

**Sunce hoteli d.d.**

**Financial Results**  
**for the period January – June 2021**  
**unconsolidated (unaudited)**

Zagreb, 30<sup>th</sup> July 2021

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## **1. GENERAL INFORMATION**

### **Name**

The Company name is SUNCE HOTELI d.d. za turizam i ugostiteljstvo, turistička agencija company registration number (MBS): 080502040, personal identification number (OIB): 06916431329. The Company`s short name is SUNCE HOTELI d.d.

### **Registered office and legal form**

SUNCE HOTELI d.d is joint stock company with registered office in Zagreb, Trpinjska 9, Republic of Croatia, telephone number: + 385 1 3844 044.

### **Share capital and company shares**

The Company`s share capital as of 30<sup>th</sup> of July 2021 amounts to HRK 595.458.500,00 and is divided into 5.954.585 ordinary registered shares, each in the nominal amount of HRK 100,0. The Company`s shares are recorded in a book-entry form in the accounts of book-entry securities in the computer system of the Central Depository and Clearing Company Inc. in accordance with special regulations under the ticker SUKC-R-A and ISIN HRSUKCRA0001. The number of treasury shares as of 30<sup>th</sup> of July 2021 is 1.163.

### **Members of Management Board:**

- Hrvoje Veselko, President of the Management Board
- Ivan Potkrajčić, Member of the Management Board

### **Supervisory Board:**

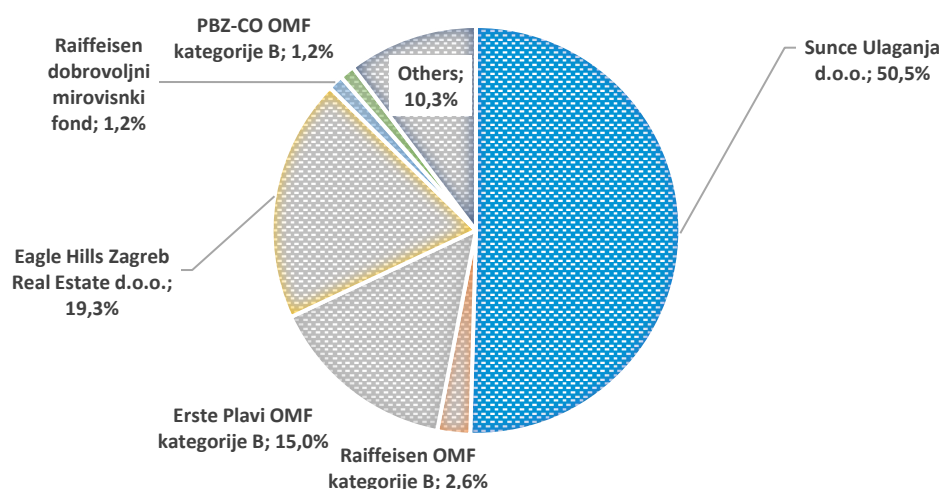
- Mohamed Ali Rashed Alabbar
- Ping Low
- Frederick William Howdon Durie
- Ratomir Ivičić

### **Audit Committee:**

- Ivan Augustin, President of the Audit Committee
- Sanja Gagulić, Member of the Audit Committee
- Ružica Andabak, Member of the Audit Committee

## 2. ORGANIZATIONAL AND SHAREHOLDER STRUCTURE

### Major Shareholders of the Company (30<sup>th</sup> of July 2021):



Source: Central Depository & Clearing Company Inc

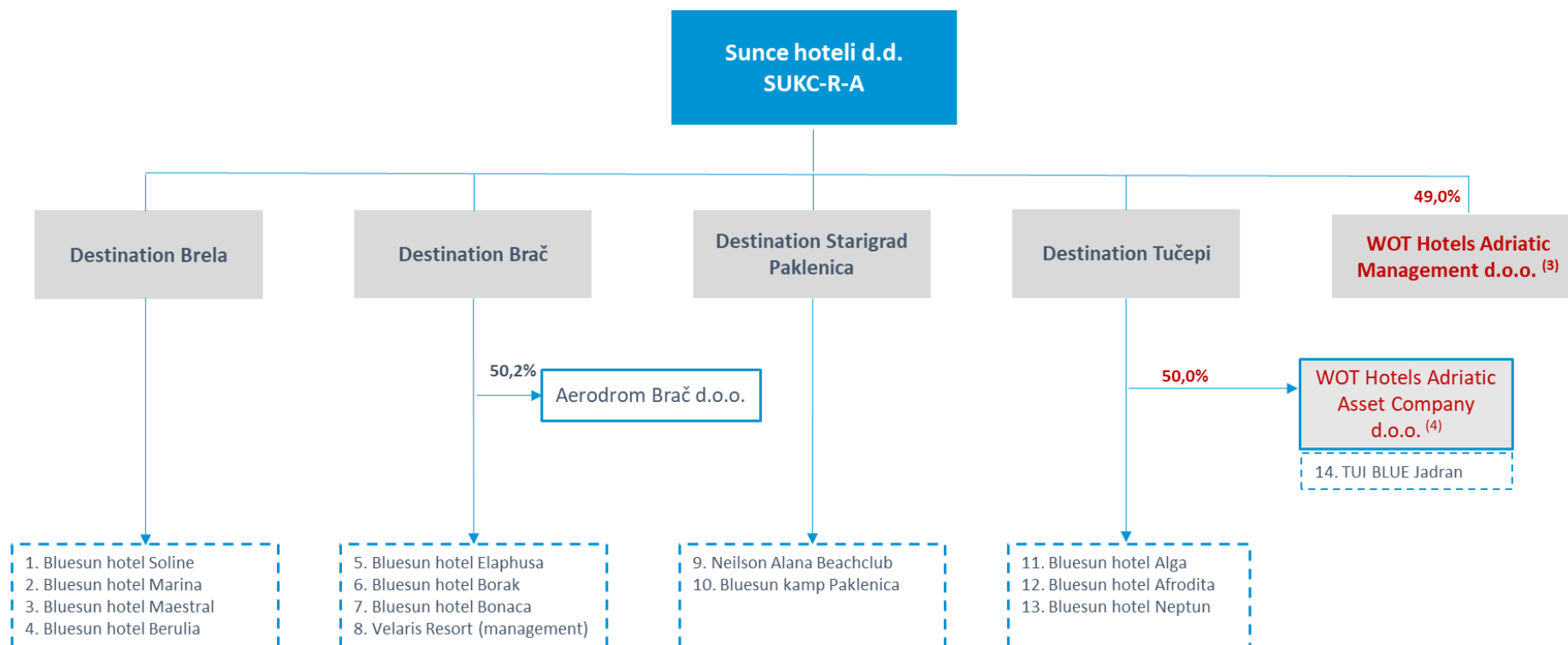
### The Company has following subsidiaries and other holdings:

Subsidiaries:	HQ:	Business:	Ownership:
Aerodrom Brač d.o.o.	Supetar	Airport	50,18%
Sunce Vital d.o.o.	Zagreb	Healthcare	100,00%
Zlatni rat Poljoprivreda d.o.o.*	Bol	Agriculture	100,00%
Zlatni rat Servisi d.o.o.*	Bol	Maintenance	100,00%
Zlatni rat Tenis centar d.o.o.*	Bol	Tennis operator	100,00%
Plaža Zlatni Rat d.o.o.*	Bol	Beach operator	100,00%
Eko - promet d.o.o.*	Bol	Transport	51,11%
Brač 500 Plus d.o.o.	Bol	Cable management	69,44%
Brela Jakiruša d.o.o.	Brela	Preparation of food and beverages	100,00%
Company:**	HQ:	Business:	Ownership:
WOT Hotels Adriatic Management d.o.o.	Tučepi	Holding company	49,00%
WOT Hotels Adriatic Asset d.o.o.	Tučepi	Hotels	50,00%
Praona d.o.o.	Makarska	Industrial Laundry	42,00%

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

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

**Organisational structure of the Company<sup>1)</sup>:**



(1) Data as of 30.06.2021; Sunce hoteli d.d. as a Group has some additional members, but they are immaterial for the Group's performance.

(2) Management Company established with TUI AG, where TUI AG holds 51% share.

(3) Joint Venture Company with TUI AG.

### 3. UNAUDITED BUSINESS RESULTS FOR THE FIRST 6 MONTHS OF 2021

Key Financial Indicators - Sunce Hoteli d.d.				
HRKths				
Financial performance	1H 2021	1H 2020	△	2021/2020
Revenues	55.910	27.480	28.429	103,5%
Material expenses	25.629	14.714	10.915	74,2%
Employee expenses	42.318	34.180	8.139	23,8%
Other operating expenses	7.128	4.982	2.145	43,1%
EBITDA <sup>1</sup>	-19.165	-26.396	7.231	-27,4%
EBITDA margin%	-34,3%	-96,1%		
Adjusted EBITDA	-19.165	-26.396	7.231	-27,4%
Adjusted EBITDA margin %	-34,3%	-96,1%		
EBIT	-48.884	-56.926	8.042	-14,1%
Net result	-52.809	-69.500	16.691	-24,0%
Financial position	30.06.2021	31.12.2020	△	2021/2020
Total assets	1.298.771	1.365.640	-66.869	-5%
Tangible assets	1.010.022	1.028.377	-18.356	-2%
Equity	721.326	774.136	-52.809	-7%
Total debt	485.260	513.418	-28.158	-5%
Net debt <sup>2</sup>	445.127	495.639	-50.512	-10%
Ratios				
Equity / Total assets	55,5%	56,7%	-110 bp	
Debt / Equity	67,3%	66,3%	100 bp	

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

2) Neto debt: long-term and short-term liabilities to banks and other financial institutions + liabilities for loans, deposits and similar - cash in the bank - long-term and short-term securities investments - short-term loans, deposits, etc.

In the first six months of 2021, the Company generated **HRK 55,910 million** (1H 2020: HRK 27,480 million) **of operating revenues**, which is an increase of 103.5% compared to the same period last year. The Company generated **negative EBITDA in the amount of HRK 19,165 million** (1H 2020: HRK -26,396 million), which is a smaller loss of HRK 7,231 million compared to the same period last year. **The reason for the lower loss at the EBITDA level** is partly that in the first quarter of 2021, **revenue from direct state aid for job preservation** in activities affected by the COVID-19 virus was recorded, while in the same period last year the same revenue was recorded only for March in the total amount of HRK 2.1 million. Additionally, operating revenues from the sale of accommodation services increased in the first half of 2021 compared to the same period last year.

The largest part of operating expenses is staff costs in the amount of HRK 42,318 million, which is HRK 8,139 million higher in the first half of 2021 compared to the same period last year, while material costs amounted to HRK 25,629 million and are higher by 74,2% in the same period mostly due to higher activity and business revenues generated from the sale of accommodation services.

**Financial expenses** were significantly **lower in the first half of 2021**, mainly due to the absence of net negative exchange rate differences. Total financial expenses amount to HRK 4,068 million, which is a **decrease of HRK 11,594 million compared to the first half of 2020**, when total financial expenses amounted to HRK 15,669 million.

Nominal debt to financial institutions amounted to HRK 485 million as at 30 June 2021. which represents a decrease of HRK 28 million compared to 31.12.2020. (HRK 513 million). The decrease in nominal debt to financial institutions is a consequence of the payment of the loan installment

on 30.04.2021. years. After the end of the reporting period (June 30, 2021), the Company repaid the additional due debt of Podravska banka on July 1, 2021 in the amount of HRK 8.2 million.

**The net loss** in the observed period amounted to **HRK 52,809 million**, while in the same period last year the loss amounted to HRK 69,500 million. **The lower loss in the current period is the result** of higher revenues due to the recording of direct state aid for the preservation of jobs as income, and higher operating revenues.

### **Significant business events during and after the reporting period**

The most significant business events of the company Sunce hoteli d.d. in the period after 31.12.2020. years to the date of publication of this report are:

#### **1. Occurrence of the obligation to publish a takeover bid:**

- a. Eagle Hills Zagreb Real Estate d.o.o, with its registered office in Zagreb, Hektorovićeve ulica 2, OIB: 63572346734 (the "Offeror") entered into Share Purchase Agreement dated March 23, 2021 with Mr. Jako Andabak with residing in Zagreb, Gornje Prekrižje 28, Republic of Croatia and other related parties ("Share Purchase Agreement"). Pursuant to the said contract, the Offeror, partly directly and partly indirectly, in terms of article 8 par. 3 of the Croatian Takeover Act ("ZPDD") acquired a total of 4,151,092 ordinary series A share of SUNCE HOTELI d.d., designation SUKC-R-A, ISIN: HRSUKCRA0001, with a nominal amount of HRK 100.00 per share, and which represent 69.71% of the share capital of the Target Company.
- b. Thus, the Offeror, partly directly and partly indirectly, acquired shares of the Target Company with voting rights that exceed the threshold of 25% of all shares with voting rights, resulting in obligation to publish a takeover bid, under article 9 par. 1 of ZPDD. Therefore, on the same day (March 22, 2021), the Offeror submitted a notification on the occurrence of requirement for publication of the mandatory takeover offer for the takeover of Sunce hotel d.d. as a target company in terms of ZPDD.
- c. The main activities of the Offeror and Eagle Hills Group are real estate investments and real estate development with a focus on emerging markets throughout Europe, the Middle East and Africa. The Eagle Hills Group designs and develops mixed-use facilities including residential, commercial and catering facilities, shopping malls, retail and healthcare facilities.
- d. On 26 April 2021, the transaction in question was completed, when, among other things, the entire receivables from related parties were collected in the total amount of HRK 91.9 million. In addition, the sellers at the same time undertook to release the Company from all guarantees under the loans of related parties within 60 days from the completion of the transaction. Until the date of publication of this report, repayment was made by the seller, on the basis of which the Company was released from all guarantees on loans to related parties.
- e. On May 3, 2021, an extraordinary General Assembly was held at which the company received the resignations of members of the Supervisory Board, namely the President of the Supervisory Board Jake Andabak, Deputy Chairman of the Supervisory Board Sanja Gagulić, and members of the Supervisory Board Ružica Andabak and Ana Volk. A new Supervisory Board was elected with the following

composition: Mr. Mohamed Ali Rashed Alabbar, Mr. Ping Low, Mr. Frederick William Howdon Durie, Mr. Mark Gordon Kirby, Mr. Ratomir Ivičić.

- f. On 17 June 2021, the Croatian Financial Services Supervisory Agency issued a decision CLASS: UP / I 976-02 / 21-02 / 02, REGISTRATION NUMBER: 326-01-60-62-21-9 approving the Bidder's publication of the bid for taking over the company Sunce hoteli d.d. Accordingly, the takeover bid was published on June 18, 2021 and is available via the following link: [COI-SUKC-eb82dc01df235e4b05c4378163b24f8a.pdf \(zse.hr\)](https://zse.hr/COI-SUKC-eb82dc01df235e4b05c4378163b24f8a.pdf)

2. **COVID - 19 - impact on the Company's operations** - on March 16, 2020, the Company published on the Zagreb Stock Exchange information on the impact of the COVID-19 epidemic on the Company's operations, and updated the information in the announcement of business results for the first six, nine and 12 months of 2020 as well as the annual report for 2019. The impact of the COVID-19 crisis on the company's operations can be divided into the following main segments:

- a. **Employee safety** - During the first quarter of 2021, as well as during the second half of 2020, employees returned to work from the office while ensuring safety conditions such as wearing protective masks in common areas, greater distance between employees in the same office, increased care for disinfection workspace, etc. The company has a flexible approach to the way of works, and measures have been taken to protect the safety of employees. In future periods, the Management Board of the company will monitor the epidemiological situation in the Republic of Croatia and, if necessary, make decisions on working from home for part or all employees of the company Sunce hoteli d.d.
- b. **Employee salaries** - During 2020, the Management Board actively managed the salary policy in accordance with the expectations and development of the COVID-19 crisis, as well as by monitoring economic activity and the tourist summer 2020 season. In the period from April 1, 2020, the salary of all employees was initially reduced, including the Management Board, and from that period onwards the Management Board actively made new decisions on the amount of employee remuneration, taking into account primarily job preservation, taking into account short business activity during 2020 and a decline in revenue compared to 2019. Until 31 May 2021, the decision of the Management Board was in force, by which the Company's employees received a salary in the amount of 80% of the gross salary, and not less than HRK 4,000 net. As of June 1, 2021, all employees are working and have full salaries.
- c. **Moratorium on financial liabilities** - on 27 July 2020, the Company was granted a moratorium on the loan installments due on 30 April 2020 (HRK 16.5 million) and 31 October 2020 (HRK 38.4 million) by the bank syndicate with which it has concluded a Loan Agreement. Given that the moratorium has a maturity of 12 months, the first installment of the loan matures on 30.04.2021. years together with principal and interest. Given the new liquidity of the Company, which is secured by the collection of receivables in the amount of HRK 91.9 million, until the publication of this report, the first installment of the loan maturing on April 30, 2021, together with the principal and interest, has been settled. Outstanding installments in 2020 are moved to the end of the repayment period on April 30, 2028, when they fall due once. The loan installments from 2020 for which a moratorium has been requested are transferred in full upon the expiration of the loan agreement on April 30, 2028 (bullet repayment).



- d. **Sales 2021** - During the second quarter of 2021, sales trends were very favorable. The same booking trend continued through July 2021. As of the date of publication of this report, the sales balance for the entire year 2021 is at 60% of the realized revenues in 2019. Given the uncertainties related to the epidemiological situation in the Republic of Croatia and the policy of returning guests by the Governments of our emitting markets, the company is not able to estimate further sales trends during the season in the last minute, or potential revenue in August, September and October and which are currently announced through existing reservations. The vast majority of bookings are on a free-cancellation principle, and the structure of sales channels is strongly dominated by direct sales channels and OTA agencies. In June 2021, we reached 40% of June 2019 revenues, while the realization of revenues in July 2021 was about 85% of revenues in July 2019. All hotels are open for the current season except the Borak and Maestral hotels.
- e. **New liquidity** - During 2020 and the beginning of 2021, the Company considered providing additional liquidity through new loans, however, given the deferral of payment of financial liabilities until April 30, 2021, better than expected inflows during the summer 2020 season, and measures Government of the Republic of Croatia, which are still in force, the level of new required liquidity was significantly lower than indicated in the initial calculations. However, as part of the entire transaction described in the introduction (Origin of the obligation to publish a takeover bid), the Company collected receivables from related parties in the amount of HRK 91.9 million, which significantly increased the Company's liquidity. Considering the positive sales performance in July 2021, the Company's liquidity was further improved by the date of publication of this report. The Management Board estimates at the time of publishing this report that in the absence of significant market disruptions in August 2021 and the realization of provisions in the books for August, the Company will not need additional liquidity until the next tourist season.
- f. **Aid for the preservation of jobs** - the Company used the measures of the Government of the Republic of Croatia related to aid for the preservation of jobs during 2020, and all aid was realized and collected. Furthermore, as a continuity of the use of aid from 2020, the Company received grants for the months of January, February, March, April, May, June 2021. Likewise, the Company was eligible for support for the month of July, however as the Company cannot assess the degree of vaccination of workers due to legislation, it is not known how much aid intensity will eventually be approved.
- g. **Capital investments** - In the current year, the company has invested around HRK 7 million in assets to prepare for the 2021 season. Management is preparing a future investment plan for the existing portfolio for the coming periods.
3. **Changes in the Management Board of Sunce hoteli d.d.** - Mr. Kristijan Gagulić resigned on April 26, 2021 as a member of the Management Board, which entered into force on the same day. Pursuant to the Articles of Association, the Company continues to be run by Mr. Hrvoje Veselko as president and Mr. Ivan Potkrajčić as a member of the Management Board.
4. **Changes in the Supervisory Board of Sunce hoteli d.d.** - Mr. Mark Gordon Kirby resigned on July 19, 2021 as a member of the Supervisory Board.

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period: 1.1.2021 to 30.6.2021

Year: 2021

Quarter: 2.

## Quarterly financial statements

Registration number (MB): 01869647 Issuer's home Member State code: HR

Entity's registration number (MBS): 080502040

Personal identification number (OIB): 06916431329 LEI: 7478000070X8LWJUBX45

Institution code: 5158

Name of the issuer: Sunce Hoteli d.d.

Postcode and town: 10000 Zagreb

Street and house number: Trpinjska 9

E-mail address: racunovodstvo@bluesunhotels.com

Web address: www.bluesunhotels.com

Number of employees (end of the reporting period): 1020

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

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

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

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

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

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

Telephone: 01/6442-240

E-mail address: ivan.franic@bluesunhotels.com

Audit firm: Ernst & Young d.o.o., Zagreb (name of the audit firm)

Certified auditor: Zvonimir Madunić (name and surname)

balance as at 30.6.2021			
			in HRK
<b>Submitter: Sunce Hoteli d.d.</b>			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	1.299.357.443	1.188.353.612
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	22.942.427	20.156.964
1 Research and development	<b>004</b>	0	0
2 Concessions, patents, licences, trademarks, software and other rights	<b>005</b>	668.479	418.135
3 Goodwill	<b>006</b>	0	0
4 Advances for the purchase of intangible assets	<b>007</b>	0	0
5 Intangible assets in preparation	<b>008</b>	0	515.015
6 Other intangible assets	<b>009</b>	22.273.948	19.223.814
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	1.028.377.488	1.010.021.641
1 Land	<b>011</b>	115.369.141	115.369.141
2 Buildings	<b>012</b>	818.841.098	800.507.567
3 Plant and equipment	<b>013</b>	72.898.072	66.614.843
4 Tools, working inventory and transportation assets	<b>014</b>	1.681.152	742.920
5 Biological assets	<b>015</b>	0	0
6 Advances for the purchase of tangible assets	<b>016</b>	0	0
7 Tangible assets in preparation	<b>017</b>	19.588.025	26.460.124
8 Other tangible assets	<b>018</b>	0	327.045
9 Investment property	<b>019</b>	0	0
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	172.194.140	93.665.515
1 Investments in holdings (shares) of undertakings within the group	<b>021</b>	20.549.900	20.549.900
2 Investments in other securities of undertakings within the group	<b>022</b>	0	0
3 Loans, deposits, etc. to undertakings within the group	<b>023</b>	76.141.735	0
4. Investments in holdings (shares) of companies linked by virtue of participating interests	<b>024</b>	75.370.505	72.983.615
5 Investment in other securities of companies linked by virtue of participating interests	<b>025</b>	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	<b>026</b>	0	0
7 Investments in securities	<b>027</b>	0	0
8 Loans, deposits, etc. given	<b>028</b>	132.000	132.000
9 Other investments accounted for using the equity method	<b>029</b>	0	0
10 Other fixed financial assets	<b>030</b>	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	11.368.314	34.418
1 Receivables from undertakings within the group	<b>032</b>	11.308.337	0
2 Receivables from companies linked by virtue of participating interests	<b>033</b>	0	0
3 Customer receivables	<b>034</b>	0	0
4 Other receivables	<b>035</b>	59.977	34.418
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	64.475.074	64.475.074
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	40.429.094	78.896.304
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	3.872.973	6.785.185
1 Raw materials and consumables	<b>039</b>	3.734.527	6.628.131
2 Work in progress	<b>040</b>	0	0
3 Finished goods	<b>041</b>	0	0
4 Merchandise	<b>042</b>	138.446	157.054
5 Advances for inventories	<b>043</b>	0	0
6 Fixed assets held for sale	<b>044</b>	0	0
7 Biological assets	<b>045</b>	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	16.358.965	29.039.763
1 Receivables from undertakings within the group	<b>047</b>	5.612.726	50.476
2 Receivables from companies linked by virtue of participating interests	<b>048</b>	0	3.176.432
3 Customer receivables	<b>049</b>	4.975.784	16.333.180
4 Receivables from employees and members of the undertaking	<b>050</b>	35.682	197.725
5 Receivables from government and other institutions	<b>051</b>	3.819.087	7.248.394
6 Other receivables	<b>052</b>	1.915.686	2.033.557
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	2.418.208	2.938.208
1 Investments in holdings (shares) of undertakings within the group	<b>054</b>	0	0
2 Investments in other securities of undertakings within the group	<b>055</b>	0	0
3 Loans, deposits, etc. to undertakings within the group	<b>056</b>	2.418.208	2.938.208
4 Investments in holdings (shares) of companies linked by virtue of participating interests	<b>057</b>	0	0
5 Investment in other securities of companies linked by virtue of participating interests	<b>058</b>	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	<b>059</b>	0	0
7 Investments in securities	<b>060</b>	0	0
8 Loans, deposits, etc. given	<b>061</b>	0	0
9 Other financial assets	<b>062</b>	0	0
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	17.778.948	40.133.148
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	25.853.811	31.521.155
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	1.365.640.348	1.298.771.071
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	0	0

<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to</b>	<b>067</b>	<b>774.135.691</b>	<b>721.326.489</b>
I INITIAL (SUBSCRIBED) CAPITAL	<b>068</b>	595.458.500	595.458.500
II CAPITAL RESERVES	<b>069</b>	112.157.388	112.157.388
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	<b>070</b>	<b>106.983.140</b>	<b>106.983.140</b>
1 Legal reserves	<b>071</b>	122.671	122.671
2 Reserves for treasury shares	<b>072</b>	0	0
3 Treasury shares and holdings (deductible item)	<b>073</b>	0	0
4 Statutory reserves	<b>074</b>	0	0
5 Other reserves	<b>075</b>	106.860.469	106.860.469
IV REVALUATION RESERVES	<b>076</b>	183.280	183.280
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	<b>077</b>	0	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	<b>078</b>	0	0
2 Cash flow hedge - effective portion	<b>079</b>	0	0
3 Hedge of a net investment in a foreign operation - effective	<b>080</b>	0	0
4 Other fair value reserves	<b>081</b>	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	<b>082</b>	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	<b>083</b>	<b>-7.525.506</b>	<b>-40.646.617</b>
1 Retained profit	<b>084</b>	0	0
2 Loss brought forward	<b>085</b>	7.525.506	40.646.617
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	<b>086</b>	<b>-33.121.111</b>	<b>-52.809.202</b>
1 Profit for the business year	<b>087</b>	0	0
2 Loss for the business year	<b>088</b>	33.121.111	52.809.202
VIII MINORITY (NON-CONTROLLING) INTEREST	<b>089</b>	0	0
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>090</b>	<b>1.378.572</b>	<b>1.295.581</b>
1 Provisions for pensions, termination benefits and similar obligations	<b>091</b>	1.378.572	1.295.581
2 Provisions for tax liabilities	<b>092</b>	0	0
3 Provisions for ongoing legal cases	<b>093</b>	0	0
4 Provisions for renewal of natural resources	<b>094</b>	0	0
5 Provisions for warranty obligations	<b>095</b>	0	0
6 Other provisions	<b>096</b>	0	0
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>097</b>	<b>439.501.485</b>	<b>433.417.249</b>
1 Liabilities to undertakings within the group	<b>098</b>	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	<b>099</b>	0	0
3 Liabilities to companies linked by virtue of participating	<b>100</b>	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	<b>101</b>	0	0
5 Liabilities for loans, deposits etc.	<b>102</b>	0	0
6 Liabilities to banks and other financial institutions	<b>103</b>	422.320.041	419.699.543
7 Liabilities for advance payments	<b>104</b>	0	0
8 Liabilities to suppliers	<b>105</b>	0	0
9 Liabilities for securities	<b>106</b>	0	0
10 Other long-term liabilities	<b>107</b>	15.934.332	12.470.594
11 Deferred tax liability	<b>108</b>	1.247.112	1.247.112
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	<b>142.567.747</b>	<b>127.715.909</b>
1 Liabilities to undertakings within the group	<b>110</b>	3.073.824	617.415
2 Liabilities for loans, deposits, etc. of undertakings within the group	<b>111</b>	0	0
3 Liabilities to companies linked by virtue of participating	<b>112</b>	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	<b>113</b>	0	0
5 Liabilities for loans, deposits etc.	<b>114</b>	0	0
6 Liabilities to banks and other financial institutions	<b>115</b>	91.097.985	65.530.610
7 Liabilities for advance payments	<b>116</b>	10.487.765	17.287.346
8 Liabilities to suppliers	<b>117</b>	23.093.793	22.580.340
9 Liabilities for securities	<b>118</b>	0	0
10 Liabilities to employees	<b>119</b>	4.416.569	8.617.287
11 Taxes, contributions and similar liabilities	<b>120</b>	2.726.876	5.520.793
12 Liabilities arising from the share in the result	<b>121</b>	0	0
13 Liabilities arising from fixed assets held for sale	<b>122</b>	0	0
14 Other short-term liabilities	<b>123</b>	7.670.935	7.562.119
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	<b>8.056.853</b>	<b>15.015.843</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	<b>1.365.640.348</b>	<b>1.298.771.071</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	<b>0</b>	<b>0</b>

**STATEMENT OF PROFIT OR LOSS**

for the period 01.01.2021. to 30.06.2021.

in HRK

Submitter: Sunce Hoteli d.d.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>27.480.462</b>	<b>23.553.868</b>	<b>55.909.851</b>	<b>43.560.034</b>
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	8.621.049	8.184.365	31.474.780	31.057.495
3 Income from the use of own products, goods and services	004	0	0		
4 Other operating income with undertakings within the group	005	0	0		
5 Other operating income (outside the group)	006	18.859.413	15.369.503	24.435.070	12.502.539
<b>II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>84.406.435</b>	<b>46.205.999</b>	<b>104.793.577</b>	<b>72.651.396</b>
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	14.714.354	7.234.693	25.629.045	19.942.851
a) Costs of raw materials and consumables	010	4.730.661	3.710.339	9.113.704	8.183.582
b) Costs of goods sold	011	109.822	52.158	321.147	288.901
c) Other external costs	012	9.873.871	3.472.196	16.194.194	11.470.368
3 Staff costs (ADP 014 to 016)	013	34.179.542	18.141.785	42.318.116	28.224.553
a) Net salaries and wages	014	22.140.024	13.661.530	28.679.346	20.357.224
b) Tax and contributions from salary costs	015	7.825.687	2.912.166	8.865.201	5.113.763
c) Contributions on salaries	016	4.213.831	1.568.089	4.773.570	2.753.565
4 Depreciation	017	30.530.090	18.040.559	29.718.536	14.792.367
5 Other costs	018	0	0	0	4.845.812
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	4.982.449	2.788.962	7.127.880	4.845.812
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>3.088.870</b>	<b>3.156.520</b>	<b>4.917.707</b>	<b>3.852.002</b>
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	1.772.582	888.127	1.138.252	255.533
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	0	0	0	0
8 Exchange rate differences and other financial income	038	1.316.288	2.268.393	3.779.455	3.596.469
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	0	0	0	0
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>15.662.648</b>	<b>4.312.824</b>	<b>6.456.292</b>	<b>3.198.158</b>
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	6.586.684	4.185.596	6.245.959	3.101.127
4 Exchange rate differences and other expenses	045	8.783.771	0	0	0
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	292.193	127.228	210.334	97.030
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	<b>0</b>	<b>0</b>	<b>2.386.890</b>	<b>2.386.890</b>
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>30.569.332</b>	<b>26.710.388</b>	<b>60.827.558</b>	<b>47.412.036</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>100.069.083</b>	<b>50.518.823</b>	<b>113.636.760</b>	<b>78.236.443</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>-69.499.751</b>	<b>-23.808.435</b>	<b>-52.809.202</b>	<b>-30.824.407</b>
1 Pre-tax profit (ADP 053-054)	056	0	0	0	0
2 Pre-tax loss (ADP 054-053)	057	-69.499.751	-23.808.435	-52.809.202	-30.824.407
<b>XII INCOME TAX</b>	<b>058</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>-69.499.751</b>	<b>-23.808.435</b>	<b>-52.809.202</b>	<b>-30.824.407</b>
1 Profit for the period (ADP 055-059)	060	0	0	0	0
2 Loss for the period (ADP 059-055)	061	-69.499.751	-23.808.435	-52.809.202	-30.824.407

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2021. to 30.06.2021.

in HRK

Submitter: Sunce Hoteli d.d.

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	-69.499.752	-52.809.202
2 Adjustments (ADP 003 to 010):	002	35.460.150	31.249.723
a) Depreciation	003	30.530.090	29.718.536
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	-1.772.582	-1.138.252
e) Interest expenses	007	6.586.684	6.245.959
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	-2.883.611
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	115.958	-692.910
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>-34.039.602</b>	<b>-21.559.480</b>
3 Changes in the working capital (ADP 013 to 016)	012	-5.235.522	-5.968.745
a) Increase or decrease in short-term liabilities	013	14.349.884	14.127.798
b) Increase or decrease in short-term receivables	014	-11.022.978	-12.680.798
c) Increase or decrease in inventories	015	-1.721.131	-2.912.212
d) Other increase or decrease in working capital	016	-6.841.297	-4.503.533
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>-39.275.124</b>	<b>-27.528.224</b>
4 Interest paid	018	0	-13.893.746
5 Income tax paid	019	0	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>-39.275.124</b>	<b>-41.421.971</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	327.808
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	11.308.337
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	0	76.141.735
6 Other cash receipts from investment activities	026	0	0
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>0</b>	<b>87.777.880</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-5.390.927	-6.958.728
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	-520.000
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-5.390.927</b>	<b>-7.478.728</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-5.390.927</b>	<b>80.299.151</b>
<b>Cash flow from financing activities</b>			
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	45.812.582	0
4 Other cash receipts from financing activities	038	0	0
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>45.812.582</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	0	-16.522.981
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	0	0
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>0</b>	<b>-16.522.981</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>45.812.582</b>	<b>-16.522.981</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>1.146.531</b>	<b>22.354.200</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>9.536.633</b>	<b>17.778.948</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>10.683.164</b>	<b>40.133.148</b>

STATEMENT OF CHANGES IN EQUITY																				
for the period from 1.1.2021 to 30.6.2021																				
Item	ADP code	Attributable to owners of the parent																	in HRK	
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	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	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)	
<b>Previous period</b>																				
1 Balance on the first day of the previous business year	01	539.385.000	67.836.894	655.925	0	0	0	6.591.581	3.631.033	0	0	0	0	0	0	97.414.507	3.307.580	718.822.520	0	718.822.520
2 Changes in accounting policies	02	0	0	0	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	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	539.385.000	67.836.894	655.925	0	0	0	6.591.581	3.631.033	0	0	0	0	0	0	97.414.507	3.307.580	718.822.520	0	718.822.520
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-33.121.111	-33.121.111	0	-33.121.111
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	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	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	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	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	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	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	0	0	0
13 Other changes in equity unrelated to owners	13	0	0	-374.197	0	0	0	0	0	0	0	0	0	0	0	0	0	-374.197	0	-374.197
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	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	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	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-33.121.111	33.121.111	0	0	0
22 Transfer to reserves according to the annual schedule	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	539.385.000	67.836.894	281.728	0	0	0	6.591.581	3.631.033	0	0	0	0	0	0	64.293.396	3.307.580	685.327.212	0	685.327.212
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																				
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	-374.197	0	0	0	0	0	0	0	0	0	0	0	0	0	-374.197	0	-374.197
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	-374.197	0	0	0	0	0	0	0	0	0	0	0	0	-33.121.111	-33.495.308	0	-33.495.308
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-33.121.111	33.121.111	0	0	0

Current period																				
1 Balance on the first day of the current business year	28	595.458.500	112.157.388	122.671	0	0	0	106.860.469	183.280	0	0	0	0	0	0	-7.525.506	-33.121.111	774.135.691	0	774.135.691
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	595.458.500	112.157.388	122.671	0	0	0	106.860.469	183.280	0	0	0	0	0	0	-7.525.506	-33.121.111	774.135.691	0	774.135.691
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-52.809.202	-52.809.202	0	-52.809.202
6 Exchange rate differences from translation of foreign operations	33	0	0	0	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	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	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	36	0	0	0	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	37	0	0	0	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	38	0	0	0	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	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Carryforward per annual plane	49	0	0	0	0	0	0	0	0	0	0	0	0	0	33.121.111	-33.121.111	0	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	595.458.500	112.157.388	122.671	0	0	0	106.860.469	183.280	0	0	0	0	0	25.595.605	-119.051.424	721.326.489	0	721.326.489	
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																				
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-52.809.202	-52.809.202	0	-52.809.202
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	0	0	0	0	0	0	0	0	0	0	33.121.111	-33.121.111	0	0	0	0



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

**Statement by the persons responsible for the preparation of the report**

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

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

President of the Board

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Hrvoje Veselko

Board member

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Ivan Potkrajčić