



MANAGEMENT BOARD

Koprivnica, 24 July 2020

PODRAVKA INC. BUSINESS RESULTS FOR 1-6 2020 PERIOD – UNAUDITED



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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 June 2020

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, 24 July 2020

MANAGEMENT INTERIM REPORT ON THE BUSINESS RESULTS OF PODRAVKA INC. FOR THE 1-6 2020 PERIOD

Operations of Podravka Inc. in conditions of COVID-19

Operations in the first half of 2020 were marked by the emergence of COVID-19 in all the Podravka Inc.'s markets, and the third quarter continues with operations in the conditions of COVID-19. In such extraordinary circumstances, especially in conditions of strict measures introduced from March to May, one of the key companies responsible for ensuring the continuity of production and the regular supply of food in Croatia is Podravka Inc. Workflows within the company were fully adapted as quickly as possible to the new situation so that the production of food products took place in line with the market needs. Although in the beginning of the crisis, the conditions of purchase and supply of raw materials and packaging for production purposes were very difficult, Podravka Inc. took all the necessary steps in short time to ensure sufficient quantities of its food products, thus meeting the needs of its loyal customers in the numerous markets in which it is present. Given the increase in demand compared to the one planned for the month of March, the production was continually adjusting, and work in Podravka Inc.'s factories was organized in three and four shifts, while home office was organized for all employees of the services for which this was possible, in order to reduce potential risk of the virus within the system.

It should be pointed out that despite numerous negative effects of COVID-19 on business (increase in prices of raw materials and packaging, increase in prices of transport services, impact of foreign exchange differences, etc.), after positive business trends from the first two months of the current year, Podravka Inc. managed to maintain its positive business trends also on the half-year level, which once again confirms the company's ability to adapt its business in such unforeseen, extraordinary situations. Following the previously mentioned possibly stagnant consumer demand (publication of the 1-3 2020 results) for certain food products, the business of Podravka Inc. in the second quarter was quite challenging. With the aim of combating COVID-19, numerous measures were introduced, not only in Croatia but also in many countries where Podravka Inc. is present (closing kindergartens, schools, HoReCa channel, intercity and inter-county traffic, closing of borders, closing of almost all business entities in which direct contact with people is made), which consequently had a negative effect on the overall economic situation and activity (GDP decline, job losses, liquidity problems of business entities, reduced purchasing power and creation of uncertainty among citizens). The impact of the overall situation and the



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introduced measures on the operations of Podravka Inc. in 2020 cannot be assessed and quantified at this time.

Despite the situation and challenges caused by COVID-19 in the reporting period, Podravka Inc. did not receive any subsidies or grants, new financial risks have not been identified nor was there a need for provisions or impairment of assets.

The guidelines and recommendations of the Croatian National Civil Protection Headquarters are obeyed and implemented in order to protect the health of employees and minimise potential risks to the company's operations in each segment of the business organisation. Increased attention is being paid to the development of the situation on a daily basis, and appropriate measures are being taken in accordance with the recommendations of the competent authorities, with particular emphasis on the health and safety of our employees and ensuring business continuity. In addition, a special internal communication channel has been established for all inquiries related to these issues, so that all our employees receive all the necessary instructions and information in a timely manner.



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Key business highlights of the 1-6 2020 period

In the reporting period, Podravka Inc. recorded operating income of HRK 1,068.9m, which is 4.0% higher than in the comparative period. Total operating expenses are 3.0% higher due to the increase in material costs following higher production and sales, and the increase in staff costs, partly as a result of one-off awards to employees in the production, logistics and distribution segments paid in March and the provision for awards to employees paid in July. The operating profit amounts to HRK 115.5m, while in the comparative period it amounted to HRK 102.1m, which is an increase of 13.1% compared to the first half of 2019.

In the 1-6 2020 period, finance income decreased by HRK 17.7m following the absence of income from investments in shares of undertakings within the group which were recorded in the comparative period, while finance costs grew by HRK 0.5m, impacted by foreign exchange differences. The effective tax rate stood at 18.4%. All this resulted in the profit for the period in 1-6 2020 in the amount of HRK 90.7m.

As at 30 June 2020, total assets of Podravka Inc. amounted to HRK 3,159.2m, which is 3.8% higher than at the end of 2019. The significant increase on the assets side was recorded by current assets (HRK +109.2m), mainly affected by HRK 55.1m of increase in current financial assets following the increase in loans and deposits to undertakings within the group and the increase in cash at bank and in hand of HRK 78.0m. On the equity and liabilities side, the most significant increase, of HRK 81.1m, was recorded in the line item reserves from profit, and HRK 1.2m in retained profit.

Cash flow from operating activities in 1-6 2020 amounted to positive HRK 111.8m, due to operations and movements in the working capital. Cash flow from investing activities at the same time amounted to negative HRK 59.4m, 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 positive HRK 25.6m relative to the comparative period, due to borrowings received. In the 1-6 2020 period, cash at bank and in hand increased by HRK 78.0m and consequently the amount of cash and cash equivalents as at 30 June 2020 was HRK 80.2m.



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**UNAUDITED, UNCONSOLIDATED FINANCIAL REPORTS
FOR THE 1-6 2020 PERIOD**



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Annex 1		
ISSUER'S GENERAL DATA		
Reporting period:	01.01.2020.	to 30.6.2020
Year:	2020	
Quarter:	2	
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):	3257	
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 01.01.2020. to 30.06.2020.

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	1.028.152.201	541.594.623	1.068.856.273	482.349.151
1 Income from sales with undertakings within the group	126	418.560.573	214.061.753	462.542.395	223.984.859
2 Income from sales (outside group)	127	607.414.318	327.908.651	603.354.262	258.030.961
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	4.986	2.986	0	0
5 Other operating income (outside the group)	130	2.172.324	-378.767	2.959.616	333.331
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	926.022.196	498.285.694	953.352.456	440.515.973
1 Changes in inventories of work in progress and finished goods	132	4.238.253	10.074.191	10.317.769	-26.132.720
2 Material costs (ADP 134 to 136)	133	653.853.461	347.259.899	671.347.510	333.107.897
a) Costs of raw materials and consumables	134	407.448.865	210.725.631	455.118.550	232.562.860
b) Costs of goods sold	135	171.107.360	90.579.591	147.245.160	63.164.866
c) Other external costs	136	75.297.236	45.954.677	68.983.800	37.380.171
3 Staff costs (ADP 138 to 140)	137	197.141.600	106.078.430	200.690.790	105.094.069
a) Net salaries and wages	138	131.266.224	70.381.808	135.193.681	70.437.584
b) Tax and contributions from salary costs	139	41.629.560	22.747.520	41.410.766	22.040.937
c) Contributions on salaries	140	24.245.816	12.949.102	24.086.343	12.615.548
4 Depreciation	141	47.784.191	24.067.957	48.871.862	24.244.449
5 Other costs	142	21.019.650	10.830.813	17.328.291	8.786.649
6 Value adjustments (ADP 144+145)	143	-203.741	-560.043	-271.632	-1.561.833
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	-203.741	-560.043	-271.632	-1.561.833
7 Provisions (ADP 147 to 152)	146	356.049	47.895	0	0
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	356.049	47.895	0	0
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	1.832.733	486.552	5.067.866	-3.022.538
III FINANCIAL INCOME (ADP 155 to 164)	154	19.474.387	18.414.704	1.824.029	-823.469
1 Income from investments in holdings (shares) of undertakings within the group	155	16.271.334	16.271.334	0	0
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	2.303.806	1.160.555	1.387.386	833.878
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	2.127	2.127	0	0
7 Other interest income	161	57.735	24.740	77.769	56.906
8 Exchange rate differences and other financial income	162	520.052	809.320	0	0
9 Unrealised gains (income) from financial assets	163	319.333	146.628	358.874	-1.714.253
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	5.659.142	2.323.625	6.203.279	-1.125.495
1 Interest expenses and similar expenses with undertakings within the group	166	2.445.187	1.204.040	1.632.368	780.044
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	2.791.919	1.308.541	2.007.300	1.010.922
4 Exchange rate differences and other expenses	169	0	0	2.563.611	-2.916.461
5 Unrealised losses (expenses) from financial assets	170	422.036	-188.956	0	0
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	1.047.626.588	560.009.327	1.070.680.302	481.525.682
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	931.681.338	500.609.319	959.555.735	439.390.478
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	115.945.250	59.400.008	111.124.567	42.135.204
1 Pre-tax profit (ADP 177-178)	180	115.945.250	59.400.008	111.124.567	42.135.204
2 Pre-tax loss (ADP 178-177)	181	0	0	0	0
XII INCOME TAX	182	18.287.291	7.991.738	20.443.794	7.828.046
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	97.657.959	51.408.270	90.680.773	34.307.158
1 Profit for the period (ADP 179-182)	184	97.657.959	51.408.270	90.680.773	34.307.158
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 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	97.657.959	51.408.270	90.680.773	34.307.158
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	97.657.959	51.408.270	90.680.773	34.307.158
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 30.06.2020.

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	2.092.574.121	2.100.488.702
I INTANGIBLE ASSETS (ADP 004 to 009)	003	84.738.126	86.573.037
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	77.936.646	77.779.997
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	6.801.480	8.793.040
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	948.017.022	949.841.537
1 Land	011	57.909.131	57.749.494
2 Buildings	012	422.475.282	414.313.802
3 Plant and equipment	013	269.997.957	257.281.845
4 Tools, working inventory and transportation assets	014	41.112.287	34.684.213
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	3.765.153	4.862.265
7 Tangible assets in preparation	017	42.757.212	71.683.578
8 Other tangible assets	018	0	0
9 Investment property	019	110.000.000	109.266.340
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	1.015.430.473	1.019.715.752
1 Investments in holdings (shares) of undertakings within the group	021	978.278.607	981.014.122
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	0	1.529.646
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	532.554	555.217
8 Loans, deposits, etc. given	028	221.769	219.224
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	36.397.543	36.397.543
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	44.388.500	44.358.376
C) CURRENT ASSETS (ADP 038+046+053+063)	037	947.046.055	1.056.243.709
I INVENTORIES (ADP 039 to 045)	038	438.975.867	468.688.140
1 Raw materials and consumables	039	146.148.219	173.924.865
2 Work in progress	040	26.275.145	24.500.086
3 Finished goods	041	177.289.102	171.243.957
4 Merchandise	042	88.188.330	97.944.161
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	480.552.184	426.972.624
1 Receivables from undertakings within the group	047	290.484.997	257.504.907
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	184.596.116	167.320.747
4 Receivables from employees and members of the undertaking	050	920.073	708.789
5 Receivables from government and other institutions	051	4.357.997	1.125.544
6 Other receivables	052	193.001	312.837
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	25.337.630	80.429.717
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	25.330.884	80.268.243
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	6.746	161.474
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	2.180.374	80.153.228
D) PREPAID EXPENSES AND ACCRUED INCOME	064	3.046.938	2.428.540
E) TOTAL ASSETS (ADP 001+002+037+064)	065	3.042.667.114	3.159.160.951
OFF-BALANCE SHEET ITEMS	066	964.208.349	906.546.507



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LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	2.277.609.287	2.303.245.341
I INITIAL (SUBSCRIBED) CAPITAL	068	1.566.400.660	1.566.400.660
II CAPITAL RESERVES	069	178.030.772	175.914.836
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	383.120.276	464.229.353
1 Legal reserves	071	36.604.533	43.863.988
2 Reserves for treasury shares	072	147.604.502	147.604.502
3 Treasury shares and holdings (deductible item)	073	-47.568.237	-47.568.237
4 Statutory reserves	074	0	0
5 Other reserves	075	246.479.478	320.329.100
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	4.868.475	6.019.719
1 Retained profit	082	4.868.475	6.019.719
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	145.189.104	90.680.773
1 Profit for the business year	085	145.189.104	90.680.773
2 Loss for the business year	086	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	34.787.460	32.662.209
1 Provisions for pensions, termination benefits and similar obligations	089	21.975.417	21.975.417
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	12.812.043	10.686.792
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	179.850.124	195.380.158
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	179.850.124	195.380.158
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	487.929.614	553.912.696
1 Liabilities to undertakings within the group	108	28.090.456	19.138.502
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	9.461.512	24.726.918
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	345.367	431.190
6 Liabilities to banks and other financial institutions	113	167.707.337	229.322.684
7 Liabilities for advance payments	114	0	0
8 Liabilities to suppliers	115	224.702.395	206.886.751
9 Liabilities for securities	116	292.116	85.874
10 Liabilities to employees	117	35.868.211	31.333.738
11 Taxes, contributions and similar liabilities	118	15.305.439	38.106.051
12 Liabilities arising from the share in the result	119	2.201.947	2.193.543
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	3.954.834	1.687.445
E) ACCRUALS AND DEFERRED INCOME	122	62.490.629	73.960.547
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	3.042.667.114	3.159.160.951
G) OFF-BALANCE SHEET ITEMS	124	964.208.349	906.546.507



MANAGEMENT BOARD

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2020. to 30.06.2020.

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	115.945.250	111.124.567
2 Adjustments (ADP 003 to 010):	002	33.159.734	48.903.738
a) Depreciation	003	47.784.191	48.871.862
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	13.367	-132.945
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	1.484.901	2.168.499
d) Interest and dividend income	006	-18.635.002	-1.465.154
e) Interest expenses	007	5.237.106	3.639.848
f) Provisions	008	-1.755.800	-8.142.132
g) Exchange rate differences (unrealised)	009	-969.029	3.963.760
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	149.104.984	160.028.305
3 Changes in the working capital (ADP 013 to 016)	012	-84.785.320	-37.644.560
a) Increase or decrease in short-term liabilities	013	5.797.657	-8.725.614
b) Increase or decrease in short-term receivables	014	-71.708.291	793.325
c) Increase or decrease in inventories	015	-18.874.686	-29.712.271
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	64.319.664	122.383.745
4 Interest paid	018	-5.432.356	-3.644.613
5 Income tax paid	019	-14.718.721	-6.981.359
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	44.168.587	111.757.773
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	42.320	155.394
2 Cash receipts from sales of financial instruments	022	20.000	0
3 Interest received	023	125.435	391.118
4 Dividends received	024	14.497.698	0
5 Cash receipts from repayment of loans and deposits	025	9.237	12.801.938
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	14.694.690	13.348.450
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-28.571.366	-53.736.494
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-7.054	-16.899.551
4 Acquisition of a subsidiary, net of cash acquired	031	-2.798.386	-2.102.198
5 Other cash payments from investment activities	032	0	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-31.376.806	-72.738.243
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-16.682.116	-59.389.793
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	95.812.378	203.705.808
4 Other cash receipts from financing activities	038	4.435.370	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	100.247.748	203.705.808
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-164.087.256	-108.680.224
2 Cash payments for dividends	041	0	-62.938.483
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	-5.774.483	-6.482.227
VI Total cash payments from financing activities (ADP 040 to 044)	045	-169.861.739	-178.100.934
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-69.613.991	25.604.874
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	-42.127.520	77.972.854
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	68.166.505	2.180.374
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	26.038.985	80.153.228



MANAGEMENT BOARD

STATEMENT OF CHANGES IN EQUITY

for the period from 1.1.2020 to 30.6.2020

in HRK

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)
Previous period																	
1 Balance on the first day of the previous business year	01	1.566.400.660	177.874.589	30.947.466	147.604.502	54.209.463	0	203.714.761	0	0	0	0	116.837.326	0	2.109.169.839	0	2.109.169.839
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 (restated) (ADP 01 to 03)	04	1.566.400.660	177.874.589	30.947.466	147.604.502	54.209.463	0	203.714.761	0	0	0	0	116.837.326	0	2.109.169.839	0	2.109.169.839
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	145.189.104	145.189.104	0	145.189.104
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	-779.896	0	0	0	0	0	0	-779.896	0	-779.896
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	140.381	0	0	0	0	0	0	140.381	0	140.381
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15	0	156.186	0	0	0	0	0	0	0	0	0	0	0	156.186	0	156.186
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	0	0	0	0	0	0	0	0	0	0	0	0
19 Payment of share in profit/dividend	19	0	0	0	0	-6.641.226	0	0	0	0	0	0	-62.907.552	0	-56.266.326	0	-56.266.326
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	5.657.067	0	0	0	43.404.232	0	0	0	0	-49.061.299	0	0	0	0
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	170.030.772	36.604.533	147.604.502	47.568.237	0	246.479.478	0	0	0	0	4.868.475	145.189.104	2.277.609.207	0	2.277.609.207
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	-639.515	0	0	0	0	0	0	-639.515	0	-639.515
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24)	25	0	0	0	0	0	0	-639.515	0	0	0	0	0	145.189.104	144.549.589	0	144.549.589
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	0	156.186	5.657.067	0	-6.641.226	0	43.404.232	0	0	0	0	-111.968.851	0	-58.110.140	0	-58.110.140

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 + 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	178.030.772	36.604.533	147.604.502	47.568.237	0	246.479.478	0	0	0	0	150.057.579	0	2.277.609.207	0	2.277.609.207
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 (restated) (ADP 27 to 29)	30	1.566.400.660	178.030.772	36.604.533	147.604.502	47.568.237	0	246.479.478	0	0	0	0	150.057.579	0	2.277.609.207	0	2.277.609.207
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	90.680.773	90.680.773	0	90.680.773
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 reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	-2.115.936	0	0	0	0	0	0	0	0	0	0	0	-2.115.936	0	-2.115.936
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	0	0	0	0	0	0	0	-62.928.783	0	-62.928.783	0	-62.928.783
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	7.259.455	0	0	0	73.849.622	0	0	0	0	81.109.077	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	175.914.836	43.863.988	147.604.502	47.568.237	0	320.329.100	0	0	0	0	6.019.719	90.680.773	2.303.245.341	0	2.303.245.341
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 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	90.680.773	90.680.773	0	90.680.773
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)	52	0	-2.115.936	7.259.455	0	0	0	73.849.622	0	0	0	0	-144.037.860	0	-65.044.719	0	-65.044.719

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MANAGEMENT BOARD

Notes to the financial statements:

In 1-6 2020 period there were no changes in accounting policies.



MANAGEMENT BOARD

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Koprivnica, 24 July 2020

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Unaudited financial statements of Podravka Inc. for the period 1 - 6 2020 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 2020 were approved by the Management Board of PODRAVKA d.d. on 24 July 2020.

Corporate Accounting Director:
Julijana Artner Kukec

Board Member:

Davor Doko





MANAGEMENT BOARD

Contact

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