

EXPLANATION FOR SHAREHOLDERS

Prva Group is in accordance with 5th indent of 3rd paragraph of Article 296 of Companies Act (hereinafter: CA), publishing comprehensive information about rights on shareholders, which they can exercise on the **20th regular session of Assembly, which will be held on 16th of June 2017 at 11.00 o'clock.**

Shareholders, which total share in the capital of the company amounts to at least 4%, can after the agenda is published, request in writing, that the agenda is expanded to additional item. Together with the request for additional item the shareholders must submit the decision proposal for additional item on which assembly should decide, or if assembly does not accept decision on additional item, the explanation of additional item. Management Board of the company will in accordance with third paragraph of Article 298. of CA, publish those additional items to the agenda, for which it will receive the request from the shareholders at least 7 days after publishing the agenda for Assembly. Shareholder can file the requests for additional item also on e-mail address: info@prvagroup.eu **(1st paragraph, Article 298 CA)**

Management Board must, immediately after the expiration of abovementioned period, publish additional items to the agenda, which should be dealt with on the Assembly. Additional item to the agenda can be dealt with on the Assembly only if it is published at least 14 days before the Assembly, otherwise it will be dealt with on first next Assembly of the company. **(3rd paragraph, Article 298 CA)**

Shareholders can to each item of the agenda, in written form submit different decision or voting proposals. Proposal of the shareholder will be published in accordance with Article 296 of CA, only if shareholder in seven days after the agenda is published, send to the company reasonably justified proposal together with statement issue a statement that on the Assembly of the company he will object to the proposal of Management Board and will convince other shareholders to vote for his proposal. Request can be filed also on e-mail: info@prvagroup.eu. **(1st paragraph, Article 300 CA)**

Management Board does not need to publish the proposal of shareholder and it's justification, if:

- publication of proposal would represent a criminal act or offence,
- proposal could cause the assembly decision, which would be in contradiction with the legislation or with statute of the company,
- justification of the proposal in significant items includes clearly false or misleading information or insults;
- shareholders proposal with the same content, was already notified to the Assembly,

- shareholders proposal with significantly similar justification, was in last five years at least twice notified to the Assembly and for the proposal voted less than 4% of represented capital.
- shareholder lets the company know that he will not attend assembly and he will not be represented on the Assembly, or shareholder in last two year on the Assembly did not file its notified **(3rd paragraph, Article 300 CA)**

Justification of the proposal does not need to be published, if it contains more than 3000 symbols. Management Board can instead of publishing all proposals and their justifications, which were on same issue filed by several shareholders, publish their summary. Proposals of the shareholders, which are not filed in period of 7 days after publishing the agenda and are filed the latest on Assembly of the company, will be dealt with on the Assembly of the company. **(4th, 5th and 6th paragraph of Article 300 CA)**

Shareholders do not need to justify their proposal for election of members of Management Board, members Supervisory Board or auditors. **(Article 301 CA)**

Management Board must on Assembly give to the shareholders reliable information about company affairs, if they are necessary for deciding on items of agenda. On the questions of shareholders with the same content, Management Board can issue a joint answer. Right to be informed is applicable also for the business relations with related persons.

Management Board does not need to give the information to the shareholders only:

- if information is of such nature that it is, after reasonable consideration, to expect that giving such information can cause damages to the company or it's daughter companies.
- About methods of preparing balance sheet or it's evaluation, if only reference to the methods in appendix, is sufficient for evaluation of assets, financial status and profitability of the company, which is in accordance with actual status of the company.
- If giving of information would represent a criminal act, offence or would be against established business practice, or
- if the information is published on the internet site of the company in form of questions and answers at least 7 days prior to the Assembly.

If some information were given to shareholders outside Assembly meeting, they must be on their demand also given to other shareholders on the Assembly, even if the information is not necessary for deciding on items from agenda. If on demand of the shareholder information is not given to him, he can demand that his question and the reason for which he was not provided with an answer, are entered in the minutes of the Assembly. **(Article 305 CA)**