

Zagreb, February 26, 2021

**Subject:** Management Report on business results of the Company Institut IGH d.d. and its subsidiaries in the period from January 1 to December 31 2020.

**Institut IGH d.d.**

In the period from January to December 2020, Institut IGH d.d. operated with revenue amounting to HRK 170.1 million. Operating expenses (excluding amortization) amount to HRK 159.2 million, which resulted in EBITDA of HRK 10.9 million which is a 63% decrease in comparison to the same period last year.

After the amortization cost in the amount of HRK 9 million HRK, negative effect of interest and exchange rate differences in the amount of HRK 11.6 million HRK, Institut IGH d.d. operated at a net loss amounting HRK 9.7 million.

During the period under review, the activities of business development as well as offering were reduced. The reason can be found in effects of COVID-19 virus resulting in HRK 46.4 million less worth of new contracts in the subject period from January 1 to December 31 2020, which is 21 % less compared to the same period of the previous year.

The state of ratio of contract per employee is stable with a tendency to increase, which, with efficiency, expected intensified dynamics of tendering and contracting after a reduction in the consequences of COVID virus, gives us the confidence that the positive trends of operating profit will continue.

IGH fully implements the recommendations of epidemiological services and enables its employees to work from home with the implementation of additional measures in the Company's business premises.

IGH did not use state aid from the Government of the Republic of Croatia because the decline in revenues in the observed period did not meet the set conditions.

In the observed period, there were no significant changes in the fair value of assets, assets were insured and all property damaged by natural disasters was repaired.

Regarding the going concern of the business with which the company is burdened, we believe that the risk has not increased, because the business sector has a growth trend and market needs. The company believes that it will be an important subject in the reconstruction after natural disasters, and in new projects important for the Republic of Croatia, such as the modernization of railways. The Company believes that there is an increased risk of non-collection of receivables and regularly adjusts them in accordance with accounting policies, and improves the collection of receivables.

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WEB [www.igh.hr](http://www.igh.hr)

Competent court:  
Commercial Court in Zagreb  
Register entry with company registration  
No 080000959

Share capital:  
HRK 116,604,710.00  
Paid in full

No of Issued shares: IGH 613,709  
Nominal share value HRK 190

Reg.No.: 3750272  
PIN: 79766124714  
Business bank:  
Zagrebačka Banka d.d.  
IBAN:  
HR7723600001101243767  
SWIFT code: ZABAHR2X

Management Board:  
Robert Petrosian, President of the Management Board  
Vedrana Tudor, Member of the Management Board  
Miroslav Pauzar, Member of the Management Board

Supervisory Board:  
Žarko Dešković, MEng. CE  
President of the Supervisory Board



## IGH Group

In the period from January to December 2020, IGH Group operated at a revenue amounting to HRK 172.5 million. Operating expenses (excluding amortization) amount to HRK 160.6 million, this resulted in an EBITDA of HRK 11.9 million.

After the amortization cost in the amount of HRK 9.3 million, negative effect of interest and exchange rate differences in the amount of HRK 12.3 million, IGH Group operated at a net loss amounting HRK 9.8 million.

Institut IGH will continue with its increased activities in the next period, according to the strategic development plan for the period up to year 2024, increasing productivity and efficiency in implementation of projects on which it has been engaged, strengthening human resources and extending business activities on the international markets in order to spread risk and achieve long-term, sustainable and profitable business operations.

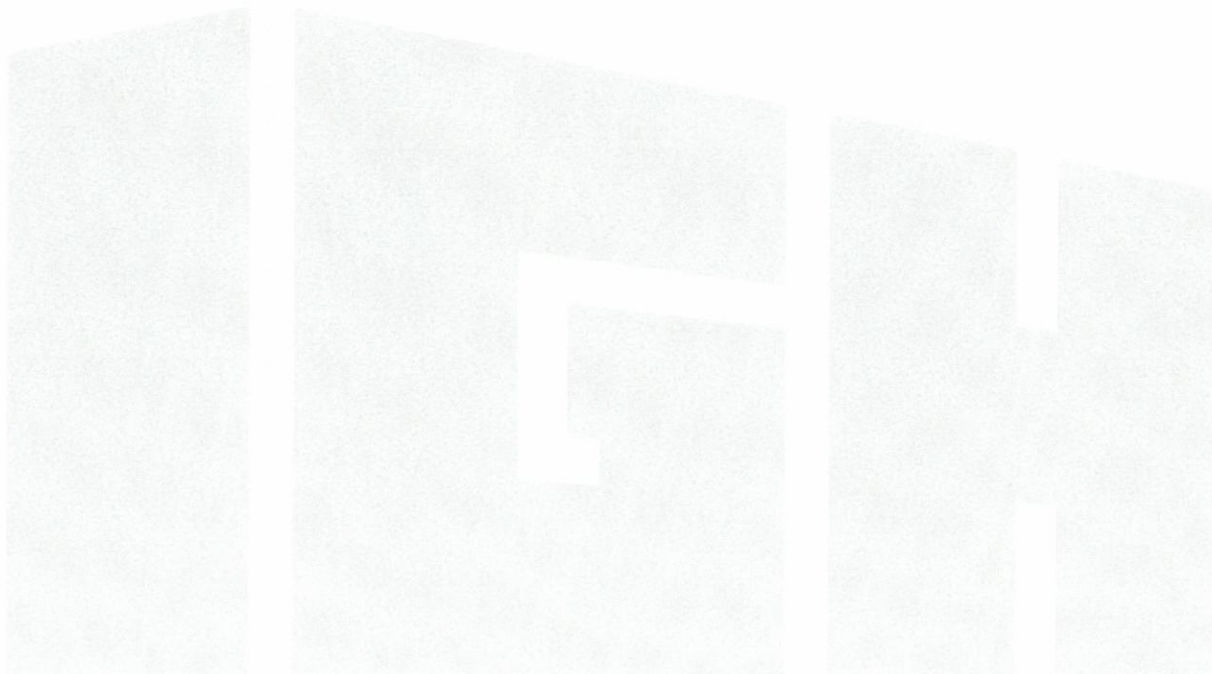
On behalf of the INSTITUT IGH, d.d. Management Board;

Robert Petrosian  
President of the Management Board



Miroslav Pauzar  
Member of the Management Board

Vedrana Tudor  
Member of the Management Board



## Annex 1

## ISSUER'S GENERAL DATA

Reporting period: 1.1.2020 to 31.12.2020

Year: 2020

Quarter: 4.

## Quarterly financial statements

Registration number (MB): 03750272 Issuer's home Member State code: HR

Entity's registration number (MBS): 80000959

Personal identification number (OIB): 79766124714

LEI: 74780000W0UQ8MF2FU71

Institution code: 1461

Name of the issuer: INSTITUT IGH D.D.

Postcode and town: 10000 ZAGREB

Street and house number: JANKA RAKUŠE 1

E-mail address: igh@igh.hr

Web address: http://www.igh.hr

Number of employees (end of the reporting period): 544

Consolidated report: KD (KN-not consolidated/KD-consolidated)

Audited: RN (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS): Registered office: MB:

IGH PROJEKTIRANJE D.O.O. ZAGREB, JANKA RAKUŠE 1 02441918

INCRO D.O.O. ZAGREB, JANKA RAKUŠE 1 01982516

IGH BUSINESS ADVISORY SERVICES D.O.O. ZAGREB, JANKA RAKUŠE 1 01819585

FORUM CENTAR D.O.O. ZAGREB, JANKA RAKUŠE 1 01960229

EKONOMSKO TEHNIČKI ZAVOD D.D. OSIJEK, DRINSKA 18 03013669

IGH CONSULTING D.O.O. ZAGREB, JANKA RAKUŠE 1 02462478

DP AQUA D.O.O. ZAGREB, JANKA RAKUŠE 1 01907522

RADELJEVIĆ D.O.O. ZAGREB, JANKA RAKUŠE 1 01938533

MARTERRA D.O.O. ZAGREB, JANKA RAKUŠE 1 02814692

POSLOVNA ZONA VELIKA KOPANICA D.O.O. ZAGREB, JANKA RAKUŠE 1 02349671

IGH MOSTAR D.O.O. MOSTAR, BIŠĆE POLJE BB 27060470005

IGH D.O.O. MOSTAR MOSTAR, BIŠĆE POLJE BB 27725460006

IGH MONTENEGRO d.o.o. PODGORICA, MOSKOVSKA 2B

IGH KOSOVA Sha PRIŠTINA, KOSOVO

Bookkeeping firm: No (Yes/No) (name of the bookkeeping firm)

Contact person: Larisa Lukšić (only name and surname of the contact person)

Telephone: 0994920320

E-mail address: larisa.luksic@igh.hr

Audit firm: (name of the audit firm)

Certified auditor: (name and surname)



**BALANCE SHEET**  
balance as at 31.12.2020.

in HRK

Submitter: INSTITUT IGH D.D.

Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	209.264.329	202.467.562
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	2.207.084	10.263.027
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	988.492	9.094.881
3 Goodwill	006	1.134.983	1.134.983
4 Advances for the purchase of intangible assets	007	43.613	0
5 Intangible assets in preparation	008	39.996	33.163
6 Other intangible assets	009	0	0
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	180.787.246	176.403.576
1 Land	011	93.666.253	86.874.022
2 Buildings	012	53.129.161	48.029.000
3 Plant and equipment	013	16.405.327	14.999.876
4 Tools, working inventory and transportation assets	014	5.374.198	3.904.167
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	466.947	266.927
7 Tangible assets in preparation	017	21.091.428	21.674.656
8 Other tangible assets	018	305.575	304.571
9 Investment property	019	348.357	348.357
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	15.201.368	14.963.501
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	0	0
7 Investments in securities	027	125.800	566.720
8 Loans, deposits, etc. given	028	503.632	242.482
9 Other investments accounted for using the equity method	029	14.558.000	14.154.299
10 Other fixed financial assets	030	13.936	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	1.061.970	837.458
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	1.061.970	441.900
4 Other receivables	035	0	395.558
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	6.661	0
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	233.372.207	206.070.523
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	157.210.631	133.949.361
1 Raw materials and consumables	039	0	0
2 Work in progress	040	75.729.758	75.729.758
3 Finished goods	041	0	0
4 Merchandise	042	568.162	0
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	80.912.711	58.168.603
7 Biological assets	045	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	45.429.810	36.078.724
1 Receivables from undertakings within the group	047	0	0
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	39.631.112	23.104.293
4 Receivables from employees and members of the undertaking	050	877.276	774.032
5 Receivables from government and other institutions	051	1.684.872	720.243
6 Other receivables	052	2.936.550	14.480.156
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	18.784.632	24.547.007
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	9.200	0
7 Investments in securities	060	50.720	26.664
8 Loans, deposits, etc. given	061	18.724.712	24.329.703
9 Other financial assets	062	0	190.640
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	11.947.134	8.546.431
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	16.620.079	16.069.197
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	459.256.615	424.607.282
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	49.806.747	27.270.012
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 076)</b>	<b>067</b>	-41.828.491	-62.235.065
<b>I INITIAL (SUBSCRIBED) CAPITAL</b>	<b>068</b>	116.604.710	116.604.710
<b>II CAPITAL RESERVES</b>	<b>069</b>	-255.383	-255.383
<b>III RESERVES FROM PROFIT (ADP 071+072+073+074+075)</b>	<b>070</b>	-3.275.313	-3.275.313
1 Legal reserves	071	0	0
2 Reserves for treasury shares	072	1.446.309	1.446.309
3 Treasury shares and holdings (deductible item)	073	-5.676.024	-5.676.024
4 Statutory reserves	074	0	0
5 Other reserves	075	954.402	954.402
<b>IV REVALUATION RESERVES</b>	<b>076</b>	102.868.946	96.500.938
<b>V FAIR VALUE RESERVES (ADP 078 to 080)</b>	<b>077</b>	0	0
1 Fair value of financial assets available for sale	078	0	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
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)</b>	<b>081</b>	-273.713.497	-261.377.540
1 Retained profit	082	144.899.852	144.899.852
2 Loss brought forward	083	418.613.349	406.277.392
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)</b>	<b>084</b>	-16.639.000	-9.735.520
1 Profit for the business year	085	16.639.000	0
2 Loss for the business year	086	0	9.735.520
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>	<b>087</b>	-696.957	-696.957
<b>B) PROVISIONS (ADP 089 to 094)</b>	<b>088</b>	2.232.828	9.991.511
1 Provisions for pensions, termination benefits and similar obligations	089	505.988	667.023
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	1.726.840	6.126.548
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	3.167.940
<b>C) LONG-TERM LIABILITIES (ADP 096 to 106)</b>	<b>095</b>	71.140.564	56.186.253
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0

4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	497,127	554,853
6 Liabilities to banks and other financial institutions	101	48,209,430	34,090,453
7 Liabilities for advance payments	102	255,987	0
8 Liabilities to suppliers	103	197,924	197,924
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	0	0
11 Deferred tax liability	106	21,989,116	21,346,023
<b>D) SHORT-TERM LIABILITIES (ADP 108 to 121)</b>	<b>107</b>	<b>374,119,655</b>	<b>307,481,188</b>
1 Liabilities to undertakings within the group	108	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	314,428	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	1,254,216	934,139
6 Liabilities to banks and other financial institutions	113	233,040,921	241,806,102
7 Liabilities for advance payments	114	3,717,354	6,191,607
8 Liabilities to suppliers	115	26,633,747	29,928,312
9 Liabilities for securities	116	70,673,241	47,800,647
10 Liabilities to employees	117	6,423,294	6,714,483
11 Taxes, contributions and similar liabilities	118	8,525,889	13,174,970
12 Liabilities arising from the share in the result	119	216,366	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	23,019,199	20,930,928
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>122</b>	<b>53,584,039</b>	<b>53,180,395</b>
<b>F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)</b>	<b>123</b>	<b>459,250,815</b>	<b>424,607,282</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>124</b>	<b>49,806,747</b>	<b>2,727,012</b>



**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2020. to 31.12.2020.

in HR

Submitter: INSTITUT IGH D.D.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 126 to 130)</b>	<b>125</b>	<b>202.233.632</b>	<b>54.790.682</b>	<b>172.522.022</b>	<b>18.280.34</b>
1 Income from sales with undertakings within the group	126	0	0	0	0
2 Income from sales (outside group)	127	183.086.867	50.543.307	157.508.020	33.843.39
3 Income from the use of own products, goods and services	128	252.739	46.565	253.511	62.02
4 Other operating income with undertakings within the group	129	20.118	-1	0	-2.13
5 Other operating income (outside the group)	130	18.873.908	4.200.811	14.760.491	-15.622.94
<b>II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)</b>	<b>131</b>	<b>182.361.826</b>	<b>50.254.439</b>	<b>169.961.501</b>	<b>24.480.11</b>
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	60.851.032	18.410.652	53.504.332	15.551.49
a) Costs of raw materials and consumables	134	9.482.307	2.472.850	7.271.144	1.983.58
b) Costs of goods sold	135	0	0	0	0
c) Other external costs	136	51.368.725	15.937.802	46.233.188	13.567.91
3 Staff costs (ADP 138 to 140)	137	88.532.412	23.002.021	86.551.736	21.988.93
a) Net salaries and wages	138	59.484.576	14.751.979	50.334.611	11.225.59
b) Tax and contributions from salary costs	139	19.111.084	5.652.693	25.265.016	7.858.84
c) Contributions on salaries	140	9.936.752	2.597.349	10.952.109	2.904.49
4 Depreciation	141	9.792.219	2.611.296	9.364.898	2.810.58
5 Other costs	142	20.363.102	5.819.823	11.634.076	3.539.24
6 Value adjustments (ADP 144+145)	143	3.184	195.044	1.243.234	292.59
a) fixed assets other than financial assets	144	0	1.094.287	0	0
b) current assets other than financial assets	145	3.184	-899.243	1.243.234	292.59
7 Provisions (ADP 147 to 152)	146	442.186	0	2.454.314	2.454.31
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	430.137	430.137
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	442.186	0	2.024.177	2.024.177
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	2.377.691	215.603	5.208.911	-22.157.05
<b>III FINANCIAL INCOME (ADP 155 to 164)</b>	<b>154</b>	<b>5.950.194</b>	<b>931.176</b>	<b>1.962.414</b>	<b>-3.625.789</b>
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	4.435	120.219	1.695	1.695
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	1.694.667	111.448	0	0
6 Income from other long-term financial investments and loans	160	0	0	396.882	0
7 Other interest income	161	2.372.934	2.008.882	27.599	15.604
8 Exchange rate differences and other financial income	162	1.878.083	-1.309.373	478.776	-3.834.188
9 Unrealised gains (income) from financial assets	163	0	0	108.720	108.720
10 Other financial income	164	75	0	948.742	82.380
<b>IV FINANCIAL EXPENSES (ADP 166 to 172)</b>	<b>165</b>	<b>14.889.000</b>	<b>3.218.327</b>	<b>14.259.855</b>	<b>-1.561.818</b>
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	169.857	0	0
3 Interest expenses and similar expenses	168	11.270.739	3.029.535	10.075.198	2.031.481
4 Exchange rate differences and other expenses	169	3.447.481	-173.489	4.071.794	-3.706.162
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	91.872	124.656	0	0
7 Other financial expenses	172	78.908	67.768	112.863	112.863
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>173</b>	<b>0</b>	<b>0</b>	<b>1.400</b>	<b>1.400</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>174</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>175</b>	<b>14.000</b>	<b>5.269</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>176</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 125+154+173 + 174)</b>	<b>177</b>	<b>208.183.826</b>	<b>55.721.858</b>	<b>174.485.836</b>	<b>14.655.957</b>
<b>X TOTAL EXPENDITURE (ADP 131+165+175 + 176)</b>	<b>178</b>	<b>197.264.826</b>	<b>53.478.035</b>	<b>184.221.356</b>	<b>22.918.292</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 177-178)</b>	<b>179</b>	<b>10.919.000</b>	<b>2.243.823</b>	<b>-9.735.520</b>	<b>-8.262.335</b>
1 Pre-tax profit (ADP 177-178)	180	10.919.000	2.243.823	0	0



2 Pre-tax loss (ADP 178-177)	181	0	0	-9.735.520	-8.262.33
<b>XII INCOME TAX</b>	<b>182</b>	-5.657.000	-5.002.364	0	
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)</b>	<b>183</b>	16.576.000	7.246.187	-9.735.520	-8.262.33
1 Profit for the period (ADP 179-182)	184	16.576.000	7.246.187	0	
2 Loss for the period (ADP 182-179)	185	0	0	-9.735.520	-8.262.33
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)</b>	<b>186</b>	0	0	0	
1 Pre-tax profit from discontinued operations	187	0	0	0	
2 Pre-tax loss on discontinued operations	188	0	0	0	
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>189</b>	0	0	0	
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	
2 Discontinued operations loss for the period (ADP 189-186)	191	0	0	0	
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)</b>	<b>192</b>	0	0	0	
1 Pre-tax profit (ADP 192)	193	0	0	0	
2 Pre-tax loss (ADP 192)	194	0	0	0	
<b>XVII INCOME TAX (ADP 182+189)</b>	<b>195</b>	0	0	0	
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)</b>	<b>196</b>	0	0	0	
1 Profit for the period (ADP 192-195)	197	0	0	0	
2 Loss for the period (ADP 195-192)	198	0	0	0	
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)</b>	<b>199</b>	16.576.000	7.235.262	-9.735.520	-8.262.33
1 Attributable to owners of the parent	200	16.639.000	7.206.681	-9.735.520	-8.262.33
2 Attributable to minority (non-controlling) interest	201	-63.000	28.581	0	
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>202</b>	16.576.000	7.246.187	0	
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)</b>	<b>203</b>	-568.557	-20.009.457	0	
1 Exchange rate differences from translation of foreign operations	204	41.000	0	0	
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	-6.456	-20.009.457	0	
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	
8 Other changes in equity unrelated to owners	211	-603.101	0	0	
<b>III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>212</b>	0	0	0	
<b>IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)</b>	<b>213</b>	-568.557	-20.009.457	0	
<b>V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)</b>	<b>214</b>	16.007.443	-12.763.270	0	
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)</b>	<b>215</b>	16.007.443	-12.763.270	-9.735.520	-8.262.33
1 Attributable to owners of the parent	216	16.070.443	-12.791.851	-9.735.520	-8.262.33
2 Attributable to minority (non-controlling) interest	217	-63.000	28.581	0	



**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2020. to 31.12.2020.

in HRK

Submitter: INSTITUT IGH D.D.

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	10.919.000	-9.735.520
2 Adjustments (ADP 003 to 010):	002	11.760.219	24.462.950
a) Depreciation	003	9.792.219	9.364.898
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-8.927.000	-1.243.234
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	-2.377.000	-27.599
e) Interest expenses	007	11.363.000	10.075.198
f) Provisions	008	343.000	2.454.314
g) Exchange rate differences (unrealised)	009	-123.000	3.839.373
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	1.689.000	0
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	011	22.679.219	14.727.430
3 Changes in the working capital (ADP 013 to 016)	012	-4.164.219	1.382.177
a) Increase or decrease in short-term liabilities	013	-4.829.219	-2.925.653
b) Increase or decrease in short-term receivables	014	665.000	4.307.830
c) Increase or decrease in inventories	015	0	0
d) Other increase or decrease in working capital	016	0	0
<b>II Cash from operations (ADP 011+012)</b>	017	18.515.000	16.109.607
4 Interest paid	018	0	0
5 Income tax paid	019	0	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	020	18.515.000	16.109.607
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	1.000	0
3 Interest received	023	0	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	12.796.000	8.530.776
6 Other cash receipts from investment activities	026	0	0
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	027	12.797.000	8.530.776
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-3.079.000	0
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-11.030.000	-10.290.485
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	033	-14.109.000	-10.290.485
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	034	-1.312.000	-1.759.709
<b>Cash flow from financing activities</b>			
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	1.987.000	1.000.000
4 Other cash receipts from financing activities	038	0	0
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	039	1.987.000	1.000.000
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-13.041.000	-14.634.457
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	-1.124.000	-4.116.144
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
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-14.165.000</b>	<b>-18.750.601</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-12.178.000</b>	<b>-17.750.601</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>5.025.000</b>	<b>-3.400.703</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>6.922.046</b>	<b>11.947.134</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>11.947.046</b>	<b>8.546.431</b>

## STATEMENT OF CHANGES IN EQUITY

[illegible]





Zagreb, February 26, 2021

**Subject:** Statement of the Management Board on the responsibility for preparing financial reports for the Group Institut IGH, JSC

The Company's Management Board has to ensure that the Group's unaudited consolidated financial reports for the accounting period from January to December 2020 are prepared in accordance with the Accountancy Law (Official Gazette 78/15, 133/15, 120/16) and International Financial Reporting Standards as adopted by the European Union, so that these documents provide a true and unbiased picture of the Group's financial standing, business results, change in capital, and cash flow for the period under consideration.

After making due enquiries, the Management Board has a reasonable expectation that the Group has adequate resources to continue operation in the foreseeable future. Accordingly, the Group has prepared its financial reports under assumption that the Group will continue operating for an unlimited period of time.

During preparation of financial reports, the Management Board is responsible:

- for the selection and, thereafter, for consistent use of appropriate accounting policies;
- for giving reasonable and sensible assessments and estimates;
- for applying valid financial reporting standards and for making public and explaining every materially significant discrepancy discovered in financial reports;
- for preparing financial reports under assumption of an unlimited period of operation, except in cases when such assumption is inappropriate.

The Management Board is responsible for keeping proper accountancy records that will depict, to an acceptable level of accuracy, the financial standing and business results of the Group, in full compliance with the Accountancy Law and International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). The Management Board is also responsible for protecting and safeguarding the Group's assets, and hence for undertaking every measure it deems necessary to prevent and discover cases of fraud and other illegal activity.

Signed on the behalf of the Management Board

Robert Petrosian,  
President of the Management Board

Miroslav Pauzar,  
Member of the Management Board

Vedrana Tudor,  
Member of the Management Board

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10000 Zagreb, Croatia

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Competent court:  
Commercial Court in Zagreb  
Register entry with company registration  
No 080000959

Share capital:  
HRK 116,604,710.00  
Paid in full

No of issued shares: IGH 613,709  
Nominal share value HRK 190

Reg.No.: 3750272  
PIN: 79766124714  
Business bank:  
Zagrebačka Banka d.d.  
IBAN:  
HR7723600001101243767  
SWIFT code: ZABHR2X

Management Board:  
Robert Petrosian, President of the Management Board  
Vedrana Tudor, Member of the Management Board  
Miroslav Pauzar, Member of the Management Board

Supervisory Board:  
Žarko Dešković, MEng, CE  
President of the Supervisory Board

