



MANAGEMENT BOARD

Koprivnica, 29 October 2019

PODRAVKA INC. BUSINESS RESULTS FOR 1-9 2019 PERIOD



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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 food products.

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 September 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").



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Koprivnica, 29 October 2019

MANAGEMENT REPORT ON THE ACHIEVED BUSINESS RESULTS OF PODRAVKA INC. FOR THE 1-9 2019 PERIOD

Key business highlights of the 1-9 2019 period

In the 1-9 2019 period, Podravka Inc. recorded operating income of HRK 1,621.6 million, which is 9.3% higher than in the same period of the previous year. The growth in sales revenues is a result of stronger selling and marketing activities, demand for newly launched products and expansion of distribution of certain categories. Total operating expenses are 11.8% higher as a consequence of increased material costs, following higher sales and the increase in prices of certain key raw materials compared to the comparative period and higher staff costs as a consequence of the planned improvement of employees' material rights. This resulted in positive HRK 142.4 million of operating profit, while in the comparative period it amounted to HRK 160.0 million.

In 1-9 2019, finance income of HRK 59.5 million was recorded, with HRK 14.2 million of finance costs, while the effective tax rate was 13.9%. Profit for the period in 1-9 2019 amounted to HRK 161.6 million.

As at 30 September 2019, total assets of Podravka Inc. amount to HRK 3,114.1 million, 4.0% 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, the line items Inventories of trade goods, Inventories of raw materials and supplies Inventories of finished products and Tangible assets. These items were partly reduced by the decrease in the position Cash at bank and in hand. On the equity and liabilities side, the most significant increase was recorded in line items Profit for the year and Reserves from profit.

Cash flow from operating activities in 1-9 2019 amounted to positive HRK 40.0 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 36.5 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 44.6 million due to the repayment of a portion of borrowings and payment of a higher dividend than in previous years. In total, in 1-9 2019 cash at bank and in hand decreased by HRK 41.1 million, and consequently the amount of cash and cash equivalents as at 30 September 2019 was HRK 27.1 million.



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**UNAUDITED, UNCONSOLIDATED FINANCIAL REPORTS
FOR THE 1-9 2019 PERIOD**



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Annex 1			
ISSUER'S GENERAL DATA			
Reporting period:	01.01.2019. to 30.09.2019.		
Year:	2019		
Quarter:	3		
Quarterly financial statements			
Registration number (MB):	03454088	Issuer's home Member State code:	HR
Entity's registration number (MBS):	010006549		
Personal identification number (OIB):	18928523252	LEI:	549300TMC6BYESPQ7W85
Institution code:	1627		
Name of the issuer:	PODRAVKA prehrambena industrija d.d., KOPRIVNICA		
Postcode and town:	48000	KOPRIVNICA	
Street and house number:	ANTE STARČEVIĆA 32		
E-mail address:	podravka@podravka.hr		
Web address:	www.podravka.com		
Number of employees (end of the reporting period):	3380		
Consolidated report:	KN	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):		Registered office:	MB:
Bookkeeping firm:	No	(Yes/No)	
			(name of the bookkeeping firm)
Contact person:	Artner Kukec Julijana		
	(only name and surname of the contact person)		
Telephone:	048 653 055		
E-mail address:	Julijana.ArtnerKukec@podravka.hr		
Audit firm:	Ernst & Young d.o.o.		
	(name of the audit firm)		
Certified auditor:	Berislav Horvat		
	(name and surname)		



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STATEMENT OF PROFIT OR LOSS
for the period 01.01.2019. to 30.09.2019.

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	1.483.412.249	521.827.784	1.621.646.987	568.132.017
1 Income from sales with undertakings within the group	126	539.353.390	178.951.355	618.872.321	200.311.748
2 Income from sales (outside group)	127	902.411.558	330.013.196	947.194.847	339.780.529
3 Income from the use of own products, goods and services	128	18.939.139	5.951.477	20.608.896	6.782.008
4 Other operating income with undertakings within the group	129	5.755.732	2.023.460	17.741.192	16.913.828
5 Other operating income (outside the group)	130	16.952.430	4.888.296	17.229.731	4.343.904
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	1.323.455.058	462.278.667	1.479.275.191	526.120.217
1 Changes in inventories of work in progress and finished goods	132	-14.164.590	-27.452.439	-28.807.437	-33.045.690
2 Material costs (ADP 134 to 136)	133	937.049.437	343.870.035	1.051.601.884	381.888.854
a) Costs of raw materials and consumables	134	598.345.566	223.019.529	664.607.442	252.428.569
b) Costs of goods sold	135	212.734.576	76.296.401	258.395.062	83.825.168
c) Other external costs	136	125.969.305	44.554.105	128.599.380	45.635.117
3 Staff costs (ADP 138 to 140)	137	290.484.332	106.400.449	314.262.208	117.120.609
a) Net salaries and wages	138	189.368.227	69.392.613	212.245.214	80.978.990
b) Tax and contributions from salary costs	139	62.526.257	23.109.856	64.669.163	23.039.603
c) Contributions on salaries	140	38.589.848	13.897.980	37.347.831	13.102.016
4 Depreciation	141	64.810.924	20.831.443	72.943.181	25.158.990
5 Other costs	142	29.143.423	10.925.936	32.862.326	11.642.049
6 Value adjustments (ADP 144+145)	143	2.106.251	2.365.034	4.562.996	2.986.038
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	2.106.251	2.365.034	4.562.996	2.986.038
7 Provisions (ADP 147 to 152)	146	1.630.144	396.314	797.911	235.571
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	1.630.144	396.314	797.911	235.571
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	12.395.137	4.941.895	31.052.122	20.133.796
III FINANCIAL INCOME (ADP 155 to 164)	154	46.343.754	2.770.965	59.531.001	35.041.004
1 Income from investments in holdings (shares) of undertakings within the group	155	21.629.917	0	45.857.357	29.586.024
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	4.840.536	1.418.033	3.430.960	1.165.452
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	8.365.765	1.532.927	6.223.035	3.296.523
6 Income from other long-term financial investments and loans	160	137.498	137.498	18.514	16.387
7 Other interest income	161	397.460	74.702	209.200	67.302
8 Exchange rate differences and other financial income	162	10.249.661	-23.048	3.401.980	838.694
9 Unrealised gains (income) from financial assets	163	722.917	-369.147	389.955	70.622
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	31.596.148	9.360.860	14.175.438	5.270.696
1 Interest expenses and similar expenses with undertakings within the group	166	4.381.356	1.416.664	3.572.892	1.127.705
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	11.937.494	404.522	4.033.844	2.420.932
3 Interest expenses and similar expenses	168	7.927.932	4.026.913	3.717.116	1.086.634
4 Exchange rate differences and other expenses	169	5.726.916	1.890.311	2.766.991	972.866
5 Unrealised losses (expenses) from financial assets	170	0	0	84.595	-337.441
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	1.622.450	1.622.450	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	1.529.756.003	524.598.749	1.681.177.988	603.173.021
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	1.355.051.206	471.639.527	1.493.450.629	531.390.913
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	174.704.797	52.959.222	187.727.359	71.782.108
1 Pre-tax profit (ADP 177-178)	180	174.704.797	52.959.222	187.727.359	71.782.108
2 Pre-tax loss (ADP 178-177)	181	0	0	0	0
XII INCOME TAX	182	30.033.353	11.549.885	26.173.755	7.886.464
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	144.671.444	41.409.337	161.553.604	63.895.644
1 Profit for the period (ADP 179-182)	184	144.671.444	41.409.337	161.553.604	63.895.644
2 Loss for the period (ADP 182-179)	185	0	0	0	0



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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 188-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-188)	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	144.671.444	41.409.337	161.553.604	63.895.644
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	144.671.444	41.409.337	161.553.604	63.895.644
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



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BALANCE SHEET
balance as at 30.09.2019.

in HRK

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	2.023.835.625
I INTANGIBLE ASSETS (ADP 004 to 009)	003	83.550.892	85.943.007
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	82.012.693	81.246.331
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	4.696.676
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	943.805.991	962.131.891
1 Land	011	45.420.448	57.990.540
2 Buildings	012	438.893.781	428.045.710
3 Plant and equipment	013	251.711.854	270.964.896
4 Tools, working inventory and transportation assets	014	24.059.995	41.882.739
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	285.258	2.311.435
7 Tangible assets in preparation	017	60.854.260	39.263.772
8 Other tangible assets	018	714.344	907.238
9 Investment property	019	121.866.051	120.765.561
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	944.698.747	947.649.886
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	5.040.240
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	530.322
8 Loans, deposits, etc. given	028	206.784	212.605
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	28.110.841
C) CURRENT ASSETS (ADP 038+046+053+063)	037	987.808.109	1.087.529.246
I INVENTORIES (ADP 039 to 045)	038	369.330.573	459.512.682
1 Raw materials and consumables	039	140.914.574	171.203.866
2 Work in progress	040	27.699.930	33.830.156
3 Finished goods	041	154.115.542	177.104.047
4 Merchandise	042	45.525.456	76.299.542
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	538.068.906
1 Receivables from undertakings within the group	047	280.402.725	312.419.765
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	200.165.110	223.691.998
4 Receivables from employees and members of the undertaking	050	512.964	707.275
5 Receivables from government and other institutions	051	7.737.922	1.113.661
6 Other receivables	052	127.226	136.207
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	61.365.184	62.863.127
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	62.345.999
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	517.128
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	27.084.531
D) PREPAID EXPENSES AND ACCRUED INCOME	064	4.510.408	2.744.461
E) TOTAL ASSETS (ADP 001+002+037+064)	065	2.994.047.534	3.114.109.332
OFF-BALANCE SHEET ITEMS	066	1.048.180.995	987.784.784



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LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	2.189.169.838	2.292.728.186
I INITIAL (SUBSCRIBED) CAPITAL	068	1.566.400.660	1.566.400.660
II CAPITAL RESERVES	069	177.874.586	177.022.898
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	328.057.266	382.882.549
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	-48.445.478
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	4.868.475
1 Retained profit	082	3.696.000	4.868.475
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	113.141.326	161.553.604
1 Profit for the business year	085	113.141.326	161.553.604
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	32.630.075
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	12.818.398
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	185.175.753
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	185.175.753
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	530.025.131
1 Liabilities to undertakings within the group	108	39.997.328	24.516.790
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	29.720.699	9.428.974
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	594.597
6 Liabilities to banks and other financial institutions	113	176.901.761	214.479.977
7 Liabilities for advance payments	114	0	0
8 Liabilities to suppliers	115	245.821.222	224.199.861
9 Liabilities for securities	116	25.228	128.367
10 Liabilities to employees	117	34.661.926	30.796.435
11 Taxes, contributions and similar liabilities	118	12.830.510	23.219.386
12 Liabilities arising from the share in the result	119	1.470.793	1.438.218
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	961.308	1.222.526
E) ACCRUALS AND DEFERRED INCOME	122	47.861.048	73.550.187
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	2.994.047.534	3.114.109.332
G) OFF-BALANCE SHEET ITEMS	124	1.048.180.995	987.784.784



MANAGEMENT BOARD

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2019. to 30.09.2019.

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	174.704.797	187.727.359
2 Adjustments (ADP 003 to 010):	002	42.736.300	33.676.719
a) Depreciation	003	64.810.924	72.943.181
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-2.204.867	-289.812
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	2.232.691	2.972.324
d) Interest and dividend income	006	-26.791.250	-49.524.412
e) Interest expenses	007	9.997.049	7.667.739
f) Provisions	008	-1.286.590	950.483
g) Exchange rate differences (unrealised)	009	-4.021.657	-1.042.784
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	217.441.097	221.404.078
3 Changes in the working capital (ADP 013 to 016)	012	-122.944.957	-155.181.040
a) Increase or decrease in short-term liabilities	013	-41.970.042	-13.392.144
b) Increase or decrease in short-term receivables	014	-39.650.151	-51.606.787
c) Increase or decrease in inventories	015	-41.324.764	-90.182.109
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	94.496.140	66.223.038
4 Interest paid	018	-10.612.343	-7.972.645
5 Income tax paid	019	-4.608.797	-18.209.182
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	79.275.000	40.041.211
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	3.158.813	345.526
2 Cash receipts from sales of financial instruments	022	321.016	20.000
3 Interest received	023	582.870	246.982
4 Dividends received	024	16.482	15.870.931
5 Cash receipts from repayment of loans and deposits	025	36.176.872	299.450
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	40.256.053	16.782.889
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-61.403.751	-49.462.825
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-7.005.033	-1.000.045
4 Acquisition of a subsidiary, net of cash acquired	031	-399.512	-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	-68.808.296	-53.261.256
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-28.552.243	-36.478.367
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	69.565.288	251.507.665
4 Other cash receipts from financing activities	038	0	5.307.045
V Total cash receipts from financing activities (ADP 035 to 038)	039	69.565.288	256.814.710
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-179.309.425	-229.754.381
2 Cash payments for dividends	041	-48.718.173	-62.940.483
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	-8.764.664
VI Total cash payments from financing activities (ADP 040 to 044)	045	-228.027.598	-301.459.528
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-158.462.310	-44.644.818
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	-107.739.553	-41.081.974
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	24.274.122	27.084.531



MANAGEMENT BOARD

STATEMENT OF CHANGES IN EQUITY
for the period from 1.1.2019 to 30.9.2019

in HRK

Item	ADP code	Attributable to owners of the parent														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	Reserve for revaluation	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	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 (3 to 8 - 7 + 9 to 14)	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 (re dated) (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	2.189.169.838	0	2.189.169.838	
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	0	-85.299.306	0	-46.801.778	0	-46.801.778

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														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	Total attributable to owners of the parent				
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	0	0	116.837.326	0	2.189.169.838	0	2.189.169.838
2 Changes in accounting policies	28	0	0	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	0	0
4 Balance on the first day of the current business year (re stated) (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	0	0	116.837.326	0	2.189.169.838	0	2.189.169.838
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	0	161.553.604	161.553.604	0	161.553.604	
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	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	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	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	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	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	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	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	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	0	
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	-851.688	0	0	0	0	0	0	0	0	0	0	0	0	-851.688	0	-851.688	
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	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	0	
18 Redemption of treasury shares/holdings	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19 Payment of share in profit/dividend	46	0	0	0	0	-5.763.989	0	0	0	0	0	0	0	0	0	0	0	0	
20 Other distribution to owners	48	0	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	0	0	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	0	
23 Balance on the last day of the current business year reporting period (ADP 30 to 48)	49	1.566.400.660	177.022.898	36.604.532	147.604.502	48.445.478	0	247.118.993	0	0	0	0	0	0	4.868.475	161.553.604	2.292.728.186	0	2.292.728.186
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertaking 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	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50)	61	0	0	0	0	0	0	0	0	0	0	0	0	0	161.553.604	161.553.604	0	161.553.604	
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECORDED DIRECTLY IN EQUITY (ADP 41 to 48)	62	0	-851.688	5.657.066	0	-5.763.989	0	43.404.232	0	0	0	0	0	0	-111.968.851	0	-57.996.256	0	-57.996.256

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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 long term tangible asset and lease liabilities are reported within long term and short-term liabilities. As at 30 September 2019 value of Podravka Inc. right-of-use asset amounts to HRK 35.3 mil. and lease liabilities amounts to HRK 35.9 mil.



MANAGEMENT BOARD

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Koprivnica, 29 October 2019

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Unaudited financial statements of Podravka Inc. for the period 1 - 9 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 - 9 2019 were approved by the Management Board of PODRAVKA d.d. on 29 October 2019.

Corporate Accounting Director:
Julijana Artner Kuček

Board Member:
Davor Doko

PODRAVKA
ALIPHAMBENA INDUSTRIJA, d.d.
KOPRIVNICA 2



MANAGEMENT BOARD

Contact

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