

KONČAR – Electrical Industry Inc.

Zagreb, Fallerovo šetalište 22,

Pursuant the provisions of the Trading Company Act, Article 263, Para 4 and Article 277, Para 3 and 4 (Official Gazette of the Republic of Croatia No 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 111/12, 68/13 and 110/15; further on referred to as the Trading Company Act) and the Statutes of KONČAR – ELECTRICAL INDUSTRY Inc., Zagreb, Fallerovo šetalište 22, Article 40, and on the basis of the Decision of the Supervisory Board of the Company on convening of the EGM passed on 5th December, 2018, we, hereby, announce convening and the invitation to the

ANNUAL GENERAL MEETING OF Končar – Electrical Industry Inc.

To be held at the business skyscraper of KONČAR – ELECTRICAL INDUSTRY Inc., Fallerovo šetalište 22, Zagreb, Room 407-8, on the day of 15th January, 2019, beginning at 12:00 p.m. with the following determined

Agenda:

1. Opening of the Annual General Meeting and verification of present shareholders
2. Decision on an Amendment of the Statutes

The Supervisory Board proposes to the Annual General Meeting to pass the decision expressed under item 2 of the Agenda.

Draft Decision:

Ad.2. Pursuant provisions of the Trading Company Act, Articles 275 and 301 (Official Gazette of the Republic of Croatia No 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 111/12, 68/13 and 110/15), and the Statutes of KONČAR – ELECTRICAL INDUSTRY Inc., Zagreb, Fallerovo šetalište 22, Article 36, on 15th January, 2019, the Annual General Meeting of Končar – Electrical Industry Inc. passes the following

Decision on Amendment of the Statutes

I The provision of Article 44, Para 3, of the Statutes of Končar – Electrical Industry Inc. is amended and it now reads as follows:

“The Managing Board is nominated for the term of office up to 5 (five) years.”

II All the other Articles of the Statues of Končar – Electrical Industry Inc. remain unchanged.

III Amendments of the Statues of Končar – Electrical Industry Inc. come into force on the date of their registration into the Court Register of the Commercial Court of Zagreb.

IV The Managing Board of the Company is in charge to apply for registration of the Amendments to the Commercial Court of Zagreb.

Conditions for participation in the Annual General Meeting and usage of the right to vote:

Every shareholder registered in the Depository of Non – Materialised Securities of the Central Clearing Depository Association (Središnje klirinško depozitarno društvo - SKDD) seven (7) days before holding of the AGM , i.e. on 7th January, 2019, shall have right to participate in the Annual General Meeting and use his/her right to vote personally or to be represented by his/her legal representative or proxy, if the shareholder announces his/her intent to participate at the AGM to the Company in written form to the address of the Company with the note “Announcement of participation at the AGM (15/01/2019)” not later than six (6) days prior to holding of the AGM, i.e. by 8th January, 2019 inclusive. Shareholders or their proxies who do not announce participation shall not have an opportunity to participate in the Annual General Meeting.

Every shareholder can be represented by a proxy, a natural or a legal person, on the basis of a validly written power of attorney. Each power of attorney shall comprise the personal data of the shareholder who gives the power of attorney, the number of shares or votes he/she possesses, the power of attorney to the proxy to participate in the Annual General Meeting and to vote and the date of the power of attorney and the time of its validity. Every power of attorney given by a natural person shall be signed in front of a public notary or in the Company premises in front of the person authorised by the Company Managing Board.

Every power of attorney can be submitted by post or personally in the headquarters of the Company, Shareholders Office every working day by the beginning of the Annual General Meeting or immediately during identification at the AGM. A power of attorney sample is available at the Company web site www.koncar.hr.

Shareholders in the possession of shares in the amount of 5 % of the share capital can send their proposals of any subject to be listed in the Annual General Meeting Agenda to the Managing Board for publication. Any application for listing of a subject on the AGM Agenda shall be received at least 30 days prior to holding of the Annual General Meeting and shareholders shall give an explanation and a draft decision.

Shareholders and their proxies can have an insight into materials representing basic documents for passing of decisions whose drafts are published, in the headquarters of the Company, in the Shareholders Office every working day, except Saturdays, from 10:00 a.m. to 14:00 p.m. from the date of publishing of this Invitation in the Official Gazette and at the Company web site.

All data bound to holding of the Annual General Meeting are published at the Company web site.

In case the Annual General Meeting cannot be held on the day of 15th January, 2019 due to the lack of the quorum defined by the Statutes, the Annual General Meeting will be held at the same place, on the day of 16th January, 2019 beginning at 12:00 p.m.

Supervisory Board

KONČAR – ELECTRICAL INDUSTRY Inc.