

Hotel Ambassador's 5\*, Opatija

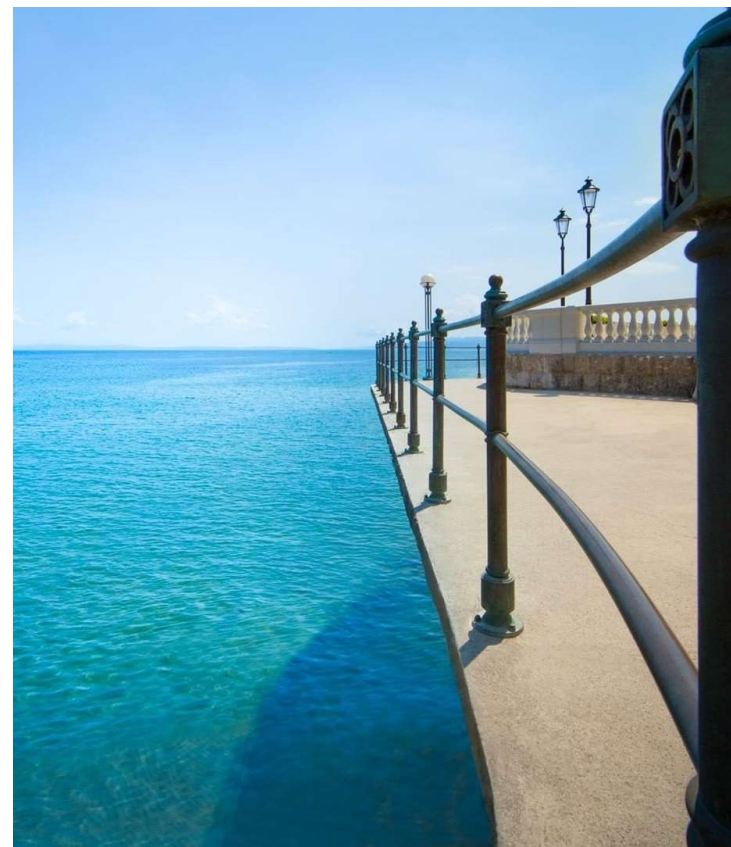
# BUSINESS RESULTS 1/1/2023 - 30/9/2023

## LIBURNIA RIVIERA HOTELI d.d.

Opatija, October 2023

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## KEY MESSAGES

### KEY FINANCIAL INDICATORS

| in EUR million     | 9M 2022           | 9M 2023          | '23/'22  |
|--------------------|-------------------|------------------|----------|
| Total revenues     | 42.8              | 49.1             | 15%      |
| Operating revenues | 42.4              | 49.0             | 16%      |
| Sales revenues     | 40.8              | 47.3             | 16%      |
| Board revenues     | 33.7              | 39.0             | 16%      |
| Operating expenses | 26.9              | 33.2             | 24%      |
| EBITDA             | 15.5              | 15.8             | 2%       |
| EBIT               | 5.9               | 8.2              | 38%      |
| EBT                | 5.1               | 7.1              | 40%      |
|                    | <b>31/12/2022</b> | <b>30/9/2023</b> | <b>%</b> |
| Net debt           | 42.3              | 31.2             | -26%     |

### KEY OPERATING INDICATORS

|                                  | 9M 2022 | 9M 2023 | '23/'22 |
|----------------------------------|---------|---------|---------|
| Number of acc. units (operating) | 2,126   | 2,131   | 0,2%    |
| Operating occupancy (%)          | 64.0%   | 67.5%   | 353 bp  |
| Accommodation units sold         | 251,330 | 285,577 | 14%     |
| Overnights                       | 495,500 | 554,187 | 12%     |
| Average daily rate (in EUR)      | 134     | 137     | 2%      |
| RevPAR (in EUR)                  | 86      | 92      | 8%      |

Note: Details and explanations of indicators can be found on page 9 in the chapter "Company results"

## BUSINESS RESULTS

In the first nine months of 2023, Liburnia Riviera Hoteli d.d. (hereinafter: Liburnia Riviera or the Company) effectively continued the strategical evolution of its business model that is primarily focused on long-term sustainable growth and development. Despite all the challenges, the continual strong operating and financial indicators resulted from the following: a successful implementation of the evolved business model, an increased demand on our source markets after our proactive promotional activities, better positioning and management of our tourism properties and improved guest relations.

Pre-season accommodation demand was growing steadily, resulting in a 24% increase in the number of sold accommodation units in the first half of the year and thus a EUR 3.4 million (+29%) increase in board revenue vs. 2022 comparative period. This is evidence that activities aimed at strengthening year-round tourism are yielding results. The strong results achieved in the pre-season, despite an unusually large number of rainy and cold days, affected the main summer season, where board revenues grew by EUR 2.0 million while the average rate grew by 4% and reached EUR 162.

The successful service and accommodation upgrades were recognized and awarded by the Travellers' Choice award which Tripadvisor gave to our Ambassador hotel for its continuous excellent guest reviews. Cubo, our fine dining restaurant at the Ambassador hotel, was listed in the renowned Gault&Millau guide. Another highlight by the end of May was the Imperial Spirits Festival, the largest cocktail festival in Croatia, which gathered the best cocktail masters from the region on the terrace of Opatija's Kvarner hotel who presented the latest trends in the industry, offering a unique bar experience with a superb program and atmosphere.

During the first nine months of 2023, the Company's EBITDA went up by EUR 0.3 million vs. the same period in the previous year and totaled EUR 15.8 million, despite the challenges of the macroeconomic and geopolitical

environment. The latter two factors generated a significant increase in energy costs and a general increase in input prices, as well as an increase in the growth of salary costs and other material rights of employees in order to ensure sufficient high-quality workers for the current and next business seasons.

The key impact on achieving stronger business results (along with cost optimization to reduce inflationary pressures) was a 16% sales revenue growth totaling EUR 47.3 million (2022: EUR 40.8 million; 2019: EUR 36.0 million). Namely, an active approach to improve the tourism portfolio with a focus on year-round operations, the development of our products, services lines and events and the mix of marketing and sales channels and related price management resulted in an increase in physical indicators (+34,247 accommodation units sold, + 58, 687 overnights) while average daily rate grew to EUR 137 (+2% vs. 2022; +34% vs. 2019).

## HUMAN RESOURCES MANAGEMENT

Liburnia Riviera has strived to be the leader in year-long operations in Kvarner tourism and secure a skilled workforce needed to improve service quality and guest satisfaction. Thus, at the beginning of April 2023, the Company signed a new collective agreement with the trade unions to increase workers' material rights, improve working conditions for permanent and seasonal employees and increase bonus payments. These measures represent the continuation of the program to improve conditions and the working environment through investing in training programs, increasing the number of permanent employment contracts and adapting the organization to changes in tourism. The aim of these measures is to adequately valorize the Company's employees as its key resource needed to secure stability, quality and long-term business sustainability. It is certainly worth noting that recruitment and preparation for the 2023 season started earlier due to the earlier opening of our destination properties. As of 30/9/2023, the Company employs 837 people, of which 368 are permanent workers.

## INVESTMENTS

During the first nine months of 2023, investments were reduced to necessary works to improve the quality of services and prepare the properties for the current and next business seasons. The investment highlights were the following projects: the Ambassador hotel beach, which has been completely renovated and today represents additional value for the five-star hotel. Only natural materials were used in its reconstruction, such as the autochthonous Istrian stone for the final paving and wooden decking made of exotic wood to cover the sunbathing area. The reconstruction of the beach included the installation of a new handrail, the construction of the "Bura" beach bar, the installation of showers and better sea access. A pleasant stay on the beach is made possible by customized lighting, thus making the newly renovated beach a perfect addition to Opatija's promenade.

In May, the first phase of the façade reconstruction at Kvarner hotel was completed according to its historical value and conservation conditions. The first phase included the reconstruction of the sea-facing hotel side, conservation works and the preparation of lighting installations for the hotel's exterior. Special materials equivalent to those used during the original construction of the hotel were used for the renovation.

The reporting period included continued investments in software solutions aimed at digital transformation and business optimization, as well as projects aimed at increasing energy efficiency and Wi-Fi network coverage. The investments in the reporting period were worth EUR 3.7 million.

## OUTLOOK

The introduction of the euro and Croatia's entry into the Schengen area from 1 January 2023 (in addition to the earlier positive impact on Croatia's credit rating) represents an additional boost to Croatia as a European tourist destination. Liburnia Riviera also has the benefit of a suitable geographical location of the destinations where the Company operates, which are primarily traditional car destinations of our most important source markets (Austria, Germany, Slovenia, Hungary, Netherlands, Italy, Poland, Czech Republic). Given the above, despite the challenges of the 2023 tourist season, after two years of strong demand built on the wings of travelers' enthusiasm after the end of the COVID-19 virus pandemic, the current demand for the Company's properties is strong, as evidenced by 29% more reservations on the books for the last quarter of the year by the end of October 2023 compared to the last year's end of October. On the other hand, strong inflationary pressures including significant increases in energy prices, increases in prices of goods and services and reference interest rates as well as necessary improvements in the material rights of employees have a negative impact on the business results of tourism companies and represent a risk for future business.

Tourism is one of the healthiest and most resilient branches of the Croatian economy, given that it is completely market-oriented and does not require constant state support like some other branches while enabling a significant part of the population to benefit directly. However, it should certainly be pointed out that the entire tourism sector faces a series of challenges, where it is important that all stakeholders in tourism, with the support of the Government of the Republic of Croatia, approach an adequate and quick solution to them. In order to strengthen the sustainability of business, accelerate growth and increase competitiveness, the Croatian tourism sector needs: i) the creation of services and products with high added value and quality, ii) securing enough skilled workers, iii) encouraging investments, innovations and digital transformation in tourism, iv) improving the management model of sustainable tourism development and v) reducing the burden from tourism to the environment and nature while encouraging circular economy.

Opatija Riviera



## ABOUT LIBURNIA RIVIERA

Liburnia Riviera is one of the largest hospitality companies in the Republic of Croatia with over EUR 50 million in annual revenues. Opatija, also known as the 'Pearl of the Adriatic' or 'Queen of Tourism', represents an exclusive Adriatic resort with a long history of tourism dating back to 1844, and Liburnia Riviera's tourism portfolio has been highly integrated into international tourist markets for more than 100 years. Liburnia Riviera has more than 2,100 keys in its operational tourism portfolio where in its 13 hotels, 2 villas, 2 apartment complexes and one camping resort it can host more than 4,700 guests per day. Catering for the perfect holiday and authentic experiences for them, there are over 1,000 high-season employees.

Adhering to the vision of positioning Opatija and surrounding municipalities as one of the best tourist destinations in the Mediterranean, destination Liburnia riviera needs a significant strategic shift in tourism development that will ultimately result in further improvements and upscaling of tourist products and experiences. As the largest hotelier on the Liburnia riviera, the Company has launched internal reorganization measures, improving the business model, as well as renovating and repositioning hotels and other premises during the last 3 years (2020-2022). However, due to the COVID-19 pandemic and its adverse impact on all industries, economic and tourist flows, and Liburnia's cash flow, the amount of planned investments decreased compared to the initial expectations and development plans. Nevertheless, the Company is focused on a strategy to stimulate growth and create new value, recognizing the started reorganization to be the first step in building a solid ground for sustainable investments in high value-added products, talents, innovative services and destinations, as well as international branding.



Cubo restaurant, Hotel Ambassador 5\*, Opatija



Café Strauss, Opatija

## **SIGNIFICANT BUSINESS EVENTS**

### **IMPACT OF THE COVID-19 PANDEMIC TERMINATION AND THE WAR EVENTS ON THE COMPANY'S BUSINESS**

During the first nine months of 2023, there was no impact of the COVID-19 virus pandemic on the Company's operations compared to the same period last year. The lack of previously imposed restrictions on movement and the increased desire of tourists to travel had a positive business impact. Liburnia Riviera reported solid growth in demand in the reporting period, thus resulting in a significant growth in sales numbers (overnights, rooms) and financial results (revenues, average daily rate).

The Russian-Ukrainian crisis did not have a significant impact on sales results during the nine months of 2023 since the absence of Russian and Ukrainian guests was compensated with arrivals from other source markets (2021: 2% of revenues). However, the negative impact on operating costs continued due to the cost increase of energy sources and other material costs and services. In order to rationalize operating costs, the Company continued its overall measures to decrease them, i.e., savings in energy sources costs, direct costs of food and beverages, maintenance costs as well as active negotiations with suppliers to have lower purchase prices and ensuring enough quantities for the season.

Furthermore, the containment of the further growth of inflation by central banks (primarily the ECB) and the related increases in the rates of reference interest rates have a negative impact on the interest costs in loan arrangements with a variable interest rate. The Company has been closely monitoring the course of the war events and has been carrying out continuous assessments of all the possible negative influences on the business based on known facts, information and circumstances. Hence, it has been undertaking all the necessary steps to minimize the negative impacts on its business.

Despite the end of the COVID-19 pandemic and the partial normalization of commodity and energy prices on world markets, it is still too early to predict the end of the Russian-Ukrainian crisis nor the crisis in the Middle East and with that the related impact on the Company's business. It is also hard to predict the booking pace in 2023 and 2024, especially due to the strong "last minute" trend in bookings, but also due to the simpler cancellation policy. It should be noted that in the reporting period there were no out-of-ordinary booking cancellations. The current demand for the Company's properties is going strong, as evidenced by 29% more reservations on the books for the last quarter of the year by the end of October 2023 compared to last year's end of October.

### **CHANGES IN THE MANAGEMENT AND SUPERVISORY BOARD**

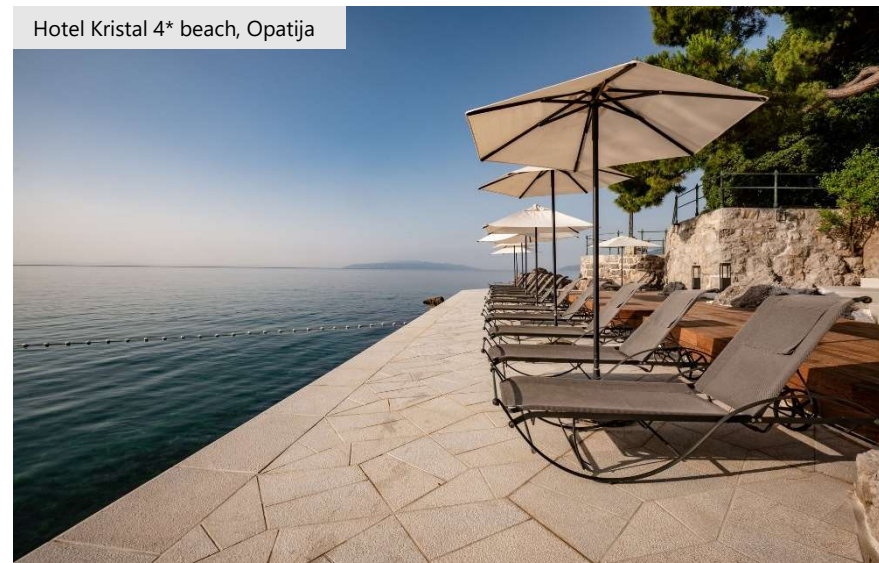
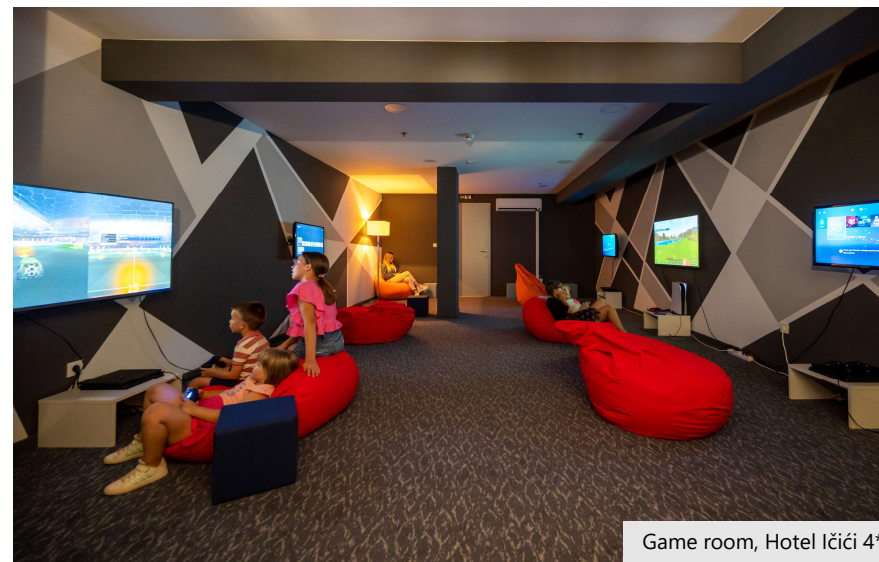
During the first nine months of 2023, the Company's Management Board was composed by the President of the Management Board, Mr. Karl Eckerstorfer, and a member of the Management Board, Mr. Dušan Mandič. However, after the balance sheet date, there was a change in the composition of the Management Board due to the President's and Member's resignations (Mr. Eckerstorfer and Mr. Mandič) effective as of 31 October 2023, after which the Supervisory Board of the Company adopted a decision on 17 October 2023 appointing Mr. Ante Barić as the new President of the Management Board, starting from 1 November 2023, while it appointed Mr. Filip Močibob as the new member of the Management Board, starting from the appointment decision date.

At the beginning of 2023, the Company's shareholder, GITONE Adriatic d.o.o., made a decision by which it appointed Mr. Ante Barić as the ninth member of the Supervisory Board of the Company, who, as a result of his transfer to the position of President of the Management Board, submitted his resignation with effect from 31 October 2023. Also, the Company received the resignation of a member of the Supervisory Board at the beginning of July 2023, Mr. Thomas Mayer, with effect from 10 August, after which, at the General Assembly of the Company, Mrs. Dita Chrastilová was appointed as deputy.

## LIBURNIA RIVIERA GENERAL ASSEMBLY

The General Assembly of the Company was held on 10 August 2023 during which the following points were adopted:

- the report on the remuneration of the Management Board and the Supervisory Board of the Company for 2022 was approved together with the auditor's report on its examination;
- the realized loss of the Company for 2022 in the total amount of HRK 4,169,004 (EUR 553,322) was allocated to the loss brought forward;
- the Management Board was discharged for the management of the Company's affairs in 2022 and the Supervisory Board was discharged for the supervision of the management of the Company's affairs in the year 2022;
- in accordance with the legal provision related to the introduction of the euro, the adjustment of the amount of the Company's share capital and shares was approved, along with the amendment of the articles of association, whereby the share capital was reduced by EUR 79,430.96 to EUR 92,305,500.00 and was divided into 302,641 ordinary registered shares, with a nominal amount of EUR 305;
- Grant Thornton revizija d.o.o (auditing company from Zagreb) was appointed to perform the audit of Liburnia Riviera in 2023;
- Mrs. Dita Chrastilová was elected as a new member of the Supervisory Board, until the expiration of the mandate of the current members of the Supervisory Board, starting from 10 August 2023.





## COMPANY RESULTS

### KEY FINANCIAL INDICATORS <sup>1</sup>

| in EUR million                  | 9M 2022 | 9M 2023 | '23/'22 |
|---------------------------------|---------|---------|---------|
| Total revenues                  | 42.8    | 49.1    | 15%     |
| Operating revenues              | 42.4    | 49.0    | 16%     |
| Sales revenues                  | 40.8    | 47.3    | 16%     |
| Board revenues <sup>2</sup>     | 33.7    | 39.0    | 16%     |
| Operating expenses <sup>3</sup> | 26.9    | 33.2    | 24%     |
| EBITDA <sup>4</sup>             | 15.5    | 15.8    | 2%      |
| EBIT                            | 5.9     | 8.2     | 38%     |
| EBT                             | 5.1     | 7.1     | 40%     |
|                                 | 9M 2022 | 9M 2023 | '23/'22 |
| Net debt <sup>5</sup>           | 42.8    | 49.1    | 15%     |

### KEY OPERATING INDICATORS

|                                      | 9M 2022 | 9M 2023 | '23/'22 |
|--------------------------------------|---------|---------|---------|
| Number of acc. units (operating)     | 2,126   | 2,131   | 0,2%    |
| Operating occupancy (%) <sup>6</sup> | 64.0%   | 67.5%   | 353 bp  |
| Accommodation units sold             | 251,330 | 285,577 | 14%     |
| Overnights                           | 495,500 | 554,187 | 12%     |
| Average daily rate (in EUR)          | 134     | 137     | 2%      |
| RevPAR (in EUR) <sup>6</sup>         | 86      | 92      | 8%      |

<sup>1</sup> Classified according to Annual Financial Statement standard (TFI POD-RDG) EBIT and EBITDA are recorded on the basis of operating income.

<sup>2</sup> In compliance with the classification under the USALI international standard for reporting in hotel industry (Uniform System of Accounts for the Lodging Industry) board revenues include accommodation revenues and board food and beverage revenues.

<sup>3</sup> Operating costs calculated according to the formula operating expenses - depreciation - value adjustment - provisions.

## REVENUES

During the first nine months of 2023, total revenues were EUR 49.1 million (2022: EUR 42.8 million), up by 15% vs. last year's comparable period. They were driven by the following:

- sales revenues, up by 16% (EUR +6.5 million) and totaling EUR 47.3 million, mainly consisting of board revenues (EUR +5.3 million; +16%). Along with a 2% ADR growth, board revenues grew strongly mainly due to a larger number of accommodation units sold (+14% and totaling 285,577 units sold) and overnights (+12% and totaling 554,187 overnights). These results were driven by i) more operating days due to the earlier opening of the hotels following the strategy of further extending the tourist season and positioning Opatija as a year-round destination, whereby the Ambassador, Bellevue, Istra, Excelsior, Imperial and Admiral hotels were open during 1Q, ii) the strong recovery of the group and M.I.C.E segment due to the business normalization and calming of the COVID-19 pandemic and iii) the development of products and services and many interesting events with added value for guests (e.g. Dora National Eurovision Song Contest, Imperial Spirit Cocktail Festival, RetrOpatija, Liburnia Summer Vibes ...). The outlet food and beverage segment also contributed to the significant increase in sales revenues (EUR +0.9 million; +18%) as a result of upgrading products and service quality in F&B outlets. This is evidenced by this

<sup>4</sup> EBITDA (earnings before interest, taxes, depreciation and amortization) is calculated according to the formula: operating income - operating expenses + depreciation + value adjustments.

<sup>5</sup> Net debt: long-term and short-term liabilities to banks and other financial institutions + other liabilities in accordance with IFRS 16 (leases) - cash and cash equivalents.

<sup>6</sup> Operating occupancy and RevPar are calculated based on the number of operating accommodation units whereby RevPar is calculated according to the formula: Operating occupancy (%) x Average daily rate.

year's inclusion of the fine-dining restaurant Cubo at Ambassador hotel in the new edition of the renowned Gault&Millau guide, as well as the Travellers' Choice award to the Strauss Cafe at Palace Bellevue hotel, which is ranked among the 10% of restaurants with the best reviews on the world's largest travel platform;

- b) other operating income was the same vs. 2022 comparable period (EUR 1.6 million). In 2023, it was mainly income from rents, write-offs of previous years' liabilities and income from cancelling long-term provisions.

## OPERATING EXPENSES

| in EUR million                   | 9M 2022 | 9M 2023 | 23'/22' |
|----------------------------------|---------|---------|---------|
| Total operating expenses         | 36.5    | 40.8    | 12%     |
| Material costs                   | 13.8    | 17.9    | 30%     |
| Staff costs                      | 10.4    | 12.2    | 17%     |
| Depreciation and amortization    | 9.5     | 7.6     | -20%    |
| Provisions and value adjustments | 0.1     | 0.0     | -100%   |
| Other operating expenses         | 2.7     | 3.1     | 15%     |

Total operating expenses during the first 9 months of 2023 were EUR 40.8 million, up by 12% (EUR +4.3 million). They consisted of:

- a) **material costs** representing 44% (38% in 2022). They grew by 30% (EUR +4.1 million) and reached EUR 17.9 million mainly due to increased direct costs of raw materials driven by business growth (+12% overnights) vs. last year's comparable period while inflationary pressures especially those related to energy sources were kept under control primarily by optimizing the cost structure and using the state aid totaling EUR 0.5 million;

- b) the share of staff costs within total operating expenses grew (30%) vs. the past comparable period (28% in 2022). The 17% growth (EUR +1.8 million) to EUR 12.2 million was primarily due to the business growth (+58,687 overnights; +12%) and the related increased employees' working hours, benefits and material rights;
- c) **depreciation** represented 19% of total operating expenses (26% in 2022). It fell by 20% (EUR -1.9 million) to EUR 7.6 million due to the adjustment of individual depreciation groups with the expected lifetime of fixed assets;
- d) **provisions and value adjustments** did not total significant amounts during the first nine months of 2023, while in the same period last year it totaled EUR 0.1 million;
- e) **other operating expenses** represented 8% of total expenses (7% in 2022). They grew by EUR 0.4 million and totaled EUR 3.1 million.

## EBITDA

The reported EBITDA was EUR 15.8 million, up by EUR 0.3 million compared to the same period last year. This result was achieved despite the numerous bad weather days in the high season (end of July and beginning of August) and the negative impact of inflationary pressures on purchase prices and energy products (EUR +4.1 million). However, an active management of operational efficiency and related optimization of operating costs was carried out at all operating levels.

## FINANCIAL RESULT

The financial result was EUR -1.1 million (EUR -0.8 million in 2022). The main reason for the EUR 0.3 million lower financial performance vs. the previous comparable period was mainly due to the increase in interest expenses caused by the withdrawal of long-term and short-term credit lines in 2022 and 2023

to strengthen the Company's liquidity position and the increase in reference interest rates in credit arrangements with a variable interest rate.

## GROSS PROFIT / (LOSS)

Profit before tax increased by EUR 2.0 million and totaled EUR 7.1 million due to stronger operating results and lower depreciation costs caused by the adjustment of individual depreciation groups with the expected lifetime of fixed assets.

## ASSETS AND LIABILITIES

| in EUR million                      | 31/12/2022   | 30/9/2023    | '23/'22    |
|-------------------------------------|--------------|--------------|------------|
| Fixed assets                        | 115.4        | 111.8        | -3%        |
| Current assets                      | 14.3         | 14.8         | 3%         |
| Prepaid expenses and accrued income | 0.1          | 0.4          | 529%       |
| <b>TOTAL ASSETS</b>                 | <b>129.8</b> | <b>127.0</b> | <b>-2%</b> |
| Capital and reserves                | 68.1         | 75.3         | 11%        |
| Provisions                          | 1.9          | 1.7          | -8%        |
| Long-term liabilities               | 43.1         | 38.0         | -12%       |
| Short term liabilities              | 15.8         | 11.3         | -29%       |
| Accruals and deferred income        | 0.9          | 0.8          | -10%       |
| <b>TOTAL LIABILITIES</b>            | <b>129.8</b> | <b>127.0</b> | <b>-2%</b> |

As of 30/09/2023, the total value of the Company's assets was EUR 127.0 million, down by 2% vs. 31 December 2022. Fixed assets were EUR 111.8 million, decreasing by EUR 3.6 million mostly because of the following: i) calculated amortization totaling EUR 7.6 million and ii) investments in maintaining and improving the quality of tourism products and services totaling EUR 3.7 million. Total current assets increased by EUR 0.5 million and totaled EUR 14.8 million mainly due to a lower cash position (EUR 8.1 million, EUR -1.6 million vs. 31/12/2022) resulting from the repayment of a revolving loan and short-term debt and EUR 2.1 million more reported in receivables from customers (usual situation for the end of 3Q given the increase in business activities if compared to the end of the year).

Total capital and reserves were EUR 75.2 million and they increased by 11% due to a EUR 7.2 million net profit during the first nine months of 2023.

Total long-term liabilities decreased by EUR 5.2 million totaling EUR 38.0 million due to the repayment of the entire long-term revolving loan, while total short-term liabilities were EUR 11.3 million, down by 29% (EUR -4.6 million) compared to 31 December 2022. The EUR 4.6 million decrease in short-term liabilities was primarily influenced by a decrease in liabilities to banks and other financial institutions (EUR 7.4 million) due to a short-term debt repayment and interest liabilities. However, the largest increase is reported in liabilities for advances (+EUR 2.1 million) and liabilities to suppliers (EUR + 0.9 million) due to increased business volumes vs. year-end. Accrued expenses and deferred income fell by EUR 0.1 million.

## RISKS IN THE COMPANY'S BUSINESS

The tourism industry has been changing rapidly over recent years. This is a result of changes in travel patterns, the emergence of low-cost airlines and various online agencies, new technologies and changes in booking trends, as well as in the very expectations of guests. Considering that the tourism industry represents a business of global proportions, it is very closely linked to the real and financial economy, macroeconomic and geopolitical aspects, and environmental sustainability, Company assesses the probability of the occurrence of a particular risk at the macro and micro level for each segment of the business and its potential consequences, or impact on the business processes and system of Liburnia Riviera.

The aim of risk management is to further encourage the creation of sustainable value and to assure the Company's many stakeholders. The risk management process consists of the following steps: a) identification of potential risks in the business, b) analysis and assessment of the occurrence of identified risks, c) defining activities and responsibilities for effective risk management, d) supervision and monitoring of measures taken to eliminate and/or reduce the occurrence of risk events, and e) exchange of information on risk management results.

The Company, like most companies in the tourism sector, is exposed to a number of risks in daily business that can be divided into the following categories:

### 1) FINANCIAL RISKS

Financial risks include interest rate, credit, price and liquidity risk.

Part of the debt with banks contracted at variable interest rates partially exposes the Company to the risk of changing interest outflows at cash flow, while credit risk arises from money, term deposits and trade receivables. Credit risk is minimized by arranging deals with customers who have an appropriate

credit history, arranging prepayments or payments through security deposits and credit cards for individual customers. The Company also acquires insurance instruments for receivables (bills of exchange, promissory notes and guarantees) thus allaying the risks of non-performing of its claims for the services provided. The Company continuously monitors tour operators and travel agencies with which it does regular business, while actively checking their financial competencies, and in the end, it implements forced collection by activating insurance measures to collect its receivables.

The Company is not an active participant in the capital markets in terms of trading with equity and debt securities, therefore it is not significantly exposed to price risk.

Sound liquidity risk management ensures that the Company ensures day-to-day control and provision of sufficient amounts of free cash through operating cash flows and adequate amounts of currently agreed and future credit lines to meet its obligations. Credit lines for 2023 are contracted with reputable financial institutions, while in general credit repayments are aligned with the period of significant cash inflows from operational activities. The Company monitors the level of available funds through daily cash and debt reports. Long-term cash flow forecasts, as well as annual (monthly) forecasts, are based on the set budget. After meeting the needs of working capital management the surplus is deposited in the treasury. From there the funds are invested in interest-bearing current accounts, time deposits, money market deposit accounts and marketable securities. Only instruments with suitable maturities and sufficient liquidity are selected, according to the forecast needs for liquid funds.

### 2) BUSINESS RISKS

The Company is exposed to business risks related to competitiveness and business stability. Since the Company owns real estate, this business model requires intensive capital engagement to maintain high-quality products and

services. Capital intensive investment projects in increasing the quality of services and products may exceed budget expectations, construction does not have to be completed on time, in the meantime, changes to urban planning regulations, other laws and fiscal policy may take effect and may lead to the opening of litigations with suppliers and contractors or inconsistent quality of work. These risks may adversely affect the Company's cost increase, as well as weaker cash flow and lower revenues.

Given that in conditions of a stable market, excluding the impact of the pandemic, almost 90% of the Company's guests are guests from abroad, the stability of macroeconomic indicators in their domicile countries is very important, where the exchange rate and price of goods and services that directly affect the purchasing power of guests play a significant role. The extreme seasonality of Croatian tourism as an industry poses a significant risk and impact on business results, as it leads to insufficient use of available tourist capacities and resources. Therefore, the Company at all levels of management strives to develop the tourist offer, using its comparative advantages and expertise while pondering strategically about the development of the tourist product.

Without high-quality human resources management, the development of the Company is not possible, and the expansion of the labor market in recent years has identified risks related to deficit positions, the development of new knowledge and specific skills. The Company's ability to provide support to its business may be impaired if the Company is unable to hire, train and retain the sufficient number of workers necessary for the realization of its business strategy and sustainable growth and development, especially during the high season from June to September. Therefore, the Company continuously engages in a dialogue with social partners and ensures a high level of workers' rights, starting with wage competitiveness, motivation and reward systems, untie career development, health care programs and numerous training programs.

### 3) OTHER RISKS

The Company is exposed to operational risk, i.e., direct and indirect losses arising from the Company's flawed internal and external processes. An incorrect assessment of a development opportunity may affect the Company's ability to deliver business growth and long-term value for shareholders. Given the complexity of the organization, systematic work is being done on the analysis of data that actively monitors the Company's business actions, thus providing a timely work frame for valid business decisions.

The Company is aware of the risk of exposure to cyber-attacks which may result in significant disruptions to operations and financial losses due to declining revenues, costs of repairing damage from attacks, and significant fines in the event of data security breaches, as well as the reliability of IT business solutions. Hence, the Company continuously works on its further development with a focus on data protection projects, improvement of existing and development and implementation of new, modern business systems.

## CORPORATE GOVERNANCE

The Company continuously, to the greatest extent possible, develops and operates, in accordance with the good practice of corporate governance prescribed by the Croatian Financial Services Supervisory Agency (HANFA) and the Zagreb Stock Exchange d.d. Business strategy, policy, key acts and business practices have established governance standards, aimed at contributing to transparent and efficient business.

During the nine months of 2023, for the most part, the Company has followed and applied the recommendations set out in the Code, disclosing all information as foreseen by the positive regulations and information beneficial for the interest of the Company's shareholders.

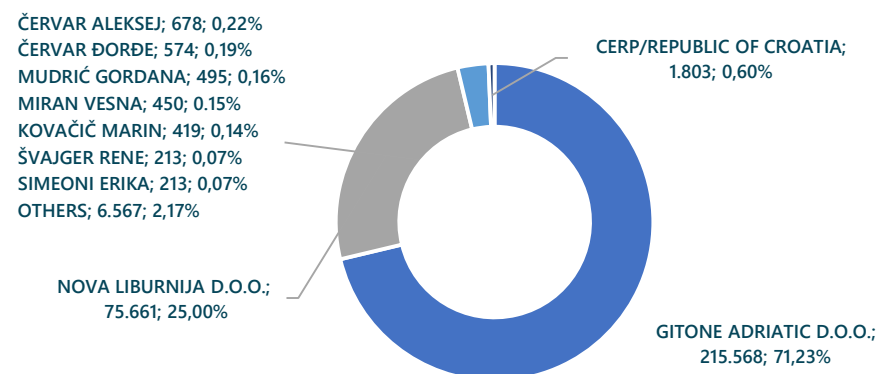
In accordance with the requirements of the Code, and in accordance with the provisions of the Companies Act, the Supervisory Board conducts internal supervision of the Company with regular inspections of presented reports. Members of the Supervisory Board are regularly provided with detailed information on the management and operations of the Company. At the meetings of the Supervisory Board, all matters within the competence of that body prescribed by the Companies Act and the Statute of the Company are discussed and decided. In addition, the Supervisory Board performs internal control and oversight through the Audit Committee, which provides expert support to the Supervisory Board and the Management Board in the effective performance of corporate governance, risk management, financial reporting and control obligations of the Company. Since 2021, the Strategic Development, Investment and Construction Committee, and the Procurement Committee have also been active within the Supervisory Board, with the purpose of accelerating internal processes of apt decision-making in cooperation with the Company's management, with the aim of implementing further planned investments in the shortest possible time frame.

Management ensures that the Company keeps business and other books and business documentation, draws up bookkeeping documents, realistically assesses assets and liabilities, compiles financial and other reports in

accordance with accounting regulations and standards and applicable laws and regulations.

The Company does not have a formal diversity policy in place regarding gender, age, education or profession in executive, managerial and supervisory bodies. Executive/managerial roles in the Company are appointed depending on the needs of specific business activities, requiring certain knowledge, professional qualification, and the capacity of potential role holder, without taking into account diversity with regards to gender or age. The Company also requires certain knowledge, education and capacity of potential job holders in these bodies in management and supervisory boards, and in accordance with the criteria and decisions of the Supervisory Board and the Assembly of the Company.

### Overview of the largest shareholders of the Company on September 30, 2023:



In accordance with the Statute of the Company, shareholders' right to vote is not limited to a certain percentage or number of votes, nor are there time restrictions for exercising voting rights. Each ordinary share carries one vote at the General Assembly. The Company's rights and obligations arising from the acquisition of its own shares are exercised in accordance with the provisions of the Companies Act (ZTD). On the day of 30 September 2023, the Company

holds 4 of its own shares, and in the nine months of 2023, the Company did not acquire its own shares.

Members of the Company's Management and Supervisory Board are not direct or indirect holders of the Company's shares in terms of the Companies Act (ZTD), and thus do not represent significant holders of the Company's shares in terms of the Companies Act (ZTD) and the Corporate Governance Code, thereby ensuring their independence as provided by the applicable legislation. The Management Board of the Company shall be appointed and revoked by the Supervisory Board.

During the first nine months of 2023, the Company's Management Board was composed by the President of the Management Board, Mr. Karl Eckerstorfer, and a member of the Management Board, Mr. Dušan Mandič. However, after the balance sheet date, there was a change in the composition of the Management Board due to the President's and Member's resignations (Mr. Eckerstorfer and Mr. Mandič) effective as of 31 October 2023, after which the Supervisory Board of the Company adopted a decision on 17 October 2023 appointing Mr. Ante Barić as the new President of the Management Board, starting from 1 November 2023, while it appointed Mr. Filip Močibob as the new member of the Management Board, starting from the appointment decision date.

The Authority of members of the Management Board is fully aligned with the provisions of the Companies Act (ZTD) and is regulated in more detail by the provisions of the Statute.

Company's Assembly appoints and revokes the Supervisory Board, in accordance with the Statute of the Company and the Companies Act (ZTD), and on the day of 30 September 2023 is composed of the following members:

- Johannes Böck, President,
- Alexander Paul Zinell, Deputy President,
- Philip Göth, Member,
- Dita Chrastilová, Member,
- Davor Žic, Member,
- Danijel Jerman, Member,
- Rikardo Gregov, Member,

- Ana Odak, Member,
- Ante Barić, Member.

At the beginning of 2023, the Company's shareholder, GITONE Adriatic d.o.o., made a decision by which it appointed Mr. Ante Barić as the ninth member of the Supervisory Board of the Company, who, as a result of his transfer to the position of President of the Management Board, submitted his resignation with effect from 31 October 2023. Also, the Company received the resignation of a member of the Supervisory Board at the beginning of July 2023, Mr. Thomas Mayer, with effect from 10 August, after which, at the General Assembly of the Company, Mrs. Dita Chrastilová was appointed as deputy.

As a rule, the Management Board and the Supervisory Board work in meetings, by decision-making without holding meetings, by correspondence, all in accordance with the provisions of positive regulations. The General Assembly is convened, operates and has the authority in accordance with the provisions of the ZTD as well as the provisions of the Statute of the Company, and the invitation and proposals of decisions, as well as the decisions taken, are made public in accordance with the provisions of the Companies Act (ZTD), the Capital Market Act and the Rules of the Zagreb Stock Exchange d.d. The rules on the appointment and revocation of members of the Management Board and members of the Supervisory Board are defined by the Statute, and in accordance with the provisions of the Companies Act (ZTD). The appointment rules do not contain any restrictions on diversity with regards to gender, age, education, profession and similar limitations.

The Supervisory Board, for the purpose of performing its function more efficiently as well as the tasks prescribed by the provisions of the Law on Audit and the Code of Corporate Governance, includes:

Audit Committee: Mr. Johannes Böck, President, Mr. Philip Göth and Mrs. Ana Odak, members,

Strategic Development, Investments and Constructions Committee: Mr. Johannes Böck, President and Mr. Ante Barić and Mrs. Ana Odak, members,

Procurement Committee: Mr. Johannes Böck, President and Mr. Ante Barić and Mrs. Ana Odak, members.

## STATEMENT OF RESPONSIBILITY OF THE MANAGEMENT BOARD FOR COMPILING THE ISSUER'S REPORTS

Opatija, October 31<sup>st</sup>, 2023

The Management Board is required to prepare financial statements for each financial year that present fairly, in all material respects, the financial position of the Company and its performance and cash flows, in accordance with International Financial Reporting Standards adopted by the European Union and is responsible for keeping appropriate accounting records to prepare these financial statements at any time. The Management Board has the general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Management is responsible for selecting appropriate accounting policies that are in line with applicable accounting standards and should be applied consistently thereafter; make reasonable and prudent judgments and estimates, prepare financial statements based on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Management Board is also responsible for the preparation and content of management reports as well as statements on the application of the Code of corporate governance, in accordance with the Croatian Accounting Act. The management report and report of the corporate governance code for the period from 1.1.2023 to 30.9.2023 were approved for issuance by the Management Board.

Pursuant to Articles 462 to 471 of the Capital Market Act (Official Gazette 65/18, 17/20, 83/21, 151/22), the Management Board issues this statement:

Interim unaudited unconsolidated financial statements of Liburnia Riviera Hoteli d.d. have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Croatian Accounting Act.

The unaudited unconsolidated financial statements for the period from 1.1.2023 to 30.9.2023 give a true and fair view of the Company's assets and liabilities, financial position, profit or loss.

The management report, together with the unaudited financial statements for the stated period, contains an objective presentation of the development and results of operations and the position of the Company with a description of the most significant risks and uncertainties to which the Company is exposed.



Mr. Karl Eckerstorfer,

Management Board President



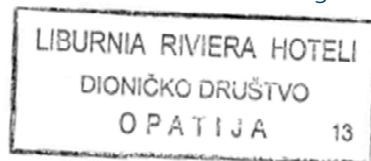
Mr. Dušan Mandič,

Management Board Member



Mr. Filip Močibob

Management Board Member





**Annex 1**

**ISSUER'S GENERAL DATA**

Reporting period:  to

Year:

Quarter:

**Quarterly financial statements**

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

Entity's registration number (MBS):

Personal identification number (OIB):  LEI:

Institution code:

Name of the issuer:

Postcode and town:

Street and house number:

E-mail address:

Web address:

Number of employees (end of the reporting period):

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

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

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

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

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

Telephone:

E-mail address:

Audit firm:  (name of the audit firm)

Certified auditor:  (name and surname)

**BALANCE SHEET**  
balance as at 30.9.2023

in EUR

| Submitter: LIBURNIA RIVIERA HOTELI d.d.                                                      |            |                                         |                                             |
|----------------------------------------------------------------------------------------------|------------|-----------------------------------------|---------------------------------------------|
| Item                                                                                         | ADP code   | Last day of the preceding business year | At the reporting date of the current period |
| 1                                                                                            | 2          | 3                                       | 4                                           |
| <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> | 115.431.296                             | 111.796.170                                 |
| <b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>                                                  | <b>003</b> | 2.575.232                               | 2.939.449                                   |
| 1 Research and development                                                                   | 004        | 162.757                                 | 129.483                                     |
| 2 Concessions, patents, licences, trademarks, software and other rights                      | 005        | 1.034.993                               | 870.628                                     |
| 3 Goodwill                                                                                   | 006        | 0                                       | 0                                           |
| 4 Advances for the purchase of intangible assets                                             | 007        | 0                                       | 0                                           |
| 5 Intangible assets in preparation                                                           | 008        | 247.088                                 | 625.200                                     |
| 6 Other intangible assets                                                                    | 009        | 1.130.394                               | 1.314.138                                   |
| <b>II TANGIBLE ASSETS (ADP 011 to 019)</b>                                                   | <b>010</b> | 107.009.065                             | 102.987.436                                 |
| 1 Land                                                                                       | 011        | 16.251.192                              | 16.251.192                                  |
| 2 Buildings                                                                                  | 012        | 69.039.691                              | 64.978.733                                  |
| 3 Plant and equipment                                                                        | 013        | 3.017.084                               | 2.652.297                                   |
| 4 Tools, working inventory and transportation assets                                         | 014        | 12.776.877                              | 11.455.554                                  |
| 5 Biological assets                                                                          | 015        | 0                                       | 0                                           |
| 6 Advances for the purchase of tangible assets                                               | 016        | 2.523.089                               | 2.466.069                                   |
| 7 Tangible assets in preparation                                                             | 017        | 2.885.357                               | 4.667.816                                   |
| 8 Other tangible assets                                                                      | 018        | 515.775                                 | 515.775                                     |
| 9 Investment property                                                                        | 019        | 0                                       | 0                                           |
| <b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>                                           | <b>020</b> | 3.228.169                               | 3.228.169                                   |
| 1 Investments in holdings (shares) of undertakings within the group                          | 021        | 3.228.169                               | 3.228.169                                   |
| 2 Investments in other securities of undertakings within the group                           | 022        | 0                                       | 0                                           |
| 3 Loans, deposits, etc. to undertakings within the group                                     | 023        | 0                                       | 0                                           |
| 4. Investments in holdings (shares) of companies linked by virtue of participating interests | 024        | 0                                       | 0                                           |
| 5 Investment in other securities of companies linked by virtue of participating interests    | 025        | 0                                       | 0                                           |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests              | 026        | 0                                       | 0                                           |
| 7 Investments in securities                                                                  | 027        | 0                                       | 0                                           |
| 8 Loans, deposits, etc. given                                                                | 028        | 0                                       | 0                                           |
| 9 Other investments accounted for using the equity method                                    | 029        | 0                                       | 0                                           |
| 10 Other fixed financial assets                                                              | 030        | 0                                       | 0                                           |
| <b>IV RECEIVABLES (ADP 032 to 035)</b>                                                       | <b>031</b> | 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                                           |
| <b>V DEFERRED TAX ASSETS</b>                                                                 | <b>036</b> | 2.618.830                               | 2.641.116                                   |
| <b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>                                               | <b>037</b> | 14.328.998                              | 14.819.244                                  |
| <b>I INVENTORIES (ADP 039 to 045)</b>                                                        | <b>038</b> | 737.375                                 | 727.442                                     |
| 1 Raw materials and consumables                                                              | 039        | 652.143                                 | 653.445                                     |
| 2 Work in progress                                                                           | 040        | 0                                       | 0                                           |
| 3 Finished goods                                                                             | 041        | 0                                       | 0                                           |
| 4 Merchandise                                                                                | 042        | 44.725                                  | 43.097                                      |
| 5 Advances for inventories                                                                   | 043        | 40.507                                  | 30.900                                      |
| 6 Fixed assets held for sale                                                                 | 044        | 0                                       | 0                                           |
| 7 Biological assets                                                                          | 045        | 0                                       | 0                                           |
| <b>II RECEIVABLES (ADP 047 to 052)</b>                                                       | <b>046</b> | 3.884.322                               | 5.972.516                                   |
| 1 Receivables from undertakings within the group                                             | 047        | 0                                       | 0                                           |
| 2 Receivables from companies linked by virtue of participating interests                     | 048        | 1.899.899                               | 1.958.784                                   |
| 3 Customer receivables                                                                       | 049        | 1.760.655                               | 3.762.352                                   |
| 4 Receivables from employees and members of the undertaking                                  | 050        | 20.700                                  | 80.043                                      |
| 5 Receivables from government and other institutions                                         | 051        | 171.115                                 | 142.825                                     |
| 6 Other receivables                                                                          | 052        | 31.953                                  | 28.512                                      |
| <b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>                                         | <b>053</b> | 637                                     | 637                                         |
| 1 Investments in holdings (shares) of undertakings within the group                          | 054        | 0                                       | 0                                           |
| 2 Investments in other securities of undertakings within the group                           | 055        | 0                                       | 0                                           |
| 3 Loans, deposits, etc. to undertakings within the group                                     | 056        | 0                                       | 0                                           |
| 4 Investments in holdings (shares) of companies linked by virtue of participating interests  | 057        | 0                                       | 0                                           |
| 5 Investment in other securities of companies linked by virtue of participating interests    | 058        | 0                                       | 0                                           |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests              | 059        | 0                                       | 0                                           |
| 7 Investments in securities                                                                  | 060        | 637                                     | 637                                         |

|                                                                                                 |     |             |             |
|-------------------------------------------------------------------------------------------------|-----|-------------|-------------|
| 8 Loans, deposits, etc. given                                                                   | 061 | 0           | 0           |
| 9 Other financial assets                                                                        | 062 | 0           | 0           |
| IV CASH AT BANK AND IN HAND                                                                     | 063 | 9.706.664   | 8.118.649   |
| D ) PREPAID EXPENSES AND ACCRUED INCOME                                                         | 064 | 61.783      | 388.351     |
| E) TOTAL ASSETS (ADP 001+002+037+064)                                                           | 065 | 129.822.077 | 127.003.765 |
| OFF-BALANCE SHEET ITEMS                                                                         | 066 | 7.098       | 8.278       |
| <b>LIABILITIES</b>                                                                              |     |             |             |
| <b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)</b>                             | 067 | 68.068.631  | 75.228.618  |
| I INITIAL (SUBSCRIBED) CAPITAL                                                                  | 068 | 92.384.936  | 92.305.505  |
| II CAPITAL RESERVES                                                                             | 069 | 0           | 0           |
| III RESERVES FROM PROFIT (ADP 071+072-073+074+075)                                              | 070 | 6.173.449   | 6.252.880   |
| 1 Legal reserves                                                                                | 071 | 5.975.017   | 5.975.017   |
| 2 Reserves for treasury shares                                                                  | 072 | 1.221       | 1.221       |
| 3 Treasury shares and holdings (deductible item)                                                | 073 | -1.221      | -1.221      |
| 4 Statutory reserves                                                                            | 074 | 0           | 0           |
| 5 Other reserves                                                                                | 075 | 198.432     | 277.863     |
| IV REVALUATION RESERVES                                                                         | 076 | 0           | 0           |
| V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)                                                | 077 | 0           | 0           |
| 1 Financial assets at fair value through other comprehensive income (i.e. available for sale)   | 078 | 0           | 0           |
| 2 Cash flow hedge - effective portion                                                           | 079 | 0           | 0           |
| 3 Hedge of a net investment in a foreign operation - effective portion                          | 080 | 0           | 0           |
| 4 Other fair value reserves                                                                     | 081 | 0           | 0           |
| 5 Exchange differences arising from the translation of foreign operations (consolidation)       | 082 | 0           | 0           |
| VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)                                        | 083 | -29.936.432 | -30.489.754 |
| 1 Retained profit                                                                               | 084 | 0           | 0           |
| 2 Loss brought forward                                                                          | 085 | 29.936.432  | 30.489.754  |
| VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)                                          | 086 | -553.322    | 7.159.987   |
| 1 Profit for the business year                                                                  | 087 | 0           | 7.159.987   |
| 2 Loss for the business year                                                                    | 088 | 553.322     | 0           |
| VIII MINORITY (NON-CONTROLLING) INTEREST                                                        | 089 | 0           | 0           |
| <b>B) PROVISIONS (ADP 091 to 096)</b>                                                           | 090 | 1.869.369   | 1.721.306   |
| 1 Provisions for pensions, termination benefits and similar obligations                         | 091 | 241.962     | 241.962     |
| 2 Provisions for tax liabilities                                                                | 092 | 0           | 0           |
| 3 Provisions for ongoing legal cases                                                            | 093 | 1.627.407   | 1.479.344   |
| 4 Provisions for renewal of natural resources                                                   | 094 | 0           | 0           |
| 5 Provisions for warranty obligations                                                           | 095 | 0           | 0           |
| 6 Other provisions                                                                              | 096 | 0           | 0           |
| <b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>                                                | 097 | 43.113.565  | 37.957.600  |
| 1 Liabilities to undertakings within the group                                                  | 098 | 0           | 0           |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group                        | 099 | 0           | 0           |
| 3 Liabilities to companies linked by virtue of participating interests                          | 100 | 0           | 0           |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 101 | 0           | 0           |
| 5 Liabilities for loans, deposits etc.                                                          | 102 | 0           | 0           |
| 6 Liabilities to banks and other financial institutions                                         | 103 | 42.002.032  | 36.672.032  |
| 7 Liabilities for advance payments                                                              | 104 | 0           | 0           |
| 8 Liabilities to suppliers                                                                      | 105 | 0           | 0           |
| 9 Liabilities for securities                                                                    | 106 | 0           | 0           |
| 10 Other long-term liabilities                                                                  | 107 | 1.111.533   | 1.285.568   |
| 11 Deferred tax liability                                                                       | 108 | 0           | 0           |
| <b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>                                               | 109 | 15.856.464  | 11.269.250  |
| 1 Liabilities to undertakings within the group                                                  | 110 | 205.659     | 273.472     |
| 2 Liabilities for loans, deposits, etc. of undertakings within the group                        | 111 | 0           | 0           |
| 3 Liabilities to companies linked by virtue of participating interests                          | 112 | 0           | 0           |
| 4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests | 113 | 0           | 0           |
| 5 Liabilities for loans, deposits etc.                                                          | 114 | 0           | 0           |
| 6 Liabilities to banks and other financial institutions                                         | 115 | 8.674.072   | 1.261.110   |
| 7 Liabilities for advance payments                                                              | 116 | 1.448.394   | 3.559.073   |
| 8 Liabilities to suppliers                                                                      | 117 | 1.815.223   | 2.687.300   |
| 9 Liabilities for securities                                                                    | 118 | 0           | 0           |
| 10 Liabilities to employees                                                                     | 119 | 2.298.297   | 1.917.843   |
| 11 Taxes, contributions and similar liabilities                                                 | 120 | 785.161     | 1.247.906   |
| 12 Liabilities arising from the share in the result                                             | 121 | 0           | 0           |
| 13 Liabilities arising from fixed assets held for sale                                          | 122 | 0           | 0           |
| 14 Other short-term liabilities                                                                 | 123 | 629.658     | 322.546     |
| <b>E) ACCRUALS AND DEFERRED INCOME</b>                                                          | 124 | 914.048     | 826.991     |
| <b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>                                         | 125 | 129.822.077 | 127.003.765 |
| <b>G) OFF-BALANCE SHEET ITEMS</b>                                                               | 126 | 7.098       | 8.278       |

**STATEMENT OF PROFIT OR LOSS**  
for the period 1.1.2023 to 30.9.2023

in EUR

| Submitter: LIBURNIA RIVIERA 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>42.416.097</b>                | <b>26.833.174</b> | <b>49.015.325</b> | <b>28.723.040</b> |
| 1 Income from sales with undertakings within the group                                                    | 002        | 33.283                           | 20.865            | 116.024           | 45.634            |
| 2 Income from sales (outside group)                                                                       | 003        | 40.743.216                       | 25.835.518        | 47.232.270        | 28.171.926        |
| 3 Income from the use of own products, goods and services                                                 | 004        | 0                                | 0                 | 0                 | 0                 |
| 4 Other operating income with undertakings within the group                                               | 005        | 2.176                            | 2.176             | 18.062            | 5.745             |
| 5 Other operating income (outside the group)                                                              | 006        | 1.637.422                        | 974.615           | 1.648.969         | 499.735           |
| <b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>                                         | <b>007</b> | <b>36.469.917</b>                | <b>16.190.428</b> | <b>40.789.489</b> | <b>17.575.070</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        | 13.751.747                       | 7.119.418         | 17.903.773        | 8.941.385         |
| a) Costs of raw materials and consumables                                                                 | 010        | 6.876.421                        | 3.589.058         | 9.653.171         | 4.743.846         |
| b) Costs of goods sold                                                                                    | 011        | 1.107                            | 976               | 17.900            | 9.599             |
| c) Other external costs                                                                                   | 012        | 6.874.219                        | 3.529.384         | 8.232.702         | 4.187.940         |
| 3 Staff costs (ADP 014 to 016)                                                                            | 013        | 10.388.968                       | 4.512.811         | 12.247.212        | 4.994.030         |
| a) Net salaries and wages                                                                                 | 014        | 7.036.555                        | 3.093.149         | 8.281.471         | 3.409.658         |
| b) Tax and contributions from salary costs                                                                | 015        | 2.147.137                        | 916.066           | 2.584.509         | 1.031.735         |
| c) Contributions on salaries                                                                              | 016        | 1.205.276                        | 503.596           | 1.381.232         | 552.637           |
| 4 Depreciation                                                                                            | 017        | 9.549.421                        | 3.190.159         | 7.568.800         | 2.534.321         |
| 5 Other costs                                                                                             | 018        | 0                                | 0                 | 0                 | 0                 |
| 6 Value adjustments (ADP 020+021)                                                                         | 019        | 52.886                           | 24.035            | 1.699             | 339               |
| a) fixed assets other than financial assets                                                               | 020        | 52.886                           | 24.035            | 566               | 339               |
| b) current assets other than financial assets                                                             | 021        | 0                                | 0                 | 1.133             | 0                 |
| 7 Provisions (ADP 023 to 028)                                                                             | 022        | 0                                | 0                 | 0                 | 0                 |
| a) Provisions for pensions, termination benefits and similar obligations                                  | 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        | 2.726.895                        | 1.344.005         | 3.068.005         | 1.104.995         |
| <b>III FINANCIAL INCOME (ADP 031 to 040)</b>                                                              | <b>030</b> | <b>387.545</b>                   | <b>58.168</b>     | <b>95.973</b>     | <b>64.384</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        | 35.269                           | 35.269            | 42.741            | 11.602            |
| 5 Exchange rate differences and other financial income from operations with undertakings within the group | 035        | 0                                | 0                 | 0                 | 0                 |
| 6 Income from other long-term financial investments and loans                                             | 036        | 0                                | 0                 | 0                 | 0                 |
| 7 Other interest income                                                                                   | 037        | 135                              | 95                | 53.232            | 52.782            |
| 8 Exchange rate differences and other financial income                                                    | 038        | 352.141                          | 22.804            | 0                 | 0                 |
| 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>1.229.439</b>                 | <b>386.692</b>    | <b>1.184.108</b>  | <b>402.922</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        | 821.828                          | 375.337           | 1.183.049         | 401.863           |
| 4 Exchange rate differences and other expenses                                                            | 045        | 398.060                          | 10.108            | 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        | 9.551                            | 1.247             | 1.059             | 1.059             |
| <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>0</b>          | <b>0</b>          |
| <b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>                                                             | <b>053</b> | <b>42.803.642</b>                | <b>26.891.342</b> | <b>49.111.298</b> | <b>28.787.424</b> |
| <b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>                                                        | <b>054</b> | <b>37.699.356</b>                | <b>16.577.120</b> | <b>41.973.597</b> | <b>17.977.992</b> |
| <b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>                                                            | <b>055</b> | <b>5.104.286</b>                 | <b>10.314.222</b> | <b>7.137.701</b>  | <b>10.809.432</b> |

|                                                                                                                                               |            |                  |                   |                  |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------|-------------------|------------------|-------------------|
| 1 Pre-tax profit (ADP 053-054)                                                                                                                | 056        | 5,104,286        | 10,314,222        | 7,137,701        | 10,809,432        |
| 2 Pre-tax loss (ADP 054-053)                                                                                                                  | 057        | 0                | 0                 | 0                | 0                 |
| <b>XII INCOME TAX</b>                                                                                                                         | <b>058</b> | -18,282          | -5,812            | -22,286          | -7,596            |
| <b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>                                                                                       | <b>059</b> | <b>5,122,568</b> | <b>10,320,034</b> | <b>7,159,987</b> | <b>10,817,028</b> |
| 1 Profit for the period (ADP 055-059)                                                                                                         | 060        | 5,122,568        | 10,320,034        | 7,159,987        | 10,817,028        |
| 2 Loss for the period (ADP 059-055)                                                                                                           | 061        | 0                | 0                 | 0                | 0                 |
| <b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>                            |            |                  |                   |                  |                   |
| <b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>                                                                    | <b>062</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Pre-tax profit from discontinued operations                                                                                                 | 063        | 0                | 0                 | 0                | 0                 |
| 2 Pre-tax loss on discontinued operations                                                                                                     | 064        | 0                | 0                 | 0                | 0                 |
| <b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>                                                                                               | <b>065</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Discontinued operations profit for the period (ADP 062-065)                                                                                 | 066        | 0                | 0                 | 0                | 0                 |
| 2 Discontinued operations loss for the period (ADP 065-062)                                                                                   | 067        | 0                | 0                 | 0                | 0                 |
| <b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>                                   |            |                  |                   |                  |                   |
| <b>XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)</b>                                                                                               | <b>068</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Pre-tax profit (ADP 068)                                                                                                                    | 069        | 0                | 0                 | 0                | 0                 |
| 2 Pre-tax loss (ADP 068)                                                                                                                      | 070        | 0                | 0                 | 0                | 0                 |
| <b>XVII INCOME TAX (ADP 058+065)</b>                                                                                                          | <b>071</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| <b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>                                                                                      | <b>072</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Profit for the period (ADP 068-071)                                                                                                         | 073        | 0                | 0                 | 0                | 0                 |
| 2 Loss for the period (ADP 071-068)                                                                                                           | 074        | 0                | 0                 | 0                | 0                 |
| <b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>                        |            |                  |                   |                  |                   |
| <b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>                                                                                        | <b>075</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Attributable to owners of the parent                                                                                                        | 076        | 0                | 0                 | 0                | 0                 |
| 2 Attributable to minority (non-controlling) interest                                                                                         | 077        | 0                | 0                 | 0                | 0                 |
| <b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>                                              |            |                  |                   |                  |                   |
| <b>I PROFIT OR LOSS FOR THE PERIOD</b>                                                                                                        | <b>078</b> | <b>5,122,567</b> | <b>10,320,036</b> | <b>7,159,987</b> | <b>10,817,028</b> |
| <b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>                                                                             | <b>079</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| <b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>                                                             | <b>080</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Changes in revaluation reserves of fixed tangible and intangible assets                                                                     | 081        | 0                | 0                 | 0                | 0                 |
| 2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income                          | 082        | 0                | 0                 | 0                | 0                 |
| 3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk | 083        | 0                | 0                 | 0                | 0                 |
| 4 Actuarial gains/losses on the defined benefit obligation                                                                                    | 084        | 0                | 0                 | 0                | 0                 |
| 5 Other items that will not be reclassified                                                                                                   | 085        | 0                | 0                 | 0                | 0                 |
| 6 Income tax relating to items that will not be reclassified                                                                                  | 086        | 0                | 0                 | 0                | 0                 |
| <b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>                                                                   | <b>087</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Exchange rate differences from translation of foreign operations                                                                            | 088        | 0                | 0                 | 0                | 0                 |
| 2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income                             | 089        | 0                | 0                 | 0                | 0                 |
| 3 Profit or loss arising from effective cash flow hedging                                                                                     | 090        | 0                | 0                 | 0                | 0                 |
| 4 Profit or loss arising from effective hedge of a net investment in a foreign operation                                                      | 091        | 0                | 0                 | 0                | 0                 |
| 5 Share in other comprehensive income/loss of companies linked by virtue of participating interests                                           | 092        | 0                | 0                 | 0                | 0                 |
| 6 Changes in fair value of the time value of option                                                                                           | 093        | 0                | 0                 | 0                | 0                 |
| 7 Changes in fair value of forward elements of forward contracts                                                                              | 094        | 0                | 0                 | 0                | 0                 |
| 8 Other items that may be reclassified to profit or loss                                                                                      | 095        | 0                | 0                 | 0                | 0                 |
| 9 Income tax relating to items that may be reclassified to profit or loss                                                                     | 096        | 0                | 0                 | 0                | 0                 |
| <b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)</b>                                                                      | <b>097</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| <b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>                                                                           | <b>098</b> | <b>5,122,567</b> | <b>10,320,036</b> | <b>7,159,987</b> | <b>10,817,028</b> |
| <b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>               |            |                  |                   |                  |                   |
| <b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>                                                                           | <b>099</b> | <b>0</b>         | <b>0</b>          | <b>0</b>         | <b>0</b>          |
| 1 Attributable to owners of the parent                                                                                                        | 100        | 0                | 0                 | 0                | 0                 |
| 2 Attributable to minority (non-controlling) interest                                                                                         | 101        | 0                | 0                 | 0                | 0                 |

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 1.1.2023 to 30.9.2023

in EUR

| Submitter: LIBURNIA RIVIERA 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        | 5.104.285                        | 7.137.701          |
| 2 Adjustments (ADP 003 to 010):                                                                                   | 002        | 10.150.456                       | 8.516.643          |
| a) Depreciation                                                                                                   | 003        | 9.549.421                        | 7.568.800          |
| b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets                        | 004        | 52.886                           | 1.699              |
| c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets            | 005        | 0                                | -1.133             |
| d) Interest and dividend income                                                                                   | 006        | -35.404                          | -95.973            |
| e) Interest expenses                                                                                              | 007        | 821.828                          | 1.183.049          |
| f) Provisions                                                                                                     | 008        | -133.935                         | -148.063           |
| g) Exchange rate differences (unrealised)                                                                         | 009        | -50.878                          | 0                  |
| h) Other adjustments for non-cash transactions and unrealised gains and losses                                    | 010        | -53.462                          | 8.264              |
| <b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>                           | <b>011</b> | <b>15.254.741</b>                | <b>15.654.344</b>  |
| 3 Changes in the working capital (ADP 013 to 016)                                                                 | 012        | -277.667                         | 377.605            |
| a) Increase or decrease in short-term liabilities                                                                 | 013        | 2.278.948                        | 2.782.434          |
| b) Increase or decrease in short-term receivables                                                                 | 014        | -2.299.240                       | -2.414.762         |
| c) Increase or decrease in inventories                                                                            | 015        | -257.375                         | 9.933              |
| d) Other increase or decrease in working capital                                                                  | 016        | 0                                | 0                  |
| <b>II Cash from operations (ADP 011+012)</b>                                                                      | <b>017</b> | <b>14.977.074</b>                | <b>16.031.949</b>  |
| 4 Interest paid                                                                                                   | 018        | -1.016.275                       | -1.561.223         |
| 5 Income tax paid                                                                                                 | 019        | 0                                | 0                  |
| <b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>                                                | <b>020</b> | <b>13.960.799</b>                | <b>14.470.726</b>  |
| <b>Cash flow from investment activities</b>                                                                       |            |                                  |                    |
| 1 Cash receipts from sales of fixed tangible and intangible assets                                                | 021        | 122.438                          | 0                  |
| 2 Cash receipts from sales of financial instruments                                                               | 022        | 0                                | 0                  |
| 3 Interest received                                                                                               | 023        | 135                              | 53.232             |
| 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                  |
| <b>III Total cash receipts from investment activities (ADP 021 to 026)</b>                                        | <b>027</b> | <b>122.573</b>                   | <b>53.232</b>      |
| 1 Cash payments for the purchase of fixed tangible and intangible assets                                          | 028        | -6.233.708                       | -3.703.444         |
| 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                  |
| <b>IV Total cash payments from investment activities (ADP 028 to 032)</b>                                         | <b>033</b> | <b>-6.233.708</b>                | <b>-3.703.444</b>  |
| <b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>                                                 | <b>034</b> | <b>-6.111.135</b>                | <b>-3.650.212</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        | 8.418.487                        | 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>8.418.487</b>                 | <b>0</b>           |
| 1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments | 040        | -9.200.176                       | -12.364.786        |
| 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        | -40.157                          | -43.743            |
| <b>VI Total cash payments from financing activities (ADP 040 to 044)</b>                                          | <b>045</b> | <b>-9.240.333</b>                | <b>-12.408.529</b> |
| <b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>                                                  | <b>046</b> | <b>-821.846</b>                  | <b>-12.408.529</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>7.027.818</b>                 | <b>-1.588.015</b>  |
| <b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>                                                | <b>049</b> | <b>2.018.749</b>                 | <b>9.706.664</b>   |
| <b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)</b>                                        | <b>050</b> | <b>9.046.567</b>                 | <b>8.118.649</b>   |

| STATEMENT OF CHANGES IN EQUITY                                                                                                                        |          |                                      |                  |                |                              |                                                |                    |                |                      |                                                                                        |                                   |                                                                    |                           |                                                                  |                                        |                                   |                                            |                                     |                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------|------------------|----------------|------------------------------|------------------------------------------------|--------------------|----------------|----------------------|----------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------------|---------------------------|------------------------------------------------------------------|----------------------------------------|-----------------------------------|--------------------------------------------|-------------------------------------|----------------------------|
| for the period from 1.1.2023 to 30.9.2023                                                                                                             |          | Attributable to owners of the parent |                  |                |                              |                                                |                    |                |                      |                                                                                        |                                   |                                                                    |                           |                                                                  |                                        |                                   |                                            |                                     |                            |
| Item                                                                                                                                                  | ADP code | 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 (19+19)                 |
| <b>Previous period</b>                                                                                                                                |          |                                      |                  |                |                              |                                                |                    |                |                      |                                                                                        |                                   |                                                                    |                           |                                                                  |                                        |                                   |                                            |                                     |                            |
| 1 Balance on the first day of the previous business year                                                                                              | 01       | 92,384,936                           | 0                | 5,975,017      | 1,221                        | 1,221                                          | 0                  | 198,432        | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | -29,936,432                            | 0                                 | 68,621,953                                 | 0                                   | 68,621,953                 |
| 2 Changes in accounting policies                                                                                                                      | 02       | 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                          |
| 4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)                                                                    | 04       | 92,384,936                           | 0                | 5,975,017      | 1,221                        | 1,221                                          | 0                  | 198,432        | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | -29,936,432                            | 0                                 | 68,621,953                                 | 0                                   | 68,621,953                 |
| 5 Profit/loss of the period                                                                                                                           | 05       | 0                                    | 0                | 0              | 0                            | 0                                              | 0                  | 0              | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | 0                                      | 0                                 | -553,322                                   | -553,322                            | -553,322                   |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                                          | 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                                          | 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                          |
| 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                          |
| 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                          |
| 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                          |
| 19 Payments from members/shareholders                                                                                                                 | 19       | 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                          |
| 21 Other distributions and payments to members/shareholders                                                                                           | 21       | 0                                    | 0                | 0              | 0                            | 0                                              | 0                  | 0              | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | 0                                      | 0                                 | 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                          |
| 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                          |
| 24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)                                                              | 24       | 92,384,936                           | 0                | 5,975,017      | 1,221                        | 1,221                                          | 0                  | 198,432        | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | -29,936,432                            | -553,322                          | 68,068,631                                 | 0                                   | 68,068,631                 |
| <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 05 to 14)                                                                        | 25       | 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 PREVIOUS PERIOD (ADP 05+25)                                                                                   | 26       | 0                                    | 0                | 0              | 0                            | 0                                              | 0                  | 0              | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | 0                                      | -553,322                          | -553,322                                   | 0                                   | -553,322                   |
| 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                                      | 0                                 | 0                                          | 0                                   | 0                          |
| <b>Current period</b>                                                                                                                                 |          |                                      |                  |                |                              |                                                |                    |                |                      |                                                                                        |                                   |                                                                    |                           |                                                                  |                                        |                                   |                                            |                                     |                            |
| 1 Balance on the first day of the current business year                                                                                               | 28       | 92,384,936                           | 0                | 5,975,017      | 1,221                        | 1,221                                          | 0                  | 198,432        | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | -30,489,754                            | 0                                 | 68,068,631                                 | 0                                   | 68,068,631                 |
| 2 Changes in accounting policies                                                                                                                      | 29       | 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                          |
| 4 Balance on the first day of the current business year (restated) (ADP 28 to 30)                                                                     | 31       | 92,384,936                           | 0                | 5,975,017      | 1,221                        | 1,221                                          | 0                  | 198,432        | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | -30,489,754                            | 0                                 | 68,068,631                                 | 0                                   | 68,068,631                 |
| 5 Profit/loss of the period                                                                                                                           | 32       | 0                                    | 0                | 0              | 0                            | 0                                              | 0                  | 0              | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | 0                                      | 0                                 | 7,159,987                                  | 7,159,987                           | 7,159,987                  |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 13 Other changes in equity unrelated to owners                                                                                                        | 40       | -79,431                              | 0                | 0              | 0                            | 0                                              | 0                  | 79,431         | 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                          |
| 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                          |
| 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                          |
| 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                          |
| 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                          |
| 19 Payments from members/shareholders                                                                                                                 | 46       | 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                          |
| 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                          |
| 22 Carryforward per annual plan                                                                                                                       | 49       | 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                                                                          | 50       | 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       | 92,305,505                           | 0                | 5,975,017      | 1,221                        | 1,221                                          | 0                  | 277,863        | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | -30,489,754                            | 7,159,987                         | 75,228,618                                 | 0                                   | 75,228,618                 |
| <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 CURRENT PERIOD, NET OF TAX (ADP 33 to 41)                                                                         | 52       | -79,431                              | 0                | 0              | 0                            | 0                                              | 0                  | 79,431         | 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       | -79,431                              | 0                | 0              | 0                            | 0                                              | 0                  | 79,431         | 0                    | 0                                                                                      | 0                                 | 0                                                                  | 0                         | 0                                                                | 0                                      | 7,159,987                         | 7,159,987                                  | 0                                   | 7,159,987                  |
| 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                                                                | 0                                      | 0                                 | 0                                          | 0                                   | 0                          |

## NOTES TO FINANCIAL STATEMENTS - TFI

(Drawn up for quarterly reporting periods)

Name of the issuer: LIBURNIA RIVIERA HOTELI d.d.

Personal identification number (OIB): 1557308024

Reporting period: from 1.1.2023 to 30.9.2023

Notes to financial statements for quarterly periods include:

a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting quarterly period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 - Interim financial reporting)

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). They are made using the historical cost method. Significant business events and transactions in the observed period are explained in the report "Business results from 1.1.2023 to 30.9.2023" which was published simultaneously with this document on the company's website as well as on the website of the Zagreb Stock Exchange and submitted to the Official Register at the Croatian Financial Services Supervisory Agency.

b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period

Report "Business results from 1.1.2023 to 30.9.2023" as well as all officially published reports so far are available on the website of the Zagreb Stock Exchange and on the Company's website.

Audited annual reports of Liburnia Riviera Hotels d.d. for 2022 are available on the website of the Zagreb Stock Exchange as well as on the company's website. ([www.liburnia.hr](http://www.liburnia.hr), [www.hanfa.hr](http://www.hanfa.hr), [www.zse.hr](http://www.zse.hr)).

c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 - Interim financial reporting)

The Company declares that the accounting policies applied in the preparation of the financial statements for the reporting period ending on 30.9.2023 are identical to those applied in the last published annual audited financial statements.

However, in the reporting period, the Company changed the accounting estimate of the useful life of long-term tangible assets with application from January 1, 2023. with the aim of harmonizing individual depreciation groups with the expected lifetime of fixed assets. If there had been no change in the accounting estimate, depreciation would, for the period 1.1.2023. until 30.9.2023, amounted to 9,208 thousand euros, which makes a difference of 1,639 thousand euros.

d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting)

Report "Business results from 1.1.2023 to 30.9.2023" as well as all officially published reports so far are available on the website of the Zagreb Stock Exchange and on the Company's website ([www.liburnia.hr](http://www.liburnia.hr), [www.hanfa.hr](http://www.hanfa.hr), [www.zse.hr](http://www.zse.hr)).

e) other comments prescribed by IAS 34 - Interim financial reporting

All other announcements can be found in the Report "Business Results from 1.1.2023 until 30.9.2023" which is available on the website of the Zagreb Stock Exchange and on the Company's website ([www.liburnia.hr](http://www.liburnia.hr), [www.hanfa.hr](http://www.hanfa.hr), [www.zse.hr](http://www.zse.hr)).

f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:



1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration

Name of the issuer: LIBURNIA RIVIERA HOTELI d.d.

Headquarters: Maršala Tita 198, 51410 Opatija

Legal form: joint stock company

Country of establishment: Republic of Croatia

OIB: 1557308024

Statistic number of the subject: 040008080

2. adopted accounting policies (only an indication of whether there has been a change from the previous period)

No changes were applied in the accounting policies.

However, in the reporting period, the Company changed the accounting estimate of the useful life of long-term tangible assets with application from January 1, 2023. with the aim of harmonizing individual depreciation groups with the expected lifetime of fixed assets. If there had been no change in the accounting estimate, depreciation would, for the period 1.1.2023. until 30.9.2023, amounted to EUR 9,208 thousand, which makes a difference of EUR 1,639 thousand.

3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately

All financial liabilities of the Company are included in the balance sheet.

4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence

Details are available in the published report "Business results from 1.1.2023 until 30.9.2023."

5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security

On 30.9.2023 long-term and short-term loans liabilities and liabilities under operational and financial lease contracts of the Company amounted to EUR 38,243 thousand of which EUR 6,906 thousand matures after more than 5 years.

Bank loans are secured primarily by mortgages on the Company's real estate, while lease liabilities are secured by issued debentures of the Company.

Liabilities for leases according to IFRS 16 as of 30.9.2023, based on signed concession agreements, amount to EUR 1,021 thousand, of which EUR 672 thousand is due after more than 5 years.

6. average number of employees during the financial year

The average number of employees in the period from 1.1.2023 to 30.9.2023 was 756.

7. where, in accordance with the regulations, the undertaking capitalized on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalized on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries

In the period from 1.1.2023 to 30.9.2023, the Company capitalized the salaries costs in the amount of EUR 4 thousand.

8. where a provision for deferred tax is recognized in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year

Deferred tax asset amounts to EUR 2,641 thousand and is higher by EUR 22 thousand primarily due to the increase of the tax base in the first nine months of 2023 for tax non-deductible expenses.

9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking

The company has 100% ownership in the company Ika 21 d.o.o., with registered office at Ulica Maršala Tita 198, Opatija. As of 31<sup>st</sup> of December 2022, the share capital of the company is EUR 2,654 and the loss was EUR 8 thousand. In August 2021, Liburnia also acquired 100% ownership in the company Aeris d.o.o. in Opatija, address Ulica marsala Tita 198. The share capital of the company on the day of acquisition amounts to EUR 2,654 and the loss in 2022 was EUR 40 thousand. The company also holds 33.3% stake in the limited liability company Remisens Hotel Group in Zagreb, Miramarska 24 with share capital in the amount of EUR 0.2 million and realized profit in 2022 in the amount of EUR 5 thousand.

10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorized capital

During the business year, there were no new share subscriptions.

11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer

There are no certificates of participation, convertible debentures, guarantees, options or similar securities or rights related to the reporting period.

12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability

Not applicable.

13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member

Not applicable.

14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13

Not applicable.

15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available

Not applicable.

16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking

There are no arrangements with companies that are not included in the financial statements as of 30.9.2023.

17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet

There are no events with material effect in the financial position after the balance date.