

According to the 7th Decision on Share Split of the company and 8th **Decision 3 on changes and amendments to the Articles of Association**, adopted at the Extraordinary General Meeting of ILIRIJA d.d. with registered seat in Biograd na Moru, Tina Ujevića 7, entered in the court register of the Commercial Court in Zadar under the Company Reg. No. MBS: 060032302, Tax No. OIB: 05951496767, held on 20th November 2017 in accordance with the provisions of Article 301. paragraph 1. of the Companies' Act, the Supervisory Board of ILIRIJA d.d. determined the full wording of the Articles of Association on 28th November 2017 in the way as follows:

**ARTICLES OF ASSOCIATION
OF THE JOINT STOCK COMPAMY ILIRIJA d.d.**
(hereinafter referred to as: Company)

PART I: Basic provisions

Company name

Article 1.

The company name reads: ILIRIJA joint stock company for hospitality and tourism.

The short company name reads: ILIRIJA d.d.

Registered seat

Article 2.

The registered seat of the Company is Biograd na moru (The Town of Biograd na moru) Tina Ujevića 7.

Core business activities

Article 3.

The core business activities of the Company include the following activities:

- 51.1 Trade agency (wholesale against compensation or on a contractual basis)
- 51.2 Wholesale of raw materials, livestock
- 51.3 Wholesale of food, drinks, tobacco products
- 51.41 Wholesale of textile
- 51.42 Wholesale of clothing and footwear
- 51.43 Wholesale of electrical household appliances, radio devices and television sets

- 51.44 Wholesale of glassware, wallpaper, soaps, chinaware and detergents and other cleaning products
- 51.45 Wholesale of perfumes and cosmetics
- 51.47 Wholesale of other household products
- 51.5 Wholesale of non-agricult. semi-finished products, scraps
- 51.6 Wholesale of machines, equipment and accessories
- 52.1 Retail trade in non-specialized stores
- 52.2 Retail sale of foodstuff in specialized stores
- 52.41 Retail sale of textile
- 52.42 Retail sale of items of clothing
- 52.43 Retail sale of footwear and leather products
- 52.44 Retail sale of furniture, lighting equipment and household products,
- 52.45 Retail sale of electrical household appliances, radio devices and television sets
- 52.46 - Retail trade in ironware, paints, glass and other building material
- 52.47 Retail sale of books and paper wear, newspapers, magazines and stationery
- 52.48.1 Retail trade in office equipment and computers
- 52.48.2 Retail sale of watches
- 52.48.3 Retail sale of sports equipment
- 52.48.4 Retail sale of games and toys
- 52.48.5 Retail sale of flowers
- 52.48.6 Retail sale of fuels
- 52.5 Retail trade in second-hand goods in stores
- 52.6 Retail trade outside of the stores
- 52.7 Repair of objects for personal use and household
- * Specialized retail sale of wallpaper, floor coverings and cleaning products, seeds, fertilizers, pets and pet food, souvenirs, handicrafts and religious objects and works of art;
- * Specialized retail sale of philatelic stamps and money and non-food products, d.n.
- 55 Hospitality
- 61 Maritime and river transport
- 63 Accompanying and ancillary activities in traffic
- * Special games of chance in gaming clubs
- * Foreign exchange operations
- 71.21 Rental of other inland transportation means
- 71.22 Rental of vessels
- 01.1 Growing crops, garden and ornamental plants
- 01.2 Breeding livestock, poultry and other animals
- * Construction
- 22 Publishing, printing and reproduction of recorded records
- 92.62.1 Marina activities
- * Warehouse consignment
- * Mooring and unmooring of ships, yachts, fishing, sports and other boats and floating objects
- * embarkation and after disembarkation of passengers
- * Supply of ships, provision of services to passengers, towing, services of port machinery

* Other economic activities that are in direct economic,
 transport or technological connection with port activities

* Purchase and sale of goods

* Trade on the local and international market

* Public road transport of passengers and cargo in local and
 international traffic

* Transportation for own requirements

* Tourist services in nautical tourism,

* Tourist services in a rural farm or family-run farm;

* Tourist services in special forms of tourism offer: rural,
 health, cultural, wellness, congress, for young people,
 adventure, hunting, sports, golf tourism, sport or
 recreational fishing at sea, diving tourism, sport fishing
 on fresh waters as an additional activity in breeding marine
 and freshwater fish, crustaceans and shellfish, etc.,

* Tourism services including sports and recreational or
 adventurous activities,

* Other tourism services - renting accessories and equipment
 for sports and recreation, such as canoes, surfboards, water
 bicycles, parasols, beach chairs, etc., ,

* Preparation and serving food, drinks and beverages and
 providing accommodation services,

* - Preparation of food for consumption at some other place
 with or without serving (in transportation means, at
 exhibitions and similar) and supply of such food (catering,

* Activity of organizing and production of cultural,
 entertainment and sporting events,

* Advertisement and promotion,

* Sports preparation,

* Sports recreation,

* Sports training,

* Organizing sports competitions,

* Conducting sports competitions,

* Management and maintenance of sports facility,

* Performing underwater operations,

* Diving services in the sea and at the seabed.

* Other personal services;

* Real estate management and maintenance of real estate,

* Real estate agency,

* Real estate operations,

* Management and maintenance of parking lots,

* Providing car parking services,

* Maintenance and cleaning of all kinds of residential and
 office buildings,

* Landscaping and development of green areas,

* Audiovisual activities,

* Complementary activities to audio-visual activities,

* Activity of providing audio and/or audiovisual media
 services,

* Activity of providing services of electronic publications,

* Activity of publishing audiovisual and radio programs,

* Activity of providing television and/or radio media
 services,

Share Capital and Shares

Article 4.

The Company's share capital amounts to: HRK 229,146,480.00 (two hundred twenty-nine million one hundred forty-six thousand four hundred eighty Kuna).

The share capital of the Company is divided into 2,413,488 (two million four hundred thirteen thousand four hundred eighty-eight) bearer ordinary shares without the nominal capital.

Management Board

Article 5.

The Company's Management Board consists of one member.

The Management Board is elected for a term of 5 years.

The Management Board may grant a procura in a way stipulated by the law.

The Management Board may distribute the advance for the dividend to the shareholders from the forecasted portion of the net profit during the fiscal year.

Supervisory Board

Article 6.

The Company has Supervisory Board that consists of five members.

Shareholders holding at least twenty percent of the Company's shares have the right to appoint one member of the Supervisory Board. If the employees of the Company, if stipulated by a special law, are authorized to appoint one representative to the Supervisory Board, then that representative will be appointed and dismissed in accordance with the provisions of the Labor Act.

The term of office of the member of the Supervisory Board is four years.

The meeting of the Supervisory Board may be attended by a person who is not a member of the Board in lieu of a person who is prevented from attending the meeting, if this person has previously received a written power of attorney from the person who is prevented from attending the meeting.

The Supervisory Board can make decisions if at least one half of the appointed members of the Supervisory Board participate in decision-making process.

The members of the Supervisory Board are entitled to remuneration for their work.

Supervisory Board meetings are convened, and the place of the meeting is determined by the President of the Supervisory Board.

The Management Board requires the prior written consent from the Supervisory Board in order to take the following actions and/or legal transactions or to make any of the following decisions:

- making a decision on the establishment or dissolution of a branch or the establishment and liquidation of a daughter company, as well as the acquisition and disposal of a share in another company;
- granting and taking loans or giving guarantees and concluding legal transactions if the other party to those transactions is a Related Person (as defined below), and it is a transaction with a value exceeding three per cent of the Company's share capital;
- concluding contracts with an individual value exceeding ten per cent of the Company's share capital or, regardless of the value, accepting and/or assuming the obligations for a period longer than five years unless the employment contracts between the Company and employees are in question, in which case the consent of the Supervisory Board is required.

For the purposes of this Articles of Association, a related party is considered to be the members of the Management Board, Supervisory Board and those shareholders of the Company who individually or in the community hold more than 25% of share capital including related persons, as well as legal entities controlled by these same persons. A legal entity shall be deemed to be under the control of a related party if that person has an ownership interest of more than 33% in it. In case of natural persons, relation by blood in direct line up to any degree, and in the collateral line (linea transversa) up to the second degree of affinity of that person living in a joint household with the Related Person is relevant for determining the characteristics of a related person.

On the last day of each calendar quarter, the Management Board of the Company shall inform the Supervisory Board in writing about all legal transactions concluded by the Company with Related Persons in that calendar quarter whose individual value exceeds the amount of HRK 100,000.00.

All directly or indirectly related acceptances and/or assumptions or dispositions of assets, which in business practice and according to conventional understanding are considered a single transaction, will be considered a single legal action or a single legal transaction, regardless of whether multiple legal actions or legal transactions are concerned, with an individual value not exceeding the thresholds specified in paragraphs 8 and 10 of this Article of the Articles of Association.

General Meeting

Article 7.

The right to participate in the General Meeting of the Company is vested in all shareholders of the Company who are entered in the Share ledger of the Company, and who report their intention of participating in the General Meeting to the Company, either in person or by proxy with prior presentation of a written power of attorney, no later than six days before the day specified for holding the General Meeting.

Representation of others at the General Meeting is possible only based on a written power of attorney.

The Management Board shall convene the General Meeting if during the preparation of annual or other financial reports a loss in the amount of one tenth of the share capital of the Company is determined.

Article 8.

Decisions at the General Meeting require the representation of shareholders who have total votes that represent simple majority of the share capital of the Company.

The rule specified in the foregoing paragraph also applies when convening a new and each next General Meeting that is convened because there was no quorum specified in the foregoing paragraph at the previously convened General meeting.

The decisions at the General Meeting are taken by public voting.

Decisions which (a) exclude in whole or in part the pre-emptive right of shareholders to subscribe for new shares and/or (b) withdraw the Company's shares from listing on a regulated market and/or (c) amend the provision of Article 8. of the Articles of Association and/or give power to the Management Board to increase the share capital of the Company (authorized capital) shall be adopted by votes representing at least nine tenths of the share capital represented at the General Meeting when making a decision.

The decision on an increase to the share capital which does not exclude the pre-emptive right of shareholders when subscribing for new shares is made by votes representing at least two thirds of the share capital represented at the General Meeting when making the decision.

The President of the General Meeting is the President of the Supervisory Board. The Vice-President of the General Meeting is the Vice-President of the Supervisory Board.

Venue for the General Meeting is determined by the Management Board.

Publication of notifications**Article 9.**

All the Company's data and notices shall be disclosed by the Company according to positive regulations of the Republic of Croatia.

Term of the Company**Article 10.**

The Company is incorporated for an unlimited period of time.

Dissolution of the Company**Article 11.**

The company shall be dissolved in cases and in a manner stipulated by the law.

PART II: Other provisions**Subsidiaries****Article 12.**

The Company may establish subsidiaries according to the decision of the Company's Management Board with prior consent of the Supervisory Board.

Distribution of profit**Article 13.**

The Management Board and the Supervisory Board may, if they determine the profit and loss account, allocate a part or the entire profit of the current year to other reserves.

The General Meeting may, by a decision on the use of profit, enter an amount of part or all of the profit into reserves, and may also decide that the Company's profit be not distributed to shareholders, but be used for other purposes provided by the law.

President
of the Supervisory Board

Goran Medić