

**Consolidated financial results for the
twelve months period ended
31 December 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.

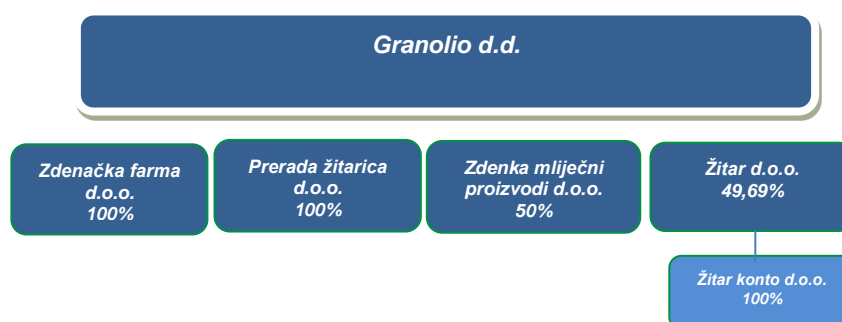
Subsidiaries

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. (further „Zdenka-m.p. 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.

Ownership in subsidiaries is presented in the organizational chart below:



The Group monitors its business operations through four business segments:

- Milling
- Dairy and cheese production
- Wholesale trade
- Other

Milling is the segment that comprises flour production and sale of flour. This business segment is comprised in the holding company exclusively.

Dairy and cheese production („Dairy“) comprises cheese production and cheese sale realized in the company Zdenka – mliječni proizvodi d.o.o., but also milk production and sale of milk by dairy farms in the companies Zdenačka farma d.o.o. and Žitar d.o.o.

Wholesale trade segment comprises grain and oilseed trade and trade of sowing materials performed by the companies Granolio d.d. and Žitar d.o.o.

The segment Other comprises animal feed production (Žitar d.o.o.), pig farming and beef cattle farming (Žitar d.o.o., beef cattle farming in the company Granolio d.d.), and rendering the silo services and the storage of trade goods (Granolio d.d., Žitar d.o.o. and Prerada žitarica d.o.o.).

Granolio Group's financial indicators for the twelve months period of 2017

in thousands of HRK

	1-12 2017	1-12 2016	Change	
Operating income	629.921	842.988	(213.067)	(25%)
Operating expenses	(722.422)	(809.762)	87.340	11%
EBIT	(92.501)	33.226	(125.727)	(378%)
<i>EBIT margin</i>	<i>-15%</i>	<i>4%</i>		
EBITDA	17.095	68.223	(51.128)	(75%)
<i>EBITDA margin</i>	<i>3%</i>	<i>8%</i>		
Net financial result	(109.932)	(28.329)	(81.603)	(288%)
Net result for the period	(202.433)	4.918	(207.351)	4216%
<i>Result attributable to the Group</i>	<i>(201.472)</i>	<i>2.406</i>	<i>(203.878)</i>	<i>8474%</i>
<i>Minority interest</i>	<i>(961)</i>	<i>2.512</i>	<i>(3.473)</i>	<i>138%</i>

In 2017 less favorable operating result (EBIT) has been realised compared to the last year. This is the result of lower sales volumes and lower sales margins.

Net result for the period comprises impairment cost of financial assets by 166 million HRK out of which 77,6 million HRK is shown in operating expenses and the rest within financial expenses.

Financial indicators

in thousands of HRK

	31.12.2017	31.12.2016	Change	
Net assets (Capital and reserves)*	23.978	237.208	(213.230)	(90%)
Total debt	485.138	512.313	(27.175)	(5%)
Cash and cash equivalents	3.605	9.729	(6.124)	(63%)
Given loans, deposits and similar**	28.750	34.648	(5.898)	(17%)
Net debt	452.783	467.936	(15.153)	(3%)
Net debt/ EBITDA	26,49	6,86		
EBITDA for the last 12 months	17.095	68.223		

* Net assets = capital and reserves attributable to the equity holders of the parent and to the minority interests

** Loans given, securities and deposits

Due to inability to settle its due liabilities, on 17 July 2017 company Granolio d.o.o. asked Commercial court to start a process of pre-bankruptcy settlement. As at 19 October 2017, Commercial court reached a decision on established and disputed claims. Once the decision becomes valid, the court will schedule hearing for voting on the restructuring plan.

At the beginning of September 2017, Privredna banka Zagreb has sent a Statement on cancellation of a long-term syndicated loan by which total liability for both principal and interest became due 3 working days after the Statement was sent. Total liability for the principal amounted to 278,5 million HRK and is stated as current liability.

As at 10 October 2017, Privredna banka Zagreb transferred its receivables from Granolio d.d., which amounted to 116,6 million HRK as at 31 August 2017, to the company B2 KAPITAL d.o.o.

Value of Group's tangible assets as at 31 December 2017 was impaired by 13 million HRK. Impairment was based on independent assessment. Impairment was made at the expense of equity.

Separate business results for the twelve months period of 2017

Granolio d.d.

in thousands of HRK

	1-12 2017	1-12 2016	Change	
Operating income	397.875	595.310	(197.434)	(33%)
EBIT	(91.872)	29.073	(120.945)	416%
<i>margin %</i>	(23%)	5%		
EBITDA	(5.989)	39.625	(45.615)	(115%)
<i>margin %</i>	(2%)	7%		
Net financial result	(106.315)	(24.577)	(81.738)	(333%)
Net result	(198.187)	2.507	(200.693)	8007%
<i>margin %</i>	(49,8%)	0,4%		

Comparing to the last year, Company realised less favorable operating result (EBIT) in 2017. This is the result of lower sales volume and lower sales margins realised in the milling and trading segments.

Zdenka - mliječni proizvodi d.o.o.

in thousands of HRK

	1-12 2017	1-12 2016	Change	
Operating income	147.649	163.319	(15.670)	(10%)
EBIT	(477)	4.983	(5.460)	110%
<i>margin %</i>	(0%)	3%		
EBITDA	12.156	18.068	(5.912)	(33%)
<i>margin %</i>	8%	11%		
Net financial result	(1.504)	(1.336)	(168)	(13%)
Net result	(1.981)	5.747	(7.728)	134%
<i>margin %</i>	(1%)	4%		

In 2017 the Company realized less favorable operating result compared to 2016.

Due to significant increase in prices of raw materials in 2017, the Company realized lower profit margins than in the last year which resulted in lower values of EBITDA and net result.

Žitar d.o.o. (consolidated)

in thousands of HRK

	1-12 2017	1-12 2016	Change	
Operating income	69.308	121.016	(51.708)	(43%)
EBIT	1.867	1.006	861	86%
<i>margin %</i>	3%	1%		
EBITDA	7.038	9.198	(2.160)	(23%)
<i>margin %</i>	10%	8%		
Net financial result	(1.808)	(1.636)	(172)	(11%)
Net result	59	(721)	779	108%
<i>margin %</i>	0%	(1%)		

In 2016 significant one-off sale of wheat was realised while in 2017 there were no similar activities. Besides mentioned, income decreased in 2017 also due to exemption of the following operating segments: milling, sale of sowing material, facility for production of animal feed and pig farm out from the company's business operations. Operating segments were exempt from the Žitar company's business operations and taken over by the company's owners.

Zdenačka farma d.o.o.

in thousands of HRK

	1-12 2017	1-12 2016	Change	
Operating income	21.208	19.154	2.054	11%
EBIT	(1.159)	(1.639)	481	(29%)
<i>margin %</i>	(5%)	(9%)		
EBITDA	3.080	1.102	1.977	179%
<i>margin %</i>	15%	6%		
Net financial result	(877)	(829)	(49)	(6%)
Net result	(2.036)	(2.468)	432	(18%)
<i>margin %</i>	(10%)	(13%)		

In 2017 total delivery of milk by Zdenačka farma amounted to 4,5 million kilos (2016: 4,7 million kilos). Average sales price realised in 2017 was 13% higher than average sales price realised in the last year. Higher average sales price of milk and slightly lower operating costs are the main reasons for better EBITDA made in 2017.

Net result is approximately equal to the last year mainly due to cost of impairment of receivables from sale of biogas project in the amount of 1,3 million HRK. Project was sold in 2016 and revenue from sales is shown within the operating result for 2016, while in 2017 receivables were impaired since estimated as uncollectable.

Prerada žitarica d.o.o.

in thousands of HRK

	1-12 2017	1-12 2016	Change	
Operating income	23.228	21.404	1.824	9%
EBIT	(860)	(161)	(699)	(433%)
<i>margin %</i>	(4%)	(1%)		
EBITDA	811	263	548	208%
<i>margin %</i>	3%	1%		
Net financial result	572	49	523	(1065%)
Net result	(288)	(112)	(176)	(157%)
<i>margin %</i>	(1%)	(1%)		

Prerada žitarica d.o.o. is the company whose main activities are storage of goods, and storing and drying grains.

In 2017 the Company also earned income from the wholesale of oil seed and crops in the total amount of 23 million HRK, out of which 6 million HRK refers to export.

Net result of the company is affected by impairment of trade receivable from Agrokor group in the amount of 1,3 million HRK.

Employees

In the twelve months 2017 the Group employed 444 employees based on man-hour basis (in the twelve months 2016: 479 employees).

Environment

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

Other

Supervisory Board has approved Granolio Group's financial statements for the twelve months period 2017.

Annex 1.

Reporting period

1.1.2017

to

31.12.2017

Quarterly financial report TFI-PODTax number (MB): **01244272**Company registration number
(MRS): **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.hrMunicipality/city code and name: **133**County code and name: **21 GRAD ZAGREB**Number of employees: **443**Consolidated report: **YES**(period end)
NKD code: **1061**

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

GRANOLIO D.D.**ZAGREB****01244272****ZDENAČKA FARMA D.O.O.****VELIKI ZDENCI****02095777****PRERADA ŽITARICA D.O.O.****GRUBIŠNO POLJE****02095696****ZDENKA - MLIJEČNI PROIZVODI D.O.O.****VELIKI ZDENCI****01623982****ŽITAR D.O.O.****DONJI MIHOLJAC****01443119****ŽITAR KONTO D.O.O.****DONJI MIHOLJAC****04212517**

Bookkeeping service:

Contact person: **JASENKA KORDIĆ**

(only surname and name)

Telephone: **01/6320-261**Telefax: **01/6320-224**E-mail address: jkordic@granolio.hrFamily 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 31.12.2017

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	578.546.114	468.986.689
I. INTANGIBLE ASSETS (004 do 009)	003	187.085.450	124.767.302
1. Assets development	004	0	0
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	121.010.211	120.737.135
3. Goodwill	006	60.379.072	0
4. Prepayments for purchase of intangible assets	007	0	0
5. Intangible assets in preparation	008	0	0
6. Other intangible assets	009	5.696.167	4.030.167
II. TANGIBLE ASSETS (011 do 019)	010	362.311.987	328.212.154
1. Land	011	27.668.452	23.610.097
2. Buildings	012	230.490.380	223.325.464
3. Plant and equipment	013	67.677.246	56.954.376
4. Tools, working inventory and transportation assets	014	3.297.415	2.906.339
5. Biological assets	015	10.626.471	10.110.573
6. Prepayments for tangible assets	016	259.709	355.095
7. Tangible assets in progress	017	21.777.202	10.437.015
8. Other tangible assets	018	83.112	81.195
9. Investments in buildings	019	432.000	432.000
III. LONG-TERM FINANCIAL ASSETS (021 do 030)	020	27.023.566	13.892.233
1. Investments (shares) with related parties within the Group	021	0	0
2. Investments in other securities of related parties within the Group	022	0	0
3. Loans, deposits and similar assets to related parties within the Group	023	0	0
4. Investments (shares) with entrepreneurs in whom the entity holds participating interests	024	0	0
5. Investments in other securities of entrepreneurs in whom the entity holds participating interests	025	0	0
6. Loans, deposits and similar assets to entrepreneurs in whom the entity holds participating	026	0	0
7. Investments in securities	027	0	0
8. Loans, deposits and similar assets	028	6.551.376	396.143
9. Other investments accounted by equity method	029	0	0
10. Other long - term financial assets	030	20.472.190	13.496.090
IV. RECEIVABLES (032 do 035)	031	25.111	15.000
1. Receivables from related parties within the Group	032	0	0
2. Receivables from participating parties	033	0	0
3. Accounts receivable	034	0	0
4. Other receivables	035	25.111	15.000
V. DEFERRED TAX ASSET	036	2.100.000	2.100.000
C) SHORT TERM ASSETS (038+046+053+063)	037	414.454.289	254.092.433
I. INVENTORIES (039 do 045)	038	90.701.654	74.430.389
1. Raw materials and supplies	039	24.362.650	23.586.432
2. Work in progress	040	8.917.080	8.376.188
3. Finished goods	041	29.038.079	33.251.567
4. Merchandise	042	28.368.130	9.130.745
5. Prepayments for inventories	043	15.715	85.457
6. Long term assets held for sale	044	0	0
7. Biological assets	045	0	0
II. RECEIVABLES (047 do 052)	046	285.925.497	147.703.645
1. Receivables from related parties within the Group	047	330.668	492.726
2. Receivables from participating parties	048	0	0
3. Accounts receivable	049	167.141.969	114.046.399
4. Receivables from employees and members of related parties	050	10.786	3.526
5. Receivables from government and other institutions	051	10.863.809	7.583.259
6. Other receivables	052	107.578.265	25.577.735
III. SHORT TERM FINANCIAL ASSETS (054 do 062)	053	28.097.767	28.353.437
1. Investments (shares) with related parties within the Group	054	0	0
2. Investments in other securities of related parties within the Group	055	0	0
3. Loans, deposits and similar assets to related parties within the Group	056	20.558.658	14.676.132
4. Investments (shares) with entrepreneurs in whom the entity holds participating interests	057	0	0
5. Investments in other securities of entrepreneurs in whom the entity holds participating interests	058	0	0
6. Loans, deposits and similar assets to entrepreneurs in whom the entity holds participating interests	059	0	0
7. Investments in securities	060	881.994	178.441
8. Loans, deposits and similar assets	061	6.657.115	13.498.864
9. Other financial assets	062	0	0
IV. CASH AND CASH EQUIVALENTS	063	9.729.371	3.604.962
D) PREPAID EXPENSES AND ACCRUED REVENUE	064	4.600.594	2.883.028
E) TOTAL ASSETS (001+002+037+064)	065	997.600.997	725.962.150
F) OFF-BALANCE RECORDS	066		

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (068 do 070+076+077+081+084+087)	067	237.208.256	23.977.746
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	1.208.554
1. Reserves prescribed by law	071	283.227	408.554
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	60.117.173
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	7.812.413	740.743
1. Retained earnings	082	7.812.413	740.743
2. Accumulated loss	083		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (085-086)	084	2.406.268	-201.472.189
1. Profit for the current year	085	2.406.268	0
2. Loss for the current year	086	0	201.472.189
VII. MINORITY (NON-CONTROLLING) INTEREST	087	61.141.415	60.180.488
B) PROVISIONS (089 do 094)	088	0	0
1. Provisions for pensions, severance pay and similar liabilities	089	0	0
2. Provisions for tax liabilities	090	0	0
3. Provisions for ongoing legal cases	091	0	0
4. Provisions for costs of natural resources regeneration	092	0	0
5. Provisions for guarantees costs	093	0	0
6. Other provisions	094	0	0
C) LONG - TERM LIABILITIES (096 do 106)	095	351.567.682	85.269.845
1. Liabilities to related parties within the Group	096	0	0
2. Liabilities for loans, deposits, etc. to related parties within the Group	097	0	0
3. Liabilities to entrepreneurs in whom the entity holds participating interests	098	0	0
4. Liabilities for loans, deposits, etc. to entrepreneurs in whom the entity holds participating interests	099	0	0
5. Liabilities for loans, deposits, etc.	100	11.337	11.270
6. Liabilities to banks and other financial institutions	101	335.953.544	71.876.349
7. Liabilities for received prepayments	102	0	0
8. Accounts payable	103	212.312	185.773
9. Liabilities arising from debt securities	104	0	0
10. Other long-term liabilities	105	0	0
11. Deferred tax liability	106	15.390.489	13.196.453
D) SHORT - TERM LIABILITIES (108 do 121)	107	396.020.238	605.827.668
1. Liabilities to related parties within the Group	108	0	0
2. Liabilities for loans, deposits, etc. to related parties within the Group	109	0	0
3. Liabilities to entrepreneurs in whom the entity holds participating interests	110	0	0
4. Liabilities for loans, deposits, etc. to entrepreneurs in whom the entity holds participating interests	111	0	0
5. Liabilities for loans, deposits, etc.	112	0	0
6. Liabilities to banks and other financial institutions	113	136.578.173	366.510.252
7. Liabilities for received prepayments	114	3.653.467	2.985.710
8. Accounts payable	115	103.073.841	102.498.694
9. Liabilities arising from debt securities	116	39.770.000	46.740.600
10. Liabilities to employees	117	2.521.343	2.188.819
11. Liabilities for taxes, contributions and similar fees	118	6.830.478	4.014.406
12. Liabilities to shareholders	119	0	0
13. Liabilities for long-term assets held for sale	120	0	0
14. Other short - term liabilities	121	103.592.936	80.889.187
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	122	12.804.821	10.886.891
F) TOTAL – CAPITAL AND LIABILITIES (067+088+095+107+122)	123	997.600.997	725.962.150
G) OFF-BALANCE RECORDS	124		
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	176.066.841	-36.202.743
2. Attributable to non-controlling interest	126	61.141.415	60.180.488

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

Income statement
period 01.01.2017 to 31.12.2017

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	842.988.481	261.784.527	629.921.047	203.416.274
1. Sales revenue with related parties within the Group	126	0	0	0	0
2. Sales revenue (third parties)	127	810.075.354	249.167.913	609.853.905	198.125.271
3. Revenue from the use of own products, goods and services	128	2.266.590	628.629	2.050.000	606.871
4. Other operating revenue with related parties within the Group	129	0	0	0	0
5. Other operating revenue (third parties)	130	30.646.537	11.987.985	18.017.142	4.684.132
II. OPERATING COSTS (132+133+137+141+142+143+146+153)	131	809.761.597	247.010.544	722.421.769	284.936.399
1. Changes in value of work in progress and finished products	132	-4.280.655	-2.010.127	-4.105.679	-2.210.768
2. Material costs (133 do 136)	133	710.226.866	219.008.033	550.651.870	181.877.166
a) Raw material and material costs	134	343.835.855	92.895.268	262.191.521	63.063.739
b) Cost of goods sold	135	308.144.157	106.988.874	243.984.760	106.865.613
c) Other external costs	136	58.246.855	19.123.891	44.475.588	11.947.814
3. Staff costs (138 do 140)	137	45.603.435	11.819.199	40.955.078	9.527.858
a) Net salaries and wages	138	27.727.544	7.201.872	25.807.844	6.105.598
b) Tax and contributions from salary expenses	139	11.184.918	2.892.139	9.130.404	2.045.960
c) Contributions on gross salaries	140	6.690.972	1.725.188	6.016.830	1.376.300
4. Depreciation and amortisation	141	31.201.964	7.907.458	31.937.328	7.829.883
5. Other costs	142	9.843.030	3.287.378	10.295.527	4.686.919
6. Impairment (144+145)	143	3.794.123	2.855.342	77.658.873	77.657.496
a) Impairment of long-term assets (financial assets excluded)	144	0	0	60.379.072	60.379.072
b) Impairment of short - term assets (financial assets excluded)	145	3.794.123	2.855.342	17.279.801	17.278.424
7. Provisions (147 do 152)	146	0	0	0	0
a) Provisions for pensions, severance payments and similar liabilities	147	0	0	0	0
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	0	0	0	0
d) Provisions for costs of natural resources refurbishment	150	0	0	0	0
e) Provisions for guarantees costs	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8. Other operating costs	153	13.372.834	4.143.260	15.028.772	5.567.844
III. FINANCIAL INCOME (155 do 164)	154	5.069.102	1.636.507	5.130.197	688.493
1. Income from investment in shares of related parties within the Group	155	0	0	0	0
2. Income from investment in shares of entrepreneurs in whom the entity holds participating interest	156	0	0	0	0
3. Income from other long-term financial investments and loans granted to related parties within the Group	157	245.598	245.598	253.539	253.539
4. Other income arising from interest with related parties within the Group	158	0	0	0	0
5. Foreign exchange gains and similar financial income with related parties within the Group	159	0	0	0	0
6. Income from other long-term financial investments and loans	160	1.418.591	1.418.591	796.254	202.518
7. Other income arising from interest	161	946.460	946.460	241.893	70.040
8. Foreign exchange gains and similar financial income	162	2.279.111	-481.904	2.699.255	106.859
9. Unrealized gains (income) from financial assets	163	0	0	0	0
10. Other financial income	164	179.343	-492.238	1.139.256	55.537
IV. FINANCIAL EXPENSES (166 do 172)	165	33.398.173	8.705.981	115.062.590	90.287.157
1. Expenses arising from interests and similar expenses with related parties within the Group	166	0	0	0	0
2. Foreign exchange losses and similar financial expenses with related parties within the Group	167	0	0	0	0
3. Expenses arising from interest and similar expenses	168	31.256.515	6.660.598	23.936.453	1.285.921
4. Foreign exchange losses and similar financial expenses	169	1.877.893	1.877.895	2.746.950	654.777
5. Unrealized losses (expenses) on financial assets	170	0	0	6.976.100	6.976.100
6. Financial assets impairment (net)	171	60.000	0	81.370.283	81.370.283
7. Other financial expenses	172	203.766	167.488	32.803	75
V. PROFIT SHARE IN PARTICIPATING INTERESTS	173				
VI. PROFIT SHARE IN JOINT-VENTURE	174				
VII. LOSS SHARE IN PARTICIPATING INTERESTS	175				
VIII. LOSS SHARE IN JOINT-VENTURE	176				
IX. TOTAL INCOME (125+164+173 + 174)	177	848.057.583	263.421.034	635.051.244	204.104.767
X. TOTAL EXPENSES (131+165+175 + 176)	178	843.159.770	255.716.525	837.484.359	375.223.556
XI. PROFIT OR LOSS BEFORE TAXES (177-178)	179	4.897.813	7.704.509	-202.433.115	-171.118.789
1. Profit before taxes (177-178)	180	4.897.813	7.704.509	0	0
2. Loss before taxes (178-177)	181	0	0	202.433.115	171.118.789
XII. PROFIT TAX	182	-19.902	-19.902	0	0
XIII. PROFIT OR LOSS FOR THE PERIOD (179-182)	183	4.917.714	7.724.411	-202.433.115	-171.118.789
1. Profit for the period (179-182)	184	4.917.714	7.724.411	0	0
2. Loss for the period (182-179)	185	0	0	202.433.115	171.118.789
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	2.406.268	6.393.774	-201.472.189	-172.485.438
2. Attributable to non-controlling interest	187	2.511.447	1.330.637	-960.927	1.366.649
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD					
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (190 do 197)	188	4.917.714	7.724.411	-202.433.115	-171.118.789
1. Exchange differences on translation of foreign operations	189	0	0	0	0
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 in participating interests	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	4.917.714	7.724.411	-202.433.115	-171.118.789
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	2.406.268	6.393.774	-201.472.189	-172.485.438
2. Attributed to non-controlling interest	202	2.511.447	1.330.637	-960.927	1.366.649

Cash flow statement - indirect method
period 01.01.2017 to 31.12.2017

Company: GRANOLIO d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	001	7.241.110	(201.472.189)
2. Adjustments (003 do 010)	002	61.952.086	219.502.654
a.) Depreciation and amortisation	003	31.201.964	31.937.328
b.) Gains and losses from sale and impairment of long-term tangible and intangible assets	004	3.982.766	2.857.907
c.) Gains and losses from sale and unrealised gains or losses and impairment of financial assets	005	(1.124.901)	98.174.764
d.) Interest and dividend income	006	(2.915.589)	0
e.) Interest expense	007	32.216.469	26.174.570
f.) Provisions	008		
g.) Foreign exchange differences (unrealised)	009		
h.) Other adjustments for non-cash transactions and unrealised gains and losses	010	(1.408.623)	60.358.085
I. Cash flow increase or decrease before changes in working capital (001 do 002)	011	69.193.196	18.030.464
3. Working capital changes (013 do 016)	012	(2.161.585)	31.218.345
a.) Increase or decrease in short term liabilities	013	(29.389.617)	(107.215.670)
b.) Increase or decrease in short term receivables	014	7.738.226	126.336.528
c.) Increase or decrease in inventories	015	19.489.806	16.362.778
d.) Other increase or decrease in working capital	016		(4.265.291)
II. Cash from operations (011+012)	017	67.031.610	49.248.810
4. Interest paid	018	(32.194.835)	(13.298.922)
5. Income tax paid	019	(5.270.899)	2.247.681
A) NET CASH FLOW FROM OPERATING ACTIVITIES (017 do 019)	020	29.565.876	38.197.568
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	021	633.848	-
2. Cash inflow from sale of financial instruments	022		-
3. Interest received	023	2.100.293	1.314.273
4. Dividend received	024	19.794	-
5. Cash inflow from repayment of loans given and savings deposits	025	86.565.012	10.393.614
6. Other cash inflows from investing activities	026	193.745	-
III. Total cash inflows from investing activities (021 do 026)	027	89.512.692	11.707.887
1. Cash outflow for purchase of long-term tangible and intangible assets	028	(18.725.583)	(7.856.596)
2. Cash outflow for acquisition of financial instruments	029	(27.137)	-
3. Cash outflow for granting loans and other borrowings in the given period	030	(82.086.034)	(21.937.319)
4. Aquisition of subsidiaries net of cash acquired	031		
5. Other cash outflow for investing activities	032		
IV. Total cash outflow for investing activities (028 do 032)	033	(100.838.754)	(29.793.915)
B) NET CASH FLOW FROM INVESTING ACTIVITIES (027+033)	034	(11.326.062)	(18.086.027)
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash inflow from increase of the share (subscribed) capital	035		
2. Cash inflow from issuing equity and debt financial instruments	036		
3. Cash proceeds from loan principals, promissory notes and other borrowings	037	369.850.096	50.630.965
4. Other proceeds from financial activities	038	528.760	6.970.600
V. Total cash inflows from financial activities (027 do 029)	039	370.378.856	57.601.565
1. Cash outflow for repayment of loan principals, promissory notes and other borrowings	040	(355.637.226)	(82.348.380)
2. Cash outflow for dividend paid	041	(950.822)	-
3. Cash outflow for financial lease	042	(3.609.414)	(1.489.134)
4. Cash outflow for purchase of treasury shares and decrease of share (subscribed) capital	043		
5. Other cash outflow for financing activities	044	(41.117.770)	-
VI. Total cash outflow for financing activities (031 do 035)	045	(401.315.232)	(83.837.515)
C) NET CASH FLOW FROM FINANCING ACTIVITIES	046	(30.936.376)	(26.235.949)
1. Unrealised foreign exchange differences in cash and cash equivalents	047		
D) NET INCREASE OR DECREASE IN CASH FLOW (020+034+046+047)	048	(12.696.562)	(6.124.409)
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	22.425.931	9.729.371
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (048+049)	050	9.729.369	3.604.962



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 February 2018

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 December 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 twelve months period ended 31 December 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

Granolio
d.d., Budmanijeva 5
Zagreb

Contact:
Granolio d.d.
Budmanijeva 5
10 000 Zagreb
Hrvatska

Tel: +385 1 6320 200
e-mail: trzistekapitala@granolio.hr



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 i Drago Šurina, predsjednik Nadzornog odbora: Franjo Filipović



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Zagreb, 28 February 2018

Statement of Executives responsible for preparing financial statements for the twelve 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 twelve months period give a true presentation of the Company's position as at 31 December 2017.

Reports prepared by:



Jasenka Kordić
Accounting Director

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