



Koprivnica, 22nd March 2016

- THE ZAGREB STOCK EXCHANGE
- CROATIAN FINANCIAL SERVICES SUPERVISORY AGENCY
- CROATIAN NEWS AGENCY
- COMPANY WEB SITE

**Re: Sessions of the Management and the Supervisory Board of PODRAVKA Inc. held
– Notice**

Pursuant to the Capital Market Law and the Zagreb Stock Exchange Rules, we hereby notify that the Management Board and the Supervisory Board of PODRAVKA Inc. as previously announced, held their sessions 22nd March 2016 and adopted the audited Financial Statements of PODRAVKA Group and PODRAVKA Inc. for 2015 and also is determined the decision Proposal on the allocation of profit of PODRAVKA Inc. for the business year 2015 – that will be submitted to the General Assembly of PODRAVKA Inc.

Determined decision Proposal on the allocation of profit of PODRAVKA Inc. for the business year 2015 is enclosed to this Notice.

The stated financial statements and decisions will be published at the Zagreb Stock Exchange, HANFA, HINA and the Company web site.

PODRAVKA Inc.



SUPERVISORY BOARD

No: NO-129-3-2016.
Koprivnica, 22 March 2016

In accordance with Articles 263 par 3 and 280 par 3 of the Company Law (Official Gazette No 152/11 – clear version, 111/12, 68/13 and 110/15) and Article 4 of the Rules of Procedure of the Company Supervisory Board, the Supervisory Board of PODRAVKA Inc. on its 129th session in held on 22nd March 2016 adopted the following

DECISION PROPOSAL

on the allocation of profit of PODRAVKA Inc. for the business year 2015

I

It is determined that net profit of PODRAVKA Inc., M.B. 03454088, OIB 18928523252 (hereinafter: the Company) for the business year 2015 stated in the audited Annual Financial Statements of the Company, amounts HRK 156.971.805,75.

II

The stated profit of the Company for year 2015 shall be allocated to:

- accumulated loss coverage in the amount of HRK 56.821.344,31
- legal reserves in the amount of HRK 5.007.523,07.

III

It is accepted that dividend to shareholders of PODRAVKA Inc., owners of ordinary shares under the ticker PODR-R-A, shall be paid out in the gross amount of 7.00 HRK per share. Dividend shall be paid out to all shareholders that are registered as shareholders at the Central Depository & Clearing Company Inc. on June 3rd 2016 (record date). Date on which securities of PODRAVKA Inc. will be traded without dividend payment right is June 2nd 2016 (ex date). Dividend payment claim will be due on July 1st 2016 (payment date).

IV

A part of the retained earnings of the Company from the business year 2015 shall be used for dividend payment according to item III of this Proposal of Decision.

V

After the net profit of the Company is being allocated according to item II and III of this Proposal of Decision, the last part of net profit shall be carried to other reserves.

Accounted amount of dividend for treasury shares of the Company shall be allocated to retained earnings.

VI

This Decision Proposal will be submitted to the General Assembly of the Company.

President of the Supervisory Board:

Dubravko Štimac, v.r.