

Note: translation in English contains only agenda and proposals of decisions, while full text is published in Croatian

Pursuant to the provisions of Article 277 of the Companies Act (National Gazette 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09), Management Board of Medika, joint stock company for wholesale of drugs and medical supplies, Zagreb, Capraška 1 (hereinafter: „the Company“), has passed the decision on the convocation of the General Assembly with the below mentioned Agenda.

Management Board announces

INVITATION

Regular annual General Assembly will be held in Zagreb on 26 June 2012 beginning at 12:00 at the headquarters of Medika d.d in Zagreb, Capraška 1 in the meeting room at the first floor.

Proposed

Agenda:

1. Determination of presence of shareholders at the General Assembly;
2. Discussion of financial statements for 2011 as prepared by the Management Board and approved by the Supervisory Board, discussion of Auditor's report, Annual Report of Management Board on the status and business operations of the Company and Report of the Supervisory Board;
3. Passing decision on distribution of profit for 2011.
4. Passing decision on issuing the note of release to the member of the Management Board
5. Passing decision on issuing the note of release to the members of the Supervisory Board
6. Decision on the appointment of auditor of the Company for the year 2012
7. Passing decision on change of the Articles of Association of Medika d.d.
8. Passing Decision on the remuneration for members of the Supervisory Board
9. Passing decision on withdrawing shares from listing on regulated market

Proposed decisions of the General Assembly:

Ad 3) The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:
Profit of the Company for the financial year 2011 in the net amount of HRK 12,445,271.00 will be distributed to retained earnings.

Ad 4) The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:
The note of release is given to the Management Board by which the work in 2011 is approved.

Ad 5) The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

The note of release is given to the Supervisory Board by which the work in 2011 is approved.

Ad 6) The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

KPMG Croatia d.o.o. is appointed as the auditor of the Company for year 2012.

Ad 7) The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

In accordance with the article 301 of the Companies Act, General Assembly as at 28.06.2012 passes the following **DECISION on complete change of the Articles of Association of Medika d.d.** (*Note: the Articles of Association are not translated in English*)

Ad 8) The Supervisory Board proposes to the General Assembly to adopt the following decision:

Remuneration for members of the Supervisory Board is determined as follows:

Remuneration for President of the Supervisory Board of the Company is HRK 4,000.00 monthly, remuneration for vice-president of Supervisory Board of the Company is HRK 3,500.00 monthly and remuneration for the members of the Supervisory Board is HRK 3,000.00 monthly. The Company will calculate and make payment for all mandatory contributions on the stated amount.

Decision on remuneration for the members of the Supervisory Board is applicable from the registration of the changes of the Articles of Association in the Register of the Trade Court in Zagreb, and is valid until it is recalled.

Ad 9) The Management Board and Supervisory Board propose to the General Assembly to adopt the following decision:

Decision on withdrawing shares from listing on regulated market.

1. Medika d.d. Zagreb, Capraška 1, enrolled in the Register of Trade Court in Zagreb under MBS 080027531 withdraws shares from the listing on regulated market – Zagreb Stock Exchange, ticker MDKA-R-A, nominal value HRK 2,000.00 each, that are kept in the depositary of Central depositary and clearing company Zagreb.

2. The Company irrevocably declares that it is obliged to repurchase shares from all shareholders who vote against this Decision at fair compensation.

3. As fair compensation is considered average price of share achieved at Zagreb Stock Exchange calculated as weighted average of all prices achieved at Zagreb Stock Exchange in the last three months prior to publishing the Invitation to the General Assembly in the National Gazette.

4. This decision is registered in the Register of the Trade Court in Zagreb and is effective from the date of registration, if it is passed with needed majority of shareholders' votes.

Materials that are used as basis for discussion for the point 3 of the Agenda are available to the shareholders for review in the headquarters of Medika d.d., Zagreb, Capraška 1, from the date of the publishing of this invitation to the date of General Assembly, every working day from 10:00 to 13:00, at secretary in the Management Board Office and on the web site of the Company www.medika.hr.

All shareholders have the right to attend and the right to use voting rights if they fulfil the following conditions:

1. Is registered as a shareholder of the Company with the Central Depository & Clearing Company Inc. Six days prior to the date of the General Assembly
2. Has in written form delivered to the Company his/her intention to attend the General Assembly at least six days prior to the date of General Assembly

Applications have to be delivered to the Company at the address stated in the Invitation, or to be given to Ms. Pešut, not later than 21 June 2012.

Shareholders can be represented by shareholder's proxy based on the valid written power of authority which is issued by the shareholder or which on behalf of a shareholder which is a legal person is issued by a person who is under law authorized to represent them. Forms are available on the web site of the Company www.medika.hr, and will be delivered to the shareholders via mail.

Shareholders can execute their rights from the article 278, paragraph 2 of the Companies Act, under the condition that the request is received by the Company not later than 28.05.2012, that is 30 days prior to the date of the General Assembly, not taking into concern the day the request is received by the Company.

Shareholders can execute their rights from the article 278, paragraph 1 of the Companies Act, under the condition that the proposition is received by the Company not later than 13.06.2012, that is 14 days prior to the date of the General Assembly, not taking into concern the day the request is received by the Company.

Further explanation regarding execution of rights from article 278, paragraph 2, article 282, paragraph 1, article 283 and article 287 paragraph 1 are available at web site of the Company www.medika.hr.

All announcements from article 280 a of Companies Act are available on web site of the Company www.medika.hr.

Medika d.d.