

“JADRAN ” – GALENSKI LABORATORIJ d.d.
R I J E K A
Svilno 20

Rijeka, 29 April 2020

Pursuant to Article 277(2) of the Companies Act (*Narodne Novine* (NN; Official Gazette of the Republic of Croatia) No 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11 , 111/12, 144/12, 68/13, 110/15 and 40/19), and Article 40 of the Articles of Association of the joint stock company JADRAN – GALENSKI LABORATORIJ d.d. from Rijeka, Svilno 20 (hereinafter: the Company), on 29 April 2020, the CHIEF EXECUTIVE OFFICER with the approval of the BOARD OF DIRECTORS issued a decision to convene the Annual General Meeting and publish the following

MEETING NOTICE

**THE ANNUAL GENERAL MEETING
OF THE JOINT STOCK COMPANY
JADRAN – GALENSKI LABORATORIJ d.d. IS HEREBY CONVENED**

for 15 June 2020 at 5 p.m.
at the premises of JGL d.d. in Rijeka, Svilno 20
(respecting social distancing measures
in accordance with the decision of the Civil Protection Headquarters of the Republic of
Croatia)

The Annual General Meeting is proposed with the following

AGENDA:

1. Presentation of the Report of the JGL d.d. Board of Directors on the position of the Company in 2019
2. Presentation of the JGL d.d. Consolidated Report for 2019
3. Presentation of the Annual Financial Statements of JGL d.d. for 2019
4. Presentation of the JGL d.d. Annual Consolidated Financial Statements for 2019
5. Report of the Board of Directors for 2019
6. Adoption of decision on the distribution of profit earned in 2019
7. Adoption of decision on the payment of dividends to shareholders from accumulated retained earnings of
JGL d.d. in 2008
8. Adoption of decision on the Statement of Clearance to the Board of Directors for the period of
01/01–31/12/2019

9. Adoption of decision on the selection of the auditor of JGL d.d. for 2020
10. Adoption of decision on special remuneration for the work of the members of the Board of Directors of JGL d.d. in
the event of significant results achieved in the performance or growth of the Company
11. Adoption of decision on the approval of the purchase (acquisition) of own shares
12. Report on the acquisition of own shares in 2019

DRAFT DECISIONS:

AD 6)

The proposal of the Company's Board of Directors on the distribution of profit for 2019 is hereby approved.

(a)

It is hereby established that the Company, in the year ended 31 December 2019, made a profit of HRK 77,876,691.07.

(b)

The Company's profit in the amount of HRK 6,005,485.54 shall be allocated to other reserves of the Company for development costs shown under assets that have not been written off.

(c)

The remaining profit in the amount of HRK 71,871,205.53 shall be allocated to retained earnings of the Company.

(d)

The decision shall enter into force on the date of its adoption.

AD 7)

The proposal of the Board of Directors on the payment of dividends to shareholders from accumulated retained earnings of JGL d.d. in 2008 is hereby adopted.

(a)

“Jadran” – Galenski laboratorij d.d. shareholders, holders of ordinary registered shares, code JDGL-R-A shall be paid a dividend of HRK 9.00 per share.

(b)

The dividend referred to in point (a) of this Decision shall be paid out of the assets of the accumulated retained earnings of “Jadran” – Galenski laboratorij d.d. in 2008.

(c)

The shareholders entitled to the payment of the dividend are the shareholders registered

in the Register of Shareholders of the CENTRAL DEPOSITORY AND CLEARING COMPANY, a joint stock company from Zagreb, 15 days before the day of the payment of dividends.

(d)

The Board of Directors of the Company is hereby authorised to make a decision on the exact date of payment of the dividend, with the date of payment being no later than the 30th day from the day of the adoption of this decision.

(e)

The decision shall enter into force on the date of its adoption.

AD 8)

The proposal of the Board of Directors on the ratification (Statement of Clearance) of the actions by the Board of Directors in conducting business of JADRAN – GALENSKI LABORATORIJ d.d. for the period of 01/01–31/12/2019 is hereby adopted.

(a)

Upon presentation of the annual financial statements of the Company for the 2019 business year established by the Board of Directors, it is hereby established that the Board of Directors, in the period of 01/01–31/12/2019, managed the Company in accordance with the law and the Articles of Association.

(b)

A Statement of Clearance is given to the Board of Directors for conducting the business of the Company in the period of 01/01–31/12/2019.

(c)

The decision shall enter into force on the date of its adoption.

AD 9)

The proposal of the Board of Directors to appoint Grant Thornton revizija Limited Liability Company from Zagreb, as the auditor of JADRAN – GALENSKI LABORATORIJ d.d. for 2020 is hereby adopted.

(a)

Grant Thornton revizija Limited Liability Company from Zagreb is hereby appointed as the auditor of the Company for 2020.

AD 10)

The proposal of the Board of Directors that the members of the Board of Directors of

JGL d.d. be paid a special bonus for the significant results achieved in the performance and growth of the Company in 2019 is hereby adopted.

(a)

The members of the Board of Directors of JGL d.d. shall be paid a special bonus for the significant results achieved in the performance and growth of the Company in 2019, specifically

- IVA USMIANI, mag. pharm. HRK 602,234.74 gross
- ZDRAVKO SARŠON, mag. pharm. HRK 321,655.94 gross
- MARINA PULIŠIĆ, mag. pharm. HRK 503,052.34 gross
- EVA USMIANI CAPOBIANCO, mag. pharm. HRK 301,111.37 gross
- GROZDANA BOŽIĆ, dipl. iur. HRK 250,926.15 gross
- DOROTEJA PERNJAK BANIĆ, mag. pharm. HRK 139,010.21 gross.

AD 11)

The proposal of the Board of Directors on the approval of the purchase (acquisition) of own shares is hereby adopted.

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Pursuant to Article 233(1) of the Companies Act (NN No 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 111/12, 68/13, 110/15 and 40/19),

the Board of Directors of the Company is hereby granted a general and unconditional authorisation for one or more purchases of ordinary shares of the Company in the following manner:

(a)

The maximum total number of shares purchased under this authorisation is 10% of the Company's share capital.

(b)

For the purchase of shares, the Company may use the funds from the Company earnings retained after 01/03/2012.

(c)

The lowest price payable for such shares is their nominal value per share.

(d)

The maximum price payable per share may not be greater than the book value per share according to the last published consolidated financial statements of JGL d.d., where the decision on the price of the shares to be bought by JGL d.d. on the basis of this decision shall be made by the Board of Directors of JGL d.d.

(e)

The authorisation granted herein shall take effect on the day of the adoption of this

Decision and shall expire within 36 months.

NOTE:

All shareholders holding registered shares are entitled to participate in the Annual General Meeting of the Company if they are registered in the securities register with the Central Depository and Clearing Company 7 (seven) days before the annual general meeting and if they notify the Company in writing of their intention to participate in the annual general meeting no later than 7 (seven) days before the annual general meeting is held.

The material for the Annual General Meeting, which serves as a basis for the adoption of decisions, shall be available to shareholders for inspection at the Company's headquarters immediately after the publication of this notice in *Narodne Novine* (Official Gazette of the Republic of Croatia), every business day from 10 a.m. to 1 p.m.

Shareholders at the General Meeting may also be represented by attorneys-in-fact, on the basis of a valid written power of attorney issued by the shareholder. The signature on the power of attorney need not be certified by a notary public.

The General Meeting may adopt valid decisions if it involves the participation of shareholders or their attorneys-in-fact who together hold shares that constitute one-third of the votes in the General Meeting, unless otherwise provided by law or the Articles of Association for individual decisions. If the quorum required by the provisions of Article 52(1) of the Articles of Association is not met at an Annual General Meeting, the meeting may be held if, after 60 minutes from the expiry of the time indicated in the notice on the commencement of the General Meeting, shareholders or their proxies holding shares whose nominal value exceeds 20 (twenty) percent of the nominal amount of the Company's share capital are present. In such circumstances, the General Meeting may only decide on matters for which a qualified majority is not required. If, after the expiration of the time stated, there is no such quorum at the General Assembly, that is, if it is necessary to adopt a decision for which a qualified majority is prescribed by law or the Articles of Association, the Chairperson of the General Meeting shall postpone the session, where the new session with the same agenda shall be held on 3 July 2020 at 5 p.m., i.e. within a period not shorter than 15 (fifteen) days or longer than 30 (thirty) days from the originally convened General Meeting. The new General Meeting shall be held irrespective of the number of shareholders present or the value of their shares, and decisions shall be taken by a majority of votes cast at the General Meeting, including those decisions for which a qualified majority is required.

The Chief Executive Officer of the Company has issued a decision to suspend the entry of changes in the securities register with the Central Depository and Clearing Company 7

(seven) days before the General Meeting until the first business day following the General Meeting.

MISLAV VUČIĆ, MSc Econ, m.p.
Chief Executive Officer