

**INTERIM REPORT
for I-IX 2018
Medika d.d. Zagreb**

October 2018

Management interim report

Comment on the business results for the first nine months of 2018

Medika d.d. („Company“) has realised total revenue in the first nine months of 2018 in amount of HRK 2 billion 228.8 million which is by 9.58% higher comparing to the same period of previous year.

Sales revenues which amount to HRK 2 billion 200.5 million for the first nine months of 2018 are by 9,26% higher comparing to the same period of previous year.

Share of sales revenues in the total revenue is 98.73% while in the same period of previous year it was 99.02%.

Other operating revenues which amount to HRK 17.6 million are higher by 40.71% comparing to the same period of previous year. Share of other operating revenues in total revenue was 0.61% in the first nine months of 2017, and in the first nine months of 2018 is 0.79%.

Out of the total sales revenues, 99.95% revenues are generated on domestic market, while 0.05% is generated on the foreign market. This structure in the first nine months of 2018 has not significantly changed comparing to the same period of previous year.

Material expenses amount to HRK 2 billion 78.2 million and are 10.04% higher comparing to the same period of previous year. Since the operating expenses are growing in lower percentage, share of material expenses in the operating expenses is higher by 0.40% comparing to the same period of previous year and amounts to 96.29%.

Employee expenses are higher by 4.25% comparing to the same period of previous year. Their share in the total expenses amounts to 1.94% while in the same period of previous year it amounted to 2.04%. Increase in employee expenses is influenced by higher number of employees.

Impairment of current assets amounts to HRK 3.9 million and is lower compared to the same period of previous year, which is mostly influenced by debt repair for the hospitals at the end of the 2017.

Finance income has increased compared to the same period of the previous year for HRK 3.2 million, which is 42.66%. In the structure of the financial income, interest income is higher for HRK 2.2 million and positive foreign exchange differences are higher for HRK 974 thousand compared to the same period of the previous year. Increase in finance income is influenced by default interest income by the court settlement in March 2018.

Finance expenses have decreased compared to the same period of previous year by HRK 53.7 million, which is 87.20%. Their share in the total expenses is by 2.67% lower compared to the same period of previous year and amounts to 0.36%. Decrease in finance expenses is mostly influenced by 50.0 million value adjustment of loan granted recorded in 2017. Also, in the structure of financial expenses, interest expenses are lower by HRK 3.1 million as a result of lower interest rates and lower indebtedness comparing to the same period of previous year, and negative foreign exchange expenses are lower by HRK 535 thousand.

Gross margin in the first nine months of 2017 amounted to 7.33%, while in the first nine months of 2018 amounts to 6.69%, which is decrease of 0.63%. Decrease is a result of lower increase in net sales revenue comparing to the increase in net cost of goods sold.

Gross profit (profit before taxation) amounts to HRK 62.5 million, while in the same period of previous year amounted to HRK 2.7 million, which is increase of HRK 59.8 million. Higher gross profit is result of greater increase of total revenue (increase of 9.58% comparing to the same period of previous year) in relation to the increase of total expenses (increase of 6.65% comparing to the same period of previous year).

Operative earnings amount to HRK 59.6 million and are by HRK 2.9 million, which is 5.14% higher comparing to the same period of previous year.

Realised net profit amounts to HRK 50.0 million.

Transactions with the related parties in the first nine months of 2018 generated total revenues in amount of HRK 223.5 million, which is 3.88% more of generated revenue in the same period of previous year when it amounted to HRK 215.1 million. Increase is a result of increase sales in Prima Pharma Group.

Trade goods purchased from the related parties amount to HRK 145.0 million, while in the same period of previous year amounted to HRK 158.9 million, which is decrease of HRK 13.9 million, which is 8.73%.

Total assets amount to HRK 2 billion 55.2 million which is by 5.03% higher comparing to the beginning of the year.

Long term assets increased by HRK 5.4 million comparing to the beginning of the year.

Long term intangible assets are higher for HRK 217 thousand compared to the beginning of the year, while long term tangible assets are lower for HRK 5.2 million, that is 3.09%.

Long term financial assets mostly relate to the investment in related parties and in smaller part to the given loans. Long term financial assets amount to HRK 120.1 million and are by HRK 10.3 million higher compared to the beginning of the year due to the increase in given loans to business partners.

Deferred tax assets are at the same level comparing to the beginning of the year.

Short term assets amount to HRK 1 billion 737.7 million which is higher for HRK 92.9 million, that is 5.65%, compared to the beginning of the year. In the structure of short term assets receivables and inventory have increased, while financial assets and cash in bank and on hand has decreased compared to the beginning of the year.

Inventory amounts to HRK 298.7 million and has increased by HRK 22.7 million comparing to the beginning of the year, which is 8.22%, and is in accordance with the growth of sales revenue.

Total short term receivables amount to HRK 1 billion 301.3 million and are higher for HRK 123.5 million, which is 10.48%, comparing to the beginning of the year. Trade receivables, receivables from related parties and receivables from participating parties amount to HRK 1 billion 296.4 million and have increased by 11.55% comparing to the beginning of the year.

Short term financial assets amount to HRK 51.2 million and relate to short term given loans. Comparing to the beginning of the year they have decreased for HRK 1.6 million as a result of payments of given loans.

Cash in bank and on hand amounts to HRK 86.5 million and is lower by HRK 51.7 million compared to the beginning of the year. At the end of 2017 part of the funds from the debt repair of hospitals was received which increased this balance sheet item.

In capital and reserves there is a change in treasury shares, which increase by HRK 21.6 million, since Medika acquired 1,500 treasury shares on regulated market.

Long term liabilities amount to HRK 6.8 million and relate to finance lease liabilities.

Short term liabilities amount to HRK 1 billion 626.5 million out of which the biggest part in amount of HRK 1 billion 230.3 million relates to trade payables and liabilities to related parties and HRK 372.1 million to indebtedness (HRK 371.3 million to short term loans and HRK 845 thousand to finance lease).

Trade payables and liabilities to related parties are higher for HRK 67.0 million comparing to the beginning of the year, which is 5.76%.

Total loans liabilities of Medika amounts to HRK 371.3 million which is increase of HRK 15.0 million comparing to the beginning of the year. As at 30.09.2018 Medika does not have any long term loans. All loans are short term loans and denominated in HRK so there is no exposure to foreign exchange risk at this balance sheet items.

Key events

Total pharmaceutical market in the first nine months of 2018 has increased comparing to the same period of previous year. At the same time, sales of Medika have increased slightly slower comparing to the market increase, which has not significantly influenced market share.

In capital and reserves there is a change in treasury shares since Medika acquired 1,500 treasury shares on regulated market.

During third quarter 2018. Medika sold receivables from incremental loan (roll-up loan) from Agrokor in the amount of HRK 35.5 million which are completely collected.

Total indebtedness has increased for HRK 15.0 million compared to the beginning of the year.

Expected future development of the Company

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

Treasury shares

As at 30.09.2018, the Company holds 2,940 treasury shares.

Subsidiaries and associates

The Company has subsidiaries Zdravstvena ustanova Ljekarne Prima Pharme and Primus nekretnine d.o.o. Both subsidiaries are fully owned by the Company.

ZU Ljekarne Prima Pharme has 100% of ownership in subsidiaries ZU Ljekarne Delonga, ZU Ljekarne Ines Škoko and associate ZU Ljekarne Jagatić in which it holds 49% of ownership.

Related parties

The company with major voting rights, Auctor d.o.o. owns 34.13% of the Company and has 37.81% of shares with voting rights.

Pliva Hrvatska d.o.o., Zagreb owns 25.32% of the Company and has 28.05% of the voting rights. Given the share in the ownership and business transactions with the Company, Pliva Hrvatska d.o.o. has significant influence on the current operations of the Company.

Financial risks and exposure to price risk, credit risk, liquidity and cash flow risk

Within financial risks, foreign exchange risk is significant. The Company's purchase of goods is partly realised on the foreign market. The Company is therefore exposed to foreign exchange risk arising from various changes in foreign exchange rates mainly linked to the EUR. All loans are kuna-denominated; hence, there is no exposure to foreign exchange risk. With part of the foreign suppliers the payment currency is agreed in Croatian kuna. It is the tendency in the future to agree payments in Croatian kuna with as many existing foreign suppliers as possible so as to minimise the risk arising from transactions with foreign suppliers.

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

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

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

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

Majority of the credit risk relates to trade receivables and receivables for given loans. Credit risk is higher when dealing with pharmacies, which have potential going concern issue. However, hospitals which have longer collection period do not have a going concern issue and collection issue.

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 that 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 risk. This increases the need for additional financing, which increases finance expenses.

Jasminko Herceg, dipl.oec.

Director



³ **Medika** d.d.
ZAGREB, Čopraška 1

Appendix 1.

Reporting period:

01.01.2018.

to

30.09.2018.

Quarterly financial statements TFI-POD

Registration number (MB): 03209741

Identification number of company (MBS): 080027531

Personal identification number (OIB): 94818858923

Issuer: MEDIKA d.d.

Postal code and city: 10000

ZAGREB

Address: CAPRAŠKA 1

e-mail: medika.uprava@medika.hr

web page: www.medika.hr

Code and name of municipality/city: 133 ZAGREB

Code and county name: 21 GRAD ZAGREB

Number of employees: 432
(end of reporting period)

Consolidated statements: NO

NKD code: 4646

Consolidated entities (according to IFRS):

Headquarters:

MB:

Bookkeeping service:

Contact person: RADMILOVIĆ DIJANA

(only name of the contact person)

Telephone number: 012412551

Fax: 012371441

e-mail: medika.uprava@medika.hr

Name: HERCEG JASMINKO
(authorised person)**Documentation for publishing:**

1. Financial statements (Balance sheet, Profit and loss account, Cash flow statements, Statements of changes in equity and Notes to financial statements)
2. Interim report,
3. Statement of Liability.

3 Medika d.d.
ZAGREB, Capraška 1
M.P.

(signature of authorised person)

h.č.

BALANCE SHEET
balance as at 30.09.2018.

Issuer: <u>MEDIKA d.d.</u>			
Description	AOP mark	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	311.426.456	316.790.283
I. INTANGIBLE ASSETS (004 to 009)	003	19.199.753	19.417.034
1. Research and development	004		
2. Concessions, patents, licences, trademarks, software and other rights	005	6.610.043	7.229.616
3. Goodwill	006	11.929.586	11.929.586
4. Advances for intangible assets	007	163.350	17.280
5. Intangible assets under construction	008	496.774	240.552
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 to 019)	010	167.087.049	161.926.252
1. Land	011	18.232.855	18.232.856
2. Buildings	012	114.799.093	111.743.614
3. Equipment and machinery	013	11.719.588	14.756.801
4. Furniture, fittings and vehicles	014	12.267.312	10.004.848
5. Biological assets	015		
6. Advances for tangible assets	016	145.854	64.156
7. Tangible assets under construction	017	9.129.377	6.337.382
8. Other tangible assets	018	792.970	786.595
9. Investment property	019		
III. NON-CURRENT FINANCIAL ASSETS (021 to 028)	020	109.814.616	120.121.959
1. Investment in subsidiaries and associates	021	99.999.330	100.199.330
2. Loans to related parties	022		
3. Equity investments	023		
4. Loans given to participating parties	024		
5. Investment in securities	025		
6. Loans given, deposits and similar	026	9.815.286	19.922.629
7. Other non-current financial assets	027		
8. Investments at equity method	028		
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables for credit sales	031		
3. Other receivables	032		
V. DEFERRED TAX ASSET	033	15.325.038	15.325.038
C) CURRENT ASSETS (035+043+050+058)	034	1.644.771.761	1.737.669.035
I. INVENTORY (036 To 042)	035	275.997.886	298.682.553
1. Raw material	036	96.453	95.764
2. Work in progress	037		
3. Finished products	038		
4. Trade goods	039	272.178.706	296.652.023
5. Advances for inventories	040	3.722.727	1.934.766
6. Non-current assets available for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	1.177.811.235	1.301.301.634
1. Receivables from related parties	044	136.200.111	108.453.507
2. Trade receivables	045	1.012.931.948	1.177.470.883
3. Receivables from participating parties	046	13.062.528	10.512.983
4. Receivables from employees	047	26.979	26.645
5. Receivables from the state and other institutions	048	6.197.895	2.537.174
6. Other receivables	049	9.391.774	2.300.442
III. CURRENT FINANCIAL ASSETS (051 to 057)	050	52.759.803	51.206.049
1. Investment in subsidiaries and associates	051		
2. Loans to related parties	052		
3. Equity investments	053		
4. Loans given to participating parties	054		
5. Investment in securities	055		
6. Loans given, deposits and similar	056	52.759.803	51.206.049
7. Other financial assets	057		
IV. CASH IN BANK AND ON HAND	058	138.202.837	86.478.799
D) PREPAID EXPENSES AND ACCRUED INCOME	059	613.265	758.038
E) TOTAL ASSETS (001+002+034+059)	060	1.956.811.482	2.055.217.356
G) OFF BALANCE SHEET ITEMS	061	121.247.906	22.092.181

EQUITY AND LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	390.633.291	419.043.224
I. SHARE CAPITAL	063	209.244.420	209.244.420
II. CAPITAL RESERVES	064	-7.657.921	-7.657.921
III. RESERVES FROM RETAINED EARNINGS (066+067-068+069+070)	065	83.475.954	61.886.379
1. Legal reserves	066	18.548.510	18.548.510
2. Reserves for treasury shares	067	48.811.980	48.811.980
3. Treasury shares	068	15.598.249	37.187.824
4. Statutory reserves	069		
5. Other reserves	070	31.713.713	31.713.713
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	72.495.831	105.570.838
1. Retained earnings	073	72.495.831	105.570.838
2. Accumulated loss	074		
VI. PROFIT OR LOSS FOR THE PERIOD (076-077)	075	33.075.007	49.999.508
1. Profit for the period	076	33.075.007	49.999.508
2. Loss for the period	077		
VII. MAJORITY INTERESTS	078		
B) PROVISIONS (080 To 082)	079	642.547	642.547
1. Provisions for retirement, severance payment and similar	080	642.547	642.547
2. Tax provisions	081		
3. Other provisions	082		
C) NON-CURRENT LIABILITIES (084 to 092)	083	5.785.260	6.758.784
1. Liabilities to related parties	084		
2. Borrowings and deposits	085		
3. Liabilities to banks and other financial institutions	086	5.785.260	6.758.784
4. Liabilities for advances received	087		
5. Trade payables	088		
6. Liabilities for securities	089		
7. Liabilities to participating parties	090		
8. Other non-current liabilities	091		
9. Deferred tax liability	092		
D) CURRENT LIABILITIES (094 to 105)	093	1.555.753.395	1.626.466.219
1. Liabilities to related parties	094	118.412.210	93.550.509
2. Borrowings and deposits	095		
3. Liabilities to banks and other financial institutions	096	359.479.333	372.144.607
4. Liabilities for advances received	097	2.414.190	19.794
5. Trade payables	098	1.044.912.968	1.136.726.585
6. Liabilities for securities	099		
7. Liabilities to participating parties	100		
8. Liabilities to employees	101	7.361.664	5.322.826
9. Liabilities for taxes and contributions	102	8.792.170	17.553.697
10. Dividend payables	103	12.030.000	
11. Liabilities for non-current assets available for sale	104		
12. Other current liabilities	105	2.350.860	1.148.201
E) DEFERRED INCOME AND ACCRUED EXPENSES	106	3.996.989	2.306.582
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	1.956.811.482	2.055.217.356
G) OFF BALANCE SHEET ITEMS	108	121.247.906	22.092.181
SUPPLEMENT TO BALANCE SHEET (for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributable to equity holders	109		
2. Attributable to minority interest	110		

Note 1.: Supplement to balance sheet is filled for consolidated financial statements.

PROFIT AND LOSS
for the period from 01.01.2018. to 30.09.2018.

Issuer: MEDIKA d.d.

Description	AOP mark	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING REVENUES (112+113)	111	2.026.400.849	678.965.455	2.218.015.487	764.962.662
1. Revenues from sale	112	2.013.918.255	675.629.167	2.200.450.688	756.514.069
2. Other operating revenues	113	12.482.594	3.336.288	17.564.799	8.448.593
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	1.969.695.336	659.031.605	2.158.395.073	739.576.566
1. Change in value of work in progress and finished goods	115				
2. Material expenses (117 to 119)	116	1.888.583.272	631.604.704	2.078.234.260	713.395.789
a) Raw materials	117	6.574.791	2.135.184	8.018.859	2.471.971
b) Cost of goods sold	118	1.866.384.941	624.283.769	2.053.200.116	705.807.921
c) Other expenses	119	15.623.540	5.185.751	17.015.285	5.115.897
3. Employee expenses (121 to 123)	120	40.146.704	13.432.516	41.853.281	14.322.843
a) Net salaries	121	24.297.049	8.122.974	25.307.867	8.646.484
b) Tax and contributions from salaries	122	10.257.425	3.441.007	10.769.071	3.698.812
c) Contributions on salaries	123	5.592.230	1.868.535	5.776.343	1.977.547
4. Depreciation and amortization	124	8.299.348	2.787.262	8.974.945	3.047.127
5. Other expenses	125	25.917.534	10.640.767	25.398.908	9.496.558
6. Impairment (127+128)	126	6.748.478	566.356	3.933.679	-685.751
a) of non-current assets (financial assets excluded)	127				
b) of current assets (financial assets excluded)	128	6.748.478	566.356	3.933.679	-685.751
7. Provisions	129				
8. Other operating expenses	130				
III. FINANCE INCOME (132 to 136)	131	7.538.247	-3.505.264	10.753.740	-2.145.729
1. Interests, foreign exchanges and dividend from related parties	132				
2. Interests, foreign exchanges and dividend from non-related parties	133	7.538.247	-3.505.264	10.753.740	-2.145.729
3. Share of profit from associate	134				
4. Unrealised gains	135				
5. Other financial income	136				
IV. FINANCE EXPENSES (138 to 141)	137	61.542.514	54.662.072	7.874.769	2.513.007
1. Interests, foreign exchanges and dividend from related parties	138				
2. Interests, foreign exchanges and dividend from non-related parties	139	11.542.514	4.662.072	7.868.075	2.506.313
3. Unrealised losses	140				
4. Other finance expenses	141	50.000.000	50.000.000	6.694	6.694
V. SHARE OF PROFIT FROM ASSOCIATE	142				
VI. SHARE OF LOSS FROM ASSOCIATE	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	2.033.939.096	675.460.191	2.228.769.227	762.816.933
X. TOTAL EXPENSES (114+137+143 + 145)	147	2.031.237.850	713.693.677	2.166.269.842	742.089.573
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	2.701.246	-38.233.486	62.499.385	20.727.360
1. Profit before tax (146-147)	149	2.701.246	0	62.499.385	20.727.360
2. Loss before tax (147-146)	150	0	38.233.486	0	0
XII. INCOME TAX	151	540.249	-7.646.697	12.499.877	4.145.472
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	2.160.997	-30.586.789	49.999.508	16.581.888
1. Profit for the period (149-151)	153	2.160.997	0	49.999.508	16.581.888
2. Loss for the period (151-148)	154	0	30.586.789	0	0

SUPPLEMENT TO PROFIT AND LOSS (for consolidated financial statements)

XIV. PROFIT OR LOSS FOR THE PERIOD

1. Attributable to equity holders	155				
2. Attributable to minority interest	156				

OTHER COMPREHENSIVE INCOME REPORT (for IFRS reporting)

I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	2.160.997	-30.586.789	49.999.508	16.581.888
II. OTHER COMPREHENSIVE PROFIT/LOSS BEFORE TAX (159 to 165)	158	0	0	0	0
1. Exchange differences on translation of foreign operations	159				
2. Changes in revaluation reserves for non-current tangible and intangible assets	160				
3. Profit or loss from revaluation of financial assets available for sale	161				
4. Gains or losses from efficient cash flow hedging	162				
5. Gains or losses from efficient hedge of net investment abroad	163				
6. Share in other comprehensive profit/loss of associates	164				
7. Actuarial gains/losses on defined benefit plans	165				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (157+167)	168	2.160.997	-30.586.789	49.999.508	16.581.888

APPENDIX to Other comprehensive income report (to be filled for consolidated financial statements)

VI. COMPREHENSIVE PROFIT OR LOSS

1. Attributable to equity holders	169				
2. Attributable to minority interest	170				

STATEMENT OF CASH FLOW - Indirect method
for the period from 01.01.2018. to 30.09.2018.

Issuer: **MEDIKA d.d.**

Description	AOP mark	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	2.701.246	62.499.385
2. Depreciation and amortisation	002	8.299.348	8.974.945
3. Increase of current liabilities	003	60.369.772	70.077.550
4. Decrease of current receivables	004		
5. Decrease of inventories	005		
6. Other increase of cash flow	006	82.287.477	
I. Total increase of cash flow from operating activities (001 to 006)	007	153.657.843	141.551.880
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	59.394.620	123.490.400
3. Increase of inventories	010	10.674.044	22.684.667
4. Other decrease of cash flow	011	3.718.090	24.368.385
II. Total decrease of cash flow from operating activities (008 to 011)	012	73.786.754	170.543.452
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	79.871.089	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	28.991.572
CASH FLOW FROM INVESTING ACTIVITIES			
1. Proceeds from sale of tangible and intangible assets	015	383.087	1.362.503
2. Proceeds from sale of equity and debt securities	016		
3. Interest received	017	2.796.087	11.751.191
4. Dividends received	018		
5. Other proceeds from investing activities	019		
III. Total proceeds from investing activities (015 to 019)	020	3.179.174	13.113.694
1. Purchase of tangible and intangible assets	021	5.903.141	4.489.419
2. Purchase of equity and debt securities	022		
3. Other purchases resulting from investing activities	023	43.525.000	10.307.344
IV. Total purchases resulting from investing activities (021 to 023)	024	49.428.141	14.796.763
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	46.248.967	1.683.069
CASH FLOW FROM FINANCING ACTIVITIES			
1. Proceeds from issuance of equity and debt securities	027		
2. Proceeds from borrowings	028		477.000.000
3. Other proceeds from financing activities	029		
V. Total proceeds from financing activities (027 to 029)	030	0	477.000.000
1. Repayments of borrowings	031	74.631.250	462.000.000
2. Dividends paid	032		12.030.000
3. Repayments of finance lease	033	2.166.073	2.429.822
4. Purchase of treasury shares	034		21.589.575
5. Other purchases resulting from financing activities	035		
VI. Ukupno novčani izdaci od financijskih aktivnosti (031 to 035)	036	76.797.323	498.049.397
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	76.797.323	21.049.397
Total increase of cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decrease of cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	43.175.201	51.724.038
Cash and cash equivalents at beginning of the period	041	80.093.929	138.202.837
Increase of cash and cash equivalents	042		
Decrease of cash and cash equivalents	043	43.175.201	51.724.038
Cash and cash equivalents at end of the period	044	36.918.728	86.478.799

STATEMENT OF CHANGES IN EQUITY
for the period from 01.01.2018. to 30.09.2018.

Description 1	AOP mark 2	Previous period 3	Current period 4
1. Share capital	001	209.244.420	209.244.420
2. Capital reserves	002	-7.657.921	-7.657.921
3. Reserves from retained earnings	003	83.475.954	61.886.379
4. Retained earnings or accumulated loss	004	72.495.831	105.570.838
5. Profit or loss for the period	005	33.075.007	49.999.508
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 to 009)	010	390.633.291	419.043.224
11. Foreign exchanges from the foreign investments	011		
12. Current and defferd tax (part)	012		
13. Cash flow hedge	013		
14. Cghanges of accounting policies	014		
15. Correction of material mistakes from previous period	015		
16. Other changes of equity	016		
17. Total increase or decrease of equity (AOP 011 to 016)	017	0	0
17 a. Attributable to equity holders	018		
17 b. Attributable to minority interest	019		

Balances that decrease equity are presented with the minus

Data in AOP 001 to 009 are presented as the balance as at balance sheet date

Zagreb, 30 October 2018

Pursuant to the articles 462 to 468 of the Capital market Law, Official Gazette 65/18, Director 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 from 01 January to 30 September 2018 present fair and objective view of assets and liabilities, financial position, profit and loss of the Company and the Group.

The interim management report for the unaudited financial statements for the period 01 January to 30 September 2018 presents objective 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
Director


Medika d.d.
ZAGREB Capraška 1