



La Lorraine  
BAKERY GROUP

# FINANCIAL STATEMENTS

## FOR THE YEAR ENDED

### 31 DECEMBER 2018

*Entity's name:*

**La Lorraine, a.s.**

*Legal status:*

**joint stock company**

*Registered office:*

**U Kožovy hory 2748, 272 01 Kladno**

*Business registration number (IČ):*

**255 44 551**

## BALANCE SHEET

		Current year			Prior year 2017
		Gross	Allowances	Net	Net
<b>TOTAL ASSETS</b>		<b>4,464,837</b>	<b>(1,213,376)</b>	<b>3,251,475</b>	<b>3,150,961</b>
<b>A.</b>	<b>STOCK SUBSCRIPTION RECEIVABLE</b>				
<b>B.</b>	<b>FIXED ASSETS</b>	<b>3,537,670</b>	<b>(1,195,662)</b>	<b>2,342,208</b>	<b>2,001,478</b>
B. I.	<b>Intangible fixed assets</b>	<b>6,259</b>	<b>(5,197)</b>	<b>1,062</b>	<b>1,431</b>
B. I. 1.	Development				
2.	Valuable rights	6,259	(5,197)	1,062	1,094
1.	Software	6,259	(5,197)	1,062	1,094
2.	Other valuable rights				
3.	Goodwill				
4.	Other intangible fixed assets				
5.	Advances granted for intangible fixed assets and intangible fixed assets in progress				337
1.	Advances granted for intangible fixed assets				
2.	Intangible fixed assets in progress				337
B. II.	<b>Tangible fixed assets</b>	<b>3,531,445</b>	<b>(1,190,465)</b>	<b>2,340,980</b>	<b>1,999,881</b>
B. II. 1.	Land and structures	1,163,210	(170,461)	992,749	957,593
1.	Land	72,416		72,416	71,414
2.	Structures	1,090,794	(170,461)	920,333	886,179
2.	Movable assets and sets of movable assets	1,892,496	(1,020,004)	872,492	952,987
3.	Gain or loss on revaluation of acquired property				
4.	Other tangible fixed assets				
1.	Perennial crops				
2.	Livestock				
3.	Miscellaneous tangible fixed assets				
5.	Advances granted for tangible fixed assets and tangible fixed assets in progress	475,739		475,739	89,301
1.	Advances granted for tangible fixed assets	100,603		100,603	7,439
2.	Tangible fixed assets in progress	375,136		375,136	81,862
B. III.	<b>Long-term investments</b>	<b>166</b>	<b>0</b>	<b>166</b>	<b>166</b>
B. III. 1.	Interests – controlled or controlling entity	166		166	166
2.	Loans and borrowings – controlled or controlling entity				
3.	Interests – significant influence				
4.	Loans and borrowings - significant influence				
5.	Other long-term securities and interests				
6.	Loans and borrowings - other				
7.	Other long-term investments				
1.	Miscellaneous long-term investments				
2.	Advances granted for long-term investments				
<b>C.</b>	<b>CURRENT ASSETS</b>	<b>922,810</b>	<b>(17,714)</b>	<b>905,110</b>	<b>1,146,939</b>
C. I.	<b>Inventories</b>	<b>315,830</b>	<b>(9,647)</b>	<b>306,183</b>	<b>293,250</b>
C. I. 1.	Materials	90,469	(1,882)	88,587	92,997
2.	Work in progress and semi-finished production				
3.	Finished products and goods	225,361	(7,765)	217,596	200,253
1.	Finished products	183,587	(7,719)	175,868	170,398
2.	Goods	41,774	(46)	41,728	29,855
4.	Livestock				
5.	Advances granted for inventories				
C. II.	<b>Receivables</b>	<b>534,768</b>	<b>(8,067)</b>	<b>526,715</b>	<b>703,675</b>
C. II. 1.	<b>Long-term receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1.	Trade receivables				
2.	Receivables – controlled or controlling entity				
3.	Receivables – significant influence				
4.	Deferred tax asset				
5.	Other receivables				
5.1.	Receivables from partners				
5.2.	Long-term advances granted			0	
5.3.	Unbilled revenue				
5.4.	Miscellaneous receivables				

The accompanying income statement, cash flow statement, statement of changes in equity and notes are an integral part of the financial statements.

## Czech Statutory Financial Statement Forms (in thousands of Czech crowns)

## BALANCE SHEET

		Current year			Prior year 2017
		Gross	Allowances	Net	Net
C. II. 2.	<b>Short-term receivables</b>	534,768	(8,067)	526,715	703,675
1.	Trade receivables	484,200	(8,067)	476,133	655,955
2.	Receivables – controlled or controlling entity				361
3.	Receivables – significant influence				
4.	Other receivables	50,568		50,582	47,359
4.1.	Receivables from partners				
4.2.	Social security and health insurance				
4.3.	Due from government - tax receivables	35,604		35,604	17,626
4.4.	Short-term advances granted	7,172		7,172	9,591
4.5.	Unbilled revenue	7,579		7,579	9,556
4.6.	Miscellaneous receivables	213		227	10,586
C. III.	<b>Short-term financial assets</b>	0	0	0	0
1.	Interests - controlled or controlling entity				
2.	Other short-term financial assets				
C. IV.	<b>Cash</b>	72,212	0	72,212	150,014
1.	Cash in hand	1,245		1,245	2,942
2.	Cash at bank	70,967		70,967	147,072
D.	<b>Prepaid expenses and accrued income</b>	4,157	0	4,157	2,544
D. 1.	Prepaid expenses	4,157		4,157	2,544
2.	Prepaid expenses (specific-purpose expenses)				
3.	Accrued income				

## BALANCE SHEET

		Current year	Prior year 2017
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>3,251,475</b>	<b>3,150,961</b>
<b>A.</b>	<b>EQUITY</b>	<b>1,941,884</b>	<b>1,668,470</b>
A. I.	Basic capital	266,800	266,800
A. I. 1.	Registered capital	266,800	266,800
2.	Own ownership interests (-)		
3.	Changes in basic capital		
A. II.	<b>Share premium and revaluation reserve</b>	<b>10</b>	<b>10</b>
A. II. 1.	Share premium		
2.	Capital funds	10	10
1.	Other capital funds		
2.	Gain or loss on revaluation of assets and liabilities (+/-)	10	10
3.	Gain or loss on revaluation upon corporate transformation (+/-)		
4.	Differences arising on corporate transformation (+/-)		
5.	Differences arising between balance sheet date and transformation date (+/-)		
A. III.	<b>Reserves from profit</b>	<b>29,107</b>	<b>29,107</b>
A. III. 1.	Other reserves	29,107	29,107
2.	Statutory and other reserves		
A. IV.	<b>Profit (loss) brought forward (+/-)</b>	<b>1,372,552</b>	<b>985,487</b>
IV. 1.	Retained earnings	1,372,552	985,487
2.	Other profit (loss) brought forward (+/-)		
A. V.	<b>Profit (loss) for the year (+/-)</b>	<b>273,415</b>	<b>387,066</b>
A. VI.	<b>Approved decision on advances for profit distribution (-)</b>	<b>0</b>	<b>0</b>
<b>B. + C.</b>	<b>PROVISIONS AND LIABILITIES</b>	<b>1,309,393</b>	<b>1,482,293</b>
B.	<b>Provisions</b>	<b>18,328</b>	<b>22,417</b>
B. 1.	Provision for pensions and similar obligations		
2.	Provision for corporate income tax		
3.	Provisions recognized under special legislation		
4.	Other provisions	18,328	22,417
C.	<b>Liabilities</b>	<b>1,291,065</b>	<b>1,459,876</b>
C. I.	<b>Long-term liabilities</b>	<b>539,953</b>	<b>850,571</b>
1.	Bonds payable		
1.	Convertible bonds		
2.	Other bonds		
2.	Amounts owed to credit institutions		
3.	Long-term advances received		
4.	Trade payables		
5.	Long-term notes payable		
6.	Liabilities – controlled or controlling entity	428,249	745,628
7.	Liabilities – significant influence		
8.	Deferred tax liability	111,704	104,643
9.	Other liabilities		300
1.	Liabilities to partners		
2.	Unbilled deliveries		
3.	Miscellaneous liabilities		300
C. II.	<b>Current liabilities</b>	<b>751,112</b>	<b>609,305</b>
1.	Bonds payable		
1.	Convertible bonds		
2.	Other bonds		
2.	Amounts owed to credit institutions		
3.	Short-term advances received		
4.	Trade payables	555,175	390,348
5.	Short-term notes payable		
6.	Liabilities – controlled or controlling entity		
7.	Liabilities – significant influence		
8.	Other liabilities	195,937	218,957
1.	Liabilities to partners		
2.	Short-term borrowings		
3.	Liabilities to employees	14,982	12,831
4.	Liabilities arising from social security and health insurance	8,644	7,643
5.	Due to government – taxes and subsidies	30,700	11,530
6.	Unbilled deliveries	140,777	182,828
7.	Miscellaneous liabilities	834	4,125
D.	<b>Accruals and deferred income</b>	<b>198</b>	<b>198</b>
D. 1.	Accruals		
2.	Deferred income	198	198

La Lorraine, a.s. for the year ended 31 December 2018  
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)

INCOME STATEMENT

		Current year	Prior year 2017
I.	Revenue from sale of finished products and services	3,011,639	2,909,854
II.	Revenue from sale of goods	576,119	443,905
A.	<b>Production-related consumption</b>	<b>2,676,119</b>	<b>2,463,008</b>
A.1.	Cost of goods sold	440,835	360,950
A.2.	Consumption of material and energy	1,526,378	1,453,818
A.3.	Services	708,906	648,240
B.	Change in inventory produced internally (+/-)	(2,887)	(39,803)
C.	Own work capitalized (-)	0	0
D.	<b>Personnel expenses</b>	<b>348,284</b>	<b>287,401</b>
D.1.	Wages and salaries	257,676	209,782
D.2.	Social security and health insurance costs and other costs	90,608	77,619
D.2.1.	Social security and health insurance costs	83,440	71,044
D.2.2.	Other costs	7,168	6,575
E.	<b>Value adjustments in respect of operating activities</b>	<b>218,612</b>	<b>234,956</b>
E.1.	Value adjustments in respect of intangible and tangible fixed assets	227,537	230,124
E.1.1.	Value adjustments in respect of intangible and tangible fixed assets - permanent	227,537	230,124
E.1.2.	Value adjustments in respect of intangible and tangible fixed assets - temporary		
E.2.	Value adjustments in respect of inventory	(7,959)	11,411
E.3.	Value adjustments in respect of receivables	(966)	(6,579)
III.	<b>Other operating income</b>	<b>29,497</b>	<b>25,042</b>
III.1.	Income from sale of fixed assets	2,242	457
III.2.	Income from sale of materials	7,361	10,584
III.3.	Miscellaneous operating income	19,894	14,001
F.	<b>Other operating expenses</b>	<b>32,527</b>	<b>28,039</b>
F.1.	Net book value of fixed assets sold	16	
F.2.	Net book value of materials sold	6,949	8,250
F.3.	Taxes and charges relating to operations	610	528
F.4.	Provisions relating to operations and prepaid expenses (specific-purpose expenses)	(4,089)	(1,049)
F.5.	Miscellaneous operating expenses	29,041	20,310
*	<b>Profit or loss on operating activities (+/-)</b>	<b>344,600</b>	<b>405,200</b>
IV.	<b>Income from long-term investments - interests</b>	<b>0</b>	<b>0</b>
IV.1.	Income from interests in subsidiaries or parents		
IV.2.	Other income from interests		
G.	<b>Cost of interests sold</b>	<b>0</b>	<b>0</b>
V.	<b>Income from other long-term investments</b>	<b>0</b>	<b>0</b>
V.1.	Income from other long-term investments - subsidiaries or parents		
V.2.	Other income from other long-term investments		
H.	<b>Expenses relating to other long-term investments</b>	<b>0</b>	<b>0</b>
VI.	<b>Interest receivable and similar income</b>	<b>0</b>	<b>25</b>
VI.1.	Interest receivable and similar income - subsidiaries or parents		25
VI.2.	Other interest receivable and similar income		
I.	<b>Value adjustments and provisions relating to financial activities</b>	<b>0</b>	<b>0</b>
J.	<b>Interest payable and similar expenses</b>	<b>20,355</b>	<b>41,048</b>
J.1.	Interest payable and similar expenses - subsidiaries or parents	20,355	41,048
J.2.	Other interest payable and similar expenses		
VII.	<b>Other finance income</b>	<b>16,164</b>	<b>95,504</b>
K.	<b>Other finance cost</b>	<b>25,298</b>	<b>50,523</b>
*	<b>Profit or loss on financial activities (+/-)</b>	<b>(29,489)</b>	<b>3,958</b>
**	<b>Profit or loss before taxation (+/-)</b>	<b>315,111</b>	<b>409,158</b>

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La Lorraine, a.s. for the year ended 31 December 2018  
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)

INCOME STATEMENT

		Current year	Prior year 2017
L.	Income tax	41,696	22,092
L.1.	Income tax due	34,635	14,182
L.2.	Income tax deferred (+/-)	7,061	7,910
**	Profit or loss after taxation (+/-)	273,415	387,066
M.	Transfer of share of profit or loss to partners (+/-)	0	0
***	Profit or loss for the year (+/-)	273,415	387,066
*	Net turnover	3,633,419	3,474,330