

**INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND NINE MONTHS OF 2020**

ARENA

HOSPITALITY GROUP

28 OCTOBER 2020

A MEMBER OF PPHE HOTEL GROUP

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APARTMENTS

ARENA  CAMPSITES

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HOSPITALITY GROUP

A MEMBER OF PPHE HOTEL GROUP

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INTERIM PERFORMANCE REPORT FOR THE PERIOD JANUARY – SEPTEMBER 2020

CONSOLIDATED RESULTS

“We are hereby presenting our results for the nine months of 2020. The report presents the consolidated performance of Arena Hospitality Group d.d (‘AHG’ or the ‘Company’) and its subsidiaries (the ‘Group’) in all countries of operation including Croatia, Germany and Hungary, and the unconsolidated performance in Croatia.

Our January and February performance across our portfolio was in line with Management’s expectations, and the bookings pace was above that of the previous year. Nevertheless, from the beginning of March, the Group’s results were severely impacted by the COVID-19 pandemic, with demand for international travel being heavily hindered.

Throughout March and April, governments in many countries implemented extraordinary measures to slow the spread of the virus. These included closure of borders, halt of travel, the adoption of social distancing policies, bans on large gatherings and events, the closure of restaurants, bars and other businesses as well as lockdowns. These measures have led to an immediate and significant deterioration in the hospitality market, with a high number of cancellations and no shows and very few new bookings. As a result of these extreme and unprecedented measures, the Group closed (or kept closed) all its properties in Croatia and operated at reduced capacity across Germany and Hungary.

From the second half of May onwards governments across Europe started easing the extraordinary measures enacted earlier. This enabled travel to resume gradually and in response to this, the Group started opening several of its properties across the markets in which it operates. The properties that opened and the level of operations within these properties reflected actual and expected customer volumes and market dynamics. All operations strictly adhered to the relevant local and international health authority guidelines (World Health Organisation) as well as the Group’s, PPHE’s and Radisson’s health and wellbeing standards.

As the season in Croatia progressed and the booking pace and arrivals started increasing the Group opened additional properties in July to meet the rising demand. Trading started to pick up at a satisfactory pace however, the wider Croatian market started to face new challenges related to the pandemic. The Istrian region, where all of the Group’s properties are located, has been praised for how it managed during the pandemic and the controls it implemented to prevent the spread of the virus. However, unfortunately, other regions in Croatia were unable to achieve similar results, leading to an increase in cases and as a result, several European countries increased Croatia’s risk profile for their residents travelling there. In the space of a few weeks in August, The Netherlands, Austria and Slovenia all changed their foreign travel advice, which immediately resulted in early departures, cancellations and a slowdown of new bookings. As a result, the second half of August softened and the strong looking shoulder months of September and October saw further did not materialise.

In light of the above, reported Group revenue to 30 September decreased by 66.8% to HRK 228.7 million (2019: HRK 688.9 million) and an EBITDA of HRK 18.6 million (2019: HRK 249.0 million). Accommodation revenue experienced a decrease of 67.3% to HRK 186.4 million compared to the same period last year (2019: HRK 570.6 million). This decrease is a result of occupancy which halved to 27.1% (2019: 55.3%) and a



decrease in average daily rate of 9.5% which amounted to HRK 539.5 (2019: HRK 596.1). Together this translated into a RevPAR of HRK 146.5, which is 55.6% lower compared to the previous year (2019: 329.6).

To protect its cash flow position, the Group is utilizing Governments' support in its countries of operations to navigate through these challenging times and is focussed on preserving its liquidity and sustainability by further optimizing its costs. The Government's support has been extended in Croatia until the year end and in Germany until the end of 2021. In addition, the Group has a long-standing and supportive group of banks with whom it is in regular dialogue to ensure there is the possibility to take all the necessary actions that are in the best interests of the Group in the current environment.

CROATIA

The nine months of 2020 were marked by the delayed opening of selected properties that started opening only at the end of May once the government started easing the lockdown measures implemented in March. The bookings and arrivals for the summer season had a steady increase throughout June but it started increasingly intensifying during July and peaking in mid-August when growth stopped, with several countries including Austria, Italy and Slovenia changing their foreign travel advice to Croatia, increasing its risky profile. Notwithstanding Istria's strong track-record of successfully managing during the pandemic with a limited number of infections throughout the period. These changes in travel advice, led to a sudden change of seasonal performance and its potential. What up until that point was a growing pace of arrivals and new bookings, was overtaken by early departures, cancellations and limited new bookings. Moreover, the business structure changed this year with a more significant contribution of campsites to our operations than usual. The Group's operations and results have to be analysed in this context.

Total revenues therefore decreased by 68.8% to HRK 156.3 million (2019: HRK 501.3 million). The decrease in accommodation revenue by 68.3% is the result of an 11.0% decline in average daily rate to HRK 490.6 (2019: HRK 551.4) and a 2,482.0 bps retraction in occupancy to 26.3%.

EBITDA amounted to HRK 23.7 million (2019: HRK 189.7 million). The Company applied for employee related support schemes as well as other measures related to taxes and contributions enacted by the Government.

In the reported period, the Company completed the investments that were under way and/or close to being finalised, or previously contracted. A total of HRK 212.7 million (2019: HRK 196.3 million) was invested in upgrading campsites, self-catering holiday apartment complexes and rooms, public areas and facilities of certain hotels. Highlights are as follows:

- Arena Grand Kažela Campsite: installation of 45 new mobile homes, refurbishment of existing restaurant and bar, addition of a new sanitary block and refurbishment of four existing sanitary blocks;
- Arena Verudela Beach Resort: refurbishment of 146 apartments and infrastructure works;
- Lighthouse restaurant refurbishment;
- Park Plaza Histria Pula: soft refurbishment of all the rooms;
- Yacht Bar & Restaurant refurbishment;
- Hotel Brioni Pula: completion of phase one construction works.

Arena Grand Kažela Campsite



Arena Verudela Beach Resort



Arena Verudela Beach Resort – Restaurant Bonaca



GERMANY AND HUNGARY

The pandemic related circumstances influenced our operations dramatically. Total revenues during the period decreased by 62.6% to HRK 68.2 million (2019: HRK 182.5 million). Accommodation revenues recorded a drop of 64.6% to HRK 53.0 million (2019: 149.8 million) driven by an unprecedented drop in occupancy to 30.6% from 80.9% in 2019. Average daily rate experienced a decrease of 6.7% to HRK 719.8 (2019: HRK 771.8). EBITDA decreased to HRK 1.5 million from HRK 51.2 million the year before. The Group is using various Government schemes available to ease the burden on its operations.

By the end of 2020's first quarter, our operations rapidly shifted from growing to protecting our business. Keeping employees safe, rapidly retooling resources toward the global fight against the pandemic and preserving core operations appropriately captured the full engagement of Management Board and team members. In order to be a sustainable business, our strategic goals focuses on our **People, Places & Planet**. Responsible Business initiatives have continued in 2020, albeit with a slight refocus in light of the COVID-19 pandemic. The pandemic reinforces the most pressing Responsible Business focus: that we operate in a globally connected world—economically and ecologically—with shared challenges. The 2020 efforts on preserving and returning the Group to “business as usual” are themselves a key Responsible Business success.

People

The Group is embracing bold decisions to keep employees safe, both in the work environment and through policies that promote safe working and living conditions. Our Operations Team has created two Standard Operating Procedures to be followed by all team members: New Health & Safety measures for opening facilities after COVID-19 and New hygiene measures during the COVID-19 pandemic, in order to continue to maintain a high level of safety, for guests and team members. To ensure that our guests can enjoy their holidays in a safe and relaxed manner, we have implemented a number of measures based on the recommendations of relevant national and international health organisations. The Company has implemented WTTC Safe Travel protocols as well as SGS certificates for our Park Plaza and art'otel branded properties which we display to inform our guests of the new standards that have been implemented. We also developed new services intended to minimise physical contact where possible (eg. online check-in and online food and

beverage orders) and regularly inform our guests on all relevant pandemic information promptly through our web section *#weareinthistogether*. We also subsidised COVID-19 testing for our guests. In cooperation with Pula General Hospital, we have conducted risk assessments for all our facilities and training of key team members.



The Management Board endeavoured to keep in touch with team members on a regular basis during the lockdown and in June 2020 held a presentation to team members on the position of the Group and its properties, the measures it had taken to safeguard the health and wellbeing of team members and guests and the business recovery and reopening plans. After this presentation, the Company's Works Council and all present employees had the opportunity to participate in a Q&A session. The Company has strived to preserve as many jobs as possible, whilst adapting to new levels of demand.

Arena Hospitality Group as a project partner signed on 2 June 2020 a HRK 44.7 million-grant agreement for the Regional Centre of Competence in Pula to be financed from the European Social Fund. The beneficiary of the project is the Pula Tourism, Hospitality and Trade School along with 12 partners, one of which is the Company. The allocated funds are intended for the introduction of education based on the needs of employers, who are active partners in the project.

Places

In response to the COVID-19 Pandemic, the Company is providing resources to support the local communities where we operate.

In Croatia, we have provided our support of the Pula General Hospital with the preparation of packed lunches for personnel, donated LCD TVs and mounting racks to patient rooms, provided skilled and dedicated housekeeping team members to assist in the cleaning and preparation and purchased medical equipment in cooperation with our long-time partner Kamgrad d.o.o.. The total equipment cost of HRK 362,500 was shared equally between Kamgrad and the Company.

In Germany, we have continued to support our local communities with valuable activities, including donation of tableware from Edgar Fuchs to Manna (day care centre), provided conference rooms free of charge and donations to the worldwide relief agency - Malteser International.

Planet

The Group is committed to working with local communities and affecting positive change in the environments where we operate our hotels, resorts and campsites. Where possible, we upcycle, or donate used linen to charity or local community groups. We have completely removed single-use plastics straws and stirrers from our operations. While the COVID-19 pandemic may have temporarily redirected Responsible Business activities, the lessons learned will inspire greater momentum towards realising new goals perhaps even sooner than they would have otherwise happened.

CURRENT TRADING AND OUTLOOK

As is customary during this period, large number of properties of the Group in Croatia are closed. We decided to operate with one hotel as usual but also kept two campsites open throughout the end of the year to cater for some demand we experienced in the shoulder season. Operations in Germany and Hungary are operating at reduced levels.

Given the fast-moving nature of the COVID – 19 pandemic, an imminent second wave in Europe and elsewhere, and the resulting ongoing uncertainty regarding disruption to the hospitality industry and our markets, it is not possible to provide meaningful guidance, notably for our properties outside of Croatia which are customarily all open and have generally a strong Q4. However, taking into account the measures that have been implemented, a cash flow positive business during the summer months which enhanced our already strong capitalisation with our cash position exceeding HRK 520.0 million, the Group is well positioned to withstand a continued and significant decrease in business activity across our markets during 2020.”

As is



RELI SLONIM, PRESIDENT OF THE MANAGEMENT BOARD

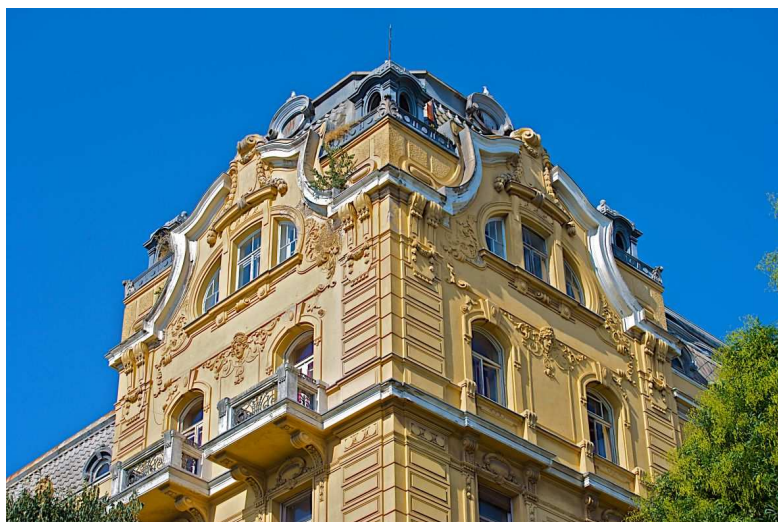
SIGNIFICANT EVENTS DURING THE NINE MONTHS OF 2020

- On 20 January 2020 the Company successfully completed its share buyback programme, set up at the end of June 2019. The Company holds 45.169 shares in treasury, representing 0.88% of its issued share capital;
- On 28 January 2020 the Supervisory Board appointed a fourth member of the Management Board, Mr Edmond Pinto, effective from 1 March 2020. Mr Pinto is responsible for the Group's operations;
- On 29 January 2020 the Group entered into a 45-year lease for the development and operation of a contemporary branded hotel in Zagreb, Croatia. The development, which is subject to obtaining the necessary permits, involves the conversion of an iconic building in a prime location in the historic heart of the city. Once opened, this 115 room hotel will include a destination restaurant and bar, wellness and spa facilities, fitness centre, event space and parking. Further guidance on the refurbishment and opening shall be given in due course;
- On 2 March 2020 share options have been awarded to and accepted by members of the Management Board of the Company with respect to a total of 18.240 treasury shares of the Company, which shall be transferred to Management Board members pursuant to the terms and conditions of the Company's Share Award Plan;
- The Company has been operating Guesthouse Riviera ("Riviera") in Pula for decades and has been in discussions with the Croatian Ministry of State Assets to formalize the informal arrangement and acquire the property. Further to legal proceedings initiated by the Republic of Croatia against the Company for repossession of the property and compensation, the Company received the decision of the Government of the Republic of Croatia to enter into a proposed settlement offer for the aforementioned court dispute for Riviera. After careful consideration, the Company accepted the settlement and, on 2 June 2020, signed the sale and purchase agreement for Riviera with the Republic of Croatia for an amount of HRK 36.5 million. The purchase concludes the ownership status of this historic heritage hotel. This important milestone enables the Company to commence with the plans to reposition this property into a luxury, branded, 80 rooms hotel and give back to it the status that this asset deserves in due course. This project is of a strategic importance to Pula, to the county, to the overall community and in general to Croatian tourism;
- On 7 July 2020 the Company entered into a new loan agreement with OTP banka d.d. in Croatia for the purchase and refurbishment of Riviera. The facility is in a total amount of EUR 10 million (HRK 75 million), consisting of two tranches, due 2030 at a fixed interest rate of 2.125%; and
- The General Assembly was held on 31 August 2020.

POST BALANCE SHEET DATE EVENTS

- The Group expected to close the transaction and acquire Hotel 88 Rooms in Belgrade, Serbia, by year end;
- With the summer season having ended, all properties in Croatia have once again closed apart from Arena Grand Kažela and Arena Stoja Campsites and Park Plaza Histria Pula which will remain open throughout Q4. The Group is looking to optimise and scale down the level of operations across its properties outside of Croatia as well to reduce costs and in line with current demand levels in each of our markets.

Guest House Riviera



OPERATING REVIEW OF THE COMPANY AND ITS SUBSIDIARIES (THE "GROUP")

The following table sets out the Group's consolidated results of operations for the nine months of 2020.

CONSOLIDATED KEY PERFORMANCE INDICATORS

	Reported			Like-for-like ¹		
	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %
Total revenue (HRK million)	228.7	688.9	(66.8)	228.7	672.3	(66.0)
Accommodation revenue (HRK million)	186.4	570.6	(67.3)	186.4	557.4	(66.6)
EBITDAR (HRK million)	24.5	259.5	(90.6)	24.5	255.5	(90.4)
EBITDA (HRK million)	18.6	249.0	(92.5)	18.6	245.1	(92.4)
Profit / (loss) before tax (HRK million)	(135.3)	178.5	n/a	(135.3)	158.4	n/a
Rooms available ²	1,272,570	1,731,254	(26.5)	1,272,570	1,694,774	(24.9)
Occupancy % ²	27.1	55.3	(2,815.2) ⁴	27.1	55.0	(2,780.0) ⁴
Average daily rate (HRK) ³	539.5	596.1	(9.5)	539.5	597.7	(9.7)
RevPAR (HRK)	146.5	329.6	(55.6)	146.5	328.9	(55.5)

¹ The like-for-like comparison excludes the contribution of Hotel Brioni's operations in 2019 and 2020, as this hotel is currently closed and under refurbishment.

² Rooms available and the occupancy calculation are based on operating days.

³ Average daily rate represents total room revenues divided by the total number of paid units occupied by guests.

⁴ In Basis Points (bps).

The COVID-19 pandemic has increasingly taken a toll on global economies, and the hospitality industry is severely impacted. An initial reduced demand for international and domestic travel resulting in an increase in cancellations and a slowdown in bookings has escalated dramatically. Governments in several countries have announced further extraordinary measures to slow the spread of the virus. These included closure of borders, halt of travel, the adoption of social distancing policies, bans on large gatherings and events, the closure of restaurants, bars and other businesses as well as general lockdowns. These measures have led to an immediate and significant deterioration in the hospitality market, with a high number of cancellations and no shows and very few new bookings. At the end of May lockdowns across Europe started to being lifted and travel started to gradually resume. Croatia opened up its borders and finally business started coming in and an intensifying pace from the end of June to reach its peak in mid-August, when several countries including Austria, Italy and Slovenia upgraded Croatia's risk profile as a travel destination. This reversed the positive trends experienced up until that point. The pace in Germany was weak as a result of a lack of leisure travel during the summer months and an almost non-existent corporate business which generally picks up in September. The Group's operations and results have to be analysed in this context.

Total revenues decreased by 66.8% to HRK 228.7 million (2019: HRK 688.9 million). Accommodation revenue dropped by 67.3% to HRK 186.4 million (2019: HRK 570.6 million) whereby occupancy halved to 27.1% and the average daily rate reduced by 9.5% to HRK 539.5 (2019: HRK 596.1).

The Group posted an EBITDA of HRK 18.6 million (2019: HRK 249.0 million).

The Group used Governments' support in its countries of operations to navigate through these challenging times. The start dates of these Government schemes vary, however all were available for a period of at least three months. In total, the Group received HRK 33.4 million in grants. Moreover, the Group is focussed on preserving its liquidity and sustainability by further optimising its costs, significantly reducing payroll, including furlough of employees, the non-renewal of fixed-term employment contracts, halting of contract labour and shortening of working hours. In addition, the Group has a long-standing and supportive group of banks with

whom it is in regular dialogue to ensure there is the possibility to take all the necessary actions that are in the best interests of the Group in the current environment. More information on the specific measures by country are detailed below.

CROATIAN PORTFOLIO PERFORMANCE

The following table sets out the results for the Group's operations in Croatia the nine months of 2020:

KEY PERFORMANCE INDICATORS

	Reported			Like-for-like ¹		
	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %
Total revenue (HRK million)	156.3	501.3	(68.8)	156.3	484.8	(67.8)
Accommodation revenue (HRK million)	133.4	420.8	(68.3)	133.4	407.6	(67.3)
EBITDAR (HRK million)	29.4	197.5	(85.1)	29.4	193.5	(84.8)
EBITDA (HRK million)	23.7	189.7	(87.5)	23.7	185.9	(87.3)
Rooms available ²	1,031,724	1,491,287	(30.8)	1,031,724	1,454,807	(29.1)
Occupancy % ³	26.3	51.2	(2,482.0) ²	26.3	50.8	(2,445.0) ²
Average daily rate (HRK) ⁴	490.6	551.4	(11.0)	490.6	552.0	(11.0)
RevPAR (HRK)	129.3	282.2	(54.2)	129.3	280.2	(53.9)
FTE ⁵	419.6	736.1	(43.0)	419.6	693.0	(39.4)

¹ The like-for-like comparison excludes the contribution of Hotel Brioni's operations in 2019, as this hotel is currently closed and under refurbishment.

² Rooms available and occupancy are based on operating days.

³ In Basis Points (bps)

⁴ Average daily rate represents total accommodation revenues divided by the total number of paid units occupied by guests.

⁵ The FTE number is an estimate based on the total hours paid for all employees divided by the hours paid for an average full time employee to arrive at a total for Full Time Equivalent Employees.

The outbreak of the pandemic in Croatia led the Government to enact a total lockdown on 19 March 2020. In the weeks preceding the lockdown, the effects of the pandemic could be increasingly felt on the operations in Croatia as sport's groups started cancelling their arrivals and/or shortening their stays as their respective countries (including Italy, Slovenia, Germany, Austria) announced lockdowns. We also witnessed cancellations for the pre-season, including the Easter break, which this year occurred in the first half of April. Selected operations started opening in the second half of May, reflecting expected customer volumes and market dynamics. All operations strictly adhere to the relevant local and international health authority guidelines as well as the Group's, PPHE's and Radisson's health and wellbeing standards.

As the season progressed and the booking pace and arrivals started increasing at a growing pace the Group opened a few more properties in July to meet the rising demand and the positive outlook of the season. The business was coming in at a satisfactory pace but at the same time the epidemic situation in Croatia was becoming more challenging. It is important to highlight that Istria nevertheless held up strong and unlike in the other parts of the country, the epidemic was under control. Despite the favourable epidemic conditions in the Istrian region, countries from Europe started flagging Croatia as a risky destination from the epidemiologic point of view, which had a negative effect on the booking and arrivals dynamics. The Netherlands was the first country that marked Croatia as amber zone in mid-July. The effects were not drastic but when Austria and Slovenia followed by mid-August, that is when the country, and us as a Group, felt a dramatic impact on the business. A positive trend of arrivals and bookings has shifted overnight into early departures and cancellations. The outcome of this is loss of the peak of the business in the second half of August and of a, what could have had been a solid, shoulder season throughout September and partially October, which were marked by extremely good weather conditions this year.

These circumstances led to a decrease in total revenues by 68.8% to HRK 156.3 million (2019: HRK 501.3 million). Accommodation revenues decreased by 68.3% as a result of a decrease in average daily rate of 11.0% to HRK 490.6 (2019: 551.4) and a reduction in occupancy to 26.3% (2019: 51.2%). This translated in a RevPAR of HRK 129.3, which represents a decrease of 54.2% over last year (2019: HRK 282.2). It is important to emphasise that the business mix was different this year with campsites contributing more to the result as opposed to previous years. Such performance is due to the investments undertaken in our campsites over the last few years coupled with the perception of safety that campsites provide to guests, particularly in an epidemic environment. Campsites contributed by over 50% to our Q3 revenues (approximately 35% last year) and over 60% in profitability (approximately 45% last year). Importantly, campsites have the highest profitability within the Group although have a comparatively a lower ADR. Therefore the changed business mix is reflected in a lower blended ADR in Croatia and therefore for the Group.

EBITDA amounted to HRK 23.7 million (2019: HRK 189.7 million). The Company applied for and utilized employee related measures as well as other measures related to taxes and contributions enacted by the Government. The total amount of such grants received from the Government amounted to HRK 16.4 million during the period within the operating business, and additional HRK 9.7 million at the Management and Central Services level. The employment related measure have been extended until year-end 2020. The Company is also using the waiver in payments of concessions granted by the enacted package until November 2020.

GERMAN AND HUNGARIAN PORTFOLIO PERFORMANCE

The following table sets out the Group's results of operations in Germany and Hungary the nine months of 2020:

KEY PERFORMANCE INDICATORS

	Reported / in HRK			Reported / in EUR	
	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019
Total revenue (millions)	68.2	182.5	(62.6)	9.1	24.6
Accommodation revenue (millions)	53.0	149.8	(64.6)	7.0	20.2
EBITDAR (millions)	1.7	53.8	(96.8)	0.2	7.3
EBITDA (millions)	1.5	51.2	(97.1)	0.2	6.9
Rooms available ¹	240,132	239,976	0.1	240,132	239,976
Occupancy % ²	30.6	80.9	(5,032.9) ³	30.6	80.9
Average daily rate ³	719.8	771.8	(6.7)	95.6	104.1
RevPAR	220.1	624.1	(64.7)	29.3	84.2
FTE ⁴	119.6	160.2	(25.3)	119.6	160.2

¹ Rooms available and occupancy are based on operating days.

² In Basis Points (bps)

³ Average daily rate represents total accommodation revenues divided by the total number of paid units occupied by guests.

⁴ The FTE number is an estimate based on the total hours paid for all employees divided by the hours paid for an average full time employee to arrive at a total for Full Time Equivalent Employees.

The COVID -19 outbreak had tangible repercussions on our operations. Governments in Germany and Hungary introduced lockdowns on 23 and 31 March 2020, respectively. The negative trends already felt in the weeks leading to the implementation of these measures were exacerbated and the business essentially stopped. The operations started gradually resuming in late May noting that pickup has been subdued over the summer months and the performance varied between cities. Cologne and Nuremberg performed comparatively

better whilst our art'otel budapest was hit by lack of flights into to city, ban to host leisure travellers, and stricter measures being implemented from August already.

Total reported revenue therefore decreased by an unprecedented 62.6% to HRK 68.2 million (2019: HRK 182.5 million). Accommodation revenue dropped by 64.6% to HRK 53.0 million (2019: 149.8 million) almost entirely as a result of a material drop in occupancy to 30.6% (2019: 80.9%). This resulted in RevPAR deteriorating by 64.7% to HRK 220.1 (2019: HRK 624.1).

As a result of the above developments the operating business just about covered its operating costs and reported EBITDA of HRK 1.5 million (2019: HRK 51.2 million).

In Germany the Group is using the “*Kurzarbeit*” measures enacted by the Government as a response to the Covid -19 outbreak. These measures enable regular working hours to be reduced and the Government compensates the difference to regular hours to employees thereby alleviating some pressure on payroll expenses. Other measures included the deferral of taxes (such as income tax and solidarity tax). Hungary introduced the reduced working hours' programme and waiver of employment taxes. Whilst measures in Germany have been extended until year-end 2021, Hungary does not provide any support beyond the once granted during the first three months of the pandemic. During the period the Group received grants in the total amount of HRK 5.4 million within the operational business and additional HRK 1.9 million at Management and Central Services level.

The Group has postponed rental payments from March onwards and is currently negotiating acceptable terms with a view to get waivers and rent deferrals. Moreover, it has rescheduled its principal repayment coming due between April and September to the end of 2021.

MANAGEMENT AND CENTRAL SERVICES PERFORMANCE

The following table sets out the Group's results of management and central services operations the nine months of 2020:

KEY PERFORMANCE INDICATORS

	Reported / in HRK			Like-for-like ¹ / in HRK		
	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %	Nine months ended 30 Sept 2020	Nine months ended 30 Sept 2019	Variance %
Total revenue before elimination (HRK million)	45.2	93.1	(51.5)	45.2	91.2	(50.4)
Elimination of intra group revenue (HRK million)	(40.7)	(86.7)	(53.1)	(40.7)	(84.8)	(52.0)
Total reported revenue (HRK million)	4.4	6.4	(31.3)	4.4	6.4	(31.3)
EBITDA (HRK million)	(6.6)	8.1	n/a	(6.6)	6.2	n/a
FTE ²	257.9	274.5	(6.1)	257.9	274.5	(6.1)

¹ The like-for-like comparison excludes the contribution of Hotel Brioni's operations in 2019, as this hotel is currently closed and under refurbishment.

² The FTE number is an estimate based on the total hours paid for all employees divided by the hours paid for an average full time employee to arrive at a total for Full Time Equivalent Employees.

Arena Hospitality Management d.o.o., a subsidiary of the Company, entered into management agreements for all the properties owned, partially owned, leased or managed by the Group in Croatia, Germany and Hungary. Arena Hospitality Management d.o.o. provides management services to all these properties and generates management fee revenues. Hotel management revenue related to properties within the Group is eliminated upon consolidation as intra-group revenue. Furthermore, all revenue generated within the Group from centralised services in Croatia and Germany is eliminated upon consolidation as intra-group revenue.

ARENA

HOSPITALITY GROUP

In line with the operations in Croatia and abroad, total reported revenue decreased by 51.5% from HRK 93.1 million in the nine months of 2019 to HRK 45.2 million in the corresponding period in 2020. External revenues decreased from HRK 6.4 million to HRK 4.4 million in the nine months of 2020. EBITDA loss amounted to negative HRK 6.6 million (2019: positive HRK 8.1 million) predominantly as a result of the drop in revenues.

RELATED PARTIES

Parties are considered to be related if one of the parties has the power to exercise control over the other party or if it has significant influence over the other party in making financial and/or operational decisions. The Company is controlled by Dvadeset Osam d.o.o., which owns 52.48% of the Company's shares (52.95% excluding treasury shares) as at 30 September 2020. The Company's ultimate parent is PPHE Hotel Group Limited which indirectly owns 100% of the shares of Dvadeset Osam d.o.o. All other subsidiaries of PPHE Hotel Group Limited are also treated as related parties. For a detailed list of all subsidiaries included in the Group, please refer to page 150 of the Group's 2019 annual report.

a. Balances with related parties

	Group		Company	
	As at 30 September 2020 HRK'000	As at 31 December 2019 HRK'000	As at 30 September 2020 HRK'000	As at 31 December 2019 HRK'000
Assets:				
Short-term receivables – Park Plaza Hotels Europe B.V.	814	30	701	-
Short-term receivables – Sugarhill Investments B.V.	-	-	125	562
Short-term receivables – joint ventures	521	709	-	-
Short-term receivables – Park Plaza Nuremberg Operator	-	-	49	64
Short-term receivables – Arena Hospitality Management d.o.o.	-	-	702	-
Short-term receivables – Germany Real Estate B.V.	-	-	4,437	711
Long – term loans to joint ventures	36,190	35,111	-	-
Long – term loan to Sugarhill Investments B.V.	-	-	5,281	-
Long – term loan to Germany Real Estate B.V.	-	-	144,745	142,795
Liabilities:				
Trade payables – Arena Hospitality Management d.o.o.	-	-	1,835	2,283
Trade payables – PPHE (Germany) B.V.	12,142	10,285	-	-
Trade payables – Park Plaza Hotels Europe B.V.	2,666	1,825	2,666	1,825

b. Transactions with related parties

	Group		Company	
	As at 30 September 2020 HRK'000	As at 30 September 2019 HRK'000	As at 30 September 2020 HRK'000	As at 30 September 2019 HRK'000
Management fee revenue from joint ventures	394	2,203	-	-
Reimbursement of employees expenses – Arena Hospitality Management d.o.o.	-	-	5,044	5,044
Service charge revenue- joint ventures	1,316	2,232	-	-
Management fees expense – Arena Hospitality Management d.o.o.	-	-	4,183	17,113
Sales and marketing fees – Park Plaza Hotels Europe B.V.	6,239	20,045	6,239	20,045
Sales and marketing fees – PPHE (Germany) B.V.	2,731	7,298	-	-
Interest income – Sugarhill Investments B.V.	-	-	125	-
Interest income – Germany Real Estate B.V.	-	-	3,705	4,321
Interest income –joint venture	598	344	-	-

COMPANY BUSINESS RESULTS (CONSOLIDATED)

CONSOLIDATED INCOME STATEMENT

In HRK million	30 September 2020 (Unaudited)	30 September 2019 (Unaudited)	Variance %
Total operating income	228.7	688.9	(66.8)
Total operating expenses	(210.1)	(439.9)	(52.2)
EBITDA	18.6	249.0	(92.6)
Depreciation	(80.4)	(71.6)	12.3
EBIT	(61.8)	177.4	n/a
Financial revenues	0.6	0.3	100.0
Financial expenses	(38.7)	(24.4)	58.6
Other revenues / (expenses)	(30.6)	7.2	n/a
Share in result of joint ventures	(4.8)	0.9	n/a
Total income	229.3	689.2	(6767)
Total expenditures	(364.6)	(527.8)	(30.9)
Profit/(loss) before tax	(135.3)	161.4	n/a
Income tax	25.6	26.6	(3.8)
Profit after tax	(109.7)	188.0	n/a

Total operating income decreased by 66.8% to HRK 228.7 million (2019: HRK 688.9 million) as the COVID - 19 pandemic escalated which led to an almost complete halt in international and domestic travel coupled with lockdowns of countries across Europe and the rest of the world for a few months. Lockdowns were eased at the end of May and enabled some flow of guests but worsening epidemiologic situation in Croatia and elsewhere led to a re-enactment of restrictions which deteriorated the business once again. Total operating expenses decreased by 52.2% to HRK 210.1 million (2019: HRK 439.9 million) due to decreased business activity related to the pandemic outbreak.

As a result of the aforementioned EBITDA from operations was reduced to HRK 18.6 million (2019: HRK 249.0 million). EBIT from operations deteriorated to negative HRK 61.8 million (2019: profit of HRK 177.4 million). Depreciation grew by 12.3% to HRK 80.4 million (2019: HRK 71.6 million) due to previously undertaken investments. Financial revenues increased by 100.0% year-on-year due to interest received from JVs. Financial expenses increased significantly to HRK 38.7 million (2019: HRK 24.4 million), over half of which relates to unrealised foreign exchange differences predominantly related to the translation effect of lease liability in Hungary. Other expenses amounted to HRK 30.6 million and relate mostly to Hotel Brioni's repositioning and its designation as a non-operating asset until fully repositioned and opened and the settlement achieved with the Government on Riviera.

As a result of the foregoing the consolidated loss before tax amounted to negative HRK 135.3 million (2019: profit of HRK 161.4 million). Income tax amounted to positive HRK 25.6 million (2019: positive HRK 26.6 million). Tax benefits are granted by the Ministry of Economy linked to the previous investments the Group has undertaken in Croatia.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In HRK million	30 September 2020 (Unaudited)	31 December 2019 (Audited)	Variance %
Long-term assets	2,604.1	2,349.5	10.8
Short-term assets	554.6	745.9	(25,6)
Total assets	3,158.7	3,095.4	2,0
Total equity	1,648.4	1,756.5	(6.2)
Long-term liabilities and provisions	1,334.3	1,171.8	13.9
Short-term liabilities	176.0	167.1	5.3
Total liabilities	1,510.3	1,338.9	12.8
Total equity and liabilities	3,158.7	3,095.4	2,0

Long-term assets increased by HRK 254.6 million to HRK 2,604.1 million (year-end 2019: HRK 2,349.5 million) mostly as a result investments coupled with the recognition of the long-term lease signed for the property in the centre of Zagreb, where the Group plans to develop a hotel.

Short-term assets decreased by HRK 191.3 million to HRK 554.6 million (year-end 2019: HRK 745.9 million) predominantly driven by the decrease in the Group's cash position. The Group's cash position decreased as a result of the pandemic related lockdowns limiting business activity during the summer months impacting income and fulfilling committed capital investments in Croatia. The cash position stood at HRK 522.6 million.

Long-term liabilities and provisions increased by HRK 162.5 million to HRK 1,334.3 million (year-end 2019: HRK 1,171.8 million). The increase is mostly due to the recognition of the long-term lease signed for the property in the centre of Zagreb but also due to the net increase in bank loans drawn for the capital investments undertaken during the period, including the purchase of Riviera.

Short-term liabilities remained at a similar level at year end 2019 and amounted to HRK 176.0 million (year-end 2019: HRK 167.1 million).

COMPANY BUSINESS RESULTS (NON-CONSOLIDATED)

NON-CONSOLIDATED INCOME STATEMENT

	30 September 2020	30 September 2019	Variance %
In HRK million	(Unaudited)	(Unaudited)	
Total operating income	163.3	507.0	(67.8)
Total operating expenses	(140.3)	(323.7)	(56.7)
EBITDA	23.0	183.3	(87.5)
Depreciation	(51.3)	(43.2)	18.8
EBIT	(28.3)	140.1	n/a
Financial revenues	5.7	4.3	32.6
Financial expenses	(12.9)	(14.2)	(9.2)
Other revenues / (expenses)	(28.0)	7.3	n/a
Total income	169.0	518.6	(67.4)
Total expenditures	(232.5)	(381.1)	(39.0)
Profit/(loss) before tax	(63.5)	137.5	n/a
Income tax	25.8	30.4	(15.1)
Profit after tax	(37.7)	167.9	n/a

Total operating income decreased by 67.8% to HRK 163.3 million (2019: HRK 507.0 million) as the Covid - 19 pandemic escalated which led to an almost complete halt in international and domestic travel coupled with lockdowns of countries across Europe and the rest of the world. The opening and business pickup during the summer months had a positive impact on the operations but the positive trend was once again reversed from mid-August due to worsening epidemiologic circumstances in Croatia and other countries. Total operating expenses decreased by 56.7% to HRK 140.3 million (2019: HRK 323.7 million) as a result of decreased business activity related to the pandemic outbreak.

As a result of the above, EBITDA from operations amounted to HRK 23.0 million (2019: HRK 183.3 million). EBIT from operations deteriorated to negative HRK 28.3 million (2019: profit of HRK 140.1 million). Depreciation grew by 18.8% to HRK 51.3 million (2019: 43.2 million) due to previously undertaken investments. Financial revenues increased by 32.6% year-on-year as a result of positive foreign exchange differences. Financial expenses decreased by 9.2% to HRK 12.9 million (2019: HRK 14.2 million) predominantly as a result of higher foreign exchange differences occurred last year. Other expenses amounted to negative HRK 28.0 million and relate mostly to Hotel Brioni's repositioning and its designation as a non-operating asset until fully repositioned and opened and the settlement achieved with the Government on Riviera.

As a result of the foregoing, the consolidated loss before tax increased to negative HRK 63.5 million (2019: profit of HRK 137.5 million). Loss after tax amounted to HRK 37.7 million (2019: profit of HRK 167.9 million). Loss after tax is reduced by the tax income related to the benefits granted by the Ministry of Economy linked to the previous investments the Group has undertaken in Croatia.

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In HRK million	30 September 2020 (Unaudited)	31 December 2019 (Audited)	Variance %
Long-term assets	2,320.6	2,122.8	9.3
Short-term assets	456.1	613.1	(25.6)
Total assets	2,776.6	2,735.9	1.5
Total equity	1,995.9	2,033.2	(1.8)
Long-term liabilities and provisions	679.6	611.3	11.2
Short-term liabilities	101.1	91.4	10.6
Total liabilities	780.7	702.7	11.1
Total equity and liabilities	2,776.6	2,735.9	1.5

Long-term assets increased by HRK 197.8 million to HRK 2,320.6 million (year-end 2019: HRK 2,122.8 million) as a result of capital investments undertaken in previous periods.

Short-term assets decreased by HRK 157.0 million to HRK 456.1 million (year-end 2019: HRK 613.1 million) predominantly driven by the decrease in the Company's cash position. The Company's cash position decreased as a result of the epidemic and respective lockdowns and the material decrease in business coupled with partially funding of investments undertaken during the reported period. The cash position stood at HRK 432.4 million.

Long-term liabilities and provisions increased by HRK 68.3 million to HRK 679.6 million (year-end 2019: HRK 611.3 million) mostly due to the net increase in bank loans drawn for the capital investments undertaken.

Short-term liabilities increased slightly by HRK 9.7 million to HRK 101.1 million (year-end 2019: HRK 91.4 million).

PRINCIPAL RISKS OF THE GROUP AND THE COMPANY
CORPORATE GOVERNANCE REPORT

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HOSPITALITY GROUP

A MEMBER OF PPHE HOTEL GROUP

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CAMPSITES

PRINCIPAL RISKS OF THE GROUP AND THE COMPANY

Other than the COVID-19 risk, which continues to evolve, the risks that affect the Group's performance are the same as set out in the Group's consolidated financial statements for the year ended 31 December 2019.

The Company faces risks which are common to the tourism and travel industry. These risks include the Covid -19 pandemic, the related containment and social distancing strategies of local and international governments to control the pandemic and the ongoing impact of climate change on tourism.

The most significant of these risks at the moment relate to factors that are common to the hotel industry and beyond the Company's control. Notwithstanding the limited control the Company has over these risks, continuous efforts are taken to ensure the Company can utilise resources and assets to act with agility and continue to attract revenue sources under strained market conditions. Additionally, the Company is well positioned to weather these risks in a socially responsible manner through cost rationalisation and prioritising commercial activities which benefit the long term interests of the Company and its stakeholders.

For a detailed discussion of the risks facing the Group, please refer to pages from 34 to 38 of the Company's 2019 annual report.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE CODE

The 2020 Corporate Governance Code (the "**Code**"), as adopted by the Croatian Financial Services Supervisory Agency and the Zagreb Stock Exchange (the **ZSE**) in October 2019, has been implemented across the Company as of Q1 2020. The Code provides that compliance is on a "comply or explain basis", whereby Companies can explain how their activities reflect the principals of the Code where certain elements deviate from strict compliance. 'Comply or explain' is intended to enforce enhanced governance standards uniformly across ZSE listed companies without austere imposition of a one size fits all approach to corporate governance.

The Company has duly submitted and published its annual corporate governance related questionnaires referring to 2019 in line with the provisions of the applicable HANFA regulations, the new Corporate Governance Code and the ZSE Rules.

GENERAL ASSEMBLY MEETING

The regular General Assembly of the Company was held on 31 August 2020. On the General Assembly the reports referring to the business year 2019 were presented (Company's Annual Report for 2019, Report of the Supervisory Board on supervision of the Company for 2019 and Report of the Management Board on acquisition of treasury shares). The General Assembly adopted the following decisions:

- Decision on use of profit realised in 2019
- Decision on discharge to the members of the Supervisory Board and the Management Board
- Decision on adoption of the Remuneration Policy
- Decision on appointment of the Company's auditor for 2020

- Decision on appointment of Supervisory Board members.

SUPERVISORY BOARD MEETINGS

The members of the Supervisory Board of the Company are: Boris Ernest Ivesha (Chairman), Yoav Arie Papouchado (Vice-Chairman), Kevin Michael McAuliffe, Marino Derossi, Amra Pende, Lorena Škuflić (all appointed by the General Assembly on 31 August 2020) and Damir Lučić as employees' representative.

The Supervisory Board of the Company held the following meetings in the first three quarters of 2020:

- on 28 January 2020 whereat, inter alia, a fourth member of the Management Board. Mr Edmond Pinto. was appointed (effective from 1st March 2020) and a Share Award Plan was adopted for the purpose of creating a basis for rewarding employees;
- on 26 February 2020 whereat, inter alia, the Annual Report and the annual financial statements of the Company for the year 2019 (audited, consolidated and non-consolidated) were approved;
- on 27 April 2020 whereat, inter alia, unaudited consolidated and non-consolidated quarterly report of the Company for the first quarter of 2020 were discussed;
- on 27 and 28 July 2020 whereat, inter alia, inter alia, unaudited consolidated and non-consolidated quarterly report of the Company for the second quarter of 2020 were discussed, the Remuneration Policy of the Company was approved and proposal on the election of the Supervisory Board members was adopted;
- on 31 August 2020 whereat, following the decision on the appointment of the of Supervisory Board members by the General Assembly, the new Supervisory Board of the Company was constituted and the members of the Audit Committee and Nomination and Remuneration Committee were appointed.

SUPERVISORY BOARD COMMITTEES

In the first three quarters of 2020 the following Supervisory Board Committees' meetings were held:

- the Nomination and Remuneration Committee held a meeting on 28 January 2020 and recommended to the Supervisory Board adoption of the Share Award Plan and appointment of Mr Edmond Pinto as the new Management Board member and a meeting on 2 March 2020 to discuss granting of share options to the Management Board members;
- the Audit Committee held a meeting on 26 February 2020 at which it considered the Financial Statements of the Company for 2019 (audited, consolidated and non-consolidated);
- the Nomination and Remuneration Committee held a meeting on 27 and 28 July 2020 and recommended to the Supervisory Board adoption of the Remuneration Policy and appointment of Supervisory Board members of the company; and
- the Audit Committee held a meeting on 27 July 2020 at which, inter alia, it adopted the recommendation for the appointment of Company's auditor for the year 2020.

MANAGEMENT BOARD MEETINGS

The Management Board primarily adopts its decisions in meetings and by correspondence in accordance with the applicable laws and the Company's Articles of Association. The Management Board has regular monthly (or, if required, more frequent) meetings to review operational activities in the Company.

The most important Management Board meetings of 2020 so far were:

- on 26 February 2020 where, *inter alia*, the interim report for the fourth quarter of 2019 and the Annual Report of the Company for 2019 (consolidated and non-consolidated) were adopted;
- on 27 April 2020 whereat the unaudited consolidated and non-consolidated quarterly report of the Company for the first quarter of 2020 was adopted;
- On 27 July 2020 whereat the unaudited consolidated and non-consolidated quarterly report of the Company for the second quarter of 2020 and the unaudited consolidated and non-consolidated half-year report of the Company for the first six months of 2020 were adopted.

Given the COVID-19 pandemic related circumstances the Management Board also held a number of meetings in the third quarter in which the special measures were discussed and enacted with an aim to ensure safety of employees, create a safe customer experience and cost containment measures to mitigate the impact of anticipated loss of income. The Management Board also conducted a detailed risk review and rigorous stress testing of the business in light of changes in market conditions to ensure business sustainability and continuity. The focus of the risk review covered liquidity and working capital. The conclusion is that the Group is well capitalised to service its obligations however the focus remains on further streamlining the operations to preserve this liquidity position going forward.

MAJOR SHAREHOLDERS

The share capital of the Company is HRK 102,574,420.00 HRK and is divided into 5,128,721 ordinary shares under the ticker ARNT-R-A. each without nominal value. As at 30 September 2020 45,169 shares were held as treasury shares. Shareholders with holdings of 3% or more of the Company's registered capital are listed below:

		Percentage holding of Share Capital including treasury shares	Percentage holding of Share Capital excluding treasury shares
1	DVADESET OSAM D.O.O. (a member of the PPHE Hotel Group)	52.48%	52.95%
2	OTP BANKA D.D./ AZ OMF kategorije B	11.94%	12.05%
3	ADDIKO BANK d.d. / PBZ CO OMF-kategorije B	9.13%	9.22%
4	OTP BANKA D.D./ ERSTE PLAVI OMF kategorije B	7.21%	7.27%

VALUATION

In HRK	Nine months of 2020		
	High	Low	Last
Share price	388	189	286
Market capitalisation ¹	1,972,418,176	960,791,328	1,453,895,872
Net debt ²	852,319,571	852,319,571	852,319,571
EV ³	2,825,737,747	1,813,110,899	2,306,215,443
EV/EBITDA ⁴	n/a	n/a	n/a

Note: High and Low related to the price in the period for the nine months ending 30 September 2020. Last refers to the price as at 30 September 2020

¹ Number of shares outstanding as at 30 September 2020 was 5,128,721 of which 45,169 were held as treasury shares

² Net debt calculated as current and non-current bank borrowings and other current and non-current loans less cash and cash equivalents. Finance lease obligations are included

³ EV represents the enterprise value, calculated as the sum of market capitalisation and net debt

⁴ EBITDA for the twelve months ended 30 September 2020. LTM EBITDA amounted to negative HRK 907,226 therefore the EV/EBITDA is n/a

**MANAGEMENT BOARD'S
RESPONSIBILITY STATEMENT**

ARENA

HOSPITALITY GROUP

A MEMBER OF PPHE HOTEL GROUP



MANAGEMENT BOARD'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Article 468. of the Capital Market Act (NN 65/18.), the Company's Management Board makes the following statement:

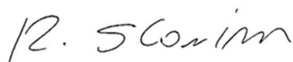
To the best of our knowledge:

- The short set of non-consolidated unaudited nine months financial statements of the Company (the **Financial Statements**) provides a comprehensive and true presentation of assets and liabilities, profit and loss, financial position and operation of the Company; set up in accordance with relevant financial reporting standards;
- The consolidated unaudited nine months financial statements (the **Consolidated Financial Statements**) provide a comprehensive overview of assets and liabilities, profit and losses of the Group. The consolidated financial data for the period reported in line with the approach applied are contained in the prescribed forms attached to this report;
- The Financial Statements and Consolidated Financial Statements have not been audited; and
- The Management Board's Interim Report for the period from 1 January to 30 September 2020 contains a true presentation of the business results and financial position and operations of the Company and the companies included in the consolidation, with a description of the most significant risks and uncertainties to which the Company and the companies included in the consolidation are exposed as a whole.

Signed by the Management Board: Reuel Israel Gavriel Slonim (President of the Management Board), Devansh Bakshi (Member of the Management Board & Chief Financial Officer), Manuela Kraljević (Member of the Management Board & Marketing and Sales Director) and Edmond Pinto (Member of the Management Board & Chief Operation Officer).

MANAGEMENT BOARD:

President:



Reuel Israel Gavriel Slonim

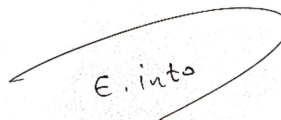
Members:



Devansh Bakshi



Manuela Kraljević



Edmond Pinto

APPENDIX 1 FINANCIAL STATEMENTS (UNAUDITED)

ARENA

HOSPITALITY GROUP

A MEMBER OF PPHE HOTEL GROUP

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PARK
PLAZA

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HOTELS &
APARTMENTS

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CAMPSITES

APPENDIX 1 FINANCIAL STATEMENTS (UNAUDITED)

Consolidated balance sheet

Consolidated profit and loss statement

Consolidated cash flow statement

Consolidated statement of changes in equity

Company balance sheet

Company profit and loss statement

Company cash flow statement

Company statement of changes in equity

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

01.01.20

to

30.09.20

Year:

2020

Quarter:

3.

Quarterly financial statements

Registration number (MB):

03203263

Issuer's home Member

State code:

HR

Entity's registration
number (MBS):

040022901

Personal identification
number (OIB):

47625429199

LEI:

74780000Z0PH7TFW3I85

Institution
code:

1665

Name of the issuer: **Arena Hospitality Group d.d.**

Postcode and town:

52100

Pula

Street and house number:

Smareglina ulica 3

E-mail address:

uprava@arenahospitalitygroup.com

Web address:

www.arenahospitalitygroup.com

Number of employees
(end of the reporting

884

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Mažurana d.o.o.

Zagreb, Radnička cesta 80

Ulrika d.o.o.

Zagreb, Radnička cesta 80

Sugarhill Investments B.V. Nizozemska, Amesterdam, Claude Debussylaan 14, Vinoly Tower

Germany Real Estate B.V. Nizozemska, Amesterdam, Claude Debussylaan 14, Vinoly Tower

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person: **Čale Neven**

(only name and surname of the contact person)

Telephone: **052/223-811**E-mail address: **ncale@arenahospitalitygroup.com**

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 30.09.2020

in HRK

Submitter: Arena Hospitality Group d.d.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	2.349.464.423	2.604.136.696
I INTANGIBLE ASSETS (ADP 004 to 009)	003	1.065.422	1.260.915
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	1.065.422	1.260.915
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	2.236.459.769	2.467.125.488
1 Land	011	332.183.773	333.509.910
2 Buildings	012	1.468.292.542	1.527.355.838
3 Plant and equipment	013	131.567.140	154.917.025
4 Tools, working inventory and transportation assets	014	5.952.488	4.107.346
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	16.019.960	16.086.158
7 Tangible assets in preparation	017	58.325.930	121.114.369
8 Other tangible assets	018	224.117.936	310.034.842
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	53.288.913	50.101.144
1 Investments in holdings (shares) of undertakings within the group	021	0	0
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	0	0
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	3.607.062	0
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	35.110.693	35.510.381
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	14.571.158	14.590.763
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	0	0
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	58.650.319	85.649.149
C) CURRENT ASSETS (ADP 038+046+053+063)	037	745.869.844	554.616.186
I INVENTORIES (ADP 039 to 045)	038	3.104.950	2.666.768
1 Raw materials and consumables	039	3.056.450	2.449.139
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	48.500	20.760
5 Advances for inventories	043	0	196.869
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	23.653.585	29.118.558
1 Receivables from undertakings within the group	047	31.422	814.201
2 Receivables from companies linked by virtue of participating interests	048	709.354	520.959
3 Customer receivables	049	14.029.026	14.192.676
4 Receivables from employees and members of the undertaking	050	0	0
5 Receivables from government and other institutions	051	3.121.326	5.229.475
6 Other receivables	052	5.762.457	8.361.247
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	220.675	220.675
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	220.675	220.675
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	718.890.634	522.610.185
D) PREPAID EXPENSES AND ACCRUED INCOME	064	0	0
E) TOTAL ASSETS (ADP 001+002+037+064)	065	3.095.334.267	3.158.752.882
OFF-BALANCE SHEET ITEMS	066	0	0

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	1.756.464.457	1.648.353.519
I INITIAL (SUBSCRIBED) CAPITAL	068	102.574.420	102.574.420
II CAPITAL RESERVES	069	1.142.738.633	1.142.738.633
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	317.007.442	319.847.691
1 Legal reserves	071	5.128.721	5.128.721
2 Reserves for treasury shares	072	16.334.757	16.871.376
3 Treasury shares and holdings (deductible item)	073	-16.334.757	-16.871.376
4 Statutory reserves	074	0	0
5 Other reserves	075	311.878.721	314.718.970
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)	077	-8.933.796	-10.187.273
1 Fair value of financial assets available for sale	078	127.020	127.020
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	-9.060.816	-10.314.293
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	54.101.721	203.077.758
1 Retained profit	082	54.101.721	203.077.758
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	148.976.037	-109.697.710
1 Profit for the business year	085	148.976.037	0
2 Loss for the business year	086	0	109.697.710
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	42.869.091	47.240.299
1 Provisions for pensions, termination benefits and similar obligations	089	1.549.812	3.027.753
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	41.319.279	44.212.546
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	1.128.922.744	1.287.022.817
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	1.122.480.938	1.278.820.987
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	6.441.806	8.201.830
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	167.077.975	176.136.247
1 Liabilities to undertakings within the group	108	12.110.106	14.808.949
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	0	0
6 Liabilities to banks and other financial institutions	113	77.889.017	96.108.769
7 Liabilities for advance payments	114	13.984.496	10.011.598
8 Liabilities to suppliers	115	28.757.698	30.204.330
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	15.942.553	11.914.378
11 Taxes, contributions and similar liabilities	118	7.642.771	2.433.968
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	10.751.334	10.654.255
E) ACCRUALS AND DEFERRED INCOME	122	0	0
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	3.095.334.267	3.158.752.882
G) OFF-BALANCE SHEET ITEMS	124	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2020 to 30.09.2020

in HRK

Submitter: Arena Hospitality Group d.d.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 126 to 130)	125	688.900.293	423.148.691	229.900.200	149.891.704
1 Income from sales with undertakings within the group	126	0	0	0	0
2 Income from sales (outside group)	127	686.241.806	421.442.978	225.860.702	147.810.089
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	2.658.487	1.705.713	4.039.498	2.081.615
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	504.356.640	227.952.944	322.369.082	122.519.116
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	206.344.189	105.888.175	91.389.959	46.449.708
a) Costs of raw materials and consumables	134	101.552.212	49.315.143	43.850.174	22.113.986
b) Costs of goods sold	135	0	0	0	0
c) Other external costs	136	104.791.977	56.573.032	47.539.785	24.335.722
3 Staff costs (ADP 138 to 140)	137	194.118.109	82.321.812	90.339.942	37.026.110
a) Net salaries and wages	138	132.617.059	59.273.137	56.847.422	22.492.008
b) Tax and contributions from salary costs	139	40.453.541	15.058.730	22.502.069	9.702.442
c) Contributions on salaries	140	21.047.509	7.989.945	10.990.451	4.831.660
4 Depreciation	141	71.614.446	24.989.822	80.445.620	27.447.159
5 Other costs	142	0	0	0	0
6 Value adjustments (ADP 144+145)	143	0	0	0	0
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	0	0
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	0	0	0	0
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	32.279.896	14.753.135	60.193.561	11.596.139
III FINANCIAL INCOME (ADP 155 to 164)	154	345.464	116.104	598.888	201.470
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	345.464	116.104	598.888	201.470
8 Exchange rate differences and other financial income	162	0	0	0	0
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	24.380.110	9.869.538	38.682.657	9.145.910
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	21.508.073	7.691.136	22.839.683	7.292.207
4 Exchange rate differences and other expenses	169	2.872.037	2.178.402	15.681.024	1.797.563
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	0	0	161.950	56.140
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	926.655	830.322	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	176	0	0	4.741.321	1.372.485
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	690.172.412	424.095.117	230.499.088	150.093.174
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	528.736.750	237.822.482	365.793.060	133.037.511
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	161.435.662	186.272.635	-135.293.972	17.055.663
1 Pre-tax profit (ADP 177-178)	180	161.435.662	186.272.635	0	17.055.663
2 Pre-tax loss (ADP 178-177)	181	0	0	-135.293.972	0
XII INCOME TAX	182	-26.613.045	-10.693.723	-25.596.262	1.762.639
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	188.048.707	196.966.358	-109.697.710	15.293.024
1 Profit for the period (ADP 179-182)	184	188.048.707	196.966.358	0	15.293.024
2 Loss for the period (ADP 182-179)	185	0	0	-109.697.710	0

DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)	186	0	0	0	0
1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190				
2 Discontinued operations loss for the period (ADP 189-186)	191				
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	192				
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
XVII INCOME TAX (ADP 182+189)	195				
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196				
1 Profit for the period (ADP 192-195)	197				
2 Loss for the period (ADP 195-192)	198				
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	199	188.048.707	196.966.358	-109.697.710	15.293.024
1 Attributable to owners of the parent	200	188.048.707	196.966.358	-109.697.710	15.293.024
2 Attributable to minority (non-controlling) interest	201	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	188.048.707	196.966.358	-109.697.710	15.293.024
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	-7.625.075	-2.029.559	1.176.291	123.395
1 Exchange rate differences from translation of foreign operations	204	-940.509	-220.597	2.429.768	-114.064
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	0	0	0	0
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	-6.684.566	-1.808.962	-1.253.477	237.459
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	0	0
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	-7.625.075	-2.029.559	1.176.291	123.395
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	180.423.632	194.936.799	-108.521.419	15.416.419
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)	215	180.423.632	194.936.799	-108.521.419	15.416.419
1 Attributable to owners of the parent	216	180.423.632	194.936.799	-108.521.419	15.416.419
2 Attributable to minority (non-controlling) interest	217	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2020. to 30.09.2020.

in HRK

Submitter: Arena Hospitality Group d.d			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	161.435.662	-135.293.972
2 Adjustments (ADP 003 to 010):	002	86.313.063	148.738.720
a) Depreciation	003	71.614.446	80.445.620
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-445.413	13.128.748
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	-344.457	-597.390
e) Interest expenses	007	21.508.073	22.822.263
f) Provisions	008	-4.210.714	2.893.267
g) Exchange rate differences (unrealised)	009	-882.217	24.357.928
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	-926.655	5.688.284
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	247.748.725	13.444.748
3 Changes in the working capital (ADP 013 to 016)	012	-49.336.532	-20.653.658
a) Increase or decrease in short-term liabilities	013	35.701.914	-12.430.883
b) Increase or decrease in short-term receivables	014	-58.899.218	-4.070.978
c) Increase or decrease in inventories	015	-2.625.905	-4.151.797
d) Other increase or decrease in working capital	016	-23.513.323	0
II Cash from operations (ADP 011+012)	017	198.412.193	-7.208.910
4 Interest paid	018	-22.862.412	-24.056.713
5 Income tax paid	019	568.280	-1.032.151
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	176.118.061	-32.297.774
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	785.099	1.165.065
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	0	0
6 Other cash receipts from investment activities	026	4.371.818	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	5.156.917	1.165.065
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-196.249.934	-212.720.090
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	-2.963	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-196.252.897	-212.720.090
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-191.095.980	-211.555.025
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	75.379.078	91.929.288
4 Other cash receipts from financing activities	038	0	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	75.379.078	91.929.288
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-28.630.116	-25.214.258
2 Cash payments for dividends	041	-25.642.760	0
3 Cash payments for finance lease	042	-14.144.175	-16.227.027
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-4.092.593	-536.619
5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-72.509.644	-41.977.904
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	2.869.434	49.951.384
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	-562.076	-2.379.034
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-12.670.561	-196.280.449
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	802.514.226	718.890.634
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	789.843.665	522.610.185

STATEMENT OF CHANGES IN EQUITY
for the period from **01.01.20** to **30.09.20**

in HRK

Item	ADP code	Attributable to owners of the parent														Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 (3 to 6 - 7 + 8 to 15)	17	18 (16+17)
Previous period																	
1 Balance on the first day of the previous business year	01	102.574.420	1.142.738.633	5.128.721	3.380	3.380	0	323.488.922	0	105.120	0	-5.476.536	-8.922.546	88.667.027	1.648.303.761	0	1.648.303.761
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	102.574.420	1.142.738.633	5.128.721	3.380	3.380	0	323.488.922	0	105.120	0	-5.476.536	-8.922.546	88.667.027	1.648.303.761	0	1.648.303.761
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	148.976.037	148.976.037	0	148.976.037
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	349.360	0	0	0	0	0	0	349.360	0	349.360
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	08	0	0	0	0	0	0	0	0	21.900	0	0	0	0	21.900	0	21.900
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	-3.584.280	0	0	-3.584.280	0	-3.584.280
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	4.371.816	0	0	0	0	0	0	4.371.816	0	4.371.816
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	18	0	0	0	16.331.377	16.331.377	0	-16.331.377	0	0	0	0	0	0	-16.331.377	0	-16.331.377
19 Payment of share in profit/dividend	19	0	0	0	0	0	0	0	0	0	0	0	-25.642.760	0	-25.642.760	0	-25.642.760
20 Other distribution to owners	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Transfer to reserves according to the annual schedule	21	0	0	0	0	0	0	0	0	0	0	0	88.667.027	-88.667.027	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the previous business year reporting period (04 to 22)	23	102.574.420	1.142.738.633	5.128.721	16.334.757	16.334.757	0	311.878.721	0	127.020	0	-9.060.816	54.101.721	148.976.037	1.756.464.457	0	1.756.464.457
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																	
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	24	0	0	0	0	0	0	4.721.176	0	21.900	0	-3.584.280	0	0	1.158.796	0	1.158.796
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24)	25	0	0	0	0	0	0	4.721.176	0	21.900	0	-3.584.280	0	148.976.037	150.134.833	0	150.134.833
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	0	0	0	16.331.377	16.331.377	0	-16.331.377	0	0	0	0	63.024.267	-88.667.027	-41.974.137	0	-41.974.137

Current period																	
1 Balance on the first day of the current business year	27	102.574.420	1.142.738.633	5.128.721	16.334.757	16.334.757	0	311.878.721	0	127.020	0	-9.060.816	54.101.721	148.976.037	1.756.464.457	0	1.756.464.457
2 Changes in accounting policies	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 27 to 29)	30	102.574.420	1.142.738.633	5.128.721	16.334.757	16.334.757	0	311.878.721	0	127.020	0	-9.060.816	54.101.721	148.976.037	1.756.464.457	0	1.756.464.457
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	-109.697.710	-109.697.710	0	-109.697.710
6 Exchange rate differences from translation of foreign operations	32	0	0	0	0	0	0	2.429.768	0	0	0	0	0	0	2.429.768	0	2.429.768
7 Changes in revaluation reserves of fixed tangible and intangible assets	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	36	0	0	0	0	0	0	0	0	0	0	-1.253.477	0	0	-1.253.477	0	-1.253.477
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	44	0	0	0	536.619	536.619	0	-536.619	0	0	0	0	0	0	-536.619	0	-536.619
19 Payment of share in profit/dividend	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	46	0	0	0	0	0	0	947.100	0	0	0	0	0	0	947.100	0	947.100
21 Transfer to reserves according to the annual schedule	47	0	0	0	0	0	0	0	0	0	0	0	148.976.037	-148.976.037	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the current business year reporting period (ADP 30 to 48)	49	102.574.420	1.142.738.633	5.128.721	16.871.376	16.871.376	0	314.718.970	0	127.020	0	-10.314.293	203.077.758	-109.697.710	1.648.353.519	0	1.648.353.519
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																	
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 32 to 40)	50	0	0	0	0	0	0	2.429.768	0	0	0	-1.253.477	0	0	1.176.291	0	1.176.291
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50)	51	0	0	0	0	0	0	2.429.768	0	0	0	-1.253.477	0	-109.697.710	-108.521.419	0	-108.521.419
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)	52	0	0	0	536.619	536.619	0	410.481	0	0	0	0	148.976.037	-148.976.037	410.481	0	410.481

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

01.01.20

to

30.09.20

Year:

2020

Quarter:

3.

Quarterly financial statements

Registration number (MB):

03203263

Issuer's home Member

State code:

HR

Entity's registration
number (MBS):

040022901

Personal identification
number (OIB):

47625429199

LEI:

74780000Z0PH7TFW3I85

Institution
code:

1665

Name of the issuer: **Arena Hospitality Group d.d.**

Postcode and town:

52100

Pula

Street and house number:

Smareglina ulica 3

E-mail address:

uprava@arenahospitalitygroup.com

Web address:

www.arenahospitalitygroup.com

Number of employees
(end of the reporting

708

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person:

Kalagac Sandra

(only name and surname of the contact person)

Telephone:

052/223-811

E-mail address:

skalagac@arenahospitalitygroup.com

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 30.09.2020

in HRK

Submitter: Arena Hospitality Group d.d.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	2.122.844.011	2.320.546.548
I INTANGIBLE ASSETS (ADP 004 to 009)	003	1.064.923	1.260.416
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	1.064.923	1.260.416
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	1.385.211.673	1.533.376.966
1 Land	011	235.066.582	235.066.582
2 Buildings	012	982.506.779	1.040.730.043
3 Plant and equipment	013	79.592.845	108.836.403
4 Tools, working inventory and transportation assets	014	5.952.488	4.107.346
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	16.019.960	16.086.158
7 Tangible assets in preparation	017	56.418.118	114.682.620
8 Other tangible assets	018	9.654.901	13.867.814
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	678.530.705	702.068.821
1 Investments in holdings (shares) of undertakings within the group	021	524.180.804	524.180.804
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	142.795.466	150.025.898
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	0	0
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	11.501.435	11.479.119
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	53.000	16.383.000
IV RECEIVABLES (ADP 032 to 035)	031	0	0
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	58.036.710	83.840.345
C) CURRENT ASSETS (ADP 038+046+053+063)	037	613.127.263	456.142.995
I INVENTORIES (ADP 039 to 045)	038	2.002.262	1.840.559
1 Raw materials and consumables	039	1.953.762	1.622.930
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	48.500	20.760
5 Advances for inventories	043	0	196.869
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	13.833.673	21.679.494
1 Receivables from undertakings within the group	047	1.337.248	6.013.687
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	5.320.140	8.476.952
4 Receivables from employees and members of the undertaking	050	76.809	30.666
5 Receivables from government and other institutions	051	5.687.145	6.080.943
6 Other receivables	052	1.412.331	1.077.246
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	220.675	220.675
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	220.675	220.675
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	597.070.653	432.402.267
D) PREPAID EXPENSES AND ACCRUED INCOME	064	0	0
E) TOTAL ASSETS (ADP 001+002+037+064)	065	2.735.971.274	2.776.689.543
OFF-BALANCE SHEET ITEMS	066	0	0

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	2.033.171.151	1.995.870.290
I INITIAL (SUBSCRIBED) CAPITAL	068	102.574.420	102.574.420
II CAPITAL RESERVES	069	1.142.738.633	1.142.742.013
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	556.485.871	556.892.831
1 Legal reserves	071	5.128.721	5.128.721
2 Reserves for treasury shares	072	16.334.757	16.871.376
3 Treasury shares and holdings (deductible item)	073	-16.334.757	-16.871.376
4 Statutory reserves	074	0	0
5 Other reserves	075	551.357.150	551.764.110
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)	077	127.020	127.020
1 Fair value of financial assets available for sale	078	127.020	127.020
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	106.785.103	231.245.207
1 Retained profit	082	106.785.103	231.245.207
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	124.460.104	-37.711.201
1 Profit for the business year	085	124.460.104	0
2 Loss for the business year	086	0	37.711.201
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	42.868.402	45.761.668
1 Provisions for pensions, termination benefits and similar obligations	089	1.549.131	1.549.131
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	41.319.271	44.212.537
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	568.385.157	633.843.062
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	568.385.157	633.843.062
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	0	0
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	91.546.564	101.214.523
1 Liabilities to undertakings within the group	108	4.108.018	4.501.306
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	0	0
6 Liabilities to banks and other financial institutions	113	44.098.742	51.507.726
7 Liabilities for advance payments	114	4.796.423	4.342.438
8 Liabilities to suppliers	115	15.707.978	21.486.775
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	13.613.892	10.545.509
11 Taxes, contributions and similar liabilities	118	4.919.454	1.618.772
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	4.302.057	7.211.997
E) ACCRUALS AND DEFERRED INCOME	122	0	0
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	2.735.971.274	2.776.689.543
G) OFF-BALANCE SHEET ITEMS	124	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2020 to 30.09.2020

in HRK

Submitter: Arena Hospitality Group d.d.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 126 to 130)	125	515.467.011	361.840.833	163.251.224	130.086.701
1 Income from sales with undertakings within the group	126	5.085.206	1.681.238	5.043.713	1.681.238
2 Income from sales (outside group)	127	500.574.609	358.106.799	156.428.031	127.999.624
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	9.807.196	2.052.796	1.779.480	405.839
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	368.365.961	188.824.010	219.598.820	94.261.649
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	167.074.158	97.998.248	71.369.229	43.511.629
a) Costs of raw materials and consumables	134	69.153.834	34.958.868	28.662.738	16.396.221
b) Costs of goods sold	135	159.810	95.883	63.904	57.045
c) Other external costs	136	97.760.514	62.943.497	42.642.587	27.058.363
3 Staff costs (ADP 138 to 140)	137	118.702.914	51.680.628	48.741.660	22.199.725
a) Net salaries and wages	138	76.880.441	34.292.688	32.701.888	13.701.498
b) Tax and contributions from salary costs	139	28.030.614	11.604.533	11.587.283	5.994.841
c) Contributions on salaries	140	13.791.859	5.783.407	4.452.489	2.503.386
4 Depreciation	141	43.223.804	15.544.587	51.324.181	17.768.989
5 Other costs	142	0	0	0	0
6 Value adjustments (ADP 144+145)	143	0	0	0	0
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	242.853	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	0	0
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	242.853	0	0	0
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	39.122.232	23.600.547	48.163.750	10.781.306
III FINANCIAL INCOME (ADP 155 to 164)	154	4.337.878	1.438.020	5.759.661	1.488.379
1 Income from investments in holdings (shares) of undertakings within the group	155	15.895	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	4.321.386	1.437.938	3.830.073	1.288.946
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	597	82	532	62
8 Exchange rate differences and other financial income	162	0	0	1.929.056	199.371
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	13.954.088	6.544.385	12.926.901	3.913.968
1 Interest expenses and similar expenses with undertakings within the group	166	8.364	1.043	2.694.726	39.888
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	11.112.450	4.343.854	10.230.375	3.873.180
4 Exchange rate differences and other expenses	169	2.833.274	2.833.274	0	0
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	0	-633.786	1.800	900
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173			0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174			0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175			0	0
VIII SHARE IN LOSS OF JOINT VENTURES	176			0	0
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	519.804.889	363.278.853	169.010.885	131.575.080
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	382.320.049	195.368.395	232.525.721	98.175.617
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	137.484.840	167.910.458	-63.514.836	33.399.463
1 Pre-tax profit (ADP 177-178)	180	137.484.840	167.910.458	0	33.399.463
2 Pre-tax loss (ADP 178-177)	181	0	0	-63.514.836	0
XII INCOME TAX	182	-30.361.628	-21.668.314	-25.803.635	1.289.455
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	167.846.468	189.578.772	-37.711.201	32.110.008
1 Profit for the period (ADP 179-182)	184	167.846.468	189.578.772	0	32.110.008
2 Loss for the period (ADP 182-179)	185	0	0	-37.711.201	0

DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)	186	0	0	0	0
1 Pre-tax profit from discontinued operations	187				
2 Pre-tax loss on discontinued operations	188				
XV INCOME TAX OF DISCONTINUED OPERATIONS	189				
1 Discontinued operations profit for the period (ADP 186-189)	190				
2 Discontinued operations loss for the period (ADP 189-186)	191				
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	192				
1 Pre-tax profit (ADP 192)	193				
2 Pre-tax loss (ADP 192)	194				
XVII INCOME TAX (ADP 182+189)	195				
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196				
1 Profit for the period (ADP 192-195)	197				
2 Loss for the period (ADP 195-192)	198				
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	199	0	0	0	0
1 Attributable to owners of the parent	200				
2 Attributable to minority (non-controlling) interest	201				
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	167.846.468	189.578.772	-37.711.201	32.110.008
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	0	0	0	0
1 Exchange rate differences from translation of foreign operations	204				
2 Changes in revaluation reserves of fixed tangible and intangible assets	205				
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206				
4 Profit or loss arising from effective cash flow hedging	207				
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208				
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209				
7 Actuarial gains/losses on the defined benefit obligation	210				
8 Other changes in equity unrelated to owners	211				
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212				
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	167.846.468	189.578.772	-37.711.201	32.110.008
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)	215	0	0	0	0
1 Attributable to owners of the parent	216				
2 Attributable to minority (non-controlling) interest	217				

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2020. to 30.09.2020.

in HRK

Submitter: Arena Hospitality Group d.d				
Item	ADP code	Same period of the previous year	Current period	
1	2	3	4	
Cash flow from operating activities				
1 Pre-tax profit	001	137.484.840	-63.514.836	
2 Adjustments (ADP 003 to 010):	002	45.026.071	80.967.755	
a) Depreciation	003	43.223.804	51.324.181	
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-445.413	13.128.748	
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0	
d) Interest and dividend income	006	-4.321.386	-3.830.072	
e) Interest expenses	007	11.363.668	12.925.100	
f) Provisions	008	-4.210.714	2.893.267	
g) Exchange rate differences (unrealised)	009	-583.888	3.579.571	
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	0	946.960	
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	182.510.911	17.452.919	
3 Changes in the working capital (ADP 013 to 016)	012	-36.419.552	-9.958.282	
a) Increase or decrease in short-term liabilities	013	45.916.249	-1.510.405	
b) Increase or decrease in short-term receivables	014	-56.141.168	-4.035.764	
c) Increase or decrease in inventories	015	-2.681.310	-4.412.113	
d) Other increase or decrease in working capital	016	-23.513.323	0	
II Cash from operations (ADP 011+012)	017	146.091.359	7.494.637	
4 Interest paid	018	-12.868.898	-16.454.876	
5 Income tax paid	019	6.296.069	0	
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	139.518.530	-8.960.239	
Cash flow from investment activities				
1 Cash receipts from sales of fixed tangible and intangible assets	021	785.099	1.165.065	
2 Cash receipts from sales of financial instruments	022	0	0	
3 Interest received	023	5.673.006	0	
4 Dividends received	024	0	0	
5 Cash receipts from repayment of loans and deposits	025	9.201.118	0	
6 Other cash receipts from investment activities	026	4.371.818	0	
III Total cash receipts from investment activities (ADP 021 to 026)	027	20.031.041	1.165.065	
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-193.379.543	-205.842.607	
2 Cash payments for the acquisition of financial instruments	029	0	0	
3 Cash payments for loans and deposits for the period	030	0	-5.206.240	
4 Acquisition of a subsidiary, net of cash acquired	031	0	0	
5 Other cash payments from investment activities	032	-53.000	-16.330.000	
IV Total cash payments from investment activities (ADP 028 to 032)	033	-193.432.543	-227.378.847	
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-173.401.502	-226.213.782	
Cash flow from financing activities				
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0	
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0	
3 Cash receipts from credit principals, loans and other borrowings	037	75.379.078	91.929.288	
4 Other cash receipts from financing activities	038	0	0	
V Total cash receipts from financing activities (ADP 035 to 038)	039	75.379.078	91.929.288	
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-18.307.060	-20.887.034	
2 Cash payments for dividends	041	0	0	
3 Cash payments for finance lease	042	0	0	
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-4.092.593	-536.619	
5 Other cash payments from financing activities	044	-25.642.760	0	
VI Total cash payments from financing activities (ADP 040 to 044)	045	-48.042.413	-21.423.653	
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	27.336.665	70.505.635	
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0	
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-6.546.307	-164.668.386	
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	682.384.706	597.070.653	
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)	050	675.838.399	432.402.267	

STATEMENT OF CHANGES IN EQUITY
for the period from **01.01.20** to **30.09.20**

in HRK

Item	ADP code	Attributable to owners of the parent														Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 (3 to 6 - 7 + 8 to 15)	17	18 (16+17)
Previous period																	
1 Balance on the first day of the previous business year	01	102.574.420	1.142.738.633	5.128.721	3.380	3.380	0	567.688.527	0	105.120	0	0	65.877.455	66.550.407	1.950.663.283	0	1.950.663.283
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	102.574.420	1.142.738.633	5.128.721	3.380	3.380	0	567.688.527	0	105.120	0	0	65.877.455	66.550.407	1.950.663.283	0	1.950.663.283
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	124.460.104	124.460.104	0	124.460.104
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	08	0	0	0	0	0	0	0	0	21.900	0	0	0	0	21.900	0	21.900
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	18	0	0	0	16.331.377	16.331.377	0	-16.331.377	0	0	0	0	0	0	-16.331.377	0	-16.331.377
19 Payment of share in profit/dividend	19	0	0	0	0	0	0	0	0	0	0	0	-25.642.760	0	-25.642.760	0	-25.642.760
20 Other distribution to owners	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Transfer to reserves according to the annual schedule	21	0	0	0	0	0	0	0	0	0	0	0	66.550.407	-66.550.407	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the previous business year reporting period (04 to 22)	23	102.574.420	1.142.738.633	5.128.721	16.334.757	16.334.757	0	551.357.150	0	127.020	0	0	106.785.102	124.460.104	2.033.171.150	0	2.033.171.150
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																	
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	24	0	0	0	0	0	0	0	0	21.900	0	0	0	0	21.900	0	21.900
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24)	25	0	0	0	0	0	0	0	0	21.900	0	0	0	124.460.104	124.482.004	0	124.482.004
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	0	0	0	16.331.377	16.331.377	0	-16.331.377	0	0	0	0	40.907.647	-66.550.407	-41.974.137	0	-41.974.137

Current period																	
1 Balance on the first day of the current business year	27	102.574.420	1.142.738.633	5.128.721	16.334.757	16.334.757	0	551.357.150	0	127.020	0	0	106.785.103	124.460.104	2.033.171.151	0	2.033.171.151
2 Changes in accounting policies	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 27 to 29)	30	102.574.420	1.142.738.633	5.128.721	16.334.757	16.334.757	0	551.357.150	0	127.020	0	0	106.785.103	124.460.104	2.033.171.151	0	2.033.171.151
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	-37.711.201	-37.711.201	0	-37.711.201
6 Exchange rate differences from translation of foreign operations	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	44	0	0	0	536.620	536.620	0	-536.620	0	0	0	0	0	0	-536.620	0	-536.620
19 Payment of share in profit/dividend	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	46	0	3.380	0	0	0	0	943.580	0	0	0	0	0	0	946.960	0	946.960
21 Transfer to reserves according to the annual schedule	47	0	0	0	0	0	0	0	0	0	0	124.460.104	-124.460.104	0	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the current business year reporting period (ADP 30 to 48)	49	102.574.420	1.142.742.013	5.128.721	16.871.377	16.871.377	0	551.764.110	0	127.020	0	0	231.245.207	-37.711.201	1.995.870.290	0	1.995.870.290
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																	
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 32 to 40)	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50)	51	0	0	0	0	0	0	0	0	0	0	0	0	-37.711.201	-37.711.201	0	-37.711.201
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)	52	0	3.380	0	536.620	536.620	0	406.960	0	0	0	0	124.460.104	-124.460.104	410.340	0	410.340