



## TVORNICA ŠEĆERA d.d.

ZAGREB, ULICA GRADA VUKOVARA 269 g

## **STATEMENT OF PERSON RESPONSIBLE FOR PRODUCTION OF THE THREE-MONTH REPORT FOR 3Q 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-IX 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 October 23, 2018

## RESPONSIBLE PERSON

**PRESIDENT OF THE  
MANAGEMENT BOARD:**

Željko Zadro, dipl.oec



Darko Krstić, Member of the Management Board

Ivo Rešić, Member of the Management Board

**Appendix 1**

Reporting period:

1.1.2018

to

30.9.2018

**Quarterly Financial Report - TFI-POD**Registration number (MB) 01650971Identification number of subject (MBS) 010049135Personal identification number (OIB) 04525204420Issuer company: VIRO TVORNICA ŠEĆERA d.d.Postal code and place 10000 ZAGREBStreet and number ULICA GRADA VUKOVARA 269 gE-mail address: viro@secerana.hrInternet address: www.secerana.hrCode and name of comune/town 133 ZAGREBCode and county name 21 GRAD ZAGREB Number of employees 212Consolidated statement NO (at quarter end) NKD/NWC code: 1081

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: 033840122Fascimile: 033840103E-mail address: racunovodstvo-viro@secerana.hrSurname 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

30.9.2018

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
<b>ASSETS</b>			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+029+033)	002	692.483.146	668.275.362
I. INTANGIBLE ASSETS (004 to 009)	003	515.755	1.776.105
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	515.755	1.776.105
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	140.541.963
1. Land	011	5.548.592	5.548.592
2. Buildings	012	62.595.526	59.397.158
3. Plant and equipment	013	49.960.898	36.106.038
4. Tools, facility inventory and transport assets	014		
5. Biological assets	015		
6. Prepayments for tangible assets	016	34.254.275	33.971.728
7. Tangible assets in progress	017	2.230.095	3.696.070
8. Other tangible assets	018	9.300	9.300
9. Investments in buildings	019	1.925.188	1.813.077
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	535.443.517	525.957.294
1. Investments (shares) with related parties	021	419.833.409	424.407.135
2. Loans given to related parties	022	115.338.105	99.769.234
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	1.767.228
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	451.836.522
I. INVENTORIES (036 to 042)	035	168.479.068	80.322.278
1. Raw-material and supplies	036	15.746.983	18.316.350
2. Work in progress	037		36.012.639
3. Finished goods	038	125.761.431	3.149.296
4. Merchandise	039	22.475.298	18.305.634
5. Prepayments for inventories	040	4.495.356	4.538.359
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	135.261.230	100.371.626
1. Receivables from related parties	044	45.106.773	24.965.302
2. Accounts receivable	045	80.332.841	75.139.613
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	759	52
5. Receivables from government and other institutions	048	9.664.925	108.759
6. Other receivables	049	155.932	157.900
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	159.166.060	247.543.249
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	152.546.574	239.069.799
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	7.773.450
7. Other financial assets	057	399.500	700.000
IV. CASH AT BANK AND IN CASHIER	058	62.683.134	23.599.369
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	1.503.946	1.319.987
E) TOTAL ASSETS (001+002+034+059)	060	1.219.576.584	1.121.431.871
F) OFF-BALANCE RECORDS	061	120.241.416	28.877.354

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>562.457.426</b>	<b>582.935.625</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	56.346.673	51.711.553
1. Reserves prescribed by law	066	12.480.003	12.480.003
2. Reserves for treasury shares	067	43.866.670	39.231.550
3. Treasury stocks and shares (deduction)	068	0	0
4. Statutory reserves	069		
5. Other reserves	070		
IV. REVALUATION RESERVES	071		
<b>V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)</b>	<b>072</b>	<b>349.584.804</b>	<b>246.142.592</b>
1. Retained earnings	073	349.584.804	246.142.592
2. Accumulated loss	074		
<b>VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)</b>	<b>075</b>	<b>-103.442.212</b>	<b>25.113.319</b>
1. Profit for the current year	076		25.113.319
2. Loss for the current year	077	103.442.212	
<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>157.643.945</b>	<b>103.777.865</b>
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	572.633	312.830
3. Liabilities to banks and other financial institutions	086	157.071.312	103.465.035
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>499.168.562</b>	<b>434.233.341</b>
1. Liabilities to related parties	094	5.174.487	9.622.594
2. Liabilities for loans, deposits etc.	095	12.999.840	4.691.263
3. Liabilities to banks and other financial institutions	096	259.345.545	340.002.413
4. Liabilities for received prepayments	097	13.553.903	22.269.582
5. Accounts payable	098	162.866.591	52.586.625
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	1.424.114
9. Liabilities for taxes, contributions and similar fees	102	6.566.560	919.601
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	2.686.186
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>	<b>306.651</b>	<b>485.040</b>
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>1.219.576.584</b>	<b>1.121.431.871</b>
<b>G) OFF-BALANCE RECORDS</b>	<b>108</b>	<b>120.241.416</b>	<b>28.877.354</b>

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 30.09.2018.

**VIRO TVORNICA ŠEĆERA d.d.**

Item	AOP code	Last year		Current year	
		Cumulative	Quartely	Cumulative	Quartely
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	647.808.328	223.134.167	437.716.091	106.059.263
1. Sales revenue	112	644.906.040	221.306.095	422.839.346	99.348.787
2. Other operating revenues	113	2.902.288	1.828.072	14.876.745	6.710.476
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	658.695.342	237.859.174	446.722.035	100.417.653
1. Changes in value of work in progress and finished products	115	69.084.873	-13.691.588	89.686.675	-7.790.688
i and finished products					
2. Material costs (117 to 119)	116	540.400.993	235.335.823	311.888.075	93.342.153
a) Raw material and material costs	117	249.552.236	152.800.682	11.910.862	7.257.972
b) Costs of goods sold	118	257.178.623	67.944.149	270.068.926	76.223.952
c) Other external costs	119	33.670.134	14.590.992	29.908.287	9.860.229
3. Staff costs (121 to 123)	120	17.748.599	6.135.797	17.712.547	6.766.129
a) Net salaries and wages	121	11.100.739	3.857.016	11.121.689	4.190.965
b) Cost for taxes and contributions from salaries	122	4.140.271	1.414.179	4.136.286	1.641.801
c) Contributions on gross salaries	123	2.507.589	864.602	2.454.572	933.363
4. Depreciation	124	19.726.866	6.607.010	19.000.622	6.318.354
5. Other costs	125	8.764.967	2.672.052	4.267.828	1.292.926
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	2.969.044	800.080	4.166.288	488.779
III. FINANCIAL INCOME (132 to 136)	131	26.804.937	6.577.406	53.903.965	7.148.880
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	5.740.896	4.322.059	10.682.464	4.262.432
2. Interest income, foreign exchange gains, dividends and similar income from non - related parties and other entities	133	12.972.774	1.528.932	7.217.823	810.651
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135			300.500	150.000
5. Other financial income	136	8.091.267	726.415	35.703.178	1.925.797
IV. FINANCIAL EXPENSES (138 do 141)	137	24.005.130	11.554.531	19.784.702	6.796.659
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related parties	138	3.729.571	84.830	3.011.375	21.060
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non - related parties and other entities	139	18.861.979	10.056.121	16.773.327	6.775.599
3. Unrealized losses (expenses) on financial assets	140				
4. Other financial expenses	141	1.413.580	1.413.580		
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	674.613.265	229.711.573	491.620.056	113.208.143
X. TOTAL EXPENSES (114+137+143 + 145)	147	682.700.472	249.413.705	466.506.737	107.214.312
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-8.087.207	-19.702.132	25.113.319	5.993.831
1. Profit before taxation (146-147)	149	0	0	25.113.319	5.993.831
2. Loss before taxation (147-146)	150	8.087.207	19.702.132	0	0
XII. PROFIT TAX	151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-8.087.207	-19.702.132	25.113.319	5.993.831
1. Profit for the period (149-151)	153	0	0	25.113.319	5.993.831
2. Loss for the period (151-148)	154	8.087.207	19.702.132	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	-8.087.207	-19.702.132	25.113.319	5.993.831
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	-8.087.207	-19.702.132	25.113.319	5.993.831
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** **30.9.2018**

Item	AOP code	Last year	Current year
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	-8.087.207	25.113.319
2. Depreciation	002	19.726.866	19.000.622
3. Increase in short term liabilities	003		
4. Decrease in short term receivables	004		34.889.604
5. Decrease in inventories	005	145.754.223	88.156.790
6. Other increase in cash flow	006	4.422.619	362.348
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>161.816.501</b>	<b>167.522.683</b>
1. Decrease in short term liabilities	008	106.909.871	132.171.039
2. Increase in short term receivables	009	44.082.380	
3. Increase in inventories	010		
4. Other decrease in cash flow	011	166.175.806	98.703.597
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>317.168.057</b>	<b>230.874.636</b>
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>		
<b>AKTIVNOSTI (007-012)</b>			
<b>A2) NET DECREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>155.351.556</b>	<b>63.351.953</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	015	76.042	28.955
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	631.114	7.455.010
4. Dividend receipts	018	77.328	75.390
5. Other cash inflows from investing activities	019	29.526.802	20.593.550
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	<b>30.311.286</b>	<b>28.152.905</b>
1. Cash outflow for purchase of long-term tangible and intangible assets	021	4.867.504	4.308.016
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	3.947.275	11.107.327
<b>IV. Total cash outflow for investing activities (021 do 023)</b>	<b>024</b>	<b>8.814.779</b>	<b>15.415.343</b>
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	<b>21.496.507</b>	<b>12.737.562</b>
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>		
<b>AKTIVNOSTI (024-020)</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	276.640.848	305.039.966
3. Other proceeds from financial activities	029	8.000.000	5.500.000
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	<b>284.640.848</b>	<b>310.539.966</b>
1. Cash outflow for repayment of credit principal and bonds	031	138.705.158	280.310.695
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033	2.469.335	563.525
4. Cash outflow for purchase of treasury shares	034		4.635.120
5. Other cash outflow for financial activities	035	500.000	13.500.000
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	<b>141.674.493</b>	<b>299.009.340</b>
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>037</b>	<b>142.966.355</b>	<b>11.530.626</b>
<b>AKTIVNOSTI (030-036)</b>			
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>038</b>		
<b>AKTIVNOSTI (036-030)</b>			
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	9.111.306	
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040		39.083.765
Cash and cash equivalents at the beginning of the period	041	22.411.336	62.683.134
Increase of cash and cash equivalents	042	9.111.306	0
Decrease of cash and cash equivalents	043	0	39.083.765
Cash and cash equivalents at the end of the period	044	31.522.642	23.599.369

### STATEMENT OF CHANGES IN EQUITY

for the period 1.1.2018 do 30.9.2018

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	51.711.553
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	25.113.319
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>562.457.426</b>	<b>582.935.625</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		
17 b. Attributed to minority interest	019		