

Pursuant to item 2 of Article 277 of the Companies Law (Official Gazette No. 111-1993., 34-1999., 52-2000., 118-2003 and 107-2007 and 146-2008.), and pursuant to Article 22 of the Articles of Association of PODRAVKA d.d., Koprivnica, Article 4 of the Rules of Procedure of the Management Board, the Management Board has passed on its 31st meeting on June 2nd 2009 the following

RESOLUTION **on Convening the General Assembly of PODRAVKA d.d., Koprivnica**

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

on July 22nd 2009 (Wednesday) at 12.00 a.m.
at the Conference Hall of PODRAVKA d.d.
A. Starčevića Street 32, Koprivnica

II. It has been made up and published hereby 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 reports and consolidated annual financial reports of PODRAVKA Group for the business year 2008, after they had been verified by the Management Board and Supervisory Board of PODRAVKA d.d., along with the annual report by the Management Board on business operations for the year 2008 and the report of the Supervisory Board of PODRAVKA d.d. on performed supervision over operations of PODRAVKA d.d. in 2008;
 3. Appropriation of the profit for the 2008 business year;
 4. Purchase of own shares;
 5. Discharge of the members of the Management Board of PODRAVKA d.d.
 6. Discharge of the members of the Supervisory Board of PODRAVKA d.d.;
 7. Election of a member to the Supervisory Board of PODRAVKA d.d.;
 8. Appointment of auditors of PODRAVKA d.d. for the 2009 business year and determination of their fee.
- III. All shareholders of PODRAVKA d.d. are entitled to attend and vote at the General Assembly (1 share = 1 vote), who have been entered into the computer system kept by the Central Depository & Clearing Company, provided notice of attendance and intention on participating in work of this Assembly has been given to the Management Board's Office – Secretary Office of the Company not later than 15th July 2009 at 4.00 p.m.
- IV. Any further entries of changes to the computer system kept by the Central Depository & Clearing Company shall be suspended as of 15th July 2009 at 4.00 p.m. until the first working day following the day the General Assembly is held. Any requests for subscription to the computer system kept by the Central Depository & Clearing Company submitted in the period when the subscriptions are suspended will be considered submitted on the first working day following the meeting of the General Assembly.
- V. 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 at the General Assembly shall be issued in writing and distributed to all shareholders.
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 29 of the Articles of Association of PODRAVKA d.d., Koprivnica.
- VI. Shareholders of PODRAVKA d.d, representatives of shareholders or proxies shall give notice of attendance and exercise of right to vote at the General Assembly in writing not later than 15th July 2009 at 4.00 p.m. (the seventh day prior to the meeting of the General Assembly) to the following address:

PODRAVKA d.d.
MANAGEMENT BOARD'S OFFICE
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 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, citizen identification number 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 (forms distributed to shareholders);

b/2. Proxies – legal entities:

— company, or name of legal entity, its domicile and address, number of shares (number of votes at the General Assembly),
— photocopy of excerpt from court or any other register of authorised persons for representation of a legal entity in current year,
— attached to the notice: individual powers of attorney in writing;

c) Shareholders – legal entities:

— name of company, or name of legal entity, its domicile and address, number of shares (number of votes at the General Assembly),
— photocopy of excerpt from court or any other register of authorized persons for representation of legal entity in 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 law provisions).

- VII.** 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 Resolution, shall not be entitled to attend and decide at the General Assembly of PODRAVKA d.d.
- VIII.** Pursuant to provision in Article 29, item 4 of the Articles of Association of PODRAVKA d.d., Koprivnica, shareholders, their proxies or representatives shall bear expenses of their attendance at the General Assembly.
- IX.** This Resolution and draft resolutions proposed to the General Assembly by the Management Board and the Supervisory Board of PODRAVKA d.d. will be published in the "Official Gazette", HINA, Podravka web site and Circular Letter which is distributed to all shareholders.
- X.** Resolution on convening of General Assembly of PODRAVKA d.d., draft proposals submitted to General Assembly for an approval and the Report of the Supervisory Board on performed supervision over business operations will be published in the Circular Letter to be delivered by mail to all shareholders to their home address recorded in the computer system of the Central Depository & Clearing Company. All the relevant information and documents related to General Assembly Agenda will be available to shareholders at PODRAVKA d.d. headquarters at the reception desk, every business day from 10.00 a.m. to 1.00 p.m. as well as on PODRAVKA d.d. web site, since the day this Resolution has been made public. Copies of contracts signed by the members of the Management Board will be available to the shareholders at the venue of the General Assembly 15 minutes before the meeting of the General Assembly and after the conclusion of the General Assembly.
Participants in the General Assembly are kindly invited to arrive to the reception desk of PODRAVKA d.d. two hours earlier than the specified time of the General Assembly for the purpose of registration and delivery of materials for participation at the General Assembly.
- XI.** If a quorum is not present at the General Assembly on 22nd July 2009, as provided in Article 30 of the Articles of Association of PODRAVKA d.d., the General Assembly will be adjourned and held on 29th July 2009 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.

• **DRAFT RESOLUTIONS OF THE GENERAL ASSEMBLY OF PODRAVKA d.d.**

- **The Management Board and the Supervisory Board of PODRAVKA d.d. propose to the General Assembly to pass the following resolutions (items 3, 4, 5 and 6):**

Item 3 on the Agenda:

- I. Profit of PODRAVKA d.d., as disclosed in financial statements of PODRAVKA d.d. for the business year 2008 in amount of HRK 9,821,877.00, will be appropriated as follows:
- 5% of profit in amount of HRK 491,093.85 will be allocated for legal reserves (Article 222 of the Companies Law),
 - reserves for own shares HRK 9,330,783.15 will be allocated

Item 4 on the Agenda:

PODRAVKA Food Processing Industry, d.d. (hereinafter: Group) will acquire own shares via one or more purchases of regular shares in A series in the name of PODRAVKA Food Processing Industry, d.d. of nominal value of HRK 300.00 each (hereinafter: Shares) in the Zagreb Stock Exchange under the following terms:

- I. The highest total number of Shares purchased based on this Resolution, together with the shares that the Group acquired earlier or are in the process of acquiring based on previously concluded contracts, is 10 (ten) percent of the Group equity.
- II. Management Board of Podravka Group is authorized to make independent purchases of own shares up to amount of 10 (ten) percent of the Group equity.
- III. The lowest possible price per share is 10 (ten) percent of average market value of the Share (without prepaid possible taxes and other expenses and costs), during ten work days immediately preceding the day the Share was purchased.
- IV. The highest possible price per share (without prepaid possible taxes and other expenses and costs), per Share is not 10 (ten) percent above the average market value of the share during ten work days immediately preceding the day the Share was purchased.
- V. The Group will conclude one or more contracts on Shares purchase pursuant to this Resolution, and subscribe the Shares to its own name at the Central Depositary & Clearing Company.
- VI. Pursuant to Article 235 of the Companies Law, the Group's treasury shares carry no rights. The Group will acquire Shares for the reasons stated in the Article 233 of the Companies Law.
- VII. This Resolution is valid for 18 (eighteen) months of the day it is passed.

Item 5 on the Agenda:

Discharge is given to the members of the Management Board of PODRAVKA d.d. in respect of their duties carried out in managing the PODRAVKA d.d. Company in 2008.

Item 6 on the Agenda:

Discharge is given to the members of the Supervisory Board of PODRAVKA d.d. by which their duties and supervision over managing business operations of PODRAVKA d.d. in 2008 have been approved.

- **The Supervisory Board of PODRAVKA d.d. proposes to the General Assembly to pass the following resolutions (items 7 and 8):**

Item 7 on the Agenda:

- I. For PODRAVKA d.d. Supervisory Board member to the period of 4 (four) years elected is:

Mr. Darko Tipurić, (born 8 March 1966), from Zagreb, Kraljevićeva 6,
prof. dr. sc. (personal identification card number: 15071990).

- II. Mandate of the elected member to the Supervisory Board from Item I of this Resolution starts with the date this Resolution is passed.

Item 8 on the Agenda:

- I. The financial statements of the parent company PODRAVKA Food Processing Industry d.d. Koprivnica and of its affiliated (subsidiary) companies, and also consolidated financial statements of the PODRAVKA Group shall be audited by the authorised auditors:

Deloitte d.o.o.
headquartered in Zagreb, Radnička Street 80/VI.

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

**• REPORT OF THE SUPERVISORY BOARD OF PODRAVKA d.d.
ON THE SUPERVISION OF MANAGING BUSINESS OPERATIONS
OF PODRAVKA d.d. IN 2008**

This Report covers the period from 1st January 2008 until 31st December 2008.

Based on legal provisions and provisions of Articles of Association of Podravka d.d., the Supervisory Board of Podravka d.d. has eleven members, where the General Assembly elects eight, Croatian Privatization Fund elects two members and Workers Council elects one member.

The Supervisory Board of PODRAVKA d.d. (hereinafter: the "Supervisory Board") pursuant to powers defined in provisions of the Companies Law, the Articles of Association of PODRAVKA d.d. and the Rules of Procedure of the Supervisory Board, continually supervised the managing of business operations of PODRAVKA d.d. in 2008 by making decisions and conclusions at six sessions held in 2008.

By supervising the business operations of PODRAVKA d.d., the Supervisory Board discussed numerous issues regarding business operations of PODRAVKA d.d. and its subsidiaries in 2008.

The Supervisory Board founded four committees: Audit Committee, Remuneration Committee, Human Resources Committee, Strategic Development Committee that had been active till 3rd September 2008, since when the Supervisory Board passed a resolution and discontinued the existing committees, founding only one committee, Audit, Remuneration and Nomination Committee. In 2008 the Audit Committee held three sessions, Human Resources Committee held one session, and the Audit, Remuneration and Nomination Committee held one session.

Having examined the management of business operations of PODRAVKA d.d., the Supervisory Board established that PODRAVKA d.d. acted in 2008 in accordance with laws, acts of PODRAVKA d.d. and resolutions of the General Assembly.

The Supervisory Board examined the report of the Auditors - Deloitte d.o.o. Zagreb, Radnička cesta 80, who had reviewed financial reports of PODRAVKA d.d. and its subsidiaries for the year ended 31st December 2008 and the Supervisory Board accepted the report submitted by the Auditors.

After having reviewed the Annual report on PODRAVKA d.d. and its subsidiaries business operations and on the position of the Company in 2008, submitted by the Management Board of PODRAVKA d.d., the Supervisory Board has established that annual financial reports of PODRAVKA d.d. and its subsidiaries for the year ended 31 December 2008 were disclosed in accordance with positions in business records of PODRAVKA d.d. and its subsidiaries, and that they disclosed correctly the property and business positions of PODRAVKA d.d. and its subsidiaries, and the Supervisory Board gave its approval, so compliant to Article 300 of the Company Law these reports are considered verified.

The Supervisory Board approved the report of the Management Board of PODRAVKA d.d. on the position of PODRAVKA d.d. and PODRAVKA d.d. and its subsidiaries for the year ended 31st December 2008.

Constituent parts of financial reports of PODRAVKA d.d. for the year ended 31st December 2008 are as follows:

- a) Annual Report of Podravka d.d. and its subsidiaries,
- b) Profit and Loss Account of PODRAVKA d.d.
- c) Balance Sheet of Podravka d.d.,
- d) Cash Flow Statement of Podravka d.d.
- e) Statement of Changes in Equity of Podravka d.d.
- f) Notes to the Financial Statements of Podravka d.d.
- g) Profit and Loss Account of Podravka d.d. and its subsidiaries,
- h) Balance Sheet of Podravka d.d. and its subsidiaries,
- i) Cash Flow Statement of Podravka d.d. and its subsidiaries,
- j) Statement of Changes in Equity of Podravka d.d. and its subsidiaries,
- k) Notes to the Financial Statements of Podravka d.d. and its subsidiaries,
- l) Report of the Auditors on the audit conducted by Deloitte d.o.o. Zagreb, Radnička cesta 80.

The Supervisory Board approved the suggested resolution by the Management Board of Podravka d.d. on appropriation of profit for the business year 2008, upon which it has been established that in the business year 2008 Podravka d.d. has realized profit of HRK 9,821,877.00 and upon which it is suggested that HRK 491,093.85 be distributed to legal reserves, and HRK 9,330,783.15 into reserves for own shares.

The supervisory Board submits this Report to the General Assembly of Podravka d.d. and proposes to the General Assembly to adopt the proposal of Podravka d.d. Management Board on appropriation of profit for the business year 2008.

PODRAVKA d.d.
Koprivnica