



Zagreb, 11 June 2011

**ZAGREB STOCK EXCHANGE**  
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10000 Zagreb

Subject: Decisions made by the General Assembly

Dear all

we fell free to inform you about the following decisions by the General Assembly made on 11 June 2011:

**DECISION**  
**on allocation of profit for the year 2010**

Item 1

It has been determined that the gross profit for the year 2010 amounts to HRK 5,411,406.00 (in words: five million four hundred eleven thousand four hundred and six Kuna).

Item 2

It has been determined that the net profit amounts to HRK 2,286,220.05 (in words: two million two hundred eighty-six thousand two hundred and twenty Kuna and five Lipa).

Item 3

The amount of HRK 114,311.00 is allocated for all payments to the members of the Supervisory Board Commissions within the meaning of Article 62 of the Articles of Association.

Item 4

The General Assembly authorizes the Management Board of the Company to make a change to using the funds indicated in item 3 of this Decision in the event of justified requirement, in the manner to allocate the funds to other reserves according to limits prescribed by Law and Articles of Association.

Item 5

It has been determined that the remaining net profit following the allocation for the intention specified in item 3 of this Decision amounts to HRK 2,171,909.05 (in words: two million one



hundred seventy-one thousand nine hundred and nine Kuna and five Lipa) and it shall be allocated to statutory reserves.

**DECISION**  
**On giving remuneration to the Company Management Board**

Item 1

The Management Board's work is approved, and the Board members are given remuneration for conducting operations of the Company in the year 2010.

**DECISION**  
**on giving remuneration to the Supervisory Board**

Item 1

The Supervisory Board's work is approved, and the Supervisory Board members are given remuneration for conducted supervision of operations by the Company's Management Board in the year 2010.

**DECISION**  
**on appointment of the Company's auditor**

Item 1

The audit company Pricewaterhousecoopers d.o.o. Zagreb, A. von Humboldtta 4 is appointed the auditor for the business operations of the Company in 2011.

Item 2

This Decision comes into force after the General Meeting has been concluded.

**DECISION**  
**on amendment to the core business activities**

Item 1

In Article 5, paragraph 1 of the Articles of Association, the below line is added behind the last line:

- \* management of non-hazardous waste,
- \* casting of iron, class
- \* casting of light metals
- \* casting of other non-ferrous metals
- \* production of finished metal products

Item 2

In the event that the above added activities may not be entered in the court register of the Commercial Court in Zagreb in the manner as described and defined in Article 1 of this Decision, the Supervisory Board shall be authorized to audit the text of the above indicated activities in respect of description and definition as to make such activities suitable for entry in the court register of the Commercial Court in Zagreb.

**DECISION**  
**on changes and amendments to the Articles of Association**

Item 1

The provision of Article 5 of the Articles of Association, paragraph 1 is added by the new activities:

- \* management of non-hazardous waste,
- \* casting of iron, class
- \* casting of light metals
- \* casting of other non-ferrous metals
- \* production of finished metal products

Item 2

The provision of Article 8 of the Articles of Association is changed in the manner to remove the existing provision in whole and now it reads:

**Article 8**

*"The Company issues bearer ordinary shares that give the same rights to their holders and provide them the same status in the Company ."*

Item 3

The provision of Article 18c. paragraph (4) of the Articles of Association has changed and now it reads:

*"(4) The Management Board of the Company may decide to exclude the pre-emptive right in whole or in part whilst subscribing the shares."*

Item 4

The provision of Article 24, paragraph (1) of the Articles of Association has changed and now it reads:



*“The Management Board consists of minimum 3 (three), and maximum 5 (five) members.”*

Paragraph 2 is removed.

#### Item 5

The provision of Article 25, paragraph (1) of the Articles of Association has changed and now it reads:

*“(1) The Decision on a number of members of the Management Board and a special decision on appointment of members and President of the Management Board is made by the Supervisory Board.”*

#### Item 6

The provision of Article 54 of the Articles of Association is changed in the manner to remove the existing provision in whole and now it reads:

#### QUORUM AND VOTING

##### **Article 54**

*“(1) The General Meeting may make valid decisions if it is attended by shareholders in person, their proxies or legal representatives of shareholders who together hold shares of which total nominal value exceeds 35% of share capital of the Company unless it is otherwise provided for specific cases according to these Articles of Association.*

*(2) If at the General Meeting indicated in paragraph 1 of this Article no prescribed quorum is met, the next General Meeting shall be held one hour following the hour specified for the start of the General Meeting indicated in paragraph 1 of this Article, and the General Meeting may validly make decisions if shareholders, their proxies or legal representatives of shareholders are present in person who together hold the shares whose total nominal value exceeds 10% of the share capital of the Company .“*

#### Item 7

All other provisions of the Articles of Association shall remain unchanged.

#### Item 8

According to these Changes and amendments, the Consolidated text of the Articles of Association has been compiled.

#### Item 9

In the event that the above added activities may not be entered in the court register of the Commercial Court in Zagreb in the manner as described and defined in Article 1 of this Decision, the Supervisory Board shall be authorized to audit the text of the above indicated



activities in respect of description and definition as to make such activities suitable for entry in the court register of the Commercial Court in Zagreb.

## **DECISION**

### **on giving authorization to the Management Board for signing long-term equity credit line for an increase in share capital**

#### Item 1

The Management Board of the Company is authorized to agree on and perform the long-term equity credit line (ECL) for an increase in share capital of the Company to amount up to 25 million Euros with international institutional investor.

#### Item 2

The Management Board of the Company is authorized to enable to the institutional investor to acquire shares in the Company to amount not exceeding 25% of the shares out of the totally issued Company's shares through ECL through several successive payments. The price of shares at which the institutional investor shall make the payment for shares shall be equal to the average market price of shares achieved at the Zagreb Stock Exchange, reduced by relevant price discount. The price discount must not exceed 10% of the average price achieved.

#### Item 3

The authorization indicated in item 1 of this Decision is given for a maximum five years' period from the date of adoption of this decision by the General Assembly.

## **DECISION**

### **on giving authority to the Management Board for listing the Company's shares in the international securities exchange**

#### Item 1

The Company's Management Board is authorized to list the existing and newly issued Company's shares or certificates of Company's deposited shares at one or several International Securities Exchanges.

The issue of new shares shall result in an increase in share capital of the company up to 50% of the Company's share capital at the time of using this authority for the purpose of organizing and conducting public offering of subscription of shares to the existing and new shareholders on the local and international capital market.



Item 2

The Company's Management Board is authorized to list the existing and newly issued Company's shares or certificates of Company's deposited shares at one or several International Systems for Settlement and Payment of Shares.

Item 3

The authorization given to the Management Board indicated in item 1 and 2 of this Decision is given for a maximum three years' period from the date of adoption of this decision by the General Assembly.

**DECISION  
of acquisition of treasury shares**

Item 1

The Company's Management Board is authorized to acquire treasury shares depending on financial position of the Company and in the event of justified cause for acquisition of shares.

Item 2

The shares acquired within the meaning of this Decision together with treasury shares that the Company already holds may not exceed ten per cent (10%) of the Company's share capital.

Item 3

The highest or the lowest market price is the market price when the shares are acquired on the organized securities market.

The price indicated in the foregoing paragraph involves the price within the future stock exchange prices for the Company's shares at the time when the acquisition thereof is allowed.

The paragraphs 1 and 2 of this item are appropriately applied when the shares are acquired outside the organized securities market.

Item 4

This authority for acquisition of treasury shares is applicable maximum 18 months running from the date of conclusion of the General Meeting.



Item 5

The Management Board of the Company is authorized to withdraw treasury shares for justified causes whereas it must attend not to cause any damage to Company's shareholders and creditors.

Item 6

On the date when this Decision comes into force the Decision on acquisition of treasury shares made on 12<sup>th</sup> June 2010 shall become ineffective.

Yours sincerely,

Dalekovod d.d.