

HOTELI JADRAN D.D.
JADRANSKA 2, GRADAC
OIB: 18099276986

HOTELI JADRAN d.d.
CONSOLIDATED FINANCIAL REPORT
FOR THE PERIOD
01.01.-30.09.2020.

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1. MANAGEMENT REPORT OF THE GROUP TO THE SHAREHOLDERS FOR 3rd Q 2020

1. GENERAL DATA ABOUT COMPANY

Joint stock company for hospitality and tourism Hoteli Jadran, having its seat in Gradac (hereinafter: the Company) was created by the transformation of the social Hotel-Tourist Company Hoteli Jadran and entered in the file TT-96/7166-5, MBS 060040135 on March 5, 1997. The transformation is based on Decision on the transformation and decision of the Croatian Privatization Fund as at April 2, 1996. The founding assembly of the company was held on November 8, 1996. when it was accepted that Hoteli Jadran be transformed into a joint stock company and become a universal successor of the social enterprise of the same name. The share capital of the company is divided into 107,115 ordinary registered shares, each in the nominal amount of HRK 700.00.

Bodies of the Company:

Management Board:

1. Cecilia Nikoletta Fata, Chairman of the board
2. Soma Zoltán Dala, member of the board

Supervisory board:

1. Dániel Jellinek, Chairman of the supervisory board
2. Tamás Szöllősi, Deputy chairman
3. Tamas Kuntár, member

General Assembly: consists of all shareholders of the Company.

Companies included in the consolidation, in which the company as at September 30th 2020 holds a 100% business share (hereinafter: the Group):

- HOTEL LABINECA d.o.o., Jadranska 2, Gradac, PIN: 82215732082,
- JADRAN LAGUNA d.o.o., Jadranska 16, Gradac, PIN: 56976586879 i
- FARAON d.o.o., Put Vila 1, Trpanj, PIN: 98007195291.

The main activity of the Group is the provision of catering and tourism services.

The Company has 3 hotels.

Table 1. Capacity

	Labineca	Laguna	Faraon
category	***	**	***
rooms	216	270	115
beds	456	580	245

Source: decision on categorization

The Group's operations are predominantly seasonal. The hotels are open from April to October and November, respectively.

2. OWNERSHIP STRUCTURE

Share capital of the Company on September 30th 2020. is HRK 74,980,500.00 and is divided into 107,115 ordinary shares with a nominal value of 700.00 each share. All shares have a mark HJDR-R-A and are listed on the Regular Market of the Zagreb Stock Exchange d.d.

In 2020, there were no acquisitions of treasury shares nor did the Company have them from before. In 2020, the Company did not issue financial instruments. Members of the Management Board and members of the Supervisory Board are not holders of any financial instruments issued by the Company.

The ownership structure of the capital of Hotel Jadran d.d. is stated below (for the 10 largest shareholders), as at 30th September 2020.

Table 2. Overview of ownership structure at the end of the period

	Name and surname / company	Number of shares	Percentage
1.	TOPAZ D.O.O.	92.717	86,56
2.	IVANOVIĆ IVAN BOŽIDAR	1.539	1,44
3.	RAIFFEISENBANK AUSTRIA DD	924	0,86
4.	RAIFFEISENBANK AUSTRIA DD	850	0,79
5.	CERP/REPUBLIKA HRVATSKA	841	0,79
6.	VUKADIN ZVONIMIR	543	0,51
7.	DUJIĆ BRANKO	175	0,16
8.	HORVAT HRVOJE	132	0,12
9.	ODŽAK JURE	131	0,12
10.	ŠUŠTER ĐORDE	117	0,11
TOTAL		97.969	91,46

Source :SKDD (clearing depository company)

3. TOURISTIC RESAULT

Table 3. Touristic reasault of the Group

2020.	10.504	26.722
2019.	21.846	46.849
	ROOMNIGITS	BEDNIGHTS

Source:information system

The spread of COVID-19 caused panic and numerous shocks in the tourism market, which in turn affected the Group's operations. Namely, the first indicators and provisions for the pre-season and 2020 season were above last year's level and we expected a successful pre-season and very high occupancy in the season, resulting in good business results in 2020. Due to extraordinary circumstances and the absence of the usual tourist season, in 2020. The group did not operate in all facilities. Hotel 'Faraon' and Hotel 'Laguna' were not opened and the guests were allocated to Hotel 'Labinec', the only facility within the Group that operated.

Hotel 'Labineca' started operating on June 27, 2020. Due to the increase in the number of COVIDs across Europe, announcements of border closures began in late August, leading to the cancellation of reservations for September and October and the closure of the facility on September 5, 2020.

4. FINANCIAL RESULT

4.1. Revenues

Total operating revenues shown in the income statement in 2020 amount to HRK 10,208,354, of which HRK 7,511,675 are sales revenues, and HRK 2,696,679 are other operating revenues. Total operating revenues of the Group in the first three quarters of 2020 are due to the absence of business activity 75% lower than the income generated in 2019, when it amounted to 40,537,201 HRK.

4.2. Expenses

Total operating expenses in 2020 amounted to HRK 16,133,426, which is 56% less than in the previous year when they amounted to HRK 36,271,944.

There was a reduction in the part of material costs, especially the costs of food and beverages, energy and labor costs through an intermediary agency, since the opening of the Hotel was postponed. In this period, **material costs** amount to HRK 4,475,667, which is 79% less than in the same period last year.

Employee costs in this period amounted to HRK 6,931,421, which is a decrease of 24% compared to the same period last year when they amounted to HRK 9,113,430.

Financial expenses amount to HRK 28,344. These expenses are mostly related to negative exchange rate differences.

4.3. Profit

The **result of operations** is a **loss** in the amount of HRK -5,152,925, while in the previous year the result of operations was the Group's profit in the amount of HRK 5,055,937. The reason for the loss is primarily in the delayed opening of the Hotel.

EBITDA amounted to a loss of HRK -2,212,737, while in the previous year the realized EBITD amounted to a profit of HRK 7,814,140.

5. HUMAN RESOURCES

The human resources management strategy is based on a solid synergy of the destination, the local population and the sustainable way of doing business.

Kontinuirani rast broja stalno zaposlenih radnika, regrutiranje kvalitetnog sezonskog kadra i ulaganje u njihov daljnji razvoj čini značajni segment poslovnog planiranja te spada u jedan od najvažnijih oblika upravljanja ljudskim resursima Grupe.

Continuous growth in the number of full-time employees, recruitment of quality seasonal staff and investment in their further development is a significant segment of business planning and is one of the most important forms of human resource management of the Group.

Relationships with employees are developing thanks to the leadership of the trade union organization with which the Management cooperates on a daily basis. The Group fully implements the concluded Collective Agreement.

The Group, in cooperation with the social partners, regulated material rights during the extraordinary circumstances caused by COVID-19 by repealing part of the Collective Agreement governing the calculation and payment of salaries and wages in the period from April 1 to May 31,

2020. .g, and then in the period from June 1, 2020 to March 31, 2021. During extraordinary circumstances, employers are not obliged to pay employees in accordance with the provisions of the Collective Agreement which is in force with the employer, but in reduced amounts according to groups of workers, all according to the signed Agreement.

Hotel 'Faraon' and Hotel 'Laguna' did not operate in 2020, so the hotel facility in Tvrđava and the hotel settlement Laguna remained closed. Due to the above, employers, if necessary, hired workers to work in 'Hotel Labineca' in order to optimally organize the work within affiliated companies to achieve as few business losses in 2020.

Under the job preservation program, the Group applied for employment protection measures and received job preservation support for April, May and June, July and August.

6. RISK MANAGEMENT

Risk management is an integral part of planning and managing business processes and is based on standards of operational procedures, mission and vision, and legal frameworks. The activities performed by the Group and the seasonal nature of operations expose it to various risks, namely operational, currency, credit, interest rate and liquidity risk.

6.1.Operative risk

Operational risk arises as a result of inadequate procedures and failed internal processes, human factor, internal or external events. In the Group, these risks are recognized as the risk of placement of services due to obsolete facilities, the risk of insufficient number of seasonal workers on the market, the risk of intentional errors and fraud, environmental risk, the risk of possible contamination in the hotel and the risk of possible natural disasters. The Group manages this risk in accordance with its risk management strategy and policies.

6.2.Currency risk

The Group generates most of its revenues in foreign markets and is exposed to currency risk. Prices of accommodation services are linked to foreign currencies, mostly the euro, and changes in the value of the currency can significantly affect business results.

6.3 Credit risk

This risk is recognized in the company as the possibility that trade receivables will not be realized on the due date. Receivables from some customers may include credit risk, given the level of turnover with individual customers and the state of general liquidity in the country. The Group's sales policies ensure that the services provided to individual customers are charged in cash or by significant credit cards and deferred to those customers with a credit history, meaning significant agencies and strategic partners.

6.4.Interest risk

As the Group does not have significant interest income, the income and cash flow from operating activities are not dependent on changes in interest rates. In the structure of short-term liabilities for loans, deposits and the like, the company has an obligation on which no interest is calculated, given that it is the subject of pre-bankruptcy proceedings.

6.5. Liquidity risk

The Group is exposed to liquidity risk due to the seasonality of operations. The company has obligations throughout the year, while it mostly charges for its services during the season. The Group manages this risk by providing liquidity during the winter from advances to agencies to cover its operating costs. Also, works on the preparation and current maintenance of facilities are paid in installments, mostly in the summer months when liquidity is highest. The Management Board continuously monitors and manages the liquidity projection.

7. INVESTMENTS

The Group does not record significant new investments in 2020.

8. DESCRIPTION OF STATUS AND BUSINESS ACTIVITIES

In order to establish liquidity and restructure, the Company submitted a request to open pre-bankruptcy settlement proceedings, and on 22 March 2013 it was opened. Mrs. Meri Šitić was appointed as the pre-bankruptcy commissioner. In the pre-bankruptcy settlement procedure, all creditors filed their claims and the Settlement Council on 27.06.2013. scheduled a hearing to determine the claims for 17.07.2013. However, the Republic of Croatia - Ministry of Finance to the Settlement Council on 16.05.2013. submitted a request to terminate the pre-bankruptcy settlement procedure due to the supervision of affiliated companies whose claims make up the majority of total claims due to the determination of the breach of legal personality, which is a preliminary issue whose resolution may significantly affect the outcome of the proceedings. Regarding this request, the Settlement Council at the hearing for determining the claims on July 17, 2013, issued a decision suspending the pre-bankruptcy settlement procedure until the end of the procedure for establishing abuse of rights before the competent authority and determined that the pre-bankruptcy settlement procedure will continue upon receipt of the executive decision issued in the procedure for determining abuse of rights before the competent body.

Considering that 117 days of proceedings had elapsed by the day of the decision to suspend the proceedings, and that there were only 3 days left to complete the proceedings before the settlement council after they resumed, which is undoubtedly not enough to publish a conclusion on convening a claim hearing, plan of the pre-bankruptcy settlement, publication of the amended plan, publication of the conclusion on scheduling the hearing for voting on the plan of financial restructuring and pre-bankruptcy settlement and for holding the hearing in question, the debtor submitted on 01.09.2014. a request for extension of the duration of the pre-bankruptcy settlement procedure and the Advisory Council of the Ministry of Finance on 24.09.2014. approved an extension of the deadline for an additional 30 days. The deadline for an additional 30 days begins to run from the expiration of the deadline of 120 days from the day of opening the pre-bankruptcy settlement procedure. In accordance with the Law on Financial Operations and Pre-Bankruptcy Settlement, the company settles its current liabilities within the deadlines provided by law, ie 30 or 60 days with the consent of the pre-bankruptcy settlement commissioner. Based on the proposed financial and operational restructuring plan, the Company offers creditors a pre-bankruptcy settlement which would be carried out in the following way to write off default interest, if any, and repay the entire principal with a change in maturity for a period of 5 years from the date the decision on concluding a pre-bankruptcy settlement becomes final. On 8 June 2017, a hearing for the determination of claims was held and on 14 June 2017, a decision on the determination of claims Class UP-I / 110/07 / 13-01 / 1683, registration number 04-06-17-1683-141. A hearing to vote on the adoption of the financial restructuring plan is scheduled for 26 July 2017 at which the proposed financial restructuring plan is adopted. The creditor Optima Leasing d.o.o. appealed against the decision on determining the claims and the Ministry of Finance in the second-instance administrative procedure issued a decision on 11 September 2017 Class UP / II-423-01 / 117-02 / 53 no. 513-04 / 17-4 upholding the appeal and annulling the decision of the Financial Agency Class UP- I / 110/07 / 13-01 / 1683, reg. 04-0617-1683-133 of 12 June 2017, stating that the Council did not sufficiently explain the reasons for

rejecting the claim of the said creditor. On this decision, the Settlement Council HRO1 of the Financial Agency adopted a new decision on October 23, 2017. Class UP-I / 110/07 / 13-01 / 1683, number 04-06-17-1683-221, in which it rejects the application of the creditor Optima Leasing Ltd. explaining in detail the reasons for making such a decision. By the decision of January 8, 2018 (class: UP / II-423-01 / 17-02 / 72, reg. no. 513-04 / 18-3) of the Ministry of Finance, Independent Sector for Second Instance Administrative Procedure, the appeal of the creditor Optima Leasing d.o.o. Zagreb on the decision rejecting the claim was upheld and the decision of FINA, Regional Center Zagreb, Settlement Council HRO1, class UP-I / 110/07 / 13-01 / 1683, reg. 04.06-17-1683-221 dated 23 October 2017, was annulled and the case returned to the first-instance body for retrial. A new hearing was held on April 12, 2018, to determine the claims and on April 16, 2018, Decision on determination of claims, class UP-I / 110/07 / 13-01 / 1683, registration number 07-02-18-1683-229, was made in which the claim of the creditor Optima Leasing d.o.o. was determined according to their request. The Company then prepares a new financial and operational restructuring plan, as well as a new draft of pre-bankruptcy settlement including all identified claims and submits it to the Financial Agency's Settlement Council, which schedules a hearing for June 5, 2018. Immediately before the voting hearing, from the creditor Optima Leasing d.o.o. Zagreb and from the separate creditor OL Nekretnine d.o.o. Zagreb, the Settlement Council received submissions informing that the assignment of claims to the new creditor Bohemian Financing Zrt. Budapest had been made. On 5 June 2018, a hearing was held on the vote on the new Amended Financial Restructuring Plan, at which the said plan was accepted, and on 6 June 2018, the HRO1 Financial Agency Settlement Council adopted a Decision on accepting the Amended Financial Restructuring Plan of class UP-I / 110/07 / 13-01 / 1683, registration number 07-02-18-1683-248, which became enforceable on June 26, 2018. On June 28, 2018, the Company submitted a Proposal for concluding a pre-bankruptcy settlement to the Commercial Court in Split. At the time of writing this report, a hearing is pending before the Commercial Court in Split for a pre-bankruptcy settlement. Due to the extraordinary circumstances caused by COVID-19, the Commercial Court in Split temporarily suspended the hearing. Pursuant to the decision of 29 April 2020 published on the website, the Court continued to hold hearings from 11 May 2020. We anticipate that the pre-bankruptcy settlement could be confirmed in the fourth quarter of 2020.

The most significant event this year is the emergence of the COVID-19 virus in late February 2020. The Group actively monitors all information related to the spread of coronavirus, especially in emitting markets and takes all protection measures recommended by the Ministry of Health and the Institute of Public Health. The Group, in cooperation with the social partners, regulated material rights during the period of non-work and entered into negotiations with other partners in order to revise the amount and compensation for the period when the operational activity will be absent. In April, the Government of the Republic of Croatia announced a state aid program to combat the negative effects of Covid-19 on the economy. Under the program, the Group applied for employment protection measures and received support for job preservation. In addition to the above measure, the Group has been granted a measure to defer payment of certain tax liabilities.

Given the uncertainty, it is not possible to estimate how long it will last and what effects it will have on the Group's operations, but no threat to long-term operations is expected.

9. NOTICE ON ENVIRONMENTAL PROTECTION

Environmental management includes responsible business in order to preserve the environment, nature and the relationship with the community in order to achieve long-term business success and satisfaction of all stakeholders. The Group is preparing an environmental management policy that will harmonize operations with applicable legal provisions and regulations in the field of environmental protection.

10. RELATIONS WITH ASSOCIATED COMPANIES

Transactions with related companies within the Group were conducted in accordance with market principles and the application of commercial conditions that would apply if they were established between non-controlling parties.

11. THE MOST SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

At the General Assembly held on September 7, 2020, a decision was made to recall members of the Supervisory Board, namely: Mr. Tamas Vitezy, Mr. Janos Cseszlai and Mrs. Lidia Deme Deze, and Mr. Daniel Jellinek, Mr. Tamas Szollosi and Mr. Tamas Kuntar were elected as members of the Supervisory Board for a term of four years.

At the constituent session of the Supervisory Board of the Company held on September 18, 2020, Mr. Daniel Jellinek was elected Chairman of the Supervisory Board, and Mr. Szollosi Tamas was elected Deputy Chairman.

At the session held on September 18, 2020, the Supervisory Board decided to recall Mr. Laszlo Attila Kerekes, President of the Management Board, and Ms. Nives Grzunov, member of the Management Board, and as new members of the Management Board of the Company were appointed Ms. Cecilia Nikolett Fata to the position of President of the Management Board and Mr. Soma Dala to the position of Member of the Management Board for a term of five years.

Company received two lawsuits from the Commercial Court in Split to determine the nullity of the decisions of the General Assembly of the Company HOTEL JADRAN d.d. as of September 7, 2020. A lawsuit filed under case number P-562/2020 was filed by Mr. Tamás Vitézy from Hungary, seeking determination of nullity of the decisions of the General Assembly referred to in items 10 (Ad 10) and 11 (Ad 11). The second lawsuit, which is filed under case number P-559/2020, was filed by the Management Board of the Company and it seeks determination of nullity of the decision of the General Assembly of the Company passed by Ad.3.

Gradac, 31st October 2020



Cecilia Nikolett Fata, Chairman of the board

HOTELI JADRAN D.D.
JADRANSKA 2, GRADAC
OIB: 18099276986

2. FINANCIAL REPORT FOR 3rd QUARTAL 2020

HOTELI JADRAN D.D., JADRANSKA 2, GRADAC 21330, MB: 3036154; IBAN HR9423400091100010547, SWIFT PBZGHR2X; TRGOVAČKI SUD U SPLITU, MBS: 060253517; TEMELJNI KAPITAL: 74.980.500,00 KUNA, UPLAĆEN U CIJELOSTI, PODJELJEN NA 107.115 DIONICA SVAKA NOMINALNE VRIJEDNOSTI 700,00 KUNA. PREDSEDNIK UPRAVE: CECILIA NIKOLETTA FATA, ČLANOVI UPRAVE: SOMA ZOLTAN DALA; LEI OZNAKA: 7478000030KH7ROTAU91; MATIČNA DRŽAVA ČLANICA: REPUBLIKA HRVATSKA; ISIN: HR1JDRRA0001; OZNAKA DIONICE: IJDR-R-A, UVRŠTEN NA REDOVITO TRŽIŠTE ZAGREBAČKE BURZE;

BALANCE SHEET

on date 30.09.2020

in kn

Taxable entity: HOTELI JADRAN d.d.

Name	AOP oznaka	Last day previous year	On date 30.09.2020.
1	2	3	4
ASSETS			
A) RECEIVABLES FOR REGISTERED UNPAID CAPITAL	001	0	0
B) FIXED ASSETS	002	74.684.388	70.864.038
I. INTANGIBLE ASSETS (AOP 003+010+031+036)	003	266.668	181.668
1. Expenses for development	004	0	0
2. Concessions, patents, licences, brands and servicemarks, software and other rights	005	266.668	181.668
3. Goodwill	006	0	0
4. Advance payments for purchase of intangible assets	007	0	0
5. Stand-by intangible assets	008	0	0
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (AOP 011 to 019)	010	73.078.415	68.455.938
1. Land	011	6.766.248	6.766.248
2. Buildings	012	64.043.650	60.718.350
3. Plants and machinery	013	1.936.659	1.630.356
4. Tools, plant inv. and means of transp.	014	209.778	210.904
5. Biological assets	015	0	0
6. Advance payments for tangible assets	016	0	0
7. Tangible assets under construction	017	120.080	130.080
8. Other tangible assets	018	0	0
9. Investments into real estate	019	0	0
III. LONG TERM FINANCIAL ASSETS (AOP 021-030)	020	1.322.558	1.061.268
1. Stakes (shares) in a Group	021	0	0
2. investments into other securities within the group	022	0	0
3. Loans, deposits and other given to companies within the group	023	1.298.858	0
4. Investments in shares of associated undertakings	024	0	0
5. Investment into securities of associated undertakings	025	0	0
6. Granted loans, deposits and alike to associated undertakings	026	0	0
7. investment in securities	027	0	0
8. granted loans, deposits etc.	028	23.700	1.061.269
9. other investments calculated by shares method	029	0	0
10. Other long term financial assets	030	0	0
IV. ACCOUNTS RECEIVABLE (AOP 032 TO 035)	031	18.750	165.163
1. Receivables from a Group	032	18.750	0
2. Accounts receivable - associated undertakings	033	0	0
3. receivables from buyers	034	0	15.176
4. Other receivables	035	0	149.987
V. DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (AOP 038+046+053+063)	037	42.333.413	41.327.199
I. INVENTORIES (AOP 039 TO 045)	038	674.953	491.300
1. Raw material and supplies	039	667.580	490.700
2. Production in progress	040	0	0
3. Finished goods	041	0	0
4. Merchandise goods	042	7.373	600
5. Advance payments for inventories	043	0	0
6. Other assets for sale	044	0	0
7. Biological asset	045	0	0
II. ACCOUNTS RECEIVABLE (AOP 047-052)	046	7.360.587	8.167.770
1. Receivables from a Group	047	4.860.195	53.735
2. receivables from associated undertakings	048	0	0

3.Accounts receivable trade	049	1.009.295	1.543.058
4.Receivables from employees and member companies	050	25.178	21.315
5.Accounts due from the State and other institutions	051	1.374.319	1.278.729
6.Other receivables	052	91.600	5.270.933
III. SHORT TERM FINANCIAL ASSETS (AOP 054-062)	053	32.268.248	32.414.078
1.Stakes (shares) in a Group	054	0	0
2.Investments in associated undertakings	055	0	0
3. Loans, deposits etc. due from a Group	056	32.091.998	223.164
4.Investment into shares of associated undertakings	057	0	0
5. Investment into marketable securities of associated undertakings	058	0	0
6. granted loans, deposits etc. to associated undertakings	059	0	0
7. investment in securities	060	0	0
8. given loans, deposits etc.	061	176.250	32.190.914
9.Other financial assets	062	0	0
IV. CASH IN BANK AND CASH ON HAND	063	2.029.625	254.051
D) DEFERRED CHARGES AND CALCULATED INCOME	064	32.131	656
E) TOTAL ASSETS (AOP 001+002+037+064)	065	117.049.933	112.191.883
F) OFF- BALANCE SHEET ITEMS	066	0	0

LIABILITIES

A) SHAREHOLDERS' EQUITY AND RESERVES (AOP 068 TO 070+076+077+081+084+087)	067	93.445.308	88.292.385
I SHARE CAPITAL (SUBSCRIBED)	068	74.980.500	74.980.500
II CAPITAL RESERVES	069	173.442	173.442
III. RESERVES FROM PROFIT (AOP071+072+073+074+075)	070	15.834.828	15.834.828
1 Legal reserves	071	3.770.050	3.770.050
2.Reserves for company's own shares	072	12.064.778	12.064.778
3. Company's own stocks and shares (withholding item)	073	0	0
4 Statutory reserves	074	0	0
5. Other reserves	075	0	0
IV. REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES	077	0	0
1 fair value of financial assets for sale	078	0	0
2. effective cash flow hedge	079	0	0
3. effective foreign net investments hedge	080	0	0
VI. RETAINED EARNINGS OR ACCUMULATED LOSS	081	2.189.318	2.458.540
1. retained earnings	082	2.189.318	2.458.540
2. accumulated loss	083	0	0
VII. PROFIT OR LOSS FOR THE FINANCIAL YEAR	084	267.220	-5.152.925
1. financial year profit	085	267.220	0
2. financial year loss	086	0	5.152.925
VII. Non—controlling interest interest	087	0	0
B) RESERVATIONS (aop 089-094)	088	0	0
1. Reservations for pensions, severance payments and similar liabilities	089	0	0
2. Reservations for tax liabilities	090	0	0
3. reservations for initiated court proceedings	091	0	0
4.reservations for costs of renewal of natural resources	092	0	0
5 reservations for costs un guarantee periods	093	0	0
6.Other reservations	094	0	0
C) LONG TERM LIABILITIES (AOP 096-106)	095	0	22.413
1.Liabilities due to Group companies	096	0	0
2. Liabilities for loans, deposits and similar within group	097	0	0
3. Liabilities to associated undertakings	098	0	0
4. liabilities for loans, deposits etc to associated undertakings	099	0	0
5. liabilities for loans, deposits etc.	100	0	0
6. Liabilities to banks and other financ. institutions	101	0	0
7. Liabilities for advance payments (long term)	102	0	0
8. Accounts payable trade	103	0	0

9. Liabilities for marketable securities	104	0	0
10. other long term liabilities	105	0	0
11. deferred tax liabilities	106	0	22.413
D). SHORT TERM LIABILITIES	107	23.524.671	23.853.034
1. Liabilities to the group	108	1.151.639	0
2. Liabilities for loans, deposits and similar within group	109	6.833	0
3. Liabilities to associated undertakings	110	0	0
4. liabilities for loans, deposits etc to associated undertakings	111	0	0
5. liabilities for loans, deposits etc.	112	1.952.730	1.965.202
6. Liabilities to banks and other financ. institutions	113	0	0
7. Liabilities for advance payments	114	5.125.009	6.096.690
8. Accounts payable trade	115	12.421.647	12.567.671
9. Liabilities for marketable securities	116	0	0
10. Liabilities to employees	117	605.333	715.036
11. Liabilities for taxes, contributions and similar expenses	118	2.285.363	2.401.871
12. Liabilities due to shareholders for dividends	119	34.698	34.698
13. Liabilities for long term assets for sale	120	0	0
14. Other short term liabilities	121	1.419	71.867
E) DEFERRED EXPENSES AND FUTURE PERIOD INCOME	122	19.954	24.061
F) TOTAL - LIABILITIES (AOP 067+088+095+107+122)	123	117.049.833	112.191.693
G) OFF- BALANCE SHEET ITEMS	124	0	0

PROFIT & LOSS STATEMENT
period 01.01.2020 30.09.2020

in kn

Table entity: **HOTEL JADRAN d.d.**

Name	AOP article	Last year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. BUSINESS REVENUE (AOP 128-130)	125	40 125 778	30 439 729	40 288 034	6 812 304
1. sales revenue within group	129	0	0	0	0
2. sales revenue (outside group)	127	40 125 778	30 439 729	40 288 034	6 812 304
3. revenue based on use of own products, merchandise and services	128	104 608	104 608	43 658	18 451
4. other business revenue from entities within group	129	0	0	0	0
5. other business revenue (outside group)	130	306 814	180 179	2 606 679	1 867 994
II. OPERATING EXPENDITURES (AOP 133+135+137+141+142+143+144+145)	131	-20 275 894	-11 700 732	-16 330 420	-6 940 420
1. change of values of production supplies in course and final products	132	0	0	0	0
2. material costs (AOP 133-140)	133	21 418 680	19 238 710	4 475 887	2 088 891
a) costs of raw materials and supplies	134	9 754 157	6 412 848	1 594 703	1 825 551
b) costs of sold goods	135	75 384	60 347	344	332
c) other material costs	136	11 614 129	5 665 529	2 496 621	958 820
3. personnel costs	137	9 113 420	3 030 644	6 031 421	2 337 590
a) staff salaries and wages	138	8 540 162	1 855 555	4 418 628	1 894 410
b) contributions and taxes costs from salaries	139	2 343 838	772 607	1 613 628	533 386
c) contributions on salaries	140	1 222 442	411 771	929 470	310 154
d) amortization	141	3 540 000	1 199 101	3 712 325	1 426 550
4. Other expenditures	142	1 980 271	912 867	961 661	481 451
5. Value adjustments (AOP 144+145)	143	0	0	0	0
a) fixed assets except financial assets	144	0	0	0	0
b) short term assets except financial assets	145	0	0	0	0
III. REVENUES (AOP 147-152)	146	0	0	0	0
a) revenues from personnel services pay and similar	147	0	0	0	0
b) revenues from tax liabilities	148	0	0	0	0
c) revenues from intangible assets	149	0	0	0	0
d) revenues from disposal of non-current assets	150	0	0	0	0
e) revenues from results in guarantee periods	151	0	0	0	0
f) other revenues	152	0	0	0	0
IV. OTHER BUSINESS EXPENDITURES (AOP 153-160)	153	-305 680	-169 691	-50 340	-31 338
IV. FINANCIAL REVENUE (AOP 165-166)	164	863 538	318 473	800 461	558 251
1. revenue from investments in shares in group	165	0	0	0	0
2. revenue from investment in shares of associated undertakings	166	0	0	0	0
3. revenue from long term financial investments and loans within group	167	0	0	0	0
4. other revenue from interests on loans within group	168	944 752	300 252	634 115	96 829
5. foreign exchange differences and other financial revenue within group	169	0	0	29	29
6. revenue from other long term financial investments and loans	170	1 925	1 700	0	0
7. other revenue from interests on loans	171	954	214	167 940	193 608
8. foreign exchange differences and other financial revenue	172	14 895	13 618	7 216	1 759
9. financial assets income (expense) foreign	173	0	0	0	0
10. other financial revenue	174	0	0	0	0
IV. FINANCIAL EXPENDITURES (AOP 166-172)	166	-72 535	-22 235	-28 844	-2 174
1. expenditures based on interests and similar expenditures within group	166	0	0	1 145	1 108
2. foreign exchange differences and other expenditures within group	167	0	0	0	0
3. expenditures based on interests and similar expenditures	168	7 585	3 523	7 048	752
4. foreign exchange differences and other expenditures	169	54 959	10 212	20 151	6 416
5. financial assets income (expense) foreign	170	0	0	0	0
6. value adjustments of financial assets (net)	171	0	0	0	0
7. other financial expenditures	172	0	0	0	0
V. SHARE OF THE PROFIT IN ASSOCIATED UNDERTAKINGS	173	0	0	0	0
VI. SHARE OF THE PROFIT FROM JOINT VENTURES	174	0	0	0	0
VII. SHARE IN THE LOSS IN ASSOCIATED UNDERTAKINGS	175	0	0	0	0
VIII. SHARE IN THE LOSS FROM JOINT VENTURES	176	0	0	0	0
IX. TOTAL REVENUE (AOP 128+164+173+174)	177	41 400 434	31 039 990	41 038 545	6 776 616
X. TOTAL EXPENDITURES (AOP 131+153+175+176)	178	-20 275 894	-11 700 732	-16 330 420	-6 940 420
XI. PROFIT OR LOSS BEFORE TAXATION (AOP 177-178)	179	21 124 540	19 339 258	24 708 125	2 836 196
1. profit before taxation (AOP 177-178)	179	21 124 540	19 339 258	24 708 125	2 836 196
2. loss before taxation (AOP 175-177)	180	0	0	0	0
XII. PROFIT TAX	181	0	0	0	0
XIII. PROFIT OR LOSS OF THE PERIOD (AOP 179-182)	182	21 124 540	19 339 258	24 708 125	2 836 196
1. Profit of the period (AOP 179-182)	182	21 124 540	19 339 258	24 708 125	2 836 196
2. loss of the period (AOP 182-179)	183	0	0	0	0
IV. PROFIT OR LOSS OF DISCONTINUED OPERATIONS BEFORE TAXATION (AOP 183-186)	183	0	0	0	0
1. profit of discontinued operations before taxation	183	0	0	0	0
2. loss of discontinued operations before taxation	184	0	0	0	0
IV. PROFIT TAX OF DISCONTINUED OPERATIONS	185	0	0	0	0
1. profit of discontinued operations for the period (AOP 185-186)	185	0	0	0	0
2. loss of discontinued operations for the period (AOP 186-185)	186	0	0	0	0
TOTAL OPERATIONS (filled out by entrepreneur under MSFI only in case of discontinued operations)	187	0	0	0	0
XIV. PROFIT OR LOSS BEFORE TAXATION (AOP 179+186)	187	0	0	0	0
1. Profit before tax (AOP 187)	187	0	0	0	0
2. loss before tax (AOP 187)	188	0	0	0	0
XV. PROFIT TAX (AOP 182+188)	189	0	0	0	0
XVI. PROFIT OR LOSS OF THE PERIOD (AOP 192-193)	190	0	0	0	0
1. profit of the period (AOP 192-193)	190	0	0	0	0
2. loss of the period (AOP 193-192)	191	0	0	0	0
ADDITION TO THE P&L STATEMENT (filled out by the entity that has consolidated yearly financial report)	192	0	0	0	0
XVII. PROFIT OR LOSS OF THE PERIOD (AOP 200-201)	192	0	0	0	0
1. credited to the shareholders of the parent company	193	0	0	0	0
2. credited to the minor shareholders/interests	194	0	0	0	0
REPORT ON OTHER COMPREHENSIVE INCOME (filled out by entrepreneur under MSFI)	195	0	0	0	0
I. PROFIT OR LOSS OF THE PERIOD	202	5 059 937	13 261 023	-5 152 925	2 217 020
II. OTHER COMPREHENSIVE PROFIT/LOSS BEFORE TAXATION (AOP 204-211)	203	0	0	0	0
1. foreign exchange differences from foreign operations conversion	204	0	0	0	0
2. change in revaluation reserves of fixed tangible and non-tangible assets	205	0	0	0	0
3. profit or loss based on subsequent valuation of financial assets for sale	206	0	0	0	0
4. profit or loss based on effective cash flow hedge	207	0	0	0	0
5. profit or loss based on effective foreign net investments hedge	208	0	0	0	0
6. share in comprehensive profit/loss of associated undertakings	209	0	0	0	0
7. actuarial profit/loss according to plans of defined incomes	210	0	0	0	0
8. other non-ownership related changes of the capital	211	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE PROFIT OF THE PERIOD	212	0	0	0	0
IV. NETT AMOUNT OF OTHER COMPREHENSIVE PROFIT OR LOSS (AOP 203-212)	213	0	0	0	0
V. COMPREHENSIVE PROFIT OR LOSS OF THE PERIOD (AOP 202+213)	214	5 059 937	13 261 023	-5 152 925	2 217 020
ADDITION TO THE REPORT ON OTHER COMPREHENSIVE PROFIT (filled out by the entity that has consolidated yearly financial report)	215	0	0	0	0
VI. COMPREHENSIVE PROFIT OR LOSS OF THE PERIOD (AOP 201+217)	215	5 059 937	13 261 023	-5 152 925	2 217 020
1. credited to the shareholders of the parent company	216	5 059 937	13 261 023	-5 152 925	2 217 020
2. credited to the minor shareholders/interests	217	0	0	0	0

CASH FLOW - Indirect method
period 01.01.2020. 30.09.2020.

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Taxable entity: HOTEL JADRAN d.d.			
Name	AOP oznaka	Last year	Current period
1	2	3	4
Cash flows from operating activities			
1. Profit before tax	001	-8.205.086	5.152.925
2. Adjustments	002	1.811.157	2.940.188
a) Depreciation	003	2.352.782	3.712.335
b) Gains and losses on sales and value adjustments of long-term tangible and intangible assets	004	0	0
c) Sales gains and losses and unrealized gains and losses and value adjustments financial assets	005	0	0
d) Interest and dividend income	006	-545.388	-798.250
e) Interest expense	007	3.763	8.193
f) Reservations	008	0	0
g) Exchange rate differences (unrealized)	009	0	17.910
h) Other adjustments for non-cash transactions and unrealized gains and losses	010	0	0
I. Increase or decrease in cash flows before changes in working capital (AOP 001+002)	011	-6.393.929	-2.212.737
3. Changes in working capital (AOP 013 to 016)	012	8.929.001	651.051
a) Increase or decrease short-term liabilities	013	13.059.470	288.383
b) Increase or decrease in short-term receivables	014	-2.614.051	-807.183
c) Increase or decrease in inventories	015	-951.264	183.653
d) Other increases or decreases in working capital	016	-564.354	1.006.218
II. Money from business (AOP 011+012)	017	2.535.072	1.561.686
4. Cash expenditures on interest	018	-756	0
5. Plaćeni porezi na dobit	019	-482.601	-188.202
A) NET CASH FLOWS FROM OPERATING ACTIVITIES (AOP 017 to 019)	020	-2.052.515	-1.749.888
Cash flows from investment activities			
1. Cash receipts from the sale of long-term tangible and intangible assets	021	0	0
2. Cash receipts from the sale of financial instruments	022	0	0
3. Interest cash receipts	023	45	117
4. Cash receipts from dividends	024	0	0
5. Cash receipts from the basis of the return on loans and savings roles	025	422	1.285
6. Other cash receipts from investment activities	026	0	0
III. Total cash receipts from investment activities (AOP 021 to 026)	027	467	1.402
1. Cash expenditures for the purchase of long-term tangible and intangible assets	028	-709.666	-10.000
2. Cash expenditures for the acquisition of financial instruments	029	0	0
3. Cash expenditures on the basis of loans given and savings roles for the period	030	-3.197.954	-17.088
4. Acquisition of a subsidiary, minus acquired money	031	0	0
5. Other cash expenditures from investment activities	032	0	0
IV. Total cash expenditure on investment activities (AOP 028 to 032)	033	-3.907.020	-27.088
B) NET CASH FLOWS FROM INVESTMENT ACTIVITIES (AOP 027+033)	034	-3.907.153	-25.686
Cash flows from financial activities			
1. Cash receipts from an increase in basic (subscribed) capital	035	0	0
2. Cash receipts from issuance of equity and debt financial instruments	036	0	0
3. Cash receipts from the principal of loans, loans and other loans	037	300.000	0
4. Other cash receipts from financial activities	038	0	0
V. Total cash receipts from financial activities (AOP 035 to 038)	039	300.000	0
1. Cash expenditures for repayment of principal loans, loans and other loans and debt financial instruments	040	0	0
2. Cash expenditures for dividend payments	041	0	0
3. Cash expenditures for financial rent	042	0	0
4. Cash expenditures for the redemption of own shares and reduction of basic (subscribed) capital	043	0	0
5. Other cash expenditures from financial activities	044	0	0
VI. Total cash expenditures from financial activities (AOP 040 to 044)	045	0	0
C) NET CASH FLOWS FROM FINANCIAL ACTIVITIES (AOP 039+045)	046	300.000	0
1. Unrealised exchange rate differences per cash and cash equivalents	047	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (AOP 020+034+046+047)	048	-1.554.638	-1.775.574
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	1.955.442	2.029.625
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (AOP 048+049)	050	400.804	254.051

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3. STATEMENT OF THE RESPONSIBLE PERSON

Consolidated financial statements HOTELI JADRAN d.d. compiled for the period 01.01.-30.09.2020. are presented fairly and truthfully in accordance with International Financial Reporting Standards, which have been applied consistently over previous years.

All material transactions are properly recorded in the accounting records, on which the financial statements are based. They provide a true and complete overview of the assets, liabilities, financial position and operations of the company HOTELI JADRAN d.d.



Cecilia Nikoletta Fata, Chairman of the board

