

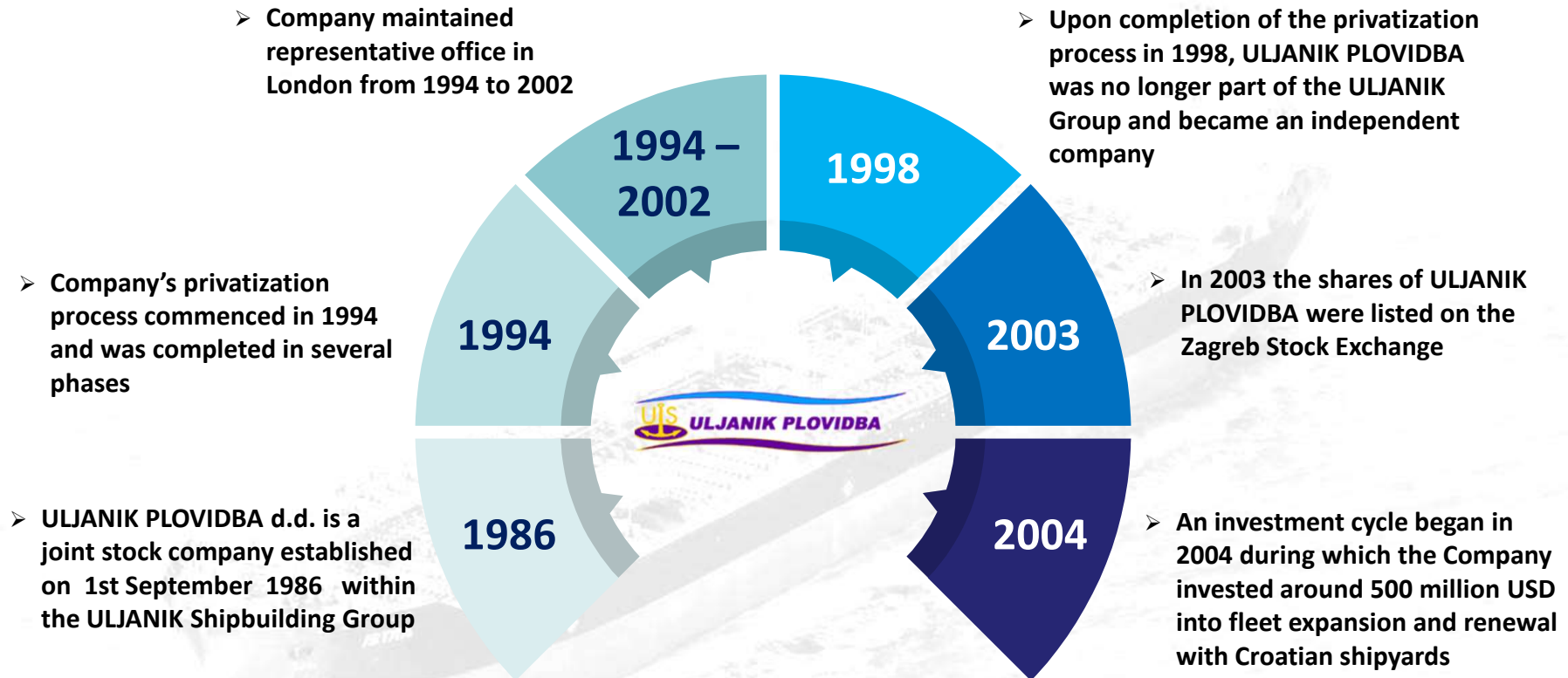
COMPANY PRESENTATION

December, 2018



HISTORY

BRIEF HISTORY



BUSINESS EXPANSION

- Company enters into new segment - transport of liquid cargo (tankers)

2004

2012...

- Further expansion of 3rd party technical management
- Fleet employment - combination of Time/Bareboat Charters and SPOT voyages

1997

- Core business expanded by providing 3rd party management to cruise ship "Dalmacija"

1990's

- Company owns and manages own dry bulk and multi-purpose vessel fleet

ULJANIK PLOVIDBA TODAY

- ✓ Over 4.000 shareholders
- ✓ 93% of shares are owned by domestic, Croatian individuals and companies

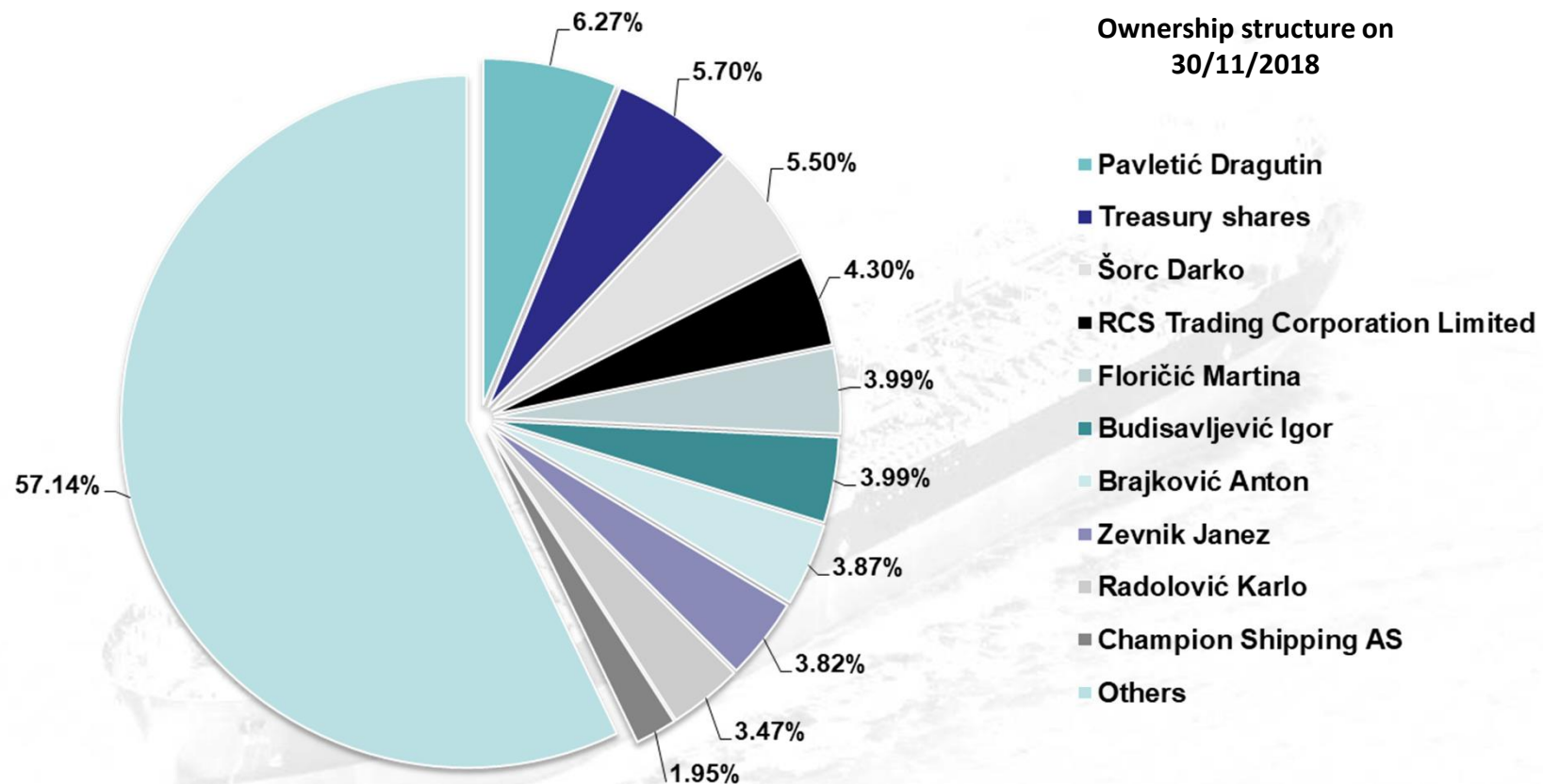
- ✓ The Company, which at first employed only 5 persons, today employs a highly educated personnel of 30 in its head office in Pula

TODAY

- ✓ The Company maintains its core business of international maritime cargo transport through the management of 9 modern vessels

- ✓ ULJANIK PLOVIDBA IS, IN SPITE OF THE SIMILAR COMPANY NAME, AN ENTIRELY INDEPENDENT ENTITY AND IT IS NOT PART OF THE ULJANIK SHIPBUILDING GROUP

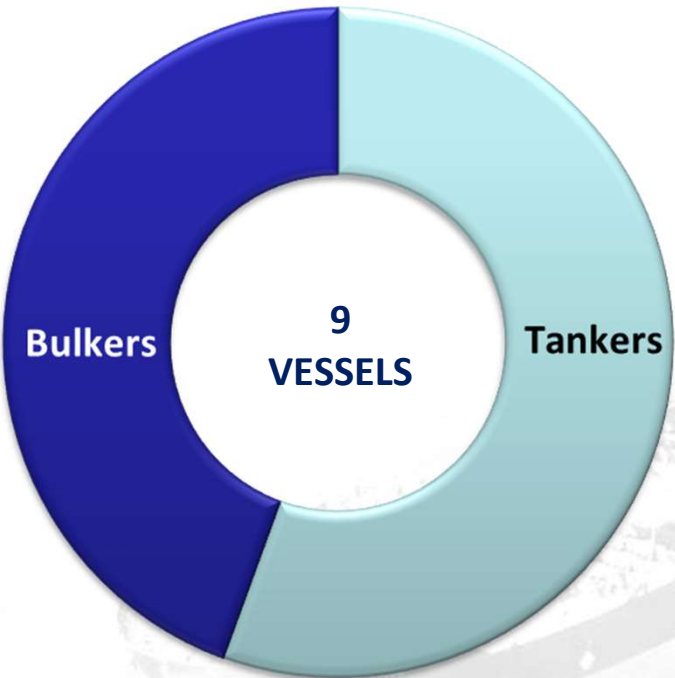
OWNERSHIP STRUCTURE - TOP 10 shareholders





THE FLEET

FLEET STRUCTURE & MAIN CHARACTERISTICS



6 owned vessels

3 vessels in management

total fleet capacity 462,000 DWT

average age of the fleet 7 years

Categories Supramax / MR

FLEET LIST

	Vessel Name	Type	Capacity (DWT)	Built year	Shipyard	Flag
owned vessels	VERUDA	Bulk Carrier	52.000	2011	Uljanik, Croatia	Croatian
	STOJA	Bulk Carrier	52.000	2012	Uljanik, Croatia	Bahamas
	KASTAV	Product/Chemical Carrier	51.800	2009	3. Maj, Croatia	Croatian
	VERIGE	Product/Chemical Carrier	51.800	2010	3. Maj, Croatia	Croatian
	POMER	Product/Chemical Carrier	51.800	2011	3. Maj, Croatia	Croatian
	CHAMPION ISTR	Product/Chemical Carrier	51.800	2012	3. Maj, Croatia	Croatian
managed	PUNTA	Bulk Carrier	52.000	2013	Uljanik, Croatia	Croatian
	VALOVINE	Bulk Carrier	52.000	2016	Uljanik, Croatia	Croatian
	CHAMPION PULA	Product/Chemical Carrier	46.914	2006	3. Maj, Croatia	NIS

DRY CARGO FLEET – „SUPRAMAX” SIZE BULKERS

STOJA



DWT: 52,000
Flag: Bahamas
Built: 2012

PUNTA



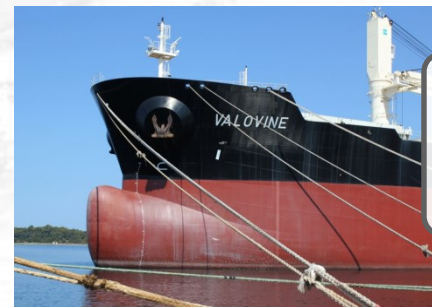
DWT: 52,000
Flag: Croatian
Built: 2013

VERUDA



DWT: 52,000
Flag: Croatian
Built: 2011

VALOVINE



DWT: 52,000
Flag: Croatian
Built: 2016

TANKER FLEET – „MR” SIZE

KASTAV



DWT: 51,800
Flag: Croatian
Built: 2009

CHAMPION PULA



DWT: 46,914
Flag: NIS
Built: 2006

POMER



DWT: 51,800
Flag: Croatian
Built: 2011

VERIGE



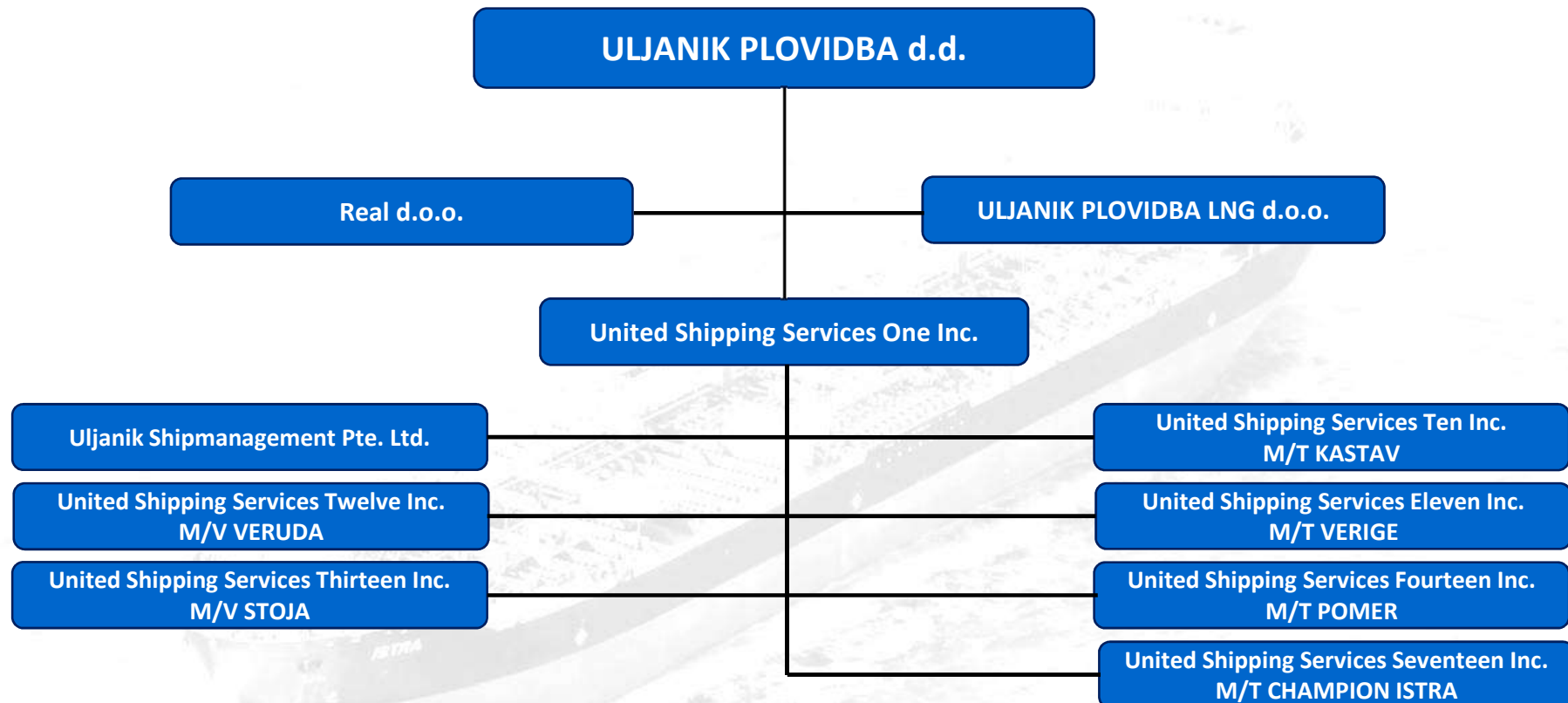
DWT: 51,800
Flag: Croatian
Built: 2010

CHAMPION ISTRA



DWT: 51,800
Flag: Croatian
Built: 2012


Each of the 6 owned vessels is registered through a single ship subsidiary





OPERATIONS

VESSEL MANAGEMENT

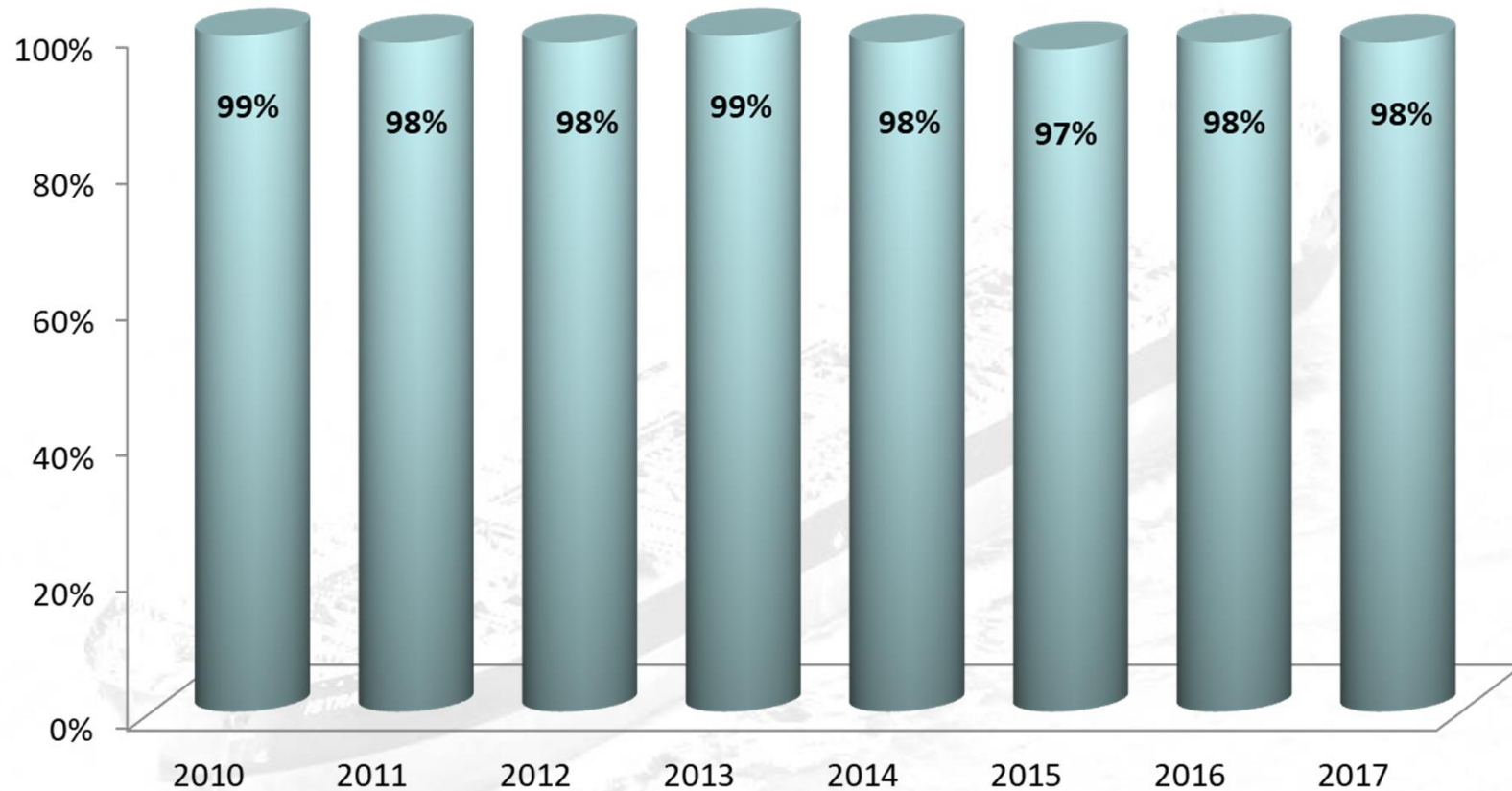


Management of vessels is divided into two teams (Dry Cargo and Tanker) that independently operate their own fleets



In addition to close cooperation with ASP Ship Management Singapore Pte Ltd, the Company established representative office in Singapore in 2014

AVERAGE YEARLY ON-HIRE DAYS RESULT FOR THE FLEET



CLIENTS – first class charterers who continuously employ our vessels



Human Energy



Morgan Stanley





FINANCIALS

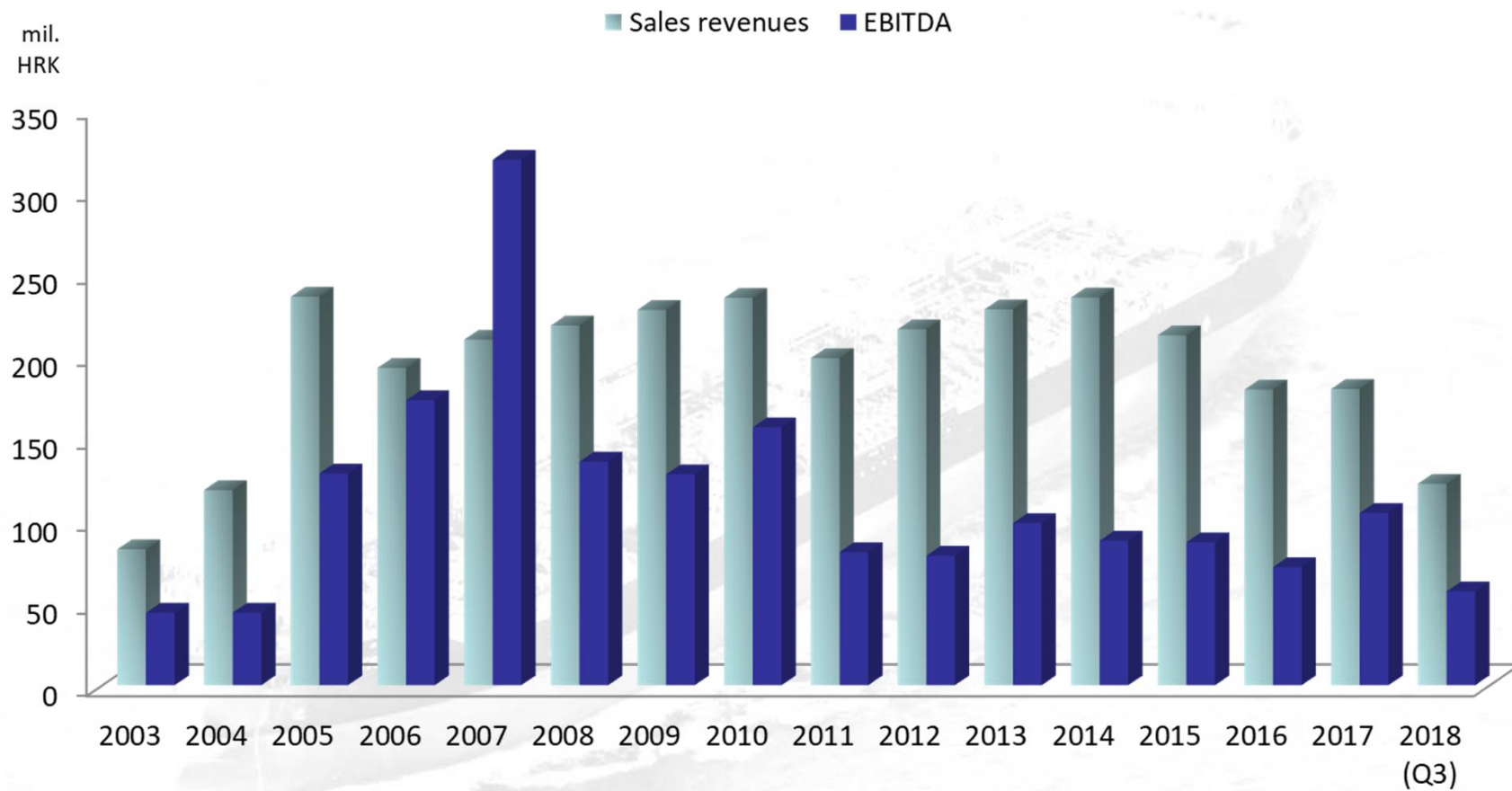
FINANCIAL RESULTS OVERVIEW

2017 / Q3 2018

CONSOLIDATED PROFIT AND LOSS ACCOUNT (IN HRK)	I – XII 2017	I – IX 2018
OPERATING REVENUES	204.195.035	125.693.568
Sales revenues	179.545.925	122.067.860
Other operating revenues	24.649.110	3.625.708
OPERATING EXPENSES	152.621.014	103.416.099
Material costs	27.195.559	18.874.461
Staff costs	58.340.081	38.111.347
Depreciation	52.772.171	34.521.284
Other costs	14.313.203	10.933.631
Other operating expenses	0	975.376
FINANCIAL INCOME	37.913.933	68.153.988
FINANCIAL EXPENSES	89.168.940	85.455.614
TOTAL INCOME	242.108.968	193.847.556
TOTAL EXPENSES	241.789.954	188.871.713
PROFIT BEFORE TAXATION	319.014	4.975.843
PROFIT TAX / TONNAGE TAX	302.849	173.744
PROFIT OR LOSS FOR THE PERIOD	16.165	4.802.099
Attributed to equity holders of parent company	4.360.079	2.096.091
Attributed to minority interests	-4.343.914	2.706.008

SALES REVENUES & EBITDA

2003 - Q3 2018



FINANCIAL DATA / RESULTS

2017 - Q3 2018

In HRK	2017	Q3 2018
Sales revenues	179,545,925	122,067,860
EBITDA	104,346,192	56,798,753
EBIT	51,574,021	22,277,469
EBT	319,014	4,975,843
Net profit	4,360,079	2,096,091

BORROWINGS OVERVIEW

BORROWINGS AT 30.09.2018

IN 000 HRK

TOTAL LIABILITIES	1,009,236
TOTAL BORROWINGS	953,067
Long-term debt	845,000
Short-term loans and current portion of long-term loans	108,067

LONG-TERM LOANS BY MATURITY:

Debt at 30.09.2018	948,695
2018	98,515
2019	107,556
2020	312,168
2021	112,613
2022	121,527
2023	34,472
2024	34,472
2025	34,472
2026	46,317
2027	46,583

SHARE CAPITAL INCREASE 2018

- **Share capital of the Company: 232.000.000 HRK**
- **580.000 registered shares**
- **Nominal amount 400,00 HRK per share**

SHARE CAPITAL INCREASE RESOLUTION

- **issue of new preferred shares through public offer in Croatia**
- **share capital increase for the amount up to 25.000.000 HRK**
- **issuance of up to 250.000 shares super pari**
- **the right of pre-emption of the existing shareholders to subscribe new shares**

NEW PREFERRED SHARES

No voting rights

Nominal amount: 100,00 HRK per share

Issued for the amount of: 120,00 HRK (share price)

Maximum subscription amount: 30.000.000 HRK

PREFERENTIAL RIGHTS

New preferred shares are registered shares that give the holder the following preferential rights:

a)

the right to an annual dividend of 5% of the nominal amount of the share

b)

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

c)

the right to collect accumulated and outstanding dividends over a period of 3 years prior to the payment of dividends to holders of ordinary shares

d)

the right of priority at payment of the remaining liquidation or bankruptcy value

REASONS FOR SHARE CAPITAL INCREASE

I

Improving of Company's liquidity and strengthening of the financial stability by maintaining the desired debt and capital ratio

II

Upon successful completion of share capital increase and current financial restructuring with participation of ALL, DOMESTIC AND INTERNATIONAL LENDERS OF THE COMPANY, Company's indebtedness is expected to be reduced by at least USD 10 million and loans reprogrammed



DEVELOPMENT STRATEGY

EXPECTED GLOBAL GROWTH RATE

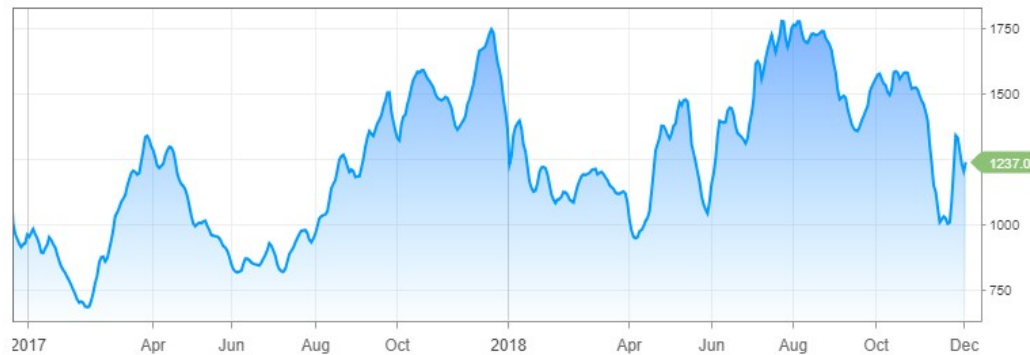
GLOBAL GROWTH

Year	World GDP growth
2015	3,5%
2016	3,3%
2017	3,7%
2018 (f)	3,7%
2019 (f)	3,7%

- IMF recently revised their global growth rate projections for 2018 and 2019 by 0.2% (among other reasons due to escalation of the trade war)
- The revised global growth rate for both years is now set at 3.7% p.a. which is at the same time the highest growth rate since 2011

MAIN MARKET TRENDS – DRY CARGO

Baltic Dry Index (BDI)
01/01/2017 - 04/12/2018



- The improved fundamental market conditions in the first three quarters of 2018 have seen the BDI rise significantly – up by 24%, 25% and 41% in Q1, Q2 and Q3 respectively, when compared with the same time last year.

SUPRAMAX SECTOR

- In spite of the negative effect after the introduction of trade tariffs on the global commodity exchange market, the freight rates are expected to rise in this sector next year, primarily due to the slowdown in the fleet growth and considerable reduction of the newbuildings delivered and ordered.
- Positive trend will be assisted by demolition activity which is expected to get stronger in the coming years as a result of new regulations coming into effect (installation of the Ballast Water Treatment System and IMO Sulphur Cap regulations 2020).

MAIN MARKET TRENDS – TANKERS

Baltic Clean Tanker Index (BCTI)
01/08—04/12/2018

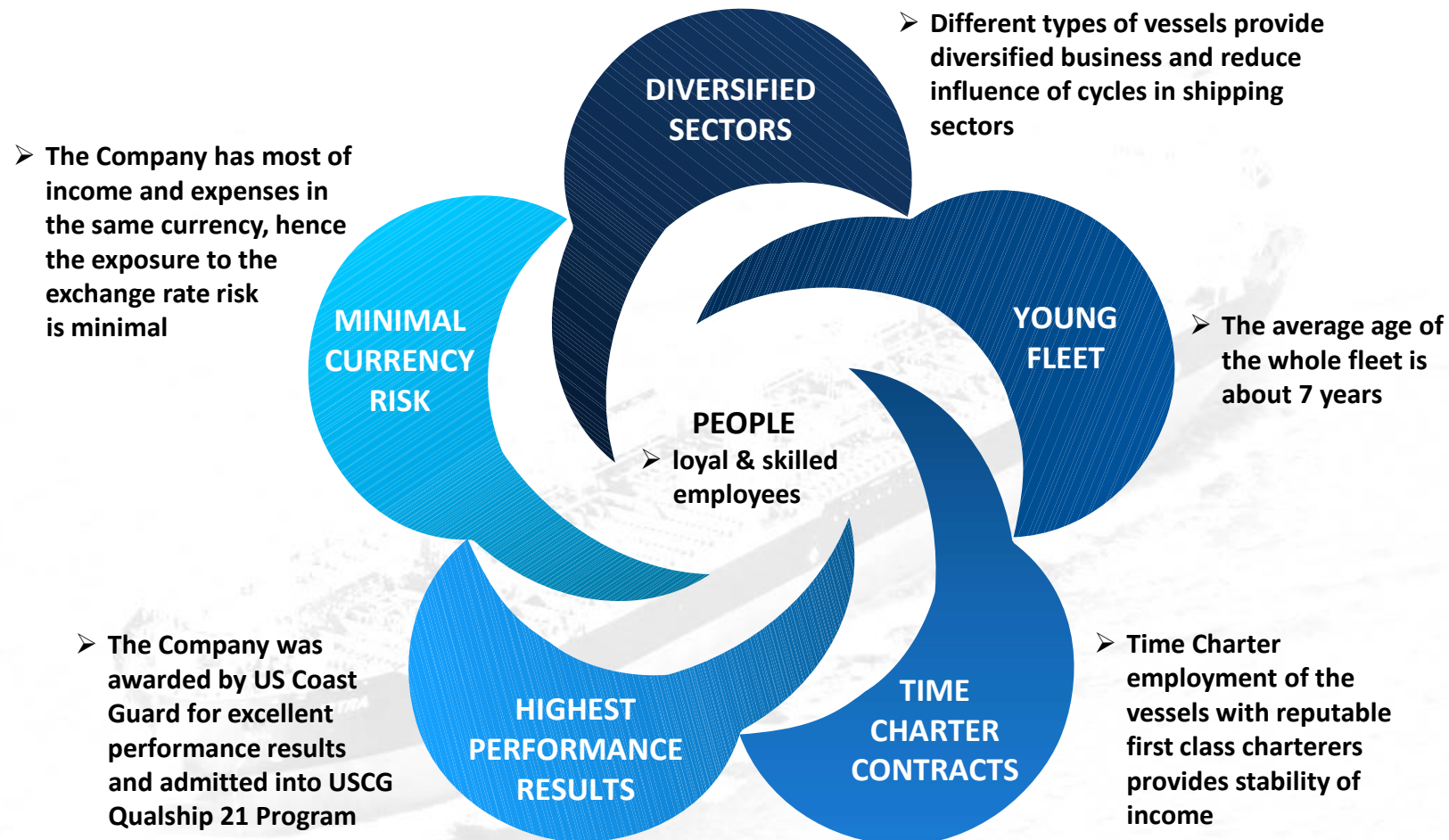


- Baltic Clean Tanker Index has been showing significant improvements during the last months. In the period from 01 Aug 2018 to 04 Dec 2018, it has increased by more than 70%.

MR SECTOR

- Market recovery in the product tanker sector has commenced after a period of very low freight rates caused by too many newbuildings delivered into the market in previous years. Due to limited number of MR tankers contracted in the current year, slippage in deliveries and high rate of scrapping, we could see reduction of the oversupply creating opportunities for further MR freight market improvement in the next year.
- IMO Sulphur Cap 2020 regulation (prohibition of use of marine fuels with high sulphur content) will have a positive impact on the freight market due to expected high demand for MR tonnage as a consequence of increased demand for distribution of low sulphur marine fuels around the world.

ADVANTAGES OF ULJANIK PLOVIDBA



DEVELOPMENT STRATEGY

FOCUS ON TWO SECTORS

Continue with participating in two shipping market sectors:

- 1) Dry cargo – Supramax Bulk Carriers
- 2) Tanker – Product / Chemical tankers

THIRD PARTY MANAGEMENT

Continue with providing management services to other shipowners

MODERN & INNOVATIVE COMPANY

Confirm the status of a modern and innovative company with:

- young fleet
- educated and skilled employees
- highly professional seafarers

PLANNED FLEET RENEWAL

HIGHEST QUALITY
SHIPYARDS

ECO DESIGN

SUPRAMAX BULKERS
MR TANKERS

Company's strategic decision is to contract newbuilding orders in the shipyards of the highest quality

Orientation on the new generation of ECO design ships

According to the Development Strategy until 2030, the Company is planning to renew it's fleet with the acquisition of 2 Bulk Carriers in the period of 2019-2020 and further fleet renewal in the Supramax and MR sectors depending on the market opportunities



THANK YOU

