

**Consolidated financial results for the
three months period ended
31 March 2019
(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.

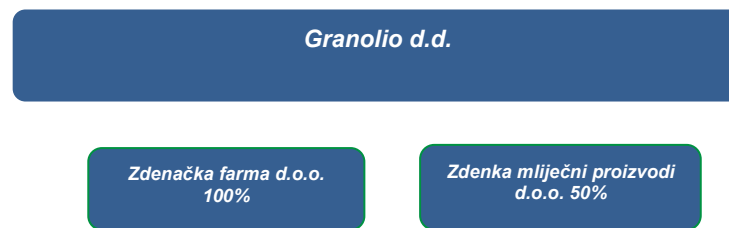
Subsidiaries

The Company holds 100% of the shares in Zdenačka farma d.o.o.

It has a controlling influence in the decision-making process in Zdenka mliječni proizvodi d.o.o. which has been consolidated into the Granolio Group since 2011.

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:



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 farm in Zdenačka farma d.o.o.

Wholesale trade segment comprises grain and oilseed trade and trade of sowing materials performed by holding company Granolio d.d.

The segment Other comprises beef cattle farming and rendering the silo services and the storage of trade goods (Granolio d.d.)

Granolio Group's financial indicators for the three months period of 2019

In thousands of HRK

| | 1.1.- 4.3.2019 | 1-3 2018 | change | |
|----------------------------------|------------------|------------------|----------------|---------------|
| Operating income | 98.495 | 103.028 | (4.533) | (4%) |
| Operating expenses | (105.661) | (106.384) | 723 | 1% |
| EBIT | (7.166) | (3.356) | (3.810) | 114% |
| <i>EBIT margin</i> | <i>-7%</i> | <i>(3%)</i> | | |
| EBITDA | 193 | 4.383 | (4.190) | (96%) |
| <i>EBITDA margin</i> | <i>0%</i> | <i>4%</i> | | |
| Net financial result | (1.287) | 159 | (1.446) | 909% |
| Net result for the period | (8.453) | (3.197) | (5.256) | (164%) |
| <i>Attributable to the Group</i> | <i>(8.258)</i> | <i>(2.763)</i> | <i>(5.495)</i> | <i>(199%)</i> |
| <i>Non-controlling interest</i> | <i>(195)</i> | <i>(434)</i> | <i>239</i> | <i>55%</i> |

Net financial result represents the difference between financial revenues and financial expenses. In the first quarter 2019, financial expense is greater due to holding company starting to account for an interest on the financial debt which is part of the pre-bankruptcy settlement.

Financial indicators

In thousands of HRK

| | 31.3.2019 | 31.12.2018 | change | |
|--|----------------|----------------|-----------------|--------------|
| Net assets (Capital and reserves)* | 54.306 | 104.806 | (50.500) | (48%) |
| Total debt | 465.926 | 516.765 | (50.839) | (10%) |
| Cash and cash equivalents | 6.049 | 10.340 | (4.291) | (41%) |
| Given loans, deposits and similar** | 26.669 | 32.821 | (6.152) | (19%) |
| Net debt | 433.208 | 473.604 | (40.396) | (9%) |
| Net debt/ EBITDA | 15,25 | 14,53 | | |
| EBITDA for the last 12 months | 28.409 | 32.599 | | |

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

** Loans given, securities and deposits

Net assets of the Group is lower compared to the value stated at 31 December 2018 due to deconsolidation of financial statements of Žitar d.o.o. and its subsidiary Žitar konto d.o.o. As at 4 March 2019 the Company has signed a contract on the sales of investments into Žitar, and on 14 March 2019 this business event has been recorded in the Court register.

Total debt of the Group has decreased mainly due to deconsolidation of financial liabilities of Žitar. Decreased debt and increased operating profit show better efficiency of the Group in the first quarter 2019 compared to the same period last year.

Separate business results for the three months period of 2019

Granolio d.d.

In thousands of HRK

| | 1-3 2019 | 1-3 2018 | change | |
|-----------------------------|----------------|----------------|----------------|---------------|
| Operating income | 55.881 | 60.911 | (5.029) | (8%) |
| EBIT | (7.217) | (3.009) | (4.207) | (140%) |
| <i>margin %</i> | (13%) | (5%) | | |
| EBITDA | (4.567) | (393) | (4.174) | 1062% |
| <i>margin %</i> | (8%) | (1%) | | |
| Net financial result | (561) | 137 | (698) | 510% |
| Net result | (7.778) | (2.872) | (4.906) | (171%) |
| <i>margin %</i> | (13,9%) | (4,7%) | | |

In the first quarter 2019 the Company has made slightly lower operating result (EBIT) compared to the same period last year. The nature of Company's business is that the first quarter is always less favourable than the rest of the year. Besides that, in 2019 Easter feast, that affect sales levels of flour, fell into the second quarter of the year while in 2018 it fell into the first quarter. By the end of the year, operating result is expected to improve.

Net financial result represents the difference between financial revenues and financial expenses. In 2019 the Company started to account for an interest on the financial debt which is part of the pre-bankruptcy settlement.

As at 4 March 2019 The Company has signed a contract on the sales of investments into Žitar, one of its subsidiaries. Since the value of the investment has been impaired to its net realizable value in financial statements for 2018, no profit nor loss from sale of investment has been recognized in Statement of total comprehensive income.

Zdenka - mliječni proizvodi d.o.o.

In thousands of HRK

| | 1-3 2019 | 1-3 2018 | change | |
|-----------------------------|---------------|---------------|--------------|---------------|
| Operating income | 32.525 | 29.746 | 2.779 | 9% |
| EBIT | 635 | 379 | 256 | (68%) |
| <i>margin %</i> | 2% | 1% | | |
| EBITDA | 3.776 | 3.427 | 349 | 10% |
| <i>margin %</i> | 12% | 12% | | |
| Net financial result | (224) | (60) | (164) | (273%) |
| Net result | 411 | 319 | 92 | (29%) |
| <i>margin %</i> | 1% | 1% | | |

In the first quarter 2019, the company has made better operating result compared to the result in the same period last year due to better operating efficiency.

Zdenačka farma d.o.o.

In thousands of HRK

| | 1-3 2019 | 1-3 2018 | change | |
|-----------------------------|--------------|--------------|--------------|---------------|
| Operating income | 6.473 | 5.518 | 955 | 17% |
| EBIT | (163) | 528 | (691) | (131%) |
| <i>margin %</i> | (3%) | 10% | | |
| EBITDA | 589 | 1.255 | (666) | (53%) |
| <i>margin %</i> | 9% | 23% | | |
| Net financial result | (127) | (173) | 46 | 27% |
| Net result | (290) | 355 | (645) | (182%) |
| <i>margin %</i> | (4%) | 6% | | |

In the first quarter 2019 total sales of milk by Zdenačka farma amounted to 1 million kilos (Q1 2018: 1,2 million kilos). Average sales price realised in Q1 2019 was lower than the average sales price realised in the same period last year by 3%. Other than by sale of milk, the income was also made from trade in goods.

Employees

In the three months 2019 the Group employed 438 employees based on man-hour basis (in the three months 2018: 416 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 three months period 2019.

Annex 1

ISSUER'S GENERAL DATA

| | | | |
|-------------------|----------|----|-----------|
| Reporting period: | 1.1.2019 | to | 31.3.2019 |
| Year: | 2019 | | |
| Quarter: | 1. | | |

Quarterly financial statements

| | | | |
|---------------------------------------|-------------|----------------------------------|----------------------|
| Registration number (MB): | 01244272 | Issuer's home Member State code: | Croatia |
| Entity's registration number (MBS): | 080111595 | | |
| Personal identification number (OIB): | 59064993527 | LEI: | 21380003Z6ZSDBAKG321 |
| Institution code: | 15989 | | |

Name of the issuer: Granolio d.d

Postcode and town: 10000

Zagreb

Street and house number: Budmanijeva 5

E-mail address: granolio@granolio.hr

Web address: www.granolio.hr

Number of employees (end of the reporting): 452

Consolidated report: KD (KN-not consolidated/KD-consolidated)

Audited: RN (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

GRANOLIO D.D.

ZAGREB

1244272

ZDENAČKA FARMA D.O.O.

VELIKI ZDENCI

2095777

ZDENKA - MLIJEČNI PROIZVODI D.O.O.

VELIKI ZDENCI

1623982

ŽITAR D.O.O.

DONJI MIHOLJAC

1443119

ŽITAR KONTO D.O.O.

DONJI MIHOLJAC

4212517

Bookkeeping firm: No (Yes/No)

(name of the bookkeeping firm)

Contact person: JASENKA KORDIĆ

(only name and surname of the contact person)

Telephone: 01/6320-261

E-mail address: jkordic@granolio.hr

Audit firm: DELOITTE d.o.o

(name of the audit firm)

Certified auditor: Vanja Vlak

(name and surname)

BALANCE SHEET
balance as at 31.3.2019

in HRK

Submitter: Granolio d.d.

| Item | ADP code | Last day of the preceding business year | At the reporting date of the current period |
|---|------------|---|---|
| 1 | 2 | 3 | 4 |
| A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID | 001 | | |
| B) FIXED ASSETS (ADP 003+010+020+031+036) | 002 | 449.163.043 | 373.058.110 |
| I INTANGIBLE ASSETS (ADP 004 to 009) | 003 | 122.816.990 | 126.009.887 |
| 1 Research and development | 004 | 0 | 0 |
| 2 Concessions, patents, licences, trademarks, software and other rights | 005 | 120.452.823 | 120.618.342 |
| 3 Goodwill | 006 | 0 | 0 |
| 4 Advances for the purchase of intangible assets | 007 | 0 | 0 |
| 5 Intangible assets in preparation | 008 | 0 | 0 |
| 6 Other intangible assets | 009 | 2.364.167 | 5.391.545 |
| II TANGIBLE ASSETS (ADP 011 to 019) | 010 | 319.053.939 | 295.821.078 |
| 1 Land | 011 | 23.643.099 | 14.295.423 |
| 2 Buildings | 012 | 214.789.139 | 166.720.748 |
| 3 Plant and equipment | 013 | 47.911.643 | 39.249.945 |
| 4 Tools, working inventory and transportation assets | 014 | 2.230.274 | 1.167.092 |
| 5 Biological assets | 015 | 9.939.064 | 5.801.999 |
| 6 Advances for the purchase of tangible assets | 016 | 401.922 | 0 |
| 7 Tangible assets in preparation | 017 | 79.651 | 1.430.574 |
| 8 Other tangible assets | 018 | 11.013.777 | 108.297 |
| 9 Investment property | 019 | 5.047.000 | 5.047.000 |
| III FIXED FINANCIAL ASSETS (ADP 021 to 030) | 020 | 10.172.484 | 10.109.145 |
| 1 Investments in holdings (shares) of undertakings within the group | 021 | 0 | 0 |
| 2 Investments in other securities of undertakings within the group | 022 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 023 | 0 | 0 |
| 4 Investments in holdings (shares) of companies linked by virtue of participating interests | 024 | 0 | 0 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 025 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 026 | 0 | 0 |
| 7 Investments in securities | 027 | 0 | 0 |
| 8 Loans, deposits, etc. given | 028 | 302.114 | 249.275 |
| 9 Other investments accounted for using the equity method | 029 | 0 | 0 |
| 10 Other fixed financial assets | 030 | 9.870.370 | 9.859.870 |
| IV RECEIVABLES (ADP 032 to 035) | 031 | 15.000 | 15.000 |
| 1 Receivables from undertakings within the group | 032 | 0 | 0 |
| 2 Receivables from companies linked by virtue of participating interests | 033 | 0 | 0 |
| 3 Customer receivables | 034 | 0 | 0 |
| 4 Other receivables | 035 | 15.000 | 15.000 |
| V DEFERRED TAX ASSETS | 036 | 1.103.000 | 1.103.000 |
| C) CURRENT ASSETS (ADP 038+046+053+063) | 037 | 244.282.874 | 214.855.493 |
| I INVENTORIES (ADP 039 to 045) | 038 | 68.515.150 | 49.627.330 |
| 1 Raw materials and consumables | 039 | 21.261.304 | 22.125.423 |
| 2 Work in progress | 040 | 6.808.217 | 3.799.813 |
| 3 Finished goods | 041 | 33.875.722 | 14.066.200 |
| 4 Merchandise | 042 | 6.531.262 | 9.635.894 |
| 5 Advances for inventories | 043 | 38.645 | 0 |
| 6 Fixed assets held for sale | 044 | 0 | 0 |
| 7 Biological assets | 045 | 0 | 0 |
| II RECEIVABLES (ADP 047 to 052) | 046 | 132.908.459 | 132.759.079 |
| 1 Receivables from undertakings within the group | 047 | 664.746 | 664.741 |
| 2 Receivables from companies linked by virtue of participating interests | 048 | 0 | 0 |
| 3 Customer receivables | 049 | 95.436.009 | 83.255.041 |
| 4 Receivables from employees and members of the undertaking | 050 | 467 | 497 |
| 5 Receivables from government and other institutions | 051 | 5.687.313 | 3.904.988 |
| 6 Other receivables | 052 | 31.119.924 | 44.933.812 |
| III CURRENT FINANCIAL ASSETS (ADP 054 to 062) | 053 | 32.519.590 | 26.419.773 |
| 1 Investments in holdings (shares) of undertakings within the group | 054 | 0 | 0 |
| 2 Investments in other securities of undertakings within the group | 055 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 056 | 10.190.819 | 10.190.819 |
| 4 Investments in holdings (shares) of companies linked by virtue of participating interests | 057 | 0 | 0 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 058 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 059 | 0 | 0 |
| 7 Investments in securities | 060 | 178.441 | 178.281 |
| 8 Loans, deposits, etc. given | 061 | 22.150.330 | 16.050.673 |
| 9 Other financial assets | 062 | 0 | 0 |
| IV CASH AT BANK AND IN HAND | 063 | 10.339.675 | 6.049.311 |
| D) PREPAID EXPENSES AND ACCRUED INCOME | 064 | 666.551 | 535.779 |
| E) TOTAL ASSETS (ADP 001+002+037+064) | 065 | 694.112.468 | 588.449.382 |
| OFF-BALANCE SHEET ITEMS | 066 | | |

| LIABILITIES | | | |
|---|------------|---------------------|---------------------|
| A) CAPITAL AND RESERVES (ADP 068 to | 067 | 104.806.288 | 54.306.063 |
| I INITIAL (SUBSCRIBED) CAPITAL | 068 | 19.016.430 | 19.016.430 |
| II CAPITAL RESERVES | 069 | 84.195.807 | 84.195.807 |
| III RESERVES FROM PROFIT (ADP 071+072-073+074+075) | 070 | 1.208.227 | 1.208.554 |
| 1 Legal reserves | 071 | 408.227 | 408.554 |
| 2 Reserves for treasury shares | 072 | 800.000 | 800.000 |
| 3 Treasury shares and holdings (deductible item) | 073 | 0 | 0 |
| 4 Statutory reserves | 074 | 0 | 0 |
| 5 Other reserves | 075 | 0 | 0 |
| IV REVALUATION RESERVES | 076 | 57.678.142 | 56.932.184 |
| V FAIR VALUE RESERVES (ADP 078 to 080) | 077 | 0 | 0 |
| 1 Fair value of financial assets available for sale | 078 | | |
| 2 Cash flow hedge - effective portion | 079 | | |
| 3 Hedge of a net investment in a foreign operation - effective portion | 080 | | |
| VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083) | 081 | -199.590.747 | -126.524.813 |
| 1 Retained profit | 082 | 0 | 0 |
| 2 Loss brought forward | 083 | 199.590.747 | 126.524.813 |
| VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086) | 084 | 81.861.224 | -8.452.601 |
| 1 Profit for the business year | 085 | 81.861.224 | 0 |
| 2 Loss for the business year | 086 | 0 | 8.452.601 |
| VIII MINORITY (NON-CONTROLLING) INTEREST | 087 | 60.437.203 | 27.930.502 |
| B) PROVISIONS (ADP 089 to 094) | 088 | 0 | 0 |
| 1 Provisions for pensions, termination benefits and similar obligations | 089 | | |
| 2 Provisions for tax liabilities | 090 | | |
| 3 Provisions for ongoing legal cases | 091 | | |
| 4 Provisions for renewal of natural resources | 092 | | |
| 5 Provisions for warranty obligations | 093 | | |
| 6 Other provisions | 094 | | |
| C) LONG-TERM LIABILITIES (ADP 096 to 106) | 095 | 482.627.602 | 452.344.023 |
| 1 Liabilities to undertakings within the group | 096 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 097 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 098 | 0 | 0 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 099 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 100 | 11.126 | 0 |
| 6 Liabilities to banks and other financial institutions | 101 | 418.048.934 | 388.162.461 |
| 7 Liabilities for advance payments | 102 | 0 | 0 |
| 8 Liabilities to suppliers | 103 | 51.906.486 | 51.685.264 |
| 9 Liabilities for securities | 104 | 0 | 0 |
| 10 Other long-term liabilities | 105 | 0 | 0 |
| 11 Deferred tax liability | 106 | 12.661.056 | 12.496.298 |
| D) SHORT-TERM LIABILITIES (ADP 108 to 121) | 107 | 95.537.341 | 75.683.062 |
| 1 Liabilities to undertakings within the group | 108 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 109 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 110 | 0 | 0 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 111 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 112 | 0 | 1.700.000 |
| 6 Liabilities to banks and other financial institutions | 113 | 30.535.530 | 8.543.685 |
| 7 Liabilities for advance payments | 114 | 668.221 | 416.991 |
| 8 Liabilities to suppliers | 115 | 48.362.280 | 51.494.697 |
| 9 Liabilities for securities | 116 | 8.870.000 | 8.380.000 |
| 10 Liabilities to employees | 117 | 2.255.225 | 2.067.319 |
| 11 Taxes, contributions and similar liabilities | 118 | 3.908.720 | 2.306.575 |
| 12 Liabilities arising from the share in the result | 119 | 0 | 0 |
| 13 Liabilities arising from fixed assets held for sale | 120 | 0 | 0 |
| 14 Other short-term liabilities | 121 | 937.365 | 773.795 |
| E) ACCRUALS AND DEFERRED INCOME | 122 | 11.141.240 | 6.116.235 |
| F) TOTAL - LIABILITIES (ADP 067+088+095+107+122) | 123 | 694.112.469 | 588.449.383 |
| G) OFF-BALANCE SHEET ITEMS | 124 | | |

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2019 to 31.03.2019

in HRK

Submitter: Granolio d.d.

| Item | ADP code | Same period of the previous year | | Current period | |
|---|------------|----------------------------------|--------------------|--------------------|--------------------|
| | | Cumulative | Quarter | Cumulative | Quarter |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I OPERATING INCOME (ADP 126 to 130) | 125 | 103.028.002 | 103.028.002 | 98.494.771 | 98.494.771 |
| 1 Income from sales with undertakings within the group | 126 | 0 | 0 | 0 | 0 |
| 2 Income from sales (outside group) | 127 | 98.784.956 | 98.784.956 | 94.903.050 | 94.903.050 |
| 3 Income from the use of own products, goods and services | 128 | 367.521 | 367.521 | 688.045 | 688.045 |
| 4 Other operating income with undertakings within the group | 129 | 0 | 0 | 0 | 0 |
| 5 Other operating income (outside the group) | 130 | 3.875.525 | 3.875.525 | 2.903.676 | 2.903.676 |
| II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153) | 131 | 106.383.908 | 106.383.908 | 105.660.666 | 105.660.666 |
| 1 Changes in inventories of work in progress and finished goods | 132 | -2.885.176 | -2.885.176 | -5.868.560 | -5.868.560 |
| 2 Material costs (ADP 134 to 136) | 133 | 89.071.448 | 89.071.448 | 91.528.710 | 91.528.710 |
| a) Costs of raw materials and consumables | 134 | 70.933.477 | 70.933.477 | 72.084.631 | 72.084.631 |
| b) Costs of goods sold | 135 | 10.273.600 | 10.273.600 | 12.714.862 | 12.714.862 |
| c) Other external costs | 136 | 7.864.371 | 7.864.371 | 6.729.217 | 6.729.217 |
| 3 Staff costs (ADP 138 to 140) | 137 | 9.114.750 | 9.114.750 | 9.507.035 | 9.507.035 |
| a) Net salaries and wages | 138 | 5.846.982 | 5.846.982 | 6.146.980 | 6.146.980 |
| b) Tax and contributions from salary costs | 139 | 1.974.152 | 1.974.152 | 2.092.278 | 2.092.278 |
| c) Contributions on salaries | 140 | 1.293.616 | 1.293.616 | 1.267.777 | 1.267.777 |
| 4 Depreciation | 141 | 7.739.290 | 7.739.290 | 7.341.611 | 7.341.611 |
| 5 Other costs | 142 | 1.628.047 | 1.628.047 | 1.527.897 | 1.527.897 |
| 6 Value adjustments (ADP 144+145) | 143 | 0 | 0 | 17.767 | 17.767 |
| a) fixed assets other than financial assets | 144 | 0 | 0 | 0 | 0 |
| b) current assets other than financial assets | 145 | 0 | 0 | 17.767 | 17.767 |
| 7 Provisions (ADP 147 to 152) | 146 | 0 | 0 | 0 | 0 |
| a) Provisions for pensions, termination benefits and similar | 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 renewal of natural resources | 150 | 0 | 0 | 0 | 0 |
| e) Provisions for warranty obligations | 151 | 0 | 0 | 0 | 0 |
| f) Other provisions | 152 | 0 | 0 | 0 | 0 |
| 8 Other operating expenses | 153 | 1.715.549 | 1.715.549 | 1.606.206 | 1.606.206 |
| III FINANCIAL INCOME (ADP 155 to 164) | 154 | 1.253.291 | 1.253.291 | 57.514 | 57.514 |
| 1 Income from investments in holdings (shares) of undertakings within the group | 155 | 0 | 0 | 0 | 0 |
| 2 Income from investments in holdings (shares) of companies linked by virtue of participating interests | 156 | 0 | 0 | 0 | 0 |
| 3 Income from other long-term financial investment and loans granted to undertakings within the group | 157 | 0 | 0 | 0 | 0 |
| 4 Other interest income from operations with undertakings within the group | 158 | 0 | 0 | 30.493 | 30.493 |
| 5 Exchange rate differences and other financial income from operations with undertakings within the group | 159 | 0 | 0 | 0 | 0 |
| 6 Income from other long-term financial investments and loans | 160 | 176.026 | 176.026 | 0 | 0 |
| 7 Other interest income | 161 | 12.401 | 12.401 | 2.858 | 2.858 |
| 8 Exchange rate differences and other financial income | 162 | 1.064.864 | 1.064.864 | 24.163 | 24.163 |
| 9 Unrealised gains (income) from financial assets | 163 | 0 | 0 | 0 | 0 |
| 10 Other financial income | 164 | 0 | 0 | 0 | 0 |
| IV FINANCIAL EXPENSES (ADP 166 to 172) | 165 | 1.094.040 | 1.094.040 | 1.344.220 | 1.344.220 |
| 1 Interest expenses and similar expenses with undertakings within the group | 166 | 0 | 0 | 0 | 0 |
| 2 Exchange rate differences and other expenses from operations with undertakings within the group | 167 | 0 | 0 | 0 | 0 |
| 3 Interest expenses and similar expenses | 168 | 972.753 | 972.753 | 1.249.307 | 1.249.307 |
| 4 Exchange rate differences and other expenses | 169 | 121.192 | 121.192 | 94.786 | 94.786 |
| 5 Unrealised losses (expenses) from financial assets | 170 | 0 | 0 | 0 | 0 |
| 6 Value adjustments of financial assets (net) | 171 | 0 | 0 | 0 | 0 |
| 7 Other financial expenses | 172 | 95 | 95 | 127 | 127 |
| V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS | 173 | 0 | 0 | 0 | 0 |
| VI SHARE IN PROFIT FROM JOINT VENTURES | 174 | 0 | 0 | 0 | 0 |
| VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST | 175 | 0 | 0 | 0 | 0 |
| VIII SHARE IN LOSS OF JOINT VENTURES | 176 | 0 | 0 | 0 | 0 |
| IX TOTAL INCOME (ADP 125+154+173 + 174) | 177 | 104.281.293 | 104.281.293 | 98.552.285 | 98.552.285 |
| X TOTAL EXPENDITURE (ADP 131+165+175 + 176) | 178 | 107.477.948 | 107.477.948 | 107.004.886 | 107.004.886 |
| XI PRE-TAX PROFIT OR LOSS (ADP 177-178) | 179 | -3.196.655 | -3.196.655 | -8.452.601 | -8.452.601 |
| 1 Pre-tax profit (ADP 177-178) | 180 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss (ADP 178-177) | 181 | -3.196.655 | -3.196.655 | -8.452.601 | -8.452.601 |
| XII INCOME TAX | 182 | 0 | 0 | 0 | 0 |
| XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182) | 183 | -3.196.655 | -3.196.655 | -8.452.601 | -8.452.601 |
| 1 Profit for the period (ADP 179-182) | 184 | 0 | 0 | 0 | 0 |
| 2 Loss for the period (ADP 182-179) | 185 | -3.196.655 | -3.196.655 | -8.452.601 | -8.452.601 |
| DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations) | | | | | |
| XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188) | 186 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit from discontinued operations | 187 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss on discontinued operations | 188 | 0 | 0 | 0 | 0 |
| XV INCOME TAX OF DISCONTINUED OPERATIONS | 189 | | | | |
| 1 Discontinued operations profit for the period (ADP 186-189) | 190 | 0 | 0 | 0 | 0 |
| 2 Discontinued operations loss for the period (ADP 189-186) | 191 | 0 | 0 | 0 | 0 |
| TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations) | | | | | |
| XVI PRE-TAX PROFIT OR LOSS (ADP 179+186) | 192 | | | | |
| 1 Pre-tax profit (ADP 192) | 193 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss (ADP 192) | 194 | 0 | 0 | 0 | 0 |
| XVII INCOME TAX (ADP 182+189) | 195 | | | | |
| XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195) | 196 | | | | |
| 1 Profit for the period (ADP 192-195) | 197 | 0 | 0 | 0 | 0 |
| 2 Loss for the period (ADP 195-192) | 198 | 0 | 0 | 0 | 0 |
| APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements) | | | | | |
| XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201) | 199 | -3.196.655 | -3.196.655 | -8.452.601 | -8.452.601 |
| 1 Attributable to owners of the parent | 200 | -2.762.933 | -2.762.933 | -8.257.744 | -8.257.744 |
| 2 Attributable to minority (non-controlling) interest | 201 | -433.722 | -433.722 | -194.857 | -194.857 |
| STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS) | | | | | |
| I PROFIT OR LOSS FOR THE PERIOD | 202 | | | | |
| II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211) | 203 | 0 | 0 | 0 | 0 |
| 1 Exchange rate differences from translation of foreign operations | 204 | 0 | 0 | 0 | 0 |
| 2 Changes in revaluation reserves of fixed tangible and intangible assets | 205 | 0 | 0 | 0 | 0 |
| 3 Profit or loss arising from subsequent measurement of financial assets available for sale | 206 | 0 | 0 | 0 | 0 |
| 4 Profit or loss arising from effective cash flow hedging | 207 | 0 | 0 | 0 | 0 |
| 5 Profit or loss arising from effective hedge of a net investment in a foreign operation | 208 | 0 | 0 | 0 | 0 |
| 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 209 | 0 | 0 | 0 | 0 |
| 7 Actuarial gains/losses on the defined benefit obligation | 210 | 0 | 0 | 0 | 0 |
| 8 Other changes in equity unrelated to owners | 211 | 0 | 0 | 0 | 0 |
| III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD | 212 | | | | |
| IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) | 213 | 0 | 0 | 0 | 0 |
| V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213) | 214 | 0 | 0 | 0 | 0 |
| APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements) | | | | | |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 214+217) | 215 | -3.196.655 | -3.196.655 | -8.452.601 | -8.452.601 |
| 1 Attributable to owners of the parent | 216 | -2.762.933 | -2.762.933 | -8.257.744 | -8.257.744 |
| 2 Attributable to minority (non-controlling) interest | 217 | -433.722 | -433.722 | -194.857 | -194.857 |

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2019. . to 31.03.2019.

in HRK

| Submitter: Granolio d.d. | | | | |
|---|------------|----------------------------------|--------------------|--|
| Item | ADP code | Same period of the previous year | Current period | |
| 1 | 2 | 3 | 4 | |
| Cash flow from operating activities | | | | |
| 1 Pre-tax profit | 001 | -3.196.655 | -8.452.601 | |
| 2 Adjustments (ADP 003 to 010): | 002 | 9.408.325 | 7.467.485 | |
| a) Depreciation | 003 | 7.739.291 | 7.341.610 | |
| b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets | 004 | 1.162.724 | 957.697 | |
| c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets | 005 | -946.097 | 1.314 | |
| d) Interest and dividend income | 006 | 0 | -126.573 | |
| e) Interest expenses | 007 | 1.452.407 | 1.371.657 | |
| f) Provisions | 008 | 0 | 0 | |
| g) Exchange rate differences (unrealised) | 009 | 0 | 0 | |
| h) Other adjustments for non-cash transactions and unrealised gains and losses | 010 | 0 | -2.078.220 | |
| I Cash flow increase or decrease before changes in working capital (ADP 001+002) | 011 | 6.211.670 | -985.116 | |
| 3 Changes in the working capital (ADP 013 to 016) | 012 | -21.558.326 | -17.101.984 | |
| a) Increase or decrease in short-term liabilities | 013 | -6.694.658 | 5.625.255 | |
| b) Increase or decrease in short-term receivables | 014 | 4.314.543 | -9.875.794 | |
| c) Increase or decrease in inventories | 015 | -18.095.548 | -12.851.445 | |
| d) Other increase or decrease in working capital | 016 | -1.082.663 | 0 | |
| II Cash from operations (ADP 011+012) | 017 | -15.346.656 | -18.087.100 | |
| 4 Interest paid | 018 | -898.872 | -1.214.007 | |
| 5 Income tax paid | 019 | 2.148.559 | 0 | |
| A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019) | 020 | -14.096.969 | -19.301.107 | |
| Cash flow from investment activities | | | | |
| 1 Cash receipts from sales of fixed tangible and intangible assets | 021 | 0 | 176.784 | |
| 2 Cash receipts from sales of financial instruments | 022 | 0 | 0 | |
| 3 Interest received | 023 | 44.560 | 456.096 | |
| 4 Dividends received | 024 | 0 | 0 | |
| 5 Cash receipts from repayment of loans and deposits | 025 | 46.785 | 2.988.451 | |
| 6 Other cash receipts from investment activities | 026 | 0 | 22.000.000 | |
| III Total cash receipts from investment activities (ADP 021 to 026) | 027 | 91.345 | 25.621.331 | |
| 1 Cash payments for the purchase of fixed tangible and intangible assets | 028 | -2.188.910 | -6.297.827 | |
| 2 Cash payments for the acquisition of financial instruments | 029 | 0 | 0 | |
| 3 Cash payments for loans and deposits for the period | 030 | -5.000 | -145.000 | |
| 4 Acquisition of a subsidiary, net of cash acquired | 031 | 0 | 0 | |
| 5 Other cash payments from investment activities | 032 | 0 | 0 | |
| IV Total cash payments from investment activities (ADP 028 to 032) | 033 | -2.193.910 | -6.442.827 | |
| B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033) | 034 | -2.102.565 | 19.178.504 | |
| Cash flow from financing activities | | | | |
| 1 Cash receipts from the increase in initial (subscribed) capital | 035 | 0 | 0 | |
| 2 Cash receipts from the issue of equity financial instruments and debt financial instruments | 036 | 0 | 0 | |
| 3 Cash receipts from credit principals, loans and other borrowings | 037 | 19.176.073 | 3.000.000 | |
| 4 Other cash receipts from financing activities | 038 | 0 | 0 | |
| V Total cash receipts from financing activities (ADP 035 to 038) | 039 | 19.176.073 | 3.000.000 | |
| 1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments | 040 | -3.951.595 | -6.367.742 | |
| 2 Cash payments for dividends | 041 | 0 | 0 | |
| 3 Cash payments for finance lease | 042 | -116.180 | -310.019 | |
| 4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital | 043 | 0 | 0 | |
| 5 Other cash payments from financing activities | 044 | -390.000 | -490.000 | |
| VI Total cash payments from financing activities (ADP 040 to 044) | 045 | -4.457.775 | -7.167.761 | |
| C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045) | 046 | 14.718.298 | -4.167.761 | |
| 1 Unrealised exchange rate differences in respect of cash and cash equivalents | 047 | | | |
| D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047) | 048 | -1.481.236 | -4.290.364 | |
| E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 049 | 3.604.962 | 10.339.675 | |
| F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049) | 050 | 2.123.726 | 6.049.311 | |

STATEMENT OF CHANGES IN EQUITY
for the period from **1.1.2019** to **31.3.2019**

| Item | ADP code | Attributable to owners of the parent | | | | | | | | | | | | | | in HRK | |
|---|----------|--------------------------------------|------------------|----------------|------------------------------|--|--------------------|----------------|----------------------|---|-------------------------------------|--|--|-----------------------------------|--|-------------------------------------|----------------------------|
| | | Initial (subscribed) capital | Capital reserves | Legal reserves | Reserves for treasury shares | Treasury shares and holdings (deductible item) | Statutory reserves | Other reserves | Revaluation reserves | Fair value of financial assets available for sale | Cash flow hedge - effective portion | Hedge of a net investment in a foreign operation - effective portion | Retained profit / loss brought forward | Profit/loss for the business year | Total attributable to owners of the parent | Minority (non-controlling) interest | Total capital and reserves |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 (3 to 6 + 8 to 15) | 17 | 18 (16+17) |
| Previous period | | | | | | | | | | | | | | | | | |
| 1 Balance on the first day of the previous business year | 01 | 19.016.430 | 84.186.547 | 408.227 | 800.000 | 0 | 0 | 0 | 60.117.173 | 0 | 0 | 0 | -868.308 | -201.658.850 | -37.998.781 | 58.358.525 | 20.359.744 |
| 2 Changes in accounting policies | 02 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 Correction of errors | 03 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 Balance on the first day of the previous business year (restated) (ADP 01 to 03) | 04 | 19.016.430 | 84.186.547 | 408.227 | 800.000 | 0 | 0 | 0 | 60.117.173 | 0 | 0 | 0 | -868.308 | -201.658.850 | -37.998.781 | 58.358.525 | 20.359.744 |
| 5 Profit/loss of the period | 05 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 81.861.224 | 81.861.224 | 81.861.224 | 81.861.224 |
| 6 Exchange rate differences from translation of foreign operations | 06 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 Changes in revaluation reserves of fixed tangible and intangible assets | 07 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -2.996.109 | 0 | 0 | 0 | 2.996.109 | 0 | 0 | 0 | 0 |
| 8 Profit or loss arising from subsequent measurement of financial assets available for sale | 08 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 Profit or loss arising from effective cash flow hedge | 09 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 Profit or loss arising from effective hedge of a net investment in a foreign operation | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 Actuarial gains/losses on the defined benefit obligation | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 Other changes in equity unrelated to owners | 13 | 0 | 9.280 | 0 | 0 | 0 | 0 | 0 | 679.363 | 0 | 0 | 0 | -717.381 | 0 | -28.758 | 0 | -28.758 |
| 14 Tax on transactions recognised directly in equity | 14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -122.285 | 0 | 0 | 0 | 657.682 | 0 | 535.397 | 0 | 535.397 |
| 15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure) | 15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 Increase in initial (subscribed) capital arising from the reinvestment of profit | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 Redemption of treasury shares/holdings | 18 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 Payment of share in profit/dividend | 19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 Other distribution to owners | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 Transfer to reserves according to the annual schedule | 21 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -201.658.850 | 201.658.850 | 0 | 2.078.678 | 2.078.678 |
| 22 Increase in reserves arising from the pre-bankruptcy settlement procedure | 22 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 Balance on the last day of the previous business year reporting period (04 to 22) | 23 | 19.016.430 | 84.195.807 | 408.227 | 800.000 | 0 | 0 | 0 | 57.678.142 | 0 | 0 | 0 | -199.590.748 | 81.861.224 | 44.369.082 | 60.437.203 | 104.806.285 |
| APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS) | | | | | | | | | | | | | | | | | |
| I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14) | 24 | 0 | 9.280 | 0 | 0 | 0 | 0 | 0 | -2.439.031 | 0 | 0 | 0 | 2.936.410 | 0 | 506.639 | 0 | 506.639 |
| II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24) | 25 | 0 | 9.280 | 0 | 0 | 0 | 0 | 0 | -2.439.031 | 0 | 0 | 0 | 2.936.410 | 81.861.224 | 82.367.863 | 0 | 82.367.863 |
| III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22) | 26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -201.658.850 | 201.658.850 | 0 | 2.078.678 | 2.078.678 |
| Current period | | | | | | | | | | | | | | | | | |
| 1 Balance on the first day of the current business year | 27 | 19.016.430 | 84.195.807 | 408.227 | 800.000 | 0 | 0 | 0 | 57.678.142 | 0 | 0 | 0 | -199.590.748 | 81.861.224 | 44.369.082 | 60.437.203 | 104.806.285 |
| 2 Changes in accounting policies | 28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 Correction of errors | 29 | 0 | 0 | 327 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 327 | 0 | 327 |
| 4 Balance on the first day of the current business year (restated) (ADP 27 to 29) | 30 | 19.016.430 | 84.195.807 | 408.554 | 800.000 | 0 | 0 | 0 | 57.678.142 | 0 | 0 | 0 | -199.590.748 | 81.861.224 | 44.369.409 | 60.437.203 | 104.806.612 |
| 5 Profit/loss of the period | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 Exchange rate differences from translation of foreign operations | 32 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 Changes in revaluation reserves of fixed tangible and intangible assets | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -745.958 | 0 | 0 | 0 | 745.958 | 0 | 0 | 0 | 0 |
| 8 Profit or loss arising from subsequent measurement of financial assets available for sale | 34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 Profit or loss arising from effective cash flow hedge | 35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 Profit or loss arising from effective hedge of a net investment in a foreign operation | 36 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 37 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 Actuarial gains/losses on the defined benefit obligation | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 Other changes in equity unrelated to owners | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -9.708.008 | 0 | -9.708.008 | -32.506.701 | -42.212.707 |
| 14 Tax on transactions recognised directly in equity | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 164.758 | 0 | 164.758 | 0 | 164.758 |
| 15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure) | 41 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 Increase in initial (subscribed) capital arising from the reinvestment of profit | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure | 43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 Redemption of treasury shares/holdings | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 Payment of share in profit/dividend | 45 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 Other distribution to owners | 46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 Transfer to reserves according to the annual schedule | 47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 81.861.224 | -81.861.224 | 0 | 0 | 0 |
| 22 Increase in reserves arising from the pre-bankruptcy settlement procedure | 48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 Balance on the last day of the current business year reporting period (ADP 30 to 48) | 49 | 19.016.430 | 84.195.807 | 408.554 | 800.000 | 0 | 0 | 0 | 56.932.184 | 0 | 0 | 0 | -126.524.814 | 0 | 34.828.161 | 27.930.502 | 62.758.663 |
| APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS) | | | | | | | | | | | | | | | | | |
| I OTHER COMPREHENSIVE INCOME OF THE CURRENT PERIOD, NET OF TAX (ADP 32 to 40) | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -745.958 | 0 | 0 | 0 | -8.795.290 | 0 | -9.541.248 | -32.506.701 | -42.047.949 |
| II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50) | 51 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -745.958 | 0 | 0 | 0 | -8.795.290 | 0 | -9.541.248 | -32.506.701 | -42.047.949 |
| III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48) | 52 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 81.861.224 | -81.861.224 | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

Name of the issuer: Granolio d.d.
Personal identification number (OIB): 59064993527

Reporting period:01.01.2019. -31.03.2019.

Notes to financial statements for quarterly periods include:

The same accounting policies are applied while drawing up financial statements for the quarterly reporting period as in the latest annual financial statements.

In the first quarter of 2019, the Group carried out the deconsolidation of Žitar d.o.o. and its subsidiary Žitar konto d.o.o.

The result of deconsolidation is shown in the value of Capital and reserves and the value of Non-controlling Interest. The changes are visible in the Report on the Movement of Capital.



Granolio

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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, 30 April 2019

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 2019 till 31 March 2019 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 2019 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

2

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



Granolio

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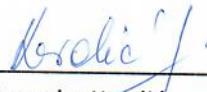
Zagreb 30 April 2019

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 2019.

Reports prepared by:



Jasenka Kordić
Accounting Director

 **Granolio**
d.d., Budmanijeva 5
Zagreb

2



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