

**PORT OF RIJEKA  
RIJEKA**

**EXPLANATION OF PROPOSED DECISIONS OF THE GENERAL ASSEMBLY**

**Ad 2) Explanation with the proposal for the election of the president of the General Assembly**

Pursuant to the provisions of Article 27 of the Statute of Luka Rijeka d.d. the president of the General Assembly for each session of the General Assembly is elected by the General Assembly on the proposal of shareholders who together have shares representing at least 5% of the Company's share capital. Therefore, it is proposed to elect the president of the General Assembly, who will be proposed at the Assembly by the shareholder/s who meet the conditions prescribed by the Statute.

**Ad 3) Annual financial statements of the Company and the consolidated annual financial statements of the Port of Rijeka Group for 2022, Annual Report of the Management Board on the condition of the Company and the Port of Rijeka Group for 2022 and the report of the Supervisory Board on the preformed supervision of the Company's operations in 2022.**

Pursuant to the obligation under Article 280a, paragraph 1, item 2 of the Companies Act, Port of Rijeka informs the shareholders that pursuant to Article 300.d of the Companies Act, the Management Board and the Supervisory Board of Port of Rijeka have determined the annual financial statements of the Company and the consolidated annual financial statements of the Port of Rijeka Group for the year 2022 with the report and opinion of the authorized auditor. The Supervisory Board approved the annual financial statements and consolidated annual financial statements of the Company for 2022, and the General Assembly does not adopt any decision regarding these documents. The financial statements will be presented to the General Assembly together with the Annual Report of the Company Management Board on the status of the Company and the Port of Rijeka Group for the year 2022.

Pursuant to the obligation under Article 280a, paragraph 1, item 2 of the Companies Act, Port of Rijeka informs the shareholders that pursuant to Article 263, paragraph 3 and Article 300c of the Companies Act and Article 39, paragraph 2, indent 7 of the Statute of Port of Rijeka, the Supervisory Board submits a report to the General Assembly on the conducted supervision of the Company's business in 2022, but the General Assembly does not adopt any decision on this report.

The General Assembly does not adopt any decision regarding this item of the agenda.

**Ad 4) Explanation with the proposed decision on the use of the Company's profits for the year 2022**

Pursuant to Article 220, Paragraph 1, Item 1 of the Companies Act, the Management Board and the Supervisory Board propose to the General Assembly that the net profit for the year 2022 in the amount of HRK 68,727,697.00 be used to cover the loss carried over from previous years.

**Ad 5) Explanation with the proposal of the decision on granting note of release to the members of the Management Board for the business year 2022.**

Pursuant to the provisions of Article 275, paragraph 1, point 4 and Article 276 of the Companies Act and Article 18, paragraph 1, indent 3 of the Statute of Port of Rijeka, the Management Board and the Supervisory Board of the Company propose that the General Assembly adopts decision on

granting note of release to the members of the Management Board for the business year 2022. With this, it is proposed to the General Assembly to approve the manner of work of the Management Board in the business year 2022.

On granting note of release to an individual member of the Management Board of the Company can be voted separately, if so decided by the General Assembly or if requested by shareholders whose shares together constitute at least a tenth part of the Company's registered capital.

**Ad 6) Explanation with the proposal of the decision on granting note of release to the members of the Supervisory Board for the business year 2022.**

Pursuant to the provisions of Article 275, paragraph 1, point 4 and Article 276 of the Companies Act and Article 18, paragraph 1, indent 3 of the Statute of Port of Rijeka, the Management Board and the Supervisory Board of the Company propose that the General Assembly adopts decision on granting note of release to the members of the Supervisory Board for the business year 2022. With this, it is proposed to the General Assembly to approve the manner of work of the Supervisory Board in the business year 2022.

On granting note of release to an individual member of the Supervisory Board of the Company can be voted separately, if so decided by the General Assembly or if requested by shareholders whose shares together constitute at least a tenth part of the Company's registered capital.

**Ad 7) Explanation with the proposal of the decision on harmonization of the Company's share capital and stocks with the introduction of the euro as the official currency in the Republic of Croatia by reducing the share capital of the Company**

The Company's share capital amounts to HRK 539,219,000.00, converted into euro based on the fixed conversion rate between euro and HRK, amounts to EUR 71,566,660.03, and the nominal amount of the share is HRK 40.00, converted into euro based on the fixed conversion rate between euro and HRK is 5.31 euro. The share capital is divided into 13,480,475 ordinary shares.

In order to present the Company's share capital and shares in whole numbers in euros, the Management Board and the Supervisory Board propose to the General Assembly a reduction of the Company's share capital by the amount of 4,164,285.03 euros to the amount of 67,402,375.00 euros, a reduction of the nominal amount of the share by the amount of EUR 0,31 to the amount of EUR 5.00 and the corresponding adjustment of the Company's Statute. The amount of EUR 4,164,285.03 by which the share capital is reduced will be allocated to cover the loss carried over from previous years in accordance with Article 21 of the Law on Amendments to the Companies Law.

It is also proposed to harmonize Article 11, paragraph 1 of the Company's Statute, in which the word "kunama" is replaced by the word "euros", and Article 48, paragraph 2, which prescribes value thresholds for certain decisions of the Management Board, for which prior consent of the Supervisory Board of the Company must be obtained, in such a way that in all the provisions in which the words "HRK 10,000,000.00" are mentioned are replaced by the words "euro 1,327,228.08", whereby this amount of euros was obtained by converting the HRK amount into euros with the application of a fixed rate determined by law of the conversion rate between the euro and the HRK, by rounding to the nearest cent, in accordance with the rules for conversion and rounding.

**Ad 8) Explanation with the proposal of the decision on approval of the Report on remuneration of members of the Management Board and members of the Supervisory Board in the business year 2022.**

Pursuant to Article 272r of the Companies Act, the Management Board and the Supervisory Board prepared a Report on the remuneration of members of the Management Board and the Supervisory Board for 2022 and submitted it to the auditor for examination in accordance with the Act.

The Company's auditor, Kulić i Sperk d.o.o., examined the Report and issued an opinion on the compliance of the report with the requirements specified in Article 272.r paragraphs 1 and 2 of the Companies Act.

The approval of the Report is proposed because the Company considers that the remuneration of the members of the Management Board and the Supervisory Board is appropriate to the engagement and tasks they perform.

#### **Ad 9) Explanation with the proposal to appoint Company auditor**

Pursuant to Article 280, paragraph 3 of the Companies Act and on the recommendation of the Audit Committee, the Supervisory Board proposes to the General Assembly to adopting a decision on appoint Kulić i Sperk d.o.o., Radnička cesta 52, 10000 Zagreb for the Company auditor for the business year 2023.

#### **Ad 10) Explanation with the proposed decision on compensation for work in the Audit Committee**

Pursuant to Article 280, Paragraph 3 of the Companies Act, the Supervisory Board proposes to the General Assembly to determine the remuneration for work in the Audit Committee, namely the President of the Audit Committee in the amount of EUR 300.00, and the members of the Audit Committee in the amount of EUR 200.00 per held meeting.

#### **Ad 11 i 12) Explanation with the proposal to recall and elect two members of the Supervisory Board**

PORT ACQUISITION AS submitted a proposal for convening the General Assembly of the Company with proposals for items on the agenda to recall two members of the Supervisory Board as proposed under item 11 of the agenda, with the election of two members of the Supervisory Board of the Company as proposed under item 12 of the agenda, on the proposal PORT ACQUISITION AS the following are proposed for selection:

- Jesper Kjaedegaard, dipl. ing. business management engineer, OIB: 33775100817, Flat 11, La Plage 2, Al Athar Street, Jumeirah, Dubai, United Arab Emirates and
- Ondřej Jašek, dipl. ing. engineer of transport sciences, OIB: 58435229853, K Vápeníkám 36, 78901, Zábřeh, Czech Republic.

Mr. Kjaedegaard has many years of experience in container transport, port planning and in international logistics, where he planned and organized ocean transportation services and port development projects around the world.

Mr. Jašek has many years of experience in rail and multimodal transportation and development multimodal solutions, logistics, freight transport and the development of logistics projects.

Neither Mr. Kjaedegaard nor Mr. Jašek are members of any supervisory board.

PORT ACQUISITION AS believes that the proposed candidates for the Supervisory Board will serve the interests of the Company with dedication.