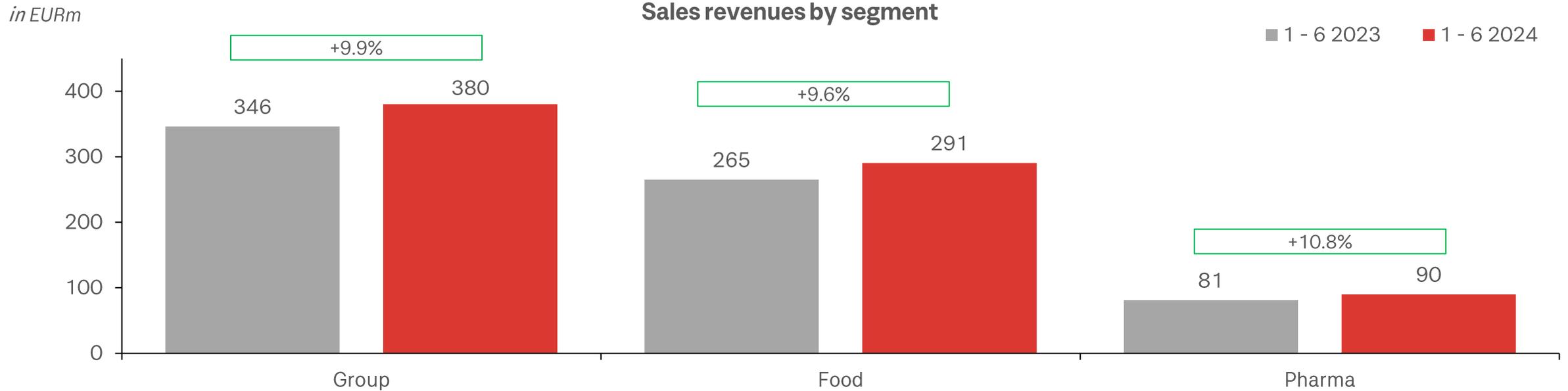


***Podravka Group
business results
for 1 - 6 2024 period***

24th July, 2024

Podravka 
GRUPA

Sales revenues increase in both segments



Podravka Group in 1 - 6 2024¹:

- **Own brands** → 8.9% higher sales,
- **Other sales** → 19.0% higher revenues,
- **Total Podravka Group** → 9.9% higher sales revenues.

Food segment in 1 - 6 2024¹:

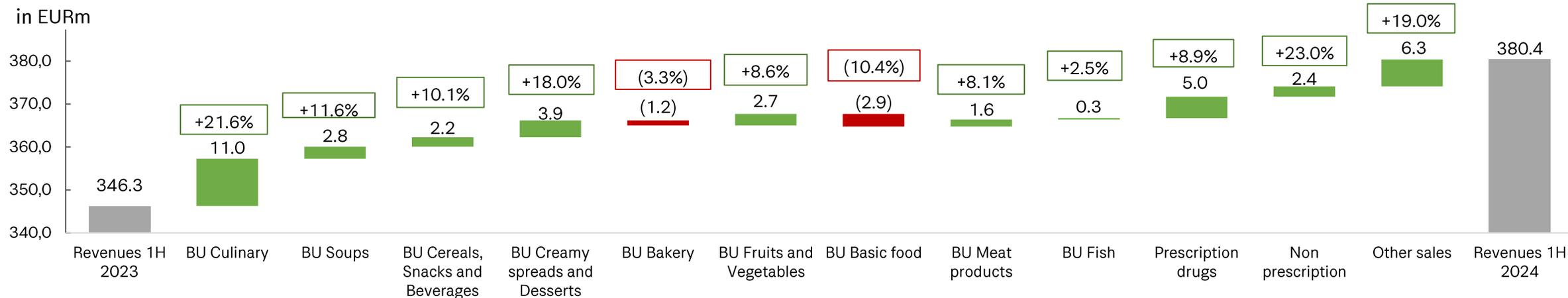
- **Own brands** → 8.3% higher sales due to the increase in sales of majority of business units,
- **Other sales** → 26.5% higher sales, primarily as a result of the development of distribution on the US market,
- **Total Food** → 9.6% higher sales.

Pharmaceuticals segment in 1 - 6 2024¹:

- **Own brands** → 11.1% higher sales, due to the increase in sales of prescription drugs,
- **Other sales** → 9.7% higher revenues, due to the increase in trade goods sales in the market of Bosnia and Herzegovina,
- **Total Pharma** → 10.8% higher sales revenues.

¹Percentages in the text relate to performance in 1 - 6 2024 compared to 1 - 6 2023

Sales revenues increase of almost all business units

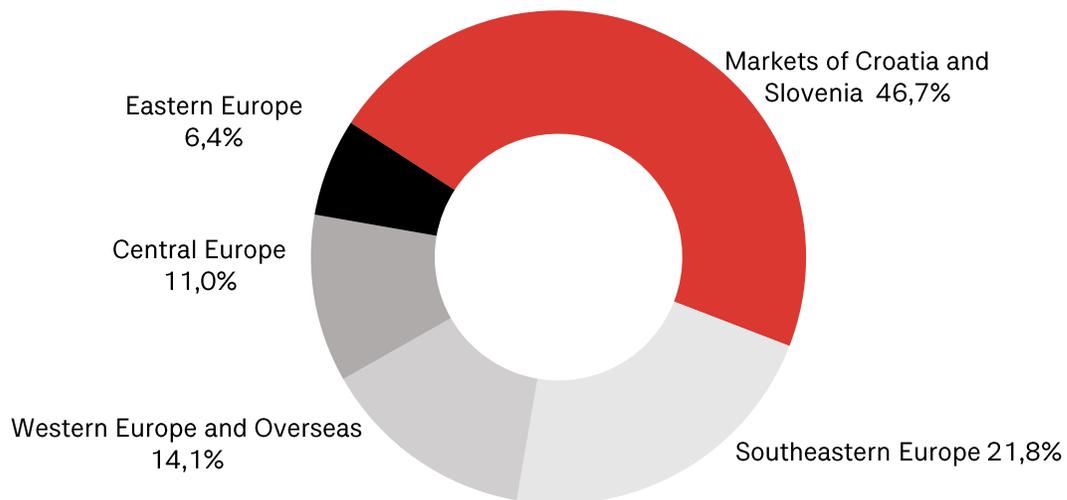


Business unit and category performance in 1 - 6 2024¹:

- **BU Culinary (+21.6%)** → revenue growth was recorded mainly in the markets of Germany, USA, Poland and Croatia. The revenue growth includes the effect of the restructuring of the markets of Poland and Germany, where higher revenues were recorded with a profitability increase,
- **BU Soups (+11.6%)** → revenue growth of the business unit was realised in the key markets of the Southeastern Europe and Croatia. The Clear soups subcategory contributes most to a positive trend within the Soups business unit,
- **BU Cereals, Snack and Beverages (+10.1%)** → revenue growth was recorded in almost all categories, primarily in the market of Croatia. The most significant growth within the business unit was recorded by the Cereals category, subcategories Čokolino and Cereals for Children,
- **BU Creamy spreads and Desserts (+18.0%)** → revenue growth was recorded in the market of Croatia and in the Southeastern Europe region primarily due to the increase in the Creamy spreads category,
- **BU Bakery (-3.3%)** → mild revenue decrease. Revenue growth was achieved in subcategories Bread, Sweet bakery products, while the decrease in revenues of the overall Business unit is primarily generated by the Mill products category,
- **BU Fruit and Vegetables (+8.6%)** → separated from the Basic food business unit from the beginning of 2024, recorded an increase of EUR 2.7m (+8.6%), primarily due to the growth of categories Condiments, Processed fruit and Tomato products,
- **BU Basic food (-10.4%)** → lower sales, primarily in the Flour category, subcategory Large packaging for industrial customers,
- **BU Meat products (+8.1%)** → higher sales, primarily on the Croatian market. The revenue growth arises from the categories of Ready meals, and Dried Meat and Sausage Products,
- **BU Fish (+2.5%)** → higher sales, which is primarily impacted by the new Fish salads category which records a significant increase compared to the same period of the previous year,
- **Prescription drugs (+8.9%)** → higher sales, due to the increase in sales of almost all subcategories, primarily dermatological drugs, cardiovascular drugs, and the nervous system drugs. The revenue growth is most significant in the markets of Croatia, and Bosnia and Herzegovina,
- **Non-prescription programme (+23.0%)** → higher revenues, as a result of the increase in sales of the OTC drugs subcategory,
- **Other sales (+19.0%)** → In the Food segment, Other sales increased by EUR 4.9m (+26.5%), mainly due to the development of distribution on the US market which includes the revenues from the distribution of Atlantic Grupa's products. In the Pharmaceuticals segment, Other sales grew by EUR 1.4m (+9.7%), primarily due to higher trade goods sales in the market of Bosnia and Herzegovina.

¹Percentages in the text relate to performance in 1 - 6 2024 compared to 1 - 6 2023

Sales revenues growth of all regions



(in EURm)	1H 2023	1H 2024	Δ	% change
Markets of Croatia and Slovenia	168.7	177.6	9.0	5.3%
Southeastern Europe	75.5	83.1	7.6	10.0%
Western Europe and Overseas	38.3	53.5	15.2	39.9%
Central Europe	39.7	41.8	2.2	5.5%
Eastern Europe	24.2	24.4	0.2	0.8%
Podravka Group	346.3	380.4	34.1	9.9%

Region's performance in 1 - 6 2024¹:

- **Markets of Croatia and Slovenia (+5.3%)** → **Food** segment revenues are 3.4% higher, due to sales increase of most business units, primarily the Business unit Fruit and vegetables, and Business unit Creamy spreads and Desserts. In the market of Croatia and Slovenia, the Retail sales channel achieved the strongest revenue growth; **Pharmaceuticals** segment revenues in the Market of Croatia and Slovenia also recorded revenue growth of 14.2%,
- **Southeastern Europe (+10.0%)** → **Food** revenues are 8.7% higher, due to the increase in sales of almost all business units, with the largest absolute growth generated by the business units Culinary and Soups; **Pharmaceuticals** revenues are 13.0% higher, primarily due to Prescription drugs and Trade goods sales increase in the market of Bosnia and Herzegovina,
- **WE and Overseas region (+39.9%)** → **Food** segment recorded 38.1% higher sales primarily due to the sales increase in the Culinary business unit, but also to the development of distribution on the US market; **Pharmaceuticals** segment revenues are 262.7% higher, primarily due to an increase in Prescription drugs revenues,
- **Central Europe (+5.5%)** → **Food** revenues recorded a increase in revenue of 4.4%, primarily as a result of an increase in revenues of the Culinary business unit in the market of Poland, which is a result of the previously implemented market restructuring aimed at improving profitability; **Pharmaceuticals** revenues up by 12.0% primarily due to higher revenues of the Prescription drugs category,
- **Eastern Europe (+0.8%)** → **Food** segment recorded 7.4% higher revenues primarily due to the increase in revenues of the Culinary business unit; **Pharmaceuticals** segment recorded revenues at the same level as in the same period of the previous year.

¹Percentages in the text relate to performance in 1 - 6 2024 compared to 1 - 6 2023

Food segment – higher revenues and normalized profitability

Food segment (in EURm)	REPORTED				NORMALIZED ¹			
	1H 2023	1H 2024	Δ	%	1H 2023	1H 2024	Δ	%
Sales revenue	265.2	290.5	25.3	9.6%	265.2	290.5	25.3	9.6%
Gross profit	82.1	102.6	20.5	25.0%	82.1	102.6	20.5	25.0%
EBITDA	27.1	39.8	12.7	46.9%	27.8	40.0	12.3	44.1%
EBIT	15.6	27.6	12.0	76.4%	16.3	27.8	11.5	70.6%
Net profit after MI	32.2	22.1	(10.1)	(31.4%)	13.0	22.3	9.2	70.8%
Gross margin	31.0%	35.3%		+436 bp	31.0%	35.3%		+437 bp
EBITDA margin	10.2%	13.7%		+348 bp	10.5%	13.8%		+331 bp
EBIT margin	5.9%	9.5%		+360 bp	6.1%	9.6%		+342 bp
Net profit margin after MI	12.1%	7.6%		-454 bp	4.9%	7.7%		+275 bp

Food segment profitability in 1 - 6 2024:

Gross profit

- is EUR 20.5m higher, with an increase in gross margin from 31.0% to 35.3%,

EBITDA

- reported higher by EUR 12.7m (+46.9%), normalized higher by EUR 12.3m (+44.1%). The increase in the normalized operating profit before depreciation and amortisation (EBITDA) was achieved due to the increase in sales revenues and higher gross profit, despite additional investments in improving the material status of employees, which resulted in an increase in staff costs of EUR 6.7m (+11.6%),

Net profit after MI

- reported lower by EUR 10.1m (-31.4%) since in the first half of 2023, tax incentives for investments in the amount of EUR 19.7 million were recorded, which as a one-off item are subject to normalization, while at the normalized level it is higher by EUR 9.2m (+70.8%).

¹Normalized for one-off impact.

Pharmaceutical segment – higher revenues and profitability

Pharma segment (in EURm)	REPORTED				NORMALIZED ¹			
	1H 2023	1H 2024	Δ	%	1H 2023	1H 2024	Δ	%
Sales revenue	81.0	89.8	8.8	10.8%	81.0	89.8	8.8	10.8%
Gross profit	40.1	46.3	6.2	15.4%	40.1	46.3	6.2	15.4%
EBITDA	21.2	26.0	4.8	22.6%	21.2	26.0	4.8	22.6%
EBIT	16.8	21.5	4.7	28.0%	16.8	21.5	4.7	28.1%
Net profit after MI	13.0	18.2	5.2	39.7%	13.0	16.6	3.6	27.5%
Gross margin	49.5%	51.5%		+202 bp	49.5%	51.5%		+202 bp
EBITDA margin	26.2%	29.0%		+277 bp	26.2%	29.0%		+278 bp
EBIT margin	20.7%	23.9%		+321 bp	20.7%	24.0%		+323 bp
Net profit margin after MI	16.1%	20.2%		+418 bp	16.1%	18.5%		+241 bp

Pharmaceuticals segment profitability in 1 - 6 2024:

Gross profit

- is EUR 6.2m (+15.4%) higher, with a mild increase in gross margin from 49.5% to 51.5%,

EBITDA

- reported higher by EUR 4.8m (+22.6%). The most significant impact on the increase in operating profit before depreciation and amortisation (EBITDA) came from the growth of sales revenues and gross profit,

Net profit after MI

- is EUR 5.2m (+39.7%) higher, while at the normalized level it is EUR 3.6m higher (+27.5%). The difference stems from the normalization of taxes, which refers to the final calculation of used tax incentives for the expansion of the Belupo factory from 2015 in the amount of EUR 1.6m.

¹Normalized for one-off impact.

Podravka Group – higher revenues and normalized profitability from both segments

Podravka Group (in EURm)	REPORTED				NORMALIZED ¹			
	1H 2023	1H 2024	Δ	%	1H 2023	1H 2024	Δ	%
Sales revenue	346.3	380.4	34.1	9.9%	346.3	380.4	34.1	9.9%
Gross profit	122.2	148.9	26.7	21.8%	122.2	148.9	26.7	21.8%
EBITDA	48.3	65.8	17.5	36.2%	49.0	66.1	17.1	34.8%
EBIT	32.4	49.1	16.7	51.4%	33.1	49.4	16.2	49.0%
Net profit after MI	45.2	40.2	(5.0)	(11.0%)	26.0	38.8	12.8	49.2%
Gross margin	35.3%	39.1%		+384 bp	35.3%	39.1%		+385 bp
EBITDA margin	14.0%	17.3%		+334 bp	14.2%	17.4%		+322 bp
EBIT margin	9.4%	12.9%		+354 bp	9.6%	13.0%		+341 bp
Net profit margin after MI	13.1%	10.6%		-247 bp	7.5%	10.2%		+269 bp

Profitability of the Podravka Group in 1 - 6 2024:

Gross profit

- higher by EUR 26.7m (+21.8%), where the positive impact came primarily from the Food segment, but also from the Pharmaceuticals segment,

EBITDA

- reported higher by EUR 17.5m (+36.2%), while normalized operating profit before depreciation and amortisation (EBITDA) is EUR 17.1m (+34.8%) higher,

Net profit after MI

- reported lower by EUR 5.0m (-11.0%), while normalized net profit after minority interests is EUR 12.8m (+49.2%) higher, due to the growth in net profit of both the Food and the Pharmaceuticals segments.

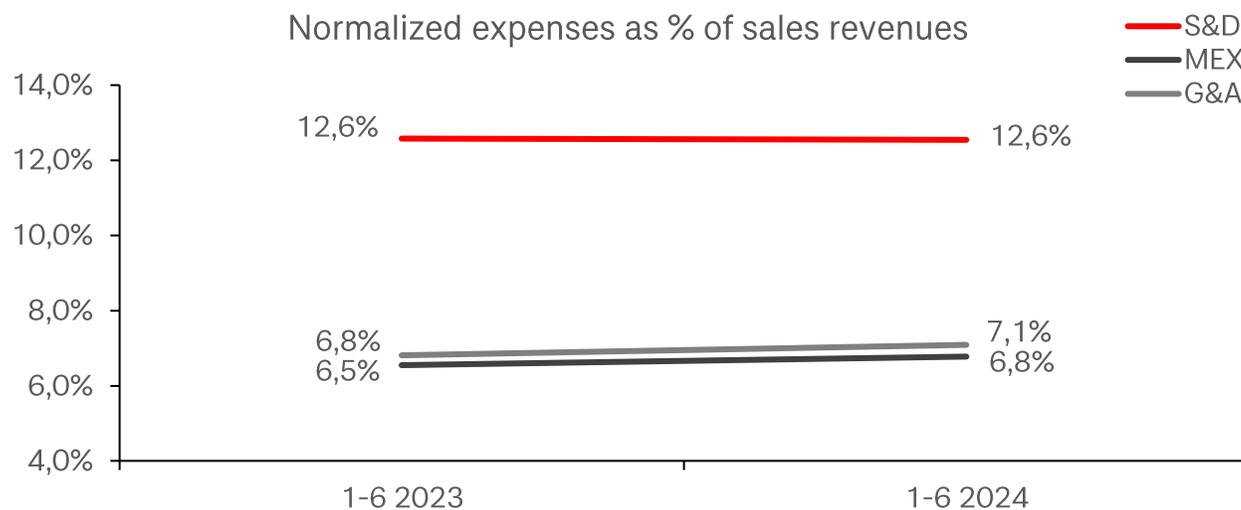
¹Normalized for one-off impact.

Business expenses influenced by investments in improving the material status of employees

Business expenses 1 - 6 2024 vs. 1 - 6 2023 % change	REPORTED	NORMALIZED ¹
Cost of goods sold (COGS)	3.3% ↑	3.3% ↑
General and administrative expenses (G&A)	11.6% ↑	14.4% ↑
Sales and distribution costs (S&D)	9.6% ↑	9.6% ↑
Marketing expenses (MEX)	13.8% ↑	13.8% ↑
Other expenses / (revenues), net	14.1% ↑	13.4% ↑
Total	5.6% ↑	5.7% ↑

Key highlights of expenses in 1 - 6 2024:

- Cost of goods sold (COGS):**
 - increased by EUR 7.5m (+3.3%) relative to the comparative period, primarily as a result of additional investments in improving the material status of employees, while the prices of raw materials, packaging and energy record a decrease compared to the first half of the previous year,
- General and administrative expenses (G&A):**
 - higher by EUR 2.8m (+11.6%), primarily due to additional investments in improving the material status of employees and costs of services,
- Sales and distribution costs (S&D):**
 - higher by EUR 4.2m (+9.6%) than in the comparative period, primarily as a result of additional investments in improving the material status of employees and higher depreciation costs,
- Marketing expenses (MEX):**
 - higher by 13.8%. In this, the costs of marketing investments are higher by EUR 2.7m (+23.6%) due to the increased marketing activities, while the costs of the marketing department are higher by EUR 0.5m (+4.1%),
- Other expenses (revenues), net:**
 - In the reporting period, other expenses and income, net amounted to EUR -0.8m (positive impact), while in the comparative period they amounted to EUR -0.7m (positive impact). This was mainly affected by foreign exchange losses, which in 1 - 6 2024 amounted to EUR 0.2m, while in the previous period foreign exchange losses amounted to EUR 0.4m.

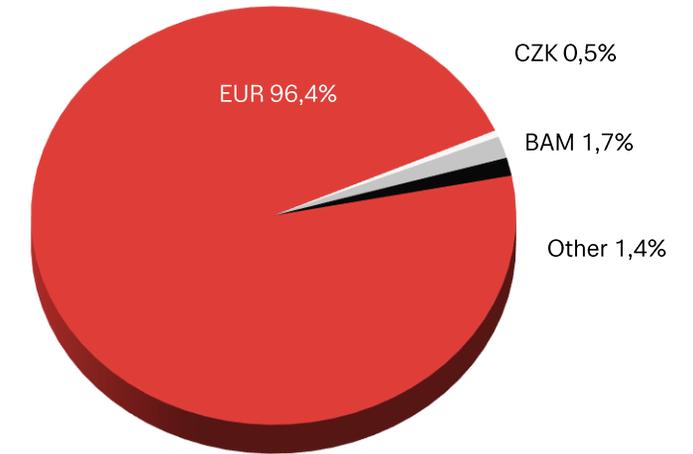


¹Normalized for one-off impact.

Continuous improvement of debt indicators

(in EURm) ¹	2023	1H 2024	% change
Financial debt ²	57.4	59.9	4.3%
Cash and cash equivalents	42.5	49.1	15.4%
Net debt	14.9	10.8	(27.3%)
Interest expense	0.68	0.75	10.1%
Net debt / normalized EBITDA	0.16	0.10	(38.7%)
Normalized EBIT / Interest expense	87.3	100.8	15.5%
Equity to total assets ratio	73.9%	72.2%	-173 bp

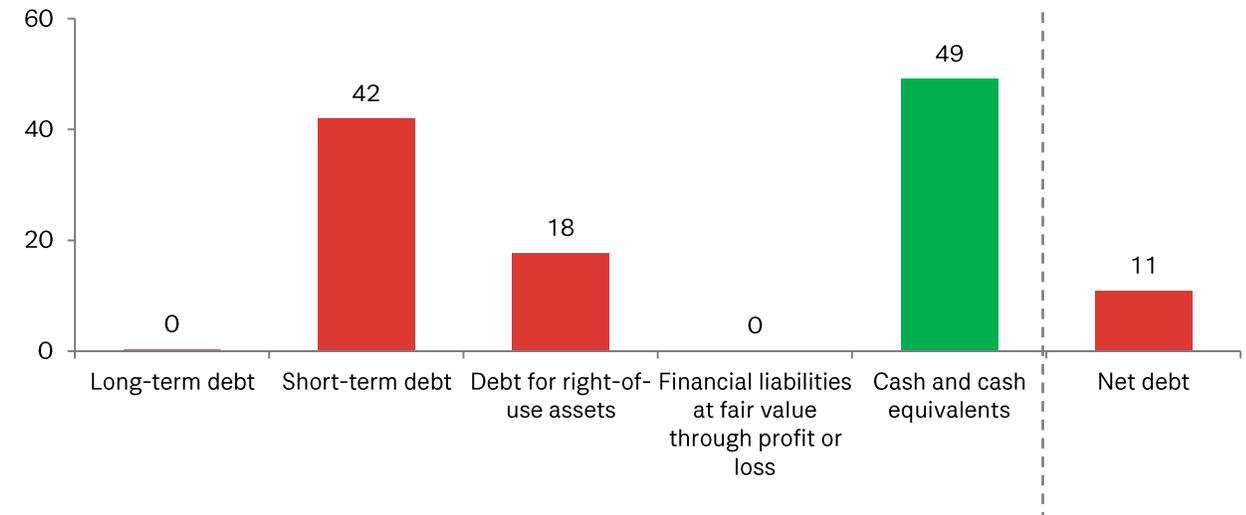
Currency structure of debt as at 30 June 2024



Key highlights:

- **Financial debt increase** → due to increase in debt for right-of-use assets,
- **Lower long term debt** → due to regular repayments,
- **Lower short term debt** → due to regular repayments,
- **Weighted average cost of debt excluding liabilities for right-of-use assets:**
 - As at 30 June 2024 → 1.50%,
 - As at 31 December 2023 → 0.84%.

Net debt components in EURm as at 30 June 2024



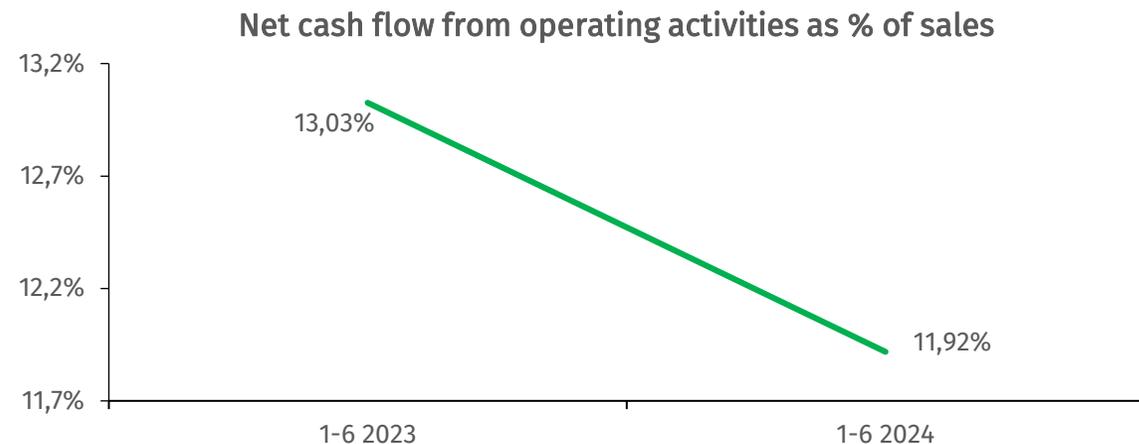
¹All P&L figures are calculated on the trailing 12 months level, while BS figures are taken at the end of period, ²Long-term and short-term borrowings + lease liabilities + financial liabilities at fair value through P&L

Key highlights of the cash flow

Working capital movement in BS	30 June 2024 / 30 June 2023		Impact
Inventories	↓	(2.8%)	• lower by 2.8% and are maintained at the optimum level in accordance with the needs of operations,
Trade and other receivables	↑	9.8%	• higher by 9.8% as a result of growth in sales revenue and a change in the commercial model in the Pharmaceuticals segment on the Croatian market,
Trade and other payables	↑	17.7%	• higher by 17.7% as a result of liabilities related to the realization of capital investments, and regular business operations.

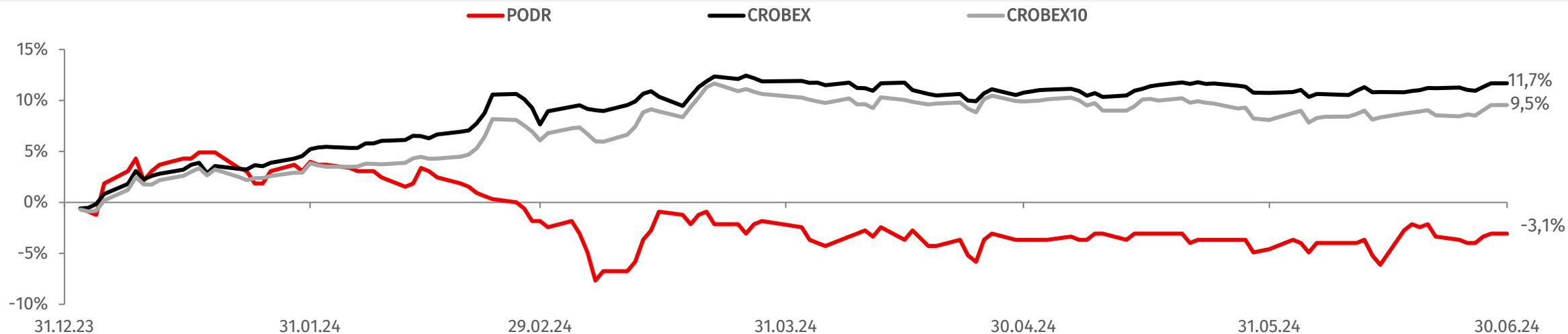
(in EURm)	1-6 2023	1-6 2024	Δ
Net cash from operating activities	45.1	45.3	0.5%
Net cash from investing activities	2.1	(31.1)	n/a
Net cash from financing activities	(18.5)	(7.7)	58.1%
Net change of cash and cash equivalents	28.8	6.6	(77.2%)

- In 2024, expected **capital expenditures** are at a level of almost EUR 90.5m.



Podravka's share price movement

PODR share price movement in 1 – 6 2024



Market activity with PODR share

(EUR; units)	1-6 2023	1-6 2024	% change
Average daily price	97.4	161.2	65.5%
Average daily number of transactions	11	11	(4.9%)
Average daily volume	738	615	(16.8%)
Average daily turnover	71,323.1	99,051.3	38.9%
Reported earnings per share	9.5 ¹	8.7	(7.8%)
Normalized earnings per share	6.7 ¹	8.5	26.7%

Last price on
31.12.2023

163.00
EUR

Dividend per share

3.20 EUR

Last price on
30.06.2024

158.00
EUR

Dividend yield²

2.0%

¹Based on the results for 2023 ²Dividend yield calculated based on the last mkt. price at the end of 2023.

Contact

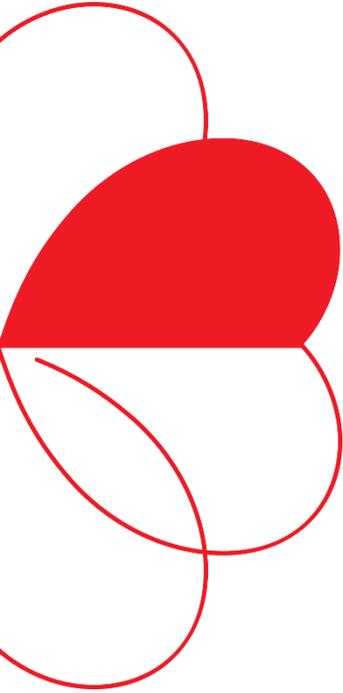
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24th July, 2024

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