

**INTERIM REPORT
for I-III 2021
Group Medika**

April 2021

Management interim report

Comment on the business results for the first quarter of 2021

Medika Group („the Group“) has realised total revenue in the first three months of 2021 in amount of HRK 1 billion 6.1 million which is by 7.0% lower comparing to the same period of previous year.

Sales revenues which amount to HRK 999.9 million for the first three months of 2021 are by 7.05% lower comparing to the same period of previous year.

Share of sales revenues in the total revenue is 99.39% while in the same period of previous year it was 99.44%.

Other operating revenues which amount to HRK 4.1 million are lower by HRK 612 thousand comparing to the same period of previous year. Share of other operating revenues in total revenue was only 0.44 % in the first three months of 2020, and in the first three months of 2021 is only 0.41%.

Out of the total sales revenues, 99.93% revenues are generated on domestic market, while 0.07% is generated on the foreign market. In the first three months of 2020, 99.73% revenues were generated on domestic market, while 0.27% were generated on the foreign market.

Material expenses amount to HRK 939.0 million and are 6.55% lower comparing to the same period of previous year, which is in accordance with the decrease of sales. Since the operating expenses are decrease in higher percentage, share of material expenses in the operating expenses is higher by 0.78 percentage point comparing to the same period of previous year and amounts to 95.42%.

Employee expenses are lower by 5.82% comparing to the same period of previous year. Their share in the total expenses amounts to 2.98% and increased by 0.05 percentage points compared to the same period last year. This decrease was significantly affected by the average number of employees, which is lower in the first three months of 2021 compared to the same period of the previous year.

Finance income has increased compared to the same period of the previous year for HRK 841 thousand, which is 155.98%. Finance income relates to interest income.

Finance expenses have decreased compared to the same period of previous year by HRK 639 thousand, which is 26.79%, mostly affected by lower costs of net negative FOREX.

Gross margin in the first three months of 2020 amounted to 7.49%, while in the first three months of 2021 amounts to 7.03%, which is decrease by 0.46 percentage point.

Gross profit (profit before taxation) amounts to HRK 20.2 million, while in the same period of previous year amounted to HRK 17.7 million, which is an increase of HRK 2.5 million, or 14.25%. Higher gross profit is result of greater decrease of total expenses (decrease of 7.35% comparing to the same period of previous year mostly due to the decrease in operating expenses) in relation to the decrease of total income (decrease of 7.00% comparing to the same period of previous year due to the decrease in operating income).

Operative earnings amount to HRK 20.0 million and are by HRK 1.2 million, which is 6.51% higher comparing to the same period of previous year. Higher operative earnings are result of greater decrease of operating expenses (decrease of 7.31% comparing to the same period of previous year) in relation to the decrease of operating income (decrease of 7.07% comparing to the same period of previous year).

Realised net profit amounts to HRK 16.6 million.

Transactions with the related parties in the first three months of 2021 generated total net revenues in amount of HRK 15.7 million, which is by 3.58% higher of generated revenue in the same period of previous year when it amounted to HRK 15.2 million.

Trade goods purchased from the related parties amount to HRK 37.3 million, while in the same period of the previous year amounted to HRK 47.5 million, which is decrease of HRK 10.2 million, that is 21.59%.

Total assets amount to HRK 2 billion 901.2 million which is by 11.91% higher comparing to the beginning of the year.

Long term tangible and intangible assets did not significantly change compared to the beginning of the year.

Long term financial assets mostly relate to the investment in related parties and to the given loans. Long term financial assets amount to HRK 33.2 million and are by HRK 746 thousand lower compared to the beginning of the year, which was significantly affected by loan repayment.

Deferred tax assets are by 8.63% lower compared to the beginning of the year.

Short term assets amount to HRK 2 billion 406.5 million which is 14.57% higher compared to the beginning of the year. In the structure of short term assets receivables and financial assets have increased, while cash in bank and on hand and inventory have decreased compared to the beginning of the year.

Inventory amounts to HRK 367.8 million and has decreased by HRK 5.8 million comparing to the beginning of the year, which is 1.54% due to lower procurement affected by decrease in sales.

Total short term receivables amount to HRK 2 billion 3.7 million and are higher for HRK 360.4 million, which is 21.93%, comparing to the beginning of the year. Trade receivables, receivables from related parties and receivables from participating parties amount to HRK 1 billion 996.6 million and have increased by 22.21% comparing to the beginning of the year as a result of slower collection.

Cash in bank and on hand amounts to HRK 29.8 million and is lower by HRK 48.7 million compared to the beginning of the year.

Long term liabilities amount to HRK 128.2 million, out of which HRK 5.9 million relate to finance lease liabilities, HRK 17.7 million to deferred tax liabilities, HRK 39.6 million to liabilities based on operating lease agreement (in accordance with IFRS 16 Leases) and HRK 65.0 million to liabilities for long-term loan. Long term liabilities are higher for HRK 68.0 million comparing to the beginning of the year which was significantly affected by the change in maturity of part of short-term loans in the amount of HRK 65.0 million.

Short term liabilities amount to HRK 2 billion 207.0 million out of which the biggest part in amount of HRK 1 billion 712.8 million relates to trade payables and liabilities to related parties and HRK 437.3 million to indebtedness (HRK 433.1 million to short term loans and HRK 4.2 million to finance lease).

Trade payables and liabilities to related parties are higher for HRK 87.3 million comparing to the beginning of the year, which is 5.37%.

Total loans liabilities of Medika Group amounts to HRK 498.1 million which is increase of HRK 205.0 million comparing to the beginning of the year, for the liquidity purposes. Of the total indebtedness, on 31 March 2021, HRK 65.0 million relates to long-term loan. All loans are in HRK, and there is no currency risk exposure on these items.

Key events

Total pharmaceutical market in the first three months of 2021 has decreased comparing to the same period of previous year. At the same time, sales of Medika have decreased slightly more which affected a slightly decrease in the market share.

Total indebtedness has increased for HRK 205.0 million compared to the beginning of the year, for the liquidity purposes.

On January 1, 2021, ZU Ljekarna Pirović was merged with ZU Ljekarne Prima Pharma.

Expected future development of the Group

The Company will continue with its core business: distribution of medicinal products and medical devices will strongly develop operations with products that make the core business of the firm.

Development strategy of Prima Pharme is to expand network of pharmacies on whole territory of Croatia.

Treasury shares

As at 31.03.2020, the Company holds 2,940 treasury shares.

Subsidiaries and associates

The Company has subsidiaries Zdravstvena ustanova Ljekarne Prima Pharme and Primus nekretnine d.o.o. Both subsidiaries are fully owned by the Company.

ZU Ljekarne Prima Pharme has 100% of ownership in subsidiaries ZU Ljekarne Delonga, ZU Ljekarne Ines Škoko, Ljekarna Zrinka Kujundžić Bubalo and associate ZU Ljekarne Jagatić in which it holds 49% of ownership.

Related parties

The company with major voting rights, Auctor d.o.o. owns 42.41% of the Company and has 46.99% of shares with voting rights.

Pliva Hrvatska d.o.o., Zagreb owns 25.32% of the Company and has 28.05% of the voting rights. Given the share in the ownership and business transactions with the Company, Pliva Hrvatska has significant influence on the current operations of the Company.

Financial risks and exposure to price risk, credit risk, liquidity and cash flow risk

Within financial risks, foreign exchange risk is significant. The Group realizes majority of its revenue on domestic market in Croatian kuna. The Group's purchase of goods is partly realised on the foreign market. The Group is therefore exposed to foreign exchange risk arising from various changes in foreign exchange rates mainly linked to the EUR. All borrowings are in Croatian kuna.

The Group has part of assets which are interest-bearing so the Group's income and operating cash flows are dependent of changes in market interest rates.

The Group's interest rate risk arises from short term and long term given loans and borrowings with variable interest rates. Borrowings with variable interest rates expose the Group to cash flow interest rate risk. Borrowings with fixed interest rates expose the Group to the fair value interest rate risk exposure.

The Group does not use derivative instruments to actively hedge cash flow and fair value interest rate risk exposure. However, the Group continuously monitors changes in interest rates. Various scenarios are simulated taking into account refinancing, renewal of existing positions and alternative financing.

Price risk arises from a continuous decrease in the price of HZZO's List of medicinal products and administrative approach in determining prices and margins of medicinal products. To lower this risk, the Group focused on increase of variety of products which are not limited by law in respect of the price of the product.

Majority of the credit risk relates to trade receivables. Credit risk is higher when dealing with private owned pharmacies. However, hospital have longer collection period, but there is no risk of unpayment.

The most significant risk within market risks is a long collection period of receivables, especially HZZO and HZZO related receivables. Therefore, a significant amount of working capital is not available what has an influence on cash flows and timely settlement of Medika liabilities.

As these receivables are directly or indirectly related to the receivables from the State institutions, the collection of these receivables should not be classified as a collection of receivables risk. This increases the need for additional financing, which increases finance expenses.

The epidemic caused by the Covid-19 virus, which appeared in Croatia in March 2020, had no significant impact on the operations of the Group, in 2020 and in the first three months of 2021, and Group did not use support provided by the Republic of Croatia to companies whose business was therefore compromised.

³ **Medika** d.d.
ZAGREB, Capraška 1

Jasminko Herceg, dipl.oec.
President of the Management Board



Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2021

to

31.3.2021

Year:

2021

Quarter:

1.

Quarterly financial statements

Registration number (MB):

03209741

Issuer's home Member

State code:

HR

Entity's registration
number (MBS):

080027531

Personal identification
number (OIB):

94818858923

LEI:

7478000000R8ZVGJJO27

Institution
code:

1339

Name of the issuer: **MEDIKA d.d.**Postcode and town: **10000****ZAGREB**Street and house number: **CAPRAŠKA 1**E-mail address: **medika.uprava@medika.hr**Web address: **www.medika.hr**Number of employees
(end of the reporting

901

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

ZU Ljekarne Prima Pharme**Zagreb****0694975****ZU Ljekarne Delonga****Zagreb****1605747****ZU Ljekarne Ines Škoko****Zagreb****2708396****Primus nekretnine d.o.o.****Zagreb****4439856****Ljekarna Zrinka Kujundžić Bubalo mag.pharm.****Solin****80385095**

Bookkeeping firm:

(Yes/No)

(name of the bookkeeping firm)

Contact person:

DIJANA RADMILOVIĆ

(only name and surname of the contact person)

Telephone:

01/2412 551

E-mail address:

medika.uprava@medika.hr

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 31.03.2021

in HRK

| Submitter: Group Medika | | | |
|--|------------|---|---|
| Item | ADP code | Last day of the preceding business year | At the reporting date of the current period |
| 1 | 2 | 3 | 4 |
| A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID | 001 | 0 | 0 |
| B) FIXED ASSETS (ADP 003+010+020+031+036) | 002 | 491.142.129 | 492.778.771 |
| I INTANGIBLE ASSETS (ADP 004 to 009) | 003 | 272.664.942 | 275.106.892 |
| 1 Research and development | 004 | 0 | 0 |
| 2 Concessions, patents, licences, trademarks, software and other rights | 005 | 193.598.919 | 195.450.979 |
| 3 Goodwill | 006 | 78.060.872 | 78.060.872 |
| 4 Advances for the purchase of intangible assets | 007 | 388.178 | 874.082 |
| 5 Intangible assets in preparation | 008 | 150.568 | 720.959 |
| 6 Other intangible assets | 009 | 466.405 | 0 |
| II TANGIBLE ASSETS (ADP 011 to 019) | 010 | 181.714.058 | 181.881.329 |
| 1 Land | 011 | 30.400.331 | 30.400.331 |
| 2 Buildings | 012 | 120.560.548 | 119.343.537 |
| 3 Plant and equipment | 013 | 19.572.738 | 22.271.093 |
| 4 Tools, working inventory and transportation assets | 014 | 6.548.945 | 6.857.666 |
| 5 Biological assets | 015 | 0 | 0 |
| 6 Advances for the purchase of tangible assets | 016 | 37.739 | 2.341 |
| 7 Tangible assets in preparation | 017 | 3.728.937 | 2.143.666 |
| 8 Other tangible assets | 018 | 864.820 | 862.695 |
| 9 Investment property | 019 | 0 | 0 |
| III FIXED FINANCIAL ASSETS (ADP 021 to 030) | 020 | 33.923.220 | 33.177.245 |
| 1 Investments in holdings (shares) of undertakings within the group | 021 | 0 | 0 |
| 2 Investments in other securities of undertakings within the group | 022 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 023 | 0 | 0 |
| 4. Investments in holdings (shares) of companies linked by virtue of participating interests | 024 | 24.194.756 | 24.789.987 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 025 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 026 | 0 | 0 |
| 7 Investments in securities | 027 | 0 | 0 |
| 8 Loans, deposits, etc. given | 028 | 9.728.464 | 8.387.258 |
| 9 Other investments accounted for using the equity method | 029 | 0 | 0 |
| 10 Other fixed financial assets | 030 | 0 | 0 |
| IV RECEIVABLES (ADP 032 to 035) | 031 | 2.093.938 | 1.931.697 |
| 1 Receivables from undertakings within the group | 032 | 0 | 0 |
| 2 Receivables from companies linked by virtue of participating interests | 033 | 0 | 0 |
| 3 Customer receivables | 034 | 2.093.938 | 1.931.697 |
| 4 Other receivables | 035 | 0 | 0 |
| V DEFERRED TAX ASSETS | 036 | 745.971 | 681.608 |
| C) CURRENT ASSETS (ADP 038+046+053+063) | 037 | 2.100.439.118 | 2.406.509.367 |
| I INVENTORIES (ADP 039 to 045) | 038 | 373.563.411 | 367.800.141 |
| 1 Raw materials and consumables | 039 | 541.768 | 534.965 |
| 2 Work in progress | 040 | 0 | 0 |
| 3 Finished goods | 041 | 0 | 0 |
| 4 Merchandise | 042 | 370.347.054 | 365.476.551 |
| 5 Advances for inventories | 043 | 2.674.589 | 1.788.625 |
| 6 Fixed assets held for sale | 044 | 0 | 0 |
| 7 Biological assets | 045 | 0 | 0 |
| II RECEIVABLES (ADP 047 to 052) | 046 | 1.643.337.056 | 2.003.703.275 |

| | | | |
|---|------------|----------------------|----------------------|
| 1 Receivables from undertakings within the group | 047 | 15.000 | 10.000 |
| 2 Receivables from companies linked by virtue of participating interests | 048 | 23.720.641 | 33.714.042 |
| 3 Customer receivables | 049 | 1.609.970.576 | 1.962.868.990 |
| 4 Receivables from employees and members of the undertaking | 050 | 29.591 | 41.442 |
| 5 Receivables from government and other institutions | 051 | 5.496.276 | 3.707.530 |
| 6 Other receivables | 052 | 4.104.972 | 3.361.271 |
| III CURRENT FINANCIAL ASSETS (ADP 054 to 062) | 053 | 5.070.821 | 5.188.771 |
| 1 Investments in holdings (shares) of undertakings within the group | 054 | 0 | 0 |
| 2 Investments in other securities of undertakings within the group | 055 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 056 | 0 | 0 |
| 4 Investments in holdings (shares) of companies linked by virtue of participating interests | 057 | 0 | 0 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 058 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 059 | 0 | 0 |
| 7 Investments in securities | 060 | 0 | 0 |
| 8 Loans, deposits, etc. given | 061 | 5.070.821 | 5.188.771 |
| 9 Other financial assets | 062 | 0 | 0 |
| IV CASH AT BANK AND IN HAND | 063 | 78.467.830 | 29.817.180 |
| D) PREPAID EXPENSES AND ACCRUED INCOME | 064 | 881.399 | 1.902.313 |
| E) TOTAL ASSETS (ADP 001+002+037+064) | 065 | 2.592.462.646 | 2.901.190.451 |
| OFF-BALANCE SHEET ITEMS | 066 | 146.642.127 | 138.887.225 |
| LIABILITIES | | | |
| A) CAPITAL AND RESERVES (ADP 068 to | 067 | 545.526.418 | 563.325.462 |
| I INITIAL (SUBSCRIBED) CAPITAL | 068 | 209.244.420 | 209.244.420 |
| II CAPITAL RESERVES | 069 | -7.657.921 | -7.657.921 |
| III RESERVES FROM PROFIT (ADP 071+072-073+074+075) | 070 | 61.886.379 | 61.886.379 |
| 1 Legal reserves | 071 | 18.548.510 | 18.548.510 |
| 2 Reserves for treasury shares | 072 | 48.811.980 | 48.811.980 |
| 3 Treasury shares and holdings (deductible item) | 073 | -37.187.824 | -37.187.824 |
| 4 Statutory reserves | 074 | 0 | 0 |
| 5 Other reserves | 075 | 31.713.713 | 31.713.713 |
| IV REVALUATION RESERVES | 076 | 0 | 0 |
| V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082) | 077 | 0 | 0 |
| 1 Financial assets at fair value through other comprehensive income (i.e. available for sale) | 078 | 0 | 0 |
| 2 Cash flow hedge - effective portion | 079 | 0 | 0 |
| 3 Hedge of a net investment in a foreign operation - effective portion | 080 | 0 | 0 |
| 4 Other fair value reserves | 081 | 0 | 0 |
| 5 Exchange differences arising from the translation of foreign operations (consolidation) | 082 | 0 | 0 |
| VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085) | 083 | 205.180.117 | 283.240.513 |
| 1 Retained profit | 084 | 205.180.117 | 283.240.513 |
| 2 Loss brought forward | 085 | 0 | 0 |
| VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088) | 086 | 76.873.423 | 16.612.071 |
| 1 Profit for the business year | 087 | 76.873.423 | 16.612.071 |
| 2 Loss for the business year | 088 | 0 | 0 |
| VIII MINORITY (NON-CONTROLLING) INTEREST | 089 | 0 | 0 |
| B) PROVISIONS (ADP 091 to 096) | 090 | 1.334.165 | 1.334.165 |
| 1 Provisions for pensions, termination benefits and similar obligations | 091 | 1.334.165 | 1.334.165 |
| 2 Provisions for tax liabilities | 092 | 0 | 0 |
| 3 Provisions for ongoing legal cases | 093 | 0 | 0 |
| 4 Provisions for renewal of natural resources | 094 | 0 | 0 |
| 5 Provisions for warranty obligations | 095 | 0 | 0 |
| 6 Other provisions | 096 | 0 | 0 |

| | | | |
|---|------------|----------------------|----------------------|
| C) LONG-TERM LIABILITIES (ADP 098 to 108) | 097 | 60.201.912 | 128.189.096 |
| 1 Liabilities to undertakings within the group | 098 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 099 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 100 | 0 | 0 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 101 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 102 | 0 | 0 |
| 6 Liabilities to banks and other financial institutions | 103 | 5.823.431 | 70.853.221 |
| 7 Liabilities for advance payments | 104 | 0 | 0 |
| 8 Liabilities to suppliers | 105 | 0 | 0 |
| 9 Liabilities for securities | 106 | 0 | 0 |
| 10 Other long-term liabilities | 107 | 36.683.040 | 39.640.434 |
| 11 Deferred tax liability | 108 | 17.695.441 | 17.695.441 |
| D) SHORT-TERM LIABILITIES (ADP 110 to 123) | 109 | 1.984.008.494 | 2.207.014.993 |
| 1 Liabilities to undertakings within the group | 110 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 111 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 112 | 64.034.757 | 82.311.650 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 113 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 114 | 0 | 0 |
| 6 Liabilities to banks and other financial institutions | 115 | 297.326.208 | 437.272.686 |
| 7 Liabilities for advance payments | 116 | 2.344.202 | 23.796 |
| 8 Liabilities to suppliers | 117 | 1.561.456.400 | 1.630.532.404 |
| 9 Liabilities for securities | 118 | 0 | 0 |
| 10 Liabilities to employees | 119 | 13.023.101 | 9.684.266 |
| 11 Taxes, contributions and similar liabilities | 120 | 29.123.765 | 31.458.896 |
| 12 Liabilities arising from the share in the result | 121 | 0 | 0 |
| 13 Liabilities arising from fixed assets held for sale | 122 | 0 | 0 |
| 14 Other short-term liabilities | 123 | 16.700.061 | 15.731.295 |
| E) ACCRUALS AND DEFERRED INCOME | 124 | 1.391.657 | 1.326.735 |
| F) TOTAL – LIABILITIES (ADP 067+090+097+109+124) | 125 | 2.592.462.646 | 2.901.190.451 |
| G) OFF-BALANCE SHEET ITEMS | 126 | 146.642.127 | 138.887.225 |

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021 to 31.03.2021

in HRK

Submitter: Group Medika

| Item | ADP code | Same period of the previous year | | Current period | |
|---|------------|----------------------------------|----------------------|----------------------|----------------------|
| | | Cumulative | Quarter | Cumulative | Quarter |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I OPERATING INCOME (ADP 002 to 006) | 001 | 1.080.484.289 | 1.080.484.289 | 1.004.086.319 | 1.004.086.319 |
| 1 Income from sales with undertakings within the group | 002 | 0 | 0 | 0 | 0 |
| 2 Income from sales (outside group) | 003 | 1.075.728.042 | 1.075.728.042 | 999.941.958 | 999.941.958 |
| 3 Income from the use of own products, goods and services | 004 | 0 | 0 | 0 | 0 |
| 4 Other operating income with undertakings within the group | 005 | 0 | 0 | 10.000 | 10.000 |
| 5 Other operating income (outside the group) | 006 | 4.756.247 | 4.756.247 | 4.134.361 | 4.134.361 |
| II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029) | 007 | 1.061.749.031 | 1.061.749.031 | 984.131.568 | 984.131.568 |
| 1 Changes in inventories of work in progress and finished goods | 008 | 0 | 0 | 0 | 0 |
| 2 Material costs (ADP 010 to 012) | 009 | 1.004.832.539 | 1.004.832.539 | 939.029.617 | 939.029.617 |
| a) Costs of raw materials and consumables | 010 | 3.852.570 | 3.852.570 | 3.412.789 | 3.412.789 |
| b) Costs of goods sold | 011 | 995.165.867 | 995.165.867 | 929.686.326 | 929.686.326 |
| c) Other external costs | 012 | 5.814.102 | 5.814.102 | 5.930.502 | 5.930.502 |
| 3 Staff costs (ADP 014 to 016) | 013 | 31.108.132 | 31.108.132 | 29.297.721 | 29.297.721 |
| a) Net salaries and wages | 014 | 19.578.534 | 19.578.534 | 18.437.769 | 18.437.769 |
| b) Tax and contributions from salary costs | 015 | 7.753.713 | 7.753.713 | 7.166.370 | 7.166.370 |
| c) Contributions on salaries | 016 | 3.775.885 | 3.775.885 | 3.693.582 | 3.693.582 |
| 4 Depreciation | 017 | 6.504.375 | 6.504.375 | 7.031.908 | 7.031.908 |
| 5 Other costs | 018 | 20.701.455 | 20.701.455 | 8.726.349 | 8.726.349 |
| 6 Value adjustments (ADP 020+021) | 019 | -598.072 | -598.072 | 45.973 | 45.973 |
| a) fixed assets other than financial assets | 020 | 0 | 0 | 0 | 0 |
| b) current assets other than financial assets | 021 | -598.072 | -598.072 | 45.973 | 45.973 |
| 7 Provisions (ADP 023 to 028) | 022 | -799.398 | -799.398 | 0 | 0 |
| a) Provisions for pensions, termination benefits and similar obligations | 023 | 0 | 0 | 0 | 0 |
| b) Provisions for tax liabilities | 024 | 0 | 0 | 0 | 0 |
| c) Provisions for ongoing legal cases | 025 | -799.398 | -799.398 | 0 | 0 |
| d) Provisions for renewal of natural resources | 026 | 0 | 0 | 0 | 0 |
| e) Provisions for warranty obligations | 027 | 0 | 0 | 0 | 0 |
| f) Other provisions | 028 | 0 | 0 | 0 | 0 |
| 8 Other operating expenses | 029 | 0 | 0 | 0 | 0 |
| III FINANCIAL INCOME (ADP 031 to 040) | 030 | 539.313 | 539.313 | 1.380.556 | 1.380.556 |
| 1 Income from investments in holdings (shares) of undertakings within the group | 031 | 0 | 0 | 0 | 0 |
| 2 Income from investments in holdings (shares) of companies linked by virtue of participating interests | 032 | 0 | 0 | 0 | 0 |
| 3 Income from other long-term financial investment and loans granted to undertakings within the group | 033 | 0 | 0 | 0 | 0 |
| 4 Other interest income from operations with undertakings within the group | 034 | 294 | 294 | 0 | 0 |
| 5 Exchange rate differences and other financial income from operations with undertakings within the group | 035 | 0 | 0 | 0 | 0 |
| 6 Income from other long-term financial investments and loans | 036 | 0 | 0 | 0 | 0 |
| 7 Other interest income | 037 | 539.019 | 539.019 | 1.380.556 | 1.380.556 |
| 8 Exchange rate differences and other financial income | 038 | 0 | 0 | 0 | 0 |
| 9 Unrealised gains (income) from financial assets | 039 | 0 | 0 | 0 | 0 |
| 10 Other financial income | 040 | 0 | 0 | 0 | 0 |
| IV FINANCIAL EXPENSES (ADP 042 to 048) | 041 | 2.383.429 | 2.383.429 | 1.744.806 | 1.744.806 |
| 1 Interest expenses and similar expenses with undertakings within the group | 042 | 294 | 294 | 0 | 0 |
| 2 Exchange rate differences and other expenses from operations with undertakings within the group | 043 | 276 | 276 | 0 | 0 |
| 3 Interest expenses and similar expenses | 044 | 1.451.903 | 1.451.903 | 1.540.156 | 1.540.156 |
| 4 Exchange rate differences and other expenses | 045 | 930.956 | 930.956 | 204.650 | 204.650 |
| 5 Unrealised losses (expenses) from financial assets | 046 | 0 | 0 | 0 | 0 |
| 6 Value adjustments of financial assets (net) | 047 | 0 | 0 | 0 | 0 |
| 7 Other financial expenses | 048 | 0 | 0 | 0 | 0 |
| V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS | 049 | 776.507 | 776.507 | 595.232 | 595.232 |
| VI SHARE IN PROFIT FROM JOINT VENTURES | 050 | 0 | 0 | 0 | 0 |
| VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST | 051 | 0 | 0 | 0 | 0 |
| VIII SHARE IN LOSS OF JOINT VENTURES | 052 | 0 | 0 | 0 | 0 |
| IX TOTAL INCOME (ADP 001+030+049 +050) | 053 | 1.081.800.109 | 1.081.800.109 | 1.006.062.107 | 1.006.062.107 |
| X TOTAL EXPENDITURE (ADP 007+041+051 + 052) | 054 | 1.064.132.460 | 1.064.132.460 | 985.876.374 | 985.876.374 |
| XI PRE-TAX PROFIT OR LOSS (ADP 053-054) | 055 | 17.667.649 | 17.667.649 | 20.185.733 | 20.185.733 |
| 1 Pre-tax profit (ADP 053-054) | 056 | 17.667.649 | 17.667.649 | 20.185.733 | 20.185.733 |

| | | | | | |
|---|------------|-------------------|-------------------|-------------------|-------------------|
| 2 Pre-tax loss (ADP 054-053) | 057 | 0 | 0 | 0 | 0 |
| XII INCOME TAX | 058 | 3.073.642 | 3.073.642 | 3.573.662 | 3.573.662 |
| XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059) | 059 | 14.594.007 | 14.594.007 | 16.612.071 | 16.612.071 |
| 1 Profit for the period (ADP 055-059) | 060 | 14.594.007 | 14.594.007 | 16.612.071 | 16.612.071 |
| 2 Loss for the period (ADP 059-055) | 061 | 0 | 0 | 0 | 0 |
| DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations) | | | | | |
| XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064) | 062 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit from discontinued operations | 063 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss on discontinued operations | 064 | 0 | 0 | 0 | 0 |
| XV INCOME TAX OF DISCONTINUED OPERATIONS | 065 | 0 | 0 | 0 | 0 |
| 1 Discontinued operations profit for the period (ADP 062-065) | 066 | 0 | 0 | 0 | 0 |
| 2 Discontinued operations loss for the period (ADP 065-062) | 067 | 0 | 0 | 0 | 0 |
| TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations) | | | | | |
| XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062) | 068 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit (ADP 068) | 069 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss (ADP 068) | 070 | 0 | 0 | 0 | 0 |
| XVII INCOME TAX (ADP 058+065) | 071 | 0 | 0 | 0 | 0 |
| XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071) | 072 | 0 | 0 | 0 | 0 |
| 1 Profit for the period (ADP 068-071) | 073 | 0 | 0 | 0 | 0 |
| 2 Loss for the period (ADP 071-068) | 074 | 0 | 0 | 0 | 0 |
| APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements) | | | | | |
| XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077) | 075 | 0 | 0 | 0 | 0 |
| 1 Attributable to owners of the parent | 076 | 0 | 0 | 0 | 0 |
| 2 Attributable to minority (non-controlling) interest | 077 | 0 | 0 | 0 | 0 |
| STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS) | | | | | |
| I PROFIT OR LOSS FOR THE PERIOD | 078 | 14.594.007 | 14.594.007 | 16.612.071 | 16.612.071 |
| II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87) | 079 | 0 | 0 | 0 | 0 |
| III Items that will not be reclassified to profit or loss (ADP 081 to 085) | 080 | 0 | 0 | 0 | 0 |
| 1 Changes in revaluation reserves of fixed tangible and intangible assets | 081 | 0 | 0 | 0 | 0 |
| 2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income | 082 | 0 | 0 | 0 | 0 |
| 3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk | 083 | 0 | 0 | 0 | 0 |
| 4 Actuarial gains/losses on the defined benefit obligation | 084 | 0 | 0 | 0 | 0 |
| 5 Other items that will not be reclassified | 085 | 0 | 0 | 0 | 0 |
| 6 Income tax relating to items that will not be reclassified | 086 | 0 | 0 | 0 | 0 |
| IV Items that may be reclassified to profit or loss (ADP 088 to 095) | 087 | 0 | 0 | 0 | 0 |
| 1 Exchange rate differences from translation of foreign operations | 088 | 0 | 0 | 0 | 0 |
| 2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income | 089 | 0 | 0 | 0 | 0 |
| 3 Profit or loss arising from effective cash flow hedging | 090 | 0 | 0 | 0 | 0 |
| 4 Profit or loss arising from effective hedge of a net investment in a foreign operation | 091 | 0 | 0 | 0 | 0 |
| 5 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 092 | 0 | 0 | 0 | 0 |
| 6 Changes in fair value of the time value of option | 093 | 0 | 0 | 0 | 0 |
| 7 Changes in fair value of forward elements of forward contracts | 094 | 0 | 0 | 0 | 0 |
| 8 Other items that may be reclassified to profit or loss | 095 | 0 | 0 | 0 | 0 |
| 9 Income tax relating to items that may be reclassified to profit or loss | 096 | 0 | 0 | 0 | 0 |
| V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096) | 097 | 0 | 0 | 0 | 0 |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097) | 098 | 14.594.007 | 14.594.007 | 16.612.071 | 16.612.071 |
| APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements) | | | | | |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101) | 099 | 0 | 0 | 0 | 0 |
| 1 Attributable to owners of the parent | 100 | 0 | 0 | 0 | 0 |
| 2 Attributable to minority (non-controlling) interest | 101 | 0 | 0 | 0 | 0 |

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2021 to 31.03.2021

in HRK

| Submitter: Group Medika | | | |
|--|------------|----------------------------------|---------------------|
| Item | ADP code | Same period of the previous year | Current period |
| 1 | 2 | 3 | 4 |
| Cash flow from operating activities | | | |
| 1 Pre-tax profit | 001 | 17.667.649 | 20.185.733 |
| 2 Adjustments (ADP 003 to 010): | 002 | 18.585.452 | 9.070.370 |
| a) Depreciation | 003 | 6.504.376 | 7.031.908 |
| b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets | 004 | -200.354 | -460.977 |
| c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets | 005 | -598.080 | 45.973 |
| d) Interest and dividend income | 006 | -1.315.820 | -1.380.556 |
| e) Interest expenses | 007 | 1.451.903 | 1.540.156 |
| f) Provisions | 008 | -801.147 | 0 |
| g) Exchange rate differences (unrealised) | 009 | 12.336.959 | 1.658.097 |
| h) Other adjustments for non-cash transactions and unrealised gains and losses | 010 | 1.207.615 | 635.769 |
| I Cash flow increase or decrease before changes in working capital (ADP 001+002) | 011 | 36.253.101 | 29.256.103 |
| 3 Changes in the working capital (ADP 013 to 016) | 012 | -49.228.435 | -275.191.315 |
| a) Increase or decrease in short-term liabilities | 013 | 230.631.608 | 80.491.880 |
| b) Increase or decrease in short-term receivables | 014 | -190.867.350 | -361.407.057 |
| c) Increase or decrease in inventories | 015 | -88.992.693 | 5.723.862 |
| d) Other increase or decrease in working capital | 016 | 0 | 0 |
| II Cash from operations (ADP 011+012) | 017 | -12.975.334 | -245.935.212 |
| 4 Interest paid | 018 | -1.456.977 | -1.008.236 |
| 5 Income tax paid | 019 | -682.750 | -1.650.327 |
| A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019) | 020 | -15.115.061 | -248.593.775 |
| Cash flow from investment activities | | | |
| 1 Cash receipts from sales of fixed tangible and intangible assets | 021 | 222.369 | 556.440 |
| 2 Cash receipts from sales of financial instruments | 022 | 0 | 0 |
| 3 Interest received | 023 | 540.775 | 1.375.966 |
| 4 Dividends received | 024 | 0 | 0 |
| 5 Cash receipts from repayment of loans and deposits | 025 | 2.105.954 | 1.609.460 |
| 6 Other cash receipts from investment activities | 026 | 10.019 | 0 |
| III Total cash receipts from investment activities (ADP 021 to 026) | 027 | 2.879.117 | 3.541.866 |
| 1 Cash payments for the purchase of fixed tangible and intangible assets | 028 | -956.569 | -4.528.790 |
| 2 Cash payments for the acquisition of financial instruments | 029 | 0 | 0 |
| 3 Cash payments for loans and deposits for the period | 030 | 0 | 0 |
| 4 Acquisition of a subsidiary, net of cash acquired | 031 | 0 | 0 |
| 5 Other cash payments from investment activities | 032 | 0 | -6.876 |
| IV Total cash payments from investment activities (ADP 028 to 032) | 033 | -956.569 | -4.535.666 |
| B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033) | 034 | 1.922.548 | -993.800 |
| Cash flow from financing activities | | | |
| 1 Cash receipts from the increase in initial (subscribed) capital | 035 | 0 | 0 |
| 2 Cash receipts from the issue of equity financial instruments and debt financial instruments | 036 | 0 | 0 |
| 3 Cash receipts from credit principals, loans and other borrowings | 037 | 120.000.000 | 205.000.000 |
| 4 Other cash receipts from financing activities | 038 | 0 | 0 |

| | | | |
|---|------------|---------------------|--------------------|
| V Total cash receipts from financing activities (ADP 035 to 038) | 039 | 120.000.000 | 205.000.000 |
| 1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments | 040 | -100.000.000 | -25.000 |
| 2 Cash payments for dividends | 041 | 0 | 0 |
| 3 Cash payments for finance lease | 042 | -1.318.444 | -1.226.865 |
| 4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital | 043 | 0 | 0 |
| 5 Other cash payments from financing activities | 044 | -2.271.396 | -2.811.210 |
| VI Total cash payments from financing activities (ADP 040 to 044) | 045 | -103.589.840 | -4.063.075 |
| C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045) | 046 | 16.410.160 | 200.936.925 |
| 1 Unrealised exchange rate differences in respect of cash and cash equivalents | 047 | 0 | 0 |
| D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047) | 048 | 3.217.647 | -48.650.650 |
| E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 049 | 53.420.725 | 78.467.830 |
| F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049) | 050 | 56.638.372 | 29.817.180 |

FINANCIAL STATEMENT NOTES
(are compiled for quarterly reporting periods)

Issuer: MEDIKA d.d.

OIB: 94818858923

Reporting period: 01.01.2021. - 31.03.2021.

Financial statements notes, for quarterly periods, include:

a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting quarterly period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 - Interim financial reporting),

Consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS). The consolidated financial statements of the Group have been prepared under the historical cost convention unless stated otherwise.

The preparation of the consolidated financial statements in conformity with International Financial Reporting Standards adopted by the European Union (IFRS) requires the use of certain critical accounting estimates.

On 31 March 2021 compared to the beginning of the year Medika Group increased its credit indebtedness by HRK 205.0 million for current liquidity purposes.

On January 1, 2021, ZU Ljekarna Pirović was merged with ZU Ljekarna Prima Pharma.

Significant business events and transactions in the observed period, which are important for understanding the changes in the Statement of Financial Position and business results are explained in the pdf document - Interim Management Report for I-III 2021 Medika Group, which was published with this document, at the same time, on the web pages of Medika dd www.medika.hr, on the website of the Zagreb Stock Exchange d.d. and was submitted to the Officially appointed mechanism for the central storage of regulated information at the Croatian Financial Services Supervisory Agency.

b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the quarterly reporting period,

The financial statement notes are attached to the audited annual financial statements of the Group Medika. The audited annual financial statements for 2020 are available on the website of Medika d.d. www.medika.hr, on the website of the Zagreb Stock Exchange d.d. and was submitted to Officially appointed mechanism for the central storage of regulated information at the Croatian Financial Services Supervisory Agency.

c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the quarterly reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 - Interim financial reporting),

The Group Medika declares that the same accounting policies are applied in the financial statements for the period 01.01.-31.03.2021. as well as in the annual financial statements for 2020.

d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting)

Group Medika does not perform activities of a seasonal nature

e) other comments prescribed by IAS 34 - Interim financial reporting

Receivables from customers, related companies and participating companies amount to HRK 1 billion 996.6 million and increased by 22.21% compared to the beginning of the year due to slower payment collection.

Reclassification:

AOP 117 Liabilities to employees include short-term provisions.

Assets with the right of use are stated within long-term intangible assets by type of assets, while lease liabilities are stated within other long-term and short-term liabilities.

Interest payable on loans are stated within other short-term liabilities.

f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:

1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number (MBS), personal identification number (OIB) and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration

DATA ON THE PARENT COMPANY:

Name of the issuer: Medika d.d.,

Headquarters: Capraška 1, 10000 Zagreb

Legal form: joint stock company

Country of registration: Republic of Croatia

Entity's registration number (MBS): 080027531

Personal identification number (OIB): 94818858923

2. adopted accounting policies (only an indication of whether there has been a change from the previous period)
Group Medika, during the reporting period, did not change its accounting policies compared to the previous year.

3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately

For the certain part of liabilities to suppliers, leases and loans (which are stated in the balance sheet) Medika Group has issued bank guarantees or debentures as payment security instrument.

Liabilities based on pension provisions are shown in the balance sheet – IAS 19.

4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
Group Medika, in the reporting period 01.01.-31.03.2021., generated consolidated sales revenues in the amount of HRK 999,942 thousand (in the period 01.01.-31.03.2020. HRK 1,075,728 thousand).

5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security
Group Medika, on 31 March 2021, has liabilities that are due after more than 5 years and completely related to operating lease liabilities amount of HRK 8,389 thousand.

Loan liabilities have been secured by pledges over property and equipment with a carrying amount of HRK 121,730 thousand as at 31 March 2021.

6. average number of employees during the current period

Average number of employees of the Group Medika during the current period 01.01.-31.03.2021. is 899 employees (during the period 01.01.-31.03.2020. the average number of employees was 892 employees).

7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries

Group Medika did not capitalize the cost of salaries during the reporting period.

8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year

Deferred tax assets as at 31 March 2021 amounted to HRK 682 thousand and decreased by HRK 64 thousand compared to the beginning of the year.

Deferred tax assets (in thousands of HRK)

| | |
|--------------------------------|------|
| Balance at 31 December 2020 | 746 |
| Tax charged to profit or loss | (64) |
| Tax credited to profit or loss | - |
| Balance at 31 March 2021 | 682 |

9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest in capital, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking

Medika d.d. has 100% stakes in ZU Ljekarne Prima Pharme which holds 49% stakes in ZU Ljekarne Jagatić.

10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares

subscribed during the financial year within the limits of the authorised capital

During the financial year there no subscribed new shares.

Share capital of the Medika Group as at 31 March 2021. is HRK 209,244,420 and is divided into 30,194 shares. The nominal value of one share is HRK 6,930

11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer

Medika Group has no participation certificates, convertible debentures, warrants, options or similar securities or rights

12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability

Not applicable.

13. the name and registered office of the undertaking which draws up the quarterly consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member

Not applicable.

14. the name and registered office of the undertaking which draws up the quarterly consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13

Not applicable.

15. the place where copies of the quarterly consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available

Not applicable.

16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking.

Medika Group has no material arrangements with companies that are not included in the financial statements as 31 March 2021.

17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet

Group Medika has no significant events that occurred after the balance sheet date and are not reflected in the profit and loss account or balance sheet.

Zagreb, 29 April 2021

Pursuant to the articles 462 to 471 of the Capital market Law (Official Gazette 65/18) President of the Management Board Jasminko Herceg provides

STATEMENT OF LIABILITY FOR PREPARING FINANCIAL STATEMENTS OF ISSUER

Temporary unaudited unconsolidated and consolidated financial statements of Medika d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Croatian Accounting Law.

Temporary unaudited unconsolidated and consolidated financial statements for the period 01 January to 31 March 2021 present true and fair view of assets and liabilities, financial position, profit or loss of the Company and the Group.

The interim management report for the temporary unaudited financial statements for the period 01 January to 31 March 2021 presents fair presentation of development and results of the operations and position of the Company and the Group with description of significant risks and uncertainties for the Company and the Group.

Medika d.d.
ZAGREB Capraška 1

Jasminko Herceg
President of the Management Board