

**INTERIM REPORT**  
**for I-IX 2024**  
**Medika Group**

**October 2024**

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## Management interim report

### ***Comment on the business results for the third quarter of 2024***

Medika Group („Group“) has realised total revenue in the first nine months of 2024 in amount of EUR 620.4 million which is by 10.89% higher comparing to the same period of previous year. The increase in total revenues is a result of market growth and increased sales.

Sales revenues which amount to EUR 613.8 million for the first nine months of 2024 are by 10.95% higher comparing to the same period of previous year.

Share of sales revenues in the total revenue is 98.93% while in the same period of previous year it was 98.88%.

Other operating revenues which amount to EUR 4.0 million are lower by 6.17% compared to the same period of previous year. Share of other operating revenues in total revenue was 0.75% in the first nine months of previous year, and in the first nine months of 2024 is 0.64%.

Out of the total sales revenues in the first nine months of 2024, 99.33% revenues are generated on domestic market, while 0.67% is generated on the foreign market. In the first nine months of 2023, 99.56% revenues were generated on domestic market, while 0.44% were generated on the foreign market.

Material expenses amount to EUR 574.4 million and are 10.65% higher comparing to the same period of previous year, which is in accordance with the increase of sales. The share of material expenses in the operating expenses is lower by 0.41 percentage points compared to the same period of previous year and amounts to 95.64%.

Employee expenses are higher by 16.53% compared to the same period of previous year. Their share in the total expenses amounts to 2.60% and increased by 0.12 percentage points compared to the same period previous year. This increase of employee expenses, compared to the previous year, was affected by the higher average number of employees, salary increases for employees during 2023 and 2024 and employment of foreign workers.

Financial income has increased for EUR 541 thousand higher compared to the same period of the previous year.

Financial expenses have increased compared to the same period of previous year by EUR 208 thousand, which is 17.45%. Their share in total expenditures is 0.23%. This increase was affected by average contracted interest rate compared to the realized average interest rate in the same period of previous year.

Gross margin in the first nine months of 2024 amounts 7.35% while in the first nine months of 2023 amounted to 7.05%, which is an increase of 0.30 percentage points.

Gross profit (profit before taxation) amounts to EUR 18.4 million, while in the same period of previous year amounted to EUR 17.7 million, which is an increase of EUR 675 thousand or 3.81%. Higher gross profit is result of lower growth of total expenses (increase of EUR 60.3 million comparing to the same period of previous year) in relation to the increase of total income (increase of EUR 60.9 million comparing to the same period of previous year).

Operative earnings amount to EUR 17.1 million and are by EUR 266 thousand, or 1.58% higher comparing to the same period of previous year. Higher operative earnings are result of higher operating income (increase of EUR 60.3 million comparing to the same period of previous year) in relation to realised operating expenses (which increased by EUR 60.1 million comparing to the same period of previous year).

Realised net profit amounts to EUR 15.0 million.

Transactions with the related parties in the first nine months of 2024 generated total net revenues in amount of EUR 8.6 million, which is 13.28% higher compared to generated revenue in the same period of previous year when it amounted to EUR 7.6 million. The increase is a result of increase sales in ZU Ljekarne Jagatić.

Trade goods purchased from the related parties amounts to EUR 43.7 million, while in the same period of previous year amounted to EUR 35.7 million, which is increase of EUR 8.0 million, or 22.54%.

Total assets amount to EUR 497.1 million which is by 11.59% higher comparing to the beginning of the year.

Long term assets increased by 4.41% compared to the beginning of the year. Non-current intangible assets amount to EUR 46.7 million which is an increase by 6.87% due to down payment for a new leased premises and purchase of a new pharmacy unit. Non-current tangible assets amount to EUR 30.3 million and is higher for EUR 593 thousand, or 2.00% compared to the beginning of the year due to realized investments.

Long term financial assets mostly relate to investments in the associated company ZU Ljekarna Jagatić and long-term given cash loans. Long term financial assets amount to EUR 4.5 million and increased by 6.06% compared to the beginning of the year.

Long term receivables refer to the given merchandise loans to customers (merchandise loans are due receivables that are reprogrammed, and the payment has been agreed in the future periods). Non-current receivables amount to EUR 4.5 million and decreased by EUR 216 thousand compared to the beginning of the year.



Deferred tax asset increased by 1.48% compared to the beginning of the year.

Short term assets amount to EUR 410.7 million which is 13.19% higher compared to the beginning of the year. In the structure of current assets, trade receivables and inventories have increased, while financial assets and cash have decreased compared to the beginning of the year.

Inventory amounts to EUR 88.3 million and has increased by EUR 9.6 million comparing to the beginning of the year, or 12.18%, due to increased sales and one new pharmacy.

Total short-term receivables amount to EUR 305.9 million and are higher by EUR 64.7 million, or 26.83%, comparing to the beginning of the year. Trade receivables, receivables from related parties and receivables from participating parties amounts to EUR 304.0 million and have increased by 27.17% compared to the beginning of the year due to slower collection of receivables and sales growth.

Cash in bank and on hand amounts to EUR 3.3 million and record a decrease by EUR 7.1 million compared to the beginning of the year.

Long-term liabilities amount to EUR 13.4 million, out of which EUR 5.8 million relates to liabilities under operating leases, EUR 4.0 million to agreed instalments with supplier, EUR 3.3 million relates to deferred tax liability and EUR 270 thousand relates to finance lease liabilities.

Short term liabilities amount to EUR 363.6 million out of which the biggest part in amount of EUR 299.5 million relates to trade payables and companies linked by virtue of participating interests, and EUR 56.0 million to credit indebtedness towards banks and financial institutions (EUR 55.6 million short term credits from banks and EUR 385 thousand financial lease).

Trade payables and payables to related parties are higher by EUR 11.4 million compared to the beginning of the year, or by 3.94%.

Total credit indebtedness of the Group amount to EUR 55.6 million which is an increase of EUR 33.3 million for the purposes of current liquidity. The credit indebtedness of the Medika Group refers entirety to the credit indebtedness of Medika d.d. while the Prima Pharme Group is not in debt. The total amount of credit indebtedness as at 30 September 2024 relates to short-term borrowings.

### **Key events**

In the first nine months of 2024, the pharmaceutical product market increased by 13.19% compared to the same period of the previous year.

Medika's sales increased by 14.64% compared to the same period of the previous year, resulting in an increase in the market share of 0.48 percentage points, and it is 38.20%.

Credit indebtedness increased by EUR 33.3 million compared to the beginning of the year for the liquidity purposes.

### ***Expected future development of the Group***

The Group will continue with its core business, distribution of medicinal products and medical devices and strongly develop operations with products that make the core business of the company.

The development strategy of Ljekarne Prima Pharme is to expand the network of pharmacies throughout the territory of Croatia.

### ***Treasury shares***

As at 30 September 2024 Medika holds 1,240 treasury shares.

### ***Subsidiaries and associates***

The Company Medika d.d. has 100% ownership in subsidiaries Ljekarne Prima Pharme and Primus nekretnine d.o.o.

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

On 01 September 2024, ZU Ljekarna Šeremet was merged to ZU Ljekarne Prima Pharme.

### ***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 Group is the long collection period for trade receivables, especially HZZO (Croatian State Health Insurance) related receivables. Therefore, a significant amount of working capital is not available, which strongly affects the cash flow and timely settlement of Group's 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 funding, which means additional business 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 Group's assets are interest-bearing assets, as a result of which its revenue and investing cash flows depend on fluctuations in market interest rates.

With the introduction of the euro as the official currency in the Republic of Croatia on 1 January 2023, the company's currency risk is significantly reduced.

The Group's interest rate risk arises from its short-term and long-term borrowings at variable rates. Variable-rate borrowings expose the Group to the interest-rate cash flow risk. Fixed-rate borrowings expose the Group 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 Group 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, the Group 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 a direct impact on the Group operations is possible due to the impact of the entire economy on global level, mainly due to the increase in the price of the 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 Group monitors developments and assesses the impact on business financial situation and cash flows.

<sup>3</sup>  **Medika** d.d.  
ZAGREB, Capraška 1  
Jasminko Herceg, dipl.oec.  
President of the Management Board

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:

1.1.2024

to

30.9.2024

Year:

2024

Quarter:

3.

## 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

1018

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

**Ljekarne Prima Pharme****Zagreb****0694975****Primus nekretnine d.o.o.****Zagreb****4439856**

Bookkeeping firm:

(Yes/No)

(name of the bookkeeping firm)

Contact person: **INES BOSNAR ŠMITUC**

(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 30.09.2024

in EUR

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
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	<b>82.532.426</b>	<b>86.172.040</b>
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	<b>43.726.272</b>	<b>46.730.677</b>
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	32.180.350	32.322.772
3 Goodwill	006	11.386.917	11.386.917
4 Advances for the purchase of intangible assets	007	146.351	2.949.898
5 Intangible assets in preparation	008	12.654	71.090
6 Other intangible assets	009	0	0
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	<b>29.695.054</b>	<b>30.287.825</b>
1 Land	011	3.106.546	3.106.546
2 Buildings	012	13.763.430	13.390.541
3 Plant and equipment	013	3.366.065	3.577.866
4 Tools, working inventory and transportation assets	014	1.775.467	2.107.372
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	108.916	92.753
7 Tangible assets in preparation	017	6.330.796	6.818.292
8 Other tangible assets	018	111.397	110.551
9 Investment property	019	1.132.437	1.083.904
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	<b>4.250.555</b>	<b>4.508.111</b>
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	3.482.037	3.209.495
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	768.518	1.298.616
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	<b>4.708.179</b>	<b>4.490.802</b>
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	4.490.802
4 Other receivables	035	0	0
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	<b>152.366</b>	<b>154.625</b>
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	<b>362.800.681</b>	<b>410.662.247</b>
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	<b>78.723.861</b>	<b>88.312.417</b>
1 Raw materials and consumables	039	67.515	62.279
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	76.095.664	87.668.035
5 Advances for inventories	043	2.560.682	582.103
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	<b>241.218.378</b>	<b>305.943.425</b>



1 Receivables from undertakings within the group	047	100	100
2 Receivables from companies linked by virtue of participating interests	048	3.987.461	4.404.336
3 Customer receivables	049	235.062.267	299.594.322
4 Receivables from employees and members of the undertaking	050	464	401
5 Receivables from government and other institutions	051	914.051	250.618
6 Other receivables	052	1.254.035	1.693.648
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	<b>32.475.734</b>	<b>13.140.114</b>
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	13.140.114
9 Other financial assets	062	0	0
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	<b>10.382.708</b>	<b>3.266.291</b>
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	<b>96.830</b>	<b>233.131</b>
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	<b>445.429.937</b>	<b>497.067.418</b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	<b>18.290.002</b>	<b>17.717.819</b>
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)</b>	<b>067</b>	<b>109.691.688</b>	<b>119.217.203</b>
I INITIAL (SUBSCRIBED) CAPITAL	068	27.778.480	27.778.480
II CAPITAL RESERVES	069	-282.844	-282.844
<b>III RESERVES FROM PROFIT (ADP 071+072-073+074+075)</b>	<b>070</b>	<b>11.067.694</b>	<b>11.067.694</b>
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
<b>IV REVALUATION RESERVES</b>	<b>076</b>	<b>0</b>	<b>0</b>
<b>V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)</b>	<b>077</b>	<b>0</b>	<b>0</b>
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
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>	<b>083</b>	<b>51.048.227</b>	<b>65.695.598</b>
1 Retained profit	084	52.096.499	65.695.598
2 Loss brought forward	085	1.048.272	0
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>	<b>086</b>	<b>20.080.131</b>	<b>14.958.275</b>
1 Profit for the business year	087	20.080.131	14.958.275
2 Loss for the business year	088	0	0
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>	<b>089</b>	<b>0</b>	<b>0</b>
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>090</b>	<b>170.803</b>	<b>170.803</b>
1 Provisions for pensions, termination benefits and similar obligations	091	170.803	170.803
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
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>097</b>	<b>13.651.885</b>	<b>13.423.169</b>
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	269.931
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	4.244.112	3.989.661
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	5.539.540	5.826.346
11 Deferred tax liability	108	3.337.231	3.337.231
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	<b>321.631.535</b>	<b>363.620.746</b>
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	19.991.198	22.823.253
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	55.955.798
7 Liabilities for advance payments	116	335.611	7.245
8 Liabilities to suppliers	117	268.100.531	276.630.360
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	2.485.611	1.896.549
11 Taxes, contributions and similar liabilities	120	5.079.314	4.201.590
12 Liabilities arising from the share in the result	121	5.289	3.924
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	2.818.737	2.102.027
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	<b>284.026</b>	<b>635.497</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	<b>445.429.937</b>	<b>497.067.418</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	<b>18.290.002</b>	<b>17.717.819</b>



**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2024 to 30.09.2024

in EUR

Submitter: Group Medika

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>557.401.365</b>	<b>189.567.752</b>	<b>617.724.936</b>	<b>209.317.101</b>
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	553.182.215	187.438.856	613.765.980	207.971.208
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	896	299	796	298
5 Other operating income (outside the group)	006	4.218.254	2.128.597	3.958.160	1.345.595
<b>II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>540.536.019</b>	<b>183.127.433</b>	<b>600.593.659</b>	<b>203.481.542</b>
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	519.159.979	175.893.560	574.429.008	194.265.531
a) Costs of raw materials and consumables	010	1.500.445	512.404	1.649.563	514.817
b) Costs of goods sold	011	514.158.673	174.041.745	568.649.553	192.225.445
c) Other external costs	012	3.500.861	1.339.411	4.129.892	1.525.269
3 Staff costs (ADP 014 to 016)	013	13.391.553	4.686.718	15.604.967	5.384.176
a) Net salaries and wages	014	8.398.046	2.929.112	9.839.630	3.379.830
b) Tax and contributions from salary costs	015	3.362.786	1.192.592	3.899.164	1.363.977
c) Contributions on salaries	016	1.630.721	565.014	1.866.173	640.369
4 Depreciation	017	3.201.963	1.088.482	3.543.930	1.204.718
5 Other costs	018	4.417.528	1.332.526	6.830.052	2.466.294
6 Value adjustments (ADP 020+021)	019	364.996	126.147	189.005	160.816
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	364.996	126.147	189.005	160.816
7 Provisions (ADP 023 to 028)	022	0	0	-3.303	7
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	0	0	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	-3.303	7
8 Other operating expenses	029	0	0	0	0
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>1.772.648</b>	<b>517.350</b>	<b>2.314.027</b>	<b>1.095.980</b>
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	0	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	1.772.648	517.350	2.314.027	1.095.980
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
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>1.193.019</b>	<b>586.255</b>	<b>1.401.203</b>	<b>650.859</b>
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
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	1.193.019	586.255	1.401.203	650.859
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
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	<b>296.035</b>	<b>87.790</b>	<b>371.980</b>	<b>98.504</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>559.470.048</b>	<b>190.172.892</b>	<b>620.410.943</b>	<b>210.511.585</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>541.729.038</b>	<b>183.713.688</b>	<b>601.994.862</b>	<b>204.132.401</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>17.741.010</b>	<b>6.459.204</b>	<b>18.416.081</b>	<b>6.379.184</b>
1 Pre-tax profit (ADP 053-054)	056	17.741.010	6.459.204	18.416.081	6.379.184



2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
<b>XII INCOME TAX</b>	<b>058</b>	<b>2.936.634</b>	<b>996.691</b>	<b>3.457.806</b>	<b>1.163.363</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>14.804.376</b>	<b>5.462.513</b>	<b>14.958.275</b>	<b>5.215.821</b>
1 Profit for the period (ADP 055-059)	060	14.804.376	5.462.513	14.958.275	5.215.821
2 Loss for the period (ADP 059-055)	061	0	0	0	0
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>065</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)</b>	<b>068</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
<b>XVII INCOME TAX (ADP 058+065)</b>	<b>071</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>	<b>075</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	<b>14.804.376</b>	<b>5.462.513</b>	<b>14.958.275</b>	<b>5.215.821</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>	<b>087</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)</b>	<b>097</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>	<b>098</b>	<b>14.804.376</b>	<b>5.462.513</b>	<b>14.958.275</b>	<b>5.215.821</b>
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>	<b>099</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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 30.09.2024

in EUR

Submitter: Group Medika			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	17.741.010	18.416.082
2 Adjustments (ADP 003 to 010):	002	2.483.521	3.428.614
a) Depreciation	003	3.201.963	3.543.929
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-1.076.896	-43.932
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	364.996	189.005
d) Interest and dividend income	006	-1.772.648	-2.314.025
e) Interest expenses	007	1.193.019	1.401.203
f) Provisions	008	0	-3.303
g) Exchange rate differences (unrealised)	009	1.347	1.666
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	571.740	654.071
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>20.224.531</b>	<b>21.844.696</b>
3 Changes in the working capital (ADP 013 to 016)	012	-62.141.560	-66.556.041
a) Increase or decrease in short-term liabilities	013	47.655.522	8.935.301
b) Increase or decrease in short-term receivables	014	-97.643.629	-65.232.517
c) Increase or decrease in inventories	015	-12.153.453	-10.258.825
d) Other increase or decrease in working capital	016	0	0
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>-41.917.029</b>	<b>-44.711.345</b>
4 Interest paid	018	-934.497	-1.211.293
5 Income tax paid	019	-4.873.042	-3.807.655
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>-47.724.568</b>	<b>-49.730.293</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	2.989.992	68.020
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	1.774.364	2.315.548
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	739.797	2.337.690.549
6 Other cash receipts from investment activities	026	275.725	644.522
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>5.779.878</b>	<b>2.340.718.639</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-2.158.328	-5.386.550
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-146.001	-2.318.508.697
4 Acquisition of a subsidiary, net of cash acquired	031	-1.973.755	0
5 Other cash payments from investment activities	032	-467	-10.640
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-4.278.551</b>	<b>-2.323.905.887</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>1.501.327</b>	<b>16.812.752</b>
<b>Cash flow from financing activities</b>			
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	74.000.000	70.000.000
4 Other cash receipts from financing activities	038	0	0

<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>74.000.000</b>	<b>70.000.000</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-59.321.705	-36.711.048
2 Cash payments for dividends	041	-6.225.110	-5.790.800
3 Cash payments for finance lease	042	-451.418	-377.140
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	-860.311	-1.319.888
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-66.858.544</b>	<b>-44.198.876</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>7.141.456</b>	<b>25.801.124</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>-39.081.785</b>	<b>-7.116.417</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>54.177.660</b>	<b>10.382.708</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>15.095.875</b>	<b>3.266.291</b>





## FINANCIAL STATEMENT NOTES

(are compiled for quarterly reporting periods)

Issuer: MEDIKA d.d.

OIB: 94818858923

Reporting period: 01.01.2024. - 30.09.2024.

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 for the issuer's quarter, ie information related to those events is published and relevant information published in the last annual financial report is updated ( paragraphs 15 to 15C of IAS 34 - Financial Reporting for Interim Years),

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

The preparation of consolidated 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 30.09.2024., compared to the beginning of the year, the Group increased credit indebtedness by EUR 33.3 million.

On 01 September 2024, ZU Ljekarna Šeremet was merged to ZU Ljekarne Prima Pharme.

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 pdf document - Interim Management Report for I-IX 2024 Group Medika, which was published simultaneously on this website Medika dd [www.medika.hr](http://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.

b) information where access to the latest annual financial statements is provided, in order to understand the information published in the notes to the financial statements prepared for the reporting quarter,

The notes to the financial statements are included in the audited annual financial statements of the Medika Group. The audited annual financial statements for 2023 are available on the website of Medika d.d. [www.medika.hr](http://www.medika.hr), on the website of the Zagreb Stock Exchange d.d. and was submitted to the Official Register of Prescribed Information at the Croatian Financial Services Supervisory Agency.

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 for Group 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 activities of a seasonal nature (paragraphs 37 and 38 of IAS 34 - Financial Reporting for Periods during the Year)

The Medika Group does not perform activities of a seasonal nature.

e) other disclosures required by IAS 34 - Financial Reporting for the Periods during the year

Non-current intangible assets amount to EUR 46.7 million which is by 6.87% higher comparing to the beginning of the year due to down payment for a new leased premises. Non-current tangible assets amount to EUR 30.3 million which is an increase of EUR 593 thousand, or 2.00% 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 308.5 million and record an increase of EUR 64.7 million or 26.56% 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 periods:

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

PARENT COMPANY INFORMATION:

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)

During the reporting period, the Medika Group 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, leases and loans (which are shown in the balance sheet), the Medika Group issued bank guarantees 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 Group in the reporting period 01.01.-30.09.2024. have generated consolidated net sales revenues in the amount of EUR 613.8 million and are 10.95% higher compared to the same period of the previous year (in the period 01.01.-30.09.2023. amount to EUR 553.2 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 Group on 30.09.2024 have liabilities over 5 years and are entirely related to operating lease liabilities in the amount of EUR 1.8 million.

Long-term tangible assets with a net book value as of 30.09.2024 are pledged as collateral for the loan amounts to EUR 15.8 million.

6. average number of employees during the current period

Average number of employees of the Medika Group during the current period 01.01.-30.09.2024. amounts to 1,009 employees (during the period 01.01.-30.09.2023. the average number of employees was 955 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 separately states the total amount of net salaries and the amount of taxes, contributions from salaries and contributions to salaries

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

8. if provisions for deferred tax, 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 30.09.2024. amounts to EUR 155 thousand and records an increase of 1.48% from the beginning of the year.

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 Primus nekretnine d.o.o. and Ljekarna Prima Pharme which has associated company ZU Ljekarna Jagatić in which it has a 49% stake.

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 30.09.2024. is EUR 27.8 million and is divided into 30,194 shares. The nominal value of one share is EUR 920,00.

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

The Medika Group 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

Not applicable.

13. name and registered office of the undertaking compiling 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 the disclosure of such risks or rewards is necessary to assess the undertaking's financial position.

Medika Group has no material arrangements with companies that are not included in the financial statements as at 30.09.2024.

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

The Medika Group has no significant events that occurred after the balance sheet date and are not reflected in the income statement or balance sheet.

Regarding EU restriction measures, which refers to the consequences of exposure and the impact of the Russian invasion of Ukraine, Group 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 Group's management estimates that an indirect impact on the Group's operations is possible due to the impact on 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 on the economy, the Group monitors developments and assesses the impact on business, financial situation and cash flows.



Zagreb, 29 October 2024

Pursuant to the articles 462 to 471 of the Capital market Law (Official Gazette 65/18, 17/20, 83/21 and 151/22) President of the Management Board Jasminko Herceg provides

### **STATEMENT OF LIABILITY FOR PREPARING FINANCIAL STATEMENTS OF ISSUER**

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.

Unaudited unconsolidated and consolidated financial statements for the period 01 January to 30 September 2024 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 unaudited financial statements for the period 01 January to 30 September 2024 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.

Jasminko Herceg  
*President of the Management Board*

<sup>3</sup> **Medika** d.d.  
ZAGREB, Capraška 1