



## CIRCULAR

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### INVITATION TO THE GENERAL ASSEMBLY OF ATLANTIC GRUPA d.d.

Pursuant to Article 277, paragraph 2 of the *Companies Act*, the Management Board of the Joint Stock Company ATLANTIC GRUPA d.d. for domestic and international trade, with the registered seat in Zagreb, Miramarska 23 (hereinafter: Atlantic Grupa d.d. or "Company"), on 11<sup>th</sup> May 2017 passed the decision on the convocation of the General Assembly of the Company and hereby invites the shareholders of the Company to the

#### GENERAL ASSEMBLY of Atlantic Grupa d.d.

**to be held on June 29<sup>th</sup>, 2017 at 12:00 hours at the Headquarters of Atlantic Grupa d.d., Miramarska 23, Zagreb**

#### With the following agenda:

1. Opening of the General Assembly, establishing the present and represented shareholders.....
2. Annual financial statements and consolidated financial statements of Atlantic Grupa for 2016, Annual Report on the Status and Business Operations of the Company for FY 2016 and the Supervisory Board's Report on the Performed Supervision of Business Operations Management of the Company in FY 2016.....
3. Decision on use of retained earnings realized in the previous business years.....
4. Decision on issuing the note of release to the members of the Supervisory Board for FY 2016.....
5. Decision on issuing the note of release to the members of the Management Board for FY 2016.....
6. Decision on the election of three members of the Company Supervisory Board.....
7. Decision on the appointment of an independent Auditor of the Company for the year 2017.....

#### **Proposals of decisions of the General Assembly:**

Ad 3. The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

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1. In the business year ending on December 31, 2016 the Company has realized a consolidated net profit after minority shares in the amount of HRK 162,799,998.00 (one hundred sixty two million seven hundred ninety nine thousand nine hundred ninety eight kuna), while Atlantic Grupa d.d. has realized the net loss of HRK 12,736,230.19 (twelve million seven hundred thirty six thousand two hundred and thirty kuna and nineteen lipa).

2. The net loss of the Company in the amount of HRK 12,736,230.19 (twelve million seven hundred thirty six thousand two hundred and thirty kuna and nineteen lipa) shall be covered from the part of the retained earnings of the Company realized in the business year 2015.
3. The amount of HRK 44,983,984.50 (forty four million nine hundred eighty three thousand nine hundred eighty four kuna and fifty lipa) shall be distributed as dividends, i.e. HRK 13.50 (thirteen kuna and fifty lipa) per share, to the shareholders of the Company in proportion to the number of shares held by each shareholder. The dividend shall be paid from the part of the retained earnings of the Company realized in the business year 2010, 2011, 2012 and 2015.
4. The dividends shall be paid to all shareholders registered as such in the depository of Central Depository and Clearing Company d.d. on July 6<sup>th</sup>, 2017 (record date). Date on which security of Atlantic Grupa d.d. will be traded without dividend payment right is July 5<sup>th</sup>, 2017 (ex date). The claim for dividend payment is due on July 12<sup>th</sup>, 2017 (payment date). “

Ad 4. The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

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1. The note of release has been given to Zdenko Adrović, the member and the President of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
2. The note of release has been given to Lada Tedeschi Fiorio, the member and the Vice President of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
3. The note of release has been given to Siniša Petrović, the member of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
4. The note of release has been given to Aleksandar Pekeč, the member of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
5. The note of release has been given to Vedrana Jelušić Kašić, the member of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
6. The note of release has been given to Franz Josef Flosbach, the member of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
7. The note of release has been given to Lars Peter Elam Håkansson, the member of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.
8. The note of release has been given to Jean-Louis Yvon Gourbin, the member of the Supervisory Board of Atlantic Grupa d.d. for business year 2016.“

Ad 5. The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

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1. The note of release has been given to Emil Tedeschi, the member and the President of the Management Board of Atlantic Grupa d.d. for business year 2016.
2. The note of release has been given to Mladen Veber, the member of the Management Board of Atlantic Grupa d.d. for business year 2016.
3. The note of release has been given to Neven Vranković, the member of the Management Board of Atlantic Grupa d.d. for business year 2016.

4. The note of release has been given to Zoran Stanković, the member of the Management Board of Atlantic Grupa d.d. for business year 2016.“

Ad 6. The Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

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1. It is hereby established that for members of the Supervisory Board:
  - 1a. Zdenko Adrović, mag. oec., Zagreb, Jurjevska 48b, PIN: 20595516607, as a Supervisory Board member of the Company,
  - 1b. Lada Tedeschi Fiorio, mag. oec., Zagreb, Nazorova 29b, PIN: 88088369084, as a Supervisory Board member of the Company,
  - 1c. Siniša Petrović, Prof. Ph.D., Zagreb, Zvonarnička 5a, PIN: 69590126082, as a Supervisory Board member of the Companythe term of office at the Company Supervisory Board expires on 01 September 2017.
2. The following persons are elected as Supervisory Board members of Atlantic Grupa d.d.:
  - 2a. Zdenko Adrović, mag. oec., Zagreb, Jurjevska 48b, PIN: 20595516607, as a Supervisory Board member of the Company,
  - 2b. Lada Tedeschi Fiorio, mag. oec., Zagreb, Nazorova 29b, PIN: 88088369084, as a Supervisory Board member of the Company,
  - 2c. Siniša Petrović, Prof. Ph.D., Zagreb, Zvonarnička 5a, PIN: 69590126082, as a Supervisory Board member of the Company.
3. Members of the Supervisory Board stated in items 2a, 2b and 2c of this Decision, are elected for the term of office of 4 years commencing on 02 September 2017.
4. This Decision shall become valid on the day of its adoption.“

Ad 7. The Supervisory Board of the Company proposes to the General Assembly to adopt the following decision:

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1. Pursuant to the conducted selection procedure, the Audit Committee of the Company submitted a recommendation for the appointment of the certified auditor for the audit of financial reports of the parent company Atlantic Grupa d.d. and the affiliated companies, with the justified preference for Ernst & Young d.o.o., Radnička cesta 50, Zagreb, Croatia.
2. For the purpose of auditing the financial reports of Atlantic Grupa d.d. and affiliated companies and for the audit of consolidated financial report for the business year 2017, the Company appoints the certified auditors' company: Ernst & Young d.o.o., Radnička cesta 50, Zagreb, Hrvatska.“

INVITATION AND INSTRUCTIONS FOR SHAREHOLDERS  
CONCERNING THEIR PARTICIPATION IN THE GENERAL ASSEMBLY  
(hereinafter – Instructions):

**Invitation, time and venue of the General Assembly:**

1. The shareholders of Atlantic Grupa d.d. (hereinafter – the Company) are hereby invited to participate in the General Assembly to be held on June 29<sup>th</sup> 2017 at 12:00 hours in Atlantic Grupa Headquarters, Zagreb, Miramarska 23.
2. The participants are invited to come to the General Assembly on June 29<sup>th</sup> 2017 at least two hours prior to its scheduled beginning for the purpose of timely registration of participants and in order for the Committee for Participant Registration to make a list of participants in the General Assembly. When registering, the shareholders or their proxies or representatives have to submit to the Committee a valid identification document provided under law, while the proxies who are legal persons have to submit an excerpt from the court register or other appropriate register in which the legal person concerned is entered, or other appropriate public document, if such a document was not submitted with the application for participation in the General Assembly. After registration, the participants may leave the General Assembly only after informing the Committee for Participant Registration, until the conclusion of the General Assembly.

**Participation and voting at the General Assembly:**

1. Each shareholder of the Company who has submitted to the Company, either personally or through their proxy or representative, an application for participation in written form at the latest six days prior to the General Assembly meeting in which period is not included the day the application is received at the Company, or by June 22<sup>nd</sup>, 2017 has the right to participate in the General Assembly. A legal or natural person, who is on the last day for application for participation in the General Assembly i.e. on June 22<sup>nd</sup>, 2017 registered as a shareholder of the Company with the Central Depository and Clearing Company d.d., Zagreb, is considered a shareholder of the Company.
2. The application shall have the following contents and attachments:
  - I. Application for shareholder – natural person
    - name and family name, residence, address, OIB (personal identification number)
    - number of account opened with the Central Depository and Clearing Company d.d. and the total number of shares of the shareholder concerned
  - II. Application for shareholder – legal person
    - company name of the legal person, seat and address, OIB (personal identification number)
    - number of account opened with the Central Depository and Clearing Company d.d. and the total number of shares of the shareholder concerned
    - an excerpt from the court register or from other register in which the legal person is entered or a copy of such document, a certified copy or other appropriate public document clearly showing that the application was signed by a person who is under law authorized to represent the legal person concerned shall be attached to the application.
  - III. Application submitted by shareholder's proxy
    - a) Proxy of natural person:
      - name and family name, residence and address, OIB (personal identification number) of the proxy
      - name and family name/company name; residence and address/seat, OIB (personal identification number) of the shareholder(s) which the proxy is representing, number of

account opened with the Central Depository and Clearing Company d.d. of each shareholder concerned and the total number of shares of the shareholder(s) concerned  
- individual power of authority given by shareholder in written form shall be attached to the application on the recommended form

b) Proxy of legal person:

- company name, seat and address and proxy's company OIB (personal identification number)

- name and family name/company name; residence and address/seat, OIB (personal identification number) of the shareholder(s) which the proxy is representing, number of account opened with the Central Depository and Clearing Company d.d. of each shareholder concerned and the total number of shares of the shareholder(s) concerned

- individual power of authority given by shareholder in written form shall be attached to the application; if a shareholder is a legal person, the attachment shall contain an excerpt from the court register or other register in which the legal person is entered or a copy of such document, a certified copy or other public document clearly showing that the power of authority was signed by a person who is under law authorized to represent the legal person concerned.

3. As to minors and legally incapable or partially capable natural persons, the application shall be submitted by their statutory representative, who also represents them and who shall enclose with the application an original document or a copy or a certified copy thereof showing their status as a statutory representative.
4. Each share of the Company gives the right to one vote in the General Assembly. The shareholders in the General Assembly may be represented by proxies on the basis of a valid written power of authority which is issued by the shareholder or which on behalf of a shareholder which is a legal person is issued by a person who is under law authorized to represent them.
5. The power of authority for the application for participation and/or voting at the General Assembly shall include the name and family name or company name, residence or seat and address of the giver of authority, OIB (personal identification number) of the giver of authority, number of account with the Central Depository and Clearing Company d.d. of the shareholder, the total number of shares, name and family name or company name, residence or seat and address of the proxy, OIB (personal identification number) of the proxy, signature of the giver of authority or statutory representative or representative under law, if the giver of authority is a legal person. It is recommended to use forms for the application for participation in the General Assembly and for the power of authority, which can be obtained at the seat of the Company and on the web site of the Company: [www.atlanticgrupa.com](http://www.atlanticgrupa.com)
6. The application for participation in the General Assembly and the power of authority, as well as any other attachments, shall be in the Croatian language; if they are in a foreign language, they also have to be translated into Croatian language by an authorized court interpreter.
7. The application for participation in the General Assembly shall be submitted directly to the Company at its seat in Zagreb, Miramarska 23 or sent to the Company by registered mail to the address: Atlantic Grupa d.d., Miramarska 23, 10000 Zagreb.
8. The application for participation in the General Assembly shall be considered timely submitted if it is, in accordance with these Instructions, submitted or sent by mail to the Company by 24:00 hours on 22<sup>nd</sup> June 2017 at the latest. The shareholders who have failed to apply for participation in the General Assembly correctly and in accordance with these Instructions or who have failed to attach to the application the documents provided under these Instructions shall not be entitled to participate in the General Assembly.

9. The Company shall bear the costs of holding the General Assembly. Shareholders shall bear their own costs of arrival and participation in the activities of the General Assembly.

**Questions, proposals, materials and notifications:**

1. The shareholders who intend to ask questions or submit proposals in the General Assembly regarding individual agenda items are hereby asked, for the purpose of an efficient organization of the work of the General Assembly, to announce their intention in writing when submitting their application for participation in the General Assembly or during the registration of participants prior to the General Assembly at the latest and to indicate the agenda item which their question or proposal will refer to as well as the content thereof.
2. In case the shareholders who together own twentieth part of the share capital of the Company should request, after the General Assembly is convened, an additional subject to be included in the agenda and disclosed, then any new agenda item should be accompanied by an explanation and respective decision proposal. The Company has to receive requests to add items to the agenda at least 30 days prior to the day of General Assembly. This period does not include the day the request is received at the Company. In case the deadline is not observed the proposed additional items of the agenda would be considered as not duly announced and no decision on them can be made at the General Assembly.
3. Counterproposals to the proposals submitted by the Management Board and/or Supervisory Board relating to the particular agenda item, made by shareholders with their names/family names, explanation and possible stand by the Management Board shall be available to legal persons stated in Article 281, section 1 to 3 of the Company Law as defined in the Article 282 of the Company Law, in case a shareholder submits a counterproposal to the address of Company Headquarters (Atlantic Grupa d.d., Miramarska 23, 10000 Zagreb), a least 14 days prior to the General Assembly date. The date counterproposal is received at the Company is not counted in 14 day deadline. The counterproposals shall be available at the Company's Internet site: [www.atlanticgrupa.com](http://www.atlanticgrupa.com). In case the shareholder does not exercise this right, he shall still be entitled to make a counterproposal at the General Assembly. The stated applies accordingly to shareholders proposals regarding the election of the Supervisory Board members or appointment of the Company auditor.
4. At the General Assembly, the Management Board is obliged to provide information about the Company operations to any shareholder at their request, in case this information is necessary to judge an agenda item.
5. The materials for the General Assembly, for which it is prescribed so by law, will be made available to the shareholders for inspection and for issuing of copies at the seat of the Company in Zagreb, every working day from the day on which the invitation to the General Assembly is published to the day of the General Assembly from 10:00 to 14:00 hours. Those materials will be announced at the same day on the Company's Internet site: [www.atlanticgrupa.com](http://www.atlanticgrupa.com).

Zagreb, May 11<sup>th</sup>, 2017

Atlantic Grupa d.d.

Contact:

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Annex 1 - Application for Participation

GENERAL ASSEMBLY OF ATLANTIC GRUPA d.d., ZAGREB  
Application for Participation

1. Name and family name, or company name of the shareholder  OIB (personal identification number) of the shareholder	
2. Residence or seat of the shareholder (street, number, place, state)	
3. Name and family name, or company name of the proxy  OIB (personal identification number) of the proxy	
4. Residence or seat of the proxy (street, number, place, state)	
5. Name and family name of the person who is under law authorized to sign this application for shareholder	
6. Number of shares of the shareholder represented /voted*	
7. Account number with the Central Depository and Clearing Company d.d. of the shareholder	

\*please mark if the total number of shares of the shareholder or shares on custody account is different then number with which it is voted on General Assembly, or for which proxy is issued. If the number of shares is expected to change, please enter following notice: "according to the number of shares registered on June 22<sup>nd</sup>. 2017".

I herewith apply for participation in the General Assembly of Atlantic Grupa d.d. Zagreb, Miramarska 23, convoked for June 29<sup>th</sup> 2017, starting at 12:00 hours at Atlantic Grupa registered seat, in Zagreb, Miramarska 23.

Signature of the shareholder/proxy \_\_\_\_\_ Date: \_\_\_\_\_

Annex 2 – Power of authority form

GENERAL ASSEMBLY OF ATLANTIC GRUPA d.d., ZAGREB  
Power of Authority

<p>1. Name and family name, or company name of the shareholder /OIB (personal Identification number)</p> <p>Name and family name of the person who is under law authorized to sign this power of authority for shareholder</p>	
<p>2. Residence or seat of the shareholder (street, number, place, state)</p>	
<p>3. Total number of shares owned</p>	
<p>4. Number of shareholder's account with the CDCC</p>	

I herewith give authority to the below stated proxy to file, on my behalf and for my account, an application for participation in the General Assembly of the joint-stock company Atlantic Grupa d.d., Zagreb, Miramarska 23 to be held on 29<sup>th</sup> June 2017 in Zagreb, to represent me at this General Assembly, to participate, on my behalf and for my account, in the work of the General Assembly and to vote on all decisions to be passed in the General Assembly.

1.	Name and family name, or company name of the proxy	
2,	Residence or seat of the proxy (street, number, place, state)	
3.	OIB (personal identification number) of the proxy	
4.	Number of shares entitled to vote	
5.	Voting instructions	

Shareholder's signature: \_\_\_\_\_

Date: \_\_\_\_\_