

No. SB-65-6-2024
Koprivnica, 4th April 2024

Pursuant to Article 263, item 3 and Articles 300.c and 300.d of the Companies Law ("Official Gazette" no. 152/11 - clear version, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23 and 130/23), the Supervisory Board of Podravka Inc., at its 65th session held on 4th April 2024, accepted the

**REPORT OF PODRAVKA Inc. SUPERVISORY BOARD
ON PERFORMED SUPERVISION OVER PODRAVKA Inc.
MANAGING BUSINESS IN 2023**

During 2023, the Supervisory Board of Podravka Inc. (hereinafter: the "Supervisory Board") preformed its function in composition as follows:

- Damir Grbavac – president,
- Luka Burilović – deputy president,
- Damir Čukman (from 1.7.2023), Marina Dabić (to 30.6.2023), Damir Felak, Ksenija Horvat, Ante Jelčić (from 17.5.2023), Tomislav Kitonić (to 30.6.2023), Petar Miladin, Darko Prpić (from 1.7.2023) and Krunoslav Vitelj – Supervisory Board members.

The Supervisory Board has, in accordance with its powers defined under the provisions of the Companies Act and the Articles of Association of Podravka Inc., continuously supervised the business operations of Podravka Inc. and Podravka Group in 2023 by making decisions and conclusions over eleven sessions held in 2023.

In supervising of the Podravka Inc. business operations, the Supervisory Board discussed in 2023 all key matters regarding business operations of Podravka Inc. and its related companies and has regularly received written business reports as well as other reports and decisions proposals of the Management Board which, in accordance with the regulations and the Articles of Association of Podravka Inc, it considered and decided upon.

The Supervisory Board was informed by the Management Board on all important business developments, course of business and in general on Podravka Inc. and Podravka Group business.

The Management Board was regularly submitting monthly, quarterly, semi-annual and annual business reports to the Supervisory Board.

In order to be more efficient in performance of its functions, the Supervisory Board acts through the committees as follows: the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Audit Committee acted during 2023 in composition as follows: Ivana Matovina – president of the Audit Committee, Tomislav Kitonić – deputy president of the Audit Committee to 30.6.2023., Darko Prpić as member of the Audit Committee from 21.7.2023 and deputy president of the Audit Committee from 27.10.2023 and Damir Grbavac as member of the Audit Committee.

The Audit Committee held ten sessions in 2023.

The Remuneration Committee acted during 2023 in composition as follows: Luka Burilović – president of the Remuneration Committee and its members as follows: Petar Miladin and Damir Grbavac.

The Remuneration Committee held two sessions in 2023.

The Nomination Committee acted during 2023 in composition as follows: Damir Grbavac - president of the Nomination Committee and its members as follows: Luka Burilović and Krunoslav Vitelj.

The Nomination Committee held three sessions in 2023.

Having examined the management of business operations of Podravka Inc., the Supervisory Board has established that Podravka Inc. preformed in 2023 in accordance with applicable laws, the Articles of Association and other decisions and acts of Podravka Inc.

In accordance with Article 300.c of the Companies Act, the Supervisory Board has examined the Non-consolidated and Consolidated Annual Financial Statements together with the opinion of the independent auditors Ernst&Young Ltd. and Grant Thornton audit Ltd., as submitted by Podravka Inc. Management Board.

The Supervisory Board has determined that Annual Financial Statements of Podravka Inc. and its related companies (Podravka Group Consolidated Statements) and of Podravka Inc. (Company Non-consolidated Statements) for 2023 were constituted in accordance with positions in business records of Podravka Inc. and its related companies, presenting correctly the assets and business status of Podravka Inc. and its related companies.

The Supervisory Board, in accordance with the previously submitted opinion of the Audit Committee, has no objections to the Auditor's Report on the audit performed. Also, the Supervisory Board has no objections to the Annual Report of the Management Board on the Status of the Company and its related companies.

Pursuant to such findings, the Supervisory Board has approved the Annual Financial Statements for 2023 and Auditor's opinion, whereby, pursuant to Article 300.d of the Companies Act, such reports are determined by the Management and the Supervisory Boards.

Constituent parts of the Annual Financial Statements of Podravka Inc. and its related companies for the business year ended 31st December 2023 are as follows:

1. Statement of financial position (Balance sheet)
2. Statement of profit and loss
3. Statement of other comprehensive income
4. Statement of cash flow
5. Statement of changes in equity
6. Notes to financial statements
7. Annual Report of the Management Board on the Status of the Company and its related companies
8. Report on performed audit of the independent auditors Ernst&Young Ltd. and Grant Thornton audit Ltd.

The Supervisory Board agrees with the proposal of the Management Board on the profit distribution of Podravka Inc. for the year 2023, establishing that Company net profit in 2023 amounts 47,400,243.53 EUR and proposal that this amount shall be allocated to legal reserves in the amount of 2,370,012.18 EUR, to other reserves in the amount of 22,246,221.75 EUR, for dividend payment to shareholders of PODRAVKA Inc. in the gross amount of 3,20 EUR per share and the remaining part of net profit shall be retained in retained earnings.

The Supervisory Board consented with the Decision Proposal on the profit distribution of Podravka Inc. for the year 2023 and proposed to the General Assembly of Podravka Inc. to proceed with decision-making.

President of the Supervisory Board:

Damir Grbavac

