

**Management Board interim report
for the temporary unaudited annual
financial statements for 2024
Medika d.d.**

February 2025

Management interim report

Comment on temporary unaudited unconsolidated financial statements for the fourth quarter of the year 2024

In accordance with the prescribed deadlines for submitting financial statements for the fourth quarter of the year 2024, Medika d.d. (the Company) has prepared temporary unaudited financial statements which present approximate balance sheet as of 31 December 2024, approximate profit and loss statement for the fourth quarter of 2024, approximate statement of changes in equity and approximate statement of cash flow.

We point out that these financial statements are temporary and as such are not approved by the Supervisory Board. Furthermore, financial statements are unaudited, and investors should not take them as a basis for their investment decisions, but they should merely use them as approximate info until the publishing of the final results, since there may be differences between temporary and final results.

Publishing the final results (annual audited financial statements) for the Company and the Group is expected by 31 March 2025.

With the above stated, the Management Board does not comment on financial statements but only presents key events for the Company in 2024.

Key events

The total pharmaceutical market in 2024 has increased by 13.75% compared to the previous year. At the same time, sales of Medika d.d. have increased by 15.25% compared to the previous year, which resulted in an increase in the market share by 0.50 percentage points and it is 38,18%.

Total credit indebtedness has increased by EUR 9.8 million compared to the beginning of the year.

At the General Assembly meeting held on 02.05.2024. decisions were passed to pay out the dividend from the retained earnings of the Company to the amount of EUR 5.8 million.

The summary financial statements were prepared on the basis of the same accounting policies, views and calculation methods used in the preparation of the annual financial statements as of 31 December 2023.

Expected future development of the Company

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

Treasury shares

As at 31.12.2024, the Company holds 1,240 treasury shares.

Subsidiaries and associates

The Company has 100% ownership in subsidiaries Ljekarne Prima Pharme.

At the meeting of the Supervisory Board, which was held on 7 November 2023, the Management Board received approval to conduct an abbreviated termination of Primus nekretnine d.o.o. without liquidation. During 2024, Primus nekretnine d.o.o. ceased operations.

Ljekarne Prima Pharme have an associate ZU Ljekarne Jagatić in which it holds 49% of ownership.

Related parties

The company with major voting rights, Auctor d.o.o. owns 48.04% of the Company and has 50.10% of shares with voting rights.

Pliva Hrvatska d.o.o., Zagreb owns 25.32% of the Company and has 26.41% 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

The most significant market risk for the Company is the long collection period for trade receivables, especially HZZO (Croatian State Health Insurance) related receivables. Therefore, a significant share of working capital is not available, which strongly affects the cash flow of the Company and timely settlement of its liabilities.

As the receivables represent, directly or indirectly, amounts owed by state institutions, their collection should not be regarded as probable of default risk. This indirectly increases the need for additional financing, which means additional operating costs.

Credit risk arises primarily from trade receivables. The risk is higher when dealing with privately owned pharmacies. Hospitals, on the other hand, have extended collection periods, but there is no risk of non-settlement.

A part of the Company's assets are interest-bearing assets, as a result of which its revenue and investing cash flows depend on fluctuations in market interest rates.

The Company's interest rate risk arises from its short-term and long-term borrowings at variable rates. Variable-rate borrowings expose the Company to the interest-rate cash flow risk. Fixed-rate borrowings expose the Company to the interest-rate fair value risk.

Price risk arises from continuous decrease in the prices of prescription medicinal products on the HZZO list and administrative approach in determining the prices and margins of medicinal products. To lower this risk, the Company has focused on expanding the lines of products that are not limited by law in respect of the price of the product.

Regarding EU restriction measures, which refers to the consequences of exposure and the impact of the Russian invasion of Ukraine, Medika d.d. declares that it does not have a direct business relationship with entities from Russia or Ukraine, nor it is otherwise directly exposed to those entities in its business.

Nevertheless, the Company's Management Board estimates that an indirect impact on the Company operations is possible due to the impact of the entire economy on global level, mainly due to the increase in the price of energy products, both raw materials, interest rates and inflation that have increased further with the Russian invasion of Ukraine. Given the uncertain extent of the impact of the economy, the Company monitors developments and assesses the impact on business financial situation and cash flows.

³ **Medika** d.d.
ZAGREB, Capraška 1


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



Annex 1

ISSUER'S GENERAL DATA

Reporting period: to
 Year:
 Quarter:

Quarterly financial statements

Registration number (MB): Issuer's home Member State code:
 Entity's registration number (MBS):
 Personal identification number (OIB): LEI:
 Institution code:

Name of the issuer:

Postcode and town:

Street and house number:

E-mail address:

Web address:

Number of employees (end of the reporting):

Consolidated report: (KN-not consolidated/KD-consolidated)

Audited: (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS): _____ Registered office: _____ MB: _____

Bookkeeping firm: (Yes/No) (name of the bookkeeping firm)

Contact person: (only name and surname of the contact person)

Telephone:

E-mail address:

Audit firm: (name of the audit firm)

Certified auditor: (name and surname)

Medika d.d.
 ZAGREB, Capraška 1

BALANCE SHEET
balance as at 31.12.2024

in EUR

Submitter: Medika d.d.			
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	52.788.841	55.858.516
I INTANGIBLE ASSETS (ADP 004 to 009)	003	5.499.782	8.969.210
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	3.884.343	3.255.245
3 Goodwill	006	1.583.328	1.583.328
4 Advances for the purchase of intangible assets	007	24.898	4.086.519
5 Intangible assets in preparation	008	7.213	44.118
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	28.462.858	29.824.515
1 Land	011	3.106.546	3.106.546
2 Buildings	012	13.173.592	12.658.376
3 Plant and equipment	013	3.289.370	3.774.307
4 Tools, working inventory and transportation assets	014	1.212.326	1.790.114
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	108.916	605.123
7 Tangible assets in preparation	017	6.330.796	6.714.576
8 Other tangible assets	018	108.875	107.747
9 Investment property	019	1.132.437	1.067.726
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	14.042.576	11.787.820
1 Investments in holdings (shares) of undertakings within the group	021	13.298.736	10.617.825
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	0	0
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	743.840	1.169.995
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	4.708.179	5.173.834
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	4.708.179	5.173.834
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	75.446	103.137
C) CURRENT ASSETS (ADP 038+046+053+063)	037	358.144.699	381.143.769
I INVENTORIES (ADP 039 to 045)	038	72.476.544	85.494.562
1 Raw materials and consumables	039	25.948	22.212
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	69.911.071	84.294.979
5 Advances for inventories	043	2.539.525	1.177.371
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	244.168.751	285.659.735

1 Receivables from undertakings within the group	047	19.580.839	17.748.254
2 Receivables from companies linked by virtue of participating interests	048	3.987.461	4.708.676
3 Customer receivables	049	219.175.486	262.663.831
4 Receivables from employees and members of the undertaking	050	433	892
5 Receivables from government and other institutions	051	877.098	121.627
6 Other receivables	052	547.434	416.455
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	32.475.734	375.199
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	32.475.734	375.199
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	9.023.670	9.614.273
D) PREPAID EXPENSES AND ACCRUED INCOME	064	90.971	126.674
E) TOTAL ASSETS (ADP 001+002+037+064)	065	411.024.511	437.128.959
OFF-BALANCE SHEET ITEMS	066	18.290.002	17.986.717
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)	067	85.370.126	95.257.771
I INITIAL (SUBSCRIBED) CAPITAL	068	27.778.480	27.778.480
II CAPITAL RESERVES	069	-282.844	-282.844
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	11.067.694	11.067.694
1 Legal reserves	071	2.461.810	2.461.810
2 Reserves for treasury shares	072	6.478.463	6.478.463
3 Treasury shares and holdings (deductible item)	073	-2.081.712	-2.081.712
4 Statutory reserves	074	0	0
5 Other reserves	075	4.209.133	4.209.133
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	31.837.764	41.439.674
1 Retained profit	084	31.837.764	41.439.674
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	14.969.032	15.254.767
1 Profit for the business year	087	14.969.032	15.254.767
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	97.623	105.774
1 Provisions for pensions, termination benefits and similar obligations	091	97.623	105.774
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	5.884.885	5.346.536
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	531.002	186.133
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	4.244.112	4.238.199
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	1.109.771	922.204
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	319.563.371	335.468.508
1 Liabilities to undertakings within the group	110	18.180	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	2.880.000	0
3 Liabilities to companies linked by virtue of participating interests	112	19.991.198	23.930.735
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	32.328	0
6 Liabilities to banks and other financial institutions	115	22.782.916	35.344.597
7 Liabilities for advance payments	116	334.508	392.230
8 Liabilities to suppliers	117	267.209.383	269.763.392
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	1.541.191	1.302.642
11 Taxes, contributions and similar liabilities	120	4.160.692	3.910.233
12 Liabilities arising from the share in the result	121	5.289	5.076
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	607.686	819.603
E) ACCRUALS AND DEFERRED INCOME	124	108.506	950.370
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	411.024.511	437.128.959
G) OFF-BALANCE SHEET ITEMS	126	18.290.002	17.986.717

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2024 to 31.12.2024

Submitter: Medika d.d.

in EUR

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	728.049.484	186.989.903	805.850.817	206.842.447
1 Income from sales with undertakings within the group	002	56.272.104	14.006.647	62.093.553	14.876.775
2 Income from sales (outside group)	003	667.634.839	171.645.432	738.206.980	189.950.799
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	78.129	18.509	73.100	17.173
5 Other operating income (outside the group)	006	4.064.412	1.319.315	5.477.184	1.997.700
II OPERATING EXPENSES (ADP 008+009+010+011+012+013+014+015+016+017+018+019+020+021+022+023+024+025+026+027+028+029)	007	710.277.251	182.162.060	788.380.970	202.101.344
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	691.703.088	176.379.096	767.319.137	197.845.628
a) Costs of raw materials and consumables	010	1.680.313	488.192	1.866.153	474.499
b) Costs of goods sold	011	686.180.804	174.811.190	760.930.867	196.063.622
c) Other external costs	012	3.841.971	1.079.714	4.522.117	1.307.507
3 Staff costs (ADP 014 to 016)	013	10.021.933	2.660.098	11.973.906	3.137.838
a) Net salaries and wages	014	6.271.638	1.678.300	7.510.657	1.981.404
b) Tax and contributions from salary costs	015	2.450.243	639.523	2.908.390	750.496
c) Contributions on salaries	016	1.300.052	342.275	1.554.859	405.938
4 Depreciation	017	2.736.145	736.737	3.126.489	822.653
5 Other costs	018	5.774.751	2.562.148	5.988.052	509.850
6 Value adjustments (ADP 020+021)	019	107.141	-110.212	155.402	-32.609
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	107.141	-110.212	155.402	-32.609
7 Provisions (ADP 023 to 028)	022	-65.807	-65.807	-182.016	-182.016
a) Provisions for pensions, termination benefits and similar obligations	023	6.382	6.382	-182.186	-182.186
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	1.230	1.230	170	170
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	-73.419	-73.419	0	0
8 Other operating expenses	029	0	0	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	2.276.285	503.901	3.137.799	824.025
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	114	0	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	2.276.171	503.901	2.999.160	685.386
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	138.639	138.639
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	1.632.839	525.041	1.875.363	551.004
1 Interest expenses and similar expenses with undertakings within the group	042	18.180	17.423	82.939	15.344
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	1.614.659	507.618	1.792.424	535.660
4 Exchange rate differences and other expenses	045	0	0	0	0
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	0	0	0	0
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	730.325.769	187.493.804	808.988.616	207.666.472
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	711.910.090	182.687.101	790.256.333	202.652.348
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	18.415.679	4.806.703	18.732.283	5.014.124
1 Pre-tax profit (ADP 053-054)	056	18.415.679	4.806.703	18.732.283	5.014.124

2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	3,446,647	890,881	3,477,516	909,476
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	14,969,032	3,915,822	15,254,767	4,104,648
1 Profit for the period (ADP 055-059)	060	14,969,032	3,915,822	15,254,767	4,104,648
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	14,969,032	3,915,822	15,254,767	4,104,648
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	14,969,032	3,915,822	15,254,767	4,104,648
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 01.01.2024 to 31.12.2024

in EUR

Submitter: Medika d.d.			
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	18.415.679	18.732.283
2 Adjustments (ADP 003 to 010):	002	3.356.732	3.222.273
a) Depreciation	003	2.736.145	3.126.488
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-50.233	-103.856
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	107.141	155.402
d) Interest and dividend income	006	-2.276.285	-2.999.158
e) Interest expenses	007	1.632.839	1.875.363
f) Provisions	008	-65.807	-182.015
g) Exchange rate differences (unrealised)	009	226	-1.567
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	1.272.706	1.351.616
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	21.772.411	21.954.556
3 Changes in the working capital (ADP 013 to 016)	012	1.582.432	-49.121.303
a) Increase or decrease in short-term liabilities	013	48.869.868	7.616.637
b) Increase or decrease in short-term receivables	014	-30.821.633	-42.662.590
c) Increase or decrease in inventories	015	-16.465.803	-14.075.350
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	23.354.843	-27.166.747
4 Interest paid	018	-115.572	-107.538
5 Income tax paid	019	-4.505.130	-3.973.672
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	18.734.141	-31.247.957
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	66.957	129.480
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	2.274.962	3.001.516
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	1.271.414	33.053.131
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	3.613.333	36.184.127
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-2.367.044	-7.473.894
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-32.895.977	-900.000
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-35.263.021	-8.373.894
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-31.649.688	27.810.233
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	100.880.000	189.000.000
4 Other cash receipts from financing activities	038	0	0

V Total cash receipts from financing activities (ADP 035 to 038)	039	100.880.000	189.000.000
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-122.885.419	-176.461.398
2 Cash payments for dividends	041	-6.225.110	-5.790.800
3 Cash payments for finance lease	042	-605.180	-501.790
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	-1.921.659	-2.217.685
VI Total cash payments from financing activities (ADP 040 to 044)	045	-131.637.368	-184.971.673
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-30.757.368	4.028.327
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	-43.672.915	590.603
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	52.696.585	9.023.670
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	9.023.670	9.614.273

"FINANCIAL STATEMENT NOTES

(are compiled for quarterly reporting periods)

Issuer: MEDIKA d.d.

OIB: 94818858923

Reporting period: 01.01.2024 - 31.12.2024

Notes to the financial statements for quarterly periods include:

a) an explanation of business events that are significant for understanding the changes in the statement of financial position and business results for the reporting quarter of the issuer compared to the last business year, ie publish information related to these events and update relevant information published in the last annual financial report (paragraphs 15 to 15C IAS 34 - Financial Reporting for Periods during the Year).

Financial statements of Medika d.d. they have been prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS). Financial statements of Medika d.d. they are made using the historical cost method, unless otherwise stated.

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

On 31.12.2024, compared to the beginning of the year, Medika d.d. increased credit indebtedness by EUR 9.8 million.

These financial statements are temporary and as such have not been approved by the Supervisory Board. Furthermore, the financial statements are unaudited and should not serve as a basis for investment decisions for investors, but can possibly only serve as indicative information until the final published results, given that there may be deviations between the interim and final results.

b) information where access to the most recent annual financial statements is provided, in order to understand the information disclosed in the notes to the financial statements prepared for the reporting quarter.

The notes to the financial statements are attached to the audited annual financial statements of Medika d.d. The audited annual financial statements for 2023 are available on the website of Medika d.d. www.medika.hr, on the website of the Zagreb Stock Exchange d.d. and were submitted to the Official Register of Prescribed Information at the Croatian Financial Services Supervisory Agency.

The audited annual financial statements for 2024 will be available on the Medika d.d. website. www.medika.hr, on the website of the Zagreb Stock Exchange d.d. and submitted to the Official Register of Prescribed Information at the Croatian Financial Services Supervisory Agency by March 31, 2025.

c) a statement that the same accounting policies are applied in preparing the financial statements for the quarterly period as in the most recent annual financial statements or, if those accounting policies have changed, a description of the nature and effect of the change (paragraph 16A (a) of IAS 34 Financial Reporting for periods during the year).

The financial statements were prepared on the basis of the same accounting policies, presentations and calculation methods as well as they were in the annual financial statements on 31 December 2023.

d) an explanation of the business results in the event that the issuer performs an activity of a seasonal nature (paragraphs 37 and 38 of IAS 34 - Financial Reporting for Periods during the Year).

Medika d.d. does not perform activities of a seasonal nature.

e) other disclosures prescribed by IAS 34 - Financial Reporting for periods during the year

Non-current intangible assets amount to EUR 9.0 million which is by 63.08% higher comparing to the beginning of the year due to down payment for a new leased premises. Non-current tangible assets amount to EUR 29.8 million which is an increase of EUR 1.4 million, or 4.78% compared to the beginning of the year due to realized investments.

Short-term and long-term receivables from customers, related companies and participating companies amount to EUR 290.3 million and recorded an increase of EUR 42.8 million or 17.31% compared to the beginning of the year.

Reclassification:

AOP 119 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 is stated within other short-term liabilities.

f) in addition to the above information, the following information shall be disclosed in the notes to the financial statements for the quarterly period:

1. name, registered office of the undertaking (address), legal form of the undertaking, country of establishment, registration number of the entity, personal identification number and, if applicable, that the undertaking is in liquidation, bankruptcy, summary winding up or extraordinary administration

Name of the issuer: Medika d.d.,

Headquarters: Capraška 1, 10000 Zagreb

Legal form: joint stock company

Country of establishment: Republic of Croatia

MBS: 080027531

OIB: 94818858923

2. adopted accounting policies (only an indication of whether there has been a change compared to the previous period)

Medika d.d. during the reporting period did not change its accounting policies compared to the previous year.

3. the total amount of any financial liabilities, guarantees or contingencies not included in the balance sheet, as well as an indication of the nature and form of any actual insurance provided; all liabilities relating to the pensions of an entrepreneur within a group or company related to a participating interest are disclosed separately.

For a certain part of liabilities to suppliers and loans (which are shown in the balance sheet) Medika d.d. issued guarantees from banks or debentures as collateral.

Liabilities from provisions for pensions are presented in the balance sheet in accordance with IAS-19.

4. the amount and nature of individual items of income or expenditure of exceptional size or occurrence.

Medika d.d. in the reporting period 01.01.-31.12.2024 has generated net sales revenues in the amount of EUR 800.3 million and are 10.55% higher compared to the same period of the previous year (in the period 01.01.-31.12.2023 amount to EUR 723.9 million).

5. amounts owed by the entrepreneur and maturing after more than five years, as well as the total debts of the entrepreneur covered by valuable insurance provided by the entrepreneur, with an indication of the type and form of insurance.

Medika d.d. has no debt over 5 years.

Long-term tangible assets with a net book value as of 31 December 2024 are pledged as collateral for the loan amounts to EUR 15.6 million.

6. average number of employees during the current period.

Average number of employees during the current period 01.01.-31.12.2024. amounts 585 employees (during the period 01.01.-31.12.2023. the average number of employees was 537 employees).

7. if the entrepreneur in the business year in accordance with the regulations capitalized the cost of salaries in part or in full, information on the amount of total employee costs during the year broken down into the amount directly charged to the period and the amount capitalized in the value of assets during the period.

for each part, it shall state separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions to salaries. Medika d.d. did not capitalize the cost of wages during the reporting period.

8. if deferred tax provisions, deferred tax balances at the end of the business year and movements of these balances during the business year are recognized in the balance sheet.

Deferred tax assets on 31.12.2024. amounted to EUR 103 thousand.

9. the name and registered office of each undertaking in which the undertaking, alone or through a person acting in his own name but on behalf of the undertaking, holds a participating share in the capital, showing the amount of capital held, the amount of total capital and reserves, business years of the undertaking concerned, for which the annual financial statements have been adopted; information on capital and reserves and profit or loss may be omitted if the undertaking in question does not publish its balance sheet and is not under the control of another undertaking.

Medika d.d. has 100% stake in Ljekarne Prima Parme which holds 49% stake in the associated company ZU Ljekarna Jagatić.

At the meeting of the Supervisory Board which was held on 7 November 2023, the Management Board received approval to conduct an abbreviated termination of Primus nekretnine d.o.o. without liquidation. During 2024, Primus nekretnine d.o.o. ceased operations.

10. number and nominal value, or if there is no nominal value, the book value of shares or stakes subscribed during the business year within the authorized capital.

No new shares are subscribed during the business year.

Share capital as at 31.12.2024. is EUR 27.8 million and is divided into 30,194 shares. The nominal value of one share is EUR 920.

11. the existence of any certificates of participation, convertible debentures, guarantees, options or similar securities or rights, indicating their number and the rights they grant.

Medika d.d. has no certificates of participation, convertible debentures, guarantees, options or similar securities or rights.

12. name, registered office and legal form of each undertaking in which the undertaking has unlimited liability.

Medika d.d. has no stake in unlimited liability companies.

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 in which the undertaking participates as a controlled member of the group.

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 in which the undertaking participates as a controlled 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 can be obtained, provided that they are available.

Not applicable.

16. the nature and business purpose of undertakings' arrangements not included in the balance sheet and the financial impact of those arrangements on the undertaking, provided that the risks or rewards of such arrangements are material and to the extent necessary to disclose such risks or rewards.

Medika d.d. has no material arrangements with companies that are not included in the financial statements as of 31 December 2024.

17. the nature and financial impact of significant events that occurred after the balance sheet date and were not reflected in the income statement or balance sheet.

Medika d.d. has no significant events that occurred after the balance sheet date and were not reflected in the income statement or loss or balance sheet.

Regarding EU restriction measures, which refers to the consequences of exposure and the impact of the Russian invasion of Ukraine, Company declares that it does not have a direct business relationship with entities from Russia or Ukraine, nor is it otherwise directly exposed to those entities in its business.

Nevertheless, the Company's management estimates that an indirect impact on the Company's operations is possible due to the impact on the entire economy

Zagreb, 28 February 2025

Pursuant to the articles 462 to 471 of the Capital market Law (Official Gazette 65/18, 17/20, 83/21, 151/22 and 85/24) 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 from 01 January to 31 December 2024 present a 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 from 01 January to 31 December 2024 presents a 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.

Jasminko Herceg
President of the Management Board

³ **Medika** d.d.
ZAGREB, Capraška 1