

RULES OF PROCEDURE

OF THE GENERAL ASSEMBLY

AD PLASTIK d.d. SOLIN

(consolidated text)

Pursuant to Article 263 of the Companies Act, the Supervisory Board of AD PLASTIK d.d., Solin, at its meeting held on July 18, 2013, adopted the consolidated text of the Rules of Procedure of the General Assembly of AD PLASTIK d.d., Solin.

The consolidated text of the Rules of Procedure of the General Assembly of AD PLASTIK d.d., Solin includes the Rules of Procedure of July 14, 2011, issue 5.0./2011, and amendments thereto of July 18, 2013.

R U L E S O F P R O C E D U R E

OF THE GENERAL ASSEMBLY OF AD PLASTIK d.d., Solin

(consolidated text)

I. SCOPE

Article 1

These Rules shall govern the preparation for and the proceedings of the General Assembly including:

1. Place of General Assembly
2. Convening the General Assembly
3. Agenda
4. Evidencing the Right to Participate in Assembly Proceedings
5. Proceedings of General Assembly
6. Decision-Making;
7. Minutes
8. Notices to Shareholders

II. PLACE OF GENERAL ASSEMBLY

Article 2

The General Assembly shall, as a rule, take place in the corporate seat. The Management Board may decide to hold the General Assembly at another place when there are reasonable grounds.

III. CONVENING THE GENERAL ASSEMBLY

Article 3

The General Assembly shall, as a rule, be convened by the Management Board in compliance with the law.

Article 4

In addition to the Management Board, the General Assembly may be convened by the Supervisory Board in cases as defined by the law.

Article 5

One or several shareholders jointly holding shares equal to 1/20 of the capital stock of the Company may ask for convening of the General Assembly through the Management Board.

In an application for convening of the General Assembly, reasons for convening the General Assembly must be specified as well as issues the General Assembly should discuss.

Article 6

The General Assembly is convened as a rule on annual basis, upon adoption of the annual accounts.

The General Assembly shall be held convened and within the first eight months of a business year.

The General Assembly shall be convened in other cases as set out by the law and the Articles of Association, as well as whenever required by the interests of the Company.

Article 7

The invitation for convening of the General Assembly shall include:

- Contents of the decision on convening the General Assembly, which includes corporate name and Company seat, date, hour, premises and place of the General Assembly, and the agenda of the General Assembly;
- Proposed decisions for every item on the agenda, as well as draft documents, whose contents must be compulsory announced by the law;
- Information relating to the place, time and day of the potential convening of the following General Assembly to be held in case the original Assembly could not be held for any reason;
- Information on the total number of shares and voting rights at the time of the convening of the General Assembly;
- Propositions for participating of shareholders in the General Assembly and the use of their voting right;
- Indication of the place where the materials concerning the agenda items may be obtained for examination, in compliance with Article 10 of these Rules;
- Data on public notaries from Article 36 of the Articles of Association, through which a shareholder may apply for participation in the General Assembly, namely: name of the notary public, official seat – address, telephone, fax and e-mail address;
- Voting procedure through a proxy, in the sense of Article 14 of these Rules;
- Rights of shareholders from Article 278, Item 2 of the Companies Act (hereinafter: ZTD) (inclusion of new items in the agenda), Article 282, Item 1 and Article 283 of ZTD (counterproposals by shareholders), Article 287, Item 1 of ZTD (shareholder's right to be informed about the business doing of the Company)

- Data on the web page of the Company, where information from Article 280 of ZTD (invitation for the General Assembly, explanation if the General Assembly need not pass a decision on an item from the agenda, materials for the General Assembly, application and power of attorney forms or participating in the General Assembly).

The Invitation from the previous paragraph shall be published in the Official Journal of the Republic of Croatia (Narodne Novine) and at the official website of the Company: www.adplastik.hr.

The Invitation to the General Assembly shall be announced at the least 36 (thirty six) days prior to the General Assembly. This period of time does not include the day of announcing the invitation, or the day on which the session of the General Assembly begins. These periods of times shall not be shifted – because of Sundays, Saturdays or holidays – to the working day, falling before or after that day. Provisions from the Civil Obligations Act on counting of time are not applicable to the counting of these periods of time.

Article 8

The Management Board of the Company shall, at least 21 day before holding the General Assembly, communicate the invitation for the assembly to the lending, i.e. financial institutions and associations of shareholders, which have – at the last general Assembly - used the voting right on behalf of the shareholders or have asked for the invitation to be communicated to them. This time period does not include the day when such communication has been given. If the agenda of the General Assembly has been changed in accordance with the provision from Article 278, Item 2 of ZTD, the Company Management must also communicate the changed agenda of the General Assembly.

The Management Board of the Company must make the communications referred to in the preceding paragraph of this Article to the requesting shareholders. Such communications shall be made in accordance with Article 36 of these Rules of Procedure.

IV. AGENDA

Article 9

The Agenda of the General Assembly shall be made by the Company Board.

The Agenda shall be announced in accordance with Article 7 of these Rules of Procedure.

Article 10

From the date of publication of the Invitation to the General Assembly, materials for the General Assembly shall be provided in the premises at the corporate seat for inspection by the Shareholders (Annual Financial Statements, Corporate Status Report, Supervisory Board Report and proposal of Decision on Allocation of Profit when they are subject of discussion and/or deliberation at the General Assembly), as well as proposals of conclusions. At request, each Shareholder shall be provided with a copy of respective documents.

Inclusion of new items in the agenda (amendment to the agenda)

Article 11

The shareholders holding jointly shares equal to 1/20 of the capital stock of the Company, as well as the Supervisory Board of the Company, may ask for an item to be included in the agenda for the General Assembly and to be announced. Together with every new item included in the agenda, explanation or proposed decision must be given.

The request for inclusion of an item in the agenda must be received with the Company at least 30 days before the General Assembly. This time period does not include either the day when such request has been received with the Company, or the day when the General Assembly is being held.

The request for the amendment of the agenda must be announced together with the invitation to the General Assembly, or in another manner, without delay, after such a request has been received with the Company. The announcement and the delivery to the media for the purpose of publishing the information must be performed in the same manner, as it is being done concerning the invitation to the General Assembly.

Any and all issues not included in the Agenda in accordance with these Rules may not be discussed or deliberated upon.

V. COUNTERPROPOSALS BY THE SHAREHOLDERS AND THE

Article 12

Counterproposals by the shareholders regarding the draft decision given by the Management Board and/or the Supervisory Board about a certain item in the agenda, together with mentioning their names and family names, explanations, and possibly the standpoint of the Management Board, must be available to the persons mentioned in Article 281, Item 1 to 3 of ZTD (lending, i.e. financial institutions, associations of shareholders, shareholders, Supervisory Board members) under the prepositions mentioned there, if a shareholder has submitted his counterproposal to the Company, at the address of the Company seat, at least 14 days before the General Assembly. The day of the receipt of the counterproposal with the Company shall not be included in this time period of 14 days. The counterproposal shall be available at the website of the Company: www.adplastik.hr.

If a shareholder does not exercise this right, this shall not have as a consequence the loss of the right to file counterproposals to the General Assembly.

The counterproposal and the explanation need not be made available in cases established in Article 282, Item 2 of ZTD.

Everything mentioned in the previous paragraphs of this Article shall be also applicable, in an appropriate manner:

- To the filing of counterproposals by the Supervisory Board to the draft decision given by the Management Board regarding a certain item in the agenda, and
- To the counterproposal by the shareholders regarding the selection of Supervisory Board members or appointment of an auditor, but such a counterproposal need not be explained. The Management Board need not make this proposal available to the shareholders, if it does not contain any data, which must be announced together with the proposal for selection of the Supervisory Board members and the appointment of the auditor, or the data on membership of the persons proposed for selection in the supervisory, i.e. management boards of other companies, and other supervisory bodies in the country and abroad.

If there are two or more counterproposals by authorized proposers in relation to the draft of a certain decision made by the Management Board, Supervisory Board or other authorized proposers, voting about them shall be held in the same order as these have been received with the Company, i.e. at the General Assembly itself. If none of these counterproposals are adopted, then votes shall be cast regarding the draft decision.

If there are two or more proposals for selection of the Supervisory Board members, votes shall be first cast regarding the proposal by the Supervisory Board, except in the case from Article 294 of the Company Law, when votes shall be first cast about the proposal by the shareholders supported by at least 10% of the capital stock represented in the General Assembly.

VI. RIGHT TO PARTICIPATE IN THE GENERAL ASSEMBLY PROCEEDINGS

Article 13

The General Assembly may be attended by the shareholders, who have registered their attendance at the General Assembly six days before the General Assembly is held, at the latest, in written form with the Legal Department of the Company or with a public notary, whose official seat corresponds to the seat of the Company, provided they have submitted evidence in written form about their holding of the shares at the beginning of the 21st (twentyfirst) day before the General Assembly is held, issued by the Central Depository and Clearing Company, i.e. Središnje klirinško depozitarno društvo d.d. (SKDD).

The Company's Legal Department shall prepare the application form for participating in the General Assembly, and made it available to the Shareholders by means of the Company's web site (www.adplastik.hr).

Article 14

Attendance at the General Assembly is open to authorized representatives and proxies of the Shareholders who have reported their attendance in the way and under the conditions as set out in Article 13 hereof, and which have been identified as follows:

- representatives, based on an appropriate deed on representation, submitted as original or certified copy to the Company, through the Legal Department, at the latest by the date of the General Assembly;
- proxies, based on a written power of attorney, submitted to the Company, through the Legal Department, at the latest by the date of the General Assembly. Proof of the appointment of a proxy (scan of the signed power of attorney) may be submitted, except by direct delivery or by mail, also electronically by e-mail at the address: prijava@adplastik.hr.

The Company's Legal Department shall prepare the application form for participating in the General Assembly, and made it available to the Shareholders by means of the Company's web site (www.adplastik.hr).

A power of attorney may refer to representation of a Shareholder at a specific General Assembly, and may also be permanent until revocation.

A Shareholder may have only one proxy, while several Shareholders may have one joint proxy. If more than one person is authorized by a shareholder, the Company may refuse to accept one or more of the thus given powers of attorney, unless the shares are held in several dematerialized securities accounts of the same shareholder, and each power of attorney is given for a separate account of dematerialized securities, or if more powers of attorney are given per shares

held in a custodian account, and powers of attorney given do not relate to voting rights per more shares than recorded in a custodian account.

The right of attendance at the General Assembly shall include the right of discussion and decision-making.

VII. PRESIDENT OF GENERAL ASSEMBLY

Article 15

The General Assembly shall be presided over by the Supervisory Board President, and in case of his absence, he shall be substituted by the Deputy President of the Supervisory Board.

In case of absence of the persons from paragraph 1 of this Article, the General Assembly shall be presided over by the eldest member of the Supervisor Board present at the respective General Assembly.

Article 16

The President of the General Assembly:

- shall determine whether the required number of shareholders for the General Assembly is present;
- provide that the General Assembly proceedings are in compliance with the Agenda;
- give word to Shareholders and other participants at the Assembly and moderate the proceedings of the General Assembly in compliance with the defined Agenda,
- determine the decisions adopted at the General Assembly,

VIII. PROCEEDINGS OF GENERAL ASSEMBLY

Article 17

Upon the opening of the General Assembly, the President shall determine whether the conditions are met for the General Assembly (quorum).

The quorum exists and the General Assembly may make valid decisions if the Shareholders and their proxies present at the Assembly jointly have voting shares in nominal value exceeding 50% of the Company capital stock at the time of the General Assembly.

Article 18

In order to determine the quorum, the Management Board shall organize the listing of the shareholders and their proxies present at the General Assembly, with the mention of votes appertaining thereto based on the number of their shares.

If the Company has several classes of shares, lists shall be made by classes of shares.

The lists from the preceding paragraphs of this Article shall be signed by the President of the General Assembly and may be examined by each Shareholder at the General Assembly.

Article 19

If the President of the General Assembly, based on the lists from Article 18 above has established that there is no quorum, he will wait for 30 minutes before the start of the General Assembly.

If there is no quorum in the term from the preceding paragraph, the President of the General Assembly shall cancel the General Assembly with the remark that the following General Assembly shall be held on a date as specified in the Notice for the unsuccessful General Assembly.

Article 20

A repeated General Assembly of the Company shall be held at the earliest within eight days and at the latest within 30 days from the date set out for the General Assembly that lacked quorum.

Shareholders and other invited persons shall be invited for a new General Assembly in the manner as it was done for the General Assembly that did not take place or in form of a written notice, if required by the reasons of urgency.

Article 21

If the newly convened General Assembly lacks quorum as set out by the Articles of Association and Article 17 of these Rules, the General Assembly may make valid decisions regardless of the number of Shareholders or their proxies present at the General Assembly.

In the event from the preceding paragraph, the General Assembly shall make decisions by majority of votes of present Shareholders or their proxies.

Article 22

After the President of the General Assembly has established the existence of quorum, the Agenda shall be notified as set out in the Invitation to the General Assembly.

Article 23

President of the General Assembly may not change the order of Agenda items or remove any item from the Agenda except with a decision by the General Assembly.

IX. DECISION-MAKING

Article 24

Voting rights at the General Assembly are exercised in proportion to the nominal amount of shares of each shareholder. Each HRK 100 of nominal amount of shares or each share in nominal amount of HRK 100 shall provide one (1) vote.

Article 25

Voting at the Assembly is public by raise of boards or in written by ballots or with other appropriate aids.

President of the General Assembly shall decide on the method of public voting.

President of the General Assembly shall upon discussion and before making decision on a proposal formulate the issue (if that is not done before discussion) and record it into the Minutes of the General Assembly and then provide it for voting.

A proposal shall be clearly formulated so that the Shareholders may vote IN FAVOR or AGAINST it. The President of the Assembly shall notify the present persons that there are no abstentions, i.e. the abstentions will not be counted.

Article 26

When voting is conducted by means of boards, President of the General Assembly shall call the Shareholders to provide their vote on a proposal of a decision by raise of boards, and then determine the number of votes IN FAVOR or AGAINST a proposed decision and whether the proposal of the decision has been accepted or not.

The boards shall include a mention of the name (corporate name) of the Shareholder or his proxy and the number of votes appertaining to them.

Article 27

When voting is conducted by ballots, they are assigned to the present Shareholders or their representatives or proxies which they refer to, after the President has determined a list of participants at the General Assembly with the appertaining number of votes and quorum for valid decision-making.

Voting by voting ballots is conducted by rounding of words IN FAVOR or AGAINST next to each Agenda item on the ballot in order to decide on the proposals of decisions at the Agenda.

In addition to the proposal of decisions at the Agenda of the General Assembly and the words IN FAVOR or AGAINST the proposed decision, a voting ballot shall include the name (corporate name) of the Shareholder, his representative or proxy, and the number of appertaining votes. Each voting ballot shall be numbered and stamped with the corporate stamp, and signed by the Shareholder or his representative or proxy that voted.

Shareholders or their representatives or proxies who fail to fill in the ballot and/or sign the ballot as provided in the preceding paragraph, shall be called by the President to eliminate that deficiency without delay.

Where a Shareholder or his representative or proxy fail to meet the request by the President from the preceding paragraph, their votes shall not be deemed provided and their effect shall be as if they did not participate in the voting

Number of votes cast by ballots IN FAVOR and/or AGAINST a proposal of a decision shall be determined by the President of the General Assembly, after establishing that number either alone or with assistance by one or several persons authorized for assistance in the counting of votes, and then the number will be announced aloud.

Article 28

Results of the voting shall be recorded in the Minutes of the General Assembly next to the proposal subject to the voting.

Article 29

In case of equal number of Shareholders' votes IN FAVOR and AGAINST a proposal, the proposal for a decision shall be deemed as rejected.

X. MINUTES

Article 30

The General Assembly shall be recorded in the Minutes including the following:

1. place, date and time of the General Assembly,
2. name of the President and the Notary Public,
3. number of present Shareholders and their proxies,
4. names of Shareholders and number of appertaining votes (registered shares),
5. agenda of the General Assembly,
6. discussions and proposals by persons participating in the discussion of the General Assembly,
7. specific statements or oppositions by Shareholders for which they asked to be entered into the Minutes.
8. indication of the manner and the results of the voting, and the statement by the President about the decisions passed. The statement on the decisions passed for every decision includes also:
 - number of shares based on which valid votes have been cast;
 - portion of the capital stock of the Company, belonging to the shares, based on which valid votes have been cast,
 - number of votes given for a single decision, number of votes given against a decision and, according to the circumstances, the number of votes which would belong to those ones abstaining from voting.

Article 31

President of the General Assembly may decide to enter into the Minutes other facts that take place at the General Assembly.

Article 32

Conclusions of the General Assembly not entered into the Minutes are not mandatory.

Article 33

Minutes shall be accompanied with documents witnessing the right of representation at the General Assembly (powers of attorney), written proposals listed in the Agenda, lists from Article 18 of these Rules of Procedure, evidence on convening the General Assembly, reports, as well as all statements and oppositions by Shareholders if made in written form.

Article 34

Proceedings of the General Assembly shall be recorded in the Minutes compiled and signed by the Notary Public.

The Management Board shall without delay upon the General Assembly provide the court of registration with a publicly certified copy of the Minutes with appendices, and within 7 days after the General Assembly was held, announce the voting results from Article 30, Item 8 of these Rules of Procedure at the web sites of the Company (www.adplastik.hr).

Materials related to the Meetings shall be kept in the corporate archives.

Article 35

Each Shareholder shall be entitled to examine the Minutes of the General Assembly.

XI. NOTICES TO SHAREHOLDERS

Article 36

Each Shareholder shall be entitled to ask from the Company, before the General Assembly takes place, to provide notifications related to the pending General Assembly.

Requests from the Shareholders from the preceding paragraph shall be provided to the Management Board in written form, and in addition to the request from the Company to provide them with a Notice on the General Assembly, Agenda and proposals of deeds that are notified, the Shareholders' requests may refer also to the following:

- method of delivery (by courier, by mail, by e-mail, by fax);
- translation into the language used by the relevant Shareholder.

The Management Board shall within 10 days from the receipt of a written request provide the Shareholder with the requested notifications in Croatian, respecting his request regarding the method of delivery.

The Management Board may fulfill a request by a Shareholder to translate the requested notifications into a language used by him, provided that the Shareholder shall ensure the required funds (interpreter's expenses) and also provided that the Management Board has at its disposal an available interpreter who is capable to translate within 10 days from the receipt of the request the requested notifications into the language required by the Shareholder.

Article 37

Each Shareholder is entitled to ask at the General Assembly to be notified on specific items and relations in the Company and the corporate operations related to the items in the General Assembly agenda.

Notification shall be provided by the Management Board (Director) in the manner and under the conditions proscribed by Article 287 of ZTD.

Article 38

Each Shareholder and member of Supervisory Board may ask for notifications on decisions adopted by the General Assembly.

The Management Board shall provide such notifications within 10 days from the date of receipt of a written request, in compliance with Article 36 of these Rules.

Article 39

Notifications shall be provided with due diligence and may be denied in cases as specified by law.

Article 40

If during the time of the General Assembly, the Shareholders are provided with certain confidential information of significance for the corporate operations, for the purpose of decision-making, based on a decision by the President of the General Assembly, the Shareholders shall return them and not keep them.

In case of proceeding contrary to the preceding paragraph, the Company may start a proceeding for damages against a Shareholder acting in that way.

XII. FINAL PROVISIONS

Article 41

These Rules shall take effect on the date of adoption. On the same date, the Rules of Procedure of the General Assembly of AD Plastik d.d., Solin, No. 5.0/2007 dated June 21, 2007 shall cease to apply.

President of the Supervisory Board

Josip Boban