

Unaudited
Financial
Statements of
Span Group
and Span d.d.



span

JANUARY – DECEMBER 2021

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1.
Management
Interim
Report –
Management
Report

1.1 Statement by Marijan Pongrac, Member of the Board, Director for Technology

Readiness for change is the key precondition for growth. One should constantly listen to the market, recognize its requirements on time and readily meet them. Owing to such an approach and its wish to access the international market, Span has grown from 19 employees it had when I joined the company, to almost 600 employees now, 20 years later.



Becoming and staying relevant in the IT world on an international level is quite demanding, therefore I am proud that today, Span is a serious partner to international companies worldwide. We boast close cooperation with some of the largest global corporations, which helps us recognize new needs and create new trends. The fact that we are able to work with technologically really advanced companies, enables us to be continuously at the source of new ideas and solutions.

One of the basic topics imposed on the area of IT today is Cyber Security. The amount of cyber-attacks worldwide doubled in 2021 compared to 2020, so those who are just starting to develop Cyber Security in their companies are seriously lagging behind. Currently, identities and access control are the constituents of cyber solutions, so protecting a system against cyber-attacks requires more than just installing antivirus software and firewalls, or blocking one's access.

We started operating in Cloud as back as in 2006 through Microsoft hosted services in our own Cloud, only to become one of the first companies in the world to work on migrations to Microsoft Online BPOS solutions (a harbinger of Microsoft Office 365) with Microsoft. Span has been working on the implementation of Cloud services for years. They have become so developed, that today nobody is even considering new services in datacentres. We can say that Hybrid Cloud and Cloud Only have become a certain standard.

When you work with large international companies, you recognize that they change continuously, acquire other companies, or sell some of those they have in their portfolio. They need IT support for all those processes and enabling mergers, takeovers and separation of companies in the IT segment is one of Span's specialties.

In the last quarter of 2021, we were focused on the preparation of the organization for the incoming changes, therefore we created new departments - *Identity, Access and Cyber Security*, and *Cloud Infrastructure* for the strategic segments of our operation. The aim is to ensure preconditions for our further development and respond to further requirements of our users in as successful manner as possible.

A handwritten signature in blue ink, appearing to read 'M. Pongrac', written over a horizontal line.

Marijan Pongrac
Member of the Board of Span d.d., Director for Technology

1.2 Awards and recognition of excellence

Our successful IPO, closed with HRK 100 million of collected funds and the ownership structure with more than 1,000 new shareholders, among them our employees as well, resulted in the **Award for the Contribution to the Capital Market Development by the Zagreb Stock Exchange** last year. The explanation of the Award Committee states that Span, or the Company Management, approached the whole IPO process proactively and their intention to include employees and small shareholders as much as possible, had been clear since the very beginning. An exceptional effort was exerted in the whole preparation and promotion, and advantages of the listing and a wish for a high level of transparency were clearly communicated. All that resulted in successful IPO and showed that the interest of investors follows a well-told investment story.



Recognition of excellence also arrived in form of another Microsoft advanced specialization – **SAP on Microsoft Azure platform**, which we accomplished based on our advanced knowledge, comprehensive experience and tested success in the implementation of SAP solutions on the Azure Cloud environment. This is the ninth advanced specialization, ranking us amongst rare Microsoft partners worldwide with such a large number of highly specialized competencies. The importance of the newly achieved specialization is also confirmed at Microsoft, where they emphasize that Span clearly showed all the required skills and experience in this very segment so as to offer its clients a comprehensive and professional SAP service in Cloud.

It should be noted that this year, we have also been announced the **Microsoft Partner of the Year in Croatia**, and we are also the holders of all 18 Microsoft's competencies – 16 golden and two silver ones.

In the last quarter, our Human Resources Department also received a recognition of the quality of operation. We were awarded **Excellence in Employee Experience** by **HR Cloud**, a US software company developing tools in the area of human resources.

Span is constantly committed to improving employee experience, which we measure through surveys in the organization, organizational climate, regular performance evaluations, individual meetings with the Manager and HR Representative and continuous improvement of the *onboarding* and *offboarding* processes.

Although we received this award at the end of 2021, it recognized our **consistent** care for employees, which was additionally intensified at the start of 2020, in the full swing of the pandemic, when it was most required. Together with the engagement and support provided by the Management, HR took additional steps to meet the needs of our employees and maintain the quality of their experience. We started with the establishment of a special Crisis Team in charge of decision-making and communication related to COVID measures. In conjunction with the members of the Board and Management, we communicated live with the employees on a weekly basis through Span TV, our internal communication channel. Furthermore, during that time, everybody was offered free psychological counselling. Results of internal surveys showed that in all segments of our response to the COVID crisis, the employee satisfaction was above 90 percent, and the pace of the implementation of those activities has been kept.

1.3 HR initiatives

People and their knowledge are Span's greatest asset. In addition to a continuing investment in the development of their technical skills, we also wanted to initiate a process



of their development in the managerial direction. Put otherwise, our goal is to continuously develop new generations of Span leaders “in house”, in addition to technical experts.

Having this in mind, in the autumn of 2021, we launched the education of the first generation within the internal program of the **Span Management Academy**. This structured educational and development program is intended for employees who show high levels of knowledge, motivation and engagement in their work and want to continue to develop career within the organization, out of their current area of expertise. Those are employees in whom we recognize the potential to take a **higher level of responsibility for managing projects, processes, users and teams**.

During nine months as the Span Management Academy program takes place, participants would adopt knowledge and acquired business and people skills through lectures and workshops. Each participant has its own mentor, an experienced member of the Span Management, who by using own experience, counselling and support, helps a participant to apply the acquired knowledge. The first reactions to the Academy are extremely encouraging.

Span employees who take part in the program are additionally motivated as they are provided with new business opportunities, while the company gets an **opportunity to fill the current and future key positions faster and better**.



When it comes to the segment of **Corporate Social Responsibility**, an emphasis needs to be placed on **Span's donation to the Mali Lošinj Educational Home**.

Lošinj Home is unique among centres in Croatia which carry out re-socialization and socialization of youth with behavioral disorders. Its educational groups are divided in small units within the town itself.

Our wish is to achieve a long-term cooperation with the town, including the **education** of proteges and **corporate volunteering**, precisely because Lošinj Home is an extremely considerate and enthusiastic organization that wants to **encourage changes in the society**, just like Span.



The donated funds will be directed to furnishing the living rooms within five houses in Lošinj and their subsidiary on Cres where the proteges currently live in bad conditions. Bicycles will be procured for easier movement through the islands, and sports equipment and other contents that will make the stay of the proteges in the centre more pleasant and happier, will also be provided.

We always rejoice when we can connect care for our employees and projects intended for the improvement of the quality of life in the workplace to **charity actions**. Our pre-Christmas **Foos Fighters** tournament was such a project. This is a charity table football tournament for Span employees, in which five kunas were donated to **Mali zmaj** charity organization for each score. As many as 56 teams joined the tournament and in a couple of weeks of the Foos Fighters competition, we managed to collect valuable funds for food and hygienic supplies, intended for families with low income.

We ended the year with the second **Span Heroes** award. It is an award intended for employees who really live and breathe the organizational culture of Span and inspire others with their performance, enthusiasm and engagement. Those are colleagues who are the true ambassadors of Span key values, which are also the main categories of this award: **Knowledge, Excellence, Responsibility** and **Trust**. Nominations for the main categories are proposed by sector directors in cooperation with HR.

An additional category, **Employees Hero**, unites the votes of employees who can vote anonymously for colleagues who they think have moved a step higher. **Span Heroes** covers all offices of Span, with the winners being announced through live broadcast organized for the whole company. This gives the event a special festive feeling given that we have been prevented from celebrating holidays together in the past two years due to the pandemic.



2. Financial indicators for 2021

2.1. Operating revenue, EBITDA and net profit of Span Group

HRK 767.3 mil.

OPERATING REVENUE

+26 %
YoY

HRK 48.6 mil.

EBITDA
before one-off items

+54 %
YoY

HRK 42.5 mil.

EBITDA
after one-off items

+35 %
YoY

HRK 24 mil.

NET PROFIT
after one-off items

+222 %
YoY

2.2. Operating revenue, EBITDA and net profit of Span d.d.

HRK 542.2 mil.

OPERATING REVENUE

+31 %
YoY

HRK 41.3 mil.

EBITDA
before one-off items

+52 %
YoY

HRK 35.5 mil.

EBITDA
after one-off items

+31 %
YoY

HRK 19.3 mil.

NET PROFIT
after one-off items

+197 %
YoY

2.3. Key features of the period – 2021

Table 1: Profit and loss account - shortened

Span Group						
In thousands of HRK	2020	2021	Δ%	Q4 2020	Q4 2021	Δ%
Total revenue	613.757	774.123	26%	181.643	186.676	3%
Operating revenue	610.022	767.273	26%	180.325	181.976	1%
Other revenue	3.735	6.851	83%	1.319	4.700	256%
Total costs	582.269	731.597	26%	167.240	171.525	3%
Costs of goods and services sold	427.591	546.418	28%	122.662	117.544	-4%
Personnel expenses	118.912	138.584	17%	32.732	42.603	30%
Other business expenses	35.766	46.595	30%	11.846	11.378	-4%
EBITDA before one-off items	31.488	48.575	54%	14.403	15.677	9%
One-off items	-	6.048	-	-	526	-
EBITDA after one-off items	31.488	42.526	35%	14.403	15.151	5%
Depreciation	14.196	15.594	10%	3.580	4.916	37%
EBIT	17.292	26.933	56%	10.824	10.236	-5%
Net financial result	(7.118)	1.006	114%	(4.755)	151	103%
Profit/loss before taxation before one-off items	10.174	33.987	234%	6.068	10.913	80%
Profit/loss before taxation after one-off items	10.174	27.938	175%	6.068	10.387	71%
Corporate tax	2.722	3.947	45%	2.407	1.446	-40%
Profit/loss after taxation before one-off items	7.452	30.040	303%	3.662	9.467	159%
Profit/loss after taxation after one-off items	7.452	23.991	222%	3.662	8.941	144%

Span d.d.						
In thousands of HRK	2020	2021	Δ%	Q4 2020	Q4 2021	Δ%
Total revenue	415.356	544.932	31%	131.093	136.864	4%
Operating revenue	412.611	542.238	31%	129.931	135.950	5%
Other revenue	2.745	2.694	-2%	1.162	914	-21%
Total costs	388.224	509.390	31%	119.404	124.061	4%
Costs of goods and services sold	271.194	362.725	34%	85.857	79.905	-7%
Personnel expenses	91.649	110.055	20%	24.631	33.492	36%
Other business expenses	25.380	36.610	44%	8.916	10.664	20%
EBITDA before one-off items	27.132	41.343	52%	11.689	13.083	12%
One-off items	-	5.801	-	-	279	-
EBITDA after one-off items	27.132	35.542	31%	11.689	12.804	10%
Depreciation	12.706	13.029	3%	3.213	3.196	-1%
EBIT	14.426	22.513	56%	8.475	9.608	13%
Net financial result	(6.315)	(92)	99%	(5.098)	566	111%
Profit/loss before taxation before one-off items	8.111	28.222	248%	3.378	10.453	209%
Profit/loss before taxation after one-off items	8.111	22.421	176%	3.378	10.174	201%
Corporate tax	1.616	3.103	92%	1.616	1.220	-24%
Profit/loss after taxation before one-off items	6.496	25.120	287%	1.762	9.233	424%
Profit/loss after taxation after one-off items	6.496	19.318	197%	1.762	8.954	408%

REVENUES

Total revenues of Span Group increased in 2021 by HRK 160,366 thousand, or 26% compared to 2020. The revenue increase stemmed from the increase of the operating revenues of Span Group in all business segments. The highest absolute rise is recorded in revenues from Software Asset Management and Licensing. The period also recorded an increase of revenues in all segments of IT services with high added value, and the highest relative growth was generated in the area of professional services related to the infrastructure services, Cloud and security solutions. A revenue share of Span Group in foreign markets accounted for 74% of the overall revenues.

Span d.d. recorded a growth in revenues in 2021 by HRK 129,576 thousand compared to the same period of the prior year, or 31%.

OPERATING EXPENSES

The expenses for goods and services sold, relate to direct costs, and they increased compared to the same period of the prior year due to the increase of related revenues.

Personnel expenses of the Group increased by HRK 19,672 thousand, or 17% in 2021. The average number of employees in the Group in 2021 was 537 as opposed to the prior year when the average number of employees in the Group was 495.

Personnel expenses of Span d.d. in the observed period of 2021 increased by HRK 18,406 thousand, or 20%. The average number of employees in the company in the observed period of 2021 was 436 as opposed to the prior year when the average number of employees in the company was 395. The majority of new employees are employed in the segments with high added value, that is in IT services in the business segments: Software Asset Management, Infrastructure Services (Cloud & Cyber Security), Service Center Management and Technical Support, as well as Software and Business Solutions Development.

Other operating expenses for Span Group increased by HRK 10,830 thousand, or 30%. The increase arose from Span d.d. (HRK 11,230 thousand) and is mostly related to expenses connected to the listing of Span d.d. on the Zagreb Stock Exchange (this includes one-off items and other expenses related to the process of our listing on the stock exchange), along with expenses influenced by the increase of the number of employees.

EBITDA

EBITDA of Span Group before one-off items increased by HRK 17,086 thousand, or 54%, to HRK 48,575 thousand in the observed period.

In the same observed period, Span d.d. recorded an increase of EBITDA before one-off items in the amount of HRK 14,211 thousand, or 52%, to HRK 41,343 thousand.

One-off items include expenses incurred by Span d.d. for the listing on the Zagreb Stock Exchange regulated market and relate to all operating costs necessary for its realisation. The one-off items of the Group additionally include value adjustments (HRK 250 thousand) of a member of Span Group.

EBITDA of the Group after one-off items in the observed period increased by HRK 11,038 thousand, to HRK 42,526 thousand in 2021, a growth of 35% compared to prior year.

In the same observed period, Span d.d. recorded an increase of EBITDA after one-off items by HRK 8,410 thousand in 2020, to HRK 35,542 thousand in 2021, an increase of 31%.

The EBITDA increase follows the increase of revenues and is generated from two sources: (1) growth of the total revenue where majority consists of the Software Asset Management and Licensing segment and (2) growth of the revenue from IT services with high added value, primarily in the Infrastructure Services, Cloud & Cyber Security, and Software and Business Solution Development.

PROFIT AFTER TAX

Net profit after one-off items of Span Group increased by HRK 16,539 thousand, or 222%, to HRK 23,991 thousand. Span d.d. increased its profit by HRK 12,823 thousand (197%) to HRK 19,318 thousand.

The increase of net profit is a result of the increase of EBITDA and the better net financial result, as a result of a lower exposure to currency risks, as well as the introduction of a financial asset management strategy a Company implemented in 2021.

2.4. Revenues by segments

Span Group generates revenues in the following segments:

1. Software Asset Management and Licensing
2. Infrastructure Services, Cloud & Cyber Security
3. Service Center Management and Technical Support
4. Software and Business Solution Development

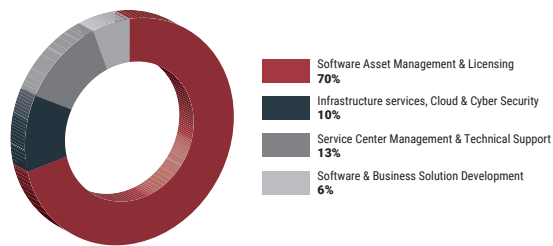
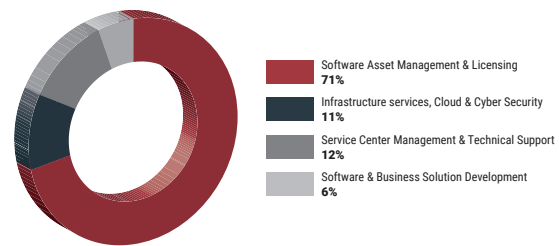
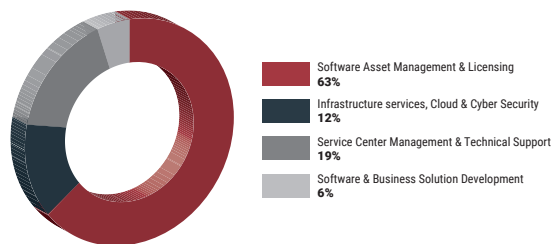
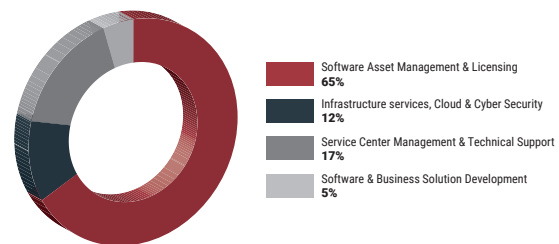
In all stated segments, the Group and the company recorded a growth in relation to the observed period of the prior year.

Data on revenues from sales by segments of the Group and Span d.d. is presented below in parallel for 2020 and 2021.

Table 2: Revenues by segments

Span Group						
In thousands of HRK	2020	2021	Δ%	Q4 2020	Q4 2021	Δ%
Total operating revenue	610.022	767.273	26%	180.325	181.976	1%
Software Asset Management and Licensing	426.860	544.843	28%	116.504	114.833	-1%
Infrastructure Services, Cloud & Cyber Security	63.044	83.162	32%	23.623	25.355	7%
Service Center Management and Technical support	81.751	94.699	16%	21.616	24.946	15%
Software and Business Solution Development	38.367	44.568	16%	18.583	16.843	-9%

Span d.d.						
In thousands of HRK	2020	2021	Δ%	Q4 2020	Q4 2021	Δ%
Total operating revenue	412.611	542.238	17%	129.931	135.950	5%
Software Asset Management and Licensing	261.729	353.219	35%	79.552	76.675	-4%
Infrastructure Services, Cloud & Cyber Security	50.168	65.546	31%	17.765	21.748	22%
Service Center Management and Technical support	77.927	94.185	21%	20.475	25.904	27%
Software and Business Solution Development	22.787	29.289	29%	12.139	11.624	-4%

Graph 1: Segment revenue contribution**Span Group 2020****Span Group 2021****Span d.d. 2020****Span d.d. 2021**

1. Software Asset Management and Licensing: Revenues generated in this segment are still the most important part in the total operating revenues of the Group and are higher by 28% compared to 2020. The share of revenues in the total operating revenues is 71%, which is a mild increase compared to the prior year.

2. Infrastructure Services, Cloud & Cyber Security recorded the highest growth in the structure of operating revenues, that is 32% as opposed to 2020. Expansion of business activities in the area of Cloud and security solutions is in line with the strategy of growth of the Group, which is contributed by an increase in the number of projects with the current and new clients. In 2021, in addition to Span d.d., Span Ukraine, Span USA, Span Slovenia, and Span Azerbaijan contributed by expanding the operation in those markets.

3. Service Center Management and Technical Support contributes to a continuing growth through services of supervision and management of the IT surroundings, which amounted to 16% in 2021. This segment generated HRK 94,699 thousand in 2021, and still accounted for the highest share in the total revenues of the Group coming from professional IT services (43%).

4. Software and Business Solution Development recorded a 16% increase in the observed period. The growth of this segment arose primarily from the focus on the expansion of platforms for development of our own software solutions, and on development of specific business solutions for individual key users, such as CRM, and automation and robotization of their business processes.

2.5. Revenues by geography

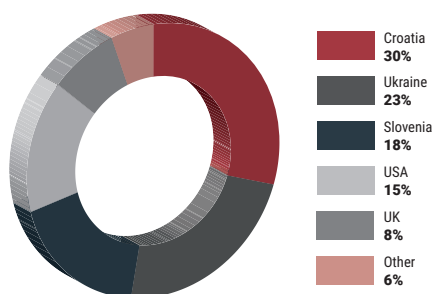
The geographic market in this context denotes the place where the goods or services were invoiced. 26% of the revenue of the Group in the observed period of 2021 related to the Croatian market, the most significant geographic market in the monitored period. The most significant growth of revenues of the Group was noted on the UK market, totalling HRK 58,000 thousand (118%). Revenues on the Slovenian market grew by HRK 21,240 thousand (19%), com-

pared to 2020, and was followed by Ukraine with a revenue growth of HRK 19.880 thousand (14%), and Croatia with a revenue growth of HRK 18.693 thousand (10%)

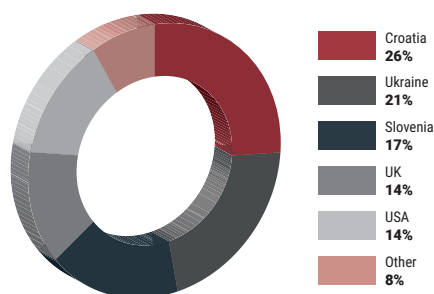
35% of revenues of Span d.d. in 2021, is related to Croatian market. The company recorded the highest increase of revenues on the markets of the United Kingdom (HRK 58,000 thousand), Slovenia (HRK 24,253 thousand) and Croatia (HRK 21,745 thousand).

Graph 2: Revenues by geographic markets

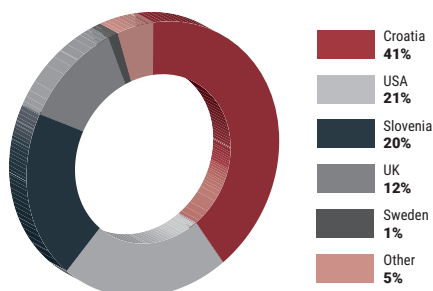
Span Group 2020



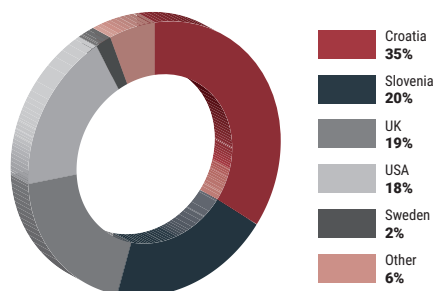
Span Group 2021



Span d.d. 2020



Span d.d. 2021



2.6. Balance Sheet¹

In thousands of HRK	Span Group		Span d.d.	
	31/12/2020	31/12/2021	31/12/2020	31/12/2021
ASSETS	229.413	351.419	204.756	317.418
Fixed assets	74.252	87.381	88.005	99.738
Deferred tax assets	8.498	7.738	7.902	6.862
Current assets	98.817	88.098	78.433	60.102
Cash and cash equivalents	29.585	139.412	16.032	126.920
Prepaid expenses and accrued income	18.262	28.789	14.383	23.795
LIABILITIES	229.413	351.419	204.756	317.418
Equity and reserves	55.524	191.764	59.993	190.761
Long-term liabilities	37.531	31.430	37.531	29.149
Current liabilities	122.469	108.346	99.678	81.380
Accrued expenses and deferred revenue	13.888	19.878	7.553	16.128

¹ The 2020 financial statements can be found on the following link: <https://investors.span.eu/SpaNGI20182020.pdf>

ASSETS

An increase of the fixed assets mostly resulted from the assessment by an authorized appraiser dated 31 December 2021, in which the company recognizes an increase of the value of buildings and land in the amount of HRK 9,704 thousand.

A decrease of the current assets was a result of reduction of Receivables collection days in 2021.

The prepaid costs of future periods and calculated revenues in the most important part consist of the calculated revenues in accordance with IFRS 15, which are recognized based on the level of completion of a project.

25% of the total assets of the Group are comprised of fixed assets in 2021. Within the fixed assets, a significant part relates to tangible assets of the Group (HRK 58,431 thousand), comprised of buildings (HRK 32,403 thousand), land (HRK 13,049 thousand), and other tangible assets (HRK 12,978 thousand). The remaining part of the fixed assets consists of intangible assets (expenses for development, software and intellectual property rights, goodwill), and financial assets

INVESTMENTS IN ASSETS

In thousands of HRK	Span Group		Span d.d.	
	2020	2021	2020	2021
Computer equipment and other equipment	2.897	3.743	1.870	2.905
Development expenses	53	322	0	0
Other intangible assets	0	0	0	0
Intangible assets in preparation	1.553	2.203	1.505	2.203
Investment in assets total	4.503	6.268	3.375	5.108

Investments of Span Group in assets relate to expenses for procurement and replacement of worn-out computer and other equipment required for the work of our employees. Investing in intangibles under construction relates to internally generated intangible assets that arose from the continuation of development of software available for further sales/use.

DEFERRED TAX ASSETS

Deferred tax assets represent amounts of income tax return which are recoverable based on future taxable profit deductions. Deferred tax assets are recognized up to the amount of taxable earnings which are likely to be achieved. When determining future taxable profits and the amount of taxable earnings which are likely to be achieved in the future, the Group judges and creates an estimate based on taxable profits from the previous years and the expected future earnings which are considered to be reasonable in existing circumstances.

The Group has made an estimate of the usability of tax reliefs for the estimate of the amount of deferred tax assets, based on the support gained from the Ministry of Economy, Entrepreneurship and Crafts. The said support enables Span d.d. to be exempt from the payment of the income tax from 2015 to 2025, to the amount of 50% of the amount of the tax base, to the maximum limit in the amount of the total investment according to the Law on Promotion of Investment (ZOPI).

In December 2021, Span d.d. applied for the use of a new round of support entitled Project of investment in research and development capacity and capacity of delivery of IT

solutions, for which a decision is still pending and based of which the accomplishment of additional 50% of reliefs of the tax rate is expected.

CAPITAL AND RESERVES

On 31 December 2020, the capital stock of Span d.d. consisted of 196,000 shares with the nominal value of HRK 100 per share, and the company held 67,760 of their own shares. Reserves amounting to HRK 28 million were created.

On May 24th, 2021, the General Assembly of Span d.d. adopted decision on splitting the shares in a manner that a share with the nominal value of HRK 100 was split into 10 shares, each with the nominal value of HRK 10. The aforementioned decision on splitting issuer shares was registered in the court registry of the Commercial Court in Zagreb on May 25th, 2021.

In accordance with the above, on 31 December 2021 the capital stock of Span d.d. consisted of 1,960,000 shares with the nominal value of HRK 10, and the company held 30,900 of their own shares. Reserves amounting to HRK 615 thousand were created.

Pursuant to Article 222 a, paragraph 2 of the Trading Companies Act, the company dissolved the reserve for its own shares sold within IPO and recovered the amount to retained profit.

The capital reserves amount to HRK 79,084 thousand and are a result of the public offer of shares of Span d.d. occurring as a difference between the nominal value of a share (HRK 10) and final price in IPO (HRK 175) reduced by the dissolved reserves for its own shares sold within IPO.

LIABILITIES

Reducing long-term liabilities was a result of their transfer to short-term section. Reducing short-term liabilities derived from the closure of all short-term loan frameworks that the company used in the prior period.

The long-term liabilities of the Group on 31 December 2021 consisted of the contracted liabilities in the amount of HRK 21,032 thousand (of which HRK 10,185 thousand related to Span d.d. that bought 27.14% of its own share from one of the members of the company in 2019, for which periodical payment has been agreed by the end of 2024 and assets with the right to use - related IFRS 16 part in the amount of HRK 10,847 thousand), liabilities towards banks HRK 6,895 thousand and deferred tax liabilities of HRK 3,502 thousand.

On 31 December 2021, 52% of short-term liabilities relate to liabilities towards suppliers and liabilities for advance payments (HRK 56,667 thousand). On the same day, liabilities to banks amounted to 8% (8.703 thousand HRK), and liabilities for taxes, contributions and similar levies amounted to 11% of the total short-term liabilities (HRK 11,596 thousand). The remainder of short-term liabilities relates to assets with a right to use (corresponding IFRS 16 part), liabilities towards employees, and other liabilities

Current Assets, Current Liabilities and Working Capital	Span Group		Span d.d.	
	31/12/2020	31/12/2021	31/12/2020	31/12/2021
In thousands of HRK				
Current assets	146.664	256.300	108.849	210.817
Current liabilities	136.358	128.225	107.232	97.508
Working capital	10.306	128.075	1.617	113.309
Current liquidity ratio	1,08	2,00	1,02	2,16

Movement of the working capital was significantly influenced by inflow of proceeds from the public offering and additionally supported with the growth of business activities and the geographic expansion of operations. The doubled coefficient of the current liquidity points to the ability of the Group to settle its liabilities.

Net debt	Span Group		Span d.d.	
In thousands of HRK	31/12/2020	31/12/2021	31/12/2020	31/12/2021
Short-term and long-term bank loans	46.930	15.598	45.749	14.108
Cash and cash equivalents	29.585	139.412	16.032	126.920
Net debt	17.345	(123.814)	29.717	(112.812)
Total equity	55.524	191.764	59.993	190.761
Net debt and total equity ratio	31,2%	-	49,5%	-

In the observed period of 2021, the indicators of indebtedness of the Group pointed to a significant decline of indebtedness compared to 2020.

2.7. Cash flow

In 2021, the Group and Span d.d. achieved positive cash flows from operating activities. Net cash made in the operating activities of the Group increased during the observed period of 2021, as a consequence of the growth and expansion of operations. The positive cash flow from financial activities was based on inflow of funds from the sale of the operating share through IPO.

	Span Group		Span d.d.	
In thousands of HRK	2020	2021	2020	2021
Net cash from operating activities	45.440	55.658	46.906	54.599
Net cash used in investment activities	-4.503	-6.268	-3.375	-5.108
Net cash used in financial activities	-27.014	60.437	-29.377	61.397
Net increase / decrease in cash and cash equivalents	13.923	109.827	14.154	110.888





3. Financial Statements of Span Group and Span d.d.

Span Group

STATEMENT OF PROFIT OR LOSS					
for the period 01/01/2021 to 31/12/2021					
in HRK					
Submitter: Span d.d.					
Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	613.757.176	181.643.452	774.123.385	186.675.930
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	610.021.919	180.324.822	767.272.870	181.975.984
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	0	0	0	0
5 Other operating income (outside the group)	006	3.735.257	1.318.630	6.850.515	4.699.946
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	596.464.773	170.819.943	747.190.879	176.440.147
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	448.328.467	126.176.694	582.261.514	126.054.405
a) Costs of raw materials and consumables	010	3.042.313	1.196.847	3.147.079	1.123.297
b) Costs of goods sold	011	397.504.032	109.367.588	507.618.613	106.731.802
c) Other external costs	012	47.782.122	15.612.259	71.495.822	18.199.306
3 Staff costs (ADP 014 to 016)	013	118.911.970	32.732.188	138.583.688	42.602.685
a) Net salaries and wages	014	77.190.831	23.709.021	92.942.268	32.672.745
b) Tax and contributions from salary costs	015	30.606.471	6.188.386	33.213.153	6.621.554
c) Contributions on salaries	016	11.114.668	2.834.781	12.428.267	3.308.386
4 Depreciation	017	14.195.957	3.582.126	15.593.851	4.968.087
5 Other costs	018	14.061.761	7.364.759	10.419.007	2.534.681
6 Value adjustments (ADP 020+021)	019	966.618	964.176	332.819	280.289
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	966.618	964.176	332.819	280.289
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	0	0	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	4.336.423	358.331	6.114.028	1.355.982
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	481.094	26.613	505.603	51.952
8 Exchange rate differences and other financial income	038	3.855.329	331.718	5.608.425	1.304.030
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	0	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	11.454.890	5.113.479	5.108.177	1.204.637
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	2.501.217	1.042.848	1.744.381	476.744
4 Exchange rate differences and other expenses	045	8.953.673	4.070.631	3.324.481	727.893
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	39.315	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0

VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	618.093.599	182.001.783	780.237.413	188.031.912
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	607.919.663	175.933.422	752.299.056	177.644.784
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	10.173.936	6.068.361	27.938.357	10.387.128
1 Pre-tax profit (ADP 053-054)	056	10.173.936	6.068.361	27.938.357	10.387.128
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	2.721.895	2.406.768	3.947.062	1.445.952
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	7.452.041	3.661.593	23.991.295	8.941.176
1 Profit for the period (ADP 055-059)	060	7.452.041	3.661.593	23.991.295	8.941.176
2 Loss for the period (ADP 059-055)	061	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)	075	7.452.041	3.661.593	23.991.296	8.941.177
1 Attributable to owners of the parent	076	7.797.697	3.119.785	23.868.970	8.715.273
2 Attributable to minority (non-controlling) interest	077	-345.656	541.808	122.326	225.904
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	7.452.041	3.661.593	23.991.296	8.941.177
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 080+ 87)	079	-766.018	-371.659	8.789.954	8.207.111
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	7.957.787	7.957.787
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	7.957.787	7.957.787
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	-766.018	-371.659	832.167	249.324
1 Exchange rate differences from translation of foreign operations	088	-766.018	-371.659	832.167	249.324
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	-766.018	-371.659	8.789.954	8.207.111
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	6.686.023	3.289.934	32.781.250	17.148.288
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VII COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	6.686.023	3.289.934	32.781.250	17.148.288
1 Attributable to owners of the parent	100	7.031.679	2.748.126	32.658.924	16.922.384
2 Attributable to minority (non-controlling) interest	101	-345.656	541.808	122.326	225.904

Span Group

BALANCE SHEET			
balance as at 31/12/2021			
in HRK			
Submitter: Span d.d.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	82.749.498	95.119.332
I INTANGIBLE ASSETS (ADP 004 to 009)	003	29.448.387	28.079.421
1 Research and development	004	8.852.685	7.542.547
2 Concessions, patents, licences, trademarks, software and other rights	005	790.024	646.079
3 Goodwill	006	19.757.707	19.465.802
4 Advances for the purchase of intangible assets	007	0	
5 Intangible assets in preparation	008	47.971	424.993
6 Other intangible assets	009	0	
II TANGIBLE ASSETS (ADP 011 to 019)	010	42.874.624	58.431.229
1 Land	011	9.414.613	13.049.681
2 Buildings	012	20.679.674	32.403.011
3 Plant and equipment	013	2.580.825	3.257.601
4 Tools, working inventory and transportation assets	014	10.199.512	9.720.936
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	0	0
8 Other tangible assets	018	0	0
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	1.914.201	866.405
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	0	0
8 Loans, deposits, etc. given	028	1.365.443	317.647
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	548.758	548.758
IV RECEIVABLES (ADP 032 to 035)	031	14.479	4.285
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	14.479	4.285
V DEFERRED TAX ASSETS	036	8.497.807	7.737.992
C) CURRENT ASSETS (ADP 038+046+053+063)	037	128.401.723	227.510.288
I INVENTORIES (ADP 039 to 045)	038	520.356	2.026.428
1 Raw materials and consumables	039	0	0
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	520.356	2.026.428
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	98.239.340	85.192.540
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	95.371.237	80.397.002
4 Receivables from employees and members of the undertaking	050	0	0
5 Receivables from government and other institutions	051	1.011.809	2.417.303
6 Other receivables	052	1.856.294	2.378.235
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	56.903	879.404
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0

8 Loans, deposits, etc. given	061	56.903	879.404
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	29.585.124	139.411.916
D) PREPAID EXPENSES AND ACCRUED INCOME	064	18.261.836	28.789.407
E) TOTAL ASSETS (ADP 001+002+037+064)	065	229.413.057	351.419.027
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	55.524.425	191.763.860
I INITIAL (SUBSCRIBED) CAPITAL	068	19.600.000	19.600.000
II CAPITAL RESERVES	069	0	79.083.569
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	8.476.501	8.098.829
1 Legal reserves	071	8.476.501	8.098.829
2 Reserves for treasury shares	072	28.400.000	1.015.559
3 Treasury shares and holdings (deductible item)	073	-28.400.000	-1.015.559
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV REVALUATION RESERVES	076	8.451.348	15.954.404
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	-564.855	267.312
1 Financial assets at fair value through other comprehensive income (i.e. 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
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	-564.855	267.312
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	10.714.624	43.752.785
1 Retained profit	084	10.714.624	43.752.785
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	7.797.697	23.868.970
1 Profit for the business year	087	7.797.697	23.868.970
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	1.049.110	1.137.991
B) PROVISIONS (ADP 091 to 096)	090	0	0
1 Provisions for pensions, termination benefits and similar obligations	091	0	0
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	37.530.907	31.430.203
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	14.113.159	6.895.152
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	21.562.574	21.032.865
11 Deferred tax liability	108	1.855.174	3.502.186
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	122.469.347	108.346.494
1 Liabilities to undertakings within the group	110	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	32.816.585	8.702.748
7 Liabilities for advance payments	116	1.731.828	3.153.753
8 Liabilities to suppliers	117	46.590.540	53.513.063
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	8.162.820	8.838.574
11 Taxes, contributions and similar liabilities	120	12.170.542	11.595.560
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	20.997.032	22.542.796
E) ACCRUALS AND DEFERRED INCOME	124	13.888.378	19.878.470
F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)	125	229.413.057	351.419.027
G) OFF-BALANCE SHEET ITEMS	126	0	0

Span Group

STATEMENT OF CASH FLOWS - indirect method for the period 01/01/2021 to 31/12/2021 in HRK			
Submitter: Span d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	10.173.936	27.938.357
2 Adjustments (ADP 003 to 010):	002	16.055.757	18.098.484
a) Depreciation	003	14.195.957	15.593.851
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	717.556	-100.792
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	332.819
d) Interest and dividend income	006	-481.094	-505.603
e) Interest expenses	007	2.501.217	1.744.380
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	88.739	747.121
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	-966.618	286.708
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	26.229.693	46.036.841
3 Changes in the working capital (ADP 013 to 016)	012	22.073.714	14.831.191
a) Increase or decrease in short-term liabilities	013	34.736.944	6.773.461
b) Increase or decrease in short-term receivables	014	-24.522.314	14.101.281
c) Increase or decrease in inventories	015	969.220	-1.506.072
d) Other increase or decrease in working capital	016	10.889.864	-4.537.479
II Cash from operations (ADP 011+012)	017	48.303.407	60.868.032
4 Interest paid	018	-2.559.224	-1.815.535
5 Income tax paid	019	-1.776.076	-1.318.700
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	43.968.107	57.733.797
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	1.092.628	208.297
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	481.094	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	308.409	0
6 Other cash receipts from investment activities	026	2.836.573	10.194
III Total cash receipts from investment activities (ADP 021 to 026)	027	4.718.704	218.491
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-4.503.822	-6.267.605
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	-30.000	0
5 Other cash payments from investment activities	032	-497.810	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-5.031.632	-6.267.605
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-312.928	-6.049.114
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	101.116.400
3 Cash receipts from credit principals, loans and other borrowings	037	103.765.102	52.154.287
4 Other cash receipts from financing activities	038	0	505.603
V Total cash receipts from financing activities (ADP 035 to 038)	039	103.765.102	153.776.290
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-124.383.124	-83.024.943
2 Cash payments for dividends	041	0	-1.538.880
3 Cash payments for finance lease	042	0	-39.278
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-2.909.343	-4.109.905
5 Other cash payments from financing activities	044	-6.206.603	-6.921.175
VI Total cash payments from financing activities (ADP 040 to 044)	045	-133.499.070	-95.634.181
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-29.733.968	58.142.109
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	13.921.211	109.826.792
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	15.663.913	29.585.124
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	29.585.124	139.411.916

STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/2021 to 31/12/2021

in HRK

Item	AOP code	Attributable to owners of the parent																	"Minority (non-controlling) interest"	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)	
Previous period																				
1 Balance on the first day of the previous business year	01	19.600.000	0	8.493.578	28.400.000	28.400.000	0	0	8.906.078	0	0	0	0	201.163	10.718.400	-475.583	47.443.636	1.424.766	48.868.402	
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	19.600.000	0	8.493.578	28.400.000	28.400.000	0	0	8.906.078	0	0	0	0	201.163	10.718.400	-475.583	47.443.636	1.424.766	48.868.402	
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7.797.697	7.797.697	-345.656	7.452.041	
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	-766.018	0	0	-766.018	0	-766.018	
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	-454.730	0	0	0	0	0	-454.730	0	0	0	0	
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21 Other distributions and payments to members/shareholders	21	0	0	-197.286	0	0	0	0	0	0	0	0	0	0	197.286	0	0	-30.000	-30.000	
22 Transfer to reserves according to the annual schedule	22	0	0	180.209	0	0	0	0	0	0	0	0	0	0	-655.792	475.583	0	0	0	
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	19.600.000	0	8.476.501	28.400.000	28.400.000	0	0	8.451.348	0	0	0	0	-564.855	10.714.624	7.797.697	54.475.315	1.049.110	55.524.425	
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																				
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	0	-454.730	0	0	0	0	-766.018	454.730	0	-766.018	0	-766.018	
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	0	-454.730	0	0	0	0	-766.018	454.730	7.797.697	7.031.679	-345.656	6.686.023	
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	-17.077	0	0	0	0	0	0	0	0	0	0	-458.506	475.583	0	-30.000	-30.000	
Current period																				
1 Balance on the first day of the current business year	28	19.600.000	0	8.476.501	28.400.000	28.400.000	0	0	8.451.348	0	0	0	0	-564.855	10.714.624	7.797.697	54.475.315	1.049.110	55.524.425	
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	19.600.000	0	8.476.501	28.400.000	28.400.000	0	0	8.451.348	0	0	0	0	-564.855	10.714.624	7.797.697	54.475.315	1.049.110	55.524.425	
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23.868.970	23.868.970	122.326	23.991.296	
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	832.167	0	0	832.167	0	832.167	
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	7.503.056	0	0	0	0	0	454.731	0	7.957.787	0	7.957.787	
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 Other changes in equity unrelated to owners	40	0	-19.328.200	0	0	0	0	0	0	0	0	0	0	0	19.328.200	0	0	0	0	
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	-1.538.880	0	-1.538.880	0	-1.538.880	
21 Other distributions and payments to members/shareholders	48	0	98.411.769	-814.716	-27.384.441	-27.384.441	0	0	0	0	0	0	0	0	7.433.457	0	105.030.510	-33.445	104.997.065	
22 Carryforward per annual plane	49	0	0	437.044	0	0	0	0	0	0	0	0	0	0	7.360.653	-7.797.697	0	0	0	
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	19.600.000	79.083.569	8.098.829	1.015.559	1.015.559	0	0	15.954.404	0	0	0	0	267.312	43.752.785	23.868.970	190.625.869	1.137.991	191.763.860	
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																				
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	-19.328.200	0	0	0	0	0	7.503.056	0	0	0	0	832.167	19.782.931	0	8.789.954	0	8.789.954	
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 do 52)	53	0	-19.328.200	0	0	0	0	0	7.503.056	0	0	0	0	832.167	19.782.931	23.868.970	32.658.924	122.326	32.781.250	
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	98.411.769	-377.672	-27.384.441	-27.384.441	0	0	0	0	0	0	0	0	13.255.230	-7.797.697	103.491.630	-33.445	103.458.185	

Span d.d.

STATEMENT OF PROFIT OR LOSS					
for the period 01/01/2021 to 31/12/2021					
in HRK					
Submitter: Span d.d.					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	415.344.353	131.081.514	544.932.136	136.864.465
1 Income from sales with undertakings within the group	002	87.162.912	10.950.579	115.085.474	23.411.211
2 Income from sales (outside group)	003	325.448.152	118.980.438	427.152.812	112.538.899
3 Income from the use of own products, goods and services	004	866.905	866.905	0	0
4 Other operating income with undertakings within the group	005	476.841	126.876	310.161	0
5 Other operating income (outside the group)	006	1.389.543	156.716	2.383.689	914.355
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	400.929.602	122.617.565	522.418.788	127.256.743
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	284.733.459	87.354.362	390.372.272	88.015.807
a) Costs of raw materials and consumables	010	2.440.400	975.973	2.620.229	1.020.576
b) Costs of goods sold	011	246.355.810	74.396.221	328.938.272	70.134.445
c) Other external costs	012	35.937.249	11.982.168	58.813.771	16.860.786
3 Staff costs (ADP 014 to 016)	013	91.648.999	24.630.503	110.055.426	33.491.588
a) Net salaries and wages	014	54.925.973	15.390.482	68.922.717	23.001.846
b) Tax and contributions from salary costs	015	26.986.450	6.734.006	29.979.463	7.578.414
c) Contributions on salaries	016	9.736.576	2.506.015	11.153.246	2.911.328
4 Depreciation	017	12.706.049	3.215.919	13.028.514	3.248.675
5 Other costs	018	10.833.160	6.411.288	8.877.275	2.467.902
6 Value adjustments (ADP 020+021)	019	1.007.935	1.005.493	85.301	32.771
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	1.007.935	1.005.493	85.301	32.771
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	0	0	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	2.757.629	313.635	4.047.913	1.272.907
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	11.518	11.518	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	483.098	96.057	243.033	109.961
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	12.252	3.057	264.092	14.227
8 Exchange rate differences and other financial income	038	2.250.761	203.003	3.540.788	1.148.719
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	0	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	9.061.085	5.399.817	4.140.396	706.438
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	297.109	83.601	151.855	4.267
3 Interest expenses and similar expenses	044	2.319.302	898.624	1.496.679	342.650
4 Exchange rate differences and other expenses	045	6.444.674	4.417.592	2.491.862	359.521
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0

VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	418.101.982	131.395.149	548.980.049	138.137.372
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	409.990.687	128.017.382	526.559.184	127.963.181
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	8.111.295	3.377.767	22.420.865	10.174.191
1 Pre-tax profit (ADP 053-054)	056	8.111.295	3.377.767	22.420.865	10.174.191
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	1.615.678	1.615.678	3.102.688	1.220.328
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	6.495.617	1.762.089	19.318.177	8.953.863
1 Profit for the period (ADP 055-059)	060	6.495.617	1.762.089	19.318.177	8.953.863
2 Loss for the period (ADP 059-055)	061	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)	075	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	1.762.087	6.495.617	19.318.177	8.953.863
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 080+ 87)	079	0	0	7.957.787	7.957.787
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	7.957.787	7.957.787
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	7.957.787	7.957.787
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	0	0	7.957.787	7.957.787
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	1.762.087	6.495.617	27.275.964	16.911.650
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VII COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100	0	0	0	0
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

Span d.d.

BALANCE SHEET			
balance as at 31/12/2021			
in HRK			
Obveznik: Span d.d.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	95.907.178	106.600.686
I INTANGIBLE ASSETS (ADP 004 to 009)	003	18.870.991	18.487.016
1 Research and development	004	7.892.219	6.907.749
2 Concessions, patents, licences, trademarks, software and other rights	005	198.167	373.669
3 Goodwill	006	10.780.605	10.780.605
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	424.993
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	41.705.424	53.122.234
1 Land	011	9.414.613	13.049.681
2 Buildings	012	20.679.674	29.637.897
3 Plant and equipment	013	3.244.510	3.012.279
4 Tools, working inventory and transportation assets	014	6.664.754	7.422.377
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	0	0
8 Other tangible assets	018	1.701.873	0
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	27.413.819	28.124.898
1 Investments in holdings (shares) of undertakings within the group	021	26.986.187	27.768.705
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	0	0
8 Loans, deposits, etc. given	028	316.927	245.488
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	110.705	110.705
IV RECEIVABLES (ADP 032 to 035)	031	14.479	4.285
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	14.479	4.285
V DEFERRED TAX ASSETS	036	7.902.465	6.862.253
C) CURRENT ASSETS (ADP 038+046+053+063)	037	94.465.630	187.021.630
I INVENTORIES (ADP 039 to 045)	038	126.567	1.972.414
1 Raw materials and consumables	039	0	0
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	126.567	1.972.414
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	77.706.864	58.129.459
1 Receivables from undertakings within the group	047	7.138.724	7.012.558
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	68.928.495	49.028.871
4 Receivables from employees and members of the undertaking	050	0	0
5 Receivables from government and other institutions	051	872.233	319.860
6 Other receivables	052	767.412	1.768.170
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	600.000	0
1 Investments in holdings (shares) of undertakings within the group	054	200.000	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	400.000	0
7 Investments in securities	060	0	0

8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	16.032.199	126.919.757
D) PREPAID EXPENSES AND ACCRUED INCOME	064	14.383.096	23.795.411
E) TOTAL ASSETS (ADP 001+002+037+064)	065	204.755.904	317.417.727
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	59.993.425	190.761.019
I INITIAL (SUBSCRIBED) CAPITAL	068	19.600.000	19.600.000
II CAPITAL RESERVES	069	0	79.083.569
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	8.072.428	7.412.739
1 Legal reserves	071	8.072.428	7.412.739
2 Reserves for treasury shares	072	28.000.000	615.559
3 Treasury shares and holdings (deductible item)	073	-28.000.000	-615.559
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV REVALUATION RESERVES	076	8.451.348	15.954.404
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e. 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
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	17.374.032	49.392.130
1 Retained profit	084	17.374.032	49.392.130
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	6.495.617	19.318.177
1 Profit for the business year	087	6.495.617	19.318.177
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	0	0
1 Provisions for pensions, termination benefits and similar obligations	091	0	0
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	37.530.906	29.148.993
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	14.160.824	6.895.152
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	21.514.908	18.751.655
11 Deferred tax liability	108	1.855.174	3.502.186
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	99.678.310	81.379.506
1 Liabilities to undertakings within the group	110	1.747.942	1.241.757
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	31.588.420	7.212.661
7 Liabilities for advance payments	116	515.039	1.318.683
8 Liabilities to suppliers	117	35.889.863	38.131.824
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	5.422.895	5.990.115
11 Taxes, contributions and similar liabilities	120	7.865.956	7.241.434
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	16.648.195	20.243.032
E) ACCRUALS AND DEFERRED INCOME	124	7.553.263	16.128.209
F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)	125	204.755.904	317.417.727
G) OFF-BALANCE SHEET ITEMS	126	0	0

Span d.d.

STATEMENT OF CASH FLOWS - indirect method for the period 01/01/2021 to 31/12/2021 in HRK			
Obveznik: Span d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	8.111.295	22.420.865
2 Adjustments (ADP 003 to 010):	002	16.537.468	14.124.091
a) Depreciation	003	12.706.049	13.028.514
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	809.473	-100.632
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	72.988	85.301
d) Interest and dividend income	006	-23.770	-264.092
e) Interest expenses	007	2.319.302	1.496.679
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	439.542	-121.679
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	213.884	0
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	24.648.763	36.544.956
3 Changes in the working capital (ADP 013 to 016)	012	24.857.048	22.823.572
a) Increase or decrease in short-term liabilities	013	28.648.545	5.417.125
b) Increase or decrease in short-term receivables	014	-11.780.799	20.089.663
c) Increase or decrease in inventories	015	1.276.807	-1.845.847
d) Other increase or decrease in working capital	016	6.712.495	-837.369
II Cash from operations (ADP 011+012)	017	49.505.811	59.368.528
4 Interest paid	018	-2.378.698	-1.568.616
5 Income tax paid	019	-1.776.076	-528.959
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	45.351.037	57.270.953
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	635.228	162.833
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	23.770	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	23.056	0
6 Other cash receipts from investment activities	026	1.394.140	80.194
III Total cash receipts from investment activities (ADP 021 to 026)	027	2.076.194	243.027
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-3.375.483	-5.108.729
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-600.000	0
4 Acquisition of a subsidiary, net of cash acquired	031	-30.000	-373.535
5 Other cash payments from investment activities	032	-77.845	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-4.083.328	-5.482.264
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-2.007.134	-5.239.237
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	101.116.400
3 Cash receipts from credit principals, loans and other borrowings	037	104.238.654	49.111.128
4 Other cash receipts from financing activities	038	0	264.092
V Total cash receipts from financing activities (ADP 035 to 038)	039	104.238.654	150.491.620
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-124.352.897	-80.403.926
2 Cash payments for dividends	041	0	-1.538.880
3 Cash payments for finance lease	042	-29.965	-39.278
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-2.869.344	-4.109.905
5 Other cash payments from financing activities	044	-6.176.638	-5.543.789
VI Total cash payments from financing activities (ADP 040 to 044)	045	-133.428.844	-91.635.778
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-29.190.190	58.855.842
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	14.153.713	110.887.558
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	1.878.486	16.032.199
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)	050	16.032.199	126.919.757

STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/2021 to 31/12/2021

in HRK

Item	ADP code	Attributable to owners of the parent																Total capital and reserves	
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		*Minority (non-controlling) interest*
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 do 6 - 7 + 8 do 17)	19	20 (18+19)
Previous period																			
1 Balance on the first day of the previous business year	01	19.600.000	0	7.984.631	28.000.000	28.000.000	0	0	8.906.078	0	0	0	0	0	12.495.376	3.172.483	52.158.568	0	52.158.568
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	19.600.000	0	7.984.631	28.000.000	28.000.000	0	0	8.906.078	0	0	0	0	0	12.495.376	3.172.483	52.158.568	0	52.158.568
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6.495.617	6.495.617	0	6.495.617
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	21	0	0	-92.412	0	0	0	0	-454.730	0	0	0	0	0	1.886.382	0	1.339.240	0	1.339.240
22 Transfer to reserves according to the annual schedule	22	0	0	180.209	0	0	0	0	0	0	0	0	0	2.992.274	-3.172.483	0	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	19.600.000	0	8.072.428	28.000.000	28.000.000	0	0	8.451.348	0	0	0	0	0	17.374.032	6.495.617	59.993.425	0	59.993.425
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6.495.617	6.495.617	0	6.495.617
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	87.797	0	0	0	0	-454.730	0	0	0	0	0	4.878.656	-3.172.483	1.339.240	0	1.339.240
Current period																			
1 Balance on the first day of the current business year	28	19.600.000	0	8.072.428	28.000.000	28.000.000	0	0	8.451.348	0	0	0	0	0	17.374.032	6.495.617	59.993.425	0	59.993.425
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	19.600.000	0	8.072.428	28.000.000	28.000.000	0	0	8.451.348	0	0	0	0	0	17.374.032	6.495.617	59.993.425	0	59.993.425
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19.318.177	19.318.177	0	19.318.177
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	7.503.056	0	0	0	0	0	454.731	0	7.957.787	0	7.957.787
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	-19.328.200	0	0	0	0	0	0	0	0	0	0	0	19.328.200	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	-1.538.880	0	-1.538.880	0	-1.538.880	
21 Other distributions and payments to members/shareholders	48	0	98.411.769	-984.470	-27.384.441	-27.384.441	0	0	0	0	0	0	0	7.603.211	0	105.030.510	0	105.030.510	
22 Carryforward per annual plane	49	0	0	324.781	0	0	0	0	0	0	0	0	0	6.170.836	-6.495.617	0	0	0	
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	19.600.000	79.083.569	7.412.739	615.559	615.559	0	0	15.954.404	0	0	0	0	0	48.292.130	19.318.177	190.761.019	0	190.761.019
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	-19.328.200	0	0	0	0	0	7.503.056	0	0	0	0	0	19.782.931	0	7.957.787	0	7.957.787
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 do 52)	53	0	-19.328.200	0	0	0	0	0	7.503.056	0	0	0	0	0	19.782.931	19.318.177	27.275.964	0	27.275.964
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	98.411.769	-659.689	-27.384.441	-27.384.441	0	0	0	0	0	0	0	0	12.235.167	-6.495.617	103.491.630	0	103.491.630

4. Notes

4.1. Notes accompanying Financial Statements

Issuer name:	Span d.d
Address:	Koturaška cesta 47, 10000 Zagreb
OIB:	19680551758
MBS:	080192242
Reporting period:	January 1st – December 31st 2021

Notes to the financial statements for 2021 are included in the Unaudited Business Results of Span Group and Span d.d. for 2021., available on Zagreb Stock Exchange website.

Annual Report of Span Group and Span d.d. for 2020 is available on Span d.d. website.

The accounting policies applied in the preparation of the financial statements for the reporting period are the same as in the most recent annual financial statements.

Span d.d. issued corporate guarantees in the amount of HRK 10,554 thousand, debentures in the amount of HRK 135,646 thousand (of which HRK 7,075 thousand for affiliated companies) and bills of exchange in the amount of HRK 33.041 thousand.

Average number of Span Group employees in the period from 1.1.2021. to 31.12.2021. was 537. The average number of employees of Span d.d. in the period from 1.1.2021. to 31.12.2021. was 436.

In the observed period, the company Span d.d. capitalized labor costs related to the continued development of internally generated intangible assets. The total amount of employee costs during the period, amounts to HRK 112,258 thousand, out of which HRK 110,055 thousand is directly charged to the costs of the period, while HRK 2,203 thousand is capitalized. Capitalized cost is broken down into net salaries (HRK 1,336 thousand), taxes and contributions from salaries (HRK 625 thousand) and contributions to salaries (HRK 242 thousand).

Deferred tax assets of Span Group as at 31 December 2020 amount to HRK 8,498 thousand, while for Span d.d. it amounts to HRK 7,902 thousand. In the Span Group, the decrease in the amount of HRK 760 thousand relates to the recognition of deferred tax assets due to losses incurred by certain affiliates and the decrease in the amount of HRK 1,040 thousand in the reporting period relates to the recognition of deferred tax assets on the basis of tax relief based on investment aid received from the Ministry of the Economy, Entrepreneurship and Crafts for Span dd

Span d.d. holds a participating stake in Trilix d.o.o. Zagreb and Bonsai d.o.o. Zagreb. The amount of capital that Span d.d. holds in Trilix d.o.o. amounts to 60%, ie HRK 1,037 thousand, the amount of total capital and reserves of Trilix d.o.o. amounts to HRK 1,729 thousand, and the loss in the business year 2020 amounts to HRK 1,329 thousand. The amount of capital that Span d.d. holds in Bonsai d.o.o. amounts to 70%, or HRK 1,042 thousand, the amount of total capital and reserves of Bonsai d.o.o. amounts to HRK 1,488 thousand, and the profit in the business year 2020 amounts to HRK 163 thousand.

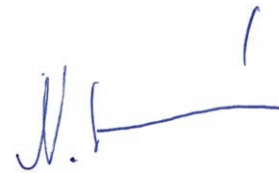
Companies where Span d.d. has unlimited liability are: Infocumulus d.o.o. Zagreb, Span d.o.o. Ljubljana, Span IT Ltd. London, Span USA Inc., Oak Brook, Span LLC Baku, Span GmbH Munich, LLC Span Kiev, SPAN SWISS AG Zurich and SPAN-IT SRL Moldova.

5. Statement on responsibility for compiling a report in the observed period

Statement

The financial statements of Span d.d. and Span Group for the period from January 1st to December 31st, 2021, shown to be fair and truthful in accordance with International Financial Reporting Standards which have been consistently applied in relation to previous years.

All materially significant transactions were accordingly recorded in the accounting records, which were the basis of the financial statements. They give a truthful and complete overview of assets and obligations, the financial position and business activities of the Span d.d. and Span Group.



Nikola Dujmović
President and CEO, Span d.d.