



Pursuant to Article 277 of the Companies Act (Official Gazette No. 152/11-clear version, 111/12 and 68/13) and the Decision on convening the General Assembly of PODRAVKA Inc., dated 12nd May 2014, Management Board of PODRAVKA Inc. hereby made public this

INVITATION to the General Assembly of PODRAVKA Inc.

I. The **GENERAL ASSEMBLY of PODRAVKA Inc.** has been convened

on July 11th 2014 (Friday) at 12.00 a.m.
at the Conference Hall of PODRAVKA Inc.
A. Starčevića Street 32, Koprivnica

II. Hereby it has been established and made public the following

AGENDA FOR THE GENERAL ASSEMBLY:

1. Opening of the General Assembly, determination of present and represented shareholders and their proxies;
2. Annual Financial Statements of PODRAVKA Inc. and Annual Consolidated Financial Statements of PODRAVKA Group for the business year 2013 together with authorized auditor's report and opinion, Annual Report by Management Board of PODRAVKA Inc. on business operations of the PODRAVKA Group and the Status of the Company in 2013 and the Supervisory Board's Report on performed supervision of PODRAVKA Inc. managing business operations in 2013;
3. Passing a Decision on the allocation of profit of PODRAVKA Inc. for the business year 2013;
4. Release to the Members of the Management Board of PODRAVKA Inc. for the business year 2013;
5. Release to the Members of the Supervisory Board of PODRAVKA Inc. for the business year 2013;
6. Passing a Decision on the election of Members of the Supervisory Board of PODRAVKA Inc.;
7. Passing a Decision on the appointment of an Auditor of PODRAVKA Inc. for the business year 2014 and determination of their fee.

III. The Company's share capital has been divided into 5,420,003 ordinary shares, each in individual nominal amount of HRK 200.00, registered at the Central Depository & Clearing Company under PODR-R-A. Each ordinary share provides the right for one vote at the General Assembly. The right to attend and to vote at the General Assembly (1 share = 1 vote), have all those shareholders of PODRAVKA Inc. who have been entered into the computer system kept by the Central Depository & Clearing Company six days prior to the date on which the General Assembly has been convened, i.e. on 04th July 2014 provided that notice of attendance and intention on participating in work of this Assembly has been given to the Company not later than 04th July 2014 at 4.00 p.m.



- IV. Shareholders may attend and vote at the General Assembly in person or through a proxy. Powers of attorney for attendance and exercise of right to vote shall be issued in writing.
Shareholders may be represented by proxies provided they have valid powers of attorney issued by shareholders, or on behalf of shareholders being legal entities, and by persons authorized for representation pursuant to provisions in Article 28 of the Articles of Association of PODRAVKA Inc.
- V. Shareholders of PODRAVKA Inc., representatives of shareholders and proxies shall give notice of attendance and exercise of right to vote at the General Assembly in writing not later than 04th July 2014 at 4.00 p.m. (six days prior to the meeting of the General Assembly) to the following address:

**PODRAVKA Inc.
Secretariat of Podravka Group
Ante Starčevića Street 32
48000 KOPRIVNICA**

Notice of attendance (to be valid) must contain, and be attached by:

a) Shareholders – natural persons:

- name and surname, home address, citizen identification number (OIB), account number at Central Depository & Clearing Company and number of shares held (number of votes at the General Assembly);

b) Proxies of shareholders – natural persons:

b/1. Proxies – natural persons:

- name and surname, home address, account numbers at Central Depository & Clearing Company and number of shares held (number of votes at the General Assembly) they have been authorized to represent,
- attached to the notice: individual powers of attorney issued by shareholders;

b/2. Proxies – legal entities:

- name of company, or name of legal entity, its domicile and address, account numbers at Central Depository & Clearing Company and total number of shares (number of votes at the General Assembly) they are representing,
- copy of a court register or any other register on registration of the persons authorized to represent legal person, from current year,
- attached to the notice: individual powers of attorney in writing, containing: name and surname of the shareholder, address or domicile, OIB citizen identification number, account number at Central Depository & Clearing Company and the number of shares they own, and if the shareholder is a legal person, what is also delivered is the copy of a court register or any other register where the legal entity is registered, or other public identification showing that the power of attorney was signed by the person legally authorized to represent that legal person, from current year;

c) Shareholders – legal entities:

- company, or name of legal entity, domicile and address, citizen identification number (OIB), account number at Central Depository & Clearing Company and the number of shares (number of votes at the General Assembly),
- copy of a court register or any other register on registration of the persons authorized to represent that legal person, from current year,
- proxy's power of attorney for representation of legal entity (if legal entity is not represented by a person authorized for representation pursuant to the law).



- VI.** Application for participation at the General Assembly and the powers of attorney, along with all the attachments have to be in Croatian language, and if they are in foreign language they need to be attached with a translation to Croatian language made by the registered court interpreter.
Shareholders, representatives and proxies of shareholders who will fail to meet obligations to give proper notice of attendance at the General Assembly pursuant to this Invitation, shall not be entitled to attend and make decisions at the General Assembly of PODRAVKA Inc.
- VII.** Pursuant to the provisions of Article 28, paragraph 4 of the Articles of Association of PODRAVKA Inc., shareholders, their proxies and representatives shall bear the expenses of their attendance at the General Assembly.
- VIII.** This Invitation and decision proposals that the Management and Supervisory Board of PODRAVKA Inc. are proposing to the General Assembly will be published in the "Official Gazette", at the Zagreb Stock Exchange, HANFA, HINA and the Company web site: www.podravka.com. All the relevant information and documents related to the General Assembly Agenda will be available to shareholders at PODRAVKA Inc. headquarters, at the reception desk, every business day from 10.00 a.m. to 2.00 p.m., as well as on the Company web site, since the day this Invitation has been made public.
- IX.** The shareholders jointly having shares amounting to 5% of the Company's share capital may request in writing that certain subject is placed on the Agenda of the General Assembly. Such request, along with its explanation and proposed decision, needs to be received by the Company at least 30 days prior to the date of the General Assembly, or on 10th June 2014 at the latest.
Each shareholder is entitled to submit a counter-proposal to the proposed decisions of the Management and Supervisory Boards referring to the specific items on the agenda and deliver such counter-proposal to the Company at least 14 days prior the General Assembly is being held, or on 26th June 2014 at the latest. Missing this deadline does not have for consequence the losing of the right to place the counter-proposal at the General Assembly.
It is an obligation of the Management Board to provide, on request of the shareholders, an explanation at the General Assembly on business operations of the Company, when this is needed for resolving issues on the Agenda.
- X.** The Participants in the General Assembly are kindly invited to arrive at the reception desk of the Company headquarters two hours earlier than scheduled time of the General Assembly in order to that registration list of participants could be duly made and materials for participation at the General Assembly could have been delivered.
The public is excluded from the work of the General Assembly.
- XI.** If a quorum is not present at the General Assembly on 11th July 2014, as provided in Article 29 of the Articles of Association of PODRAVKA Inc., the General Assembly will be adjourned and held on 18th July 2014 at 12 a.m. at the same venue and with the same agenda. This General Assembly will be held and valid resolutions will be passed regardless of the number of present and represented shareholders.



DECISIONS PROPOSED TO THE GENERAL ASSEMBLY OF PODRAVKA Inc.

Item 2 on the Agenda:

The Annual Financial Statements of PODRAVKA Inc. and Annual Consolidated Financial Statements of PODRAVKA Group for the business year 2013 together with the Reports and opinion of the authorized Auditors based on Article 300d of the Company Act have been adopted by the Management Board and Supervisory Board of PODRAVKA Inc. and are not a matter of voting. The stated financial statements have been published at the Zagreb stock Exchange, HANFA, HINA and the Company web site: www.podravka.com

Supervisory Board's Report on performed supervision of PODRAVKA Inc. managing business operations in 2013, has been published at the Company web site and thus the discussion may take place under this item, but the General Assembly makes no decisions.

The Management Board and the Supervisory Board of PODRAVKA Inc. propose to the General Assembly to pass the following decisions (items 3, 4 and 5):

Item 3 on the Agenda:

The profit of PODRAVKA Inc., M.B. 03454088, OIB 18928523252 (hereinafter: the Company) for the business year 2013 stated in the audited Annual Financial Statements of the Company, amounts HRK 51.366.123,10.

The stated profit of the Company shall be allocated to:

- legal reserves in amount of HRK 2.568.306,16
- reserves for own shares in amount of HRK 45.842.809,48 and
- other reserves in amount of HRK 2.955.007,46.

Item 4 on the Agenda:

Release is given to the Members of the Management Board of PODRAVKA Inc. in respect of their duties carried out in managing the company PODRAVKA Inc. in the business year 2013.

Item 5 on the Agenda:

Release is given to the Members of the Supervisory Board of PODRAVKA Inc. by which their duties and supervision over business operations management of PODRAVKA Inc. in the business year 2013 have been approved.

The Supervisory Board of PODRAVKA Inc. proposes to the General Assembly to pass the following decision (items 6 and 7):

Item 6 on the Agenda:

I

It is hereby determined that for the Supervisory Board members of PODRAVKA Inc.:



1. Dubravko Štimac,
2. Dinko Novoselec,
3. Petar Vlaić and
4. Petar Miladin

as of 07 September 2014, as their term expires, their membership at PODRAVKA Inc. Supervisory Board is terminated.

II

Members elected to PODRAVKA Inc. Supervisory Board are:

1. Dubravko Štimac, Management Board president at PBZ Croatia osiguranje d.d. for obligatory retirement fund management, Zagreb;
2. Dinko Novoselec, Management Board president at Allianz ZB d.o.o. company for managing the obligatory retirement fund, Zagreb;
3. Petar Vlaić, Management Board president at ERSTE limited liability company for obligatory retirement fund management, Zagreb and
4. Petar Miladin, prof. dr. sc. at the Faculty of Law in Zagreb, Zagreb.

III

The term of the elected members to PODRAVKA Inc. Supervisory Board from item II of this Decision lasts 4 (four) years and begins on 8 September 2014.

Item 7 on the Agenda:

- I. The financial statements of the parent company PODRAVKA Food Processing Industry, Incorporated, Koprivnica and of its affiliated (subsidiary) companies, along with consolidated financial statements of the PODRAVKA Group for the business year 2014 shall be audited by the authorised auditor:

KPMG Croatia Ltd.

with the headquarters in Zagreb, Eurotower, Ivana Lučića 2a/17.

- II. The Management Board of PODRAVKA Inc. is authorized to enter appropriate auditing agreements with the above mentioned Auditing Company and to fix remuneration for its service.

PODRAVKA Inc.