

**Unconsolidated financial results for the
three months period ended
31 March 2017
(unaudited)**



Granolio

General information on Granolio d.d.

GRANOLIO d.d. ("The Company") is a joint-stock company registered with the Commercial Court of Zagreb, Croatia.

The Company's tax number (OIB) is 59064993527, and its registration number (MBS) 080111595.

The Company's headquarter is located in Zagreb at Budmanijeva 5.

The Company has General Assembly, Supervisory Board and Management Board.

Subsidiaries

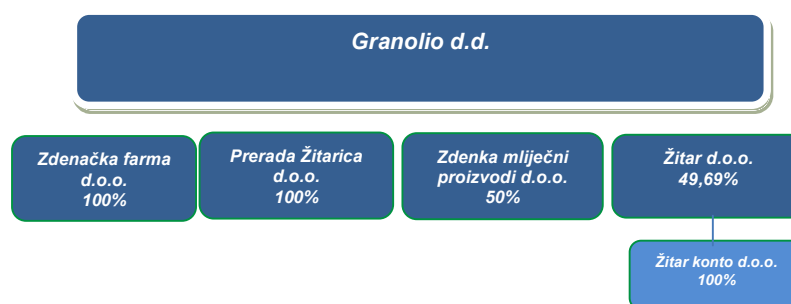
The Company holds 100% of the shares in the Zdenačka farma d.o.o. and Prerada Žitarica d.o.o. companies.

It has a controlling influence in the decision-making process in the Zdenka mliječni proizvodi d.o.o. and Žitar d.o.o. companies. The above companies have been consolidated into the Granolio Group since 2011.

Subsidiary Žitar d.o.o. has founded another company, Žitar konto d.o.o., which is fully owned by it. Žitar konto d.o.o. financial statements are part of the consolidated financial statements.

The Company also holds minority interests in the Žitozajednica d.o.o., Zagrebačke pekarnice Klara d.o.o. and Prehrana trgovina d.d. companies.

Ownership in subsidiaries is presented in the organizational chart below:



Significant business events in the accounting period

In December 2016, Granolio signed a contract with its subsidiary Žitar d.o.o. on lease of mill owned by Žitar d.o.o. The contract is valid from 1 January 2017 and from this date production capacity of Granolio comprises three mills.

As at 31 March 2017, the Company's assets show receivables for loan given to Agrokor trgovina d.o.o. in the amount 11,9m HRK. Loan was due for payment as at 30 March 2017 and as at 31 March 2017. By the date of publishing this report 2m HRK has been collected.

Company's financial indicators for the three months of 2017

In thousands HRK

Granolio d.d.	1-3 2017	1-3 2016	Change	
Operating income	115.524	116.149	(625)	(1%)
Operating expenses	121.827	112.314	9.513	8%
EBIT	(6.303)	3.835	(10.138)	(264%)
<i>EBIT margin</i>	-5%	3%		
EBITDA	(3.489)	6.369	(9.858)	(155%)
<i>EBITDA margin</i>	-3%	5%		
Net financial result	(6.624)	(6.774)	150	(2%)
Net result for the period	(12.926)	(2.938)	(9.988)	(340%)

*EBITDA= EBIT + depreciation + impairment expenses

In the three months period 2017 more unfavourable operating result (EBIT) has been realised compared to the same period last year. This is the result of lower sales margins in segments flour and trading.

Other than lower sales margins in two forementioned segments, increase in operating costs, such as transportation costs and cost of employees, contributed to the decrease in operating result.

Net financial result represents the difference between financial revenues and financial expenses.

In thousands HRK

Granolio d.d.	31.3.2017	31.12.2016	Change	
Net asset (capital and reserves)	160.914	172.138	(11.224)	(7%)
Total debt to financial institutions	388.503	402.444	(13.941)	(3%)
Cash and cash equivalents	1.059	9.300	(8.241)	(89%)
Loans given, deposits etc.*	65.357	47.772	17.585	37%
Net debt	322.087	345.372	(23.285)	(7%)
Net debt/ EBITDA	10,82	8,72	2	24%
EBITDA for the last 12 months	29.767	39.625	(9.858)	(25%)

*Financial loans given, securities and deposits. Includes loan granted to Agrokor trgovina d.o.o in the amount 11,9 million HRK.

Total debt to financial institutions is lower by 13,9 m HRK as at 31 March 2017 compared to total debt as at 31 December 2016.

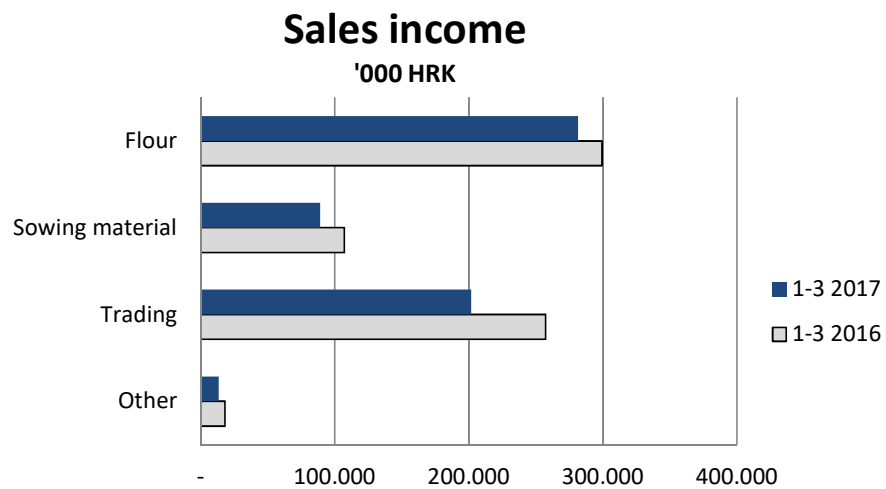
Company's regressive obligations as at 31 March 2017 amount to 85 m HRK and are stated in balance sheet position Other current liabilities. It's asset in the same amount is stated in balance sheet position Other current receivables. All mentioned is related to business relations with the Agrokor concern.

Overview of the business operations for the three months of 2017 per business segments

The Company monitors its business operations through four business segments:

1. Flour
2. Sowing material (wholesale of: fertilizers, protective materials and seeds)
3. Trading (wholesale of grains, oil crops and bakery products)
4. Other (rendering services of storage, drying and reception of grains and oil crops at the reception stations, cattle breeding, other)

Sales income per business segments is shown by the following chart:



Flour

Decrease in income from sales of flour is the result of lower sales prices. Average sales price in the three months period 2017 is 14% lower than the average sales price of flour in the three months period 2016.

Average value of basic raw material (wheat) used in the production is lower in the three months period 2017 compared to the same period last year by 10%.

Everything above implies that the sales margins made in the flour segment are lower than those made in the same period last year.

Sowing material

Increase in income from sale of sowing material in three months period 2017 is mainly due to increase in sales volume in mineral fertilizers and herbicides. Revenue increased despite the decrease in lower sales prices, i.e. it is the result of increased market share.

Percentage margins made from sales of sowing materials are the same as last years.

Trading

Trading segment has made decreased sales in the three months period 2017 compared to three months period 2016. The most significant fall is made in sales of wheat.

Other

Sales income in the Other segment is comprised of re-invoiced transportation and fuel costs, income from rendering the service of goods reception at the reception stations, income from storage and drying goods, and income from sale of cattle. It is important to state that silo is used to meet needs of segments Flour and Income in the three months period 2017 is lower compared to the previous period because in 2017 the volume of re-invoicing is significantly lower. Income generated by drying and goods reception is subjected to seasonality and is mainly realized in the second half of the year.

Employees

In the three months period 2017 the Company employed 174 employees based on man-hour basis (in the three months period 2016: 162 employees)

Redemption of treasury shares

Based on the General Assembly decision as of 9 June 2016 the Company has transferred a portion of the profit earned in 2015 into the equity reserves for treasury shares in the amount of HRK 800 thousand.

Up to the publication of the Management Board report, the Company was not engaged in any activities relating to the redemption of own shares

Environment

Regarding the environmental protection, the Company has implemented comprehensive and systematic solutions and established environment-friendly production processes

Other

Supervisory Board has approved Company's financial statements for the three months period of 2017.

Annex 1.

Reporting period

1.1.2017

to

31.3.2017

Quarterly financial report TFI-POD

Tax number (MB): 01244272

Company registration number: 080111595

Personal identification number (OIB): 59064993527

Issuing company: GRANOLIO d.d.

Postal code and place: 10000

ZAGREB

Street and house number: BUDMANIJEVA 5

E-mail address: granolio@granolio.hrInternet address: www.granolio.hr

Municipality/city code and name: 133

County code and name: 21 GRAD ZAGREB

Number of employees: 177

(period end)

Consolidated report: NO

NKD code: 1061

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

Bookkeeping service:

Contact person: JASENKA KORDIĆ

(only surname and name)

Telephone: 01/6320-261

Telefax: 01/6320-224

E-mail address: jkordic@granolio.hr

Family name and name: HRVOJE FILIPOVIĆ

(person authorized to represent the company)

L.S.

(signature of the person authorized to represent the company)

Balance Sheet

as of 31.03.2017

Company: GRANOLIO d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+031+036)	002	462.073.661	459.707.376
I. INTANGIBLE ASSETS (004 do 009)	003	186.475.266	185.995.905
1. Assets development	004		
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	120.400.027	120.337.166
3. Goodwill	006	60.379.072	60.379.072
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009	5.696.167	5.279.667
II. TANGIBLE ASSETS (011 do 019)	010	139.189.258	137.294.787
1. Land	011	8.182.140	8.194.170
2. Buildings	012	110.565.819	111.954.202
3. Plant and equipment	013	16.479.891	16.003.098
4. Tools, working inventory and transportation assets	014	1.155.288	1.042.459
5. Biological assets	015		
6. Prepayments for tangible assets	016		
7. Tangible assets in progress	017	2.729.289	24.225
8. Other tangible assets	018	76.831	76.633
9. Investments in buildings	019		
III. LONG-TERM FINANCIAL ASSETS (021 do 030)	020	136.384.026	136.391.573
1. Investments (shares) with related parties within the Group	021	115.254.813	115.254.813
2. Investments in other securities of related parties within the Group	022		
3. Loans, deposits and similar assets to related parties within the Group	023		
4. Investments (shares) with entrepreneurs in whom the entity holds participating interests	024		
5. Investments in other securities of entrepreneurs in whom the entity holds participating interests	025		
6. Loans, deposits and similar assets to entrepreneurs in whom the entity holds participating	026		
7. Investments in securities	027		
8. Loans, deposits and similar assets	028	667.523	675.070
9. Other investments accounted by equity method	029		
10. Other long - term financial assets	030	20.461.690	20.461.690
IV. RECEIVABLES (032 do 035)	031	25.111	25.111
1. Receivables from related parties within the Group	032		
2. Receivables from participating parties	033		
3. Accounts receivable	034		
4. Other receivables	035	25.111	25.111
V. DEFERRED TAX ASSET	036		
C) SHORT TERM ASSETS (038+046+053+063)	037	323.703.646	330.160.302
I. INVENTORIES (039 do 045)	038	32.553.845	29.707.098
1. Raw materials and supplies	039	8.359.133	5.477.730
2. Work in progress	040	570.661	745.084
3. Finished goods	041	1.783.385	2.130.024
4. Merchandise	042	21.840.666	21.354.260
5. Prepayments for inventories	043		
6. Long term assets held for sale	044		
7. Biological assets	045		
II. RECEIVABLES (047 do 052)	046	234.745.407	234.893.334
1. Receivables from related parties within the Group	047	27.583.830	30.829.327
2. Receivables from participating parties	048		
3. Accounts receivable	049	100.499.078	114.864.436
4. Receivables from employees and members of related parties	050	7.342	0
5. Receivables from government and other institutions	051	1.747.620	1.132.100
6. Other receivables	052	104.907.537	88.067.470
III. SHORT TERM FINANCIAL ASSETS (054 do 062)	053	47.104.112	64.681.804
1. Investments (shares) with related parties within the Group	054		
2. Investments in other securities of related parties within the Group	055		
3. Loans, deposits and similar assets to related parties within the Group	056	39.918.768	38.979.848
4. Investments (shares) with entrepreneurs in whom the entity holds participating interests	057		
5. Investments in other securities of entrepreneurs in whom the entity holds participating interests	058		
6. Loans, deposits and similar assets to entrepreneurs in whom the entity holds participating	059		
7. Investments in securities	060	881.994	187.200
8. Loans, deposits and similar assets	061	6.303.350	25.514.757
9. Other financial assets	062		
IV. CASH AND CASH EQUIVALENTS	063	9.300.282	878.067
D) PREPAID EXPENSES AND ACCRUED REVENUE	064	4.370.100	3.410.900
E) TOTAL ASSETS (001+002+037+064)	065	790.147.407	793.278.578
F) OFF-BALANCE RECORDS	066	4.091.915	4.479.038

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (068 do 070+076+077+081+084+087)	067	172.137.809	160.914.303
I. SUBSCRIBED SHARE CAPITAL	068	19.016.430	19.016.430
II. CAPITAL RESERVES	069	84.186.547	84.186.547
III. RESERVES FROM PROFIT (071+072-073+074+075)	070	1.083.227	1.083.227
1. Reserves prescribed by law	071	283.227	283.227
2. Reserves for treasury shares	072	800.000	800.000
3. Treasury shares (deductible items)	073		
4. Statutory reserves	074		
5. Other reserves	075		
IV. REVALUATION RESERVES	076	61.561.956	62.355.047
V. FAIR VALUE RESERVES(078-080)	077		
1. Fair value of financial assets available for sale	078		
2. Efficient part of cash flow hedging	079		
3. Efficient part of hedging of a net investment in foreign countries	080		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (082-083)	081	3.783.114	7.199.354
1. Retained earnings	082	3.783.114	7.199.354
2. Accumulated loss	083		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (085-086)	084	2.506.535	-12.926.302
1. Profit for the current year	085	2.506.535	
2. Loss for the current year	086		12.926.302
VII. MINORITY (NON-CONTROLLING) INTEREST	087		
B) PROVISIONS (089 do 094)	088	0	0
1. Provisions for pensions, severance pay and similar liabilities	089		
2. Provisions for tax liabilities	090		
3. Provisions for ongoing legal cases	091		
4. Provisions for costs of natural resources regeneration	092		
5. Provisions for guarantees costs	093		
6. Other provisions	094		
C) LONG - TERM LIABILITIES (096 do 106)	095	283.173.339	277.725.545
1. Liabilities to related parties within the Group	096		
2. Liabilities for loans, deposits, etc. to related parties within the Group	097		
3. Liabilities to entrepreneurs in whom the entity holds participating interests	098		
4. Liabilities for loans, deposits, etc. to entrepreneurs in whom the entity holds participating	099		
5. Liabilities for loans, deposits, etc.	100		
6. Liabilities to banks and other financial institutions	101	267.782.850	264.037.852
7. Liabilities for received prepayments	102		
8. Accounts payable	103		
9. Liabilities arising from debt securities	104		
10. Other long-term liabilities	105		
11. Deferred tax liability	106	15.390.489	13.687.693
D) SHORT - TERM LIABILITIES (108 do 121)	107	334.356.996	354.108.919
1. Liabilities to related parties within the Group	108	2.065.328	2.182.258
2. Liabilities for loans, deposits, etc. to related parties within the Group	109	11.903.566	24.880.716
3. Liabilities to entrepreneurs in whom the entity holds participating interests	110		
4. Liabilities for loans, deposits, etc. to entrepreneurs in whom the entity holds participating	111		
5. Liabilities for loans, deposits, etc.	112		
6. Liabilities to banks and other financial institutions	113	94.891.018	90.318.380
7. Liabilities for received prepayments	114	3.615.967	3.000.306
8. Accounts payable	115	73.823.782	107.435.884
9. Liabilities arising from debt securities	116	39.770.000	34.146.602
10. Liabilities to employees	117	1.172.827	1.214.368
11. Liabilities for taxes, contributions and similar fees	118	4.145.359	3.078.934
12. Liabilities to share - holders	119		
13. Liabilities for long-term assets held for sale	120		
14. Other short - term liabilities	121	102.969.149	87.851.469
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	122	479.263	529.811
F) TOTAL – CAPITAL AND LIABILITIES (067+088+095+107+122)	123	790.147.407	793.278.578
G) OFF-BALANCE RECORDS	124	4.091.915	4.479.038
APPENDIX to balance sheet (to be filled in by entrepreneur that prepares consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	125		
2. Attributable to minority interest	126		

Note 1.: Appendix to the balance sheet to be filled by entrepreneurs that prepare consolidated financial statements.

Income statement
period 01.01.2017 to 31.03.2017

Company: GRANOLIO d.d.

Position	AOP	Previous period		Current period	
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING REVENUE (125+130)	125	116.149.431	116.149.431	115.524.365	115.524.365
1. Sales revenue with related parties with the Group	126	1.973.477	1.973.477	3.048.505	3.048.505
2. Sales revenue (other parties)	127	113.076.167	113.076.167	112.054.894	112.054.894
3. Revenue from the use of own products, goods and services	128	95	95	3.300	3.300
4. Other operating revenue with related parties with the Group	129				
5. Other operating revenue (other parties)	130	1.099.692	1.099.692	417.665	417.665
II. OPERATING COSTS (132+133+137+141+142+143+146+153)	131	112.313.538	112.313.538	121.826.999	121.826.999
1. Changes in value of work in progress and finished products	132	1.339.226	1.339.226	-364.409	-364.409
2. Material costs (133 do 136)	133	100.191.813	100.191.813	109.781.051	109.781.051
a) Raw material and material costs	134	52.989.776	52.989.776	45.181.690	45.181.690
b) Cost of goods sold	135	42.137.427	42.137.427	57.188.487	57.188.487
c) Other external costs	136	5.064.611	5.064.611	7.410.874	7.410.874
3. Staff costs (138 do 140)	137	5.476.058	5.476.058	6.204.206	6.204.206
a) Net salaries and wages	138	3.120.234	3.120.234	3.612.164	3.612.164
b) Tax and contributions from salary expenses	139	1.565.080	1.565.080	1.686.999	1.686.999
c) Contributions on gross salaries	140	790.743	790.743	905.043	905.043
4. Depreciation and amortisation	141	2.533.985	2.533.985	2.813.879	2.813.879
5. Other costs	142	774.394	774.394	1.193.449	1.193.449
6. Impairment (144+145)	143	0	0	0	0
a) Impairment of long-term assets (financial assets excluded)	144				
b) Impairment of short-term assets (financial assets excluded)	145				
7. Provisions (147 do 152)	146				0
a) Provisions for pensions, severance pay and similar liabilities	147				
b) Provisions for tax liabilities	148				
c) Provisions for ongoing legal cases	149				
d) Provisions for costs of natural resources regeneration	150				
e) Provisions for guarantees costs	151				
f) Other provisions	152				
8. Other operating costs	153	1.998.062	1.998.062	2.198.822	2.198.822
III. FINANCIAL INCOME (155 do 164)	154	401.710	401.710	1.242.372	1.242.372
1. Income from investment in shares in related parties within the Group	155				
2. Income from investment in shares of entrepreneurs in whom the entity holds participating	156				
3. Income from other long-term financial investment and loans granted to related parties	157	193.804	193.804	235.480	235.480
4. Other income arising from interests with related parties within the Group	158				
5. Foreign exchange gains and similar financial income with related parties within the Group	159				
6. Income from other long-term financial investment and loans	160	83.123	83.123	28.627	28.627
7. Other income arising from interests	161	38.786	38.786	11.363	11.363
8. Foreign exchange gains and similar financial income	162	85.997	85.997	326.543	326.543
9. Unrealized gains (income) from financial assets	163				
10. Other financial income	164	0	0	640.358	640.358
IV. FINANCIAL EXPENSES (166 do 172)	165	7.175.915	7.175.915	7.866.039	7.866.039
1. Expenses arising from interests and similar expenses with related parties within the Group	166	0	0	172.650	172.650
2. Foreign exchange losses and similar financial expenses with related parties within the	167				
3. Expenses arising from interests and similar expenses	168	6.713.354	6.713.354	7.335.052	7.335.052
4. Foreign exchange losses and similar financial expenses	169	374.447	374.447	330.929	330.929
5. Unrealized losses (expenses) on financial assets	170				
6. Financial assets impairment (net)	171	60.000	60.000	0	0
7. Other financial expenses	172	28.114	28.114	27.409	27.409
V. SHARE IN PARTICIPATING INTERESTS PROFIT	173				
VI. SHARE IN JOINT-VENTURE PROFIT	174				
VII. SHARE IN PARTICIPATING INTERESTS LOSS	175				
VIII. SHARE IN JOINT-VENTURE LOSS	176				
IX. TOTAL INCOME (125+164+173 + 174)	177	116.551.142	116.551.142	116.766.737	116.766.737
X. TOTAL EXPENSES (131+165+175 + 176)	178	119.489.453	119.489.453	129.693.038	129.693.038
XI. PROFIT OR LOSS BEFORE TAXES (177-178)	179	-2.938.311	-2.938.311	-12.926.302	-12.926.302
1. Profit before taxes (177-178)	180	0	0	0	0
2. Loss before taxes (178-177)	181	2.938.311	2.938.311	12.926.302	12.926.302
XII. PROFIT TAX	182				
XIII. PROFIT OR LOSS FOR THE PERIOD (179-182)	183	-2.938.311	-2.938.311	-12.926.302	-12.926.302
1. Profit for the period (179-182)	184	0	0	0	0
2. Loss for the period (182-179)	185	2.938.311	2.938.311	12.926.302	12.926.302
APPENDIX to income statement (to be filled in by entrepreneur that prepares consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	186				
2. Attributable to minority interest	187				
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD	188	-2.938.311	-2.938.311	-12.926.302	-12.926.302
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (190 do 197)	189	0	0	0	0
1. Exchange differences on translation of foreign operations	190				
2. Movements in revaluation reserves of long-term tangible and intangible assets	191				
3. Profit or loss arising from re-evaluation of financial assets available for sale	192				
4. Gains or losses arising on efficient cash flow hedging	193				
5. Gains or losses arising on efficient hedge of a net investment in foreign countries	194				
6. Share in other comprehensive income / loss of participating interest companies	195				
7. Actuarial gains / losses on defined benefit plans	196				
8. Other changes in equity non related to the owners	197				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	198				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	199	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (188+199)	200	-2.938.311	-2.938.311	-12.926.302	-12.926.302
APPENDIX to other comprehensive income statement (to be filled in by entrepreneur that prepares consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	201				
2. Attributed to minority interest	202				

Cash flow statement - indirect method
period 01.01.2017 to 31.03.2017

Company: GRANOLIO d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	001	(2.938.311)	(12.926.302)
2. Adjustments (003 do 010)	002	7.042.836	9.400.430
a.) Depreciation and amortisation	003	2.533.985	2.813.879
b.) Gains and losses from the sale and impairment of long-term tangible and intangible assets	004	(64.420)	(27.890)
c.) Gains and losses from the sale and unrealised gains and losses and impairment of financial assets	005	60.000	(325.748)
d.) Interests and dividends income	006	(315.712)	(275.471)
e.) Interests expense	007	5.593.906	7.507.701
f.) Provisions	008		
g.) Foreign exchange differences (unrealised)	009	1.218	(282.815)
h.) Other adjustments for non-cash transactions and unrealised gains and losses	010	(766.141)	(9.226)
I. Cash flow increase or decrease before changes in the working capital (001 do 002)	011	4.104.525	(3.525.872)
3. Working capital changes (013 do 016)	012	17.745.524	21.079.999
a.) Increase or decrease in short term liabilities	013	(1.255.857)	31.967.508
b.) Increase or decrease in short term receivables	014	(2.532.317)	(13.734.256)
c.) Increase or decrease in inventories	015	21.533.698	2.846.747
d.) Other increase or decrease in the working capital	016		
II. Cash from operations (011+012)	017	21.850.049	17.554.127
4. Interests paid	018	(5.860.604)	(7.444.624)
5. Income tax paid	019	-	(886.231)
A) NET CASH FLOW FROM OPERATING ACTIVITIES (017 do 019)	020	15.989.445	9.223.272
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	021	64.420	-
2. Cash inflow from the sale of financial instruments	022	-	694.794
3. Interests receipts	023	76.571	736.827
4. Dividends receipts	024	-	-
5. Cash inflow from repayment of given loans and other borrowings	025	8.957.074	5.875.699
6. Other cash inflows from investing activities	026	90.801	296.687
III. Total cash inflows from investing activities (021 do 026)	027	9.188.866	7.604.007
1. Cash outflow for purchase of long-term tangible and intangible assets	028	(1.130.557)	(441.756)
2. Cash outflow for acquisition of financial instruments	029		
3. Cash outflow for granting loans and other borrowings in the given period	030	(9.359.617)	(24.125.284)
4. Aquisition of associates decreased by the acquired cash	031		
5. Other cash outflow for investing activities	032	-	(30.448)
IV. Total cash outflow for investing activities (028 do 032)	033	(10.490.174)	(24.597.488)
B) NET CASH FLOW FROM INVESTING ACTIVITIES (027+033)	034	(1.301.307)	(16.993.481)
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash inflow from increase of the share (subscribed) capital	035		
2. Cash inflow from issuing property and debt financial instruments	036		
3. Cash proceeds from the credit principals, promissory notes, borrowings and other loans	037	39.105.979	68.166.544
4. Other proceeds from financial activities	038		
V. Total cash inflows from financial activities (027 do 029)	039	39.105.979	68.166.544
1. Cash outflow for repayment of credit principals, promissory notes, borrowings and other loans	040	(50.891.456)	(63.028.266)
2. Cash outflow for dividends paid	041		
3. Cash outflow for financial lease	042	(161.731)	(198.555)
4. Cash outflow for purchase of treasury shares and decrease of share (subscribed) capital	043		
5. Other cash outflow for financial activities	044	(18.653.988)	(5.591.729)
VI. Total cash outflow for financial activities (031 do 035)	045	(69.707.176)	(68.818.550)
C) NET CASH FLOW FROM FINANCIAL ACTIVITIES	046	(30.601.197)	(652.006)
1. Unrealised foreign exchange differences in cash and cash equivalents	047		
D) NET INCREASE OR DECREASE IN CASH FLOW (020+034+046+047)	048	(15.913.058)	(8.422.215)
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	16.972.547	9.300.282
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	050	1.059.489	878.067

Statement of changes in equity

01.01.2017-31.03.2017

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Company: GRANOLIO D.D., OIB 59064993527

Position	AOP	Note no.	Attributable to the equity holders of the parent													Minority (non-controlling) interest	Total capital and reserves		
			Share (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares (deductible)	Statutory reserves	Other reserves	Revaluation reserve	Fair value of financial assets available for	Efficient part of cash flow hedging	Efficient part of hedging of a net	Retained earnings / accumulated loss	Profit / loss for the current year			Total attributable to the equity holders of the	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17 (4 do 7 - 8 + 9 do 16)	18	19 (17+18)	
Prior period																			
1. Balance 1 January of the prior period	01		19.016.430	84.186.547	183.484					64.473.012					-7.078.272	9.073.131	169.854.332		169.854.332
2. Changes in accounting policies	02																0		0
3. Correction of errors	03																0		0
4. Balance 1 January of the prior period (AOP 01 do 03)	04		19.016.430	84.186.547	183.484	0	0	0	0	64.473.012	0	0	0	-7.078.272	9.073.131	169.854.332	0	169.854.332	
5. Profit / loss for the period	05														-2.938.311	-2.938.311			-2.938.311
6. Exchange differences on translation of foreign operations	06															0			0
7. Changes in revaluation reserves of long-term tangible and intangible assets	07									-727.764					727.764	0			0
8. Profit or loss from re-evaluation of financial assets available for sale	08															0			0
9. Gains or losses arising on efficient cash flow hedging	09															0			0
10. Gains or losses arising on efficient hedge of a net investment in foreign countries	10															0			0
11. Share in other comprehensive income / loss of participating interest companies	11															0			0
12. Actuarial gains / losses on defined benefit plans	12															0			0
13. Other changes in equity non related to the owners	13															0			0
14. Taxation recognised directly in equity	14															0			0
15. Increase/decrease in share (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15															0			0
16. Increase of share (subscribed) capital by reinvesting profit	16															0			0
17. Increase of share (subscribed) capital arising from the pre-bankruptcy settlement procedure	17															0			0
18. Redemption of own (treasury) shares	18															0			0
19. Payment of share in profit / dividends	19															0			0
20. Other distribution of profits to the owners	20															0			0
21. Transfer to reserves by annual schedule	21				99.743									8.973.388	-9.073.131	0			0
22. Increase in reserves arising from the pre-bankruptcy settlement procedure	22															0			0
23. Balance 31 March of the prior period (04 do 22)	23		19.016.430	84.186.547	283.227	0	0	0	0	63.745.248	0	0	0	2.622.880	-2.938.311	166.916.021	0	166.916.021	
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by entrepreneur that prepares financial statements in accordance to IFRS)																			
I. OTHER COMPREHENSIVE INCOME OF THE PRIOR PERIOD, NET OF TAX (AOP 06 to 14)	24		0	0	0	0	0	0	0	-727.764	0	0	0	727.764	0	0	0	0	0
II. COMPREHENSIVE INCOME OR LOSS OF THE PRIOR PERIOD (AOP 05+24)	25		0	0	0	0	0	0	0	-727.764	0	0	0	727.764	-2.938.311	-2.938.311	0		-2.938.311
III. TRANSACTIONS WITH THE OWNERS OF THE PRIOR PERIOD RECOGNISED DIRECTLY IN EQUITY (AOP 15 to 22)	26		0	0	99.743	0	0	0	0	0	0	0	0	8.973.388	-9.073.131	0			0

Statement of changes in equity
01.01.2017-31.03.2017

Obrazac
POD-PK

Obrazac
POD-PK

Company: GRANOLIO D.D., OIB 59064993527

Position	AOP	Note no.	Attributable to the equity holders of the parent														Minority (non-controlling) interest	Total capital and reserves
			Share (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares (deductible)	Statutory reserves	Other reserves	Revaluation reserve	Fair value of financial assets available for	Efficient part of cash flow hedging	Efficient part of hedging of a net	Retained earnings / accumulated loss	Profit / loss for the current year	Total attributable to the equity holders of the		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17 (4 do 7 - 8 + 9 do 16)	18	19 (17+18)
Current period																		
1. Balance 1 January of the current period	27		19.016.430	84.186.547	283.227	800.000				61.561.956				3.783.114	2.506.535	172.137.809		172.137.809
2. Changes in accounting policies	28															0		0
3. Correction of errors	29															0		0
4. Balance 1 January of the current period (AOP 27 do 29)	30		19.016.430	84.186.547	283.227	800.000	0	0	0	61.561.956	0	0	0	3.783.114	2.506.535	172.137.809	0	172.137.809
5. Profit / loss for the period	31															-12.926.302		-12.926.302
6. Exchange differences on translation of foreign operations	32															0		0
7. Changes in revaluation reserves of long-term tangible and intangible assets	33									-745.958				745.958		0		0
8. Profit or loss from re-evaluation of financial assets available for sale	34															0		0
9. Gains or losses arising on efficient cash flow hedging	35															0		0
10. Gains or losses arising on efficient hedge of a net investment in foreign countries	36															0		0
11. Share in other comprehensive income / loss of participating interest companies	37															0		0
12. Actuarial gains / losses on defined benefit plans	38															0		0
13. Other changes in equity non related to the owners	39															0		0
14. Taxation recognised directly in equity	40									1.539.049				163.747		1.702.796		1.702.796
15. Increase/decrease in share (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41															0		0
16. Increase of share (subscribed) capital by reinvesting profit	42															0		0
17. Increase of share (subscribed) capital arising from the pre-bankruptcy settlement procedure	43															0		0
18. Redemption of own (treasury) shares	44															0		0
19. Payment of share in profit / dividends	45															0		0
20. Other distribution of profits to the owners	46															0		0
21. Transfer to reserves by annual schedule	47													2.506.535	-2.506.535	0		0
22. Increase in reserves arising from the pre-bankruptcy settlement procedure	48															0		0
23. Balance 31 March of the current period (04 do 22)	49		19.016.430	84.186.547	283.227	800.000	0	0	0	62.355.047	0	0	0	7.199.354	-12.926.302	160.914.303	0	160.914.303
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by entrepreneur that prepares financial statements in accordance to IFRS)																		
I. OTHER COMPREHENSIVE INCOME OF THE CURRENT PERIOD, NET OF TAX (AOP 32 to 40)	50		0	0	0	0	0	0	0	793.091	0	0	0	909.705	0	1.702.796	0	1.702.796
II. COMPREHENSIVE INCOME OR LOSS OF THE CURRENT PERIOD (AOP 31 + 50)	51		0	0	0	0	0	0	0	793.091	0	0	0	909.705	-12.926.302	-11.223.506	0	-11.223.506
III. TRANSACTIONS WITH THE OWNERS OF THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (AOP 41 to 48)	52		0	0	0	0	0	0	0	0	0	0	0	2.506.535	-2.506.535	0	0	0



Granolio

Granolio d.d.
Budmanijeva 5, HR-10000 Zagreb
tel.: +385 1 6320 200; faks: +385 1 6320 222; e-mail: granolio@granolio.hr; http://www.granolio.hr

In Zagreb, 28 April 2017

Pursuant to the article 407. to 410. of the Capital market Law (Official Gazette 88/08, 146/08 and 74/09) the President of the Management Board of the Company Granolio d.d., Budmanijeva 5, Zagreb provides:

MANAGEMENT BOARD'S STATEMENT OF LIABILITY

The separate and consolidated financial statements of Granolio d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Croatian Accounting Law.

The non-consolidated and consolidated financial statements for the period from 1 January 2017 till 31 March 2017 present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company.

The management report for the three months period ended 31 March 2017 presents true and fair presentation of development and results of the Company's operations with description of significant risks and uncertainties the Company is facing.

President of the Management Board

Hrvoje Filipović



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Granolio

d.d., Budmanijeva 5
Zagreb

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Hrvatska

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MB: 1244272; OIB: 59064993527; IBAN HR6024020061100063532 Erste&Steiermarkische bank d.d. Rijeka, IBAN HR1423400091110416692 Privredna banka Zagreb, IBAN HR5123900011100014261 Hrvatska poštanska banka Zagreb; temeljni kapital: 19.016.430,00 kn uplaćen u cijelosti podijeljen na 1.901.643 redovnih dionica serije A nominalnog iznosa 10,00 kn; tvrtka je upisana u Trgovačkom sudu u Zagrebu, MBS: 080111595; predsjednik Uprave: Hrvoje Filipović, članovi Uprave: Vladimir Kalčić, Drago Šurina i Tomislav Kalafatić, predsjednik Nadzornog odbora: Franjo Filipović



Granolio

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Zagreb, 28 April 2017


Statement of Executives responsible for preparing financial statements for the three months period

Pursuant to the current Croatian Accounting Act (Official Gazette 109/07), the Management Board is required to ensure that the financial statements of Granolio d.d. for each financial period are prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and that they give a true and fair view of the financial position and results of the Company's operations in the given period.

To the best of our knowledge, the complete shorten set of unaudited financial statements for the three months period give a true presentation of the Company's position as at 31 March 2017.

Reports prepared by:


Jasenka Kordić
Accounting Director

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Granolio
d.d., Budmanijeva 5
Zagreb



MB: 1244272; OIB: 59064993527; IBAN HR6024020061100063532 Erste&Steiermarkische bank d.d. Rijeka.
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