



MANAGEMENT BOARD

Koprivnica, 23 July 2019

PODRAVKA INC. BUSINESS RESULTS FOR 1-6 2019 PERIOD



MANAGEMENT BOARD

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MANAGEMENT BOARD

General information

Podravka prehrambena industrija Inc., Koprivnica, is incorporated in the Republic of Croatia. Today it is included in leading companies in industry operating in the area of South-Eastern, Central and Eastern Europe. The principal activity of the Company comprises production of a wide range of foodstuffs.

The Company is headquartered in Koprivnica, Croatia, Ante Starčevića 32.

The Company's shares are listed on the Prime market of the Zagreb Stock Exchange.

Management Board members as at 30 June 2019

| | |
|-----------|-----------------|
| President | Marin Pucar |
| Member | Ljiljana Šapina |
| Member | Davor Doko |
| Member | Hrvoje Kolarić |
| Member | Marko Đerek |

The unaudited, unconsolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").



MANAGEMENT BOARD

Koprivnica, 23 July 2019

MANAGEMENT REPORT ON THE ACHIEVED BUSINESS RESULTS OF PODRAVKA INC. FOR THE 1-6 2019 PERIOD

Key business highlights of the 1-6 2019 period

In the 1-6 2019 period, Podravka Inc. recorded operating income of HRK 1,053.5 million, which is 9.6% higher than in the same period of the previous year. The growth in sales revenues came on the back of stronger selling and marketing activities, demand for newly launched products and expansion of distribution of certain categories. Total operating expenses are 10.7% higher, primarily due to higher sales realised and higher staff costs as a consequence of the planned improvement of employees' material rights. Higher sales realised and a better sales mix resulted in positive HRK 100.4 million of operating profit, which is at the same level as in the comparative period.

In 1-6 2019, finance income of HRK 24.5 million was recorded, with HRK 8.9 million of finance costs, while the effective tax rate was 15.8%. Profit for the period in 1-6 2019 amounted to HRK 97.7 million.

As at 30 June 2019, total assets of Podravka Inc. amount to HRK 3,069.8 million, 2.5% higher than at the end of 2018. The significant increase on the assets side was in line items Trade receivables and Receivables from undertakings within the group following higher realisation of sales to related companies in line with the sales growth, but also Inventories of trade goods and Tangible assets. These items are partly reduced by the decrease in the position Cash at bank. On the equity and liabilities side, the most significant increase was recorded in the line item Liabilities arising from the share in the result and Reserves from profit, while a significant decrease was recorded by the position Liabilities to banks and other financial institutions.

Cash flow from operating activities in 1-6 2019 amounted to positive HRK 44.2 million, as a consequence of operations and movements in the working capital. Cash flow from investing activities at the same time amounted to negative HRK 16.7 million, primarily due to cash used for the purchase of non-current tangible and intangible assets. In the same period, cash flow from financing activities amounted to negative HRK 69.6 million due to the repayment of a portion of borrowings. In total, in 1-6 2019 cash and cash equivalents at bank and in hand decreased by HRK 42.1 million, and consequently the amount of cash and cash equivalents as at 30 June 2019 was HRK 26.0 million.



MANAGEMENT BOARD

**UNAUDITED, UNCONSOLIDATED FINANCIAL REPORTS
FOR THE 1-6 2019 PERIOD**



MANAGEMENT BOARD

| | | |
|--|---|--|
| Annex 1 | | |
| ISSUER'S GENERAL DATA | | |
| Reporting period: | <input type="text" value="01.01.2019."/> | to <input type="text" value="30.06.2019."/> |
| Year: | <input type="text" value="2019"/> | |
| Quarter: | <input type="text" value="2"/> | |
| Quarterly financial statements | | |
| Registration number (MB): | <input type="text" value="03454088"/> | Issuer's home Member State code: <input type="text" value="HR"/> |
| Entity's registration number (MBS): | <input type="text" value="010006549"/> | |
| Personal identification number (OIB): | <input type="text" value="18928523252"/> | LET: <input type="text" value="549300TMC6BYESPQ7W85"/> |
| Institution code: | <input type="text" value="1627"/> | |
| Name of the issuer: | <input type="text" value="PODRAVKA prehrambena industrija d.d., KOPRIVNICA"/> | |
| Postcode and town: | <input type="text" value="48000"/> | <input type="text" value="KOPRIVNICA"/> |
| Street and house number: | <input type="text" value="ANTE STARČEVIĆA 32"/> | |
| E-mail address: | <input type="text" value="podravka@podravka.hr"/> | |
| Web address: | <input type="text" value="www.podravka.com"/> | |
| Number of employees (end of the reporting period): | <input type="text" value="3348"/> | |
| Consolidated report: | <input type="text" value="KN"/> | (KN-not consolidated/KD-consolidated) |
| Audited: | <input type="text" value="RN"/> | (RN-not audited/RD-audited) |
| Names of subsidiaries (according to IFRS): | Registered office: | MB: |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
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| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Bookkeeping firm: | <input type="text" value="No"/> (Yes/No) | <input type="text"/> |
| | | (name of the bookkeeping firm) |
| Contact person: | <input type="text" value="Artner Kukec Julijana"/> | |
| | (only name and surname of the contact person) | |
| Telephone: | <input type="text" value="048 653 055"/> | |
| E-mail address: | <input type="text" value="Julijana.ArtnerKucec@podravka.hr"/> | |
| Audit firm: | <input type="text"/> | |
| | (name of the audit firm) | |
| Certified auditor: | <input type="text"/> | |
| | (name and surname) | |



MANAGEMENT BOARD

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2019. to 30.06.2019.

in HRK

Submitter: **PODRAVKA prehrambena industrija d.d., KOPRIVNICA**

| Item | ADP code | Same period of the previous year | | Current period | |
|---|------------|----------------------------------|-------------|----------------|-------------|
| | | Cumulative | Quarter | Cumulative | Quarter |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I OPERATING INCOME (ADP 126 to 130) | 125 | 961.584.465 | 497.198.676 | 1.053.514.970 | 556.806.234 |
| 1 Income from sales with undertakings within the group | 126 | 360.402.035 | 172.070.086 | 418.560.573 | 214.061.753 |
| 2 Income from sales (outside group) | 127 | 572.398.362 | 307.907.325 | 607.414.318 | 327.908.652 |
| 3 Income from the use of own products, goods and services | 128 | 12.987.662 | 7.655.867 | 13.826.888 | 7.965.408 |
| 4 Other operating income with undertakings within the group | 129 | 3.732.272 | 3.218.046 | 827.364 | 263.007 |
| 5 Other operating income (outside the group) | 130 | 12.064.134 | 6.347.352 | 12.885.827 | 6.607.414 |
| II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153) | 131 | 861.176.391 | 451.466.088 | 953.154.975 | 513.041.429 |
| 1 Changes in inventories of work in progress and finished goods | 132 | 13.287.849 | 9.294.085 | 4.238.253 | 10.074.191 |
| 2 Material costs (ADP 134 to 136) | 133 | 593.179.402 | 308.114.185 | 669.713.030 | 356.430.073 |
| a) Costs of raw materials and consumables | 134 | 375.326.027 | 188.881.829 | 412.178.873 | 213.630.814 |
| b) Costs of goods sold | 135 | 136.438.175 | 70.496.115 | 174.569.894 | 93.127.393 |
| c) Other external costs | 136 | 81.415.200 | 48.736.241 | 82.964.263 | 49.671.866 |
| 3 Staff costs (ADP 138 to 140) | 137 | 184.083.883 | 97.046.537 | 197.141.600 | 106.078.430 |
| a) Net salaries and wages | 138 | 119.975.614 | 63.672.494 | 131.266.224 | 70.381.808 |
| b) Tax and contributions from salary costs | 139 | 39.416.401 | 20.620.502 | 41.629.560 | 22.747.520 |
| c) Contributions on salaries | 140 | 24.691.868 | 12.753.541 | 24.245.816 | 12.949.102 |
| 4 Depreciation | 141 | 43.979.481 | 21.882.223 | 47.784.191 | 24.067.957 |
| 5 Other costs | 142 | 18.217.487 | 10.058.872 | 21.220.277 | 10.931.127 |
| 6 Value adjustments (ADP 144+145) | 143 | -258.783 | 92.505 | 1.576.958 | 56.158 |
| a) fixed assets other than financial assets | 144 | 0 | 1.418 | 0 | 0 |
| b) current assets other than financial assets | 145 | -258.783 | 91.087 | 1.576.958 | 56.158 |
| 7 Provisions (ADP 147 to 152) | 146 | 1.233.830 | 413.495 | 562.340 | 248.042 |
| a) Provisions for pensions, termination benefits and similar obligations | 147 | 0 | 0 | 0 | 0 |
| b) Provisions for tax liabilities | 148 | 0 | 0 | 0 | 0 |
| c) Provisions for ongoing legal cases | 149 | 1.233.830 | 413.495 | 562.340 | 248.042 |
| d) Provisions for renewal of natural resources | 150 | 0 | 0 | 0 | 0 |
| e) Provisions for warranty obligations | 151 | 0 | 0 | 0 | 0 |
| f) Other provisions | 152 | 0 | 0 | 0 | 0 |
| 8 Other operating expenses | 153 | 7.453.242 | 4.564.186 | 10.918.326 | 5.155.451 |
| III FINANCIAL INCOME (ADP 155 to 164) | 154 | 43.572.789 | 29.958.469 | 24.489.997 | 18.957.571 |
| 1 Income from investments in holdings (shares) of undertakings within the group | 155 | 21.629.917 | 21.629.917 | 16.271.333 | 16.271.333 |
| 2 Income from investments in holdings (shares) of companies linked by virtue of participating interests | 156 | 0 | 0 | 0 | 0 |
| 3 Income from other long-term financial investment and loans granted to undertakings within the group | 157 | 0 | 0 | 0 | 0 |
| 4 Other interest income from operations with undertakings within the group | 158 | 3.422.503 | 1.609.155 | 2.265.508 | 1.141.406 |
| 5 Exchange rate differences and other financial income from operations with undertakings within the group | 159 | 6.832.838 | 1.515.162 | 2.926.512 | -315.477 |
| 6 Income from other long-term financial investments and loans | 160 | 0 | 0 | 2.127 | 2.127 |
| 7 Other interest income | 161 | 322.758 | 113.556 | 141.898 | 83.551 |
| 8 Exchange rate differences and other financial income | 162 | 10.272.709 | 4.311.706 | 2.563.286 | 1.628.003 |
| 9 Unrealised gains (income) from financial assets | 163 | 1.092.064 | 778.973 | 319.333 | 146.628 |
| 10 Other financial income | 164 | 0 | 0 | 0 | 0 |
| IV FINANCIAL EXPENSES (ADP 166 to 172) | 165 | 22.235.288 | 7.465.580 | 8.904.742 | 3.322.368 |
| 1 Interest expenses and similar expenses with undertakings within the group | 166 | 2.964.692 | 1.457.543 | 2.445.187 | 1.204.041 |
| 2 Exchange rate differences and other expenses from operations with undertakings within the group | 167 | 11.532.972 | 2.625.695 | 1.612.912 | 568.958 |
| 3 Interest expenses and similar expenses | 168 | 3.901.019 | 1.936.287 | 2.630.482 | 1.227.761 |
| 4 Exchange rate differences and other expenses | 169 | 3.836.605 | 1.446.055 | 1.794.125 | 510.564 |
| 5 Unrealised losses (expenses) from financial assets | 170 | 0 | 0 | 422.036 | -188.956 |
| 6 Value adjustments of financial assets (net) | 171 | 0 | 0 | 0 | 0 |
| 7 Other financial expenses | 172 | 0 | 0 | 0 | 0 |
| V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS | 173 | 0 | 0 | 0 | 0 |
| VI SHARE IN PROFIT FROM JOINT VENTURES | 174 | 0 | 0 | 0 | 0 |
| VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST | 175 | 0 | 0 | 0 | 0 |
| VIII SHARE IN LOSS OF JOINT VENTURES | 176 | 0 | 0 | 0 | 0 |
| IX TOTAL INCOME (ADP 125+154+173+174) | 177 | 1.005.157.254 | 527.157.145 | 1.078.004.967 | 575.763.805 |
| X TOTAL EXPENDITURE (ADP 131+165+175+176) | 178 | 883.411.679 | 458.931.668 | 962.059.717 | 516.363.797 |
| XI PRE-TAX PROFIT OR LOSS (ADP 177-178) | 179 | 121.745.575 | 68.225.477 | 115.945.250 | 59.400.008 |
| 1 Pre-tax profit (ADP 177-178) | 180 | 121.745.575 | 68.225.477 | 115.945.250 | 59.400.008 |
| 2 Pre-tax loss (ADP 178-177) | 181 | 0 | 0 | 0 | 0 |
| XII INCOME TAX | 182 | 18.483.468 | 8.637.762 | 18.287.291 | 7.991.738 |
| XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182) | 183 | 103.262.107 | 59.587.715 | 97.657.959 | 51.408.270 |
| 1 Profit for the period (ADP 179-182) | 184 | 103.262.107 | 59.587.715 | 97.657.959 | 51.408.270 |
| 2 Loss for the period (ADP 182-179) | 185 | 0 | 0 | 0 | 0 |



MANAGEMENT BOARD

| Item | ADP code | Same period of the previous year | | Current period | |
|---|----------|----------------------------------|------------|----------------|------------|
| | | Cumulative | Quarter | Cumulative | Quarter |
| 1 | 2 | 3 | 4 | 5 | 6 |
| DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations) | | | | | |
| XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188) | 186 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit from discontinued operations | 187 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss on discontinued operations | 188 | 0 | 0 | 0 | 0 |
| XV INCOME TAX OF DISCONTINUED OPERATIONS | 189 | 0 | 0 | 0 | 0 |
| 1 Discontinued operations profit for the period (ADP 186-189) | 190 | 0 | 0 | 0 | 0 |
| 2 Discontinued operations loss for the period (ADP 189-186) | 191 | 0 | 0 | 0 | 0 |
| TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations) | | | | | |
| XVI PRE-TAX PROFIT OR LOSS (ADP 179+186) | 192 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit (ADP 192) | 193 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss (ADP 192) | 194 | 0 | 0 | 0 | 0 |
| XVII INCOME TAX (ADP 182+189) | 195 | 0 | 0 | 0 | 0 |
| XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195) | 196 | 0 | 0 | 0 | 0 |
| 1 Profit for the period (ADP 192-195) | 197 | 0 | 0 | 0 | 0 |
| 2 Loss for the period (ADP 195-192) | 198 | 0 | 0 | 0 | 0 |
| APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements) | | | | | |
| XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201) | 199 | 0 | 0 | 0 | 0 |
| 1 Attributable to owners of the parent | 200 | 0 | 0 | 0 | 0 |
| 2 Attributable to minority (non-controlling) interest | 201 | 0 | 0 | 0 | 0 |
| STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS) | | | | | |
| I PROFIT OR LOSS FOR THE PERIOD | 202 | 103.262.107 | 59.587.715 | 97.657.959 | 51.408.270 |
| II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211) | 203 | 0 | 0 | 0 | 0 |
| 1 Exchange rate differences from translation of foreign operations | 204 | 0 | 0 | 0 | 0 |
| 2 Changes in revaluation reserves of fixed tangible and intangible assets | 205 | 0 | 0 | 0 | 0 |
| 3 Profit or loss arising from subsequent measurement of financial assets available for sale | 206 | 0 | 0 | 0 | 0 |
| 4 Profit or loss arising from effective cash flow hedging | 207 | 0 | 0 | 0 | 0 |
| 5 Profit or loss arising from effective hedge of a net investment in a foreign operation | 208 | 0 | 0 | 0 | 0 |
| 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 209 | 0 | 0 | 0 | 0 |
| 7 Actuarial gains/losses on the defined benefit obligation | 210 | 0 | 0 | 0 | 0 |
| 8 Other changes in equity unrelated to owners | 211 | 0 | 0 | 0 | 0 |
| III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD | 212 | 0 | 0 | 0 | 0 |
| IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) | 213 | 0 | 0 | 0 | 0 |
| V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213) | 214 | 103.262.107 | 59.587.715 | 97.657.959 | 51.408.270 |
| APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements) | | | | | |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217) | 215 | 0 | 0 | 0 | 0 |
| 1 Attributable to owners of the parent | 216 | 0 | 0 | 0 | 0 |
| 2 Attributable to minority (non-controlling) interest | 217 | 0 | 0 | 0 | 0 |



MANAGEMENT BOARD

BALANCE SHEET

balance as at 30.06.2019.

in HRK

| Submitter: PODRAVKA prehrambena industrija d.d., KOPRIVNICA | | | |
|---|------------|---|---|
| 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 | 2 001.729.017 | 2 027 044.862 |
| I INTANGIBLE ASSETS (ADP 004 to 009) | 003 | 83 550.892 | 87 899.282 |
| 1 Research and development | 004 | 0 | 0 |
| 2 Concessions, patents, licences, trademarks, software and other rights | 005 | 82 012.693 | 75 710.841 |
| 3 Goodwill | 006 | 0 | 0 |
| 4 Advances for the purchase of intangible assets | 007 | 0 | 0 |
| 5 Intangible assets in preparation | 008 | 1 538.199 | 12 188.441 |
| 6 Other intangible assets | 009 | 0 | 0 |
| II TANGIBLE ASSETS (ADP 011 to 019) | 010 | 943 805.991 | 963 849.937 |
| 1 Land | 011 | 45 420.448 | 58 071.949 |
| 2 Buildings | 012 | 438 893.781 | 431 269.090 |
| 3 Plant and equipment | 013 | 251 711.854 | 263 961.422 |
| 4 Tools, working inventory and transportation assets | 014 | 24 059.995 | 43 855.796 |
| 5 Biological assets | 015 | 0 | 0 |
| 6 Advances for the purchase of tangible assets | 016 | 285.258 | 2 118.898 |
| 7 Tangible assets in preparation | 017 | 60 854.260 | 42 734.027 |
| 8 Other tangible assets | 018 | 714.344 | 706.364 |
| 9 Investment property | 019 | 121 866.051 | 121 132.391 |
| III FIXED FINANCIAL ASSETS (ADP 021 to 030) | 020 | 944 698.747 | 947 270.036 |
| 1 Investments in holdings (shares) of undertakings within the group | 021 | 939 068.333 | 941 866.719 |
| 2 Investments in other securities of undertakings within the group | 022 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 023 | 5 283.130 | 4 665.426 |
| 4 Investments in holdings (shares) of companies linked by virtue of participating interests | 024 | 0 | 0 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 025 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 026 | 0 | 0 |
| 7 Investments in securities | 027 | 140.500 | 529.844 |
| 8 Loans, deposits, etc. given | 028 | 206.784 | 208.047 |
| 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 | 0 | 0 |
| 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 | 0 | 0 |
| 4 Other receivables | 035 | 0 | 0 |
| V DEFERRED TAX ASSETS | 036 | 29 673.387 | 28 025.607 |
| C) CURRENT ASSETS (ADP 038+046+053+063) | 037 | 987 808.109 | 1 039 572.497 |
| I INVENTORIES (ADP 039 to 045) | 038 | 369 330.573 | 388 205.258 |
| 1 Raw materials and consumables | 039 | 140 914.574 | 144 357.814 |
| 2 Work in progress | 040 | 27 699.930 | 24 585.100 |
| 3 Finished goods | 041 | 154 115.542 | 153 382.060 |
| 4 Merchandise | 042 | 45 525.456 | 64 805.214 |
| 5 Advances for inventories | 043 | 0 | 0 |
| 6 Fixed assets held for sale | 044 | 1 075.071 | 1 075.071 |
| 7 Biological assets | 045 | 0 | 0 |
| II RECEIVABLES (ADP 047 to 052) | 046 | 488 945.847 | 563 451.487 |
| 1 Receivables from undertakings within the group | 047 | 280 402.725 | 322 154.092 |
| 2 Receivables from companies linked by virtue of participating interests | 048 | 0 | 0 |
| 3 Customer receivables | 049 | 200 165.110 | 239 563.179 |
| 4 Receivables from employees and members of the undertaking | 050 | 512.864 | 812.891 |
| 5 Receivables from government and other institutions | 051 | 7 737.922 | 788.617 |
| 6 Other receivables | 052 | 127.226 | 132.708 |
| III CURRENT FINANCIAL ASSETS (ADP 054 to 062) | 053 | 61 365.184 | 61 876.766 |
| 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 | 61 069.474 | 61 714.414 |
| 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 | 295.710 | 162.352 |
| 8 Loans, deposits, etc. given | 061 | 0 | 0 |
| 9 Other financial assets | 062 | 0 | 0 |
| IV CASH AT BANK AND IN HAND | 063 | 68 166.505 | 26 038.985 |
| D) PREPAID EXPENSES AND ACCRUED INCOME | 064 | 4 510.408 | 3 193.680 |
| E) TOTAL ASSETS (ADP 001+002+037+064) | 065 | 2 994 047.534 | 3 069 811.039 |
| OFF-BALANCE SHEET ITEMS | 066 | 1 048 180.995 | 1 038 787.493 |

PODRAVKA Inc., Koprivnica, Ante Starčevića 32, The Commercial Court in Bjelovar, CRN: 010006549, PIN: 18928523252, Privredna banka Zagreb P.L.C., Zagreb, Radnička cesta 50, IBAN: HR94 2340 0091 1000 9852 6, share capital: HRK 1,566,400,660.00, paid in full, total number of shares issued: 7,120,003, nominal share value: HRK 220.00, President of the Supervisory Board: Ž. Vukina, President of the Management Board: M. Pucar, members of the Management Board: D. Doko, H. Kolarić, Lj. Šapina, M. Đerek



MANAGEMENT BOARD

| LIABILITIES | | | |
|---|------------|---------------|---------------|
| A) CAPITAL AND RESERVES (ADP 068 to | 067 | 2.189.169.838 | 2.226.166.032 |
| INITIAL (SUBSCRIBED) CAPITAL | 068 | 1.566.400.660 | 1.566.400.660 |
| II CAPITAL RESERVES | 069 | 177.874.586 | 175.263.564 |
| III RESERVES FROM PROFIT (ADP 071+072-073+074+075) | 070 | 328.057.266 | 381.952.874 |
| 1 Legal reserves | 071 | 30.947.466 | 36.604.532 |
| 2 Reserves for treasury shares | 072 | 147.604.502 | 147.604.502 |
| 3 Treasury shares and holdings (deductible item) | 073 | -54.209.463 | -49.375.153 |
| 4 Statutory reserves | 074 | 0 | 0 |
| 5 Other reserves | 075 | 203.714.761 | 247.118.993 |
| IV REVALUATION RESERVES | 076 | 0 | 0 |
| V FAIR VALUE RESERVES (ADP 078 to 080) | 077 | 0 | 0 |
| 1 Fair value of financial assets available for sale | 078 | 0 | 0 |
| 2 Cash flow hedge - effective portion | 079 | 0 | 0 |
| 3 Hedge of a net investment in a foreign operation - effective portion | 080 | 0 | 0 |
| VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083) | 081 | 3.696.000 | 4.890.975 |
| 1 Retained profit | 082 | 3.696.000 | 4.890.975 |
| 2 Loss brought forward | 083 | 0 | 0 |
| VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086) | 084 | 113.141.326 | 97.657.959 |
| 1 Profit for the business year | 085 | 113.141.326 | 97.657.959 |
| 2 Loss for the business year | 086 | 0 | 0 |
| VIII MINORITY (NON-CONTROLLING) INTEREST | 087 | 0 | 0 |
| B) PROVISIONS (ADP 089 to 094) | 088 | 32.817.905 | 33.066.619 |
| 1 Provisions for pensions, termination benefits and similar obligations | 089 | 19.811.677 | 19.811.677 |
| 2 Provisions for tax liabilities | 090 | 0 | 0 |
| 3 Provisions for ongoing legal cases | 091 | 13.006.228 | 13.254.942 |
| 4 Provisions for renewal of natural resources | 092 | 0 | 0 |
| 5 Provisions for warranty obligations | 093 | 0 | 0 |
| 6 Other provisions | 094 | 0 | 0 |
| C) LONG-TERM LIABILITIES (ADP 096 to 106) | 095 | 181.202.712 | 143.729.575 |
| 1 Liabilities to undertakings within the group | 096 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 097 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 098 | 0 | 0 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 099 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 100 | 0 | 0 |
| 6 Liabilities to banks and other financial institutions | 101 | 181.202.712 | 143.729.575 |
| 7 Liabilities for advance payments | 102 | 0 | 0 |
| 8 Liabilities to suppliers | 103 | 0 | 0 |
| 9 Liabilities for securities | 104 | 0 | 0 |
| 10 Other long-term liabilities | 105 | 0 | 0 |
| 11 Deferred tax liability | 106 | 0 | 0 |
| D) SHORT-TERM LIABILITIES (ADP 108 to 121) | 107 | 542.996.031 | 595.919.664 |
| 1 Liabilities to undertakings within the group | 108 | 39.997.328 | 28.964.249 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 109 | 29.720.699 | 48.125.461 |
| 3 Liabilities to companies linked by virtue of participating interests | 110 | 0 | 0 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 111 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 112 | 605.256 | 594.226 |
| 6 Liabilities to banks and other financial institutions | 113 | 176.901.761 | 164.386.928 |
| 7 Liabilities for advance payments | 114 | 0 | 0 |
| 8 Liabilities to suppliers | 115 | 245.821.222 | 228.933.486 |
| 9 Liabilities for securities | 116 | 25.228 | 263.907 |
| 10 Liabilities to employees | 117 | 34.661.926 | 30.188.133 |
| 11 Taxes, contributions and similar liabilities | 118 | 12.830.510 | 29.404.334 |
| 12 Liabilities arising from the share in the result | 119 | 1.470.793 | 64.332.770 |
| 13 Liabilities arising from fixed assets held for sale | 120 | 0 | 0 |
| 14 Other short-term liabilities | 121 | 961.308 | 726.170 |
| E) ACCRUALS AND DEFERRED INCOME | 122 | 47.861.048 | 70.929.149 |
| F) TOTAL - LIABILITIES (ADP 067+088+095+107+122) | 123 | 2.994.047.534 | 3.069.811.039 |
| G) OFF-BALANCE SHEET ITEMS | 124 | 1.048.180.995 | 1.038.787.493 |



MANAGEMENT BOARD

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2019. to 30.06.2019.

in HRK

| Submitter: PODRAVKA prehrambena industrija d.d., KOPRIVNICA | | | |
|---|------------|----------------------------------|---------------------|
| 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 | 121.745.575 | 115.945.250 |
| 2 Adjustments (ADP 003 to 010): | 002 | 13.836.432 | 33.159.734 |
| a) Depreciation | 003 | 43.979.481 | 47.784.191 |
| b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets | 004 | -2.218.010 | 13.367 |
| c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets | 005 | -812.287 | 1.484.901 |
| d) Interest and dividend income | 006 | -25.236.157 | -18.635.002 |
| e) Interest expenses | 007 | 6.729.828 | 5.237.106 |
| f) Provisions | 008 | -2.460.620 | -1.755.800 |
| g) Exchange rate differences (unrealised) | 009 | -6.145.803 | -969.029 |
| h) Other adjustments for non-cash transactions and unrealised gains and losses | 010 | 0 | 0 |
| I Cash flow increase or decrease before changes in working capital (ADP 001+002) | 011 | 135.582.007 | 149.104.984 |
| 3 Changes in the working capital (ADP 013 to 016) | 012 | -86.249.534 | -84.785.320 |
| a) Increase or decrease in short-term liabilities | 013 | -55.262.038 | 5.797.657 |
| b) Increase or decrease in short-term receivables | 014 | -39.228.603 | -71.708.291 |
| c) Increase or decrease in inventories | 015 | 8.241.107 | -18.874.686 |
| d) Other increase or decrease in working capital | 016 | 0 | 0 |
| II Cash from operations (ADP 011+012) | 017 | 49.332.473 | 64.319.664 |
| 4 Interest paid | 018 | -7.279.773 | -5.432.356 |
| 5 Income tax paid | 019 | -3.738.328 | -14.718.721 |
| A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019) | 020 | 38.314.372 | 44.168.587 |
| Cash flow from investment activities | | | |
| 1 Cash receipts from sales of fixed tangible and intangible assets | 021 | 3.149.748 | 42.320 |
| 2 Cash receipts from sales of financial instruments | 022 | 0 | 20.000 |
| 3 Interest received | 023 | 491.573 | 125.435 |
| 4 Dividends received | 024 | 0 | 14.497.698 |
| 5 Cash receipts from repayment of loans and deposits | 025 | 7.636.733 | 9.237 |
| 6 Other cash receipts from investment activities | 026 | 0 | 0 |
| III Total cash receipts from investment activities (ADP 021 to 026) | 027 | 11.278.054 | 14.694.690 |
| 1 Cash payments for the purchase of fixed tangible and intangible assets | 028 | -37.963.491 | -28.571.366 |
| 2 Cash payments for the acquisition of financial instruments | 029 | 0 | 0 |
| 3 Cash payments for loans and deposits for the period | 030 | -4.464.244 | -7.054 |
| 4 Acquisition of a subsidiary, net of cash acquired | 031 | 0 | -2.798.386 |
| 5 Other cash payments from investment activities | 032 | 0 | 0 |
| IV Total cash payments from investment activities (ADP 028 to 032) | 033 | -42.427.735 | -31.376.806 |
| B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027+033) | 034 | -31.149.681 | -16.682.116 |
| 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 | 29.565.288 | 95.812.378 |
| 4 Other cash receipts from financing activities | 038 | 0 | 4.435.370 |
| V Total cash receipts from financing activities (ADP 035 to 038) | 039 | 29.565.288 | 100.247.748 |
| 1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments | 040 | -100.938.625 | -164.087.256 |
| 2 Cash payments for dividends | 041 | 0 | 0 |
| 3 Cash payments for finance lease | 042 | 0 | 0 |
| 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 | 0 | -5.774.483 |
| VI Total cash payments from financing activities (ADP 040 to 044) | 045 | -100.938.625 | -169.861.739 |
| C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039+045) | 046 | -71.373.337 | -69.613.991 |
| 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 | -64.208.646 | -42.127.520 |
| E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 049 | 132.013.675 | 68.166.505 |
| F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049) | 050 | 67.805.029 | 26.038.985 |



MANAGEMENT BOARD

STATEMENT OF CHANGES IN EQUITY
for the period from **1.1.2019** to **30.6.2019**

in HRK

| Item | ADP code | Attributable to owners of the parent | | | | | | | | | | | | | | | | |
|---|----------|--------------------------------------|------------------|----------------|------------------------------|--|--------------------|----------------|----------------------|---|-------------------------------------|--|--|-----------------------------------|--|-------------------------------------|----------------------------|--|
| | | Initial (subscribed) capital | Capital reserves | Legal reserves | Reserves for treasury shares | Treasury shares and holdings (deductible item) | Statutory reserves | Other reserves | Revaluation reserves | Fair value of financial assets available for sale | Cash flow hedge - effective portion | Hedge of a net investment in a foreign operation - effective portion | Retained profit / loss brought forward | Profit/loss for the business year | Total attributable to owners of the parent | Minority (non-controlling) interest | Total capital and reserves | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 (3 to 6 - 7 + 8 to 15) | 17 | 18 (16+17) | |
| Previous period | | | | | | | | | | | | | | | | | | |
| 1 Balance on the first day of the previous business year | 01 | 1.566.400.660 | 182.267.472 | 26.625.605 | 147.604.502 | 60.502.679 | 0 | 171.180.626 | 0 | 0 | 0 | 0 | 88.995.306 | 0 | 2.122.571.432 | 0 | 2.122.571.432 | |
| 2 Changes in accounting policies | 02 | 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 | |
| 4 Balance on the first day of the previous business year (revalued) (ADP 01 to 03) | 04 | 1.566.400.660 | 182.267.472 | 26.625.605 | 147.604.502 | 60.502.679 | 0 | 171.180.626 | 0 | 0 | 0 | 0 | 88.995.306 | 0 | 2.122.571.432 | 0 | 2.122.571.432 | |
| 5 Profit/loss of the period | 05 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 113.141.326 | 113.141.326 | 0 | 113.141.326 | |
| 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 | |
| 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 | |
| 8 Profit or loss arising from subsequent measurement of financial assets available for sale | 08 | 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 hedge | 09 | 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 | |
| 11 Share in other comprehensive income/loss 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 | |
| 12 Actuarial gains/losses on the defined benefit obligation | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 315.607 | 0 | 0 | 0 | 0 | 0 | 0 | 315.607 | 0 | 315.607 | |
| 13 Other changes in equity unrelated to owners | 13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 14 Tax on transactions recognised directly in equity | 14 | 0 | 0 | 0 | 0 | 0 | 0 | -56.809 | 0 | 0 | 0 | 0 | 0 | 0 | -56.809 | 0 | -56.809 | |
| 15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure) | 15 | 0 | -4.392.886 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -4.392.886 | 0 | -4.392.886 | |
| 16 Increase in initial (subscribed) capital arising from the reinvestment of profit | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 18 Redemption of treasury shares/holdings | 18 | 0 | 0 | 0 | 0 | 2.557.031 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -2.557.031 | 0 | -2.557.031 | |
| 19 Payment of share in profit/dividend | 19 | 0 | 0 | 0 | 0 | -8.850.247 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -8.850.247 | 0 | -8.850.247 | |
| 20 Other distribution to owners | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 21 Transfer to reserves according to the annual schedule | 21 | 0 | 0 | 4.321.861 | 0 | 0 | 0 | 32.275.337 | 0 | 0 | 0 | 0 | 0 | 0 | 36.597.198 | 0 | 36.597.198 | |
| 22 Increase in reserves arising from the pre-bankruptcy settlement procedure | 22 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 23 Balance on the last day of the previous business year reporting period (04 to 22) | 23 | 1.566.400.660 | 177.874.586 | 30.947.466 | 147.604.502 | 54.209.463 | 0 | 203.714.761 | 0 | 0 | 0 | 0 | 3.696.000 | 113.141.326 | 2.189.169.836 | 0 | 2.189.169.836 | |
| APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS) | | | | | | | | | | | | | | | | | | |
| I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14) | 24 | 0 | 0 | 0 | 0 | 0 | 0 | 258.798 | 0 | 0 | 0 | 0 | 0 | 0 | 258.798 | 0 | 258.798 | |
| II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24) | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 258.798 | 0 | 0 | 0 | 0 | 0 | 113.141.326 | 113.400.124 | 0 | 113.400.124 | |
| III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22) | 26 | 0 | -4.392.886 | 4.321.861 | 0 | -6.293.216 | 0 | 32.275.337 | 0 | 0 | 0 | 0 | -85.299.306 | 0 | -86.801.778 | 0 | -86.801.778 | |

PODRAVKA Inc., Koprivnica, Ante Starčevića 32, The Commercial Court in Bjelovar, CRN: 010006549, PIN: 18928523252,
Privredna banka Zagreb P.L.C., Zagreb, Radnička cesta 50, IBAN: HR94 2340 0091 1000 9852 6, share capital: HRK 1,566,400,660.00,
paid in full, total number of shares issued: 7,120,003, nominal share value: HRK 220.00, President of the Supervisory Board: Ž. Vukina,
President of the Management Board: M. Pucar, members of the Management Board: D. Doko, H. Kolarić, Lj. Šapina, M. Đerek



MANAGEMENT BOARD

| Item | ADP code | Attributable to owners of the parent | | | | | | | | | | | Total attributable to owners of the parent | Minority (non-controlling) interest | Total capital and reserves | | |
|--|----------|--------------------------------------|------------------|----------------|------------------------------|--|--------------------|----------------|----------------------|---|-------------------------------------|--|--|-------------------------------------|----------------------------|--|-----------------------------------|
| | | Initial (subscribed) capital | Capital reserves | Legal reserves | Reserves for treasury shares | Treasury shares and holdings (deductible item) | Statutory reserves | Other reserves | Revaluation reserves | Fair value of financial assets available for sale | Cash flow hedge - effective portion | Hedge of a net investment in a foreign operation - effective portion | | | | Retained profit / loss brought forward | Profit/loss for the business year |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 (3 to 6 - 7 + 8 to 15) | 17 | 18 (16+17) |
| Current period | | | | | | | | | | | | | | | | | |
| 1 Balance on the first day of the current business year | 27 | 1.566.400,660 | 177.874,586 | 30.947,466 | 147.604,502 | 54.209,463 | 0 | 203.714,761 | 0 | 0 | 0 | 0 | 116.837,326 | 0 | 2.189.169,836 | 0 | 2.189.169,836 |
| 2 Changes in accounting policies | 28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 Correction of errors | 29 | 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 (revised) (ADP 27 to 29) | 30 | 1.566.400,660 | 177.874,586 | 30.947,466 | 147.604,502 | 54.209,463 | 0 | 203.714,761 | 0 | 0 | 0 | 0 | 116.837,326 | 0 | 2.189.169,836 | 0 | 2.189.169,836 |
| 5 Profit/loss of the period | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 97.657,959 | 97.657,959 | 0 | 97.657,959 |
| 6 Exchange rate differences from translation of foreign operations | 32 | 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 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 Profit or loss arising from subsequent measurement of financial assets available for sale | 34 | 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 hedge | 35 | 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 | 36 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 37 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 Actuarial gains/losses on the defined benefit obligation | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 Other changes in equity unrelated to owners | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 Tax on transactions recognised directly in equity | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 Increase/decrease in initial (subscribed) capital (other than from reinvestment profit and other than arising from the pre-bankruptcy settlement procedure) | 41 | 0 | -2.611,022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -2.611,022 | 0 | -2.611,022 |
| 16 Increase in initial (subscribed) capital arising from the reinvestment of profit | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure | 43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 Redemption of treasury shares/holdings | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 Payment of share in profit/dividend | 45 | 0 | 0 | 0 | 0 | -4.834,310 | 0 | 0 | 0 | 0 | 0 | 0 | -42.865,053 | 0 | -98.000,743 | 0 | -98.000,743 |
| 20 Other distribution to owners | 46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 Transfer to reserves according to the annual schedule | 47 | 0 | 0 | 5.657,066 | 0 | 0 | 0 | 43.404,232 | 0 | 0 | 0 | 0 | -49.061,298 | 0 | 0 | 0 | 0 |
| 22 Increase in reserves arising from the pre-bankruptcy settlement procedure | 48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 Balance on the last day of the current business year reporting period (ADP 30 to 48) | 49 | 1.566.400,660 | 175.263,564 | 36.604,532 | 147.604,502 | 49.375,153 | 0 | 247.118,993 | 0 | 0 | 0 | 0 | 4.890,975 | 97.657,959 | 2.226.166,032 | 0 | 2.226.166,032 |
| APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakers that draw up financial statements in accordance with the IFRS) | | | | | | | | | | | | | | | | | |
| I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 32 to 40) | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50) | 51 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 97.657,959 | 97.657,959 | 0 | 97.657,959 |
| III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECORDED DIRECTLY IN EQUITY (ADP 41 to 48) | 52 | 0 | -2.611,022 | 5.657,066 | 0 | -4.834,310 | 0 | 43.404,232 | 0 | 0 | 0 | 0 | -111.946,351 | 0 | -60.661,765 | 0 | -60.661,765 |

PODRAVKA Inc., Koprivnica, Ante Starčevića 32, The Commercial Court in Bjelovar, CRN: 010006549, PIN: 18928523252, Privredna banka Zagreb P.L.C., Zagreb, Radnička cesta 50, IBAN: HR94 2340 0091 1000 9852 6, share capital: HRK 1,566,400,660.00, paid in full, total number of shares issued: 7,120,003, nominal share value: HRK 220.00, President of the Supervisory Board: Ž. Vukina, President of the Management Board: M. Pucar, members of the Management Board: D. Doko, H. Kolarić, Lj. Šapina, M. Đerek



MANAGEMENT BOARD

Notes to the financial statements:

From 1 January 2019 Podravka Inc. applies IFRS 16 Leases. According to new standard, Podravka Inc. recognises right-of-use assets based on cost method, and leases liability in amount of present value of minimum future lease payments. Exceptions from this recognition is applied for short term leases and leases of low value asset. Right-of-use asset is depreciated by the end of asset's useful life, and lease liabilities are measured at the effective interest rate method. In the statement of financial position, right-of-use assets are included within tangible asset and lease liabilities are reported within long term and short-term liabilities. As at 30 June 2019 value of Podravka Inc. right-of-use asset amounts to HRK 37.7 mil. and lease liabilities amounts to HRK 38.1 mil.



MANAGEMENT BOARD

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Koprivnica, 23 July 2019

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Unaudited financial statements of Podravka Inc. for the period 1 - 6 2019 have been prepared in compliance with the Accounting Act of the Republic of Croatia and International Financial Reporting Standards (IFRS) and provide an overall and true presentation of assets, liabilities, profit and loss, financial position and business operations.

Unaudited financial statements of Podravka Inc. for the period 1 - 6 2019 were approved by the Management Board of PODRAVKA d.d. on 23 July 2019.

Corporate Accounting Director:
Julijana Artner Kukec

Board Member:
Davor Doko





MANAGEMENT BOARD

Contact

Podravka Inc.

Ante Starčevića 32, 48 000 Koprivnica, Croatia

www.podravka.hr

Investor relations

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