

Pursuant to Article 277, paragraph 2 of the Companies Act (Official Gazette No. 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 152/11, 111/12, 68/13, 110/15 and 40/2019) and Article 18, paragraph 1 of the Articles of Association (complete text of 25 January 2019), the director of ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, registered in the court register of the Commercial Court in Pazin under company registration number (MBS): 040010793, personal identification number (OIB): 9693360447, on 22 July 2019, brought the Decision on convening of the General Assembly on the basis of which the following is announced

INVITATION TO THE GENERAL ASSEMBLY OF THE COMPANY ULJANIK PLOVIDBA d.d.

The General Assembly of the Company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, registered in the court register of the Commercial Court in Pazin under company registration number (MBS): 040010793, personal identification number (OIB): 49693360447 (hereinafter: Company) will be held on 29 August 2019 on the premises of the Company in Pula, at the address Carrarina 6, on the ground floor, starting at 08:30 hours.

The following matters will be discussed and decided at the General Assembly:

AGENDA

1. Opening of the General Assembly, determining of shareholders present and represented;
2. Adoption of the Management Report for 2018;
3. Adoption of the Supervisory Board's Report for 2018;
4. Adoption of the decision on the use of profit gained in 2018;
5. Adoption of the decision on granting discharge to the Management Board for 2018;
6. Adoption of the decision on granting discharge to the members of the Supervisory Board for 2018;
7. Adoption of the decision on the election of a member of the Supervisory Board;
8. Adoption of the decision on the appointment of the Auditors for 2019;
9. Adoption of the decision on the change of Company name and supplementing of the Company activities;
10. Adoption of the decision on the conversion of shares with par value into shares with no par value;

11. Adoption of the decision on the listing of preference shares on the Official Market of the Zagreb Stock Exchange;

12. Adoption of the decision on granting the authorization to acquire treasury shares to the Management Board;

13. Adoption of the decision on the amendment of the Articles of Association.

PROPOSED DECISIONS

Ad.2. The Management Board and the Supervisory Board of the Company propose to the General Assembly the adoption of the following decision:

“Decision on the adoption of the Management Report for 2018

The Management Report on the performance of ULJANIK PLOVIDBA d.d. and the Uljanik Plovidba Group for 2018 is hereby adopted.”

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

“Decision on the adoption of the Supervisory Board’s Report for 2018

The Supervisory Board’s Report on the supervision of the management of the businesses of ULJANIK PLOVIDBA d.d. and the ULJANIK PLOVIDBA Group for 2018 is hereby adopted.”

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

“Decision on the use of profit gained in 2018

The profit of the company realized in 2018 amounting to HRK 605,591.00 is allocated as retained earnings.”

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

“Decision on granting discharge from liability to the Management Board for 2018

The Management Board is hereby discharged from liability for the year 2018, which in 2018 consisted of the Director Dragutin Pavletić.”

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

“Decision on granting discharge from liability to the members of the Supervisory Board for 2018

- I. Amra Pende, member and president of the Supervisory Board for the business year 2018 is hereby discharged from liability.
- II. Anton Brajković, member and vice-president of the Supervisory Board for the business year 2018 is hereby discharged from liability.
- III. Robert Banko, member of the Supervisory Board for the business year 2018 is hereby discharged from liability.

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

“Decision on the election of a member of the Supervisory Board

I. Dubravko Kušeta, BSc in Economics, from Veli Lošinj, Kaštel 28, personal identification number (OIB): 01763169344 is elected as a member of the Supervisory Board, with term of office from 29 August 2019 to 29 August 2022.

II. This Decision shall come into force and shall be effective from the date of its adoption.”

Ad.8. The Supervisory Board of the Company proposes to the General Assembly the adoption of the following decision:

“Decision on the appointment of the Auditors for 2019

The licenced auditing company IAUDIT, limited liability company for auditing with its headquarters in Rijeka, Jelačićev trg 7/I is hereby appointed to carry out audits of the financial statements of the parent company and affiliated companies and for auditing of the consolidated financial statements for 2019.”

Ad.9. The Management Board and the Supervisory Board of the Company propose to the General Assembly the adoption of the following decision:

“Decision on the change of Company name and supplementing of Company activities

I. The name of the company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447, is changed and it now reads ALPHA ADRIATIC pomorski promet, dioničko društvo.

II. The abbreviated name of the company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447, which reads ULJANIK PLOVIDBA d.d., is changed and it now reads ALPHA ADRIATIC d.d.

III. The name of the company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number(OIB): 49693360447, in the English language, which reads ULJANIK SHIPPING Inc. is changed and it now reads ALPHA ADRIATIC maritime transport joint stock company.

- IV. The abbreviated name of the company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447, in the English language is changed and it now reads ALPHA ADRIATIC jsc.
- V. The Company business activities are supplemented with the following:
- * design and consulting in shipbuilding
 - * project management and technical consulting
 - * mediation in the employment of seafarers
 - * maritime agency activities
 - * business and management consulting
 - * agricultural activity
 - * integrated production of agricultural products
 - * purchase and sale of goods
 - * providing of services in trade
 - * conducting of trade mediation on domestic and foreign markets
 - * real estate brokerage
 - * real estate activities
 - * representation of foreign companies
- VI. In accordance with this Decision, an appropriate decision to amend the Articles of Association will be adopted.
- VII. This Decision shall enter into force and shall apply from the date of the adoption of the appropriate decision on the amendment of the Articles of Association.”

Ad.10. The Management Board and the Supervisory Board of the Company propose to the General Assembly the adoption of the following decision:

**“Decision to convert shares with par value
into shares with no par value**

- I. The ordinary shares of the company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447, with par value, are converted into shares without no par value so that 580,000 ordinary shares listed as ULPL-R-A with par value of HRK 400.00 each are converted into 580,000 ordinary shares of ULPL-RA with no par value.
- II. The preference shares of ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447, are converted into shares with no par value so that 77,212 preference shares listed as ULPL-P-B, with par value of HRK 100.00 each are converted into 77,212 preference shares listed as ULPL-P-B, with no par value.
- III. In accordance with this Decision, an appropriate decision to amend the Articles of Association will be adopted.

IV. This Decision shall enter into force and shall apply from the date of entry of the corresponding amendment of the Articles of Association in the Court Registry.”

Ad.11. The Management Board and the Supervisory Board of the Company propose to the General Assembly the adoption of the following decision:

“Decision on the listing of preference shares on the Official Market of the Zagreb Stock Exchange

I. All registered preference shares of the company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447, with no right to vote, with no par value, held with the Central Depository & Clearing Company Inc., Zagreb, in non-materialized form under the ticker ULPL-P-B and the ISIN code HRULPLPB0003 will be listed on the Official Market of the Zagreb Stock Exchange.

II. The Management Board is authorized to list all the shares referred to in the previous point of this Decision on the Official Market of the Zagreb Stock Exchange and to take all the necessary actions therefore required.

III. This Decision shall come into force and shall apply from the date of its adoption.”

Ad.12. The Management Board and the Supervisory Board of the Company propose to the General Assembly the adoption of the following decision:

“Decision on granting the authorization to acquire treasury shares to the Management Board;

I. Authorization is granted to the Management Board for the acquisition of treasury shares of ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, personal identification number (OIB): 49693360447 (Company) as follows: ordinary shares under the ticker ULPL-R-A and preferential shares under the ticker ULPL-P-B during a period of 5 (five) years from the date of this Decision, without further special approval of the General Assembly, under the following conditions:

- (i) shares acquired under this Decision together with the treasury shares that the Company already holds may not exceed 10% (ten percent) of the Company's share capital,
- (ii) ordinary shares under the ticker ULPL-R-A may be acquired on an organized securities market at a price which may not exceed 10% (ten percent) or be 10% (ten percent) lower than the average market price these shares reached during the preceding trading day,
- (iii) preference shares under the ticker ULPL-P-B, during the time they are not listed on the organized securities market, may be acquired for a price not exceeding the amount of HRK 120 (one hundred and twenty) per share and after the listing on the organized securities market they may be acquired for a price which may not exceed 10% (ten percent), or be 10% (10 percent)

lower than the average market price these shares reached during the preceding trading day.

- II. In the business year in which the Company acquired treasury shares, it must report under reserves for that year the share of the profit and the amounts corresponding to the amounts paid for the acquisition of treasury shares, so that the net assets of the Company stated in the financial statements for the last business year because of the acquisition of shares do not turn out to be lower than the amount of the share capital and the reserves which, according to the law, the Articles of Association or the decision of the General Assembly the Company must have and which it may not use for the payment of dividends to the shareholders.
- III. The Management Board must notify the first following General Assembly of the reasons and purpose of the acquisition of treasury shares, their number and share in the share capital and the counter-value of what the Company has conceded for those shares. The Management Board has the same obligation towards the Supervisory Board, provided that it must submit this report to the Supervisory Board within one month from the date of expiration of each quarterly period.
- IV. The Management Board shall adopt a program of acquiring and disposing of treasury shares that must be previously approved by the Supervisory Board.
- V. After the preparation of the program referred to in the preceding paragraph of this Decision, the Management Board may acquire and sell treasury shares without the requirement of a special decision of the General Assembly, whereby the right of pre-emption of the existing shareholders is overridden.
- VI. This Decision shall come into force and shall apply from the date of its adoption.”

Ad.13. The Management Board and the Supervisory Board of the Company propose to the General Assembly the adoption of the following decision:

“Decision on the amendment of the Articles of Association

The Articles of Association of ULJANIK PLOVIDBA Pomorski promet, dioničko društvo, Pula, Carrarina 6, registered in the court register of the Commercial Court in Pazin under company registration number (MBS): 040010793, personal identification number (OIB): 49693360447 (complete text dated 25 January 2019), is fully amended by replacement of the entire text of the Articles of Association with a new text which now reads as follows:

**ARTICLES OF ASSOCIATION
OF THE COMPANY ALPHA ADRIATIC d.d.**

(COMPLETE TEXT)

1. INTRODUCTORY PROVISIONS

Article 1.

ALPHA ADRIATIC pomorski promet, dioničko društvo, i.e. ALPHA ADRIATIC d.d. is the new name and the new abbreviated name of the former company ULJANIK PLOVIDBA Pomorski promet, dioničko društvo and its abbreviated name ULJANIK PLOVIDBA d.d., with its headquarters in Pula, Carrarina 6, registered in the court register of the Commercial Court in Pazin under the company registration number (MBS): 040010793, personal identification number (OIB): 49693360447, founded on 01 September 1986 (hereinafter: the Company).

For the purposes of these Articles of Association, the Company and the companies in which it holds a majority stake, the majority right to vote or over which it has direct or indirect dominant influence, constitute the ALPHA ADRIATIC Group.

2. COMPANY NAME, HEADQUARTERS AND LOGO

Article 2

The name of the Company is ALPHA ADRIATIC pomorski promet, dioničko društvo.

The Company's abbreviated name is ALPHA ADRIATIC d.d.

The name of the Company in the English language is ALPHA ADRIATIC maritime transport joint stock company.

The Company's abbreviated name in the English language is ALPHA ADRIATIC jsc.

The company name and the abbreviated name of the Company may be changed by a decision of the Management Board with the consent of the Company Supervisory Board.

Article 3

The headquarters of the Company are in Pula.

The business address of the Company at the headquarters of the Company shall be determined by the Management Board.

Article 4

The logo and design of the stamp used by the Company in its business transactions shall be adopted by the Management Board with prior consent of the Supervisory Board.

3. COMPANY ACTIVITIES

Article 5

The Company carries out the following activities:

- 50.10 Trade in motor vehicles
- 50.30 Trade in motor vehicle parts and accessories
- 50.50 Retail trade of motor fuels and lubricants

- 51 Wholesale and retail trade
- 52.45 Retail trade of electrical household appliances
- 52.46 Retail trade of hardware, paints and glass
- 61.10 Sea and coastal transport
- 63.30 Activities of travel agencies and tour operators
- 63.40 Activities of other transport agencies
- 71.10 Rental of motor vehicles
- 71.22 Renting of pleasure boats and yachts
- * Currency exchange offices
- * International freight and passenger transport services
- * Marine and technical services at sea and underwater
- * Services related to international transport
(international freight forwarding, warehousing, port and agency services in transport etc.)
- * Rental of motor vehicles
- * Renting of pleasure boats and yachts
- * Design and consulting in shipbuilding
- * Project management and technical consulting
- * Mediation in the employment of seafarers
- * Maritime agency activities
- * Business and management consulting
- * Agricultural activity
- * Integrated production of agricultural products
- * Purchase and sale of goods
- * Providing of services in trade
- * Conducting of trade mediation on domestic and foreign markets
- * Real estate brokerage
- * Real estate activities
- * Representation of foreign companies

In addition to the activities referred to in paragraph 1 of this Article, the Company may also perform other activities ancillary to these activities, if they are in performed on a smaller scale or ordinarily along with the registered activity.

4. SHARE CAPITAL AND SHARES

4.1. SHARE CAPITAL

Article 6

The share capital of the Company amounts to HRK 239,721,200.00 (two hundred and thirty-nine million seven hundred and twenty one thousand two hundred Croatian kuna).

The share capital of the Company is divided into 580,000 (five hundred and eighty thousand) ordinary registered shares, with no par value and 77,212 (seventy seven thousand two hundred and twelve) registered preference shares, with no right to vote, with no nominal amount, which grant their holders the following privileged rights: (i) the right to an annual dividend in the amount of 5 HRK per share, (ii) the right to the difference up to the full amount of the dividend that the holders of ordinary shares are

entitled to for the relative business year; (iii) the right to collect accumulated and outstanding dividends over a period of 3 (three) years prior to the payment of dividends to holders of ordinary shares; (iv) the right of priority at payment of the remaining liquidation or bankruptcy value .

On 8 August 2017, an amendment to the Articles of Association was registered in the Court Register of the Commercial Court in Pazin, by which the Management Board was authorised with the consent of the Supervisory Board, for a period of not more than five (5) years from the date of entry into the court register, to increase the Company's share capital, either on one or on several occasions, by issuing of new shares from the amount of HRK 232,000,000.00 (two hundred and thirty two million Croatian kuna) for a maximum amount of HRK 116,000,000.00 (one hundred and sixteen million Croatian kuna) to the amount of HRK 348,000,000.00 (three hundred and forty eight million Croatian kuna). The Management Board is authorized, subject to the consent of the Supervisory Board, to increase in the above manner the Company's share capital by issuing of shares of different classes paid up in cash or property and rights, wholly or partially, excluding the rights of pre-emption of the existing shareholders to subscribe for new shares issued on the basis of such authorization. The Supervisory Board is authorized to amend the provisions of the Articles of Association with the changes resulting from such increase in share capital and the issuance of new shares.

Based on the authority from the previous paragraph of this article, the Company's share capital has increased from HRK 232,000,000.00 (two hundred and thirty two million Croatian kuna) for the amount of HRK 7,721,200.00 (seven million seven hundred twenty one thousand and two hundred Croatian kuna), to the amount of HRK 239,721,200.00 (two hundred and thirty nine million seven hundred twenty one thousand and two hundred Croatian kuna)

4.2. SHARES

Article 7

The shares of the Company are non-materialized securities that exist in the form of electronic records on the securities account in the computer system of the central depository.

The register of shares is run by the central depository, which is managed by an authorized legal entity.

In relation to the Company, a shareholder of the company is deemed to be only such entity or person that is registered as a shareholder of the Company in the central depository.

The transfer of shares is completely free and is not subject to any limitations.

5. COMPANY BODIES

Article 8

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

5.1. GENERAL ASSEMBLY

Article 9

The General Assembly is the body through which the shareholders exercise their rights in the Company.

Article 10

The General Assembly decides on the issues defined by the law and the Articles of Association, and in particular on:

- the election and dismissal of the members of the Supervisory Board, unless they are appointed to such board,
- profit allocation and coverage of losses,
- policy of remuneration and reporting on the remuneration for the members of the Management Board and members of the Supervisory Board,
- discharge from liability of the members of the Management Board and the Supervisory Board,
- appointment of the Company auditor,
- amendments to the Articles of Association,
- increase and decrease of the Company's share capital, except in the case referred to in Article 6 of the Articles of Association,
- appointing of auditors to survey audit the activities performed in the procedure of the Company's establishment or in the business conduct of the Company and determining of the remuneration for their work,
- listing the Company's shares on an organised market for trading and delisting of shares,
- changes in the status of the Company,
- termination of the Company.

Article 11

The General Assembly is ordinarily held at the headquarters of the Company.

If justified reasons exist, the General Assembly may also be held outside the Company's headquarters, subject to the decision of the Management Board.

Article 12

Press releases for Company shareholders prescribed by law are limited to releases given via electronic communication on the Company's web site.

Article 13

Shareholders may participate in the General Assembly meeting and exercise their right to vote only if they give the Company prior written notice of their participation in the General Assembly within the time prescribed by the law.

The standing in the central depository of immaterialized securities managed by the authorised legal entity on the last day for notification of one's participation in the General Assembly meeting shall be relevant for participation in the General Assembly meeting.

Article 14

At a General Assembly meeting, a Shareholder may be represented by a proxy holding a valid written power of attorney, which needs not be notarised.

Such power of attorney shall be issued for representation at a single meeting of the General Assembly.

Article 15

The General Assembly is chaired by the president of the Supervisory Board or by the person empowered by the president of the Supervisory Board.

The president of the General Assembly:

- presides over the sessions of the General Assembly and determines the order of discussion about the individual items of the agenda, decides on the order of voting on individual proposals, on the manner of voting on individual decisions and on all other procedural issues,
- signs the minutes and decisions of the General Assembly,
- represents the General Assembly before other bodies of the Company and persons outside the Company,
- performs other tasks within his/her competence in accordance with the law and the Articles of Association.

If this is reasonably practicable for the smooth operation, appropriate duration and efficiency of work of the General Assembly, the president of the General Assembly may limit the total time of discussion, enquiring and requesting of information to be dealt with when discussing a particular point on the agenda and determine the maximum time in which any shareholder or authorized person who properly requested to speak can ask questions, discuss the matter at hand or request information.

The President of the General Assembly shall take care of the order and the proper conduct at the General Assembly as well as of the respect of the General Assembly as a Company body and is for that purpose entitled to prevent persons from speaking and to remove from the General Assembly persons that are constantly disrupting the work of the General Assembly or disrespecting its work.

Article 16

Voting is carried out separately for each class of issued shares.

Voting is public, carried out by card voting or by filling in and casting of ballots that display the number of votes that each shareholder is entitled to.

The Management Board may adopt the decision by which voting by electronic means is enabled.

Ordinary shares with no par value entitle their holder to 4 (four) votes per share at the General Assembly.

In cases where non-voting preferred shareholders are entitled to vote at the General Assembly, preference shares with no par value entitle their holders to one (1) vote per share at the General Assembly.

Article 17

The General Assembly may adopt valid decisions if shareholders or their proxies participate in the work of the General Assembly who together hold shares whose number represents at least 30% (thirty percent) of the Company's share capital that appertains to those shares at the time of the General Assembly.

If, due to the insufficient representation of the shareholders (quorum is not met), the General Assembly is postponed on the day specified in the invitation for the General Assembly meeting, the next General Assembly meeting may decide validly regardless of the number of shareholders represented if law or Articles of Association do not prescribe otherwise for particular cases.

Article 18

Decisions at the General Assembly shall be made by the majority of the votes cast by the shareholders present or represented at the meeting (ordinary majority) except for matters for which the law and the Articles of Association prescribe a larger, qualified majority.

The Articles of Association, as well as the amendments to the Articles of Association and the decision on termination of the Company, are adopted by a three quarters majority of the of the votes cast by attending or represented shareholders at the meeting of the General Assembly at which shareholders or their proxies are present that together hold shares representing at least 50% (fifty percent) of the Company's share capital that that appertains to those shares at the time of the General Assembly.

Article 19

When convening the General Assembly the Management Board is authorized to decide to convene the General Assembly in such a way that shareholders are allowed to avail themselves of all or some of their rights in full or in part via electronic communication, as well as to cast votes in writing or through electronic communication.

If the Management Board uses the aforementioned authorizations, all details regarding such convening of the General Assembly must be notified in the invitation to the General Assembly.

Article 20

The shareholders bear their own costs of participating in the meetings of the General Assembly.

The costs of holding of the General Assembly shall be borne by the Company.

Article 21

The General Assembly may, in its rules of procedure, determine the convening of the General Assembly and the manner in which the meeting is to be held, the time and place of meeting, running and keeping the order at the meeting, taking and keeping of records, and issuing, publishing and dispatching of the decisions.

5.2. SUPERVISORY BOARD

Article 22

The Supervisory Board is the body that supervises the Company's work and operations Company's work as oversees the legality of the work of the Company's bodies.

The Supervisory Board has three (3) members.

Members of the Supervisory Board are elected or appointed for a maximum of 4 (four) years and may be re-elected and appointed.

Article 23

The members of the Supervisory Board are proposed by the Supervisory Board whose term of office is expiring.

A signed statement by the proposed person on the acceptance of its membership in the Supervisory Board is attached to the proposal.

Only a person whose knowledge and experience guarantee that he or she will be able to perform the duties of a Supervisory Board member duly and properly may be elected as a member of the Supervisory Board.

Except for the reasons provided for by the law, any person whose personal or business interest is contrary to the interests of the Company or its shareholders may not be appointed as a member of the Supervisory Board.

Article 24

The members of the Supervisory Board are elected by the General Assembly.

The election of the members of the Supervisory Board at the General Assembly is made by voting for each member individually.

By way of derogation from the provision of paragraph 1 of this Article, the employees of the Company have the right to appoint one member to the Supervisory Board.

The members of the Supervisory Board elect from among themselves the President of the Supervisory Board and the Deputy President of the Supervisory Board.

Until the election of the President of the Supervisory Board, the work of the Supervisory Board shall be overseen by the President of the General Assembly at which the members of the Supervisory Board have been elected in accordance with the preceding paragraphs of this Article.

Article 25

The Supervisory Board can make valid decisions if two (2) members participate at the meeting.

Decisions are adopted by the majority of the votes cast.

Each member of the Supervisory Board has one vote.

An absent member of the Supervisory Board may take part in the decision making process by voting via telephone or in writing (letter, e-mail or fax).

The Supervisory Board may adopt decisions without holding meetings, by correspondence (by letter, telephone, telegraph, fax, e-mail or other appropriate means) if none of the members demand that the meeting be held.

Article 26

Members of the Supervisory Board are obliged to attend the meetings, participate in decision-making and otherwise responsibly perform their duties.

Article 27

The members of the Supervisory Board are entitled to a remuneration for their work in the fixed net amount of HRK 2,500.00 (two thousand five hundred Croatian kuna) which is paid monthly as well as to the compensation of the costs of their attendance at the Supervisory Board's meetings.

Article 28

The Supervisory Board shall adopt the rules of procedure of the Supervisory Board, which shall specify in detail the methods of its work and decision-making and other matters within its competence.

Article 29

Within its scope of activities the Supervisory Board:

- appoints and dismisses the members of the Management Board,
- appoints the President of the Management Board,
- oversees the management of the Company's business,
- decides on the remuneration of the members of the Management Board,
- represents the Company before the Management Board,
- concludes employment contracts with members of the Management Board and defines the conditions of their work in the Company,

- appoints its members for temporary deputy members of the Management Board who are absent or unable to perform their duties,
- decides on granting of approval to the Management Board for the execution of certain types of activities, the adoption of certain decisions and other documents in the cases provided for by the law and the Articles of Association,
- elects among its ranks the President and the Deputy President of the Supervisory Board,
- adopts rules of procedure for its work and the work of the Management Board,
- examines the annual financial statements and adopts them together with the Management Board,
- approves the contracts that a member of the Supervisory Board enters into with the Company,
- submits to the General Assembly a written report on the performed supervision,
- proposes to the General Assembly the adoption of decisions in accordance with the law,
- proposes to the General Assembly the election of members of the Supervisory Board,
- adopts procedures for the election and appointment of the Management Board and the Supervisory Board,
- adopts the consolidated text of the Articles of Association,
- appoints and dismisses members of its committees for the purpose of preparing of decisions it adopts and supervises their implementation,

The Supervisory Board may convene the General Assembly and, when necessary for the sake of the well-being of the Company, must convene the General Assembly.

5.3. MANAGEMENT BOARD

Article 30

The Management Board consists of one to two members (directors) of which each member is authorized to represent the Company independently and individually.

The term of service of the members of the Management Board lasts up to a maximum of 5 (five) years, with the possibility of re-appointment.

Only a person with university education and at least five (5) years of working experience in the maritime industry with excellent knowledge of the English language may be appointed as a member of the Management Board.

The decision on the appointment, dismissal and number of the members of the Management Board and the length of their term of office shall be adopted by the Supervisory Board.

Article 31

When managing the Company's operations, the Management Board, in accordance with the law and these Articles of Association, in particular:

- develops and implements the Company's strategy and business plans,
- establishes, plans and coordinates the Company's business operations,
- decides the internal organization of the Company,

- manages the activities and resources of the Company,
- forms advisory, expert and auxiliary bodies
- adopts necessary decisions and general enactments of the Company,
- adopts with the Supervisory Board the financial statements of the Company,
- convenes the General Assembly,
- proposes to the General Assembly the adoption of decisions,
- executes the decisions of the General Assembly and the Supervisory Board,
- ensures the achievement of Company values and the respect of its ethics,
- elects and appoints members of senior management,
- plans and supervises the implementation of effective risk management and internal control systems,
- maintains constructive relationships with all business partners, shareholders and important business process stakeholders,
- decides on the need for appointing of the Company's Procurator,
- performs other tasks, if the law, the Articles of Association or the general enactments of the Company do not assign such tasks to other Company bodies.

Article 32

The Management Board of the Company may not undertake any of the following legal actions and/or legal transactions without the prior written consent of the Supervisory Board nor decide on the:

- acceptance and/or takeover of any obligation, including, but not limited to, obligations arising from guarantees or claims, debts from loans, loans, debt financing, or taking of a bank loan in connection therewith, and entering into any written or oral contract with other physical and/or legal entities by which it accepts and/or takes on any liability obligating the Company, whose value exceeds 20% (twenty percent) of the Company's share capital or, irrespective of value, it accepts and/or assumes obligations over a period of longer than 5 (five) years;
- disposal of the Company's assets or purchase of other assets, including, but not limited to purchase, sale, transfer, pledge or other disposal of real estate, shares and/or other securities and shares in other companies the Company holds, and entering into any written or oral contract with other physical and/or legal persons by which the Company's assets are disposed with (including leasing or rental) or other assets are purchased, whose value exceeds 20% (twenty percent) of the Company's share capital or, irrespective of value, it accepts and/or assumes obligations over a period of longer than 5 (five) years;
- change of company name, logo and appearance of the stamp used by the Company in its operations,
- increase of the Company's share capital in accordance with the provisions of Article 6 of the Articles of Association,
- entering into a contract with the members of the Supervisory Board,
- concluding legal affairs with affiliated persons if the value of these affairs, independently or in conjunction with other affairs that the Company has undertaken with the affiliated person in the last 12 (twelve) months before the transaction is undertaken, exceeds 2.5% (two point five percent) of the sum of long-term and short-term assets determined in the latest annual financial statements,

- granting a procuration to one or more persons,
- payment of advance dividends to the shareholders from the foreseeable part of the net profit,
- establishing of a foreign subsidiary company, in accordance with the customary practice in the maritime industry in which the Company operates, whereby a company is established for the purpose of acquiring or management of each of the individual vessels in the ALPHA ADRIATIC Group's fleet and the appointment and revocation of members of the subsidiary companies bodies,
- entering into a joint venture and a joint venture with partner companies in Croatia and abroad,
- entering the tax-per-tonne system,
- adopting a development strategy, business plan and business investment plan.

All directly or indirectly related acceptances and/or assuming of obligations or disposing of assets, which are considered to be a single venture in the business practice and in accordance with generally accepted notions, will be considered as one legal transaction or legal affair, irrespective of whether it formally involves several legal actions or legal transactions whose individual value does not exceed 20% (twenty percent) of the Company's share capital.

Article 33

The Management Board shall allow the Supervisory Board and its committees a timely access to the premises and facilities of the Company, as well as to the senior management and employees of the Company whenever necessary for the performance of their duties and access to all the documents required for such purposes, without limitation.

Article 34

If the Management Board consists of two members, the members of the Management Board shall conduct the Company's affairs together, and one of them shall be appointed President of the Management Board.

The President of the Management Board is appointed by the Supervisory Board between the appointed members of the Management Board.

If the Management Board consists of two members, the decisions will as a rule be adopted at meetings, but they may also be adopted without holding of meetings, by correspondence (by letter, telephone, telegraph, fax, e-mail or other appropriate means of communication).

If the votes at decision-making are equally split, the vote of the President of the Board will be decisive.

If the Management Board consists of two members, the Supervisory Board will adopt the rules of procedure of the Management Board. The Management Board may propose the text of the rules of procedure.

Article 35

The Supervisory Board shall conclude individual employment contracts with the members of the Management Board, which shall further elaborate all their rights and obligations with respect to employment and performance of their role in the Management Board.

The terms of the employment contract are decided by the Supervisory Board.

Article 36

The sole member of the Management Board or the President of the Management Board if the Management Board consists of two members, shall be elected i.e. appointed to perform the same function in all foreign subsidiaries of the ALPHA ADRIATIC Group without the right to any remuneration for such work.

The right to compensation for work shall also not be exercised by other employees of the Company in the case they are elected or appointed to any of the functions in foreign subsidiaries of the ALPHA ADRIATIC Group.

6. PROCURATION

Article 37

The procuration to one or more persons shall be granted and revoked in writing by the Management Board, with prior consent of the Supervisory Board.

7. ANNUAL ACCOUNTS AND USE OF PROFITS

Article 38

The calendar year shall be the business year of the Company.

Article 39

The manner of determining the Company's profit for each business year is prescribed by the law.

After settling of obligations prescribed by the law, upon the proposal of the Management Board, the General Assembly adopts the decision on the use of the profit.

The General Assembly of the Company may adopt a decision on the payment of profits to shareholders in material things and rights.

The General Assembly may decide to use the profits for other purposes such as for payments to employees, members of the Management Board and the Supervisory Board in accordance with the adopted remuneration policies and similar.

Once the annual financial statements have been adopted, the Management Board and the Supervisory Board may decide that after the settlement of obligations prescribed by the law, the profit may be allocated as other reserves from profit and for that purpose the Management Board may utilise in excess of half of the Company's net profit.

The Management Board of the Company may, with prior consent of the Supervisory Board, pay to the shareholders an advance on dividends from the foreseeable part of the net profit during the business year.

8. PROTECTION AND IMPROVEMENT OF HUMAN ENVIRONMENT

Article 40

The Company carries out its activities in a way that ensures safety at work by carrying out the prescribed and necessary measures for the protection and improvement of human environment.

9. MANNER AND FORM OF PUBLICATION OF COMPANY COMMUNICATIONS

Article 41

The Company information and communications are published on the Company website.

The Company information and communications for which the law expressly provides that they must be disclosed shall be published on the website of the competent court register.

If the Company's shares are listed on an organised market, the Company shall disclose the prescribed information, announcements and notices in accordance with the rules of that organised market.

10. COMPANY DURATION AND TERMINATION

Article 42

The Company has been founded for an indefinite time.

The Company may cease in the manner prescribed by law.

11. TRANSITIONAL AND FINAL PROVISIONS

Article 43

The authentic interpretation of the provisions of these Articles of Association shall be given by the General Assembly and shall be decided by a simple majority.

These Articles of Association shall enter into force on the date of their entry into the court register of the competent court.

MOTIVATION OF THE PROPOSED DECISIONS

Ad.2. and 3.

Pursuant to Article 300.d of the Companies Act and Article 37 of the Company's Articles of Association, the Management Board and the Supervisory Board have adopted the Company's annual financial statements and consolidated annual financial statements of the ULJANIK PLOVIDBA Group (hereinafter: Group) for the year 2018.

Pursuant to Article 300.c of the same law, the Supervisory Board reviewed and adopted the Management Report on the performance of the Company and the Group for 2018, and adopted the Supervisory Board's Report on the supervision of the management of the businesses for 2018. The above-mentioned Management and Supervisory Board reports will be submitted to the General Assembly for adoption.

Ad.4.

It is proposed that the profit realized in 2018 amounting to HRK 605,591.00 be allocated to retained earnings in order to strengthen the financial stability of the Company and reduce liquidity risk.

Ad.5. and 6.

Pursuant to Article 276 of the Companies Act, it is proposed to discharge from liability the Management Board and the Supervisory Board whereby approval would be given to the persons that performed their duties in a Company body during a precise passed period for which the discharge is granted. In 2018, the Company's operations were legitimate and orderly with full employment of the vessels despite the extremely demanding and volatile conditions in the maritime industry. Through their activities, the Management Board and the members of the Supervisory Board protected the interests of the Company in their entirety during this period.

Ad.7.

Pursuant to Article 280, paragraph 3 of the Companies Act and Article 31, paragraph 2 of the Articles of Association of the Company, for the term until the expiry of the mandate of the Supervisory Board member Antun Brajković who has ceased to perform this function, Dubravko Kušeta, a graduate economist from Veli Lošinj, Kaštel 28, personal identification number (OIB): 01763169344 is being proposed to fill this position. Mr. Kušeta possesses the necessary expertise for the said function in view of his professional orientation and experience gained in his career as a tax consultant. The biography of the proposed candidate has been published on the Company's website: www.uljaniksm.com.

Ad.8.

IAUDIT, a limited liability company and certified auditors with their headquarters in Rijeka, Jelačićev trg 7/I are proposed to be appointed as the auditors that will carry out the audit of the Company's and Group's financial statements for 2019, as they have shown in carrying out of the audit outstanding professionalism and expertise and a good understanding of the maritime industry in which the Company and the Group operate.

Ad.9.

It is proposed to change the Company's name since the present full Company name and the present abbreviated Company name create confusion about the Company's identity and give the public the wrong impression of its association with other companies. "Alpha" is the first

letter of the Greek alphabet and this is how the first and the brightest star of a constellation is denominated. It is associated with excellence, courage, strength and self-confidence, which are the characteristics that the Company wishes to emphasize and nurture. "Adriatic" denotes the Adriatic Sea, which represents the maritime and geographical affiliation of the Company's headquarters.

It is proposed to expand the Company activities to such activities that may be of interest for the future business operations and development of the Company.

Ad.10.

It is proposed that the Assembly adopts the decision to convert ordinary shares with par value and preference shares with par value into ordinary and preference shares with no par value. Namely, currently the Company's share capital is represented by ordinary shares, each with a nominal value of HRK 400.00 and preference shares, each with a nominal value of HRK 100. i.e. the Company's shares have different nominal values. Ordinary shares are listed on the Zagreb Stock Exchange, while in respect of the preference shares it is proposed that at the convened General Assembly meeting a decision be adopted on their listing on an organised market (item 11 of the agenda). It is proposed that these shares be exchanged for ordinary shares and preference shares with no right to vote.

Taking into consideration the circumstances when shareholders of preference shares without voting rights have the right to vote (e.g. Article 296, paragraph 2 of the Companies Act), the current proportion of the nominal values of ordinary (HRK 400.00) and preference shares (HRK 100.00) is adequately expressed in the number of shareholder votes at the General Assembly (4:1), so that ordinary shares with no par value entitle to 4 (four) votes per share, and preference shares (in cases where preferred shareholders of shares with no right to vote have the right to vote at the General Assembly) are entitled to 1 (one) vote per share at the General Assembly. The aforementioned arrangement is set out in Article 16, paragraphs 3 and 4 of the Articles of Association (Article 4).

Ad.11.

In accordance with the published Public invitation for subscription of up to 250,000 preference shares of the company ULJANIK PLOVIDBA d.d. with recognition of preemptive rights of existing shareholders and after a successful increase of the share capital it is proposed that said shares be listed on an organised market.

Ad.12.

The Companies Act allows the acquisition of treasury shares (Article 233, paragraph 1) subject to the authorisation of the General Assembly for their acquisition. Likewise, the same law regulates the acquisition process as well as the subsequent joint stock company's treatment of the treasury shares. The General Assembly's authorisation to acquire treasury shares is valid for a maximum of five (5) years and the decision of the General Assembly determines the terms under which they can be acquired, in particular the largest number of shares that the Company may acquire, the period in which it is authorized to acquire treasury shares and the highest and smallest value that the Company may expend for such an acquisition.

The acquisition of treasury shares is widely accepted in business practice and in particular by joint stock companies whose shares are listed on organised markets.

The Company program for the acquisition and disposal of ordinary shares in the period 2017-2020 dated 26 April 2017 has already been adopted and is in force, and has been published on the Zagreb Stock Exchange. The said program refers only to the ordinary shares of the Company. On the basis of the proposed decision to authorize the Management Board to acquire treasury shares, the Management Board must adopt a new share acquisition and disposal program that would include all of its treasury shares. The Management Board will adopt this program subject to the prior consent of the Supervisory Board. Therefore, regardless of the existence of a decision whereby authorisation has been granted to acquire treasury shares, the new decision would confirm the will of the shareholders, determine the current terms of acquisition, and the decision and program of acquiring and disposing of treasury shares would include ordinary and preference shares.

Ad.13.

The amendment to the Articles of Association is proposed in order to update the existing provisions and to harmonise them with regulations in force and corporate governance guidelines.

INVITATION AND INSTRUCTIONS TO THE SHAREHOLDERS FOR PARTICIPATION IN THE GENERAL ASSEMBLY (hereinafter: Instructions)

Invitation, time and place of the General Assembly meeting

The shareholders of the Company are invited to participate in the work of the General Assembly, which will be held on 29 August 2019 in Pula at the headquarters of the Company, Carrarina 6, starting at 08:30 hours.

Participants are invited to attend the General Assembly on 29 August 2019 at least 30 minutes prior to the scheduled beginning for timely registration of the participants and preparation of the list of participants to the General Assembly. When registering, a shareholder or his/her authorized representative or representatives must present a valid identification document prescribed by law, while legal entities represented by proxy must also present an extract from the court registry or other appropriate register in which such legal entity is registered, not older than 3 (three) months or a copy thereof or other appropriate public document, if this was not done when filing the application for participation in the General Assembly.

Participation and voting at the General Assembly

Any shareholder of the Company who, in person or through his/her representative or proxy, notifies the Company of his/her participation in writing at least 6 (six) days prior to the General Assembly's meeting, which time shall not include the day of receipt of the notification by the Company, i.e. on 22 August 2019 at the latest, shall be entitled to participate in the General Assembly and to exercise his/her right to vote.

Applications for participation in the General Assembly shall be submitted directly to the Company at its headquarters in Pula, Carrarina 6, during the working hours from 08:00 to

16:00 or to the Company by registered mail to: ULJANIK PLOVIDBA d.d., Pula, Carrarina 6. In addition to direct submission or by post, the application may be submitted to the Company by e-mail at the address: prijava@uljanikplovdba.com.

Applications for participation in the General Assembly shall be considered timely submitted if they are, in accordance with these Instructions, submitted or sent by post or by e-mail to the Company by 24:00 hours on 22 August 2019 at the latest. The shareholders who have failed to apply for participation in the General Assembly correctly and in accordance with these Instructions or who have failed to attach to the application the documents provided under these Instructions shall not be entitled to participate in the General Assembly.

A legal or natural person, who is on the last day for application for participation in the General Assembly i.e. on 22 August 2019 registered as a shareholder of the Company with the Central Depository & Clearing Company Inc., Zagreb, is considered a shareholder of the Company.

Shareholders at the General Assembly may be represented by proxy holders on the basis of a valid written power of attorney issued by the shareholders or, in the name of a shareholder who is a legal person, by a person who is legally authorized to represent it.

The shareholder who will be represented at the General Assembly by proxy must enclose with the application a written authorization for representation that does not have to be certified by a notary public. Each such power of attorney must contain at least the data on the shareholder granting such authorisation and on the proxy, the shareholder's account number with the Central Depository & Clearing Company Inc., the total number of shares represented or votes such shareholder is entitled to, the authorization to the proxy to act and vote at the General Assembly, the date of issue and the time of validity of the power of attorney as well as the signature of the shareholder who issues the power of attorney. It is recommended to use the power of attorney form available at the Company's headquarters and on the Company website specified below. If a shareholder is a legal person, in addition to the power of attorney, a certificate from a court or other register in which such legal person is registered not older than 3 (three) months, or a copy thereof that proves that the power of attorney has been signed by a person authorized to represent such legal person must be attached to the application.

As to minors and legally incapable or partially capable natural persons, the application shall be submitted by their legal representative or tutor, who shall enclose with the application an original document or a copy or a certified transcription thereof showing their status as a legal representatives or tutors.

The application for participation in the General Assembly and the power of attorney, as well as all the supporting documents must be in Croatian or, if originally in a foreign language, translated into Croatian by a certified court interpreter.

Shareholders bear their own costs of participating at the General Assembly.

Shareholders who together own a twentieth part of the share capital of the Company are entitled to request that additional items be included in the agenda and disclosed, whereby every new item on the agenda must be motivated and include the related decision proposal. Such a request must be received by the Company no later than 30 (thirty) days prior to the General Assembly, which deadline does not include the date of receipt of such request by the Company. In case the deadline is not observed the proposed additional items on the agenda will be considered as inappropriately disclosed and no decision in their respect shall be made at the General Assembly.

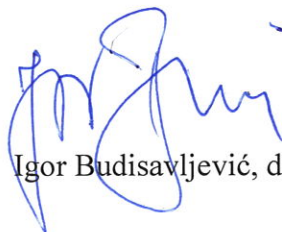
Counterproposals to the decision proposals submitted by the Management Board and/or Supervisory Board relating to a particular item on the agenda made by shareholders with their names/family names, motivation and the possible standpoint by the Management Board and Supervisory Board shall be available to the persons stated in Article 281, paragraphs 1 through 3 of the Companies Act pursuant to the provision of Article 282 of the Companies Act, if a shareholder submits his counterproposal to the Company at the Company's address (ULJANIK PLOVIDBA d.d., Pula, Carrarina 6) at least 14 (fourteen) days prior to the day of the General Assembly. The day of receipt by the Company of such counterproposal is not included in this period of 14 (fourteen) days. The counterproposal must be available on the Company's website: www.uljaniksm.com. If a shareholder does not avail himself/herself of this right, this does not prevent such shareholder from making a counterproposal at the General Assembly. The stated applies accordingly to shareholders' proposals regarding the election of the Supervisory Board members or appointment of the Company auditor.

At the General Assembly, any shareholder has the right to request from the Company's Director information about Company operations if such information is necessary to consider items on the agenda.

Viewing of the written materials for the General Assembly may be made from the day of publishing of the invitation to participate at the General Assembly meeting at the Company's web site: www.uljaniksm.com or on the business premises of the Company in Pula at the address Carrarina 6, on the ground floor, every working day from 14:00 to 16:00 hours.

If at the General Assembly convened for 29 August 2019 no quorum is reached, pursuant to Article 25, paragraph 5 of the Company's Articles of Association, the next General Assembly with the same agenda shall be held on 30 August 2019 at the same time and at the same place without special announcement and invitation. The General Assembly thus convened and held may validly decide regardless of the number of shareholders represented at it.

ULJANIK PLOVIDBA d.d.



Igor Budisavljević, director