

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

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1. MANAGEMENT REPORT 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 20120 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 Company is the provision of catering and tourism services, organized through subsidiaries, and the Company independently provides rental services.

During 2009, the Company's operations were restructured in suchway that the performance of operational hotel management was transferred to the subsidiaries Hotel Labineca d.o.o., Jadran Laguna d.o.o. and Faraon d.o.o. (hereinafter all together: Society).

The Company has 3 hotels.

Table 1. Capacity

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

Source: decision on categorization

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.

Tablica 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.	RAIFFEISEINBANK AUSTRIA DD	924	0,86
4.	RAIFFEISEINBANK 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 ĐORĐE	117	0,11
	UKUPNO	97.969	91,46

Source :SKDD (crealring depository company)

3. FINANCIAL RESULT

3.1.Revenues

Total operating revenues shown in the income statement in 2020 amount to HRK 1,112,085, of which HRK 651,246 of revenues were generated with entrepreneurs within the group and HRK 460,839 were generated with entrepreneurs outside the group. The Company's total operating revenues are 84% lower compared to the same period last year due to the well-known situation caused by the global pandemic of the disease COVID-19, which had the greatest impact on the tourism sector. Lease relations for the hotel "Faraon" and the hotel "Laguna" in the tourist season in 2020 were put out of force, since they did not operate in the business year 2020.

3.2.Expenses

Total operating expenses in 2020 amounted to HRK 5,601,358, which is 9% lower than in the previous year when they amounted to HRK 6,161,314.

Employee costs in this period amount to HRK 1,112,820, which is a decrease of 8% compared to the same period last year. Reduction of costs compared to 2019. refers to the fact that in 2020 the number of employees was reduced.

Due to the extraordinary circumstances caused by COVID-19, all costs were reduced to a minimum, which led to a reduction in total operating expenses.

Financial expenses amount to HRK 425. These expenses are mostly related to interest.

3.3.Profit

The result of operations is a loss in the amount of HRK 4,485,314, while in the previous year a profit in the amount of HRK 636,088 was reported. The reason for the loss is primarily the lack of operating income due to extraordinary circumstances caused by COVID-19.

EBITDA amounted to HRK -1,123,254, while in the previous year the realized EBITD amounted to HRK 4,019,548.

4.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.

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.

On September 30th, 2020, the Company had a total of 5 employees and 6 employees a year earlier.

The ratio of total labor costs and operating revenues in 2020, according to data from business reports, was 100%, while in 2019 the ratio was 18%.

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

The Company, in cooperation with the social partners, regulated material rights during the extraordinary circumstances caused by COVID-19 by repealing part of the Collective Agreement which regulates the calculation and payment of salaries and wages. During extraordinary circumstances, employers are not obliged to pay employees a salary in accordance with the provisions of the Collective Agreement applicable to the employer.

As part of the job preservation program, the Company applied for employment protection measures and received support for job preservation until 30.09.2020. in the amount of HRK 68,250.00.

5.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 Company and the seasonal nature of operations expose it to various risks, namely operational, currency, credit, interest rate and liquidity risk.

5.1. Operational risk

Operational risk arises as a result of inadequate procedures and failed internal processes, human factor, internal or external events. The Company recognizes these risks 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 mistakes and fraud of workers, environmental risk, the risk of possible contamination in the hotel and the risk of possible natural disasters. The Company manages this risk in accordance with its risk management strategy and policies.

5.2. Currency risk

The company indirectly, through leases, generates most of its income 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.

5.3 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.

5.4. Interest rate risk

Since the Company has no significant interest income, 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 since it is the subject of pre-bankruptcy proceedings.

5.5. Liquidity risk

The Management Board continuously monitors and manages the liquidity projection.

6. INVESTMENT

The company does not record any new investments in 2020.

7. 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 of this year is the appearance of the COVID-19 virus at the end of February 2020. In accordance with the new circumstances and measures of the Government, the company, as a lessor due to these exceptional circumstances and uncertainties, agreed to suspend the

lease agreements for the hotel "Faraon" and hotel "Laguna" during the 2020 season, since the hotels will not operate in 2020. The company 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 Company, in cooperation with the social partners, regulated the material rights during the time when it is not working, and it started 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. As part of the program, the Company applied for employment protection measures and received support for job preservation. In addition to the above measure, the Company has approved a measure of deferral of 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 Company's operations, but no threat to long-term operations is expected.

8. 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 Company is preparing an environmental management policy that will harmonize operations with applicable legal provisions and regulations in the field of environmental protection.

9. APPLICATION OF CORPORATE GOVERNANCE CODE

The Company voluntarily applies the Corporate Governance Code, which was jointly developed by the Croatian Financial Services Supervisory Agency (HANFA) and the Zagreb Stock Exchange d.d. Zagreb, and the integral text of the Code was published on the website of the Zagreb Stock Exchange (www.zse.hr). The Company publishes the Statement on the Application of the Corporate Governance Code as a special section of the annual report on the state of the company in accordance with Art. 272.p of the Companies Act.

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

Nikoletta 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 HOTELI 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 Nikoletta Fata, Chairman of the board

2. FINANCIAL REPORT FOR 3rd QUARTAL 2020

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	76.970.826	73.609.622
I. INTANGIBLE ASSETS (AOP 003+010+031+036)	003	0	0
1. Expenses for development	004	0	0
2. Concessions, patents, licences, brands and servicemarks, software and other rights	005	0	0
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	71.220.043	67.864.024
1. Land	011	6.766.248	6.766.248
2. Buildings	012	0	0
3. Plants and machinery	013	275.387	236.533
4. Tools, plant inv. and means of transp.	014	14.678	12.813
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	64.043.650	60.718.350
III. LONG TERM FINANCIAL ASSETS (AOP 021-030)	020	5.732.033	5.726.848
1. Stakes (shares) in a Group	021	5.554.300	5.554.300
2. investments into other securities within the group	022	0	0
3. Loans, deposits and other given to companies within the group	023	154.033	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	172.548
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	18.750
1. Receivables from a Group	032	18.750	0
2. Accounts receivable - associated undertakings	033	0	0
3. receivables from buyers	034	0	0
4. Other receivables	035	0	18.750
V. DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (AOP 038+046+053+063)	037	29.926.449	28.999.054
I. INVENTORIES (AOP 039 TO 045)	038	0	0
1. Raw material and supplies	039	0	0
2. Production in progress	040	0	0
3. Finished goods	041	0	0
4. Merchandise goods	042	0	0
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	28.850.302	28.712.327
1. Receivables from a Group	047	28.179.289	28.061.091
2. receivables from associated undertakings	048	0	0

3.Accounts receivable trade	049	36.558	38.512
4.Receivables from employees and member companies	050	0	0
5.Accounts due from the State and other institutions	051	628.522	604.120
6.Other receivables	052	5.933	8.604
III. SHORT TERM FINANCIAL ASSETS (AOP 054-062)	053	126.250	136.129
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	126.250	5.980
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	0	130.149
9.Other financial assets	062	0	0
IV. CASH IN BANK AND CASH ON HAND	063	951.897	150.598
D) DEFERRED CHARGES AND CALCULATED INCOME	064	31.605	654
E) TOTAL ASSETS (AOP 001+002+037+064)	065	106.509.880	100.609.880
F) OFF- BALANCE SHEET ITEMS	066	0	0

LIABILITIES

A) SHAREHOLDERS' EQUITY AND RESERVES (AOP 068 TO 070+076+077+081+084+087)	067	91.199.540	88.714.535
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	15.834.628	15.834.628
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 nett investments hedge	080	0	0
VI. RETAINED EARNINGS OR ACCUMULATED LOSS	081	763.287	211.079
1. retained earnings	082	763.287	211.079
2. accumulated loss	083	0	0
VII. PROFIT OR LOSS FOR THE FINANCIAL YEAR	084	-552.209	-4.485.314
1. financial year profit	085	0	0
2. financial year loss	086	552.209	4.485.314
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	15.719.247	15.848.365
1. Liabilities to the group	108	3.231.014	2.651.784
2. Liabilities for loans, deposits and similar within group	109	4.829.557	4.822.724
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	1.643.909	1.650.742
6. Liabilities to banks and other financ. institutions	113	0	0
7. Liabilities for advance payments	114	0	0
8. Accounts payable trade	115	4.498.773	5.115.455
9. Liabilities for marketable securities	116	0	0
10. Liabilities to employees	117	84.499	79.188
11. Liabilities for taxes, contributions and similar expenses	118	1.395.378	1.421.907
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	11.785	24.017
F) TOTAL - LIABILITIES (AOP 067+088+095+107+122)	123	106.930.860	102.609.330
G) OFF- BALANCE SHEET ITEMS	124	0	0

PROFIT & LOSS STATEMENT
period 01.01.2020 30.09.2020

in kn

Table entity: HOTELI JADRAN d.d.

Name	AOP oznaka	Last year		Current period	
		Cumulative	Quartal	Cumulative	Quartal
1	2	3	4	5	6
I. BUSINESS REVENUE (AOP 126-130)	125	6.795.590	3.020.500	1.112.085	399.853
1. sales revenue within group	126	6.529.874	2.928.370	651.246	189.237
2. sales revenue (outside group)	127	265.716	92.130	278.917	95.180
3. revenue based on use of own products, merchandise and services	128	0	0	0	0
4. other business revenue from entities within group	129	0	0	0	0
5. other business revenue (outside group)	130	0	0	181.922	135.436
II. OPERATING EXPENDITURES (AOP 123+133+137+141+142+143+146+153)	131	6.161.314	2.154.593	5.601.358	1.763.232
1. change of values of production supplies in course and final products	132	0	0	0	0
2. material costs (AOP 138-140)	133	1.079.996	346.879	830.162	161.904
a) costs of raw materials and supplies	134	121.169	25.861	66.752	24.310
b) costs of sold goods	135	5.974	4.982	0	0
c) other external costs	136	952.853	316.036	763.410	137.594
3. personel costs	137	1.204.159	411.370	1.112.820	376.274
a) nett salaries and wages	138	732.221	249.266	700.526	237.563
b) contributions and taxes costs from salaries	139	357.287	122.473	323.295	109.045
c) contributions on salaries	140	114.651	39.631	88.999	29.666
4. Amortization	141	3.385.272	1.141.549	3.366.019	1.125.635
5. Other expenditures	142	303.704	85.114	283.730	99.419
6. 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
7. reservations (AOP 147-152)	146	0	0	0	0
a) reservations for pensions, severance pay and simillar	147	0	0	0	0
b) reservations for tax liabilities	148	0	0	0	0
c) reservations for initiated court procedures	149	0	0	0	0
d) reservations for renewal of natural resources	150	0	0	0	0
e) reservations for costs in guarantee periods	151	0	0	0	0
f) other reservations	152	0	0	0	0
8. Other business expenditures	153	188.183	169.681	8.627	0
III. FINANCIAL REVENUE (AOP 155-164)	154	1.934	1.391	4.384	1.484
1. revenue from investments in shares in group	155	0	0	0	0
2. revenue from investment in shares of associated undertakings	156	0	0	0	0
3. revenue from long term financial investments and loans within group	157	0	0	0	0
4. other revenue from interests on loans within group	158	0	0	807	285
5. foreign exchange differences and other financial revenue within group	159	0	0	0	0
6. revenue from other long term financial investments and loans	160	1.929	1.389	0	0
7. other revenue from interests on loans	161	5	2	3.577	1.199
8. foreign exchange differences and other financial revenue	162	0	0	0	0
9. financial assets income (revenue) forgone	163	0	0	0	0
10. other financial revenue	164	0	0	0	0
IV. FINANCIAL EXPENDITURES (AOP 166-172)	165	122	71	425	12
1. expenditures based on interests and simillar expenditures within group	166	0	0	0	0
2. foreign exchange differences and other expenditures within group	167	0	0	0	0
3. expenditures based on interestts and simillar expenditures	168	4	4	425	12
4. foreign exchange differences and other expenditures	169	118	67	0	0
5. financial assets- forgone losses (expenditures)	170	0	0	0	0
6. value adjustments of financial assets (nett)	171	0	0	0	0
7. other financial expenditures	172	0	0	0	0
V. SHARE OF THE PROFITS IN ASSOCIATED UNDERTAKINGS	173	0	0	0	0
VI. SHARE OF THE PROFITS 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 125+154+173+174)	177	6.797.524	3.021.891	1.116.469	401.337
X. TOTAL EXPENDITURES (AOP 131+165+175+176)	178	6.161.436	2.154.664	5.601.783	1.763.244
XI. PROFIT OR LOSS BEFORE TAXATION (AOP 177-178)	179	636.088	867.227	-4.485.314	-1.361.907
1. profit before taxation (AOP 177-178)	180	636.088	867.227	0	0
2. loss before taxation (AOP 178-177)	181	0	0	-4.485.314	-1.361.907
XII. PROFIT TAX	182	0	0	0	0
XIII. PROFIT OR LOSS OF THE PERIOD (AOP 179-182)	183	636.088	867.227	-4.485.314	-1.361.907
1. Profit of the period (AOP 179-182)	184	636.088	867.227	0	0
2. loss of the period (AOP 182-179)	185	0	0	-4.485.314	-1.361.907
DISCONTINUED OPERATIONS (filled out by entrepreneur under MSFI only in case of discontinued operations)					

XIV. PROFIT OR LOSS OF DISCONTINUED OPERATIONS BEFORE TAXATION	186	0	0	0	0
1. profit of discontinued operations before taxation	187	0	0	0	0
2. loss of discontinued operations before taxation	188	0	0	0	0
XV. PROFIT TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1. profit of discontinued operations for the period (AOP 186-189)	190	0	0	0	0
2. loss of discontinued operations for the period (AOP 189-186)	191	0	0	0	0
TOTAL OPERATIONS (filled out by entrepreneur under MSFI only in case of discontinued operations)					
XVI. PROFIT OR LOSS BEFORE TAXATION (AOP 179+186)	192	0	0	0	0
1. Profit before tax (AOP 192)	193	0	0	0	0
2. loss before tax (AOP 192)	194	0	0	0	0
XVII. PROFIT TAX (AOP 182+189)	195	0	0	0	0
XVIII. PROFIT OR LOSS OF THE PERIOD (AOP 192-195)	196	0	0	0	0
1. profit of the period (AOP 192-195)	197	0	0	0	0
2. loss of the period (AOP 195-192)	198	0	0	0	0
ADDITION TO THE P&L STATEMENT (filled out by the entity that files consolidated yearly financial report)					
XIX. PROFIT OR LOSS OF THE PERIOD (AOP 200+201)	199	0	0	0	0
1. credited to the shareholders of the parent company	200	0	0	0	0
2. credited to the minor shareholders/interests	201	0	0	0	0
REPORT ON OTHER COMPREHENSIVE INCOME (filled out by entrepreneur under MSFI)					
I. PROFIT OR LOSS OF THE PERIOD	202	0	0	0	0
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	0	0	0	0
ADDITION to the Report on other comprehensive profit (filled out by the entity that files consolidated yearly financial report)					
VI. COMPREHENSIVE PROFIT OR LOSS OF THE PERIOD (AOP 2016+2017)	215	0	0	0	0
1. credited to the shareholders of the parent company	216	0	0	0	0
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: <u>HOTELI JADRAN d.d.</u>				
Name	AOP oznaka	Last year	Current period	
1	2	3	4	
Cash flows from operating activities				
1 Profit before tax	001	636.088	-4 485.314	
2 Adjustments	002	3 548.023	3 487.020	
a) Depreciation or gains and losses on sales and value adjustments on long-term tangible and intangible assets	003	3 385.272	3 366.019	
	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	-1.934	-1.484	
e) Interest expense	007	4	12	
f) Reservations	008	0	0	
g) Exchange rate differences (unrealized)	009	0	0	
h) Other adjustments for non-cash transactions and unrealized gains and losses	010	164.681	102.473	
I. Increase or decrease in cash flows before changes in working capital (AOP 001+002)	011	4 184.111	-1.018.294	
3. Changes in working capital (AOP 013 to 016)	012	-2 171.405	267.093	
a) Increase or decrease short-term liabilities	013	106.174	129.118	
b) Increase or decrease in short-term receivables	014	-3 322.032	137.975	
c) Increase or decrease in inventories	015	0	0	
d) Other increases or decreases in working capital	016	44.453	0	
II. Money from business (AOP 011+012)	017	1 012.706	-751.201	
4 Cash expenditures on interest	018	-4	0	
5 Paid income tax	019	0	0	
A) NET CASH FLOWS FROM OPERATING ACTIVITIES (AOP 017 to 019)	020	1.012.702	-751.201	
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	176	117	
4 Cash receipts from dividends	024	0	0	
5 Cash receipts from the basis of the return on loans and savings roles	025	1.695	0	
6 Other cash receipts from investment activities	026	0	0	
III. Total cash receipts from investment activities (AOP 021 to 026)	027	1.871	117	
1 Cash expenditures for the purchase of long-term tangible and intangible assets	028	-259.310	-12.000	
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	-152.926	-110.250	
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	-412.236	-120.250	
B) NET CASH FLOWS FROM INVESTMENT ACTIVITIES (AOP 027+033)	034	-410.365	-120.133	
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	0	70.035	
4 Other cash receipts from financial activities	038	0	0	
V. Total cash receipts from financial activities (AOP 035 to 038)	039	0	70.035	
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	0	70.035	
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	602.337	-801.299	
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	1 093.529	951.897	
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (AOP 048+049)	050	1.695.866	150.598	

STATEMENT OF CHANGE IN EQUITY
01.01.20

[illegible]

3.STATEMENT OF THE RESPONSIBLE PERSON

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