

ULJANIK d.d.
Pula, Flaciusova 1

On the basis of provisions of Article 277 item 2 of the Companies Act (hereinafter: ZTD) and provisions of Articles 51 and 56 of the Articles of Incorporation of the company **ULJANIK d.d.**, having its headquarters at Flaciusova 1, Pula, Personal Identification Number 56243843109 (hereinafter: the Company), the Management Board of the Company has brought on 23.07.2018 the Decision regarding the convening of the Ordinary General Assembly of the Company, and **invites the shareholders** of the Company to the

ORDINARY GENERAL ASSEMBLY OF THE COMPANY

ULJANIK d.d. – shipbuilding, mechanical engineering, electrical industry, equipment, navigation, trading and tourism, jsc

The Ordinary General Assembly of the Company will be held on **31th August 2018** in Pula, at the premises of the **Hall of Croatian Defenders in Pula (Dom hrvatskih branitelja)**, at **Dobrilina 4 starting at 1100 hrs.**

For the Ordinary General Assembly, the Management Board of the Company suggests the following:

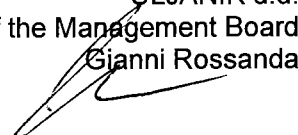
AGENDA

1. The opening of the General Assembly and establishing the number of shareholders present and shareholders' authorised representatives (defining the quorum);
2. Report of the Company's Supervisory Board regarding effected monitoring of the conduct of the business activities of the Company in 2017, and the opinion of the Supervisory Board regarding the suggested Decisions on increasing the equity capital;
3. Report of the Management Board regarding the status and conduct of business activities of the Company in 2017;
4. Bringing the Decision on establishing yearly Financial Reports for 2017 and the Auditor's report regarding revision carried out on the Company's Financial Reports for 2017;
5. Bringing the Decision on covering and transfer of loss;
6. Bringing the Decision regarding giving the note of release to the Management Board members of the Company for the business year 2017;
7. Bringing the Decision regarding giving the note of release to the Supervisory Board members for the business year 2017;
8. Bringing the Decision regarding remuneration of the members of the Supervisory Board for their work;
9. Bringing the Decision regarding nomination of the Company's Auditor for 2018;
10. Amendment to the Management Board's Report, adopted at the General Assembly on 16.02.2018, regarding reasons for complete exclusion of priority rights of the existing shareholders when registering new shares;

11. Bringing the Decision on changing of the Decision on the increase of the Company's Equity Capital by cash investments with the complete exclusion of priority rights of the existing shareholders and on changes of Articles on Incorporation dated 16.02.2018;
12. Bringing the Decision on changing of Decision on giving approval for acquiring Company's shares in the procedure of the increase of the Company's Equity Capital without obligation for announcing the Offer for acquisition dated 16.02.2018;

ULJANIK d.d.
Pula, Flaciusova 1 01

ULJANIK d.d.
President of the Management Board
Gianni Rossanda



PROPOSALS FOR DECISIONS

Based on Article 280 of ZTD, the Management Board and Supervisory Board of the Company suggest to the General Assembly of the Company the bringing of the following Decisions:

Ad. 2

The Report of the Supervisory Board of the Company regarding monitoring of the Company's business activities management in 2017, and the opinion of the Supervisory Board on suggested Decisions on the process for increasing the Equity Capital, is adopted;

Ad. 3

The Report of the Management Board of the Company regarding status and business activities of the Company in 2017 is adopted.

Ad. 4

Adoption of the

DECISION **regarding establishing annual Financial Reports for 2017** **as well as the Auditor's Report regarding revision of Financial Reports for 2017**

- I. **The General Assembly of the Company establishes the yearly financial reports for Uljanik d.d. for 2017 as follows:**
 1. Balance sheet on 31.12.2017 indicating overall assets amounting to 2,828,234 thousand HRK
 2. Report on the overall profit for the year ending on 31.12.2017 with the shown loss after tax amounting to 1,246,417 thousand HRK.
 3. Report on changes of capital.
 4. Report on cash flow.
 5. Notes on Financial Reports for 2017

II. The General Assembly of the Company establishes the annual Financial Reports for ULJANIK Group for 2017 as follows:

1. Consolidated Balance Sheet on 31.12.2017 with the total assets amounting to 2,954,846 thousand HRK.
2. Consolidated report on overall profit for the year ending on 31.12.2017 with the shown loss after tax amounting to 1,819,681 thousand HRK.
3. Consolidated Report on changes of capital.
4. Consolidated Report on cash flows.
5. Notes on consolidated Financial Reports for 2017.

III. The General Assembly of the Company accepts the auditor's Report regarding effected revision of Financial Reports of ULJANIK d.d. for the year 2017.

IV. The General Assembly of the Company accepts the auditor's Report regarding effected revision of consolidated Financial Reports of ULJANIK d.d for the year 2017.

Ad 5.

Adoption of the

**DECISION
regarding covering and transfer of loss**

1. Establishing of loss after tax for 2017 in the amount of 1,246,416,460.99 kuna.
2. Establishing of other reserves in the amount of 33,956,761.09 kuna and capital reserves in the amount of 216,566,366.97 kuna.
3. Loss from business activities in 2017 are covered in the amount of 33,956,761.09 kuna from other reserves as well as the amount of 216,566,366.97 kuna from capital reserves.
4. The remainder of non-covered loss of 995,893,332.93 kuna is transferred to the following year.

Ad 6.

Adoption of the

**DECISION
regarding issuing of Note of Release to the Management Board of the Company for the business year 2017**

It is established that the Management Board of ULJANIK d.d. managed ULJANIK d.d. in accordance with Law and Company's Articles of Incorporation, and based on this the Management Board is given a Note of Release for conducting the Company's business in 2017.

Ad 7.

Adoption of the

**DECISION
regarding giving Note of Release to the Supervisory Board of the Company for the
business year 2017**

It is established that the Supervisory Board of the ULJANIK d.d. has carried out its functions in accordance with Law and Company's Articles of Incorporation, and based on this the members of the Supervisory Board are given a Note of Release for business year 2017.

The Note of Release is given to the members of the Supervisory Board in all three compositions during 2017 as follows:

Ms. Renata Kasnjar-Putar – president, Mr. Dino Sverko – deputy to the president, Mr. Andrija Hren, Mr. Marko Pokrajac and Mr. Rajko Kutlaca, members, for the period from 01.01.2017 to 27.04.2017.

Ms. Renata Kasnjar-Putar – president, Mr. Dino Sverko – deputy to the president, Mr. Marko Pokrajac, member, for the period from 28.04.2017 to 11.06.2017; as well as

Ms. Renata Kasnjar-Putar – president, Mr. Dino Sverko – deputy to the president, Mr. Dragutin Pauletic, Mr. Marko Pokrajac and Mr. Rajko Kutlaca, members, for the period from 12.06.2017 to 31.12.2017.

Ad 8.

Adoption of the

**DECISION
on remuneration of the members of the Supervisory Board for their work**

1. Remuneration in the net amount of an average salary in the Republic of Croatia for the previous month are granted to the President of the Supervisory Board.
2. Remuneration in the net amount of 75% of an average salary in the Republic of Croatia for the previous month are granted to a member of the Supervisory Board.

Ad. 9.

Adoption of the

**DECISION
regarding naming the Auditor for effecting revision works for the Company for 2018**

For effecting revision of business of ULJANIK d.d. in 2018 PricewaterhouseCoopers d.o.o., at the address Ulica kneza Ljudevita Posavskog 31, Zagreb, is appointed.

Ad. 10.

The Amendment to the Report of the Company's Management Board, adopted during the General Assembly on 16.02.2018, regarding reasons for complete exclusion of priority rights of the existing shareholders when registering new shares is adopted.

Ad 11.

Adoption of the

DECISION on change of Decision on the increase of Equity Capital by cash investments with the complete exclusion of priority rights of the existing shareholders and on changes of Articles of Incorporation

Article 1

It is established that the General Assembly of ULJANIK d.d., at its meeting held on 16.02.2018, brought the Decision on the increase of equity capital by cash investments with the complete exclusion of priority rights of the existing shareholders and on changes of Articles of Incorporation (hereinafter: Decision) which has been registered in the Notary Public record of the notary public Denis Krajcar from Pula, Office No. OU-112/18-1 on that same date.

It is established that the legal technical implementation of the Decision depends on the adoption and beginning of implementation of the restructuring programme of ULJANIK Brodogradiliste d.d.

Due to reasons stated under Item 2 of this Decision, taking into consideration that the implementation of the restructuring programme of ULJANIK Brodogradiliste d.d. has not yet commenced, the validity of the Decision has been extended and in this sense the corresponding provisions of the Decision are amended as follows.

Article 2

In Article 17 of the Decision, Item 1 is amended and now reads:

"Should the increase of equity capital not be registered in the court register within a period of 10 (ten) months from the day of the bringing of that Decision, i.e. by 16.12.2018 at the latest, Registration ceases to oblige the subscriber, while the effected payments will be returned to the investors on the account number stated by the investor in the register within 7 (seven) working days from the expiry of the stated 10-month period. In that case the increase of equity capital and issuing of shares will be considered as being unsuccessful."

Article 3

Article 20 of the Decision is amended in such way as now reads:

"The Articles of Incorporation of the company, of 21.07.2016, on the basis of the Decision of the General Assembly of the company of 16.02.2018 and this Decision, is amended so that, after the realisation of increase of equity capital of the company in accordance with the Decision and results of registration and payment of new shares of the company, the amount of the equity capital of the company in Article 8 of the Articles of Incorporation of the company and the number of shares in Article 13 Item 1 of the Articles of Incorporation of the company is changed.

With this Decision the General Assembly authorises and obliges the Supervisory Board of the company to, considering the amount of increase of equity capital of the company and the

number of new shares of the company and in accordance with the results of registered and paid new shares of the company:

- a) Adapt the provisions of Article 8 of the Articles of Incorporation of the company in that part which refers to the amount of the equity capital of the company and in Article 13 Item 1 of the Articles of Incorporation of the company which refers to the number of shares on the basis of which the equity capital of the company has been divided, and
- b) Establish the complete text of the Articles of Incorporation.

The stated amendments of the Articles of Incorporation enter into force on the day of their registration in the court registry”

Article 4

On 31.03.2018 the balance sheet of the company ULJANIK d.d. lists the following amounts (in kuna, without lipa)

Long-term assets	723,692,694
Short-term assets	1,741,743,513
Expenses paid for the future period and calculated revenue	214,481,869
Overall assets	2,679,918,076
Capital and Reserve	-873,822,423
Reserves	566,832,487
Long-term liabilities	383,390,610
Short-term liabilities	2,183,680,727
Postponed expenses payment and future period income	419,836,675
Overall capital and liabilities	2,679,918,076

Data from this Article are established and published in the sense of Article 19 of the Decision.

Article 5

In the remaining part of the text, the Decision remains unchanged, and at the same time the remaining Decisions brought during the General Assembly of the company on 16.02.2018 remain in force.

Ad. 12.

Adoption of the

DECISION

on changes to the Decision on giving approval for acquiring shares without obligation for announcing the offer for acquisition

Article 1

It is established that the General Assembly of ULJANIK d.d. during its meeting held on 16.02.2018 brought the Decision on giving approval acquiring shares without obligation for announcing the offer for acquisition (hereinafter: Decision) which has been entered in the record of the notary public Denis Krajcar from Pula under Office No. 112/18-1 from that same date.

It is established that the Decision was brought in relation to the brought Decision on increase of equity capital with cash investment with complete exclusion of priority rights of the existing shareholders and changes of the Articles of Incorporation, and which was adopted during the same meeting of the General Assembly of the company.

Since the Decision in Item 2 of this Article has been changed during today's meeting of the General Assembly, the Decision from Item 1 of this Article is also being changed as follows.

Article 2

Article 2 of the Decision is changed so that same now reads:

Acquirers of new shares of the company ULJANIK d.d., having its headquarters in Pula, Flaciusova 1, Subject Registry Number 0400167740, Personal Identification Number (OIB): 56243843109 (hereinafter: the Company) who will obtain the Company's shares on the basis of the Decision on the increase of the Company's Equity Capital with investments in cash with the complete exclusion of the right of priority of the existing shareholders and changes of the Articles of Incorporation dated 16.02.2018. and the Decision on changing that Decision, dated 31.08.2018, the acquisition of new shares without the obligation of announcing the Offer for acquisition is approved if, by subject acquisition of new shares of the Company, an obligation for announcing the Offer for Acquirers would arise, all in accordance with the provisions of Article 14, item 1, point 3 of the current Law on the acquisition of joint stock companies.

Article 3

In the remaining part of the text the Decision remains unchanged.

Each shareholder who is registered in the central depository of the Central Depository and Clearing Company Zagreb has the right to participate at the Assembly in person or through legally authorized representatives.

The status of the shareholders is established at the beginning of trading day on **10th August 2018** as per Article 279 item 3 of the Company's Act (referring to the beginning of 21 days prior to the holding of the General Assembly, a term which does not include the day of the actual holding of the General Assembly). The proof of the status of the shareholders is submitted to the address of ULJANIK d.d., Management Board, Flaciusova 1, 52 100 Pula.

The shareholders bear their own expenses arising from participation at the General Assembly of the Company.

From the date of convening of the General Assembly on the webpages of the Court Register shareholders may examine the documentation for the Assembly on each working day from 8 a.m. – 13 a.m. at the Company headquarters, Flaciusova 1, 52 100 Pula, at the Main Gate (Porta,) on the first floor, room 36 or 24, as well as constantly until the Assembly is held by consulting the web page of the Company www.uljanik.hr.

On the basis of Article 53 of the Articles of Incorporation of the Company and Article 279, item 2 of the Companies Act, shareholders, i.e. their authorised representatives, are obliged to register with the Management Board of the Company their participation at the General Assembly no later than six days prior to the General Assembly of the Company taking place (that term does not include the date of the receipt of the application by the Company, as well as the date on which the General Assembly is held), i.e. by the **24th August 2018**. Each shareholder who intends to take part in the assembly signs the registration form for attendance at the Assembly and at his own wish the authorisation for representation at the assembly.

The shareholders may be represented by their authorised representatives on the basis of a valid written authorisation issued by the shareholder, i.e. on behalf of the shareholder who is a legal entity, to a person who is authorised to represent him. The authorisation shall contain: denotation of the Company, name and surname, i.e. firm as well as shareholder's Personal Identification Number, shareholder legal entity registration number, address, i.e. shareholder's

headquarters, reference code of the investor's account, as well as the overall nominal amount of shares and number of votes that the shareholder has at his disposal, name and surname, i.e. firm as well as Personal Identification Number of the authorised representative, registration number of the authorised representative as a legal entity and address, i.e. headquarters of the authorised representative as well as the text of the authorisation (authorisation for the authorised representative to submit the notification of attendance at the General Assembly as well as to represent the shareholder at the General Assembly, participate in the work of same and vote on all decisions which are brought during same). The authorisation is valid only for this meeting of the General Assembly, or for the next meeting which will take place in the below-stated term in case of lack of quorum. The authorisation shall be signed by the shareholder physical entity or authorised person which represents the shareholder legal entity. The registration and authorisation forms are available at the headquarters of the Company as well as on the Company's web page www.uljanik.hr

If shareholders who jointly have shares to the amount of one twentieth part of the equity capital of the Company, after the General Assembly has been convened, same may request that an issue is included on the Agenda of the General Assembly and that same is announced with an explanation and suggestion for a Decision on each new item on the Agenda given. The Company shall receive the request for introducing the new issue on the Agenda at least 30 days prior to the holding of the General Assembly. That term does not include the date of receipt of the application by the Company. Not respecting the previously indicated term has, as a consequence, the non-valid announcement of the suggested items for the Agenda and therefore same cannot be decided upon during the General Assembly.

The shareholders have the right to place a counter proposal to the suggested Decision regarding certain items of the Agenda. The counter proposal, stating the name and surname of the shareholder, explanation and eventual position of the Management Board, will be notified to persons stated in Article 281 Items 1 to 3 of the Companies Act, if the shareholder submits his counter proposal to the Company at the address stated in this invitation at least 14 days prior to the General Assembly taking place. The date of receipt of the counter proposal by the Company is not included in that term of 14 days which, in accordance with that, expires on **17th August 2018**. Should the shareholder not take advantage of this right, this does not as a consequence result in the loss of his right to place a counter proposal during the General Assembly. That stated in an appropriate way applies to the placing of suggestions by the shareholders regarding the election of members of Supervisory Board or regarding the election of the company's auditor.

The Management Board of the Company is obliged to give to each shareholder during the General Assembly, at his request, information regarding the business activities of the Company, if necessary for evaluation of issues on the Agenda. Notices from the Article 280.a of the Companies Act are available on the web page of the Company www.uljanik.hr

If, during the scheduled General Assembly, the quorum is not reached, the General Assembly of the Company will be held on **14th September 2018** at the same time, at the same place, without additional announcement and invitation.

For the timely start of the Assembly, we kindly ask the shareholders, or their authorised representatives, to register their presence at least 30 minutes before the beginning of same.

ULJANIK d.d.
Putla, Flaciusova 1 01

ULJANIK d.d.
President of the Management Board
Gianni Rossanda

