



CORPORATE COMMUNICATIONS

Koprivnica, 22 July 2021

PRESS RELEASE

OPERATING RESULTS OF THE PODRAVKA GROUP FOR THE FIRST HALF OF 2021

**Podravka Group continues with growth in profitability,
achieving HRK 198 million in net profits**

The highest growth in sales was achieved on the Western Europe markets

At today's session, the Supervisory Board of Podravka d.d. confirmed the unaudited operating results of the Podravka Group for the first half of 2021, expressing its satisfaction and support for all efforts invested to ensure the company continues with the achieved growth in profitability, despite the still hindered operating conditions caused by the COVID-19 pandemic.

The net profit of the Podravka Group for the first half of 2021 was HRK 197.6 million, representing growth of 22.3 percent over the same period the preceding year. In this period, the Food Segment achieved net profits of HRK 136.3 million, up 13.9 percent over the year before, while the Pharmaceutical Segment achieved net profits of HRK 61.3 million, up 46.3 percent over the first half of 2020.

Sales revenues of the Podravka Group in the first half of this year were HRK 2220.5 million, just 1 percent lower than the same period last year. The expected drop in sales revenues over 2020 is actually the consequence of unusually high orders and extra stocking among buyers in March 2020 due to



CORPORATE COMMUNICATIONS

the lockdown in most countries where the Podravka Group operates. For example, in comparing total sales revenues in the first half of 2021 with the same period in 2019, which was not affected by the COVID-19 pandemic, then this year's figures represent an increase in revenues of about 4 percent, which certainly indicates the positive trends in company operations.

In the Food Segment, the highest growth in sales revenues in the first half of this year was achieved in the Culinary business programme, in the amount of 2.5 percent. It should be stated that the business programme Baby food, sweets and snacks achieved a growth in sales revenues of 1.7 percent, while growth in sales revenues in the business programme Podravka food was 2.4 percent. For the Pharmaceuticals Segment, the highest growth was recorded in the category Prescription medications, with sales revenues increasing 4.3 percent in comparison with the first half of 2020.

In terms of sales revenues by region, in the Food Segment, it should be highlighted that the growth in sales revenues on the markets Western Europe and Overseas Countries was 8.2 percent over the same period one year earlier. Growth was achieved on these markets in nearly all business programmes, with the highest absolute growth generated by the business programmes Culinary, Baby food, sweets and snacks, and Podravka food. The Pharmaceuticals Segment achieved the highest relative growth in sales revenues of 13.9 percent within the Central Europe region, following higher sales in the category Prescription medicines.

It should also be stated that the price of Podravka stock on 30 June 2021 was HRK 588, as opposed to HRK 485 on 31 December 2020, representing growth of 21.2 percent.