

KONČAR – Electrical Industry Inc. for manufacturing and services
Security: KOEI-R-A
ISIN: HRKOEIRA0009
LEI: 74780000H0SHMRAW0I15
Home member state: Croatia
Regulated market segment: Official Market of the Zagreb Stock Exchange
Address: Fallerovo šetalište 22, 10000 Zagreb

The Management Board

Pursuant to the provision of Article 277 of the Companies Act (Official Gazette 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23, 136/24) and the provision of Article 15 of the Articles of Association of KONČAR – Electrical Industry Inc. for manufacture and services, Zagreb, Fallerovo šetalište 22 and the Decision of the Company's Management Board on convening a General Assembly meeting of 29 April 2025, the convening of and invitation to

the meeting of the General Assembly of KONČAR Inc.

is hereby announced. The meeting will be held on 12 June 2025, starting at 12:00 p.m. in Zagreb, Fallerovo šetalište 22, in the office tower of KONČAR Inc., on the 11th floor, in the great hall. After opening of the meeting of the General Assembly and verification of shareholders present, the agenda will be as follows:

Agenda:

1. Annual Management Report on the State of the Company and its subsidiaries for 2024
2. Annual financial statements and consolidated annual report of KONČAR Inc. for 2024 with the auditor's report, after they have been approved by the Company's Management Board and Supervisory Board
3. Supervisory Board's Report on performed supervision of the management of the Company's business operations for 2024
4. Decision on allocation of distributable profit for 2024
5. Decision on granting discharge to members of the Company's Management Board for managing the Company in 2024
6. Decision on granting discharge to members of the Supervisory Board for supervising the management of the Company's business operations in 2024
7. Decision on appointment of auditors for 2025 and 2026

8. Decision on nomination of members of the Management Board and Supervisory Board
9. Remuneration report for members of the Management Board and the Supervisory Board
10. Decision on adoption of the Remuneration Policy

The Management Board and the Supervisory Board jointly propose that the General Assembly adopt decisions under items 4, 5 and 6 of the Agenda, while the Supervisory Board proposes that the General Assembly adopt the decision under items 7, 8, 9 and 10 of the Agenda.

The General Assembly does not adopt decisions under items 1, 2 and 3 of the Agenda; it only acknowledges them.

Proposals for decisions:

Ad. 1. Annual Management Report on the State of the Company and its Subsidiaries for 2024

The General Assembly acknowledges the Management Report on the State of the Company and its Subsidiaries for 2024.

Ad. 2. Annual financial statements and consolidated annual report of KONČAR Inc. for 2024, with the auditor's report, after they have been approved by the Company's Management Board and Supervisory Board

The General Assembly acknowledges the information regarding financial statements of the company KONČAR Inc. and consolidated financial statements of the KONČAR Group for 2024, as approved by the Management Board and the Supervisory Board, together with the Auditor's Report concerning the performed audit of financial statements.

The Supervisory Board and the Management Board of KONČAR Inc. have jointly approved the Company's annual financial statements for 2024, as follows:

- Statement of financial position (balance sheet), with the sum of assets and of equity and liabilities in the amount of EUR 359,776 thousand
- Profit and loss statement with realized profit (loss) after tax in the amount of EUR 31,454 thousand
- Statement of other comprehensive income
- Cash flow statement
- Statement of changes in equity
- Notes to the financial statements.

The Supervisory Board and the Management Board of KONČAR Inc. have jointly approved KONČAR Group's consolidated annual financial statements for 2024, as follows:

- Statement of financial position (balance sheet), with the sum of assets and of equity and liabilities in the amount of EUR 1,247,632 thousand
- Profit and loss statement with realized profit (loss) after tax in the amount EUR 164,353 thousand
- Statement of other comprehensive income

- Cash flow statement
- Statement of changes in equity
- Notes to the financial statements.

Ad. 3. Supervisory Board's Report on performed supervision of the management of the Company's business operations for 2024

The General Assembly acknowledges the Supervisory Board's Report on performed supervision of the management of the Company's business operations for 2024.

Ad. 4. Decision on allocation of distributable profit for 2024

Pursuant to the provision of Article 220 of the Companies Act and the provision of Article 11 of the Articles of Association of KONČAR – Electrical Industry Inc. for manufacturing and services, on 12 June 2025, the General Assembly of the Company adopts the following

Decision on allocation of distributable profit for 2024

I Net profit of KONČAR Inc. generated in financial year 2024 amounts to EUR 31,453,932.98.

II Out of that distributable profit, the shareholders will be paid a dividend of EUR 3.00 per share.

II Dividend will be paid to the shareholders registered in the Depository of Dematerialized Securities of the Central Depository and Clearing Company (CDCC) as holders of shareholder rights on the fifteenth (15th) day following the General Assembly meeting. Hence, 27 June 2025 is the record date.

III Dividend payment will be made no later than within 15 (fifteen) days from the record date, that is, until (and including) 12 July 2025.

IV The remaining distributable profit will be allocated to retained earnings.

Explanation

The Management Board and the Supervisory Board of KONČAR Inc. approved the Company's financial statements at the Supervisory Board meeting of 16 April 2025.

The net profit of KONČAR Inc. realized in the financial year 2024 amounts to EUR 31,453,932.98, of which:

- the amount allocated to other reserves for development costs that have not been written-off is: EUR 198,292.41,
- the amount allocated to other reserves is: EUR 1,374,404.24,

Total: EUR 1,572,696.65.

The Management Board and the Supervisory Board submitted a proposal to the General Assembly of KONČAR Inc. for the remaining distributable profit for the financial year 2024 to be paid to shareholders through dividend of EUR 3,00 per share. Maximum dividend payout from the 2024 result is EUR 7,641,705.00 (24.29% of the realized net profit for 2024). The amount of paid out dividend will depend on the number of shares belonging to registered shareholders in the CDCC depository (minus the dividend on treasury shares).

As for the remaining part of the distributable profit, the proposal is for it to be allocated to retained earnings.

Ad. 5. Decision on granting discharge to members of the Company's Management Board for managing the Company in 2024

Pursuant to Article 275 of the Companies Act, on 12 June 2025, the General Assembly the Company adopts the following

Decision

Discharge is granted to members of the Company's Management Board for management of business operations in 2024.

Ad. 6. Decision on granting discharge to members of the Supervisory Board for supervising the management of the Company's business operations in 2024

Pursuant to Article 275 of the Companies Act, on 12 June 2024, the General Assembly of the Company adopts the following

Decision

Discharge is granted to members of the Supervisory Board for supervision of management of the Company's business operations in 2024.

Ad. 7. Decision on appointment of auditors for 2025 and 2026

Pursuant to Article 275 of the Companies Act, on 12 June 2025, the General Assembly of the Company adopts the following

Decision

KPMG Croatia d.o.o. for auditing, PIN: 20963249418, with registered office in Zagreb, Ivana Lučića 2/a, registered with the Court Register of the Commercial Court in Zagreb under Court Reg. No.: 080098593, and TPA Audit d.o.o., PIN: 82899666867, with registered office in Prelog, Ulica kneza Branimira 28, registered with the Court Register of the Commercial Court in Varaždin under Court Reg. No.: 070143436, are appointed auditors of annual reports of the company KONČAR Inc. and consolidated annual reports of KONČAR Group for 2025 and 2026.

Ad. 8. Decision on nomination of members of the Supervisory Board

Pursuant to Article 275 of the Companies Act, on 12 June 2025, the General Assembly of the Company adopts the following

Decision

I Declaring that member of the Management Board Mario Radaković, PIN: 98163346902, Zagreb, Palinovečka ulica 19G, resigned on 31 December 2024 from his position as Management Board member.

II The following member of the Supervisory Board is hereby nominated:

- Rosa Marić, PIN: 63520251963, Zagreb, Trpinjska ulica 5 A, Head of Asset Management Department in the company for the management of mandatory pension funds, for the term lasting from 12 June 2025 to 12 July 2028.

III This decision enters into effect on the date of its adoption.

Ad. 9 Remuneration report for members of the Management Board and the Supervisory Board

Pursuant to the provision of Article 275(1)(3) and the provision of Article 276a(4) of the Companies Act, on 12 June 2025, the General Assembly of the Company adopts the following

Decision

I Approving the Remuneration Report for 2024 pertaining to remuneration which the Company or a different company within the same group paid or undertook to pay to each member of the Management Board and the Supervisory Board performing such duty in 2024, which Remuneration Report for 2024 has been revised in accordance with the provision of Article 272r of the Companies Act.

II The Company does not assume any obligations by virtue of this Decision nor do members of the Management Board and Supervisory Board performing their duty as members in 2024 acquire any rights based hereon.

Ad. 10. Decision on adoption of the Remuneration Policy

Pursuant to Article 275(1)(3) and Articles 247a and 276a(1) of the Companies Act, on 12 June 2025, the General Assembly of the Company adopts the following

Decision

I The Company's Remuneration Policy adopted by the Supervisory Board on 23 April 2025 is approved in full, without any remarks.

II It is hereby determined that the Remuneration Policy dated 18 April 2024 is no longer in effect.

III By virtue of this Decision, the Company does not undertake any liabilities nor do members of the Management Board and the Supervisory Board acquire any rights based on the Remuneration Policy adopted at this General Assembly meeting.

Requirements for participating in the General Assembly meeting and exercising voting rights:

All shareholders who are registered in the Depository of Dematerialized Securities of the Central Depository and Clearing Company (CDCC) on the last day for applying for participation in the General Assembly meeting are entitled to participate in and exercise

their voting rights at the meeting of the Company's General Assembly, in person or through their legal representatives or proxies, provided that they submit a written notification to the Company regarding their intention to participate in the General Assembly meeting, delivering it to the Company's address with the reference "Application for participation in the General Assembly meeting" no later than 6 (say: six) days prior to the General Assembly meeting, i.e., up to and including 5 June 2025. Shareholders or their proxies who do not submit such notification of participation will not be able to participate in the General Assembly meeting.

Shareholders may be represented by proxies, natural or legal persons, based on a valid written power of attorney. The power of attorney must contain personal data of the shareholder granting it, the number of shares or votes at their disposal, authorization for the proxy to participate in the General Assembly meeting and vote, as well as the date of issuance and validity period of the power of attorney. The power of attorney may be delivered by mail or in person at the Company's registered office, the Shareholders Office, on business days, prior to the start of the General Assembly meeting or directly during identification at the General Assembly meeting. Power of attorney forms are available on the Company's website www.koncar.hr.

Shareholders holding shares in the amount of 5% of the share capital may submit a proposal to the Company's Management Board for including an item on the agenda of the General Assembly meeting and for it to be published. The proposal for including an item on the agenda must be received by the Company no less than 24 days prior to the General Assembly meeting and the shareholders must provide an explanation and a proposal for a decision.

Shareholders and their proxies may review the materials representing the basis for adoption of published decision proposals at the Company's registered office, at the Shareholders Office, on every business day except Saturday, between 10:00 a.m. and 2:00 p.m., as well as on the Company's website www.koncar.hr, as of the date of publishing this invitation on the Court Register's and the Company's websites. All information concerning the convening of the meeting of the General Assembly is published on the Company's website.

President of the Management Board
Gordan Kolak

Member of the Management Board
Mario Radaković