



Sunce Koncern d.d.

Trpinjska 9  
10000 Zagreb, Hrvatska

# **Sunce koncern d.d.**

## **Financial Results**

**for the period January - June 2019**

**(unaudited)**

Zagreb, 31<sup>st</sup> July 2019

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## **1. GENERAL INFORMATION**

### **Name and registered office of the Company**

The Company name is SUNCE KONCERN d.d. for tourism and hospitality, company registration number (MBS): 080502040, personal identification number (OIB): 06916431329. The Company's short name is SUNCE KONCERN d.d.

SUNCE KONCERN d.d is joint stock company with registered office in Zagreb, Trpinjska 9, Republic of Croatia, telephone number: + 385 1 3844 044.

### **Share capital and company shares**

The Company's share capital amounts to HRK 539.385.000,00 and is divided into 5.393.850 ordinary registered shares, each in the nominal amount of HRK 100,0. The Company's shares are recorded in a book-entry form in the accounts of book-entry securities in the computer system of the Central Depository and Clearing Company Inc. in accordance with special regulations under the ticker SUKC-R-A and ISIN HRSUKCRA0001.

### **Members of Management Board:**

- Tonči Boras, President of the Management Board
- Kristijan Gagulić, Member of the Management Board
- Ivan Potkrajčić, Member of the Management Board

### **Supervisory Board:**

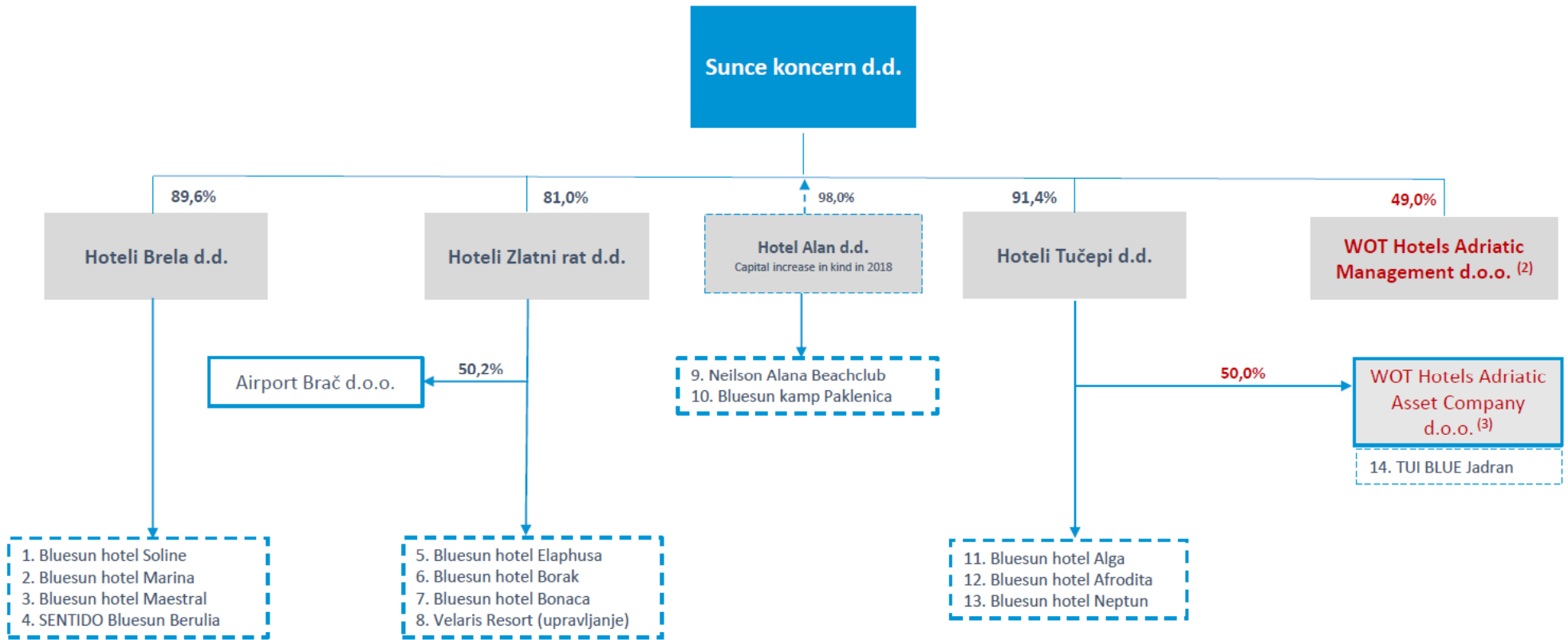
- Jako Andabak, Chairman of the Supervisory Board
- Sanja Gagulić, Deputy Chairman of the Supervisory Board
- Ružica Andabak, Member of the Supervisory Board
- Ana Volk, Member of the Supervisory Board
- Ratimir Ivičić,, Member of the Supervisory Board

### **Audit Committee:**

- Ivan Augustin, President of the Audit Committee
- Sanja Gagulić, Member of the Audit Committee
- Ružica Andabak, Member of the Audit Committee

\* In accordance with the amendments to the Mandatory Pension Funds Act (OG 115/18), ERSTE d.o.o. compulsory and voluntary pension fund management company, on June 30, 2019, dismissed its employee mr. Ivan Augustin from his duties as a member of the Supervisory Board of the Company and appointed mr. Ratimir Ivičić, as a member of the Supervisory Board of the Company, from July 1, 2019. to 13 June 2021.

**1. Organisational structure of the Group:**



(1) Data as of 28.02.2019. Sunce koncern d.d. as a Group has some additional members, but they are immaterial for the Group's performance.

(2) Management Company established with TUI AG, where TUI AG holds 51% share.

(3) Joint Venture Company with TUI AG.

### **Subsidiaries included in the Group and other holdings:**

A. The Company is the Parent company of the Group, which consists of different subsidiaries as presented in the following table:

	Name of the Company	Principal activity	Incorporated in	Ownership (%)
1	Hoteli Brela d.d.	Hotel operation	Brela	89,58
2	Hoteli Tučepi d.d.	Hotel Operation	Tučepi	91,41
3	Hoteli Zlatni rat d.d.	Hotel Operation	Bol, Brač	80,99
4	Aerodrom Brač d.o.o.	Airport	Supetar, Brač	50,18 <sup>(1)</sup>
5	Hotel Alan d.d.	Hotel operation	Starigrad	97,96
6	Sunce Vital d.o.o.	Health services	Zagreb	100,00
7	Brač 500 Plus d.o.o.	Cable Car	Bol, Brač	56,24 <sup>(1)</sup>
8	Brela Jakiruša d.o.o.	Food preparation	Brela	89,58 <sup>(1)</sup>
9	Zlatni rat Poljoprivreda d.o.o. <sup>(2)</sup>			
10	Zlatni rat Servisi d.o.o. <sup>(2)</sup>			
11	Zlatni rat Tenis centar d.o.o. <sup>(2)</sup>			
12	Plaža Zlatni Rat d.o.o. <sup>(2)</sup>			
13	Eko - promet d.o.o. <sup>(2)</sup>			

Source: Group data

(1) Indirect holding via Hoteli Zlatni rat d.d.

(2) The company is not active anymore and is in the process of deregistration from the Court register

B. The Group also has an interest in the following companies, which are not consolidated in the Group Financial Statements:

	Name of the Company	Principal activity	Incorporated in	Ownership (%)
1	WOT Hotels Adriatic Asset d.o.o. <sup>(3) (4)</sup>	Hotel operation	Tučepi	50,00
2	WOT Hotels Adriatic Management d.o.o. <sup>(3)</sup>	Hotel management	Tučepi	49,00
3	Praona d.o.o. <sup>(5)</sup>	Industrial laundry	Makarska	42,00

Source: Group data

(3) Companies co-owned with TUI AG

(4) Indirect holding via Hoteli Tučepi d.d.

(5) Indirect holding via Hoteli Brela d.d. and Hoteli Tučepi d.d.

## **2. RESULTS FOR THE Q2 2019**

In the first half of 2019, the Company generated a total operating income of HRK 16,014 thousand.

In the same period the Company incurred HRK 19,141 thousand of operating expenses.

The largest part of operating expenses relates to staff costs in the amount of HRK 10,150 thousand, and other external expenses in the amount of HRK 4,700 thousand.

Financial income amounts to HRK 460 thousand, while financial expenses amount to HRK 250 thousand.

In the first half of 2019 the Company incurred a loss of HRK 2,916 thousand.

**Annex 1****ISSUER'S GENERAL DATA**

Reporting period:  to   
Year:   
Quarter:

**Quarterly financial statements**

Registration number (MB):  Issuer's home Member State code:   
Entity's registration number (MBS):   
Personal identification number (OIB):  LEI:   
Institution code:

Name of the issuer: Postcode and town:  Street and house number: E-mail address: Web address: Number of employees (end of the reporting): Consolidated report:  (KN-not consolidated/KD-consolidated)Audited:  (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:  (Yes/No)   
(name of the bookkeeping firm)Contact person:   
(only name and surname of the contact person)Telephone: E-mail address: Audit firm:   
(name of the audit firm)Certified auditor:   
(name and surname)

**BALANCE SHEET**  
balance as at 30.06.2019

in HRK

Submitter: Sunce Koncern d.d.

Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	604.141.298	604.486.034
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	74.578	202.843
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	19.623	159.258
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	54.955	43.585
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	2.391.661	2.633.960
1 Land	011	0	0
2 Buildings	012	0	0
3 Plant and equipment	013	473.415	502.292
4 Tools, working inventory and transportation assets	014	1.918.246	2.102.131
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	0	29.538
8 Other tangible assets	018	0	0
9 Investment property	019	0	0
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	601.675.059	601.649.231
1 Investments in holdings (shares) of undertakings within the group	021	595.007.770	595.007.770
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	6.505.941	6.505.941
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	0	0
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	161.348	135.520
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	0	0
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	0	0
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	0	0
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	35.432.293	30.954.415
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	0	0
1 Raw materials and consumables	039	0	0
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	0	0
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	21.640.220	25.157.496
1 Receivables from undertakings within the group	047	20.327.999	24.429.802
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	826.671	195.224
4 Receivables from employees and members of the undertaking	050	3.487	11.022
5 Receivables from government and other institutions	051	482.063	521.448
6 Other receivables	052	0	0
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	10.311.941	5.609.365
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	10.293.608	5.601.032
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0
8 Loans, deposits, etc. given	061	18.333	8.333
9 Other financial assets	062	0	0
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	3.480.132	187.554
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	161.489	475.816
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	639.735.080	635.916.265
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	0	0



<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to</b>	<b>067</b>	<b>607.718.762</b>	<b>604.428.563</b>
I INITIAL (SUBSCRIBED) CAPITAL	068	539.385.000	539.385.000
II CAPITAL RESERVES	069	83.266.272	83.266.272
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	496.868	122.671
1 Legal reserves	071	496.868	122.671
2 Reserves for treasury shares	072	0	0
3 Treasury shares and holdings (deductible item)	073	0	0
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)	077	0	0
1 Fair value of financial assets available for sale	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	0	-15.429.378
1 Retained profit	082	0	0
2 Loss brought forward	083	0	15.429.378
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	-15.429.378	-2.916.002
1 Profit for the business year	085	0	0
2 Loss for the business year	086	15.429.378	2.916.002
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
<b>B) PROVISIONS (ADP 089 to 094)</b>	<b>088</b>	<b>0</b>	<b>0</b>
1 Provisions for pensions, termination benefits and similar obligations	089	0	0
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	0
<b>C) LONG-TERM LIABILITIES (ADP 096 to 106)</b>	<b>095</b>	<b>14.529.546</b>	<b>14.483.956</b>
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	14.529.546	14.483.956
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	0	0
11 Deferred tax liability	106	0	0
<b>D) SHORT-TERM LIABILITIES (ADP 108 to 121)</b>	<b>107</b>	<b>17.486.772</b>	<b>17.003.746</b>
1 Liabilities to undertakings within the group	108	4.959.214	2.494.560
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	5.247.759	5.238.923
3 Liabilities to companies linked by virtue of participating interests	110	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	0	0
6 Liabilities to banks and other financial institutions	113	1.750.548	1.220.120
7 Liabilities for advance payments	114	0	0
8 Liabilities to suppliers	115	1.208.031	2.948.391
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	809.370	1.011.044
11 Taxes, contributions and similar liabilities	118	2.833.228	2.399.534
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	678.622	1.691.174
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>122</b>	<b>0</b>	<b>0</b>
<b>F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)</b>	<b>123</b>	<b>639.735.080</b>	<b>635.916.265</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>124</b>	<b>0</b>	<b>0</b>

**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2019. to 30.06.2019.

in HRK

Submitter: Sunce Koncern d.d.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 126 to 130)</b>	<b>125</b>	<b>13.612.071</b>	<b>7.130.899</b>	<b>16.014.175</b>	<b>8.602.370</b>
1 Income from sales with undertakings within the group	126	11.812.634	5.861.608	15.372.465	8.089.428
2 Income from sales (outside group)	127	0	0	0	0
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	1.799.437	1.269.291	641.710	512.942
<b>II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)</b>	<b>131</b>	<b>15.292.333</b>	<b>7.830.061</b>	<b>19.140.505</b>	<b>10.918.163</b>
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	5.393.855	3.011.616	7.312.197	4.599.439
a) Costs of raw materials and consumables	134	424.315	207.539	465.171	296.971
b) Costs of goods sold	135	1.799.437	1.269.291	2.146.738	1.163.827
c) Other external costs	136	3.170.103	1.534.786	4.700.288	3.138.641
3 Staff costs (ADP 138 to 140)	137	8.058.339	4.004.206	10.150.372	5.397.997
a) Net salaries and wages	138	4.345.567	2.155.562	5.717.775	3.060.811
b) Tax and contributions from salary costs	139	2.524.685	1.257.078	3.213.312	1.695.018
c) Contributions on salaries	140	1.188.087	591.566	1.219.285	642.167
4 Depreciation	141	320.513	180.422	418.084	227.805
5 Other costs	142	231.115	67.052	0	0
6 Value adjustments (ADP 144+145)	143	0	0	0	0
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	0	0
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	0	0	0	0
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	1.288.511	566.765	1.259.851	692.922
<b>III FINANCIAL INCOME (ADP 155 to 164)</b>	<b>154</b>	<b>1.289.548</b>	<b>610.554</b>	<b>459.967</b>	<b>210.121</b>
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	956.151	468.002	399.645	149.937
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	333.397	142.552	8.837	8.837
6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	0	0	15	1
8 Exchange rate differences and other financial income	162	0	0	51.471	51.347
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	0	0
<b>IV FINANCIAL EXPENSES (ADP 166 to 172)</b>	<b>165</b>	<b>593.176</b>	<b>283.194</b>	<b>249.640</b>	<b>67.604</b>
1 Interest expenses and similar expenses with undertakings within the group	166	109.609	63.595	102.878	32.426
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	450.648	205.290	120.407	25.313
4 Exchange rate differences and other expenses	169	0	0	0	0
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	32.919	14.309	26.354	9.865
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>173</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>174</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>176</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 125+154+173 + 174)</b>	<b>177</b>	<b>14.901.619</b>	<b>7.741.453</b>	<b>16.474.142</b>	<b>8.812.490</b>
<b>X TOTAL EXPENDITURE (ADP 131+165+175 + 176)</b>	<b>178</b>	<b>15.885.509</b>	<b>8.113.255</b>	<b>19.390.145</b>	<b>10.985.767</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 177-178)</b>	<b>179</b>	<b>-983.890</b>	<b>-371.802</b>	<b>-2.916.003</b>	<b>-2.173.276</b>
1 Pre-tax profit (ADP 177-178)	180	0	0	0	0
2 Pre-tax loss (ADP 178-177)	181	-983.890	-371.802	-2.916.003	-2.173.276
<b>XII INCOME TAX</b>	<b>182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)</b>	<b>183</b>	<b>-983.890</b>	<b>-371.802</b>	<b>-2.916.003</b>	<b>-2.173.276</b>
1 Profit for the period (ADP 179-182)	184	0	0	0	0
2 Loss for the period (ADP 182-179)	185	-983.890	-371.802	-2.916.003	-2.173.276

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2019. to 30.06.2019.

in HRK

Submitter: Sunce Koncern d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	-983.890	-2.916.003
2 Adjustments (ADP 003 to 010):	002	1.770.487	-873.027
a) Depreciation	003	320.513	418.084
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	0	-399.645
e) Interest expenses	007	0	223.285
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	-60.077
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	1.449.974	-1.054.675
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>786.597</b>	<b>-3.789.030</b>
3 Changes in the working capital (ADP 013 to 016)	012	-2.228.967	-3.472.646
a) Increase or decrease in short-term liabilities	013	-1.893.124	1.177.957
b) Increase or decrease in short-term receivables	014	-1.878.450	-4.650.603
c) Increase or decrease in inventories	015	0	0
d) Other increase or decrease in working capital	016	1.542.607	0
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>-1.442.370</b>	<b>-7.261.676</b>
4 Interest paid	018	0	-155.841
5 Income tax paid	019	0	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>-1.442.370</b>	<b>-7.417.517</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	692.152	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	0	4.757.886
6 Other cash receipts from investment activities	026	6.221.278	0
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>6.913.430</b>	<b>4.757.886</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-1.499.732	-108.170
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	-13.122.000	0
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-14.621.732</b>	<b>-108.170</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-7.708.302</b>	<b>4.649.717</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	10.991.180	0
4 Other cash receipts from financing activities	038	0	0
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>10.991.180</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-4.896.734	-524.777
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	0	0
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-4.896.734</b>	<b>-524.777</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>6.094.446</b>	<b>-524.777</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>-3.056.226</b>	<b>-3.292.577</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>6.536.358</b>	<b>3.480.131</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>3.480.132</b>	<b>187.554</b>

**STATEMENT OF CHANGES IN EQUITY**  
for the period from 1.1.2019 to 30.6.2019

in HRK

Item	ADP code	Attributable to owners of the parent														Minority (non-controlling) interest	Total capital and reserves	
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 (3 to 6 - 7 + 8 to 15)	17	18 (16+17)	
<b>Previous period</b>																		
1 Balance on the first day of the previous business year	01	488.706.200	24.420.000	496.868	0	0	0	223.271	0	0	0	0	-1.998.623	-10.413.512	501.434.204	0	501.434.204	
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	488.706.200	24.420.000	496.868	0	0	0	223.271	0	0	0	0	-1.998.623	-10.413.512	501.434.204	0	501.434.204	
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	-15.429.378	-15.429.378	0	-15.429.378	
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8 Profit or loss arising from subsequent measurement of financial assets available for sale	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15	50.678.800	71.035.136	0	0	0	0	0	0	0	0	0	0	0	121.713.936	0	121.713.936	
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19 Payment of share in profit/dividend	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20 Other distribution to owners	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21 Transfer to reserves according to the annual schedule	21	0	-12.188.864	0	0	0	0	-223.271	0	0	0	0	1.998.623	10.413.512	0	0	0	
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23 Balance on the last day of the previous business year reporting period (04 to 22)	23	539.385.000	83.266.272	496.868	0	0	0	0	0	0	0	0	0	-15.429.378	607.718.762	0	607.718.762	
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																		
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05-24)	25	0	0	0	0	0	0	0	0	0	0	0	0	-15.429.378	-15.429.378	0	-15.429.378	
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	50.678.800	58.846.272	0	0	0	0	-223.271	0	0	0	0	1.998.623	10.413.512	121.713.936	0	121.713.936	

Current period																	
1 Balance on the first day of the current business year	27	539,385,000	83,266,272	496,868	0	0	0	0	0	0	0	0	0	-15,429,378	607,718,762	0	607,718,762
2 Changes in accounting policies	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 27 to 29)	30	539,385,000	83,266,272	496,868	0	0	0	0	0	0	0	0	0	-15,429,378	607,718,762	0	607,718,762
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	-2,916,003	-2,916,003	0	-2,916,003
6 Exchange rate differences from translation of foreign operations	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payment of share in profit/dividend	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	46	0	0	0	0	0	0	-374,197	0	0	0	0	0	0	-374,197	0	-374,197
21 Transfer to reserves according to the annual schedule	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the current business year reporting period (ADP 30 to 48)	49	539,385,000	83,266,272	496,868	0	0	0	-374,197	0	0	0	0	0	-18,345,381	604,428,562	0	604,428,562
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																	
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 32 to 40)	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31-50)	51	0	0	0	0	0	0	0	0	0	0	0	0	-2,916,003	-2,916,003	0	-2,916,003
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)	52	0	0	0	0	0	0	-374,197	0	0	0	0	0	0	-374,197	0	-374,197

Pursuant to the article 407. to 410. of the Capital market Law (Official Gazette 88/08, 146/08, 74/09, 54/13, 159/13, 18/15 and 110/15) the Management Board of Sunce Koncern d.d., Trpinjska 9, Zagreb provides

### **MANAGEMENT BOARD'S STATEMENT OF LIABILITY**

The separate financial statements of Sunce Koncern d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Croatian Accounting Law.

The non-consolidated financial statements for the period from 1 January 2019 till 30 June 2019 present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company.

The management report for the period ended 30 June 2019 presents true and fair presentation of development and results of the Company's operations with description of significant risks and uncertainties for the Company.

President of the Management Board

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Tonči Boras

Member of the Management Board

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Kristijan Gagulić

Member of the Management Board

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Ivan Potkrajčić