



 *Ilinija d.d.*

FINANCIAL STATEMENTS FOR THE PERIOD FROM 01/01 TO 31/03/2020

Biograd na Moru, April 2020



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OVERVIEW OF KEY PERFORMANCE INDICATORS FOR THE PERIOD FROM 01/01 - 31/03/2020

in HRK	I-III 2020	I-III 2019	% of change 2020/2019
Financial indicators			
Total revenues	23.607.589,32	25.344.192,64	93,15
Operating revenues	23.598.472,79	25.330.248,15	93,16
Revenues from sales	23.471.333,59	25.135.707,35	93,38
Operating profit	5.479.595,31	7.170.791,91	76,42
EBITDA	5.488.711,84	7.184.736,40	76,39
EBIT	2.013.077,13	3.985.512,40	50,51
Profit	1.585.317,36	2.954.272,94	53,66
Value of assets	482.199.766,84	465.703.939,07	103,54
Capital	348.328.691,74	327.310.786,02	106,42
Total liabilities	133.871.075,10	138.393.153,05	96,73

KEY INFORMATION FOR THE 01/01/2020 - 31/03/2020 PERIOD

The first quarter of the financial year 2020 was marked by significantly changed circumstances and business conditions on the domestic and international scene due to the global COVID-19 pandemic, which drastically affected economic activities of most economic entities both in the Republic of Croatia and the entire world.

Up to the beginning of March 2020, business activities of the Company were performed within the planned framework at the level of all its business sectors. With the initial declaration of the epidemic and the subsequent declaration of the pandemic of COVID-19 (12/03/2020) by the World Health Organization, different decisions, measures and recommendations significantly altering the existing living and business conditions were drafted and adopted at the global and national level, namely for the purpose of protecting human health and life. Due to the ban on gathering and movement, the ban on leaving the place of residence, the closure of borders, the ban on international and national passenger traffic (air, road, rail, maritime), and the prohibition of performance of business operations for many business entities the activity of which is not indispensable in these exceptional circumstances, economic and business activities have been reduced to a mini-

imum, with the hospitality and tourism industry as a major economic industry definitely being among the sectors that are most affected by the global pandemic, and certainly among the last ones that will recover both at the global, i.e. international level and in the Republic of Croatia. All of that also had repercussions on the Company, as its core and principal activities (hospitality and tourism activities) have virtually been non-existent since the beginning of March (hotel sector, camping, hospitality activities and destination management) or have been taking place in significantly changed circumstances and to a lesser extent (nautical and real-estate sector).

As for the Company's tourism sector, all pre-season bookings (for March, April and May) have been cancelled or are in the process of being cancelled, and there were also no new bookings. The Company informed the investment public thereof on 13/03/2020. Furthermore, there were no significant booking cancellations for the main season in the aforementioned period, but there were also no new bookings. Therefore, as early as in the first quarter of the financial year, bookings for the main season, which is the period when the Company generates almost half of its physical and financial turnover, have stopped. As a result, it immediately became clear

the 2020 business performance will be worse than planned and worse than the business performance achieved in 2019, both in terms of overall financial operating results and financial performance indicators.

Following the declaration of the global COVID-19 pandemic, the Company initiated business reorganization and adjustment processes (organizational, staffing and operational-technical processes) in order to mitigate its consequences, namely with the following priorities:

- I protection and preservation of health and life of the Company's employees and guests
- II preservation of the Company's long-term economic viability and security
- III preservation of the Company's stable financial position
- IV preservation of the Company's current liquidity for the duration of the COVID-19 disease
- V preservation of the Company's fixed assets and capital
- VI preservation of the Company's business operations and activities
- VII continuation of business operations and activities in the Company's sectors and capacities

where possible

VIII preservation of jobs of existing employees and of their financial situation, and

IX fulfilment of obligations towards creditors.

An expert operational team of managers from different departments of the Company has been formed in order to quickly and efficiently implement the measures and decisions of the Company and competent authorities in view of the COVID-19 pandemic, with the aim of taking all necessary measures when it comes to the protection of health and life of guests and employees, as well as to the organization and adjustments of business processes.

2 Total revenues amounted to HRK 23,607,589.32, which represents a decrease by 6.85% relative to the same period in 2019, when they amounted to HRK 25,344,192.64, namely as a result of a decrease in operating revenues and sales revenues.

3 In the first quarter, operating revenues amounted to HRK 23,598,472.79, while in the same period of the previous financial year they amounted to HRK 25,330,248.15, meaning that they decreased by 6.84%, which was expected given the partial or complete suspension of significant business activi-

ties in the second half of March in all sectors of the Company. As for tourist offer segments, primarily in the hotel sector, the destination management company and the hospitality sector, which are expected to achieve significant physical and financial performance indicators in the second and third quarter of the financial year in normal and regular business conditions, due to the global COVID-19 pandemic the most part of the expected and planned turnover which was to be realized at the end of February and in March (even though said turnover is negligible relative to the entire year) was not realized at all, which further contributed to the decrease in the Company's income. In the camping sector, revenues amounted to HRK 4,285,040.61, which constitutes a 25% increase, mainly thanks to income realised from concluded contracts on fixed lease of camp capacities and accommodation units.

Other sectors of the Company (the nautical and real-estate sector) continued to perform their business activities with an adjusted business volume, i.e. reduced business volume in the Commercial – Shopping Center City Galleria. The revenues in the real-estate sector amounted to HRK 3,496,266.05, and were at the same level as in the previous financial year, while the revenues in the nautical sector

amounted to HRK 13,317,287.60, which constitutes a 9% decrease, namely due to a lack of revenues related to contractual berth accommodation and vehicle parking, which is a direct consequence of the global pandemic.

4 Sales revenues amount to HRK 23,471,333.59 compared to HRK 25,135,707.35 in the first quarter of 2019, namely there is a decrease by 6.62% as a result of a decrease in foreign market activity by 14% and domestic market activity by 6%.

5 Total expenses amount to HRK 22,022,271.96; in comparison to HRK 22,389,919.70 for the same period in 2019, representing a decrease by 2% as a result of a reduction in financial expense by 59%, whereas operating expenses have remained on the same level as the previous business year.

Operating expenses amount to HRK 18,118,877.48 and gross wage costs have remained on the same level as the previous business year despite significantly different circumstances of business operation, whereas other employment costs and fees have shown a slight increase. As a socially responsible business entity, the Company has retained all of its employees employed by the Company as on 12

March 2020 and prides itself on having job retention of existing employees and their financial position as one of its top priorities.

The Company is a user of the package of business measures adopted by the Government of the Republic of Croatia aimed at job retention in business conditions affected by the COVID-19 pandemic for a period of three months (March, April and May of 2020), which namely includes HRK 3,250.00 per employee for the month of March, i.e. HRK 4,000.00 per employee for April and May, overall amounting to approximately HRK 2,684,000.00 for the said period. As part of the HRK 3,250.00 aid granted per employee for the month of March, the Company is partially exempt from paying contributions on salaries.

6 The Company's operating profit, i.e. its business activities profit, was recorded in the amount of HRK 5,479,595.31, representing a decrease by 24%, whereas profit amounted to HRK 1,585,317.36, which constitutes a decrease by 46%. EBITDA was realised in the amount of HRK 5,488,711.84, which represents a decrease by 24% as compared with HRK 7,148,736.40 for the same period in 2019. The Company achieved its main profitability indicators despite significantly



deteriorated and challenging business conditions, which are naturally considerably lower compared to the previous year. The fact that the Company operated amid the global COVID-19 pandemic with almost no business activities in most parts of its tourism sectors, excluding the nautical and real-estate sectors which operated under special conditions and on a lesser scale, the achieved profitability indicators should be considered a success.

7 The Company's asset value equals HRK 482,199,766.84, which represents an increase by HRK 16,495,827.77 or 3.54% compared to HRK 465,703,939.07 for the same period in the previous business year. Capital increased by 6.42% or HRK 21,017,905.72, i.e. from HRK 327,310,786.02 in the first quarter of 2019 to HRK 348,328,691.74.

8 The Company's total liabilities in the first quarter of the business year amount to HRK 133,871,075.10, representing a decrease by 3.23% or HRK 4,522,077.95 in comparison to HRK 138,393,153.05 for the same period in 2019, which is the result of a reduction in the Company's long-term credit obligations.

9 In the first quarter of the business year the Company made investments valued at HRK 4,209,926.68,

mainly realised in the camping and nautical sectors under the 2020 Investment Plan. The Company plans to finish and successfully complete all ongoing investments in capacities and facilities provided that no circumstances arise objectively precluding the Company from doing so.

Also, the Company is benefiting from incentives in the form of exemption from paying corporation tax for the period of 2018-2020, which means that it is required to complete its investments primarily aimed at maintaining the camp at a 4-star rating level as well as raising the category of the marina from a two to a four-anchor (star) rating.

10 The average share price was achieved in the amount of HRK 178.44, representing an increase of 3.11% compared to HRK 173.05 for the same period of the previous business year. Average turnover per transaction amounts to HRK 18,938.22, an increase by 142.25% with average daily turnover amounting to HRK 36,298.25.

11 The last share price in the reporting period was achieved in the amount of HRK 168.00 in comparison to HRK 167.00 in 2019, which is an increase of 0.60%. Market capitalisation of the Company calculated by

applying the methodology of the last achieved share price amounts to HRK 405,465,984.00 compared to HRK 403,052,496.00 for the same period in 2019, which represents an increase of HRK 2,413,488.00.

12 The Company released 2,055 of its own shares, which represent a 0.085% share in the share capital, under the Share Transfer Agreement, concluded with the Company's employees in compliance with the Decision of the Company's Management Board on allocation of the treasury shares to the Company's employees free of charge as a reward for the business results achieved in 2019.



1 ABOUT ILIRIJA D.D.

1.1 BASIC INFORMATION

ILIRIJA d.d. is a public joint stock company registered for hospitality and tourism with registered office in Biograd na Moru, Tina Ujevića 7, that has been active in the Croatian tourist market for over **64** years. The business operations of ILIRIJA d.d. is based on the principles of corporate social responsibility as an integral part its corporate values.

In its business operations, the Management Company applies the Code of Corporate Governance of the Zagreb Stock Exchange and HANFA. The data on the operations are public and transparent, and at all times available to all national, financial and other institutions, shareholders, banking institutions, funds, associations, business partners, institutional, individual and other investors in the regulated capital market in the Republic of Croatia. In its business operations, the Company covers all key segments of the Adriatic Mediterranean tourism offer that is: **hotel sector** (hotels: Ilirija****, Kornati****, Adriatic***, Villa Donat****/***), **nautical sector** (Marina Kornati and Hotel port Ilirija-Kornati), **camping** (campsite „Park Soline“****), **hospitality** (restaurant “Marina Kornati”, restaurant “Park Soline”, Beach bar “Donat”, “Lavender” lounge bar), **destination management company/DMC Ilirija Travel** (Arsenal in Zadar, Villa Primorje ****, diffuse hotel Ražnjevića dvori

AD 1307, event boat “Nada”), **sports-recreational and entertainment center** (Tennis center Ilirija with 20 tennis courts and Aquatic center with hospitality facilities), and since the month of December 2016, the Company’s portfolio includes the **Commercial-Shopping Center City Galleria** in Zadar with more than 28.500m² gross area in total six floors and total 9.897,60m² net rented floor area.

Its business is based on providing services by using its capacities (hotels, nautics, camping) at the same time providing additional amenities and services, thus creating a high-quality integrated and complementary tourism product in the domestic and international tourism market, presented under the brand Ilirija Travel. Destination management company was established as a result of the modern tourism demand, conditioned by the technological, social, market factors and trends of ever more demanding customer or market.

1.2 CHRONOLOGICAL OVERVIEW OF THE COMPANY'S DEVELOPMENT

Year 1957 | The Company was incorporated and domiciled in Biograd na Moru, where it operates today, although the beginnings of the company date back to 1934 when the first hotel called ILIRIJA in Biograd na Moru was built. These are also the first beginnings of organized tourism not only in Biograd but also in the entire Biograd Riviera, by which the Company becomes the pioneer and the leader of all tourism activities in the Biograd region.

Years 1969-1972 | The construction of new hotel facilities (Hotel Kornati**** and Hotel Adriatic***), the overall reconstruction and construction of hotels Ilirija**** and building an annex to the hotel Villa Donat ****/** in Sv. Filip and Jakov.

Year 1976 | Start of construction of the first nautical tourism port in Croatia, according to the first building permit in the Republic of Croatia for the construction of the first nautical port issued by the former Municipality of Biograd na Moru, number: UP/I-03-4-318/1977 as of 10th March 1977, Hotel port Ilirija-Kornati, situated in Biograd na Moru, with a total of 100 berths and the purchase the first charter fleet of 40 vessels, by which the Company became a pioneer of development of the nautical tourism.

Year 1986 | Extended nautical capacities of the Company by constructing the nautical tourism Port Marina Kornati, located in Biograd na Moru, with total port area (aquatorium) of 131.600 m² with a total capacity of 705 berths on land and sea. Today, Marina Kornati is among the Top 3 Croatian marinas according to the number of berths, technical equipment, quality of service, cleanliness and neatness.

Year 1988 | The construction of Tennis center, located in a pinewood Soline right next to the old town center Biograd na Moru (400m from the hotel, 150m from the main beach), on an area of 48.000 m² with 20 tennis courts (14 clay and 6 artificial grass tennis courts).

Year 1988 | The construction of Aquatic Center, that is, a beach facility as a part of a unique, technological and functional unit of the existing hotel capacities, that is basically an Olympic outdoor swimming pool with many additional amenities, as a supplement to the existing and basic hotel amenities. Built as a swimming, beach and sports, entertainment and hospitality facility with bleachers with the capacity of 4,000 seats and a terrace of 1.000 m², whereby it represents a center for holding almost all sports, entertaining and dance events in the City Biograd na Moru.

Year 1989 | Construction of an annex to the hotel Kornati**** and administrative building of the Company.

Year 1991 | By merger of the campsite "Soline", located in Biograd na Moru, later renamed into the camp "Park Soline", by which the Company in its operations in addition to hotel management and nautics also included camping as the third segment of its tourism offer

Year 1991-1992 | Completion of the remaining part of the port area, i.e. the capacities of the Port of Nautical Tourism Marina Kornati, by building docks in the southern and western aquatorium.

Year 1993 | The Croatian Privatization Fund, makes a decision on the transformation of HTP Ilirija into a joint stock company.

Year 1999 | The Company was privatized and is in major ownership of the company Arsenal Holdings d.o.o. from Zadar, which is in major ownership of Mr. Davor Tudorović.

Year 1999 | The Company starts boat show organized as Spring Open Days, mainly intended for companies that operate in the marina, as the first such event in North Dalmatia. Wishing for Biograd na Moru, to be top nautical event, at which all sectors of the boating and charter business will be presented in a short period, the Open Days grew into a boat event - Biograd Boat Show. Since 2004 Biograd Boat Show has been organized as the first autumn boat show in Croatia.

Years 1999 – 2020 | During this period, that is, by 31/03/2020, the Company has invested HRK 621,346,676.88 in construction, reconstruction, extension, building annexes, renovation and adaptation of accommodation facilities and establishments of the Company in order to enhance the quality, improve the overall service and standards in all sectors of the Company, develop new products, improve and increase the categorization of the accommodation facilities and nautical capacities, expand hospitality facilities with an aim to create a high-quality, recognizable and competitive tourism product and enhance the quality of the offer of the destination itself, which resulted in a growth in total revenues and newly created value in the mentioned period in the amount of HRK 913,185,771.19

Year 2002 | The National Audit Office carried out the audit of transformation and privatization of ILIRIJA d.d. and issued an unqualified opinion on the transformation and privatization in full, with an emphasis that the process was carried out in accordance with the legislation and that no irregularities were determined that would affect the legal implementation of the process of transformation and privatization.

Year 2003 | The Company's shares were listed on the Zagreb Stock Exchange in the quotation of public joint stock companies.

Year 2005 | As part of the Company's business system, the multimedia center Arsenal in Zadar, built in the 17th century at the time of the Venetian Republic, following the completion of the revitalization and renewal according to the concept of "indoor town square," began conducting business activities.

Year 2009 | The Company's shares are listed on the Regular market of the Zagreb Stock Exchange, since the quotation of public joint stock companies was cancelled.

Year 2014 | The market was presented the event ship "Nada" a floating convention center with multifunctional purposes 36m in length and a capacity to accommodate 180 persons.

Year 2014 | As a part of the Company's business system, the first Croatian diffuse hotel Ražnjevića dvori AD 1307 was opened. **Year 2015** | Renovated Villa Primorje****, built in the second half of the 19th century, luxuriously decorated and equipped in line with the latest standards for facilities of its kind and category, has its own restaurant that offers the possibility of organizing a number of events.

Year 2015 | Recapitalization of the Company by Allianz ZB d.o.o., the compulsory pension fund management company, with headquarters in Zagreb, which has acquired 10% equity share in the ownership of the company.

Year 2015 | The Company's shares are transferred from the Regular to the Official market of Zagreb Stock Exchange which will contribute to even greater transparency and openness of the company to all of its stakeholders.

Year 2016 | The second recapitalization of the Company was successfully carried out in the month of November through which the share capital was increased by contributions in cash and by issuing New ordinary shares of the Company through public offering. The main purpose of the recapitalization is to raise funds for the acquisition of the Commercial-Shopping Center City Galleria in Zadar.

Year 2016 | On 19 December 2016, having acquired the Commercial-Shopping Center City Galleria in Zadar, the Company successfully completed and carried out the process of acquisition or buying of the real property which created a company with a wide range of economic activities, where in addition to tourism and hospitality sector consisting of hotel sector, nautics, camping and destination management as core business activities, the Company partly enters the real estate segment having acquired the modern Commercial-shopping center.

Years 2015 - 2017 | The investment cycle in Marina Kornati has been mainly completed by improving the quality of the accommodation of vessels by modernizing nearly seventy percent of the superstructure and the substructure of the marina or piers, allowing thus the accommodation for a larger category of vessels, better exploitation of the marina aquatorium, further enrichment and modernization of the offer by implementing the best existing technical solutions which contributes to further strengthening of the market position of Marina Kornati among the three leading ports of nautical tourism at the Adriatic Sea.

Year 2018 | The construction of the indoor swimming pool of useful surface area of approximately 500m² along with accompanying facilities, thus complementing the existing tourism offer of the hotel Ilirija Resort in the destination of Biograd na Moru.

1.3 COMPANY'S BODIES

1.3.1 COMPANY MANAGEMENT BOARD

Goran Ražnjević, President of the Management Board represents the Company solely and independently

1.3.2 SUPERVISORY BOARD

Goran Medić, President of the Supervisory Board

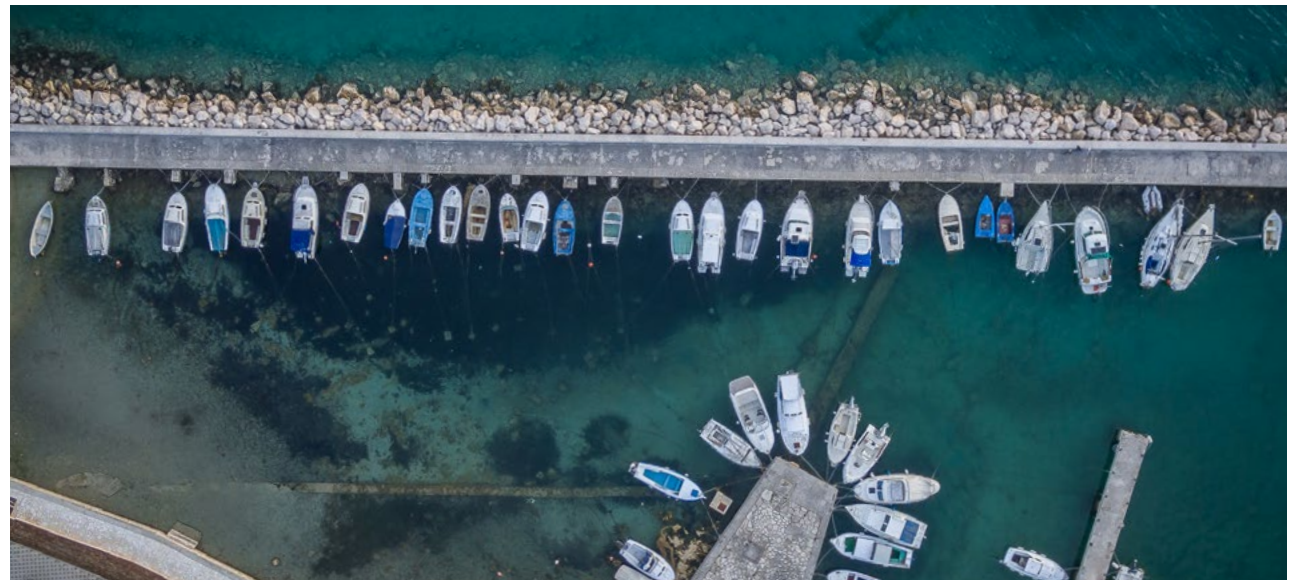
David Anthony Tudorović, Deputy President of the Supervisory Board

Davor Tudorović, Member of the Supervisory Board

Siniša Petrović, Member of the Supervisory Board

Darko Prebežac, Member of the Supervisory Board

1.3.3 SHAREHOLDERS' ASSEMBLY



1.4 SUBSIDIARIES

Ilirija d.d, has two subsidiaries in 100% ownership:

ILIRIJA GRAĐENJE d.o.o.

ILIRIJA NAUTIKA d.o.o.

(are not active in business)

1.5 AFFILIATED COMPANIES

Arsenal Holdings d.o.o., Perivoj Gospe od Zdravlja 1, Zadar, Company Tax Number - OIB: 59794687464, holds 1,429.032 shares in the Company, which accounts for 59.21% of the shares in the share capital of the Company and the same number of votes in the Shareholders' Assembly.

The controlling company Arsenal Holdings d.o.o. is registered with the Commercial Court in Zadar, Company Reg. No. MBS: 060014554; share capital HRK 21,027,500.00 paid in whole.

Mr. Davor Tudorović is the major owner of the company Arsenal Holdings d.o.o. with 75.25% shares in its share capital, who also holds 95,744 shares of Ilirija d.d. which accounts for 3.97% of the shares in its equity capital.

1.6 OWNERSHIP STRUCTURE OF THE COMPANY AND TRADING IN THE COMPANY'S SHARES AT THE ZAGREB STOCK EXCHANGE

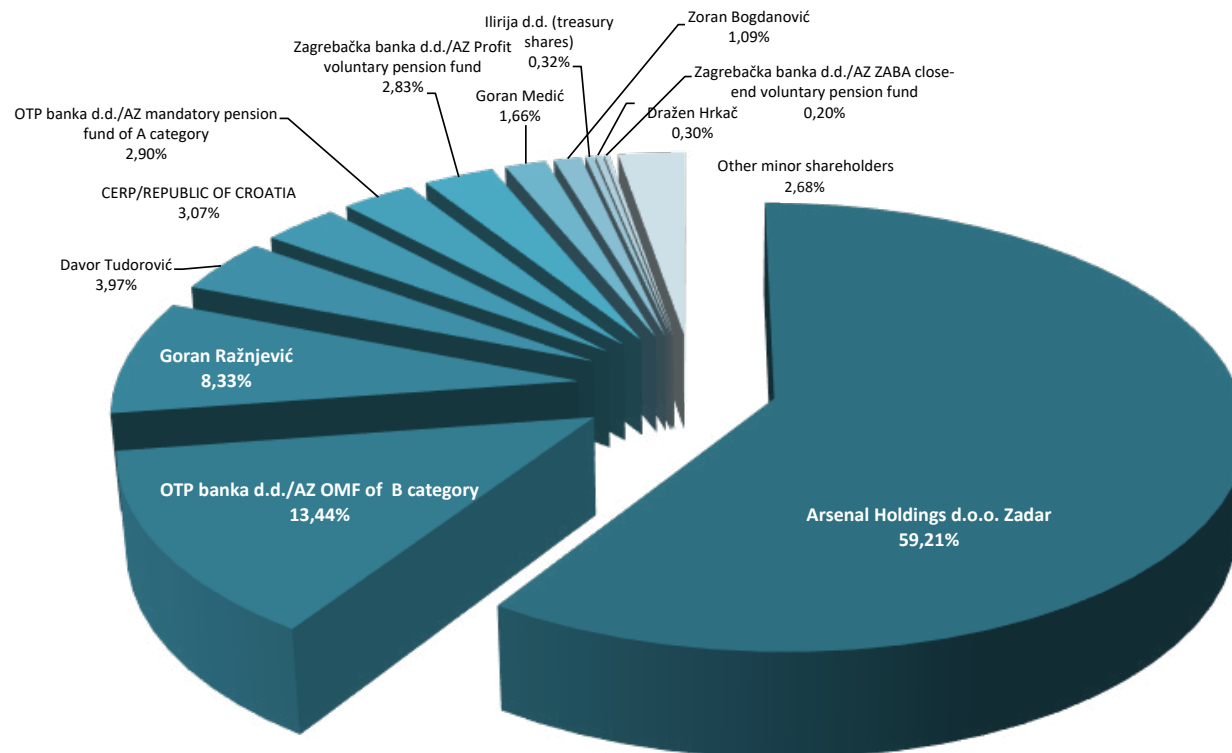
The share capital of the Company is HRK 229,146,480.00 and is divided into 2,413,488 ordinary shares without a par value.

As at 31st March 2020, there occurred no significant change in the ownership structure, and below there is an overview of the major shareholders of the Company as at 31st March 2020.

Overview of the major shareholders of the Company as at 31/03/2020:

Owners - shareholders	Number of shares	Share in %
Arsenal Holdings d.o.o. Zadar	1.429.032	59,21
OTP bank d.d./AZ OMF of B category	324.489	13,44
Goran Ražnjević	201.120	8,33
Davor Tudorović	95.744	3,97
CERP/REPUBLIC OF CROATIA	74.200	3,07
OTP bank d.d./AZ mandatory pension fund of A category	69.898	2,90
Zagrebačka banka d.d./AZ Profit voluntary pension fund	68.200	2,83
Goran Medić	40.000	1,66
Zoran Bogdanović	26.216	1,09
Ilirija d.d. (treasury shares)	7.833	0,32
Dražen Hrkač	7.224	0,30
Zagrebačka banka d.d./AZ ZABA close-end voluntary pension fund	4.904	0,20
Other minor shareholders	64.628	2,68
TOTAL	2.413.488	100

OWNERSHIP STRUCTURE OF THE COMPANY AS AT 31/03/2020



TRADING IN SHARES OF THE COMPANY ON THE CROATIAN CAPITAL MARKET IN THE PERIOD FROM 01/01- 31/03/2020

(amount in HRK)	I-III 2020	I-III 2019	% of change
Total turnover	435.579,00	132.900,00	227,75%
Average share price	178,44	173,05	3,11%
Average turnover per transaction	18.938,22	7.817,65	142,25%
Average daily turnover	36.298,25	18.985,71	91,19%
Last share price	168,00	167,00	0,60%
Market capitalization	405.465.984,00	403.052.496,00	0,60%
Number of shares	2.413.488	2.413.488	

In the first quarter of 2020, a total of 2,441 Company's shares were traded in which resulted in a turnover of HRK 435,579.00. The average share price was realized in the amount of HRK 178.44, recording thus a rise by 3.11% compared to the same period of the previous fiscal year, when the average share was realized in the amount of HRK 173.05. The average turnover per transaction was realized in the amount of HRK 18,938.22, recording thus a rise by 142.25%, while the average daily turnover was realized in the amount of HRK 36,298.25.

In the reporting period, the last share price was realized in the amount of HRK 168.00, which constitutes a rise by 0.60% compared to the last realized share price in the same period of 2019, realized in the amount of HRK 167.00. The market capitalization of the Company calculated by using the methodology of the last realized share price amounts to HRK 405,465,984.00, which is an increase by 0.60% or HRK 2,413,488.00 compared to the same period of 2019 when it amounted to HRK 403,052,496.00.

The highest share price was achieved in the amount of HRK 200.00 per share, while in the same period last fiscal year the highest price per share achieved was HRK 189.00 per share, which is a rise by 5.82%.

The Company issued 2,055 treasury shares, which account for 0.085% shares in the share capital according to the Share Transfer Agreement, concluded with the Company's employees in accordance with the Company Management Board's Decision on the allocation of treasury shares to the Company's employees against no compensation, as

a reward for the business results achieved in the year 2019. Before the shares were released, the Company held 9888 treasury shares, which accounts for 0.409% of shares in the share capital of the Company and after the shares were released the Company held a total of 7833 treasury shares, which accounts for 0.325% of the share in the Company's share capital. In the reporting period, the Company acquired 298 treasury shares after it conducted corporate actions of acquiring and releasing the shares, and on 31st March 2020 the Company held 7833 treasury shares, which accounts for 0.325% of shares in the share capital.

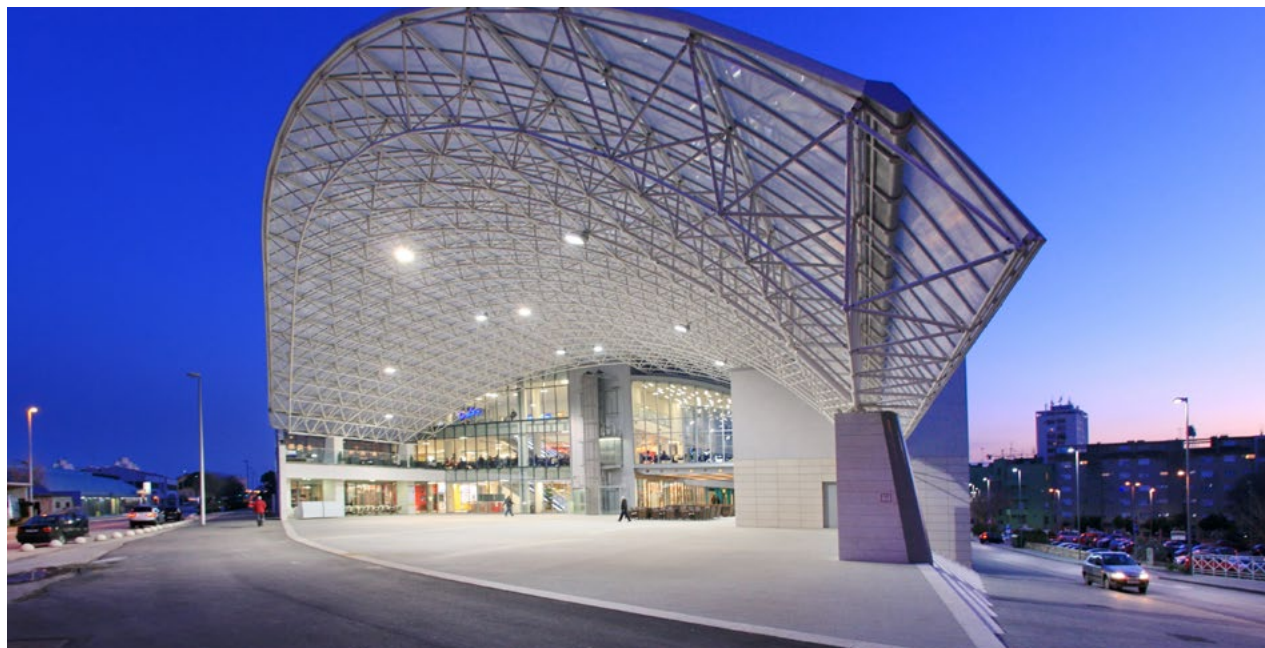
The movement of the share price designated as ILRA and comparison with CROBEX and CROBEXTURIST indices

In the period from 01/01 to 31/03/2020 the turnover in shares was realized in the order book of bids in amount of HRK 1,031,080,460 on the Zagreb Stock Exchange. This is a turnover higher by HRK 778,180,887 or 182.73% than in the same period in 2019. The block trade in shares was also higher in the first quarter of 2020 than that in the same period in 2019 by HRK 131,082,178 or by 92.55%. More than half of the turnover in shares in that quarter was recorded in the month of March. In

the observed period, the CROBEX index fell by 26.61%, while the sector CROBEXTURIST index fell by 26.51%.

The turnover in the ILRA share was realized in the amount of HRK 435,579 in the first quarter of 2020. This is an increase by 227.75% compared to that in the same period in 2019. In addition to the increased turnover, the average ILRA share price increased from HRK 173.05 in the first quarter of 2019 to HRK 178.44 in the same period in 2020, or by 3.11%.

In the first quarter of 2020, the ILRA share price on the Zagreb Stock Exchange recorded a decline by 16% in the market caused by the virus coronary pandemic. This is less than the decline in the share price of most other issuers whose shares are traded on the Zagreb Stock Exchange, including those that are constituents of the CROBEX index (decline by 26.61%) and the CROBEXTURIST index (decline by 26.51%).



The movement of ILRA share with the shown volume of trading and compared with CROBEX and CROBEXTURIST index movement, is shown in the following graph



1.7 COMPANY BUSINESS MODEL

The Company has been present on the domestic and international tourism market for over six decades and since 2016 when it acquired the Commercial-Shopping Center City Galleria, it became the Company with a wide range of activities, the portfolio of which is composed of 5 sectors:

- **Hotel sector** – 4 hotels, 443 rooms, 922 beds
- **Nautics** – 805 berths, 2,000 persons
- **Camping** – 1,220 pitches, 3,660 persons
- **Destination management company/DMC Ilirija Travel** – through which in 2019 were organized 609 special events for 54.749 persons
- **Real-estate segment** – Commercial-shopping center City Galleria in Zadar, one of the two largest shopping centers in the Zadar region

ILIRIJA d.d. is one of the few tourism companies in the Republic of Croatia with such a diverse offer that includes all the segments of the Adriatic or Mediterranean tourism offer in its portfolio (hotel sector, nautics and camping) additionally strengthened by the destination management company Ilirija Travel and the real estate sector. Besides such a diverse portfolio, is worth noting that the Company manages all business

processes (management and operations) within the sector or facility.

Diverse tourism and real estate portfolios are based on the resources of the region and on a continuous investment in the improvement of the existing contents and products as well as the development of the new ones, which is also the foundation of the Company's business and development policy. The presence on the market for more than 6 decades and the related knowledge and experience, enable the Company to maximize its economic, financial, market and human resources potential **through the development of a complementary and integrated product through the destination management company. The Company strives for one of its strategic goals – year-round business operations of its sectors**, with an emphasis on the hotel sector and camping, through a good extension of the high season to the shoulder season and creating added value for both the Company and the destination, or the wider community. Through the destination management company, the Company contributes to the development and recognizability of the destination by organizing the events and by offering contents and programs in their own organization and their own facilities and capacities.

1.8 BRANDS OF THE COMPANY

ILIRIJA RESORT
HOTELS & VILLAS

 **marina Kornati**

**** *camping park soline*

 **ILIRIJA Travel**
DMC&PCO • WWW.ILIRIJA-TRAVEL.COM

City Galleria

ARSENAL
ZADAR

EVENT SHIP
Nada

 **Villa Primorje**

 **RAŽNJEVIĆA DVORJ**
POLAČA

 **TENIS CENTAR ILIRIJA**
BIOGRAD NA MORU

 **ILIRIJA aquatic center**

 **salvia spa**
medical wellness

LAVENDER BAR

 **Restaurant marina Kornati**

 **PARK SOLINE**
RESTAURANT

Donat BEACH BAR



2 CORPORATE STRATEGY AND GOVERNANCE

2.1 VISION, MISSION AND FUNDAMENTAL VALUES

The vision is to permanently secure position among the 3 leading tourism companies in the region of the North Dalmatia and among the 15 leading tourism companies in the Republic of Croatia in the key segments of the Croatian tourism offer (hotel sector, nautics and camping), be and stay the leader of the tourism and economic development of our region and destinations such as Biograd na Moru, Zadar and Sv. Filip i Jakov thereby developing the whole year's business by offering the complementary and selective forms of tourism offer in the destinations where we conduct business.

According to the foregoing, the mission is: increasing the assets and achieving the financial results of the business operations, which will ensure long-term business and financial stability, establish an optimal level of quality and competitiveness in business at the level of the overall Croatian tourist offer, with continuous investment in human resources and ensuring optimal employment level, ensuring and complying with sustainable development principle which is manifested in recognizing and satisfying the needs of tourists, protecting and restoring natural and cultural heritage and preserving the environment, i.e. creating a responsible and sustainable tourism offer.

Fundamental values:

Respect and integrity – equal treatment of all of our stakeholders is the fundamental value of our company's business.

Quality – a top-quality product, professional service and individual approach to clients are the basis of the

relation to the guest which is at the heart of the company's service.

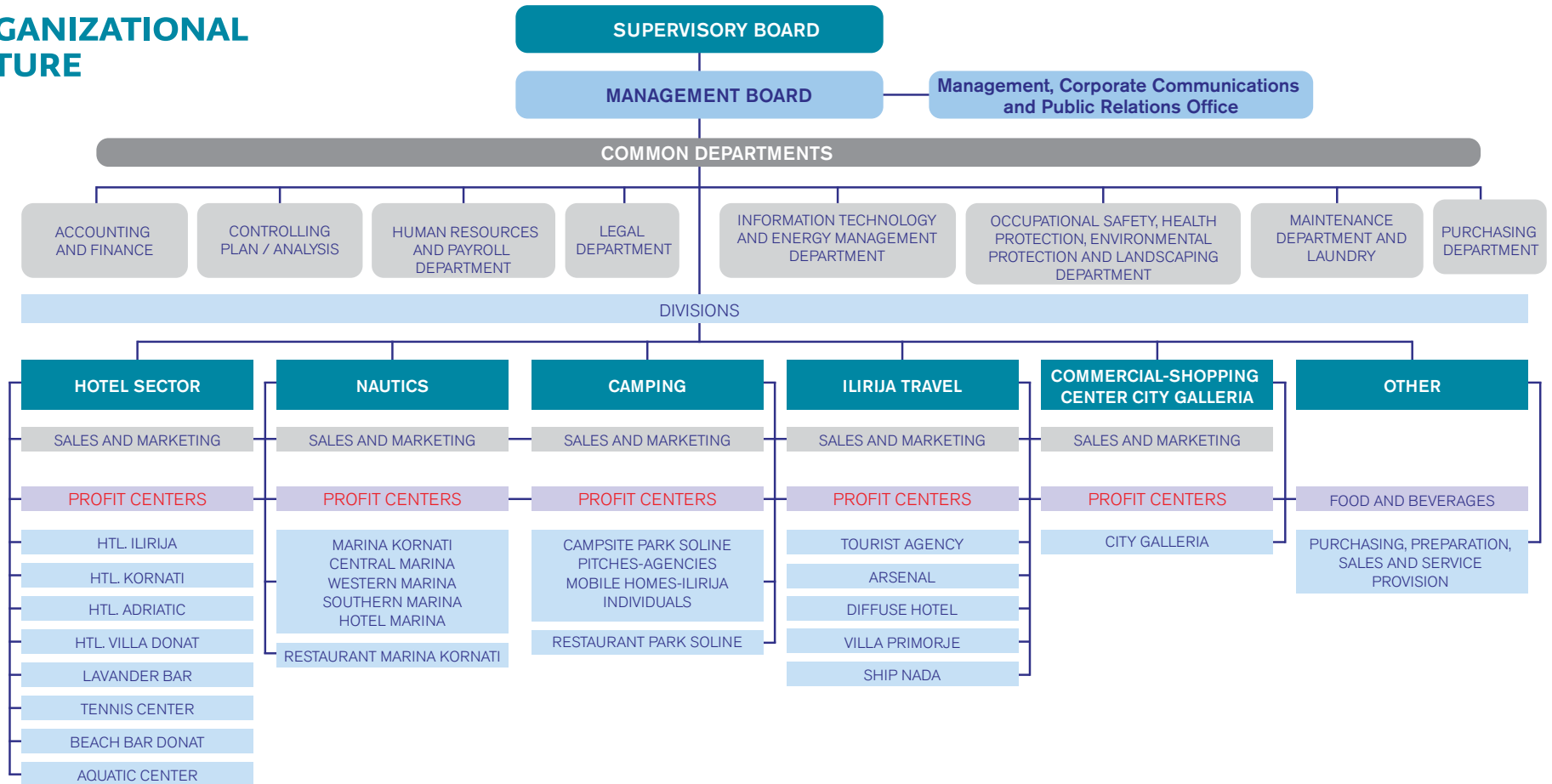
Innovation – to be the initiator and creator of new products and services, contributing to the future development of Company, destination and Croatian tourism.

Sustainability and responsibility – in business, investment, relationship with its employees, business partners, clients (guests), local, regional and regional community, shareholders and day-to-day operations by integrating the economic, social aspects and environmental protection aspects into decision-making processes and corporate strategy of the Company. Harmonization of these aspects is the foundation of success and sustainable development of the Company.

Transparency – in business and communication with all stakeholders of the company while complying with the principles of timely and accurate information provision as a prerequisite for further strengthening the Company's market position and its further growth.

Corporate social responsibility - In its operations, the Company applies the principles of corporate social responsibility, taking into account the responsibilities towards all key groups of its stakeholders (guests, employees, shareholders, the state, local community, financial institutions and suppliers), where it creates added value for all stakeholder groups through the achieved business results. This business concept also implies the conservation of the natural and environmental resources managed by the Company.

2.2 ORGANIZATIONAL STRUCTURE



2.3 SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY

In the first quarter of 2020, in view of the circumstances which disrupted the Company's business operations in the first half of March, the Company acted as socially responsible as possible and in a socially acceptable manner. Also, the Company shall try to preserve its CSR system and continue applying its CSR principles to the extent allowed by circumstances.

In the reporting period during the global COVID-19 pandemic, one of the fundamental Company goals and priorities is to preserve and protect the life and health of its employees and guests. Therefore, the competent Company departments have been implementing all necessary measures to protect the life and health of its employees and guests since mid-February. On the day the World Health Organization declared the global COVID-19 pandemic, the Company started reorganising and adapting its business activities to manage the crisis and mitigate its effects. An expert and operational team of Company managers from different fields (Communications, Operational Business and Business Processes, Health Care and Hygiene, Occupational Safety and Health, and Legal Services) has been formed to promptly and efficiently implement and coordinate the measures and decisions of the Company and competent authorities in view of COVID-19 pandemic. The Company Health Control and Protection Managers are undertaking all necessary measures to protect the health and life of the guests and employees through securing

protective equipment for its employees, controlling the implementation of the recommendations by competent authorities (the Croatian Institute of Public Health and the Civil Protection Headquarters), organising work from home, dividing employees into teams in sectors in which business process take place (nautical sector, the City Galleria Business and Shopping Centre and the Park Soline camp) and through daily implementation of control, protection and education measures.

One of the main Company priorities in these exceptional circumstances is to preserve the jobs and financial status of its existing employees, i.e. to retain its able-bodied, highly-qualified and professional employees at all levels. Consequently, regardless of the fact that most of the Company business activities in the tourism sector were non-existent and its activities in other sectors were much lesser and restricted, the Company retained all 264 employees, which shall in the coming months continue to be one of the main Company goals in view of human resources management.

The Company continued maintaining its corporate philanthropy policy by coming together with other companies in the Zadar County and donating medical equipment to the Gastroenterology Department of the Zadar General Hospital.

2.4 RISKS

The Company assesses the risks at the macro and micro level for each of the business sectors, assessing them according to the criterion of likelihood of risk occurrence and consequences or impact of each individual risk on the business processes and system of Ilirija d.d.

The Company's risk management process involves the following essential steps:

- Identification of potential risks;
- Assessment of the likelihood of occurrence of the Company's risk;
- Assigning responsibilities and taking actions in order to eliminate and/or reduce risks;
- Monitoring and reassessment of risks in order to avoid its negative impacts;
- Exchange of information on the activities undertaken and the results of actions between the business process manager and the Management Board through the lines of communication established by the prescribed procedures.

The Company is, after all, as the most businesses in the tourism sector, exposed to foreign exchange risk, price risk, credit risk and liquidity risk, environmental risk, risk of tourism as the branch of economy, the risk of macroeconomic movements and risk of changes in tax and other regulations.

Since most of the monetary fund inflows of the Company are quoted in EUR, as well as the most of the loans, the Company is to the highest degree hedged against the foreign exchange risk owing to this circumstance.

Indebtedness of the Company with the commercial bank is mainly subject to fixed interest rates, so taking this into consideration, the Company is not exposed to interest rates based on that, but only due to exceptional circumstances and disturbance in the operations which are not attributable to the Company.

In order to reduce the credit risk, the Company strives to reduce the total loan debts to an appropriate level that would be inferior to their own funding source.

The Company has most of its prices quoted in EUR and collects the majority of claims in the same currency, thereby being hedged against the price risk.

The Company is exposed to changes in tax and other regulations in the legal system of the Republic of Croatia. This, in particular applies to legislation in the field of maritime domain and the tourism land plots on which the Company has significant and crucial commercial long-term investments and not all the constitutionally guaranteed rights have been fully exercised in the field of acquired rights before, during and after the conversion, protection of legal capital investment and legitimate expectations regarding the legitimate investments.

Pursuant to the Act on Tourism and Other Construction Land not evaluated in the transformation and privatization process (hereinafter: the Act), the Company submitted to the Republic of Croatia a request for a concession on tourism land for the "Park Soline"

Campsite in Biograd na Moru for a period of 50 years. Due to unclear provisions of the Act, no decision has been rendered to date regarding the Company's request. According to the information available to the Company, no concession contract for tourism land plots in campsites has been concluded in the Republic of Croatia since the Act came into force (01/01/2011). Until the issue of concession for tourism land in campsites is resolved, the Company timely pays its debts arising from using the said land in the campsite.

The Company is a concessionaire of the Kornati nautical tourism port in Biograd na Moru (hereinafter: the Marina Kornati) for a period of 32 years, counting from 13th January 1999, and in accordance with Article 22 of the Act on maritime domain and seaports (hereinafter: ZPDML) on 17th October, 2017 the Company submitted to the Government of the Republic of Croatia, through the competent Ministry of the Sea, Transport and Infrastructure of the Republic of Croatia, a request for modification and amendment to the Decision on Concession and the Concession Agreement, that is for extending the term of the concession by a period of 50 years, i.e. until the year 2049 (extension of the concession term if new investments are economically feasible for it), primarily considering the

same or similar cases from the recent Croatian practice where, according to the request for extension of the concession term submitted by other companies engaging in nautical tourism and which compete with Ilirija d.d., the concession term was extended to them in marinas by a period of 50 years.

As a matter of fact, the Company had built a marina by engaging its own resources before the concession was issued, and during the period from 01/01/2000 to 31/12/2013, the Company invested a total amount of: HRK 41,365,161.00 in the marina and in the last investment cycle it offered to make an investment in the further amount of HRK 45,144,206.00 in the maritime - construction part, inland part and in the environmental protection, i.e. in the port understructure and port superstructure in the Marina Kornati out of which HRK 18,505,822.26 has already been invested on the basis of obtained building permits and an additional amount of HRK 26,638,383.38 would be invested after the extension of the concession term is issued.

To date, the decision on the Company's request for the extension of the concession term in the Marina Kornati by a total of 50 years has not been issued yet. Climate changes, which have a significant impact on

the tourism industry globally, also pose a potential risk to the Company in terms of a significant increase in the incidence of extreme weather conditions (storms, hurricanes, etc.), enhancing their intensity and unpredictability, and can cause extraordinary and unpredictable damage and threats to the Company's business operations. The Company pays the highest attention to overcoming such sudden and extreme climatic and weather conditions by ensuring preventive, technical-spatial and functional and organizational elimination of sudden and accidental risks of any nature to the highest degree possible.

Other business risks, such as large-scale fires, epidemics of infectious and easily transmitted infectious diseases, accidental pollution of the coastal and marine aquatorium, which are beyond the Company's control, but may potentially jeopardize the Company's business safety, are the circumstances which the Company attends to insofar as it can actively contribute to as low impact on the Company's long-term business viability as possible, being aware of the fact that the Company's impact here is reduced to measures which cannot be of key importance to the elimination of all the risks posed to the Company.

In addition to the listed and described potential and

possible risks in the Company's business operations, we believe that it is of the utmost importance to give a systematic review of other key obstacles or restrictions in the development of Croatian tourism in general, and thus of tourism companies and the Company as one of them. Overview of key obstacles or restrictions in development and investments in Croatian tourism:

(I) The unresolved issue of ownership since the moment of conversion, that is, property-legal, physical planning-urban and economic use and utilization of the construction tourism land in campsites and around hotels,

(II) inadequately or unresolved issue of conversion on the maritime domain, i.e. of acquired rights, legitimate investments and legitimate expectations in the maritime domain, having in mind, in particular, the contracted permanent right to utilization of the maritime domain, while companies which completed the conversion process as is the case with our Company carry out economic activity on the maritime domain, (III) VAT rate on services in tourism and hotel industry is much higher than in competitive countries, which

consequently makes Croatian tourism less competitive, hinders and slows down further investments both in the construction of new accommodation facilities and in improvement of the existing services and standards, affects new employment and salaries in tourism and hospitality,

(IV) bureaucracy, administrative barriers, frequent changes to regulations,

(V) complex and time-consuming procedure of issuing spatial plans and issuing building and operating permits,

(VI) inadequate management of the area by regional or local self-government, and

(VII) fiscal and parafiscal benefits unsuitable

3 BUSINESS CAPACITIES OF THE COMPANY AND ADDITIONAL FACILITIES

Portfolio of ILIRIJA d.d. is composed of four hotels and villas, Marina Kornati with Hotel port Ilirija-Kornati, campsite "Park Soline," destination management company Ilirija Travel with its own capacities (Arsenal in Zadar, „Nada" event boat, agrotourism and Villa Primorje), Commercial–shopping center City Galleria, Tennis Center, Aquatic Center and hospitality facilities.





3.1 HOTEL SECTOR

Hotel sector capacity consists of 443 accommodation units (hotel rooms and apartments) with a total of 922 beds located in Biograd na Moru (Ilirija****, Kornati****, Adriatic***) and Sv. Filip i Jakov (hotel Villa Donat****/****), mainly classified as four star hotels.

Hotel accommodation is located in Ilirija Resort Hotels & Vilas in Biograd and Sv. Filip i Jakov. The hotels are located along the coast, not far from the own center and beach that is awarded the Blue Flag, which are owing to the ideal location and infrastructure, intended for leisure and congress tourism. In addition to modern and technically equipped conference halls and meeting rooms intended for conferences, seminars, presentations, workshops and meetings, there is a number of supporting amenities such as Wellness & beauty center Salvia, Olympic pool, outdoor and indoor swimming pools, fitness center, a la carte restaurants and coffee bars.

As part of Ilirija Resort there is a conference center that consists of 8 halls with a total capacity to accommodate 30 to 250 persons, and there is also a magnificent garden with terraces ideal for

banquets, receptions and entertainment, outdoor swimming pools, beach and from May 2018, an indoor swimming pool.

ILIRIJA RESORT – HOTEL & VILLAS

Hotel Ilirija the largest hotel in Ilirija Resort classified as a four-star hotel, with a capacity of 165 rooms and 338 beds, and includes a restaurant with 200 seats, a terrace with 70 and aperitif bar with 50 seats. It is located the along the coast, close to the old town, surrounded by magnificent nature, sea and pinewood, as well as many amenities.

Hotel Kornati classified as a four star hotel, with the capacity of 106 rooms and 230 beds, a restaurant with the capacity for 230 persons, a terrace for 50 persons and a bar for 40 persons, by its design and atmosphere is linked to and associated with the most beautiful Croatian national park – Kornati. Kornati Hotel is a unique for its connection with the Nautical tourism port Hotel port Ilirija - Kornati, which is located in the very center of Biograd with a beach right next to the hotel.

Hotel Adriatic classified as a three star hotel, with

the capacity of 100 rooms and 210 beds, with a restaurant with the capacity for 230 persons, a terrace for 300 persons and a bar with the capacity for 110 persons. It is located in a pine forest, almost on the beach, and there is Aquatic center next to it, which is ideal for family fun and for a range of attractive summer sea activities.

Villa Donat is located in Sv. Filip i Jakov and consists of Villa with 16 superb and modern rooms, classified as a four star hotel, and the annex which is classified as a three star hotel. The total capacity is 72 rooms and 144 beds, a restaurant with 120 seats, a terrace for 50 persons, aperitif bar for 20 persons and outdoor swimming pool. The hotel is located near the main beach and the town center which reminds of the rich history of this region.





3.2 NAUTICS

Nautical sector the Company began to develop in 1976 when it concluded the Contract on purchase of 40 ELAN vessels from Slovenia or 1977 when the Company began with the construction of the first nautical marina in Croatia (Hotel port Kornati) with 100 berths and organization of the first own charter fleet in the Adriatic sea with more than 40 vessels for the needs of sailors. Therefore Ilirija d.d. deserves to be considered to be a pioneer of nautical tourism at the Adriatic sea.

Today, the nautical sector of the Company consists of Marina Kornati and Hotel port Kornati, in which the Company has 805 berths on sea and land, which in one day can accept up to 2000 sailors, and by the number of berths, modern technical equipment, quality of service, cleanliness and neatness (Blue Flag) the Marina Kornati is one of the three leading Croatian marinas which annually attracts over 60,000 sailors.

Marina Kornati is the winner of numerous awards, where we wish to emphasize the Special Award in the "XVI Tourism Flower - Quality for Croatia 2012" action, organized by the Croatian Chamber of Commerce and the Croatian Radio and Television, which is an award for the best marina in the category of over 450 berths. In 2013, in the "XVII Tourism Flower - Quality for Croatia 2013" action, it received an award in the competition of the largest marinas, while in the same action in

2014 and 2015 it ranked second in the "Best big marina" category and in 2016 it ranked third in the same category. In 2017, it received an award for the third place in the category of Large marina in the addition to "XXI Tourism Flower - Quality for Croatia".

In 2018, Marina Kornati was awarded with two prizes: (I) a special prize from The Nautical Patrol of the Jutarnji List for the greatest progress in the tourism season 2018 and for an exceptional contribution to the development of Croatian nautical tourism and (II) in the "XXII Tourism Flower - Quality for Croatia" action, it was ranked third in the Large marina category.

In 2019, the Company was awarded the recognition "XXIII. Tourist Flower - Quality for Croatia", organized by the Croatian Chamber of Commerce and the Croatian Radio and Television for the 2nd place in the category Large Marina and Nautical patrol of the Jutarnji List awarded special recognition and gratitude to Marina Kornati for its outstanding contribution to the organization and success of the nautical patrol.

Ilirija d.d. is the organizer of the leading boat show in Croatia „BIOGRAD BOAT SHOW“ which has been continuously held in Marina Kornati for 21 years in a row.



3.3 CAMPSITE "PARK SOLINE"

The four-star "Park Soline" Campsite is located in Biograd na Moru within the boundaries of the populated area, but as a separate town-planning and urban and economic entity in the southeastern part of the town of Biograd na Moru, right by the main beach in the coastal length of approx. 1.5 km where the beach of 450 meters is positioned right in front of the campsite itself.

The campsite covers an area of 20.00 ha, includes 1,220 accommodation units with a total capacity of up to 3,660 persons. It is situated in the exceptional natural environment of the predominantly high pine forest which enables 90% shade of the campsite. Adhering to the principles of sustainability and environmental protection and the natural features of the area thereby using indigenous plant species, the landscaping of the Campsite has been completed to the level of arboretum, which is a remarkable and rare example in Croatia of creating added value for tourism camping products.

In addition to the enriched restaurant offer, the newly built promenade that stretches along the entire campsite and the beach leading to the Biograd city center, the "Park Soline" Campsite is the right choice for a family vacation. In addition to entertainment for children and evening entertainment, active holiday with attractive sports, you can relax walking along

the long walking trails and recreational routes in a healthy environment, and the campsite is an excellent choice for all nature lovers.

The "Park Soline" Campsite is the largest and the only high quality four-star campsite in Biograd na Moru, which accounts for 77% of the total campsite accommodation capacities and sets the highest standards of equipment and landscape architecture in the destination. Since this campsite is the most valuable part of the camping offer in Biograd na Moru, it directly influences the image of this destination and its positioning on the domestic and foreign tourism market.

The value of investments made so far in the campsite "Park Soline" from the year 2000 till the end of 2019 amounted to approximately HRK 200,000,000.00 and owing to these investments, the number of overnight stays rose from 4,556 in 1996 to 290,487 overnight stays in 2019.



3.4 ILIRIJA TRAVEL

Ilirija Travel – destination management company:

owing to the development of new services and facilities, a high-quality, integrated and complementary tourism product has been created in response to the needs of the modern tourism demand, conditioned by technological, social, market factors and trends of ever more demanding markets.

Among the most important backbones of the offering and implementation of these special programs and products there is the business operation in own additional facilities such as:

Event ship „Nada“ a multifunctional yacht, sized 36m and a capacity to accommodate 180 persons, with a complete restaurant, kitchen and bar which provides an excellent hospitality service during the voyage. Conferences, seminars, special events, unique business meetings, gala receptions and banquets, unique weddings, exclusive day and night cruises, incentive events are all activities organized in the event ship “Nada” which adapts to the individual requirements of the clients.

Arsenal is a heritage site and multimedia center located in Zadar, built in the 17th century, which was renovated in 2005 as an indoor town square or as the center of public, cultural and entertainment life in the

region in which over 100 public and private events are organized on an annual level.

Diffuse Hotel Ražnjevića dvori AD 1307 multi-functional facility, located in the settlement of Polača named after the municipality in this settlement, in the heart of Ravni Kotari, which lies halfway between Biograd na Moru and Benkovac and is the first facility of such a category in the Republic of Croatia. This tourist complex has originated from the rural estate tradition, is an example of innovative tourism product conceived as a blend of tradition and contemporary trends.

Villa Primorje, built in the second half of the 19th century, is a typical traditional Dalmatian stone nobleman’s house with the outbuildings. Newly renovated, luxuriously decorated and equipped in line with the latest standards for facilities of its kind and category, it has its own restaurant that offers the possibility of organizing a number of events, the Mediterranean garden with a promenade and, from the tourist season 2017, an outdoor swimming pool. Offers of trips, special offers according to the requirements of clients, sports programs, MICE etc.



3.5 HOSPITALITY

Restaurant „Marina Kornati“ is located in Marina Kornati, having the capacity for over 350 persons, which together with the recently refurbished Captain's Club having the capacity to accommodate 70 persons, or with the overall capacity for 420 persons meets the requirements of boaters for holding various and numerous events in Marina Kornati. Besides hospitality services, Captain's Club also provides services for a number of presentations on nautical products, and is an ideal venue for holding small conferences and events. In 2019, a total of 92 events were organized in Marina Kornati attended by over 9.021 persons.

Restaurant „Park Soline“ is located in campsite "Park Soline"****, close to the sea, ten minutes of walk from the center of Biograd na Moru with an offer of food based on Mediterranean cuisine. The restaurant with a capacity to accommodate 280 people offers the possibility of organizing various events - family celebrations, banquets and receptions as well as meetings. The restaurant includes a Dalmatian tavern with a fireplace, coffee bar and taps of wine decorated as a wine cellar, which offers the possibility of buying and tasting top quality red and white wines produced from the native Croatian species.

Beach bar "Donat" is located in the building-magazine located in a protected cultural and historical complex of village Sv. Filip i Jakov settlement, which is also entered in the Register of Croatian cultural monuments of the Republic of Croatia. Today, it is classified as a beach hospitality facility or beach bar/ cocktail bar with capacity to accommodate 140 persons.

Lavender lounge bar, located inside of Adriatic hotel, next to the beach, known for its Mediterranean design, fully designed for people to relax, with a beautiful view of the Pašman Channel, a place that offers the possibility of organizing a number of events of different character (MICE, weddings, banquets, cocktail bar, night club, etc.).



3.6 ADDITIONAL FACILITIES

Event: Biograd Boat Show, the largest international autumn boat show in the Republic of Croatia and the largest boat show in South East Europe among the shows, which takes place on the water and brings together all the key representatives of the nautical industry and tourism. At the beginning, that is, in the year 1999 the boat show was organized as Spring Open Days, mainly intended for companies that operate in the marina, as the first such event in North Dalmatia. Wishing for Biograd na Moru, to win the top nautical event considering its status of the city as a cradle of nautical tourism, at which all sectors of the nautical and charter business will be presented, the Open Days grew into Biograd Boat Show. Since 2004, the event has been organized as an autumn boat show which has contributed to an improved boat offer and extension of the tourism season. Biograd Boat Show was admitted to the International Federation of Boat Show Organisers-IFBSO at the 50th meeting of the Federation that took place in Istanbul, Turkey, in June 2014, and in 2015 it became its gold member. The shows of former members of the Federation were mainly organized in the major world centers, and the fact that the Biograd Boat Show is organized in the city of only 5,000 residents makes this success even greater, which is a great recognition not only to the Company as the boat show organizer, but also the Croatian nautical industry and tourism.

Today the leading international autumn nautical show has grown into the major Croatian nautical event and in the last three years it has grown into the nautical industry congress in the Republic of Croatia. From its early beginnings the boat show brings together all representatives of the nautical industry and tourism, government institutions, major organizations in tourism and nautics as well as professional associations. Owing to this partnership with all relevant subjects, and now longterm exhibitors and partners, we have been developing Biograd Boat Show by listening to their needs, keeping up with trends in the nautical and trade fair industry while implementing our own vision of its development creating a high quality, distinctive, and above all, sustainable economic and tourism product, which since its beginnings further enriches the Croatian tourism supply, especially its post-season.

In 2019 the show which celebrated twenty-one years of its existence, was attended by over 400 registered exhibitors that participated with 350 vessels, while the number of visitors surpassed the figure of 18,500 with over 2000 realized business visits via the Biograd B2B business networking platform. The novelty is the new B2B event named Croatia Charter Expo-event of Nautical business networking platform.

Sports facilities:

“Tenis centar Ilirija”, located in a pinewood Soline near the old city center, covers an area of 48.000 m², consists of 20 tennis courts and multipurpose courts (14 clay and 6 artificial grass tennis courts) with night lighting, restaurant and changing rooms as well as related facilities.





City Galleria



ART 2

ART 2

TENDA

3.7 COMMERCIAL-SHOPPING CENTER CITY GALLERIA

Commercial-shopping center City Galleria is located near the old town center of Zadar, one of the two largest shopping centers in the city and the wider Zadar region, completed and opened to the public in October 2008 with a total gross surface of more than 28,500 m² spread over a total of six floors (two garage and four sale areas). The gross area of the center consists of the belonging underground garage with total area of 10,863 m² followed by 9,897.60m² of net lettable surface area and ancillary rooms and corridors. The occupancy of the center was 99.64% of all of its capacities as at 31st March 2020.

The following facilities are found in the Center: an underground car garage with over 400 parking spaces on the two floors, opened and closed market, supermarket, specialized food and beverage shop, fashion clothing, footwear and sporting equipment shops, children's shops, cafés and 6 multiplex movie theaters. The offer is conceptually divided into floors, so the ground floor of the center is envisioned as a space with a mixed offering of food and services; the first floor is designed as a fashion floor with the supply of clothing, footwear, fashion accessories stores and perfumery/drug store; the second floor

of the Center is created as a floor for fun and recreation with an offer of cafés, entertainment, cosmetic and sports services; while the third floor is intended for the lease of office premises.

The unique features of the Commercial-shopping center City Galleria have been recognized at the international level when in 2010 at the award ceremony 'International Property Award', the most prestigious international competition in the real estate business, the Commercial shopping center City Galleria Zadar received the prestigious five-star award in the category of "Best Retail Development". The unique features of the Commercial-shopping center City Galleria, which distinguish it from the rest of the market offer can be summarized in a few features, such as; very attractive location within the city's pedestrian zone that provides great visibility of the building; accommodation of the town marketplace with accompanying food facilities in the Centre; and offer of the first and only multiplex cinema in the city of Zadar.

4 KEY PHYSICAL OPERATING RESULTS OF THE COMPANY

In the first quarter of 2020, significant business activities with regard to the seasonal nature of Croatian tourism in the Company are mainly focused on the nautical and real-estate sector, which are characterized by year-round business activity, while the hotel sector, destination management company Ilirija Travel and camping sector have recorded no significant business activities in the first quarter of the fiscal year, which is the reason why the operating results are not given.

Due to the global COVID-19 disease pandemic declared by the World Health Organization in the first half of March, the protection of human health and life, both globally and nationally, has had a significant impact on the daily lives of individuals and the economic activities of economic operators. Travel and tourism branches are among the sectors most affected by the global COVID-19 disease pandemic (ban imposed on gathering and movement, ban imposed on leaving the place of residence, closure of borders, ban imposed on international and national passenger traffic), leaving thus tourism and hospitality as an economic branch since mid-March with no opportunity to do any significant business activities.

Since the Company's core business is hospitality and tourism (hotel sector, camping, nautics, hospitality and destination management), business activities and processes starting in mid-March have been adapted to the new circumstances of the COVID-19 disease pandemic and the decisions and recommendations of the authorities having jurisdiction in order to protect and preserve health and lives of employees and guests, preserve the assets, i.e. the capacities of the Company, and to continue business activities and operations in sectors and capacities where it is possible.

During the reporting period, the nautical sector of the Company, i.e. Marina Kornati, continued to perform regular business activities in the adjusted scope of operations, which implies additional business safety for the Company in the upcoming period, while the Commercial-Shopping Center City Galleria continued to conduct the business activities in the reduced and adjusted business scope.

4.1 NAUTICS – MARINA KORNATI

In the first three months of 2020, a total of 324 contracts on using the berth were signed, of which 303 contracts for individual vessels which is at the same level as in the previous fiscal year, while the number of contract-based vessels for charter vessels was much lower, resulting in a decrease in revenue from contract-based berth by 11%, which is a significant lack of revenue, since the revenue from the contract-based berth makes up for about 90% of total revenues of Marina Kornati. In the first quarter of 2020, a total of 16% less contracts for the use of berth were concluded, where this decline is only related to charter vessels.

As a matter of fact, Marina Kornati has been operating according to the principle of sending Offers for extending the contract on using the berth for vessels of individual guests in early January for many years in the segment of the service of contract-based berth, where the revenues generated during this period were exceptionally good (January and February), while the Offers for extending the contracts on berth are sent in early March regarding charter vessels, but due to the uncertain business caused by the global COVID-19 pandemic, the charter companies operating in Marina Kornati lacked payments they collected earlier, which paid the contract-based berth fee in the month of March during the previous years.

Revenues from transit vessels have increased by about 69%, although the physical number of sailing in is at the same level as in the previous fiscal year, while in the segment of overnight stays those that sailed in Marina Kornati in 2019 resulted in higher revenues and higher number of overnight stays by 42%.

568 port service operations (lifting, lowering and washing of vessels) were carried out in the reporting period, which is 16% less than in the same period of 2019, while the revenues for servicing increased by 24%, which is also a result of services performed in 2019 which were invoiced in early January by closing the orders in 2020.

In the first three months of 2020, Marina Kornati generated HRK 13,127,626.00, which is a decrease by 9% compared to that in the same period in 2019 when HRK 14,361,488.00 was generated, which is largely due to the lack of revenue from contract-based berth. The Company had an exceptionally good start of the year with the revenue of HRK 4,546,172.00 generated in January, which is a rise by 23% compared to that in the same period of the previous year, continuing a positive trend in February with 12% higher revenue compared to that in February 2019, but at the beginning of March, revenues could no longer keep up with the expected positive trend in the revenues of the Marina Kornati

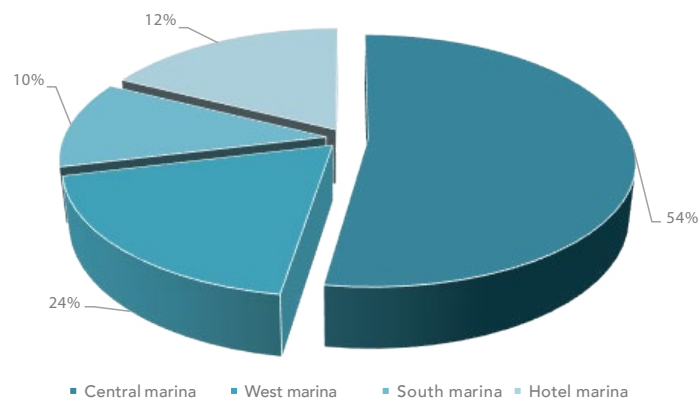
due to the new global coronavirus pandemic situation (restrictions on movement and gathering, prohibition of international and national traffic, closure of borders, restriction of carrying out servicing and mechanical works on individual and charter vessels) which resulted in a significant drop in revenues in almost all segments of service of the Company's nautical service, especially hospitality and boating events.



Marina Kornati capacities

	Length of piers / m	Number of berths	Dry berth	Total number of berths
Central marina	923	365	70	435
West marina	262	190	0	190
South marina	180	80	0	80
Hotel marina	450	100	0	100
TOTAL	1.815	735	70	805

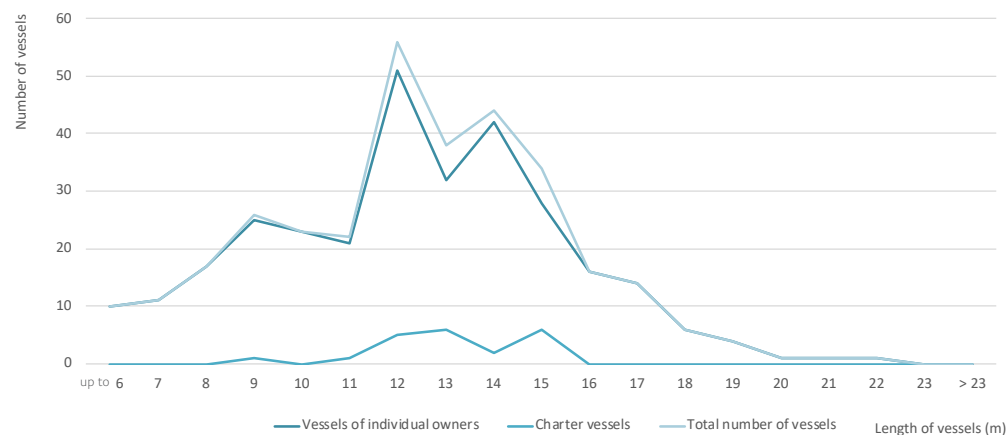
% Share of individual marina (number of berths)



Vessels on contract-based berth during the period from 01/01/-31/03/2020 and comparison with those in the same period of 2019

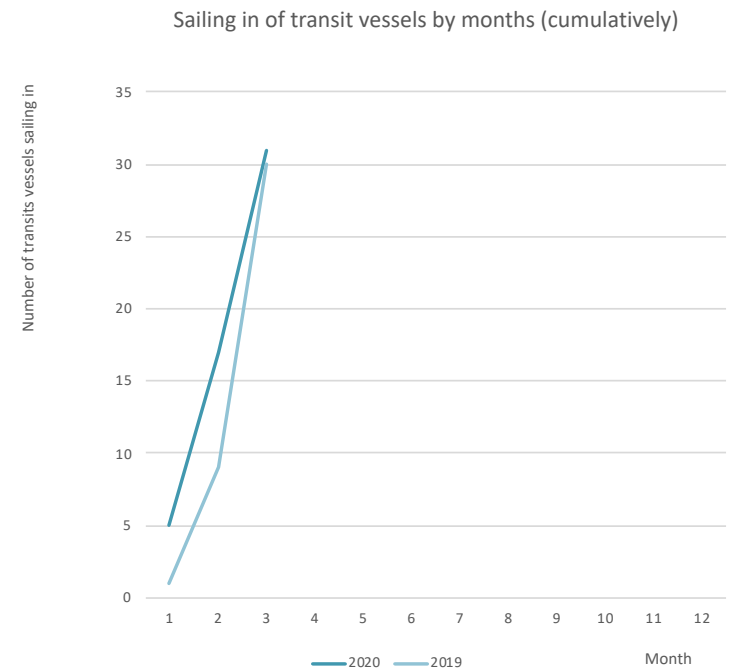
Purpose	Type of berth	Position of berth	01/01-31/03	% Total	01/01-31/03	% Total	Index
			2020	Vessels	2019	Vessels	
VESSEL OF INDIVIDUAL OWNERS	Annual berth in the sea	Central aquatorium	239	74	229	60	104
		South aquatorium	34	10	42	11	81
		Western aquatorium	1	0	1	0	100
	Annual berth on the land	Hotel port	24	7	25	7	96
		Marina land	4	1	3	1	133
	Seasonal berth in the sea	Marina aquatorium	1	0	3	1	33
		Hotel port		0	0	0	#DIV/0!
Total individual vessels:			303	94	303	79	100
CHARTER VESSELS	Annual berth in the sea	Central aquatorium	10	3	17	4	59
		South aquatorium	0	0	0	0	#DIV/0!
		Western aquatorium	11	3	64	17	17
		Hotel port	0	0	0	0	#DIV/0!
	Total charter vessels:			21	6	81	21
Total vessels 2020:			324	100	384	100	84

Vessels on berth contract from 01/01-31/03/2020



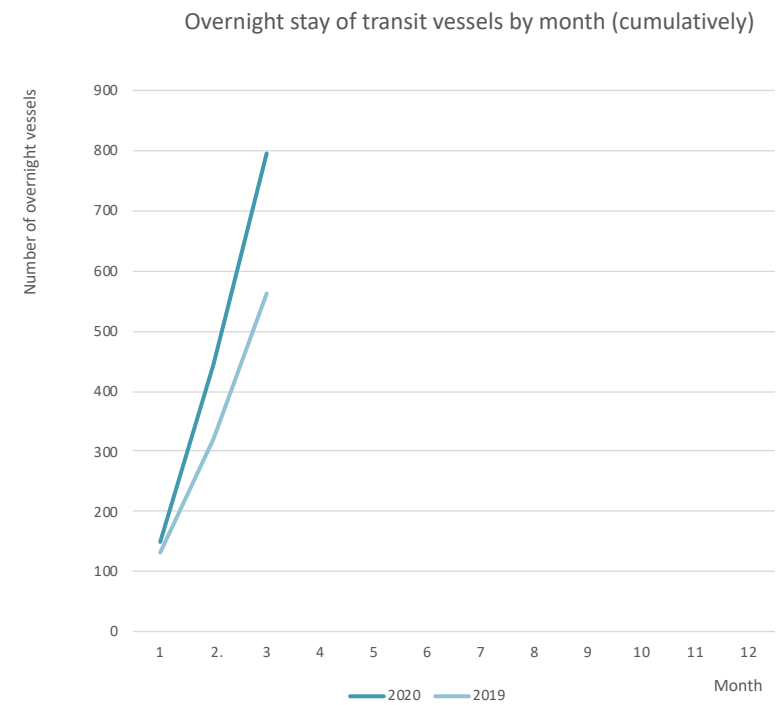
Transit berth – inbound vessels sailing into the port during the period from 01/01/-31/03/2020 and comparison with that in the same period in 2019

2020	Individually monthly			Cumulatively monthly		
	2020	2019	INDEX	2020	2019	INDEX
Month	2020/2019			2020/2019		
1	5	1	500	5	1	500
2	12	8	150	17	9	189
3	14	21	67	31	30	103
4						
5						
6						
7						
8						
9						
10						
11						
12						
Total 2020	31					
Total 2019		30				
Index 2020/2019			103			



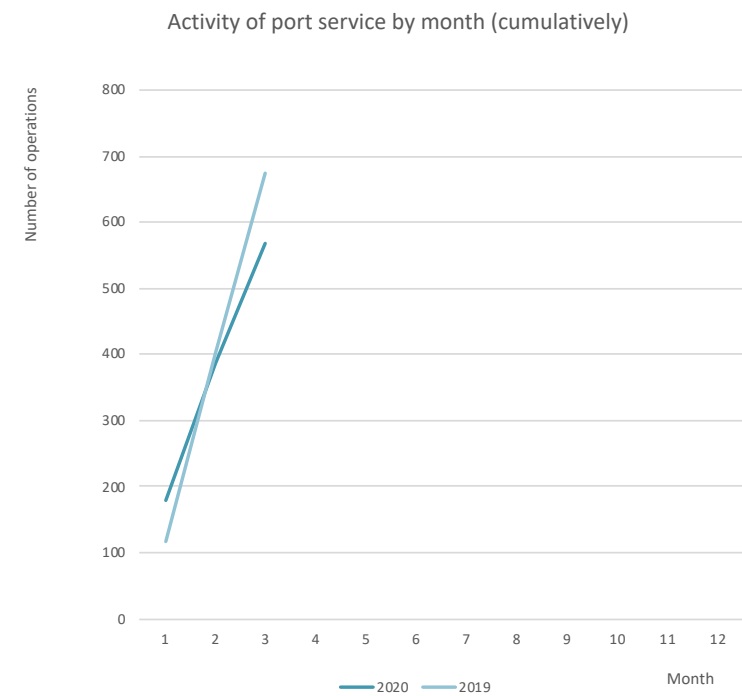
Transit berth – vessel overnight stay during the period from 01/01/-31/03/2020 and comparison with that in the same period in 2019

2020	Individually monthly			Cumulatively monthly		
	2020	2019	INDEX	2020	2019	INDEX
Month	2020/2019			2020/2019		
1	150	132	114	150	132	114
2	294	188	156	444	320	139
3	353	243	145	797	563	142
4						
5						
6						
7						
8						
9						
10						
11						
12						
Total 2020	797					
Total 2019		563				
Index 2020/2019			142			



Activities of port repair services during the period from 01/01/-31/03/2020 and comparison with those in the same period in 2019

2020	Individually monthly			Cumulatively monthly		
	2020	2019	INDEX	2020	2019	INDEX
Month	2020/2019			2020/2019		
1	180	118	153	180	118	153
2	207	284	73	387	402	96
3	181	271	67	568	673	84
4						
5						
6						
7						
8						
9						
10						
11						
12						
Total 2020	568					
Total 2019		673				
Index 2020/2019			84			



Revenue generated by Marina Kornati during the period in 01/01 to 31/03/2020 individually by months
and comparison with that in the same period of the year 2019

REVENUES OF MARINA KORNATI 2020 SEPARATE BY MONTHS																
Revenue positions		Months 2020												2020	2019	Index
		1	2	3	4	5	6	7	8	9	10	11	12	CUMULAT.	TOTAL	2020/2019
I	Daily berths	32.916	49.826	75.337										158.079,0	93.435	169
II	Contracted berth with accessories	4.052.063	6.716.753	1.213.952										11.982.768,0	13.502.996	89
III	Port service	447.008	229.465	222.605										899.078,0	726.639	124
IV	Vehicle parking	1.160	6.456	3.136										10.752,0	22.772	47
V	Other services	10.748	42.699	4.165										57.612,0	-4.223	(1.364)
VI	Business cooperation													0,0	7.410	-
VII	Boat fair and events	2.277	17.060											19.337,0	12.459	155
	TOTAL:	4.546.172	7.062.259	1.519.195										13.127.626	14.361.488	91

REVENUES OF MARINA KORNATI 2019 SEPARATE BY MONTHS																
Revenue positions		Months 2019												2019	2018	Index
		1	2	3	4	5	6	7	8	9	10	11	12	CUMULAT.	TOTAL	2019/2018
I	Daily berths	1.649	32.993	58.793										93.435	91.727	102
II	Contracted berth with accessories	3.601.219	5.969.253	3.932.524										13.502.996	12.762.622	106
III	Port service	117.641	280.502	328.496										726.639	708.434	103
IV	Vehicle parking	1.452	2.352	18.968										22.772	22.505	101
V	Other services	1.141	17.349	-22.713										-4.223	-19.854	21
VI	Business cooperation	0	7.410	0										7.410	0	#DIV/0!
VII	Boat fair and events	4.044	0	8.415										12.459	40.000	31
	TOTAL:	3.727.146	6.309.859	4.324.483										14.361.488	13.605.434	106

4.2 COMMERCIAL-SHOPPING CENTER CITY GALLERIA

The Commercial – Shopping Center City Galleria is located in a highly residential area, in the center of the City of Zadar only 10 minutes walk from the old city center. The high-quality location of the facility near the bus station and the major city roads that surround the facility ensure exceptional visibility and easy accessibility of the center to a large number of local residents and foreign visitors. This whole area is growing into a new city central zone, where a number of new residential and office projects concentrate that have been recently completed or are currently underway, which will have a significant positive impact on the center's number of visitors.

The total gross surface area of the facility is over 28,500 m² spread over a total of 6 floors - 2 floors with underground garages and 4 floors with commercial premises and sales outlets. The gross surface area of the Center consists of a surface area of the underground garage of 10,863.50 m², net rentable area with premises of 9,897.60 m² and communication, technical and common areas. The offer of the Center consists of a great number of diverse amenities with a wide range of merchandize and services available to visitors to the center on a daily basis. As at 31st March 2020, the occupancy of the center was 99.64% of all capacities, that is, 36 premises lease contracts are active with floor areas ranging from 9.80 m² to 1,836 m².

The World health organization's announcement of the epidemic at a global level, namely since mid-March 2020 and the global coronavirus pandemic, which causes COVID19 disease, have led to significant disruptions to the operations of the Commercial-Shopping Center City Galleria. Considering the extraordinary situation in both domestic and foreign markets, and the unpredictability of the overall duration and all the causal consequences of the measures adopted to protect the health of the population, the operations of the City Galleria Center are significantly limited. In the current conditions of life and business due to the ban on gathering and moving, leaving the place of residence, closing the borders, ban imposed on international and national passenger traffic, imposing ban on business operations to many economic operators whose business activity in extraordinary circumstances is not necessary for the daily life of citizens, economic activities and business activities are reduced to a minimum. Decisions by national, regional and local civil protection headquarters with the provisions on restricting the movement and work of the inhabitants of the Republic of Croatia taken with an aim to prevent the spread of COVID-19 virus have significantly affected the operations of the Center in a way that the business operations of more than 50% of the activities of the Center were completely suspended, where strong restrictions imposed on working time and working conditions in other business activities brought about significant consequences on the business oper-

ations considering a drastic drop to a number of visits to the Center, prohibition of the operations to a higher number of lessees, while the lessees that run their business operations do business to a very limited scope with short working time, while the total economic consequences of these measures may not be predicted at the moment, although they will certainly be considerable. On 31st March, 2020, lessees operating on a total of 57.4% of the net lettable area of the center were prevented from doing their business.

The operating revenues from the City Galleria Center, generated in the first quarter of 2020 by leasing the premises, through shared costs, using common parts of the center, leasing advertisement space and revenues from the garage, amount to HRK 3,461,602.80, while they amounted to HRK 3,509,145.52 in the same period of 2019, which accounts for 98.65%. While the revenues from shared costs, leasing the advertising space and using the common parts recorded a rise, a decline by HRK 2.38% has been recorded in the category of revenues from leasing business premises, while the highest decline was recorded in the category of revenues from the garage that dropped by 15.65%. Other operating revenues relating to the insurance compensation of damages amount to HRK 34,663.25 in the first quarter of 2020.

In this period, 66.88% of the operating revenues, or HRK 2,338,177.02 was generated from collection of the rental fees for premises. The average rental fee achieved per square meter of the premises in the relevant period amounted to 10.55 EUR or 78.92 HRK/m². In addition to the lease of business premises, the operating revenues generated from the collection of shared costs to the lessees amount to HRK 798,949.05, which accounts for 22.85% of total revenues; the revenues from leasing and commercial use of common areas of the center amount to HRK 171,722.82, or 4.91%; the revenues from the one-time parking charge and leasing of the parking spaces amount to HRK 143,221.63 or 4.10%; and in the smallest part, the revenues from leasing of the advertising space on the facade of the Commercial-Shopping center amount to HRK 9,532.28, which is 0.27% of total revenues generated.

The usage of the underground garage by customers of the Center declined by 7.51% in the first quarter of 2020 and it was used by 165,178 vehicles, while it was used by 178,615 vehicles in the same period of 2019. The revenues generated from the garage of the Commercial-Shopping Center City Galleria in the amount of HRK 143,221.63 were mostly realized from the one-time parking of visitors to the garage, which makes up for 84.53% of the mentioned revenues, or they amount to HRK 121,072.00.

Restrictions on movement of population have resulted in a sharp drop to visiting the City Galleria Center. The drop in visiting the garage facility amounts to 29.94% only for the month of March 2020, compared to that in the last year, which caused a drop in revenues from the one-off parking by 47.62% in the same month.

In accordance with the significant and unpredictable disruptions in the business operations caused by the COVID-19 disease pandemic, in the circumstances that occurred, the Company is responsible in dealing with the whole situation by providing unhindered access to the Center services to visitors to meet their necessary daily needs in the Centre stores, manages and maintains all common systems necessary for functioning and the safety of the building in accordance with the regulations of the Republic of Croatia. The technical, security guard and cleaning services continue to maintain and safeguard the property, with enhanced security measures and disinfection of the common areas of the Center. Common air-conditioning systems, ventilation system, video surveillance system, and fire-fighting system are fully operational, and in this way we continue to care about the Company's and our business partners' assets. Our goal as a company with corporate social responsibility is to preserve the health of all employees and visitors and to continue the full business processes after the situation becomes normal.

Operating revenues of the Commercial - Shopping Center City Galleria in Zadar for the period from 01/01 – 31/03/2020 and comparison with those in the same period in 2019

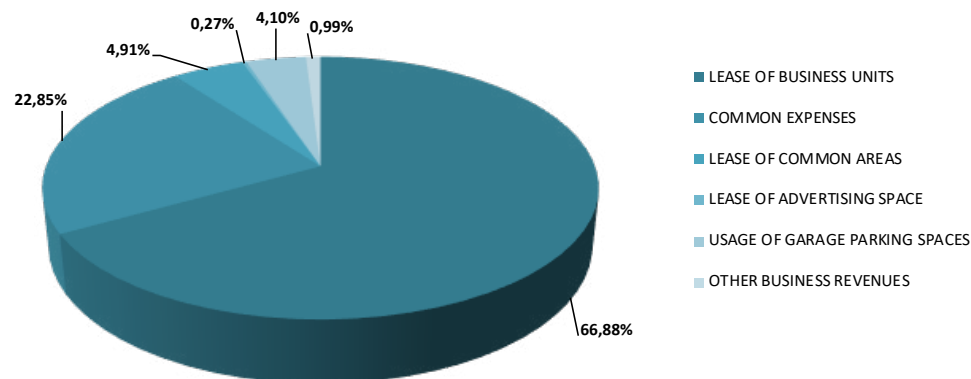
DESIGNATION	DESCRIPTION	NUMBER OF ACTIVE CONTRACTS	SURFACE AREA (m ²)	REVENUES 01-03/2020	%	REVENUES 01-03/2019	%	INDEX 2020/2019
1	LEASE OF BUSINESS UNITS	36	9.897,60*	2.338.177,02 KN	66,88%	2.392.709,69 kn	68,18%	98
2	COMMON EXPENSES	35	7.173,53**	798.949,05 KN	22,85%	793.398,17 kn	22,61%	101
3	LEASE OF COMMON AREAS	23	999,80	171.722,82 KN	4,91%	144.655,69 kn	4,12%	119
4	LEASE OF ADVERTISING SPACE	8	121,18	9.532,28 KN	0,27%	8.591,93 kn	0,24%	111
5	USAGE OF GARAGE PARKING SPACES	410***	10.863,50	143.221,63 KN	4,10%	169.790,04 kn	4,84%	84
REVENUES:				3.461.602,80 kn	99,01%	3.509.145,52 kn	100,00%	99
6	OTHER BUSINESS REVENUES			34.663,25 KN	0,99%	0,00 kn	0,00%	0
TOTAL REVENUES				3.496.266,05 KN	100,00%	3.509.145,52 kn	100,00%	100

* Total net leasable surface area

** Total net leasable area for calculation of common expenses

*** Number of parking spaces in the garage

OPERATING REVENUES OVERVIEW 01-03/2020



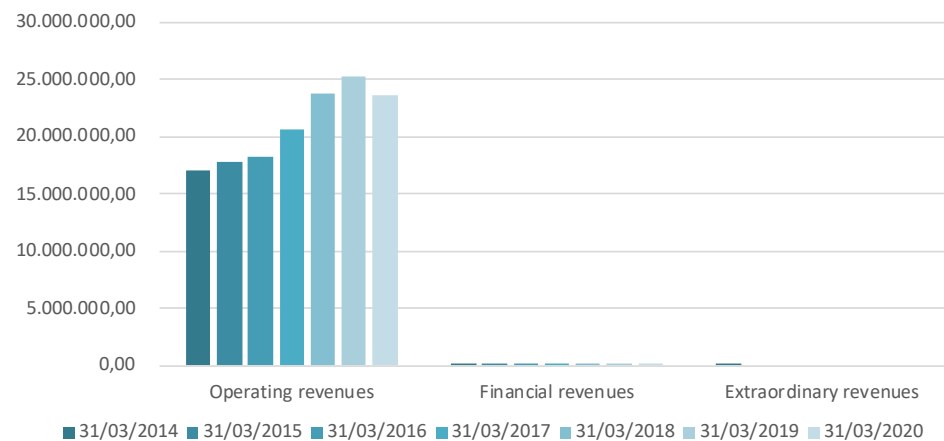
5 FINANCIAL OPERATING RESULTS AT THE LEVEL OF THE COMPANY

5.1 FINANCIAL OPERATING RESULTS OF THE COMPANY

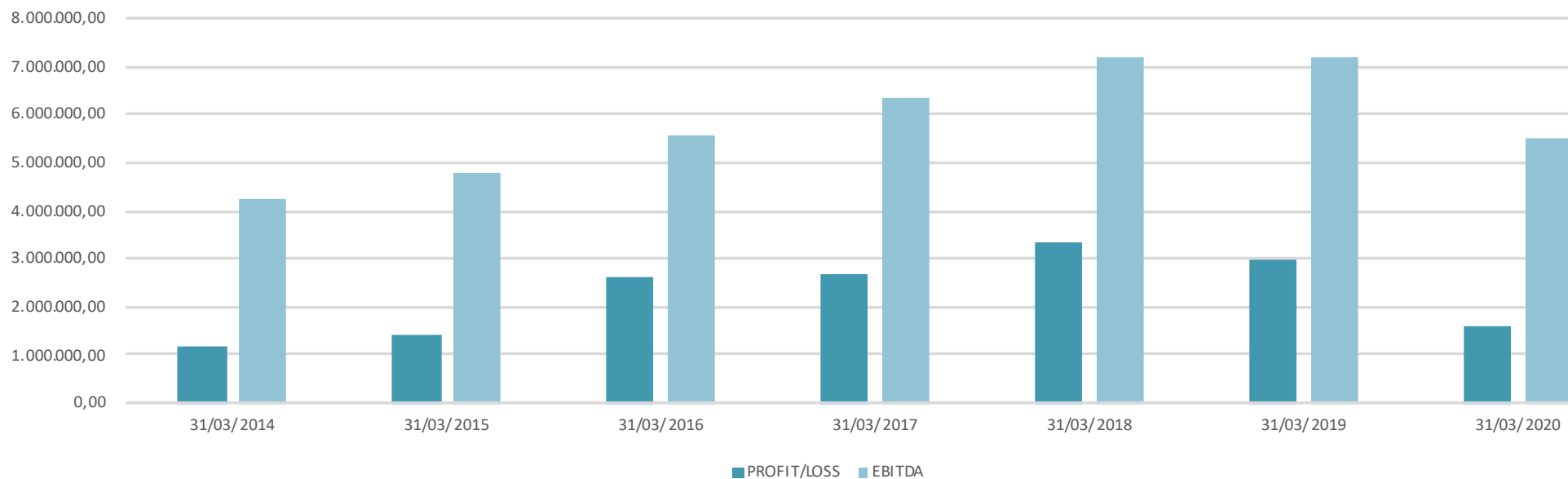
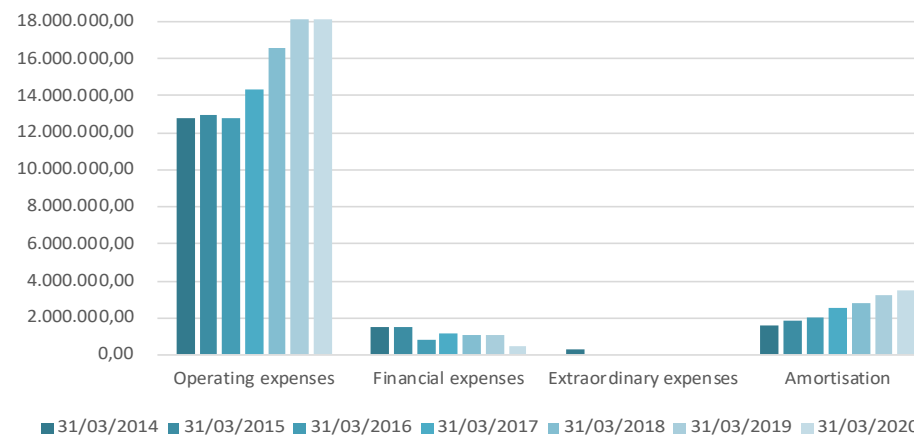
Overview of financial operating results in the period from 01/01-31/03/2020 and comparison to those in same period from 2014 to 2019

DESCRIPTION	31/03/2014	31/03/2015	31/03/2016	31/03/2017	31/03/2018	31/03/2019	31/03/2020/	Index 2020/2019
Operating revenues	17.122.542,83	17.749.574,00	18.265.476,75	20.642.372,56	23.749.772,28	25.330.248,15	23.598.472,79	93,16
Financial revenues	39.328,22	18.368,65	30.689,62	23.419,38	22.186,19	13.944,49	9.116,53	65,38
Extraordinary revenues	167.167,46	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!
TOTAL REVENUES	17.329.038,51	17.767.942,65	18.296.166,37	20.665.791,94	23.771.958,47	25.344.192,64	23.607.589,32	93,15
Operating expenses	12.781.446,85	12.990.237,64	12.756.687,07	14.317.916,72	16.561.149,13	18.159.456,24	18.118.877,48	99,78
Financial expenses	1.473.129,61	1.488.006,30	848.451,04	1.121.027,66	1.101.937,91	1.031.239,46	427.759,77	41,48
Extraordinary expenses	310.889,69	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!
Amortisation	1.596.301,65	1.867.554,69	2.056.495,32	2.551.211,77	2.788.869,12	3.199.224,00	3.475.634,71	108,64
TOTAL EXPENSES	16.161.767,80	16.345.798,63	15.661.633,43	17.990.156,15	20.451.956,16	22.389.919,70	22.022.271,96	98,36
PROFIT/LOSS	1.167.270,71	1.422.144,02	2.634.532,94	2.675.635,79	3.320.002,31	2.954.272,94	1.585.317,36	53,66
OPERATING PROFIT/LOSS	4.341.095,98	4.759.336,36	5.508.789,68	6.324.455,84	7.188.623,15	7.170.791,91	5.479.595,31	76,42
EBITDA	4.236.701,97	4.777.705,01	5.539.479,30	6.347.875,22	7.210.809,34	7.184.736,40	5.488.711,84	76,39

REVENUES 2014-2020



EXPENSES 2014-2020



1

The total revenues for the first quarter of 2020 amount to HRK 23,607,589.32 and decreased by 6.84% compared to those in the same period of 2019 as a result of a decrease in operating revenues.

Operating revenues for the observed period amount to HRK 23,598,472.79 and compared to those in the same period of the previous fiscal year they recorded a decline by 6.84% as a result of decline in turnover on the local and foreign market.

Sale revenues amount to HRK 23,471,333.59 and are lower by 6.62%, as compared to those in the same period of the previous fiscal year, when they amounted to HRK 25,135,707.35 which is the result of a decline in sales revenues on the foreign market by 14% and on the local market by 6%. The sales revenues make up for 99.46% of the operating and 99.42% of the total revenues.

2

Total expenses amount to HRK 22,022,271.96 and compared to those in the same period in 2019 they are lower by 1.64% as a result of a decline in the financial expenditures by 58.52% and operating expenses by 0.22%.

Operating expenses in the observed period amount to HRK 18,118,877.48 and are lower by HRK 40,578.76 in comparison with those in the same period in 2019.

3

The Company's operating profit or the profit from operating activities amounts to HRK 5,479,595.31 and is lower by 23.58% compared to that in the same period of the year 2019.

EBITDA or Earnings before interest, taxes, depreciation and amortization was realized in the amount of HRK 5,488,711.84 and fell by HRK 23.60% compared to that in the same period of the previous fiscal year.

EBIT - or earnings before interest and tax was realized in the amount of HRK 2,013,077.13 and fell by HRK 49.49%.

The profit for the first quarter of 2020 amounts to HRK 1,585,317.36 and fell by 46.33% compared to that in the same period of 2019.

Operating profit, EBITDA, EBIT and profit compared to the same periods of the previous fiscal years are significantly lower due to the lack of revenue in the Company's tourism sectors, which is expected since the travel, tourism and hospitality industry, which is the Company's core business, is one of the most affected economic sectors both globally and nationally, which directly affected the Company's performance indicators. Despite significantly changed operating conditions, the Company continued with its initial investments and, despite the significantly reduced volume of business operations, the Company retained all employees, which also had an impact on the profitability of the Company's business operations.

Financial statements of the Company as at 31/03/2020 and comparison with those in the same period in the years 2019 and 2018

REVENUES	2018	2019	INDEX 2019/2018	2020	INDEX 2020/2019
Revenues on the domestic market	22.158.101,25	23.437.699,60	106	22.008.526,42	94
Revenues on foreign market	1.289.975,26	1.698.007,75	132	1.462.807,17	86
Other operating revenues	301.695,77	194.540,80	64	127.139,20	65
OPERATING REVENUES	23.749.772,28	25.330.248,15	107	23.598.472,79	93
FINANCIAL REVENUES	22.186,19	13.944,49	63	9.116,53	65
EXTRAORDINARY REVENUES	0,00	0,00	#DIV/0!	0,00	#DIV/0!
TOTAL REVENUES	23.771.958,47	25.344.192,64	107	23.607.589,32	93
EXPENSES					#DIV/0!
Raw material and material costs	2.498.180,71	2.478.813,06	99	1.828.781,54	74
Costs of services	2.862.502,37	3.245.095,81	113	3.251.777,24	100
Gross salaries	6.821.463,05	8.003.552,76	117	8.037.704,00	100
Other expenses	4.379.003,00	4.431.994,61	101	5.000.614,70	113
TOTAL EXPENSES	16.561.149,13	18.159.456,24	110	18.118.877,48	100
AMORTISATION	2.788.869,12	3.199.224,00	115	3.475.634,71	109
FINANCIAL EXPENSES	1.101.937,91	1.031.239,46	94	427.759,77	41
EXTRAORDINARY EXPENSES	0,00	0,00	#DIV/0!	0,00	#DIV/0!
TOTAL EXPENSES	20.451.956,16	22.389.919,70	109	22.022.271,96	98
PROFIT/LOSS	3.320.002,31	2.954.272,94	89	1.585.317,36	54
OPERATING PROFIT	7.188.623,15	7.170.791,91	100	5.479.595,31	76
EBITDA	7.210.809,34	7.184.736,40	100	5.488.711,84	76

REVENUES BY ACTIVITIES:

Revenues from hotel sector were generated in the amount of HRK 1,407,717.57 and decreased by 48% compared to those in the same period of the previous fiscal year, which is a consequence of cancellation of the existing bookings, events, congresses, seminars, etc., and the lack of new booking due to the global COVID-19 disease pandemic, resulted in a significant decline in the revenue of the entire hotel industry.

The revenues from the nautics amount to HRK 13,317,287.60 and fell by 9% compared to those in the same period in 2019 as a consequence of the decline in revenues from the accommodation of vessels especially from the revenues from the contract-based berth that fell by 11% due to lack of new booking of vessels as a consequence of global COVID-19 disease pandemic. Since the revenue from the contract-based berth accounts for 91.20% of the total revenue of Marina Kornati for the first quarter of 2020, the decrease in the revenue from the contract-based berth significantly affected the decrease in the revenue of the entire nautical sector, and in addition to the decrease in revenue from the vessel accommodation services, no revenues from parking and hospitality were generated.

Revenues from camping amount to HRK 4,285,040.61 and have risen by 25% as a result of an increase in revenue from fixed lease by 26%, which is the consequence of a higher number of rented pitches for mobile homes compared to those in the same time period in 2019, of which a larger portion relates to lump sum of mobile homes that bring in higher revenues. A larger number of lump sum guests have opted for early payment, which results in additional sales benefits to the total amount of the contracted value. Agency revenue is also increasing at a rate of 11% due to a different distribution of invoicing compared to that in 2019.

The revenues of the real estate sector or from the Commercial-Shopping Center City Galleria were generated in the amount of HRK 3,496,266.05 and they remained at the level of the same period in 2019.

The revenues from other activities, that is, profit centers, including Ilirija Travel, or Arsenal, event boat „Nada“, Villa Primorje and hospitality were generated in the amount of HRK 1,056,994.98.

GRANDTOTAL: Operating revenues by activities amount to HRK 23,598,472.79 and have risen by 6.85% in comparison with those in the same period in 2019.





5.2 COMPANY'S FINANCIAL POSITION

FUNDAMENTAL FINANCIAL PERFORMANCE INDICATORS AS AT 31/03/2020

Since the tabular overview of fundamental indicators of the Company is given from 2020 to 2010 (eleven years) backwards, the realized and described indicators in absolute figures and growth rates are listed.

1

The value of the Company's assets as at 31/03/2020 amounted to HRK 482,199,766.84 and rose by HRK 16,495,827.77 or by 3.54% compared to that in the same period in 2019 when it amounted to HRK 465,703,939.07, whose growth is the result of the investments made.

The value of assets of the Company since 2010, when it amounted to HRK 277,660,814.39, grew by HRK 204,538,952.45 or by 73.66%.

2

Total liabilities of the Company amount to HRK 133,871,075.10 and fell by HRK 4,522,077.95 that is, by 3.27% compared to those in the same period of 2019 when they amounted to HRK 138,393,153.05 which is the consequence of reduction of long-term liabilities of the Company.

Total liabilities of the Company as at 31/03/2020 decreased by HRK 18,010,796.86 or by HRK 11.86% compared to the total liabilities of the Company as at 31/03/2010 when they amounted to HRK 151,881,871.96.

3

Capital and reserves of the Company as at 31/03/2020 amount to HRK 348,328,691.74 and have risen by HRK 21,017,905.72 that is by 6.42% compared to those in the same period in 2019 when they amounted to HRK 327,310,786.02.

Comparing the Company's capital and reserves as at 31/03/2020, they increased by HRK 222,549,749.31 or by 176.93% compared to those in the same period in 2010 when they amounted to HRK 125,778,942.43.

4

The total revenues of the Company amount to HRK 23,607,589.32 and have fallen by HRK 1,736,603.32 or by 6.85% compared to those in the same period of 2019 when they amounted to HRK 25,344,192.64 the fall of which is the consequence of a significant drop in operating revenues or sales revenues.

The total revenues of the Company compared to those in the same period in 2010 when they amounted to HRK 12,639,093.65 have grown by HRK 10,968,495.67 or by 86.78%.

5

The operating profit of the Company was generated in the amount of HRK 5,479,595.31 and fell by HRK 1,691,196.60, or by 23.58% compared to that in the same period in 2019 when it amounted to HRK 7,170,791.91 as a consequence of fall in total, that is, operating revenues.

Comparing the operating profit generated in the first quarter of 2020 compared to the same period of 2010 generated in the amount of HRK 2,616,941.27, the growth of 109.38% was achieved.

6

EBITDA was realized in the amount of HRK 5,488,711.84 and fell by 23.60% or HRK 1,696,024.56 compared to that in the same period of 2019 when it amounted to HRK 7,184,736.40.

The realized EBITDA in the reporting period grew by HRK 2,921,862.79 or by HRK 113.83% compared to that in the first quarter of 2010 when it was realized in the amount of HRK 2,566,849.05.

7

The profit of the Company for the reporting period amounts to HRK 1,585,317.36 and fell by HRK 1,371,955.58 or by 46.34% compared to that in the first quarter of 2019 when it amounted to HRK 2,954,272.94.

The profit generated in the first quarter of the year 2020 compared to the profit generated in the same period of 2010 which amounted to HRK 23,380.42, has grown by HRK 1,561,936.94 or by 678.05%.

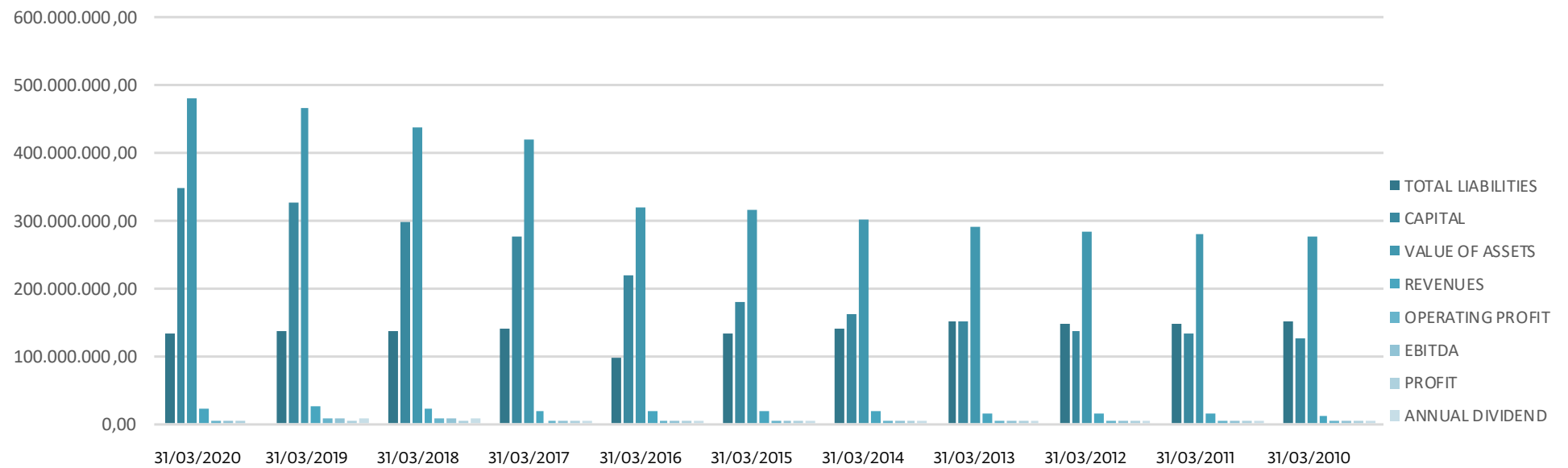


CUMULATIVE COMPARATIVE OVERVIEW

of fundamental operating results and indicators on the position of assets, capital and liabilities of the Company as at 31/03/2020 and also for the period from 2010 to 2020

YEAR	TOTAL LIABILITIES	CAPITAL	VALUE OF ASSETS	REVENUES	OPERATING PROFIT	EBITDA	PROFIT	ANNUAL DIVIDEND
1	2	3	4	5	6	7	8	9
31.03.2020.	133.871.075,10	348.328.691,74	482.199.766,84	23.607.589,32	5.479.595,31	5.488.711,84	1.585.317,36	0,00
31.03.2019.	138.393.153,05	327.310.786,02	465.703.939,07	25.344.192,64	7.170.791,91	7.184.736,40	2.954.272,94	8.417.962,00
31.03.2018.	137.122.236,40	299.275.231,55	436.397.467,95	23.771.958,47	7.188.623,15	7.210.809,34	3.320.002,31	7.221.240,00
31.03.2017.	141.448.734,76	278.359.543,77	419.808.278,53	20.665.791,94	6.324.455,84	6.347.875,22	2.675.635,79	6.016.540,00
31.03.2016.	98.831.910,81	219.010.700,88	317.842.611,69	18.296.166,37	5.508.789,68	5.539.479,30	2.634.532,94	4.937.148,00
31.03.2015.	135.069.382,93	179.280.859,69	314.350.242,62	17.767.942,65	4.759.336,36	4.777.705,01	1.422.144,02	3.740.790,00
31.03.2014.	139.140.342,44	162.510.566,87	301.650.909,31	17.329.038,51	4.341.095,98	4.236.701,97	1.167.270,71	3.740.790,00
31.03.2013.	151.603.255,36	151.603.255,36	291.120.786,27	16.657.469,54	3.822.239,36	3.904.873,47	1.130.255,01	3.740.790,00
31.03.2012.	146.758.285,42	137.917.687,18	284.675.972,60	14.910.581,52	3.600.648,28	3.639.617,69	536.609,90	3.740.790,00
31.03.2011.	148.134.240,07	131.827.187,74	279.971.568,40	13.615.106,65	3.754.665,89	3.763.257,15	909.649,14	3.740.790,00
31.03.2010.	151.881.871,96	125.778.942,43	277.660.814,39	12.639.093,65	2.616.941,27	2.566.849,05	23.380,42	3.740.790,00

Graph of fundamental operating results and indicators on the position of assets, capital and liabilities of the Company as at 31/03/2020 and also for the same period from 2010 to 2020.



OPERATING AND OTHER EXPENSES

Operating expenses for the first quarter of the year 2020 amount to HRK 18,118,877.48 and are at the same level of the previous fiscal year. The retention of these expenses at the level of the first quarter of the previous fiscal year, despite a significant decrease in the volume of operations in the second half of the month of March 2020, is the result of an increase in other expenses and the Company's decision on keeping the employees' jobs and labor and material rights, thus keeping the gross salary expense at the level of the previous fiscal year.

FINANCIAL EXPENSES

The financial expenses for the observed period amount to HRK 427,759.77 and fell by 58.52% compared to those in the first quarter of 2019.

LIQUIDITY

One of the primary Company goals in the significantly changed business environment and in the absence of the hospitality and tourism industry activities caused by the global COVID-19 pandemic is to maintain its current liquidity for the duration of the global pandemic.

The Company is, therefore, undertaking activities to diversify its existing and secure new financing sources to overcome this period, it is trying to minimize and optimize all of its operating costs, and is actively co-operating with all significant creditors by settling the liabilities they had at the moment of the declaration of the global pandemic.

In addition, the Company has initiated a procedure with the commercial bank Erste&Steiermarkische Bank d.d. for the purpose deferring payments of all liabilities due as well as the liabilities that shall become due in the period from 1 April 2020 to 30 April 2021 in respect of the principal of the long-term and short-term loans as well as all monthly instalments for the financial leasing in the period from 1 April 2020 to 30 April 2021, with a 12-month deferment period, in order to ensure stable financial operations in the current difficult business conditions and to preserve the Company liquidity necessary to settle current business expenditures and liabilities of the Company.

Based on the available information and alignments performed in accordance with the said request, we expect that the bank shall accept the Company's request for a 12-month repayment deferment period.

SHARE SPLIT

There was no share split in the reported period.

COLLECTION OF FUTURE REVENUE

There is already difficulty in collection of both receivables due as well as receivables to become due in an extent, which could affect the Company financial situation and performance. Therefore, the Company actively monitors and manages both future trade receivables and trade receivables, both the ones existing at the moment the COVID-19 pandemic was declared as well as future trade receivables. The Company seeks to collect its receivables in the most appropriate manner, taking into account the difficult circumstances and applying measures of payment in instalments where possible, but it also undertakes compulsory collection measures, including the activation of collaterals to collect its claims.

6 ADDITIONAL INFORMATION

6.1 INVESTMENTS IN THE YEAR 2020

In accordance with the 2020 Investment Plan, in the first quarter of 2020 the Company invested HRK 4,209,926.68 mainly in the camping and nautical sector for the purpose of improving the overall quality and standards of the existing service, i.e. of maintaining it at the four-star rating level at Soline Park camp and raising it to the four-anchor level at the Kornati Marina. Taking into account the circumstances caused by the COVID-19 pandemic and the fact that the Company is benefiting from incentives in the form of exemption from paying corporation tax for the period of 2018-2020, the Company plans to finish and successfully complete all ongoing investments in capacities and facilities provided that no circumstances arise objectively precluding the Company from doing so.

In the first quarter of 2020, investments in the camping sector were focused on modernizing the camp accommodation capacities and upgrading its equipment and design, renovation and adaptation of all sanitary facilities, improving its infrastructure, installation of optical network and improvement of Wi-Fi signal, paving roads, construction of paths and parking lots inside the camp, and its further horticultural landscaping.

In the nautical sector, the Company aims to raise the rating level of the Kornati Marina from two - to

four-anchor level. All investments made in the first quarter of 2020 relate to the improvement of the service quality and standards in the Kornati Marina with special emphasis on common, business and catering facilities within the marina, landscaping of the C pier crossing bridge in the southern waters of the marina, adaptation of sanitary facilities and further horticultural landscaping of the marina environment.

6.2 NON-OPERATING ASSETS

An additional impact on the value of the shares of the Company is exerted by non-operating assets owned by the company, which has been neither used for performing the core business activities of the company, nor does the company realize the economic benefit from the relevant assets.

The most important non-operating assets owned by the Company refers to unutilized land (total area of 10-12 hectares) at highly attractive locations:

Land plot, Sv. Filip i Jakov: The Company owns approximately 2.5 hectares of the building land plot in Sv. Filip i Jakov, of which a smaller portion thereof is utilized (Villa Donat), while approximately 20.000 m² of the land plot remain unused. According to the conceptual design, the Company is planning to build eight detached villas with apartments on the undeveloped part of the land plot and the Company is also planning to extend the existing accommodation and supporting facilities. With respect the planned project, the Municipality has adopted the Detailed development plan for the area intended for hospitality and tourism (TI-hotel) and for mixed-use purposes.

Land plot, Villa Primorje: The Company is the owner of approximately 2.5 hectares of land in the vicinity of the Villa Primorje Hotel, of which only a small part of the land plot

is utilized (about 10% of the total surface area). In addition to previous physical planning of the area, the undeveloped part of the land plot may be used for building settlements with traditional Dalmatian type villas. The unused land is in direct contact with the building land plot.

Land plot, Tennis center Ilirija: The Company owns approximately 4.9 hectares of the land plot in Biograd na Moru within the boundaries of the Forest Park Soline that is used only to a smaller part (Tennis center Ilirija built on about 25% of the total surface area) from which the company does not earn any financial income. In addition to the prior resolution of the physical planning documentation on the relevant land plot, there is a possibility of building a modern multifunctional hotel-health and tourist and recreation center.

Land plot, Polača: The Company is the owner of approximately 2.5 hectares of the land plot in the settlement of Polača, that is situated along the state road that connects Biograd to the nearby highway (is of regional significance). The land plot is equipped with basic utility infrastructure on which the company Ilirija d.d. is planning to build a dry marina that would be functionally linked to the existing nautical facilities owned by Ilirija d.d.

6.3 IMPORTANT EVENTS

The Company signed The Memorandum of Understanding concerning the Principles of Joining the Research Coverage Programme for Listed SME Companies from the Southeastern Europe with the Zagreb Stock Exchange d.d., according to which the Company will participate in the two-year program of the Zagreb Stock Exchange d.d. and the European Bank for Reconstruction and Development, which aims to increase the public availability of investment research coverage of small and medium enterprises (“SMEs”) and provide additional information on un- or under-researched SME companies.

At the meeting held on 04th March 2020, the Supervisory Board gave its consent to the Management Board of the Company to conclude the Annex 2 to the Loan Agreement concluded with Erste&Steiermarkische Bank d.d. Rijeka, for reduction of the existing interest rate.

On 13th March, 2020, the Company publicly released Information on the impact of COVID-19 virus on the business operations.

The Company issued 2,055 treasury shares, which account for 0.085% shares in the share capital according to the Share Transfer Agreement, concluded with the Company's employees in accordance with the Company Management Board's Decision on the allocation of treasury shares to the Company's employees against no compensation, as a reward for the business results achieved in the year 2019. Before the shares were released, the Company held 9888 treasury shares, which accounts for 0.409% of shares in the share capital of the Company and after the shares were released the Company held a total of 7833 treasury shares, which accounts for 0.325% of the share in the Company's share capital. In the reporting period, the Company acquired 298 treasury shares after it conducted corporate actions of acquiring and releasing the shares, and on 31st March 2020 the Company held 7833 treasury shares, which accounts for 0.325% of shares in the share capital.

6.4 OTHER

LEGAL ISSUES

The judgment rendered by the Higher Commercial Court of the Republic of Croatia as of 2016 affirmed the judgment rendered by the Commercial Court in Zadar, which designates Ilirija d.d. as the owner of the entire property with land plot 3232 cadastral municipality Biograd, with an area of 48,705 m², which in the nature is "Tennis center Ilirija" with the surrounding land. In this way the dispute over the property of the "Tennis center Ilirija" has been completed to the benefit of the Company by rendering final and absolute judgment.

According to the Decision of the Constitutional Court of the Republic of Croatia Number U-III-4392/16 of 5th July 2017, the constitutional complaint of the Company was adopted and the judgment rendered by the Supreme Court of the Republic of Croatia was repealed which turned down the revision of Ilirija d.d. in the case of compensation of damages against the City of Biograd na Moru, for converting the property "Primorje" from the construction area to the so-called "area of landscape features", and the case was remanded to the Supreme Court of the Republic of Croatia for re-deciding.

According to the judgment of the County Court in Zadar, Number: 6 GŽ-751/16-2 of 13th June 2017, the judgment rendered by the Municipal Court in Zadar, Permanent Department in Biograd na Moru, as of January 2016 was reversed, thereby dismissing the statement of claim filed by the City of Biograd na Moru as unsubstantiated, according to which the City of Biograd na Moru requested that the Agreement of Lease of the Forest Land concluded between Ilirija d.d. and the Croatian Forests d.o.o. Zagreb, Forest Directorate, Split Regional Branch, should be declared null and void. In this way the dispute was finalized to the benefit of Ilirija d.d. by rendering an absolute judgment. Since the tourist land is in question, which was not evaluated in the transformation and privatization process, the company Ilirija d.d. already previously submitted a request to the Government of the Republic of Croatia through the Ministry of Tourism of the Republic of Croatia for obtaining the concession on the co-ownership part of the Republic of Croatia for using the campsite "Park Soline" for a period of 50 years within a legally prescribed term.

With respect to disputes in which the Company participates either as a plaintiff or a defendant, we estimate that these disputes can neither significantly cause a disturbance in the Company's operations nor can they

cause significant financial expenses for the Company nor negatively affect the current and future financial results of the Company.

MONITORING AND REPORTING ON BUSINESS OPERATIONS ON A DAILY, WEEKLY AND MONTHLY BASIS

The system of monitoring the business operations has been established in all of its segments at the level of all sectors and the Company as a whole on a daily, weekly and monthly basis in accordance with the applicable Croatian and international reporting standards in the tourism sector. This has enabled timely and high-quality monitoring of the achieved operating results and the production of high-quality forecasts and business plans throughout the whole fiscal year, creating thus the foundations for a more efficient and rational management of the entire business process and improving and speeding up the entire process of reporting at all levels, particularly in the operational part of the Company's business operations.

MERGERS AND ACQUISITIONS

There have been no mergers and acquisitions.



7 BUSINESS EXPECTATIONS IN THE YEAR 2020

The business expectations for the year 2020 were prepared in accordance with the circumstances as of 06/04 (April) 2020. In the first half of March 2020, that is on 11th March, 2020 The World Health Organization (WHO) declared the coronavirus disease (COVID-19) pandemic, that affected most of the countries in the world at the global level, including Europe and the Republic of Croatia, whereby the key source markets of the Croatian tourism and the Company are among the most affected ones. Protection of health and people's lives, both globally and nationally, has changed the daily lives of individuals, but has also drastically affected economic activities, and consequently, the Company.

Considering the measures taken to prevent the spread of coronavirus, which relate to the prohibition and restriction of international and national traffic, the prohibition of border crossings, the restriction and prohibition of social gatherings, the prohibition of work of hospitality facilities, etc., the economic activities and business activities of legal entities in hospitality and tourism in the current circumstances of the global coronavirus pandemic are the most endangered, and at this point the hospitality and tourism business does not really exist and is not run seriously.

All of the above mentioned has also been reflected on the Company, since it operates its own core hospitality and tourism business in the hotel, camping, nautical sector, a number of small hospitality facilities, destination management and shopping center. All facilities in all sectors at the moment, except for the nautical sector and part of the shopping center, are not operating. All pre-season bookings have been canceled, whereby the cancellation of bookings for the high season continues to happen and there are no new bookings. The booking has rather stopped, which is why the high season is very questionable and it is questionable to what extent it will be realized. It is very hard to realize the high season to a considerable extent.

However, it is important to emphasize that the Company regularly provides the services of an annual berth for approximately 725 vessels in the nautical port Marina Kornati, that is, runs the business orderly to a large extent, while it runs the business in the Shopping Center to a lesser extent.

According to the foregoing, the volume of the Company's business in terms of operating results will be substantially lower than those achieved in 2019 and forecasted for the fiscal year 2020. At this moment it is impossible to forecast to what extent the volume of business will be reduced.

NOTES

The Company owns all the proper permits to carry out the business activities, such as the decisions on the classification, meeting minimum technical requirements for the operation, water management licenses, etc.

Goran Ražnjević,
President of the Management Board

ILIRIJA dioničko društvo
za ugostiteljstvo i turizam
Biograd na Moru



Annex 1

ISSUER'S GENERAL DATA

Reporting period: 01/01/2020 to 31/03/2020

Year: 2020

Quarter: 1

Quarterly financial statements

Registration number (MB): 03311953 Issuer's home Member State code:

Entity's registration number (MBS):

Osobni identifikacijski broj (OIB): 05951496767 LEI: 74780000VOGH8Q3K5K76

Institution code: 1271

Name of the issuer: ILIRIJA d.d. BIOGRAD NA MORU

Postcode and town: 23210 BIOGRAD NA MORU

Street and house number: TINA UJEVIĆA 7

E-mail address: ilirija@zd.t-com.hr

Web address: www.ilirjabiograd.com

Number of employees (end of the reporting period): 264

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

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

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

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

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

Telephone: 023/383178

E-mail address: zorkas@ilirjabiograd.com

Audit firm: REVICON d.o.o. ZADAR
(name of the audit firm)

Certified auditor: MARTINA MUSTAĆ
(name and surname)

BALANCE SHEET			
balance as at 31/03/2020			
in HRK			
Submitter: ILIRIJA d.d. BIOGRAD NA MORU			
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	443.350.631	453.441.012
I INTANGIBLE ASSETS (ADP 004 to 009)	003	443.679	437.574
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	0	0
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	443.679	437.574
II TANGIBLE ASSETS (ADP 011 to 019)	010	442.868.258	452.964.744
1 Land	011	43.295.283	43.295.283
2 Buildings	012	256.440.644	259.218.606
3 Plant and equipment	013	61.017.161	65.380.668
4 Tools, working inventory and transportation assets	014		
5 Biological assets	015		
6 Advances for the purchase of tangible assets	016	1.542.192	2.357.788
7 Tangible assets in preparation	017	3.186.485	6.169.468
8 Other tangible assets	018		
9 Investment property	019	77.386.493	76.542.931
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	38.694	38.694
1 Investments in holdings (shares) of undertakings within the group	021		
2 Investments in other securities of undertakings within the group	022	38.694	38.694
3 Loans, deposits, etc. to undertakings within the group	023		
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024		
5 Investment in other securities of companies linked by virtue of participating interests	025		
6 Loans, deposits etc. given to companies linked by virtue of participating interests	026		
7 Investments in securities	027		
8 Loans, deposits, etc. given	028		
9 Other investments accounted for using the equity method	029		
10 Other fixed financial assets	030		
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	20.720.124	28.758.755
I INVENTORIES (ADP 039 to 045)	038	2.082.271	1.596.128
1 Raw materials and consumables	039	2.082.271	1.596.128
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	11.139.838	11.515.386
1 Receivables from undertakings within the group	047		
2 Receivables from companies linked by virtue of participating interests	048		
3 Customer receivables	049	5.635.879	5.865.449
4 Receivables from employees and members of the undertaking	050	381.006	898.056
5 Receivables from government and other institutions	051	5.045.418	4.678.167
6 Other receivables	052	77.535	73.714
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	2.719.526	1.093.316
1 Investments in holdings (shares) of undertakings within the group	054		
2 Investments in other securities of undertakings within the group	055		
3 Loans, deposits, etc. to undertakings within the group	056		
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057		
5 Investment in other securities of companies linked by virtue of participating interests	058		
6 Loans, deposits etc. to companies linked by virtue of participating interests	059		
7 Investments in securities	060		
8 Loans, deposits, etc. given	061	2.719.526	1.093.316
9 Other financial assets	062		
IV CASH AT BANK AND IN HAND	063	4.778.489	14.553.925
D) PREPAID EXPENSES AND ACCRUED INCOME	064	1.633.184	
E) TOTAL ASSETS (ADP 001+002+037+064)	065	465.703.939	482.199.767
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	327.310.786	348.328.692
I INITIAL (SUBSCRIBED) CAPITAL	068	229.146.480	229.146.480
II CAPITAL RESERVES	069	2.932.389	2.932.389
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	25.876.276	27.697.949
1 Legal reserves	071	12.477.985	14.677.986
2 Reserves for treasury shares	072	6.975.716	6.975.716
3 Treasury shares and holdings (deductible item)	073	-1.100.104	-1.478.432
4 Statutory reserves	074		
5 Other reserves	075	7.522.679	7.522.679
IV REVALUATION RESERVES	076		
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	66.401.368	86.966.557
1 Retained profit	082	66.401.368	86.966.557
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	2.954.273	1.585.317
1 Profit for the business year	085	2.954.273	1.585.317
2 Loss for the business year	086	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
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	103.545.928	98.445.896

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	0
6 Liabilities to banks and other financial institutions	101	103.545.928	98.445.896
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	30.129.727	32.237.525
1 Liabilities to undertakings within the group	108		
2 Liabilities for loans, deposits, etc. of undertakings within the group	109		
3 Liabilities to companies linked by virtue of participating interests	110		
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111		
5 Liabilities for loans, deposits etc.	112		
6 Liabilities to banks and other financial institutions	113	12.350.184	14.451.823
7 Liabilities for advance payments	114		
8 Liabilities to suppliers	115	10.582.746	13.729.141
9 Liabilities for securities	116		
10 Liabilities to employees	117	2.323.218	1.999.404
11 Taxes, contributions and similar liabilities	118	3.712.084	896.037
12 Liabilities arising from the share in the result	119		
13 Liabilities arising from fixed assets held for sale	120		
14 Other short-term liabilities	121	1.161.495	1.161.120
E) ACCRUALS AND DEFERRED INCOME	122	4.717.498	3.187.654
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	465.703.939	482.199.767
G) OFF-BALANCE SHEET ITEMS	124	0	0

STATEMENT OF PROFIT OR LOSS					
for the period 01/01/2020 to 31/03/2020					
in HRK					
ILIRIJA d.d. BIOGRAD NA MORU					
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	25.330.248	25.330.248	23.598.472	23.598.472
W	126				
2 Income from sales (outside group)	127	25.135.707	25.135.707	23.471.334	23.471.334
3 Income from the use of own products, goods and services	128				
4 Other operating income with undertakings within the group	129				
5 Other operating income (outside the group)	130	194.541	194.541	127.138	127.138
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	21.358.680	21.358.680	21.594.512	21.594.512
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	5.723.909	5.723.909	5.080.559	5.080.559
a) Costs of raw materials and consumables	134	2.478.813	2.478.813	1.828.782	1.828.782
b) Costs of goods sold	135				
c) Other external costs	136	3.245.096	3.245.096	3.251.777	3.251.777
3 Staff costs (ADP 138 to 140)	137	8.003.553	8.003.553	8.037.704	8.037.704
a) Net salaries and wages	138	4.745.055	4.745.055	4.821.490	4.821.490
b) Tax and contributions from salary costs	139	2.121.094	2.121.094	2.073.457	2.073.457
c) Contributions on salaries	140	1.137.404	1.137.404	1.142.757	1.142.757
4 Depreciation	141	3.199.224	3.199.224	3.475.635	3.475.635
5 Other costs	142	3.856.110	3.856.110	3.969.811	3.969.811
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	575.884	575.884	1.030.803	1.030.803
III FINANCIAL INCOME (ADP 155 to 164)	154	13.944	13.944	9.117	9.117
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	0	0
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	0	0	0	0
7 Other interest income	161	0	0	0	0
8 Exchange rate differences and other financial income	162	13.944	13.944	9.117	9.117
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	1.031.239	1.031.239	427.760	427.760
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	1.031.239	1.031.239	427.760	427.760
4 Exchange rate differences and other expenses	169	0	0	0	0
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	0	0	0	0
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	25.344.192	25.344.192	23.607.589	23.607.589
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	22.389.919	22.389.919	22.022.272	22.022.272
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	2.954.273	2.954.273	1.585.317	1.585.317
1 Pre-tax profit (ADP 177-178)	180	2.954.273	2.954.273	1.585.317	1.585.317
2 Pre-tax loss (ADP 178-177)	181	0	0	0	0
XII INCOME TAX	182	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	2.954.273	2.954.273	1.585.317	1.585.317
1 Profit for the period (ADP 179-182)	184	2.954.273	2.954.273	1.585.317	1.585.317
2 Loss for the period (ADP 182-179)	185	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 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	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	0	0	0	0
"II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)"	203	0	0	0	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	0	0	0	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	
8 Other changes in equity unrelated to owners	211	0	0	
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	0	0	
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	0	0	
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	0	0	
1 Attributable to owners of the parent	216	0	0	
2 Attributable to minority (non-controlling) interest	217	0	0	

STATEMENT OF CASH FLOWS - indirect method				
for the period 01/01/2020 to 31/03/2020				
in HRK				
Submitter: ILIRIJA d.d. BIOGRAD NA MORU				
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	2.954.273	1.585.317	
2 Adjustments (ADP 003 to 010):	002	3.199.224	3.475.635	
a) Depreciation	003	3.199.224	3.475.635	
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	0	0	
e) Interest expenses	007	0	0	
f) Provisions	008	0	0	
g) Exchange rate differences (unrealised)	009	0	0	
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	6.153.497	5.060.952	
3 Changes in the working capital (ADP 013 to 016)	012	5.846.209	-688.549	
a) Increase or decrease in short-term liabilities	013	8.471.914	-577.954	
b) Increase or decrease in short-term receivables	014	720.085	375.548	
c) Increase or decrease in inventories	015	131.690	-486.143	
d) Other increase or decrease in working capital	016	-3.477.480		
II Cash from operations (ADP 011+012)	017	11.999.706	4.372.403	
4 Interest paid	018	0	0	
5 Income tax paid	019	0	0	
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	11.999.706	4.372.403	
Cash flow from investment activities				
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0	
2 Cash receipts from sales of financial instruments	022	0	0	
3 Interest received	023	0	0	
4 Dividends received	024	0	0	
5 Cash receipts from repayment of loans and deposits	025	0	0	
6 Other cash receipts from investment activities	026	0	0	
III Total cash receipts from investment activities (ADP 021 to 026)	027	0	0	
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-2.584.795	-1.062.384	
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	-2.584.795	-1.062.384	
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-2.584.795	-1.062.384	
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		2.113.546	
4 Other cash receipts from financing activities	038	0	0	
V Total cash receipts from financing activities (ADP 035 to 038)	039	0	2.113.546	
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-2.920.020	-5.266.646	
2 Cash payments for dividends	041			
3 Cash payments for finance lease	042	-2.018.603	-843.297	
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043			

5 Other cash payments from financing activities	044		
VI Total cash payments from financing activities (ADP 040 to 044)	045	-4.938.623	-6.109.943
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-4.938.623	-3.996.397
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	4.476.288	-686.378
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	219.993	15.240.303
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)	050	4.696.281	14.553.925

STATEMENT OF CASH FLOWS - indirect method				
for the period 01/01/2020 to 31/03/2020 in HRK				
Submitter: ILIRIJA d.d. BIOGRAD NA MORU				
Item	ADP code	Same period of the previous year	Current period	
1	2	3	4	
CASH FLOW FROM OPERATING ACTIVITIES				
1 Cash receipts from customers	001	0	0	
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	0	
3 Cash receipts from insurance premiums	003	0	0	
4 Cash receipts from tax refund	004	0	0	
5 Cash payments to suppliers	005	0	0	
6 Cash payments to employees	006	0	0	
7 Cash payments for insurance premiums	007	0	0	
8 Other cash receipts and payments	008	0	0	
I Cash from operations (ADP 001 to 008)	009	0	0	
9 Interest paid	010	0	0	
10 Income tax paid	011	0	0	
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 009 to 011)	012	0	0	
Cash flow from investment activities				
1 Cash receipts from sales of fixed tangible and intangible assets	013	0	0	
2 Cash receipts from sales of financial instruments	014	0	0	
3 Interest received	015	0	0	
4 Dividends received	016	0	0	
5 Cash receipts from repayment of loans and deposits	017	0	0	
6 Other cash receipts from investment activities	018	0	0	
II Total cash receipts from investment activities (ADP 013 to 018)	019	0	0	
1 Cash payments for the purchase of fixed tangible and intangible assets	020	0	0	
2 Cash payments for the acquisition of financial instruments	021	0	0	
3 Cash payments for loans and deposits	022	0	0	
4 Acquisition of a subsidiary, net of cash acquired	023	0	0	
5 Other cash payments from investment activities	024	0	0	
III Total cash payments from investment activities (ADP 020 to 024)	025	0	0	
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 019 + 025)	026	0	0	
Cash flow from financing activities				
1 Cash receipts from the increase of initial (subscribed) capital	027	0	0	
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	028	0	0	
3 Cash receipts from credit principals, loans and other borrowings	029	0	0	
4 Other cash receipts from financing activities	030	0	0	
IV Total cash receipts from financing activities (ADP 027 to 030)	031	0	0	
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	032	0	0	
2 Cash payments for dividends	033	0	0	
3 Cash payments for finance lease	034	0	0	
4 Cash payments for the redemption of treasury shares and decrease of initial (subscribed) capital	035	0	0	
5 Other cash payments from financing activities	036	0	0	
V Total cash payments from financing activities (ADP 032 to 036)	037	0	0	
C) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 031 + 037)	038	0	0	
1 UNREALISED EXCHANGE RATE DIFFERENCES IN CASH AND CASH EQUIVALENTS	039	0	0	
D) NET INCREASE OR DECREASE OF CASH FLOWS (ADP 012+026+038+039)	040	0	0	
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	041	0	0	
F) CASH AND CASH EQUIVALENTS AT THE END OF PERIOD(ADP 040+041)	042	0	0	

STATEMENT OF CHANGES IN EQUITY																		
for the period from 01/01/2020 to 31/03/2020																	in HRK	
Item	ADP code	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Attributable to owners of the parent				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	Minority (non-controlling) interest	Total capital and reserves
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	229.146.480	2.932.389	12.477.985	6.975.716	1.100.104	0	7.522.679	0	0	0	0	66.401.368	0	324.356.513	0	324.356.513	
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	229.146.480	2.932.389	12.477.985	6.975.716	1.100.104	0	7.522.679	0	0	0	0	66.401.368	0	324.356.513	0	324.356.513	
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	2.954.273	2.954.273	0	2.954.273	
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	229.146.480	2.932.389	12.477.985	6.975.716	1.100.104	0	7.522.679	0	0	0	0	66.401.368	2.954.273	327.310.786	0	327.310.786	
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	2.954.273	2.954.273	0	2.954.273	

ILIRIJA d.d.

BIOGRAD NA MORU

Biograd na Moru, 28/04/2020

Statement made by the persons responsible for the preparation of the financial statements for the period from 01/01/2020–31/03/2020

According to Article 403-410 of the Capital Market Act, we declare that:

Financial statements of Ilirija d.d., Biograd na Moru, Tina Ujevića 7, Tax No. OIB: 05951496767, for the period January - March of 2020 have been prepared in accordance with International Financial Reporting Standards and Croatian Accounting Act.

The financial statements give a true and fair view of the financial position of the Company as at 31/03/2020, operating results and cash flows of the Company in accordance with International Financial Reporting Standards.

The Management's Report gives a true overview of operating results and position of the Company as at 31/03/2020.

Accounting Manager:

Zorka Strpić



Management Board:

Goran Ražnjević



ILIRIJA dioničko društvo
za ugostiteljstvo i turizam
Biograd na Moru



ILIRIJA D.D.

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