

**INFORMATION REGARDING
THE BUSINESS RESULTS OF
THE INTEREUROPA GROUP
AND
INTEREUROPA, D. D.**

IN 2022

(UNAUDITED DATA)

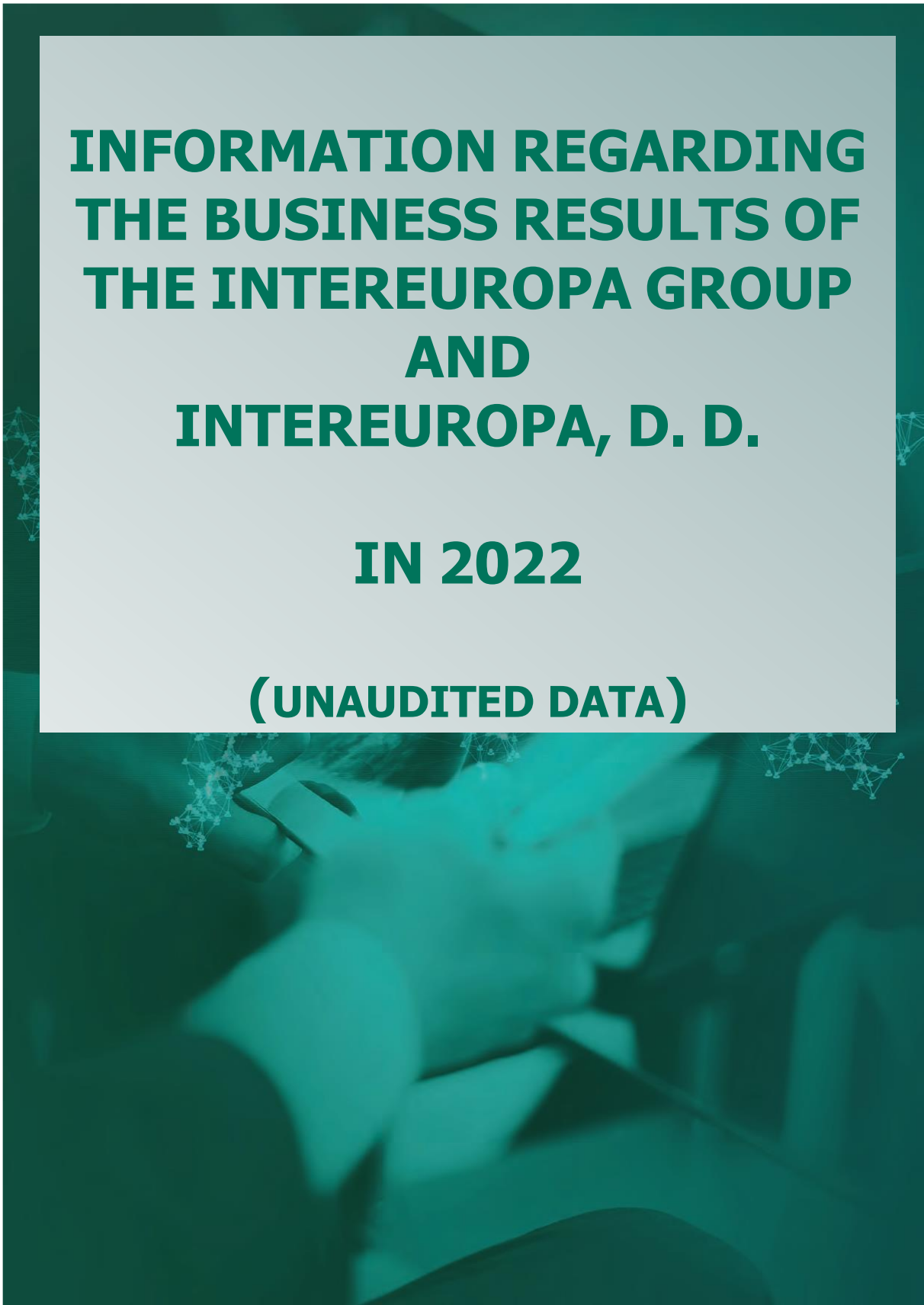






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BUSINESS RESULTS OF THE INTEREUROPA GROUP¹

The year 2022 was characterised by significantly increased uncertainty in the international environment, linked to the war in Ukraine, the tightening of energy markets and rising prices. Nevertheless, 2022 was a successful year in terms of business for the Intereuropa Group. The Group generated its highest sales revenue in the last ten years and, while successfully managing its operating costs, also generated its highest operating profit and operating cash flow (hereinafter: EBITDA²) over the same period. In addition to operating in an uncertain international environment, it has made significant efforts to maintain the health of its employees, ensuring continuous logistical support to customers along the entire supply chain and thus helping to strengthen the confidence of its existing and potential customers.


Based on unaudited figures, the Intereuropa Group generated EUR 200.4 million in sales revenue in 2022, an increase of 13% or EUR 23.7 million relative to 2021. EBITDA was up 9% to stand at EUR 15.1 million. The Group's net debt³ was up by EUR 6.8 million to stand at EUR 42.5 million at the end of 2022, resulting in an EBITDA ratio of 2.8.

	EUR 200.4 million Sales revenue	+13% relative to 2021 +15% relative to the plan
	EUR 15.1 million EBITDA	+9% relative to 2021 +10% relative to the plan
	EUR 8.2 million Operating profit or loss	+12% relative to 2021 +16% relative to the plan
	EUR 42.5 million Net debt	-19% relative to 2021* +3% relative to the plan*

¹ Information regarding the business results of the Intereuropa Group was drawn up on the basis of unaudited data.

² EBITDA: operating profit + depreciation/amortisation + revaluation operating expenses for intangible assets and property, plant and equipment – revaluation operating revenues from the reversal of impairments of intangible assets and property, plant and equipment

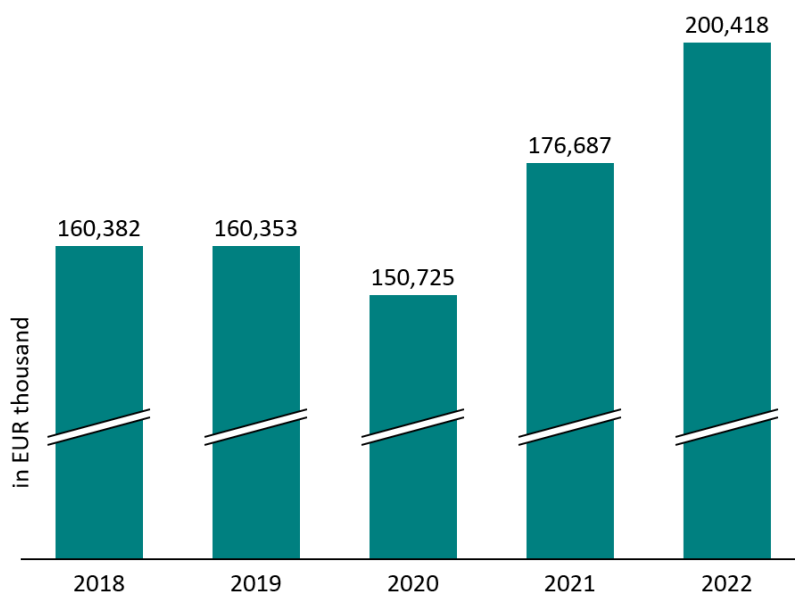
³ Net debt: financial liabilities – loans granted and deposits – cash

	2.8 Net debt / EBITDA	-9% relative to 2021* +11% relative to the plan*
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* The negative sign means a decrease in net debt and the net debt to EBITDA ratio by more than planned or relative to the situation/balance as of the end of last year, while the positive sign means an increase.

Most Intereuropa Group companies recorded an increase in sales revenue in 2022, except for the subsidiary in Ukraine and a smaller subsidiary in Slovenia. Amongst Group subsidiaries, Intereuropa, logističke usluge, d. o. o., Zagreb, A.D. Intereuropa logističke usluge, d. o. o., Beograd, and Intereuropa Skopje, d. o. o. recorded the highest growth in sales revenue.

Figure 1: Changes in the sales revenue of the Intereuropa Group between 2018 and 2022



Sales revenue in the amount of EUR 200.4 million was 15% higher than planned. Sales exceeded the plan in all three business lines, with intercontinental transport performing the best in absolute terms, which, in addition to an increased scope of operations, was also impacted significantly by high sea and air freight rates.

High growth in sales revenue was followed by an increase in direct costs, mostly in road, sea and air freight transport, which did not lead to a significant change in sales margins.

Also having a significant impact on operating results were other operating revenues, which amounted to EUR 1.2 million in 2022, being EUR 1.1 million higher than planned and at the same level as in the previous financial year. In 2022, the main factor in the higher-than-planned operating revenues were revenues from the reversal of non-current provisions in the amount of EUR 0.3 million, revenues from compensation received by the insurance company

in the amount of EUR 0.2 million, government support in the amount of EUR 0.2 million and gains on the sale of fixed assets in the amount of EUR 0.2 million.

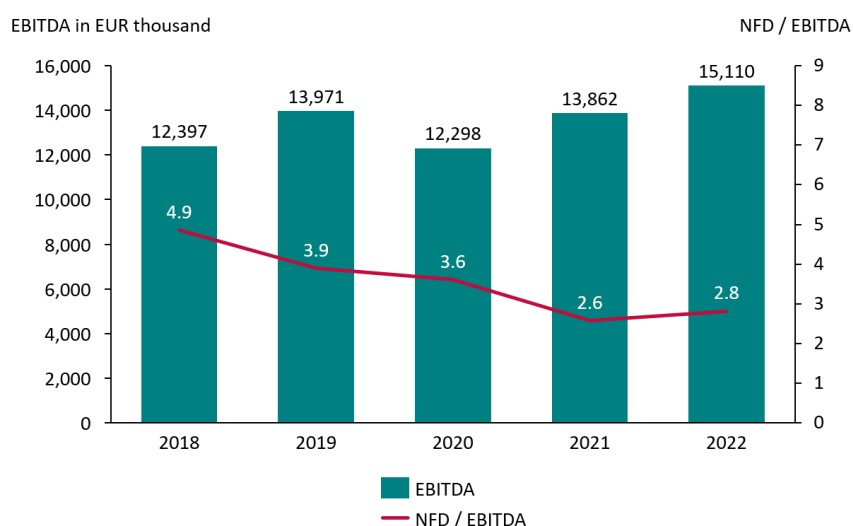
The Intereuropa Group generated EBITDA of EUR 15.1 million in 2022, which was 10% higher than planned. Contributing significantly to the higher-than-planned EBITDA in 2022, in addition to higher-than-planned sales revenue, was the above-described higher-than-planned other operating revenues. The costs of services were also higher than planned, the most significant being direct service costs related to the volume of operations. Among other costs, the main increases were in labour costs, expenses from the impairment of receivables and energy costs. Economic labour costs, which include labour costs of employees, the cost of hired labour and the cost of student labour, were up by 10% in 2022 compared to the previous financial year, and exceeded the plan by 9%. Most of the increase relates to the parent company.

Normalised EBITDA amounted to EUR 15.3 million in 2022, an increase of 9% relative to normalised EBITDA in 2021.

The Intereuropa Group's operating profit amounted to EUR 8.2 million in 2022, an increase of EUR 0.9 million or 12% relative to the previous year. Operating profit in 2022 exceeded the planned figures by EUR 1.1 million or 16%.

The Group's net debt at the end of 2022 amounted to EUR 42.5 million, up EUR 6.8 million on the end of the previous financial year, mainly due to an increase in financial liabilities from long-term leases at the Serbian subsidiary and a decline in cash. This increase in net debt was seen in a deterioration of the net debt/EBITDA ratio, which stood at 2.8 in 2022 and was 9% higher than the previous year and 11% lower than planned.

Figure 2: Changes in EBITDA and the net debt / EBITDA ratio of the Intereuropa Group between 2018 and 2022



NFD / EBITDA: net debt at the end of the year / EBITDA for the year

The outperformance of the planned profit from ordinary operations was mainly driven by higher operating profit. Compared to 2021, this year's decline in profit from ordinary operations is due to negative exchange rate differences of subsidiaries in Ukraine and last year's one-off finance income from the reversal of impairments of investments in shares and participating interests and loans of EUR 0.5 million.

The Intereuropa Group generated a net profit of EUR 5.1 million in 2022, a decrease of EUR 1.5 million relative to the previous financial year and EUR 0.3 million less than planned. The lag is further impacted by an increase in expenses for current and deferred income taxes. Current and deferred taxes amounted to EUR 1.9 million in 2022, an increase of EUR 1.3 million relative to the previous financial year and EUR 0.9 million higher than planned. The higher corporate income tax expenses arise from deferred taxes of the parent company, resulting from diminished business performance in projections of future operations.

The Group invested EUR 10.8 million in property, plant and equipment and intangible assets in 2022. Of that amount, EUR 6.6 million was invested in real estate and EUR 4.2 million in equipment and intangible assets. On the other hand, the Group sold obsolete assets with carrying amount of EUR 1.2 million.

Table 1: Key operating indicators of the Intereuropa Group (in EUR thousand)

in EUR thousand	2022	2021	Index 22/21
Sales revenue	200,418	176,687	113
Gains/losses from the derecognition of operating receivables	-10	-10	-
Other operating revenues	1,169	1,102	106
Costs of goods, materials and services	149,526	131,403	114
Labour costs	33,962	30,376	112
Amortisation and depreciation	6,674	6,454	103
Impairment losses on receivables	860	103	836
Other operating expenses	2,355	2,134	110
<i>Revaluation operating expenses for intangible assets and property, plant and equipment</i>	236	99	239
<i>Other operating expenses</i>	2,118	2,035	104
Operating profit (EBIT)	8,199	7,309	112
Finance income	210	684	31
Finance costs	1,377	726	190
Loss from financing activities	-1,167	-43	-
Profit from ordinary operations	7,046	7,277	97
Corporate income tax (including deferred taxes)	1,917	613	313
Net profit	5,129	6,664	77
EBITDA⁴	15,110	13,862	109

⁴ EBITDA: operating profit + depreciation/amortisation + revaluation operating expenses for intangible assets and property, plant and equipment – revaluation operating revenues from the reversal of impairments of intangible assets and property, plant and equipment

Normalised EBITDA ⁵	15,256	13,947	109
in EUR thousand	2022	2021	Index 22/21
EBITDA margin (in %)	7.54	7.85	96
EBIT margin (in %)	4.09	4.14	99
Sales revenue per employee/month	12,744	11,627	110
Value added per employee/month	3,120	2,911	107
ROE (in %)	3.9	5.3	73
in EUR thousand	31 Dec 2022	31 Dec 2021	Index 22/21
Assets	240,045	229,970	104
Equity	136,303	131,382	104
Net debt ⁶	42,548	35,763	119
Investments in property, plant and equipment, and intangible assets	10,840	4,451	244
Number of employees ⁷	1,311	1,266	103

⁵ Normalised EBITDA: excludes the effect of other operating revenues, expenses from the creation of provisions, expenses for the participation of employees and hired labour in profits, and in 2022 in addition to the items listed above, expenses from previous years at a Group subsidiary.

⁶ Net debt: financial liabilities – loans granted and deposits – cash

⁷ Number of employees: calculated on full-time equivalent basis

BUSINESS RESULTS OF THE PARENT COMPANY INTEREUROPA, D. D.⁸



On the basis of unaudited data, the parent company Intereuropa d.d. (hereinafter: the Company) generated EUR 137.7 million in sales revenue in 2022, an increase of 13% relative to 2021 and 20% higher than planned. Growth in sales was achieved in all three business lines. The sales revenue were exceeded most in the land transport segment, while the planned sales revenue in the intercontinental transport segment. High road, sea and air freight rates had a significant impact on growth in both segments.

The parent company generated EBITDA of EUR 8.5 million, up 5% on 2021 and 22% higher than planned. The increase is mainly driven by growth in sales revenue and higher other operating revenue, with the highest being revenue from compensation received by the insurance company in the amount of EUR 0.2 million in 2022.

On the other hand, the cost of services was higher than last year and planned, most notably direct service costs related to the volume of operations. Among other costs, the largest increases were seen in labour costs and expenses from impairment of receivables.

Normalised EBITDA amounted to EUR 9.0 million in 2022, an increase of 2% relative to normalised EBITDA in 2021.

The Company's operating profit amounted to EUR 4.7 million in 2022, an increase of 8% or EUR 0.4 million relative to the previous year, but EUR 1.5 million or 48% higher than planned.

Net debt amounted to EUR 44.1 million at the end of 2022, which was EUR 0.5 million less than planned and down EUR 4.0 million or 8% relative to the end of the previous financial year. Contributing most to the decrease in net debt was a decrease in financial liabilities.

Profit from ordinary operations in 2022 amounted to EUR 5.0 million, which was 25% lower than planned and up 40% on 2021. The lag behind the plan was mainly due to unrealised planned revenues from participating interests in Group companies.

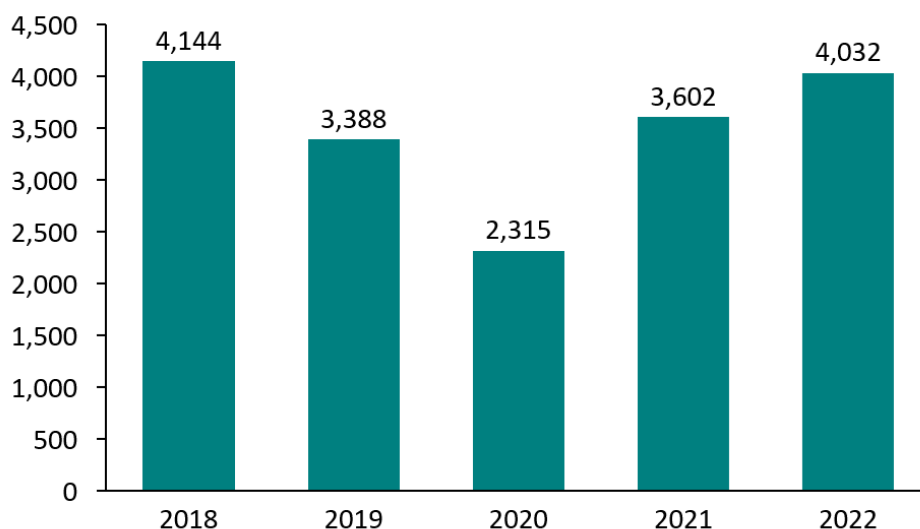
The result from financing activities was better in 2022 than in the previous year, most notably due to higher expenses in 2021 from impairment losses on investments in subsidiaries.

The Company's net profit amounted to EUR 4.0 million in 2022, which was 35% lower than planned and up 12% relative to the previous financial year. The lag behind the plan was impacted additionally by higher tax expenses from deferred taxes, resulting from business performance that was worse than projected for future operations.

⁸ Information regarding the business results of the Intereuropa Group was drawn up on the basis of unaudited data.

Figure 3: Changes in the net profit of the parent company Intereuropa, d. d. in the period 2018 to 2022

v EUR thousand



The parent company invested EUR 3.2 million in 2022. Of that amount, EUR 0.7 million was invested in real estate and EUR 2.5 million in equipment and intangible assets. The carrying amount of the Company's fixed assets sold in 2022 was EUR 0.1 million.

Table 2: Key operating indicators of the parent company Intereuropa, d. d., in EUR thousand

in EUR thousand	2022	2021	Index 22/21
Sales revenue	137,680	122,312	113
Gains/losses from the derecognition of operating receivables	-5	-24	-
Other operating revenues	640	363	176
Costs of goods, materials and services	105,690	93,907	113
Labour costs	22,260	19,459	114
Amortisation and depreciation	3,799	3,752	101
Impairment losses on receivables	758	78	968
Other operating expenses	1,121	1,122	100
<i>Revaluation operating expenses for intangible assets and property, plant and equipment</i>	55	13	433
<i>Other operating expenses</i>	1,066	1,109	96
Operating profit (EBIT)	4,686	4,332	108
Finance income	1,200	1,251	96
Finance costs	928	2,041	45
Profit or loss from financing activities	273	-791	-
Profit from ordinary operations	4,959	3,541	140
Corporate income tax (including deferred taxes)	927	-60	-

Net profit	4,032	3,602	112
EBITDA⁹	8,540	8,097	105
Normalised EBITDA ¹⁰	9,006	8,818	102
EBITDA margin (in %)	6.20	6.62	94
EBIT margin (in %)	3.40	3.54	96
Sales revenue per employee/month	20,127	19,102	105
Value added per employee/month	4,503	4,304	105
ROE (in %)	4.3	4.0	107

in EUR thousand	31 Dec 2022	31 Dec 2021	Index 22/21
Assets	177,803	174,464	102
Equity	97,379	92,807	105
Net debt ¹¹	44,142	48,168	92
Investments in property, plant and equipment, and intangible assets	3,243	1,060	306
Number of employees ¹²	570	534	107

Koper, 9 March 2023

Intereuropa, d. d.
Management Board

⁹ EBITDA: operating profit + depreciation/amortisation + revaluation operating expenses for intangible assets and property, plant and equipment – revaluation operating revenues from the reversal of impairments of intangible assets and property, plant and equipment

¹⁰ Normalised EBITDA: excludes the effect of other operating revenues, expenses from the creation of provisions, expenses for the participation of employees and hired labour in profits.

¹¹ Net debt: financial liabilities – loans granted and deposits – cash

¹² Number of employees: calculated on full-time equivalent basis