

**EXPLANATORY NOTE  
FOR THE PROPOSAL FOR THE DECISION  
on appointing new members of the Supervisory Board**

**I.**

At the meeting of the Supervisory Board of the company Meritus ulaganja d.d., Zagreb, Heinzelova ulica 62/a, entered into the court register of the Commercial Court in Zagreb under the registration number (MBS): 081210030, PIN: 62230095889 (hereinafter: "**Company**" and/or "**Meritus ulaganja d.d.**") held on 18 May 2020, the Supervisory Board adopted the Proposal for Decision for appointing Mr. Sandi Češko, resident in Medijske toplice 33, Izlake, Slovenia, PIN: 78153974774, to the Supervisory Board of the Company.

Mr. Sandi Češko is best known as the founder and Chairman of the Management Board of the Slovenian company Studio Moderna Holdings, who played a leading role in the strategic development of the company during its establishment and at the time of its greatest growth. After taking the company over from funds, Mr. Sandi Češko led the strategic development of the company as the Chairman of the Supervisory Board of Studio Moderna Holdings. Mr. Sandi Češko is also co-founder of ORIA Computers, one of the first computer companies in Slovenia, which ranks him among the most successful entrepreneurs in Slovenia.

Mr. Sandi Češko currently holds functions at the following positions:

- Member of the Business Advisory Council at the Faculty of Economics in Ljubljana
- Member of the Supervisory Board of IEDC – Bled School of Management
- Member of the International board of the Duke of Edinburg foundation
- Chairman of MEPI (Slovenian branch of Duke of Edinburg Award)

It is pointed out that the associated company Meritus plus d.o.o., PIN: 30746232536 in the period from 28 June 2017 to 1 January 2020 was in a business relationship with the company Dormeo UK Limited, which is owned by Mr. Sandi Češko, and that these business relations were at a level that is not significant in the current total revenues of the M+ Group, i.e. they amount to less than 1% of the current total revenues of the M+ Group, thus taking into account the above Mr. Sandi Češko is proposed as an independent candidate for the Supervisory Board of Meritus ulaganja d.d.

Due to his engagement in the business world and numerous awards he has received for his business achievements and social engagements, the Company's Supervisory Board believes that it is in the Company's best interest to appoint Mr. Sandi Češko to the position of a member of the Company's Supervisory Board, since with his knowledge and longstanding expertise and experience, he can significantly contribute to the development and growth of the M+ Group.

The CV of Mr. Sandi Češko is attached to this explanatory note.

**II.**

At the meeting of the Supervisory Board of the company Meritus ulaganja d.d., Zagreb, Heinzelova ulica 62/a, entered into the court register of the Commercial Court in Zagreb under the registration number (MBS): 081210030, PIN: 62230095889 (hereinafter: "**Company**" and/or "**Meritus ulaganja d.d.**") held on 29 May 2020, the Supervisory Board of the Company adopted the Proposal for a Decision on appointment of Mr. Joško Miliša, resident in Zagreb, Srebrnjak 131, PIN:39972942361 to the Supervisory Board of the Company.

Mr. Joško Miliša graduated from the Faculty of Electrical Engineering in Zagreb and in 1992 he was employed as a broker in the brokerage firm Medis, after which he worked in the companies Consult invest and ICF as an advisor on takeovers and counselling of companies. In the company Erste Securities, he works as head of securities trading and introduction of portfolio management. In 2000,

he was appointed Vice President of Croatian Privatisation Fund (HFP), responsible for corporate management. His area of work was consolidation of companies from the portfolio of the HFP and work on the unification of the state portfolio. He introduced the analysis of the work of supervisory boards and management boards of companies from the state portfolio. In early 2002 he founded, together with a partner, the investment company Šted capital, which he independently and successfully managed until mid-2009. During this period, he became a licensed investment advisor.

Mr. Joško Miliša currently holds functions at the following positions:

- President of the Management Board of PROSPERUS-INVEST d.o.o. fund management company
- President of the Supervisory Board of Končar Elektroindustrija d.d.
- Member of the Supervisory Board of Tankerska Next Generation d.d.
- Member of the Supervisory Board of Mon Perin d.d.

It is pointed out that the associated company Meritus Upravljanje d.o.o., PIN:45680057371 is in a business relationship with the company Prosperus-Invest d.o.o., based on the Agreement on sublease of business premises from 1 October 2018, and that company is owned by Mr. Joško Miliša, and it is pointed out that these business relations are at a level that is not significant in the current total revenues of the M+ Group, i.e. they amount to less than 1% of the current total revenues of the M+ Group, thus taking into account the above, Mr. Joško Miliša is proposed as an independent candidate for the Supervisory Board of Meritus ulaganja d.d.

Due to his engagement in the business world, and especially taking into account the fact that Mr. Joško Miliša in the course of his career was president, i.e. a member of 15 supervisory boards, among which we would especially like to point out the Zagreb Stock Exchange, Varždin Stock Exchange, Končar elektroindustrija, Đuro Đaković, TOZ, CENMAR Zadar, Iločki podrumi and Croatia bank, the Company's Supervisory Board believes that it is in the Company's best interest to appoint Mr. Joško Miliša to the position of a member of the Company's Supervisory Board, given that his knowledge and many years of experience can significantly contribute to the development and growth of the M+ Group.

The CV of Mr. Joško Miliša is attached to this explanatory note.

### III.

At the meeting of the Supervisory Board of the company Meritus ulaganja d.d., Zagreb, Heinzelova ulica 62/a, entered into the court register of the Commercial Court in Zagreb under the registration number (MBS): 081210030, PIN: 62230095889 (hereinafter: "**Company**" and/or "**Meritus ulaganja d.d.**") held on 29 May 2020, the Supervisory Board of the Company adopted the Proposal for a Decision on appointment of Mr. Ulf Gartzke, resident in 1718 N Utah Street, Arlington, VA 22207 (USA), PIN: 52196012146 to the Supervisory Board of the Company.

Mr. Ulf Gartzke studied political science and international relations at the University of Augsburg, Georgetown University, the *Institut d'Etudes Politiques de Paris* (Sciences Po) and obtained his PhD at the London School of Economics and Political Science. Mr. Gartzke was the director of the Washington Office Hanns-Seidel-Foundation - Political Foundation for Germany's ruling party CSU, responsible for promoting high-level political dialogue between Germany, the United States and Canada.

He is the CEO of Brainloop AG, in charge of introducing strategic IT security development projects, managing the successful integration of Brainloop's operational procedures into the standard processes of the Diligent Group, ensuring the company's financial success etc.

Mr. Ulf Gartzke is also a Partner of Spitzberg Partners LLC, in charge of strategic support to companies when entering the market and developing their business in Germany/ Europe, the United States/ Canada and Asia.

Mr. Ulf Gartzke currently holds functions at the following positions:

- CEO of Brainloop AG
- Member of the Strategy Committee of Prudentia Capital

It is pointed out that the associated company Meritus plus d.o.o., PIN:30746232536 is in a business relationship with the company Spitzberg Partners LLC, based on an Agreement on the provision of consulting services dated 3 April 2017, and in this company Mr. Gartzke works as a Partner. It is also pointed out that these business relations are at a level that is not significant in the current total revenues of the M+ Group, i.e. they amount to less than 1% of the current total revenues of the M+ Group, thus taking into account the above, Mr. Ulf Gartzke is proposed as an independent candidate for the Supervisory Board of Meritus ulaganja d.d.

Due to its engagement in the business world, numerous publications and focus on modern management, corporate strategy and technology, as well as support to innovation strategies, the Company's Supervisory Board believes that it is in the Company's best interest to appoint Mr. Ulf Gartzke as a member of the Company's Supervisory Board, given that his knowledge and many years of experience can significantly contribute to the development and growth of the M+ Group.

The CV of Mr. Ulf Gartzke is attached to this explanatory note.

## 1. CV OF CANDIDATE FOR MEMBER OF THE SUPERVISORY BOARD – SANDI ČEŠKO

<b>NAME</b>	<b>SANDI ČEŠKO</b>
<b>DATE OF BIRTH</b>	13.01.1961 Trbovlje, Slovenia
<b>EDUCATION</b>	B.A. (Political Science) Faculty of Social and Political Sciences, University of Ljubljana 1979-1983
<b>EMPLOYMENT</b>	<ul style="list-style-type: none"> <li>• Studio Moderna Brands – Co-Founder and Executive Chairman, 2015 – present</li> <li>• Studio Moderna Group: Co-Founder and Executive Chairman, 1992 – 2017</li> <li>• Member of the Senate of the Republic of Slovenia, 1992 – 1997 (non- professional function)</li> <li>• ORIA Computers: Co-Founder and Director ORIA, 1990 - 1994</li> <li>• Mikrohit (First Slovenian computer (PC) company): Sales Manager, 1989 – 1990</li> </ul>
<b>MEMBERSHIP</b>	<p>As the co-founder of one the first Slovenian computer company, ORIA Computers and a co-founder of Studio Moderna, the leading multichannel and direct marketing company in CEE, Sandi ranks amongst the most successful business entrepreneurs in Slovenia and is undoubtedly a proven business innovator.</p> <p>Sandi Češko, a graduate of Political Sciences, is the co-founder of Studio Moderna (since 1992), the leading multichannel electronic retailer in Central and Eastern Europe reaching more than 300 million consumers across 20 countries and employs over 8000 people. The business model of Studio Moderna is, among others, studied also in the eminent business schools and is used as an example of a good practice (Harvard Business School, Stanford University, IEDC Bled).</p> <p>Sandi Češko is also a great mentor and inspirational leader to colleagues, business partners and many others. He speaks at the most prominent business schools and is a member of different institutions in Slovenia as well as abroad. He was a member of the International Advisory Board of the DMA (Direct Marketing Association), member of the Clinton Global initiative, a member of the board of American Chamber of Commerce, a member of supervisory board of Telekom Slovenia and several other companies in Slovenia. He serves as a member of the Business Advisory Council at the Faculty of Economics in Ljubljana, member of the Supervisory of IEDC – Bled School of Management, member of the International board of the Duke of Edinburg foundation, Chairman of MEPI (Slovenian branch of Duke of Edinburg Award). In 2009 he was a recipient of the award for outstanding achievements in the economy, which was given by a leading financial newspaper in Slovenia – FINANCE. In 2011 Sandi Češko received an international award in Poland for »The New European Champions« for his achievements being one of the most innovative and fastest growing companies in CEE expanding also on other markets. Sandi Češko also received several other awards for his business and social achievements.</p>

## 2. CV OF CANDIDATE FOR MEMBER OF THE SUPERVISORY BOARD – JOŠKO MILIŠA

### Joško Miliša

Place of birth: Split, Croatia

Date of birth: 5 April 1968

Nationality: Croatian

Srebrnjak 131  
10000 Zagreb  
Croatia  
Phone: 098/236079  
e-mail:josko.milisa@prosperus-invest.hr

### EDUCATION

1987 - 1992 Faculty of Electrical Engineering and Computing, University of Zagreb  
1982 - 1986

**PROFESSIONAL** XV. Gymnasium, Zagreb

### EDUCATION

2001

1999 License for investment advisors, HUFA

1993 Education for brokers - Schroders Investment Management, London, England

**WORK EXPERIENCE** License for brokers, Zagreb Stock Exchange

2010 -

2010 (January – October) **PROSPERUS - INVEST LTD. (PE firm), Zagreb:**  
**President of the Management Board**

**KLUB NOVA d.o.o. for business advisory, Zagreb:**  
**Director**

2002 - 2010

**ŠTED-KAPITAL d.o.o., Investment company; Zagreb:**  
**Director**

2000 – 2001

**Croatian Privatization Fund, Zagreb:**  
**Vice President of Corporate Management Department**

1999 – 2000

**ICF d.o.o., Zagreb:**  
**Associate Director,**

1997 – 1999

**ERSTE Securities Ltd., Zagreb:**  
**Head of securities trading**

1995 – 1997

**ICF d.o.o., Zagreb:**  
**Consultant**

1995 (February – July)

**Consult Invest d.o.o. Zagreb:**  
**Consultant**

### **SUPERVISORY BOARDS:**

Končar Elektroindustrija d.d.  
TNG Zadar d.d.  
Mon Perin d.d.

### **LANGUAGES**

English

### 3. CV OF CANDIDATE FOR MEMBER OF THE SUPERVISORY BOARD – ULF GARTZKE

<b>DATE AND PLACE OF BIRTH</b>	September 30, 1975 Herdecke (NRW) / Germany
<b>ADDRESS</b>	1718 North Utah Street Arlington, VA 22207 U.S.A.
<b>EDUCATION</b>	<ul style="list-style-type: none"> <li>• <b>The London School of Economics and Political Science (LSE), 2003-2011</b> <i>PhD, International Relations</i></li> <li>• <b>Institut d'Etudes Politiques de Paris (Sciences Po), 2000-2001</b> <i>MPhil, International Relations</i></li> <li>• <b>Georgetown University, 1998-2000</b> <i>Master of Science in Foreign Service (MSFS)</i></li> <li>• <b>University of Augsburg, 1995-2000</b> <i>Pre-Diploma, Political Science / International Law</i></li> </ul>
<b>EMPLOYMENT (EXPERIENCE)</b>	<p><b>CEO, Brainloop AG – 10/2019 – Present</b> <i>Brainloop is the leading provider of cloud-based solutions for secure collaboration on highly sensitive documents in Germany, Austria, and Switzerland. Brainloop has an annual turnover of around EUR 30 million and counts more than 70 percent of German DAX 30 companies among its clients.</i></p> <ul style="list-style-type: none"> <li>• Introducing strategic IT security development projects.</li> <li>• Managing the successful integration of Brainloop's operational procedures into the Diligent Group's standard processes.</li> <li>• Launching forward-looking initiatives to strengthen the company's offering and developing strategic partnerships.</li> <li>• Leading strategic executive recruitment projects.</li> <li>• Ensuring the company's financial success.</li> </ul> <p><b>Managing Partner, Spitzberg Partners LLC 7/2013 – Present</b> <i>Boutique corporate advisory and investment firm headquartered in New York with offices in Washington, DC, Berlin, Toronto and Zagreb.</i></p> <ul style="list-style-type: none"> <li>• Provide financial services and technology companies with strategic market entry and business development support in Germany / Europe, the United States / Canada, and Asia.</li> </ul>

	<p><b>Director, Washington Office Hanns-Seidel-Foundation (2004-2013)</b>  <i>Political Foundation for Germany's ruling CSU party.</i></p> <ul style="list-style-type: none"> <li>• Responsible for promoting high-level political dialogue between Germany and the United States and Canada.</li> </ul>
<b>SKILLS</b>	<ul style="list-style-type: none"> <li>• Modern Governance</li> <li>• Corporate Strategy &amp; Technology</li> <li>• Market Entry and M&amp;A Support</li> <li>• Geopolitical Insight &amp; Risk Assessment</li> <li>• Change Management</li> <li>• Support for Innovation Strategies</li> </ul>
<b>LANGUAGES</b>	<ul style="list-style-type: none"> <li>• English</li> <li>• German</li> <li>• French</li> <li>• Spanish</li> </ul>
<b>OTHER ACTIVITIES</b>	<p><b>Publications (select overview)</b></p> <ul style="list-style-type: none"> <li>• Mark Entwistle, Ulf Gartzke: <i>Brexit could be a game-changer for Canadian engagement with Europe</i>   The Globe and Mail, 2018</li> <li>• Bob Mark, Ulf Gartzke: <i>Start your analytic engines: Unsupervised analysis catches true credit risks, tightens cybersecurity</i>   BAI, 2017</li> <li>• Karl-Theodor zu Guttenberg, Ulf Gartzke: <i>A Recipe for Discord</i>   Handelsblatt, November 2016</li> <li>• Mark Gazit, Ulf Gartzke: <i>Cyberattacks: Securing the Interconnected Supply Chain</i>   International Business Times, 2017</li> <li>• Ulf Gartzke, Matthias Roebel: <i>Balancing Privacy and User Experience: The Challenge of the Digital Age</i>   Techonomy, 2016</li> <li>• Karl-Theodor zu Guttenberg, Ulf Gartzke: <i>Europas Digitale Zukunft (Europe's New Digital Future)</i>   Civis &amp; Sonde, 2015</li> <li>• Ulf Gartzke, Steve Ehrlich: <i>In Pursuit of Crypto 2.0: The Coming Era of the Blockchain Wake Up and Smell the Big Data</i>   Techonomy, 2015</li> </ul>
<b>MEMBERSHIP IN THE ADVISORY BOARD OR THE MANAGEMENT BOARD OF OTHER COMPANIES</b>	<p><b>Member, Strategy Committee, Prudentia Capital, 2019 - Present</b></p> <ul style="list-style-type: none"> <li>• Prudentia Capital is a Paris-based PE fund investing in medium-sized companies primarily located in France and Germany.</li> </ul>