

Stanovi Jadran

MANAGEMENT REPORT

STANOVI JADRAN d.d. SPLIT

01.01.2020. to 30.09.2020.

Split, October 28th, 2020.

Introduction

Stanovi Jadran PLC. continues its performance in 2020. despite the hurdles caused by COVID-19 pandemics with main aim to pay-out dividends to shareholders.

The main reason supporting good results is sale of stake in Winter Ltd. in first quarter and sale of penthouse S3 in Šibenik in second quarter.

Company sold financial assets in Bosnia and Herzegovina where cumulative loss was made to increase liquidity.

At the same time, the construction site for the reconstruction of the Armerun Hotel in Šibenik is still active having dynamics slowdown due to measures set by Government in order to stop the expansion of COVID-19. Therefore, the opening of the Armerun Hotel is expected next year.

The Management Board of the Company is actively engaged in the sale of real estate that is not in focus or in line with the Company's development strategy. Accordingly, apartments in Šibenik and properties in Zagreb and Dubrovnik are listed for sale.

The Management strongly believes that it may sell some assets by the end of the year.

Kind regards,

STANOVI JADRAN plc.

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I. COMMENTS ON BUSINESS DOING

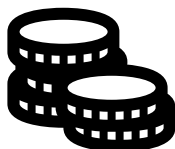
Stanovi Jadran plc. (the Company) sold 89% of its subsidiary Winter ltd. right before pandemic bursted with premium valuation. Furthermore, the penthouse in Šibenik has been sold and emty commercial spaces has been leased.

Due to tax legislation, the Company paid all necessary taxes to Bosnia & Herzegovina what affected liquidity but in the same time the tax payment will be recognized and accepted in Croatia due to double taxation contracts between Croatia and Bosnia & Herzegovina.

At the same time, material and staff costs have optimized.



Sales revenue
13.923.342 HRK



Material expenses
746.864 HRK



Wages & salaries
555.264 HRK



Net profit
6.684.161 HRK



Assets
96.135.851 HRK

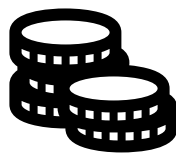


Liabilities
19.936.581 HRK

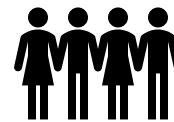
Stanovi Jadran plc. (the Group) achieved revenues decline since the subsidiary Winter ltd., which generated most of the Group's revenue, is no longer part of the Group. The Company's management believes that sale of subsidiary came at the right time since now the revenues from subsidiary would not be significantly higher, but the premium valuation would be lost. The sale of penthouse in Šibenik has been done to other subsidiary which would be sold by the end of the year to foreign buyer.



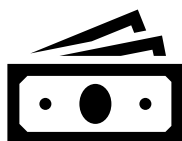
Sales revenue
10.539.074 HRK



Material expenses
770.085 HRK



Wages & Salaries
555.264 HRK



Net profit
3.320.985 HRK



Assets
99.855.690 HRK



Liabilities
25.716.380 HRK

II. IMPORTANT BUSINESS EVENTS

Stanovi Jadran plc. concluded the sale of shares in the subsidiary Winter Ltd. and purchased securities in Bosnia and Herzegovina. The Company continued with investment activities in the Hotel "Armerun" in Šibenik and by the day of writing the report, most of outside work has been done. The Management of the Company believes that the opening of the hotel should be at the beginning of 2021 due to all the restrictions on movement caused by the COVID-19 pandemic and the financial crisis that is expected due to the shutdown of the economy globally.

Additionally, the Company sold a penthouse S3 in Šibenik and a 113 m² garage in Zagreb during the second quarter. Also, the Company sold almost all financial assets in Bosnia and Herzegovina in this quarter, except for the part of TLKM from which it exercised the right to dividend.

Due to the COVID-19 pandemic, the daily rental income of the Penthouse Vinci in the Center Ploka declined, as well as part of the rents to long-term tenants in such a way that the rent is calculated as a percentage of the income.

Nova Nekretnine ltd has started remodelling of the project due to new homogenization of cadastral plans in Dubrovnik and plans to start obtaining a building permit by the end of the year.

III. EXPECTED BUSINESS DEVELOPEMENT

Due to the COVID-19 pandemic, the Management expects a decrease in sales revenue. Specifically, it is expected that the demand for daily rental properties will drop as well as revenue from the lessees who are forbidden to perform business activities from the Civil Protection of the Republic of Croatia should be reduced. Also, the planned revenue from the Armerun Hotel will not be realized in 2020, and expected revenues in 2021 will be less than projected.

Furthermore, the Management expects fewer inquiries for real estate in Zagreb due to the March earthquake and a decline in advertised prices in the wake of the financial crisis

The liabilities of the Company and its Subsidiaries relate mainly to investments activities in projects that are ongoing.

The subsidiary VILE ORAŠAC ltd. submitted permit extension in this quarter. The management believes after getting an extension, it should make it easier to find a potential buyer and will be easier to sell the shares in the same subsidiary.

Because of the reduced demand for daily rent as well as the financial crisis, the Company's Management believes that it should be easier to find properties for potential hotels in the city historic centres at more affordable prices.

The main aim of the Company is to diversify portfolio in a way of holding different types of revenue generating properties such as shopping malls and commercial spaces rather than only properties whose revenue streams are tourism associated.

IV. R&D ACTIVITIES

COVID-19 pandemics affected tourism as one of the industries the Company set as a strategic, the Management started to diversify portfolio in order to reduce tourism depending revenue streams.

V. TREASURY SHARES INFORMATION

Stanovi Jadran plc. do not own treasury shares, and the existing ownership structure and is subject to more frequent changes in the Stock Exchange Market. At this moment, there are neither treasury repurchase program nor employee stock purchase plan.

VI. BRANCH OFFICES

The company has no open branch offices. This also applies to the subsidiaries that are part of the Group.

VII. IMPORTANT FINANCIAL INSTRUMENTS

Financial instruments that the Company has in its portfolio are:

- shares of the subsidiaries Villa Orasac ltd. and Nova Nekretnine ltd.,
- shares of companies listed on Zagreb Stock Exchange such as Varteks d.d. and Proprius d.d. – in liquidation. The company holds 10.57% of Proprius d.d. – in liquidation share capital, where the Company's holding company Jadran Kapital d.d. is the largest single shareholder of Proprius d.d. – in liquidation.
- securities of Telekom Srpske plc. listed at Banja Luka Stock Exchange and securities of Energonova plc and Prof plus plc listed at Sarajevo Stock Exchange

In view of the above, it is important to evaluate the financial position and performance of the Company as an Issuer and the parent of its subsidiaries, it can be concluded that the business interests held by the Company in its subsidiaries form a significant part of the basis for assessing the financial position and the success of the Company's operations as an Issuer.

VIII. AIMS AND POLICY

The Company is exposed to basic business risks which are set out in n Chapter IX. of this Report.

All employees of the Company, including the Management Board and the Supervisory Board, participate in the implementation of the internal control and risk management system.

The Company manages risks, especially financial ones, monitoring and compliance with significant regulations and through internal control that is performed by monitoring the operations in all organizational units through the activities of the Company and especially the control of ancillary services.

IX. RISK EXPOSURE

The Company's management believes that the risks have significantly changed from the end of 2019 to the end of the reporting period.

Real Estate Market Risk

Since March 19, 2020, when the Civil Protection of the Republic of Croatia introduced measures related to COVID-19, the completion of construction works has been slowed down and construction permits issuance is expected to slow down. Since joining the European Union, the price on the real estate market has been formed mainly due to the lack of real estate supply for daily rental in the market and excess demand from population from economically more powerful western countries. Due to the shortage of real estate for daily rent and rising prices, a large number of real estates were redeveloped from residential to commercial, it also reduced the supply of residential real estate and increased prices. Having restrictions on movement and doing business due to COVID-19 and the expected global financial crisis, real estate prices are likely to fall due to reduced demand, which is a very high risk at present.

Tourism market risk

Tourism, as a very specific industry, connects several other industries by generating tourism spending, currently carries a higher risk score, all given the level achieved, but also the challenges posed by the current global situation. The Company believes that at present the most important risk is related to tourism because of recreation of tourism spending, inability to move and enter the country, as well as social distance. COVID-19 paralyzed air travel industry what affected ability to sell rooms to the potential guests. Pandemics probably caused damage which will reshape air travel industry in a sense that will affect arrivals. Currently, the risk related to this industry is high.

Industry risk in construction

The management believes it has found a partner for future projects, but at the same time believes that in 2020 will be a lot of construction companies out of work, which will lead to lower prices in construction.

Personnel risk

The Company has 8 employees as of the date of this report. Due to the financial crisis, the global health crisis and the closure of borders, the Management believes that talented staff will be available in the next two years.

Exchange rate risk

Foreign exchange differences are charged to operating expenses or credited to the income statement, but do not affect the cash flow. The Company is currently exposed to currency risk on the basis of changes in the EUR / HRK exchange rate.

Financing risk

The Company estimates that at present the financing risk is low due to favourable conditions in the credit and money market.

Liquidity risk

The Company endeavours to put its own assets into use as soon as possible in order to obtain a continuous cash inflow to service short-term and extraordinary liabilities. All account receivables are secured by appropriate instruments to reduce the risk of non-payment. After the sale of the financial assets, the Management plans to reduce its liabilities and continue its investment activities.

Interest rate risk

Borrowings from credit institutions are generally contracted at a variable interest rate based on the reference interest rate (EURIBOR), and the Company is therefore more exposed to interest rate risk. The Company does not currently use financial instruments to hedge against adverse or unexpected movements in interest rates. Due to global trends, the Management Board believes that it is necessary to reduce this risk by closing debts, which it plans to do in 2020.

Credit risk

The Company does not credit contractors or lessees, and all contracts are secured with additional collateral. The Company itself is exposed to credit risk and it regularly payoff loans to commercial banks. The Management plans to further reduce its exposure to credit institutions by selling real estate. Due to global trends, the Management Board considers it necessary to reduce this risk by repaying part of its liabilities.

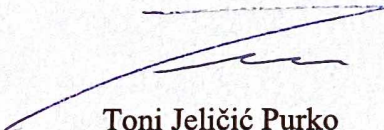
X. MANAGEMENT STATEMENT

Toni Jeličić Purko as a president of Management Board and Maja Bradić as a member of Management Board of STANOVI JADRAN d.d., Split, Kralja Zvonimira 14/IX, OIB 88680117715, as responsible persons for composition of financial reports for period 01.01.2020. – 30.09.2020. are giving the

STATEMENT

According to our knowledge, financial report of STANOVI JADRAN d.d., Split, Kralja Zvonimira 14/IX, OIB 88680117715, for period 01.01.2020. – 30.09.2020. is in line with Accounting Law, Accounting Standards of Financial Reporting and EU Directives.

The interim management report consists of true information and business results for a company and its subsidiary companies together with risk exposure statements.



Toni Jeličić Purko
Management Board President



Maja Bradić
Management Board Member

STANOVI JADRAN
d.d. SPLIT

Split, October 28th, 2020.

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

01/01/2020

to

30/09/2020

Year:

2020

Quarter:

3.

Quarterly financial statements

Registration number (MB):

02182190

Issuer's home Member

State code:

HR

Entity's registration
number (MBS):

060227551

Personal identification
number (OIB):

88680117715

LEI:

747800E0R03R0059Q263

Institution
code:

94048

Name of the issuer: STANOVI JADRAN d.d.

Postcode and town:

21000

SPLIT

Street and house number: Kralja Zvonimira 14/IX

E-mail address: info@stanovijadran.com

Web address: www.stanovijadran.com

Number of employees
(end of the reporting

8

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

NOVA NEKRETNINE d.o.o.

Kralja Zvonimira 14/IX, 21000 Split

90019408

VILE ORAŠAC d.o.o.

Za Gospom 6, 20233 Trsteno

80607279

ŠIBENSKI BISER d.o.o.

Kralja Zvonimira 14/IX, 21000 Split

05251362

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person: Mario Jurić

(only name and surname of the contact person)

Telephone: 021/482-367

E-mail address: mario@stanovijadran.com

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 30.9.2020.

in HRK

| Submitter: STANOVI JADRAN 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 | 61.422.370 | 69.368.406 |
| I INTANGIBLE ASSETS (ADP 004 to 009) | 003 | 24.810 | 22.140 |
| 1 Research and development | 004 | 0 | 0 |
| 2 Concessions, patents, licences, trademarks, software and other rights | 005 | 24.810 | 22.140 |
| 3 Goodwill | 006 | 0 | 0 |
| 4 Advances for the purchase of intangible assets | 007 | 0 | 0 |
| 5 Intangible assets in preparation | 008 | 0 | 0 |
| 6 Other intangible assets | 009 | 0 | 0 |
| II TANGIBLE ASSETS (ADP 011 to 019) | 010 | 57.975.164 | 61.946.886 |
| 1 Land | 011 | 0 | 0 |
| 2 Buildings | 012 | 0 | 0 |
| 3 Plant and equipment | 013 | 3.590.123 | 4.130.725 |
| 4 Tools, working inventory and transportation assets | 014 | 0 | 0 |
| 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 | 54.385.041 | 57.816.161 |
| III FIXED FINANCIAL ASSETS (ADP 021 to 030) | 020 | 3.422.396 | 7.399.380 |
| 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 | 156.416 | 149.633 |
| 9 Other investments accounted for using the equity method | 029 | 11.000 | 11.000 |
| 10 Other fixed financial assets | 030 | 3.254.980 | 7.238.747 |
| IV RECEIVABLES (ADP 032 to 035) | 031 | 0 | 0 |
| 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 | 0 | 0 |
| V DEFERRED TAX ASSETS | 036 | 0 | 0 |
| C) CURRENT ASSETS (ADP 038+046+053+063) | 037 | 36.047.914 | 30.336.191 |
| I INVENTORIES (ADP 039 to 045) | 038 | 0 | 0 |
| 1 Raw materials and consumables | 039 | 0 | 0 |
| 2 Work in progress | 040 | 0 | 0 |
| 3 Finished goods | 041 | 0 | 0 |
| 4 Merchandise | 042 | 0 | 0 |
| 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 | 2.809.767 | 4.639.800 |
| 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 | 2.603.049 | 2.922.565 |
| 4 Receivables from employees and members of the undertaking | 050 | 0 | 0 |
| 5 Receivables from government and other institutions | 051 | 201.033 | 1.519.241 |
| 6 Other receivables | 052 | 5.685 | 197.994 |
| III CURRENT FINANCIAL ASSETS (ADP 054 to 062) | 053 | 33.228.983 | 25.623.611 |
| 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 | 3.714.983 | 25.623.611 |
| 9 Other financial assets | 062 | 29.514.000 | 0 |
| IV CASH AT BANK AND IN HAND | 063 | 9.164 | 72.780 |
| D) PREPAID EXPENSES AND ACCRUED INCOME | 064 | 164.306 | 151.093 |
| E) TOTAL ASSETS (ADP 001+002+037+064) | 065 | 97.634.590 | 99.855.690 |
| OFF-BALANCE SHEET ITEMS | 066 | 0 | 0 |
| LIABILITIES | | | |
| A) CAPITAL AND RESERVES (ADP 068 to 075) | 067 | 74.480.335 | 74.139.310 |
| I INITIAL (SUBSCRIBED) CAPITAL | 068 | 76.248.000 | 76.248.000 |
| II CAPITAL RESERVES | 069 | 3.357.629 | 3.357.629 |
| III RESERVES FROM PROFIT (ADP 071+072-073+074+075) | 070 | -456.000 | 0 |
| 1 Legal reserves | 071 | 0 | 0 |
| 2 Reserves for treasury shares | 072 | 0 | 0 |
| 3 Treasury shares and holdings (deductible item) | 073 | 0 | 0 |
| 4 Statutory reserves | 074 | 0 | 0 |
| 5 Other reserves | 075 | -456.000 | 0 |
| IV REVALUATION RESERVES | 076 | 0 | 0 |
| V FAIR VALUE RESERVES (ADP 078 to 080) | 077 | 0 | 0 |
| 1 Fair value of financial assets available for sale | 078 | 0 | 0 |
| 2 Cash flow hedge - effective portion | 079 | 0 | 0 |
| 3 Hedge of a net investment in a foreign operation - effective portion | 080 | 0 | 0 |
| VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083) | 081 | -12.672.684 | -9.291.295 |
| 1 Retained profit | 082 | 0 | 0 |
| 2 Loss brought forward | 083 | 12.672.684 | 9.291.295 |
| VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086) | 084 | 4.473.210 | 3.322.962 |
| 1 Profit for the business year | 085 | 4.473.210 | 3.322.962 |
| 2 Loss for the business year | 086 | 0 | 0 |
| VIII MINORITY (NON-CONTROLLING) INTEREST | 087 | 3.530.180 | 502.014 |
| B) PROVISIONS (ADP 089 to 094) | 088 | 0 | 0 |
| 1 Provisions for pensions, termination benefits and similar obligations | 089 | 0 | 0 |
| 2 Provisions for tax liabilities | 090 | 0 | 0 |
| 3 Provisions for ongoing legal cases | 091 | 0 | 0 |
| 4 Provisions for renewal of natural resources | 092 | 0 | 0 |
| 5 Provisions for warranty obligations | 093 | 0 | 0 |
| 6 Other provisions | 094 | 0 | 0 |
| C) LONG-TERM LIABILITIES (ADP 096 to 106) | 095 | 15.169.124 | 19.791.557 |
| 1 Liabilities to undertakings within the group | 096 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 097 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 098 | 0 | 0 |

| | | | |
|---|------------|-------------------|-------------------|
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 099 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 100 | 0 | 5.664.769 |
| 6 Liabilities to banks and other financial institutions | 101 | 15.169.124 | 14.126.788 |
| 7 Liabilities for advance payments | 102 | 0 | 0 |
| 8 Liabilities to suppliers | 103 | 0 | 0 |
| 9 Liabilities for securities | 104 | 0 | 0 |
| 10 Other long-term liabilities | 105 | 0 | 0 |
| 11 Deferred tax liability | 106 | 0 | 0 |
| D) SHORT-TERM LIABILITIES (ADP 108 to 121) | 107 | 7.975.183 | 5.924.823 |
| 1 Liabilities to undertakings within the group | 108 | 0 | 0 |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group | 109 | 0 | 0 |
| 3 Liabilities to companies linked by virtue of participating interests | 110 | 0 | 0 |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 111 | 0 | 0 |
| 5 Liabilities for loans, deposits etc. | 112 | 2.956.450 | 5.242.319 |
| 6 Liabilities to banks and other financial institutions | 113 | 64.219 | 108.301 |
| 7 Liabilities for advance payments | 114 | 59.152 | 59.152 |
| 8 Liabilities to suppliers | 115 | 1.921.924 | 363.821 |
| 9 Liabilities for securities | 116 | 0 | 0 |
| 10 Liabilities to employees | 117 | 43.931 | 81.866 |
| 11 Taxes, contributions and similar liabilities | 118 | 76.025 | 69.364 |
| 12 Liabilities arising from the share in the result | 119 | 0 | 0 |
| 13 Liabilities arising from fixed assets held for sale | 120 | 0 | 0 |
| 14 Other short-term liabilities | 121 | 2.853.482 | 0 |
| E) ACCRUALS AND DEFERRED INCOME | 122 | 9.948 | 0 |
| F) TOTAL – LIABILITIES (ADP 067+088+095+107+122) | 123 | 97.634.590 | 99.855.690 |
| G) OFF-BALANCE SHEET ITEMS | 124 | 0 | 0 |

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2020 to 30.09.2020

in HRK

Submitter: STANOVI JADRAN 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 126 to 130) | 125 | 15.728.389 | 10.330.907 | 1.738.734 | 274.109 |
| 1 Income from sales with undertakings within the group | 126 | 0 | 0 | 0 | |
| 2 Income from sales (outside group) | 127 | 14.719.992 | 9.391.752 | 899.936 | 245.382 |
| 3 Income from the use of own products, goods and services | 128 | 0 | 0 | 0 | |
| 4 Other operating income with undertakings within the group | 129 | 0 | 0 | 0 | |
| 5 Other operating income (outside the group) | 130 | 1.008.397 | 939.155 | 838.798 | 28.727 |
| II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153) | 131 | 12.339.560 | 7.109.882 | 2.871.124 | 909.806 |
| 1 Changes in inventories of work in progress and finished goods | 132 | 0 | 0 | 0 | 0 |
| 2 Material costs (ADP 134 to 136) | 133 | 8.357.895 | 5.729.833 | 770.085 | 256.820 |
| a) Costs of raw materials and consumables | 134 | 1.719.103 | 465.557 | 288.986 | 87.937 |
| b) Costs of goods sold | 135 | 4.875.869 | 4.874.984 | 0 | |
| c) Other external costs | 136 | 1.762.923 | 389.292 | 481.099 | 168.883 |
| 3 Staff costs (ADP 138 to 140) | 137 | 2.368.267 | 832.340 | 555.264 | 191.476 |
| a) Net salaries and wages | 138 | 1.399.502 | 491.234 | 347.488 | 119.388 |
| b) Tax and contributions from salary costs | 139 | 709.665 | 250.985 | 99.627 | 33.863 |
| c) Contributions on salaries | 140 | 259.100 | 90.121 | 108.149 | 38.225 |
| 4 Depreciation | 141 | 942.503 | 324.881 | 618.685 | 313.271 |
| 5 Other costs | 142 | 618.315 | 191.317 | 801.028 | 148.239 |
| 6 Value adjustments (ADP 144+145) | 143 | 0 | 0 | 0 | 0 |
| a) fixed assets other than financial assets | 144 | 0 | 0 | 0 | 0 |
| b) current assets other than financial assets | 145 | 0 | 0 | 0 | 0 |
| 7 Provisions (ADP 147 to 152) | 146 | 0 | 0 | 0 | 0 |
| a) Provisions for pensions, termination benefits and similar obligations | 147 | 0 | 0 | 0 | 0 |
| b) Provisions for tax liabilities | 148 | 0 | 0 | 0 | 0 |
| c) Provisions for ongoing legal cases | 149 | 0 | 0 | 0 | 0 |
| d) Provisions for renewal of natural resources | 150 | 0 | 0 | 0 | 0 |
| e) Provisions for warranty obligations | 151 | 0 | 0 | 0 | 0 |
| f) Other provisions | 152 | 0 | 0 | 0 | 0 |
| 8 Other operating expenses | 153 | 52.580 | 31.511 | 126.062 | 0 |
| III FINANCIAL INCOME (ADP 155 to 164) | 154 | 38.158 | 12.131 | 8.800.340 | 377.571 |
| 1 Income from investments in holdings (shares) of undertakings within the group | 155 | 0 | 0 | 0 | |
| 2 Income from investments in holdings (shares) of companies linked by virtue of participating interests | 156 | 0 | 0 | 0 | |
| 3 Income from other long-term financial investment and loans granted to undertakings within the group | 157 | 0 | 0 | 0 | |
| 4 Other interest income from operations with undertakings within the group | 158 | 0 | 0 | 0 | |
| 5 Exchange rate differences and other financial income from operations with undertakings within the group | 159 | 0 | 0 | 0 | |
| 6 Income from other long-term financial investments and loans | 160 | 0 | 0 | 0 | |
| 7 Other interest income | 161 | 26.027 | 0 | 25 | 20 |
| 8 Exchange rate differences and other financial income | 162 | 0 | 0 | 331.276 | 331.276 |
| 9 Unrealised gains (income) from financial assets | 163 | 0 | 0 | 0 | 0 |
| 10 Other financial income | 164 | 12.131 | 12.131 | 8.469.039 | 46.275 |
| IV FINANCIAL EXPENSES (ADP 166 to 172) | 165 | 256.175 | 136.518 | 4.346.965 | 474.795 |
| 1 Interest expenses and similar expenses with undertakings within the group | 166 | 0 | 0 | 0 | 0 |
| 2 Exchange rate differences and other expenses from operations with undertakings within the group | 167 | 0 | 0 | 0 | 0 |
| 3 Interest expenses and similar expenses | 168 | 213.573 | 130.000 | 408.400 | 186.596 |
| 4 Exchange rate differences and other expenses | 169 | 0 | 0 | 197.304 | 191.040 |
| 5 Unrealised losses (expenses) from financial assets | 170 | 0 | 0 | 0 | 0 |
| 6 Value adjustments of financial assets (net) | 171 | 0 | 0 | 0 | 0 |
| 7 Other financial expenses | 172 | 42.602 | 6.518 | 3.741.261 | 97.159 |
| V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS | 173 | 0 | 0 | 0 | 0 |
| VI SHARE IN PROFIT FROM JOINT VENTURES | 174 | 0 | 0 | 0 | 0 |

| | | | | | |
|---|------------|------------|------------|------------|-----------|
| VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST | 175 | 0 | 0 | 0 | 0 |
| VIII SHARE IN LOSS OF JOINT VENTURES | 176 | 0 | 0 | 0 | 0 |
| IX TOTAL INCOME (ADP 125+154+173 + 174) | 177 | 15.766.547 | 10.343.038 | 10.539.074 | 651.680 |
| X TOTAL EXPENDITURE (ADP 131+165+175 + 176) | 178 | 12.595.735 | 7.246.400 | 7.218.089 | 1.384.601 |
| XI PRE-TAX PROFIT OR LOSS (ADP 177-178) | 179 | 3.170.812 | 3.096.638 | 3.320.985 | -732.921 |
| 1 Pre-tax profit (ADP 177-178) | 180 | 3.170.812 | 3.096.638 | 3.320.985 | 0 |
| 2 Pre-tax loss (ADP 178-177) | 181 | 0 | 0 | 0 | -732.921 |
| XII INCOME TAX | 182 | 0 | 0 | 0 | 0 |
| XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182) | 183 | 3.170.812 | 3.096.638 | 3.320.985 | -732.921 |
| 1 Profit for the period (ADP 179-182) | 184 | 3.170.812 | 3.096.638 | 3.320.985 | 0 |
| 2 Loss for the period (ADP 182-179) | 185 | 0 | 0 | 0 | -732.921 |
| 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 187-188) | 186 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit from discontinued operations | 187 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss on discontinued operations | 188 | 0 | 0 | 0 | 0 |
| XV INCOME TAX OF DISCONTINUED OPERATIONS | 189 | 0 | 0 | 0 | 0 |
| 1 Discontinued operations profit for the period (ADP 186-189) | 190 | 0 | 0 | 0 | 0 |
| 2 Discontinued operations loss for the period (ADP 189-186) | 191 | 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 179+186) | 192 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit (ADP 192) | 193 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss (ADP 192) | 194 | 0 | 0 | 0 | 0 |
| XVII INCOME TAX (ADP 182+189) | 195 | 0 | 0 | 0 | 0 |
| XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195) | 196 | 0 | 0 | 0 | 0 |
| 1 Profit for the period (ADP 192-195) | 197 | 0 | 0 | 0 | 0 |
| 2 Loss for the period (ADP 195-192) | 198 | 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 200+201) | 199 | 3.170.812 | 3.096.638 | 3.320.985 | -732.921 |
| 1 Attributable to owners of the parent | 200 | 3.051.751 | 3.039.340 | 3.322.962 | -732.921 |
| 2 Attributable to minority (non-controlling) interest | 201 | 119.061 | 57.298 | -1.977 | |
| STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS) | | | | | |
| I PROFIT OR LOSS FOR THE PERIOD | 202 | 3.170.812 | 3.096.638 | 3.320.985 | -732.921 |
| II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211) | 203 | 464.548 | 383.610 | -1.091.821 | 0 |
| 1 Exchange rate differences from translation of foreign operations | 204 | 0 | 0 | 0 | 0 |
| 2 Changes in revaluation reserves of fixed tangible and intangible assets | 205 | 0 | 0 | 0 | 0 |
| 3 Profit or loss arising from subsequent measurement of financial assets available for sale | 206 | 464.548 | 383.610 | -1.091.821 | 0 |
| 4 Profit or loss arising from effective cash flow hedging | 207 | 0 | 0 | 0 | 0 |
| 5 Profit or loss arising from effective hedge of a net investment in a foreign operation | 208 | 0 | 0 | 0 | 0 |
| 6 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 209 | 0 | 0 | 0 | 0 |
| 7 Actuarial gains/losses on the defined benefit obligation | 210 | 0 | 0 | 0 | 0 |
| 8 Other changes in equity unrelated to owners | 211 | 0 | 0 | 0 | 0 |
| III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD | 212 | 0 | 0 | 0 | 0 |
| IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212) | 213 | 464.548 | 383.610 | -1.091.821 | 0 |
| V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213) | 214 | 3.635.360 | 3.480.248 | 2.229.164 | -732.921 |
| APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements) | | | | | |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217) | 215 | 3.635.360 | 3.480.248 | 2.229.164 | -732.921 |
| 1 Attributable to owners of the parent | 216 | 3.516.299 | 3.360.733 | 2.231.141 | -731.901 |
| 2 Attributable to minority (non-controlling) interest | 217 | 119.061 | 119.515 | -1.977 | -1.020 |

STATEMENT OF CASH FLOWS - indirect method
for the period 1.1.2020 to 30.09.2020

in HRK

| Submitter: STANOVI JADRAN 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 | 3.051.751 | 3.322.962 |
| 2 Adjustments (ADP 003 to 010): | 002 | 1.156.076 | -4.347.837 |
| a) Depreciation | 003 | 942.503 | 618.686 |
| b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets | 004 | 0 | 79.126 |
| c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets | 005 | 0 | -5.273.897 |
| d) Interest and dividend income | 006 | 0 | -46.180 |
| e) Interest expenses | 007 | 213.573 | 408.400 |
| f) Provisions | 008 | 0 | 0 |
| g) Exchange rate differences (unrealised) | 009 | 0 | -133.972 |
| h) Other adjustments for non-cash transactions and unrealised gains and losses | 010 | 0 | 0 |
| I Cash flow increase or decrease before changes in working capital (ADP 001+002) | 011 | 4.207.827 | -1.024.875 |
| 3 Changes in the working capital (ADP 013 to 016) | 012 | -3.136.399 | -3.169.689 |
| a) Increase or decrease in short-term liabilities | 013 | -2.299.766 | -1.507.087 |
| b) Increase or decrease in short-term receivables | 014 | -863.068 | -568.808 |
| c) Increase or decrease in inventories | 015 | 16.535 | 0 |
| d) Other increase or decrease in working capital | 016 | 9.900 | -1.093.794 |
| II Cash from operations (ADP 011+012) | 017 | 1.071.428 | -4.194.564 |
| 4 Interest paid | 018 | -213.573 | -499.369 |
| 5 Income tax paid | 019 | 0 | -1.213.203 |
| A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019) | 020 | 857.855 | -5.907.136 |
| Cash flow from investment activities | | | |
| 1 Cash receipts from sales of fixed tangible and intangible assets | 021 | 0 | 627.935 |
| 2 Cash receipts from sales of financial instruments | 022 | 0 | 51.787.199 |
| 3 Interest received | 023 | 0 | 0 |
| 4 Dividends received | 024 | 0 | 46.180 |
| 5 Cash receipts from repayment of loans and deposits | 025 | 0 | 335.500 |
| 6 Other cash receipts from investment activities | 026 | 0 | 6.783 |
| III Total cash receipts from investment activities (ADP 021 to 026) | 027 | 0 | 52.803.597 |
| 1 Cash payments for the purchase of fixed tangible and intangible assets | 028 | -7.505.879 | -5.294.799 |
| 2 Cash payments for the acquisition of financial instruments | 029 | -189.673 | -26.115.420 |
| 3 Cash payments for loans and deposits for the period | 030 | 0 | -22.244.753 |
| 4 Acquisition of a subsidiary, net of cash acquired | 031 | 0 | 0 |
| 5 Other cash payments from investment activities | 032 | 0 | 0 |
| IV Total cash payments from investment activities (ADP 028 to 032) | 033 | -7.695.552 | -53.654.972 |
| B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033) | 034 | -7.695.552 | -851.375 |
| 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 | 0 |
| 3 Cash receipts from credit principals, loans and other borrowings | 037 | 6.676.301 | 11.611.462 |
| 4 Other cash receipts from financing activities | 038 | 0 | 0 |
| V Total cash receipts from financing activities (ADP 035 to 038) | 039 | 6.676.301 | 11.611.462 |
| 1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments | 040 | 0 | -4.789.335 |
| 2 Cash payments for dividends | 041 | 0 | 0 |
| 3 Cash payments for finance lease | 042 | 0 | 0 |
| 4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital | 043 | 0 | 0 |
| 5 Other cash payments from financing activities | 044 | 0 | 0 |
| VI Total cash payments from financing activities (ADP 040 to 044) | 045 | 0 | -4.789.335 |
| C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045) | 046 | 6.676.301 | 6.822.127 |
| 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 | -161.396 | 63.616 |
| E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 049 | 384.553 | 9.164 |
| F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049) | 050 | 223.157 | 72.780 |

STATEMENT OF CHANGES IN EQUITY
for the period from ##### to #####

in HRK

| Item | ADP 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 available for sale | Cash flow hedge - effective portion | Hedge of a net investment in a foreign operation - effective portion | 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 (3 to 6 + 7 + 8 to 15) | 17 | 18 (16+17) |
| Previous period | | | | | | | | | | | | | | | | | |
| 1 Balance on the first day of the previous business year | 01 | 76.248.000 | 3.357.629 | 0 | 0 | 0 | 0 | 0 | 0 | -1.024.349 | 0 | 0 | -10.705.773 | 0 | 67.875.507 | 3.464.438 | 71.339.945 |
| 2 Changes in accounting policies | 02 | 0 | 0 | 0 | 0 | 0 | 0 | -456.000 | 0 | 1.175.812 | 0 | 0 | -1.966.911 | 0 | -1.247.099 | 66.742 | -1.181.357 |
| 3 Correction of errors | 03 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -151.463 | 0 | 0 | 0 | 0 | -151.463 | 0 | -151.463 |
| 4 Balance on the first day of the previous business year (restated) (ADP 01 to 03) | 04 | 76.248.000 | 3.357.629 | 0 | 0 | 0 | 0 | -456.000 | 0 | 0 | 0 | 0 | -12.672.684 | 0 | 66.476.945 | 3.530.180 | 70.007.125 |
| 5 Profit/loss of the period | 05 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4.473.210 | 4.473.210 | 0 | 4.473.210 |
| 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 |
| 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 |
| 8 Profit or loss arising from subsequent measurement of financial assets available for sale | 08 | 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 |
| 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 |
| 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 |
| 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 |
| 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 |
| 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 |
| 15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure) | 15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 Increase in initial (subscribed) capital arising from the reinvestment of profit | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure | 17 | 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 |
| 19 Payment of share in profit/dividend | 19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 Other distribution to owners | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 Transfer to reserves according to the annual schedule | 21 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 Increase in reserves arising from the pre-bankruptcy settlement procedure | 22 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 Balance on the last day of the previous business year reporting period (04 to 22) | 23 | 76.248.000 | 3.357.629 | 0 | 0 | 0 | 0 | -456.000 | 0 | 0 | 0 | 0 | -12.672.684 | 4.473.210 | 70.950.155 | 3.530.180 | 74.480.335 |
| 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) | 24 | 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+24) | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4.473.210 | 4.473.210 | 0 | 4.473.210 |
| III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22) | 26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current period | | | | | | | | | | | | | | | | | |
| 1 Balance on the first day of the current business year | 27 | 76.248.000 | 3.357.629 | 0 | 0 | 0 | 0 | -456.000 | 0 | 0 | 0 | 0 | -12.672.684 | 4.473.210 | 70.950.155 | 3.530.180 | 74.480.335 |
| 2 Changes in accounting policies | 28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 Correction of errors | 29 | 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 27 to 29) | 30 | 76.248.000 | 3.357.629 | 0 | 0 | 0 | 0 | -456.000 | 0 | 0 | 0 | 0 | -12.672.684 | 4.473.210 | 70.950.155 | 3.530.180 | 74.480.335 |
| 5 Profit/loss of the period | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3.322.962 | 3.322.962 | -1.977 | 3.320.985 |
| 6 Exchange rate differences from translation of foreign operations | 32 | 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 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 Profit or loss arising from subsequent measurement of financial assets available for sale | 34 | 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 | 35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1.091.821 | 0 | -1.091.821 | 0 | -1.091.821 |
| 10 Profit or loss arising from effective hedge of a net investment in a foreign operation | 36 | 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 | 37 | 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 | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 Other changes in equity unrelated to owners | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 Tax on transactions recognised directly in equity | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure) | 41 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 Increase in initial (subscribed) capital arising from the reinvestment of profit | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 Increase 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 |
| 18 Redemption of treasury shares/holdings | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 Payment of share in profit/dividend | 45 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 Other distribution to owners | 46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 Transfer to reserves according to the annual schedule | 47 | 0 | 0 | 0 | 0 | 0 | 0 | 456.000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 Increase in reserves arising from the pre-bankruptcy settlement procedure | 48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4.473.210 | -4.473.210 | 456.000 | -3.026.189 | -2.570.189 |
| 23 Balance on the last day of the current business year reporting period (ADP 30 to 48) | 49 | 76.248.000 | 3.357.629 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -9.291.296 | 3.322.962 | 73.637.296 | 502.014 | 74.139.310 |
| 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 32 to 40) | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1.091.821 | 0 | -1.091.821 | -1.091.821 |
| II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50) | 51 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1.091.821 | 3.322.962 | 2.231.141 | -1.977 |
| III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48) | 52 | 0 | 0 | 0 | 0 | 0 | 0 | 456.000 | 0 | 0 | 0 | 0 | 0 | 4.473.210 | -4.473.210 | 456.000 | -3.026.189 |

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

Name of the issuer: STANOVI JADRAN d.d.

Personal identification number (OIB): 88680117715

Reporting period: 1.1.2020 to 30.9.2020

Notes to financial statements for quarterly periods include:

- a) an explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the quarterly reporting period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated
- b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the quarterly reporting period
- c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the quarterly reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes
- d) a description of the financial performance in the case of the issuer whose business is seasonal.