

Pursuant to Article 277 of the Companies Law ("Official Gazette" no. 152/11 – cleared text, 111/12, 68/13, 110/15 and 40/19), and the PODRAVKA Inc. Management Board Resolution of 23rd March 2020, is announced

INVITATION

TO THE GENERAL ASSEMBLY OF PODRAVKA Inc.

I. General Assembly of PODRAVKA Inc., headquartered in Koprivnica, A. Starčevića 32 (hereinafter: Company) will be held in Koprivnica, on 30th April 2020 (Thursday), at 12 a.m. in the conference hall of Company headquarters in Koprivnica, A. Starčevića 32 Street.

II. For this General Assembly it is hereby determined and published the following

Agenda:

1. Opening of the General Assembly, determination of present and represented shareholders and their proxies;
2. Annual financial reports for the Company and Annual consolidated financial reports for Podravka Group for the year 2019 together with authorized auditor's reports and the Annual Report by the Company Management Board on the status of the Company and its related companies in 2019, and the Report of the Company Supervisory Board on performed supervision over the Company managing business in 2019;
3. Passing a Resolution on the Company profit distribution for the year 2019;
4. Passing a Resolution on discharging the Company Management Board president and members for the year 2019;
5. Passing a Resolution on discharging the Company Supervisory Board president and members for the year 2019;
6. Passing a Resolution on providing authority to the Company Management Board on acquiring own Company shares;
7. Passing a Resolution on appointing the Company auditors for the business year 2020 and determination of their fee.

III. The Company share capital has been divided to 7,120,003 regular shares, of individual nominal amount of HRK 220.00, registered at the computer system of the Central Depository & Clearing Company under the ticker PODR-R-A. Each regular share provides one vote at the General Assembly. All shareholders of PODRAVKA Inc. 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 six days before the General Assembly is being held, i.e. on 23rd April 2020 as the last day to apply to participate in the work of the General Assembly, and who have by that day – i.e. by 23rd April 2020 by 4.00 p.m. provided notice of attendance and intention on participating in work of this Assembly to the Company.

IV. Shareholders may attend and vote at the General Assembly in person or through a proxy. Authorizations for participation and exercising the right to vote at the General Assembly are provided in written form.

Shareholders may be represented by proxies under the condition they have valid powers of attorney issued by shareholders, or in behalf of shareholders being legal entities, and by persons authorized for representation pursuant to provisions in Article 28 of the Company Articles of Association.

V. Notice of attendance to be valid must contain, and be attached by:

a) shareholders – natural persons:

– name and surname, residence, PIN, account no. at CDCC and total number of shares (no. of votes at the General Assembly).

c) shareholders – legal entities:

– company, legal entity name, headquarters and residence, PIN, account no. at CDCC and total number of shares (no. of votes at the General Assembly).

– photocopy of an excerpt from court or any other register of authorized persons for representation of that legal entity in the 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 legal provisions).

b) proxies of shareholders – natural persons:

– name and surname, residence and proxy PIN;

– list of shareholders they represent, for each of them no. of account opened at the CDCC and the total number of shares (number of votes at the General Assembly) of all the represented shareholders;

– attached to the application are all individual powers of attorney on the recommended form.

d) proxies of shareholders – natural persons:

– company, i.e. name of the legal entity, headquarters and address and PIN of the proxy;

– list of shareholders they represent, for each of them no. of account opened at the CDCC and the total number of shares (number of votes at the General Assembly) of all the represented shareholders;

– attached to this application are individual powers of attorney in written forms, and if the shareholder is a legal entity, attached is the photocopy of the excerpt from the court register or some other register from the current year in which this legal entity is registered, certified transcript or other public document showing that the power of attorney was signed by the person lawfully authorised to represent that legal entity.

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 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 the Company.

VII. Pursuant to provision in Article 28, item 4 of the Company Articles of Association, shareholders, their proxies and representatives shall bear expenses of their attendance at the General Assembly.

VIII. At the Company web-site www.podravka.com, as of the day this Invitation to the General Assembly is published, the following forms are available: application for participation at the General Assembly, recommended form of the power of attorney, recommended form of the recall of the existing power of attorney, the Report of the Company Supervisory Board on performed supervision

over the Company business in 2018 and other information and material proscribed by the Article 280.a of the Companies Act.

IX. This invitation and draft resolutions which are being proposed to the General Assembly by the Company Supervisory and Management Boards will be published on the register web-site of Commercial Court in Bjelovar, HINA and web-site of the Zagreb Stock Exchange (www.zse.hr), HANFA (www.hanfa.hr) and the Company (www.podravka.hr). All the relevant data and documents related to the agenda of the Company General Assembly will be available to the shareholders at the Company headquarters, at the headquarters helpdesk working days from 10 to 14, and at the Company web-site as of the day this invitation is publicly announced.

X. Shareholders jointly having shares amounting to 5% of the Company share capital, can request in writing that a subject be placed on 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 on 30th March 2020 at the latest.

Stating their name and last name, each shareholder has been authorized to submit a counter-proposal and an explanation to the proposed resolutions of the Management and Supervisory Boards, referring to the items on the agenda and deliver it to the Company's address at least 14 days prior the General Assembly is being held, or on 15th April 2020 at the latest. Missing this deadline does not have a repercussion in loosing 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.

XI. Participants in the General Assembly are kindly invited to arrive to the reception desk of the Company at least one hour 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.

XII. If a quorum is not present at the General Assembly called for the 30th April 2020, as provided in Article 29 of the Company Articles of Association, the next General Assembly will be held on 29th May 2020 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

Ad 2) Annual financial statements of Podravka Inc. and Annual consolidated financial statements by Podravka Group for the business year 2019 with reports by authorised auditors based on Article 300 d of the Companies Law have been verified by the Company Management and Supervisory Boards and they are not subject to voting. The stated financial statements have been published at the Zagreb Stock Exchange, HANFA, HINA and Company web site (www.podravka.com).

The Report of the Company Supervisory Board on performed supervision over the Company managing business in 2019 has been published at the Zagreb Stock Exchange, HANFA, HINA Company web site and there can be a discussion under this item, but the General Assembly makes no resolutions.

Ad 3) Passing a Resolution on the Company profit distribution for the year 2019:

I

It is determined that net profit of PODRAVKA Inc., M.B. 03454088, OIB 18928523252 (hereinafter: the Company) for the year 2019 stated in the audited Annual Financial Statements of the Company, amounts HRK 145.189.103,67.

II

The net profit of the Company for year 2019 from item I of this Decision shall be allocated as follows:

- legal reserves in the amount of HRK 7.259.455,18
- other reserves in the amount of HRK 73.849.621,49
- retained (undistributed) profit in the amount of HRK 64.080.027,00.

Ad 4) Passing a Resolution on discharging the Company Management Board president and members for the year 2019:

Discharge is given to the president and members of the Company Management Board in respect of their duties carried out in managing the Company in the year 2019.

Ad 5) Passing a Resolution on discharging the Company Supervisory Board president and members for the year 2019:

Discharge is given to the president and members of the Company Supervisory Board by which their duties and supervision over managing Company business in the year 2019 have been approved.

Ad 6) Passing a Resolution on providing authority to the Company Management Board on acquiring own Company shares:

I.

Pursuant to the provisions of Article 233 of the Companies Act, General Assembly provides authority to the Company Management Board to acquire own Company shares with the ticker PODR-R-A during the 5 (five) year period, since the day this Resolution is passed, without further special approval from the Company General Assembly, under the following conditions:

1. total number of own Company shares acquired based on this Resolution, together with own shares that the company is already holding, should not be more than 10% (ten percent) of the Company share capital, at the moment of acquiring;
2. Company Management Board has to acquire own shares in the organized market of securities;
3. price at which own shares are being purchased must not be above 10% (ten percent), i.e. below 10% (ten percent) of the average market price which was realized for those shares during previous trading day;
4. in the business year in which the Company acquired own shares, into the reserves for those shares, in that year, the Company needs to enter a part of the profit and show amounts that correspond to the amounts paid for acquiring of own shares, so that the net assets of the Company shown in the financial reports for the last business year, due to acquiring of own shares do not become smaller than the share capital amount and the reserves which, according to the law, Articles of Association or as decided by the Company General Assembly it needs to have, and which is not to be used for payments to the shareholders;
5. Company Management Board has to report to the first upcoming General Assembly on the reasons and purpose of acquiring of own shares, their number, and portion in the share capital, and on the countervalue on what the Company gave for those shares.

II

With the approval of the Supervisory Board, the Company Management Board may dispose with own shares, which it is already holding or it will acquire them based on the provisions of this resolution by the General Assembly on providing authorisations to the Company Management Board to acquire own shares, even outside organized market (for instance disposing within ESOP program, option shares awarding, Management Board members remuneration program and other programs of disposing with own shares adopted by the Management Board, with previous approval of the Supervisory Board), and that no special decision is required by the Company General Assembly, apart from this resolution, whereby with this item of the resolution by the General Assembly, the right of precedence is excluded for the existing shareholders when disposing with own shares, provided that this resolution be passed with three-quarter majority of all the votes of the share capital represented at the General Assembly during its passing.

Ad 7) Passing a Resolution on appointing the Company auditors for the business year 2020 and determination of their fee:

I In accordance with the recommendation submitted by the Podravka Inc. Audit Committee, the financial statements of the parent company PODRAVKA Food Processing Industry Inc. and of its affiliated companies, along with consolidated financial statements of the PODRAVKA Group for the business year 2020 shall be audited by the authorised auditor company:

ERNST & YOUNG Ltd.
headquartered in Zagreb, Radnička Street 50.

II Podravka Inc. Management Board is authorized to enter in appropriate agreements on audit services with the Auditing Company from previous item in which will be determined remuneration for their work.

Podravka Inc.
Koprivnica