

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

JANUARY–SEPTEMBER 2021

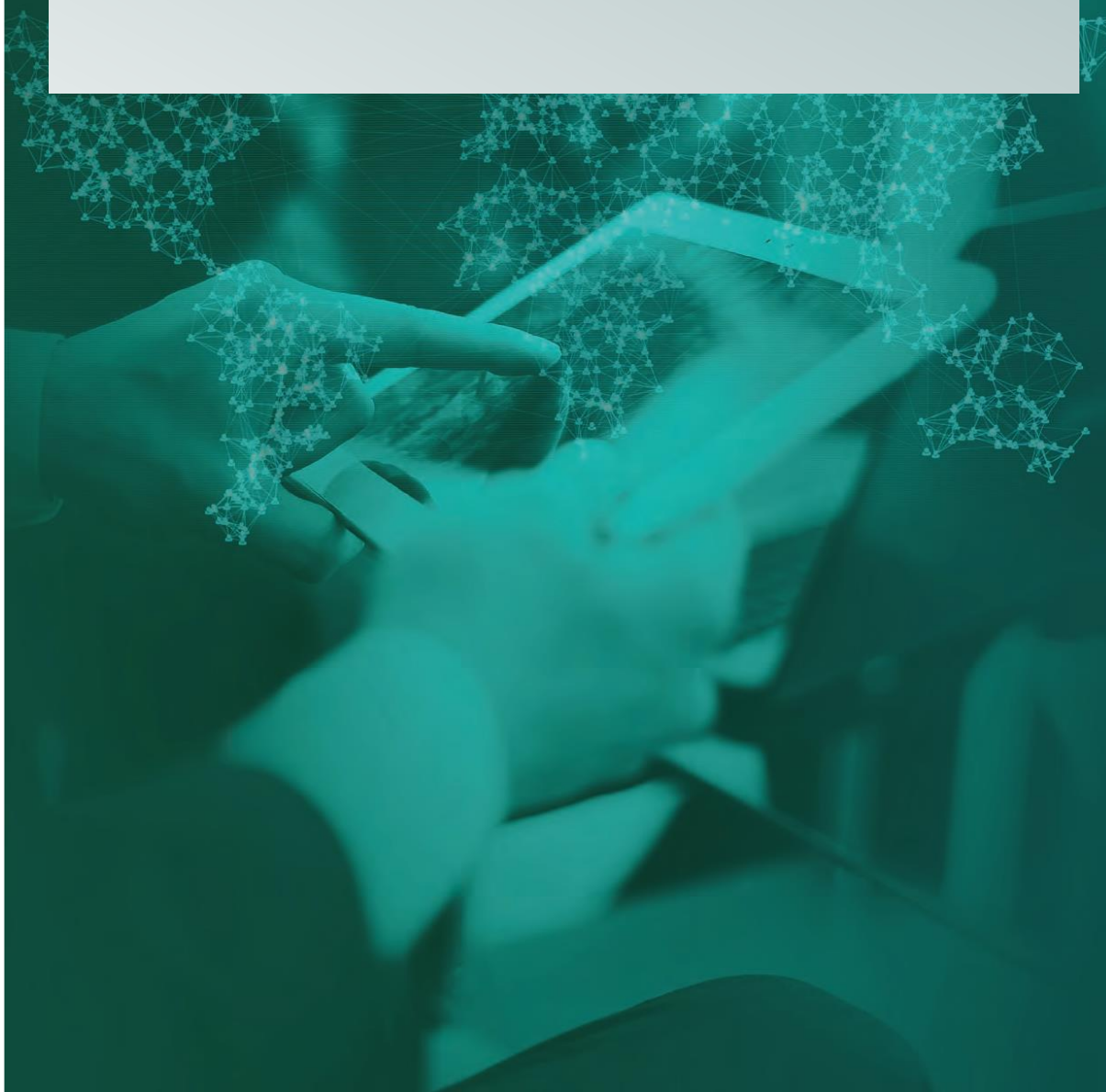


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INTRODUCTION

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–September 2021.

The consolidated and separate financial statements for the periods January–September 2021 and January–September 2020 have not been audited nor reviewed by the auditor, while the financial statements for the entire 2020 financial year have been audited. The financial statements are prepared in accordance with the International Financial Reporting Standards.

The Supervisory Board of Intereuropa, d. d. discussed the Unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–September 2021 at its session on 26 November 2021.

The document Unaudited business report of the Intereuropa Group and Intereuropa, d. d. for the period January–September 2021 is available at the registered office of Intereuropa, d. d., Vojkovo nabrežje 32, 6504 Koper, and will also be published on Intereuropa, d. d.'s website at www.intereuropa.si on 26 November 2021.

STATEMENT OF MEMBERS OF THE MANAGEMENT BOARD

The Management Board of Intereuropa, d. d. hereby declares that, to the best of its knowledge, the financial report of Intereuropa, Globalni logistični servis, d. d. and the Intereuropa Group for the period January–September 2021 has been compiled in accordance with the relevant financial reporting framework (IAS 34), and must be read in conjunction with the audited annual financial statements compiled for the financial year ending 31 December 2020.

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 nine 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 three months of the current financial year.

Koper, 16 November 2021

Intereuropa, d. d.
Management Board

Marko Cegnar
President of the Management Board



Marko Rems
Vice-President of the Management Board



KEY PERFORMANCE HIGHLIGHTS

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

	INTEREUROPA GROUP			INTEREUROPA, D. D.		
	Jan–Sep 2021	Jan–Sep 2020	Index 21/20	Jan–Sep 2021	Jan–Sep 2020	Index 21/20
Sales revenue	129,163	111,626	116	89,818	76,788	117
EBITDA	10,841	9,492	114	6,482	6,179	105
Operating profit (EBIT)	5,894	3,878	152	3,580	2,887	124
Profit or loss from financing activities	-346	-978	-	202	-492	-
Profit from ordinary operations	5,549	2,899	191	3,782	2,395	158
Net profit	4,638	2,443	190	3,395	2,272	149
EBITDA margin (in %)	8.4	8.5	99	7.2	8.0	90
EBIT margin (in %)	4.6	3.5	131	4.0	3.8	106
Sales revenue per employee/month	11.344	9.546	119	18.679	14.810	126
Value added per employee/month	2.899	2.681	108	4.316	3.948	109
ROE (in %)*	5.0	2.9	169	5.1	2.7	191
	30 Sep 2021	31 Dec 2020	Index 21/20	30 Sep 2021	31 Dec 2020	Index 21/20
Assets	227,895	220,444	103	175,927	172,272	102
Equity	129,566	124,850	104	92,624	89,225	104
Net debt	39,273	44,371	89	51,473	54,115	95
Number of employees	1,319	1,337	99	559	586	95
	Jan–Sep 2021	Jan–Dec 2020	Index 21/20	Jan–Sep 2021	Jan–Dec 2020	Index 21/20
Number of shares at the end of period	27,488,803	27,488,803	100	27,488,803	27,488,803	100
Earnings per share (in EUR)*	0.16	0.08	200	0.16	0.08	200
Closing price at the end of period (in EUR)	1.39	1.16	120	1.39	1.16	120
Book value per share at the end of period (in EUR)	3.37	3.25	104	3.37	3.25	104
P/B	0.41	0.36	116	0.41	0.36	116
P/E	8.69	14.50	60	8.69	14.50	60

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. Planned ROE and the figure for 2020 are disclosed for the entire year.

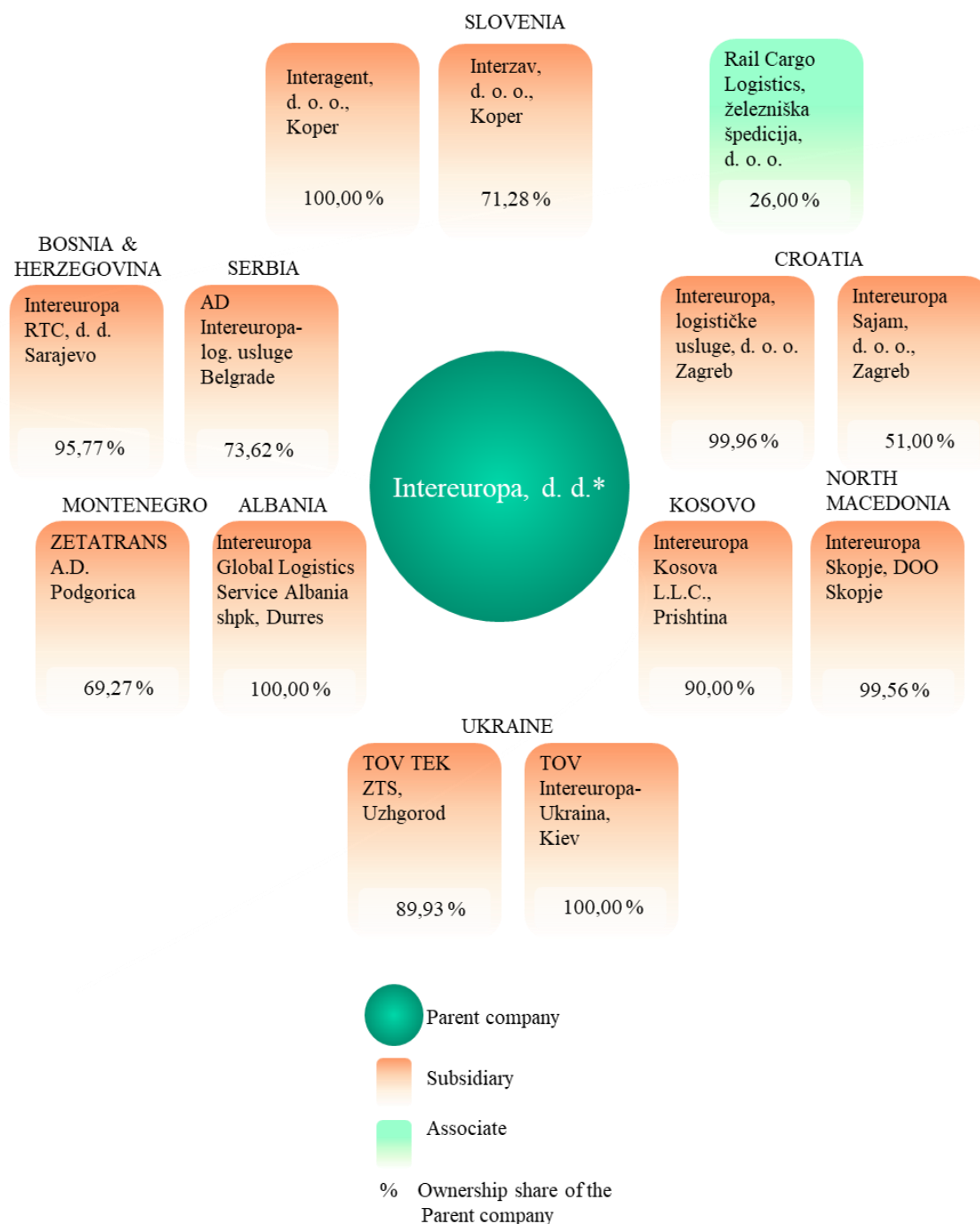
BASIC INFORMATION ABOUT THE GROUP

Table 2: Basic information about Intereuropa, d. d. and the Intereuropa Group as at 30 September 2021

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, CESEEG.
Management Board	Marko Cegnar, President of the Management Board Marko Rems, Vice-President of the Management Board
Supervisory Board	Tomaž Kokot, Chairman of the Supervisory Board Milan Perović Tjaša Benčina Zlatka Čretnik
Intereuropa Group	
Number of employees	1,319
Total closed warehousing area*	213,000 m ² of own warehousing area
Total land area	1,583,000 m ²
Membership in international organisations and logistics networks	FIATA, IATA, FONASBA, BIMCO, GS1, WCA, FETA, HCL, ALN
Quality certificates	ISO 9001:2015 certificate: <ul style="list-style-type: none"> o Intereuropa, d. d., Koper o Intereuropa, logističke usluge, d. o. o., Zagreb o Intereuropa RTC, d. d., Sarajevo
Own branch network	Slovenia, Croatia, Montenegro, Bosnia and Herzegovina, Serbia, Kosovo, North Macedonia, Albania and Ukraine

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

Slika 1: Intereuropa Group as at 30 September 2021¹



* The majority owner of Intereuropa, d. d. as at 30 September 2021 was Pošta Slovenije, d. o. o., which was the holder of 68.79% of ordinary shares and 100.00% of preference shares.

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

BUSINESS PLAN FOR 2021

While drafting the business plan for 2021, the Intereuropa Group took into account the starting position of the Group as a whole at the end of 2020 and the planned points of departure set out in the Strategic Plan of the Intereuropa Group until 2025, as well as trends in the logistics sector and forecasts of economic trends on the Group's key markets.

The following business and financial objectives were set for the Intereuropa Group in the business plan for 2021:

- to generate EUR 158.5 million in sales revenue through growth in all business lines of the core activity at the majority of Group companies;
- to strengthen cooperation with customers, primarily in the area of integrated logistics solutions throughout the entire supply chain, to place further emphasis on the development and expansion of the partner and agent network, and to increase cross selling;
- to control direct costs and the sales margin in the context of growth in sales, through the active management of the costs of direct services via a standard procurement policy at the Group level;
- to generate EBITDA of EUR 12.9 million and an operating profit (EBIT) of EUR 5.1 million; 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.

To achieve the above-described objectives, the Group has planned the following:

- investments of EUR 8.4 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;
- the motivation of employees through investments in effective development and the implementation of a systematic plan of measures to ensure the health and well-being of Intereuropa Group employees;
- to maintain the proportion of flexible forms of employment at a minimum of 10% for the optimal adaptation of the number of employees to actual work needs;
- the continued centralisation of IT management within the Group and the implementation of shared IT solutions;
- the continued promotion of corporate integrity and compliance at all Group companies. Crucial in this regard is 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, and setting and monitoring key objectives and performance indicators in relation to risk management;
- to ensure the cost-effectiveness of support functions for the performance of logistics processes;
- the effective management of working capital; and
- the further strengthening of cooperation with the controlling company Pošta Slovenije, d. o. o. in order to exploit synergies in the area of sales and in the reduction of costs.

SIGNIFICANT EVENTS

SIGNIFICANT EVENTS IN THE PERIOD JANUARY–SEPTEMBER 2021

January

- In accordance with the agreement concluded with Pošta Slovenije at the end of December on the transfer of activities, Intereuropa, d. d. transferred a portion of its support activities to Pošta Slovenije on 1 January 2021. Employees from those support activities were also reassigned to Pošta Slovenije as part of the transfer of activities.
- On 20 January 2021, the Government of the Republic of Slovenia awarded major recognition to Intereuropa, d. d. in the form of a commemorative token for sacrifices made in the fight against COVID-19. The Company was recognised for its sacrifices in preventing the spread of the SARS-CoV-2 infectious disease (COVID-19).

February

- Intereuropa, d. d. was engaged to provide logistics support in the coordination of the delivery of protective materials and equipment donated by the United Arab Emirates. Based on its previous experience, the Company was called on to assist in logistics support donated to the Republic of Slovenia by the United Arab Emirates in cooperation with the Administration of the Republic of Slovenia for Civil Protection and Disaster Relief.
- A webinar was organised on 16 and 17 February on the subject of Brexit, where the associated challenges were presented to participants. Experts from Intereuropa presented import and export customs procedures as they relate to logistics/cargo shipments and differences in customs procedures, and responded to questions.

March

- On 31 March 2021, the Supervisory Board of Intereuropa, d. d. received the resignation of Mr Boris Novak, MSc from his position as Chairman and member of the Company's Supervisory Board.

April

- On 6 April 2021, the subsidiary Intereuropa, d. o. o., Zagreb concluded an agreement on the purchase of land in the Kukuljanovo industrial zone for the purpose of setting up a new logistics centre. On the same day, it also concluded an agreement on the sale of the existing Dražice location, which it will continue to use under lease for its activity until its relocation to the new logistics centre.
- At its session held on 29 April, Intereuropa, d. d.'s Supervisory Board adopted the audited annual report of the Intereuropa Group for the 2020 financial year, together with the independent auditor's report.
- At its session held on 29 April, the Supervisory Board was briefed on the proposal to convene the General Meeting of Shareholders. The shareholder Pošta Slovenije, d. o. o. proposed that the General Meeting of Shareholders be briefed on the resignation of Supervisory Board member and shareholder representative Mr Boris Novak, MSc, the recall of Supervisory Board member and shareholder representative Mr Milan Perović, and the election of two new Supervisory Board members and shareholder representatives, and on the Management Board's proposal to supplement the proposed agenda of the General Meeting of Shareholders with an item regarding amendments to the Articles of Association. The Supervisory Board agreed with the supplementation of the agenda and the proposed changes to the Articles of Association.

- At its session on 29 April, Intereuropa, d. d.'s Supervisory Board reappointed the current Vice President of the Company's Management Board, Mr Marko Rems, to a new four-year term of office, effective 5 July 2021.

May

- At the 35th General Meeting of Shareholders of Intereuropa, d. d., shareholders made decisions regarding the proposed resolutions of the shareholder Pošta Slovenije, d. o. o. in connection with members of the Supervisory Board, and regarding the proposal of the Management Board and Supervisory Board regarding changes to the Articles of Association. Shareholders were briefed on the resignation of Supervisory Board member and shareholder representative Mr Boris Novak, MSc and appointed Mr Tomaž Kokot to a four-year term of office as new member of the Supervisory Board, effective 31 May 2021. Shareholders adopted proposed changes to the Articles of Association regarding participation and voting at the General Meeting of Shareholders by electronic means, without being physically present.

June

- The Supervisory Board appointed Mr Tomaž Kokot to serve as Chairman of the Supervisory Board at the latter's session held on 18 June 2021. Mr Andrej Rihter, MSc remains Deputy Chairman of the Supervisory Board. The Supervisory Board appointed Mr Tomaž Kokot to serve as member of the Nomination and Remuneration Committee.

July

- At the 36th General Meeting of Shareholders of Intereuropa, d. d. held on 2 July, shareholders were briefed on the 2020 annual report of the Intereuropa Group and Intereuropa, d. d., together with the auditor's opinion, and on the Supervisory Board's position regarding the report on relations with affiliated companies for 2020. The General Meeting of Shareholders adopted a decision leaving the full amount of distributable profit of EUR 9,987,873.36 undistributed, and conferred official approval on the Management Board and Supervisory Board for their work during the 2020 financial year.

August

- On 18 August, Intereuropa d. d. received the resignation of Mr Andrej Rihter, MSc from his position as member of the Supervisory Board, effective 5 September 2021, and the resignation of Mr Vinko Filipič from his position as member of the Supervisory Board, effective 15 September 2021.
- 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 2021 at its session on 26 August 2021.

September

- The Intereuropa Group appeared at the MOS international fair between 15 and 19 September 2021, together with the Pošta Slovenije Group. Intereuropa, d. d. has been a partner of Celjski sejem d. d. for several years now, cooperating with the latter as the official logistics provider for the fair.

EVENTS AFTER THE REPORTING PERIOD

- On 5 October 2021 Intereuropa, d. d. received written notification from Slovenski državni holding, d. d. (hereinafter: SDH) that the sellers SDH and Kapitalska družba pokojninskega

in invalidskega zavarovanja, d. d. (hereinafter: KAD) signed a sale and purchase agreement on 27 September 2021 with the buyer Pošta Slovenije, d. o. o., based on which SDH and KAD sold the buyer 474,926 and 719,952 IEKG shares respectively. On 22 October 2021 Intereuropa, d. d. was informed by the purchaser Pošta Slovenije, d. o. o. that it had signed a sales and purchase agreement on 5 October 2021 with the vendor Zavarovalnica Triglav, d. d., based on which it purchased 332,918 IEKG shares, and had signed a sales and purchase agreement on 28 September 2021 with the vendor Pozavarovalnica Triglav RE, d. d., based on which it purchased 2,369 IEKG shares. Pošta Slovenije, d. o. o. thus increased its share of voting rights to 86.45% of all voting rights in Intereuropa, d. d., with a holding of 77.88% of the IEKG shares and 100% of the IEKN shares.

- At the 37th General Meeting of Shareholders of Intereuropa, d. d. held on 18 November shareholders made decisions regarding the proposed resolutions of the shareholder Pošta Slovenije, d. o. o. in connection with members of the Supervisory Board. Shareholders were briefed on the resignations of Supervisory Board members and shareholder representatives Mr Andrej Rihter, MSc and Mr Vinko Filipič, and recalled Supervisory Board member and shareholder representative Mr Milan Perović. Shareholders elected the following persons to serve as members of the Supervisory Board and shareholder representatives for a period of four years beginning on 18 November 2021: Mr Sebastijan Gostenčnik, Mrs Karmen Lebe Grajf, MSc and Mr Gregor Korene.
- On 19 November the Supervisory Board of Intereuropa, d. d. appointed Karmen Lebe Grajf as deputy-chair of the Supervisory Board. The Supervisory Board also appointed the members of the Audit Committee. Sebastijan Gostenčnik and Karmen Lebe Grajf were appointed chair and deputy-chair of the Audit Committee respectively, while employee representative Zlatka Cretnik remains a member of the aforementioned committee. Barbara Gorjup remains an external member of the Audit Committee. The Supervisory Board also appointed members to the Nomination and Remuneration Committee, and named Gregor Korene committee chair. It appointed Sebastijan Gostenčnik and previous member and employee representative Tjaša Benčina to serve as members of that committee.

IMPACT OF COVID-19 ON THE GROUP'S OPERATIONS

The Intereuropa Group has successfully faced the challenges brought to the business environment in 2021 by the COVID-19 pandemic. The quality and level of services provided by the Intereuropa Group via its twelve companies in nine countries in Southeast Europe in Ukraine remain high.

The Group's concern for the health and safety of employees in the workplace is paramount. Group companies adopted numerous measures and internal guidelines for the effective, preventive and responsible conduct of all employees in order to avoid the spread of infections with the virus, which was seen during the first three quarters of 2021 in a still relatively low proportion of infected employees (11%).

The Management Board assesses that the pandemic will not have a significant impact on the achievement of business plans in 2021.

BUSINESS REPORT

1. BUSINESS RESULTS OF THE INTEREUROPA GROUP

1.1 Financial results of the Intereuropa Group

Table 3: Financial results of the Intereuropa Group for the period January–September 2021, in EUR thousand

Item/Indicator	Jan–Sep 2021	Plan Jan–Sep 2021	Jan–Sep 2020	Index 2021/plan	Index 21/20
Sales revenue	129,163	118,605	111,626	109	116
Land transport	64,951	63,128	57,147	103	114
Logistics solutions	22,866	21,479	20,472	106	112
Intercontinental transport	37,007	29,578	29,364	125	126
Other services	4,338	4,420	4,643	98	93
EBITDA	10,841	9,467	9,492	115	114
Operating profit	5,894	3,602	3,878	164	152
Loss from financing activities	-346	-459	-978	-	-
Profit from ordinary operations	5,549	3,143	2,899	177	191
Corporate income tax and deferred tax	911	583	456	156	200
Net profit	4,638	2,559	2,443	181	190
EBITDA margin (in %)	8.4	8.0	8.5	105	99
EBIT margin (in %)	4.6	3.0	3.5	150	131
Sales revenue per employee/month	11.344	10.412	9.546	109	119
Value added per employee/month	2.899	2.733	2.681	106	108
ROE (in %)*	5.0	3.0	2.9	165	169
Item/Indicator	30 Sep 2021		31 Dec 2020		Index 21/20
Assets	227,895		220,444		103
Equity	129,566		124,850		104
Net debt	39,273		44,371		89
Current assets/current liabilities	1.70		1.71		99

* Recalculated on an annual basis. Planned ROE and the figure for 2020 are disclosed for the entire year.

Operating profit and EBITDA

→ The sales revenue generated by the Intereuropa Group during the first three quarters of this year was up by 16% relative to the same period last year and 9% higher than planned. Section 1.2 Sales presents a detailed analysis of sales revenue by business line and market.

- EBITDA amounted to EUR 10.8 million, an increase of 14% relative to the same period in 2020, and 15% higher than planned. The main reason for higher-than-planned EBITDA was the positive impact of higher sales revenue.
- The profit from ordinary operations in the amount of EUR 5.9 million was 64% higher than planned and up by 52% relative to the same period last year. Contributing significantly to this was an adjustment to depreciation due to changes to the useful life of real estate.

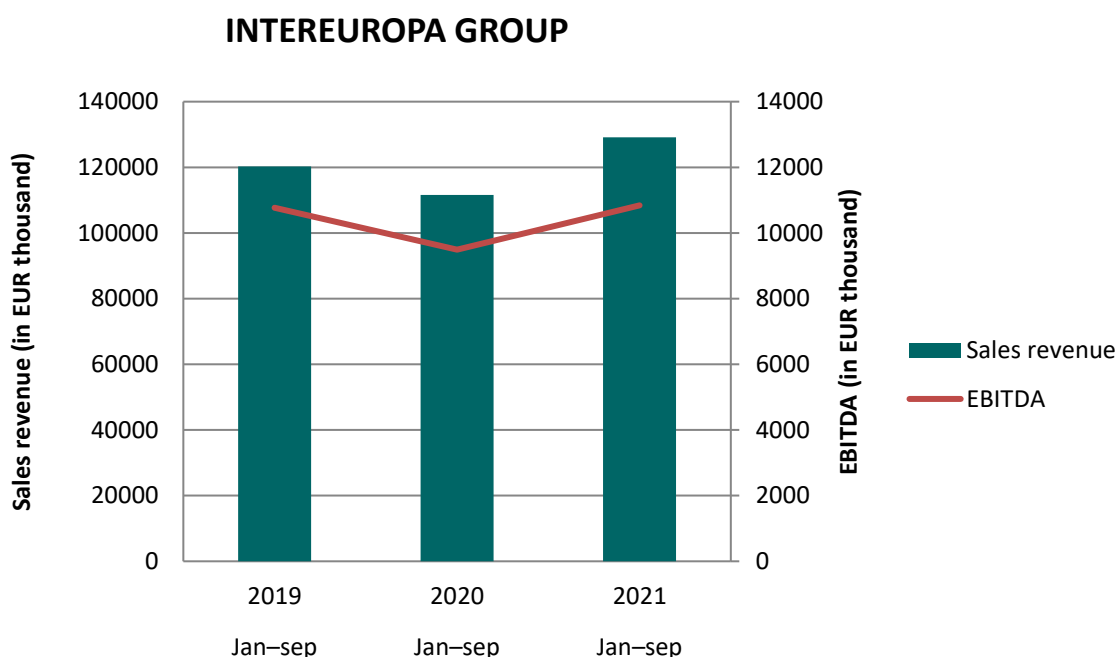
Profit/loss from financing activities

- The profit/loss from financing activities was better than planned and better than last year's result. Having a significant effect in that regard were revenues from exchange rate differences in Ukraine and lower interest expense on loans raised.

Profit from ordinary operations and net profit

- Profit from ordinary operations amounted to EUR 5.5 million, which was 77% higher than planned and an increase of 91% relative to the same period last year. The Group's net profit in the amount of EUR 4.6 million was 81% higher than planned and up by 90% relative to the same period last year.

Slika 2: Change in EBITDA and sales revenue in the period January–September between 2019 and 2021



Structure of the statement of financial position

- The Group's net debt amounted to EUR 39.3 million at the end of the third quarter, a decrease of EUR 2.1 million relative to the end of the second quarter of 2021 and a decrease of EUR 5.1 million relative to the end of 2020.
- The ratio of equity to total assets at the end of the third quarter was unchanged on the end of 2020 at 56.9%.
- The current ratio amounted to 1.70 and differed only minimally from the end of 2020.

1.2 Sales

The Intereuropa Group generated sales revenue of EUR 129.2 million during the first three quarters of 2021, an increase of 16% relative to last year's results. Growth in sales revenue is the result of active marketing in all product segments, and the normalisation of epidemiological conditions on the market. Last year's sales revenue was exceeded most in the land transport segment, most notably in road transport. Planned sales revenue was exceeded most by the intercontinental transport segment, and most notably by sea freight within that segment.

Nearly all Group companies, except the subsidiaries in Serbia and Ukraine, exceeded planned sales revenue.

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

Business line	Jan–Sep 2021	Structure	Index 21/20	Index 2021/plan
Land transport	64,951	50%	114	103
Logistics solutions	22,866	18%	112	106
Intercontinental transport	37,007	29%	126	125
Other services	4,338	3%	93	98
TOTAL SALES REVENUE	129,163	100%	116	109

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

Geographical area (according to company's head office)	Jan–Sep 2021	Structure	Index 21/20
Slovenia*	86,859	67%	117
Croatia	21,476	17%	122
Bosnia and Herzegovina	6,082	5%	117
Serbia	3,443	3%	89
Montenegro	4,439	3%	120
Ukraine	1,730	1%	51
Other	5,134	4%	138
TOTAL SALES REVENUE	129,163	100%	116
EU countries	108,335	84%	118
Non-EU countries	20,828	16%	105

* Data include consolidation restatements.

LAND TRANSPORT

The land transport segment generated EUR 65 million in sales revenue during the first three quarters of this year. Sales revenue in this segment was up by 14% relative to the same period last year, primarily as the result of the normalisation of conditions following the pandemic that characterised last year's operations. The parent company in Slovenia generated sales revenue of EUR 38.7 million from land transport services, with that amount representing 60% of the total sales of that business line. Sales generated in Slovenia were up by 17% relative to the same period last year. In addition to the parent company in Slovenia, growth in sales revenue was also recorded by other Group companies.

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

INTEREUROPA GROUP	Jan–Sep 2021	Structure	Index 21/20
LAND TRANSPORT	64,951	100%	114
Groupage services	12,964	20%	110
Domestic transport	10,810	17%	120
Road transport	33,049	51%	120
Customs services	5,784	9%	124
Railway transport	2,343	4%	57

- Sales revenue from groupage services was up by 10% relative to the same period last year. The sales revenue generated by the parent company in Slovenia, which generates 75% of sales revenue from groupage services, was up by 17%. Even higher growth in sales revenue from groupage services was recorded by the subsidiaries in Croatia, where revenue was up 23%, and Kosovo, where revenue was up 29% on last year. The number of shipments within the Intereuropa Group network continues to increase in 2021.
- The sales revenue generated by the domestic transport segment during the first three quarters was up by 20% on the same period last year. Sales revenue was up 37% at the parent company in Slovenia amid a 25% increase in the number of shipments, largely as a result of the replacement of sales channels in the direction of e-commerce (B2C). The subsidiary in Croatia is recording significant growth in the number of shipments in the e-commerce segment.
- Sales revenue in the road transport segment was up by 20% relative to the same period last year. The higher sales were the result of an increase in sales of road transport services in the group. Sales revenue in the road transport segment was up at all companies other than the subsidiaries in Ukraine and Serbia.
- Sales revenue from customs services over the first nine months of this year was up by 24% relative to the same period last year. Last year's results were surpassed by all companies other than the subsidiary in North Macedonia. The positive performance of customs services in 2021 was attributable to the increased demand for customs services on the market and the acquisition of new major customers in the group. The company in Serbia recorded the largest increase in sales relative to the same period last year.
- Sales of railway transport services were down relative to last year's results at the Group level. The decline in sales was attributable to poor performance at the subsidiary in Ukraine on account of the geopolitical challenges in the region where the company operates.

LOGISTICS SOLUTIONS

The Intereuropa Group's logistics solutions segment generated nearly EUR 22.9 million of sales revenue over the first nine months of 2021, or 18% of the Group's total sales. This translates to 12% growth in sales of logistics solutions relative to the same period of 2020. All Group companies recorded growth in sales during the aforementioned period.

Numerous activities were carried out again during the first half of this year to utilise warehouse capacities and secure new transactions with higher value added. During that period the Group completed the implementation of the WexVS IT solution to support warehousing and storage activities in Bosnia and Herzegovina and in Croatia, which will result in changes in the disclosure of sales by product, with an increase in sales of distribution services, which were previously disclosed under domestic transport as land transport.

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

INTEREUROPA GROUP	Jan–Sep 2021	Structure	Index 21/20
LOGISTICS SOLUTIONS	22,866	100%	112
Warehousing and storage	17,104	75%	110
Distribution	5,762	25%	118

- The Intereuropa Group generated EUR 17.1 million in revenues from the sale of warehousing and storage services during the period January–September 2021, which translates to 13% of the Group's total sales and 75% of the sales revenue generated by the logistics solutions segment.
- A total of EUR 5.8 million in revenues was generated from the sale of distribution services during the period January–September 2021, which represents 4% of the Intereuropa Group's total sales and 25% of sales revenue from logistics solutions.

INTERCONTINENTAL TRANSPORT

Sales revenue in the intercontinental transport segment totalled EUR 37 million during the first three quarters of 2021, representing 29% of the Intereuropa Group's total sales. The Intereuropa Group recorded an 26% increase in sales revenue relative to the same period in 2020.

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

INTEREUROPA GROUP	Jan–Sep 2021	Structure	Index 21/20
INTERCONTINENTAL TRANSPORT	37,007	100%	126
Sea freight	26,670	72%	133
Car logistics	3,251	9%	102
Shipping agency	336	1%	121
Air freight	6,750	18%	117

- In the sea freight segment, sales revenue from container transport over the first three quarters of the year was also up on the same period last year, as a result of a rise in sea freight rates and a shortage of capacity on ships.
Revenues from the sale of conventional freight services were down on the same period of 2020, as a result of a change in the disclosure of revenues from customs transactions.
Revenues from the sale of project cargo and RO-RO services remained up on the same period of 2020, thanks to new business obtained in the third quarter.
- Sales revenue in the car logistics segment is up on the same period last year, as a result of a new business, although certain key customers have reduced their turnover as a result of the shortage of semiconductors and the shutdown of production.
- Sales revenue from shipping agency services was up by 14% relative to the same period last year due to the increased number of ships serviced.
- Air freight services grew over the first three quarters of 2021. Demand for air freight services remains at a high level and continues to rise. The Intereuropa Group largely took advantage of the market situation, and outperformed its targets by 38% and last year's performance by 17%. In the key and largest market of Slovenia, where more than 80% of sales revenue in the air freight segment was generated, sales revenue was up 40% on the same period last year.

1.3 Investments in fixed assets

The Intereuropa Group invested EUR 2,167 thousand in fixed assets during the first three quarters of 2021, an increase of 107% relative to the same period last year. Of the aforementioned amount, EUR 1,108 thousand was invested in property, while EUR 1,059 thousand was invested in equipment and intangible assets. A total of 26% of the entire investment plan was thus achieved. The COVID-19 epidemic has resulted in the postponement and delay of investments.

The parent company Intereuropa, d. d. invested EUR 563 thousand in property, plant and intangible assets, while other Group companies invested EUR 1,604 thousand in fixed assets.

Table 9: Breakdown of investments in the period January–September 2021, in EUR thousand

Company	TOTAL INVESTMENTS				Property			Equipment and intangible assets		
	Jan-Sep 2021	2021 plan	Jan-Sep 2020	Percentage of annual plan realised	Jan-Sep 2021	2021 plan	Jan-Sep 2020	Jan-Sep 2021	2021 plan	Jan-Sep 2020
Intereuropa, d. d.	563	5,905	556	10	64	3,600	189	499	2,305	367
Subsidiaries	1,604	2,457	490	65	1,044	665	111	560	1,792	379
TOTAL	2,167	8,362	1,046	26	1,108	4,265	300	1,059	4,097	746

Slika 3: Structure of investments in the Intereuropa Group for the period January–September 2021, in EUR thousand

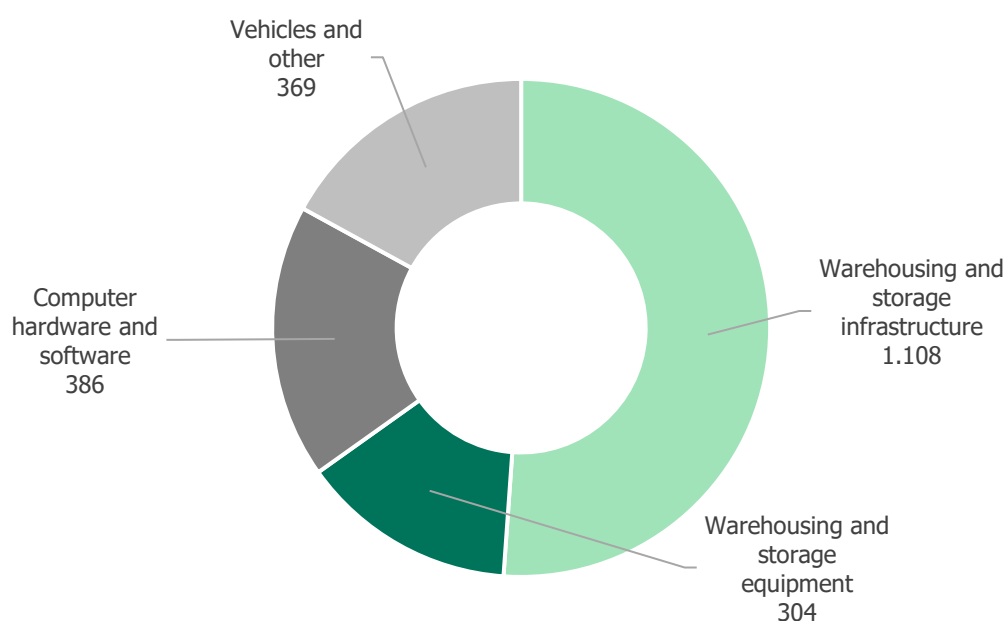


Table 10: Breakdown of investments by type in the period January–September 2021, in EUR thousand

INVESTMENTS BY TYPE	TOTAL INVESTMENTS			Property		Equipment and intangible assets	
	Jan-Sep 2021	2021 plan	Percentage of annual plan realised	Jan-Sep 2021	2021 plan	Jan-Sep 2021	2021 plan
Warehousing and storage infrastructure	1,108	4,265	26	1,108	4,265		
Warehousing and storage equipment	304	1,577	19			304	1,577
Vehicles	136	341	40			136	341
IT equipment and intangible assets	386	1,155	33			386	1,155
Other investments	233	1,024	23			233	1,024
TOTAL	2,167	8,362	26	1,108	4,265	1,059	4,097

1.4 Sales of fixed assets

The Intereuropa Group sold fixed assets with a total carrying amount of EUR 2.28 million during the period January–September 2021. The majority of that amount relates to the sale of the logistics centre in Rijeka and parking lots of freight vehicles in Maribor.

1.5 Human resource management

Over the first nine months of 2021 the Group continued its activities in response to the spread of COVID-19, with the aim of ensuring that its operations remained undisrupted. Flexible work was put in place, and during this period more than 265 Group employees worked from home temporarily or for a specific period. Measures to ensure a safe workplace and regular briefings for employees were continued.

A total of 73 employees of the Intereuropa Group (including hired workers) were absent from work due to *force majeure* events, i.e. quarantine and child care. A total of 154 employees and 18 agency workers were infected with the coronavirus during 2021, which translates to 11% of all Group employees (including hired workers).

CHANGE IN NUMBER OF EMPLOYEES

The Intereuropa Group had 1,319 employees as at 30 September 2021, down 18 on the final day of 2020.

The Group hired 121 new employees and 139 employees left in the period January–September 2021.

An average of 198 workers, recalculated as FTEs, performed work via employment agencies and student services during the reporting period, a decrease of nine employees relative to the comparable period last year. Some 15.2% of all employees participated in flexible working, 1.4% more than in the same period last year.

Table 11: Number of employees in the Intereuropa Group by country as at 30 September 2021

Company	30 Sep 2021	31 Dec 2020	Difference (21 - 20)	Index 2021/2020
Slovenia	569	597	-28	95
Croatia	298	290	8	103
Bosnia and Herzegovina	120	124	-4	97
Serbia	103	97	6	106
North Macedonia	37	38	-1	97
Kosovo	49	49	0	100
Montenegro	115	114	1	101
Ukraine	28	28	0	100
TOTAL	1,319	1,337	-18	99

The sharpest drop in the number of employees was recorded at the parent company, largely as a result of the transfer of 16 employees from specialist departments to Pošta Slovenije during the integration and centralisation of support activities.

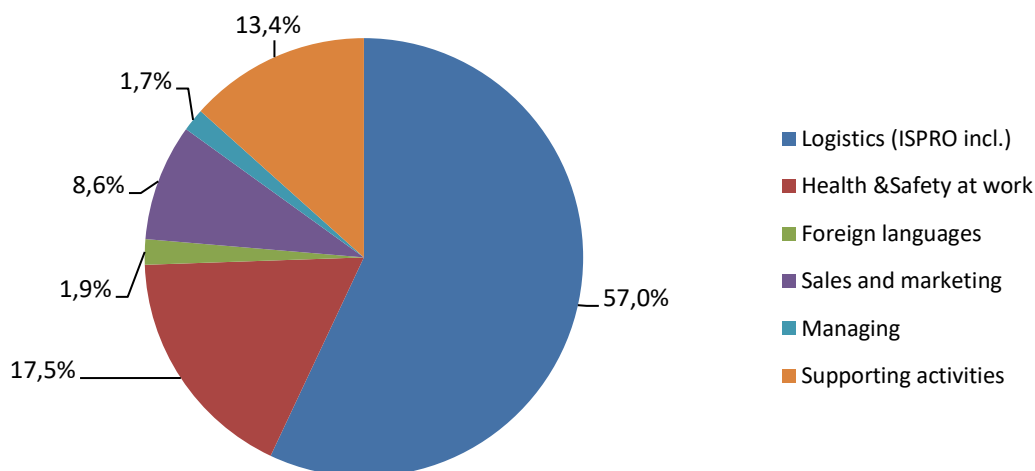
DEVELOPMENT, EDUCATION AND TRAINING

The Intereuropa Group earmarked EUR 43 thousand for training during the first three quarters of the year, 28% of the funding planned for the aforementioned period. Group employees acquired new knowledge, primarily via various forms of e-learning and web conferences, for which 7,358 hours were earmarked. The number of training hours realised was up a thousand on the same period last year.

A total of 22% of all education and training was carried out by in-house experts. Comprehensive training was organised in the area of IT support for logistics processes at the subsidiary in Serbia, together with workshops in the formulation of sales offers in the IT programme in Croatia, as well as occupational health and safety training, and training in the area of personal data protection at the Group companies in Slovenia. Meetings at Intereuropa Group level where sales teams could exchange best practice should also be highlighted.

At the Intereuropa Group level, employees received an average of six hours of training, while employees at the subsidiary in Croatia received the most training (an average of 12 hours).

Slika 4: Breakdown of education and training within the Intereuropa Group in terms of hours and content



OCCUPATIONAL HEALTH AND SAFETY

A great deal of the activity in the area of occupational health and safety involved measures to prevent the spread of the coronavirus within the Group.

The absenteeism rate due to sick leave was 5.0% at the Group level during the reporting period, an increase of 0.9 percentage points relative to the same period last year and above the planned rate of 4.5%.

Some 14 employees suffered workplace injuries at Group level, which is six more than in the same period in 2020, and translates to 0.91% of the total number of employees, well inside the target rate of 1.5%.

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

- At the Group level, 304 employees were referred for preventive medical examinations, an increase of 158 on the same period of 2020.
- Special attention was given to ensuring the management of fire risks, and to the proper functioning of fire-safety and work equipment. Work and fire-safety equipment was inspected regularly.

1.6 Risk management

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

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

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

By the end of the third quarter of the year, a total of 50 risks had been assessed at the Intereuropa Group level, three as high, eight as medium and 35 as low, while it was determined that the Group was no longer exposed to one previously identified risk.

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. Ten strategic risks were identified in the Intereuropa Group, one more than at the end of the first half of the year. The newly identified risk was insufficient warehousing capacity at two companies in the Group. The level of two strategic risks was assessed as high: the risk of fraud committed by management, and the risk that strategic investments will not be implemented by the projected deadline. There was no change in the level of the two identified risks in the third quarter.

The highest number of risks is in the operational risk category. By the end of the third quarter of 2021, the Intereuropa Group had assessed 30 operational risks, while it was determined that the Group was no longer exposed to one of those risks. 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 four assessed as medium are risks associated with fraud and other criminal acts and the risk of the loss of transactions due to a change in the business model of customers. One operational risk was also identified as high at the end of the second quarter: the risk of the outbreak of the epidemic and the corresponding negative impact on performance; its level increased minimally during the third quarter. The Intereuropa Group is successfully addressing business challenges relating to the epidemic, and is regularly implementing measures to limit the impact of the epidemic on the Group's operations.

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

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

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

Table 12: Operations of Intereuropa, d. d. in the period January–September 2021, in EUR thousand

Item/Indicator	Jan–Sep 2021	Plan Jan–Sep 2021	Jan–Sep 2020	Index 2021/plan	Index 21/20
Sales revenue	89,818	79,661	76,788	113	117
Land transport	38,730	36,338	33,233	107	117
Logistics solutions	16,042	15,275	15,202	105	106
Intercontinental transport	31,379	24,150	24,713	130	127
Other services	3,667	3,898	3,640	94	101
EBITDA	6,482	5,597	6,179	116	105
Operating profit	3,580	2,119	2,887	169	124
Profit from financing activities	202	469	-492	43	-
Profit from ordinary operations	3,782	2,588	2,395	146	158
Corporate income tax and deferred tax	386	296	123	130	314
Net profit	3,395	2,292	2,272	148	149
EBITDA margin (in %)	7.2	7.0	8.0	103	90
EBIT margin (in %)	4.0	2.7	3.8	150	106
Sales revenue per employee/month	18.679	15.879	14.810	118	126
Value added per employee/month	4.316	3.934	3.948	110	109
ROE (in %)*	5.1	3.3	2.7	153	191
Item/Indicator	30 Sep 2021		31 Dec 2020		Index 21/20
Assets	175,927		172,272		102
Equity	92,624		89,225		104
Net debt	51,473		54,115		95
Current assets/current liabilities	1.39		1.35		103

* Recalculated on an annual basis. Planned ROE and the figure for 2020 are disclosed for the entire year.

Operating profit and EBITDA

- The Company generated revenues of EUR 89.8 million during the first three quarters of the year, which was 13% higher than planned and up 17% on the same period last year.
- EBITDA amounted to EUR 6.5 million, 16% higher than planned and up 5% on the same period last year. The main reason for higher-than-planned EBITDA was the positive impact of higher sales revenue.
- Operating profit in the amount of EUR 3.6 million was 69% higher than planned and up by 24% relative to the same period last year. Contributing significantly to this was an adjustment to depreciation due to changes to the useful life of real estate.

Profit/loss from financing activities

- The profit/loss from financing activities in the period January–September 2021 was EUR 0.7 million better than the same period last year, primarily due to higher revenues from participating interests in Group companies.

Profit from ordinary operations and net profit

- Intereuropa, d. d.'s profit from ordinary operations amounted to EUR 3.8 million over the first three quarters of 2021, and was 46% higher than planned profit from ordinary operations. At the same time, the Company's profit from ordinary operations was up by 58% relative to last year's results. The Company's net profit amounted to EUR 3.4 million, which was 48% higher than planned and up by 49% relative to last year's result.

Structure of the statement of financial position

- The Company's net financial debt amounted to EUR 51.5 million as at 30 September 2021, down EUR 1.1 million on the end of the first half of 2021, and down EUR 2.6 million on the end of 2020.
- The ratio of equity to total assets stood at 52.6% at the end of the third quarter of 2021, up 0.9 percentage points on the end of 2020, driven largely by improved performance.
- The current ratio amounted to 1.39 and was close to the level recorded at the end of 2020.

1.8 IEKG shares and ownership structure

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

Table 13: Basic data regarding the shares of Intereuropa, d. d. as at 30 September 2021

	30 Sep 2021	31 Dec 2020
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	2,256	2,319
Book value per share in EUR	3.37	3.25
Earnings per ordinary share in EUR*	0.16	0.08

* Recalculated on an annual basis.

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

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

KEY DATA REGARDING IEKG SHARES

Table 14: Key data regarding IEKG shares for the period January–September 2021

	Jan–Sep 2021	Jan–Dec 2020
Closing price at the end of period in EUR*	1.39	1.16
Weighted average price in EUR	1.31	1.40
Highest price in EUR	1.49	1.87
Lowest price in EUR	1.06	1.02
Market capitalisation in EUR thousand*	23,395	19,524
Turnover in EUR thousand	56	526
P/B	0.41	0.36
P/E	8.69	14.50
Capital yield	19.8%	-18.9%

* 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.

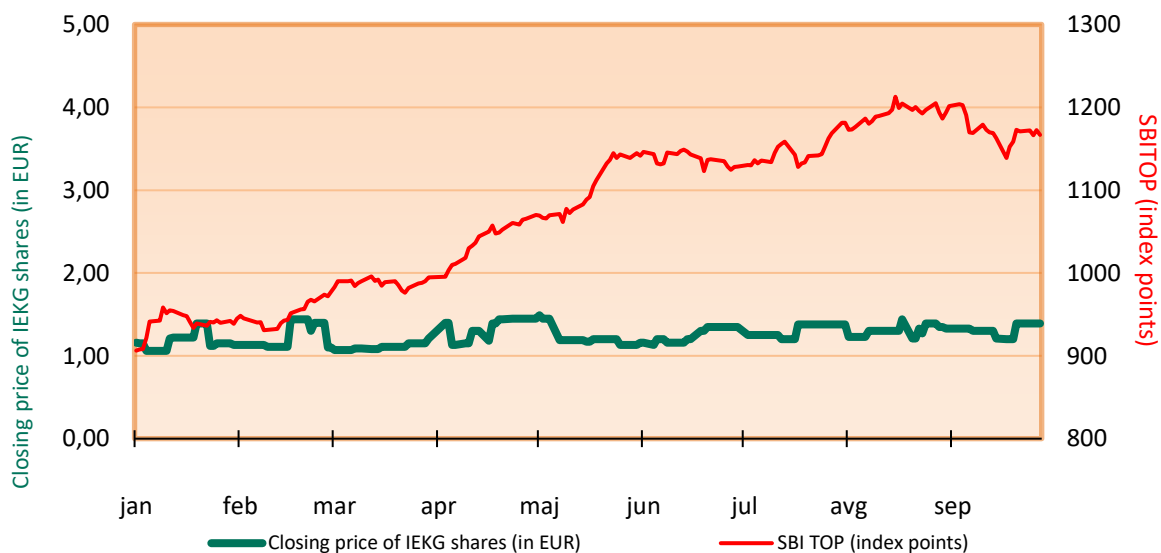
Capital yield = growth in share price during period.

TRADING IN IEKG SHARES

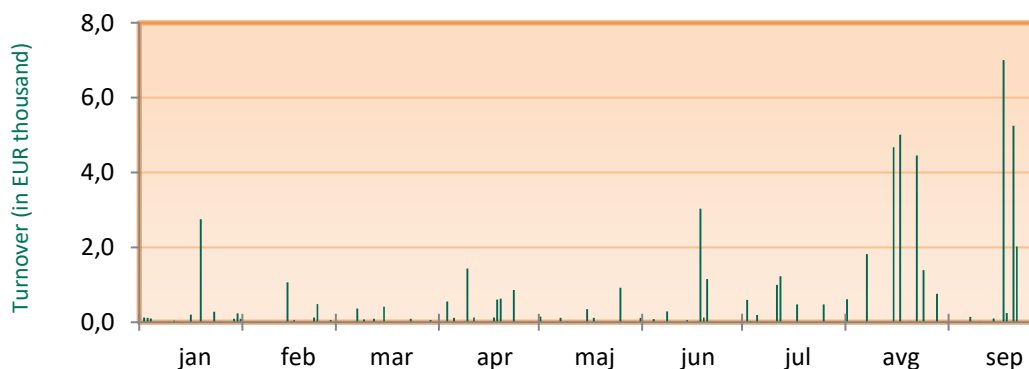
Trading in IEKG shares amounted to EUR 56 thousand over the first nine months of 2021, just 11% of the volume in the same period of 2020. The share price fluctuated between EUR 1.06 and EUR 1.49 per share, while the share price closed at EUR 1.39 at the end of the reporting period. The price gained 19.8% over the first nine months of the year, while the Slovenian SBITOP index gained 29.6%.

The market capitalisation of IEKG shares amounted to EUR 23.4 million at the end of September, accounting for 0.3% of the market capitalisation of all shares on the Ljubljana Stock Exchange.

Slika 5: Changes to the closing price of IEKG shares and the SBITOP index in the period January–September 2021



Slika 6: Turnover in IEKG shares in the period January–September 2021



OWNERSHIP STRUCTURE

The ownership structure as at 30 September 2021 was essentially unchanged relative to the situation as at 31 December 2020. At the end of period, the ownership stake of the Company's largest owner, Pošta Slovenije, d. o. o., was unchanged relative to the beginning of the year (80.89%), and comprised 11,577,271 ordinary shares (IEKG) and 10,657,965 preference shares (IEKN).

The number of shareholders was down by 63 during the first three quarters of 2021 to stand at 2,256.

The ten largest shareholders held 95.1% of the Company's capital at the end of the period.

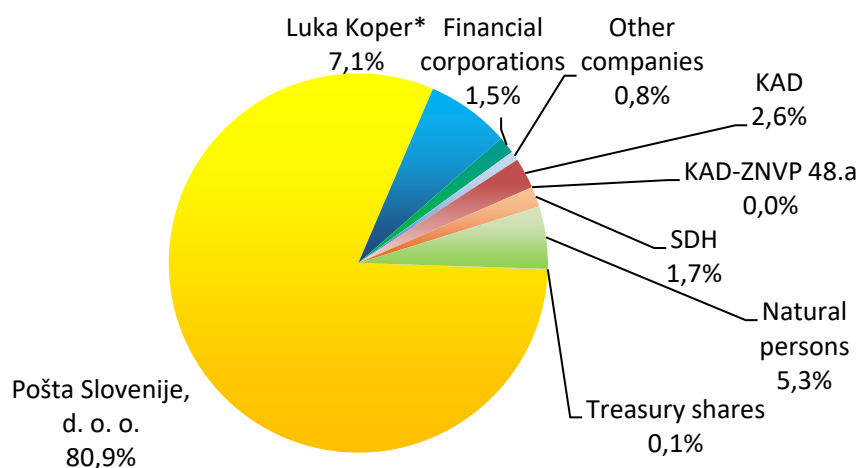
Table 15: Top ten shareholders of Intereuropa, d. d. as at 30 September 2021 relative to 31 December 2020

	Shareholder	30 Sep 2021		31 Dec 2020		Index 21/20
		Number of shares	Participating interest (in %)	Number of shares	Participating interest (in %)	
1.	Pošta Slovenije, d. o. o.	22,235,236	80.9%	22,235,236	80.9%	100
2.	Luka Koper, d. d.	1,344,783	4.9%	1,344,783	4.9%	100
3.	Kapitalska družba, d. d.	719,797	2.6%	719,797	2.6%	100
4.	Luka Koper INPO, d. o. o.	615,730	2.2%	615,730	2.2%	100
5.	SDH, d. d.	474,926	1.7%	474,926	1.7%	100
6.	Zavarovalnica Triglav, d. d.	332,918	1.2%	332,918	1.2%	100
7.	Jereb Law Firm (fiduciary account)	136,984	0.5%	134,599	0.5%	102
8.	Natural person	117,967	0.4%	117,967	0.4%	100
9.	Natural person	76,873	0.3%	76,873	0.3%	100
10.	Natural person	73,196	0.3%	73,196	0.3%	100
	Others	1,360,393	4.9%	1,362,778	5.0%	100
	TOTAL	27,488,803	100.0%	27,488,803	100.0%	100

The proportion of shares held by foreign investors stood at 0.3% and was unchanged relative to the end of 2020.

At the end of the period, 230 ordinary shares were held in a special account of Kapitalska družba, d. d. Those shares were waived by their holders or belonged to the Republic of Slovenia, which may not exercise its voting rights (Article 48b of the Book-Entry Securities Act).

Slika 7: Ownership structure of Intereuropa, d. d. as at 30 September 2021



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

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

Members of the Management Board did not hold any shares of Intereuropa, d. d. as at 30 September 2021. The shareholdings of Supervisory Board members are presented in the table below.

Table 16: Number of shares held by Supervisory Board members as at 30 September 2021

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 nine months of 2021. It held 18,135 treasury shares (IEKG) as at 30 September 2021, representing 0.0660% of all shares. The proportion of treasury shares has not changed since 31 December 2020. 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 2020.

On 2 July 2021, the general meeting of shareholders adopted a resolution leaving the full amount of distributable profit of EUR 9,987,873.36 undistributed. The shareholder Pan-Slovenian Shareholders' Association announced a challenging action against that resolution.

NOTIFICATION OF SHAREHOLDERS

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

The following channels are used to communicate with shareholders:

- ordinary general meetings of shareholders;
- 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.

1.9 Transactions with related parties

During the first nine months of the current year, there were no transactions concluded with related parties that would have a material impact on the financial position or operations of Intereuropa as a publicly held company, nor were there any changes in connection with transactions with related parties disclosed in the most recent annual report that could have a material impact on the financial position or operations of Intereuropa as a publicly held company during the first nine months of the current financial year.

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

for the period January–September 2021

INTRODUCTORY NOTES

The Intereuropa Group comprises the parent company Intereuropa, d. d., Koper and its subsidiaries. Intereuropa, d. d. (hereinafter: the Company) is a company established in Slovenia, with its registered office at Vojkovo nabrežje 32, 6000 Koper. It is deemed a large company according to the criteria set out in the Companies Act. The Company's securities are traded on the regulated market. As the parent company, it is obliged to prepare consolidated financial statements. The financial statements for the period January–September 2021 and for the comparative period January to September 2020 have not been audited, while the financial statements for the comparative period ending 31 December 2020 have been audited.

The current controlling company of the Intereuropa Group is Pošta Slovenije, d. o. o., with its registered office at Slomškov trg 10, 2500 Maribor. The company's founder is the Republic of Slovenia, while its core activity is the provision of universal postal services.

Composition of the Intereuropa Group

The consolidated financial statements of the Intereuropa Group for the period January–September 2021 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.

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

Income statement

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Sales revenue	129,163,089	111,625,915	89,817,713	76,787,664
Gains/losses from the derecognition of operating receivables and assets from contracts with customers	8,429	-18,364	1,168	-105
Other operating revenues	682,664	1,822,035	235,337	997,792
Costs of goods, materials and services	-95,287,313	-80,185,772	-68,525,447	-56,368,956
Labour costs	-22,162,502	-21,861,409	-14,270,866	-14,291,522
Amortisation and depreciation	-4,935,113	-5,604,242	-2,902,395	-3,290,011
Impairment losses on receivables (including the reversal of impairment losses)	-136,591	-297,238	-53,393	-88,593
Other operating expenses	-1,438,485	-1,603,347	-722,295	-859,661
Operating profit	5,894,178	3,877,578	3,579,822	2,886,608
Interest income	95,325	81,195	102,025	115,857
Other finance income	102,396	1,218	623,113	30,114
Finance costs – costs of financing	-542,737	-670,397	-483,758	-604,077
Impairment losses on loans granted and deposits	-1,000	-4,029	0	-3,693
Other finance costs	-145	-385,617	-39,477	-30,000
Profit/loss from financing activities	-346,161	-977,630	201,903	-491,799
Investment result recognised according to the equity method	1,196	-852	0	0
Profit from ordinary operations	5,549,213	2,899,096	3,781,725	2,394,809
Corporate income tax (including deferred taxes)	-910,845	-455,832	-386,262	-123,020
Net profit for the accounting period	4,638,368	2,443,264	3,395,463	2,271,789
Net profit pertaining to controlling interests	4,536,395	2,475,578	0	0
Net profit pertaining to non-controlling interests	101,973	-32,314	0	0
Basic and diluted earnings per ordinary share	0.26	0.14	0.12	0.08

Statement of other comprehensive income

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Net profit for the accounting period	4,638,368	2,443,264	3,395,463	2,271,789
Other comprehensive income	341,120	-663,258	4,163	-7
Items that will be reclassified to profit or loss	361,527	-665,745	0	0
Change in the fair value of available-for-sale financial assets	95	-2,009	0	0
Foreign currency translation differences	361,432	-663,736	0	0
Items that will not be reclassified to profit or loss	-20,407	2,487	4,163	-7
Change in fair value of land	-27,000	0	0	-36
Transfer of revaluation surplus for land to retained earnings	-285,407	-483,046	-34,770	36
Change in deferred taxes	54,151	86,982	6,606	-7
Change in retained earnings from the transfer of the revaluation surplus for land	285,408	483,046	34,770	0
Actuarial gains/losses for termination benefits upon retirement	0	961	0	0
Corporate income tax on retained earnings	-47,559	-85,456	-2,443	0
Total comprehensive income	4,979,488	1,780,006	3,399,626	2,271,782
Total comprehensive income pertaining to controlling interests	4,884,239	1,818,150	0	0
Total comprehensive income pertaining to non-controlling interests	95,249	-38,144	0	0

Statement of financial position

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
ASSETS				
Property, plant and equipment	138,591,505	141,310,696	74,055,681	75,789,593
Investment property	21,949,612	22,742,292	15,966,052	16,667,598
Intangible assets	2,816,180	2,982,482	2,657,908	2,808,118
Other non-current assets	30,468	27,602	30,468	27,602
Non-current operating receivables	191,386	239,799	188,481	233,652
Deferred tax assets	6,930,996	7,047,360	5,018,092	5,037,469
Long-term loans granted and deposits	41,706	39,898	136,904	0
Investment in associate	65,445	64,249	0	0
Other non-current financial assets	38,212	29,348	44,526,607	44,518,176
TOTAL NON-CURRENT ASSETS	170,655,510	174,483,726	142,580,193	145,082,208
Available-for-sale assets	0	337,638	0	0
Inventories	37,509	25,577	4,406	4,406
Short-term loans granted and deposits	3,597,197	2,598,166	2,505,558	2,198,062
Assets from contracts with customers	1,550,709	510,601	1,083,041	341,298
Current operating receivables	36,920,827	30,342,297	26,268,645	22,173,255
Current receivables for corporate income tax	230,972	215,699	16,011	0
Other current assets	1,169,977	320,583	834,583	99,001
Cash and cash equivalents	13,732,211	11,609,486	2,634,067	2,374,180
TOTAL CURRENT ASSETS	57,239,402	45,960,047	33,346,311	27,190,202
TOTAL ASSETS	227,894,912	220,443,773	175,926,504	172,272,410
EQUITY				
Equity pertaining to controlling interests	122,251,455	117,351,473	92,624,476	89,224,850
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	44,170,383	44,420,915	30,516,464	30,544,627
Foreign currency translation differences	-6,868,841	-7,229,452	0	0
Retained earnings	29,309,656	25,408,881	10,020,199	7,673,361
Net profit	4,536,395	3,647,267	3,395,463	2,314,512
Equity pertaining to non-controlling interests	7,314,798	7,498,867	0	0
TOTAL EQUITY	129,566,253	124,850,340	92,624,476	89,224,850
LIABILITIES				
Provisions	2,849,608	2,793,522	1,908,772	1,924,930
Non-current deferred income	54,612	62,639	54,612	62,639
Non-current financial liabilities	49,971,835	54,199,169	48,961,560	52,642,354
Non-current operating liabilities	1,124,588	935,164	1,059,945	878,475
Deferred tax liabilities	10,640,936	10,693,502	7,330,321	7,336,927
TOTAL NON-CURRENT LIABILITIES	64,641,579	68,683,996	59,315,210	62,845,325
Current financial liabilities	6,672,144	4,419,148	7,787,822	6,044,691
Liabilities from contracts with customers	405,411	535,499	48,827	7,004
Current operating liabilities	26,083,099	21,404,350	15,995,033	13,936,746
Current corporate income tax liabilities	468,701	537,311	125,389	209,180
Current deferred income	57,725	13,129	29,747	4,614
TOTAL CURRENT LIABILITIES	33,687,080	26,909,437	23,986,818	20,202,235
TOTAL EQUITY AND LIABILITIES	227,894,912	220,443,773	175,926,504	172,272,410

Statement of cash flows

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Cash flows from operating activities				
Net profit for the accounting period	4,638,368	2,443,264	3,395,463	2,271,789
Adjustments for:				
amortisation and depreciation	4,935,113	5,604,242	2,902,395	3,290,011
impairments and write-offs of property, plant and equipment, and investment property	11,185	4,561	272	2,816
gains on the sale of property, plant and equipment, investment property, and assets held for sale	-354,429	-302,859	-94,105	-4,410
income from the reversal of impairment losses on property, plant and equipment, and investment property	0	-76	0	-76
losses from the sale of property, plant and equipment	405	5,572	0	0
losses from the derecognition of operating receivables and assets from contracts with customers	0	18,364	0	105
impairment losses on receivables (including the reversal of impairment losses)	136,591	297,238	53,393	0
impairments and write-offs of inventories	0	0	0	88,593
finance income from interest	-95,325	-81,195	-102,025	-115,857
other finance income	-102,396	-1,218	-623,112	-30,114
finance costs – costs of financing	542,737	670,397	483,758	604,077
impairment losses on loans granted and deposits	1,000	385,617	0	0
other finance costs	145	4,029	39,477	33,693
investment result recognised according to the equity method	-1,196	852	0	0
corporate income tax (including deferred taxes)	910,845	455,832	386,262	123,020
Operating profit before changes in net working capital and taxes	10,623,043	9,504,620	6,441,778	6,263,647
Changes in net working capital and provisions				
Change in assets from contracts with customers	-1,040,108	-151,475	-741,743	-163,980
Changes in receivables	-6,617,943	1,543,041	-3,512,077	434,334
Changes in inventories	-11,931	4,443	0	0
Changes in other current assets	-852,260	-536,233	-738,448	-491,956
Changes in liabilities from contracts with customers	-130,088	-196,696	41,823	-689
Changes in operating liabilities	5,606,294	1,295,910	3,038,691	1,684,102
Changes in provisions	100,681	-128,762	-16,158	-78,851
Changes in non-current deferred income	-8,027	-15,033	17,105	-15,221
Income tax paid	-892,699	-357,012	-469,131	-152,133
Net cash flow from operating activities	6,776,962	10,962,803	4,061,840	7,479,253
Cash flows from investing activities				
Interest received	87,062	89,299	109,948	97,566
Dividends received and shares in profit	0	0	19,517	25,991
Inflows from the sale of property, plant and equipment	2,588,641	2,368,105	405,102	4,832
Inflows from long-term loans granted	0	0	0	75,286
Inflows from long-term deposits placed	0	10,000	0	10,000
Net cash flow from short-term loans granted	0	0	-250,000	-300,000
Net cash flow from short-term deposits placed	-1,000,000	-372,167	0	0
Transfer of short-term deposits placed to cash and cash equivalents	0	30,000	0	0
Inflows from the sale of other financial assets	0	97,486	0	0
Outflows for the acquisition of property, plant and equipment, and investment property	-2,179,957	-1,090,395	-527,220	-491,917
Outflows for the acquisition of intangible assets	-142,680	-182,542	-139,477	-182,543
Outflows for long-term loans granted	0	0	-194,400	0
Outflows for increase in capital of subsidiaries	0	0	-30,000	-30,000
Outflows for the acquisition of treasury shares	-8,665	-243,116	0	0
Net cash flow from investing activities	-655,599	949,786	-606,530	-790,785
Cash flows from financing activities				
Inflows from long-term loans received	0	54,850,000	0	54,850,000
Interest paid	-851,963	-420,228	-1,115,703	-436,955
Outflows for the repayment of long-term loans	-1,750,000	-56,848,460	-1,750,000	-56,848,460
Net cash flow from short-term loans	304,012	-79,929	0	0
Payment of lease liabilities	-1,462,819	-1,089,967	-329,720	-369,970
Dividends paid	-243,116	-23,386	0	0
Net cash flow from financing activities	-4,003,886	-3,611,970	-3,195,423	-2,805,385
Opening balance of cash and cash equivalents	11,609,486	6,283,038	2,374,180	2,756,729
Exchange rate differences relating to cash	5,248	-10,513	0	0
Net cash flow for the period from ordinary operations	2,117,477	8,300,619	259,887	3,883,083
Closing balance of cash and cash equivalents	13,732,211	14,573,144	2,634,067	6,639,812

Statement of changes in equity of the Intereuropa Group

			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)																	
Balance as at 1 January 2021	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	489,848	45,370,901	-48,726	-901,260	-7,229,451	25,408,881	3,647,267	117,351,474	7,498,866	124,850,340	
Total comprehensive income	0	0	0	0	0	0	0	-250,623	91	0	360,610	237,766	4,536,395	4,884,239	95,249	4,979,488	
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	4,536,395	4,536,395	101,973	4,638,368	
Other comprehensive income	0	0	0	0	0	0	0	-250,623	91	0	360,610	237,766	0	347,844	-6,724	341,120	
Transactions with owners																	
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	0	0	0	0	3,647,267	-3,647,267	0	0	0	
Acquisition of treasury shares	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-8,665	-8,665	
Other changes	0	0	0	0	0	0	0	0	0	0	0	15,742	0	15,742	15,125	30,867	
Closing balance as at 30 September 2021	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	489,848	45,120,278	-48,635	-901,260	-6,868,841	29,309,656	4,536,395	122,251,455	7,314,798	129,566,253	

			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)																	
Balance as at 1 January 2020	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	489,848	45,825,180	-46,386	-755,454	-6,668,465	21,366,581	3,897,756	114,723,074	7,634,819	122,357,893	
Total comprehensive income	0	0	0	0	0	0	0	-395,940	-2,009	961	-657,837	397,397	2,475,578	1,818,150	-38,144	1,780,006	
Net profit for the financial year	0	0	0	0	0	0	0	0	0	0	0	0	2,475,578	2,475,578	-32,314	2,443,264	
Other comprehensive income	0	0	0	0	0	0	0	-395,940	-2,009	961	-657,837	397,397	0	-657,428	-5,830	-663,258	
Transactions with owners																	
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	0	0	0	0	3,897,755	-3,897,755	0	0	0	
Dividends and shares in profit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-10,472	-10,472	
Closing balance as at 30 September 2020	27,488,803	18,454,667	4,655,544	180,394	-180,394	15,000	489,848	45,429,240	-48,395	-754,493	-7,326,302	25,661,733	2,475,579	116,541,224	7,586,203	124,127,427	

Statement of changes in equity of Intereuropa, d. d.

(in EUR)	Share capital	Share premium account	PROFIT RESERVES			FAIR VALUE RESERVES		RETAINED EARNINGS		Total equity
			Legal reserves	Reserves for treasury shares	Treasury shares (as deduction item)	Fair value reserves for land	Provisions for actuarial losses	Retained earnings	Net profit for the accounting period	
Balance as at 1 January 2021	27,488,803	18,454,667	2,748,880	180,394	-180,394	31,278,480	-733,853	7,673,361	2,314,512	89,224,850
Total comprehensive income	0	0	0	0	0	-28,163	0	32,326	3,395,463	3,399,626
Net profit for the financial year	0	0	0	0	0	0	0	0	3,395,463	3,395,463
Other comprehensive income	0	0	0	0	0	-28,163	0	32,326	0	4,163
Transactions with owners										
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	2,314,512	-2,314,512	0
Closing balance as at 30 September 2021	27,488,803	18,454,667	2,748,880	180,394	-180,394	31,250,317	-733,853	10,020,199	3,395,463	92,624,476

(in EUR)	Share capital	Share premium account	PROFIT RESERVES			FAIR VALUE RESERVES		RETAINED EARNINGS		Total equity
			Legal reserves	Reserves for treasury shares	Treasury shares (as deduction item)	Fair value reserves for land	Provisions for actuarial losses	Retained earnings	Net profit for the accounting period	
Balance as at 1 January 2020	27,488,803	18,454,667	2,748,880	180,394	-180,394	31,278,451	-651,279	4,520,157	3,387,948	87,227,627
Total comprehensive income	0	0	0	0	0	29	0	-35	2,271,789	2,271,783
Net profit for the financial year	0	0	0	0	0	0	0	0	2,271,789	2,271,789
Other comprehensive income	0	0	0	0	0	29	0	-35	0	-6
Transactions with owners										
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	0	3,387,948	-3,387,948	0
Closing balance as at 30 September 2020	27,488,803	18,454,667	2,748,880	180,394	-180,394	31,278,480	-651,279	7,908,070	2,271,789	89,499,410

Basis for preparation and notes to the financial statements

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.

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 2020 were prepared.

Notes to the income statement

Sales revenue

Intereuropa Group (in EUR)	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Revenues by business line										
Land transport	38,729,862	33,270,024	14,937,568	12,507,862	4,500,645	3,881,445	1,844,833	2,039,096	2,584,991	2,117,675
Logistics solutions	16,041,705	15,193,122	4,282,827	3,266,438	625,874	510,574	678,872	416,420	864,751	746,634
Intercontinental transport	31,730,835	24,968,162	3,276,157	2,179,559	983,373	387,229	1,399,891	1,810,837	373,926	268,845
Other services	3,832,392	3,767,897	481,129	556,275	326,181	783,005	4,278	25,835	672,786	592,299
Total	90,334,794	77,199,205	22,977,681	18,510,134	6,436,073	5,562,253	3,927,874	4,292,188	4,496,454	3,725,453
Revenues generated by country (with respect to a customer's head office)										
Slovenia	51,289,637	44,582,561	453,763	829,054	269,542	190,972	424,218	392,918	81,171	89,465
Croatia	1,595,161	1,467,911	18,958,728	14,969,310	49,814	53,035	49,899	58,372	58,455	21,006
Bosnia and Herzegovina	912,857	830,838	787,274	431,437	4,827,681	4,373,258	65,811	47,026	44,507	61,923
Montenegro	288,589	245,629	3,472	4,938	1,938	491	51,870	39,586	3,671,579	3,038,657
Other countries	36,248,550	30,072,266	2,774,444	2,275,395	1,287,098	944,497	3,336,076	3,754,286	640,742	514,402
Total	90,334,794	77,199,205	22,977,681	18,510,134	6,436,073	5,562,253	3,927,874	4,292,188	4,496,454	3,725,453

(in EUR)	Ukraine		Other countries		Exclusions		Total	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Revenues by business line								
Land transport	1,734,237	3,424,218	4,963,583	3,509,648	4,344,578	3,566,264	64,951,141	57,183,700
Logistics solutions	0	0	463,268	349,812	90,945	19,631	22,866,352	20,463,370
Intercontinental transport	0	0	641,729	478,921	1,398,630	756,447	37,007,281	29,337,107
Other services	297	510	307,416	245,713	1,286,164	1,329,796	4,338,315	4,641,738
Total	1,734,534	3,424,728	6,375,996	4,584,094	7,120,317	5,672,138	129,163,089	111,625,915
Revenues generated by country (with respect to a customer's head office)								
Slovenia	132,089	157,284	736,169	506,890	1,249,368	1,535,889	52,137,221	45,213,255
Croatia	0	0	128,964	3,008	2,043,893	1,221,600	18,797,128	15,351,042
Bosnia and Herzegovina	0	0	14,572	3,900	1,474,640	1,029,711	5,178,062	4,718,670
Montenegro	0	0	9,208	0	317,656	278,286	3,709,000	3,051,015
Other countries	1,602,445	3,267,444	5,487,083	4,070,296	2,034,760	1,606,652	49,341,678	43,291,933
Total	1,734,534	3,424,728	6,375,996	4,584,094	7,120,317	5,672,138	129,163,089	111,625,915

Intereuropa, d. d. (in EUR)	Jan–Sep 2021	Jan–Sep 2020
Revenues by business line		
Land transport	38,729,862	33,270,024
Logistics solutions	16,041,705	15,193,122
Intercontinental transport	31,378,876	24,685,875
Other services	3,667,270	3,638,643
Total	89,817,713	76,787,664
Revenues generated by country (with respect to a customer's head office)		
Slovenia	51,082,593	44,430,290
Croatia	1,593,179	1,467,037
Bosnia and Herzegovina	912,492	830,838
Montenegro	286,165	245,629
Other countries	35,943,284	29,813,870
Total	89,817,713	76,787,664

The Group and Company disclose rental income in sales revenue. The Group generated rental income of EUR 4,563,248 in the period January–September 2021 (EUR 4,454,823 in the same period last year), while the Company generated rental income of EUR 3,168,110 (EUR 3,151,800 in the same period last year). Sales revenue less rental income is equal to revenues from contracts with customers.

Other operating income

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Gains on the sale of property, plant and equipment	354,429	302,859	94,105	4,410
Revenues from the reversal of provisions	37,794	193,256	2,640	99,401
Government grants received	172,275	1,224,431	103,064	875,719
Other operating income	118,166	101,489	35,528	18,262
Total	682,664	1,822,035	235,337	997,792

The Group received state aid in the total amount of EUR 95,912 for support during the COVID-19 epidemic, while the Company received EUR 30,428.

Costs of goods, materials and services

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Costs of materials and cost of goods sold	2,719,227	2,681,459	1,412,067	1,264,415
Costs of services within the Group	0	0	1,759,992	1,469,650
Cost of services				
direct costs	83,089,868	68,625,581	58,861,246	48,034,263
costs of hired labour and student work	3,178,115	2,566,381	2,958,629	2,212,864
maintenance of property, plant and equipment	1,151,294	1,186,696	670,366	658,181
maintenance of intangible assets	649,790	638,474	571,571	565,973
costs of short-term leases of property, plant and equipment	244,192	162,464	83,705	41,845
costs of leases of intangible assets	328,801	310,776	328,175	310,387
insurance premiums	741,015	687,562	434,819	439,032
costs of asset security	697,548	670,283	442,833	418,689
costs of intellectual services	408,636	426,411	209,116	162,476
costs associated with the Supervisory Board and its committees	126,965	123,390	116,385	120,911
other costs of services	1,951,862	2,106,295	676,543	670,270
Total	95,287,313	80,185,772	68,525,447	56,368,956

Labour costs

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Costs of wages and salaries	15,765,932	15,851,011	9,831,372	10,205,628
Social security costs	3,227,807	3,207,112	1,959,702	1,964,212
Other labour costs:				
annual leave allowance	720,274	584,164	589,744	471,985
transportation and meal allowances	1,440,769	1,509,042	1,009,312	1,087,128
other labour costs	330,995	243,207	221,350	103,332
expenses for employee participation in profits	676,725	466,873	659,386	459,237
Total	22,162,502	21,861,409	14,270,866	14,291,522

Amortisation and depreciation

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Depreciation of property, plant and equipment	3,087,395	3,475,623	1,895,794	2,216,635
Depreciation of investment property	516,790	681,658	401,379	403,337
Amortisation of intangible assets	334,473	352,184	314,576	327,814
Depreciation of right-of-use assets under leases	996,455	1,094,777	290,646	342,225
Total	4,935,113	5,604,242	2,902,395	3,290,011

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

Impairment losses on receivables (including the reversal of impairment losses) in the period January–September 2021 amounted to EUR 136,591 at Group level (compared with EUR 297,238 in the same period last year), and EUR 53,393 at the Company (EUR 88,593 during the same period last year).

Other operating expenses

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Building land use fees and similar expenses	982,077	982,078	644,698	652,959
Expenses for other levies	64,673	61,617	4,424	4,299
Impairment of property, plant and equipment, and investment property	11,590	1,743	272	2,816
Write-downs and losses from the sale of property, plant and equipment, and investment property	0	8,390	0	0
Costs from the recognition of provisions	78,504	129,896	0	104,429
Other operating expenses	301,641	419,623	72,901	95,158
Total	1,438,485	1,603,347	722,295	859,661

Finance income and costs

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Interest income from Group companies	0	0	51,175	53,828
Interest income from others	95,325	81,195	50,850	62,029
Income from dividends and other shares in profit from Group companies	0	0	614,585	25,991
Revenues from the reversal of impairments of financial assets	9,010	1,179	8,528	1,179
Net exchange rate differences	93,386	39	0	2,944
Total finance income	197,721	82,413	725,138	145,971
Interest expenses vis-à-vis Group companies	0	0	-24,512	-32,286
Interest expense	-542,737	-670,397	-459,246	-571,791
Expenses from impairments of loans, deposits and bills of exchange	-1,000	-4,029	0	-3,693
Expenses from impairments of investments in participating interests and shares in Group companies	0	0	-30,000	-30,000
Expenses from impairments and write-offs of financial assets	-145	-4,241	0	0
Net exchange rate differences	0	-381,376	-9,477	0
Total finance costs	-543,882	-1,060,043	-523,235	-637,770
Profit/loss from financing activities	-346,161	-977,630	201,903	-491,799

Operating result

Intereuropa Group

The Group generated an operating profit of EUR 5,894,177 in the period January–September 2021 (EUR 3,877,578 in the same period last year).

Corporate income tax for the reporting period amounted to EUR 910,845, comprising current tax expenses of 761,255 and deferred tax expenses of EUR 149,590.

The Group generated a net profit of EUR 4,638,368 during the reporting period. Of that amount, EUR 4,536,395 pertains to the controlling owner, while EUR 101,973 pertains to non-controlling owners (the Group generated a net profit of EUR 2,443,264 during the same period last year, with EUR 2,475,578 of that amount pertaining to the controlling owner and the negative amount of EUR 32,314 pertaining to non-controlling owners).

Intereuropa, d. d.

The Company generated an operating profit of EUR 3,579,822 in the period January–September 2021 (EUR 2,886,608 in the same period last year).

Corporate income tax for the reporting period amounted to EUR 386,262, comprising current tax of EUR 366,885 and expenses arising from deferred tax of EUR 19,377.

A net profit in the amount of EUR 3,395,463 (EUR 2,271,789 in the same period last year) was thus achieved during the reporting period, taking into account corporate income tax.

Notes to the statement of financial position

Property, plant and equipment

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Land and buildings				
Land	70,385,532	70,910,232	41,444,763	41,444,763
Buildings	58,946,693	61,159,895	28,253,778	29,332,013
Plant and equipment	5,795,673	6,116,283	3,487,996	3,869,786
Right-of-use assets under leases	1,916,137	2,476,052	568,831	791,308
Investments in foreign fixed assets	27,281	31,277	9,024	5,380
Property, plant and equipment in acquisition	1,520,189	616,957	291,289	346,343
Total	138,591,505	141,310,696	74,055,681	75,789,593

The carrying amount of property, plant and equipment (land and buildings) pledged as collateral was EUR 36,697,805 at the Group level as at 30 September 2021 (comprising collateral for loans received and contingent liabilities), and EUR 20,501,751 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 21,949,612 at the Group level as at 30 September 2021 (EUR 22,742,292 at the end of 2020) and EUR 15,966,052 at the Company (EUR 16,667,598 at the end of 2020).

The carrying amount of investment property pledged as collateral at the end of September 2021 was EUR 2,270,265 at the Group level and EUR 1,340,045 at the Company. In both cases, that amount represents additional collateral for liabilities for which the underlying collateral comprises pledged items of property, plant and equipment.

Intangible assets

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Long-term property rights	375,171	343,907	261,422	212,912
Goodwill	41,721	41,721	0	0
Other intangible assets	2,346,214	2,594,894	2,343,412	2,593,246
Intangible assets under construction	53,074	1,960	53,074	1,960
Total	2,816,180	2,982,482	2,657,908	2,808,118

Loans granted and deposits

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Long-term loans and deposits	41,706	39,898	136,904	0
Loans to subsidiaries	0	0	136,904	0
Loans to others	195	629	0	0
Deposits	41,511	39,269	0	0
Short-term loans and deposits	3,597,197	2,598,166	2,505,558	2,198,062
Loans to subsidiaries	0	0	2,505,558	2,198,062
Loans to others	797	766	0	0
Deposits	3,596,400	2,597,400	0	0
Total	3,638,903	2,638,064	2,642,462	2,198,062

The carrying amount of short-term deposits pledged as collateral was EUR 299,700 as at the reporting date.

Non-current financial assets

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Non-current investments in shares and participating interests in subsidiaries	0	0	44,451,959	44,451,959
Non-current investment in a participating interest in an associate	65,445	64,249	39,058	39,058
Other non-current financial assets	38,212	29,348	35,590	27,159
Total	103,657	93,597	44,526,607	44,518,176

Assets held for sale

Neither the Group nor the Company had available-for-sale assets as at 30 September 2021 (the Group had available-for-sale assets in the amount of EUR 337,638 at the end of 2020). Available-for-sale assets comprised real estate, the sale of which is planned in a short period of time. The reduction was the result of the sale of those assets.

Current operating receivables

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Current operating receivables from Group companies	0	0	1,437,485	651,562
Current operating receivables from Group companies for interest	0	0	210,085	208,030
Current trade receivables	34,998,043	27,870,099	23,376,195	19,579,906
Current operating receivables from others	1,922,784	2,472,198	1,244,880	1,733,757
Total	36,920,827	30,342,297	26,268,645	22,173,255

Other current assets

Other current assets amounted to EUR 1,169,977 at the Group level at the end of September 2021 (EUR 320,583 at the end of 2020) and to EUR 834,583 at the Company (EUR 99,001 at the end of 2020), and comprise current deferred costs.

Provisions

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Provisions for termination benefits upon retirement and employee anniversary bonuses	2,501,705	2,483,386	1,618,057	1,601,401
Provisions for lawsuits	158,580	184,385	290,715	320,889
Other provisions	189,323	125,751	0	2,640
Total	2,849,608	2,793,522	1,908,772	1,924,930

Financial liabilities

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Loans received from others	49,107,930	52,887,330	48,668,928	52,156,428
Lease liabilities	863,905	1,311,839	292,632	485,926
Total non-current financial liabilities	49,971,835	54,199,169	48,961,560	52,642,354
Loans from Group companies	0	0	3,100,000	3,100,000
Loans received from others	5,018,563	2,666,878	4,353,949	2,597,984
Lease liabilities	1,185,834	1,327,184	333,873	346,707
Liabilities for dividends and other shares in profit	467,747	425,086	0	0
Total current financial liabilities	6,672,144	4,419,148	7,787,822	6,044,691

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

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

The Group and the Company had an approved but undrawn revolving loan in the amount of EUR 4 million as at 30 September 2021.

The Group and Company had no overdue unpaid liabilities under loan agreements as at the reporting date.

Operating liabilities

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Non-current trade payables	114,815	115,809	114,815	115,809
Other non-current operating liabilities	1,009,773	819,355	945,130	762,666
Total non-current operating liabilities	1,124,588	935,164	1,059,945	878,475
Current operating liabilities to Group companies	0	0	369,946	374,048
Current trade payables (excluding the Group)	20,955,325	15,680,960	12,688,061	9,193,447
Other current operating liabilities	5,127,774	5,723,390	2,937,026	4,369,251
Total current operating liabilities	26,083,099	21,404,350	15,995,033	13,936,746

Other notes

Contingent liabilities

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Contingent liabilities from bank guarantees and guarantees given to Group companies	0	0	799,592	799,796
Contingent liabilities from bank guarantees and guarantees given to others	19,198,826	19,053,973	9,235,000	10,199,763
Contingent liabilities from lawsuits	477,466	641,668	14,000	7,000
Other contingent liabilities	170,706	170,706	65,705	65,705
Total	19,846,998	19,866,347	10,114,297	11,072,264

Fair value

Fair value of financial instruments

(in EUR)	Intereuropa Group			
	30 Sep 2021		31 Dec 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Fair value of assets				
Financial assets measured at fair value through other comprehensive income	2,622	2,622	2,189	2,189
Financial assets measured at fair value through profit or loss	35,590	35,590	27,159	27,159
Loans and deposits	3,638,903	3,638,903	2,638,064	2,638,064
Operating receivables (excluding receivables from the government and employees, and advances paid)	36,344,737	36,344,737	28,914,452	28,914,452
Cash and cash equivalents	13,732,211	13,732,211	11,609,486	11,609,486
Total	53,754,063	53,754,063	43,191,350	43,191,350
Fair value of liabilities				
Loans				
at variable interest rates	54,126,493	54,126,493	55,554,208	55,554,208
Lease liabilities	2,049,739	2,049,739	2,639,023	2,639,023
Liabilities for dividends and other shares in profit	467,747	467,747	425,086	425,086
Operating liabilities (excluding liabilities to the government and employees, and advances received)	22,079,435	22,079,435	16,476,693	16,476,693
Total	78,723,414	78,723,414	75,095,010	75,095,010

(in EUR)	Intereuropa, d. d.			
	30 Sep 2021		31 Dec 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Fair value of assets				
Financial assets measured at fair value through profit or loss	35,590	35,590	27,159	27,159
Loans and deposits	2,642,462	2,642,462	2,198,062	2,198,062
Operating receivables (excluding receivables from the government and employees, and advances paid)	26,015,523	26,015,523	21,140,817	21,140,817
Cash and cash equivalents	2,634,067	2,634,067	2,374,180	2,374,180
Total	31,327,642	31,327,642	25,740,218	25,740,218
Fair value of liabilities				
Loans				
at fixed interest rates	3,100,000	3,100,000	3,100,000	3,100,000
at variable interest rates	53,022,877	53,022,877	54,754,412	54,754,412
Lease liabilities	626,504	626,504	832,633	832,633
Operating liabilities (excluding liabilities to the government and employees, and advances received)	13,455,143	13,455,143	10,260,769	10,260,769
Total	70,204,524	70,204,524	68,947,814	68,947,814

The Group and Company assume that the carrying amount of receivables and liabilities with a maturity of less than one year is a proper reflection of their fair value.

Fair value hierarchy

The table illustrates the classification of non-financial and financial instruments with respect to the calculation of their fair value. The Group and Company classify those instruments to the following three levels:

- level 1 includes the unadjusted price quoted on an active market on the date of measurement;
- level 2 includes inputs other than the quoted prices included in level 1 that can be directly or indirectly observed for assets or liabilities; and
- level 3 includes unobservable inputs for an asset or liability.

(in EUR)	Intereuropa Group					
	30 Sep 2021			31 Dec 2020		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Fair value of assets						
Financial assets measured at fair value through other comprehensive income	2,622	0	2,622	2,189	0	2,189
Financial assets measured at fair value through profit or loss	0	35,590	35,590	0	27,159	27,159
Loans and deposits	0	3,638,903	3,638,903	0	2,638,064	2,638,064
Operating receivables (excluding receivables from the government and employees, and advances paid)	0	36,344,737	36,344,737	0	28,914,452	28,914,452
Cash and cash equivalents	0	13,732,211	13,732,211	0	11,609,486	11,609,486
Total	2,622	53,751,441	53,754,063	2,189	43,189,161	43,191,350
Fair value of liabilities						
Loans	0	54,126,493	54,126,493	0	55,554,208	55,554,208
Lease liabilities	0	2,049,739	2,049,739	0	2,639,023	2,639,023
Liabilities for dividends and other shares in profit	0	467,747	467,747	0	425,086	425,086
Operating liabilities (excluding liabilities to the government and employees, and advances received)	0	22,079,435	22,079,435	0	16,476,693	16,476,693
Total	0	78,723,414	78,723,414	0	75,095,010	75,095,010

(in EUR)	30 Sep 2021			Intereuropa, d. d.			31 Dec 2020		
	Level 1	Level 3	Total	Level 1	Level 3	Total	Level 1	Level 3	Total
Fair value of assets									
Financial assets measured at fair value through profit or loss	0	35,590	35,590	0	27,159	27,159	0	27,159	27,159
Loans and deposits	0	2,642,462	2,642,462	0	2,198,062	2,198,062	0	2,198,062	2,198,062
Operating receivables (excluding receivables from the government and employees, and advances paid)	0	26,015,523	26,015,523	0	21,140,817	21,140,817	0	21,140,817	21,140,817
Cash and cash equivalents	0	2,634,067	2,634,067	0	2,374,180	2,374,180	0	2,374,180	2,374,180
Total	0	31,327,642	31,327,642	0	25,740,218	25,740,218	0	25,740,218	25,740,218
Fair value of liabilities									
Loans	0	56,122,877	56,122,877	0	57,854,412	57,854,412	0	57,854,412	57,854,412
Lease liabilities	0	626,504	626,504	0	832,633	832,633	0	832,633	832,633
Operating liabilities (excluding liabilities to the government and employees, and advances received)	0	13,455,143	13,455,143	0	10,260,769	10,260,769	0	10,260,769	10,260,769
Total	0	70,204,524	70,204,524	0	68,947,814	68,947,814	0	68,947,814	68,947,814

For other financial instruments for which value is disclosed, that value reflects level three.

Transactions with related parties

(in EUR)	Intereuropa Group					
	Associate		Other*		Pošta Slovenije Group	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Operating revenues	160,492	188,871	6,010	0	355,529	86,902
Operating expenses	2,859,042	2,795,973	7,051	0	1,102,021	128,402
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Non-current investments in shares and participating interests	39,059	39,059	0	0	0	0
Balance of operating receivables	20,502	46,778	210	0	63,660	40,320
Balance of operating liabilities	418,849	398,219	3,060	0	195,925	59,870
Contingent assets and liabilities	0	0	0	0	38,308	0

(in EUR)	Intereuropa, d. d.					
	Subsidiaries		Associate		Pošta Slovenije Group	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Revenue from services rendered	3,450,919	2,997,028	160,492	188,871	278,796	136,435
Cost of services	1,759,993	1,469,650	2,859,042	2,795,973	1,091,231	211,099
Income from participating interests	614,584	25,991	0	0	0	0
Interest income	51,175	53,828	0	0	0	0
Interest expense	24,512	32,285	0	0	0	0
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Non-current investments in shares and participating interests	44,451,959	44,451,959	39,059	39,059	0	0
Balance of operating receivables	1,647,569	859,592	20,502	46,778	42,671	36,016
Loans granted	2,505,558	2,198,062	0	0	0	0
Balance of operating liabilities	369,946	374,048	418,849	398,219	195,925	50,395
Loans received	3,100,000	3,100,000	0	0	0	0
Contingent assets and liabilities	0	0	0	0	38,308	0

*Transactions with key management personnel

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

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

Intereuropa Group

During the first nine months of 2021, the Intereuropa Group generated revenues in the amount of EUR 1,844,458 and incurred costs in the amount of EUR 6,866,365 with companies in which the state has a direct controlling interest.

As at 30 September 2021, the Intereuropa Group disclosed operating receivables in the amount of EUR 78,449, operating liabilities in the amount of EUR 2,063,527, financial liabilities in the amount of EUR 53,100,000 and contingent assets and liabilities in the amount of EUR 9,233,309 vis-à-vis the aforementioned companies. Financial liabilities comprise a loan raised under market terms.

Intereuropa, d. d.

Between 1 January and the end of September 2021, Intereuropa, d. d. generated revenues in the amount of EUR 1,785,596 and incurred costs in the amount of EUR 6,845,953 with companies in which the state has a direct controlling interest.

As at 30 September 2021, Intereuropa disclosed operating receivables in the amount of EUR 68,177, operating liabilities in the amount of EUR 1,666,237, financial liabilities in the amount of EUR 53,100,000 and contingent assets and liabilities in the amount of EUR 9,233,309 vis-à-vis the aforementioned companies. Financial liabilities comprise a loan raised under market terms.

Information by business segment

Information regarding geographical areas for the Intereuropa Group

(in EUR)	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Revenues from external customers	86,947,871	74,248,058	21,475,647	17,563,858	6,082,446	5,213,153	3,443,379	3,852,535	4,438,442	3,683,965
Revenues from transactions with other segments	3,386,924	2,951,148	1,502,034	946,276	353,626	349,099	484,495	439,652	58,011	41,486
Total revenues	90,334,795	77,199,206	22,977,681	18,510,134	6,436,072	5,562,252	3,927,874	4,292,187	4,496,452	3,725,452
Amortisation and depreciation	2,902,671	3,290,940	931,663	1,156,304	343,451	350,038	184,337	189,648	294,269	335,116
Operating profit	3,727,786	2,929,853	2,208,253	1,359,495	-419,985	-351,246	-664,236	-494,965	829,289	340,501
Interest income	103,185	117,510	5,823	10,758	99	0	1,259	11	59,587	40,265
Interest expense	483,773	604,096	13,269	29,224	9,426	9,157	64,084	42,514	9,665	13,234
Profit from ordinary operations	3,941,334	2,442,564	2,186,860	1,340,996	-430,214	-362,015	-729,124	-551,803	878,210	367,132
Investment result recognised according to the equity method	0	0	0	0	0	0	0	0	0	0
Corporate income tax	390,712	134,947	385,860	281,230	0	0	0	0	97,742	42,018
Net profit	3,550,622	2,307,618	1,801,000	1,059,765	-430,214	-362,015	-729,124	-551,803	780,468	325,115

(in EUR)	Ukraine		Other		Total		Restatements (including eliminations)		Group	
	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Jan–Sep 2021	Jan–Sep 2020
Revenues from external customers	1,729,941	3,424,728	5,133,744	3,713,259	129,251,469	111,699,557	-88,380	-73,642	129,163,089	111,625,915
Revenues from transactions with other segments	4,592	0	1,242,253	870,835	7,031,935	5,598,497	-7,031,935	-5,598,497	0	0
Total revenues	1,734,534	3,424,728	6,375,996	4,584,095	136,283,404	117,298,053	-7,120,315	-5,672,138	129,163,089	111,625,915
Amortisation and depreciation	31,667	23,214	247,055	258,983	4,935,112	5,604,242	0	0	4,935,113	5,604,242
Operating profit	-29,260	104,076	278,569	-17,899	5,930,417	3,869,814	-36,240	7,764	5,894,178	3,877,578
Interest income	185	297	868	0	171,004	168,841	-75,679	-87,646	95,325	81,195
Interest expense	18,466	27,039	19,733	32,779	618,417	758,042	-75,679	-87,646	542,737	670,397
Profit from ordinary operations	143,715	-313,260	258,604	-50,576	6,249,385	2,873,039	-700,173	26,057	5,549,213	2,899,096
Investment result recognised according to the equity method	0	0	0	0	0	0	1,196	-852	1,196	-852
Corporate income tax	13,932	-2,363	22,599	0	910,846	455,832	0	0	910,845	455,832
Net profit	129,783	-310,897	236,004	-50,576	5,338,540	2,417,207	-700,172	26,057	4,638,368	2,443,264

(in EUR)	Slovenia		Croatia		Bosnia and Herzegovina		Serbia		Montenegro	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Assets	177,161,011	173,544,978	53,478,181	50,352,091	14,190,038	13,857,193	10,504,135	10,375,417	19,131,983	18,594,278
Non-current assets	142,591,512	145,090,711	38,305,343	39,114,701	11,596,176	11,732,676	9,241,927	9,167,395	11,114,098	11,314,155
Operating liabilities	17,610,854	15,479,877	5,302,913	4,096,673	2,024,273	1,329,280	1,311,813	1,089,834	660,441	497,478
Financial liabilities	56,749,382	58,687,045	328,044	572,996	269,229	224,051	3,138,803	2,534,855	1,302,215	723,525
Investment in associate	39,059	39,059	0	0	0	0	0	0	0	0

(in EUR)	Ukraine		Other		Total		Restatements (including eliminations)		Group	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Assets	1,621,054	1,349,053	4,334,148	3,565,621	280,420,550	271,638,632	-52,525,638	-51,194,858	227,894,912	220,443,773
Non-current assets	1,057,997	968,045	1,269,212	1,481,091	215,176,265	218,868,775	-44,520,755	-44,385,047	170,655,510	174,483,726
Operating liabilities	653,890	690,464	1,875,403	1,145,449	29,439,586	24,329,055	-2,231,899	-1,976,830	27,207,687	22,339,514
Financial liabilities	1,362,080	1,203,978	276,951	473,140	63,426,702	64,419,589	-6,782,723	-5,804,293	56,643,979	58,618,317
Investment in associate	0	0	0	0	39,059	39,059	26,386	25,190	65,445	64,249

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.

In addition, subsidiaries may raise short-term borrowings within the Group.

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

(in EUR)	30 Sep 2021						
	Carrying amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Loans from banks and others	54,126,493	55,872,559	2,486,231	3,064,921	6,104,059	36,310,145	7,907,203
Operating lease liabilities	2,049,739	1,994,666	697,237	375,620	407,639	489,553	24,617
Liabilities for dividends and other shares in profit	467,747	467,747	5,142	462,605	0	0	0
Current trade payables	21,070,140	21,357,097	21,207,776	51,363	5,883	92,075	0
of which trade payables for short-term leases	18,266	18,266	18,266	0	0	0	0
Other operating liabilities	1,009,295	1,009,295	1,009,295	0	0	0	0
Total	78,723,414	80,701,364	25,405,681	3,954,509	6,517,581	36,891,773	7,931,820

(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	3,100,000	3,106,306	3,106,306	0	0	0	0
Loans from banks and others	53,022,877	54,768,943	2,019,164	2,867,374	5,699,369	36,275,833	7,907,203
Operating lease liabilities	626,505	641,037	172,565	142,569	154,486	171,417	0
Operating liabilities to Group companies	369,946	369,946	369,946	0	0	0	0
Trade payables	12,802,876	12,802,877	12,653,556	51,363	5,883	92,075	0
of which trade payables for short-term leases	8,447	8,447	8,447	0	0	0	0
Other operating liabilities	272,321	272,321	272,321	0	0	0	0
Total	70,194,525	71,961,430	18,593,858	3,061,306	5,859,738	36,539,325	7,907,203

(in EUR)	31 Dec 2020						
	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	55,554,208	58,104,234	1,524,058	2,086,851	5,702,250	36,885,840	11,905,235
Operating lease liabilities	2,240,529	2,253,377	859,086	424,232	417,593	552,466	0
Finance lease liabilities	398,494	406,027	289,397	116,630	0	0	0
Liabilities for dividends and other shares in profit	425,086	425,087	5,142	419,945	0	0	0
Trade payables	15,727,034	15,786,836	15,646,379	24,647	23,735	69,363	22,712
of which trade payables for short-term leases	10,391	10,391	10,391	0	0	0	0
Other operating liabilities	749,659	762,104	745,240	12,445	4,419	0	0
Total	75,095,010	77,737,665	19,069,302	3,084,750	6,147,997	37,507,669	11,927,947

(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	3,100,000	3,117,237	1,811,836	1,305,401	0	0	0
Loans from banks and others	54,754,412	57,304,439	1,524,058	2,022,137	5,306,640	36,546,369	11,905,235
Operating lease liabilities	832,633	874,386	200,900	153,192	241,771	278,523	0
Operating liabilities to Group companies	374,048	374,048	374,048	0	0	0	0
Trade payables	9,309,256	9,309,257	9,168,800	24,647	23,735	69,363	22,712
of which trade payables for short-term leases	8,310	8,310	8,310	0	0	0	0
Other operating liabilities	607,394	607,394	607,394	0	0	0	0
Total	68,977,743	71,586,761	13,687,036	3,505,377	5,572,146	36,894,255	11,927,947

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.

The Group and Company estimate a time span of between six months and five years for contingent liabilities from bank guarantees and guarantees issued in the total amount of EUR 19,198,826 and EUR 10,034,592, respectively.

Currency risk

(in EUR)	30 Sep 2021						Total
	Intereuropa Group						
	EUR	USD	HRK	RSD	Other		
Operating receivables	28,925,190	5,134,269	711,689	366,440	1,207,149	36,344,737	
Long-term loans granted and deposits	0	0	41,511	0	195	41,706	
Short-term loans granted and deposits	3,596,400	0	0	0	797	3,597,197	
Long-term loans received	-48,668,928	0	-439,002	0	0	-49,107,930	
Short-term loans received	-4,353,949	0	-643,916	0	-20,698	-5,018,563	
Liabilities for dividends and other shares in profit	-462,605	0	0	0	-5,142	-467,747	
Lease liabilities	-1,476,040	0	-307,677	0	-266,022	-2,049,739	
Operating liabilities	-15,738,455	-3,252,218	-810,761	-732,788	-1,545,213	-22,079,435	
Exposure disclosed in the statement of financial position	-38,178,387	1,882,051	-1,448,156	-366,348	-628,934	-38,739,774	

(in EUR)	Intereuropa, d. d.						Total
	EUR	USD	HRK	RSD	Other		
Operating receivables from Group companies	1,647,570	0	0	0	0	1,647,570	
Operating receivables	24,129,923	239,395	-1,476	0	111	24,367,953	
Short-term loans to Group companies	2,505,558	0	0	0	0	2,505,558	
Long-term loans received	-48,668,928	0	0	0	0	-48,668,928	
Short-term loans from Group companies	-3,100,000	0	0	0	0	-3,100,000	
Short-term loans received	-4,353,949	0	0	0	0	-4,353,949	
Lease liabilities	-626,505	0	0	0	0	-626,505	
Operating liabilities within the Group	-370,003	0	57	0	0	-369,946	
Operating liabilities to others	-12,454,599	-573,505	-201	0	-56,892	-13,085,197	
Exposure disclosed in the statement of financial position	-41,290,933	-334,110	-1,620	0	-56,781	-41,683,444	

(in EUR)	31 Dec 2020						Total
	Intereuropa Group						
	EUR	USD	HRK	RSD	Other		
Operating receivables	23,506,925	130,660	3,555,822	629,946	1,091,099	28,914,452	
Long-term loans granted and deposits	0	0	39,279	0	619	39,898	
Short-term loans granted and deposits	2,597,400	0	0	0	766	2,598,166	
Long-term loans received	-52,155,429	0	0	-731,901	0	-52,887,330	
Short-term loans received	-2,597,984	0	0	-68,894	0	-2,666,878	
Liabilities for dividends and other shares in profit	-419,945	0	0	0	-5,142	-425,087	
Lease liabilities	-2,126,980	0	0	-234,418	-277,625	-2,639,023	
Operating liabilities	-11,356,554	-368,940	-3,247,812	-563,076	-940,311	-16,476,693	
Exposure disclosed in the statement of financial position	-42,552,567	-238,280	347,289	-968,343	-130,594	-43,542,495	

(in EUR)	Intereuropa, d. d.						Total
	EUR	USD	HRK	RSD	Other		
Operating receivables from Group companies	859,592	0	0	0	0	859,592	
Operating receivables	20,748,231	57,592	0	0	-1,432	20,804,391	
Short-term loans to Group companies	2,198,062	0	0	0	0	2,198,062	
Long-term loans received	-52,156,428	0	0	0	0	-52,156,428	
Short-term loans from Group companies	-3,100,000	0	0	0	0	-3,100,000	
Short-term loans received	-2,597,984	0	0	0	0	-2,597,984	
Lease liabilities	-832,633	0	0	0	0	-832,633	
Operating liabilities within the Group	-374,056	0	0	0	9	-374,047	
Operating liabilities	-9,627,849	-273,510	0	0	-15,292	-9,916,651	
Exposure disclosed in the statement of financial position	-44,883,065	-215,918	0	0	-16,715	-45,115,698	

Credit risk

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Financial assets measured at fair value through other comprehensive income	2,189	2,189	0	0
Financial assets measured at fair value through profit or loss	35,590	27,159	35,590	27,159
Loans and deposits	3,638,903	2,638,064	2,642,462	2,198,062
Operating receivables (excluding receivables from the government and employees, and advances paid)	36,344,737	28,914,452	26,015,523	21,140,817
Cash and cash equivalents	13,732,211	11,609,486	2,634,067	2,374,180
Total	53,753,630	43,191,350	31,327,642	25,740,218

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

(in EUR)	Intereuropa Group			Intereuropa, d. d.		
	Gross value as at 30 September 2021	Average percentage of impairment losses recognised	Impairment losses as at 30 September 2021	Gross value as at 30 September 2021	Average percentage of impairment losses recognised	Impairment losses as at 30 September 2021
Not due	27,412,257	0.36%	19,819	20,118,197	0.31%	62,901
0 to 30 days past due	5,034,048	0.57%	22,270	2,859,776	0.37%	10,513
31 to 60 days past due	1,750,645	2.82%	52,812	1,025,219	2.32%	23,747
61 to 90 days past due	502,953	6.26%	51,925	194,964	4.97%	9,685
91 to 180 days past due	613,156	18.32%	152,760	182,470	31.80%	58,017
181 to 365 days past due	479,911	100.00%	447,583	181,899	100.00%	181,899
More than 365 days past due	3,387,459	100.00%	3,438,801	1,545,101	100.00%	1,545,101
Exchange rate differences	6,949		3,365	2,850		0
Total	39,187,378		4,189,335	26,110,476		1,891,863

(in EUR)	Intereuropa Group			Intereuropa, d. d.		
	Gross value as at 31 December 2020	Average percentage of impairment losses recognised	Impairment losses as at 31 December 2020	Gross value as at 31 December 2020	Average percentage of impairment losses recognised	Impairment losses as at 31 December 2020
Not due	21,995,293	0.35%	76,570	17,066,618	0.28%	48,372
0 to 30 days past due	3,972,959	0.99%	39,410	2,312,371	1.16%	26,818
31 to 60 days past due	1,473,549	6.95%	102,448	813,073	2.84%	23,076
61 to 90 days past due	332,319	4.44%	14,761	84,708	10.41%	8,821
91 to 180 days past due	391,712	15.07%	59,030	83,540	24.68%	20,614
181 to 365 days past due	457,176	100.00%	457,176	134,032	100.00%	134,032
More than 365 days past due	3,527,642	100.00%	3,527,642	1,616,582	100.00%	1,616,581
Exchange rate differences	2,990		6,504	-1,143		0
Total	32,153,640		4,283,541	22,109,781		1,878,314

The majority of the receivables of the Group and Company are unsecured. Receivables from the largest single customer amounted to EUR 2,150,715 at the Group level as at 30 September 2021, and accounted for 6.7% of the Group's trade receivables. Receivables from the Company's largest single customer amounted to EUR 2,150,715 at the Company as at 30 September 2021 and accounted for 9.2% of the Company's trade receivables. The customers of the Group and Company are dispersed in such a way that there is no major exposure to a single customer.

Changes in impairment losses on current trade receivables

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	2021	2020	2021	2020
Impairment losses as at 1 January	4,283,541	4,893,428	1,878,314	2,342,039
Written-off receivables	-237,347	-128,226	-39,971	-591,255
Impairment losses on receivables (including the reversal of impairment losses)	136,741	297,271	53,520	127,530
Exchange rate differences	6,400	-22,384	0	0
Impairment losses on receivables as at 30 September	4,189,335	5,040,089	1,891,863	1,878,314

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

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	Gross value as at 30 September 2021	Impairment losses as at 30 September 2021	Gross value as at 30 September 2021	Impairment losses as at 30 September 2021
	Not due	951,401	0	990,833
Past due	344,302	189,387	180,547	180,547
Total	1,295,703	189,387	1,171,380	180,547

Total	Intereuropa Group		Intereuropa, d. d.	
	Gross value as at 31 December 2020	Impairment losses as at 31 December 2020	Gross value as at 31 December 2020	Impairment losses as at 31 December 2020
Not due	1,371,101	0	990,834	0
Past due	322,663	189,371	180,547	180,547
Total	1,693,764	189,371	1,171,381	180,547

Changes in impairment losses on other current operating receivables

(in EUR)	Intereuropa Group		Intereuropa, d. d.	
	2021	2020	2021	2020
Impairment losses as at 1 January	189,371	294,195	180,547	180,547
Written-off receivables	-23	-1,000	0	0
Exchange rate differences	23	-274	0	0
Impairment losses on receivables as at 30 September	189,371	230,708	180,547	180,547

The Group and Company assess that credit risk is appropriately managed. The most significant risk in the aforementioned category is the risk of payment delays and default by customers, where the Company and Group have defined control limits and mechanisms for approving exposure to credit risk for major customers.

Interest-rate risk

Interest-rate risk as at 30 September 2021

(in EUR)	Intereuropa Group				Intereuropa, d. d.			
	Loan amount as at 30 September 2021	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points	Loan amount as at 30 September 2021	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points
Type of variable interest rate								
3-month EURIBOR	53,100,000	0	0	0	53,100,000	0	0	0
1-month BELIBOR	1,082,918	-1,083	-2,707	-5,415	0	0	0	0
Total	54,182,918	-1,083	-2,707	-5,415	53,100,000	0	0	0

Interest-rate risk as at 31 December 2020

(in EUR)	Intereuropa Group				Intereuropa, d. d.			
	Loan amount as at 31 December 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 31 December 2020	Increase in IR by 10 basis points	Increase in IR by 25 basis points	Increase in IR by 50 basis points
Type of variable interest rate								
3-month EURIBOR	54,850,000	0	0	-3,840	54,850,000	0	0	-3,840
1-month BELIBOR	799,796	-800	-1,999	-3,999	0	0	0	0
Total	55,649,796	-800	-1,999	-7,839	54,850,000	0	0	-3,840

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.

The Group and Company disclosed loans with fixed interest rates.

Events after the reporting period

There were no other events after the reporting date that could have a significant impact on the presented financial statements during the first nine months of 2021.