

Established A. D. 2014

B. Petranovića 4
23000 Zadar, Croatia

Tel. +385 23 202 135

Fax. +385 23 250 580

e-mail: tng@tng.hr

www.tng.hr

Zadar, June 8th 2017

INVITATION TO THE GENERAL SHAREHOLDERS' ASSEMBLY OF TANKERSKA NEXT GENERATION Inc.

Pursuant to Article 277, paragraph 2 of the Companies Act, the Management Board of the TANKERSKA NEXT GENERATION shipping joint stock company, with registered seat in Zadar, Petranovića No. 4 (hereinafter: the "Company"), has on June 8th 2017 rendered the decision on the convocation of the General Assembly, and hereby invites the shareholders of the Company to the

**GENERAL SHAREHOLDERS' ASSEMBLY of Tankerska Next Generation Inc.
which will be held on August 1st 2017 at 11:00 hours at Tankerska Next Generation headquarters,
Božidara Petranovića 4, Zadar**

with the following agenda:

1. Opening of the General Assembly, establishing the present and represented shareholders attendance list;
2. Annual financial reports for 2016 together with the Independent Auditor's report, annual report on the status and operations of the Company for the business year 2016 and the Supervisory Board report on the conducted supervision of Company's operations in the business year 2016;
3. Decision on the profit distribution;
4. Management Board liability discharge for the business year 2016;
5. Supervisory Board liability discharge members for the business year 2016;
6. Appointment of the auditor;
7. Decision on the amendments to the Articles 16.1. and 45.1. of the Articles of Association;

Proposals of General Assembly decisions:

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

"The decision on distribution of profit for 2016.

1. It is determined that Tankerska Next Generation Inc. in the year ending 31 December 2016 realized net profit in the amount of HRK 40,607,822.91.

- A part of net profit in the amount of HRK 13,952,232.00 shall be paid out as dividend to the shareholders, in the gross amount of HRK 1.60 per share.
 - A part of net profit in the amount of HRK 24,625,199.76 will be allocated to retained earnings.
 - A part of net profit in the amount of HRK 2,030,391.15 will be allocated to mandatory reserves.
2. Dividend from point 1 of this Decision will be paid to the Company's shareholders who are registered in the Central Depository & Clearing Company Inc. (CDCC) as of 16 August 2017. Date from which Tankerska Next Generation Inc. shares will be traded without the right to the dividend payment is 14 August 2017. The dividend payment is due on 31 August 2017.
 3. This Decision enters into force upon its adoption."

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

Discharge of liability is granted to the Company's Management Board for the business year 2016.

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

Discharge of liability is granted to members of the Company's Supervisory Board for the business year 2016.

Ad 6. The Supervisory Board proposes to the General Assembly to adopt the following decision:

Deloitte d.o.o., Radnička cesta 80, 10 000 Zagreb, OIB: 11686457780 is appointed as the auditor of the Company for the business year 2017.

Ad 7. The Management Board proposes to the General Assembly to pass the following decision:

Decision on the amendments to the Articles of Association.

Article 1.

Article 16.1. of Tankerska Next Generation Inc. Articles of Association is amended and reads as follows:

16.1. If the law or the Articles of Association requests the publication of the Company's information and announcements, they shall be published on the website of the court register as well as by other means, if so provided."

Article 45.1. of Tankerska Next Generation Inc. Articles of Association is amended and reads as follows:

45.1. The invitation for the General Assembly of the Company has to be announced at least 30 days before the expiry of the date until which the shareholders have to report their participation in the General Assembly.

Article 3.

This Decision on amendments to the Articles of Association shall come into force as of the date of entry in the Commercial register.

Article 4.

Supervisory Board is authorized to determine the consolidated text of the Statute in accordance with this Decision on Amendments to the Articles of Association.

Explanation of General Assembly decisions proposals:

Ad 2. Explanation of the yearly financial reports for 2016, annual report on the status and operations of the Company for FY 2016 and the Supervisory Board report on conducted supervision of Company operations in fiscal year 2016.

Pursuant to the obligation from Article 280, paragraph 1, item 2 of the Companies Act the Company informs shareholders that pursuant to article 300.d. of the Companies Act Management and Supervisory Boards determined the annual financial statements for FY 2016, and that the General Assembly does not render any decision on this. These financial statements will be presented to the General Assembly together with the Annual Report on the State of the Company's business for the business year 2016 and the Supervisory Board's Report on the conducted supervision of Company operations in fiscal year 2016. General Assembly renders no decision under this Agenda item.

Ad 3. Explanation of the proposed profit distribution

Tankerska Next Generation Inc. ended the year 2016 with operating revenues of HRK 272 million which went up in comparison to 2015 thanks to the stable high employment rate of the fleet, and a significant increase in revenue days with more vessels employed on the spot market. The positive effects of the fully integrated fleet resulted in strengthening of the financial stability of TNG with the increase in net profit which reached HRK 40.6 million. The main driver of the increase in revenue and profitability are the four fully employed newbuild vessels, which continuously recorded high employment rates while stabilizing the midterm revenue potential of TNG through multi-year time charters. During the third and at the start of fourth quarter a certain correction in the spot market was recorded as a result of slightly reduced level of derivatives trading on the global market, which bounced back by the end of the year recording higher levels of trading and a slight upturn on the product market segment. With a goal to maximize the commercial benefits to the fleet, three vessels whose time charter contracts expired during 2016, have been transferred to the spot market. This model of employment at the current market conditions offers TNG's management enough flexibility to timely react to the positive changes in hire rates, while simultaneously requires a higher liquidity requirements, due to the fact that the ship owner covers the voyage related expenses before payment of the hire rates, while on time charter the owner receives the hire rate upfront. In proposing the amount of dividend payment, TNG's management considered the company's earnings, the financial position, the needs and the level of available funds, the fulfilment of the obligations required by loan contracts for fleet construction, market conditions and changes in the regulatory environment. Taking into account that three vessels employed on the spot market have a significantly higher demand for working capital, it is proposed to pay the normalized profits of the company as a part of the profits in the amount of available funds above the minimum requirements of working capital needed for managed fleets in accordance with the needs of a commercial exploitation strategy which can be in range between USD 600.000 to one million dollars per boat.

Management and Supervisory Boards propose to the General Assembly to adopt a decision by which the net profit from 2016 is distributed as it follows: a part of net profit in the amount of HRK 13,952,232.00 shall be paid out as dividend to the shareholders, in the gross amount of HRK 1.60 per share. A part of net profit in the amount of HRK 24,625,199.76 will be allocated to retained earnings, and a part of net profit in the amount of HRK 2,030,391.15 will be allocated to mandatory reserves.

Ad 4. and 5. Explanation of the Decision proposal on granting discharge of liability to the Management Board and the Supervisory Board members for the business year 2016.

Pursuant to Article 280, paragraph 3 of the Companies Act, Management and the Supervisory Boards propose to the General Assembly to adopt a decision which grants discharges of liability to the Management Board member and Supervisory Board members for fiscal year 2016. Approval of an individual member of the Management Board or Supervisory Board may be voted separately if so decided by the General Assembly or if the shareholders holding at least a tenth of the share capital of the company.

Ad 6. Explanation of the proposal for the appointment of auditors for the fiscal year 2017.

Pursuant to Article 280, paragraph 3 of the Companies Act, the Supervisory Board proposes to the General Assembly to adopt decisions on the appointment of Deloitte Ltd., Zagreb Tower, Radnička cesta 80, 10 000 Zagreb, as the auditor of the Company for the year 2017.

Ad 7. Explanation of the proposal to amend the Articles of Association.

Proposed amendment to the Articles 16.1 and 45.1 of the Articles of Association represents technical change in order to ensure more efficient business operations.

INVITATION AND INSTRUCTIONS FOR SHAREHOLDERS GENERAL ASSEMBLY

(Hereinafter – Invitation, Instructions)

Invitation, time and venue of the General Assembly

1. The shareholders of Tankerska Next Generation Inc. are invited to participate in the Annual General Assembly to be held on August 1st. 2017 at TNG headquarters, Božidara Petranovića 4, Zadar, beginning at 11:00.
2. Registration of participants of the General Assembly shall take place on August 1st 2017 at the entrance to the TNG headquarters, Božidara Petranovića 4, Zadar, from 09:45 to 10:45 hours, final. Registration after that will not be possible and we kindly ask shareholders to register in due time. After the completion of the registration, those shareholders or their proxies, who were not registered on the list of participants, but are registered in the share register, are entitled to participate in the General Assembly, but cannot exercise the right to vote.
3. When registering, shareholders or their proxies or representatives have to show legally proscribed valid ID, while the attorneys who are legal persons have to submit an excerpt from the court register or other appropriate register in which the legal entity is recorded, or other appropriate public documents, if it is not submitted with the application for participation in the General Assembly.

Participation and voting at the General Assembly

4. Each shareholder of the Company has the right to participate at the General Assembly, provided that the participation is announced, in person or through their proxy or representative, by submitting a written application to the Company, not after than six days before the General Assembly, excluding the date of receipt by the Company, i.e. latest by 25 July 2017. A legal or natural person who is a shareholder of the Company registered in the Central Depository and Clearing Company Inc. Zagreb, on the last day for application for participation in the General Assembly, i.e. on 25 July 2017 considered a shareholder of the Company. The share capital is divided into 8,733,345 ordinary shares, of which each has one vote.
5. The application shall have the following contents and attachments:
 - I. Application for shareholder - natural person
 - The name, residence, address, number of account with the Central Depository and Clearing Company Inc. and the total number of shares of the shareholder
 - II. Application for shareholder - legal person
 - Company name of the legal person, seat and address, OIB
 - The number of account with the Central Depository and Clearing Company Inc. and the total number of shares of the shareholder
 - Attached to the application, excerpt from the court register or other register in which legal person is entered or a copy, certified copy or other appropriate public document clearly showing that the application was signed by a person who is legally authorized to represent the legal person
 - III. Application submitted by the shareholder's proxy
 - a) Proxy - natural person:**
 - Name and surname, residence and address of the proxy, OIB
 - List of shareholders which are being represented, for each, the number of their account with the Central Depository and Clearing Company Inc. and the total number of shares of all represented shareholders
 - Attached to the application all the individual powers of authority on the recommended form, shall be submitted

b) Proxy - legal person:

- Company name, seat and address and proxy OIB
 - List of shareholders represented, for each number of their account with the Central Depository and Clearing Company Inc. and the total number of shares of all represented shareholders
 - Individual powers of attorney are delivered in writing attached to the application, and if the shareholder is a legal person, the attachment shall contain an excerpt from the court register or other register in which legal person is entered or a copy, certified copy or other public document it is evident that the power of attorney signed by the person who is legally authorized to represent the legal person.
6. For minors and incapable or partially business capable persons the application is submitted and represented by an appointed guardian who has to enclose the original or a copy or a certified copy of the document that certifies the guardianship status.
 7. Shareholders at the General Assembly may be represented by proxy on the basis of a valid written power of attorney issued by the shareholder, or in case of legal entity proxy issued by a person who is legally authorized to represent the shareholder.
 8. At least 21 days before the General Assembly, the Company will inform credit or financial institutions and shareholder associations present at last year's General Assembly and voted on behalf of shareholders or have asked to receive the invitation. The invitation shall state the option for shareholders to vote at the General Assembly by proxy or by shareholder associations.
 9. Power of attorney for participation and/or voting at the General Assembly shall include the name and surname or company name, residence or seat and address of the issuer on the number of account with the Central Depository and Clearing Company Inc., the total number of shares, name and surname or company name, residence or seat and address of the proxy, signature authority or statutory representative or representative under law, if the proxy is a legal person. It is recommended to use forms for the application for participation in the General Assembly and the power of attorney, which may be obtained at the Company's headquarters and are also available on the website of the Company www.tng.hr.
 10. The application for participation in the General Assembly and authorization, and all attachments must be in the Croatian language or if in a foreign language must be translated into Croatian by a certified court interpreter.
 11. The application for participation in the General Assembly shall be submitted directly to the Company at its headquarters in Zadar, B. Petranovića 4, or sent to the Company by registered mail to the following address:
Tankerska Next Generation Inc.
B. Petranovića 4
23 000 Zadar
 12. 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 25th July 2017. Shareholders that did not apply their participation in General Assembly properly in accordance with these Instructions or who have not submitted their application shall not be entitled to participate in the General Assembly.
 13. General Assembly cannot pass valid decisions unless in person or by proxy shareholders present have shares representing at least half of the share capital of the Company (quorum). If the quorum is not met, the General Assembly will be held the same day at 13:00 hours in the same place with the same agenda and the General Assembly will pass valid decision regardless of the amount of the capital represented. Given proxies are also valid for this General Assembly.

Shareholder rights to inquire, request amendments to the agenda, counter proposals and the right to be informed

14. Shareholders intending to ask questions at General Assembly with reference to agenda items are hereby asked, for sake of the efficient organization of the General Assembly, to provide written notice when filing the application for participation at the General Assembly or at the latest during registration of participants before the General Assembly, thereby indicating the agenda item, as well as its content.
15. Shareholders who together hold shares in the amount of the twentieth part of the Company's share capital have the right to request, after the General Assembly is convened for a certain item to be added to the agenda of the General Assembly and to be announced, whereby with each new agenda item an explanation or a draft decision must be provided. The request to add items to the agenda is submitted by shareholders to the Company at the Company's headquarters (Tankerska Next Generation Inc., Petranovića no. 4, 23 000 Zadar). In order to have supplement to agenda validly announced, in accordance with the Companies Act, a request to add items to the agenda must be received at least 30 days before the General Assembly, excluding the date of receiving the request by the Company, i.e. not later than the July 1st 2017. In case the

deadline is not observed the proposed agenda items are not properly announced and the General Assembly cannot pass decisions.

16. Shareholders have the right to put a counterproposal to the decision proposals submitted by the Management and/or Supervisory Board on a particular agenda item. The counterproposal, together with the names and surnames of shareholders, explanation and possibly, opinion of the Management Board, will be reported to credit or financial institutions and shareholder associations that voted on behalf of shareholders at last year's General Assembly and will be made available to shareholders on the website of the company (www.tng.com), if a shareholder submits a counterproposal, at least 14 days before the General Assembly, to the head office address of the Company (Tankerska Next Generation Inc., B. Petranovića 4, 23 000 Zadar). Company does not consider the day of receiving the counterproposal in this 14 day deadline which expires accordingly on July 17th 2017. If the shareholder does not exercise this right, it does not result in loss of the right to make a counterproposal at the General Assembly. This shall be appropriately applied to shareholders proposals regarding the election of the Supervisory Board or the appointment of the Company's auditor.
17. The Management Board will at the General Assembly give every shareholder at his/her request, information on the company's business, if it is necessary to evaluate items on the agenda.
18. Documents for the General Assembly, legally required, are available to the shareholders at the Company's headquarters in Zadar, every working day from the date of announcing the invitation for the General Assembly until the date of the General Assembly from 10:00 to 14:00 hours. These materials are published on the same day and on the website of the Company (www.tng.hr).

Management Board
John Karavanić

