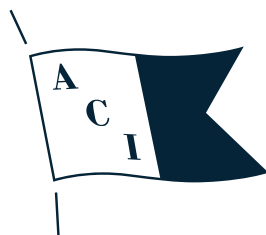
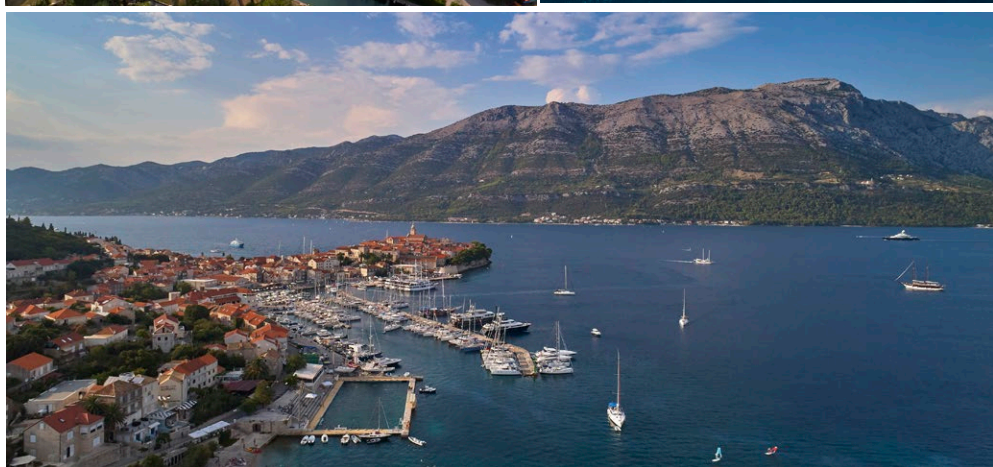


Address: Rudolfa Strohala 2
Ordinary shares: ISIN HRACI0RA0000
Economic activity: R 9329
Market: Regular market
LEI:7478000090X86WBQ6C10
Home member state: Croatia



ADRIATIC CROATIA INTERNATIONAL CLUB, za djelatnost marina d.d.



BUSINESS RESULTS REPORT

**FOR THE YEAR
ENDED 31 DECEMBER 2021
(UNAUDITED)**

SUMMARY

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2. QUARTERLY FINANCIAL STATEMENTS FOR 4TH QUARTER 2021 (UNAUDITED)

3. MANAGEMENT BOARD STATEMENT

MANAGEMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 21

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Description of the most important risks and uncertainties

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Sales revenue trends

Profitability trends

Financial performance indicators

Market capitalization

Ownership structure

Future development of the Company

COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD



The results achieved in 2021 exceeded our expectations, especially if we take into account the uncertainties and unknowns that marked the year preceding it and that had accompanied us into 2021.

The modification and adaptation of business processes to new circumstances and the results of the work done to date have primarily been reflected in the preservation of financial stability and liquidity of ACI. We have preserved jobs and maintained fair relations with our business partners, all with an increase in sales revenue by HRK 36 million, and we believe that in 2022 we will return to pre-pandemic results.

This leaves room for the development of strategic projects that were started in the past and the development of new ones with the aim of improving business, primarily by expanding services other than the core business ones.

During the year, we invested HRK 44 million in the system. Among the most important projects is the completion of the long-planned reconstruction of the breakwater on Korčula; we also invested in the land and sea infrastructure of the marina in Vodice, and considerable investments were made in infrastructure in Marina Dubrovnik, with works being underway.

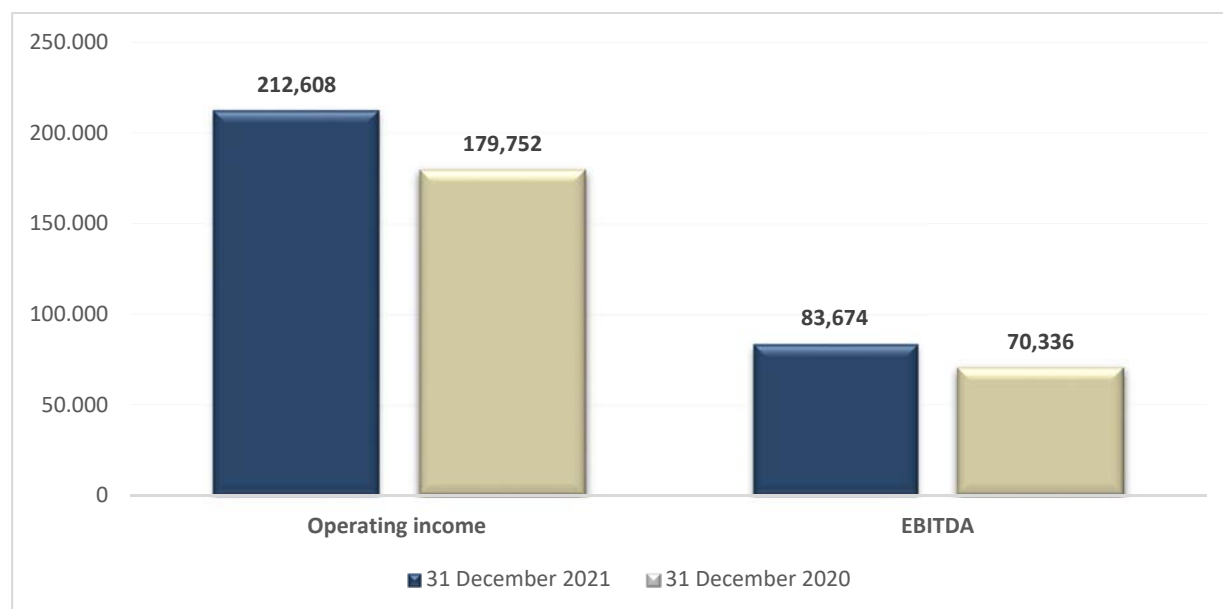
At this moment, further development of the Company is primarily linked to investing in new projects and activities, but also to solving the problem of the concession contract period, where some strategic investments are already not profitable due to the short period of return on investment. The above-mentioned issues, at the moment, represent the main limiting factor in making investments and putting into action other business ideas related to the system.

KEY PERFORMANCE INDICATORS

in thousands of HRK, unaudited	31 December 2021	31 December 2020
Net profit	13,335	198
Operating income	212,608	179,752
EBITDA	83,674	70,336
Net profit margin	6.5%	0.1%
EBITDA margin	39%	38%
Debt ratio	26%	27%
CAPEX*	43,974	47,512
Basic Earnings Per Share	120.07	1.78
Boats days	1,420,115	1,382,244
Number of employees as at 31 December	334	340

* Right-of-use assets are not included – lease and advance payments for tangible assets

Operating income and EBITDA



DESCRIPTION OF THE MOST IMPORTANT RISKS AND UNCERTAINTIES

Due to the uncertainty surrounding the pandemic that affected business in 2021, the activities of the Company are still focused on maintaining the health of employees, customers, business partners and visitors to marinas, but also on concerns about short-, medium- and long-term consequences of this crisis. All decisions made by the Management Board are in accordance with instructions, recommendations and decisions of the Civil Protection Committee of the Republic of Croatia and other competent institutions, and are in line with the measures taken by the Government of the Republic of Croatia to mitigate the negative effects of the epidemic on the Croatian economy.

The Company is actively involved in the Safe Stay in Croatia project launched by the Ministry of Tourism and Sports in cooperation with the Croatian National Tourist Board, which aims to position Croatia as a safe and desirable tourist destination. All marinas in the ACI system are registered in the project, have the safety label of the World Travel and Tourism Council Safe Travels and the national safety label Safe Stay in Croatia. The mark, ie the stamp, guarantees that the safety protocols prescribed by the Ministry of Tourism and Sports are respected in the marina.

In cooperation with the Association of Marinas of the Croatian Chamber of Economy, Ministry of Tourism and Sport and County Institutes of Public Health ACI has actively become involved in the vaccination of tourist workers, and it is estimated that 70% of its employees have been vaccinated.



Regarding other risks that may affect operations as well as the achievement of results, it is important to note that certain risks have been identified within the Company and the adoption of a Risk Management Policy is planned to reduce possible negative impacts and monitor their movements.

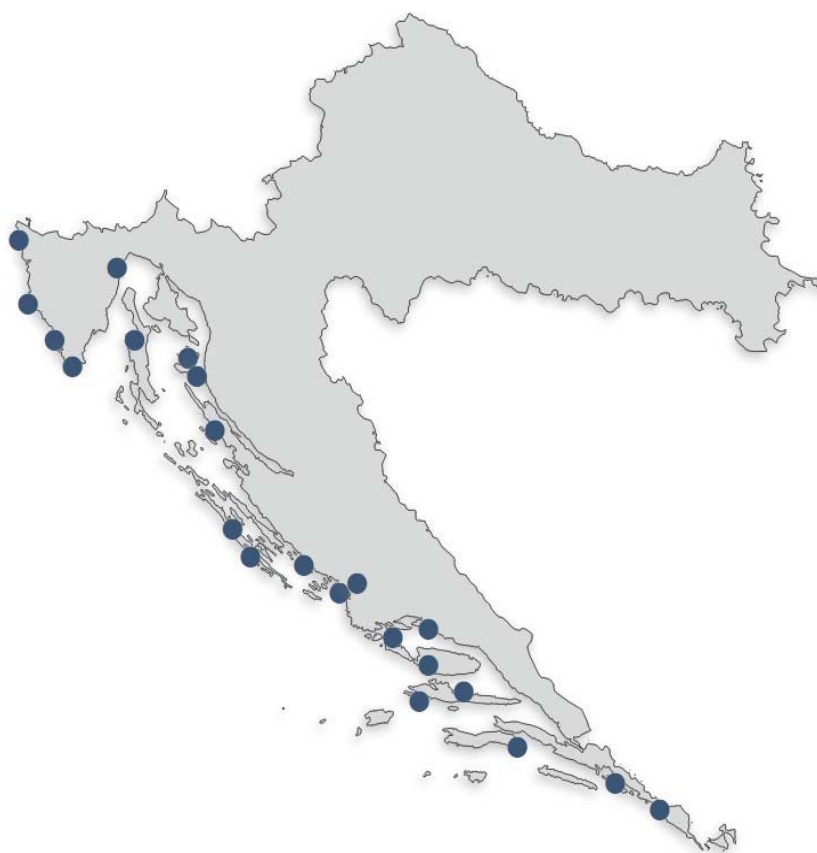
The credit risk of the Company is relatively low (in principle, under the annual and monthly berthing contracts, services are paid in advance). In addition, even in the cases of payment by instalments, the Company's credit risk is reduced by taking measures to control the collection of payments and by ensuring collateral instruments. Exposure to the risk of market interest rate change is primarily linked to cash cover, and cash and cash equivalents; however, the Company continuously monitors the trends in interest rate changes on the market, and takes action accordingly, having in mind a favourable outcome for the Company. Interest rate risk is minimized since fixed interest rates have been negotiated in the long-term loan agreement. The Company is protected from currency risks by continuously planning and monitoring inflow and outflow, and, where justified, by contracting sales and purchases in the same currency and adjusting the cash flow dynamics. The Company manages liquidity risk by constantly monitoring the projected cash flow and comparing and adjusting it to the actual cash inflow and outflow.

DESCRIPTION OF THE MOST IMPORTANT RISKS AND UNCERTAINTIES (continued)

At the moment, the Company's priority is to resolve the issue of extending concession contract periods so that the development of strategic projects can be considered. Currently, the operation of ACI marinas is significantly affected by the duration of the concession contracts, under which all ACI concessions (except the Veljko Barbieri marina and anchorages) expire in 2030. Limiting the duration of the concession is the factor that has the greatest impact on the development potential of the Company, therefore activities have been started with the aim of obtaining concession for all marinas in the system.

Consequently, in late 2020, the Company received a written response from the relevant ministry confirming and supporting our request for extending the concession contract periods, and stating that, following the collection of all documentation needed, it agreed to propose to the Government of the Republic of Croatia to grant the request.

In late September 2021, the decision of the County Council of the Šibenik-Knin County on granting a concession on maritime domain for anchorages in the bays of Dunkovac, Vozarica and Srednja Draga, which was awarded to ACI as concessionaire, was annulled. Consequently, appropriate accounting records were kept in the last quarter of 2021.



SIGNIFICANT EVENTS IN 2021

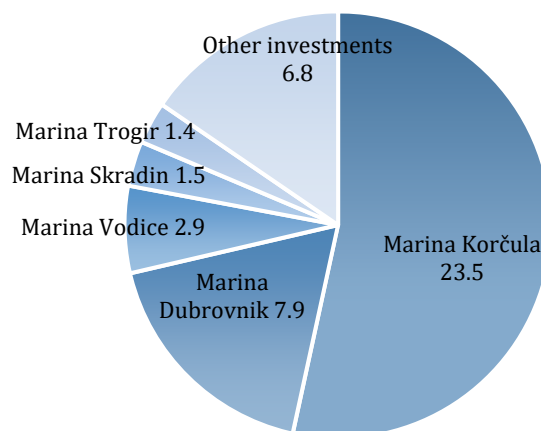
The Company's management continuously monitors the market and considers new business opportunities in order to expand its portfolio of services with the aim of diversifying its business. It continuously invests in the system with a view to improving the marinas and increasing guest satisfaction. An overview of investments made in the last three years is presented below.



As a result of commitments that had been undertaken previously and investment projects already initiated, in 2021 the Company made investments in the total amount of HRK 44 million (2020: HRK 47.5 million), of which HRK 23.5 million was invested in Marina Korčula, primarily in order to complete the reconstruction of the breakwater. Over HRK 7.9 million was invested in Marina Dubrovnik in order to carry out the removal of the pier and finalise the construction of the coastal wall, while over HRK 2.9 million was invested in Marina Vodice in order to carry out works on the improvement of offices and charter premises and to improve anchoring systems. More than HRK 2.9 million was also invested in anchoring systems in marinas Skradin and Trogir. Other investments were made with the aim of improving and raising standards and quality in other marinas as well.

In 2021, the Company recognised asset impairment losses and value adjustment losses in the total of HRK 0.9 million due to the adjustment of the remaining present value of assets in which investments were made in 2021 or which were no longer usable.

Significant investments in 2021 (in milion HRK)



SIGNIFICANT EVENTS IN 2021 (continued)

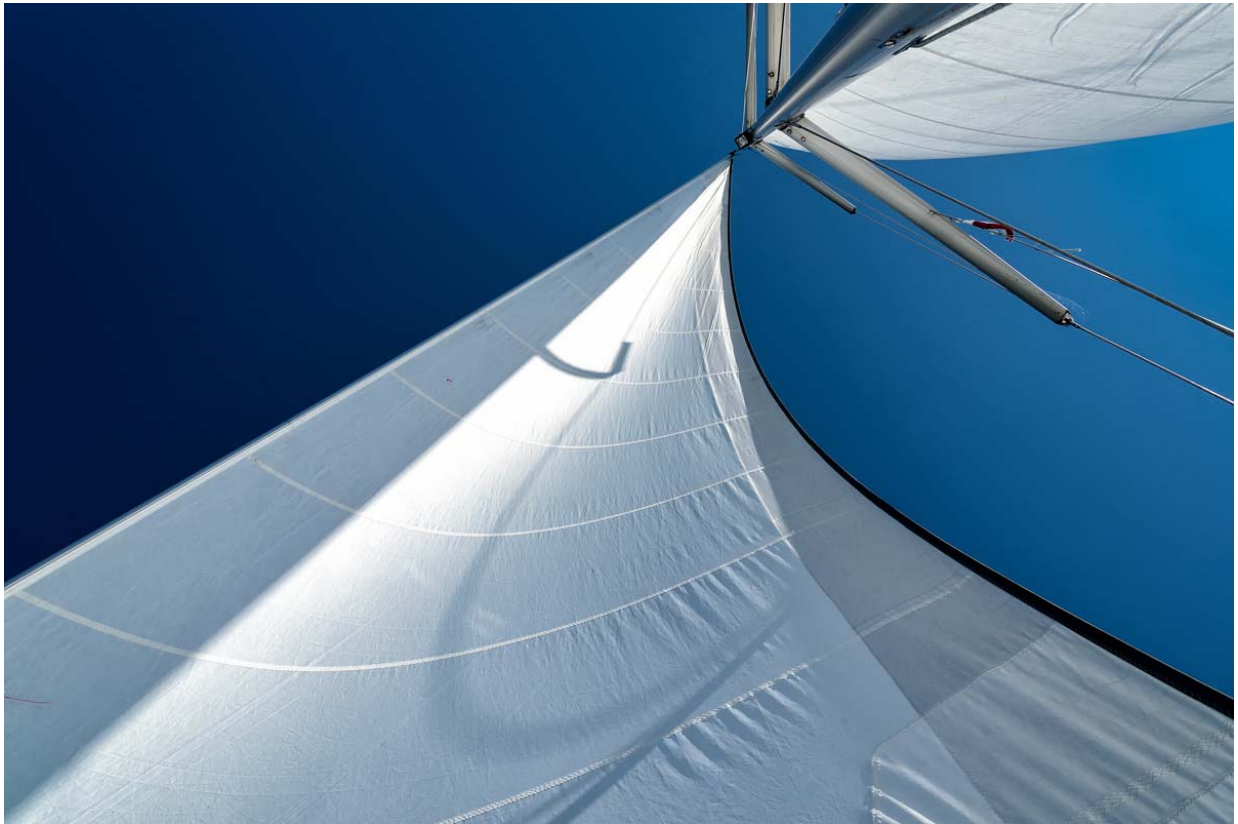


In February 2021 the Company concluded a Joint Venture Agreement with Gitone Kvarner d.o.o., for which purpose the company **ACI – Gitone d.o.o.** was founded, in which ACI has a 50% stake. The Joint Venture has submitted a tender for the award of the concession on the construction and commercial use of the nautical tourism port of Porto Baroš in Rijeka. At the session held in May 2021, the Government adopted the Decision to award the concession to ACI – Gitone d.o.o. for a period of 30 years from the date of signing the concession contract. The signing of the contract will be preceded by obtaining location permits, for which a period of 2 years is specified in the Decision. In the said period, the newly established Company will intensively engage in all the activities needed to obtain the documentation that is necessary to start the construction.

In addition to **expanding the marina portfolio**, ACI spent the past, somewhat quieter, period to develop the idea of an additional service that would be complementary to the services Company currently offers. It is a project related to the segment of air transport, by which ACI would provide its clients with commercial services of transporting passengers by seaplanes. Since this is a specific activity that represents a significant shift from the main activity of the Company, the planned activities were authorised by the General Assembly of ACI d.d. at the meeting held in June 2021.

In September 2021, an additional loan agreement was signed, granting the Company a significantly more favourable interest rate compared to the one agreed upon when the loan was made in 2018. The additional agreement determined the interest rate at 0.7% compared to 1.47%, which was initially agreed upon.

SIGNIFICANT EVENTS IN 2021 (continued)



This year as well, ACI has been actively involved in the Nautička patrola ('Boating Patrol') project of the Jutarnji List newspaper, which visited 35 marinas on the Adriatic for the fifth consequent year. The poll held among the users of berthing services helped create the top list of Croatian marinas and determine the recipient of the 2021 Golden Anchor. Awards were received by five ACI marinas in mid-October: Marina Rovinj, which won exclusive recognition for the development of elite nautical tourism, Marina Dubrovnik, which received the Golden Berth in Gastronomy Award, Marina Cres, which was awarded the Golden Smile of the Adriatic Award, Marina Vrboska, which was ranked third in category, and marina Vodice, as the Pearl of the Green Highway.

SIGNIFICANT EVENTS IN 2021 (continued)



Since the Company places significant emphasis on ecology and the preservation of natural resources, in June 2021, large-scale underwater clean-up operations were also organised in the marinas in Šimuni and Dubrovnik. An additional proof of the care and attention paid to the preservation of the environment at the Company level are the Blue Flags, which have also been awarded in 2021 to all ACI marinas that are open all year round.

Additional recognition for investment in Marina Rovinj also arrived from the Croatian Chamber of Civil Engineering. In June 2021, the Croatian Chamber of Civil Engineers awarded its Kolos Construction Awards, and the project that stood out among the winners was the reconstruction and construction of ACI marina Rovinj, currently the marina with the highest standard of luxury on the Adriatic.



At the end of September, ACI received another recognition, the prize of the City of Skradin for exceptional contribution to the development of nautical tourism in the marina Skradin.

SIGNIFICANT EVENTS IN 2021 (continued)

In August 2021 the Company successfully renewed 4 ISO certificates: the ones for quality, environmental and energy management and for IT security. In addition, ACI was awarded the ZelEn certificate by HEP Opskrba d.o.o., confirming its use of energy from renewable sources.



In the crisis caused by the epidemic, the Company has recognized the importance of technology and the availability of information and is continuously working to improve and modernize business records and exchange information with our customers and the general public. During 2020, the Company's website was redesigned, which still offers all the necessary information primarily for our boaters but also all stakeholders of the Company. In order to optimize business processes, Company plans to improve the software solution that would upgrade a number of new functionalities.

Company also monitors and publishes in a timely manner all measures in force that can directly or indirectly affect our boaters and other marina visitors.

SALES REVENUE TRENDS

Physical indicators in boat days (January – December)

Type of berth	2021	2020	Difference	Index
Annual berth	1,214,027	1,221,903	(7,877)	99
Monthly berth	111,251	100,493	10,758	111
Daily berth	94,837	59,848	34,989	158
Total	1,420,115	1,382,244	37,871	103

Compared to the comparable period, the Company recorded a growth of physical indicators of 38 thousand boat days, which is an increase of 3%, primarily due to the growth of physical indicators of daily berth, which increased by 35 thousand boat days. The impact and changes in epidemiological measures and the establishment of trends at the international level are stated. The number of boat days on a monthly berth increased by 11%, while the number of boat days on an annual berth was realized with a decrease of 1% compared to 2020.

Physical indicators in metre days (January – December)

Type of berth	2021	2020	Difference	Index
Annual berth	13,994,946	14,031,193	(36,247)	100
Monthly berth	1,153,681	1,053,286	100,395	110
Daily berth	1,185,431	737,064	448,367	161
Total	16,334,057	15,821,543	512,514	103

Physical indicators in meter days are similar to those of boat days, with a 3% increase at the system level. Based on the presented physical indicators, it follows that the average length of vessels at berth in ACI marinas is 11.50 meters (2020: 11.45).

As at 31 December 2021, 3,290 vessels were registered at the marinas on an annual berth, which is 56 vessels less than on the same day of the comparable period, when there were 3,346.

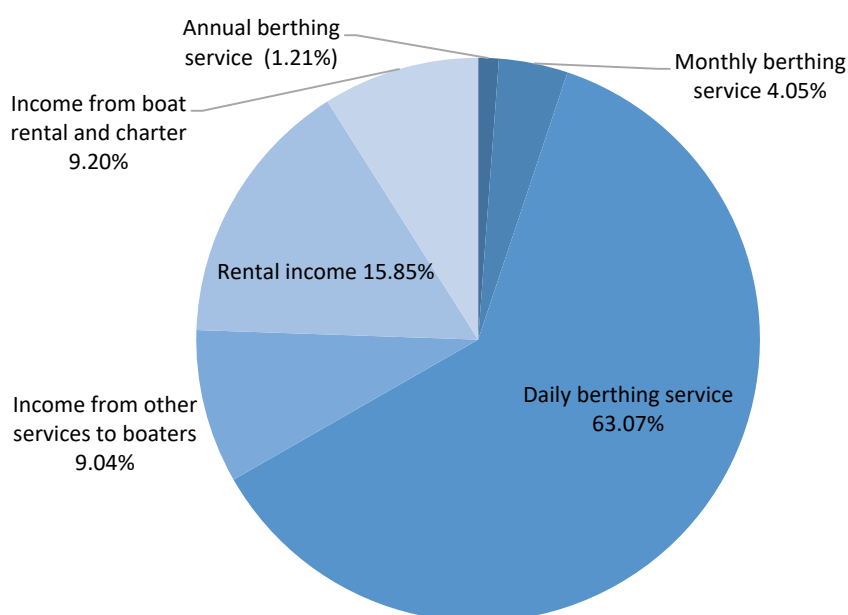
SALES REVENUE TRENDS (continued)

Sales revenue by structure (January - December)

In thousands of HRK, unaudited	2021	2020	Difference	October - December 2021	October - December 2020	Difference
Annual berthing service	102,126	102,559	(433)	24,342	24,687	(345)
Monthly berthing service	11,087	9,635	1,452	2,149	1,847	302
Daily berthing service	56,454	33,838	22,616	7,128	4,577	2,551
Income from other services to boaters	12,317	9,075	3,242	585	169	416
Rental income	19,034	13,351	5,683	4,721	3,850	871
Income from boat rental and charter	4,593	1,295	3,298	878	674	204
Total	205,611	169,753	35,858	39,803	35,804	3,999

In 2021, the Company recorded an increase in sales revenues, which rose by HRK 36 million compared to the same period last year, representing an increase of 21%. In the fourth quarter of 2021, there was also an increase in revenue, which rose by 11% compared to the comparable period. Revenue growth in both periods was mostly the result of providing daily berthing services, which had a 63% share in the total increase.

Share of income type in total increase



SALES REVENUE TRENDS (continued)

Owing to the **daily berthing service**, an increase of HRK 22.6 million, or 67%, was achieved compared to the comparable period. This is the result of a high number of visitors to ACI marinas, especially in the second and third quarters of 2021, due to the fact that the Company made it possible for boaters to stay safely in its marinas by adhering to all the recommendations given by experts and by vaccinating marina employees.

By easing the measures that the Company had made available to its business partners with businesses within the marinas in order to overcome the crisis situation, a significant increase in rental income in the amount of HRK 5.7 million, or 43%, was realised.

In comparison to the comparable period, which was marked primarily by the travel ban between countries, in 2021, there was a significant increase in the services provided in relation to the **lease of the ClubSwan** fleet of vessels which, together with the charter of vessel Katamaran SABA 50, generated a revenue of HRK 4.6 million by 31 December 2021.



In addition to the revenues generated from **daily berthing services**, revenues from other services provided to boaters increased by HRK 3.2 million compared to the comparable period, which represents an increase of 36%.



Income from annual berthing services was generated at the level of the comparable period, bearing in mind that the boat owners using the annual berth service were granted a total of HRK 8,1 million in reduced rates, which represents an increase in reduced rates of HRK 4.3 million compared to 2020. The most significant increase was recorded in marinas Rovinj (HRK 1.6 million), Dubrovnik (HRK 940 thousand) Split (HRK 834 thousand), and Trogir (HRK 598 thousand).

SALES REVENUE TRENDS (continued)**Sales revenue by business unit (January - December)**

In thousands of HRK, unaudited	2021	2020	Difference	October - December 2021	October - December 2020	Razlike
Umag	9,621	8,964	657	2,134	2,047	87
Rovinj	12,230	6,931	5,299	2,347	1,563	784
Pula	5,909	4,985	924	1,196	1,110	86
Pomer	8,618	7,792	826	1,838	1,821	17
Opatija	13,733	12,850	883	3,207	3,085	122
Cres	14,054	12,691	1,363	2,794	2,728	66
Supetarska Draga	6,097	4,965	1,132	1,223	1,068	155
Rab	2,891	2,097	794	194	161	33
Šimuni	5,574	5,072	502	1,138	1,027	111
Žut	2,341	1,942	399	294	194	100
Pišķera	2,857	1,801	1,056	222	113	109
Jezera	8,609	7,335	1,274	1,769	1,607	162
Vodice	12,074	11,535	539	2,533	2,457	76
Skradin	10,590	7,403	3,187	1,892	1,585	307
Trogir	9,721	8,159	1,562	1,939	1,682	257
Split	24,465	18,978	5,487	5,250	4,527	723
Milna	7,396	5,158	2,238	1,295	979	316
Vrboska	3,755	2,853	902	605	557	48
Plamižana	9,345	4,828	4,517	673	319	354
Korčula	3,488	4,967	(1,479)	632	590	42
Dubrovnik	22,317	21,701	616	4,629	4,652	(23)
Veljko Barbieri	5,308	5,441	(133)	1,095	1,253	(158)
ACI Sail	4,593	1,295	3,298	878	674	204
General administrative and technical services	25	10	15	26	5	21
Total	205,611	169,750	35,858	39,803	35,804	3,999

In 2021, there was an increase in sales revenue in all ACI marinas except the Korčula marina, where reconstruction works were carried out during the reporting period, which is why there were no revenues from daily berths, and in the marina Veljko Barbieri there was a decrease of 2%.

The increase in sales revenue over HRK 3 million was realized in the marinas Rovinj, Palmižana, Skradin and from the ACI Sail business unit.

PROFITABILITY TRENDS

Operating expense structure (January - December)

In thousands of HRK, unaudited	2021	2020	Difference	Index
Cost of materials and services	46,348	39,138	7,210	118
Personnel costs	60,287	54,167	6,120	111
Depreciation, amortisation and impairment	66,039	68,222	(2,183)	97
Other operating expense	22,096	16,090	6,006	137
Other gains/losses - net	13	(21)	(34)	-
Total	194,757	177,638	17,119	110

In 2021, the Company's operating expenses increased by HRK 17.1 million, or 10%, compared to the previous year.

Due to the rising market prices, a rather significant expense increase was recorded in the costs of materials and services, which increased by HRK 7.2 million, or 18%, especially in other external costs, which rose by HRK 1.2 million, and intellectual services, which increased by HRK 1 million, while the cost of electricity rose by HRK 0.7 million, utility expenses by HRK 0.8 million, the cost of sponsorships by HRK 0.9 million, and insurance and protection costs by HRK 0.8 million.

Personnel costs rose by HRK 6.1 million, primarily due to the adjustments in marina employees' coefficients in accordance with the Collective Agreement, due to the different dynamics of the use of annual leave compared to previous periods and due to the increased number of employees in high season as well as an increase in severance pay.

The increase in other operating expenses was primarily influenced by the rise in the cost of donations for generally beneficial purposes. Specifically, within the complete reconstruction of Marina Rovinj, based on the agreement entered into with Maistra, ACI participated in financing the reconstruction of the city infrastructure along the access road to the marina by donating HRK 3.3 million to the City of Rovinj. At the same time, concession costs increased by HRK 2.1 million due to an increase in revenues that form the basis for calculating the variable part of the fee. The increase in concession costs is partly due to the amendment of the Concessions Act, which stipulates that from 2021 the income of the subconcessionaire generated in the activity it performs under the concession contract is added to the total revenue of the concessionaire, in this case forming the basis for calculating the concession fee. In addition, there was an increase in insurance costs, specifically in the voluntary pension insurance premiums for employees, in the amount of HRK 0.7 million and an increase in subsequently identified costs incurred for previous periods in the amount of HRK 1.4 million.

The depreciation cost decreased by HRK 2.2 million due to a reduction in the value of fixed tangible assets, primarily buildings, with a decrease of HRK 1.4 million, and plant and equipment, with a decrease of HRK 1 million.

PROFITABILITY TRENDS (continued)

Overview of results (January – December)

In thousands of HRK, unaudited	2021	2020	Difference	Index
Operating revenue	212,608	179,752	32,856	118
Operating expense	194,757	177,638	17,119	110
Profit before tax	17,080	517	16,563	3304
EBITDA	83,674	70,336	13,338	119

Operating revenues increased by HRK 32.9 million or 18% compared to the same period due to the increase in sales revenues, while other operating revenues decreased by HRK 3 million.

At the same time, operating expenses increased by HRK 17.1 million or 10% compared to the comparable period, which is elaborated in more detail in the structure of operating expenses.

In 2021, a positive gross financial result in the amount of HRK 17.1 million and EBITDA in the amount of HRK 83,7 million were achieved, which is an increase of HRK 13.3 million.



FINANCIAL PERFORMANCE INDICATORS

Financial performance indicators	31 December 2021	31 December 2020
In thousands of HRK, unaudited		
Operating revenue	212,608	179,752
Total assets	678,155	664,305
EBITDA	83,674	70,336
Net profit	13,335	198
ROA	1.97%	0.03%
ROE	2.68%	0.04%
EBITDA margin	39%	38%
Net profit margin	6.5%	0.1%
Current ratio	2.05	1.97
Cash ratio	1.33	0.91
Financial stability	0.81	0.85
Debt ratio	26%	27%
Total assets - to - capital ratio	1.36	1.37

Based on the main financial performance indicators stated for 2021, and due to the achieved positive gross financial result, which is higher by HRK 16.6 million compared to the comparable period, an increase is shown in the achieved indicators, primarily in the net profit margin, EBITDA margin and asset profitability indicators as well as in the return on invested capital indicators.

MARKET CAPITALISATION

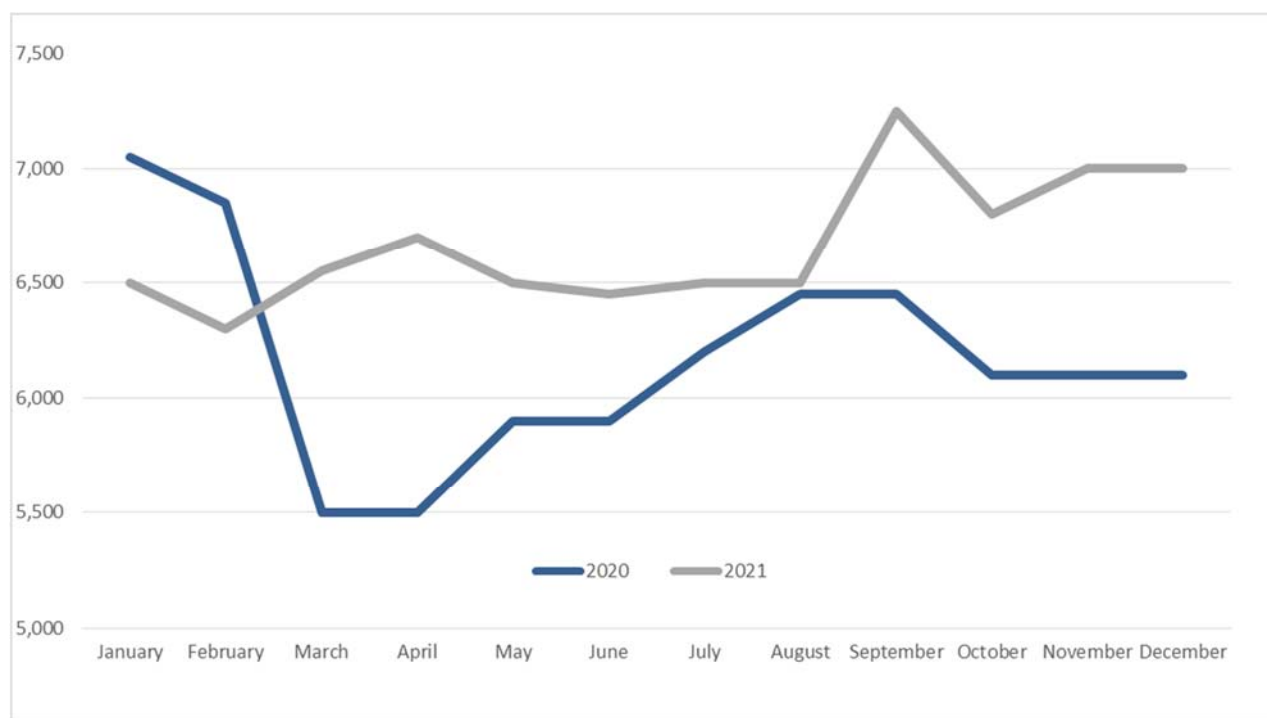
The ordinary shares of ACI d.d. are listed on the Zagreb Stock Exchange under the stock symbol ACI.

As at 31 December 2021, based on the data by Codex sortium d.o.o. ACI has a total of 683 stockholders.

The nominal value of the share is HRK 3,600, whereas the last average transaction share price was HRK 7,000.

The Company's market capitalisation as at 31 December 2021 was HRK 777.4 milion.

Trends of the average share price



Information on share buyback

During 2021, the Company did not hold its own shares, either directly or through a person acting in its own name, and on behalf of the Company. There is no repurchase of treasury shares in the Company, nor is there a workers' shareholding program.

OWNERSHIP STRUCTURE



Below is the ownership structure, showing the top 10 shareholders with the largest shareholding. The Republic of Croatia is the majority shareholder with 78.58% of Company equity share.

Ownership structure as at 31 December 2021

	NUMBER OF SHAREHOLDERS	TOTAL NUMBER OF SHARES	NOMINAL VALUE (in HRK)	SHARE CAPITAL (%)
REPUBLIC OF CROATIA (Shareholder proxy on 85.615 shares is the Ministry of Physical Planning, Construction and State Assets)	1	87,275	314,190,000	78.58%
OTP Bank d.d. (AZ OMF – B category)	1	9,297	33,469,200	8.37%
ERSTE&STEIERMARKISCHE BANK d.d. (PBZ CO OMF – B category)	1	3,352	12,067,200	3.02%
RAIFFEISENBANK AUSTRIA d.d. (aggregate custodial account for DP)	1	1,269	4,568,400	1.14%
ZAGREBAČKA BANKA d.d. (AZ PROFIT Open Voluntary Pension Fund)	1	1,243	4,474,800	1.12%
BAHOVEC d.o.o.	1	650	2,340,000	0.59%
OTP Bank d.d. (AZ Mandatory Pension Fund – A category)	1	511	1,839,600	0.46%
CROATIAN HEALTH INSURANCE FUND (Shareholder proxy is the Ministry of Physical Planning, Construction and State Assets)	1	362	1,303,200	0.33%
BIUK SLAVKO	1	184	662,400	0.17%
MINORITY SHAREHOLDERS	674	6,917	24,901,200	6.23%
Total	683	111,060	399,816,000	100%

FUTURE DEVELOPMENT OF THE COMPANY

	Plan 2022	31 December 2021 Realised
Operating revenue	247,303	212,608
Net profit	29,364	13,335
EBITDA	103,692	83,674

Investments in the amount of HRK 97 million are planned for 2022. Of that amount, 90% refers to capital investment, 7% to investment maintenance, while current maintenance makes up 3% of the total planned amount. The largest share of investment is intended for the completion of projects started in the previous year.

In order to expand the business activities to air transport, in 2021 a new operating unit called ACI AIR was established, the main service of which would be to provide seaplane transport connecting islands to the mainland. It is this business venture that will significantly affect the business plan for 2022, when the purchase of aircraft and other equipment for the purposes of ACI AIR's operation is planned. This project will ensure that the 22 ACI marinas are connected, and, in addition to using its own marinas, ACI plans to use 10 seaplane bases to connect islands to the mainland.

In addition, with regard to larger investments, based on the preventive inspections of anchoring systems that have been conducted by a company authorised by the Croatian Register of Shipping, the reconstruction of anchoring systems of piers and vessels will be carried out in several marinas in the system in order to increase the safety of berths and to renew the certificates with the Croatian Register of Shipping.

The Government's decision to award a concession for the Porto Baroš port of nautical tourism will also significantly affect the Company's further strategic orientation. In 2020, ACI and Gitone Kvarner d.o.o. established a new company, ACI-GITONE d.o.o., which was granted a concession for the construction of the future ACI Marina Rijeka port of nautical tourism by public tender in respect of the construction and use of a special purpose port – port of nautical tourism of Porto Baroš in Rijeka. The ownership structure of the newly established Company is divided in equal proportion, i.e., ACI has a 50% share. This project will primarily contribute to the development of nautical tourism and consequently to an increase in the local population satisfaction, principally by creating new jobs.

The planned operating income is affected by the planned revenues of ACI SAIL, where the income from lease of boat is expected to rise significantly, and by the planned increase in revenues in Marina Korčula after the reconstruction of the marina has been completed. In most marinas in the system, there are plans to slightly increase operating income following the market's recovery from the impact of the pandemic.

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2021

to

31.12.2021

Year:

2021

Quarter:

4.

Quarterly financial statements

Registration number (MB):

03267628

Issuer's home Member

State code:

HR

Entity's registration
number (MBS):

040002541

Personal identification
number (OIB):

17195049659

LEI:

7478000090X86WBQ6C10

Institution
code:

1181

Name of the issuer: **Adriatic Croatia International Club, za djelatnost marina, d.d.**

Postcode and town:

51000

Rijeka

Street and house number:

Rudolfa Strohala 2

E-mail address:

ida.bajc@aci-club.hr

Web address:

www.aci-marinas.com

Number of employees
(end of the reporting

334

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person:

Ida Bajc

(only name and surname of the contact person)

Telephone:

051/257-288

E-mail address:

ida.bajc@aci-club.hr

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 31.12.2021

in HRK

Submitter: <u>Adriatic Croatia International Club, za djelatnost marina, d.d.</u>			
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	493.114.069	468.218.249
I INTANGIBLE ASSETS (ADP 004 to 009)	003	23.038.826	19.016.821
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	22.287.326	17.490.038
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	751.500	1.526.783
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	469.342.695	448.406.219
1 Land	011	22.913.378	22.913.378
2 Buildings	012	277.013.983	265.247.731
3 Plant and equipment	013	46.555.621	44.069.750
4 Tools, working inventory and transportation assets	014	37.185.723	31.504.310
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	2.753.598	3.196.415
7 Tangible assets in preparation	017	14.148.120	21.643.199
8 Other tangible assets	018	1.466.780	1.167.756
9 Investment property	019	67.305.492	58.663.680
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	0	284.247
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	284.247
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	732.548	510.962
C) CURRENT ASSETS (ADP 038+046+053+063)	037	169.710.110	208.758.300
I INVENTORIES (ADP 039 to 045)	038	562.152	673.295
1 Raw materials and consumables	039	34.392	0
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	527.760	673.295
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	27.217.637	21.348.125
1 Receivables from undertakings within the group	047	0	0
2 Receivables from companies linked by virtue of participating interests	048	0	432.183
3 Customer receivables	049	7.067.354	5.104.459
4 Receivables from employees and members of the undertaking	050	93.760	84.258
5 Receivables from government and other institutions	051	4.008.024	1.914.855
6 Other receivables	052	16.048.499	13.812.370
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	62.951.824	50.288.552
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	94.295	107.498
8 Loans, deposits, etc. given	061	62.857.529	50.181.054
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	78.978.497	136.448.328
D) PREPAID EXPENSES AND ACCRUED INCOME	064	1.481.599	1.178.492
E) TOTAL ASSETS (ADP 001+002+037+064)	065	664.305.778	678.155.041
OFF-BALANCE SHEET ITEMS	066	0	0

BALANCE SHEET
balance as at 31.12.2021

in HRK

Submitter: <u>Adriatic Croatia International Club, za djelatnost marina, d.d.</u>			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	486.509.678	499.845.030
I INITIAL (SUBSCRIBED) CAPITAL	068	399.816.000	399.816.000
II CAPITAL RESERVES	069	0	0
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	19.990.800	19.990.800
1 Legal reserves	071	19.990.800	19.990.800
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	66.504.686	66.702.878
1 Retained profit	084	66.504.686	66.702.878
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	198.192	13.335.352
1 Profit for the business year	087	198.192	13.335.352
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	2.835.417	3.229.835
1 Provisions for pensions, termination benefits and similar obligations	091	498.265	719.236
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	1.515.000	1.534.000
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	822.152	976.599
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	88.162.311	72.595.193
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	69.617.136	58.752.649
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	18.545.175	13.842.544
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	44.135.727	56.150.459
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	0	0
6 Liabilities to banks and other financial institutions	115	10.710.328	10.682.299
7 Liabilities for advance payments	116	0	0
8 Liabilities to suppliers	117	6.613.039	16.550.099
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	2.942.883	2.921.587
11 Taxes, contributions and similar liabilities	120	9.586.984	13.703.131
12 Liabilities arising from the share in the result	121	537.186	517.771
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	13.745.307	11.775.572
E) ACCRUALS AND DEFERRED INCOME	124	42.662.645	46.334.524
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	664.305.778	678.155.041
G) OFF-BALANCE SHEET ITEMS	126	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021 to 31.12.2021

in HRK

Submitter: Adriatic Croatia International Club, za djelatnost marina, 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	179.751.985	40.799.665	212.607.703	41.546.153
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	169.753.166	35.804.335	205.610.688	39.802.714
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	9.998.819	4.995.330	6.997.015	1.743.439
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	177.637.717	42.601.572	194.756.881	52.907.532
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	39.137.911	7.739.100	46.348.216	11.613.841
a) Costs of raw materials and consumables	010	9.516.433	1.844.448	11.886.488	3.007.866
b) Costs of goods sold	011	147.094	7.390	248.020	27.289
c) Other external costs	012	29.474.384	5.887.262	34.213.708	8.578.686
3 Staff costs (ADP 014 to 016)	013	50.031.082	12.468.091	52.955.828	12.680.914
a) Net salaries and wages	014	30.912.889	7.791.765	33.154.405	8.073.376
b) Tax and contributions from salary costs	015	12.127.274	2.938.691	12.423.595	2.846.471
c) Contributions on salaries	016	6.990.919	1.737.635	7.377.828	1.761.067
4 Depreciation	017	68.222.197	17.035.531	65.327.634	15.947.033
5 Other costs	018	12.142.910	3.440.668	17.003.659	5.923.235
6 Value adjustments (ADP 020+021)	019	1.888.357	587.452	2.194.965	638.147
a) fixed assets other than financial assets	020	0	0	711.439	711.439
b) current assets other than financial assets	021	1.888.357	587.452	1.483.526	-73.292
7 Provisions (ADP 023 to 028)	022	1.426.630	839.883	3.124.369	2.769.254
a) Provisions for pensions, termination benefits and similar obligations	023	188.548	20.548	1.003.458	1.003.458
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	585.176	166.429	359.164	4.049
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	652.906	652.906	1.761.747	1.761.747
8 Other operating expenses	029	4.788.630	490.847	7.802.210	3.335.108
III FINANCIAL INCOME (ADP 031 to 040)	030	5.780.383	855.524	3.018.826	661.418
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	784	784
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	407.779	78.876	554.694	178.627
8 Exchange rate differences and other financial income	038	5.372.334	776.378	2.447.673	466.332
9 Unrealised gains (income) from financial assets	039	270	270	15.675	15.675
10 Other financial income	040	0	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	7.377.760	1.346.442	3.789.308	666.325
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	1.669.015	509.272	1.302.410	192.416
4 Exchange rate differences and other expenses	045	5.687.164	823.002	2.258.302	252.847
5 Unrealised losses (expenses) from financial assets	046	11.697	11.697	218.225	218.225
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	9.884	2.471	10.371	2.837
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	185.532.368	41.655.189	215.626.529	42.207.571
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	185.015.477	43.948.014	198.546.189	53.573.857
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	516.891	-2.292.825	17.080.340	-11.366.286
1 Pre-tax profit (ADP 053-054)	056	516.891	0	17.080.340	0
2 Pre-tax loss (ADP 054-053)	057	0	-2.292.825	0	-11.366.286
XII INCOME TAX	058	318.699	0	3.744.988	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	198.192	-2.292.825	13.335.352	-11.366.286
1 Profit for the period (ADP 055-059)	060	198.192	0	13.335.352	0
2 Loss for the period (ADP 059-055)	061	0	-2.292.825	0	-11.366.286

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021 to 31.12.2021

in HRK

Submitter: Adriatic Croatia International Club, za djelatnost marina, d.d.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
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	198.192	-2.292.825	13.335.352	-11.366.286
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	198.192	-2.292.825	13.335.352	-11.366.286
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 - direct method
for the period 01.01.2021 to 31.12.2021

in HRK

Submitter: Adriatic Croatia International Club, za djelatnost marina, d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Cash receipts from customers	001	208.376.470	267.094.444
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	0
3 Cash receipts from insurance premiums	003	117.184	588.369
4 Cash receipts from tax refund	004	0	0
5 Other cash receipts from operating activities	005	1.763.560	845.528
I Total cash receipts from operating activities (ADP 001 to 005)	006	210.257.214	268.528.341
1 Cash payments to suppliers	007	-60.749.980	-63.802.301
2 Cash payments to employees	008	-55.938.566	-59.108.105
3 Cash payments for insurance premiums	009	-44.186	-63.744
4 Interest paid	010	-1.557.334	-1.223.260
5 Income tax paid	011	-4.163.459	0
6 Other cash payments from operating activities	012	-33.917.669	-44.357.890
II Total cash payments from operating activities (ADP 007 to 012)	013	-156.371.194	-168.555.300
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	53.886.020	99.973.041
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	613.003	22.315
2 Cash receipts from sales of financial instruments	016	0	0
3 Interest received	017	543.320	452.654
4 Dividends received	018	0	784
5 Cash receipts from the repayment of loans and deposits	019	0	0
6 Other cash receipts from investment activities	020	57.607.783	22.533.843
III Total cash receipts from investment activities (ADP 015 to 020)	021	58.764.106	23.009.596
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-50.575.440	-40.456.374
2 Cash payments for the acquisition of financial instruments	023	0	0
3 Cash payments for loans and deposits	024	0	0
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	-32.704.324	-10.500.000
IV Total cash payments from investment activities (ADP 022 to 026)	027	-83.279.764	-50.956.374
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	-24.515.658	-27.946.778
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	0	0
4 Other cash receipts from financing activities	032	0	0
V Total cash receipts from financing activities (ADP 029 to 032)	033	0	0
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	-10.752.441	-10.684.144
2 Cash payments for dividends	035	-19.109.530	-19.416
3 Cash payments for finance lease	036	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	037	0	0
5 Other cash payments from financing activities	038	-4.071.079	-3.968.124
VI Total cash payments from financing activities (ADP 034 to 038)	039	-33.933.050	-14.671.684
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)	040	-33.933.050	-14.671.684
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	109.514	115.252
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)	042	-4.453.174	57.469.831
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	83.431.671	78.978.497
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)	044	78.978.497	136.448.328

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

Name of the issuer: **Adriatic Croatia International Club, za djelatnost marina, d.d.**

Personal identification number (OIB): **17195049659**
Reporting period: **01.01.2021-31.12.2021**

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
<https://corporate.aci-marinas.com/financijska-izvjesca/>

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) **The Company's unaudited financial statements for the year ended 31 December 2021 have been prepared in accordance with International Accounting Standard 34 - Financial Reporting for the Year. They do not include all data and disclosures required for the annual financial statements and should be read in conjunction with the Company's financial statements as at 31 December 2020. The unaudited financial statements have been prepared on the basis of the same accounting policies, presentation and calculation methods used in the preparation of the Company's annual financial statements as at 31 December 2020.**

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) **The core business of the Company is the organisation and providing berthing services to boats in marinas along the Croatian coast, and other activities related to chartering, construction and repair of boats, as well as other activities, according to the decision of the Commercial Court in Rijeka. The Company was granted concessions by the Government of the Republic of Croatia to use the maritime domain, on the basis of which 22 marinas were built on this domain. Daily berthing revenue are realised primarily in third quartal during summer month's July and August, while the annual berthing revenue is evenly distributed throughout the year.**

e) other comments prescribed by IAS 34 - Interim financial reporting, for further information see points 18,19 and 20 within point f).

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 **Adriatic Croatia International Club, za djelatnost marina d.d. (ACI d.d.), RH, Registration number: 040002541, OIB: 17195049659**

2. adopted accounting policies (only an indication of whether there has been a change from the previous period) **Accounting policies are set out in the notes to the Annual Report for 2020, Chapter 2.**

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 **In 2021 there were no such obligations or commitments.**

4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence **Both income and expenditures are presented in detail in the financial report for year 2021 in Sales revenue trends and profitability trends.**

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 **Company has one long term investment loan with contracted quarterly payments ending 30 June 2028. Total Balance as at 31 December 2021 amounts 58.8 milion HRK. The loan was secured by a promissory note issued to the total amount of the loan.**

6. average number of employees during the financial year **In 2021, Company had on average 355 employees.**

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 **In 2021, Company did not capitalize cost of 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 **Deferred tax assets on 31.12.2021. amounts to HRK 510 thousand and is a decrease compared to 31.12.2020. During the year, the Company revoked HRK 44 thousand, and recorded an additional HRK 186 thousand when recording temporarily non-tax deductible expenses.**

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 **The Company concluded a Joint Venture Agreement with Gitone Kvarner d.o.o., form Zagreb, and has a 50% share. All decisions of Management Board are to be approved from both owners, so the investment is classified as Joint Venture. The Company was founded for submitting a tender for the award of the concession on the construction and commercial use of the nautical tourism port of Porto Baroš in Rijeka. On 31.12.2021. The Company has an investment in the amount of HRK 500 thousand recorded in the balance sheet and a 50% loss for the business year in the amount of HRK 215 thousand, which means that the net stated value of the investment is HRK 284 thousand.**

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 **Companies share capital consists of 111.060 shares with nominal value of HRK 3,600.**

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 **During the reporting year no such instruments were used.**

12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability

Company does not prepare consolidated financial statements.

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 **Company does not prepare consolidated financial statements.**

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 **Company does not prepare consolidated financial statements.**

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 **Company does not publish consolidated financial statements**

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 **During the 2021 no such arrangements were made.**

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

18. RELATED PARTY TRANSACTIONS

In 2020, ACI together with Gitone Kvarner d.o.o. founded a new company ACI - GITONE d.o.o. which is managed as a joint venture and the values shown below as related parties are shown below. Relations with related parties refer to legal entities of special interest to the Republic of Croatia, which are majority state-owned. Companies controlled by Republic of Croatia that had significant transactions with the Company: Hrvatska elektroprivreda d.d., INA – industrija nafte d.d., Državne nekretnine d.d., Narodne novine d.d., Plovput d.o.o., HP – Hrvatska pošta d.d., Croatia airlines d.d., Hrvatske šume d.o.o., Hrvatske vode, Hrvatska poštanska banka d.d., i Financijska agencija (FINA).

In HRK '000, unaudited

	31 December 2021	31 December 2020
RECEIVABLES		
Trade receivables		
Receivables from ACI-GITONE d.o.o	432.182	-
Other related parties	71	127
LIABILITIES		
Trade liabilities		
Other related parties	346	654
	January -December 2021	January -December 2021
REVENUES		
Sales revenues		
Revenues from ACI-GITONE d.o.o.	26	
Other related parties	2.780	1.630
EXPENSES		
Cost of material and services		
Other related parties	7.955	5.436

19. Reconciliation of positions under IFRS and TFI POD

MSFI Item	NOTE	in 000 HRK	GFI - POD	ADP CODE	in 000 HRK
ASSETS					
Property, Plant and Equipment		389.743			
Investment property		58.664	Tangible assets	ADP 010 (ADP 011 do 019)	448.406
Intangible Assets		2.127			
Right-of-Use Assets		16.889	Intangible assets	ADP 003 (ADP 004 do 009)	19.017
Customer receivables		5.537	Receivables	ADP 046 (AOP 047 do 052)	21.348
Contract Assets		12.130	Prepaid expenses and Accrued income	ADP 064	1.178
Other receivables		4.860			
LIABILITIES					
Lease liabilities		13.451	Other long-term Liabilities	ADP 107	13.843
Other long-term Liabilities		391			
Loan Liabilities		10.811	Liabilities towards banks and other financial institutions	ADP 115	10.682
			Other short-term Liabilities - Interest	ADP 123	129
Contract Liabilities		15.560	Other short-term Liabilities - Contract liabilities	ADP 123	9.602
Short-term lease liabilities		3.954	Other short-term Liabilities - Lease liabilities	ADP 123	1.968
			Taxes, contributions and similar liabilities - concession	ADP 120	1.801
Short-term Provisions		618	Accruals and deferred income - Provisions	ADP 124	2.753
STATEMENT OF PROFIT OR LOSS					
MSFI Item	NOTE	in 000 HRK	GFI - POD	ADP CODE	in 000 HRK
			Staff costs	ADP 013 (ADP 14 do 18)	52.956
Personnel costs		60.287	Provisions for severance pay and other similar provisions	ADP 023	1.003
			Other reservations	ADP 028	1.762
			Other expenses - staff costs	ADP 018	4.566
Other operating expenses		22.096	Value adjustments - b)current assets other than financial assets	ADP 021	1.484
			Other expenses -without staff costs	ADP 018	12.438
			Other operating expenses - without other gains/losses - net	ADP 029	7.815
			Provisions for ongoing legal cases	ADP 025	359
Other gains/losses - net		-13	Other operating expenses -other gains/losses - net	ADP 029	-13

20. Commitments

As at 31 December 2021, the amount of assumed commitments for contracted, but not completed investments amounts to HRK 37,890 thousand (2020: HRK 28,231 thousand)

Unaudited financial statements for the year ended 31 December 2021 are approved by Management Board of the Company in Rijeka, on February 22, 2022.

Pursuant to Articles 462 to 468 of the Capital Market Act (Official Gazette 65/18, 17/20 and 83/21), the Management Board of Adriatic Croatia International Club, za djelatnost marina d.d., Rudolfa Strohalu 2, Rijeka, give

MANAGEMENT BOARD STATEMENT

To the best of our knowledge:

- ◆ Unaudited financial statements for the period ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the valid Croatian Accounting Act and give a complete and true view of the assets and liabilities, losses and gains, financial position and operations of the issuer;
- ◆ Unaudited management report for the year ended 31 December 2021 contains a true and fair view of the development and results of operations and position of ACI d.d., with a description of the most significant risks and uncertainties to which the company is exposed.



Kristijan Pavić

President of the Board



Josip Ostrogović

Board member



Ivan Herak, PhD

Board member

