

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:

1.1.2021

to

30.9.2021

Year:

2021

Quarter:

3

## Quarterly financial statements

Registration number (MB):

03674223

Issuer's home Member

State code:

REPUBLIC OF CROATIA

Entity's registration  
number (MBS):

080004355

Personal identification  
number (OIB):

24503685008

LEI:

74780000U0FHQRSAX069

Institution  
code:

1141

Name of the issuer: PETROKEMIJA, Plc.

Postcode and town:

44320

KUTINA

Street and house number:

ALEJA VUKOVAR 4

E-mail address:

fin@petrokemija.hr

Web address:

www.petrokemija.hr

Number of employees  
(end of the reporting

1405

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

LUKA ŠIBENIK d.o.o.

ŠIBENIK

03037525

TVORNICA GLINE KUTINA d.o.o.

KUTINA

05171024

TVORINICA PALETA KUTINA d.o.o.

KUTINA

05171032

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person:

PEROŠEVIĆ-GALOVIĆ ANTONIJA

(only name and surname of the contact person)

Telephone:

044-647-801

E-mail address:

antonija.galovic@petrokemija.hr

Audit firm:

KPMG Croatia, Ltd.

(name of the audit firm)

Certified auditor:

Igor Gošek

(name and surname)

**BALANCE SHEET**  
balance as at 30.09.2021

in HRK

Submitter: GROUP PETROKEMIJA			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	593.828.170	615.884.348
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	1.312.646	5.300.692
1 Research and development	<b>004</b>	0	0
2 Concessions, patents, licences, trademarks, software and other rights	<b>005</b>	1.265.671	586.958
3 Goodwill	<b>006</b>	0	0
4 Advances for the purchase of intangible assets	<b>007</b>	0	0
5 Intangible assets in preparation	<b>008</b>	46.975	4.713.734
6 Other intangible assets	<b>009</b>	0	0
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	592.190.753	607.390.098
1 Land	<b>011</b>	44.545.624	43.886.654
2 Buildings	<b>012</b>	168.475.269	158.188.421
3 Plant and equipment	<b>013</b>	329.024.183	352.811.468
4 Tools, working inventory and transportation assets	<b>014</b>	13.673.168	12.160.377
5 Biological assets	<b>015</b>	0	0
6 Advances for the purchase of tangible assets	<b>016</b>	6.632	1.947.851
7 Tangible assets in preparation	<b>017</b>	34.179.192	36.282.938
8 Other tangible assets	<b>018</b>	2.286.685	2.112.389
9 Investment property	<b>019</b>	0	0
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	10.226	10.226
1 Investments in holdings (shares) of undertakings within the group	<b>021</b>	0	0
2 Investments in other securities of undertakings within the group	<b>022</b>	0	0
3 Loans, deposits, etc. to undertakings within the group	<b>023</b>	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	<b>024</b>	0	0
5 Investment in other securities of companies linked by virtue of participating interests	<b>025</b>	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	<b>026</b>	0	0
7 Investments in securities	<b>027</b>	0	0
8 Loans, deposits, etc. given	<b>028</b>	0	0
9 Other investments accounted for using the equity method	<b>029</b>	10.226	10.226
10 Other fixed financial assets	<b>030</b>	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	167.981	3.038.488
1 Receivables from undertakings within the group	<b>032</b>	0	0
2 Receivables from companies linked by virtue of participating interests	<b>033</b>	0	0
3 Customer receivables	<b>034</b>	0	0
4 Other receivables	<b>035</b>	167.981	3.038.488
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	146.564	144.844
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	585.848.714	437.526.151
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	203.852.573	223.919.032
1 Raw materials and consumables	<b>039</b>	97.486.858	108.269.127
2 Work in progress	<b>040</b>	13.871.231	30.270.178
3 Finished goods	<b>041</b>	87.259.720	74.323.726
4 Merchandise	<b>042</b>	1.082.897	9.540.902
5 Advances for inventories	<b>043</b>	4.151.867	1.515.099
6 Fixed assets held for sale	<b>044</b>	0	0
7 Biological assets	<b>045</b>	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	41.085.500	99.316.237
1 Receivables from undertakings within the group	<b>047</b>	0	0
2 Receivables from companies linked by virtue of participating interests	<b>048</b>	0	0
3 Customer receivables	<b>049</b>	10.462.499	22.700.626
4 Receivables from employees and members of the undertaking	<b>050</b>	24.557	19.172
5 Receivables from government and other institutions	<b>051</b>	28.737.204	73.018.486
6 Other receivables	<b>052</b>	1.861.240	3.577.953
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	221.318.902	57.348.528
1 Investments in holdings (shares) of undertakings within the group	<b>054</b>	0	0
2 Investments in other securities of undertakings within the group	<b>055</b>	0	0
3 Loans, deposits, etc. to undertakings within the group	<b>056</b>	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	<b>057</b>	0	0
5 Investment in other securities of companies linked by virtue of participating interests	<b>058</b>	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	<b>059</b>	0	0

7 Investments in securities	060	0	0
8 Loans, deposits, etc. given	061	165.298.078	31.347.570
9 Other financial assets	062	56.020.824	26.000.958
IV CASH AT BANK AND IN HAND	063	119.591.739	56.942.354
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	064	51.796.920	463.982.576
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	065	1.231.473.804	1.517.393.075
<b>OFF-BALANCE SHEET ITEMS</b>	066	435.126.367	440.299.231
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to</b>	067	637.563.880	653.412.508
I INITIAL (SUBSCRIBED) CAPITAL	068	550.287.010	550.287.010
II CAPITAL RESERVES	069	-350.000	-350.000
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	30.969	4.392.374
1 Legal reserves	071	0	4.406.454
2 Reserves for treasury shares	072	0	0
3 Treasury shares and holdings (deductible item)	073	-14.080	-14.080
4 Statutory reserves	074	0	0
5 Other reserves	075	45.049	0
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	-181.598.603	81.255.421
1 Retained profit	084	0	81.255.421
2 Loss brought forward	085	181.598.603	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	267.296.110	16.432.941
1 Profit for the business year	087	267.296.110	16.432.941
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	1.898.394	1.394.762
<b>B) PROVISIONS (ADP 091 to 096)</b>	090	22.111.137	21.788.801
1 Provisions for pensions, termination benefits and similar obligations	091	11.882.948	11.418.521
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	1.307.256	1.463.347
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	8.920.933	8.906.933
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	097	94.504.547	93.486.316
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	93.657.975	93.149.243
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	846.572	337.073
11 Deferred tax liability	108	0	0
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	109	198.638.263	351.049.804
1 Liabilities to undertakings within the group	110	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	14.518.561	3.558.889
7 Liabilities for advance payments	116	27.495.984	40.248.694
8 Liabilities to suppliers	117	122.888.798	282.136.687
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	18.049.177	10.275.220
11 Taxes, contributions and similar liabilities	120	7.185.423	5.837.848
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	8.500.320	8.992.466
<b>E) ACCRUALS AND DEFERRED INCOME</b>	124	278.655.977	397.655.646
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	125	1.231.473.804	1.517.393.075
<b>G) OFF-BALANCE SHEET ITEMS</b>	126	435.126.367	440.299.231

**STATEMENT OF PROFIT OR LOSS**  
for the period 1.1.2021 to 30.9.2021

in HRK

Submitter: GROUP PETROKEMIJA

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>1.423.143.746</b>	<b>456.010.807</b>	<b>1.520.813.287</b>	<b>584.377.831</b>
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	1.415.899.051	453.999.093	1.500.724.027	582.763.286
3 Income from the use of own products, goods and services	004	2.639.542	1.018.637	12.886.222	601.309
4 Other operating income with undertakings within the group	005	0	0	0	0
5 Other operating income (outside the group)	006	4.605.153	993.077	7.203.038	1.013.236
<b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>1.093.633.191</b>	<b>373.594.146</b>	<b>1.503.487.878</b>	<b>615.544.364</b>
1 Changes in inventories of work in progress and finished goods	008	27.243.992	6.376.195	-3.462.954	-65.408.771
2 Material costs (ADP 010 to 012)	009	773.317.916	261.080.654	1.239.408.560	612.002.718
a) Costs of raw materials and consumables	010	715.851.078	228.448.860	1.177.763.202	582.182.690
b) Costs of goods sold	011	18.455.897	17.419.230	28.058.593	16.368.774
c) Other external costs	012	39.010.941	15.212.564	33.586.765	13.451.254
3 Staff costs (ADP 014 to 016)	013	132.809.250	45.002.865	131.009.836	43.787.237
a) Net salaries and wages	014	84.391.180	28.533.750	83.997.689	28.047.037
b) Tax and contributions from salary costs	015	30.315.077	10.363.151	29.298.488	9.820.801
c) Contributions on salaries	016	18.102.993	6.105.964	17.713.659	5.919.399
4 Depreciation	017	65.101.468	20.377.737	71.263.682	25.597.891
5 Other costs	018	95.098.144	40.734.551	63.892.783	-537.476
6 Value adjustments (ADP 020+021)	019	9.911	0	1.135.643	16.083
a) fixed assets other than financial assets	020	532	0	1.124.983	9.663
b) current assets other than financial assets	021	9.379	0	10.660	6.420
7 Provisions (ADP 023 to 028)	022	0	0	198.123	67.000
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	67.000	67.000
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	131.123	0
8 Other operating expenses	029	52.510	22.144	42.205	19.682
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>3.625.532</b>	<b>1.155.431</b>	<b>4.513.955</b>	<b>1.429.722</b>
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	-82	-82
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	276.101	40.095	42.785	10.948
8 Exchange rate differences and other financial income	038	2.964.379	1.009.416	4.423.836	1.400.758
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	385.052	105.920	47.416	18.098
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>18.879.014</b>	<b>5.915.816</b>	<b>5.910.055</b>	<b>2.106.112</b>
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	12.338.909	3.053.454	4.104.646	1.273.607
4 Exchange rate differences and other expenses	045	6.142.275	2.860.362	1.783.621	832.505
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	397.830	2.000	21.788	0
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>1.426.769.278</b>	<b>457.166.238</b>	<b>1.525.327.242</b>	<b>585.807.553</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>1.112.512.205</b>	<b>379.509.962</b>	<b>1.509.397.933</b>	<b>617.650.476</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>314.257.073</b>	<b>77.656.276</b>	<b>15.929.309</b>	<b>-31.842.923</b>
1 Pre-tax profit (ADP 053-054)	056	314.257.073	77.656.276	15.929.309	0

2 Pre-tax loss (ADP 054-053)	057	0	0	0	-31.842.923
<b>XII INCOME TAX</b>	<b>058</b>	0	0	0	0
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	314.257.073	77.656.276	15.929.309	-31.842.923
1 Profit for the period (ADP 055-059)	060	314.257.073	77.656.276	15.929.309	0
2 Loss for the period (ADP 059-055)	061	0	0	0	-31.842.923
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>065</b>	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)</b>	<b>068</b>	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
<b>XVII INCOME TAX (ADP 058+065)</b>	<b>071</b>	0	0	0	0
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>	<b>075</b>	314.257.073	77.656.276	15.929.308	-31.842.923
1 Attributable to owners of the parent	076	314.469.507	77.385.356	16.432.941	-31.777.026
2 Attributable to minority (non-controlling) interest	077	-212.434	270.920	-503.633	-65.897
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	314.257.073	77.656.276	15.929.309	-31.842.923
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	0	0	0	0
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
<b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>	<b>087</b>	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)</b>	<b>097</b>	0	0	0	0
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>	<b>098</b>	314.257.073	77.656.276	15.929.309	-31.842.923
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>	<b>099</b>	314.257.073	77.656.276	15.929.308	-31.842.923
1 Attributable to owners of the parent	100	314.469.507	77.385.356	16.432.941	-31.777.026
2 Attributable to minority (non-controlling) interest	101	-212.434	270.920	-503.633	-65.897

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 1.1.2021 to 30.9.2021

in HRK

Submitter: GROUP PETROKEMIJA			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	314.469.507	15.929.309
2 Adjustments (ADP 003 to 010):	002	73.549.379	77.299.440
a) Depreciation	003	65.101.468	71.715.114
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	0	0
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0	0
d) Interest and dividend income	006	-276.101	-1.015.566
e) Interest expenses	007	12.338.908	4.158.413
f) Provisions	008	-437.000	-322.336
g) Exchange rate differences (unrealised)	009	-3.177.896	2.763.815
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	0	0
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>388.018.886</b>	<b>93.228.749</b>
3 Changes in the working capital (ADP 013 to 016)	012	-28.555.458	-215.678.134
a) Increase or decrease in short-term liabilities	013	-24.016.674	279.579.575
b) Increase or decrease in short-term receivables	014	8.059.052	-475.191.250
c) Increase or decrease in inventories	015	-12.597.836	-20.066.459
d) Other increase or decrease in working capital	016	0	0
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>359.463.428</b>	<b>-122.449.385</b>
4 Interest paid	018	-17.535.584	-4.188.094
5 Income tax paid	019	0	0
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>341.927.844</b>	<b>-126.637.479</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	403.677	2.800.828
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	214.528	71.671
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	0	0
6 Other cash receipts from investment activities	026	0	0
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>618.205</b>	<b>2.872.499</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-26.812.896	-90.902.505
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-26.812.896</b>	<b>-90.902.505</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-26.194.691</b>	<b>-88.030.006</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	0	0
4 Other cash receipts from financing activities	038	385.052	47.417
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>385.052</b>	<b>47.417</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-248.889.982	-11.469.171
2 Cash payments for dividends	041	0	0
3 Cash payments for finance lease	042	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	0
5 Other cash payments from financing activities	044	-395.830	-530.520
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-249.285.812</b>	<b>-11.999.691</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-248.900.760</b>	<b>-11.952.274</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>66.832.393</b>	<b>-226.619.759</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>482.863.109</b>	<b>340.910.641</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>549.695.502</b>	<b>114.290.882</b>

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

in HRK

Item	ADP code	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Attributable to owners of the parent										Total attributable to owners of the parent	Minority (non-controlling) interest	Total capital and reserves
									Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	18 (3 to 6 - 7 + 8 to 17)	19			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)		
<b>Previous period</b>																					
1 Balance on the first day of the previous business year	01	550.287.010	-350.000	0	0	14.080	0	126.000	0	0	0	0	0	0	-320.984.580	140.534.613	369.598.963	1.279.528	370.878.511		
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	-1.148.657	0	-1.148.657	1.095.336	-53.321		
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	550.287.010	-350.000	0	0	14.080	0	126.000	0	0	0	0	0	0	-322.133.217	140.534.613	368.450.306	2.374.864	370.825.190		
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	267.296.111	267.296.111	-476.469	266.819.642		
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
21 Other distributions and payments to members/shareholders	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
22 Transfer to reserves according to the annual schedule	22	0	0	0	0	0	0	-80.951	0	0	0	0	0	0	0	0	0	0	0		
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	140.534.613	-140.534.613	-80.951	-80.951			
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	550.287.010	-350.000	0	0	14.080	0	45.049	0	0	0	0	0	0	-181.588.604	267.296.111	635.665.488	1.898.395	637.563.881		
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																					
<b>I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 08 to 14)</b>																					
25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)</b>																					
26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	267.296.111	267.296.111	-476.469	266.819.642		
<b>III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)</b>																					
27	0	0	0	0	0	0	0	-80.951	0	0	0	0	0	0	140.534.613	-140.534.613	-80.951	0	-80.951		
<b>Current period</b>																					
1 Balance on the first day of the current business year	28	550.287.010	-350.000	0	0	14.080	0	45.049	0	0	0	0	0	0	-181.588.604	267.296.111	635.665.488	1.898.395	637.563.881		
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	-80.681	0	-80.681	0	-80.681		
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	550.287.010	-350.000	0	0	14.080	0	45.049	0	0	0	0	0	0	-181.679.285	267.296.111	635.584.805	1.898.395	637.483.200		
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	16.432.941	16.432.941	-503.633	15.929.308			
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
22 Carryforward per annual plane	49	0	0	4.406.454	0	0	0	-45.049	0	0	0	0	0	0	262.934.706	-267.296.111	0	0	0		
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	550.287.010	-350.000	4.406.454	0	14.080	0	0	0	0	0	0	0	0	81.255.421	16.432.941	652.017.746	1.394.762	653.412.508		
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																					
<b>I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)</b>																					
52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 do 52)</b>																					
53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16.432.941	16.432.941	-503.633	15.929.308		
<b>III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)</b>																					
54	0	0	4.406.454	0	0	0	0	-45.049	0	0	0	0	0	0	262.934.706	-267.296.111	0	0	0		

## NOTES TO FINANCIAL STATEMENTS - TFI

Name of the issuer:: PETROKEMIJA, Plc

Personal identification number (OIB): 24503685008

Reporting period: 1.1.2021. do 30.9.2021.

Notes to financial statements for quarterly periods include:

**a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 - Interim financial reporting)**

All business events relevant to the quarterly reporting period are described in the Statement accompanying the notes.

**b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period**

The 2020 audited annual financial statements and the Q1-Q3 2021 unaudited quarterly financial statements are available at [www.petroker.hr](http://www.petroker.hr)

**c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 - Interim financial reporting)**

The accounting policies applied to draw up the quarterly financial statements of Petrokemija Plc for the period January-September 2021 are the same as the policies applied to draw up the 2020 audited annual financial statements.

**d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting)**

This is not applicable to the financial statements of Petrokemija Group and Petrokemija Plc.

**e) other comments prescribed by IAS 34 - Interim financial reporting**

All business events relevant to the quarterly reporting period are described in the Statement accompanying the notes.

**f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:**

**1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration**

Name: PETROKEMIJA, d.d.

Registered office (address): Aleja Vukovar 4, 44320 Kutina

Legal form: Public Limited Company

Country of establishment: Republic of Croatia

Registration number (MB): 03674223

Personal identification number (OIB): 24503685008

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

There have been no changes in the accounting policies since the previous period.

**3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately**

The total value of debt securities (debentures, bills of exchange, guarantees) under contracts issued to third parties amounts to about HRK 934,2 million, which is the maximum exposure of the Group. Based on the expectations at the end of the reporting period, it is considered that the Group does not expect any increase in liabilities. Contractual maturity is based on the earliest date on which the Group may be required to settle the debt.



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

Individual items of income or expenditure which are of exceptional size or incidence, such as sales revenue, the cost of raw material and supplies, depreciation, staff costs and other expenses are shown in the Statement accompanying the notes (Notes 1-6).

#### **5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security**

As at 30 June 2021, Petrokemija Plc has 2 long-term loans totalling HRK 96,71 million. The loans concerned are maturing after more than five years and they are collateralized with a pledge of real estate and a pledge of shares of the companies owned by the Republic of Croatia, in the amount of the debt.

#### **6. average number of employees during the financial year**

During the current period the average number of employees in Petrokemija Plc was 1,260 and in Petrokemija Group 1,405.

#### **7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salary**

Capitalised internal labour represents all hours of work that can be properly allocated to the construction, alteration or installation of certain items of capital assets. The items, as such, are depreciated. In 2021, Petrokemija Plc capitalised internal labour in the amount of HRK 3.8 million.

#### **8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year**

Petrokemija Plc has no recognised provisions for deferred tax, whereas Petrokemija Group has deferred tax assets in the amount of HRK 145,000.00.

#### **9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking**

Luka Šibenik d.o.o., Šibenik, participating interest held by Petrokemija Plc is 79.72%, the proportion of the capital held by Petrokemija Plc is HRK 5,712,691, total capital and reserves amount to HRK 7,894,940, the loss of Luka Šibenik for 2020 amounts to HRK 2,349,452.

Tvornica gline Kutina d.o.o., Kutina, participating interest held by Petrokemija Plc is 100%, the proportion of the capital held by Petrokemija Plc is HRK 11,860,591, total capital and reserves amount to HRK 40,023,720, the profit of Tvornica gline Kutina for 2020 amounts to HRK 70,310.

Tvornica paleta Kutina d.o.o., Kutina, participating interest held by Petrokemija Plc is 100%, the proportion of the capital held by Petrokemija Plc is HRK 2,259,002, total capital and reserves amount to HRK 6,592,362, the profit of Tvornica paleta amounts to HRK 301,062.

#### **10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital**

Shareholders' equity of Petrokemija Plc consists of 55,028,701 ordinary shares with a nominal value of HRK 10 per share.

#### **11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer**

This is not applicable to the financial statements of Petrokemija Group and Petrokemija Plc.

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

Luka Šibenik d.o.o., Obala hrvatske mornarice 4, Šibenik

Tvornica gline Kutina d.o.o., Vinkovačka ulica 1c, Kutina

Tvornica paleta Kutina d.o.o., Gojilac 1, Gojlo, Kutina

**13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member**

This is not applicable to the quarterly financial statements of Petrokemija Group.

**14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13**

This is not applicable to the quarterly financial statements of Petrokemija Group.

**15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available**

This is not applicable to the quarterly financial statements of Petrokemija Group.

**16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking**

This is not applicable to the quarterly financial statements of Petrokemija Group.

**17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet**

There were no material events arising after the balance sheet date of 30 September 2021.



Petrokemija Group (ZB: PTKM-R-A; petrokemija.hr) announced its Q3/Q1-Q3 2021 results today. This report contains unaudited financial statements for the period ending on 30<sup>th</sup> of September 2021 as prepared by the management in accordance with the International Financial Reporting Standards.

## Petrokemija Group financial results (IFRS) <sup>(1)</sup>

Q3 2020	Q3 2021	HRK mln	Q1-Q3 2020	Q1-Q3 2021	%
454	583	Sales revenues	1,416	1,501	6
103	(6)	EBITDA <sup>(2)</sup>	395	89	(78)
<b>96</b>	<b>(6)</b>	<b>EBITDA excl. special items <sup>(3)</sup></b>	<b>401</b>	<b>141</b>	<b>(65)</b>
82	(31)	Profit/(loss) from operations	330	17	(95)
<b>75</b>	<b>(31)</b>	<b>Operating profit excl. special items <sup>(3)</sup></b>	<b>336</b>	<b>70</b>	<b>(79)</b>
(5)	(1)	Net result from financial activities	(15)	(1)	(91)
78	(32)	Net profit/loss	314	16	(95)
<b>71</b>	<b>(32)</b>	<b>Net profit/loss for the period excl. special items <sup>(3)</sup></b>	<b>321</b>	<b>68</b>	<b>(79)</b>
<b>85</b>	<b>(32)</b>	<b>Simplified Free Cash Flow <sup>(4)</sup></b>	<b>373</b>	<b>49</b>	<b>(87)</b>
9	(22)	Net debt <sup>(5)</sup>	9	(22)	n.a.
1	(3)	Net gearing (%) <sup>(6)</sup>	1	(3)	n.a.
<b>11</b>	<b>27</b>	<b>CAPEX</b>	<b>29</b>	<b>92</b>	<b>221</b>

  

Q3 2020	Q3 2021	EUR mln <sup>(7)</sup>	Q1-Q3 2020	Q1-Q3 2021	%
60	78	Sales revenues	188	199	6
14	(1)	EBITDA <sup>(2)</sup>	52	12	(78)
<b>13</b>	<b>(1)</b>	<b>EBITDA excl. special items <sup>(3)</sup></b>	<b>53</b>	<b>19</b>	<b>(65)</b>
11	(4)	Profit/(loss) from operations	44	2	(95)
<b>10</b>	<b>(4)</b>	<b>Operating profit excl. special items <sup>(3)</sup></b>	<b>45</b>	<b>9</b>	<b>(79)</b>
(1)	(0)	Net result from financial activities	(2)	(0)	(91)
10	(4)	Net profit/loss	42	2	(95)
<b>9</b>	<b>(4)</b>	<b>Net profit/loss for the period excl. special items <sup>(3)</sup></b>	<b>43</b>	<b>9</b>	<b>(79)</b>
<b>11</b>	<b>(4)</b>	<b>Simplified Free Cash Flow <sup>(4)</sup></b>	<b>50</b>	<b>6</b>	<b>(87)</b>
1	(3)	Net debt <sup>(5)</sup>	1	(3)	n.a.
1	(3)	Net gearing (%) <sup>(6)</sup>	1	(3)	n.a.
<b>1</b>	<b>4</b>	<b>CAPEX</b>	<b>4</b>	<b>12</b>	<b>221</b>

<sup>(1)</sup> Percentage change in the tables cannot be calculated using indicated rounded numbers from the table

<sup>(2)</sup> EBITDA = EBIT + Depreciation and amortization

<sup>(3)</sup> EBITDA, operating and net profit were negatively impacted by special items related to the value adjustment of liabilities for CO2 emission charges: in Q1-Q3 2021 – HRK 50.5 million; Q1-Q3 2020 – HRK 4.4 million; and negatively impacted by severance payments: in Q1-Q3 2021 – HRK 1.8 million; Q1-Q3 2020 – HRK 2.4 million.

<sup>(4)</sup> Simplified free cash flow = EBITDA excluding special items - capital expenditures

<sup>(5)</sup> Net debt = Long and short term financial loans + Liabilities for received advances + Accruals + Provisions – Cash and cash equivalents – Given loans and deposits – Other financial assets – Prepaid expenses and accrued income; restatement of previous periods – explanation on page 6

<sup>(6)</sup> Net gearing = Net debt / (net debt plus equity)

<sup>(7)</sup> In converting HRK figures into EUR, the following average CNB (HNB) rates were used: for Q1-Q3 2020 – 7.53 HRK/EUR; Q1-Q3 2021 – 7.53 HRK/EUR; as at September 30<sup>th</sup> 2020 – 7.54 HRK/EUR; as at September 30<sup>th</sup>, 2021 – 7.50 HRK/EUR

In Q1-Q3 2021 EBITDA excluding special items amounted to HRK 141 mln, decreasing compared to Q1-Q3 2020, mainly due to significantly higher natural gas price and lower market demand.

Petrokemija production was lower due to turnaround in Q1 2021 and planned shutdown in June, as a consequence lower quantities of fertilizers was sold. Despite lower quantities sold, sales revenue increased by 6% due to increase of mineral fertilizers sales prices, offsetting the increase of natural gas price in Europe.

During Q1 2021, the turnaround of the production plants was completed which included the Ammonia, UREA, Water Processing, Power Plant, Sulphuric Acid, DEE, PEPI, KAN 1, AN/KAN 2 and NPK 1 plants. This turnaround also included the implementation of investments aimed at energy efficiency development, the most significant being a new combustion air preheater installed at the Ammonia plant, worth HRK 22 mln. CAPEX in Q1-Q3 2021 amounts to HRK 92 mln which is an increase by 221% compared to the same period last year.

Devastating earthquakes hitting Sisak-Moslavina County, had a direct impact on the city of Kutina and Petrokemija's industrial plants, repair efforts are underway also during Q3 2021. In view of the foregoing, Petrokemija temporarily discontinued ammonium nitrate production until the end of 2021, ensuring the safety of the workers and the technological system itself. This circumstance does not have a significant impact on the Company's business operation.



## Management discussion

### Production and sales

Q3 2020	Q3 2021	Fertilizers production (kt)	Q1-Q3 2020	Q1-Q3 2021	%
274	241	Fertilizers	846	598	(29)
Q3 2020	Q3 2021	Fertilizers sales (kt)	Q1-Q3 2020	Q1-Q3 2021	%
60	66	Domestic market	274	260	(5)
225	148	Export	569	386	(32)
<b>285</b>	<b>214</b>	<b>Total fertilizers sales (kt)</b>	<b>843</b>	<b>645</b>	<b>(23)</b>

### Main external parameters

Q3 2020	Q3 2021		Q1-Q3 2020	Q1-Q3 2021	%
8.79	47.10	Natural gas price* (EUR/MWh)	8.70	30.09	246
26.90	61.68	CO2 European Emission Allowances-EUA** (EUR/unit)	26.90	61.68	129
6.44	6.35	HRK/USD average	6.70	6.29	(6)
6.45	6.43	HRK/USD closing	6.45	6.43	(0)
7.52	7.49	HRK/EUR average	7.53	7.53	0
7.54	7.50	HRK/EUR closing	7.54	7.50	(1)

\*CEGH market data – period average

\*\*EEX market data – period closing

### Performance Q1-Q3 2021 vs. Q1-Q3 2020

#### KEY DRIVERS

- Sales volume lower both on domestic market (5%) and export markets (32%)
- Total production was lower (29%) compared to Q1-Q3 2020, caused by production downtime due to the turnaround and planned plant shutdown in June which was made in order to optimize production in line with market demand and perform required maintenance
- Significantly higher natural gas price as a result of higher gas prices in European markets (246%)
- Significant price increase (129%) of CO2 Emissions allowances (EUA) due to new EU directive under which CO2 emissions must be further reduced

#### Commenting on the results, Mr. Davor Žmegač, President of the Management Board said:

Petrokemija Group performance in Q1-Q3 2021 is impacted by significantly higher natural gas price, higher price of CO2 European emission allowances and lower market demand. Negative impacts are partially mitigated by higher fertilizer prices and implemented efficiency measures.

In Q1-Q3 2021 Petrokemija Group achieved HRK 16 mln net profit compared to HRK 314 mln net profit in the same period last year. Considering the result without special items, net profit for Q1-Q3 2021 amounted to HRK 68 mln as opposed to HRK 321 mln net profit in Q1-Q3 2020. Special items had a significant impact, HRK 52 mln in Q1-Q3 2021 and HRK 7 mln in Q1-Q3 2020. Negative effect of value adjustment of liabilities for CO2 emission charges in Q1-Q3 2021 is caused by significantly higher price of CO2 European emission allowances.

At the beginning of 2021 the turnaround was successful realized and the restart of the plant proceeded in the first half of February. The turnaround also included development investments related to production energy efficiency. CAPEX in Q1-Q3 2021 amounts to HRK 92 mln which is an increase by 221% compared to the same period last year.

The management closely monitors the development of the COVID 19 situation and implements relevant recommendations of the Croatian National Institute of Public Health for maintaining the health and safety of the Company's employees and is also continuously working to assess the impact of the pandemic on the Company's operations.



**Petrokemija, Group Consolidated Statement of Profit or Loss**  
**For the period ended 30 September 2020 and 2021**  
**(HRK millions)**

Q3 2020	Q3 2021	HRK mln	Note	Q1-Q3 2020	Q1-Q3 2021	%
<b>454</b>	<b>583</b>	<b>Sales revenue</b>	1	<b>1,416</b>	<b>1,501</b>	<b>6</b>
1	1	Income from own consumption of products and services		3	13	388
1	1	Other operating income		5	7	56
<b>456</b>	<b>584</b>	<b>Total operating income</b>		<b>1,423</b>	<b>1,521</b>	<b>7</b>
6	(65)	Inventory change of finished prod. and work in progress		27	(3)	n.a.
228	582	Cost of raw materials and consumables	2	716	1,178	65
20	26	Depreciation and amortization	5	65	71	9
15	13	Other material costs	2	39	34	(14)
45	44	Staff costs	6	133	131	(1)
17	16	Cost of other goods sold		18	28	52
41	(1)	Other costs	4	95	64	(33)
0	0	Impairment and charges		0	1	n.a.
0	0	Provisions for charges and risks	3	0	0	0
<b>374</b>	<b>616</b>	<b>Operating expenses</b>		<b>1,094</b>	<b>1,503</b>	<b>37</b>
<b>82</b>	<b>(31)</b>	<b>Profit/(Loss) from operations</b>		<b>330</b>	<b>17</b>	<b>(95)</b>
1	1	Finance income		4	5	25
6	2	Finance costs		19	6	(69)
<b>(5)</b>	<b>(1)</b>	<b>Net (loss) / profit from financial activities</b>	7	<b>(15)</b>	<b>(1)</b>	<b>(91)</b>
<b>78</b>	<b>(32)</b>	<b>Profit/(Loss) for the year</b>		<b>314</b>	<b>16</b>	<b>(95)</b>



**Petrokemija, Group Consolidated Statement of Financial Position**  
**At 31 December 2020 and 30 September 2021**  
 (HRK millions)

HRK mln	Note	31 Dec 2020	30 Sep 2021	%
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		1	5	304
Property, plant and equipment	9	592	607	3
Investment in subsidiaries		0	0	0
Other investments		0	0	0
Long-term receivables		0	3	n.a.
Deferred tax		0	0	0
<b>Total non-current assets</b>		<b>594</b>	<b>616</b>	<b>4</b>
<b>Current assets</b>				
Inventories	10	204	224	10
Trade receivables net	11	10	23	117
Other receivables		31	77	150
Given loans and deposits		165	31	(81)
Other current assets		56	26	(54)
Prepaid expenses and accrued income		52	464	796
Cash and cash equivalents		120	57	(52)
<b>Total current assets</b>		<b>638</b>	<b>902</b>	<b>41</b>
<b>Total assets</b>	<b>8</b>	<b>1,231</b>	<b>1,517</b>	<b>23</b>
<b>Equity and liabilities</b>				
<b>Capital and reserves</b>				
Share capital		550	550	0
Capital reserves		(0)	(0)	0
Other reserves		(0)	4	n.a.
Retained earnings / (Deficit)		(182)	81	n.a.
Current earnings / (Deficit)		267	16	(94)
Non-controlling interests		2	1	(27)
<b>Total equity</b>		<b>638</b>	<b>653</b>	<b>2</b>
<b>Non-current liabilities</b>				
Long-term loans		95	93	(1)
Other non-current liabilities		0	0	0
Employee benefits provisions		12	11	(4)
Other provisions		10	10	1
<b>Total non-current liabilities</b>		<b>117</b>	<b>115</b>	<b>(1)</b>
<b>Current liabilities</b>				
Bank loans and other creditors		15	4	(75)
Trade payables	13	123	282	130
Taxes and contributions		7	6	(19)
Other current liabilities	14	36	49	37
Accruals and deferred income		279	398	43
Employee benefits obligation		18	10	(43)
<b>Total current liabilities</b>		<b>477</b>	<b>749</b>	<b>57</b>
<b>Total liabilities</b>	<b>12</b>	<b>594</b>	<b>864</b>	<b>45</b>
<b>Total equity and liabilities</b>		<b>1,231</b>	<b>1,517</b>	<b>23</b>



**Petrokemija, Group Consolidated Statement of Cash Flow**  
**For the period ended 30 September 2020 and 2021**  
**(HRK millions)**

HRK mln	Note	Q1-Q3 2020	Q1-Q3 2021	%
<b>Profit for the year</b>		<b>314</b>	<b>16</b>	<b>(95)</b>
<b>Adjustments for:</b>				
Depreciation and amortization		65	72	10
Gain on sale of property, plant, equipment and impairment		0	0	0
Other finance expense/(income) recognized in profit		12	3	(74)
(Decrease)/increase in provisions		(0)	(0)	0
Foreign exchange loss/(gain)		(3)	3	n.a.
Other non-cash items		0	0	0
<b>Operating cash flow before working capital changes</b>	15	<b>388</b>	<b>93</b>	<b>(76)</b>
<b>Movements in working capital</b>	16			
Decrease/(increase) in inventories		(13)	(20)	59
Decrease/(increase) in receivables and prepayments		8	(475)	n.a.
(Decrease)/increase in trade and other payables		(24)	280	n.a.
<b>Cash generated from operations</b>		<b>359</b>	<b>(122)</b>	<b>n.a.</b>
Interest expense (net)		(18)	(4)	(76)
<b>Net cash inflow from operating activities</b>		<b>342</b>	<b>(127)</b>	<b>n.a.</b>
<b>Cash flows used in investing activities</b>				
Capital expenditures, exploration and development costs		(27)	(91)	239
Interest on loans, net		0	0	0
Investments and loans to third parties, net		0	3	594
<b>Net cash used for investing activities</b>	17	<b>(26)</b>	<b>(88)</b>	<b>236</b>
<b>Cash flows from financing activities</b>				
Issuing of own and debt financial instruments		0	0	0
Repayment borrowings, net		(249)	(11)	(95)
Other financing activities		(0)	(0)	0
<b>Net cash used in financing activities</b>		<b>(249)</b>	<b>(12)</b>	<b>(95)</b>
Net (decrease)/increase in cash and cash equivalents		67	(227)	n.a.
At 1 January		483	341	(29)
Effect of foreign exchange rate changes		0	0	0
At the end of period		550	114	(79)

\*Cash equivalents include short-term deposits (under 3 months)



## Financial overview and notes

### STATEMENT OF PROFIT OR LOSS

Notes

#### Q1-Q3 2021 RESULTS

- 1 **Total sales revenues** in Q1-Q3 2021 amounted to HRK 1501 million and were 6% higher compared to Q1-Q3 2020, triggered by higher sales prices.
- 2 **Costs of raw materials, consumables and other material costs** were 60% higher than in Q1-Q3 2020, at HRK 1211 million, mainly due to higher price of natural gas.
- 3 In Q1-Q3 2021 as well as in Q1-Q3 2020 no provisions were recorded.
- 4 Other **operating costs** realized in Q1-Q3 2021 are below the level of Q1-Q3 2020 due to of lower cost for CO2 charges connected with lower production; partially offset by negative effect of value adjustment of liabilities for CO2 emission charges.
- 5 **Depreciation** in the amount of HRK 71 million was 9% higher compared to Q1-Q3 2020 due to turnaround investments in Q1 2021.
- 6 **Staff costs** in the amount of HRK 131 million were 1% lower compared to Q1-Q3 2020.
- 7 **Net result from financial activities** is negative in Q1-Q3 2021 and amounts to HRK 1.4 million, while in Q1-Q3 2020 loss in the amount of HRK 15.3 million was made.
- Net foreign exchange gain as HRK 2.6 million in Q1-Q3 2021, while in Q1-Q3 2020 loss amounted to HRK 3.2 mln.
  - Net interest payable amounted to HRK 4 million in Q1-Q3 2021, while in Q1-Q3 2020 they amounted to HRK 12.1 mln

### STATEMENT OF FINANCIAL POSITION

Notes

- 8 As at 30<sup>th</sup> September 2021 Petrokemija Group **total assets** amounted to HRK 1,517 million, 23% higher compared to 31<sup>st</sup> December 2020.
- 9 In the period ended 30<sup>th</sup> September 2021, Petrokemija invested HRK 92 million in **property, plant and equipment**. This effect increased net book value of property, plant and equipment to amount of HRK 607 million.
- 10 **Inventories** amounted to HRK 224 million, and have increased by 10% compared to 31<sup>st</sup> December 2020.
- 11 **Trade receivables** increased to HRK 23 million.
- 12 As at 30<sup>th</sup> September 2021 **total liabilities** amounted to HRK 864 million which is 45% or HRK 270 million higher compared to 31<sup>st</sup> December 2020. Petrokemija **net debt** <sup>(1)</sup> is negative and amounts to HRK 22 million with a negative **gearing ratio** of 3%, while at 30<sup>th</sup> September 2020 the **net debt** amounted to HRK 9 million with a **gearing ratio** of 1%.
- 13 **Trade payables** increased by 130% to HRK 282 million, as a result of higher liabilities for natural gas and raw materials.
- 14 **Other current liabilities** increased by 37% to HRK 49 million, out of which liabilities for advance payments increased from HRK 27 million to HRK 40 million.

### CASH FLOW

Notes

- 15 The **operating cash-flow before changes in working capital** amounted to HRK 93 million in Q1-Q3 2021 representing a decrease of HRK 295 million compared to Q1-Q3 2020, which is in line with the change in EBITDA performance compared to the previous year.
- 16 **Changes in working capital** affected the operating cash flow negatively by HRK 216 million in Q1-Q3 2021, due to:
- increasead value of inventories by HRK 20 million
  - increase in receivables by HRK 475 million due to free CO2 Emissions allowances (EUA) to be allotted to the company
  - increase in trade and other payables by HRK 280 million mainly as a result of higher liabilities for CO2 Emissions allowances (EUA) and natural gas
- 17 **Net outflows from investing activities** amounted to HRK 88 million, which is by HRK 62 million higher compared to Q1-Q3 2020.

#### Restatement

- (1) Petrokemija adjusted its Net debt methodology in Q1 2021 to better align the reporting to standard of company owners and other listed companies, with Net debt now being calculated as Long and short term financial loans + Liabilities for received advances + Accruals + Provisions – Cash and cash equivalents – Given loans and deposits – Other financial assets – Prepaid expenses and accrued income.





## Special items in EBITDA, operating and net profit

In addition to international accounting standards, international reporting standards and regulatory requests the company discloses special items to achieve a higher level of transparency and to provide better understanding of the usual business operations. Business events not occurring regularly and having significant effect on operations and results are considered as special items. Furthermore, in accordance with the adopted accounting policies and IFRS 36 – Impairment of Assets, Petrokemija Group performs impairment testing at the end of each reporting period if impairment indicators are assessed to be significant.

EBITDA, operating and net profit were negatively impacted by special items related to the value adjustment of liabilities for CO2 emission charges: in Q1-Q3 2021 – HRK 50.5 million; Q1-Q3 2020 – HRK 4.4 million; and negatively impacted by severance payments: in Q1-Q3 2021 – HRK 1.8 million; Q1-Q3 2020 – HRK 2.4 million.

## Financial instruments and risks

Risks are described in detail in audited Petrokemija Group Financial Statements for the year ended on 31<sup>st</sup> of December 2020.

As of 30<sup>th</sup> September 2021 Petrokemija, had credit debt of HRK 97 million, out of which HRK 4 million is related to short-term debt and HRK 93 million is related to long term debt toward banks.

## Changes in equity

HRK mln	Share capital	Legal reserves	Other reserves	Fair value reserves	(Accumulated losses) / Retained earnings	Attributable to equity holders of the parent	Non controlling interest	Total
<b>Balance at 1 January 2020</b>	<b>550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(182)</b>	<b>368</b>	<b>2</b>	<b>371</b>
Profit/(loss) for the period	0	0	0	0	267	267	(0)	267
Other comprehensive gain, net	0	0	0	0	0	0	0	0
<b>Total comprehensive income/(loss) for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>267</b>	<b>267</b>	<b>(0)</b>	<b>267</b>
Transfer	0	0	0	0	0	0	0	0
Transfer to legal reserves from retained earnings	0	0	0	0	0	0	0	0
Dividend paid	0	0	0	0	0	0	0	0
<b>Balance at 1 January 2021</b>	<b>550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>86</b>	<b>636</b>	<b>2</b>	<b>638</b>
Profit/(Loss) for the period	0	0	0	0	16	16.4	-0.5	15.9
Transfer	0	0	0	0	0	0	0	0
Other comprehensive loss, net	0	0	0	0	0	0	0	0
<b>Total comprehensive income/(loss) for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>16.4</b>	<b>-0.5</b>	<b>15.9</b>
Transfer to legal reserves from retained earnings	0	4	0	0	-4	0	0	0
Dividends paid	0	0	0	0	0	0	0	0
<b>Balance at 30 September 2021</b>	<b>550</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>652</b>	<b>1</b>	<b>653</b>



## *Management representation*

Petrokemija financial statements for Q1-Q3 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS), i.e. they present fairly, in all material aspects, the financial position of the company, results of its operations and cash flows. Mr. Juraj Kojundžić's mandate as Management Board member ceased on July 14<sup>th</sup> of 2021. Mr. Dalibor Sokolović, has been appointed member of the Management Board in charge of finance as of July 15<sup>th</sup>, 2021.

Management Board:

<b>Davor Žmegač</b>	<b>President</b>
<b>Dalibor Sokolović</b>	<b>Member</b>
<b>Krešimir Rendeli</b>	<b>Member</b>
<b>Peter Suba</b>	<b>Member</b>