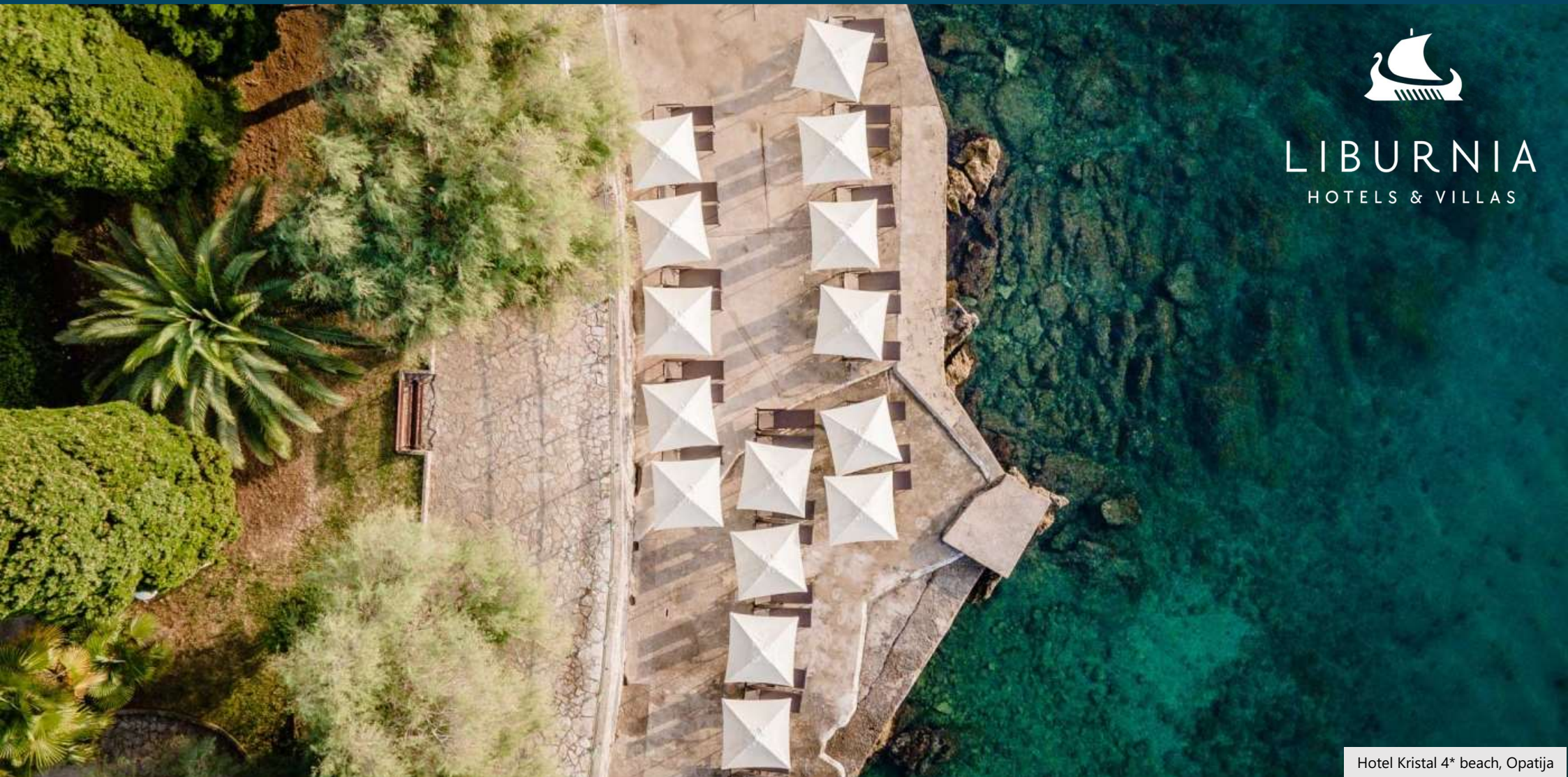




LIBURNIA
HOTELS & VILLAS



Hotel Kristal 4* beach, Opatija

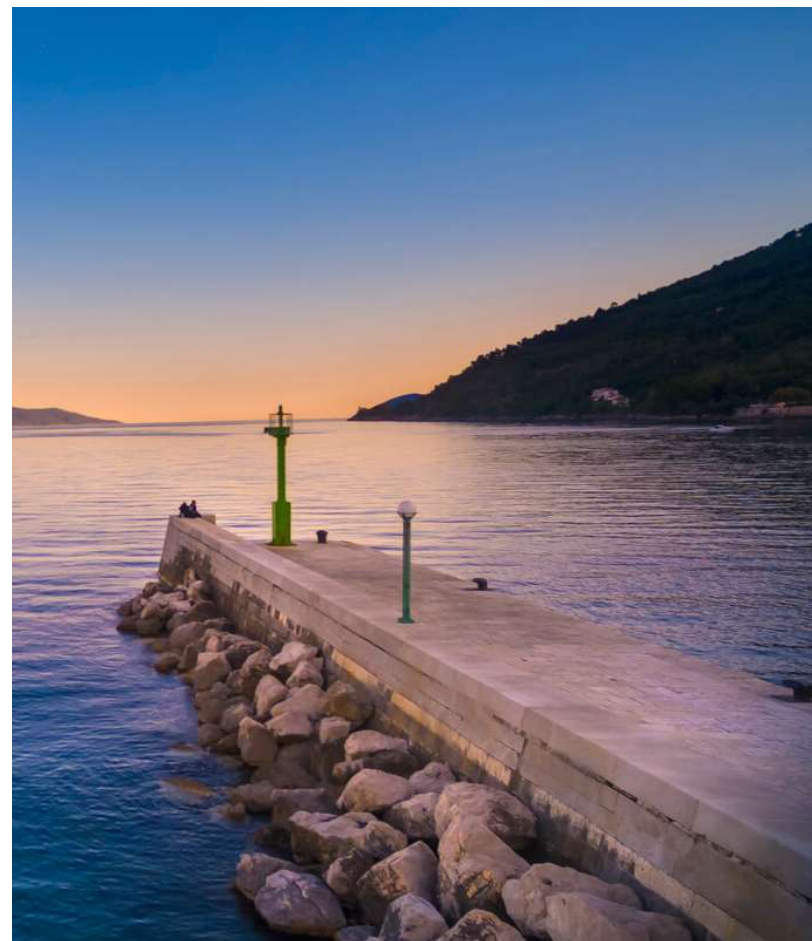
BUSINESS RESULTS 1/1/2022 – 30/9/2022

LIBURNIA RIVIERA HOTELI d.d.

Opatija, October 2022

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KEY MESSAGES

KEY FINANCIAL INDICATORS

(in HRK million)	9M 2021	9M 2022	9M '22/'21
Total revenues	212.7	322.5	52%
Operating revenues	212.7	319.6	50%
Sales revenues	185.9	307.2	65%
Board revenues	157.6	253.6	61%
Operating costs	157.1	202.4	29%
EBITDA	55.6	117.2	111%
EBIT	-19.8	44.8	327%
EBT	-23.5	38.5	264%
	31/12/2021	30/9/2022	%
Net debt	350.2	289.2	-17%
Cash and cash equivalents	15.2	68.2	348%

KEY OPERATING INDICATORS

	9M 2021	9M 2022	9M 22/'21
Number of acc. units (operating)	2,007	2,126	6%
Annual occupancy (%)	29.7%	43.3%	1,360 bp
Accommodation units sold	162,746	251,330	54%
Overnights	322,862	495,550	53%
Average daily rate (in HRK)	968	1,009	4%
RevPAR (in HRK)	78,527	119,267	52%

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

During the first nine months of 2022, Liburnia Riviera continued its strategic change and development of its business model which is primarily focused on growth and development that are sustainable in the long term. To upgrade the quality and increase guests satisfaction through investments, the Company has recently focused on i) the optimal positioning, segmentation and development of the tourism portfolio properties while prioritizing year-round operations, ii) defining long-term business targets and initiatives to achieve them, iii) corporate management, culture and environment, iv) development of the brand and price management systems while simultaneously focusing on the direct sales channel, v) digital business transformation through IT infrastructure upgrades, and vi) the overall management of human resources. Thus, the top strategic priorities encompass the use of the current and the creation of new expertise for developing the tourism portfolio and managing tourism properties to create added value for all the stakeholders at the Company (owners, creditors, the local community and destinations, business partners and employees). The positive effect of the implementation of such an upgraded business model can be seen in the great business results achieved in the first nine months of 2022. Along with increased demand in tourism due to COVID-19 restriction lift, this resulted with better business compared to pre-crisis 2019 (excluding the operations at the following hotels: Palace, Bristol, Villa Elsa since they were not used commercially in 2022).

Another recognition of a successful upgraded positioning and development of the tourism portfolio based on year-round operation was the reward that Hotel Istria 3* received at this year's Days of Croatian Tourism. The unique "Active & Healthy" concept that makes Liburnia Hotels and Villas a trendsetter in the active holiday concept focusing on luscious Mediterranean landscapes, healthy food and wellness was the reason Hotel Istria was awarded as the best 3-star Croatian hotel.

BUSINESS RESULTS

During the first nine months of 2022, Liburnia's total revenues rose by 52% and totaled HRK 323 million versus last year's comparable period. The HRK 110 million growth was mainly carried by sales revenues (HRK 307 million, +HRK 121 million) as a result of the half a million overnights achieved (+53%), the 4% increase in the average daily rate and the 97% increase in the F&B outlet revenues. The significant soar in sales revenues, average daily rate and demand in tourism resulted also from the Company's newly-defined strategic guidelines that include: i) the optimization of the marketing and sales positioning of the tourism portfolio properties, ii) the further upgrade of the activities and system of the daily rate management, iii) the development of products and services and the numerous value-added events for guests, and iv) focusing on the further development of the offering and upgrading the service quality in F&B outlets in order to prolong the tourist season and position Opatija as a year-long destination. However, other operating income decreased due to the one-off effect of the received state aid to preserve jobs in 2021 totaling HRK 20 million.

Operating costs were HRK 202 million: despite the negative pressure, they showed controlled growth. The growth was mainly due to i) increased costs related to raw materials for operations due to strong growth in the business (+53% overnights) and reported inflationary pressures mainly in sectors related to food, expendables and energy sources due to the disrupted supply caused by the war in Ukraine and sanctions against Russia, and ii) increased staff costs whose share in the total operating expenses was kept at a similar level vs. prior comparable period (2022:28%; 2021: 27%) despite the negative influences. The increase in staff costs was mainly due to i) strong growth in the business and the related increased number of working hours for the employees, ii) ensuring competitive salaries and other material and non-

material work conditions and iii) the further development of the managing and operating team to transform the business model and make Liburnia Riviera a competitive company on the international hotel market in the middle term.

Operating revenues rose by 50% and the active management of operating efficiency and related optimization of operating costs at all levels resulted in the following: the Company's EBITDA grew by 111% and was HRK 117 million (+HRK 62 million vs. 2021, or +HRK 81 million if we exclude the one-off effect of the received state aid in 2021), despite the increased costs of energy sources, raw material and labor costs.

Similarly, EBITDA increased by 5 million versus the comparable result reported in 2019 (excluding the properties that were not commercially used in 2022 such as Palace Hotel, Bristol Hotel, Villa Elsa) which confirms the successful implementation of the Company's sustainable, development-focused strategic guidelines aimed at creating added value for all direct and indirect stakeholders.

INVESTMENTS AND HUMAN RESOURCES

In the first nine months of 2022 the investments were reduced to quality upgrades in services and guest safety and preparation of the properties for this year's and the forthcoming seasons. The investments included the development of the Hotel Kvarner beach, the façade renovation at Villa Slatina, while a number of new F&B outlets were renovated and opened: Garden Bar at Marina Hotel and Sladobar at Kristal Hotel. Investments were also made into renovating the properties to be used as accommodation for seasonal workers at all operating destinations. Other investments worth mentioning were those focused on software solutions for digital transformation and business optimization (change in the accounting programs, implementation of business intelligence solutions and other related solutions) and projects aimed at increasing energy efficiency and Wi-Fi coverage. The investments in the

reporting period were HRK 47.0 million. Simultaneously, the projects focused on growing and developing Liburnia Riviera's tourism portfolio are being carried further. The current priority is maximizing the free cash flow and lowering the net debt/ EBITDA ratio toward results achieved in the periods preceding the COVID-19 crisis.

To position Liburnia Riviera as a leader of year-long tourism on the Kvarner and ensure the labor force necessary to upgrade service quality and guest satisfaction further, the Company (in collaboration with trade unions) increased the material rights of workers and bonus payments for seasonal and permanent workers starting from the second quarter of 2022. The said measures aim at valorizing the Company's key resources i.e. its workers, since they secure long-term stability, quality and sustainability to the business. With its numerous activities on the labor market, the Company recruited a sufficient number of employees for the 2022 season and as at 30/09/2022, it employed 954 people, out of which 328 were permanent workers.

The company has been closely monitoring the course of the Russian-Ukrainian crisis 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. Guests from the Russian and Ukrainian source market have been responsible for less than 2% of the total operating revenues achieved by the Company in 2021. Therefore, the war did not have a significant impact on sales revenues during 2022, as the absence of these source markets was compensated by arrivals from other source markets. However, given the growing global geopolitical tensions, the strategic focus of the Government of the Republic of Croatia on key resources and the encouragement of investments in tourism represents the key foundations for strengthening business sustainability, accelerating growth and increasing the competitiveness of the Croatian tourism sector in the coming

period. Although the planned introduction of the EUR and Croatia's entry into the Schengen area (on top of the already positive impact on Croatia's credit rating) will represent an additional impulse for Croatia as a tourist destination, one of the key determinants of the Government of the Republic of Croatia in defining the framework of the economy in 2022 and 2023 must continue to be based on limiting inflationary pressures on the rise in the prices of basic products and energy products. This will enable the tourism sector, together with the entire economy, to accelerate business empowerment and ensure multiplier effects of recovery on other industrial branches as well, while encouraging investments in key business resources (primarily workforce and investments).



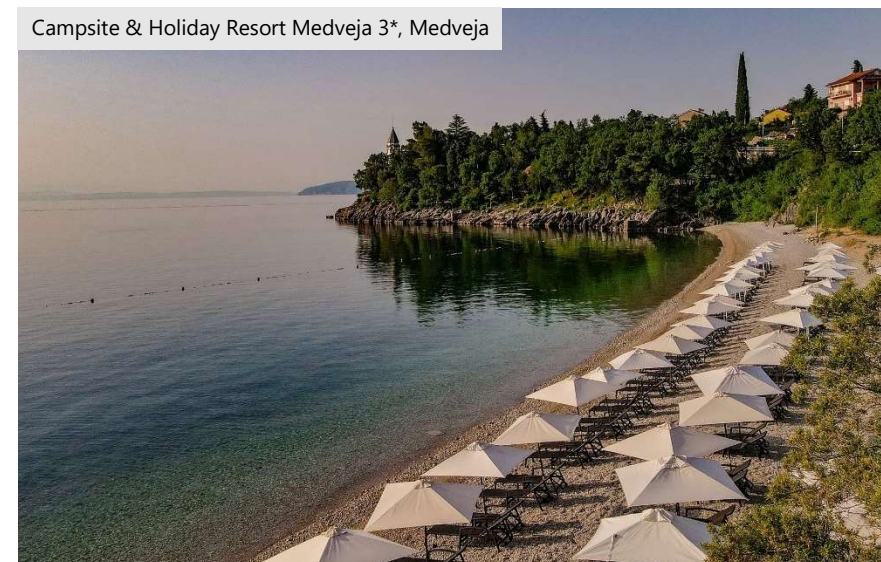
ABOUT LIBURNIA RIVIERA

Liburnia Riviera is one of the largest hospitality companies in the Republic of Croatia with revenues of over HRK 300 million. 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, Company has launched internal reorganization measures, improving the business model, as well as renovating and reconstructing hotels and other premises in 2020 and 2021. However, due to the COVID-19 pandemic outbreak and its adverse impact on all industries, economic and tourist flows, including 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.



Cafe Imperial, Opatija



Campsite & Holiday Resort Medveja 3*, Medveja

SIGNIFICANT BUSINESS EVENTS

BUSINESS MANAGEMENT DURING THE COVID-19 PANDEMIC AND THE IMPACT OF THE RUSSIAN-UKRAINIAN CRISIS ON THE COMPANY'S BUSINESS

In the first nine months of 2022 the Company reported a significantly lower COVID-19 impact on its business. Due to the easing of previously imposed restrictions on movement and due to the increased desire of tourists to travel, Liburnia Riviera reported strong growth in demand in the observed period, thus resulting in a significant growth in sales numbers (overnights, rooms) and financial results (revenues, operating profit, average daily rate). Liburnia Riviera's great advantage is its partial natural protection from tourism disruptions due to the suitable geographical location of its destinations that can primarily be reached by guests travelling by car from our most important source markets (Germany, Austria, Hungary, Czech Republic, Slovenia, Italy, Serbia).

In its diversified portfolio, the Company still used the #WeCare sanitary program, despite the eased COVID-19 measures to secure a safe environment for guests, partners and employees. Also, to dynamically adapt to the impact of the pandemic and increase the demand for the Company's properties, the policy of active management and adjustment to the daily rates of properties was intensified, as well as the creation of packages with included additional services, which contributed to a significant increase in average daily rates.

Despite the positive development of the pandemic-related impacts, it is still too early to predict the booking pace in 2022 and 2023, especially due to the strong "last minute" trend in bookings, but also due to the simpler cancellation policy. Also, the end of the Russian-Ukrainian crisis end is currently hard to predict, as well as the final potential impacts on the Company's business.

Guests from the Russian and Ukrainian source markets were responsible for less than 2% of the Company's total revenues in 2021, therefore the war did not have a significant impact on sales results during 2022 since their absence was compensated with arrivals from other source markets. However, operating

costs had a negative impact 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 Russian-Ukrainian crisis 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.

It should be noted that in the reporting period there were no out-of-ordinary booking cancellations. It should also be noted that the current demand for the Company's properties is going strong, as evidenced by the almost two times higher number of bookings at the end of October compared to the same period last year.

FURTHER STRENGTHENING OF MEDIUM-TERM LIQUIDITY

The Company contracted a long-term revolving loan with Istarska kreditna banka d.d. Umag for the total amount of EUR 5.3 million to finance working capital and ensure medium-term liquidity of the Company. Besides, by the end of September 2022, the Company concluded an annex to the loan agreement with Erste&Steiermärkische Bank (EUR 11.4 million as nominal amount, maturity date in 2025) where the linear amortization of the principal was replaced by a modified repayment plan, so the largest portion of the liability is repaid on the maturity date (soft bullet amortization). This served to additionally secure the flexible planning of the cash flow, while on the other hand it ensured the financing and management of a sufficient amount of working capital. The mentioned activities show that investors and financiers

believe in Liburnia Riviera's further development and the further growth of Croatian tourism.

CHANGES IN THE SUPERVISORY BOARD

On 25 May 2022, Ms. Helena Masarić resigned from the Supervisory Board of Liburnia Riviera effective as of the date of resignation. According to the decision made by Nova Liburnija d.o.o., the Supervisory Board of the Company appointed Mr. Danijel Jerman to Ms. Masarić's position. Furthermore, at the beginning of June 2022, the Workers' Council decided to elect a new member to the Company's Supervisory Board (employee representative), and Mr. Rikardo Gregov was appointed to replace Mr. Domijan Mršić. Following these changes, the Supervisory Board consists of the following members: Mr. Johannes Böck, president, members: Mr. Davor Žic, Ms. Ana Odak, Mr. Thomas Mayer, Mr. Philip Göth, Mr. Alexander Zinell, Mr. Danijel Jerman and Mr. Rikardo Gregov (employee representative).

LIBURNIA RIVIERA GENERAL ASSEMBLY

The following points were adopted at the General Assembly held on 11 August 2022:

- Approval of the 2021 Management and Supervisory Board Remuneration Report with the Report Audit
- The Company's achieved loss for 2021 totaling HRK 91,693,318 was allocated to the losses carried forward;
- Discharge was given to the members of the Management Board for the management of the Company's affairs in 2021 and to the members of the Supervisory Board for the supervision of the management of the Company's affairs in the year 2021;
- The appointed Liburnia Riviera's auditor in 2022 was Grant Thornton revizija d.o.o. from Zagreb
- Change in the provision of article 16 in the Statute giving right to Gitone Adriatic d.o.o. to name one Supervisory Board member if it consists of 9 members

INTRODUCING "LIRI" THE MASCOT

The development of Liburnia Riviera's offering is based on the improvement of a diverse range of services and products focused on families with children. To enrich children-focused products and services and enhance visibility, a mascot was designed and presented – LIRI, a mystical being that has the attributes of different animals (fox, bear, dog and cat) whose appearance appeals to both children and parents. With the introduction of LIRI, new entertainment concepts were designed and implemented by the animation team: LIRI parties, LIRI disco and LIRI playground, while the sale of plush toys and other merchandise began, resulting in great feedback from guests.

HOTEL ISTRA 3* AWARD

At the recently held Days of Croatian Tourism, the Istra 3* hotel was declared the best Croatian hotel in the three-star category. This is a great recognition of the profession for the unique year-round 'Active & Healthy' concept, in which the emphasis is placed on a healthy and active lifestyle with various sports activities (yoga programs, breathing exercises, walks and hiking) and thus an adapted offer of food and drinks (detox breakfast, herbal teas, local products). The award received certainly provides an additional incentive to continue creating new year-round products and enriching the tourist offer.



"LIRI" the mascot

COMPANY RESULTS

KEY FINANCIAL INDICATORS ¹

(in HRK million)	9M 2021	9M 2022	9M '22/'21
Total revenues	212.7	322.5	52%
Operating revenues	212.7	319.6	50%
Sales revenues	185.9	307.2	65%
Board revenues ²	157.6	253.6	61%
Operating costs ³	157.1	202.4	29%
EBITDA ⁴	55.6	117.2	111%
EBIT	-19.8	44.8	327%
EBT	-23.5	38.5	264%
	31/12/2021	30/9/2022	%
Net debt ⁵	350.2	289.2	-17%
Cash and cash equivalents	15.2	68.2	348%

KEY OPERATING INDICATORS

	9M 2021	9M 2022	9M 22/'21
Number of acc. units (operating)	2,007	2,126	6%
Annual occupancy (%) ⁶	29.7%	43.3%	1,360 bp
Accommodation units sold	162,746	251,330	54%
Overnights	322,862	495,550	53%
Average daily rate (in HRK)	968	1,009	4%
RevPAR (in HRK) ⁶	78,527	119,267	52%

¹ Classified according to Quarterly Financial Statement standard (TFI PODRDG) EBIT and EBITDA are recorded on the basis of operating income.

² 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.

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

REVENUES

During the first nine months of 2022 total revenues went up by 52% (+HRK 109.8 million) and were HRK 322.5 million. They were driven by:

- a) **sales revenues**, up by 65% (+HRK 121.3 million) and totaling HRK 307.2 million, mainly consisting of board revenues (+HRK 96.0 million, +61%). In the first quarter of 2022, board revenues grew strongly due to a significant 1,342% increase in overnights (+41,526) and a 20% increase in the average daily rate reaching HRK 697 vs. last year's comparable period. Such a strong demand for Liburnia Riviera's portfolio was driven by: the active management of the strategic guideline to position Opatija as a year-long destination, the prolongation of the tourist season (Ambasador, Bellevue and Istra were the hotels that remained open throughout the first quarter) and the recovery of business and tourism-related activities unlike previous year's comparable period (marked by limited mobility to reduce the number of COVID-19 infections). The second quarter was marked by further demand along with a rise in the average daily rate (+15%), resulting in increased board revenues (+HRK 45.2 million, +172%), primarily in the individual, allotment and group marketing segments. In the third quarter, board revenues grew by +HRK 34.3 million (+26%), while the average daily rate reached almost HRK 1,200. The Company's newly defined strategic guidelines were a contributing factor as they focused on the following: i) the optimal marketing and sales positioning for the tourism

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

⁵ 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.

⁶ Annual occupancy and RevPar calculated based on the number of operating accommodation units.

portfolio, ii) the further improvement of activities and daily rate management system and iii) product and service development as well as numerous added-value events for guests (such as the introduction of the LIRI mascot enriching the offering for the youngest guests, the Romantic Getaway for Valentine's Day, Active&Healthy at Istra hotel, the national Eurovision song contest - Dora, various concerts and events such as RetrOpatija, Sensual Summer Days and others). The rise in sales revenues was also driven by the F&B outlet segment (+HRK 17.8 million, +97%) due to upgrades and improved F&B outlet quality, such as the newly renovated Imperial premium cafe that was opened by the end of last year;

- b) **other operating income** was HRK 12.4 million, showing a 54% decrease vs. 2021 comparable period. The decrease was due to the fact that the state aid to preserve jobs (HRK 4,000 per employee) and related tax and contribution exemptions were not used in 2022, while during the first 9 months in 2021 the use of such measures resulted in HRK 19.7 million in income. Other operating income achieved in 2022 is mostly made up by rental income and income made from canceling long-term provisions;
- c) the achieved **financial income** totaling HRK 2.9 million (+HRK 0.1 million in the 2021 comparable period) is mainly based on the quarterly statement of exchange rate differences, primarily on the Company's long-term debt in relation to the annual reporting in the previously observed period.

OPERATING EXPENSES

(in HRK million)	9M 2021	9M 2022	9M 22'/21'
Total operating expenses	232,4	274,8	18%
Material costs	78,8	103,6	31%
Staff costs	61,6	78,3	27%
Depreciation and amortization	75,3	72,0	-4%
Provisions and value adjustments	0,1	0,4	697%
Other operating expenses	16,7	20,5	23%

Total operating expenses during the first nine months of 2022 were HRK 274.8 million, up by 18% (+HRK 42.4 million). They consisted of:

- a) **material costs** representing 38% (34% in 2021). They grew by 31% (+HRK 24.8 million) and reached HRK 103.6 million mainly due to increased direct costs of raw materials driven by strong growth in business (+53% overnights) vs. last year's comparable period and reported inflationary pressures;
- b) the share of **staff costs** within total operating expenses grew (28%) vs. last comparable period (27% in 2021). The 27% growth (+HRK 16.7 million) to HRK 78.3 million was due to: i) a strong growth in business and employees' working hours and ii) the further development of the managing and operating teams aimed at transforming the business model of Liburnia Riviera to make it more competitive on the international hotel market in the medium term;
- c) **amortization** represented 26% of total operating expenses (32% in 2021). It fell by 4% (-HRK 3.3 million) to HRK 72.0 million because there were no large investment cycles carried out in 2020 and most of 2021

to maintain and manage liquidity rationally during the COVID-19 pandemic;

- d) Provisions and value adjustments were HRK 0.4 million, they grew by HRK 0.3 million vs. last year's comparable period;
- e) Other operating expenses represented 7% of total expenses (7% in 2021). They grew by HRK 3.8 million and reached HRK 20.5 million.

EBITDA

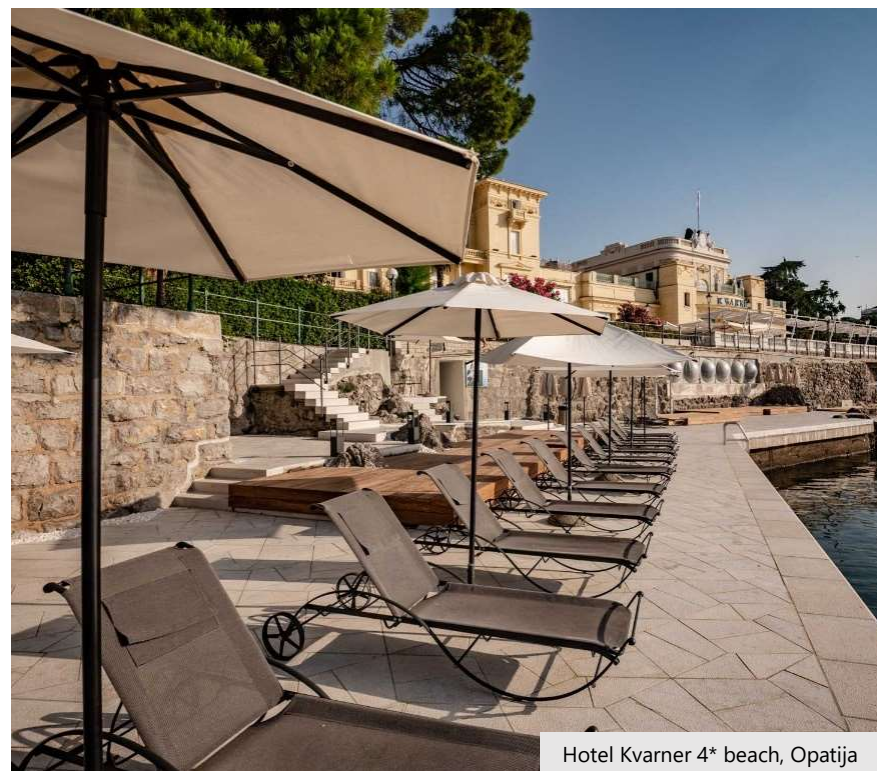
Operating revenues rising by 50% to HRK 319.6 million (2021: HRK 212.7 million) and the active management of operating efficiency and related optimization of operating costs at all levels resulted in the following: the Company's EBITDA grew by 111% and was HRK 117.2 million (+HRK 55.6 million in 2021), despite the increased costs of energy sources, purchased raw material and labor costs. When comparing reporting periods, if we exclude the one-off influence of the received state aid for preserving jobs in 2021, EBITDA grew by HRK 81.3 million (+227%).

FINANCIAL RESULT

The financial result was -HRK 6.3 million (-HRK 3.7 million in 2021). The main reason for the HRK 2.6 million lower financial performance vs. previous comparable period was due to the following: i) an HRK 0.3 million net negative effect of exchange rate difference (primarily on debt) due to the change in the way exchange rate differences were reported (in 2022, foreign exchange differences are reported quarterly, while in previous years they were reported exclusively on an annual basis), ii) an HRK 3.1 million increase in expenses based on interest and fees due to the withdrawal of long-term credit lines in order 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 was HRK 38.5 million (-HRK 23.5 million in 2021), representing an increase of HRK 62.0 million or 82.0 million if we exclude the effect of the changed reporting of exchange rate differences and received state aid in the first nine months of 2021, as a result of the recovered tourism industry and improved operations.



Hotel Kvarner 4* beach, Opatija

ASSETS AND LIABILITIES

(in HRK million)	31/12/2021	30/9/2022	2022/2021
Fixed assets	906.3	879.8	-3%
Current assets	43.7	114.1	161%
Prepaid expenses and accrued income	0.6	2.4	319%
TOTAL ASSETS	950.6	996.3	5%
Capital and reserves	517.0	555.6	7%
Provisions	21.4	15.0	-30%
Long-term liabilities	297.1	347.6	17,0%
Short term liabilities	112.3	65.3	-42%
Accruals and deferred income	2.8	12.7	362%
TOTAL LIABILITIES	950.6	996.3	5%

As at 30/09/2022, the total value of the Company's assets was HRK 996.3 million, up by 5% vs. 31/12/2021. Fixed assets were HRK 879.8 million, decreasing by HRK 26.5 million mostly because of the following: i) calculated amortization totaling HRK 72.0 million and ii) investments in maintaining and improving the quality of tourism products and services totaling HRK 47.0 million.

Total current assets grew by HRK 70.4 million and totaled HRK 114.1 million mainly due to a stronger cash position (HRK 68.2 million, +HRK 53.0 million vs. 31/12/2021) and higher inventory (+HRK 1.9 million) and receivables (+HRK 15.5 million). Higher inventories and receivables are common for third quarter-end vs. year-end if we consider the increased business activity.

Total capital and reserves were HRK 555.6 million and they grew by 7% due to a HRK 38.6 million profit during the first nine months of 2022.

Total long-term liabilities grew from HRK 297.1 million to HRK 347.6 million due to: i) the withdrawal of long-term credit lines to boost the Company's liquidity and ensure enough working capital and ii) change in the repayment plan for a loan agreed with Erste&Steiermärkische Bank d.d. in the nominal amount of EUR 11.4 million where the linear amortization of the principal was replaced by the modified repayment plan where most of the loan is repaid on its maturity date (soft bullet amortization).

The total short-term liabilities were HRK 65.3 million and they decreased by 42% (-HRK 47.0 million) vs. 31/12/2021. The decrease in short-term liabilities was mainly due to the HRK 57.4 million decrease in short-term liabilities towards banks and other financial institutions due to: i) repayment of the short-term part of the debt and accrued interest during the first nine months of 2022 and ii) the mentioned change in the loan repayment plan. However, the largest increase is reported in liabilities for advances received (+HRK 4.3 million) and liabilities for taxes, contributions and similar payments (+HRK 4.4 million) due to increased liabilities related to VAT.

Accruals and deferred income grew by HRK 9.9 million due to calculated expected costs related to purchase invoices from suppliers in September.

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 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 currency, interest rate, credit, price and liquidity risk. Since the Company operates internationally, it is exposed to currency risk, which mainly arises from changes in the nominal exchange rate of EUR/HRK. The majority of the proceeds from sales abroad are generated in EUR, the currency in which all long-term credit debt is denominated, so the Company is for the most part naturally protected from currency risk. However, a certain

part of liabilities (primarily obligations to suppliers and obligations to employees) are expressed in HRK, which is why the Company actively manages currency risk through financial instruments available on the financial market in accordance with the current state and future assessment of the Company's foreign exchange position, expectations of the movement of the value of the EUR/HRK currency pair, as well as other cross-currency relationships between the world currencies. The introduction of the euro as the official currency in the Republic of Croatia from January 1, 2023. significantly affects the Company's exposure to currency risk, i.e. the Company will no longer be exposed to the greatest extent.

Furthermore, 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. In view of the negative consequences of COVID-19 on the Company's customers, mainly tour operators and travel agencies, the Company continuously monitors the adverse impact on related parties, 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 2022 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, more than 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 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.

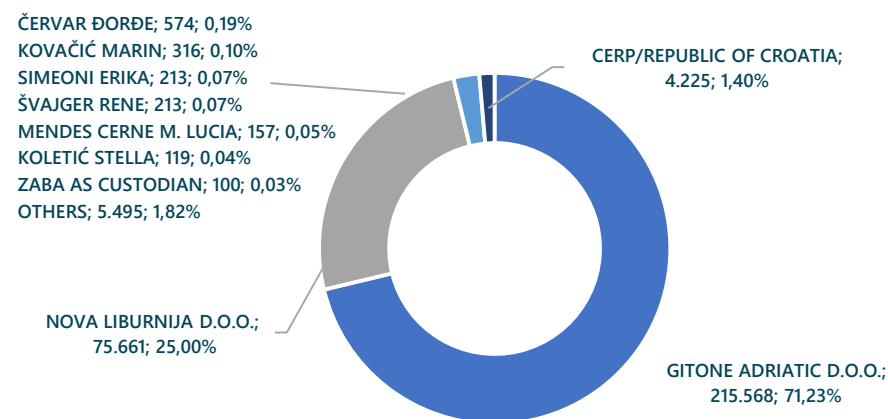
During the first nine months of 2022 for the most part, the Company has followed and applied the recommendations set out in the Code, disclosing all information as foreseen by the positive regulations and information beneficial for the interest of the Company's shareholders.

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 by 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 to accelerate 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, 2022:



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 of 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 Companies Act (ZTD). On the day of 30 September 2022, the Company holds 4 of its own shares, and in the first nine months of 2022 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.

Since November 1, 2021, the Management Board of the Company consisted of the Management Board President Mr. Karl Eckerstorfer and the Management Board Member Mr. Dušan Mandič. During the first nine months of 2022, there were no changes in the composition of the Company's Management Board.

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 2022 is composed of the following members:

- Johannes Böck, President,
- Alexander Paul Zinell, Deputy President,

- Philip Göth, member,
- Thomas Mayer, member,
- Davor Žic, member,
- Danijel Jerman, member,
- Rikardo Gregov, member,
- Ana Odak, member.

On May 25, 2022, Mrs. Helene Masarić resigned from the Supervisory Board of Liburnia Riviere effective as of the date of resignation. Supervisory Board of the Company, by decision of Nova Liburnija d.o.o., appointed Mr. Danijel Jerman as a replacement for Mrs. Masarić. Also, at the beginning of June 2022, the Workers' Council decided to elect a new member to the Company's Supervisory Board (employee representative), and Mr. Rikardo Gregov was appointed to replace Mr. Domijan Mršić. Following the aforementioned changes, the Supervisory Board operates as follows: Mr. Johannes Böck, president, members: Mr. Davor Žic, Mrs. Ana Odak, Mr. Thomas Mayer, Mr. Philip Göth, Mr. Alexander Zinell, Mr. Danijel Jerman and Mr. Rikardo Gregov (employee representative).

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 Mr. Domijan Mršić, members,

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

Procurement Committee: Mr. Johannes Böck, President and Mr. Domijan Mršić and Mrs. Ana Odak, members.

Due to the change of employee representative in the Supervisory Board of the Company, Mr. Domijan Mršić ceases to be a member of the above-mentioned boards. His replacement will be appointed in the coming period.

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

Opatija, October 28th, 2022

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 and statements on the application of the Code of corporate governance, in accordance with the Croatian Accounting Act. Management report and report of the corporate governance code for the period from 1.1.2022 to 30.9.2022 were approved for issuance by the Management Board.

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

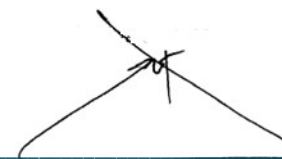
Interim unaudited unconsolidated financial statements of Liburnia Riviera Hoteli d.d. have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Croatian Accounting Act.

The unaudited unconsolidated financial statements for the period from 1 January to 30 September 2022 give a true and fair view of the Company's assets and liabilities, financial position, profit or loss.

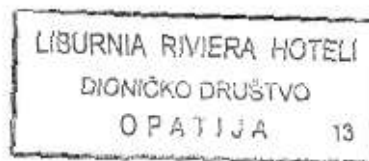
The management report, together with the unaudited financial statements for the stated period, contains an objective presentation of the development and results of operations and position of the Company with a description of the most significant risks and uncertainties to which the Company is exposed.



Mr. Karl Eckerstorfer,
Management Board President



Mr. Dušan Mandič,
Management Board Member



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: **LIBURNIA RIVIERA HOTELI d.d. OPATIJA**

Postcode and town:

Street and house number: **MARŠALA TITA 198**

E-mail address: **liburnia@liburnia.hr**

Web address: **www.liburnia.hr**

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:

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

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

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

Telephone:

E-mail address: **alen.lakovic@liburnia.hr**

Audit firm:
(name of the audit firm)

Certified auditor:
(name and surname)

BALANCE SHEET
balance as at 30.09.2022

in HRK

Submitter: LIBURNIA RIVIERA HOTELI d.d. OPATIJA			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001		
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	906.289.511	879.796.956
I INTANGIBLE ASSETS (ADP 004 to 009)	003	19.101.960	18.807.796
1 Research and development	004	501.975	589.537
2 Concessions, patents, licences, trademarks, software and other rights	005	9.218.145	8.050.760
3 Goodwill	006		
4 Advances for the purchase of intangible assets	007		
5 Intangible assets in preparation	008		1.430.837
6 Other intangible assets	009	9.381.840	8.736.662
II TANGIBLE ASSETS (ADP 011 to 019)	010	853.865.609	827.529.470
1 Land	011	122.286.155	122.438.653
2 Buildings	012	547.135.981	528.183.687
3 Plant and equipment	013	23.255.373	21.870.395
4 Tools, working inventory and transportation assets	014	113.269.312	102.668.636
5 Biological assets	015		
6 Advances for the purchase of tangible assets	016	22.208.256	20.650.943
7 Tangible assets in preparation	017	21.824.422	27.831.046
8 Other tangible assets	018	3.886.110	3.886.110
9 Investment property	019		
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	24.310.192	24.310.192
1 Investments in holdings (shares) of undertakings within the group	021	24.310.192	24.310.192
2 Investments in other securities of undertakings within the group	022		
3 Loans, deposits, etc. to undertakings within the group	023		
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024		
5 Investment in other securities of companies linked by virtue of participating interests	025		
6 Loans, deposits etc. to companies linked by virtue of participating interests	026		
7 Investments in securities	027		
8 Loans, deposits, etc. given	028		
9 Other investments accounted for using the equity method	029		
10 Other fixed financial assets	030		
IV RECEIVABLES (ADP 032 to 035)	031	0	0
1 Receivables from undertakings within the group	032		
2 Receivables from companies linked by virtue of participating interests	033		
3 Customer receivables	034		
4 Other receivables	035		
V DEFERRED TAX ASSETS	036	9.011.750	9.149.498
C) CURRENT ASSETS (ADP 038+046+053+063)	037	43.715.916	114.107.399
I INVENTORIES (ADP 039 to 045)	038	4.079.833	6.019.023
1 Raw materials and consumables	039	2.885.896	5.075.342
2 Work in progress	040		
3 Finished goods	041		
4 Merchandise	042	101.643	380.663
5 Advances for inventories	043	1.092.294	563.018
6 Fixed assets held for sale	044		
7 Biological assets	045		
II RECEIVABLES (ADP 047 to 052)	046	24.425.819	39.927.023
1 Receivables from undertakings within the group	047		
2 Receivables from companies linked by virtue of participating interests	048	13.662.122	13.917.429
3 Customer receivables	049	6.751.014	16.536.685
4 Receivables from employees and members of the undertaking	050	53.276	232.758
5 Receivables from government and other institutions	051	3.926.853	1.823.034
6 Other receivables	052	32.554	7.417.117
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	0	0
1 Investments in holdings (shares) of undertakings within the group	054		
2 Investments in other securities of undertakings within the group	055		
3 Loans, deposits, etc. to undertakings within the group	056		
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057		
5 Investment in other securities of companies linked by virtue of participating interests	058		
6 Loans, deposits etc. to companies linked by virtue of participating interests	059		
7 Investments in securities	060		

8 Loans, deposits, etc. given	061		
9 Other financial assets	062		
IV CASH AT BANK AND IN HAND	063	15.210.264	68.161.353
D) PREPAID EXPENSES AND ACCRUED INCOME	064	572.024	2.394.447
E) TOTAL ASSETS (ADP 001+002+037+064)	065	950.577.451	996.298.802
OFF-BALANCE SHEET ITEMS	066	251.939	
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	517.032.099	555.628.080
I INITIAL (SUBSCRIBED) CAPITAL	068	696.074.300	696.074.300
II CAPITAL RESERVES	069		
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	46.513.848	46.513.848
1 Legal reserves	071	45.018.765	45.018.765
2 Reserves for treasury shares	072	9.200	9.200
3 Treasury shares and holdings (deductible item)	073	-9.200	-9.200
4 Statutory reserves	074		
5 Other reserves	075	1.495.083	1.495.083
IV REVALUATION RESERVES	076		
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		
2 Cash flow hedge - effective portion	079		
3 Hedge of a net investment in a foreign operation - effective portion	080		
4 Other fair value reserves	081		
5 Exchange differences arising from the translation of foreign operations (consolidation)	082		
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	-133.862.731	-225.556.049
1 Retained profit	084		
2 Loss brought forward	085	133.862.731	225.556.049
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	-91.693.318	38.595.981
1 Profit for the business year	087		38.595.981
2 Loss for the business year	088	91.693.318	
VIII MINORITY (NON-CONTROLLING) INTEREST	089		
B) PROVISIONS (ADP 091 to 096)	090	21.397.957	15.021.224
1 Provisions for pensions, termination benefits and similar obligations	091	2.033.432	2.033.432
2 Provisions for tax liabilities	092		
3 Provisions for ongoing legal cases	093	19.364.525	12.987.792
4 Provisions for renewal of natural resources	094		
5 Provisions for warranty obligations	095		
6 Other provisions	096		
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	297.130.786	347.608.878
1 Liabilities to undertakings within the group	098		
2 Liabilities for loans, deposits, etc. of undertakings within the group	099		
3 Liabilities to companies linked by virtue of participating interests	100		
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101		
5 Liabilities for loans, deposits etc.	102		
6 Liabilities to banks and other financial institutions	103	287.539.871	338.007.612
7 Liabilities for advance payments	104		
8 Liabilities to suppliers	105		
9 Liabilities for securities	106		
10 Other long-term liabilities	107	9.590.915	9.601.266
11 Deferred tax liability	108		
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	112.263.765	65.316.053
1 Liabilities to undertakings within the group	110	433.630	872.427
2 Liabilities for loans, deposits, etc. of undertakings within the group	111		
3 Liabilities to companies linked by virtue of participating interests	112		
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113		
5 Liabilities for loans, deposits etc.	114		
6 Liabilities to banks and other financial institutions	115	67.016.623	9.577.523
7 Liabilities for advance payments	116	6.560.349	10.898.548
8 Liabilities to suppliers	117	15.274.634	14.401.527
9 Liabilities for securities	118		
10 Liabilities to employees	119	15.473.863	15.605.260
11 Taxes, contributions and similar liabilities	120	3.678.408	8.093.420
12 Liabilities arising from the share in the result	121		
13 Liabilities arising from fixed assets held for sale	122		
14 Other short-term liabilities	123	3.826.258	5.867.348
E) ACCRUALS AND DEFERRED INCOME	124	2.752.844	12.724.567
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	950.577.451	996.298.802
G) OFF-BALANCE SHEET ITEMS	126	251.939	

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2022 to 30.09.2022

in HRK

Submitter: LIBURNIA RIVIERA HOTELI d.d. OPATIJA					
Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	212.672.663	159.808.126	319.584.075	202.174.546
1 Income from sales with undertakings within the group	002	647.864	647.864	250.769	157.211
2 Income from sales (outside group)	003	185.282.016	150.612.459	306.979.758	194.657.707
3 Income from the use of own products, goods and services	004				0
4 Other operating income with undertakings within the group	005			16.393	16.393
5 Other operating income (outside the group)	006	26.742.783	8.547.803	12.337.155	7.343.235
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	232.442.376	113.130.308	274.782.591	121.986.776
1 Changes in inventories of work in progress and finished goods	008				
2 Material costs (ADP 010 to 012)	009	78.797.933	52.152.178	103.612.541	53.641.258
a) Costs of raw materials and consumables	010	32.218.350	22.846.180	51.810.391	27.041.761
b) Costs of goods sold	011			8.344	7.354
c) Other external costs	012	46.579.583	29.305.998	51.793.806	26.592.143
3 Staff costs (ADP 014 to 016)	013	61.633.076	27.812.204	78.275.678	34.001.767
a) Net salaries and wages	014	41.769.511	20.174.177	53.016.921	23.305.329
b) Tax and contributions from salary costs	015	12.512.467	4.455.917	16.177.605	6.902.096
c) Contributions on salaries	016	7.351.098	3.182.110	9.081.152	3.794.342
4 Depreciation	017	75.280.084	24.673.068	71.950.116	24.036.255
5 Other costs	018				
6 Value adjustments (ADP 020+021)	019	50.014	50.014	398.469	181.088
a) fixed assets other than financial assets	020	50.014	50.014	398.469	181.088
b) current assets other than financial assets	021				
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023				
b) Provisions for tax liabilities	024				
c) Provisions for ongoing legal cases	025				
d) Provisions for renewal of natural resources	026				
e) Provisions for warranty obligations	027				
f) Other provisions	028				
8 Other operating expenses	029	16.681.269	8.442.844	20.545.787	10.126.408
III FINANCIAL INCOME (ADP 031 to 040)	030	61.590	33.968	2.919.955	438.274
1 Income from investments in holdings (shares) of undertakings within the group	031				
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032				
3 Income from other long-term financial investment and loans granted to undertakings within the group	033				
4 Other interest income from operations with undertakings within the group	034			265.737	265.737
5 Exchange rate differences and other financial income from operations with undertakings within the group	035				
6 Income from other long-term financial investments and loans	036				
7 Other interest income	037	30	1	1.015	718
8 Exchange rate differences and other financial income	038	61.560	33.967	2.653.203	171.819
9 Unrealised gains (income) from financial assets	039				
10 Other financial income	040				
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	3.788.562	1.938.194	9.263.205	2.913.525
1 Interest expenses and similar expenses with undertakings within the group	042				
2 Exchange rate differences and other expenses from operations with undertakings within the group	043				
3 Interest expenses and similar expenses	044	3.097.648	1.286.629	6.192.061	2.827.975
4 Exchange rate differences and other expenses	045	72.477	33.128	2.999.182	76.156
5 Unrealised losses (expenses) from financial assets	046				
6 Value adjustments of financial assets (net)	047				
7 Other financial expenses	048	618.437	618.437	71.962	9.394
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049				
VI SHARE IN PROFIT FROM JOINT VENTURES	050				
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051				
VIII SHARE IN LOSS OF JOINT VENTURES	052				
IX TOTAL INCOME (ADP 001+030+049 +050)	053	212.734.253	159.842.094	322.504.030	202.612.820
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	236.230.938	115.068.502	284.045.796	124.900.301
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-23.496.685	44.773.592	38.458.234	77.712.519

1 Pre-tax profit (ADP 053-054)	056	0	44.773.592	38.458.234	77.712.519
2 Pre-tax loss (ADP 054-053)	057	-23.496.685	0	0	0
XII INCOME TAX	058			-137.747	-43.792
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-23.496.685	44.773.592	38.595.981	77.756.311
1 Profit for the period (ADP 055-059)	060	0	44.773.592	38.595.981	77.756.311
2 Loss for the period (ADP 059-055)	061	-23.496.685	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063				
2 Pre-tax loss on discontinued operations	064				
XV INCOME TAX OF DISCONTINUED OPERATIONS	065				
1 Discontinued operations profit for the period (ADP 062-065)	066				
2 Discontinued operations loss for the period (ADP 065-062)	067				
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)	068				
1 Pre-tax profit (ADP 068)	069				
2 Pre-tax loss (ADP 068)	070				
XVII INCOME TAX (ADP 058+065)	071				
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072				
1 Profit for the period (ADP 068-071)	073				
2 Loss for the period (ADP 071-068)	074				
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)	075	0	0	0	0
1 Attributable to owners of the parent	076				
2 Attributable to minority (non-controlling) interest	077				
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	-23.496.685	44.773.592	38.595.981	77.756.311
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081				
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082				
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083				
4 Actuarial gains/losses on the defined benefit obligation	084				
5 Other items that will not be reclassified	085				
6 Income tax relating to items that will not be reclassified	086				
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088				
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089				
3 Profit or loss arising from effective cash flow hedging	090				
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091				
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092				
6 Changes in fair value of the time value of option	093				
7 Changes in fair value of forward elements of forward contracts	094				
8 Other items that may be reclassified to profit or loss	095				
9 Income tax relating to items that may be reclassified to profit or loss	096				
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	-23.496.685	44.773.592	38.595.981	77.756.311
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100				
2 Attributable to minority (non-controlling) interest	101				

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2022 to 30.09.2022

in HRK

Submitter: LIBURNIA RIVIERA HOTELI d.d. OPATIJA			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	-23.496.685	38.458.234
2 Adjustments (ADP 003 to 010):	002	77.873.420	76.478.608
a) Depreciation	003	75.280.084	71.950.116
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-181.310	398.469
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-3.746	
d) Interest and dividend income	006		-266.752
e) Interest expenses	007	3.097.648	6.192.061
f) Provisions	008	-319.256	-1.009.130
g) Exchange rate differences (unrealised)	009		-383.343
h) Other adjustments for non-cash transactions and unrealised gains and losses	010		-402.813
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	54.376.735	114.936.842
3 Changes in the working capital (ADP 013 to 016)	012	10.142.279	-2.092.083
a) Increase or decrease in short-term liabilities	013	22.284.330	17.170.734
b) Increase or decrease in short-term receivables	014	-9.387.393	-17.323.627
c) Increase or decrease in inventories	015	-2.754.658	-1.939.190
d) Other increase or decrease in working capital	016		
II Cash from operations (ADP 011+012)	017	64.519.014	112.844.759
4 Interest paid	018	-2.792.358	-7.657.124
5 Income tax paid	019		
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	61.726.656	105.187.635
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	163.162	922.513
2 Cash receipts from sales of financial instruments	022		
3 Interest received	023		1.015
4 Dividends received	024		
5 Cash receipts from repayment of loans and deposits	025		
6 Other cash receipts from investment activities	026		
III Total cash receipts from investment activities (ADP 021 to 026)	027	163.162	923.528
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-54.630.309	-46.967.870
2 Cash payments for the acquisition of financial instruments	029		
3 Cash payments for loans and deposits for the period	030		
4 Acquisition of a subsidiary, net of cash acquired	031		
5 Other cash payments from investment activities	032	-4.547.945	
IV Total cash payments from investment activities (ADP 028 to 032)	033	-59.178.254	-46.967.870
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-59.015.092	-46.044.342
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035		
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036		
3 Cash receipts from credit principals, loans and other borrowings	037	65.191.137	63.429.091
4 Other cash receipts from financing activities	038		
V Total cash receipts from financing activities (ADP 035 to 038)	039	65.191.137	63.429.091
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-16.468.569	-69.318.729
2 Cash payments for dividends	041		
3 Cash payments for finance lease	042		
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043		
5 Other cash payments from financing activities	044	-863.829	-302.566
VI Total cash payments from financing activities (ADP 040 to 044)	045	-17.332.398	-69.621.295
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	47.858.739	-6.192.204
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047		
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	50.570.303	52.951.089
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	12.061.669	15.210.264
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)	050	62.631.972	68.161.353

STATEMENT OF CHANGES IN EQUITY																					
for the period from 1.1.2022 to 30.9.2022																					
Item	ADP code	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Attributable to owners of the parent										in HRK		
									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)		
Previous period																					
1 Balance on the first day of the previous business year	01	696.074.300		45.018.765				1.511.403								-134.280.781	608.323.687		608.323.687		
2 Changes in accounting policies	02																				
3 Correction of errors	03																				
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	696.074.300	0	45.018.765	0	0	0	1.511.403	0	0	0	0	0	0	0	-134.280.781	608.323.687	0	608.323.687		
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-91.693.318	-91.693.318	-91.693.318		
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	418.050	418.050	0	418.050		
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	9.200	9.200	0	-16.320	0	0	0	0	0	0	0	0	-16.320	0	-16.320		
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	696.074.300	0	45.018.765	9.200	9.200	0	1.495.083	0	0	0	0	0	0	0	-133.862.731	-91.693.318	517.032.099	0	517.032.099	
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																					
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 05 to 14)	25	0	0	0	9.200	9.200	0	-16.320	0	0	0	0	0	0	0	418.050	0	401.730	0	401.730	
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	9.200	9.200	0	-16.320	0	0	0	0	0	0	0	418.050	-91.693.318	-91.291.588	0	-91.291.588	
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	0	
Current period																					
1 Balance on the first day of the current business year	28	696.074.300		45.018.765	9.200	9.200		1.495.083								-225.556.049	517.032.099		517.032.099		
2 Changes in accounting policies	29																				
3 Correction of errors	30																				
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	696.074.300	0	45.018.765	9.200	9.200	0	1.495.083	0	0	0	0	0	0	0	-225.556.049	517.032.099	0	517.032.099		
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38.595.981	38.595.981	38.595.981		
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
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	696.074.300	0	45.018.765	9.200	9.200	0	1.495.083	0	0	0	0	0	0	0	-225.556.049	38.595.981	555.628.080	0	555.628.080	
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																					
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38.595.981	38.595.981	0	38.595.981	
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	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 1.1.2022 to 30.9.2022

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 semi-annual 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 1.1.2022 to 30.9.2022" 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 1.1.2022 to 30.9.2022" 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 2021 are available on the website of the Zagreb Stock Exchange as well as on the company's website. (www.liburnia.hr, www.hanfa.hr, 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 30.9.2022 are identical to those applied in the last published annual audited financial statements.

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 1.1.2022 to 30.9.2022" 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, www.hanfa.hr, 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 1.1.2022 until 30.9.2022" which is available on the website of the Zagreb Stock Exchange and on the Company's website (www.liburnia.hr, www.hanfa.hr, 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.

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 1.1.2022 until 30.9.2022"

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 30.9.2022 long-term and short-term loans liabilities and liabilities under leasing contracts of the Company amounted to HRK 348,990,632 of which HRK 70,045,074 matures after more than 5 years.

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

Liabilities for leases according to IFRS 16 as of 30 September 2022, based on signed concession agreements, amount to HRK 8,380,441, of which HRK 5,519,786 is due after more than 5 years.

6. average number of employees during the financial year

Average number of employees in the period from 1.1.2022 to 30.9.2022 was 702.

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 1.1.2022 to 30.9.2022, the Company capitalized the cost of salaries in the amount of HRK 194,458.

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 HRK 9,149,498 and is higher by HRK 137,747 due to the increase in the tax base in the first nine months of 2022 for non-tax-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 31st of December 2021, the share capital of the company is HRK 20,000 and the loss was HRK 64 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 HRK 20.000 and the loss in 2021 was HRK 131 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 HRK 1.5 million and realized loss in 2021 in the amount of HRK 27 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 authorised 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 September 30, 2022

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.