

Energoprojekt Holding Plc. Quarterly Report for Q1 2019

Belgrade, May 2019

Pursuant to Article 53 of the Law on Capital Market (RS Official Gazette, No. 31/2011, 112/2015 and 108/2016) and pursuant to Article 5 of the Rulebook on the Content, Form and Method of Publication of Annual, Semi-Annual and Quarterly Reports of Public Companies (RS Official Gazette, No. 14/2012, 5/2015 and 24/2017), **Energoprojekt Holding Plc. from Belgrade, registration No.: 07023014 hereby publishes the following:**

QUARTERLY REPORT FOR Q1 2019

C O N T E N T S

1. FINANCIAL STATEMENTS OF THE ENERGOPROJEKT HOLDING PLC. FOR Q1 2019

(Balance Sheet, Income Statement, Report on Other Income, Cash Flow Statement, Statement of Changes in Equity, Notes to Financial Statements)

2. BUSINESS REPORT

3. STATEMENT BY PERSONS RESPONSIBLE FOR PREPARATION OF REPORT

4. DECISION OF COMPETENT CORPORATE BODY TO ADOPT THE Q1 2019 QUARTERLY REPORT * (Note)

1. FINANCIAL STATEMENTS OF ENERGOPROJEKT HOLDING PLC. FOR Q1 2019 (Balance Sheet, Income Statement, Report on Other Income, Cash Flow Statement, Statement on Changes in Equity, Notes to Financial Statements)

Reporting period:

from

01.01.2019.

until

31.03.2019.

Quarterly Financial Statement for Businesses KFI-PD

Business name: **ENERGOPROJEKT HOLDING p.l.c.**

Reg. No.: **07023014**

Postal code, city: **11070**

NOVI BEOGRAD

Street and number: **BULEVAR MIHAILA PUPINA 12**

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Consolidated/individual: **INDIVIDUAL**

Approved (yes/no): **Yes**

Audited (yes/no): **No**

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Name and surname: **STOJAN ČOLAKOV**

(authorized officer)

Documents for publishing (in PDF format, as a whole):

1. Financial statements (balance sheet, income statement, statement of other results, cash flow statement, statement of changes in equity, notes to the financial statements)
2. Business Report
3. Statement of responsible person for the preparation of the Report



Stojan Čolakov
(Signature of legal representative)

BALANCE SHEET

at day 31.03.2019.

RSD thousand

DESCRIPTION	EDP	Total	
		End of quarter current year	31.12. previous year
1	2	3	4
ASSETS			
A. SUBSCRIBED CAPITAL UNPAID	0001		
B. NON-CURRENT ASSETS (0003+0010+0019+0024+0034)	0002	6,863,237	7,021,054
I. INTANGIBLES (0004+0005+0006+0007+0008+0009)	0003	3,884	4,681
1. Investments in development	0004		
2. Concessions, patents, licenses, trademarks and service marks, software and other rights	0005	3,884	4,681
3. Goodwill	0006		
4. Other intangible assets	0007		
5. Intangible assets in progress	0008		
6. Advances paid on intangible assets	0009		
II. PROPERTY, PLANT AND EQUIPMENT (0011+0012+0013+0014+0015+0016+0017+0018)	0010	1,929,317	1,933,237
1. Land	0011		
2. Buildings	0012	1,302,913	1,305,656
3. Plant and equipment	0013	25,916	27,119
4. Investment property	0014	555,515	555,515
5. Other property, plant and equipment	0015	283	283
6. Property, plant and equipment in progress	0016		
7. Investments in property, plant and equipment, not owned	0017		
8. Advances paid on property, plant and equipment	0018	44,690	44,664
III. NATURAL ASSETS (0020+0021+0022+0023)	0019		
1. Forests and growing crops	0020		
2. Livestock	0021		
3. Natural assets in progress	0022		
4. Advances paid for natural assets	0023		
IV. LONG TERM FINANCIAL INVESTMENTS (0025+0026+0027+0028+0029+0030+0031+0032+0033)	0024	4,930,036	5,083,136
1. Shares in subsidiaries	0025	4,837,763	4,837,763
2. Shares in affiliated companies and joint ventures	0026	29,550	29,550
3. Shares in other companies and other available for sale securities	0027	43,570	43,347
4. Long term investments in parent companies and subsidiaries	0028	18,114	171,259
5. Long term investments in other affiliated companies	0029		
6. Long term investments, domestic	0030		
7. Long term investments, foreign countries	0031		
8. Securities held to maturity	0032		
9. Other long term financial investments	0033	1,039	1,217
V. LONG TERM RECEIVABLES (0035+0036+0037+0038+0039+0040+0041)	0034		
1. Receivables from parent company and subsidiaries	0035		
2. Receivables from other affiliated companies	0036		
3. Receivables from credit sales	0037		
4. Receivables from financial leasing contracts	0038		
5. Receivables from pledged assets	0039		
6. Bad debts and uncollectible claims	0040		
7. Other long term receivables	0041		
C. DEFERRED TAX ASSETS	0042		

DESCRIPTION	EDP	Total	
		End of quarter current year	31.12. previous year
1	2	3	4
D. OPERATING ASSETS (0044+0051+0059+0060+0061+0062+0068+0069+0070)	0043	3,601,553	3,311,790
I. INVENTORIES (0045+0046+0047+0048+0049+0050)	0044	6,026	6,425
1. Material ,parts, tools and small inventories	0045		
2. Work and services in progress	0046		
3. Finished products	0047		
4. Goods	0048		
5. Fixed assets for sale	0049		
6. Advances paid for inventories and services	0050	6,026	6,425
II. RECEIVABLES FROM SALES (0052+0053+0054+0055+0056+0057+0058)	0051	836,611	765,794
1. Local buyers - parent company and subsidiaries	0052	834,801	763,077
2. Foreign buyers - parent company and subsidiaries	0053		
3. Local buyers - other affiliated companies	0054		705
4. Foreign buyers - other affiliated companies	0055		
5. Local buyers	0056	1,810	2,012
6. Foreign buyers	0057		
7. Other receivables from sales	0058		
III. RECEIVABLES FROM SPECIAL TRANSACTIONS	0059	7,721	7,094
IV. OTHER RECEIVABLES	0060	141,895	125,071
V. FINANCIAL ASSETS ASSESSED AT FAIR VALUE THROUGH BALANCE SHEET	0061		
VI. SHORT TERM FINANCIAL INVESTMENTS(0063+0064+0065+0066+0067)	0062	2,111,062	1,795,477
1. Short term loans and investments - parent company and subsidiaries	0063	1,223,855	906,583
2. Short term loans and investments - other affiliated companies	0064	157,539	157,836
3. Short term credits and loans, domestic	0065		
4. Short term credits and loans, foreign countries	0066		
5. Other short term financial investments	0067	729,668	731,058
VII. CASH AND CASH EQUIVALENTS	0068	77,850	200,519
VIII. VALUE ADDED TAX	0069	2,808	
IX. PREPAYMENTS AND ACCRUED INCOME	0070	417,580	411,410
E. TOTAL ASSETS = OPERATING ASSETS (0001+0002+0042+0043)	0071	10,464,790	10,332,844
F. OFF-BALANCE SHEET ASSETS	0072	22,397,428	22,683,687

DESCRIPTION	EDP	Total	
		End of quarter current year	31.12. previous year
1	2	3	4
LIABILITIES			
A. CAPITAL (0402+0411-0412+0413+0414+0415-0416+0417+0420-0421)≥ 0 = (0071-0424-0441-0442)	0401	9,103,810	9,094,008
I. EQUITY CAPITAL (0403+0404+0405+0406+0407+0408+0409+0410)	0402	7,128,301	7,128,301
1. Share capital	0403	5,574,959	5,574,959
2. Shares of limited liability companies	0404		
3. Investments	0405		
4. State owned capital	0406		
5. Socially owned capital	0407		
6. Shares of cooperatives	0408		
7. Issuing premium	0409	1,526,164	1,526,164
8. Other share capital	0410	27,178	27,178
II. SUBSCRIBED CAPITAL UNPAID	0411		
III. TREASURY SHARES REPURCHASED	0412	49,827	49,827
IV. RESERVES	0413	214,881	214,881
V. REVALUATION RESERVES FROM REVALUATION OF INTANGIBLES, PROPERTY, PLANT AND EQUIPMENT	0414	784,634	784,634
VI. UNREALISED GAINS FROM SECURITIES AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULT (credit balance under account class 33 excl. 330)	0415		
VII. UNREALISED LOSSES FROM SECURITIES AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULT (debit balance under account class 33 excl. 330)	0416	3,986	4,208
VIII. RETAINED EARNINGS (0418+0419)	0417	1,029,807	1,020,227
1. Retained earnings from previous years	0418	1,020,227	256,754
2. Retained earnings from current year	0419	9,580	763,473
IX. NON-CONTROLLING INTEREST	0420		
X. LOSSES (0422+0423)	0421		
1. Losses from previous years	0422		
2. Losses from current year	0423		
B. LONG TERM PROVISIONS AND LIABILITIES (0425+0432)	0424	2,812	2,812
I. LONG TERM PROVISIONS (0426+0427+0428+0429+0430+0431)	0425	2,812	2,812
1. Provisions for warranty costs	0426		
2. Provisions for recovery of natural resources	0427		
3. Provisions for restructuring costs	0428		
4. Provisions for wages and other employee benefits	0429	2,812	2,812
5. Provisions for legal expenses	0430		
6. Other long term provisions	0431		
II. LONG TERM LIABILITIES (0433+0434+0435+0436+0437+0438+0439+0440)	0432		
1. Liabilities convertible into capital	0433		
2. Liabilities to parent company and subsidiaries	0434		
3. Liabilities to other affiliated companies	0435		
4. Liabilities for issued securities for more than one year	0436		
5. Long term credits and loans, domestic	0437		
6. Long term credits and loans, foreign countries	0438		
7. Long term liabilities from financial leasing	0439		
8. Other long term liabilities	0440		
C. DEFERRED TAX LIABILITIES	0441	154,137	154,137
D. SHORT TERM LIABILITIES (0443+0450+0451+0459+0460+0461+0462)	0442	1,204,031	1,081,887
I. SHORT TERM FINANCIAL LIABILITIES (0444+0445+0446+0447+0448+0449)	0443	1,003,672	898,427
1. Short term loans from parent company and subsidiaries	0444	107,000	
2. Short term loans from other affiliated companies	0445		
3. Short term credits and loans, domestic	0446	896,587	898,279
4. Short term credits and loans, foreign countries	0447		
5. Liabilities from fixed assets and assets from discontinued operations available for sale	0448		
6. Other short term financial liabilities	0449	85	148

DESCRIPTION	EDP	Total	
		End of quarter current year	31.12. previous year
1	2	3	4
II. RECEIVED ADVANCES, DEPOSITS AND BONDS	0450	49,106	51,076
III. OPERATING LIABILITIES (0452+0453+0454+0455+0456+0457+0458)	0451	21,234	12,159
1. Suppliers - parent company and subsidiaries, local	0452	8,721	977
2. Suppliers - parent company and subsidiaries, foreign countries	0453		
3. Suppliers - other affiliated companies, local	0454		
4. Suppliers - other affiliated companies, foreign countries	0455		
5. Suppliers, local	0456	7,364	5,182
6. Suppliers, foreign countries	0457	5,149	3,117
7. Other operating liabilities	0458		2,883
IV. OTHER SHORT TERM LIABILITIES	0459	42,271	42,105
V. VALUE ADDED TAX	0460		4,700
VI. OTHER TAXES, CONTRIBUTIONS AND FEES PAYABLE	0461	61,212	45,839
VII. ACCRUED EXPENSES AND DEFERRED INCOME	0462	26,536	27,581
D. LOSSES EXCEEDING CAPITAL (0412+0416+0421-0420-0417-0415-0414-0413-0411-0402) ≥ 0 = (0441+0424+0442-0071) ≥ 0	0463		
E. TOTAL LIABILITIES (0424+0442+0441+0401-0463) ≥ 0	0464	10,464,790	10,332,844
F. OFF-BALANCE LIABILITIES	0465	22,397,428	22,683,687

INCOME STATEMENT

from 01.01.2019. until 31.03.2019.

RSD thousand

DESCRIPTION	EDP	Total			
		current period		previous period	
		quarter	cumulative	quarter	cumulative
1	2	3	4	5	6
INCOME FROM NORMAL ACTIVITIES					
A. OPERATING INCOME (1002+1009+1016+1017)	1001	87,206	87,206	100,922	100,922
I. INCOME FROM SALE OF MERCHANDISE (1003+1004+1005+1006+1007+1008)	1002				
1. Income from sale of goods to parent company and subsidiaries on local market	1003				
2. Income from sale of goods to parent company and subsidiaries on foreign markets	1004				
3. Income from sale of goods to other affiliated companies on local market	1005				
4. Income from sale of goods to other affiliated companies on foreign markets	1006				
5. Income from sale of goods on local market	1007				
6. Income from sale of goods on foreign markets	1008				
II. INCOME FROM SALE OF PRODUCTS AND SERVICES (1010+1011+1012+1013+1014+1015)	1009	81,377	81,377	94,496	94,496
1. Income from sale of finished products and services to parent company and subsidiaries on local market	1010	81,351	81,351	94,479	94,479
2. Income from sale of finished products and services to parent company and subsidiaries on foreign markets	1011				
3. Income from sale of finished products and services to other affiliated companies on local market	1012				
4. Income from sale of finished products and services to other affiliated companies on foreign markets	1013				
5. Income from sale of finished products and services on local market	1014	26	26	17	17
6. Income from sale of finished products and services on foreign markets	1015				
III. INCOME FROM PREMIUMS, SUBSIDIES, GRANTS, DONATIONS, ETC.	1016				
IV. OTHER OPERATING INCOME	1017	5,829	5,829	6,426	6,426
EXPENSES FROM NORMAL ACTIVITIES					
B. OPERATING EXPENSES (1019-1020-1021+1022+1023+1024+1025+1026+1027+1028+1029) ≥ 0	1018	82,541	82,541	92,187	92,187
I. COST PRICE OF GOODS SOLD	1019				
II. INCOME FROM USE OF OWN PRODUCTS AND MERCHANDISE	1020				
III. INCREASE IN INVENTORIES OF INTERMEDIATE AND FINISHED GOODS AND SERVICES IN PROGRESS	1021				
IV. DECREASE IN INVENTORIES OF INTERMEDIATE AND FINISHED GOODS AND SERVICES IN PROGRESS	1022				
V. MATERIAL COSTS	1023	1,698	1,698	2,082	2,082
VI. FUEL AND ENERGY COSTS	1024	5,278	5,278	5,033	5,033
VII. EMPLOYEE EXPENSES AND BENEFITS	1025	45,770	45,770	53,024	53,024
VIII. PRODUCTION SERVICE COSTS	1026	13,616	13,616	14,184	14,184
IX. DEPRECIATION EXPENSES	1027	4,951	4,951	5,461	5,461
X. PROVISION EXPENSES	1028				
XI. INTANGIBLE EXPENSES	1029	11,228	11,228	12,403	12,403
C. OPERATING INCOME (1001-1018) ≥ 0	1030	4,665	4,665	8,735	8,735
D. OPERATING LOSSES (1018-1001) ≥ 0	1031				
E. FINANCIAL REVENUES (1033+1038+1039)	1032	20,169	20,169	12,964	12,964
I. FINANCIAL INCOME FROM AFFILIATED COMPANIES AND OTHER FINANCIAL REVENUES (1034+1035+1036+1037)	1033	18,121	18,121	11,025	11,025
1. Financial income from parent company and subsidiaries	1034	15,716	15,716	8,619	8,619
2. Financial income from other affiliated companies	1035	2,405	2,405	2,406	2,406
3. Share of profits in associated companies and joint ventures	1036				
4. Other financial revenues	1037				
II. INTEREST INCOME (THIRD PARTY)	1038	317	317	943	943
III. EXCHANGE RATE GAINS AND POSITIVE CURRENCY CLAUSE EFFECTS (THIRD PARTY)	1039	1,731	1,731	996	996
F. FINANCIAL EXPENSES (1041+1046+1047)	1040	13,918	13,918	10,943	10,943
I. FINANCIAL EXPENSES FROM TRANSACTIONS WITH AFFILIATED COMPANIES AND OTHER FINANCIAL EXPENDITURE (1042+1043+1044+1045)	1041	6,995	6,995	1,673	1,673
1. Financial expenses from transactions with parent company and subsidiaries	1042	6,558	6,558	1,509	1,509
2. Financial expenses from transactions with other affiliated companies	1043	437	437	164	164
3. Share of losses in affiliated companies and joint ventures	1044				
4. Other financial expenditure	1045				
II. INTEREST EXPENSES (THIRD PARTY)	1046	5,856	5,856	7,705	7,705
III. EXCHANGE RATE LOSSES AND NEGATIVE CURRENCY CLAUSE EFFECTS (THIRD PARTY)	1047	1,067	1,067	1,565	1,565
G. FINANCIAL GAINS (1032-1040)	1048	6,251	6,251	2,021	2,021
H. FINANCIAL LOSSES (1040-1032)	1049				
I. INCOME FROM VALUE ADJUSTMENT OF OTHER ASSETS DISCLOSED AT FAIR VALUE THROUGH INCOME STATEMENT	1050				
J. EXPENSES FROM VALUE ADJUSTMENT OF OTHER ASSETS DISCLOSED AT FAIR VALUE THROUGH INCOME STATEMENT	1051				
K. OTHER INCOME	1052	368	368	353,750	353,750
L. OTHER EXPENSES	1053	5	5	6,522	6,522
M. INCOME FROM NORMAL OPERATIONS BEFORE TAX (1030-1031+1048-1049+1050-1051+1052-1053)	1054	11,279	11,279	357,984	357,984
N. LOSSES FROM NORMAL OPERATIONS BEFORE TAX (1031-1030+1049-1048+1051-1050+1053-1052)	1055				
O. NET PROFIT FROM DISCONTINUED OPERATIONS, EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ADJUSTMENT OF ERRORS FROM PREVIOUS YEARS	1056			2,231	2,231
P. NET LOSSES FROM DISCONTINUED OPERATIONS, EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ADJUSTMENT OF ERRORS FROM PREVIOUS YEARS	1057	8	8		
Q. PROFIT BEFORE TAX (1054-1055+1056-1057)	1058	11,271	11,271	360,215	360,215
R. LOSSES BEFORE TAX (1055-1054+1057-1056)	1059				

DESCRIPTION	EDP	Total			
		current period		previous period	
		quarter	cumulative	quarter	cumulative
1	2	3	4	5	6
S. INCOME TAX					
I. TAXABLE EXPENSES FOR THE PERIOD	1060	1,691	1,691	54,032	54,032
II. DEFERRED TAX EXPENSES FOR THE PERIOD	1061				
III. DEFERRED TAX INCOME FOR THE PERIOD	1062				
T. MANAGEMENT EARNINGS					
U. NET PROFIT (1058-1059-1060-1061+1062-1063)	1064	9,580	9,580	306,183	306,183
V. NET LOSSES (1059-1058+1060+1061-1062+1063)	1065				
I. NET PROFIT PAYABLE TO MINORITY SHAREHOLDERS	1066				
II. NET PROFIT PAYABLE TO MAJORITY SHAREHOLDER	1067				
III. NET LOSSES ATTRIBUTABLE TO MINORITY SHAREHOLDERS	1068				
IV. NET LOSSES ATTRIBUTABLE TO MAJORITY SHAREHOLDER	1069				
V. EARNINGS PER SHARE					
1. Basic earnings per share	1070				
2. Reduced (diluted) earnings per share	1071				

CASH FLOW STATEMENT

from 01.01.2019. until 31.03.2019.

RSD thousand

DESCRIPTION	EDP	Total	
		cumulative for current year quarter	cumulative for previous year quarter
1	2	3	4
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I. Cash inflow from operating activities (1 to 3)	3001	37,427	116,113
1. Sales and prepayments	3002	34,071	97,741
2. Interests from operating activities	3003		
3. Other inflow from normal operations	3004	3,356	18,372
II. Cash outflow from operating activities (1 to 5)	3005	101,917	152,811
1. Payments to suppliers and prepayments	3006	36,707	62,488
2. Employee expenses and benefits	3007	45,282	49,964
3. Interests paid	3008	5,703	8,974
4. Income tax	3009		2,854
5. Payments based on other public revenues	3010	14,225	28,531
III. Net cash inflow from operating activities (I-II)	3011		
IV. Net cash outflow from operating activities (II-I)	3012	64,490	36,698
B. CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash inflow from investing activities (1 to 5)	3013	800	1,043,285
1. Sale of shares and stocks (net inflow)	3014		1,040,026
2. Sale of intangible investments, property, plant, equipment and natural assets	3015	107	
3. Other financial investments (net inflow)	3016		
4. Interest received from investment activities	3017	693	954
5. Dividends received	3018		2,305
II. Cash outflow from investing activities (1 to 3)	3019	58,376	104,801
1. Purchase of shares and stocks (net outflow)	3020		
2. Purchase of intangible investments, property, plant, equipment and natural assets	3021	74	14,745
3. Other financial investments (net outflow)	3022	58,302	90,056
III. Net cash inflow from investing activities (I-II)	3023		938,484
IV. Net cash outflow from investing activities (II-I)	3024	57,576	
C. CASH FLOWS FROM FINANCING ACTIVITIES			
I. Cash inflow from financing activities (1 to 5)	3025		
1. Equity increase	3026		
2. Long term loans (net inflow)	3027		
3. Short term loans (net inflow)	3028		
4. Other long term liabilities	3029		
5. Other short term liabilities	3030		
II. Cash outflow from financing activities (1 to 6)	3031	289	135,075
1. Repurchase of own shares and stocks	3032		
2. Long term loans (net outflow)	3033		
3. Short term loans (net outflow)	3034		118,411
4. Other liabilities	3035		16,570
5. Financial leasing	3036		
6. Dividends paid	3037	289	94
III. Net cash inflow from financing activities (I -II)	3038		
D. Net cash outflow from financing activities (II-I)	3039	289	135,075
E. TOTAL CASH INFLOW (3001+3013+3025)	3040	38,227	1,159,398
F. TOTAL CASH OUTFLOW (3005+3019+3031)	3041	160,582	392,687
G. NET CASH INFLOW (3040-3041)	3042		766,711
H. NET CASH OUTFLOW (3041-3040)	3043	122,355	
I. CASH BALANCE AT BEGINNING OF REPORTING PERIOD	3044	200,519	251,917
J. EXCHANGE RATE GAINS FROM CASH TRANSLATION	3045		
K. EXCHANGE RATE LOSSES FROM CASH TRANSLATION	3046	314	1,194
L. CASH BALANCE AT END OF REPORTING PERIOD (3042-3043+3044+3045-3046)	3047	77,850	1,017,434

STATEMENT OF OTHER RESULTS

from 01.01.2019. until 31.03.2019.

RSD thousand

DESCRIPTION	EDP	Total			
		current period		previous period	
		quarter	cumulative	quarter	cumulative
1	2	3	4	5	6
A. NET OPERATING RESULTS					
I. NET PROFIT (EDP 1064)	2001	9,580	9,580	306,183	306,183
II. NET LOSSES (EDP 1065)	2002				
B. OTHER COMPERHENSIVE GAINS OR LOSSES					
a) Items not reclassifiable in the balance sheet in future periods					
1. Change of revaluation of intangibles, property, plant and equipment					
a) increase in revaluation reserves	2003				
b) decrease in revaluation reserves	2004				
2. Actuarial gains or losses from defined income plans					
a) gains	2005				
b) losses	2006				
3. Gains and losses from equity instrument investments					
a) gains	2007				
b) losses	2008				
4. Gains and losses from share of other comprehensive profits and losses of affiliates					
a) gains	2009				
b) losses	2010				
b) Items that may be reclassified in the balance sheet in future periods					
1. Gains and losses from translation of financial statements for foreign operations					
a) gains	2011				
b) losses	2012				
2. Gains and losses from hedging of net investments in foreign operations					
a) gains	2013				
b) losses	2014				
3. Gains and losses from cash flow hedging					
a) gains	2015				
b) losses	2016				
4. Gains and losses from available for sale securities					
a) gains	2017	222	222		
b) losses	2018			609	609
I. OTHER COMPERHENSIVE GROSS PROFIT (2003+2005+2007+2009+2011+2013+2015+2017) - (2004+2006+2008+2010+2012+2014+2016+2018) ≥ 0	2019	222	222		
II. OTHER COMPERHENSIVE GROSS LOSSES (2004+2006+2008+2010+2012+2014+2016+2018) - (2003+2005+2007+2009+2011+2013+2015+2017) ≥ 0	2020			609	609
III. TAX ON OTHER COMPERHENSIVE PROFIT OR LOSS FOR THE PERIOD	2021				
IV. NET OTHER COMPERHENSIVE PROFIT (2019-2020-2021) ≥ 0	2022	222	222		
V. NET OTHER COMPERHENSIVE LOSSES (2020-2019+2021) ≥ 0	2023			609	609
C. TOTAL COMPERHENSIVE NET RESULTS FOR THE PERIOD					
I. TOTAL COMPERHENSIVE NET PROFIT (2001-2002+2022-2023) ≥ 0	2024	9,802	9,802	305,574	305,574
II. TOTAL COMPERHENSIVE NET LOSSES (2002-2001+2023-2022) ≥ 0	2025				
D. TOTAL COMPERHENSIVE NET PROFIT OR LOSSES (2027+2028) = AOP 2024 ≥ 0 or AOP 2025 > 0	2026				
1. Payable to majority shareholders	2027				
2. Payable to non-controlling shareholders	2028				



**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31/03/2019**

Belgrade, May 2019

CONTENTS

1.	COMPANY BACKGROUND.....	4
2.	MANAGEMENT STRUCTURE.....	6
3.	OWNERSHIP STRUCTURE	7
4.	BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS	7
5.	MANAGEMENT EVALUATION AND JUDGEMENTS	9
6.	OVERVIEW OF PRINCIPAL ACCOUNTING POLICIES	10
7.	OPERATING INCOME.....	10
	7.1. Income from Sale of Products and Services	10
	7.2. Other Operating Income.....	11
8.	MATERIAL COSTS AND FUEL AND ENERGY COST	12
9.	EMPLOYEE EXPENSES AND BENEFITS.....	12
10.	PRODUCTION SERVICE COSTS	13
11.	DEPRECIATION EXPENSES AND PROVISION EXPENSE.....	14
12.	INTANGIBLE EXPENSES	14
13.	FINANCIAL INCOME AND FINANCIAL EXPENSE.....	15
	13.1. Financial Income.....	15
	13.2. Financial Expense	16
14.	OTHER INCOME AND OTHER EXPENSES	17
	14.1. Other Income.....	17
	14.2. Other Expenses	17
15.	NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS, EFFECTS OF CHANGE IN ACCOUNTING POLICIES AND ADJUSTMENTS OF ERRORS FROM PREVIOUS YEARS	18
16.	PROFIT / LOSS BEFORE TAX.....	18
17.	PROFIT TAX AND NET PROFIT.....	19
18.	INTANGIBLES ASSETS	20
19.	PROPERTY, PLANT AND EQUIPMENT	21
	19.1. Property, Plant and Equipment Exclusive of Investment Property.....	21
	19.2. Investment Property	23
20.	LONG-TERM FINANCIAL INVESTMENTS	24
	20.1. Share Investments	25
	20.2. Long-Term Financial Investments	28

21.	INVENTORIES.....	29
22.	RECEIVABLES FROM SALES	29
23.	RECEIVABLES FROM SPECIAL TRANSACTIONS	32
24.	OTHER RECEIVABLES.....	34
25.	SHORT-TERM FINANCIAL INVESTMENTS	35
26.	CASH AND CASH EQUIVALENTS	38
27.	VALUE ADDED TAX AND PREPAYMENTS AND ACCRUED EXPENSES AND DEFERRED INCOME.....	39
	27.1. Value Added Tax.....	39
	27.2. Accrued Expenses and Deffered Income.....	40
28.	CAPITAL	41
	28.1. Equity Capital	42
	28.2. Repurchase of own shares.....	43
	28.3. Reserves	44
	28.4. Revaluation Reserves from Revaluation of Intangibles, Property, Plant and Equipment ...	44
	28.5. Unrealized Losses from Securities and Other Components of Other Comprehensive Result (debit balance under account class 33, excl. 330).....	45
	28.6. Retained Earnings	45
29.	LONG-TERM PROVISIONS	45
30.	SHORT-TERM FINANCIAL LIABILITIES	46
	30.1. Short-Term Credits and Loans from Parent Companies and Subsidiaries, Domestic	47
	30.2. Short-Term Credits and Loans, Domestic.....	47
	30.2. Other Short-Term Financial liabilities	48
31.	RECEIVED ADVANCES, DEPOSITS AND BONDS.....	48
32.	OPERATING LIABILITIES.....	48
33.	OTHER SHORT-TERM LIABILITIES	52
34.	LIABILITIES FOR VALUE ADDED TAX, LIABILITIES FOR OTHER TAXES, CONTRIBUTIONS AND FEES PAYABLE AND ACCRUED EXPENSES AND DEFERRED INCOME.....	52
	34.1. Liabilities for Value Added Tax	52
	34.2. Liabilities for Other Taxes, Contributions and Fees Payable	53
	34.3. Accrued Expenses and Deferred Income	53
35.	DEFERRED TAX ASSETS AND LIABILITIES	54
36.	OFF-BALANCE SHEET ASSETS AND LIABILITIES	55
37.	MORTGAGES REGISTERED IN FAVOUR AND/OR AGAINST THE COMPANY	56
38.	COMMITMENT AND CONTINGENCIES.....	57
39.	POST BALANCE SHEET EVENTS.....	62

1. COMPANY BACKGROUND

Energoprojekt Holding Plc. Belgrade (hereinafter: the Company) is a public joint stock company with the core business activity code 6420 – activity of holding companies.

The Company harmonized its operations with the Companies Law in vigour (RS Official Gazette No. 36/2011, 99/2011, 83/2014 – other law and 5/2015, 44/2018 and 95/2018) by passing the Decision on Harmonization of Company's Articles of Association with the Companies Law adopted on the General Assembly meeting on March 16, 2012 and by passing the Articles of Association on the General Assembly meeting on January 12, 2012. Those Decisions mentioned, including the change of company data in business registers, are duly registered.

Following decisions made on Shareholders' General Meetings, celebrated on 28/06/2013 and 17/06/2014, the Company has made changes in its Articles of Association, which was duly registered with the Serbian Business Registers Agency.

General Company Data

<i>Head Office</i>	Beograd, Bulevar Mihaila Pupina 12
<i>Registration Number</i>	07023014
<i>Registered business code and name of the business activity</i>	6420 – holding company
<i>Tax Identification Number</i>	100001513

According to the registration with the Serbian Business Registers Agency, **Company core business activity** is the activity of holding companies (6420).

The Company is a parent company that forms a **group of companies with the short business name of the Energoprojekt Group** with a number of subsidiaries in the country and abroad, as well as with an affiliated company (joint venture) in the country.

Company's subsidiary companies in the country are as follows:

- Energoprojekt Visokogradnja Plc.;
- Energoprojekt Niskogradnja Plc.;
- Energoprojekt Oprema Plc.;
- Energoprojekt Hidroinzenjering Plc.;
- Energoprojekt Urbanizam i arhitektura Plc.;
- Energoprojekt Energodata Plc.;
- Energoprojekt Industrija Plc.;
- Energoprojekt Entel Plc.,
- Energoprojekt Promet Ltd. and
- Energoprojekt Sunnyville Ltd.
- Energoprojekt Park 11 Ltd.

As from 2010, Energoprojekt Promet Ltd. is inactive (in dormant status) having now business activities from then and with no property at all. Starting from 2019, has started the forced liquidation procedure for all companies which did not presented their financial statements, pursuant to the accounting

legislation, for last two years precedent to the year related to financial statement. Energoprojekt Promet Ltd. did not presented its financial statements to the Business Registers Agency since 2017 financial statements.

Subsidiary companies abroad – international companies are as follows:

- Zambia Engineering and Contracting Company Limited, Zambia,
- Energoprojekt Holding Guinee S.A, Guinea,
- I.N.E.C. Engineering Company Limited, UK,
- Encom GmbH Consulting, Engineering & Trading, Germany,
- Dom 12 S.A.L, Lebanon,
- Energo (Private) Limited, Zimbabwe and
- Energo Kaz Ltd., Kazakhstan.

Company's affiliated company (joint venture) in the country is:

- Enjub Ltd.

The affiliated company in the country is:

- Closed investment fund Fima Southern Europe Activist Plc. Belgrade – in liquidation

The following Table contains data on the ownership share in mentioned subsidiaries as at March 31, 2019.

<i>Equity investments in subsidiary legal entities</i>	
<i>Name of subsidiary</i>	<i>% ownership</i>
<i>Local:</i>	
Energoprojekt Visokogradnja Plc.	100.00
Energoprojekt Niskogradnja Plc.	100.00
Energoprojekt Oprema Plc.	67.87
Energoprojekt Hidroinzenjering Plc.	100.00
Energoprojekt Urbanizam i arhitektura Plc.	100.00
Energoprojekt Energodata Plc.	100.00
Energoprojekt Industrija Plc.	62.77
Energoprojekt Entel Plc.	86.26
Energoprojekt Promet Ltd.	100.00
Energoprojekt Sunnyville Ltd.	100.00
Energoprojekt Park 11 Ltd.	100.00
<i>Abroad:</i>	
Zambia Engineering and Contracting Company Limited, Zambia	100.00
Energoprojekt Holding Guinee S.A, Guinea	100.00
I.N.E.C. Engineering Company Limited, UK	100.00
Encom GmbH Consulting, Engineering & Trading, Germany	100.00
Dom 12 S.A.L, Lebanon	100.00
Energo (private) Limited, Zimbabwe	100.00
Energo Kaz Ltd., Kazakhstan	100.00

Ownership share of the Company in other related legal entities in the country is presented in the following Table.

<i>Equity share in other related legal entities in the country</i>	
<i>Name of the joint company</i>	<i>% ownership</i>
Enjub Ltd.	50.00
<i>Name of the affiliated company</i>	<i>% ownership</i>
Closed investment fund Fima Southern Europe Activist Ltd. – Belgrade – in liquidation	30.45

In addition to the above listed subsidiaries and other related legal entities, the Company has its representative office in Baghdad, Iraq as well, which has been in the dormant status since 2015.

The Company is, according to criteria specified by the Law on accounting and auditing, classified as a **medium-sized legal entity**.

The average number of employees with the Company in the reporting period, based on the actual number of employees at the end of each month, is 75 (as at December 31, 2018: 75).

The company's shares are A-listed on the Belgrade Stock Exchange and these are traded in a regulated stock market - „Prime Listing“.

The financial statements that are subject of these Notes are the **financial statements of the Company for the period from January 1 till March 31, 2019**, that were approved by the Executive Board of the Company on May 13, 2019, at 186th meeting of the Company and are not subject to an audit by an external auditor.

Approved financial statements may subsequently be modified pursuant to the legislation in force.

Company Management estimates that Company will continue with its business for the limited time-period, and does not expect any significant changes in activities, so that Company financial statements as at March 31, 2019 are made in respect with the principle of permanence.

2. MANAGEMENT STRUCTURE

Key management of the Company of the reporting period of 2019 included the following persons:

- Stojan Colakov - General Manager;
- Vladimir Visnjic - Executive Manager for finances, accounting and plan;
- Milan Mamula – Executive Manager for legal affairs and
- Bogdan Uzelac – Executive Manager for operational projects.

3. OWNERSHIP STRUCTURE

According to records of the Central Securities Depository, the registered ownership structure of the Company as at March 31, 2019 . is presented in the Note 28.1.

4. BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

Financial statements of the Company were prepared in compliance with the Law on Accounting and Auditing (RS Official Gazette, No. 62/2013 and 30/2018 - hereinafter: the Law).

Pursuant to the Law, in recognizing, valuation, presentation and disclosure of items in financial statements, large legal entities, legal entities obliged to prepare consolidated financial statements (parent companies), public companies, that is, companies preparing to become public, irrespective of their size, shall apply International Financial Reporting Standards (hereinafter: IFRS). IFRS, within the meaning of the Law, are:

- The Framework for the preparation and presentation of financial statements,
- International Accounting Standards – IAS,
- International Financial Reporting Standards - IFRS and related Interpretations, issued by the International Financial Reporting Interpretations Committee, subsequent amendments to these Standards and the related Interpretations, as approved by the International Accounting Standards Committee, the translation of which was adopted and published by the Ministry in charge of finances.

The Company financial statements were presented in the form and with the content specified by the provisions of the Rules on the Contents and Form of Financial Statements' Forms submitted by Companies, Cooperatives and Entrepreneurs (RS Official Gazette, No. 95/2014 and 144/2014). These Rules, among other things, laid down the form and content of individual positions in the Balance Sheet, Income Statement, Other Comprehensive Income Report, Cash Flow Statement, Statement of Changes in Equity and Notes to Financial Statements. Pursuant to the above mentioned Rules, amounts in RSD thousands are to be presented in these forms.

Chart of Accounts and content of accounts in the Chart of Accounts were prescribed by the Rules on Chart of Accounts and Contents of Accounts in the Chart of Accounts for Companies, Cooperatives and Entrepreneurs (RS Official Gazette, No. 95/2014).

In preparation of Company financial statements, the following laws and by-laws were taken into account, among others:

- Law on Corporate Income Tax (RS Official Gazette, No. 25/2001, 80/2002, 43/2003, 84/2004, 18/2010, 101/2011, 119/2012, 47/2013, 108/2013, 68/2014 – other law, 142/2014, 91/2015 – authentic interpretation, 112/2015 and 113/2017 and 95/2018),
- Law on Added Value Tax (RS Official Gazette, No. 84/2004, 86/2004 - corrigendum, 61/2005, 61/2007, 93/2012, 108/2013, 68/2014 - other law, 142/2014, 5/2015, 83/2015, 108/2016, 113/2017 and 30/2018),

- Rules on the Contents of Tax Balance and Other Issues of Relevance for Calculation of Corporate Income Tax (RS Official Gazette, No. 20/2014, 41/2015, 101/2016 and 8/2019),
- Rules on the Contents of Tax Return for Calculation of Corporate Income Tax (RS Official Gazette, No. 30/2015 and 101/2016);
- Rules on Method of Classification of Non-Current Assets and on Method of Calculation of Depreciation for Taxing Purposes (RS Official Gazette, No. 116/2004 and 99/2010, 104/2018 and 8/2019),
- Rules on Transfer Prices and Methods Applied in compliance with the “at arm’s length” principle in determining the price of transactions among related parties (RS Official Gazette, No. 61/2013 and 8/2014) and other.

Among the legal acts comprising the internal regulations of the Company, in preparation of the financial statements of the Company, the Rules on Accounting and Accounting Policies of the Company, as adopted on November 27, 2015 by the Executive Board of the Company, was used. In addition to the above listed, other internal acts of the Company were used, such as, for example, the Collective Agreement of the Company, regulating employment in the country.

The Law on Capital Market (RS Official Gazette, No. 31/2011, 112/2015 and 108/2016) set down mandatory data to be included in the annual, six monthly and quarterly statements of public companies with securities listed in the regulated markets.

It should be noted here that in certain cases, not all the relevant provisions of the IFRS or of the Interpretations thereof were taken into account in preparation of the Company financial statements.

The accounting regulations of the Republic of Serbia, and thus the presented financial statements of the Company, deviate from IFRS in the following aspects:

- Pursuant to the Law on Accounting (RS Official Gazette, No. 62/2013 and 30/2018), the financial statements in the Republic of Serbia for the year 2014 are to be presented in the format stipulated by the Rules on the Contents and Form of the Financial Statements Forms for Companies, Cooperatives and Entrepreneurs (RS Official Gazette, No. 95/2014 and 144/2014), which deviates from the presentation and names of certain general purpose financial statements, as well as from the presentation of certain balance positions stipulated by the Revised IAS 1 – “Presentation of Financial Statements“; and
- Off-balance assets and off-balance liabilities were presented in the Balance Sheet form. According to the IFRS definition, these items are neither assets, nor liabilities.

In addition to the above stated, some deviations were due to the different publishing dates of the Standards and the relevant Interpretations thereof, which are subject to continuous modifications, and the effective dates when these Standards and relevant Interpretations thereof come into force in the Republic of Serbia. Thus, for example, the deviations from the Standards came as the consequence of the fact that the published Standards and relevant Interpretations, which came into force, have not yet been officially translated or adopted in the Republic of Serbia; as the consequence of the fact that the published Standards and relevant Interpretations have not yet come into force; or as the consequence of some other reasons beyond effective control or influence of the Company, with no significant effect on financial position of the Company nor on its business result.

Functional currency and currency used for data presentation

Amounts presented in financial statements are in thousands of Serbian dinar (RSD). The Company uses RSD as the functional and reporting currency. Transactions effectuated in non-functional currencies shall be treated as transactions effectuated in foreign currencies.

Transactions in foreign currency, upon initial recognition, are registered in dinar counter value by applying the official middle exchange rate on the translation date.

Pursuant to the provisions of IAS 21 – Changes In Foreign Exchange Rates, monetary items in foreign currency (assets, receivables and liabilities in foreign currency) are recalculated at each balance sheet date by applying the valid exchange rate or the official middle exchange rate at the balance sheet date.

Income/expenses arising on the translation of foreign currency (apart from those related to monetary items as part of net investments of the Company in foreign business, included pursuant to IAS 21) are recognized as revenues or expenses of the Company for the period in which they occurred.

The official middle currency exchange rates of the National Bank of Serbia used for recalculation of monetary assets and liabilities were as follows.

Currency	March 31, 2019	December 31, 2018	March 31, 2018	December 31, 2017
	<i>Amount in RSD</i>			
EUR 1	117,9720	118,1946	118,3853	118,4727
USD 1	105,0040	103,3893	96,0842	99,1155
GBP 1	137,2725	131,1816	134,8659	133,4302

5. MANAGEMENT EVALUATION AND JUDGEMENTS

Preparation and presentation of financial statements in compliance with valid legislation of Republic of Serbia, requires that the management of the Company performs assessments, provides judgements and assumptions that are reflected on the reported amounts of assets, liabilities, income and expenses. Although, achieved results may differ from the estimated ones, evaluation and judgements are based on information available as at balance sheet date.

The most important valuations refer to the impairment of financial and non-financial assets and definition of assumptions, necessary for actuarial calculation of long-term compensations to employees based on the retirement bonus.

Within the context of valuation, the business policy of the Company is to disclose information on the **fair value** of assets and liabilities, if the fair value varies significantly from the accounting value. In the Republic of Serbia, a reliable valuation of the fair value of assets and liabilities presents a common problem due to an insufficiently developed financial market, lack of stability and liquidity in sales and purchases of, for example, financial assets and liabilities, and sometimes unavailability of market information. Despite all the above, the Company pays close attention to these problems and its management performs continuous valuations, considering the risks. If it is established that the

recoverable (fair or value in use) value of assets in business books of the Company was overstated, the adjustment of value is applied.

6. OVERVIEW OF PRINCIPAL ACCOUNTING POLICIES

The basic accounting policies applied in preparation of these financial statements, which were primarily based on the Rulebook on Accounting and Accounting Policies of the Company, are in line with the accounting policies applied in preparation of the financial statements for the year that ended on December 31, 2018 and were applied consistently to all the presented years, unless specified otherwise.

In cases where certain bookkeeping aspects were not regulated clearly by the provisions of the Rulebook on Accounting and Accounting Policies of the Company, the accounting policies based on the currently applicable IFRS were applied.

According to the above mentioned, starting from 01/01/2018 the Company prospectively applies IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration issued by Interpretation Committee for International Financial Reporting Standards – IFRIC, by the end of 2016.

INCOME STATEMENT

7. OPERATING INCOME

7.1. Income from Sale of Products and Services

Structure of income from the sales of products and services is presented in the following Table.

Structure of income from sale of products and services	<i>In RSD thousand</i>	
	<i>01/01 - 31/03/ 2019.</i>	<i>01/01 -31/03/ 2018.</i>
Income from sale of finished products and services to parent company and subsidiaries on local market	81.351	94.479
Income from sale of finished products and services on local market	26	17
Income from sale of finished products and services on foreign markets		
TOTAL	81.377	94.496

Income from the sale of finished products and services to parent companies and subsidiaries on local market are based on services rendered by the Company to its subsidiaries, in accordance with

agreements approved and adopted by the competent management bodies of the Company and of the subsidiaries, in compliance with the relevant legal acts and these amounted to RSD 81,351 thousand. Structure of income from the sale of finished products and services to subsidiaries on local market is presented in the Table below.

Structure of income from the sale of finished products and services to subsidiaries on local market	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Energoprojekt Visokogradnja Plc.	22.382	24.123
Energoprojekt Niskogradnja Plc.	26.619	32.174
Energoprojekt Hidroinzenjering Plc.	3.553	3.404
Energoprojekt Entel Plc.	11.497	12.165
Energoprojekt Energodata Plc.	1.487	1.509
Energoprojekt Industrija Plc.	1.809	1.539
Energoprojekt Urbanizam i arhitektura Plc.	952	947
Energoprojekt Oprema Plc.	7.267	12.816
Energoprojekt Sunnyville Ltd.	1.079	1.362
Energoprojekt Park 11 Ltd.	4.706	4.440
TOTAL	81.351	94.479

Income from the sale of finished products and services on local market in the amount of RSD 26 thousand were generated from the sales of flight tickets.

7.2. Other operating income

Structure of other operating income	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Incomes from the rent collected from parent, subsidiary and other related companies	3.380	4.250
market	2.369	2.176
Other operating income (externally)	80	
<i>Total</i>	<i>5.829</i>	<i>6.426</i>
TOTAL	5.829	6.426

Incomes from the rent collected from parent, subsidiary and other related companies amounting to RSD 3,380 thousand were generated based on renting of:

- a portion of the “Samacki Hotel” complex in 24 Batajnicki Drum, which has been rented since 2011 to Energoprojekt Visokogradnja in the amount of RSD 3,272 thousand and
- a portion of Energoprojekt Building, which has been rented since 2016 to the Energoprojekt Sunnyville, for RSD 108 thousand.

Incomes from the rent collected from other legal entities on local market amounting to RSD 2,369 thousand were generated, mainly, from renting:

- a portion of the “Samacki Hotel” complex in 24 Batajnicketi Drum which has been rented from August, 2017, to Jerry Catering Service Ltd. in the amount of RSD 1,934 thousand and
- a portion of Energoprojekt building to Sava Neživotno Osiguranje Plc. in the amount of RSD 399 thousand.

8. MATERIAL COSTS AND FUEL AND ENERGY COST

Structure of material cost and fuel and energy costs	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Material costs:		
a) Costs of other materials (overheads)	1.698	2.082
b) Costs of one-off write-off of tools and inventory		
<i>Total</i>	<i>1.698</i>	<i>2.082</i>
Fuels and energy costs:		
a) Costs of fuel	222	212
b) Costs of electrical energy and heating	5.056	4.821
<i>Total</i>	<i>5.278</i>	<i>5.033</i>
TOTAL	6.976	7.115

Costs of other material (overheads) amounting to RSD 1,698 thousand refer to office stationery in the amount of RSD 548 thousand, professional and expert literature, magazines, etc. amounting to RSD 222 thousand and other material costs amounting to RSD 928 thousand.

9. EMPLOYEE EXPENSES AND BENEFITS

Structure of employee expenses and benefits	<i>In RSD thousand</i>	
	<i>01/01-31/03/2019</i>	<i>01/01-31/03/2018</i>
Expenses of wages and fringe benefits (gross)	33.581	38.005
Taxes and contributions on wages and contributions on wages payable by employer	5.278	6.199
Service agreements contributions	909	957
Copyright agreements contributions		76
Costs of contributions for contract fees for temporary and periodical engagement	351	501
Considerations to General Manager and/or Management and Supervisory Board members	3.036	3.241
Other personnel expenses and fringe benefits	2.615	4.045
TOTAL	45.770	53.024
Average number of employees	75	78

Other personnel expenses and fringe benefits amounting to RSD 2,615 thousand refer to the business trips' expenses amounting to RSD 1,866 thousand, expenses for employee commuting reimbursements amounting to RSD 689 thousand and other dues to employees in the amount of RSD 60 thousand.

10. PRODUCTION SERVICE COSTS

Structure of production service cost	<i>In RSD thousand</i>	
	<i>01/01-31/03/2019</i>	<i>01/01-31/03/2018</i>
Transportation services cost	693	812
Repairs and maintenance services cost	8.887	8.703
Rental costs	54	
Advertising costs	592	642
Other services cost	3.390	4.027
TOTAL	13.616	14.184

Transportation services costs in the amount of RSD 693 thousand refer to the landline costs and mobile phone costs, Internet services, taxi services, parking services, cars, road tolls, etc. dr.

Repairs and maintenance services costs amounting to RSD 8,887 thousand pertain primarily to investment maintenance of the Energoprojekt Building amounting to RSD 8,321 thousand and to the ongoing maintenance of equipment amounting to RSD 566 thousand.

Advertising costs amounting to RSD 592 thousand relate dominantly to sponsorship (26th Kopaonik Business Forum).

Costs of other services amounting to RSD 3,390 thousand refer to the photocopying costs and costs of technical and operational support: RSD 1,639 thousand (provided, mainly, by the Energoprojekt Energodata in multimedia presentations, updating and preparation of advertising and promo materials for info-board, graphic design services and other); licenses' costs: RSD 992 thousand; utility services: RSD 593 thousand and safety at work and car registration expenses: RSD 166 thousand.

11. DEPRECIATION EXPENSES AND PROVISION EXPENSE

Structure of depreciation expenses and provision expenses	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Depreciation expenses:		
a) Depreciation of intangible assets (Note 18)	797	797
b) Depreciation of property, plant and equipment (Note 19.1.)	4.154	4.664
<i>Total</i>	<i>4.951</i>	<i>5.461</i>
Provisions expenses:		
Provisions for contributions and other personnel benefits		
<i>Total</i>		
TOTAL	4.951	5.461

Depreciation expenses for the reporting period were calculated based on the appraisal of residual values and the remaining useful life as at December 31, 2018 for property and equipment with significant booking value, since there were no changes of relevance that would require additional appraisal as at the balance date as well.

12. INTANGIBLE EXPENSES

Structure of intangible expenses	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Intangible expenses	3.733	4.243
Expense account	646	1.605
Insurance premiums expenses	368	569
Payment operations' expenses	1.271	159
Membership fee expenses	165	201
Tax duties	4.699	5.078
Other non-operating expenses	346	548
TOTAL	11.228	12.403

Intangible expenses amounting to RSD 3,733 thousand pertain to the costs of attorney fees, consulting and intellectual services, professional training, financial statements' audit costs, education of employees, broker services, Belgrade Stock Exchange services, cleaning services and other costs.

Expense accounts amounting to RSD 646 thousand include primarily the catering services.

Insurance premium expenses amounting to RSD 368 thousand refer to the insurance of property and persons.

Payment operations expenses amounting to RSD 1,271 thousand pertain to the local payment operations costs, mainly to credit approving fees and bank warranties.

Membership fee expenses amounting to RSD 165 thousand, refer to Serbian Chamber of Commerce memberships, as well as memberships to other chambers, federations and associations.

Tax duties in the amount of RSD 4,699 thousand refer predominantly to the property tax amounting to RSD 4,533 thousand.

Other non-operating expenses amounting to RSD 346 thousand, refer to duties and lawsuit expenses amounting to RSD 205 thousand and expenses involving financing of disabled persons earnings, in the amount of RSD 109 thousand.

13. FINANCIAL INCOME AND FINANCIAL EXPENSE

13.1. Financial Income

Structure of financial income	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Financial income from transactions with parent companies and subsidiaries	15.716	8.619
Financial income from other related companies	2.405	2.406
Income from dividends		
<i>Total financial income from the related parties and other financial income</i>	<i>18.121</i>	<i>11.025</i>
Interest income (third party)	317	943
Exchange rate gains and positive currency clause effects (third party)	1.731	996
TOTAL	20.169	12.964

Financial income from transactions with parent companies and subsidiaries amounting to RSD 15,716 thousand refer to interest income from subsidiaries amounting to RSD 15,366 thousand and income from the effects of foreign exchange clauses and foreign exchange gains from subsidiaries amounting to RSD 350 thousand.

Financial income from other related companies in the amount of RSD 2,405 relates completely to the interest income from loan made from joint venture Enjub Ltd.

Interest income (third party) in the amount of RSD 317 thousand dominantly refer to the interest calculated on the term deposits in the amount of RSD 284 thousand.

Exchange rate gains and positive currency clause effects (third party) in the amount of RSD 1,731 thousand refer to gains in FX exchange: RSD 39 thousand and income from the effects of foreign currency clause in the amount of RSD 1,692 thousand (the largest portion of which pertains to the effects of foreign currency clause based on loans received from banks, in the amount of RSD 1,691 thousand).

13.2. Financial Expense

Structure of financial expense	In RSD thousand	
	01/01-31/03/ 2019	01/01-31/03/ 2018
Financial expenses from transactions with parent company and subsidiaries	6.558	1.509
Financial expenses from transactions with other related companies	437	164
<i>Total financial expense incurred from related parties and other financial expense</i>	<i>6.995</i>	<i>1.673</i>
Interest expenses (third party)	5.856	7.705
Exchange rate losses and negative currency clause effects (third party)	1.067	1.565
TOTAL	13.918	10.943

Financial expenses from transactions with parent companies and subsidiaries amounting to RSD 6,558 thousand dominantly refer to the expenses incurred from the effects of foreign currency clauses and negative effects of foreign exchange rates from transactions with subsidiaries, in the amount of RSD 5,577 thousand, the largest portion of which pertains to the effects of foreign currency effects for: loans granted in the amount of RSD 3,902 thousand (Energoprojekt Sunnyville, Energoprojekt Oprema, Energoprojekt Urbanizam i Arhitektura, Energoprojekt Energodata and Energoprojekt Visokogradnja) and receivables based on selling in the amount of RSD 1,389 thousand (mainly, within Energoprojekt Visokogradnja: RSD 1,129 thousand).

Financial expenses from transactions with other related companies amounting to RSD 437 thousand pertain to the expenses incurred from the effects of foreign currency clauses of the Enjub Ltd. based on loans and interests on loans.

Interest expense (third party) in the amount of RSD 5,856 thousand refer to the interest expense from domestic current liquidity loans granted by Erste bank, Societe Generale bank and Komercijalna bank.

Exchange rate losses and negative currency clause effects (third effects) in the amount of RSD 1,067 thousand refer to the negative foreign exchange rates in the amount of RSD 358 thousand and expenses based on effects of foreign currency clauses, in the amount of RSD 709 thousand, mainly for effects of foreign currency clauses based on receivables for non-invoiced income from the construction of Embassy building in Abuja, in the amount of RSD 706 thousand.

14. OTHER INCOME AND OTHER EXPENSES

14.1. Other Income

Structure of other income	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Income from selling intangible assets, real estate, plant and equipment	1	
Income from selling shares and securities		353.729
Income based on effect of contracted risk protection, which has no condition to be recorded as other comprehensive income	334	
Other non-mentioned income	33	21
TOTAL	368	353.750

Income based on contracted risk protection effect, which has no condition to be recorded as other comprehensive income in the amount of RSD 334 thousand, refer to income based on personal premature flat redemption, pursuant to the Agreement on Public Flats Redemption, from 1995.

Other non-mentioned income in the amount of RSD 33 thousand refer to the income from the sales of used paper.

14.2. Other Expenses

Structure of other expenses	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Losses incurred from decommissioning and disposal of intangibles assets, property, plant and equipment		
Expenses based on direct write-off of receivables		
Other non-mentioned expenses	5	6.522
UKUPNO	5	6.522

Other non-mentioned expenses in the amount of RSD 5 thousand relate to City Housing public utility company, for contracted price of premature flat redemption in reporting period (Note 14.1)

15. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS, EFFECTS OF CHANGE IN ACCOUNTING POLICIES AND ADJUSTMENTS OF ERRORS FROM PREVIOUS YEARS

Structure of net profit/loss from discontinued operations, effects of change in accounting policy and adjustment of errors from previous year	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Net profit from discontinued operations, effects of change in accounting policy and adjustment of errors from previous year		2.231
Net loss from discontinued operations, effects of change in accounting policy and adjustment of errors from previous year	8	
TOTAL	8	2.231

Net loss from discontinued operations, effects of change in accounting policy and adjustment of errors from previous year in the amount of RSD 8 thousand mainly came as a result of subsequently defined income and expenses from previous period, that are not of any material significance, but were recognized as liabilities or receivables in current period.

16. PROFIT / LOSS BEFORE TAX

Structure of gross result	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Operating income	87.206	100.922
Operating expenses	82.541	92.187
Operating result	4.665	8.735
Financial income	20.169	12.964
Financial expenses	13.918	10.943
Financial result	6.251	2.021
Other income	368	353.750
Other expenses	5	6.522
Result of other revenues and expenses	363	347.228
Net profit from discontinued operations, effects of change in accounting policy and adjustment of errors from previous year		2.231
Net loss from discontinued operations, effects of change in accounting policy and adjustment of errors from previous year	8	
TOTAL INCOME	107.743	469.867
TOTAL EXPENSE	96.472	109.652
PROFIT/LOSS BEFORE TAX	11.271	360.215

17. PROFIT TAX AND NET PROFIT

Structure of calculation of profit tax and net profit	<i>In RSD thousand</i>	
	<i>01/01-31/03/ 2019</i>	<i>01/01-31/03/ 2018</i>
Tax basis	11.271	360.215
Calculated tax (15% of tax base)	1.691	54.032
Total deductions from the calculated tax		
Calculated tax after deductions	1.691	54.032
Profit/(loss) before tax	11.271	360.215
Tax loss of the period	1.691	54.032
Net profit	9.580	306.183

Calculated tax in the amount of RSD 1,691 thousands refer to estimated amount of income tax liabilities (15% of total income), and not to actual calculated liabilities based on tax referring to Income Statement (Note 34.2).

BALANCE SHEET

18. INTANGIBLES ASSETS

In RSD thousand

Structure of intangible assets	Software	Concessions, patents, licences, trade marks	Intangible assets in preparation	Advance payments for intangible assets	Total
<i>Purchase Value</i>					
Balance as at January 1, 2018	16.170	1.842			18.012
Correction of opening balance					
Transfer from one form to another					
New purchases					
Disposal and decommissioning					
Balance as at December 31, 2018	16.170	1.842			18.012
Correction of opening balance					
Transfer from one form to another					
New purchases					
Disposal and decommissioning					
Balance as at March 31, 2019	16.170	1.842			18.012
<i>Ispravka vrednosti</i>					
Balance as at January 1, 2018	9.972	169			10.141
Correction of opening balance					
Depreciation	3.006	184			3.190
Disposal and decommissioning					
Impairment					
Balance as at December 31, 2018	12.978	353			13.331
Correction of opening balance					
Depreciation	751	46			797
Disposal and decommissioning					
Impairment					
Balance as at March 31, 2019	13.729	399			14.128
<i>Net Bok Value</i>					
31.Dec.18	3.192	1.489			4.681
31.Mar.19	2.441	1.443			3.884

19. PROPERTY, PLANT AND EQUIPMENT

19.1. Property, Plant and Equipment Exclusive of Investment Property

In RSD thousand

Structure of property, plant and equipment	Buildings	Plant and equipment	Other property, plant and equipment	Property, plant and equipment in progress	Advance payments for property, plant and equipment	Total
<i>Purchase value</i>						
Balance as at January 1, 2018	1.325.585	116.672	283	276.390	44.664	1.763.594
Correction of opening balance						
New purchases during the year				7.294	800	8.094
Enlargement by transfer from investment prepared		2.194		(4.086)		(1.892)
Other transfers from/(to)				800	(800)	
Disposal and decommissioning		(8.338)				(8.338)
Profit/(los) included in Report as "Other result" (330)	2.983					2.983
FX gains and losses						
Other increses/(decreases)	(22.912)			(280.398)		(303.310)
Balance as at December 31, 2018	1.305.656	110.528	283		44.664	1.461.131
Correction of opening balance						
New purchases during the year		296			26	322
Other transfers from/(to)						
Disposal and decommissioning		(126)				(126)
Profit/(los) included in Report as "Other result" (330)						
FX gains and losses						
Other increses/(decreases)						
Balance as ata March 31, 2018	1.305.656	110.698	283		44.690	1.461.327
<i>Imapirment</i>						
Balance as at January 1, 2018	11.814	79.629				91.443
Correction of opening balance						
Depreciation	11.098	6.529				17.627
Disposal and decommissioning		(2.749)				(2.749)
Other increses/(decreases)	(22.912)					(22.912)
Balance as at December 31, 2018		83.409				83.409
Correction of opening balance						
Depreciation	2.743	1.411				4.154
Disposal and decommissioning		(38)				(38)
Other increses/(decreases)						
Balance as at March 31, 2018	2.743	84.782				87.525
<i>Net Book Value</i>						
Balance as at December 31, 2018	1.305.656	27.119	283		44.664	1.377.722
Balance as at March 31, 2019	1.302.913	25.916	283		44.690	1.373.802

On December 31, 2018 the residual value and the remaining useful lifetime for the property and equipment with significant accounting value were evaluated, based on which depreciation costs were calculated for the reporting period.

Assessment of Fair Value of Buildings

The fair value of buildings is usually the market value thereof that is established through valuation performed by independent qualified valutors based on market evidence.

In cases where there are no evidence of the fair value of the property in the market, due to the specific nature of the building and because such items are rarely put on sale, the Company performs valuation of fair value of the property by using the income approach or the depreciated replacement cost approach.

The Company in its business books has the registered object - "**Office building Energoprojekt**" carried at revalued amount at the assessment date.

The Energoprojekt building was booked at the revalorized value as at March 31, 2019 in the amount of RSD 1,302,913 thousand, i.e, it was performed by reducing the last assessment of the fair value for depreciation accumulated. The ultimate valuation was performed on December 31, 2018 by an external independent qualified valuer by using the comparative method (so that the impairment in the amount of RSD 22,912 thousand was totally eliminated, and purchasing value was reduced to revalorized amount, by the revalorization inventory account, in the amount of RSD 2,983 thousand).

According to relevant provisions of IAS 16, having in mind that fluctuations of fair value for the mentioned building were insignificant, it was not necessary to appraise its fair value as at Balance Sheet day.

Starting from revalorized value of the building in question as at December 31, 2018, residual value as at December 31, 2018 and established remaining useful lifetime (100 years; remaining useful life as at March 31, 2019: 63 years), the depreciation cost for this building in the reporting period, due to the residual value that is lower than its fair value, amounts to RSD 2,743 thousand.

Adjustment of the opening and closing balance of the value of buildings is presented in the following table.

In RSD thousand

No.	Building	Opening balance	Residual value as at balance sheet date	Remaining useful life	Depreciation	Profit / (losses) included in report on "Other Income"	Closing balance
1	Energoprojekt Building	1.305.656	602.370	63	2.743		1.302.913
	TOTAL	1.305.656	602.370	63	2.743		1.302.913

If the revaluated items had been presented by using the cost value method, their current value would amount to RSD 529,803 thousand.

Advances for property, plant and equipment in the amount of RSD 44,690 thousand dominantly refer to the advance paid to the Republic of Serbia for the purchase of properties in Uganda, Peru and Nigeria in the amount of RSD 44,664 thousand.

As at March 31, 2018, the Company has no property or equipment mortgaged or taken as lien to be used as collateral for financial obligations.

19.2. Investment Property

Investment property	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Balance as at January 1	555.515	556.822
Additional investments		1.892
Disposal and decommissioning		
Profit/(losses) included in Income Statement		
Closing balance	555.515	558.714

In relation to the investment property, the following amounts were recognized in Income Statement:

Profit and loss related to investment property included in Profit and Loss	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/03/2018</i>
Rental income (Note 7.2.)	5.206	5.211
Direct operating expenses incurred from investment property that generated rental income during the year („Samački hotel“ complex)	(700)	(769)
TOTAL	4.506	4.442

Adjustment of the opening and closing balance of the fair value of investment property is presented in the following Table.

In RSD thousand

No.	Investment property	Opening balance	Increasing (purchasing, additional investment, etc.)	Decreasing (selling, destruction, etc.)	Profit (losses) included in Income Statement	Closing balance
1	"Samački hotel" complex	555.515				555.515
	TOTAL	555.515				555.515

In its books, the Company posted the fair value of its investment property in the amount of RSD 555,515 thousand, according to its value determined by means of its fair value measurement, related to „Samacki hotel“ complex, with total area of 8,034,00 m², and the right on use of construction land with total surface of 18,598,00 m², at Batajnički drum No.24, in Zemun.

Valuation of the fair value of investment property as at December 31, 2018 was performed by independent valuer holding recognized and relevant professional qualifications and recent relevant work experience with relevant locations and categories of investment property appraised. Valuers used the Cost method for buildings (having in mind specific characteristics of the valuation object and the fact that on market there is no similar premisses for selling/renting, with the similar location) and also the Comparative method for land.

Based on renting the mentioned investment property to Energoprojekt Visokogradnja and Jerry Catering Service Ltd. the income in the amount of RSD 5,206 thousand was recorded in reporting period (Note 7.2).

As at the balance sheet date, there are no limitations pertaining to the sales potential of the investment property in question, nor any limitations pertaining to generating income from the property rent or disposal.

20. LONG-TERM FINANCIAL INVESTMENTS

Structure of long-term financial investments	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Shares in subsidiaries	5.552.828	5.552.828
Shares in affiliated companies and joint ventures	30.613	30.613
Shares in other companies and other available for sale securities	126.098	126.098
Long-term investments in parent companies and subsidiaries	18.114	171.259
Other long-term financial investments	1.039	1.217
<i>Total</i>	<i>5.728.692</i>	<i>5.882.015</i>
<i>Impairment</i>	<i>(798.656)</i>	<i>(798.879)</i>
TOTAL	4.930.036	5.083.136

20.1. Share Investments

Equity investments relate to investments in shares and stocks as shown in the following Table.

Structure of share investment	Share %	In RSD thousand	
		31/03/2019	31/12/2018
<i>Učešća u kapitalu zavisnih pravnih lica</i>			
Energoprojekt Visokogradnja Plc.	100,00%	1.835.167	1.835.167
Energoprojekt Niskogradnja Plc.	100,00%	1.104.981	1.104.981
Energoprojekt Oprema Plc.	67,87%	121.316	121.316
Energoprojekt Hidroinzenjering Plc.	100,00%	427.626	427.626
Energoprojekt Urbanizam i arhitektura Plc.	100,00%	192.642	192.642
Energoprojekt Energodata Plc.	100,00%	194.862	194.862
Energoprojekt Industrija Plc.	62,77%	61.209	61.209
Energoprojekt Entel Plc.	86,26%	216.422	216.422
Energoprojekt Sunnyville Ltd.	100,00%	2.500	2.500
Energoprojek Park 11 Ltd.	100,00%	375.660	375.660
I.N.E.C. Engineering Company Limited, UK	100,00%	70.311	70.311
Encom GmbH Consulting, Engineering & Trading, Germany	100,00%	3.493	3.493
Dom 12 S.A.L., Lebanon	100,00%	924.749	924.749
Energoprojekt Kaz d.o.o., Kazakhstan	100,00%	101	101
Zambia Engineering and Contracting Company Limited, Zambia	100,00%	587	587
Energoprojekt Holding Guinee S.A., Guinea	100,00%	1.628	1.628
Energoprojekt (Malezija) Sdn. Bhd., Kuala Lumpur	100,00%	19.574	19.574
<i>Impairment</i>		<i>(715.065)</i>	<i>(715.065)</i>
Total		4.837.763	4.837.763
<i>Share in affiliate companies and joint ventures</i>			
Necco Nigerian Engeneering and Construction CO LTD, Kano, Nigeria	40,00%	1.063	1.063
Closed Investment Fund Fima Southern Europe Activist Plc. Belgrade - in liquidation	30,45%	16.000	16.000
Enjub Ltd.	50,00%	13.550	13.550
<i>Impairment</i>		<i>(1.063)</i>	<i>(1.063)</i>
Total		29.550	29.550
<i>Share in other companies and other available for sale securities raspoložive za prodaju</i>			
Dunav osiguranje Plc.	0,01%	5.814	5.814
Jubmes banka Plc.	1,41%	120.176	120.176
Beogradska berza Plc.	0,12%	100	100
Poljoprivredna banka Agrobanka Plc. Belgrade - in bankruptcy	0,36%	7	7
Beogradska industrija piva,slada i bezalkoholnih pića Plc. Belgrade - in bankruptcy	0,0005%	1	1
Pinki Zemun Plc.	0,004%		
<i>Impairment</i>		<i>(82.528)</i>	<i>(82.751)</i>
Total		43.570	43.347
TOTAL		4.910.883	4.910.660

Equity investments with value adjustment are presented in the following Table.

Share investments - adjustment value	<i>In RSD thousand</i>		
	<i>Gross investment amount</i>	<i>Impairment</i>	<i>Net investment amount</i>
Share in subsidiaries			
Energoprojekt Visokogradnja Plc.	1.835.167	(641.632)	1.193.535
Energoprojekt Urbanizam i arhitektura Plc.	192.642	(44.278)	148.364
I.N.E.C. Engineering Company Limited, UK	70.311	(7.953)	62.358
Energoprojekt Holding Guinee S.A., Guinea	1.628	(1.628)	-
Energoprojekt (Malaysia) Sdn. Bhd., Kuala Lumpur	19.574	(19.574)	-
Total	2.119.322	(715.065)	1.404.257
Share in affiliated companies and joint ventures:			
Necco Nigerian Engenering and Construction CO LTD, Kano, Nigeria	1.063	(1.063)	-
Total	1.063	(1.063)	0
Share in other companies and other available for sale securities:			
Banks and financial organizations and other legal entities:			
Dunav osiguranje Plc.	5.814	(4.932)	882
Jubmes banka Plc.	120.176	(77.588)	42.588
Agrobanka Plc. Belgrade - in bankruptcy	7	(7)	-
Beogradska industrija piva,slada i bezalkoholnih pića Plc. Belgrade - in bankruptcy	1	(1)	-
Total	125.998	(82.528)	43.470
TOTAL	2.246.383	(798.656)	1.447.727

Share investments are long-term investments in shares and stocks of subsidiaries and affiliates, joint ventures, banks and insurance companies (securities available for sale), as well as in other companies.

Share investments in subsidiaries, affiliates and joint ventures are disclosed in compliance with the method for disclosing investments at cost. Company recognizes revenues in the amount received from the distribution of retained earnings of the investment user incurred after the acquisition date.

Impairment of share investment in Energoprojekt Visokogradnja in the amount of RSD 641,632 thousand was performed on December 31, 2014 in compliance with IAS 36 – Impairment of Assets, based on the Report prepared by the Scientific and Research Centre of the Faculty of Economics of the University of Belgrade on equity valuation of Energoprojekt Visokogradnja for implementation of IAS/IFRS as at December 31, 2014.

Impairment of share investment in subsidiaries and affiliated companies abroad (Energoprojekt (Malaysia) Sdn. Bhd., Kuala Lumpur; Energoprojekt Holding Guinee S.A., Guinea; I.N.E.C. Engineering Company Limited, UK, and Necco Nigerian Engineering and Construction CO LTD,

Kano, Nigeria) was performed in 2004 in compliance with the initial implementation of IAS provisions.

Share investment in Energoprojekt (Malaysia) Sdn. Bhd., Kuala Lumpur and Necco Nigerian Engineering and Construction CO LTD, Kano, Nigeria were completely impaired because in addition to the fact that these Companies have no assets, they do not perform any business activities for a number of years now. The process of their dissolution in compliance with the local legislation has not been concluded yet.

Share in other companies and other available for sale securities are measured at market (fair) value, if it is possible to define it.

The change in the position share in other companies and other available for sale securities was recorded due to the adjustment of the value of shares in Company's portfolio of shares (Dunav osiguranje Plc.), with their fair value in the secondary securities' market as at the financial statements date (which are presented in the account for impairment of equity investments and profit and loss from securities available for sale).

The Company has made equity investments in the following banks with listed shares in the Belgrade Stock Exchange and their fair value was determined based on their current market value as at March 31, 2019:

- Dunav Insurance Plc: 527 shares, with the market value as at the balance sheet day of RSD 1,672.00 per share, and
- Jubmes Banka Plc.: 4.056 shares, with the market value of RSD 10,500.00 per share.

The Company has share in capital in legal entities, as follows:

- Beogradska berza Plc.: 5 shares with market value of RSD 20,000.00 each, in total RSD 100,000.00;
- Poljoprivredna banka Agrobanka Plc. Belgrade – in bankruptcy: 15 shares with market value of RSD 500.00 each, in total RSD 7,500.00, which was made worthless by inventory as at December 31, 2016;
- Beogradska industrija piva, slada i bezalkoholnih pića Plc. Belgrade – in bankruptcy: 47 shares with market value of RSD 29.78 each, in total RSD 1,400.00, which was made worthless by inventory as at December 31, 2016; and
- Pinki - Zemun Plc.: 3 shares with market value of RSD 52.00 each, in total RSD 156.00.

Maximum exposure to credit risk as at the financial statements date is the fair value of debt securities classified as available-for-sale.

Financial assets available for sale are presented in RSD.

20.2. Long-Term Financial Investments

Structure of long-term financial investments	In RSD thousand	
	31/03/2019	31/12/2018
Long-term investments in parent companies and subsidiaries	18.114	171.259
<i>Impairment</i>		
<i>Total</i>	<i>18.114</i>	<i>171.259</i>
Other long-term financial investments:		
Housing loans granted to employees	1.039	1.217
<i>Impairment</i>		
<i>Total</i>	<i>1.039</i>	<i>1.217</i>
TOTAL	19.153	172.476

Long-term financial investments in parent companies and subsidiaries in the amount of RSD 18,114 thousand entirely refer to Energoprojekt Park 11 based on long-term loan agreement in the amount of RSD 13,095 thousand (pursuant to Loan Agreement No.208 dated 20/07/2018, with maturity period till December 31, 2020) and interest on loan in the amount of RSD 5,019 thousand (calculated on „arm’s length“ principle for 2018, with 3.42% on annual level).

The above Company provided 2 (two) signed solo promissory notes to the Company, to be filled out by beneficiary and for the entire amount of their loans.

Reduction of long-term realization to parent and subsidiary companies, in the amount of RSD 153,323 thousand, came as result of collection of a portion of loan principal from Energoprojekt Park 11.

The long-term housing loans granted to employees in the amount of RSD 1,039 thousand that are presented among other long-term financial investments refer to three interest-free housing credits granted to employees, two of which were granted on June 10, 1992 for the repayment period of 38.5 years, and the remaining third granted on November 28, 1995 for the repayment period of 40 years. In compliance with the terms and provisions of the loan agreements and in compliance with the provisions of the Law on Amendments and Addenda to the Law on Housing, the Company performs revalorisation of loan instalments twice a year based on the trends in consumer prices in the Republic of Serbia for the given accounting period. A portion of the long-term financial investments made on this basis with maturity dates up to one year that is being regularly repaid/collected amounts to RSD 64 thousand (Note 25).

21. INVENTORIES

Structure of inventories	In RSD thousand	
	31/03/2019	31/12/2018
Advances paid for inventories and services:		
a) Advances paid for inventories and services to parent companies and subsidiaries		301
b) Advances paid for material, spare parts and inventory	224	338
c) Advances paid for services	5.802	5.786
<i>Total</i>	6.026	6.425
<i>Impairment</i>		
TOTAL	6.026	6.425

Advances paid for material, spare parts and inventory amounting RSD 224 thousand, refer to advances paid to suppliers for material (the fuel, above all).

Advance payments paid for services in the amount of RSD 5,802 thousand primarily pertain to advance payments to Ringier Axel Springer Ltd. in the amount of RSD 4,800 thousand (contract on commercial adds canceled and apply for advanced payment return placed in March 2018, meanwhile in April, 2018, a lawsuit was filled - Note 38), Moore Stephens Auditing and Accounting in the amount of RSD 354 thousand (as the first installment for 2018 financial statement revision) and Belgrade Stock Exchange Plc. in the amount of RSD 637 thousand (mainly as annual fee for organized share trading in 2019, in the amount of RSD 620 thousand).

22. RECEIVABLES FROM SALES

Structure of receivables from sales	In RSD thousand	
	31/03/2019	31/12/2018
Local buyers - parent company and subsidiaries	834.801	763.077
Local buyers - other related companies		705
Local buyers (externally)	1.810	2.012
<i>Impairment</i>		
TOTAL	836.611	765.794

Local buyers – parent companies and subsidiaries refer to the receivables based on service agreements, lease contracts, etc. related to legal entities. According to agreement on services to other subsidiaries, the Company has been presented signed blank solo promissory notes to be filled out by beneficiary as collateral, except from Energoprojekt Entel.

Structure of local buyers – parent companies and subsidiaries is presented in the following Table.

Structure of local buyers - parent company and subsidiaries	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Trade receivables domestic - subsidiaries:</i>		
Energoprojekt Visokogradnja Plc.	704.601	678.761
Energoprojekt Niskogradnja Plc.	28.354	
Energoprojekt Hidroinženjering Plc.	12.127	18.571
Energoprojekt Entel Plc.	9.148	647
Energoprojekt Energodata Plc.	11.873	10.111
Energoprojekt Industrija Plc.	722	615
Energoprojekt Urbanizam i Arhitektura Plc.	761	
Energoprojekt Oprema Plc.	5.887	
Energoprojekt Sunnyville Ltd.	35.133	33.775
Energoprojekt Park 11 Ltd.	26.195	20.597
Total	834.801	763.077
<i>Trade receivables domestic - other related parties:</i>		
Enjub Ltd.		705
Total	-	705
<i>Trade receivables domestic (externally)</i>	1.810	2012
Total	1.810	2.012
TOTAL	836.611	765.794

Increased **receivables based on trade with subsidiaries**, comparing to December, 31 of the previous year, in the amount of RSD 71,724 thousand refer mainly to increased receivables according to services agreement, in the amount of RSD 67,880 thousand (dominantly in Energoprojekt Visokogradnja and Energoprojekt Niskogradnja).

Reduction of **receivables from local trade – other subsidiaries**, comparing to December, 31 of the previous year, refer to accounting changes in receivables of pre-invoiced costs of legal services made to Enjub, which are, since January 1, 2019, recorded as an issue within Receivables from special transactions (Note 23).

As for **receivables from local trade (externally)**, the Company has been presented payment instruments from Jerry Catering Service Ltd. (3 signed blank solo promissory notes to be filled out by beneficiary as collateral) and Sava Neživotno osiguranje Plc. (2 signed blank solo promissory notes to be filled out by beneficiary as collateral), meanwhile has no collaterals from other local buyers (externally).

Receivables from sale and other receivables from sale bear no interest.

Other Receivables from Sales positions do not include any impaired assets. Accounting value of receivables from sales is equivalent to their fair value.

Aging receivables structure based on sales is presented in the following Table.

Aging receivables structure based on sales	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Local buyers - parent companies and subsidiaries:</i>		
a) Current	33.829	16.055
b) Up to 30 days	31.654	13.302
c) 30 - 60 days	20.372	13.301
d) 60 - 90 days	13.408	13.301
e) 90 - 365 days	112.405	110.535
f) 365 days +	623.133	596.583
Total	834.801	763.077
<i>Local buyers - other related legal entities:</i>		
a) Current		
b) Up to 30 days		
c) 30 - 60 days		
d) 60 - 90 days		
e) 90 - 365 days		
f) 365 days +		705
Total	-	705
<i>Local buyers - external</i>		
a) Current	1.139	1.339
b) Up to 30 days	671	673
c) 30 - 60 days		
d) 60 - 90 days		
e) 90 - 365 days		
f) 365 days +		
Total	1.810	2.012
TOTAL	836.611	765.794

23. RECEIVABLES FROM SPECIAL TRANSACTIONS

Structure of receivables from special transactions	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Receivables from special transactions from parent companies and subsidiaries	4.933	5.021
Receivables from special transactions from other related companies	2.786	2.071
Receivables from special transactions from other companies	2	2
<i>Impairment</i>		
TOTAL	7.721	7.094

Detailed information on receivables from special transactions, as changes in value adjustment are presented in the following Tables.

Structure of receivables from special transactions	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Receivables from special transactions from parent companies and subsidiaries</i>		
Energoprojekt Visokogradnja Plc.	2.823	2.321
Energoprojekt Niskogradnja Plc.	363	771
Energoprojekt Hidroinzenjering Plc.	177	615
Energoprojekt Entel Plc.	39	39
Energoprojekt Energodata Plc.	1	
Energoprojekt Industrija Plc.	15	22
Energoprojekt Urbanizam i arhitektura Plc.	16	33
Energoprojekt Oprema Plc.	50	25
Energoprojekt Garant Plc.		
Energoprojekt Sunnyville Ltd.		
Energoprojekt Park 11 Ltd.		
I.N.E.C.Engineering Company Limited,UK	363	359
Zambia Engineering and Contracting Company Limited, Zambia	1.086	836
<i>Total</i>	4.933	5.021
<i>Receivables from special transactions from other related companies:</i>		
Enjub d.o.o.	2.786	2.071
<i>Total</i>	2.786	2.071
<i>Receivables from special transactions from other legal entities:</i>		
Energoprojekt Union	2	2
<i>Total</i>	2	2
TOTAL	7.721	7.094

Receivables from special transactions from parent companies and subsidiaries in the amount of RSD 4,933 thousand refer to receivables from air-tickets recalculated (in the amount of RSD 2,164 thousand (dominantly within Energoprojekt Visokogradnja: RSD 1,778 thousand), tax duties and fees recalculated for General manager of the Zambia Engineering and Contracting Company Limited, Zambia: RSD 1,086 thousand and utility and membership fees in Commercial Chamber of Building

Industry of Serbia, phone bills and business trip costs recalculated, in the amount of RSD 1,683 thousand.

Receivables from special transactions from other legal entities, in the amount of RSD 2.786 thousand, refer to court and administrative fees recalculated to the company Enjub. The Company has no collateral instruments regarding mentioned receivables.

Increase of receivables from special transaction comparing to December, 31 of the previous year from company Enjub dominantly refer to changes in accounting policy of receivables based on legal services to Enjub recalculated, which were, till December 31, 2018, recorded as an issue within Trade receivables (Note 22).

Aging receivables structure based on specific transactions is presented in the following Table.

Aging structure of receivables based on special transactions	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Receivables from special transactions from parent companies and subsidiaries:</i>		
a) Current	964	1.700
b) Up to 30 days	1.108	422
c) 30 - 60 days	50	855
d) 60 - 90 days	303	414
e) 90 - 365 days	2.508	1.630
f) 365 days +		
Total	4.933	5.021
<i>Receivables from special transactions from other companies:</i>		
a) Current		
b) Up to 30 days	6	
c) 30 - 60 days	3	
d) 60 - 90 days		
e) 90 - 365 days	24	24
f) 365 days +	2.753	2.047
Total	2.786	2.071
<i>Receivables from special transactions from other legal entities:</i>		
a) Current	1	1
b) Up to 30 days	1	1
c) 30 - 60 days		
d) 60 - 90 days		
e) 90 - 365 days		
f) 365 days +		
Total	2	2
TOTAL	7.721	7.094

24. OTHER RECEIVABLES

Structure of other receivables	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Interest and dividend receivables:</i>		
a) Interest and dividend receivable from parent companies and subsidiaries	47.412	32.650
b) Interest and dividend receivable from related companies	76.677	74.413
<i>Total</i>	<i>124.089</i>	<i>107.063</i>
Receivables from employees	562	514
Receivables for overpaid profit tax	16.173	16.173
Receivables for overpaid taxes and contributions		
Receivables for fringe benefits' returns	405	780
Ostala kratkoročna potraživanja	666	541
<i>Impairment</i>		
TOTAL	<i>141.895</i>	<i>125.071</i>

Structure of interest and dividend receivables in the amount of RSD 76,677 thousand is presented in the following Table.

Structure of interest and dividend receivables	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Interest receivables from parent companies and subsidiaries:</i>		
Energoprojekt Visokogradnja Plc.	15.031	11.447
Energoprojekt Energodata Plc.	832	4
Energoprojekt Urbanizam i Arhitektura Plc.	106	
Energoprojekt Oprema Plc.	4.176	
Energoprojekt Sunnyville Ltd.	27.267	21.199
<i>Total</i>	<i>47.412</i>	<i>32.650</i>
<i>Interest receivables from other related companies:</i>		
Enjub Ltd.	76.677	74.413
<i>Total</i>	<i>76.677</i>	<i>74.413</i>
TOTAL	<i>124.089</i>	<i>107.063</i>

Increased **interest receivables** compared to December 31, of the previous year, in the amount of RSD 17,026 thousand entirely refers to interest calculated for the Q1 of reported year, based on loans granted to related entities.

Receivables for overpaid profit tax in the amount of RSD 16,173 thousand refer to advanced payment of income tax for 2017 (Note 34.2) .

Receivables for fringe benefits' returns in the amount of RSD 405 thousand relate to the receivables for sick leave longer than 30 days and maternity leaves.

Aging receivables structure of other receivables is presented in the following table.

Aging structure of other receivables	In RSD thousand	
	31/03/2019	31/12/2018
<i>Other receivables from parent companies and subsidiaries:</i>		
a) Current	124.090	32.650
b) Up to 30 days		
c) 30 - 60 days		
d) 60 - 90 days		
e) 90 - 365 days		
f) 365 days +		
Total	124.090	32.650
<i>Other receivables from other related companies:</i>		
a) Current		74.413
b) Up to 30 days		
c) 30 - 60 days		
d) 60 - 90 days		
e) 90 - 365 days		
f) 365 days +		
Total	-	74.413
<i>Other receivables - other:</i>		
a) Current	17.575	17.370
b) Up to 30 days	88	89
c) 30 - 60 days	88	88
d) 60 - 90 days	54	88
e) 90 - 365 days		373
f) 365 days +		
Total	17.805	18.008
TOTAL	141.895	125.071

25. SHORT-TERM FINANCIAL INVESTMENTS

Structure of short-term financial investments	In RSD thousand	
	31/03/2019	31/12/2018
Short-term loans and investments - parent companies and subsidiaries	1.223.855	906.583
Short-term loans and investments - other related companies	157.539	157.836
Portion of other long-term financial investments with maturity date up to one year		
a) Portion of long-term financial investments in parent companies and subsidiaries with maturity date up to one year	729.604	730.981
b) Portion of other long-term financial investments with maturity date up to one year	64	77
Total	729.668	731.058
<i>Impairment</i>		
TOTAL	2.111.062	1.795.477

Short-term loans and investments – subsidiaries and other affiliated companies pertain to the loans approved with maturity dates up to 12 months (with interest rate calculated according to „arms' length“ principle for subsidiaries, for the year of approval), as presented in the following Table.

No	Borrower and Agreement No.	Loan Currency	Loan amount in EUR thousand	Loan Amount in Currency (EUR)	Remaining Receivables from Loan in EUR	Maturity date	Loan Terms and Conditions
1 EP Energodata Plc.							
	Loan Rescheduling Agreement No.13	EUR	945	945	111.512	31/12/2019	2.71% (interest calculated on "arms length" principle for 2019)
	Annex No.2 of Loan Agreement No.349	EUR	60	60	7.078	31/03/2019	3.10% annually
	Loan Agreement No.353	RSD	2.000	2.000	2.000	31/03/2019	5.84% annually
2 EP Urbanizam i arhitektura Plc.							
	Loan Rescheduling Agreement No.20	EUR	135	135	15.888	31/12/2019	2.71% (interest calculated on "arms length" principle for 2019)
3 EP Oprema Plc.							
	Annex No.1 of Loan Agreement No.302	EUR	1.800	1.337	157.747	28/05/2019	3.10% annually
	Annex No.1 of Loan Agreement No.311	EUR	800	800	94.378	06.06.2019	3.10% annually
	Loan Agreement No.35	EUR	1.796	1.796	211.966	30/04/2019	2.71% (interest calculated on "arms length" principle for 2019)
	Annex No.2 of Loan Agreement No.326	EUR	140	140	16.516	18/06/2019	3.10% annually
	Loan Agreement No.21	RSD	107.000	107.000	107.000	22.04.2019	6.00% annually
4 EP Visokogradnja Plc.							
	Annex No.3 of Loan Agreement No.141	EUR	2.000	2.000	235.944	31/12/2019	2.71% (interest calculated on "arms length" principle for 2019)
	Annex No.2 of Loan Agreement No.186	EUR	200	200	23.594	20/12/2019	3.10% annually
	Annex No.2 of Loan Agreement No.205	EUR	590	590	69.604	31/12/2019	2.71% (interest calculated on "arms length" principle for 2019)
	Loan Agreement No.300	RSD	5.160	5.160	5.160	23/11/2019	5.84% annually
5 EP Sunnyville Ltd.							
	Annex No.2 of Loan Agreement No.197	EUR	1.403	1.403	165.468	30/06/2019	3.10% annually
Total for subsidiaries		EUR	9.869	9.406	1.223.855		
		RSD	114.160	114.160			
1 Enjub Ltd.				1.336			
	Annex No.11 of Loan Agreement No.367	EUR	137	137	16.221	31/12/2019	3M Euribor + 6.5% annually
	Annex No.7 of Loan Rescheduling Agreement No.115	EUR	1.198	1.198	141.318	31/12/2019	3M Euribor + 6.5% annually
Total for other related companies		EUR	1.335	1.335	157.539		
TOTAL		EUR	11.204	10.741	1.381.394		
		RSD	114.160	114.160			

The increased position of short-term loans and investments – parent companies and subsidiaries, in the amount of RSD 317,272 thousand, came as result of neto effect of

- the increased short-term loans granted to Energoprojekt Oprema, in the amount of RSD 318,966 thousand, and
- the reduction of negative FX in the amount of RSD 1,694 thousand, calculated on the loan amount at the opening balance.

The Company has 2 (two) signed blank solo promissory notes to be filled out by beneficiary to be used as collateral for the collection of payments pursuant to loan agreements concluded with subsidiaries, except for loan granted to Energoprojekt Oprema pursuant to Loan Agreement No.302 and appropriate Annex, where Company has 4 (four) signed blank solo promissory notes.

As collaterals for loan repayment pursuant to:

- Annex No.11 of the Loan Contract No. 367 concluded with Enjub Ltd. in the amount of RSD 16,221 thousand (EUR 137 thousand), the Company has an extrajudicial mortgage for the entire loan amount for apartments in 91A Jurija Gagarina Street in New Belgrade, as collateral for loan repayment (Note 37) as well as 2 blank „non protested“ promissory notes; and
- Annex No.7 f the Loan Rescheduling Agreement No. 115 concluded with Enjub Ltd. in the amount of RSD 141,318 thousand (EUR 1,198 thousand), a mortgage bond was issued (mortgage has not been registered) for real estate (apartments and office space) in 93, 93A and 91A Jurija Gagarina (Note 37) as well as 2 blank „non protested“ promissory notes.

Portion of long-term financial investments in parent companies and subsidiaries with maturity date up to one year refer to approved long-term loans with maturity date up to one year (with interest rate calculated according to „arms' length“ principle for 2018), as presented in the following Table.

No.	Borrower and Agreement No.	Loan amount in EUR thousand	Remaining receivables from loan in EUR thousand	Remaining receivables from loan in RSD thousand	Maturity Date	Interest rate
1 EP Visokogradnja Plc.						
	Annex No.1 of Loan Agreement No.210	1.317	1.317	155.300	31.12.2019.	3,42% godišnje
2 EP Sunnyville Ltd.						
	Loan Rescheduling Agreement No.375	4.868	4.868	574.304	31.12.2019.	3,42% godišnje
TOTAL		6.185	6.185	729.604		

Portion of other long-term financial investments with maturity of up to one year in the amount of RSD 64 thousand relate to the long-term housing loans granted to employees with maturity of up to one year (Note 20.2.).

26. CASH AND CASH EQUIVALENTS

Structure of cash and cash equivalents	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Current (business) account	10.397	41.049
Foreign currency account	67.378	4.734
Foreign currency petty cash		
<i>Other cash:</i>		
a) Short-term deposits		154.661
b) Other cash	75	75
<i>Total</i>	<i>75</i>	<i>154.736</i>
Cash with limited use or reduced value		
TOTAL	77.850	200.519

Within the Company's **the current (business) accounts and foreign currency accounts**, cash held with business banks locally and abroad (with Banca Intesa, Unicredit Bank, Addiko Bank, Jubmes Bank, Vojvodjanska Bank, Societe Generale Bank, Credit Agricole Bank, Erste Bank, Komercijalna Bank, Eurobank Srbija, Sberbank, NLB Bank, AIK Bank, Poštanska Štedionica Bank, API Bank, Direktna Bank and Trade Bank of Iraq).

27. VALUE ADDED TAX AND PREPAYMENTS AND ACCRUED EXPENSES AND DEFERRED INCOME

27.1. Value Added Tax

Structure of Value Added Tax	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Value added tax	2.808	
TOTAL	2.808	0

27.2. Accrued Expenses and Deffered Income

Structure of prepayments and accrued income	In RSD thousand	
	31/03/2019	31/12/2018
<i>Prepayments:</i>		
a) Prepaid expenses - parent companies and subsidiaries	3.539	872
b) Prepaid subscriptions for expert and professional publications	480	576
c) Prepaid insurance premiums	867	716
<i>Total</i>	<i>4.886</i>	<i>2.164</i>
<i>Receivables for accrued non-invoiced income:</i>		
a) Receivables for accrued non-invoiced income - parent company and subsidiaries		
b) Receivables for accrued non-invoiced income - other legal entities	374.237	374.943
<i>Total</i>	<i>374.237</i>	<i>374.943</i>
<i>Other prepayments and accrued expenses:</i>		
a) Prepaid value added tax	252	11.429
b) Other prepayments and deferred income	38.205	22.874
<i>Total</i>	<i>38.457</i>	<i>34.303</i>
TOTAL	417.580	411.410

Prepaid expenses - parent companies and subsidiaries in the amount of RSD 3,539 thousand entirely relates to Energoprojekt Energodata, based on advanced payment of licence fees.

Prepaid insurance premiums for property and personal insurance in the amount of RSD 867 thousand refer to Sava Neživotno Osiguranje in the amount of RSD 532 thousand and Wiener Stadtische Osiguranje in the amount of RSD 335 thousand.

Receivables for accrued non-invoiced income – other legal entities in the amount of RSD 374,237 thousand refer to the realization of the Agreement on Construction of the Republic of Serbia Embassy Building in Abuja, Federal Republic of Nigeria, a turnkey project, on the cadastral lot No. 313, registered in the Real Estate Registry, Cadastral Zone A00.

Prepaid value added tax (VAT) in the amount of RSD 252 thousand includes added value tax from prepared invoices for the reporting period; the right to deduction of the previous tax can be exercised in the following calculation period, since the invoices arrived after the tax return for March 2019.

Other prepayments and deferred income in the amount of RSD 38,457 thousand relate mainly to the pre-calculated property tax for Q2, Q3 and Q4 of 2019 in the amount of RSD 13,852 thousand, receivables from disputed services realized in 2017 by Ringier Axel Springer Ltd. in the amount of RSD 13,200 thousand (in April 2018 a lawsuit was filed - Note 38) and for developing of the location in Block 45 object C and Block 70 object C, in the amount of RSD 9,090 thousand (the mentioned payment will be balanced in forthcoming period).

28. CAPITAL

In RSD thousand

DESCRIPTION	Share capital	Other share capital	Issuing premium	Purchased own shares	Reserves	Revaluation reserves	Unrealized gains/losses on securities	Retained earnings	Total
Balance as at January 1, 2018	5.574.959	27.178	1.526.164	(49.827)	214.881	782.098	(18.881)	473.425	8.529.997
Net profit for the year								763.473	763.473
Other comprehensive result:									
a) Changes in fair value of financial assets available for sale							14.673		14.673
b) Revaluation						2.983			2.983
c) Other - levelling of present value, IAS 12 et al.						(447)			(447)
Total - other comprehensive result						2.536	14.673		17.209
Total comprehensive result for 2018						2.536	14.673	763.473	780.682
Corrections									
Increase in share capital									
Profit distribution								(216.671)	(216.671)
Other - own shares									
Balance as at December 31, 2018	5.574.959	27.178	1.526.164	(49.827)	214.881	784.634	(4.208)	1.020.227	9.094.008
Net profit for the year								9.580	9.580
Other comprehensive result:									
a) Changes in fair value of financial assets available for sale							222		222
b) Revaluation									
c) Other - levelling of present value, IAS 12 et al.									
Total - other comprehensive result							222		222
Total comprehensive result as at March 31, 2019							222	9.580	9.802
Corrections									
Increase in share capital									
Profit distribution									
Other - own shares									
Balance as at March 31, 2019	5.574.959	27.178	1.526.164	(49.827)	214.881	784.634	(3.986)	1.029.807	9.103.810

28.1. Equity Capital

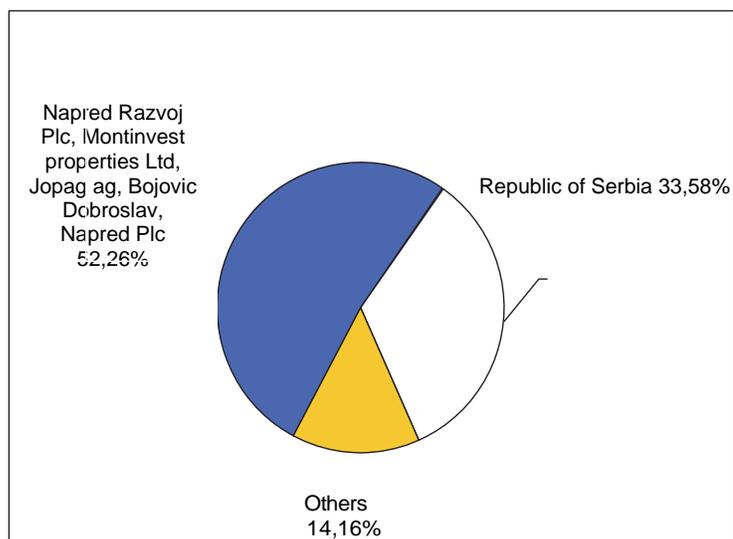
According to the Central Securities, Depository and Clearing House Register, the Company's present ownership structure as at March 31, 2019 is as follows:

	No of shares	% in total issue
Shares held by private shareholders	748.268	6,85%
Shares held by legal entities	9.710.804	88,83%
- Republic of Serbia	3.671.205	33,58%
- Other legal entities	6.039.599	55,25%
Aggregate (custody) account	472.220	4,32%
Total number of shares	10.931.292	100%

No. of shareholders with equity shares	Number of entities			Number of shares			% in total issues		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Up to 5%	3.628	167	3.795	1.466.300	227.647	1.606.623	13,41%	1,27%	14,68%
5% to 10%	1	1	2	564.699	560.731	1.125.430	5,17%	5,13%	10,30%
More than 10% to 25%	0	0	0	0	0	0	0,00%	0,00%	0,00%
More than 25% to 33%	0	0	0	0	0	0	0,00%	0,00%	0,00%
More than 33% to 50%	2	0	2	8.201.239	0	8.199.239	75,03%	0,00%	75,03%
More than 50% to 66%	0	0	0	0	0	0	0,00%	0,00%	0,00%
More than 66% to 75%	0	0	0	0	0	0	0,00%	0,00%	0,00%
More than 75%	0	0	0	0	0	0	0,00%	0,00%	0,00%
Total no.	3.631	168	3.799	10.232.238	699.054	10.931.292	93,61%	6,39%	100,00%

List of top 10 shareholders per no. of shares/votes held:

Shareholder	No. of shares	% in total issues
Napred Razvoj Plc. Novi Beograd	4.530.034	41,44%
Republic of Serbia	3.671.205	33,58%
Montinvest Properties Ltd.	564.699	5,17%
Jopag ag	560.731	5,13%
Tezoro broker Plc - collective	244.851	2,24%
Energoprojekt Holding Plc	97.700	0,89%
Societe Generale Banka Srbija- kastodirni	92.437	0,85%
Tezoro broker Plc	81.150	0,74%
Global Marco Capital Opportuni	74.772	0,68%
Bojović Dobroslav	47.004	0,43%



Structure of equity capital is presented in the following Table.

Structure of equity capital	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Share capital:</i>		
a) Share capital in parent companies, subsidiaries and other related companies		
b) Share capital (externally)	5.574.959	5.574.959
<i>Total</i>	<i>5.574.959</i>	<i>5.574.959</i>
Issuing premiums	1.526.164	1.526.164
Other share capital	27.178	27.178
TOTAL	7.128.301	7.128.301

Share capital consists of 10,931,292 ordinary shares with nominal value of RSD 510.00 (RSD 5,574,959 thousand) and nominal book value of RSD 832,82.

Share capital - ordinary shares include founding shares and closely held (management) shares issued during operations which carry rights to a share of the profit and a part of the estate in case of bankruptcy, in accordance with the memorandum of association and the share issue resolution.

The company's shares are A-listed on the Belgrade Stock Exchange.

Issuing premium of RSD 1,526,164 is positive difference between the achieved selling price per share and the nominal value of such shares, which is the result of the conversion of shares of the Energoprojekt Group subsidiaries into Company shares at the par value of 1:1 in 2006, in the amount of RSD 1,363,471 thousand, based on repurchase and sale of own shares of the Company in the period from 2006 to 2011 in the amount of RSD 237,014 thousand, and based on repurchase of own shares at a value above the nominal value in 2017 in the amount of RSD 74,321 thousand, reduced for anterior issuing premium sum (Note 28.2).

Other share capital was created by the reposting of non-business assets sources in 2005 in the total of RSD 27,178 thousand.

28.2. Repurchase of own shares

Structure of repurchased own shares	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Repurchased own shares	49.827	49.827
TOTAL	49.827	49.827

Pursuant to Decision on Acquiring own shares on regulated market, made by Supervisory Board, on February 13, 2017, being active on Belgrade Stock exchange the Company has acquired 97,700 own shares (representing 0.89376% of total shares with the right to vote), with nominal value of RSD 49,827 thousand.

28.3. Reserves

Structure of reserves	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Legal reserves	23.185	23.185
Statutory and other reserves	111.696	111.696
Other reserves	80.000	80.000
TOTAL	214.881	214.881

Legal reserves were formed in compliance with the law until 2004, by incremental annual payments of a minimum of 5% of the profits until the reserves' level reaches at least 10% of the equity capital.

In compliance with the Company's Statute, **statutory reserves** were made until 2011 and the shareholders determined the amount of such reserves at the General Meeting, which could not be less than 5% of the net profit.

By the Decision of Shareholders General Meeting from 2017, **the special purpose reserves** dedicated to acquiring of own shares for distribution to employees of the Company or related company, or for members of the Executive Board and Supervisory Board preming were formed, pursuant to art.282, parr.4, line 2) of the Company Law, in the amount of RSD 80,000 thousand.

28.4. Revaluation Reserves from Revaluation of Intangibles, Property, Plant and Equipment

Structure of revaluation reserves from revaluation of intangibles, property, plant and equipment	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Revaluation reserves based on revaluation of property - Energoprojekt building	784.634	784.634
TOTAL	784.634	784.634

The following was disclosed in the Revaluation reserves from revaluation of property - Energoprojekt building position, in the amount of RSD 784.634 thousand:

- Effects of posting of the fair value of the Energoprojekt building as at December 31, 2018 in the amount of RSD 824,556 thousand;
- Levelling of the present value per m² of the Energoprojekt building in the amount of RSD 98,543 thousand; and
- Posting of 15% profit tax (negative aspect of revaluation reserves) for the amount of deferred tax on the basis of revaluation reserves, in compliance with IAS 12 - Income Taxes, in the amount of RSD 138,465 thousand.

28.5. Unrealized Losses from Securities and Other Components of Other Comprehensive Result (debit balance under account class 33, excl. 330)

Structure of unrealized losses from securities and other components of other comprehensive results (debit balances under account class 33, excl. 330)	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Unrealized losses on securities available for sale	3.986	4.208
TOTAL	3.986	4.208

Changes in the position of **Unrealized losses on securities available for sale**, comparing last years' period, in the amount of RSD 222 thousand relate to adjustments of value of securities in Company portfolio (Dunav Plc.), with their fair value in the secondary securities market as at the financial statements date (Note 20.1.).

28.6. Retained Earnings

Structure of retained earnings	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Retained earnings from previous years</i>		
a) Balance as at January 1 of reported period	1.020.227	473.425
b) Correction of profit based on income tax		
c) Profit distribution		(216.671)
<i>Total</i>	<i>1.020.227</i>	<i>256.754</i>
Retained earnings from current year	9.580	763.473
TOTAL	1.029.807	1.020.227

Retained earnings from current year in the amount of RSD 9,580 thousand relates to Company's net income generated in the reporting period.

29. LONG-TERM PROVISIONS

Long-term provisions are recognized in the following cases:

- Where the Company has a (legal or actual) liability incurred as a result of a past event;
- Where it is probable that the resource containing economic value will necessarily be deployed to settle a liability; and
- Where the liability amount can be measured reliably.

Structure of long-term provisions is presented in the following Table.

In RSD thousand

Structure of long-term provisions	Provisions for wages and other employee benefits	TOTAL
Balance as at January 1, 2018	2.735	2.735
Additional provisions	216	216
Used during the year	(139)	(139)
Cancelling of unused amounts		
Balance as at December 31, 2018	2.812	2.812
Additional provisions		
Used during the year		
Cancelling of unused amounts		
Balance as at March 31, 2019	2.812	2.812

Provisions for wages and other employee benefits (provisions for non-due retirement bonuses) are disclosed based on actuarial calculation of the Energoprojekt Group expert team.

30. SHORT-TERM FINANCIAL LIABILITIES

Structure of short-term financial liabilities	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Short-term loans:</i>		
a) Short-term credits and loans from parents companies and subsidiaries, domestic	107.000	
b) Short-term loans, domestic	896.587	898.279
Total	1.003.587	898.279
<i>Other short-term financial liabilities:</i>		
a) Portion of long-term liabilities with maturity date up to one year		
b) Other short-term financial liabilities	85	148
Total	85	148
TOTAL	1.003.672	898.427

30.1. Short-Term Credits and Loans from Parent Companies and Subsidiaries, Domestic

Structure of short-term credits and loans domestic	Interest rate	In RSD thousand	
		31/03/2019	31/12/2018
<i>Energoprojekt Niskogradnja:</i>			
a) Serbian dinar loans	<i>Arm's length interest for 2019</i>	107.000	
b) Loans with foreign currency clause			
TOTAL		107.000	0

Short-term credits and loans from parent companies and subsidiaries, domestic in the amount of RSD 107,000 thousand, refer to loan from Energoprojekt Niskogradnja, pursuant to Annex No.1 of the Loan Agreement No.22 (granted exclusively for the loan to Energoprojekt Oprema, for the purpose of payment of portion of credit Energoprojekt Oprema has with Komercijalna Bank), as per interest rate calculated at „arm’s length” principle for 2019, with maturity date till 24/05/2019. The subject liability has been leveled on 01/04/2019.

30.2. Short-Term Credits and Loans Domestic

Structure of short-term credits and loans domestic	Interest rate	In RSD thousand	
		31/03/2019	31/12/2018
Short-term loans granted by banks domestically:			
a) Serbian dinar loans			
b) Loans with foreign currency clause	<i>3M Euribor + 2.90% annually, 3M Euribor + 3.00% annually, 2.80% annually</i>	896.587	898.279
TOTAL		896.587	898.279

Short-term loans from banks in the country with a currency clause (EUR) in the amount of RSD 896,587 thousand (EUR 7,600 thousand), relate to loans granted by:

- Erste Bank Plc. in the amount of RSD 589,860 thousand (EUR 5,000 thousand), with the interest rate of 3M Euribor + 2.90% per annum. 6 blank promissory notes of the Company and 6 blank primssory notes of Energoprojekt Niskogradnja were provided as collateral for loan repayment,
- Komercijalna Bank Plc in the amount of RSD 235,944 thousand (EUR 2,000 thousand), with the interest rate of 3M Euribor + 3.00% per annum. 15 blank promissory notes of the Company together with 15 blank promissory notes of Energoprojekt Niskogradnja, Energoprojekt Oprema i Energoprojekt Energodata each were provided as collateral for loan repayment; and
- Societe Generale Banka Plc. in the amount of RSD 70,783 thousand (EUR 600 thousand), with the interest rate of 2.80% per annum. 5 blank promissory notes of the Company were provided as collateral for loan repayment, as well as 5 blank primissory notes of Energoprojekt Niskogradnja, Energoprojekt Visokogradnja and Energoprojekt Hidroinzenjeirng and 3 blank promissory notes of Energoprojekt Oprema.

30.3. Other Short-Term Financial Liabilities

Structure of long-term liabilities with maturity dates up to one year	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Portion of long-term loans domestic with maturity up to one year		
Other short-term financial liabilities	85	148
TOTAL	85	148

Other short-term financial liabilities in the amount of RSD 85 thousand refer to liabilities based on expenses paid by business credit cards, leveled in April 2019.

31. RECEIVED ADVANCES, DEPOSITS AND BONDS

Structure of received advances, deposits and bonds	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Advance payments from parent companies and subsidiaries		
Advance payments from other local legal entities	49.073	51.043
Deposits received from other local legal entities	33	33
TOTAL	49.106	51.076

Advance payments from other local legal entities in the amount of RSD 49,073 thousand entirely pertain to advance received from Jerry Catering Service Ltd. Belgrade, related to Annex No.1 of the Agreement No.123/1583 (dated on April 4th, 2017) for the longterm lease (15 years) of the part of business premises covering 935.56 m² situated in "Samacki Hotel" building complex, in Batajnicki drum no.24, Zemun.

32. OPERATING LIABILITIES

Structure of operating liabilities	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Suppliers:		
Suppliers - parent company and subsidiaries, local	8.721	977
Suppliers - parent company and subsidiaries, abroad		
Suppliers, local	7.364	5.182
Suppliers, abroad	5.149	3.117
<i>Total</i>	21.234	9.276
Other operating liabilities		2.883
TOTAL	21.234	12.159

Total amount of liabilities to suppliers per currencies are presented in the following Table.

Structure of liabilities to suppliers per currencies	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
RSD	17.755	6.099
EUR	3.479	3.177
GBP		
TOTAL	21.234	9.276

Geographic distribution of suppliers is as follows:

Geographic distribution of suppliers	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Local suppliers (subsidiaries and other legal entities)	16.085	6.159
Foreign suppliers (subsidiaries):		
Europe		
<i>Total</i>	-	-
Foreign suppliers (other legal entities):		
Europe	5.149	3.117
<i>Total</i>	5.149	3.117
<i>Impairment</i>		
TOTAL	21.234	9.276

The key suppliers are presented in the following Table, according to the suppliers' balances as at the Company balance sheet date.

Structure of suppliers	In RSD thousand	
	31/03/2019	31/12/2018
<i>Domestic suppliers - related legal entities:</i>		
Energoprojekt Energodata Plc.	2.417	
Energoprojekt Urbanizam i arhitektura Plc.	2.071	294
Energoprojekt Visokogradnja Plc.	1.754	683
Energoprojekt Oprema Plc.	1.409	
Energoprojekt Niskogradnja Plc.	540	
Other	530	
Total	8.721	977
<i>Domestic suppliers - other legal entities:</i>		
PC Elektroprivreda Srbije, Belgrade	1.153	1.117
PUC „Beogradske elektrane“, Belgrade	899	899
Algotech Ltd.	843	506
Tabulir Komerc Ltd.	494	197
Dedinje Ltd.	423	421
Bel Computers Ltd.	422	
AVB Team	343	
Commercial Chamber of Construction Industry of Serbia	314	
Compacc Ltd.	204	
Alarm prim Ltd.	204	
Other	2.065	2.042
Total	7.364	5.182
<i>Foreign suppliers - other legal entities:</i>		
International Air Transport Association (IATA)	5.149	3.117
Total	5.149	3.117
TOTAL	21.234	9.276

Pursuant to the provisos of agreement, the Company has provided four blank single bills of exchange to the supplier PUC Elektroprivreda Srbije four blank single „non protested“ bills of exchange as payment collaterals.

Suppliers are exclusive of interest and with value date ranging from 5 to 30 days.

Company Management is of the opinion that the disclosed amounts of liabilities from operations reflect the fair value of such liabilities as at the balance sheet date.

Aging suppliers' liabilities structure is presented in the following Table.

Agging suppliers' liabilities structure	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
<i>Related legal entities:</i>		
a) Current	4.885	977
b) Up to 30 days	1.928	
c) 30 - 60 days	783	
d) 60 - 90 days	1.125	
e) 90 - 365 days		
f) 365 days +		
Total	8.721	977
<i>Local suppliers:</i>		
a) Current	4.328	4.171
b) Up to 30 days	1.039	502
c) 30 - 60 days	710	509
d) 60 - 90 days	558	
e) 90 - 365 days	729	
f) 365 days +		
Total	7.364	5.182
<i>Foreig suppliers:</i>		
a) Current	5.149	3.117
b) Up to 30 days		
c) 30 - 60 days		
d) 60 - 90 days		
e) 90 - 365 days		
f) 365 days +		
Total	5.149	3.117
TOTAL	21.234	9.276

33. OTHER SHORT-TERM LIABILITIES

Structure of other short-term liabilities	In RSD thousand	
	31/03/2019	31/12/2018
Liabilities for wages, fringe benefits and compensations	12.608	13.033
<i>Other liabilities:</i>		
a) Liabilities for interest and financing costs	978	
b) Liabilities for dividends	27.150	27.439
c) Liabilities to employees	274	218
d) Liabilities to General Manager, or to management and Supervisory Board members	631	652
e) Liabilities to physical persons on contractual obligations	239	356
f) Other various liabilities	391	407
<i>Total</i>	29.663	29.072
TOTAL	42.271	42.105

Liabilities for wages, fringe benefits and compensations in the amount of RSD 12,608 thousand refer to the liabilities (net, taxes and contributions), that the Company paid in April 2019.

Liabilities for dividends in the amount of RSD 27,150 thousand refer, mainly, to the liabilities based on Resolution of the shareholders' annual meeting in 2018 on undistributed profit distribution for dividends in the amount of RSD 4,851 thousand and for dividends' payment from previous years in the amount of RSD 22,299 thousand, which have not yet been paid to date (probate proceedings, etc.).

Other various liabilities in the amount of RSD 391 thousand predominantly refer to withholding from net wages (based mostly on loans granted by employees, union fees, etc.) in the amount of RSD 354 thousand.

Company Management is of the opinion that the disclosed value of short-term liabilities reflects their fair value at the balance sheet date.

34. LIABILITIES FOR VALUE ADDED TAX, LIABILITIES FOR OTHER TAXES, CONTRIBUTIONS AND FEES PAYABLE AND ACCRUED EXPENSES AND DEFERRED INCOME

34.1. Liabilities for Value Added Tax

Liabilities for value added tax	In RSD thousand	
	31/03/2019	31/12/2018
Liabilities for value added tax		4.700
TOTAL	0	4.700

34.2. Liabilities for Other Taxes, Contributions and Fees Payable

Liabilities for other taxes, contributions and fees payable	In RSD thousand	
	31/03/2019	31/12/2018
Liabilities for the tax based on result	46.804	45.113
Liabilities for other taxes, contributions and fees payable:		
a) Liabilities for property tax	13.748	
b) Other liabilities for taxes, contributions and fees payable	660	726
<i>Total</i>	<i>14.408</i>	<i>726</i>
TOTAL	61.212	45.839

Liabilities for the tax based on result (income tax) in the amount of RSD 46,804 thousand refer to complete estimated value of tax income for 2018, in the amount of RSD 45,113 thousand, as for reporting period in 2019, in the amount of RSD 1,691 thousand (Note 17).

Total estimated income tax liability has been not reduced by receivables based on income tax prepaid, in the amount of RSD 16,173 thousand (Note 24). Levelling the final liability amount of income tax for 2018 with receivables based on income tax prepaid, and payment of the rest of the liabilities for income tax for 2018, will be realized in due time (till June, 2019).

Liabilities for the property tax in the amount of RSD 13,748 thousand refer to liabilities for Q2, Q3 and Q4 2019, which will be paid in total till November 15, 2019.

Other liabilities for taxes, contributions and fees payable in the amount of RSD 660 thousand, refer mainly to tax and contribution liabilities for Supervisory Board member fees and contributions for authorship agreements on temporary and periodical engagements: RSD 463 thousand and liabilities for withholding taxes on dividends: RSD 97 thousand.

Out of total amount for other taxes, contributions and fees payable, in the amount of RSD 14,408 thousand, in April 2019. was paid RSD 563 thousand (remaining unpaid liabilities for property tax, in the amount of RSD 13,748 thousand – which will be collected in due time) and liabilities for withholding tax on dividends, in the amount of RSD 97 thousand, relating to unpaid dividends - Note 33).

34.3. Accrued Expenses and Deferred Income

Accrued expenses and deferred income	In RSD thousand	
	31/03/2019	31/12/2018
<i>Precalculated expenses:</i>		
a) Precalculated expenses - parent company, subsidiaries and other related companies	24.386	25.715
b) Precalculated expenses - other legal entities	40	6
<i>Total</i>	<i>24.426</i>	<i>25.721</i>
Other accruals	2.110	1.860
TOTAL	26.536	27.581

Precalculated expenses – parent company, subsidiaries and other related companies in the amount of RSD 24,386 thousand refer to the liability owed to Energoprojekt Oprema company for calculated expenses for the period till June 30, 2015, based on the Agreement on Construction of the Embassy of the Republic of Serbia in Abuja, Federal Republic of Nigeria, a turnkey project, in the cadastre lot No. 313, registered in the Real Estate Cadastre of the Cadastre Zone A00.

Other accruals in the amount of RSD 2,110 thousand pertain mainly to the calculated interest on term deposits with domestic banks in the amount of RSD 2,015 thousand.

35. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities	In RSD thousand	
	31/03/2019	31/12/2018
Deferred tax assets	2.273	2.273
Deferred tax liabilities	156.410	156.410
Net effect of deferred tax assets (liabilities)	(154.137)	(154.137)

Deferred tax assets are the income tax amounts recoverable in future periods based on *deductible temporary differences*.

A deductible temporary difference is generated in cases where a company's balance sheet contains already disclosed expense on certain bases, which will be recognized from the tax aspect in the following periods. Deferred tax assets are verified on December 31 and are recognized only if it is considered probable that the deferred tax assets will probably be used to reduce a taxable income in the future period.

The amount of deferred tax assets is calculated by multiplying the amount of deductible temporary difference at the end of the year by the Company's corporate income tax rate (15%).

Deferred tax liabilities disclosed as at December 31 refer to *taxable temporary differences* between the book value of assets subject to depreciation and their tax base. Due to different provisions used in the Company to define accounting depreciation (in compliance with the IAS/IFRS and other provisions) and provisions that define tax depreciation (in compliance with the Law on Corporate Income Tax), the Company shall pay higher amount of income tax in the future period than it would pay if the actually disclosed accounting depreciation would be acknowledged by tax legislation. For this reason, the Company recognizes the deferred tax liability, which represents income tax payable once that the Company "recovers" the accounting value of the assets.

The amount of deferred tax liabilities is calculated by multiplying the amount of taxable temporary difference at the end of the year by the Company's income tax rate (15%).

36. OFF-BALANCE SHEET ASSETS AND LIABILITIES

In compliance with the relevant statutory provisions (Rules on Content and Form of Financial Statements Forms for Companies, Cooperatives and Entrepreneurs), disclosed off-balance sheet items in its financial statements. Items disclosed under off-balance sheet assets and liabilities, presented in the following table, are neither assets nor liabilities of the Company, but are primarily presented for information purposes.

Structure of off-balance sheet assets and liabilities is presented in the following Table.

Structure of off-balance sheet assets and liabilities	<i>In RSD thousand</i>	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Provided sureties, guarantees and other rights	19.471.329	19.898.629
Provided mortgages and other rights	2.500	2.500
Received mortgages and other rights	157.539	16.252
Other off-balance sheet asset/liabilities	2.766.060	2.766.306
TOTAL	22.397.428	22.683.687

Provided sureties, guarantees and other rights amounting to RSD 19,471,329 thousand refer to the following:

- Guarantees issued for credits and guarantees for subsidiaries amounting to RSD 11,862,205 thousand,
- Corporate guarantees issued to Energoprojekt Niskogradnja amounting to RSD 7,606,175 thousand, for projects: BBVA - Peru amounting to RSD 1,470,056 thousand, Banco Financiero - Peru amounting to RSD 1,050,040 thousand and Vinca Landfill – Serbia, amounting to RSD 5,086,079 thousand, and
- Guarantee issued by Unicredit bank in favor of IATA (International Air Transport Association) for liabilities referring to air-tickets, in the amount of RSD 2,949 thousand, the one which ends at October 23, 2019 and is renewed annually.

To provide guarantees, sureties and corporate guarantees, the Company concluded agreements with subsidiary companies based on which the Company is the guarantor and based on which it received respective collaterals from the subsidiaries involved (Company's promissory notes).

Provided mortgages and other rights in the amount of RSD 2,500 thousand relate to the pledge on 100% stake in the share capital of Energoprojekt Sunnyville Ltd. (Note 37).

Received mortgages and other rights amounting to RSD 157,539 thousand pertain to the mortgage on Enjub Ltd. apartments and lien statement on real estate (apartments and business premisses), arising from the loan agreements approved to Enjub Ltd. (Note 37).

Other off-balance sheet assets/liabilities amounting to RSD 2,766,060 thousand include the following:

- The right to use the municipal construction land - Block 26, in New Belgrade, amounting to RSD 2,735,133 thousand,
- Dividends receivables from Enjub Ltd., which were directly written-off in the previous accounting period in the amount of RSD 30,442 thousand,
- Unused construction facilities in Budva that were directly written-off in the inventory count as at December 31, 2014 and presented in the off-balance records without any value, and
- Potential liability payment of tax on transfer of absolute rights (as taxpayer pursuant to the Law), based on Selling Agreement for real estate property in Palmira Toljatija St. in N.Belgrade, in the amount of RSD 485 thousand. The obligation to pay the mentioned tax liabilities was transferred to joint and several liability - the buyer NBA Investment Ltd., which has concluded an agreement with Tax administration for deferred payment, till June 20, 2019.

37. MORTGAGES REGISTERED IN FAVOUR AND/OR AGAINST THE COMPANY

Mortgages registered against the Company relating to the pledge given to the 100% stake in the share capital of Energoprojekt Sunnyville Ltd., for securing receivable from Erste Bank Plc, Novi Sad on the basis of long-term construction loan granted to Energoprojekt Sunnyville Ltd.

Mortgages registered in favour of the Company are as follows:

- As collateral to secure the repayment of loan pursuant to the Annex No.11 of the Loan Agreement No. 367, in the amount of RSD 16,221 thousand (EUR 137 thousand), granted by the Company to Enjub Ltd, the extrajudicial mortgage for the entire loan amount was registered for apartments in 91A Juriša Gagarina Street, on the second and third floors, Cadastre lot No. 5089/9, Cadastral Municipality of New Belgrade, registered in the Real Estate Registry folio No. 4550, Cadastral Municipality New Belgrade, in favour of the Company, and
- As collateral to secure the repayment of the loan pursuant to the Annex No.7 of the Agreement on Rescheduling of Approved Loan pursuant to the Loan Agreement No. 115, approved to Enjub Ltd. in the amount of RSD 141,318 thousand (EUR 1,198 thousand), there is a lien statement (mortgage was not registered) provided for the real property (apartments and business premises) in 93, 93A and 91A Juriša Gagarina Street.

38. COMMITMENT AND CONTINGENCIES

Contingent liabilities that can potentially result in an outflow of economic benefits of the Company can primarily arise from the lawsuits. Contingent **liabilities arising from lawsuits** are primarily reflected in the potential completion of lawsuits against the Company, yet no liability or provision was recorded in the balance sheet.

The number of lawsuits with the Company as the defendant are presented in the following Table.

Plaintiff	First instance procedure	Second instance procedure	Last phase or third instance procedure	Total
<i>No. of lawsuits</i>				
Private person	26	2	1	29
Legal entity	9	1		10
Private persons and legal entities	1			1
TOTAL	36	3	1	40
<i>In RSD thousand</i>				
Private person	5.468	32.814		38.282
Legal entity	192.218			192.218
Private persons and legal entities				0
TOTAL	197.686	32.814	0	230.500

Additional details on lawsuits in which the Company is involved as the defendant are presented in the following Table, together with contingent liability, including the principal only, defined as at balance sheet day.

Plaintiff	Basis for legal action	Contingent liability in RSD thousand	Final prediction
Sreta Ivanišević	Compensation for expropriated property (Bezanija)	Uncertain	Uncertain
Vladan and Tomislav Krdžić	Damage compensation (for the value of free shares that they did not acquire)	444	Ungrounded, claim refused by the first instance, awaiting new claim decision
Goran Rakić	Establishment of ownership right on the land under building for legalization purposes	Uncertain	Ungrounded
Pavle, Radmila and Milan Kovačević	Compensation for expropriated land (Block 26)	Uncertain	Uncertain
Rajko Ljubojević	Expropriation of land from 1957	32.370	Uncertain
Aleksandar and Nenad Radovanac	Moving out from barracks	Uncertain	Ungrounded
Alco Investments Holding Ltd. Cyprus	Inanity of Annex No.1a of Common Construction Agreement (Block 26)	No value	Ungrounded related to Energoprojekt Holding Plc.
Marko Martinoli, Activist Ltd. Activeast Ltd.	Compulsory acquisition of shares of Energoprojekt Entel Plc.	176.745	Ungrounded related to Energoprojekt Holding Plc.
Nikola Malbaša, Marko Martinoli and other small shareholders of Energoprojekt Industrija Plc.	Compulsory acquisition of shares of Energoprojekt Industrija Plc.	280.427	Ungrounded related to Energoprojekt Holding Plc.
Dekada Export-Import KFT Budapest	Establishment of nullity of contract on assignment of claims of Company from Vivand BT and optional selling agreement for real estate	Undefined	Uncertain
Republic of Serbia	Cancelling the decision of Company's general Meeting from 12/12/2017, including temporary injunction defining	No value	Uncertain
Edmond Gašpar, Gojko Babić, Petar Rajačić	Compulsory acquisition of shares of Energoprojekt Industrija Plc.	9.193	Ungrounded related to Energoprojekt Holding Plc.
Energoprojekt Oprema Plc.	Establishment of property right for 261 share of Beogradsko mešovito preduzeće Plc.	188.510	Uncertain
Zoran Petrović	Cancellation of termination of Contract of Employment	Undefined	Uncertain
Zoran Petrović	Damage compensation	900	Uncertain
Žito Mlin Ltd.	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	326	Uncertain
Milan Branković, Slobodan Vučković and Zoran Ćupin	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	433	Uncertain
Matjaž Rupar	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	53	Uncertain

Details on lawsuits in which the Company is involved as the defendant – Table, continued:

Plaintiff	Basis for legal action	Contingent liability in RSD thousand	Final prediction
Henigman France	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	237	Uncertain
Alco Investments Holding Ltd. Kipar	Fulfillment of Common Construction Agreement (Block 26)	Bez vrednosti	Uncertain
Darovi Rokus d.o.o.	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	79	Uncertain
Andrej Mavrič	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	26	Uncertain
Regvat Milan	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	79	Uncertain
Srđan Cekić, Vladimir Sešlija	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	405	Uncertain
Janez Dežman	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	52	Uncertain
Ilin Aleksandar	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	11	Uncertain
Proinvestments a.d.	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	3.234	Uncertain
Ariana d.o.o	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	48	Uncertain
Jenić Goran	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	74	Uncertain
Igor Mitrović	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	331	Uncertain
Damjan Pate	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	767	Uncertain
Treven Tomaž	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	1.051	Uncertain
Jopo Int d.o.o	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	21	Uncertain
Goran Grbić	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	685	Uncertain
Matija Rojec	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	26	Uncertain
Dušica Milić	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	53	Uncertain
Kolar Mihael	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	26	Uncertain
Robert Žvab	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	102	Uncertain
Blaž Kolar	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	53	Uncertain
Edvard Kolar	Payment of share price difference of Energoprojekt Visokogradnja Plc. Shares	105	Uncertain

* At the beginning of 2019, with Energoprojekt Oprema the Out-of-court Settlement Contract was concluded, reaching the agreement for definition of property right of Energoprojekt Oprema for 261 share of Beogradskog Mešovitoog Preduzeća Plc. The liabilities of the Company were levelled by compensation made as at December 31, 2018. Pursuant to the Contract provisions, it was agreed that Energoprojekt Oprema withdraw its claim, which was done on April 16, 2019.

In addition to the above listed court cases in which the Company is the defendant, there is a lawsuit with the New Company Ltd. branch IN Hotel, in which the plaintiff requests the GP Napred Razvoj Plc. to determine the ownership right over the hotel building constructed on a lot for which the Company was registered as a holder of rights in addition to the GP Napred Razvoj Plc. In this lawsuit, the Company is a passive co-litigant, and thus there are no potential commitments for the Company, but it had to be included in the action due to the formal reasons.

Contingent assets arising from lawsuits leads to the potential for completion of lawsuits in favour of the Company, yet no receivables was recorded in the balance sheet and no economic benefit has been recorded in any other manner (such as, for example, by reducing value of an unjustified advance payment, etc.).

The number of lawsuits in which the Company acts as the plaintiff are presented in the following Table.

Defendant	First instance procedure	Second instance procedure	Total
<i>No. of lawsuits</i>			
Private person			
Legal entity	1	6	7
TOTAL	1	6	7
<i>In RSD thousand</i>			
Private person			
Legal entity	18.000		18.000
TOTAL	18.000		18.000

Additional details on lawsuits in which the Company acts as the plaintiff are presented in the following Table.

Defendant	Grounds for legal action	Contingency amount in RSD thousand	Final prediction
Republic of Serbia, EPS Serbia, Epsturs Ltd. And Republic of Montenegro	Determining of the ideal ownership share in „Park Hotel“ in Budva	Value not defined	Grounded
Securities Commission	Annulment of the Commission's temporary decision whereby to the company is denied right to vote in Energoprojekt Oprema Plc.	No value	Uncertain
Securities Commission	Annulment of the Commission's temporary decision whereby to the company is denied right to vote in Energoprojekt Industrija Plc.	No value	Uncertain
Securities Commission	Annulment of the Commission's final decision whereby to the company is denied right to vote in Energoprojekt Oprema Plc.	No value	Uncertain
Securities Commission	Annulment of the Commission's final decision whereby to the company is denied right to vote in Energoprojekt Industrija Plc.	No value	Uncertain
Securities Commission	Annulment of the Commission's final decision, whereby it was interrupted proceedings to decide on the request for publication of the takeover bid Energoprojekt Entel Plc.	No value	Uncertain
Ringier Axel Springer Ltd.	Determination of nullity of the contract and return of paid advance	18.000	Uncertain

In addition to the presented legal actions in which the Company is involved as the plaintiff, there is a legal proceeding against the City of Belgrade and BG Hall Ltd. for debt from work carried out by Energoprojekt Visokogradnja on the facility "Arena", which was contracted by the Energoprojekt Holding Corporations. According to the above litigation a final judgment has been obtained to BG Hall Ltd., while the claim against the City of Belgrade. The Company has declared against this decision. After the revision accepted, the procedure is legally valid in a small portion of claim, regarding BG Hall Ltd. and in respect the rest of the claim, there is a first instance lawsuit against BG Hall Ltd. and City of Belgrade.

39. POST BALANCE SHEET EVENTS

In January 2019, the procedure was started for realization of payment of a part of receivables from Enjub Ltd. pursuant to Loan Rescheduling Agreement No.115, in the amount of EUR 690 thousand, based on promissory note over the real estate property of Enjub, located in K1G Object, in Rakovica (Note 25).

After the balance sheet date, except the above mentioned non-corrective events occurred after the reporting period, there were no events that could have any significant effect on the credibility of the financial statements.

In Belgrade,
On May 10, 2019

2. BUSINESS REPORT

- Authentic overview of Company's growth and business results, financial position and information of significance for its assets valuation;
 - Description of Company's anticipated growth in the following period, changes in its business policies and main risks and threats to which its business is exposed;
 - Major events after the end of the reporting year;
 - Major transactions with related parties;
 - Corporate activities in research and development.
-

Authentic overview of Company's growth and business results, financial position and information of significance for its assets valuation

An authentic overview of the Energoprojekt Holding Plc. (parent Company) and Energoprojekt Group growth and business results, financial position and information of significance for the valuation of corporate assets is presented and explained in detail within the "Notes to the Financial Statements for Q1 2019" (see Chapter 1 of the said Statements).

Plans for 2019. include contracting of new business deals for the Energoprojekt Group in the country and abroad in the total amount of EUR 273.1 million, namely: EUR 143.1 million (52%) in the country and abroad in the total amount of EUR 130 million (48%). During the first quarter of 2019 contracts for new business deals worth total of EUR 34.5 million were concluded: EUR 13.3 million (39%) in the country and EUR 21.2 million (61%) abroad.

As at the last day of the reporting period, business deals worth approximately EUR 346.2 million remained to be completed over the following periods (in Serbia: EUR 205 million; abroad EUR 141.2 million).

Description of Company's anticipated growth in the following period, changes in its business policies and main risks and threats to which its business is exposed

Starting from the strategic determination to achieve lasting and sustainable development of the Energoprojekt Group oriented towards continuous profitability growth, conducting business in its traditional markets (in the country and abroad), economically viable employment of resources and global macroeconomic trends, the following business tasks were planned to be achieved in 2019:

Priority tasks:

- Contracting of new business and providing conditions for continued working activities within Energoprojekt Group;
- Providing conditions to preserve continued financial solvency – activities aimed to cover financial claims and optimization of credit-loan liabilities of Energoprojekt Group;
- Further development of the business and providing continued work flow of the companies within Energoprojekt Group;

- Monitoring of procedures started for finalization of ownership transformation process.

Other business-related tasks:

- Realization of all business activities, followed by suitable completing of contracts and relevant contract issues, with an imperative goal of reaching satisfactory profit level on every single project;
- Maintaining business and financial stability of the Group, with activities oriented to collecting of old financial claims;
- Adapting new market activities and creating conditions for new contract deals, followed by maximum engagement of present capacities;
- Improving business activities, together with high-quality planning and supervising, maintaining technology and organizational development;
- Using all the resources and assets of the companies in business activities;
- Location development, joining concessions and private investments;
- Reinforcement of business cooperation by project and functional cooperation, with constant consolidation of corporate functions;
- Group development will be scheduled and perceived through possible structural changes and market adjustments;
- Transparency of business operations and public presentation of Energoprojekt, by means of supplying relevant information through the Stock Exchange and regular communication with investors, partners and experts, in the country and abroad.

The most significant threats to which the Company is exposed include: continuing and deepening of the global and Eurozone economic crisis; competition in the form of foreign companies from the countries with huge populations and cheap workforce; competition in the form of the foreign companies with easier access to cheaper financial resources; institutional changes in the domestic and selected foreign markets; dependency on the political stability of the markets in which Energoprojekt realizes its projects and so on.

It is necessary to establish a system for timely risks' identification and management for the business operations of the Energoprojekt in the country and in the foreign markets as one of the

principal functions of the Company's internal audit. In the following period, efforts on risk management development strategy will be intensive and according to the plans, in compliance with the established annual plan of the Energoprojekt Holding Plc. internal audit for 2019.

Significant events after the end of the year for which the reports are prepared

Arbitration proceedings in Stockholm, with Gazprom Transgaz Belarus, realting the project Energocentar Minsk, Belarus was completed in April 2019, in favour of Energoprojekt Oprema. Pursuant to accounting legislation, Energoprojekt Oprema will record all relevant accounting issues related to the mentioned arbitration, in 2019.

Aside of the above mentioned incorrective events occured after the reported period, there were no significant business events from the balance date to the date of publication of the said statements, which would exert any impact on the authenticity of the disclosed financial statements.

Relevant business news on significant events are being regularly published on the Energoprojekt web site (at: <http://www.energoprojekt.rs>) and on the web site of the Belgrade Stock Exchange (in Serbian and in English), as a part of the Company's obligations related to the Prime Listing of its shares on the Belgrade Stock Exchange.

Significant business transactions with the related parties

Receivables from the related parties arise primarily from the sale of services and are mature and collectible within 15 days from invoicing date.

Liabilities from the related parties arise primarily from purchasing transactions and are mature and collectible within 5 to 30 days from purchasing date. Liabilities do not include interest rate.

Payment securities for liabilities to related legal entities were not provided by the Company.

Company activities in the field of research and development

Activities on further development and implementation of an adequate business and information system are underway, and the system will be adequate to the current scope and planned growth of the Company's business, as well as activities related to implementation of integrated Document Management System (DMS) in Energoprojekt Group.

3. STATEMENT BY PERSONS RESPONSIBLE FOR PREPARATION OF REPORT

To the best of our knowledge, the Quarterly Financial Statements for the first quarter of 2019 were prepared in compliance with the relevant International Financial Reporting Standards and they present authentic and objective information about assets, liabilities, financial position and operations, profit and losses, cash flows and changes in equity of the Public Company, including those of the Companies included in the Statements.

In compliance with the Law on Capital Market (RS Official Gazette, No. 31/2011, 112/2015 and 108/2016) we hereby declare that the financial statements in question have not been audited.

Energoprojekt Holding a.d.

Executive Director for Finance, Accounting and Planning




Vladimir Višnjić, B.Sc. Ecc

Energoprojekt Holding a.d.

Chief Executive Officer




Stojan Čolakov, M.Sc.C.E

4. DECISION OF COMPETENT CORPORATE BODY TO ADOPT THE Q1 2019 QUARTERLY REPORT *

Note *:

- Q1 2019 Quarterly Report of the Energoprojekt Holding Plc. was approved and adopted on May 13, 2019, in the 186th meeting of the Executive Board of the Issuer.

In Belgrade, May 2019

Energoprojekt Holding a.d.

Executive Director for Finance, Accounting and Planning




Vladimir Višnjić, B.Sc. Ecc

Energoprojekt Holding a.d.

Chief Executive Officer




Stojan Čolakov, M.Sc.C.E