



Zagreb, Capraška 1

INTERIM REPORT
for I-IX 2021
Group Medika

October 2021

Management interim report

Comment on the business results for the first nine months of 2021

Medika Group („the Group“) has realised total revenue in the first nine months of 2021 in amount of HRK 3 billion 36.3 million, which is by 1.21% higher comparing to the same period of previous year.

Sales revenues which amount to HRK 3 billion 10.0 million for the first nine months of 2021 are by 0.88% higher comparing to the same period of previous year.

Share of sales revenues in the total revenue is 99.14%, while in the same period of previous year it was 99.46%.

Other operating revenues, which amount to HRK 18.0 million, are by 30.12% higher comparing to the same period of previous year, which was most significantly affected by net exchange rate differences from operating activities. Namely, the first nine months of previous year, net exchange rate differences from operating activities were negative (9.5 million HRK) and were reported within operating expenses (other operating expenses), while the same period of the current year net exchange rate differences from operating activities were positive (2.7 million HRK) and are stated within operating revenues (other operating revenues - outside the group).

The share of other operating revenues in total revenues was 0.46% in the first nine months of 2020, and in the first nine months of 2021 it was 0.59%.

Out of the total sales revenues, 99.86% of revenue are generated on the domestic market, while 0.14% is generated on the foreign market. In the first nine months of 2020, 99.80% of revenues were generated on the domestic market, while only 0.20% were generated on the foreign market.

Material costs amount to HRK 2 billion 815.3 million and are 0.76% higher compared to the same period of previous year, which is in line with sales growth. Given that operating expenses recorded a slightly lower growth, amounting to 0.67%, the share of material costs in operating expenses increased by 0.10 percentage points compared to the same period of previous year and amounted to 95.47%.

Employee expenses are 2.25% higher comparing to the same period of previous year. Their share in total expenses amounted to 3.09% and is at the same level as in the same period of previous year. The increase in employee costs was most significantly influenced by the average number of employees, which was higher in the first nine months of 2021 compared to the same period last year.

Finance income has increased comparing to the same period of previous year for HRK 5.5 million. This increase was most significantly influenced by the increase in interest income.

Finance expenses have decreased comparing to the same period of previous year by HRK 1.7 million, which is 31.40%. This decrease was most significantly influenced by lower interest expenses. Their share in total expenditures is 0.13%.

Gross margin in the first nine months of 2020 amounted to 7.24%, while in the first nine months of 2021 amounts to 7.43%.

Gross profit (profit before taxation) amounts to HRK 83.6 million, while in the same period last year amounted to HRK 65.1 million, which is an increase of HRK 18.4 million or 28.32%. Higher gross profit is result of lower increase of total expenses (increase of 0.61% comparing to the same period of the previous year, mainly due to the increase in operating expenses) in relation to the increase of total revenues (increase of 1.21% comparing to the same period of previous year due to the increase in operating income).

Operative earnings amount to HRK 79.1 million and are by HRK 10.9 million or 15.97% higher comparing to the same period of previous year. Higher operative earnings are result of lower increase in operating expenses (increase of 0.67% comparing to the same period of previous year) in relation to an increase of operating income (increase of 1.02% comparing to the same period of previous year).

Realized net profit amounts to HRK 69.4 million.

Transactions with the related parties in the first nine months of 2021 was achieved total net revenues in amount to HRK 48.1 million, which is 9.07% more of generated revenue in the same period of previous year when it amounted to HRK 44.1 million. The increase was due to increased sales to the Prima Pharma Group.

Trade goods purchased from the related parties amount to HRK 119.7 million, while in the same period of previous year amounted to HRK 115.9 million, which is increase of HRK 3.8 million or 3.27%.

Total assets amount to HRK 2 billion 469.8 million which is by 4.73% lower comparing to the beginning of the year.

Long-term intangible assets amount to HRK 281.6 million and are higher by 3.29% comparing to the beginning of the year, which was most significantly influenced by the inclusion of new storage space in fixed assets.

Fixed tangible assets amount to HRK 233.3 million and recorded an increase comparing to the beginning of the year by HRK 51.6 million as a result of the purchase of new land for the needs of the construction of a new logistics and distribution center.

Long term financial assets mostly relate to the investment in related parties and in smaller part to the given loans. It amounts to HRK 30.7 million and records a decrease of 9.60% comparing to the beginning of the year, due to loan repayment.

Long-term receivables refer to the given commodity loans given to customers (commodity loans are due receivables for the sale of goods that are reprogrammed and the payment has been agreed in the future periods). Long-term receivables are higher for 3.16% comparing to the beginning of the year, due to new commodity loans.

Deferred tax assets do not record significant movements compared to the beginning of the year.

Short term assets amount to HRK 1 billion 920.1 million which is 8.58% lower comparing to the beginning of the year. In the structure of short term assets, inventories and financial assets are higher, while receivables and cash in bank and on hand are declining comparing to the beginning of the year.

Inventories amounted to HRK 399.8 million, which is HRK 26.3 million more than at the beginning of the year, i.e. 7.03%.

Total short-term receivables amount to HRK 1 billion 448.8 million and are HRK 194.5 million, which is 11.84%, lower comparing to the beginning of the year. Trade receivables, receivables from related parties and receivables from participating parties amount to HRK 1 billion 440.5 million and have decrease of 11.83% comparing to the beginning of the year due to greater collection in the first nine months of 2021.

Cash at bank and on hand amounts to HRK 66.2 million and has decreased for HRK 12.3 million comparing to the beginning of the year.

In equity, there were changes in the position of treasury shares and capital reserves in the amount of HRK 27.0 million due to the sale of 1,700 shares and in the position of retained earnings due to the payment of dividends from retained earnings of the Company in the amount of HRK 38.2 million.

Long-term liabilities amount to HRK 122.7 million, of which HRK 243 thousand relates to liabilities based on loans and deposits, HRK 4.8 million relates to financial lease liabilities, HRK 17.7 million relates to deferred tax liability, HRK 35.0 million to liabilities based on operating leases agreement (in accordance with IFRS 16 Leases) and HRK 65.0 million on liabilities for long-term loan. Long-term liabilities are higher for HRK 62.5 million comparing to the beginning of the year, which was most significantly affected by the received long-term loan in the amount of HRK 65.0 million.

Short-term liabilities amount to HRK 1 billion 735.5 million, out of which the biggest part in the amount of HRK 1 billion 561.0 million relates to trade payables and liabilities to related parties and HRK 107.7 million to indebtedness (HRK 104.0 million short-term loans and HRK 3.7 million financial lease).

Trade payables and liabilities to related parties are HRK 64.5 million lower comparing to the beginning of the year, which is 3.97%.

Total loans liabilities of Group amounts to HRK 169.0 million, which is a decrease of HRK 124.1 million comparing to the beginning of the year due to loan repayments. On 30.09.2021. HRK 65.0 million relates to a long-term loan. All loans are in HRK and there is no exposure to foreign exchange risk at this balance sheet items.

Key events

The pharmaceutical market in the first nine months of 2021 recorded a growth of 5.88% comparing to the same period of previous year. Medika's sales, although growing by 0.79% due to higher market growth, recorded a decrease in market share.

Credit indebtedness decreased by HRK 119.3 million compared to the beginning of the year due to loan repayment.

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

On April 1, 2021. ZU Ljekarna Prima Pharma takes over the business of Ljekarna Novoselac.

On August 1, 2021. ZU Ljekarna Prima Pharma takes over the business of Ljekarna Jasminka Mišković.

Expected future development of the Group

The company will retain the core business of distributing medicines and medical products and further develop the business with the products that make up the core business of the company.

The development strategy of ZU Prima Pharma is to expand the network of pharmacies throughout Croatia.

Treasury shares

On 30.09.2021. Medika has 1,240 treasury shares. In June 2021, the Company sold 1,700 treasury shares.

Subsidiaries and associates

The company is 100% owned by its subsidiaries Prima Pharma Pharmacy and Primus nekretnine d.o.o.

ZU Ljekarne Prima Pharma is 100% owned by ZU Ljekarna Delonga, ZU Ljekarna Ines Škoko, Ljekarna Zrinka Kujundžić Bubalo, Ljekarna Novoselac and Ljekarna Jasminka Mišković, as well as the associated company ZU Ljekarna Jagatić in which it has a 49% share.

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

Within financial risks, foreign exchange risk is significant. The Group realizes majority of its revenue on domestic market in Croatian kuna. The Group's purchase of goods is partly realised on the foreign market. The Group is therefore exposed to foreign exchange risk arising from various changes in foreign exchange rates mainly linked to the EUR. All borrowings are in Croatian kuna and there is no exposure to currency risk.

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

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

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

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

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

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

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

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



Jasminko Herceg, dipl.oec.

President of the Management Board

ISSUER'S GENERAL DATA

Reporting period:

1.1.2021

to

30.9.2021

Year:

2021

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:

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

921

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

ZU Ljekarne Prima Pharme

Zagreb

0694975

ZU Ljekarne Delonga

Zagreb

1605747

ZU Ljekarne Ines Škoko

Zagreb

2708396

Primus nekretnine d.o.o.

Zagreb

4439856

Ljekarna Zrinka Kujundžić Bubalo mag.pharm.

Solin

80385095

Ljekarna Mišković Jasminka

Cavtat

80069371

Ljekarna Draženka Novoselac

Virovitica

80065813

Bookkeeping firm:

(Yes/No)

(name of the bookkeeping firm)

Contact person:

DIJANA RADMILOVIĆ

(only name and surname of the contact person)

Telephone:

01/2412 551

E-mail address:

medika.uprava@medika.hr

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 30.09.2021

in HRK

Submitter: Group Medika			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	491.142.129	548.528.995
I INTANGIBLE ASSETS (ADP 004 to 009)	003	272.664.942	281.627.290
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	193.598.919	190.420.562
3 Goodwill	006	78.060.872	86.887.354
4 Advances for the purchase of intangible assets	007	388.178	2.648.082
5 Intangible assets in preparation	008	150.568	1.671.292
6 Other intangible assets	009	466.405	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	181.714.058	233.317.873
1 Land	011	30.400.331	30.400.331
2 Buildings	012	120.560.548	117.679.451
3 Plant and equipment	013	19.572.738	21.998.156
4 Tools, working inventory and transportation assets	014	6.548.945	6.424.074
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	37.739	514.396
7 Tangible assets in preparation	017	3.728.937	55.443.020
8 Other tangible assets	018	864.820	858.445
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	33.923.220	30.667.609
1 Investments in holdings (shares) of undertakings within the group	021	0	0
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	0	0
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	24.194.756	24.980.001
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	9.728.464	5.687.608
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	2.093.938	2.160.182
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	2.093.938	2.160.182
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	745.971	756.041
C) CURRENT ASSETS (ADP 038+046+053+063)	037	2.100.439.118	1.920.137.032
I INVENTORIES (ADP 039 to 045)	038	373.563.411	399.819.106
1 Raw materials and consumables	039	541.768	573.960
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	370.347.054	395.009.253
5 Advances for inventories	043	2.674.589	4.235.893
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	1.643.337.056	1.448.796.877
1 Receivables from undertakings within the group	047	15.000	0
2 Receivables from companies linked by virtue of participating interests	048	23.720.641	29.158.919
3 Customer receivables	049	1.609.970.576	1.411.291.148
4 Receivables from employees and members of the undertaking	050	29.591	36.275
5 Receivables from government and other institutions	051	5.496.276	3.681.595
6 Other receivables	052	4.104.972	4.628.940

III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	5.070.821	5.320.853
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0
8 Loans, deposits, etc. given	061	5.070.821	5.320.853
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	78.467.830	66.200.196
D) PREPAID EXPENSES AND ACCRUED INCOME	064	881.399	1.135.699
E) TOTAL ASSETS (ADP 001+002+037+064)	065	2.592.462.646	2.469.801.726
OFF-BALANCE SHEET ITEMS	066	146.642.127	166.551.161
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	545.526.418	607.250.597
I INITIAL (SUBSCRIBED) CAPITAL	068	209.244.420	209.244.420
II CAPITAL RESERVES	069	-7.657.921	-2.131.085
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	61.886.379	83.389.543
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	-15.684.660
4 Statutory reserves	074	0	0
5 Other reserves	075	31.713.713	31.713.713
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	205.180.117	247.366.676
1 Retained profit	084	205.180.117	247.366.676
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	76.873.423	69.381.043
1 Profit for the business year	087	76.873.423	69.381.043
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	1.334.165	1.334.165
1 Provisions for pensions, termination benefits and similar obligations	091	1.334.165	1.334.165
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	60.201.912	122.747.366
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	243.577
6 Liabilities to banks and other financial institutions	103	5.823.431	69.798.719
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	36.683.040	35.009.629
11 Deferred tax liability	108	17.695.441	17.695.441

D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	1.984.008.494	1.735.498.357
1 Liabilities to undertakings within the group	110	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	64.034.757	77.600.068
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	297.326.208	107.658.174
7 Liabilities for advance payments	116	2.344.202	64.929
8 Liabilities to suppliers	117	1.561.456.400	1.483.392.010
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	13.023.101	10.664.713
11 Taxes, contributions and similar liabilities	120	29.123.765	27.405.601
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	16.700.061	28.712.862
E) ACCRUALS AND DEFERRED INCOME	124	1.391.657	2.971.241
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	2.592.462.646	2.469.801.726
G) OFF-BALANCE SHEET ITEMS	126	146.642.127	166.551.161

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021 to 30.09.2021

in HRK

Submitter: Group Medika

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	2.997.501.000	999.400.934	3.027.977.746	1.030.589.118
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	2.983.700.619	995.112.435	3.010.020.996	1.025.510.146
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	0	0	23.000	1.500
5 Other operating income (outside the group)	006	13.800.381	4.288.499	17.933.750	5.077.472
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	2.929.288.261	971.352.862	2.948.871.154	1.004.968.493
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	2.793.900.858	930.582.156	2.815.252.146	958.220.758
a) Costs of raw materials and consumables	010	9.277.237	2.783.262	10.131.156	3.359.074
b) Costs of goods sold	011	2.767.710.447	922.118.171	2.786.516.813	948.755.303
c) Other external costs	012	16.913.174	5.680.723	18.604.177	6.106.381
3 Staff costs (ADP 014 to 016)	013	89.038.657	29.523.476	91.045.489	30.930.371
a) Net salaries and wages	014	55.430.557	18.210.682	57.519.734	19.594.574
b) Tax and contributions from salary costs	015	22.596.806	7.633.115	22.229.744	7.580.793
c) Contributions on salaries	016	11.011.294	3.679.679	11.296.011	3.755.004
4 Depreciation	017	19.927.607	6.734.439	21.615.566	7.352.899
5 Other costs	018	26.628.248	4.473.747	21.174.917	8.609.948
6 Value adjustments (ADP 020+021)	019	-207.109	39.044	-216.964	-145.483
a) fixed assets other than financial assets	020	0	0	17.510	-1
b) current assets other than financial assets	021	-207.109	39.044	-234.474	-145.482
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	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	0	0
8 Other operating expenses	029	0	0	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	879.013	232.430	6.340.704	1.563.847
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	37	37	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	878.976	153.516	6.104.027	1.617.435
8 Exchange rate differences and other financial income	038	0	78.877	236.677	-53.588
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	0	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	5.570.431	1.905.326	3.821.534	825.410
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	5.012.145	1.905.326	3.821.534	825.410
4 Exchange rate differences and other expenses	045	558.286	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	1.618.556	453.072	1.961.246	703.260
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	2.999.998.569	1.000.086.436	3.036.279.696	1.032.856.225
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	2.934.858.692	973.258.188	2.952.692.688	1.005.793.903
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	65.139.877	26.828.248	83.587.008	27.062.322
1 Pre-tax profit (ADP 053-054)	056	65.139.877	26.828.248	83.587.008	27.062.322

2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	11,591,400	4,788,038	14,205,965	4,727,574
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	53,548,477	22,040,210	69,381,043	22,334,748
1 Profit for the period (ADP 055-059)	060	53,548,477	22,040,210	69,381,043	22,334,748
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	53,548,477	22,040,210	69,381,043	22,334,749
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	53,548,477	22,040,210	69,381,043	22,334,749
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100	0	0	0	0
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2021 to 30.09.2021

in HRK

Submitter: Group Medika			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	65.139.877	83.587.008
2 Adjustments (ADP 003 to 010):	002	27.179.694	18.566.270
a) Depreciation	003	19.927.607	21.615.566
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-188.572	-975.274
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-207.109	-216.964
d) Interest and dividend income	006	-2.482.515	-6.104.027
e) Interest expenses	007	4.997.128	3.821.534
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-72.018	-1.261.686
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	5.205.173	1.687.121
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	92.319.571	102.153.278
3 Changes in the working capital (ADP 013 to 016)	012	-272.282.343	104.180.566
a) Increase or decrease in short-term liabilities	013	147.432.220	-70.082.109
b) Increase or decrease in short-term receivables	014	-420.418.204	199.542.873
c) Increase or decrease in inventories	015	703.641	-25.280.198
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	-179.962.772	206.333.844
4 Interest paid	018	-4.018.535	-3.381.389
5 Income tax paid	019	-7.133.637	-7.355.110
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	-191.114.944	195.597.345
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	704.468	2.468.863
2 Cash receipts from sales of financial instruments	022	0	1.523
3 Interest received	023	850.574	6.088.125
4 Dividends received	024	147.000	1.176.000
5 Cash receipts from repayment of loans and deposits	025	9.145.119	5.293.722
6 Other cash receipts from investment activities	026	143.933	7.562
III Total cash receipts from investment activities (ADP 021 to 026)	027	10.991.094	15.035.795
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-12.682.775	-65.307.353
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-750.000	0
4 Acquisition of a subsidiary, net of cash acquired	031	-2.211.451	-10.182.341
5 Other cash payments from investment activities	032	-13.320	-6.876
IV Total cash payments from investment activities (ADP 028 to 032)	033	-15.657.546	-75.496.570
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-4.666.452	-60.460.775
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	707.000.000	381.273.577
4 Other cash receipts from financing activities	038	0	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	707.000.000	381.273.577
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-480.000.000	-478.327.569
2 Cash payments for dividends	041	-35.975.280	-38.155.600

3 Cash payments for finance lease	042	-3.739.849	-3.534.399
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	-8.227.552	-8.660.213
VI Total cash payments from financing activities (ADP 040 to 044)	045	-527.942.681	-528.677.781
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	179.057.319	-147.404.204
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	-16.724.077	-12.267.634
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	53.420.725	78.467.830
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	36.696.648	66.200.196

STATEMENT OF CHANGES IN EQUITY
for the period from 11/1/2021 to 03/31/2022

In HRK

Item	APR Code	Attributable amount of the parent														Total Equity at 12/31/21	Monthly/Quarterly comparing period	Total Equity and LIABILITIES						
		Initial (Subscribed) equity	Special Dividends	Legislative	Retained for Future Periods	Transferred from Future Periods	Shareholder Dividend Reserve	Other Reserves	Retainable Reserves	from the prior comprehensive income (CPI)	Cash flow hedge reserves	Hedge of a net investment in a foreign operation	Other fair value adjustments	Exchange rate differences from foreign operations	Retained Equity from foreign operations				Provisions for Bad Debt					
1 Previous period	01	209,244,420	-7,637,921	18,548,510	48,811,920	37,187,824	0	31,713,715	0	0	0	0	0	0	0	0	0	0	0	504,628,275	0	504,628,275		
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (AOP 01 to 03)	04	209,244,420	-7,637,921	18,548,510	48,811,920	37,187,824	0	31,713,715	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Products of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gain or losses from revaluation measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedges	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive incomes of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actual gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity presented in equity	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Decrease in total (attributable) capital arising from the pre-annulment procedure	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in total (attributable) capital arising from the pre-annulment procedure of from the revaluation of profit	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in total (attributable) capital arising from the pre-annulment procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in total (attributable) capital arising from the revaluation of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Reduction of treasury share holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payment of treasury share holdings	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/losses	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to shareholders	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Transfer to reserves according to the statute	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Increase in reserves arising from the pre-annulment procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (AOP 01 to 23)	24	209,244,420	-7,637,921	18,548,510	48,811,920	37,187,824	0	31,713,715	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the FRFS)																								
1 OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (AOP 06 to 14)																								
OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (AOP 04 to 23)																								
TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECORDED DIRECTLY IN EQUITY (AOP 15 to 23)																								
Current period																								
1 Balance on the first day of the current business year	28	209,244,420	-7,637,921	18,548,510	48,811,920	37,187,824	0	31,713,715	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (AOP 24 to 30)	31	209,244,420	-7,637,921	18,548,510	48,811,920	37,187,824	0	31,713,715	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Products of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gain or losses from revaluation measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedges	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive incomes of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actual gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity presented in equity	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognized directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase in total (attributable) capital arising from the pre-annulment procedure of from the revaluation of profit	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in total (attributable) capital arising from the pre-annulment procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in total (attributable) capital arising from the revaluation of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shareholdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payment of treasury shareholdings	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/losses	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Transfer to reserves according to the statute	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Increase in reserves arising from the pre-annulment procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the current business year reporting period (AOP 31 to 50)	51	209,244,420	-7,637,921	18,548,510	48,811,920	37,187,824	0	31,713,715	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the FRFS)																								
1 OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (AOP 24 to 41)																								
OTHER COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (AOP 32 to 51)																								
TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECORDED DIRECTLY IN EQUITY (AOP 42 to 50)																								
52	53	54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Equity and LIABILITIES																								

"FINANCIAL STATEMENT NOTES
(are compiled for quarterly reporting periods)

Issuer: MEDIKA d.d.

OIB: 94818858923

Reporting period: 01.01.2021. - 30.09.2021.

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 30.09.2021. year in relation to the beginning of the year Medika d.d. reduced credit indebtedness by HRK 119,3 million compared to the beginning of the year.

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

Significant business events and transactions in the observed period, which are important for understanding the changes in the Statement of Financial Position and Business Results are explained in pdf document - Interim Management Report for I-IX 2021 Group Medika, which was published simultaneously on this website Medika dd 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 2020 are available on the website of Medika d.d. www.medika.hr, on the website of the Zagreb Stock Exchange d.d. and was submitted to 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 Medika Group states that the accounting policies are applied in the financial statements for the period 01.01.-30.09.2021. as well as in the annual financial statements for 2020.

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 Receivables from customers, related companies and participating companies amount to HRK 1 billion 440,5 million and record a decrease of 11,83% compared to the beginning of the year due to improved collection.

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

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.-30.09.2021. It generated consolidated sales revenues in the amount of HRK 3,010,021 thousand (in the period 01.01.-30.09.2020, HRK 2,983,701 thousand).

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 30.09.2021. There are liabilities that fall due after more than 5 years and are entirely related to operating lease liabilities in the amount of HRK 6,462 thousand.

Long-term tangible assets with a net book value as of September 30, 2021 are pledged as collateral for the loan amounts to HRK 102,597 thousand.

6. average number of employees during the current period

Average number of employees of the Medika Group during the current period 01.01.-30.09.2021. amounts to 909 employees (during the period 01.01.-30.09.2020. the average number of employees was 893 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 30.09.2021. amounts to HRK 756 thousand and records an increase of HRK 10 thousand from the beginning of the year.

Deferred tax assets (in thousands of HRK)

Situation as on 31 December 2020 746

Income tax on income statement 10

Income tax -

Stand on 30.09.2021. year 756

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 a 100% stake in ZU Ljekarna Prima Pharma, which holds a 49% stake in ZU Ljekarne Jagatić.

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 of the Medika Group as at 30.09.2021. is HRK 209,244,420 and is divided into 30,194 shares. The nominal value of one share is HRK 6,930.

11. the existence of any 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 30.09.2021. years.

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.
“

Zagreb, 28 October 2021

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

STATEMENT OF LIABILITY FOR PREPARING FINANCIAL STATEMENTS OF ISSUER

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

Temporary unaudited unconsolidated and consolidated financial statements for the period 01 January to 30 September 2021 present true and fair view of assets and liabilities, financial position, profit or loss of the Company and the Group.

The interim management report for the temporary unaudited financial statements for the period 01 January to 30 September 2021 presents fair presentation of development and results of the operations and position of the Company and the Group with description of significant risks and uncertainties for the Company and the Group.

Jasminko Herceg
President of the Management Board


3 Medika d.d.
ZAGREB Capraška 1