



Zagreb, February 26, 2021

**Subject:** Management Report on business results of the Company Institut IGH d.d. and its subsidiaries in the period from January 1 to December 31 2020.

### **Institut IGH d.d.**

In the period from January to December 2020, Institut IGH d.d. operated with revenue amounting to HRK 170.1 million. Operating expenses (excluding amortization) amount to HRK 159.2 million, which resulted in EBITDA of HRK 10.9 million which is a 63% decrease in comparison to the same period last year.

After the amortization cost in the amount of HRK 9 million HRK, negative effect of interest and exchange rate differences in the amount of HRK 11.6 million HRK, Institut IGH d.d. operated at a net loss amounting HRK 9.7 million.

During the period under review, the activities of business development as well as offering were reduced. The reason can be found in effects of COVID-19 virus resulting in HRK 46.4 million less worth of new contracts in the subject period from January 1 to December 31 2020, which is 21 % less compared to the same period of the previous year.

The state of ratio of contract per employee is stable with a tendency to increase, which, with efficiency, expected intensified dynamics of tendering and contracting after a reduction in the consequences of COVID virus, gives us the confidence that the positive trends of operating profit will continue.

IGH fully implements the recommendations of epidemiological services and enables its employees to work from home with the implementation of additional measures in the Company's business premises.

IGH did not use state aid from the Government of the Republic of Croatia because the decline in revenues in the observed period did not meet the set conditions.

In the observed period, there were no significant changes in the fair value of assets, assets were insured and all property damaged by natural disasters was repaired.

Regarding the going concern of the business with which the company is burdened, we believe that the risk has not increased, because the business sector has a growth trend and market needs. The company believes that it will be an important subject in the reconstruction after natural disasters, and in new projects important for the Republic of Croatia, such as the modernization of railways. The Company believes that there is an increased risk of non-collection of receivables and regularly adjusts them in accordance with accounting policies, and improves the collection of receivables.

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Competent court:  
Commercial Court in Zagreb  
Register entry with company registration  
No 080000959

Share capital:  
HRK 116,604,710.00  
Paid in full

No. of issued shares: IGH 613,709  
Nominal share value HRK 190

Reg.No.: 3750272  
PIN: 79766124714  
Business bank:  
Zagrebačka Banka d.d.  
IBAN:  
HR7723600001101243767  
SWIFT code: ZABAHR2X

Management Board:  
Robert Petrosian, President of the Management Board  
Vedrana Tudor, Member of the Management Board  
Miroslav Pauzar, Member of the Management Board

Supervisory Board:  
Žarko Dešković, MEng.CE  
President of the Supervisory Board



## IGH Group

In the period from January to December 2020, IGH Group operated at a revenue amounting to HRK 172.5 million. Operating expenses (excluding amortization) amount to HRK 160.6 million, this resulted in an EBITDA of HRK 11.9 million.

After the amortization cost in the amount of HRK 9.3 million, negative effect of interest and exchange rate differences in the amount of HRK 12.3 million, IGH Group operated at a net loss amounting HRK 9.8 million.

Institut IGH will continue with its increased activities in the next period, according to the strategic development plan for the period up to year 2024, increasing productivity and efficiency in implementation of projects on which it has been engaged, strengthening human resources and extending business activities on the international markets in order to spread risk and achieve long-term, sustainable and profitable business operations.

On behalf of the INSTITUT IGH, d.d. Management Board;

Robert Petrosian  
President of the Management Board



Miroslav Pauzar  
Member of the Management Board



Vedrana Tudor  
Member of the Management Board



## 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 31.12.2020.

in HRK

Submitter: INSTITUT IGH 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>	253.556.268	238.253.664
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	983.873	9.128.044
1 Research and development	<b>004</b>	0	0
2 Concessions, patents, licences, trademarks, software and other rights	<b>005</b>	947.622	9.094.881
3 Goodwill	<b>006</b>	0	0
4 Advances for the purchase of intangible assets	<b>007</b>	0	0
5 Intangible assets in preparation	<b>008</b>	36.251	33.163
6 Other intangible assets	<b>009</b>	0	0
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	139.839.283	125.306.618
1 Land	<b>011</b>	52.201.020	51.361.630
2 Buildings	<b>012</b>	44.454.377	39.259.674
3 Plant and equipment	<b>013</b>	16.018.418	8.190.913
4 Tools, working inventory and transportation assets	<b>014</b>	4.357.137	3.904.167
5 Biological assets	<b>015</b>	0	0
6 Advances for the purchase of tangible assets	<b>016</b>	466.947	268.927
7 Tangible assets in preparation	<b>017</b>	21.688.746	21.668.379
8 Other tangible assets	<b>018</b>	304.281	304.571
9 Investment property	<b>019</b>	348.357	348.357
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	111.671.142	102.901.061
1 Investments in holdings (shares) of undertakings within the group	<b>021</b>	92.967.865	84.164.674
2 Investments in other securities of undertakings within the group	<b>022</b>	0	0
3 Loans, deposits, etc. to undertakings within the group	<b>023</b>	3.199.645	3.257.405
4. Investments in holdings (shares) of companies linked by virtue of participating interests	<b>024</b>	15.000.000	15.000.000
5 Investment in other securities of companies linked by virtue of participating interests	<b>025</b>	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	<b>026</b>	0	0
7 Investments in securities	<b>027</b>	0	0
8 Loans, deposits, etc. given	<b>028</b>	503.632	478.982
9 Other investments accounted for using the equity method	<b>029</b>	0	0
10 Other fixed financial assets	<b>030</b>	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	1.061.970	917.941
1 Receivables from undertakings within the group	<b>032</b>	0	0
2 Receivables from companies linked by virtue of participating interests	<b>033</b>	0	0
3 Customer receivables	<b>034</b>	1.061.970	441.900
4 Other receivables	<b>035</b>	0	476.041
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	0	0
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	155.075.606	128.815.657
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	82.425.049	58.416.096
1 Raw materials and consumables	<b>039</b>	0	0
2 Work in progress	<b>040</b>	247.493	247.493
3 Finished goods	<b>041</b>	0	0
4 Merchandise	<b>042</b>	568.162	0
5 Advances for inventories	<b>043</b>	0	0
6 Fixed assets held for sale	<b>044</b>	81.609.394	58.168.603
7 Biological assets	<b>045</b>	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	42.503.652	38.195.822
1 Receivables from undertakings within the group	<b>047</b>	1.362.854	1.523.029
2 Receivables from companies linked by virtue of participating interests	<b>048</b>	0	0
3 Customer receivables	<b>049</b>	36.700.868	21.890.009



4 Receivables from employees and members of the undertaking	050	864.783	761.352
5 Receivables from government and other institutions	051	1.018.488	0
6 Other receivables	052	2.556.659	14.021.432
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	<b>19.003.375</b>	<b>23.999.063</b>
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	506.771	366.670
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	0	26.664
8 Loans, deposits, etc. given	061	18.496.604	23.415.089
9 Other financial assets	062	0	190.640
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	<b>11.143.530</b>	<b>8.204.676</b>
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	<b>17.158.232</b>	<b>16.158.169</b>
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	<b>425.790.106</b>	<b>383.227.490</b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	<b>42.606.581</b>	<b>27.270.012</b>
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to</b>	<b>067</b>	<b>-42.307.311</b>	<b>-56.036.705</b>
I INITIAL (SUBSCRIBED) CAPITAL	068	116.604.710	116.604.710
II CAPITAL RESERVES	069	-255.383	-255.383
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	-795.705	-795.707
1 Legal reserves	071	0	0
2 Reserves for treasury shares	072	1.446.309	1.446.309
3 Treasury shares and holdings (deductible item)	073	-3.196.416	-3.196.416
4 Statutory reserves	074	0	0
5 Other reserves	075	954.402	954.400
IV REVALUATION RESERVES	076	91.445.206	86.331.483
V FAIR VALUE RESERVES (ADP 078 to 080)	077	0	0
1 Fair value of financial assets 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
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	-265.971.297	-248.096.897
1 Retained profit	082	29.142.120	35.268.395
2 Loss brought forward	083	295.113.417	283.365.292
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	16.665.158	-9.824.911
1 Profit for the business year	085	16.665.158	0
2 Loss for the business year	086	0	9.824.911
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
<b>B) PROVISIONS (ADP 089 to 094)</b>	<b>088</b>	<b>2.232.826</b>	<b>9.991.511</b>
1 Provisions for pensions, termination benefits and similar obligations	089	505.988	667.023
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	1.726.838	6.126.548
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	3.197.940
<b>C) LONG-TERM LIABILITIES (ADP 096 to 106)</b>	<b>095</b>	<b>68.503.396</b>	<b>53.871.939</b>
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	497.127	497.127
6 Liabilities to banks and other financial institutions	101	48.209.430	34.090.453
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	197.924	197.924

9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	0	0
11 Deferred tax liability	106	19.598.915	19.086.435
<b>D) SHORT-TERM LIABILITIES (ADP 108 to 121)</b>	<b>107</b>	<b>343.792.367</b>	<b>319.220.350</b>
1 Liabilities to undertakings within the group	108	313.220	705.183
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	1.158.333	1.291.580
3 Liabilities to companies linked by virtue of participating interests	110	314.428	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	1.200.232	934.139
6 Liabilities to banks and other financial institutions	113	216.796.826	216.351.382
7 Liabilities for advance payments	114	3.713.961	6.185.586
8 Liabilities to suppliers	115	26.566.353	24.530.427
9 Liabilities for securities	116	70.973.241	47.800.647
10 Liabilities to employees	117	6.008.032	6.597.501
11 Taxes, contributions and similar liabilities	118	7.830.940	13.059.484
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	8.916.801	1.764.421
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>122</b>	<b>53.568.828</b>	<b>56.180.395</b>
<b>F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)</b>	<b>123</b>	<b>425.790.106</b>	<b>383.227.490</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>124</b>	<b>42.606.581</b>	<b>27.270.012</b>



**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2020. to 31.12.2020.

in HRK

Submitter: INSTITUT IGH 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 126 to 130)</b>	<b>125</b>	<b>189.905.110</b>	<b>52.519.561</b>	<b>170.127.415</b>	<b>19.992.164</b>
1 Income from sales with undertakings within the group	126	791.264	466.510	1.108.583	263.526
2 Income from sales (outside group)	127	172.701.703	47.611.468	154.128.839	34.990.587
3 Income from the use of own products, goods and services	128	239.629	42.470	253.511	62.027
4 Other operating income with undertakings within the group	129	80.118	569.820	2.180	46
5 Other operating income (outside the group)	130	16.092.396	3.829.293	14.634.302	-15.324.022
<b>II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)</b>	<b>131</b>	<b>169.116.097</b>	<b>47.160.504</b>	<b>168.269.565</b>	<b>26.090.098</b>
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	56.533.601	17.337.768	52.364.417	15.802.650
a) Costs of raw materials and consumables	134	8.878.529	2.291.062	7.128.244	2.082.976
b) Costs of goods sold	135	0	0	0	0
c) Other external costs	136	47.655.072	15.046.706	45.236.173	13.719.674
3 Staff costs (ADP 138 to 140)	137	82.281.321	21.556.145	86.325.556	22.963.182
a) Net salaries and wages	138	53.820.074	13.696.933	50.139.200	11.088.498
b) Tax and contributions from salary costs	139	18.969.631	5.355.368	25.265.016	8.981.070
c) Contributions on salaries	140	9.491.616	2.503.844	10.921.340	2.893.614
4 Depreciation	141	8.760.502	2.541.146	9.015.270	2.788.709
5 Other costs	142	18.730.262	5.315.195	11.558.440	3.803.245
6 Value adjustments (ADP 144+145)	143	0	195.044	1.243.234	292.591
a) fixed assets other than financial assets	144	0	1.094.287	0	0
b) current assets other than financial assets	145	0	-899.243	1.243.234	292.591
7 Provisions (ADP 147 to 152)	146	442.986	0	2.454.314	2.454.314
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	430.137	430.137
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	442.986	0	2.024.177	2.024.177
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	2.367.425	215.206	5.308.334	-22.014.593
<b>III FINANCIAL INCOME (ADP 155 to 164)</b>	<b>154</b>	<b>5.246.643</b>	<b>942.039</b>	<b>2.491.617</b>	<b>-3.236.186</b>
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	113.350	117.325	362.891	362.891
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	1.694.667	130.166	289.137	147.672
6 Income from other long-term financial investments and loans	160	0	0	396.882	0
7 Other interest income	161	2.254.938	2.004.281	15.189	5.061
8 Exchange rate differences and other financial income	162	1.183.688	-1.309.737	478.776	-3.834.189
9 Unrealised gains (income) from financial assets	163	0	4	0	0
10 Other financial income	164	0	0	948.742	82.379
<b>IV FINANCIAL EXPENSES (ADP 166 to 172)</b>	<b>165</b>	<b>15.074.463</b>	<b>3.207.011</b>	<b>14.174.378</b>	<b>-1.373.983</b>
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	184.212	169.888	151.767	43.219
3 Interest expenses and similar expenses	168	11.274.722	3.018.669	10.070.459	2.407.518
4 Exchange rate differences and other expenses	169	3.445.946	-173.970	3.839.373	-3.937.499
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	91.872	124.656	111.379	111.379
7 Other financial expenses	172	77.711	67.768	1.400	1.400
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>173</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>174</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>175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>176</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 125+154+173 + 174)</b>	<b>177</b>	<b>195.151.753</b>	<b>53.461.600</b>	<b>172.619.032</b>	<b>16.755.978</b>
<b>X TOTAL EXPENDITURE (ADP 131+165+175 + 176)</b>	<b>178</b>	<b>184.190.560</b>	<b>50.367.515</b>	<b>182.443.943</b>	<b>24.716.115</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 177-178)</b>	<b>179</b>	<b>10.961.193</b>	<b>3.094.085</b>	<b>-9.824.911</b>	<b>-7.960.137</b>
1 Pre-tax profit (ADP 177-178)	180	10.961.193	3.094.085	0	0



2 Pre-tax loss (ADP 178-177)	181	0	0	-9.824.911	-7.960.137
<b>XII INCOME TAX</b>	<b>182</b>	-5.703.965	-5.002.364	0	0
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)</b>	<b>183</b>	<b>16.665.158</b>	<b>8.096.449</b>	<b>-9.824.911</b>	<b>-7.960.137</b>
1 Profit for the period (ADP 179-182)	184	16.665.158	8.096.449	0	0
2 Loss for the period (ADP 182-179)	185	0	0	-9.824.911	-7.960.137
<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 187-188)</b>	<b>186</b>	0	0	0	0
1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>189</b>	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-186)	191	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 179+186)</b>	<b>192</b>	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
<b>XVII INCOME TAX (ADP 182+189)</b>	<b>195</b>	0	0	0	0
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)</b>	<b>196</b>	0	0	-9.824.911	-7.960.137
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	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 200+201)</b>	<b>199</b>	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	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>202</b>	<b>16.665.158</b>	<b>8.096.449</b>	<b>-9.824.911</b>	<b>-7.960.137</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)</b>	<b>203</b>	<b>12.088</b>	<b>-20.009.457</b>	<b>0</b>	<b>0</b>
1 Exchange rate differences from translation of foreign operations	204	18.544	0	0	0
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	-6.456	-20.009.457	0	0
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	0
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
<b>III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>212</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)</b>	<b>213</b>	<b>12.088</b>	<b>-20.009.457</b>	<b>0</b>	<b>0</b>
<b>V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)</b>	<b>214</b>	<b>16.677.246</b>	<b>-11.913.008</b>	<b>-9.824.911</b>	<b>-7.960.137</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 216+217)</b>	<b>215</b>	0	0	0	0
1 Attributable to owners of the parent	216	0	0	0	0
2 Attributable to minority (non-controlling) interest	217	0	0	0	0



**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2020 . to 30.09.2020.

in HRK

Submitter: INSTITUT IGH 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	10.961.193	-9.824.911
2 Adjustments (ADP 003 to 010):	002	11.473.119	24.120.993
a) Depreciation	003	8.760.502	9.015.270
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-8.927.000	-1.243.234
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	-2.368.000	-15.189
e) Interest expenses	007	11.274.000	10.070.459
f) Provisions	008	343.000	2.454.314
g) Exchange rate differences (unrealised)	009	751.000	3.839.373
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	1.639.617	0
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>22.434.312</b>	<b>14.296.082</b>
3 Changes in the working capital (ADP 013 to 016)	012	-2.907.000	2.271.904
a) Increase or decrease in short-term liabilities	013	-3.318.000	-2.035.926
b) Increase or decrease in short-term receivables	014	411.000	4.307.830
c) Increase or decrease in inventories	015	0	0
d) Other increase or decrease in working capital	016	0	0
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>19.527.312</b>	<b>16.567.986</b>
4 Interest paid	018	0	0
5 Income tax paid	019	0	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>19.527.312</b>	<b>16.567.986</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	1.000	0
3 Interest received	023	0	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	13.050.000	8.530.776
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>13.051.000</b>	<b>8.530.776</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-2.936.000	0
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	-10.924.000	-10.290.485
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>-13.860.000</b>	<b>-10.290.485</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-809.000</b>	<b>-1.759.709</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	811.000	1.000.000
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>811.000</b>	<b>1.000.000</b>

1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-13.134.000	-14.631.457
2 Cash payments for dividends	041	0	
3 Cash payments for finance lease	042	-1.124.000	-4.116.144
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	0	0
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-14.258.000</b>	<b>-18.747.601</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-13.447.000</b>	<b>-17.747.601</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>5.271.312</b>	<b>-2.939.324</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>5.872.688</b>	<b>11.144.000</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>11.144.000</b>	<b>8.204.676</b>



STATEMENT OF CHANGES IN EQUITY  
for the period from 1.1.2020 to 31.12.2020

in HRK

Description	Attributable to owners of the parent																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
	Non-controlling interest	Share	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserve for treasury shares	Treasury shares and holding (debit) (net)	Statutory reserves	Other reserves	Residual reserves	Fair value of financial assets available for sale	Cash flow hedge effective portion	Reserve for net defined pension	Retained profit (loss) brought forward	Provisions for financial year	Total attributable to owners of the parent	Minority interest	Total capital and reserves
<b>1 Balance on the first day of the previous business year</b>	01	02	110,004,710	-255,383	0	0	1,440,300	3,100,416	1,346,000	114,638,755	0	0	0	-290,483,800	1,310,974	-42,800,350	0	-48,570,206
2 Changes in accounting policies	03	04	0	0	0	0	0	0	0	0	0	0	0	-13,101	0	0	0	-13,101
3 Correction of errors	05	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>4 Balance on the first day of the previous business year (restated) (ADP 01 to 003)</b>	04	05	110,004,710	-255,383	0	0	1,440,300	3,100,416	1,346,000	114,638,755	0	0	0	-290,483,800	1,310,974	-42,800,350	0	-48,583,307
5 Profit/loss of the period	05	06	0	0	0	0	0	0	0	114,638,755	0	0	0	0	0	0	0	114,638,755
6 Exchange rate differences from translation of foreign operations	06	07	0	0	0	0	0	0	0	-23,212,992	0	0	0	0	0	0	0	-23,212,992
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit/loss arising from independent measurement of financial assets available for sale	08	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit/loss arising from effective cash flow hedge	09	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit/loss arising from effective hedge of a net investment in a foreign operation	10	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive incomes of companies held by virtue of participating interests	11	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actual gains/losses on the defined benefit obligation	12	13	0	0	0	0	0	0	0	18,433	0	0	0	0	0	0	0	18,433
13 Other changes in equity unrelated to owners	13	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Increase in initial (subscribed) capital (other than from reissuing paid and other than arising from the pre-bankruptcy settlement procedure)	14	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase in initial (subscribed) capital arising from the reissuance of paid and other than arising from the pre-bankruptcy settlement procedure)	15	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reissuance of paid and other than arising from the pre-bankruptcy settlement procedure)	16	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	17	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Profit/loss arising from the pre-bankruptcy settlement procedure	18	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Other distribution to owners	19	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	20	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Transfer to reserves according to the annual schedule	21	22	0	0	0	0	0	0	-202,108	0	0	0	0	0	0	0	0	-202,108
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	22	23	0	0	0	0	0	0	0	0	0	0	0	1,310,974	0	0	0	1,310,974
<b>23 Balance on the last day of the previous business year reporting period (a) to (b) (ADP 00 to 14)</b>	23	24	110,004,710	-255,383	0	0	1,440,300	3,100,416	654,402	91,445,200	0	0	0	-290,482,345	1,605,158	-42,800,350	0	-42,800,350
<b>1 OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD (ADP 00 to 14)</b>	24	25	0	0	0	0	0	0	0	-23,103,648	0	0	0	22,814,690	0	-42,800,350	0	-42,800,350
<b>II COMPREHENSIVE INCOME ON LOSS FOR THE PREVIOUS PERIOD (ADP 05-24)</b>	25	26	0	0	0	0	0	0	0	-23,103,648	0	0	0	22,814,690	0	-42,800,350	0	-42,800,350
<b>III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)</b>	26	27	0	0	0	0	0	0	-202,108	0	0	0	0	1,310,974	-1,310,974	-202,108	0	-202,108
<b>Current period</b>	27	28	110,004,710	-255,383	0	0	1,440,300	3,100,416	654,402	91,445,200	0	0	0	-290,482,345	1,605,158	-42,800,350	0	-42,800,350
1 Balance on the first day of the current business year	28	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Changes in accounting policies	29	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>4 Balance on the first day of the current business year (restated) (ADP 27 to 29)</b>	30	31	110,004,710	-255,383	0	0	1,440,300	3,100,416	654,402	91,445,200	0	0	0	-290,482,345	1,605,158	-42,800,350	0	-42,800,350
5 Profit/loss of the period	31	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Exchange rate differences from translation of foreign operations	32	33	0	0	0	0	0	0	0	-6,113,723	0	0	0	0	0	0	0	-6,113,723
7 Changes in revaluation reserves of fixed tangible and intangible assets	33	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit/loss arising from independent measurement of financial assets available for sale	34	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit/loss arising from effective cash flow hedge	35	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit/loss arising from effective hedge of a net investment in a foreign operation	36	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive incomes of companies linked by virtue of participating interests	37	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actual gains/losses on the defined benefit obligation	38	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	39	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Increase in initial (subscribed) capital (other than from reissuing paid and other than arising from the pre-bankruptcy settlement procedure)	40	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase in initial (subscribed) capital arising from the reissuance of paid and other than arising from the pre-bankruptcy settlement procedure)	41	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reissuance of paid and other than arising from the pre-bankruptcy settlement procedure)	42	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Reduction of treasury shareholdings	44	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payment of shares in profit/loss	45	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	46	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Transfer to reserves according to the annual schedule	47	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	48	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>23 Balance on the last day of the current business year reporting period (ADP 30 to 48)</b>	49	50	110,004,710	-255,383	0	0	1,440,300	3,100,416	654,402	85,331,463	0	0	0	-290,482,345	1,605,158	-42,800,350	0	-42,800,350
<b>OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD (ADP 27 to 29)</b>	50	51	0	0	0	0	0	0	0	-6,113,723	0	0	0	0	0	-42,800,350	0	-6,113,723
<b>II COMPREHENSIVE INCOME ON LOSS FOR THE CURRENT PERIOD (ADP 31-49)</b>	51	52	0	0	0	0	0	0	0	-6,113,723	0	0	0	0	0	-42,800,350	0	-6,113,723
<b>III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)</b>	52	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	53	54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	54	55	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	55	56	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	56	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	57	58	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	58	59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	59	60	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	60	61	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	61	62	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	62	63	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	63	64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	64	65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	65	66	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	66	67	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE FILLED IN BY UNDERTAKINGS THAT SET UP FINANCIAL STATEMENTS IN ACCORDANCE WITH THE FRSS</b>	67	68	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ADDITIONAL INFORMATION ON CHANGES IN EQUITY TO BE</b>																		





Zagreb, February 26, 2021

**Subject:** Statement of the Management Board on the responsibility for preparing financial reports for Institut IGH, JSC

The Company's Management Board has to ensure that the INSTITUT IGH d.d. unaudited financial reports for the accounting period from January to December 2020 are prepared in accordance with the Accountancy Law (Official Gazette 78/15, 133/15, 120/16) and International Financial Reporting Standards as adopted by the European Union, so that these documents provide a true and unbiased picture of the Company's financial standing, business results, change in capital, and cash flow for the period under consideration.

After making due enquiries, the Management Board has a reasonable expectation that the Company has adequate resources to continue operation in the foreseeable future. Accordingly, the Management Board has prepared its financial reports under assumption that the Company will continue to operate for an unlimited period of time.

During preparation of financial reports, the Management Board is responsible:

- for the selection and, thereafter, for consistent use of appropriate accounting policies;
- for giving reasonable and sensible assessments and estimates;
- for applying valid financial reporting standards and for making public and explaining every materially significant discrepancy discovered in financial reports;
- for preparing financial reports under assumption of an unlimited period of operation, except in cases when such assumption is inappropriate.

The Management Board is responsible for keeping proper accountancy records that will depict, to an acceptable level of accuracy, the financial standing and business results of the Company, in full compliance with the Accountancy Law and International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). The Management Board is also responsible for protecting and safeguarding the Company's assets, and hence for undertaking every measure it deems necessary to prevent and discover cases of fraud and other illegal activity.

Signed on the behalf of the Management Board:  
Robert Petrosian,  
President of the Management Board

Miroslav Pauzar  
Member of the Management Board

Vedrana Tudor  
Member of the Management Board

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Competent court:  
Commercial Court in Zagreb  
Register entry with company registration  
No 080000959

Share capital:  
HRK 116,604,710.00  
Paid in full

No of issued shares: IGH 613,709  
Nominal share value HRK 190

Reg.No.: 3750272  
PIN: 79766124714  
Business bank:  
Zagrebačka Banka d.d.  
IBAN:  
HR7723600001101243767  
SWIFT code: ZABAHR2X

Management Board:  
Robert Petrosian, President of the Management Board  
Vedrana Tudor, Member of the Management Board  
Miroslav Pauzar, Member of the Management Board

Supervisory Board:  
Žarko Dešković, MEng,CE  
President of the Supervisory Board

