



**TVORNICA ŠEĆERA d.d.**  
ZAGREB, ULICA GRADA VUKOVARA 269 g

**STATEMENT OF PERSON RESPONSIBLE FOR PRODUCTION OF THE  
THREE-MONTH REPORT FOR 1Q 2017**

With this statement, in compliance with article 410 of the Law on capital market, I state that to the best of our knowledge

- the set of financial reports of VIRO TVORNICA ŠEĆERA d.d., Zagreb for the period I-III 2017, produced by applying International standards of financial reporting and in compliance with the Croatian Law on Accounting, provides an integral and true overview of assets and liabilities, loss and profit, financial position and operations of the company.
- the Management report contains a true overview of business results and position of the company, with a description of the most significant risks and uncertainties to which the company is exposed.

In Virovitica, on April 28, 2017

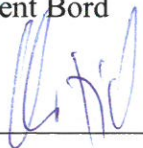
RESPONSIBLE PERSON

PRESIDENT OF THE  
MANAGEMENT BOARD:

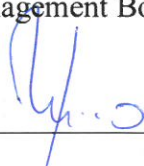
  
Željko Zadro, dipl.oec



Darko Krstić, Member of the  
Management Board

  
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Ivo Rešić, Member of the  
Management Board

  
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**Appendix 1**

Reporting period:

1.1.2017

to

31.3.2017

**Quarterly Financial Report - TFI-POD**

Registration number (MB) | 01650971 |

Identification number of subject (MBS) | 010049135 |

Personal identification number (OIB) | 04525204420 |

Issuer company: VIRO TVORNICA ŠEĆERA d.d. |

Postal code and place | 10000 | ZAGREB |

Street and number | ULICA GRADA VUKOVARA 269 g |

E-mail address: viro@secerana.hr |

Internet address: www.secerana.hr |

Code and name of comune/town | 133 | ZAGREB |

Code and county name | 21 | GRAD ZAGREB |

Number of employees | 196 |

(at quarter end)

Consolidated statement | NO |

NKD/NWC code: | 1081 |

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

Subsidiaries subject to consolidation (according to IFRS):	Registration number:

Book keeping service: | |

Contact person: SMOJVER ZDENKA |

(fill in only surname and name of contact person)

Phone number: 033840122 |

Fascimile: 033840103 |

E-mail address: racunovodstvo-viro@secerana.hr |

Surname and name: ZADRO ŽELJKO |

(authorised person for representation)

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements)
2. Statement of responsible persons for preparation of financial statements
3. Report of the Management Board on position of the Company



(signed by authorised person for representation)

## BALANCE SHEET

as at 31.3.2017

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL</b>	<b>001</b>		
<b>B) LONG-TERM ASSETS (003+010+020+029+033)</b>	<b>002</b>	749.273.897	742.023.918
<b>I. INTANGIBLE ASSETS (004 to 009)</b>	<b>003</b>	136.740	118.009
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	136.740	118.009
3. Goodwill	006		
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009		
<b>II. TANGIBLE ASSETS (011 to 019)</b>	<b>010</b>	<b>179.990.028</b>	<b>173.634.318</b>
1. Land	011	5.548.592	5.548.592
2. Buildings	012	68.340.805	66.810.541
3. Plant and equipment	013	66.153.617	61.258.943
4. Tools, facility inventory and transport assets	014		
5. Biological assets	015		
6. Prepayments for tangible assets	016	34.576.964	34.308.562
7. Tangible assets in progress	017	3.286.081	3.661.081
8. Other tangible assets	018	9.300	9.300
9. Investments in buildings	019	2.074.669	2.037.299
<b>III. LONG-TERM FINANCIAL ASSETS (021 to 028)</b>	<b>020</b>	<b>569.147.129</b>	<b>568.271.591</b>
1. Investments (shares) with related parties	021	419.450.043	419.450.043
2. Loans given to related parties	022	149.216.583	148.327.870
3. Participating interest (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025	3.248	13.757
6. Loans, deposits and similar assets	026	477.255	479.921
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
<b>IV. RECEIVABLES (030 to 032)</b>	<b>029</b>	<b>0</b>	<b>0</b>
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031		
3. Other receivables	032		
<b>V. DEFERRED TAX ASSETS</b>	<b>033</b>		
<b>C) SHORT TERM ASSETS (035+043+050+058)</b>	<b>034</b>	<b>668.453.422</b>	<b>603.208.528</b>
<b>I. INVENTORIES (036 to 042)</b>	<b>035</b>	<b>434.941.674</b>	<b>371.062.122</b>
1. Raw-material and supplies	036	55.191.037	57.104.070
2. Work in progress	037		14.252.490
3. Finished goods	038	213.847.092	131.428.961
4. Merchandise	039	116.054.925	110.944.187
5. Prepayments for inventories	040	49.848.620	57.332.414
6. Long - term assets held for sales	041		
7. Biological assets	042		
<b>II. RECEIVABLES (044 to 049)</b>	<b>043</b>	<b>184.412.623</b>	<b>137.928.850</b>
1. Receivables from related parties	044	1.259.876	18.460.843
2. Accounts receivable	045	133.612.862	111.447.040
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	890	844
5. Receivables from government and other institutions	048	49.421.570	7.902.698
6. Other receivables	049	117.425	117.425
<b>III. SHORT TERM FINANCIAL ASSETS (051 to 057)</b>	<b>050</b>	<b>26.687.789</b>	<b>83.755.846</b>
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	4.681.963	71.447.711
3. Participating interests (shares)	053		
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	12.632.314	11.438.535
7. Other financial assets	057	9.373.512	869.600
<b>IV. CASH AT BANK AND IN CASHIER</b>	<b>058</b>	<b>22.411.336</b>	<b>10.461.710</b>
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>	<b>5.501.947</b>	<b>3.961.605</b>
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	<b>1.423.229.266</b>	<b>1.349.194.051</b>
<b>F) OFF-BALANCE RECORDS</b>	<b>061</b>	<b>291.648.942</b>	<b>287.045.376</b>

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>665.899.638</b>	<b>682.530.976</b>
<b>I. SUBSCRIBED CAPITAL</b>	<b>063</b>	<b>249.600.060</b>	<b>249.600.060</b>
<b>II. CAPITAL RESERVES</b>	<b>064</b>	<b>10.368.101</b>	<b>10.368.101</b>
<b>III. RESERVES FROM PROFIT (066+067-068+069+070)</b>	<b>065</b>	<b>56.346.673</b>	<b>56.346.673</b>
1. Reserves prescribed by law	066	12.480.003	12.480.003
2. Reserves for treasury shares	067	43.866.670	43.866.670
3. Treasury stocks and shares (deduction)	068	0	0
4. Statutory reserves	069		
5. Other reserves	070		
<b>IV. REVALUATION RESERVES</b>	<b>071</b>		
<b>V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)</b>	<b>072</b>	<b>312.352.661</b>	<b>349.584.804</b>
1. Retained earnings	073	312.352.661	349.584.804
2. Accumulated loss	074		
<b>VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)</b>	<b>075</b>	<b>37.232.143</b>	<b>16.631.338</b>
1. Profit for the current year	076	37.232.143	16.631.338
2. Loss for the current year	077		
<b>IX. MINORITY INTERESTS</b>	<b>078</b>		
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	<b>0</b>	<b>0</b>
1. Provisions for pensions, severance pay, and similar liabilities	080		
2. Reserves for tax liabilities	081		
3. Other reserves	082		
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	<b>229.589.347</b>	<b>208.543.718</b>
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	1.375.750	1.212.974
3. Liabilities to banks and other financial institutions	086	228.213.597	207.330.744
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		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	<b>527.558.401</b>	<b>457.634.957</b>
1. Liabilities to related parties	094	30.738.212	31.078
2. Liabilities for loans, deposits etc.	095	7.443.244	6.195.972
3. Liabilities to banks and other financial institutions	096	101.174.511	137.875.130
4. Liabilities for received prepayments	097	1.302.698	4.181.605
5. Accounts payable	098	313.719.185	233.990.076
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	1.284.066	1.454.260
9. Liabilities for taxes, contributions and similar fees	102	2.101.273	6.255.228
10. Liabilities to share - holders	103	30.963	30.963
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	69.764.249	67.620.645
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>	<b>181.880</b>	<b>484.400</b>
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>1.423.229.266</b>	<b>1.349.194.051</b>
<b>G) OFF-BALANCE RECORDS</b>	<b>108</b>	<b>291.648.942</b>	<b>287.045.376</b>
<b>APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)</b>			
<b>CAPITAL AND RESERVES</b>			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interest	110		

**PROFIT AND LOSS ACCOUNT**  
for the period 01.01.2017. do 31.03.2017.

VIRO TVORNICA ŠEĆERA d.d.

Item	AOP code	Last year		Current year	
		Comulative	Quarterly	Comulative	Quarterly
1	2	3	4	5	6
<b>I. OPERATING REVENUE (112+113)</b>	<b>111</b>	<b>107.280.233</b>	<b>107.280.233</b>	<b>177.920.968</b>	<b>177.920.968</b>
1. Sales revenue	112	106.236.019	106.236.019	177.244.385	177.244.385
2. Other operating revenues	113	1.044.214	1.044.214	676.583	676.583
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	<b>105.254.509</b>	<b>105.254.509</b>	<b>172.420.337</b>	<b>172.420.337</b>
1. Changes in value of work in progress and finished products i and finished products	115	35.621.973	35.621.973	68.165.640	68.165.640
2. Material costs (117 to 119)	116	53.909.039	53.909.039	88.133.789	88.133.789
a) Raw material and material costs	117	3.744.554	3.744.554	2.790.304	2.790.304
b) Costs of goods sold	118	42.782.044	42.782.044	79.216.802	79.216.802
c) Other external costs	119	7.382.441	7.382.441	6.126.683	6.126.683
3. Staff costs (121 to 123)	120	4.947.770	4.947.770	5.079.473	5.079.473
a) Net salaries and wages	121	3.049.510	3.049.510	3.210.795	3.210.795
b) Cost for taxes and contributions from salaries	122	1.175.036	1.175.036	1.142.653	1.142.653
c) Contributions on gross salaries	123	723.224	723.224	726.025	726.025
4. Depreciation	124	7.406.637	7.406.637	6.529.102	6.529.102
5. Other costs	125	2.657.288	2.657.288	2.775.912	2.775.912
6. Impairment (127+128)	126	0	0	0	0
a) Impairment of long-term assets (financial assets excluded)	127				
b) Impairment of short - term assets (financial assets excluded)	128				
7. Provisions	129				
8. Other operating costs	130	711.802	711.802	1.736.421	1.736.421
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	<b>7.337.706</b>	<b>7.337.706</b>	<b>16.754.511</b>	<b>16.754.511</b>
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	6.228	6.228	284.075	284.075
2. Interest income, foreign exchange gains, dividends and similar income from non - related parties and other entities	133	7.331.478	7.331.478	9.105.584	9.105.584
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135				
5. Other financial income	136			7.364.852	7.364.852
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	<b>5.985.266</b>	<b>5.985.266</b>	<b>5.623.804</b>	<b>5.623.804</b>
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related parties	138	2.586.249	2.586.249	2.901.629	2.901.629
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non - related parties and other entities	139	3.399.017	3.399.017	2.722.175	2.722.175
3. Unrealized losses (expenses) on financial assets	140				
4. Other financial expenses	141				
<b>V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	<b>142</b>				
<b>VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	<b>143</b>				
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>				
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>				
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	<b>146</b>	<b>114.617.939</b>	<b>114.617.939</b>	<b>194.675.479</b>	<b>194.675.479</b>
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	<b>111.239.775</b>	<b>111.239.775</b>	<b>178.044.141</b>	<b>178.044.141</b>
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	<b>3.378.164</b>	<b>3.378.164</b>	<b>16.631.338</b>	<b>16.631.338</b>
1. Profit before taxation (146-147)	149	3.378.164	3.378.164	16.631.338	16.631.338
2. Loss before taxation (147-146)	150	0	0	0	0
<b>XII. PROFIT TAX</b>	<b>151</b>				
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	<b>3.378.164</b>	<b>3.378.164</b>	<b>16.631.338</b>	<b>16.631.338</b>
1. Profit for the period (149-151)	153	3.378.164	3.378.164	16.631.338	16.631.338
2. Loss for the period (151-148)	154	0	0	0	0
<b>APPENDIX to P&amp;L account (to be filled in by entrepreneur that prepares consolidated financial report)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interest	156				
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	<b>3.378.164</b>	<b>3.378.164</b>	<b>16.631.338</b>	<b>16.631.338</b>
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)</b>	<b>158</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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 reevaluation of financial assets available for sale	161				
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				
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>				
<b>IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)</b>	<b>167</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	<b>3.378.164</b>	<b>3.378.164</b>	<b>16.631.338</b>	<b>16.631.338</b>
<b>APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interest	170				

**STATEMENT OF CASH FLOWS - INDIRECT METHOD**

for the period 1.1.2017 do 31.3.2017

Item	AOP code	Last year	Current year
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	3.378.164	16.631.338
2. Depreciation	002	7.406.637	6.529.102
3. Increase in short term liabilities	003		
4. Decrease in short term receivables	004	88.775.900	46.483.773
5. Decrease in inventories	005	22.423.201	63.879.552
6. Other increase in cash flow	006	6.540.172	1.842.862
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>128.524.074</b>	<b>135.366.627</b>
1. Decrease in short term liabilities	008	116.213.623	105.376.792
2. Increase in short term receivables	009		
3. Increase in inventories	010		
4. Other decrease in cash flow	011	5.592.552	61.936.381
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>121.806.175</b>	<b>167.313.173</b>
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES AKTIVNOSTI (007-012)</b>	<b>013</b>	<b>6.717.899</b>	
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES AKTIVNOSTI (012-007)</b>	<b>014</b>		<b>31.946.546</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	015		58.333
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	100.504	116.003
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019	2.586.249	891.260
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	<b>2.686.753</b>	<b>1.065.596</b>
1. Cash outflow for purchase of long-term tangible and intangible assets	021	2.068.635	212.994
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	524.171	15.722
<b>IV. Total cash outflow for investing activities (021 do 023)</b>	<b>024</b>	<b>2.592.806</b>	<b>228.716</b>
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	<b>93.947</b>	<b>836.880</b>
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES AKTIVNOSTI (024-020)</b>	<b>026</b>		
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	71.499.768	67.908.500
3. Other proceeds from financial activities	029	24.728.278	
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	<b>96.228.046</b>	<b>67.908.500</b>
1. Cash outflow for repayment of credit principal and bonds	031	67.343.436	47.376.122
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033	1.709.024	872.338
4. Cash outflow for purchase of treasury shares	034		
5. Other cash outflow for financial activities	035	24.435.147	500.000
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	<b>93.487.607</b>	<b>48.748.460</b>
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES AKTIVNOSTI (030-036)</b>	<b>037</b>	<b>2.740.439</b>	<b>19.160.040</b>
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES AKTIVNOSTI (036-030)</b>	<b>038</b>		
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	9.552.285	
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040		11.949.626
Cash and cash equivalents at the beginning of the period	041	7.002.279	22.411.336
Increase of cash and cash equivalents	042	9.552.285	0
Decrease of cash and cash equivalents	043	0	11.949.626
Cash and cash equivalents at the end of the period	044	16.554.564	10.461.710

## STATEMENT OF CHANGES IN EQUITY

for the period **1.1.2017** do **31.3.2017**

Item	AOP code	Last year	Current year
1	2	3	4
1. Subscribed capital	001	249.600.060	249.600.060
2. Capital reserves	002	10.368.101	10.368.101
3. Reserves from profit	003	56.346.673	56.346.673
4. Retained earnings or accumulated loss	004	312.352.661	349.584.804
5. Profit or loss for the current year	005	37.232.143	16.631.338
6. Revaluation of long - term tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009		
<b>10. Total capital and reserves (AOP 001 do 009)</b>	<b>010</b>	<b>665.899.638</b>	<b>682.530.976</b>
11. Currency gains and losses arising from net investment in foreign operations	011		
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policy	014		
15. Correction of significant errors in prior period	015		
16. Other changes of capital	016		
<b>17. Total increase or decrease in capital (AOP 011 do 016)</b>	<b>017</b>	<b>0</b>	<b>0</b>
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		