

“ENERGOPROJEKT – ENTEL” AD, BELGRADE

Summary Consolidated Financial Statement

for the Year ended 31 December 2018

and

Independent Auditor’s Report

»ENERGOPROJEKT – ENTEL« AD, BEOGRAD

Summary Consolidated Financial Statement for the Year ended 31 December 2018
And Independent Auditor's Report

CONTENTS

INDEPENDENT AUDITOR'S REPORT

SUMMARY FINANCIAL STATEMENTS

Summary Consolidated Balance Sheet
Summary Consolidated Income Statement

INDEPENDENT AUDITOR’S REPORT

TO THE SHAREHOLDERS OF ENERGOPROJEKT ENTEL AD, BELGRADE

Report on the Summary Consolidated Financial Statements

The accompanying summary consolidated financial statements of Energoprojekt Entel a.d. Belgrade (the Parent Company) and its subsidiaries (the Group), which comprise the summary consolidated balance sheet as at 31 December 2018 and the summary consolidated income statement for the year then ended, are derived from the audited consolidated financial statements of the Group for the year ended 31 December 2018. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 15 April 2019. Those consolidated financial statements of the Group for the year 2018 and the accompanying summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The accompanying summary consolidated financial statements do not represent / contain a complete set of financial statements and all the disclosures required by accounting regulations applicable in the Republic of Serbia, and therefore may not be considered separately from the audited consolidated financial statements of the Group for the year 2018.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements including translation of figures in those financial statement from RSD, as functional currency of the Group, into USD.

Auditor’s Responsibility

Our responsibility is to express an opinion on these summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 - Engagements to Report on Summary Financial Statements.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ENERGOPROJEKT ENTEL AD, BELGRADE

Report on the Summary Consolidated Financial Statements – continued

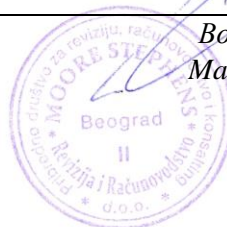
Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Group for the year ended 31 December 2018 are consistent, in all material respects, with those financial statements.

Belgrade, 10, May 2019

„MOORE STEPHENS
Revizija i Računovodstvo“ Ltd, Belgrade

Bogoljub Aleksić
Managing Partner



ENERGOPROJEKT – ENTEL AD, BELGRADE

SUMMARY OF CONSOLIDATED BALANCE SHEET

As of 31 December 2018, 2017, 2016, 2015 AND 2014

In thousands of USD

	<u>31.12.2018</u>	<u>31.12.2017</u>	<u>31.12.2016</u>	<u>31.12.2015</u>	<u>31.12.2014</u>
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	51	69	91	119	100
Land, property and equipment	10,066	10,690	9,870	10,759	11,450
Investment property	0	19	16	17	19
Investments in capital and other long term investments	13,785	10,914	7,975	8,382	7,690
Total non-current assets	23,902	21,692	17,952	19,277	19,259
CURRENT ASSETS					
Inventories	99	284	65	61	60
Assets held for trading	0	0	0	32	36
Receivables	33,073	29,719	29,863	25,283	28,772
Cash and cash equivalents	3,867	9,009	8,023	7,777	3,077
Total current assets	37,039	39,012	37,951	33,153	31,945
Deferred tax assets	-	-	-	-	-
TOTAL ASSETS	60,941	60,704	55,903	52,43	51,204
CAPITAL AND LIABILITIES					
CAPITAL AND RESERVES					
Initial and other capital	1,675	2,343	2,343	2,343	2,343
Reserves	232	241	206	216	240
Revaluation reserves	3,942	2,370	2,630	3,211	4,272
Retained earnings	29,808	30,501	26,880	23,671	21,423
Total capital and reserves	34,917	35,455	32,059	29,441	28,278
Long term provisions	6,840	7,306	4,951	5,495	5,551
Other long-term liabilities	17	45	65	76	81
Short terms financial liabilities	27	43	84	30	-
Operating liabilities	18,554	17,238	18,221	16,817	16,660
Deferred tax liabilities	586	617	523	571	634
Total liabilities	26,024	25,249	23,884	22,989	22,926
TOTAL CAPITAL AND LIABILITIES	60,941	60,704	55,903	52,430	51,204
OFF-BALANCE SHEET ITEMS	27,183	24,513	18,611	22,227	35,06

NOTE: Dinar amounts are converted into US Dollars at the exchange rate ruling at the Balance Sheet date for the related years as at (Except for Initial capital presented at historic rate):

December 31, 2018 1 USD = 103.3893 RSD

December 31, 2017 1 USD = 99.1155 RSD

December 31, 2016 1 USD = 117.1353 RSD

December 31, 2015 1 USD = 111.2468 RSD

December 31, 2014 1 USD = 99.4641 RSD

ENERGOPROJEKT – ENTEL AD, BELGRADE

SUMMARY OF CONSOLIDATED INCOME STATEMENT For the year ended 31 December 2018, 2017, 2016, 2015 AND 2014 In thousands of USD

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
OPERATING INCOME					
Sales	51,642	56,337	55,433	50,345	43,551
Other operating income	-	-	-	56	1
Total operating revenues	51,642	56,337	55,433	50,401	43,552
OPERATING EXPENSES					
Cost of goods sold	0	-	9	8	-
Costs of material and energy	1,407	1,292	1,156	1,135	1,153
Cost of salaries, fringe benefits and other personal expenses	30,812	32,328	33,723	29,594	26,362
Depreciation and provisions	1,138	3,194	2,806	1,748	1,288
Other operating expenses	13,998	14,461	13,679	14,417	13,518
Total operating expenses	47,355	51,275	51,373	46,902	42,321
Net operating profit/(loss)	4,287	5,062	4,060	3,499	1,231
Net financial profit/(loss)	889	831	672	801	609
Net non-operating profit/(loss)	204	5	1,442	762	3,976
Profit before taxes	5,380	5,898	6,174	5,062	5,816
Tax on profit	473	320	248	246	297
Deferred tax income/(losses)	(279)	1	(1)	(5)	23
NET PROFIT	4,628	5,579	5,925	4,811	5,542

NOTE: Dinar amounts are converted into US Dollars at the average exchange rate for the years:

2018	1 USD = 100.2784 RSD
2017	1 USD = 107.4987 RSD
2016	1 USD = 111.2903 RSD
2015	1 USD = 108.8543 RSD
2014	1 USD = 88.5408 RSD