

**Unconsolidated financial results for the  
six months period ended  
30 June 2020  
(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.

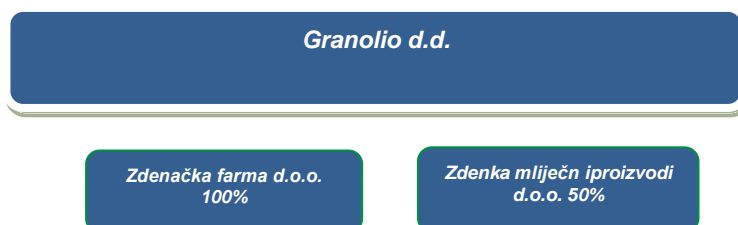
## Subsidiaries

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 pekarnice Klara d.o.o. and Prehrana trgovina d.d. companies.

Ownership in subsidiaries is presented in the organizational chart below:



## Significant business events in the accounting period

Early in 2020, a pandemic of the COVID-19 virus spread to the entire world. As the Company operates within the food industry, it is not expected that demand for the company's products would decrease. Company's operations will certainly be affected by interest rate movements, fiscal policy, purchasing power of the population and so on.

Since January 2020, the Company started repaying part of its liabilities to financial institutions, and the other part will become due from July 2020, in accordance with the pre-bankruptcy settlement.

## Company's financial indicators for the six months of 2020

In thousands HRK

Granolio d.d.	1-6 2020	1-6 2019	change	
<b>Operating income</b>	131.003	130.707	296	0%
<b>Operating expenses</b>	137.137	142.453	(5.316)	(4%)
<b>EBIT</b>	(6.134)	(11.746)	5.612	(48%)
<i>EBIT margin</i>	-5%	-9%		
<b>EBITDA</b>	(1.837)	(6.454)	4.617	(72%)
<i>EBITDA margin</i>	-1%	-5%		
<b>Net financial result</b>	(908)	(394)	(514)	130%
<b>Net result for the period</b>	(7.042)	(12.140)	5.098	42%

\*EBITDA= EBIT + depreciation + impairment expenses

In the first half of 2020, a more favorable operating result was achieved compared to the same period last year

The net financial result represents the difference between financial income and financial expenses. Financial expenses consist mostly of interest on financial debts that are calculated in accordance with the pre-bankruptcy settlement.

Granolio d.d.	30.6.2020	31.12.2019	change	
Net asset (capital and reserves)	34.313	41.025	(6.712)	(16%)
<b>Total debt to financial institutions</b>	<b>317.324</b>	<b>320.372</b>	<b>(3.048)</b>	<b>(1%)</b>
Cash and cash equivalents	589	2.710	(2.121)	(78%)
Loans given, deposits etc.*	23.483	24.644	(1.161)	(5%)
<b>Net debt</b>	<b>293.252</b>	<b>293.018</b>	<b>234</b>	<b>0%</b>
<b>Net debt/EBITDA</b>		<b>(3.855,50)</b>		
EBITDA for the last 12 months	4.541	(76)	4.617	(6075%)

\*Loans given, securities and deposits

The company's total debt is reduced by the value of debt repayment. At the beginning of 2020, the Company started repaying part of its liabilities to financial institutions in accordance with the pre-bankruptcy settlement.

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 revenues are approximately equal to revenues generated in the same period last year.

## **Employees**

In the six months period 2020 the Company employed 176 employees based on man-hour basis (in the six months period 2019: 158 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 six months period of 2020.

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:	1.1.2020	to	30.6.2020
Year:	2020		
Quarter:	2.		

## 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 period):	176		
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:	Mirjana Kelava		
	(only name and surname of the contact person)		
Telephone:	01/6320-233		
E-mail address:	mkelava@granolio.hr		
Audit firm:	BDO Croatia d.o.o.		
	(name of the audit firm)		
Certified auditor:	Vedrana Stipić		
	(name and surname)		

**BALANCE SHEET**  
balance as at 30.06.2020

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>	334.232.722	331.650.253
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	123.718.667	120.902.852
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	123.020.500	120.902.852
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	698.167	0
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	138.910.272	139.143.618
1 Land	011	8.684.216	8.684.216
2 Buildings	012	108.103.601	106.090.562
3 Plant and equipment	013	7.761.619	10.249.846
4 Tools, working inventory and transportation assets	014	268.460	31.290
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	9.384.080	9.390.580
8 Other tangible assets	018	93.296	82.124
9 Investment property	019	4.615.000	4.615.000
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	71.603.783	71.603.783
1 Investments in holdings (shares) of undertakings within the group	021	70.427.762	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	145.684	145.684
9 Other investments accounted for using the equity method	029	1.030.337	0
10 Other fixed financial assets	030	0	1.030.337
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	0	0
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	0	0
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	0	0
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	127.465.224	121.662.846
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	20.383.369	18.319.398
1 Raw materials and consumables	039	7.054.842	12.551.681
2 Work in progress	040	83.677	89.711
3 Finished goods	041	1.972.395	2.632.232
4 Merchandise	042	11.272.455	3.045.774
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>	79.873.131	79.417.238
1 Receivables from undertakings within the group	047	9.668.968	7.208.755
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	45.084.020	49.355.318
4 Receivables from employees and members of the undertaking	050	0	2.216
5 Receivables from government and other institutions	051	2.281.646	236.871
6 Other receivables	052	22.838.497	22.614.078
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	24.498.478	23.337.003
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	10.374.630	10.236.702
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	149.624	149.623
8 Loans, deposits, etc. given	061	13.974.224	12.950.678
9 Other financial assets	062	0	0
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	2.710.246	589.207
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	390.423	379.552
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	462.088.369	453.692.651
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	9.163.871	10.190.101

<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 066 to 070+076+077+084+087)</b>	<b>067</b>	<b>41.025.022</b>	<b>34.312.849</b>
I INITIAL (SUBSCRIBED) CAPITAL	<b>068</b>	19.016.430	19.016.430
II CAPITAL RESERVES	<b>069</b>	84.195.807	84.195.807
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	<b>070</b>	<b>4.296.923</b>	<b>4.296.923</b>
1 Legal reserves	<b>071</b>	3.496.923	3.496.923
2 Reserves for treasury shares	<b>072</b>	800.000	800.000
3 Treasury shares and holdings (deductible item)	<b>073</b>	0	0
4 Statutory reserves	<b>074</b>	0	0
5 Other reserves	<b>075</b>	0	0
IV REVALUATION RESERVES	<b>076</b>	54.675.895	53.174.771
V FAIR VALUE RESERVES (ADP 078 to 080)	<b>077</b>	0	0
1 Fair value of financial assets available for sale	<b>078</b>	0	0
2 Cash flow hedge - effective portion	<b>079</b>	0	0
3 Hedge of a net investment in a foreign operation - effective portion	<b>080</b>	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	<b>081</b>	<b>-107.675.312</b>	<b>-119.329.395</b>
1 Retained profit	<b>082</b>	0	0
2 Loss brought forward	<b>083</b>	107.675.312	119.329.395
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	<b>084</b>	<b>-13.484.721</b>	<b>-7.041.687</b>
1 Profit for the business year	<b>085</b>	0	0
2 Loss for the business year	<b>086</b>	13.484.721	7.041.687
VIII MINORITY (NON-CONTROLLING) INTEREST	<b>087</b>	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	<b>089</b>	0	0
2 Provisions for tax liabilities	<b>090</b>	0	0
3 Provisions for ongoing legal cases	<b>091</b>	0	0
4 Provisions for renewal of natural resources	<b>092</b>	0	0
5 Provisions for warranty obligations	<b>093</b>	0	0
6 Other provisions	<b>094</b>	0	0
<b>C) LONG-TERM LIABILITIES (ADP 096 to 106)</b>	<b>095</b>	<b>350.139.554</b>	<b>335.326.933</b>
1 Liabilities to undertakings within the group	<b>096</b>	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	<b>097</b>	0	0
3 Liabilities to companies linked by virtue of participating interests	<b>098</b>	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	<b>099</b>	0	0
5 Liabilities for loans, deposits etc.	<b>100</b>	159.566.584	156.450.135
6 Liabilities to banks and other financial institutions	<b>101</b>	113.796.135	110.422.802
7 Liabilities for advance payments	<b>102</b>	0	0
8 Liabilities to suppliers	<b>103</b>	34.895.727	28.350.512
9 Liabilities for securities	<b>104</b>	29.879.082	28.430.973
10 Other long-term liabilities	<b>105</b>	0	0
11 Deferred tax liability	<b>106</b>	12.002.026	11.672.511
<b>D) SHORT-TERM LIABILITIES (ADP 108 to 121)</b>	<b>107</b>	<b>70.731.895</b>	<b>83.972.894</b>
1 Liabilities to undertakings within the group	<b>108</b>	54.341	50.418
2 Liabilities for loans, deposits, etc. of undertakings within the group	<b>109</b>	0	0
3 Liabilities to companies linked by virtue of participating interests	<b>110</b>	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	<b>111</b>	0	0
5 Liabilities for loans, deposits etc.	<b>112</b>	3.494.159	6.610.607
6 Liabilities to banks and other financial institutions	<b>113</b>	4.084.222	6.546.786
7 Liabilities for advance payments	<b>114</b>	4.403.875	1.674.066
8 Liabilities to suppliers	<b>115</b>	47.183.499	56.158.420
9 Liabilities for securities	<b>116</b>	9.666.218	8.863.139
10 Liabilities to employees	<b>117</b>	1.112.640	1.075.164
11 Taxes, contributions and similar liabilities	<b>118</b>	525.372	2.907.914
12 Liabilities arising from the share in the result	<b>119</b>	0	0
13 Liabilities arising from fixed assets held for sale	<b>120</b>	0	0
14 Other short-term liabilities	<b>121</b>	207.569	86.380
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>122</b>	191.898	79.975
<b>F) TOTAL - LIABILITIES (ADP 067+088+095+107+122)</b>	<b>123</b>	<b>462.088.369</b>	<b>453.692.651</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>124</b>	9.163.871	10.190.101

**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2020 to 30.06.2020

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>130.706.959</b>	<b>74.825.631</b>	<b>131.003.132</b>	<b>63.230.722</b>
1 Income from sales with undertakings within the group	126	2.948.991	1.376.816	2.378.799	1.026.836
2 Income from sales (outside group)	127	125.268.778	71.572.489	127.499.010	61.570.230
3 Income from the use of own products, goods and services	128	18.234	8.550	3.204	2.689
4 Other operating income with undertakings within the group	129		0		0
5 Other operating income (outside the group)	130	2.470.956	1.867.776	1.122.119	630.967
<b>II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)</b>	<b>131</b>	<b>142.453.126</b>	<b>75.842.528</b>	<b>137.136.918</b>	<b>65.397.784</b>
1 Changes in inventories of work in progress and finished goods	132	174.753	-1.581.554	-745.681	374.410
2 Material costs (ADP 134 to 136)	133	126.459.325	69.615.243	122.513.906	57.424.598
a) Costs of raw materials and consumables	134	92.012.518	49.501.347	90.473.392	38.915.055
b) Costs of goods sold	135	25.715.474	15.380.269	23.053.520	14.380.595
c) Other external costs	136	8.731.333	4.733.627	8.986.994	4.128.948
3 Staff costs (ADP 138 to 140)	137	8.599.477	4.325.095	9.501.754	4.694.427
a) Net salaries and wages	138	5.446.440	2.753.836	6.189.010	3.077.203
b) Tax and contributions from salary costs	139	2.071.997	1.028.637	2.162.725	1.052.956
c) Contributions on salaries	140	1.081.040	542.622	1.150.019	564.268
4 Depreciation	141	5.291.999	2.642.932	4.296.585	2.037.344
5 Other costs	142	1.126.191	538.766	1.084.847	590.375
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	801.381	302.046	485.507	276.630
<b>III FINANCIAL INCOME (ADP 155 to 164)</b>	<b>154</b>	<b>1.028.620</b>	<b>900.779</b>	<b>337.135</b>	<b>142.060</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	235.522	235.522	3.074	1.513
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	123.368	1.017	0	0
7 Other interest income	161	460.093	458.266	158.614	147.065
8 Exchange rate differences and other financial income	162	21.820	18.157	175.447	-6.518
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	187.817	187.817	0	0
<b>IV FINANCIAL EXPENSES (ADP 166 to 172)</b>	<b>165</b>	<b>1.422.460</b>	<b>718.662</b>	<b>1.245.034</b>	<b>503.813</b>
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	1.325.163	650.186	942.745	304.957
4 Exchange rate differences and other expenses	169	72.042	43.348	262.069	198.796
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	25.255	25.128	40.220	60
<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>131.735.579</b>	<b>75.726.410</b>	<b>131.340.267</b>	<b>63.372.782</b>
<b>X TOTAL EXPENDITURE (ADP 131+165+175 + 176)</b>	<b>178</b>	<b>143.875.586</b>	<b>76.561.190</b>	<b>138.381.952</b>	<b>65.901.597</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 177-178)</b>	<b>179</b>	<b>-12.140.007</b>	<b>-834.780</b>	<b>-7.041.685</b>	<b>-2.528.815</b>
1 Pre-tax profit (ADP 177-178)	180	0	0	0	0
2 Pre-tax loss (ADP 178-177)	181	-12.140.007	-834.780	-7.041.685	-2.528.815
<b>XII INCOME TAX</b>	<b>182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)</b>	<b>183</b>	<b>-12.140.007</b>	<b>-834.780</b>	<b>-7.041.685</b>	<b>-2.528.815</b>
1 Profit for the period (ADP 179-182)	184	0	0	0	0
2 Loss for the period (ADP 182-179)	185	-12.140.007	-834.780	-7.041.685	-2.528.815



<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>	<b>186</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>189</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>192</b>	<b>-12.140.007</b>	<b>-834.780</b>	<b>-7.041.685</b>	<b>-2.528.815</b>
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	12.140.007	834.780	7.041.685	2.528.815
<b>XVII INCOME TAX (ADP 182+189)</b>	<b>195</b>	<b>2.062.599</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)</b>	<b>196</b>	<b>-14.202.606</b>	<b>-834.780</b>	<b>-7.041.685</b>	<b>-2.528.815</b>
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	14.202.606	834.780	7.041.685	2.528.815
<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>	<b>199</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>202</b>	<b>-12.140.007</b>	<b>-834.780</b>	<b>-7.041.685</b>	<b>-2.528.815</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)</b>	<b>203</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>212</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)</b>	<b>213</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)</b>	<b>214</b>	<b>-12.140.007</b>	<b>-834.780</b>	<b>-7.041.685</b>	<b>-2.528.815</b>
<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>	<b>215</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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 01.01.2020 to 30.06.2020

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	-12.140.007	-7.041.687
2 Adjustments (ADP 003 to 010):	002	4.193.264	5.118.631
a) Depreciation	003	5.292.000	4.296.586
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	257.042
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-172.817	0
d) Interest and dividend income	006	-818.983	-161.688
e) Interest expenses	007	1.325.163	942.745
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	5.527
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	-1.432.098	-221.581
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>-7.946.743</b>	<b>-1.923.056</b>
3 Changes in the working capital (ADP 013 to 016)	012	8.038.175	4.502.003
a) Increase or decrease in short-term liabilities	013	12.293.921	1.905.060
b) Increase or decrease in short-term receivables	014	-5.768.323	311.391
c) Increase or decrease in inventories	015	1.512.577	2.285.552
d) Other increase or decrease in working capital	016	0	0
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>91.432</b>	<b>2.578.947</b>
4 Interest paid	018	-1.154.693	-1.043.473
5 Income tax paid	019	0	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>-1.063.261</b>	<b>1.535.474</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	848.484	471.660
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	4.632.408	1.454.206
6 Other cash receipts from investment activities	026	0	999.031
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>5.480.892</b>	<b>2.924.897</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-1.610.442	-2.125.757
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-3.088.616	-1.292.553
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>-4.699.058</b>	<b>-3.418.310</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>781.834</b>	<b>-493.413</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	0	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>0</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-7.260.000	-696.288
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	-316.298	-215.621
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	-1.040.000	-2.251.188
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-8.616.298</b>	<b>-3.163.097</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-8.616.298</b>	<b>-3.163.097</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>-8.897.725</b>	<b>-2.121.036</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>3.574.350</b>	<b>2.710.246</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>-5.323.375</b>	<b>589.210</b>

**STATEMENT OF CHANGES IN EQUITY**  
for the period from 1.1.2020 to 30.6.2020

in HRK

Item	ADP code	Attributable to owners of the parent															Minority (non-controlling) interest	Total capital and reserves
		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			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 (3 to 6 - 7 + 8 to 15)	17	18 (16+17)	
<b>Previous period</b>																		
1 Balance on the first day of the previous business year	01	19.016.430	84.195.807	408.554	800.000	0	0	0	57.678.142	0	0	0	-169.386.013	61.767.391	54.480.311	0	54.480.311	
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	84.195.807	408.554	800.000	0	0	0	57.678.142	0	0	0	-169.386.013	61.767.391	54.480.311	0	54.480.311	
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	-12.140.007	-12.140.007	0	-12.140.007	
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	-1.501.123	0	0	0	1.501.123	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	0	0	0	0	0	0	0	0	0	0	29.433	0	29.433	0	29.433	
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	329.515	0	329.515	0	329.515	
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	3.088.369	0	0	0	0	0	0	0	0	58.679.022	-61.767.391	0	0	0	
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	3.496.923	800.000	0	0	0	56.177.019	0	0	0	-108.846.920	-12.140.007	42.699.252	0	42.699.252	
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																		
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	24	0	0	0	0	0	0	0	-1.501.123	0	0	0	1.860.071	0	358.948	0	358.948	
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24)	25	0	0	0	0	0	0	0	-1.501.123	0	0	0	1.860.071	-12.140.007	-11.781.059	0	-11.781.059	
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	0	0	3.088.369	0	0	0	0	0	0	0	0	58.679.022	-61.767.391	0	0	0	
<b>Current period</b>																		
1 Balance on the first day of the current business year	27	19.016.430	84.195.807	3.496.923	800.000	0	0	0	54.675.895	0	0	0	-107.016.282	-14.143.751	41.025.022	0	41.025.022	
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the current business year (restated) (ADP 27 to 29)	30	19.016.430	84.195.807	3.496.923	800.000	0	0	0	54.675.895	0	0	0	-107.016.282	-14.143.751	41.025.022	0	41.025.022	
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	-7.041.687	-7.041.687	0	-7.041.687	
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	-1.501.123	0	0	0	1.501.123	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	0	0	0	0	0	
14 Tax on transactions recognised directly in equity	40	0	0	0	0	0	0	0	0	0	0	0	329.515	0	329.515	0	329.515	
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	14.143.751	-14.143.751	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	3.496.923	800.000	0	0	0	53.174.772	0	0	0	-91.041.893	-35.329.189	34.312.850	0	34.312.850	
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																		
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 32 to 40)	50	0	0	0	0	0	0	0	-1.501.123	0	0	0	1.830.638	0	329.515	0	329.515	
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50)	51	0	0	0	0	0	0	0	-1,501.123	0	0	0	1,830.638	-7,041.687	-6,712.172	0	-6,712.172	
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	14,143,751	-14,143,751	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: 01.01.2020.-30.06.2020

Notes to financial statements for quarterly periods include:

The same accounting policies are applied when preparing the financial statements for the quarterly period as in the last annual financial statements.



# 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

Zagreb, 31 August 2020

## Statement of Executives responsible for preparing financial statements for the six 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 six months period give a true presentation of the Company's position as at 30 June 2020.

Reports prepared by:

Mirjana Kelava



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



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

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

Zagreb, 31 August 2020

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 2020 till 30 June 2020 present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company.

The management report for the six months period ended 30 June 2020 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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MB: I244272; 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; cvrtka 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