

**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER AND FIRST HALF OF 2022**

ARENA

HOSPITALITY GROUP

28 JULY 2022

A MEMBER OF PPHE HOTEL GROUP



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ARENA

HOSPITALITY GROUP

A MEMBER OF PPHE HOTEL GROUP

artotel

PARK
PLAZA

ARENA
HOTELS &
APARTMENTS

ARENA
CAMPSITES

INTERIM PERFORMANCE REPORT FOR THE PERIOD JANUARY – JUNE 2022

Overview

We are hereby presenting our results for the first six months of 2022. 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, Hungary, Serbia and Austria, and unconsolidated performance in Croatia.

The travel demand continues to surge across all our key markets since quarter one. We have experienced positive trading conditions throughout the second quarter with high level of demand in leisure travel and particular surge in urban markets. RevPAR improved significantly driven by strong occupancy and an impressive rate gain across all customer segments when compared to same period in 2021.

For the six months ending June 30, 2022, the reported group revenue was better than management expectations with significant improvement over 2021, however still recovering and back 15% when compared to same period in 2019.

That said the Group experienced an increasingly optimistic and notable performance in June 2022, whereby its RevPAR and total revenue surpassed June 2019. This encouraging performance in June 2022 was supported by 5% RevPAR growth in Croatia owing to a strong rate growth across its Hotels, Camps and Apartment Resorts. On the other hand, the German region achieved its strongest recovery in June 2022, with a 22% RevPAR growth and 17% revenue growth versus June 2019 and this marks a positive shift in recovery of the Group's city portfolio business.

The group remains exposed to the prevailing Europe wide high inflation, which is adversely impacting cost of acquiring goods and services. The supply chain disruption caused by the recent events in eastern Europe has exacerbated this situation particularly the rising cost of fuel and electricity. Service industry and Tourism in particular is facing a shortage of trained labour workforce, which is most certainly impacting the cost of attracting new talent and employee retention. All of these factors will adversely influence the bottom line, however, increase in business demand will accompany increase in customer pricing.

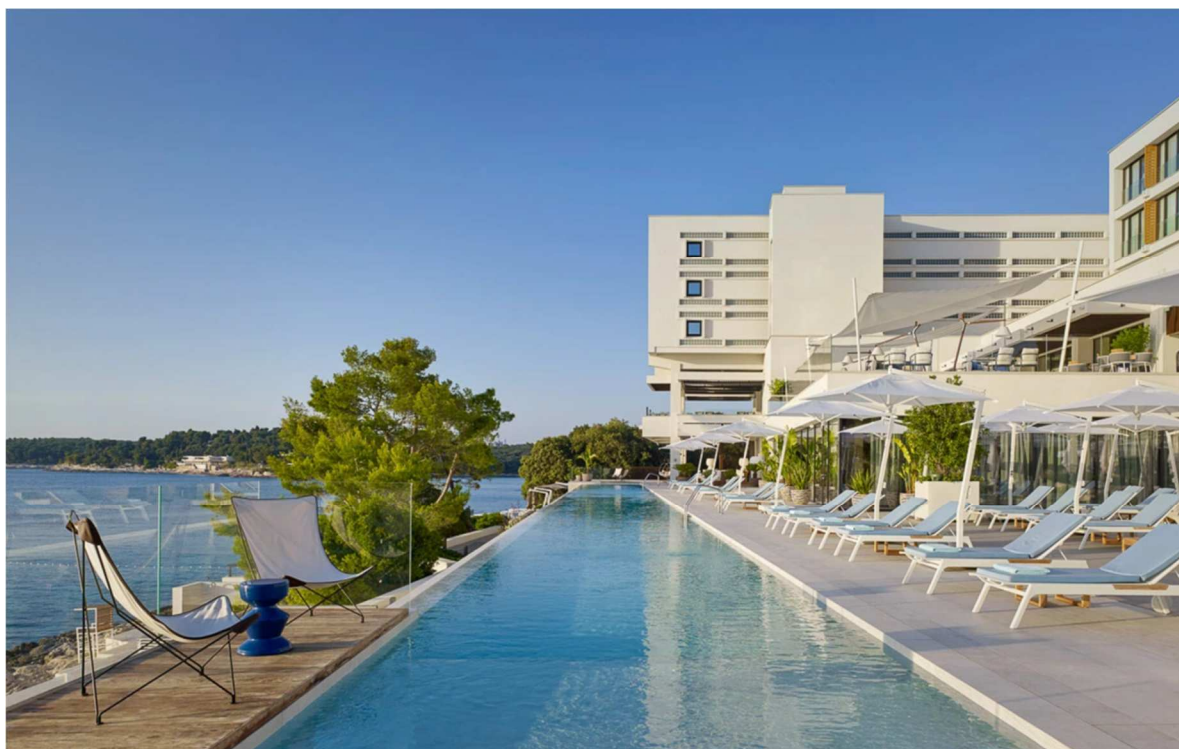
We succeeded in recruiting all working force required for operations all properties are fully operational and all 38 FB outlets operating.

We remain committed to our strategic focus on strengthening our existing portfolio and with the launch of Grand Hotel Brioni Pula on May 5th, 2022, the Group reached its development milestone of successfully completing the upgrade and investment programme of its existing portfolio.

The Group is pleased to have partnered with Radisson Hotel Group by adding the Grand Hotel Brioni Pula to their impressive collection of some of Europe's finest hotels. The Group has been able to secure this arrangement as a result of an extended strategic partnership entered into by its majority shareholder, PPHE Hotel Group. Under their extended partnership, PPHE Hotel Group has secured access to Radisson's entire family of brands, and it has the right to sub-licence these brands to Arena.

Grand Hotel Brioni Pula is the first of the Group's three premium properties to open, with art'otel Zagreb and Riviera Pula planned to open in 2023.

Grand Hotel Brioni Pula, A Radisson Collection Hotel



Highlights

- Total consolidated revenue to date of HRK 226.8 million, representing 303% growth year on year and 85% of 2019 total revenue, indicating a continuation of recovery trends and good summer season in front.
- Croatian operations performed with total revenue to date of HRK 145.8 million showing 213% growth year on year and slightly surpassing 2019 total revenue for 2%.
- Successful ramp up of campsites in Croatia after renovation, especially Arena Grand Kažela Campsites and One 99 Glamping, delivering strong ADR growth through superior product offering.
- Change to the business segment mix with higher proportion of revenue contribution from campsites in Croatia, which generated 29% of total revenue in first 6 months of 2022, compared to 22% in same period 2019.
- German region shows accelerating recovery trends in Q2, with 761% revenue growth year on year and achieved 92% of total revenue performed in Q2 2019. In June we achieved an occupancy of 72.6% and an ADR of EUR 138.5 which is 39% above 2019.
- Reopening of art'otel budapest in June, after its public area refurbishment
- Consolidated cash position of HRK 195.1 million improving liquidity and supporting growth.
- Following a two-year repositioning programme, the iconic Grand Hotel Brioni Pula has been completely redeveloped into a premium luxury property, offering 227 rooms, an infinity pool, indoor pool and extensive health and wellness facilities and several restaurants and bars. The hotel reopened on 5th May 2022.
- The Group has entered into a long-term loan agreement with the Croatian Bank for Reconstruction and Development (HBOR) in a total amount of EUR 2.86 million, within HBOR's Private Sector Programme, for Arena Camp Stoja Phase one repositioning programme.

CONSOLIDATED RESULTS

Reported revenue increased significantly to HRK 226.8 million (first six months of 2021: HRK 56.3 million). Accommodation revenue experienced a strong growth to HRK 173.8 million compared to last year (first six months of 2021: HRK 42.7 million) as a result of both, improved occupancy by 1,575.8 bps and higher average daily rates by 60% which amounted to HRK 594.1 (first six months of 2021: HRK 371.4).

EBITDA was positive amounting to HRK 6.4 million (2021: HRK negative 49.3 million), mainly due to higher performance in revenues as well as higher amount of government grants received in Germany compared to last year.

CROATIA

The second quarter of the year is beginning of intensive business activity with all of our properties opened. Second quarter revenue performance shows a strong growth in comparison to last year and even exceeded pre-pandemic levels.

Total revenues significantly increased by 213.0% to HRK 145.8 million (2021: HRK 46.6 million). The increase in accommodation revenue by 215.3% is the result of a 118.2% increase in rooms sold. Average daily rate increased by 44.5% and amounted to HRK 504.8 (2021: HRK 349.4) while occupancy increased by 1,276.1 bps to 27.7%.

EBITDA was negative amounting to HRK 8.4 million (2021: negative HRK 27.5 million).

Despite the strong increase in revenues, EBITDA stayed negative mainly due to increased expenses such as utilities and food expenses. Increase in payroll expenses is a result of recruiting higher number of employees required to deliver service during normalising peak summer season. This also increased other payroll benefits such as employee meals, accommodation and transportation along with employee training expenses. This is particularly notable when the employees come from foreign countries. Additionally, during the first six months, we have recognized some one-off expenses connected with opening of new Grand Brioni hotel.

GERMANY

Generally, market conditions in Germany have improved as the quarter progressed, resulting in very positive booking trends. In June 2022 we have operated 4 hotels and achieved an occupancy of 72.6% and an ADR of 138.5 Euro which is 39% above June 2019. Results in June 2022 are supported by strong fairs in Nuremberg and Cologne as well several events in Berlin. This uplift in occupancy with a sustained high average daily rates is a sign of building confidence in travel and tourism in the country.

The profitability is adversely affected by the increasing payroll expenses and higher inflation related cost of acquiring goods and services.

For this region the total revenues during the period increased significantly by 603.7% to HRK 57.0 million (2021: HRK 8.1 million). Accommodation revenues increased by 627.3% to HRK 48.0 million (2021: HRK 6.6 million) driven by a 57.7% increase in average daily rate to HRK 884.3 (2021: HRK 560.8) and an increase in occupancy of 3,285.2 bps to 42.0% (2021: 9.1%).

EBITDA was positive and improved significantly to HRK 24.1 million (2021: negative HRK 12.1 million) mostly due to the increase in business activity but also due to the increase in government's grants for both payroll costs as well as operating expenses. Total grants recorded for the first six months amounted to HRK 19.2 million.

CEE REGION (Hungary, Serbia, Austria)

Our CEE operating region, which currently consists of Hungary, Serbia and Austria, reported an increase in business activities in the first six months primarily as the result of the integration of the Arena Franz Ferdinand hotel in Nassfeld, Austria. This hotel had a solid performance reaching occupancy of 60.7%. Hotel in Nassfeld, after it was closed at the end of March, was opened again on June 2nd for the summer season after first phase

of its refurbishment programme. First part of soft refurbishment is realized before summer opening, while second part (which include building of a pool), is planned for September and October.

Total revenues significantly increased to HRK 20.8 million compared to HRK 0.5 million in last year. Average daily rate amounted to HRK 894.0 while occupancy was 23.4%.

On a like-for-like basis (excluding Arena Franz Ferdinand hotel from 2022), revenues increased from HRK 0.5 million to HRK 3.6 million, mostly as a result of the improved performance of our hotel in Belgrade compared to last year with the occupancy of 30.4% compared to 7.9% in 2021.

EBITDA was positive, amounting to HRK 1.1 million. The Government's grants in Austria amounted to HRK 0.6 million.

Like-for-like EBITDA remained negative (HRK 1.1 million compared to HRK 3.4 in last year), with positive impact coming from Budapest where due to renovation in progress, all operating expenses are treated as pre-opening expenses with no impact to EBITDA.

art'otel Budapest reopened on June 15th after an extensive redesign and with all public areas renovated to a luxury standard and new SPA will open by end of August. Gradual business builds up in line with our expectations.

Arena 88 rooms, Belgrade stayed opened throughout the year. We have agreed to reposition the hotel as a Radisson Red lifestyle property, renovation to be completed by end of 2022.

Development

Arena Franz Ferdinand, Nassfeld Austria

The Group plans to invest HRK 22 million to extend the wellness facilities, create an outdoor swimming pool and upgrade the bedrooms and public areas. The renovation started in April 2022 after winter season and the first phase of works is now completed. The second phase will resume after the summer season with planned project completion by the end of 2022. This planned investment will position the hotel as an upscale leisure resort with extended operating period during winter and summer. The hotel will offer fully air-conditioned rooms and public areas to suite both seasons, new relaxation areas such as heated swimming pool and wellness experience.

Arena Franz Ferdinand – swimming pool



art'otel budapest

The Group is nearing the completion of its first phase of investment of HRK 24 million. This phase is an extensive redesign and renovation of the ground floor and basement public areas including the reception area,

lobby, restaurant & bar, conference center and wellness facility. The works are expected to be completed in July 2022. The phase two works will involve refurbishment of hotel's 165 bedrooms.

art'otel Budapest – new reception



Arena stoja campsite phase one

We are finalizing the investment of HRK 38 million in the Arena Stoja campsite, creating a designed zone with upscale mobile homes of 45 – 58 square metres each, including new infrastructure and green zones. The project is in its final stages and nearing completion in July 2022.

Conversion project in Zagreb

Development of this upper upscale lifestyle hotel in Zagreb city centre commenced in autumn 2021. This project involves the conversion of an iconic building in a prime location in the historic heart of the city. Once opened, this 118-room hotel will include a destination restaurant and bar, wellness and spa facilities, fitness centre, event space and parking. The hotel will also feature the first and only roof top swimming pool and bar in Zagreb offering guests striking views of the city.

Whilst the project is progressing without any underlying construction or structural issues, the supply chain related delays and complications are adversely impacting the work schedule. As a result, the project is planned to complete in Q2 2023.

DOING BUSINESS RESPONSIBLY

The Supervisory Board of the Company established the Sustainability Committee with the purpose of further strengthening the Company in creation and implementation of the strategy on sustainable business practice in the future.

Group continues its commitment to supporting and making a positive contribution to the communities it develops, owns, and operates hotels, resorts, and campsites.

Supporting the most vulnerable members of the community

In Croatia, Group offered financial support to the most vulnerable members of our community: The Safe House of Istria, an organization that provides help and support to women victims of domestic violence their children, Association of the Blind of the Istrian County and The Veruda-Pula Rehabilitation Day Center.

The Veruda-Pula Rehabilitation Day Center is a public institution for the rehabilitation of children, youth and adults with developmental disabilities, and Arena Hospitality Group supported them in organizing a field trip to nature. The users of this institution are children of preschool and school age who deviate in neuromotor and psychomotor development and the above-mentioned field trip to nature primarily improves their health and physical and functional abilities.

Furthermore, the Group has continued with initiatives to support sports clubs and associations in the domain of culture, more precisely Croatian Society of Fine Artists of Istria, to reach their full potential.

Supporting the development of infrastructure in the destinations we operate

June 13th 2022 marked the end of investment in road infrastructure in the Municipality of Medulin, the Fucana Kažela pedestrian path, a long-awaited promenade for all locals, visitors and guests. Manuela Kraljević, a Member of the Management Board and Director of sales and marketing, emphasized that Arena Hospitality Group decided to invest in the pedestrian path, which represents the necessary infrastructure for the development of the municipality and the destination. On the stretch where the pedestrian path was built, Group has three hotels and the largest campsite, as well as an important sports centre mainly focused on football. This significant project, both for all the residents of the Municipality of Medulin but also for all our visitors, tourists, and users of the Group's accommodation facilities (hotels, campsites and resorts), was co-financed by the Group in the amount of HRK 1.0 million. This is a continuation of the cooperation between the Municipality of Medulin and Arena Hospitality Group, the largest tourism stakeholder in the area of the Municipality of Medulin.

Sustainable Operations with Green Key

Arena Hospitality Group strives to promote sustainable development in societies in which we mark our footprint with our environmental, social and governance practices. We understand sustainable development as ensuring a healthy environment for present and future generations. For that reason, the company has decided to join the Green Key initiative. Green Key is awarded to tourist facilities that meet ecological and social sustainability criteria in 13 different areas. The Company aims to obtain the Green Key certificates for all of its properties by the end of 2022, whereby by July 2022 all of its German operations were already awarded with the respective certificates. Austrian, Croatian and Serbian operations will follow.



Green Key

CURRENT TRADING AND OUTLOOK

Recent trading performance together with the pace of business on the books provides us increased confidence in delivering the year in line with the management's expectations. Trading since 30 June 2022 is in line with our expectations across our three operating regions.

The top line performance in Croatia seems encouraging and in line with management's expectations. The positive trading and business demand experienced in June 2022 continues over the peak season and is reassuring to our view of a strong recovery in Croatia.

Germany, we expect that occupancy will continue to grow and stabilise based on the positive trend seen in the second quarter. Whilst the short lead booking cycle makes it difficult to form a view of the second half of the year, we remain optimistic of the business pick up. Our view is further supported by new and rescheduled (international) trade fairs and events market.

In Hungary, we expect that business activities slowly come back to the pre- pandemic level. Achieved increase in ADR in June together with increased ADR in reservations for the rest of a year gives us positive expectation about the results of the hotel.

In Austria, we have reopened our hotel in June, following a successful first winter season. Summers season in Austria is not so strong as winter, mainly in terms of ADR, but realized investments before opening together with second phase of investments planned after the summers season, should have positive impact on future ADR and occupancy in winter but also in summer season.

Across the Group, the current impact of the conflict in Ukraine on our business performance is minimal and the share of Russian and Ukrainian customers is approximately 2% of Group's total number of guests.

We will continue to progress our committed investment projects in Croatia, prepare for investments in our German operations and explore new expansion opportunities in Croatia and Central and Eastern Europe.

We are well positioned to benefit from the continued recovery in the regions and are encouraged by the demand and activity seen across the portfolio. We remain positive about this renewed momentum in the travel and tourism industry and given our newly refurbished and repositioned products we expect strong growth over the coming years.



RELI SLONIM, PRESIDENT OF THE MANAGEMENT BOARD

SIGNIFICANT EVENTS DURING FIRST HALF OF 2022

Entered into a long-term financing agreement on 10th May 2022 with the Croatian Bank for Reconstruction and Development (HBOR) in a total amount of EUR 2.86 million, within HBOR's Private Sector Programme, for the Group's 3rd campsite repositioning programme. This new facility will be used for purchase of 75 upscale mobile homes for the Arena Stoja Campsite. The loan is due in 2028 and carries a fixed interest rate of 1.5%.

Grand Hotel Brioni Pula joined the **luxury Radisson Collection brand**, representing the first Radisson Collection hotel on the Adriatic coast and the first to open in Croatia. The hotel reopened on 5th May and will now be joining the premium Radisson Collection brand, representing the best properties in the 1,700+ strong Radisson Hotel Group portfolio.

EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the Balance sheet date.

OPERATING REVIEW OF THE COMPANY AND ITS SUBSIDIARIES (THE “GROUP”)

The following table sets out the Group’s consolidated results of operations for the first six months of 2022.

CONSOLIDATED KEY PERFORMANCE INDICATORS

	Reported			Like-for-like ¹		
	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %
Total revenue (HRK million)	226.8	56.3	302.8	205.8	56.3	265.5
Accommodation revenue (HRK million)	173.8	42.7	307.0	161.4	42.7	278.0
EBITDAR (HRK million)	14.5	(41.2)	n/a	19.0	(41.2)	n/a
EBITDA (HRK million)	6.4	(49.3)	n/a	11.0	(49.3)	n/a
Profit/(loss) before tax (HRK million)	(86.2)	(102.3)	(15.7)	(71.3)	(102.3)	(30.3)
Rooms available ²	1,000,236	853,972	17.1	972,459	853,972	13.9
Occupancy % ²	29.3	13.5	1,575.8 ⁴	29.1	13.5	1,560.0 ⁴
Average daily rate (HRK) ³	594.1	371.4	60.0	569.7	371.4	53.4
RevPAR (HRK)	173.8	50.0	247.6	166.0	50.0	231.9

¹ Like-for-like comparison figures for 2022 exclude performance of Arena Franz Ferdinand, Nassfeld, Austria and Grand Hotel Brioni Pula.

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).

Total revenues increased by 302.8% to HRK 226.8 million (2021: HRK 56.3 million). Accommodation revenue increased by 307.0% to HRK 173.8 million (2021: HRK 42.7 million) whereby occupancy increased by 1,575.8 bps to 29.3% and the average daily rate increased by 60.0% to HRK 594.1 (2021: HRK 371.4).

EBITDA was positive and amounted to HRK 6.4 million (2021: negative HRK 49.3 million) mainly due to higher business activity and government grants received in Germany.

The Group continued to utilise government support in our German and Austrian operations. Total Government’s support for payroll costs amounted to HRK 1.5 million (2021: HRK 27.2 million) while support for operating expenses amounted to HRK 18.6 million for the period January – June 2022 (2021: HRK 1.1 million).

Moreover, the Group is focussed on preserving its liquidity and sustainability by further optimising its costs. Importantly, the Group’s cash position is liquid, and has a cash position of HRK 195.1 million, which is providing an additional safety net in the currently uncertain and unpredictable environment.

CROATIAN PORTFOLIO PERFORMANCE

The following table sets out the results for the Group's operations in Croatia for the first six months of 2022:

KEY PERFORMANCE INDICATORS

	Reported			Like-for-like ¹		
	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %
Total revenue (HRK million)	145.8	46.6	212.9	141.9	46.6	204.5
Accommodation revenue (HRK million)	113.2	35.9	215.3	111.0	35.9	209.2
EBITDAR (HRK million)	(0.6)	(19.7)	(97.0)	6.2	(19.7)	n/a
EBITDA (HRK million)	(8.4)	(27.5)	(69.5)	(1.6)	(27.5)	(94.2)
Rooms available ²	810,548	689,914	17.5	797,613	689,914	15.6
Occupancy % ²	27.7	14.9	1,276.1 ³	28.0	14.9	1,310.0 ³
Average daily rate (HRK) ⁴	504.8	349.4	44.5	497.7	349.4	42.4
RevPAR (HRK)	139.6	52.0	168.5	139.2	52.0	167.6
FTE ⁵	605.3	407.5	48.5	509.2	407.5	25.0

¹ Like-for-like comparison figures for 2022 exclude performance of Grand Hotel Brioni Pula.

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.

Total revenue generated for the first six months of 2022 was 212.9% higher than in last year and even 2% above recorded 2019. Increase is driven by increased ADR together with increased number of accommodations sold.

ADR was 44.5% above last year, due to increased ADR in all accommodation types but different split in segments also had significant impact on this increase (this year we have much higher proportion of hotels and apartments revenues in total revenues while last year total revenue was mainly referring to campsites revenues which have much lower ADR compared to other segments).

EBITDA loss decreased to 8.4 million (2021: negative HRK 27.5 million). Increased utility expense, cost of food and payroll increase had a negative impact on our profitability. Furthermore, comparing with last year we have not received any government grants (2021: HRK 11.4 million).

On like-for-like basis EBITDA loss was only HRK 1.6 million negative, what shows that significant part of expenses recognized in this period refers to opening of Grand Brioni hotel. Most of them are one off expenses.

GERMAN PORTFOLIO PERFORMANCE

The following table sets out the Group's results of operations in Germany for the first six months of 2022:

KEY PERFORMANCE INDICATORS

	Reported / in HRK			Reported / in EUR		
	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %
Total revenue (millions)	57.0	8.1	603.7	7.6	1.1	590.9
Accommodation revenue (millions)	48.0	6.6	627.3	6.4	0.9	611.1
EBITDAR (millions)	24.2	(12.1)	n/a	3.2	(1.6)	n/a
EBITDA (millions)	24.1	(12.1)	n/a	3.2	(1.6)	n/a
Rooms available ¹	129,234	129,234	0.0	129,234	129,234	0.0
Occupancy % ¹	42.0	9.1	3,285.2 ²	42.0	9.1	3,285.2 ²
Average daily rate ³	884.3	560.8	57.7	117.2	74.3	57.7
RevPAR	371.3	51.3	624.5	49.2	6.8	623.5
FTE ⁴	81.2	74.8	8.6	81.2	74.8	8.6

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.

We have operated all our hotels and we achieved occupancy levels in our hotels of 42%.

Total reported revenue significantly increased by 603.7% to HRK 57.0 million (2021: HRK 8.1 million). Accommodation revenue increased by 627.3% to HRK 48.0 million (2021: HRK 6.6 million) whereby average daily rate increased by 57.7% to HRK 884.3 and occupancy increased by 3,285.2 bps to 42.0% (2021: 9.1%). This resulted in RevPAR significantly increased by 624.5% to HRK 371.3 (2021: HRK 51.3).

Reported EBITDA was again positive, amounting to HRK 24.1 million (2021: negative HRK 12.1 million).

The German government extended the company support scheme of Q1/2022 also for Q2/2022 to compensate for losses due to the Corona prevention measures.

These Government measures reduced the payroll expenses by HRK 0.5 million and operating expenses by HRK 18.6 million during January - June period.

OTHER CEE PORTFOLIO PERFORMANCE

The following table sets out the Group's results of operations in Hungary, Serbia and Austria for the first six months of 2022:

KEY PERFORMANCE INDICATORS

	Reported			Like-for-like ¹		
	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %
Total revenue (millions)	20.8	0.5	4,060.0	3.6	0.5	620.0
Accommodation revenue (millions)	12.7	0.2	6,250.0	2.5	0.2	1,150.0
EBITDAR (millions)	1.3	(3.2)	n/a	(0.9)	(3.2)	(71.9)
EBITDA (millions)	1.1	(3.4)	n/a	(1.1)	(3.4)	(67.6)
Rooms available ²	60,454	34,824	73.6	45,612	34,824	31.0
Occupancy % ²	23.4	1.1	2,231.3 ³	11.4	1.1	1,026.9 ³
Average daily rate ⁴	894.0	444.9	100.9	471.1	444.9	5.9
RevPAR	209.6	5.0	4,063.9	54.8	5.0	988.8
FTE ⁵	83.5	30.3	175.6	48.3	30.3	59.4

¹ Like-for-like comparison figures for 2022 exclude performance of Arena Franz Ferdinand, Nassfeld, Austria.

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.

This operating region consisting of operations in Hungary, Serbia and Austria.

After good winter season, newly acquired winter resort in Nassfeld, Austria was closed in March and reopened at the beginning of June due to soft renovation, but also lack of demand in this period.

In June we also reopened our hotel in Budapest, for the first time after pandemic and refurbishment.

Since 2 of 3 hotels from this region were closed most of the second quarter, contribution in total Group revenues are not significant. Reported revenue mostly comes from Nassfeld winter season in first quarter, and solid performance of Arena 88 rooms hotel in Belgrade.

Reported EBITDA was positive, amounting to HRK 1.1 million (2021: negative HRK 3.4 million).

MANAGEMENT AND CENTRAL SERVICES PERFORMANCE

The following table sets out the Group's results of management and central services operations for the first six months of 2022:

	Six months ended 30 June 2022	Six months ended 30 June 2021	Variance %
Total revenue before elimination (HRK million)	43.3	24.6	76.0
Elimination of intra group revenue (HRK million)	(39.4)	(23.2)	69.8
Total reported revenue (HRK million)	3.9	1.4	178.6
EBITDA (HRK million)	(10.5)	(6.2)	69.4
FTE ¹	269.9	249.4	8.2

¹The 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, Hungary, Serbia and Austria. 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.

In line with the operations in Croatia and abroad, total reported revenue increased by 76% to HRK 43.3 million (2021: HRK 24.6 million). External revenues increased from HRK 1.4 million to HRK 3.9 million. EBITDA was negative and amounted to HRK 10.5 million (2021: negative HRK 6.2 million).

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 June 2022. 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 138 of the Group's 2021 annual report.

a. Balances with related parties

	Group		Company	
	As at 30 June 2022 HRK'000	As at 31 December 2021 HRK'000	As at 30 June 2022 HRK'000	As at 31 December 2021 HRK'000
Assets:				
Short-term receivables – Park Plaza Hotels Europe B.V.	3,977	-	3,929	-
Short-term receivables – from joint ventures	426	68	-	-
Short-term receivables – PPHE (Germany) B.V.	13	-	-	-
Short-term receivables – PPHE Nuernberg Operator Hotelbetriebsgesellschaft mbh	-	-	14	63
Short-term receivables – Arena Hospitality Management d.o.o.	-	-	8,387	736
Short term receivables – Park Plaza (Germany) Services GmbH	-	-	7	2
Short term receivables – Park Plaza Germany Holdings GmbH	-	-	58	-
Short-term receivables – Germany Real Estate B.V.	-	-	2,495	9,993
Short-term receivables – Arena 88 rooms d.o.o.	-	-	227	208
Short-term receivables – Arena Franz Ferdinand GmbH	-	-	52	1,379
Short-term receivables – SW Szállodaüzemeltető Kft	-	-	72	-
Short-term receivables – Sugarhill Investments B.V.	-	-	3,021	1,376
Short-term receivables – Ulika d.o.o.	-	-	326	47
Long-term loans to joint ventures	54,953	46,832	-	-
Long-term loans to Sugarhill Investments B.V.	-	-	131,582	99,226
Long-term loans to Ulika d.o.o.	-	-	29,000	5,800
Long-term loan to Germany Real Estate B.V.	-	-	135,102	144,227
Liabilities:				
Trade payables – Arena Hospitality Management d.o.o.	-	-	6,650	4,655
Trade payables – PPHE (Germany) B.V.	14,451	16,115	184	-
Trade payables – SW Szállodaüzemeltető Kft	-	-	-	-
Trade payables – Park Plaza Hotels Europe B.V.	-	2,432	-	2,432

b. Transactions with related parties

	Group		Company	
	As at 30 June 2022 HRK'000	As at 30 June 2021 HRK'000	As at 30 June 2022 HRK'000	As at 30 June 2021 HRK'000
Management fee revenue from joint ventures	878	44	-	-
Reimbursement of employees expenses – Arena Hospitality Management d.o.o.	-	-	3,517	3,228
Service charge revenue- joint ventures	1,182	501	-	-
Management fees expense – Arena Hospitality Management d.o.o.	-	-	2,912	922
Sales and marketing fees – Park Plaza Hotels Europe B.V.	5,819	1,844	5,819	1,844
Sales and marketing fees – PPHE (Germany) B.V.	2,289	324	-	-
Interest income – Sugarhill Investments B.V.	-	-	1,645	260
Interest income – Ulika d.o.o.	-	-	256	-
Interest income – Germany Real Estate B.V.	-	-	1,821	2,141
Interest income – joint venture	526	424	-	-

COMPANY BUSINESS RESULTS (CONSOLIDATED)

CONSOLIDATED INCOME STATEMENT

	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	Variance %
<i>In HRK millions</i>			
Total operating income	226.8	56.3	302.8
Total operating expenses	(220.4)	(105.6)	108.7
EBITDA from operations	6.4	(49.3)	n/a
Depreciation	(55.0)	(51.7)	6.4
EBIT from operations	(48.6)	(101.0)	(51.9)
Financial revenues	0.7	5.7	(87.7)
Financial expenses	(28.5)	(11.3)	152.2
Other expense	(9.0)	(3.6)	151.3
Other revenue	0.1	12.1	(99.4)
Share in result of joint ventures	(0.9)	(4.2)	(78.6)
Total income	227.6	70.5	222.9
Total expenditures	(313.7)	(172.8)	81.6
Loss before tax	(86.2)	(102.3)	(15.7)
Income tax	(2.0)	(1.0)	(100.0)
Loss after tax	(88.2)	(103.3)	(14.7)

Total operating income increased by 302.8% to HRK 226.8 million (2021: HRK 56.3 million) as a result of continuation of business recovery across our regions and after the COVID-19 measures were eased across the countries. Total operating expenses increased by 108.7% to HRK 220.4 million (2021: HRK 105.6 million) due to increased business activity.

As a result of the aforementioned EBITDA profit from operations amounted to HRK 6.4 million (2021: loss HRK 49.3 million). EBIT loss from operations amounted to HRK 48.6 million (2021: loss HRK 101.0 million). Depreciation increased by 6.4% to HRK 55.0 million (2021: HRK 51.7 million).

Financial revenues amounted to HRK 0.7 million (2021: HRK 5.7 million) while financial expenses increased to HRK 28.5 million (2021: HRK 11.3 million), mostly as a result of foreign exchange differences expense while in previous year foreign exchange differences had positive impact.

Other expense amounted to HRK 9.0 million and relates predominantly to preopening expenses of hotels that were either under refurbishment works (art'otel Budapest) or preparing for opening (Grand Hotel Brioni).

As a result of the foregoing the consolidated Loss before tax decreased to HRK 86.2 million (2021: loss HRK 102.3 million).

Loss after tax amounted to HRK 88.2 million (2021: loss HRK 103.3 million).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(all amounts in HRK millions)

	30 June 2022 (Unaudited)	31 December 2021 (Audited)	Variance %
Long-term assets	2,995.8	2,896.3	3.4
Short-term assets	287.8	440.0	(34.6)
Total assets	3,283.6	3,336.3	(1.6)
Total equity	1,494.0	1,569.0	(4.8)
Long-term liabilities and provisions	1,430.9	1,484.2	(3.6)
Short-term liabilities	358.7	283.1	26.7
Total liabilities	1,789.6	1,767.3	1.3
Total equity and liabilities	3,283.6	3,336.3	(1.6)

Long-term assets increased by HRK 99.5 million to HRK 2,995.8 million (year-end 2021: HRK 2,896.3 million) mostly as a result of investments.

Short-term assets decreased by HRK 152.2 million to HRK 287.8 million (year-end 2021: HRK 440.0 million) predominantly driven by the decrease in the Group's cash position. The cash position stood at HRK 195.1 million.

Long-term liabilities and provisions decreased by HRK 53.3 million to HRK 1,430.9 million (year-end 2021: HRK 1,484.2 million) mostly due to repayment of bank loans.

In February the Group has signed the amendment to the lease agreement for the new hotel in Zagreb. Based on the amendment, due to the circumstances caused by the COVID-19 virus pandemic and the earthquake that hit the Zagreb area and their impact on the reconstruction, there was waiver received, exempting from paying the part of the Annual Fee for the year of 2023, and paying only the amount of EUR 43,000 in the name of the Annual Fee for 2023. Original Annual fee was EUR 430,000. Since reduction in lease payments affects only payments due after June 2022, the practical expedient from IFRS 16 could not be applied, and waived amount reduced amount of Right of use assets.

Short-term liabilities increased by HRK 75.6 million to HRK 358.7 million (year-end 2021: HRK 283.1 million) mostly due to increased trade payables.

COMPANY BUSINESS RESULTS (NON-CONSOLIDATED)

NON-CONSOLIDATED INCOME STATEMENT

	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	Variance %
<i>In HRK millions</i>			
Total operating income	150.5	50.6	197.4
Total operating expenses	(165.9)	(77.5)	114.1
EBITDA	(15.4)	(26.9)	(42.8)
Depreciation	(36.6)	(35.3)	3.7
EBIT	(52.0)	(62.2)	(16.4)
Financial revenues	3.9	2.7	44.4
Financial expenses	(7.0)	(7.2)	(2.8)
Other expense	(6.3)	(3.5)	81.6
Other revenue	-	12.0	(100.0)
Total income	154.4	65.3	136.6
Total expenditures	(215.8)	(123.5)	74.8
Loss before tax	(61.4)	(58.2)	5.5
Income tax	-	-	n/a
Loss after tax	(61.4)	(58.2)	5.5

Total operating income increased significantly by 197.4% to HRK 150.5 million (2021: HRK 50.6 million) as a result of increasing business activities. Consequently, total operating expenses increased by 114.1% to HRK 165.9 million (2021: HRK 77.5 million).

The EBITDA loss from operations amounted to HRK 15.4 million (2021: loss HRK 26.9 million) mostly as a result of the growth in operating expenses, and due to lack of government grants that reduce operating expenses. EBIT loss from operations decreased to HRK 52.0 million (2021: loss HRK 62.2 million). Depreciation increased to HRK 36.6 million (2021: 35.3 million). Financial revenues increased by 44.4% to HRK 3.9 million due to interest income on loans to related parties. Financial expenses decreased slightly by 2.8% to HRK 7.0 million (2021: HRK 7.2 million) mostly as a result of less interest expense on bank loans.

As a result of the foregoing, the loss before tax increased to HRK 61.4 million (2021: loss HRK 58.2 million). Loss after tax increased to the same level of HRK 61.4 million (2021: loss HRK 58.2 million).

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(all amounts in HRK million)	30 June 2022 (Unaudited)	31 December 2021 (Audited)	Variance %
Long-term assets	2,705.9	2,594.7	4.3
Short-term assets	198.4	312.6	(36.5)
Total assets	2,904.3	2,907.3	(0.1)
Total equity	1,917.4	1,978.0	(3.1)
Long-term liabilities and provisions	732.0	766.0	(4.4)
Short-term liabilities	254.9	163.3	56.1
Total liabilities	986.9	929.3	6.2
Total equity and liabilities	2,904.3	2,907.3	(0.1)

Long-term assets increased by HRK 111.2 million to HRK 2,705.9 million (year-end 2021: HRK 2,594.7 million) mostly as a result of capital investments and given loans to related parties.

Short-term assets decreased by HRK 114.2 million to HRK 198.4 million (year-end 2021: HRK 312.6 million) predominantly driven by the decrease in the cash position. The cash position stood at HRK 128.4 million.

Long-term liabilities and provisions decreased by HRK 34.0 million to HRK 732.0 million (year-end 2021: HRK 766.0 million) mostly due to repayment of bank loans.

Short-term liabilities increased by HRK 91.6 million to HRK 254.9 million (year-end 2021: HRK 163.3 million) primarily due to increased trade payables and other current liabilities like accrued expenses and lease payable.

PRINCIPAL RISKS OF THE GROUP AND THE COMPANY
CORPORATE GOVERNANCE REPORT



A MEMBER OF PPHE HOTEL GROUP



PRINCIPAL RISKS OF THE GROUP AND THE COMPANY

Our principal risks and uncertainties are set out in the Company's financial statements for the year ended 31 December 2021. We continually assess and monitor our changing risk management environment.

We are aware of the emerging threats associated with unusually high inflation, fluctuations in currency rates and events in Eastern Europe.

High inflation is impacting the current cost of procuring goods and services, which is difficult to mitigate. The recent event in Eastern Europe is also increasing the price of fuel and energy. All of these are putting pressure on financial performance. These changes are being viewed in short to medium term, however difficult to assess the lasting effects of these economic developments. These cost increases are being recouped and reflected in customer pricing for the foreseeable future.

The group continues to procure and spend in the currency of its income as much as possible therefore the impact of currency fluctuations is minimised to a great deal.

Whilst the supply chain disruption continues, we are not experiencing any major issues that impact our ability to serve our customers effectively and we are able to deliver quality service as usual.

The two financing loans taken in 2022 were at a very competitive fixed interest rates in line with our expectations therefore we have not experienced adverse interest rates situation as majority of our interest rates are fixed rates.

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 intentional 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 24 to 30 of the Company's 2021 annual report.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE CODE

The Company applies the Corporate Governance Code of the Zagreb Stock Exchange 2020 (the New Code) as adopted by the Croatian Financial Services Supervisory Agency and the Zagreb Stock Exchange (the ZSE) in October 2019 based on the “comply or explain” principle. The Company abides by this principle and, where relevant, provides reasons for non-compliance. The Company published its annual corporate governance questionnaires for 2021 in which it provided the details on its application of the New Code within the deadlines specified in the relevant regulations. The Company also applies the Rules of the ZSE (the ZSE Rules) in its day-to-day business.

GENERAL ASSEMBLY MEETING

The General Assembly of the Company took place on 31st May 2022. On that General Assembly:

- the Company’s Annual Report for 2021 (consolidated and non-consolidated) as well as the report of the Supervisory Board for its work in 2021 were considered;
- the decision on distribution of profits realised in 2021 was adopted;
- the decisions on granting discharge to the members of the Supervisory Board and the Management Board for their work in 2021 were adopted;
- the decision on adoption of the Report on remuneration of the Management Board and Supervisory Board members in 2021 was adopted;
- the auditor of the Company for consolidated and non-consolidated reports for 2022 was appointed
- the decision on election of Supervisory Board members was adopted;
- the decision on granting the approval to Management Board for acquisition of treasury shares was adopted.

SUPERVISORY BOARD MEETINGS

The members of the Supervisory Board are: Boris Ernest Ivesha (Chairman), Yoav Arie Papouchado (Vice-Chairman), Kevin Michael McAuliffe, Ivana Matovina, Amra Pende, Lorena Škuflić and Goran Nikolić.

The Supervisory Board of the Company held three meetings in the first six months of 2022:

- on 25 February 2022 whereat, inter alia, the Annual Report and the annual financial statements of the Company for the year 2021 (consolidated and non-consolidated) were approved and the Sustainability Committee was established, with the purpose of further strengthening the Company in creation and implementation of the strategy on sustainable business practice in the future;
- on 27 April 2022 whereat, inter alia, unaudited consolidated and non-consolidated quarterly report of the Company for the first quarter of 2022 were discussed, the Supervisory Board reached decisions related to the Annual General Assembly of the Company and the Report on remuneration of the Management Board and Supervisory Board members in 2021 was adopted;
- On 31 May 2022 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, Nomination Committee, Remuneration Committee and Sustainability Committee were appointed.

SUPERVISORY BOARD COMMITTEES

In the first six months of 2022 the following Supervisory Board Committees' meetings were held:

- the Remuneration Committee held a meeting on 27 April 2022 at which, inter alia, it recommended to the Supervisory Board the adoption of the Report on remuneration of the Management Board and Supervisory Board members in 2021;
- the Audit Committee held a meeting on 25 February 2022 at which it considered the Financial Statements of the Company for 2021 (consolidated and non-consolidated) and a meeting on 27 April 2022 at which, inter alia, it adopted the recommendation for the appointment of Company's auditor for the year 2022;
- the Nomination Committee held a meeting on 27 April 2022 at which, inter alia, it adopted the recommendation for the Supervisory Board to propose to the General Assembly to adopt the decision on election of the Supervisory Board members.

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 (and more often, if needed) meetings to review operational activities in the Group.

The most important Management Board meeting in the first six months of 2022 were:

- on 25 February 2022 whereat, *inter alia*, the interim report for the fourth quarter of 2021 and the Annual Report of the Company for 2021 (consolidated and non-consolidated) were adopted.
- on 27 April 2022 whereat, *inter alia*, the unaudited consolidated and non-consolidated quarterly report of the Company for the first quarter of 2022 was adopted.

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 of 30 June 2022, 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	11.93%	12.04%
3	ERSTE & STEIERMARKISCHE BANK D.D./ PBZ CO OMF - KATEGORIJA B	8.61%	8.68%
4	OTP BANKA D.D./ ERSTE PLAVI OMF kategorije B	7.35%	7.42%

VALUATION

<i>In HRK</i>	Twelve months ending 30 June 2022		
	High	Low	Last
Share price	332	246	250
Market capitalisation ¹	1,687,739,264	1,250,553,792	1,270,888,000
Net debt ²	1,319,480,325	1,319,480,325	1,319,480,325
EV ³	3,007,219,589	2,570,034,117	2,590,368,325
EV/EBITDA⁴	13,73X	11,73X	11,82X

Note: High and Low related to the price in the period for the twelve months ending 30 June 2022. Last refers to the share price as at 30 June 2022

¹ Number of shares outstanding as at 30 June 2022 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 June 2022.

**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, 17/20) the Company's Management Board makes the following statement:

To the best of our knowledge:

- The short set of non-consolidated unaudited six 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 six 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 June 2022 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

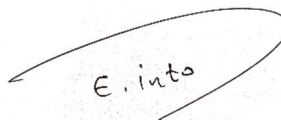
Members:



Devansh Bakshi



Manuela Kraljević



Edmond Pinto

APPENDIX 1 FINANCIAL STATEMENTS (UNAUDITED)

ARENA

HOSPITALITY GROUP

A MEMBER OF PPHE HOTEL GROUP



APPENDIX 1 FINANCIAL STATEMENTS (UNAUDITED)

Consolidated balance sheet

Consolidated profit and loss statement

Consolidated cash flow statement

Consolidated statement of changes in equity

Notes to the consolidated financial statement

Company balance sheet

Company profit and loss statement

Company cash flow statement

Company statement of changes in equity

Notes to the financial statement for Company

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2022

to

30.6.2022

Year:

2022

Quarter:

2.

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

1471

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 | 80662589

Ulrika d.o.o.

Pula, Smareglina ulica 3 | 80662845

Sugarhill Investments B.V.

Nizozemska, Amesterdam, Radarweg 60 | 320830051

Germany Real Estate B.V.

Nizozemska, Amesterdam, Radarweg 60 | 67278027

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person: **Neven Čale**

(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 30.06.2022

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	2.896.272.731	2.995.816.328
I INTANGIBLE ASSETS (ADP 004 to 009)	003	2.166.712	2.335.131
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	2.166.712	2.335.131
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	2.688.914.131	2.776.411.621
1 Land	011	357.028.321	357.015.134
2 Buildings	012	1.584.465.260	1.773.347.042
3 Plant and equipment	013	140.197.292	198.226.464
4 Tools, working inventory and transportation assets	014	2.879.277	2.592.507
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	6.511.252	6.442.671
7 Tangible assets in preparation	017	327.374.358	175.481.747
8 Other tangible assets	018	270.458.371	263.306.056
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	107.613.836	119.490.380
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	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	38.700.449	46.624.906
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	68.913.387	68.887.712
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	3.977.762
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	97.578.052	97.579.196
C) CURRENT ASSETS (ADP 038+046+053+063)	037	440.052.850	287.807.804
I INVENTORIES (ADP 039 to 045)	038	2.888.858	7.475.670
1 Raw materials and consumables	039	2.700.504	6.820.157
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	63.451	276.284
5 Advances for inventories	043	124.903	379.229
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	96.059.532	85.198.526
1 Receivables from undertakings within the group	047	150	3.990.234
2 Receivables from companies linked by virtue of participating interests	048	67.744	426.496
3 Customer receivables	049	10.889.105	49.238.369
4 Receivables from employees and members of the undertaking	050	0	0
5 Receivables from government and other institutions	051	32.050.549	5.247.349
6 Other receivables	052	53.051.984	26.296.078
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	200.965	0
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	200.965	0
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	340.903.495	195.133.608
D) PREPAID EXPENSES AND ACCRUED INCOME	064	0	0
E) TOTAL ASSETS (ADP 001+002+037+064)	065	3.336.325.581	3.283.624.132
OFF-BALANCE SHEET ITEMS	066	0	0

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	1.569.004.570	1.493.999.344
I INITIAL (SUBSCRIBED) CAPITAL	068	102.574.420	102.574.420
II CAPITAL RESERVES	069	1.142.742.013	1.142.742.013
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	318.778.110	319.589.790
1 Legal reserves	071	5.128.721	5.128.721
2 Reserves for treasury shares	072	16.871.376	16.871.376
3 Treasury shares and holdings (deductible item)	073	-16.871.376	-16.871.376
4 Statutory reserves	074	0	0
5 Other reserves	075	313.649.389	314.461.069
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	-5.546.307	6.798.332
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	107.310	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	-5.377.897	3.620.175
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	-275.720	3.178.157
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	-21.057.972	10.456.334
1 Retained profit	084	0	10.456.334
2 Loss brought forward	085	21.057.972	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	31.514.306	-88.161.545
1 Profit for the business year	087	31.514.306	0
2 Loss for the business year	088	0	88.161.545
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	49.309.370	49.859.370
1 Provisions for pensions, termination benefits and similar obligations	091	3.951.613	4.501.613
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	45.357.757	45.357.757
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	1.434.878.048	1.381.049.787
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	1.430.551.307	1.381.049.787
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	4.326.741	0
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	283.133.593	358.715.631
1 Liabilities to undertakings within the group	110	18.547.193	14.450.643
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	109.326.309	133.540.391
7 Liabilities for advance payments	116	11.758.489	42.836.573
8 Liabilities to suppliers	117	65.330.490	90.940.495
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	17.580.879	25.878.738
11 Taxes, contributions and similar liabilities	120	5.401.625	11.242.675
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	55.188.608	39.826.116
E) ACCRUALS AND DEFERRED INCOME	124	0	0
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	3.336.325.581	3.283.624.132
G) OFF-BALANCE SHEET ITEMS	126	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2022 to 30.06.2022

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 002 to 006)	001	64.858.499	52.646.361	226.883.317	183.142.758
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	54.854.191	46.859.518	223.196.364	180.888.641
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	0	0	0	0
5 Other operating income (outside the group)	006	10.004.308	5.786.843	3.686.953	2.254.117
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	157.296.364	88.783.468	284.463.132	175.586.005
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	43.055.701	27.486.397	104.104.375	73.314.706
a) Costs of raw materials and consumables	010	21.066.090	13.817.245	61.641.844	43.285.128
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	21.989.611	13.669.152	42.462.531	30.029.578
3 Staff costs (ADP 014 to 016)	013	47.163.613	29.920.064	111.021.136	69.318.040
a) Net salaries and wages	014	29.709.152	19.327.187	74.864.765	46.949.444
b) Tax and contributions from salary costs	015	11.378.291	6.814.507	23.450.765	14.487.771
c) Contributions on salaries	016	6.076.170	3.778.370	12.705.606	7.880.825
4 Depreciation	017	51.697.370	24.596.461	54.983.349	28.039.976
5 Other costs	018	0	0	0	0
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	15.379.680	6.780.546	14.354.272	4.913.283
III FINANCIAL INCOME (ADP 031 to 040)	030	5.653.099	5.439.403	719.915	432.828
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	425.700	215.880	591.800	304.713
8 Exchange rate differences and other financial income	038	5.227.399	5.223.523	0	0
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	0	0	128.115	128.115
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	11.314.110	3.393.082	28.472.708	17.477.321
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	11.199.274	3.304.535	14.482.891	7.255.336
4 Exchange rate differences and other expenses	045	0	0	13.810.528	10.131.864
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	114.836	88.547	179.289	90.121
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	2.086.639	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	4.230.384	0	853.087	1.588.027
IX TOTAL INCOME (ADP 001+030+049 +050)	053	70.511.598	60.172.403	227.603.232	183.575.586
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	172.840.858	92.176.550	313.788.927	194.651.353
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-102.329.260	-32.004.147	-86.185.695	-11.075.767
1 Pre-tax profit (ADP 053-054)	056	0	0	0	0
2 Pre-tax loss (ADP 054-053)	057	-102.329.260	-32.004.147	-86.185.695	-11.075.767
XII INCOME TAX	058	1.340.757	551.298	1.975.850	1.307.341
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-103.670.017	-32.555.445	-88.161.545	-12.383.108
1 Profit for the period (ADP 055-059)	060	0	0	0	0
2 Loss for the period (ADP 059-055)	061	-103.670.017	-32.555.445	-88.161.545	-12.383.108

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 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
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 076+077)	075	-103.670.017	-32.555.445	-88.161.545	-12.383.108
1 Attributable to owners of the parent	076	-103.670.017	-32.555.445	-88.161.545	-12.383.108
2 Attributable to minority (non-controlling) interest	077	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	078	-103.670.017	-32.555.445	-88.161.545	-12.383.108
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	1.512.434	-322.964	12.451.949	6.345.831
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	1.512.434	-322.964	12.451.949	6.345.831
1 Exchange rate differences from translation of foreign operations	088	-925.860	-1.327.914	3.453.877	2.405.887
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	2.438.294	1.004.950	8.998.072	3.939.944
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)	097	1.512.434	-322.964	12.451.949	6.345.831
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	-102.157.583	-32.878.409	-75.709.596	-6.037.277
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 100+101)	099	-102.157.583	-32.878.409	-75.709.596	-6.037.277
1 Attributable to owners of the parent	100	-102.157.583	-32.878.409	-75.709.596	-6.037.277
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2022. to 30.06.2022.

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	-102.329.260	-86.185.695
2 Adjustments (ADP 003 to 010):	002	50.225.725	83.864.484
a) Depreciation	003	51.697.370	54.983.349
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-8.996.651	385.076
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	-424.378	-719.915
e) Interest expenses	007	11.199.274	14.482.891
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-8.291.954	13.068.313
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	5.042.064	1.664.770
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	-52.103.535	-2.321.211
3 Changes in the working capital (ADP 013 to 016)	012	30.008.918	51.551.706
a) Increase or decrease in short-term liabilities	013	40.568.327	50.541.067
b) Increase or decrease in short-term receivables	014	-12.151.063	9.328.431
c) Increase or decrease in inventories	015	1.591.654	-8.317.792
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	-22.094.617	49.230.495
4 Interest paid	018	-13.429.191	-17.249.948
5 Income tax paid	019	-2.450.252	-1.499.066
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	-37.974.060	30.481.481
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	11.962.747	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	287.523
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	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	11.962.747	287.523
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-93.322.687	-139.491.064
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-3.515.425	-7.545.565
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	87.936
IV Total cash payments from investment activities (ADP 028 to 032)	033	-96.838.112	-146.948.693
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-84.875.365	-146.661.170
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	0	13.212.480
4 Other cash receipts from financing activities	038	0	265.809
V Total cash receipts from financing activities (ADP 035 to 038)	039	0	13.478.289
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-31.578.845	-33.748.722
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	-487.452	-10.680.927
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-32.066.297	-44.429.649
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-32.066.297	-30.951.360
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	1.055.288	1.361.162
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-153.860.434	-145.769.887
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	425.612.813	340.903.495
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	271.752.379	195.133.608

STATEMENT OF CHANGES IN EQUITY
for the period from **1.1.2022** to **30.6.2022**

in HRK

Item	ADP code	Attributable to owners of the parent																	
		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 through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	Minority (non-controlling) interest	Total capital and reserves
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (16+19)
Previous period																			
1 Balance on the first day of the previous business year	01	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	312.026.031	0	130.305	0	-9.826.022	0	-266.947	206.224.758	-227.282.730	1.531.450.549	0	1.531.450.549
2 Changes in accounting policies	02	0	0	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	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	312.026.031	0	130.305	0	-9.826.022	0	-266.947	206.224.758	-227.282.730	1.531.450.549	0	1.531.450.549
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31.514.306	31.514.306	0	31.514.306
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	-8.773	0	-8.773	0	0	-8.773
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	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	-22.995	0	0	0	0	0	0	-22.995	0	-22.995
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	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	4.448.125	0	0	0	0	0	4.448.125	0	4.448.125
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	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	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	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	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	21	0	0	0	0	0	0	1.623.358	0	0	0	0	0	0	0	0	1.623.358	0	1.623.358
22 Transfer to reserves according to the annual schedule	22	0	0	0	0	0	0	0	0	0	0	0	0	0	-227.282.730	227.282.730	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	313.649.389	0	107.310	0	-5.377.897	0	-275.720	-21.057.972	31.514.306	1.569.004.570	0	1.569.004.570
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)	25	0	0	0	0	0	0	0	0	-22.995	0	4.448.125	0	-8.773	0	0	4.416.357	0	4.416.357
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05-25)	26	0	0	0	0	0	0	0	0	-22.995	0	4.448.125	0	-8.773	0	31.514.306	35.930.663	0	35.930.663
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	0	0	0	0	1.623.358	0	0	0	0	0	0	-227.282.730	227.282.730	1.623.358	0	1.623.358

Current period																			
4 Balance on the first day of the current business year	28	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	313.649.389	0	107.310	0	-5.377.897	0	-275.720	-21.057.972	31.514.306	1.569.004.570	0	1.569.004.570
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	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 28 to 30)	31	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	313.649.389	0	107.310	0	-5.377.897	0	-275.720	-21.057.972	31.514.306	1.569.004.570	0	1.569.004.570
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-88.161.545	-88.161.545	0	-88.161.545
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	3.453.877	0	0	0	3.453.877	0	3.453.877
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	-107.310	0	0	0	0	0	0	-107.310	0	-107.310
9 Profit or loss arising from effective cash flow hedge	36	0	0	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	37	0	0	0	0	0	0	0	0	0	0	8.998.072	0	0	0	0	8.998.072	0	8.998.072
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	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	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease 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	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	811.680	0	0	0	0	0	0	0	0	811.680	0	811.680
22 Carryforward per annual plan	49	0	0	0	0	0	0	0	0	0	0	0	0	31.514.306	-31.514.306	0	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	314.461.069	0	0	0	3.620.175	0	3.178.157	10.456.334	-88.161.545	1.493.999.344	0	1.493.999.344
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 41)	52	0	0	0	0	0	0	0	0	-107.310	0	8.998.072	0	3.453.877	0	0	12.344.639	0	12.344.639
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 50)	53	0	0	0	0	0	0	0	0	-107.310	0	8.998.072	0	3.453.877	0	-88.161.545	-75.816.906	0	-75.816.906
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	0	0	0	811.680	0	0	0	0	0	31.514.306	-31.514.306	0	811.680	0	811.680

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

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

Personal identification number (OIB): 47625429199

Reporting period: 01.01.2022 to 30.06.2022

Notes to the financial statements are to be drawn up in accordance with the International Financial Reporting Standards (hereinafter: IFRS) in such a way that they:

- a) present information about the basis for the preparation of the financial statements and the specific accounting policies used in accordance with the International Accounting Standard 1 (IAS 1),
- b) disclose any information required by IFRSs that is not presented elsewhere in the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity,
- c) provide additional information that is not presented elsewhere in the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity, but is relevant for one of them.

(d) in the notes to the financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:

1. issuer's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the issuer is undergoing liquidation, bankruptcy proceedings, shortened proceedings or extraordinary administration

- See General data

2. adopted accounting policies

- no changes

3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any concern concerning pensions of the issuer within the group or company linked by virtue of participating interest shall be disclosed separately

- no change from the data published in the Annual Report for 2021 published in Notes 13 and 14.

4. the amount of advances and credits granted to the members of the administrative, managerial and supervisory bodies, with indications of the interest rates, main conditions and any amounts repaid, written-off or revoked commitments entered into on their behalf by way of guarantees of any kind, with an indication of the total for each category

- N/D

5. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence

- see explanations in the text where the business results in the period are commented.

6. amounts owed by the issuer and falling due after more than five years, as well as the total debts of the issuer covered by valuable security furnished by the issuer, specifying the type and form of security

- no change from the data published in the Annual Report for 2021 published in Notes 13 and 14.

7. average number of employees during the financial year

- 1040 employees.

8. where, in accordance with the regulations, the issuer capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debit the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries

- Total capitalised cost amounted 367,857 HRK (net salaries 242,718 HRK, 81,792 HRK taxes and contributions from salaries and 43,347 HRK contributions on salaries)

9. the amount of the emoluments granted in respect of the financial year to the members of the administrative, managerial and supervisory bodies by reason of their responsibilities, and any commitments arising or entered retirement pensions for former members of those bodies, with an indication of the total for each category

- See Income Statement

10. the average number of persons employed during the financial year, broken down by categories and, if they are not disclosed separately in the profit and loss account, the staff costs relating to the financial year, broken down into net salaries and wages, tax costs and contributions from salaries, contributions on salaries and other salary costs, excluding cost allowances

- See Income Statement

11. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year

- N/D

12. the name and registered office of each of the companies in which the issuer, either itself or through a person acting in their own name but on the issuer's behalf, holds a participating interest, showing the proportion of the amount of capital and reserves, and the profit or loss for the latest financial year of the company concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss shall be omitted where the company concerned does not publish its balance sheet and is not controlled by another company

- data on entrepreneurs in which the Company holds a participating share in the capital are published in the Annual Report for 2021 on p. 136. The results of operations of these companies are included in the consolidated financial statements of the Company in accordance with the applied reporting framework.

13. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital

- N/D

14. where there is more than one class of shares, the number and the nominal value or, in the absence of a nominal value, the accounting value for each class

- N/D

15. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer

- N/D

16. the name, registered office and legal form of each of the companies of which the issuer is a member having unlimited liability

- N/D

17. the name and registered office of the company which draws up the consolidated financial statements of the largest group of companies of which the issuer forms part as a controlled group member

- The largest group of entrepreneurs is Park Plaza Hotel Europe. In accordance with the legal framework, this company does not publish quarterly reports, but only semi-annual and annual ones, which can be found at <https://www.pphe.com/investors>

18. the name and registered office of the company which draws up the consolidated financial statements of the smallest group of companies of which the issuer forms part as a controlled group member and which is also in the consolidated financial statements of the Company

- same as point 17.

19. the place where copies of the consolidated financial statements referred to in points 17 and 18 may be obtained, provided that they are available

- N/D

20. the proposed appropriation of profit or treatment of loss, or where applicable, the appropriation of the profit or treatment of the loss

- N/D

21. the nature and business purpose of the company's arrangements that are not included in the balance sheet and the financial impact on the company of those arrangements, provided that the risks or benefits arising from those arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the company

- N/D

22. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet

- N/D

23. the net income broken down by categories of activity and into geographical markets, in so far as those categories and markets differ substantially from one another, taking account of the manner in which the sale of products or provision of services are organised.

24. the total fees for the financial year charged by each statutory auditor or audit firm for the statutory audit of the annual financial statements, i.e. annual consolidated financial statements, the total fees charged for other audit services, the total fees charged for tax advisory services and the total fees charged for other non-audit services, total research and development expenditure as the basis for granting state aid.

All remaining information is contained in the notes to the financial statements published in the Company's Annual Report.

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2022

to

30.6.2022

Year:

2022

Quarter:

2.

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

1236

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:

Sandra Kalagac

(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 30.06.2022

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	2.594.685.533	2.705.906.218
I INTANGIBLE ASSETS (ADP 004 to 009)	003	1.703.510	1.517.115
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	1.703.510	1.517.115
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	1.639.583.654	1.701.125.201
1 Land	011	234.735.463	234.735.463
2 Buildings	012	986.373.122	1.179.927.825
3 Plant and equipment	013	88.009.871	142.835.057
4 Tools, working inventory and transportation assets	014	2.879.277	2.592.507
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	6.511.252	6.442.671
7 Tangible assets in preparation	017	312.774.267	122.321.732
8 Other tangible assets	018	8.300.402	12.269.946
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	858.390.056	908.255.589
1 Investments in holdings (shares) of undertakings within the group	021	543.323.804	546.700.804
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	249.253.345	295.684.333
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	65.812.907	65.870.452
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	95.008.313	95.008.313
C) CURRENT ASSETS (ADP 038+046+053+063)	037	312.664.129	198.388.426
I INVENTORIES (ADP 039 to 045)	038	1.714.960	6.308.354
1 Raw materials and consumables	039	1.526.606	5.652.841
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	63.451	276.284
5 Advances for inventories	043	124.903	379.229
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	25.257.574	63.668.676
1 Receivables from undertakings within the group	047	13.805.231	18.590.230
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	6.334.897	43.109.987
4 Receivables from employees and members of the undertaking	050	20.471	46.163
5 Receivables from government and other institutions	051	3.264.312	73.585
6 Other receivables	052	1.832.663	1.848.711
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	200.965	40.000
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	200.965	40.000
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	285.490.630	128.371.396
D) PREPAID EXPENSES AND ACCRUED INCOME	064	0	0
E) TOTAL ASSETS (ADP 001+002+037+064)	065	2.907.349.662	2.904.294.644
OFF-BALANCE SHEET ITEMS	066	0	0

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	1.978.035.976	1.917.352.339
I INITIAL (SUBSCRIBED) CAPITAL	068	102.574.420	102.574.420
II CAPITAL RESERVES	069	1.142.742.013	1.142.742.013
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	558.922.031	559.733.711
1 Legal reserves	071	5.128.721	5.128.721
2 Reserves for treasury shares	072	16.871.376	16.871.376
3 Treasury shares and holdings (deductible item)	073	-16.871.376	-16.871.376
4 Statutory reserves	074	0	0
5 Other reserves	075	553.793.310	554.604.990
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	107.310	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	107.310	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	128.072.871	173.690.202
1 Retained profit	084	128.072.871	173.690.202
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	45.617.331	-61.388.007
1 Profit for the business year	087	45.617.331	0
2 Loss for the business year	088	0	61.388.007
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	49.308.029	50.165.164
1 Provisions for pensions, termination benefits and similar obligations	091	3.950.281	5.840.281
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	45.357.748	44.324.883
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	716.713.314	681.811.856
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	716.713.314	681.811.856
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	0	0
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	163.292.343	254.965.285
1 Liabilities to undertakings within the group	110	7.086.439	6.834.516
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	60.268.088	82.580.765
7 Liabilities for advance payments	116	4.247.365	38.597.002
8 Liabilities to suppliers	117	24.940.420	64.683.444
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	15.846.627	22.172.693
11 Taxes, contributions and similar liabilities	120	2.988.663	8.352.639
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	47.914.741	31.744.226
E) ACCRUALS AND DEFERRED INCOME	124	0	0
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	2.907.349.662	2.904.294.644
G) OFF-BALANCE SHEET ITEMS	126	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2022 to 30.06.2022

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 002 to 006)	001	62.598.277	52.174.618	150.482.913	135.262.311
1 Income from sales with undertakings within the group	002	3.227.945	1.758.451	3.687.044	1.928.593
2 Income from sales (outside group)	003	46.416.593	41.463.920	145.222.219	132.618.444
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	0	0	0	0
5 Other operating income (outside the group)	006	12.953.739	8.952.247	1.573.650	715.274
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	116.276.873	71.200.573	208.744.368	138.869.001
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	37.153.168	25.087.706	78.596.124	60.793.332
a) Costs of raw materials and consumables	010	15.242.832	10.537.306	42.126.668	33.600.880
b) Costs of goods sold	011	25.025	17.441	68.537	64.203
c) Other external costs	012	21.885.311	14.532.959	36.400.919	27.128.249
3 Staff costs (ADP 014 to 016)	013	31.814.295	20.841.585	75.987.023	48.665.989
a) Net salaries and wages	014	20.987.156	12.743.995	50.137.482	32.060.926
b) Tax and contributions from salary costs	015	7.445.946	5.414.484	16.895.525	10.788.473
c) Contributions on salaries	016	3.381.193	2.683.106	8.954.016	5.816.590
4 Depreciation	017	35.317.133	17.664.179	36.553.176	18.880.388
5 Other costs	018	0	0	0	0
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	11.992.277	7.607.103	17.608.045	10.529.292
III FINANCIAL INCOME (ADP 031 to 040)	030	2.664.470	1.459.617	3.877.613	2.910.654
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	2.401.224	1.245.676	3.721.921	1.950.759
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	128.115	128.115
7 Other interest income	037	0	0	0	-13.961
8 Exchange rate differences and other financial income	038	261.979	213.594	0	818.164
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	1.267	347	27.577	27.577
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	7.184.075	3.514.829	7.004.165	3.295.055
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	7.184.075	3.514.829	6.600.259	3.295.055
4 Exchange rate differences and other expenses	045	0	0	403.906	0
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	65.262.747	53.634.235	154.360.526	138.172.965
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	123.460.948	74.715.402	215.748.533	142.164.056
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-58.198.201	-21.081.167	-61.388.007	-3.991.091
1 Pre-tax profit (ADP 053-054)	056	0	0	0	0
2 Pre-tax loss (ADP 054-053)	057	-58.198.201	-21.081.167	-61.388.007	-3.991.091
XII INCOME TAX	058	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-58.198.201	-21.081.167	-61.388.007	-3.991.091
1 Profit for the period (ADP 055-059)	060	0	0	0	0
2 Loss for the period (ADP 059-055)	061	-58.198.201	-21.081.167	-61.388.007	-3.991.091

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 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
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 076+077)	075	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	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	078	-58.198.201	-21.081.167	-61.388.007	-3.991.091
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	-58.198.201	-21.081.167	-61.388.007	-3.991.091
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 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100	0	0	0	0
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2022. to 30.06.2022.

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	-58.198.201	-61.388.007	
2 Adjustments (ADP 003 to 010):	002	30.382.279	41.180.227	
a) Depreciation	003	35.317.133	36.553.176	
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-9.077.227	385.055	
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	-2.401.224	-3.850.037	
e) Interest expenses	007	7.184.075	6.600.257	
f) Provisions	008	0	0	
g) Exchange rate differences (unrealised)	009	-1.452.158	680.096	
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	811.680	811.680	
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	-27.815.922	-20.207.780	
3 Changes in the working capital (ADP 013 to 016)	012	18.324.272	24.045.774	
a) Increase or decrease in short-term liabilities	013	33.081.848	67.335.568	
b) Increase or decrease in short-term receivables	014	-16.152.053	-34.729.184	
c) Increase or decrease in inventories	015	1.394.477	-8.560.610	
d) Other increase or decrease in working capital	016	0	0	
II Cash from operations (ADP 011+012)	017	-9.491.650	3.837.994	
4 Interest paid	018	-8.306.776	-9.011.965	
5 Income tax paid	019	0	0	
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	-17.798.426	-5.173.971	
Cash flow from investment activities				
1 Cash receipts from sales of fixed tangible and intangible assets	021	11.962.747	0	
2 Cash receipts from sales of financial instruments	022	0	0	
3 Interest received	023	0	221.770	
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	0	0	
III Total cash receipts from investment activities (ADP 021 to 026)	027	11.962.747	221.770	
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-91.642.599	-91.751.459	
2 Cash payments for the acquisition of financial instruments	029	0	0	
3 Cash payments for loans and deposits for the period	030	-18.934.865	-46.161.985	
4 Acquisition of a subsidiary, net of cash acquired	031	0	0	
5 Other cash payments from investment activities	032	-1.360.000	-3.377.000	
IV Total cash payments from investment activities (ADP 028 to 032)	033	-111.937.464	-141.290.444	
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-99.974.717	-141.068.674	
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	0	13.212.480	
4 Other cash receipts from financing activities	038	0	265.809	
V Total cash receipts from financing activities (ADP 035 to 038)	039	0	13.478.289	
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-24.303.470	-24.331.960	
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	0	0	
5 Other cash payments from financing activities	044	0	-22.920	
VI Total cash payments from financing activities (ADP 040 to 044)	045	-24.303.470	-24.354.880	
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-24.303.470	-10.876.591	
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	-142.076.613	-157.119.236	
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	370.878.428	285.490.632	
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)	050	228.801.815	128.371.396	

STATEMENT OF CHANGES IN EQUITY
for the period from **1.1.2022** to **30.6.2022**

in HRK

Item	ADP code	Attributable to owners of the parent																	
		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 through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	Minority (non-controlling) interest	Total capital and reserves
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)
Previous period																			
1 Balance on the first day of the previous business year	01	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	552.169.952	0	130.305	0	0	0	0	231.245.206	-103.172.335	1.930.818.282	0	1.930.818.282
2 Changes in accounting policies	02	0	0	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	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	552.169.952	0	130.305	0	0	0	0	231.245.206	-103.172.335	1.930.818.282	0	1.930.818.282
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45.617.331	45.617.331	0	45.617.331
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	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	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	-22.995	0	0	0	0	0	0	-22.995	0	-22.995
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	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	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	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	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	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	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	21	0	0	0	0	0	0	1.623.358	0	0	0	0	0	0	0	0	1.623.358	0	1.623.358
22 Transfer to reserves according to the annual schedule	22	0	0	0	0	0	0	0	0	0	0	0	0	-103.172.335	103.172.335	0	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	102.574.420	1.142.742.013	5.128.721	16.871.376	16.871.376	0	553.793.310	0	107.310	0	0	0	0	128.072.871	45.617.331	1.978.035.976	0	1.978.035.976
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)	25	0	0	0	0	0	0	0	0	-22.995	0	0	0	0	0	0	-22.995	0	-22.995
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05-25)	26	0	0	0	0	0	0	0	0	-22.995	0	0	0	0	45.617.331	45.594.336	0	45.594.336	
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	0	0	0	0	1.623.358	0	0	0	0	0	-103.172.335	103.172.335	1,623,358	0	1,623,358	

Current period																			
1 Balance on the first day of the current business year	28	102,574,420	1,142,742,013	5,128,721	16,871,376	16,871,376	0	553,793,310	0	107,310	0	0	0	0	128,072,871	45,617,331	1,978,035,976	0	1,978,035,976
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	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 28 to 30)	31	102,574,420	1,142,742,013	5,128,721	16,871,376	16,871,376	0	553,793,310	0	107,310	0	0	0	0	128,072,871	45,617,331	1,978,035,976	0	1,978,035,976
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-61,388,007	-61,388,007	0	-61,388,007
6 Exchange rate differences from translation of foreign operations	33	0	0	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	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	-107,310	0	0	0	0	0	0	0	-107,310	0	-107,310
9 Profit or loss arising from effective cash flow hedge	36	0	0	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	37	0	0	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	38	0	0	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	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease 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	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	811,680	0	0	0	0	0	0	0	0	811,680	0	811,680
22 Carryforward per annual plan	49	0	0	0	0	0	0	0	0	0	0	0	0	45,617,331	-45,617,331	0	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	102,574,420	1,142,742,013	5,128,721	16,871,376	16,871,376	0	554,604,990	0	0	0	0	0	173,690,202	-61,388,007	1,917,352,339	0	1,917,352,339	
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 41)	52	0	0	0	0	0	0	0	-107,310	0	0	0	0	0	0	0	-107,310	0	-107,310
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 50)	53	0	0	0	0	0	0	0	-107,310	0	0	0	0	0	-61,388,007	-61,495,317	0	0	-61,495,317
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	0	0	0	811,680	0	0	0	0	0	45,617,331	-45,617,331	811,680	0	0	811,680

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

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

Personal identification number (OIB): 47625429199

Reporting period: 01.01.2022 till 30.06.2022

Notes to the financial statements are to be drawn up in accordance with the International Financial Reporting Standards (hereinafter: IFRS) in such a way that they:

- a) present information about the basis for the preparation of the financial statements and the specific accounting policies used in accordance with the International Accounting Standard 1 (IAS 1),
 - b) disclose any information required by IFRSs that is not presented elsewhere in the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity,
 - c) provide additional information that is not presented elsewhere in the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity, but is relevant for understanding any of them.
- (d) in the notes to the financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:

1. issuer's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the issuer is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration
- See General data
2. adopted accounting policies
- no changes
3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the issuer within the group or company linked by virtue of participating interest shall be disclosed separately
- no change from the data published in the Annual Report for 2021 published in Notes 13 and 14.
4. the amount of advances and credits granted to the members of the administrative, managerial and supervisory bodies, with indications of the interest rates, main conditions and any amounts repaid, written-off or revoked, as well as commitments entered into on their behalf by way of guarantees of any kind, with an indication of the total for each category
- N/D
5. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
- see explanations in the text where the business results in the period are commented.
6. amounts owed by the issuer and falling due after more than five years, as well as the total debts of the issuer covered by valuable security furnished by the issuer, specifying the type and form of security
- no change from the data published in the Annual Report for 2021 published in Notes 13 and 14.
7. average number of employees during the financial year
- 857 employees.
8. where, in accordance with the regulations, the issuer capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries
- Total capitalised cost amounted 367,857 HRK (net salaries 242,718 HRK, 81,792 HRK taxes and contributions from salaries and 43,347 HRK contributions on salaries)
9. the amount of the emoluments granted in respect of the financial year to the members of the administrative, managerial and supervisory bodies by reason of their responsibilities, and any commitments arising or entered into in respect of retirement pensions for former members of those bodies, with an indication of the total for each category
- See Income Statement
10. the average number of persons employed during the financial year, broken down by categories and, if they are not disclosed separately in the profit and loss account, the staff costs relating to the financial year, broken down between net salaries and wages, tax costs and contributions from salaries, contributions on salaries and other salary costs, excluding cost allowances
- See Income Statement
11. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year
- N/D
12. the name and registered office of each of the companies in which the issuer, either itself or through a person acting in their own name but on the issuer's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the company concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the company concerned does not publish its balance sheet and is not controlled by another company
- data on entrepreneurs in which the Company holds a participating share in the capital are published in the Annual Report for 2021 on p. 136. The results of operations of these companies are included in the consolidated report of the Company in accordance with the applied reporting framework.
13. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital
- N/D
14. where there is more than one class of shares, the number and the nominal value or, in the absence of a nominal value, the accounting value for each class
- N/D
15. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer
- N/D
16. the name, registered office and legal form of each of the companies of which the issuer is a member having unlimited liability
- N/D
17. the name and registered office of the company which draws up the consolidated financial statements of the largest group of companies of which the issuer forms part as a controlled group member
- The largest group of entrepreneurs is Park Plaza Hotel Europe. In accordance with the legal framework, this company does not publish quarterly reports, but only semi-annual and annual ones, which can be found at <https://www.pphe.com/investors>
18. the name and registered office of the company which draws up the consolidated financial statements of the smallest group of companies of which the issuer forms part as a controlled group member and which is also included in the group of companies referred to in point 17.
- same as point 17.
19. the place where copies of the consolidated financial statements referred to in points 17 and 18 may be obtained, provided that they are available
- N/D
20. the proposed appropriation of profit or treatment of loss, or where applicable, the appropriation of the profit or treatment of the loss
- N/D
21. the nature and business purpose of the company's arrangements that are not included in the balance sheet and the financial impact on the company of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the company
- N/D
22. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet
- N/D
23. the net income broken down by categories of activity and into geographical markets, in so far as those categories and markets differ substantially from one another, taking account of the manner in which the sale of products and the provision of services are organised.
24. the total fees for the financial year charged by each statutory auditor or audit firm for the statutory audit of the annual financial statements, i.e. annual consolidated financial statements, the total fees charged for other assurance services, the total fees charged for tax advisory services and the total fees charged for other non-audit services, total research and development expenditure as the basis for granting state aid.

All remaining information is contained in the notes to the financial statements published in the Company's Annual Report.