

INSTITUTE OF CONSTRUCTIVE SOLUTIONS

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 concerne 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.

INSTITUT IGH, d.d. Janka Rakuše 1 10000 Zagreb, Croatia

PHONE +385 (0)1 612 51 25 FAX +385 (0)1 612 54 01 EMAIL igh@igh.hr WEB www.igh.hr Competent court: Commercial Court in Zagreb Register entry with company registration No 080000959

Share capital: HRK 116,604,710.00 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.

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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.
- 1	Quarterly financial statements
egistration number (MB): 03750	lssuer's home Member
Entity's registration	State code:
number (MBS): 80000 Personal identification 707004	959
number (OIB): 7976612	24714 LEI: 74780000W0UQ8MF2FU71
code: 146	1
Name of the issuer: INSTITUT IG	H D.D.
Postcode and town: 1000	ZAGREB
eet and house number: JANKA RAKI	JŠE 1
E-mail address: igh@igh.hr	
Web address: http://www.i	gh.hr
Number of employees (end of the reporting 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 PROJEKTIRAN.	JE D.O.O. ZAGREB, JANKA RAKUŠE 1 02441918
INCR	O D.O.O. ZAGREB, JANKA RAKUŠE 1 01982516
IGH BUSINESS ADVISORY SERVICE	S D.O.O. ZAGREB, JANKA RAKUŠE 1 01819585
FORUM CENTA	R D.O.O. ZAGREB, JANKA RAKUŠE 1 01960229
EKONOMSKO TEHNIČKI ZAV	VOD D.D. OSIJEK, DRINSKA 18 03013669
IGH CONSULTIN	G D.O.O. ZAGREB, JANKA RAKUŠE 1 02462478
DP AQU	A D.O.O. ZAGREB, JANKA RAKUŠE 1 01907522
RADELJEVI	Ć D.O.O. ZAGREB, JANKA RAKUŠE 1 01938533
MARTERR	A D.O.O. ZAGREB, JANKA RAKUŠE 1 02814692
OSLOVNA ZONA VELIKA KOPANIC	A D.O.O. ZAGREB, JANKA RAKUŠE 1 02349671
IGH MOSTA	R D.O.O. MOSTAR, BIŠĆE POLJE BB 2706047000
IGH D.O.O. N	MOSTAR, BIŠĆE POLJE BB 2772546000
IGH MONTENEGR	RO d.o.o. PODGORICA, MOSKOVSKA 2B
IGH KOSO	OVA Sha PRIŠTINA, KOSOVO
Bookkeeping firm: No	(Yes/No)
Contact person: Larisa Lukšić	(name of the bookkeeping firm)
(only name and Telephone: 0994920320	d surname of the contact person)
E-mail address: arisa.luksic@	⊉igh.hr
Audit firm:	
(name of the au Certified auditor:	
(name and surn	iame)

item .	ADP	Last day of the preceding business	At the reporting da of the current perio
1	2	year 3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	1 0	
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	209.264.329	202.467.5
I INTANGIBLE ASSETS (ADP 004 to 009) 1 Research and development	003	2.207.084	10.263.0
2 Concessions, patents, licences, trademarks, software and other	005	988.492	0.004.8
rights 3 Goodwill	005	1.134.983	9.094.8
4 Advances for the purchase of intangible assets	007	43.613	1,134.9
5 Intangible assets in preparation	800	39.996	33.1
6 Other intangible assets II TANGIBLE ASSETS (ADP 011 to 019)	010	190.787,246	176 403 5
1 Land	011	93.666.253	86.874.0
2 Buildings 3 Plant and equipment	012	53.129.161	48.029.0
4 Tools, working inventory and transportation assets	013	16.405.327 5.374.198	14,999.8 3,904.1
5 Biological assets	015	0	
6 Advances for the purchase of tangible assets 7 Tangible assets in preparation	016	466.947 21.091.428	268.9 21.674.6
8 Other tangible assets	018	305.575	304.5
9 Investment property III FIXED FINANCIAL ASSETS (ADP 021 to 030)	019	348.357	348.35
1 Investments in holdings (shares) of undertakings within the group	020	15.201.368	14 963.50
2 Investments in other securities of undertakings within the group	022	0	
 Loans, deposits, etc. to undertakings within the group Investments in holdings (shares) of companies linked by virtue of 	023	0	
participating interests	024	0	
5 Investment in other securities of companies linked by virtue of	025	0	
participating interests 6 Loans, deposits etc. to companies linked by virtue of participating			
7 Investments in acquities	026	0	
7 Investments in securities 8 Loans, deposits, etc. given	027	125.800 503.632	566.72 242.48
9 Other investments accounted for using the equity method	029	14.558.000	14.154.29
10 Other fixed financial assets IV RECEIVABLES (ADP 032 to 035)	030	13.936	927.46
Receivables from undertakings within the group	031	0	837.45
2 Receivables from companies linked by virtue of participating	033	0	
3 Customer receivables			
4 Other receivables	034	1.061.970	441.90 395.55
V DEFERRED TAX ASSETS	036	6.661	
C) CURRENT ASSETS (ADP 038+046+053+063)	037	233.372.207	206,070.52
INVENTORIES (ADP 039 to 045) 1 Raw materials and consumables	038	157.210.631	133,898,36
2 Work in progress	040	75.729.758	75.729.75
3 Finished goods 4 Merchandise	041	568.162	
5 Advances for inventories	042	0	
6 Fixed assets held for sale	044	80.912.711	58.168.603
7 Biological assets RECEIVABLES (ADP 047 to 052)	045	45.429.810	39.078.724
1 Receivables from undertakings within the group	047	0	00.070.72
2 Receivables from companies linked by virtue of participating interests	048	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 6 Other receivables	051 052	1.984,872 2.936.550	720,243 14,480,156
CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	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	
4 Investments in holdings (shares) of companies linked by virtue of articipating interests	057	0	0
5 Investment in other securities of companies linked by virtue of	058	0	0
articipating interests 8 Loans, deposits etc. to companies linked by virtue of participating			
nterests	059	9.200	0
7 Investments in securities 8 Loans, deposits, etc. given	060	50.720 18.724.712	26.664 24.329.703
9 Other financial assets	062	0	190.640
/ CASH AT BANK AND IN HAND	063	11.947.134	8.546.431
) PREPAID EXPENSES AND ACCRUED INCOME) TOTAL ASSETS (ADP 001+002+037+064)	064	16.620.079 459.256,615	16.069.197 424.607.282
FF-BALANCE SHEET ITEMS	066	49.806.747	27.270.012
ABILITIES) CAPITAL AND RESERVES (ADP 068 to	067		
NITIAL (SUBSCRIBED) CAPITAL	068	-41.828.491 116.604.710	-62.235.065 116.604.710
CAPITAL RESERVES	069	-255.383	-255.383
RESERVES FROM PROFIT (ADP 071+072-073+074+075) 1 Legal reserves	070	-3.275.313	-3.275.313 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 5 Other reserves	074	954.402	954.402
REVALUATION RESERVES	076	102.868.949	96.500.938
FAIR VALUE RESERVES (ADP 078 to 080) 1 Fair value of financial assets available for sale	077	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
RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082- 33)	081	-273.713.497	-261.377.540
1 Retained profit	082	144.899.852	144.899.852
2 Loss brought forward I PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	083	418.613.349 18.639.000	406.277.392
1 Profit for the business year	085	16.639.000	-9.735.520 0
2 Loss for the business year	086	0	9.735.520
II MINORITY (NON-CONTROLLING) INTEREST PROVISIONS (ADP 089 to 094)	087	-696.957 2.232.826	-696.957 9.991.511
	52927772	5.000.0000	23000
1 Provisions for pensions, termination benefits and similar obligations	089	505.988	667.023
2 Provisions for tax liabilities	090	0	0
	091	1.726.840	6.126.548
3 Provisions for ongoing legal cases 4 Provisions for renewal of natural resources		0	0
3 Provisions for ongoing legal cases 4 Provisions for renewal of natural resources 5 Provisions for warranty obligations	093		
4 Provisions for renewal of natural resources 5 Provisions for warranty obligations 6 Other provisions	094	0	3.197.940
4 Provisions for renewal of natural resources 5 Provisions for warrenty obligations 6 Other provisions LONG-TERM LIABILITIES (ADP 096 to 106)	094 095	71.149.584	56 189.253
4 Provisions for renewal of natural resources 5 Provisions for warranty obligations 6 Other provisions	094	0	

4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	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	34.080.433
8 Liabilities to suppliers	103	197.924	197,924
9 Liabilities for securities	104	0	107.024
10 Other long-term liabilities	105	0	0
11 Deferred tax liability	106	21,989,116	21,346,023
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	374.118.655	367.481.188
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
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	70.973.241	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
E) ACCRUALS AND DEFERRED INCOME	122	53.584.039	53.180.395
F) TOTAL - LIABILITIES (ADP 067+088+095+107+122)	123	459.256.615	424.607.282
G) OFF-BALANCE SHEET ITEMS	124	49.806.747	2.727.012

STATEMENT OF PROFIT OR LOSS

for the period 01.01.2020. to 31.12.2020.

Submitter: INSTITUTION D.D.

in HR

Submitter: INSTITUT IGH D.D.					
ltem	ADP code	Same period of	the previous year	Curr	ent period
	电影管理系统	Cumulative	Quarter	Cumulative	Quarter
I OPERATING INCOME (ADP 126 to 130)	125	3 202 222 621	4	5	6
1 Income from sales with undertakings within the group	125	202.233.632			18.280.3
2 Income from sales (outside group)	127	183.086.867		0 457.500.00	0
3 Income from the use of own products, goods and services	128	252.739			
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			
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	182.361.826	A STATE OF THE PARTY OF THE PAR		
1 Changes in inventories of work in progress and finished goods	132	C		0	0
2 Material costs (ADP 134 to 136)	133	60.851.032	18.410.65	2 53.504.33	2 15.551.49
a) Costs of raw materials and consumables	134	9.482.307	2.472.85		
b) Costs of goods sold	135				0
c) Other external costs	136	51.368.725	15.937.80	2 46.233.18	8 13.567.91
3 Staff costs (ADP 138 to 140)	137	88.532.412			6 21.988.93
a) Net salaries and wages	138	59.484.576		9 50.334.61	1 11.225.59
b) Tax and contributions from salary costs	139	19.111.084		3 25.265.01	7.858.84
c) Contributions on salaries	140	9.936.752			9 2.904.49
4 Depreciation	141	9.792.219			2.810.58
5 Other costs	142	20.363.102	5.819.82		3.539.24
6 Value adjustments (ADP 144+145)	143	3.184	195.04	114 10120	4 292.59
a) fixed assets other than financial assets	144	0	1.094.28		
b) current assets other than financial assets 7 Provisions (ADP 147 to 152)	145	3.184	-899.243		
	146	442.186		2.454.314	
a) Provisions for pensions, termination benefits and similar obligations b) Provisions for tax liabilities	147	0	(
c) Provisions for ongoing legal cases	148	0	(1
d) Provisions for renewal of natural resources	149	442.186	(
e) Provisions for warranty obligations	150	0	(
f) Other provisions	151 152	0	(
8 Other operating expenses	153	0 277 004	0.15.000		
III FINANCIAL INCOME (ADP 155 to 164)	154	2.377.691	215.603		
1 Income from investments in holdings (shares) of undertakings within the group	155	5.950.194	931.176		-3.625.789
2 Income from investments in holdings (shares) of companies linked by	156	0	0	-	
virtue of participating interests 3 Income from other long-term financial investment and loans granted to	157				
undertakings within the group 4 Other interest income from operations with undertakings within the		0	0	0	C
group 5 Exchange rate differences and other financial income from operations	158	4.435	120.219	1.695	1.695
with undertakings within the group	159	1.694.667	111.448	0	C
6 Income from other long-term financial investments and loans	160	0	0		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	
9 Unrealised gains (income) from financial assets 10 Other financial income	163	0	0	108.720	108.720
V FINANCIAL EXPENSES (ADP 166 to 172)	164	75	0	0 1011 12	82.380
Interest expenses and similar expenses with undertakings within the	165	14.889.000	3.218.327	14.259.855	-1.561.818
group 2 Exchange rate differences and other expenses from operations with	166	0	0	0	0
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 7 SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VRITUE OF	172 173	78.908	67.768	112.863	112.863
PARTICIPATING INTERESTS			0	1.400	1.400
I SHARE IN LOSS OF COMPANIES LINKED BY VIDTUE OF	174	0	0	0	0
/II SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	14.000	5.269	0	0
III SHARE IN LOSS OF JOINT VENTURES	176	0	0		
X TOTAL INCOME (ADP 125+154+173 + 174)	177	208.183.826	55.721.858	174,485.836	14.655.957
TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	197.264.826	53.478.035	184.221.356	22.918.292
PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	10.919.000	2.243.823	-9.735.520	-8.262.335
1 Pre-tax profit (ADP 177-178)	180	10.919.000	2.243.823	-5.755.520	-0.202.333
			.0.020	U	The second secon

2 Pre-tax loss (ADP 178-177)	181	0	0	-9.735.520	-8.262.33
XII INCOME TAX	182	-5.657.000	-5.002.364	0	
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	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	BY Experies
2 Loss for the period (ADP 182-179)	185	0	0	-9.735.520	-8.262.33
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to	to IFRS only v	vith discontinued ope	erations)		
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS	186	0	0		
(ADP 187-188)		U		0	
1 Pre-tax profit from discontinued operations	187	0	0	0	
2 Pre-tax loss on discontinued operations	188	0	0	0	
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	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	
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFR					
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	192	0	0	0	
1 Pre-tax profit (ADP 192)	193	0	0	0	
2 Pre-tax loss (ADP 192)	194	0	0	0	
XVII INCOME TAX (ADP 182+189)	195	0	0	0	
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196	0	0	0	新世纪变形 多
1 Profit for the period (ADP 192-195)	197	0	0	0	VIDEO TO SERVICE
2 Loss for the period (ADP 195-192)	198	0	0	0	
APPENDIX to the P&L (to be filled in by undertakings that draw up cons					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	199	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	(
STATEMENT OF OTHER COMPRHENSIVE INCOME (to be filled in by un	dertakings s	ubject to IFRS)		ferential tradition	
I PROFIT OR LOSS FOR THE PERIOD	202	16.576.000	7.246.187	0	(
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX	203	-568.557	-20.009.457	0	
(ADP 204 to 211)	La company and L	CONTRACTOR OF STREET	20.000.401		
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	205		AP 100 100 100 100 100 100 100 100 100 10	0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale		-6.456	-20.009.457 0		(
Profit or loss arising from subsequent measurement of financial assets available for sale Profit or loss arising from effective cash flow hedging		-6.456	AP 100 100 100 100 100 100 100 100 100 10	0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation	206	-6.456 0	0	0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a	206	-6.456 0	0	0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by	206 207 208	-6.456 0 0	0 0	0 0 0 0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	206 207 208 209	-6.456 0 0 0 0	0 0 0 0 0	0 0 0 0 0 0 0 0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation	206 207 208 209 210	-6.456 0 0 0	0 0 0	0 0 0 0 0 0 0 0 0 0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation 8 Other changes in equity unrelated to owners III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	206 207 208 209 210 211	-6.456 0 0 0 0 0 -603.101	0 0 0 0 0 0	0 0 0 0 0 0 0 0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation 8 Other changes in equity unrelated to owners III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP	206 207 208 209 210 211 212	-6.456 0 0 0 0 0 0 -603.101	0 0 0 0 0 0 0 0 0	0 0 0 0 0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation 8 Other changes in equity unrelated to owners III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	206 207 208 209 210 211 212 213 214	-6.456 0 0 0 0 0 -603.101 0 -568.557	0 0 0 0 0 0 0 0 -20.009.457	0 0 0 0 0 0	()
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation 8 Other changes in equity unrelated to owners III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213) APPENDIX to the Statement on comprehensive income (to be filled in by	206 207 208 209 210 211 212 213 214 / undertaking	-6.456 0 0 0 0 0 -603.101 0 -568.557 16.007.443 s that draw up conso	0 0 0 0 0 0 0 0 -20.009.457 -12.763.270	0 0 0 0 0 0	(
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation 8 Other changes in equity unrelated to owners	206 207 208 209 210 211 212 213 214	-6.456 0 0 0 0 0 -603.101 0 -568.557	0 0 0 0 0 0 0 0 -20.009.457	0 0 0 0 0 0	((((((((
3 Profit or loss arising from subsequent measurement of financial assets available for sale 4 Profit or loss arising from effective cash flow hedging 5 Profit or loss arising from effective hedge of a net investment in a foreign operation 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests 7 Actuarial gains/losses on the defined benefit obligation 8 Other changes in equity unrelated to owners III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213) APPENDIX to the Statement on comprehensive income (to be filled in by VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP	206 207 208 209 210 211 212 213 214 / undertaking	-6.456 0 0 0 0 0 -603.101 0 -568.557 16.007.443 s that draw up conso	0 0 0 0 0 0 0 0 -20.009.457 -12.763.270	0 0 0 0 0 0 0 0	(((((((((((((((((((

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

in HRK

Submitter: INSTITUT IGH D.D.			in HRK
ltem 4	ADP code	Same period of the previous year	Current period
Cash flow from operating activities	2	3	4
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		1	
intangible assets	004	-8.927.000	-1.243.234
c) Gains and losses from sale and unrealised gains and losses and value	005		0
adjustment of financial assets d) Interest and dividend income			U
e) Interest and dividend income	006	-2.377.000	-27.599
f) Provisions	007	11.363.000	10.075.198
g) Exchange rate differences (unrealised)	800	343.000	2.454.314
h) Other adjustments for non-cash transactions and unrealised gains and	009	-123.000	3.839.373
losses	010	1.689.000	0
Cash flow increase or decrease before changes in working capital			NATURAL TAXABLE PROPERTY OF THE PARTY OF THE
(ADP 001+002)	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	4.507.650
d) Other increase or decrease in working capital	016	0	0
Il Cash from operations (ADP 011+012)	017	18.515.000	16.109.607
4 Interest paid	018	0	0
5 Income tax paid	019	0	o
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	18.515.000	16.109.607
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	o	0
2 Cash receipts from sales of financial instruments	000	4 000	
B Interest received	022 023	1.000	0
4 Dividends received	023	0	0
5 Cash receipts from repayment of loans and deposits	025	12.796.000	9 530 770
Other cash receipts from investment activities	026	12.790.000	8.530.776
Il Total cash receipts from investment activities (ADP 021 to 026)	027	12.797.000	8.530.776
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	000		
Cash payments for loans and deposits for the period	029	11 020 000	0
Acquisition of a subsidiary, net of cash acquired	030 031	-11.030.000	-10.290.485
Other cash payments from investment activities	031	0	0
V Total cash payments from investment activities (ADP 028 to 032)	033	14 100 000	40,000,405
	033	-14.109.000	-10.290.485
3) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-1.312.000	-1.759.709
Cash flow from financing activities	1		
Cash receipts from the increase in initial (subscribed) capital	035	0	0
Cash receipts from the issue of equity financial instruments and debt nancial instruments	036	0	0
Cash receipts from credit principals, loans and other borrowings	007	4 00= 000	
Other cash receipts from financing activities	037	1.987.000	1.000.000
Total cash receipts from financing activities (ADP 035 to 038)	038	1.987.000	1.000.000
Cash payments for the repayment of credit principals, loans and other	AND DESIGNATION OF THE PARTY OF	PORTUGUIC ROMANISMO PORTUGUICA	
orrowings and debt financial instruments	040	-13.041.000	-14.634.457
Cash payments for dividends	041	0	0
Cash payments for finance lease	042	-1.124.000	-4.116.144
Cash payments for the redemption of treasury shares and decrease in	043	0	
itial (subscribed) capital	040	U	U

5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-14.165.000	-18.750.601
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-12.178.000	-17.750.601
Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	5.025.000	-3.400.703
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	6.922.046	11.947.134
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	11.947.046	8.546.431

STATEMENT OF CHANGES IN EQUITY for the period from 1.1.2020 to 31.12.2020

					NATIONAL PROPERTY.	DESCRIPTION OF THE PERSONS NAMED IN	State of the state		Attribution of Discounting	Assembly beauty							in HRK	
	emp)		(either than (edition)	Problem const	Elegan meteories	General to Control	Contract of the second	Scholary (e. s. v. s.	Official married	Section shots	Suffering or digital county	State flow-tongs.	Helphogicanation of the contraction of the contract	Restricted sports	People (consist of the opposite of the opposit	ford Calded always Co.	(complete that	Chicago Contra
								THE STREET		Ē	*		A Company of the Comp			(516 ta 84.7		
	love period														1	of the second	4	de la constitución de la constit
	langer in accounting policies	62	116.604.710	-255.383	0.0	1 446 309	5.676,024	0	1.346.600	126.039.499	0	0	0	55	-4.160.607	A6 600.275	-633.067	A7 449
	rrection of errors	93	0	0	0	0	0	0 0	0 0	0 0	0 0	0 0	0 0	-13.101	0	-13 101	0	-13
	names on the tirst day of the previous business year (restated) (ADP 01 to	2	116.004.710	-256.383	0	1,445.300	5.676.024	0	1 346 500	128 039 499	0	0	0	082 781 590	D DOWN	0	0	
	offoliose of the period change rate differences from translation of foreign operations	90	00	0 0	0 (0 1	0	0	0	0	0	0	0		16 639 000	16 639 000	93 200	DG 10-
	ranges in revaluation reserves of food tangible and intengible assets	20				0	0 6	0 0	0 (0	0	0	0		0	0	0	
	off or loss arising from subsequent measurement of financial assets available for	0								-23.170.550	0	0	0	23.205.638	0	36.068	0	35.0
	of loss arising from effective cash flow hedge	e g	0 6	0 0	0 6	0	0	0	0	0	0	0	0	0	0	0	0	
	off or loss arising from effective hadge of a red investment in a foreign operation	9	o 'c	0 6	0 0	0 4	0	0	0	0	0	0	0	0	0	0	0	
	ate in other comprehensive incomalipse of corrective linked by urban of	10				0	5	0	0	0	0	0	0	6	0	0	0	
	pating interests	=	0	0	0	0	0	0	0	0	0	0	0	0	0		č	
	uarial gaintifiosses on the defined benefit obligation ser changes in equity unrelated to owners	2 2	0.0	0.0	0	0	0	0	0	0	0	0	0	0	0		0 0	
	con transactions recognised directly in equity	2 2	0 0	0.0	0 0	0.0	0.0	0 0	0 4	0	0	0	0	-591,048	0	-691 048	0	-591
	ease/decrease in Initial (subscribed) capital (other than from reinvesting profit are than artiston from the near hands and an artiston from the near hands and a second s	15	0	0	c			0 0	5 6	0 (0	0	0	0	0	0	0	
	ment in [rid] at the critical behalf at the forest from the veloced at south	:	-						>	5	0	0	0	0	0	0	0	
	White to resumme the country form and the form	2	0	D 1	0	0	Ó	0	0	0	o	0	0	0	0	0	0	
The control of the	ease in initial (subscribed) capital arising from the pre-bankruptcy settlement is not	- 42	0	0	0	0	c									A SAN BERN		
The control of the	demption of treasury shares/holdings	=	C				0 (0	5	0	0	0	0	0	0	0	0	
	ment of share in profit/dividend	5	0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0.1	0	0	0	0	0	0	
	ar distribution to owners	20	0	0	0	.0	0	0	- 2	0.0	0 0	0 0	0 1	0.	0	0	0	
1	nsfer to reserves according to the annual schedule		0 (0	0	0	0	0		0	0	0	0 0	- 25	4.160.607	3.758.409	0 0	3768
1	ance on the last day of the previous business year reporting period (04 to			0	0	0	0	0	0	0	0	0	0	0	0	0	0 0	-4 100 6
	ADIA TO THE STATEMENT OF CHANCOR IS SOUTH OF THE		116 604.710	-288	0	1.446.309	\$ 676,024	0	954.402	102.888.949	0	0	0	-279 713.497	18.639,000	-41.131 534	-890 957	A14 878.0
1	COMPREHENSIVE INCOME OF THE DEVIANT DESIGNATION OF THE DEVIANT DEVIANT	Derdakings unit d	raw up tinancial state	nents in accordance	with the IPRS)	MENTAL SERVICE AND	The state of the second	Opposite Section 10	A CONTRACTOR OF THE PERSON NAMED IN	and the same of								
Column C	DP 04 is 14)	24	0	0	0	0	0	0	0	+23 170,650	0	0	0	22.614.500	0	Open month		September 1
	MPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP	**																
Column C								0	0		0	0	0	22.814.590	16.630,000	16.083.040	-83 000	16,020.0
1	NSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED TLY IN EQUITY (ADP 16 to 22)	26	0	0	0	0	0	0	-392 198	0	0	0	•	- 190 SOT	A can acc			
1	A partied													The second second				-382
19 19 19 19 19 19 19 19	and the seconding policies	28	116.604.710	-255.383	0.0	1,446,309	5.676.024	0 0	*	102.868,949	0 1	0	0	-273.713.497	16.639.000	-41,131,534	-696.957	-41.828.4
1 1 1 1 1 1 1 1 1 1	ction of errors	29	0	0	0	0	0	0	0 0	0 0	0 0	0 0	0 0	0 000 1	0 0	0	0	
1	ice on the first day of the current business year (restated) (ADP 27 to 29)	30	116.604.710	-255.383	0	1,445,309	5.678.024	.0	954 402	102.858.949	0	0	0	271 913 209		70 731 746	0	1,800,2
15. 1	floss of the period and rate differences from translation of freelen populations	F 5	0	0 1	0	0	0	0	0	0	0	0	0	c	067 867 9.	0 735 670	100 000	7.070.01
1	Delet in second military sensorates of flower functional and interception	7 7	9	D		0	0	0	0	0	0,	Ó	0	0	0	0	0	-0.7355
15		2	0	0	0	0	0	0	0	-6.368.011	0	0	0	0	0	-6.366.011	0	0.358.0
25 1		*	0	0	0	0	0	0	0	0	0	0	0	o	0	9		
14	or loss axising from effective cash flow hedge	35	0	0	0	0	0	0	0	0	0,	0	0	C		0 0	5 (
## 1	If or loss arising from effective hedge of a net investment in a foreign operation	36	0	0	0	0	0	0	e		d	,				2	5	
### 14	in other comprehensive incomelloss of companies linked by virtue of				•	•					5		0	0	0	0	0	
### Company of the control of the co	sang merests arial galmi/hosses on the defined benefit obligation	38	0 0			0 0	0 0	0 (0	0	0	0	0	0	0	0	0	
## 1	r changes in equity unrelated to owners	39	0	0	0	0	0.0	0,0	0 0	0	0 0	00	0 0	0 0	0	0	0	
## 11-10-10-10-10-10-10-10-10-10-10-10-10-1	ase/decrease in initial (subscribed) capital (other than from reinvesting profit	8 2	0 0	0	0	0	0	0	0	0	0	0	0	0	0	0 0	0 0	
## ## ## ## ## ## ## ## ## ## ## ## ##	er fran arfatrg from the pre-barkruptcy settlement procedure)		5	0		0	0	0	0	0	0	0	0	0	0	0	0	
## ## ## ## ## ## ## ## ## ## ## ## ##	ass in milial (subscribed) capital arising from the reinvestment of profit	4	0	0	0	0	0	0	0	0	0	0	0	0	0	9	c	
## 150 CO	and the properties of the party and the pre-danking to the pre-danking to the pre-danking to the pre-	43	0	0	0	0	0	0	0	. 0	0	ć	c				5	
### 11400.00 0 0 0 0 0 0 0 0	emption of treasury sharesholdings ment of share in profitidividend	1 .8	0 0	0 0	0 0	0 0	0 (0	0	0	0	-0	0	0 0	0 0	0 0	0 16	
### 14160.01	r distribution to owners	46	0	0	0	0 0	0 0	0 0	0 0	0 0	0 0	0 (0	0	0	0	0	
### 1970-00-00-00-00-00-00-00-00-00-00-00-00-0	see to reserves according to the arrival schedule hase in reserves attaing from the pre-benkruptcy cattlement procedure	÷ \$	0 0	0 0	0 0	0 1	0	0	0	0	0	0 0	0 0	8	-16.639.000		0 1	-6 103.3
Marketing by Marketing by Protection of the properties of the process of the pr	nce on the last day of the current business year reporting period (ADP)	9	116 804 210	286.383	0 0	9	0	0	0	0	0	0	0	0	0	0	0 0	
184 O O O O O O O O O O O O O O O O O O O	EDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by und	ertakings that dr	aw up financial statem	ants in accordance w	rith the IFR8)	ADE COM	0.00000	0	954,402	96,500,038	0	0	0	-261.377.540		-51.536.106	-090.057	-82.235.06
20	TO IN A THE CUNNENT PERIOD, NET OF	8	0	o	0	0	C	-	-		-			-	-			
(C)	MPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP	15			255				-		0	0	0	0	0	-6.368.011	0	-6.368.01
	NSACTIONS WITH OWNERS IN THE CLEBERAL BEBLING OF COLUMN	-	0	0	0	0	0	0	0	-6.368,011	0	0	ō	0	-9.735.520	-16.103.531	0	CAROL MI.
10 000000 10 000000 10 000000 10 000000 10 000000	TLY IN EQUITY (ADP 41 to 48)	25	0	0	0	0	0	0	0	0	0	0	C	269 25 26				



INSTITUTE OF CONSTRUCTIVE SOLUTIONS

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 Bord

Miroslav Pauzar,

Member of the Management Board

Vedrana Tudor,

Member of the Management Board

INSTITUT IGH, d.d. Janka Rakuše 1 10000 Zagreb, Croatia

PHONE +385 (0)1 612 51 25 FAX +385 (0)1 612 54 01 EMAIL igh@igh.hr WEB www.igh.hr No of issued shares: IGH 613,709 Nominal share value HRK 190

Share capital: HRK 116,604,710.00 Reg.No.: 3750272 PIN: 79766124714 Business bank: Zagrebačka Banka d.d. IBAN: HR7723600001101243767 SWIFT code: ZABAHR2X

8/100/6 11 10NZO1

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

Zarko Dešković, MEng.CE
President of the Supervisory Board

