

HOTELIGA INTERNATIONAL SPÓŁKA Z OGRANICZONA
ODPOWIEDZIALNOŚCIĄ
Al. Jana Pawła II 43b
31-864 Kraków
Tax ID No (NIP): 6751621616

Financial statements

for the financial period from 1 January 2020
to 31 December 2020

I. HEADER OF THE FINANCIAL STATEMENTS

Reporting period: 01.01.2020...31.12.2020

Date of preparation of the financial statements: 28.01.2021

Type of financial statements: Other entity (PLN) – SCOPE OF INFORMATION TO BE DISCLOSED IN THE FINANCIAL STATEMENTS REFERRED TO IN ARTICLE 45 OF THE ACT, FOR ENTITIES OTHER THAN BANKS, INSURANCE AND REINSURANCE COMPANIES

Data presentation option selected for the financial statements:

- as regards the introduction to the financial statements: Other – Introduction to the financial statements
- as regards income tax information: Other (PLN) – Additional notes and explanations

II. INTRODUCTION TO THE FINANCIAL STATEMENTS**II.1. Entity details**

Company name: HOTELIGA INTERNATIONAL SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOŚCIĄ

Registered office: małopolskie province, Kraków county, KRAKÓW municipality, city of Kraków

Address: al. Jana Pawła II 43b 20 31-864 Kraków

Principal business activity of the entity: 6201Z, 5829Z, 6190Z, 6202Z,

Tax Identification Number (NIP): 6751621616

National Court Register (KRS) number: 0000699940

II.2. Duration of the entity

The duration of the entity is not limited.

II.3. Period covered by the financial statements

01.01.2020...31.12.2020

II.4. If the reporting entity comprises internal self-accounting units preparing their own financial statements – information whether the financial statements contain combined data:

The financial statements do not contain combined data.

II.5. Going concern assumption

The financial statements were prepared on the going concern basis.

There are no circumstances which would indicate a threat to the company continuing as a going concern.

II.6. Information whether the financial statements are prepared following a business combination

The financial statements have been prepared for the period in which no business combination took place.

II.7. Indication of simplifications applied for small or micro entities

The Act does not allow for the possibility of applying simplifications for an entity of the type “Other”.

II.8. Accounting policies Overview of the accounting principles (policy) adopted, within the scope left to the discretion of the company by the Accounting Act, including:

II.8.1. Methods of measurement of assets, equity and liabilities (including depreciation and amortisation),

The Company's policy in the areas of bookkeeping, methods of measurement of assets and liabilities as well as measurement of profit/loss and preparation of financial statements is based on overriding accounting principles.

Expenses are recorded and accounted for by type, taking into account the auxiliary classification of expenses by organisational units and by function

Accounting records of individual assets are kept in accordance with the measurement methods and principles specified below:

- Fixed assets and intangible assets are recorded in terms of quantity and value. For the purposes of accounting records, the Company applies the current Classification of Fixed Assets introduced by the Ordinance of the Minister of Finance of 30 December 1999, effective from 1 January 2000 after taking into account the amendments introduced by the Ordinance of the Council of Ministers of 12 February 2002. Fixed assets are depreciated and intangible assets are amortised using the straight-line method according to the scheduled annual depreciation/amortisation rates on the revalued initial value established in the depreciation schedule, in the amount specified in the List of annual depreciation/amortisation rates constituting Appendix 1 to the Corporate Income Tax Act

Fixed assets included in group 4, subject to rapid technical progress, are depreciated using the straight-line method with an increased rate of 2. Fixed assets include assets with useful life of more than one year and value of more than PLN 3,500. Fixed assets with a value of less than PLN 3,500 are expensed and included in the off-balance sheet records. The basis for the recognition of a given fixed asset is the criterion of its availability, economic usefulness and the pace of changes in technology, which determines its useful life. Fixed assets under construction are measured at cost.

• Measurement of current assets is carried out for:

inventories: materials and goods – at the actual cost of purchase.

short-term receivables and claims whose maturity date falls on the balance sheet date and is shorter than one year - at the amount due at net value (less any impairment losses).

The amount of receivables is subsequently reduced by impairment losses, if any, which are recognised based on the analysis of collectability of receivables from individual debtors.

The basis for the impairment loss is an individual assessment of the debtor's situation supported by indisputable evidence which makes it likely that the receivable will not be paid in the nearest future.

Receivables denominated in foreign currencies are measured at the balance sheet date at the mid rate quoted by the National Bank of Poland.

• Provisions recognised by the Company relate to deferred corporate income tax resulting from temporary differences between the carrying amount of assets and liabilities and their tax base.

Deferred tax is determined and posted in accordance with National Accounting Standard No 2 "Income tax".

Other provisions are recognised in justified cases, at a reliably estimated value, taking into account previous experience in the risk of a given liability. No provisions are recognised for events whose value is not significant and which do not significantly affect the Company's financial position.

• Long-term services are recorded in Group 8 accounts. They are recalculated using the method of man-days completed and still necessary to complete the contract.

The value of long-term contracts is accounted for and verified on a quarterly basis. Accrued but not yet realized revenue recognised in the accounting records is subject to the precautionary principle, which results in the simultaneous calculation of deferred tax, i.e. recognition of a deferred tax liability in proportion to accrued revenue and expenses commensurate with it. Long-term services also include contracts with a period of less than 6 months whose value is significant and directly affects the correct determination of revenue commensurate with costs.

• The entity recognises leases in accordance with the Accounting Act.

II.8.2. Rules for determining the profit or loss

The Company prepares its income statement with classification of expenses by type, in accordance with Appendix 1 to the Accounting Act. Individual items of the income statement are reported according to the following rules:

• operating expenses are included in full in the cost of sales, except for those relating to subsequent reporting periods and, in accordance with the matching principle, are included in accruals. Expenses are recorded by type in Group 4 accounts and, auxilarly, in Group 5 accounts..

• finance income and costs are recognised during the year in accordance with the matching principle

II.8.3. Rules concerning the preparation of the financial statements

The company prepares its financial statements in the full form, subject to the exclusion of the statement of changes in equity and the statement of cash flows.

II.8.4. Other

II.9. Additional detailed information on accounting policies, resulting from the needs or nature of the entity

III. BALANCE SHEET

Balance sheet pursuant to Appendix 1 to the Accounting Act of 29 September 1994 (consolidated text: Journal of Laws of 2019, item 351) for entities other than banks, insurance and reinsurance companies.

Number	Description	As at 31.12.2020	As at 31.12.2019
	Assets	999,879,36	1,041,733.14
A	+ Non-current assets	0,00	3,413.66
A.I	+ Intangible assets	0,00	0,00
A.I.1	+Development expenses	0,00	0,00
A.I.2	+ Goodwill	0,00	0,00
A.I.3	+ Other intangible assets	0,00	0,00
A.I.4	+Prepayments for intangible assets	0,00	0,00
A.II	+Property, plant and equipment	0,00	3,413.66
A.II.1	+Fixed assets	0,00	3,413.66
A.II.1.A	+Land (including rights to perpetual usufruct of land)	0,00	0,00
A.II.1.B	+Buildings, premises, rights to premises, civil and marine engineering structures	0,00	0,00
A.II.1.C	+Technical equipment and machinery	0,00	3,413.66
A.II.1.D	+Vehicles	0,00	0,00
A.II.1.E	+other fixed assets	0,00	0,00
A.II.2	+fixed assets under construction	0,00	0,00
A.II.3	+Prepayments for fixed assets under construction	0,00	0,00
A.III	+Long-term receivables	0,00	0,00
A.III.1	+From related entities	0,00	0,00
A.III.2	+From other entities in which the entity holds equity interest	0,00	0,00
A.III.3	+From other entities	0,00	0,00
A.IV	+Long-term investments	0,00	0,00
A.IV.1	+Real property	0,00	0,00
A.IV.2	+ Intangible assets	0,00	0,00
A.IV.3	+Long-term financial assets	0,00	0,00
A.IV.3.A	+in related entities	0,00	0,00
A.IV.3.A.1	+ shares	0,00	0,00
A.IV.3.A.2	+ other securities	0,00	0,00
A.IV.3.A.3	+ loans advanced	0,00	0,00
A.IV.3.A.4	+other long-term financial assets	0,00	0,00
A.IV.3.B	+in other entities in which the entity holds equity interest	0,00	0,00
A.IV.3.B.1	+ shares	0,00	0,00
A.IV.3.B.2	+ other securities	0,00	0,00
A.IV.3.B.3	+ loans advanced	0,00	0,00
A.IV.3.B.4	+other long-term financial assets	0,00	0,00
A.IV.3.C	+in other entities	0,00	0,00
A.IV.3.C.1	+ shares	0,00	0,00
A.IV.3.C.2	+ other securities	0,00	0,00
A.IV.3.C.3	+ loans advanced	0,00	0,00
A.IV.3.C.4	+other long-term financial assets	0,00	0,00
A.IV.4	+Other long-term investments	0,00	0,00
A.V	+Long-term prepayments and accrued income	0,00	0,00
A.V.1	+Deferred tax assets	0,00	0,00
A.V.2	+Other prepayments	0,00	0,00
B	+Current assets	999,879,36	1,038,319,48
B.I	+Inventories	0,00	0,00
B.I.1	+Materials	0,00	0,00
B.I.2	+Semi-finished products and work-in-progress	0,00	0,00
B.I.3	+Finished products	0,00	0,00
B.I.4	+Goods	0,00	0,00
B.I.5	+Advances for deliveries and services	0,00	0,00

Number	Description	As at 31.12.2020	As at 31.12.2019
B.II	+Short-term receivables	115,267.69	95,538.88
B.II.1	+Receivables from related entities	8,839.66	0.00
B.II.1.A	+trade receivables, maturing in:	8,839.66	0.00
B.II.1.A.1	+ up to 12 months	8,839.66	0.00
B.II.1.A.2	+ more than 12 months	0.00	0.00
B.II.1.B	+other	0.00	0.00
B.II.2	+Receivables from other entities in which the entity holds equity interest	0.00	0.00
B.II.2.A	+trade receivables, maturing in:	0.00	0.00
B.II.2.A.1	+ up to 12 months	0.00	0.00
B.II.2.A.2	+ more than 12 months	0.00	0.00
B.II.2.B	+other	0.00	0.00
B.II.3	+Receivables from other entities	106,428.03	95,538.88
B.II.3.A	+trade receivables, maturing in:	11,249.03	16,784.88
B.II.3.A.1	+ up to 12 months	11,249.03	16,784.88
B.II.3.A.2	+ more than 12 months	0.00	0.00
B.II.3.B	+from taxes, subsidies, customs duties, social security, health insurance and other public-law receivables	95,179.00	78,754.00
B.II.3.C	+other	0.00	0.00
B.II.3.D	+claimed in court	0.00	0.00
B.III	+Short-term investments	880,638.55	917,772.95
B.III.1	+Short-term financial assets	880,638.55	917,772.95
B.III.1.A	+in related entities	0.00	0.00
B.III.1.A.1	+ shares	0.00	0.00
B.III.1.A.2	+ other securities	0.00	0.00
B.III.1.A.3	+ loans advanced	0.00	0.00
B.III.1.A.4	+other short-term financial assets	0.00	0.00
B.III.1.B	+in other entities	0.00	0.00
B.III.1.B.1	+ shares	0.00	0.00
B.III.1.B.2	+ other securities	0.00	0.00
B.III.1.B.3	+ loans advanced	0.00	0.00
B.III.1.B.4	+ other short-term financial assets	0.00	0.00
B.III.1.C	+cash and other monetary assets	880,638.55	917,772.95
B.III.1.C.1	+ cash in hand and at bank	880,638.55	917,772.95
B.III.1.C.2	+ other cash	0.00	0.00
B.III.1.C.3	+ other monetary assets	0.00	0.00
B.III.2	+Other short-term investments	0.00	0.00
B.IV	+Short-term prepayments and accrued income	3,973.12	25,007.65
C	+Called-up share capital not paid	0.00	0.00
D	+Treasury shares	0.00	0.00
	Equity and liabilities	999,879.36	1,041,733.14
A	+Equity	628,888.51	623,334.52
A.I	+Share capital	7,150.00	7,150.00
A.II	+Statutory reserve funds, including:	1,778,650.00	1,778,650.00
A.II.1	+ share premium	1,778,650.00	1,778,650.00
A.III	+Revaluation reserve, including:	0.00	0.00
A.III.1	+ remeasurement of fair value	0.00	0.00
A.IV	+Other capital reserves, of which:	0.00	0.00
A.IV.1	+ created under the Articles of Association	0.00	0.00
A.IV.2	+ for treasury shares	0.00	0.00
A.V	+Profit (loss) brought forward	-1,162,465.48	-833,587.06
A.VI	+Net profit (loss)	5,553.99	-328,878.42
A.VII	+ Appropriation of net profit during the financial year (negative amount)	0.00	0.00
B	+Liabilities and provisions for liabilities	370,990.85	418,398.62

Number	Description	As at 31.12.2020	As at 31.12.2019
B.I	+Provisions for liabilities	0.00	0.00
B.I.1	+Deferred tax liabilities	0.00	0.00
B.I.2	+Provision for pensions and related benefits	0.00	0.00
B.I.2.A	+ long-term	0.00	0.00
B.I.2.B	+ short-term	0.00	0.00
B.I.3	+Other provisions	0.00	0.00
B.I.3.A	+ long-term	0.00	0.00
B.I.3.B	+ short-term	0.00	0.00
B.II	+Long-term liabilities	0.00	0.00
B.II.1	+To related entities	0.00	0.00
B.II.2	+To other entities in which the entity holds equity interest	0.00	0.00
B.II.3	+To other entities	0.00	0.00
B.II.3.A	+credits and loans	0.00	0.00
B.II.3.B	+debt securities in issue	0.00	0.00
B.II.3.C	+other financial liabilities	0.00	0.00
B.II.3.D	+promissory notes payable	0.00	0.00
B.II.3.E	+other	0.00	0.00
B.III	+Short-term liabilities	370.990,85	418,398.62
B.III.1	+Liabilities to related entities	36.635,23	8,446.74
B.III.1.A	+trade payables, maturing in:	36.635,23	8,446.74
B.III.1.A.1	+ up to 12 months	36.625,23	8,446.74
B.III.1.A.2	+ more than 12 months	0.00	0.00
B.III.1.B	+other	0.00	0.00
B.III.2	+Liabilities to other entities in which the entity holds equity interest	0.00	0.00
B.III.2.A	+trade payables, maturing in:	0.00	0.00
B.III.2.A.1	+ up to 12 months	0.00	0.00
B.III.2.A.2	+ more than 12 months	0.00	0.00
B.III.2.B	+other	0.00	0.00
B.III.3	+Liabilities to other entities	334.335,62	409,951.88
B.III.3.A	+credits and loans	121,98	2,844.52
B.III.3.B	+debt securities in issue	0.00	0.00
B.III.3.C	+other financial liabilities	0.00	0.00
B.III.3.D	+trade payables, maturing in:	12.885,33	13,796.80
B.III.3.D.1	+ up to 12 months	12.885,33	13,796.80
B.III.3.D.2	+ more than 12 months	0.00	0.00
B.III.3.E	+received advances for deliveries	312.170,31	383,332.94
B.III.3.F	+promissory notes payable	0.00	0.00
B.III.3.G	+in respect of taxes, customs duties, social security and health insurance as well as other public law liabilities	9.178,00	9,977.62
B.III.3.H	+payroll liabilities	0.00	0.00
B.III.3.I	+other	0.00	0.00
B.III.4	+Special funds	0.00	0.00
B.IV	+Accruals and deferred income	0.00	0.00
B.IV.1	+ Negative goodwill	0.00	0.00
B.IV.2	+Other accruals and deferred income	0.00	0.00
B.IV.2.A	+ long-term	0.00	0.00
B.IV.2.B	+ short-term	0.00	0.00

IV. INCOME STATEMENT

Income statement with classification of expenses by type pursuant to Appendix 1 to the Accounting Act of 29 September 1994 (consolidated text: Journal of Laws of 2019, item 351) for entities other than banks, insurance and reinsurance companies.

Number	Description	For the period 01.01.2020...31.12.2020	For the period 01.01.2019...31.12.2019
A	Net revenue from sales and equivalents, including:	1.001.655,17	1.021,815.25
	- from related entities	12.895,88	0.00
A.I	+Net revenue from sales of products	1.022.689,70	1.016.944.77
A.II	+Change in products (increase – positive value, decrease – negative value)	-21.034,53	4.870.48
A.III	+Work performed by entity and capitalised	0.00	0.00
A.IV	+Net revenue from sales of goods and materials	0.00	0.00
B	Operating expenses	999.245,34	1.364,144.55
B.I	+Amortisation and depreciation	3.413,66	56,258.05
B.II	+Materials and energy consumption	2.173,33	7,736.40
B.III	+Third-party services	515.683,12	744,133.79
B.IV	+Taxes and charges, including:	5.360,05	5,416.56
	- excise duty	0.00	0.00
B.V	+Wages and salaries	445.747,26	456,185.61
B.VI	+Social security and other benefits, of which:	6.744,64	14,408.94
	- pension benefits	6.560,58	14,040.67
B.VII	+Other expenses by type	20.120,28	80,005.20
B.VIII	+Cost of goods and materials sold	0.00	0.00
C	Profit (loss) on sales (A-B)	2.409,83	-342,329.30
D	Other operating income	3.217,57	36,581.28
D.I	+Gain on disposal of non-financial non-current assets	2.921,94	0.00
D.II	+Subsidies	0.00	0.00
D.III	+Revaluation of non-financial assets	0.00	0.00
D.IV	+Other income	295,63	36,581.28
E	Other operating expenses	5.650,54	123.98
E.I	+Loss on disposal of non-current non-financial assets	0.00	0.00
E.II	+Revaluation of non-financial assets	0.00	0.00
E.III	+Other expenses	5.650,54	123.98
F	Operating profit (loss) (C+D-E)	-23,14	-305,872.00
G	Finance income	6.015,57	47.18
G.I	+Dividend and profit sharing, of which:	0.00	0.00
G.I.A	+from related entities, including:	0.00	0.00
	- entities in which the entity holds equity interest	0.00	0.00
G.I.B	+from other entities, including:	0.00	0.00
	- entities in which the entity holds equity interest	0.00	0.00
G.II	+Interest, including:	410,72	47.18
	- from related entities	0.00	0.00
G.III	+Gain on disposal of financial assets, including:	0.00	0.00
	- in related entities	0.00	0.00
G.IV	+Revaluation of financial assets	0.00	0.00
G.V	+Other	5.604,85	0.00
H	Finance costs	438,44	22,699.00
H.I	+Interest, including:	438,44	155.14
	- for related entities	0.00	0.00
H.II	+Loss on disposal of financial assets, including:	0.00	0.00
	- in related entities	0.00	0.00
H.III	+Revaluation of financial assets	0.00	0.00
H.IV	+Other	0.00	22,543.86
	Profit (loss) before tax (F+G-H)	5.553,99	-328,523.82

Number	Description	For the period 01.01.220...31.12.2020	For the period 01.01.2019...31.12.2019
J	Income tax	0,00	354.60
K	Other mandatory decrease of profit (increase of loss)	0,00	0.00
L	Net profit (loss) (I-J-K)	5,553,99	-328,878.42

V. ADDITIONAL NOTES AND EXPLANATIONS

V.1. additional notes and explanations

Additional notes and explanations for 2020

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VI. ACCOUNTING FOR THE DIFFERENCE BETWEEN TAXABLE INCOME AND PROFIT/(LOSS) BEFORE TAX

Number	Description	Current year		Previous year	
		Total value	From capital gains	Total value	From capital gains
			From other sources of income		From other sources of income
A.	Profit / loss	5.553,99	0.00 0.00	-328.523,82	0.00 0.00
B.	Tax-exempt income	0.00	0.00 0.00	0.00	0.00 0.00
C.	Non-taxable income in the current year	11.334,60	0.00 11.334,60	5.063,96	0.00 5.063,96
D.	Taxable income in the current year, recognised in previous years	42.000,00	0.00 42.000,00	60.000,00	0.00 60.000,00
E.	Non-tax-deductible expenses	0.00	0.00 0.00	0.00	0.00 0.00
F.	Costs not recognised as tax-deductible expenses	38.701,08	0.00 38.701,08	66.912,64	0.00 66.912,64
G.	Costs recognised as tax-deductible expenses, recognised in previous years	0.00	0.00 0.00	0.00	0.00 0.00
H.	Loss brought forward	97.589,67	0.00 97.589,67	0.00	0.00 0.00
I.	Other changes in the tax base	0.00	0.00 0.00	0.00	0.00 0.00
J.	Income tax base	0.00	0.00 0.00	0.00	0.00 0.00
K.	Income tax	0.00	0.00 0.00	0.00	0.00 0.00

Person responsible for
maintaining accounting records

Head of the Entity

Date and signature

Date and signature