

Pursuant to Article 32 Paragraph 5 of the Statute of Arenaturist joint stock company for tourism and catering, Pula, Smareglina ulica 3, the Executive Directors of the Company are addressing to the shareholders of the Company

INVITATION TO THE ARENATURIST D. D. GENERAL ASSEMBLY

I The General Assembly will take place on the 31st of August 2016 at 14 p.m. CET at the Hall "Bianca Istriana" of the hotel Park Plaza Histria in Pula.

II The General Assembly will proceed according to proposed

A G E N D A

- 1. Opening of the session of the General Assembly and roll call.**
- 2. Presentation of the following reports:**
 - 2.1. Report of the Management Board on the Company Annual Financial Statements**
 - 2.2. Report of the Executive Directors on the business situation of the Company**
 - 2.3. Auditor's report on the Company for the year 2015**
- 3. Adoption of the decision on profit use for the business year 2015**
- 4. Adoption of the decision on discharge to the Company Management Board**
- 5. Adoption of the decision on election of the members of the Company Management Board for mandate 2016/2017**
- 6. Adoption of the decision on election of Company auditor for the year 2016**
- 7. Adoption of the decision on amending the Company Statute**
- 8. Adoption of the decision on granting the approval to Executive Officers for acquisition of treasury shares, with exclusion of existing shareholders' pre-emptive right**
- 9. Adoption of the decision on approval of the Merger Agreement**

III The Management Board of the Arenaturist d.d., Pula presents the reports referenced in Paragraph 2 above to the General Assembly and also presents the proposed decisions referenced under Items 3, 4, 5, 6, 7, 8 and 9. The text of these proposed decisions are as follows:

Item 3: Adoption of the decision on profit use for the business year 2015

“Based on the financial statements that the Management Board adopted at the meeting held on 6th of May 2016, the 2015 profit after income tax is set out in amount of HRK 18,724,184.15.

The entire profit in the amount of HRK 18,724,184.15 is contributed to retained earnings of the Company.”

Item 4: Adoption of Decision on discharge to the Company Management Board

“The General Assembly grants discharge to the Company Management Board for business year 2015.”

Item 5: Adoption of Decision on election of the members of the Company Management Board for mandate 2016/2017

“Pursuant to Article 21 of the Company Statute, the following persons are elected as members of the Company Management Board:

1) Boris Ernest Ivesha, OIB: 68819038982,
Great Britain and Northern Ireland, London NW1 7DE, 30 Oval Road, The Henson, Flat 46

2) Chen Carlos Moravsky, OIB: 38997634860,
Great Britain and Northern Ireland, 5 Fairfield Park, Cobham, Surrey, KT11 2HF

3) Abraham Thomas, OIB: 95618765287,
The Netherlands, 2015 JJ Haarlem, Croesenstraat 13

4) Yoav Arie Papouchado, OIB: 86758299795,
Israel, Herzliya Pituach 4672835, 8 Ha-sadna'ot Street

5) Denis Jukić, OIB: 65035282621,
Rijeka, Šetalište 13. divizije 11

6) Šime Vidulin, OIB: 47507408235,
Pula, Sv. Felicite 3

The mandate of the members of the Management Board commences on the 26th of September 2016, and the present Management Board shall continue performing its duties until that date.

Members of the Management Board are obliged, immediately after election, latest until the 26th of September 2016, to elect the President and at least one Deputy President.

Seventh member, Vehbija Mustafić, OIB: 40774856491, Pula, Put od fortica 170, was appointed by the Company Works Council.”

Item 6: Adoption of the decision on election of Company auditor for the year 2016

“The Company’s Auditor for the FY 2016 will be PricewaterhouseCoopers d.o.o., Ulica kneza Ljudevita Posavskog 31, 10000 Zagreb, Croatia.”

Item 7: Adoption of the Decision on amending the Company Statute

“Pursuant to Article 37 of the Company Statute, the following Articles are amended:

In Article 7 of the Company Statute, Paragraph 3 is added which reads as follows: *“Within the period of 18 months as of the date of entrance of the changes of the Articles of Association into the Court Register, the Management Board of the Company is authorized to increase the share capital of the Company by issuance of new shares up to the amount of HRK 21,825,000 (“authorized share capital”) or other lower amount representing up to 50% of the nominal value of the share capital of the Company at the time of adoption of the Decision of the Management Board. New shares may be issued against contributions in cash, kind or rights. The Management Board is authorized by its Decision on increase of the share capital and issuance of new shares to exclude the pre-emptive right of the existing shareholders to subscribe new shares.”*

In Article 9 Paragraph 1 of the Company Statute, the following wording is added at the end of the sentence: *“(except in case of authorized capital)”*.

Article 15 Paragraph 3 of the Company Statute is amended to read as follows: *“The Management Board is allowed to determine through a decision of the Management Board, the Management Board Rules of Procedure, the Executive Officers Rules of Procedure or otherwise in accordance with the Law, which agreements, legal transactions or legal actions to be undertaken by the executive officers need to be priory approved by the Management Board.”*

In Article 27, Paragraph 4 of the Company Statute, the following wording *“about which the Management Board decides by majority votes”* is deleted.

In Article 36 Paragraph 2 of the Company Statute, the third sentence which reads as follows: *“The Power of Attorney has to be delivered to the Company at latest seven (7) days before the date of the Assembly.”* is deleted.

In Article 36 of the Company Statute, Paragraph 3 is deleted.

Article 37 Paragraph 1, Item 4 of the Company Statute is amended to read as follows: *“makes decision about utilization of profit according to the legal provisions”*.

In Article 41 of the Company Statute, Paragraph 1 is deleted, and Paragraph 2 which becomes Paragraph 1 is amended to read as follows: *“The participation right and the number of votes will be determined on the principles of data filed in the register of the Central Depository & Clearing Company in accordance with the Law.”*

Article 44 Paragraph 2 of the Company Statute is amended to read as follows: *“Decisions are passed by qualified majority when the law or these Articles explicitly foresee so.”*

Article 44 Paragraph 3 of the Company Statute is amended to read as follows: *“The qualified majority of 3/4 of equity capital present at the General Assembly at time of decision-making renders the following decisions:*

- *decision on increase and decrease of the Company’s share capital (except authorized capital)*
- *decision on Company’s status changes*
- *decision on cessation of the Company*
- *decision on adoption of, modifications or amendments to the Articles of Association (except authorized capital)*

- *decision on adoption of, modifications or amendments to the Rules of Procedure of the General Assembly.*”

In Article 44 of the Company Statute, Paragraph 4 is added which reads as follows: “*The qualified majority of 9/10 of equity capital present at the General Assembly at time of decision-making renders the following decisions:*

- *decision on delisting of Company shares from the regulated market or transition to a lower market (i.e. transition from official to regular market)*
- *decision on authorized capital.*”

In Article 53 of the Company Statute, Paragraphs 2, 3 and 4 are deleted, and Paragraphs 5 and 6 become Paragraphs 2 and 3.”

Item 8: Adoption of the decision on granting the approval to Executive Officers for acquisition of treasury shares, with exclusion of existing shareholders’ pre-emptive right

“I/ Pursuant to the provisions of Art. 233 of the Companies Act, the General Assembly hereby authorises the Executive Officers of the Company to acquire treasury shares of the Company, ticker ARNT-R-A, during the period of 5 (five) years as from the day of adoption of this Decision, without any further approval of the General Assembly, under the following terms and conditions:

1. total number of treasury shares acquired based on this Decision, together with the treasury shares that the Company already holds, shall not exceed 10% (ten percent) of the Company’s share capital at the time of acquisition;
2. Executive Officers must acquire treasury shares at organised securities market;
3. the purchase price for the treasury shares shall not be above 10% (ten percent) or below 10% (ten percent) the average market price achieved for these shares during the previous trading day;
4. in the business year of the Company’s acquisition of the treasury shares, the Company shall contribute a part of profits to that year’s reserves for these shares and record the amounts corresponding to the amounts paid for the acquired treasury shares, so that the Company’s net assets stated in the financial statements for the previous business year do not become, on the account of acquisition of treasury shares, lower than the amount of share capital and reserves that the Company is required to have under the Law, the Statute or General Assembly decision and that cannot be used for distribution to the shareholders;
5. Executive Officers shall inform the next General Assembly about the reasons and the purpose of shares acquisition, their number and participation in the share capital, and the consideration paid by the Company for these shares. Executive Officers shall have the same obligation towards the Management Board, whereby the Executive Officers shall submit reports to the Management Board within one month as from expiry of each quarter.

II/ Executive Officers are authorised, with the approval of the Management Board, to dispose of the treasury shares, which the Company already holds or which the Company shall acquire pursuant to the provisions of this General Assembly decision on granting the approval to Executive Officers for acquisition of treasury shares, also outside of the organised securities market (e.g. by disposal within the framework of employees’ reward program and other treasury shares disposal programs adopted by Executive Officers with prior approval of the Management Board), without the need to obtain, besides this General Assembly decision, any special decision of the General Assembly. Thereby and on the basis of this Item of the General Assembly decision, the pre-emptive right of existing shareholders when disposing of the treasury shares is hereby excluded, provided that this Decision is

adopted with the majority of three fourths of the share capital represented at the General Assembly at the time of its adoption.

III/ The Management Board of the Company is authorised to withdraw the treasury shares, which the Company already holds or which the Company shall acquire pursuant to the provisions of this General Assembly decision on granting the approval to Executive Officers for acquisition of treasury shares, with decrease of the share capital of the Company, without the need to obtain, besides this General Assembly decision, any special decision of the General Assembly.

IV/ This Decision shall enter into force on the day of its adoption.“

Item 9: Adoption of the decision on approval of the Merger Agreement

“Merger Agreement entered into on 19.07.2016. by and between ARENATURIST d.d., with registered office at Smareglina ulica 3, Pula, registered in the court register of the Commercial Court in Pazin under no. (MBS) 040022901, PIN: 47625429199, as the merging company, and the following companies: ARENATURIST HOTELI d.o.o., with registered office at Smareglina ulica 3, Pula, registered in the court register of the Commercial Court in Pazin under no. (MBS) 040162280, PIN: 07435607593, ARENATURIST ZLATNE STIJENE d.o.o., with registered office at Smareglina ulica 3, Pula, registered in the court register of the Commercial Court in Pazin under no. (MBS) 040162319, PIN: 11990804051, and ARENATURIST TURISTIČKA NASELJA d.o.o., with registered office at Smareglina ulica 3, Pula, registered in the court register of the Commercial Court in Pazin under no. (MBS) 040162302, PIN: 81964835404, as the merged companies, is hereby approved.”

IV Materials for the General Assembly, including the Annual financial statements, Report of the Management Board on the Company Annual Financial Statements, Report of the Executive Directors on the business situation of the Company, Auditor's report on the Company for the year 2015, as well as the Merger Agreement and other documents prescribed by Art. 517 Par. 2 in connection with Art. 549 of the Companies Act, are published on the website of the Company at: www.arenaturist.hr and on the website of the Zagreb Stock Exchange <http://zse.hr>, wherefrom these documents may be downloaded free of charge. These documents will also be available from the day of publication of the Invitation for the General Assembly in the Official Gazette to the shareholders in the Company's headquarter in Pula, Smareglina ulica 3, every day from 09.00 until 14.00 in the Department of shares.

In accordance with Art. 517 in connection with Art. 549 of the Companies Act, it is hereby published that the Merger Agreement was filed in the court register of the Commercial Court in Pazin on 19.07.2016.

V All shareholders and their legal representative who are registered as shareholders of the Company in the depository of the Central Depository & Clearing Company seven days before the General Assembly and who confirm their participation in written form at the Company headquarters at Smareglina ulica 3, Pula, Department of shares, seven days before the date the General Assembly is scheduled, or until 24th of August, 2016 until 15.00, can participate.

VI In addition to registration set forth in Paragraph V, legal representatives have to enclose a written power of attorney for representation if they have not already done so.

VII Shareholders or shareholder's proxies who do not meet the application deadline and other requirements to participate in the General Assembly cannot participate.

VIII Shareholders who wish to submit a counter-proposal to the published proposals of the Management Board may do so up to 14 days before the General Assembly is scheduled by submitting a written and explained counter-proposal at the address of the Company: Arenaturist d.d., Smareglina ulica 3, 52100 Pula.

The counter-proposal may also be submitted at the General Assembly.

IX Any counter-proposal to the proposals of the Management Board related to election of the members of the Management Board of the Company and to the election of the Company auditor may be submitted by shareholders who have at least one tenth of the equity capital represented at the General assembly.

X If the required quorum is not reached at the General Assembly in conformity with Article 42 of the Company Statute, a new meeting of the General Assembly shall be held with the same agenda on the 9th of September 2016 at 14.00 at the same place.

ARENATURIST d.d.