

Annex 1**ISSUER'S GENERAL DATA**

Reporting period:

1.1.2021

to

30.9.2021

Year:

2021

Quarter:

3.

Quarterly financial statements

Registration number (MB):

03586243

Issuer's home Member

State code:

HR

Entity's registration
number (MBS):

080000604

Personal identification
number (OIB):

27759560625

LEI:

213800RUSOIJPD19H13

Institution
code:

2560

Name of the issuer: **INA - Industrija nafte d.d.**

Postcode and town:

10 020

ZAGREB

Street and house number:

Avenija Većeslava Holjevcia 10

E-mail address:

investitori@ina.hr

Web address:

www.ina.hr

Number of employees
(end of the reporting

3246

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:

Yes

(Yes/No)

Top Računovodstvo Servisi d.o.o.; Član INA Grupe

(name of the bookkeeping firm)

Contact person:

Josip Vargašević

(only name and surname of the contact person)

Telephone:

091 495 7186

E-mail address:

Josip.Vargasevic@trs.ina.hr

Audit firm:

ERNST & YOUNG d.o.o. Zagreb

(name of the audit firm)

Certified auditor:

Berislav Horvat

(name and surname)

BALANCE SHEET
balance as at 30.09.2021.

in HRK

Submitter: INA - Industrija nafte d.d., Zagreb

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	16.617.000.000	16.194.000.000
I INTANGIBLE ASSETS (ADP 004 to 009)	003	433.000.000	442.000.000
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	100.000.000	96.000.000
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	18.000.000	23.000.000
5 Intangible assets in preparation	008	315.000.000	323.000.000
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	11.224.000.000	10.948.000.000
1 Land	011	1.007.000.000	984.000.000
2 Buildings	012	4.491.000.000	4.108.000.000
3 Plant and equipment	013	2.530.000.000	2.464.000.000
4 Tools, working inventory and transportation assets	014	334.000.000	311.000.000
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	334.000.000	295.000.000
7 Tangible assets in preparation	017	2.051.000.000	2.338.000.000
8 Other tangible assets	018	477.000.000	448.000.000
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	3.408.000.000	3.386.000.000
1 Investments in holdings (shares) of undertakings within the group	021	1.827.000.000	1.823.000.000
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	752.000.000	689.000.000
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	262.000.000	262.000.000
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	7.000.000	7.000.000
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	560.000.000	605.000.000
IV RECEIVABLES (ADP 032 to 035)	031	498.000.000	544.000.000
1 Receivables from undertakings within the group	032	9.000.000	9.000.000
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	28.000.000	21.000.000
4 Other receivables	035	461.000.000	514.000.000
V DEFERRED TAX ASSETS	036	1.054.000.000	874.000.000
C) CURRENT ASSETS (ADP 038+046+053+063)	037	3.097.000.000	5.208.000.000
I INVENTORIES (ADP 039 to 045)	038	1.406.000.000	2.498.000.000
1 Raw materials and consumables	039	288.000.000	883.000.000
2 Work in progress	040	417.000.000	678.000.000
3 Finished goods	041	419.000.000	742.000.000
4 Merchandise	042	275.000.000	195.000.000
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	7.000.000	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	1.194.000.000	2.207.000.000
1 Receivables from undertakings within the group	047	173.000.000	232.000.000
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	866.000.000	1.773.000.000
4 Receivables from employees and members of the undertaking	050	1.000.000	1.000.000
5 Receivables from government and other institutions	051	5.000.000	14.000.000
6 Other receivables	052	149.000.000	187.000.000
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	146.000.000	145.000.000
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	40.000.000	22.000.000
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	78.000.000	0
8 Loans, deposits, etc. given	061	1.000.000	1.000.000
9 Other financial assets	062	27.000.000	122.000.000
IV CASH AT BANK AND IN HAND	063	351.000.000	358.000.000
D) PREPAID EXPENSES AND ACCRUED INCOME	064	30.000.000	51.000.000
E) TOTAL ASSETS (ADP 001+002+037+064)	065	19.744.000.000	21.453.000.000
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to	067	10.331.000.000	11.399.000.000
I INITIAL (SUBSCRIBED) CAPITAL	068	9.000.000.000	9.000.000.000
II CAPITAL RESERVES	069	0	0
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	1.370.000.000	1.398.000.000
1 Legal reserves	071	199.000.000	199.000.000
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	1.171.000.000	1.199.000.000
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	202.000.000	238.000.000
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	202.000.000	238.000.000
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	692.000.000	-241.000.000
1 Retained profit	084	692.000.000	0
2 Loss brought forward	085	0	241.000.000
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	-933.000.000	1.004.000.000
1 Profit for the business year	087	0	1.004.000.000
2 Loss for the business year	088	933.000.000	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0
B) PROVISIONS (ADP 091 to 096)	090	3.879.000.000	3.978.000.000
1 Provisions for pensions, termination benefits and similar obligations	091	17.000.000	17.000.000
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	1.000.000	5.000.000
4 Provisions for renewal of natural resources	094	3.308.000.000	3.395.000.000
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	553.000.000	561.000.000
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	412.000.000	697.000.000
1 Liabilities to undertakings within the group	098	0	128.000.000
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	379.000.000	347.000.000
6 Liabilities to banks and other financial institutions	103	0	193.000.000
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	33.000.000	29.000.000
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	5.022.000.000	5.283.000.000
1 Liabilities to undertakings within the group	110	215.000.000	200.000.000
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	131.000.000	23.000.000
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	100.000.000	102.000.000
6 Liabilities to banks and other financial institutions	115	1.873.000.000	1.649.000.000
7 Liabilities for advance payments	116	26.000.000	65.000.000
8 Liabilities to suppliers	117	1.104.000.000	1.693.000.000
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	39.000.000	34.000.000
11 Taxes, contributions and similar liabilities	120	554.000.000	932.000.000
12 Liabilities arising from the share in the result	121	585.000.000	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	395.000.000	585.000.000
E) ACCRUALS AND DEFERRED INCOME	124	100.000.000	96.000.000
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	19.744.000.000	21.453.000.000
G) OFF-BALANCE SHEET ITEMS	126	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2021 to 30.09.2021

in HRK

Submitter: INA - Industrija nafte d.d., Zagreb

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	10.625.000.000	3.920.000.000	15.921.000.000	6.855.000.000
1 Income from sales with undertakings within the group	002	1.348.000.000	447.000.000	1.981.000.000	854.000.000
2 Income from sales (outside group)	003	9.148.000.000	3.428.000.000	13.731.000.000	5.938.000.000
3 Income from the use of own products, goods and services	004	24.000.000	7.000.000	27.000.000	10.000.000
4 Other operating income with undertakings within the group	005	13.000.000	5.000.000	14.000.000	6.000.000
5 Other operating income (outside the group)	006	92.000.000	33.000.000	168.000.000	47.000.000
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	11.795.000.000	4.169.000.000	14.892.000.000	6.252.000.000
1 Changes in inventories of work in progress and finished goods	008	402.000.000	27.000.000	-591.000.000	23.000.000
2 Material costs (ADP 010 to 012)	009	8.568.000.000	2.980.000.000	12.965.000.000	5.316.000.000
a) Costs of raw materials and consumables	010	4.810.000.000	2.086.000.000	7.572.000.000	3.453.000.000
b) Costs of goods sold	011	2.463.000.000	523.000.000	3.797.000.000	1.281.000.000
c) Other external costs	012	1.295.000.000	371.000.000	1.596.000.000	582.000.000
3 Staff costs (ADP 014 to 016)	013	556.000.000	202.000.000	556.000.000	200.000.000
a) Net salaries and wages	014	334.000.000	124.000.000	340.000.000	124.000.000
b) Tax and contributions from salary costs	015	147.000.000	52.000.000	141.000.000	50.000.000
c) Contributions on salaries	016	75.000.000	26.000.000	75.000.000	26.000.000
4 Depreciation	017	1.168.000.000	380.000.000	1.172.000.000	396.000.000
5 Other costs	018	506.000.000	144.000.000	603.000.000	156.000.000
6 Value adjustments (ADP 020+021)	019	526.000.000	383.000.000	6.000.000	22.000.000
a) fixed assets other than financial assets	020	392.000.000	296.000.000	0	0
b) current assets other than financial assets	021	134.000.000	87.000.000	6.000.000	22.000.000
7 Provisions (ADP 023 to 028)	022	69.000.000	53.000.000	181.000.000	139.000.000
a) Provisions for pensions, termination benefits and similar obligations	023	73.000.000	46.000.000	5.000.000	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	7.000.000	4.000.000	4.000.000	1.000.000
d) Provisions for renewal of natural resources	026	12.000.000	25.000.000	172.000.000	138.000.000
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	-23.000.000	-22.000.000	0	0
8 Other operating expenses	029	0	0	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	107.000.000	34.000.000	321.000.000	50.000.000
1 Income from investments in holdings (shares) of undertakings within the group	031	25.000.000	0	44.000.000	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	1.000.000	0	0	0
4 Other interest income from operations with undertakings within the group	034	17.000.000	6.000.000	19.000.000	6.000.000
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	8.000.000	-2.000.000	1.000.000	1.000.000
6 Income from other long-term financial investments and loans	036	9.000.000	9.000.000	169.000.000	9.000.000
7 Other interest income	037	2.000.000	0	1.000.000	0
8 Exchange rate differences and other financial income	038	37.000.000	15.000.000	70.000.000	28.000.000
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	8.000.000	6.000.000	17.000.000	6.000.000
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	144.000.000	26.000.000	173.000.000	83.000.000
1 Interest expenses and similar expenses with undertakings within the group	042	4.000.000	1.000.000	3.000.000	1.000.000
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	2.000.000	0
3 Interest expenses and similar expenses	044	63.000.000	20.000.000	78.000.000	26.000.000
4 Exchange rate differences and other expenses	045	75.000.000	4.000.000	89.000.000	56.000.000
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	2.000.000	1.000.000	1.000.000	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	70.000.000	25.000.000	0	7.000.000
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	10.802.000.000	3.979.000.000	16.242.000.000	6.912.000.000
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	11.939.000.000	4.195.000.000	15.065.000.000	6.335.000.000
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	-1.137.000.000	-216.000.000	1.177.000.000	577.000.000
1 Pre-tax profit (ADP 053-054)	056	0	0	1.177.000.000	577.000.000

2 Pre-tax loss (ADP 054-053)	057	-1.137.000.000	-216.000.000	0	0
XII INCOME TAX	058	-122.000.000	-70.000.000	173.000.000	101.000.000
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	-1.015.000.000	-146.000.000	1.004.000.000	476.000.000
1 Profit for the period (ADP 055-059)	060	0	0	1.004.000.000	476.000.000
2 Loss for the period (ADP 059-055)	061	-1.015.000.000	-146.000.000	0	0
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	-1.015.000.000	-146.000.000	1.004.000.000	476.000.000
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	-69.000.000	-7.000.000	64.000.000	41.000.000
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	-69.000.000	-7.000.000	64.000.000	41.000.000
1 Exchange rate differences from translation of foreign operations	088	-24.000.000	-29.000.000	28.000.000	10.000.000
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	-45.000.000	22.000.000	36.000.000	31.000.000
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
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)	097	-69.000.000	-7.000.000	64.000.000	41.000.000
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	-1.084.000.000	-153.000.000	1.068.000.000	517.000.000
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 30.09.2021

in HRK

Submitter: INA - Industrija nafte d.d., Zagreb			
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	-1.137.000.000	1.177.000.000
2 Adjustments (ADP 003 to 010):	002	1.792.000.000	1.450.000.000
a) Depreciation	003	1.168.000.000	1.172.000.000
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	386.000.000	-7.000.000
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	134.000.000	6.000.000
d) Interest and dividend income	006	0	0
e) Interest expenses	007	39.000.000	52.000.000
f) Provisions	008	-41.000.000	167.000.000
g) Exchange rate differences (unrealised)	009	-5.000.000	20.000.000
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	111.000.000	40.000.000
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	655.000.000	2.627.000.000
3 Changes in the working capital (ADP 013 to 016)	012	177.000.000	-1.216.000.000
a) Increase or decrease in short-term liabilities	013	14.000.000	1.800.000.000
b) Increase or decrease in short-term receivables	014	336.000.000	-1.641.000.000
c) Increase or decrease in inventories	015	-173.000.000	-1.375.000.000
d) Other increase or decrease in working capital	016	0	0
II Cash from operations (ADP 011+012)	017	832.000.000	1.411.000.000
4 Interest paid	018	0	0
5 Income tax paid	019	-2.000.000	-9.000.000
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	830.000.000	1.402.000.000
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	5.000.000	16.000.000
2 Cash receipts from sales of financial instruments	022	35.000.000	0
3 Interest received	023	37.000.000	36.000.000
4 Dividends received	024	34.000.000	213.000.000
5 Cash receipts from repayment of loans and deposits	025	0	0
6 Other cash receipts from investment activities	026	0	84.000.000
III Total cash receipts from investment activities (ADP 021 to 026)	027	111.000.000	349.000.000
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-698.000.000	-1.020.000.000
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	-34.000.000	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-732.000.000	-1.020.000.000
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-621.000.000	-671.000.000
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	0	0
4 Other cash receipts from financing activities	038	0	0
V Total cash receipts from financing activities (ADP 035 to 038)	039	0	0
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-575.000.000	-29.000.000
2 Cash payments for dividends	041	-38.000.000	-585.000.000
3 Cash payments for finance lease	042	-36.000.000	-29.000.000
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	-29.000.000	-81.000.000
VI Total cash payments from financing activities (ADP 040 to 044)	045	-678.000.000	-724.000.000
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-678.000.000	-724.000.000
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	-7.000.000	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-476.000.000	7.000.000
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	502.000.000	351.000.000
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	26.000.000	358.000.000

STATEMENT OF CHANGES IN EQUITY
for the period from **1.1.2021** to **30.9.2021**

		Attributable to owners of the parent																		in HRK	
Item	ADP code	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	Minority (non-controlling) interest	Total capital and reserves		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6, 7 + 8 to 17)	19	20 (18+19)		
Previous period																					
1 Balance on the first day of the previous business year	01	9.000.000.000	0	166.000.000	0	0	0	1.214.000.000	0	241.000.000	0	0	0	0	617.000.000	656.000.000	11.894.000.000	0	11.894.000.000		
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	9.000.000.000	0	166.000.000	0	0	0	1.214.000.000	0	241.000.000	0	0	0	0	617.000.000	656.000.000	11.894.000.000	0	11.894.000.000		
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1.015.000.000	-1.015.000.000	0	-1.015.000.000		
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	-24.000.000	0	0	0	0	0	0	0	0	-24.000.000	0	-24.000.000		
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	-45.000.000	0	0	0	0	0	0	-45.000.000	0	-45.000.000		
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-623.000.000	-623.000.000	0	-623.000.000		
21 Other distributions and payments to members/shareholders	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	731.000.000	-656.000.000	75.000.000	75.000.000		
22 Transfer to reserves according to the annual schedule	22	0	0	33.000.000	0	0	0	0	0	0	0	0	0	0	0	-33.000.000	0	0	0		
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	9.000.000.000	0	199.000.000	0	0	0	1.190.000.000	0	196.000.000	0	0	0	0	692.000.000	-1.015.000.000	10.262.000.000	0	10.262.000.000		
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																					
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	-24.000.000	0	-45.000.000	0	0	0	0	0	0	-69.000.000	0	-69.000.000		
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	-24.000.000	0	-45.000.000	0	0	0	0	0	-1.015.000.000	-1.084.000.000	0	-1.084.000.000		
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	33.000.000	0	0	0	0	0	0	0	0	0	0	75.000.000	-656.000.000	-548.000.000	0	-548.000.000		
Current period																					
1 Balance on the first day of the current business year	28	9.000.000.000	0	199.000.000	0	0	0	1.171.000.000	0	202.000.000	0	0	0	0	692.000.000	-933.000.000	10.331.000.000	0	10.331.000.000		
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	9.000.000.000	0	199.000.000	0	0	0	1.171.000.000	0	202.000.000	0	0	0	0	692.000.000	-933.000.000	10.331.000.000	0	10.331.000.000		
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1.004.000.000	1.004.000.000	0	1.004.000.000		
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	28.000.000	0	0	0	0	0	0	0	0	28.000.000	0	28.000.000		
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	36.000.000	0	0	0	0	0	0	36.000.000	0	36.000.000		
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-933.000.000	933.000.000	0	0		
22 Carryforward per annual plane	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	9.000.000.000	0	199.000.000	0	0	0	1.199.000.000	0	238.000.000	0	0	0	0	-241.000.000	1.004.000.000	11.399.000.000	0	11.399.000.000		
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																					
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	0	0	0	28.000.000	0	36.000.000	0	0	0	0	0	0	64.000.000	0	64.000.000		
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	0	0	0	28.000.000	0	36.000.000	0	0	0	0	0	1.004.000.000	1.068.000.000	0	1.068.000.000		
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	0	0	0	0	0	0	0	0	0	0	-933.000.000	933.000.000	0	0	0		

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

Name of the issuer: INA-Industrija nafte, d.d.

Personal identification number (OIB): 27759560625

Reporting period: 30 September 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

Issuer's name: INA - Industrija nafte, d.d.
Registered office (address): Avenija Većeslava Holjevca 10, 10000 Zagreb
Legal form: Public Limited Company
Country of establishment: Republic of Croatia
Entity's registration number: 3586243
Personal identification number (OIB): 27759560625

2. adopted accounting policies (only an indication of whether there has been a change from the previous period)

The principal accounting policies applied in the preparation of consolidated and separate financial statements are International Financial Reporting Standards and INA Group Accounting Policies and Procedures. These policies have been consistently applied to all the years presented, unless otherwise stated.

Last version of INA Group Accounting Policies and Procedures was approved by Management Board in December 2020 (effective at 31 December 2020). In 2020, the INA Group made reclassification. The effect of the reclassifications of the profit or loss statement is set out in Flash Report.

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

The total value of guarantees undertaken to third parties is contractually HRK 431 million, which is the maximum amount the Group is exposed to. In the event of default, the terms of the contract contain a maximum compensation payment to the unrelated party. Based on expectations at the end of the reporting period, the Group considers that no liability is expected to arise. The contractual maturity is based on the earliest date on which the Group may be required to pay.

4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence

Certain items of income and expense of exceptional size or occurrence, such as revenue from contracts with customers, depreciation and impairment of assets (net), staff costs, value adjustments (net), provisions for costs and risks (net), financial income, financial expenses, share in profit in joint venture calculated using equity method, (income) / cost of income tax, basic and diluted (loss) / profit per share are presented in the Flash Report of INA Group and INA, d.d. for the period ended 30 September 2021.

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

INA Group and INA, d.d. have no debts maturing after more than five years or debts covered by pledges.

6. average number of employees during the financial year

During nine month period of 2021, the average number of employees of the INA, d.d. was 3,290.

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

Capitalised internal labour are all direct staff cost that can be identified or associated with and are properly allocable to the construction, modification, or installation of specific items of capital assets and, as such can be amortized. In nine month period of 2021 INA, d.d. capitalised labour in amounts of HRK 20 million. At 30 September 2021, the staff cost includes cost of net salaries in the amount of HRK 340 million, cost of tax in amount of HRK 141 million and contributions for pension and health insurance in the amount HRK 75 million, and other payroll related costs in the amount HRK 44 million.

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

INA, d.d. deferred tax balance on 30 September 2021 compared to 31 December 2020 was decreased from HRK 874 million to HRK 1,054 million or by HRK 180 million. The reason for such decrease of INA, d.d. deferred tax is the result of positive business operations and reversal of temporary differences after legal preconditions were met.

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

INA Group companies -participating interest	Currency	Portion	Share capital	Total capital
HAYAN PETROLEUM COMPANY, Siria	SYP	50,00%	200.000	200.000
ED - INA d.o.o. ZAGREB	KN	50,00%	20.000	20.000
BELVEDERE d.d. - u stečaju, DUBROVNIK	KN	31,80%	104.724.000	104.724.000
MARINA PETROLEUM COMPANY, Egiptat, Cairo	EGP	50,00%	20.000	20.000
ELEKRTOMETAL d.d. , Bjelovar	KN	30,75%	26.682.810	26.682.810
TERRA MINERALNA GNOJIVA	KN	50,00%	500.000	500.000
PLINARA d.o.o. PULA	KN	49,00%	35.835.300	35.835.300

10. the number and the nominal value or, in the absence of a nominal value, the accounting par

Share and issued and fully paid capital of INA, d.d. makes a total amount of HRK 9,000 million for the year ended 30 September 2021.
The share capital of the company consists of 10 million approved and issued shares with a nominal value of HRK 900. Each share carries one vote and is entitled to dividends.

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
Described facts and circumstances are not applicable for INA Group financial statements.

12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
A detailed overview of INA Group's share in ownership and voting rights is presented as follows:

Composition of the Group

The name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			30 September 2021	31 December 2020
<i>Oilfield services</i>				
CROSCO, naftni servisi d.o.o.	Oilfield services	Croatia	100%	100%
Croscos B.V.	Oilfield services	Netherland	100%	100%
NORDIC SHIPPING LIMITED	Lease of drilling platforms	Marshall Islands	100%	100%
SEA HORSE SHIPPING Inc	Lease of drilling platforms	Marshall Islands	100%	100%
Rotary Zrt.	Oilfield services	Hungary	100%	100%
CROSCO UKRAINE LLC.	Oilfield services	Ukraine	100%	100%
Croscos S.A. DE C.V.	Oilfield services	Mexico	99,90%	99,90%
ROTARY D&WS S.R.L.	Oilfield services	Romania	100%	100%
<i>Tourism</i>				
*Hostin d.o.o.	Asset management, tourism	Croatia	100%	100%
<i>Ancillary services</i>				
STSI Integrirani tehnički servisi d.o.o.	Technical services	Croatia	100%	100%
*Top Računovodstvo Servisi d.o.o.	Accounting services	Croatia	100%	100%
Plavi tim d.o.o.	Informatics service	Croatia	100%	100%
*INA Vatrogasni Servisi d.o.o.	Firefighting	Croatia	100%	100%
*INA Industrijski Servisi d.o.o.	Holding company	Croatia	100%	100%
<i>Production and trading</i>				
*INA MAZIVA d.o.o.	Production and lubricants trading	Croatia	100%	100%
<i>Trading</i>				
*INA Slovenija d.o.o. Ljubljana	Foreign trading	Slovenia	100%	100%
*INA BH d.d. Sarajevo	Foreign trading	Bosnia and Herzegovina	100%	100%
*Holdina d.o.o. Sarajevo	Foreign trading	Bosnia and Herzegovina	100%	100%
*INA d.o.o. Beograd	Foreign trading	Serbia	100%	100%
*INA Kosovo d.o.o.	Foreign trading	Kosovo	100%	100%
*Adrigas S.r.l. Milano	Pipeline project company	Italy	100%	100%
*INA Crma Gora d.o.o.	Foreign trading	Montenegro	100%	100%
*PETROL d.d.	Trading	Croatia	-	100%
*CROPLIN d.o.o.	Production of gas, distribution network of gas fuels	Croatia	100%	100%
*INA Maloprodajni servisi d.o.o.	Trade agency in the domestic and foreign market	Croatia	100%	100%
*ENERGOPETROL d.d.	Retail (oil and lubricant)	Bosnia and Herzegovina	88,66%	88,66%
*INA BL d.o.o. Banja Luka	Trading	Bosnia and Herzegovina	100%	100%

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
The company MOL Nyrt, (Hungary, Október huszonharmadika u. 18. Budapest) prepares the consolidated financial statements for the larger Group of companies, in which INA, d.d. and INA Group are included as a MOL Group subsidiaries.

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
Described facts and circumstances are not applicable for INA Group 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
Consolidated financial statements of MOL Group are available on MOL official web page: www.molgroup.info

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

Described facts and circumstances are not applicable for INA Group financial statements.

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

There were no significant events in period from 30 September 2021 to date of the disclosure of the Condensed Quarterly Financial Statements.

ADDITIONALLY

Line of Income from the use of own products, goods and services, AOP004, in the amount of HRK 27,000,000 in nine month period of 2021 (nine month period of 2020: HRK 24,000,000) reduces the total expenses of the period in the Flash Report.

Line of Depreciation, amortisation and impairment (net) in Annual financial statements of INA, d.d. and INA d.d. for the year ended 30 September 2021 is equal of sum of two lines amortisation and value adjustments fixed assets other than financial assets in sheet PL.

Line Staff cost in Flash Report of INA, d.d. for the period ended 30 September 2021 includes other cost besides net salaries and tax. These other costs are presented in line other cost in sheet PL.

Line Right-of-use asset in Flash Report of INA, d.d. for the period ended 30 September 2021 in amount of HRK 443,000,000 and HRK 473,000,000 at 31 December 2020 is presented in group II. of tangible assets in accordance with class of asset in sheet BS.

Prepayments for Property, plant and equipment and intangible assets are presented in line od Long-term receivables and other asset of Flash Report of INA, d.d. for the period ended 30 September 2021 (in 2020 HRK 352,000,000 and 2021 HRK 318,000,000) while in TFI_POD is presented in line AOP007 and AOP016.

Line of short-term Provision and line of short-term Employee benefit obligation in Flash Report of INA d.d. for the period ended 30 September 2021 are presented together with other liabilities in AOP123 Other short-term liabilities in sheet BS, in amount of HRK 180,000,000 at 31 December 2020, and in the amount of HRK 197,000,000 at 30 September 2021.



INA, D.D.
Q3 & Q1-Q3 2021
FINANCIAL REPORT

Zagreb, October 2021

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Management discussion and analysis

INA, d.d. financial results (IFRS)

Q3 2020	Q3 2021	HRK mln	Q1-Q3 2020	Q1-Q3 2021	%
3,875	6,792	Net sales revenues*	10,496	15,712	50
427	999	EBITDA ⁽¹⁾	390	2,201	464
427	999	EBITDA excl. special items ⁽²⁾	390	2,201	464
(249)	603	Profit/(loss) from operations	(1,170)	1,029	n.a.
46	603	Profit/(loss) from operations excl. special items ⁽²⁾	(875)	1,029	n.a.
8	(33)	Net gain/(loss) from financial activities	(37)	148	n.a.
(146)	476	Profit/(loss) for the period	(1,015)	1,004	n.a.
149	476	Profit/(loss) for the period excl. special items ⁽²⁾	(720)	1,004	n.a.
283	692	Net cash inflow from operating activities	830	1,402	69
Earnings per share					
(14.6)	47.6	Basic and diluted earnings/(loss) per share (HRK per share)	(101.5)	100.4	n.a.
2,320	1,484	Net debt	2,320	1,484	(36)
18.4	11.5	Net gearing (%)	18.4	11.5	
229	287	CAPEX	731	890	22

Q3 2020	Q3 2021	USD mln ⁽³⁾	Q1-Q3 2020	Q1-Q3 2021	%
602	1,069	Net sales revenues*	1,571	2,495	59
66	157	EBITDA ⁽¹⁾	60	349	485
66	157	EBITDA excl. special items ⁽²⁾	60	349	485
(39)	95	Profit/(loss) from operations	(174)	163	n.a.
7	95	Profit/(loss) from operations excl. special items ⁽²⁾	(129)	163	n.a.
1	(5)	Net income/(loss) from financial activities	(5)	24	n.a.
(23)	75	Profit/(loss) for the period	(151)	159	n.a.
23	75	Profit/(loss) for the period excl. special items ⁽²⁾	(105)	159	n.a.
44	109	Net cash inflow from operating activities	123	223	81
Earnings per share					
(2.3)	7.5	Basic and diluted earnings/(loss) per share (USD per share)	(15.1)	15.9	n.a.
360	231	Net debt	360	231	(36)
36	45	CAPEX	109	142	30

* Related to Revenue from contracts with customers

(1) EBITDA = EBIT + Depreciation, amortization and impairment (net)

(2) In Q1-Q3 2021 result was not impacted by special items, while in Q1-Q3 2020 result was negatively impacted by HRK (295) million of impairment of assets

(3) In converting HRK figures into US Dollars, the following average CNB (HNB) rates were used: for Q3 2020 – 6.4391 HRK/USD; Q3 2021 – 6.3528 HRK/USD; for Q1-Q3 2020 – 6.7043 HRK/USD; for Q1-Q3 2021 – 6.2910 HRK/USD; as at 31 December 2020 – 6.1390 HRK/USD; as at 30 September 2020 – 6.4530 HRK/USD; as at 30 September 2021 – 6.4266 HRK/USD

Financial and operational highlights

Economic recovery continued in the third quarter of 2021, but COVID-19 pandemic and other worldwide macroeconomic developments continue to pose a threat to future prospects.

EBITDA of INA d.d. for the first nine months of 2021 amounted to HRK 2.2 billion and net profit of HRK 1 billion, rebounding from a negative base. Exploration and Production segment is the main contributor to the results with EBITDA of HRK 1.6 billion, which represents an increase driven by improved average realized hydrocarbon price level of 58 USD/boe. Still, natural production decline continues across the asset base. Refining and Marketing incl. Consumer services and Retail results almost reached HRK 1 billion on the back of a better than expected tourist season.

Investment activities increased throughout the segments compared to first nine months of 2020. Rijeka Refinery Upgrade remains the major strategic investment, aimed at improving the Refining segment's long-term competitive position. At the same time building a profitable Egyptian Exploration and Production portfolio continues with exploration and development activities expected in the newly acquired share in Block 10. Financial position with net debt of HRK 1,484 million and net gearing of 11.5% enables INA to continue the ongoing intensive investment cycle.

Condensed non-consolidated Statement of Profit or Loss

For the period ended 30 September 2020 and 2021 (in HRK millions)

Q3 2020	Q3 2021		Q1-Q3 2020	Q1-Q3 2021	%
3,875	6,792	Revenue from contracts with customers	10,496	15,712	50
38	53	Other operating income	105	182	73
3,913	6,845	Total operating income	10,601	15,894	50
(27)	(23)	Changes in inventories of finished products and work in progress	(402)	591	n.a.
(2,086)	(3,453)	Cost of raw materials and consumables	(4,810)	(7,572)	57
(676)	(396)	Depreciation, amortisation and impairment (net)	(1,560)	(1,172)	(25)
(371)	(582)	Other material costs*	(1,295)	(1,596)	23
(189)	(186)	Service costs*	(544)	(559)	3
(157)	(170)	Staff costs*	(518)	(600)	16
(523)	(1,281)	Cost of other goods sold	(2,463)	(3,797)	54
(87)	(22)	Impairment charges (net)	(134)	(6)	(96)
(53)	(139)	Provision for charges and risks (net)*	(69)	(181)	162
7	10	Capitalised value of own performance	24	27	13
(4,162)	(6,242)	Total operating expenses	(11,771)	(14,865)	26
(249)	603	Profit/(loss) from operations	(1,170)	1,029	n.a.
34	50	Finance income	107	321	200
(26)	(83)	Finance costs	(144)	(173)	20
8	(33)	Net income/(loss) from financial activities	(37)	148	n.a.
25	7	Share of profit/(loss) of joint ventures accounted for using	70	-	n.a.
(216)	577	Profit/(loss) before tax	(1,137)	1,177	n.a.
70	(101)	Income tax benefit/(expense)	122	(173)	n.a.
(146)	476	Profit/(loss) for the period	(1,015)	1,004	n.a.
Earnings per share					
(14.6)	47.6	Basic and diluted earnings/(loss) per share (HRK per share)	(101.5)	100.4	n.a.

*Restatement of comparable previous periods was made – see on page 9

Condensed non-consolidated Statement of Financial Position

At 31 December 2020 and 30 September 2021 (in HRK millions)

	31 December 2020	30 September 2021	%
Assets			
Non-current assets			
Intangible assets	415	419	1
Property, plant and equipment	10,417	10,210	(2)
Right-of-use asset	473	443	(6)
Investment in subsidiaries	1,827	1,823	(0)
Investments in associates and joint venture	254	255	0
Other investments	767	703	(8)
Long-term receivables	850	862	1
Deferred tax assets	1,054	874	(17)
Non-current financial assets	560	605	8
Total non-current assets	16,617	16,194	(3)
Current assets			
Inventories	1,399	2,498	79
Intercompany receivables	173	232	34
Trade receivables (net)	866	1,773	105
Other receivables	155	202	30
Other current assets	98	196	100
Marketable securities	78	-	n.a.
Cash and cash equivalents	351	358	2
Current assets	3,120	5,259	69
Assets classified as held for sale	7	-	n.a.
Total current assets	3,127	5,259	68
Total assets	19,744	21,453	9
Equity and liabilities			
Capital and reserves			
Share capital	9,000	9,000	-
Legal reserves	199	199	-
Fair value reserves	202	238	18
Other reserves	1,171	1,199	2
Retained earnings/(accumulated losses)	(241)	763	n.a.
Total equity	10,331	11,399	10
Non-current liabilities			
Long-term loans	-	193	n.a.
Long-term lease liabilities	379	347	(8)
Intercompany payables	-	128	n.a.
Other non-current liabilities	33	29	(12)
Employee benefit obligation	17	17	(0)
Provisions	3,862	3,961	3
Total non-current liabilities	4,291	4,675	9
Current liabilities			
Bank loans	1,873	1,649	(12)
Current portion of long-term lease liabilities	100	102	2
Intercompany payables	346	223	(36)
Trade payables	1,104	1,693	53
Taxes and contributions	554	932	68
Other current liabilities	965	583	(40)
Employee benefit obligation	2	2	-
Provisions	178	195	10
Total current liabilities	5,122	5,379	5
Total liabilities	9,413	10,054	7
Total equity and liabilities	19,744	21,453	9

Condensed non-consolidated Cash Flow Statement (Indirect method)

For the period ended 30 September 2020 and 2021 (in HRK millions)

Q3 2020	Q3 2021		Q1-Q3 2020	Q1-Q3 2021	%
(146)	476	Profit/(loss) for the period:	(1,015)	1,004	n.a.
		Adjustments for:			
676	396	Depreciation, amortisation and impairment of property, plant and equipment and ROU asset (net)	1,560	1,172	(25)
(70)	101	Income tax (benefit)/expense recognised in profit and loss	(122)	173	n.a.
87	22	Impairment charges (net)	134	6	(96)
(1)	(3)	Loss/(Gain) on sale of property, plant and equipment	(6)	(7)	17
(44)	19	Foreign exchange (gain)/loss	(5)	20	n.a.
(2)	(3)	Interest (gain)/expense (net)	(2)	(8)	300
(25)	(7)	Share of (gain)/loss of joint ventures accounted for using the equity method	(70)	-	n.a.
(2)	(3)	Other finance (income)/expense recognised in profit	2	(219)	n.a.
42	203	Increase/(decrease) in provision	(41)	167	n.a.
14	20	Decommissioning interests and other provision	41	60	46
4	69	Net (gain)/loss on derivative financial instruments and hedge transactions	175	260	49
4	-	Other non-cash items	4	(1)	n.a.
537	1,290	Operating cash flow before working capital changes	655	2,627	301
		Movements in working capital			
85	325	Decrease/(Increase) in inventories	(173)	(1,375)	695
22	(391)	Decrease/(Increase) in receivables and prepayments	336	(1,641)	n.a.
(359)	(532)	(Decrease)/Increase in trade and other payables	14	1,800	12,757
285	692	Cash generated from operations	832	1,411	70
(2)	-	Taxes paid	(2)	(9)	350
283	692	Net cash inflow/(outflow) from operating activities	830	1,402	69
		Cash flows used in investing activities			
(181)	(339)	Capital expenditures, exploration and development costs	(672)	(945)	41
(15)	(34)	Payment for intangible assets	(26)	(75)	188
-	5	Proceeds from sale of non-current assets	5	16	220
17	-	Investment in securities	35	-	n.a.
9	9	Dividends received from companies classified as non-current financial assets available for sale and from other companies	9	169	1,778
-	1	Payments received from subsidiaries	25	44	76
31	(29)	Interest received and other financial income	37	36	(3)
(28)	59	Loans and other investments (net)	(34)	84	n.a.
(167)	(328)	Net cash used for investing activities	(621)	(671)	8
		Cash flows from financing activities			
3	(1)	Change in long-term borrowings (net)	(332)	203	n.a.
(376)	(749)	Change in short-term borrowings (net)	(243)	(232)	(5)
12	11	Change of principal portion of lease liabilities	(36)	(29)	(19)
(38)	-	Dividends paid	(38)	(585)	1,439
79	42	Interest paid on short-term loans and other financing charges	(29)	(81)	179
(320)	(697)	Net cash from financing activities	(678)	(724)	7
(204)	(333)	Net increase/(decrease) in cash and cash equivalents	(469)	7	n.a.
230	697	At the beginning of the period	502	351	(30)
-	(6)	Effect of foreign exchange rate changes	(7)	-	n.a.
-	-	At the end of period	26	358	1,277
51	-	Overdrafts	51	-	n.a.
77	358	Cash and cash equivalents in statement of financial position	77	358	365

INA, d.d. Summary Segmental Results of Operations

Q3 2020	Q3 2021	HRK mln	Q1-Q3 2020	Q1-Q3 2021	%
Net sales revenues					
449	1,031	Exploration and Production	1,602	2,588	62
3,834	6,721	Refining and Marketing including Consumer services and Retail	10,348	15,429	49
82	82	Corporate and Other	242	250	3
(490)	(1,042)	Intersegment transfers and consolidation adjustments	(1,696)	(2,555)	51
3,875	6,792	Total	10,496	15,712	50
EBITDA*					
147	653	Exploration and Production	693	1,563	126
285	482	Refining and Marketing including Consumer services and Retail	(432)	953	n.a.
(19)	(21)	Corporate and Other	(85)	(74)	(13)
14	(115)	Intersegment transfers and consolidation adjustments	214	(241)	n.a.
427	999	Total	390	2,201	464
EBITDA excluding Special Items					
147	653	Exploration and Production	693	1,563	126
285	482	Refining and Marketing including Consumer services and Retail	(432)	953	n.a.
(19)	(21)	Corporate and Other	(85)	(74)	(13)
14	(115)	Intersegment transfers and consolidation adjustments	214	(241)	n.a.
427	999	Total	390	2,201	464
Profit/(Loss) from operations					
(16)	458	Exploration and Production	67	990	1,378
(201)	313	Refining and Marketing including Consumer services and Retail	(1,286)	441	n.a.
(46)	(53)	Corporate and Other	(165)	(161)	(2)
14	(115)	Intersegment transfers and consolidation adjustments	214	(241)	n.a.
(249)	603	Total	(1,170)	1,029	n.a.
Profit/(Loss) from operations excluding Special Items					
(16)	458	Exploration and Production	67	990	1,378
94	313	Refining and Marketing including Consumer services and Retail	(991)	441	n.a.
(46)	(53)	Corporate and Other	(165)	(161)	(2)
14	(115)	Intersegment transfers and consolidation adjustments	214	(241)	n.a.
46	603	Total	(875)	1,029	n.a.
Property, plant and equipment					
4,492	4,276	Exploration and Production	4,492	4,276	(5)
5,504	5,683	Refining and Marketing including Consumer services and Retail	5,504	5,683	3
278	251	Corporate and Other	278	251	(10)
-	-	Intersegment transfers and consolidation adjustments	-	-	n.a.
10,274	10,210	Total	10,274	10,210	(1)

*EBITDA= EBIT - Depreciation, amortisation and impairment (net)

Financial overview and notes

Condensed non-consolidated Statement of Profit or Loss

Revenue from contract with customers in Q1-Q3 2021 amounted to HRK 15,712 million and is above the Q1-Q3 2020 level, triggered mainly by higher sales revenues as a result of improvement in Brent price and product quotations.

Costs of raw materials and consumables at HRK (7,572) million were 57% higher than Q1-Q3 2020 level, reflecting different dynamic of refinery operations and higher prices.

Other **operating costs** realized in Q1-Q3 2021 include:

- Other material costs in the amount of HRK (1,596) million were higher by 23% mainly driven by higher maintenance and geological services costs
- Service costs in the amount of HRK (559) million were 3% higher mainly due to higher intellectual and information services than in Q1-Q3 2020
- Depreciation, amortisation and impairment (net) in the amount of HRK (1,172) million were 25% lower compared to Q1-Q3 2020
- In Q1-Q3 2021, impairment charges had a negative effect in the amount of HRK (6) million compared to HRK (134) million negative effect in Q1-Q3 2020
- Provision for charges and risk (net) in the amount of HRK (181) million were higher compared to HRK (69) million in Q1-Q3 2020.

Staff costs in the amount HRK (600) million were 16% higher compared to Q1-Q3 2020.

Costs of other goods sold in Q1-Q3 2021 increased by 54% compared to Q1-Q3 2020 and amounted to HRK (3,797) million resulting from higher import and prices increase.

Net result from financial activities in Q1-Q3 2021 is positive in the amount of HRK 148 million compared to HRK (37) million of net financial loss in Q1-Q3 2020.

Income tax expense in Q1-Q3 2021 amounted to HRK (173) million compared to HRK 122 million income tax benefit in Q1-Q3 2020. Tax costs and deferred taxes during the reporting period are calculated based on actual results and the profit tax rate, 18% for the periods ended 30 September 2020 and 2021.

Condensed non-consolidated Statement of Financial Position

Total assets of INA d.d., as at 30 September 2021 amounted to HRK 21,453 million and are 9% higher compared to 31 December 2020.

Property, plant and equipment amounted to HRK 10,210 million and were 2% lower than 31 December 2020.

Trade receivables, net increased to HRK 1,773 million compared to HRK 866 million on 31 December 2020, mainly due to higher sales and improving price environment.

Total liabilities amounted to HRK 10,054 million and were 7% higher compared to 31 December 2020.

INA, d.d. **net debt** amounted to HRK 1,484 million and increased compared to 31 December 2020. **Net gearing** decreased from 12.3% as at 31 December 2020, to 11.5% as at 30 September 2021.

Trade payables increased from 31 December 2020 to HRK 1,693 million at 30 September 2021, driven by higher prices and volumes of imported crude oil and refined products.

Condensed non-consolidated Cash Flow Statement (Indirect method)

The operating cash flow before movements in working capital amounted to HRK 2,627 million in Q1-Q3 2021, which is an increase compared to the same period last year which is in line with the change in EBITDA performance excluding non-cash items.

Movements in working capital affected the operating cash flow negatively by HRK (1,216) million, primarily due to:

- Increase in value of inventories in the amount of HRK (1,375) million mainly related to higher prices together with higher crude oil volumes
- Increase in receivables and prepayments in the amount of HRK (1,641) million mainly related to higher sales volumes and prices
- Increase in trade and other payables in the amount of HRK 1,800 million.

INA d.d. generated HRK 1,402 million net cash inflow from operating activities in Q1-Q3 2021 compared to HRK 830 million inflow in Q1-Q3 2020.

Reclassification

INA Management Board adopted at December 2020 the updated version of INA Group Accounting Policies and Procedures. The updated version of INA Group Accounting Policies and Procedures policies have been consistently applied to all the periods presented, unless otherwise stated. If the items in the financial statements is amended, all comparative amounts are reclassified.

INA d.d. adjusted its classification between operating income and operating expense lines to align Group reporting standards, line Capitalised value of own performance was reclassified to Operating expenses in amount of HRK 24 million in period Q1-Q3 2020. Additionally, utilization of provisions in amount of HRK 108 million in Q1-Q3 2020 was reclassified to the same line as realized costs (HRK 60 million in Other material cost, HRK 21 million in Service costs and HRK 27 million in Staff costs).

Special items in operating profit and EBITDA

In addition to international accounting standards, international reporting standards and regulatory requests the company discloses special items to achieve a higher level of transparency and to provide better understanding of the usual business operations. Business events not occurring regularly and having significant effect on operations and results are considered as special items. INA has adopted the materiality level for the special items in the amount of USD 10 million or above. If special items reach materiality level on cumulative basis, previous quarters are restated. Furthermore, in accordance with the adopted accounting policies and IFRS 36 – Impairment of Assets, INA performs impairment testing at the end of each reporting period if impairment indicators are assessed to be significant.

In Q1-Q3 2020, the result was impacted by impairment of refinery assets in Sisak in the amount of HRK (295) million, due to the concentration of refining operations in Rijeka refinery.

In Q1-Q3 2021, there were no special items impacting the result.

HRK mln	Q1-Q3 2020	Q1-Q3 2021
INA d.d.		
Total impact of special items on net profit/(loss)	(295)	-
Total impact of special items on operating profit/(loss)	(295)	-
Total impact of special items on EBITDA	-	-
Exploration & Production		
Total impact of special items on operating profit/(loss)	-	-
Total impact of special items on EBITDA	-	-
Refining & Marketing including Customer services and retail		
Total impact of special items on operating profit/(loss)	(295)	-
Total impact of special items on EBITDA	-	-
Corporate functions		
Total impact of special items on operating profit/(loss)	-	-
Total impact of special items on EBITDA	-	-

Changes in equity

	Share capital	Legal reserves	Fair value reserves	Other reserves	Retained earnings/ (accumulated losses)	Total
Balance at 1 January 2020	9,000	166	241	1,214	1,273	11,894
Transfer to legal reserves from retained earnings	-	33	-	-	(33)	-
Profit brought forward from legal merger	-	-	-	-	75	75
Dividend paid	-	-	-	-	(623)	(623)
Subtotal	9,000	199	241	1,214	692	11,346
Profit/(loss) for the period	-	-	-	-	(1,015)	(1,015)
Other comprehensive gain/(loss), net	-	-	(45)	(24)	-	(69)
Total comprehensive income/(loss) for the period			(45)	(24)	(1,015)	(1,084)
Balance at 30 September 2020	9,000	199	196	1,190	(323)	10,262
Balance at 1 January 2021	9,000	199	202	1,171	(241)	10,331
Profit/(loss) for the period	-	-	-	-	1,004	1,004
Other comprehensive gain/(loss), net	-	-	36	28	-	64
Total comprehensive income/(loss) for the period			36	28	1,004	1,068
Balance at 30 September 2021	9,000	199	238	1,199	763	11,399

Related party transactions

INA, d.d. has dominant positions in Croatia in oil and gas exploration and production, oil refining and the sale of gas and petroleum products. As a result of the INA, d.d. strategic position within the Croatian economy, a substantial portion of its business is transacted with the Croatian Government, its departments and agencies, and the companies with the Republic of Croatia being their majority shareholder.

Details of transactions between INA, d.d., other INA Group companies and other related parties during Q1-Q3 2021 are disclosed below:

INA d.d.	Sales of goods	Purchase of goods
HRK mln	30 September 2021	30 September 2021
Related companies		
Holdina d.o.o. Sarajevo	1,618	-
INA Crna Gora d.o.o. Podgorica	252	-
INA Slovenija d.o.o. Ljubljana	74	-
STSI, Integrirani tehnički servisi d.o.o.	18	278
Plavi tim d.o.o.	10	68
CROSCO, naftni servisi d.o.o.	8	195
INA Maloprodajni servisi d.o.o.	6	242
INA MAZIVA d.o.o.	3	40
Top Računovodstvo Servisi d.o.o.	3	31
INA Vatrogasni Servisi d.o.o.	2	57
Hostin d.o.o.	1	-
Adrigas S.r.l. Milano	-	2
Share in company as non-current financial assets		
JANAF d.d. Zagreb	-	57
Governing company		
MOL Nyrt.	1,183	983
Companies controlled by governing company		
Tifon d.o.o.	450	8
MOL Serbia d.o.o.	129	-
MOL Petrochemicals Co. Ltd.	34	7
MOL Slovenija d.o.o.	30	-
SLOVNAFT, a.s.	8	183
MOL Azerbaijan Ltd.	-	882
MOL Commodity Trading Kft.	-	22
IES - Italiana Energia e Servizi S.p.A	-	14

INA Group	Amounts owed from related parties	Amounts owed to related parties
HRK mln	30 September 2021	30 September 2021
Related companies		
Holdina d.o.o. Sarajevo	159	-
INA Crna Gora d.o.o. Podgorica	47	-
INA Slovenija d.o.o. Ljubljana	10	-
STSI, Integrirani tehnički servisi d.o.o.	4	52
CROSCO, naftni servisi d.o.o.	2	70
Plavi tim d.o.o.	3	24
INA MAZIVA d.o.o.	2	10
INA Maloprodajni servisi d.o.o.	1	30
Top Računovodstvo Servisi d.o.o.	1	4
INA Vatrogasni Servisi d.o.o.	-	8
Share in company as non-current financial assets		
JANAF d.d. Zagreb	-	8
Governing company		
MOL Nyrt.	166	132
Companies controlled by governing company		
MOL Commodity Trading Kft.	236	239
Tifon d.o.o.	87	2
MOL Slovenija d.o.o.	6	4
MOL Serbia d.o.o.	30	-
SLOVNAFT, a.s.	-	17

Management representation

INA, d.d. non-consolidated financial statements for Q1-Q3 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS), i.e. they present fairly, in all material aspects, the financial position of the company, results of its operations and cash flows.

Management Board:

- Sándor Fasimon – President of the Management Board
- Niko Dalić – Member of the Management Board
- Barbara Dorić – Member of the Management Board
- Ferenc Horváth – Member of the Management Board
- Darko Markotić – Member of the Management Board
- József Simola – Member of the Management Board