

ILIRIJA d.d.
Biograd na Moru
Company's Management Board

According to Article 277 of the Companies' Act ("Official Gazette" Number 152/11-consolidated text, 111/12, 68/13 and 110/15) and Article 7 of the Articles of Association of ILIRIJA d.d., Biograd na moru (hereinafter referred to as: Company), the Management Board has convened

ORDINARY GENERAL ASSEMBLY
OF THE JOINT STOCK COMPANY ILIRIJA BIOGRAD NA MORU
on 26th April 2017 at 9:00 hours

in the registered office of the Company, Biograd na moru Tina Ujevića 7.

The following agenda has been determined for the General Meeting

AGENDA

1. Opening of the General Meeting, determining the number of shareholders present or their proxies and the establishment of the quorum;
2. The Management Board's report on the Company's operations and position for the year 2016;
3. Report by the Company's Supervisory Board on performed supervision of Company's business operations in the year 2016;
4. Auditor's report on the audit of the Company's operations performed in 2016;
5. Taking note of the Decision on establishing the fundamental annual financial statements of the Company for 2016;
6. Decision on use of profit of Ilirija d.d. for the fiscal year 2016;
7. Decision on the distribution of the dividend from the retained profit from the year 2006, 2010 and 2011;
8. Giving remuneration to the Company's Management Board;
9. Giving remuneration to the members of the Supervisory Board for the supervision of the Company's operations performed in the previous period;
10. Appointment of the Company's auditor for the year 2017;
11. Making a decision on an increase in share capital from the Company's funds (reinvested profit).
12. Making decision on changes and amendments to the Articles of Association and adoption of the full text.

DRAFT DECISIONS

According to the provision of Article 280, paragraph 3 of the Companies' Act (Official Gazette No.: 152/11-consolidated text 111/12, 68/13 and 110/15) the Management Board and Supervisory Board of the Company propose that the General Assembly should take the following decisions:

Ad. 2; 3; 4; and 5. The Report submitted by the Management Board of the Company on the operations and position of the Company for the year 2016 has been taken note of, the Report of the Supervisory Board of the Company on the performed supervision of the business operations of the Company in 2016 has been taken note of, the Report and opinion of the Auditor on the performed audit of the business operations of the Company for the year 2016 has been taken note of, the Decision on establishment of the fundamental annual financial statements of the Company for the year 2016 has been taken note of.

Ad.6. According to the provision of Article 220 and 275, paragraph 1, section 2 of the Companies' Act (Official Gazette Number 152/11-consolidated text, 111/12, 68/13 and 110/15) and Article 7 of the Articles of Association of ILIRIJA d.d., at the proposal of the Management Board and Supervisory Board of the Company, at the meeting held on 26th April 2017, the General Assembly takes the

DECISION
on use of profit of Ilirija d.d. for the fiscal year 2016

Article 1

The profit generated in the fiscal year 2016 after taxation in the amount of HRK 30,676,046.46 is appropriated in the following way:

- HRK 507,446.46 to retained profit.
- HRK 30,168,600.00 for an increase in share capital from the Company's funds (reinvested profit).

Article 2

This Decision comes into force immediately on the date of taking it.

President
of the General Assembly

Ad.7. According to the provision of Article 220 and 275, paragraph 1, section 2 of the Companies' Act (Official Gazette Number 152/11-consolidated text, 111/12, 68/13 and 110/15) and Article 7 of the Articles of Association of ILIRIJA d.d., at the proposal of the Management Board and Supervisory Board of the Company, at the meeting held on 26th April 2017, the General Assembly takes the

DECISION
on the distribution of the dividend from the retained profit from the years 2006, 2010 and 2011

Article 1

The dividend in the total amount of HRK 6,016,540.00 shall be distributed to the Company's shareholders.

The dividend shall be distributed from the remaining retained profit from the year 2006, profit from the year 2010 and part of the profit from the year 2011.

The dividend per one share amounts to HRK 20.00 (twenty) (total number of shares: 301 686 reduced by treasury shares 859 pieces = 300 827 shares; 6,016,540.00 : 300 827 shares = 20.00 HRK per share) .

Article 2

The dividend referred to in Article 1 of this Decision shall be distributed to the shareholders registered with the Depository of the Central Clearing Depository Company Inc. (SKDD) on 03rd May 2017 (record date).

The date on which the share of the company Ilirija d.d. will be traded in without a right to distribution of the dividend is 02nd May 2017 (ex date).

The claim for the dividend distribution falls due on 25th May 2017 (payment date).

Article 3

This Decision comes into force immediately on the date of taking it.

President
of the General Assembly

Ad. 8. According to the provision of Article 275, paragraph 1, section 3 and Article 276, paragraph 1, of the Companies' Act (Official Gazette, No. 152/11- consolidated text, 111/12, 68/13 and 110/15), upon proposal of the Management Board and Supervisory Board of the Company, at the meeting held on 26th April 2017, the General Assembly of the Company takes the

DECISION

giving remuneration to the Company's Management Board

Article 1

The remuneration is given to the Management Board of ILIRIJA d.d.

Article 2

By giving remuneration, the General Assembly approves the work of the Management Board on managing the business operations of the Company in the year 2016.

Article 3

This Decision comes into force immediately on the date of taking it.

President
of the General Assembly

Ad. 9. According to the provision of Article 275, paragraph 1, section 3 and Article 276, paragraph 1, of the Companies' Act (Official Gazette, No. 152/11- consolidated text, 111/12, 68/13 and 110/15), upon proposal of the Management Board and Supervisory Board of the Company, at the meeting held on 26th April 2017, the General Assembly of the Company takes the

DECISION
on giving remuneration to the Supervisory Board of the Company

Article 1

Remuneration is given to the Supervisory Board of ILIRIJA d.d., namely to the following persons:

Goran Medić, President of the Supervisory Board of the Company;
David Tudorović, Deputy President of the Supervisory Board;
Davor Tudorović, Member of the Supervisory Board of the Company;
Darko Prebežec, Member of the Supervisory Board of the Company;
Siniša Petrović, Member of the Supervisory Board of the Company.

Article 2

By giving the remuneration, the General Assembly approves of the work of the Supervisory Board for the supervision of the Company's operations for the year 2016.

Article 3

This Decision comes into force immediately on the date of taking it.

President
of the General Assembly

Ad. 10. According to the provision of Article 275, paragraph 1, section 4 of the Companies' Act (Official Gazette, No. 152/11-consolidated text, 111/12, 68/13 and 110/15), at the proposal of the Supervisory Board, at meeting held on 26th April 2017, the General Assembly of the Company takes the

DECISION
on appointment of the auditor for the year 2017

Article 1

The chartered audit company „Revicon“ d.o.o. Zadar, Ruđera Boškovića 4, Tax Number OIB: 31008688672 is appointed to perform audit for the year 2017.

Article 2

This Decision comes into force immediately on the date of taking it.

President
of the General Assembly

Ad.11. According to the provision of Article 275, paragraph 1, section 6 of the Companies' Act (Official Gazette Number 152/11-consolidated text, 111/12, 68/13 and 110/15) at the proposal of the Management Board and Supervisory Board of the Company, at the meeting held on 26th April 2017, the General Assembly of the Company takes the

DECISION

on

an increase in share capital from the Company's funds (reinvested profit)

Article 1

According to this Decision, the Company's share capital has increased from the reinvested profit generated in 2016 by the amount of HRK 30,168,600.00.

The share capital of the Company increases from the amount of HRK 174,977,880.00 by the amount of HRK 30,168,600.00 (reinvested profit) to the amount of HRK 205,146,480.00, in a way that the nominal amount increases by HRK 100.00 for each of the totally existing 301,686 shares, so that after the increase each share has a nominal amount of HRK 680.00.

Article 2

The increase in the share capital from the Company's funds is based on the audited annual financial statements of the Company for the year ending as at 31st December 2016.

Article 3

According to this Decision, relevant changes shall be made to the Articles of Association of the Company.

Article 4

This Decision comes into force immediately on the date of reaching it.

The Management Board of the Company shall take all actions to have the increase in share capital of the Company registered with the court registry of the Commercial Court in Zadar according to this Decision.

President
of the General Assembly

Ad.12. According to the provision of Article 275, paragraph 1, section 5 of the Companies' Act (Official Gazette Number 152/11-consolidated text, 111/12, 68/13 and 110/15) at the proposal of the Management Board and Supervisory Board of the Company, at the meeting held on 25th April 2017, the General Assembly of the Company takes the following

DECISION
on
changes and amendments to the Articles of Association of the company Ilirija d.d.

Article 1

In Article 4, paragraph 1 of the Articles of Association, the amount of "174,977,880.00 HRK (in words: one hundred seventy-four million nine hundred seventy-seven thousand and eight hundred and eighty HRK) is removed and replaced by the amount of 205,146,480.00 HRK (in words: two hundred five million one hundred forty-six thousand four hundred and eighty) HRK"

Article 3

In Article 4, paragraph 2 of the Articles of Association, the nominal amount of "580.00 HRK" is removed and replaced by the amount of "680.00 HRK".

Article 4

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

Article 5

These changes to the Articles of Association come into force and are applied as of the date of registration thereof with the court registry.

Article 6

The Supervisory Board is authorized to determine the full text of the Articles of Association in accordance with this Decision on changes and amendments to the Articles of Association.

President
of the General Assembly

**CALL AND INSTRUCTIONS FOR SHAREHOLDERS FOR PARTICIPATION IN
THE GENERAL MEETING**
(hereinafter referred to as: Call, that is, Instructions)

- 1.) The entitlement to participation in the work of the General Meeting and exercising voting right (one share = one vote) is vested in each Company's shareholder, that notifies the Company about its participation in writing no later than six days prior to holding the General Meeting, that is, no later than 19th April 2017. The Company's shareholder is considered to be a legal and natural person that is as the shareholder registered with the Depository of the Central Clearing Depository Company Inc. (SKDD) on the last day for registration for the participation in the work of the General Meeting, that is, on 19th April 2017.
- 2.) The shareholders participate at the General Meeting in person or are represented by their proxies on the basis of a written power of attorney duly authenticated by a notary public.
- 3.) The application (in order to be valid) must include, and also must be accompanied by the following:
 - a) Shareholders – natural persons:
 - first name and family name, place of residence, Tax No. OIB, number of account in SKDD and total number of shares
 - b) Shareholders – legal persons:
 - company or name of a legal person, registered seat, Tax No. OIB, number of account in SKDD and total number of shares;
 - copy of the excerpt from the court or any other registry on registration of persons authorized for representation of the legal person in the current year;
 - power of attorney for representation by a proxy of a legal person if the legal person is not represented by a person authorized for representation according to the legal provisions
 - c) Proxies of shareholders – natural persons:
 - first name and family name, place of residence (address) and proxy's tax number OIB;
 - list of shareholders represented by him, for each of them the number of account opened in SKDD and total number of shares of all represented shareholders are to be indicated;
 - the application is to be accompanied by all individual powers of attorney of shareholders on prescribed form.
 - d) Proxies of shareholders – legal persons:
 - company name or name of a legal person, registered seat and address and proxy's tax no. OIB;
 - list of shareholders represented by him, for each of them the number of account opened in SKDD and total number of shares of all represented shareholders are to be indicated;
 - the application is to be accompanied by individual powers of attorney of shareholders in written form, and if a shareholder is a legal person, the application is to be accompanied by an excerpt from court registry or any other registry with which the legal person is registered, or its copy, certified copy or any other public document which shows that the power of attorney has been signed by a person that is authorized to represent this legal person.

It is recommended that the form of application for participation at the General Meeting and powers of attorney should be used,

The application forms can be obtained in the registered office of the Company and they are also available on the website of the Company www.ilirijabiograd.com

- 4.) The application for participation in the General Meeting and the powers of attorney and all attachments must be in the Croatian language, but if they are in a foreign language, they should be accompanied by a Croatian translation to be produced by a qualified court interpreter.

Shareholders, representatives and proxies of shareholders who do not fulfill their obligation of submitting a proper notice of participation in the work of the General Meeting in accordance with this call, shall not have the right to participate and to vote at the General Meeting of the Company.

- 5.) The applications for participation in the General Meeting shall be submitted directly to the Company at its headquarters in Biograd na Moru, Tina Ujevića 7 or are to be sent to the Company by registered mail to the address: Ilirija d.d., Tina Ujevića 7, 23210 Biograd na Moru;

- 6.) Applications for participation at the General Meeting shall be considered timely submitted if they have been submitted or sent by mail to the Company no later than by 24:00 hours on 19th April 2017 according to these Instructions. The shareholders that failed to report their participation at the General Meeting properly in accordance with these Instructions or who failed to attach the relevant documents to the application form according to these Instructions shall not be entitled to participate at the General Meeting.
- 7.) For underage natural persons and persons without legal capacity or with limited legal capacity the application form is to be submitted by and such a person is represented by a legal representative who has to attach the original or a copy or certified copy of the document to the application form that shows his status of a legal representative.
- 8.) This decision and draft decisions that are proposed to the General Assembly by the Management Board and the Supervisory Board shall be published in the Official Gazette and on the website of the Court Registry, Zagreb Stock Exchange, HINA (**The Croatian News Agency**) and Ilirija d.d. and shall be submitted to HANFA (Croatian Financial Services Supervisory Agency).
- 9.) The shareholders who together hold shares in the amount of the twentieth part of the share capital of the Company may request that an item be placed on the agenda of the General Assembly in a written form. Such a request, together with an explanation and a draft decision must be received by the Company no later than 30 days before the date when the General Meeting is held, or on the closing date 25th March 2017. The failure to observe the deadline results in non-valid disclosure of the proposed agenda items and they cannot be properly decided upon at the General Meeting.
- 10.) Each shareholder shall by stating his name and surname be authorized to submit his counterproposal supported by an explanation to the draft decision by the Management Board and the Supervisory Board by the agenda items and deliver it to the Company at least 14 days before the General Meeting is held or on the closing date 12th April 2017 to the address of the Company Tina Ujevića 7, 23210 Biograd na Moru. Failing to observe this deadline shall not result in deprivation of the right to submit counterproposals at the General Meeting.
- 11.) The Management Board shall at the General Meeting give every shareholder at his request, information about the affairs of the Company, if it is necessary to make judgment of the issues on the agenda.
- 12.) All materials relating to the agenda of the General Assembly will be available to the shareholders at the Company's headquarters every working day from 11.00 to 12.00 hours from the day of publication of this Decision in the Official Gazette.
- 13.) Participants are invited to come to the Management Board's Office of the Company one hour before the scheduled start of the General Meeting, in order to make the registration of the participants and deliver materials for participation in the work of the General Meeting. Voting is done electronically at the General Meeting.
- 14.) If no quorum as specified in Article 8 of the Articles of Association is reached at the General Meeting convened on 26th April 2017, the next General Meeting will again be held on the same day at 17.00 hours at the same place and with the same agenda.

The public is excluded from the work of the General Meeting.

ILIRIJA d.d.
Biograd na Moru



ILIRIJA dioničko društvo
za ugostiteljstvo i turizam
Biograd na Moru 2