LUKA PLOČE d.d.
P L O Č E
Trg kralja Tomislava 21

Number: 2830/16

Ploče, April 25th 2016.

Subject: Notice on the held session of the General Assembly of Luka Ploče d.d

On April 25th 2016. the General Shareholders' Assembly of Luka Ploče d.d. was held at the official premises of the Company, Ploče, Trg kralja Tomislava 21. General Assembly of Luka Ploče d.d. has been attended by 301.412 votes representing 71,26% of the Company's capital.

Ad.2.

Management Board's Report on the Status and Business Operations of the Company for business year 2015. is adopted.

Ad.3.

Supervisory Board Report on supervision of management of business operations of the Luka Ploče d.d. Company for business year 2015. is adopted.

Ad.4.

Auditor's Report on performed audit of company's financial statements of Luka Ploče d.d. for year 2015, and of consolidated annual financial report of Luka Ploče d.d.for business year 2015. is adopted.

Ad.5.

Financial statements of Luka Ploče d.d. for year 2015, and the consolidated annual financial report of Luka Ploče Group for business year 2015. are adopted.
Annual financial statements comprise:

- Balance sheet & profit and loss account
- Notes to financial statements
- Cash flow statement
- Change in capital statement
- Annual report of the position of the Company

Profit and loss account of Luka Ploče d.d. for year 2014. presents the profit after taxation in amount of_30.408.037,74 Kn, while the Balance sheet on date December 31st 2015. presents total Capital + Liabilities in amount of 457.241.669,85 Kn.
Profit &loss account of Luka Ploče Group presents the profit after taxation in amount of 31.586.285,00 Kn, while the Balance sheet on date December 31st 2015. presents total Capital + Liabilities in amount of 523.560.314,00 Kn.

- It has been determined that in business year 2015. Company Luka Ploče d.d. has incurred profit of 30.408.037,74 KN.

Incurred profit of the company Ploče Port d.d. described under I. above is to be distributed as follows:

- obligatory reserves 1.520.401,89 Kn
- retained profit 28.887.636,85 Kn

Ad.6.

Note of release (approval of actions) is given to the Company's Management Board for year 2015.

Ad.7.

Note of release (approval of actions) is given to the Luka Ploče d.d. Supervisory Board for year 2015.

Ad.9.
KPMG Croatia d.o.o Zagreb is appointed as the auditor of the Luka Ploče d.d. Company for the year 2016.

Ad.9.

Decision
on the change in the Article of Association of Luka Ploče d.d.

Article 1.

Article 54.para 5. of the Article of Association is changed and now reads as follows:
The mandate of the members of the Management Board shall last no longer than five years, with the possibility of re-election.

Article 2.

Other provisions of the Company's Articles of Associations shall remain in force and unaffected.

The revised text of the Company's Article of Association from April 25th 2016. is given below:

Pursuant to Articles 1 and 13 of the Decision on the Transformation of the Socially-owned Company "Port of Ploče" p.o. into the joint-stock company Port of Ploče PLC of 29.03.2001, the Transformation Program of 29.03.2001, and the Decision of the Croatian Privatization Fund, File No. 563-03-02/05-2001-11, Reg. No. UP/I-943-06/00-01/126 of 26 March 2001, and in accordance with the provisions of Articles 203 and 637 paragraphs 1 and 5 of the Companies Act (Official Gazette of the Republic of Croatia 111/93), the Founding Meeting of the Port of Ploče PLC adopted the Articles of Association of the Port of Ploče PLC on 16.12.2002; the General Assembly of the Port of Ploče PLC passed decisions on amending the Articles of Association on 30.07.2004, 07.08.2009, 31.01.2011, 29.08.2011., 21.06.2012. and 25.04.2016. so I am issuing the

ARTICLE OF ASSOCIATION
of the Port of Ploče PLC
(Final Version)

INTRODUCTORY PROVISIONS

Article 1

These Articles of Association are the top document of the Port of Ploče PLC (hereinafter the Company) determining the basic rules of the legal status and organisation of the Company, and the rules on mutual relations between the shareholders and the Company.

Pursuant to Article 1 of the Decision of the Management Board concerning the transformation of the socially-owned company Port of Ploče p.o. Ploče of 29.03.2001 and the Program of Transformation of 29.03.2001, it is hereby noted that the Port of Ploče PLC is a joint-stock company for services in maritime transport, stevedoring, warehousing and shipping, and is the universal legal successor to the socially-owned company Port of Ploče p.o. Ploče.

These Articles regulate and determine:

Company name and registered office
Scope of business of the Company
Amount of the registered capital
Nominal amount, number and type of shares
Bodies of the Company
Method and Form of publication of Company communication
Duration and cessation of the Company
Other issues relevant to the operation of the Company.

COMPANY NAME

Article 2

The Company is doing business under the name of the Port of Ploče public limited company for services in maritime transport, stevedoring, warehousing and shipping.

The English translation of the Company name is: Port of Ploče, public limited company for maritime transport, stevedoring, warehousing and shipping.

The short Company name is: *Luka Ploče d.d.*

The short Company name in English is: Port of Ploče PLC.

The Company name can be amended by a decision of the General Assembly.

The Company has its trade mark. The description of the trade mark shall be determined by the Supervisory Board in a separate decision.

REGISTERED OFFICE

Article 3

The registered office of the Company is in Ploče, Trg kralja Tomislava 21.

Article 4

The Company has and uses a seal that contains the short Company name and registered office.

The Company has a round seal with 30 mm diameter and inscription:

Port of Ploče PLC, Ploče. At the centre of the seal there is a symbol of a ship, a port crane and part of the coast.

For confirming entries in employment books and in other cases, when necessary, a smaller seal is used.

A decision on changing the form and content of the seal shall be taken by the Supervisory Board of the Company.

SCOPE OF BUSINESS ACTIVITIES

Article 5

- Loading, unloading, reloading, warehousing, hauling and commission processing of goods and other materials
- Supplying ships and other customers with water, electricity, materials, telephone services, goods, oil and oil products and other services,
- Berthing and unberthing ships, yachts, fishing, sport and other vessels and floating devices
- Maritime transport and cabotage of goods and passengers
63.40 – Activities of other transport agencies
- Mediation in loading and unloading goods
- International shipping
- Entrepreneur rights and duties to managing ships in the capacity of a shipper or operator (management)
- Training and organising courses for seamen
- Port machinery maintenance
28.52 – General mechanical works
29.22 – Manufacture of heaving and transporting equipment
29.23 – Manufacture of cooling and ventilation equipment, except for households
29.24 – Manufacture of other machines for general purposes, n.a.
31.10 – Manufacture of electric motors, generators and transformers,
31.20 – Manufacture of equipment for electric power distribution and control
60.24 – Road transport of goods
- Construction industry
- Upgrading goods
- Telecommunications-radios and telephones with ships and pilots on personal, already determined frequencies
- Pumping, transporting and disposing of excrement from septic, collection and pumping tanks
- Garbage and waste disposal, maintenance of public areas, maintenance of non-categorised roads
- Environmental protection
- Fixing cargo
- Lining up and securing cargo and vehicles
- Preparing drawings (facility design), building supervision
- Preparing drawings for machines and industrial plants
- Engineering, project management and technical activities
- Preparing air-conditioning, cooling projects, sanitary control and pollution control, and the acoustic quality project etc.
71.1 –Car leasing
- Preparing foods and providing catering services, preparing and serving drinks and beverages, accommodation services
- Maintenance and repair of motor vehicles
- Manufacture of bodies for motor vehicles, trailers and semi-trailers
- Manufacture of parts and accessories for motor vehicles and their engines
- Re-threading external tyres

- Shipping goods and parts from the sales of goods and parts, from the consignment warehouse
- Representation of foreign companies
20 – Wood processing and wood products, except furniture
20.40 – Manufacture of wooden packaging
- Renting own assets
- Buying and selling goods
- Trade mediation on home and foreign markets

To engage in the operation referred to in paragraph 1 of this Article, the Company may undertake any legal activity and enter into any type of legal transactions, specifically it may establish companies, branches, at home and abroad, and have interests in other companies, conclude business contracts and merge into a concern.

In addition to the activities mentioned in paragraphs 1 or 2 hereof, the Company may also engage in some other activities with a view to exercising the activities registered with the Companies Register, if they are conducted to a minor extent or normally in relation to the registered activity.

REGISTERED CAPITAL

Article 6

The registered capital of the company is HRK 169,186,800.00 (in words: one hundred sixty-nine million one hundred and eighty-six thousand eight hundred kuna).

PERMITTED REGISTERED CAPITAL

Article 6.a

The Company Management Board is authorised, within five yeas from the registration of the amendments to the Statute with the Companies Register of the Commercial Court in Dubrovnik, in a single payment or in several instalments, to increase the registered capital of the Company by the nominal amount of HRK 44,000,000.00 (in words: forty-four million kuna) (permitted registered capital). Such an increase of the registered capital requires the consent of the Supervisory Board.

The registered capital may be increased by issuing new stock against cash deposits or assets or rights. The Company Management Board may, with the consent of the Supervisory Board, exclude the pre-emptive right of the shareholders to subscribe new shares. The Supervisory Board is authorised to harmonise the provisions of the Articles of Association with the changes resulting from such an increase in the registered capital and issuing of new shares.

COMPANY SHARES

Number of shares

Article 7

The registered capital is divided into 422,967 (in words: four hundred twenty-two thousand nine hundred and sixty-seven) ordinary shares with a nominal value of HRK 400.00 each.

Types of shares

Article 8

All the shares of the Company are name shares and are marked LKPC-R-A.

In case of new issues of shares, every further issue shall be marked with the next letter of the alphabet.

The Company may issue other types and kinds of shares as well, in accordance with law and these Articles of Association.

Article 9

A share is indivisible.
If more than one person acquires one share, they exercise the rights pertaining to such a share - as persons with indivisible entitlement - through a joint attorney.

The Power of Attorney shall be issued in writing.

Article 10

The share certificate must have all the components prescribed by law.

Share certificates and confirmations concerning shares shall be signed or stamped with facsimile signatures of the Chairman of the Board and the Chairman of the Supervisory Board.

In subsequent share issues, the share certificates shall be issued within the period determined in the decision concerning a particular issue.

Article 11

The shares of the Company shall be contained in the Company's documents concerning the shares of the Company.

Share certificates shall be issued individually or collectively.
Individual share certificate shall contain one share, whereas a collective share certificate shall contain multiple shares of the Company.
The collective document may, at the expense of the shareholder, be replaced by an individual document or such a collective document that is made out for a smaller number of shares than initially issued.

Payment of shares

Article 12

Shares from new issues shall be payable in HRK to the account of the Company kept at the expense of the Company with an authorised financial institution in the Republic of Croatia.

The shares may also, through a decision of the General Assembly, be paid by bringing in assets or rights.

The shares must by all means be paid so that the Company may freely dispose with the sums paid for the shares of the Company, as well as with brought in assets and rights.

Article 13

The decision on issuing shares as securities shall be taken by the General Assembly.

The appearance and layout of the share shall be determined by the Company Management Board with the approval of the Supervisory Board.

The founding shares shall be issued in a non-materialised form under the terms prescribed by a specific law.

The regulation of the issue of shares in non-materialised form shall be dealt with in a by-law to be issued by the Supervisory Board.

Article 14

Until the issuance of share certificates, as well as in shares issued in immaterial form, a shareholder shall, at his own request, be issued a share certificate.

The share certificate shall be issued for the total number of shares of a particular shareholder, and it can exceptionally be issued for a particular share.
The share certificate confirms that the shareholder is registered in the Book of Shares and contains information about the share issuer, the shareholder, the nominal value of the share, its number, date of issue.

The share certificate is not a security but a legitimating paper and can only be used for the purposes determined in these Articles of Association.

Acquiring own shares

Article 15

Share transfer and encumbrance

The Company may acquire its own shares on the basis of the General Assembly authorisation to acquire them that shall remain valid for a maximum of 5 years and set out the terms under which the shares can be acquired, particularly the maximum number of shares to be acquired, the period for which the acquisition authorisation has been issued and, if the shares are being acquired in the way of payment, the highest and the lowest value of what the Company is paying. The Company may not acquire its own shares to trade in them. In every acquisition of shares the Company Management Board shall verify that the legal requirements have been met.

In acquiring the shares as referred to in paragraph 1 above and in disposing with them the provision of Article 211 of the Companies Act shall be applicable. Such a procedure shall be assumed if the shares are being acquired i.e. if they are being disposed with on an organised securities market. Any other disposal with the shares shall require a decision of the General Assembly. In the acquisition of the shares the provisions of Article 398 paragraphs 3 and 4 of the Companies Act shall be applicable accordingly. The General Assembly may authorise the Company Management Board to withdraw its own shares without needing to issue a specific decision.

The Company may acquire its own shares even without the authorisation from the General Assembly:

- If it is necessary to decline an imminent damage to the Company
- If the shares are to be offered for the acquisition by the employees of the Company or any of the affiliated companies, provided that they are transferred to such persons within a year from the date of the acquisition,
- If the shares are acquired to indemnify, pursuant to the provisions of the Companies Act, the shareholders of the Company or the minority shareholders of dependent companies,
- If the acquisition is effected without payment or if with the acquisition a financial institution is purchasing the shares for a commission,
- If shares are acquired from a shareholder for not paying up,
- On the basis of universal legal succession,
- On the basis of the decision of the General Assembly on withdrawing shares pursuant to the regulations concerning the decrease in the registered capital of the Company,
- In an auction conducted by a court for the Company to satisfy a claim towards a shareholder.

The shares acquired in a manner defined in paragraph 1 above and for the purposes mentioned under indents 1 to 3, 5 and 8 of this Article, combined with the shares that the Company already has, shall not exceed ten percent (10%) of the registered capital of the Company. Such acquisition is only permitted when the Company has created the prescribed reserves for such shares so that the net assets of the Company presented in the financial statements of the Company for the latest business year does not fall on account of the acquisition of the shares below the level of the registered capital and statutory reserves that may not be used for disbursements to the shareholders. To this end the amount of the registered capital shall be calculated down for the sum for which this capital has not been paid up yet, if this sum has not been presented as assets in the balance sheet.

In the cases referred to in paragraph 1 of this Article and paragraph 3 indents 1, 2, 4 and 8, the acquisition of the shares was only permitted when the shares were fully paid up.

In the cases referred to in paragraph 1 of this Article and paragraph 3 indent 1, the Company Management Board shall report to the next General Assembly of the Company about the reasons and purpose of the acquisition of shares, their number and share in the registered capital, and the equivalent value of what the Company paid for such shares.

The acquisition of shares contrary to the provisions of paragraphs 1 and 3 of this Article shall not be valid, and the share transfer transaction in terms of the Law of Obligations shall be null and void.

Article 16

A shareholder may transfer a share from the moment of the registration of the Company with the Companies Register.

Name shares shall be transferred by endorsement.

Non-paid-up founder shares purchased on instalment plan shall be transferred to the acquirer on the basis of a contract in writing bearing the certified signature of the transferor.

The contract referred to in paragraph 3 of this Article shall include the name and registered office of the Company whose non-paid-up shares are being transferred, the number of the registration certificate for the Company, the company registration number, the nominal value of the shares transferred with the indication of the total nominal value of the shares, the number of the contract concluded with the State Property Management Agency (formerly the Croatian Privatization Fund) on the basis of which the first holder of

the shares had originally acquired non-paid-up shares that are the subject of the transfer. The acquirer shall send one copy of the contract to the State Property Management Agency.

Article 17

The Company may acquire, alienate, withdraw and take its own shares as collateral in accordance with law.

A decision to the above-mentioned effect shall be issued by the Supervisory Board.

6) Book of Shares

Article 18

The Book of Shares shall be kept by the Central Clearing Depositary Company PLC Zagreb (CCDC PLC).

Any entries shall be registered in the Book of Shares at the request of the interested party that shall file the request with the Company referred to in paragraph 1 of this Article in writing together with the proof of the legal basis for the intended registration.

REPRESENTATION AND PROXY

Article 19

The Company shall be represented by the president of the Management Board.

The Company Management Board shall represent the Company singly and severally.

The Company Management Board may within its responsibility authorise others for representation.

Article 20

With the prior consent of the Supervisory Board the Company Management Board may grant proxy to one or more persons.

Without a special authorisation issued by the Company Management Board with the prior consent of the Supervisory Board, a proxy may not conduct the affairs referred to in Article 56 paragraph 2 of these Articles of Association and cannot undertake the legal activities to initiate bankruptcy proceedings or other proceedings for the cessation of the Company.

BODIES OF THE COMPANY

Article 21

The bodies of the Company are: the General Assembly, the Supervisory Board, and Company Management Board.

GENERAL ASSEMBLY

Article 22

The General Assembly of the Company is a body through which the shareholders exercise their management rights.

A shareholder is entitled to attend the General Assembly and can exercise this right personally, through a deputy or an attorney.

Shareholders may be represented by natural or legal persons on the basis of a valid authorisation.

A person to represent a shareholder who is a legal entity in terms of these Articles of Association shall be authorised on the basis of law or a by-law of the respective legal person.

If a shareholder is represented by an authorised legal entity, the person authorised for representation shall be the person whose authorisation is registered with the Companies Register or a person authorised by such a person.

The authorisation in writing shall include: the person authorised, the shareholder giving the authorisation, the number of shares available, the authorisation for representation in terms of attendance and deciding on behalf of the shareholder at the General Assembly, the issue date and period of validity. The authorisation must be submitted to the Company Management Board.

The authorisation issued by a shareholder who is a natural person shall be in writing.
The authorisation issued by a person authorised to represent a shareholder who is a legal entity needs to be signed by the person in charge with this legal entity, with a seal affixed.

Solely in the instances prescribed by law may a shareholder's right to vote at the General Assembly be precluded.

The Company Management Board and the Supervisory Board shall attend the General Assembly even when they are not shareholders.

I Responsibilities of the General Assembly

Article 23

The General Assembly shall decide on the following:
o Appointing and relieving members of the Supervisory Board,
o Annual financial statements and distribution of profits,
o Issuing clearance to members of the Company Management Board and the Supervisory Board,
o Appointing the Company auditors,
o Amending the Articles of Association,
o Increasing and decreasing the registered capital of the Company,
o Cessation of the Company,
o Issuing the Rules of Procedure for the General Assembly,
o Releasing a new issue of shares,
o Status changes in the Company,
o Relieving a member of the Supervisory Board prior to the expiry of his term,
o Other matters explicitly entrusted with it by law or these Articles of Association.

The decisions concerning:
Amendments to the Articles of Association of the Company,
Increase and decrease in the registered capital of the Company,

Release of a new issue of shares,
Status changes in the Company,
Relieving a member of the Supervisory Board prior to the expiry of his term,
Other matters for which law requires a qualified majority,

shall be deemed adopted if supported by the shareholders who make up at least 75% (in words: seventy-five percent) of all the votes represented at the General Assembly.

The General Assembly can decide on managing the affairs of the Company solely at the request of the Company Management Board.

In addition to what is mentioned in paragraph 1 of this Article, the General Assembly shall also decide on other matters put in its charge by law.

II Convening a General Assembly

Article 24

The General Assembly of the Company shall meet at least once a year, and it must meet in the first eight months of the business year, and when the interests of the Company require it.

The General Assembly shall be convened by the Company Management Board in the manner prescribed by law.
The Supervisory Board shall also be authorised to convene the General Assembly, and it shall do so whenever the benefit of the Company requires it.

The request to convene the General Assembly may be sent to the Company Management Board in writing by the shareholders who jointly own 5% of the registered capital of the Company and who state the purpose and reasons for their request. If these requirements have been met, the Company Management Board must convene the General Assembly.

The General Assembly shall take place in Ploče at the venue indicated in the invitation by the convener.

An extraordinary General Assembly shall take place whenever this is required in the interest of the Company.

Article 25

The right to attend an extraordinary General Assembly of the Company belongs to all the shareholders who are registered in the Book of Shares as of the date of publication of the General Assembly and who register for attendance to the Company no later than six calendar days prior to the date of the General Assembly, not counting the date of attendance registration and the date of the General Assembly. Attendance registrations shall be submitted or sent to the Company Management Board per registered letter. The attendance registration shall include the first and last names of the shareholder, the number of shares, and the declaration that he intends to attend the extraordinary General Assembly.

Shareholders registered for attendance shall receive a confirmation that they are to submit to the Commission for recording the attendance no later than one hour prior to the start of the General Assembly. Shareholders can be represented by their attorneys.

Article 26

The conveners shall convene the General Assembly no later than thirty days in advance.

The decision on convening the General Assembly shall be published in the Official Gazette of the Republic of Croatia, on the info board of the Company, web page of the Company, Zagreb Stock Exchange, HANFA and Hina .

The decision on convening the General Assembly shall include:

Name and registered office of the Company,
Venue and time of the General Assembly,
Requirements to meet in order to attend the General Assembly and exercise the right to vote,
Agenda and draft decisions to be passed,
Signature of the authorised convener.

Article 27

The General Assembly of the Company may be attended by the shareholders who meet the following requirements:
a) That they are registered in the Book of Shares, if they are holders of name shares;
b) That they have deposited share certificates - if they are holders of bearer shares, and no later than six days prior to the General Assembly - with the Company, a Notary Public or a bank or other institution in accordance with law. Share certificates must remain deposited until the end of the day on which the General Assembly has been convened;
- That the shareholders under a) above have notified the Company in writing no later than six days prior to the General Assembly of their intention to attend it, and that the shareholders under b) above have within the same time limit submitted to the Company proofs that they have deposited their share certificates as prescribed. Share certificate deposit is proved with a confirmation of the Company, Notary Public or bank or another institution in accordance with law.

Article 28

Shareholders' proposals concerning the agenda of the General Assembly shall be communicated in accordance with Article 282 of the Companies Act.

III Quorum

Article 29

The General Assembly can validly decide if attended by the shareholders or their attorney who individually or jointly hold stock in the nominal value that exceeds 50% (in words: fifty percent) of the registered capital of the Company as of the time of the General Assembly, unless provided otherwise by law or these Articles of Association in specific cases.

In convening the General Assembly, a date shall be set for the subsequent General Assembly in case the original one ends up without a quorum pursuant to paragraph 1 of this Article. The time limit for the subsequent General Assembly to take place shall not be shorter than 15 (in words: fifteen) days, nor longer than 30 (in words: thirty) days from the date of the original General Assembly.

The subsequent General Assembly can pass valid decisions if it is attended by shareholders or their attorneys who individually or jointly hold stock whose nominal value exceeds 30% (in words: thirty percent) of the registered capital of the Company as of the date of the subsequent General Assembly.

Article 30

Just before the start of the General Assembly, an employee authorised by the Company Management Board shall submit to the Chairman of the General Assembly a list of the attending shareholders with the number of their respective votes. On the basis of this list, the Chairman shall determine how many votes the attending shareholders hold and whether they are eligible to participate in the work of the General Assembly, and shall report this to the General Assembly, and it will be recorded in the minutes.

IV Decision making

Article 31

The General Assembly shall pass decisions with a simple majority of the votes cast.

Decisions shall be taken by a qualified majority of votes when this is explicitly envisaged by law and these Articles of Association.

V Voting right

Article 32

The voting right shall be exercised by shareholders in proportion to the nominal value of the shares entitling them to vote, respectively, i.e. every share with the nominal value of HRK 400.00 shall entitle its holder to one vote.

At the General Assembly the voting shall be open.

VI Chairman of the General Assembly

Article 33

The General Meeting shall be chaired by the Chairman elected by the General Assembly at the proposal of shareholders who jointly hold stock exceeding 5% of the registered capital of the Company. The Chairman shall be elected for a period of 4 years by a simple majority of votes of the attending shareholders, and he may be re-elected when his term expires. The Chairman of the General Assembly may be relieved of duty before the expiry of his term, by a simple majority vote of the attending shareholders.

In case the Chairman is prevented, the General Assembly shall be chaired by a person elected to chair just this one General Assembly, in the same manner in which the Chairman of the General Assembly has been elected.

The level of the remuneration for the Chairman shall be determined by a decision of the General Assembly.

Article 34

The Chairman of the General Assembly shall in particular be in charge of the following:
- Opening the General Assembly,
- Establishing whether the General Assembly has been duly convened,
- Chairing and conducting the sessions of the General Assembly,

- Determining the order for discussion on particular items on the agenda,
- Examining and determining whether the conditions for the attendance and voting of shareholders have been met,
- Signing the list of attendants,
- Determining the order of voting on individual proposals,
- Determining the voting method for individual decisions,
- Determining the quorum,
- Establishing the voting results,
- Taking care of the order in the session,
- Signing the Articles of Association of the Company and its amendments, decisions, documents passed or adopted by the General Assembly,
- On behalf of the Company, concluding agreements with the members of the Supervisory Board of the Company concerning their responsibilities, in accordance with these Articles of Association,
- On behalf of the General Assembly, communicating with other bodies of the Company and with Third Parties, when this is envisaged by law and these Articles of Association,
- Closing the session,
- Carrying out other duties entrusted to him by law or these Articles of Association.

Article 35

The Company Management Board shall determine how shareholders are to be supplied the materials related to the subject to be decided at the General Assembly that are not required to be published in the Company bulletin. Such materials can also be served by publishing an invitation to take a look in the materials at a specific time and place.

Article 36

Any decision of the General Assembly shall be mentioned in the minutes prepared by a Notary Public in accordance with law.

Following the General Assembly, the Company Management Board shall promptly send a notarized copy of the minutes with attachments to the court of registration.

Article 37

The decisions and minutes of the General Assembly shall be entered in the Register of decisions and Minutes of the General Assembly kept by the Company Management Board. Decisions shall be numbered if prepared separately, and entered in the Register in the order of their issuance. Minutes are to be entered chronologically.

The General Assembly shall adopt its own Rules of Procedure.

Article 38

At the General Assembly the Company Management Board shall provide every shareholder, at his own request, information about the operation of the Company, if this is necessary for the judgement of the matter that is on the agenda. The obligation to provide information shall apply to both legal and commercial relations of the Company with affiliated companies.

The Company Management Board may withhold information:
a) If it would, in a reasonable economic judgement, could do damage to the Company or an affiliated company,
b) About tax liability or the level of particular taxes,

c) About the difference between the book value of individual assets of the Company and their higher value, unless the General Assembly has adopted the annual financial statements,
d) About the methods for preparing the financial statements of the Company and the estimate of the value of its assets, revenues and expenditures, if mentioning such methods in the attachments to the aforementioned statements suffices to gaining a real picture of the property and financial status and the profit of the Company, if the Company Management Board would, by providing the information, commit an offence.

VII Special General Assembly and separate vote

Article 39

If the Company subsequently issues shares of different types and with different entitlements, the decisions passed for a specific type of shares only (special decisions) shall be adopted either at special meetings of the shareholders who own special shares, or by a separate vote at the General Assembly.
A special meeting shall be convened by the shareholders entitled to vote at such a meeting, whose shares make up min. 10% of the shares entitling to vote at the special meeting.

VIII Expenses of the General Assembly

Article 40

Every shareholder shall cover the expenses of his own attendance to the General Assembly, whereas the expenses of the preparation and taking place of the General Assembly shall be covered by the Company.

When the General Assembly is convened by the shareholders mentioned in Art. 25 paragraph 4 of these Articles of Association, and if the General Assembly so convened does actually take place, the expenses for its preparation and conduct shall be covered by the Company, and if the General Assembly does not take place because of the lack of quorum or non-acceptance of the agenda, the expenses of the General Assembly and the attending shareholders shall be covered by the shareholders who convened the General Assembly.

IX Special audit

Article 41

With a view to examining the proceeding in managing the Company's affairs and the measures undertaken to increase or decrease the registered capital of the Company, the General Assembly can, by a simple majority vote, appoint special auditors of the Company in accordance with law.

THE SUPERVISORY BOARD

I Number of members and membership requirements

Article 42

The Supervisory Board of the Company shall have 5 members, and one member shall be the representative of labour appointed and relieved by the Works Council.

Members of the Supervisory Board shall include natural persons with full legal capacity.

The following are not eligible to become members of the Supervisory Board:
- Member of the Company Management Board,
- Member of the Supervisory Board in ten companies,
- Member of the Board of a company dependent on this Company,
- Member of the Board of another capital company on whose Supervisory Board the member of the Company Management Board serves,
- Person referred to in Article 239 paragraph 2 of the Companies Act,
- Person engaging, independently or jointly with other persons, in an activity that is competing with the operation of the Company,
- Person who is a member of a competitor company or its body or who is a proxy or an employee at such a company, or who acts for such a company on a different basis.

II Term

Article 43

The term of the members of the Supervisory Board shall last four years and they are eligible for re-election.

III Election and appointment

Article 44

One member of the Supervisory Board shall be appointed by the Works Council.

Four members of the Supervisory Board shall be elected by a simple majority vote at the General Assembly.

Article 45

The Supervisory Board must be constituted within eight days from the date of election.

At the constituting meeting of the Supervisory Board the members of the Supervisory Board shall, by a majority of all votes and at the proposal of at least one member of the Supervisory Board, elect the Chairman of the Supervisory Board, and shall at the proposal of the Chairman of the Supervisory Board also elect at least one Vice-chairman of the Supervisory Board.

Until the election of the chairman of the Supervisory Board, the Supervisory Board shall be managed by the Chairman of the General Assembly.

IV Responsibilities

Article 46

The Supervisory Board shall supervise how the affairs of the Company are managed.

Other responsibilities of the Supervisory Board include:
- Appoints and relieves the Company Management Board,
- Proposes the appointment of a new Supervisory Board to the General Assembly,
- Issues independent decisions to limit the Company Management Board in managing the Company's affairs,

- Defines the requirements to determine the salaries of the Company Management Board members,
- Gives consent to the Company Management Board to carry out the activities referred to in Art. 55 paragraph 2 of the Articles of association of the Company,
- Represents the Company versus the Company Management Board in case of a dispute between the Company Management Board and the Company,
- Submits a report in writing to the General Assembly about the supervision conducted,
- Participates in adopting the Annual Statement,
- Amends the provisions of the Articles of Association pursuant to a decision of the General Assembly to the extent text editing intervention,
- Appoints and relieves members of its own commissions with a view to preparing decisions it makes and monitoring their implementation,
- Demands reports from the Company Management Board about any matter of relevance to the operation and status of the Company,
- Convenes the General Assembly of the Company by a simple majority vote when necessary to the benefit of the Company,
- Jointly with the Company Management Board or independently submits draft decisions for the General Assembly to pass,
- Adopts by-laws at the proposition of the Company Management Board,
- Adopts its own Rules of Procedure,
- Approves contracts a member of the Supervisory Board enters into with the Company,
- Adopts by-laws within its responsibility,
- Appoints members of the Disciplinary Commission and members of the Complaints Committee,
- At the proposal of the Company Management Board appoints the boards of the companies in which the Company is the majority owner,
- Adopts the Rules of Procedure for the Company Management Board,
- In companies founded by this Company, constitutes the General Assemblies of such companies,
- Carries out other tasks entrusted to it by law or these Articles of Association.

Article 47

The Supervisory Board may check and examine the books and documents of the Company, treasury, securities and other things. To this end the Supervisory Board can use its individual members of professionals.

Article 48

The Supervisory Board shall submit to the General Assembly a written report about the supervision of the management of the Company affairs.

In the report the Supervisory board shall particularly state if the Company is operating in accordance with law and the by-laws of the Company, and the decisions of the General Assembly, whether the annual financial statements have been prepared so as to reflect the status presented in the books of the Company and whether they correctly show the assets and financial status of the Company, as well as its view of the proposal of the Company Management Board concerning the distribution of profits and coverage of losses of the Company.

Members disagreeing with a section of the report or the report as a whole shall submit their objections to the General Assembly in writing.

V Supervisory Board operation

Article 49

The Supervisory Board shall pass decisions at its meetings. Every member of the Supervisory Board shall have one vote.

The Supervisory Board may pass decisions if its meeting is attended by at least 3 members. Decisions shall be taken with a simple majority vote of all the members. In case of a split vote the vote of the Chairman of the Supervisory Board shall decide, and if the Chairman is absent, the vote of the Vice-chairman shall decide.

Absent members of the Supervisory Board can participate in decision making by voting through correspondence prior to the beginning of the meeting.

A vote on the Supervisory Board can be cast *a posteriori*, after the meeting, by cable, telephone, fax and other appropriate means, only if all the members of the Supervisory Board have agreed to it.

The Supervisory Board may also pass decisions without a meeting, if no member of the Supervisory Board demands one. Such decisions shall be verified at the next meeting of the Supervisory Board.

Article 50

If the Chairman of the Supervisory Board is prevented from attendance, the Vice-chairman shall stand in for him.

Under these Articles of Association the Chairman shall only be deemed prevented from discharging his duties if such a condition should last without interruption for more than 30 days. The same shall apply to the Vice-chairman.

If the Chairman or the Vice-chairman of the Supervisory Board ceases to discharge his duty prior to the expiry of his term, a new Chairman or Vice-chairman shall be elected for the period until the expiry of the respective original term. In case both the Chairman and the Vice-chairman are prevented, the oldest member of the Supervisory Board shall stand in for them.

Article 51

The Supervisory Board can appoint commissions to prepare decisions the Board is to pass and to monitor their implementation.

Commissions cannot decide on the matters in the charge of the Supervisory Board.

Article 52

Members of the Supervisory Board shall carry out their duties with the diligence of a good businessman and observe the non-disclosure obligation.

The members of the Supervisory Board who fail to discharge their duties properly shall be held liable for the damage to the Company as joint debtors.

Article 53

The consideration for the work of the members of the Supervisory Board shall be determined by the General Assembly of the Company for the members and for the Chairman of the Supervisory Board.

COMPANY MANAGEMENT BOARD

I Composition and term of the Company Management Board

Article 54

The Company Management Board consists of one to five members (Management Boards). Management Board's members are appointed and dismissed by the Supervisory Board's regular majority of votes.

If the Supervisory Board appoints from two up to five members to the Company's Management Board, the Supervisory Board shall than appoint one of them for the president of the Management Board. The Supervisory Board is authorised, by the Decision on the Appointment of Management Board's members and by the Rules of Procedure of the Management Board, to determine the mode in which more than one Management Board's member will represent the Company in accordance with the relevant Companies Act.
The mandate of the members of the Management Board shall last no longer than five years, with the possibility of re-election.
Members of the Company Board shall be appointed and relieved by the Supervisory Board by a simple majority vote.

II Responsibilities

Article 55

The Management Board of the Company shall in particular carry out the following:
- Manage the Company's affairs,
- Organise and manage the work and operation of the Company,
- Represent the Company before Third Parties and be responsible for the lawful operation of the Company,
- Prepare proposals for the General Assembly of the Company,
- Prepare decisions, documents and by-laws to be passed by the General Assembly,
- Enforce the decisions of the General Assembly and the Supervisory Board,
- Adopt plan and work program of the Company,
- Determine the business policy of the Company,
- Conduct business operations of the Company,
- Prepare contracts to be concluded with the approval of the General Assembly and the Supervisory Board,
- Convene the General Assembly in the instances prescribed by law and the Articles of Association,
- Issue documents and decisions concerning the operation of the Company,
- Report to the Supervisory Board about the business operation of the Company in accordance with legal provisions and about other matters relevant to the operation and status of the Company that may be requested by the Supervisory Board,
- See to the regular and timely preparation of annual and other financial statements,
- Decide on hiring and laying off staff,
- Conclude the collective agreement,
- Decide on all employment matters (conclude employment agreements on behalf of he Company, terminate a work relation, determine salary, bonuses and other benefits etc.),
- Take measures to eliminate and limit the operating risks,
- Take care of the liquidity of the Company,
- Adopt by-laws from its scope,
- Approve foreign trips for the Company,
- Set up working groups and commissions,

- forms the Assembly of the Company where the Company is the founder d,
- Carry out other tasks prescribed by law, these Articles of Association, the provisions of his employment agreement and and by the Rules of procedure of the Company's Management Board .

The Management Board of the Company may only do the following with the prior approval of the Supervisory Board:
- Sell and encumber the real property of the Company,
- Establish, acquire or dispose with shares i.e. stock in other companies,
- Conclude legal transactions whose value exceeds 5% of the value of the registered capital of the Company, or which are concluded for a period longer than 5 years and go beyond regular commercial agreements,
- Appoint or relieve a proxy or a holder of the general power of attorney,
- Decide on dividend advance payment,
- Other instances prescribed by law or these Articles of Association.

III Diligence

Article 56

The Management Board shall manage the affairs of the Company with the diligence of a good businessman and shall observe the non-disclosure obligation.

If the Management Board fails to discharge his duties properly, he shall be held liable for the damage incurred by the Company.

IV No competition

Article 57

The members of the Management Board of the Company may not without the approval of the Supervisory Board do any of the following:
- Engage in activities outside the Company that belong to the scope of the Company's activities,
- Be a member of the Company Management Board or the supervisory board in another company engaging in the activities that belong to the scope of the Company's activities,
- Be a member of a personal company, if it engages in the activities that belong to the scope of the Company's activities,
- Other instances prescribed by law.

INTERNAL ORGANISATION

Article 58

The Company may organise into organisation units as required by work processes.

The internal organisation of the Company shall be determined by the Company Management Board in its Internal Organisation Rules.

The Internal Organisation Rules shall regulate in more detail the internal organisation of the Company, its forms, tasks, and management of affairs.

Staff complaints, violation of the labour rights, shall be decided by the Complaints Committee.

BOOKKEEPING AND PROFITS

I Bookkeeping

Article 59

The Company shall keep the books as prescribed by law.

The Company shall keep the business records in the manner prescribed by law.

The Management Board of the Company shall pass appropriate by-laws to regulate the bookkeeping/accounting of the Company.

Article 60

When a business year has passed, the Management Board shall within the legally prescribed time prepare the annual financial statements (balance sheet, profit and loss account, report on changes in financial status, notes to financial statements), submit them for review, and prepare the annual operation report. Having received the audit report, the Management Board shall without delay submit the annual financial statements, the annual operation report and the audit report together with the proposed distribution of profits to the Supervisory Board.

The Supervisory Board shall submit to the General Assembly a report in writing about the supervision of the conduct of the Company's affairs in accordance with law.

When the tasks and activities referred to in paragraphs 1 and 2 of this Article have been completed, the Management Board shall convene the General Assembly of the Company that shall take place within the time limits prescribed by law.

The annual statement, the report of the Management Board on the status of the Company, the report of the Supervisory Board and the proposal of the Management Board concerning the performance shall be offered to the shareholders at the Company headquarters within six days from the date set for the General Assembly.

The materials referred to in paragraph 4 of this Article shall at the request in writing be sent to any shareholder at his or her own expense.

II Profit and dividend

Article 61

The method to determine the profit of the Company for each business year is regulated by law. The business year shall be the calendar year.

Based on the requirements prescribed by law, the financial performance of the Company shall be determined and the profit distributed pursuant to a decision of the General Assembly of the Company.

The profit shall be distributed by a decision of the General Assembly of the Company. A draft decision on the level of profit, method and time of payment of the dividend shall be prepared by the Management Board.

The dividend shall be paid to the shareholders in accordance with their entitlement depending on the type and number of shares they own.

In the instances when the initial contributions to the registered capital have not been fully paid up, shareholders shall participate in the profit in accordance with a specific law.

The dividend shall be paid to the shareholders who are registered in the Book of Shares of the Company as of the date of the General Assembly.

The dividend shall be paid in HRK.

Article 62

If the initial contributions to the registered capital have not been fully paid up, shareholders shall participate in the distribution of the profit in proportion to the value of the shares held.

If the initial contributions to the registered capital have not been fully paid up, and the shares in question are founder shares acquired at a discount and on an instalment plan, after the payment of 5% (in words: five percent) of the agreed purchase price minus discount on the nominal value of a share, they shall receive a single transfer of shares equal to the level of the discount. These shareholders shall be entitled to participation in the management and to the dividend of the Company based on all the shares agreed for purchase, provided that they have paid at least 5% (in words: five percent) of the value of the purchase. If shareholders do not pay the shares within the time limits agreed, the non-paid portion of the shares shall be transferred to the State Property Management Agency. The dividend for the shares agreed and not paid shall fall to the State Property Management Agency.

COVERING LOSSES

Article 63

If the Company, according to a periodical or annual statement, operates with a loss, the General Assembly of the Company may decide to cover the loss, and this shall primarily go from the reserves, a loan or another appropriate source. The loss shall be covered within the time limits prescribed by law.

NON DISCLOSURE

Article 64

The non-disclosure obligation shall include documents, information and papers related to the operation of the Company or the work of the employees, whose disclosure to unauthorised persons would be against the interest of the Company.

The non-disclosure obligation shall particularly include documents and information about the commercial, financial, technical and property relations and the salary of every employee.

The non-disclosure obligation shall also include information and documents declared industrial secret by an authorised body of the Company, and such information and documents as a body discloses to the Company as confidential.

Article 65

The non-disclosure obligation applies to all the shareholders irrespectively of the number of shares they hold, the Company Management Board and members of the Supervisory

Board, all the employees of the Company and any other persons who have learned such information in any manner whatsoever.

In the event that a person referred to in paragraph 1 of this Article violates the non-disclosure obligation, such a person shall be held liable to the Company for the resulting damage.

PUBLICATIONS, METHOD AND FORM

Article 66

The Company shall publish on its website, notification board of the Company, in the official Croatian national gazette- Narodne Novine,on the official website of Zagreb stock exchange, HANFA-Croatian financial service supervisory agency , Croatian News Agency-Hina all information which it must publish in accordance with the law.

STATUS CHANGES

Article 67

The General Assembly shall decide on the integration and merger of the Company with another company, and the integration or merger agreement concluded by the Company Management Board shall be approved by the General Assembly.

The approval referred to in paragraph 1 of this Article shall be passed by a vote that represents at least three-fourths of the registered capital of the Company attending at the time of taking the vote.

DURATION AND CESSATION OF THE COMPANY

Article 68

Duration of the Company is not limited in time.

The Company may cease for the reasons prescribed in Art. 367 of the Companies Act, as well as in the event that for any reason it is left without a single member.

Article 69

The Company shall not cease with the mere occurrence of the reason for its cessation, but after liquidation proceedings have been completed.

In any instances of the cessation of the Company, the liquidation proceedings shall be conducted, except when bankruptcy proceedings have been initiated or in case of status changes in the Company.

The liquidation of the Company shall be conducted by its Management Board as a liquidator, but pursuant to a decision of the General Assembly, other natural persons and authorised legal entities may also be appointed liquidators.

The Company shall lose its capacity as a legal entity when stricken from the Companies Register.

GENERAL AND SPECIFIC DOCUMENTS OF THE COMPANY

Article 70

The general documents of the Company are the Articles of Association and the Rules regulating the internal organisation relevant to the work and operation of the Company, particularly the bookkeeping and finance, labour relations, disciplinary responsibility and liability of the employees, non-disclosure and other important matters.

All the Rules must be in conformity with the Articles of Association, and they shall enter into force on the eighth day from their display on the info-board of the Company, unless prescribed otherwise in the Rules.
Labour relations of the employees shall be regulated in more detail through a separate document on labour relations to be passed by the Management Board of the Company within his responsibility.

TRANSITIONAL AND FINAL PROVISIONS

Article 71

In case of doubts and differences in the interpretation of the Articles of Association the interpretation of the General Assembly of the Company shall prevail.

Article 72

The original of the Articles of Association shall be the version adopted at the General Assembly and signed by the Chairman who initialled each of its pages.

The original of the Articles of Association shall be kept bound as a separate volume at the registered office of the Company.

The Management Board of the Company shall be responsible for keeping the Articles of Association, and shall enable checking the Articles of Association or provide a transcript or photocopy of the Articles to any shareholder at the latter's expense.

Article 73

The Supervisory Board elected pursuant to these Articles of Association shall be constituted within 8 days from the date of its election, and shall then elect the Company Management Board – Management Board.

Until the registration of the joint stock company with the Companies Register, the existing company Luka Ploče p.o. Ploče, shall remain in the legal relations, with all the rights, duties and liabilities, with Third Parties as provided by law and the Articles of Association.

Article 74

These Articles of Association shall enter into effect as of the date of their registration with the Companies Register, except the provisions concerning the election and appointment of the Supervisory Board and the Company Management Board–Management Board that shall enter into effect as of the date of their adoption.

These Articles of Association shall also be displayed on the info-board of the Company.

On the date when this Article of Association enters in to force, the Article of Association dated 29.08.2011.will come out of force.

Other by-laws of the Company adopted prior to the effective date of these Articles of Association shall be applicable to the extent that they are not contrary to the provisions of these Articles of Association, until new by-laws have been adopted.

For the sake of interpretation and implementation of such by-laws, it shall be assumed that, as of the effective date of these Articles of Association, the authorisations that under such by-laws were granted to or responsibilities entrusted with the Management Board or the General Manager, have been put in the charge of the Management Board of the Company, unless responsibility of another body of the Company follows from the division of responsibilities prescribed by law or these Articles of Association.

The responsible bodies of the Company shall harmonise the existing by-laws with the provisions of these Articles of Association within six months from the effective date of these Articles of Association.

Article 75

The Supervisory Board shall be authorised to amend the provisions of these Articles of Association to the extent of text editing interventions.

Article 76

These Articles of Association shall be translated into English.

In case of doubts and differences in the interpretation of the Articles of Association, the Croatian versions shall prevail.

LUKA PLOČE d.d