

**INVITATION TO THE GENERAL ASSEMBLY  
OF GRANOLIO D.D.**

Pursuant to Article 277 of the Companies Act and Article 43 of Granolio d.d. Articles of Association, the Management Board, acting upon the Decision on convening the General Assembly of 28 April 2017, convenes

**The General Assembly of Granolio d.d. Zagreb, Budmanijeva 5,**

which will be held on 6 June 2017 at 12:00 hours at the DoubleTree by Hilton Hotel in Zagreb, Olive I Meeting Room, Ulica grada Vukovara 269a, Zagreb.

**I.**

The following Agenda is proposed for the General Assembly meeting:

**A g e n d a :**

1. Opening of the General Assembly, establishing the list of participants at the General Assembly,
2. Management Report on the status of the Company and affiliated companies for the year 2016,
3. Report of the Supervisory Board on the supervision of the Company's operations for the year 2016,
4. Consolidated financial statements for the year 2016 and Independent Auditor's Report by Deloitte d.o.o. on the audit of the Granolio Group for the year 2016,
5. Financial statements for the year 2016 and Independent Auditor's Report by Deloitte d.o.o. on audit of Granolio d.d.,
6. Resolution on the proposal for the distribution of the year 2016 profit,
7. Resolution on grant of the clearance to the:
  - a. members of the Management Board,
  - b. members of the Supervisory Board,
8. Resolution on the appointment of an auditor of the Company for the year 2017,
9. Information on the loss of the Company in the period from January to March of the year 2017 in the amount exceeding half of the share capital of the Company

**II.**

Pursuant to Article 280 of the Companies Act, the Management Board and the Supervisory Board of the Company propose to the General Assembly to pass the following resolutions:

**Ad 2)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The Management Report on the status of the Company and affiliated

Companies for the year 2016 is hereby adopted.

**Ad 3)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The Supervisory Board Report on the supervision of Company operations for the year 2016 with a proposal for the distribution of the 2016 profit and results of the review of annual financial statements, and the Report on the status of the Company and affiliated companies for the year 2016 is hereby adopted.

**Ad 4)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

Consolidated financial statements for the year 2016 and the Auditor's Report by Baker Tilly Discordia d.o.o. on the audit of the Granolio Group for the year 2016 are hereby acknowledged.

**Ad 5)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

Financial statements for the year 2016 and the Auditor's Report by Deloitte d.o.o. on the audit of Granolio d.d. for the year 2016 are hereby acknowledged.

**Ad 6)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The profit of the year 2016 in the amount of HRK 2.506.535,26 kn (after taxation) is distributed as follows:

- legal reserves in the amount of HRK 125.326,76 and
- retained earnings in the amount of HRK 2.381.208,50.

**Ad 7)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

a) Work of members of the Management Board regarding the management of the Company's business for the previous business year **is approved** (a clearance is granted).

b) Work of members of the Supervisory Board regarding the supervision of the Company's business for the previous business year **is approved** (a clearance is granted).

**Ad 8)** The Company's Supervisory Board proposes to the General Assembly to pass the following r e s o l u t i o n :

DELOITTE d.o.o., Radnička cesta 80/VI, 10000 Zagreb, OIB: 11686457780 is appointed auditor of the Company for the year 2017.

**Ad 8)** The Management Board and the Supervisory Board propose to the General Assembly to pass the following r e s o l u t i o n :

The information from the Management Board that during January-March 2017 the loss of the Company amounted to HRK 12,926,301.78, which exceeds half of the Company's share capital is hereby acknowledged.



Shareholders of the Company are hereby invited to participate in the General Assembly convened as per Decision on convening the General Assembly.

Shareholders, i.e. their proxies, have voting rights and the right to participate in the General Assembly if they are registered with the Central Depository and Clearing Company as shareholders on the beginning of the 21<sup>st</sup> (twenty first) day before the General Assembly is held. (Article 48 of the Company's Articles of Association), and if they submit the application for participation at the General Assembly no later than 6 (six) days before the General Assembly meeting is held (Article 46 of the Company's Articles of Association).

The General Assembly cannot pass valid resolutions unless attended by shareholders representing 50% of shares carrying voting rights - a quorum (Article 53 of the Company's Articles of Association) while all resolutions under the proposed items of the Agenda are passed by a majority vote (Article 47 of the Company's Articles of Association). Each share with a nominal value of HRK 10.00 carries one vote in the Company's General Assembly (Article 47 of the Company's Articles of Association).

The application for participation (application form available on the Company website: <http://www.granolio.hr/hr/investitori/>) is submitted in writing, to the Company's Management Board at the Company's registered address.

Voting rights at the General Assembly may also be exercised by proxy. The Power of Attorney must be made in writing (form available on the Company website), it must be certified by a notary public and must explicitly grant the proxy the right to vote at the General Assembly. Unless already submitted, the Power of Attorney is to be submitted to the Company along with the application for participation at the General Assembly meeting prior to its commencement. The Power of Attorney is retained in the Company archives. A copy of the signed Power of Attorney may also be e-mailed to: [granolio-pk@granolio.hr](mailto:granolio-pk@granolio.hr)

Shareholders who are legal persons must along with the application and/or Power of Attorney submit also a copy or excerpt from the relevant register.

Annual financial statements, the Report on the state of the Company and affiliated companies for 2016, the Report of the Supervisory Board, proposal of the decision on the distribution of profit and other written materials pertaining to individual items of the Agenda, as well as application form and power-of-attorney templates required for participation at the General Assembly meeting may be obtained on business days between 10 am and 12 pm at the Company's seat after the Invitation to the General Assembly is released. At their request, shareholders will receive copies of the said documents.

Shareholders who jointly hold at least a twentieth part of the Company's share capital may request that items be added to the General Assembly meeting Agenda, with the explanation and respective resolution proposal. The Company has to receive the request at least 30 days prior to the General Assembly meeting. The day of receipt of the request is not included in the 30-day period.

The counterproposals to the proposals made by the Management Board



Supervisory Board, with the name and surname of the shareholders and explanation, as well as proposals of the shareholders on the of the auditors of the Company, must be received by the Company no than 14 days prior to the General Assembly meeting. The day of of the counterproposal is not included in the 14-day period. In case shareholder does not exercise this right, this will not result in loss of the right to file counterproposals at the General Assembly.

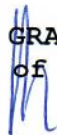
At the General Assembly, the Management Board is obliged to provide information about Company operations to any shareholder at their request if this is necessary for consideration of the items of the Agenda. This information may be withheld for reasons provided for by the Companies Act.

As of the date of convening the General Assembly, the Invitation to the General Assembly, documents of relevance to the General Assembly meeting, the total number of shares and voting rights at the time the General Assembly is convened as well as application form and power of attorney templates necessary for participation, will be available on the Company website (<http://www.granolio.hr/hr/investitori/>).

IV.

If the General Assembly to be held on June 6, 2017 fails to meet quorum requirements or cannot be held for any other reason, a new General Assembly meeting with the same agenda will be held at the Company's premises in Zagreb, Budmanijeva 5 on June 08, 2016 at 09:00 hours. The new General Assembly will be held regardless of the number of shareholders attending and the resolutions will be passed by a majority of votes cast.

**GRANOLIO d.d.**  
**President of the Management Board**

  
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**Hrvoje Filipović**



**Granolio**  
d.d., Budmanijeva 5  
Zagreb