ANNUAL REPORT

Translation of the Estonian original

beginning of financial year:	01.01.2018
end of financial year:	31.12.2018
business name:	AS Eesti Vedelkütusevaru Agentuur
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Management Report 2018

1. Market overview

With hindsight the analysts have concluded that the oil sector was the most unpredictable market sector in 2018 and assessed that investors lost the most in oil related positions. During the year, according to which the Wall Street predicted stable increase and a that the oil price would, for the first time in four years, exceed the 100 dollar price level, instead, the oil market experienced high volatility and the most serious price drop since 2015. The 2.5 year-long recovery phase of oil prices suddenly stopped in the fourth quarter. When in the first week of October trade took place at the price level which was the highest of four previous years, then by the end of December the market prices fell 20-25% in 12 month comparison and 40% in quarterly comparison. In the middle of the year the market developments were driven by fear of crude oil deficit due to international sanctions and actions by the cartel of producer countries. Prices increased with minor fluctuations from 60 USD/barrel in January to 75 USD/barrel in October, but then lost over one-third of its value. Main reasons being speculative selling pressure accompanied with the initial price increase, forecasts of decrease in consumption and geopolitical de-escalation in both USA-China and USA-Iran relations.

2018 was the last year of the three-year fuel excise duty increase program of the Estonian government. Similar pattern of previous years repeated. At the end of 2017, 3 months' worth of engine fuel was stockpiled in connection with the coming excise duty increase and from January to April of the new year, the entry into statistical consumption of this fuel type was very low. Average consumption of diesel fuel was generally according to plan. But there was a significant distinction in the April volumes of this fuel type when compared to other periods, showing a one-month 1,5-times increase. Heavy fuel oil stockpiling took place in the first half year of 2017 and stability in the consumption data could still not be seen even a year after.

2. Company

AS Eesti Vedelkütusevaru Agentuur (in English OSPA – Oil Stockpiling Agency) is a company of strategic importance to the Republic of Estonia, whose task is to establish and maintain and renew liquid fuel stocks of the state and to ensure the replenishment of liquid fuel stocks. AS Eesti Vedelkütusevaru Agentuur was established by the Government of the Republic of Estonia on 15 April 2005 based on the Liquid Fuel Stocks Act. All shares of the company belong to the state and the holding administrator and entity exercising its rights as a shareholder is the Ministry of Economic Affairs and Communications, which is represented by the Minister of Economic Affairs and Infrastructure at the general meeting of shareholders.

In establishing and maintaining the liquid fuel stocks, OSPA adheres to the requirements prescribed by the EU Council Directive for maintaining minimum stocks of crude oil and petroleum products 2009/119/EC and the Liquid Fuel Stocks Act, implementing legislation established by law and, the requirements established in the agreement on the energy programme of the International Energy Agency.

3. Strategic aims and basis of economic activities of the Estonian Oil Stockpiling Agency

OSPA is a company with mainly public objectives whose owner has assigned the following tasks:

• establishing and maintaining the 90 day liquid fuel stocks of Republic of Estonia, and organizing the replenishment of the stocks pursuant to the Liquid Fuel Stocks Act,
• organizing the purchase, sale and storage of the liquid fuel stocks,
• supplying liquid fuel to the state and analyzing the situation in the event of difficulties in supply of liquid fuel,
• organizing the release of liquid fuel stocks in the event of difficulties in supply of liquid fuel,
• developing cooperation with fuel market participants and liquid fuel stock organizations of other countries.

OSPA is a unique entity whose activity objectives and principles have been directly laid down by a separate act: the Liquid Fuel Stocks Act.

The directive for minimum stocks has provided the following explanatory definition: Central Stockholding Entity is a body or department, who may be given the authority to purchase, maintain or sell the oil stocks including emergency stocks and special stocks. The directive has specified that:

• Each member state may have only one central entity
• A central entity must act in the general public interest
• A central entity may not be an economic operator within the meaning of the directive

The organisation of the economic activity of OSPA is based on the principles of efficiency and profitability imposed by the owner.
The Liquid Fuel Stocks Act has established the principles of the management of OSPA, the bases of the revenue and cost planning and restrictions on the distribution of profits earned from stockpiling fees. According to "Share management report" of the Government of the Republic the Ministry of Economic Affairs and Communications has established that dividend payment is not expected from OSPA. Regarding profitability, one must keep in mind the financing arrangements of OSPA, by which the fuel stocks acquired by the entity are covered from the state budget by increasing the holding or share capital of the stock administrator and by means acquired from the sale of stocks. Stock administration costs are covered by stockpiling fees paid by fuel companies.

Taking into consideration that pursuant to law the stockpiling fee in excess cannot be reported in retained earnings, the share manager considers it not reasonable to set a price for expected equity. When using the funds meant for fuel purchase, OSPA must abide by the obligation to pursue profitability and also ensure the value of state stocks. Upon rotating the liquid fuel stocks, OSPA must abide by the market situation in order to ensure the best effectiveness, incl. differences in the present and future prices. Excess stocks must be used preferring the most effective management solutions, including possibilities for effective rotation and sale of delegated stocks.

4. Quantity of liquid fuel stocks

Based on the Liquid Fuel Stocks Act, OSPA was obligated to maintain stocks in 2018 at a level corresponding to 90 days` average daily net imports in 2017. The law and directive establish two methods for the calculation of the stockholding obligation depending on the export and import ratio of the state. OSPA is obligated to observe that the stockholding obligation is complied with on the basis of 90 days' worth of average net imports also in the event of a decline in the export of domestically produced energy products.

Pursuant to the statistics on inland consumption of liquid fuel in 2017, the mandatory quantity of the stocks in 2018 was 234.7 thousand tonnes. At 31.12.2018, the total liquid fuel stocks of OSPA amounted to 237.3 thousand tonnes. As a result of fuel stockpiling and rotating procurements, the percentage of stocks stored in Estonia was 53%. In 2018, the fuel stocks were stored in nine terminals in Estonia and in eight terminals abroad. Contracts for depositing the stocks have been concluded with 15 companies.

5. Activity

5.1. Management of stocks

At the end of 2017 there was a significant improvement in the depositing market for OSPA. During several years it was not easy to find available storage capacity and several storage procurements failed due to small number of offers and high price levels, then by the beginning of 2018 the competition had recovered. The new situation enabled us to start cancelling the extended deposit contracts and begin with carrying out the postponed fuel rotations.

In connection with the end of deposit contracts, in 2018 we sold 17,260 tons of diesel fuel in Pitea, Sweden and 12,800 tons of diesel fuel in Muuga. Pursuant to the fuel rotating plan we realized 6,700 tons of petrol in Finland. In order to stockpile the new contractual deposit locations, we bought 14,060 tons of petrol and 2,500 tons of diesel fuel with shipment to various Estonian terminals and 13,800 tons of diesel fuel with shipment to Sweden. During the year we renewed 6,500 tons of winterized diesel fuel into winter diesel fuel based on rotating contracts in Estonia. The contract with Energia Nord OÜ for delegating heavy fuel oil stock continued in 2018.

We collects a stockpiling fee from fuel companies to cover the costs relating to the management of stocks. The receipt of the stockpiling fees depends directly on the volumes of fuel subject to excise duty. Similarly to two previous years, OSPA's income from stockpiling fees was influenced by the increase in excise duty. Due to the increase in petrol excise duty in December 2017 and allowing high volumes of this fuel type into consumption, we arrived into a situation where the receipt of stockpiling fees in the first four months of 2018 was far below the usual monthly indicators. Receipt of stockpiling fees started stabilizing in May and remained stable until November. New anomalies, which OSPA had to adapt to in 2018, were market failures stemming from fuel bio additives' requirements entering into force. Shortly before the new requirements entered into force, significant increase occurred in allowing diesel fuel into consumption from excise warehouse in April and the same repeated with petrol in December. The only fuel type with a stable year-to-year increase, is jet fuel. Consumption of heavy fuel oil however, has been "zero" during the first half of the year and improved slightly in the second half of the year.

5.2. Insurance of stocks

OSPA is obligated to ensure that all liquid fuel stocks are insured. In 2018 the stocks were insured by London Lloyds Syndicate Starfish. All liquid fuel stocks of OSPA are insured based on world market fuel prices.

5.3 Auditor

In connection with the end of previous contract, a procurement for a new external auditor of OSPA was carried out in 2018. By decision of holding administrator the auditor of annual reports 2018 – 2020 is KPMG Baltics OÜ.

5.4 Inspection of stocks

OSPA organizes inspections on regular basis in order to ensure the maintenance of the liquid fuel stocks. The aim of inspecting the liquid fuel stocks is to inspect the quantity and quality of the stocks. OSPA carries out inspections of stocks in all locations at which the stocks are maintained at least twice in a calendar year. Since all liquid fuel stocks of OSPA are created for long-term storage, the quality and aging process of liquid fuel stocks is monitored using the program ProQuality. ProQuality provides recommendations on the rotation of the deposited stocks based on the results of the analyses.

In 2018, inspection-related cooperation continued with the Estonian Environmental Research Centre and Amspec Estonia OÜ (formerly Meedres Inspections Services OÜ). OSPA contractual inspectors take part in the regular international comparative Round Robin test of liquid fuel agencies.

5.5 International cooperation

Starting from 2018, OSPA is the new chairman of international cooperation organisation of liquid fuel stock agencies ACOMES. 29 institutions from European Union member states, Israel, Japan, Korea, Switzerland and USA belong to ACOMES. In September 2018 the 29th annual ACOMES conference took place in Hamburg under OSPA governance.

OSPA is active in International Energy Agency and professional work groups of the European Commission. In 2018 the secretariat of International Energy Agency started the review of Estonian national energy policy (In Depth Review and Emergency Response Review). The review will be ready by June 2019.

6. Objectives for 2019

The objectives of OSPA for the year 2019 are:

• Rotations of fuel stocks. The estimated quantity of new rotations depends on the market situation and recommendations of ProQuality.

• Successful completion of IEA monitoring.

• Renewing the liquid fuel stocks act.

• Replacing heavy fuel oil stock with diesel fuel stock.

• Find new depositing solutions for jet fuel stocks in Estonia.

• Carry out crisis training in order to ensure the preparedness to take the stocks in use.

• Successful governance of ACOMES, the international network of liquid fuel stocks agencies.

• Participate in the Benchmarking Study Group of liquid fuel stocks agencies.

• Participate in the study group of Expert Laboratory Coordination which compares analyses on liquid fuel aging and develops new analytical methods.

7. Management

7.1. Supervisory board

The supervisory board of OSPA comprises four members elected for a term of three years, half of whom are representatives of the government and half are representatives of the sellers of fuel specified in the Liquid Fuel Stocks Act. The chairman of the supervisory board of OSPA is the manager of energy markets of the energy department of Ministry of Economic Affairs and Communications Jako Reinaste. In 2018, the supervisory board of OSPA held 4 meetings in total. Remuneration in the amount of 15.6 thousand euros was paid to the members of the supervisory board in 2018.

7.2. Management board

The management board of OSPA comprises two members. Remuneration in the amount of 115.7 thousand euros was paid to the members of the management board.

8. Main financial ratios of the company:

	31.12.2018	**31.12.2017**
Net profit märgin (net profit/sales revenue x 100)	2.90%	0.18%
ROE (return on equity) (net profit/average equity of the period x 100)	0.53%	0.01%
Current ratio (current assets/current liabilities)	23.31	298.84

Corporate Governance Report 2018

AS Eesti Vedelkütusevaru Agentuur (Estonian Oil Stockpiling Agency, abbreviation OSPA) has undertaken the obligation to apply the Principles of Corporate Governance in the management of the company and describe the adherence to these principles in the Corporate Governance Report in the annual report. The Corporate Governance Report of OSPA has been published on the website www.ospa.ee. under subsection “Annual Report”.

In complying with the Principles of Corporate Governance we adhere to the State Assets Act (hereinafter SAA), guidelines of the Principles of Corporate Governance (hereinafter PCG) and, due to the specific tasks of OSPA, the general principles established in EU Directive 2009/119/EÜ and the Liquid Fuel Stocks Act (hereinafter LFSA).

In order to ensure proper functioning of the risk management and internal control of OSPA, an audit committee has been formed and the services of an internal auditor is used. Due to the working arrangements at OSPA the creation of an internal auditor position has not been deemed necessary. In 2018, an internal audit “Continuity risk analysis of AS Eesti Vedelkütusevaru Agentuur” was carried out by order of the supervisory board of OSPA, where OSPA’s actions in case of emergency were assessed. The analysis was carried out by the internal auditor procurement winner KPMG Baltics OÜ.

As an additional internal control measure, Ministry of Economic Affairs and Communications has ordered state entities to prepare a report “Related parties and transactions with related parties” to be submitted to the National Audit Office and OSPA general meeting. In addition, inspection of the legality of transactions of OSPA was carried out on behalf of the National Audit Office during previous three years. The independent sworn auditor BDO Eesti AS has examined the activities of the management board of OSPA connected to the organization of public procurements. The report of the inspection of the legality of transactions of 2017 was submitted to the contracting entity in 2018. OSPA is not part of the test sample of inspection of the legality of transactions in 2018 - 2019.

Pursuant to LFSA, the formation of an audit committee is the responsibility of the supervisory board of OSPA. The task of the committee is to exercise supervision over risk management, internal control and financial reporting. The management board has prepared the necessary internal rules and regulations and set up a respective reporting system in order to ensure risk management and internal control.

In organizing the management of OSPA, there are some differences with regard to the advisory guidelines provided by PCG. The PCG guidelines which are not followed concern mainly the conduct of general meetings and differences arising from LFSA with regard to the appointment of supervisory board members.

1. Management

OSPA is a company fully owned by the state which is represented at the general meeting by the Minister of Economic Affairs and Infrastructure. Thus, the performance of the rights of the issuers prescribed in the PCG has been guaranteed and the rules that should be applied in case of the management of companies with a large shareholder base are not applicable.

The organization of meetings of companies, in which the state has a majority holding interest and which are governed by the Ministry of Economic Affairs and Infrastructure, are based on certain rules of procedure. The requirements established in the rules of procedure of the general meetings supplement the principles for the management of state companies established in the State Assets Act.

Among other, the rules of procedure establish:

- Jurisdiction of the general meeting.
- Procedure for managing, conducting the general meetings and for participating in the general meetings.
- Requirements concerning calling the general meeting, the agenda, taking minutes and drafts of the general meeting.
- Procedure for making decisions, drafting and disclosure of the decisions.

The sphere of competence of the owner of the company comprises amendment of the statutes, increase and reduction of the share capital, election and removal of supervisory board members, election of auditors, appointing of special audits, approval of the annual report and distribution of profit, as well as deciding on the merger, division, reorganisation and/or dissolution of the company.

2. Supervisory board

The supervisory board performs supervision over the activities and management and the performance of the management board of OSPA. The supervisory board acts independently and in the best interests of the shareholder and participates in making decisions on the significant activities of the company.

The supervisory board is composed of four members elected for the term of three years, half of whom are representatives of the government and half are representatives of the sellers of fuel as established in the LFSA. Supervisory board members are appointed and removed by the Minister of Economic Affairs and Infrastructure. The chairman of the supervisory board is selected from among the members who were not nominated by the sellers of fuel. Principles for the establishment of the supervisory board of OSPA have been regulated by Section 14 of the Liquid Fuel Stocks Act. A person who is prohibited to operate in the area of activity related to liquid fuel cannot be a member of the supervisory board.

In 2017 the minister decided to decrease the number of members of the supervisory board from six to four and decrease their term from five years to three years. In 2018 the authorisation of supervisory board member Ain Kuusik expired and on the proposal of Estonian Oil Association Andres Linnas was appointed as new member of supervisory board on June 28.

The Supervisory board members of OSPA are:
- Jako Reinaste, Chairman of the Supervisory Board, Ministry of Economic Affairs and Communications
- Priit Laaniste, Ministry of the Interior
- Andres Linnas, Olerex AS
- Rauno Raudsepp, Tartu Terminaal AS

The involvement of the sellers of fuel in the activity of the supervisory board is considered to be a specification for the management of OSPA with regard to both the State Assets Act and the Principles of Corporate Governance. This specification was established due to the need to involve the fuel companies participating in the economic activities in the establishment and administration of the fuel reserve, who shall thereby be connected to exercising supervision over the administrative costs of liquid fuel stocks as well as the assurance of the performance of the crisis management system.

In case of supervisory board members who are the sellers of fuel, there may arise a conflict with regard to the independency requirement specified in the Principles of Corporate Governance, because there is a possibility that the related fuel company is also the contractual partner in the contracts of the purchase, sale or deposit of fuel concluded with OSPA. Mentioned transactions are reported under “Transactions with related parties” in the annual report. In the event of difficulties in supply of liquid fuel, OSPA is obligated to make its stocks available on the market. In a crisis situation OSPA is obligated to make a sales offer and enter into a contract of sale of fuel with companies prescribed by law, incl. the companies whose representatives may be the supervisory board members of OSPA.

In order to avoid the conflict of interests concerning the supervisory board members who represent the sellers of fuel, OSPA has established restrictions on access to information regarding procurements. The management board members of OSPA may, pursuant to a resolution of the supervisory board of OSPA, disclose information and documents concerning tenders submitted for the Company’s pending or finished procurements only to the supervisory board members who do not represent the sellers of fuel. According to the Regulation of the Minister “The principles of the arrangement of the tenders for the establishment and storage of the liquid fuel stocks and the general conditions of contracts involved with the liquid fuel stocks” the procurement evaluation committee may not include OSPA’s supervisory board members who represent the sellers of fuel in the supervisory board.

By decision of holding administrator and pursuant to the State Assets Act the remuneration of the supervisory board member of OSPA is 250 euros per month and the remuneration for the chairman of the supervisory board is 500 euros per month. In addition to the remuneration of the supervisory board member, an additional remuneration shall be paid for participation in the activities of the bodies of the supervisory board. The bodies of the supervisory board of OSPA are the audit committee consisting of two members, which included one member of the supervisory board of OSPA, and the procurement evaluation committee consisting of three members, which included one member of the supervisory board of OSPA. In accordance with the statutes, the supervisory board members are also the chairmen of the committees. The remuneration of the chairman of a committee shall be 50% of the remuneration of the supervisory board member. In 2018, remuneration paid for the supervisory board members totalled 15,588 euros.

In accordance with LFAA, the supervisory board of OSPA is obligated to form an audit committee. In 2018, the audit committee comprised two members:

• Priit Laaniste, Chairman of the Audit Committee
• Rein Vaks, Member of the Audit Committee Ministry of Economic Affairs and Communications

3. Management board

The management board of OSPA comprises two members, consisting of Priit Enok as the chairman of the management board and Priit Ploompuu as member of the management board. The management board of OSPA makes day-to-day management decisions independently without the intervention of the owner and the supervisory board, basing its decisions on the best interests of the company. For procedures that are beyond the daily economic activities of OSPA, the approval of the supervisory board is required. The management board shall ensure that the supervisory board is constantly informed of the economic situation of the company and the main circumstances related to the economic activities.

The chairman of the supervisory board has concluded contracts of services with the members of the management board. The contracts of services establish the duties and powers of the management board member as well as the procedure for remuneration and payment of benefits to the management board. The contracts have been reviewed and approved by the supervisory board. The maximum amounts of additional remuneration and severance pay for the management board members are established in Section 86 of the SAA. Pursuant to law, the total additional remuneration paid to the management board member of OSPA may not exceed the 4 months’ remuneration of the management board member. The members of the management board may be paid severance pay equivalent to their 3 months’ remuneration only in the event of their removal on the initiative of the supervisory board before the expiry of the term of their authority. In 2018, the remuneration calculated for the members of the management board totalled 115,700 euros.

Pursuant to the articles of association of OSPA, the following persons cannot be members of the management board: a shareholder or a member of the managing body of a legal person that is engaged in the sale or storage of liquid fuel, or a person who is prohibited to act as a management board member or to be engaged in business by a court decision, or a person who is prohibited to act in the same area of activity as OSPA or who is prohibited from being a member of the management board under law or a court decision.

Within the meaning of the Anti-corruption Act, the status of the management board member of OSPA is equal to the status of an official, who is obligated to adhere to restrictions on activities and procedural restrictions and to declare its economic interests.

4. Disclosure of information and reporting

On its website, OSPA discloses regularly information about the management of the entity, working principles, composition of liquid fuel stocks, relevant regulations, open and recently ended procurements. The website discloses also the statutes of the entity, annual reports, information concerning stockpiling fees and contract forms in Estonian as well as English. Information about procurements is also made available to the market participants through direct mailing.

In organizing the reporting, OSPA adheres to the provisions of SAA and the statutes of the company. Due to the specifications of the activity of OSPA, the management board keeps detailed and constantly updated records on the composition of deposited liquid fuel stocks and presents the required reports to the Ministry of Finance and Communications and the Statistical Office.

5. Financial reporting and auditing

OSPA is obligated to submit an audited and approved annual report within four months after the end of a financial year i.e. by April 30th every year. The management board is responsible for the preparation of the financial statements, the auditor and supervisory board are responsible for auditing the report. The annual report signed by members of the management board and supervisory board is submitted for approval to the general meeting together with the report of the supervisory board.

In 2018 a procurement for an auditor of OSPA annual report was carried out in 2018. By decision of holding administrator KPMG Baltics OÜ has been elected as the auditor of annual reports 2018 – 2020. Election of the auditor and terms of the contract for auditing services, incl. amount of fee as well as scope and schedule of auditing, have been approved by the supervisory board.

The Financial Statements

Statement of Financial Position
(in euros)

	31.12.2018	31.12.2017	Note
Assets			
Current assets			
Cash	21,551,364	12,011,764	2
Receivables and prepayments	473,780	672,461	3
Inventories	140,153,077	142,232,848	4,17
Total current assets	**162,178,221**	**154,917,073**	
Total assets	**162,178,221**	**154,917,073**	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	6,958,270	518,387	5
Total current liabilities	**6,958,270**	**518,387**	
Total liabilities	**6,958,270**	**518,387**	
Equity			
Issued capital	132,851,000	132,851,000	9
Statutory reserve capital	1,266,708	1,266,044	
Other reserves	17,314,083	17,301,461	
Retained earnings (loss)	2,966,895	2,966,895	
Annual period profit (loss)	821,265	13,286	
Total equity	**155,219,951**	**154,398,686**	
Total liabilities and equity	**162,178,221**	**154,917,073**	

Income Statement
(in euros)

	2018	2017	Note
Sales revenue	28,272,297	7,473,659	10
Other operating income	29,280	9,966	11
Goods, raw materials and services	-22,949,787	-3,683,881	
Miscellaneous operating expenses	-4,674,961	-4,429,385	12
Labour expense	-194,275	-186,404	13
Total operating profit (loss)	**482,554**	**-816,045**	
Interest income	13,913	8,866	
Other financial income and expense	324,798	820,465	14
Profit (loss) before income tax	**821,265**	**13,286**	
Annual period profit (loss)	**821,265**	**13,286**	

Cash Flow Statement
(in euros)

	2018	2017	Note
Cash flows from operating activities			
Operating profit (loss)	482,554	-816,045	
Changes in receivables and prepayments related to operating activities	198,739	-189,462	3
Changes in inventories	2,079,770	-4,640,997	4
Changes in liabilities and prepayments related to operating activities	6,439,883	50,695	5
Other cash flows from operating activities	107,885	1,450,492	14
Total cash flows from operating activities	**9,308,831**	**-4,145,317**	
Cash flows from investing activities			
Interest received	13,856	22,053	
Total cash flows from investing activities	**13,856**	**22,053**	
Cash flow from financing activities			
Other cash flow from financing activities	-98	-22	14
Total cash flow from financing activities	**-98**	**-22**	
Total cash flows	**9,322,589**	**-4,123,286**	
Cash and cash equivalents at beginning of period	12,011,764	16,765,055	2
Change in cash and cash equivalents	**9,322,589**	**-4,123,286**	
Effect of exchange rate changes on cash and cash equivalents	217,011	-630,005	14
Cash and cash equivalents at end of period	21,551,364	12,011,764	

Statement of Changes in Equity

(in euros)

	Issued capital	Statutory reserve capital	Other reserves	Retained earnings (loss)	Total
31.12.2016	132,851,000	1,266,044	17,301,461	2,966,895	154,385,400
Annual period profit (loss)	0	0	0	13,286	13,286
31.12.2017	132,851,000	1,266,044	17,301,461	2,980,181	154,398,686
Annual period profit (loss)	0	0	0	821,265	821,265
Changes in reserves	0	664	12,622	-13,286	0
31.12.2018	132,851,000	1,266,708	17,314,083	3,788,160	155,219,951

More detailed information on share capital is provided in Note 9 and on dividends in Note 15.

Pursuant to the Commercial Code of the Republic of Estonia and the company's statutes, the company must transfer annually at least 5% of net profit to the statutory reserve capital, until the reserve capital forms at least 10% of the share capital. Statutory reserve capital must not be distributed as dividends, but it may be used to over the loss, if losses cannot be covered from the available equity. Also, statutory reserve capital may be used to increase the share capital.

Other reserves comprise reserve for the stockpiling fee in excess, reserve for liquid fuel stocks rotation and cash flow hedge reserve.

The stockpiling fee in excess is used to cover future operating expenses. This obligation is prescribed by Subsection 10(4) of the Liquid Fuel Stocks Act, which states that if the total amount of stockpiling fee paid within a calendar year exceeds the actual costs incurred upon holding of the stocks of that calendar year, the amount received in excess shall be taken account of on the next occasion of establishment of the rate of stockpiling fee. Pursuant to the mentioned obligation, the excess stockpiling fee cannot be reported in retained earnings and therefore it is reported under other reserves as reserve for excess stockpiling fees.

The opening balance as of 31.12.2017 was 1,388,517 euros. At the approval of the annual report 2017 the reserve for the stockpiling fee in excess was revalued. The reserve was increased by 366,844 euros. The closing balance as of 31.12.2018 was 1,755,361 euros.

Reserve for liquid fuel stocks rotation was formed in order to cover possible future losses arising from the rotation of stocks. The reserve was formed in 2011 as a result of liquid fuel stocks rotation out of the difference between the selling cost and weighted average cost of obsolete stocks.
The opening balance as of 31.12.2017 was 15,912,944. At the approval of the annual report 2017 the reserve for liquid fuel stocks rotation was revalued. The reserve was decreased by 354,222 euros. The closing balance as of 31.12.2018 was 15,558,722 euros.

The effective portion of the change in fair value of derivative instruments is reflected in cash flow hedge reserve. The reserve was formed in 2012 when cash flow hedging instruments were taken into use.
As at 31.12.2017 and 31.12.2018 no new cash flow hedge reserves were formed.

Notes to the Financial Statements

Note 1 Accounting policies

General information
The financial statements 2018 of AS Eesti Vedelkütusevaru Agentuur (hereinafter company) have been prepared in conformity with the generally accepted accounting principles of Estonia. The Estonian generally accepted accounting principles are based on internationally recognized accounting and reporting principles and aimed at the general public, the basic requirements of which are established in the Accounting Act and are supplemented by the guidelines issued by the Estonian Accounting Standards Board and public sector financial accounting and reporting guidelines.

The financial statements have been prepared using the cost principle, except for the cases described otherwise in the accounting policies below.

All known significant circumstances effecting the evaluation of assets and liabilities which were disclosed between the balance sheet date and the date of preparation of the annual report, but which are related to transactions occurred during this financial year or previous periods, have been accounted for and presented in the financial statements.

Post-balance sheet events that have not been taken into account when evaluating the assets and liabilities, but have material impact on the results of the next financial year, are disclosed in the notes to the financial statements.

The financial statements have been prepared in euros.

Cash
Cash equivalents comprise short-term investments with high liquidity, which can be converted into a known amount of cash and in the case of which there is no significant risk of changing market value, incl. cash in bank accounts, fixed-term cancellable deposits with a term of up to 12 months and units of interest market fund.

Foreign currency transactions and financial assets and liabilities denominated in foreign currency
Transactions denominated in a foreign currency are recorded based on the foreign exchange rates of the European Central Bank officially valid on the day of transaction. Monetary assets and liabilities denominated in a foreign currency are translated into euros according to the foreign exchange rates of the European Central Bank officially valid on the balance sheet date.

Exchange rate profits and losses made as a result of revaluation are recognized in the accounting period's income statement, whereby the foreign exchange rate profits and losses related to suppliers and purchasers' accounts are recognized in the operating income and expenses; other differences arising from foreign exchange rates are recognized under financial income and expenses.

Receivables and prepayments
All receivables (e.g. receivables from customers, accrued income and other current receivables), except receivables acquired for resale, are reported at amortised cost in the balance sheet.
The amortised cost of current receivables is generally equal to their nominal value (less possible write-downs), whereby they are reported in the balance sheet in the amount that will probably be received (reported on an invoice, contract or other source document).

When assessing the probability of collecting receivables, the solvency of debtors is analysed. Circumstances known by the balance sheet date and also circumstances which become evident after the balance sheet date, which may affect the collection of receivables, are taken into account when assessing the probability of collecting receivables.

If a receivable has been recorded as doubtful and entered into operating expenses, but later the collectability becomes unrealistic, then the receivable is deemed as irrecoverable and is written off from the balance sheet. No additional expenses are created. A receivable is irrecoverable if the company does not have any possibility of collecting it (for example if the debtor is bankrupt and the bankruptcy estate does not comprise enough assets to cover the claim).

If previous assessments of doubtful or irrecoverable receivables later change, they must then be reported in the income statement of the period when the reassessment was made and previous periods shall not be adjusted retroactively. Collection of doubtful or irrecoverable receivables is recognised as a decrease of expenses of the period, when the receivable is collected.

Inventories
Because of the company's main activity, which is the establishment and maintenance of liquid fuel stocks of the Republic of Estonia and organising their replenishment, the company reports the above-mentioned fuel stocks as inventories, which are recorded at acquisition cost. Acquisition cost comprises the purchase expense of the stocks and other costs necessary for bringing the inventories into their present location and condition. Purchase expenses of the stocks include, in addition to the purchase price, the customs duty related to purchasing, other non-refundable taxes and the transportation costs directly related to purchasing.
Based on the special requirement arising from the General Rules for State Accountancy, the non-refundable value-added tax and levy accompanying the acquisition of inventories shall be recognised in expenses and the fuel excise duty accompanying the acquisition of inventories is capitalised in the cost of inventories.

According to the definition of inventories provided in ASBG 4 “Inventories” of the Accounting Standards Board, inventories are assets which are held or produced for sale in the ordinary course of business or are consumed in the production process or upon rendering services.

According to § 1(2) of LFSA, liquid fuel stocks means the quantities of energy products which are mandated by this Act, which are at the disposal or under the control of the government and which are constituted, by using Estonia’s membership in international organisations and by means of reliable and transparent mechanisms based on the solidarity of the Member States of the European Union, in order to ensure a high level of security of supply in the Republic of Estonia, to maintain national security, to perform the obligations assumed under international agreements and to guarantee subsistence to the population.

In conformity with the definition provided, liquid fuel stocks are not held for the purpose of ordinary course of business.

According to LFSA, the stocks may be released only with a directive of the Government of the Republic in case of a difficulty in supply. A difficulty in supply means a significant and sharp decrease in the supply of energy products to the European Union or its Member State, or member states of the International Energy Agency.

When they are being rotated, stocks may be sold at the market price provided that the fuel price risk related to the sale and reconstitution of stocks has been hedged.

OSPA is entitled to sell stocks to reduce their quantity where that quantity exceeds the mandatory quantity of stocks by more than five percent. According to § 17(2) of LFSA, stocks may be sold only at the market price, but not at a lower price than the average weighted acquisition cost of that energy product. Where the market price is lower than the average weighted acquisition cost of the energy product, such a sale is only allowed if authorised by the minister responsible for the area.

When reducing the quantity of stocks, regard must be had to the need to comply with the stockholding obligation for the following years also on the basis of 90 days’ worth of average net imports, provided that no export of the domestically produced energy products takes place.

Weighted average purchase price is used for determining the acquisition cost of stocks.

Property, plant and equipment and intangible assets

Assets that have a useful life of over 1 year are reported as property, plant and equipment (PP&E). Assets with a useful life of over 1 year but acquisition cost less than 5,000 euros are recorded as low-value items (inventories) until taken into use and are fully expensed when the asset is taken into use.

Property, plant and equipment are initially recorded at their acquisition cost, comprising the purchase price and the expenses directly related to acquisition. Subsequently the property, plant and equipment are presented in the balance sheet at acquisition cost, less accumulated depreciation and possible write-downs due to impairment loss.

If a PP&E item consists of separable components having different useful lives, these components are registered as separate asset items in the accounts and separate depreciation rates are determined based on their useful lives.

The depreciation of property, plant and equipment is calculated based on the straight-line method. The depreciation rates are determined for each PP&E asset item individually depending on its useful life.

The depreciation of an asset is ended when the asset's final value, which is the amount that the company would receive upon disposing the asset today, in case the asset were as old and in the same condition as it will presumably be at the end of its useful life, exceeds its book value.

The depreciation methods, rates and final values are reviewed at least at the end of each financial year and when the new estimates differ from the previous ones, the changes are presented as the changes of accounting assessments, i.e. prospectively.

Recognizing a PP&E asset is terminated at the disposal of the asset or when the company presumes to gain no more economic benefits from the use or sale of the asset. The profits and losses arising due to the end the recognition of a PP&E asset are recognized in the income statement of the period when the recognition was ended, on the line “other operating income” or “ohter operating expenses”.

Minimal acquisition cost: 5,000

Leases

The lease transactions where all material risks and rewards related to the ownership of the assets are transferred to the lessee are recorded as finance leases. Other leases are recorded as operating leases.

In case of an operating lease, the leased asset is recognized in the balance sheet by the lessor. The operating lease payments are recognized on the straight-line basis as expenses during the lease period.

Financial liabilities

Financial liabilities are initially recognized at their acquisition cost, which is the fair value of the consideration received for them. Subsequently the financial liabilities are recognized at their adjusted cost.

Financial liabilities purchased for resale are recognized at their fair value and changes of the fair value are recognized in the income statement.

The interest expense related to financial liabilities is recognized on an accrual basis as the period's expenses on the line “financial income and expenses” of the income statement. Recognizing a financial liability is ended when it has been paid, cancelled or has expired.

Provisions and contingent liabilities
A provision is recognized in the balance sheet if the company has a present legal or constructive obligation as a result of events that occurred before the balance sheet date, the settlement of the obligation is probable and the amount of the obligation can be measured reliably.

Promises, warranties and other obligations that may turn into obligations in the future under certain conditions, but whose settlement is less probable than non-settlement according to the evaluation of the management board, have been disclosed as contingent liabilities in the notes to the financial statements.

Revenue
The company's revenue consists of liquid fuel stockpiling fees. The stockpiling fees are paid by fuel excise duty payers, in case there is no excise duty payer, the payers are persons who release the fuel into consumption or persons who supply jet fuel, aviation gasoline or spirit type jet fuel for aircrafts refuelling in Estonia. Payment of stockpiling fee is made to the bank account of the stockholder without a prior request for payment no later than by the fifteenth day of each month in an amount corresponding to the volume released for consumption by the payer of stockpiling fee during the previous calendar month, and to the current rate for stockpiling fee.

Revenue is measured at the fair value of the remuneration received or receivable.
Revenue from sale of services is recognized upon the rendering of the service.
Revenue from the sale of goods is recognised when the significant risks and rewards incidental to ownership have been transferred from the seller to the buyer, the amount of revenue from the sales transaction can be measured reliably, the receipt of the payment from the transaction is probable and the costs incurred in respect of the transaction can be measured reliably.
Interest income is recognized on an accrual basis.

Expenses
Expenses are reported in the same period as the related revenue. Expenses which will probably provide economic gains in the next periods, are recorded as assets when they occur and expenses when the income is received from them (e.g. expenses made for PP&E assets). Expenses which provide revenue in the financial period or will not provide any economic gains are reported as expenses when they occur. The line “Goods, raw materials and services” in the income statement includes the expense from the sale of stocks arising upon the liquid fuel stocks rotation.

Taxation
The corporate income tax arising from the payment of dividends is recorded as liability and income tax expense in the income statement in the same period when the dividends are announced, regardless of the period when the dividends are announced or when the actual payment is made. Dividends paid from retained earnings are subject to the tax rate 20/80 on net dividends paid. Starting from 2019, a lower tax rate of 15% is applicable on regularly paid dividends. The maximum possible income tax liability that may accompany the payment of dividends is provided in the notes to the financial statements.

Related parties
In preparing the annual report of Eesti Vedelkütusevaru Agentuur AS the related parties are deemed to be:
- members of the Company’s management and supervisory board and their family members (spouse, partner and child);
- foundations, non-profit associations and business entities which are under the dominant or material influence of the persons listed above either individually or jointly with family members.

Remuneration and important benefits calculated to the management and supervisory board are reported tin the financial statements. Other transactions with related parties which do not comply with law or general requirements of internal documents or market conditions, are reported in the financial statements pursuant to public sector financial accounting and reporting guidelines.

Derivatives and risk management

Derivatives are initially recorded at their fair value as of the date of concluding a derivative contract. Subsequently the derivatives are revalued at each balance sheet date to fair value at that particular moment. The method for recognising profits or losses arising from revaluation depends on whether the derivate instrument has been specified as a hedge instrument (incl. currency and fuel price SWAP transactions) and if so, then also on the nature of the hedged item.

If the company uses special rules for hedge accounting, then at the conclusion of a transaction the company shall document the relation between hedge instruments and hedged items, hedging objectives and strategies for conducting various hedging transactions. Additionally, the company shall document upon the conclusion of a transaction, on the balance sheet date and upon the realisation of the transaction whether the derivatives used in hedging transactions are efficient.

The full fair value of the hedge instruments is classified as a non-current asset or liability, if the remaining life of a hedged item is longer than 12 months, and as a current asset or liability, if the remaining life of a hedged item is less than 12 months.

Cash flow hedging
Since 2012 the company uses cash flow hedge instruments whose objective is to fixate fuel prices and mitigate the risks of fuel price fluctuation.

The effective portion of changes in fair value of derivative instruments classified and qualified as cash flow hedges are recorded in equity. The gains or losses related to the ineffective portion are immediately reflected in the income statement.

Hedging contracts are concluded in the scope that corresponds with the quantities of liquid fuel stocks in rotation.

Amounts arising from covering of disposal price or exchange rate are considered as part of purchase amount (inventories) or sales amount (income), regardless of whether these were contracts concluded to mitigate the price or exchange rate fluctuation or of how many contracts there were.

If the mitigation of a hedge instrument no longer meets the criteria for hedge accounting, the cumulative gain or loss in equity shall remain in equity and will be reflected in the income statement upon the final recognition of the forecast transaction. However, if the forecast transaction is no longer expected to occur, any gain or loss in equity on the hedging instrument is recognised in the income statement as financial income or expense.

Derivative instruments not designated as hedging instruments are recorded at fair value through the income statement. Profits and losses arising from changes in fair value of such derivative instruments are reflected in the income statement as financial income or expense.

Evaluation of the efficiency of risk management

The management board shall assess the efficiency of a hedging instrument with open position by comparing changes in fair value of a hedging instrument and an underlying asset.
If the hedging instrument has been concluded in the extent that is in conformity with the quantity of the item being sold or acquired and if the pricing period as well as the underlying assets for pricing are in one-to-one correspondence, the hedging efficiency is efficient.

Hedging efficiency is assessed at the following moments:
• at the conclusion of a hedging transaction
• on the balance sheet date
• on the date of disposal of the hedging transaction

Note 2 Cash
(in euros)

	31.12.2018	31.12.2017
Bank accounts	8,551,364	2,119,885
Deposit accounts	13,000,000	9,891,879
Total cash	**21,551,364**	**12,011,764**

Note 3 Receivables and prepayments
(in euros)

	31.12.2018	Within 12 months
Accounts receivable	464,574	464,574
Accounts receivable	464,574	464,574
Other receivables	272	272
Interest receivables	272	272
Prepayments	8,934	8,934
Deferred expenses	8,932	8,932
Other paid prepayments	2	2
Other receivables	0	0
Total receivables and prepayments	**473,780**	**473,780**
	31.12.2017	**Within 12 months**
Accounts receivable	662,934	662,934
Accounts receivable	662,934	662,934
Other receivables	215	215
Interest receivables	215	215
Prepayments	9,306	9,306
Deferred expenses	9,304	9,304
Other paid prepayments	2	2
Other receivables	6	6
Total receivables and prepayments	**672,461**	**672,461**

Note 4 Inventories
(in euros)

	31.12.2018	31.12.2017	Note
Liquid fuel stocks	140,153,077	142,232,848	17
Total inventories	**140,153,077**	**142,232,848**	

Note 5 Payables and prepayments
(in euros)

	31.12.2018	Within 12 months	Note
Supplier payables	6,918,415	6,918,415	
Employee payables	24,703	24,703	
Tax payables	13,998	13,998	6
Other payables	1,154	1,154	
Total payables and prepayments	**6,958,270**	**6,958,270**	
	31.12.2017	**Within 12 months**	
Supplier payables	435,273	435,273	
Employee payables	18,830	18,830	
Tax payables	63,676	63,676	6
Other payables	608	608	
Total payables and prepayments	**518,387**	**518,387**	

Note 6 Tax Prepayments and Liabilities
(in euros)

	31.12.2018	31.12.2017
	Tax liabilities	Tax liabilities
Value added tax	8,270	57,710
Personal income tax	1,991	1,967
Income tax on fringe benefits	0	165
Social tax	3,520	3,593
Contributions to mandatory funded pension	198	212
Unemployment insurance tax	19	29
Total tax prepayments and liabilities	**13,998**	**63,676**

Note 7 Operating lease
(in euros)

Accounting entity as lessee

	2018	2017	Note
Operating lease expense	13,277	16,083	12

As at 31.12.2018 the Company has a contract for the lease of premises. The lease contract has been entered into for 3 years with contract term ending on 28.02.2019; after that date it will become a contract of indefinite duration unless the Company expresses their wish to terminate the contract. During the term of the fixed-term contract both the lessor and the lessee have limited rights for premature termination of the contract. In case of the premature termination of the contract the damaged party may demand compensation for damages incurred.

Note 8 Contingent Liabilities and Assets
(in euros)

	31.12.2018	31.12.2017	Note
Contingent liabilities			
Cost of delegated stocks	322,450	312,108	17
Total contingent liabilities	**322,450**	**312,108**	

Contingent liabilities comprise liquid fuel stocks stored based on contracts for delegated stocks. According to contracts concluded, OSPA may redeem the stocks in the event of possible difficulties in the supply of liquid fuel. An overview of stocks stored under contracts for delegated stocks is provided in Note 17.

Note 9 Share capital
(in euros)

	31.12.2018	31.12.2017
Share capital	132,851,000	132,851,000
Number of shares	1,328,510	1,328,510
Nominal value of shares	100	100

As of 31.12.2018 the company's share capital amounted to 132,851,000 euros, whereas the company's minimum share capital is 50,000,000 (fifty million) euros and the maximum share capital without changing the statutes can amount to 200,000,000 (two hundred million) euros.

The owner of AS Eesti Vedelkütusevaru Agentuur is the Republic of Estonia and the shares are administered by the Ministry of Economic Affairs and Communications.

Note 10 Sales Revenue
(in euros)

	2018	2017
Sales revenue by geographical regions		
Net sales in European Union		
Estonia	24,075,951	4,573,900
Finland	4,190,684	2,899,759
Net sales in European Union, other	5,662	0
Total net sales in European Union	**28,272,297**	**7,473,659**
Total sales revenue	**28,272,297**	**7,473,659**
Sales revenue by operating activities		
Liquid fuel stockpiling fees	4,307,606	4,573,900
Sale of fuels	23,964,691	2,899,759
Total sales revenue	**28,272,297**	**7,473,659**

Note 11 Other operating income
(in euros)

	2018	2017
Profit from exchange rate differences	29,018	9,966
Fines, penalties and compensations	262	0
Total other operating income	**29,280**	**9,966**

Note 13 Miscellaneous Operating Expenses
(in euros)

	2018	2017	Note
Leases	13,277	16,083	7
Energy	**1,375**	**1,246**	
Electricity	1,020	833	
Heat energy	355	413	
Miscellaneous office expenses	5,339	5,390	
Travel expense	15,482	10,182	
Training expense	1,046	716	
State and local taxes	2,135	1,826	
Allowance for doubtful receivables	0	630	
Fuel stockpiling, analysis, control and pumping expense	4,566,983	4,329,039	
Fuel insurance expense	23,805	24,999	
Other	45,519	39,274	
Total miscellaneous operating expenses	**4,674,961**	**4,429,385**	

Note 14 Labour expense

(in euros)

	2018	2017
Wage and salary expense	146,001	140,053
Social security taxes	48,274	46,351
Total labour expense	**194,275**	**186,404**
Average number of employees in full-time equivalent units	3	3
Average number of employees by types of employment:		
Persons employed under an employment contract	1	1
Members of managing or control body of the legal person	2	2

Note 15 Other financial income and expense

(in euros)

	2018	2017
Profit (loss) from exchange rate differences	217,011	-630,005
Profit from derivatives	107,885	1,450,492
Other financial expenses	-98	-22
Total other financial income and expense	**324,798**	**820,465**

Note 16 Income tax

(in euros)

Potential income tax liability of the company

Retained earnings of the company as of 31.12.2018 amount to 3,788,160 (2017: 2,980,181) euros. The maximum possible income tax liability that would accompany the payment of the entire amount of retained earnings as dividends is 757,632 (2017: 596,036) euros. Therefore, 3,030,528 (2017: 2,384,145) euros can be paid out as dividends.

The calculation of the maximum potential income tax liability is based on the prerequisite that the distributable net dividends and the accompanying income tax expense in total cannot exceed the distributable profit amount as of 31.12.2018.

Note 17 Related parties

(in euros)

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	2018	**2017**
Remuneration	131,289	123,320

Pursuant to amendments to the public sector financial accounting and reporting guidelines, the financial statements must disclose, in addition to remuneration and other significant benefits calculated to the executive and senior management, also information on transactions with related parties with regard only to these transactions which are not in compliance with legislation or general requirements of the Company's internal documentation or not on market terms, pursuant to the amendments of the General Rules for State Accounting (§491) that entered into force on 24.11.2014 There were no such transactions to be disclosed in 2018 and 2017.

In 2018 remuneration for the members of the management and supervisory board amounted to 115,701 (2017: 109,050) euros and 15,588 (2017: 14,270) euros respectively.
The contracts of services of the management board members establish a requirement to pay termination payment amounting to the three month remuneration of the board member in case if the management board member is removed from the post prematurely at the initiative of the supervisory board.

OSPA is a fully state-owned entity which is represented at the general meeting by the Minister of Economic Affairs and Infrastructure. The main principles for the formation of the supervisory board have been prescribed in Section 14 of the LFSA which establishes that representatives of both the state and the association of the sellers of fuel must be present in the Company’s supervisory board. The involvement of the sellers of fuel in the activity of the supervisory board is considered to be specificity of the management of OSPA. In case of supervisory board members who are the sellers of fuel, there may arise a possibility that the related fuel company is also the contractual partner in the contracts of purchase, sale or deposit of fuel concluded with OSPA. Additionally, in the event of difficulties in supply of liquid fuel, OSPA is obligated to supply fuel from the state liquid fuel stocks to the fuel companies, incl. the companies whose representatives may be the supervisory board members of OSPA.

More detailed description of the administrative procedure concerning the related parties is provided in the section “The Corporate Governance Report” of this report.

Note 17 Additional Note to “Note 4 Inventories”

Liquid fuel stocks in the balance sheet of OSPA as of 31.12.2018.

Fuel	Quantity, tons	Location
Petrol	45,541,445	Estonia
Petrol	10,027,190	Sweden
Petrol	7,120,153	Finland
Diesel fuel	78,675,317	Estonia
Diesel fuel	61,561,669	Sweden
Diesel fuel	23,444,542	Finland
Jet fuel	9,946,517	Sweden

Fuel	**Amount tonnes**	**Average acquisition price (excl. taxes), EUR/t**	**Acquisition cost (excl. taxes) EUR**	**Acquisition cost (incl. taxes) EUR**
Petrol	**62,688,788**	566,75	35,528,821	35,528,821
Diesel	**163,681,528**	576,01	94,282,121	97,622,639
Jet fuel	**9,946,517**	703,93	7,001,617	7,001,617
TOTAL:	**236,316,833**		**136,812,560**	**140,153,078**

As at 31.12.2018, the balance sheet of OSPA reported liquid fuel stocks in the amount of 236,316,833 tonnes with the total acquisition cost of 140,153,078 euros (incl. fuel excise duty of 3,340,518 euros).

Market value of inventories based on the Platts average quotation of December 2018 amounted to 111,935,570 euros as of 31.12.2018.

OSPA’s delegated liquid fuel stocks as of 31.12.2018

Fuel	**Quantity, tonnes**	**Market price USD/t**	**Premium USD/t**	**Cost EUR**
Heavy fuel oil	**960**	352.59	32	322,450

EUR/USD (31.12.2018) 1.145

As at the balance sheet date, delegated stocks amounted to a total of 960 tonnes with the market value of 322,450 euros, which have been recorded as contingent liabilities in the financial statements (Note 8). Market value was calculated based on the Platts average heavy fuel oil prices in December 2018. Exchange rate used was the EUR/USD exchange rate of the European Central Bank as at 31.12.2018.