

**UNAUDITED BUSINESS REPORT
OF THE INTEREUROPA GROUP
AND INTEREUROPA, D. D.**

JANUARY—SEPTEMBER 2020



TABLE OF CONTENTS

INTRODUCTION	3
STATEMENT OF MEMBERS OF THE MANAGEMENT BOARD 4	
KEY PERFORMANCE HIGHLIGHTS	5
BASIC INFORMATION ABOUT THE GROUP	6
BUSINESS PLAN FOR 2020.....	8
SIGNIFICANT EVENTS	10
IMPACT OF COVID-19 ON THE GROUP'S OPERATIONS.	12
BUSINESS REPORT	13
1. BUSINESS RESULTS OF THE INTEREUROPA GROUP.....	13
1.1 Financial results of the Intereuropa Group.....	13
1.2 Sales.....	15
1.3 Investments in fixed assets.....	19
1.4 Sales of fixed assets.....	20
1.5 Human resource management	20
1.6 Risk management	22
1.7 Financial results of the operations of Intereuropa, d. d.....	24
1.8 IEKG shares and ownership structure	25
FINANCIAL STATEMENTS OF THE INTEREUROPA GROUP AND INTEREUROPA, D. D.	
32	

INTRODUCTION

Pursuant to the Financial Instruments Market Act and the Ljubljana Stock Exchange Rules, Intereuropa, d. d. hereby publishes the Unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–September 2020.

The consolidated and separate financial statements for the periods January–September 2020 and January–September 2019 have not been audited, while the financial statements for the entire 2019 financial year have been audited. The financial statements are prepared in accordance with the International Financial Reporting Standards.

The Supervisory Board of Intereuropa, d. d. discussed the Unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–September 2020 at its session on 19 November 2020.

The document Unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–September 2020 is available at the registered office of Intereuropa, d. d., Vojkovo nabrežje 32, 6504 Koper, and will also be published on Intereuropa, d. d.'s website at www.intereuropa.si on 19 November 2020.

STATEMENT OF MEMBERS OF THE MANAGEMENT BOARD

The Management Board of Intereuropa, d. d. hereby declares that, to the best of its knowledge, the financial report of Intereuropa, Globalni logistični servis, d. d. and the Intereuropa Group for the period January–September 2020 has been compiled in accordance with IAS 34, and must be read in conjunction with the audited annual financial statements compiled for the financial year ending 31 December 2019.

The financial report provides a true and fair picture of the assets, liabilities, financial position and operating results of the Intereuropa Group and Intereuropa, Globalni logistični servis, d. d.

The business report includes a fair presentation of information regarding material transactions with related parties, which is prepared in accordance with the relevant accounting standard, and a fair presentation of significant business events that arose during the six months since the end of the previous financial year, as well as their impact on the condensed financial report, including a description of the principal types of risk and uncertainties in connection with the remaining six months of the current financial year.

Koper, 9 November 2020

Intereuropa, d. d.
Management Board

Marko Cegnar
President of the Management Board



Marko Rems
Member of the Management Board



Matija Vojsk, MSc
Member of the Management Board



KEY PERFORMANCE HIGHLIGHTS

Table 1: Key operating indicators of the Intereuropa Group and the parent company Intereuropa, d. d., in EUR thousand

in EUR thousand	INTEREUROPA GROUP			INTEREUROPA, D. D.		
	Jan–Sep 2020	Jan–Sep 2019**	Index 20/19	Jan–Sep 2020	Jan–Sep 2019**	Index 20/19
Sales revenue	111,626	120,226	93	76,788	84,462	91
EBITDA	9,492	10,764	88	6,179	7,087	87
Operating profit (EBIT)	3,878	5,357	72	2,887	3,791	76
Loss from financing activities	-978	-731	-	-492	-32	-
Profit from ordinary operations	2,899	4,630	63	2,395	3,760	64
Net profit	2,443	4,184	58	2,272	3,591	63
EBITDA margin (in %)	8.5	9.0	95	8.0	8.4	96
EBIT margin (in %)	3.5	4.5	78	3.8	4.5	84
Sales revenue per employee/month	9.546	10.365	92	14.810	16.173	92
Value added per employee/month	2.681	2.782	96	3.948	4.068	97
ROE (in %)*	2.7	4.7	57	3.5	5.7	61
	30 Sep 2020	31 Dec 2019	Index 20/19	30 Sep 2020	31 Dec 2019	Index 20/19
Assets	223,356	223,351	100	177,194	176,748	100
Equity	124,127	122,358	101	89,499	87,228	103
Net debt	42,737	54,352	79	50,754	57,293	89
Number of employees	1,339	1,356	99	592	609	97
	Jan–Sep 2020	Jan–Dec 2019	Index 20/19			
Number of shares at the end of period	27,488,803	27,488,803	100			
Earnings per share (in EUR)	0.08	0.12	67			
Closing price at the end of period (in EUR)	1.25	1.43	87			
Book value per share at the end of period (in EUR)	3.26	3.18	103			
P/B	0.38	0.45	84			
P/E	11.72	11.92	98			

EBITDA: operating profit + depreciation/amortisation + revaluation operating expenses for intangible assets and property, plant and equipment – revaluation operating income from the reversal of impairment losses on intangible assets and property, plant and equipment.

Net debt: financial liabilities – loans granted and deposits – cash.

P/B = closing price at the end of period / book value per share.

P/E = closing price at the end of period / earnings per share on an annual basis.

* Recalculated on an annual basis.

** The comparative interim financial statements were restated taking into account the published data for the comparative period.

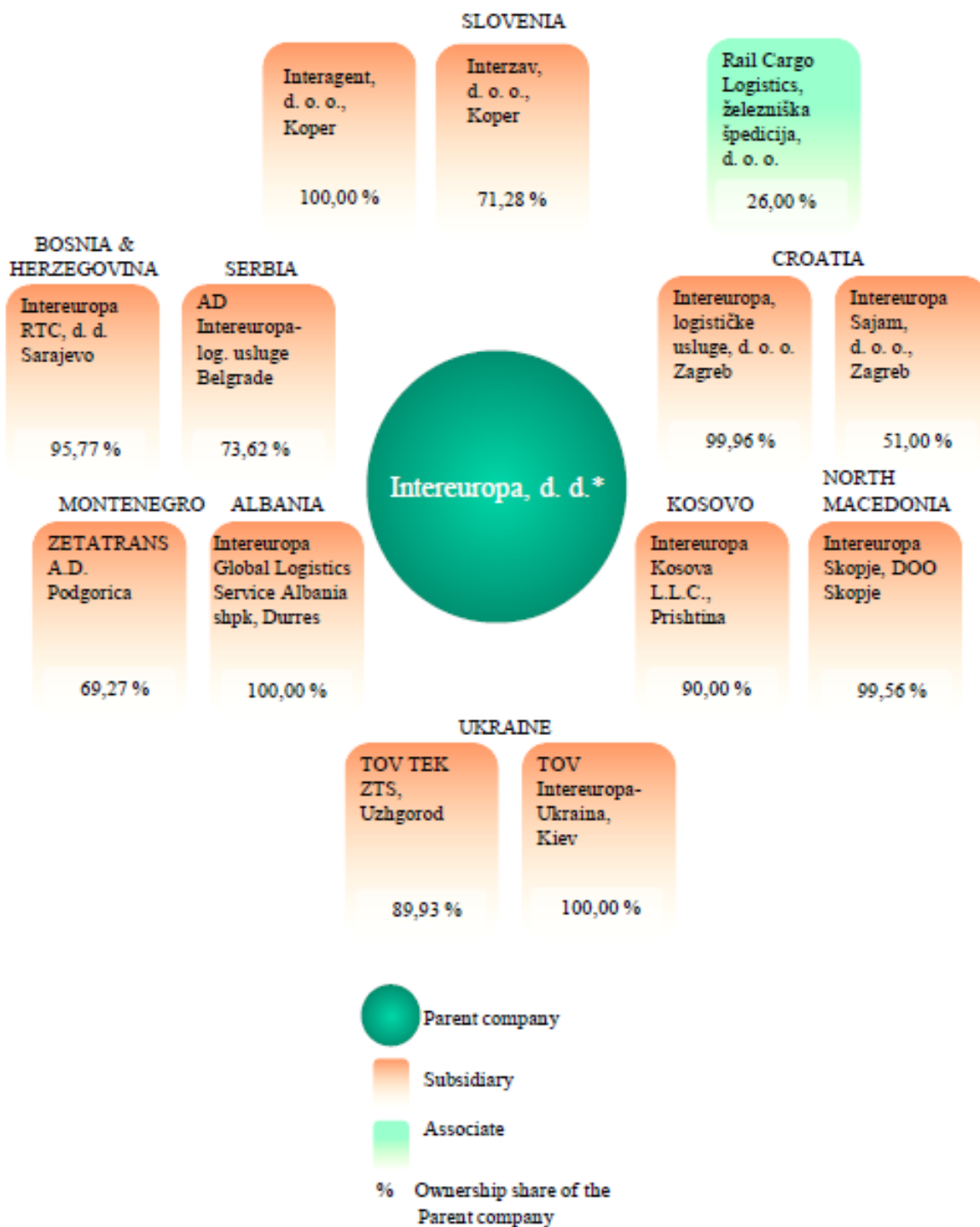
BASIC INFORMATION ABOUT THE GROUP

Table 2: Basic information about Intereuropa, d. d. and the Intereuropa Group as at 30 September 2020

Parent company	Intereuropa, Globalni logistični servis, d. d.
Abbreviated name	Intereuropa, d. d.
Country of the parent company	Slovenia
Registered office of the parent company	Vojkovo nabrežje 32, 6000 Koper
Registration no.	5001684
Tax no.	56405006
Entry in the companies register	Registered with the Koper District Court, entry no. 1/00212/00
Share capital	EUR 27,488,803
Number of shares issued and paid up	27,488,803 no-par-value shares, of which 16,830,838 are ordinary shares (IEKG) and 10,657,965 are preference shares (IEKN)
Share listing	IEKG shares are listed on the prime market of the Ljubljana Stock Exchange, CEESSEG.
Management Board	Marko Cegnar, President of the Management Board Marko Rems, member of the Management Board Matija Vojsk, MSc, member of the Management Board
Supervisory Board	Boris Novak, MSc, Chairman of the Supervisory Board Andrej Rihter, MSc, Deputy-Chairman of the Supervisory Board Vinko Filipič Milan Perović Tjaša Benčina Zlatka Čretnik
Intereuropa Group	
Number of employees	1,339
Total closed warehousing area*	215,000 m ² of own warehousing area
Total land area	1,617,000 m ²
Membership in international organisations and logistics networks	FIATA, IATA, FONASBA, BIMCO, GS1, WCA, FETA, HCL
Quality certificates	ISO 9001:2015 certificate: o Intereuropa, d. d., Koper o Intereuropa, logističke usluge, d. o. o., Zagreb o Intereuropa RTC, d. d., Sarajevo
Own branch network	Slovenia, Croatia, Montenegro, Bosnia and Herzegovina, Serbia, Kosovo, North Macedonia, Albania and Ukraine

* Closed warehousing area, excluding tents and canopies, owned by Intereuropa

Figure 1: Intereuropa Group as at 30 September 2020¹



* The majority owner of Intereuropa, d. d. as at 30 September 2020 was Pošta Slovenije, d. o. o., which was the holder of 68.79% of ordinary shares and 100.00% of preference shares.

¹ The subsidiary in Albania has been excluded from consolidation since 1 January 2019.

BUSINESS PLAN FOR 2020

While drafting the business plan for 2020, the Intereuropa Group took into account the starting position of the Group as a whole at the end of 2019 and the planned points of departure set out in the Strategic Plan of the Intereuropa Group for the period 2018 to 2022, as well as trends in the logistics sector and forecasts of economic trends on the Group's key markets. The business plan was adopted in February 2020, and thus could not have foreseen the outbreak of the COVID-19 epidemic and the consequences thereof. The original business plan for 2020 also did not include synergies and other effects of Intereuropa's integration in the Pošta Slovenije Group. A revised business plan for 2020 was therefore drawn up and adopted in July 2020. All references to the business plan for 2020 in this report relate to the revised business plan for 2020.

The following business and financial objectives were set for the Intereuropa Group in the revised business plan for 2020, which was adopted due to the consequences of the COVID-19 epidemic:

- to generate net sales revenue of EUR 139.5 million, which is EUR 31.3 million less than originally planned and a decrease of EUR 20.7 million relative to 2019. The strengthening of cooperation with customers that require integrated logistics solutions through the entire supply chain in the region, an emphasis on the development and expansion of the partner and agent network, and the securing of new business remain key sales activities;
- to successfully control direct costs and the sales margin through the active management of the costs of direct services via more favourable purchasing terms, in particular on account of the centralisation of certain procurement functions;
- to generate EBITDA of EUR 10.1 million and an operating profit (EBIT) of EUR 2.6 million. The planned values of EBITDA and EBIT for 2020 are lower than the target values for 2019, for the most part as the result of the foreseen drop in revenues as the consequence of the COVID-19 epidemic; and
- to ensure financial stability and reduce debt, despite the adverse economic conditions, through the divestment of real estate that is not used in the performance of the logistics activity.

To achieve the above-described objectives, the Group is planning the following:

- investments of EUR 6.9 million in property, plant and equipment and intangible assets, primarily in the upgrading and renovation of the warehousing infrastructure and warehouse equipment, in the upgrading of IT equipment and in intangible assets;
- ensuring the optimal number of competent and motivated employees;
- investments in the effective development of employees, and the implementation of a systematic plan of measures to ensure health and well-being within the Intereuropa Group;
- an increase in employee productivity through the computerisation and optimisation of processes, taking into account limits on overtime hours and the sound organisation of employees' work time;
- maintaining the proportion of flexible forms of employment at a minimum of 10%;
- the continued centralisation of IT management within the Group and the implementation of shared IT solutions;
- the continued updating and promotion of corporate integrity and compliance at all Group companies. Crucial in this regard are the project to implement legislation in the area of personal data protection and the project to introduce fraud management;

- the continued intensive identification of risks to which Group companies are exposed and the management of those risks, with a greater emphasis on monitoring the success of measures;
- ensuring the cost-effectiveness of support functions for the performance of logistics processes;
- the effective management of working capital; and
- the implementation of activities aimed at the sale of assets not required for business purposes.

SIGNIFICANT EVENTS

SIGNIFICANT EVENTS IN THE PERIOD JANUARY–SEPTEMBER 2020

January

- On 16 January, Intereuropa, d. d. received a decision from the Securities Market Agency (SMA) regarding the takeover bid of the acquiring company Pošta Slovenije, d. o. o. for the shares of the target company Intereuropa, d. d., in which the SMA found the aforementioned bid successful.
- On 31 January, Intereuropa, d. d. successfully completed the refinancing of several loans arranged under the financial restructuring agreement in 2012. Intereuropa, d. d. and a syndicate of banks, including Nova Ljubljanska banka, d. d. acting as the organiser and agent, concluded a long-term loan agreement in the amount of EUR 54,850,000. The new loan comprises two tranches, one with a maturity of seven years and the other with a maturity of four years. Pošta Slovenije, d. o. o. contributed to that successful refinancing by issuing a guarantee covering 80% of the amount of that loan.

February

- On 10 February, the Management Board of Intereuropa, d. d. signed a new collective agreement with representatives of the ŠAK KS90 Trade Union and the Trade Union of Transportation and Communication Workers.
- On 10 February, the Supervisory Board of Intereuropa, d. d. adopted the Intereuropa Group's planning document for 2020.
- In February 2020, Intereuropa, d. d. submitted a letter of intent to purchase the remaining participating interest in Intereuropa RTC, d. d., Sarajevo, by which it will become 100% owner of that company.

March

- The COVID-19 epidemic had a significant impact on the functioning of the entire European economy and thus on the operations of the Intereuropa Group, as described on page 12.

April

- At its session held on 16 April, Intereuropa, d. d.'s Supervisory Board adopted the audited annual report of the Intereuropa Group for the 2019 financial year, together with the independent auditor's report.

May

- On 26 May, the Company concluded annex 1 to a loan agreement with a syndicate of banks with the aim of mitigating the effects of the COVID-19 epidemic and strengthening its liquidity position. The payment of principal and interest was deferred for one year under that annex.

July

- At its session held on 9 July, the Company's Supervisory Board adopted the Intereuropa Group's revised business plan for 2020, in which the Group is planning lower but positive operating results during the second half of 2020 in the context of enhanced marketing activities. The revised business plan was drawn up as the result of the adverse economic conditions following the outbreak of the COVID-19 epidemic. More information regarding the business plan is given on page 8.

August

- At the General Meeting of Shareholders of Intereuropa, d. d. held on 27 August, shareholders were briefed on the annual report of the Intereuropa Group and Intereuropa, d. d. for 2019, together with the auditor's report and the report of the Supervisory Board on the results of the verification of the annual report for 2019 and the confirmation thereof, as well as the remuneration of members of the Management Board and Supervisory Board. Official approval was conferred on the Management Board and Supervisory Board for their work in 2019, and a decision was made on the use of the distributable profit in the amount of EUR 7,908,105.27, which remains undistributed.

EVENTS AFTER THE REPORTING PERIOD

- At its session held on 28 October, the Supervisory Board of Intereuropa, d. d. adopted a decision on the reappointment of the current President of the Management Board, Marko Cegnar, to a four-year term of office, effective 12 November 2020. The Supervisory Board was also informed that the term of office of current member of the Management Board, Matija Vojsk, MSc, will come to an end on 12 November 2020. The Supervisory Board decided that, after 12 November 2020, the Management Board of Intereuropa, d. d. will be reconstituted so that it comprises two members: President of the Management Board, Marko Cegnar, and Vice-President of the Management Board, Marko Rems.

IMPACT OF COVID-19 ON THE GROUP'S OPERATIONS

The outbreak of COVID-19 is having a significant impact on health-related, economic and other developments across the world. The World Health Organisation declared a pandemic on 11 March 2020, and the Slovenian government followed suit the next day by declaring an epidemic. Intereuropa, d. d. and Intereuropa Group companies are carefully monitoring current events in Slovenia and around the world, and are doing everything necessary, in accordance with the measures adopted by the competent institutions and the recommendations of experts, to protect the health of employees and business partners. Even during the epidemic, the Intereuropa Group has provided logistics services for numerous customers from different economic and other sectors via twelve companies in nine countries in Southeast Europe and Ukraine.

The impact of the COVID-19 epidemic on operations was seen most notably during the second quarter in a drop in sales revenue in all areas of operations. The second wave of the epidemic, which hit Europe in October 2020, will very likely have a negative impact on operations during the fourth quarter of 2020 and probably during the first half of 2021, as well. We currently assess that the achievement of the business plan for 2020, which is presented in detail on page 8, is not in jeopardy.

In order to mitigate the impact of the COVID-19 epidemic on the Group's operations, Intereuropa Group companies have taken advantage of economic aid measures adopted by the governments of specific countries.

BUSINESS REPORT

1. BUSINESS RESULTS OF THE INTEREUROPA GROUP

1.1 Financial results of the Intereuropa Group

Table 3: Financial results of the Intereuropa Group for the period January–September 2020, in EUR thousand

Item/Indicator	Jan–Sep 2020	Plan Jan–Sep 2020	Jan–Sep 2019**	Index 2020/plan	Index 20/19
Sales revenue	111,626	105,291	120,226	106	93
Land transport	57,184	54,252	63,918	105	89
Logistics solutions	20,463	19,415	19,949	105	103
Intercontinental transport	29,337	27,165	31,168	108	94
Other services	4,642	4,459	5,191	104	89
EBITDA	9,492	7,546	10,764	126	88
Operating profit	3,878	1,897	5,357	204	72
Loss from financing activities	-978	-791	-731	-	-
Profit from ordinary operations	2,899	1,109	4,630	261	63
Corporate income tax and deferred tax	456	277	446	165	102
Net profit	2,443	832	4,184	294	58
EBITDA margin (in %)	8.5	7.2	9.0	119	95
EBIT margin (in %)	3.5	1.8	4.5	193	78
Sales revenue per employee/month	9.546	1.022	10.365	934	92
Value added per employee/month	2.681	2.448	2.782	110	96
ROE (in %)*	2.7	1.0	4.7	267	57

Item/Indicator	30 Sep 2020	31 Dec 2019	Index 20/19
Assets	223,356	223,351	100
Equity	124,127	122,358	101
Net debt	42,737	54,352	79
Current assets/current liabilities	1.58	0.51	309

* Recalculated on an annual basis. Planned ROE is disclosed for the entire year.

** The comparative interim financial statements were restated taking into account the published data for the comparative period.

Operating profit and EBITDA

→ The sales revenue generated by the Intereuropa Group during the first three quarters of this year was down by 7% relative to the same period last year. Having a significant impact in this regard was the COVID-19 epidemic. Planned sales revenue was exceeded by 6%.

The sales margin was at the planned level and up relative to last year. Section 1.2 Sales presents a detailed analysis of sales revenue by business line and market.

- EBITDA amounted to EUR 9.5 million, a decrease of 12% relative to the same period in 2019, but 26% higher than planned. The main reason for higher-than-planned EBITDA was the positive impact of higher sales revenue, while higher-than-planned labour costs had a negative impact.

Also affecting EBITDA achieved in 2020 was income from subsidies to mitigate the consequences of the COVID-19 epidemic in the amount of EUR 1.1 million, which was planned.

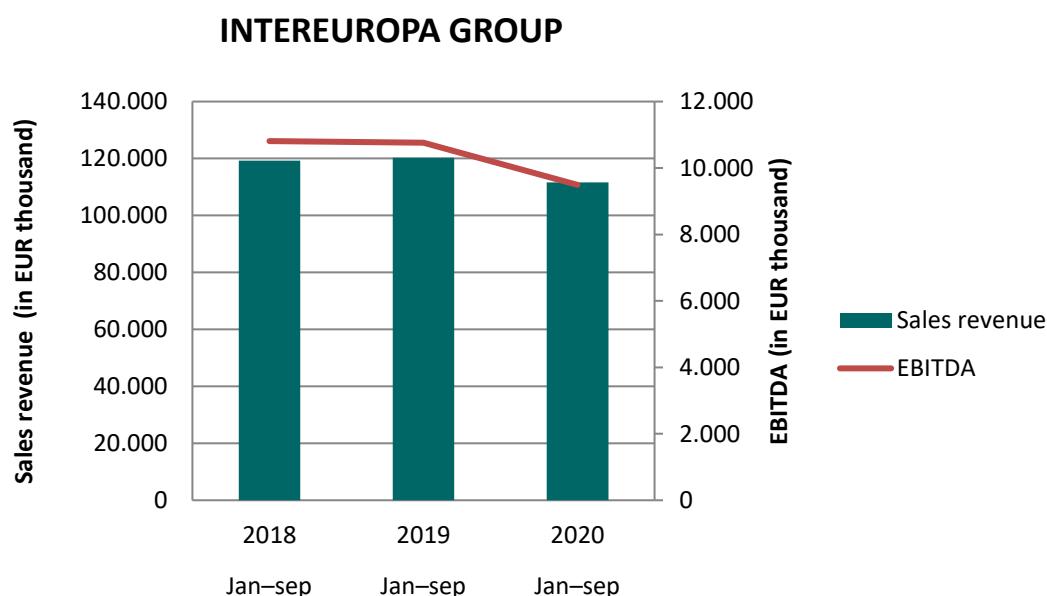
Loss from financing activities

- The loss from financing activities was worse than planned and worse than last year's result mostly due to higher net expenses from exchange rate differences due to the depreciation of the Ukrainian hryvna. Interest expense on loans received was down by EUR 0.7 million this year relative to the same period last year, while interest income was down by EUR 0.3 million relative to last year.

Profit from ordinary operations and net profit

- The Group's net profit amounted to EUR 2.4 million, which was 194% higher than planned, but down by 42% relative to the same period last year.

Figure 2: Change in EBITDA and sales revenue in the period January–September between 2018 and 2020



Structure of the statement of financial position

- The Group's net debt amounted to EUR 42.7 million at the end of the third quarter of the year, a decrease of EUR 4.1 million relative to the end of the first half of 2020 and a decrease of EUR 11.6 million relative to the end of 2019.
- The ratio of equity to total assets stood at 55.6% at the end of the third quarter, an increase of 0.1 percentage points during the third quarter and an increase of 0.8 percentage points relative to the end of 2019.
- The current ratio amounted to 1.58, an increase of 0.02 on the end of the first half of 2020 and an increase of 1.07 relative to the end of 2019.

1.2 Sales

The Intereuropa Group generated sales revenue of EUR 111.6 million during the first three quarters of 2020, a decrease of 7% relative to the same period last year. The main cause of that fall was the COVID-19 epidemic, which had a negative impact on all products, in particular land transport. Planned values were exceeded most during the first three quarters of 2020 by the parent company in Slovenia, and the subsidiaries in Bosnia and Herzegovina, Croatia and Ukraine, while the company in Montenegro recorded the most significant lag behind planned sales.

Table 4: Sales revenue of the Intereuropa Group by business line, in EUR thousand

Business line	Jan–Sep	Structure	Index 20/19	Index
	2020			2020/plan
Land transport	57,184	51%	89	105
Logistics solutions	20,463	18%	103	105
Intercontinental transport	29,337	26%	94	108
Other services	4,642	4%	89	104
TOTAL SALES REVENUE	111,626	100%	93	106

Table 5: Sales revenue of the Intereuropa Group by country (with respect to a company's head office), in EUR thousand

Geographical area (according to company's head office)	Jan–Sep 2020	Structure	Index 20/19
Slovenia*	74,174	66%	90
Croatia	17,564	16%	97
Bosnia and Herzegovina	5,213	5%	99
Serbia	3,853	3%	115
Montenegro	3,684	3%	77
Ukraine	3,425	3%	133
Other	3,713	3%	96
TOTAL SALES REVENUE	111,626	100%	93
EU countries	91,738	82%	91
Non-EU countries	19,888	18%	100

* Data include consolidation restatements.

Companies in Slovenia together generated 66% of the Group's sales revenue during the first three quarters of 2020, in the context of a 10% decline in sales revenue relative to the same period last year. Sales were also down relative to the previous year in Croatia, Bosnia and Herzegovina, Montenegro and Kosovo, most notably in the land transport segment, while sales growth was seen in the logistics solutions segment in Slovenia, Kosovo and Bosnia and Herzegovina. Sales were up in the intercontinental transport segment in Serbia, Croatia, Bosnia and Herzegovina, Montenegro and North Macedonia.

LAND TRANSPORT

The land transport segment generated EUR 57.2 million in sales revenue during the first nine months of the current year. Sales revenue in this segment was down by 11% relative to the

same period last year. The parent company in Slovenia generated sales revenue of EUR 33.3 million, with that amount representing 58% of the total sales of the land transport segment. Sales generated in Slovenia were down by 15% relative to 2019. Growth in sales revenue relative to the same period last year was recorded at the subsidiaries in Bosnia and Herzegovina, Serbia, Ukraine and North Macedonia. The results of other companies were down on last year's results. Poorer sales at the Group level were primarily the result of a drop in demand for land transport services due to the COVID-19 epidemic.

Changes in the disclosure of products due to the optimisation of implementing processes and the continued introduction of the standardised WexVS IT solution in the warehousing and storage segment continued to impact the sales results of the land transport segment. In the period January–September 2020, those changes were seen primarily in the reclassification of sales of customs, groupage and domestic transport services to the distribution product within the logistics solutions segment.

Table 6: Revenues from the sale of land transport products, in EUR thousand

INTEREUROPA GROUP	Jan–Sep 2020	Structure	Index 20/19
LAND TRANSPORT	57,184	100%	89
Groupage services	11,745	21%	92
Domestic transport	8,990	16%	94
Road transport	27,672	48%	85
Customs services	4,663	8%	83
Railway transport	4,113	7%	121

- Sales revenue from groupage services was down by 8% relative to the same period last year. The highest growth in revenues from groupage services was recorded by the subsidiaries in Croatia and Serbia, while the parent company in Slovenia recorded lower sales than last year, primarily as the result of a decrease in the import and transit shipments of partners due to the coronavirus epidemic.
- The sales revenue generated by the domestic transport segment was down by 6% relative to the same period last year. Sales revenue was down by 6% at the parent company in Slovenia, despite an increase of 1% in the number of shipments. This was primarily the result of the coronavirus and a change in sales channels in the direction of e-commerce (B2C). The company in Croatia recorded significant growth in the number of shipments in the e-commerce segment. Sales revenue was up by 22% at the subsidiary in Bosnia and Herzegovina, while the number of shipments was also up as the result of new customers.
- Sales revenue from road transport services was down by 15% relative to the same period last year. Lower sales were primarily the result of reduced economic activity due to the COVID-19 epidemic and a drop in fuel prices, which led to lower rates. Only the companies in Serbia and North Macedonia recorded an increase in sales revenue relative to the same period last year. The companies in Slovenia, Croatia and Bosnia and Herzegovina, which together generate 90% of sales revenue from road transport services, received 11% fewer shipments in the period January–September 2020 than in the same period last year.
- Sales revenue from customs services was down by 17% in the period January–September 2020 relative to the same period last year. All Group companies, except Intereuropa Skopje, lagged behind last year's results due to the COVID-19 epidemic and reduced demand for customs services. The company in North Macedonia exceeded last year's sales results by 18%. Growth in sales in North Macedonia was the result of the expansion of this product to new locations and the securing of new transactions. In addition to lower market

demand due to the COVID-19 epidemic, the lower sales revenue relative to the same period last year was also the result of a change in the disclosure of sales due to the implementation of the standardised WexVS IT solution in the warehousing and storage segment.

- Sales of railway transport services were up by 21% relative to last year's results at the Group level. Sales growth was the consequence of positive sales results at the Ukrainian company, where sales revenue in the railway transport segment was up by 47% relative to same period last year.

LOGISTICS SOLUTIONS

The Intereuropa Group's logistics solutions segment generated nearly EUR 20.5 million in sales revenue during the period January–September 2020 or 18% of the Group's total sales. This translates to 3% growth in sales of logistics solutions relative to the same period in 2019. The parent company in Slovenia and the subsidiaries in Bosnia and Herzegovina and Kosovo recorded growth in sales during the aforementioned period. The subsidiary in Croatia recorded weaker growth. Sales at the companies in Serbia and North Macedonia lagged behind last year's results. Sales of logistics solutions were at last year's level in Montenegro.

Numerous activities were carried out, particularly at companies in Bosnia and Herzegovina and Serbia to utilise storage capacities and secure new transactions with higher value added. During this period, the Group continued with the intensive implementation of the WexVS IT solution to support warehousing and storage activities in Slovenia and Croatia where the majority of clients supported the new solution, including the simultaneous electronic exchange of data between Intereuropa's information system and the information systems of customers. Implementation of the WexVS IT solution to support warehousing and storage activities in Bosnia and Herzegovina began at the end of March 2020. That process was halted due to the extraordinary conditions and then continued in October 2020.

Table 7: Revenues from the sale of logistics solutions, in EUR thousand

INTEREUROPA GROUP	Jan–Sep 2020	Structure	Index 20/19
LOGISTICS SOLUTIONS	20,463	100%	103
Warehousing and storage	15,576	76%	99
Distribution	4,888	24%	118

- The Intereuropa Group generated EUR 15.6 million in revenues from the sale of warehousing and storage services during the period January–September 2020, which translates to 14% of the Group's total sales and 76% of the sales revenue generated by the logistics solutions segment.
- A total of EUR 4.9 million in revenues was generated from the sale of distribution services during the period January–September 2020, which represents 4% of the Intereuropa Group's total sales and 24% of sales revenue from logistics solutions. The reclassification of revenues due to the introduction of the WexVS IT solution (as explained in the section regarding land transport) also resulted in an increase in revenues from distribution services.

INTERCONTINENTAL TRANSPORT

Sales revenue in the intercontinental transport segment totalled EUR 29.3 million during the first three quarters of 2020, representing 26% of the Intereuropa Group's total sales. The Intereuropa Group recorded a 6% drop in sales revenue relative to the same period in 2019.

Table 8: Revenues from the sale of intercontinental transport products, in EUR thousand

INTEREUROPA GROUP	Jan–Sep 2020	Structure	Index 20/19
INTERCONTINENTAL TRANSPORT	29,337	100%	94
Sea freight	20,099	69%	86
Car logistics	3,198	11%	89
Shipping agency	278	1%	87
Air freight	5,763	20%	147

- The sales revenue generated by the sea freight segment during the first three quarters of 2020 was down by 14% relative to the same period last year. The majority of the decline relates to the transactions of the parent company.
- The 13% drop in revenues from the sale of container transport services relative to last year was the result of a reduction in transactions in the highly perishable goods segment, and changes in delivery routes and conditions. The reduction in shipping capacities by shipping companies is further reducing the number of potential container transshipment transactions.
- In the conventional freight segment, key customers recorded a reduced number of bulk and liquid cargo deliveries and transshipments due to the COVID-19 epidemic, which was reflected in a 17% drop relative to the same period last year.
- Sales were down by 11% due to a delay in announced RO-RO and project cargo transactions.
- Sales revenue from shipping agency services was down by 13% relative to the same period last year due to a reduction in the number of ships serviced as the result of the reduced needs of end-customers and reduced demand for the leasing of shipping capacities.
- Revenues from the sale of car logistic services were down by 11% relative to last year as the result of the reduced scope of production and needs of end-customers due to the COVID-19 epidemic.
- The COVID-19 epidemic had a significant impact on the operations of the air freight segment in the period January–September 2020. Primarily during the first half of the year, the air freight segment was characterised by the closures of airports, slowing economic growth, the cancellation of numerous flights and the resulting lack of capacities. A recovery was seen in the third quarter, both in terms of strengthening economic growth and increased demand for air freight services. Capacities failed to follow this trend, making work very demanding in operational terms. Nevertheless, the Group recorded a 47% increase in sales revenue relative to the same period last year, primarily as the result of one-off transactions and rising air freight prices. The Group generated the majority of revenues in this segment in Slovenia and Serbia.
- Demand for air freight services improved in all regions of the world in the third quarter, as did economic forecasts, while there was also a strengthening in exports. We are currently in the high season for air transport and expect to perform well until the end of the year, unless the situation deteriorates due to the COVID-19 epidemic.

1.3 Investments in fixed assets

The Intereuropa Group invested EUR 1,046 thousand in fixed assets during the first three quarters of 2020, a decrease of 30% relative to the same period last year. Of the aforementioned amount, EUR 300 thousand was invested in property, while EUR 746 thousand was invested in equipment and intangible assets. A total of 15% of the entire investment plan was thus achieved. The COVID-19 epidemic has resulted in the postponement and delay of investments.

The parent company Intereuropa, d. d. invested EUR 556 thousand in property, plant and intangible assets, while other Group companies invested EUR 490 thousand in fixed assets.

Table 9: Breakdown of investments in the period January–September 2020 (in EUR thousand)

Company	Total property			Total equipment and intangible assets			TOTAL INVESTMENTS			Percentage of annual plan realised
	Jan-Sep 2020	2020 plan	Jan-Sep 2019	Jan-Sep 2020	2020 plan	Jan-Sep 2019	Jan-Sep 2020	2020 plan	Jan-Sep 2019	
Intereuropa, d. d.	189	2,120	182	367	2,028	720	556	4,148	902	13
Subsidiaries	111	933	262	379	1,796	314	490	2,729	576	18
TOTAL	300	3,053	444	746	3,824	1,034	1,046	6,877	1,478	15

Figure 3: Structure of investments in the Intereuropa Group for the period January–September 2020, in EUR thousand

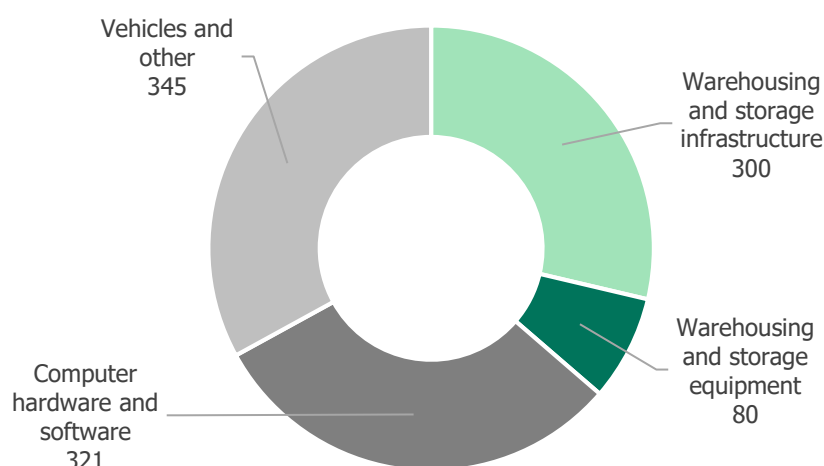


Table 10: Breakdown of investments by type in the period January–September 2020, in EUR thousand

INVESTMENTS BY TYPE	TOTAL INVESTMENTS			Property		Equipment	
	Actual	Plan	Percentage of annual plan realised	Actual	Plan	Actual	Plan
Warehousing and storage infrastructure	300	3,053	10	300	3,053		
Warehousing and storage equipment	80	1,023	8			80	1,023
Vehicles	25	638	4			25	638
IT equipment and intangible assets	321	1,149	28			321	1,149
Other investments	320	1,013	32			320	1,013
TOTAL	1,046	6,876	15	300	3,053	746	3,823

1.4 Sales of fixed assets

The Intereuropa Group sold fixed assets with a total carrying amount of EUR 2.06 million during the period January–September 2020. The largest sale was that of a hazardous material warehouse in Zagreb with the appurtenant functional land.

1.5 Human resource management

Measures adopted to prevent the spread of the coronavirus affected the Group's business processes in the period January–September 2020. Additional measures were adopted at the end of September due to the deterioration in the epidemiological situation, while employees were called on to act responsibly and consistently comply with measures to contain the spread of infection.

Employees with the necessary IT access were ordered to work from home, which continues based on the relevant contracts. More than 270 Group employees performed their work from home temporarily or for a specific period during this time. Employees at higher risk of deteriorating health will work from home until the epidemiological situation improves.

A total of 216 employees were furloughed due to the reduced scope of operations. A total of 29 employees were absent from work due to child care and the lack of public transport.

CHANGE IN NUMBER OF EMPLOYEES

The Intereuropa Group had 1,339 employees as at 30 September 2020, a decrease of 17 employees relative to the last day of 2019.

The Group hired 97 new employees and 114 employees left in the period January–September 2020.

An average of 207 workers, recalculated as FTEs, performed work via employment agencies and student services during the reporting period, a decrease of 31 employees relative to the comparable period last year. A total of 13.8% of all employees worked via flexible forms of employment (recalculated as FTEs).

Table 11: Number of employees in the Intereuropa Group by country as at 30 September 2020

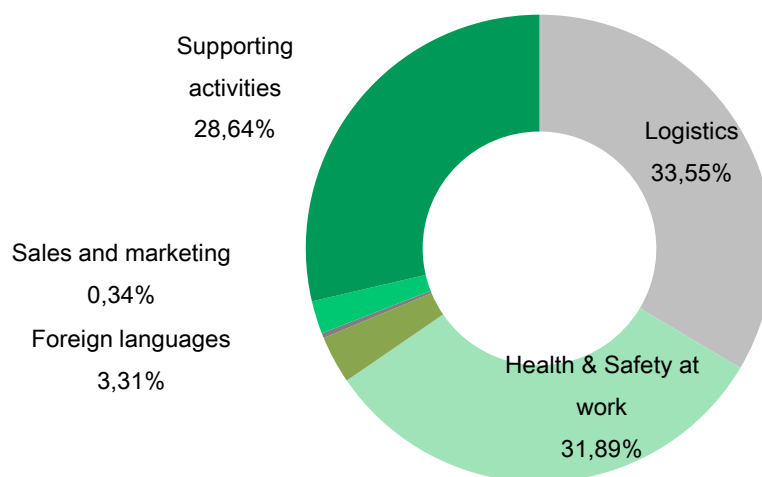
	30 Sep 2020	31 Dec 2019	Difference (20 - 19)	Index 2020/2019
Slovenia	604	621	-17	97
Croatia	295	295	0	100
Bosnia and Herzegovina	132	144	-12	92
Serbia	77	83	-6	93
North Macedonia	39	38	1	103
Kosovo	49	33	16	148
Montenegro	115	113	2	102
Ukraine	28	29	-1	97
TOTAL	1,339	1,356	-17	99

As is evident from the table, the number of employees was up at the subsidiaries in Kosovo, North Macedonia and Montenegro, and was down at other companies.

DEVELOPMENT, EDUCATION AND TRAINING

Despite the epidemiological situation, the scope of training was up by 1,664 hours in the period January–September 2020 relative to the same period last year. Intereuropa Group employees completed 6,382 training hours, which translates to an average of five hours per employee. A total of 67% of the funds planned for the aforementioned period were used for training. A large proportion of training was carried out in the form of e-learning and web conferences. A total of 33% of all education and training was carried out by internal experts.

Figure 4: Breakdown of education and training at the Intereuropa Group in terms of hours and content



OCCUPATIONAL HEALTH AND SAFETY

A great deal of time and effort was given in the area of occupational health and safety to the above-described preventive measures and internal instructions to prevent the spread of the coronavirus within the Group.

The absenteeism rate due to sick leave was 4.1% at the Group level during the first three quarters of the year, a decrease of 0.9 percentage points relative to the same period last year and below the planned rate of 4.5%.

A total of 14 employees suffered workplace injuries at the Group level, which is six more than in the same period in 2019 and translates to 0.90% of the total number of employees, which is below the target rate of 1.5%.

The following major activities were carried out in the areas of occupational health and safety, and fire safety:

- At the Group level, 221 employees were referred for preventive, preliminary, specific-purpose and periodic medical examinations, a decrease of 25.1% relative to the same period in 2019.
- Special attention was given to ensuring the management of fire risks, and to the proper functioning of fire-safety and work equipment. Work and fire-safety equipment was inspected regularly.

1.6 Risk management

The risk management policy of Intereuropa Group companies is defined in the Risk Management Rules of the Intereuropa Group, which were updated in 2018 and amended in 2019. Those rules define the risk management process at all Group companies, and include:

- the responsibilities and competences of key persons in the risk management process;
- the definition and types of risks;
- the definition of the risk management process;
- the methodology for the measurement of exposure to risks;
- the process of managing loss events and establishing a register of loss events;
- the method of establishing a risk register; and
- informing and reporting methods.

Group companies encounter various risks in their operations. Those risks are classified to the following five risk categories in accordance with the applicable rules: strategic risks, operational risks, financial risks, regulatory compliance risks and reputation risks.

At the end of the third quarter of the year, a total of 49 risks were identified and assessed at the Group level, three assessed as high, 13 assessed as medium and 33 assessed as low.

Strategic risk comprises the risk associated with losses as a result of incorrect business decisions, the inadequate implementation of adopted decisions and insufficient responsiveness to changes in the business environment. That risk depends on compliance between the outlined strategic objectives and the business strategy employed to achieve those objectives,

the funds invested to achieve those objectives, and on the quality of implementation. Of the eight strategic risks identified at the Intereuropa Group level, two were assessed as high, i.e. the risk of fraud by management staff, which was mitigated in the third quarter through implemented measures, and the risk of the loss of customs terminal status.

The highest number of risks is in the operational risk category, where 29 risks have been identified at the Group level. Operational risk represents the possibility of loss due to the inadequate or failed implementation of internal procedures, processes, people and systems, or due to external events. The majority of identified operational risks are assessed as low, while the highest risks amongst the eight assessed as medium are risks associated with fraud and other criminal acts, the risk of the excessive turnover of key and perspective staff or a lack of commitment, and the risk of a drop in sales due to a potential warehouse fire. One operational risk was identified as high during the third quarter: the risk of the outbreak of the epidemic. The epidemic will once again have a significant impact on the scope of the Group's operations. Several measures were adopted by the Group to prevent the spread of infection, to ensure business continuity and to mitigate the impact of the epidemic on the Group's operations.

Financial risks comprise risks associated with the ability to generate finance income, to control finance costs and to preserve the value of financial assets. Five financial risks were identified at the Group level. One of those risks was assessed as medium. Detailed information regarding exposure to financial risks is presented in the financial report.

Regulatory compliance risks comprise risks associated with compliance with laws and other regulations that relate to corporate governance, relations with employees, industry standards, internal control systems and the security policy, the personal accountability of executive staff and the members of supervisory boards, and the liability of legal entities. Seven regulatory compliance risks were identified and assessed at the end of the third quarter. No regulatory compliance risks were assessed as high or very high. Two were assessed as medium, while the others were assessed as low.

1.7 Financial results of the operations of Intereuropa, d. d.

Table 12: Operations of Intereuropa, d. d. in the period January–September 2020, in EUR thousand

Item/Indicator	Jan–Sep 2020	Plan Jan–Sep 2020	Jan–Sep 2019**	Index 2020/plan	Index 20/19
Sales revenue	76,788	72,494	84,462	106	91
Land transport	33,270	31,914	39,271	104	85
Logistics solutions	15,193	14,324	14,353	106	106
Intercontinental transport	24,686	22,606	27,400	109	90
Other services	3,639	3,650	3,439	100	106
EBITDA	6,179	4,773	7,087	129	87
Operating profit	2,887	1,430	3,791	202	76
Loss from financing activities	-492	-535	-32	-	-
Profit from ordinary operations	2,395	896	3,760	267	64
Corporate income tax and deferred tax	123	68	169	181	73
Net profit	2,272	828	3,591	274	63
EBITDA margin (in %)	8.0	6.6	8.4	122	96
EBIT margin (in %)	3.8	2.0	4.5	191	84
Sales revenue per employee/month	14.810	14.052	16.173	105	92
Value added per employee/month	3.948	3.586	4.068	110	97
ROE (in %)*	3.5	1.3	5.7	261	61

Item/Indicator	30 Sep 2020	31 Dec 2019	Index 20/19
Assets	177,194	176,748	100
Equity	89,499	87,228	103
Net debt	50,754	57,293	89
Current assets/current liabilities	1.30	0.36	364

* Recalculated on an annual basis. Planned ROE is disclosed for the entire year.

** The comparative interim financial statements were restated taking into account the published data for the comparative period.

Operating profit and EBITDA

- The Company generated revenues of EUR 76.8 million during the first three quarters of the year, which was 6% higher than planned, but down by 9% relative to the same period last year. The Company succeeded in raising its sales margin relative to last year.
- EBITDA amounted to EUR 6.2 million, which was 29% higher than planned, but down 13% relative to the same period last year. The main reason for higher-than-planned EBITDA was the positive impact of higher sales revenue than planned.
- The profit from ordinary operations in the amount of EUR 2.9 million was 102% higher than planned, but down by 24% relative to the same period last year.

Loss from financing activities

→ The loss from financing activities in the period January–September 2020 was EUR 0.5 million worse than the same period last year. In contrast to the first half of last year, there was no income from participating interests in Group companies recorded this year. Interest income was down by EUR 0.3 million, while interest expense was down by EUR 0.7 million.

Profit from ordinary operations and net profit

→ Intereuropa, d. d.'s profit from ordinary operations during the first three quarters of 2020 was 167% higher than planned. At the same time, the Company's profit from ordinary operations was down by 36% relative to last year's results. The Company's net profit amounted to EUR 2.3 million, which was 174% higher than planned, but 37% below last year's result.

Structure of the statement of financial position

- The ratio of equity to total assets was 50.5% at the end of the third quarter of 2020, which was unchanged relative to the end of the first half of 2020, but up by 1.16 percentage points relative to the end of 2019.
- The Company's net debt amounted to EUR 50.8 million as at 30 September 2020, a decrease of EUR 3.1 million relative to the end of the first half of 2020 and a decrease of EUR 6.5 million relative to the end of 2019.
- The current ratio amounted to 1.3 and was unchanged relative to the previous period, but up by 0.94 relative to the end of 2019.

1.8 IEKG shares and ownership structure

The share capital of Intereuropa, d. d. comprises 16,830,838 ordinary (IEKG) and 10,657,965 preference (IEKN) shares. Only ordinary IEKG shares are traded on the regulated securities market.

Table 13: Basic data regarding the shares of Intereuropa, d. d. as at 30 September 2020

	30 Sep 2020	31 Dec 2019
Share capital in EUR	27,488,803	27,488,803
Total number of shares	27,488,803	27,488,803
Number of preference shares (IEKN)	10,657,965	10,657,965
Number of ordinary shares (IEKG)	16,830,838	16,830,838
of which treasury shares	18,135	18,135
Number of shareholders	2,363	3,608
Book value per share in EUR	3.26	3.18
Earnings per ordinary share in EUR*	0.08	0.12

* Data for the period.

Book value = equity / (number of all shares – number of treasury shares).

Earnings per ordinary share = earnings per ordinary share / (number of ordinary shares – number of treasury shares).

KEY DATA REGARDING IEKG SHARES

Table 14: Key data regarding IEKG shares for the period January–September 2020

	Jan–Sep 2020	Jan–Dec 2019
Closing price at the end of period in EUR*	1.25	1.43
Weighted average price in EUR	1.40	2.29
Highest price in EUR	1.87	2.80
Lowest price in EUR	1.23	1.40
Market capitalisation in EUR thousand*	21,039	24,068
Turnover (in EUR thousand)	487	1,207
P/B	0.38	0.45
P/E	11.7	11.9
Capital yield	-12.6%	-45.0%

* As at the last day of the period.

Market capitalisation = closing price at the end of period * number of shares listed on the stock exchange.

P/B = closing price at the end of period / book value per share.

P/E = closing price at the end of period / earnings per share on an annual basis.

Capital yield = growth in share price during period.

TRADING IN IEKG SHARES

Trading in IEKG shares amounted to EUR 487 thousand during the first nine months of 2020, a decrease of 50% relative to the same period in 2019. The share price fluctuated between EUR 1.23 and EUR 1.87 per share, while the share price closed at EUR 1.25 at the end of the reporting period. The Slovenian SBITOP index lost 8.6% of its value over the same period.

The market capitalisation of IEKG shares amounted to EUR 21.0 million at the end of September, accounting for 0.3% of the market capitalisation of all shares on the Ljubljana Stock Exchange.

Figure 5: Changes to the closing price of IEKG shares and the SBITOP index in the period January–September 2020

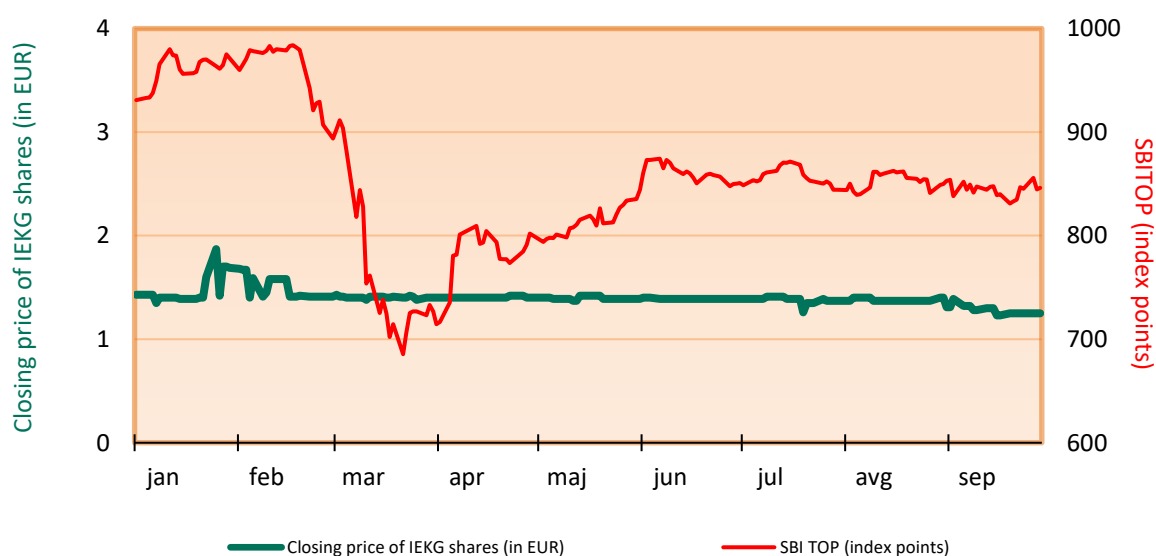
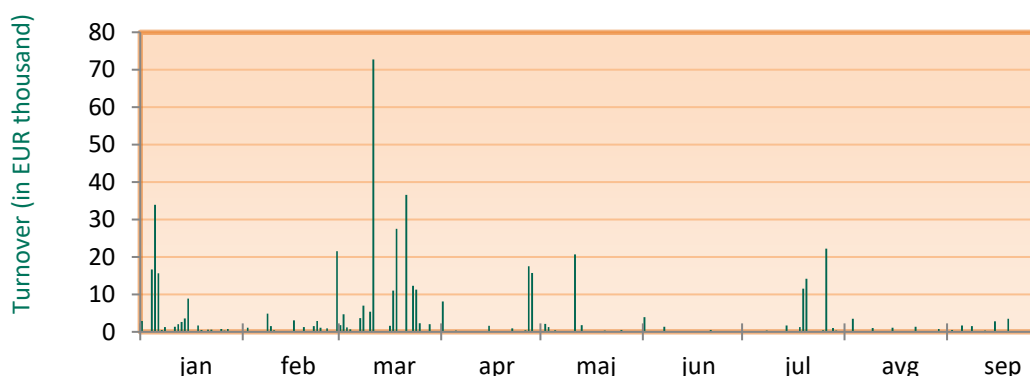


Figure 6: Turnover in IEKG shares in the period January–September 2020



OWNERSHIP STRUCTURE

Following the purchase of a majority holding of shares of Intereuropa, d. d. in November 2019, Pošta Slovenije, d. o. o. completed the acquisition of an additional 8.8% of capital in January of this year via a takeover bid. That company thus held 80.9% of Intereuropa's capital at the end of September.

The ten largest shareholders held 95.0% of the Company's capital at the end of the period.

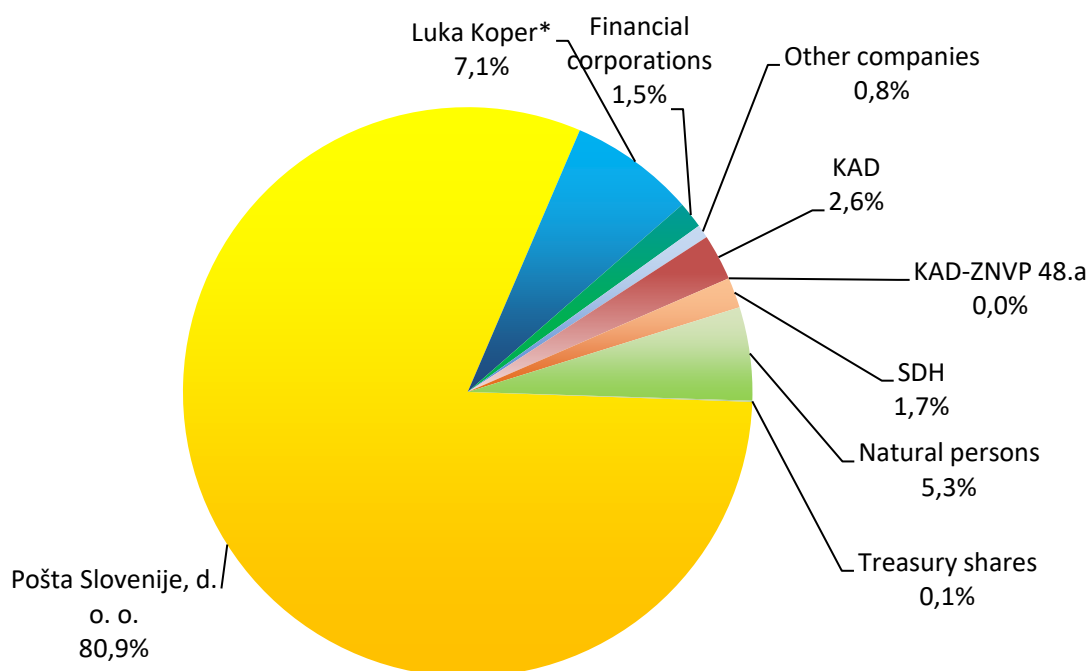
Table 15: Top ten shareholders of Intereuropa, d. d. as at 30 September 2020 relative to 31 December 2019

Shareholder	30 Sep 2020		31 Dec 2019		Index x 20 /19
	Number of shares	Participating interest (in %)	Number of shares	Participating interest (in %)	
1. Pošta Slovenije, d. o. o.	22,235,236	80.9%	19,826,390	72.1%	112
2. Luka Koper, d. d.	1,344,783	4.9%	1,344,783	4.9%	100
3. Kapitalska družba, d. d.	719,797	2.6%	719,797	2.6%	100
4. Luka Koper INPO, d. o. o.	615,730	2.2%	615,730	2.2%	100
5. SDH, d. d.	474,926	1.7%	474,926	1.7%	100
6. Zavarovalnica Triglav, d. d.	332,918	1.2%	332,918	1.2%	100
7. Jereb Law Firm (fiduciary account)	134,251	0.5%	0	0.0%	-
8. Natural person	101,039	0.4%	0	0.0%	-
9. Natural person	76,873	0.3%	76,873	0.3%	100
10. Natural person	73,196	0.3%	73,196	0.3%	100
Others	1,380,054	5.0%	4,024,190	14.6%	34
TOTAL	27,488,803	100%	27,488,803	100%	100

The proportion of shares held by foreign investors was down by 0.4 percentage points relative to the situation as at 31 December 2019, and stood at 0.3% at the end of the period.

At the end of the period, 118 ordinary shares were held on a special account of Kapitalska družba, d. d. Those shares were waived by their holders or belonged to the Republic of Slovenia, which may not exercise its voting rights (Article 48a of the Book-Entry Securities Act).

Figure 7: Ownership structure of Intereuropa, d. d. as at 30 September 2020



* Includes the participating interest of Luka Koper, d. d. and its 100%-owned subsidiary Luka Koper INPO, d. o. o.

OWNERSHIP OF IEKG SHARES BY MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

Members of the Management Board did not hold any shares of Intereuropa, d. d. as at 30 September 2020. The shareholdings of Supervisory Board members are presented in the table below.

Table 16: Number of shares held by Supervisory Board members as at 30 September 2020

Supervisory Board	Number of shares	Participating interest (in %)
Tjaša Benčina, member of the Supervisory Board	40	0.0001

TREASURY SHARES

Intereuropa, d. d. did not trade treasury shares during the first three quarters of 2020. It held 18,135 treasury shares (IEKG) as at 30 September 2020, representing 0.0660% of all shares. The proportion of treasury shares has not changed since 31 December 2019. The Company has no voting rights arising from its treasury shares in accordance with Article 249 of the Companies Act (ZGD-1).

DIVIDEND POLICY

The Company did not pay dividends between 2009 and 2019.

On 27 August 2020, the general meeting of shareholders adopted a resolution leaving the full amount of distributable profit of EUR 7,908,105.27 undistributed. The shareholder Pan-Slovenian Shareholders' Association announced a challenging action against that resolution.

NOTIFICATION OF SHAREHOLDERS

The Company's communication strategy follows the principle of transparent communication, and the equal and timely provision of information to all stakeholders. Shareholders have significant influence over strategic decisions and business policies. The Company therefore sees regular and open communication with existing and potential shareholders as the proper way to strengthen the commercial success of Intereuropa.

The following channels are used to communicate with shareholders:

- ordinary general meetings of shareholders;
- presentations by the Company at conferences for investors in financial centres;
- the regular publication of business results and other price-sensitive information;
- regular communication via the SEOnet electronic system;
- regular communication with the media; and
- the regular publication of information regarding operations on the Company's website.

The Company collects the remarks and suggestions of shareholders at:
vlagatelj@intereuropa.si.

**FINANCIAL REPORT
OF THE INTEREUROPA GROUP AND
THE PARENT COMPANY INTEREUROPA D.D.**

for the period January–September 2020

INTRODUCTORY NOTES

The Intereuropa Group comprises the parent company Intereuropa, d. d., Koper and its subsidiaries. Intereuropa, d. d. (hereinafter: the Company) is a company established in Slovenia, with its registered office at Vojkovo nabrežje 32, 6000 Koper. It is deemed a large company according to the criteria set out in the Companies Act. The Company's securities are traded on the regulated market. As the parent company, it is obliged to prepare consolidated financial statements. The financial statements for the period January–September 2020 and the comparable period January–September 2019 are unaudited, while the financial statements for the comparable period ending 31 December 2019 are audited.

Composition of the Intereuropa Group

The consolidated financial statements of the Intereuropa Group for the period January–September 2020 include the financial statements of the parent company Intereuropa d. d., the financial statements of subsidiaries and the attributable results of an associate.

Subsidiaries included in the consolidated financial statements:

In Slovenia:

- Interagent, d. o. o., Koper – 100%
- Interzav, d. o. o., Koper – 71.28 %

Abroad:

- TOV Intereuropa–Kiev, Ukraine – 100%
- Intereuropa, logističke usluge, d. o. o., Zagreb, Croatia – 99.96%
- Intereuropa Skopje, d. o. o., Skopje, North Macedonia – 99.56 %
- Intereuropa RTC, d. d., Sarajevo, Bosnia and Herzegovina – 95.77%
- Intereuropa Kosova L. L. C., Prishtina, Kosovo – 90%
- TOV TEK ZTS, Uzhhorod, Ukraine – 89.93%
- AD Intereuropa logističke usluge, Belgrade, Serbia – 73.62%
- Zetatrans A.D., Podgorica, Montenegro – 69.27 %
- Intereuropa Sajam, d. o. o., Zagreb, Croatia – 51%

Associate included in the consolidated financial statements:

- Rail Cargo Logistic, železniška špedicija, d. o. o. – 26 %

Intereuropa Global logistics Service Albania Shpk, Durrës, Albania is not included in the consolidated financial statements because it is not material for the fair presentation of the Group's financial position, as its operations are limited.

1 FINANCIAL STATEMENTS OF THE INTEREUROPA GROUP AND INTEREUROPA, D. D.

1.1 Income statement

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*
Sales revenue	111,625,915	120,225,753	76,787,664	84,461,867
Losses from the derecognition of operating receivables and assets from contracts with customers	-18,364	-12,749	-105	-12,590
Other operating income	1,822,035	657,687	997,792	286,225
Costs of goods, materials and services	-80,185,772	-86,935,679	-56,368,956	-63,012,926
Labour costs	-21,861,409	-21,499,479	-14,291,522	-14,159,914
Amortisation and depreciation	-5,604,242	-5,328,946	-3,290,011	-3,295,263
Impairment losses on receivables (including the reversal of impairment losses)	-297,238	113,258	-88,593	250,963
Other operating expenses	-1,603,347	-1,862,824	-859,661	-727,060
Operating profit	3,877,578	5,357,021	2,886,608	3,791,302
Interest income	81,195	415,145	115,857	427,957
Other finance income	1,218	262,044	30,114	914,152
Finance costs – costs of financing	-670,397	-1,402,250	-604,077	-1,341,203
Impairment losses on loans granted and deposits	-4,029	-5,502	-3,693	0
Other finance costs	-385,617	0	-30,000	-32,450
Loss from financing activities	-977,630	-730,563	-491,799	-31,544
Share of profit of an associate	-852	3,175	0	0
Profit from ordinary operations	2,899,096	4,629,633	2,394,809	3,759,758
Corporate income tax (including deferred taxes)	-455,832	-445,989	-123,020	-168,577
Net profit for the accounting period	2,443,264	4,183,644	2,271,789	3,591,181
Net profit pertaining to controlling interests	2,475,578	3,983,179	0	0
Net profit pertaining to non-controlling interests	-32,314	200,465	0	0
Basic and diluted earnings per ordinary share (in EUR)	0.14	0.23	0.08	0.13

* The comparative interim financial statements were restated taking into account the published data for the comparative period.

1.2 Statement of other comprehensive income

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net profit for the accounting period	2,443,264	4,183,644	2,271,789	3,591,181
Other comprehensive income or loss	-663,257	20,688	-7	9,908
Items that will be reclassified to profit or loss	-665,744	9,224	0	0
Change in the fair value of available-for-sale financial assets	-2,009	0	0	0
Foreign currency translation differences	-663,735	9,224	0	0
Items that will not be reclassified to profit or loss	2,487	11,464	-7	9,908
Transfer of revaluation surplus for land to retained earnings	-483,046	-817,322	0	-693,214
Transfer of the revaluation surplus from retained earnings – correction	0	0	36	0
Change in deferred taxes	86,982	78,267	-7	65,855
Change in retained earnings from the transfer of the revaluation surplus for land	483,046	817,322	-36	693,214
Actuarial losses for termination benefits upon retirement	961	0	0	0
Corporate income tax on retained earnings	-85,456	-66,803	0	-55,947
Total comprehensive income	1,780,007	4,204,332	2,271,782	3,601,089
Total comprehensive income pertaining to controlling interests	1,818,151	3,992,624	0	0
Total comprehensive income pertaining to non-controlling interests	-38,144	211,708	0	0

1.3 Statement of financial position

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
ASSETS				
Property, plant and equipment	140,627,927	145,261,598	75,635,709	77,641,425
Investment property	23,693,903	23,961,885	16,702,053	17,187,730
Intangible assets	3,091,478	3,363,229	2,909,116	3,153,801
Other non-current assets	26,253	23,105	26,253	23,105
Non-current operating receivables	257,518	303,320	248,430	291,236
Deferred tax assets	7,593,195	7,595,723	5,592,143	5,523,068
Long-term loans granted and deposits	42,022	52,544	0	0
Investment in associate	62,612	63,464	39,059	39,059
Other non-current financial assets	29,684	122,046	44,850,440	44,850,440
TOTAL NON-CURRENT ASSETS	175,424,592	180,746,914	146,003,203	148,709,864
Available-for-sale assets	522,225	2,700,944	0	0
Inventories	88,947	93,390	7,458	7,458
Short-term loans granted and deposits	1,369,426	1,010,109	2,540,670	2,325,951
Assets from contracts with customers	684,474	533,431	513,110	349,130
Current operating receivables	29,558,282	31,398,184	20,798,179	22,409,866
Current receivables for corporate income tax	196,535	189,744	13,196	0
Other current assets	938,797	395,199	678,134	189,326
Cash and cash equivalents	14,573,143	6,283,037	6,639,811	2,756,729
TOTAL CURRENT ASSETS	47,931,829	42,604,038	31,190,558	28,038,460
TOTAL ASSETS	223,356,421	223,350,952	177,193,761	176,748,324
EQUITY				
Equity pertaining to controlling interests	116,541,224	114,723,072	89,499,410	87,227,628
Share capital	27,488,803	27,488,803	27,488,803	27,488,803
Share premium account	18,454,667	18,454,667	18,454,667	18,454,667
Profit reserves	5,160,392	5,160,392	2,748,880	2,748,880
Fair value reserves	44,626,352	45,023,339	30,627,201	30,627,173
Foreign currency translation differences	-7,326,302	-6,668,465	0	0
Retained earnings	25,661,733	21,366,581	7,908,070	4,520,157
Net profit	2,475,579	3,897,755	2,271,789	3,387,948
Equity pertaining to non-controlling interests	7,586,203	7,634,819	0	0
TOTAL EQUITY	124,127,427	122,357,891	89,499,410	87,227,628
LIABILITIES				
Provisions	2,556,936	2,696,699	1,880,832	1,971,620
Non-current deferred income	50,401	65,433	50,213	65,433
Non-current financial liabilities	54,604,743	2,719,484	53,616,315	870,375
Non-current operating liabilities	886,066	1,026,501	874,559	1,009,644
Deferred tax liabilities	10,710,498	10,820,454	7,336,928	7,336,921
TOTAL NON-CURRENT LIABILITIES	68,808,644	17,328,571	63,758,847	11,253,993
Current financial liabilities	4,116,426	58,978,257	6,317,945	61,505,027
Liabilities from contracts with customers	351,044	547,740	15,252	15,941
Current operating liabilities	25,386,721	23,792,951	17,398,463	16,606,986
Current corporate income tax liabilities	520,218	309,640	179,893	126,735
Current deferred income	45,941	35,902	23,951	12,014
TOTAL CURRENT LIABILITIES	30,420,350	83,664,490	23,935,504	78,266,703
TOTAL EQUITY AND LIABILITIES	223,356,421	223,350,952	177,193,761	176,748,324

1.4 Statement of cash flows

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*
Cash flows from operating activities				
Net profit for the accounting period	2,443,264	4,183,644	2,271,789	3,591,181
Restatements for:				
amortisation and depreciation	5,604,242	5,328,945	3,290,011	3,295,263
impairments and write-offs of property, plant and equipment, and investment property	4,561	77,813	2,816	0
gains on the sale of property, plant and equipment, and assets held for sale	-302,859	-420,177	-4,410	-179,211
income from the reversal of impairment losses on property, plant and equipment, and investment property	-76	0	-77	0
losses from the sale of property, plant and equipment	5,572	0	0	0
losses from the derecognition of operating receivables and assets from contracts with customers	18,364	12,749	105	13,005
impairment losses on receivables (including the reversal of impairment losses)	297,238	-113,258	88,593	-251,036
impairments and write-offs of inventories	0	1,082	0	0
other non-monetary expenses from the exclusion of a subsidiary from the consolidated financial statements	0	49,000	0	0
finance income from interest	-81,195	-415,145	-115,857	-427,957
other finance income	-1,218	-262,044	-30,114	-914,152
finance costs – costs of financing	670,397	1,402,250	604,077	1,341,203
other finance costs	385,617	0	33,693	32,450
impairment losses on loans granted and deposits	4,029	5,502	0	0
Share of profit of an associate	852	-3,175	0	0
corporate income tax (including deferred taxes)	455,832	445,989	123,020	168,577
Operating profit before changes in net working capital and taxes	9,504,620	10,293,175	6,263,646	6,669,323
Changes in net working capital and provisions				
Change in assets from contracts with customers	-151,475	-69,214	-163,980	-26,144
Changes in receivables	1,543,041	778,216	434,334	1,426,263
Change in inventories	4,443	-29,521	0	0
Changes in other current assets	-536,233	-476,366	-491,956	-531,250
Change in liabilities from contracts with customers	-196,696	65,410	-689	11,355
Change in operating liabilities	1,295,910	277,531	1,684,102	-1,502
Change in provisions	-128,762	19,445	-78,851	6,326
Changes in non-current deferred income	-15,033	8,120	-15,221	-14,210
Corporate income tax paid	-357,012	-558,235	-152,133	-242,351
Net cash flow from operating activities	10,962,803	10,308,561	7,479,252	7,297,810
Cash flows from investing activities				
Interest received	89,299	413,225	97,566	414,381
Dividends received and shares in profit	0	0	25,991	825,712
Inflows from the sale of property, plant and equipment	2,368,105	3,408,110	4,832	2,910,365
Inflows from long-term loans granted	0	0	75,286	72,500
Inflows from long-term deposits placed	10,000	30,000	10,000	30,000
Net cash flow from short-term loans granted	0	0	-300,000	-620,330
Net cash flow from short-term deposits placed	-372,167	-436,200	0	0
Transfer of short-term deposits placed to cash and cash equivalents	30,000	0		
Inflows from the sale of other financial assets	97,486	-2,246,122	0	0
Outflows for the acquisition of property, plant and equipment	-1,090,395	-178,124	-491,917	-1,463,112
Outflows for the acquisition of intangible assets	-182,542	-12,000	-182,543	-170,563
Outflows for long-term deposits placed	0	-78,205	0	0
Outflows for increase in capital of subsidiaries	0	0	-30,000	-32,000
Net cash flow from investing activities	949,786	900,684	-790,785	1,966,953
Cash flows from financing activities				
Inflows from long-term loans received	54,850,000	0	54,850,000	0
Interest paid	-420,228	-1,394,022	-436,955	-1,355,223
Outflows for the repayment of long-term loans (and finance leases during the comparative period)	-56,848,460	-6,275,100	-56,848,460	-6,229,100

Net cash flow from short-term loans	-79,929	-5,613,155	0	-5,778,420
Payment of lease liabilities	-1,089,967	-734,581	-369,970	-331,401
Dividends paid	-23,386	-319,520	0	0
Net cash flow from financing activities	-3,611,970	-14,336,378	-2,805,385	-13,694,144
Opening balance of cash and cash equivalents	6,283,037	9,578,271	2,756,729	5,429,972
Exchange rate differences relating to cash	-10,513	-4,000	0	0
Net cash flow for the period from ordinary operations	8,300,619	-3,127,133	3,883,082	-4,429,381
Closing balance of cash and cash equivalents	14,573,143	6,447,138	6,639,811	1,000,591

* The comparative interim financial statements were restated taking into account the published data for the comparative period.

1.5 Statement of changes in equity for the period January–September 2020

			PROFIT RESERVES					FAIR VALUE RESERVES				RETAINED EARNINGS			Equity pertaining to non-controlling interests	Total equity
	Share capital	Share premium account	Legal reserves	Reserves for treasury shares	Treasury shares (as deduction item)	Reserves under the Articles of Association	Other reserves	Fair value reserves for land	Fair value reserves for financial assets	Provisions for actuarial losses	Foreign currency translation differences	Retained earnings	Net profit for the accounting period	Equity pertaining to controlling interests		
in EUR																
Intereuropa Group																
Balance as at 1 January 2020	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	489,848	45,825,180	-46,386	-755,454	-6,668,465	21,366,580	3,897,756	114,723,073	7,634,819	122,357,892
Total comprehensive income	0	0	0	0	0	0	0	-395,940	-2,009	961	-657,837	397,398	2,475,578	1,818,151	-38,144	1,780,007
Net profit or loss for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	2,475,578	2,475,578	-32,314	2,443,264
Other comprehensive income	0	0	0	0	0	0	0	-395,940	-2,009	961	-657,837	397,398	0	-657,427	-5,830	-663,257
Transactions with owners																
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	0	0	0	0	3,897,755	-3,897,755	0	0	0
Dividends and shares in profit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-10,472	-10,472
Closing balance as at 30 September 2020	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	489,848	45,429,240	-48,395	-754,493	-7,326,302	25,661,733	2,475,579	116,541,224	7,586,203	124,127,427
Intereuropa, d. d.																
Balance as at 1 January 2020	27,488,803	18,454,667	2,748,880	180,394	-180,394	0	0	31,278,451	0	-651,279	0	4,520,157	3,387,948	0	0	87,227,627
Total comprehensive income	0	0	0	0	0	0	0	29	0	0	0	-35	2,271,789	0	0	2,271,783
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	2,271,789	0	0	2,271,789
Other comprehensive income	0	0	0	0	0	0	0	29	0	0	0	-35	0	0	-6	
Transactions with owners																
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	0	0	0	0	3,387,948	-3,387,948	0	0	0
Closing balance as at 30 September 2020	27,488,803	18,454,667	2,748,880	180,394	-180,394	0	0	31,278,480	0	-651,279	0	7,908,070	2,271,789	0	0	89,499,410

1.6 Statement of changes in equity for the period January–September 2019

	PROFIT RESERVES							FAIR VALUE RESERVES				RETAINED EARNINGS			Equity pertaining to non-controlling interests	Total equity
	Share capital	Share premium account	Legal reserves	Reserves for treasury shares	Treasury shares (as deduction item)	Reserves under the Articles of Association	Other reserves	Fair value reserves for land	Fair value reserves for financial assets	Provisions for actuarial losses	Foreign currency translation differences	Retained earnings	Net profit for the accounting period	Equity pertaining to controlling interests		
in EUR																
Intereuropa Group																
Balance as at 1 January 2019	27,488,803	18,454,667	4,658,544	180,394	-180,394	15,000	915,551	47,231,758	-46,746	-106,114	-6,487,064	15,924,119	4,522,123	112,570,641	7,658,809	120,229,450
Total comprehensive income	0	0	0	0	0	0	0	-668,475	0	0	-1,494	679,414	3,983,179	3,992,623	211,708	4,204,331
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	3,983,179	3,983,179	200,465	4,183,644
Other comprehensive income	0	0	0	0	0	0	0	-668,475	0	0	-1,494	679,414	0	9,444	11,243	20,687
Transactions with owners																
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	0	0	0	0	4,522,123	-4,522,123	0	0	0
Dividends and shares in profit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-356,423	-356,423
Transfer of reserves to retained earnings due to exclusion of a subsidiary from the consolidated financial statements	0	0	-3,000	0	0	0	-61,000	0	0	0	0	64,000	0	0	0	0
Closing balance as at 30 September 2019	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	854,551	46,563,283	-46,746	-106,114	-6,488,558	21,189,656	3,983,179	116,563,264	7,514,094	124,077,358
Intereuropa, d. d.																
Balance as at 1 January 2019	27,488,803	18,454,667	2,748,880	180,394	-180,394	0	0	32,279,432	0	-94,188	0	94,188	4,034,132	0	0	85,005,914
Total comprehensive income	0	0	0	0	0	0	0	-561,504	0	0	0	571,412	3,591,182	3,601,090	0	3,601,090
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	3,591,182	3,591,182	0	3,591,182
Other comprehensive income	0	0	0	0	0	0	0	-561,504	0	0	0	571,412	0	9,908	0	9,908
Transactions with owners																
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	0	0	0	0	4,034,132	-4,034,132	0	0	0
Closing balance as at 30 September 2019	27,488,803	18,454,667	2,748,878	180,394	-180,394	0	0	31,717,928	0	-94,188	0	4,699,732	3,591,182	3,601,090	0	88,607,002

1.7 Basis for preparation and notes to the financial statements

1.7.1 BASIS FOR PREPARATION

The explanatory notes are included in the report in order to explain the business events and transactions that are material for understanding the changes in the financial position and profit or loss of the parent company in the period since the last annual report.

1.7.2 Use of estimates and judgements

The management has verified estimates, judgements and assumptions, and concluded that they were the same as those that applied at the time the financial statements as at 31 December 2019 were prepared.

1.7.3 Notes to the income statement

Sales revenue

Intereuropa Group in EUR	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Revenues by business line										
Land transport	33,270,024	39,270,528	12,507,862	13,139,237	3,881,445	3,875,768	2,039,096	1,975,971	2,117,675	2,991,169
Logistics solutions	15,193,122	14,352,655	3,266,438	3,430,745	510,574	491,775	416,420	709,300	746,634	745,695
Intercontinental transport	24,968,162	27,727,182	2,179,559	1,609,129	387,229	363,908	1,810,837	1,109,994	268,845	244,607
Other services	3,767,897	3,593,287	556,275	565,493	783,005	967,806	25,835	497	592,299	847,868
Total	77,199,205	84,943,652	18,510,134	18,744,604	5,562,253	5,699,257	4,292,188	3,795,762	3,725,453	4,829,339
Revenues generated by country (with respect to a customer's head office)										
Slovenia	44,582,561	46,655,438	829,054	834,821	190,972	237,638	392,918	336,402	89,465	97,666
Croatia	1,467,911	1,327,214	14,969,310	15,236,273	53,035	38,180	58,372	62,814	21,006	66,989
Bosnia and Herzegovina	830,838	809,563	431,437	232,786	4,373,258	4,386,784	47,026	139,792	61,923	98,540
Montenegro	245,629	268,664	4,938	8,191	491	1,175	39,586	43,519	3,038,657	3,721,033
Other countries	30,072,266	35,882,773	2,275,395	2,432,533	944,497	1,035,480	3,754,286	3,213,235	514,402	845,111
Total	77,199,205	84,943,652	18,510,134	18,744,604	5,562,253	5,699,257	4,292,188	3,795,762	3,725,453	4,829,339

in EUR	Ukraine		Other countries		Exclusions		Total	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Revenues by business line								
Land transport	3,424,218	2,566,707	3,509,648	3,767,093	3,566,264	3,668,610	57,183,700	63,917,867
Logistics solutions	0	0	349,812	242,265	19,631	23,385	20,463,370	19,949,049
Intercontinental transport	0	0	478,921	466,992	756,447	354,036	29,337,107	31,167,775
Other services	510	510	245,713	250,252	1,329,796	1,034,651	4,641,738	5,191,062
Total	3,424,728	2,567,217	4,584,094	4,726,602	5,672,138	5,080,682	111,625,915	120,225,753
Revenues generated by country (with respect to a customer's head office)								
Slovenia	157,284	196,506	506,890	674,763	1,535,889	1,482,981	45,213,255	47,550,253
Croatia	0	0	3,008	28,861	1,221,600	1,018,578	15,351,042	15,741,754
Bosnia and Herzegovina	0	0	3,900	0	1,029,711	862,348	4,718,670	4,805,118
Montenegro	0	0	0	0	278,286	305,773	3,051,015	3,736,809
Other countries	3,267,444	2,370,711	4,070,296	4,022,978	1,606,652	1,411,002	43,291,933	48,391,819
Total	3,424,728	2,567,217	4,584,094	4,726,602	5,672,138	5,080,682	111,625,915	120,225,753

Intereuropa, d. d. in EUR	Jan–Sep 2020	Jan–Sep 2019
Revenues by business line		
Land transport	33,270,024	39,270,528
Logistics solutions	15,193,122	14,352,655
Intercontinental transport	24,685,875	27,400,086
Other services	3,638,643	3,438,598
Total	76,787,664	84,461,867
Revenues generated by country (with respect to a customer's head office)		
Slovenia	44,430,290	46,473,148
Croatia	1,467,037	1,326,034
Bosnia and Herzegovina	830,838	809,563
Montenegro	245,629	268,664
Other countries	29,813,870	35,584,458
Total	76,787,664	84,461,867

The Group and Company disclose rental income in sales revenue. The Group generated rental income of EUR 4,454,823 in the period January–September 2020 (EUR 4,252,000 in the same period last year), while the Company generated rental income of EUR 3,151,800 (EUR 3,069,660 in the same period last year). Sales revenue less rental income is equal to revenues from contracts with customers.

Other operating income

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Income from the reversal of impairment losses on property, plant and equipment, and investment property	0	0	76	0
Gains on the sale of property, plant and equipment	302,859	420,177	4,410	179,089
Revenues from the reversal of provisions	193,256	40,255	99,401	258
Government grants received	1,224,431	48,403	875,719	45,266
Other operating income	101,489	148,852	18,186	61,612
Total	1,822,035	657,687	997,792	286,225

Under the item 'state aid', the Group received EUR 1,117,522.11 in state aid to contain the COVID-19 pandemic in the form of the reimbursement of wage compensation paid to employees, exemption from the payment of contributions and the preservation of jobs. Provisions in the amount of EUR 104,429 were created in this respect based on an assessment of the repayment of state aid at the end of the current financial year.

The Company received state aid in the amount of EUR 776,942 to bridge problems during the COVID-19 pandemic in the form of the reimbursement of wage compensation paid to employees and exemption from the payment of contributions. Provisions in the amount of EUR 104,429 were created in this respect based on an assessment of the repayment of state aid at the end of the current financial year.

Costs of goods, materials and services

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Costs of materials and cost of goods sold	2,681,459	3,237,394	1,264,415	1,425,659
Costs of services within the Group	0	0	1,469,650	1,574,298
Costs of services				
direct costs	68,625,581	74,240,524	47,879,405	53,987,484
costs of hired labour and student work	2,566,381	2,875,843	2,212,864	2,393,406
maintenance of property, plant and equipment	1,186,696	1,185,348	658,181	700,336
maintenance of intangible assets	638,474	625,986	565,973	545,518
costs of short-term leases of property, plant and equipment	162,464	362,365	41,845	25,710
costs of leases of intangible assets	310,776	316,703	310,387	299,941
insurance premiums	687,562	677,269	439,032	449,838
costs of asset security	670,283	615,480	418,689	388,701
costs of intellectual services	426,411	405,677	162,476	154,677
costs associated with the Supervisory Board and its committees	123,390	127,620	120,911	126,577
other costs of services	2,106,295	2,265,470	825,128	940,781
Total	80,185,772	86,935,679	56,368,956	63,012,926

Published data regarding the costs of short-term leases of property, plant and equipment in the period January–September 2019 were restated due to a change in the associated assessment, and amounted to EUR 812,990 at the Group level and EUR 175,083 at the Company.

Labour costs

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Costs of wages and salaries	15,851,011	15,135,963	10,205,628	9,566,696
Social security costs	3,207,112	3,289,721	1,964,212	2,026,430
Other labour costs:				
annual leave allowance	584,164	630,898	471,985	543,525
transportation and meal allowances	1,509,042	1,503,261	1,087,128	1,151,561
other labour costs	243,207	191,447	103,332	123,513
expenses for employee participation in profits	466,873	748,189	459,237	748,189
Total	21,861,409	21,499,479	14,291,522	14,159,914

Amortisation and depreciation

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Amortisation of intangible assets	4,135,716	4,052,669	2,619,972	2,569,015
Depreciation of property, plant and equipment, and investment property	373,749	411,459	327,814	383,741
Depreciation of right-of-use assets under leases	1,094,777	864,818	342,225	342,507
Total	5,604,242	5,328,946	3,290,011	3,295,263

Published data regarding the depreciation of right-of-use assets under lease in the period January–September 2019 were restated due to a change in the associated assessment, and amounted to EUR 400,384 at the Group level and EUR 194,793 at the Company.

Impairment losses on receivables (including the reversal of impairment losses)

Impairment losses on receivables (including the reversal of impairment losses) in the period January–September 2020 amounted to EUR 297,238 at the Group level and EUR 80,593 at the Company (income from the reversal of losses amounted to EUR 113,258 at the Group level and EUR 250,963 at the Company during the same period last year). The aforementioned effect is disclosed in the tables 'Changes in impairment losses on current trade receivables' and 'Changes in impairment losses on other current operating receivables'.

Other operating expenses

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Building land use fees and similar expenses	982,078	1,035,498	652,959	648,092
Expenses for other levies	61,617	62,660	4,299	4,004
Impairments and write-offs of property, plant and equipment, and investment property	10,133	77,813	2,816	35
Expenses from impairments and write-offs of inventories	0	1,082	0	0
Costs from the recognition of provisions	129,896	111,808	104,429	1,184
Other operating expenses	419,623	573,963	95,158	73,745
Total	1,603,347	1,862,824	859,661	727,060

Finance income and costs

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Interest income from Group companies	0	0	53,828	40,388
Interest income from others	81,195	415,145	62,029	387,569
Income from dividends and other shares in profit from Group companies	0	0	25,991	901,422
Income from participating interest in associate	0	0	0	7,662
Income from the disposal of financial assets	0	116	0	0
Gains from change in fair value of financial instruments through profit or loss	1,179	0	1,179	0
Net exchange rate differences	39	261,928	2,944	5,068
Total finance income	82,413	677,189	145,971	1,342,109
Interest expense	-670,397	-1,402,250	-604,077	-1,341,203
Impairment losses on loans granted and deposits	-4,029	-5,502	-3,693	0
Finance costs from impairments and write-offs of financial assets	-4,241	0	-30,000	-32,450
Net exchange rate differences	-381,376	0	0	0
Total finance costs	-1,060,043	-1,407,752	-637,770	-1,373,653
Loss from financing activities	-977,630	-730,563	-491,799	-31,544

Operating result

Intereuropa Group

The Group generated a profit from ordinary operations of EUR 2,899,096 in the period January–September 2020 (EUR 4,629,633 in the same period last year).

Corporate income tax for the reporting period amounted to EUR 455,832, comprising current tax expenses of EUR 475,240 and deferred tax expenses of EUR 19,408.

The Group generated a net profit of EUR 2,443,264 during the reporting period. Of that amount, EUR 2,475,578 pertains to the controlling owner, while the negative amount of EUR 32,314 pertains to non-controlling owners (the Group generated a net profit of 4,183,644 during the same period last year, with EUR 3,983,179 of that amount pertaining to the controlling owner and EUR 200,465 pertaining to non-controlling owners).

Intereuropa, d. d.

The Company generated a profit from ordinary operations of EUR 2,294,809 in the period January–September 2020 (EUR 3,759,758 in the same period last year). It generated an operating profit of EUR 2,886,608 (EUR 3,791,302 during the comparable period last year) and a loss from financing activities of EUR 491,799 (compared with a loss of EUR 31,544 during the same period last year).

Corporate income tax for the reporting period amounted to EUR 123,020, comprising current tax of 192,095 and income arising from deferred tax of EUR 69,075.

A net profit in the amount of EUR 2,271,789 (EUR 3,591,181 in the same period last year) was thus achieved taking into account corporate income tax.

1.7.4 Notes to the statement of financial position

Property, plant and equipment

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Land and buildings				
Land	70,524,123	70,842,976	41,444,763	41,444,722
Buildings	60,237,741	63,095,614	28,884,771	30,158,600
Plant and equipment	5,924,802	6,739,067	3,789,920	4,445,098
Right-of-use assets under leases	3,107,064	4,010,069	1,019,893	1,362,118
Investments in foreign fixed assets	34,037	30,069	5,557	6,089
Property, plant and equipment in acquisition	800,160	543,803	490,805	224,798
Total	140,627,927	145,261,598	75,635,709	77,641,425

The carrying amount of property, plant and equipment (land and buildings) pledged as collateral was EUR 96,597,257 at the Group level as at 30 September 2020 (comprising collateral for loans received and contingent liabilities), and EUR 20,664,772 at the Company (comprising collateral for loans received and contingent liabilities). The Group/Company had no other legal restrictions on the disposal of assets.

Investment property

The carrying amount of investment property was EUR 23,693,903 at the Group level as at 30 September 2020 (EUR 23,961,885 during the same period last year) and EUR 16,702,053 at the Company (EUR 17,187,730 during the same period last year).

The carrying amount of investment property pledged as collateral at the end of September 2020 was EUR 4,553,622.83 at the Group level and EUR 1,365,574 at the Company. In both cases, that amount represents additional collateral for liabilities for which the underlying collateral comprises pledged items of property, plant and equipment.

Intangible assets

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Long-term property rights	366,377	463,970	227,460	299,356
Goodwill	41,803	41,721	0	0
Other intangible assets	2,683,298	2,316,988	2,681,656	2,313,895
Intangible assets under construction	0	540,550	0	540,550
Total	3,091,478	3,363,229	2,909,116	3,153,801

Loans granted and deposits

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Long-term loans and deposits	42,022	52,544	0	0
Loans to others	819	1,559	0	0
Deposits	41,203	50,985	0	0
Short-term loans and deposits	1,369,426	1,010,109	2,540,670	2,325,951
Loans to subsidiaries	0	0	2,540,670	2,315,956
Loans to others	796	1,111	0	0
Deposits	1,368,630	1,008,998	0	9,995
Total	1,411,448	1,062,653	2,540,670	2,325,951

The carrying amount of short-term deposits pledged as collateral was EUR 369,630 as at the reporting date.

Non-current financial assets

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Non-current investments in shares and participating interests in subsidiaries	0	0	44,823,281	44,823,281
Non-current investment in a participating interest in an associate	62,612	63,464	39,059	39,059
Other non-current financial assets	29,684	122,046	27,159	27,159
Total	92,296	185,510	44,889,499	44,889,499

Available-for-sale assets

The Group's available-for-sale assets totalled EUR 522,225 as at the reporting date (EUR 2,700,944 on the final day of 2019). The Company did not have any available-for-sale assets. Available-for-sale assets comprise real estate, the sale of which is planned in a short period of time. The reduction in the amount of EUR 2,178,719 is the result of the sale of those assets.

Current operating receivables

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Current operating receivables from Group companies	0	0	879,433	706,806
Current operating receivables from Group companies for interest	0	0	232,632	201,709
Current trade receivables	27,620,890	29,548,893	18,550,467	20,394,556
Other current operating receivables	1,937,392	1,849,291	1,135,647	1,106,795
Total	29,558,282	31,398,184	20,798,179	22,409,866

Other current assets

Other current assets amounted to EUR 938,797 at the Group level at the end of September 2020 (EUR 395,199 at the end of 2019) and to EUR 678,134 at the Company (EUR 189,326 at the end of 2019), and comprise current deferred costs.

Provisions

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Provisions for termination benefits upon retirement and employee anniversary bonuses	2,252,086	2,259,900	1,773,764	1,788,980
Provisions for lawsuits	200,422	436,799	2,640	182,640
Other provisions	104,428	0	104,428	0
Total	2,556,936	2,696,699	1,880,832	1,971,620

Financial liabilities

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Loans received from others	53,004,412	0	53,004,412	0
Lease liabilities	1,600,331	2,719,484	611,903	870,375
Total non-current financial liabilities	54,604,743	2,719,484	53,616,315	870,375
Loans from Group companies	0	0	4,100,000	4,100,000
Loans received from others	1,960,768	57,141,194	1,741,253	56,845,360
Lease liabilities	1,730,572	1,399,549	476,692	559,667
Liabilities for dividends and other shares in profit	425,086	437,514	0	0
Total current financial liabilities	4,116,426	58,978,257	6,317,945	61,505,027

On 31 January 2020, the Company successfully completed the refinancing of several loans arranged under the financial restructuring agreement concluded in 2012. The Company and a syndicate of banks, including Nova Ljubljanska banka, d. d. acting as the organiser and agent, concluded a long-term loan agreement in the amount of EUR 54,850,000. The new loan was

concluded in two tranches, one with a maturity of seven years and the other with a maturity of four years.

An annex to the loan agreement entered into force on 27 May 2020. Under that annex, the Company and a syndicate of banks agreed on the deferral of payments in accordance with the Emergency Deferral of Borrowers' Liabilities Act (hereinafter: the ZIUOPOK; Official Gazette of the Republic of Slovenia No. 36-683/2020) as preparation for the expected deterioration in the Company's liquidity position due to the outbreak of the coronavirus crisis. The agreement was a one-year deferral of the payment of principal and interest, from 1 April 2020 to 31 March 2021.

The Group and Company had an approved and undrawn revolving loan in the amount of EUR 4,000,000 as at 30 September 2020.

Operating liabilities

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Non-current trade payables	121,743	139,339	121,743	139,339
Other non-current operating liabilities	764,323	887,162	752,816	870,305
Total non-current operating liabilities	886,066	1,026,501	874,559	1,009,644
Current operating liabilities to Group companies	0	0	406,707	373,722
Current trade payables (excluding the Group)	18,761,911	19,259,199	12,276,079	12,973,942
Other current operating liabilities	6,624,810	4,533,752	4,715,677	3,259,322
Total current operating liabilities	25,386,721	23,792,951	17,398,463	16,606,986

1.7.5 Other notes

Contingent liabilities

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Contingent liabilities from bank guarantees and guarantees given to Group companies	0	0	0	155,857
Contingent liabilities from bank guarantees and guarantees given to others	17,710,888	17,299,390	9,622,797	9,555,000
Contingent liabilities from lawsuits	602,032	303,043	7,000	7,000
Other contingent liabilities	170,706	170,706	65,706	65,706
Total	18,483,626	17,773,139	9,695,503	9,783,563

Fair value

Fair value of financial instruments

in EUR	Intereuropa Group			
	30 Sep 2020		31 Dec 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets measured at fair value through other comprehensive income	2,525	2,525	2,625	2,625
Financial assets measured at fair value through profit or loss	27,159	27,159	119,421	119,421
Loans and deposits	1,411,448	1,411,448	1,062,653	1,062,653
Operating receivables	29,815,800	29,815,800	31,701,504	31,701,504
Cash and cash equivalents	14,573,143	14,573,143	6,283,037	6,283,037
Total	45,830,075	45,830,075	39,169,240	39,169,240
Loans and leases				
at fixed interest rates	0	0	19,509	19,509
at variable interest rates	54,965,180	54,965,180	59,933,496	59,933,496
Lease liabilities	3,330,903	3,330,903	4,119,033	4,119,033
Liabilities for dividends and other shares in profit	425,086	425,086	437,514	437,514
Operating liabilities	26,272,788	26,272,788	24,819,452	24,819,452
Total	84,993,957	84,993,957	89,329,004	89,329,004

in EUR	Intereuropa, d. d.			
	30 Sep 2020		31 Dec 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets measured at fair value through profit or loss	27,159	27,159	27,159	27,159
Loans and deposits	2,540,670	2,540,670	2,325,951	2,325,951
Operating receivables	21,046,608	21,046,608	22,701,102	22,701,102
Cash and cash equivalents	6,639,811	6,639,811	2,756,729	2,756,729
Total	30,254,248	30,254,248	27,810,941	27,810,941
Loans and leases				
at fixed interest rates	4,100,000	4,100,000	4,100,000	4,100,000
at variable interest rates	54,745,665	54,745,665	56,845,360	56,845,360
Lease liabilities	1,086,595	1,086,595	1,430,042	1,430,042
Operating liabilities	18,273,022	18,273,022	17,616,630	17,616,630
Total	78,205,282	78,205,282	79,992,032	79,992,032

Fair value hierarchy of assets

in EUR	Intereuropa Group					
	30 Sep 2020			31 Dec 2019		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Land	0	70,524,123	70,524,123	0	70,842,976	70,842,976
Financial assets measured at fair value through other comprehensive income	2,525	0	2,525	2,625	0	2,625
Financial assets measured at fair value through profit or loss	0	27,159	27,159	0	119,421	119,421
Total	2,525	70,551,282	70,553,807	2,625	70,962,397	70,965,022

in EUR	Intereuropa, d. d.					
	30 Sep 2020			31 Dec 2019		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Land	0	41,444,763	41,444,763	0	41,444,722	41,444,722
Financial assets measured at fair value through profit or loss	0	27,159	27,159	0	27,159	27,159
Total	0	41,471,922	41,471,922	0	41,471,881	41,471,881

The table only includes assets measured at fair value. The Group assesses that the carrying amount of financial assets and financial liabilities not measured at fair value reflects their fair value.

1.7.6 Transactions with related parties

in EUR	Intereuropa Group			Intereuropa, d. d.				
	Associate		Pošta Slovenije Group companies	Subsidiaries		Associate		Pošta Slovenije Group companies
	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Jan–Sep 2020
Revenues from the sale of services	188,871	335,823	136,885	2,997,028	2,779,991	188,871	335,823	136,435
Interest income	0	0	0	53,828	40,388	0	0	0
Income from participating interests	0	0	0	25,991	901,422	0	7,661	0
Costs of services	1,469,650	3,521,007	211,121	1,469,650	1,574,298	2,795,973	3,521,007	211,099
Interest expense	0	0	0	32,285	23,671	0	0	0
	30 Sep 2020	31 Dec 2019	30 Sep 2020	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020
Non-current investments in shares and participating interests	0	0	0	44,823,281	44,823,281	39,059	39,059	0
Balance of operating receivables	59,610	59,041	17,575	1,112,065	881,382	59,610	59,041	17,575
Loans granted	0	0	0	2,540,670	2,315,956	0	0	0
Balance of operating liabilities	495,419	483,159	35,084	406,707	364,827	495,419	483,159	35,084
Loans received	0	0	0	4,100,000	2,060,000	0	0	0

Transactions with companies in which the state has a direct controlling interest

Parties related to owners include those companies in which the Republic of Slovenia and SDH together hold a direct participating interest of at least 20%. A list of the aforementioned companies is published on SDH's website (<https://www.sdh.si/sl-si/upravljanje-nalozb/seznam-nalozb>).

Intereuropa Group

During the first three quarters of 2020, the Intereuropa Group generated revenues in the amount of EUR 1,372,474 and incurred costs in the amount of EUR 5,156,984, and recorded interest income in the amount of EUR 2,930 and interest expense in the amount of EUR 131,946 with companies in which the state has a direct controlling interest.

As at 30 September 2020, the Intereuropa Group disclosed operating receivables in the amount of EUR 324,030, operating liabilities in the amount of EUR 1,341,141, financial liabilities in the amount of EUR 54,850,000 and contingent assets and liabilities in the amount of EUR 9,688,503 vis-à-vis the aforementioned companies. Financial liabilities comprise a loan raised under market terms.

Intereuropa, d. d.

In the period 1 January to 30 September 2020, Intereuropa, d. d. generated revenues in the amount of EUR 1,361,183 and incurred costs in the amount of EUR 5,152,401, and recorded interest income in the amount of EUR 2,135 and interest expense in the amount of EUR 131,946 with companies in which the state has a direct controlling interest.

As at 30 September 2020, the Company disclosed operating receivables in the amount of EUR 324,030, operating liabilities in the amount of EUR 1,341,141, financial liabilities in the amount of EUR 54,850,000 and contingent assets and liabilities in the amount of EUR 9,688,503 vis-à-vis the aforementioned companies. Financial liabilities comprise a loan raised under market terms.

1.7.7 Information by business line

Information regarding geographical areas for the Intereuropa Group

in EUR	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*
Revenues from external customers	74,248,058	82,155,285	17,563,858	18,035,371	5,213,153	5,272,040	3,852,535	3,360,865	3,683,965	4,773,580
Revenues from transactions with other segments	2,951,148	2,682,373	946,276	709,233	349,099	427,217	439,652	434,899	41,486	55,760
Total revenues	77,199,206	84,837,658	18,510,134	18,744,604	5,562,252	5,699,258	4,292,187	3,795,763	3,725,452	4,829,340
Amortisation and depreciation	3,290,940	3,103,369	1,156,304	1,080,618	350,038	323,501	189,648	153,727	335,116	347,000
Operating profit or loss	2,929,853	3,980,393	1,359,495	761,028	-351,246	300,970	-494,965	-360,186	340,501	826,303
Interest income	117,510	428,763	10,758	2,526	0	0	11	309	40,265	50,965
Interest expense	604,096	1,341,166	29,224	34,454	9,157	14,237	42,514	41,112	13,234	15,935
Profit or loss from ordinary operations	2,442,564	3,885,334	1,340,996	677,307	-362,015	277,881	-551,803	-413,738	367,132	860,876
Share of profit of an associate	0	7,661	0	0	0	0	0	0	0	0
Corporate income tax	134,947	192,433	281,230	89,885	0	31,571	0	0	42,018	86,713
Net profit or loss	2,307,618	3,692,901	1,059,765	570,015	-362,015	246,311	-551,803	-413,738	325,115	774,162

in EUR	Ukraine		Other		Total		Restatements (including eliminations)		Group	
	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*	Jan–Sep 2020	Jan–Sep 2019*
Revenues from external customers	3,424,728	2,567,217	3,713,259	3,854,043	111,699,557	120,119,759	-73,642	-101,358	111,625,915	120,225,753
Revenues from transactions with other segments	0	0	870,835	872,559	5,598,497	5,182,041	-5,598,497	5,182,041	0	0
Total revenues	3,424,728	2,567,217	4,584,095	4,726,601	117,298,053	125,301,800	-5,672,138	5,080,682	111,625,915	120,225,753
Amortisation and depreciation	23,214	22,040	258,983	55,477	5,604,242	5,085,732	0	0	5,604,242	5,328,945
Operating profit or loss	104,076	-12,618	-17,899	50,720	3,869,814	5,546,610	7,764	70,038	3,877,578	5,357,021
Interest income	297	271	0	0	168,841	482,834	-87,646	72,917	81,195	415,145
Interest expense	27,039	28,100	32,779	82	758,042	1,475,086	-87,646	72,917	670,397	1,402,250
Profit or loss from ordinary operations	-313,260	269,794	-50,576	50,791	2,873,039	5,608,245	26,057	1,005,762	2,899,096	4,629,633
Share of profit of an associate	0	0	0	0	0	7,661	-852	4,487	-852	3,175
Corporate income tax	-2,363	23,685	0	28,091	455,832	452,378	0	0	455,832	445,989
Net profit or loss	-310,897	246,109	-50,576	29,089	2,417,207	5,144,850	26,057	1,005,762	2,443,264	4,183,644

in EUR	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Assets	178,039,772	177,697,373	50,218,035	49,851,205	14,100,477	14,373,185	10,449,663	10,273,463	18,572,821	18,221,970
Non-current assets	146,011,640	148,719,385	39,347,065	41,040,017	11,805,879	12,017,805	9,172,304	9,214,673	11,823,607	12,146,639
Operating liabilities	18,639,920	18,087,058	4,387,677	4,163,737	1,375,764	1,172,668	1,554,158	963,979	672,420	502,635
Financial liabilities	59,934,260	62,375,402	790,030	1,040,692	279,421	329,317	1,979,151	1,801,787	773,830	843,422
Investment in associate*	39,059	39,059	0	0	0	0	0	0	0	0

in EUR	Ukraine		Other		Total		Restatements (including eliminations)		Group	
	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019	30 Sep 2020	31 Dec 2019
Assets	1,539,384	1,855,097	3,614,236	3,854,009	276,534,388	276,126,301	-53,177,969	-52,775,350	223,356,419	223,350,952
Non-current assets	468,605	608,482	1,553,414	1,757,067	220,182,515	225,504,068	-44,757,925	-44,757,155	175,424,590	180,746,913
Operating liabilities	715,808	690,530	1,145,864	1,117,346	28,491,611	26,697,952	-2,271,478	-1,878,453	26,220,134	24,819,499
Financial liabilities	1,208,601	1,295,872	556,193	739,215	65,521,486	68,425,709	-6,804,430	-6,736,634	58,717,057	61,689,075
Investment in associate	0	0	0	0	39,059	39,059	23,553	24,406	62,612	63,464

1.7.8 Financial risks

The financial risks to which the Group and Company are exposed include:

1. liquidity risk,
2. currency risk,
3. credit risk, and
4. interest-rate risk.

Liquidity risk

The Group and Company manage liquidity risk through the active management of cash, which includes:

- the monitoring and planning of cash flows;
- regular collection activities and daily contact with major customers; and
- the option of using short-term credit lines via banks.

The table regarding liquidity risk illustrates estimated undiscounted cash flows, including future interest.

in EUR	30 Sep 2020 Intereuropa Group						
	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Loans from banks and others	54,965,180	57,523,954	219,515	2,535,495	4,886,538	36,637,538	13,244,867
Operating lease liabilities	2,909,505	3,360,955	1,359,161	518,958	501,198	731,313	0
Finance lease liabilities	421,398	433,952	42,343	279,792	111,818	0	0
Liabilities for dividends and other shares in profit	425,086	425,086	5,142	419,945	0	0	0
Current trade payables	18,883,654	18,916,213	18,771,536	22,934	6,138	69,977	45,628
of which trade payables for short-term leases	8,216	8,216	8,216	0	0	0	0
Other operating liabilities	1,712,916	1,712,916	1,708,497	0	4,419	0	0
Total	79,317,739	82,373,076	22,106,194	3,777,124	5,510,111	37,438,828	13,290,495

in EUR	Intereuropa, d. d.						
	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Loans from Group companies	4,100,000	4,120,997	4,120,997	0	0	0	0
Loans from banks and others	54,745,665	57,304,439	0	1,524,058	4,465,226	36,727,716	14,587,438
Operating lease liabilities	1,088,595	1,246,617	239,643	228,678	329,286	449,010	0
Operating liabilities to Group companies	406,707	406,707	406,707	0	0	0	0
Trade payables	12,397,822	12,397,822	12,253,145	22,934	6,138	69,977	45,628
of which trade payables for short-term leases	8,216	8,216	8,216	0	0	0	0
Other operating liabilities	129,752	129,752	129,752	0	0	0	0
Total	72,868,541	75,606,334	17,150,244	1,775,670	4,800,650	37,246,703	14,633,066

in EUR	31 Dec 2019 Intereuropa Group						
	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Loans from banks and others	57,141,194	57,280,185	57,003,095	271,960	5,130	0	0
Operating lease liabilities	3,622,072	4,264,073	2,013,168	473,650	656,573	1,120,681	0
Finance lease liabilities	496,961	518,505	55,691	55,691	407,124	0	0
Liabilities for dividends and other shares in profit	437,514	437,514	14,416	0	0	0	0
Trade payables	19,398,538	20,118,427	19,856,327	68,761	23,735	46,856	68,749
of which trade payables for short-term leases	28,221	28,221	28,221	0	0	0	0
Other operating liabilities	1,344,173	1,344,173	473,868	0	870,305	0	0
Total	82,440,452	83,962,877	79,416,565	870,062	1,962,867	1,167,537	68,749

in EUR	Intereuropa, d. d.						
	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Loans from Group companies	4,100,000	4,111,922	2,807,550	1,304,372	0	0	0
Loans from banks and others	56,845,360	56,972,105	5,697,211	0	0	0	0
Operating lease liabilities	1,430,042	1,503,272	297,408	237,167	361,056	607,641	0
Operating liabilities to Group companies	373,722	373,722	373,722	0	0	0	0
Trade payables	13,113,281	13,113,281	12,905,181	68,761	23,735	46,856	68,749
of which trade payables for short-term leases	151,597	151,597	151,597	0	0	0	0
Other operating liabilities	1,287,784	1,287,784	417,479	0	870,305	0	0
Total	77,150,189	77,362,086	22,498,551	1,610,300	1,255,096	654,497	68,749

Currency risk

		30 Sep 2020					
		Intereuropa Group					
in EUR	EUR	USD	HRK	RSD	Other	Total	
Operating receivables	22,422,384	0	4,181,667	677,301	1,819,915	29,101,267	
Long-term loans granted and deposits	0	0	41,203	0	819	42,022	
Short-term loans granted and deposits	1,368,630	0	0	0	796	1,369,426	
Long-term loans received	-53,004,412	0	0	0	0	-53,004,412	
Short-term loans received	-1,741,253	0	0	-219,515	0	-1,960,768	
Liabilities for dividends and other shares in profit	-419,945	0	0	0	-5,141	-425,086	
Lease liabilities	-2,771,694	0	0	-263,957	-295,252	-3,330,903	
Operating liabilities	-14,583,291	0	-3,509,844	-734,508	-1,768,928	-20,596,572	
Exposure disclosed in the statement of financial position	-48,729,580	0	713,026	-540,680	-247,791	-48,805,026	
		Intereuropa, d. d.					
in EUR	EUR	USD	HRK	RSD	Other	Total	
Operating receivables from Group companies	1,112,065	0	0	0	0	1,112,065	
Operating receivables	19,262,949	134,255	0	0	732	19,397,936	
Short-term loans to Group companies	2,540,670	0	0	0	0	2,540,670	
Long-term loans received	-53,004,412	0	0	0	0	-53,004,412	
Short-term loans from Group companies	-4,100,000	0	0	0	0	-4,100,000	
Short-term loans received	-1,741,253	0	0	0	0	-1,741,253	
Lease liabilities	-1,088,595	0	0	0	0	-1,088,595	
Operating liabilities within the Group	-406,707	0	0	0	0	-406,707	
Other operating liabilities	-12,694,843	-193,262	0	0	-11,731	-12,899,836	
Exposure disclosed in the statement of financial position	-50,120,126	-59,007	0	0	732	-50,178,401	
		31 Dec 2019					
		Intereuropa Group					
in EUR	EUR	USD	HRK	RSD	Other	Total	
Operating receivables	23,611,512	0	3,854,729	706,432	2,279,833	30,452,506	
Long-term loans granted and deposits	0	0	0	0	52,544	52,544	
Short-term loans granted and deposits	1,008,998	0	0	0	1,111	1,010,109	
Short-term loans received	-56,865,360	0	0	-260,986	-14,833	-57,141,179	
Liabilities for dividends and other shares in profit	-423,175	0	0	0	-14,339	-437,514	
Lease liabilities	-3,611,461	0	0	-182,086	-325,486	-4,119,033	
Operating liabilities	-15,443,514	0	-3,064,000	-696,000	-1,530,000	-20,733,514	
Exposure disclosed in the statement of financial position	-51,723,000	0	790,729	-432,640	448,830	-50,916,081	
		Intereuropa, d. d.					
in EUR	EUR	USD	HRK	RSD	Other	Total	
Operating receivables from Group companies	908,516	0	0	0	0	908,516	
Operating receivables	21,679,677	107,086	0	0	0	21,786,763	
Short-term loans to Group companies	2,315,956	0	0	0	0	2,315,956	
Short-term loans granted and deposits	9,995	0	0	0	0	9,995	
Short-term loans from Group companies	-4,100,000	0	0	0	0	-4,100,000	
Short-term loans received	-58,275,402	0	0	0	0	-58,275,402	
Lease liabilities	-1,430,042	0	0	0	0	-1,430,042	
Operating liabilities within the Group	-373,666	0	0	0	0	-373,666	
Operating liabilities	-14,129,000	-225,732	0	0	-46,369	-14,401,101	
Exposure disclosed in the statement of financial position	-53,393,966	-118,646	0	0	-46,369	-53,558,981	

Credit risk

Exposure to credit risk and expected credit losses in connection with current trade receivables

in EUR	Intereuropa Group			Intereuropa, d. d.		
	Gross value as at 30 September 2020	Average percentage of impairment losses recognised	Depreciation and impairments as at 30 September 2020	Gross value as at 30 September 2020	Average percentage of impairment losses recognised	Depreciation and impairments as at 30 September 2020
Not due	22,031,784	0.28%	57,746	16,364,062	0.22%	36,611
1 to 30 days past due	3,820,892	0.92%	17,300	2,283,014	0.21%	4,898
31 to 90 days past due	1,462,514	2.85%	43,584	702,692	3.35%	23,515
91 to 180 days past due	490,249	15.95%	67,456	157,636	18.53%	29,208
More than 180 days past due	4,851,370	100.00%	4,851,380	2,274,870	100.00%	2,274,837
Exchange rate differences	4,171		2,624	-746		0
Total	32,660,980		5,040,090	21,781,528		2,369,069

in EUR	Intereuropa Group			Intereuropa, d. d.		
	Gross value as at 31 December 2019	Average percentage of impairment losses recognised	Depreciation and impairments as at 31 December 2019	Gross value as at 31 December 2019	Average percentage of impairment losses recognised	Depreciation and impairments as at 31 December 2019
Not due	20,952,672	0.27%	56,358	15,902,416	0.18%	29,351
1 to 30 days past due	5,847,827	0.56%	32,778	3,721,117	0.56%	20,891
31 to 90 days past due	2,273,332	2.46%	55,988	1,330,207	2.12%	28,264
91 to 180 days past due	700,083	15.42%	107,953	283,213	27.88%	78,948
More than 180 days past due	4,654,351	100.00%	4,654,351	2,189,034	100.00%	2,189,034
Exchange rate differences	13,000		-14,000	-1,407		0
Total	34,441,265		4,893,428	23,424,580		2,346,488

Changes in impairment losses on current trade receivables

in EUR	Intereuropa Group		Intereuropa, d. d.	
	2020	2019	2020	2019
Impairment losses on receivables as at 1 January	4,893,428	5,206,007	2,346,488	2,623,000
Exclusion of company from the consolidated financial statements	0	-35,000	0	0
Written-off receivables	-128,226	-248,769	-65,852	-174,450
Impairment losses on receivables (including the reversal of impairment losses)	297,271	514,584	88,433	319,473
Exchange rate differences	-22,383	11,000	0	0
Impairment losses on receivables as at 30 September	5,040,090	5,447,822	2,369,069	2,768,023

Exposure to credit risk and expected credit losses in connection with other current operating receivables

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Gross value as at 30 September 2020	Depreciation and impairments as at 30 September 2020	Gross value as at 30 September 2020	Depreciation and impairments as at 30 September 2020
Not due	1,804,101	0	580,187	0
Past due	425,388	292,097	272,430	272,430
Total	2,229,489	292,097	852,617	272,430

	Intereuropa Group		Intereuropa, d. d.	
	Gross value as at 31 December 2019	Depreciation and impairments as at 31 December 2019	Gross value as at 31 December 2019	Depreciation and impairments as at 31 December 2019
Total				
Not due	560,000	0	271,999	0
Past due	427,487	294,195	272,430	272,430
Total	987,487	294,195	544,429	272,430

Changes in impairment losses on other current operating receivables

in EUR	Intereuropa Group		Intereuropa, d. d.	
	2020	2019	2020	2019
Impairment losses on receivables as at 1 January	294,195	1,347,000	272,430	1,264,262
Exclusion of company from the consolidated financial statements	0	0	0	0
Written-off receivables	-824	-421,396	0	-421,300
Impairment losses on receivables (including the reversal of impairment losses)	-1,000	-628,000	0	-570,532
Exchange rate differences	-274	14,000	0	0
Impairment losses on receivables as at 30 September	292,097	311,604	272,430	272,430

Interest-rate risk

Interest-rate risk as at 30 September 2020

in EUR	Intereuropa Group				Intereuropa, d. d.			
	Loan amount as at 30 September 2020	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points	Loan amount as at 30 September 2020	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points
Type of variable interest rate								
3-month EURIBOR	54,850,000	0	0	-3,840	54,850,000	0	0	-3,840
1-month BELIBOR	219,515	-220	-549	-1,098	0	0	0	0
Total	55,069,515	-220	-549	-4,938	54,850,000	0	0	-3,840

Interest-rate risk as at 31 December 2019

in EUR	Intereuropa Group				Intereuropa, d. d.			
	Loan amount as at 31 December 2019	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points	Loan amount as at 31 December 2019	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points
Type of variable interest rate								
3-month EURIBOR	56,863,799	-56,864	-142,159	-284,319	56,848,460	-56,848	-142,121	-284,242
1-month BELIBOR	260,986	-261	-652	-1,305	0	0	0	0
Total	57,124,785	-57,125	-142,811	-285,624	56,848,460	-56,848	-142,121	-284,242

Presented in the tables above is an analysis of the sensitivity of results from ordinary operations to a change in the variable element of contractual interest rates.

1.7.9 Events after the reporting period

There were no events after the reporting period that would affect the financial statements of the Group and Company.