

Annual financial report of entrepreneur - GFI-POD

Registration number (MB) 04440889

Identification number of subject (MBS) 040352133

Personal identification number (OIB) 82344583628

Issuer company: FTB TURIZAM d.d.

Postal code and place 10000 Zagreb

Street and number Miramarska 24

E-mail address: contact@remisens

Internet address: www.remisens.com

Code and name of comune/town 133 Zagreb

Code and county name 21 GRAD ZAGREB

Number of employees 131

(at quarter end)

Consolidated statement YES

NKD/NWC code: 5510

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

Subsidiary name	Registration number
HOTELI CAVTAT d.d.	CAVTAT 91951159924
HOTELI METROPOL d.o.o.	PORTOROŽ 6767648000
REMISENS HOTEL GROUP d.d.	ZAGREB 48407935600

Book keeping service:

Contact person: Kamenar Biserka
(authorised person for representation)

Phone number: 051 710-395

Fascimile: 051 710-404

E-mail address: biserka.kamenar@remisens.com

Surname and name: Šehanović Igor

(authorised person for representation)

Disclosure documents:

1. Audited annual financial statements
2. Report of the Management Board on position of the Company
3. Statement of responsible persons for preparation of financial statements
4. The decision of the competent authority (the proposal) about the development of the annual financial statements
5. Decision on the allocation of profits or covering of loss

M.P.

(signed by authorised person for representation)

FTB TURIZAM d.d.
Zagreb 1

BALANCE SHEET
as at 31.12.2016.

Obligator: FTB TURIZAM d.d. ZAGREB			
Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+029+033)	002	376.684.596	369.898.025
I. INTANGIBLE ASSETS (004 to 009)	003	6.427.677	6.726.662
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and	005	1.699.352	1.998.965
3. Goodwill	006	4.708.325	4.707.697
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009	20.000	20.000
II. TANGIBLE ASSETS (011 to 019)	010	369.176.415	362.239.591
1. Land	011	98.930.225	99.562.385
2. Buildings	012	254.817.053	215.761.735
3. Plant and equipment	013	647.762	6.456.165
4. Tools, facility inventory and transport assets	014	11.756.946	8.400.218
5. Biological assets	015		
6. Prepayments for tangible assets	016	388.736	186.575
7. Tangible assets in progress	017	2.615.041	26.192.939
8. Other tangible assets	018	20.652	
9. Investments in buildings	019		5.679.574
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	270.522	144.156
1. Investments (shares) with related parties	021		
2. Loans given to related parties	022		
3. Participating interest (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025	270.522	144.156
6. Loans, deposits and similar assets	026		
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033	809.982	787.616
C) SHORT TERM ASSETS (035+043+050+058)	034	48.877.805	50.572.047
I. INVENTORIES (036 to 042)	035	1.755.299	1.655.079
1. Raw-material and supplies	036	1.538.144	1.349.259
2. Work in progress	037		
3. Finished goods	038		
4. Merchandise	039	19.076	26.007
5. Prepayments for inventories	040		279.813
6. Long - term assets held for sales	041	198.079	
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	5.062.544	6.547.348
1. Receivables from related parties	044		
2. Accounts receivable	045	3.584.225	5.026.772
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	264.528	345.842
5. Receivables from government and other institutions	048	923.199	1.051.336
6. Other receivables	049	290.592	123.398
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	0	0
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052		
3. Participating interests (shares)	053		
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056		
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	42.059.962	42.369.620
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	59.091	
E) TOTAL ASSETS (001+002+034+059)	060	425.621.492	420.470.072
F) OFF-BALANCE RECORDS	061		

Obligator: FTB TURIZAM d.d. ZAGREB			
Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	233.866.249	237.647.971
I. SUBSCRIBED CAPITAL	063	202.769.470	202.769.470
II. CAPITAL RESERVES	064		
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	37.480.411	37.482.384
1. Reserves prescribed by law	066		1.973
2. Reserves for treasury shares	067		
3. Treasury stocks and shares (deduction)	068		
4. Statutory reserves	069		
5. Other reserves	070	37.480.411	37.480.411
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	0	-15.104.060
1. Retained earnings	073		
2. Accumulated loss	074		15.104.060
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-16.987.484	11.926.588
1. Profit for the current year	076		11.926.588
2. Loss for the current year	077	16.987.484	
IX. MINORITY INTERESTS	078	10.603.852	573.589
B) PROVISIONS (080 to 082)	079	16.498.022	15.144.499
1. Provisions for pensions, severance pay, and similar liabilities	080	114.303	1.941.574
2. Reserves for tax liabilities	081		
3. Other reserves	082	16.383.719	13.202.925
C) LONG - TERM LIABILITIES (084 to 092)	083	152.137.949	133.570.889
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	136.285.589	119.035.145
4. Liabilities for received prepayments	087		
5. Accounts payable	088		
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090		
8. Other long-term liabilities	091		
9. Deferred tax liability	092	15.852.360	14.535.744
D) SHORT - TERM LIABILITIES (094 to 105)	093	23.119.272	33.422.471
1. Liabilities to related parties	094		
2. Liabilities for loans, deposits etc.	095		6.023.698
3. Liabilities to banks and other financial institutions	096	16.033.599	15.871.352
4. Liabilities for received prepayments	097	2.382.241	1.969.960
5. Accounts payable	098	1.053.518	6.641.689
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	1.383.893	1.807.643
9. Liabilities for taxes, contributions and similar fees	102	1.286.488	990.610
10. Liabilities to share - holders	103		
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	979.533	117.519
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO	106		684.242
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	425.621.492	420.470.072
G) OFF-BALANCE RECORDS	108		
APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)			
CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109	223.262.397	237.074.382
2. Attributed to minority interest	110	10.603.852	573.589

PROFIT AND LOSS ACCOUNT
for the period 01.01.2016. to 31.12.2016.

Obligator: FTB TURIZAM d.d. ZAGREB			
Item	AOP code	Last year 02/10 - 31/12/2015	Current year
1	2	3	4
I. OPERATING REVENUE (112+113)	111	13.085.866	148.800.848
1. Sales revenue	112	12.988.101	144.030.031
2. Other operating revenues	113	97.765	4.770.817
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	32.974.268	128.648.143
1. Changes in value of work in progress and finished products	115		
2. Material costs (117 to 119)	116	6.476.827	41.203.336
a) Raw material and material costs	117	3.919.128	17.372.047
b) Costs of goods sold	118	648	3.448
c) Other external costs	119	2.557.051	23.827.841
3. Staff costs (121 to 123)	120	7.411.197	30.654.185
a) Net salaries and wages	121	3.047.202	16.884.369
b) Cost for taxes and contributions from salaries	122	1.653.438	9.497.458
c) Contributions on gross salaries	123	2.710.557	4.272.358
4. Depreciation	124	10.551.923	38.961.678
5. Other costs	125	3.636.026	16.333.418
6. Impairment (127+128)	126	0	1.021.767
a) Impairment of long-term assets (financial assets excluded)	127		941.243
b) Impairment of short - term assets (financial assets excluded)	128		80.524
7. Provisions	129	1.266.696	473.759
8. Other operating costs	130	3.631.599	
III. FINANCIAL INCOME (132 to 136)	131	4.999.161	2.100.121
1. Interest income, foreign exchange gains, dividends and similar income from related	132		
2. Interest income, foreign exchange gains, dividends and similar income from non -	133	4.999.161	2.100.121
3. Share in income from affiliated entrepreneurs and participating interests	134		
4. Unrealized gains (income) from financial assets	135		
5. Other financial income	136		
IV. FINANCIAL EXPENSES (138 do 141)	137	4.760.963	6.802.481
1. Interest expenses, foreign exchange losses, dividends and similar expenses from	138		
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139	4.760.963	6.802.481
3. Unrealized losses (expenses) on financial assets	140		
4. Other financial expenses	141		
V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142		
VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143		
VII. EXTRAORDINARY - OTHER INCOME	144		
VIII. EXTRAORDINARY - OTHER EXPENSES	145		
IX. TOTAL INCOME (111+131+142 + 144)	146	18.085.027	150.900.969
X. TOTAL EXPENSES (114+137+143 + 145)	147	37.735.231	135.450.624
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-19.650.204	15.450.345
1. Profit before taxation (146-147)	149	0	15.450.345
2. Loss before taxation (147-146)	150	19.650.204	0
XII. PROFIT TAX	151	-2.273.724	3.523.757
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-17.376.480	11.926.588
1. Profit for the period (149-151)	153	0	11.926.588
2. Loss for the period (151-148)	154	17.376.480	0
APPENDIX to P&L account (to be filled in by entrepreneur that prepares consolidated financial report)			
XIV. PROFIT OR LOSS FOR THE PERIOD			
1. Attributed to equity holders of parent company	155	-16.987.485	11.852.999
2. Attributed to minority interest	156	-388.995	73.589
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)			
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-17.376.480	11.926.588
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)	158		0
1. Exchange differences on translation of foreign operations	159		
2. Movements in revaluation reserves of long - term tangible and intangible assets	160		
3. Profit or loss from reevaluation of financial assets available for sale	161		
4. Gains or losses on efficient cash flow hedging	162		
5. Gains or losses on efficient hedge of a net investment in foreign countries	163		
6. Share in other comprehensive income / loss of associated companies	164		
7. Actuarial gains / losses on defined benefit plans	165		
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166		
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167		0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	-17.376.480	11.926.588
APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial			
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD			
1. Attributed to equity holders of parent company	169		
2. Attributed to minority interest	170		

STATEMENT OF CASH FLOWS - INDIRECT METHOD
for the period 01.01.2016. to 31.12.2016.

Obligator: FTB TURIZAM d.d. ZAGREB			
Item	AOP code	Last year 02/10 - 31/12/2015	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-19.650.204	15.450.345
2. Depreciation	002	10.551.923	38.961.678
3. Increase in short term liabilities	003		4.470.489
4. Decrease in short term receivables	004	24.724.215	
5. Decrease in inventories	005	761.218	214.615
6. Other increase in cash flow	006	1.919.210	0
I. Total increase in cash flow from operating activities (001 to 006)	007	18.306.362	59.097.127
1. Decrease in short term liabilities	008	13.323.215	
2. Increase in short term receivables	009		1.137.897
3. Increase in inventories	010		
4. Other decrease in cash flow	011	1.714.312	8.404.726
II. Total decrease in cash flow from operating activities (008 to 011)	012	15.037.527	9.542.623
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES (007-	013	3.268.835	49.554.504
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES	014	0	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015		215.906
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017		562.990
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019		
III. Total cash inflows from investing activities (015 to 019)	020	0	778.896
1. Cash outflow for purchase of long-term tangible and intangible assets	021	2.557.073	33.445.565
2. Cash outflow for acquisition of equity and debt financial instruments	022	271.121	0
3. Other cash outflow for investing activities	023		6.818.848
IV. Total cash outflow for investing activities (021 do 023)	024	2.828.194	40.264.413
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-	025	0	0
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES (024-	026	2.828.194	39.485.517
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028		6.023.698
3. Other proceeds from financial activities	029		
V. Total cash inflows from financial activities (027 to 029)	030	0	6.023.698
1. Cash outflow for repayment of credit principal and bonds	031		15.783.027
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033		
4. Cash outflow for purchase of treasury shares	034		
5. Other cash outflow for financial activities	035		
VI. Total cash outflow for financial activities (031 to 035)	036	0	15.783.027
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-	037	0	0
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-	038	0	9.759.329
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	440.641	309.658
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	0
Cash and cash equivalents at the beginning of the period	041	41.619.051	42.059.962
Increase of cash and cash equivalents	042	440.641	309.658
Decrease of cash and cash equivalents	043	0	0
Cash and cash equivalents at the end of the period	044	42.059.692	42.369.620

STATEMENT OF CHANGES IN EQUITY
for the period 1.1.2016 do 31.12.2016

Item	AOP code	Last year	Current year
1	2	3	4
1. Subscribed capital	001	202.769.470	202.769.470
2. Capital reserves	002		
3. Reserves from profit	003	37.480.411	37.482.384
4. Retained earnings or accumulated loss	004		-15.104.060
5. Profit or loss for the current year	005	-16.987.484	11.926.588
6. Revaluation of long - term tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009	10.603.852	573.589
10. Total capital and reserves (AOP 001 do 009)	010	233.866.249	237.647.971
11. Currency gains and losses arising from net investement in foreign operations	011		
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policy	014		
15. Correction of significant errors in prior period	015		
16. Other changes of capital	016		
17. Total increase or decrease in capital (AOP 011 do 016)	017	0	0
17 a. Attributed to equity holders of parent company	018	223.262.397	237.074.382
17 b. Attributed to minority interest	019	10.603.852	573.589

**Analysis of the consolidated operating results of FTB TURIZAM Group
Hoteli Cavtat d.d., Hoteli Metropol d.o.o., Remisens Hotel Group d.o.o.
and FTB TURIZAM d.d. for the period January-December 2016**

The operating results of FTB TURIZAM Group for the period January-December 2016 show that the Group is achieving its primary objectives.

This year's results of the Group cannot be compared with the results of the previous year because the FTB TURIZAM d.d. company was established on 02/10/2015, when it became the parent company of the Group which includes Hoteli Cavtat d.d., Hoteli Metropol d.o.o. and Remisens Hotel Group d.o.o. companies. Following this, the items in this report for the previous year refer to the period from 02/10 to 31/12/2015.

In 2016, FTB TURIZAM Group had consolidated profit before taxes in the amount of 15.5 million kn, and its income tax liability was 3.5 million kn.

The consolidated operating results for the year 2016 show that companies within the Group (Hoteli Cavtat d.d. and Hoteli Metropol d.o.o.) had c. 5% more overnight stays compared to the previous year. Their operating income increased by c. 9% and their GOP (gross operating profit) increased by c. 22% compared to the previous year.

Consolidated EBITDA (gross profit + amortisation + interests) was 60.3 million kn.

The liquidity and solvency ratios and debt to equity and cash flow ratios are strong.

Member of the Management Board

Igor Šehanović

FTB TURIZAM d.d.
Zagreb 1

FTB TURIZAM d.d.

FTB TURIZAM d.d.
A Miramarska 24, 10000 Zagreb, Croatia
T + 385 051 710 313
F + 385 051 710 406
E info@ftb-turizam.com
W www.ftb-turizam.com

Zagreb, 09/02/2017

Statement of persons responsible for the preparation of the reports

Pursuant to Article 407 Paragraph 2 of the Capital Market Act (Official Gazette Nos. 88/08 and 146/08), I declare that to the best of our knowledge the financial reports of the company FTB TURIZAM d.d. Zagreb have been prepared in accordance with International Financial Reporting Standards and the Croatian Accounting Act and that they provide a true and fair view of the assets and liabilities, profit and loss and financial operations of the Company and the Company included in the consolidation as a whole for the period from 1 January to 31 December 2016.

Ph.D. Igor Šehanović,
Member of the Management Board



FTB TURIZAM d.d.
Zagreb 1