



Sunce hoteli d.d., Group and Company

Financial Results

for the period January – December 2022 (unaudited)

Zagreb, 28th February, 2023

CONTENT:

1. General information	1
2. Organizational and shareholder structure.....	6-8
3. Business results.....	9-11
4. Risk management	12
Appendix 1: Financial Statements	13

1. GENERAL INFORMATION

Name

The Company name is SUNCE HOTELI d.d. for tourism and hospitality, travel agency, company registration number (MBS): 080502040, personal identification number (OIB): 06916431329. The Company's short name is SUNCE HOTELI d.d.

Registered office and legal form

SUNCE HOTELI d.d is joint stock company with registered office in Zagreb, Radnička cesta 43, Republic of Croatia, telephone number: + 385 1 3844 044.

Bluesun Hotels & Resorts

Bluesun Hotels & Resorts is the name under which Sunce hoteli d.d. manage hotels in portfolio.

History and development

Sunce concern was founded by mr. Jako Andabak on October 15, 2004. under the company SUNCE HOTELI d.o.o. During 2005 and 2006, shares were acquired in today's members of the Group: Hoteli Zlatni Rat d.d., Hoteli Brela d.d. and Hoteli Tučepi d.d. In 2006, the Company and the members of the Group entered into an Entrepreneurial Agreement - a business management agreement, based on which the governing body of the Group was defined, aimed at strengthening the efficiency and profitability of the members with the aim of creating a strong and recognizable hotel and tourism brand in the Republic of Croatia, through a joint appearance on the market providing hotel, tourist and hospitality services.

In 2007, the company was transformed into a joint-stock company called SUNCE KONCERN d.d.

The period from 2005 to 2007 within the Group was marked by strong investments in the amount of 50,000,000 euros, on the basis of which the following hotel facilities were completely renovated and upgraded in the period in question: Elaphusa in Bol, Soline and Berulia in Brela, while the hotel facilities Alga and Afrodita in Tučepi were renovated to a greater extent.

MIG Leisure & Real Estate Croatia B.V. in 2008 became a shareholder and strategic partner with a 49.99% share in the share capital and voting rights, while the Andabak family retained majority ownership and management of the company.

In 2010, the share capital was increased by EUR 30,000,000 through shareholder cash payments, which significantly strengthened the balance sheet structure and created the foundations for long-term financial development.

In 2013, a member of the Hoteli Tučepi d.d. Group acquired a business share in company Punta Zlatarac Tučepi d.o.o. which is the owner of the hotel facility Jadran and the associated land.

The year 2016 is marked by a change and focus of the company on the sale of the Group's accommodation capacities through allotment sales, with an increase in the average price of accommodation units. In this regard, long-term allotment contracts were signed with the travel agencies TUI and Thomas Cook for the renovated hotel facilities Jadran in Tučepi and Berulia in Brela for the 2017 season.

In June 2017, MIG Leisure & Real Estate Croatia B.V., by selling its entire ownership stake, completely exits the ownership structure of the company.

The company issued 444,000 new shares, increasing by 9.9% the total number of shares increased, and HRK 68,8 million of new funds were collected. The collected funds were used for more efficient implementation of the Group's capital investment plan with the aim of renovating accommodation facilities and paying off and/or refinancing part of the debt in order to achieve more favorable financing conditions.

On November 3, 2017, the so-called Mandate Letter with representatives of the European Bank for Reconstruction and Development was signed (EBRD), which initiated the procedure of comprehensive refinancing of the Group's existing financial debt.

On November 10, 2017 the Group reached an agreement with TUI AG to raise their partnership to a higher level, whereby the transaction itself was carried out in two phases. The first phase was the formation of a joint venture company (JV) where TUI AG buys 50% of Punta Zlatarac for the total value of the company (EV) of EUR 31.5 million. Punta Zlatarac is the owner of the TUI BLUE Jadran hotel in Tučepi. The second phase is the establishment of an additional joint management company in which TUI has 51% and Group 49% of ownership.

As the completion phase of the "Joint Venture" transaction with TUI, on November 17, 2017, the Group concluded the purchase of tourist land on the island of Brač with the intention of building up to 3 new hotels. The land is located on the island of Brač (Sutivan municipality), and represents an exceptional location for the development of new tourist facilities. It is a plot of land with an area of 320,000 m², with direct access to the coast and good infrastructure connections. The hotels will be managed by the Management company (TUI 51%, Sunce 49%), which will also manage all the hotels owned by the JV, i.e. Punta Zlatarac.

In December 2017, the company, a member of the Hoteli Zlatni Rat Group d.d. as a lessee concluded an agreement on the lease of real estate in Supetar, with the company VELARIS d.o.o., Supetar for a period of 5 years. The tourist resort Velaris is located in a very attractive location directly by the sea, in the picturesque bay of Vela Luka, in the western part of Supetar on the island of Brač. It extends to approx. 52,000 m², where there is Hotel Amor with 4*, Villa Vela Luka with 4* and two pavilions with 3*, with a total capacity of 172 rooms.

On August 10, 2018, the General Assembly of Sunce Koncern d.d. made a decision on the increase of the Company's share capital by a stake in the rights by entering 595,397 ordinary shares of the company HOTEL ALAN d.d. and by issuing 506,788 new ordinary shares. With this decision, the Company's share capital is increased from HRK 488,706,200 by HRK 50,678,800 to HRK 539,385,000.

On August 28, 2018, an agreement on the refinancing of the Group's entire financial debt was signed with the European Bank for Reconstruction and Development (EBRD) as the arranger, and representatives of Erste&Steiermärkische Bank d.d., Privredna banka Zagreb d.d., and Zagrebačka banka d.d. as members of the bank union. The total value of the transaction is EUR 73 million, with all banks participating equally in the stated amount. Although the Credit Agreement was signed on August 28, 2018, the funds were disbursed at the end of the fourth quarter of the same year after the fulfillment of all previous conditions under the Credit Agreement.

Sunce Koncern d.d. on December 19, 2018, submitted a request for the transfer of all shares of the Company from the Regular Market segment to the Official Market of the Zagreb Stock Exchange. Management of the Zagreb Stock Exchange d.d. made a decision to approve the transfer of all 5,393,850 ordinary shares to the Official Market, and the same was implemented on December 27, 2018. 23.09% of shares were distributed to the public, including three companies for the management of mandatory and/or voluntary pension funds, however the Company's intention is to further increase the percentage of shares distributed to the public, in such a way that more than 25% of the total number of shares is distributed to the public, and that to this end, a restructuring process was initiated by optimizing the organizational structure.

On June 28, 2019, the General Assembly passed a decision to increase the share capital of Sunce Koncern d.d. and issuing new shares in order to implement the merger of the companies Hotel Alan d.d., Hoteli Tučepi d.d., Hoteli Zlatni Rat d.d. and Hoteli Brela d.d. ("Merged Companies") Sunce Koncern d.d. The share capital is increased as a consequence and for the purpose of implementing the merger between the Issuer as the acquiring company and its subsidiaries as the merged companies by issuing 560,735 new ordinary shares with a nominal amount of HRK 100 each, thereby increasing the share capital from the amount of HRK 539,385,000 to the amount of HRK 56,073 .500 kuna on the amount of 595,458,500 kuna.

On December 31, 2019, the merger of the Merged Companies and the increase of the Company's share capital by issuing new ordinary shares were entered in the Court Register of the Commercial Court in Zagreb. At the same time, the change of the Company from SUNCE KONCERN was registered in the Court Register, in SUNCE HOTELI, a joint-stock company for tourism and hospitality and travel agency, i.e. SUNCE HOTELI d.d. as an abbreviated company.

On March 22, 2021, Eagle Hills Zagreb Real Estate d.o.o., based in Zagreb, entered into an Agreement for the purchase of shares from the previous owners and other related persons as sellers. On the basis of the aforementioned contract, a total of 4,151,092 ordinary shares of the company were acquired, which represent 69.71% of the share capital of the Target Company.

Share capital and company shares

Share capital as of 31.12.2022. amounts to HRK 714,480,200.00 and is divided into 7,144,802 ordinary shares, in the name of the nominal amount of HRK 100.00 each, which are kept at the Central Depository and Clearing Company d.d. in dematerialized form under the security code SUKC-R-A and the ISIN code HRSUKCRA0001. The share capital has been paid in full. Number of treasury shares of the Company as of 31.12.2022. is 1,163.

Management Board:

- Shaikh Mubarak Ali Abdulla Hamad Alkhalifa – President of the Management Board

Supervisory Board:

- Mohamed Ali Rashed Alabbar – Chairman of the Supervisory Board
- Frederick William Howdon Durie – Deputy Chairman of the Supervisory Board
- Ping Low – Member of the Supervisory Board until 12.07.2022
- Ratomir Ivičić – Member of the Supervisory Board
- Rosa Mijailović – Member of the Supervisory Board as of 26.08.2022.

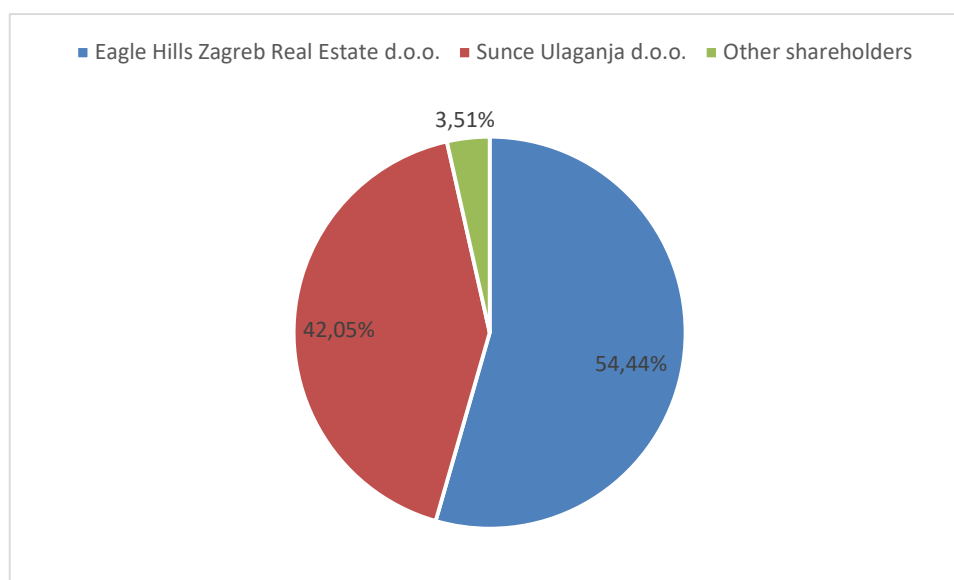
2. ORGANIZATIONAL AND SHAREHOLDER STRUCTURE

Sunce hoteli d.d. ("Group" or "Company") is a joint-stock company operating in the tourism and hotel sector. Sunce hoteli d.d. and its subsidiaries are collectively referred to as "we", "Sunce", "Group" or "Company" in this Report.

On March 22, 2021, the Agreement on the purchase of shares was concluded between the company Eagle Hills Zagreb Real Estate d.o.o. ("Buyer") and mr. Jako Andabak and other related persons as sellers based on which the Buyer acquired partly directly and partly indirectly a total of 4,151,092. of ordinary shares of Sunce hoteli d.d. which represent 69.71% of the share capital of Sunce hoteli d.d.

As a result of the above, and all as the transaction in question was completed on April 26, 2021, the company Eagle Hills Zagreb Real Estate d.o.o. has a dominant position in the company Sunce hoteli d.d.

Major Shareholders of the Company Sunce hoteli d.d. (31st of December 2022):



Source: Central Depository & Clearing Company Inc

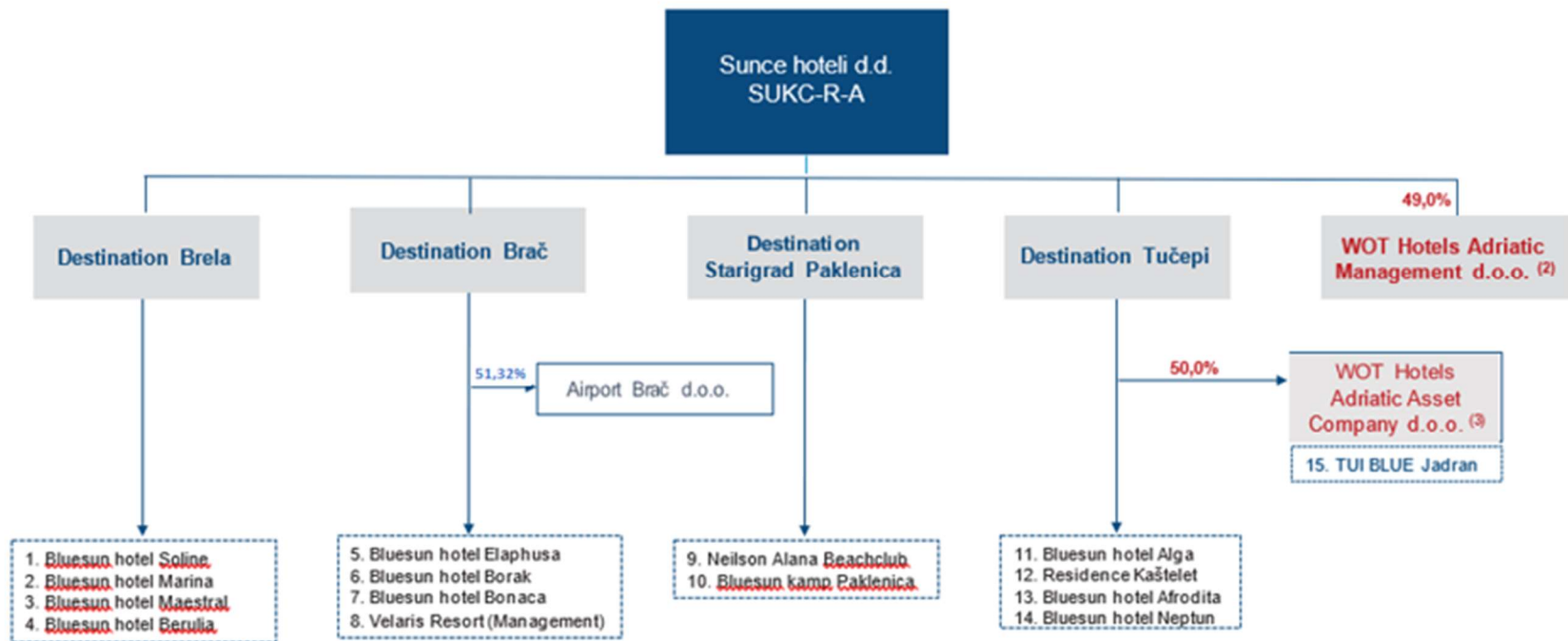
Subsidiaries included in the Group holdings as of 31.12.2022:

Members of the Group:	HQ:	Business:	Ownership:
Aerodrom Brač d.o.o.	Supetar	Airport	51,32%
Sunce Vital d.o.o.	Zagreb	Healthcare	100,00%
Zlatni rat Poljoprivreda d.o.o.*	Bol	Agriculture	80,99%
Zlatni rat Servisi d.o.o.*	Bol	Maintenance	80,99%
Zlatni rat Tenis centar d.o.o.*	Bol	Tennis operator	80,99%
Plaža Zlatni Rat d.o.o.*	Bol	Beach operator	80,99%
Eko - promet d.o.o.*	Bol	Transport	41,39%
Brač 500 Plus d.o.o.	Bol	Cable management	69,44%
Brela Jakiruš a d.o.o.	Brela	Preparation of food and beverages	100,00%
Company:**	HQ:	Business:	Ownership:
WOT Hotels Adriatic Management d.o.o.	Tučepi	Holding company	49,00%
WOT Hotels Adriatic Asset d.o.o.	Tučepi	Hotels	50,00%
Praona d.o.o.	Makarska	Industrial Laundry	42,00%

** Subscribed companies do not have recorded assets and liabilities (are not active in business), and applications have been submitted to the Tax Registry for deletion from the court register*



*** Subject companies are not subject to consolidation but are accounted for according to accounting standards according to the equity method*

Organizational structure of the Group⁽¹⁾:



3. BUSINESS RESULTS FOR THE YEAR 2022 (UNAUDITED)

Group

Key financial indicators - Sunce Hoteli d.d., Group				
<i>in thousands of HRK</i>				
Financial performance	12-2022.	12-2021.		2022/2021
Revenues	466.886	352.657	114.229	32,4%
Material expenses	145.365	99.756	45.609	45,7%
Staff expenses	144.669	123.664	21.005	17,0%
Other business expenses	48.790	52.804	-4.014	-7,6%
EBITDA ¹	128.062	76.433	51.628	67,5%
EBITDA margin%	27,4%	21,7%		
Adjusted EBITDA	128.062	76.433	51.628	67,5%
Adjusted EBITDA margin%	27,4%	21,7%		
EBIT	43.255	16.318	26.937	165,1%
Net profit	31.686	-399.466	431.152	-107,9%
ADR (HRK)	1.058	990	68	6,8%
RevPAR (HRK)	728	683	45	6,6%
% Occupancy	69%	69%		0,0%
Overnights	832.496	627.112	205.384	32,8%
Financial position	31.12.2022.	31.12.2021.		2022/2021
Total assets	1.545.656	1.489.645	56.012	3,8%
Tangible assets	1.260.571	1.061.255	199.316	18,8%
Equity	1.022.389	988.551	33.838	3,4%
Nominal debt to financial institutions	464.561	424.270	40.291	9,5%
Net debt ²	355.416	182.085	173.331	95,2%
Ratios	31.12.2022.	31.12.2021.		2022/2021
Equity / Total assets	66,1%	66,4%		-0,3%
Debt / Equity	45,4%	42,9%		5,9%

1) EBITDA: (Earnings before interest, taxes, depreciation and amortization) is calculated according to the formula: operating income - operating expenses + depreciation.

2) Net debt: ST & LT liabilities to banks and other financial institutions + liabilities for loans, deposits - cash and cash equivalents - ST & LT investments in securities - ST given loans, deposits, etc.

3) ADR: Average Daily Rate (ADR) is a measure of the average price paid for rooms sold over a period of time (room revenue/number of rooms sold).

4) RevPAR: represents the revenue generated per available room (ADR*occupancy rate).

3. BUSINESS RESULTS FOR THE YEAR 2022 (UNAUDITED) (CONTINUED)

Company

Key financial indicators - Sunce Hoteli d.d., Company				
<i>in thousands of HRK</i>				
Financial performance	12-2022.	12-2021.	△	2022/2021
Revenues	461.622	348.030	113.592	32,6%
Material expenses	144.015	98.870	45.144	45,7%
Staff expenses	141.762	121.170	20.591	17,0%
Other business expenses	48.210	52.455	-4.244	-8,1%
EBITDA ¹	127.636	75.535	52.100	69,0%
EBITDA margin%	27,6%	21,7%		
Adjusted EBITDA	127.636	75.535	52.100	69,0%
Adjusted EBITDA margin%	27,6%	21,7%		
EBIT	45.234	16.784	28.450	169,5%
Net profit	26.540	105	26.435	25270,6%
ADR (HRK)	1.058	990	68	6,8%
RevPAR (HRK)	728	683	45	6,6%
% Occupancy	69%	69%		0,0%
Overnights	832.496	627.112	205.384	32,8%
Financial position	31.12.2022.	31.12.2021.	△	2022/2021
Total assets	1.533.174	1.483.008	50.166	3,4%
Tangible assets	1.224.566	1.024.783	199.783	19,5%
Equity	1.020.101	993.240	26.860	2,7%
Nominal debt to financial institutions	464.561	424.216	40.345	9,5%
Net debt ²	356.431	182.814	173.617	95,0%
Ratios	31.12.2022.	31.12.2021.	△	2022/2021
Equity / Total assets	66,5%	67,0%		-0,7%
Debt / Equity	45,5%	42,7%		6,6%

1) EBITDA: (Earnings before interest, taxes, depreciation and amortization) is calculated according to the formula: operating income - operating expenses + depreciation.

2) Net debt: ST & LT liabilities to banks and other financial institutions + liabilities for loans, deposits - cash and cash equivalents - ST & LT investments in securities - ST given loans, deposits, etc.

3) ADR: Average Daily Rate (ADR) is a measure of the average price paid for rooms sold over a period of time (room revenue/number of rooms sold).

4) RevPAR: represents the revenue generated per available room (ADR*occupancy rate).

3. BUSINESS RESULTS FOR THE YEAR 2022 (UNAUDITED) (CONTINUED)

Business results

Following on from the results of operations, the Group and the Company achieved HRK 466.8 and 461.6 million in operating income, which represents a significant increase of approximately 32%, compared to the same observed period in 2021 (HRK 352.6 and 348 million in operating income).

The largest part of the business expenses of the Group and the Company are as expected material costs in the amount of HRK 145.3 and HRK 144 million, and are approximately 45% higher compared to the same observed period in 2021 (HRK 99.7 and HRK 98.8 million).

The personnel costs of the Group and the Company amount to HRK 144.7 and 141.7 million and are approximately 17% higher compared to the same observed period in 2021 (HRK 123.6 and 121.1 million).

Realized EBITDA amounts to HRK 128 million for the Group and HRK 127 million for the Company with growth of HRK 51.6 and 52.1 million, respectively, compared to 2021.

Nominal debt to financial institutions amounts to HRK 464.5 million as of December 31, 2022 compared to December 31, 2021, there was a net increase of HRK 40.2 million due to the withdrawal of additional funds from financial institutions for the purposes of financing renovation of the hotels.

The Group and the Company, in the period after 12.31.2021. started with intensive renovation works of medium-quality hotel properties in order to raise the quality of accommodation and food and beverage services. The renovation works were brought to an end by the beginning of June, the total investment is approximately 45 million euros.

Compared to the same period in 2021, a significant increase in business operations is visible through the growth of income and EBITDA, which is a consequence of the recovery of the tourism sector after the impact of covid-19 on the entire industry in 2020, but mostly a consequence of the investments in question which led to the expected increase in the price of accommodation and food and beverages.

The occupancy of the Group and the Company is approximately 70% with an average ADR in the amount of HRK 1,058 (approximately EUR 140).

Significant events in the reporting period

During March 2022, the company recapitalized the subsidiary company Aerodrom Brač d.o.o.. The recapitalization was carried out in such a way that the receivables from the short-term loans given to the subsidiary company in the total amount of HRK 3,300 thousand were converted into the share capital of the subsidiary company. Due receivables for given loans were realized in accordance with the framework agreement on short-term loans from 2016 and its additions from 2017, 2018, 2019 and 2020.

The Company announced that Mr. Hrvoje Veselko resigned from the position of a member of the Company's management on January 19, 2022. The resignation is effective from January 20, 2022.

The cycle of investments in renovations of medium-quality hotels has been completed, approximately 45 million euros have been invested.

A significant increase in energy prices in accordance with earlier announcements had an impact on the entire business in the current year, according to the best estimates, for the amount of approximately HRK 11M (EUR 1.5M).

In 2022, the Group and the Company implemented several projects related to the modernization and digitization of the existing organization with the aim of increasing the efficiency of operations through all operational sectors, the aforementioned activities will continue in 2023.

RISK MANAGEMENT

Currency - price risk

Currency risk arises from future commercial transactions, and recognized assets and liabilities. Most of the income and receivables from customers are linked to the euro exchange rate. Therefore, the movement of the exchange rate between the euro and the kuna can have an impact on future business results and cash flow. The Group's credit obligations are mainly related to the movement of the value of the EUR. At the same time, contracts with foreign agencies and clients are concluded in foreign currencies, mostly in EUR. The management believes that the members of the Group are not significantly exposed to price or currency risk.

Interest rate risk

The group is exposed to interest rate risk since part of the loan is contracted at variable interest rates, while most of the assets are interest-free. Since the Group does not have significant assets that generate interest income, the Group's income and cash flows from business activities are not significantly dependent on changes in market interest rates. The Group's interest rate risk arises from long-term loans. Loans approved at variable rates expose the Group to cash flow interest rate risk. Loans approved at fixed rates expose the Group to fair value interest rate risk. The Group does not use derivative instruments for active protection against exposure to cash flow interest rate risk and fair value interest rate risk.

Credit risk

Credit risk arises from cash and cash equivalents, and receivables from customers. The Group's policies ensure that services provided to customers are billed in cash or via credit cards, and with deferred payment for those customers who have an adequate credit history. The Group protects itself from credit risk - the risk of collecting claims from customers with payment insurance instruments and by assessing the creditworthiness of customers. Currently, this risk cannot threaten the financial stability of the Group's companies.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations on time. Liquidity risk management is the responsibility of the Management Board, which has built a quality framework for monitoring short-term, medium-term and long-term financing and all requirements related to liquidity risk. The Group manages liquidity risk by constantly monitoring the forecasted and actual cash flow, comparing it with the maturity of financial assets and liabilities.

Market risk

Market risk is the risk that changes in market prices, such as changes in foreign currencies and interest rates, will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control exposure to market risk within acceptable parameters, optimizing returns. There were no significant changes in the impact of market risk on the Group, nor were there any changes related to the measurement and management of market risk.

Group

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	01.01.22	to	31.12.22
Year:	2022		
Quarter:	4.		

Quarterly financial statements

Registration number (MB):	01869647	Issuer's home Member State code:	HR
Entity's registration number (MBS):	080502040		
Personal identification number (OIB):	06916431329	LEI:	7478000070X8LWJUBX45
Institution code:	5158		
Name of the issuer: Sunce Hoteli d.d.			
Postcode and town:	10000	Zagreb	
Street and house number: Radnička cesta 43			
E-mail address: racunovodstvo@bluesunhotels.com			
Web address: www.bluesunhotels.com			
Number of employees (end of the reporting period):	1080		
Consolidated report:	KD	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):		Registered office:	MB:
Sunce Vital d.o.o.		Zagreb, Braće Domany 6	
Aerodrom Brač d.o.o.		Bol, Bračka cesta 31	
Brač 500 Plus d.o.o.		Bol, Bračka cesta 31	
Bookkeeping firm:	Ne	(Yes/No)	(name of the bookkeeping firm)
Contact person:	Josip Marić (only name and surname of the contact person)		
Telephone:	01/6442-240		
E-mail address:	josip.maric@bluesunhotels.com		
Audit firm:	Ernst & Young d.o.o., Zagreb (name of the audit firm)		
Certified auditor:	Zvonimir Madunić (name and surname)		

BALANCE SHEET
balance as at 31.12.2022.

in HRK

Submitter: Sunce Hoteli 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	1.212.464.243	1.407.581.710
I INTANGIBLE ASSETS (ADP 004 to 009)	003	18.435.596	8.058.834
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	805.250	6.409.715
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	1.476.181	0
6 Other intangible assets	009	16.154.165	1.649.119
II TANGIBLE ASSETS (ADP 011 to 019)	010	1.061.255.263	1.260.571.206
1 Land	011	116.345.745	114.383.533
2 Buildings	012	814.168.169	932.015.842
3 Plant and equipment	013	81.460.398	187.308.208
4 Tools, working inventory and transportation assets	014	1.432.560	1.058.386
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	47.653.732	25.805.237
8 Other tangible assets	018	194.659	0
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	76.003.533	77.552.611
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	75.893.533	77.442.611
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	110.000	110.000
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	20.699	20.849
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	20.699	20.849
V DEFERRED TAX ASSETS	036	56.749.152	61.378.210
C) CURRENT ASSETS (ADP 038+046+053+063)	037	263.621.225	124.901.377
I INVENTORIES (ADP 039 to 045)	038	3.394.725	2.445.443
1 Raw materials and consumables	039	3.179.066	2.276.563
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	215.659	168.880
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	18.041.412	13.310.895
1 Receivables from undertakings within the group	047	0	0
2 Receivables from companies linked by virtue of participating interests	048	3.693.449	3.695.586
3 Customer receivables	049	3.747.548	5.355.174
4 Receivables from employees and members of the undertaking	050	17.925	4.725
5 Receivables from government and other institutions	051	9.655.345	3.377.113
6 Other receivables	052	927.145	878.297
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	0	0
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	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	242.185.088	109.145.039
D) PREPAID EXPENSES AND ACCRUED INCOME	064	13.559.066	13.173.290
E) TOTAL ASSETS (ADP 001+002+037+064)	065	1.489.644.534	1.545.656.377

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	988.551.415	1.022.389.117
I INITIAL (SUBSCRIBED) CAPITAL	068	714.480.200	714.480.200
II CAPITAL RESERVES	069	212.135.616	212.135.616
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	106.983.140	105.542.646
1 Legal reserves	071	122.671	122.671
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	106.860.469	105.419.975
IV REVALUATION RESERVES	076	183.280	0
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	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	-35.840.585	-32.649.895
1 Retained profit	084	0	0
2 Loss brought forward	085	35.840.585	32.649.895
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	-399.466	31.685.585
1 Profit for the business year	087	0	31.685.585
2 Loss for the business year	088	399.466	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	-8.990.770	-8.805.035
B) PROVISIONS (ADP 091 to 096)	090	1.365.142	1.285.215
1 Provisions for pensions, termination benefits and similar obligations	091	1.365.142	1.285.215
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	397.696.633	413.543.892
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	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	380.320.058	410.957.427
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	16.129.463	1.695.791
11 Deferred tax liability	108	1.247.112	890.674
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	87.391.579	88.870.013
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	112	112.571	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	43.949.794	53.603.142
7 Liabilities for advance payments	116	4.477.747	3.749.209
8 Liabilities to suppliers	117	29.808.261	21.082.517
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	6.454.684	6.306.411
11 Taxes, contributions and similar liabilities	120	2.176.925	3.347.515
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	411.597	781.219
E) ACCRUALS AND DEFERRED INCOME	124	14.639.765	19.568.140
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	1.489.644.534	1.545.656.377

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2022. to 31.12.2022.

in HRK

Submitter: Sunce Hoteli 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	352.656.607	18.837.559	466.885.585	27.558.533
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	318.455.067	15.657.517	454.611.846	22.150.329
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	34.201.540	3.180.042	12.273.739	5.408.204
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	336.338.259	73.324.600	423.630.371	78.031.843
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	99.755.665	14.713.197	145.365.079	16.854.847
a) Costs of raw materials and consumables	010	53.220.648	5.831.571	88.526.569	9.290.041
b) Costs of goods sold	011	712.346	18.200	514.363	8.119
c) Other external costs	012	45.822.671	8.863.426	56.324.147	7.556.687
3 Staff costs (ADP 014 to 016)	013	123.663.753	24.975.560	144.668.501	24.405.990
a) Net salaries and wages	014	86.548.878	15.654.140	100.148.537	13.319.902
b) Tax and contributions from salary costs	015	24.124.669	6.058.923	28.403.057	6.926.023
c) Contributions on salaries	016	12.990.206	3.262.497	16.116.907	4.160.065
4 Depreciation	017	60.115.119	14.680.012	84.806.717	26.101.999
5 Other costs	018	0	0	0	0
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar	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	52.803.722	18.955.831	48.790.074	10.669.007
III FINANCIAL INCOME (ADP 031 to 040)	030	4.381.063	645.293	6.881.572	1.790.213
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	1.134.405	333	0	0
7 Other interest income	037	0	0	600	185
8 Exchange rate differences and other financial income	038	2.379.875	644.960	6.880.972	1.790.028
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	866.783	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	21.621.905	11.708.553	20.041.294	7.365.679
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	11.528.055	2.268.031	10.138.162	3.619.629
4 Exchange rate differences and other expenses	045	1.219.248	1.047.156	7.681.977	2.052.068
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	8.874.602	8.393.366	2.221.155	1.693.982
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	334.501	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	523.028	523.028	1.255.592	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	357.560.698	20.005.880	475.357.250	29.348.746
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	357.960.164	85.033.153	443.671.665	85.397.522
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-399.466	-65.027.273	31.685.585	-56.048.776
1 Pre-tax profit (ADP 053-054)	056	0	0	31.685.585	0
2 Pre-tax loss (ADP 054-053)	057	-399.466	-65.027.273	0	-56.048.776
XII INCOME TAX	058	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-399.466	-65.027.273	31.685.585	-56.048.776
1 Profit for the period (ADP 055-059)	060	0	0	31.685.585	0
2 Loss for the period (ADP 059-055)	061	-399.466	-65.027.273	0	-56.048.776

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2022. to 31.12.2022.

in HRK

Submitter: Sunce Hoteli 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	-399.466	31.685.585
2 Adjustments (ADP 003 to 010):	002	75.970.032	160.986.077
a) Depreciation	003	60.115.119	84.806.717
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	-1.134.072	-600
e) Interest expenses	007	11.523.793	10.138.162
f) Provisions	008	-20.827	251.435
g) Exchange rate differences (unrealised)	009	3.756.941	1.072.069
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	1.729.078	64.718.294
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	75.570.566	192.671.662
3 Changes in the working capital (ADP 013 to 016)	012	3.573.901	1.949.426
a) Increase or decrease in short-term liabilities	013	-7.734.656	-3.494.793
b) Increase or decrease in short-term receivables	014	10.715.380	4.458.198
c) Increase or decrease in inventories	015	593.177	986.021
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	79.144.467	194.621.088
4 Interest paid	018	-20.802.168	-10.001.269
5 Income tax paid	019	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	58.342.299	184.619.819
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	2.435.717	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	12.923.871	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	76.031.737	0
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	91.391.325	0
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-60.603.579	-350.797.763
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	0	0
5 Other cash payments from investment activities	032	0	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-60.603.579	-350.797.763
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	30.787.746	-350.797.763
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	218.999.928	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	388.764.583	92.752.544
4 Other cash receipts from financing activities	038	0	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	607.764.511	92.752.544
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-465.618.024	-53.501.396
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	-77.899	-16.000
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	-7.006.732	-6.097.165
VI Total cash payments from financing activities (ADP 040 to 044)	045	-472.702.655	-59.614.561
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	135.061.856	33.137.983
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	224.191.901	-133.039.961
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	17.993.187	242.185.000
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	242.185.088	109.145.039

Company

Reporting period: to

Year:

Quarter:

Quarterly financial statements

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

Entity's registration number (MBS):

Personal identification number (OIB): LEI:

Institution code:

Name of the issuer:

Postcode and town:

Street and house number:

E-mail address:

Web address:

Number of employees (end of the reporting period):

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

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

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

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

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

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

Telephone:

E-mail address:

Audit firm: (name of the audit firm)

Certified auditor: (name and surname)

BALANCE SHEET
balance as at 31.12.2022

in HRK

Submitter: Sunce Hoteli 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	1.204.209.829	1.395.298.182
I INTANGIBLE ASSETS (ADP 004 to 009)	003	18.377.494	7.863.011
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	747.148	6.213.892
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	1.476.181	0
6 Other intangible assets	009	16.154.165	1.649.119
II TANGIBLE ASSETS (ADP 011 to 019)	010	1.024.783.129	1.224.565.678
1 Land	011	115.369.141	113.406.929
2 Buildings	012	785.791.228	903.228.652
3 Plant and equipment	013	78.484.206	185.028.236
4 Tools, working inventory and transportation assets	014	453.098	285.313
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	44.490.797	22.616.548
8 Other tangible assets	018	194.659	0
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	96.553.433	93.744.512
1 Investments in holdings (shares) of undertakings within the	021	96.443.433	16.191.901
2 Investments in other securities of undertakings within the	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	77.442.611
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	110.000	110.000
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	20.699	20.849
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	20.699	20.849
V DEFERRED TAX ASSETS	036	64.475.074	69.104.132
C) CURRENT ASSETS (ADP 038+046+053+063)	037	265.257.639	124.726.715
I INVENTORIES (ADP 039 to 045)	038	3.284.957	2.371.333
1 Raw materials and consumables	039	3.166.454	2.274.345
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	118.503	96.988
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	17.632.803	13.185.921
1 Receivables from undertakings within the group	047	87.095	65.844
2 Receivables from companies linked by virtue of participating interests	048	3.687.199	3.695.586
3 Customer receivables	049	3.444.342	5.252.236
4 Receivables from employees and members of the undertaking	050	15.291	892
5 Receivables from government and other institutions	051	9.483.161	3.293.066
6 Other receivables	052	915.715	878.297
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	2.938.208	1.040.000
1 Investments in holdings (shares) of undertakings within the	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	2.938.208	1.040.000
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	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	241.401.671	108.129.461
D) PREPAID EXPENSES AND ACCRUED INCOME	064	13.540.146	13.148.816
E) TOTAL ASSETS (ADP 001+002+037+064)	065	1.483.007.614	1.533.173.713

LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	993.240.227	1.020.100.618
I INITIAL (SUBSCRIBED) CAPITAL	068	714.480.200	714.480.200
II CAPITAL RESERVES	069	212.135.616	212.135.616
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	106.983.140	105.542.646
1 Legal reserves	071	122.671	122.671
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	106.860.469	105.419.975
IV REVALUATION RESERVES	076	183.280	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	080	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	-40.646.617	-38.597.550
1 Retained profit	082	0	0
2 Loss brought forward	083	40.646.617	38.597.550
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	104.608	26.539.706
1 Profit for the business year	085	104.608	26.539.706
2 Loss for the business year	086	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	1.315.575	1.238.392
1 Provisions for pensions, termination benefits and similar obligations	089	1.315.575	1.238.392
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	397.680.733	413.543.892
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	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	0
6 Liabilities to banks and other financial institutions	101	380.304.158	410.957.427
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	16.129.463	1.695.791
11 Deferred tax liability	106	1.247.112	890.674
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	84.431.165	88.362.443
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	110	112.670	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	0	0
6 Liabilities to banks and other financial institutions	113	43.911.817	53.603.142
7 Liabilities for advance payments	114	4.477.747	3.749.209
8 Liabilities to suppliers	115	27.171.477	20.833.481
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	6.266.596	6.170.467
11 Taxes, contributions and similar liabilities	118	2.120.316	3.263.772
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	370.542	742.372
E) ACCRUALS AND DEFERRED INCOME	122	6.339.914	9.928.368
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	1.483.007.614	1.533.173.713

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2022. to 31.12.2022.

in HRK

Submitter: Sunce Hoteli 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	348.030.460	18.381.126	461.622.322	26.747.612
1 Income from sales with undertakings within the group	126	0	0	0	0
2 Income from sales (outside group)	127	315.581.331	15.377.827	450.556.716	21.852.770
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	32.449.129	3.003.299	11.065.606	4.894.842
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	331.246.884	72.224.993	416.388.737	76.326.159
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	98.870.347	14.506.991	144.014.663	16.551.035
a) Costs of raw materials and consumables	134	52.953.591	5.747.670	88.109.026	9.203.580
b) Costs of goods sold	135	707.342	21.199	427.742	-4.447
c) Other external costs	136	45.209.414	8.738.122	55.477.895	7.351.902
3 Staff costs (ADP 138 to 140)	137	121.170.304	24.537.398	141.761.696	23.914.838
a) Net salaries and wages	138	84.880.719	15.440.715	98.238.260	13.071.380
b) Tax and contributions from salary costs	139	23.588.230	5.912.844	27.775.098	6.772.495
c) Contributions on salaries	140	12.701.355	3.183.839	15.748.338	4.070.963
4 Depreciation	141	58.751.659	14.342.857	82.402.077	25.499.922
5 Other costs	142	0	0	0	0
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	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	52.454.574	18.837.747	48.210.301	10.360.364
III FINANCIAL INCOME (ADP 155 to 164)	154	4.386.852	647.119	6.896.738	1.794.030
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	24.080	7.025
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	1.147.189	4.565	0	0
7 Other interest income	161	0	0	597	184
8 Exchange rate differences and other financial income	162	2.372.880	642.554	6.872.061	1.786.821
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	866.783	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	21.588.848	11.684.637	27.180.710	14.518.536
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	11.523.793	2.267.201	10.136.163	3.619.324
4 Exchange rate differences and other expenses	169	1.190.454	1.024.070	7.671.310	2.047.231
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	7.157.999	7.157.999
7 Other financial expenses	172	8.874.601	8.393.366	2.215.238	1.693.982
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	0	0	334.501	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	523.028	523.028	1.255.592	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	352.940.340	19.551.273	470.109.153	28.541.642
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	352.835.732	83.909.630	443.569.447	90.844.695
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	104.608	-64.358.357	26.539.706	-62.303.053
1 Pre-tax profit (ADP 177-178)	180	104.608	0	26.539.706	0
2 Pre-tax loss (ADP 178-177)	181	0	-64.358.357	0	-62.303.053
XII INCOME TAX	182	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	104.608	-64.358.357	26.539.706	-62.303.053
1 Profit for the period (ADP 179-182)	184	104.608	0	26.539.706	0
2 Loss for the period (ADP 182-179)	185	0	-64.358.357	0	-62.303.053

STATEMENT OF CASH FLOWS - indirect method

for the period 01.01.2022. to 31.12.2022.

in HRK

Submitter: Sunce Hoteli d.d.

Item 1	ADP code 2	Same period of the previous year 3	Current period 4
Cash flow from operating activities			
1 Pre-tax profit	001	104.608	26.539.706
2 Adjustments (ADP 003 to 010):	002	75.032.971	163.283.566
a) Depreciation	003	58.751.659	82.402.077
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	7.157.999
d) Interest and dividend income	006	-1.134.072	-24.676
e) Interest expenses	007	11.523.793	10.136.163
f) Provisions	008	-20.827	251.435
g) Exchange rate differences (unrealised)	009	-1.010.432	1.094.254
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	6.922.850	62.266.314
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	75.137.579	189.823.272
3 Changes in the working capital (ADP 013 to 016)	012	922.744	2.951.486
a) Increase or decrease in short-term liabilities	013	-7.456.706	-2.408.327
b) Increase or decrease in short-term receivables	014	7.791.436	4.410.682
c) Increase or decrease in inventories	015	588.014	949.131
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	76.060.323	192.774.758
4 Interest paid	018	-20.802.168	-9.999.270
5 Income tax paid	019	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	55.258.155	182.775.488
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	2.435.717	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	12.923.871	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	78.449.945	0
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	93.809.533	0
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-60.544.922	-348.722.010
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	-480.000
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	-60.544.922	-349.202.010
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	33.264.611	-349.202.010
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	218.999.928	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	388.764.583	92.752.544
4 Other cash receipts from financing activities	038	0	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	607.764.511	92.752.544
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-465.579.957	-53.501.396
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	-77.899	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	-7.006.732	-6.097.165
VI Total cash payments from financing activities (ADP 040 to 044)	045	-472.664.588	-59.598.561
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	135.099.923	33.153.983
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	223.622.689	-133.272.539
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	17.778.982	241.402.000
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	241.401.671	108.129.461



Pursuant to the Capital Market Act (OG 88/08, 146/08, 74/09, 54/13, 159/13, 18/15, 110/15), we make the following statement to the best of our knowledge:

Statement by the persons responsible for the preparation of the report

A shortened set of quarterly financial statements of the issuer, prepared using the applicable financial reporting standards, provide a complete and fair view of the assets and liabilities, losses and gains, financial position and operations of the issuer and the companies included in the consolidation as a whole.

The interim business report contains a true presentation of the development and results of the business and the position of the issuer and the company included in the consolidation, with a description of the most significant risks and uncertainties that the issuer and the company are exposed as a whole.

President of the Board

Shaikh Mubarak Ali Abdulla Hamad Alkhalifa