

**Annual financial report of entrepreneur - GFI-POD**

Registration number (MB)

Identification number of subject (MBS)

Personal identification number (OIB)

Issuer company:

Postal code and place

Street and number

E-mail address:

Internet address:

Code and name of comune/town

Code and county name   Number of employees  (at quarter end)

Consolidated statement  NKD/NWC code:

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

Subsidiaries subject to consolidation (according to IFRS):	Registration number:

Book keeping service:

Contact person:  (authorised person for representation)

Phone number:  Fascimile:

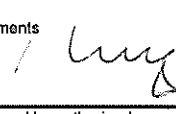
E-mail address:

Surname and name  (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.

<b>Obligator: FTB TURIZAM d.d. ZAGREB</b>			
Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL</b>	<b>001</b>		
<b>B) LONG-TERM ASSETS (003+010+020+029+033)</b>	<b>002</b>	180.742.877	188.962.189
I. INTANGIBLE ASSETS (004 to 009)	<b>003</b>	0	0
1. Assets development	<b>004</b>		
2. Concessions, patents, licences fees, trade and service marks, software and	<b>005</b>		
3. Goodwill	<b>006</b>		
4. Prepayments for purchase of intangible assets	<b>007</b>		
5. Intangible assets in preparation	<b>008</b>		
6. Other intangible assets	<b>009</b>		
II. TANGIBLE ASSETS (011 to 019)	<b>010</b>	0	0
1. Land	<b>011</b>		
2. Buildings	<b>012</b>		
3. Plant and equipment	<b>013</b>		
4. Tools, facility inventory and transport assets	<b>014</b>		
5. Biological assets	<b>015</b>		
6. Prepayments for tangible assets	<b>016</b>		
7. Tangible assets in progress	<b>017</b>		
8. Other tangible assets	<b>018</b>		
9. Investments in buildings	<b>019</b>		
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	<b>020</b>	180.742.877	188.962.189
1. Investments (shares) with related parties	<b>021</b>	180.742.877	188.962.189
2. Loans given to related parties	<b>022</b>		
3. Participating interest (shares)	<b>023</b>		
4. Loans to entrepreneurs in whom the entity holds participating interests	<b>024</b>		
5. Investments in securities	<b>025</b>		
6. Loans, deposits and similar assets	<b>026</b>		
7. Other long - term financial assets	<b>027</b>		
8. Investments accounted by equity method	<b>028</b>		
IV. RECEIVABLES (030 to 032)	<b>029</b>	0	0
1. Receivables from related parties	<b>030</b>		
2. Receivables from based on trade loans	<b>031</b>		
3. Other receivables	<b>032</b>		
V. DEFERRED TAX ASSETS	<b>033</b>		
<b>C) SHORT TERM ASSETS (035+043+050+058)</b>	<b>034</b>	22.132.585	13.900.610
I. INVENTORIES (036 to 042)	<b>035</b>	0	0
1. Raw-material and supplies	<b>036</b>		
2. Work in progress	<b>037</b>		
3. Finished goods	<b>038</b>		
4. Merchandise	<b>039</b>		
5. Prepayments for inventories	<b>040</b>		
6. Long - term assets held for sales	<b>041</b>		
7. Biological assets	<b>042</b>		
II. RECEIVABLES (044 to 049)	<b>043</b>	0	12.247.819
1. Receivables from related parties	<b>044</b>		12.226.353
2. Accounts receivable	<b>045</b>		
3. Receivables from participating parties	<b>046</b>		
4. Receivables from employees and members of related parties	<b>047</b>		
5. Receivables from government and other institutions	<b>048</b>		21.466
6. Other receivables	<b>049</b>		
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	<b>050</b>	0	0
1. Shares (stocks) in related parties	<b>051</b>		
2. Loans given to related parties	<b>052</b>		
3. Participating interests (shares)	<b>053</b>		
4. Loans to entrepreneurs in whom the entity holds participating interests	<b>054</b>		
5. Investments in securities	<b>055</b>		
6. Loans, deposits, etc.	<b>056</b>		
7. Other financial assets	<b>057</b>		
IV. CASH AT BANK AND IN CASHIER	<b>058</b>	22.132.585	1.652.791
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>		
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	202.875.462	202.862.799
<b>F) OFF-BALANCE RECORDS</b>	<b>061</b>		

<b>Obligator: FTB TURIZAM d.d. ZAGREB</b>			
<b>Item</b>	<b>AOP code</b>	<b>Last year (net)</b>	<b>Current year (net)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	202.808.920	202.828.256
I. SUBSCRIBED CAPITAL	<b>063</b>	202.769.470	202.769.470
II. CAPITAL RESERVES	<b>064</b>		
III. RESERVES FROM PROFIT (066+067-068+069+070)	<b>065</b>	0	1.972
1. Reserves prescribed by law	<b>066</b>		1.972
2. Reserves for treasury shares	<b>067</b>		
3. Treasury stocks and shares (deduction)	<b>068</b>		
4. Statutory reserves	<b>069</b>		
5. Other reserves	<b>070</b>		
IV. REVALUATION RESERVES	<b>071</b>		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	<b>072</b>	0	37.478
1. Retained earnings	<b>073</b>		37.478
2. Accumulated loss	<b>074</b>		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	<b>075</b>	39.450	19.336
1. Profit for the current year	<b>076</b>	39.450	19.336
2. Loss for the current year	<b>077</b>		
IX. MINORITY INTERESTS	<b>078</b>		
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	0	0
1. Provisions for pensions, severance pay, and similar liabilities	<b>080</b>		
2. Reserves for tax liabilities	<b>081</b>		
3. Other reserves	<b>082</b>		
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	0	0
1. Liabilities to related parties	<b>084</b>		
2. Liabilities for loans, deposits etc.	<b>085</b>		
3. Liabilities to banks and other financial institutions	<b>086</b>		
4. Liabilities for received prepayments	<b>087</b>		
5. Accounts payable	<b>088</b>		
6. Liabilities arising from debt securities	<b>089</b>		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>090</b>		
8. Other long-term liabilities	<b>091</b>		
9. Deferred tax liability	<b>092</b>		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	66.542	34.543
1. Liabilities to related parties	<b>094</b>		
2. Liabilities for loans, deposits etc.	<b>095</b>		
3. Liabilities to banks and other financial institutions	<b>096</b>		
4. Liabilities for received prepayments	<b>097</b>		
5. Accounts payable	<b>098</b>	56.679	33.580
6. Liabilities arising from debt securities	<b>099</b>		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>100</b>		
8. Liabilities to employees	<b>101</b>		
9. Liabilities for taxes, contributions and similar fees	<b>102</b>	9.863	
10. Liabilities to share - holders	<b>103</b>		
11. Liabilities for long-term assets held for sale	<b>104</b>		
12. Other short - term liabilities	<b>105</b>		963
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO</b>	<b>106</b>		
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	202.875.462	202.862.799
<b>G) OFF-BALANCE RECORDS</b>	<b>108</b>		
<b>APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)</b>			
<b>CAPITAL AND RESERVES</b>			
1. Attributed to equity holders of parent company	<b>109</b>	0	0
2. Attributed to minority interest	<b>110</b>		

**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	Current year	
1	2	3	4	
<b>I. OPERATING REVENUE (112+113)</b>	<b>111</b>	0	24.141	
1. Sales revenue	112			
2. Other operating revenues	113		24.141	
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	72.477	680.452	
1. Changes in value of work in progress and finished products	115			
2. Material costs (117 to 119)	116	18.329	283.941	
a) Raw material and material costs	117			
b) Costs of goods sold	118			
c) Other external costs	119	18.329	283.941	
3. Staff costs (121 to 123)	120	0	0	
a) Net salaries and wages	121			
b) Cost for taxes and contributions from salaries	122			
c) Contributions on gross salaries	123			
4. Depreciation	124			
5. Other costs	125	54.148	396.511	
6. Impairment (127+128)	126	0	0	
a) Impairment of long-term assets (financial assets excluded)	127			
b) Impairment of short - term assets (financial assets excluded)	128			
7. Provisions	129			
8. Other operating costs	130			
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	121.790	680.864	
1. Interest income, foreign exchange gains, dividends and similar income from related	132		502.062	
2. Interest income, foreign exchange gains, dividends and similar income from non -	133	121.790	178.802	
3. Share in income from affiliated entrepreneurs and participating interests	134			
4. Unrealized gains (income) from financial assets	135			
5. Other financial income	136			
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	0	383	
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138		383	
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139			
3. Unrealized losses (expenses) on financial assets	140			
4. Other financial expenses	141			
<b>V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	<b>142</b>			
<b>VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	<b>143</b>			
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>			
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>			
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	<b>146</b>	121.790	705.005	
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	72.477	680.835	
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	49.313	24.170	
1. Profit before taxation (146-147)	149	49.313	24.170	
2. Loss before taxation (147-146)	150	0	0	
<b>XII. PROFIT TAX</b>	<b>151</b>	9.863	4.834	
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	39.450	19.336	
1. Profit for the period (149-151)	153	39.450	19.336	
2. Loss for the period (151-148)	154	0	0	
<b>APPENDIX to P&amp;L account (to be filled in by entrepreneur that prepares consolidated financial report)</b>				
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>				
1. Attributed to equity holders of parent company	155			
2. Attributed to minority interest	156			
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)</b>				
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	39.450	19.336	
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)</b>	<b>158</b>		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			
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>			
<b>IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)</b>	<b>167</b>		0	
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	39.450	19.336	
<b>APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial</b>				
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>				
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	Current year
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	263.092	16.995.532
2. Depreciation	002	97.368.243	98.420.160
3. Increase in short term liabilities	003		
4. Decrease in short term receivables	004		
5. Decrease in inventories	005		
6. Other increase in cash flow	006		
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	97.631.335	115.415.692
1. Decrease in short term liabilities	008	3.582.560	7.122.561
2. Increase in short term receivables	009	1.484.459	1.987.866
3. Increase in inventories	010	331.483	668.379
4. Other decrease in cash flow	011	13.776.679	12.102.371
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	19.175.181	21.881.177
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES (007-</b>	<b>013</b>	78.456.154	93.534.515
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	0	0
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	015	18.188.368	11.731.223
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	1.520.113	1.240.453
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019		
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	19.708.481	12.971.676
1. Cash outflow for purchase of long-term tangible and intangible assets	021	39.678.251	106.911.826
2. Cash outflow for acquisition of equity and debt financial instruments	022	6.685.000	
3. Other cash outflow for investing activities	023	22.027.230	
<b>IV. Total cash outflow for investing activities (021 do 023)</b>	<b>024</b>	68.390.481	106.911.826
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-</b>	<b>025</b>	0	0
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES (024-</b>	<b>026</b>	48.682.000	93.940.150
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028		
3. Other proceeds from financial activities	029		
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	0	0
1. Cash outflow for repayment of credit principal and bonds	031	31.417.369	19.721.019
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		
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	31.417.369	19.721.019
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-</b>	<b>037</b>	0	0
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-</b>	<b>038</b>	31.417.369	19.721.019
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	<b>039</b>	0	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	<b>040</b>	1.643.215	20.126.654
Cash and cash equivalents at the beginning of the period	<b>041</b>	84.158.207	82.514.992
Increase of cash and cash equivalents	<b>042</b>	0	0
Decrease of cash and cash equivalents	<b>043</b>	1.643.215	20.126.654
Cash and cash equivalents at the end of the period	<b>044</b>	82.514.992	62.388.338

**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		1.972
4. Retained earnings or accumulated loss	004		37.478
5. Profit or loss for the current year	005	39.450	19.336
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		
<b>10. Total capital and reserves (AOP 001 do 009)</b>	<b>010</b>	202.808.920	202.828.256
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		
<b>17. Total increase or decrease in capital (AOP 011 do 016)</b>	<b>017</b>	0	0
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

**Management Board Report on the state of FTB TURIZAM d.d. for the period  
January-December 2016**

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

In 2016, FTB TURIZAM d.d. had profit before taxes in the amount of 24,000 kn, which is an decrease of 25,000 kn compared to the 2015 profit of 49,000 kn. In 2016, the Company's income tax liability was 5,000 kn.

EBITDA (gross profit + amortisation + interests) was 24,000 kn, while in the previous year it was 49,000 kn.

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

Member of the Management Board

Dr. Sc. Igor Šehanović



FTB TURIZAM d.d.  
Zagreb 1

# FTB TURIZAM d.d.

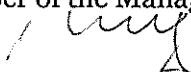
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Zagreb, 09/02/2017

## 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 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