

**INVITATION TO THE GENERAL SHAREHOLDERS' MEETING OF VARTEKS d.d.
Varazdin**

Pursuant to article 277 of the Companies Act, the Management Board of Varteks d.d. decided at a meeting held on June 15, 2012 to convene a General Shareholders' Meeting for Varteks d.d. Varazdin, thus company shareholders are hereby invited to the

**GENERAL SHAREHOLDERS' MEETING OF VARTEKS d.d.
to be held**

**at noon on Friday, September 7, 2012 in Varazdin (Hotel «Turist»)
Aleja kralja Zvonimira 1**

The following

A G E N D A

is proposed for the ordinary General Shareholders' Meeting:

1. Opening of the General Shareholders' Meeting, determination of present and represented shareholders
2. Annual reports for 2011
 - a) Management Report on the State of the Company
 - b) Auditor's Report
 - c) Supervisory Board Report on the Supervision of Company Operations
 - d) Annual Financial Statements and Consolidated Financial Statements of Varteks Group for 2011
3. Decision on 2011 Loss Coverage
4. Approval of the actions of the members of the Management Board in 2011
5. Approval of the actions of the members of the Supervisory Board in 2011
6. Auditor selection for 2012

PROPOSED DECISIONS

Ad 2 The Management Board and Supervisory Board propose to the General Shareholders' Meeting the passing of the following decisions:

- a) Adoption of the Management Report on the State of the Company for 2011
- b) Adoption of the Auditor's Report for 2011
- c) Adoption of the Supervisory Board Report on the Supervision of Company Operations for 2011
- e) Adoption of the Annual Financial Statements and the Consolidated Financial Statements of Varteks Group for 2011

Ad 3 Adoption of a decision to cover the loss of HRK 60,328,044.48 realized in 2011, which will be partially covered from capital reserves amounting to HRK 17,748,231.16, while the remaining loss of HRK 42,579,813.32 will be covered from future profits.

Ad 4 Approval of the actions of the members of the Management Board in 2011

Ad 5 Approval of the actions of the members of the Supervisory Board in 2011

Ad 6 HLB Revidicon d.o.o. from Varazdin will be selected as the company's auditor for 2012.

The company's Management Board is authorized to conclude the relevant audit agreements with the selected auditing company and to determine the compensation for its work.

INVITATION TO SHAREHOLDERS

The Invitation to the General Shareholders' Meeting which the Management Board and Supervisory Board of Varteks d.d. are submitting for consideration and adoption by the General Shareholders' Meeting of Varteks d.d. will be published in the Official Gazette, at the Zagreb Stock Exchange, HANFA (Croatian Agency for Supervision of Financial Services), HINA (Croatian News Agency) and on the website of Varteks d.d.

All persons cumulatively meeting the following conditions are entitled to partake in the General Shareholders' Meeting and to make use of their right to vote: persons registered as owners in the Share Registry at the Central Depository and Clearing Company in Zagreb who submit an application for participation no later than August 31, 2012.

Shareholders may also realize their right to vote at the General Shareholders' Meeting through plenipotentiaries pursuant to the provisions of the Companies Act and the Articles of Association of Varteks d.d.

Plenipotentiaries representing shareholders at the General Shareholders' Meeting are required to provide a power of attorney.

Shareholders can view the General Shareholders' Meeting materials serving as the basis for decision-making at the company's headquarters every working day from 8 a.m. to noon, from the day after the release of this invitation to the day the General Shareholders' Meeting is held, i.e. at the following location:

- in Varazdin, Zagrebacka 94, Legal Affairs and Corporate Management Sector
Varteks d.d. Varazdin

In the event that no quorum is given at the General Shareholders' Meeting, another General Shareholders' Meeting with the same agenda will take place at the same location at noon on September 14, 2012 if shareholders or plenipotentiaries thereof jointly holding shares with a nominal value exceeding 30 percent of the share capital are present.

VARTEKS d.d.
Varazdin