

**LUKA RIJEKA D.D.**

**LUKA RIJEKA D.D.  
RIJEKA**

**ANNUAL REPORT FOR  
FOR THE YEAR 2025**

This version of the Annual Report is a translation from the original, which was prepared in Croatian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the Annual Report takes precedence over this translation.

# CONTENT

	<b>Page</b>
Management report for the year 2025.....	3
Sustainability statement.....	24
Independent Auditor's Report with Limited Assurance.....	72
Report of implementation of the corporate governance code.....	80
Consolidated and Non-Consolidated Financial Statements for the Year 2025.....	85
Statement of Management's responsibilities .....	86
Independent Auditors' Report.....	87
Income statement and Statement of other comprehensive income.....	100
Statement of financial position .....	101
Statement of changes in equity .....	103
Statement of cash flows .....	105
Notes to the financial statements .....	107-182

This version of the Annual Report is a translation from the original, which was prepared in Croatian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the Annual Report takes precedence over this translation.



# MANAGEMENT REPORT FOR 2025

PORT OF RIJEKA jsc.  
Riva 1, HR-51 000 RIJEKA  
OIB: 92590920313

Rijeka, April 2026.

## Key business indicators for the Group Port of Rijeka jsc for 2025

**30,8**  
million euros  
operating revenues

**9,7**  
million euros  
profit after tax

**7**  
million euros  
of cash

**5,1**  
million euros  
of capital investments

**3,9**  
million euros  
EBITDA

**13%**  
EBITDA margin

**605**  
employees

**33%**  
women in  
management

**1.735**  
million tons of  
cargo traffic

## Basic information about the Company and the Group

PORT OF RIJEKA jsc. (the Company) was established through the privatization of a former public company registered as a joint stock company in 1994. The Company is the largest concessionaire for dry cargo transshipment in the port of Rijeka area, and the Company's core activities include the provision of maritime transport services, port services for loading, unloading, transshipment and storage of goods, and mooring and unmooring of ships. The Company is headquartered at Riva 1, Rijeka, Croatia.

As of 31 December 2025, the share capital of PORT OF RIJEKA jsc amounted to EUR 67,402,375 and was divided into 13,480,475 shares with an individual nominal value of EUR 5. All issued shares have been registered and paid in full. The Company's shares are listed on the Official Market of the Zagreb Stock Exchange under the symbol LKRI-A-A ([www.zse.hr](http://www.zse.hr)). The Company and its subsidiaries and affiliates are collectively referred to as the Group. The Company is a 100% owner of the following subsidiaries: Stanovi d.o.o, Rijeka, Dubrovačka 4, whose main activity is real estate investment management, Luka Prijevoz d.o.o, Bakar, Kukuljanovo 460, whose main activity is road freight transport, Luka Rijeka Container Depo d.o.o, Bakar, Kukuljanovo 460, whose main activity is container terminal management. The Company/Group has no established branches.

PORT OF RIJEKA jsc owns a 49% share in the company JADRANSKA VRATA d.d., Rijeka. The profit/loss of this company is attributed to Port of Rijeka jsc using the equity method.

### Shareholder structure as of December 31, 2025

PORT ACQUISITIONS A.S.	34,34%
CERP/ REPUBLIKA HRVATSKA	25,02%
OTP BANKA D.D./ AZ OMF KATEGORIJE B	15,02%
ERSTE & STEIERMARKISCHE BANK D.D./ PBZ CO OMF KATEGORIJE B	7,60%
OTP BANKA D.D./ ERSTE PLAVI OMF KATEGORIJE B	6,81%
ERSTE & STEIERMARKISCHE BANK d.d.	1,60%
OTP BANKA D.D./ AZ OBVEZNI MIROVINSKI FOND KATEGORIJE A	0,85%
ZAGREBAČKA BANKA D.D./AZ PROFIT OTVORENI DOBROVOLJNI MIROVINSKI FOND	0,71%
OTP BANKA D.D./ ERSTE PLAVI EXPERT- DOBROVOLJNI MIROVINSKI FOND	0,68%
OSTALI DIONIČARI	7,37%

The total number of issued shares is 13,480,475.

PORT ACQUISITIONS A.S., headquartered in Prague, Czech Republic, on March 14, 2023, purchased shares from Rubicon Partners Ventures ASI SP Z.O.O. and OT Logistics S.A., thereby acquiring 34.34% of the ordinary shares, becoming the largest individual shareholder.

The share of the institutions of the Republic of Croatia: CERP, in the ownership structure of the Company as of December 31, 2025 is 25.02%.

As of 31 December 2025, the Company did not hold any treasury shares, nor did it acquire or dispose of treasury shares during the year.

The Company/Group has no established branches

## Corporate governance structure

The Company/Group applies the Corporate Governance Code, which was jointly developed by the Croatian Financial Services Supervisory Agency (HANFA) and the Zagreb Stock Exchange d.d., and regularly publishes an annual Report on the Application of the Corporate Governance Code. The Report and the Corporate Governance Code are available on the Company's website ([www.lukarijeka.hr](http://www.lukarijeka.hr)), as well as on the websites of HANFA ([www.hanfa.hr](http://www.hanfa.hr)) and the Zagreb Stock Exchange ([www.zse.hr](http://www.zse.hr)).

The Port of Rijeka Group operates in accordance with good corporate governance practices, and through its business policy contributes to transparent and efficient operations, while striving to connect with the business environment and to follow global developments and trends.

The corporate governance structure is based on the dualistic principle, which includes the Supervisory Board and the Management Board of the Company, which together with the General Assembly represent the three fundamental bodies of the Company.

**The General Assembly** is the body in which shareholders exercise their rights, and its work is regulated by the Company's Statute, which is available on the Company's website ([www.lukarijeka.hr](http://www.lukarijeka.hr)). The General Assembly of the Company makes decisions that have a significant impact on the state of assets, financial position, business results, ownership structure and management of the Company, by the prescribed majority of votes. In 2025, the regular annual General Assembly was held on August 29, 2025. At the assembly, a decision was adopted on the distribution of profits to cover losses from previous years, discharges were given to the members of the Management Board and Supervisory Board, decisions on the election of auditors for 2025, decisions on the Remuneration Policy for members of the Management Board and Supervisory Board, and the Report on Remuneration of the Management Board and Supervisory Board for 2024, and a new member of the Supervisory Board was appointed.

**The Supervisory Board** of PORT OF RIJEKA jsc has 5 members. During 2025, the Supervisory Board held four meetings.

The members of the Supervisory Board during 2025 are:

Alen Jugović	President of the Supervisory Board appointed on 27 December 2017, reappointed on 10 February 2021. / 3 April 2025
Dragica Varljen	Deputy President of the Supervisory Board appointed on 28 February 2020. reappointed on 13 July 2022.
Hrvoje Pauković	Member, appointed on 28 February 2022.
Martin Vozar	Member, appointed on 29 August 2024.
Roman Kratochvíl	Member, appointed on 29 August 2025.
Ondrej Jašek	Member, appointed on 25 August 2023. dismissed on 29 August 2025.

**The Audit Committee** was established, in accordance with the Company's Articles of Association, by the Supervisory Board. The Audit Committee is a body that provides support to the Management Board and the Supervisory Board in the effective performance of the obligations of corporate governance, financial reporting and control of the Company. The Audit Committee worked in the past year with 3 members. During 2025, two sessions of the Audit Committee were held.

The members of the Audit Committee during 2025 are:

Alen Host	Member since August 31, 2022.
Vesna Buterin	Member since August 31, 2022.
Marin Mijolović	Member since August 31, 2022. (President since April 28, 2023)

**The Company's Management Board** manages the Company's affairs in accordance with the Company's Statute and legal regulations. The Company is represented by the Company's Management Board collectively, the President with two other Management Board members. The Management Board continuously manages and supervises all business processes that take place in the company, in order to ensure business stability, enable growth in cargo traffic, enable greater business efficiency, and also responsibly approach the sustainable development strategy. The Company's Management Board is responsible for implementing the Company's development strategy and business plans, with an emphasis on the impact of the proposed activities on all stakeholders, company, sustainable business and the environment. The Company's Management Board submits reports to the Supervisory Board on important facts for the Company's business, financial position and the state of the Company's assets. In addition to the financial aspects of business, more and more attention is paid to sustainable business, the impact on the environment and company, and promotes ethical behaviour, while respecting the value system and human rights.

The members of the Management Board during 2025 are:

Duško Grabovac	President of the Management Board since May 1, 2020
Marina Cesarac Dorčić	Member since December 1, 2022
Marko Mišković	Member since November 1, 2024

## Mission, vision and strategy of the Group and the Company

### MISSION

Providing high-quality port services, which the Port constantly aligns with the demands of the world market, is the basis of the port's business policy. This is the basis for preserving the current and expanding the future position of the Port of Rijeka on the North Adriatic maritime route and its role as an important transit port for the countries of Central and Central Eastern Europe.

### VISION

To be recognizable in the local, regional and global environment as a well-organized economic entity, focused on the future and business excellence.

## STRATEGY

Through strategic partnerships with world leaders in shipping, secure new investment projects in order to further strengthen the market position of the Port of Rijeka. Reduce business expenses by modernizing work processes, and increase business income and maximize business effects through greater turnover. Ensure growth in share value and further development of the Port of Rijeka joint stock company through increased business profitability. The above is published on the Company's website: <https://lukarijeka.hr/>

## Terminals of the Port of Rijeka jsc.

### Rijeka basin

#### Rijeka Terminal

##### General Cargo Business Unit

Located in the western part of the port basin, belongs to Terminal Rijeka

Sea depth 12 m

Capacity for handling and storing various types of general cargo: steel and iron products, various machines and structures, marble and granite blocks, salt, cement, paper, cardboard and more

Disposes of 9 berths, numerous coastal and mobile cranes, and other handling machinery

Maximum annual capacity approx. 2,000,000 t



#### Rijeka Terminal

##### Wood Business Unit

It is located in the eastern part of the port basin, it belongs to Terminal Rijeka

Annual capacity: 80,000-100,000 m<sup>3</sup>

Preparation of sawn timber for: sorting, impregnation, packaging marking and tying

#### Grain terminal Silo

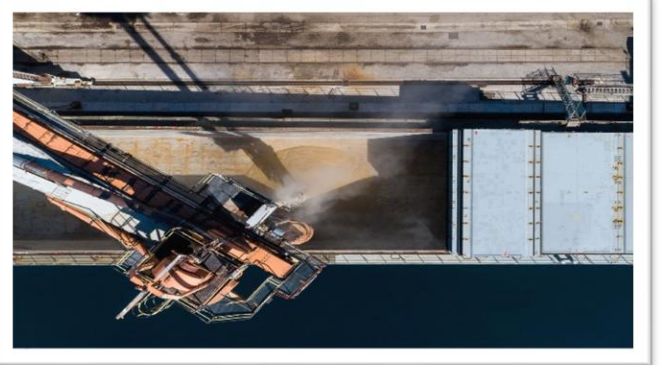
Located in the western part of the Rijeka basin  
Transshipment and storage of cereals and oilseeds  
It has a railway connection

Sea depth 14 m

Maximum annual capacity 1,000,000 t

Possibility of one-time storage of approximately 56,000 tons of grain

Equipment: ship transshipment for grain loading/unloading operations



## Inland storage terminal Škrljevo

### Škrljevo Terminal

Distance from the Rijeka Basin 10 km, and from Bakar 3 km  
Inland terminal - a multi-purpose logistics center intended for handling and storing containers, general and bulk cargo, and wood

Owned by Port of Rijeka, the terminal has the status of a customs-free zone

Providing value-added services for goods

Direct connection to the railway, motorway and roads on the VB corridor

Railway infrastructure: 6 tracks 3,500 m long

Total area 450,000 m<sup>2</sup>, of which:

54,965.34 m<sup>2</sup> of closed warehouses

35,553.43 m<sup>2</sup> of canopies

125,813 m<sup>2</sup> of open warehouses

### Frigo Business Unit

Located at the Škrljevo Terminal

Serves for the transhipment of refrigerated cargo

Total area of conditioned warehouse 4,400 m<sup>2</sup>

One-time warehouse capacity 4,000 t

Maximum annual capacity: 100,000 t

### Container Depot Terminal

Located at Terminal Škrljevo

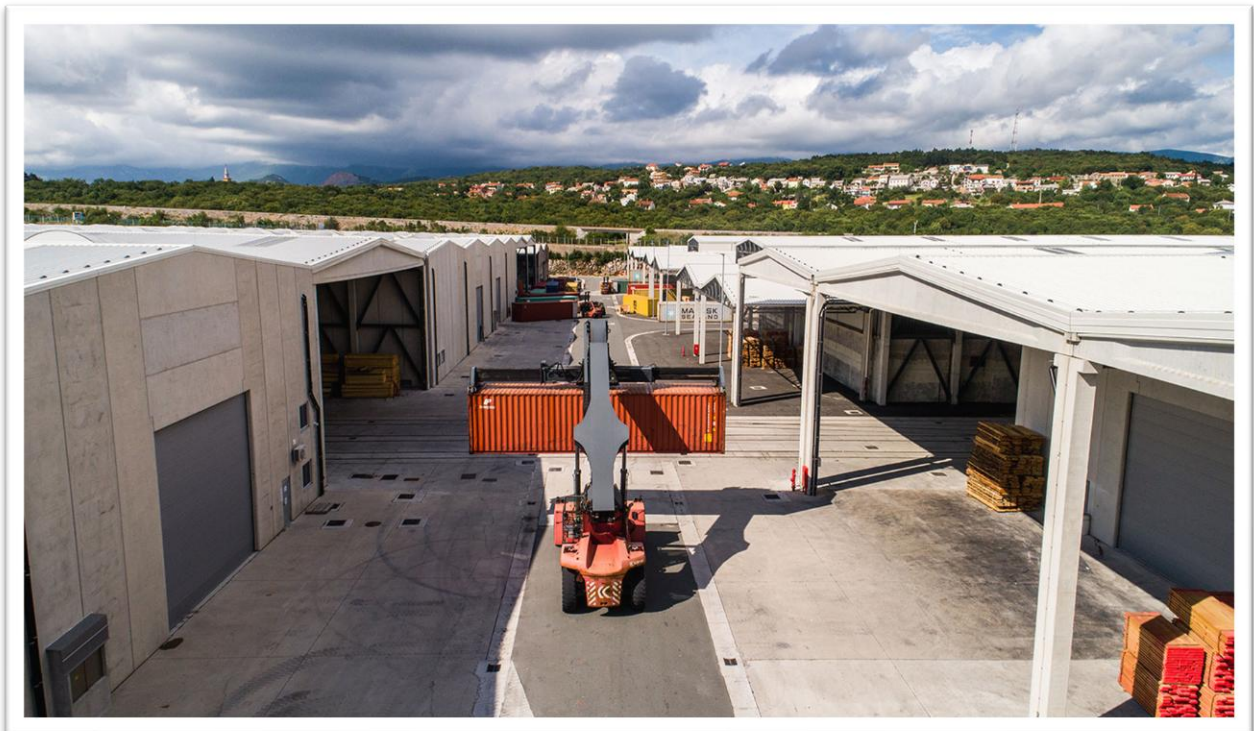
Terminal for handling and storing containers

Total area: 11,415 m<sup>2</sup>

New area under construction: 66,600 m<sup>2</sup>

One-time capacity: 8,500 TEU

Maximum annual capacity 150,000 TEU



## Bakar basin

### Bakar bulk cargo terminal - Podbok pier

Located in the Bakar Basin, 13 km from Rijeka  
It is intended for the manipulation and storage of iron ore and coal, as well as for bulk and dry cargo  
It has a railway connection to the hinterland  
Sea depth 18 m (accepts Panamax and Capesize ships)  
Key terminal equipment: coastal gantry crane with grab, continuous ship unloader, continuous ship loader, mobile storage bridge, conveyor belts  
Annual capacity: 4,000,000 t  
One-time storage capacity: fine iron ore 300,000 t; iron ore pellets 250,000 t; coal 120,000 t



### Bakar general cargo terminal - Goranin pier

Located in the Bakar Basin, 13 km from Rijeka  
It is intended for the manipulation and storage of general cargo  
It has a railway connection to the hinterland  
Sea depth 9 m  
Key equipment: 2 coastal portal cranes  
Wharf storage area approx. 2,500 m<sup>2</sup>



## Raša basin

### Bršica Terminal

Located in the Raša Por Basin, a multipurpose terminal for the accommodation and transshipment of livestock, wood, general and bulk cargo  
Sea depth at the pier 8 m  
Equipped with a berth for two ships, possibility of storing approx. 1,000 heads of cattle  
Maximum annual capacity is 600,000 t  
Continuous veterinary supervision of livestock  
Special attention is paid to the preservation of the human environment  
Total warehouse area: 510,383 m<sup>2</sup>  
Covered area: 35,500 m<sup>2</sup>



## KEY EVENTS AND INVESTMENTS during 2025

Investment activities have continued in the expansion of the Container Depot in Škrljevo, with a total value of EUR 5.7 million, initiated in the third quarter of 2024. The project involves expanding the container depot and developing a new storage and operational area, including the construction of nine additional container storage platforms covering an area of 66,615 m<sup>2</sup>, as well as the development of internal roadways with the necessary stormwater drainage and external lighting, asphalt paving of storage areas, and installation of additional electrical connections. Upon completion, the project is expected to increase traffic in the handling and storage of empty containers, while also creating the opportunity to provide new services for handling full containers, which is currently carried out on a very limited scale.

As part of this project, works worth EUR 1.39 million were completed by the end of 2024. Construction continued throughout 2025, with works amounting to EUR 3.89 million completed by the end of the year.

In addition to constructing new storage areas, it was necessary to carry out rehabilitation of embankments along the outer sections of the Container Depot terminal. The value of these works in 2025 amounted to EUR 0.2 million. In line with the expected growth in container traffic and the need for more efficient handling of empty and full containers, the Group and the Company initiated the procurement process for two terminal tractors with a total purchase value of EUR 0.4 million. Delivery is planned for the end of the first quarter of 2026.

Furthermore, during 2025, the Group and the Company procured and installed a sanitary container for employees, improving working conditions at the terminal, as well as an entrance container for monitoring entry and exit at the terminal. In the IT segment, a new system for tracking empty container traffic is being developed and implemented, which will enable timely monitoring of individual container locations and digitalize and optimize the entry and exit of empty containers at the terminal. During 2025, EUR 30 thousand was invested in the development of this system, with further upgrades planned.

At the Škrljevo Terminal, the launch of a project to build an integrated solar power plant is planned, representing one of the key imperatives of the green energy transition. In addition to positive environmental effects, the project is expected to generate economic benefits through reduced electricity costs. Following a public tender, the most favorable bidder was selected in October 2025, and a contract for the design, construction, and maintenance of the integrated solar power plant was signed in November. The Group and the Company expect project implementation to begin in 2026. The value of the investment is EUR 0.5 million.

In March 2025, at the Bakar terminal, on the Goranin quay, an outdated timber handling quay crane was dismantled and replaced with a higher-quality used crane acquired from the Port of Split. The crane was thoroughly refurbished in the maintenance department of the Group and the Company and installed on the Goranin quay. It was commissioned in May 2025.

There are also plans to replace another outdated crane on the Goranin quay with a used crane already procured by the Group and the Company. Refurbishment of this crane will continue during the first half of 2026, after which it will be installed and put into operation, with project completion planned by the end of 2026.

To improve working conditions for employees at the Bršica Terminal, four sanitary containers were procured and installed, with a total value of EUR 43 thousand. To modernize equipment and increase efficiency, the Group and the Company initiated the procurement of two forklifts with a capacity of up to 6 tons, with a total value of EUR 101 thousand. Delivery is expected in the second quarter of 2026.

During the second quarter of 2025, a fire risk reclassification process was initiated at the Rijeka Terminal, with a total value of EUR 0.2 million. Completion of the activities is planned by the end of the current year.

To ensure efficient mooring and unmooring operations, a pick-up vehicle was procured at a purchase value of EUR 33 thousand, or EUR 37 thousand including special vehicle tax (PPMV). The vehicle is used for transporting employees and equipment, as well as for towing heavy mooring lines required during ship berthing.

Two cargo vehicles were also procured and put into operation for the Maintenance Service, with a total value of EUR 44 thousand, replacing outdated existing vehicles.

In addition to major investments, several smaller-value investments were implemented in 2025 that are worth highlighting, such as the procurement of repeaters and the installation of a video surveillance system at the Rijeka Terminal.

### Geopolitical impacts on the operations of the Group and the Company

#### War in Ukraine

The war in Ukraine and sanctions imposed on Russia are affecting the global economy, and consequently the European and Croatian economies, as well as indirectly the operations of the Group and the Company. Due to Russia's invasion of Ukraine and the shutdown of their ports, significant disruptions have occurred in transport routes via Black Sea ports, creating a need to find alternative routes. A secondary effect of the conflict is visible in rising prices of raw materials, transport, and energy compared to the pre-crisis period, impacting the Group's and the Company's operations, particularly through increased operating costs. The Group and the Company continuously monitor cost trends and, through timely business decisions, aim to ensure greater cost efficiency and improved profitability.

#### Red Sea crisis and broader geopolitical tensions

The Port of Rijeka, like all ports worldwide, is exposed to various factors that may lead to changes in shipping routes and cargo flows, highlighting the sensitivity of port systems and the significant need for reorganization of entire logistics chains to ensure uninterrupted flow of goods. Due to the crisis in the Red Sea, shipping companies are rerouting vessels via the Cape of Good Hope, which extends transit times and increases freight rates. It is difficult to predict the extent to which this crisis will affect the operations of the Group and the Company, as this will depend on the duration of navigation restrictions and the willingness of shipping companies to maintain existing service lines to ports of call. The Group and the Company also monitor broader geopolitical tensions in the Middle East, as these may affect international maritime flows, transport costs, and supply chains.

## Annual cargo transshipment turnover of Port of Rijeka jsc.

Total annual turnover in 2025 was 1,735,090 tons, a decrease of 17% compared to 2024 (2024: 2,090,564 tons).

Cargo Traffic (in tons)	2025.	2024.	Index
General Cargo	678.775	660.348	103
Bulk Cargo	872.849	1.269.274	69
Containers	183.465	160.942	114
<b>TOTAL</b>	<b>1.735.090</b>	<b>2.090.564</b>	<b>83</b>

### GENERAL CARGO

- General cargo accounts for 39% of total traffic, increasing by 3% in 2025 compared to the previous year.
- The structure of general cargo is dominated by the handling of timber and metallurgical products.
- Within general cargo, the highest growth was recorded in metal products and timber, driven by new partners and increased volumes from existing clients.

### BULK CARGO

- Bulk cargo dominates the cargo structure in 2025, accounting for 50% of total throughput.
- The largest share of bulk cargo traffic consists of coal and stone aggregates.
- Bulk cargo traffic decreased by 31% compared to 2024, primarily due to a decline in coal shipments caused by reduced incoming volumes during the year, while the decrease in grain traffic resulted from unfavorable climatic conditions, global price trends, and changes in logistics routes.

### CONTAINERS

- Container traffic accounts for 11% of total throughput and increased by 14% in 2025 compared to the previous year. The growth is primarily the result of investments made at the Škrijevo terminal related to expanding container handling capacity.
- Despite the overall decline in traffic, the growth of the container segment indicates positive trends in cargo structure and the continued development of this business segment.

## Management report for 2025

---

The Luka Rijeka Group, through its associated company Jadranska vrata d.d., which primarily provides container handling services from container ships to trucks and rail wagons, generates significant container traffic.

JADRANSKA VRATA d.d.	2025.	2024.	Index
Containers (TEU)	425.622	409.415	104
Containers (tons)	4.089.111	4.037.336	101

## Financial performance indicators

### Key performance indicators of the Group and the Company Port of Rijeka jsc

Financial performance indicators	31.12. 2025. Group	31.12. 2024. Group	31.12. 2025. Company	31.12. 2024. Company
<b>Liquidity indicators</b>				
Working capital (in EUR 000)	6.543	4.282	5.695	3.407
Current liquidity	1,71	1,41	1,60	1,31
<b>Indebtedness indicators</b>				
Current liabilities/equity	0,10	0,13	0,17	0,21
Long-term liabilities/equity	0,30	0,39	0,48	0,59
Loan obligations/capital	0,17	0,22	0,27	0,34
Total liabilities/assets	0,42	0,45	0,54	0,57
<b>Profitability indicators</b>				
EBIT (in EUR 000)	375	1.447	324	1.258
EBITDA (in EUR 000)	3.921	4.878	3.704	4.578
EBITDA margin	13%	16%	12%	15%
EBIT margin	1%	5%	1%	4%
<b>Productivity indicators</b>				
Average number of employees	605	648	585	629
Business income per employee (in EUR 000)	51	47	52	48

For the 2025 financial year, the Group and the Company achieved positive operating results. The Company's EBIT amounted to EUR 324 thousand (Group: EUR 375 thousand), while the Company's EBITDA amounted to EUR 3,704 thousand (Group: EUR 3,921 thousand). These results reflect business stability in a challenging market environment marked by geopolitical uncertainty, increased costs, and labor market pressures.

The liquidity indicators of both the Group and the Company improved further compared to the previous year, confirming preserved financial stability and the ability to meet obligations in a timely manner. The increase in working capital further indicates a strengthening financial position. At the same time, leverage indicators also improved compared to 2024, pointing to reduced financial risks and a more balanced financing structure.

The Group and the Company continue to pursue activities aimed at increasing operational efficiency, optimizing costs, and further developing the business, thereby creating the conditions for stable growth and a stronger competitive position in the period ahead.

## Revenues and Expenses of the Luka Rijeka d.d. Group and Company

During the period under review, the Company's total revenues amounted to EUR 35,424 thousand (Group: EUR 41,479 thousand), representing an increase of 13% (Group: 3%) compared to the same period of the previous year. In the structure of total revenues, the largest share relates to operating revenues in the amount of EUR 30,511 thousand (Group: EUR 30,770 thousand), which remained at approximately the same level as in 2024. Cargo traffic continues to generate the key revenues from core operations.

Within financial revenues, a significant increase was recorded in 2025, primarily as a result of the dividend paid by the associated company Jadranska Vrata d.d. in the amount of EUR 4,900 thousand (2024: EUR 2,450 thousand).

Total expenses for 2025 amounted to EUR 31,566 thousand (Group: EUR 31,785 thousand) and remained at approximately the same level as in 2024. In terms of cost developments, a decrease in electricity expenses stands out due to lower prices, while personnel costs increased in line with market trends. Operating expenses amounted to EUR 30,187 thousand (Group: EUR 30,395 thousand), representing a decrease of 4% (Group: an increase of 5%) compared to the previous year.

The Company's net profit amounted to EUR 3,858 thousand (Group: EUR 9,689 thousand), representing a significant increase compared to the previous year (Group: an increase of 7%).

## Risk Management

### Market Risk

For many years, the Port of Rijeka has been an important transit port for hinterland countries, mainly countries in Central and Central Eastern Europe. In this large area, it strategically targets two groups of countries in the group of priority and secondary markets, and then third markets and the wider gravitational hinterland.

It is part of the global maritime trade network and a point of change in transport modes from maritime to land and vice versa. The complex supply chains that touch this point are very dynamic because they react to changes in the global economy, as well as the movements of the economies of individual regions. Therefore, strategic planning is important in order to assess potential risks and achieve the set plans. Business involves various risks due to the nature of the maritime industry and its dependence on global economic, environmental and regulatory factors, so it is necessary to be adaptable to the needs and changes dictated by the market.

#### *Destination Markets*

Very important destination (emitting) markets, which achieve trade with the gravitational hinterland, are the markets of North Africa and the Eastern Mediterranean-Levant. Important markets are also those that, with the gravitational hinterland, carry out trade via the Suez Canal (liner container traffic).

#### *Market competition*

The closest competition is made up of the ports of the northern Adriatic cluster (the port of Koper and the port of Trieste), and other ports in northern Italy. The advantage of the northern Adriatic ports over the ports in the North Sea or the Baltic stems from the shortest maritime connection between Europe and the Near, Middle and Far East. Since the Adriatic Sea is the most indented part of the European continent, the northern Adriatic is the part of Europe that provides Central European countries with the closest access to the world's seas.

The Port of Rijeka is located on the strategic transport route of the EU - the Mediterranean Corridor, and its inclusion in the also strategic corridor, the Baltic-Adriatic, is important for the further development of the port, and strengthening its position, given that it passes through an important EU market for which the Port of Rijeka has been an important transit port for many years. Also, further development of the railway connection to the gravitational hinterland would significantly strengthen the market position of the port on the aforementioned corridor, and enable its growth and development. The ports of the North Adriatic cluster have strong competitors in other clusters: the strongest European cluster of North European ports (Rotterdam, Amsterdam, Antwerp, Ghent, Hamburg, Bremen, etc.) which is connected to the port of Constanza from the Black Sea cluster by the Rhine-Main-Danube canal, which passes through the heart of the gravity area of the port of Rijeka. The competitive Baltic cluster (Rostock, Gdansk, Gdynia, etc.) is also targeting this area (especially the Polish and Czech markets). There are also marginal clusters of the southern Adriatic and the Aegean Sea, which also target the southern part of the gravity area of the port of Rijeka. This is primarily the port of Ploče which is oriented towards Bosnia and Herzegovina, the port of Bar towards Montenegro and Serbia, the port of Durrës towards Albania and Kosovo, and the port of

Thessaloniki and other Aegean ports which, apart from Greece, also target the market of North Macedonia and Serbia, but this is a secondary zone of competitive interest of the port of Rijeka. After the impact suffered by the global economy due to the COVID pandemic, in early 2022 the conflict between Russia and Ukraine affects changes in some of the world's main trade flows.

The Red Sea crisis, together with broader geopolitical tensions in the Middle East, continues to impact global maritime flows. These disruptions primarily affect container liner traffic due to the extension of trade routes from Asia to Europe, as vessels are rerouted via the Cape of Good Hope. This results in longer transit times, increased freight rates, and higher insurance premiums for passage through key maritime routes, including the Suez Canal.

It is difficult to predict to what extent the crisis will affect business, this will certainly depend on the duration of the navigation restrictions and the willingness of all shipowners to maintain existing lines at the ports of call. The Company's Management Board is working to minimize market risks through price-tariff adjustments, continuous investment in technology in order to accelerate the flow of goods in the supply chain and increase the attractiveness of the port, capacity development and through measures to increase labour productivity. The Company continuously monitors the situation on the global market, and accordingly plans investments and projects in order to maintain competitiveness and increase the attractiveness of the route.

### **Credit risk**

The Company/Group uses several credit risk control methods, first of all creditworthiness checks in cooperation with credit rating agencies, and additional insurance instruments. The risk is greater when contracting with new customers, where it may happen that the port service is contracted with an unreliable client (in terms of dynamic failure to fulfil the contract, in terms of non-payment of services and the like). This can cause various problems (filling of the warehouse with goods for which the storage fee has not been paid, which takes up valuable space, delays in the agreed loading of liners and other shippers or wagons and trucks, resulting in demurrage and other damages, etc.). This risk is minimized by updating the built-up database of existing clients where all their data is accumulated over the years, so that before each contract an assessment can be made as to whether and how much that customer is acceptable.

### **Currency risk**

Exposure to currency risk in USD is reflected in the fact that service prices are expressed in USD to a negligible extent, and a smaller portion of receivables are collected in that currency, so it is estimated that there is no increased risk of collecting receivables in the specified currency, and receivables are collected regularly.

### **Interest rate risk**

The Company/Group is exposed to interest rate risk since it borrows at variable interest rates. The Company/Group has increased its credit exposure in the part of loans with variable interest rates, and it is estimated that a possible increase in variable interest rates in the near future will not be so significant as to require special protection mechanisms against interest rate risk.

### **Liquidity risk**

Liquidity risk is managed through activities aimed at maintaining an adequate maturity structure of assets and liabilities, as well as through the planning and management of cash inflows and outflows and ensuring an adequate level of liquid funds to meet obligations as they fall due. Financial indicators of current liquidity, as well as the working capital indicator, are monitored on a regular basis.

### **Technological risk**

Technological risk is reflected in the obsolescence of existing port technology, which increases maintenance costs, reduces the productivity of port operations, i.e. the profitability of the process, and reduces competitiveness. The Company/Group solves the reduction of technological risk through preventive maintenance on the one hand, and on the other hand, through capital investments in new equipment and technology that enables greater speed, reliability and efficiency of transshipment and other port operations.

By increasing capacity through the Škrljevo terminal, a long-term increase in traffic was enabled and achieved, which is necessary for the business growth and development of the Company. The connection with the hinterland via the railway network is weaker, which requires restructuring and modernization, in order to enable faster and quantitatively greater railway traffic, which would increase the efficiency of cargo handling turnover.

Technologically, good land connectivity to the gravitational hinterland with a good railway and road network is extremely important. In the case of the Port of Rijeka, road connectivity with the hinterland is very good.

Technological processes that are based on technology and personnel, and are directed towards the fulfilment of the Company's commercial goals, are also subject to risks. The risk is minimized by continuous monitoring and adjustment of the work process dictated by certain goods and services and by implementing changes through written work procedures.

### **Personnel risk**

The port industry is extremely labour-intensive. In operational terms, the workforce that works on specific jobs related to loading/unloading and transshipment of cargo dominates. (technical equipment operators and port transport workers), and their service support (maintenance, cargo securing, mooring and unmooring). At a time when we are all facing a labor shortage, it is even more difficult to find quality professional staff who have work experience to work on specific port operational jobs. We are trying to solve the shortage of external professional staff within the Company, by sending existing staff for professional training. Their number alone is a significant factor in the Company's business.

### **Environmental risk**

The basic environmental risk for the Company/Group is defined by the type of cargo itself and the method of its manipulation. This primarily refers to bulk cargo, which can emit dust during its manipulation, and thus pollute the air, sea and soil in the vicinity of the manipulation site. This risk is reduced by installing technology that reduces or prevents this. For example, at the Bakar terminal, special floating barriers have been introduced to receive each ship, which increase the safety of cargo unloading and serve to prevent the spread of potential pollution, as well as by introducing a system for creating a crust on stored cargo to prevent dust from rising.

The Company/Group has installed a water cannon spraying system at the Bakar Terminal during bulk cargo handling, which reduces and prevents air pollution. There is also a risk in the maintenance of vehicles and other handling equipment (waste oils, cleaning wastewater, old batteries, old tires, etc.), which is controlled by installing oil separators in garages and workshops, as well as standardized procedures and controls for the collection of liquid and solid waste. Environmental risks, as well as other risks, are separately considered, monitored and recorded in the Quality and Energy Management System Department as part of the introduced management systems, and are also monitored by the Internal Control and Audit Department.

In order to achieve permanent improvement, the Port invests in continuous maintenance and improvement of the management system. In the future, the plan is to introduce an environmental management system according to the ISO 14001:2015 standard, which will contribute to the management of environmental risks. Also, meeting the requirements for sustainable business, where special emphasis is placed on risk management, as one of the key initial steps for sustainability, environmental risks are separately addressed. The possibility of using a special platform for monitoring environmental risks at precise locations is being considered, which provides various solutions for implementing risk reduction activities.

### **Risk control system**

Port of Rijeka has implemented management systems through which internal supervision and control of the risks to which the Company and the Group are exposed are carried out, as follows:

- Quality management system according to ISO 9001:2015, which is maintained and recertified in a timely manner within defined plans and deadlines. The last external audit was in December 2024, followed by recertification at the end of the year. The company's business processes are controlled through the quality management system.
- Energy management system according to ISO 50001:2018, which is also maintained, and the new Certificate was obtained in March 2024. It is necessary to continue improving the energy consumption control system, and focus on green energy, i.e. renewable energy sources
- Control of business/financial transactions and financial reports through the accounting system and the Controlling Department.
- The Controlling Department prepares and monitors annual and multi-year business planning at the level of the Company and all its business units, as well as monthly, quarterly and annual monitoring of the plan's implementation through the Controlling Department. Monitoring the implementation of the annual plan is done internally on a monthly basis by monitoring the physical implementation by cargo categories and terminals, monitoring the financial implementation at the level of individual organizational units and the company as a whole in the format of the profit and loss account, predicting the final result by combining the current implementation and the remaining planning period (forecasting), and, if necessary, analysing the implementation according to defined criteria.
- The Internal Audit and Control Department conducts analyses and controls of the compliance of business processes with the Company's business policy objectives, positive legal regulations and set internal procedures.

## Business expectations

Planned investments in 2026 are focused on the renewal of the Port of Rijeka's machinery and equipment. The existing equipment at the terminals is, to a certain extent, insufficient, both quantitatively and qualitatively, for the needs of future operational activities. Accordingly, the Group and the Company have been continuously investing in its renewal in recent years. A more intensive investment cycle began in 2023, continued throughout 2024 and 2025, and is also planned for 2026 through the gradual replacement of obsolete machinery. In 2026, the continuation of investment activities is planned, with a total projected investment amount of approximately EUR 6 million.

Key investments relate to the further equipping and modernization of the Rijeka Terminal, for which an investment of approximately EUR 1.1 million is planned during 2026.

At the Bršica Terminal, investments aimed at reducing material costs and increasing operational efficiency will continue throughout 2026. As one of the more significant investments in the previous period, a 20-ton quay crane for timber handling, valued at EUR 2.5 million, was acquired in 2024.

At the Bakar Terminal, the overhaul of the bulk cargo unloading bridge (WBB) began in 2024, during which a partial refurbishment was carried out to ensure its functionality and adaptation to the existing load. This partial rehabilitation was necessary to enable continued operations, while the procurement of a new crane and unloading bridge is planned for the future period. The Bakar Terminal currently represents the most technically demanding terminal, with pronounced infrastructure and investment needs, and requires significant further investment.

At the Škrljevo Terminal, the procurement of a 5-ton forklift is planned, along with continued investment in equipment following the previous procurement of a 15-ton forklift intended for handling heavy and oversized cargo. In addition, the procurement of two 6-ton forklifts is planned, to be used primarily for handling timber and other lighter cargo, with the aim of increasing operational efficiency and the terminal's flexibility. Furthermore, rehabilitation of the embankment near the power line at the Škrljevo Terminal is planned in order to improve the safety and stability of the handling areas.

These investments are aimed at increasing capacity, improving workplace safety, and further enhancing the operational efficiency of the Group and the Company, while adapting to expected cargo volume trends.

In the coming period, the operations of the Group and the Company are expected to continue under conditions of stable yet still challenging market dynamics, alongside the continued development of the container segment and the gradual strengthening of operational efficiency. The implementation of planned activities will depend on developments in the global market, geopolitical circumstances, and the pace of the investment cycle. The Group and the Company are focused on preserving business stability, further improving competitiveness, and creating the conditions for sustainable growth in the period ahead.

During 2025, the Group and the Company did not carry out research and development activities within the meaning of the Accounting Act.

## Events after the reporting date

No significant events have occurred after the reporting date that would have a material impact on the financial position and operations of the Group and the Company.



2025.

## Sustainability Report - Luka Rijeka d.d.



Luka Rijeka d.d.

2025.

The 2025 Sustainability Report is aligned with the Corporate Sustainability Reporting Directive (CSRD) and follows the European Sustainability Reporting Standards (European Sustainability Reporting Standards, abbreviation – ESRS) and the Taxonomy Regulation, and includes relevant information on impacts, risks, and opportunities, which are considered material from the perspective of impact significance and/or financial significance.

Luka Rijeka d.d. becomes subject to the publication of a Sustainability Report in 2025 for the 2024 year. This is the second such report submitted by Luka Rijeka d.d. In previous years, the Company submitted non-financial reports with the goal of transparently reporting on its operations and impact on the environment and society.

The Sustainability Report for Luka Rijeka d.d. has been prepared on a consolidated basis, with the same scope as the financial report. The statement includes relevant information regarding the sustainability strategy and business model, the value chain and methods for identifying impacts, risks, and opportunities, the results of the double materiality analysis, and finally, information on individual environmental (Environmental, abbreviation – E), social (Social, abbreviation – S), and governance (Governance, abbreviation – G) topics.

The scope of the sustainability report for the 2025 reporting year includes the consideration of ESG factors from January 1, 2025, to December 31, 2025, within the Luka Rijeka Group. The Report addresses an assessment of the actual and potential impacts of the port's operations on people and the environment, as well as external risks and opportunities to the business of Luka Rijeka d.d.

The information included in the Sustainability Report is faithfully presented, neutral, complete and accurate, understandable, clear, and concise. They can be compared with certain information previously published, and also with the published information of other companies, particularly those in the same business sector.

This report presents the Sustainable Development Strategy and the goals that the Group and the company Luka Rijeka d.d. plan to achieve in the future period. The goals and planned activities are based on insights into market operating conditions, taking into account the existing regulatory framework, technical solutions, and sustainability trends in the port sector. Deviations from the planned results in the future period are possible due to uncertainties and unknowns that are beyond the control of Luka Rijeka d.d. or due to potentially inaccurate assumptions. If deviations occur, corrections to the goals and metrics will be made in future statements.

Sustainability is a long-term business development goal for the Port of Rijeka and is embedded in all business processes and activities of the Group. Given that port activities depend on the interaction of numerous stakeholders, there is room for improvement in all ESG topics, which can be achieved through joint collaboration.

Therefore, an analysis of impacts, risks, and opportunities along the value chain was conducted, and activities in the area of sustainable and responsible business were described.

## ESRS 2 - GENERAL DISCLOSURES

LUKA RIJEKA d.d. (the Company) was formed through the privatization of a former state-owned enterprise in 1994. The Company is headquartered at Riva 1, Rijeka, Croatia.

LUKA RIJEKA d.d. is the largest concessionaire for dry cargo transshipment in the Port of Rijeka, and the Company's core activities include providing maritime transport services, port services for loading, unloading, transshipment, and storage of goods, as well as ship berthing and undocking.

The Parent Company, LUKA RIJEKA d.d., and its subsidiaries (Stanovi d.o.o., Luka Prijevoz d.o.o., Luka Rijeka Container Depo d.o.o.) and its associate company (Jadranska vrata d.d.) are collectively referred to as the Group.

Luka Rijeka d.d. is a joint-stock company (hereinafter: The Company/Luka Rijeka) for maritime transport services, port services, warehousing, and freight forwarding is the largest concessionaire for dry bulk transshipment in the Republic of Croatia, conducting its business activities in the Port of Rijeka at specialized terminals in three harbor basins: Rijeka, Bakar, and Raša.

The company specializes in the forwarding and transshipment of dry cargo, with primary activities of loading, unloading, storing, and transporting general cargo, lumber, bulk cargo, livestock, tropical and other fruits, grains, and oilseeds. It holds the concession until 2042 and owns the Škrljevo hinterland terminal.

Share capital: €67,402,375.00

Number of employees: 557 (as of December 31, 2025)

Subsidiaries: Luka Prijevoz d.o.o. and Stanovi d.o.o.

Affiliated Company: Jadranska vrata d.d. (Adriatic Gate Container Terminal), concessionaire of the Rijeka Port container terminal, 49% ownership stake in the affiliated company.

STOCK TICKER: LKRI-R-A

Zagreb Stock Exchange – Official Market

Number of ordinary issued and listed shares: 13,480,475

### Members of the Supervisory Board

Dr. Alen Jugović  
CHAIRMAN OF THE SUPERVISORY BOARD  
Dragica Varljen  
VICE CHAIR OF THE SUPERVISORY BOARD

Hrvoje Pauković  
MEMBER OF THE SUPERVISORY BOARD

Martin Vozar  
MEMBER OF THE SUPERVISORY BOARD

Roman Kratochvil  
MEMBER OF THE SUPERVISORY BOARD


### Members of the Management Board

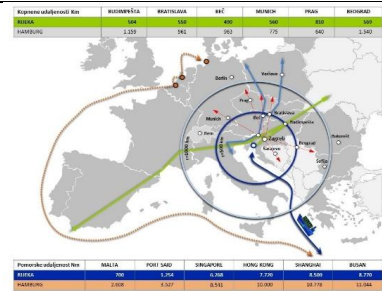
Duško Grabovac  
PRESIDENT OF THE BOARD OF DIRECTORS

Marina Cesarac Dorčić  
MEMBER OF THE BOARD OF DIRECTORS

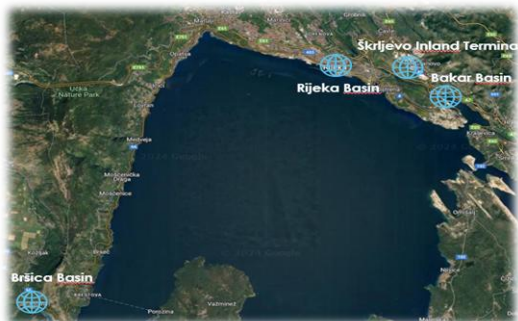
Marko Mišković  
MEMBER OF THE BOARD OF DIRECTORS

Geographical Position and Connectivity

GEOGRAPHICAL POSITION	
 <p>The Port of Rijeka is located on a strategic EU transport corridor (TEN-T Mediterranean Corridor) and connects to the "Baltic – Adriatic" corridor.</p>	<ul style="list-style-type: none"> <li>➤ Due to its favorable location, the Port of Rijeka provides the shortest sea connection between the countries of Central and Eastern Europe and overseas countries.</li> <li>➤ As an integral part of the TEN-T transport network and corridor, the Port of Rijeka is of special importance to landlocked countries (Hungary, Austria, Slovakia, the Czech Republic, Serbia, and BiH), and is in an excellent position to capitalize on this location.</li> <li>➤ The liberalization of the railway operator market, as well as the entry of private capital into port operations, increases their efficiency, as well as the competitiveness of the Rijeka transport route.</li> </ul>

GEOSTRATEGIC POSITION AND MARKET	
 <p>The Port of Rijeka is part of the Northern Adriatic port cluster, along with the ports of Koper, Trieste, Venice, Ravenna, Monfalcone, and Chioggia.</p>	<ul style="list-style-type: none"> <li>➤ The system serves the import and export needs of a gravity area that includes Italy, Switzerland, Germany, Austria, Croatia, Slovenia, Bosnia and Herzegovina, Serbia, Hungary, Slovakia, the Czech Republic, and Poland.</li> <li>➤ The Northern Adriatic ports compete with large clusters of North Sea ports (Rotterdam, Amsterdam, Antwerp, Ghent, Hamburg, and Bremen), Baltic ports (Rostock, Gdansk, Gdynia, Swinoujscie and Szczecin), Black Sea ports (Constanta, Varna, and Burgas), southern Adriatic ports (Ploče, Bar, and Drač), and Aegean ports (Thessaloniki and Piraeus).</li> <li>➤ In addition, the largest European inland waterway—the Rhine-Main-Danube Canal—also passes through this area.</li> </ul>

## TERMINALS AND TRANSPORT CONNECTIONS



Luka Rijeka d.d. operates at the following terminals:

### Rijeka Terminal:

General cargo (metal products, equipment and structures, stone and building materials, wood) and bulk cargo (salt, scrap metal)  
Silo Unit – Bulk Cargo (grains, oilseeds)  
PJ Wood - wood

### Škrlevo Terminal:

general cargo (metal products, stone and building materials, wood, refrigerated cargo, chemical products) and bulk cargo (cement) and container cargo. The Škrlevo Terminal includes a Container Depot (for the storage of empty TEU units).

### Bakar Terminal:

bulk cargo (coal, iron ore) and general cargo (lumber)

### Bršica Terminal:

general cargo (livestock, timber)



The Port of Rijeka is the largest port in Croatia. Port of Rijeka is strategically located on the Mediterranean Corridor, and with the revision of the TEN-T network (adopted at the end of 2023), it is also connected to the Baltic-Adriatic Corridor.

The port's transport connections with other modes of transport and important road links include:

- A6 Motorway (Mediterranean Corridor) – Rijeka – Zagreb
- A8/A9 Motorway – Rijeka – Istrian Y
- Rijeka Bypass
- Railway (Mediterranean Corridor) Šapjane – Rijeka – Zagreb – Koprivnica – Botovo
- Railway line M502: Rijeka – Pivka
- Rijeka Airport – Krk: 17 kilometers by air, 25 kilometers by road
- Oil pipeline, connects refineries in Croatia, Hungary, Austria, BiH, Serbia, the Czech Republic, and Slovakia

For many years, the Port of Rijeka has been an important transit port for hinterland countries, mainly those of Central, Southeast, and Eastern Europe.

In this large area, it strategically targets two groups of countries in its primary and secondary markets, followed by tertiary markets and the broader hinterland. Compared to the Northern Adriatic sea route, it offers a significant nautical advantage for transporting goods via the Suez Canal from the Far East.

For ships from the Far East, the route is 2,000 nautical miles shorter, reducing transit time by approximately 6 days. In addition to shorter travel times and lower transport costs, the Northern Adriatic route also contributes to significant CO2 emissions savings.

## CORPORATE GOVERNANCE AND MANAGEMENT STRUCTURE

Luka Rijeka d.d. is an issuer of shares on the domestic capital market and applies the corporate governance measures prescribed by law. This is detailed in the annual questionnaire, which is published on the Zagreb Stock Exchange's website in accordance with regulations, available at <https://zse.hr/>.

Luka Rijeka d.d. develops and operates in accordance with high standards of corporate governance. In accordance with the rights and obligations arising from the Law on Commercial Companies, the Articles of Incorporation of the joint-stock company Luka Rijeka d.d., and the Corporate Governance Code of the Zagreb Stock Exchange and the Croatian Financial Services Supervisory Agency (HANFA), the Supervisory Board of Luka Rijeka d.d. has adopted an internal Corporate Governance Code. This Code is a recommendation that is binding on the Company's management bodies and employees to respect the prescribed and detailed principles in the Code when making all types of decisions.

The purpose of the Code is to establish high standards of corporate governance and business transparency. The Code defines a corporate governance procedure based on recognized international standards, in order to protect shareholders, employees, elected and appointed holders of responsible positions in the Company, as well as all other stakeholders, through responsible management and oversight of the Company's business and management functions.

The principles of corporate governance are derived from the principles of business conduct in accordance with applicable regulations, business standards, and recognized international practices, and are incorporated into business practices and procedures.

Subsidiaries do not have their own Code, but instead apply the principles of the Company's Corporate Governance Code.

The procedure for reporting and handling irregularities, code violations, and unethical conduct is governed by the Internal Whistleblower Procedure and Appointment of a Confidential Person. During 2025, there were no reports or proceedings regarding violations of the Code or unethical conduct.

GOV-1	ROLE OF ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES
-------	--

The corporate governance structure is defined by the Law on Commercial Companies and the Statute of the Luka Rijeka Joint-Stock Company. The Company's bodies are the General Assembly, the Supervisory Board, the Management Board, and the Audit Committee. The subsidiaries are managed by their respective directors, whose work is supervised by the Management Board.

The Company's Management Board consists of three members, one of whom is the President of the Board and the other two are members. The term of office is up to three years, with the possibility of reappointment. The members and the President of the Board are appointed and dismissed by the Supervisory Board by an ordinary majority vote. The members of the Management Board are independent executive members who represent the Company individually and jointly. The most senior management position is that of the President, who is also the Company's Chief Executive Officer.

Responsibilities by business area among the members of the Management Board are determined by the Management Board's Rules of Procedure, and each member is responsible for proposing decisions within their area of responsibility. Decisions on the management of the Company's affairs are made by a majority vote of the members of the Management Board, and in the event of a tie, the deciding vote is that of the Chairman of the Management Board.

The Company's Management is authorized to conduct the Company's business in accordance with the Company's Articles of Incorporation, instructions from the Supervisory Board, and instructions and decisions from the General Assembly. The Company's Management conducts the operational business and determines the Company's business policy. It adopts the business model, work plans, and acts and decisions in the area of the Company's operations. It decides on all matters related to employment, takes measures to eliminate and limit operational risks in the Company's business, is authorized to establish the Company's business books, and performs other duties provided for by law and the Articles of Association, the provisions of employment contracts, and the Rules of Procedure for the Company's Management Board.

In addition to daily communication on significant topics for the Company's business, the Management also holds regular meetings with the heads of organizational units and key process owners within the Company. These meetings address information of significant importance to the business, as well as all other information from ongoing operations.

**The members of the Management Board in 2025** were: Duško Grabovac- Chairman of the Management Board, Marko Mišković- Member of the Management Board for Operational Commercial Affairs, and Marina Cesarac Dorčić, Member of the Management Board for Finance.

**The Supervisory Board** oversees the management of the Company's business and consists of five members, one of whom is the Chairman of the Supervisory Board and one is his/her deputy. The term of office for members is four years, and they may be re-elected and reappointed. Three members are elected by the General Assembly by an ordinary majority of the votes cast, one member is appointed by the Republic of Croatia, and one member is elected by the employees of Luka Rijeka d.d. in accordance with the Labor Law. A member of the Supervisory Board cannot be a member of the Company's Management Board.

The Supervisory Board makes decisions at its meetings, and each member of the Supervisory Board has one vote. At least three members of the Supervisory Board must be present at a meeting, and decisions are made by a simple majority of votes.

In the event of a tie, the chairperson of the Supervisory Board has the deciding vote. During 2025, a total of 4 meetings of the Supervisory Board were held.

**The Company's General Assembly** is the body where shareholders exercise their governance rights in the Company. A shareholder has the right to participate in the General Assembly and can exercise this right in person, through a representative, or through a proxy.

It meets at least once a year (in the first eight months of the business year), in accordance with legal provisions, the provisions of the Articles of Incorporation, and when required by the interests of the Company. The General Assembly is convened by the Company's Management Board in accordance with the law and the Rules of Procedure of the General Assembly. The Supervisory Board is also authorized to convene the General Assembly, with an obligation to do so when the welfare of the Company requires it. The General Assembly is held in Rijeka, at a location specified in the notice by the convener.

The Company's **Audit Committee**, as an independent committee, has three members who are appointed and dismissed by the General Assembly upon the proposal of the Supervisory Board by an ordinary majority vote for a three-year term. Members of the Audit Committee may be dismissed before the expiration of their term of appointment and may be reappointed after their term expires. The General Assembly may also appoint alternate members of the Audit Committee. The members elect the Chairman of the Audit Committee.

At least one member of the Audit Committee must be an expert in accounting and/or auditing, and the members as a whole must have knowledge of the sector in which the Company operates.

GOV-2	Sustainability Topic Management
-------	---------------------------------

Sustainability topic management is defined by internal policies, regulations, and procedures and is integrated into all management processes. The management system includes a set of requirements and business rules of Luka Rijeka d.d. that govern specific work processes and provide clear guidelines and instructions for their implementation.

The management system is based on an integrated approach that includes a quality management system in accordance with the international standard ISO 9001:2015 and an energy management system according to the ISO 50001:2018 standard. It is designed as a dynamic and adaptable system that responds to the changing requirements and expectations of clients, contributes to the improvement of the Port's business, and creates added value for all stakeholders. It also supports sustainable development in all business segments of Luke Rijeka d.d.

At the same time, preparations are ongoing for the implementation of an environmental management system in accordance with the requirements of the international standard ISO 14001:2015.

During 2025, a total of 22 internal audits of the quality and energy management systems were conducted, and annual reports assessing the quality and energy management systems were prepared.

Management is aligned with the requirements of the international standard ISO 9001:2015, thereby ensuring an effective and efficient quality management system based on clearly defined and measurable objectives and the principle of continuous process improvement.

Within the quality management system, risks and opportunities are managed through a Risk Register, in accordance with the internal risk management procedure. The system also includes monitoring compliance with legal regulations, tracking customer and employee satisfaction, as well as planning relevant investments and maintenance activities.

Energy efficiency is an important element of the business of Luka Rijeka d.d. The establishment of an energy management system enables systematic monitoring and analysis of energy consumption and, in the future, oversight of emissions, which contributes to more effective planning, decision-making, and the setting of clear goals in the area of energy management.

The Quality and Energy Management Department continuously works on the establishment and maintenance of the integrated management system, in cooperation with all other organizational units. Special emphasis is placed on the continuous improvement of the system, the enhancement of work processes, the consistent implementation of adopted policies, and the achievement of established goals.

Luka Rijeka also has a team of internal auditors that conducts internal reviews of processes and activities. By decision of the Management, an energy team was also formed. The members of these teams have undergone appropriate training and hold valid certificates for conducting internal audits.

Defined objectives are continuously monitored through established management systems. At the end of each year, a final analysis is conducted, and an annual report is prepared in the form of a Management Review for the quality and energy areas, in accordance with the requirements of the ISO 9001:2015 and ISO 50001:2018 standards. The reports include the results of achieving the set goals and a management

review of the achievements in the relevant business year, thereby providing an additional basis for further planning and defining future goals.

All organizational units are familiar with their obligations and are involved in monitoring and implementing activities in accordance with their responsibilities. Employees are informed about the management systems and sustainability topics through an internal network where all relevant documentation, including policies, procedures, and monitored records, is available. In line with the principles of transparent business practices, key information about management systems and achieved results is available to all relevant stakeholders on the Port of Rijeka's website (<https://lukarijeka.hr/>).

By decision of the Management Board, an ESG team has been established, responsible for developing and monitoring ESG strategies and initiatives, preparing annual ESG reports, and tracking key performance indicators. The team also coordinates collaboration with relevant internal and external stakeholders and participates in implementing recommendations in accordance with applicable legislation and regulatory requirements.

*Illustrative representation of the collaboration between organizational units on ESG topics and sustainability*



<p><b><u>Development and Asset Management Sector</u></b> For the planning and implementation of the preventive and investment maintenance plan, and for controlling electricity and water consumption. The head of the sector reports directly to the Management.</p>	<p><b><u>Sales Department</u></b> For client relations and contracting. The Head of the Sector reports to Management.</p>	<p><b><u>Legal and General Affairs Sector</u></b> Within this sector, four departments operate: the Human Resources Management Department, the Security Department, the Quality and Energy Management Department, and the Legal Affairs Department.</p>	<p><b><u>Security Department</u></b> For the implementation of occupational safety, fire safety, and environmental protection measures, the department head reports to the Director of the Human Resources Management Sector.</p>
---	---	---	---

<p><b><u>Legal Affairs Department</u></b></p> <p>For all legal and business management matters. The Department operates within the Sector for Legal and General Affairs.</p>	<p><b><u>Human Resources Department</u></b></p> <p>For all social issues, labor rights, training, and personnel matters, the director reports directly to the Management.</p>	<p><b><u>Quality and Energy Management Department</u></b></p> <p>The Quality and Energy Management Systems are the responsibility of the Head of the Department, who reports to the Head of Legal and General Affairs. The head of this department also serves as the leader/coordinator of internal teams.</p>	<p><b><u>Internal Control and Audit Department</u></b></p> <p>For the control of finances and risks. The Head of the Department reports directly to Management.</p>
<p><b><u>Information Technology Department</u></b></p> <p>For business digitization, data storage, and security. The Head of Department reports directly to the Management.</p>	<p><b><u>Procurement Department</u></b></p> <p>For supplier relations. The Head of Department reports directly to Management.</p>	<p><b><u>Operations Sector</u></b></p> <p>For the control and implementation of the operational part of the business and work technology. The Sector Director reports to the Management, and the heads of all Rijeka Port Terminals report to them.</p>	<p><b><u>Mechanization Service</u></b></p> <p>Service supervisors are responsible for collecting data on fuel consumption for the fleet of machinery and vehicles. The Head of the Mechanization Service reports to the Director of the Operations Sector.</p>
<p><b><u>Maintenance Service</u></b></p> <p>Essential for the maintenance of technical assets and equipment, it plays a vital role in energy management. The head of this service reports to the Director of the Operations Sector.</p>	<p><b><u>Mooring and unmooring Service</u></b></p> <p>For mooring and unmooring services for floating objects, transportation of passengers and cargo to and from the dock, and for supplying ships with water. The head of this service also serves as the internal auditor for management systems.</p>	<p><b><u>Finance and Accounting Department</u></b></p> <p>For financial operations. The head of this department reports directly to Management.</p>	<p><b><u>Controlling Department</u></b></p> <p>For business planning and analysis, and the preparation of various business reports. The Manager reports to the Head of the Finance and Accounting Sector.</p>

GOV-4	Integration of sustainability goals into the reward system
-------	--

The Remuneration Policy for the Management Board is adopted by the Supervisory Board and presented to the General Assembly. It is reviewed every three years. The Remuneration Policy established for the 2024 period is in effect. – 2027. The policy consists of a fixed and variable component, and in determining the compensation under this policy, all relevant compensation practices for executive personnel in corresponding roles were taken into account. The Company provides attractive employment terms, the essential elements of which include compensation, personal development, training, the work environment, and the intellectual environment. This policy contributes to achieving the Company's strategic goals.

During the reporting period, sustainability goals were not included in the variable compensation system for members of the Management Board.

Nevertheless, sustainability is integrated into the Company's management and operational processes. The Management monitors key sustainability indicators related to the port's operations, including energy consumption, environmental impact, occupational safety and health, regulatory compliance, and

the achievement of goals and strategies. These indicators are analyzed as part of the Company's internal reports.

Sustainability goals are also incorporated into the Company's strategic and operational plans, particularly in the areas of reducing environmental impact, increasing energy efficiency, and improving the safety of employees and users of port services.

GOV-5	Risk Management and Internal Control of Sustainability Reporting
-------	--

Risk identification and management are key business processes as they enable the timely identification of potential threats as well as opportunities that may affect the achievement of business objectives. The establishment of a risk management system ensures a systematic approach to their monitoring and management, thereby reducing potential negative consequences and simultaneously identifying opportunities for further development.

As part of this process, internal and external factors that can affect the business are analyzed, and then appropriate measures and tools are defined to prevent, mitigate, or effectively manage their potential impacts.

Risk management includes a regular annual assessment of all risks that may affect business operations. The assessment is conducted by the Department of Internal Control and Audit and the Department of Quality and Energy Management, in accordance with the requirements of the Quality Management System according to the ISO 9001:2015 standard and the Energy Management System according to the ISO 50001:2018 standard.

Risks are identified, analyzed, and assessed in accordance with the internal risk management procedure, where their potential consequences are determined and appropriate measures for their mitigation and effective management are defined.

All identified risks, as well as the corresponding procedures and instructions for business processes, are available in the organizational units to which they pertain and are also accessible via the internal network to all responsible persons, i.e., the heads of the organizational units.

Consistent adherence to the requirements defined in the established procedures and instructions is one of the key ways to reduce and control major internal risks in business operations.

Risk management covers financial, market, technological, and operational risks. Special attention is paid to technological risks, particularly those related to the procurement and replacement of outdated machinery and equipment with more energy-efficient solutions.

Human resources risks are also actively managed, which includes ensuring appropriate working conditions, protecting health and safety at work, providing professional training and continuous development for employees, and respecting all other employee rights.

The management system is reviewed continuously throughout the year through internal audits, during which internal auditors objectively verify the achievement of established goals in accordance with the Annual Internal Audit Plan. Audit results are reported directly to Management through written reports.

The annual assessments of the quality management system and the energy management system are based on reports prepared and reviewed by the Controlling Department, the Internal Control and Audit

Department, and the Quality and Energy Management Department, with additional verification by internal auditors. All relevant reports are collected by the end of the business year and are used as the primary data for the Management's final assessment, which provides a comprehensive overview of the achievement of the set goals.

The periodic reports prepared by the relevant organizational units as part of monitoring all planned activities and achieving set goals are:

- *Business Report (quarterly, semi-annual, annual)*
- *Operational Traffic Report (monthly)*
- *Business analysis through the income statement (monthly)*
- *Report on investments in fixed assets (annual)*
- *Investment Regular Maintenance Report (annual)*
- *List of key clients (semi-annual, annual)*
- *Complaint Analysis (semi-annual, annual)*
- *Workplace Injury Report (semi-annual)*
- *Evaluation of external material and service suppliers (annual)*
- *Evaluation of external collaborators (annual)*
- *Technical Equipment Failure Analysis (monthly)*
- *Energy audit (annual)*
- *Report on Conducted Internal Audits (annual)*
- *Report on the Achievement of Goals (annual)*
- *Management Appraisals (annual)*

## BUSINESS STRATEGY

The Port of Rijeka is a joint-stock company that has been successfully operating on the domestic, European, and international markets for many years. As a concessionaire for dry bulk transshipment, it provides maritime transport, port, and warehousing services, which it continuously adapts to the needs of its clients and other stakeholders, establishing itself as a reliable business partner.

Primary port activities include: transshipment (discharge and loading), cargo transport and storage, as well as mooring and unmooring of ships, boats, and other floating objects. Port activities are carried out at specialized port terminals: Rijeka, Bakar, Bršica, and at the back-up terminal Škrljevo.

For many years, the Port of Rijeka has been an important transit port for landlocked countries, primarily those in Central, Southeastern, and Eastern Europe. In this vast region, it strategically targets two groups of countries in its priority and secondary markets, followed by tertiary markets and the wider hinterland.

We are proud that our Company has been an AEO-certified entity since June 18, 2025. The authorization obtained applies to an Authorized Economic Operator for Customs Simplifications/Security and Safety (AEOF). The certificate confirms our commitment to maintaining the highest standards of security and compliance in our operations, which will further strengthen our position in the market.



SBM-1	Strategy, Business Model, and Value Chain
-------	---

Rapid development in the economic, social, and technological spheres presents new and demanding challenges, to which Luka Rijeka d.d. responds with proactive management of its impacts. Timely identification of risks, opportunities, and potential impacts enables their effective management, which contributes to the sustainable development of both the economy and society, as well as the protection of the environment. Luka Rijeka d.d. clearly expresses its strategic commitment to sustainable development and to achieving high standards of sustainability. The business model is focused on sustainability, with an emphasis on managing impacts, risks, and business opportunities. Sustainability topics are integrated into all business decisions and aspects of operations, contributing to the creation of safe, efficient, and long-term sustainable business value.

## **MISSION**

Providing high-quality and efficient port services, which the Port continuously aligns with the demands of the global market according to the principles of sustainable development, to the satisfaction of its clients and the community in which it operates, is the foundation of the port's business policy. This is the basis for preserving the current and expanding the future position of Luka Rijeka d.d. on the Northern Adriatic maritime route and its role as an important transit port for the countries of Central and Eastern Europe.

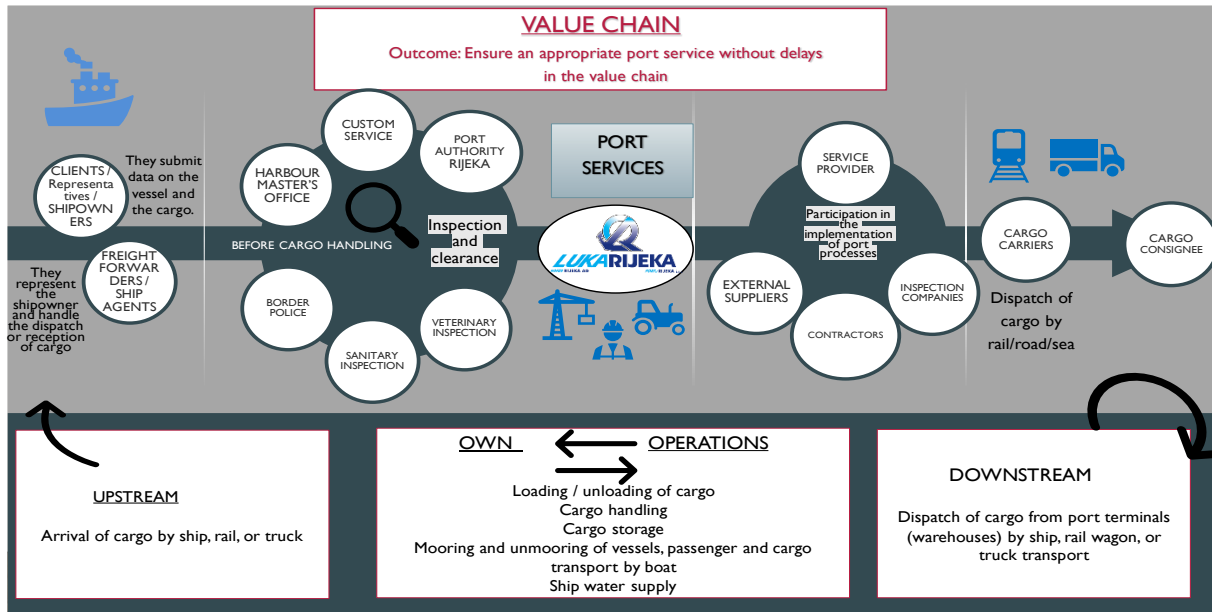
## **VISION**

To be recognized in the local, regional, and global environment as a well-managed business entity, focused on the future and business excellence. To transform into a sustainable port that is the first choice for employees and partners.

## **STRATEGY**

Enable the development of a sustainable port, while protecting human and natural resources and applying the principles of responsible management. Reflect a strategic commitment to sustainable development and achieving sustainability standards. Secure new investment projects in support of sustainable development and the further strengthening of the market position. By modernizing work processes, reduce operating expenses, and by increasing throughput, boost business revenues and maximize operational effects, while taking into account its impacts, risks, and opportunities. By increasing business profitability, ensure growth in stock value and the further development of the Luka Rijeka joint-stock company. The business model includes the operation of port activities with a focus on managing impacts on the

### Illustrative representation of the value chain - stakeholders of the port environment



The primary activity of the Port of Rijeka is the handling of various types of cargo at all port terminals, including the hinterland terminal. Port operations include vessel reception, which includes mooring and unmooring services, as well as cargo transshipment, handling, and storage. The effective delivery of port services requires the coordination of all involved stakeholders to ensure optimal workflow organization and achieve maximum operational results. During its stay in the port, the vessel loads or unloads cargo in accordance with the operational plan. While in the Port of Rijeka, the vessel must comply with all safety guidelines and regulations, including fire protection, pollution prevention, crew safety, and other relevant directives.

**The shipowner**, or their representative (shipping agent), is required to notify the Rijeka Port Captaincy and the port's operational services of the ship's planned arrival, typically 48 hours in advance, and no later than 24 hours before entering the port.

**Upon arrival in the port, the ship** is subject to inspection by the competent authorities, including the Port Captaincy, customs service, sanitary inspection, and other relevant government agencies. During the inspection process, security measures on board are checked, the cargo is inspected, and the documentation of the ship and crew, as well as other required documents, are verified. After the competent authorities issue the necessary approvals, the vessel is assigned a berth in the Port of Rijeka.

**During its stay in the port**, the ship performs cargo loading or unloading operations in accordance with the previously defined operational plan. During its stay in the port, the ship is required to comply with all safety regulations and operational guidelines, including fire protection measures, prevention of marine and environmental pollution, protection of the ship's crew, and other safety and technical standards applicable in the port area.

The vessel is also required to ensure the proper disposal of waste, wastewater, and other harmful substances in accordance with applicable environmental protection regulations and guidelines.

**Upon completion of** cargo loading or unloading **operations**, the vessel is required to notify the competent authorities of its readiness to depart. This notification is sent to the Port Captaincy and the customs service.

**Before leaving** the port, a final inspection is conducted by the competent inspection authorities to confirm the vessel's compliance with all safety, technical, and environmental standards prescribed for navigation and presence in the port area. The performance of port activities involves the participation of multiple stakeholders, each with a clearly defined role and responsibilities. Therefore, their mutual coordination and coordinated action are necessary to ensure the effective implementation of operational activities.

**PORT SERVICES: Primary port activities** include a set of operational activities that take place within the port area and are related to the handling of various types of cargo. These activities include the discharge, transshipment, and loading of cargo; its storage; the mooring and unmooring of vessels; the transportation of passengers and goods to and from anchorages; the supply of drinking water to ships; and other ancillary services necessary for the smooth flow of port traffic and operations. **Basic cargo handling** includes the unloading of goods from a mode of transport, along with an incoming inspection that verifies quality, quantity, and accompanying documentation. After inspection, the goods are either directed to storage or further handled for immediate shipment to their final destination.

The quality of port services largely depends on the following factors:

- **Employees**, whose expertise and operational activities ensure the smooth functioning of the port and the maintenance of supply chain stability.
- **Service providers**, whose operations contribute to efficient cargo handling, ensuring safe working conditions and continuity of operational processes. This group includes service and material suppliers, subcontractors, and cooperators, construction contractors, authorized companies for the calibration and maintenance of technical equipment, occupational health services, competent public health institutes, authorized institutions for conducting training, and specialized inspection and cargo monitoring companies.

The company **Luka prijevoz d.o.o.** provides inland freight transport services with tugs and trucks between the port terminals and the hinterland terminal, thereby contributing to the connectivity and functionality of the port system.

**Shipping and Transport:** The primary function during the shipping phase involves moving goods out of the warehouse and loading them onto a vehicle, along with conducting cargo checks and preparing the corresponding documentation. The freight forwarder plays a key role in this process, while the driver is responsible for carrying out the onward transport.

**Delivery:** To organize further transportation, it is necessary to secure the appropriate customs documentation. The freight forwarder submits the required documents to the customs service for review and approval. After the procedure is complete, the documentation is handed over to the driver along with the cargo. Upon the handover of the cargo and its accompanying documentation, the client is notified of the shipment's execution. In the event of any difficulties, such as delays or other irregularities, the client is informed in a timely manner, and further actions are taken in accordance with the situation and the instructions received.

The port operations process involves multiple participants with clearly defined roles and responsibilities. Effective coordination and information exchange among participants ensure the consistent execution of activities and contribute to the reliability of operational and reporting processes.

SBM-2	Stakeholder interests and perspectives
-------	--

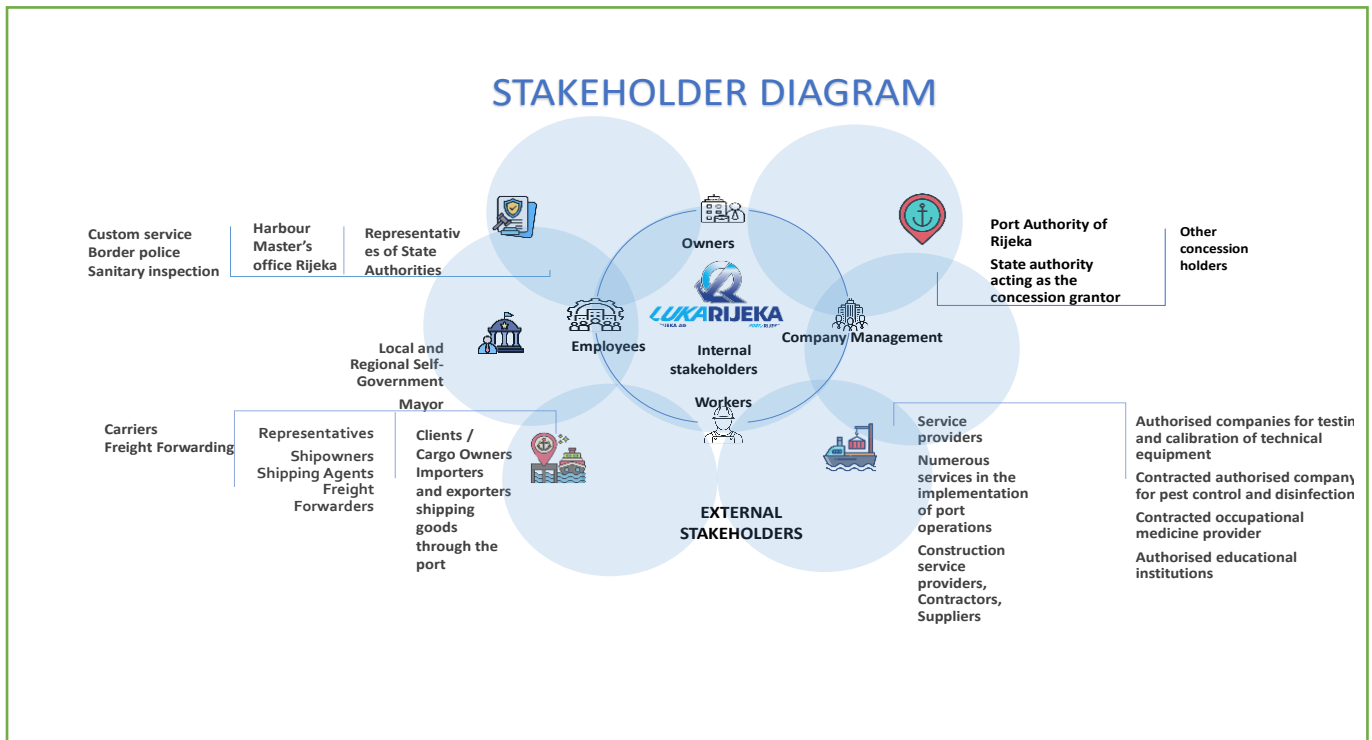
Collaboration with stakeholders is a key element in achieving the goals of sustainable development. Stakeholders' interests, expectations, and opinions are systematically analyzed and taken into account when planning future strategic directions and shaping the business model. Stakeholders are engaged through continuous communication, feedback collection, professional development programs, and the implementation of sustainability-focused initiatives, with the goal of creating shared value, strengthening mutual trust, and fostering long-term and sustainable business development.

Each stakeholder group has specific needs and expectations, so through systematic and continuous communication, we strive to timely monitor their interests and integrate them into strategic decision-making and day-to-day operations, with the goal of achieving optimal results and minimizing potential negative impacts. Considering the interests of internal and external stakeholders enables the timely identification and management of impacts, risks, and development opportunities.

Communication with stakeholders is conducted through formal and informal means, including direct verbal and telephone communication, email, surveys, and meetings. In the context of sustainability, special attention is paid to the environmental and social aspects of operations related to the organization's business model.

Stakeholder expectations are directed toward business operations conducted in accordance with high ethical standards, with responsible management of impacts on the environment and the social community. Clients expect a high level of expertise and service quality, while employees expect guaranteed health and safety conditions at work, opportunities for professional development and advancement, and appropriate reward systems.

*Illustrative representation – schematic diagram of stakeholders*



Description of engagement with key stakeholders	
STAKEHOLDERS	COLLABORATION
SHAREHOLDERS	<ul style="list-style-type: none"> <li>→ Ensure accurate communication and value for shareholders</li> <li>→ ensure an adequate and reliable flow of information</li> <li>→ Official engagement through the General Assembly</li> <li>→ Right to vote at the General Assembly</li> </ul>
EMPLOYEES	<ul style="list-style-type: none"> <li>→ ensure professional development</li> <li>→ a sense of inclusion, job satisfaction, and well-being</li> <li>→ education, training, and professional development</li> <li>→ a healthy and safe work environment</li> <li>→ regular and clear communication</li> <li>→ social events</li> </ul>
CARGO OWNERS CLIENTS THEIR REPRESENTATIVES SHIPPERS SHIPPERS' AGENTS FORWARDERS	<ul style="list-style-type: none"> <li>→ creating value and trust</li> <li>→ Formal and informal engagement throughout the entire relationship</li> <li>→ Ensure contractual obligations and maintain positive relationships</li> <li>→ improve operational efficiency and ensure the quality of port services</li> </ul>
PORT AUTHORITY OF RIJEKA	<ul style="list-style-type: none"> <li>→ a state institution that is the concessionaire</li> <li>→ addressing the maintenance of port infrastructure</li> </ul>
REPRESENTATIVES OF GOVERNMENT AGENCIES: Port Captaincy Rijeka Customs Service Border Police Sanitary Inspection Veterinary Inspection	<ul style="list-style-type: none"> <li>→ official controls</li> <li>→ Obtaining permits</li> <li>→ Addressing legal requirements</li> <li>→ Enforcement of regulations to ensure the port is safe, reliable, and efficient</li> </ul>
LOCAL GOVERNMENT Mayor	<ul style="list-style-type: none"> <li>→ problem-solving and dispute resolution through collaboration, open communication, and the exchange of ideas</li> </ul>
SERVICE PROVIDERS	<ul style="list-style-type: none"> <li>→ provide a wide range of services that facilitate cargo handling</li> <li>→ development of short-term and long-term strategies to enable the fluid movement of cargo</li> <li>→ promoting efficient and reliable service</li> <li>→ addressing challenges in the value chain</li> </ul>
SUPPLIERS	<ul style="list-style-type: none"> <li>→ formal engagement through contracts and due diligence</li> <li>→ Ensuring procurement practices with stable delivery of materials and services</li> <li>→ evaluation and selection while meeting sustainability requirements</li> </ul>
EDUCATIONAL INSTITUTIONS NZZJZ-PGŽ	<ul style="list-style-type: none"> <li>→ Acquisition of knowledge</li> <li>→ cooperation on matters of mutual interest</li> </ul>

<b>LOCAL COMMUNITY</b>	<ul style="list-style-type: none"> <li>→ involves the wider public and social organizations in the City of Rijeka, Bakar, and other surrounding cities, as well as in the municipality of Raša</li> <li>→ The goal of the collaboration is a better understanding of the local community's views</li> <li>→ contribution to local events and activities of local significance</li> </ul>
------------------------	--

<b>SBM-3</b>	<b>Significant impacts, risks, and opportunities and their interaction with the strategy and business model</b>
--------------	---

The identified impacts, risks, and opportunities (IROs) are detailed below by individual ESG areas, i.e., environmental, social, and governance topics. They are linked to the business model's activities and are primarily focused on the company's core business, which includes cargo discharge, transshipment, and loading operations, storage and transportation of goods, as well as the transport of vessels and passengers by boats.

Impacts associated with the implementation of our activities and risks that may affect the achievement of our business objectives are assessed based on the criteria of severity and likelihood of occurrence. Performance, risk, and opportunity management are carried out continuously through our activities and by directly taking appropriate measures and corrective actions. Identified risks are considered in the context of our value chain and are included in the Risk Register, which has been implemented as part of the quality management system.

The materiality assessment, i.e., significance, included an analysis of the organizational context and stakeholder relationships within our value chain, as well as the identification and evaluation of actual and potential impacts, risks, and opportunities.

The results of this assessment contributed to the adjustment of the strategy and the alignment of the business model with the identified priorities.

Impacts can be positive or negative. Negative impacts are systematically managed through defined policies, procedures, and control mechanisms established within the management system, applicable to all processes and organizational units. At the same time, business activities can generate positive impacts, including the development of human potential through education, training, and continuous professional development for employees, thereby further contributing to the creation of long-term value. A further goal of the Company is to establish initiatives that will improve opportunities and mitigate our impacts and risks.

Our Company's goal is to continue building long-term, transparent relationships with all key stakeholders, and to establish initiatives that will enhance all identified opportunities and mitigate our impacts and risks. The opinions of our external stakeholders are of great importance to us, and their expectations are incorporated into the identification of risk and opportunity impacts.

In port operations, activities affect the environment, people, and business, so it is important to systematically assess their impacts. The assessment includes identifying activities and stakeholders, analyzing the significance of impacts, and measuring their probability and severity. At the same time, it is necessary to recognize risks and opportunities that may affect financial and operational stability, including physical and transitional risks. Risk assessment involves their identification, quantification, and measurement of significance. All these activities help in making business decisions that minimize negative impacts and risks, and increase opportunities for sustainable development.

**MAIN IMPACTS ON OUR BUSINESS:**

**Weather Extremes**

Stormy weather slows down or prevents the operation of machinery (primarily cranes and transfer bridges). Heat waves slow down work because they affect employee health and capacity, requiring changes to the pace of operational execution.

**Contracted services with clients**

Deviations from the contractually scheduled activities of our business processes and operations are possible due to extreme weather events, equipment failures, and other unforeseen occurrences.

**Availability of materials and services**

Timely procurement of materials and services can determine the pace and tempo of port operations.

**Geopolitical Developments**

Our business is significantly impacted by changes in government policies, trade routes, material markets, laws, and directives. Therefore, business operations must be adjusted in line with market trends.

**MAIN IMPACTS ON OUR BUSINESS:**

**Environment**

We have a real and potential impact on the environment that stems from our primary activity (cargo handling) and related business relationships. These impacts are managed with the goal of preventing or mitigating them (e.g., using more energy-efficient equipment, a photovoltaic power plant).

**Employees**

The port environment and the specific nature of work at the port can pose certain risks to the health and safety of operational workers. These risks are managed through the consistent application of applicable legal regulations and the implementation of internal policies, procedures, and guidelines that define occupational safety measures and safety standards.

**Clients**

Changes in our operational capabilities, in rail and road infrastructure and connectivity, and in our service, prices may reflect and affect our clients' business.

**Local community**

The operation of our business may have an impact on the local community, both in terms of environmental aspects and in the context of the organization and conduct of economic activities in the city.

IRO-1	DESCRIPTION OF PROCEDURES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS, AND OPPORTUNITIES
-------	---

The materiality analysis covered the thematic issues, i.e., the sustainability factors listed in the European Sustainability Reporting Standards (ESRS). Ten topics with their respective sub-topics and sub-sub-topics were considered. A sustainability issue is considered material if it meets the criteria defined for impact materiality and/or financial materiality.

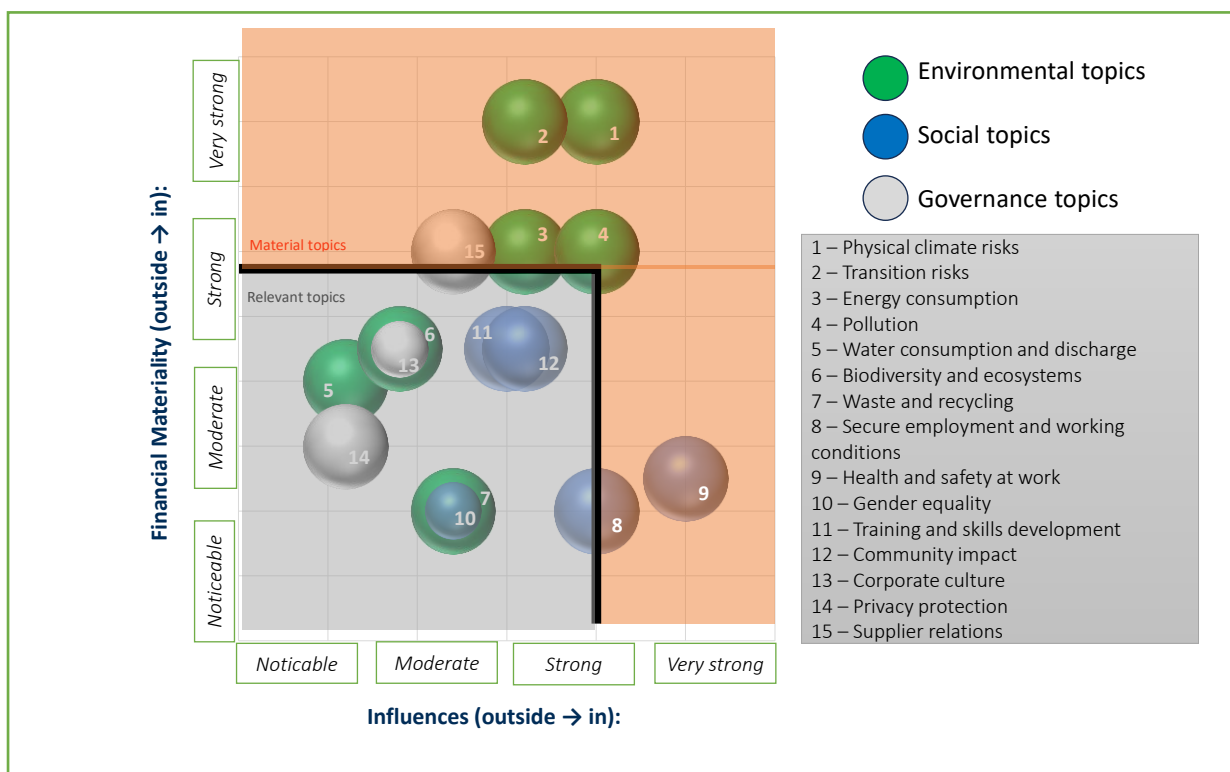
**Financial Materiality**

- Arises from physical and transitional risks which, in terms of sustainability, may impact our development, position, and performance
- These risks give rise to other business risks, such as credit, market, and operational risks

**The significance of our impacts**

- Refers to our impacts on the environment and society resulting from our activities, taking into account the interests of our stakeholders
- May also potentially lead to a significant direct or indirect impact on our financial performance

**MATERIALITY MAP: result of the double materiality analysis**



The results of the double materiality analysis are presented via a materiality map, which provides a visual overview of the relative importance of the identified environmental, social, and governance factors relevant to our port operations. The assessment is based on two perspectives: on the one hand, the impact of our activities on stakeholders and the environment, and on the other hand, the financial effects of these factors on our business.

The most significant material topics include climate and environmental physical risks, transition risks, energy consumption, pollution, occupational health and safety, employment security and working conditions, and supplier relationships.

## E – ENVIRONMENTAL ISSUES

Below, we have covered environmental topics, which include:

- ESRS E1 Climate change
- ESRS E2 Pollution
- ESRS E3 Water and marine resources
- ESRS E4 Biodiversity and Ecosystems
- ESRS E5 Circular Economy

Environmental topics relate to our impacts on climate change and the environment, as well as our dependence on natural capital. In this context, effectively managing impacts on the environment, natural resources, and biodiversity is crucial for the long-term sustainability of our business. A special emphasis is placed on reducing negative impacts and the responsible use of resources.

E-1	Climate Change
-----	----------------

### STRATEGY AND GOALS

As a key element of Croatia's maritime industry, the Port of Rijeka plays a significant role in the country's economic connectivity with international markets. Through sustainable development, we aim to remain competitive and adapt in a timely manner to changes in global trade and the maritime industry.

Luka Rijeka d.d. strives to contribute to the decarbonization of logistics in order to operate sustainably and participate in achieving climate goals along the value chain. Our goal is to make progress by reducing our climate and environmental impacts, taking measures to mitigate climate change, reducing energy consumption, and investing in renewable energy sources with the option of generating our own energy. The long-term goal is to achieve carbon neutrality by 2050 by reducing dependence on fossil fuels and lowering greenhouse gas emissions.

<p>Connection to the Sustainable Development Goals of the UN's Agenda 2030:</p>	
---	--

### POLICY AND GOVERNANCE

The company has defined its commitment to reducing energy consumption and transitioning to renewable energy sources through its quality, energy, environmental, and sustainability policy. The quality management system according to the ISO 9001:2015 standard helps us track a full range of indicators important for sustainability, and by implementing the ISO 50001:2018 standard, we systematically and efficiently manage energy, which is a key resource for the realization of our port activities.

The Quality, Energy, Environment, and Sustainability Policy defines our commitment to reducing energy consumption and transitioning to renewable energy sources. The photovoltaic power plant, which is planned to be built by the end of the second quarter of 2026, will enable us to produce our own energy, significantly reduce its consumption, and contribute to reducing CO2 emissions.

**Description of impacts, risks, and opportunities**

In the context of climate change and its impact on business, it is necessary to consider two main drivers of risk:

<u>Physical risk</u>	<u>Transition risk</u>
<p>Physical risk refers to the potential negative impacts of climate change on the port's business and financial stability. This risk includes more frequent extreme weather events such as floods, droughts, wildfires, and severe storms, as well as gradual climate changes like rising temperatures, sea level rise, coastal degradation, and biodiversity loss.</p> <p>Acute, which occurs due to sudden extreme events that can cause damage to infrastructure facilities (e.g., terminals, warehouses) or a reduction in operational efficiency, and chronic risks stemming from long-term climate changes, such as sea-level rise and coastal erosion, which can threaten the long-term sustainability and functionality of the port.</p> <p>Over time, both acute and chronic risks can shorten the lifespan of infrastructure and technical assets. Current knowledge of the projection of climate change in the territory of the Republic of Croatia has been taken into account (Strategy for Adaptation to Climate Change in the Republic of Croatia for the period up to 2040 with a view to 2070, Official Gazette no. 46/20).</p>	<p>The transition risk for the port refers to threats to financial sustainability arising from the process of adapting to environmental and regulatory changes that lead to a low-carbon and sustainable economy. This risk can arise from sudden changes in legislation, technological advancements, and market shifts, which require the port to align its operations with new environmental standards and regulations.</p> <p>To align with global goals of reducing CO<sub>2</sub> emissions and promoting sustainability, the port will be exposed to the need for investments in green infrastructure, such as emissions-reducing technologies and renewable energy sources. Given the increasing global demand for sustainable business practices, the port will also need to adapt its logistical operations and services to a market that increasingly demands environmentally friendly options.</p> <p>We expect increased investment in adaptation measures. Transition risk is also significant from the stakeholders' perspective, considering emissions across the entire value chain. The design and condition of infrastructure and technical assets can affect greenhouse gas emissions (electric machinery, electric vehicles, and the use of renewable energy sources), and the current state requires further investment in decarbonization trends.</p>

Physical and transition risks can affect the resilience of the business model, due to its interconnectedness with other sectors and markets that are particularly vulnerable to climate and environmental risks.

Physical and transition risks drive several different categories of risk, including credit, market, operational, and liquidity risk, and can also lead to losses arising directly or indirectly from legal claims (liability risk) and reputational loss due to public perception.

The most significant impacts can arise from frequent acute physical risks such as severe storms, fires, and heat waves; chronic physical risks in the form of temperature changes and sea-level rise; and from transition risk, driven by increased demand for energy and inefficient energy management.

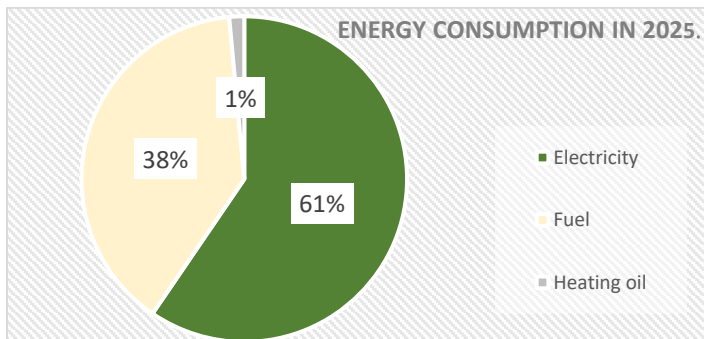
**Measures to prevent and reduce negative impacts**

- Continuous monitoring of energy consumption from all sources with the goal of optimizing energy use and achieving greater energy efficiency.
- Building sustainable infrastructure.
- Investing in technologically more advanced and energy-efficient machinery, machines, and equipment, and refurbishing existing ones as part of measures to mitigate climate change and reduce the carbon footprint. This measure requires significant capital investment and a period of time during which all non-compliant machinery will be replaced.
- Investment in renewable energy sources (photovoltaic solar systems) for self-consumption, with the further possibility of supplying interested parties.

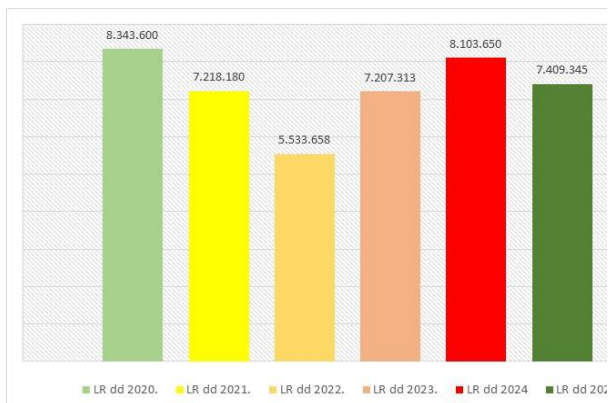
**ACTIVITIES IMPLEMENTED**

We track implemented activities through the following parameters:

**Energy consumption** is monitored through the energy management system in accordance with the ISO 50001:2018 standard. The energy management system at Luka Rijeka d.d. is aligned and integrated with the quality management system. An energy team has been established whose main goal is to monitor and increase the efficiency of energy consumption for all forms of energy at Luka Rijeka's locations. The energy sources used by Luka Rijeka d.d. are electricity, diesel fuel, and extra-light fuel oil. The use of extra-light fuel oil will cease at the beginning of the second quarter of 2026 due to the removal of the boiler house at Terminal Rijeka.

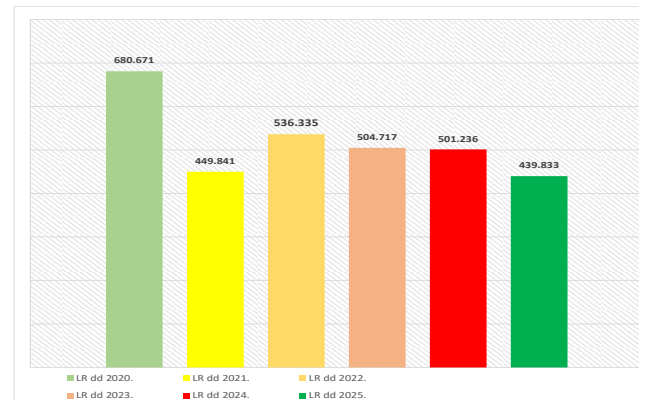


*Comparison of electricity consumption (kWh) by year*

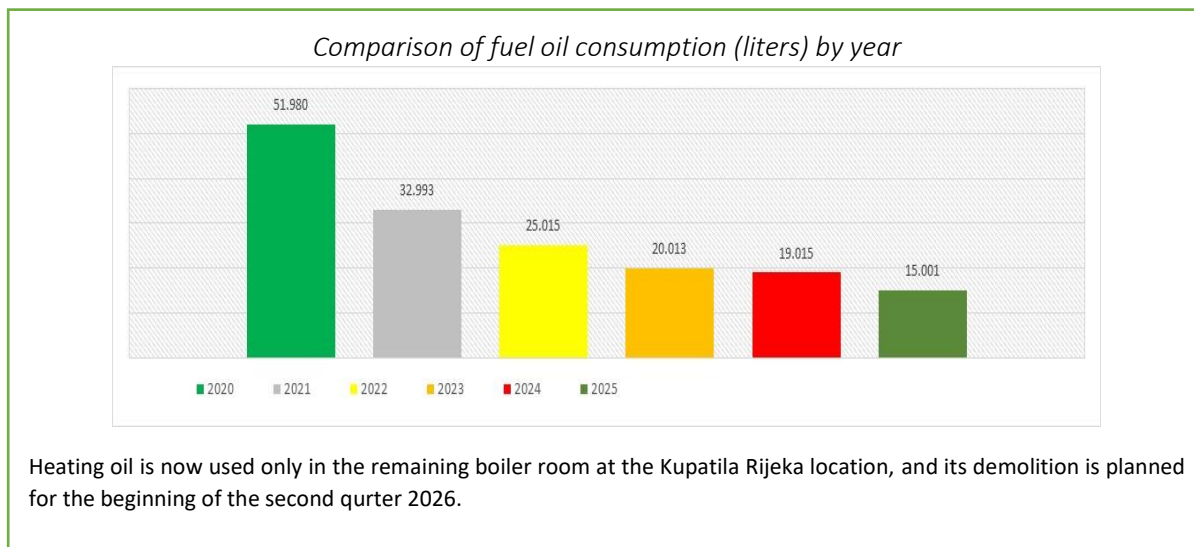


Electricity is used for cargo handling (electric cranes), and for heating, cooling, and lighting in buildings, warehouses, and outdoor areas. Total energy consumption in 2025 amounted to 7,409,345 kWh, which is 9% less than the previous year when it was 8,103,650 kWh.

*Fuel consumption comparison (liters) by year*



Diesel fuel is used to power machinery and for transporting cargo within the Port of Rijeka, as well as for other machines and equipment of the Maintenance Service, and for the Maintenance Service's vessels and the official vehicles of the Port of Rijeka d.d. The total fuel consumption in 2025 amounted to 439,833 liters, which is 12% less compared to the previous year.



The Company's general goals are focused on

- energy management with the goal of long-term energy consumption reduction and preventing negative impacts on the environment
- rational use and consumption of energy sources
- maintaining and improving the quality of the energy management system
- investment in renewable energy sources
- creating a green image and a "port of the future"

Individual goals:

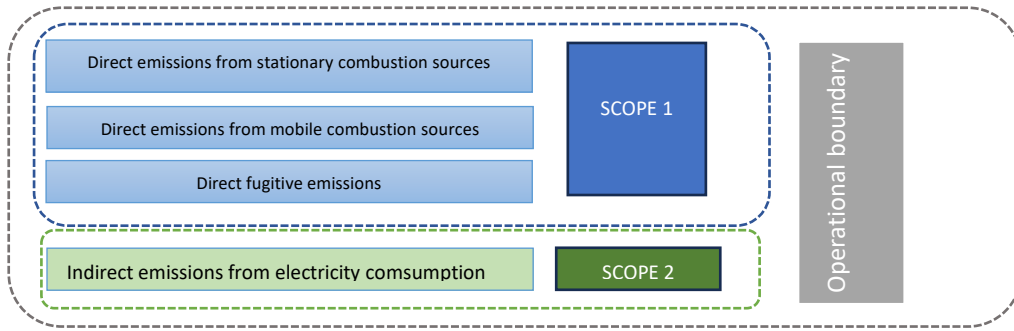
- continuously strengthening employee awareness of energy conservation
- achieve better control over energy consumption measurements
- application of modern process technologies and procurement of more energy-efficient technical equipment
- replacing old, worn-out lighting with energy-efficient lighting
- Installation of a solar photovoltaic power system

### Greenhouse gas emissions

Calculating and reducing the carbon footprint is part of the solution to mitigate climate change and achieve the long-term goal of carbon neutrality by 2050.

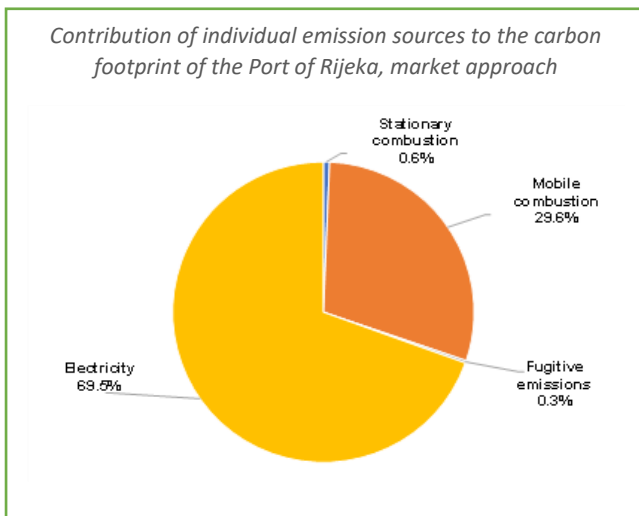
A carbon footprint study was prepared for Luka Rijeka d.d. in accordance with the Greenhouse Gas Protocol. The Carbon Footprint Study document establishes the Luka Rijeka greenhouse gas inventory for 2025, in accordance with the GHG Protocol. Included are direct emissions from fuel combustion in stationary and mobile energy sources, as well as fugitive emissions (Scope 1) and indirect emissions that occur off-site and are associated with electricity consumption (Scope 2).

The greenhouse gas (GHG) emissions boundary of Luka Rijeka d.d

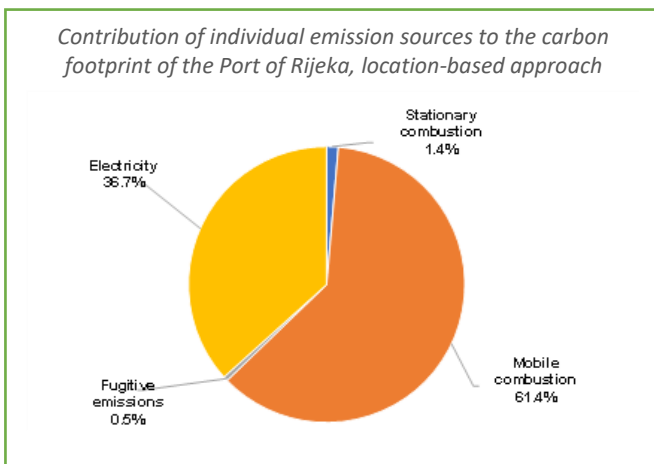


The long-term goal is to achieve carbon neutrality by 2050. To achieve this long-term goal, it is necessary to:

- ✓ expand the calculation to Scope 3 to include all greenhouse gas emissions in the Port of Rijeka's value chain
- ✓ its value chain, and achieve a significant reduction in its carbon footprint
- ✓ The remaining greenhouse gas emissions, which cannot be avoided, would be offset by removing greenhouse gases at the locations and in the value chain of the Financial Agency and by purchasing so-called carbon offset credits.



*According to the market approach, the total greenhouse gas emissions of the Port of Rijeka in 2025 from all relevant Scope 1 and Scope 2 categories amounted to 6,116.27 t CO<sub>2</sub>e*



*According to the location-based approach, the total greenhouse gas emissions of the Port of Rijeka in 2025 from all relevant Scope 1 and Scope 2 categories amounted to 2,945.32 t CO<sub>2</sub>e*

## E-2 | Pollution

**Strategy and Goals**

Luka Rijeka d.d. is committed to continuously making additional efforts to reduce pollution, both within the port itself and along the entire value chain.

<p>Link to the Sustainable Development Goals UN Agenda 2030:</p>	
--	--

**Policy and Governance**

Through our Quality, Energy, Environment, and Sustainability Policy, we have committed to the responsible management of our negative environmental impacts.

We comply with the requirements of the ISO 14001:2015 standard and are gradually integrating an environmental management system into our daily operations.

Management is conducted in accordance with the Air Protection Act (Official Gazette no. 127/19, 57/22, 136/24) and other legal regulations. The impact of our activities on the environment is monitored in cooperation with authorized institutions, with quarterly air quality analyses and semi-annual tests of wastewater and industrial water.

The Infrastructure and Facilities Department is responsible for monitoring and coordinating water resource management, and the General Affairs Department is responsible for waste management. These departments belong to the Development and Property Management Sector. The Security Department, which is part of the Legal and General Affairs Sector, is responsible for implementing environmental protection measures and activities. These organizational units operate in accordance with prescribed internal procedures developed in compliance with the quality management system according to the ISO 9001:2015 standard.

The Port Authority of Rijeka, as the concessionaire, monitors all environmental impacts associated with port activities in accordance with the ISO 14001:2015 standard.

**Description of impacts, risks, and opportunities**

Our impacts on air and water pollution primarily stem from business activities, the type of cargo, and the methods of handling and manipulating that cargo within the Port of Rijeka. Potentially the most significant negative impact on air quality results from the wind-blown dispersal of coal dust, which can also lead to the pollution of marine resources. The greatest potential impact on water resources is from the ships that dock in the Port of Rijeka and the duration of their stay.

The Bakar Terminal has the greatest negative impact on air pollution because it is designated for coal transshipment. Given the terminal's close proximity to the town of Bakar, the opinions of citizens were taken into account during the impact assessment. Citizens often express concern and doubt about the harmful consequences of air and water pollution.

### Measures for the preservation of air, water, and marine resources

- *Compliance with the Bakar Environmental Protection Action Plan and the Remediation Program*
- *Continuous monitoring of airborne particulate matter via an automated system in cooperation with the Public Health Institute of primorsko-goranske county (NZZJZ-PGŽ) with the aim of establishing actions to reduce exceedances of limit values*
- *Investments in the most effective technical solutions to prevent and mitigate the impact of coal dust on air quality and marine resources.*
- *Spraying coal with water cannons during transshipment and when wind is present.*
- *Acting in accordance with the internal Operational and Response Plan for Unintentional Situations in the event of an accidental release of liquid into the environment.*
- *Contractual cooperation with an external service provider for the protection of water and soil.*
- *Collaboration with the local community regarding the impact of port operations on air and water resource pollution.*

## Air Pollution

### *Air quality testing*

Air quality testing at the Bakar site is conducted by the Teaching Institute for Public Health (NZZJZ-PGŽ) at the measuring station for detecting the amount of airborne particulate matter at the Bakar Terminal site.

Under the contracted collaboration, the NZZJZ-PGŽ reports to the Port of Rijeka by sending quarterly air quality analysis reports for the measuring station at the Bakar Terminal, which include the measured results in relation to the limit values. In 2025, no exceedances of particulate matter (77 µg/m<sup>3</sup>) were recorded compared to the daily limit value (LV = 50 µg/m<sup>3</sup>). According to the Regulation on the Levels of Pollutants in the Air (Official Gazette no. 77/2020), 35 exceedances are permitted in a calendar year.

At the Rijeka location, the Port Authority of Rijeka monitors the impact of port operations on air pollution in cooperation with an authorized institution at specific measurement points.

The concentration of relevant quality indicators, namely SO<sub>2</sub>, NO, and NO<sub>2</sub>, is measured simultaneously with the measurement of micrometeorological parameters, which include wind speed and direction, temperature, relative humidity, and precipitation. The level of air pollution is assessed through special purpose measurements, which are provided for in the Air Protection Act (Official Gazette no. 127/19, 57/22, 136/24). The values of all monitored air quality parameters were below the limit values throughout the entire measurement period.

**Measures to prevent air pollution**

Air protection at the Terminal Bakar is one of the most significant problems and challenges faced by the Port of Rijeka, in terms of potential negative impacts on both the environment and the health and well-being of residents living in the immediate vicinity of the terminal.

We are aware of our impact and strive to find the best technological solutions, and investing in the Terminal Bakar to prevent air pollution is one of our priorities. We also pay close attention to the opinions of the local community, which is clearly dissatisfied with the terminal's proximity to the city where they live.

Water cannons are used to spray the stored coal and prevent the formation of airborne particles. In the event of adverse weather conditions, particularly strong winds, coal transshipment is suspended to reduce the possibility of dust generation.

E-3	Water and Marine Resources
-----	----------------------------

**Strategy and Goals**

Luka Rijeka d.d. is committed to preserving the quality of marine resources and ecosystems by managing water consumption and discharges into water bodies. Increasing the efficiency of cargo handling reduces the potential negative impact of ships on marine resources by shortening their stay in the port.

Connection to the Sustainable Development Goals of the UN's Agenda 2030:	
--	--

**Policy and Governance**

In accordance with the Law on Environmental Protection (Official Gazette 80/13, 153/13, 78/15, 12/18, 118/18) and other legal regulations, measures and activities within the jurisdiction of the Security Department and the Development and Property Management Sector are implemented. Work procedures are developed within the quality management system in accordance with the ISO 9001:2015 standard.

We are in the process of aligning with the requirements of the ISO 14001:2015 standard and are gradually introducing an environmental management system into our daily operations.

The Rijeka Port Authority monitors the impacts of port activities on the environmental conditions within its area of management. In cooperation with authorized institutions, it conducts semi-annual tests of seawater quality and wastewater quality.

## Description of impacts, risks, and opportunities

Our impact on water and marine resources stems from certain business processes that depend on water, primarily including machine washing, the water supply service for vessels, livestock watering needs, and the wetting of bulk cargo to prevent dust.

Regarding increased water consumption, a risk has been identified of pipe ruptures in the water supply system due to aging or from unintentional impact on pipes during routine equipment operations. However, the greatest water consumption is due to washing machinery and trucks, supplying ships with water, and sprinkling the bulk cargo.

The greatest potential impact on the marine resource comes from ships and their time spent at anchor. Additionally, the wind-blown dispersal of coal dust can, along with air pollution, also cause marine pollution. Suspended particles can be dispersed and "fall" onto the sea surface. There is also the possibility of unintentional discharges of pollutants into the sea.

## Measures and Resources

- *Reducing potential impacts on the pollution of water and marine resources.*
- *Sustainable use of water resources.*
- *Keeping infrastructure functional.*

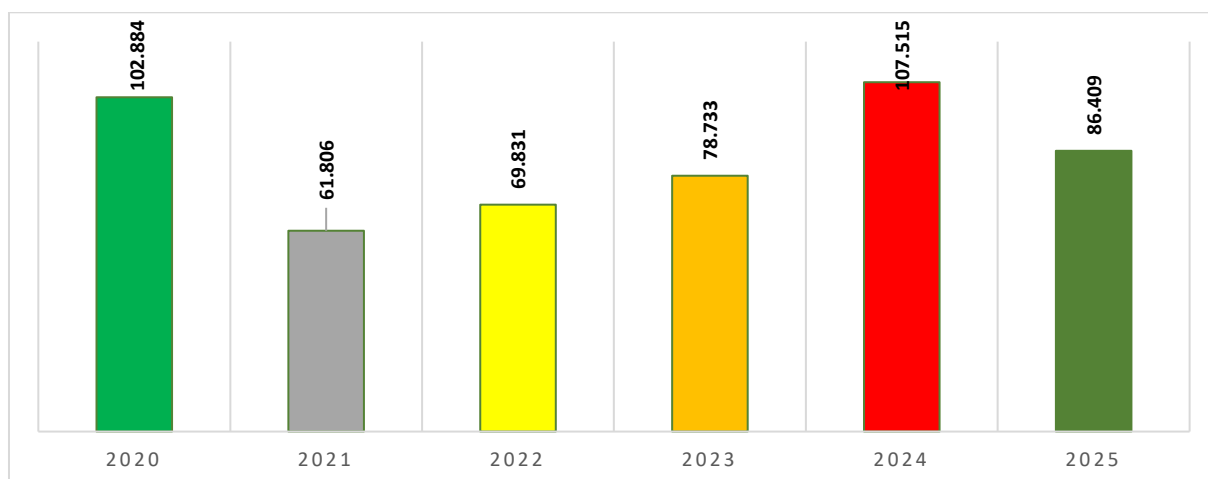
## IMPLEMENTATION

### Water Consumption

The Port of Rijeka uses water from the public water supply network for its business activities. Water consumption is monitored by the supervisor from the Department of Infrastructure and Facilities in cooperation with the contracted authorized company Rudan d.o.o.

In 2025, a total of 86,409 m<sup>3</sup> of water was consumed, which is a 20% decrease compared to 2024, when consumption was 107,515 m<sup>3</sup>. The increase in water consumption in 2024 compared to previous years was primarily caused by the resumption of the water supply system's operation, which had to be suspended during certain periods due to work on the CEF project. With the completion of the work in 2024, there were no more interruptions.

### Comparison of water consumption (m3) by year



### Water Delivery to Moored Vessels

During 2025, a total of 11,227 m<sup>3</sup> of water was delivered to 199 moored vessels, compared to 2024 when 10,776 m<sup>3</sup> of water was delivered to 206 moored vessels.

### Water Risk Areas

Port of Rijeka does not operate in areas exposed to water risk, i.e., where water bodies are not in good condition or their condition has deteriorated, which leads to very problematic water availability, reduced quality, and quantity, including a major water shortage.

### Water Pollution

The Rijeka Port Authority monitors the environmental conditions in the area under its management in accordance with the relevant program, and in cooperation with authorized institutions, conducts semi-annual tests of sea water quality and wastewater quality.

The sea quality analysis includes testing for air and water temperature, transparency, salinity, dissolved oxygen, saturation percentage, and chlorophyll. Monitoring of these parameters is carried out seasonally, four times a year. The assessment of wastewater quality includes testing for air and water temperature, pH, suspended solids, BOD<sub>5</sub>, chemical oxygen demand, anionic and nonionic surfactants, persistent lipophilic substances, and petroleum hydrocarbon and mineral oil indices. Reports detailing the results of environmental monitoring are available on the Port of Rijeka's website. The Port of Rijeka conducts environmental monitoring and, in cooperation with authorized institutions, carries out semi-annual tests of sea water and wastewater quality.

The greatest potential impact on marine resources comes from ships and their time spent at anchor.

Ships arriving at the Port of Rijeka with cargo are subject to the Port's regulations, which aim to preserve aquatic and marine resources. The protection of the sea from the discharge of ballast water and/or waste from incoming ships is regulated through a contract entered into with the shipowners. They are prohibited from discharging ballast water and any waste into the sea and must secure the cargo they are discharging to prevent spills and seepage into the sea.

In the event of marine pollution or an unintentional discharge, action is taken according to internal operational and contingency plans for unintentional incidents. The Port of Rijeka has a contracted partnership with a service provider for actions such as setting up booms upon a vessel's arrival and participating in pollution removal efforts if they occur. In 2025, there were no discharges, incidents, or unintentional releases.

E-4	Biodiversity and Ecosystems
-----	-----------------------------

### Strategy and Goals

Luka Rijeka d.d. is aware of the importance of preserving biodiversity and ecosystems, as well as the consequences of their loss and change. We are in the process of defining a strategy to reduce potential

negative impacts with the goal of preserving the marine ecosystem. The goal is to minimize damage from ballast water discharge.



### Policy and Governance

- Develop sustainable practices to contribute to reducing the negative impact on the marine environment.
- Compliance with the requirements of the ISO 14001:2015 standard and the gradual implementation of an environmental management system into our daily operations.
- Management will be conducted in accordance with the Law on Environmental Protection (Official Gazette no. 80/12, 153/13, 78/15, 12/18, 118/18) and other relevant legal regulations.
- Ensure the preparation of an Environmental Report or Study before carrying out significant infrastructure interventions.

The Rijeka Port Authority, as the concessionaire, in cooperation with authorized institutions, conducts semi-annual tests of sea quality, wastewater quality, as well as noise level testing.

### Description of impacts, risks, and opportunities

The impact the Port can have on the ecosystem primarily manifests through the introduction of new species into the marine environment via arriving ships, which can disrupt the balance of the marine ecosystem. Pollution associated with port activities further impacts the natural environment, creating negative, direct and indirect effects that can alter the chemical and physical properties of the environment and affect species abundance. Additionally, noise in the surrounding area and underwater has been identified as a significant problem. These impacts are linked to the previously identified topics E2 – Pollution and E3 – Water and Marine Resources.

Various marine organisms are also often transported in ship ballast water, and these new species can establish themselves in new habitats, become invasive, and displace native communities. Therefore, ship ballast water is one of the main vectors for transferring species between marine regions and is critical for the transport of alien, invasive, and/or toxic species and pathogens across natural barriers. The harm is manifested in ecosystem disruptions and negative impacts on human health and the economy (tourism, fisheries, and aquaculture). Climate change promotes the success of introduced organisms' adaptation and their spread, which increases the scale of their impact.

The introduction of non-native marine organisms can negatively impact the local ecosystem and should therefore be prevented through proper ballast water management. The possibility of reducing the number of unwanted organisms in ship ballast water, or their inactivation, has been intensively researched for a long time. However, to our knowledge, a satisfactory solution to this problem has not

yet been found. The number of ships, as well as their routes and destinations, is also increasing, and ships are becoming larger, with greater carrying capacity and speed, all of which facilitates the colonization of new areas by organisms present in ballast water. The introduction of non-native species is particularly pronounced in enclosed seas, such as the Adriatic Sea. The Adriatic is a closed sea with great biodiversity and requires timely and appropriate protection.

*Pollution from port activities is monitored by the Rijeka Port Authority as part of environmental monitoring under the relevant program, and in cooperation with authorized institutions. As part of the program, noise levels are also measured in the area of the Rijeka basin and the Brajdica Container Terminal. Noise is measured during daytime, evening, and nighttime conditions. The main source of noise within the measurement locations is machinery and equipment for carrying out port operations, as well as the traffic of freight and rail vehicles moving through the terminals. During the noise measurements, time-coded audio recording is also conducted to verify specific sound events and to exclude noise sources that are not the subject of the measurement.*

### Measures, Perspective, and Future Plans

- *Monitoring the illegal discharge of ship ballast water during vessel mooring at the Port of Rijeka, contracting business with a stated code of conduct and a notice about the illegal discharge of ballast water.*
- *Optimizing port operations and cargo transshipment from the vessel in order to shorten the time spent at anchor and the vessels' stay in the Port of Rijeka.*
- *Develop a plan of measures to combat and reduce the potential harmful consequences of the introduction of alien and other harmful species via ship ballast water on biodiversity, marine ecosystems, bathing waters, and human health.*
- *Develop cooperation with scientific expertise, the academic community, and institutions relevant to the conservation of biodiversity and marine ecosystems, in order to minimize the risks that arise as a result of activities along the value chain.*

E-5	Resource Use and Circular Economy
-----	-----------------------------------

### Strategy and Goals

In the course of its port operations, Luka Rijeka d.d. ensures responsible waste management, reduces its volume, avoids the generation of hazardous waste, and promotes recycling and reuse.

When procuring, consider selecting materials and equipment with a lower environmental impact and avoid unnecessary items.



## Policy and management

Handling of waste from port operations in accordance with the Waste Management Act (Official Gazette no. 84/21, 142/23) and other EU regulations, ordinances, and decisions related to waste.

Waste management is regulated by the Port of Rijeka d.d.'s internal Regulation on Waste Handling within the Port of Rijeka.

We comply with the requirements of the ISO 14001:2015 standard and are gradually implementing an environmental management system into our daily operations.

All applicable regulations for special categories of waste are also applied, and the procedures of Luka Rijeka d.d. are in compliance with this legal framework.

All necessary documentation regarding the generation and handling of waste is maintained, and with authorized waste management companies, collection, transportation, recycling, recovery, or disposal of the waste has been contracted.

In the event that more than 500 kg of hazardous waste or 20 tons of non-hazardous waste are generated in a year, and if certain quantities of waste have remained temporarily at the port terminals, data on waste generation is reported to the Environmental Pollution Register (ROO).

The person responsible for waste management is the Head of General Affairs from the Sector for Development and Asset Management.

## Description of impacts, risks, and opportunities

Waste generation at the Port of Rijeka is mainly associated with operational activities, namely cargo handling, as well as construction work, and the use and maintenance of machinery, equipment, and tools.

The waste generated can be classified by source: waste from ships, waste from port operational areas, and floating waste that enters the port from the open sea. A space is provided at the pier for the disposal of waste generated during transshipment and storage, while the management and removal of waste are handled by authorized and contracted entities. Based on their origin and properties, the waste materials generated in the port fall into different types, which can generally be classified into two categories: hazardous waste and other waste materials (non-hazardous waste). Hazardous waste generated under normal port operating conditions includes waste motor and hydraulic oils from equipment oil changes, waste packaging from motor oils, waste transformer oils, batteries, and sludge from the oil separator of the wastewater treatment plant.

Other waste is all non-hazardous waste, i.e., waste from the cleaning of the operational shore (pieces of wood, plastic bags, rags, cardboard), waste from the maintenance of the internal sewer system (solid waste that accumulates on drain grates), waste from ships, and waste generated by workers' presence

in the port, which is similar to municipal waste. The port has established a hazardous waste management system that minimizes the risk of pollution when changing motor and hydraulic oils from work equipment.

In accordance with the principles of environmental protection, water and marine protection, as well as waste management, Port of Rijeka handles waste in a way that avoids and reduces the generation of all types of waste, especially hazardous waste, prevents unsupervised waste handling, and separates different types of waste (sorting), ensures the collection of waste in designated collection areas, maintains records with information on the type, quantity, place of generation, and temporary storage and disposal of waste, ensures the remediation of waste-contaminated surfaces, optimizes the maintenance and servicing of machinery, equipment, and devices, optimizes technological processes, and uses materials efficiently.

Waste disposal procedures refer to taking measures to collect waste from its generation points, sort and store it in a way that avoids hazards, until it is taken over by authorized companies registered to handle the collection, transportation, and disposal of waste.

### **Waste Management Protection Measures**

- *Provide containers for the separate collection of waste, and place them on covered, impermeable surfaces with controlled drainage. Containers for storing liquid and bulk waste must be sealed and leak-proof.*
- *Provide an adequate number of containers for municipal waste and arrange for its regular collection and disposal by an authorized hauling company.*
- *Separate collection and temporary storage of different types and categories of waste, i.e., selective collection, in a manner that allows for its reuse, recycling, and appropriate processing or disposal in accordance with regulations governing waste management.*
- *Collect municipal waste in specially designated containers and haul it away regularly.*
- *In the event of major contamination, provide containers for the temporary storage of petroleum derivatives with undesirable solid or liquid impurities.*
- *It is the responsibility of every employee to generate as little waste as possible and to sort it properly. To support the recycling process, special, clearly marked cardboard containers for paper have been placed in many locations throughout the Port of Rijeka. These are regularly emptied and collected by contracted, authorized companies.*

## **IMPLEMENTATION**

### **Waste generated**

The total amount of waste generated in 2025 was 765.26 tons, a 31% decrease compared to 2024, when the amount was 1,104.40 tons. The quantities of waste generated were reported to the Environmental

Pollution Register (ROO) by waste catalog number, as defined by the Waste Catalog Regulation (Official Gazette 90/15).

### Comparison of waste generated during 2025 and 2024

<i>Comparison of Waste Generated in 2025 and 2024</i>				
	<b>non-hazardous waste (t) 2025.</b>	<b>hazardous waste (t) 2025.</b>	<b>non-hazardous waste (t) 2024.</b>	<b>hazardous waste(t) 2024.</b>
<b>Location</b>				
Rijeka	369,92	9,98	669,47	229,10
Škrljevo	110,77	6,71	132,48	0,18
Bakar	33,91	134,66	48,74	1,09
Bršica	99,31	-	23,34	-
<b>Total</b>	<b>613,91</b>	<b>151,35</b>	<b>874,03</b>	<b>230,37</b>
<b>Total (non-hazardous+hazardous)</b>	<b>765,26</b>		<b>1.104,40</b>	

## S- SOCIAL TOPICS

Below, we have covered social topics, which include:

- ESRS S1 Own workforce
- ESRS S2 Workforce in the value chain
- ESRS S3 Affected communities
- ESRS S4 Service users

The social topics covered in this report relate to the management of relationships with employees, clients, contractors, service and material suppliers, and with communities and society at large.

S-1	Own Workforce
-----	---------------

### Strategy and Goals

Luka Rijeka d.d. provides stable employment and opportunities for employee development and growth, a safe work environment, regular payment of all salaries, and mutual cooperation and support, with an open flow of information. Our goal is for our employees to be satisfied in their workplace and for the Port to be their employer of choice, with an emphasis on creating working conditions where every employee has the opportunity for personal and professional development. We do not tolerate discrimination or any form of inequality. The health and safety of our employees is our priority, so one of our main goals is the continuous improvement of workplace safety.

#### Human Resources Policy and Management

Human resource management is carried out through internal regulations and policies:

- *Labor Regulations and Salary Regulations*
- *Disciplinary Procedures and Disciplinary Responsibility Regulations*
- *Policy on Internal Reporting of Irregularities and Appointment confidential person*
- *Policy on Dealing with Privileged Information*
- *Regulations on the Organizational Structure of Luka Rijeka d.d.*
- *Code of Ethics*
- *Workplace Safety Regulations*
- *Risk Assessments*
- *Personal Data Protection Policy*



Responsibility for implementation lies with the Head of the Legal and General Affairs Sector. The Head directly reports to the Company's Management.

We continuously collaborate with our employees through worker representatives (unions, the Workers' Council), thereby ensuring the involvement of our workforce in decision-making regarding their rights and working conditions.

#### **Collaboration with our workforce**

Luka Rijeka collaborates with trade unions and the Workers' Council, which has its own representative on the Supervisory Board. When making decisions that are essential to the position of workers, the Company is required to consult with the Workers' Council, and certain decisions are made exclusively with the prior consent of the Workers' Council. Workers' assemblies are held twice a year in accordance with the Labor Law.

#### **Description of impacts, risks, and opportunities**

Luka Rijeka's operations are in compliance with legal provisions and the internal Rules of Procedure, ensuring respect for human and labor rights. It operates in accordance with the principles set forth in the Code of Ethics, and compliance with the code's standards is the responsibility of everyone, from members of the Supervisory Board and the Company's Management, to management and every individual who works at the Port of Rijeka.

In carrying out its core function, the Human Resources Management Department conducts activities in accordance with applicable laws and regulations, as well as internal acts. Among these, the key ones are the Internal Organization Rules and the Rules of Procedure, along with the application of other internal regulations, procedures, guidelines, and Management decisions that define the procedures and management of processes important to employees. Special emphasis is placed on the continuous development of human resources, as well as on fostering and improving teamwork.

In the areas of employment and working conditions, as well as in hiring procedures, equality among all employees is promoted, regardless of gender, age, nationality, ethnic origin, religious affiliation, or social or economic status.

All employees are provided with equal opportunities for advancement, where their position in the organization depends solely on their work results, performance, and professional qualifications.

The execution of business activities depends on a workforce with specific knowledge at all levels of operation, where employees have the opportunity to develop their skills through professional training using the services of external educational institutions, as well as through internal training.

Every employee of the Port is guaranteed basic labor rights, which are incorporated into the Company's foundational documents. These primarily relate to job security and equality of opportunity for advancement and training. Employees are also entitled to a performance-based reward for achieving outstanding results.

Procedures for reporting irregularities and for the protection of whistleblowers have been adopted, and individuals to whom employees can turn have been appointed. Additionally, employees can also contact union representatives and the worker representative on the Supervisory Board.

A procedure is in place to inform employees of their rights, and they can obtain all relevant information from the employee representative on the Supervisory Board and through the trade union. Furthermore, all relevant information is also available on bulletin boards and on the Company's website. It can also be requested from the Legal and General Affairs Sector, or the Human Resources Management Department.

### **Health and Safety at the Workplace**

Occupational health and safety is a priority for our Company. It is managed in accordance with the Labor Protection Act (Official Gazette no. 71/14, 118/14, 154/14, 94/18, 96/18), which includes risk assessment for all workstations, training for safe work practices, the right of workers to refuse work if their health or safety is at risk, and the election of a worker safety representative. This responsibility lies with the Security Department, which operates under the Legal and General Affairs Sector. Through worker elections, workers elect a health and safety representative who represents their interests in the area of occupational health and safety.

Employees are required to adhere to safe work procedures, and are provided with the necessary protective equipment, regular medical examinations, training, and a safe work environment. All workers receive training in occupational health and safety. By completing training to work safely, employees receive the appropriate certificate, which is a requirement for performing the duties of a specific job. Upon hiring, workers also receive additional training for safe work at their specific job site, through a theoretical and practical component, which includes monitoring their work in the field.

A risk assessment has identified all high-risk work positions that require the application of special workplace safety measures and are subject to mandatory periodic medical examinations.

The hazards associated with specific jobs, prescribed protective measures and procedures for emergency situations, as well as the necessary personal protective equipment, are defined in detail in the Risk Assessment. Technical instruction sheets for the safe performance of work tasks have also been created.

In the event of a workplace injury, an analysis of its cause is conducted, based on which measures are defined and implemented to prevent similar incidents from recurring. All employees are required to perform their work tasks with due care, taking into account their own safety and the health of other employees. Operational workers and all persons moving within the port area are required to use the prescribed personal protective equipment.

**Measures and Resources:**

- Measures for maintaining a safe and stable workplace
- Measures for skill development
- Measures for Health and Safety

**Implementation and Indicators**

As of December 31, 2025, Luka Rijeka d.d. employs a total of 557 workers, while the average number during the year was 579, which is about 8% lower than in 2024.

Of the total number of employees at the end of 2025, the share of women is 11.85%. The significantly lower share of women among the total number of employees is a result of the nature of occupations in the port sector, which are predominantly traditional male occupations.

The share of employed women in management and leadership positions is 36% of the total number of employees in leadership positions, while the share of women in the Management is 33.33%.

In accordance with the provisions of the Regulation on the Content and Method of Keeping the Register of Employed Persons with Disabilities (Official Gazette 75/2018), as of December 31, 2025, there are 8 employees with disabilities, which is 1.44% of the total number of employees.

During 2025, Luka Rijeka continued to implement its employee training plan based on current needs and the plan.

The Human Resources Management Department issues a professional training plan based on proposals from the heads of organizational units and monitors its implementation throughout the year.

The development of human resources competencies is supported by education, training, and professional development. Regarding training, there was a certain deviation (only 18% of the planned training for 2025 was implemented), and the reason for this was the emergence of needs other than those that had been planned. Training has been completed for the positions of forklift operator, auto-crane operator, and boat captain. Uncompleted training remains in the future plan and will be implemented according to business needs. Regarding internal training, the Security Department continues to train new employees on workplace safety and fire protection regulations. At the Bršica Terminal, internal training is conducted for working with livestock in accordance with the internal port "Crisis Plan for Handling Live Stock." The IT Department continuously conducts internal training based on identified needs.

**Employee salaries are defined by the Salary Regulations.** The average gross salary in 2025 amounted to EUR 1,851.04, which represents an increase of 4.76% compared to 2024, when it amounted to EUR 1,767.00

By the Company's Decision on Establishing Monthly Budgets for Employee Incentives and Criteria for Awarding Incentives, criteria and evaluation methods have been established for the allocation of

monthly incentives, with the goal of encouraging excellence, initiative, teamwork, and the achievement of measurable results.

In accordance with the salary regulations, long-service awards are also paid. During 2025, a total of 66 jubilee awards were paid.

Age Structure- during 2025 the management structure has been rejuvenated, however, the age range remains almost the same as in previous years, and the largest number of employees in 2025 were again in the 40-49 and 50-59 age groups (together accounting for over 60%).

2025.g.		2024.		2023	
no. of employees 557		No. of employees 614		no. of employees 638	
age:	% employees	age:	% of employees	age:	% of employees
18-29	5%	18-29	4%	18-29	7%
30-39	19%	30-39	19%	30-39	23%
40-49	32%	40-49	30%	40-49	27%
50-59	28%	50-59	26%	50-59	27%
60-67	16%	60-67	21%	60-67	16%

## Work-life balance

### Indicators

Luka Rijeka d.d. provides its employees with conditions to achieve a work-life balance. Annual leave is 20 working days, with additional days based on certain criteria, provided that the total number of annual leave days does not exceed 30 working days.

Paid leave in accordance with the Labor Law, and a total of up to 7 days for all reasons combined. An employee may be granted unpaid leave upon personal request, during which their rights and obligations are suspended.

During 2025, a total of 8 employees took paternity leave and 13 took parental leave.

### Strengthening mutual relationships

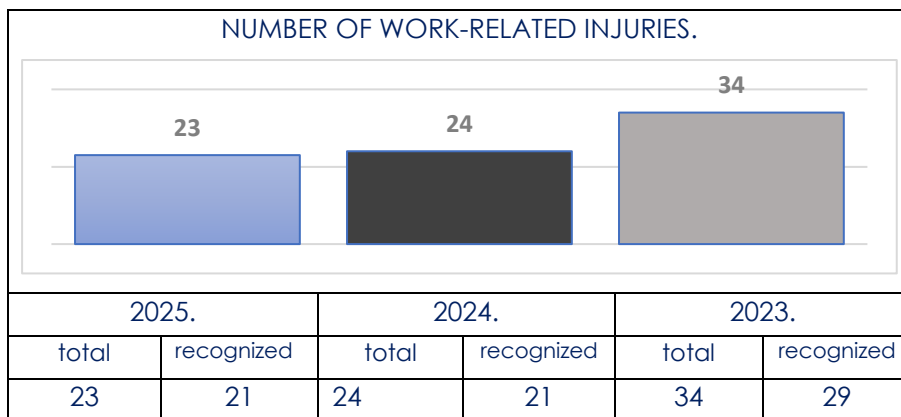
Luka Rijeka d.d. participated, as is tradition, as a rowing team in the naval rowing event at the 24th International Rijeka Regatta on May 21, 2025, which is traditionally organized by the Maritime Faculty of Rijeka.

### Health and Safety at Work

During 2025, a total of 23 work-related injuries were recorded, which is 4% fewer than in 2024, when 24 were recorded.

The reduction in the number of workplace injuries is contributed to by the implementation of the following measures:

- ✓ a significantly greater involvement of safety officers in paying closer attention to workers during their work and ensuring the best possible working conditions,
- ✓ regular procurement of prescribed personal protective equipment and its mandatory use,
- ✓ maintaining the cleanliness, accessibility, and lighting of work surfaces and pathways,
- ✓ continuous monitoring of the implementation of safety regulations by the Security Department,
- ✓ encouraging managers, leading supervisors, and dispatchers to participate, through coordinated inspections at individual terminals together with occupational safety specialists, in improving existing working conditions.



S-2	Workforce in the value chain
-----	------------------------------

**Strategy and Goals**

Our employees and partners are key to fulfilling our business objectives and commitments related to the protection of the environment, society, and the economy. Our goal is to ensure equal working conditions for everyone. All the objectives we have for our own workforce are equally reflected on all employees throughout the value chain regarding labor and human rights, equality and inclusion, and workplace safety and occupational health.

Connection to the Sustainable Development Goals UN Agenda 2030:	
---	--

**Policy and Governance**

**Policies related to workers in the value chain**

- ✓ Privacy Policy
- ✓ Code of Ethics
- ✓ Security Department Procedure and Instructions for Safe Working
- ✓ Procurement Procedure

The Company strives, through internal policies and procedures, to ensure that all workers in the value chain are provided with working conditions in a safe and dignified environment.

### Description of impacts, risks, and opportunities

Our potential impacts are related to the processes taking place at the port itself and are equally reflected on all participants in the value chain. All participants in the process must adhere to the prescribed procedures to ensure working conditions in a safe and dignified manner.

Although this topic is not material in terms of its significance or financial importance, it is considered relevant due to the large number of stakeholders in the value chain, whose cooperation is essential for the successful execution of port activities. Therefore, it has been decided to include it in the Sustainability Statement. Through further digitalization, we aim to enable more efficient, responsible, and transparent operations, while reducing negative impacts and strengthening positive effects on employees, society, and the environment. Procedures and instructions for using the designated applications are available on our website.

### Measures and Resources

- *Protection of personal data, in compliance with legal regulations.*
- *Equal conditions for all workers within the port area regarding occupational health and safety.*
- *Continuous communication with stakeholders, both verbal and written.*

S-3	Affected Communities
-----	----------------------

### Strategy and objectives

The company, through the development of partnerships and cooperation with the local community, seeks to promote environmental conservation and human health topics, and to establish effective communication with members of the local community.

Alignment with the Sustainable Development Goals UN Agenda 2030:	
---	--

### Policy and Governance

- ✓ *Quality, Energy, Environmental, and Sustainability Management Policy*
- ✓ *Operational and Response Plans for Accidental Situations*
- ✓ *Emergency Escape Plan for Animals from the Livestock Terminal in Bršica*

### Description of impacts, risks, and opportunities

Our impacts are related to accidental situations and the resulting harm to the environment and people, stemming from our business activities, as well as from impacts associated with infrastructure construction and the expansion of the port area. Since these are impacts that may cause concern, we consider this topic to be extremely important. Through transparent reporting to the community, we aim to maintain their trust and ensure that our continued growth and development positively reflect on the local community, both economically and socially. Namely, the Rijeka Terminal (Pj General Cargo, PJ Silos, and PJ Wood) is located in the very center of the city of Rijeka, and the Bakar Terminal is in the immediate vicinity of the town of Bakar, so the consequences of potential incidents could be serious. Community concerns are mainly related to environmental pollution and negative health impacts, the possibility of fires and their spread, and noise. Accidental situations are kept under control through prescribed operating procedures, as well as operational and emergency plans, which allow for a rapid response and remediation in the event of an incident. The livestock terminal in Bršica has a plan that includes safe procedures for handling animals, as well as measures in case of animal escape from the Bršica Terminal.

### Measures and resources

- *Collaboration with relevant stakeholders regarding environmental protection and human health in the surrounding area.*
- *Transparent business reporting.*
- *Providing support for projects of interest to the local community.*

### Future Outlook

The Port of Rijeka has recognized the importance of investing in the local community and cities of interest, and plans to actively participate in various activities important to citizens and the economy.

Through our donation activities, we aim to provide assistance and support to humanitarian and social events. In line with our financial capabilities, we seek to support those in need through donations, thereby contributing to the development of the local community.

In 2025, a donation was approved for KBC Rijeka, Clinic for Internal Medicine, in the net amount of €575.00 for the completion of work at the Department of Gastroenterology, and a donation of €300.00 was made to the humanitarian association "Riječki dečki." A donation was approved for the animal protection association "Kitten Safe House" from Rijeka, providing free storage for approximately eighteen tons of donated pet food for a period of two months.

We strive to develop the best possible communication channels with the local community to establish quality communication with citizens. We maintain continuous communication with citizen representatives about all key issues related to our impact and the quality of life in the community. We act clearly and transparently and encourage the collaborative resolution of open issues through various forms of information and dialogue, including reporting in public media and holding meetings.


Remediation procedures for negative impacts include analyzing the reported incident and implementing all necessary measures in accordance with internal procedures and regulations to mitigate adverse effects on the environment and the community. Communication regarding topics of concern within the local community helps develop initiatives and measures to address those concerns.

We are prepared to cooperate with all relevant stakeholders on environmental protection and human health in the local community, and we are committed to making every possible effort to minimize any adverse impact on the environment and people.

S-4	Consumers and end-users
-----	-------------------------

### Strategy and Objectives

The Company's goals are focused on building strong partnerships with key clients on topics of mutual interest related to sustainability, and launching initiatives that promote sustainability. Our goal is to monitor business practices and conduct continuous customer satisfaction surveys to improve our services and promote sustainability. Customer satisfaction is tracked within the quality management system. Complaints have been trending downward in recent years, which shows that we are delivering our port services at a higher level.

Connection to the Sustainable Development Goals UN Agenda 2030:	
--	--

### Policy and Management

- ✓ *Quality, Energy, Environmental and Sustainability Management Policy*
- ✓ *Procedures for operating within the quality management system according to the ISO 9001:2015 standard*
- ✓ *Operational Procedures*
- ✓ *Commercial Affairs Procedure*
- ✓ *Complaint Handling Procedure*
- ✓ *IT Department Procedures and Program Instructions*

### Description of impacts, risks, and opportunities

The assessment of the effectiveness of the quality management system according to the ISO 9001:2015 standard (Management Assessment), conducted by Management, ensures the key prerequisites for providing quality port services. We regularly conduct customer satisfaction analysis and monitor and analyze user complaints and claims, including those from the end-users of our services. Complaints show a downward trend and generally do not have a significant financial impact on operations. We monitor customer satisfaction through surveys, and the collected data is analyzed within the quality management system. The resulting findings serve as the basis for the continuous improvement of our port services.

We recognize an opportunity for further improvement in the informatization of our entire operations, as effective communication and digitalization are key to achieving successful collaborations. The IT department continuously works on developing and improving digital solutions and supporting business processes. Information and cybersecurity has emerged as a very important topic, and procedures for controlling these risks have been established through information security policies.

## Measures and Resources

- ✓ *Providing quality port services.*
- ✓ *Complaint and claim management.*
- ✓ *Availability of quality information, investment in digitalization and cybersecurity.*

## Implementation

Analysis of customer satisfaction includes information on complaints, unfulfilled offers, and customer surveys about their satisfaction with the port service provided.

The analysis provides valuable information on opportunities to improve business operations and deliver higher-quality port services, with the goal of enhancing and maintaining partnerships with clients and achieving greater satisfaction.

During 2025, key clients with whom we had previously established business cooperation were retained, with the collaboration continuing and developing further. At the same time, numerous new partnerships with new customers were established, which is a result of our commitment to service quality and continuous business improvement.

During 2025, the number of unfulfilled offers, according to the Sales Department's report, totals 11, which is a significant decrease compared to 2024, when 135 were recorded. The key reasons for failed bids in 2025 are shown below, expressed as percentages.

Reasons for Unsuccessful Offers in 2025				
A	B	C	D	E
without providing a reason from the client's side	just an inquiry: only information about the terms was requested	The purchase agreement was not finalized	Luka could not accommodate the client's request	We were unable to meet the requirements of the potential partner
0	18,18%	27,27%	18,18%	36,37%

The complaint analysis for 2025 was submitted by the Sales Department, and a total of 11 complaints received via email were recorded.

The ultimate users of our services are all legal and natural persons who use our services and may be exposed to impacts arising from our business processes. Significant investment in recent years has created the prerequisites for accepting various types of cargo and for providing services in a safer and more efficient manner. All essential information is available on our website, and we post all important information and events that may affect our business on social media.

Procedures for Mitigating Negative Impacts – Our end-users (freight forwarders, agents, cargo owners, and shippers) have the option to file complaints regarding service quality via email or directly with the

responsible personnel. All received complaints are promptly recorded, processed, and analyzed to eliminate their causes and prevent their recurrence as quickly as possible.

**Digitalization of business processes**

Through the digitalization of business processes, the company improves the quality of its collaboration with clients and ensures more efficient and transparent communication.

Significant improvements and enhancements to the IT infrastructure are expected. The new program for empty container operations (mobile and web version) is in its final phase. The Hexis program is replacing the previous Combis, which proved inadequate for container operations. At the beginning of 2024, implementation began in a test environment. In preparation for the implementation of the PCS (Port Community System), MODULES D6, D8, and D9 have been completed, which involved integrating with the new container operations program. The implementation of EDIFACT messages will enable two-way communication with the shipping line's system, significantly reducing human error during data entry. Through the Status application, new modules (management of court judgments) have been successfully implemented, and the application is also planned to be introduced for occupational safety. Prosoft enables two-factor authentication via FortiToken and FortiAuthenticator, which increases password security. Two-factor authentication is implemented in accordance with the recommendations of the SK@UT system, the largest project for protecting the national cyber space, which was developed by the Security and Intelligence Agency and the Institute for Information System Security. It is a system for detecting, early warning, and protecting against cyber attacks.

**An event for clients and business partners with a festive dinner**

Luka Rijeka d.d. has traditionally organized a year-end dinner that brought together valued business partners and representatives of the port community to express our gratitude for their continued cooperation and to celebrate the strategic goals we achieved together. More than 150 guests attended the event.

**G – GOVERNANCE TOPICS**

Management topics relate to business conduct and describe ethical principles and corporate governance.


Below, we have covered management topics, which include:

- ESRS G1 Business Conduct

G-1	Business Conduct
-----	------------------

**Strategy and objectives**

Luka Rijeka d.d. is focused on meeting international standards, transparent communication and reporting, and upholding ethical principles throughout the entire value chain. Our goal is to contribute to sustainability by adapting our own business conduct and through collaboration with our stakeholders.

Alignment with the Sustainable Development Goals of the UN's Agenda 2030:	
---	---

## Policy and Governance

Management is focused on promoting business ethics and strengthening organizational culture, developing transparent relationships with suppliers, and implementing anti-corruption measures and activities related to political influence, including lobbying. The principles and standards of business conduct are defined and established in the Corporate Governance Code and the Code of Ethics, published on the Company's website.

- ✓ *Corporate Governance Code*
- ✓ *Code of Ethics*
- ✓ *Privacy Policy*
- ✓ *Receipt Policy for Members of the Management Board*
- ✓ *Information Security Policy*
- ✓ *Information Security Management Policy*
- ✓ *Policy on Internal Reporting of Irregularities and Appointment of a Confidential Person*
- ✓ *Policy on Handling Privileged Information*
- ✓ *Personal Data Breach Procedure*
- ✓ *Procurement Procedure*

## Measures and Resources

- ✓ *Measures for achieving corporate culture and ethics.*
- ✓ *Whistleblower Policy.*
- ✓ *Measures for animal welfare at the Bršica livestock terminal*
- ✓ *Measures for achieving sustainable procurement*

## Description of impacts, risks, and opportunities

Fundamental corporate values are described in the Code of Ethics and the Corporate Governance Code. Emphasis is placed on mutual respect, consideration, and cooperation.

Pursuant to the Whistleblower Protection Act (Official Gazette no. 46/22), an internal Rulebook on the Internal Whistleblower Procedure and the Appointment of a Confidential Person has been adopted, which outlines procedures for reporting irregularities and the handling of received reports.

Animal welfare is important to our operations at the Bršica Terminal, which includes a livestock terminal for live cargo, namely cattle and sheep. The utmost care is taken to protect animal welfare, in accordance with the internal Crisis Plan, which outlines safe procedures for both employees and animal welfare, as well as the capture of escaped animals should it occur. An annual internal theoretical training and exercise are regularly conducted in accordance with the aforementioned Crisis Plan.

Procurement practices are covered by the quality management system in accordance with ISO 9001:2015, through the Procurement Procedure which defines responsibilities and activities aimed at achieving the desired quality of procurement. Timely and effective procurement contributes to financial stability, operational resilience, and compliance with business conduct and risk management principles throughout the value chain. The procurement process is digitized, ensuring greater transparency, traceability, and process control, strengthening risk management, and the consistent application of business conduct principles and anti-corruption standards. In accordance with the requirements of the ISO 50001:2018 standard, the procurement process for new handling equipment, where applicable, gives preference to more energy-efficient solutions, with the goal of reducing energy consumption and improving the business's energy efficiency. At the end of the year, a supplier evaluation is also

conducted, based on which their performance is determined and the possibility of further cooperation is assessed.

Anti-corruption is defined by the Code of Ethics. The Company has not conducted any special anti-corruption training to date; however, all Company employees are required to comply with the Company's internal regulations.

The Company is a member of the Association of Ports, Shipowners, and Maritime Agents, a professional organization that brings together entities from the maritime and port sectors and contributes to the exchange of expert information, the development of activities, and the strengthening of cooperation among stakeholders.

The Company is also a member of the Croatian Chamber of Commerce (HGK) and the Croatian Association of Employers (HUP), as professional business organizations that represent the interests of their members and contribute to the development of the business environment. The memberships are focused on exchanging information, strengthening cooperation with relevant stakeholders, and participating in professional dialogue, all while operating transparently and respecting the principles of business ethics and good governance. The Association does not provide financial support to political parties, political organizations, or politically exposed persons. All activities of the Association are conducted in accordance with the principles of transparency, business ethics, and good governance.

Reports of irregularities in work and complaints of unethical behavior may be submitted verbally or in writing, anonymously or confidentially. Each such complaint is reviewed, and appropriate measures and disciplinary action are taken in accordance with legislation and general internal acts.

## **IMPLEMENTATION**

In 2025, no reports of violations of ethical principles were received.

The foundation of business ethics is conduct in accordance with legislation, and includes providing transparent and truthful information, fair treatment of employees, clients, and partners, as well as social responsibility and sustainable development. The principles of ethical business conduct are established in the Code of Ethics.

Adhering to the principles of the Code of Ethics is a personal and professional obligation and the responsibility of all employees, who are required to monitor compliance with the principles in their work environment. In the event that a violation of the principles of ethical conduct is observed, it is one's duty to report it to a supervisor.

Reports of workplace irregularities and complaints of unethical conduct may be submitted orally or in writing, anonymously or confidentially. Each such complaint is investigated, and appropriate measures and disciplinary action are taken in accordance with legislation and general internal regulations.

During 2025, there were no reports of irregularities.

### **Rulebook on the Procedure for Internal Reporting of Irregularities, governing the process for reporting irregularities and the rights of individuals reporting such irregularities.**

The Regulation on the Internal Whistleblower Procedure and the Appointment of a Confidential Person, governs the procedure for reporting irregularities, as well as the rights of persons who report them. Persons for reporting irregularities have been appointed.

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Scope**

We have been engaged by Luka Rijeka d.d. (the "Company"), an EU/EEA undertaking, to perform a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information (the "Engagement"), in respect of the consolidated Sustainability Statement of the Company and its subsidiaries (together, the "Group"), included in the Management Report as at 31 December 2025 and for the year then ended.

### **Criteria applied by the Group**

In preparing the Sustainability Statement, Luka Rijeka d.d. applied the provisions of the Articles 32 and 36 of the Croatian Accounting Act, including:

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in note ESRS 2 IRO-1
- Compliance of the disclosures set out in the Sustainability Statement with the reporting requirements of Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation").

### **Inherent limitations in preparing the sustainability statement**

Inherent limitations exist in all assurance engagements.

The nature of the criteria and characteristics of the Sustainability Statement, as well as the absence of long-established authoritative guidance, standardized practices, and consistent application, allow for the use of different, yet acceptable, measurement methodologies, which may result in differences between entities. The applied measurement methodologies may affect the comparability of sustainability data across different organizations, as well as the consistency of data within the same organization from year to year, as methodologies evolve.

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Inherent limitations in preparing the sustainability statement (continued)**

In reporting information relating to future events in accordance with the ESRS, the Group's Management prepares such information on the basis of assumptions regarding possible future events and activities of the Group. Actual outcomes may differ from those assumptions, as future events frequently do not occur as expected.

In determining the disclosures in the Sustainability Statement, the Group's Management applies judgment in interpreting undefined legal and other terms. Such terms may be interpreted in different ways and are, including from the perspective of legal compliance, subject to uncertainties.

### **Responsibility of Management and those charged with Governance**

Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this process in note ESRS 2 IRO of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

### **Responsibility of Management and those charged with Governance (continued)**

Management is further responsible for the preparation of the Sustainability Statement, in accordance with Croatian Accounting Act Articles 32 and 36, including:

- compliance with the ESRS;
- preparing the disclosures in the Sustainability Statement, in compliance with Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation");
- designing, implementing and maintaining such internal controls that Management determines are necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances. Those charged with governance are responsible for overseeing the Group's sustainability reporting process established by the Company.

Those charged with governance are responsible for overseeing the sustainability reporting process at the Group level.

### **Auditor's responsibilities**

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') as prescribed by the Article 37 of the Croatian Accounting Act, and the terms of reference for this engagement as agreed with Luka Rijeka d.d. on 30 September 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Auditor's responsibilities (continued)**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

Our responsibilities in respect of the Subject Matter in relation to the Process, include:

- Obtaining an understanding of the process but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the process is consistent with the Group's description of its process, as disclosed in note ESRS 2 IRO-1

Other responsibilities include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error;
- designing and implementing procedures focused on such disclosures

The risk of not detecting a material misstatement resulting from fraud is higher than the risk arising from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion expressing limited assurance, except with respect to the matter described in the section Basis for Qualified Conclusion.

### **Our independence and quality management**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We have the required competencies and experience to conduct this assurance engagement.

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Our independence and quality management (continued)**

We apply International Standard on Quality Management 1 (ISQM 1) – Quality Management for firms that perform audits or reviews of financial statements, or other assurance or related services engagements. Accordingly, we maintain a comprehensive system of quality management, including documented policies and procedures to ensure compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### **Description of procedures performed**

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although, in determining the nature and extent of our procedures, we considered the internal controls established by Management, our engagement was not designed to express a conclusion on their effectiveness. Our procedures did not include testing controls or procedures relating to the verification of the aggregation or calculation of data within IT systems.

A limited assurance engagement primarily involves making inquiries of those responsible for the preparation of the Sustainability Statement and related information, as well as applying analytical and other appropriate procedures to obtain evidence.

The nature, timing and extent of the procedures selected depend on professional judgment, including the assessment of the risks of material misstatement, whether due to fraud or error.

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Description of procedures performed (continued)**

As part of our engagement, we performed the following procedures in relation to the Process:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by Management (e.g., stakeholder engagement, business plans and strategy documents); and
  - Reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the process implemented by the Group was consistent with the description of the process set out in note ESRS 2 IRO-1

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness
- Evaluated whether material information identified by the process to identify the information reported in the Sustainability Statement is included in the Sustainability Statement
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Description of procedures performed (continued)**

- Evaluated methods, assumptions and data for developing material estimates and forward-looking information and how these methods were applied;
- Obtained an understanding of the process to identify EU taxonomy eligible and aligned economic activities for turnover, CAPEX and OPEX and the corresponding disclosures in the Sustainability Statement;
- Evaluated the presentation and use of EU taxonomy templates in accordance with relevant requirements;
- Reconciled and ensured consistency between the reported EU taxonomy economic activities and the items reported in the primary financial statements including the disclosures provided in related notes.

We also performed such other procedures as we considered necessary in the circumstances.

### **Limited Assurance Conclusion**

Based on the procedures performed and the evidence obtained, except for the effect of the matter described in the *"Basis for Qualified Conclusion"* section of our report, nothing has come to our attention that causes us to believe that the Sustainability Statement for the year ended 31 December 2025 is not, in all material respects, prepared in accordance with the provisions of Articles 32 and 36 of the Accounting Act, including compliance with the European Sustainability Reporting Standards (ESRS).

## **Independent Auditor's Limited Assurance Report on the Sustainability Statement To the Shareholders of LUKA RIJEKA d.d.**

---

### **Basis for Qualified Conclusion**

The Company has not fully established the processes and controls required for the collection, processing and reporting of data relating to disclosures under the EU Taxonomy Regulation. During the course of our engagement, the Company did not provide us with the relevant information, analyses and documentation necessary to confirm that the disclosures in the Sustainability Statement comply with the reporting requirements of Article 8 of Regulation (EU) 2020/852 (the EU Taxonomy Regulation), including:

- the presentation of taxonomy KPIs, including revenue, capital expenditure and operating expenditure
- a methodological description of the process for identifying and classifying eligible and aligned economic activities under the EU Taxonomy
- the presentation of disclosures in the appropriate taxonomy templates
- the consistency of those taxonomy disclosures with the consolidated financial statements and the related notes

Consequently, we were unable to obtain sufficient appropriate audit evidence in relation to those disclosures for the purpose of our conclusion. As a result of this limitation in the scope of our work, we were unable to assess the potential effects of these matters on the Sustainability Statement, including their materiality and pervasiveness.

**Kulić & Sperk d.o.o.**

**Zagreb, 27 April 2026**

Radnička cesta 52  
10 000 Zagreb

---

Janja Kulić

*Director, Certified Auditor*

## **REPORT OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE**

---

### **General information**

This Code has the force of recommendations that binds Company authorities and employees of the Company that in making all kinds of decisions, respect the principles laid down and elaborated by this Code. The aim of the Code is to establish high standards of corporate governance and business transparency of Luka Rijeka plc. and associated companies in majority ownership (hereinafter the Company). The Code defines the procedures of corporate governance in order to ensure that by good and responsible management and control of business and management functions, Company protects its shareholders, employees, elected and appointed holders of responsible functions in the Company as well as all other stakeholders. The basic principles of this Code are: business transparency, clearly defined procedures for the operation of the Supervisory Board, Management Board and other bodies and structures making important decisions, avoiding conflicts of interest, efficient internal control and effective system of accountability.

Any interpretation of the directives provided by this Code should be guided primarily by adherence to the principles and achieving these goals.

The Company is listed on the Official market of the Zagreb Stock Exchange, and has complied with the Zagreb Stock Exchange Governance Code. The Company respects and implements the prescribed corporate governance measures (as reported in detail in the prescribed annual questionnaire and published on the Zagreb Stock Exchange).

The major direct shareholders according to the Central Depository and Clearing Company data are listed in the table for structure of ownership in the Share Capital note to the financial statements. The Company is also obligated to its website and through the stock exchange to publish any acquisition or disposal of shares and other securities of the Society by each member of the Management Board and the Supervisory Board, and employees of the Company who have access to price sensitive / inside information of the Company and persons connected with them.

Jurisdiction, procedure of convening and quorum, as ways of making decisions of the General Assembly are regulated by the Articles of Association. When convening the General Assembly, the management board shall set a date by which will be established state in the register of shares that will be relevant for the exercise of voting rights at the General Assembly. This date should be before the General Assembly and may be up to 6 days before the general meeting.

## **REPORT OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE (CONTINUED)**

The right to vote should include all shareholders of the Company in such a manner that the number of votes belonging to them in the General Assembly equals the number of shares they hold, regardless of class of shares. Should the company issue shares without voting rights or with restricted voting rights, shall publicly and timely announce all relevant information about the content of all rights resulting from such shares in order to enable the investors to make the right decision about buying these securities. The company shall act in the same manner and under the same conditions to all shareholders, regardless of the number of shares they hold, their country of origin and their other properties. This particularly applies to the duty of equal treatment of individual and institutional investors.

Election and appointment of the Supervisory Board are regulated by the Statute of the joint stock company Luka Rijeka plc. There are no restrictions based on gender, age, education, profession and so on. The Companies Act defines any amendments to the Articles of Association.

The basic medium for the publication of information is the National Gazette and the Company's internet website: [www.lukarijeka.hr](http://www.lukarijeka.hr)

### **Corporate governance structure**

In accordance with the Companies Act and the Company's Articles of Association, the bodies of the Company are the General Assembly, the Supervisory Board, and the Management Board. The mentioned acts also regulate their duties and responsibilities.

### **General Assembly of the Company**

The General Assembly makes decisions that are of significant impact on the status of assets, financial position, operating results, ownership structure and management of the company. Decisions will be made exclusively at the General Assembly, stipulated by majority of votes. The management board shall, as soon as possible, publish the decision of the General Meeting and the data on possible action to challenge these decisions. In 2025, a regular Annual General Assembly Meeting was held on 29 August 2025.

## **REPORT OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE (CONTINUED)**

---

### **Supervisory Board**

The tasks and responsibilities of the Supervisory Board are regulated by the Statute of the joint stock company Luka Rijeka plc. The Supervisory Board members should perform their duties with the diligence of an orderly and conscientious businessman and keep business secrets of Company. The Supervisory Board is obligated to make an assessment of its work in the preceding period. Such an assessment includes in particular the assessment of the work of committees established by the Supervisory Board and achievements in relation to the target objectives of the company. The Supervisory Board consists of five members. Chairman of the Supervisory Board is responsible for determining the calendar of regular annual meetings and extraordinary meetings whenever the need arises. The frequency of the Supervisory Board shall be determined in accordance with the needs of the Company.

Members of the Supervisory Board as at the date of this annual report and during the reporting period were as follows:

Alen Jugović	President of Supervisory Board from 27 Dec 2017 to 20 Jan 2021 (term of office) Reappointed as a member of the Supervisory Board on 28 January 2021 Re-elected Chairman of the Supervisory Board on 10 February 2021  Re-elected Chairman of the Supervisory Board on 3 April 2025
Dragica Varljen	Vice president of Supervisory Board from 28 February 2020
Hrvoje Pauković	Member from 28 February 2022
Martin Vozar	Member from 29 August 2024
Roman Kratochvíl	Member from 29 August 2025
Ondrej Jašek	Member from 25 August 2023 to 29 August 2025

During the reporting period, Supervisory Board had five members.

### **Audit Committee**

Pursuant to its Articles of Association, the Supervisory Board of the Company has established an Audit Committee. The Audit Committee is the body that provides support to Management Board and The Supervisory Board in the effective execution of the obligations of corporate governance, financial reporting and control of the Company.

The Audit Committee, appointed in accordance with the law, during the previous year consisted of 3 members. During 2025, two meetings of the Audit Committee were held.

## **REPORT OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE (CONTINUED)**

The Supervisory Board, with the help of the Audit Committee, monitored the adequacy of the internal control system, which is achieved through three independent control functions (internal audit, risk control, compliance), and in order to establish such a system of internal controls that will enable early detection and monitoring of all risks to which the Company is exposed in its operations.

Members of the Audit Committee as at the date of this annual report and during the reporting period were as follows:

Alen Host	Member from 31 August 2022
Vesna Buterin	Member from 31 August 2022
Marin Mijolović	Member from 31 August 2022 (President from 28 April 2023)

### **Management Board**

Management Board runs Company's business in accordance with the Articles of Association and legal regulations. The Company is represented jointly by the Management Board, with the President and two other members of the Management Board. Management Board followed that business and other ledgers and business records are in accordance with the law, put together by accounting documents, realistically assessing the assets and liabilities, compiles financial and other reports in accordance with applicable accounting regulations and standards.

Members of the Management Board during the reporting period were as follows:

Duško Grabovac	President of the Management Board from May 01 2020
Marina Cesarac Dorčić	Member of the Management Board from 01 December 2022
Marko Mišković	Member of the Management Board from 01 November 2024

## **REPORT OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE (CONTINUED)**

---

### **Key elements of the systems of internal controls and risk management relating to financial reporting for the Company and the Group**

The Company is obliged to prepare its financial statements in accordance with International Financial Reporting Standards adopted by EU and publish them in the prescribed time limits defined by the Croatian legislation. Financial reports drawn up by the Management Board and audited by an independent external auditor, are to be published on the website of the Company.

President of the Management Board is responsible for the creation of an internal control system that organizes and monitors the flow of accurate, specific and complete information on the organization of society as well as data on compliance with financial, business and legal obligations that may pose a significant risk to society. Internal Auditor should analyze and examine the effectiveness of such a system at least once a year.

The company shall have independent external auditors as an important instrument of corporate governance, so their main function is to ensure that the financial statements adequately reflect the real state of society as a whole.

Independent auditors are required to report directly to the Management Board on the following issues:

- discussion on the main accounting policy,
- alternative accounting procedures,
- disagreement with the management, risk assessment, and
- possible analyses of fraud and / or abuse.

In its annual report and on its web pages the Company shall, in the prescribed form (annual questionnaire), note whether it has complied with the recommendations set out in this Code. This Code and its recommendations are based on the principle of "comply or explain", ie. If the company departs from or not applies some of the recommendations of the Code, the annual survey must give an explanation of why there has been a non- implementation or deviations. The annual survey is an integral part of this Code.

**LUKA RIJEKA D.D.  
RIJEKA**

**CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR 2025**

## STATEMENT OF MANAGEMENT’S RESPONSIBILITIES

---

The Management Board of Luka Rijeka d.d. (“the Company”) is required to prepare financial statements for each financial year which give a true and fair view of the financial position of the Company and the Group (the Company and its subsidiaries and associates form the Group) and of the results of their operations and their cash flows, in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union, and is responsible for maintaining proper accounting records to enable the preparation of such financial statements at any time. It has a general responsibility for taking such steps as are reasonably available to it to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

The Management Board is responsible for selecting suitable accounting policies to conform with applied accounting standards and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the separate and consolidated financial statements (together further referred to as “the financial statements”) on a going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

After making enquiries, the Management Board has a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the financial statements.

The Management is also responsible for the preparation and content of the Management Report, Sustainability Report and the Report on the implementation of corporate governance code, as required by the Croatian Accounting Act. The Management Report, Sustainability Report and the Report of implementation of the corporate governance code, as well as the accompanying financial statements were authorised and signed by the Management Board on 27 April 2026 for issue to the Supervisory Board. The Supervisory Board is required to approve the Annual report for submission to the General Assembly of Shareholders for adoption.

**Duško  
Grabovac**  
*President of the  
Management  
Board*

**Marina Cesarac  
Dorčić**  
*Member of the  
Management  
Board*

**Marko Mišković**  
*Member of the  
Management  
Board*

**27 April 2026**  
Riva 1  
51000 Rijeka  
Hrvatska

## **Independent Auditors' report To the shareholders of Luka Rijeka d.d.**

---

### **Opinion**

We have audited the separate financial statements of Luka Rijeka d.d. ("the Company") and the consolidated financial statements of the Company and its subsidiaries (together referred to as "the Group"), which comprise the separate and consolidated statements of financial position of the Company and the Group, respectively, as at 31 December 2025, and their respective separate and consolidated income statements and the statement of other comprehensive income, cash flows and changes in equity for the year then ended, and notes, comprising significant accounting policies and other explanatory information (hereinafter "the financial statements").

In our opinion, the accompanying financial statements give a true and fair view of the unconsolidated financial position of the Company and of the consolidated financial position of the Group as at 31 December 2025, and of their respective unconsolidated and consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board of Accountants' (IESBA Code) International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA), together with the ethical requirements that are relevant to our audit of the financial statements in Republic of Croatia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independent Auditors' report (continued) To the shareholders of Luka Rijeka d.d.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the matter
<p>The Group and the Company recognized right of use (ROU) assets as at 31 December 2025 in the amount of EUR 16.279 thousand (31 Dec 2024: EUR 18.074 thousand) and liabilities arising from the concession arrangement of EUR 12.624 thousand (31 Dec 2024: EUR 13.697 thousand). Refer to accounting policy 3.7 and note 31 to the financial statements.</p> <p>The Group and the Company apply IFRS 16 Leases in accounting for the concession arrangement for the performance of port activities (see Note 4) and have consequently recognized, in the statement of financial position, the ROU asset and corresponding liability associated with the port concession arrangement. The concession arrangement contains, among other things, an obligation to pay fixed and variable concession fees to the port authority, and to incur infrastructure related expenditures in the concession term.</p> <p>In applying IFRS 16, significant judgement is required from management in identifying the lease and non-lease components within the arrangement, and in developing</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Evaluating of the appropriateness of the accounting approach to the concession arrangement against the requirements of the standard and the identification of lease and non-lease components of the arrangement;</li> <li>• Recalculating the remeasurement of ROU liabilities (where applicable) and tracing of inputs in the model to relevant source documentation, including evaluating the applied discount rate;</li> <li>• Tracing the expected amounts of lease payments with relevant source documentation, (such as investments in infrastructure assets in previous periods, payment of fixed concession fees, etc.);</li> <li>• Evaluating whether the disclosures in the financial statements, as the lessee, appropriately include the relevant quantitative and qualitative information required by the applicable financial reporting framework.</li> </ul> <p>In respect of carrying amounts of ROU assets, our procedures, performed where applicable, included:</p> <ul style="list-style-type: none"> <li>• Challenging the management's assessment of the ROU assets for impairment with particular focus on the grouping of assets within</li> </ul>

## Independent Auditors' report (continued) To the shareholders of Luka Rijeka d.d.

### Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the matter
<p>estimates (including those in respect of the lease payments and discount rates) as part of the determination of the carrying amounts of the ROU asset and the lease liability.</p> <p>In addition, the Group and the Company regularly assess whether there are indicators of impairment of the concession ROU asset, and, if required, assesses its recoverability as part of an impairment test for the port cash-generating unit (CGU), which comprises assets within and outside of the concession area. The recoverable amount of the CGU is estimated using a present value technique based on a discounted cash flow model. The impairment test required a significant degree of judgement by management, including, but not limited to, in respect of the identification and determination of assets underlying the CGU, the reasonableness of assumptions with respect to cash flow forecasts used, and the determination of the appropriate discount rate.</p> <p>Due to the above factors, this area required our analysis, significant judgment and increased attention in the audit and we considered it to be a significant risk in our audit and our key audit matter.</p>	<p>appropriate cash-generating units and the appropriateness of the valuation technique applied for compliance with the relevant accounting;</p> <ul style="list-style-type: none"> <li>• Testing the integrity of the impairment model, including but not limited to: <ul style="list-style-type: none"> <li>- assessing the discounted cash flow model against the requirements of the relevant financial reporting standards;</li> <li>- evaluation of key assumptions applied (such as discount rates and growth rates) for reasonableness compared to externally derived data and historical financial performance;</li> <li>- performing a sensitivity analysis to changes in key assumptions;</li> </ul> </li> <li>• Evaluating the adequacy and completeness of impairment related disclosures in the financial statements.</li> </ul>

## **Independent Auditors' report (continued)**

### **To the shareholders of Luka Rijeka d.d.**

---

#### **Other Information**

Management is responsible for the other information. The other information comprises the Management Report and the Report of implementation of the corporate governance code included in the Annual Report of the Company and the Group but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the Management Report (excluding the requirements for sustainability reporting) and Report of implementation of the corporate governance code, we also performed procedures required by the Accounting Act in Croatia ("Accounting Act"). Those procedures include considering whether the Management Report (excluding the requirements for sustainability reporting) has been prepared in accordance with the requirements of Articles 24 of the Accounting Act and whether the Report of implementation of the corporate governance code includes the information specified in Article 25 of the Accounting Act.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and the procedures above, in our opinion:

- the information given in the Management Report and Report of implementation of the corporate governance code is, in all material respects, consistent with the accompanying financial statements;
- the Management Report has been prepared in accordance with Article 24 of the Accounting Act, excluding the requirements for sustainability reporting. The auditor's conclusion on the procedures performed in relation to the Sustainability Report, in accordance with Article 37 of the Accounting Act, has been provided separately;

## **Independent Auditors' report (continued)**

### **To the shareholders of Luka Rijeka d.d.**

---

#### **Other Information (continued)**

- the Report of implementation of the corporate governance code includes the information specified in Article 25 of the Accounting Act.

In addition, in light of the knowledge and understanding of the entity and its environment obtained in the course of the audit, we are also required to report if we have identified material misstatements in the Management Report, Non-financial Report and Corporate Governance Statement. We have nothing to report in this respect.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

## **Independent Auditors' report (continued)**

### **To the shareholders of Luka Rijeka d.d.**

---

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**Independent Auditors' report (continued)**  
**To the shareholders of Luka Rijeka d.d.****Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

**Independent Auditors' report (continued)**  
**To the shareholders of Luka Rijeka d.d.**

---

**Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Independent Auditors' report (continued)**  
**To the shareholders of Luka Rijeka d.d.**

---

**Report on Other Legal and Regulatory Requirements**

On 29 August 2025, we were appointed by General Assembly on the proposal of the Supervisory Board to audit the financial statements of the Group and the Company for the year 2025.

As of the date of this report, we are continuously engaged in performing legal audits of the Group and the Company from the audit of the Group and Company's financial statements for 2021 to the audit of the Group and Company's financial statements for 2025, which amounts to a total of five years.

During the period between the initial date of the audited financial statements of the Group and the Company for the year 2025 and the date of this report, we did not provide the Group and Company with prohibited non-audit services, and in the business year prior to the aforementioned period, we did not provide services for the design and implementation of internal control or risk management procedures related to the preparation and/or the control of financial information or the design and implementation of technological systems for financial information, and in performing the audit we preserved independence in relation to the Company.

**Independent Auditors' report (continued)**  
**To the shareholders of Luka Rijeka d.d.**

---

**Report based on Delegated Regulation (EU) 2018/815 on supplementing Directive 2004/109/EZ of European parliament and Council related to regulatory technical standard for specification of single electronic reporting format of reporting**

*Auditor's assurance report on compliance of the consolidated and non-consolidated financial statements (hereinafter: financial statements), prepared pursuant to the provisions of article 462, paragraph 5 of the Capital Market Act (Official Gazette, no. 65/18, 17/20, 83/21, 151/22 and 85/24) by applying the requirements of the Delegated Regulation (EU) 2018/815 determining a single electronic reporting format for issuers (hereinafter: ESEF Regulation).*

We performed our engagement with expressing reasonable assurance on whether the financial statements prepared for public disclosure purposes based on article 462, paragraph 5 of the Capital Market Act, included in the accompanying XBRL electronic file are prepared, in all material aspects, in accordance with the requirements of the ESEF Regulation.

*Responsibilities of Management and Those Charged with Governance*

The Management is responsible for the preparation and content of the financial statements in accordance with the ESEF Regulation.

The Management is further responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material non-compliance, whether due to fraud or error, with the reporting requirements of the ESEF Regulation.

## **Independent Auditors' report (continued)** **To the shareholders of Luka Rijeka d.d.**

---

### *Responsibilities of Management and Those Charged with Governance (continued)*

Management is also responsible for:

- publishing the financial statements included in the annual report in the valid XHTML format, and
- the selection and use of XBRL tags in compliance with the requirements of the ESEF Regulation -u.

Those charged with governance are responsible for monitoring the preparation of the financial statements in the ESEF format as part of the financial reporting process.

### *Responsibilities of the Auditor*

Our responsibility is to express a conclusion, based on obtained audit evidence, about whether the financial statements are free from material non-compliance with the requirements of the ESEF Regulation. We performed our engagement with expressing reasonable assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

### *Performed procedures*

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high degree of assurance, however it does not guarantee that the scope of testing will reveal any significant (material) non-compliance with the ESEF Regulation

As part of the selected procedures, we performed the following activities:

- we have read the requirements of the ESEF Regulation,
- we have obtained an understanding of internal controls relevant to the application of the requirements of the ESEF Regulation,

## **Independent Auditors' report (continued)**

### **To the shareholders of Luka Rijeka d.d.**

---

#### *Performed procedures (continued)*

- we have identified and assessed the risks of material non-compliance with the ESEF Regulation, whether due to fraud or error; and
- based on this we have designed and performed procedures responsive to estimated risks, and to obtain a reasonable assurance for expressing our conclusion.

The objective of our procedures was to assess as to whether:

- the financial statements included in the consolidated financial statements have been prepared in the valid XHTML format,
- the information contained in the consolidated financial statements required by the ESEF Regulation is marked and all markings meet the following requirements:
  - use of XBRL tagging language,
  - use of basic taxonomy elements stated in the ESEF Regulation with the closest accounting meaning, unless an additional taxonomy element was created in accordance with Appendix IV. of the ESEF Regulations,
  - tags comply with the common tagging rules as required by the ESEF Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

**Independent Auditors' report (continued)**  
**To the shareholders of Luka Rijeka d.d.**

---

*Conclusion*

Based on the procedures performed and evidence gathered, the consolidated financial statements presented in ESEF format for the year ended on 31 December 2025, contained in the aforementioned attached electronic file and prepared pursuant to Article 462 paragraph 5 of the Capital Market Act prepared for public disclosure, are prepared in all material respects in line with the requirements of Articles 3, 4 and 6 of the ESEF Regulation.

Further to this conclusion, as well as the opinion contained in this independent auditor's report related to accompanying consolidated financial statements and annual report for the year ended 31 December 2025, we do not express any opinion on the information contained in these presentations or on any other information contained in the aforementioned file.

The partners in charge of the audit resulting in this independent auditor's report is Janja Kulić.

**Kulić & Sperk d.o.o.**  
Radnička cesta 52  
10 000 Zagreb  
Croatia

**Zagreb, 27 April 2026**

---

Janja Kulić  
*Director, Certified Auditor*

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Income statement and Statement of other comprehensive income**

*for the year ended 31 December 2025*

	Note	2025 (in TEUR) Group	2024 (in TEUR) Group	2025 (in TEUR) Company	2024 (in TEUR) Company
Revenue from sales	7	26.340	27.516	26.099	27.415
Other income	8	4.430	3.005	4.412	3.005
		<b>30.770</b>	<b>30.521</b>	<b>30.511</b>	<b>30.420</b>
Changes in inventories of work in progress and finished goods		103	-	103	-
Materials, services and consumables used	9	(6.718)	(7.357)	(7.822)	(8.408)
Personnel expenses	10	(16.236)	(15.025)	(15.194)	(14.255)
Depreciation and amortisation	16,17, 31	(3.546)	(3.431)	(3.380)	(3.320)
Other expenses	11	(3.998)	(3.261)	(3.894)	(3.179)
		<b>(30.395)</b>	<b>(29.074)</b>	<b>(30.187)</b>	<b>(29.162)</b>
Finance income	12	14	30	4.913	2.478
Finance costs	13	(1.390)	(1.940)	(1.379)	(1.935)
<b>Net finance costs</b>		<b>(1.376)</b>	<b>(1.910)</b>	<b>3.534</b>	<b>543</b>
Share of profit of equity-accounted investees	18	10.695	9.565	-	-
<b>Income / (loss) before tax</b>		<b>9.694</b>	<b>9.102</b>	<b>3.858</b>	<b>1.801</b>
Income tax	14	(5)	(38)	-	(5)
<b>Income / (loss) for the year</b>		<b>9.689</b>	<b>9.064</b>	<b>3.858</b>	<b>1.796</b>
Change in fair value of financial assets		-	-	-	-
Deferred tax effect		-	-	-	-
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income / (loss)</b>		<b>9.689</b>	<b>9.064</b>	<b>3.858</b>	<b>1.796</b>
<b>Income / (loss) per share (in EUR)</b>					
- basic and diluted	15	0,72	0,67		

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Statement of financial position**

at 31 December 2025

<b>ASSETS</b>	<b>Note</b>	<b>2025</b> (in TEUR) <i>Group</i>	<b>2024</b> (in TEUR) <i>Group</i>	<b>2025</b> (in TEUR) <i>Company</i>	<b>2024</b> (in TEUR) <i>Company</i>
<b>Non-current assets</b>					
Intangible assets	16	131	119	131	119
Property, plant and equipment	16	88.994	87.827	88.569	87.449
Investment property	17	1.935	652	1.935	652
Concession assets with right of use	31	16.279	18.074	16.279	18.074
Investments in subsidiaries and equity accounted investees	18	37.543	31.748	1.564	1.564
Non-current financial assets	19	55	55	55	55
Deferred tax assets	14	892	892	892	892
<b>Total non-current assets</b>		<b>145.829</b>	<b>139.367</b>	<b>109.425</b>	<b>108.805</b>
<b>Current assets</b>					
Inventories		531	349	531	349
Trade and other receivables	21	5.141	6.376	4.963	6.227
Income tax receivable		-	-	-	-
Current financial assets	20	3.127	27	3.177	80
Cash and cash equivalents	22	6.982	8.066	6.523	7.762
<b>Total current assets</b>		<b>15.781</b>	<b>14.818</b>	<b>15.194</b>	<b>14.418</b>
<b>Total assets</b>		<b>161.610</b>	<b>154.185</b>	<b>124.619</b>	<b>123.223</b>

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Statement of financial position (continued)**

at 31 December 2025

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2025</b> (in TEUR) <i>Group</i>	<b>2024</b> (in TEUR) <i>Group</i>	<b>2025</b> (in TEUR) <i>Company</i>	<b>2024</b> (in TEUR) <i>Company</i>
<b>Shareholders' equity</b>					
Share capital	23	67.402	67.402	67.402	67.402
Capital and other reserves	24	9.291	9.291	9.291	9.291
Revaluation reserves	24	10.931	10.931	10.931	10.931
Accumulated losses		6.203	(3.487)	(30.198)	(34.056)
<b>Total equity</b>		<b>93.827</b>	<b>84.137</b>	<b>57.426</b>	<b>53.568</b>
<b>Non-current liabilities</b>					
Borrowings	25	13.444	15.726	13.264	15.529
Liabilities for concession assets with right of use	31	11.812	13.631	11.812	13.631
Provisions	26	286	286	286	286
Deferred tax liability	14	3.072	3.072	2.401	2.401
<b>Total non-current liabilities</b>		<b>28.614</b>	<b>32.715</b>	<b>27.763</b>	<b>31.847</b>
<b>Current liabilities</b>					
Trade and other payables	27	35.285	34.092	35.657	34.632
Liabilities for concession assets with right of use	31	812	66	812	66
Income tax liability	14	-	6	-	-
Borrowings	25	2.433	2.680	2.322	2.621
Provisions	26	639	489	639	489
<b>Total current liabilities</b>		<b>39.169</b>	<b>37.333</b>	<b>39.430</b>	<b>37.808</b>
<b>Total liabilities</b>		<b>67.783</b>	<b>70.048</b>	<b>67.193</b>	<b>69.655</b>
<b>Total equity and liabilities</b>		<b>161.610</b>	<b>154.185</b>	<b>124.619</b>	<b>123.223</b>

The following notes form an integral part of these financial statements.

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Statement of changes in equity of the Group**

*for the year ended 31 December 2025*

<b>GROUP</b>	<b>Share capital</b> <i>(in TEUR)</i>	<b>Capital and other reserves</b> <i>(in TEUR)</i>	<b>Revaluation reserves</b> <i>(in TEUR)</i>	<b>Accumulated losses</b> <i>(in TEUR)</i>	<b>Total</b> <i>(in TEUR)</i>
<b>As at 1 January 2024</b>	<b>67.402</b>	<b>9.291</b>	<b>10.931</b>	<b>(12.551)</b>	<b>75.073</b>
Profit / (Loss) for the year	-	-	-	9.064	9.064
Change in fair value of land	-	-	-	-	-
Change in fair value of equity instruments	-	-	-	-	-
Deferred tax effect	-	-	-	-	-
Alignment	-	-	-	-	-
<b>Other comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 December 2024</b>	<b>67.402</b>	<b>9.291</b>	<b>10.931</b>	<b>(3.487)</b>	<b>84.137</b>
Profit / (Loss) for the year	-	-	-	9.689	9.689
Change in fair value of land	-	-	-	-	-
Change in fair value of equity instruments	-	-	-	-	-
Deferred tax effect	-	-	-	-	-
Alignment	-	-	-	1	1
<b>Other comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 December 2025</b>	<b>67.402</b>	<b>9.291</b>	<b>10.931</b>	<b>6.203</b>	<b>93.827</b>

The following notes form an integral part of these financial statements.

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Statement of changes in equity of the Company**

*for the year ended 31 December 2025*

COMPANY	Share capital <i>(in TEUR)</i>	Capital and other reserves <i>(in TEUR)</i>	Revaluation reserves <i>(in TEUR)</i>	Accumulated losses <i>(in TEUR)</i>	Total <i>(in TEUR)</i>
<b>As at 1 January 2024</b>	<b>67.402</b>	<b>9.291</b>	<b>10.931</b>	<b>(35.850)</b>	<b>51.774</b>
Profit / (Loss) for the year	-	-	-	1.796	1.796
Change in fair value of land	-	-	-	-	-
Change in fair value of equity instruments	-	-	-	-	-
Deferred tax effect	-	-	-	-	-
Alignment	-	-	-	(2)	(2)
<b>Other comprehensive income / (loss)</b>	-	-	-	-	-
<b>As at 31 December 2024</b>	<b>67.402</b>	<b>9.291</b>	<b>10.931</b>	<b>(34.056)</b>	<b>53.568</b>
Profit / (Loss) for the year	-	-	-	3.858	3.858
Change in fair value of land	-	-	-	-	-
Change in fair value of equity instruments	-	-	-	-	-
Deferred tax effect	-	-	-	-	-
Alignment (Note 23)	-	-	-	-	-
<b>Other comprehensive income / (loss)</b>	-	-	-	-	-
<b>As at 31 December 2025</b>	<b>67.402</b>	<b>9.291</b>	<b>10.931</b>	<b>(30.198)</b>	<b>57.426</b>

The following notes form an integral part of these financial statements.

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Statement of cash flows – Indirect method**

*for the year ended 31 December 2025*

	<b>Note</b>	<b>2025</b> (in TEUR) <i>Group</i>	<b>2024</b> (in TEUR) <i>Group</i>	<b>2025</b> (in TEUR) Company	<b>2024</b> (in TEUR) Company
<b>Income / (Loss) before tax</b>		9.694	9.102	3.858	1.801
Share of net profit of equity accounted investee	18	(10.695)	(9.565)	-	-
Depreciation and amortization	16,17,31	3.546	3.431	3.380	3.320
Gain on disposal of property, plant and equipment and intangibles	8	4	(225)	4	(225)
Impairment allowance for trade receivables	21	295	-	295	-
Interest income	12	(12)	(8)	(11)	(6)
Interest expense	13	1.333	1.944	1.333	1.935
Dividend income	12	-	-	(4.900)	(2.450)
Foreign exchange differences - net		-	-	-	-
		<b>4.165</b>	<b>4.679</b>	<b>3.959</b>	<b>4.375</b>
<b>Changes in working capital:</b>					
Decrease/(increase) in inventories		(25)	(205)	(25)	(205)
Decrease/(increase) in trade and other receivables		1.727	1.162	969	529
Increase/(decrease) in trade and other payables		(4.454)	(2.701)	(3.839)	(1.894)
Increase/(decrease) in provisions		150	(295)	150	(295)
<b>Cash from operations</b>		<b>(2.601)</b>	<b>(2.040)</b>	<b>(2.744)</b>	<b>(1.865)</b>
Income tax paid		(17)	(98)	-	-
Interest paid		(885)	(1.073)	(885)	(1.073)
<b>Net cash from operating activities</b>		<b>662</b>	<b>1.468</b>	<b>330</b>	<b>1.437</b>

**LUKA RIJEKA d.d.**  
**Financial statements for the year ended 31 December 2025**

**Statement of cash flows - Indirect method (continued)**

*for the year ended 31 December 2025*

	<b>Note</b>	<b>2025</b> (in TEUR) <i>Group</i>	<b>2024</b> (in TEUR) <i>Group</i>	<b>2025</b> (in TEUR) <i>Company</i>	<b>2024</b> (in TEUR) <i>Company</i>
<b>Cash flows from investing activities</b>					
Purchase of property, plant, equipment and intangibles		(4.928)	(4.851)	(4.895)	(4.840)
Proceeds from disposal of property, plant and equipment and invest		-	300	-	300
Interest received		12	8	11	6
Dividend from equity accounted investees	18	4.900	2.450	4.900	2.450
Net inflows/(outflows) from bank deposits and loans		(3.097)	219	(3.097)	278
<b>Net cash from investing activities</b>		<b>(3.113)</b>	<b>(1.874)</b>	<b>(3.081)</b>	<b>(1.806)</b>
<b>Cash flows from financing activities</b>					
Proceeds from loans	25	57	4.894	57	4.894
Repayment of loans	25	(2.592)	(2.293)	(2.592)	(2.293)
Repayments of leases	25	(175)	(103)	(30)	(54)
Receipts from grants related to capital investments	27	4.869	10.491	4.869	10.491
Infrastructure related expenditures for concession assets	31	(792)	(9.975)	(792)	(9.975)
<b>Net cash from financing activities</b>		<b>1.367</b>	<b>3.014</b>	<b>1.512</b>	<b>3.063</b>
<b>Net increase of cash and cash equivalents</b>		<b>(1.084)</b>	<b>2.608</b>	<b>(1.239)</b>	<b>2.694</b>
Cash and cash equivalents at beginning of year		8.066	5.458	7.762	5.068
<b>Cash and cash equivalents at the end of year</b>		<b>6.982</b>	<b>8.066</b>	<b>6.523</b>	<b>7.762</b>

**NOTE 1 – GENERAL INFORMATION**

**History and incorporation**

Luka Rijeka d.d. ('the Company') was formed through conversion of the former social company and registered as a joint-stock company at the Commercial Court in Rijeka on 25 January 1991 under the trade register number 040141664. The Company's PIN number is 92590920313.

The main activities of the Company comprise maritime loading, unloading, transshipment and storage of goods as well as mooring and unmooring ships. The Company is headquartered in Riva 1, Rijeka, Croatia. The Company, its subsidiaries and associates are together referred to as the Group.

Main activities of subsidiaries and associates are as follows: management of investment property (subsidiary Stanovi d.o.o.), carriage, warehousing and freight (subsidiary Luka prijevoz d.o.o.) and container terminal management (associate Jadranska vrata d.d.). All subsidiaries and the associate are based in Rijeka and Bakar, Croatia.

Issued share capital of the Company amounts to EUR 67.402 thousand and is distributed among 13.480.475 shares with a nominal value of EUR 5 each. The Company's shares are listed on the official market of the Zagreb Stock Exchange with the ticker LKRI-R-A. The shareholder structure is shown in Note 23.

Members of the Supervisory Board of the Company during the reporting period and to the date of this report were as follows:

<b>First name</b>	<b>Last name</b>	<b>Role</b>	<b>Appointed</b>	<b>Resigned</b>
Alen	Jugović	Member	20.01.2017.	
		President	27.12.2017.	-
		Deputy president	28.02.2020.	
Dragica	Varljen	Member	04.07.2018.	-
Hrvoje	Pauković	Member	28.02.2022.	-
Ondřej	Jašek	Member	25.08.2023.	29.08.2025
Martin	Vozar	Member	29.08.2024.	-
Roman	Kratochvíl	Member	29.08.2025.	-

Members of the Management Board during the reporting period are as follows:

Duško Grabovac	Deputy President until 1 May 2020 when he became President
Marina Cesarac Dorčić	Member from 1 December 2022
Marko Mišković	Member from 1 November 2024

**NOTE 2 – BASIS OF PREPARATION**

*(i) Statement of compliance*

The separate and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“EU IFRS”). The separate financial statements are presented for the Company while the consolidated financial statements relate to the Company and its subsidiaries and equity accounted investees, i.e. the Group. The separate and consolidated financial statements are further together referred to as the “financial statements”.

*(ii) Basis of measurement*

These financial statements have been prepared on the historical cost basis, except for the following:

- Land (note 3.6 (i))
- Financial assets measured at FVOCI or FVTPL (note 3.15)

Methods used for fair value measurement are explained in note 5.

*(iii) Functional and presentation currency*

These financial statements are prepared in the euros, rounded to the nearest thousand.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied by the Company and its subsidiaries to all periods presented in these financial statements and represent the accounting policies of the Group adopted in the preparation of these financial statements.

**3.1. Basis of consolidation**

*(i) Business combinations*

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss. If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

*(ii) Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

In its separate financial statements, the Company accounts for its investments in subsidiaries at cost less any impairment.

*(iii) Associates (equity accounted investees)*

Associates are all entities over which the Group or the Company have significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. The Group accounts for investments in associates using the equity method and the Company accounts for them at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are being changed where necessary to ensure consistency with the policies adopted by the Group.

*(iv) Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.2. Revenue recognition**

*Revenue recognition and performance obligations*

The Group recognizes revenue when it transfers control over a good or service to a customer. The transfer of control of a good or service may take place continuously (revenue recognition on a progress towards completion basis) or on a specific date (recognition on completion). Before revenue is recognised, the Group identifies both the contract (a contract equivalent typically defined as a customer arrangement with direct reference to the prescribed tariff) and the various performance obligations contained in the contract. The number of performance obligations depends on the type of contract and activities. Most of the Group's customer arrangements involve several separate services which have a stand-alone and reliably measurable value to the customer (based on the tariff) whereby each separate service has its own separate performance obligation. Revenue is shown, net of value-added tax.

*(i) Revenue from port services*

The Group provides port related services such as carriage, transshipment, freight, handling (on and off loading) and warehousing of various types of cargo. Revenue is measured based on the consideration specified in a contract with a customer, which is based on the tariff for port services prescribed by the port authority. These services are predominantly recognized over time. The services that have been determined to be one performance obligation are highly inter-related and fulfilled over time. Revenue therefore continues to be recognized over time. Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed on the basis of the actual service provided as a proportion of the total services to be provided (for instance, number of tonnes off or on loaded compared to total shipment size; or number of storage days elapsed compared to the total number of storage days contracted).

*(ii) Finance income*

Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised when the right to receive payment is established.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.3. Foreign currency transactions**

*Transactions and balances in foreign currencies*

Transactions in foreign currencies are translated into the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary assets and items that are measured in terms of historical cost of a foreign currency are not retranslated.

Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into functional currency at foreign exchange rates ruling at the date of transaction.

**3.4. Intangible assets**

Where patents, licences, and similar rights are acquired by the Group from third parties the costs of acquisition are capitalised to the extent that future economic benefits are probable and will flow to the Group.

Licences are amortised over their estimated useful lives. Estimated useful lives are reviewed annually and impairment reviews are undertaken if events occur which call into question the carrying values of the assets.

Subsequent expenditure on capitalised intangible assets is capitalised only if it is probable that it increases the future economic benefits embodied in the specific asset to which it relates and those benefits will flow to the Group. All other expenditure is recognised in the profit or loss as an expense as incurred.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date on which they are available for use. The estimated useful lives of intangible assets are as follows:

Software	1 – 5 years
----------	-------------

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.5. Investment property**

Investment property comprises properties held to earn rentals, for capital appreciation, or both. Inbuilt equipment is considered part of the investment property. Cost includes all expenditure directly related to the acquisition of the asset. Investment property under course of construction is classified as non-current tangible assets in the course of construction until it is ready for use. Investment property is carried at cost less accumulated depreciation and any impairment losses.

Subsequent expenditure for investment property is capitalised only if it is probable that it increases the future economic benefits embodied in the specific asset to which it relates and it can be reliably measured. Regular maintenance expenditure is recognised in income statement as an expense as incurred.

Depreciation is charged to income statement over the estimated useful economic life on a straight-line basis to all investment property except from those in the course of construction (in the case of further development of existing investment property), using the following depreciation rates reflecting their estimated useful lives:

Residential apartments	65 years
------------------------	----------

**3.6. Property, plant and equipment**

*(i) Land*

After initial recognition at cost, land is carried at a revalued amount, being the fair value at the date of the revaluation less any subsequent accumulated impairment losses.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the carrying amount is increased as a result of revaluation, the increase is recognised in other comprehensive income and accumulated in equity as a revaluation reserve. Revaluation increase is recognized as income to the extent that it reverses a revaluation decrease of the same asset previously recognized as expense.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(i) Land (continued)*

When the carrying amount is decreased as a result of revaluation, the decrease is recognized as a decrease in the revaluation reserve only to the extent that it does not exceed the amount held in the revaluation reserve for the same asset, and the remainder is recognised as expense in profit or loss.

The revaluation is carried out with sufficient regularity in a way that the carrying amount does not differ materially from the amount which would be determined using fair values at the reporting date. Certain land is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Gains or losses arising from derecognition of land (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss when it is derecognised.

The relevant portion of the revaluation surplus realised in the previous revaluation is released to retained earnings on the disposal of the revalued asset.

*(ii) Buildings, plant and equipment*

Buildings, plant and equipment are included in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditure is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(ii) Buildings, plant and equipment (continued)*

Assets under construction are not depreciated. Depreciation of buildings, plant and equipment is calculated using the straight-line method to allocate their cost less any residual value over their estimated useful lives as follows:

Buildings	15 to 60 years
Equipment and fittings	2 to 8 years
Leasehold improvements	10 to 30 years

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 3.8).

Gains and losses on disposals are determined as the difference between the income from the disposal and the carrying amounts of the asset disposed, and are recognised in profit or loss within other income/expenses.

**3.7. Leases**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

*(i) As a lessee*

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(i) *As a lessee (continued)*

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by reference to interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(i) As a lessee (continued)*

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Other than with respect to right-of-use assets and liabilities arising from the Concession Agreement, the Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position. Concession related right-of-use assets and liabilities are presented as separate items in the statement of financial position.

*Short-term leases and leases of low-value assets*

The Group does not recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The number of such arrangements and the respective amounts is not significant.

*i. As a lessor*

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*i. As a lessor (continued)*

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'. Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from those under IFRS 16.

**3.8. Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (apart from inventory and deferred tax assets which are separately reviewed) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.8. Impairment of non-financial assets (continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**3.9. Inventories**

Inventories of raw materials and spare parts are stated at the lower of cost, determined using the FIFO method, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade goods are carried at the lower of purchase cost and net realisable value.

**3.10. Trade receivables**

Trade receivables are recognised initially at cost which is equal to the fair value at the moment of recognition and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.11. Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term highly liquid instruments with original maturities of three months or less.

**3.12. Government grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions associated with them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or loss already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

**3.13. Employee benefits**

*(i) Pension obligations and post-employment benefits*

In the normal course of business through salary deductions, the Group makes payments to privately operated mandatory pension funds on behalf of its employees as required by law. All contributions made to the mandatory pension funds are recorded as salary expense when incurred. The Group is not obliged to provide any other post-employment benefits with respect to these pension schemes.

*(ii) Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as expenses when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(iii) Regular retirement benefits*

Retirement benefits falling due more than 12 months after the reporting date are discounted to their present value based on the calculation performed at each reporting date by an independent actuary, using assumptions regarding the number of staff likely to earn regular retirement benefits, estimated benefit cost and the discount rate which is determined as average expected rate of return on investment in government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in profit or loss.

*(iv) Long-term employee benefits*

The Group recognises a liability for long-term employee benefits (jubilee awards) evenly over the period the benefit is earned based on actual years of service. The long-term employee benefit liability is determined annually by an independent actuary, using assumptions regarding the likely number of staff to whom the benefits will be payable, estimated benefit cost and the discount rate which is determined as the average expected rate of return on investment in government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in profit or loss.

*(v) Short-term employee benefits*

The Group recognises a liability for employee bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

**3.14. Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of discounting is material, the amount of the provision is the present value of the expenditures expected to be required to settle the obligation, determined using the estimated risk free interest rate as the discount rate. Where discounting is used, the reversal of such discounting in each year is recognized as a financial expense and the carrying amount of the provision increases in each year to reflect the passage of time.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.14. Provisions (continued)**

Provisions for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to parties concerned.

**3.15. Financial assets**

*(i) Recognition and initial measurement*

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

*(ii) Classification and subsequent measurement*

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- FVOCI (fair value through other comprehensive income) – debt investment;
- FVOCI – equity investments;
- or FVTPL (fair value through profit or loss).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(ii) Classification and subsequent measurement (continued)*

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Business model assessment*

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on; earning contractual interest income; maintaining a particular interest rate profile; matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows; or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business and/or the portfolio are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(ii) Classification and subsequent measurement (continued)*

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Business model for receivables is for them to be held until collection.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

*Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing the basic criterion of whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that the basic criterion would not be met.

The structure of financial assets of the Group is simple as it primarily relates to trade receivables with no significant financing component and short-term bank deposits at fixed interest rates and cash and cash equivalents. This facilitates and minimizes the complexity of the assessment of whether or not the financial assets meets the basic criterion of representing 'solely payments of principal and interest'.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(ii) Classification and subsequent measurement (continued)*

*Subsequent measurement and gains and losses*

The table below provides an overview of key features of the accounting policy that the Group applies with respect to subsequent measurement of financial assets and recognition of gains and losses per each type of financial asset:

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
<b>Financial assets at amortised cost</b>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
<b>Debt investments at FVOCI</b>	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
<b>Equity investments at FVOCI</b>	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividends clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

*(iii) Derecognition*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

When the Group enters into transactions whereby it transfers financial assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.16. Financial liabilities**

*(i) Recognition and initial measurement*

Debt securities issued are initially recognised when they are originated. All other financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

*(ii) Classification and subsequent measurement*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as at FVTPL on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

*(iii) Derecognition*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**3.17. Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.18. Impairment of non-derivative financial assets**

*Recognition of loss allowances*

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI;
- and contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on financial assets (primarily receivables) has increased significantly if early warning indicators are activated in line with the Group's policy or the contractual terms of the instrument.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 360 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Recognition of loss allowances (continued)*

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

*Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

*Credit impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or considerable delays in payment of due receivables;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

*Presentation of allowance for ECL in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Write-off of financial assets*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group generally expects no significant recovery from the amount written off.

**3.19. Borrowings and borrowing costs**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the statement of income in the period incurred.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

**3.20. Share capital**

Share capital consists of ordinary shares. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds of those transactions. Any excess of the fair value of the consideration received over the par value of the shares issued is presented in the notes as a share premium. Where the Group purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Group's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Group's equity holders.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3.21. Dividends**

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

**3.22. Segment reporting**

Segment represents a separable part of the Group either as a part engaged in providing products or services (business segment) or as a part engaged in providing products or services within a particular economic environment (geographical segment) that is subject to risk and benefits that differ from those of other segments. The Group does not report segment information in terms of the requirement of IFRS 8 Operating segments as internal reporting is not based on segmental information other than revenues per type of cargo which is disclosed within note 7 to the financial statements.

**3.23. Taxation**

*(i) Income tax*

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

*(ii) Deferred tax assets and liabilities*

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and differences relating to investments in subsidiaries and jointly controlled companies when it is probable that their status will not change in the near future.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(ii) Deferred tax assets and liabilities (continued)*

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

*(iii) Tax exposures*

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

*(iv) Value added tax (VAT)*

The Tax Authorities require the settlement of VAT on a net basis. VAT related to sales and purchases is recognised and disclosed in the statement of financial position on a net basis. Where a provision has been made for impairment of receivables, impairment loss is recorded for the gross amount receivable, including VAT.

**3.24. Events after the reporting period**

Events that occur after the reporting period and provide necessary information about the Company's position on the reporting date (adjusting events) are reflected in the financial statements. Events that occur after the reporting period and are not adjusting events are disclosed in the notes when they are significant

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES**

*Key judgements and estimates in applying accounting policies*

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed below.

(i) *Accounting for the Concession Agreement*

*Characteristics of the Concession Agreement*

A significant part of the Group's registered activity is performed on an area under concession over maritime domain. According to the Maritime Domain and Seaports Act, the maritime domain is managed by the Port Authority of Rijeka, who is the concession Grantor. The concession agreement ("Concession Agreement") was originally signed on 19 September 2000 for a period of 12 years and modified in 2011 thereby, amongst modifying other terms, extending the concession period by a further 30 years ending in 2042. The concession agreement concerns the port operations in the port of Rijeka area, at the risk and responsibility of the Operator and taking into account; the applicable technical regulations; the terms and conditions of the licence for provision of port services; minimal service limits, and other requirements specified by the Port Authority of Rijeka. According to the concession arrangement, the Operator will have the right of use over the assets representing the infrastructure of the port owned by the Port Authority of Rijeka for the purpose of providing port services.

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**

(i) *Accounting for the Concession Agreement (continued)*

Under the Concession Agreement, the Operator has the obligation to cover all costs associated with performing concession activities (energy, water, gas, postal and telephone services, garbage collection and similar related costs), as well as utilities, water charges, water protection fees, insurance costs and other miscellaneous fees arising from the use of area under concession. In addition to the above costs, the Operator pays an annual concession fee composed of a fixed fee per square meter of area under concession and a variable fee per tonne of each type of cargo transshipped through the port of Rijeka.

The Concession Agreement also defines obligations of the Operator to incur capital expenditure relating to the maintenance and replacement of port infrastructure assets and investments into equipment required for port operations in the concession area in a total amount of EUR 146 million of which approximately EUR 86 million relates to infrastructure related expenditure and investment into owned assets (equipment for port operations). The timing of expenditure and its nature (infrastructure related expenditure as opposed to investments into own assets/equipment) is regulated within a predefined schedule which the Operator is required to adhere to the extent allowable by circumstances (for more details see Note 31). The assets representing the infrastructure of the port (which includes assets over which the right of use was transferred to the Operator at the signing of the Concession Agreement and the infrastructure related expenditure the Operator is required to incur during the concession term) constitute “relevant assets” the Operator is obligated to return back to the Grantor upon expiry of the concession term or demolish, at no cost and upon the request of the Grantor (currently the Operator does not expect any future demolition costs with respect to such assets).

The Group and Company have considered relevant financial reporting standards and interpretations in determining the appropriate approach to accounting for the Concession Agreement. The Group applies IFRS 16 to account for the Concession Agreement but, similar to prior years, continues to annually consider the applicability of IFRIC 12 Service Concession Arrangements (an interpretation governing the accounting for public-to-private service concession arrangements).

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**

(i) *Accounting for the Concession Agreement (continued)*

*Considerations on the applicability of IFRIC 12*

The Concession Agreement represents a form of public-to-private service concession arrangements and most of the characteristics of the arrangement are aligned with those specified in IFRIC 12. However, one of the main factors that related to the applicability of IFRIC 12 is the mechanism which regulates and revises prices of services. The fees charged by the Group to its customers are below the maximum fee tariff prescribed by the Port Authority of Rijeka and management assessed that the mechanism for regulating and revising prices that is currently in place does not represent a substantive price regulation whereby IFRIC 12 is not applicable.

*Application of IFRS 16 to the Concession Agreement*

By analysing the Concession Agreement, Management concluded that the Concession Agreement is in substance an arrangement containing lease components as defined by IFRS 16 and that the concession area and the related infrastructure represent the underlying identified asset(s) in the arrangement whose economic benefits from use throughout the period of the concession will substantially all be obtained by the Group. The Group has therefore identified the Concession Agreement as an agreement containing a lease which should therefore, in absence of applicability of IFRIC 12, be accounted for under IFRS 16.

Since the Concession Agreement contains various obligations which include, among other things, an obligation to pay fixed and variable concession fees, obligation to incur infrastructure-related expenditure as well as expenditure for own assets and maintenance in the concession area, the Group exercises judgement in identifying the lease and non-lease components in the arrangement.

In this context, the Group concluded that the obligations relating to payment of fixed concession fees and infrastructure- related expenditure represent lease components under IFRS 16 while the remaining obligations relating to expenditure for own assets (equipment) and maintenance as well as payments of variable concession fees do not represent lease components and are therefore accounted for under other relevant standards, primarily IAS 16 Property, plant and equipment.

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**

*(i) Accounting for the Concession Agreement (continued)*

In terms of the duration of the lease term, the Group concluded that the currently valid concession term ending in 2042 and starting from the end of 2011 (date of latest substantial modification of the Concession Agreement) is the most appropriate expected lease term for the purposes of measurement of ROU asset and relevant liabilities.

The Group also exercises judgements in assessing the recoverability of the ROU assets and determining the appropriate approach to impairment testing. In this context, the Group assessed the recoverability of the ROU assets recognised on transition to IFRS 16 in the preceding year as part of an impairment test on the level of a larger cash generating unit (CGU) which comprises both the area within and outside of the concession area (such as the supporting warehousing and logistics terminal). The recoverable amount of the combined CGU was measured using a present value technique based on a discounted cash flow model which required a significant degree of judgement in evaluating the reasonableness of grouping of assets into the combined CGU, the reasonableness of assumptions with respect to cash flow forecasts of the CGU and the determination of the appropriate discount rate and growth rate. The impairment test model included cash flow projections discounted with a weighted average cost of capital (WACC) of 6,2% and implied an annual growth rate of between 1% and 2% after the project period ending 2030.

The Group remeasured the relevant ROU liability to reflect the modification in timeline of expected lease payments at a discount rate of 3,5% based on currently expected interest rates on long term debt. The effect of the remeasurement was accounted for as a change in the ROU liability with a corresponding effect on the ROU asset.

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**

*(ii) Deferred tax assets recognition*

The net deferred tax asset represents income taxes recoverable through future deductions from taxable profits and is recorded in the statement of financial position. Deferred income tax assets are recorded to the extent that realisation of the related tax benefit is probable. In determining future taxable profits and the amount of tax benefits that are probable in the future, management makes judgements and applies estimation based on previous years taxable profits and expectations of future income that are believed to be reasonable under the existing circumstances (see notes 3.23 and 14).

*(iii) Actuarial estimates used in determining obligations for employee benefits*

The cost of defined benefits is determined using actuarial estimates. Actuarial estimates involve assumptions about discount rates, future salary increases, staff turnover and the mortality or fluctuation rates. Due to the long-term nature of those plans, these estimates contain an element of uncertainty (see note 3.13 and 26).

*(iv) Consequences of certain legal actions*

There are a number of legal actions which have arisen from the regular course of operations. Management makes estimates of probable outcomes of the legal actions and recognises provisions for liabilities arising from these actions on a consistent basis.

The Group recognises a provision in the total expected amount of outflows of economic benefits as a result of the court case, which is generally the claim amount plus the estimated related legal costs and penalty interest (if applicable), if it is more likely than not, based on the opinion of management after consultation with legal advisers, that the outcome of the court case will be unfavourable for the Group. The Group does not recognise provisions for court cases or the expected related legal costs and penalty interest (if applicable) in cases where management estimates that an unfavourable outcome of the court case is less likely than a favourable outcome for the Group.

Where indications exist of a possible settlement in relation to a particular court case, a provision is recognised, based on the best estimate of management made in consultation with its legal advisers, in the amount of the expected settlement less any existing amounts already provided for in relation to that particular court case.

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**

(iv) Consequences of certain legal actions (continued)

Where the Group is a plaintiff in a particular court case, any economic benefits expected to flow to the Group as a result are recognised only when virtually certain which is generally as at the date of inflow of these economic benefits.

Provisions for the Group's obligations arising legal actions are recognised on a consistent basis and estimated on a case by case principle (see note 3.14 and 26).

(v) *Recoverability of trade and other receivables*

The recoverable amount of trade and other receivables is estimated at present value of future cash flows discounted at the market interest rate at the measurement date. Short-term receivables with no stated interest rate are measured by the amount of original invoice if the effect of discounting is not significant.

The Group regularly reviews the ageing structure of trade receivables and monitors the average collection period. In cases where debtors with extended payment periods (generally above 120 days) are identified, the Group reduces the related credit limits and payment days for future transactions and, in cases where it deems it necessary, imposes restrictions on future transactions or delivery of cargo held in storage until the outstanding balance is repaid either entirely or in part. In cases where the Group identifies receivables toward debtors which have entered into pre-bankruptcy or bankruptcy proceedings, an impairment loss is immediately recognised in full.

In the process of regulating the collection of overdue debts, the Group actively negotiates with the respective debtors taking into account expectations of future business relations, significance of exposure to an individual debtor, possibilities of compensation, exercise of instruments of security (if any) or seizure of assets etc.

**NOTE 4 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**

*(vi) Revaluation of land*

As the Group applies the revaluation model of accounting for land, management applies judgement with respect to the adequacy of the frequency of revaluations ensuring that they are performed on a basis regular enough to ensure that the carrying amount does not differ materially from the amount which would be determined using fair values at the reporting date. Management also applies judgement in ensuring that the revaluations are performed based on valuation reports from independent, expert valuers and, where applicable, that the estimates and assumptions used by the valuers reflect the management's own understanding of the specifics attached to each particular land plot.

**NOTE 5 – DETERMINING FAIR VALUES**

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to fair value measurement which assumes the overall responsibility of the Management Board in relation to the monitoring of all significant fair value measurements, consultation with external experts and the responsibility to report, with respect the above, to those charged with corporate governance.

Fair values are measured using information collected from third parties in which case the Board and the finance department assess whether the evidence collected from third parties support the conclusion that such valuations meet the requirements of IFRSs, including the level in the fair value hierarchy where such valuations should be classified.

All significant issues related to fair values estimates are reported to the Supervisory Board and the Audit Committee. Fair values are categorised into different level in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

*Level 1* - quoted prices (unadjusted) in active markets for identical assets or liabilities

*Level 2* - inputs other than quoted prices included in level 1, that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)

*Level 3* - input variables for assets or liabilities that are not based on observable market data (unobservable inputs)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**NOTE 5 – DETERMINING FAIR VALUES (CONTINUED)**

If one or more significant inputs are not based on observable market data, the fair value estimate is included in level 3.

In preparing these financial statements, the Group has made the following significant fair value estimates statements as further explained in detail in following notes:

- note 16: Intangible assets and property, plant and equipment (with respect to land)

**NOTE 6 – NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED**

*(i) Standards and Interpretations effective in the current period*

The following new standards and amendments to the existing standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee and adopted by the EU are effective for the current period (effective date for annual periods beginning on or after 1 January 2025):

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, issued on 15 August 2023 (effective date for annual periods beginning on or after 1 January 2025).

The adoption of these standards and interpretations did not have an impact on the Company's and the Group financial statements.

*(ii) Standards and Interpretations issued by IASB and endorsed by the EU but not yet effective:*

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments, issued on 30 May 2024 (effective for annual periods beginning on or after 1 January 2026).
- Amendments to IFRS 9 and IFRS 7 – Contracts related to electricity dependent on natural sources, issued on 18 December 2024 (effective for annual periods beginning on or after 1 January 2026).
- Annual Improvements to IFRS Accounting Standards – Volume 11, issued on 18 July 2024 (effective for annual periods beginning on or after 1 January 2026).

**NOTE 6 – NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED  
(CONTINUED)**

(iii) *Standards and Interpretations issued by IASB but not yet adopted by the EU*

- *IFRS 18 Presentation and Disclosure in Financial Statements* (issued on 9 April 2024).
- *IFRS 19 and Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures* (issued on 9 May 2024 and 21 August 2025).
- *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation into a Hyperinflationary Presentation Currency* (issued on 13 November 2025)

The application of IFRS 18 *Presentation and Disclosure in Financial Statements* will introduce changes in the presentation of financial statements, primarily with regard to the classification and presentation of items in the statement of profit or loss. The Group and the Company are currently assessing the specific effects of applying this standard on the presentation of the financial statements; however, no impact on the reported financial result is expected. The Company and the Group does not anticipate that the adoption of these Standards and Interpretations will have a significant impact on the financial statements.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**7. Revenue from sales**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Sales to domestic customers	6.771	7.147	6.532	7.046
Sales to foreign customers	19.569	20.369	19.567	20.369
<b>Total</b>	<b>26.340</b>	<b>27.516</b>	<b>26.099</b>	<b>27.415</b>
<i>An overview of revenue per type of cargo is given below:</i>				
General cargo	11.845	9.801	11.845	9.801
Bulk cargo	4.207	6.680	4.207	6.680
Containers	3.149	2.828	3.149	2.828
Other port services	7.139	8.207	6.898	8.106
<b>Total</b>	<b>26.340</b>	<b>27.516</b>	<b>26.099</b>	<b>27.415</b>

General and bulk cargo revenue relates to services in relation to transshipment of those types of cargo for which the Group charges fees based on tonnes of transhipped cargo while other port services and containers relate to storage, warehouse handling and other services related to transshipment of other types of cargo.

**8. Other income**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Gain on sale of non-current tangible and intangible assets	47	246	47	246
Donations and grants	13	30	13	30
Insurance recoveries	54	46	42	38
Rental income (i)	2.344	2.303	2.355	2.317
Reversal of provisions	150	24	150	24
Deffered income - CEF	1.736	236	1.736	236
Other income	86	120	69	114
<b>Total</b>	<b>4.430</b>	<b>3.005</b>	<b>4.412</b>	<b>3.005</b>

(i) Rental income relates to income from rental of parking lots and offices in the city of Rijeka.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**9. Materials, services and consumables used**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Energy	1.930	2.428	1.730	2.250
Utilities	617	916	615	915
Postage and telecommunications	61	63	56	57
Concession fees <i>(i)</i>	205	209	205	209
Transport services	739	736	2.148	2.034
Quality control and disinfection	165	270	165	270
Freight handling services	162	23	162	23
Maintenance	1.477	1.208	1.544	1.418
Raw materials and consumables	1.075	1.047	989	989
Rent	149	184	149	184
Other materials expenses	138	273	59	59
<b>Total</b>	<b>6.718</b>	<b>7.357</b>	<b>7.822</b>	<b>8.408</b>

*(i)* Expenses for concession fees in most significant part relate to the variable concession fee payable under the Concession Agreement. In addition to these variable concession fees, the Group and Company also incurred expenditure relating to fixed or in-substance fixed concession fees in the amount of EUR 464 thousand (2024: EUR 522 thousand) which have been accounted for as a reduction in the liability for concession assets with right-of-use.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**10. Personnel expenses**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Gross salaries and wages	12.946	11.842	12.113	11.245
Contributions on salaries	2.048	1.887	1.913	1.773
Other employee related costs	1.242	1.296	1.168	1.237
<b>Total</b>	<b>16.236</b>	<b>15.025</b>	<b>15.194</b>	<b>14.255</b>

As at 31 December 2024 the number of staff employed by the Group was 578 (2024: 632) while the Company employed 557 employees (2024: 614). In 2025, the Group average number of employees was 605 (2024: 648), while the Company's average number of employees was 585 (2024: 629).

**11. Other expenses**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Bank charges	77	90	75	88
Intellectual services	245	282	215	261
Fines and penalties	129	117	129	119
Reimbursement of costs to employees	490	538	471	523
Non-income related taxes, contributions and fees (i)	1.489	1.505	1.469	1.489
Insurance	433	385	403	358
Court fees and expenses	19	19	19	19
Impairment of receivables	295	-	295	-
Marketing and entertainment	49	63	49	62
Increase in provisions for court cases	300	-	300	-
Other expenses	472	262	469	260
<b>Total</b>	<b>3.998</b>	<b>3.261</b>	<b>3.894</b>	<b>3.179</b>

(i) Non-income related taxes, contributions and fees relate to utility charges and fees for water regulation.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**12. Finance income**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Interest and similar income	12	8	11	6
Foreign exchange gains	2	22	2	22
Other financial income <i>(i)</i>	-	-	4.900	2.450
<b>Total</b>	<b>14</b>	<b>30</b>	<b>4.913</b>	<b>2.478</b>

*(i)* Other financial income in 2025 relates to dividend income from the associated company Jadranska vrata d.d. in the amount of EUR 4.900 thousand (2024: EUR 2.450 thousand).

**13. Finance costs**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Interest and similar expenses <i>(i)</i>	1.344	1.940	1.333	1.935
Foreign exchange losses	46	-	46	-
<b>Total</b>	<b>1.390</b>	<b>1.940</b>	<b>1.379</b>	<b>1.935</b>

*(i)* Interest and similar expenses include EUR 453 thousand (2024: EUR 823 thousand) for expense for unwinding of discount on the liability for concession assets with right of use while remaining amounts mainly include interest on bank loans.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**14. Income tax**

Tax income consists of:

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
Current income tax	5	33	-	-
Deferred tax	-	5	-	5
<b>Income tax expense / (benefit)</b>	<b>5</b>	<b>38</b>	<b>-</b>	<b>5</b>

A reconciliation of tax expense per the statement of comprehensive income and taxation at the statutory rate is detailed in the table below:

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>2024</b> <i>(in TEUR)</i> <i>Company</i>
<b>Tax calculated at 18% (2024: 18%)</b>	<b>1.745</b>	<b>1.638</b>	<b>694</b>	<b>324</b>
Non-taxable income	(217)	(5)	(1.099)	(446)
Non-deductible expenses	12	152	12	152
Tax effect of share in result of equity accounted investee	(1.925)	(1.722)	-	-
Tax incentive - reduction of tax rate	-	-	-	-
Effect of unused tax loss	391	-	393	-
Effect of utilized tax losses	(1)	(30)	-	(30)
Effect of deferred taxes	-	5	-	5
<b>Income tax expense / (benefit)</b>	<b>5</b>	<b>38</b>	<b>-</b>	<b>5</b>

As at 31 December 2025, the Company and the Group has unused tax losses to carry forward of EUR 2.926 thousand and EUR 2.935 thousand, respectively (31 December 2024: EUR 744 thousand and EUR 766 thousand, respectively).

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**14. Income tax (continued)**

Movement in deferred tax assets for the Company and the Group was as follows:

<b>2025 Group and Company</b>	<b>Opening balance</b>	<b>Recognised in equity</b>	<b>Recognised in profit or loss</b>	<b>Closing balance</b>
	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>
Land and buildings	793	-	-	793
Other financial assets	42	-	-	42
Provision for employee entitlements	57	-	-	57
<b>Total</b>	<b>892</b>	<b>-</b>	<b>-</b>	<b>892</b>

<b>2024 Group and Company</b>	<b>Opening balance</b>	<b>Recognised in equity</b>	<b>Recognised in profit or loss</b>	<b>Closing balance</b>
	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>
Land and buildings	799	-	(6)	793
Other financial assets	42	-	-	42
Provision for employee entitlements	57	-	-	57
<b>Total</b>	<b>898</b>	<b>-</b>	<b>(6)</b>	<b>892</b>

Deferred tax assets with respect to provisions relate to temporary differences arising from provisions on employee entitlements (jubilee awards and retirement benefits) while the deferred tax asset with respect to land and buildings mostly relates to the impairment real estates recorded in previous periods as presented in more detail in note 16.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**14. Income tax (continued)**

Movement in deferred tax liability for the Group was as follows:

<b>2025 Group</b>	<b>Opening balance</b>	<b>Recognised in equity</b>	<b>Recognised in profit or loss</b>	<b>Closing balance</b>
	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>
Revaluation of land	2.399	-	-	2.399
Financial assets available for sale	2	-	-	2
Investments in equity accounted investees	671	-	-	671
<b>Total</b>	<b>3.072</b>	<b>-</b>	<b>-</b>	<b>3.072</b>

<b>2024 Group</b>	<b>Opening balance</b>	<b>Recognised in equity</b>	<b>Recognised in profit or loss</b>	<b>Closing balance</b>
	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>
Revaluation of land	2.399	-	-	2.399
Financial assets available for sale	2	-	-	2
Investments in equity accounted investees	671	-	-	671
<b>Total</b>	<b>3.072</b>	<b>-</b>	<b>-</b>	<b>3.072</b>

Movement in deferred tax assets for the Company was as follows:

<b>2025 Company</b>	<b>Opening balance</b>	<b>Recognised in equity</b>	<b>Recognised in profit or loss</b>	<b>Closing balance</b>
	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>
Revaluation of land	2.399	-	-	2.399
Investments in equity accounted investees	2	-	-	2
<b>Total</b>	<b>2.401</b>	<b>-</b>	<b>-</b>	<b>2.401</b>

<b>2024 Company</b>	<b>Opening balance</b>	<b>Recognised in equity</b>	<b>Recognised in profit or loss</b>	<b>Closing balance</b>
	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>	<i>(in TEUR)</i>
Revaluation of land	2.399	-	-	2.399
Investments in equity accounted investees	2	-	-	2
<b>Total</b>	<b>2.401</b>	<b>-</b>	<b>-</b>	<b>2.401</b>

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

---

**14. Income tax (continued)**

At Group level, the deferred tax liability relating to investments in equity accounted investees relates to the surplus from measurement of remaining interest in a former subsidiary Jadranska vrata d.d. as a result of loss of control subsequent to the Group disposing of 51% of its shareholding in the subsidiary in 2011.

Deferred tax liability with respect to land stems from the Company's and the Group's application of the revaluation model of accounting for land and the respective revaluations.

**15. Earnings per share**

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>
Income / (Loss) for the year (in thousands of EUR)	9.689	9.064
Total and weighted number of issued shares	13.480.475	13.480.475
<b>Earnings per share (basic and diluted) in EUR</b>	<b>0,72</b>	<b>0,67</b>

Basic earnings per share are determined by dividing the Group's net earnings with the weighted average number of ordinary shares in issue during the year. The Group does not own any treasury shares. The Group has not issued any potentially dilutive instruments.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**16. Intangible assets, property, plant and equipment**

Movement in intangible asset and property, plant and equipment for the Group was as follows:

<i>(in TEUR)</i>	Software	Land	Buildings	Equipment and fittings	Leasehold improvements	Assets under construction and advances	Total
<b>Cost or revalued amount</b>							
<b>At 1 January 2024</b>	<b>730</b>	<b>37.403</b>	<b>50.784</b>	<b>27.976</b>	<b>50</b>	<b>2.014</b>	<b>118.957</b>
Additions	33	-	-	189	-	5.638	5.860
Transfers	-	-	262	3.476	-	(3.738)	-
Disposals and write-off's	(3)	(23)	-	(73)	-	(831)	(930)
<b>At 31 December 2024</b>	<b>760</b>	<b>37.380</b>	<b>51.046</b>	<b>31.568</b>	<b>50</b>	<b>3.083</b>	<b>123.887</b>
Additions	33	48	-	270	-	4.757	5.108
Transfers	-	(1.451)	3.741	929	-	(4.670)	(1.451)
Disposals and write-off's	-	-	-	(259)	-	-	(259)
<b>At 31 December 2025</b>	<b>793</b>	<b>35.977</b>	<b>54.787</b>	<b>32.508</b>	<b>50</b>	<b>3.170</b>	<b>127.285</b>
<b>Accumulated depreciation and impairment losses</b>							
<b>At 1 January 2024</b>	<b>626</b>	<b>63</b>	<b>11.651</b>	<b>21.314</b>	<b>16</b>	-	<b>33.670</b>
Charge for the year	18	-	1.237	1.066	2	-	2.323
Disposals and write-off's	(3)	-	-	(49)	-	-	(52)
<b>At 31 December 2024</b>	<b>641</b>	<b>63</b>	<b>12.888</b>	<b>22.331</b>	<b>18</b>	-	<b>35.941</b>
Charge for the year	21	-	1.269	1.182	2	-	2.474
Disposals and write-off's	-	-	-	(255)	-	-	(255)
<b>At 31 December 2025</b>	<b>662</b>	<b>63</b>	<b>14.157</b>	<b>23.258</b>	<b>20</b>	-	<b>38.160</b>
<b>Carrying amount</b>							
<b>At 31 December 2024</b>	<b>119</b>	<b>37.317</b>	<b>38.158</b>	<b>9.237</b>	<b>32</b>	<b>3.083</b>	<b>87.946</b>
<b>At 31 December 2025</b>	<b>131</b>	<b>35.914</b>	<b>40.630</b>	<b>9.250</b>	<b>30</b>	<b>3.170</b>	<b>89.125</b>

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**16. Intangible assets, property and equipment (continued)**

Movement in intangibles, property, plant and equipment for the Company was as follows:

<i>(in TEUR)</i>	Software	Land	Buildings	Equipment and fittings	Leasehold improvements	Assets under construction and advances	Total
<b>Cost or revalued amount</b>							
<b>At 1 January 2024</b>	<b>730</b>	<b>37.403</b>	<b>50.784</b>	<b>26.824</b>	<b>50</b>	<b>2.014</b>	<b>117.805</b>
Additions	33	-	-	-	-	5.638	5.671
Transfers	-	-	262	3.476	-	(3.738)	-
Disposals and write-off's	(3)	(23)	-	(73)	-	(831)	(930)
<b>At 31 December 2024</b>	<b>760</b>	<b>37.380</b>	<b>51.046</b>	<b>30.227</b>	<b>50</b>	<b>3.083</b>	<b>122.546</b>
Additions	33	48	-	57	-	4.757	4.895
Transfers	-	(1.451)	3.741	929	-	(4.670)	(1.451)
Disposals and write-off's	-	-	-	(237)	-	-	(237)
<b>At 31 December 2025</b>	<b>793</b>	<b>35.977</b>	<b>54.787</b>	<b>30.976</b>	<b>50</b>	<b>3.170</b>	<b>125.753</b>
<b>Accumulated depreciation and impairment losses</b>							
<b>At 1 January 2024</b>	<b>626</b>	<b>63</b>	<b>11.651</b>	<b>20.461</b>	<b>16</b>	-	<b>32.817</b>
Charge for the year	18	-	1.237	956	2	-	2.213
Disposals and write-off's	(3)	-	-	(49)	-	-	(52)
<b>At 31 December 2024</b>	<b>641</b>	<b>63</b>	<b>12.888</b>	<b>21.368</b>	<b>18</b>	-	<b>34.978</b>
Charge for the year	21	-	1.269	1.016	2	-	2.308
Disposals and write-off's	-	-	-	(233)	-	-	(233)
<b>At 31 December 2025</b>	<b>662</b>	<b>63</b>	<b>14.157</b>	<b>22.151</b>	<b>20</b>	-	<b>37.053</b>
<b>Carrying amount</b>							
<b>At 31 December 2024</b>	<b>119</b>	<b>37.317</b>	<b>38.158</b>	<b>8.859</b>	<b>32</b>	<b>3.083</b>	<b>87.568</b>
<b>At 31 December 2025</b>	<b>131</b>	<b>35.914</b>	<b>40.630</b>	<b>8.825</b>	<b>30</b>	<b>3.170</b>	<b>88.700</b>

**16. Intangible assets, property, plant and equipment (continued)**

Land and buildings of the Company with a carrying amount of EUR 60.018 thousand (2024: EUR 60.018 thousand) are mortgaged against the Company's borrowings.

*Revaluation of land*

The Group and the Company revalued their land during the fourth quarter of 2023 based on fair value estimates made by an independent expert valuer. Management considers that the fair values of land have not changed significantly since the date of that last valuation and that the carrying value of land as at the reporting date approximates its fair value. The carrying amount that would have been recognised had the land been carried under the cost model amounts to EUR 25.217 thousand (2024: EUR 26.643 thousand). As at 31 December 2025, the revaluation surplus recognised in revaluation reserves amounts to EUR 10.931 thousand (2024: EUR 10.931 thousand). Furthermore, valuation reports of independent valuers included also valuation of the buildings that are carried at cost model. For buildings where the recoverable amount was estimated to be less than the carrying amount, the carrying amount of the asset is reduced to the recoverable amount. No impairment losses were recognised in 2025.

*Measurement of fair values*

Revaluation of land is performed on the basis of independent expert valuer reports. For most land plots, the method used for measuring the fair value of land by the valuer is the comparison of realised market selling prices for similar and comparable real estate taking into account geographical specifics, type of land plot, restrictions imposed by local building regulations and other factors.

The Group's land balance also includes a land plot which is currently used as a parking lot. The Group has not classified this land as investment property as the initial planned purpose was to build own premises for use in the principal activity, but is currently in the process of considering its purpose and conversion into investment property which would result in its reclassification.

**17. Investment property**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
<b>Cost</b>				
At 1 January	<b>1.171</b>	<b>1.218</b>	<b>1.171</b>	<b>1.218</b>
Transfers	1.294	-	1.294	-
Disposals and write-off's	-	(47)	-	(47)
<b>Total</b>	<b>2.465</b>	<b>1.171</b>	<b>2.465</b>	<b>1.171</b>
<b>Accumulated depreciation</b>				
At 1 January	<b>519</b>	<b>523</b>	<b>519</b>	<b>523</b>
Charge for the year	11	12	11	12
Disposals and write-off's	-	(16)	-	(16)
	<b>530</b>	<b>519</b>	<b>530</b>	<b>519</b>
<b>Carrying amount as at 31 December</b>	<b>1.935</b>	<b>652</b>	<b>1.935</b>	<b>652</b>

Investment property relates to 29 apartments (2024: 29 apartments) owned by the Group and leased for an indefinite period to protected tenants.

Following the revision of the lease agreements with protected tenants, instead of paying a protected lease rental fee, the tenants agreed to pay for mandatory monthly maintenance fees and operational expenses stemming from the use of the apartments. As a result, the Group does not generate rental income from apartments but also does not incur direct operating expenses (including maintenance and repairs) as these are borne by lessees.

Overall business operations relating to investment property are performed by the subsidiary Stanovi d.o.o.

The Group regularly tests the investment property for impairment by analysis of comparable real estate prices. As at the reporting dates, current quoted market prices for similar properties and realised sales prices do not indicate impairment and the carrying amount is a reasonable approximation of fair value.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**18. Investments in subsidiaries and equity accounted investees**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Investments in subsidiaries	-	-	8	8
Investment in equity accounted investees	37.543	31.748	1.556	1.556
<b>Total</b>	<b>37.543</b>	<b>31.748</b>	<b>1.564</b>	<b>1.564</b>

The investments in subsidiaries are as follows:

<i>(in TEUR)</i>	<b>Ownership interest</b>		<b>Investment</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
Luka - prijevoz d.o.o.	100%	100%	3	3
Stanovi d.o.o.	100%	100%	3	3
Luka Rijeka Container Depot d.o.o.	100%	100%	3	3
			<b>8</b>	<b>8</b>

The investments in equity accounted investees relate to the following:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Jadranska vrata d.d.				
- at cost	-	-	1.556	1.556
- applying the equity method	37.543	31.748	-	-
<b>Total</b>	<b>37.543</b>	<b>31.748</b>	<b>1.556</b>	<b>1.556</b>

	<b>2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>2024</b> <i>(in TEUR)</i> <i>Group</i>
As at 1 January	31.748	24.633
Share of profit/(loss) of associate	10.695	9.565
Dividend payment	(4.900)	(2.450)
<b>As at 31 December</b>	<b>37.543</b>	<b>31.748</b>

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**18. Investments in subsidiaries and equity accounted investees (continued)**

Summary of information about the equity accounted investee Jadranska vrata d.d. is as follows:

<b>Jadranska vrata d.d.</b>	<b>31.12.2025</b> <i>(in TEUR)</i>	<b>31.12.2024</b> <i>(in TEUR)</i>
Assets	77.637	61.724
Liabilities	8.518	4.437
Revenue	50.043	45.498
Net profit	21.829	19.524

The General Assembly of the company Jadranska vrata d.d. declared a dividend during 2025 in the amount of EUR 10.000 thousand (2024: EUR 5.000 thousand), of which EUR 4.900 thousand related to the dividend payable to the Company, which was recognized within financial income in the unconsolidated financial statements in 2025.

**19. Non-current financial assets**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Non-current receivables for apartments sold	-	-	-	-
Other financial assets	55	55	55	55
	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>

**20. Current financial assets**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Short-term deposits in banks	3.127	27	3.127	27
Given loans	-	-	50	53
<b>As at 31 December</b>	<b>3.127</b>	<b>27</b>	<b>3.177</b>	<b>80</b>

Interest rate on short-term deposits are fixed and amount to approximately 1%, ranging from 0,01% to 0,50% per annum.

**21. Trade and other receivables**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Receivables from domestic customers	3.326	3.863	3.264	3.864
Receivables from foreign customers	963	1.554	963	1.554
Receivables for apartments sold on credit	9	16	9	16
Taxes, contributions and fees receivable	88	81	48	81
Advances given	1	41	1	12
VAT receivable	600	597	565	528
Prepaid expenses	93	47	91	46
Other receivables	61	177	22	126
	<b>5.141</b>	<b>6.376</b>	<b>4.963</b>	<b>6.227</b>

Movements in the accumulated impairment allowance for trade receivables are as follows:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
At 1 January	<b>1.924</b>	<b>1.885</b>	<b>1.924</b>	<b>1.885</b>
Increase	295	-	295	-
Collected	-	-	-	-
Written-off	-	-	-	-
Exchange rates	(19)	39	(19)	39
<b>At 31 December</b>	<b>2.200</b>	<b>1.924</b>	<b>2.200</b>	<b>1.924</b>

**21. Trade and other receivables (continued)**

Ageing analysis of trade receivables is as follows:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Non-matured	1.661	3.493	1.671	3.500
Up to 90 days	2.544	1.296	2.476	1.291
91-180 days	0	174	0	174
181-360 days	1	68	0	68
Over 360 days	83	386	80	385
	<b>4.289</b>	<b>5.417</b>	<b>4.227</b>	<b>5.418</b>

Trade receivables are denominated in following currencies:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
EUR	4.289	5.417	4.227	5.418
USD	-	-	-	-
	<b>4.289</b>	<b>5.417</b>	<b>4.227</b>	<b>5.418</b>

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**22. Cash and cash equivalents**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Cash with banks	6.981	8.065	6.522	7.761
Cash at hand	1	1	1	1
	<b>6.982</b>	<b>8.066</b>	<b>6.523</b>	<b>7.762</b>

Cash with banks relates to cash accounts with commercial banks carrying an average interest rate of 0,01% per annum.

Cash and cash equivalents are denominated in the following currencies:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
EUR	6.652	7.703	6.193	7.399
USD	330	363	330	363
	<b>6.982</b>	<b>8.066</b>	<b>6.523</b>	<b>7.762</b>

**23. Share capital**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group/Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group/Company</i>
Share capital	67.402	67.402
	<b>67.402</b>	<b>67.402</b>

As at 31 December 2025, the Group and the Company's share capital amounted to EUR 67.402 thousand, distributed among 13.480.475 shares with a nominal value of each share amounting to EUR 5. All issued shares are fully paid in and authorised.

An overview of key shareholders and the shareholder structure as of the date of the statement of financial position is as follows:

	<b>% of ownership</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
PORT ACQUISITIONS A.S.	34,34%	34,34%
CERP/Republika Hrvatska	25,02%	25,02%
OTP BANKA D.D./ AZ OMF KATEGORIJE B	15,02%	15,02%
ERSTE & STEIERMARKISCHE BANK D.D./PBZ CO OMF - KATEGORIJA B	7,60%	7,60%
OTP BANKA D.D./ ERSTE PLAVI OMF KATEGORIJE B	6,81%	6,81%
ERSTE & STEIERMARKISCHE BANK D.D.	1,60%	1,60%
OTP BANKA D.D./ AZ OMF KATEGORIJE A	0,85%	0,85%
ZAGREBAČKA BANKA D.D./ AZ PROFIT OTVORENI DMF	0,71%	0,71%
OTP BANKA D.D./ ERSTE PLAVI EXPERT - DMF	0,68%	0,91%
Other shareholders	7,37%	7,14%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**24. Reserves**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Capital and other reserves	9.291	9.291	9.291	9.291
Revaluation reserves	10.931	10.931	10.931	10.931
	<b>20.222</b>	<b>20.222</b>	<b>20.222</b>	<b>20.222</b>

The Company is required to create legal reserves under Croatian law amounting to a minimum of 5% of the profit for the year until the total legal reserves reach 5% of the share capital. The Company currently does not have any legal reserve.

Revaluation reserve relates to the revaluation of land.

**25. Borrowings**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
<b>Non-current borrowings</b>				
Bank loans	13.221	15.529	13.221	15.529
Lease liabilities	223	197	43	-
	<b>13.444</b>	<b>15.726</b>	<b>13.264</b>	<b>15.529</b>
<b>Current borrowings</b>				
Bank loans	2.307	2.591	2.307	2.591
Lease liabilities	126	89	15	30
	<b>2.433</b>	<b>2.680</b>	<b>2.322</b>	<b>2.621</b>
<b>Total borrowings</b>	<b>15.877</b>	<b>18.406</b>	<b>15.586</b>	<b>18.150</b>

The maturity of bank loans and loans from other financial institutions at the reporting date is as follows:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
1 year or less	2.307	2.591	2.307	2.591
1 - 2 years	2.307	2.308	2.307	2.308
2 – 5 years	6.343	6.922	6.343	6.922
Over 5 years	4.571	6.299	4.571	6.299
	<b>15.528</b>	<b>18.120</b>	<b>15.528</b>	<b>18.120</b>

The carrying amounts of the Group's borrowings are denominated in euro.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**25. Borrowings (continued)**

The maturity of finance lease liabilities at the reporting date is as follows:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Up to 1 year	126	89	15	30
Between 1 and 2 years	83	53	13	-
Between 2 and 5 years	140	144	30	-
Over 5 years	-	-	-	-
	<b>349</b>	<b>286</b>	<b>58</b>	<b>30</b>

Reconciliation of movements in borrowings to cash flows arising from financing activities for the Group is as follows:

	<b>Loans</b> <i>(in TEUR)</i>	<b>Leases</b> <i>(in TEUR)</i>	<b>Total</b> <i>(in TEUR)</i>
<b>Balance as at 1 January 2025</b>	<b>18.120</b>	<b>286</b>	<b>18.406</b>
<i>Cash transactions:</i>			
Loans repaid	(2.592)	-	(2.592)
Received loans	-	238	238
Leases repaid	-	(175)	(175)
<b>Total cash transactions</b>	<b>(2.592)</b>	<b>63</b>	<b>(2.529)</b>
<i>Non-cash transactions</i>			
Exchange rate effect	-	-	-
Other non-cash transactions	-	-	-
<b>Balance as at 31 December 2025</b>	<b>15.528</b>	<b>349</b>	<b>15.877</b>

Liability for concession related right-of-use assets is disclosed separately as is the reconciliation of movement in said liability with cash flows from financing activities. See note 31.

*Bank loans*

Bank loans amounting to EUR 11.124 thousand have variable interest rates (2024: EUR 12.942 thousand). The variable interest rates for bank loans were in the range from 5,9% to 6,7% per annum (2024: from 5% to 7,9%).

Bank loans amounting to EUR 4.404 thousand have fixed interest rates (2024: EUR 5.178 thousand). The fixed interest rates for bank loans included in the table above were in the range from 3% to 4,5% per annum (2024: from 3% to 4,5%)

**25. Borrowings (continued)**

*Leases*

The leases of the Company and the Group relate to finance leases of equipment with a principal amount of EUR 349 thousand (2024: EUR 286 thousand). Interest rates ranged from 3% to 6.25% per annum (2024: 3% to 6.25%).

*Security*

Bank borrowings in the amount of EUR 15.528 thousand (2024: EUR 18.120 thousand) are secured by mortgages over the Company's and Group's land and buildings (Note 16).

*Debt terms*

Under the loan agreement, the Group is required to comply with certain borrowing conditions. At the reporting dates, the Group maintain borrowing conditions.

**26. Provisions**

Group and Company	Jubilee awards and retirement benefits (in TEUR)	Legal cases (in TEUR)	Total (in TEUR)
<b>As at 31 December 2024</b>			
Non-current	286	-	286
Current	-	489	489
	<b>286</b>	<b>489</b>	<b>775</b>
<b>As at 31 December 2025</b>			
Non-current	286	-	286
Current	-	639	639
	<b>286</b>	<b>639</b>	<b>925</b>

Movement in provisions was as follows:

Group and Company	Jubilee awards and retirement benefits (in TEUR)	Legal cases (in TEUR)	Total (in TEUR)
<b>As at 1 January 2024</b>			
	<b>286</b>	<b>784</b>	<b>1.070</b>
Increase	-	-	-
Decrease	-	(295)	(295)
<b>As at 31 December 2024</b>	<b>286</b>	<b>489</b>	<b>775</b>
<b>As at 1 January 2025</b>			
	286	489	775
Increase	-	300	300
Decrease	-	(150)	(150)
<b>As at 31 December 2025</b>	<b>286</b>	<b>639</b>	<b>925</b>

(i) Jubilee awards and regular retirement benefits

According to the Collective Agreement the Group has an obligation to pay jubilee awards and regular retirement benefits. No other post-retirement benefits are provided.

Provisions for both jubilee awards and regular retirement benefits are calculated based on a actuarial calculation using estimates derived on the basis of an actuarial calculation.

**26. Provision (continued)**

(ii) Legal cases

Legal provisions relate to a number of legal proceedings initiated against the Group which stem from regular commercial activities, and court cases including former employees. The expenses relating to the provisions are included in the income statement within Other expenses.

**27. Trade and other payables**

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Trade payables - domestic	2.265	4.507	2.774	5.173
Trade payables - foreign	5	57	5	57
Liabilities toward employees	1.151	1.000	1.099	954
Liabilities for apartments sold	1.158	1.135	1.158	1.135
Interest payable	63	68	63	68
Other taxes, contributions and fees payable	10	9	6	9
VAT liabilities	112	21	110	20
Salary taxes and contributions payable	538	442	503	411
Deferred income (i)	29.931	26.797	29.931	26.797
Other payables	52	56	8	8
	<b>35.285</b>	<b>34.092</b>	<b>35.657</b>	<b>34.632</b>

(i) Two funding contracts were concluded at the end of 2017, as part of the incentives of the European Commission for the reconstruction of the port area in Rijeka and Bakar, between the INEA Agency (the Innovation and Networks Executive Agency) as the Grantor, Port Authority of Rijeka as the coordinator and the Company. The Company and the Port Authority of Rijeka are also considered recipients of the grant (the Company has the right to approximately 96% of the total amount of the grant while the remainder relates to the port authority). The total amount of the grant for both contracts (CEF projects) is up to a maximum of 85% of the costs that will be required for the planned works in this area which amounts to 33.795 thousand euros. As of 31 December 2025, the Company had received EUR 32.138 thousand under these contracts (31 December 2024: EUR 27.269 thousand).

**28. Risk management**

**Capital risk management**

*Financial leverage ratio*

The finance function of the Group reviews the capital structure on an annual basis. As part of this review, the Group considers the cost of capital and the risks associated with each class of capital. One of the ratios monitored is the financial leverage ratio which was as follows at the reporting date:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Debt (long- and short-term borrowings) = D	(15.877)	(18.406)	(15.586)	(18.150)
Short term bank deposits and given loans	3.127	27	3.177	80
Cash and cash equivalents	6.982	8.066	6.523	7.762
Net cash / (debt)	<b>(5.768)</b>	<b>(10.313)</b>	<b>(5.886)</b>	<b>(10.308)</b>
Equity = E	<b>(93.827)</b>	<b>(84.137)</b>	<b>(57.426)</b>	<b>(53.568)</b>
<i>Financial leverage ratio = D/(D+E)</i>				
excl. concession related liabilities	14%	18%	21%	25%
incl. concession related liabilities	23%	28%	33%	37%

Debt is defined as long-term and short-term borrowings and bonds excluded concession related liabilities. Equity includes all capital and reserves of the Group.

The Group manages its capital to ensure that it will be able to continue as a going concern.

Apart from the financial leverage ratio, the Group regularly monitors the relation between consolidated current assets and liabilities in order to assess the reasonableness of the going concern assumption applied in the preparation of its financial statements and identify any requirements for additional financial via debt or equity.

**28. Risk management (continued)**

***Financial risk management***

The Group operates with international customers and finances its operations using borrowings to a significant extent. As a result, the Group is exposed to the effect of changes in market prices and of exchange differences and changes in interest rates. In addition, due to credit terms extended to its customers, the Group is exposed to a risk of default. Categories of financial instruments are as follows:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
Financial assets at FVOCI	-	-	-	-
<b>Total FVOCI financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-current financial assets	55	55	55	55
Short-term financial assets	3.127	27	3.177	80
Trade receivables	4.359	5.610	4.258	5.560
Cash and cash equivalents	6.982	8.066	6.523	7.762
<b>Total financial assets at amortised cost</b>	<b>14.523</b>	<b>13.758</b>	<b>14.013</b>	<b>13.457</b>
<b>Total financial assets</b>	<b>14.523</b>	<b>13.758</b>	<b>14.013</b>	<b>13.457</b>
Lease liabilities	349	286	58	30
Liabilities for concession assets	12.624	13.697	12.624	13.697
Loan liabilities	15.528	18.120	15.528	18.120
Trade payables	3.543	5.823	4.008	6.441
<b>Total financial liabilities at amortised cost</b>	<b>32.044</b>	<b>37.926</b>	<b>32.218</b>	<b>38.288</b>
<b>Total financial liabilities</b>	<b>32.044</b>	<b>37.926</b>	<b>32.218</b>	<b>38.288</b>

***Fair value of financial instruments***

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

**28. Risk management (continued)**

Financial instruments held for collection in the normal course of operations are carried at the lower of cost and the net amount less the portion repaid. Fair value is determined as the amount at which a financial instrument can be exchanged between willing and knowledgeable parties in an arm's-length transaction, except in the event of forced sale or liquidation. The fair value of financial instruments is the one quoted on the securities market or obtained using the discounted cash flow method.

As at the reporting date, the carrying amounts of cash and cash equivalents, short-term deposits, receivables, short-term liabilities, accrued expenses, short-term borrowings and other financial instruments approximate their fair value due to the short-term nature of those assets and liabilities and due to the fact that a majority of short term assets and liabilities are at variable interest rates.

As at the reporting dates, the carrying amounts of borrowings arising from bank and other loans approximates their fair values as the majority of these borrowings bear variable interest rates or fixed interest rate approximating current market interest rates.

*Liquidity risk management*

Ultimate responsibility for liquidity risk management rests with the Management board which manages the Group's short, medium and long-term funding and liquidity requirements. The Group manages liquidity risk by monitoring the consolidated net current asset position and addressing any expected current liquidity deficits. Management monitors but does not separately disclose the liquidity analysis at the standalone level as it is considered to be approximate to that at the consolidated level due to relative insignificance of operations in subsidiaries.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**28. Risk management (continued)**

*Liquidity risk analysis*

The following tables detail the Group's remaining contractual maturity for its financial liabilities and its financial assets presented in the consolidated statement of financial position at each reporting period end. The tables have been drawn up based on the undiscounted cash flows until maturity and include cash flows from both interest and principal.

<i>(in TEUR)</i>	Carrying amount	Contractual cash flows	Up to 1 year	1 – 2 years	2 - 5 years	Over 5 years
<b>As at 31 December 2025</b>						
<i>Non-interest bearing:</i>						
Non-Current financial assets	5	5	5	-	-	-
Trade receivables	4.359	4.359	4.359	-	-	-
	<b>4.364</b>	<b>4.364</b>	<b>4.364</b>	-	-	-
<i>Interest bearing:</i>						
Non-Current financial assets	50	50		-	50	-
Current financial assets	3.127	3.127	3.127	-	-	-
Cash and cash equivalents	6.982	6.982	6.982	-	-	-
	<b>10.159</b>	<b>10.159</b>	<b>10.109</b>	-	<b>50</b>	-
<b>Total</b>	<b>14.523</b>	<b>14.523</b>	<b>14.473</b>	-	<b>50</b>	-

<i>(in TEUR)</i>	Carrying amount	Contractual cash flows	Up to 1 year	1 – 2 years	2 - 5 years	Over 5 years
<b>As at 31 December 2025</b>						
<i>Non-interest bearing:</i>						
Trade payables	3.543	3.543	3.543	-	-	-
	<b>3.543</b>	<b>3.543</b>	<b>3.543</b>	-	-	-
<i>Interest bearing:</i>						
Lease liabilities	349	384	135	91	158	-
Liabilities for concession assets	12.624	15.038	1.253	347	398	13.040
Loan liabilities	15.528	18.695	3.102	2.979	7.627	4.987
	<b>28.501</b>	<b>34.117</b>	<b>4.490</b>	<b>3.417</b>	<b>8.183</b>	<b>18.027</b>
<b>Total</b>	<b>32.044</b>	<b>37.660</b>	<b>8.033</b>	<b>3.417</b>	<b>8.183</b>	<b>18.027</b>

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**28. Risk management (continued)**

*Liquidity risk analysis (continued)*

The contractual maturities of financial assets and liabilities in the preceding period were as follows:

<i>(in TEUR)</i>	Carrying amount	Contractual cash flows	Up to 1 year	1 – 2 years	2 - 5 years	Over 5 years
<b>As at 31 December 2024</b>						
<i>Non-interest bearing:</i>						
Non-current receivables	5	5	5	-	-	-
Trade receivables	5.610	5.610	5.610	-	-	-
	<b>5.615</b>	<b>5.615</b>	<b>5.615</b>	-	-	-
<i>Interest bearing:</i>						
Non-current financial assets	50	50	-	-	50	-
Current financial assets	27	27	27	-	-	-
Cash and cash equivalents	8.066	8.066	8.066	-	-	-
	<b>8.143</b>	<b>8.143</b>	<b>8.093</b>	-	<b>50</b>	-
<b>Total</b>	<b>8.143</b>	<b>8.143</b>	<b>8.093</b>	-	<b>50</b>	-

<i>(in TEUR)</i>	Carrying amount	Contractual cash flows	Up to 1 year	1 – 2 years	2 - 5 years	Over 5 years
<b>As at 31 December 2024</b>						
<i>Non-interest bearing:</i>						
Lease liabilities	5.823	5.823	5.823	-	-	-
Trade payables	<b>5.823</b>	<b>5.823</b>	<b>5.823</b>	-	-	-
<i>Interest bearing:</i>						
Lease liabilities	286	314	99	62	153	-
Liabilities for concession assets	13.697	16.188	547	624	13.595	1.422
Loan liabilities	18.120	22.808	3.659	3.228	8.812	7.109
	<b>32.103</b>	<b>39.310</b>	<b>4.305</b>	<b>3.914</b>	<b>22.560</b>	<b>8.531</b>
<b>Total</b>	<b>37.926</b>	<b>45.133</b>	<b>10.128</b>	<b>3.914</b>	<b>22.560</b>	<b>8.531</b>

**28. Risk management (continued)**

*Interest rate risk management*

The Group is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The variable interest rates currently applicable on the carrying values of floating rate debt as at the reporting dates are based on the following:

	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Group</i>	<b>31.12.2025</b> <i>(in TEUR)</i> <i>Company</i>	<b>31.12.2024</b> <i>(in TEUR)</i> <i>Company</i>
EURIBOR based bank loans	11.124	12.942	11.124	12.942

*Interest rate sensitivity analysis*

The sensitivity analyses below have been determined based on the exposure to interest rates at the reporting date. For floating rate liabilities, the analysis is prepared by calculating the effect of a reasonably possible increase in interest rates on floating rate debt on the expected contractual cash flows of such debt compared to those calculated using the interest rates applicable at the current reporting period end date. A 50 basis point increase/decrease is used when reporting interest rate risk internally to key management personnel and represents the management's assessment of the reasonably possible change in interest rates.

**28. Risk management (continued)**

The estimated effect of the reasonably possible change in variable interest rates on the Group's result before tax for the reporting periods is as follows:

<i>(in TEUR)</i>	<b>Contractual cash flows</b>
<b>As at 31 December 2025</b>	
At currently applicable int. rates	13.373
At currently applicable int. rates + 50 basis points	13.560
<b>Effect of increase of int. rates by 50 basis points</b>	<b>187</b>

The Group does not hedge interest rate risk as significant changes of interest rates are not expected to occur.

*Foreign currency sensitivity analysis*

The Group does not currently hedge currency risk with respect to USD is not considered significant.

*Credit risk management*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group.

Customers are classified into risk groupings based on the financial indicators and own trading records, and appropriate credit risk mitigation measures are taken for each risk class. Customers are classified mainly on the basis of official financial statements of customers, and credit ratings supplied by independent rating agencies, and the history of trading with each customer. The Group's exposure and the credit ratings of its counterparties are continuously monitored and credit exposure is controlled by counterparty limits that are reviewed at least annually.

The Group has no significant credit exposures that would not be covered by collateral and which have not been assessed for impairment indicators as at the reporting date.

*Operational risk management*

*Sales concentration risk management*

The Group generates approximately 26% (2024: 26%) of its revenue from domestic customers, whereas around 74% (2024: 74%) of the sales are generated from international customers (based on geographical location of customer). The Group determines the selling prices in accordance with the macroeconomic conditions prevailing in each of the markets where the customers are located having in mind the maximum approved tariffs for services defined in the Concession agreement.

**28. Risk management (continued)**

*Operational risk management (continued)*

*Sales concentration risk management (continued)*

The Group's revenues are to a significant extent exposed to volatility due to high concentration of revenues from a smaller number of customers. In 2025, top 10 customers of the Group generated approximately 58% of operating revenues (2024: 64%) while the top five customer generated approximately 39% of operating revenues (2024: 47%). As a result of its exposure to a small number of customer, the Group manages this risk through active and frequent communication with key customers, acquisitions of new customers, and through monitoring of relevant competitors and market conditions both locally and internationally.

The Group expects increased risks associated with maintaining market position (both in terms of international and domestic customers) due to the strengthening of competitors. To lessen this effect, the Group aims to further increase its competitiveness by increasing productivity and capacity and modernising its technology, which it expects to achieve to a large extent through the realisation of planned capital investments coupled with the expected refurbishment of local railways.

**29. Related party transactions**

The Company has a related relationship with its majority shareholders (and companies under their control) and its subsidiaries and associates. The most important individual shareholder of the company Luka Rijeka d.d. on the date of the financial statements is company Port Acquisitions a.s with a share of 34,34% in the share capital and voting rights of the Company.

Given that the Republic of Croatia holds 25,02% of share capital and voting rights of the Group / Company via CERP and has significant influence over the Group/Company, the State and entities under its control or influence are also considered related parties. However, for the purposes of related party disclosures, routine transactions with various communal entities or other bodies controlled by the State with respect to taxes, levies or with respect to standard purchases of basic consumables are not considered or disclosed as related party transactions.

Furthermore, key management personnel including close family members of key management personnel and entities controlled, jointly controlled or significantly influenced by key management personnel and their close family members, are also considered related parties and disclosed in accordance with the definitions contained in International Accounting Standard 24 Related Party Disclosures ("IAS 24").

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**29. Related party transactions (continued)**

*Transactions with State and entities under its control or influence*

Receivables and sales with the State and related parties:

<i>(in TEUR)</i>	<b>2025</b>	<b>2024</b>
<b>Port Authority of Rijeka</b>		
Rent of premises and provision of regular services	8	156
Receivables as at 31 December	2	1
<b>Jadrolinija d.d.</b>		
Sales of services	16	16
Receivables as at 31 December	3	3
<b>Croatia insurance Group</b>		
Insurance claims	5	-
Receivables as at 31 December	1	-
<b>HŽ Cargo d.o.o</b>		
Sales of services	-	15
Receivables as at 31 December	-	-
<b>Total sales</b>	<b>29</b>	<b>187</b>
<b>Total receivables as at 31 December</b>	<b>6</b>	<b>4</b>

**29. Related party transactions (continued)**

Payables and purchases with the State and related parties:

<i>(in TEUR)</i>	<b>2025</b>	<b>2024</b>
<b>Port Authority of Rijeka</b>		
Variable concession fee and other charges	236	233
Liabilities as at 31 December	61	50
<b>HEP Group</b>		
Purchase of electricity	1.140	1.627
Liabilities as at 31 December	126	135
<b>HŽ Cargo d.o.o.</b>		
Purchase of transport services	1	81
Liabilities as at 31 December	-	-
<b>INA Group</b>		
Purchase of fuel	6	1
Liabilities as at 31 December	-	-
<b>Faculty of Maritime studies in Rijeka</b>		
Purchase of services	-	-
Liabilities as at 31 December	2	-
<b>Total purchases</b>	<b>1.383</b>	<b>1.942</b>
<b>Total liabilities as at 31 December</b>	<b>189</b>	<b>185</b>

*Transactions with owners - Port Acquisitions a.s.*

During 2025 and 2024, there were no transactions with Port Acquisitions a.s.. As at 31 December 2025 and 31 December 2024, the Group and the Company did not have any receivables or payables towards Port Acquisitions a.s..

*Transactions with subsidiaries*

During 2025, the Company purchased goods and services from subsidiaries in the amount of EUR 2.155 thousand (2024: EUR 2.131 thousand) and at 31 December 2025 owed to subsidiaries EUR 656 thousand (2024: EUR 756 thousand). During 2025, the Company sold goods and services to subsidiaries in the amount of EUR 13 thousand (2024: EUR 18 thousand) and at 31 December 2025 had receivables from subsidiaries in the amount of EUR 52 thousand (2024: 59 thousand euro).

**29. Related party transactions (continued)**

*Transactions with equity accounted investees*

The Group enters into transactions with the associate company Jadranska vrata d.d. where Luka Rijeka d.d. has a 49% ownership interest. Transactions with the associate relating to balances in the statement of financial position as at 31 December 2025 and 31 December 2024 and transactions in the statement of comprehensive income for the years then ended are as follows:

<i>(in TEUR)</i>	<b>2025</b>	<b>2024</b>
Trade receivables	10	5
Sales revenue and other income	31	10
Other financial income ( <i>Note 12</i> )	4.900	2.450

*Transactions with State bodies*

Concession fees

During 2025, in relation to the Concession Agreement, the Group paid fixed concession fees toward the Port Authority of Rijeka in the amount of EUR 464 thousand (2024: EUR 522 thousand) and recognized expenditure related to variable concession fees in the amount of EUR 205 thousand (2024: EUR 203 thousand). As at 31 December 2025, the Group had outstanding payables toward the Port Authority of Rijeka with respect concession and related expenses of EUR 30 thousand (31 December 2024: EUR 55 thousand).

*Remuneration to the Management Board members*

Key management of the Company comprises the Management Board and consists of 3 persons (2024: 3 persons). During 2025, the Group paid out EUR 291 thousand to the Management Board (2024: EUR 205 thousand) with respect to gross salaries (including contributions on salaries).

### **30. Contingent liabilities and assets**

#### *Exposure to court cases*

As at the reporting date, there are number of legal proceeding against the Group which stem from regular commercial activities and court cases including former employees.

Based on consultation with legal advisors, management applied its judgment as described in more detail in note 4 and estimated that the legal proceedings the Group is involved in should not give rise to significant losses apart from those already provided for as detailed in note 26.

#### *Potential penalties arising from minimal service limits defined in the Concession arrangement*

According to the Concession agreement in place, from 2016 onward the Group is obligated to maintain minimal service levels defined in quantities of transshipped cargo and based on the initial business plans submitted to the Port Authority of Rijeka at the inception of the agreement. Should the minimal service levels not be met, the Port Authority of Rijeka would be entitled to charge concession penalties based on the variance of actual versus initially planned service levels.

Current service levels are significantly lower than those envisaged in the initial business plans. The potential penalties calculated by the Company, excluding default interest, as at 31 December 2025 amount to approximately EUR 19,3 million, of which EUR 1,8 million relates to 2016, EUR 1,7 million to 2017, EUR 1,8 million for 2018, EUR 2,1 million for 2019, EUR 1,9 million for 2020, EUR 2 million for 2021, 1,8 EUR million for 2022, EUR 1,9 million for 2023, EUR 2,1 million for 2024 and EUR 2,2 million for 2025.

The Group is actively communicating with the port authority with respect to updating minimal levels of service and their alignment with current market conditions. Given the fact that the port authority historically did not charge these amounts and taking into account the changed market conditions as opposed to those present at the initial determination of minimal service level, the Group does not expect that the amount will be charged but it cannot exclude this entirely.

**31. Concession related right-of-use assets, liabilities and contractual commitments**

As described in note 4, the Group and Company applied IFRS 16 to account for the recognition of right-of-use assets and liabilities arising from the Concession Agreement.

As stipulated in the Concession Agreement modified at the end of 2011, the extension of the concession period up to 2042 was granted in return for expenditure to be made by the Group during the term of the concession in the total amount of EUR 146,5 million in relation to investments into rehabilitation of the port infrastructure and investments in equipment (a total of EUR 87,1 million of required expenditure) as well as in relation to maintenance of concession assets in the amount of EUR 59,4 million.

The Group recognised liabilities for concession assets with right-of-use as the present value of expected payments for infrastructure related expenditure and fixed or in-substance fixed concession fees, and has also recognised a corresponding right-of-use asset at cost less accumulated amortisation and impairment losses.

Expenditure related to investments into equipment and maintenance of the port concession area are disclosed as contractual commitments and will be recognised as assets (in case of investments into equipment) or expenditure (in case of maintenance) when they are incurred.

During 2024, the Group remeasured the ROU liability related to infrastructure capital expenditure in order to reflect the modification in timeline of expected lease payments with a discount rate of 3,5% (2024: 3,5%) based on currently expected interest rates on long term debt. The effect of the remeasurement was accounted for as a change in the ROU liability with a corresponding effect on the ROU asset.

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**31. Concession related right-of-use assets, liabilities and contractual commitments**  
**(continued)**

The movement in the concession related right-of-use assets for the Group and Company was as follows:

<i>(in TEUR)</i>	<b>Concession assets with right-of-use</b>
<b>Cost</b>	
<b>At 1 January 2024</b>	<b>47.253</b>
Effect of remeasurement	(1.229)
<b>At 31 December 2024</b>	<b>46.024</b>
Effect of remeasurement	(734)
<b>At 31 December 2025</b>	<b>45.290</b>
<b>Accumulated amortisation and impairment</b>	
<b>At 1 January 2024</b>	<b>26.856</b>
Charge for the year	1.094
<b>At 31 December 2024</b>	<b>27.950</b>
Charge for the year	1.061
<b>At 31 December 2025</b>	<b>29.011</b>
<b>Carrying amount</b>	
<b>At 31 December 2024</b>	<b>18.074</b>
<b>At 31 December 2025</b>	<b>16.279</b>

**LUKA RIJEKA d.d.**  
**Notes to financial statements**

**31. Concession related right-of-use assets, liabilities and contractual commitments  
(continued)**

The movement in the liabilities for concession assets with right-of-use for the Group and Company was as follows:

<i>(in TEUR)</i>	<b>Liabilities for concession assets with right of use</b>
<b>At 1 January 2024</b>	<b>24.078</b>
<i>Non-cash transactions</i>	
Unwinding of discount	823
Exchange rate differences	-
Effect of remeasurement	(1.229)
<i>Cash transactions (i)</i>	
Payment of concession fees	(570)
Infrastructure related expenditure	(9.405)
<b>At 31 December 2024</b>	<b>13.697</b>
<i>Non-cash transactions</i>	
Unwinding of discount	453
Exchange rate differences	-
Effect of remeasurement	(734)
<i>Cash transactions (i)</i>	
Payment of concession fees	(512)
Infrastructure related expenditure	(280)
<b>At 31 December 2025</b>	<b>12.624</b>

(i) Cash transactions with respect to movements in liabilities for concession assets with right-of-use are presented within cash flows from financing activities.

Maturity analysis of liabilities for concession assets with right-of-use is as follows:

<i>(in TEUR)</i>	<b>31.12.2025</b>	<b>31.12.2024</b>
Up to 1 year - current portion of liability	812	66
1 - 2 years	290	146
2 - 3 years	128	829
3 - 4 years	62	4.729
4 - 5 years	64	6.825
Over 5 years	11.268	1.102
<b>Net book value</b>	<b>12.624</b>	<b>13.697</b>

**31. Concession related right-of-use assets, liabilities and contractual commitments  
(continued)**

The structure and status of total and outstanding expenditure requirements stipulated by the Concession Agreement, as at the reporting date is shown below:

<i>(in TEUR)</i>	<b>Executed</b> up to 2025	<b>Outstanding</b> 2026-2042	<b>Total</b>
Infrastructure related expenditure	54.112	12.665	66.777
Equipment related expenditure	19.911	442	20.353
Maintenance of concession assets	37.592	21.808	59.400
	<b>111.614</b>	<b>34.916</b>	<b>146.530</b>

Where not specifically prescribed, the allocation of total expenditure to periods was allocated based on best estimate of expected timing of expenditure and classified by type based on management interpretations for the purpose of applying IFRS 16.

**32. Events after the reporting date**

After the reporting date, the Company received a request from the shareholder Port Acquisitions A.S. to enable the performance of due diligence by a potential buyer for the purpose of a possible sale of shares. The aforementioned shareholder holds 34.34% of the Company's share capital. Apart from the above, there have been no significant events after the reporting date that would have a material impact on the financial statements or the operations of the Group and the Company, and which would require disclosure in the notes to the financial statements.