Granolio d.d.
Supervisory Board

S T A T U T E
OF THE JOINT STOCK COMPANY
GRANOLIO d.d.
- full text -

Zagreb, October 2023

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Pursuant to the Decision of the General Meeting of the company Granolio d.d. of 27 October 2023, the Supervisory Board lays down the full text of the Statute of Granolio d.d.

S T A T U T E
OF THE JOINT STOCK COMPANY
Granolio d.d.
full text

I General Provisions

Article 1

The following shall be specified and stipulated by this Statute:
- Registered name and seat of the Company,
- Scope of business of the Company,
- Share capital of the Company,
- Increase and decrease of the share capital,
- Nominal value of shares and number of shares in the Company,
- Company bodies and method of their operation,
- Representation of the Company,
- Manner and form of publishing the Company releases,
- Annual report and utilisation of the Company profit,
- Duration and dissolution of the Company,
- Status changes,
- Company acts,
- Other provisions important for the operation of the Company.

II Duration of the Company

Article 2

The Company has been established for indefinite period of time and may be dissolved only in cases and in the manner specified by the law and this Statute.

The General Meeting shall decide on the dissolution of the Company by votes representing at least three fourths of the share capital represented at the General Meeting when the decision is being passed.

III Registered Name and Address

Article 3

The Company shall operate and participate in legal transactions under the registered name:

Granolio d.d. za proizvodnju, trgovinu i usluge (Granolio d.d. for production, trade and services).

The abbreviated name of the Company:
Granolio d. d.

Article 4

The Company name and the abbreviated Company name may be changed by a decision of the General Meeting of the Company.

Article 5

The registered seat of the Company shall be in Zagreb at the address specified by the Management Board of the Company.

The address of the Company shall be determined and changed by a decision of the Management Board of the Company.

Article 6

When performing its business operations the Company shall use the required number of stamps that include the Company name and address.

The persons authorised to represent the Company may use the stamp in the manner established by the Board of Managers.

IV Organisation and Business Operations

Article 7

The internal organisation of the Company shall be stipulated by a decision of the Board of Mangers.

V Scope of Activities of the Company

Article 8

The scope of activities of the Company shall comprise the following:

- Production of food and beverages
- Agriculture, hunting and relevant services
- Production of agricultural and food products – ecological production
- Processing in ecological production
- Purchase and sale of goods
- Storage of goods
- Merchandising fertilizers and soil conditioners
- Seed production
- Seed processing
- Production of planting material
- Import of planting material
- Packaging, sealing and marking of planting material
- Putting the planting material on the market
- Packaging, sealing and marking of seed
- Putting the seed on the market
- Merchandising plant protection products
- Storage of plant protection products
- Packaging services
- Transhipment and storage

- Trade of ecological products, unprocessed plant and animal products and products either fully or partially comprising such products
- Commercial agency services on the national and international market
- Representation of foreign companies
- Public transport of passengers and cargo in the national and international road transport
- Real estate business
- Rental of machines and equipment, without operators, and personal and household appliances
- Distribution of gas
- Production of biogas
- Commerce, agency and representation services on the energy market
- Gas commerce
- Gas storage
- Production of ethanol
- Research and development in the area of agriculture and food production technologies
- Production of machines and devices

Article 9

The Company shall also perform other activities in a smaller scope without entering them in the commercial register, and such activities serve as support to activities entered in the commercial register and are usually performed along with the registered activities in a smaller scope.

VI Publishing of Data and Company Releases

Article 10

"Official Gazette of the Republic of Croatia" shall be considered the Company gazette.

VII Share Capital of the Company

Article 11

The share capital of the Company amounts to EUR 2,523,910.00 (two million five hundred and twenty-three thousand nine hundred and ten euros).

The share capital was paid in full.

Increase of the Company's Share Capital

Article 12

The share capital of the Company may be increased by a deposit payment in cash, property or rights.

The share capital of the Company may also be increased by transferring the capital gains, reserves and retained earnings.

The decision on the share capital increase shall be adopted at the General Meeting by votes representing the third fourths of the share capital present at the General Meeting when adopting such decision.

Reduction of the Company's Share Capital

Article 13

The share capital of the Company may be reduced by a General Meeting decision on the regular reduction of share capital, simplified reduction of share capital, reduction of share capital by withdrawal of shares, as well as pursuant to any other legal decision.

VIII Shares

Article 14

The share capital of the Company is divided into 1,901,643 (one million nine hundred and one thousand six hundred and forty-three) ordinary shares without nominal value.

All shares are registered shares, which grants their holders the same rights and secure them the same position in the Company.

Every issue of shares will get a special class mark, and each share within a class will get a special control number.

Article 15

The ordinary shares of the Company of "A" series shall be issued in a non-materialised form.

Article 16

Besides the ordinary shares, the Company may issue preferred shares, which is always subject to a decision of the General Meeting.

If the Company issues preferred shares to their holders, by a special General Meeting decision, it is possible to ensure only the rights in compliance with the law and the provision hereof, and such rights include in particular the right of priority to a fixed dividend, dividend payment and settlement in a liquidation or bankruptcy proceeding of the Company.

The rights referred to in the preceding paragraph may be either limited or increased in accordance with the regulations applicable on the date of passing the General Meeting decisions regarding the issuance of the preferred shares.

The rights of holders of the preferred shares shall be stipulated by a General Meeting decision in proportion to their increased contribution in the Company, through their duties or performance.

Article 17

The shares are indivisible.

If more persons acquires a single share, they shall exercise the rights of such share as beneficiaries in the indivisible right through a joint proxy. The power of attorney shall be in writing and notarised.

Listing

Article 18

The Company shares may be listed on the stock exchange by a Management Board decision with prior approval of the Supervisory Board.

The shares listed on the stock exchange shall not be subject to the provisions of the Statute that are contrary to the regulations stipulating the listing of shares.

Transfer of Shares

Article 19

The shares may be transferred and inherited.

Article 20

The transfer of shares, as well as any other status change, shall be recorded on the shareholders account opened with the Central Depository and Clearing Company (CDCC), in accordance with SKDD rules and regulations.

Share Register

Article 21

The Share Register shall be kept by the Central Depository and Clearing Company (CDCC) (*Središnje klirinško depozitarno društvo* – SKDD) in accordance with the legal regulations.

Own Shares

Article 22

With approval of the Supervisory Board, the Management Board of the Company shall pass a decision on acquisition of own shares in accordance with the statutory rationale and restrictions. The Company shall have no rights on the basis of the own shares.

The General Meeting may pass a decision to authorise the Management Board of the Company to acquire own shares for the reasons and under the terms and conditions specified in Article 233 of the Companies Act.

The General Meeting may authorise the Management Board of the Company to withdraw the own shares, and no special decision need is required for this.

Shareholders' Rights

Article 23

The shareholders shall have the right to participate in the work of the General Meeting as members, to participate in management of the Company in accordance with the legal provisions and this Statute and to participate in distribution of profit in accordance with this Statute and General Meeting decision, the right to a proportional part of the remainder of the liquidation value, the right to be informed about the Company business operations and any other data important for the decision making in the Company.

The shareholders shall have the other rights not explicitly specified by this provision, but that are stipulated or arise from law and this Statute.

Article 24

Each share shall grant a vote at the General Meeting of the Company.

All shares give equal voting rights in the General Assembly of the Company.

IX Company Structure

Article 25

The Company bodies are as follows:

- Management Board
- Supervisory Board
- General Meeting

1. Management Board

Composition

Article 26

The Management Board of the Company comprises minimum 3 (three), and maximum 7 (seven) members, one of whom being the President of the Board of Managers, which is decided by the Supervisory Board.

Appointment and Revocation

Article 27

The President and the members of the Management Board shall be appointed by the Supervisory Board; the decision of appointment shall also establish a term office in duration of up to five years, with the possibility of reappointment.

Prior to the appointment, a candidate for the Member of the Management Board shall provide a statement that he/she is ready to perform the duty of the Member of the Management Board and that there are no legal restrictions for his/her appointment.

The Supervisory Board may revoke a Member of the Management Board, including the President of the Management Board by a decision in cases when there is an important reason to do so. This shall not affect the rights of the Member of the Management Board and President of the Management Board specified in the contract signed with the Company, unless the contract stipulates otherwise.

Appointment Requirements

Article 28

Any person who is fully capable of working and who meets the legally stipulated requirements can be appointed as the Member of the Management Board of the Company.

The Supervisory Board may stipulate the additional appointment requirements by a decision.

The Management Board shall keep the trade secrets of the Company.

The obligation specified in the preceding paragraph shall not cease after the termination of employment in the Company.

Management of Business

Article 29

The Management Board shall run the Company business at their own responsibility with due diligence of a prudent and conscientious businesspersons.

The Company business shall be run by the President and the Members of the Management Board pursuant to the distribution of work in specific fields of work or for specific scope of business among the Members of the Board of Managers.

The method of work of the Management Board and distribution of tasks among the Members of the Management Board within the meaning of the preceding paragraph shall be regulated by the Rules of Procedure of the Management Board adopted by the Management Board with the approval of the Supervisory Board of the Company.

The sessions of the Management Board shall be convoked and run by the President of the Management Board, i.e. in case of his/her absence, a Member of the Management Board acting as his/her substitute.

The decisions of the Management Board shall be adopted by the majority of votes of all Members of the Management Board.

In the event of equal votes being cast, the President of the Management Board shall have the casting vote.

Representation

Article 30

The President of the Management Board shall represent the Company individually and severally, and the Member of the Management Board shall represent the Company jointly with another Member of the Management Board.

The President of the Management Board has the right to grant another person power of attorney for representation of the Company.

Procuration

Article 31

The Company shall be represented by a procurator within the statutory requirements. Procuration shall be granted by a decision of the Management Board with a prior approval of the Supervisory Board and it may be recalled at any time.

Rules of Procedure of the Board of Managers

Article 32

The detailed questions regarding the composition and method of work of the Board of Managers, keeping of records of the adopted decisions, and authorisations for the individual and joint management of business shall be stipulated and established by the Rules of Procedure of the Management Board adopted by the Management Board with the approval of the Supervisory Board.

2. Supervisory Board

Composition

Article 33

The Supervisory Board of the Company comprises either 3 or 5 members. The precise number of the Supervisory Board members shall be determined by a decision at the General Meeting.

As long as there is a stipulated obligation, a one Supervisory Board member shall be a workers' representative who is appointed i.e. revoked in the manner stipulated by the Labour Act.

One Supervisory Board member shall be appointed and revoked directly by Hrvoje Filipović, as long as he is the holder of shares that make at least 25% of the totally issued ordinary shares of the Company.

Other members of the Supervisory Board shall be selected and revoked at the General Meeting of the Company.

Appointment and Revocation

Article 34

The Supervisory Board members shall be elected at the General Meeting pursuant to the shareholders' proposals that individually or jointly represent at least 1/20 of the share capital at the moment of election.

Constitution

Article 35

The newly elected Supervisory Board shall be constituted within 8 (eight) days as of the date of election. The constitutional session shall be convoked and presided by the President of the General Meeting, until the election of the President of the Supervisory Board.

The Supervisory Board Members shall elect the President and Deputy President of the Supervisory Board at the constitutional session.

Term of Office

Article 36

The Supervisory Board Members shall be elected, i.e. appointed to a period of four years, in accordance with a decision of the General Meeting of the Company.

The term of office of the Supervisory Board Members shall start as of the date of adopting the decision on the election, i.e. appointment, provided that they accept their election i.e. appointment.

If the term of office of the Supervisory Board Members is not terminated earlier in one of the ways stipulated by the Companies Act, the term of office shall be terminated by conclusion of the General Meeting that decides on an approval of actions for the Supervisory Board Members for the third year of their term of office, where the first year of the term of office shall be included in the specified period.

Revocation

Article 37

The appointed Supervisory Board Members may be revoked by a body/person with the right of appointing them prior to the expiry of their term of office at any time.

The General Meeting may revoke the Supervisory Board Members elected at the General Meeting before the expiry of their term of office.

Management, Decision Making and Compensation for Work

Article 38

The Supervisory Board is managed by the President of the Supervisory Board who convokes the Supervisory Board meetings, presides the Supervisory Board meetings, signs the minutes and other Supervisory Board decisions and, on behalf of the Company, signs management related agreements with the members of the Board of Mangers.

The Supervisory Board may adopt decisions if at least a half of the Supervisory Board members is present at a Supervisory Board session i.e. in the decision-making procedure. If the Supervisory Board has three members, the decisions may be adopted if only two of them are present at the Supervisory Board session. If the Supervisory Board comprises five members, the decision may be adopted if three of them are present at the Supervisory Board meeting. As a rule, the Supervisory Board also adopts decisions out of session, in a circular manner, if none of the Supervisory Board members does not request a session to be held.

The Supervisory Board decision shall be adopted by a majority of votes of all Supervisory Board members.

Competence

Article 39

The Supervisory Board shall perform the following tasks:
- Appoints and dismisses the Board of Managers,
- Supervises the management of the Company business,
- Verifies the annual financial statements and sets them up together with the Board of Managers,
- Verifies the reports on the Company status, and the decision proposal regarding the utilisation of profit,

- Verifies if the Company business is in accordance with regulations, decisions of the General Meeting,
- Submits the annual and special statements to the General Meeting,
- Convokes the General Meeting when this is required for the Company welfare,
- Adopts the Rules of Procedure of the Board of Managers,
- Takes a stand on the Company Audit Report,
- Represents the Company before the Board of Managers,
- Provides approval for the decisions of the Management Board when this is stipulated by the law or this Statute,
- Adopts the Rules of Procedure of the Supervisory Board,
- Performs all other tasks within the scope of its competence in accordance with provisions hereof.

Rules of Procedure

Article 40

The Supervisory Board adopts the Rules of Procedure of the Supervisory Board that stipulates and sets out the relevant working methods in particular the location, convocation, agenda, course and content of the minutes of the Supervisory Board session.

3. General Meeting

Composition

Article 41

The General Meeting comprises all shareholders with the voting right.

The shareholders may give a power of attorney to a specific person to represent them in the work of the General Meeting.

The members of the Board of Manages and the Supervisory Board are obliged to participate in the work of the General Meeting.

Competence

Article 42

The General Meeting shall decide on the issues that are explicitly stipulated by the law and this Statute, in particular the following:
- Adoption, as well as changes and amendments of the Company Statute,
- Election and dismissal of the Supervisory Board members,
- Annual financial statements and utilisation of profit,
- Granting the approval of action for the members of the Management Board and Supervisory Board,
- Appointment of the Company Auditor,
- Increase and decrease of the share capital of the Company,
- Termination of the Company,
- Other issues stipulated by the law and this Statute.

Convocation

Article 43

The General Meeting is usually held at the Company headquarters.

The General Meeting of the Company is convoked in the cases stipulated by the law and this Statute.

The General Meeting is convoked by the Management Board.

The General Meeting may also be convoked by the Supervisory Board when this is required for the Company welfare.

The General Meeting shall be convoked when this is requested by the shareholders who jointly hold at least 5% (five percent) of the share capital of the Company and who specified the purpose and reason for the convocation of the General Meeting. The request for convocation of the General Meeting shall be sent to the Management Board of the Company in writing.

Article 44

The General Meeting shall be convoked at least 30 (thirty) days before it takes place. This period does not include the date on which the invitation is announced.

The content and release of the invitation to the General Meeting shall be subject to the provisions of the Companies Act referring to the companies the shares of which are listed on the regulated market.

Article 45

When releasing the invitation of the General Meeting, the Management Board shall publish the agenda of the General Meeting.

The invitation to the General Meeting shall comprise the instructions to the shareholders regarding the review of the material that is subject to the discussion in the General Meeting.

The shareholders may review the material from the preceding paragraph at the time specified in the above-mentioned instructions.

Application

Article 46

The General Meeting of the Company may be attended by those shareholders who applied for the participation at the General Meeting maximum 6 (six) days prior to the General Meeting.

Decision Making

Article 47

Decisions are adopted at the General Meeting by a majority of votes (simple majority), unless when the law stipulates that the special qualified majority is required for the adoption of specific decisions.

Voting rights in the General Meeting shall be exercised in accordance with the number of shares held by each shareholder.

At the General Meeting, the votes are cast by raising the voting cards or filling in and submitting the ballots on which the number of votes of the individual shareholder is specified.

Participation

Article 48

The shareholders of the registered shares, that is their proxies, registered with the Central Depositary and Clearing Company as the holders of shares at the beginning of the 21st (twenty-first) day prior to the General Meeting shall have the right to participate and to exercise the voting right shall have.

President and Deputy President of the General Meeting

Article 49

The General Meeting shall be presided by the President of the General Meeting, and in case of his/her absence, by the Deputy of the President of the General Meeting.

The President and Deputy President of the General Meeting shall be elected by the General Meeting for a period of 4 (four) years, at the proposal of the Supervisory Board.

President of the General Meeting:
- Presides the General Meetings and sets the sequence of discussions on the individual items of the agenda, decides on the sequence of voting on the specific proposals, method of voting on the specific, and on all procedural issues not specified by the law and this Statute,
- Signs the decisions adopted at the General Meeting, the list of shareholders present at the General Meeting, methods and results of voting at the General Meeting and other possibly required records,
- Communicates with other Company bodies and third persons on behalf of the General Meeting, when this is stipulated by the law and this Statute,
- Performs other tasks under his/her competence pursuant to the law and this Statute.

Prior to proceeding with the agenda, the President of the General Meeting shall established if the proxies have valid powers of attorney within the meaning of this Statute, and if the required quorum is met.

List of Present Shareholders

Article 50

At the General Meeting, a list of all present and represented shareholders and their proxies must be compiled comprising first names, surnames and addresses, as well as the total number of shares.

The list shall be compiled based on a valid document issued by CDCC, i.e. based on the power of attorney for representation of the shareholder at the General Meeting in writing.

Discussions

Article 51

A shareholder or a shareholder's proxy who wants to speak in relation to a specific agenda item shall report this to a person appointed by the President of the General Meeting before the General Meeting starts voting on that particular item.

The President of the General Meeting shall give the floor to the shareholders or their proxies according to the order of their application.

The present shareholders and their proxies are obliged to act in the way that enables the General Meeting to be held in accordance with the law and the provisions hereof.

The proper order of the General Meeting shall be kept by the President of the General Meeting, and therefore he/she has the right to prohibit someone to speak, and to remove the person who continually disturbs the work of the General Meeting.

The shareholders' right to ask for information, to ask questions and discuss is restricted in the way that shall be verbally specified by the President of the General Meeting after he/she establishes that the shareholders' proxies have valid powers of attorney, and the quorum has been met, keeping in mind the need for proper work and the appropriate duration of the General Meeting.

If it is relevant for the proper order, appropriate duration and efficiency of the General Meeting, the President of the General Meeting may restrict the total time for discussion, raising questions and asking for information for the individual agenda item and determine the maximum time in which every shareholder or proxy, who properly applied, may ask questions, discuss or request information.

When setting the restrictions specified in the above paragraph, the President of the General Meeting shall keep in mind the total number of agenda items, complexity of the matter to be decided and the number of shareholders or their proxies who properly asked for word.

Cost of the General Meeting

Article 52

The shareholders shall bear their own cost of participation in the work of the General Meetings. The cost of the sessions shall be born by the Company.

Quorum and Voting

Article 53

The General Meeting can pass valid decisions if at least 50% (fifty percent) of the total number of voting shares is present at the meeting.

After the discussion on specific agenda items in accordance with the preceding Article, the General Meeting shall pass a relevant decision by voting.

The templates of the voting ballots for the needs of the General Meeting shall be prepared by the Company.

The votes are cast by filling in the ballots, and the alternatives listed for each agenda item are "for", "against" and "sustained".

X Annual Report and Utilisation of Profit

Annual Report

Article 54

The financial year of the Company is the calendar year.

The Management Board of the Company shall prepare the annual financial statements and the statement of business operations of the Company after the expiry of a financial year, and submit them to the Company auditor.

The Management Board of the Company shall submit the Supervisory Board the audit report together with the annual financial statement and the statement of business operations of the Company and the proposal of the decision of the General Meeting on the utilisation of profit without any delay.

The annual financial statements, the statement of business operations of the Company, the audit report and the proposal of the Management Board on utilisation of profit, as well as the Supervisory Board report on the supervision of the Company business operations shall be presented for review to the Company shareholders at the premises of the Company, i.e. published on the Internet pages of the Company as of the date of publishing the invitation to the General Meeting.

Distribution of Net Profit

Article 55

The Company shall utilise the net-profit of a financial year as follows:
- For coverage of loss transfer from the earlier years,
- For legal reserves,
- For reserves for own shares, if the Company acquired them or intends to acquire them,
- For other reserves,
- For distribution to shareholders as dividend and/or for other purposes in accordance with the law..

Decision on Utilisation of Net Profit

Article 56

The General Meeting shall decide on the utilisation of profit of the financial year.

The General Meeting may adopt a decision to distribute the net profit to shareholders and/or to legal reserves, other reserves and/or to use it for other purposes.

The General Meeting may adopt a decision to pay the profit to the shareholders in property, e.g. in Company shares.

The General Meeting may adopt a decision to utilise the profit both for the distribution to shareholders and for other purposes, e.g. payment of employees and Members of the Board of Managers.

The General Meeting may adopt a decision not to distribute the Company profit to the shareholders (profit brought forward).

Article 58

In case of distribution of profit to shareholders, the dividend shall be distributed to shareholders in proportion to the share capital of the Company attributable to their shares.

Dividend Advance

Article 59

With prior approval of the Supervisory Board and upon expiry of the financial year, the Management Board is authorised to decide on the payment of a dividend advance from the foreseeable part of the net profit for distribution to shareholders as dividend.

The maximum amount to be paid as the dividend advance is a half of the profit reduced by the amount that must be entered into the Company reserves in accordance with the law and this Statute.

Payment of the dividend advance may not exceed 50% (fifty percent) of the last year's profit.

The deadline for payment of the dividend is 30 (thirty) days as of the date of adopting the decision on dividend payment, unless decided differently at the General Meeting.

XI General and Special Acts of the Company

Article 60

The Management Board shall adopt all general acts, not to be adopted by any other Company body in accordance with the law or this Statute.

XII Final Provisions

Article 61

This Statute shall enter into force on the date of entry of the Company into the court register.

Article 62

In the event that the provisions hereof are contrary to the laws and by-laws, the provisions of law and by-laws shall prevail.

President of the Supervisory Board:

Franjo Filipović