

Stanovi Jadran

Management report
STANOVI JADRAN d.d. SPLIT

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I. COMMENTS ON BUSINESS DOING

Stanovi Jadran d.d. (the Company) had 1.835.476 HRK total revenues for year ended 2018 what is 445,08 % more than the year before for the same time period. Sales revenue were 966.003 HRK what is an increase of 499,74% from year prior. The revenue source is 68,64% from core business what was 46,13% last year. Revenue streams from the main activities are holding 55,82% of total revenues, which were 37,66% year before. Other revenues are 58.546 HRK what is an increase of 21.653 HRK from year before.

100% of revenues streams are from local market and it remained like it was in 2017.

Material expenses in 2018 were 991.762 HRK what is a decrease of 25,15% from year before what accounts 41,30 % of total expenses.

Salaries went up for 22,24% and are weighting 32,85 % in total expenses what was 29,83% year before. There were no value adjustment costs and account receivables adjustment neither this year.

Financial revenues, mainly consist of dividend revenues from Winter LTD, increased for 429.895 HRK what is an increase of 212,82%. Financial costs went up for 230.217 HRK or 616,81 % from year before. There are 9.559 HRK negative currency exchange rates, while interest rate costs went up for 233.673 HRK due to credit line at Agram Bank PLC which was used to complete purchase of commercial property Ploka.

Gross loss is 840.710 HRK what is a decrease of 755.744 HRK from year before. The gross loss decreased as the Company has revenue streams from renting commercial property Ploka and dividend revenues.

In accordance with transactions among related persons the company had net income of 99.312 HRK.

Total assets increased for 15,64 % to 79.191.115 HRK while fixed assets increased for 23.481.611 or 47,96% %. Material assets increased for 21.592.148 HRK due to property purchase and investment in Šibenik.

Long-term financial assets mainly relate to shares in subsidiary companies and to shares of non-listed companies. It amounts 30.359.379 HRK and is 1.887.693 HRK higher compared to the beginning of the year, primarily due to the share capital increase of the subsidiary company Vile Orašac d.o.o.

Current assets are 6.570.466 HRK, which is by 66,33% lower than the beginning of the year. In the structure of current assets, receivables are higher compared to the beginning of the year, while cash level is falling.

Total account receivables amounted to 3.133.020 HRK, an increase of 87.528 HRK or 2,87 % compared to the beginning of the year.