

**Unconsolidated 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.

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

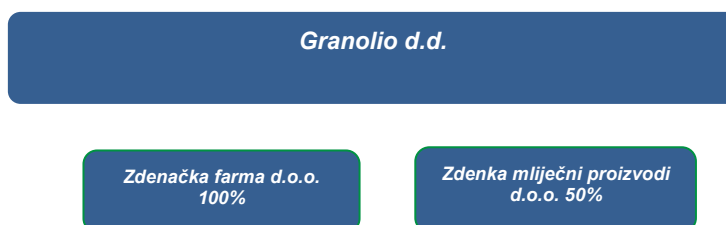
## Subsidiaries

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

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 pekarnе 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

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 the financial statements for 2018, no profit nor loss from sale of investment has been recognized in Statement of total comprehensive income.

In January 2019 the Company has started to account for and pay interest on financial debt that is a part of pre-bankruptcy settlement.

## Company's financial indicators for the three months of 2019

Granolio d.d.	1-3 2019	1-3 2018	change	
<b>Operating income</b>	55.881	60.911	(5.029)	(8%)
<b>Operating expenses</b>	63.098	63.920	(822)	(1%)
<b>EBIT</b>	(7.217)	(3.009)	(4.207)	140%
<i>EBIT margin</i>	-13%	-5%		
<b>EBITDA</b>	(4.567)	(393)	(4.174)	1062%
<i>EBITDA margin</i>	-8%	-1%		
<b>Net financial result</b>	(561)	137	(698)	(510%)
<b>Net result for the period</b>	(7.778)	(2.872)	(4.906)	(171%)

\*EBITDA= EBIT + depreciation + impairment expenses

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, 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.

In thousands HRK

Granolio d.d.	31.3.2019	31.12.2018	change	
Net asset (capital and reserves)	46.896	54.480	(7.584)	(14%)
<b>Total debt to financial institutions</b>	<b>431.503</b>	<b>431.829</b>	<b>(326)</b>	<b>(0%)</b>
Cash and cash equivalents	1.138	3.574	(2.436)	(68%)
Loans given, deposits etc.*	36.121	36.328	(207)	(1%)
<b>Net debt</b>	<b>394.244</b>	<b>391.927</b>	<b>2.317</b>	<b>1%</b>
<b>Net debt/EBITDA</b>		<b>135,85</b>		
EBITDA for the last 12 months	(1.289)	2.885	(4.174)	(145%)

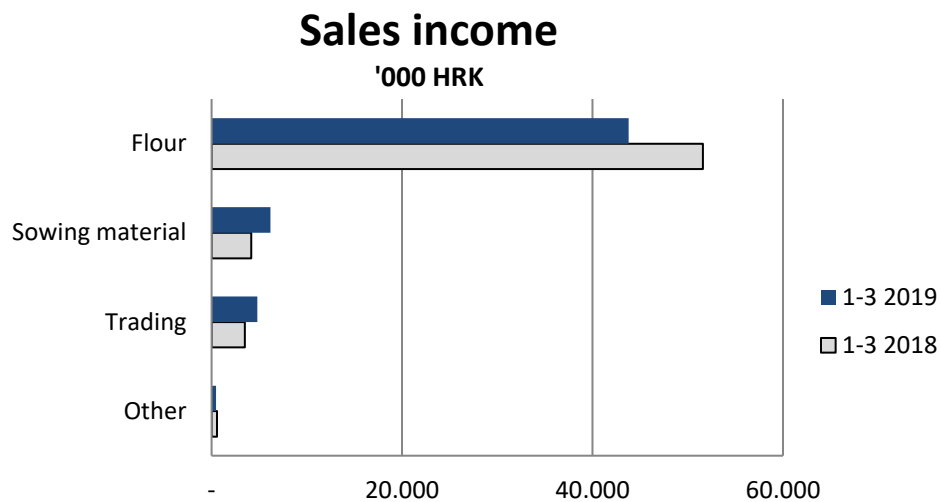
\*Loans given, securities and deposits

## Overview of the business operations for the three months of 2019 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:



Revenue made by sales of flour is lower than revenue made in the same period last year. Since the sale of flour is affected by feasts and tourist season, this decrease was expected. In 2019, Easter fell in the second quarter of the year while in 2018 it fell into the first quarter.

## **Employees**

In the three months period 2019 the Company employed 156 employees based on man-hour basis (in the three months period 2018: 147 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 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:	Hrvatska
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): **157**Consolidated report: **KN** (KN-not consolidated/KD-consolidated)Audited: **RN** (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm: **No** (Yes/No)

(name of the bookkeeping firm)

Contact person: **Jasenska 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 31.03.2019

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
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	376.229.862	352.374.767
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	122.614.230	122.432.281
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	120.250.063	120.484.614
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	1.947.667
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	151.119.938	149.446.792
1 Land	011	9.155.420	9.155.420
2 Buildings	012	123.898.444	122.871.920
3 Plant and equipment	013	12.652.618	12.139.968
4 Tools, working inventory and transportation assets	014	694.954	531.962
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	24.225	24.225
8 Other tangible assets	018	79.277	108.297
9 Investment property	019	4.615.000	4.615.000
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	102.480.694	80.480.694
1 Investments in holdings (shares) of undertakings within the group	021	92.427.762	70.427.762
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	193.062	193.062
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	9.859.870	9.859.870
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	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
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	0	0
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	142.661.088	163.444.421
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	10.075.836	21.314.776
1 Raw materials and consumables	039	5.704.493	9.676.035
2 Work in progress	040	181.223	184.370
3 Finished goods	041	1.608.644	3.349.787
4 Merchandise	042	2.581.476	8.104.584
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	92.875.534	105.063.442
1 Receivables from undertakings within the group	047	8.611.329	8.251.554
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	55.445.225	49.680.686
4 Receivables from employees and members of the undertaking	050	0	0
5 Receivables from government and other institutions	051	670.540	2.738.267
6 Other receivables	052	28.148.440	44.392.935
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	36.135.368	35.928.414
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	22.935.460	22.744.460
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	178.281	178.281
8 Loans, deposits, etc. given	061	13.021.627	13.005.673
9 Other financial assets	062	0	0
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	3.574.350	1.137.789
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	504.406	533.291
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	519.395.356	516.352.479
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	9.810.363	9.849.778

<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to</b>	<b>067</b>	<b>206.927.720</b>	<b>46.896.382</b>
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	1.208.554	1.208.554
1 Legal reserves	071	408.554	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	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	-16.938.604	-106.678.474
1 Retained profit	082	0	0
2 Loss brought forward	083	16.938.604	106.678.474
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	61.767.391	-7.778.119
1 Profit for the business year	085	61.767.391	0
2 Loss for the business year	086	0	7.778.119
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
<b>B) PROVISIONS (ADP 089 to 094)</b>	<b>088</b>	<b>0</b>	<b>0</b>
1 Provisions for pensions, termination benefits and similar obligations	089	0	0
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	0
<b>C) LONG-TERM LIABILITIES (ADP 096 to 106)</b>	<b>095</b>	<b>427.778.487</b>	<b>424.119.432</b>
1 Liabilities to undertakings within the group	096	0	1.455
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	0	0
6 Liabilities to banks and other financial institutions	101	363.368.612	363.570.781
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	51.748.819	48.050.898
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
<b>D) SHORT-TERM LIABILITIES (ADP 108 to 121)</b>	<b>107</b>	<b>36.845.258</b>	<b>45.123.293</b>
1 Liabilities to undertakings within the group	108	27.456	27.792
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	0
6 Liabilities to banks and other financial institutions	113	451.151	412.320
7 Liabilities for advance payments	114	668.221	416.991
8 Liabilities to suppliers	115	24.239.849	34.169.149
9 Liabilities for securities	116	8.870.000	8.380.000
10 Liabilities to employees	117	938.475	944.657
11 Taxes, contributions and similar liabilities	118	1.645.410	511.505
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	4.696	260.879
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>122</b>	<b>291.301</b>	<b>213.378</b>
<b>F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)</b>	<b>123</b>	<b>671.842.766</b>	<b>516.352.485</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>124</b>	<b>9.810.363</b>	<b>9.849.778</b>



**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
<b>I OPERATING INCOME (ADP 126 to 130)</b>	<b>125</b>	<b>60.910.772</b>	<b>60.910.772</b>	<b>55.881.329</b>	<b>55.881.329</b>
1 Income from sales with undertakings within the group	126	1.009.862	1.009.862	1.572.175	1.572.175
2 Income from sales (outside group)	127	58.801.146	58.801.146	53.696.289	53.696.289
3 Income from the use of own products, goods and services	128	2.013	2.013	9.684	9.684
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	1.097.751	1.097.751	603.181	603.181
<b>II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)</b>	<b>131</b>	<b>63.920.030</b>	<b>63.920.030</b>	<b>62.598.649</b>	<b>62.598.649</b>
1 Changes in inventories of work in progress and finished goods	132	-365.420	-365.420	-1.756.307	-1.756.307
2 Material costs (ADP 134 to 136)	133	56.552.038	56.552.038	56.844.082	56.844.082
a) Costs of raw materials and consumables	134	44.066.716	44.066.716	42.511.171	42.511.171
b) Costs of goods sold	135	7.816.860	7.816.860	10.335.205	10.335.205
c) Other external costs	136	4.668.462	4.668.462	3.997.706	3.997.706
3 Staff costs (ADP 138 to 140)	137	4.087.281	4.087.281	4.274.382	4.274.382
a) Net salaries and wages	138	2.559.215	2.559.215	2.692.604	2.692.604
b) Tax and contributions from salary costs	139	973.998	973.998	1.043.360	1.043.360
c) Contributions on salaries	140	554.068	554.068	538.418	538.418
4 Depreciation	141	2.615.875	2.615.875	2.649.067	2.649.067
5 Other costs	142	619.041	619.041	587.425	587.425
6 Value adjustments (ADP 144+145)	143	0	0	0	0
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	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	411.215	411.215	0	0
<b>III FINANCIAL INCOME (ADP 155 to 164)</b>	<b>154</b>	<b>628.131</b>	<b>628.131</b>	<b>142.335</b>	<b>142.335</b>
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	150.603	150.603	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	0	0
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	122.351	122.351
7 Other interest income	161	12.351	12.351	1.827	1.827
8 Exchange rate differences and other financial income	162	289.151	289.151	18.157	18.157
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	0	0
<b>IV FINANCIAL EXPENSES (ADP 166 to 172)</b>	<b>165</b>	<b>491.140</b>	<b>491.140</b>	<b>703.798</b>	<b>703.798</b>
1 Interest expenses and similar expenses with undertakings within the group	166	387.124	387.124	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	17.392	17.392	674.977	674.977
4 Exchange rate differences and other expenses	169	86.572	86.572	28.694	28.694
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	52	52	127	127
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>173</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>174</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>176</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 125+154+173 + 174)</b>	<b>177</b>	<b>61.538.903</b>	<b>61.538.903</b>	<b>56.023.664</b>	<b>56.023.664</b>
<b>X TOTAL EXPENDITURE (ADP 131+165+175 + 176)</b>	<b>178</b>	<b>64.411.170</b>	<b>64.411.170</b>	<b>63.302.447</b>	<b>63.302.447</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 177-178)</b>	<b>179</b>	<b>-2.872.267</b>	<b>-2.872.267</b>	<b>-7.278.783</b>	<b>-7.278.783</b>
1 Pre-tax profit (ADP 177-178)	180	0	0	0	0

2 Pre-tax loss (ADP 178-177)	181	-2.872.267	-2.872.267	-7.278.783	-7.278.783
<b>XII INCOME TAX</b>	182	0	0	0	0
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)</b>	183	-2.872.267	-2.872.267	-7.278.783	-7.278.783
1 Profit for the period (ADP 179-182)	184	0	0	0	0
2 Loss for the period (ADP 182-179)	185	-2.872.267	-2.872.267	-7.278.783	-7.278.783
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)</b>	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
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	189	0	0	0	0
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
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)</b>	192	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
<b>XVII INCOME TAX (ADP 182+189)</b>	195	0	0	0	0
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)</b>	196	0	0	0	0
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
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)</b>	199	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	202	-2.872.267	-2.872.267	-7.278.783	-7.278.783
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)</b>	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
<b>III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	212	0	0	0	0
<b>IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)</b>	213	0	0	0	0
<b>V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)</b>	214	-2.872.267	-2.872.267	-7.278.783	-7.278.783
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)</b>	215	0	0	0	0
1 Attributable to owners of the parent	216	0	0	0	0
2 Attributable to minority (non-controlling) interest	217	0	0	0	0

**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
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	-2.872.267	-7.778.119
2 Adjustments (ADP 003 to 010):	002	2.014.368	3.225.642
a) Depreciation	003	2.615.875	2.649.067
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-113.597	-5.000
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	-338.979	-124.177
e) Interest expenses	007	404.515	674.977
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-553.446	0
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	0	30.775
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>-857.899</b>	<b>-4.552.477</b>
3 Changes in the working capital (ADP 013 to 016)	012	-1.912.936	-18.408.167
a) Increase or decrease in short-term liabilities	013	-1.528.951	5.086.070
b) Increase or decrease in short-term receivables	014	-1.983.358	-12.255.297
c) Increase or decrease in inventories	015	1.599.373	-11.238.940
d) Other increase or decrease in working capital	016	0	0
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>-2.770.835</b>	<b>-22.960.644</b>
4 Interest paid	018	-24.934	-436.747
5 Income tax paid	019	494.040	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>-2.301.729</b>	<b>-23.397.391</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	80.917	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	35.254	167.681
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	-765.003	1.306.954
6 Other cash receipts from investment activities	026	0	22.000.000
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>-648.832</b>	<b>23.474.635</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-555.758	-793.973
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	-1.100.000
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-555.758</b>	<b>-1.893.973</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-1.204.590</b>	<b>21.580.662</b>
<b>Cash flow from financing activities</b>			
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	2.424.491	0
4 Other cash receipts from financing activities	038	0	0
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>2.424.491</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-729.000	0
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	-124.741	-129.833
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	0	-490.000
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-853.741</b>	<b>-619.833</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>1.570.750</b>	<b>-619.833</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>-1.935.569</b>	<b>-2.436.562</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>2.800.724</b>	<b>3.574.350</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>865.155</b>	<b>1.137.788</b>



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.

On March 4, 2019, a contract was signed for the sale of the shares of the associated company Žitar d.o.o., and that transaction was registered in Court register on 14 April 2019. The share of the company Žitar d.o.o. was reduced to net realizable value during 2018, by selling in 2019, the Company did not disclose any result from the sale of shares in the statement of comprehensive income.



# 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, 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

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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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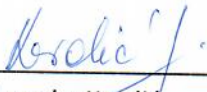
Zagreb 30 April 2019


## 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

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