



Pursuant to Article 277 of the Companies Law (Official Gazette No. 111-1993, 34-1999, 52-2000, 118-2003, 107-2007, 146-2008 and 137-2009) and the Resolution on convening the General Assembly of PODRAVKA d.d., Koprivnica reached on 12<sup>th</sup> July 2010, PODRAVKA d.d. Management Board publishes this

**INVITATION  
to the General Assembly of PODRAVKA d.d., Koprivnica**

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

**on 31 August 2010 (Tuesday) 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. Report by the Supervisory Board on performed supervision of business operations of PODRAVKA d.d. in 2009, Annual financial reports for PODRAVKA d.d. and Annual consolidated financial reports for Podravka Group for the business year 2009 together with authorized auditor's report and opinion and the Annual Report by PODRAVKA d.d. Management Board on business operations of the Podravka group and the state of the Company in 2009;
3. Passing a resolution on covering losses for the business year 2009;
4. Discharge of PODRAVKA d.d. Management Board members;
5. Discharge of PODRAVKA d.d. Supervisory Board members;
6. Passing a resolution on amendments of PODRAVKA d.d. Articles of Association;
7. Passing a resolution on recall of PODRAVKA d.d. Supervisory Board members;
8. Passing a resolution on election of PODRAVKA d.d. Supervisory Board members;
9. Passing a resolution on appointing auditors of PODRAVKA d.d. for the business year 2010 and determination of their fee.

III. Company share capital has been divided to 5,420,003 regular shares, individual nominal amount of HRK 300.00, registered at the Central Depository & Clearing Company under PODR-R-A. Each regular share provides one vote at the General Assembly. The right to participate in the work of the General Assembly and the right to vote (1 share = 1 vote) have all the shareholders



of PODRAVKA d.d. who have been entered into the Depository 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 Company Management Board's Office no later than 24<sup>th</sup> August 2010 by 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 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.
- V. Shareholders of PODRAVKA d.d, representatives of shareholders and proxies shall give notice of attendance and exercise of right to vote at the General Assembly in writing no later than 24<sup>th</sup> August 2010 by 4.00 p.m. (six days prior to the meeting of the General Assembly) to the following address:

**PODRAVKA d.d.  
Management Board 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 (OIB) 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, 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:**

- name of company, or name of legal entity, its domicile and address, 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 persons not older than 30 days,
- attached to the notice: individual powers of attorney in writing, containing: name and surname of the shareholder, address or domicile, OIB citizen identification number 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, not older than 30 days;

**c) Shareholders – legal entities:**

- company, or name of legal entity, domicile and address, citizen identification number (OIB) 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 not older than 30 days,
- proxy's power of attorney for representation of legal entity (if legal entity is not represented by a person authorized for representation pursuant to legal provisions).

**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 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 Resolution, shall not be entitled to attend and decide at the General Assembly of PODRAVKA d.d.

**VII.** Pursuant to provision in Article 29, item 4 of the Articles of Association of PODRAVKA d.d., Koprivnica, shareholders, their proxies and representatives shall bear expenses of their attendance at the General Assembly.

**VIII.** This Resolution and proposed resolutions that the Management and Supervisory Board of PODRAVKA d.d. propose at the General Assembly will be published in the "Official Gazette", HINA, PODRAVKA d.d. web site. 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.

**IX.** Shareholders jointly having shares amounting to 5% of the Company share capital, ask in writing that a subject be placed in the Agenda of the General Assembly. The request in question, along with its explanation and proposed Resolution, the Company needs to receive at least 30 days prior to holding of the General Assembly, or 31<sup>st</sup> July 2010 at the latest.

Each shareholder has been authorized to submit a counter-proposal to the proposed resolutions of the Management and Supervisory Boards referring to the items on the agenda and deliver it to the Company at least 14 days prior the General Assembly is being held, or on 16<sup>th</sup> August 2010 at the latest. Missing this deadline does not have a repercussion in losing the right to place the counter-proposal at the General Assembly.

It is the obligation of the Management Board to provide an explanation to shareholders questions at the General Assembly on business operations of the Company, if such explanation is necessary for resolving issues on the Agenda.

**X.** 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.

The public is excluded from the work of the General Assembly.

**XI.** If a quorum is not present at the General Assembly on 31<sup>st</sup> August 2010, as provided in Article 30 of the Articles of Association of PODRAVKA d.d., the General Assembly will be adjourned and held on 7<sup>th</sup> September 2010 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, 6 and 7):**

### **Item 3 on the Agenda:**

I

Business loss of PODRAVKA d.d. shown in financial reports for PODRAVKA d.d. for the business year 2009 is HRK 332,598,585,71.

The realized loss is transferred to the following period.

II

This draft resolution is forwarded to the General Assembly for passing.

### **Item 4 on the Agenda:**

I

It is hereby determined that in the business year 2009 PODRAVKA d.d. Management Board members were:

Zdravko Šestak – Management Board president, Josip Pavlović and Saša Romac – Management Board members from 1<sup>st</sup> January – 18<sup>th</sup> November 2009,

Miroslav Vitković – Management Board deputy president from 1<sup>st</sup> January – 16<sup>th</sup> December 2009 and Management Board president from 16<sup>th</sup> December – 31<sup>st</sup> December 2009,

Marin Pucar – Management Board member from 1<sup>st</sup> January – 31<sup>st</sup> December 2009,

Krunoslav Bešvir and Lidija Kljajić – Management Board members in the period from 23 October – 31<sup>st</sup> December 2009 and

Branko Vuljak – PODRAVKA d.d. Supervisory Board member acting as Management Board deputy member from 23<sup>rd</sup> October – 18 November 2009 and Management Board deputy member from 18<sup>th</sup> November – 31<sup>st</sup> December 2009.

II

Pursuant to item I of this Resolution it is hereby determined as follows:

1. Discharge is not given to Zdravko Šestak by which his duties over managing business operations of PODRAVKA d.d. in 2009 have not been approved.

2. Discharge is not given to Josip Pavlović by which his duties over managing business operations of PODRAVKA d.d. in 2009 have not been approved.



3. Discharge is not given to Saša Romac by which his duties over managing business operations of PODRAVKA d.d. in 2009 have not been approved.
4. Discharge is given to Miroslav Vitković by which his duties over managing business operations of PODRAVKA d.d. in 2009 have been approved.
5. Discharge is given to Marin Pucar by which his duties over managing business operations of PODRAVKA d.d. in 2009 have been approved.
6. Discharge is given to Krunoslav Bešvir by which his duties over managing business operations of PODRAVKA d.d. in 2009 have been approved.
7. Discharge is given to Lidija Kljajić by which her duties over managing business operations of PODRAVKA d.d. in 2009 have been approved.
8. Discharge is given to Branko Vuljak by which his duties over managing business operations of PODRAVKA d.d. in 2009 have been approved.

### III

This Resolution is coming into force as of the date it is passed at the General Assembly of PODRAVKA d.d.

#### **Item 5 on the Agenda:**

### I

It is hereby determined that in the business year 2009 PODRAVKA d.d. Supervisory Board members were:

Darko Marinac – Supervisory Board president from 1<sup>st</sup> January – 14<sup>th</sup> September 2009,  
Ljubo Jurčić – Supervisory Board member from 4<sup>th</sup> – 18<sup>th</sup> November 2009 and Supervisory Board president from 18<sup>th</sup> November – 31<sup>st</sup> December 2009,  
Ksenija Horvat – Supervisory Board deputy president from 1<sup>st</sup> January – 31<sup>st</sup> December 2009,  
Karmen Antolić, Nikola Gregur, Dražen Sačer and Dubravko Štimac – Supervisory Board members from 1 January – 31<sup>st</sup> December 2009,  
Boris Hmelina, Franjo Maletić and Branko Vuljak – Supervisory Board members from 1<sup>st</sup> January – 23<sup>rd</sup> October 2009,  
Miljenko Javorović – Supervisory Board member from 23<sup>rd</sup> October – 31<sup>st</sup> December 2009,  
Damir Kovačić – Supervisory Board member from 1<sup>st</sup> January – 19<sup>th</sup> November 2009,  
and  
Darko Tipurić – Supervisory Board member from 22<sup>nd</sup> July – 31<sup>st</sup> December 2009,

### II

Pursuant to item I of this Resolution it is hereby determined as follows:

1. Discharge is not given to Darko Marinac by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have not been approved.



2. Discharge is given to Ljubo Jurčić by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
3. Discharge is given to Ksenija Horvat by which her duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
4. Discharge is given to Karmen Antolić by which her duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
5. Discharge is given to Nikola Gregur by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
6. Discharge is given to Dražen Sačer by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
7. Discharge is given to Dubravko Štimac by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
8. Discharge is given to Boris Hmelina by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
9. Discharge is given to Franjo Maletić by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
10. Discharge is given to Branko Vuljak by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
11. Discharge is given to Miljenko Javorović by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
12. Discharge is given to Damir Kovačić by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.
13. Discharge is given to Darko Tipurić by which his duties and supervision over managing business operations of PODRAVKA d.d. in 2009 have been approved.

### III

This Resolution is coming into force as of the date it is passed at the General Assembly of PODRAVKA d.d.

#### **Item 6 on the Agenda:**

- I. Articles of Association of PODRAVKA d.d. Koprivnica are changed and amended as follows.
- II. In Article 2, item 1 word "redefines" is replaced with "defines".

Article 12, item 1 is changed to:





„Information and press releases of the Company are published on Company web site. Invitation for the General Assembly, together with draft resolutions are published on Company web site and the Official Gazette of the Republic of Croatia“.

Article 15 changes the title to:  
"Central Depository & Clearing Company"

In Article 15, item 1 the name „Central Depository Agency“ is changed to „Central Depository & Clearing Company (hereinafter: CDCC)“.

Hereinafter the name „Central Depository Agency“, „Agency“ and „CDA“ are changed to „CDCC“.

In Article 19, item 1 added is:  
„...for a five-year term at the most, with the possibility of reelection“.

In Article 25, item 1 the number and words „11 (eleven)“ is changed to „9 (nine)“.

In Article 26, item 1 the number and words „8 (eight)“ is changed to „6 (six)“.

In Article 29, item 3 the words „seven days“ is replaced by „six days“ and another sentence is added:

„The deadline does not include the day the registration is delivered to the Company“.

- III All other provisions of the Articles of Association remain unchanged.
- IV This resolution on amendments to the Articles of Association is coming into force and are applied as of the day they are entered in the Commercial Court Register in Bjelovar.
- V. The Supervisory Board is authorised to determine the purified text of the Articles of Association compliant to this Resolution on amendments to Articles of Association.

#### **Item 7 on the Agenda:**

- I. The following members of the Supervisory Board of PODRAVKA d.d. are recalled:
  - 1. DARKO TIPURIĆ, from Zagreb, Kraljevićeva 6, prof.dr sc., (date of birth 8<sup>th</sup> March 1966, identity card number: 15071990) and
  - 2. BRANKO VULJAK, from Đelekovec, Mihovila Pavleka Miškine 94, B.Sc.EE (born on 28<sup>th</sup> August 1955, personal identification card no: 15614280).



- II. The term for the recalled members of the Supervisory Board from item I of this draft resolution ends on the day the amendments to PODRAVKA d.d. KOPRIVNICA Articles of Association are registered at the Commercial Court in Bjelovar.

**The Supervisory Board of PODRAVKA d.d. proposes to the General Assembly to pass the following resolutions (items 8 and 9):**

**Item 8 on the Agenda:**

- I. For PODRAVKA d.d. Supervisory Board member to the period of 4 (four) years elected are:
  1. DUBRAVKO ŠTIMAC, from Zagreb, Veslačka 2, B.Sc.Econ. (date of birth 16 January 1966, OIB: 40402971482),
  2. DINKO NOVOSELEC, from Zagreb, Josipa Pupačića 2, B.Sc.Math. (date of birth 25 June 1968, OIB: 35751455327),
  3. PETAR VLAIĆ, from Zagreb, Ljubijaska 85, B.Sc.EE (date of birth 19 July 1967, OIB: 95645311308),
  4. PETAR MILADIN, from Zagreb, Zelengaj 77, PhD., (date of birth 4 June 1973, OIB: 88899511525).
- II. The term for the elected members of the Supervisory Board from item I of this draft resolution starts on the day the amendments to PODRAVKA d.d. KOPRIVNICA Articles of Association are registered at the Commercial Court in Bjelovar.

**Item 9 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 for the business year 2010 shall be audited by the authorised auditor:

**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 2009**

This Report covers the period from 1<sup>st</sup> January 2009 until 31<sup>st</sup> December 2009.

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 leading of business operations of PODRAVKA d.d. in 2009 by making decisions and conclusions on eleven sessions held in 2009.

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 2009.

The Supervisory Board established one Committee, Audit, Remuneration and Nomination Committee. In 2009 the Audit, Remuneration and Nomination Committee held one session. On 23<sup>rd</sup> October 2009 the Supervisory Board passed a resolution on appointing the Audit Committee, whereby the Resolution on appointing the Audit, Remuneration and Appointment Committee was no longer in force.

Members of PODRAVKA d.d. Supervisory Board changed over 2009 as follows:

In the period from 1 January to 22<sup>nd</sup> January 2009 the Supervisory Board members were: Darko Marinac – president, Ksenija Horvat – deputy president, Karmen Antolić, Nikola Gregur, Boris Hmelina, Damir Kovačić, Franjo Maletić, Dražen Sačer, Dubravko Štimac and Branko Vuljak – members of the Supervisory Board.

In the period from 22 July to 14<sup>th</sup> September 2009 the Supervisory Board members were: Darko Marinac – president, Ksenija Horvat – deputy president, Karmen Antolić, Nikola Gregur, Boris Hmelina, Damir Kovačić, Franjo Maletić, Dražen Sačer, Dubravko Štimac, Branko Vuljak and Darko Tipurić – Supervisory Board members.

In the period from 14<sup>th</sup> September to 23<sup>rd</sup> October 2009 (due to Supervisory Board president resignation) the Supervisory Board members were: Ksenija Horvat – deputy president, Karmen Antolić, Nikola Gregur, Boris Hmelina, Damir Kovačić, Franjo Maletić, Dražen Sačer, Dubravko Štimac, Branko Vuljak and Darko Tipurić – Supervisory Board members.

In the period from 23<sup>rd</sup> October to 4<sup>th</sup> November 2009 the Supervisory Board members were: Ksenija Horvat – deputy president, Karmen Antolić, Nikola Gregur, Miljenko Javorović, Damir Kovačić, Dražen Sačer, Dubravko Štimac and Darko Tipurić – Supervisory Board members.

As decided by the Croatian parliament on 30<sup>th</sup> October 2009, Podravka d.d. was proclaimed as the company of special government interest in the Republic of Croatia (Official gazette no. 132/09) that came into force on 4 November 2009.

In the period from 4<sup>th</sup> to 18<sup>th</sup> November 2009 the Supervisory Board members were: Ksenija Horvat – deputy president, Karmen Antolić, Nikola Gregur, Miljenko Javorović, Ljubo Jurčić, Damir Kovačić, Dražen Sačer, Dubravko Štimac and Darko Tipurić – Supervisory Board members.

On 18<sup>th</sup> November 2009 elected Supervisory Board president was prof. dr. sc. Ljubo Jurčić.



In the period from 18<sup>th</sup> November to 31<sup>st</sup> December to 2009 (due to a Supervisory Board member resignation) the Supervisory Board members were: Ljubo Jurčić – president, Ksenija Horvat – deputy president, Karmen Antolić, Nikola Gregur, Miljenko Javorović, Dražen Sačer, Dubravko Štimac and Darko Tipurić – Supervisory Board members.

After performing insight into PODRAVKA d.d. business operations, the supervisory Board determined certain irregularities in business which are subject to investigation activities by authorised government bodies along with financial risks which encumbered business results generating loss in 2009, and which the auditor found and warned in its notes to the Annual Financial Reports of PODRAVKA d.d. Apart from this, in the remaining part not referring to noticed irregularities, the supervisory Board found that in 2009 Podravka d.d. performed its business activities in compliance with the law, PODRAVKA d.d. acts and the resolutions of the General Assembly.

The Supervisory Board examined the report of the Auditor - Deloitte d.o.o. Zagreb, Radnička cesta 80, who had reviewed financial reports of PODRAVKA d.d. and its subsidiaries for the year ended 31<sup>st</sup> December 2009 (consolidated reports by Podravka Group) and the Supervisory Board accepted the report submitted by the Auditor.

After having reviewed the Annual report on PODRAVKA d.d. and its subsidiaries business operations and on the position of the Company in 2009, 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 2009 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 examined the report of the Auditor - Deloitte d.o.o. Zagreb, Radnička cesta 80, who had reviewed financial reports of PODRAVKA d.d. and its subsidiaries for the year ended 31<sup>st</sup> December 2009 and the Supervisory Board accepted the report submitted by the Auditor.

After having reviewed the Annual report on PODRAVKA d.d. business operations and on the position of the Company in 2009, submitted by the Management Board of PODRAVKA d.d., the Supervisory Board has established that annual financial reports of PODRAVKA d.d. for the year ended 31<sup>st</sup> December 2009 were disclosed in accordance with positions in business records of PODRAVKA d.d. and that they disclosed correctly the property and business positions of PODRAVKA d.d., 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 31<sup>st</sup> December 2009.



Constituent parts of financial reports of PODRAVKA d.d. and its subsidiaries for the business year ended 31<sup>st</sup> December 2009 are as follows:

1. Statement of comprehensive income
2. Statement of financial position
3. Statement of changes in shareholders' equity
4. Statement of cash flows
5. Notes on financial statements
6. Annual Report

Constituent parts of financial reports of PODRAVKA d.d. for the year ended 31<sup>st</sup> December 2009 are as follows:

1. Statement of comprehensive income
2. Statement of financial position
3. Statement of changes in shareholders' equity
4. Statement of cash flows
5. Notes on financial statements
6. Annual Report

The Supervisory Board approved the draft resolution of PODRAVKA d.d. on covering the losses for the 2009 business year, and the draft of the resolution has been submitted to the General Assembly of PODRAVKA d.d. to be adopted.

**PODRAVKA d.d.**  
**Koprivnica**