

Stanovi Jadran

Management report
STANOVI JADRAN d.d. SPLIT

01.01.2018. - 31.12.2018.

Split, 29 January 2019.

Stanovi Jadran d.d. za poslovanje nekretninama • OIB: 88680117715 • * Kralja Zvonimira 14/IX, 21000 Split,
tel: +385(0)21 482 367 • fax: +385(0)21 482 374 • www.stanovijadran.com • info@stanovijadran.com

CONTENT

I.	COMMENTS ON BUSINESS DOING	pg. 3
II.	IMPORTANT BUSINESS EVENTS	pg. 6
III.	EXPECTED BUSINESS DEVELOPEMENT	pg. 6
IV.	RESEARCH AND DEVELOPEMENT ACTIVITIES	pg. 7
V.	TREASURY SHARES INFORMATION	pg. 7
VI.	BRANCH OFFICES	pg. 7
VII.	IMPORTANT FINANCIAL INSTRUMENTS	pg. 7
VIII.	COMPANY AIMS AND POLICY	pg. 7
IX.	RISK EXPOSURE	pg. 8
X.	BOARD STATEMENT	pg. 10

I. COMMENTS ON BUSINESS DOING

Stanovi Jadran d.d. (the Company) had 1.835.476 HRK total revenues for year ended 2018 what is 445,08 % more than the year before for the same time period. Sales revenue were 966.003 HRK what is an increase of 499,74% from year prior. The revenue source is 68,64% from core business what was 46,13% last year. Revenue streams from the main activities are holding 55,82% of total revenues, which were 37,66% year before. Other revenues are 58.546 HRK what is an increase of 21.653 HRK from year before.

100% of revenues streams are from local market and it remained like it was in 2017.

Material expenses in 2018 were 991.762 HRK what is a decrease of 25,15% from year before what accounts 41,30 % of total expenses.

Salaries went up for 22,24% and are weighting 32,85 % in total expenses what was 29,83% year before. There were no value adjustment costs and account receivables adjustment neither this year.

Financial revenues, mainly consist of dividend revenues from Winter LTD, increased for 429.895 HRK what is an increase of 212,82%. Financial costs went up for 230.217 HRK or 616,81 % from year before. There are 9.559 HRK negative currency exchange rates, while interest rate costs went up for 233.673 HRK due to credit line at Agram Bank PLC which was used to complete purchase of commercial property Ploka.

Gross loss is 840.710 HRK what is a decrease of 755.744 HRK from year before. The gross loss decreased as the Company has revenue streams from renting commercial property Ploka and dividend revenues.

In accordance with transactions among related persons the company had net income of 99.312 HRK.

Total assets increased for 15,64 % to 79.191.115 HRK while fixed assets increased for 23.481.611 or 47,96% %. Material assets increased for 21.592.148 HRK due to property purchase and investment in Šibenik.

Long-term financial assets mainly relate to shares in subsidiary companies and to shares of non-listed companies. It amounts 30.359.379 HRK and is 1.887.693 HRK higher compared to the beginning of the year, primarily due to the share capital increase of the subsidiary company Vile Orašac d.o.o.

Current assets are 6.570.466 HRK, which is by 66,33% lower than the beginning of the year. In the structure of current assets, receivables are higher compared to the beginning of the year, while cash level is falling.

Total account receivables amounted to 3.133.020 HRK, an increase of 87.528 HRK or 2,87 % compared to the beginning of the year.

Short-term financial assets amount to 3.356.224 HRK what is mostly short-term given loans. Compared to year before, financial assets decreased by 12.529.445 HRK. Cash in the bank and cash registers amounts to 81.222 HRK and is lower by 503.832 HRK compared to the beginning of the year. There was no change in capital and reserves compared to the beginning of the year.

Long-term liabilities amount to 9.669.947 HRK what are credit lines at Karlovačka Bank and Agram Bank.

Short-term liabilities amount to 6.359.015 HRK, of which the largest portion of HRK 4.474.353 relates to liabilities for down payments. Account payables decreased from the beginning of the year for 53.886 HRK or 10,24 %. Total loans of the company amounted to HRK 9.676.324 which is an increase from the beginning of the year for 6.632.420 HRK.

Stanovi Jadran d.d. (Group) achieved total revenues of 7.989.668 HRK for year ended 2018, what is 2,39 % lower than in the same period of the previous year. Sales revenues amounts 7.687.634 HRK and were lower by 1,58 % compared to the same period last year. Main business activities revenues hold 98,25% of total revenues, compared with 95,16% in the same period last year. Other operating revenues amounted to 162.160 HRK.

Out of the total revenue, 10,89% of revenues were realized on the domestic market, while 89,11% of sales were generated on the foreign market.

Material expenses amount to 3.922.523 HRK which is lower by 7,2% than the same period of the previous year. Salaries increased by 18,22% compared to the same period of the previous year. Salaries amounts 28,83% in total expenses compared to 25,64% in the same period last year.

There were no cost of value adjustments and receivables adjustment, neither this year.

Financial revenues were lower by 256.108 HRK or 64,67% compared to the same period of the previous year. There were positive exchange rate differences of 4.123 HRK in the structure of financial income.

Financial expenses increased by 248.796 HRK or 512,38% compared to the same period last year. In the structure of financial expenditures there were negative exchange rate differences of 9.559 HRK, while interest rate costs are higher due to the realized credit line of Agram Bank for the purpose of financing the purchase of the commercial building Ploka.

The gross loss (pre-tax loss) is 1.281.505 HRK, while in the same period of the previous year it was 397.750 HRK, which is an increase of 883.755 HRK or 322,18%. Higher gross loss was due to investment intensity in Šibenik and hiring experts in project development.

Total assets were 12,13% higher compared to the beginning of the year and amounts to 89.085.687 HRK. Fixed assets were higher by 20.695.496 HRK or 34,87%, compared to the beginning of the year. Long-term intangible assets has not changed significantly compared to the beginning of the year. Tangible assets were higher by 21.095.506 HRK compared to the beginning of the year due to the purchase of the commercial property Ploka in Split and the investment in the residential project in Šibenik.

Long-term financial assets mostly refer to the shares of non-listed companies, except for FMPS-R-A and VART -R-1. It amounts to 2.409.120 HRK and was 400.313 HRK less than the beginning of the year, primarily due to the value adjustment quoted on the Zagreb Stock Exchange.

Current assets amount to 8.864.589 HRK what is 226,73 % less than the beginning of the year. In the structure of current assets, inventories and account receivables are greater compared to the beginning of the year while cash and short-term financial assets are falling.

Total accounts receivables amounted to 4.349.541 HRK, an increase of 426.642 HRK or 10,87 % compared to the beginning of the year. Trade receivables amounted to 3.217.451 HRK and recorded an increase of 8.57 % compared to the beginning of the year.

Short-term financial assets amount to 3.554.847 HRK relating to short-term given loans. Short-term financial assets decreased by 10.719.395 HRK from year before.

Cash in the bank and cash registers amounted to 386.529 HRK and was lower by 1.178.283 HRK compared to the beginning of the year. There was change in capital and reserves compared to the beginning of the year due to reserves revaluation.

Long-term liabilities amount to 10.807.711 HRK what are credit lines at Karlovačka Bank and Agram Bank.

Short-term liabilities amount to 8.047.774 HRK of which the largest portion of 4.599.556 HRK were liabilities for down payments. Trade payables increased by 187.384 HRK, or 21,52 % compared to the beginning of the year. Total credit line of the Group Stanovi Jadran d.d. amounted to 11.319.737 HRK which is an increase from the beginning of the year.

II. IMPORTANT BUSINESS EVENTS

Stanovi Jadran d.d. has been listed at Zagreb Stock Exchange - Official Market on July 02, 2018.

The company purchased commercial property in Split and took over already signed rental agreements for commercial spaces, while the top floor, which is an apartment, will be rented on a daily base through booking services to tourists.

There is high work intensity in Residential property in Šibenik. New tenants are expected to move in during Spring 2019. All additional permits has been issued and the original project has reduced number of apartments from 9 to 7, apartments can be done in phases and the small existing house has new floor map adjusted to hotel standards.

At the same time, paperwork for the property next door, which would be a hotel, is in process of getting building permit. Due to time limitation, hotel will be open at the beginning of 2020. It is planned that hotel will be reconstructed in next six months, while indoor construction will take place after summer construction ban.

Other properties that the company owns, such as land plots, has been listed on sale through real estate agencies. In this year, management sold three land plots in Lovinac.

Additionally, there has been expressed interest of potential buyer for project in Dubrovnik where the project documents have been delivered.

III. EXPECTED BUSINESS DEVELOPEMENT

The company has been in last phase of construction work in Residential project Šibenik over the last three months. The investment is ongoing and it is expected that the management will sign new agreements at given stage in order to finish the project.

In order to reduce costs, the management has hired new studios to get new permits in order to start constructing in Dubrovnik. Once it is done, the management will sign agreements with contractors to put the property in use and gain revenues. The management is rationalizing all projects in order to reduce risks and gain faster returns.

Subsidiary company VILE ORAŠAC d.o.o. has not been merged to STANOVI JADRAN d.d. as potential buyers expressed will to purchase company rather than parcels.

Other subsidiary company company WINTER d.o.o. had revenue fall due to elections held in Bosnia & Herzegovina. Straight after elections have been closed, the Hotel Blanca Resort & Spa started to have highest bookings and revenues in each individual month

IV. RESEARCH AND DEVELOPEMENT ACTIVITIES

In order to understand market, the management did real estate market research. Taking a residential project and hotel in Šibenik, the management hired external consultant to make a feasibility study in order to reach inputs which will affect revenue stream starting in 2019.

Apart from that, the management hired new local studios in some projects as it believes local studios can affect the speed of permit issuance.

V. TREASURY SHARES INFORMATION

Stanovi Jadran d.d. does not have any treasury shares while current ownership structure depends on trading streams at Zagreb Stock Exchange.

VI. BRANCH OFFICES

The company and its subsidiary companies do not have and branch offices.

VII. IMPORTANT FINANCIAL INSTUMENTS

Important financial instruments that the company has in its portfolio are:

- stake at subsidiary companies
- shares bought at Zagreb Stock Exchange such as 10,57% of share capital of Proprius d.d. closed investment fund and Varteks d.d., while other shares have been sold during 2017

VIII. COMPANY AIMS AND POLICY

It is questionable level of financial risk management activities in Republic of Croatia due to shortage of financial instrument within a domestic financial industry. The company has not used any of financial risk management instruments such as hedging, terminal contracts or financial derivative so far. However, the management is expressing a will to use those instruments in a future within a domestic financial framework in order to reduce risk exposure.

IX. RISK EXPOSURE

Real estate market risk

Real estate market in Republic of Croatia has been recovering over the past three years. There has been an increase in building permits issuance and residential and commercial prices, especially on a coast what is affected with tourism. Since the Croatia entered EU, there is a real estate demand increase. Foreign investors are looking for exclusive properties at unique destinations such as property in Šibenik the company is developing. The market lacks upper class properties where the management of the company sees the opportunity and therefore focusing towards that niche.

Tourism market risk

Tourism is very specific industry and the best spending generator. Current risk level is medium since it is very important industry and it is still growing. However, the management sees the seasonality of tourism as the largest risk related to that market.

Construction related risk

Since the company is in investment cycle, it is important to note the deficit of construction companies and labour force in that sector. The management reduced this risk as it believes the company has partners which are already sign contracts with.

Personnel risk

The company, together with its subsidiary companies has 46 employees. This risk is low since the EU allows labour force movement what increase possibility of finding qualified employees.

Currency exchange risk

Existing currency exchange differences has been noted as expenses in P&L statement but do not affect money flow. The company has currency exchange risk in a sense of exchange movement between HRK and BAM or EUR and BAM since the subsidiary company WINTER d.o.o. operates in Bosnia and Herzegovina.

Exposure risk

The company employs engineer who is reducing risk by setting up control mechanism which controls cost and individual material prices. The management tries to reduce the cost exposure by hiring companies at the projects that has at least 50 employees and that are profitable.

Financing risk

The management believes financing risk is at the lowest possible level since the finance market offers affordable arrangements.

Liquidity risk

The management is trying to put all company assets in use in a shorter possible period in order to increase revenue streams and create stable cash flow. All receivables has been secured with financial instruments so the management believe there is no liquidity risk.

Interest rate risk

There is an interest rate risk since all the credit arrangements are have changeable interest rate. The management is not using any financial instruments to protect changes in interest rate so far what makes this risk high.

Credit risk

The management of the company does not allow partner crediting by offering payment delay. The company is exposed to two credit lines and it is servicing it on time. The management is planning to pay off the credit lines once it sells residential property in Šibenik.

X. MANAGEMENT STATEMENT

Toni Jeličić Purko as a president of Management Board and Maja Bradić as a member of Management Board of STANOVI JADRAN d.d., Split, Kralja Zvonimira 14/IX, OIB 88680117715, as responsible persons for composition of financial reports for period 01.01.2018. – 31.12.2018. are giving

STATEMENT

According to our knowledge, financial report of STANOVI JADRAN d.d., Split, Kralja Zvonimira 14/IX, OIB 88680117715, for period 01.01.2018. – 31.12.2018. is in line with Accounting Law, Accounting Standards of Financial Reporting and EU Directives.

The interim management report consists of true information and business results for a company and its subsidiary companies together with risk exposure statements.

Toni Jeličić Purko
Management Board President



STANOVI JADRAN
d.d. SPLIT

Maja Bradić
Management Board Member



Split, 29 January 2018.

Attachment 1.

Reporting period:

01.01.2018.

to

31.12.2018.

Quarterly financial statement of the entrepreneur TFI-POD

Tax Number (MB): 02182190

Company registration number (MRS): 060227551

Personal identification number (OIB): 88680117715

Issuing company: STANOVI JADRAN d.d.

Postal code and place: 21000 SPLIT

Street and house number: Kralja Zvonimira 14/IX

E-mail address: info@stanovijadran.com

Internet address: www.stanovijadran.com

Municipality/city code and name: 409 Split

County code and name: 17 Splitsko - dalmatinska

Number of employees: 9
(year end)

Consolidated report: NE

NKD code: 6810

Companies of the consolidation subject (according to IFRS)

Headquarters:

MB:

Bookkeeping service:

Contact person: Katija Barić
(filling just the first and the last name)

Telephone: 021 482 374

Telefaks:

E-mail address: katija@stanovijadran.com

Family name and name: Toni Jeličić Purko
(legal person)**Documents to be published:**

1. Financial reports (balance sheet, profit and loss account, cash-flow statement, statement of changes in equity and notes to financial reports)
2. Interim management report
3. Statement form persons responsible for preparation of reports

STANOVI JADRANd.d. SPLIT
M.P.
(signature of the person authorized to represent the company)

BALANCE SHEET
as at 31.12.2018.

Company: _STANOVI JADRAN d.d.				
Position	AOP code	Previous year (net)	Current year (net)	
1	2	3	4	
A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL	001			
B) LONG - TERM ASSETS (003+010+020+029+033)	002	48.963.912	72.445.523	
I. INTANGIBLE ASSETS (004 to 009)	003	20.000	21.770	
1. Assets development	004			
2. Concessions, patents, licence fees, merchandise and service brands, software and other	005	20.000	21.770	
3. Goodwill	006			
4. Prepayments for purchase of intangible assets	007			
5. Intangible assets in preparation	008			
6. Other intangible assets	009			
II. TANGIBLE ASSETS (011 to 019)	010	20.472.226	42.064.374	
1. Land	011			
2. Buildings	012			
3. Plant and equipment	013	24.065	26.137	
4. Instruments, plant inventories and transportation assets	014			
5. Biological assets	015			
6. Prepayments for tangible assets	016			
7. Tangible assets in preparation	017			
8. Other material assets	018			
9. Investment in buildings	019	20.448.161	42.038.237	
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	28.471.686	30.359.379	
1. Shares (stocks) in related parties	021	25.667.219	27.955.225	
2. Loans given to related parties	022			
3. Participating interests (shares)	023			
4. Loans to entrepreneurs in whom the entity hold participating interests	024			
5. Investment in securities	025			
6. Loans, deposits and similar assets	026		159.549	
7. Other long - term financial assets	027	2.804.467	2.244.605	
8. Investments accounted by equity method	028		0	
IV. RECEIVABLES (030 to 032)	029	0	0	
1. Receivables from related parties	030			
2. Receivables based on trade loans	031			
3. Other receivables	032			
V. DEFERRED TAX ASSETS	033			
C) SHORT- TERM ASSETS (035+043+050+058)	034	19.516.215	6.570.466	
I. INVENTORIES (036 to 042)	035	0	0	
1. Raw material	036			
2. Work in progress	037			
3. Finished goods	038			
4. Merchandise	039			
5. Prepayments for inventories	040			
6. Long - term assets held for sale	041			
7. Biological assets	042			
II. RECEIVABLES (044 to 049)	043	3.045.492	3.133.020	
1. Receivables from related parties	044	2.876	68.250	
2. Accounts receivable	045	2.586.057	2.440.833	
3. Receivables from participating entrepreneurs	046			
4. Receivables from employees and shareholders	047			
5. Receivables from government and other institutions	048	304.043	217.123	
6. Other receivables	049	152.516	406.814	
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	15.885.669	3.356.224	
1. Shares (stocks) in related parties	051			
2. Loans given to related parties	052	5.655.500	98.500	
3. Participating interests (shares)	053			
4. Loans to entrepreneurs in whom the entity hold participating interests	054		500.000	
5. Investment in securities	055			
6. Loans, deposits and similar assets	056	10.230.169	2.757.724	
7. Other financial assets	057			
IV. CASH AT BANK AND IN CASHIER	058	585.054	81.222	
D) PREPAID EXPENSES AND ACCRUED INCOME	059	776	175.126	
E) TOTAL ASSETS (001+002+034+059)	060	68.480.903	79.191.115	
F) OFF-BALANCE SHEET NOTES	061			

LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	64.551.725	63.162.153
I. SUBSCRIBED CAPITAL	063	76.248.000	76.248.000
II. CAPITAL RESERVES	064		
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	3.357.629	3.357.629
1. Reserves prescribed by law	066		
2. Reserves for treasury stocks	067		
3. Treasury stocks and shares (deduction)	068		
4. Statutory reserves	069		
5. Other reserves	070	3.357.629	3.357.629
IV. REVALUATION RESERVES	071	-475.487	-1.024.349
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	-12.981.933	-14.578.417
1. Retained earnings	073		
2. Accumulated loss	074	12.981.933	14.578.417
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	-1.596.484	-840.710
1. Profit for the current year	076		
2. Loss for the current year	077	1.596.484	840.710
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 to 082)	079	0	0
1. Provisions for pensions, severance pay and similar liabilities	080		
2. Reserves for tax liabilities	081		
3. Other reserves	082		
C) LONG TERM LIABILITIES (084 to 092)	083	2.997.883	9.669.947
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	2.997.883	9.669.947
4. Liabilities for received prepayments	087		
5. Accounts payable	088		
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090		
8. Other long-term liabilities	091		
9. Deferred tax liability	092		
D) SHORT - TERM LIABILITIES (094 to 105)	093	917.770	6.359.015
1. Liabilities to related parties	094	122.295	103.700
2. Liabilities for loans, deposits etc.	095	159.800	1.209.228
3. Liabilities to banks and other financial institutions	096	46.021	6.377
4. Liabilities for received prepayments	097		4.474.353
5. Accounts payable	098	526.017	472.131
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	40.071	59.291
9. Liabilities for taxes, contributions and similar fees	102	23.566	33.935
10. Liabilities to share - holders	103		
11. Liabilities for long term assets held for sale	104		
12. Other short - term liabilities	105		0
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE	106	13.525	
F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)	107	68.480.903	79.191.115
G) OFF-BALANCE SHEET NOTES	108		
APPENDIX TO BALANCE SHEET (only for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interests	110		

Note 1.: Appendix to balance sheet is filled out only by entrepreneurs who consolidate financial reports.

PROFIT AND LOSS ACCOUNT
for period 1.1.2018. to 31.12.2018.

Company: STANOVI JADRAN d.d.

Position	AOP code	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING REVENUES (112+113)	111	230.195	130.284	1.024.549	378.202
1. Sales revenues	112	193.302	120.000	966.003	319.656
2. Other operating revenues	113	36.893	10.284	58.546	58.546
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	2.163.165	364.761	2.401.423	741.038
1. Changes in the value of work in progress and finished goods	115				
2. Material costs (117 to 119)	116	1.325.098	127.964	991.762	286.938
a) Raw material and material costs	117	50.772	11.515	100.668	31.572
b) Costs of goods sold	118				
c) Other external costs	119	1.274.326	116.449	891.094	255.366
3. Staff costs (121 to 123)	120	645.340	161.396	788.880	221.665
a) Net salaries and wages	121	405.088	101.115	503.520	141.255
b) Costs for taxes and contributions from salaries	122	145.555	36.607	172.849	48.568
c) Contributions on gross salaries	123	94.697	23.674	112.511	31.842
4. Depreciation	124	3.230	3.230	191.584	71.133
5. Other costs	125	177.782	66.471	334.274	132.176
6. Impairment (127+128)	126	0	0	0	
a) Impairment of long-term assets (excluding financial assets)	127				
b) Impairment of short-term assets (excluding financial assets)	128				
7. Provisions	129				
8. Other operating expenses	130	11.715	5.700	94.923	29.126
III. FINANCIAL INCOME (132 to 136)	131	381.032	324.876	810.927	696.557
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	15.452	15.452	0	0
2. Interest income, foreign exchange gains, dividends and similar income from non-related	133	309.659	309.424	118.004	5.895
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135				
5. Other financial income	136	55.921	0	692.923	690.662
IV. FINANCIAL EXPENSES (138 to 141)	137	44.546	35.127	274.763	128.866
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138				
2. Interest expenses, foreign exchange losses and similar expenses from non - related parties	139	9.990	607	253.222	107.775
3. Unrealized losses (expenses) on financial assets	140				
4. Other financial expenses	141	34.556	34.520	21.541	21.091
V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142				
VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	611.227	455.160	1.835.476	1.074.759
X. TOTAL EXPENSES (114+137+143 + 145)	147	2.207.711	399.888	2.676.186	869.904
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-1.596.484	55.272	-840.710	204.855
1. Profit before taxation (146-147)	149	0	55.272	0	204.855
2. Loss before taxation (147-146)	150	1.596.484	0	840.710	0
XII. PROFIT TAX	151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-1.596.484	55.272	-840.710	204.855
1. Profit for the period(149-151)	153	0	55.272	0	204.855
2. Loss for the period (151-148)	154	1.596.484	0	840.710	0
APPENDIX TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV. PROFIT OR LOSS					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interests	156				
STATEMENT OF COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157				
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)	158	-509.605	-440.091	-548.862	-115.955
1. Exchange differences on translation of foreign operations	159				
2. Movements in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from revaluation of financial assets available for sale	161	-509.605	-440.091	-548.862	-115.955
4. Gains or losses on efficient cash flow hedging	162				
5. Gains or losses on efficient hedge of a net investment in foreign countries	163				
6. Share in other comprehensive income / loss of associated companies	164				
7. Actuarial gains / losses on defined benefit plans	165				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)	167	-509.605	-440.091	-548.862	-115.955
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	-509.605	-440.091	-548.862	-115.955
APPENDIX to Statement of comprehensive income (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interests	170				

CASH FLOW STATEMENT - Indirect method
period 1.1.2018. to 31.12.2018.

Company: STANOVI JADRAN D.D.			
Position	AOP code	Previous period	Current Period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-1.596.484	-840.710
2. Depreciation	002	3.230	191.584
3. Increase in short-term liabilities	003	0	5.427.770
4. Decrease in short term receivables	004	4.132.857	0
5. Decrease in inventories	005	0	0
6. Other cash flow increases	006	29.873.262	0
I. Total increase in cash flow from operating activities (001 to 006)	007	32.412.865	4.778.644
1. Decrease in short - term liabilities	008	10.934.218	
2. Increase in short - term receivables	009	0	262.328
3. Increase in inventories	010		
4. Other cash flow decreases	011	0	548.862
II. Total decrease in cash flow from operating activities (008 to 011)	012	10.934.218	811.190
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	21.478.647	3.967.454
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015	0	0
2. Cash inflows from sale of equity and debt financial instruments	016	0	0
3. Interest receipts	017		
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019		
III. Total cash inflows from investing activities(015 to 019)	020	0	0
1. Cash outflows for purchase of long - term tangible and intangible assets	021	4.549.766	21.785.502
2. Cash outflows for purchase of equity and debt financial instruments	022		1.887.243
3. Other cash outflows from investing activities	023	16.449.774	0
IV. Total cash outflows from investing activities (021 to 023)	024	20.999.540	23.672.745
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	20.999.540	23.672.745
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027		
2. Cash inflows from loans, debentures, credits and other borrowings	028		19.201.459
3. Other cash inflows from financing activities	029		
V. Total cash inflows from financing activities (027 to 029)	030	0	19.201.459
1. Cash outflows for repayment of loans and bonds	031		0
2. Dividends paid	032		
3. Cash outflows for finance lease	033		
4. Cash outflows for purchase of own stocks	034		
5. Other cash outflows from financing activities	035	0	0
VI. Total cash outflows from financing activities (031 do 035)	036	0	0
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	0	19.201.459
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	0	0
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	479.107	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	0	503.832
Cash and cash equivalents at the beginning of period	041	105.947	585.054
Increase in cash and cash equivalents	042	21.478.647	23.168.913
Decrease in cash and cash equivalents	043	20.999.540	23.672.745
Cash and cash equivalents at the end of period	044	585.054	81.222

STATEMENT OF CHANGES IN EQUITY

period 1/1/2018 to 12/31/2018

Position	AOP code	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	76.248.000	76.248.000
2. Capital reserves	002		
3. Reserves from profit	003	3.357.629	3.357.629
4. Retained earnings or accumulated loss	004	-12.981.833	-14.578.417
5. Profit or loss for the current year	005	-1.596.484	-840.710
6. Revaluation of long - term tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008	-475.487	-1.024.349
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 to 009)	010	64.551.825	63.162.153
11. Currency gains and losses arising from net investments in foreign operations	011		
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policies	014		
15. Correction of significant errors in prior periods	015		
16. Other changes in capital	016		
17. Total increase or decrease in capital (AOP 011 to 016)	017	0	0
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

Items decreasing the capital are entered with a negative number sign

Data entered under AOP marks 001 to 009 are entered as situation on the Balance Sheet date