



In accordance with Article 53 of the Law on Capital Market ("Official Gazette of the Republic of Serbia", No. 31/2011, 112/2015, 108/2016 and 9/2020), the Rulebook on the content, form and manner of publishing annual, semi-annual and quarterly reports of public companies ("Official Gazette of the Republic of Serbia", No. 14/2012, 5/2015 and 24/2017), Joint Stock Company Belgrade Nikola Tesla Airport publishes:

Quarterly report

for the second quarter of 2020



Contents of the report

1. Financial statements as of 30th June 2020:

- Income statement for the period I-VI 2020;
- Balance sheet as of 30th June, 2020;
- Report on other results for the period I-VI 2020;
- Report on changes in equity for the period I-VI 2020;
- Report on cash flows for the period I-VI 2020;
- Notes to the financial statements as of 30th June 2020.

2. Business report for the period I-VI 2020

3. Statement of the persons responsible for compiling the report

4. Decision on approval of the Financial Statements as of 30th June 2020

5. Decision on the approval of the Business Report for the period I-VI 2020

AIRPORT NIKOLA TESLA, JSC BELGRADE

FINANCIAL REPORTS

30th June 2020

- 1. INCOME STATEMENT for the period I-VI 2020;**
- 2. BALANCE SHEET as of 30th June, 2020;**
- 3. REPORT ON OTHER RESULT for the period I-VI 2020;**
- 4. REPORT ON CHANGES IN EQUITY period I-VI 2020;**
- 5. CASH FLOW STATEMENT for the period I-VI 2020,**
- 6. NOTES TO THE FINANCIAL STATEMENTS 30th June 2020**

August, 2020

INCOME STATEMENT

in the period from 1st January to 30th June 2020

PROFIT AND LOSS ACCOUNT							
For the period from 1st January 2020 to 30th June 2020							
- in thousands of dinars-							
Group of accounts - account	POSITION	AOP	Note number	Amount			
				Current year		Last year	
				Quarter (01.04-30.06.2020)	Cumulative (01.01-30.06.2020)	Quarter (01.04-30.06.2019)	Cumulative (01.01-30.06.2019)
1	2	3	4	5	6	7	8
	OPERATING Revenues						
60 to 65, except from 62 and 63	A. OPERATING REVENUES (1002 + 1009 + 1016 + 1017)	1001		14,831	163,335	129,734	262,957
60	I REVENUES FROM SELLING GOODS (1003 + 1004 + 1005 + 1006 + 1007+ 1008)	1002		0	0	0	0
600	1. Revenues from selling goods to parent companies and subsidiaries on the domestic market	1003					
601	2. Revenues from selling goods to parent companies and subsidiaries on the foreign market	1004					
602	3. Revenue from selling goods to other affiliated companies on the domestic market	1005					
603	4. Revenues from the sale of goods to other related legal entities on the foreign market	1006					
604	5. Revenue from selling goods on the domestic market	1007					
605	6. Revenue from selling goods on the foreign market	1008					
61	II REVENUE FROM SELLING PRODUCTS AND SERVICES (1010 + 1011 + 1012 + 1013 + 1014 + 1015)	1009		0	0	1,522	2,851
610	1. Revenues from selling products and services to parent companies and subsidiaries on the domestic market	1010					
611	2. Revenues from selling products and services to parent companies and subsidiaries on the foreign market	1011					
612	3. Revenues from selling products and services to other affiliated companies on the domestic market	1012					
613	4. Revenue from selling products and services to other affiliated companies on the foreign market	1013					
614	5. Revenue from selling products and services on the domestic market	1014	4	0	0	1,522	2,851
615	6. Revenues from selling goods and services on the foreign market	1015					
64	III REVENUES FROM PREMIUMS, SUBSIDIES, DOTATIONS, DONATIONS AND SIMILAR	1016					
65	IV OTHER OPERATING REVENUES	1017	5	14,831	163,335	128,212	260,106

INCOME STATEMENT (continued)
in the period from 1st January to 30th June 2020

PROFIT AND LOSS ACCOUNT							
For the period from 1st January 2020 to 30th June 2020							
- in thousands of dinars-							
Group of accounts - account	POSITION	AOP	Note number	Amount			
				Current year		Last year	
				Quarter (01.04-30.06.2020)	Cumulative (01.01-30.06.2020)	Quarter (01.04-30.06.2019)	Cumulative (01.01-30.06.2019)
1	2	3	4	5	6	7	8

	REGULAR OPERATING EXPENSES						
50 to 55, 62 and 63	B. OPERATING EXPENSES (1019 – 1020 – 1021 + 1022 + 1023 + 1024 + 1025 + 1026 + 1027 + 1028+ 1029) ≥ 0	1018		260,250	529,479	98,019	182,284
50	I. COST OF GOODS SOLD	1019					
62	II. REVENUES FROM ACTIVATION OF GOODS AND EFFECTS	1020					
630	III. INCREASE IN THE VALUE OF STOCKS OF UNFINISHED AND FINISHED PRODUCTS AND UNFINISHED SERVICES	1021					
631	IV. DECREASE IN THE VALUE OF STOCKS OF UNFINISHED AND FINISHED PRODUCTS AND UNFINISHED SERVICES	1022					
51 except from 513	V. COST OF MATERIALS	1023	6	47	597	369	509
513	VI. COST OF FUEL AND ENERGY	1024	7	180	470	190	385
52	VII. COST OF WAGE, SALARIES AND OTHER PERSONAL EXPENSES	1025	8	34,018	69,941	36,888	64,371
53	VIII. COST OF PRODUCTION SERVICES	1026	9	8,659	16,393	18,320	32,150
540	IX. AMORTIZATION COSTS	1027	10	171,373	337,611	143	322
541 to 549	X. COST OF LONG-TERM PROVISIONS	1028	11	10,000	10,000	0	11,000
55	XI. NON-MATERIAL COSTS	1029	12	35,973	94,467	42,109	73,547
	C. OPERATING PROFIT (1001 – 1018) ≥ 0	1030				31,715	80,673
	D. OPERATING LOSS (1018 – 1001) ≥ 0	1031		245,419	366,144		
66	E. FINANCIAL REVENUES (1033 + 1038 + 1039)	1032	13	2,299	7,732	32,507	63,608
66, except from 662, 663 and 664	I. FINANCIAL REVENUES FROM AFFILIATED COMPANIES AND OTHER FINANCIAL REVENUES (1034 + 1035 + 1036 + 1037)	1033					
660	1. Financial revenues from parent companies and subsidiaries	1034					
661	2. Financial revenues from other affiliated companies	1035					
665	3. Revenues from the stake in the profit of associated companies and joint ventures	1036					
669	4. Other financial revenues	1037					
662	II. INTEREST REVENUES (FROM THIRD PARTIES)	1038	13	2,212	2,894	1,629	15,291
663 and 664	III. POSITIVE FOREIGN EXCHANGE RATE DIFFERENCES AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE (TOWARDS THIRD PARTIES)	1039	13	87	4,838	30,878	48,317

INCOME STATEMENT (continued)

in the period from 1st January to 30th June 2020

PROFIT AND LOSS ACCOUNT							
For the period from 1st January 2020 to 30th June 2020							
- in thousands of dinars -							
Group of accounts - account	POSITION	AOP	Note number	Amount			
				Current year		Last year	
				Quarter (01.04-30.06.2020)	Cumulative (01.01-30.06.2020)	Quarter (01.04-30.06.2019)	Cumulative (01.01-30.06.2019)
1	2	3	4	5	6	7	8
56	F. FINANCIAL EXPENSES (1041 + 1046 + 1047)	1040	14	5,270	5,700	95,141	135,175
56, except from 562, 563 and 564	I. FINANCIAL EXPENSES FROM THE RELATIONSHIP WITH AFFILIATED COMPANIES AND OTHER FINANCIAL EXPENSES (1042 + 1043 + 1044 + 1045)	1041					
560	1. Financial expenses from relationship with parent companies and subsidiaries	1042					
561	2. Financial expenses from relationship with other affiliated companies	1043					
565	3. Expenses from the stake in loss of associated companies and joint ventures	1044					
566 and 569	4. Other financial expenses	1045					
562	II. INTEREST EXPENSES (TOWARDS THIRD PARTIES)	1046	14	1	9	8,932	9,732
563 and 564	III. NEGATIVE FOREIGN EXCHANGE RATE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE (TOWARDS THIRD PARTIES)	1047	14	5,269	5,691	86,209	125,443
	G. PROFIT FROM FINANCING ACTIVITIES (1032 - 1040)	1048			2,032		
	H. LOSS FROM FINANCING ACTIVITIES (1040 - 1032)	1049		2,971		62,634	71,567
683 and 685	I. REVENUES FROM VALUE ADJUSTMENT OF OTHER ASSETS RECOGNIZED AT FAIR VALUE IN THE PROFIT AND LOSS ACCOUNT	1050	15				
583 and 585	J. EXPENSES FROM VALUE ADJUSTMENT OTHER ASSETS RECOGNIZED AT FAIR VALUE IN THE PROFIT AND LOSS ACCOUNT	1051	16				
67 and 68, except from 683 and 685	K. OTHER REVENUE	1052	17	592	1,481	18,552	19,417
57 and 58, except from 583 and 585	L. OTHER EXPENSES	1053	18	93	144	550	1,293
	M. REGULAR OPERATING PROFIT BEFORE TAXATION (1030 - 1031 + 1048 - 1049 + 1050 - 1051 + 1052 - 1053)	1054					27,230
	N. REGULAR OPERATING LOSS BEFORE TAXATION (1031 - 1030 + 1049 - 1048 + 1051 - 1050 + 1053 - 1052)	1055		247,891	362,775	12,917	

PROFIT AND LOSS ACCOUNT



For the period from 1st January 2020 to 30th June 2020

- in thousands of dinars -

Group of accounts - account	POSITION	AOP	Note number	Amount			
				Current year		Last year	
				Quarter (01.04-30.06.2020)	Cumulative (01.01-30.06.2020)	Quarter (01.04-30.06.2019)	Cumulative (01.01-30.06.2019)
1	2	3	4	5	6	7	8
69-59	O. NET OPERATING PROFIT THAT IS WITHELD, THE EFFECT OF THE CHANGE OF ACCOUNTING POLICY AND CORRECTION OF MISTAKES FROM PREVIOUS PERIODS	1056	19	144	9,673	5,704	
59-69	P. NET OPERATING LOSS THAT IS WITHELD, EXPENSES FROM THE CHANGE IN ACCOUNTING POLICY AND CORRECTION OF MISTAKES FROM PREVIOUS PERIODS	1057	19	0	0		2,972
	Q. PROFIT BEFORE TAXATION (1054 - 1055 + 1056 - 1057)	1058	20				24,258
	R. LOSS BEFORE TAXATION (1055 - 1054 + 1057 - 1056)	1059	20	247,747	353,102	7,213	
	S. PROFIT TAX						
721	I. TAX EXPENSE OF PERIOD	1060	21				
part of 722	II. DEFERRED TAX EXPENSES OF PERIOD	1061	21				
part of 722	III. DEFERRED TAX REVENUES OF THE PERIOD	1062	21	1,303	1,303		
723	T. PAID SALARIES OF THE EMPLOYER	1063					
	U. NET PROFIT (1058 – 1059 – 1060 – 1061 + 1062)	1064	21				24,258
	V. NET LOSS (1059 – 1058 + 1060 + 1061 – 1062)	1065	21	246,444	351,799	7,213	
	I. NET PROFIT BELONGING TO THE MINOR STAKEHOLDERS	1066					
	II. NET PROFIT BELONGING TO THE MAJOR STAKEHOLDERS	1067					
	III EARNINGS PER SHARE						
	1. Basic earnings per share	1068	22		-10.04		1
	2. Decreased (diluted) earnings per share	1069					
6	TOTAL REVENUES			18,571	186,877	181,356	357,684
5	TOTAL EXPENSES			266,318	539,979	188,569	333,426

BALANCE SHEET
On 30th June 2020

BALANCE SHEET						
on 30th June, 2020						
- in thousands of dinars -						
Group of accounts - account	POSITION	AOP	Note no	Amount		
				Current year 30.06.2020	Last year	
1	2	3	4	5	Closing balance 31.12.2019.	Opening balance 01.01.2019.
					6	7
	ASSETS					
0	A.SUBSCRIBED UNPAID CAPITAL	1				
	B.FIXED ASSETS (0003+0010+0019+0024+0034)	2		28,683,815	28,989,692	
1	I. INTANGIBLE ASSETS (0004+0005+0006+0007+0008+0009)	3	23	25,609	18,551	
010 and part of 019	1. Investments in development	4				
011, 012 and part of 019	2. Concessions, patents, licences, product and service brands software and other rights	5		25,609		
013 and part of 019	3. Goodwill	6				
014 and part of 019	4. Other intangible assets	7				
015 and part of 019	5. Intangible assets in progress	8		0	18,551	
016 и део 019	6. Advance payments for intangible property	9				
2	II. PROPERTY, PLANT AND EQUIPMENT (0011 + 0012 + 0013 + 0014 + 0015 + 0016 + 0017 + 0018)	10	24	28,532,446	28,845,688	
020, 021 and part of 029	1. Land	11	24	14,180,349	14,180,349	
022 and part of 029	2. Constructions	12	24	10,614,751	10,811,830	
023 and part of 029	3. Plants and equipment	13	24	3,716,266	3,853,509	
024 and part of 029	4. Investment property	14				
025 and part of 029	5. Other property, plants and equipment	15				
026 and part of 029	6. Property, plants and equipment in progress	16	24	21,080		
027 and part of 029	7. Investments in others' property, plants and equipment	17				
028 and part of 029	8. Advance payments for property, plants and equipment	18				
3	III. BIOLOGICAL ASSETS (0020 + 0021 + 0022 + 0023)	19				
030, 031 and part of 039	1. Forests and perennial plantations	20				
032 and part of 039	2. Livestock unit	21				
037 and part of 039	3. Biological assets in progress	22				
038 and part of 039	4. Advance payments for biological assets	23				
04. except from 047	IV. LONG-TERM financial placements (0025 + 0026 + 0027 + 0028 + 0029 + 0030 + 0031 + 0032 + 0033)	24	25	125,760	125,453	
040 and part of 049	1. Stake in the capital of subsidiaries	25				
041 and part of 049	2. Stake in the capital of associated companies and joint ventures	26				
042 and part of 049	3. Stake in the capital of other companies and other securities available for sale	27	25a	1	1	
part of 043, part of 044 and part of 049	4. Long-term placements to parent companies and subsidiaries	28				
part of 043, part of 044 and part of 049	5. Long-term placements to other related legal entities	29				
part of 045 and part of 049	6. Long-term placements in the country	30				
part of 045 and part of 049	7. Long-term placements abroad	31				
046 and part of 049	8. Securities held to maturity	32				
048 and part of 049	9. Other long-term financial investments	33	256	125,759	125,452	

BALANCE SHEET (continued)
On 30th June 2020

BALANCE SHEET						
on 30th June, 2020						
- in thousands of dinars -						
Group of accounts - account	POSITION	AOP	Note no	Amount		
				Current year 30.06.2020	Last year	
1	2	3	4	5	Closing balance 31.12.2019.	Opening balance 01.01.2019.
					6	7
5	V. LONG-TERM RECEIVABLES (0035 + 0036 + 0037 + 0038 + 0039 + 0040 + 0041)	34				
050 and part of 059	1. Receivables from the parent companies and subsidiaries	35				
051 and part of 059	2. Receivables from other affiliated companies	36				
052 and part of 059	3. Receivables from the sales by means of commodity loans	37				
053 and part of 059	4. Receivables for sales by means of financial leasing agreements	38				
054 and part of 059	5. Receivables from warranties	39				
055 and part of 059	6. Controversial and doubtful receivables	40				
056 and part of 059	7. Other long-term receivables	41				
288	C. DEFERRED TAX ASSETS	42				
	D. CURRENT ASSETS (0044 + 0051 + 0059 + 0060 + 0061 + 0062 + 0068 + 0069 + 0070)	43		4,383,651	4,534,853	
Class 1	I STOCK (0045 + 0046 + 0047 + 0048 + 0049 + 0050)	44		3,840	2,058	
10	1. Material, spare parts, tools and small inventory	45				
11	2. Unfinished production and unfinished services	46				
12	3. Finished products	47				
13	4. Goods	48				
14	5. Fixed assets intended for sale	49				
15	6. Paid advances for stocks and services	50	26	3,840	2,058	
20	II RECEIVABLES FROM SALE (0052 + 0053 + 0054 + 0055 + 0056 + 0057 + 0058)	51	27	58,087	98,191	
200 and part of 209	1. Customers in the country-parent companies and subsidiaries	52				
201 and part of 209	2. Customers abroad - parent companies and subsidiaries	53				
202 and part of 209	3. Customers in the country-other affiliated companies	54				
203 and part of 209	4. Customers abroad - other affiliated companies	55				
204 and part of 209	5. Customers in the country	56	27	38,701	75,403	
205 and part of 209	6. Customers abroad	57	27	19,386	22,788	
206 and part of 209	7. Other receivables from sale	58				
21	III. RECEIVABLES FROM SPECIFIC OPERATIONS	59				
22	IV. OTHER RECEIVABLES	60	28	1,607,289	1,607,808	
236	V. FINANCIAL ASSETS RECOGNIZED AT FAIR VALUE IN THE INCOME STATEMENT	61				
23 except from 236 and 237	VI SHORT-TERM FINANCIAL PLACEMENTS (0063 + 0064 + 0065 + 0066 + 0067)	62	29	11,613	13,336	
230 and part of 239	1. Short-term loans and placements-parent companies and subsidiaries	63				
231 and part of 239	2. Short-term loans and placements-other affiliated companies	64				
232 and part of 239	3. Short-term loans in the country	65	29	4,982	2,432	
233 and part of 239	4. Short-term loans abroad	66				
234, 235, 238 and part of 239	5. Other short-term financial placements	67	29	6,631	10,904	
24	VII CASH EQUIVALENTS AND CASH	68	30	972,931	910,118	
27	VIII VALUE ADDED TAX	69	31	59,753	40,792	
28 except from 288	IX ACTIVE ACCRUALS	70	32	1,670,138	1,862,550	
	D. TOTAL ASSETS = OPERATING ASSETS (0001 + 0002 + 0042 + 0043)	71		33,067,466	33,524,545	
88	F. OFF-BALANCE SHEET ASSETS	72	42	5,977,123	377,128	

BALANCE SHEET (continued)
On 30th June 2020

BALANCE SHEET						
on 30th June, 2020						
- in thousands of dinars -						
Group of accounts - account	POSITION	AOP	Note no	Amount		
				Current year 30.06.2020	Last year	
1	2	3	4	5	Closing balance 31.12.2019.	Opening balance 01.01.2019.
					6	7
	LIABILITIES					
	A. CAPITAL (0402 + 0411 – 0412 + 0413 + 0414 + 0415 – 0416 + 0417 + 0420 – 0421) ≥ 0 = (0071 – 0424 – 0441 – 0442)	401	33	29,320,725	29,672,524	
30	I BASIC CAPITAL (0403 + 0404 + 0405 + 0406 + 0407 + 0408 + 0409 + 0410)	402		21,322,533	21,322,533	
300	1. Share capital	403	33a	21,015,677	21,015,677	
301	2. Equity interest in limited liability companies	404				
302	3. Equity interest	405				
303	4. State-owned capital	406				
304	5. Public capital	407				
305	6. Cooperative shares	408				
306	7. Share issuing premiums	409	33b	306,856	306,856	
309	8. Other basic capital	410				
31	II SUBSCRIBED AND UNPAID CAPITAL	411				
047 and 237	III REPURCHASED OWN ACTIONS	412	33c	33,192	33,192	
32	IV RESERVES	413	33d	6,356,456	6,356,456	
330	V. REVALORIZATION RESERVES BASED ON THE REVALORIZATION OF INTAGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT	414	33e	2,218,988	2,218,988	
33 except from 330	VI. UNREALIZED GAINS FROM SECURITIES AND OTHER COMPONENTS OF THE REMAINING TOTAL RESULTS (credit balance of the accounts from the group 33 except 330)	415				
33 except from 330	VII. UNREALIZED LOSSES FROM SECURITIES AND OTHER COMPONENTS OF REMAINING TOTAL RESULTS (debit balances of the accounts from the Group 33 except 330)	416				
34	VIII UNDISTRIBUTED PROFIT (0418 + 0419)	417	33f	261,596	261,596	
340	1. Undistributed profit from previous years	418	33f	261,596	261,596	
341	2. Undistributed profit from the current year	419				
	IX. STAKE WITHOUT THE CONTROL RIGHT	420				
35	X. LOSS (0422 + 0423)	421	33g	805,656	453,857	
350	1. Loss from previous year	422	33g	453,857		
351	2. Loss from current year	423	33g	351,799	453,857	
	B. LONG-TERM PROVISIONS AND LIABILITIES (0425 + 0432)	424		95,743	86,093	
40	I LONG-TERM PROVISIONS (0426 + 0427 + 0428 + 0429 + 0430 + 0431)	425	34	95,743	86,093	
400	1. Provisions for costs in the guarantee period	426				
401	2. Provisions for the costs of renewing natural resources	427				
403	3. Provisions for restructuring costs	428				
404	4. Provision for allowances and other benefits for employees	429	34a	5,087	5,087	
405	5. Provisions for costs of litigation	430	34b	90,656	81,006	
402 and 409	6. Other long-term provisions	431				
41	II LONG-TERM LIABILITIES (0433 + 0434 + 0435 + 0436 + 0437 + 0438 + 0439 + 0440)	432		0	0	
410	1. Liabilities that can be converted to capital	433				
411	2. Liabilities towards parent companies and subsidiaries	434				
412	3. Liabilities to other affiliated companies	435				
413	4. Liabilities for issued securities in a period longer than a year	436				
414	5. Long-term loans and borrowings in the country	437				
415	6. Long-term loans and borrowings abroad	438				

BALANCE SHEET (continued)
On 30th June 2020

BALANCE SHEET						
on 30th June, 2020						
- in thousands of dinars -						
Group of accounts - account	POSITION	AOP	Note no	Amount		
				Current year 30.06.2020	Last year Closing balance 31.12.2019.	Opening balance 01.01.2019.
1	2	3	4	5	6	7
416	7. Financial leasing liabilities	439				
419	8. Other long-term liabilities	440				
498	C. DEFERRED TAX LIABILITIES	441	41	722,562	723,864	
42 to 49 (except from	D. SHORT-TERM LIABILITIES (0443 + 0450 + 0451 + 0459 + 0460 + 0461 + 0462)	442		2,928,436	3,042,064	
42	I SHORT-TERM FINANCIAL LIABILITIES (0444 + 0445 + 0446 + 0447 + 0448 + 0449)	443		0	0	
420	1. Short-term loans from parent companies and subsidiaries	444				
421	2. Short-term loans from other affiliated companies	445				
422	3. Short-term loans and borrowings in the country	446				
423	4. Short-term loans and borrowings abroad	447				
427	5. Liabilities arising from fixed assets and withheld operating assets intended for sale	448				
424, 425, 426 and 429	6. Other short-term financial liabilities	449				
430	II RECEIVED ADVANCES, DEPOSITS AND BAILS	450	35	54,137	42,023	
43 except from 430	III OPERATING LIABILITIES (0452 + 0453 + 0454 + 0455 + 0456 + 0457 + 0458)	451	36	27,029	59,548	
431	1. Suppliers-parent companies and subsidiaries in the country	452				
432	2. Suppliers - parent companies and subsidiaries abroad	453				
433	3. Suppliers-other affiliated companies in the country	454				
434	4. Suppliers-other affiliated companies abroad	455				
435	5. Suppliers in the country	456	36	17,545	44,724	
436	6. Suppliers abroad	457	36	253	5,577	
439	7. Other operating liabilities	458	36	9,231	9,247	
44, 45 and 46	IV OTHER SHORT-TERM LIABILITIES	459	37	23,786	17,305	
47	V LIABILITIES FOR VALUE ADDED TAX	460	38	95		
48	VI LIABILITIES FOR OTHER TAXES, BENEFITS AND OTHER DUTIES	461	39	1,955	2,482	
49 except from 498	VII PASSIVE TIME DISCLOSURES	462	40	2,821,434	2,920,706	
	E. LOSS BEYOND THE AMOUNT OF CAPITAL (0412 + 0416 + 0421 – 0420 – 0417 – 0415 – 0414 – 0413 – 0411 – 0402) ≥ 0 = (0441 + 0424 + 0442 – 0071) ≥ 0	463		0	0	
	F. TOTAL LIABILITIES (0424 + 0442 + 0441 + 0401 – 0463) ≥ 0	464		33,067,466	33,524,545	
89	G. OFF-BALANCE SHEET LIABILITIES	465	42	5,977,123	377,128	

for period from 1st January 2020 to 30th June 2020

- in thousands of dinars -

Group of accounts - account	POSITION	ADP	Note number	Amount	
				Current year	Last year
1	2	3	4	Cumulative (01.01-30.06.2017)	Quarter (01.01-31.03.2019)
				6	7
	A. NET OPERATING RESULTS				
	I. NET PROFIT (ADP 1064)	2001	28		24,258
	II. NET LOSS (ADP 1065)	2002		351,799	
	B. OTHER COMPERHENSIVE PROFIT OR LOSS				
	a) Items that will not be reclassified to the Profit and Loss Account in future periods				
	1. Revalorization changes of intangible assets, property, plants and equipment				
330	a) increase in revalorization reserves	2003			
	b) reduction of revalorization reserves	2004			
	2. Actuarial profit or losses from plans of defined income				
331	a) profits	2005			
	b) losses	2006			
	3. Profits or losses on investments in equity instruments				
332	a) profits	2007			
	b) losses	2008			
	4. Profits or losses from the stake in the remaining comprehensive profit or loss of associated companies				
333	a) profits	2009			
	b) losses	2010			
	b) Items that can be subsequently reclassified to the income statement in future periods				
	1. Profits or losses from thr conversatio of financial reports on foreign operations				
334	a) profits	2011			
	b) losses	2012			
	2. Profits or losses from hedging instruments used to protect net investments in foreign operations				
335	a) profits	2013			
	b) losses	2014			
	3. Profits or losses from cash flow risk hedging instruments				
336	a) profits	2015			
	b) losses	2016			
	4. Profits or losses from securities available for sale				
337	a) profits	2017			
	b) losses	2018			
	I. OTHER GROSS COMPERHENSIVE PROFIT (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) – (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) ≥ 0	2019		0	0
	II. OTHER GROSS COMPERHENSIVE LOSS (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) – (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) ≥ 0	2020		0	0
	III. TAX ON OTHER COMPERHENSIVE PROFIT OR LOSS OF THE PERIOD	2021			
	IV. NET OTHER COMPERHENSIVE PROFIT (2019 – 2020 – 2021) ≥ 0	2022		0	
	V. NET OTHER COMPERHENSIVE LOSS (2020 – 2019 + 2021) ≥ 0	2023		0	0
	C. TOTAL NET COMPERHENSIVE RESULT OF THE PERIOD				
	I. TOTAL NET COMPERHENSIVE PROFIT (2001 – 2002 + 2022 – 2023) ≥ 0	2024			24,258
	II. TOTAL NET COMPERHENSIVE LOSS (2002 – 2001 + 2023 – 2022) ≥ 0	2025		351,799	0
	D. TOTAL NET COMPERHENSIVE PROFIT OR LOSS (2027 + 2028) = ADP 2024 ≥ 0 or ADP 2025 > 0	2026		0	24,258
	1. Ascribed to major equity owners	2027			
	2. Ascribed to owners who have no control	2028			

CASH FLOW STATEMENT for the period from 1st January to 30th June 2020

CASH FLOW STATEMENT



for the period from 1st January 2020 to 30th June 2020

- in thousands of dinars -

Position 1	AOP 2	Amount	
		Current year 4	Last year 5
A. CASH FLOW FROM OPERATING ACTIVITIES			
I. Cash inflows from operating activities (1 to 3)	3001	326,861	1,074,978
1. Sales and received advance payments	3002	321,099	1,056,420
2. Received interests from operating activities	3003		1,655
3. Other inflows from operating activities	3004	5,762	16,903
II. Cash outflows from operating activities (1 to 5)	3005	231,355	12,364,517
1. Payments to suppliers and given advance payments	3006	121,957	656,257
2. Wages, salaries and other personal expenses	3007	64,390	59,567
3. Paid interest	3008		12,606
4. Income tax	3009		10,499,955
5. Outflows for other public revenues	3010	45,008	1,136,132
III. Net operating cash inflows (I-II)	3011	95,506	
IV. Net operating cash outflows (II-I)	3012		11,289,539
B. CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash inflows from investing activities (1 to 5)	3013	3,341	2,741,223
1. Sale of stocks and shares (net inflow)	3014		
2. Sale of intangible assets, property, plant, equipment and biological assets	3015		
3. Other financial placements (net inflow)	3016		2,716,029
4. Received interests from investing activities	3017	3,341	25,194
5. Received dividends	3018		
II. Cash outflows from investing activities (1 to 3)	3019	35,058	21,834
1. Purchase of stakes and shares (net outflow)	3020		
2. Purchase of intangible assets, property, plants, equipment and biological assets	3021	35,058	21,834
3. Other financial placements (net outflow)	3022		
III. Net cash inflow from financing activities (I-II)	3023		2,719,389
IV. Net cash outflow from financing activities (II-I)	3024	31,717	

CASH FLOW STATEMENT (continued)
for the period from 1st January to 30th June 2020

CASH FLOW STATEMENT



for the period from 1st January 2020 to 30th June 2020

- in thousands of dinars -

Position	AOP	Amount	
		Current year	Last year
1	2	4	5
C. CASH FLOWS FROM FINANCING ACTIVITIES			
I. Cash inflows from financing activities (1 to 5)	3025	0	0
1. Basic capital increase	3026		
2. Long-term loans (net inflows)	3027		
3. Short-term loans (net outflows)	3028		
4. Other long-term liabilities	3029		
5. Other short-term liabilities	3030		
II. Cash outflows from financing activities (1 to 6)	3031	48	52,122,514
1. Purchase of own shares and stakes	3032		
2. Long-term loans (outflows)	3033		49,163
3. Short-term loans (outflows)	3034		
4. Other liabilities (outflows)	3035	48	148,056
5. Financial leasing	3036		
6. Paid out dividends	3037		51,925,295
III. Net cash inflow from financing activities (I-II)	3038	0	0
IV. Net cash outflows from financing activities (II-I)	3039	48	52,122,514
D.TOTAL CASH INFLOWS (3001+3013+3025)	3040	330,202	3,816,201
E.TOTAL CASH OUTFLOWS (3005+3019+3031)	3041	266,461	64,508,865
F.NET CASH INFLOWS (3040-3041)	3042	63,741	
G. NET CASH OUTFLOWS (3041-3040)	3043		60,692,664
H. OPENING CASH BALANCE AT THE BEGINNING OF THE ACCOUNTING PERIOD	3044	910,118	61,394,573
I.POSITIVE FOREIGN EXCHANGE RATE DIFFERENCES BASED ON THE CASH CONVERSATION	3045		37,208
J.NEGATIVE FOREIGN EXCHANGE DIFFERENCES BASED ON THE CASH CONVERSATION	3046	928	120,183
K. CLOSING CASH BALANCE AT THE END OF THE ACCOUNTING PERIOD	3047	972,931	618,934
(3042 – 3043 + 3044 + 3045 – 3046)			

JSC AIRPORT NIKOLA TESLA BELGRADE

NOTES TO THE FINANCIAL STATEMENTS
30th June 2020

1. ESTABLISHMENT AND BUSINESS OPERATIONS OF THE COMPANY

1.1 Basic information about the company

The joint stock company Belgrade Nikola Tesla Airport (hereinafter: the "Company") was established with the aim of providing airport services (landing, takeoff, taxiing and parking of aircraft, reception and dispatch of aircraft, passengers and goods). In addition to the basic activity of providing airport services, the Company, within the ancillary activities, also performs other services at the airport complex that meet the needs of service users, domestic and foreign airlines.

The operations of the Airport date back to March 25, 1928 at the location of Bežanijska kosa, and the operations at today's location (Surčin) began in 1962.

By the decision of the Government of the Republic of Serbia from 1992, the Airport was re-registered as the Public Enterprise Airport "Belgrade", and in 2006, also by the decision of the Government, it was renamed as a Public Enterprise Airport Nikola Tesla Belgrade.

On 17th June 2010., the Government of the Republic of Serbia passed Decision no. 023-4432 / 2010 on the change of the legal form of Public Enterprise Airport Nikola Tesla Belgrade from a public company to a closed joint stock company. The aforementioned change in the legal form was registered with the Business Registers Agency on 22nd June 2010, Decision number BD 68460/2010.

After the change of legal form, the company continued to operate under the full name of the Joint Stock Company Belgrade Nikola Tesla Airport. By the decision of the Business Registers Agency number BD 7651/2011 from 24th January .2011 The registration of the open Joint Stock Company Belgrade Nikola Tesla Airport was made in the register of business entities.

On 5th January 2018 the Decision on the selection of the most favorable bid in the procedure of granting a concession for financing, development through construction and reconstruction, maintenance and management of the infrastructure of JSC Airport Nikola Tesla Belgrade and performing the activities of the airport operator was registered with the Ministry of Construction, Transport and Infrastructure under number: 023 -00-1 / 2018-12 dated 5th January 2018 and with ANT under number: GD 111/2018 dated 5th January 2018. The most favorable bidder selected is "Vinci Airports SAS France".

On 22nd March 2018 the Concession Agreement for financing, development through construction and reconstruction, maintenance and management of the infrastructure of AD Nikola Tesla Airport Belgrade and performing the activities of the Airport operator at Nikola Tesla Airport Belgrade was signed between the Government as the representative of the Republic of Serbia, JSC Nikola Tesla Airport Belgrade, "Vinci Airports Serbia" doo Belgrade (hereinafter: DPN) and " Vinci Airports SAS France "as the Best Selected Bidder (hereinafter: Concession Agreement).

The provisions of the Concession Agreement provide for a number of preconditions for both contracting parties in the Transition Period, the fulfillment of which, within the stipulated deadline, provides the conditions for the Concession Commencement Date to start.

By fulfilling all previous conditions, including the payment of a one-time concession fee in the amount of EUR 501,000,000 to the account of JSC Airport Nikola Tesla Belgrade, made by Vinci Airports Serbia doo Belgrade on 21st December 2018, the conditions for the start of the Start Day concessions starting from 22nd December 2018 were met.

On 21st December 2018, by the decision of the Civil Aviation Directorate of the Republic of Serbia, the Airport certificate was transferred from JSC Nikola Nikola Tesla Airport to Vinci Airports Serbia doo Belgrade.

From the Concession Commencement Date on 22nd December 2018., Vinci Airports Serbia doo Belgrade took over the management of the Airport and the performance of service activities in air transport, and from that date JSC Airport Nikola Tesla changed the main activity from service activities in air transport (52.23) to renting and managing their own or leased real estate (68.20), with the primary task of being the owner of all movable and immovable property granted under the Concession Agreement for the use and management of VINCI Airports Serbia doo Belgrade, monitors the implementation of the concession agreement in accordance with the Law on Public-Private Partnership and Concessions with accompanying bylaws .

In addition to the predominant activity, the Company may perform all other activities that are not prohibited by law, including foreign trade activity, regardless of whether those activities are determined by the founding act, ie the statute. The company performs activities of general interest.

<i>Main office</i>	<i>11180 Belgrade, Surčin</i>
<i>Registration number</i>	<i>07036540</i>
<i>Tax identification number</i>	<i>100000539</i>
<i>Code and activity name until 21st December 2018</i>	<i>52.23 - Service activities in air transport</i>
<i>Code and activity name from 22nd December 2018</i>	<i>68.20 - Renting and management of own or leased real estate</i>

In July 2019, VINCI Airports Serbia doo Belgrade changed its business name to Belgrade Airport doo Belgrade (hereinafter DPN) based on the prior consent of the Concession Grantor.

According to the criteria for classification from the Law on Accounting, JSC Airport Nikola Tesla Belgrade is classified into a small legal entity.

1.2 Management structure

The management of the Company is bicameral. The bodies of the Company are the Assembly, the Supervisory Board and the Executive Board.

The Assembly is comprised of shareholders of the Company who have the right to participate in the work of the Assembly. A shareholder who owns 35026 ordinary shares has the right to participate in the work of the Assembly.

The Supervisory Board consists of five (5) members, at least one member of which is independent from the Company. The members of the Supervisory Board are appointed by the Assembly of the Company. The Supervisory Board is obliged to form an audit committee, and if necessary, it may form other committees that assist it in its work. The Supervisory Board committees have at least three members, and one of those members must always be an independent member of the Supervisory Board.

The Executive Board consists of two (2) Executive Directors including the Managing Director. The Executive Directors are appointed by the Supervisory Board of the Company.

1.3 Ownership structure

After the change of legal form into a closed joint stock company, 34,289,350 shares, 100% owned by the Republic of Serbia were registered in the Central Securities Depository on 7th July 2010.

The Government of the Republic of Serbia on 9th December 2010 passed Decision No. 023-9103 / 2010-1, according to which the right to transfer 16.85% of the ownership of the Company was acquired by citizens of the Republic of Serbia, employees and former employees of the Company. After the transfer of free shares to citizens, employees and former employees, the Republic of Serbia owns 28,511,988 ordinary shares, which represents 83.15% of the total share capital of the

Company.

By the decision on admission of shares to Listing A-Prime market 04/4 No. 478/11 of January 28, 2011, the Company's shares were admitted to Listing A of the Belgrade Stock Exchange. Trading in the Company's shares on the Belgrade Stock Exchange started on February 7, 2011. years.

As of 30th June 2020, 35,026,129 ordinary shares were registered in the Central Registry of Securities, with the right to vote with an individual nominal value of 600.00 dinars. The Republic of Serbia owns 29,616,702 ordinary shares, which represents 84.56% of the total share capital of the Company, and other shareholders own 5,409,427 ordinary shares, which represents 15.44% of the total share capital of the Company.

1.4 Number of employees and engaged persons

At the balance sheet date of 30th June 2020, the Company had 35 employees, 34 of which permanent employees and 1 employee engaged in temporary and occasional jobs 31st (December 2019, the Company had 37 employees). 36 of which were full-time employees and 1 employee hired for temporary and occasional jobs refer to the employees of the Company).

During I-VI 2020, the average number of employees in the Company based on the situation at the end of each month was 36, of which the average number of employees in the Company is 35 employees and 1 average employee for temporary and occasional jobs. During January-June 2019, the average number of employees in the Company based on the situation at the end of each month was 35, of which the average number of employees in the Company is 33 employees (32 full-time employees and 1 part-time employee) and the average number of 2 hired workers for temporary and occasional jobs).

2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS AND ACCOUNTING METHOD

2.1 Bases of preparation and presentation of financial statements

The financial statements for the period I-VI 2020 were prepared in the manner and in accordance with the legal regulations and established at the meeting of the Supervisory Board of the Company on 14th August.2020.

Legal entities and entrepreneurs in the Republic of Serbia are obliged to keep business books, recognize and assess assets and liabilities, income and expenses, compile, present, submit and disclose financial statements in accordance with the Law on Accounting (hereinafter "the Law"). published in the "Official Gazette of the Republic of Serbia", No. 73/19, as well as No. 62/13 and 30/18), as well as in accordance with other applicable bylaws. The company, as a large legal entity, is obliged to apply International Financial Reporting Standards ("IFRS"), which in terms of this law, include: Framework for preparation and presentation of financial statements ("Framework"), International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRS") and related interpretations, issued by the Accounting Interpretations Committee ("IFRIC"), subsequent amendments to those standards and related interpretations, approved by the International Accounting Standards Board ("Board"), whose translation was determined and published by the Ministry in charge of finance.

By the Decision of the Ministry dated 13th March 2014, published in the Official Gazette of the Republic of Serbia No. 35 dated 27th March 2014 (hereinafter "Decision on Determining the Translation"), the translations of the basic texts of IAS and IFRS, the Conceptual financial reporting frameworks (the "Conceptual Framework"), were adopted by the Board, as well as related IFRIC interpretations. The mentioned translations published in the Decision on Determining the Translation do not include grounds for conclusions, illustrative examples, guidelines, comments, dissenting opinions, elaborated examples, as well as other additional explanatory material that can be adopted in connection with standards, i.e. interpretations, unless explicitly stated that this material is an integral part of the standard, i.e. interpretation. Pursuant to the Decision on Determining the Translation, the

Conceptual Framework, IAS, IFRS, IFRIC and related interpretations that have been translated are applied from the financial statements prepared as of 31st December 2014. The revised or issued IFRSs and interpretations of standards, after this date, have not been translated and published, and therefore have not been applied for the preparation of the accompanying financial statements.

However, as of the date of the preparation of the accompanying financial statements, not all amendments to IAS / IFRS and IFRIC Interpretations that were effective for annual periods beginning on or after 1st January 2015 have been translated. In addition, certain laws and regulations prescribe accounting procedures, valuations and disclosures that in some cases deviate from the requirements of IAS / IFRS and IFRIC Interpretations.

In addition, the accompanying financial statements deviate from IAS and IFRS in the following areas:

- Deviations from IAS 1 "Presentation of Financial Statements" and IAS 16 "Property, Plant and Equipment" in the treatment and recording of the effects of capital valuation, the main part of which is the valuation of real estate, equipment and investment property. Namely, in accordance with Article 27 of the Independent Articles of the Law on Amendments to the Law on the Right to Free Shares and Cash Compensation that Citizens Receive in the Privatization Procedure ("Official Gazette of RS" No. 30/2010), the founder of the Company was obliged to ensure that by 30th June 2010, the Company changes its legal form and presents its share capital in shares of a certain nominal value based on the adjusted book value of capital. Accordingly, after the capital valuation procedure, the estimated values of assets and liabilities were credited to revaluation reserves. Pursuant to the Decision of the Management Board of the Company No. 04-100 / 1 dated 31st May 2010 on the capital increase, and the Decision of the Government of the Republic of Serbia No. 023-4175 / 2010 dated 4th June 2010 on giving consent to the aforementioned Decision on the increase of the basic capital from own funds by converting reserves and retained earnings into share capital of Public Enterprise Airport Nikola Tesla Belgrade, the Company in its business books, carried out bookkeeping recording of increase in state capital on 1st January 2010, adjusting the opening balance by reducing other capital, reserves, revaluation reserves and retained earnings. The stated accounting treatment deviates from the requirements of IAS 16 "Property, Plant and Equipment" according to which: 1) the revaluation result is attributed directly to equity, within the revaluation reserve position, i.e. recognized as income in the income statement up to the amount to which the revaluation decrease is reversed. assets, which was previously recognized as an expense, as well as in the part where 2) revaluation reserves which are an integral part of the capital related to real estate, plant and equipment, can be transferred directly to the retained earnings, when the asset ceases to be recognized. Due to the aforementioned, the recognition of the valuation in the attached financial statements in accordance with the mentioned acts is not in accordance with the requirements of IAS 1 "Presentation of Financial Statements" and IAS 16 "Property, Plant and Equipment.
- In the opinion of the Ministry, the employee's share of profits is recorded as a decrease in retained earnings and not at the expense of the results of the current period, as required by IAS 19 "Employee Benefits".

Accordingly, and having in mind the potential material effects that deviations of accounting regulations of the Republic of Serbia from IFRS and IAS may have on the reality and objectivity of the Company's financial statements, the accompanying financial statements cannot be considered financial statements prepared in accordance with IFRS and IAS.

Published standards and interpretations that have entered into force in the current period on the basis of the Decision on determining the translation are disclosed in Note 2.2. Published standards and interpretations in force in the current period that have not yet been officially translated and adopted are disclosed in Note 2.3.

The financial statements have been prepared under the historical cost principle, unless otherwise stated in the accounting policies set out below.

In compiling these financial statements, the Company has applied the accounting policies set out in Note 3.

In accordance with the Law on Accounting, the financial statements of the Company are expressed in thousands of RSD. Dinar is the official reporting currency in the Republic of Serbia.

Published standards and interpretations that have become effective on the basis of the Decision on determining the translation

- Amendments to IFRS 7 “Financial Instruments: Disclosures” - Amendments that improve the disclosure of fair value and liquidity risk (as revised in March 2009, effective for annual periods beginning on or after 1st January 2009);
- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards” - Additional Exemptions for First-time Adopters. The amendments relate to assets in the oil and gas industry and the determination of whether contracts contain leases (revised in July 2009, effective for annual periods beginning on or after 1st January 2010);
- The amendments to various standards and interpretations are the result of the Annual Qualitative Improvement Project of IFRS published on 16th April 2009 (IFRS 5, IFRS 8, IAS 1, IAS 7, IAS 17, IAS 36, IAS 39, IFRIC 16 primarily with a view to eliminating non-compliance and clarifications of the wording in the text (amendments to the standards are effective for annual periods beginning on or after 1st January 2010, and amendments to the IFRIC on or after 1st July 2009);
- Amendments to IAS 38 “Intangible Assets” (effective for annual periods beginning on or after 1st July 2009);
- Amendments to IFRS 2 “Share Payments”: Amendments as a result of the IFRS Annual Qualitative Improvement Project (revised in April 2009, effective for annual periods beginning on or after 1st July 2009) and changes related to transactions payments to shares of the cash-based group (revised in June 2009, effective for annual periods beginning on or after 1st January 2010);
- Amendments to IFRIC 9 “Reassessment of Embedded Derivatives” are effective for annual periods beginning on or after 1 July 2009 and IAS 39 “Financial Instruments: Recognition and Measurement” - Embedded Derivatives (effective for annual periods beginning on or after 30th June 2009);
- IFRIC 18 “Transfers of Assets from Customers” (effective for annual periods beginning on or after 1st July 2009);
- Comprehensive Financial Reporting Framework 2010, which is an amendment to the “Framework for the Preparation and Presentation of Financial Statements” (applies to the transfer of funds from customers received on or after September 2010);
- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards” - Limited exemption from comparative disclosures required by IFRS 7 for first-time adopters (effective for annual periods beginning on or after 1st July 2010);
- Amendments to IAS 24 “Related Party Disclosures” - Simplified disclosure requirements for persons under (significant) government control or influence and clarification of the definition of a related party (effective for annual periods beginning on or after 1st January 2011);
- Amendments to IAS 32 “Financial Instruments: Presentation” - Accounting for the Preemptive Right to New Shares (effective for annual periods beginning on or after 1st February 2010);
- Amendments to various standards and interpretations of “Improvements to IFRS (2010)” are the result of the Annual Qualitative Improvement Project of IFRS published on 6th May 2010 (IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34, IFRIC 13) primarily with a view to eliminating discrepancies and clarifying the wording in the text (most amendments will be effective for annual periods beginning on or after 1st January 2011);

- Amendments to IFRIC 14 “IAS 19 - Limit on Defined Benefits, Minimum Funding Requirements and Their Interaction” (Advance Payment of the Minimum Funding Requirements) (effective for annual periods beginning on or after 1st January 2011);
- IFRIC 19 “Settlement of Financial Liabilities with Equity Instruments” (effective for annual periods beginning on or after 1st July 2010);
- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards” - High hyperinflation and elimination of fixed dates for first-time adopters (effective for annual periods beginning on or after 1st July 2011);
- Amendments to IFRS 7 “Financial Instruments: Disclosures” - Transfers of Financial Assets (effective for annual periods beginning on or after 1st January 2011);
- Amendments to IAS 12 “Income Taxes” - Deferred Tax: Refund of Tax Assets (effective for annual periods beginning on or after 1st January 2012);
- IFRS 10 “Consolidated Financial Statements” (effective for annual periods beginning on or after 1st January 2013);
- IFRS 11 “Joint Arrangements” (effective for annual periods beginning on or after 1 January 2013);
- IFRS 12 “Disclosures of Interests in Other Legal Entities” (effective for annual periods beginning on or after 1st January 2013);
- Amendments to IFRS 10, IFRS 11 and IFRS 12 “Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Guidelines on Transitional Application” (effective for annual periods beginning on or after 1st January 2013);
- IAS 27 (revised in 2011) “Separate Financial Statements” (effective for annual periods beginning on or after 1st January 2013);
- IAS 28 (revised in 2011) “Investments in Associates and Joint Ventures” (effective for annual periods beginning on or after 1st January 2013);
- IFRS 13 “Measurement of Fair Value” (effective for annual periods beginning on or after 1st January 2013);
- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards” - Government loans at an interest rate lower than the market rate (effective for annual periods beginning on or after 1st January 2013);
- Amendments to IFRS 7 “Financial Instruments: Disclosures” - Netting of Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1st January 2013);
- Amendments to IAS 1 “Presentation of Financial Statements” - Presentation of Items of Other Total Result (effective for annual periods beginning on or after 1st July 2012);
- Amendments to IAS 19 “Employee Benefits” - Improvements to the Accounting Coverage of Termination of Employment (effective for annual periods beginning on or after 1st January 2013);
- Annual improvements for the period from 2009 to 2011 issued in May 2012 related to various IFRS improvement projects (IFRS 1, IAS 1, IAS 16, IAS 32, IAS 34) mainly on eliminating inconsistencies and clarifying formulations (effective for annual periods beginning on or after 1st January 2013);
- IFRIC 20 “Costs of Discovery in the Production Phase of Surface Mines” (effective for annual periods beginning on or after 1st January 2013);

Effective published standards and interpretations in the current period that have not yet been officially translated and adopted

As of the date of the publication of these financial statements, the following standards and amendments to standards have been issued by the International Accounting Standards Board, and the following interpretations have been published by the International Financial Reporting Interpretations Committee, but have not been officially adopted in the Republic of Serbia:

- Amendments to IAS 32 “Financial Instruments: Presentation” - Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2014).
- Amendments to IFRS 10 “Consolidated Financial Statements”, IFRS 12 “Disclosures about Interests in Other Entities” and IAS 27 “Separate Financial Statements” - Exemption of Subsidiaries from Consolidation under IFRS 10 (effective for annual periods beginning on or after 1st January 2014).
- Amendments to IAS 36 - “Impairment of Assets” Disclosure of the recoverable amount for non-financial assets (effective for annual periods beginning on or after 1st January 2014).
- Amendments to IAS 39 “Financial Instruments” - Renewal of Derivatives and Continuation of Hedge Accounting (effective for annual periods beginning on or after 1st January 2014).
- IFRIC 21 Duties (effective for annual periods beginning on or after 1st January 2014).
- Amendments to IAS 19 “Employee Benefits” - Defined Remuneration Plans: Employee Benefits (effective for annual periods beginning on or after 1st July 2014).
- Annual improvements for the period from 2010 to 2012, which are the result of the Annual Qualitative Improvement Project IFRS (IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38) in order to eliminate inconsistencies and clarify formulations (effective for annual periods beginning on or after 1st July 2014).
- Annual improvements for the period 2011-2013, which are the result of the Annual Qualitative Improvement Project IFRS (IFRS 1, IFRS 3, IFRS 13 and IAS 40) to eliminate inconsistencies and clarify formulations (effective for annual periods beginning on or after 1st July 2014).
- Amendments to IFRS 11 “Joint Arrangements” - Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1st January 2016).
- IFRS 14 “Regulatory Accruals Accounts” (effective for annual periods beginning on or after 1st January 2016).
- Amendments to IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets” - Interpretation of Eligible Amortization Methods (effective for annual periods beginning on or after 1st January 2016).
- Amendments to IAS 16 “Property, Plant and Equipment” and IAS 41 “Agriculture” - Agriculture - Industrial Plants (effective for annual periods beginning on or after 1st January 2016).
- Amendments to IAS 27 “Separate Financial Statements” - The Method of Participation in Separate Financial Statements (effective for annual periods beginning on or after 1st January 2016).

- IFRS 10, IFRS 12 and IAS 28 “Investment Entities: Application of Exemptions from Consolidation”. The amendments clarify that a parent company may be exempted from the obligation to prepare consolidated financial statements if it is also a subsidiary of an investment firm, even if the investment firm measures investments in all its subsidiaries at fair value in accordance with IFRS 10. As a result of these IAS 28 has been amended to clarify the exemption from the application of the equity method (i.e. retention of fair value measurement) that applies to an investor in an associate or joint venture if it is a subsidiary of an investment firm that measures all its investments in subsidiaries. fair values. (Amendments shall be applied retroactively for annual periods beginning on or after 1st January 2016, with earlier application permitted.)

- Amendments to various standards “Improvements to IFRS (for the period from 2012 to 2014), which are the result of the Annual Qualitative Improvement Project IFRS (IFRS 5, IFRS 7, IAS 19 and IAS 34) in order to eliminate inconsistencies and clarify formulations effective for annual periods beginning on or after 1st January 2016).

- IFRS 9 “Financial Instruments” and subsequent amendments, which replaces the requirements of IAS 39 “Financial Instruments: Recognition and Measurement”, regarding the classification and measurement of financial assets. The standard eliminates existing categories in IAS 39 - held-to-maturity assets, available-for-sale assets, loans and receivables. IFRS 9 is effective for annual periods beginning on or after 1st January 2018, with earlier application permitted;

In accordance with IFRS 9, financial assets will be classified in one of the two following categories upon initial recognition: financial assets measured at amortized cost or financial assets measured at fair value. A financial asset will be recognized at amortized cost if the following two criteria are met: if the assets relate to a business model that aims to collect contracted cash flows and if the agreed conditions provide a basis for collection on certain cash flow dates that are solely principal and interest on the remaining principal. All other assets will be measured at fair value. and losses on the measurement of financial assets at fair value shall be recognized in the income statement, except for investments in non-traded equity instruments, where IFRS 9 allows, upon initial recognition, the subsequently unalterable option to recognize all changes in fair value in within other gains and losses in the statement of comprehensive income. The amount thus recognized in the income statement will not be subsequently recognized in the income statement;

- IFRS 15 “Revenue from Contracts with Customers”, which defines the framework for revenue recognition. IFRS 15 replaces IAS 18 Revenue, IAS 11 Construction Contracts, IFRIC13, Customer Loyalty Programs, IFRIC15 Real Estate Agreements and IFRIC18 Transfers of Assets from Customers. IFRS 15 is effective for annual periods beginning on or after 1st January 2018, with earlier application permitted;

- Amendments to IFRS 2 “Share-based Payment - Classification and Measurement of Transactions”, effective for annual periods beginning on or after 1st January 2018, with earlier application supported;

- Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” - Sale or transfer of assets between an investor and its associates or joint ventures. The standard was supposed to be effective for annual periods beginning on or after 1st January 2016, but in December 2015 the IASB postponed its application until a future date, and earlier application of the amended standard was allowed;

- Amendments to IAS 7, the Disclosure Initiative, require entities to disclose those items that enable users of financial statements to assess changes in liabilities arising from financial

activities, including changes arising from both monetary and non-monetary changes. The amendments to IAS 7 are effective for annual periods beginning on or after 1st January 2017, with earlier application permitted;

- Amendments to IAS 12 “Income Taxes” relating to the identification of deferred tax assets for unrealized losses are applied retrospectively for annual periods beginning on or after 1st January 2017, with earlier application supported.
- Amendments to IFRS 12 due to “Improvements to IFRS (Cycle 2014-2016)” arising from the annual IFRS Improvements Project (IFRS 1, IFRS 12 and IAS 28) primarily to eliminate inconsistencies and clarify wording (amendments to IFRS) 12 are applied for annual periods that begin on or after 1st January 2017);
- Amendments to IFRS 4 “Insurance Contracts” - Application of IFRS 9 “Financial Instruments” with IFRS 4 “Insurance Contracts” (effective for annual periods beginning on or after 1st January 2018 or when IFRS is first applied) 9 “Financial instruments”)
- Amendments to IAS 40 “Investment Property” - Transfers of Investment Property (effective for annual periods beginning on or after 1st January 2018);
- Amendments to IFRS 1 and IAS 28 due to “Improvements to IFRS (Cycle 2014-2016)” arising from the annual IFRS Improvements Project (IFRS 1, IFRS 12 and IAS 28) primarily to eliminate inconsistencies and clarify wording (amendments to IFRS 1 and IAS 28 applies to annual periods beginning on or after 1st January 2018);
- IFRIC 22 “Foreign Currency Transactions and Advance Considerations” (effective for annual periods beginning on or after 1st January 2018);
- IFRS 16 “Leasing” provides a comprehensive model for identifying leasing arrangements and their treatment in the financial statements of both lessors and lessees. On the effective date of 1 January 2019, this standard will supersede the following leasing standards and interpretations: IAS 17 “Leasing”, IFRIC 4 “Determining whether an Arrangement Contains a Lease”, SIC 15 “Operating Leases - Incentives” and SIC 27 “Assessment of the substance of the transaction including the legal form of the lease”;

2.2. Accounting treatment of the Concession Agreement

Bearing in mind the non-existence of guidelines, i.e. specific IAS / IFRS for accounting coverage of the Concession Agreement from the aspect of the Company as one of the two Concessionaires, the Company uses its own assessment to determine and apply adequate accounting policy (IAS 8.10). In making its judgment, the Company considers the applicability of IFRS requirements dealing with similar and related matters, the definition in the Framework, as well as the statements of bodies dealing with the adoption of the Standard. Within the analysis of the accounting treatment of the Concession Agreement, the following options were considered:

- Application of IAS JS 32 - Service Concession Arrangements
- Application of IFRS 15 - Revenue from Contracts with Customers
- Application of IAS 40 - Investment Property
- Application of IFRS 16 - Leasing contracts

By analyzing the applicability of IFRS 16 Leasing Contracts, the Company considers IFRS 16 as the most appropriate standard for accounting coverage of the Concession Agreement.

IFRS 16 defines leasing as a contract, or part of a contract, that transfers the right to use a particular asset over a specified period of time in exchange for compensation. In the analysis of whether the definition of leasing is met or not, it is necessary to meet certain criteria. Mandatory elements of the leasing contract are:

- **Identified asset** - Airport infrastructure is a defined identified asset specified in the Agreement and the Law on Airport Management;
- **The lessee acquires almost all economic benefits** - the lessee (Special Purpose Company (SPC) established by the Selected Best Bidder solely for the implementation of the Concession Agreement) earns the entire income from the use of airport infrastructure during the period of use or concession period;
- **The lessee determines the use of the identified asset** - Since the decisions "How and for what purpose" on the use of the asset are determined in advance by the Concession Agreement in terms of the use of Airport infrastructure and other, DPN has the right to determine the use of assets. Namely, DPN exclusively as an airport operator makes operational decisions on the use of funds related to the operation of the airport (flight schedules, personnel issues, selection of suppliers, etc.) during the concession period without the Company's ability to influence them.

In accordance with the requirements of IFRS 16, the entire assets of the Company are divided into the following categories:

- Airport infrastructure;
- Closely related funds that the SPC will use until the end of the concession period;
- Closely related funds that SPC will not use until the end of the concession period;

- Other funds that SPC will use until the end of the concession period;
- Other funds that SPC will not use until the end of the concession period.

Closely related assets consist of assets (equipment) closely related to airport infrastructure and significant airport equipment.

The following is an overview of the accounting coverage of asset (asset) categories.

Asset category	Accounting treatment
Airport infrastructure	Operating leases Recognition of assets in accordance with IAS 16
Closely related funds that SPC will not use until the end of the concession period	Operating leases Recognition of assets in accordance with IAS 16
Closely related funds that SPC will use until the end of the concession period	Operating leases Recognition of assets in accordance with IAS 16
Other funds that SPC will not use until the end of the concession period	Operating leases Recognition of assets in accordance with IAS 16
Other funds that SPC will use until the end of the concession period	Derecognition of property Treatment as sale on the 1st day of the beginning of the Concession Agreement (claim)

Accounting treatment in accordance with IFRS 16 - Leasing Contracts of the above categories of assets (assets) was performed on 1st January 2019 as the date of commencement of the Concession Agreement.

Accounting coverage of various leasing payments

In accordance with IFRS 16.81, a lessor recognizes a lease payment as revenue on a straight-line or other systematic basis over the term of the lease. He applies another systematic basis when that basis is more appropriate for presenting a form in which the benefit from the use of funds is reduced. Pursuant to the above, the Company recognizes as income the following:

- Revenue based on the Minimum Annual Concession Fee in accordance with the Concession Agreement in the period in which it is incurred,
- Variable fees that depend on the amount of SPC income in the period in which they are incurred,
- Income from non-monetary compensation (Mandatory works and Additional land) is treated as variable compensation and is recognized in the income statement in the same amount (straight line) during the remaining period of the concession starting from the moment when SPC is obliged to buy / build a new asset, and based on the receipt of funds / works performed by the Company.

Other funds that SPC will use until the end of the concession period

As shown in the table above Asset Categories, Other assets that SPC will use until the end of the concession period are derecognised. Although the Company retains ownership of

these assets, it no longer controls its use until the end of its useful life. For this reason, assets classified in this category are considered sold. When determining the leasing rate (income) of this category from the income based on the Minimum Concession Fee, the fair value of assets sold on a pro rata basis is reduced.

In addition to the above payments, a portion of the fee for the sale of other assets that SPC will use until the end of their useful life in terms of revenue reduction during the Concession Period is also set aside.

3. OVERVIEW OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses

Revenue from sales is recognized when the risk and benefit associated with the right of ownership is transferred to the buyer, which implies the date of delivery of the goods to the buyer.

Revenue from services is recognized when the service is performed or proportionately during the performance of the service if it lasts for more than one accounting period.

Lease income from operating leases is recognized on a straight-line basis over the term of the lease.

Revenue is stated at the fair value of the consideration received or will be received, in the net amount after impairment for given discounts and value added tax.

Interest revenue and dividend are recognized in accordance with the accrual principle in favor of the accounting period which they relate to, using the effective interest method.

With the date on which income is recognized, the corresponding expenses are also recognized (the principle of causation of revenue and expenses).

Operating expenses are recognized in the income statement when the service is acquired or incurred.

Expenses are calculated according to the principle of causation of revenues and expenses.

The costs of current maintenance and repairs of fixed assets are recorded to the income statement in the accounting period when they are incurred.

3.2. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are included in the cost of the asset until such time as substantially all the activities necessary to prepare the asset for its intended use or sale have been completed. Qualifying assets refer to assets that necessarily require a significant period of time to be ready for their intended use.

Investment income generated on the basis of temporary investment of borrowed funds is deducted from borrowing costs incurred to finance qualifying assets.

All other borrowing costs are recognized in the income statement in the period which they relate to.

3.3. Recalculation of funds and liabilities in foreign means of payment

Business changes arising in foreign currencies are translated into dinars at the middle exchange rate determined on the interbank foreign exchange market, which was valid on the day of the business change.

Assets and liabilities denominated in foreign currencies on the balance sheet date are translated into dinars at the middle exchange rate determined on the interbank foreign exchange market valid on that day.

Foreign exchange profits and losses resulting from foreign currency transactions and from the translation of monetary items in the balance sheet are stated in the income statement as profit or losses on foreign exchange differences.

Non-monetary items in the balance sheet are not translated at the balance sheet date, but are measured at historical cost at the exchange rate on the date of the transaction, except for non-monetary items at fair value, in which case they are translated at the fair value date. Income and expenses based on exchange rate differences and the effects of the currency clause are recorded in the income statement for the observed period.

The middle exchange rates for foreign exchange, determined on the interbank foreign exchange market, applied for the conversion of foreign currency balance sheet items into dinars, for individual major currencies were as follows:

The middle exchange rate	in RSD	
	30/06/2020	31/12/2019
EUR	117.5760	117.5928
USD	104.6329	104.9186
GBP	128.6671	137.5998

3.4. Intangible assets

Intangible assets relate to purchased software and licenses and are stated at cost less amortization and are depreciated on a straight-line basis.

3.5. Property, plant and equipment, biological assets

Property, plant and equipment, which meet the conditions for recognition of assets, are measured at purchase value or cost. The purchase value is the invoice value of the purchased assets increased by all costs incurred until their putting into use.

Subsequent to initial recognition, property, plant and equipment (other than tools and inventory to which the cost model applies) are stated at revalued amount, expressing their fair value at the date of revaluation, less the total amount of the allowance for depreciation and the total amount of the allowance. impairment losses.

The fair value of real estate is their market value which is determined by appraisal. Revaluation is performed only when the fair value of the revalued asset differs materially from its carrying amount. Revaluation gains are recognized in other gains and losses in favor of the revaluation reserve in equity. Up to the amount of previously recognized revaluation losses or on the basis of impairment recognized in the income statement,

revaluation gains are recognized in the income statement, and the rest of the gains are recognized in other gains and losses. Revaluation losses are recognized after impairment or impairment testing, and are recognized in other gains and losses up to the amount of the previously recognized revaluation reserve in equity, and the remaining losses are recognized in the income statement. Upon expenditure or disposal of an asset, the related revaluation reserve is transferred directly to retained earnings.

The assessment of the value of real estate, plant and equipment was performed on 1st January 2019.

Tools and small inventory, which useful life is longer than one year, are recognized as fixed assets as of 1st January 2016, regardless of the amount of the individual purchase price. These assets are depreciated in accordance with the estimated useful lives.

Gains or losses arising on disposal or disposal are recognized as income or expense in the income statement.

3.6. Depreciation

Depreciation of property, plant and equipment is calculated on a straight-line basis over their estimated useful lives. The depreciation rates used are shown in the table below:

	%	
	2020	2019
Buildings:		
<i>Electricity and water management facilities</i>	2,33 - 20	2,33 - 20
<i>Roads, airports and parking lots</i>	2,27 - 50	2,27 - 50
<i>Other buildings</i>	2,86 - 100	2,86 - 100
<i>Apartments</i>		1,54
Equipment:		
<i>New specific equipment</i>	2,50 - 50	2,50 - 50
<i>Road traffic equipment</i>	3,33 - 50	3,33 - 50
<i>Equipment for PTT traffic and TV</i>	33,33 - 50	33,33 - 50
<i>Air traffic equipment</i>	2,86 – 16,67	2,86 – 16,67
<i>Measuring and control apparatus and specific apparatus</i>	5 – 12,50	5 – 12,50
<i>Laboratory equipment, school supplies and medical equipment</i>	-	-
<i>Electronic, computing machines and computers</i>	5,26 – 33,33	5,26 – 33,33
<i>General purpose furniture and appliances</i>	2,84 – 7,69	2,84 – 7,69
<i>Road traffic equipment leased</i>	6,67 – 11,11	6,67 – 11,11
<i>Equipment and plants</i>	2,94 - 100	2,94 - 100
<i>Tools and inventory</i>	- 3,57	- 3,57
Intangible assets:		
<i>Software and licenses</i>	33,33	-

3.7. Investment property

Investment real estate is real estate that the Company, as the owner, holds for the purpose of earning money from renting real estate or for increasing the value of capital or for both, and not for use for providing services or for administrative purposes or sale within regular business. The initial measurement of investment property at the time of acquisition is

performed at purchase value or cost price. After initial recognition, investment property is valued at fair value, at the end of each business year. Positive and negative effects based on changes in the fair value of investment property are recognized in the income statement.

3.8. Impairment

On each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated so that any impairment loss can be determined. If it is not possible to estimate the recoverable amount of an individual asset, the Company assesses the recoverable amount of the cash-generating unit which the asset belongs to.

The recoverable amount is the net selling price or value in use, whichever is higher. For the purposes of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the estimated recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, then the carrying amount of that asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized immediately as an expense, unless the asset is a land or a building that is not used as investment property carried at revalued amount, in which case the impairment loss is recognized as an impairment loss.

In the event of a subsequent reversal of an impairment loss, the carrying amount of the asset (cash-generating unit) is increased to the revised estimated recoverable amount of the asset, with the higher carrying amount not exceeding the carrying amount that would have been determined if no previous loss had been recognized. Asset (cash-generating unit) due to impairment. A reversal of an impairment loss is recognized immediately in profit or loss, unless the asset is stated at its estimated value, in which case the reversal of the impairment loss is recognized as an increase due to revaluation.

As of 30th June 2020, based on the assessment of the Company's management, there are no indications that the value of assets has been impaired.

3.9. Stock

Stock is stated at the cost price or net sales value, whichever is lower.

Net realizable value is the price at which stock can be sold in the ordinary course of business after deducting selling expenses. The purchase value includes the value according to the supplier's invoices, transport and dependent purchase costs.

The calculation of inventory output is determined by the method of an average weighted purchase price.

Inventories of goods are recorded at selling prices. At the end of the accounting period, the value of inventories is reduced to the purchase value by allocating the difference in price, calculated on an average basis, between the purchase value of sold goods and inventories at the end of the year.

Offsetting other expenses is used to adjust the value of inventories in cases when it is estimated that it is necessary to reduce their value to the net expected sales value (including inventories with slow turnover, redundant and obsolete inventories). Damaged inventories and inventories that do not meet quality standards are written off.

3.10. Taxes and contributions

Income tax

Income tax in the income statement is the sum of current income tax and deferred income tax that is not recognized in other gains and losses or directly in equity.

Current income tax assets and liabilities, or deferred tax assets and liabilities, are offset only if the Company has a legal right to offset the recognized amounts and if it intends to settle on a net basis or to realize the asset and settle the liability at the same time.

Current income tax

Current income tax assets or liabilities represent liabilities or receivables from fiscal authorities in respect of current or prior periods that were not realized at the date of these financial statements.

Current income tax is the amount calculated by applying the prescribed tax rate of 15% on the basis determined by the tax balance, which is the amount of profit before tax after deducting the effects of adjusting income and expenses, in accordance with tax regulations of the Republic of Serbia, less tax credits. .

The Law on Profit Tax of the Republic of Serbia does not stipulate that tax losses from the current period can be used as a basis for refunds of taxes paid in previous periods. However, losses reported in the tax balances up to 2009 may be used to reduce the tax base of future accounting periods in the next ten years from the date of exercise of the right, and losses incurred and reported in the tax balance for 2010, and beyond, may be used to reduce the tax base of future accounting periods, but not longer than five years.

The Law on Profit Tax of the Republic of Serbia in the part of tax credits prescribes that taxpayers who have exercised the right to tax incentive from Art. 48 of the previous law, and expressed in the Tax Balance and the tax return for 2013, can use this right until the expiration of the deadline and in the manner prescribed by the previous law. According to Art. 48, paragraph 5 of the previous law, "the unused part of the tax credit may be transferred to the income tax account of future accounting periods up to the prescribed limit of 33% (for large and medium-sized legal entities), but not longer than 10 (ten) years, which is applied starting from the tax balance for 2003. " When determining the income tax for 2017, the earliest previous tax period from which the unused tax credit can be used is the tax balance, i.e. the PK form from 2007. The transferred tax credit is used in the order of investment.

Deferred income tax

Deferred tax effects arise as a result of the difference between the bases for calculating depreciation according to accounting and tax regulations. Also, this difference arises due to the existence of equipment which purchase value at the time of purchase was below the average gross salary in the Republic of Serbia, based on unused tax credit and in other cases where there is a time difference between the tax liability and the obligation to pay it. Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets are recognized to the extent that it is probable that taxable profits will be available for the use of deductible temporary differences. The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted as necessary to comply with the current assessment of taxable profit for future periods.

Deferred tax assets and liabilities are calculated at a tax rate of 15%, the application of which is expected in the period when the asset will be realized or the liability is settled.

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also allocated to equity.

Taxes and contributions that do not depend on the results

Taxes and contributions that do not depend on results include property tax and other taxes and contributions in accordance with national, tax and general regulations. These taxes and contributions are presented under other operating expenses.

Tax risks

The tax laws of the Republic of Serbia are often interpreted differently and are subject to frequent changes. The interpretation of tax laws by the tax authorities in relation to the Company's transactions and activities may differ from management's interpretation. As a result, transactions may be challenged by the tax authorities and an additional amount of taxes, penalties and interest may be imposed on the Company. The period of obsolete tax liability is five years. This practically means that the tax authorities have the right to order the payment of outstanding liabilities within five years from the time the obligation incurred.

3.11. Benefits for employees

Taxes and contributions to employee social security funds

In accordance with the regulations applicable in the Republic of Serbia, the Company is obliged to pay contributions to state funds that provide for the social security for employees. These obligations include employee contributions paid by the employer in amounts calculated at the rates prescribed by the relevant legal regulations. The company is also obliged to suspend contributions from the gross salaries of employees and to pay them to those funds on behalf of employees. Employer contributions and employee contributions are credited to the expenses of the period which they relate to.

Liabilities based on severance pay and jubilee awards

The Company has engaged a Certified Actuary to assess the provision for retirement benefits and jubilee awards as of 31st December 2019, based on the Rules of Procedure, adopted on 11th January 2019, which stipulates that the Company has an obligation to pay employees:

- Retirement severance pay in the amount of four average monthly salaries without taxes and contributions paid to the Employer in the month prior to the payment of severance pay
- Jubilee award for the total time spent in employment with the Employer in the amount of the average monthly salary without taxes and contributions paid to the Employer for the month preceding the month in which the employee acquired the right to the jubilee award for:
 - 10 years of work - in the amount of one monthly salary;
 - 20 years of work - in the amount of two monthly salaries;
 - 30 years of work - in the amount of three monthly salaries;
 - 35 years of work for women and men - in the amount of four monthly salaries;

At the end of each business year, the Company assesses the provision for severance pay

and jubilee awards in accordance with the requirements of the standard IAS-19 - Employee Benefits.

The assumptions used for the actuarial calculation and changes in provisions in the current period are disclosed in Note 34a.

3.12. Leasing

Leasing is classified as a finance lease in all cases where the lease transfers substantially all the risks and rewards of ownership to the lessee. Every other lease is classified as an operating lease.

Company as a lessor

Operating lease income is recognized using the straight-line method over the lease term.

The Company as a lessee

Assets held under finance leases are initially recognized as assets of the Company at the present value of the minimum lease payments determined at the beginning of the lease period. The corresponding liability to the lessor is included in the balance sheet as a liability under a finance lease.

Payment of the lease installment is allocated between the finance charge and the reduction of the lease liability so as to achieve a constant rate of participation in the outstanding liability. Financial expenses are recognized immediately in the income statement, unless they can be directly attributed to assets that are ready for use, in which case they are capitalized in accordance with the general policy of the Company on borrowing costs.

Operating lease installments are recognized as an expense on a straight-line basis over the term of the lease, unless there is another systematic basis that better reflects the timing of the expenditure of economic benefits from the leased asset.

In the case when leasing benefits are granted, they are part of the operating lease and are recognized as a liability. The total benefit of the relief is recognized as a reduction in the cost of rent on a linear basis, unless there is another systematic basis that better reflects the time structure of spending the economic benefits of the leased asset.

3.13. Financial instruments

Any contractual right that gives rise to a financial asset and a financial liability or equity instrument is recognized as a financial instrument on the settlement date.

Upon initial recognition, financial assets and financial liabilities are measured at cost, which represents the fair value of the consideration given (in the case of an asset) or received (in the case of a liability).

Derecognition of financial assets is when the contractual rights to the cash flows from the financial asset expire or when substantially all risks and rewards have been transferred. Derecognition of financial liabilities is when the liability is extinguished, settled, canceled or expired.

Long-term investments

Long-term financial investments after initial recognition are measured by:

- fair value, if held for trading,
- depreciated value, if they have a fixed maturity,

- at cost, if they do not have a fixed maturity.

Long-term financial investments held for trading, for which, due to the absence of an active market, it is not possible to determine the market value, are stated at cost.

Long-term loans to employees are stated at fair value at a discount using the market interest rate.

Short-term receivables and placements

Short-term receivables and placements include receivables from sales, and other receivables, as well as short-term placements to employees.

Receivables from the sale of services and goods are measured at the values from the original invoice. Invoiced interest related to the sale of goods and services is recognized as other receivables and is recognized in income in the period in which it arises.

Other receivables and placements originating from the company are measured at amortized cost.

Any difference between the stated amount and the subsequent measurement is recognized as a gain or loss in the period in which it arises.

Impairment of financial assets

At each balance sheet date, objective evidence of the value of assets is assessed by analyzing the expected net cash inflows.

For all receivables for which there is a reasonable suspicion that they will not be collected in the nominal amount, the receivables are corrected. Direct write-off is done only after the end of the court dispute or after the decision of the governing body.

Cash and cash equivalents

Cash and cash equivalents include cash in current accounts with banks and in cash, as well as highly liquid investments that mature up to three months after acquisition, which can be quickly converted into known amounts of cash and are not subject to significant risk of change in value.

Financial liabilities

Financial liabilities include long-term liabilities (long-term loans and other long-term liabilities), short-term financial liabilities (short-term loans and other short-term financial liabilities), short-term operating liabilities and other liabilities.

Financial liabilities are initially recognized in the amount of funds received. After initial recognition, a financial liability is measured at the amount at which the liability was initially recognized, less principal repayments, increased by amounts of capitalized interest and less any write-off granted by the creditor. Liabilities based on interest on financial liabilities are recorded at the expense of financial expenses in the period to which they relate and presented within other short-term liabilities and accrued costs and deferred revenue.

3.14. Capital, reserves and payment of profits (dividends)

The share capital consists of the nominal value of the issued shares.

Other capital components include:

- *Revaluation reserves based on revaluation of property, plant and equipment*
- *Other reserves*

All retained earnings and accumulated losses of this and previous periods are recognized within retained earnings.

Distributed profit (dividend) is recognized as part of liabilities when the Company's General Meeting adopts a decision on profit distribution.

3.15. Provisions, potential assets and contingent liabilities

Provisions for legal disputes, harmful contracts or other claims on the Company are recognized when the Company incurs a legal or constructive obligation as a result of a past event, when there is a known outflow of economic benefits from the Company and when the amount of such outflows can be reliably estimated. The timing or exact amount of that outflow may still be uncertain.

Restructuring costs are recognized only if there is a detailed formal restructuring plan and management has communicated the main features of the plan to all those affected by the plan or the execution of the plan has already begun. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated costs necessary to settle the present obligation, based on the most reliable evidence available at the date of adoption of the report, including the risks and uncertainties associated with the present obligation. For a number of similar liabilities, the probability of a settlement outflow is determined at the class of liabilities. Provisions are discounted to present value if the amount of the discount is material.

Any compensation in respect of liabilities that the Company is certain to realize from a third party is recognized as a separate asset. However, this asset cannot be more than the related provision.

No liability or provision is recognized unless the outflow of economic benefits embodied in the present obligation is recognized. Such situations are disclosed as contingent liabilities, except when the probability of an outflow is low.

3.16. Overview of significant accounting estimates

The presentation of financial statements requires management to use the best possible estimates and reasonable assumptions, which have an effect on the presented values of assets and liabilities as well as disclosure of contingent receivables and liabilities at the date of preparation of financial statements, income and expenses during the reporting period. These estimates and assumptions are based on information available at the date of preparation of the financial statements. Actual amounts may differ from those estimated.

The following are key assumptions regarding the future and other sources of estimating uncertainty at the balance sheet date that pose a significant risk, for material adjustments to the amount of balance sheet items in the next financial year.

3.17.1. Depreciation and depreciation rate

Depreciation calculation and depreciation rates are based on the projected economic life of property, plant and equipment. Once a year, the Company estimates the economic life based on current forecasts.

In addition, due to the importance of fixed assets in the total assets of the Company, any change in the above assumptions may lead to material effects on the financial position of the Company, as well as on the financial result. In accordance with the accounting policy of the Company for subsequent valuation of property, plant and equipment, they are stated according to the revaluation model that expresses their fair value at the date of revaluation, less the total amount of impairment based on depreciation and the total amount of impairment based on impairment losses. The fair value of real estate is their market value which is determined by appraisal. The assessment of intangible assets, real estate, plant and equipment was performed on January 1, 2019. year by the authorized appraiser KPMG d.o.o. Belgrade. Depreciation costs for assets that have been assessed are calculated based on the estimated remaining life.

3.17.2. Impairment of uncollectible receivables

We have calculated the allowance for receivables older than 60 days, based on the estimated losses due to the inability of the customer to meet the necessary obligations. Our assessment is based on the age analysis of trade receivables, historical write-offs, creditworthiness of our customers and changes in sales conditions, when determining the adequacy of the value adjustment of doubtful and disputed receivables. This includes assumptions about future customer behavior and the resulting future charges. Management believes that no additional value adjustment of receivables is required, other than the value adjustment already shown in the financial statements.

3.17.3. Court disputes

In general, provisions are significantly subject to estimates. The Company assesses the probability that adverse events may occur as a result of past events and assesses the amount required to settle the obligation. Assessment of contingent liabilities based on litigation is performed by internal expert services or external advisors.

Although the Company respects the precautionary principle in its assessment, as there is a high degree of uncertainty, in some cases the actual results may deviate from these estimates.

3.17.4. Fair value

Fair value for disclosure purposes in accordance with the requirements of IFRS 13 is defined as the price that would be acquired for the sale of an asset, or paid to transfer a liability in a regular transaction between market participants at the measurement date.

The Company's business policy is to disclose information about the fair value of assets and liabilities for which there is official market information and when the fair value differs significantly from the carrying amount. There is not enough market experience in the Republic of Serbia, as well as stability and liquidity in the purchase and sale of receivables and other financial assets and liabilities, as official market information is not available at all times. Therefore, fair value cannot be reliably determined in the absence of an active market. The Management Board of the Company performs a risk assessment and in cases

when it is estimated that the value at which the assets are kept in the business books will not be realized, it performs value adjustment. In the opinion of the Company's management, the amounts in these financial statements reflect the value that, in the circumstances, is the most reliable and useful for reporting purposes.

The Company measures the fair value of assets and liabilities using assumptions that market participants would use in determining the price of the asset or liability, assuming that market participants act in their best economic interest. Fair value is the price that would be charged or paid to transfer the liability in a regular transaction in the primary or most favorable market at the measurement date, under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

The value estimation techniques, which are used to measure fair value, should make maximum use of relevant observable inputs and minimize the use of unobservable inputs.

In order to increase consistency and comparability in measuring fair value and related disclosures, a fair value hierarchy is established which classifies into three levels of inputs for valuation techniques, which are used in measuring fair value according to the structure that follows:

Level 1 inputs - are quoted prices (unadjusted) in an active market for identical assets and liabilities to which the entity has access at the measurement date. Level 1 input assumptions relate to the existence of a primary market for an asset or liability or, in the absence of a primary market, the most favorable market for an asset or liability; and whether the entity can realize a transaction for an asset or liability at market price on the measurement date.

Level 2 inputs - are inputs that are not quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs include the following: quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in inactive markets, non-quoted prices, if observable for assets or liabilities, and market-supported inputs.

Level 3 inputs - are unobtrusive inputs for assets or liabilities, which the entity develops using the best information available in the circumstances. Thus, all reasonably available information on the assumptions of market participants is considered. Unobtrusive inputs are considered market participants' assumptions and meet the fair value measurement objective.

4. REVENUE FROM SALE OF PRODUCTS AND SERVICES

Structure of revenues from sales of products and services	In 000 RSD	
	I-VI 2020	I-VI 2019
Revenues from sales of products and services on the domestic market		2,851
Revenues from sales of finished products and services on foreign markets		
Total	0	2,851

Revenues from the sale of services represent pre-invoiced costs.

5. OTHER OPERATING INCOME

Structure of other operating income	In 000 RSD	
	I-VI 2020	I-VI 2019
Rental income to domestic legal entities		
Rental income to foreign legal entities		
Stamp revenue	4,250	4,250
Revenues from one-time concession fee		
Revenues from periodic concession fee	132,357	255,856
Decrease in revenue based on OS transferred to Active accruals	(34,781)	
Income from non - monetary compensation (property) - Land	59,737	
Revenues from pre-invoiced costs	1,772	
Total	163,335	260,106

As explained in point 2.2. Note, the Company recognized as income the following:

- Revenue based on the Minimum Annual Concession Fee in accordance with the Concession Agreement in the period in which it is incurred. Revenue on this basis is RSD 132,357 thousand. Due to the declaration of a virus epidemic, i.e. the application of force majeure, in the period until 30th June 2020, the realized concession fee is at a level that implies a reduction in the number of passengers at Nikola Tesla Airport, which was reflected in DPN's business during the observed period. As stated in Note no. 48, the management's assessment implies that the financial condition of the Company is such that there is no uncertainty regarding the Company's ability to continue as a going concern.
- A part of the fee based on the sale of other assets that SPC will use until the end of their useful life in terms of revenue reduction during the concession period in the amount of RSD 34,781 thousand.

- Income on the basis of non-monetary compensation related to deferred income for Additional land on the basis of the transfer of ownership rights in the amount of RSD 59,737 thousand semi-annually.

6. COST OF MATERIALS

Structure of cost of materials	In 000 RSD	
	I-VI 2020	I-VI 2019
Production costs (basic materials, tools and inventory, work and official clothing and footwear)		
Overhead costs (office and other materials)	597	509
Spare parts costs		
Total	597	509

7. FUEL AND ENERGY COSTS

Structure of fuel and energy costs	In 000 RSD	
	I-VI 2020	I-VI 2019
Gasoline and diesel fuel costs	423	385
Heating fuel oil costs		
Electricity costs	47	
Total	470	385

8. SALARY EXPENSES, SALARY COMPENSATION AND OTHER PERSONAL EXPENSES

Structure of salary expenses, salary compensation and other personal income	In 000 RSD	
	I-VI 2020	I-VI 2019
Gross earnings and earnings allowances	52,692	46,818
Taxes and contributions borne by the employer	8,581	7,884
Costs of fees under the contract of work and copyright	275	587
Costs of fees under the contract on temporary and occasional jobs	2,565	3,629
Fee costs for members of the Supervisory Board, SA, Audit Committee	3,873	3,845
Other personal income		
<i>Transportation costs</i>	367	516
Official expenses	371	835
Severance pay and jubilee awards		
Voluntary pension insurance premiums	876	
Solidarity assistance (newborns, treatments, natural disasters and other)	341	257
<i>Other personal expenses</i>		
Overall	1,955	,608
Total	69,941	64,371

9. COSTS OF PRODUCTION SERVICES

Structure of costs of production services	In 000 RSD	
	I-VI 2020	I-VI 2019
Costs of transportation services:		
<i>Costs of telephone and other PTT services</i>	1,282	855
<i>Costs of maintenance services</i>	2,398	11,398
<i>Rental costs</i>	12,698	7,053
<i>Advertising and propaganda costs (sponsorships)</i>	0	12,077
Costs of other production services:		
<i>Utility costs</i>	12	706
<i>Costs of other services</i>	3	61
Subtotal	15	767
TOTAL	16,393	32,150

10. DEPRECIATION COSTS

Structure of depreciation costs	In 000 RSD	
	I-VI 2020	I-VI 2019
Depreciation costs for intangible assets	3,289	
Depreciation costs for real estate	197,079	322
Depreciation costs for equipment	137,243	
Total	337,611	322

The calculation of depreciation costs in the same period of the previous year in relation to the period I-VI of the current year differs due to the fact that in the previous period assets that are not Concession assets, and which are now stated in accordance with IFRS 16 were included.

11. Provision COSTS

Provision cost structure	In 000 RSD	
	I-VI 2020	I-VI 2019
Provisions for retirement benefits		
Provisions for jubilee awards		
Provisions for litigation	10,000	11,000
Total	10,000	11,000

12. INTANGIBLE COSTS

Structure of intangible costs	In 000 RSD	
	I-VI 2020	I-VI 2019
Costs of non-productive services:		
Costs of cleaning services	620	
<i>Costs of consulting services</i>	1,408	3,226
<i>Cost of professional training services</i>	244	387
Costs for services on existing PIS software	600	3,390
<i>Costs of other non-productive services</i>	4,875	23,609
Subtotal	44,747	30,612
Representation costs	1,302	547
Insurance costs	234	
Payment transaction costs	350	1,980
Membership fees costs	250	853
Tax fees costs	44,917	37,277
Other intangible costs	2,667	2,278
Total	94,467	73,547

13. FINANCIAL INCOME

Structure of financial income	In 000 RSD	
	I-VI 2020	I-VI 2019
Interest income	2,894	15,291
Positive exchange rate differences and positive effects of the currency clause:		
<i>Positive exchange rate differences</i>	4,838	47,638
<i>Revenues from the effect of the currency clause</i>	-	679
Subtotal	4,838	48,317
Other financial income		
Total	7,732	63,608

14. FINANCIAL EXPENSES

Structure of financial expenses	In 000 RSD	
	I-VI 2020	I-VI 2019
<i>Interest expenses</i>	9	9,732
<i>Negative exchange rate differences and negative effects of the currency clause:</i>		
<i>Negative exchange rate differences</i>	5,690	124,258
<i>Negative effects of the currency clause</i>	1	1,185
Subtotal	5,691	125,443
Other financial expenses		
Total	5,700	135,175

15. INCOME FROM ADJUSTMENT OF VALUE OF OTHER ASSETS

Structure of income from valuation adjustments of other assets stated at fair value through Income statement	In 000 RSD	
	I-VI 2020	I-VI 2019
Income from adjustment of receivables from individuals for housing loans based on collection and assessment of fair value		
Revenue from adjusting the value of trade receivables for services		
Total	0	0

16. EXPENSES FROM ADJUSTING THE VALUE OF OTHER ASSETS

Structure of expenses from adjusting the value of other assets that are stated at fair value through the income statement	In 000 RSD	
	I-VI 2020	I-VI 2019
Impairment of receivables for housing loans	-	
Expenses from adjusting the value of trade receivables	-	
Expenses from adjusting the value of interest receivables		
Expenses from adjusting the value of receivables from employees		
Total	0	0

17. OTHER INCOME

Structure of other income	In 000 RSD	
	I-VI 2020	I-VI 2019
Profits from sale of equipment and materials	-	
Collected written-off receivables	494	12,098
Income from reversal of long-term provisions for litigation	67	5,883
Revenues from contracted revaluation	531	630
Income from reduction of liabilities	-	
Other not stated revenues:		
<i>Revenues from reimbursement of court costs</i>	322	806
<i>Revenues from damages from legal entities and individuals</i>		
<i>Other</i>	67	
Subtotal	389	806
Income from adjusting the value of intangible assets		
Income from adjusting the value of real estate, plant and equipment	-	
Total	1,481	19,417

18. OTHER EXPENSES

Structure of other expenses	In 000 RSD	
	I-VI 2020	I-VI 2019
Losses due to land transfer free of charge		
Losses from sale / disposal of equipment and materials		
Deficits		
Expenses based on direct write-offs of receivables		
Other not stated expenses:		
<i>Court costs</i>		1,293
<i>Other</i>	144	
Subtotal	144	1,293
Impairment of property, plant and equipment		
Impairment of intangible assets		
Impairment of other assets		
Total	144	1,293

19. NET PROFIT / LOSS DUE TO PREVIOUS ERROR CORRECTION

Structure of net profit/loss on previous error correction	In 000 RSD	
	I-VI 2020	I-VI 2019
Subsequent revenue from previous years	14,329	11,702
Subsequent expenses from previous years	(4,656)	(14,674)
Net profit/loss on previous error correction	9,673	(2,972)

20. PROFIT/LOSS BEFORE TAXATION

Structure of gross results	In 000 RSD	
	I-VI 2020	I-VI 2019
Operating income	163,335	262,957
Operating expenses	529,479	182,284
Operating results	(366,144)	80,673
Financial income	7,732	63,608
Financial expenses	5,700	135,175
Financial result	2,032	-71,567

Income from adjusting the value of other assets at fair value through Income statement	0	0
Other income	1,481	19,417
Expenses from adjusting the value of other assets at fair value through Income statement	0	0
Other expenses	144	1,293
Result of other income and expense	1,337	18,124
Net profit from discontinued operations, changes in accounting policies and corrections of errors from the previous period	9,673	
Net loss from discontinued operations, changes in accounting policies and corrections of errors from the previous period		2,972
TOTAL OF INCOME	186,877	357,684
TOTAL OF EXPENDITURE	539,979	333,426
PROFIT/LOSS BEFORE TAXATION	(353,102)	24,258

21. INCOME TAX AND NET INCOME / (LOSS)

Tax calculation structure of income and net income /(loss)	In 000 RSD	
	I-VI 2020	I-VI 2019
Income (loss) before taxation		24,258
Capital income (loss) reported in Income statement	(353,102)	
Adjustment and correction of income / (expenditure) in the tax balance	(220,492)	(569,531)
Taxable income / (loss)	(573,594)	-545,273
The amount of loss from the tax balance from previous years up to the amount of taxable income		
The rest of the taxable profit	-	0
Capital gains / (losses) calculated in accordance with the Law		
Transferred capital losses from previous years up to the amount of capital gain in accordance with the Law		
The rest of capital income	-	0
Tax base	-	0
Calculated tax (15% of the tax base)	-	0
Total deductions of calculated tax		
Calculated tax after the deduction	-	0
Income/(loss) before taxation	(353,102)	24,258
Tax (expenditure) of the period	-	0
Deferred tax income / (expense) for the period	1,303	
Net income /(loss)	(351.799)	24,258
Effective tax rate	0.37%	0.00%

22. PROFIT PER SHARE

Indicator	In 000 RSD	
	I-VI 2020	I-VI 2019
Net acquisition belonging to owners	(353,102)	24,258
Average weighted number of shares	35,026,129	35,026,129
Profit per share (in RSD)	(10.08)	0.69

23. INTANGIBLE ASSETS					In 000 RSD
Intangible assets structure	Concessions, patents, licenses, software and other rights	Intangible assets in preparation	Advances for intangible assets	Total	
Purchase value					
Opening balance as of 1 st January 2019	433,593		1,595	435,188	
Correction of the opening balance				0	
Balance on 1st January 2018, after correction	433,593	0	1,595	435,188	
Procurement during the year		18,551		18,551	
Transfer from intangible assets in progress				0	
Transfer to active accruals sold on the first day of the concession	(290,086)			(290,086)	
Other			(1,595)	(1,595)	
Estimation of the fair value of the assets					
Revaluation reserves	31,648			31,648	
Reduction at the expense of previous rev. aluation					
Revaluation revenues					
Revaluation expenses	(16,168)			(16,168)	
Reduction of current values for depreciation accumulation	(158,987)			(158,987)	
Balance as of 31st December 2019	0	18,551	0	18,551	
Correction of the opening balance				0	
Balance as of 1st January 2020 after correction	0	1,551	0	18,551	
Procurements during the year		10,651		10,651	
Transfer from intangible assets in progress	28,898	(28,898)		0	
Disposals, expenditures and sales				0	
Transfer to active accruals				0	
other		(304)		(304)	
Balance as of 30th June 2020	28,898	0	0	28,898	
Correction of value					
Opening balance as of 1 st January 2019	158,987			158,987	
Correction of the opening balance				0	
Balance as of 1st January 2019 after	158,987	0	0	158,987	

correction				
Depreciation in the current year				0
Repeal of correction of value after estimation of fair value of the assets	(158,987)			(158,987)
Other				0
Balance as of 31st December 2019	0	0	0	0
Correction of the opening blance				0

Balance as of 1st January 2020 after correction	0	0	0	0
Depreciation in the current year	3,289			3,289
Disposals, expenditures and sales				0
Other				0
Repeal of correction of value after estimation of fair value of the assets				0
Correction of the advance values				0
Balance as of 30th June 2020	3,289	0	0	3,289

Net current value

31st December 2019	0	18,551	0	18,551
30th June 2020	25,609	0	0	25,609

During 2020, investments were made in intangible assets - licenses and software in the amount of RSD 10,651 thousand.

24. PROPERTIES, PLANTS, EQUIPMENT AND BIOLOGICAL FUNDS - 2019

Structure of properties, plants, equipment and biological funds	Land	Buildings	Equipment	Investment property	Other properties, plants and equipment	Current investments	Advances	Total – properties, plants and equipment	Biological funds - Basic herd
Purchase value									
Opening balance as of 1st January 2019	9,968,707	11,701,881	6,562,986	-	3,619	3,519	15,812	28,256,524	124
Procurements during the year						3,044,561		3,044,561	
Transfer from the current investments	2,986,857	13,339	47,884			(3,048,080)		-	
Disposals, expenditures and sales	(9,789)	(22,469)	(46,829)					(79,087)	
Other Advances							(15,812)		
Transfer to active accruals –basic assets sold on the first day of concession			(1,466,573)		(3,619)			(1,470,192)	(96)
Estimation of the fair value of the assets									
Revaluation reserves	1,234,574	607,378	434,871					2,276,823	
Reduction at the expense of earlier revaluation reserves		(28,033)	(75,486)					(103,519)	
Revaluation revenues		55,578	6,910					62,488	
Revaluation expenses		(389,264)	(138,898)					(528,162)	(28)
Reduction of the current value for accumulated depreciation		(716,972)	(1,199,887)					(1,916,859)	
Balance as of 31st December 2019	14,180,349	11,221,438	4,124,978	-	-	-	-	29,542,577	-
Correction of value									
Opening balance as of 1st January 2019	-	716,972	1,221,482	-	-	-	15,812	1,954,266	-
Depreciation in the curren year		409,800	271,469					681,269	
Other Advances							(15,812)		
Disposals, expenditures and sales		(192)	(21,595)					(21,787)	
Repeal of correction of value after estimation of fair value of the assets		(716,972)	(1,199,887)					(1,916,859)	

Balance as of 31 st December 2019	-	409,608	271,469	-	-	-	-	696,889	-
Net current value									
31 st December 2018	9,968,707	10,984,909	5,341,504	-	3,619	3,519	-	26,302,258	124
31 st December 2019	14,180,349	10,811,830	3,853,509	-	-	-	-	28,845,688	-

24 a. PROPERTIES, PLANTS, EQUIPMENT AND BIOLOGICAL FUNDS - 2020

Structure of properties, plants, equipment and biological funds for 2020	Land	Buildings	Equipment	Investment property	Other properties, plants and equipment	Current investments	Assets	Total – properties, plants and equipment	Biological funds - Basic herd
Purchase value									
Opening balance as of 1 st January 2020	14,180,349	11,221,438	4,124,978	-	-	-	-	29,526,765	-
Correction of the opening balance	-	-	-	-	-	-	-	-	-
Balance as of 1 st January 2020	14,180,349	11,221,438	4,124,978	-	-	-	-	29,526,765	-
Procurments during the year	-	-	-	-	-	21,080	-	21,080	-
Transfer from the current investments	-	-	-	-	-	-	-	-	-
Disposals, expenditures and sales	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Final balance as of 30 th June 2020	14,180,349	11,221,438	4,124,978	-	-	21,080	-	29,547,845	-
Correction of values									
Opening balance as of 1 st January 2020	-	409,608	271,469	-	-	-	-	681,077	-
Correction of the opening balance based on the estimation	-	-	-	-	-	-	-	-	-
Balance as of 1 st January 2020 after the correction	-	409,608	271,469	-	-	-	-	681,077	-
Depreciation in the curren year	-	197,079	137,243	-	-	-	-	334,322	-
Disposals, expenditures and sales	-	-	-	-	-	-	-	-	-
Final balance as of 30 th June 2020	-	212,529	134,226	-	-	-	-	346,755	-

	-	606,687	408,712	-	-	-	-	1,015,399	
Net current value									
1 st January 2020	14,180,349	10,811,830	3,853,509	-	-	-	-	28,845,688	-
30 th June 2020	14,180,349	10,614,751	3,716,266	-	-	21,080	-	28,532,446	-

In accordance with the accounting policy of the Company for subsequent valuation of real estate, plant and equipment, they are stated according to the revaluation model which expresses their fair value on the day of revaluation, reduced by the total amount of impairment and depreciation and impairment losses. The fair value of real estate is their market value which is determined by appraisal. In accordance with IAS 16.31 and legal regulations, property valuation is performed in a period of three to five years.

The assessment of intangible assets and real estate, plant and equipment was performed on 1st January 2019. year by the authorized appraiser KPMG d.o.o. Belgrade. During the valuation, the valuer was guided by the international financial reporting standard IFRS 13 - Fair Value Measurement, which requires that the valuation of fixed assets be based on information that is observable, ie. verified in the market. Having in mind the specificity of the Company's assets, as well as the fact that transactions of these types of assets are rare on the market, as well as the fact that assets are subject to concession assets, the appraiser in most cases decided to apply the amortized replacement cost method. In choosing the method, the appraiser used the method of amortized replacement costs - the cost approach in the assessment of equipment and buildings, the method of direct comparison of sales prices - the market approach in the assessment of land and apartments. Discounted cash flow method - the yield approach could not be applied in estimating each individual asset, as it was not possible to identify cash flows generated by individual assets, but was used to determine the economic write-off of the asset.

The effects of the assessment in terms of including the fair value of assets, revaluation reserves, income and expenses in the Income Statement are shown in the table above for changes in property, plant and equipment for 2019.

Total investments in real estate, plant and equipment in the period I - VI 2020 amount to RSD 21,080 thousand and relate to expert supervision related to the implementation of mandatory works by DPN.

Real estate, plant and equipment total RSD 28,532,446 thousand on 30th June 2020. and relate to concession funds given for use in the amount of RSD 28,468,200 thousand, while the funds used by the Company amount to RSD 43,166 thousand and investments in progress of RSD 21,080.

25. LONG- TERM INVESTMENTS

Structure of the long- term investments	In 000RSD	
	30/06/2020	31/12/2019
Shares in subsidiaries		
Shares in associated companies and joint ventures		
Equity share of other legal entities and other securities available for sale	378,684	378,684
Long-term investments to parent companies and subsidiaries		
Long-term investments to other related legal entities		
Long-term investments in the country		
Long-term investments abroad		
Securities held to maturity		
Other long term investments	212,941	212,634
Sub total	591,625	591,318
Correction of value	(465,865)	(465,865)
Total	125,760	125,453

25a. SHARES IN THE CAPITAL OF OTHER LEGAL ENTITIES AND SECURITIES

Capital share structure	In 000 RSD	
	30/06/2020	31/12/2019
<i>Privredna banka a.d. Beograd</i>	392	392
Minus: Value adjustment	(392)	(392)
Total	-	-
Shares in banks in liquidation:		
<i>Union banka a.d. Beograd in liquidation</i>	667	667
<i>Beogradska banka a.d. Beograd in liquidation</i>	18,988	18,988
<i>Beobanka a.d. Beograd in liquidation</i>	38	38
Minus: Value adjustment	(19,693)	(19,693)
Total	-	-
Shares in foreign entities:		
Mondijal-Bodrum -Turkey	358,598	358,598
<i>Societe Internationale de Telecommun. Aeronautiques Suisse (SITA)</i>	1	1
Minus: Value adjustment		

	(358,598)	(358,598)
Subtotal	1	1
Total	1	1

256. OTHER LONG-TERM INVESTMENTS

Other long-term investments structure	In 000 RSD	
	30/06/2020	31/12/2019
Funds for membership in Societe International de Telecommunications Aeronautiques Suisse (SITA)	4,219	4,219
Long-term investments given to employees		
<i>Long term loans given to employees</i>	207,204	206,923
Receivables for sold social housing	252	249
Receivables for the purchase of solidarity apartments	1,266	1,243
Minus: Value adjustment	(87,182)	(87,182)
Subtotal	121,540	121,233
Total	125,759	125,452

Receivables from employees for long-term loans for the purchase and repurchase of apartments on 30th June 2020 amount to RSD 208,722 thousand. The above refers to loans granted to employees to address housing needs given for a period of 20 - 40 years. During the year, revaluation of housing loans was performed, which are revalued, the effects of which are stated within Other income.

Estimation of fair value of housing loans as of 31st December 2019 was performed by a certified appraiser by projecting future cash flows based on the collection of receivables for housing loans, using discount rates: from 4.5% to 8.3%, depending on whether and in what time intervals housing loans are revalued or contracted with currency clause, whether they have an agreed interest rate or are contracted without an interest rate.

26. PAID ADVANCES FOR INVENTORIES AND SERVICES

Paid advances for inventories and services structure	In 000 RSD	
	30/06/2020	31/12/2019
Advances for domestic services	8,278	6,496
Advances for foreign services	240	240
Minus: Value adjustment	(4,678)	(4,678)
Total	3,840	2,058

27. RECEIVABLES FROM SALE

Structure of receivables from sale	in 000 RSD	
	30/06/2020	31/12/2019
Customers in the country:		
Customers in the country:	275,956	312,659
Minus: Value adjustment	(237,256)	(237,256)
Subtotal	38,700	75,403
Customers abroad:		
<i>Customers abroad</i>	49,220	52,621
Minus: Value adjustment	(29,833)	(29,833)
Subtotal	19,387	22,788
Total	58,087	98,191

The changes in the value adjustment account are shown in the following table.

Change in impairment of sales receivables	In 000 RSD	
	30/06/2020	31/12/2019
Balance as of 1 st January	267,089	266,895
Exchange rate differences		12
Additional value adjustment		20,903
Corrected receivables collected		(19,520)
Direct write-off of previously corrected receivables		(1,201)
Total	267,089	267,089

The total value adjustment of trade receivables in the country amounts to RSD 237,256 thousand, which mainly relates to the impairment of receivables from defendant domestic customers in the amount of RSD 234,184 thousand and other domestic customers RSD 3,456

thousand.

The total value adjustment of receivables from foreign customers in the amount of RSD 29,833 thousand refers to the value adjustment of receivables from defendant foreign customers in the amount of RSD 27,116 thousand and other foreign customers RSD 2,717 thousand.

28. OTHER RECEIVABLES

Structure of other receivables	In 000 RSD	
	30/06/2020	31/12/2019
Interest and dividend receivables:		
Receivables from customers in the country for default interest	6,456	,538
Interest receivables on time deposits and via vista interests		503
Interest receivables from housing loans	832	186
Subtotal	7,288	7,227
Receivables from employees		
<i>Receivables from employees</i>	603	607
<i>Minus: Value adjustment</i>	(592)	(592)
Subtotal	11	15
Receivables for overpaid income tax	1,572,245	1,572,245
Receivables from prepaid taxes and other contributions	398	398
Reimbursable compensation claims	15,694	16,267
Claims for damages		
Other receivables		
Other receivables	33,021	33,519
Minus: Value adjustment	(21,368)	21,863
Subtotal	11,653	11,656
Total	1,607,289	1,607,808

29. SHORT - TERM FINANCIAL INVESTMENTS

Structure of short-term financial investments	In 000 RSD	
	30/06/2020	31/12/2019
Short-term loans and borrowings in the country - Short-term loan to employees (winter sotres, fuel - 6 months)	4,982	2,432
Other short-term financial investments:		
<i>Short-term time deposits</i>		
<i>Current maturity of long-term housing loans granted to employees</i>	6,223	10,495
<i>Current maturity of long-term investments in Societe Internatonal de Telecommunications Aeronautiques Swisse (SITA)</i>	674	675
Minus: Value adjustment	(266)	(266)
Subtotal	6,631	10,904
Total	11,613	13,336

30. CASH EQUIVALENTS AND CASH

Structure of cash equivalents and cash	In 000 RSD	
	30/06/2020	31/12/2019
Current account - RSD	54,399	194,991
Current account - foreign currency	918,521	715,116
Cashier - foreign currency	11	11
Total	972,931	910,118

31. VALUE ADDED TAX

Structure of VAT	In 000 RSD	
	30/06/2020	31/12/2019
VAT in received invoices	8,020	
Receivables for overpaid VAT	51,733	40,792
Total	59,753	40,792

32. ACTIVE ACCURALS

Structure of active accruals	In 000 RSD	
	30/06/2020	31/12/2019
Prepaid expenses related to the future period	729	
Receivables for uninvoiced income related to the current period	17,636	175,996
Other active accruals:		
Deferred VAT	3,225	3,225
Other active accruals- Fixed assets sold on the Concession Start Date	1,648,548	1,683,329
Subtotal	1,651,773	1,686,554
Total	1,670,138	1,862,550

Receivable from sale of fixed assets on the Concession Start Date

- Pursuant to item 2.2 Note, Other assets that will be used by SPC until the end of the concession period that are not recognized as assets in accordance with IAS 16 on the start date but are treated as sold on the first day of the concession are other assets not closely related to infrastructure and airport equipment. Initial receivables from these assets reported on the AVR total RSD 1,760,374 thousand (Intangible assets (RSD 290,086 thousand), Equipment (RSD 1,466,573 thousand), Other equipment (RSD 3,619 thousand) and Basic herd (RSD 96 thousand)). These receivables are reduced by the amount of compensation for the sale of these assets

during the concession period, which affects the reduction of income. For the period I-VI 2020, the reduction of receivables / revenues amounts to a total of RSD 34,781 thousand.

33. EQUITY

Equity structure	in 000 RSD	
	30/06/2020	31/12/2019
Basic capital:		
<i>Share capital</i>	21,015,677	21,015,677
<i>Share premium</i>	306,856	306,856
Subtotal	21,322,533	21,322,533
Repurchased own shares	(33,192)	33,192)
Statutory reserves	6,356,456	6,356,456
Revaluation reserves	2,218,988	2,218,988
Retained earnings / (Loss):		
Retained earnings from previous years	261,596	261,596
<i>(Loss) from previous years</i>	<i>(453,857)</i>	
<i>(Loss) from the current year</i>	<i>(351,799)</i>	<i>(453,857)</i>
Subtotal	544,060)	192,261)
Total	29,320,725	29,672,524

33a. SHARE CAPITAL

Pursuant to the Law on Amendments to the Law on the Right to Free Shares and Cash Compensation that Citizens Receive in the Privatization Procedure, the Company was obliged to change its legal form by 30th June 2010 and express its share capital in shares of a certain nominal value. basis of adjusted carrying amount of equity. During 2010, based on the Conclusion of the Government of the Republic of Serbia No. 023-448/2010-1, recommendations were given to the Company to select the most favorable consultant who will assess the market value of capital and provide expert assistance in preparing and implementing the procedure for changing the legal forms from a public company to a joint stock company.

On 17th June 2010, the Government of the Republic of Serbia passed Decision No. 023-4432/2010 on changing the legal form of the Company from a public company to a closed joint stock company.

This change was registered with the Business Registers Agency by Decision No. BD 68460/2010 on 22nd June 2010, which registered the capital in the total amount of EUR 214,556,965, which amounts to RSD 20,573,610 thousand on the day of registration.

On 7th July 2010, 34,289,350 shares were registered in the Central Registry of Securities, with a nominal value of RSD 600 per share, which as of 31st December 2010 were owned by the Republic of Serbia.

In accordance with the Law on the Right to Free Shares and Cash Compensation that

Citizens Receive in the Privatization Procedure ("Official Gazette of the Republic of Serbia" No. 123/07 and 30/10) on 9th December 2010 based on the Decision of the Government of the Republic of Serbia No. 023-9103/2010-1, the right to transfer 16.85% of the Company's ownership was acquired by citizens of the Republic of Serbia, employees and former employees of the Company.

On 21st January 2011, the Assembly of the Company passed Decision No. 21-2 / 1 on the transformation of the Company from a closed to an open joint stock company. The mentioned change was registered with the Business Registers Agency by Decision No. BD 765/2011 on 24th January 2011.

The capital structure after the transfer of ownership based on data from the Central Registry, Depot and Securities Clearing on 25th January 2011, was as follows:

Share capital on 25th January 2011- (transition to open joint-stock company)	Value in thousands of dinars	Number of shares	%of share
Republic of Serbia	17,107,193	28,511,988	83.15%
Employees and former employees of the Company	574,004	956,673	2.79%
Citizens of the Republic of Serbia	2,892,413	4,820,689	14.06%
Total	20,573,610	34,289,350	100%

During 2018, the share capital was increased by 736,779 shares with a nominal value of RSD 600.00 per share, based on the recapitalization by the majority owner of the Republic of Serbia, based on the subscription of the second emission (120,521 shares), the third emission (470,904 shares). and the fourth issue (145,354 shares), which increased the total share capital by 442,067 thousand dinars.

Share capital structure as of 30th June 2020 is as follows:

Share holders structure	30/06/2020		
	Value in thousands of dinars	Number of shares	% of share
Republic of Serbia	17,770,021	29,616,702	84.56%
Domestic and foreign individuals	1,949,612	3,249,354	9.28%
Domestic and foreign entities	115,924	193,207	0.55%
Custody persons	1,180,120	1,966,866	5.62%
Total	21,015,677	35,026,129	100%

Overview of the ten largest shareholders on 30.06.2020. year is given below.

Shareholder	Number of shares	Share
REPUBLIC OF SERBIA	29.616.702	84.56%
OTP BANKA SRBIJA - Custody	795.248	2.27%
VOJVODJANSKA BANKA AD NOVI SAD	645.100	1.84%
OTP BANKA SRBIJA -Custody	366.177	1.05%
RAIFFEISEN BANKA AD -Custody	57.988	0.165%
AIRPORT NIKOLA TESLA JOINT-STOCK COMPANY	55,320	0.16%
BOŽIĆ SVETISLAV	45.003	0.13%
KERAMIKA JOVANOVIĆ DOO	32.379	0.09%
DUNAV RE AD	28.231	0.08%
RAIFFEISEN BANKA AD -Custody	24.465	0.07%

33b. ISSUE PREMIUM

Structure of the issue premium	In 000 RSD	
	30/06/2020	31/12/2019
Issue premium – the issue of shares	718,665	718,665
Issues premium - repurchase of own shares	(411,809)	(411,809)
Total	306,856	306,856

33c. REPURCHASED OWN SHARES

Structure of the repurchased own shares	In 000 Rsd	
	30/06/2020	31/12/2019
Repurchased own shares	33,192	33,192
Total	33,192	33,192

On 30th June the company possess 55.320 own shares.

33d. RESERVES

RESERVE STRUCTURE	In 000 RSD	
	30/06/2020	31/12/2019
Statutory reserves	6,356,456	6,356,456
Total	6,356,456	6,356,456

Reserves were created in accordance with the Company's Articles of Association.

33e. REVALUATION RESERVES

Structure of revaluation reserves based on assessment	In 000 RSD	
	30/06/2020	31/12/2019
revaluation reserves- intangible investments	-	-
revaluation reserves -land	1,349,369	1,349,369
revaluation reserves - buildings	567,708	567,708
revaluation reserves - equipment	301,911	301,911
Total	2,218,988	2,218,988

Revaluation reserves include related deferred tax liabilities.

33f. RETAINED PROFIT / LOSSES

Retained profit structure involving changes	In 000 RSD	
	30/06/2020	31/12/2019
Balance as of 1st January	261,596	53,162,398
Allocation of retained profit - dividend		(52,928,382)
Allocation of retained profit - employee participation in profit distribution		(234,016)
Subtotal	261,596	-
Profit from previous years, the result of transfer of revaluation reserves to profit on disposal of fixed assets in the current year		261,596
Net profit for the current period		
Total	261,596	261,596

Loss structure involving changes	In 000 RSD	
	30/06/2020	31/12/2019
Balance on 1st January	(453,857)	-
Coverage of loss from statutory reserves		
Coverage of loss from retained profit		
Subtotal	(453,857)	-
Loss from the current period	(351,799)	(453,857)
Total	(805,656)	(453,857)

34. LONG-TERM PROVISIONS

Structure of the long-term provisions	In 000 RSD	
	30/06/2020	31/12/2019
Provisions for fees and other employee benefits	5,087	5,087
Provisions for litigation costs	90,656	81,006
Total	95,743	86,093

Changes in long-term provisions based on severance pay, jubilee awards and litigation in the period I-VI 2020, as well as in the period 2019 are shown in the following table.

Description of the change	Severance	Jubilee awards	Total	litigation
Balance as of 1st January 2019	251	1,034	1,285	144,339
Subsequent provisions	987	2,815	3,802	29,500
Actuarial gains			-	
Used during the year			-	(73,142)
Reversal of unused amounts			-	(19,691)
Balance as of 31st December 2019	1,238	3,849	5,087	81,006
Subsequent provisions			-	10,000
Actuarial gains			-	
Used during the year			-	(283)
Reversal of unused amounts			-	(67)
Balance as of 30st June 2020	1,238	3,849	5,087	90,656

34a. Provisions for fees and other employee benefits

Provisions for fees and other employee benefits (provisions for unpaid severance pay upon retirement and jubilee awards) are stated on the basis of an actuarial calculation made on 31st December 2019..

The assumptions used in the calculation of provisions for severance pay upon retirement and for jubilee awards are given below.

Assumptions used in calculation	2019
Limits for retirement	Articles 19 and 69 of Law on pension and disability insurance
Mortality tables	Serbia, 2012
Discount rate	3.50%
Earnings growth rate	5.00%
Percentage of fluctuation	0.00%
The amount of severance pay in case of retirement at the time of provisioning	Double the average salary of employees in Serbia for September 2019 (RSD 74,160) or double the average salary of the Employer without taxes and contributions, whichever is more favorable
Basis for jubilee awards	The average salary without taxes and contributions with the Employer
Total number of the employees as of 31 st December	36

The calculation of provisions for retirement benefits and jubilee awards based on assumptions is as follows:

		In 000 RSD
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Calculation of provisions	Retirement benefits	Jubilee awardsd
Provisions as of 31st December 2018	251	1.034
Interest expense	7	31
The expense of current labor service	77	1,102
The expense of past labor service	443	
Actuarial (profit) / loss	460	1,682
Reversal of provisions during the year in the Company's business books	-	-
Total net change in the provision amount in 2019	987	2,815
Provision balance as of 31st December 2019	1,238	3,849

34b. Litigation provisions

The Company has lawsuits against the Company. The amounts of final losses on the basis of litigation may be increased on the basis of accrued default interest until the date of termination of disputes, or until the date of final payments on disputes. As at 30th June 2020, the Company has a provision for potential losses based on these litigations in the amount of RSD 90,656 thousand (31st December 2019: RSD 81,006 thousand) (Note 47). According to the assessment of the Company's management on this basis, no additional material losses are expected in the coming period.

35. RECEIVED ADVANCES DEPOSITS AND BAILS

Structure of the received advances deposits and bails	In 000 RSD	
	30/06/2020	31/12/2019
Advances received from domestic customers	873	873
Advances received from foreign customers	2	2
Deposits received from domestic customers	2,954	3,990
Deposits received from foreign customers	5,342	5,342
Subscriptions from domestic customers	8,258	8,781
Subscriptions from foreign customers	36,708	23,035
Total	54,137	42,023

36. OPERATING LIABILITIES

Struxcture of operating liabilities	In 000 RSD	
	30/06/2020	31/12/2019
Suppliers in the country	17,545	44,724
Suppliers abroad	253	5,577
Other operating liabilities		
<i>For the charged turnover on behalf of the company</i>	7,877	7,877
<i>Other operating liabilities</i>	1,354	1,370
Subtotal	9,231	9,247
Total	27,029	59,548

37. OTHER SHORT-TERM LIABILITIES

Structure of other short-term liabilities	In 000 RSD	
	30/06/2020	31/12/2019
Liabilities for wages and salaries	5,694	269
Other liabilities:		
<i>Dividend liabilities</i>	16,598	16,598
<i>Liabilities for profit sharing</i>	275	323
<i>Liabilities to employees</i>		
<i>Liabilities to members of NO</i>	408	
<i>Liabilities to individuals for contractual fees</i>	314	
<i>Other liabilities</i>	497	115
Subtotal	18,092	17,036
Total	23,786	17,305

38. VAT LIABILITIES

Structure ov VAT liabilities	In 000 RSD	
	30/06/2020	31/12/2019
VAT liabilities	95	
Total	95	-

39. LIABILITIES FOR OTHER TAXES, CONTRIBUTIONS AND OTHER DUTIES

Structure of liabilities for othr taxes, contributions and other duties	in 000 RSD	
	30/06/2020	31/12/2019
Liabilities for tax from results		
Liabilities for taxes, duties and other charges	977	1.943
Other liabilities for othr taxes, contributions and other duties	978	539

Total	1,955	2,482
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40. PASSIVE ACCURALS

Structure of passive accruals	In 000 RSD	
	30/06/2020	31/12/2019
Accrued expenses:		
<i>Liabilities for calculated expenses for the reporting period</i>		1,683
<i>Calculated costs of procurement of investments in progress</i>	8,567	8,567
Subtotal	8,567	10,250
Prepaid / accrued income	5,221	
Other passive accruals - calculated agreed discounts to customers		43,073
Othr passive accruals - Deferred income of non-monetary compensation (assets) for land	2,807,646	2,867,383
Total	2,821,434	53,323

As explained in Notes 2.2 and 26a, during 2019, the ownership rights were transferred to the Company of two cadastral parcels 5251 and 5252 with a total area of 107,650 m². The entry of Additional Land in the Company's business books was made on the basis of an estimate by a certified appraiser in the amount of RSD 2,986,857 thousand. As the transfer of the Additional Land represents a non-monetary leasing fee, it is accrued and recognized as income during the concession period in the amount of RSD 119,474 thousand per year, or RSD 59,737 thousand semi-annually.

41. DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities	In 000 RSD	
	30/06/2020	31/12/2019
Deferred tax assets	14,585	13,283
Deferred tax liabilities	(737,147)	(737,147)
Net effect of deferred tax assets/(liabilities)	(722,562)	(723,864)

Deferred tax assets are amounts of income taxes that will be recoverable in future periods on the basis of: deductible temporary differences and unused tax credits carried forward. Deductible temporary difference arises in cases when the Company's balance sheets, on certain grounds, already show expenses, which will be recognized from the tax aspect in the following periods. Deferred tax assets are reviewed on 31st December and are recognized only if the Company estimates that it is probable that future taxable profits will be available

against which the deferred tax assets can be utilized.

Pursuant to the current Law on Profit Tax, taking into account the assumption of unlimited duration, as a rule, deferred tax assets are recognized on the basis of deductible temporary differences. On the other hand, for the recognition of deferred tax assets on the basis of unused tax losses and tax credits, it is necessary to make a projection of the tax balance for the period when on these bases it is possible to reduce the income tax liability, in accordance with legal solutions.

The amount of deferred tax assets was calculated by multiplying the amount of the ordinary temporary difference by the income tax rate (15%) at the end of the year.

Deferred tax liabilities that relate to prudent temporary differences between the carrying amount of depreciable assets and their tax bases. Namely, due to various provisions on the basis of which the Company determines accounting depreciation and provisions which determine tax depreciation (Law on Corporate Income Tax), the Company will pay higher income tax in future periods than it would pay if tax legislation recognized the actual reported depreciation. For this reason, the Company recognizes a deferred tax liability, which is income tax that will be payable when the Company "recovers" the carrying amount of the asset.

The amount of deferred tax liabilities is calculated by multiplying the amount of taxable temporary difference by the income tax rate (15%) at the end of the year.

Changes in the balance of deferred tax (liabilities) / assets during the period are shown in the table.

					000 RSD
Changes in the balance of deferred tax liabilities	Intangible assets, property, plant, equipment and investment property	Provisions for fees and other employee benefits	Litigation provisions	Short-term liabilities (Liabilities for taxes, contributions, etc. Duties and Accrued unpaid income (Article 9))	Total
Balance on 1st January 2019	(502,698)	193	21,651	2,331	(478,523)
In favor of the Income Statement	56,907	570	(9,500)	(1,963)	46,014
In favour of Equity	(291,356)				(291,356)
Balance on 31st December 2019	(737,147)	763	12,151	368	(723,864)
In favor of the Income Statement			1,447	(144)	1,303
In favour of Equity					
Balance on 30th June 2020	(737,147)	763	13,598	224	(722,562)

42. OFF-BALANCE SHEET RECORDS

Pursuant to the legal provisions (Rulebook on the content and form of financial report forms for companies, cooperatives, other legal entities and entrepreneurs), the Company has stated off-balance sheet assets and off-balance sheet liabilities in its financial statements. Items stated within off-balance sheet assets and off-balance sheet liabilities, which are shown in the following table, do not represent the Company's assets or liabilities, but primarily serve in the context of the informative role of users of financial statements.

Off-balance sheet records	In 000 RSD	
	31/03/2020	31/12/2019/
Blank received bills of exchange-pcs	18	17
<i>Domestic blank bills of exchange-pcs</i>	14	14
<i>Dinar guarantees received</i>	315,178	244,469
Foreign currency guarantees received	5,657,110	5,657,918
Given dinar guarantees	4,214	4,214
Given foreign currency guarantees		
Solidarity funds from employees' salaries	621	621
Total	5,977,123	5,907,222

43. FAIR VALUE

FUNDS	Book value in 000 RSD on the 30 June 2020	Fair value in 000 RSD on the 30 June 2020	Book value in 000 RSD on the 31 December 2019	Fair value in 000 RSD on the 31 December 2019	Hierarchy of fair value levels	Evaluation techniques and inputs
Fixed assets and NU	28,558,055	28,558,055	28,845,688	28,845,688	Level 3	The assessment was done by a certified appraiser as of January 1, 2019. (KPMG-Belgrade). The following methodologies were used in the valuation of intangible assets and property, plant and equipment: the method of amortized replacement costs - cost approach in the valuation of equipment and buildings, then the method of direct comparison of sales prices - market approach in the valuation of land

						and apartments and the discounted cash flow method - yield approach in determining the existence of an economic write-off.
Equity share	1	1	1	1	Level 2	Management's assessment that they are not recoverable - banks in bankruptcy
Long-term and short-term financial investments-housing loans	127,497	127,497	131,462	131,462	Level 3	Assessment of a certified actuary as of 31.12.2019 - Discounting cash flows, as follows: 8.3% for housing loans that are not revalued; 6.3% for housing loans that are revalued annually and have an interest rate of 0.5%, 4.5% for housing loans with a currency clause and an interest rate of 0.5%; 6.6% for housing loans that are revalued semi-annually and 6.8% for housing loans that are revalued annually
Buyer receivables	58,087	58,087	98,191	98,191	Level 3	Management's assessment of collectibility in accordance with IAS 39
Other receivables	1,607,289	1,607,289	1,607,808	1,607,808	Level 3	Management's assessment of collectibility in accordance with IAS 39

The table includes only financial assets, because the Company has no financial liabilities that are stated after initial recognition at fair value.

44. FINANCIAL INSTRUMENTS AND OBJECTIVES OF FINANCIAL RISK MANAGEMENT

	30/06/2020			31/12/2019		
	gross sum	Value adjustment	Net sum	gross sum	Value adjustment	net sum
Financial funds	3,530,860	(755,180)	2,775,680	3,510,581	(755,675)	2,754,906
Long-term financial provisions	591,625	(465,865)	125,760	591,318	(465,865)	125,453
– Long - term deposits	4,219	-	4,219	4,219	-	4,219
– Shares in banks	20,085	(20,085)	-	20,085	(20,085)	0
– Shares in foreign entities	358,599	(358,598)	1	358,599	(358,598)	1
– long-term housing loans to employees	208,722	(87,182)	121,540	208,415	(87,182)	121,233
Receivables expressed by nominal value	1,966,304	(289,315)	1,676,989	2,009,145	(289,810)	1,719,335
– Buyer receivables	325,176	(267,089)	58,087	365,280	(267,089)	98,191
– Short-term financial provisions	11,879	(266)	11,613	13,602	(266)	13,336
– Interest receivables	7,288	-	7,288	7,227	-	7,227
– Other receivables	1,621,961	(21,960)	1,600,001	1,623,036	(22,455)	1,600,581
Cash and cash equivalents	972,931	-	972,931	910,118	-	910,118
Financial liabilities	27,029	-	27,029	59,548	-	59,548
– Debt loans	-	-	-	-	-	0
– Current maturity of debt loans	-	-	-	-	-	-
– Short-term liabilities (operating liabilities)	27,029	-	27,029	59,548	-	59,548

The Company's main financial instruments are cash and cash equivalents, receivables, financial placements arising directly from the Company's operations, as well as long-term loans, trade payables or other liabilities whose primary purpose is to finance the Company's current operation.

45. FINANCIAL INSTRUMENTS AND OBJECTIVES OF FINANCIAL RISK MANAGEMENT (continued)

Objectives of financial risk management

Financial risks are considered on a time basis and are primarily avoided by reducing the Company's exposure to these risks. The Company's non-financial risks include market risk (foreign exchange, interest rate and price risk), credit risk and liquidity risk. The Company uses any financial instruments to avoid the impact of financial risks on operations due to the fact that such instruments are not widely used, nor is there an organized market for such instruments in the Republic of Serbia.

I - MARKET RISK

In its operations, the Company is exposed to financial risks from changes in foreign exchange rates and changes in interest rates. Exposure to market risk is viewed through sensitivity analysis. There were no significant changes in the Company's exposure to market risk, either in the way the Company manages or measures that risk.

a) Currency risk (foreign exchange risk)

The Company is exposed to foreign exchange risk primarily through cash and cash equivalents, short-term financial investments, trade receivables, liabilities based on long-term loans and liabilities to foreign suppliers.

The Company does not use special financial instruments as hedging against risks, given that such instruments are not common in the Republic of Serbia.

The stability of the economic environment in which the Company operates largely depends on government measures in the economy, including the establishment of an appropriate legal and legislative framework.

The accounting amounts of financial assets and liabilities in 000 dinars, denominated in foreign currencies at the reporting date in the Company are as follows:

Currency description					in 000 RSD	
	Total funds				Total liabilities	
	30/06/2020		31/12/2019		30/06/2020	31/12/2019
	gross	net	gross	net		
EUR	866,505	764,137	670,891	568,523	253	253
USD	291,013	291,013	290,274	290,274		
CHF						
GBP	89	89	95	95		
Total dinar equivalent of assets and liabilities denominated in foreign currencies	1,157,607	1,055,239	961,260	858,892	253	253
Value of assets and liabilities in RSD	2,373,253	1,720,441	2,549,321	1,896,014	42,389	59,295
Total	3,530,860	2,775,680	3,510,581	2,754,906	42,642	59,548

Analysis of the currency structure of financial assets and liabilities on 30th June 2020, compared to the situation on 31st December 2019, it can be stated that the financial assets in foreign currency are higher than the agreed financial liabilities in foreign currency.

The company is sensitive mainly to changes in the exchange rate of the euro (EUR) and the US dollar (USD).

The following table presents the analysis of the Company's sensitivity to the increase and decrease of the dinar exchange rate by 10%, in relation to the observed foreign currency. The sensitivity analysis includes only outstanding (balance) receivables and liabilities in foreign currency and shows their change of 10% at the end of the reporting period in foreign exchange rates. A positive number from the table indicates an increase in the results of the current period in cases when the dinar strengthens against the currency in question. In case of weakening of the dinar by 10% in relation to the given foreign currency, the impact on the result of the current period would be negative.

	in 000 RSD							
30/06/2020	EUR impact		USD impact		CHF impact		GBP impact	
Changes	10.00%	-10.00%	10,00%	-10.00%	10,00%	-10.00%	10.00%	-10.00%
Profit/loss	76,388	-76,388	29,101	-29,101	0	0	9	-9

	in 000 RSD							
31/12/2019	EUR impact		USD impact		CHF impact		GBP impact	
	10.00%	-10.00%	10.00%	-10.00%	10.00%	-10.00%	10.00%	-10.00%
Profit/Loss	56,827	-56,827	29,027	-29,027	0	0	10	-10

b) The risk of changes in interest rates

The Company is exposed to the risk of changes in interest rates on assets and liabilities for which the interest rate is variable.

The Company has classified cash and cash equivalents in the group of interest-bearing financial assets with variable interest rates, because "a vista" variable interest rates have been agreed with banks, depending on the amount of current account balances and the reference interest rate.

The risk of changes in interest rates for the Company does not represent a significant risk, because the categories of financial instruments that have an agreed interest rate are generally defined by a fixed interest rate.

Financial instruments classified into categories of interest-bearing and non-interest-bearing assets are presented in the following overview:

	30/06/2020			31/12/2019			in 000 RSD
Funds	gross	adjustement	net sum	gross	adjustment	net sum	
Non-interest:	-	-					
Equity participation I other entitites	378,684	(378,683)	1	378,684	(378,683)	1	
Other long-term recivables	-	-	-	0	-	-	
Trade receivables	325,176	(267,089)	58,087	365,280	(267,089)	98,191	
Interest and other receivables	1,629,249	(21,960)	1,607,289	1,630,263	(22,455)	1,607,808	
Short-term financial provisions	4,982	-	4,982	2,432	-	2,432	
Subtotal	2,338,091	(667,732)	1,670,359	2,376,659	(668,227)	1,708,432	
Fixed interest rate:		-					
Long term financial placements	212,941	(87,182)	125,759	212,634	(87,182)	125,452	
Short term financial placments	6,897	(266)	6,631	11,170	(266)	10,904	
Subtotal	219,838	(87,448)	132,390	223,804	(87,448)	136,356	
Variable interest rate:		-					
Cash and cash equivalents	972,931	-	972,931	910,118	-	910,118	
Subtotal	972,931	-	972,931	910,118	-	910,118	
Total	3,530,860	(755,180)	2,775,680	3,510,581	(755,675)	2,754,906	

financial liabilities	30/06/2020			31/12/2019		
	Gross	Adjustement	Net sum	Gross	Adjustement	Net sum
Non-ineterest:						
Operating liabilities	27,029		27,029	59,548		59,548
Subtotoal	27,029	-	27,029	59,548	-	59,548
Fixed interest rate		-				
Long term loans						
Current maturities of long term liabilities						
Subtotoal	-	-	-	-	-	-
Variable interest rate		-				

Current maturities of long term liabilities							
subtotal	-	-	-	-	-	-	-
Total	27,029	-	27,029	59,548	-	59,548	

c) Risk of price changes

The Company estimates that there is no risk of price changes because the categories of financial instruments available to the Company are not subject to changes in market prices.

The Company does not operate in securities that are subject to changes in market prices. Also, the Company has no turnover of goods that are subject to price changes.

II - CREDIT RISK

The Company estimates that of all the risks to which financial instruments may be exposed, the largest is credit risk, which is the risk that debtors will not be able to settle their debts in full and on time, which would result in a financial loss for the Company. The Company's exposure to this risk is limited to the amount of trade receivables at the balance sheet date.

The structure of trade receivables is given below.

The structure of trade receivables	30/06/2020			31/12/2019	
	in 000 RSD	partiticipation	value adjustment performed	in 000 RSD	Share
Air Serbia	16,020	4,93%	(2,193)	29,315	8.03%
Jat tehnika	118,102	36,32%	(96,231)	139,533	38.20%
Belgrade Airport d.o.o.	11	0,00%		454	0.12%
International CG	30,115	9,26%	(30,115)	30,115	8.24%
Air Serbia Catering d.o.o.	42,347	13,02%	(41,695)	42,347	11.59%
Aviogenex d.o.o.	50,820	15,63%	(50,820)	50,820	13.91%
AERODROM KETERING D.O.O.	0	0,00%		1,475	0.40%
Other domestic customers	18,541	5,70%	(16,202)	18,599	5.09%
Total domestic customers	275,956	84,86%	(237,256)	312,658	85.59%
Wizz Air		0,00%		2,473	0.68%
Deutsche Lufthansa		0,00%		42	0.01%
ARKIA	1,600	0,49%		1,600	0.44%
Air Cairo Company	5,355	1,65%		5,355	1.47%
Atlasglobal Airlines	1,446	0,44%		1,446	0.40%
Allitalia	20,903	6,43%	(20,903)	20,903	5.72%
FLYDUBAI	2,653	0,82%		2,653	0.73%
Pegasus	5,227	1,61%	(1,311)	5,700	1.56%
Other foreign customers	12,036	3,70%	(7,619)	12,450	3.41%
Total foreign customers	49,220	15,14%	(29,833)	52,622	14.41%
Total gross receivables from domestic and foreign customers	325,176	100,00%		365,280	100.00%
Total of value adjustment	(267,089)		(267,089)	(267,089)	
Total net receivables	58,087			98,191	

III - LIQUIDITY AND CASH FLOW RISK

Liquidity is the ability of the Company to meet its obligations as they fall due. Therefore, liquidity risk is the risk that the Company will have difficulty settling due liabilities, while maintaining the required volume and structure of working capital and maintaining good creditworthiness.

The ultimate responsibility for liquidity risk management lies with the Company's management, which has established an appropriate management system for the needs of short-term, medium-term and long-term financing of the Company as well as liquidity management. By continuously monitoring the planned and actual cash flow, the Company maintains appropriate cash reserves, and also maintains an adequate maturity ratio of financial assets and liabilities.

The following table shows the most significant liquidity indicators of the Company:

- **General liquidity ratio** (ratio of working capital and short-term liabilities) which shows how many dinars of working capital are covered by each dinar of short-term liabilities;
- **Rigorous liquidity ratio** (ratio of liquid assets which means working capital less inventories, and short-term liabilities) which shows how many dinars of liquid assets are covered by each dinar of short-term liabilities;
- **Cash liquidity ratio** (ratio of cash and short-term liabilities) which shows how many dinars of cash are covered by each dinar of short-term liabilities;
- **Net current assets** as the difference between current assets and current liabilities.

Liquidity indicators	Satisfactory and general standards	2020	2019
General liquidity ratio	2 : 1	1.50 : 1	1.49 : 1
Rigorous liquidity ratio	1 : 1	1.50 : 1	1.49 : 1
Cash liquidity ratio		0.33 : 1	0.30 : 1
Net current assets		1,455,215	1,492,789

Capital risk management

The goal of capital risk management is for the Company to maintain the ability to continue operating for an indefinite period of time in order to provide the owners of the Company with a satisfactory return (profit), while maintaining an adequate structure of sources of funds, ie good creditworthiness.

Although there are several criteria on the basis of which conclusions can be drawn about the viability of the assumption of long-term existence of the Company, it is certain that profitable operations, as well as a satisfactory financial structure are one of the basic criteria.

The best representative of profitability is the rate of return on average equity, which shows how much the Company achieves a return on one dinar of average engaged own funds. When calculating this profitability indicator, the average equity is determined as the arithmetic mean of the capital value at the beginning and end of the year

Profitability indicators	in 000 RSD	
	2020	2019
Net profit/loss	(351,799)	24,258
Average capital		
Capital at the beginning of the year	29,672,524	29,708,442
Capital at the end of the year	29,320,725	29,672,524
Total - average capital	29,496,625	29,690,483
Return on equity	1.19%	0.08%

The adequacy of the financial structure is reflected in the amount and character of indebtedness.

The following tables show the most significant indicators of the Company:

- The share of borrowed funds in total sources of funds, which shows how much one dinar of the Company's funds is financed from borrowed funds,
- Share of long-term in total sources of funds which shows how much one dinar of the Company is financed from long-term sources.

Financial structure indicators	in 000 RSD	
	2020	2019
Obligations	3,746,741	3,852,021
Total funds	33,067,466	33,524,545
Share of borrowings in total sources of funds	0,11 : 1	0,11 : 1
Long term funds		
Capital	29,320,725	29,672,524
Long term provisions and obligations	818,305	809,957
Subtotal of long term funds	30,139,030	30,482,481
Total funds	33,067,466	33,524,545
Share of long-term in total sources of funds	0.91 : 1	0.91 : 1

The net indebtedness ratio shows how much each dinar of net indebtedness is covered by the Company's capital. Net indebtedness means the difference between:

- Total (long-term and short-term) financial liabilities of the Company (Total liabilities less capital, long-term provisions and deferred tax liabilities) and
- Cash and cash equivalents.

Parameters for calculating the net indebtedness ratio to total capital	<i>in 000 RSD</i>	
	2020	2019
Net indebtness		
Financial obligations	2,928,436	3,042,064
Cash and cash equivalents	972,931	910,118
Total – Net indebtness	1,955,505	2,131,946
Capital	29,320,725	29,672,524
Ratio of net indebtedness to total capital	14.99	13.92

46. TAX RISKS

The tax laws of the Republic of Serbia are often interpreted differently and are subject to frequent changes. The interpretation of tax laws by the tax authorities in relation to the Company's transactions and activities may differ from management's interpretation. The management believes that the tax liabilities are adequately calculated and recorded.

47. LITIGATION

The Company has lawsuits against the Company. The amounts of final losses on the basis of litigation may be increased on the basis of accrued default interest until the date of termination of disputes, i.e. until the date of final payments on disputes. As at 31st December 2019, the Company has a provision for potential losses based on these litigations in the amount of RSD 90,656 thousand (31st December 2019 - RSD 81,006 thousand) (Note 34). According to the assessment of the Company's management on this basis, no additional material losses are expected in the coming period.

48. EVENTS AFTER THE REPORTING PERIOD

In March 2020, the World Health Organization (WHO) declared a pandemic caused by the COVID 19 virus and issued instructions to combat the spread, which, in addition to personal hygiene and protection, included restricting movement and even closing state borders. In this regard, considering the risks to the population of the Republic of Serbia, on 15th March 2020, the Government of the Republic of Serbia passed the Decision on declaring a state of emergency, which was published in the Official Gazette of the RS no. 29, which was repealed by the Decision published in the Official Gazette no. 65 dated 6th May 2020.

This, among other things, meant the closure of the Nikola Tesla Belgrade airport for international public passenger traffic, which will have a certain impact on the Company's operations in the future.

As the situation with the pandemic calms down globally, and thus locally, international organizations ICAO, IATA, ACI, but also advisors of the Concession Grantor are preparing possible scenarios for the dynamics of recovery of passenger air traffic and normalization of planned public works by DPN, and thus the implementation of the Agreement. on the concession, which is the basis for the Company's business plans in the coming period. Given the above, the management does not expect that there are significant risks related to the continuation of operations and the realization of the Concession Agreement.

Management's assessment implies that the financial condition of the Company is such that there is no uncertainty regarding the Company's ability to continue as a going concern and that there is no material impact on its operations in the period ahead. Also, the management believes that there are no significant risks related to compliance with legal norms, the Company's liquidity and market position in the future that may violate the principle of business continuity.

In accordance with IAS 10 "Events after the Reporting Period", we have not determined the existence of events other than those listed above in the Notes that may affect or affect the truthfulness and objectivity of the financial statements for the period ended 30th June 2020, nor would required corrections to the financial statements.

In Belgrade on 7th August 2020

Managing Director

Saša Vlaisavljević
graduated traffic engineer

**JOINT STOCK COMPANY
AIRPORT NIKOLA TESLA BELGRADE**

**BUSINESS REPORT FOR THE SECOND QUARTER OF 2020
AND FOR THE PERIOD I - VI 2020**

Belgrade , August 2020

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1. GENERAL INFORMATION ON THE COMPANY

On 22nd March 2018, the Concession Agreement for financing, development through construction and reconstruction, maintenance and management of the infrastructure of JSC Nikola Tesla Airport Belgrade and performing the activities of the airport operator at Nikola Tesla Airport in Belgrade was concluded between the Republic of Serbia, represented by the Government of the Republic of Serbia and JSC Belgrade Nikola Tesla Airport (hereinafter: the Company), on the one hand as the Concession Grantor and VINCI Airports Serbia d.o.o. Belgrade, a legal entity established in accordance with the laws of the Republic of Serbia, with its registered office in Belgrade, 11180 Belgrade 59, ID no. 21364568, TIN (tax identification number) 110572920 and VINCI Airports S.A.S., a simplified joint stock company (SAS) with its registered address at 12/14 Louis Blériot Street, Rueil-Malmaison (92500), France, registered in the Trade Register and The company in Nanterre under number 410 002 075, as the selected most favorable individual bidder and founder of a special purpose company (DPN), on the other hand, with the Supplementary Agreement dated 14th December 2018 and the Protocol on updating the annexes to the Concession Agreement dated 21st December 2018 (hereinafter: Concession Agreement).

Bearing in mind that the contracting parties have fulfilled all preconditions stipulated by the contract during the Transition Period, including the payment of a one-time concession fee of 501 million EUR by SPC on 21.12.2018, based on the consent of the Civil Aviation Directorate of the Republic of Serbia with JSC Airport Nikola Tesla Belgrade at Vinci airports Serbia d.o.o. Belgrade, all in accordance with the Law on Air Traffic and the Rulebook on the conditions and procedure for issuing airport certificates, and the concession began on 22nd December 2018 (Concession commencement date).

On 23rd July 2019, the business name of SPC was changed, so that the same was deleted instead of " Vinci airports Serbia d.o.o. Belgrade " - " Belgrade Airport d.o.o. Belgrade".

Pursuant to the adopted consolidated text of the Company's Articles of Association, which entered into force on the Concession Commencement Date, the Company ceased to be an airport operator on the Concession Commencement Date, i.e. instead of the predominant activity 52.23 with changed predominant activity 68.20 Renting and operating of own or leased real estate.

With the change of the predominant activity, the composition of the governing body was changed, as well as the internal organization of the Company in order to adjust the basic activity of the Concession Grantor, which is to monitor the implementation of the Concession Agreement as a public contract in accordance with the Law on Public-Private Partnerships and Concessions(" Official Gazette of RS ", no. 88/2011, 15/2016 and 104/2016) and the Decree on supervision over the implementation of public contracts on public-private partnership (" Official Gazette of RS ", no. 47/2013), and thus the number of employees, their Rights and obligations.

Business name	JOINT STOCK COMPANY AIRPORT NIKOLA TESLA BELGRAE
Head office and address	Belgrade , 11180 Belgrade 59
Register number	07036540
TIN	100000539
web site and e-mail address	www.antb.rs; kabinet@antb.rs
Number and date of registration in the Register of Companies	<p>Registration number: BD 4874/2005</p> <p>Date of registrantion: 15th June 2005</p> <p>Registration number: BD 91540/2012</p> <p>Date of registration;9th July 2012</p> <p>Registration number:BD 100187/2012</p> <p>Date of registration: 20th July 2012</p>
Activity (code and description)	68.20 - Renting of own or leased real estate and management
Number of employees	34 employed as of 30 th June 2020
Value of share capital	21.015.677.400 RSD (as of 30 th June 2020)
Name, the head office of the auditing company that audited the last financial report for 2019	"FinExpertiza" doo, Nušičeva 15 / III, Belgrade
Number of issued shares, ISIN number and CFI COD	Number of ordinary shares 35,026,129 (as of June 30, 2020) CFI code ESVUFR ISIN number RSANTBE 11090
Name of the organized market in which the shares are included	Belgrade Stock Exchange ad Belgrade, Omladinskih brigada 1, 11070 New Belgrade

Ten largest shareholders by number of shares as of 30th June 2020

No.	Name of Shareholder	Number of shares	%of share
1	REPUBLIC OF SERBIA	29,616,702	84.56
2	OTP BANK SERBIA - CUSTODY RN - FO	795,248	2,27
3	VOJVOĐANSKA BANKA AD NOVI SAD CUMULATIVE ACCOUNT	645,100	1,84
4	OTP BANK SERBIA - CUSTODY RN - FO	366,177	1,05
5	RAIFFEISEN BANK AD - CUSTODY RN - KS	57,988	0,17
6	JSC AIRPORT NIKOLA TESLA BELGRADE	55,320	0,16
7	BOŽIĆ SVETISLAV	45,003	0,13
8	KERAMIKA JOVANOVIĆ DOO	32,379	0,09
9	DUAV RE JSC	28,231	0,08
10	RAIFFEISEN BANK AD - CUSTODY RN - KS	24,465	0,07

2. MANAGEMENT INFORMATION

Members of the Management Board for the period I-VI 2020:

Company assembly:		
No.	Name, surname, residence	Education, current employment, (business name of the company and position)
1	Vladimir Dimitrijevic, Belgrade	PhD in Legal Sciences, the Executive Director of the Public Enterprise "Post of Serbia"

Supervisory board:		
No.	Name, surname, residence	Education, current employment, (business name of the company and position)
1	Vesna Stanković Jevđević, Belgrade	Bachelor in Economics, Assistant Director General of the Procurement Directorate of the National Bank of Serbia
2	Srđan Minić, Belgrade	Bachelor in Economics, Technical Support and Documentation Engineer, Telekom Srbija
3	Goran Mirković, Belgrade	Master of Economics, Independent Expert Associate for Capacity Use Control and Analysis - Banknote and Coin Institute of the National Bank of Serbia
4	Petar Jarić, Belgrade	Bachelor in Economics, Deputy Director - National Employment Service
5	Dragoslav Stanković, Doljevac	Professional manager, customer care officer in Elektro distribucija Niš-branch Doljevac

Executive Board:		
No.	Name, surname, residence	Education, current employment, (business name of the company and position)
1	Saša Vlajsavljević, Belgrade	Graduated traffic engineer, President of the Executive Board, General Manager of JSC Airport Nikola Tesla Belgrade
2	Ana Kaluđerović, Belgrade	Mechanical engineer, Executive Director for monitoring and managing the concession project of JSC Airport Nikola Tesla Belgrade

The Company Secretary and the Internal Auditor are organizationally separated and directly responsible for their work to the Supervisory Board.

2.1. OVERVIEW OF CORPORATE GOVERNANCE RULES

The Company, as a member of the Serbian Chamber of Commerce, has accepted the Code of Corporate Governance, which was published in the Official Gazette of the Republic of Serbia, No. 99/2012, as well as on the Company's website www.antb.rs

The rules of this Code are a supplement to the current legislation, so that no provision of the Code repeals a legal rule that regulates the same issue differently. Also, the

Code does not in any way change the meaning or correct interpretation of legal provisions. The Code is within the limits of the law, because it covers matters that are not regulated by law (so-called legal gaps) or are regulated by dispositive legal norms.

The Code contains two types of rules:

- 1) recommendations - rules that the capital company should accept and act upon, and which can be recognized in the Code by the use of the word "should";
- 2) proposals - rules that are considered a desirable practice in the field of corporate governance, and which can be recognized in the Code by the use of the words "can", "should", etc.

The recommendations contained in this Code represent the minimum standards that public joint stock companies (members of the Serbian Chamber of Commerce) should accept and act upon, and if they do not or do not do so in the manner prescribed by this Code, they must provide an explanation for the deviation. statements on the application of the Corporate Governance Code in accordance with the Companies Act.

3. REVENUES AND EXPENSES

Revenues and expenses are presented in accordance with the accounting treatment IFRS 16 - Leasing.

In accordance with the requirements of IFRS 16, the entire assets of the Company are analyzed in terms of the type of assets and the period of their use. Concession funds are treated as follows:

- Infrastructure assets and closely related assets (equipment) - subject to depreciation in accordance with IAS 16 (property, plant and equipment).
- Other assets that are not closely related to infrastructure assets - are considered sold on "Day 1", which marks the beginning of the concession and are accordingly recorded on active accruals (AVR). These assets are not subject to depreciation, but the total value of these assets is deferred over the entire concession period and proportionally reduces the income of the current year.

In accordance with the requirements of IFRS 16, revenue treatment is determined as follows:

- Minimum annual Concession Fee - the total amount of the agreed Minimum Concession Fee is earned per year, in accordance with the determined amounts of the minimum annual concession fee, as defined by the Concession Agreement.
- Variable benefits that depend on the amount of income - are recognized as income in the period to which it relates.
- Revenues from planned capital investments realized by DPN in the name and for the account of the Company (CAPEX) - are accrued by years for the entire period of the Concession from the moment of putting into operation and handing over newly built real Concession funds, as well as upgrades and reconstructions of existing Concession funds. years for the remaining period of the concession

3.1. REVENUES

In the period I-VI 2020, the Company generated total income in the amount of 186,877,418 dinars. The total revenue generated in this way is lower by 48% compared to the revenues generated in the same period last year, and compared to the Business Plan for the period I-VI 2020, it is lower by 44%.

It is important to note that the proclamation of the Corona virus pandemic (Covid 19) had an impact on the Company's operations, and thus a decrease in revenues compared to the same period last year, bearing in mind that the same is related to the business of DPN, which as an operator The airport suffered a significant drop in revenue due to the cessation of public passenger commercial traffic.

Operating revenues in the period I-VI 2020 were realized in the amount of 163,335,494 dinars and make up 87% of the total realized revenues. The realized business revenues by 38% are lower in relation to the realized revenues in the same period of the previous year, and in relation to the Business Plan for the period I-VI 2020, they are lower by 47%.

Within the realized business revenues for the period I-VI 2020, the largest income refers to the income from the annual Concession fee in the amount of 132,357,043 dinars, as well as the income from the acquisition without compensation of cadastral parcels 5251 and 5252

KO Surcin, which were transferred to the Company by DPN in accordance with the provisions of the Concession Agreement. The total area of these plots is 107,650 m².

Applying IFRS 16, the total estimated value (EUR 25.4 million) is proportionally differentiated over the duration of the concession (25 years), so that for the period I-VI 2020, the corresponding income of 59,737,142 dinars was implemented (ie 508 thousand euros). - at the middle exchange rate of the NBS on June 30, 2020, which amounted to 117.5760 dinars).

Financial revenues in the period I-VI 2020 were realized in the amount of 7,731,818 dinars and are lower in relation to the realized revenues in the same period of the previous year by 88%, and in relation to the Business Plan for the period I-VI 2020. they are 91% higher.

In the first quarter of the previous year, the company had significant funds on foreign currency accounts from the payment of a one-time concession fee, hence the significant difference in financial income in relation to the period I-VI 2020.

The structure of financial revenues for the period I-VI 2020 consists of:

- income from exchange rate differences - unrealized in the amount of 4,747,740 dinars and participate with 61% in total financial income;
- interest income in the amount of 2,893,994 dinars and participate with 37% in total financial income;
- income from exchange rate differences - realized in the amount of 90,083 dinars and participate with 2% in total financial revenue.

Other revenues in the period I-VI 2020 were realized in the amount of 15,810,106 dinars and are lower by 49% in relation to the realized revenues in the same period of the previous year, and in relation to the Business Plan for the period I-VI 2020. they are lower by 19%.

The realized other revenues mostly refer to the subsequently determined revenues of previous years.

The structure of realized revenues for the period I-VI 2020 is shown in the table of revenue structures.

REVENUE STRUCTURE I-VI 2020

REVENUE STRUCTURE I-VI 2020						
No	Account name	Realization I-VI 2019	Plan I-VI 2020	Realization I-VI 2020	Index	
1	2	3	4	5	6 (5/3)	7 (5/4)
61	REVENUE FROM SALE OF PRODUCTS AND SERVICES	2,850,629	0	0	0	0
614	REVENUE FROM SALE OF PRODUCTS AND SERVICES	2,850,629	0	0	0	0
65	OTHER OPERATING REVENUE	260,105,935	310,491,081	163,335,494	63	53
652	REVENUE FROM ROYALTIES AND LICENSE FEES	4,250,000	4,250,000	4,250,000	100	100
659	OTHER OPERATING REVENUE	255,855,935	306,241,081	159,085,494	62	52
I	OPERATING REVENUE	262,956,564	310,491,081	163,335,494	62	53
66	FINANCIAL REVENUE	63,608,343	4,039,840	7,731,818	12	191
662	INTEREST REVENUE	15,290,611	4,039,840	2,893,994	19	72
663;664	EXCHANGE RATE DIFFERENCES - REALIZED	47,047,085	0	90,083	0	0
4	EXCHANGE RATE DIFFERENCES - UNREALIZED	1,270,647	0	4,747,740	374	0
II	FINANCIAL REVENUE	63,608,343	4,039,840	7,731,818	12	191
67	OTHER REVENUE	19,417,629	7,768,855	1,481,292	8	19
673	PROFITS FROM SALE OF MATERIALS	0	803,942	0	0	0
675	CHARGED WRITE-OFF RECEIVABLES	12,098,065	6,362,209	494,172	4	8
676	REVENUE FROM EFFECTIVE PROTECTION FROM RISK	629,954	0	530,525	84	0
678	REVENUE FROM REVERSAL OF LONG-TERM AND SHORT-TERM PROVISIONS	5,883,024	0	67,000	1	0
679	OTHER UNMENTIONED REVENUE	806,585	602,704	389,595	48	65
69	PROFIT FROM DISCONTINUED OPERATIONS AND TRANSFER OF INCOME	11,701,521	11,745,764	14,328,814	122	122
692	MONITORING THE EFFECTS OF CHANGE IN ACCOUNTING POLICY AND ADJUSTMENT OF MISTAKES FROM PREVIOUS YEARS	11,701,521	11,745,764	14,328,814	122	122
III	OTHER REVENUE	31,119,150	19,514,620	15,810,106	51	81
	TOTAL INCOME	357,684,057	334,045,541	186,877,418	52	56

II quarter (IV-VI)

In the second quarter of 2020, the Company generated a total income of 18,571,680 dinars. The total revenue generated in this way is significantly lower in relation to the realized revenues in the same period of the previous year, as well as in relation to the Business Plan for the second quarter of 2020.

Operating revenues in the second quarter of 2020 were realized in the amount of 14,832,084 dinars. The realized business revenues are significantly lower in relation to the realized revenues in the same period of the previous year, as well as in relation to the Business Plan for the second quarter of 2020.

It should be noted that the proclamation of the pandemic by the Decision of the World Health Organization was caused by the Corona virus (Covid 19) and reduced the frequency of commercial passenger flights around the world and thus to Belgrade Nikola Tesla Airport, which reduced the revenue of DPN. and the revenues of the Company, ie the amount for the payment of the Concession Fee in the second quarter of 2020 in relation to the same period of the previous year, all in accordance with the Concession Agreement, ie the occurrence of Force Majeure, which is undeniably a pandemic.

Within the realized business revenues for the second quarter of 2020, the largest income refers to the income from the acquisition without compensation of cadastral parcels 5251 and 5252 KO Surcin, which were transferred to the Company by DPN in accordance with the provisions of the Concession Agreement. The total area of these plots is 107,650 m². Applying IFRS 16, the total estimated value (EUR 25.4 million) is proportionally deferred over the duration of the concession (25 years), so that for the second quarter of 2020 the corresponding income of RSD 29,868,571 was implemented, ie EUR 254 thousand - per middle exchange rate of the NBS on June 30, 2020, which amounted to 117.5760 dinars).

Financial revenues in the second quarter of 2020 were realized in the amount of 2,299,118 dinars and are significantly lower than the realized revenues in the same period of the previous year, and are at the level of the Business Plan for the second quarter of 2020.

In the first quarter of the previous year, the company had significant funds on foreign currency accounts from the payment of a one-time concession fee, hence the significant difference in financial income compared to the second quarter of 2020.

The structure of financial revenues for the second quarter of 2020 consists of:

- interest income in the amount of 2,212,273 dinars and participate with 96% in total financial income;
- income from exchange rate differences - realized in the amount of 86,846 dinars and participate with 4% in total financial income.

Other revenues in the second quarter of 2020 were realized in the amount of 1,440,478 dinars and are lower by 92% in relation to the realized revenues in the same period of the previous year, and in relation to the Business Plan for the second quarter of 2020 are lower by 60 %.

The realized other revenues mostly refer to the subsequently determined revenues of previous years.

The structure of generated revenues for the second quarter of 2020 is shown in the table of revenue structures.

REVENUE STRUCTURE IV-VI 2020						
No.	Account name	Realization IV-VI 2019	Plan IV-VI 2020	Realization IV-VI 2020	Index	
1	2	3	4	5	6 (5/3)	7 (5/4)
61	REVENUE FROM SALE OF PRODUCTS AND SERVICES	1,521,315	0	0	0	0
614	REVENUE FROM SALE OF PRODUCTS AND SERVICES	1,521,315	0	0	0	0
65	OTHER OPERATING REVENUE	128,211,735	164,736,632	14,832,084	12	9
652	REVENUE FROM ROYALTIES AND LICENSE FEES	2,125,000	2,125,000	2,000,000	94	94
659	OTHER OPERATING REVENUE	126,086,735	162,611,632	12,832,084	10	8
I	OPERATING REVENUE	129,733,050	164,736,632	14,832,084	11	9
66	FINANCIAL REVENUE	32,506,922	2,289,121	2,299,118	7	100
662	INTEREST REVENUE	1,629,128	2,289,121	2,212,273	136	97
663;664	EXCHANGE RATE DIFFERENCES - REALIZED	36,649,296	0	86,846	0	0
	EXCHANGE RATE DIFFERENCES - UNREALIZED	-5,771,502	0	0	0	0
II	FINANCIAL REVENUE	32,506,922	2,289,121	2,299,118	7	100
67	OTHER REVENUE	18,553,058	3,644,613	591,660	3	16
673	PROFITS FROM SALE OF MATERIALS	0	401,971	0	0	0
675	CHARGED WRITE-OFF RECEIVABLES	12,098,065	2,941,290	0	0	0
676	REVENUE FROM EFFECTIVE PROTECTION FROM RISK	629,954	0	530,525	84	0
678	REVENUE FROM REVERSAL OF LONG-TERM AND SHORT-TERM PROVISIONS	5,599,524	0	0	0	0
679	OTHER UNMENTIONED REVENUE	225,515	301,352	61,135	27	20
69	PROFIT FROM DISCONTINUED OPERATIONS AND TRANSFER OF INCOME	562,058	0	848,817	151	0
692	MONITORING THE EFFECTS OF CHANGE IN ACCOUNTING POLICY AND ADJUSTMENT OF MISTAKES FROM PREVIOUS YEARS	562,058	0	848,817	151	0
III	OTHER REVENUE	19,115,116	3,644,613	1,440,478	8	40
	TOTAL REVENUE	181,355,087	170,670,366	18,571,680	10	11

3.2. EXPENSES

In the period I-VI 2020, the Company realized a total expenditure in the amount of 539,979,250 dinars and is higher by 62% in relation to the realized expenses in the same period of the previous year, and in relation to the Business Plan for the period I-VI 2020 is lower by 3%. The deviation of expenses in relation to the same period of the previous year is the result of the treatment of depreciation costs that were incurred in the period I-VI of the current year in accordance with the application of the accounting standard IFRS 16.

Costs of materials and energy (group 51) in the period I-VI 2020 were realized in the amount of 1,066,539 dinars and are 19% higher compared to the same period in 2019, and in relation to the Business Plan for the period I-VI 2020 are lower by 68%.

Material and energy costs are mostly related to:

- consumed office supplies in the amount of 551,298 dinars - which is 2 times higher compared to the same period last year and
- fuel costs in the amount of 422,573 dinars - which are higher by 10% compared to the same period last year.

Expenses of salaries, allowances and other personal expenses (group 52) in the period I-VI 2020 were realized in the amount of 69,941,403 dinars and make 13% of the total realized expenses. The costs of salaries, allowances and other personal expenses realized in this way are higher by 9% in relation to the same period in 2019, and in relation to the Business Plan for the period I-VI 2020, they are lower by 4%.

It should be noted that with the beginning of the Concession and the change of predominant activity, the number of employees in January of the previous year until 21st January 2019 was 5 employees, which resulted in significantly lower employee costs in January 2019 compared to January 2020, and thus the deviation in the realization of the costs of salaries, allowances and other personal expenses for the period I-VI 2020 in relation to the same period of the previous year

The conclusion is that the salary costs of employees for the period I-VI 2020 did not increase compared to the previous year for the same period, but cumulatively, the percentage of realization depending on the number of employees increased compared to the previous year for the same period.

Costs of production services (group 53) in the period I-VI 2020 were realized in the amount of 16,393,520 dinars and are 49% lower compared to the same period in 2019 and are at the level planned for the period I-VI 2020 .years.

The costs of production services make up 3% of the total realized expenditures, and mostly relate to:

- rent costs in the amount of 12,698,222 dinars - which are 80% higher compared to the same period last year, as well as
- costs of transport services in the amount of 1,079,293 dinars (PTT services - telephones) - are 7 times higher compared to the same period last year.

Within the realized expenses, the largest cost is **the cost of depreciation and provisions** (group 54), which in the period I-VI 2020 was realized in the amount of 347,610,972 dinars and makes 64% of the total realized expenses. They are significantly higher compared to the same period in 2019, and compared to the Business Plan for the period I-VI 2020, it is lower by 2%.

The calculation of depreciation costs in the same period of the previous year in relation to the period I-VI of the current year differs due to the fact that in the previous period were included assets other than Concession assets, which are now stated in accordance with IFRS 16.

In accordance with the requirements of IFRS 16, the entire assets of the Company are analyzed in terms of the type of assets and the period of their use. In the case of Concession Funds, we distinguish between infrastructure assets and closely related assets (equipment) that are subject to depreciation and other assets that are not closely related to infrastructure assets that are considered sold on "Day 1", which indicates the Concession Start Date and accordingly recorded are on active accruals (AVR) and are not subject to depreciation

Intangible costs (group 55) in the period I-VI 2020 were realized in the amount of 94,467,333 dinars and make up 17% of the total realized expenses. Intangible costs realized in this way are higher by 28% compared to the same period in 2019, and compared to the Business Plan for the period I-VI 2020, they are lower by 2%.

Intangible costs mostly relate to:

- costs of property tax of ANT in the amount of 44,917,485 dinars - are higher by 20% compared to the same period in 2019 due to the transfer of land at the estimated value that the Concessionaire transferred to the ownership of ANT, in accordance with the Concession Agreement, as well as
- costs of non-production services in the amount of 44,747,228 dinars - are higher by 46% compared to the same period last year, within which the highest cost is microfilming - (legal obligation to keep documentation from previous years), due to eviction from the archive space at the airport complex.

Financial expenses (group 56) in the period I-VI 2020 were realized in the amount of 5,699,824 dinars and are significantly lower in relation to the same period in 2019, and in relation to the Business Plan for the period I-VI 2020. years are significantly higher.

In the first quarter of the previous year, the company had significant funds on foreign currency accounts from the payment of a one-time concession fee, hence such a significant difference in financial expenses in relation to the period I-VI 2020.

The structure of financial expenditures for the period I-VI 2020 consists of:

- negative exchange rate differences in the amount of 5,689,881 dinars and participate with 99.84% in total financial expenses;
- interest expenses in the amount of 9,220 dinars and participate with 0.16% in total financial expenses.

Other expenses (groups 57, 58 and 59) in the period I-VI 2020 were realized in the amount of 4,799,659 dinars and are lower by 70% compared to the same period in 2019, and are 56% lower in relation to the Business Plan for the period I-VI 2020.

Realized other expenses mostly refer to subsequently determined expenses in previous years.

The structure of realized expenditures for the period I-VI 2020 is shown in the table of expenditure structures.

EXPENDITURE STRUCTURE I-VI 2020						
Account t	Account name	Realization I-VI 2019	Plan I-VI 2020	Realization I-VI 2020	Indices	
f	2	3	4	5	6 (5/3)	7 (5/4)
51	SUPPLIES AND ENERGY COSTS	894,120	3,293,257	1,066,539	119	32
511	COSTS OF WORKING MATERIALS	199,835	389,082	0	0	0
512	COSTS OF OVERHEAD SUPPLIES	309,344	2,404,195	597,185	193	25
513	FUEL AND ENERGY COSTS	385,142	500,000	469,354	122	94
52	WAGES, SALARIES AND OTHER PERSONAL COSTS	64,371,516	73,021,011	69,941,403	109	96
520	SALARY COSTS AND SALARY BENEFITS (GROSS)	46,818,539	53,410,802	52,691,881	113	99
521	COSTS OF TAX AND BENEFITS ON WAGES AND SALARIES - EMPLOYER	7,884,400	8,888,190	8,581,001	109	97
522	COSTS OF BENEFITS UNDER THE WORK CONTRACT - GROSS	586,606	522,789	275,212	47	53
524	COSTS OF FEES BY TEMPORARY AND OCCASIONAL OPERATIONS - GROSS	3,628,715	2,566,649	2,566,031	71	100
526	REMUNERATION TO THE DIRECTOR, OR TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARD	3,844,911	3,872,911	3,872,911	101	100
529	OTHER PERSONAL COSTS AND FEES	1,608,345	3,780,891	1,956,386	122	52
53	COSTS OF PRODUCTION SERVICES	32,149,626	16,366,732	16,393,520	51	100
531	TRANSPORTATION COSTS	854,572	1,080,000	1,281,554	150	121
532	MAINTENANCE SERVICES COSTS	11,397,910	3,050,881	2,398,433	21	79
533	RENTAL COSTS	7,053,517	11,785,852	12,698,222	180	108
535	ADVERTISING AND PROPAGANDA COSTS	12,076,782	450,000	0	0	0
539	COSTS OF OTHER SERVICES	766,864	40,000	15,310	2	38
54	COSTS OF AMORTIZATION AND RESERVATION	11,322,242	354,163,009	347,610,972	3070	98
540	AMORTIZATION COSTS	322,242	317,163,029	337,610,972	104769	106
549	OTHER LONG - TERM PROVISIONS	11,000,000	36,999,980	10,000,000	91	27
55	INTANGIBLE COSTS	73,546,623	95,931,928	94,467,333	128	98
550	COSTS OF NON - PRODUCTION SERVICES	30,612,151	50,284,250	44,747,228	146	89
551	REPRESENTATION COSTS	546,826	1,049,500	1,301,994	238	124
552	INSURANCE PREMIUM COSTS	0	269,973	233,678	0	87
553	PAYMENT TRANSACTION COSTS	1,980,185	0	349,731	18	0
554	MEMBERSHIP FEES	853,188	0	249,500	29	0
555	TAX COSTS	37,334,147	43,181,933	44,917,485	120	104
559	OTHER INTANGIBLE COSTS	2,220,125	1,166,273	2,667,717	120	229
I	BUSINESS EXPENSES	182,284,127	542,775,937	529,479,768	290	98
56	FINANCIAL EXPENSES	135,175,420	2,437,500	5,699,824	4	234
562	INTEREST EXPENSES	9,731,841	0	9,220	0	0
563	NEGATIVE COURSE DIFFERENCES	124,258,279	1,538,739	5,689,881	5	370
564	EXPENSE BASED ON THE EFFECTS OF THE CURRENCY CLAUSE	1,185,300	898,761	722	0	0
II	FINANCIAL EXPENSES	135,175,420	2,437,500	5,699,824	4	234
57	OTHER EXPENSES	1,292,709	350,000	144,052	11	41
579	OTHER UNMENTIIONED EXPENSES	1,292,709	350,000	144,052	11	41
58	EXPENSES BASED ON IMPAIRMENT OF PROPERTY	0	10,639,023	0	0	0
585	IMPARIEMENT OF RECEIVABLES FROM SHORT-TERM FINANCIAL PLACEMENTS	0	10,639,023	0	0	0
59	EXPENSES OF PREVIOUS YEARS	14,673,538	0	4,655,607	32	0
592	EXPENSES BASED ON ADJUSTMENTS OF MISTAKES FROM PREVIOUS YEARS WHICH ARE NOT MATERIAL	14,673,538	0	4,655,607	32	0
III	OTHER EXPENSES	15,966,247	10,989,023	4,799,659	30	44
TOTAL EXPENSES		333,425,794	556,202,459	539,979,250	162	97

II quarter (IV-VI)

In the second quarter of 2020, the Company realized a total expense in the amount of 266,318,804 dinars and is higher by 41% compared to the expenses incurred in the same period last year, and compared to the Business Plan for the second quarter of 2020 is lower by 1%. Deviation of expenses in relation to the same period of the previous year is a result of the treatment of depreciation costs that were performed in the second quarter of the current year in accordance with the application of the accounting standard IFRS 16.

Costs of materials and energy (group 51) in the second quarter of 2020 were realized in the amount of 226,538 dinars and are 59% lower compared to the same period in 2019, and compared to the Business Plan for the second quarter of 2020 are lower by 86%.

Material and energy costs are mostly related to:

- fuel costs in the amount of 159,976 dinars - which are lower by 16% compared to the same period last year.

Expenses of salaries, allowances and other personal expenses (group 52) in the second quarter of 2020 were realized in the amount of 34,019,204 dinars and make up 13% of the total realized expenses. Thus realized costs of salaries, fees and other personal expenses are lower by 8% compared to the same period in 2019, and compared to the Business Plan for the second quarter of 2020 are lower by 7%.

Costs of production services (group 53) in the second quarter of 2020 were realized in the amount of 8,659,175 dinars and are 53% lower compared to the same period in 2019, and compared to the Business Plan for the second quarter of 2020 they are 2% higher.

Costs of production services make up 3% of total expenses, and mostly relate to:

- rent costs in the amount of 6,891,774 dinars - which are 63% higher compared to the same period last year, as well as
- costs of transport services in the amount of 601,750 dinars (PTT services - telephones) - are 4 times higher compared to the same period last year.

Within the realized expenses, the biggest expense is **the cost of depreciation and provisions (group 54)**, which in the second quarter of 2020 was realized in the amount of 181,373,353 dinars and makes 68% of the total realized expenses. They are significantly higher compared to the same period in 2019, and compared to the Business Plan for the second quarter of 2020, it is higher by 2%.

The calculation of depreciation costs in the same period of the previous year in relation to the second quarter of the current year differs due to the fact that in the previous period non-Concession assets were included, which are now stated in accordance with IFRS 16.

In accordance with the requirements of IFRS 16, the entire assets of the Company are analyzed in terms of the type of assets and the period of their use. In the case of Concession Funds, we distinguish between infrastructure assets and closely related assets (equipment) that are subject to depreciation and other assets that are not closely related to infrastructure assets that are considered sold on "Day 1", which indicates the Concession Start Date and accordingly recorded are on active accruals (AVR) and are not subject to depreciation

Intangible costs (group 55) in the second quarter of 2020 were realized in the amount of 35,973,789 dinars and make up 14% of the total realized expenses. Intangible costs realized in this way are lower by 15% compared to the same period in 2019, and compared to the Business Plan for the second quarter of 2020, they are lower by 6%.

Intangible costs mostly relate to:

- costs of property tax of ANT in the amount of 22,411,722 dinars - are higher by 25% compared to the same period in 2019 due to the transfer of land at the estimated value that the Concessionaire transferred to the ownership of ANT, in accordance with the Concession Agreement, as well as
- costs of non-production services in the amount of 10,705,498 dinars - are lower by 51% compared to the same period last year, within which the highest cost is microfilming - (legal obligation to keep documentation from previous years), due to eviction from the archive space at the airport complex.

Financial expenses (group 56) in the second quarter of 2020 were realized in the amount of 5,269,626 dinars and are significantly lower compared to the same period in 2019, while compared to the Business Plan for the second quarter of 2020 they are higher 4 times.

In the first quarter of the previous year, the company had significant funds on foreign currency accounts from the payment of the one-time concession fee, hence the significant difference in financial expenses in relation to the second quarter of 2020.

The structure of financial expenditures for the second quarter of 2020 consists of:

- negative exchange rate differences in the amount of 5,267,903 dinars and participate with 99.97% in total financial expenses.

Other expenses (groups 57, 58 and 59) in the second quarter of 2020 were realized in the amount of 797,119 dinars and are significantly lower compared to the same period in 2019, as well as compared to the Business Plan for the second quarter of 2020. .

Realized other expenses mostly refer to subsequently determined expenses in previous years.

The structure of realized expenditures for the second quarter of 2020 is shown in the table of expenditure structures.

EXPENDITURE STRUCTURE IV-VI 2020

Account t	Account name	Realization IV-VI 2019	Plan IV-VI 2020	Realization IV-VI 2020	Indices	
					6 (5/3)	7 (5/4)
f	2	3	4	5	6 (5/3)	7 (5/4)
51	SUPPLIES AND ENERGY COSTS	558,867	1,646,629	226,538	41	14
511	COSTS OF WORKING MATERIALS	183,855	194,531	0	0	0
512	COSTS OF OVERHEAD SUPPLIES	184,715	1,202,098	47,066	25	4
513	FUEL AND ENERGY COSTS	190,297	250,000	179,472	94	72
52	WAGES, SALARIES AND OTHER PERSONAL COSTS	36,888,126	36,594,132	34,019,204	92	93
520	SALARY COSTS AND SALARY BENEFITS (GROSS)	27,250,327	26,705,401	25,645,774	94	96
521	COSTS OF TAX AND BENEFITS ON WAGES AND SALARIES - EMPLOYER	4,806,115	4,444,095	4,178,403	91	94
522	COSTS OF BENEFITS UNDER THE WORK CONTRACT - GROSS	258,011	261,385	92,680	36	35
524	COSTS OF FEES BY TEMPORARY AND OCCASIONAL OPERATIONS - GROSS	1,764,403	1,303,329	1,282,371	73	98
526	REMUNERATION TO THE DIRECTOR, OR TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARD	1,806,690	1,999,578	1,925,858	107	96
529	OTHER PERSONAL COSTS AND FEES	1,202,579	1,880,345	894,139	74	48
53	COSTS OF PRODUCTION SERVICES	18,319,189	8,457,929	8,659,175	47	102
531	TRANSPORTATION COSTS	403,296	530,000	707,031	175	133
532	MAINTENANCE SERVICES COSTS	2,108,520	1,525,440	1,060,370	50	70
533	RENTAL COSTS	4,228,542	6,157,489	6,891,774	163	112
535	ADVERTISING AND PROPAGANDA COSTS	11,008,065	225,000	0	0	0
539	COSTS OF OTHER SERVICES	572,768	20,000	0	0	0
54	COSTS OF AMORTIZATION AND RESERVATION	143,380	177,081,504	181,373,353	126,498	102
540	AMORTIZATION COSTS	143,380	158,581,514	171,373,353	119,524	108
549	OTHER LONG - TERM PROVISIONS	0	18,499,990	10,000,000	0	54
55	INTANGIBLE COSTS	42,107,603	38,279,078	35,973,789	85	94
550	COSTS OF NON - PRODUCTION SERVICES	21,971,938	15,903,375	10,705,498	49	67
551	REPRESENTATION COSTS	259,741	649,750	1,071,687	413	165
552	INSURANCE PREMIUM COSTS	0	134,968	131,220	0	97
553	PAYMENT TRANSACTION COSTS	1,227,144	0	225,208	18	0
554	MEMBERSHIP FEES	185,000	0	140,000	76	0
555	TAX COSTS	17,894,678	21,590,966	22,411,722	125	104
559	OTHER INTANGIBLE COSTS	569,105	0	1,288,454	226	0
I	BUSINESS EXPENSES	98,017,164	262,059,272	260,252,059	266	99
56	FINANCIAL EXPENSES	95,142,180	1,218,750	5,269,626	6	432
562	INTEREST EXPENSES	8,932,004	0	1,001	0	0
563	NEGATIVE COURSE DIFFERENCES	86,064,448	769,370	5,267,903	6	685
564	EXPENSE BASED ON THE EFFECTS OF THE CURRENCY CLAUSE	145,729	449,380	722	0	0
II	FINANCIAL EXPENSES	95,142,180	1,218,750	5,269,626	6	432
57	OTHER EXPENSES	549,729	175,000	93,000	17	53
579	OTHER UNMENTIOD EXPENSES	549,729	175,000	93,000	17	53
58	EXPENSES BASED ON IMPAIRMENT OF PROPERTY	0	5,319,511	0	0	0
585	IMPARIEMENT OF RECEIVABLES FROM SHORT-TERM FINANCIAL PLACEMENTS	0	5,319,511	0	0	0
59	EXPENSES OF PREVIOUS YEARS	-5,141,213	0	704,119	-14	0
592	EXPENSES BASED ON ADJUSTMENTS OF MISTAKES FROM PREVIOUS YEARS WHICH ARE NOT MATERIAL	-5,141,213	0	704,119	-14	0
III	OTHER EXPENSES	-4,591,484	5,494,511	797,119	-17	15
	TOTAL EXPENSES	188,567,860	268,772,533	266,318,804	141	99

3.3. FINANCIAL RESULT FOR THE PERIOD I-VI AND FOR THE SECOND QUARTER OF 2020

In the period I-VI 2020, a negative financial result was achieved in the gross amount of (353,101,833) dinars and the net amount of (351,798,884) dinars.

The negative financial result for this period for the period I-VI 2020 is mostly the result of the application of IFRS 16, on the basis of which we differentiate revenues based on the Concession Agreement (CAPEX, minimum annual Concession Fee) by years for the entire Concession Period.

FINANCIAL RESULT I-VI 2020						
No.	Position	Realization I-VI 2019	Plan I-VI 2020	Realization I-VI 2020	Indices	
1	2	3	4	5	6 (5/3)	7 (5/4)
1	Operating Income	262,956,564	310,491,081	163,335,494	62	53
2	Operating expenses	182,284,127	542,775,937	529,479,768	290	98
3	Operating profit (1-2)	80,672,437				
3a	Operating loss (2-1)		232,284,856	366,144,273		158
4	Financial income	63,608,343	4,039,840	7,731,818	12	191
5	Financial expenses	135,175,420	2,437,500	5,699,824	4	234
6	Financial profit (4-5)		1,602,340	2,031,994		127
6a	Financial loss (5-4)	71,567,077				
7	Other income	31,119,150	19,514,620	15,810,106	51	81
8	Other expenses	15,966,247	10,989,023	4,799,659	30	44
9	Other profit (7-8)	15,152,903	8,525,597	11,010,447	73	129
9a	Other loss (8-7)					
10	Total income (1+4+7)	357,684,057	334,045,541	186,877,418	52	56
11	Total expenses (2+5+8)	333,425,794	556,202,459	539,979,250	162	97
12	Total gross profit (10-11)	24,258,263				
12a	Total gross loss (11-10)		222,156,919	353,101,833		159
13	Tax expense for period					
14	Deferred tax expense for period					
15	Deferred tax income for period			1,302,948		
16	Personal income paid to the employer					
17	Net profit	24,258,263				
17a	Net loss		222,156,919	351,798,884		158

II quarter (IV-VI)

In the second quarter of 2020, a negative financial result was achieved in the gross amount of (247,747,124) dinars and the net amount of (246,444,176) dinars.

This negative financial result for the second quarter of 2020 is largely the result of the application of IFRS 16, based on which we differentiate revenues under the Concession Agreement (CAPEX, minimum annual Concession Fee) by year for the entire Concession Period.

It is also important to note that the Corona virus pandemic (Covid 19) had an impact on the Company's revenue, and thus on the achievement of a negative financial result.

FINANCIAL RESULT IV-VI 2020						
No.	Position	Realization IV-VI 2019	Plan IV-VI 2020	Realization IV-VI 2020	Indices	
1	2	3	4	5	6 (5/3)	7 (5/4)
1	Operating Income	129,733,050	164,736,632	14,832,084	11	9
2	Operating expenses	98,017,164	262,059,272	260,252,059	266	99
3	Operating profit (1-2)	31,715,885				
3a	Operating loss (2-1)		97,322,640	245,419,975		252
4	Financial income	32,506,922	2,289,121	2,299,118	7	100
5	Financial expenses	95,142,180	1,218,750	5,269,626	6	432
6	Financial profit (4-5)		1,070,371			
6a	Financial loss (5-4)	62,635,259		2,970,508	5	
7	Other income	19,115,116	3,644,613	1,440,478	8	40
8	Other expenses	-4,591,484	5,494,511	797,119	-17	15
9	Other profit (7-8)	23,706,600		643,358	3	
9a	Other loss (8-7)		1,849,898			
10	Total income (1+4+7)	181,355,087	170,670,366	18,571,680	10	11
11	Total expenses (2+5+8)	188,567,860	268,772,533	266,318,804	141	99
12	Total gross profit (10-11)					
12a	Total gross loss (11-10)	7,212,773	98,102,167	247,747,124		253
13	Tax expense for period					
14	Deferred tax expense for period					
15	Deferred tax income for period			1,302,948		
16	Personal income paid to the employer					
17	Net profit					
17a	Net loss	7,212,773	98,102,167	246,444,176		251

It is important to note that despite the negative financial result for the period I-VI 2020 and for the second quarter of 2020, which is the result of the application of IFRS 16 (revenue is deferred over the entire concession period), the achieved result does not represent a risk of successful performing the activities of the Company.

3.4. NUMBER OF EMPLOYEES

NUMBER OF WORKERS ACCORDING TO PERSONNEL RECORDS FOR THE PERIOD I-VI 2020 (last day of the month)

Month	Full time	Part time	Total	occasional jobs	SUM
1	2	3	4 (2+3)	5	6 (4+5)
January	36	0	36	1	37
February	36	0	36	1	37
March	35	0	35	1	36
April	35	0	35	1	36
May	35	0	35	1	36
June	34	0	34	1	35

4. INFORMATION ON INVESTMENTS FOR ENVIRONMENTAL PROTECTION

In accordance with its new registered activity, the Company actively participates in solving the problem of environmental pollution and raising environmental awareness of all employees and other persons with whom it has direct and indirect contact, but also within the obligations under the Concession Agreement cooperates with DPN in this area. DPN in its work applies positive regulations and the highest standards when it comes to environmental protection.

5. DESCRIPTION OF ALL SIGNIFICANT BUSINESS EVENTS THAT HAPPENED IN THE PERIOD I-VI 2020

In the period I-VI 2020 it is necessary to mention the following important business events:

Corona Virus Pandemic (Covid 19)

On March 11, 2020, the World Health Organization declared a pandemic of the Corona virus (Covid 19) and issued instructions for suppressing the spread, which, in addition to personal hygiene and protection, also included restrictions on movement, ie even the closure of state borders.

In this regard, considering the risks to the population of the Republic of Serbia, the Decision of the President of the Republic of Serbia, the President of the National Assembly of the Republic of Serbia and the Prime Minister of the Republic of Serbia of 15.03.2020. year ("Official Gazette of RS" number 29/2020), a state of emergency was declared in the territory of the Republic of Serbia due to the epidemic of the Crown virus (Covid 19).

In order to prevent the spread of the Corona virus epidemic, the RS Government passed a number of acts, including the Decree on the organization of work of employers during the state of emergency on 16th March 2020 ("Official Gazette of RS", No. 31/2020), which regulates a special manner and organization of work of employers on the territory of the Republic of Serbia during the state of emergency.

In accordance with the above decree, the General Manager of JSC Airport Nikola Tesla Belgrade on 19th March 2020, issued a Decision on performing work outside the employer's premises number GD - 273/2020 which applies to all employees for the duration of the state of emergency in the Republic Serbia. Based on the Decision on performing work

outside the premises of the employer, AD Airport Nikola Tesla Belgrade adopted the Work Plan in the conditions of the Corona virus epidemic (Covid 19).

The decision published in the Official Gazette of the Republic of Serbia No. 65 dated 6th May , 2020, abolished the state of emergency on the territory of the Republic of Serbia, declared due to the Corona virus epidemic (Covid 19).

After the abolition of the state of emergency, AD Airport Nikola Tesla Belgrade organized operations in accordance with the emergency measures that are still applied, and which are determined by the acts of the Government of RS, i.e. the conclusions of the Crisis Staff for the control of infectious diseases Covid 19.

Detailed regulation plan

The detailed regulation plan, which is the basis for defining the purpose, capacity and content of the airport complex in accordance with the technological needs and development program of the airport, defining public interest, creating planning opportunities and providing technical infrastructure capacity for planned construction, as well as determining airport protection zones on 30th March 2020 by the Decision of the Assembly of the City of Belgrade number 350-269 / 20-GV.

Starting from the adopted Detailed Regulation Plan for the Nikola Tesla Airport complex, the procedure of obtaining conditions and appropriate permits from the competent state bodies for infrastructure projects in accordance with the regulations of the Republic of Serbia was initiated, as well as performing works in accordance with the adopted Plan.

In the period I-VI 2020, the works on the expansion of the terminal building began at the Airport complex, which will enable additional expansion of the airport capacities.

In the mentioned period, preparatory works on the construction of the inserted runway began. Execution of preparatory works on the construction of the inserted runway is performed in accordance with the regulations governing the construction and reconstruction of line infrastructure facilities of special importance for the Republic of Serbia.

In order to provide additional capacities for parking and servicing aircraft, works have begun on the construction of the platform and the associated maneuvering space necessary for the reception and dispatch of aircraft, as well as for the movement of airport assets and equipment.

Also, in the mentioned period, works on the construction of a remote parking lot and roads for access to a remote parking lot began. Remote parking is provided for long-term parking of vehicles and is located southwest of the threshold 30 of the existing runway. In addition, in the same period, works were carried out on the construction of electricity infrastructure capacity to supply future consumers with electricity.

At the request of the Ministry of Construction, Transport and Infrastructure, through the system of the Unified Procedure, AD Airport Nikola Tesla Belgrade in the period from 1st January 2020. until 30th June 2020, processed 8 requests for the issuance of conditions for the design and connection of facilities to the communal infrastructure that is in our ownership for the implementation of projects at the airport complex.

Executive procedure

In May 2020, in order to collect receivables from Aerodrom Katering d.o.o. Surcin, an executive procedure was initiated within which the claim of JSC Belgrade Nikola Tesla Airport was collected in the amount of 1,000,511.17 dinars with the corresponding interest.

5.1. DESCRIPTION OF ALL SIGNIFICANT BUSINESS EVENTS THAT OCCURRED AFTER THE EXPIRY OF THE PERIOD I-VI 2020

In the period I-VI 2020, it is necessary to mention the following important business events that occurred after the expiration of the period I-VI 2020:

Monitoring of the implementation of infrastructure projects in the DPN continued, in compliance with all recommendations due to the emergency measures that remained in force even after the lifting of the state of emergency due to the Covid 19 pandemic.

6. DESCRIPTION OF THE MOST SIGNIFICANT RISKS AND UNCERTAINTIES IN THE PERIOD I-VI 2020

With the introduction of the state of emergency on the territory of the Republic of Serbia due to the pandemic caused by the Corona virus (COVID 19), as well as the Decision of the Government of the Republic of Serbia to suspend commercial flights from Nikola Tesla Airport Belgrade, there were significant disruptions in operations at the airport. More detailed information on disturbances will be known after appropriate analyzes and implementation of appropriate measures for the safe operation of air traffic with minimal impact on passenger safety.

Based on the business analysis, the management does not expect that there are significant risks related to the continuation of business and the realization of the Concession Agreement. Management's assessment implies that the financial condition of ANT is such that there is no uncertainty as to the ability of ANT to continue as a going concern and that there is no material impact on the business.

Due to the existence of market risks that affect financial instruments, the Company's management meticulously monitors the trends that lead to risk and takes the necessary measures to manage risks. Also, the management believes that there are no significant risks related to the fulfillment of legal norms, the company's liquidity and market position in the future, which may violate the principle of business continuity.

The Company settles its current obligations within the agreed deadlines.

7. SIGNIFICANT AFFAIRS OF THE COMPANY WITH RELATED PERSONS

The Company has no related parties pursuant to the Law on Companies (" Official Gazette of RS " No. 36/2011, 99/2011, 83/2014, 5/2015, 44/2018, 95/2018 and 91/2019 Article 62) accordingly, there are no business activities with related parties.

7.1. EXISTENCE OF BRANCHES

JSC Nikola Tesla Airport Belgrade has no branches within the Company.

Belgrade, August 2020

Managing director

Saša Vlaisavljević, graduated traffic engineer

Managing Director - Chairman of the Executive Board



Number: GD - 615/2020	E: kabinet@antb.rs www.antb.rs	11180 Belgade 59, Republic of Serbia
Date: 13 th August	SITA: BEGOWXX	Register number: 07036540 TIN: 100000539

Pursuant to Article 52, paragraph 3, item 7), and in connection with Article 53, paragraph 2 of the Law on Capital Market ("Official Gazette" No. 31/2011, 112/2015, 108/2016 and 9/2020) we make the following:

STATEMENT

We declare that, to the best of our knowledge, the Quarterly Report for the second quarter of 2020 has been prepared using appropriate international financial reporting standards and provides true and objective information about assets, liabilities, financial position and operations, profits and losses, cash flows and changes in capital of JSC Airport Nikola Tesla Belgrade.

This statement was made for the purpose of publishing the Quarterly Report of JSC Belgrade Nikola Tesla Airport for the second quarter of 2020 and cannot be used otherwise.

Head of the Finance, Accounting and Planning
Sector
Jelena Arsenijević, Bachelor of Economics

Managing director
Saša Vlajsavljević, graduated traffic
engineer

**AD AIRPORT NIKOLA TESLA BELGRADE
SUPERVISORY BOARD**

Number: DNO - 107/2020

Date: 14th August 2020

Pursuant to Article 53 of the Law on Capital Market ("Official Gazette of RS" No. 31/2011, 112/2015, 108/2016 and 9/2020) and Article 32, paragraph 1, item 5) of the Statute of the Joint Stock Company Airport Nikola Tesla Belgrade (number: 361 of February 5, 2019 - consolidated text), the Supervisory Board of the Joint Stock Company Belgrade Nikola Tesla Airport, at the 307th session held on August 14, 2020, made the following:

DECISION

1. The Financial Report on 30th June 2020 of the Joint Stock Company Belgrade Nikola Tesla Airport is approved.
2. This Decision shall enter into force on the day of its adoption.

Rationale

In addition to the regular annual financial statements in accordance with the Law on Accounting (Official Gazette 62/13, 30/2018 and 73/2019 - other law), the Law on Capital Market ("Official Gazette of RS", No. 31 / 2011, 112/2015, 108/2016 and 9/2020) and the Rulebook on the conditions and manner of public disclosure of financial statements and keeping the register of financial statements (Official Gazette 127/14, 101/2016 and 111/2017), shall be submitted to the Agency for Business registers after adoption by the competent authority (Company Assembly) no later than 45 days after the end of the quarter, Public companies have additional reporting obligations prescribed by the Law on Capital Market, the Rulebook on the content, form and manner of publishing annual, semi-annual and quarterly reports of public companies. on the manner in which Public Companies submit information to the Securities Commission.

Pursuant to Article 53, paragraph 1 of the Law on Capital Market, a public company whose securities are traded on a regulated market shall compile, publish and submit to the Commission and the market organizer a quarterly report, no later than 45 days after the end of each of the first three quarters of the current business year, as well as to ensure that this report is available to the public for at least five years from the date of publication.

JSC Airport Nikola Tesla Belgrade has prepared the Financial Report as of 30th June 2020, which includes: Balance Sheet as of 30th June 2020. Income statement for the period I-VI 2020, Report on the remaining result for the period I-VI 2020, Report on changes in equity until 30th June 2020, Report on cash flows for the period I-VI 2020 and Notes to the financial statements 30th June 2020.

The Financial Report as of 30th June 2020 was sent to the Audit Committee, which at its 68th session held on 14th August 2020 adopted a Conclusion confirming the correctness of the Financial Report as of 30th June 2020 and submitted it to the Supervisory Board. for consideration and approval.

Based on all the aforesaid, the Supervisory Board decided as in the enacting clause.

Chairman of the Supervisory Board

Vesna Stanković Jevđević, Bachelor of Econ

**AD AIRPORT NIKOLA TESLA BELGRADE
SUPERVISORY BOARD**

Number: DNO - 108/2020

Date: 14th August, 2020

Pursuant to Article 53 of the Law on Capital Market ("Official Gazette of RS" No. 31/2011, 112/2015, 108/2016 and 9/2020) and Article 32, paragraph 1, item 5) of the Statute of the Joint Stock Company Airport Nikola Tesla Belgrade (number: 361 of February 5, 2019 - consolidated text), the Supervisory Board of the Joint Stock Company Belgrade Nikola Tesla Airport, at the 307th session held on 14th August 2020, made the following:

DECISION

1. The Business Report for the second quarter and for the period I-VI 2020 of the Joint Stock Company Belgrade Nikola Tesla Airport is approved.
2. This Decision shall enter into force on the day of its adoption.

Rationale

In addition to the regular Annual Financial Statements in accordance with the Law on Accounting (Official Gazette 62/13, 30/2018 and 73/2019 - other law), the Law on Capital Market ("Official Gazette of RS", No. 31 / 2011, 112/2015, 108/2016 and 9/2020) and the Rulebook on the conditions and manner of public disclosure of financial statements and keeping the register of financial statements (Official Gazette 127/14, 101/2016 and 111/2017), shall be submitted to the Agency for Business registers after adoption by the competent authority (Company Assembly) no later than 45 days after the end of the quarter, Public companies have additional reporting obligations prescribed by the Law on Capital Market, the Rulebook on the content, form and manner of publishing annual, semi-annual and quarterly reports of public companies. on the manner in which Public Companies submit information to the Securities Commission.

In accordance with Article 53, paragraph 1 of the Law on Capital Market, a public company whose securities are traded on a regulated market is obliged to compile, publish and submit to the Commission and the market organizer a quarterly report, no later than 45 days after the end of each of the first three. quarters of the current business year, as well as to ensure that this report is available to the public for at least five years from the date of publication.

С обзиром на наведено, поступајући у складу са важећим прописима и Статутом сачињен је Извештај о пословању за друго тромесечје 2020. године и у складу са Статутом и Пословником о раду Надзорног одбора достављен је Комисији за ревизију ради потврђивања исправности наведеног Извештаја о пословању, као и упућивања Надзорном одбору на разматрање и доношење Одлуке о одобравању Извештаја о пословању за друго тромесечје и за период I-VI 2020. године.

Given the above, acting in accordance with applicable regulations and the Articles of Association, the Business Report for the second quarter of 2020 was prepared and in accordance with the Articles of Association and the Rules of Procedure of the Supervisory Board submitted to the Audit Committee to confirm the correctness of the Business Report. referrals to the Supervisory Board for consideration and adoption of the Decision on approval of the Business Report for the second quarter and for the period I-VI 2020.

The Supervisory Board reviewed the submitted Business Report for the second quarter and for the period I-VI 2020, as well as the Conclusion of the Audit Committee, and based on the above, decided as in the enacting clause.

Chairman of the Supervisory Board

Vesna Stanković Jevđević, Bachelor of Economics

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Vlaisavljević
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Saša Vlaisavljević
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