



ULJANIK d.d.

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**Provisional Financial Report
for the period January – December 2017**

Pula, February 2018

General data

ULJANIK d.d. is a joint stock company with its headquarters in Pula, at the address Flaciusova 1.

According to the Notice on Classification of Business Subjects as per national classification of activities by the State Institute for Statistics, Zagreb, the Company has the numerical class mark 7010 – management activities, business subject identification number is 03229238, and Company's identification number (OIB) 56243843109.

ULJANIK Group consists of the company ULJANIK d.d. (parent company) and its subsidiaries:

- ULJANIK Brodogradilište d.d. (ULJANIK Shipyard JSC)
- 3. MAJ Brodogradilište d.d. (3. MAJ Shipyard JSC)
- ULJANIK Strojogradnja Diesel d.d. (ULJANIK Diesel Mechanical Engineering JSC)
- ULJANIK Proizvodnja opreme d.d. (ULJANIK Equipment production JSC)
- ULJANIK Poslovno informacijski sustavi d.o.o. (ULJANIK Business Information Systems Ltd)
- ULJANIK Brodograđevni projekti d.o.o. (ULJANIK Shipbuilding Projects Ltd.)
- ULJANIK Financije d.o.o. (ULJANIK Finances Ltd)
- ULJANIK Standard d.o.o. (ULJANIK Standard Ltd)
- USCS d.o.o. (USCS Ltd)
- MARITIME TRANSPORT PULA THREE INC.
- MARITIME TRANSPORT PULA FOUR INC.
- ULJANIK TESU d.d. (ULJANIK TESU JSC)

All the stated companies are 100% in the ownership of ULJANIK Group, apart from the company 3. MAJ Brodogradilište d.d. where ULJANIK d.d. holds 88.27% of the equity capital.

On the basis of fulfillment of legally binding pre-bankruptcy agreement in the part that refers to receivables of ULJANIK JSC, Pula towards ULJANIK Factory of electrical machines and devices JSC, Pula, Flaciusova 1, OIB 45119436874 (ULJANIK TESU), on 19.09.2017, the registration of ULJANIK JSC, Pula, as the owner of 129,474 shares of the issuer ULJANIK TESU (ULJT-R-B) has been carried out in the Central Depository and Clearing Company Inc..

Ownership Structure

The equity of the Company amounts to 100,687,500.00 kuna and is divided among 3,356,250 ordinary shares with the mark ULJN-R-A, each of nominal value 30.00 HRK.

The shareholders of ULJANIK d.d. are:

Status on 29.12.2017

No.	Shareholder	Number of shares	Percent stake in the share capital
1	CROATIA OSIGURANJE D.D. (1/1)	333.332	9,9317
2	CERP (0/1) / HZMO - HRVATSKI ZAVOD ZA MIROVINSKO OSIGURANJE (1/1)	259.731	7,7387
3	HRVATSKA POŠTANSKA BANKA D.D. (0/1) / KAPITALNI FOND D.D. (1/1)	222.222	6,6211
4	HRVATSKA POŠTANSKA BANKA D.D. (0/1) / FOND ZA FINANCIRANJE RAZGRADNJE NEK (1/1)	166.666	4,9658
5	ADDIKO BANK D.D. (0/1) / PBZ CROATIA OSIGURANJE OBVEZNI MIROVINSKI FOND (1/1)	133.333	3,9727
6	HZZO - HRVATSKI ZAVOD ZA ZDRAVSTVENO OSIGURANJE (1/1)	130.157	3,8780
7	SPLITSKA BANKA D.D. (0/1) / ERSTE PLAVI OBVEZNI MIROVINSKI FOND (1/1)	111.111	3,3106
8	ULJANIK D.D. (1/1)	104.375	3,1099
9	ADRIS GRUPA D.D. (1/1)	83.000	2,4730
10	CERP (0/1) / REPUBLIKA HRVATSKA (1/1)	80.016	2,3841
11	DOMAĆA FIZIČKA OSOBA (7.162)	1.563.498	46,5847
12	STRANA OSOBA (13)	3.283	0,0978
13	OSTALI DIONIČARI *** (40)	165.526	4,9319
	TOTAL	3.356.250	100,0000

Overall number of shareholders on 29.12.2017 = 7,225 shareholders

Own shares

In the previous period Uljanik d.d. has gained 104,375 own shares which represents 3.1099% of the Company's equity capital. The shares were obtained at a price of 45.00 kuna per share.

Business Activities

Financial reports as a constituent part of the Management Reports for the fourth trimester 2017 are provisional and non-revised, therefore there may be deviations in the final business results of the mother company ULJANIK d.d and ULJANIK Group for 2017.

As per provisional results for 2017 ULJANIK d.d. has achieved a negative financial result in the amount of 253 mil kuna even though income from sales were higher compared to 2016 by 511 mil kuna. The Company suffered a loss primarily due to its own contribution to the restructuring programme of 3. MAJ Brodogradilište d.d. Net financial expenditure amounts to 34 Mil kuna. The expenses from interest amount to 59 mil kuna while net positive foreign currency translation amount to 25 mil kuna.

As per preliminary data for 2017 ULJANIK Group suffered a loss of 687 mil kuna mainly as a result of delays in the production process. Income from sales in 2017 are higher compared to 2016 by 111 mil kuna, and same amounts to 2,041 mil kuna. In 2017 ULJANIK Group has delivered 4 ships.

Consolidated net financial expenditure amounts to 92 mil kuna, and mostly refers to interest expenses related to credit obligations.

The number of employees in the mother company ULJANIK d.d. on 31.12.2017 was 506 while the number of employees in ULJANIK Group was 4,504.

Key financial data

in 000 HRK	ULJANIK d.d.		ULJANIK Group	
	I-XII/2016	I-XII/2017	I-XII/2016	I-XII/2017
Income from sales	1.212.294	1.722.863	1.930.765	2.041.308
Earnings from business activities	51.423	(219.530)	(69.664)	(594.726)
Profit (loss) before tax	13.776	(253.713)	(159.490)	(687.168)
in 000 HRK	31.12.2016	31.12.2017	31.12.2016	31.12.2017
Liquid assets and short term financial assets	388.407	389.034	121.027	234.775
Total assets	3.468.372	2.823.906	4.085.545	3.035.865
Total equity	351.214	97.501	20.164	(746.631)

Risk Management

The Company and the Group are primarily subject to risk due to changes in exchange rate, credit risk, liquidity risk and interest rate risk.

Foreign currency exchange risk is the risk that the financial instruments value will change amid changes of the exchange rate. The Company and the Group are most subject to currency risk, since they are mostly doing business with foreign countries. In order to reduce that risk coordination of currency inflow and outflow is endeavored.

The credit risk represents the risk of one party not fulfilling its obligations in the financial instrument and that by not doing so will cause financial loss to the other side. The Company and the Group

minimizes that risk by continuously monitoring the Buyer's demands, while suspicious demands are reserved for regular appraisal, and are changed if necessary.

Liquidity risk, which is deemed financing risk, represents the risk that the Company and the Group will encounter difficulties in gathering funds for settling obligations related to financial instruments. The Company and the Group pays a lot of attention to the cash flow, by monitoring real daily changes.

Interest risk represents the risk that the value of financial instruments will change amid changes of market interest rates. Interest risk of the Company and the Group results from received and given long-term and short-term loans.

Significant events after asset and liability statement

All significant events are regularly notified through the pages of the Zagreb Stock Exchange, the Official Register of Regulated Information and the internet pages of the Company.

Implementation of Corporate Management Code

The Company voluntarily implements the Corporate Management Code jointly made by the Croatian Agency for Supervision of Financial Services (HANFA) and Zagreb Stock Exchange d.d.

MANAGEMENT STATEMENT OF RESPONSIBILITY

Provisional non-consolidated and consolidated Financial Reports of the company ULJANIK d.d. and for the period from 01st January 2017 to 31th December 2017 are prepared in accordance with International Financial Reporting Standards (IFRS) as well as the Law on Accounting and to the best of our knowledge in all important aspects give a complete and truthful account of the assets and obligations, financial state and business activities of the Company and the Group.

Signed on behalf of the Management Board:

Gianni Rossanda, President of the Management Board

BALANCE SHEET
as of 31.12.2017.

Company: ULJANIK D.D.

Position	AOP	Previous period	Current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL	001	0	0
B) LONG - TERM ASSETS (003+010+020+029+033)	002	1.105.617.956	738.389.090
I. INTANGIBLE ASSETS (004 to 009)	003	624.092	3.163.324
1. Assets development	004		
2. Concessions, patents, licence fees, merchandise and service brands, software and other rights	005	566.400	3.162.814
3. Goodwill	006		
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008	57.692	510
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 to 019)	010	33.316.690	13.471.865
1. Land	011		
2. Buildings	012	2.550.573	2.335.160
3. Plant and equipment	013	7.535.247	9.472.612
4. Instruments, plant inventories and transportation assets	014	2.251.714	1.626.167
5. Biological assets	015		
6. Prepayments for tangible assets	016		
7. Tangible assets in preparation	017	20.941.230	
8. Other material assets	018	37.926	37.926
9. Investment in buildings	019		
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	936.550.270	620.497.713
1. Shares (stocks) in related parties	021	506.134.585	519.082.054
2. Loans given to related parties	022	228.315.000	
3. Participating interests (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investment in securities	025	627.286	603.970
6. Loans, deposits and similar assets	026	201.473.399	100.811.689
7. Other long-term financial assets	027		
8. Investments accounted for by equity method	028		
IV. RECEIVABLES (030 to 032)	029	135.126.904	101.256.188
1. Receivables from related parties	030	135.126.904	101.256.188
2. Receivables based on trade loans	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033		
C) SHORT - TERM ASSETS (035+043+050+058)	034	2.187.811.393	1.889.796.068
I. INVENTORIES (036 to 042)	035	543.107.371	460.269.756
1. Raw material	036	521.252.911	428.511.917
2. Work in progress	037	348.139	155.299
3. Finished goods	038		
4. Merchandise	039		
5. Prepayments for inventories	040	21.506.321	31.602.540
6. Long-term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	1.256.297.409	1.040.492.699
1. Receivables from related parties	044	719.215.692	854.921.075
2. Accounts receivable	045	915.144	3.555.882
3. Receivables from participating entrepreneurs	046		
4. Receivables from employees and shareholders	047	54.665	27.955
5. Receivables from government and other institutions	048	42.518.733	22.085.046
6. Other receivables	049	493.593.175	159.902.741
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	324.775.691	354.832.445
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	314.510.282	178.237.077
3. Participating interests (shares)	053		
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investment in securities	055		
6. Loans, deposits and similar assets	056	10.265.409	176.595.368
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	63.630.922	34.201.168
D) PREPAID EXPENSES AND ACCRUED INCOME	059	174.942.381	195.720.998
E) TOTAL ASSETS (001+002+034+059)	060	3.468.371.730	2.823.906.156
F) OFF-BALANCE SHEET NOTES	061	0	0

LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	351.213.753	97.500.484
I. SUBSCRIBED CAPITAL	063	100.687.500	100.687.500
II. CAPITAL RESERVES	064	216.566.367	216.566.367
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	23.478.669	33.959.886
1. Reserves prescribed by law	066		
2. Reserves for treasury stocks	067	4.700.000	4.700.000
3. Treasury stocks and shares (deduction)	068	4.696.875	4.696.875
4. Statutory reserves	069		
5. Other reserves	070	23.475.544	33.956.761
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	0	0
1. Retained earnings	073		
2. Accumulated loss	074		
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	10.481.217	-253.713.269
1. Profit for the current year	076	10.481.217	
2. Loss for the current year	077		253.713.269
VII. MINORITY INTEREST	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	524.046.149	390.395.656
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	524.046.149	390.395.656
4. Liabilities for received prepayments	087		
5. Accounts payable	088		
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in w hom 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	2.584.261.188	2.333.372.196
1. Liabilities to related parties	094	75.378.135	35.591.755
2. Liabilities for loans, deposits etc.	095		
3. Liabilities to banks and other financial institutions	096	869.047.340	1.160.944.588
4. Liabilities for received prepayments	097	1.348.007.178	859.699.724
5. Accounts payable	098	268.775.827	201.776.641
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in w hom the entity holds participating interests	100		
8. Liabilities to employees	101	4.710.514	4.924.843
9. Liabilities for taxes, contributions and similar fees	102	6.151.640	6.650.991
10. Liabilities to share - holders	103		
11. Liabilities for long term assets held for sale	104		
12. Other short - term liabilities	105	12.190.554	63.783.654
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	8.850.640	2.637.820
F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)	107	3.468.371.730	2.823.906.156
G) OFF-BALANCE SHEET NOTES	108	0	0

PROFIT AND LOSS ACCOUNT
for period 01.01.2017. to 31.12.2017.

Company: ULJANIK D.D.

Position	AOP	Previous period		Current period	
		Cummulative	Periodical	Cummulative	Periodical
		3	4	5	6
1	2				
I. OPERATING REVENUES (112+113)	111	1.212.852.046	553.485.332	1.810.684.480	404.361.389
1. Sales revenues	112	1.212.294.441	553.150.186	1.722.863.066	385.344.309
2. Other operating revenues	113	557.605	335.146	87.821.414	19.017.080
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	1.161.428.611	564.606.722	2.030.214.326	658.097.674
1. Changes in the value of work in progress and finished goods	115	4.407.829	2.641.006	192.840	226.596
2. Material costs (117 to 119)	116	976.405.814	509.890.845	1.557.965.083	324.731.295
a) Raw material and material costs	117	695.812.312	402.557.423	1.099.708.738	229.872.276
b) Costs of goods sold	118	0	0	0	0
c) Other external costs	119	280.593.502	107.333.422	458.256.345	94.859.019
3. Staff costs (121 to 123)	120	84.771.975	21.771.572	87.730.910	22.035.433
a) Net salaries and wages	121	48.904.695	12.639.421	51.704.929	13.029.510
b) Costs for taxes and contributions from salaries	122	23.709.072	6.015.955	23.633.950	5.921.324
c) Contributions on gross salaries	123	12.158.208	3.116.196	12.392.031	3.084.599
4. Depreciation	124	3.096.905	1.198.846	3.792.967	1.023.780
5. Other costs	125	81.142.318	18.768.076	89.218.076	21.996.641
6. Impairment (127+128)	126	0	0	0	0
a) Impairment of long-term assets (excluding financial assets)	127				
b) Impairment of short-term assets (excluding financial assets)	128				
7. Provisions	129	8.737.274	8.737.274	2.307.134	2.307.134
8. Other operating expenses	130	2.866.496	1.599.103	289.007.316	285.776.795
III. FINANCIAL INCOME (132 to 136)	131	104.580.810	29.790.245	237.488.354	54.072.722
1. Interest income, foreign exchange gains, divid. and similar income from related parties	132	23.241.689	8.935.060	20.043.890	5.081.486
2. Interest income, foreign exchange gains, divid. and similar income from non-related parties	133	81.323.141	20.839.205	217.444.464	48.991.236
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	0	0
4. Unrealized gains (income) from financial assets	135	15.980	15.980	0	0
5. Other financial income	136	0	0	0	0
IV. FINANCIAL EXPENSES (138 to 141)	137	142.228.260	68.562.386	271.671.777	73.746.607
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138	769.977	524.081	17.029.818	1.718.770
2. Interest expenses, foreign exchange losses and similar expenses from non-related parties and other entities	139	141.431.283	68.011.305	254.618.643	72.004.521
3. Unrealized losses (expenses) on financial assets	140	27.000	27.000	23.316	23.316
4. Other financial expenses	141	0	0	0	0
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	1.317.432.856	583.275.577	2.048.172.834	458.434.111
X. TOTAL EXPENSES (114+137+143 + 145)	147	1.303.656.871	633.169.108	2.301.886.103	731.844.281
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	13.775.985	-49.893.531	-253.713.269	-273.410.170
1. Profit before taxation (146-147)	149	13.775.985	0	0	0
2. Loss before taxation (147-146)	150	0	49.893.531	253.713.269	273.410.170
XII. PROFIT TAX	151	3.294.768	3.294.768		
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	10.481.217	-53.188.299	-253.713.269	-273.410.170
1. Profit for the period(149-151)	153	10.481.217	0	0	0
2. Loss for the period (151-148)	154	0	53.188.299	253.713.269	273.410.170
APPENDIX TO P&L (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interests	156				
STATEMENT OF COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	10.481.217	-53.188.299	-253.713.269	-273.410.170
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX(159 to 165)	158	0	0	0	0
1. Exchange differences on translation of foreign operations	159	0	0	0	0
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from revaluation of financial assets available for sale	161	0	0	0	0
4. Gains or losses on efficient cash flow hedging	162	0	0	0	0
5. Gains or losses on efficient hedge of a net investment in foreign countries	163	0	0	0	0
6. Share in other comprehensive income / loss of associated companies	164	0	0	0	0
7. Actuarial gains / losses on defined benefit plans	165	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	0	0	0	0
IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)	168	10.481.217	-53.188.299	-253.713.269	-273.410.170
APPENDIX to Statement of comprehensive income (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interests	170				

CASH FLOW STATEMENT - Indirect method
period 01.01.2017. to 31.12.2017.

Company: ULJANIK D.D.

Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	13.775.985	-253.713.269
2. Depreciation	002	3.096.905	3.792.967
3. Increase in short-term liabilities	003	877.110.598	
4. Decrease in short term receivables	004		147.732.950
5. Decrease in inventories	005		82.837.615
6. Other cash flow increases	006	11.020	301.625.417
I. Total increase in cash flow from operating activities (001 to 006)	007	893.994.508	282.275.680
1. Decrease in short - term liabilities	008		548.999.060
2. Increase in short - term receivables	009	808.238.992	
3. Increase in inventories	010	490.144.996	
4. Other cash flow decreases	011	29.352.627	20.456.385
II. Total decrease in cash flow from operating activities (008 to 011)	012	1.327.736.615	569.455.445
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	433.742.107	287.179.765
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015		16.974.381
2. Cash inflows from sale of equity and debt financial instruments	016		
3. Interest receipts	017	21.684.565	19.931.704
4. Dividend receipts	018	4.373.294	524.681
5. Other cash inflows from investing activities	019	408.373.757	268.202.338
III. Total cash inflows from investing activities(015 to 019)	020	434.431.616	305.633.104
1. Cash outflows for purchase of long - term tangible and intangible assets	021	27.659.067	3.461.755
2. Cash outflows for purchase of equity and debt financial instruments	022	35.000.000	200.100
3. Other cash outflows from investing activities	023	784.792.301	202.467.993
IV. Total cash outflows from investing activities (021 to 023)	024	847.451.368	206.129.848
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)	025	0	99.503.256
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)	026	413.019.752	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027		
2. Cash inflows from loans, debentures, credits and other borrowings	028	927.478.782	780.047.061
3. Other cash inflows from financing activities	029		
V. Total cash inflows from financing activities (027 to 029)	030	927.478.782	780.047.061
1. Cash outflows for repayment of loans and bonds	031	112.963.405	620.415.780
2. Dividends paid	032		
3. Cash outflows for finance lease	033	1.391.952	1.384.526
4. Cash outflows for purchase of own stocks	034		
5. Other cash outflows from financing activities	035		
VI. Total cash outflows from financing activities (031 do 035)	036	114.355.357	621.800.306
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	813.123.425	158.246.755
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	0	0
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	33.638.434	29.429.754
Cash and cash equivalents at the beginning of period	041	97.269.356	63.630.922
Increase in cash and cash equivalents	042	0	0
Decrease in cash and cash equivalents	043	33.638.434	29.429.754
Cash and cash equivalents at the end of period	044	63.630.922	34.201.168

STATEMENT OF CHANGES IN EQUITY			
Company: ULJANK D.D.	from	1.1.2017	to 31.12.2017
Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	100.687.500	100.687.500
2. Capital reserves	002	216.566.367	216.566.367
3. Reserves from profit	003	23.478.669	33.959.886
4. Retained earnings or accumulated loss	004	0	
5. Profit / loss for the current year	005	10.481.217	-253.713.269
6. Revaluation of long - term tangible assets	006	0	
7. Revaluation of intangible assets	007	0	
8. Revaluation of financial assets available for sale	008	0	
9. Other revaluation	009	0	
10. Total capital and reserves (AOP 001 to 009)	010	351.213.753	97.500.484
11. Currency gains and losses arising from net investments in foreign operations	011	0	
12. Current and deferred taxes (part)	012	0	
13. Cash flow hedging	013	0	
14. Changes in accounting policies	014	0	
15. Correction of significant errors in prior periods	015	0	
16. Other changes in capital	016	10.481.217	-253.713.269
17. Total increase or decrease in capital (AOP 011 to 016)	017	10.481.217	-253.713.269
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

CONSOLIDATED BALANCE SHEET

as of 31.12.2017.

Company: ULJANIK D.D.

Position	AOP	Previous period	Current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL	001	0	0
B) LONG - TERM ASSETS (003+010+020+029+033)	002	1.689.268.197	1.405.846.150
I. INTANGIBLE ASSETS (004 to 009)	003	207.176.424	203.861.338
1. Assets development	004		
2. Concessions, patents, licence fees, merchandise and service brands, softw are and other rights	005	180.645.697	172.227.866
3. Goodw ill	006	21.512.376	27.405.853
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008	5.018.351	4.227.619
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 to 019)	010	838.063.285	792.604.243
1. Land	011	15.827.646	22.280.722
2. Buildings	012	55.932.880	56.738.614
3. Plant and equipment	013	211.300.442	202.060.804
4. Instruments, plant inventories and transportation assets	014	408.555.468	342.347.075
5. Biological assets	015		
6. Prepayments for tangible assets	016	3.365	
7. Tangible assets in preparation	017	56.942.081	67.160.681
8. Other material assets	018	782.205	782.205
9. Investment in buildings	019	88.719.198	101.234.142
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	599.512.916	368.638.525
1. Shares (stocks) in related parties	021	254.749.285	234.019.584
2. Loans given to related parties	022		
3. Participating interests (shares)	023	316.800	410.282
4. Loans to entrepreneurs in w hom the entity hold participating interests	024		
5. Investment in securities	025	1.236.644	1.248.094
6. Loans, deposits and similar assets	026	343.190.187	132.940.565
7. Other long - term financial assets	027	20.000	20.000
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	44.515.572	40.742.044
1. Receivables from related parties	030		
2. Receivables based on trade loans	031	20.896.249	16.887.711
3. Other receivables	032	23.619.323	23.854.333
V. DEFERRED TAX ASSETS	033	0	0
C) SHORT - TERM ASSETS (035+043+050+058)	034	1.819.930.123	1.268.583.413
I. INVENTORIES (036 to 042)	035	856.282.775	722.598.714
1. Row material	036	743.031.607	555.976.855
2. Work in progress	037	68.582.110	122.197.774
3. Finished goods	038	119.648	5.439.187
4. Merchandise	039	46.424	41.765
5. Prepayments for inventories	040	43.648.417	38.088.564
6. Long - term assets held for sale	041	854.569	854.569
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	842.620.039	311.209.409
1. Receivables from related parties	044		
2. Accounts receivable	045	50.517.048	82.595.273
3. Receivables from participating entrepreneurs	046		
4. Receivables from employees and shareholders	047	428.109	243.693
5. Receivables from government and other institutions	048	233.218.272	43.113.212
6. Other receivables	049	558.456.610	185.257.231
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	17.246.009	179.516.405
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052		
3. Participating interests (shares)	053		
4. Loans to entrepreneurs in w hom the entity hold participating interests	054		
5. Investment in securities	055		
6. Loans, deposits and similar assets	056	17.246.009	179.516.405
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	103.781.300	55.258.885
D) PREPAID EXPENSES AND ACCRUED INCOME	059	576.346.543	361.435.435
E) TOTAL ASSETS (001+002+034+059)	060	4.085.544.863	3.035.864.998
F) OFF-BALANCE SHEET NOTES	061	1.875.709.956	1.725.843.023

LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	20.164.272	-746.631.233
I. SUBSCRIBED CAPITAL	063	100.687.500	100.687.500
II. CAPITAL RESERVES	064	216.566.367	216.566.367
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	23.478.669	33.959.886
1. Reserves prescribed by law	066	0	0
2. Reserves for treasury stocks	067	4.700.000	4.700.000
3. Treasury stocks and shares (deduction)	068	4.696.875	4.696.875
4. Statutory reserves	069	0	0
5. Other reserves	070	23.475.544	33.956.761
IV. REVALUATION RESERVES	071	101.250.752	54.399.725
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	-373.550.537	-573.001.830
1. Retained earnings	073	0	0
2. Accumulated loss	074	373.550.537	573.001.830
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	-176.959.156	-687.527.215
1. Profit for the current year	076	0	0
2. Loss for the current year	077	176.959.156	687.527.215
VII. MINORITY INTEREST	078	128.690.677	108.284.334
B) PROVISIONS (080 to 082)	079	18.505.725	17.315.244
1. Provisions for pensions, severance pay and similar liabilities	080	6.463.368	6.682.651
2. Reserves for tax liabilities	081		0
3. Other reserves	082	12.042.357	10.632.593
C) LONG TERM LIABILITIES (084 to 092)	083	723.725.935	553.191.351
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	4.380.192	2.515.490
3. Liabilities to banks and other financial institutions	086	682.223.083	503.833.196
4. Liabilities for received prepayments	087		
5. Accounts payable	088	17.585.925	28.229.501
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in w hom the entity holds participating interests	090		
8. Other long-term liabilities	091		
9. Deferred tax liability	092	19.536.735	18.613.164
D) SHORT - TERM LIABILITIES (094 to 105)	093	3.223.880.296	3.132.050.244
1. Liabilities to related parties	094		
2. Liabilities for loans, deposits etc.	095	21.905.303	6.869.310
3. Liabilities to banks and other financial institutions	096	1.198.817.118	1.511.096.194
4. Liabilities for received prepayments	097	1.340.962.559	872.552.706
5. Accounts payable	098	496.353.146	563.362.845
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in w hom the entity holds participating interests	100		
8. Liabilities to employees	101	32.481.814	37.981.225
9. Liabilities for taxes, contributions and similar fees	102	44.756.616	43.319.752
10. Liabilities to share - holders	103	354.437	354.437
11. Liabilities for long term assets held for sale	104		
12. Other short - term liabilities	105	88.249.303	96.513.775
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	99.268.635	79.939.392
F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)	107	4.085.544.863	3.035.864.998
G) OFF-BALANCE SHEET NOTES	108	1.875.709.956	1.725.843.023
APPENDIX TO BALANCE SHEET (only for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109	-108.526.405	-854.915.567
2. Attributed to minority interests	110	128.690.677	108.284.334

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for period 01.01.2017. to 31.12.2017.

Company: ULJANIK D.D.

Position	AOP	Previous period		Current period	
		Cummulative	Periodical	Cummulative	Periodical
1	2	3	4	5	6
I. OPERATING REVENUES (112+113)	111	2.244.035.481	922.584.896	2.141.174.739	378.518.634
1. Sales revenues	112	1.930.765.400	846.874.340	2.041.307.557	357.453.476
2. Other operating revenues	113	313.270.081	75.710.556	99.867.182	21.065.158
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	2.313.699.554	954.892.622	2.735.901.029	825.468.958
1. Changes in the value of work in progress and finished goods	115	-19.326.124	40.841.920	-51.282.034	208.705.823
2. Material costs (117 to 119)	116	1.509.025.410	664.544.605	1.936.358.241	390.616.345
a) Raw material and material costs	117	1.147.157.045	516.218.795	1.418.604.182	258.783.094
b) Costs of goods sold	118	1.033.590	267.124	1.023.363	221.163
c) Other external costs	119	360.834.775	148.058.686	516.730.696	131.612.088
3. Staff costs (121 to 123)	120	537.052.602	143.510.440	596.548.459	149.929.687
a) Net salaries and wages	121	325.422.172	87.613.064	366.684.182	92.278.362
b) Costs for taxes and contributions from salaries	122	127.245.241	33.637.685	137.314.162	34.554.910
c) Contributions on gross salaries	123	84.385.189	22.259.691	92.550.115	23.096.415
4. Depreciation	124	65.150.244	19.423.953	70.322.811	17.590.299
5. Other costs	125	160.110.505	45.779.374	160.655.382	46.379.779
6. Impairment (127+128)	126	1.029.347	88.015	384.203	384.203
a) Impairment of long-term assets (excluding financial assets)	127				
b) Impairment of short-term assets (excluding financial assets)	128	1.029.347	88.015	384.203	384.203
7. Provisions	129	33.871.566	33.871.566	5.795.367	5.795.367
8. Other operating expenses	130	26.786.004	6.832.749	17.118.600	6.067.455
III. FINANCIAL INCOME (132 to 136)	131	298.796.067	122.348.811	437.942.134	87.236.229
1. Interest income, foreign exchange gains, divid. and similar income from related parties	132				
2. Interest income, foreign exchange gains, divid. and similar income from non-related parties	133	298.645.733	122.198.477	437.941.798	87.235.893
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0		
4. Unrealized gains (income) from financial assets	135	150.334	150.334	336	336
5. Other financial income	136	0	0		
IV. FINANCIAL EXPENSES (138 to 141)	137	377.907.784	152.061.940	530.384.145	129.791.007
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138	0	0		
2. Interest expenses, foreign exchange losses and similar expenses from non-related parties and other entities	139	377.718.173	152.034.940	530.349.769	129.756.631
3. Unrealized losses (expenses) on financial assets	140	27.000	27.000	34.376	34.376
4. Other financial expenses	141	162.611			
V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142	693.606	693.606		
VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143	11.416.502	11.416.502		
VII. EXTRAORDINARY - OTHER INCOME	144	0	0	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+142 + 144)	146	2.543.525.154	1.045.627.313	2.579.116.873	465.754.863
X. TOTAL EXPENSES (114+137+143 + 145)	147	2.703.023.840	1.118.371.064	3.266.285.174	955.259.965
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-159.498.686	-72.743.751	-687.168.301	-489.505.102
1. Profit before taxation (146-147)	149	0	0	0	0
2. Loss before taxation (147-146)	150	159.498.686	72.743.751	687.168.301	489.505.102
XII. PROFIT TAX	151	13.529.200	13.529.200	0	0
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-173.027.886	-86.272.951	-687.168.301	-489.505.102
1. Profit for the period(149-151)	153	0	0	0	0
2. Loss for the period (151-148)	154	173.027.886	86.272.951	687.168.301	489.505.102
APPENDIX TO P&L (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155	-176.959.156	-85.484.118	-687.527.215	-489.809.303
2. Attributed to minority interests	156	3.931.270	-788.833	358.914	304.201
STATEMENT OF COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-173.027.886	-86.272.951	-687.168.301	-489.505.102
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX(159 to 165)	158	69.267.357	73.817.225	-46.851.027	-7.963.068
1. Exchange differences on translation of foreign operations	159	26.746.726	31.296.594	-42.643.652	-3.755.693
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	42.520.631	42.520.631	-4.207.375	-4.207.375
3. Profit or loss from revaluation of financial assets available for sale	161	0	0	0	0
4. Gains or losses on efficient cash flow hedging	162	0	0	0	0
5. Gains or losses on efficient hedge of a net investment in foreign countries	163	0	0	0	0
6. Share in other comprehensive income / loss of associated companies	164	0	0	0	0
7. Actuarial gains / losses on defined benefit plans	165	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	7.653.714	7.653.714	0	0
IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)	167	61.613.643	66.163.511	-46.851.027	-7.963.068
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)	168	-111.414.243	-20.109.440	-734.019.328	-497.468.170
APPENDIX to Statement of comprehensive income (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169	-115.345.513	-19.320.607	-734.378.242	-497.772.371
2. Attributed to minority interests	170	3.931.270	-788.833	358.914	304.201

CONSOLIDATED CASH FLOW STATEMENT - Indirect method

period 01.01.2017. to 31.12.2017.

Company: ULJANIK D.D.

Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-159.498.686	-687.168.301
2. Depreciation	002	65.150.244	70.322.811
3. Increase in short-term liabilities	003	620.873.754	
4. Decrease in short term receivables	004		746.321.738
5. Decrease in inventories	005		133.684.061
6. Other cash flow increases	006	39.215.280	39.572.980
I. Total increase in cash flow from operating activities (001 to 006)	007	565.740.592	302.733.289
1. Decrease in short - term liabilities	008		398.682.373
2. Increase in short - term receivables	009	324.504.280	
3. Increase in inventories	010	563.642.538	
4. Other cash flow decreases	011	355.569.996	85.179.279
II. Total decrease in cash flow from operating activities (008 to 011)	012	1.243.716.814	483.861.652
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	677.976.222	181.128.363
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015		
2. Cash inflows from sale of equity and debt financial instruments	016		
3. Interest receipts	017	23.598.033	3.757.006
4. Dividend receipts	018	8.981	604.588
5. Other cash inflows from investing activities	019	235.488.185	143.159.747
III. Total cash inflows from investing activities(015 to 019)	020	259.095.199	147.521.341
1. Cash outflows for purchase of long - term tangible and intangible assets	021	60.737.144	36.703.366
2. Cash outflows for purchase of equity and debt financial instruments	022		20.000
3. Other cash outflows from investing activities	023	293.888.772	95.180.521
IV. Total cash outflows from investing activities (021 to 023)	024	354.625.916	131.903.887
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)	025	0	15.617.454
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)	026	95.530.717	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027		0
2. Cash inflows from loans, debentures, credits and other borrowings	028	898.567.421	766.153.938
3. Other cash inflows from financing activities	029		0
V. Total cash inflows from financing activities (027 to 029)	030	898.567.421	766.153.938
1. Cash outflows for repayment of loans and bonds	031	301.470.197	647.606.869
2. Dividends paid	032		
3. Cash outflows for finance lease	033	1.486.389	1.558.575
4. Cash outflows for purchase of own stocks	034	0	0
5. Other cash outflows from financing activities	035	0	0
VI. Total cash outflows from financing activities (031 do 035)	036	302.956.586	649.165.444
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	595.610.835	116.988.494
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	0	0
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	177.896.104	48.522.415
Cash and cash equivalents at the beginning of period	041	281.677.404	103.781.300
Increase in cash and cash equivalents	042	0	0
Decrease in cash and cash equivalents	043	177.896.104	48.522.415
Cash and cash equivalents at the end of period	044	103.781.300	55.258.885

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY				
Company: ULJANK D.D.	from	1.1.2017	to	31.12.2017
Position	AOP	Previous year	Current year	
1	2	3	4	
1. Subscribed capital	001	100.687.500	100.687.500	
2. Capital reserves	002	216.566.367	216.566.367	
3. Reserves from profit	003	23.478.669	33.959.886	
4. Retained earnings or accumulated loss	004	-244.859.860	-464.717.496	
5. Profit / loss for the current year	005	-176.959.156	-687.527.215	
6. Revaluation of long - term tangible assets	006	34.866.917	30.659.541	
7. Revaluation of intangible assets	007			
8. Revaluation of financial assets available for sale	008			
9. Other revaluation	009	66.383.834	23.740.184	
10. Total capital and reserves (AOP 001 to 009)	010	20.164.271	-746.631.233	
11. Currency gains and losses arising from net investments in foreign operations	011	26.746.726	-42.643.652	
12. Current and deferred taxes (part)	012	7.653.714		
13. Cash flow hedging	013			
14. Changes in accounting policies	014			
15. Correction of significant errors in prior periods	015			
16. Other changes in capital	016	-135.194.354	-724.151.852	
17. Total increase or decrease in capital (AOP 011 to 016)	017	-100.793.914	-766.795.504	
17 a. Attributed to equity holders of parent company	018	-108.526.406	-854.915.567	
17 b. Attributed to minority interest	019	128.690.677	108.284.334	