



Medika d.d.

Zagreb, Capraška 1

**Management Board interim report
for the temporary unaudited annual
financial statements for 2020
Medika d.d. Zagreb**

February 2021

Management interim report

Reclassification

In 2020, and for all comparable previous periods, reclassification of account balances was made according to reclassification of audited annual financial statements.

Comment on temporary unaudited unconsolidated financial statements for the fourth quarter of the year 2020

In accordance with the prescribed deadlines for submitting financial statements for the fourth quarter of the year 2020, Medika d.d. (the Company) has prepared temporary unaudited financial statements which present approximate balance sheet as at 31 December 2020, approximate profit and loss statement for the fourth quarter of 2020, 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 of the final results (annual audited financial statements) for the Company and the Group is expected by 31 March 2021.

With the above stated, Management Board does not comment financial statements, but only presents key events for the Company in 2020.

Key events

The total pharmaceutical market in 2020 has increased compared to the previous year. At the same time, sales of Medika d.d. have increased slightly faster compared to the market increase, resulting in a slight increase in market share.

Total indebtedness has decreased for HRK 22.0 million compared to the beginning of the year.

At the General Assembly meeting held on 27.08.2020. decisions were passed to pay out the dividend from the retained earnings of the Company to the amount of HRK 36.0 million. The dividend amounted to HRK 1,320.00 per share.

Expected future development of the Company

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.

Treasury shares

As at 31.12.2020, 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. At the end of 2019, the Company entered into a contract with the buyer for the transfer of a business interest in the subsidiary Primus nekretnine d.o.o. and it has been reclassified to assets held for sale. Since the contract was terminated in the meantime, the investments in the associated company Primus nekretnine d.o.o. have been reclassified or returned from category assets held for sale to the category of long-term financial assets.

ZU Ljekarne Prima Pharme has 100% of ownership in subsidiaries ZU Ljekarne Delonga, ZU Ljekarne Ines Škoko, ZU Ljekarna Pirović, 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. In the course of the financial restructuring of Auctor d.o.o., in 2019, ownership of Auctor d.o.o. was transferred to Auctor Holding a.s., resulting in an indirect change of ownership of Medika's shares.

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 Company realizes majority of its revenue on domestic market in Croatian kuna. The Company's purchase of goods is partly realised on the foreign market. The Company 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 so the Company is not exposed to foreign exchange risk from this part.

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

The Company'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 Company to cash flow interest rate risk. Borrowings with fixed interest rates expose the Company to the fair value interest rate risk exposure.

The Company does not use derivative instruments to actively hedge cash flow and fair value interest rate risk exposure. However, the Company 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 Company 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 pandemic caused by the Covid-19 virus, which appeared in Croatia in March 2020, did not have a significant impact on the company's operations, and Medika d.d. did not use any support provided by the Republic of Croatia to companies whose business was affected by the pandemic.


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

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2020

to

31.12.2020

Year:

2020

Quarter:

4.

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:

74780000O0R8ZVGJJO27

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

495

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(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: **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)

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Medika d.d.
ZAGREB, Capraška 1

BALANCE SHEET
balance as at 31.12.2020.

in HRK

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	288.422.687	305.000.489
I INTANGIBLE ASSETS (ADP 004 to 009)	003	29.523.740	36.464.639
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	17.540.269	24.010.403
3 Goodwill	006	11.929.586	11.929.586
4 Advances for the purchase of intangible assets	007	17.280	374.082
5 Intangible assets in preparation	008	36.605	150.568
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	160.079.907	158.645.918
1 Land	011	23.406.270	23.406.270
2 Buildings	012	111.971.327	107.675.773
3 Plant and equipment	013	18.703.205	18.839.578
4 Tools, working inventory and transportation assets	014	3.014.659	2.576.429
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	201.027	31.000
7 Tangible assets in preparation	017	1.929.098	3.271.048
8 Other tangible assets	018	854.321	845.820
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	92.607.223	109.837.493
1 Investments in holdings (shares) of undertakings within the group	021	80.000.000	100.199.330
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	12.607.223	9.638.163
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	4.386.753	1.635.092
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	4.386.753	1.635.092
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	1.825.064	417.347
C) CURRENT ASSETS (ADP 038+046+053+063)	037	1.889.592.528	2.096.516.668
I INVENTORIES (ADP 039 to 045)	038	369.560.059	336.643.083
1 Raw materials and consumables	039	114.200	119.297
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	342.755.666	333.880.976
5 Advances for inventories	043	6.490.863	2.642.810
6 Fixed assets held for sale	044	20.199.330	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	1.468.107.468	1.681.671.971
1 Receivables from undertakings within the group	047	100.767.189	117.818.029
2 Receivables from companies linked by virtue of participating interests	048	22.514.675	23.720.641
3 Customer receivables	049	1.338.855.146	1.531.882.678
4 Receivables from employees and members of the undertaking	050	33.018	29.313
5 Receivables from government and other institutions	051	4.345.068	5.339.555
6 Other receivables	052	1.592.372	2.881.755
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	5.617.170	5.120.821
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	50.000
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	5.617.170	5.070.821
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	46.307.831	73.080.793
D) PREPAID EXPENSES AND ACCRUED INCOME	064	835.904	859.895
E) TOTAL ASSETS (ADP 001+002+037+064)	065	2.178.851.119	2.402.377.052
OFF-BALANCE SHEET ITEMS	066	127.268.833	146.642.127

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	427.042.955	451.783.230
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 (ADP 078 to 080)	077	0	0
1 Fair value of financial assets 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
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	106.525.460	127.594.797
1 Retained profit	082	106.525.460	127.594.797
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	57.044.617	60.715.555
1 Profit for the business year	085	57.044.617	60.715.555
2 Loss for the business year	086	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	439.780	961.788
1 Provisions for pensions, termination benefits and similar obligations	089	439.780	961.788
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	0
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	6.745.743	12.122.732
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	4.686.053	5.823.431
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	2.059.690	6.299.301
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	1.737.829.022	1.936.250.525
1 Liabilities to undertakings within the group	108	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	50.807.170	64.034.757
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	0	0
6 Liabilities to banks and other financial institutions	113	303.874.169	282.534.541
7 Liabilities for advance payments	114	4.377.787	2.343.096
8 Liabilities to suppliers	115	1.349.747.392	1.551.504.994
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	8.799.205	8.332.383
11 Taxes, contributions and similar liabilities	118	17.424.603	24.769.259
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	2.798.696	2.731.495
E) ACCRUALS AND DEFERRED INCOME	122	6.793.619	1.258.777
F) TOTAL = LIABILITIES (ADP 067+088+095+107+122)	123	2.178.851.119	2.402.377.052
G) OFF-BALANCE SHEET ITEMS	124	127.268.833	146.642.127

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2020. to 31.12.2020.

in HRK

Submitter: Medika d.d.

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 126 to 130)	125	3.530.383.698	923.954.944	3.851.971.385	949.826.549
1 Income from sales with undertakings within the group	126	281.776.603	69.297.907	310.496.557	76.228.306
2 Income from sales (outside group)	127	3.232.197.580	849.134.685	3.524.619.512	869.142.781
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	538.958	129.822	535.197	135.949
5 Other operating income (outside the group)	130	15.870.557	5.392.530	16.320.119	4.319.513
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	3.456.428.563	914.772.714	3.773.715.191	926.306.740
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	3.350.105.602	880.482.910	3.660.662.138	896.997.414
a) Costs of raw materials and consumables	134	11.884.660	3.554.327	10.028.129	2.549.396
b) Costs of goods sold	135	3.313.217.675	868.347.543	3.632.855.251	888.950.544
c) Other external costs	136	25.003.267	8.581.040	17.778.758	5.497.474
3 Staff costs (ADP 138 to 140)	137	61.397.569	15.569.482	66.046.469	16.173.761
a) Net salaries and wages	138	37.458.529	9.559.588	40.644.346	10.028.582
b) Tax and contributions from salary costs	139	15.946.479	3.979.281	16.646.623	3.996.282
c) Contributions on salaries	140	7.992.561	2.030.613	8.755.500	2.148.897
4 Depreciation	141	14.409.150	3.658.264	15.229.370	3.840.925
5 Other costs	142	29.405.455	14.658.858	31.436.018	8.744.030
6 Value adjustments (ADP 144+145)	143	323.559	0	-257.951	-48.537
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	323.559	0	-257.951	-48.537
7 Provisions (ADP 147 to 152)	146	787.228	403.200	599.147	599.147
a) Provisions for pensions, termination benefits and similar obligations	147	230.139	230.139	180.953	180.953
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	384.028	0	0	0
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	173.061	173.061	418.194	418.194
8 Other operating expenses	153	0	0	0	0
III FINANCIAL INCOME (ADP 155 to 164)	154	2.062.636	1.176.456	1.739.735	864.242
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	15.447	430
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	2.062.636	1.176.456	1.724.288	863.812
8 Exchange rate differences and other financial income	162	0	0	0	0
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	5.642.721	1.447.564	5.995.704	1.639.233
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	5.590.279	1.400.577	5.796.917	1.646.896
4 Exchange rate differences and other expenses	169	52.442	46.987	198.787	-7.663
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	176	0	0	0	0
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	3.532.446.334	925.131.400	3.853.711.120	950.690.791
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	3.462.071.284	916.220.278	3.779.710.895	927.945.973
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	70.375.050	8.911.122	74.000.225	22.744.818
1 Pre-tax profit (ADP 177-178)	180	70.375.050	8.911.122	74.000.225	22.744.818
2 Pre-tax loss (ADP 178-177)	181	0	0	0	0
XII INCOME TAX	182	13.330.433	2.266.926	13.284.670	4.058.697
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	57.044.617	6.644.196	60.715.555	18.686.121
1 Profit for the period (ADP 179-182)	184	57.044.617	6.644.196	60.715.555	18.686.121
2 Loss for the period (ADP 182-179)	185	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 187-188)	186	0	0	0	0

1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-186)	191	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 179+186)	192	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
XVII INCOME TAX (ADP 182+189)	195	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196	0	0	0	0
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	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 200+201)	199	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	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	202	57.044.617	6.644.196	60.715.555	18.686.121
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	0	0	0	0
1 Exchange rate differences from translation of foreign operations	204	0	0	0	0
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	0	0	0	0
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	0
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	0	0
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	57.044.617	6.644.196	60.715.555	18.686.121
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 216+217)	215	0	0	0	0
1 Attributable to owners of the parent	216	0	0	0	0
2 Attributable to minority (non-controlling) interest	217	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2020. to 31.12.2020.

in HRK

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	70.375.050	74.000.225
2 Adjustments (ADP 003 to 010):	002	25.121.228	21.746.941
a) Depreciation	003	14.409.150	15.229.370
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-308.489	-165.052
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	324.322	-257.951
d) Interest and dividend income	006	-2.062.636	-1.739.735
e) Interest expenses	007	5.590.279	5.796.917
f) Provisions	008	402.174	-574.195
g) Exchange rate differences (unrealised)	009	1.730.519	-2.674.912
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	5.035.909	6.132.499
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	95.496.278	95.747.166
3 Changes in the working capital (ADP 013 to 016)	012	-77.841.137	3.681.887
a) Increase or decrease in short-term liabilities	013	215.802.010	211.451.869
b) Increase or decrease in short-term receivables	014	-252.571.307	-214.355.129
c) Increase or decrease in inventories	015	-39.983.685	6.585.147
d) Other increase or decrease in working capital	016	-1.088.155	0
II Cash from operations (ADP 011+012)	017	17.655.141	99.429.053
4 Interest paid	018	-5.738.247	-6.179.401
5 Income tax paid	019	-1.655.032	-5.195.459
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	10.261.862	88.054.193
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	551.434	802.618
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	2.055.477	1.730.228
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	8.287.625	10.832.493
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	10.894.536	13.365.339
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-11.755.782	-7.886.314
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-2.600.000	-2.300.000
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	-14.355.782	-10.186.314
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-3.461.246	3.179.025
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	600.000.000	885.000.000
4 Other cash receipts from financing activities	038	0	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	600.000.000	885.000.000
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-556.000.000	-907.000.000
2 Cash payments for dividends	041	-19.077.800	-35.975.280

3 Cash payments for finance lease	042	-3.599.843	-4.751.058
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	-1.451.584	-2.238.078
VI Total cash payments from financing activities (ADP 040 to 044)	045	-580.129.227	-949.964.416
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	19.870.773	-64.964.416
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	581.213	504.160
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	27.252.602	26.772.962
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	19.055.229	46.307.831
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	46.307.831	73.080.793

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

Name of the issuer: MEDIKA D.D.

Personal identification number (OIB): 94818858923

Reporting period:01.01.2020 - 31.12.2020

Notes to financial statements

Medika d.d. states that the same financial policies and calculation methods are applied in the financial statements for the period 01.01.-31.12.2020. as well as in the annual financial statements for 2019.

Significant business events and transactions in the observed period are explained in the Management interim report for I-XII 2020. Medika d.d.

Zagreb, 26 February 2020

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 December 2020 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 December 2020 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.


ZAGREB Capraška 1
Jasminko Herceg
President of the Management Board