



JADRAN d.d. za hotelijerstvo i turizam
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OIB: 56994999963

MANAGEMENT REPORT Q2 2021

1. GENERAL INFORMATION

Corporate name

Jadran, dioničko društvo za hotelijerstvo i turizam, Reg. No. (MBS): 040000817, Personal Identification Number (PIN): 56994999963. The short corporate name is JADRAN d.d.

Registered office and legal form

JADRAN d.d. is a joint-stock company. It has its registered office at Bana Jelačića 16, Crikvenica, Republic of Croatia.

Securities

As of 31 March 2021, the Company's share capital was HRK 482,507,730.00, divided into 27,971,463 common shares with no nominal value. The shares were issued in dematerialized form, ticker symbol: JDRN-R-B, ISIN code: HRJDRNB0002, and are held at the repository of the Central Depository and Clearing Company.

Management Board Members:

- Goran Fabris, Chairman of the Management Board
- Ivan Safundžić, Management Board Member

Supervisory Board:

- Tomislav Kitonić, Chairman of the Supervisory Board
- Karlo Došen, Deputy Chairman of the Supervisory Board
- Ivan Blažević, Supervisory Board Member until 23 April 2021
- Adrian Čajić, Supervisory Board Member until 23 April 2021
- Dragan Magaš, Supervisory Board Member
- Mirko Herceg, Supervisory Board Member

Jadran Group comprises Jadran d.d. and its subsidiaries:

- Club Adriatic d.o.o, in which Jadran holds 4 shares having a total value of HRK 117,104,500.00 and representing 100% of shares and voting rights – one share having a nominal value of HRK 9,900.00, one share having a nominal value of HRK 53,572,100.00, one share having a nominal value of HRK 6,418,000.00, and one share having a nominal value of HRK 57,104,500.00; and
- Stolist d.o.o., in which Jadran holds 100% of shares.

List of Company shareholders holding 5 percent or more of the Company's share capital (balance as at 30 June 2021):

- ADDIKO BANK D.D./PBZ CO OMF – CLASS B holds 16,238,875 shares accounting for 58.06% of the Company's share capital; and
- OTP BANK D.D./ERSTE PLAVI OMF, CLASS B, holds 8,547,346 shares accounting for 30.56% of the Company's share capital.

2. COMPANY AND GROUP BUSINESS RESULTS

The Company's and Group's business in Q2 2021 continued to be strongly affected by the COVID-19 pandemic. However, despite many efforts used on the global and local levels to put the pandemic under control, the Company and the Group recorded improved performance in the first half-year of 2021 compared to the same period last year. Business is conducted subject to strict compliance with all epidemiological measures and maximum protection of all guests and employees of the Company and the Group.

In Q2, the Management Board continued to manage the Company and the Group in line with the targets set, ensuring that operating costs are rationalized as far as possible and that liquidity is controlled. The ultimate goal is to ensure business continuity, preserve jobs and maintain Company's and Group's financial stability in these new conditions. Capital expenditures have been limited to those necessary to complete the investments launched in earlier years and amenities in specific properties, as well as our investments in the beach operation segment where such obligation on our part arises from the relevant concession agreements. All other operating costs have been limited to those necessary to maintain business continuity.

On 6 May 2021, JADRAN d.d. entered into a Lease Agreement with the Ministry of Physical Planning, Construction and State Property for the Uvala Slana Camp including the Club Vala Aparthotel in Selce for a term of 3 years starting on 14 May 2021. This lease increased the Company's and Group's capacity by 189 accommodations.

In the first half-year of 2021, the Company recorded 65,093 overnights, which is 183% more than those recorded in the same period last year. Comparing the first half-year of 2021 in terms of physical indicators with the same period in 2019, being the most recent tourism reference year, the Company recorded 66% of the overnights recorded in 2019. In the January-June 2021 period, the Group recorded a total of 75,372 overnights, which is 206% of the overnights recorded in 2020 and 58% of all overnights recorded in the same period in 2019.

These figures are certainly an improvement over last year, but still significantly below the sales results achieved in 2019.

In the January-June 2021 period, JADRAN d.d. obtained total revenue of HRK 29,204,073, which is 160% (HRK 17,969,001) less than the revenue earned in the same period in 2020 and 3% (HRK 897,006) less than the revenue earned in the same period in 2019. Operating revenue amounted to HRK 26,135,065, HRK 14,930,263 more than earned the same period in 2020 and 12% or HRK 3,437,711 less than earned in the same period in 2019. In the January-June 2021 period, financial income amounted to HRK 3,069,008, which is HRK 3,038,738 more than such income earned in the same period in 2020 and HRK 2,540,705 more than such income earned in the same period in 2019.

During the relevant period, the Company applied for and received job preservation aid for January, February, March, April and May of HRK 4,409,761, whereas the aid received by the Company in the same period in 2020

covered March, April and May and amounted to HRK 1,728,702. It should be noted at this point that the total amount of aid received in the January-June period also includes the contributions written off, whereas in 2020 the contributions for the aid received up to 30 June 2020 were not written off until August. Compared to the total revenue earned in the first half-year of 2020 exclusive of such aid, the revenue earned in 2021 exceeds by HRK 15,287,942 the revenue earned in the same period in 2020 and is HRK 5,306,767 below the revenue earned in the same period in 2019.

Company's total expenses in the January-June 2021 period were HRK 55,531,296, 26% more than the expenses incurred in the same period last year.

Operating expenses amounted to HRK 50,051,722, which is 20% more than the operating expenses incurred in 2020. In 2021, material costs amounted to HRK 11,793,875, which is HRK 5,509,300 more than such costs incurred in 2020. Personnel costs incurred in 2021 were HRK 12,865,824, which is 19% less than those incurred in the same period in 2020. Other costs incurred in 2021 amounted to HRK 3,576,218, which is 32% more than the costs incurred in the same period in 2020. Other operating expenses totaled HRK 151,060, which is 15% less than those incurred in the same period in 2020.

Financial expenses were HRK 5,479,574, which is HRK 3,135,665 more than those incurred in the same period in 2020. Such increase is a result of operating leases (IFRS 16) entered into for new properties, increase in interest on loans and increase in foreign exchange losses resulting from such loans by HRK 971,323. Such increase in interest costs resulting from operating leases in 2021 compared to the same period in 2020 is a result of the fact that leases were activated and adjusted. Namely, Hotel Lišanjanj was activated in February of 2020, Garden Palace Resort Umag in July of 2020, and Uvala Slana Camp in May of 2021. In 2020, the Management Board of the Company also adjusted the leases for the relevant properties to protect the Company's liquidity, but also to ensure that the leases remain financially feasible. All this resulted in an increase in lease interest costs in 2021 compared to the same period in 2020.

Leases relating to our new commercial properties were activated in 2020, which according to IFRS 16 resulted in an increase in the value of intangible assets and, consequently, an increase in lease liabilities by HRK 4.4 million.

In the January-June 2021 period, the Company incurred a loss of HRK 26,327,223 compared to a loss of HRK 32,781,351 incurred in the same period in 2020. EBITDA earned in the January-June 2021 period was minus HRK 2,251,912, whereas EBITDA earned in the same period last year was minus HRK 8,773,589.

In the January-June 2021 period, JADRAN Group obtained total revenue of HRK 37,723,253, compared to HRK 13,213,058 and HRK 33,924,017 earned in the same periods of 2020 and 2019, respectively. It should be noted that HRK 1,730,007 of such revenue earned in 2021 is a result of selling properties of CLUB ADRIATIC d.o.o. in accordance with the Group's divestment plan made earlier.

Operating revenue was HRK 34,987,939, which is HRK 21,850,535 more than the revenue earned in the same period last year and HRK 1,592,269 more than earned in 2019. Financial income in 2021 was HRK 2,735,314, compared to HRK 75,654 earned in 2020 and HRK 528,347 earned in 2019.

The Group applied for and received job preservation aid intended for sectors affected by COVID-19. The aid was granted for the January-May 2021 period, totaling HRK 5,475,736, however, it was only granted for the January-May period, whereas Club Adriatic d.o.o. also applied for such aid for June, which they expect to receive in July. Exclusive of such aid's impact on revenue, Group's total revenue would exceed such revenue earned in 2020 by HRK 21,330,736 and be HRK 1,676,500 below that earned in the same period in 2019.

Group's total expenses incurred in the January-June 2021 period were HRK 64,108,152, which is 30% more than such expenses incurred in the same period in 2020.

In the January-June 2021 period, operating expenses totaled HRK 57,771,651, which is 23% more than those incurred in the same period in 2020.

Financial expenses were HRK 6,336,501, compared to HRK 2,375,960 incurred in the same period last year.

Loss incurred in the first half-year of 2021 was HRK 26,384,899, compared to the loss of HRK 36,118,228 incurred in the same period of 2020.

In the January-June 2021 period, the Group earned EBITDA of HRK 2,454,952, compared to minus HRK 10,960,546 earned in the relevant period of 2020. However, it should be taken into account that HRK 1,730,007 earned in 2021 relates to the net effect of a property sold earlier.

Club Adriatic d.o.o.'s claim against the Municipality of Podgora was also recorded in the first half-year, as supported by Judgment No. 61 Pž – 2766/2019-2.

3. COMPANY AND GROUP RISK EXPOSURE

Primary risks in Company's and Group's business are as follows:

Competition risk

Competition risk in the tourism market is very high because other similar tourism destinations have invested substantial funds in the growth and development of their capacities, as well as in marketing activities focused on tourist arrivals. Among other things, competition is based on the prices, quality and substance of tourism offerings in Crikvenica Riviera and Makarska Riviera and other domestic and foreign tourism destinations. To increase its market competitiveness, the Company and the Group launched an investment cycle in the 2018-2020 period, which includes not only investments in accommodations to increase the number of units and improve accommodation quality, but also investments in the destination through active involvement in all events and designing new attractions in Crikvenica Riviera and Makarska Riviera. In this context, it is also necessary to take into account the competition risk affecting the destinations in which the Company and the Group operate and the fact that most of Company's and Group's properties are located in Primorje-Gorski Kotar County where, according to the current figures, the COVID-19 situation is far worse than that in the adjacent Istria County, which to a certain extent impairs the competitiveness of Crikvenica Riviera as a destination.

Currency risk

The official currency of the Company and the Group is HRK however certain transactions in foreign currencies are translated into HRK according to the exchange rate applicable on the balance sheet date. The resulting foreign exchange differences are recorded as expenses or through profit and loss, but do not affect operating cash flow.

Interest rate risk

The Company and the Group are exposed to interest rate risk because they enter into loan agreements with, inter alia, variable interest rates with banks, which exposes the Company and the Group to increased risk.

Settlement risk

Settlement risk is present in all bilateral transactions. Considering that the performance of monetary obligations to the issuers is one of the key elements necessary for uninterrupted business, the Company and the Group give high importance to this risk. The Company and the Group have established stringent procedures to minimize collection risks. During the pandemic, certain partners may be additionally exposed to liquidity risk, which may result in increased settlement risk. In addition, settlement risk arising from executed contracts may be significantly increased in case a contract is terminated for force majeure or if free movement of persons and goods is prevented during pandemics.

Inflation risk

Inflation risk is in particular present in contractual relationships where the price of a service or product is indexed and tied to Croatian National Bank's strong HRK policy. As this is an external risk, the ability to

eliminate it is minimal. For the purpose of minimizing inflation risk, the Company and the Group insist on negotiating fixed terms of supply with all suppliers where possible. Suppliers of energy are an exception – their prices are subject to stock exchange variations

Liquidity risk

The Company and the Group manage this risk by maintaining adequate reserves and by obtaining loans from banks and using other sources of funding, by constantly monitoring planned and actual cash flows, and by comparing maturity profiles of financial assets and liabilities. The Company and the Group treat this risk as particularly important as long as there is increased uncertainty with regard to revenue earning abilities as a result of the pandemic's adverse effects on the free movement of guests, impairment of their spending powers, and default on contracts by business partners.

Having implemented our divestment plan formulated earlier by selling some properties owned by CLUB ADRIATIC d.o.o., the Group ensured the liquidity necessary to conduct its business without interruption and develop.

Liquidity risk management includes maintaining sufficient amounts of cash and working capital.

Risk of tax and concession legislation developments

The risk of tax and concession legislation developments is the likelihood that legislative authorities will amend tax legislation in a way that they adversely impact the Company's and Group's profitability. This risk is reflected in potential changes in tax rates and taxable assets, as well as in changes in regulations concerning concessions and concessional authorizations. The right to use a maritime domain is one of the significant conditions precedent to further operation of the Company and the Group, so the Company and the Group have actively endeavored to establish new bases for cooperation with the local community in this segment. The Company and the Group hope that, during the pandemic, the legislators, the executive authorities and the local community will offer various financial and operating benefits to entities exposed to significant adverse impacts of the pandemic, in addition to the measures necessary to protect people's health.

Tourism industry risk

Tourism trends are largely affected by the broader political situation, growth of terrorism, the global financial crisis and the pandemic. As an industry, tourism is highly sensitive to the state of security at the destination and its surroundings. After the risk in some rival destinations was reduced (e.g. Turkey, Greece), the competitive position of both Croatian tourism and the Company has become additionally weakened. By launching the aforementioned investment cycle, the Company and the Group will endeavor to minimize the impact of adverse market trends and the resulting risks.

The global financial crisis may significantly reduce the spending power of individuals inclined to traveling, whereas a pandemic may also significantly reduce or completely eliminate the effects of tourist arrivals at the Company's and Group's destination as a result of the inability to travel outside one's own country or fear for own health and future.

Environmental risk

Environmental risk may significantly affect the Company's and Group's performance, notably through the quality of the sea and coast where guests stay. Climate change may directly affect the length of stay in Company's and Group's accommodation facilities. This risk also includes other natural disasters.

4. EMPLOYEES

As of 30 June 2021, the JADRAN d.d. employed a total of 332 persons.

As of 30 June 2021, Club Adriatic d.o.o. employed a total of 75 persons.

As of 30 June 2021, Stolist d.o.o. had no employees.

As of 30 June 2021, the Group employed 407 persons.

5. RESEARCH AND DEVELOPMENT ACTIVITIES

The Company and the Group constantly monitor developments in its environment and invests in market research, identification of business opportunities, and new acquisitions. The Company and the Group direct and support its affiliate's activities.

6. COMPANY AND GROUP OWN SHARE REDEMPTION

As of 30 June 2021, the share capital of Jadran d.d. was HRK 482,507,730.00, divided into 27,971,463 common dematerialized shares with no nominal value, and the Company held 631 own shares, which accounted for 0.0023% of the Company's share capital.

As of 30 June 2021, the share capital of Club Adriatic d.o.o. was HRK 117,104,500.

As of 30 June 2021, the share capital of Stolist d.o.o. was HRK 20,000.

7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no events relevant to the Company or the Group after the reporting period.

8. CODE OF CORPORATE GOVERNANCE

The shares of JADRAN d.d. were listed on the official market of Zagreb Stock Exchange (ZSE) in January of 2018. Information about significant shareholders is available on a daily basis on the official website of the Central Depository and Clearing Company (www.skdd.hr).

The Company's share capital is HRK 482,507,730.00, divided into 27,971,463 registered common dematerialized shares without nominal value, each entitling its holder to one vote. There are no holders of securities in the Company that entail special control rights or voting limitations to a specific percentage or number of votes. As of 30 June 2021, the Company held 631 own shares.

In their business activities, JADRAN d.d. and the Group comply with good corporate governance practice by applying the Code of Corporate Governance adopted by the Croatian Financial Services Supervisory Agency (HANFA) and Zagreb Stock Exchange, Inc., Zagreb. This Code has been in effect as of 1 January 2020 and is published on the Stock Exchange website (www.zse.hr) and on the website of the Croatian Financial Services Supervisory Agency (www.hanfa.hr). The Company's application of the Zagreb Stock Exchange's Code is reflected in an annual questionnaire which is publicly disclosed in accordance with the applicable regulations. The answers in the Questionnaire clearly show which provisions of the Code are complied with by the Company and the Group and which are not, and the Questionnaire is publicly available on Zagreb Stock Exchange's website (www.zse.hr).

The General Meeting is convened in accordance with the Companies Act and the Company's Articles of Association. The method of proceeding, notices of the General Meeting, proposals for Resolutions and the Resolutions passed by the General Meeting are published in accordance with the Companies Act, the Capital Market Act, the Zagreb Stock Exchange Rules, and the Company's Articles of Association. Registrations for the General Meeting are time-limited - shareholders are required to register their participation within the period defined in the Companies Act.

The Company has no securities with special control rights or any voting restrictions. Each share entitles to one vote.

Pursuant to the Code of Corporate Governance of Zagreb Stock Exchange and HANFA, the Supervisory Board comprises mostly independent members who have no business, family or any other relations with the Company or its majority shareholder or a group of majority shareholders or any Management Board or Supervisory Board members of the Company or the majority shareholder. The Supervisory Board has five members, four of whom are elected and removed by the General Meeting and one representative is elected by the employees in accordance with the Labor Act. The rules for appointing and removing Management Board and Supervisory Board members are defined by the Articles of Association and the Companies Act.

There are no restrictions with regard to any executive, managing or supervisory organs or any other level based on gender, age, education, profession, or any other restrictions.

The Company's Supervisory Board operates three committees which assist the Supervisory Board by preparing decisions to be taken by the Supervisory Board and supervising their implementation. Such committees are: Audit and Rewarding Committee, the Appointments Committee, and the Corporate Governance Committee.

In 2021, the Company's Management Board managed the Company's business in accordance with the Companies Act, the Articles of Association and other internal corporate documents of the Company and fully complied with the provisions of the Code.

Each Management Board member is authorized to represent the Company jointly with another Management Board member.

The Company has established its Internal Audit Department responsible for evaluating the levels of risk management in business processes, examining the effectiveness of the internal controls system for risk management and compliance purposes, testing and analyzing the compliance of the existing business systems with the adopted policies, plans, procedures, laws and rules which may have a significant impact on business reports. It is responsible for recommending preventive measures in the field of financial reporting, compliance, operations and control for the purpose of eliminating any risks or defects which may render processes ineffective, or fraud. The Internal Audit Department informs the Management Board, the Audit and Rewarding Committee and the Supervisory Board of its activities and audit plan.

As part of its organizational model that encompasses all business operations and processes, the Company maintains developed internal control systems on all relevant levels which, inter alia, provide a true and fair view of financial statements and business reports.

Pursuant to the Capital Market Act, the Zagreb Stock Exchange Rules and other applicable regulations, JADRAN d.d. duly discloses the required inside information and any changes thereto as soon as such changes occur.



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APPENDICES - FINANCIAL STATEMENTS (UNAUDITED)

BALANCE SHEET
balance as at 30.06.2021

in HRK

Submitter: JADRAN d.d.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	838,396,068	831,950,061
I INTANGIBLE ASSETS (ADP 004 to 009)	003	105,149,407	100,546,849
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	617,815	638,179
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	104,531,592	99,908,670
II TANGIBLE ASSETS (ADP 011 to 019)	010	614,665,476	612,822,027
1 Land	011	241,100,535	241,100,535
2 Buildings	012	245,731,257	241,430,152
3 Plant and equipment	013	93,220,419	85,293,562
4 Tools, working inventory and transportation assets	014	0	0
5 Biological assets	015	815,134	750,678
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	2,666,455	13,169,531
8 Other tangible assets	018	0	0
9 Investment property	019	31,131,676	31,077,569
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	118,581,185	118,581,185
1 Investments in holdings (shares) of undertakings within the group	021	118,581,185	118,581,185
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	0	0
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	0	0
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	0	0
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	0	0
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	59,087,920	50,953,870
I INVENTORIES (ADP 039 to 045)	038	451,721	1,488,481
1 Raw materials and consumables	039	438,011	1,436,277
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	13,710	52,204
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	7,345,797	15,753,232
1 Receivables from undertakings within the group	047	1,288,253	102,372
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	413,226	5,000,737
4 Receivables from employees and members of the undertaking	050	24,174	43,089
5 Receivables from government and other institutions	051	4,162,721	5,309,204

6 Other receivables	052	1,457,423	5,297,830
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	24,626,866	14,423,009
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	24,626,866	14,423,009
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	26,663,536	19,289,148
D) PREPAID EXPENSES AND ACCRUED INCOME	064	129,299	918,310
E) TOTAL ASSETS (ADP 001+002+037+064)	065	897,613,287	883,822,241
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	489,813,046	463,485,823
I INITIAL (SUBSCRIBED) CAPITAL	068	482,507,730	482,507,730
II CAPITAL RESERVES	069	234,210,922	234,210,922
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	0	0
1 Legal reserves	071	0	0
2 Reserves for treasury shares	072	0	0
3 Treasury shares and holdings (deductible item)	073	0	0
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	-119,422,493	-226,905,606
1 Retained profit	084	0	0
2 Loss brought forward	085	119,422,493	226,905,606
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	-107,483,113	-26,327,223
1 Profit for the business year	087	0	0
2 Loss for the business year	088	107,483,113	26,327,223
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	484,001	484,001
1 Provisions for pensions, termination benefits and similar obligations	091	484,001	484,001
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	252,534,489	355,236,244
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	143,201,974	243,030,592
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0

9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	109,332,515	112,205,652
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	153,981,752	62,085,383
1 Liabilities to undertakings within the group	110	968,864	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	593,619	593,619
6 Liabilities to banks and other financial institutions	115	120,830,835	17,640,609
7 Liabilities for advance payments	116	2,719,563	6,367,328
8 Liabilities to suppliers	117	8,263,218	18,171,380
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	3,575,975	2,601,227
11 Taxes, contributions and similar liabilities	120	400,641	2,883,201
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	16,629,037	13,828,019
E) ACCRUALS AND DEFERRED INCOME	124	16,629,037	13,828,019
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	913,442,325	895,119,470
G) OFF-BALANCE SHEET ITEMS	126	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021. to 30.06.2021.

in HRK

Submitter: **JADRAN d.d.**

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	11,204,802	8,106,805	26,135,065	22,848,888
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	7,094,089	5,843,568	18,870,432	17,538,482
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	230,200	230,200	264,567	128,037
5 Other operating income (outside the group)	006	3,880,513	2,033,037	7,000,066	5,182,369
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	41,672,514	25,596,248	50,051,722	29,764,877
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	6,284,575	2,911,435	11,793,875	9,142,654
a) Costs of raw materials and consumables	010	2,309,423	1,359,835	5,581,182	4,330,309
b) Costs of goods sold	011	37,771	23,300	193,590	154,781
c) Other external costs	012	3,937,381	1,528,300	6,019,103	4,657,564
3 Staff costs (ADP 014 to 016)	013	10,808,965	6,330,743	12,865,824	7,928,819
a) Net salaries and wages	014	6,457,532	3,891,525	8,226,009	5,211,765
b) Tax and contributions from salary costs	015	2,934,684	1,607,079	2,982,987	1,722,946
c) Contributions on salaries	016	1,416,749	832,139	1,656,828	994,108
4 Depreciation	017	21,694,123	14,841,636	21,664,745	10,931,228
5 Other costs	018	2,706,790	1,393,537	3,576,218	1,617,710
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	178,061	118,897	151,060	144,466
III FINANCIAL INCOME (ADP 031 to 040)	030	30,270	4,783	3,069,008	2,873,574
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	333,704	142,567
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	19,715	4,783	1,198	4
8 Exchange rate differences and other financial income	038	184	0	2,734,106	2,731,003
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	10,371	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	2,343,909	928,541	5,479,574	2,188,755
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	2,170,174	928,541	4,334,514	2,184,507
4 Exchange rate differences and other expenses	045	173,735	0	1,145,060	4,248
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	11,235,072	8,111,588	29,204,073	25,722,462
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	44,016,423	26,524,789	55,531,296	31,953,632
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-32,781,351	-18,413,201	-26,327,223	-6,231,170
1 Pre-tax profit (ADP 053-054)	056	0	0	0	0

2 Pre-tax loss (ADP 054-053)	057	-32,781,351	-18,413,201	-26,327,223	-6,231,170
XII INCOME TAX	058	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-32,781,351	-18,413,201	-26,327,223	-6,231,170
1 Profit for the period (ADP 055-059)	060	0	0	0	0
2 Loss for the period (ADP 059-055)	061	-32,781,351	-18,413,201	-26,327,223	-6,231,170
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)	075	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	-32,781,351	-18,413,201	-26,327,223	-6,231,170
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	-32,781,351	-18,413,201	-26,327,223	-6,231,170
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100	0	0	0	0
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2021 . to 30.06.2021.

in HRK

Submitter: <u>JADRAN d.d.</u>			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	-32,781,351	-26,327,223
2 Adjustments (ADP 003 to 010):	002	21,694,123	20,477,545
a) Depreciation	003	21,694,123	21,664,745
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	0	0
e) Interest expenses	007	0	-2,777,486
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	0
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	0	1,590,286
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	-11,087,228	-5,849,678
3 Changes in the working capital (ADP 013 to 016)	012	60,261,626	376,102
a) Increase or decrease in short-term liabilities	013	7,835,765	11,293,857
b) Increase or decrease in short-term receivables	014	53,966,365	-8,407,435
c) Increase or decrease in inventories	015	-615,630	-1,036,760
d) Other increase or decrease in working capital	016	-924,874	-1,473,560
II Cash from operations (ADP 011+012)	017	49,174,398	-5,473,576
4 Interest paid	018	0	0
5 Income tax paid	019	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	49,174,398	-5,473,576
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	0	0
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	0	0
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-34,135,793	-10,815,282
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	-1,155,000
4 Acquisition of a subsidiary, net of cash acquired	031	-57,104,500	0
5 Other cash payments from investment activities	032	0	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-91,240,293	-11,970,282
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-91,240,293	-11,970,282
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	58,766,255	11,692,823
4 Other cash receipts from financing activities	038	6,844,395	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	65,610,650	11,692,823
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	0	-1,623,353
2 Cash payments for dividends	041	0	0

3 Cash payments for finance lease	042	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	-4,200,000	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-4,200,000	-1,623,353
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	61,410,650	10,069,470
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	19,344,755	-7,374,388
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	21,261,200	26,663,536
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	40,605,955	19,289,148

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

Name of the issuer: _____ JADRAN d.d. _____

Personal identification number (OIB): _____ 56994999963 _____

Reporting period: _____ 01.01.-30.06.2021. _____

Notes to financial statements for quarterly periods include:

- a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 - Interim financial reporting)
- b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period
- c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 - Interim financial reporting)
- d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting)
- e) other comments prescribed by IAS 34 - Interim financial reporting
- f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:
 1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration
 2. adopted accounting policies (only an indication of whether there has been a change from the previous period)
 3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately
 4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
 5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security
 6. average number of employees during the financial year
 7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries
 8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year
 9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking
 10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital
 11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer
 12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
 13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member
 14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13
15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available
16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking
17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	01/01/2021	to	30/06/2021
Year:	2021		
Quarter:	2.		

Quarterly financial statements

Registration number (MB):	03145662	Issuer's home Member State code:	HR
Entity's registration number (MBS):	040000817		
Personal identification number (OIB):	56994999963	LEI:	74780030Q33IX8LEE969
Institution code:	1285		

Name of the issuer: JADRAN d.d.

Postcode and town: 51260

CRIKVENICA

Street and house number: BANA JELAČIĆA 16

E-mail address: uprava@jadran-crikvenica.hr

Web address: www.jadran-crikvenica.hr

Number of employees (end of the reporting period): 407

Consolidated report: KD (KN-not consolidated/KD-consolidated)

Audited: RN (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

CLUB ADRIATIC D.O.O.	BAŠKA VODA, KRALJA PETRA KREŠIMIRA IV 11	1634470
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STOLIST D.O.O.	CRIKVENICA, FRANKOPANSKA 22	2741865
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Bookkeeping firm: No (Yes/No)

(name of the bookkeeping firm)

Contact person: NATALI IVANČIĆ MAJETIĆ (only name and surname of the contact person)

Telephone: 051/800-482

E-mail address: financije@jadran-crikvenica.hr

Audit firm: (name of the audit firm)

Certified auditor: (name and surname)

BALANCE SHEET
balance as at 30.06.2021

in HRK

Submitter: JADRAN d.d.- CONSOLIDATED			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	984,487,772	939,813,223
I INTANGIBLE ASSETS (ADP 004 to 009)	003	164,978,972	158,264,412
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	743,198	742,362
3 Goodwill	006	1,316,765	1,316,765
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	162,919,009	156,205,285
II TANGIBLE ASSETS (ADP 011 to 019)	010	819,499,270	781,539,281
1 Land	011	419,704,146	383,191,529
2 Buildings	012	264,147,495	258,676,024
3 Plant and equipment	013	99,205,861	90,539,305
4 Tools, working inventory and transportation assets	014	0	0
5 Biological assets	015	951,207	886,750
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	2,666,455	15,657,382
8 Other tangible assets	018	0	0
9 Investment property	019	32,824,106	32,588,291
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	9,530	9,530
1 Investments in holdings (shares) of undertakings within the group	021	0	0
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	0	0
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	0	0
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	9,530	9,530
8 Loans, deposits, etc. given	028	0	0
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	0	0
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	0	0
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	38,361,215	74,651,752
I INVENTORIES (ADP 039 to 045)	038	620,904	1,872,335
1 Raw materials and consumables	039	607,194	1,809,723
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	13,710	62,612
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	10,099,860	47,719,862
1 Receivables from undertakings within the group	047	0	0
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	1,720,177	28,699,303
4 Receivables from employees and members of the undertaking	050	24,174	45,989
5 Receivables from government and other institutions	051	6,854,864	8,332,310

6 Other receivables	052	1,500,645	10,642,260
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	0	0
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	27,640,451	25,059,555
D) PREPAID EXPENSES AND ACCRUED INCOME	064	674,535	1,758,547
E) TOTAL ASSETS (ADP 001+002+037+064)	065	1,023,523,522	1,016,223,522
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	547,620,061	526,450,483
I INITIAL (SUBSCRIBED) CAPITAL	068	482,507,730	482,507,730
II CAPITAL RESERVES	069	234,210,922	234,210,922
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	0	0
1 Legal reserves	071	0	0
2 Reserves for treasury shares	072	0	0
3 Treasury shares and holdings (deductible item)	073	0	0
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	-56,474,901	-163,883,270
1 Retained profit	084	0	0
2 Loss brought forward	085	56,474,901	163,883,270
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	-112,623,690	-26,384,899
1 Profit for the business year	087	0	0
2 Loss for the business year	088	112,623,690	26,384,899
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	484,001	484,001
1 Provisions for pensions, termination benefits and similar obligations	091	484,001	484,001
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	314,881,388	417,583,143
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	143,201,974	243,030,592
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0

9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	171,679,414	174,552,551
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	159,713,073	68,177,825
1 Liabilities to undertakings within the group	110	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	593,619	593,619
6 Liabilities to banks and other financial institutions	115	120,832,624	17,642,398
7 Liabilities for advance payments	116	5,310,355	8,278,887
8 Liabilities to suppliers	117	9,809,491	20,782,586
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	4,195,396	2,942,924
11 Taxes, contributions and similar liabilities	120	1,081,515	3,490,766
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	17,890,073	14,446,645
E) ACCRUALS AND DEFERRED INCOME	124	824,999	3,528,070
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	1,023,523,522	1,016,223,522
G) OFF-BALANCE SHEET ITEMS	126	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021. to 30.06.2021.

in HRK

Submitter: JADRAN d.d.- CONSOLIDATED

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	13,137,404	9,261,465	34,987,939	29,011,806
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	8,380,188	6,800,606	22,625,510	20,446,697
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	0	0	0	0
5 Other operating income (outside the group)	006	4,757,216	2,460,859	12,362,429	8,565,109
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	46,955,326	28,455,264	57,771,651	34,020,291
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	7,437,522	3,422,325	12,911,355	9,941,467
a) Costs of raw materials and consumables	010	2,606,849	1,528,118	6,186,633	4,782,719
b) Costs of goods sold	011	37,771	23,300	197,514	158,705
c) Other external costs	012	4,792,902	1,870,907	6,527,208	5,000,043
3 Staff costs (ADP 014 to 016)	013	13,287,874	7,570,643	15,411,847	9,386,717
a) Net salaries and wages	014	8,054,645	4,702,913	9,920,776	6,198,269
b) Tax and contributions from salary costs	015	3,480,718	1,867,090	3,488,986	2,004,477
c) Contributions on salaries	016	1,752,511	1,000,640	2,002,085	1,183,971
4 Depreciation	017	23,127,376	15,550,224	25,238,664	12,718,276
5 Other costs	018	2,924,493	1,793,175	4,037,744	1,808,603
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	178,061	118,897	172,041	165,228
III FINANCIAL INCOME (ADP 031 to 040)	030	75,654	34,044	2,735,314	2,731,009
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	19,768	4,822	1,208	6
8 Exchange rate differences and other financial income	038	39,541	29,222	2,734,106	2,731,003
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	16,345	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	2,375,960	932,317	6,336,501	2,617,247
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	2,172,234	928,674	5,191,441	2,612,999
4 Exchange rate differences and other expenses	045	203,726	3,643	1,145,060	4,248
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	13,213,058	9,295,509	37,723,253	31,742,815
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	49,331,286	29,387,581	64,108,152	36,637,538
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-36,118,228	-20,092,072	-26,384,899	-4,894,723
1 Pre-tax profit (ADP 053-054)	056	0	0	0	0

2 Pre-tax loss (ADP 054-053)	057	-36,118,228	-20,092,072	-26,384,899	-4,894,723
XII INCOME TAX	058	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-36,118,228	-20,092,072	-26,384,899	-4,894,723
1 Profit for the period (ADP 055-059)	060	0	0	0	0
2 Loss for the period (ADP 059-055)	061	-36,118,228	-20,092,072	-26,384,899	-4,894,723
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)	075	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	-36,118,228	-20,092,072	-26,384,899	-4,894,723
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	-36,118,228	-20,092,072	-26,384,899	-4,894,723
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100				
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2021. to 30.06.2021.

in HRK

Submitter: JADRAN d.d.-CONSOLIDATED			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	-36,118,228	-26,384,899
2 Adjustments (ADP 003 to 010):	002	23,127,376	24,051,464
a) Depreciation	003	23,127,376	25,238,664
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	0	0
e) Interest expenses	007	0	-2,777,486
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	0
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	0	1,590,286
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	-12,990,852	-2,333,435
3 Changes in the working capital (ADP 013 to 016)	012	5,084,521	-6,732,351
a) Increase or decrease in short-term liabilities	013	-33,659,724	11,166,507
b) Increase or decrease in short-term receivables	014	40,156,184	-15,028,368
c) Increase or decrease in inventories	015	-639,211	-1,251,431
d) Other increase or decrease in working capital	016	-772,728	-1,619,059
II Cash from operations (ADP 011+012)	017	-7,906,331	-9,065,786
4 Interest paid	018	0	0
5 Income tax paid	019	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	-7,906,331	-9,065,786
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	21,419,980
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	0
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	0	0
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	0	21,419,980
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-39,031,349	-13,311,737
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-39,031,349	-13,311,737
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-39,031,349	8,108,243
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	58,766,255	0
4 Other cash receipts from financing activities	038	7,761,466	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	66,527,721	0

1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	0	-1,623,353
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	0	-1,623,353
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	66,527,721	-1,623,353
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	19,590,041	-2,580,896
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	23,256,989	27,640,451
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	42,847,030	25,059,555

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

Name of the issuer: _____ JADRAN D.D.-CONSOLIDATED _____

Personal identification number (OIB): _____ 56994999963 _____

Reporting period: _____ 01.01.2021.-30.06.2021. _____

Notes to financial statements for quarterly periods include:

- a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 - Interim financial reporting)
- b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period
- c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 - Interim financial reporting)
- d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting)
- e) other comments prescribed by IAS 34 - Interim financial reporting
- f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:
 1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration
 2. adopted accounting policies (only an indication of whether there has been a change from the previous period)
 3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately
 4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
 5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security
 6. average number of employees during the financial year
 7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries
 8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year
 9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking
 10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital
 11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer
 12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
 13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member
 14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13
15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available
16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking
17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet

Pursuant to Articles of the Capital Market Act the Management Board, according to our best knowledge, gives the following

STATEMENT BY PERSONS RESPONSIBLE FOR THE PREPARATION OF THE REPORT

Unaudited financial reports of JADRAN d.d. and the Group are prepared in accordance with International Financial Reporting Standards and the Accounting Act valid at the date of the financial reports.

Unaudited financial reports of JADRAN d.d. and the Group for the period from January 1st 2021 to June 30th 2021 provide a true and fair view of the assets and liabilities, losses and gains, financial position and operations of the Company and the Group.

Reports on business operations and true and faithful presentation of the Company's and Group's business development and results, along with a description of the most significant risks and uncertainties to which the Company and the Group are exposed.

Crikvenica, 30 July 2021

Chairman of the Management Board



Goran Fabris

Member of the Management Board



Ivan Safundžić



Jadran
dioničko društvo
za hotelijerstvo i turizam
Crikvenica