



Koprivnica, 20th September 2016

- THE ZAGREB STOCK EXCHANGE
- CROATIAN FINANCIAL SERVICES
SUPERVISORY AGENCY
- CROATIAN NEWS AGENCY
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**Subject: Podravka Inc. entered into Share Purchase Agreement Studenac d.o.o.
– Notice**

Pursuant to the provisions of Capital Market Law and the Stock Exchange Rules, we hereby notify that Podravka Inc. entered on 20th September 2016 into Share Purchase Agreement regarding 100% of the business share in its subsidiary company Studenac Ltd. with seat in Lipik, Matije Gupca No 120, MBS: 070116739 (hereinafter: Studenac) with company Radenska Ltd., Boračeva 37, 9252 Radenci, Slovenia, as the purchaser and company Kofola ČeskoSlovensko a.s., Nad Porubkou 2278/31a, Poruba, 708 00 Ostrava, Češka Republika, as the guarantor.

After agreed preconditions have been met and employee's contracts transferred to Studenac, Radenska Inc. will acquire business share in Studenac, which is shall happen till the end of this year. It is expected that this transaction will not have negative impact on Podravka Group's business results in current year and will positively influence the profitability in the subsequent period.

After divesting of the beverages business by the end of the year 2016, Podravka Inc. will continue to develop food and pharma portfolio directing additional resources for internationalisation of the main brands in alignment with the Company strategy.

Further on, by choosing Radenska Ltd., as reputable producer of soft drinks and mineral water in the region, and part of Kofola group, Podravka showed care about future production and safe work places for all employees in Lipik with protection of their rights granted under Collective Agreement of Podravka Group for the next period of 18 month.

PODRAVKA Inc.