

Zagreb, 13 September 2018

**PUBLIC INVITATION FOR SUBSCRIPTION OF NEW SHARES OF THE COMPANY JADRAN d.d.**  
**(“Invitation for Subscription”)**

The General Assembly of Jadran d.d. seated in Crikvenica (the City of Crikvenica), Bana Jelačića 16, registered in the Court Registry of the Commercial Court in Rijeka under company registration number (MBS): 040000817, company identification number (OIB): 56994999963, (hereinafter: the “Issuer” or “Jadran”) on 24 August 2018 issued a decision on the increase in the share capital of the Issuer (“Decision on the increase in the share capital”) from the amount of HRK 282,507,090.00 for a maximum of HRK 282,733,710.00 to the amount of HRK 565,240,800.00, by cash payment, issuing a maximum of 16,390,360 new ordinary registered shares without the nominal amount (hereinafter: “New Shares”).

New Shares will be issued after their entry in the Court Registry of the Commercial Court in Rijeka and shall be issued in an intangible form, in the form of electronic records on the securities account in the computer system of the Central Depository and Clearing Company d.d. (hereinafter: “SKDD”) with the mark assigned by the SKDD.

Issuing and listing agent for the implementation of the public offering of New Shares without repurchasing obligation is Privredna banka Zagreb d.d. seated in Zagreb, Radnička cesta 50 (“Issuing and Listing Agent” or “PBZ”), and Legal Advisor is MAMIĆ PERIĆ REBERSKI RIMAC Attorney’s Office d.o.o. seated in Zagreb, Ivana Lučića 2a.

Increase in the Company’s share capital shall be made by offering New Shares to existing shareholders of the Issuer in one round, with the prior publication of the Prospectus, in accordance with the Capital Market Act.

On 12 September 2018, the Croatian Financial Services Supervisory Agency (“HANFA”) issued a Decision, Class: UP/I 976-02/18-01/04, File No: 326-01-770-772-18-12, approving the Issuer’s Prospectus of Issuing and Listing of 11 September 2018.

The Prospectus of Issuing and Listing was published on 13 September 2018, and is available to the public, in electronic form, on the Issuer’s website at <http://iadrancrikvenica.hr/ext/docu/Prospekt-izdania-i-uvrstenia-redovnih-dionica-na-uredeno-trziste-Zagrebacke-burze-dd.pdf>, and printed version is available, at request and free of charge, in the head office of the Issuer and Privredna banka Zagreb d.d. seated in Zagreb, Radnička cesta 50, as the Issuing and Listing Agent, and will be available at least for a period of one year from the approval of the Prospectus of Issuing and Listing.

The Issuer’s General Assembly has determined the price of New Shares in the amount of HRK 17.25 per New Share (“Share Price”).

Each shareholder of the Issuer is entitled to enter the number of New Shares that corresponds to its share in the share capital of the Issuer at the end of working hours of SKDD, i.e. at 18.00 on the day of the publication of this Invitation for Subscription. Subscription forms and payments covering subscription, i.e. payment of a number of New Shares that is greater than the number to which each individual shareholder is entitled to subscribe, shall be taken into consideration only up to the number of shares that an individual shareholder is entitled to subscribe.

Each New Share gives the right to one vote in the Issuer's General Assembly as well as all other rights identical to the rights provided by existing shares of the Issuer, in accordance with the law and the Company's Statute. New Shares are registered in shareholders name and give shareholders all rights established by the law and the Company's Statute from the date of the entry of the increase in share capital in the Court Registry of the Commercial Court in Rijeka.

With this Invitation for Subscription, the Issuer invites the investors ("Investors") to subscribe New Shares that will run from, and including, 14 September 2018 from 8:00 to, and including, 28 September 2018 until 19:00. New Shares are subscribed by a written statement ("Subscription Form"). Subscription locations will be at the following addresses of the Issuing and Listing Agent at the specified working time:

- Business office 256 Crikvenica, Braće Brozičević 4, 51260 Crikvenica (Working hours: Mon-Wed-Thu-Fri 8:00-15:00, Tue 12:00-19:00, Sat 2nd and 3rd 8:00 -12:00)
- Business office 186 Kod kazališta, Ivana Zajca 8, 51000 Rijeka (Working hours: Mon-Fri 8:00-19:00, Sat 9:00-12:00)
- Business office 154 Radnička, Radnička cesta 42, 10000 Zagreb (Working hours: Mon-Fri 8:00-19:00, Sat 9:00-12:00)
- Corporate Banking Products - Capital Markets, Radnička cesta 50, 10000 Zagreb (Working hours: Mon-Fri 8:00-19:00, Sat 9:00-12:00)

Subscription Forms must be received at the latest on 28 September 2018, until 19:00, otherwise the Subscription form will be deemed invalid. The Subscription Form must indicate the account number of the Investor in the SKDD as well as the Investor's bank account number for the refund of any overpaid funds. In case that a custodian bank answers to the subscription and payment of New Shares, the Subscription Form may be completed and sent by the custodian bank or the end-investor, whereby the custodian bank must state the information on the name and surname (company name), address (headquarters) and personal identification number (OIB) of the end-investor in the Subscription Form. Otherwise, the investor will not be entitled to participate in the subscription of New Shares.

Persons who subscribe New Shares on behalf of and for the account of the Investor on the basis of a power of attorney, must submit a special power of attorney and a personal identification document (personal identity card or passport) upon the subscription of New Shares. The form of Power of Attorney will be available at the Issuer's website <http://iadran-crikvenica.hr/ext/docu/Punomoc-zakupis-novih-redovnih-dionica.pdf>.

Subscribers who have subscribed New Shares based on the Invitation for Subscription are obliged to pay the subscribed New Shares no later than 28 September 2018, until 19:00. Payment of New Shares shall be made to the Issuer's special account number HR4123400091300001251 which, for the purpose of payment of New Shares, shall be opened in PBZ.

If an Investor makes a payment of funds in other payment institutions, other than Privredna banka Zagreb d.d., the Investor should independently be self-informed at the payment institution in which the payment is made about the required time needed for the receipt of such payment on the above-stated bank account by 28 September 2018 until 19:00.

Only payments received on the above account for the payment of the New Shares will be considered valid, if received no later than the above deadline ("Final Deadline for Payment").

In the event that the payment of an Investor is not received until the expiration of the Final Deadline for Payment, its Subscription Form shall be deemed invalid and shall not be bounding.

If an Investor does not pay the entire amount for the New Shares subscribed, the Issuing Agent shall use the amount of real money paid for the subscription of New Shares to calculate the number of shares subscribed by the individual Investor, provided that the number of New Shares subscribed is no greater than the number of New Shares to which a certain shareholder is entitled.

Allocation of New Shares will fully respect the shareholder's priority subscription right that corresponds to its share in the share capital of the Issuer at the end of SKDD's working day on the day of the announcement of the Invitation for Subscription of New Shares, i.e. all New Shares that are fully subscribed and paid shall be distributed to the shareholders. If a single shareholder subscribes and pays a larger number of shares than he is entitled to subscribe, he will be assigned only the number of New Shares to which he is entitled.

Investors are not permitted to waive the subscription and payment for New Shares, except in the cases defined by the Prospectus.

In case of later payments or overpaid amounts by individual Subscribers, the Issuer shall return the said funds to such Subscribers within 7 working days after the expiration of the Final Deadline for Payment, at the account numbers specified in the Subscription Forms.

Within 3 business days of the end of the period for the subscription and payment of New Shares, the Issuer shall determine the exact amount of the increase in the share capital and the number of New Shares, and shall publish, at the latest on the following working day, the data on the subscription and payment of New Shares and the amount of increase in share capital on the website of the Zagreb Stock Exchange d.d. and the Issuer's website.

The final amount of increase in share capital will depend on the number of New Shares that will be subscribed and paid. The total amount of subscribed and paid New Shares established in the said way will also represent the exact amount of the increase in the Issuer's share capital by issuing New Shares.

If the increase in the share capital shall not be entered into the Court Registry within 12 months from 24 August 2018, it will be considered that the increase in the share capital and the issuance of New Shares has not been successfully executed, the Subscription Form shall cease to be binding to the Subscriber and the payment shall be returned to the Subscriber, at the account number specified in the Subscription Form.

The Issuer will include the New Shares in the Official Market of the Zagreb Stock Exchange d.d., in accordance with the relevant regulations, at the latest within one year from the issuance of New Shares, after which the New Shares of the Company shall be tradable on the Official Market of the Zagreb Stock Exchange d.d.

Prior to making an investment decision on the subscription of New Shares, the Issuer invites all Investors to read and become familiar with the Prospectus of 11 September 2018, available on the Issuer's website and at the headquarters of the Issuer and Privredna banka Zagreb d.d., as stated in this Invitation for Subscription, including, but not limited to, listed risk factors affecting the Issuer's regular operations, and to independently assess the financial position, potential and risks associated with the Issuer in order to make their decisions about possible subscription of New Shares only after acquiring all the relevant facts regarding the aforementioned.

Persons who subscribe New Shares on behalf of and for the account of the investor on the basis of a power of attorney, must submit a special power of attorney and a personal identification document (personal identity card or passport) upon the subscription of New Shares. The form of Power of Attorney shall be available at the Issuer's website.

All additional information regarding the issuance of New Shares is available at PBZ, Radnička cesta 50, 10000 Zagreb, Phone: +385 (01) 6360 762 / 765 / 702, Fax +385 (01) 6360 743, e-mail: [capital.markets@pbz.hr](mailto:capital.markets@pbz.hr) on working days from 8:00 to 19:00 and on Saturdays from 9:00 to 12:00.



**Jadran d.d.**

Karlo Čulo, Member of the Management Board



**Jadran**  
Joint Stock Company for  
Hotels and Tourism  
Crikvenica