

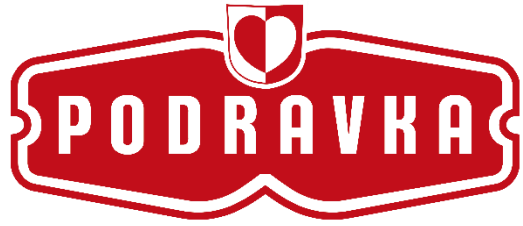


Podravka Group

Always with a heart!

07-08 October 2015, Investor Conference Stegersbach 2015





The Company

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H1 2015 results

Strategic goals

Podravka Group at a glance



BUSINESS:

- food and pharmaceuticals.



2014 FIGURES:

- HRK 3,502.6 million of sales,
- HRK 3,508.6 million of total assets,
- 5,341 employees.

YEAR OF ESTABLISHMENT: 1947

- 68 years in food production,
- 43 years in pharma production,
- culinary institution in SEE.



HEADQUARTERS:

- Koprivnica, Croatia.



MAIN MARKETS:

- South East Europe,
- Central Europe,
- Eastern Europe.



SHARE LISTING:

- Zagreb Stock Exchange, Croatia,
- 7,120,003 ordinary shares,
- MCap of HRK 2,385.2 million*.

*MCap on 05 October 2015.

Long tradition of food and pharmaceutical production



1934

Fruit processing and marmalade workshop by brothers Wolf established



1947

Wolf brothers workshop became publicly owned under Podravka name



1952

Condiments, dried and sterilized vegetables, etc. production established



1957

Famous Podravka soups production established



1958

Production of meat products established



1959

Vegeta, universal seasoning, production established



1970

Baby food production established



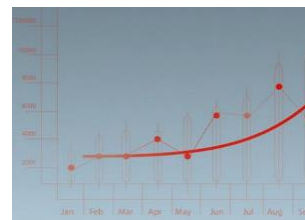
1970

Bottling facility for spring water enters Podravka, non-alcoholic beverages production established



1972

Belupo pharmaceutical company established, pharmaceutical production established



1993

Podravka became a joint-stock company, free share trading from 1994



2002

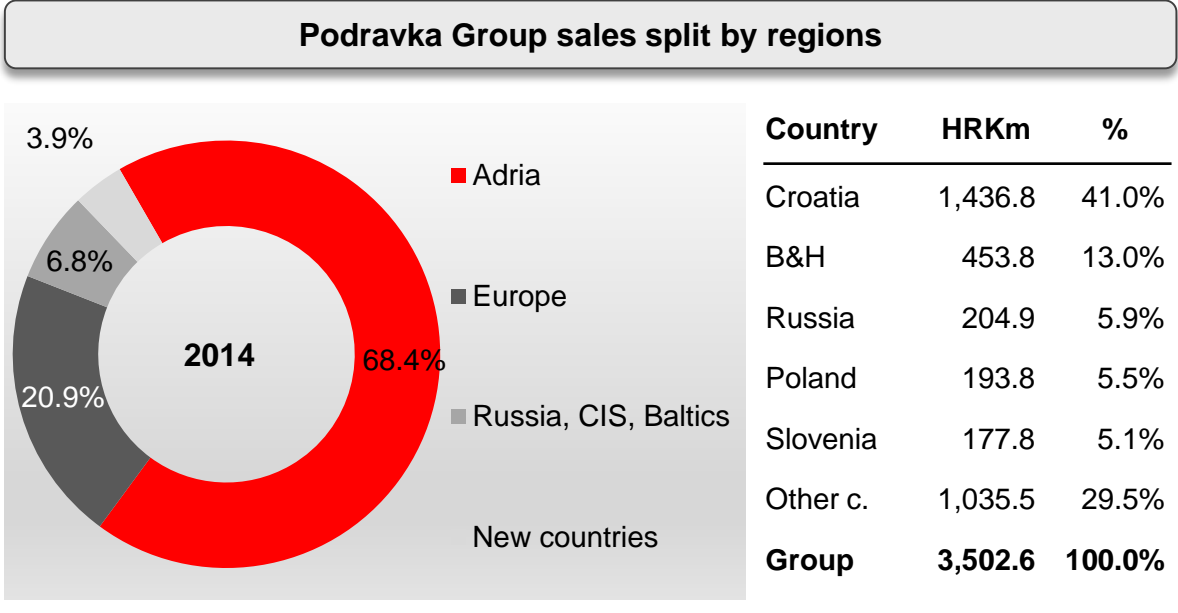
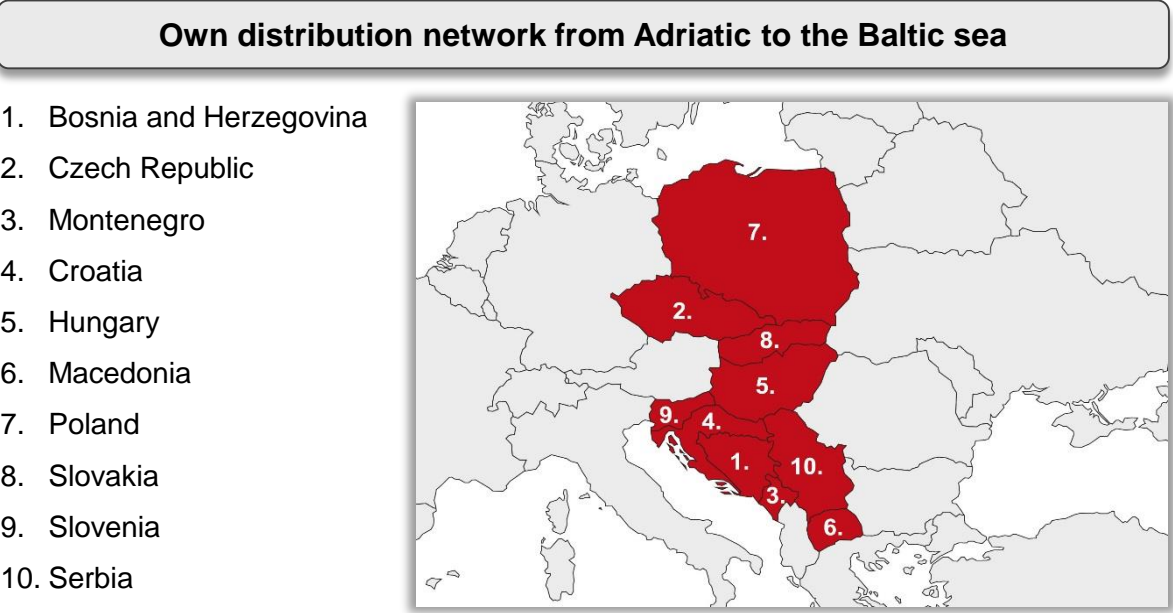
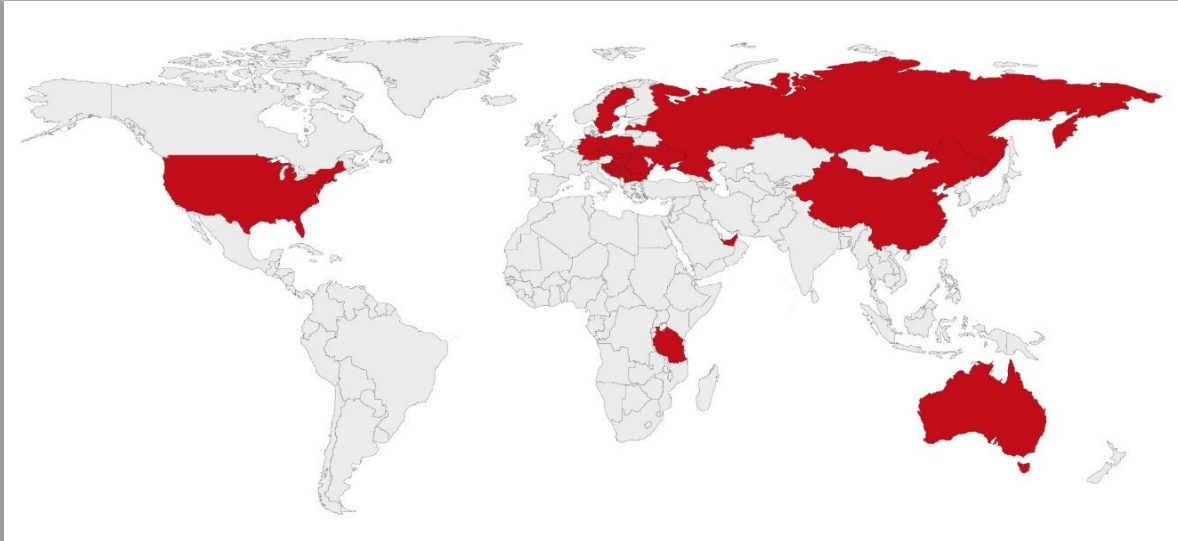
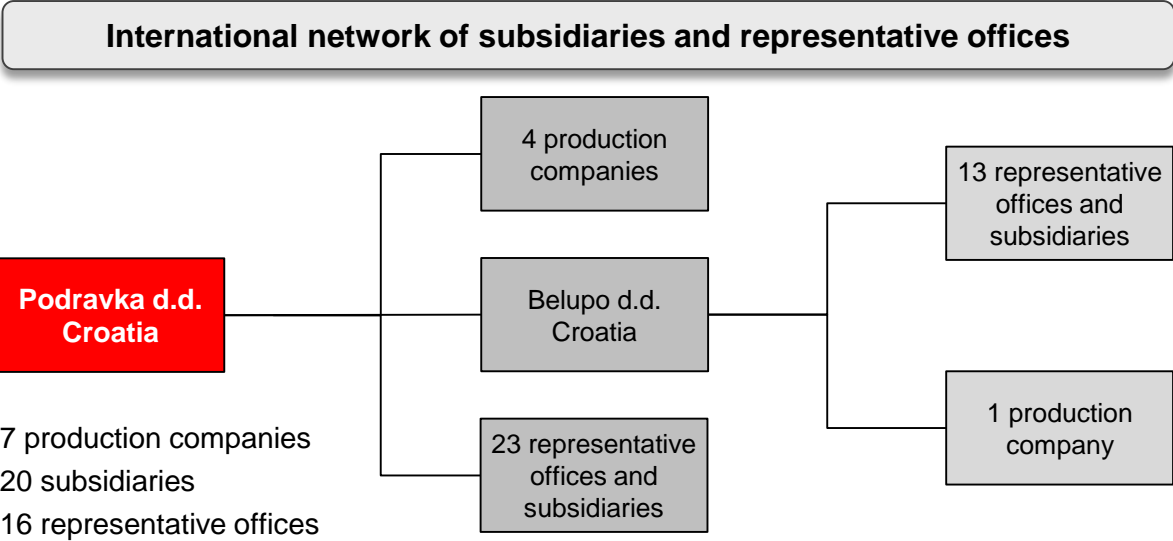
Lagris, Czech food producer, acquisition



2015

Žito, Slovenian food producer, acquisition; Mirna, fish products producer, enters Podravka

Podravka Group is present in 24 countries with subsidiaries and representative offices



Highly developed corporate governance

Management board



Zvonimir Mršić

President of MB

- Group strategy,
- mayor of Koprivnica in 3 terms,
- FBA,
- vice-president of Croatian Exporters Association.



Olivija Jakupec

Member of MB

- sales & marketing,
- work experience on the Russian market,
- director of Nexxe B&H.



Miroslav Klepač

Member of MB

- finance & IT,
- board member of Allianz Zagreb, Iskon, HT B&H,
- MBA.



Hrvoje Kolarić

Member of MB

- pharmaceuticals,
- director of Bristol Myers Squibb and PharmaSwiss,
- MBA.

Supervisory board

President:

- Dubravko Štimac → president of MB of PBZ CO OPF

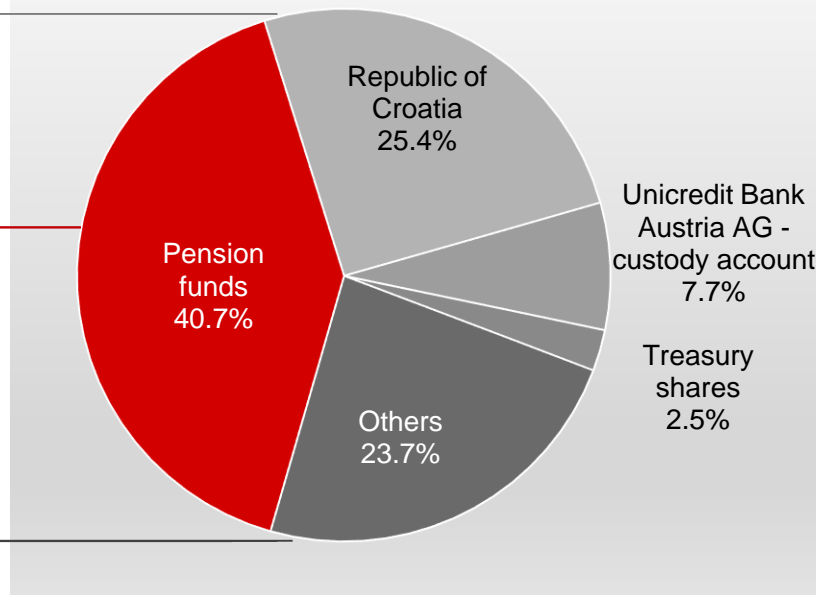
Vice President:

- Mato Crkvenac → ex finance minister

Members:

- Ivana Matovina → ex audit director at KPMG
- Ksenija Horvat → workers representative
- Ivo Družić → academy professor of economy
- Milan Sojanović → professional manager
- Petar Vlaić → president of MB of Erste Plavi OPF
- Dinko Novoselec → president of MB of Allianz ZB OPF
- Petar Miladin → academy professor of law

Shareholder structure as at 31 July 2015



Audit committee

President:

- Dinko Novoselec

Members:

- Petar Vlaić
- Ivana Matovina
- Mato Crkvenac

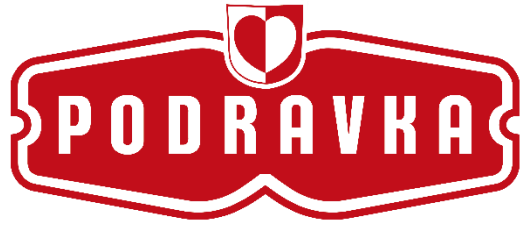
Remuneration committee

President:

- Petar Vlaić

Members:

- Dubravko Štimac
- Milan Stojanović



The Company

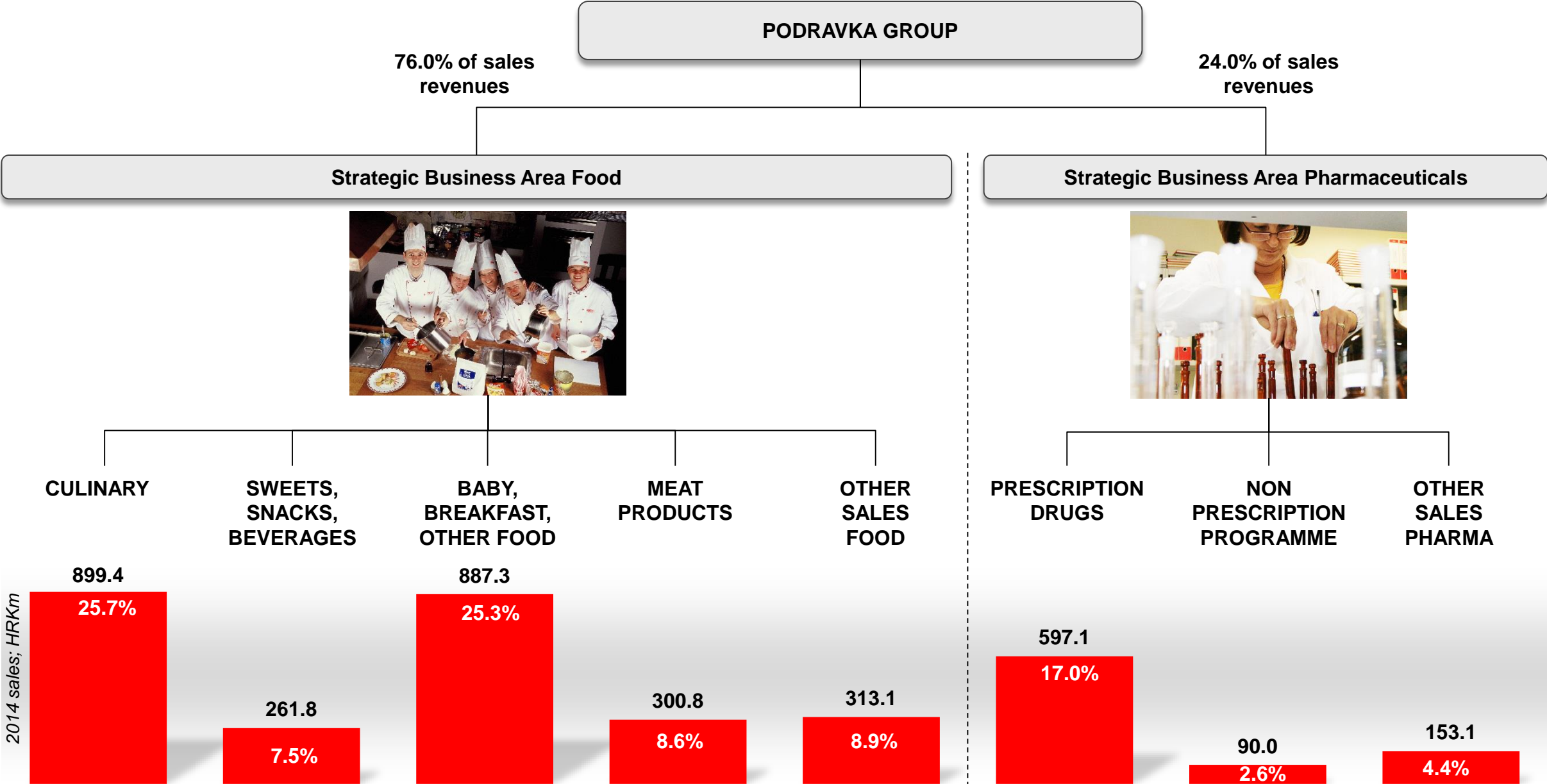
Business

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Strategic goals

A well diversified product portfolio divided in two business areas



Culinary category is a cornerstone of food business

Food category products overview				2014 sales; % of total	
CULINARY <ul style="list-style-type: none"> seasonings*, bouillons, soups*, semi-finished meals, mixes for meals, sauces. 				HRK 899.4m	25.7%
SWEETS, SNACKS AND BEVERAGES <ul style="list-style-type: none"> powdered sweets*, salted snack, non-alcoholic beverages. 				HRK 261.8m	7.5%
BABY, BREAKFAST AND OTHER FOOD <ul style="list-style-type: none"> dehydrated baby food*, cereals, spreads, condiments, vegetables, fish products*, tomato based products. 				HRK 887.3m	25.3%
MEAT PRODUCTS <ul style="list-style-type: none"> ready to eat meals and meat sauces, sausages, pâtés, frozen meat. 				HRK 300.8m	8.6%
OTHER SALES <ul style="list-style-type: none"> private labels, service production, trade goods, other. 				HRK 313.1m	8.9%

*Strategic products with international potential.

Prescription drugs category is a cornerstone of pharmaceutical business

Pharmaceutical category products overview				2014 sales; % of total	
PRESCRIPTION DRUGS <ul style="list-style-type: none"> for skin disorders* for heart and blood vessels, for central nervous system, for 8 more areas. 		  		HRK 597.1m	17.0%
NON-PRESCRIPTION PROGRAMME <ul style="list-style-type: none"> OTC medicine, dietary products, natural products. 		  		HRK 90.0m	2.6%
OTHER SALES <ul style="list-style-type: none"> trade goods, services. 	   			HRK 153.1m	4.4%

*Strategic products with international potential.

High-quality brands with exceptional recognisability and strong international potential

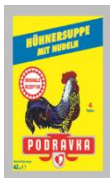


VEGETA

- universal seasoning, category synonym in SEE,
- for years No. 1 FMCG brand in CRO and in the top 3 in the region,
- number 1 brand in Europe in seasoning category,

- Superbrand award in more than 15 European countries,
- Laur consumenta award in Poland for 2004-2014 period.

Vol. MS ¹	CRO	SLO	B&H	POL	CZE	RUS
Vegeta	1	1	1	2	2	2



PODRAVKA SOUPS

- dehydrated instant soups,
- sold in 25 countries around the world,
- market leader or among top 3 in the Adria region,

- Quadal (Quality Medal) award in Croatia,
- Best Buy award in Croatia and B&H.

Vol. MS ¹	CRO	SLO	B&H	RUS
Soups	1	3	1	7



LINO

- dehydrated baby food; umbrella brand,
- category synonym in SEE countries,
- sold in more than 20 countries around the world,

- Trusted brand award and Best Buy award winner in Croatia,
- Superbrand awards winner in Croatia, Slovenia and B&H.

Vol. MS ¹	CRO	SLO	B&H
Lino	1	1	1



DOLCELA

- powdered product for preparation of sweets,
- No. 1 or strong No. 2 brand in SEE,

- Quadal (Quality Medal) award in Croatia,
- Best Buy award in Croatia and B&H.

Vol. MS ¹	CRO	SLO	B&H
Dolcela	1	2	1



EVA (MEDITERRANEAN ASSORTMENT)

- one of the most recognisable brands in canned fish category in the Adria region,
- flagship of Mediterranean cuisine,

- Quadal (Quality Medal) award and Superior taste award in Croatia,
- Best Buy award in Croatia and B&H.

Vol. MS ¹	CRO	SLO	B&H
Eva	2	5	1

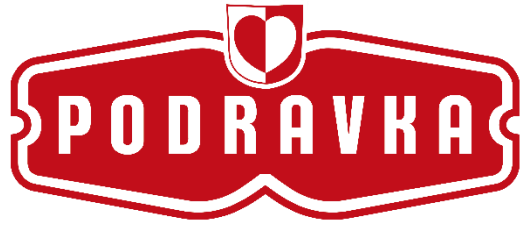


BELUPO

- pharmaceutical brand,
- strong position in niche markets, especially in dermatology segment.

Vol. MS ²	CRO	RUS	CZE	SLO	B&H	SER	MAC	SLR
D07 ³	1	5	2	2	1	2	1	1

¹Source: Nielsen; ²Source: IMS; ³Corticosteroids for the treatment of skin disorder.



The Company

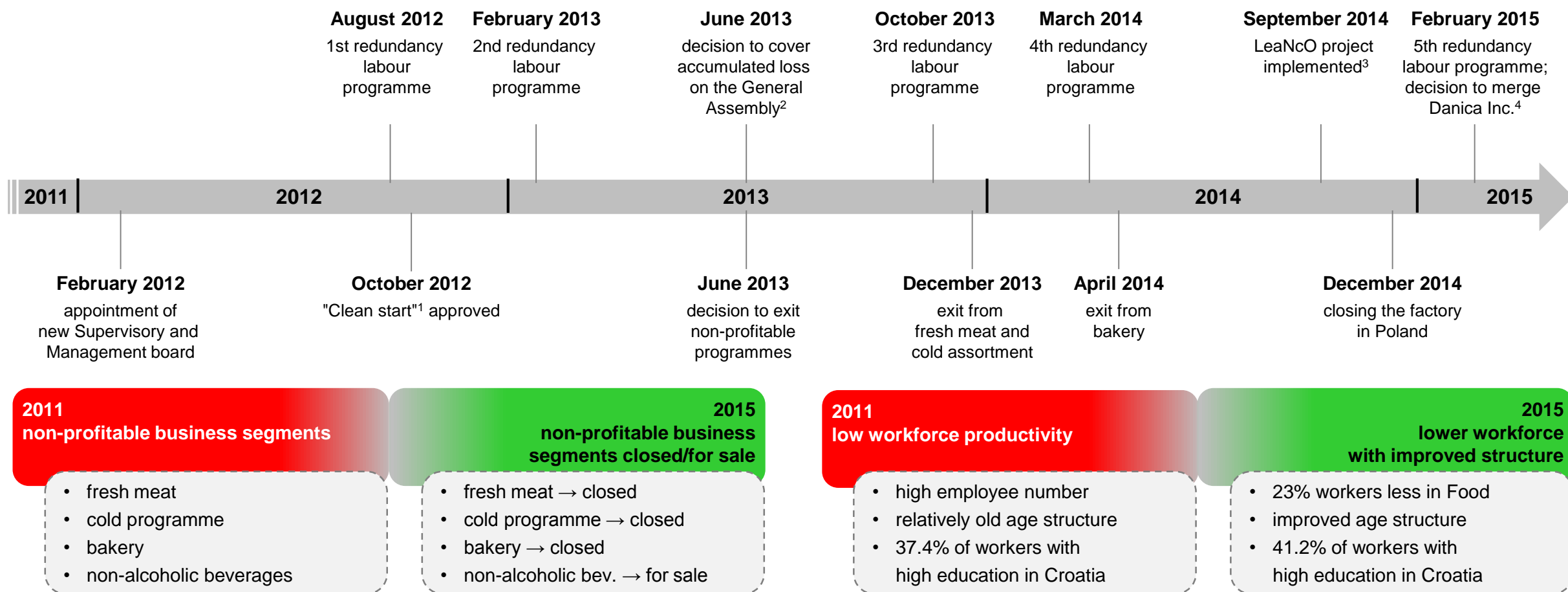
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Strategic goals

Successful implementation of restructuring process



- **¹Clean start** – approved ordered assessment of the Company's position made by KPMG as base for further steps,
- **²Cover of accumulated loss** – the decision has been made on the General Assembly to reduce nominal value of shares from HRK 300.00 to HRK 200.00 to cover accumulated losses and to make prerequisites for future dividend payment,
- **³LeaNcO project** – a project aimed to improve efficiency of finance, administration and reporting successfully implemented,
- **⁴Merger of Danica Inc.** – meat company of Podravka Group, merger with an aim to improve efficiency of meat programme. Merger finished on 01 October 2015.

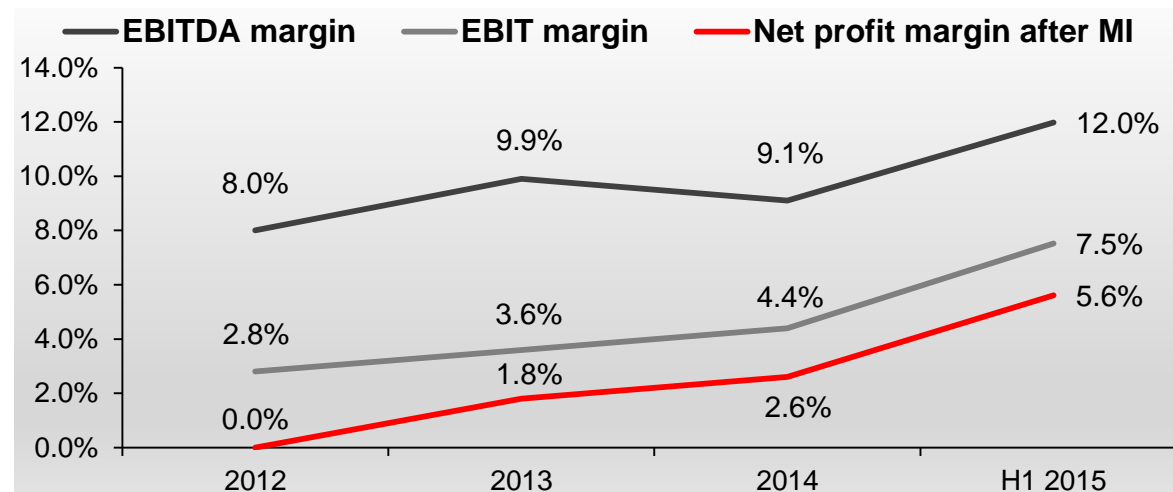
Significantly improved financial position

One-off items burdened profitability in the past

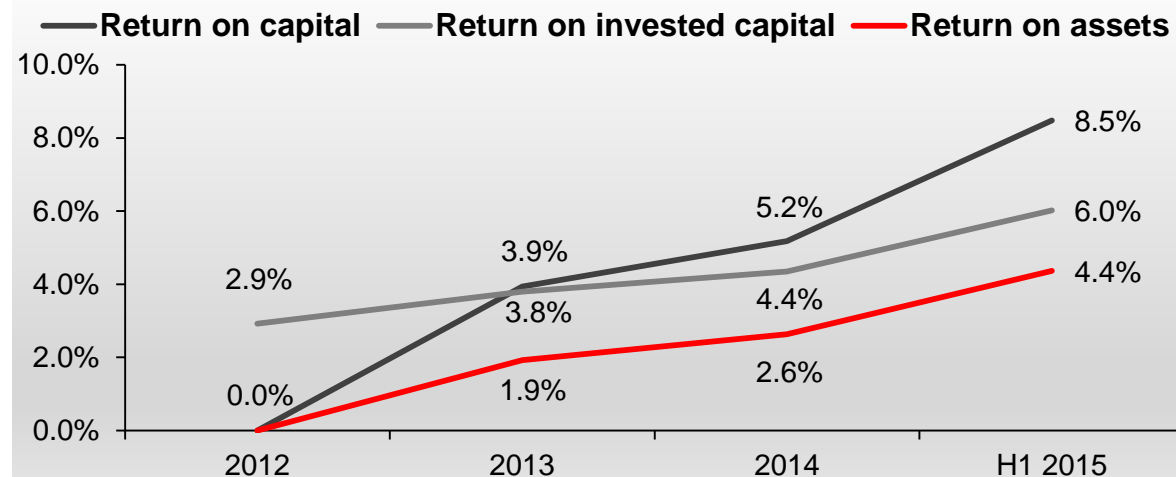
(HRK _m)	2012	2013	2014	H1 2015
Value adjustments	(37.4)	(80.8)	(29.2)	0.0
Severance payments	(49.9)	(57.2)	(71.1)	0.0
Other	(44.5)	4.6	10.2	24.8
Total net one-off items	(131.8)	(133.4)	(90.1)	24.8

- restructuring efforts took its toll on profitability in the past,
- 2015 is expected to be without negative one-off items.

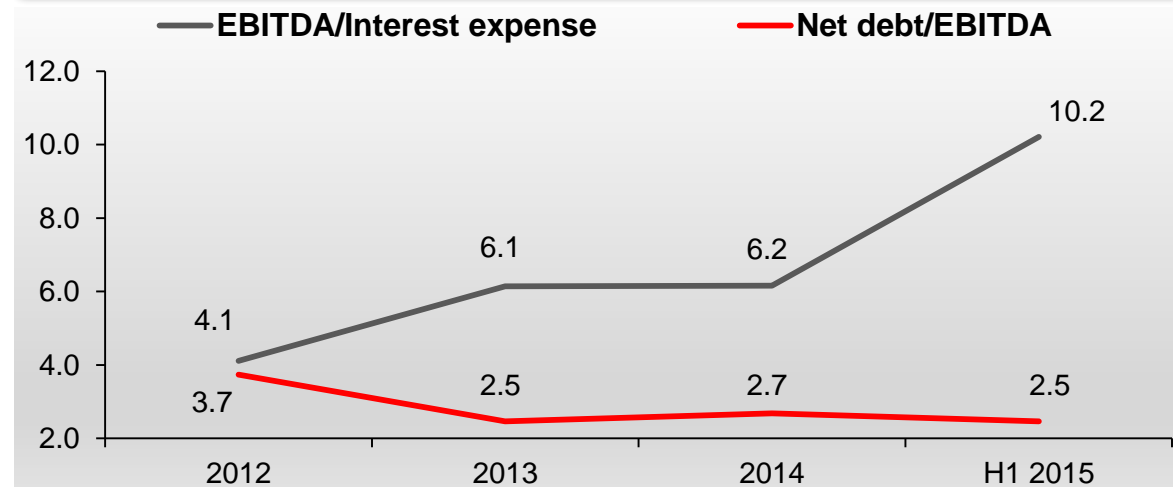
Improvement in profitability margins



Return rates on a higher level¹








Debt level lowered¹









¹H1 2015 indicators calculated on the trailing twelve months basis; Return on invested capital = $\text{EBIT} \times 0.8 / (\text{total shareholders' equity} + \text{financial debt})$.

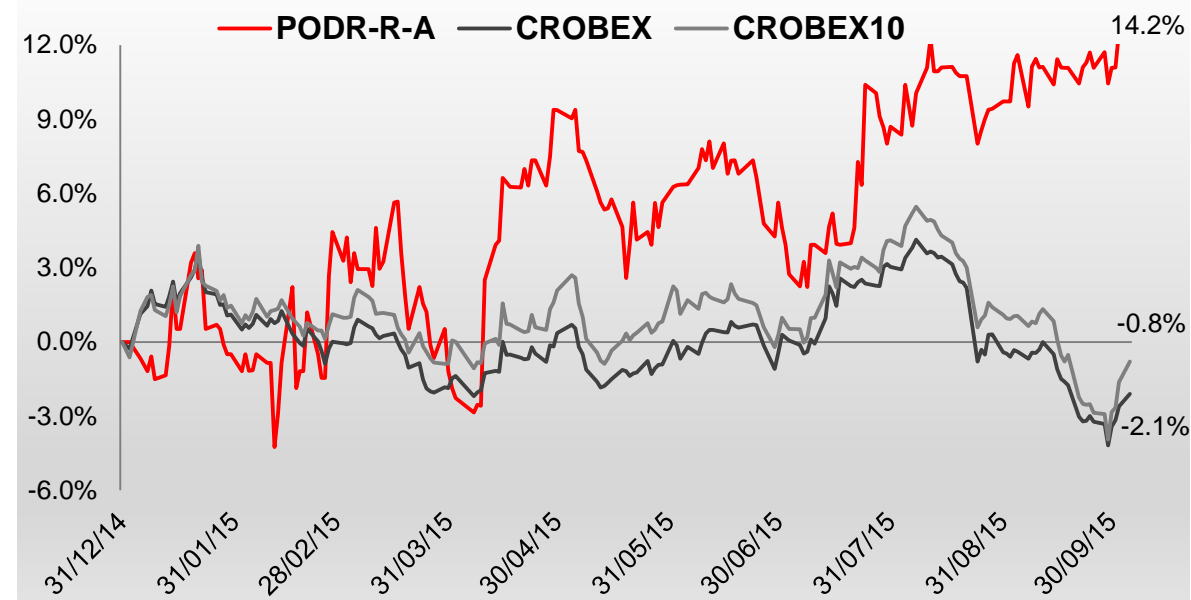
Podravka's share is been traded below peer group level

(HRK; units)	2015 / 2014 ¹		% change
Average daily price	313.4		5.4%
Average daily number of transactions	12		(15.7%)
Average daily volume	1,774		3.5%
Average daily turnover	556,010.0		9.1%
Earnings per share ²	29.6		73.5%

¹2015 = 01 January 2015 – 05 October 2015, 2014 = 01 January 2014 – 05 October 2014;

²Earnings per share calculated for H2 2014 – H1 2015 period, comparison to FY2014.

Analysts	Recommendation	Target price	Potential ³
	Buy	HRK 364.78	8.9%
	Under review	n/a	n/a
	Under review	n/a	n/a
	Buy	HRK 374.00	11.6%
	Accumulate	HRK 370.00	10.4%
	Buy	HRK 398.96	19.1%



Peer group multiples ⁴	EV/Sales	EV/EBITDA	EV/EBIT	P/B	P/E
Weighted average peer group	2.2	13.0	18.4	3.4	20.9
Normalized weight. av. peer group ⁵	2.2	13.1	18.9	3.2	20.7
Podravka Group reported	1.0	8.7	15.1	1.3	14.9
Podravka Group normalized ⁶	1.0	9.0	14.2	1.3	13.7

³Compared to the last price on 05 October 2015,

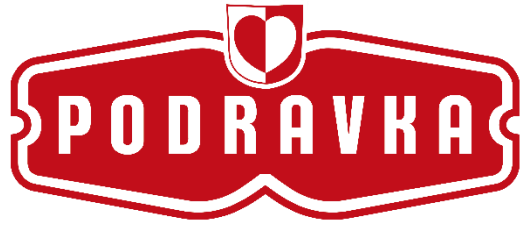
⁴Obtained from Bloomberg on 06 October 2015,

⁵Calculated excluding maximal and minimal values,

⁶Calculated excluding one-off items.

Peer food: Atlantic Grupa d.d., Greencore Group plc, Nestle S.A., Orkla S.A., Otmuchow S.A., Unilever plc,

Peer pharma: Hikma Pharmaceuticals plc, Recordati S.p.A, Richter Gedeon Nyrt., Stada Arzneimittel AG.



The Company

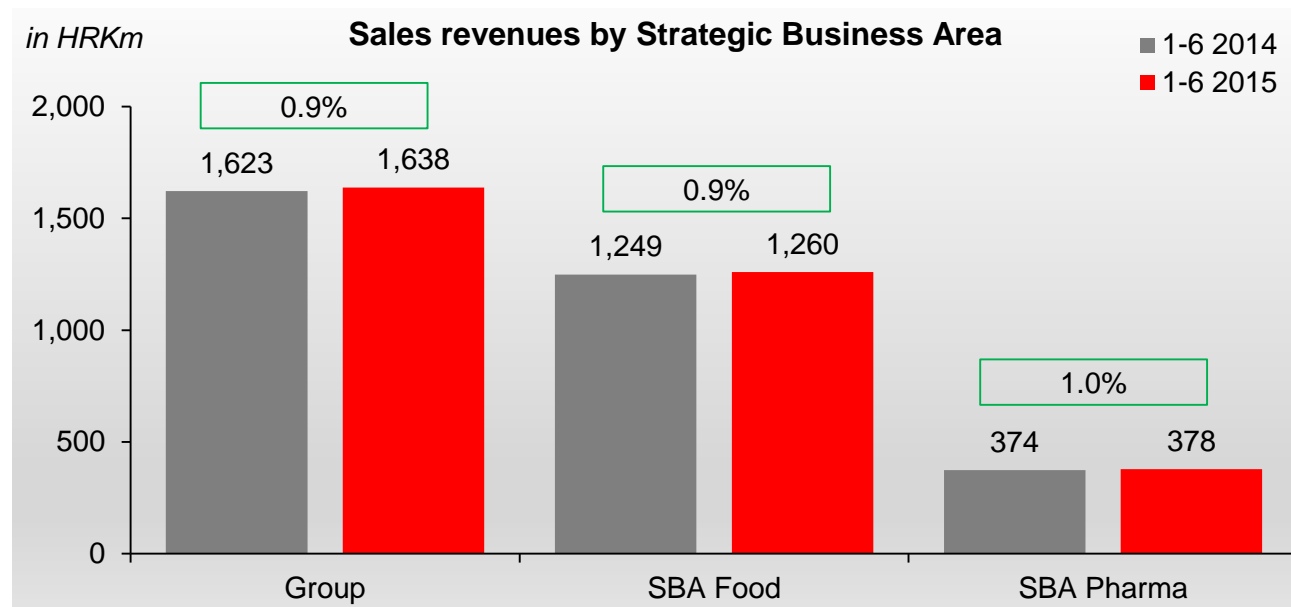
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Strategic goals

Sales revenues growth of both strategic business areas in the first half of 2015



Estimated FX impact on sales revenues:

- HRK +3.9 million of estimated positive impact on food segment,
- HRK -12.5 million of estimated negative impact on pharmaceutical segment.

Estimated impact of CHIF on sales revenues:

- HRK -6.0 million of estimated negative impact on pharmaceutical segment.

Strategic business area Food:

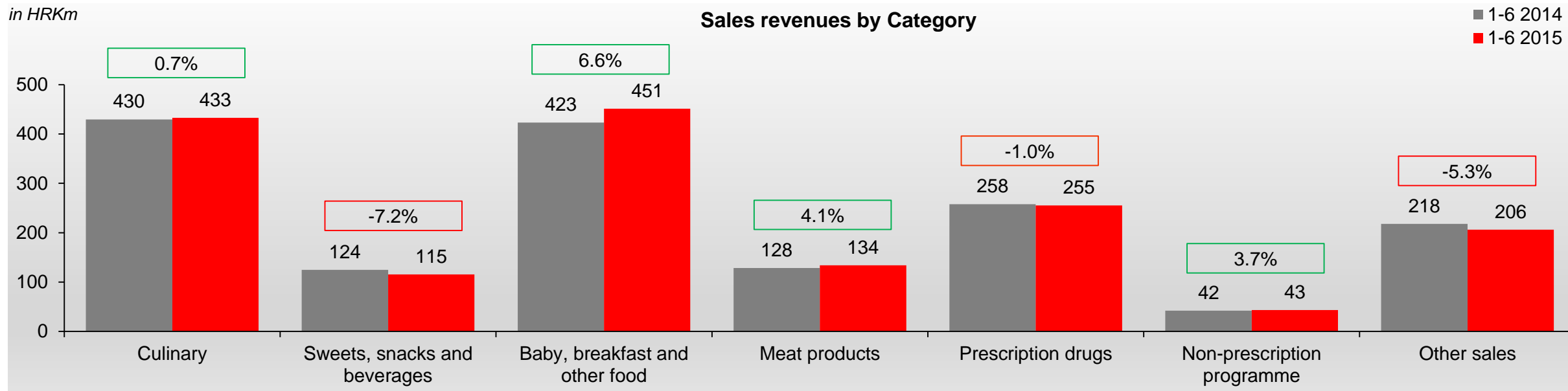
- own brands → 2.5% sales growth mostly as a result of soups, condiments and frozen vegetables subcategories sales growth as well as recorded sales from PIK and Mirna assortment,
- other sales → 11.3% sales drop primarily as a result of lower sales of poppy seeds, whose market price significantly decreased in the H1 2015,
- excluding the effect of PIK and Mirna assortment and sales of programmes under restructuring (beverages and bakery), own brands recorded 1.9% and food segment 0.5% sales growth.

Strategic business area Pharmaceuticals:

- own brands → 0.3% sales drop under the influence of Russian ruble depreciation and the decrease in prices of prescription drugs prescribed by the CHIF¹ in the market of Croatia,
- other sales → 6.3% sales growth primarily due to the increase in sales of trade goods in the Farmavita company.

¹Croatian Health Insurance Fund.

Increase in sales revenues of own brands in the first half of 2015 is 1.9%

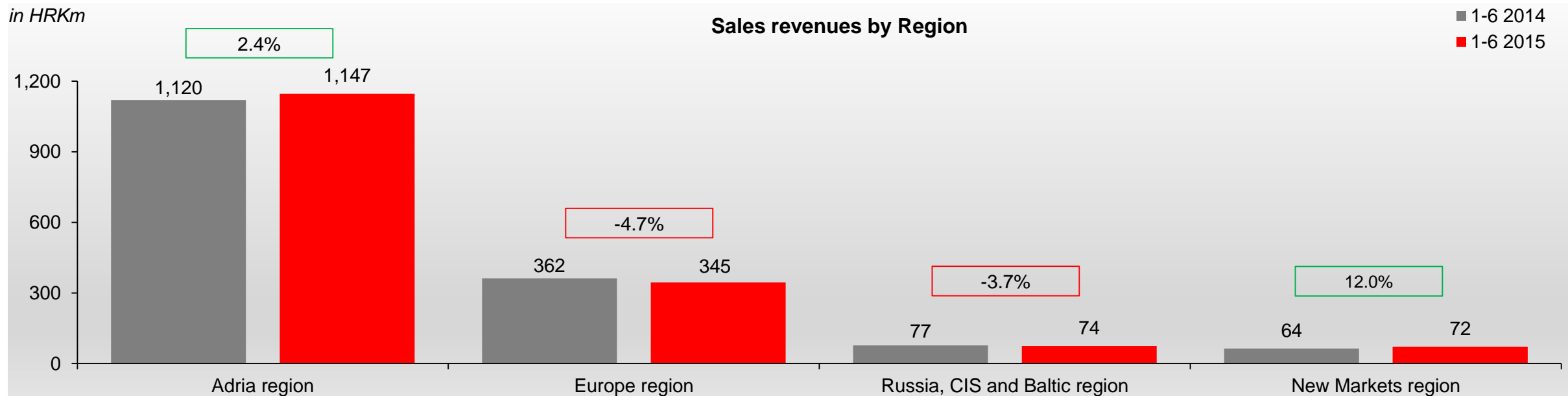


Key highlights:

- culinary → sales increase primarily due to the increase in sales of the soups subcategory in the Adria region as a result of better representation of soups range in chain stores,
- sweets, snacks and beverages → w/o beverages product range¹, sales dropped -4.1% following the decision on lower exposure to one of key customers that is in financial difficulties,
- baby, breakfast and other food → increase in sales of condiments, frozen vegetables and Mediterranean food; w/o Mirna assortment² category recorded sales growth of 5.3%,
- meat products → sales growth spurred by extension of sausages subcategory product range and by sales of PIK assortment³; w/o PIK assortment 2.0% lower category sales,
- prescription drugs → HRK 12.5 million of negative FX impact; excluding FX impact sales grew 3.5%,
- non-prescription programme → sales grew due to the increase in sales of the OTC subcategory of 14.3% in the Croatian market due to a heavy common cold and flu season in Q1 2015,
- other sales → negative impact of the decrease in the price of poppy seeds, which was partially mitigated by the increase in sales of trade goods in the Farmavita company.

¹Beverages product range is for sale; ²Consolidated in P&L from Q2 2015; ³Acquired in April 2014.




























Adria Region is the main driver of the sales growth in the first half of 2015



Key highlights:

- Adria region → organic sales growth recorded in the soups and OTC subcategories, while inorganic sales growth was recorded by the PIK and Mirna assortment; w/o the PIK and Mirna assortment, Adria region sales grew 2.1%,
- Europe region → lower sales of trade goods (poppy seeds), while sales of own brands grew 0.9% due to higher sales of condiments in Western Europe and rice in Central Europe,
- Russia, CIS & Baltic region → HRK 12.5 million negative impact of FX differences; excluding FX differences, sales would grow 12.5%,
- New Markets region → sales growth of the culinary category in the markets of the USA and Australia; excluding FX differences, sales growth would be 2.8%.

Profitability improvement in food and pharma segment increased Group's profitability

1-6 2015 (in HRKm) ¹	Food			Pharmaceuticals			Group		
Sales revenues	1,260.1		0.9%	377.8		1.0%	1,638.0		0.9%
Gross profit	480.8		2.6%	195.1		1.0%	676.0		2.1%
EBITDA	139.6		94.3%	56.5		11.9%	196.1		60.3%
EBIT	86.4		264.1%	36.8		23.4%	123.2		130.1%
Net profit after MI	67.4		1242.4%	24.5		29.7%	91.9		284.2%
1-6 2015 (% of sales revenues) ²	Food			Pharmaceuticals			Group		
Gross margin	38.2%		+64 bp	51.6%		+1 bp	41.3%		+49 bp
EBITDA margin	11.1%		+533 bp	15.0%		+146 bp	12.0%		+444 bp
EBIT margin	6.9%		+496 bp	9.7%		+177 bp	7.5%		+422 bp
Net margin after MI	5.3%		+495 bp	6.5%		+143 bp	5.6%		+414 bp

Key highlights:

Food:

- HRK +24.8 million impact of Mirna consolidation in H1 2015, HRK -49.1 million impact of severance payments in H1 2014,
- excluding impacts of Mirna and severance payments, EBIT is 15.3% lower as a result of higher operating expenses mainly related to the decision to enter new markets and the acquisitions of Mirna and Žito.

Pharmaceuticals:







- considerably lower net negative realized FX differences when compared to the H1 2014.

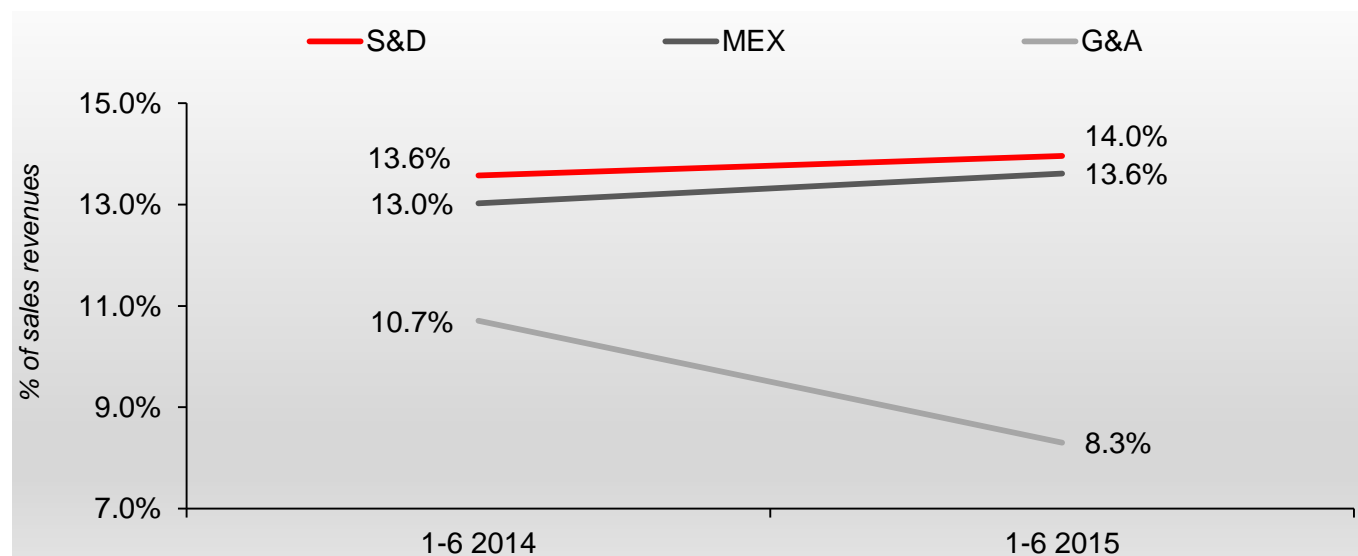
Podravka Group:

- w/o Mirna and severance payments impacts, Group EBIT is 6.3% lower primarily as a consequence of the increase in operating expenses of the food segment resulting from entering new markets and acquisitions.

¹Performance in the H1 2015; % change when compared to the H1 2014; ²% of sales revenues in H1 2015; basis points change when compared to the H1 2014.

Growth of operating expenses connected with initial costs of new markets and acquisition costs

Operating expenses		1-6 2015 / 1-6 2014
Cost of goods sold (COGS)		0.1%
General and administrative expenses (G&A)		(21.7%)
Selling and distribution costs (S&D)		3.8%
Marketing expenses (MEX)		5.5%
Other costs		(77.8%)
Total		(1.7%)



Key highlights:

COGS:

- lower COGS growth than sales growth due to favourable movements in the prices of raw materials in the food segment and the improvement in the supply chain efficiency in the pharmaceutical segment that resulted in lower unit costs of raw materials,

G&A:

- H1 2014 was burdened by HRK 51.5 million of severance payments; excluding severance payments, general and administrative expenses grew 11.3% impacted by initial costs related to the acquisitions of Žito and Mirna,

S&D:

- increase in selling and distribution costs was primarily impacted by initial costs related to the decision to enter new markets that were not charged in the comparative period,

MEX:

- growth due to stronger marketing activities related to the Mediterranean food subcategory in the Adria and Europe regions, to the pâtés subcategory in the Adria region and to new markets,

Other costs:

- 4.8x lower net negative realized FX when compared to the H1 2014.

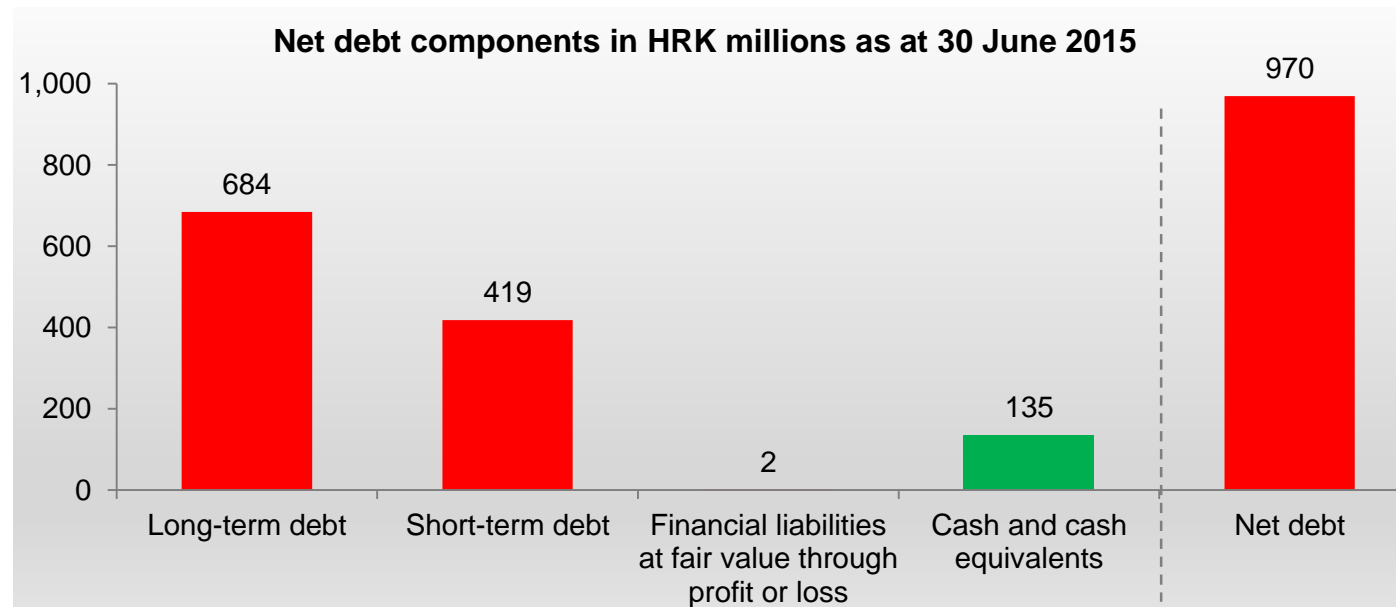
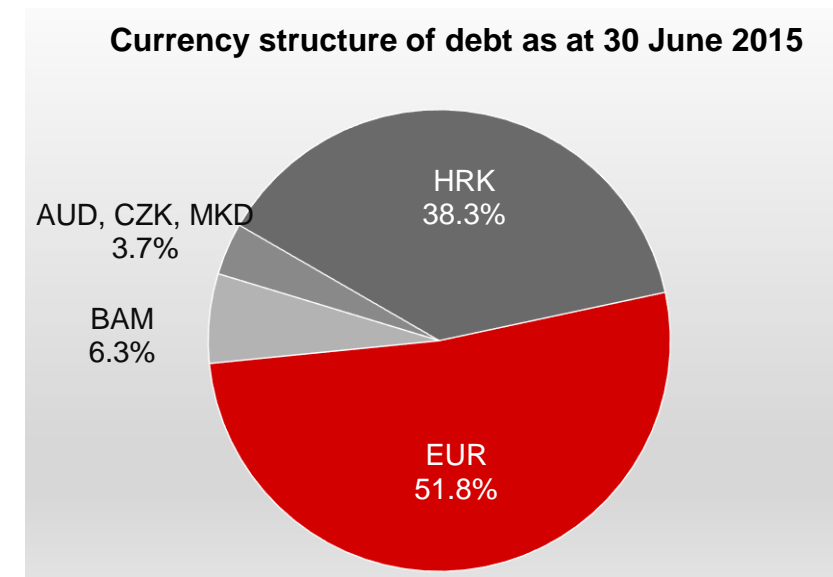
Improvement of debt indicators at the end of the first half of 2015

(in HRK 000)*	1-6 2015	2014	% change
Net debt	969,862	856,829	13.2%
Interest expense	38,534	43,543	(11.5%)
Net debt / EBITDA	2.5	2.7	(8.0%)
EBITDA / Interest expense	10.2	7.3	39.1%
Equity to total assets ratio	51.5%	50.9%	+65 bp




*Note: all indicators calculated on the trailing twelve months basis; Interest expense excluding banking fees.

Key highlights:

- net debt increase → due to lower cash and cash equivalents level,
- lower interest expense → consequence of refinancing liabilities under more favourable commercial conditions,
- **weighted average cost of debt:**
 - on 30 June 2015 → 3.4%,
 - on 31 December 2013 → 4.3%,
 - improvement by 94 bp.



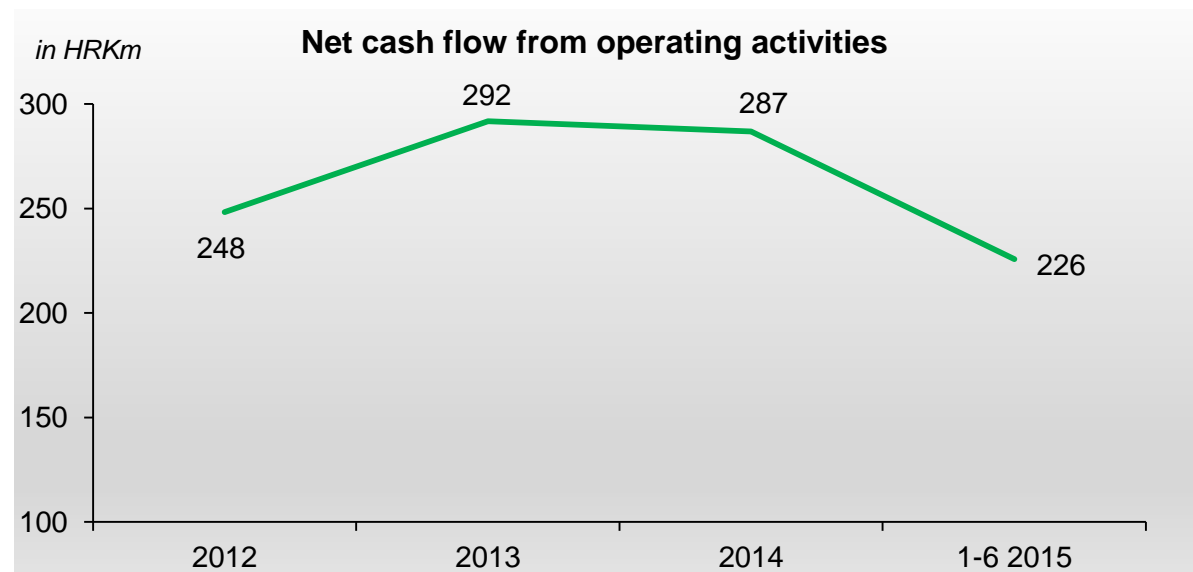
Lower level of net cash flow from operating activities due to an increase in the level of working capital

Working capital movement		1-6 2015*	Influence
Inventories		HRK +49.9 million	<ul style="list-style-type: none"> ▪ increase in Belupo's raw materials inventory related to the production process cyclical,ity, ▪ general increase in inventories of products characteristic for the summer season.
Trade receivables		HRK +80.1 million	<ul style="list-style-type: none"> ▪ seasonal nature where large orders of products are recorded in the summer season.
Trade payables		HRK -5.5 million	<ul style="list-style-type: none"> ▪ decrease in trade payables as a consequence of future harmonization of payment terms to suppliers and the positive effect of shorter payment periods on the decrease in cost of certain raw materials.

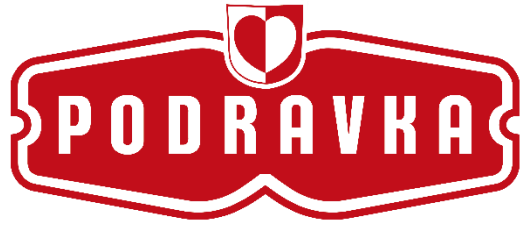
*Cash flow item, changes on 30 June 2015 from 31 December 2014.

Key highlights:

- net cash flow from operating activities → HRK -11.9 million due to working capital movement,
- net cash flow from investing activities → HRK -72.0 million as a result of HRK 60.6 million of capital expenditures mostly related to the new Belupo factory and modernization,
- net cash flow from financing activities → HRK -1.8 million due to higher repayments of borrowings than borrowings received,
- capital expenditure in 2015 is expected to be at a level of HRK 300-360 million, in 2016 at a level of 300-400 million and after that at a level of 130-150 million.



Note: net cash flow from operating activities on the trailing twelve months basis in 1-6 2015.



The Company

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H1 2015 results

Strategic goals

Two key strategic objectives will shape the future layout of Podravka Group



Adria Region

- Strategic objectives:
 - defend and maintain market position,
 - consolidate food business,
 - provide „value for money products”.



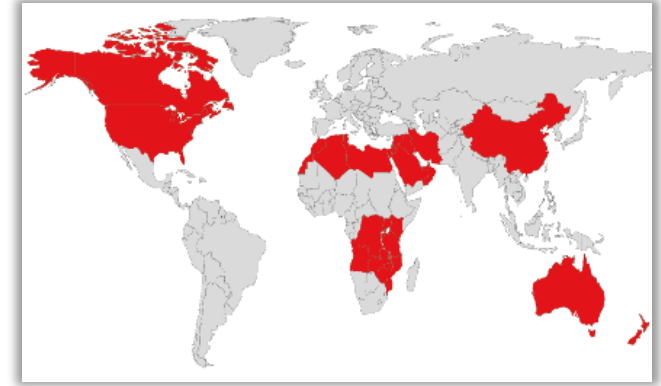
Europe Region

- Strategic objectives:
 - achieve sustainable growth,
 - extend the existing assortment in CE,
 - stronger move into the general market.



Russia, CIS and Baltics Region

- Strategic objectives:
 - distribution model change in food,
 - distribution expansion,
 - becoming a local producer.



New countries Region

- Strategic objectives:
 - opening new markets,
 - further expansion into the general market on the existing markets.

TWO KEY STRATEGIC OBJECTIVES



The first key objective is to additionally strengthen our position in the domestic market/region



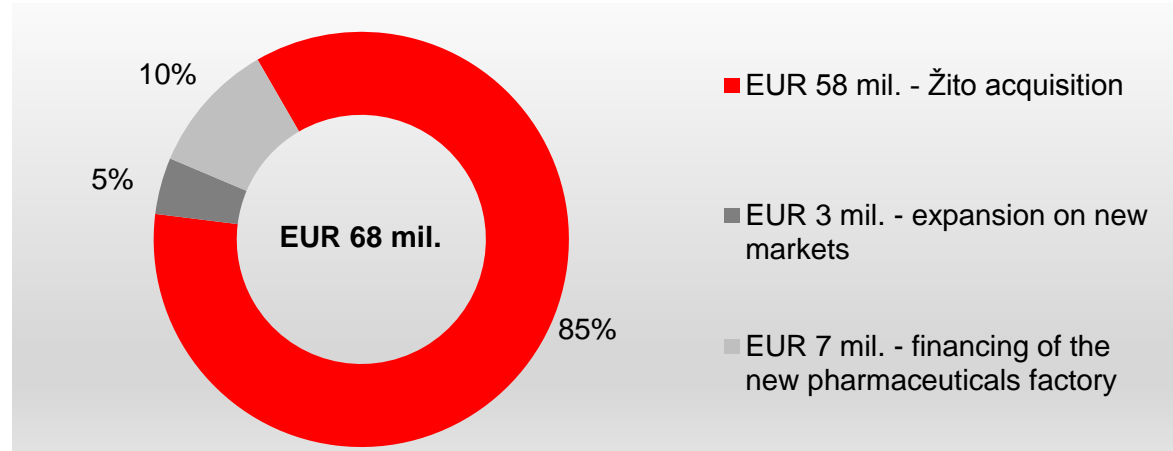
The second key objective is further internationalization as it is the key growth driver for the future

Capital increase in July 2015 was the first step in achieving key strategic objectives

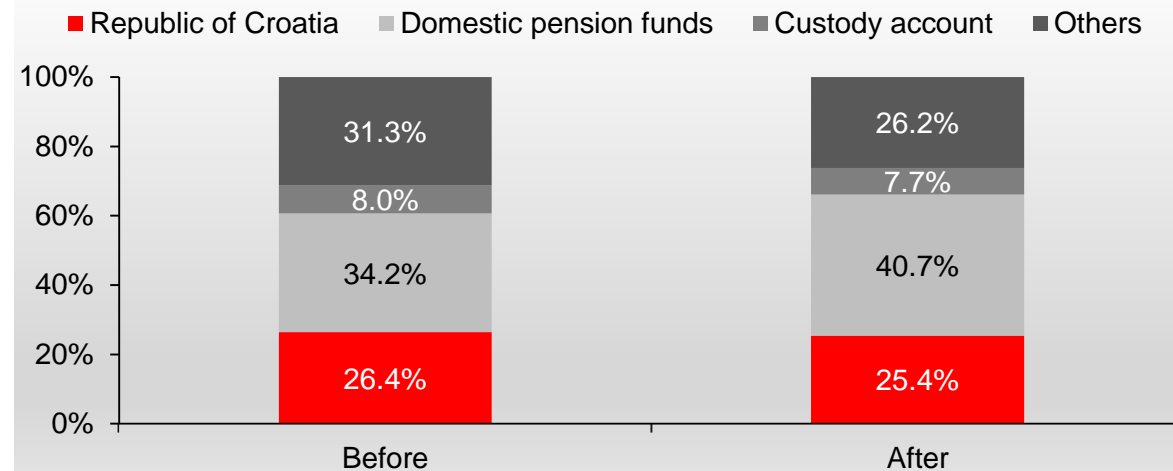
Capital increase details

- **capital increase process:** started on 07 July 2015 and finished on 20 July 2015,
- **new shares issued:** 1.7 million
- **price of issue:** HRK 300.00 per share (3.9% discount¹),
- **amount raised:** HRK 510 million (EUR 68 million),
- **interest:** 33% higher than the available number of shares,
- **subscription of issue:** 60.7% domestic pension funds, 22.2% Republic of Croatia, 6.8% Skagen Funds, 5.2% employees, 5.1% others,
- **capital increase adoption:** on 24 July 2015 by commercial court.

Utilization of funds from capital increase



Shareholder structure following the capital increase



Acquisition of Žito is the main reason for capital increase

- on 21 April 2015 Podravka signed the Share Purchase Agreement for 51.55% of Slovenian food producer Žito Inc. for EUR 30.0 million,
- transaction closing is expected at the beginning of October 2015 after which Podravka will submit an offer for the remaining shares of Žito Inc.,
- should Podravka acquire 100% of Žito Inc., total transaction value will potentially amount to EUR 57.7 million.



¹Calculated as price of issue compared to the last market price on 2 June 2015 – a day prior to the General Assembly on which the decision on capital increase was voted.

Acquisition of Slovenian food producer Žito to strengthen market position in the Adria region

What's in it for Podravka

- stronger position on the Slovenian and regional market,
- potential to develop or expand certain categories in the Adria Region,
 - categories where Podravka has no or limited presence – e.g. monospices, bakery,
 - categories where Podravka is present – milling, teas, rice and pasta...,
- similar value chain from procurement and production to sale → leads to synergies.

<i>Multiples</i>	Žito¹	Podravka rep.	Podravka norm.	Peer Group
EV/Sales	0.7	1.0	1.0	2.2
EV/EBITDA	8.6	8.5	8.9	12.7

¹Acquisition multiples.

2014 figures reveal Žito's potential for margin improvement

2014 figures (in HRKm)²	Podravka Group	Žito	Podravka + Žito
Sales revenues	3,502.6	867.9	4,370.5
EBITDA	379.9	69.4	449.3
EBITDA margin	10.8%	8.0%	10.3%
Net profit	182.5	23.0	205.5
Net profit margin	5.2%	2.7%	4.7%

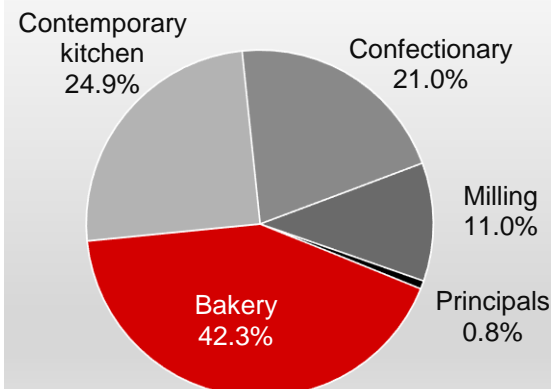
²Podravka Group figures on the normalized level; Žito figures calculated at a EUR/HRK FX rate of 7.630210.

Short overview of Žito Inc.

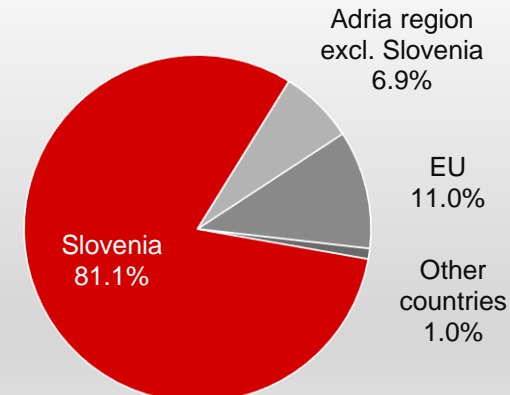
- Žito is one of the largest food producers in Slovenia and the Adria region,
- Žito has a portfolio of leading brands that hold top 2 market positions in Slovenia and have strong brand recognition in the Adria region.



Sales revenues by categories in 2014



Sales revenues by countries in 2014

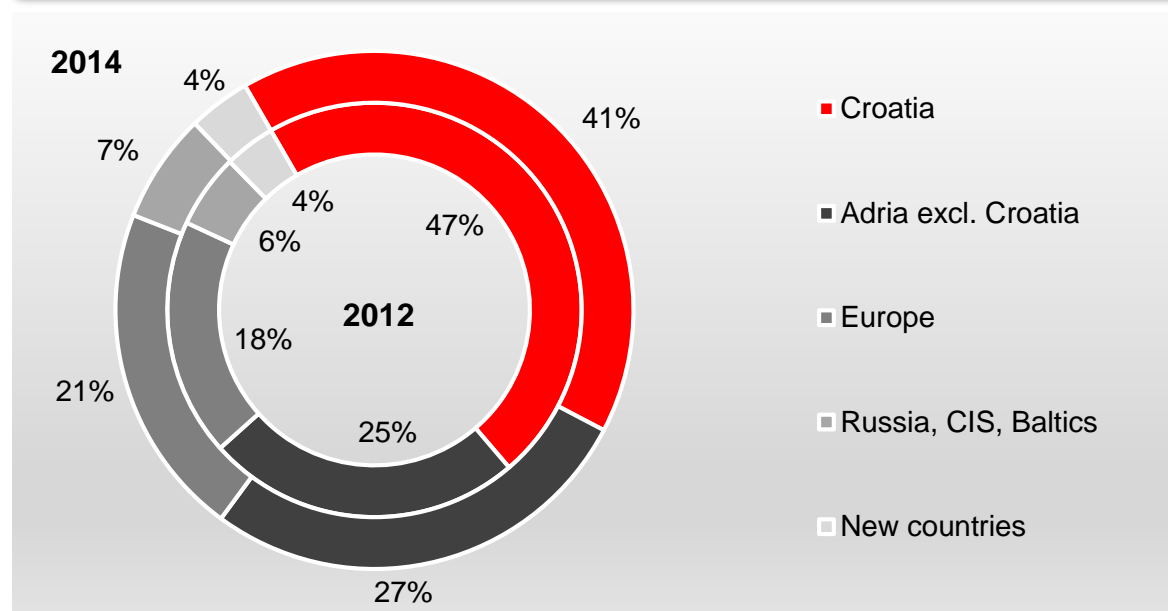


Potential:

- Žito has lower margins than the Podravka Group and lower margins than the Podravka Group's food segment,
- we consider this as a potential having in mind potential synergies arising from the acquisition and successful track record of Group's management in restructuring.

For several years the company has been strongly orientated towards internationalization

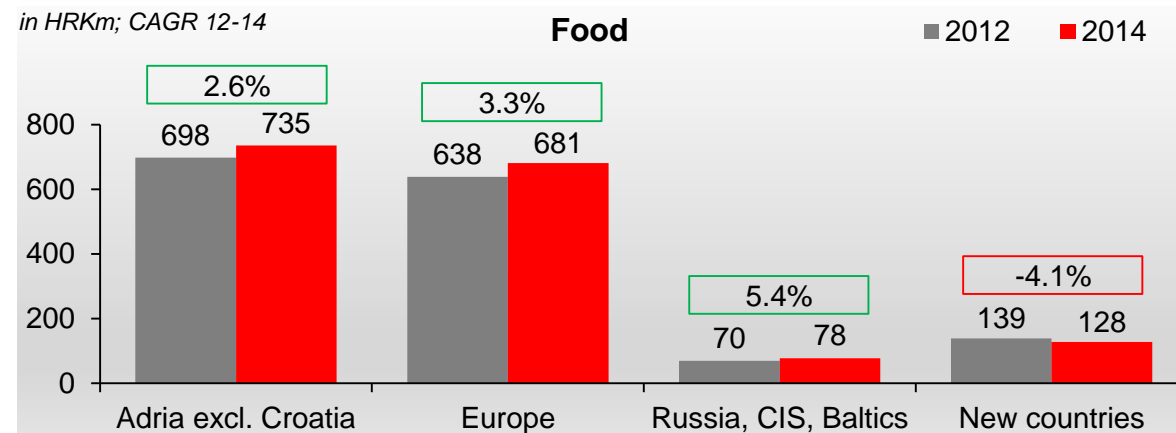
Sales revenues becoming less dependent on a single domestic market



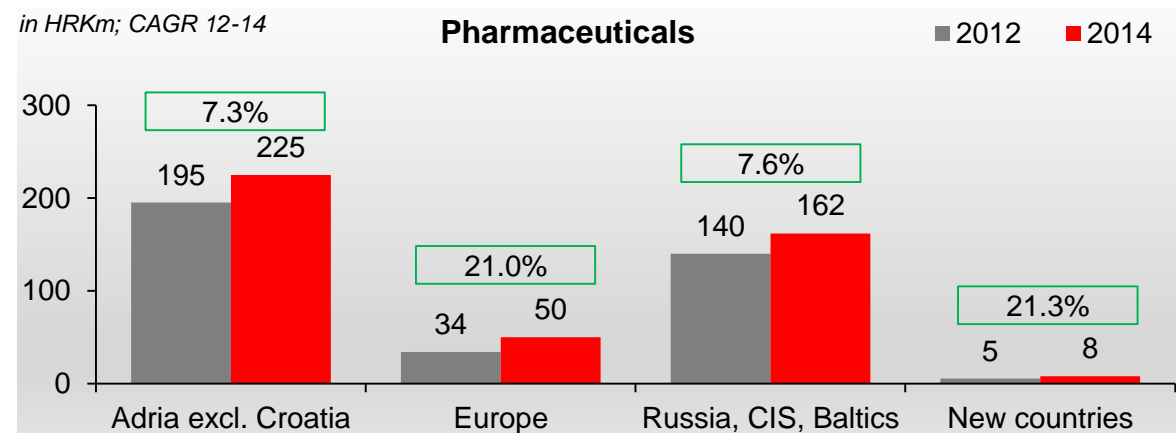
Key reasoning behind internationalization:

- domestic market has stagnating population and purchasing power growth,
- company's top brands have high market shares on domestic market → additional increase in market share is expensive,
- domestic market accounts for 41% of sales revenues → internationalization reduces dependence on domestic market,
- stronger brand recognisability outside Croatia and Adria region.

Sales revenues growth of international markets in both SBA



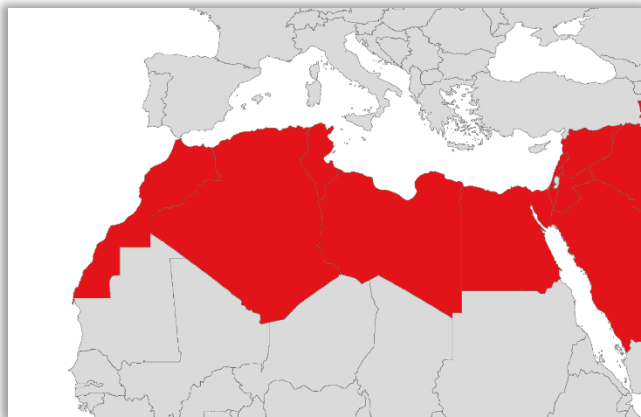
- New countries under the influence of distribution model change and negative FX.



- excluding FX differences Russia, CIS, Baltics 2012-2014 CAGR is 16.9%.

Further internationalization to be achieved via entering new markets

Dubai – HUB for MENA region



- **MENA region key macro data:**
 - population → 303 million,
 - BDP per capita¹ → USD 3,354 - 28,499,
 - real BDP yoy growth¹ → 3.4% - 29.8%,
- **business model:**
 - subsidiary, outsourced distribution & own sales force,
- **planned product range:**
 - culinary,
 - sweets, snacks and beverages,
 - baby, breakfast and other food,
- **manager Nermin Salman:**
 - former Gorenje Regional director for MENA region,
 - former Supervisory Board president of Konzum Sarajevo and director of Droga Sarajevo.

Tanzania – HUB for SE Africa region



- **Southeast Africa region key macro data:**
 - population → 239 million,
 - BDP per capita¹ → USD 278 - 7,216,
 - real GDP yoy growth¹ → 4.4% - 7.9%,
- **business model:**
 - subsidiary, local production, outsourced distribution,
- **planned product range:**
 - culinary,
- **manager Davor Švarc:**
 - 11 years of working experience in Tanzania,
 - director of Central Europe in Podravka Group,
 - director of Western Europe and Overseas Countries and New Markets in Podravka Group.

China



- **China region key macro data:**
 - population → 1.36 billion,
 - BDP per capita² → USD 8,145,
 - real GDP yoy growth² → 6.8%,
- **business model:**
 - representative office, outsourced distribution,
- **planned product range:**
 - culinary,
 - sweets, snacks and beverages,
 - baby, breakfast and other food,
- **manager Goran Kapičić:**
 - Managing director for Actavis China,
 - Head of China Operations for TEVA, Barr Laboratories and Pliva.

¹Source: Canadean, estimation for 2015, range refers to the lowest amount/growth and highest amount/growth for countries in a group of countries; ²Source: IMF, estimate for 2015.

Expansion of pharmaceutical capacities to satisfy international demand

Construction of new pharmaceutical facilities started in 2015

Project

- production facility for solid oral forms,
- production facility for semi solid and liquid forms,
- end of project → April 2017.

Project reasoning

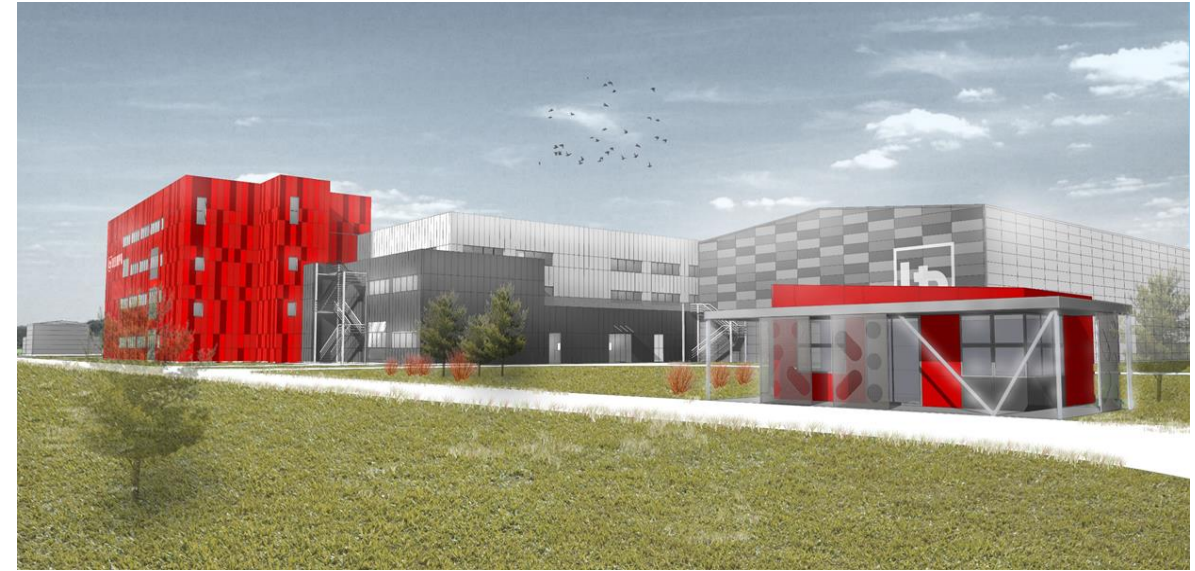
- insufficient production capacities due to perennial volume growth,
- acquiring of new technologies for product differentiation.

Project financing

- total value of investment EUR 51.3 million,
- EUR 40.0 million loan, EUR 11.3 million own funds,
- EUR 20.0 million government incentive through income tax benefits.

Business reasons for choosing Croatia as facilities location

- high speed in obtaining all permits,
- tax incentives for strategic investments,
- availability of highly-educated workforce at acceptable cost level,
- incentives for hiring young workforce,
- proximity to other Belupo locations.



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Podravka Group

Always with a heart!

07-08 October 2015, Investor Conference Stegersbach 2015

