



**Materials for the 29<sup>th</sup> regular General Meeting of  
Shareholders of the ISTRABENZ Holding company, d.d.**

October 2019

## **INFORMATION FOR THE SHAREHOLDERS**

### **1. Total number of shares and voting rights as of the day of the convocation of the General Meeting of Shareholders;**

As of the day of the convocation of the General Meeting of Shareholders, the Company holds 5,180,000 ordinary registered no-par-value shares. As provided by law, each share grants to its holder one vote at the General Meeting of Shareholders. As of the day of convocation of the General Meeting of Shareholders, the Istrabenz Holding Company holds 978 own shares with no voting rights.

### **2. Information on additional items of the agenda;**

Shareholders whose total interest accounts for one-twentieth of the subscribed capital may request in writing that an additional item be placed on the agenda. The request must be accompanied in writing by a proposed resolution to be decided upon by the General Meeting of Shareholders or, if the General Meeting of Shareholders will not adopt a resolution on an individual agenda item, an explanation of that item. The request must be sent to the Company within seven days at the latest following the publication of the convocation of the General Meeting of Shareholders.

In line with paragraph 3, Article 298 of the Companies Act (ZGD-1), the Management Board will publish those additional agenda items whose publishing has been requested within seven days at the latest following the publication of this notice to convene the General Meeting of Shareholders.

The shareholders may submit their request to place additional items on the agenda also via e-mail to [info@istrabenz.si](mailto:info@istrabenz.si). The requests to place an additional item on the agenda, sent to the Company via e-mail, have to be scanned, submitted in attachment form and must contain the personal signature of the natural person or, in case of legal persons, the personal signature of the representative and the seal/stamp of that legal person, if applied. The Company has the right to prove the identity of the shareholder or the party that authorised the submitting of the request or the proposal via e-mail, and to verify the authenticity of the signature.

The additional item of the agenda shall be dealt with at the General Meeting of Shareholders only if published in the same manner as the notice of convening the General Meeting of Shareholders, i.e. at least 14 days prior to the meeting. In the opposite case, the additional item of the agenda shall be dealt with at the first subsequent General Meeting of Shareholders. The Management Board shall publish the consolidated version of the agenda in the same manner and within the same period of time as this notice to convene the General Meeting of Shareholders.

### **3. Information on shareholders' resolution proposals;**

Shareholders may submit resolution proposals (i.e. counter proposals) with respect to each item of the agenda. The Management Board shall publish the resolution proposal of a shareholder only if such proposal is sent to the Company within 7 (seven) days from the notice to convene the General Meeting of Shareholders. Such a proposal shall be reasonably argued and the shareholder shall give notification that he will oppose the proposal of the Management Board or the Supervisory Board at the General Meeting of Shareholders, and that he will prevail upon other shareholders to vote for his proposal. The shareholder is not obliged to justify the electoral proposal.

Shareholders may send their resolution proposals and electoral proposal also by e-mail to the following address: [info@istrabenz.si](mailto:info@istrabenz.si). Resolution proposals or electoral proposals to be submitted by e-mail shall be sent in a scanned form, as attachment, and must contain a personal signature of a natural person or, in the case of a legal entity, a personal signature of a representative and a

stamp/seal, if used by such legal entity. The Company is entitled to verify the identity of the shareholder or a person who submits a request or proposal by e-mail, as well as the authenticity of their signatures.

The Management Board shall not publish a shareholder's counter proposal and the justification of it:

- if the publication of the counter proposal would constitute a criminal offence or an economic infringement;
- if the counter proposal would lead to a resolution by the General Meeting of Shareholders that would be in violation of the law or the Articles of Association;
- if the justification of the counter proposal in points of substance contains clearly incorrect or misleading information or insults;
- if a shareholder's counter proposal containing the same content has already been reported to the General Meeting of Shareholders of the Company;
- if during the last five years the same shareholder's counter proposal containing essentially the same justification has already been reported to at least two general meetings of the company and less than one-twentieth of the subscribed capital represented at the General Meeting of Shareholders voted in favour of it;
- if the shareholder makes it known that he will not attend the General Meeting of Shareholders and has not made arrangements to be represented, or
- if during the last two years the shareholder has not presented a counter proposal to the General Meeting of Shareholders which he has reported or has not had it presented.

The justification for a counter proposal need not be reported by the Management Board if it contains more than 3000 characters. The Management Board may report in summary the counter proposals and their justification of several shareholders on the same subject.

The proposals of the shareholders that have not been sent to the Company within 7 (seven) days of the notice of convening the General Meeting of Shareholders and have been submitted no later than at the General Meeting of Shareholders itself, shall be discussed at the General Meeting of Shareholders.

#### **4. Information on shareholder's right to be informed;**

At the General Meeting of Shareholders, the Management Board must give the shareholders reliable information on matters concerning the Company where it is important for an assessment of the agenda. The questions of the shareholders with the same content may be answered by the Management Board with one joint answer. The Management Board must give the shareholders also the information in respect of the Company's legal and business relations with affiliated companies where it is important for an assessment of the agenda.

Irrespective of all stated above, the Management Board shall not be obliged to provide data:

- if reasonable business judgement suggests that the provision of information could cause damage to the Company or an affiliated Company;
- on the method of compiling the balance sheet and on making estimates, if stating these methods in a supplement is sufficient for an assessment of the property and the financial and profit position of the Company which conforms with the actual circumstances; or
- if disclosure of the information would constitute a criminal offence or an economic infringement or would be in breach of good business practices;
- if the information is published in form of questions and answers on the Company's web page at least seven days prior to the session of the General Meeting of Shareholders.

If a shareholder is given information outside a session of the General Meeting of Shareholders, that information must be passed on to every other shareholder upon request even if it is not necessary for an assessment of an item on the agenda.

If a shareholder is not given the requested information at the General Meeting of Shareholders, he may require that his/her question and the reason why the information was refused be entered in the record.

#### **5. Conditions for participation at the General Meeting of Shareholders and the exercising of voting rights;**

Only those shareholders who have registered for the General Meeting of Shareholders and whose application has been received by the Management Board at least by the end of the fourth day prior to the meeting, i.e. by 22 November 2019 inclusive, and who are entered as holders of the shares in the Central Book-Entry Securities Register as of the end of 22 November 2019, shall be entitled to participate and exercise their voting rights at the General Meeting of Shareholders. The application, i.e. "Registration of participation" form, shall be sent by post to the following address: ISTRABENZ d.d., Secretariat of the Management Board, Obala 33, Portorož. Applications cannot be sent through electronic media. The Company will consider valid only the registration forms undersigned with original signatures of the shareholders or their proxies. The registration forms are available on the Company's website and shareholders can obtain them free of charge from the Secretariat of the Management Board of the Company in Portorož, Obala 33, every working day from 9 a.m. to 12 a.m., from the day the notice of convening the General Meeting of Shareholders is published up until and including the day it is held.

Each shareholder entitled to participate at the General Meeting of Shareholders has the right to authorise a natural or legal person to exercise the voting right on his/her behalf. The written authorisation must be sent to the Company and shall be kept by the Company. The registration form for exercising the voting right through an authorised representative is available on the Company's website and can also be obtained free of charge at the Secretariat of the Management Board of the Company in Portorož, Obala 33, every working day from 9 a.m. to 12 a.m., from the day the notice of convening the General Meeting of Shareholders is published up until and including the day it is held (in such a case, the shareholder has to announce his arrival to the Secretariat). The shareholders can send the authorisation to the Company also by e-mail, to the e-mail address [info@istrabenz.si](mailto:info@istrabenz.si). The authorisation which is sent via e-mail has to be in a scanned form as attachment, and must contain the date, a personal signature of the natural person, or, in the case of legal entity, a personal signature of a representative and a stamp/seal if used by such a legal entity. The Company is entitled to verify the identity of a shareholder or a person who submits the power of attorney by e-mail, as well as the authenticity of their signatures. A shareholder is entitled to revoke the power of attorney as when submitting it, at any time before the day of the General Meeting of Shareholders.

Upon request, shareholders and/or their representatives or proxies must produce a personal identity document and written representation; a statutory representative must also produce an Extract from the Companies' Register.

The shareholders are kindly asked to come to the General Meeting of Shareholders an hour prior to the commencement of the meeting so that a record of their attendance may be established and preparation for voting carried out.



To the General Meeting of Shareholders of  
the ISTRABENZ Holding Company, d.d.

**ITEM 1 OF THE AGENDA  
FOR THE 29<sup>th</sup> REGULAR GENERAL MEETING OF  
SHAREHOLDERS**

**OPENING OF THE GENERAL MEETING OF SHAREHOLDERS AND THE ELECTION OF ITS  
WORKING BODIES**

The Management Board hereby proposes to the General Meeting of Shareholders to adopt the following resolution:

**The following are elected:**

- **Chairman of the General Meeting of Shareholders: Stojan Zdolšek;**
- **the Credentials Committee, composed of:**
  - **Chairman: Robert Ernestl,**
  - **Vote Counters: Klavdija Primožič, Sonja Long.**

**The meeting will be attended by the invited notary public Mojca Tavčar Pasar.**

**Arguments for the proposal:**

The Management Board is authorised and responsible for proposing to the General Meeting of Shareholders the appointment of the General Meeting's bodies, i.e. the Chairman of the General Meeting of Shareholders and two vote counters, and to provide that the General Meeting of Shareholders is attended by a notary public.

Andrej Laznik  
President of the Management Board  
of the ISTRABENZ Holding Company, d.d.



**To the General Meeting of Shareholders of  
the ISTRABENZ Holding Company, d.d.**

**ITEM 2 OF THE AGENDA  
FOR THE 29<sup>th</sup> REGULAR GENERAL MEETING OF  
SHAREHOLDERS**

**TRANSFER OF COMPANY'S ASSETS**

The Management Board and the Supervisory Board hereby propose to the General Meeting of Shareholders to adopt the following resolution:

The General Meeting of Shareholders approves the execution of the following contracts on sale and on transfer of the company's assets which together exceed 25% of the company's assets, to The Bank Assets Management Company (DUTB), as follows:

- Contract on sale (premises at Ferrarska 5a);
- Contract on sale (parcel of land "Kolomban");
- Contract on sale (parcel of land 2605 1297/5 (ID 2107211));
- Contract on sale (art collection);
- Contract on sale of shares (issued by KB 1909 Società per azioni - Delniška družba in liquidazione);
- Agreement on sale and transfer of a shareholding in the company ADRIAFIN d.o.o.;
- Contract on sale of trade marks and service marks;
- Agreement on claim assignment in return for consideration - POTEZA NALOŽBE podjetje za naložbe in financiranje, d.o.o. – in bankruptcy, CG Venture B.V. – in bankruptcy, as full legal successor to Aktiva Holdings B.V., Bonifika d.o.o.;
- Agreement on claim assignment in return for consideration - Istrabenz Turizem d.d.;
- Agreement on claim assignment in return for consideration - Municipality of Koper.

**Arguments for the proposal**

Pursuant to the provisions of the Agreement and Annex no. 2, on 23 September 2019 the Bank Assets Management Company (DUTB) informed the Debtor about the recall request concerning all DUTB's financial claims which consequently meant that as of 24 September 2019, the financial claims of DUTB in the amount of EUR 73,882,564.00 became due. Owing to this, on 24 September 2019 the company Istrabenz d.d. became insolvent.

On the basis of these grounds and pursuant to the provisions of Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (ZFPPIPP) as well as with the intent to eliminate the causes for insolvency, the Debtor started to negotiate with the only Creditor in order to prepare the

grounds for out-of-court-settlement which foresees the selling-off of Debtor's assets in the total value of EUR 9,175,878.51. Since this amount exceeds 25% of all Company's assets, the proposers suggest to the general meeting of shareholders to grant their approval with regard to the contracts stated above.

Andrej Laznik, m.p.

President of the Management Board  
of the ISTRABENZ Holding Company, d.d.

Milan Marinič, m.p.

President of the Supervisory Board, m.p.  
of the ISTRABENZ Holding Company, d.d.



**To the General Meeting of Shareholders of  
the ISTRABENZ Holding Company, d.d.**

**ITEM 3 OF THE AGENDA  
FOR THE 29<sup>th</sup> REGULAR GENERAL MEETING OF  
SHAREHOLDERS**

**COMPANY DISSOLUTION AND COMMENCEMENT OF LIQUIDATION**

The Management Board and the Supervisory Board hereby propose to the General Meeting of Shareholders to adopt the following resolution:

The company Istrabenz, holdinška družba, d.d., Obala 33, 6320 Portorož, registration number: 5000025000, tax number: SI 17762723, shall dissolve due to reasons stated in second indent, first paragraph of Article 402 of the Companies Act (ZGD-1), and liquidation proceedings shall commence.

Creditors can notify their claims within a period of 30 days of the publication of resolution.

As authorised liquidator shall be appointed the company Palmar, d.o.o., managed by Miha Mušič, Bachelor of Laws.

For the implementation of the liquidation proceedings in line with the provisions of the applicable legislation as well as for providing advising to the shareholders with regard to the selection and implementation of activities and for providing advising to the creditors with regard to the selection and implementation of activities, the appointed liquidator shall be entitled to a monthly fee in the amount of EUR 2,500.00 excl. VAT, to be paid from the Company's assets. The costs related to the implementation of the Company's liquidation proceedings (e.g. administrative costs, costs of auditor and appraisers, notarial- and court fees) are not included in the price of services stated in this resolution.

The General Meeting of Shareholders of the company Istrabenz, holdinška družba, d.d., which adopted this resolution, hereby authorizes the notary public Mojca Tavčar Pasar to submit this resolution to the registration authority in order to have the commencement of liquidation entered in the register.

On the day of adoption of this resolution, the term of office of the company's management board and supervisory board shall terminate.

**Arguments for the proposal**

If the event of successful out-of-court settlement between DUTB and Istrabenz d.d., the company Istrabenz d.d. will sell its assets as stated under the item 2 of the convocation of this general meeting of shareholders and DUTB, on the other hand, will write-off the remaining Istrabenz's liabilities entirely as soon as DUTB's take-over of the Debtor's assets in the amount of EUR 9,175,878.51 EUR is accomplished. With these legal acts, the Company will eliminate its insolvency.



Considering that following the disposal of the assets, as stated under the item 2 of the convocation of this general meeting of shareholders, there will be no longer grounds for the Company's existence and taking into account that voting in favour of the proposed resolution represents the prerequisite for successful implementation of the out-of-court settlement and the termination of insolvency, the parties proposing this resolution suggest to the company to proceed as stated above.

Andrej Laznik, m.p.

President of the Management Board  
of the ISTRABENZ Holding Company, d.d.

Milan Marinič, m.p.

President of the Supervisory Board  
of the ISTRABENZ Holding Company, d.d.