

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

***JANUARY–JUNE 2020***



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## 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–June 2020.

The consolidated and separate financial statements for the periods January–June 2020 and January–June 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–June 2020 at its session on 27 August 2020.

The document Unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–June 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](http://www.intereuropa.si) on 27 August 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–June 2020 has been prepared in accordance with IAS 34, and must be read in conjunction with the audited annual financial statements prepared 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, 17 August 2019

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

	INTEREUROPA GROUP			INTEREUROPA, D. D.		
	Jan–Jun 2020	Jan–Jun 2019**	Index 20/19	Jan–Jun 2020	Jan–Jun 2019**	Index 20/19
Sales revenue	73,501	80,572	91	51,413	57,143	90
EBITDA	6,390	7,275	88	4,279	4,956	86
Operating profit (EBIT)	2,634	3,705	71	2,065	2,779	74
Loss from financing activities	-635	-473	-	-376	264	-
Profit from ordinary operations	2,000	3,235	62	1,689	3,044	56
Net profit	1,640	2,973	55	1,544	2,932	53
EBITDA margin (in %)	8.7	9.0	96	8.3	8.7	96
EBIT margin (in %)	3.6	4.6	78	4.0	4.9	83
Sales revenue per employee/month	9.410	10.483	90	14.840	16.496	90
Value added per employee/month	2.652	2.789	95	3.943	4.132	95
ROE (in %)*	2.7	5.0	54	3.5	6.9	51
	30 Jun 2020	31 Dec 2019	Index 20/19	30 Jun 2020	31 Dec 2019	Index 20/19
Assets	222,301	223,351	100	175,959	176,748	100
Equity	123,211	122,358	101	88,772	87,228	102
Net debt	46,805	54,352	86	53,892	57,293	94
Number of employees	1,348	1,356	99	601	609	99
	Jan–Jun 2020	Jan–Dec 2019	Index 20/19	Jan–Jun 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)	0.05	0.12	42			
Closing price at the end of period (in EUR)	1.39	1.43	97			
Book value per share at the end of period (in EUR)	3.23	3.18	102			
P/B	0.43	0.45	96			
P/E	13.90	11.92	117			

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.

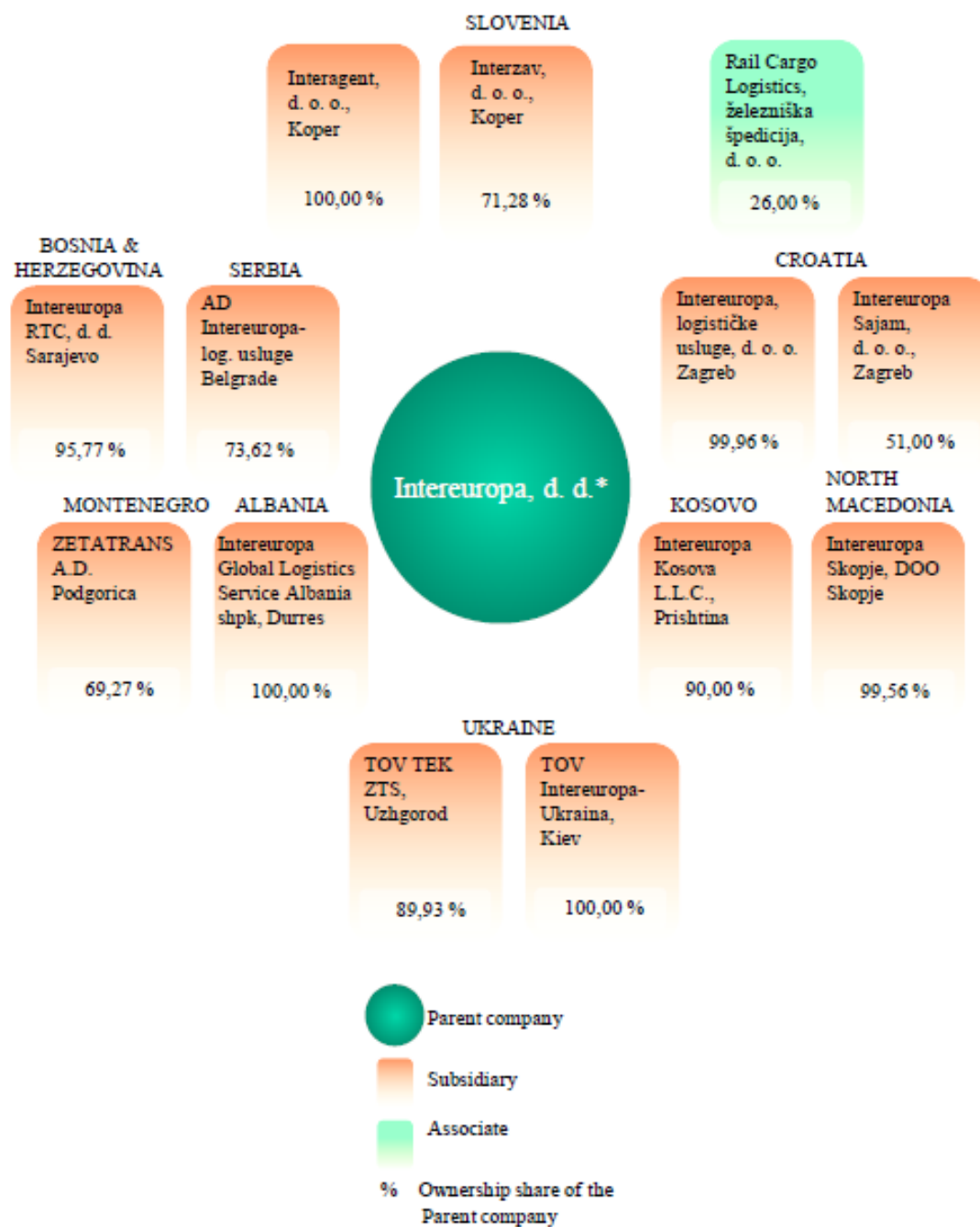
## BASIC INFORMATION ABOUT THE GROUP

Table 2: Basic information about Intereuropa, d. d. and the Intereuropa Group as at 30 June 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, CEESeg.
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
<b>Intereuropa Group</b>	
Number of employees	1,348
Total closed warehousing area*	214,000 m <sup>2</sup> of own warehousing area
Total land area	1,616,000 m <sup>2</sup>
Membership in international organisations and logistics networks	FIATA, IATA, FONASBA, BIMCO, GS1, WCA, FETA, HCL ISO 9001:2015 certificate:
Quality certificates	<ul style="list-style-type: none"> <li>o Intereuropa, d. d., Koper</li> <li>o Intereuropa, logističke usluge, d. o. o., Zagreb</li> <li>o Intereuropa RTC, d. d., Sarajevo</li> </ul>
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 June 2020<sup>1</sup>



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

<sup>1</sup> The subsidiary in Albania has been excluded from consolidation since 1 January 2019.

## **BUSINESS PLAN FOR 2020**

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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 business plan for 2020 also did not include the synergies and other effects of Intereuropa's integration in the Pošta Slovenije Group. A revised business plan for 2020 was thus drafted and approved 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 through the divestment of real estate that is not used in the performance of the logistics activity, despite the adverse economic conditions.

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**

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### SIGNIFICANT EVENTS IN THE PERIOD JANUARY–JUNE 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 30 January, Intereuropa, d. d. and Pošta Slovenije, d. o. o. participated in a conference held in Ljubljana entitled 'Pošta Slovenije Group – regional link in logistics', to which representatives of the Ministry of Foreign Affairs were invited. The conference was also attended by Foreign Minister Dr Miro Cerar, representatives of the Directorate for Economic and Public Diplomacy and representatives of the Department for Bilateral Economic Cooperation within the Ministry of Foreign Affairs.
- 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.
- The subsidiary in Croatia sold two properties in Zagreb in February 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

- Intereuropa, d. d. was recognised as a 'senior-friendly company'. That recognition is awarded every year to employers who dedicate attention to older employees, identify their potential and value their experience, knowledge and diligence. Recognition was received as part of a contest organised for a third consecutive year under the auspices of the Golden Thread project in cooperation with the Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia in the scope of that fund's project aimed at the comprehensive support of companies for the active ageing of the workforce (ASI).
- 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 11.

### 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

- The Supervisory Board was briefed on the unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–March 2020 at its meeting on 21 May. The Intereuropa Group generated sales revenue of EUR 38.4 million during the first quarter of 2020, and ended the first quarter of 2020 with a net profit of EUR 0.5 million.
- 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.

## EVENTS AFTER THE REPORTING PERIOD

### July

- Intereuropa's subsidiary Intereuropa, d. o. o., Zagreb served as the main sponsor of the Slovenian-Croatian Business Club. On 1 July, representatives of the Croatian subsidiary Intereuropa, d. o. o., Zagreb participated in discussions regarding economic conditions during the coronavirus epidemic.
- At its session held on 9 May, 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.

## ***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 provided logistics services for numerous customers from different economic and other sectors via twelve companies in nine countries in Southeast Europe and Ukraine.

Since the middle of March, the impact of the COVID-19 epidemic on operations has been seen primarily in a drop in sales revenue in all areas of operations. Due to the adverse economic situation following the outbreak of the COVID-19 epidemic, we are expecting lower sales revenue during the second half of 2020 relative to previous years. This is also seen in the revised business plan for 2020, which is described in detail on page 8.

In order to mitigate the impact of the COVID-19 epidemic on the Group's operations, Intereuropa Group companies are taking 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–June 2020, in EUR thousand

Item/Indicator	Jan–Jun 2020	Plan Jan–Jun 2020	Jan–Jun 2019**	Index 2020/plan	Index 20/19
Sales revenue	73,501	71,433	80,572	103	91
Land transport	36,878	36,258	42,037	102	88
Logistics solutions	13,143	12,749	13,258	103	99
Intercontinental transport	20,342	19,363	21,795	105	93
Other services	3,139	3,064	3,482	102	90
EBITDA	6,390	5,373	7,275	119	88
Operating profit	2,634	1,594	3,705	165	71
Loss from financing activities	-635	-630	-473	-	-
Profit from ordinary operations	2,000	966	3,235	207	62
Corporate income tax and deferred tax	360	231	262	156	137
Net profit	1,640	735	2,973	223	55
EBITDA margin (in %)	8.7	7.5	9.0	116	96
EBIT margin (in %)	3.6	2.2	4.6	161	78
Sales revenue per employee/month	9.410	1.028	10.483	916	90
Value added per employee/month	2.652	2.481	2.789	107	95
ROE (in %)*	2.7	1.0	5.0	269	54

Item/Indicator	30 Jun 2020	31 Dec 2019	Index 20/19
Assets	222,301	223,351	100
Equity	123,211	122,358	101
Net debt	46,805	54,352	86
Current assets/current liabilities	1.56	0.51	306

\* 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

→ Due to the COVID-19 epidemic, the sales revenue generated by the Intereuropa Group during the first half of this year was down by 9% relative to the same period last year, but was 3% higher than planned. The sales margin was up relative to last year and higher

than planned. Section 1.2 Sales presents a detailed analysis of sales revenue by business line and market.

- EBITDA amounted to EUR 6.4 million, a decrease of 12% relative to the same period in 2019, but 19% higher than planned. The main reason for the higher-than-planned EBITDA were higher sales revenue, while contributing to a lesser degree were higher income from the reversal of non-current provisions, and slightly lower costs of materials and services (excluding direct costs) and impairment losses on receivables. Having a significant impact on EBITDA in 2020 was income from subsidies to mitigate the consequences of the COVID-19 epidemic in the amount of EUR 1.1 million, which is at the planned level.

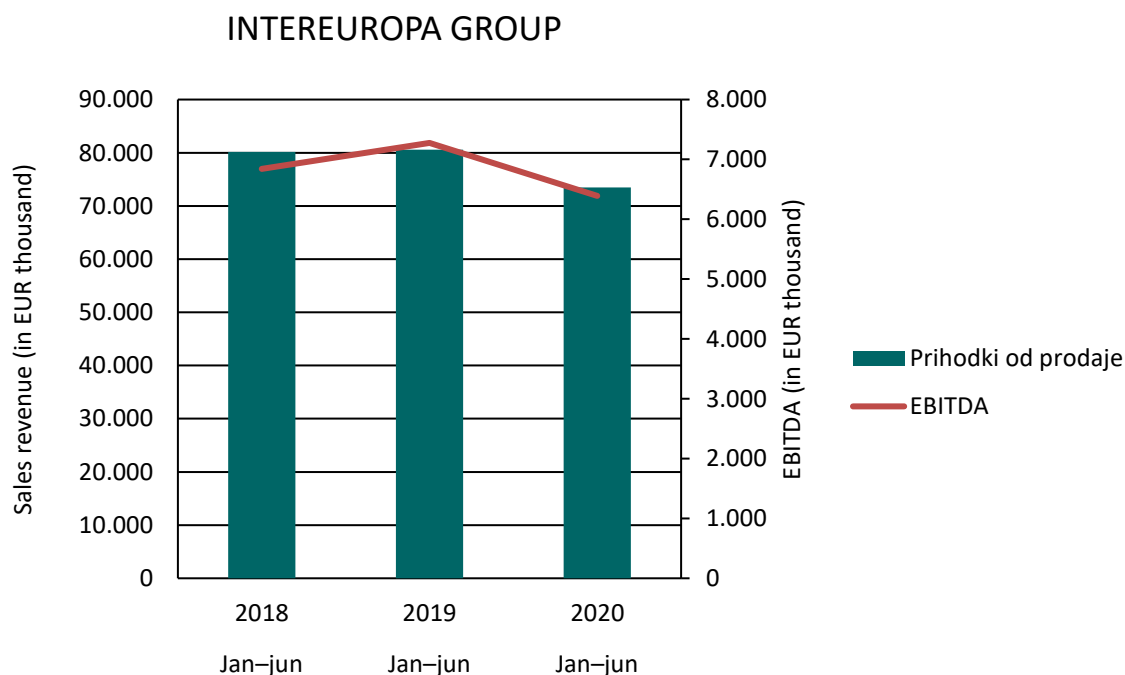
### Loss from financing activities

- The loss from financing activities was at the planned level, but worse than last year's result due to higher negative exchange rate differences. Interest expense on loans received was down by EUR 0.47 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 1.6 million, which was 123% higher than planned and a decrease of 45% relative to the same period last year.

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



### Structure of the statement of financial position

- The Group's net debt amounted to EUR 46.8 million at the end of the first half of the year, a decrease of EUR 1.6 million relative to the end of the first quarter of 2020.
- The ratio of equity to total assets stood at 55.4% at the end of the first quarter of the year and rose by 1.3 percentage points during the second quarter.
- The current ratio amounted to 1.56, an increase of 0.23 relative to the end of the first quarter of 2020.

## 1.2 Sales

The Intereuropa Group generated **sales revenue of EUR 73.5 million** during the first half of 2020, a decrease of 9% relative to the same period last year. The drop in sales is the result of the COVID-19 epidemic, which had a negative impact on all products, in particular land transport. Sales strengthened following the end of the epidemic and were 3% higher than the figure in the revised plan for 2020, in which the consequences of the epidemic are already taken into account. Planned values were exceeded most during the first half of 2020 by the companies in Bosnia and Herzegovina and Croatia and by the parent company in Slovenia, while the company in Serbia 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–Jun	Structure	Index 20/19	Index
	2020			2020/plan
Land transport	36,878	50%	88	102
Logistics solutions	13,143	18%	99	103
Intercontinental transport	20,342	28%	93	105
Other services	3,139	4%	90	102
<b>TOTAL SALES REVENUE</b>	<b>73,501</b>	<b>100%</b>	<b>91</b>	<b>103</b>

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–Jun 2020	Structure	Index 20/19
Slovenia*	49,741	68%	89
Croatia	11,254	15%	95
Bosnia and Herzegovina	3,452	5%	98
Serbia	2,478	3%	114
Montenegro	2,344	3%	76
Ukraine	1,916	3%	119
Other	2,316	3%	92
<b>TOTAL SALES REVENUE</b>	<b>73,501</b>	<b>100%</b>	<b>91</b>
EU countries	60,995	83%	90
Non-EU countries	12,506	17%	97

\* Data include consolidation restatements.

Companies in Slovenia together generated 68% of the Group's sales revenue during the first half of 2020, in the context of an 11% decline in sales revenue relative to the same period last year. Sales were also down relative to the same period last year in Croatia, Bosnia and Herzegovina, Montenegro and Kosovo, most notably in the land transport segment, while growth was recorded in the intercontinental transport segment at the subsidiaries in Serbia, Croatia and Montenegro, and in the land transport segment in Ukraine.

Table 6: Sales revenue of the Intereuropa Group by country (with respect to a customer's head office), in EUR thousand

Geographical area (according to customer's head office)	Jan–Jun 2020	Structure	Index 20/19
Slovenia	30,251	41%	95
Croatia	9,434	13%	92
Austria	3,460	5%	90
Germany	2,573	4%	74
Bosnia and Herzegovina	3,085	4%	98
Ukraine	300	0%	111
Other countries	24,398	33%	88
Other EU countries	12,472	17%	85
Rest of the world	11,926	16%	91
<b>TOTAL</b>	<b>73,501</b>	<b>100%</b>	<b>91</b>

The largest proportion of the Intereuropa Group's sales revenue (41%) was generated by sales to customers with head offices in Slovenia, while 26% was generated by sales to customers in Southeast Europe. Sales to customers with head offices in all other countries accounted for 33% of total sales revenue.

#### LAND TRANSPORT

The land transport segment generated EUR 36.9 million in sales revenue during the first half of 2020. Sales revenue in this segment was down by 12% relative to the same period last year. The parent company in Slovenia generated sales revenue of EUR 21.7 million from land transport services, with that amount representing 59% of the total sales of that segment. Achieved sales results were down 17% relative to last year. Those poorer results were primarily the consequence of the COVID-19 epidemic. Sales results were also down relative to the previous year at the subsidiaries in Croatia, Bosnia and Herzegovina, Montenegro and Kosovo. Growth in sales revenue was recorded at the subsidiaries in Serbia, Ukraine and North Macedonia. The impact of the COVID-19 crisis can be seen in the sales results of all land transport products.

Activities were implemented by all Intereuropa Group companies during the second quarter to ensure the business continuity of all land transport products and to mitigate the consequences of the epidemic on the operations of the land transport segment.

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 also continue to impact the sales results of the land transport segment. In the period January–June 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 7: Revenues from the sale of land transport products, in EUR thousand

INTEREUROPA GROUP	Jan–Jun 2020	Structure	Index 20/19
<b>LAND TRANSPORT</b>	<b>36,878</b>	<b>100%</b>	<b>88</b>
Groupage services	7,709	21%	91
Domestic transport	5,678	15%	91
Road transport	18,031	49%	84
Customs services	3,050	8%	83
Railway transport	2,409	7%	107

- Revenues from the sale of groupage services were down by 9% during the first half of 2020 relative to the same period last year. The results of the parent company in Slovenia, which generates 71% of sales revenue from groupage services, were down during the first half of the year relative to last year. The subsidiaries in Croatia and Serbia recorded the highest growth in revenues from the sale of groupage services. The drop in sales in Slovenia was primarily 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 during the first half of the year was down by 9% relative to the same period last year. Sales revenue was down by 8% at the parent company in Slovenia, while the number of shipments was down by 1% and the average weight of shipments was down by 12%. This was primarily the result of the coronavirus epidemic and changes in sales channels in the direction of e-commerce. The company in Croatia recorded significant growth in the number of shipments in the e-commerce segment. Sales revenue was up by 10% 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 16% in the period January–June 2020 relative to the same period last year. In addition to the parent company in Slovenia, sales results were also down relative to the previous year at the subsidiaries in Croatia, Montenegro and Kosovo. Despite the current crisis, last year's sales of road transport services were exceeded by the subsidiaries in Bosnia and Herzegovina, Serbia, Ukraine and North Macedonia.
- Revenues from the sale of customs services were down by 17% during the first half of 2020 relative to the same period last year. Due to a decrease in the number of orders in April and May, all Group companies lagged behind last year's sales results, except Intereuropa Skopje, which exceeded last year's sales by 34%. Sales revenue from customs clearance services was down by 17%. The companies in North Macedonia and Kosovo exceeded last year's sales results, while sales were down at other Group companies in the period January–June 2020. Sales of border services were down by 12%. Despite the current crisis, the subsidiaries in Serbia and North Macedonia exceeded last year's sales results. In addition to the crisis, the lower sales revenue relative to the same period last year was 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 7% relative to last year's results at the Group level as the result of higher sales at the Ukrainian company, where sales revenue was up by 25% relative to the same period last year.



## LOGISTICS SOLUTIONS

The Intereuropa Group's logistics solutions segment generated EUR 13.1 million in sales revenue during the first half of 2020 or 18% of the Group's total sales. The sales revenue generated by the Group from logistics solutions was down by just 1% relative to the same period in 2019, but was 3% higher than planned in part due to changes in the way sales revenue is disclosed as the result of the optimisation of implementing processes and the continued introduction of the standardised WexVS IT solution in warehousing operations. The parent company in Slovenia and the subsidiaries in Bosnia and Herzegovina and Kosovo recorded growth in sales during the aforementioned period. Lower sales growth was recorded by the subsidiary in Croatia, in part due to a new logistics project in which the company was forced to temporarily empty its warehouse in Zagreb due to technical preparations of warehouse capacities for a new customer that will begin operations at the end of the second quarter of 2020. A lag behind last years' sales results was also recorded by the companies in Montenegro, Serbia and North Macedonia.

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 almost 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, but was suspended due to the extraordinary conditions.

Table 8: Revenues from the sale of logistics solutions, in EUR thousand

INTEREUROPA GROUP	Jan–Jun 2020	Structure	Index 20/19
<b>LOGISTICS SOLUTIONS</b>	<b>13,143</b>	<b>100%</b>	<b>99</b>
Warehousing and storage	10,263	78%	98
Distribution	2,880	22%	102

- The Intereuropa Group generated EUR 10.3 million in revenues from the sale of warehousing and storage services during the first half of 2020, which translates to 14% of the Group's total sales and 78% of the sales revenue generated by the logistics solutions segment.
- A total of EUR 2.9 million in revenues was generated from the sale of distribution services during the first half of 2020, which represents 4% of the Intereuropa Group's total sales and 22% of sales revenue from logistics solutions.

## INTERCONTINENTAL TRANSPORT

Sales revenue in the intercontinental transport segment totalled EUR 20.3 million during the first half of 2020, representing 28% of the Intereuropa Group's total sales. The Intereuropa Group recorded a 7% drop in sales revenue relative to the same period in 2019, while sales revenue was 5% higher than planned.

Table 9: Revenues from the sale of intercontinental transport products, in EUR thousand

INTEREUROPA GROUP	Jan–Jun 2020	Structure	Index 20/19
<b>INTERCONTINENTAL TRANSPORT</b>	<b>20,342</b>	<b>100%</b>	<b>93</b>
Sea freight	14,048	69%	85
Car logistics	2,173	11%	87
Shipping agency	185	1%	85
Air freight	3,937	19%	152

- The results generated by the sea freight segment during the first half of 2020 were down by 15% relative to the same period last year. The majority of the decline relates to the transactions of the parent company. The subsidiaries in Montenegro, Serbia, Croatia and Bosnia and Herzegovina exceeded the results recorded during the same period last year on account of additional marketing activities, while sales at the companies in North Macedonia and Kosovo were down relative to last year's results.
- The 16% drop in revenues from the sale of container transport services was the result of a decrease in the volume of imported containers with highly perishable goods relative to last year due to changes in delivery routes on the market. Also having a significant impact on results was the arrangement of delivery terms of certain major customers and the resulting reduction in standing fees and demurrage in connection with sea containers. Customers' transactions with the Turkish market were down due to problems with transshipment through the Port of Trieste. On the import side, there was a notable decrease in the volume of imports from China due to the impact of COVID-19, as planned volumes were not achieved following Chinese New Year. The lag in the second quarter was created by an additional decrease in standing fees and demurrage and one-off transactions in 2019, as well as reduced imports of sheet metal due to the halt of car production as a consequence of the COVID-19 epidemic.
- In the conventional freight segment, key customers recorded a further decrease in the number of deliveries and transshipments of bulk cargo as the result of reduced production due to the COVID-19 epidemic, which was reflected in a 16% drop relative to the same period last year. Also declining are transshipments of liquid cargo, in particular fuels, where transshipments came to a virtual standstill during the second quarter due to the halt of air and passenger traffic as a consequence of the COVID-19 epidemic.
- The RO-RO segment recorded sales growth of 28% due to the execution of announced transactions postponed from the first quarter to the second quarter.
- The shipping agency segment operated below expectations, with results down 15% relative to the same period last year due to fewer transshipments of salt and the associated agent bookings in the first quarter. The representation of RO-RO shipping companies was in line with expectations during the first quarter of the year, while such transactions were down in the second quarter due to a halt in the production and dispatch of vehicles to the Far East as the result of the epidemic.
- The results of the car logistics segment were down by 14% relative to the same period last year. As a result of the epidemic, transshipments of vehicles at car terminals were down by 18% in the second quarter relative to the same period last year, but an even greater drop was cushioned by increased sales of car warehousing services at car terminals. Car transport services were down by 25% relative to 2019, while an even greater fall is being averted by the additional transport of vehicles between terminals for warehousing needs.
- The COVID-19 epidemic had a significant impact on the operations of the air freight segment during the second quarter. The closure of airports, the cancellation of numerous flights and the resulting lack of capacities was seen in a drop in the number of transactions, demand and primarily regular shipments from China. Nevertheless, the Group recorded an

increase in sales revenue relative to the same period last year largely as the result of one-off transactions in the form of charter flights organised for both goods and passengers. Most of the Group's revenues were generated by the companies in Slovenia and Serbia.

- Numerous airports across the world have closed their airspace for passenger transport, which resulted in a major drop in capacities and sharp growth in both import and export prices. This was also the reason for higher sales in the second quarter. The development of a partner network, increased activities on the sales side and a focus on target customers will continue to be priorities in this product segment.

### 1.3 Investments in fixed assets

The Intereuropa Group invested EUR 605 thousand in fixed assets during the first half of 2020, a decrease of 49% relative to the same period last year. Of the aforementioned amount, EUR 153 thousand was invested in property, while EUR 452 thousand was invested in equipment and intangible assets. A total of 9% of the entire investment plan was thus achieved. The outbreak of the COVID-19 epidemic resulted in the cancellation and postponement of investments.

The parent company Intereuropa, d. d. invested EUR 281 thousand in property, equipment and intangible assets, while other Group companies invested EUR 324 thousand in fixed assets.

Table 10: Breakdown of investments in the period January–June 2020, in EUR thousand

Company	Jan– Jun 2020	Total property		Total equipment and intangible assets		TOTAL INVESTMENTS		Percentage of annual plan realised		
		2020 plan	Jan– Jun 2019	Jan– Jun 2020	2020 plan	Jan– Jun 2019	Jan– Jun 2020	2020 plan	Jan– Jun 2019	
Intereuropa, d. d.	70	2,120	162	211	2,028	555	281	4,148	717	7
Subsidiaries	83	933	198	241	1,796	260	324	2,729	458	12
<b>TOTAL</b>	<b>153</b>	<b>3,053</b>	<b>360</b>	<b>452</b>	<b>3,824</b>	<b>815</b>	<b>605</b>	<b>6,877</b>	<b>1,175</b>	<b>9</b>

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

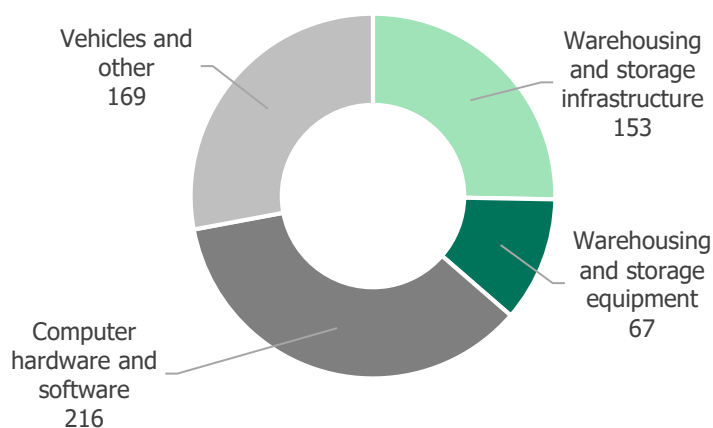


Table 11: Breakdown of investments by type in the period January–June 2020, in EUR thousand

INVESTMENTS BY TYPE	TOTAL INVESTMENTS			Property		Equipment	
	Actual	Plan	Percentage of annual plan realised	Actual	Plan	Actual	Plan
Warehousing and storage infrastructure	153	3,053	5	153	3,053		
Warehousing and storage equipment	67	1,023	7			67	1,023
Vehicles	25	638	4			25	638
IT equipment and intangible assets	216	1,149	19			216	1,149
Other investments	144	1,013	14			144	1,013
<b>TOTAL</b>	<b>605</b>	<b>6,876</b>	<b>9</b>	<b>153</b>	<b>3,053</b>	<b>452</b>	<b>3,823</b>

Major investments during the first half of 2020 included:

- computer software and licenses, and
- the arrangement of a warehouse in Zagreb, premises for lessees in Koper, and warehouse fences in Samobor and Celje.

## 1.4 Sales of fixed assets

The Intereuropa Group sold fixed assets with a total carrying amount of EUR 2.04 million during the period January–June 2020. Sales of fixed assets included the sale of a hazardous materials warehouse in Zagreb with the appurtenant functional land, the sale of office-commercial premises in the area of goods terminals in Zagreb, and the sale of business premises and the accompanying garage and land in Pljevlja.

## 1.5 Human resource management

The first half of this year was characterised by the declaration of the COVID-19 epidemic. In connection with that declaration, preventive measures and internal instructions were adopted within the Group to prevent the spread of the coronavirus. We respected general recommendations to prevent the spread of infection, such as the thorough washing and/or disinfection of hands, cough hygiene and physical distancing. Employees who came into contact with external customers used protective masks in their work. The work of other employees was adapted to ensure the appropriate distance between individuals.

Employees with the necessary IT access were ordered to work from home during the epidemic. A total of 223 employees from Slovenian Group companies and 37 employees from the subsidiary Intereuropa, logistične usluge, d. o. o., Zagreb worked from home temporarily or for a specific period. Work from home was also performed at other subsidiaries to a lesser extent by up to 10 employees. Work from home continues at Slovenian Group companies, even after the end of the epidemic, based on employment contracts for that purpose.

Due to the reduced scope of operations, 118 employees from Slovenian Group companies and 88 employees from the subsidiary Intereuropa, logistične usluge, d. o. o., Zagreb were furloughed during the aforementioned period. Employees also used surplus hours from the previous period. At the Group level, 29 employees remained at home for a specific period due to *force majeure*: child care, absence of public transport, etc. A total of 23 Group employees were ordered to quarantine in the period March to June 2020, while 15 employees were in self-isolation. The Group recorded six infections with the coronavirus during the first half of this year, two at the subsidiary in Serbia and four in Kosovo. We also took advantage of the financial aid offered to companies by governments where the relevant conditions were met.

#### CHANGE IN NUMBER OF EMPLOYEES

The Intereuropa Group had 1,348 employees as at 30 June 2020, a decrease of eight employees relative to the last day of 2019.

The Group hired 59 new employees in the period January–June 2020. Of that number, 29 were employed due to the increased scope of work or the acquisition of new transactions and 17 were hired to replace employees who left the Group or were temporarily absent, while 13 former agency workers entered into an employment relationship with the Group.

A total of 67 employees left the Intereuropa Group during the first half of 2020. Of those, the employment relationships of 34 workers were terminated by agreement at their own initiative. The employment contracts of 19 temporary employees expired, 11 employees retired and the employment contracts of three employees were terminated for business reasons.

The turnover rate of key and perspective personnel who left their jobs at their own initiative was 2.2%, the same as last year.

An average of 202 workers, recalculated as full-time equivalents (FTEs), performed work via employment agencies and student services during the first half of the year, a decrease of 36 employees relative to the comparable period last year. A total of 13.4% of all employees worked via flexible forms of employment (recalculated as FTEs).

Table 12: Number of employees in the Intereuropa Group by country as at 30 June 2020

	30 Jun 2020	31 Dec 2019	Difference (20 - 19)	Index 2020/2019
Slovenia	613	621	-8	99
Croatia	288	295	-7	98
Bosnia and Herzegovina	137	144	-7	95
Serbia	80	83	-3	96
North Macedonia	39	38	1	103
Kosovo	49	33	16	148
Montenegro	114	113	1	101
Ukraine	28	29	-1	97
<b>TOTAL</b>	<b>1,348</b>	<b>1,356</b>	<b>-8</b>	<b>99</b>

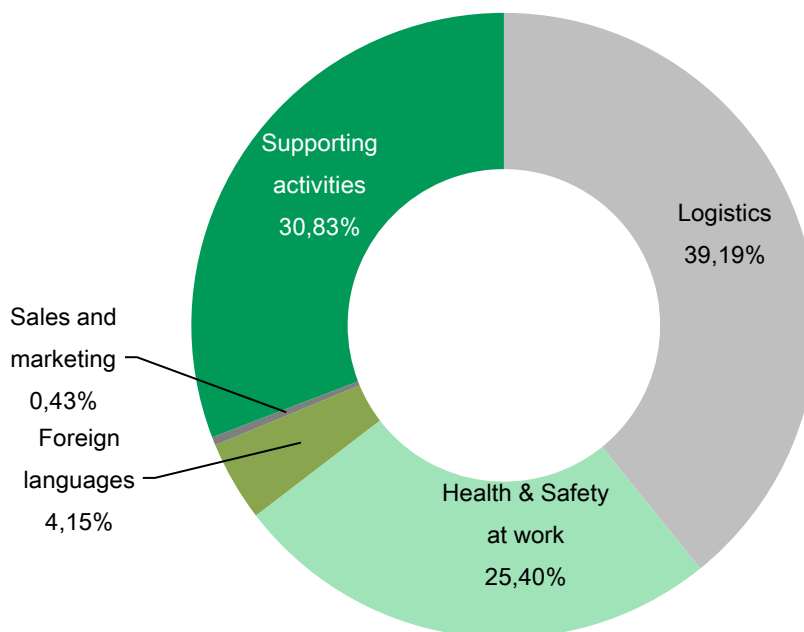
As is evident from the table, the number of employees was up at the subsidiaries in Kosovo, North Macedonia and Montenegro, and was down at other companies.

## DEVELOPMENT, EDUCATION AND TRAINING

Intereuropa Group employees completed 5,083 training hours, which is 1,127 more hours than in the same period last year. Training was carried out in the form of e-learning and web conferences while measures to prevent the spread of the coronavirus were in place.

Worthy of highlighting in terms of extensive training is e-training at the parent company in the area of information security. A total of 83% of employees who use a computer in their work participated in that training and tested their knowledge. A total of 22 warehouse workers from the subsidiary Intereuropa Zagreb completed a combined 1,760 hours of practical training at the business unit in Celje, where they learned about the work process for specific transactions with a specific customer.

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



At the Intereuropa Group level, employees received an average of 3.7 hours of training, while employees at the subsidiary Intereuropa, logističke usluge, d. o. o., Zagreb received the most training (an average of 11 hours). A total of 41% of training courses were carried out by internal experts in the area of occupational health and safety and the above-mentioned specific training, while a Skype presentation regarding information security was given to 144 employees at the subsidiary in Zagreb by an internal IT expert.

The Intereuropa Group earmarked EUR 28 thousand for the acquisition of new knowledge and skills during the first half of the year, which was EUR 5 thousand less than planned and EUR 4 thousand more than in the same period last year.

The parent company received EUR 24 thousand from the public tender for Competence Centre 3 (LOGINS). The aforementioned amount includes the full reimbursement of costs in connection with the work of the project office, and half of training costs that are not obligatory under the law and that are in excess of four instruction hours.

## OCCUPATIONAL HEALTH AND SAFETY

As previously mentioned, we dedicated a great deal of time in the area of occupational health and safety to preventive measures and internal rules to prevent the spread of the coronavirus within the Group.

The absenteeism rate due to sick leave was 4.3% at the Group level during the first half of the year, a decrease of 0.7 percentage points relative to the same period last year, and below the planned rate of 4.5%. At 5.9%, that rate was above the planned value at the parent company and was unchanged relative to the same period last year. The sick leave rate was also higher than planned at the subsidiary in Serbia, where it was 6.2%.

The sick leave rate was below 4.5% at other subsidiaries.

A total of eight employees suffered workplace injuries at the Group level, which is two more than in the same period in 2019 and translates to 0.51% of the total number of employees, which is below the target rate of 1.5%. A total of five employees suffered workplace injuries at the parent company, which is one less than in the same period in 2019, translating to 0.66% of the total number of employees.

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

- At the Group level, 146 employees were referred for preventive, preliminary, specific-purpose and periodic medical examinations, a decrease of 32.4% relative to the same period in 2019. A total of 82 employees were referred for preventive, preliminary, specific-purpose and periodic medical examinations at the parent company, a decrease of 34.92% relative to 2019.
- A total of 133 employees received training in the areas of occupational health and safety, and fire safety at the Group level, an increase of 5.5% relative to the same period in 2019, while that figure was 101 employees at the parent company and unchanged 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 equipment. Periodic inspections were carried out of facilities, and active and passive fire-fighting equipment, such as fire alarms, fire extinguishers and hydrants, and heat vents.

## 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 second quarter of the year, a total of 49 risks were identified and assessed at the Group level, one assessed as very high, three assessed as high, 11 assessed as medium and 34 assessed as low.

One new operational risk was identified during the second quarter: the risk of the loss of business as the result of failure to achieve criteria in the provision of road transport services.

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 Group level, one was assessed as very high, i.e. the risk of fraud by managers, where risk mitigation measures are already being implemented. Also assessed as very high was the risk of the loss of customs terminal status. The identified level of the aforementioned risk was down in the second quarter due to reduction of that risk at the subsidiary in Bosnia and Herzegovina.

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 six assessed as medium are the risk of a contraction in the scope of operations in the logistics solutions segment in Serbia due to the loss of customers and the risk of a drop in sales due to a potential warehouse fire, and the newly identified risk of the loss of business as the result of failure to achieve criteria in the provision of road transport services. Two operational risks identified at the end of the second quarter were assessed as high: the risk of the outbreak of an epidemic and its negative impact on operations, and risk in connection with fraud and other criminal acts.

The risk of the outbreak of an epidemic remains high, even following the end of the second quarter. The epidemic continues to have a significant effect on the scope of the Group's operations. Several measures were adopted by the Group to prevent the spread of infection and to mitigate the impact of the epidemic on the Group's operations and to improve its liquidity position.

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, i.e. liquidity risk, 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 second quarter. No regulatory compliance risks were assessed as high or very high. Two were assessed as medium: the risk of a breach of personal data protection and the risk of sanctions due to failure to comply with an environmental permit. Other risks were assessed as low.

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

Table 13: Operations of Intereuropa, d. d. in the period January–June 2020, in EUR thousand

Item/Indicator	Jan–Jun 2020	Plan Jan–Jun 2020	Jan–Jun 2019**	Index 2020/plan	Index 20/19
Sales revenue	51,413	49,894	57,143	103	90
Land transport	21,725	21,639	26,073	100	83
Logistics solutions	9,835	9,543	9,550	103	103
Intercontinental transport	17,417	16,256	19,243	107	91
Other services	2,436	2,456	2,278	99	107
EBITDA	4,279	3,639	4,956	118	86
Operating profit	2,065	1,409	2,779	147	74
Loss from financing activities	-376	-391	264	-	-
Profit from ordinary operations	1,689	1,018	3,044	166	56
Corporate income tax and deferred tax	145	76	112	190	130
Net profit	1,544	941	2,932	164	53
EBITDA margin (in %)	8.3	7.3	8.7	114	96
EBIT margin (in %)	4.0	2.8	4.9	142	83
Sales revenue per employee/month	14.840	14.439	16.496	103	90
Value added per employee/month	3.943	3.709	4.132	106	95
ROE (in %)*	3.5	1.3	6.9	266	51

Item/Indicator	30 Jun 2020	31 Dec 2019	Index 20/19
Assets	175,959	176,748	100
Equity	88,772	87,228	102
Net debt	53,892	57,293	94
Current assets/current liabilities	1.29	0.36	360

\* 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 51.4 million during the first half of the year, which was 3% more than planned, but down by 10% relative to the same period last year. The Company's sales margin was up relative to both the planned value and last year's figure.

- EBITDA amounted to EUR 4.3 million, which was 18% higher than planned, but down 14% relative to the same period last year. The main reason for the higher-than-planned EBITDA during the first half of 2020 was higher sales revenue, while contributing to a lesser degree were lower costs of services and materials, and higher income from subsidies to mitigate the consequences of the COVID-19 epidemic income than set out in the revised plan.
- The profit from ordinary operations in the amount of EUR 2.1 million was 47% higher than planned, but down by 26% relative to the same period last year.

#### **Loss from financing activities**

- The loss from financing activities in the period January–June 2020 was at the planned level and EUR 0.6 million worse than in the same period last year. In contrast to last year, there was no income from participating interests in Group companies recorded this year.

#### **Profit from ordinary operations and net profit**

- Intereuropa, d. d.'s profit from ordinary operations during the first half of 2020 was 66% higher than planned, but was down by 44% relative to last year's results. The Company's net profit amounted to EUR 1.5 million, which was 64% higher than planned, but 47% 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 first half of 2020, an increase of 1.4 percentage points relative to the end of the first quarter of 2020.
- The Company's net debt amounted to EUR 53.9 million as at 30 June 2020, which was virtually unchanged relative to the end of the first quarter of 2020 on account of an agreement reached with creditor banks on the deferral of the payment of loan liabilities. Debt was down, however, by EUR 3.4 million relative to the end of 2019.
- The current ratio amounted to 1.3 and was up by 0.2 relative to the previous period, as the result of a decrease in current financial liabilities and a decrease in operating liabilities due to lower customs liabilities.

## 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 14: Basic data regarding the shares of Intereuropa, d. d. as at 30 June 2020

	30 Jun 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	2,459	3,608
Book value per share in EUR	3.23	3.18
Earnings per ordinary share in EUR*	0.05	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 15: Key data regarding IEKG shares for the period January–June 2020

	Jan–Jun 2020	Jan–Dec 2019
Closing price at the end of period in EUR*	1.39	1.43
Weighted average price in EUR	1.41	2.29
Highest price in EUR	1.87	2.80
Lowest price in EUR	1.35	1.40
Market capitalisation in EUR thousand*	23,395	24,068
Turnover (in EUR thousand)	416	1,207
P/B	0.43	0.45
P/E	13.9	11.9
Capital yield	-2.8%	-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 416 thousand during the first half of 2020, a decrease of 40% relative to the same period in 2019. The share price fluctuated between EUR 1.35 and EUR 1.87 per share, while the share price closed at EUR 1.39 at the end of the reporting period. The Slovenian SBITOP index lost 8.2% of its value over the same period.

The market capitalisation of IEKG shares amounted to EUR 23.4 million at the end of June, accounting for 0.4% 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–June 2020

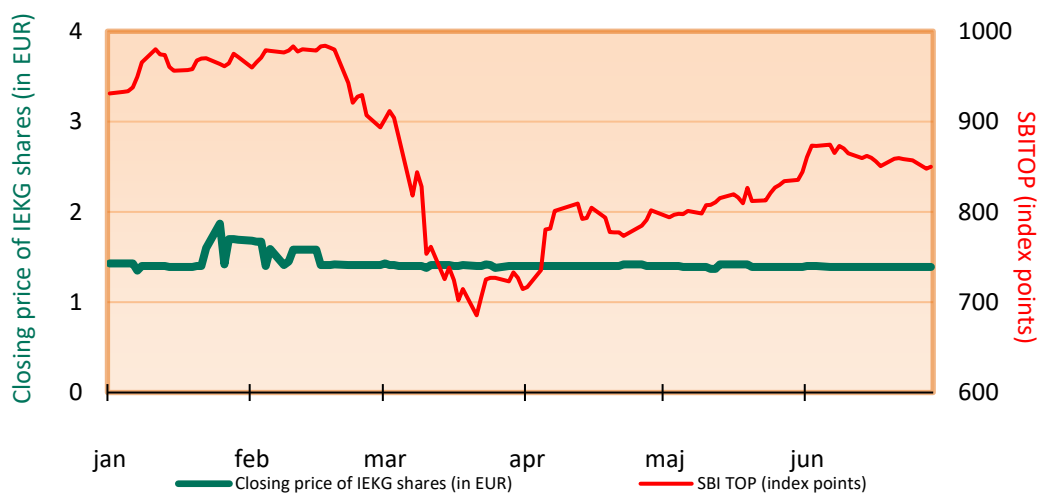
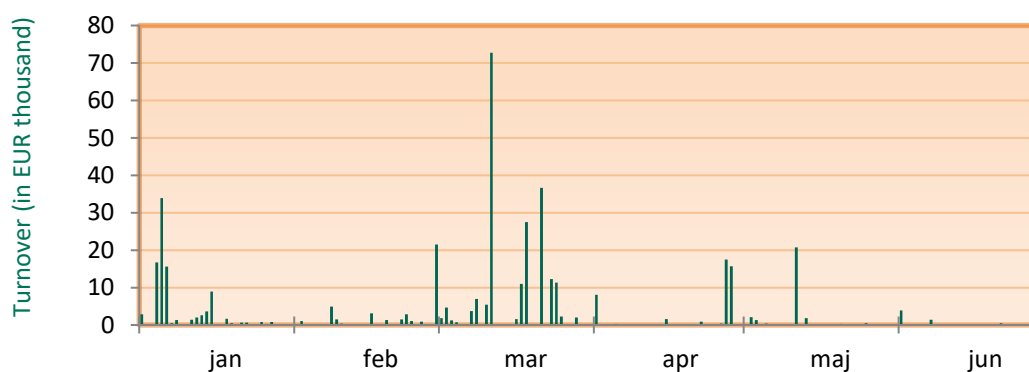


Figure 6: Turnover in IEKG shares in the period January–June 2020



### OWNERSHIP STRUCTURE

Following the purchase of a majority holding of shares of Intereuropa, d. d. in November 2019 by Pošta Slovenije, d. o. o., the latter completed the acquisition of an additional 8.8% of capital in January via a takeover bid. That company thus held 80.9% of Intereuropa's capital at the end of the first half of the year. On behalf of the principal shareholder, Pošta Slovenije, d. o. o. issued a request to convene the general meeting of shareholders, which was convened on 14 April 2020. The general meeting of shareholders was then cancelled due to the declaration of the epidemic, and in order to comply with the prohibition on the gathering of people in public places and movement between municipalities.

The ten largest shareholders held 94.6% of the company's shares at the end of the period.

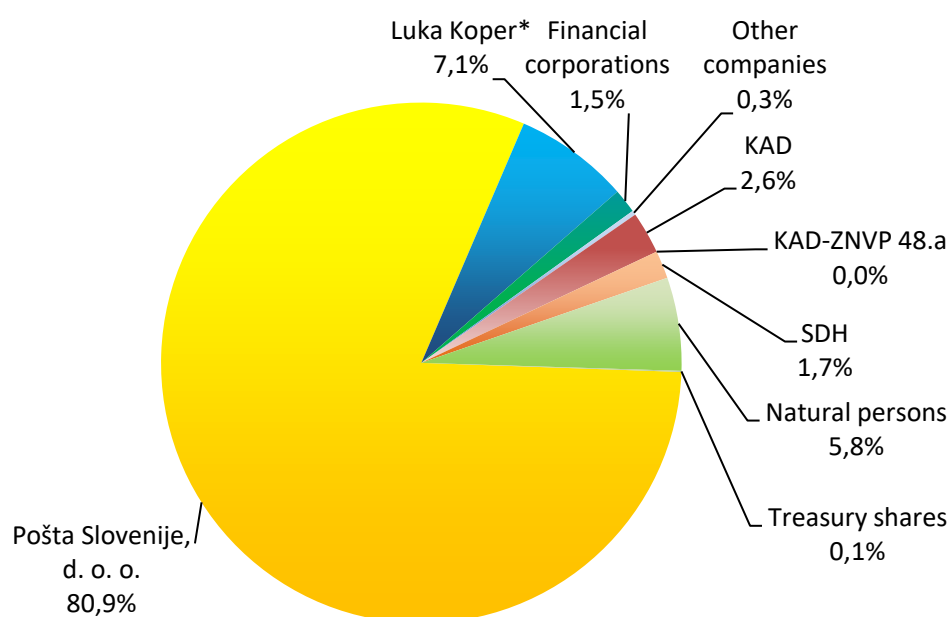
Table 16: Top ten shareholders of Intereuropa, d. d. as at 30 June 2020 relative to 31 December 2019

Shareholder	30 Jun 2020		31 Dec 2019		Index 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. Natural person 1	76,873	0.3	76,873	0.3	100
8. Natural person 2	73,196	0.3	73,196	0.3	100
9. Natural person 3	62,661	0.2	0	0	-
10. Natural person 4	61,332	0.2	46,704	0.2	131
Others	1,491,351	5.4	3,977,486	14.5	37
<b>TOTAL</b>	<b>27,488,803</b>	<b>100</b>	<b>27,488,803</b>	<b>100</b>	<b>100</b>

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 in accordance with Article 48a of the Book-Entry Securities Act.

Figure 7: Ownership structure of Intereuropa, d. d. as at 30 June 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 June 2020. The shareholdings of Supervisory Board members are presented in the table below.

Table 17: Number of shares held by Supervisory Board members as at 30 June 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 half of 2020. It held 18,135 treasury shares (IEKG) as at 30 June 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.

#### 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](mailto:vlagatelj@intereuropa.si).

**FINANCIAL REPORT  
OF THE INTEREUROPA GROUP AND  
THE PARENT COMPANY INTEREUROPA D.D.  
for the period January-June 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–June 2020 and for the comparative period January to June 2019 have not been audited, while the financial statements for the comparative period ending 31 December 2019 have been audited.

### Composition of the Intereuropa Group

The consolidated financial statements of the Intereuropa Group for the period January–June 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–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*
<b>Sales revenue</b>	<b>73,501,410</b>	<b>80,571,587</b>	<b>51,412,966</b>	<b>57,143,046</b>
Losses from the derecognition of operating receivables and assets from contracts with customers	-25,268	-11,176	-1,000	-11,645
Other operating income	1,688,609	593,995	955,551	263,407
Costs of goods, materials and services	-53,025,562	-58,707,578	-37,976,977	-42,962,007
Labour costs	-14,325,758	-14,161,211	-9,382,287	-9,356,036
Amortisation and depreciation	-3,747,712	-3,492,731	-2,210,950	-2,177,129
Impairment losses on receivables (including the reversal of impairment losses)	-305,395	248,553	-126,347	403,141
Other operating expenses	-1,126,056	-1,336,495	-605,678	-523,540
<b>Operating profit</b>	<b>2,634,268</b>	<b>3,704,945</b>	<b>2,065,277</b>	<b>2,779,237</b>
Interest income	59,045	363,958	85,066	368,919
Other finance income	1,179	106,230	1,179	833,417
Finance costs – costs of financing	-472,856	-943,037	-427,585	-902,755
Impairment losses on loans granted and deposits	-3,029	-500	-3,693	0
Other finance costs	-219,331	0	-30,910	-35,087
<b>Loss from financing activities</b>	<b>-634,992</b>	<b>-473,349</b>	<b>-375,943</b>	<b>264,494</b>
Investment result recognised according to the equity method	876	3,403	0	0
<b>Profit from ordinary operations</b>	<b>2,000,152</b>	<b>3,234,999</b>	<b>1,689,334</b>	<b>3,043,731</b>
Corporate income tax (including deferred taxes)	-360,439	-262,171	-145,339	-112,034
<b>Net profit for the accounting period</b>	<b>1,639,713</b>	<b>2,972,828</b>	<b>1,543,995</b>	<b>2,931,697</b>
Net profit pertaining to controlling interests	1,672,503	2,858,142	0	0
Net profit or loss pertaining to non-controlling interests	-32,790	114,686	0	0
Basic and diluted earnings per ordinary share (in EUR)	0.09	0.17	0.05	0.10

\* 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–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
<b>Net profit for the accounting period</b>	<b>1,639,713</b>	<b>2,972,828</b>	<b>1,543,995</b>	<b>2,931,697</b>
<b>Other comprehensive income or loss</b>	<b>-786,495</b>	<b>104,495</b>	<b>-7</b>	<b>11,463</b>
<b>Items that will be reclassified to profit or loss</b>	<b>-789,428</b>	<b>94,031</b>	<b>0</b>	<b>0</b>
Change in the fair value of available-for-sale financial assets	-2,009	0	0	0
Foreign currency translation differences	-787,419	94,031	0	0
<b>Items that will not be reclassified to profit or loss</b>	<b>2,933</b>	<b>10,464</b>	<b>-7</b>	<b>11,463</b>
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	0	693,214
Actuarial losses for termination benefits upon retirement	1,070	0	0	0
Corporate income tax on retained earnings	-85,119	-67,803	0	-54,392
<b>Total comprehensive income</b>	<b>853,218</b>	<b>3,077,323</b>	<b>1,543,988</b>	<b>2,943,160</b>
Total comprehensive income pertaining to controlling interests	898,853	2,953,443	0	0
Total comprehensive income pertaining to non-controlling interests	-45,636	123,879	0	0

### 1.3 Statement of financial position

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
<b>ASSETS</b>				
Property, plant and equipment	141,648,764	145,261,598	76,190,801	77,641,425
Investment property	23,913,256	23,961,885	16,869,192	17,187,730
Intangible assets	3,181,543	3,363,229	2,990,363	3,153,801
Other non-current assets	25,092	23,105	25,092	23,105
Non-current operating receivables	267,858	303,320	261,672	291,236
Deferred tax assets	7,576,554	7,595,723	5,571,055	5,523,068
Long-term loans granted and deposits	43,807	52,544	0	0
Investment in associate	64,340	63,464	39,059	39,059
Other non-current financial assets	29,725	122,046	44,850,440	44,850,440
<b>TOTAL NON-CURRENT ASSETS</b>	<b>176,750,939</b>	<b>180,746,914</b>	<b>146,797,674</b>	<b>148,709,864</b>
Available-for-sale assets	576,177	2,700,944	0	0
Inventories	89,842	93,390	7,458	7,458
Short-term loans granted and deposits	370,507	1,010,109	2,566,016	2,325,951
Assets from contracts with customers	869,379	533,431	629,228	349,130
Current operating receivables	30,359,968	31,398,184	21,394,430	22,409,866
Current receivables for corporate income tax	164,506	189,744	8,540	0
Other current assets	1,281,671	395,199	954,697	189,326
Cash and cash equivalents	11,837,842	6,283,037	3,600,566	2,756,729
<b>TOTAL CURRENT ASSETS</b>	<b>45,549,892</b>	<b>42,604,038</b>	<b>29,160,935</b>	<b>28,038,460</b>
<b>TOTAL ASSETS</b>	<b>222,300,831</b>	<b>223,350,952</b>	<b>175,958,609</b>	<b>176,748,324</b>
<b>EQUITY</b>				
<b>Equity pertaining to controlling interests</b>	<b>115,621,924</b>	<b>114,723,072</b>	<b>88,771,616</b>	<b>87,227,628</b>
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	44,626,460	45,023,339	30,627,201	30,627,173
Foreign currency translation differences	-7,442,970	-6,668,465	0	0
Retained earnings	25,662,069	21,366,581	7,908,070	4,520,157
Net profit	1,672,503	3,897,755	1,543,995	3,387,948
<b>Equity pertaining to non-controlling interests</b>	<b>7,589,183</b>	<b>7,634,819</b>	<b>0</b>	<b>0</b>
<b>TOTAL EQUITY</b>	<b>123,211,107</b>	<b>122,357,891</b>	<b>88,771,616</b>	<b>87,227,628</b>
<b>LIABILITIES</b>				
Provisions	2,578,591	2,696,699	1,891,147	1,971,620
Non-current deferred income	53,061	65,433	53,061	65,433
Non-current financial liabilities	55,764,282	2,719,484	54,572,548	870,375
Non-current operating liabilities	734,897	1,026,501	709,224	1,009,644
Deferred tax liabilities	10,705,860	10,820,454	7,336,927	7,336,921
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>69,836,691</b>	<b>17,328,571</b>	<b>64,562,907</b>	<b>11,253,993</b>
Current financial liabilities	3,292,857	58,978,257	5,486,092	61,505,027
Liabilities from contracts with customers	563,848	547,740	8,131	15,941
Current operating liabilities	24,767,366	23,792,951	16,834,925	16,606,986
Current corporate income tax liabilities	563,361	309,640	265,618	126,735
Current deferred income	65,601	35,902	29,320	12,014
<b>TOTAL CURRENT LIABILITIES</b>	<b>29,253,033</b>	<b>83,664,490</b>	<b>22,624,086</b>	<b>78,266,703</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>222,300,831</b>	<b>223,350,952</b>	<b>175,958,609</b>	<b>176,748,324</b>

## 1.4 Statement of cash flows

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*
<b>Cash flows from operating activities</b>				
<b>Net profit for the accounting period</b>	<b>1,639,713</b>	<b>2,972,828</b>	<b>1,543,995</b>	<b>2,931,697</b>
<b>Restatements for:</b>				
amortisation and depreciation	3,747,712	3,492,731	2,210,950	2,177,129
impairments and write-offs of property, plant and equipment, and investment property	2,816	78,000	2,816	0
gains on the sale of property, plant and equipment, and assets held for sale	-287,959	-400,966	-1,746	-176,260
income from the reversal of impairment losses on property, plant and equipment, and investment property	-76	0	-76	0
losses from the sale of property, plant and equipment	5,574	0	0	0
gains and losses from the derecognition of operating receivables and assets from contracts with customers	25,268	11,176	1,000	11,645
impairment losses on receivables (including the reversal of impairment losses)	305,395	-248,553	126,347	-403,141
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	-59,045	-363,958	-85,067	-368,919
other finance income	-1,179	-106,230	-1,179	-833,417
finance costs – costs of financing	472,856	943,037	427,585	902,755
other finance costs	219,331	0	34,603	35,087
impairment losses on loans granted and deposits	3,029	500	0	0
investment result recognised according to the equity method	-876	-3,403	0	0
corporate income tax (including deferred taxes)	360,439	262,172	145,338	112,034
<b>Operating profit before changes in net working capital and taxes</b>	<b>6,432,998</b>	<b>6,687,416</b>	<b>4,404,566</b>	<b>4,388,610</b>
<b>Changes in net working capital and provisions</b>				
Changes in assets from contracts with customers	-336,379	-44,231	-155,305	51,102
Changes in receivables	770,094	-1,858,002	815,970	201,365
Changes in inventories	3,548	2,050	0	0
Changes in other current assets	-888,459	-950,552	-767,356	-922,344
Changes in liabilities from contracts with customers	-16,108	-17,160	-7,811	0
Changes in operating liabilities	922,811	3,709,200	11,190	3,293,221
Changes in provisions	-87,339	-3,420	-63,166	22,312
Changes in non-current deferred income	-12,372	-21,050	-12,372	-11,536
Corporate income tax paid	-176,946	-486,210	-62,982	-203,226
<b>Net cash flow from operating activities</b>	<b>6,611,848</b>	<b>7,018,041</b>	<b>4,162,734</b>	<b>6,819,504</b>
<b>Cash flows from investing activities</b>				
Interest received	57,635	372,302	61,337	368,512
Dividends received and shares in profit	0	0	0	140,110
Inflows from the sale of property, plant and equipment	2,325,848	3,355,152	2,367	2,907,131
Inflows from long-term loans granted	0	0	49,940	47,235
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	-450,000
Net cash flow from short-term deposits placed	600,000	-434,000	0	0
Transfer of short-term deposits placed to cash and cash equivalents	30,000	0	0	0
Inflows from the sale of other financial assets	90,028	-1,820,521	0	0
Outflows for the acquisition of property, plant and equipment	-771,964	-123,221	-343,198	-1,291,225
Outflows for the acquisition of intangible assets	-124,708	0	-124,709	-115,300
Outflows for long-term deposits placed	0	-78,205	0	0
Outflows for increase in capital of subsidiaries	0	0	-30,000	-30,000
Exclusion of a subsidiary from the consolidated financial statements	0	0	0	0
<b>Net cash flow from investing activities</b>	<b>2,216,839</b>	<b>1,301,507</b>	<b>-674,263</b>	<b>1,606,463</b>
<b>Cash flows from financing activities</b>				
Inflows from long-term loans received	54,850,000	0	54,850,000	0
Interest paid	-557,710	-950,200	-420,427	-920,120
Outflows for the repayment of long-term loans (and finance leases during the comparative period)	-56,848,460	-5,151,350	-56,848,460	-5,120,310
Net cash flow from short-term loans	-11,412	-5,565,211	0	-5,672,102
Payment of lease liabilities	-688,076	-361,489	-225,747	-183,057
Dividends paid	-13,450	-94,356	0	0
<b>Net cash flow from financing activities</b>	<b>-3,269,108</b>	<b>-12,122,606</b>	<b>-2,644,634</b>	<b>-11,895,589</b>
<b>Opening balance of cash and cash equivalents</b>	<b>6,283,037</b>	<b>9,578,271</b>	<b>2,756,729</b>	<b>5,429,972</b>
Exchange rate differences relating to cash	-4,774	-4,000	0	0
<b>Net cash flow for the period from ordinary operations</b>	<b>5,559,579</b>	<b>-3,803,058</b>	<b>843,837</b>	<b>-3,469,622</b>

\* 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–June 2020

			PROFIT RESERVES					FAIR VALUE RESERVES				RETAINED EARNINGS			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		Equity pertaining to non-controlling interests
in EUR																
Intereuropa Group																
<b>Balance as at 1 January 2020</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>4,655,544</b>	<b>180,394</b>	<b>-180,394</b>	<b>15,000</b>	<b>489,848</b>	<b>45,825,180</b>	<b>-46,387</b>	<b>-755,454</b>	<b>-6,668,465</b>	<b>21,366,579</b>	<b>3,897,755</b>	<b>114,723,070</b>	<b>7,634,819</b>	<b>122,357,889</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-395,940</b>	<b>-2,009</b>	<b>1,070</b>	<b>-774,505</b>	<b>397,735</b>	<b>1,672,503</b>	<b>898,854</b>	<b>-45,636</b>	<b>853,218</b>
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	1,672,503	1,672,503	-32,790	1,639,713
Other comprehensive income	0	0	0	0	0	0	0	-395,940	-2,009	1,070	-774,505	397,735	0	-773,649	-12,846	-786,495
<b>Transactions with owners</b>																
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
<b>Closing balance as at 30 June 2020</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>4,655,544</b>	<b>180,394</b>	<b>-180,394</b>	<b>15,000</b>	<b>489,848</b>	<b>45,429,240</b>	<b>-48,396</b>	<b>-754,384</b>	<b>-7,442,970</b>	<b>25,662,069</b>	<b>1,672,503</b>	<b>115,621,924</b>	<b>7,589,183</b>	<b>123,211,107</b>
Intereuropa, d. d.																
<b>Balance as at 1 January 2020</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>2,748,880</b>	<b>180,394</b>	<b>-180,394</b>	<b>0</b>	<b>0</b>	<b>31,278,451</b>	<b>0</b>	<b>-651,279</b>	<b>0</b>	<b>4,520,157</b>	<b>3,387,948</b>	<b>0</b>	<b>0</b>	<b>87,227,627</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-35</b>	<b>1,543,995</b>	<b>0</b>	<b>0</b>	<b>1,543,989</b>
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	1,543,995	0	0	1,543,995
Other comprehensive income	0	0	0	0	0	0	0	29	0	0	0	-35	0	0	0	-6
<b>Transactions with owners</b>																
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
<b>Closing balance as at 30 June 2020</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>2,748,880</b>	<b>180,394</b>	<b>-180,394</b>	<b>0</b>	<b>0</b>	<b>31,278,480</b>	<b>0</b>	<b>-651,279</b>	<b>0</b>	<b>7,908,070</b>	<b>1,543,995</b>	<b>0</b>	<b>0</b>	<b>88,771,616</b>

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

	Share capital		PROFIT RESERVES					FAIR VALUE RESERVES				RETAINED EARNINGS		Equity pertaining to controlling interests	Equity pertaining to non-controlling interests	Total equity
			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			
in EUR																
Intereuropa Group																
<b>Balance as at 1 January 2019</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>4,658,544</b>	<b>180,394</b>	<b>-180,394</b>	<b>15,000</b>	<b>915,551</b>	<b>47,231,758</b>	<b>-46,746</b>	<b>-106,114</b>	<b>-6,487,064</b>	<b>15,924,119</b>	<b>4,522,123</b>	<b>112,570,641</b>	<b>7,658,809</b>	<b>120,229,450</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-668,476</b>	<b>0</b>	<b>0</b>	<b>85,467</b>	<b>678,415</b>	<b>2,858,142</b>	<b>2,953,547</b>	<b>123,775</b>	<b>3,077,322</b>
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	2,858,142	2,858,142	114,686	2,972,828
Other comprehensive income	0	0	0	0	0	0	0	-668,476	0	0	85,467	678,415	0	95,405	9,089	104,494
<b>Transactions with owners</b>																
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	-356,000	-356,000
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
<b>Closing balance as at 30 June 2019</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>4,655,544</b>	<b>180,394</b>	<b>-180,394</b>	<b>15,000</b>	<b>854,551</b>	<b>46,563,282</b>	<b>-46,746</b>	<b>-106,114</b>	<b>-6,401,597</b>	<b>21,188,657</b>	<b>2,858,142</b>	<b>115,524,188</b>	<b>7,426,584</b>	<b>122,950,772</b>
Intereuropa, d. d.																
<b>Balance as at 1 January 2019</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>2,748,880</b>	<b>180,394</b>	<b>-180,394</b>	<b>0</b>	<b>0</b>	<b>32,279,432</b>	<b>0</b>	<b>-94,188</b>	<b>0</b>	<b>94,188</b>	<b>4,034,132</b>	<b>0</b>	<b>0</b>	<b>85,005,914</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-561,504</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>572,967</b>	<b>2,931,699</b>	<b>2,943,162</b>	<b>0</b>	<b>2,943,162</b>
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	2,931,699	2,931,699	0	2,931,699
Other comprehensive income	0	0	0	0	0	0	0	-561,504	0	0	0	572,967	0	11,463	0	11,463
<b>Transactions with owners</b>																
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
<b>Closing balance as at 30 June 2019</b>	<b>27,488,803</b>	<b>18,454,667</b>	<b>2,748,878</b>	<b>180,394</b>	<b>-180,394</b>	<b>0</b>	<b>0</b>	<b>31,717,928</b>	<b>0</b>	<b>-94,188</b>	<b>0</b>	<b>4,701,287</b>	<b>2,931,699</b>	<b>2,943,162</b>	<b>0</b>	<b>87,949,074</b>

## 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–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
<b>Revenues by business line</b>										
Land transport	21,724,812	26,072,602	8,081,507	8,569,111	2,525,127	2,585,927	1,310,157	1,211,702	1,327,393	1,913,289
Logistics solutions	9,834,640	9,550,270	2,006,571	2,282,562	330,684	322,605	301,631	479,125	478,167	482,453
Intercontinental transport	17,604,880	19,466,105	1,402,578	1,072,330	237,290	237,686	1,113,627	766,272	184,570	154,467
Other services	2,522,010	2,373,668	381,130	376,335	579,486	648,742	25,835	88	378,351	584,692
<b>Total</b>	<b>51,686,342</b>	<b>57,462,646</b>	<b>11,871,786</b>	<b>12,300,339</b>	<b>3,672,588</b>	<b>3,794,960</b>	<b>2,751,250</b>	<b>2,457,187</b>	<b>2,368,481</b>	<b>3,134,902</b>
<b>Revenues generated by country (with respect to a customer's head office)</b>										
Slovenia	29,840,776	31,122,390	561,875	523,260	116,776	158,548	229,327	210,596	29,850	92,914
Croatia	965,387	854,532	9,118,152	9,952,896	35,236	24,553	25,542	41,582	73,738	22,159
Bosnia and Herzegovina	564,563	529,119	299,076	159,569	2,812,401	2,937,447	26,284	33,765	41,616	67,944
Montenegro	156,342	184,072	8,379	5,078	491	1,055	26,610	27,656	1,950,110	2,444,947
Other countries	20,159,276	24,772,533	1,884,304	1,659,536	707,684	673,356	2,443,487	2,143,588	273,166	506,938
<b>Total</b>	<b>51,686,342</b>	<b>57,462,646</b>	<b>11,871,786</b>	<b>12,300,339</b>	<b>3,672,588</b>	<b>3,794,960</b>	<b>2,751,250</b>	<b>2,457,187</b>	<b>2,368,481</b>	<b>3,134,902</b>
in EUR	Ukraine		Other countries		Exclusions		Total			
	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019		
<b>Revenues by business line</b>										
Land transport	1,915,234	1,611,626	2,252,305	2,419,576	2,258,790	2,346,789	36,877,744	42,037,043		
Logistics solutions	0	0	201,896	159,778	10,970	18,548	13,142,620	13,258,245		
Intercontinental transport	0	0	216,850	340,499	417,609	242,640	20,342,185	21,794,719		
Other services	353	330	157,660	166,033	905,966	668,309	3,138,861	3,481,580		
<b>Total</b>	<b>1,915,587</b>	<b>1,611,956</b>	<b>2,828,711</b>	<b>3,085,885</b>	<b>3,593,335</b>	<b>3,276,286</b>	<b>73,501,410</b>	<b>80,571,587</b>		
<b>Revenues generated by country (with respect to a customer's head office)</b>										
Slovenia	107,599	137,183	346,131	453,669	981,393	950,637	30,250,941	31,747,924		
Croatia	0	0	3,008	27,173	786,730	657,459	9,434,333	10,265,436		
Bosnia and Herzegovina	0	0	3,900	0	663,164	574,705	3,084,674	3,153,139		
Montenegro	0	0	0	0	176,330	207,081	1,965,602	2,455,726		
Other countries	1,807,988	1,474,773	2,475,672	2,605,043	985,718	886,404	28,765,859	32,949,362		
<b>Total</b>	<b>1,915,587</b>	<b>1,611,956</b>	<b>2,828,711</b>	<b>3,085,885</b>	<b>3,593,335</b>	<b>3,276,286</b>	<b>73,501,410</b>	<b>80,571,587</b>		

Intereuropa, d. d.		
in EUR	Jan–Jun 2020	Jan–Jun 2019
<b>Revenues by business line</b>		
Land transport	21,724,810	26,072,602
Logistics solutions	9,834,640	9,550,270
Intercontinental transport	17,417,079	19,242,560
Other services	2,436,437	2,277,614
<b>Total</b>	<b>51,412,966</b>	<b>57,143,046</b>
<b>Revenues generated by country (with respect to a customer's head office)</b>		
Slovenia	29,739,136	31,005,289
Croatia	964,631	853,827
Bosnia and Herzegovina	564,563	529,119
Montenegro	156,342	184,072
Other countries	19,988,294	24,570,739
<b>Total</b>	<b>51,412,966</b>	<b>57,143,046</b>

The Group and Company disclose rental income in sales revenue. The Group generated rental income of EUR 2,922,142 in the period January–June 2020 (EUR 2,791,000 in the same period last year), while the Company generated rental income of EUR 2,099,904 (EUR 1,988,456 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–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 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	287,959	400,966	1,746	176,260
Revenues from the reversal of provisions	184,401	32,346	99,401	0
Government grants received	1,140,939	29,445	836,520	27,356
Other operating income	75,310	131,238	17,808	59,791
<b>Total</b>	<b>1,688,609</b>	<b>593,995</b>	<b>955,551</b>	<b>263,407</b>

Under the item 'state aid', the Group received EUR 1,079,102 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–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
Costs of materials and costs of goods sold	1,908,773	2,281,092	908,384	1,028,566
Costs of services within the Group	0	0	987,734	1,033,397
Costs of services				
direct costs	45,310,902	50,029,737	32,295,995	36,792,769
costs of hired labour and student work	1,670,402	1,929,965	1,443,281	1,620,845
maintenance of property, plant and equipment	756,264	812,603	414,368	490,543
maintenance of intangible assets	417,131	417,630	370,209	366,380
costs of short-term leases of property, plant and equipment	101,434	308,107	24,092	14,795
costs of leases of intangible assets	207,633	200,000	207,360	199,873
insurance premiums	462,411	456,108	296,998	298,345
costs of asset security	447,126	393,000	280,472	258,141
costs of intellectual services	287,219	254,887	128,018	109,290
costs associated with the Supervisory Board and its committees	81,619	89,000	81,416	89,088
other costs of services	1,374,648	1,535,449	538,650	659,975
<b>Total</b>	<b>53,025,562</b>	<b>58,707,578</b>	<b>37,976,977</b>	<b>42,962,007</b>

Published data regarding the costs of short-term leases of property, plant and equipment in the period January–June 2019 were restated due to a change in the associated assessment, and amounted to EUR 514,817 at the Group level and EUR 101,000 at the Company.

## Labour costs

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
Costs of wages and salaries	10,376,162	9,959,414	6,672,594	6,300,288
Social security costs	2,101,256	2,173,803	1,296,896	1,337,574
Other labour costs:				
annual leave allowance	390,473	414,619	314,569	356,750
transportation and meal allowances	994,849	993,231	715,108	776,319
other labour costs	131,375	91,550	56,544	56,511
expenses for employee participation in profits	331,643	528,594	326,576	528,594
<b>Total</b>	<b>14,325,758</b>	<b>14,161,211</b>	<b>9,382,287</b>	<b>9,356,036</b>

## Amortisation and depreciation

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
Amortisation of intangible assets	2,772,454	2,688,220	1,751,411	1,705,726
Depreciation of property, plant and equipment, and investment property	247,442	271,246	230,946	252,486
Depreciation of right-of-use assets under leases	727,816	533,265	228,593	218,917
<b>Total</b>	<b>3,747,712</b>	<b>3,492,731</b>	<b>2,210,950</b>	<b>2,177,129</b>

Published data regarding the depreciation of right-of-use assets under lease in the period January–June 2019 were restated due to a change in the associated assessment, and amounted to EUR 257,636 at the Group level and EUR 120,338 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–June 2020 amounted to EUR 305,395 at the Group level and EUR 126,347 at the Company (income from the reversal of losses amounted to EUR 248,553 at the Group level and EUR 403,141 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–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
Building land use fees and similar expenses	666,637	720,192	434,296	465,846
Expenses for other levies	44,754	31,788	2,424	2,793
Impairments and write-offs of property, plant and equipment, and investment property	8,390	77,813	2,816	35
Expenses from impairments and write-offs of inventories	0	1,082	0	0
Costs from the recognition of provisions	128,258	72,142	104,429	716
Other operating expenses	278,017	433,478	61,713	54,150
<b>Total</b>	<b>1,126,056</b>	<b>1,336,495</b>	<b>605,678</b>	<b>523,540</b>

## Finance income and costs

in EUR	Intereuropa Group		Intereuropa, d. d.	
	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019
Interest income from Group companies	0	0	35,517	24,679
Interest income from others	59,045	363,958	49,549	344,240
Income from dividends and other shares in profit from Group companies	0	0	0	825,755
Income from participating interest in associate	0	0	0	7,662
Other finance income	1,179	0	1,179	0
Net exchange rate differences	0	106,230	0	0
<b>Total finance income</b>	<b>60,224</b>	<b>470,188</b>	<b>86,245</b>	<b>1,202,336</b>
Interest expense	-472,856	-943,037	-427,585	-902,755
Impairment losses on loans granted and deposits	-3,029	-500	-3,693	0
Finance costs from impairments and write-offs of financial assets	-4,243	0	-30,000	-30,000
Net exchange rate differences	-215,088	0	-910	-5,087
<b>Total finance costs</b>	<b>-695,216</b>	<b>-943,537</b>	<b>-462,188</b>	<b>-937,842</b>
<b>Loss from financing activities</b>	<b>-634,992</b>	<b>-473,349</b>	<b>-375,943</b>	<b>264,494</b>

## Operating result

### Intereuropa Group

The Group generated a profit from ordinary operations of EUR 2,000,152 in the period January–June 2020 (EUR 3,234,999 in the same period last year).

Corporate income tax for the reporting period amounted to EUR 360,439, comprising current tax expenses of EUR 370,683 and income arising from deferred tax of EUR 10,244.

The Group generated a net profit of EUR 1,639,713 during the reporting period. Of that amount, EUR 1,672,503 pertains to the controlling owner, while the negative amount of EUR 32,790 pertains to non-controlling owners (the Group generated a net profit of EUR 2,972,827 during the same period last year, with EUR 2,858,038 of that amount pertaining to the controlling owner and EUR 114,790 pertaining to non-controlling owners).

### Intereuropa, d. d.

Intereuropa generated a profit from ordinary operations of EUR 1,689,334 in the period January–June 2020 (EUR 3,043,731 in the same period last year). It generated an operating profit of EUR 2,065,277 (EUR 2,779,237 during the comparable period last year) and a loss from financing activities of EUR 375,943 (compared with a loss of EUR 264,494 during the same period last year).

Corporate income tax for the reporting period amounted to EUR 145,339, comprising current tax of EUR 193,326 and income arising from deferred tax of EUR 47,987.

A net profit in the amount of EUR 1,543,995 (EUR 2,931,697 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 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Land and buildings				
Land	70,520,829	70,842,976	41,444,763	41,444,722
Buildings	60,915,881	63,095,614	29,309,380	30,158,600
Plant and equipment	6,161,239	6,739,067	4,021,214	4,445,098
Right-of-use assets under leases	3,388,860	4,010,069	1,133,525	1,362,118
Investments in foreign fixed assets	36,265	30,069	5,734	6,089
Property, plant and equipment in acquisition	625,690	543,803	276,185	224,798
<b>Total</b>	<b>141,648,764</b>	<b>145,261,598</b>	<b>76,190,801</b>	<b>77,641,425</b>

The carrying amount of property, plant and equipment (land and buildings) pledged as collateral was EUR 41,345,714 at the Group level as at 30 June 2020 (comprising collateral for loans received and contingent liabilities), and EUR 20,753,599 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 23,913,256 at the Group level as at 30 June 2020 (EUR 23,961,885 during the same period last year) and EUR 16,869,192 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 June 2020 was EUR 3,692,417 at the Group level and EUR 1,383,740 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 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Long-term property rights	367,869	463,970	220,107	299,356
Goodwill	41,775	41,721	0	0
Other intangible assets	2,163,842	2,316,988	2,162,198	2,313,895
Intangible assets under construction	608,057	540,550	608,058	540,550
<b>Total</b>	<b>3,181,543</b>	<b>3,363,229</b>	<b>2,990,363</b>	<b>3,153,801</b>

##### Loans granted and deposits

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
<b>Long-term loans and deposits</b>	<b>43,807</b>	<b>52,544</b>	<b>0</b>	<b>0</b>
Loans to others	1,058	1,559	0	0
Deposits	42,749	50,985	0	0
<b>Short-term loans and deposits</b>	<b>370,507</b>	<b>1,010,109</b>	<b>2,566,016</b>	<b>2,325,951</b>
Loans to subsidiaries	0	0	2,566,016	2,315,956
Loans to others	877	1,111	0	0
Deposits	369,630	1,008,998	0	9,995
<b>Total</b>	<b>414,314</b>	<b>1,062,653</b>	<b>2,566,016</b>	<b>2,325,951</b>

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

### Non-current financial assets

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 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	64,340	63,464	39,059	39,059
Other non-current financial assets	29,725	122,046	27,159	27,159
<b>Total</b>	<b>94,065</b>	<b>185,510</b>	<b>44,889,499</b>	<b>44,889,499</b>

### Available-for-sale assets

The Group's available-for-sale assets totalled EUR 576,177 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 2,124,767 is the result of the sale of those assets.

### Current operating receivables

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Current trade receivables from Group companies	0	0	843,728	706,806
Current operating receivables from Group companies for interest	0	0	228,589	201,709
Current trade receivables	28,128,923	29,548,893	18,996,561	20,394,556
Other current operating receivables	2,231,045	1,849,291	1,325,552	1,106,795
<b>Total</b>	<b>30,359,968</b>	<b>31,398,184</b>	<b>21,394,430</b>	<b>22,409,866</b>

### Other current assets

Other current assets amounted to EUR 1,281,671 at the Group level at the end of June 2020 (EUR 395,199 at the end of 2019) and to EUR 954,697 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 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Provisions for termination benefits upon retirement and employee anniversary bonuses	2,261,227	2,259,900	1,784,078	1,788,980
Provisions for lawsuits	212,935	436,799	2,640	182,640
Other provisions	104,429	0	104,429	0
<b>Total</b>	<b>2,578,591</b>	<b>2,696,699</b>	<b>1,891,147</b>	<b>1,971,620</b>

### Financial liabilities

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Loans received from others	53,879,412	0	53,879,412	0
Lease liabilities	1,884,870	2,719,484	693,136	870,375
<b>Total non-current financial liabilities</b>	<b>55,764,282</b>	<b>2,719,484</b>	<b>54,572,548</b>	<b>870,375</b>
Loans from Group companies	0	0	4,100,000	4,100,000
Loans received from others	1,141,058	57,141,194	857,506	56,845,360
Lease liabilities	1,725,239	1,399,549	528,586	559,667
Liabilities for dividends and other shares in profit	426,560	437,514	0	0
<b>Total current financial liabilities</b>	<b>3,292,857</b>	<b>58,978,257</b>	<b>5,486,092</b>	<b>61,505,027</b>

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 a 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), in order to mitigate the consequences of the COVID-19 epidemic and to mitigate liquidity risks in preparation for an 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 company Intereuropa d.d. had an approved and undrawn revolving loan in the amount of EUR 4,000,000 as at 30 June 2020.

## Operating liabilities

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Non-current trade payables	127,677	139,339	127,677	139,339
Other non-current operating liabilities	607,220	887,162	581,547	870,305
<b>Total non-current operating liabilities</b>	<b>734,897</b>	<b>1,026,501</b>	<b>709,224</b>	<b>1,009,644</b>
Current operating liabilities to Group companies	0	0	393,938	373,722
Current trade payables (excluding the Group)	17,979,802	19,259,199	11,770,347	12,973,942
Other current operating liabilities	6,787,564	4,533,752	4,670,640	3,259,322
<b>Total current operating liabilities</b>	<b>24,767,366</b>	<b>23,792,951</b>	<b>16,834,925</b>	<b>16,606,986</b>

## 1.7.5 Other notes

### Contingent liabilities

in EUR	Intereuropa Group		Intereuropa, d. d.	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Contingent liabilities from bank guarantees and guarantees given to Group companies	0	0	10,205	155,857
Contingent liabilities from bank guarantees and guarantees given to others	17,280,341	17,299,390	9,565,000	9,555,000
Contingent liabilities from lawsuits	581,945	303,043	7,000	7,000
Other contingent liabilities	170,810	170,706	65,706	65,706
<b>Total</b>	<b>18,033,096</b>	<b>17,773,139</b>	<b>9,647,911</b>	<b>9,783,563</b>

## Fair value

### Fair value of financial instruments

in EUR	Intereuropa Group			
	30 Jun 2020		31 Dec 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Financial assets measured at fair value through other comprehensive income	2,566	2,566	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	414,314	414,314	1,062,653	1,062,653
Operating receivables	30,627,826	30,627,826	31,701,504	31,701,504
Cash and cash equivalents	11,837,842	11,837,842	6,283,037	6,283,037
<b>Total</b>	<b>42,909,707</b>	<b>42,909,707</b>	<b>39,169,240</b>	<b>39,169,240</b>
Loans and leases				
at fixed interest rates	0	0	2,811,811	2,811,811
at variable interest rates	55,020,470	55,020,470	57,141,194	57,141,194
Lease liabilities	3,610,109	3,610,109	4,119,033	4,119,033
Liabilities for dividends and other shares in profit	426,560	426,560	437,514	437,514
Operating liabilities	25,502,264	25,502,264	24,819,452	24,819,452
<b>Total</b>	<b>84,559,403</b>	<b>84,559,403</b>	<b>89,329,004</b>	<b>89,329,004</b>

in EUR	Intereuropa, d. d.			
	30 Jun 2020		31 Dec 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	27,159	27,159	27,159	27,159
Loans and deposits	2,566,016	2,566,016	2,325,951	2,325,951
Operating receivables	21,656,102	21,656,102	22,701,102	22,701,102
Cash and cash equivalents	3,600,566	3,600,566	2,756,729	2,756,729
<b>Total</b>	<b>27,849,843</b>	<b>27,849,843</b>	<b>27,810,941</b>	<b>27,810,941</b>
Loans and leases				
at fixed interest rates	4,100,000	4,100,000	4,100,000	4,100,000
at variable interest rates	54,736,918	54,736,918	56,845,360	56,845,360
Lease liabilities	1,221,722	1,221,722	1,430,042	1,430,042
Operating liabilities	17,544,149	17,544,149	17,616,630	17,616,630
<b>Total</b>	<b>77,602,789</b>	<b>77,602,789</b>	<b>79,992,032</b>	<b>79,992,032</b>

## Fair value hierarchy of assets

in EUR	Intereuropa Group					
	30 Jun 2020			31 Dec 2019		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Land	0	70,520,829	<b>70,520,829</b>	0	70,842,976	<b>70,842,976</b>
Financial assets measured at fair value through other comprehensive income	2,566	0	<b>2,566</b>	2,625	0	<b>2,625</b>
Financial assets measured at fair value through profit or loss	0	27,159	<b>27,159</b>	0	119,421	<b>119,421</b>
<b>Total</b>	<b>2,566</b>	<b>70,547,988</b>	<b>70,550,554</b>	<b>2,625</b>	<b>70,962,397</b>	<b>70,965,022</b>

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

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–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020	Jan–Jun 2019	Jan–Jun 2020
Revenues from the sale of services	129,374	217,056	86,902	1,948,241	1,811,976	129,374	217,056	86,902
Interest income	0	0	0	35,517	24,679	0	0	0
Income from participating interests	0	0	0	0	825,755	0	7,661	0
Costs of services	955,544	2,054,255	128,424	955,544	1,033,427	1,868,164	2,054,255	128,402
Interest expense	0	0	0	21,907	15,913	0	0	0
	30 Jun 2020	31 Dec 2019	30 Jun 2020	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019	30 Jun 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	43,109	59,041	17,046	1,072,318	881,382	43,109	59,041	17,046
Loans granted	0	0	0	2,566,016	2,315,956	0	0	0
Balance of operating liabilities	602,495	483,159	103,685	393,938	364,827	0	178	103,685
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>).



During the first half of 2020, the Intereuropa Group generated revenues in the amount of EUR 1,026,579, and incurred costs in the amount of EUR 3,798,027 and interest expense in the amount of EUR 310,802 with companies in which the state has a direct controlling interest. As at 30 June 2020, the Intereuropa Group disclosed operating receivables in the amount of EUR 483,044, operating liabilities in the amount of EUR 1,922,151, financial liabilities in the amount of EUR 54,850,000 and contingent assets and liabilities in the amount of EUR 9,525,000 vis-à-vis the aforementioned companies. Financial liabilities comprise a loan raised under market terms.

Intereuropa, d. d.

During the first half of 2020, Intereuropa, d. d. generated revenues in the amount of EUR 1,018,770, and incurred costs in the amount of EUR 3,785,074 and interest expense in the amount of EUR 310,802 with companies in which the state has a direct controlling interest. As at 30 June 2020, Intereuropa disclosed operating receivables in the amount of EUR 483,044, operating liabilities in the amount of EUR 1,660,120, financial liabilities in the amount of EUR 54,850,000 and contingent assets and liabilities in the amount of EUR 9,525,000 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–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*
Revenues from external customers	49,764,222	55,725,176	11,255,505	11,836,995	3,452,415	3,517,334	2,478,120	2,176,463	2,343,754	3,100,581
Revenues from transactions with other segments	1,922,120	1,737,470	616,281	463,177	220,173	277,626	273,130	280,724	24,727	34,320
Total revenues	51,686,342	57,462,646	11,871,786	12,300,173	3,672,588	3,794,960	2,751,250	2,457,187	2,368,481	3,134,900
Amortisation and depreciation	2,211,566	2,179,067	768,871	713,518	231,416	215,394	124,620	102,565	223,846	231,210
Operating profit or loss	2,089,423	2,947,456	879,749	557,579	-243,644	266,790	-285,423	-154,812	162,494	415,215
Interest income	86,162	369,671	4,816	2,480	0	0	7	106	26,965	33,839
Interest expense	427,606	902,798	20,205	20,834	6,312	8,534	26,895	28,395	9,263	10,659
Profit or loss from ordinary operations	1,719,256	3,213,718	864,496	534,937	-250,277	257,169	-325,777	-181,821	180,797	437,934
Investment result recognised according to the equity method	0	0	0	0	0	0	0	0	0	0
Corporate income tax	154,754	127,052	192,375	44,900	0	29,628	0	0	22,544	41,251
Net profit or loss	1,564,502	3,086,666	672,121	490,037	-250,277	227,541	-325,777	-181,821	158,253	396,683

in EUR	Ukraine		Other		Total		Restatements (including eliminations)		Group	
	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*	Jan–Jun 2020	Jan–Jun 2019*
Revenues from external customers	1,915,587	1,611,956	2,316,180	2,520,939	73,525,782	80,489,444	-24,372	82,144	73,501,410	80,571,587
Revenues from transactions with other segments	0	0	512,532	564,946	3,568,963	3,358,263	-3,568,963	-3,358,263	0	0
Total revenues	1,915,587	1,611,956	2,828,712	3,085,885	77,094,745	83,847,707	-3,593,335	-3,276,120	73,501,410	80,571,587
Amortisation and depreciation	16,265	14,269	171,128	36,707	3,747,712	3,492,730	0	0	3,747,712	3,492,731
Operating profit or loss	9,855	-33,642	28,253	23,631	2,640,707	3,781,708	-6,437	-76,769	2,634,269	3,704,945
Interest income	51	234	0	4,721	118,001	411,051	-58,956	-47,092	59,045	363,958
Interest expense	18,653	18,908	22,879	0	531,813	990,128	-58,956	-47,092	472,856	943,037
Profit or loss from ordinary operations	-228,309	54,178	5,857	28,530	1,966,043	4,104,133	34,110	-869,029	2,000,152	3,235,000
Investment result recognised according to the equity method	0	0	0	0	0	0	876	3,403	876	3,403
Corporate income tax	-9,233	3,204	0	16,137	360,440	262,171	0	0	360,439	262,172
Net profit or loss	-219,076	50,975	5,857	12,393	1,605,603	4,082,473	34,110	-869,029	1,639,713	2,972,828

in EUR	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019
Assets	176,947,690	177,697,373	50,072,090	49,851,205	14,205,771	14,373,185	10,533,002	10,273,463	18,279,756	18,221,970
Non-current assets	146,805,935	148,719,385	39,531,912	41,040,017	11,871,124	12,017,805	9,215,027	9,214,673	11,930,780	12,146,639
Operating liabilities	18,004,871	18,087,058	4,704,523	4,163,737	1,342,664	1,172,668	1,327,513	963,979	476,893	502,635
Financial liabilities	60,058,639	62,375,402	867,602	1,040,692	270,931	329,317	2,044,271	1,801,787	800,014	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	
	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019	31 Dec 2019
Assets	1,712,298	1,855,097	3,645,980	3,854,009	275,396,586	276,126,301	-53,095,755	-52,775,350	222,300,831	223,350,952
Non-current assets	529,561	608,482	1,622,825	1,757,067	221,507,164	225,504,068	-44,756,225	-44,757,155	176,750,939	180,746,913
Operating liabilities	727,686	690,530	1,012,824	1,117,346	27,596,974	26,697,952	-2,128,041	-1,878,453	25,468,932	24,819,499
Financial liabilities	1,226,074	1,295,872	617,749	739,215	65,894,280	68,425,709	-6,833,718	-6,736,634	59,060,563	61,689,075
Investment in associate	0	0	0	0	39,059	39,059	25,282	24,406	64,340	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 Jun 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	55,020,470	57,587,990	0	1,524,058	4,465,226	36,727,716	14,587,438
Operating lease liabilities	3,166,346	3,689,212	1,606,168	505,518	536,382	856,376	0
Finance lease liabilities	443,763	461,754	55,563	289,514	116,677	0	0
Liabilities for dividends and other shares in profit	426,560	426,560	5,142	421,419	0	0	0
Current trade payables	18,107,479	17,694,336	16,867,868	23,753	12,072	69,977	45,628
of which trade payables for short-term leases	11,892	11,892	11,892	0	0	0	0
Other operating liabilities	2,676,909	2,676,909	2,676,909	0	0	0	0
<b>Total</b>	<b>79,841,527</b>	<b>82,536,761</b>	<b>21,211,650</b>	<b>2,764,262</b>	<b>5,130,357</b>	<b>37,654,069</b>	<b>14,633,066</b>

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	54,736,918	57,304,439	0	1,524,058	4,465,226	36,727,716	14,587,438
Operating lease liabilities	1,221,722	1,246,617	239,643	228,678	329,286	449,010	0
Operating liabilities to Group companies	393,938	393,938	393,938	0	0	0	0
Trade payables	11,898,024	11,897,531	11,746,102	23,753	12,072	69,977	45,628
of which trade payables for short-term leases	10,731	10,731	10,731	0	0	0	0
Other operating liabilities	572,095	572,095	572,095	0	0	0	0
<b>Total</b>	<b>72,922,697</b>	<b>75,535,617</b>	<b>17,072,775</b>	<b>1,776,489</b>	<b>4,806,584</b>	<b>37,246,703</b>	<b>14,633,066</b>

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
<b>Total</b>	<b>82,440,452</b>	<b>83,962,877</b>	<b>79,416,565</b>	<b>870,062</b>	<b>1,962,867</b>	<b>1,167,537</b>	<b>68,749</b>

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
<b>Total</b>	<b>77,150,189</b>	<b>77,362,086</b>	<b>22,498,551</b>	<b>1,610,300</b>	<b>1,255,096</b>	<b>654,497</b>	<b>68,749</b>

## Currency risk

in EUR	30 Jun 2020 Intereuropa Group						
	EUR	USD	HRK	RSD	Other	Total	
Operating receivables	22,912,779	0	4,403,290	906,519	2,005,928	<b>30,228,516</b>	
Long-term loans granted and deposits	0	0	42,749	0	1,058	<b>43,807</b>	
Short-term loans granted and deposits	369,630	0	0	0	877	<b>370,507</b>	
Long-term loans received	-53,879,412	0	0	0	0	<b>-53,879,412</b>	
Short-term loans received	-857,506	0	0	-283,552	0	<b>-1,141,058</b>	
Liabilities for dividends and other shares in profit	-421,419	0	0	0	-5,142	<b>-426,560</b>	
Lease liabilities	-2,166,964	0	-867,602	-253,770	-321,773	<b>-3,610,109</b>	
Operating liabilities	-13,608,048	0	-4,386,629	-961,707	-1,828,005	<b>-20,784,389</b>	
<b>Exposure disclosed in the statement of financial position</b>	<b>-47,650,940</b>	<b>0</b>	<b>-808,192</b>	<b>-592,510</b>	<b>-147,057</b>	<b>-49,198,698</b>	

in EUR	Intereuropa, d. d.						
	EUR	USD	HRK	RSD	Other	Total	
Operating receivables from Group companies	1,072,317	0	0	0	0	<b>1,072,317</b>	
Operating receivables	20,006,936	134,255	0	0	732	<b>20,141,923</b>	
Short-term loans to Group companies	2,566,016	0	0	0	0	<b>2,566,016</b>	
Long-term loans received	-53,879,412	0	0	0	0	<b>-53,879,412</b>	
Short-term loans from Group companies	-4,100,000	0	0	0	0	<b>-4,100,000</b>	
Short-term loans received	-857,506	0	0	0	0	<b>-857,506</b>	
Lease liabilities	-1,221,722	0	0	0	0	<b>-1,221,722</b>	
Operating liabilities within the Group	-393,938	0	0	0	0	<b>-393,938</b>	
Other operating liabilities	-12,184,033	-193,262	0	0	-11,731	<b>-12,389,026</b>	
<b>Exposure disclosed in the statement of financial position</b>	<b>-48,991,342</b>	<b>-59,007</b>	<b>0</b>	<b>0</b>	<b>732</b>	<b>-49,049,617</b>	

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	<b>30,452,506</b>
Long-term loans granted and deposits	0	0	0	0	52,544	<b>52,544</b>
Short-term loans granted and deposits	1,008,998	0	0	0	1,111	<b>1,010,109</b>
Short-term loans received	-56,865,360	0	0	-260,986	-14,833	<b>-57,141,179</b>
Liabilities for dividends and other shares in profit	-423,175	0	0	0	-14,339	<b>-437,514</b>
Lease liabilities	-3,611,461	0	0	-182,086	-325,486	<b>-4,119,033</b>
Operating liabilities	-15,443,514	0	-3,064,000	-696,000	-1,530,000	<b>-20,733,514</b>
<b>Exposure disclosed in the statement of financial position</b>	<b>-51,723,000</b>	<b>0</b>	<b>790,729</b>	<b>-432,640</b>	<b>448,830</b>	<b>-50,916,081</b>
Intereuropa, d. d.						
in EUR	EUR	USD	HRK	RSD	Other	Total
Operating receivables from Group companies	908,516	0	0	0	0	<b>908,516</b>
Operating receivables	21,679,677	107,086	0	0	0	<b>21,786,763</b>
Short-term loans to Group companies	2,315,956	0	0	0	0	<b>2,315,956</b>
Short-term loans granted and deposits	9,995	0	0	0	0	<b>9,995</b>
Short-term loans from Group companies	-4,100,000	0	0	0	0	<b>-4,100,000</b>
Short-term loans received	-58,275,402	0	0	0	0	<b>-58,275,402</b>
Lease liabilities	-1,430,042	0	0	0	0	<b>-1,430,042</b>
Operating liabilities within the Group	-373,666	0	0	0	0	<b>-373,666</b>
Operating liabilities	-14,129,000	-225,732	0	0	-46,369	<b>-14,401,101</b>
<b>Exposure disclosed in the statement of financial position</b>	<b>-53,393,966</b>	<b>-118,646</b>	<b>0</b>	<b>0</b>	<b>-46,369</b>	<b>-53,558,981</b>

## 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 June 2020	Average percentage of impairment losses recognised	Depreciation and impairments as at 30 June 2020	Gross value as at 30 June 2020	Percentage of impairment losses recognised	Depreciation and impairments as at 30 June 2020
Not due	21,210,878	0.28%	59,069	17,851,307	0.22%	39,437
1 to 30 days past due	4,533,167	0.92%	41,836	2,951,400	0.30%	8,755
31 to 90 days past due	1,890,616	2.85%	53,935	1,409,689	5.27%	74,355
91 to 180 days past due	775,485	15.95%	123,668	232,216	57.97%	134,615
More than 180 days past due	4,799,353	100.00%	4,799,437	2,176,889	100.00%	2,067,215
Exchange rate differences	-4,508		-1,876	-105		0
<b>Total</b>	<b>33,204,991</b>		<b>5,076,069</b>	<b>24,621,396</b>		<b>2,324,377</b>

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	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
<b>Total</b>	<b>34,441,265</b>		<b>4,893,428</b>	<b>23,424,580</b>		<b>2,346,488</b>

### 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	2,223,163	2,520,844
Exclusion of company from the consolidated financial statements	0	-35,000	0	0
Written-off receivables	-104,601	-135,839	-24,910	-4,449
Impairment losses on receivables (including the reversal of impairment losses)	306,195	398,287	126,124	112,413
Exchange rate differences	-18,954	9,000	0	0
<b>Impairment losses on receivables as at 30 June</b>	<b>5,076,068</b>	<b>5,442,455</b>	<b>2,324,377</b>	<b>2,628,808</b>

### 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 June 2020	Depreciation and impairments as at 30 June 2020	Gross value as at 30 June 2020	Depreciation and impairments as at 30 June 2020
Not due	1,059,881	0	747,037	0
Past-due	425,580	292,290	272,430	272,430
<b>Total</b>	<b>1,485,461</b>	<b>292,290</b>	<b>1,019,467</b>	<b>272,430</b>

Total	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
Not due	560,000	0	271,999	0
Past-due	427,487	294,195	272,430	272,430
<b>Total</b>	<b>987,487</b>	<b>294,195</b>	<b>544,429</b>	<b>272,430</b>

### 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	-241	-421,396	0	0
Impairment losses on receivables (including the reversal of impairment losses)	-800	-646,642	0	0
Exchange rate differences	-864	-5,000	0	0
<b>Impairment losses on receivables as at 30 June</b>	<b>292,290</b>	<b>273,962</b>	<b>272,430</b>	<b>1,264,262</b>

## Interest-rate risk

### Interest-rate risk as at 30 June 2020

in EUR		Intereuropa Group			Intereuropa, d. d.			
Type of variable interest rate	Loan amount as at 30 June 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 June 2020	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points
3-month EURIBOR	54,850,000	0	0	-53,205	54,850,000	0	0	-53,205
1-month BELIBOR	283,551	-284	-709	-1,418	0	0	0	0
<b>Total</b>	<b>55,133,551</b>	<b>-284</b>	<b>-709</b>	<b>-54,623</b>	<b>54,850,000</b>	<b>0</b>	<b>0</b>	<b>-53,205</b>

### Interest-rate risk as at 31 December 2019

in EUR		Intereuropa Group			Intereuropa, d. d.			
Type of variable interest rate	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
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
<b>Total</b>	<b>57,124,785</b>	<b>-57,125</b>	<b>-142,811</b>	<b>-285,624</b>	<b>56,848,460</b>	<b>-56,848</b>	<b>-142,121</b>	<b>-284,242</b>

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.