

Koprivnica, February 27, 2025

## **The Podravka Group increased its revenue in 2024 through strong export growth and completed an investment cycle worth nearly 250 million euros in just three years**

**In 2024, the Podravka Group achieved sales revenue of 766.5 million euros, an increase of 52.7 million euros, or 7.4 percent**, compared to the previous year. Revenue growth was recorded in both segments in which the Group operates. Revenue in the Food segment grew by nearly seven percent, reaching 591.6 million euros, while revenue in the Pharmaceuticals segment, specifically Belupo, increased by 9.2 percent, reaching 174.9 million euros. **The net profit of the Podravka Group amounted to 73.9 million euros. This represents a growth of 7.5 million euros, or 11.3 percent**, compared to 2023.

The results of the Podravka Group in 2024 stem from sales growth in both business segments, Food and Pharmaceuticals. In the Food segment, where nearly 70 percent of revenue is generated in international markets, export revenue grew by 7.4 percent, or 28.2 million euros. At the same time, sales revenue in Croatia increased by 5.6 percent, or 9.8 million euros. The growth in export revenue was particularly notable in the markets of Western Europe, the USA, and Australia. Improved market presence, expanded customer networks and a comprehensive redefinition of pricing policies resulted in a 57.2 percent sales increase in Germany and a 34.6 percent increase in the USA, Canada, and Australia. In Pharmaceuticals, Belupo recorded an eight percent sales increase in international markets and an 11 percent increase in Croatia. Overall, Belupo's sales in 2024 grew by 14.7 million euros.

“We are extremely proud of the business results achieved by the Podravka Group in 2024, as we recorded significant growth in both key segments of our business – Food and Pharmaceuticals. We are particularly pleased with the strong sales growth in all international markets, with outstanding results in Western Europe, the USA, and Australia. Growth in international markets is a key factor in our overall growth, as it provides us with additional stability and prospects for further export growth, which is the primary focus of all our teams. The profit growth confirms the successful management of our business, which, in addition to revenue growth, also includes investments in improving the working conditions and material rights of our employees. What we have achieved in 2024 is a continuation of all previous efforts and a foundation for everything that lies ahead. Strong investments in technology, new products and our team will enable us to continue growing and succeeding. Everything we have achieved so far allows us to look to the future with full confidence, where we will continue expanding our global presence and achieving even greater business successes,” **said Martina Dalić, president of the Management Board of Podravka.**

Last year, Podravka signed a purchase agreement and recently completed the acquisition of the agricultural segment of the Fortenova Group, which includes Belje, PIK Vinkovci, Vupik, Energija Gradec, Belje Agro-Vet, and Felix. The transaction was finalized in early 2025 in partnership with

the European Bank for Reconstruction and Development (EBRD). The acquisition of these agricultural companies represents a significant strategic step for the Podravka Group. Agricultural production has now become the third pillar of the business, alongside the food and pharmaceutical industries. For this reason, Podravka Agri was established to manage the newly acquired agricultural segment, within which the acquired companies will continue to operate as independent entities.

"The acquisition of agricultural companies is an event that guarantees the future success of Podravka and opens up new growth opportunities for the Podravka Group. This move also confirms our commitment to the development of the Croatian economy and domestic agriculture. We have ambitious plans for our new business pillar, which include increasing productivity through technology modernization, as well as investing in infrastructure and human development. This acquisition is an opportunity for all of us, the entire Podravka Group, to build a sustainable and successful future," **emphasized Dalić.**

The past year was also marked by the completion of the strongest investment cycle in the history of the Podravka Group. From its start in 2021 until the end of 2024, nearly 250 million euros were invested in modernization, the introduction of new technologies and digitalization, increasing efficiency and energy efficiency, as well as further improving working conditions. All of this resulted in the new Pasta Factory, a new tomato processing plant, 11 new production lines, 15 new packaging lines, a solar power plant with a capacity of 13.2 MW, a completely renewed company vehicle fleet, modern agricultural machinery, the renovation of the company headquarters and other facilities, air-conditioning of all factories and the construction of a logistics-distribution center with a capacity of 62,000 pallet spaces, which is also the largest single investment of the entire cycle.

The past year was also the first full year in which the new payroll system was used for all employees of Podravka and Belupo. As a reminder, the new system replaced the long-standing tariff system, correcting numerous inconsistencies in job evaluation. Additionally, at the end of last year, the negotiating teams of Podravka, Belupo, and the representative trade unions concluded another round of negotiations, which resulted in the sixth salary increase and improvements to other material rights over the last three years. As a result, from January 1, 2025, the lowest salaries were increased by 13.4 percent, and the highest by around six percent. In the past three years, the average salary of Podravka Inc. employees has increased by about 63 percent compared to December 2021.

"Strengthened by new factories, facilities, suitable working conditions for all employees and now, also, by new companies, Podravka looks confidently to the future, where we see ourselves as leaders in the food processing industry across the entire region," **concluded Dalić.**