



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

**STATEMENT OF PERSON RESPONSIBLE FOR PRODUCTION OF THE  
CONSOLIDATED REPORT FOR 4Q 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 consolidated financial reports of VIRO TVORNICA ŠEĆERA d.d., Zagreb and its subsidiaries for the period I-XII 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 Group.
- The Management report contains a true overview of business results and position of the Group, with a description of the most significant risks and uncertainties to which the Group is exposed.

In Zagreb, on February 27, 2019


RESPONSIBLE PERSON:

PRESIDENT OF THE MANAGEMENT BOARD

  
\_\_\_\_\_  
Željko Zadro, dipl.oec.



MEMBER OF THE MANAGEMENT BOARD

  
\_\_\_\_\_  
Darko Krstić, dipl.oec

MEMBER OF THE MANAGEMENT BOARD

  
\_\_\_\_\_  
Ivo Rešić, mr.sc.

**Appendix 1**

Reporting period:

01.01.2018.

to

31.12.2018.

**Quarterly Financial Report - TFI-POD**

Registration 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

Consolidated statement

Number of employees (at quarter end)

NKD/NWC code:

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

SLADORANA d.o.o.	ŠEĆERANA 63, ŽUPANJA	03307484
SLAVONIJA ŽUPANJA d.d.	J.J.STROSSMAYERA 65, ŽUPANJA	01841009
VIRO-KOOPERACIJA d.o.o.	ŠEĆERANA 63, ŽUPANJA	02835398
VIRO BH d.o.o.	HRVATSKIH BRANITELJA 21, GRUDE, BIH	64-01-0029-17

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 31.12.2018.

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>	<b>520.812.391</b>	<b>509.194.205</b>
<b>I. INTANGIBLE ASSETS (004 to 009)</b>	<b>003</b>	<b>876.085</b>	<b>6.506.824</b>
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	876.085	6.506.824
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>515.464.345</b>	<b>489.431.518</b>
1. Land	011	38.750.891	38.750.891
2. Buildings	012	227.964.481	217.022.529
3. Plant and equipment	013	183.910.605	148.435.695
4. Tools, facility inventory and transport assets	014	2.540.528	5.573.181
5. Biological assets	015		
6. Prepayments for tangible assets	016	34.254.275	33.816.284
7. Tangible assets in progress	017	26.073.477	44.012.331
8. Other tangible assets	018	44.900	44.900
9. Investments in buildings	019	1.925.188	1.775.707
<b>III. LONG-TERM FINANCIAL ASSETS (021 to 028)</b>	<b>020</b>	<b>4.162.701</b>	<b>13.106.909</b>
1. Investments (shares) with related parties	021	900.000	5.478.300
2. Loans given to related parties	022		3.349.907
3. Participating interest (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025	917.258	908.620
6. Loans, deposits and similar assets	026	2.345.443	3.370.082
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>309.260</b>	<b>148.954</b>
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031		
3. Other receivables	032	309.260	148.954
<b>V. DEFERRED TAX ASSETS</b>	<b>033</b>		
<b>C) SHORT TERM ASSETS (035+043+050+058)</b>	<b>034</b>	<b>726.194.647</b>	<b>463.884.755</b>
<b>I. INVENTORIES (036 to 042)</b>	<b>035</b>	<b>485.469.204</b>	<b>350.273.647</b>
1. Raw-material and supplies	036	39.465.980	110.029.480
2. Work in progress	037		
3. Finished goods	038	406.044.319	212.599.873
4. Merchandise	039	35.008.468	22.161.980
5. Prepayments for inventories	040	4.950.437	5.482.314
6. Long - term assets held for sales	041		
7. Biological assets	042		
<b>II. RECEIVABLES (044 to 049)</b>	<b>043</b>	<b>154.118.758</b>	<b>84.405.794</b>
1. Receivables from related parties	044	3.271.551	12.105.443
2. Accounts receivable	045	116.506.784	52.284.738
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	6.663	5.364
5. Receivables from government and other institutions	048	33.569.740	17.174.886
6. Other receivables	049	764.020	2.835.363
<b>III. SHORT TERM FINANCIAL ASSETS (051 to 057)</b>	<b>050</b>	<b>14.506.338</b>	<b>24.368.793</b>
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	6.694.760	14.672.297
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	7.320.078	8.904.496
7. Other financial assets	057	491.500	792.000
<b>IV. CASH AT BANK AND IN CASHIER</b>	<b>058</b>	<b>72.100.347</b>	<b>4.836.521</b>
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>	<b>3.202.643</b>	<b>3.250.641</b>
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	<b>1.250.209.681</b>	<b>976.329.601</b>
<b>F) OFF-BALANCE RECORDS</b>	<b>061</b>	<b>1.448.792.590</b>	<b>1.150.076.345</b>



Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
<b>LIABILITIES AND CAPITAL</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>301.180.049</b>	<b>195.281.833</b>
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	56.417.086	51.781.965
1. Reserves prescribed by law	066	12.532.960	12.532.959
2. Reserves for treasury shares	067	43.866.670	39.231.550
3. Treasury stocks and shares (deduction)	068		
4. Statutory reserves	069		
5. Other reserves	070	17.456	17.456
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	155.502.891	-20.953.985
1. Retained earnings	073	155.502.891	
2. Accumulated loss	074		20.953.985
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-176.840.330	-100.674.245
1. Profit for the current year	076		
2. Loss for the current year	077	176.840.330	100.674.245
IX. MINORITY INTERESTS	078	6.132.241	5.159.937
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	<b>453.209</b>	<b>453.209</b>
1. Provisions for pensions, severance pay, and similar liabilities	080		
2. Reserves for tax liabilities	081		
3. Other reserves	082	453.209	453.209
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	<b>169.068.573</b>	<b>96.886.212</b>
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	945.496	347.225
3. Liabilities to banks and other financial institutions	086	168.123.077	94.978.340
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		1.560.647
9. Deferred tax liability	092		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	<b>763.877.291</b>	<b>668.392.810</b>
1. Liabilities to related parties	094	2.175	6.028.085
2. Liabilities for loans, deposits etc.	095	13.307.340	7.469.807
3. Liabilities to banks and other financial institutions	096	374.102.814	375.011.456
4. Liabilities for received prepayments	097	21.271.550	32.038.074
5. Accounts payable	098	306.020.326	239.997.574
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	3.379.307	3.294.136
9. Liabilities for taxes, contributions and similar fees	102	7.991.230	3.978.997
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	37.771.586	543.718
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>	<b>15.630.559</b>	<b>15.315.537</b>
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>1.250.209.681</b>	<b>976.329.601</b>
<b>G) OFF-BALANCE RECORDS</b>	<b>108</b>	<b>1.448.792.590</b>	<b>1.150.076.345</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	295.047.808	190.121.896
2. Attributed to minority interest	110	6.132.241	5.159.937



**PROFIT AND LOSS ACCOUNT**  
for the period 01.01.2018. do 31.12.2018.

Item	AOP code	Last year		Current year	
		Cumulative	Quarterly	Cumulative	Quarterly
1	2	3	4	5	6
<b>I. OPERATING REVENUE (112+113)</b>					
1. Sales revenue	111	1.036.554.832	255.498.420	675.920.074	154.784.232
2. Other operating revenues	112	1.020.907.676	246.602.845	649.326.701	147.848.480
	113	15.647.156	8.895.575	26.593.373	6.935.752
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	114	1.211.208.085	425.649.104	806.367.593	242.089.872
1. Changes in value of work in progress and finished products	115	-115.783.700	-130.268.257	168.333.048	-58.740.785
2. Material costs (117 to 119)	116	1.067.360.210	405.434.775	458.299.368	216.934.138
a) Raw material and material costs	117	705.355.439	357.354.693	232.437.676	176.452.755
b) Costs of goods sold	118	289.953.633	24.753.523	165.171.145	26.184.293
c) Other external costs	119	72.051.138	23.326.559	60.690.547	14.297.090
3. Staff costs (121 to 123)	120	57.281.722	15.798.554	54.517.182	14.134.641
a) Net salaries and wages	121	36.151.010	10.017.796	34.384.346	8.974.137
b) Cost for taxes and contributions from salaries	122	12.946.660	3.543.744	12.431.424	3.162.850
c) Contributions on gross salaries	123	8.184.052	2.237.014	7.701.412	1.997.654
4. Depreciation	124	55.628.465	14.131.633	51.133.774	11.682.855
5. Other costs	125	25.539.035	4.974.846	15.299.879	4.186.520
6. Impairment (127+128)	126	95.264.269	95.264.269	32.995.270	32.995.270
a) Impairment of long-term assets (financial assets excluded)	127				
b) Impairment of short-term assets (financial assets excluded)	128	95.264.269	95.264.269	32.995.270	32.995.270
7. Provisions	129				
8. Other operating costs	130	25.918.084	20.313.284	25.789.072	20.897.233
<b>III. FINANCIAL INCOME (132 to 136)</b>	131	39.000.322	15.949.547	62.436.313	12.279.246
1. Interest income, foreign exchange gains, dividends and similar income from related parties povezanim poduzetnicima	132	762.239	164.465	1.042.488	274.430
2. Interest income, foreign exchange gains, dividends and similar income from non-related	133	14.787.783	526.632	8.784.595	842.073
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135	49.500	49.500	300.500	
5. Other financial income	136	23.400.800	15.208.950	52.308.730	11.162.743
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	137	41.421.601	10.097.901	33.615.551	7.945.617
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138	706.126	17.078	740.711	43.033
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non-	139	38.562.884	10.077.868	32.866.380	7.894.124
3. Unrealized losses (expenses) on financial assets	140	2.898	2.898	8.460	8.460
4. Other financial expenses	141	2.149.693	57		
<b>V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	142				
<b>VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	143				
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	144				
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	145				
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	146	1.075.555.154	271.447.967	738.356.387	167.063.478
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	147	1.252.629.686	435.747.005	839.983.144	250.035.489
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	148	-177.074.532	-164.299.038	-101.626.757	-82.972.011
1. Profit before taxation (146-147)	149	0	0	0	0
2. Loss before taxation (147-146)	150	177.074.532	164.299.038	101.626.757	82.972.011
<b>XII. PROFIT TAX</b>	151	0	0	0	0
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	152	-177.074.532	-164.299.038	-101.626.757	-82.972.011
1. Profit for the period (149-151)	153	0	0	0	0
2. Loss for the period (151-148)	154	177.074.532	164.299.038	101.626.757	82.972.011
<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	-176.840.330	-164.132.277	-100.674.245	-82.191.586
2. Attributed to minority interest	156	-234.202	-166.761	-952.512	-780.425
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	157	-177.074.532	-164.299.038	-101.626.757	-82.972.011
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)</b>	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				
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	166				
<b>IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)</b>	167	0	0	0	0
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	168	-177.074.532	-164.299.038	-101.626.757	-82.972.011
<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	-176.840.330	-164.132.277	-100.674.245	-82.191.586
2. Attributed to minority interest	170	-234.202	-166.761	-952.512	-780.425



## STATEMENT OF CASH FLOWS - INDIRECT METHOD

for the period 1.1.2018 do 31.12.2018

Item	AOP code	Last year	Current year
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	-177.074.532	-101.626.757
2. Depreciation	002	55.628.465	51.133.774
3. Increase in short term liabilities	003	17.828.607	16.833.673
4. Decrease in short term receivables	004	54.597.128	78.424.630
5. Decrease in inventories	005	148.967.579	139.106.040
6. Other increase in cash flow	006	10.591.153	1.708.585
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>110.538.400</b>	<b>185.579.945</b>
1. Decrease in short term liabilities	008	132.918.349	102.871.659
2. Increase in short term receivables	009		9.958.227
3. Increase in inventories	010		3.304.081
4. Other decrease in cash flow	011		22.117.302
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>132.918.349</b>	<b>138.251.269</b>
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>0</b>	<b>47.328.676</b>
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>22.379.949</b>	<b>0</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	015	162.862	729.289
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	3.913.878	9.296.176
4. Dividend receipts	018	77.328	75.390
5. Other cash inflows from investing activities	019	39.246.479	17.025.186
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	<b>43.400.547</b>	<b>27.126.041</b>
1. Cash outflow for purchase of long-term tangible and intangible assets	021	34.611.917	31.519.701
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	5.112.305	12.191.005
<b>IV. Total cash outflow for investing activities (021 do 023)</b>	<b>024</b>	<b>39.724.222</b>	<b>43.710.706</b>
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	<b>3.676.325</b>	<b>0</b>
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>0</b>	<b>16.584.665</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	494.803.446	398.409.964
3. Other proceeds from financial activities	029	8.073.669	9.217.808
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	<b>502.877.115</b>	<b>407.627.772</b>
1. Cash outflow for repayment of credit principal and bonds	031	434.531.763	468.365.119
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033	2.728.635	798.048
4. Cash outflow for purchase of treasury shares	034		4.635.120
5. Other cash outflow for financial activities	035	2.682.392	31.837.322
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	<b>439.942.790</b>	<b>505.635.609</b>
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>037</b>	<b>62.934.325</b>	<b>0</b>
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>038</b>	<b>0</b>	<b>98.007.837</b>
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	44.230.701	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	67.263.826
Cash and cash equivalents at the beginning of the period	041	27.869.646	72.100.347
Increase of cash and cash equivalents	042	44.230.701	0
Decrease of cash and cash equivalents	043	0	67.263.826
Cash and cash equivalents at the end of the period	044	72.100.347	4.836.521

**STATEMENT OF CHANGES IN EQUITY**  
for the period 1.1.2018 do 31.12.2018

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	56.417.086	51.781.965
4. Retained earnings or accumulated loss	004	155.502.891	-20.953.985
5. Profit or loss for the current year	005	-176.840.330	-100.674.245
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>295.047.808</b>	<b>190.121.896</b>
11. Currency gains and losses arising from net investement 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	295.047.808	190.121.896
17 b. Attributed to minority interest	019	6.132.241	5.159.937



## **Notes**

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