



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

**STATEMENT OF PERSON RESPONSIBLE FOR PRODUCTION OF THE
THREE-MONTH REPORT FOR 1Q 2018**

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 2018, 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 16, 2018

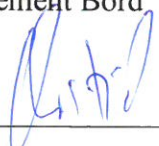
RESPONSIBLE PERSON

PRESIDENT OF THE
MANAGEMENT BOARD:

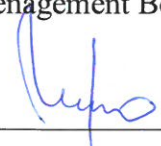



Željko Zadro, dipl.oec

Darko Krstić, Member of the
Management Bord



Ivo Rešić, Member of the
Management Bord



Appendix 1

Reporting period:

1.1.2018

to

31.3.2018

Quarterly Financial Report - TFI-PODRegistration number (MB) Identification number of subject (MBS) Personal identification number (OIB) Issuer company: Postal code and place Street and number E-mail address: Internet address: Code and name of comune/town Code and county name Number of employees

(at quarter end)

Consolidated statement NKD/NWC code:

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

Book keeping service: Contact person:

(fill in only surname and name of contact person)

Phone number: Fascimile: E-mail address: Surname and name:

(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 31.3.2018

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+029+033)	002	692.483.146	686.285.153
I. INTANGIBLE ASSETS (004 to 009)	003	515.755	967.916
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	515.755	967.916
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	156.523.874	150.009.560
1. Land	011	5.548.592	5.548.592
2. Buildings	012	62.595.526	61.060.713
3. Plant and equipment	013	49.960.898	45.390.877
4. Tools, facility inventory and transport assets	014		
5. Biological assets	015		
6. Prepayments for tangible assets	016	34.254.275	33.882.165
7. Tangible assets in progress	017	2.230.095	2.230.095
8. Other tangible assets	018	9.300	9.300
9. Investments in buildings	019	1.925.188	1.887.818
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	535.443.517	535.307.677
1. Investments (shares) with related parties	021	419.833.409	419.829.244
2. Loans given to related parties	022	115.338.105	115.207.249
3. Participating interest (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025	13.848	13.697
6. Loans, deposits and similar assets	026	258.155	257.487
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033		
C) SHORT TERM ASSETS (035+043+050+058)	034	525.589.492	530.610.845
I. INVENTORIES (036 to 042)	035	168.479.068	108.254.259
1. Raw-material and supplies	036	15.746.983	15.648.639
2. Work in progress	037		13.367.885
3. Finished goods	038	125.761.431	31.171.888
4. Merchandise	039	22.475.298	42.431.370
5. Prepayments for inventories	040	4.495.356	5.634.477
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	135.261.230	168.797.455
1. Receivables from related parties	044	45.106.773	49.206.281
2. Accounts receivable	045	80.332.841	115.303.257
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	759	2.639
5. Receivables from government and other institutions	048	9.664.925	4.131.507
6. Other receivables	049	155.932	153.771
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	159.166.060	242.829.073
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	152.546.574	236.092.024
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	6.219.986	6.337.549
7. Other financial assets	057	399.500	399.500
IV. CASH AT BANK AND IN CASHIER	058	62.683.134	10.730.058
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	1.503.946	1.243.264
E) TOTAL ASSETS (001+002+034+059)	060	1.219.576.584	1.218.139.262
F) OFF-BALANCE RECORDS	061	120.241.416	159.359.574

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	562.457.426	581.349.920
I. SUBSCRIBED CAPITAL	063	249.600.060	249.600.060
II. CAPITAL RESERVES	064	10.368.101	10.368.101
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	56.346.673	56.346.673
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		
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	349.584.804	246.142.592
1. Retained earnings	073	349.584.804	246.142.592
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-103.442.212	18.892.494
1. Profit for the current year	076		18.892.494
2. Loss for the current year	077	103.442.212	
IX. MINORITY INTERESTS	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	157.643.945	138.589.439
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	572.633	487.199
3. Liabilities to banks and other financial institutions	086	157.071.312	138.102.240
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	499.168.562	497.998.501
1. Liabilities to related parties	094	5.174.487	5.291.751
2. Liabilities for loans, deposits etc.	095	12.999.840	4.925.266
3. Liabilities to banks and other financial institutions	096	259.345.545	311.921.886
4. Liabilities for received prepayments	097	13.553.903	32.523.944
5. Accounts payable	098	162.866.591	131.175.346
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	1.427.626	1.291.887
9. Liabilities for taxes, contributions and similar fees	102	6.566.560	7.603.832
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	37.203.047	3.233.626
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	306.651	201.402
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	1.219.576.584	1.218.139.262
G) OFF-BALANCE RECORDS	108	120.241.416	159.359.574
APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)			
CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interest	110		

PROFIT AND LOSS ACCOUNT
for the period 01.01.2018. do 31.03.2018.

VIRO TVORNICA ŠEĆERA d.d.

Item	AOP code	Last year		Current year	
		Comulative	Quarterly	Comulative	Quarterly
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)					
1. Sales revenue	111	177.920.968	177.920.968	198.732.211	198.732.211
2. Other operating revenues	112	177.244.385	177.244.385	198.669.127	198.669.127
	113	676.583	676.583	63.084	63.084
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)					
1. Changes in value of work in progress and finished products	114	172.420.337	172.420.337	204.760.569	204.760.569
i and finished products	115	68.165.640	68.165.640	81.221.659	81.221.659
2. Material costs (117 to 119)	116	88.133.789	88.133.789	109.718.497	109.718.497
a) Raw material and material costs	117	2.790.304	2.790.304	2.025.563	2.025.563
b) Costs of goods sold	118	79.216.802	79.216.802	96.584.206	96.584.206
c) Other external costs	119	6.126.683	6.126.683	11.108.728	11.108.728
3. Staff costs (121 to 123)	120	5.079.473	5.079.473	5.415.470	5.415.470
a) Net salaries and wages	121	3.210.795	3.210.795	3.429.593	3.429.593
b) Cost for taxes and contributions from salaries	122	1.142.653	1.142.653	1.233.363	1.233.363
c) Contributions on gross salaries	123	726.025	726.025	752.514	752.514
4. Depreciation	124	6.529.102	6.529.102	6.351.424	6.351.424
5. Other costs	125	2.775.912	2.775.912	1.494.935	1.494.935
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	1.736.421	1.736.421	558.584	558.584
III. FINANCIAL INCOME (132 to 136)					
1. Interest income, foreign exchange gains, dividends and similar income from related parties	131	16.754.511	16.754.511	31.629.288	31.629.288
2. Interest income, foreign exchange gains, dividends and similar income from non - related parties and other entities	132	284.075	284.075	2.835.239	2.835.239
3. Share in income from affiliated entrepreneurs and participating interests	133	9.105.584	9.105.584	3.507.481	3.507.481
4. Unrealized gains (income) from financial assets	134				
5. Other financial income	135				
	136	7.364.852	7.364.852	25.286.568	25.286.568
IV. FINANCIAL EXPENSES (138 do 141)					
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related parties	137	5.623.804	5.623.804	6.708.436	6.708.436
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non - related parties and other entities	138	2.901.629	2.901.629	1.690.519	1.690.519
3. Unrealized losses (expenses) on financial assets	139	2.722.175	2.722.175	5.017.917	5.017.917
4. Other financial expenses	140				
	141				
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	194.675.479	194.675.479	230.361.499	230.361.499
X. TOTAL EXPENSES (114+137+143 + 145)	147	178.044.141	178.044.141	211.469.005	211.469.005
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	16.631.338	16.631.338	18.892.494	18.892.494
1. Profit before taxation (146-147)	149	16.631.338	16.631.338	18.892.494	18.892.494
2. Loss before taxation (147-146)	150	0	0	0	0
XII. PROFIT TAX	151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	16.631.338	16.631.338	18.892.494	18.892.494
1. Profit for the period (149-151)	153	16.631.338	16.631.338	18.892.494	18.892.494
2. Loss for the period (151-148)	154	0	0	0	0
APPENDIX to P&L account (to be filled in by entrepreneur that prepares consolidated financial report)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	16.631.338	16.631.338	18.892.494	18.892.494
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)	158	0	0	0	0
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				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	16.631.338	16.631.338	18.892.494	18.892.494
APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interest	170				

STATEMENT OF CASH FLOWS - INDIRECT METHOD

for the period 1.1.2018 do 31.3.2018

Item	AOP code	Last year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	16.631.338	18.892.494
2. Depreciation	002	6.529.102	6.351.424
3. Increase in short term liabilities	003		
4. Decrease in short term receivables	004	46.483.773	
5. Decrease in inventories	005	63.879.552	60.224.809
6. Other increase in cash flow	006	1.842.862	260.682
I. Total increase in cash flow from operating activities (001 to 006)	007	135.366.627	85.729.409
1. Decrease in short term liabilities	008	105.376.792	45.733.064
2. Increase in short term receivables	009		33.536.225
3. Increase in inventories	010		
4. Other decrease in cash flow	011	61.936.381	86.251.315
II. Total decrease in cash flow from operating activities (008 to 011)	012	167.313.173	165.520.604
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013		
AKTIVNOSTI (007-012)			
A2) NET DECREASE IN CASH FLOW FROM OPERATING ACTIVITIES	014	31.946.546	79.791.195
AKTIVNOSTI (012-007)			
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015	58.333	372.109
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	116.003	12.180
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019	891.260	135.840
III. Total cash inflows from investing activities (015 to 019)	020	1.065.596	520.129
1. Cash outflow for purchase of long-term tangible and intangible assets	021	212.994	661.380
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	15.722	
IV. Total cash outflow for investing activities (021 do 023)	024	228.716	661.380
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	836.880	
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026		141.251
AKTIVNOSTI (024-020)			
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	67.908.500	161.833.308
3. Other proceeds from financial activities	029		5.500.000
V. Total cash inflows from financial activities (027 to 029)	030	67.908.500	167.333.308
1. Cash outflow for repayment of credit principal and bonds	031	47.376.122	125.700.160
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033	872.338	153.778
4. Cash outflow for purchase of treasury shares	034		
5. Other cash outflow for financial activities	035	500.000	13.500.000
VI. Total cash outflow for financial activities (031 to 035)	036	48.748.460	139.353.938
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	19.160.040	27.979.370
AKTIVNOSTI (030-036)			
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038		
AKTIVNOSTI (036-030)			
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039		
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	11.949.626	51.953.076
Cash and cash equivalents at the beginning of the period	041	22.411.336	62.683.134
Increase of cash and cash equivalents	042	0	0
Decrease of cash and cash equivalents	043	11.949.626	51.953.076
Cash and cash equivalents at the end of the period	044	10.461.710	10.730.058

STATEMENT OF CHANGES IN EQUITY

for the period **1.1.2018** do **31.3.2018**

Item 1	AOP code 2	Last year 3	Current year 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	349.584.804	246.142.592
5. Profit or loss for the current year	005	-103.442.212	18.892.494
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		
10. Total capital and reserves (AOP 001 do 009)	010	562.457.426	581.349.920
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		
17. Total increase or decrease in capital (AOP 011 do 016)	017	0	0
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

Notes

THERE WERE NO ACCOUNTING POLICY CHANGES IN RELATION TO HTE ANNUAL FINANCIAL REPORT FOR YEAR 2017.