

Pursuant to Article 277, Paragraph 2 of the Companies Act, and according to the Decision made on 17 May, 2017 by the Management Board of the company INSTITUT IGH d.d., with its registered seat in Zagreb, Janka Rakuše 1, MBS: 080000959, OIB: 79766124714, (hereinafter referred to as: the Company), the Management Board extends its invitation to the

### **GENERAL ASSEMBLY MEETING**

of the Company, to be held on Friday, July 7, 2017 at 09:00h in Zagreb at the Company's premises, at Janka Rakuše 1.

With the following

#### **Agenda**

1. Opening of the General Assembly meeting of shareholders and establishment of the number of the Company's shareholders present or represented at this meeting;
2. Submittal of the Company's annual consolidated report for 2016 including the annual report of the Company's financial standing in the business year 2016, of which the basic financial reports for the year 2016 form an integral part
3. Submittal of the Supervisory board's report on the performed supervision of the Company's activities in the business year 2016
4. Decision on the loss coverage of the company INSTITUT IGH d.d. for the financial year 2016
5. Decision on granting the note of release to the Company's Management Board
6. Decision on granting the note of release to the Company's Supervisory Board members
7. Decision on the appointment of the Company's auditor for the business year 2017
8. Decision on determining the compensation fee for the work of the Supervisory Board members
9. Decision on the Amendments to the Company's Articles of Association

#### **DECISION PROPOSALS:**

##### **Ad 4.**

The Management Board and the Supervisory Board propose that the following Decision be made at the General Assembly meeting:

**DECISION  
on the coverage of loss  
of the company INSTITUT IGH, d.d.  
in the financial year 2016**

##### Article 1

It is herewith established that INSTITUT IGH, d.d. realized in the year ending 31 December 2016 the after-tax loss amounting to: .....HRK 60.686.366,82

##### Article 2

The loss realized by the company INSTITUT IGH, d.d. as defined in Article 1 of this Decision, shall be covered as follows:

- a) from the profit to be generated through the Company's activity in the following years .....HRK 60.686.366,82

### Article 3

The Company's retained earnings formed from realized revalued reserves and written-off liabilities amounting to HRK 5.385.152,85 are used to cover the loss brought forward from previous periods.

#### Ad. 5

The Management Board and the Supervisory Board propose that the following Decision be made at the General Assembly meeting:

„The note of release is given to the Company's Management Board for the business year 2016.

This Decision comes into force on the day of its adoption.“

#### Ad. 6

The Management Board and the Supervisory Board propose that the following Decision be made at the General Assembly meeting:

„The note of release is given to the Company's Supervisory Board members for the business year 2016.

This Decision comes into force on the day of its adoption.“

#### Ad. 7.

The Supervisory Board proposes that the following Decision be made at the General Assembly meeting:

„The company PricewaterhouseCoopers d.o.o. for auditing, from Zagreb, Ulica kneza Ljudevita Posavskog 31, Zagreb, OIB: 81744835353, is herewith appointed as the Company's auditor for the business year of 2017.

With reference to and in compliance with Article 275, Paragraph 1, Subparagraph 7, of the Companies Act, it is herewith determined that the auditor's fee will amount to HRK 170.000,00, which does not include applicable taxes (VAT) and dependant costs.

This Decision comes into force on the day of its adoption.“

#### Ad. 8.

The Supervisory Board proposes that the following Decision be made at the General Assembly meeting:

“ I. Monthly fee for the Supervisory Board members for their engagement in the Supervisory Board shall not be paid.

II. This Decision comes into force on the day of its adoption.“

**Ad. 9.** The Management Board and the Supervisory Board propose that the following Decision be made at the General Assembly meeting:

„Decision on the Amendments to the Articles of Association of the company  
INSTITUT IGH, d.d.“

I

Article 35 of the Company's Articles of Association is modified and it now reads:

1. The Scientific Council is an expert advisory body of the Company in the field of scientific research.

2. The Scientific Council includes:

- all research fellows elected to the profession of research associate or higher
- all doctoral degree holders
- elected representatives of project developers
- elected representatives among scientists and researchers, up to the maximum number of the Scientific Council members, to be decided by the Management Board.

The Scientific Council elects its representatives at the proposal of the President of the Scientific Council.

3. The number of the Scientific Council members is determined by the Company's Management Board.

## **II**

**Article 36 of the Articles of Association is modified and it now reads:**

The Scientific Council particularly performs the following activities:

1. proposes to the Company's Management Board the organization and measures for implementation of scientific research and expert activities
2. supervises and guides the implementation of scientific research activities
3. implements measures necessary to keep the Certificate on the requirements for performing scientific research activities of the company Institut IGH - Accreditation granted by the relevant Ministry.
4. proposes a five-year strategy and plans for scientific research and monitors their realization
5. analyses, evaluates and reports on the results of scientific research
6. considers the development of young researchers and scientists
7. monitors the publishing of contests for financing of scientific research projects in Croatia and abroad.
8. maintains ties with the scientific community.
9. performs other duties according to the order of the Management Board, in accordance with the Law.

## **III**

**Article 37, Paragraphs 2 and 3 of the Articles of Association are modified and now read as follows:**

2. Meetings of the Scientific Council shall be held according to need and at least once every six months.
3. The President of the Scientific Council is elected by the Scientific Council by a secret vote and confirmed by the Management Board.

## **IV.**

Other provisions of the Company's Articles of Associations remain unchanged.

## **V.**

These Amendments to the Articles of Association come into force and shall be applied as of the day of entry into the Court Register.

**VI.**

The Supervisory Board is herewith authorized to prepare the consolidated text of the Articles of Association.

**VII.**

The President of the Supervisory Board is herewith authorized to sign the consolidated text of the Articles of Association.“

*Invitation to shareholders*

Shareholders are invited to participate in the work of the General Assembly. Each and every shareholder of the Company has the right to come to and participate in the work of the General Assembly, and this either personally or by representative or proxy and, in this respect, he has to submit to the Company a written application for participation in the work of General Assembly no later than 6 days before the General Assembly meeting, at the following address: Janka Rakuše 1, 10000 Zagreb, contact person: Ms. Marijana Horvat. The deadline for applications is June 30, 2017.

Each shareholder having one or more Company's shares at his/her intangible securities account kept at the Central Depository & Clearing Company on June 30,2017 is considered to be a Company's shareholder.

Each shareholder may also use his/her voting rights at the General Assembly meeting by electing a proxy/attorney. If a shareholder elects more than one proxy/attorney to act on his/her behalf, then the Company has the right to refuse one or several proxies/attorneys nominated in this way. The power of attorney must be prepared in written form and must contain information about the proxy, information about the shareholder who delivers the power of attorney, total nominal value of shares, number of votes the shareholder has, authorization to act on behalf of shareholder at the General Assembly meeting, date on which the power of attorney is issued, and the shareholder's signature. This power of attorney can also be submitted to the Company in electronic form, in PDF format, and via e-mail (IR@igh.hr). The above mentioned application submittal deadline does not limit in any way the right of the shareholder or his attorney/proxy with regard to the timeframe for submittal of the power of attorney. In fact, the latter may be delivered to the Company at any time prior to the start of the General Assembly meeting.

The following forms will be available at the Company's web site as of the day the invitation to the general Assembly Meeting is made public: invitation to the General Assembly meeting, application for participation at the General Assembly meeting, recommended power of attorney form, recommended form for revocation of the existing power of attorney, and all other information as required according to Article 280.a of the Companies Act. Shareholders may consult all available written materials on every working day from 8:30 to 15:30 hours in the period starting on the day the invitation to the General Assembly meeting is published and ending one day before the date on which the General Assembly meeting is held.

Each shareholder shall bear the costs incurred by him/her because of participation in the General Assembly meeting. The Company shall bear the costs relating to the organization and holding of the General Assembly meeting

Shareholders who together hold shares amounting to twenty percent of the Company's equity capital may request that an additional issue/topic is included in the agenda of the General Assembly meeting, and that such information is made public. However, a justification of the issue/topic and the relevant decision proposal shall be given with every new issue to be included in the agenda. The request for adding a new issue/topic to the agenda must be received by the Company no less than 30 days before the date on which the General Assembly meeting is to be held. This time period does not include the day on which the request has been received by the Company.

Shareholders wishing to formulate their counterproposals to the decision proposals given by the Management Board and Supervisory Board, must do so no less than 14 (fourteen) days before the General Assembly meeting, and this by submitting their justified counterproposals to the Company's address: INSTITUT IGH, d.d., Janka Rakuše 1, 10000 Zagreb, to the attention of: Ms. Marijana Horvat. The day on which the proposal has been received by the Company is not included in this time period.

INSTITUT IGH, d.d.  
President of the Management Board:

Ivan Paladina