



**Results for 2018 and
the first quarter of 2019**



Financial results for 2018

Key features of 2018



HRK 1,321.3 M

RECORD REVENUE



HRK 89.3 M

RECORD PROFIT



EUR 136 M

NEW DEALS



79

ACTIVE PROJECTS

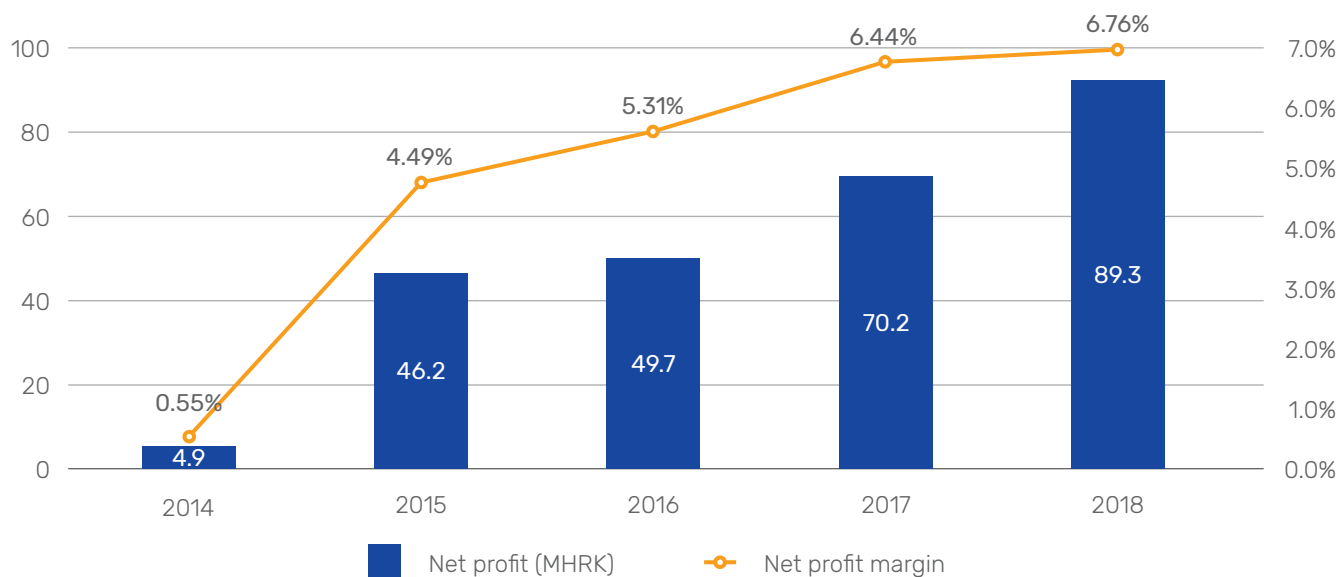
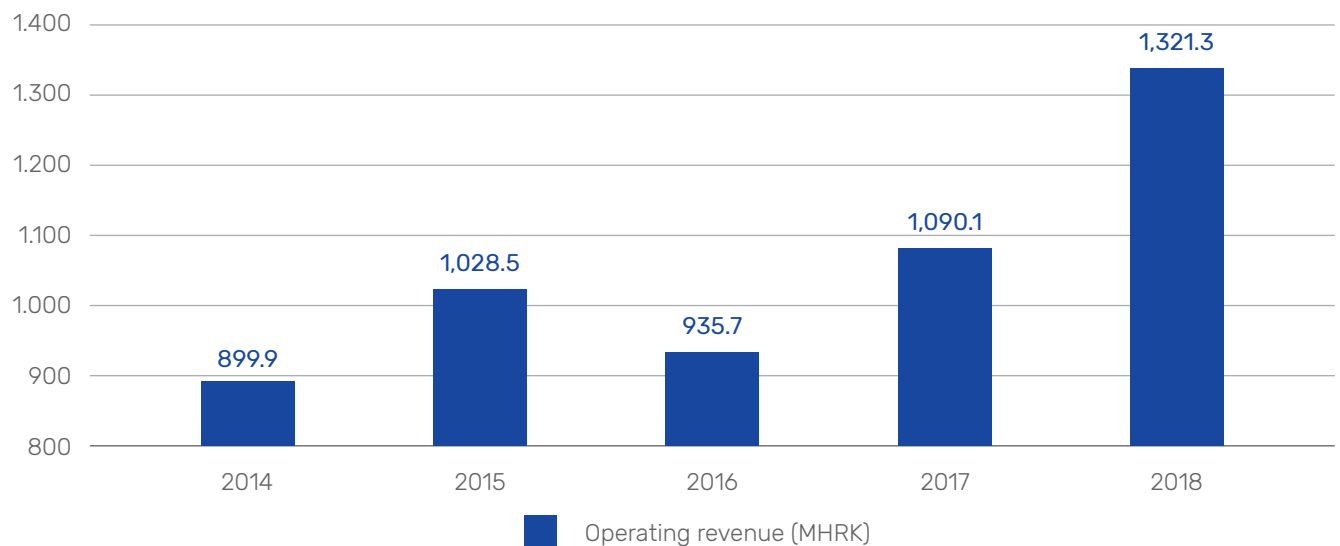


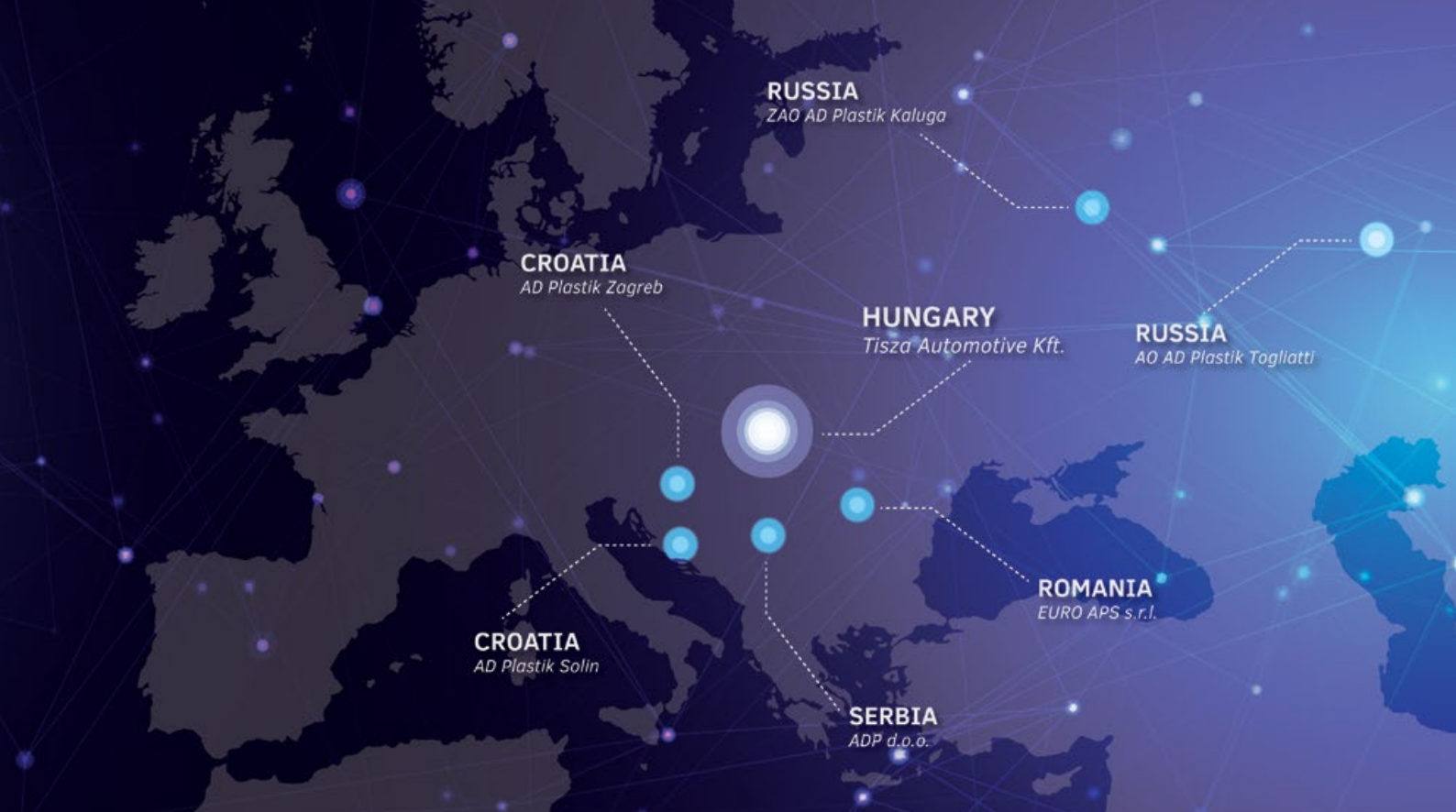
ACQUISITION OF
TISZA AUTOMOTIVE



PRIME MARKET OF THE
ZAGREB STOCK EXCHANGE

Record revenue and profit of the Group





Acquisition of Tisza Automotive

In July 2018 we became 100% owner of the Hungarian company Tisza Automotive.

Thus we have achieved:

- strategic goal of the company's growth and development
- diversification and expansion of customer portfolio (Suzuki, Bentley)
- entering one of the fastest growing markets
- around 10% higher Group's revenue in the future

Tisza Automotive is a plastic components manufacturer with more than 15 years of experience in the automotive industry. It is a leading supplier for Suzuki factory in Hungary and, apart from them, their most important customers are Volkswagen and Bentley. As a Tier 2 supplier, the company produces components for Rehau, APCB, Reydel, Hanon Systems, Vernicolor, Mitsuba, Heycoastics and others. The factory has more than 400 employees and annual revenue amounts to around HRK 150 million.

New deals worth EUR 136 million

New deals with total value of EUR 136 million have been sealed, of which EUR 110.7 million refers to the European market and EUR 25.5 million refers to the Russian market.



European market

Ford Puma – EUR 80 million

AD Plastik Group has sealed new deals on production of side fender claddings and decorative door trims for new mini SUV Ford Puma. Expected revenue amounts to EUR 80 million during the eight year period, and start of production is planned in the last quarter of 2019. Regarding cooperation with Ford, it is important to point out deal sealed for the first time regarding painting technology.

PSA Group and Hella – EUR 30.7 million

A deal has been sealed on production of absorber for vehicle Buick for American market which is produced by the French PSA Group. The start of production is planned in 2021, with a projected duration of six years. A deal was also sealed on production of glass run channels for various vehicle models (Citroen C4, Picasso, C-Elysee and Peugeot 301 and 308). Expected project duration is 6 to 12 years, depending on a certain model. The start of serial productions is mostly planned in 2020. A new deal was sealed for the long-standing customer Hella on production of light housings with expected project duration of three years.



Russian market

VW Group – EUR 19.1 million

New deals have been sealed on production of engine covers, rear door trims and wheel arch liners as well as grab handles for the vehicles Volkswagen Polo and Škoda Rapid with an estimated project duration of seven years. The deal has been sealed on the production of fender protectors for VW Tiguan with project duration of six years and start of serial production is planned in 2019.

Renault Group – EUR 6.4 million

New deals on production of exterior components for the vehicles Logan Sandero, Stepway and Duster phase 2 have been sealed, production of which should begin in 2019 with a four years duration. A deal was also sealed on production of grille for Duster phase 2, whose serial production should begin in 2020 and project duration is three years. A deal was sealed on the production of deflectors, sensor and camera brackets for the Kaptur vehicle, whose production is planned in 2020 with a three years duration. Wheel arch liners will also be produced for Renault Duster from 2021 and the estimated project duration is three years.

Project year 79 active projects

389 tools in the stage of making

129 devices

41 PokaYoka

226 control gauges

Serial production began for 25 projects and 54 projects were active at the end of the year.

Preparation of Group's key projects for the serial production in 2019:

- Twingo - phase 2
- Smart - phase 2
- Renault Clio 5
- Ford Puma

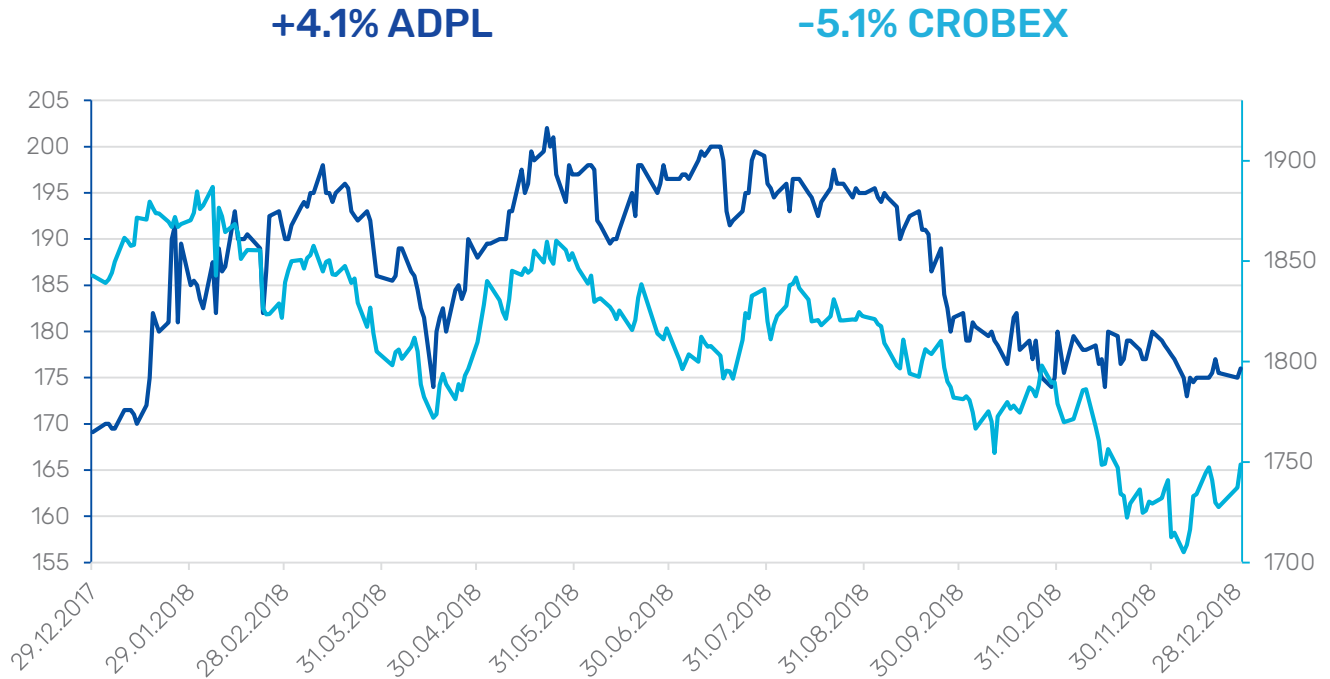
The most significant projects in the reporting period were related to Renault Group, namely to exterior components of Twingo and Clio, for which more than 50 tools were developed. No less important are their interior components for which we are Tier 2 suppliers with the same time schedules.





Capital market – entering the Prime Market of the Zagreb Stock Exchange

ADPL share price and CROBEX index movement in 2018



- Market capitalization HRK 739.1 million
- Final price HRK 176 – growth of 4.1 percent
- Dividend paid out in the amount of HRK 10 per share
- Dividend yield amounting to 5.7 percent

Companies with the highest level of transparency and corporate governance are listed in the Prime Market and AD Plastik Group is among the first companies to be listed in the most demanding market segment of the Zagreb Stock Exchange.

The most significant rewards

- **PricewaterhouseCoopers (PWC)**
Building Public Trust Award
- **CSR Index Award**
in the category of large companies
- **Green Frog Award**
for human rights reporting
- **Golden Key**
the best exporter to the Slovenian market

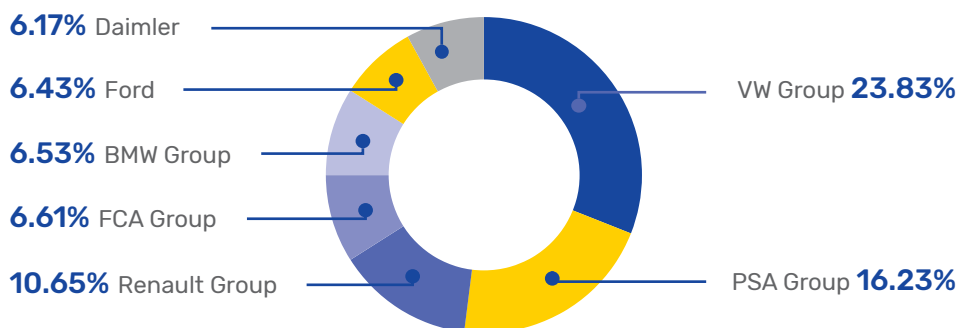
Markets - Group's revenue growth above market growth

European market 2018	AD Plastik Group 2018
15.2 M New registered cars	HRK 980 M Revenue
0.1% Growth	21.8% Growth

European market
74.2%
of revenue

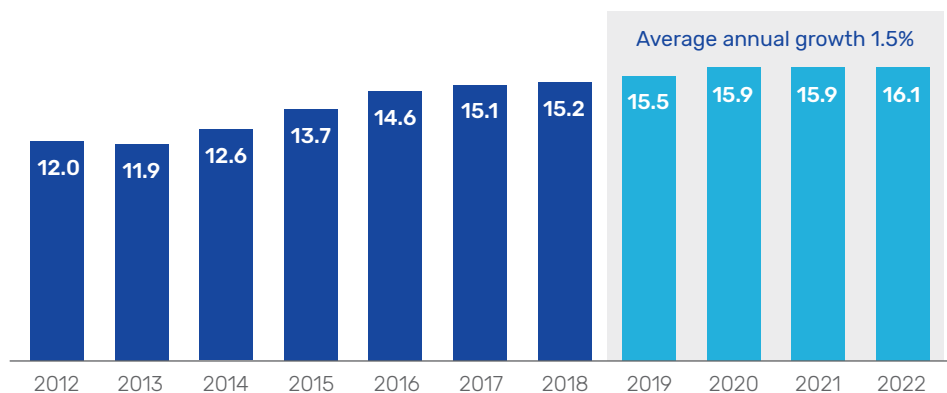


The most significant car manufacturers in the European market



Source: Acea, January 2019

Market of new vehicles in EU, shown in million of vehicles



Source:

ACEA, AD Plastik Group sales department

TIER 1



Russian market

25.8%

of revenue

Key customers in the Russian market

**Avtovaz-Renault
-Nissan Group**

VW Group

AD Plastik Group 2018

HRK 341.3 M Revenue

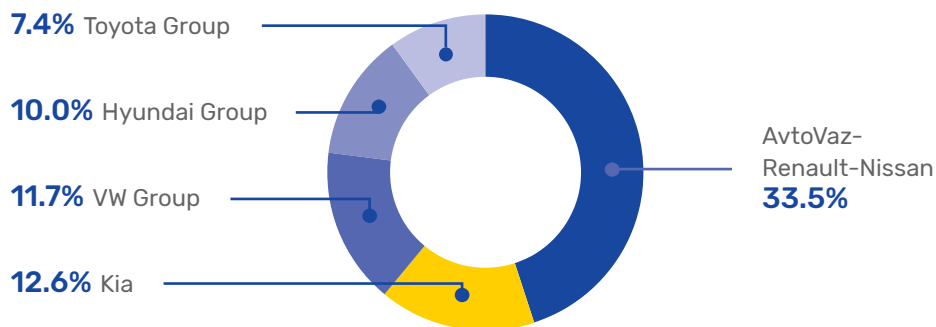
19.4% Growth

Russian market 2018

1.8 M New registered cars

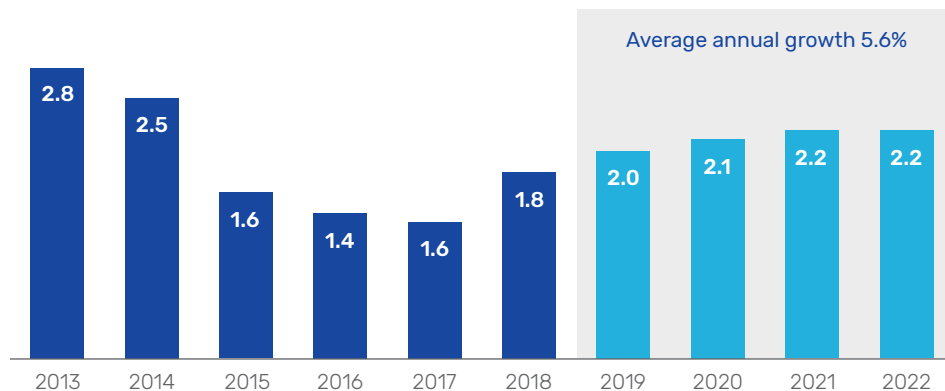
12.8% Growth

The most significant car manufacturers in the Russian market



Source: Acea, January 2019

Market of new vehicles in Russia, shown in million of vehicles



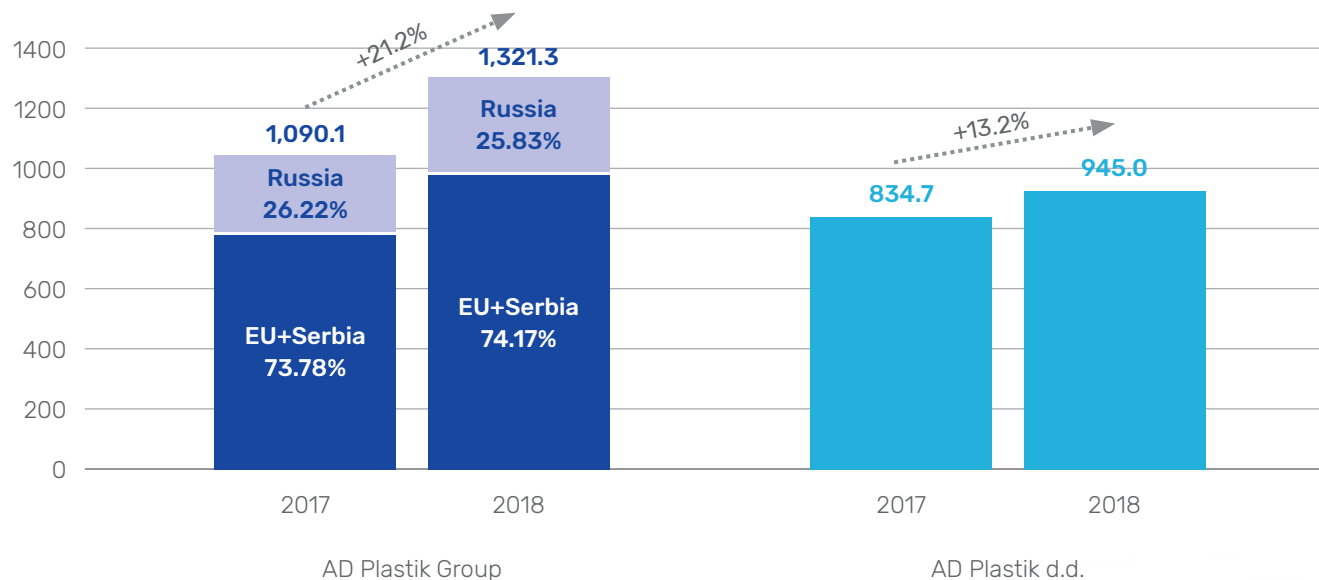
Source:

PWC analysis, Autostat, September 2018

65%

Results 2018

Operating revenue (MHRK)



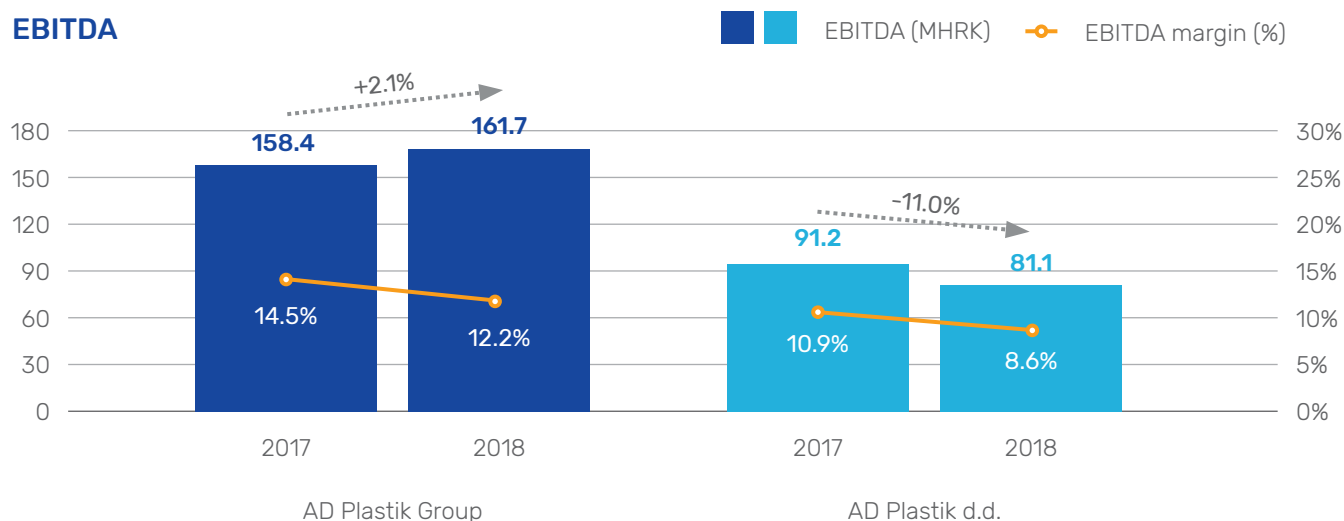
Positive impact on revenue

- Realization of new projects in the parent company for Renault, Fiat, Volkswagen and Ford
- Revenue of the new member of AD Plastik Group (6.2% of Group's revenue in 2018)
- Recovery of the Russian market

Negative impact on revenue

- Strong kuna against the euro (impact on the revenue of the parent company)
- Weakening of the Russian ruble (impact when converting revenue realized in the Russian companies to kuna)

EBITDA



Costs of launching new projects have affected a slightly lower EBITDA margin, which still remains above the industry average.

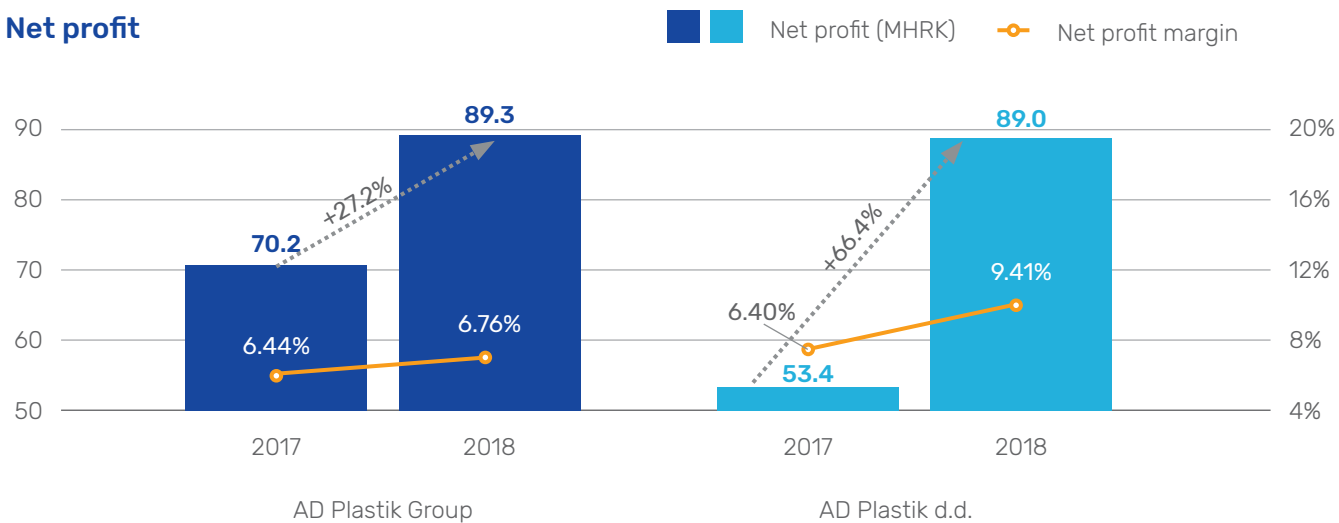
Net financial result

Net financial result (in HRK 000)	AD Plastik Group			AD Plastik d.d.		
	2017	2018	Index	2017	2018	Index
Financial revenue	26,871	19,905	74.08	59,741	78,468	131.35
Financial expenses	79,013	53,829	68.13	43,523	17,988	41.33
FINANCIAL RESULT	-52,142	-33,924	65.06	16,218	60,480	372.92

More favorable financial result at the AD Plastik Group's level (HRK 18.2 million) and the parent company (HRK 44.3 million) has been achieved. It is a result of:

- Lower negative exchange rate differences due to elimination of the currency exposure of the parent company to the Russian ruble (HRK 19.4 million in the Group, that is HRK 19.2 million in the parent company)
- Increment of value of the financial share of the subsidiary company AD Plastik Kaluga by HRK 12.3 million
- Larger dividend payout by the affiliated company EAPS by HRK 12.5 million
- Decrement of financing costs (HRK 5.8 million in the Group, that is HRK 6.3 million in the parent company)

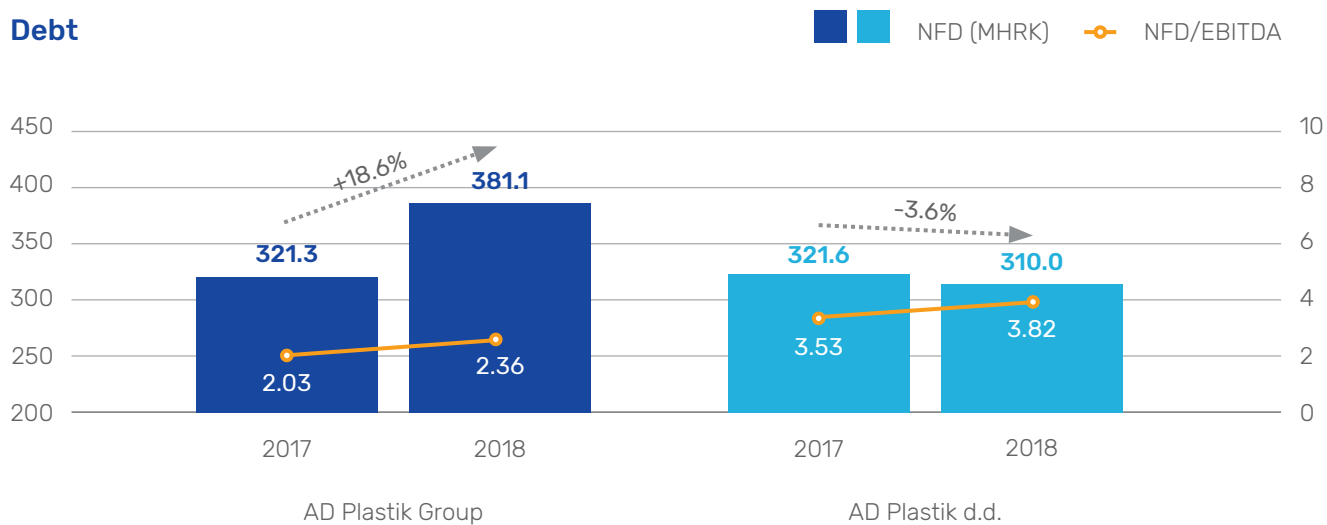
Net profit



The Group's and parent company's record net profit realized is the result of revenue growth and favorable net financial result.



Debt



Group's net financial debt grew by HRK 59.8 million, mostly due to acquisition of Tisza Automotive.



Affiliated company EAPS

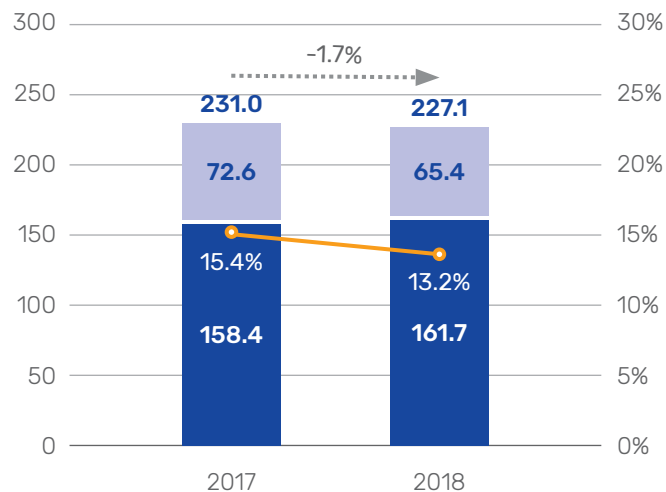
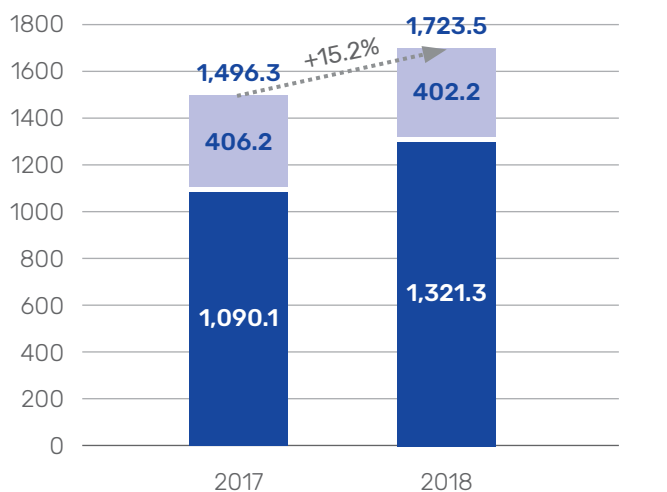
Abbreviated P&L

in HRK 000

Positions	2017	2018	Index
Operating revenue	836,378	827,197	98.90
Operating expenses	701,350	708,993	101.09
Net financial result	-551	-786	142.77
Profit before taxation	134,477	117,418	87.31
Profit tax	22,742	17,701	77.83
Profit of the period	111,735	99,717	89.24

- The main supplier of Dacia in Romania.
- High level of capacity utilization without significant investment needs
- No financial liabilities
- Consolidated by means of equity method (50% of the corresponding part of the ownership share)

AD Plastik Group with EAPS



■ Revenue of AD Plastik Group ■ Revenue of EAPS (50%)

■ EBITDA of AD Plastik Group ■ EBITDA of EAPS

○ EBITDA margin of AD Plastik Group with the affiliated company

Investments 2018

Investments in tangible and intangible assets amounted to HRK 114.9 million.

Investments in tangible assets amounted to HRK 87.9 million, largely related to new machines and capacity expansion at the production sites in Croatia and to the realization of new projects.

Investments in intangible assets amounted to HRK 27 million.

Capacity utilization:

EU+Serbia 92%

Russia 88%



HRK 87.9 M

INVESTMENTS IN TANGIBLE ASSETS



HRK 27 M

INVESTMENTS IN INTANGIBLE ASSETS

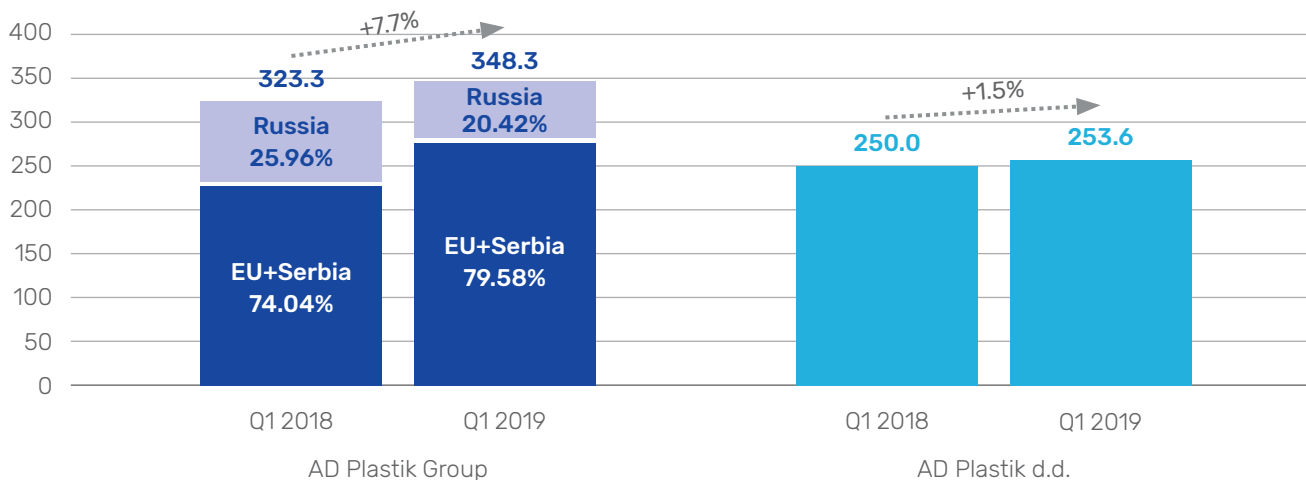


Financial results for Q1 2019

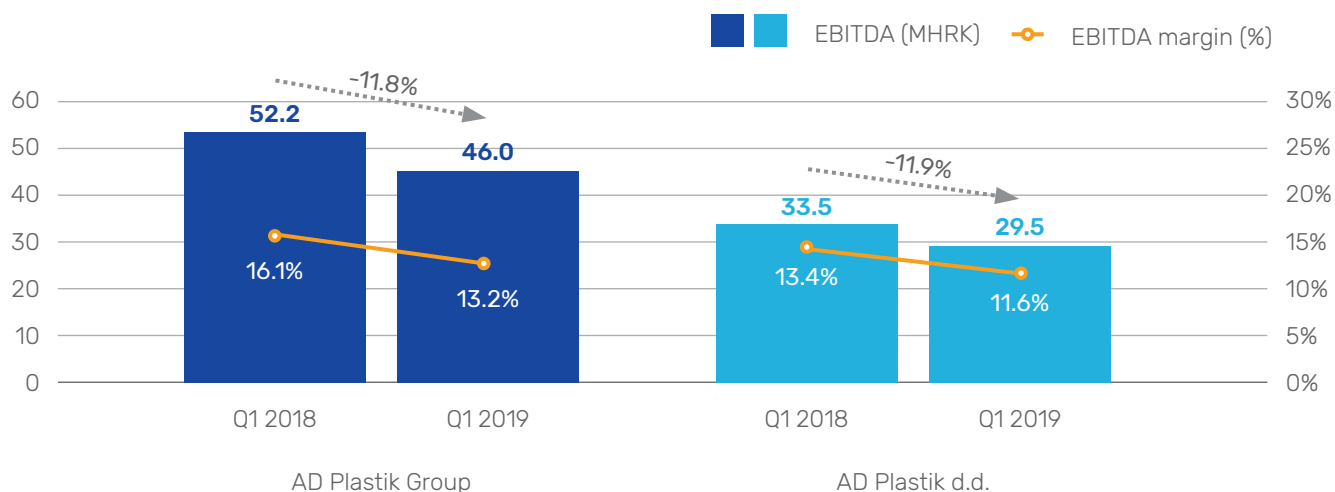
Operating revenue

In the first three months of 2019 AD Plastik Group realized operating revenue amounting to HRK 348.3 million. Operating revenue from the European market amounted to HRK 277.2 million and it increased by 15.8 percent compared to the same period last year despite a drop in the number of newly registered vehicles of 3.3 percent in the EU market. Its growth was largely influenced by the revenue of the new associated company Tisza Automotive.

Revenue amounting to HRK 71.1 million was realized in the Russian market and it decreased by 15.29 percent compared to the same period last year. The decline in operating revenue was affected by decreased revenue from the sales of tools and a significantly weaker average ruble against the euro exchange rate compared to the same period last year. In the first quarter 392 thousand new vehicles were registered in the Russian market, representing a 0.3 percent decline compared to the same period last year.



EBITDA



This year's EBITDA trend is not comparable to the previous year due to the different stages of production cycles within the company. Namely, the first part of the year was marked by the final stage of the production cycles of the key vehicles of the AD Plastik Group, that is phase 1 of the Twingo, Smart and Renault Clio. More specifically, a modification of serial pro-

duction of the mentioned models with redesigned and modernized versions is in process. Thus, a serial production of the Twingo phase 2 began in late March, and the start of serial production of the Smart phase 2 and Renault Clio 5 is expected in the second quarter. The start of production for new models will have resulted in EBITDA growth by the end of the year.

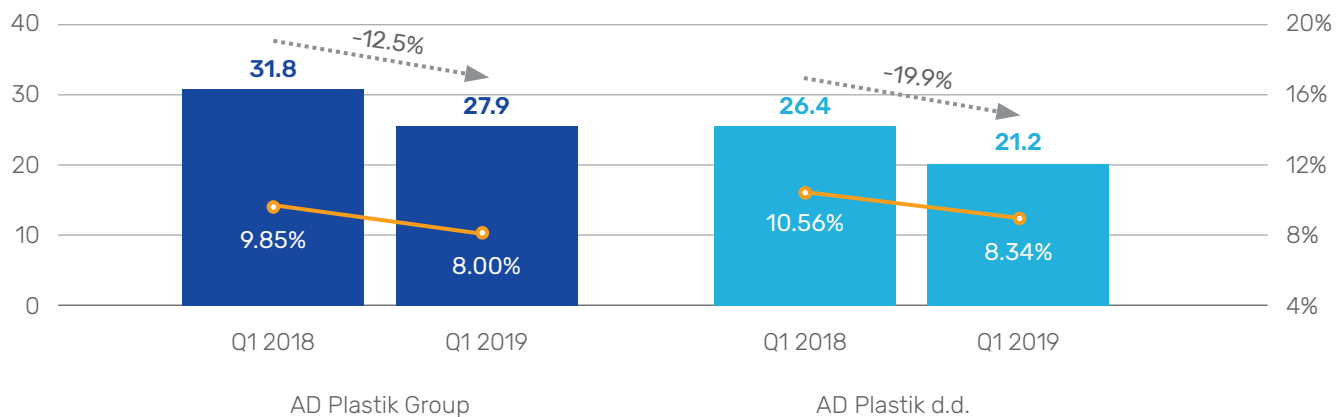
Net financial result

Net financial result (in HRK 000)	AD Plastik Group			AD Plastik d.d.		
	Q1 2018	Q1 2019	Index	Q1 2018	Q1 2019	Index
Financial revenue	5,794	7,297	125.94	14,731	11,318	76.83
Financial expenses	15,819	6,459	40.83	8,289	3,465	41.8
FINANCIAL RESULT	-10,025	838	-	6,442	7,853	121.9

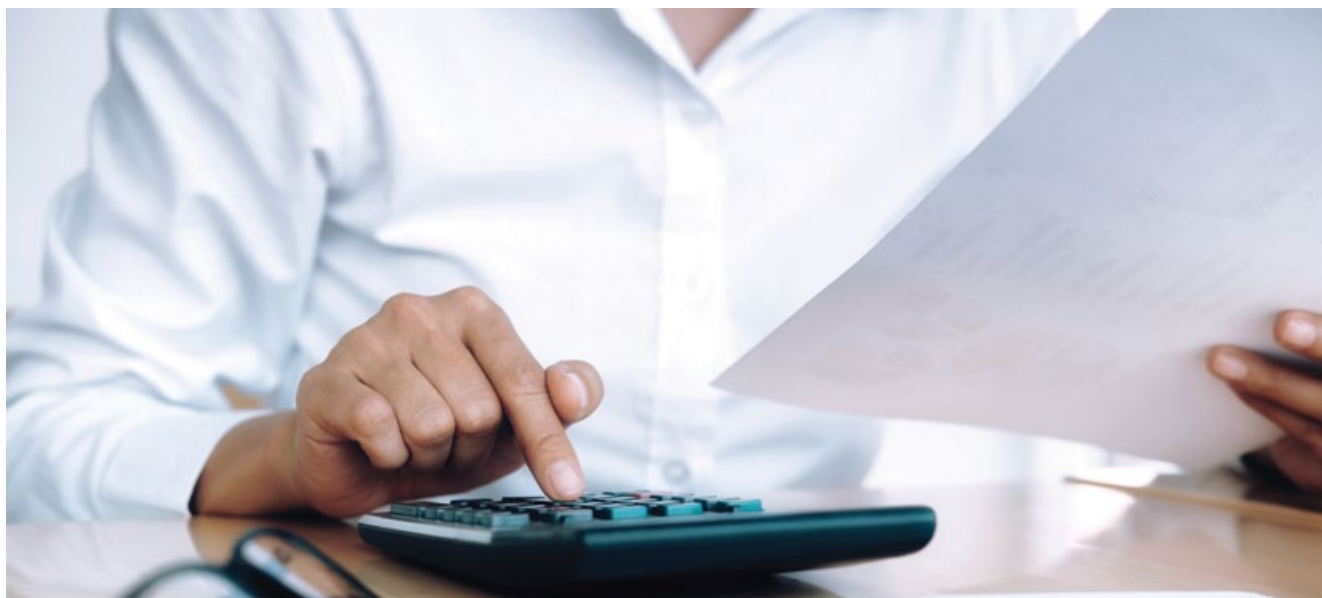
The net financial result was more favorable due to the lower negative exchange rate differences, which were partly a result of the decline in foreign currency exposure of Russian companies and partly of the strengthening of the Russian ruble exchange rate compared to December 31, 2018.

Net profit

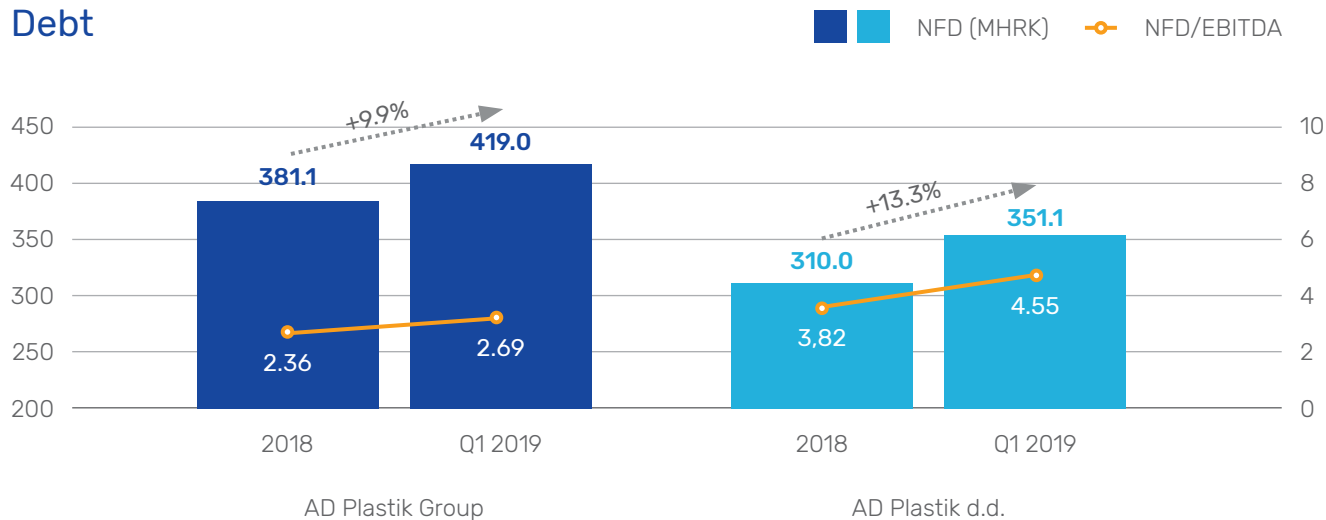
Net profit (MHRK) Net profit margin



A lower level of profitability has expectedly reflected on a decrease in net profit of the Group and the parent company. Growth in profitability in the second part of the year will also be reflected on net profit growth.



Debt



Increase in net financial debt largely stems from the realization of a loan to finance investments in the parent company. EBITDA growth and regular repayment of credit liabilities in the second part of the year are expected to decrease indicator NFD/EBITDA.

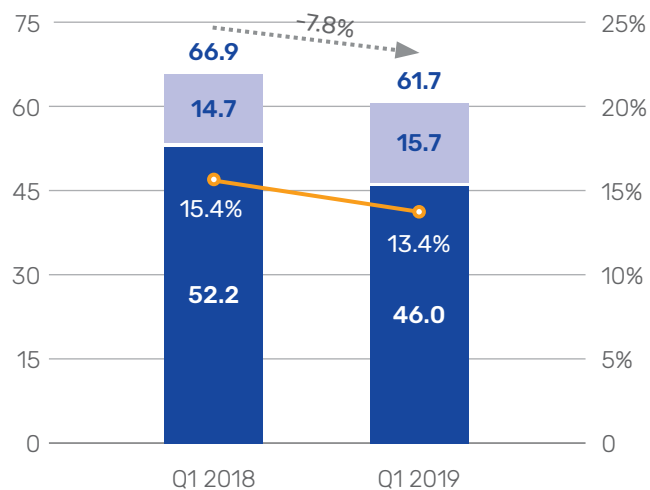
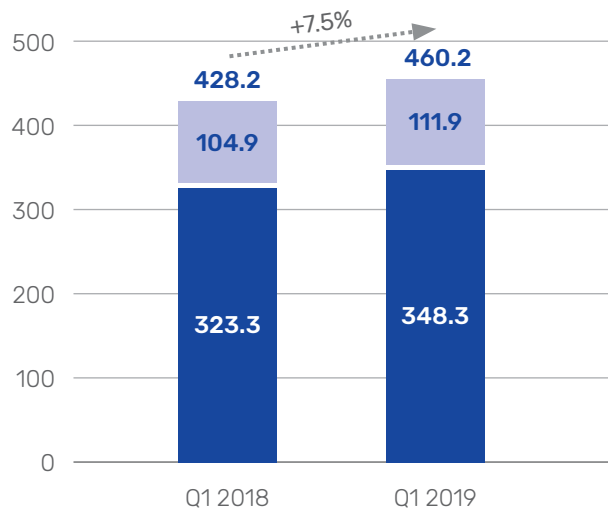
Affiliated company EAPS

Abbreviated P/L

in HRK 000

Positions	Q1 2018	Q1 2019	Index
Operating revenue	215,439	227,584	105.64
Operating expenses	189,257	200,543	105.96
Net financial result	-186	-2,820	1,515.29
Profit before taxation	25,995	24,222	93.18
Profit tax	3,026	3,884	128.35
Profit of the period	22,969	20,338	88.54

AD Plastik Group with EAPS



■ Revenue of AD Plastik Group ■ Revenue of EAPS (50%)

■ EBITDA of AD Plastik Group ■ EBITDA of EAPS

○ EBITDA margin of AD Plastik Group with the affiliated company



Expectations 2019

New deals sealed provide further organic revenue growth and start of serial production for the large projects for the Renault Group, namely Clio 5, Twingo phase 2 and Smart phase 2 is planned during the year and start of serial production for Ford Puma is expected at the end of the year.

The focus is on the successful start of production of new projects, the full integration of Tisza Automotive and the improvement of the position of AD Plastik Group as a supplier of high quality and reliability.

In accordance with the business plan for 2019, the Group's stable cash flow and the optimization of financial stability will be provided.



> 10%

REVENUE GROWTH



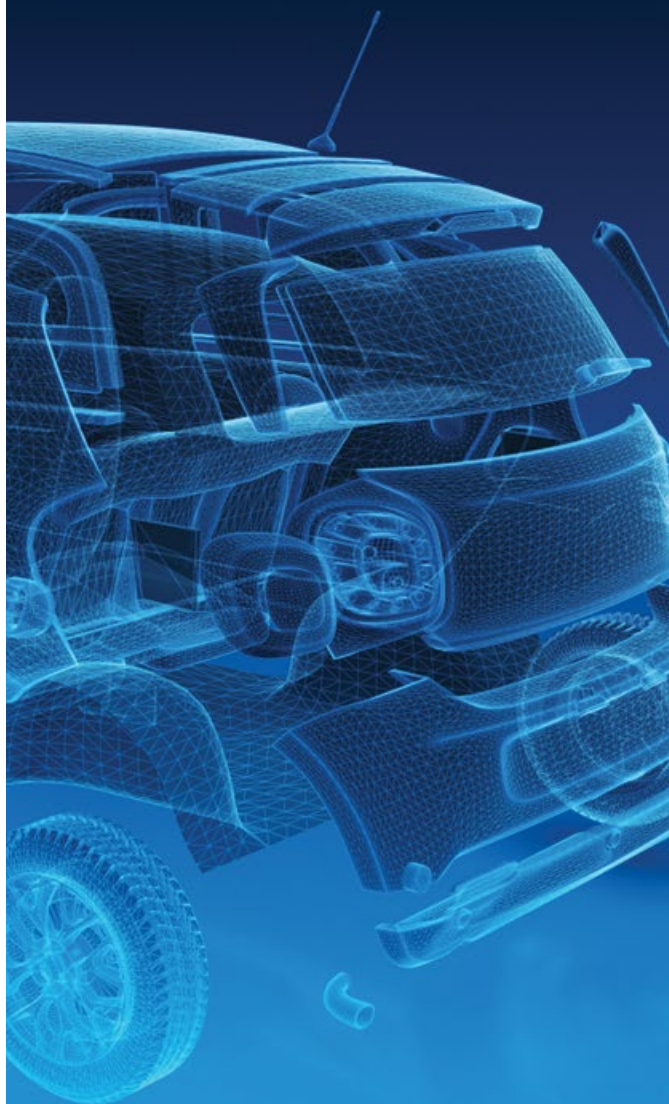
13%

EBITDA MARGIN



6.5%

NET PROFIT MARGIN





Your needs. Our drive.