

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2021

to

31.3.2021

Year:

2021

Quarter:

1

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:

1411

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

1376

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

PETROKEMIJA d.o.o. u likvidaciji

NOVI SAD

8754608

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 31.03.2021

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 |
| A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID | 001 | 0 | 0 |
| B) FIXED ASSETS (ADP 003+010+020+031+036) | 002 | 593.828.170 | 625.722.401 |
| I INTANGIBLE ASSETS (ADP 004 to 009) | 003 | 1.312.646 | 1.433.359 |
| 1 Research and development | 004 | 0 | 0 |
| 2 Concessions, patents, licences, trademarks, software and other rights | 005 | 1.265.671 | 1.043.777 |
| 3 Goodwill | 006 | 0 | 0 |
| 4 Advances for the purchase of intangible assets | 007 | 0 | 0 |
| 5 Intangible assets in preparation | 008 | 46.975 | 389.582 |
| 6 Other intangible assets | 009 | 0 | 0 |
| II TANGIBLE ASSETS (ADP 011 to 019) | 010 | 592.190.753 | 623.479.559 |
| 1 Land | 011 | 44.545.624 | 44.545.624 |
| 2 Buildings | 012 | 168.475.269 | 163.964.822 |
| 3 Plant and equipment | 013 | 329.024.183 | 320.686.172 |
| 4 Tools, working inventory and transportation assets | 014 | 13.673.168 | 12.543.474 |
| 5 Biological assets | 015 | 0 | 0 |
| 6 Advances for the purchase of tangible assets | 016 | 6.632 | 289.996 |
| 7 Tangible assets in preparation | 017 | 34.179.192 | 79.493.545 |
| 8 Other tangible assets | 018 | 2.286.685 | 1.955.926 |
| 9 Investment property | 019 | 0 | 0 |
| III FIXED FINANCIAL ASSETS (ADP 021 to 030) | 020 | 10.226 | 10.226 |
| 1 Investments in holdings (shares) of undertakings within the group | 021 | 0 | 0 |
| 2 Investments in other securities of undertakings within the group | 022 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 023 | 0 | 0 |
| 4. Investments in holdings (shares) of companies linked by virtue of participating interests | 024 | 0 | 0 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 025 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 026 | 0 | 0 |
| 7 Investments in securities | 027 | 0 | 0 |
| 8 Loans, deposits, etc. given | 028 | 0 | 0 |
| 9 Other investments accounted for using the equity method | 029 | 10.226 | 10.226 |
| 10 Other fixed financial assets | 030 | 0 | 0 |
| IV RECEIVABLES (ADP 032 to 035) | 031 | 167.981 | 652.686 |
| 1 Receivables from undertakings within the group | 032 | 0 | 0 |
| 2 Receivables from companies linked by virtue of participating interests | 033 | 0 | 0 |
| 3 Customer receivables | 034 | 0 | 0 |
| 4 Other receivables | 035 | 167.981 | 652.686 |
| V DEFERRED TAX ASSETS | 036 | 146.564 | 146.571 |
| C) CURRENT ASSETS (ADP 038+046+053+063) | 037 | 585.848.714 | 493.389.705 |
| I INVENTORIES (ADP 039 to 045) | 038 | 203.852.573 | 162.662.116 |
| 1 Raw materials and consumables | 039 | 97.486.858 | 107.621.100 |
| 2 Work in progress | 040 | 13.871.231 | 21.923.109 |
| 3 Finished goods | 041 | 87.259.720 | 29.664.396 |
| 4 Merchandise | 042 | 1.082.897 | 1.160.977 |
| 5 Advances for inventories | 043 | 4.151.867 | 2.292.534 |
| 6 Fixed assets held for sale | 044 | 0 | 0 |
| 7 Biological assets | 045 | 0 | 0 |
| II RECEIVABLES (ADP 047 to 052) | 046 | 41.085.500 | 52.914.797 |
| 1 Receivables from undertakings within the group | 047 | 0 | 0 |
| 2 Receivables from companies linked by virtue of participating interests | 048 | 0 | 0 |
| 3 Customer receivables | 049 | 10.462.499 | 20.660.062 |
| 4 Receivables from employees and members of the undertaking | 050 | 24.557 | 26.761 |
| 5 Receivables from government and other institutions | 051 | 28.737.204 | 29.488.641 |
| 6 Other receivables | 052 | 1.861.240 | 2.739.333 |
| III CURRENT FINANCIAL ASSETS (ADP 054 to 062) | 053 | 221.318.902 | 189.019.590 |
| 1 Investments in holdings (shares) of undertakings within the group | 054 | 0 | 0 |
| 2 Investments in other securities of undertakings within the group | 055 | 0 | 0 |
| 3 Loans, deposits, etc. to undertakings within the group | 056 | 0 | 0 |
| 4 Investments in holdings (shares) of companies linked by virtue of participating interests | 057 | 0 | 0 |
| 5 Investment in other securities of companies linked by virtue of participating interests | 058 | 0 | 0 |
| 6 Loans, deposits etc. to companies linked by virtue of participating interests | 059 | 0 | 0 |
| 7 Investments in securities | 060 | 0 | 0 |

| | | | |
|---|------------|----------------------|----------------------|
| 8 Loans, deposits, etc. given | 061 | 165.298.078 | 150.500.000 |
| 9 Other financial assets | 062 | 56.020.824 | 38.519.590 |
| IV CASH AT BANK AND IN HAND | 063 | 119.591.739 | 88.793.202 |
| D) PREPAID EXPENSES AND ACCRUED INCOME | 064 | 51.796.920 | 250.076.862 |
| E) TOTAL ASSETS (ADP 001+002+037+064) | 065 | 1.231.473.804 | 1.369.188.968 |
| OFF-BALANCE SHEET ITEMS | 066 | 435.126.367 | 431.959.428 |
| LIABILITIES | | | |
| A) CAPITAL AND RESERVES (ADP 068 to | 067 | 637.563.880 | 657.252.880 |
| 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 | 32.285 |
| 1 Legal reserves | 071 | 0 | 0 |
| 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 | 46.365 |
| 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 | 85.723.445 |
| 1 Retained profit | 084 | 0 | 85.723.445 |
| 2 Loss brought forward | 085 | 181.598.603 | 0 |
| VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088) | 086 | 267.296.110 | 19.959.046 |
| 1 Profit for the business year | 087 | 267.296.110 | 19.959.046 |
| 2 Loss for the business year | 088 | 0 | 0 |
| VIII MINORITY (NON-CONTROLLING) INTEREST | 089 | 1.898.394 | 1.601.094 |
| B) PROVISIONS (ADP 091 to 096) | 090 | 22.111.137 | 21.975.136 |
| 1 Provisions for pensions, termination benefits and similar obligations | 091 | 11.882.948 | 11.746.948 |
| 2 Provisions for tax liabilities | 092 | 0 | 0 |
| 3 Provisions for ongoing legal cases | 093 | 1.307.256 | 1.307.255 |
| 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 | 8.920.933 |
| C) LONG-TERM LIABILITIES (ADP 098 to 108) | 097 | 94.504.547 | 94.741.519 |
| 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 | 94.063.219 |
| 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 | 678.300 |
| 11 Deferred tax liability | 108 | 0 | 0 |
| D) SHORT-TERM LIABILITIES (ADP 110 to 123) | 109 | 198.638.263 | 321.508.296 |
| 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 | 86.566.665 |
| 7 Liabilities for advance payments | 116 | 27.495.984 | 18.245.760 |
| 8 Liabilities to suppliers | 117 | 122.888.798 | 191.667.451 |
| 9 Liabilities for securities | 118 | 0 | 0 |
| 10 Liabilities to employees | 119 | 18.049.177 | 10.494.341 |
| 11 Taxes, contributions and similar liabilities | 120 | 7.185.423 | 6.163.616 |
| 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 | 8.370.463 |
| E) ACCRUALS AND DEFERRED INCOME | 124 | 278.655.977 | 273.711.137 |
| F) TOTAL – LIABILITIES (ADP 067+090+097+109+124) | 125 | 1.231.473.804 | 1.369.188.968 |
| G) OFF-BALANCE SHEET ITEMS | 126 | 435.126.367 | 431.959.428 |

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2021 to 31.3.2021

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 |
| I OPERATING INCOME (ADP 002 to 006) | 001 | 563.263.018 | 563.263.018 | 504.487.387 | 504.487.387 |
| 1 Income from sales with undertakings within the group | 002 | 0 | 0 | 0 | 0 |
| 2 Income from sales (outside group) | 003 | 562.448.970 | 562.448.970 | 490.297.921 | 490.297.921 |
| 3 Income from the use of own products, goods and services | 004 | 270.478 | 270.478 | 11.145.222 | 11.145.222 |
| 4 Other operating income with undertakings within the group | 005 | 0 | 0 | 0 | 0 |
| 5 Other operating income (outside the group) | 006 | 543.570 | 543.570 | 3.044.244 | 3.044.244 |
| II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029) | 007 | 409.123.760 | 409.123.760 | 484.159.438 | 484.159.438 |
| 1 Changes in inventories of work in progress and finished goods | 008 | 36.872.104 | 36.872.104 | 49.543.446 | 49.543.446 |
| 2 Material costs (ADP 010 to 012) | 009 | 297.823.866 | 297.823.866 | 281.735.875 | 281.735.875 |
| a) Costs of raw materials and consumables | 010 | 290.297.107 | 290.297.107 | 272.325.616 | 272.325.616 |
| b) Costs of goods sold | 011 | 561.785 | 561.785 | 1.777.728 | 1.777.728 |
| c) Other external costs | 012 | 6.964.974 | 6.964.974 | 7.632.531 | 7.632.531 |
| 3 Staff costs (ADP 014 to 016) | 013 | 42.785.616 | 42.785.616 | 43.665.208 | 43.665.208 |
| a) Net salaries and wages | 014 | 27.295.669 | 27.295.669 | 28.040.320 | 28.040.320 |
| b) Tax and contributions from salary costs | 015 | 9.619.941 | 9.619.941 | 9.718.413 | 9.718.413 |
| c) Contributions on salaries | 016 | 5.870.006 | 5.870.006 | 5.906.475 | 5.906.475 |
| 4 Depreciation | 017 | 22.602.081 | 22.602.081 | 21.000.166 | 21.000.166 |
| 5 Other costs | 018 | 9.011.973 | 9.011.973 | 88.194.872 | 88.194.872 |
| 6 Value adjustments (ADP 020+021) | 019 | 25 | 25 | 1.247 | 1.247 |
| a) fixed assets other than financial assets | 020 | 24 | 24 | 1.247 | 1.247 |
| b) current assets other than financial assets | 021 | 1 | 1 | 0 | 0 |
| 7 Provisions (ADP 023 to 028) | 022 | 0 | 0 | 0 | 0 |
| a) Provisions for pensions, termination benefits and similar obligations | 023 | 0 | 0 | 0 | 0 |
| b) Provisions for tax liabilities | 024 | 0 | 0 | 0 | 0 |
| c) Provisions for ongoing legal cases | 025 | 0 | 0 | 0 | 0 |
| d) Provisions for renewal of natural resources | 026 | 0 | 0 | 0 | 0 |
| e) Provisions for warranty obligations | 027 | 0 | 0 | 0 | 0 |
| f) Other provisions | 028 | 0 | 0 | 0 | 0 |
| 8 Other operating expenses | 029 | 28.095 | 28.095 | 18.624 | 18.624 |
| III FINANCIAL INCOME (ADP 031 to 040) | 030 | 1.919.447 | 1.919.447 | 1.705.616 | 1.705.616 |
| 1 Income from investments in holdings (shares) of undertakings within the group | 031 | 0 | 0 | 0 | 0 |
| 2 Income from investments in holdings (shares) of companies linked by virtue of participating interests | 032 | 0 | 0 | 0 | 0 |
| 3 Income from other long-term financial investment and loans granted to undertakings within the group | 033 | 0 | 0 | 0 | 0 |
| 4 Other interest income from operations with undertakings within the group | 034 | 0 | 0 | 0 | 0 |
| 5 Exchange rate differences and other financial income from operations with undertakings within the group | 035 | 0 | 0 | 0 | 0 |
| 6 Income from other long-term financial investments and loans | 036 | 0 | 0 | 0 | 0 |
| 7 Other interest income | 037 | 71.578 | 71.578 | 22.216 | 22.216 |
| 8 Exchange rate differences and other financial income | 038 | 1.768.201 | 1.768.201 | 1.664.974 | 1.664.974 |
| 9 Unrealised gains (income) from financial assets | 039 | 0 | 0 | 0 | 0 |
| 10 Other financial income | 040 | 79.668 | 79.668 | 18.426 | 18.426 |
| IV FINANCIAL EXPENSES (ADP 042 to 048) | 041 | 8.756.240 | 8.756.240 | 2.371.819 | 2.371.819 |
| 1 Interest expenses and similar expenses with undertakings within the group | 042 | 0 | 0 | 706 | 706 |
| 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 | 4.866.998 | 4.866.998 | 1.437.405 | 1.437.405 |
| 4 Exchange rate differences and other expenses | 045 | 3.491.412 | 3.491.412 | 908.992 | 908.992 |
| 5 Unrealised losses (expenses) from financial assets | 046 | 0 | 0 | 2.928 | 2.928 |
| 6 Value adjustments of financial assets (net) | 047 | 0 | 0 | 0 | 0 |
| 7 Other financial expenses | 048 | 397.830 | 397.830 | 21.788 | 21.788 |
| V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS | 049 | 0 | 0 | 0 | 0 |
| VI SHARE IN PROFIT FROM JOINT VENTURES | 050 | 0 | 0 | 0 | 0 |
| VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST | 051 | 0 | 0 | 0 | 0 |
| VIII SHARE IN LOSS OF JOINT VENTURES | 052 | 0 | 0 | 0 | 0 |
| IX TOTAL INCOME (ADP 001+030+049 +050) | 053 | 565.182.465 | 565.182.465 | 506.193.003 | 506.193.003 |
| X TOTAL EXPENDITURE (ADP 007+041+051 + 052) | 054 | 417.880.000 | 417.880.000 | 486.531.257 | 486.531.257 |
| XI PRE-TAX PROFIT OR LOSS (ADP 053-054) | 055 | 147.302.465 | 147.302.465 | 19.661.746 | 19.661.746 |
| 1 Pre-tax profit (ADP 053-054) | 056 | 147.302.465 | 147.302.465 | 19.661.746 | 19.661.746 |
| 2 Pre-tax loss (ADP 054-053) | 057 | 0 | 0 | 0 | 0 |
| XII INCOME TAX | 058 | 0 | 0 | 0 | 0 |
| XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059) | 059 | 147.302.465 | 147.302.465 | 19.661.746 | 19.661.746 |

| | | | | | |
|---|------------|--------------------|--------------------|-------------------|-------------------|
| 1 Profit for the period (ADP 055-059) | 060 | 147.302.465 | 147.302.465 | 19.661.746 | 19.661.746 |
| 2 Loss for the period (ADP 059-055) | 061 | 0 | 0 | 0 | 0 |
| DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations) | | | | | |
| XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064) | 062 | 0 | 0 | 0 | 0 |
| 1 Pre-tax profit from discontinued operations | 063 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss on discontinued operations | 064 | 0 | 0 | 0 | 0 |
| XV INCOME TAX OF DISCONTINUED OPERATIONS | 065 | 0 | 0 | 0 | 0 |
| 1 Discontinued operations profit for the period (ADP 062-065) | 066 | | | | |
| 2 Discontinued operations loss for the period (ADP 065-062) | 067 | | | | |
| TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations) | | | | | |
| XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062) | 068 | | | | |
| 1 Pre-tax profit (ADP 068) | 069 | 0 | 0 | 0 | 0 |
| 2 Pre-tax loss (ADP 068) | 070 | 0 | 0 | 0 | 0 |
| XVII INCOME TAX (ADP 058+065) | 071 | | | | |
| XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071) | 072 | | | | |
| 1 Profit for the period (ADP 068-071) | 073 | | | | |
| 2 Loss for the period (ADP 071-068) | 074 | | | | |
| APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements) | | | | | |
| XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077) | 075 | 147.259.465 | 147.259.465 | 19.661.746 | 19.661.746 |
| 1 Attributable to owners of the parent | 076 | 147.885.750 | 147.885.750 | 19.959.046 | 19.959.046 |
| 2 Attributable to minority (non-controlling) interest | 077 | -626.285 | -626.285 | -297.300 | -297.300 |
| STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS) | | | | | |
| I PROFIT OR LOSS FOR THE PERIOD | 078 | | | | |
| II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87) | 079 | 0 | 0 | 0 | 0 |
| III Items that will not be reclassified to profit or loss (ADP 081 to 085) | 080 | 0 | 0 | 0 | 0 |
| 1 Changes in revaluation reserves of fixed tangible and intangible assets | 081 | 0 | 0 | 0 | 0 |
| 2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income | 082 | 0 | 0 | 0 | 0 |
| 3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk | 083 | 0 | 0 | 0 | 0 |
| 4 Actuarial gains/losses on the defined benefit obligation | 084 | 0 | 0 | | 0 |
| 5 Other items that will not be reclassified | 085 | 0 | 0 | 0 | 0 |
| 6 Income tax relating to items that will not be reclassified | 086 | 0 | 0 | 0 | 0 |
| IV Items that may be reclassified to profit or loss (ADP 088 to 095) | 087 | 0 | 0 | 0 | 0 |
| 1 Exchange rate differences from translation of foreign operations | 088 | 0 | 0 | 0 | 0 |
| 2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income | 089 | 0 | 0 | 0 | 0 |
| 3 Profit or loss arising from effective cash flow hedging | 090 | 0 | 0 | 0 | 0 |
| 4 Profit or loss arising from effective hedge of a net investment in a foreign operation | 091 | 0 | 0 | 0 | 0 |
| 5 Share in other comprehensive income/loss of companies linked by virtue of participating interests | 092 | 0 | 0 | 0 | 0 |
| 6 Changes in fair value of the time value of option | 093 | 0 | 0 | 0 | 0 |
| 7 Changes in fair value of forward elements of forward contracts | 094 | 0 | 0 | 0 | 0 |
| 8 Other items that may be reclassified to profit or loss | 095 | 0 | 0 | 0 | 0 |
| 9 Income tax relating to items that may be reclassified to profit or loss | 096 | 0 | 0 | 0 | 0 |
| V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096) | 097 | 0 | 0 | 0 | 0 |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097) | 098 | 0 | 0 | 0 | 0 |
| APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements) | | | | | |
| VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101) | 099 | 147.259.465 | 147.259.465 | 19.661.746 | 19.661.746 |
| 1 Attributable to owners of the parent | 100 | 147.885.750 | 147.885.750 | 19.959.046 | 19.959.046 |
| 2 Attributable to minority (non-controlling) interest | 101 | -626.285 | -626.285 | -297.300 | -297.300 |

STATEMENT OF CASH FLOWS - indirect method
for the period 1.1.2021 to 31.3.2021

in HRK

| Submitter: GROUP PETROKEMIJA | | | |
|---|------------|----------------------------------|--------------------|
| Item | ADP code | Same period of the previous year | Current period |
| 1 | 2 | 3 | 4 |
| Cash flow from operating activities | | | |
| 1 Pre-tax profit | 001 | 147.259.465 | 19.661.746 |
| 2 Adjustments (ADP 003 to 010): | 002 | 25.529.291 | 23.114.104 |
| a) Depreciation | 003 | 22.602.081 | 21.000.166 |
| 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 | -71.577 | 22.216 |
| e) Interest expenses | 007 | 4.866.998 | 1.451.618 |
| f) Provisions | 008 | -145.000 | -136.001 |
| g) Exchange rate differences (unrealised) | 009 | -1.723.211 | 776.105 |
| h) Other adjustments for non-cash transactions and unrealised gains and losses | 010 | 0 | 0 |
| I Cash flow increase or decrease before changes in working capital (ADP 001+002) | 011 | 172.788.756 | 42.775.850 |
| 3 Changes in the working capital (ADP 013 to 016) | 012 | -15.446.213 | -48.921.424 |
| a) Increase or decrease in short-term liabilities | 013 | -98.918.460 | 120.823.128 |
| b) Increase or decrease in short-term receivables | 014 | 48.361.630 | -210.935.009 |
| c) Increase or decrease in inventories | 015 | 35.110.617 | 41.190.457 |
| d) Other increase or decrease in working capital | 016 | 0 | 0 |
| II Cash from operations (ADP 011+012) | 017 | 157.342.543 | -6.145.574 |
| 4 Interest paid | 018 | -11.830.677 | -1.487.447 |
| 5 Income tax paid | 019 | 0 | 0 |
| A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019) | 020 | 145.511.866 | -7.633.021 |
| Cash flow from investment activities | | | |
| 1 Cash receipts from sales of fixed tangible and intangible assets | 021 | 369.359 | 106.875 |
| 2 Cash receipts from sales of financial instruments | 022 | 0 | 0 |
| 3 Interest received | 023 | 108.330 | 25.567 |
| 4 Dividends received | 024 | 0 | 0 |
| 5 Cash receipts from repayment of loans and deposits | 025 | 0 | 0 |
| 6 Other cash receipts from investment activities | 026 | 0 | 0 |
| III Total cash receipts from investment activities (ADP 021 to 026) | 027 | 477.689 | 132.442 |
| 1 Cash payments for the purchase of fixed tangible and intangible assets | 028 | -6.297.208 | -52.409.685 |
| 2 Cash payments for the acquisition of financial instruments | 029 | 0 | 0 |
| 3 Cash payments for loans and deposits for the period | 030 | 0 | 0 |
| 4 Acquisition of a subsidiary, net of cash acquired | 031 | 0 | 0 |
| 5 Other cash payments from investment activities | 032 | 0 | 0 |
| IV Total cash payments from investment activities (ADP 028 to 032) | 033 | -6.297.208 | -52.409.685 |
| B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033) | 034 | -5.819.519 | -52.277.243 |
| Cash flow from financing activities | | | |
| 1 Cash receipts from the increase in initial (subscribed) capital | 035 | 0 | 0 |
| 2 Cash receipts from the issue of equity financial instruments and debt financial instruments | 036 | 0 | 0 |
| 3 Cash receipts from credit principals, loans and other borrowings | 037 | 0 | 0 |
| 4 Other cash receipts from financing activities | 038 | 79.668 | 423.670 |
| V Total cash receipts from financing activities (ADP 035 to 038) | 039 | 79.668 | 423.670 |
| 1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments | 040 | -32.725.892 | -3.757.448 |
| 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 | -397.830 | -21.788 |
| VI Total cash payments from financing activities (ADP 040 to 044) | 045 | -33.123.722 | -3.779.236 |
| C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045) | 046 | -33.044.054 | -3.355.566 |
| 1 Unrealised exchange rate differences in respect of cash and cash equivalents | 047 | 0 | 0 |
| D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047) | 048 | 106.648.293 | -63.265.830 |
| E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 049 | 482.863.110 | 340.910.641 |
| F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049) | 050 | 589.511.403 | 277.644.811 |

STATEMENT OF CHANGES IN EQUITY
for the period from 1.1.2021 to 31.3.2021

in HRK

| Item | ADP code | Attributable to owners of the parent | | | | | | | | | | | | | | | | | | Total capital and reserves |
|---|----------|--------------------------------------|------------------|----------------|------------------------------|--|--------------------|----------------|----------------------|--|-------------------------------------|--|---------------------------|--|--|-----------------------------------|--|-------------------------------------|-------------|----------------------------|
| | | Initial (subscribed) capital | Capital reserves | Legal reserves | Reserves for treasury shares | Treasury shares and holdings (deductible item) | Statutory reserves | Other reserves | Revaluation reserves | Fair value of financial assets through other comprehensive income (available for sale) | Cash flow hedge - effective portion | Hedge of a net investment in a foreign operation - effective portion | Other fair value reserves | Exchange rate differences from translation of foreign operations | Retained profit / loss brought forward | Profit/loss for the business year | Total attributable to owners of the parent | Minority (non-controlling) interest | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 (3 to 6 + 8 to 17) | 19 | 20 (18+19) | |
| Previous period | | | | | | | | | | | | | | | | | | | | |
| 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 | 140.561.813 | 369.625.983 | 1.279.528 | 370.905.511 | |
| 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 | -63.321 | |
| 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 | 140.561.813 | 368.477.326 | 2.374.864 | 370.852.190 | |
| 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 | 268.819.642 | |
| 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 | 0 | -80.951 | 0 | 0 | 0 | 0 | 0 | 140.534.613 | -140.534.613 | -80.951 | 0 | -80.951 | |
| 23 Increase in reserves arising from the pre-bankruptcy settlement procedure | 23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 24 Balance on the last day of the previous business year reporting period (ADP 04 to 23) | 24 | 550.287.010 | -350.000 | 0 | 0 | 14.080 | 0 | 45.049 | 0 | 0 | 0 | 0 | 0 | 0 | -181.598.604 | 267.323.111 | 635.692.486 | 1.898.394 | 637.590.881 | |
| APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS) | | | | | | | | | | | | | | | | | | | | |
| I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14) | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25) | 26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 267.296.111 | 267.296.111 | -476.469 | 268.819.642 | |
| III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23) | 27 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -80.951 | 0 | 0 | 0 | 0 | 0 | 140.534.613 | -140.534.613 | -80.951 | 0 | -80.951 | |
| Current period | | | | | | | | | | | | | | | | | | | | |
| 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 | -181.598.603 | 267.296.111 | 635.695.497 | 1.898.394 | 637.593.881 | |
| 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 | 25.937 | 0 | 25.937 | 0 | 25.937 | |
| 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 | -181.572.666 | 267.296.111 | 635.691.424 | 1.898.394 | 637.599.818 | |
| 5 Profit/loss of the period | 32 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19.959.046 | 19.959.046 | -297.300 | 19.661.746 | |
| 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 plan | 49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1.316 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1.316 | 0 | 1.316 | |
| 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 | 267.296.111 | -267.296.111 | 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 | 0 | 0 | 14.080 | 0 | 46.365 | 0 | 0 | 0 | 0 | 0 | 0 | 85.723.445 | 19.959.046 | 655.651.796 | 1.601.094 | 657.252.880 | |
| APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS) | | | | | | | | | | | | | | | | | | | | |
| I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41) | 52 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 do 52) | 53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19.959.046 | 19.959.046 | -297.300 | 19.661.746 | |
| III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50) | 54 | 0 | 0 | 0 | 0 | 0 | 0 | 1.316 | 0 | 0 | 0 | 0 | 0 | 0 | 267.296.111 | -267.296.111 | 1.316 | 0 | 1.316 | |

NOTES TO FINANCIAL STATEMENTS - TFI

Name of the issuer:: PETROKEMIJA, Plc

Personal identification number (OIB): 24503685008

Reporting period: 1.1.2021. do 31.3.2021.

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 2021 unaudited quarterly financial statements are available at ww

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-March 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 850 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 31 March 2021, Petrokemija Plc has 2 long-term loans totalling HRK 105 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 1,229 and in Petrokemija Group 1,376.

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

Capitalised internal labour 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 2020, Petrokemija Plc capitalised internal labour in the amount of HRK 3 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 147,000.00.

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.

PETROKEMIJA d.o.o. in liquidation, Novi Sad, Serbia, participating interest held by Petrokemija Plc is 100%, the proportion of the capital held by Petrokemija Plc is HRK 259,108, total capital and reserves amount to HRK 1,187,069, the profit of Petrokemija d.o.o. Novi Sad for 2020 amounts to HRK 537,622.

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

PETROKEMIJA d.o.o. in liquidation, Ilije Ognjanovića 28, Novi Sad, Republic of Serbia

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 31 March 2021.



Petrokemija Group (ZB: PTKM-R-A; petrokemija.hr) announced its Q1 2021 results today. This report contains unaudited financial statements for the period ending on 31th of March 2021 as prepared by the management in accordance with the International Financial Reporting Standards.

Petrokemija Group financial results (IFRS)

| 2020 | HRK mln | Q1 2020 | Q1 2021 | % |
|------------|--|------------|-----------|--------------|
| 1.803 | Sales revenues | 562 | 490 | (13) |
| 373 | EBITDA ⁽¹⁾ | 177 | 41 | (77) |
| 400 | EBITDA excl. special items ⁽²⁾ | 159 | 93 | (42) |
| 288 | Profit/(loss) from operations | 154 | 20 | (87) |
| 315 | Operating profit excl. special items ⁽²⁾ | 137 | 72 | (47) |
| (21) | Net result from financial activities | (7) | (1) | (90) |
| 267 | Net profit/loss | 147 | 20 | (87) |
| 294 | Net profit/loss for the period excl. special items ⁽²⁾ | 130 | 71 | (45) |
| 344 | Simplified Free Cash Flow ⁽³⁾ | 155 | 41 | (74) |
| 45 | Net debt ⁽⁴⁾ | 131 | (33) | n.a. |
| 7 | Net gearing (%) ⁽⁵⁾ | 20 | (5) | n.a. |
| 55 | CAPEX | 4 | 52 | 1.070 |

| 2020 | EUR mln ⁽⁶⁾ | Q1 2020 | Q1 2021 | % |
|-----------|--|-----------|-----------|--------------|
| 239 | Sales revenues | 75 | 65 | (14) |
| 50 | EBITDA ⁽¹⁾ | 24 | 5 | (77) |
| 53 | EBITDA excl. special items ⁽²⁾ | 21 | 12 | (42) |
| 38 | Profit/(loss) from operations | 21 | 3 | (87) |
| 42 | Operating profit excl. special items ⁽²⁾ | 18 | 9 | (48) |
| (3) | Net result from financial activities | (1) | (0) | (90) |
| 35 | Net profit/loss | 20 | 3 | (87) |
| 39 | Net profit/loss for the period excl. special items ⁽²⁾ | 17 | 9 | (46) |
| 46 | Simplified Free Cash Flow ⁽³⁾ | 21 | 5 | (74) |
| 6 | Net debt ⁽⁴⁾ | 17 | (4) | n.a. |
| 7 | Net gearing (%) ⁽⁵⁾ | 20 | (5) | n.a. |
| 7 | CAPEX | 1 | 7 | 1.056 |

⁽¹⁾ EBITDA = EBIT + Depreciation and amortization

⁽²⁾ In Q1 2021 EBITDA, Operating and net profit were negatively impacted by HRK 50 mln of special items related to the value adjustment of liabilities for CO2 emission charges and HRK 1 mln for severance payments, in Q1 2020 EBITDA, Operating and net loss were positively impacted by HRK 19 mln value adjustment of liabilities for CO2 emission charges and negatively by HRK 1 mln for severance payments

⁽³⁾ Simplified free cash flow = EBITDA excluding special items - capital expenditures

⁽⁴⁾ 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

⁽⁵⁾ Net gearing = Net debt / (net debt plus equity)

⁽⁶⁾ In converting HRK figures into EUR, the following average CNB (HNB) rates were used: for Q1 2020 – 7.48 HRK/EUR; Q1 2021 – 7.57 HRK/EUR; as at March 31th 2020 – 7.61 HRK/EUR; as at March 31th, 2021 – 7.57 HRK/EUR

In Q1 2021 Petrokemija Group reduced its sales revenue by 13% to HRK 490 mln, the decrease in revenue was caused by lower sales quantities due to less production because of the turnaround in the first quarter of 2021. The sales price of mineral fertilizers increases compared to the same period last year (consequence of significantly higher price of natural gas on the European market).

EBITDA excluding special items amounted to HRK 93 mln, it decreased compared to Q1 2020 due to lower sales, higher natural gas price and higher price of CO2 Emissions allowances (EUA).

At the beginning of 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 developments that will enhance the energy efficiency of the factory. During the turnaround, a new combustion air preheater of the primary reformer was installed at the Ammonia plant, worth HRK 22 mln.

Devastating earthquakes hitting Sisak-Moslavina County, as well as the city of Kutina and Petrokemija's industrial plants, have caused some damage, but repair efforts are underway. In view of the foregoing, Petrokemija is temporarily discontinuing the manufacture of ammonium nitrate until the end of 2021 for the sake of 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

| 2020 | Fertilizers production (kt) | Q1 2020 | Q1 2021 | % |
|--------------|-------------------------------------|------------|------------|-------------|
| 1,113 | Fertilizers | 312 | 170 | (45) |
| 2020 | Fertilizers sales (kt) | Q1 2020 | Q1 2021 | % |
| 373 | Domestic market | 130 | 126 | (3) |
| 714 | Export | 191 | 115 | (40) |
| 1,087 | Total fertilizers sales (kt) | 321 | 241 | (25) |

Main external parameters

| 2020 | | Q1 2020 | Q1 2021 | % |
|-------|---|---------|---------|-----|
| 9.98 | Natural gas price* (EUR/MWh) | 10.64 | 18.08 | 70 |
| 32.04 | CO2 European Emission Allowances-EUA** (EUR/unit) | 17.54 | 42.45 | 142 |
| 6.61 | HRK/USD average | 6.78 | 6.27 | (7) |
| 6.14 | HRK/USD closing | 6.88 | 6.45 | (6) |
| 7.53 | HRK/EUR average | 7.48 | 7.57 | 1 |
| 7.54 | HRK/EUR closing | 7.61 | 7.57 | (1) |

*CEGH market data – period average

** EEX market data – period closing

Performance Q1 2021 vs. Q1 2020

KEY DRIVERS

- Total production lower (45%) compared to Q1 2020 caused by production downtime due to the turnaround
- Sales volume on domestic market slightly lower (3%) compared to Q1 2020, while on export markets significantly lower (40%)
- Significantly higher natural gas price as a result of lower gas prices in European markets
- Significant price increase (142%) of CO2 Emissions allowances (EUA)

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

In Q1 2021 Petrokemija Group archived net profit in the amount of HRK 20 mln compared to HRK 147 mln net profit in the same period last year. Considering the result without special items, net profit for Q1 2021 amounted to HRK 71 mln as opposed to HRK 130 mln net profit in Q1 2020.

Special items imply HRK 50 mln negative effect of value adjustment of liabilities for CO2 emission charges and HRK 1 mln for severance payments in Q1 2021. In Q1 2020 special items were HRK 19 mln positive effect of value adjustment of liabilities for CO2 emission charges and HRK 1 mln negative effect for severance payments. Negative effect of value adjustment of liabilities for CO2 emission charges in Q1 2021 is caused by significantly higher price of CO2 European emission allowances.

Petrokemija Group performance in Q1 2021 is impacted by higher natural gas price, higher price of CO2 European emission allowances and lower sales quantities as a result of performed turnaround. Negative impacts are partially mitigated by higher fertilizer prices and implemented efficiency measures.

At the beginning of 2021 the turnaround was successfully realized and the restart of the plant proceeded in the first half of February. In this turnaround development investments related to improving the energy efficiency of the factory were made.

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 31 March 2020 and 2021
(HRK millions)

| 2020 | HRK mln | Note | Q1 2020 | Q1 2021 | % |
|--------------|---|------|------------|------------|-------------|
| 1,803 | Sales revenue | 1 | 562 | 490 | (13) |
| 5 | Income from own consumption of products and services | | 0 | 11 | n.a. |
| 10 | Other operating income | | 1 | 3 | n.a. |
| 1,818 | Total operating income | | 563 | 504 | (10) |
| (1) | Inventory change of finished prod. and work in progress | | 37 | 50 | 34 |
| 1,022 | Cost of raw materials and consumables | 2 | 290 | 272 | (6) |
| 85 | Depreciation and amortization | 5 | 23 | 21 | (7) |
| 49 | Other material costs | 2 | 7 | 8 | 10 |
| 178 | Staff costs | 6 | 43 | 44 | 2 |
| 19 | Cost of other goods sold | | 1 | 2 | 216 |
| 161 | Other costs | 4 | 9 | 88 | 879 |
| 14 | Impairment and charges | | 0 | 0 | 0 |
| 3 | Provisions for charges and risks | 3 | 0 | 0 | 0 |
| 1,531 | Operating expenses | | 409 | 484 | 18 |
| 288 | Profit/(Loss) from operations | | 154 | 20 | (87) |
| 4 | Finance income | | 2 | 2 | (11) |
| 25 | Finance costs | | 9 | 2 | (73) |
| (21) | Net (loss) / profit from financial activities | 7 | (7) | (1) | (90) |
| 267 | Profit/(Loss) for the year | | 147 | 20 | (87) |



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

| HRK mln | Note | 31 Dec 2020 | 31 March 2021 | % |
|--------------------------------------|-----------|--------------|---------------|-----------|
| Assets | | | | |
| Non-current assets | | | | |
| Intangible assets | | 1 | 1 | 9 |
| Property, plant and equipment | 9 | 592 | 623 | 5 |
| Investment in subsidiaries | | 0 | 0 | n.a. |
| Other investments | | 0 | 0 | 0 |
| Long-term receivables | | 0 | 1 | 289 |
| Deferred tax | | 0 | 0 | 0 |
| Total non-current assets | | 594 | 626 | 5 |
| Current assets | | | | |
| Inventories | 10 | 204 | 163 | (20) |
| Trade receivables net | 11 | 10 | 21 | 97 |
| Other receivables | | 31 | 32 | 5 |
| Given loans and deposits | | 165 | 151 | (9) |
| Other current assets | | 56 | 39 | (31) |
| Prepaid expenses and accrued income | | 52 | 250 | 383 |
| Cash and cash equivalents | | 120 | 89 | (26) |
| Total current assets | | 638 | 743 | 17 |
| Total assets | 8 | 1,231 | 1,369 | 11 |
| Equity and liabilities | | | | |
| Capital and reserves | | | | |
| Share capital | | 550 | 550 | 0 |
| Capital reserves | | (0) | (0) | 0 |
| Other reserves | | (0) | (0) | 0 |
| Retained earnings / (Deficit) | | (182) | 86 | n.a. |
| Current earnings / (Deficit) | | 267 | 20 | (93) |
| Non-controlling interests | | 2 | 2 | 0 |
| Total equity | | 638 | 657 | 3 |
| Non-current liabilities | | | | |
| Long-term loans | | 95 | 95 | 0 |
| Other non-current liabilities | | 0 | 0 | 0 |
| Employee benefits provisions | | 12 | 12 | (1) |
| Other provisions | | 10 | 10 | (0) |
| Total non-current liabilities | | 117 | 117 | 0 |
| Current liabilities | | | | |
| Bank loans and other creditors | | 15 | 87 | 496 |
| Trade payables | 13 | 123 | 192 | 56 |
| Taxes and contributions | | 7 | 6 | (14) |
| Other current liabilities | 14 | 36 | 27 | (26) |
| Accruals and deferred income | | 279 | 274 | (2) |
| Employee benefits obligation | | 18 | 10 | (42) |
| Total current liabilities | | 477 | 595 | 25 |
| Total liabilities | 12 | 594 | 712 | 20 |
| Total equity and liabilities | | 1,231 | 1,369 | 11 |



Petrokemija, Group Consolidated Statement of Cash Flow
For the period ended 31 March 2020 and 2021
(HRK millions)

| HRK mln | Note | Q1 2020 | Q1 2021 | % |
|---|------|-------------|-------------|-------------|
| Profit for the year | | 147 | 20 | (87) |
| Adjustments for: | | | | |
| Depreciation and amortization | | 23 | 21 | (7) |
| Gain on sale of property, plant, equipment and impairment | | 0 | 0 | 0 |
| Other finance expense/(income) recognized in profit | | 5 | 1 | (69) |
| (Decrease)/increase in provisions | | (0) | (0) | (6) |
| Foreign exchange loss/(gain) | | (2) | 1 | n.a. |
| Other non-cash items | | 0 | 0 | n.a. |
| Operating cash flow before working capital changes | 15 | 173 | 43 | (75) |
| Movements in working capital | 16 | (15) | (49) | 217 |
| Decrease/(increase) in inventories | | 35 | 41 | 17 |
| Decrease/(increase) in receivables and prepayments | | 48 | (211) | n.a. |
| (Decrease)/increase in trade and other payables | | (99) | 121 | n.a. |
| Cash generated from operations | | 157 | (6) | n.a. |
| Interest expense (net) | | (12) | (1) | (87) |
| Net cash inflow from operating activities | | 146 | (8) | n.a. |
| Cash flows used in investing activities | | | | |
| Capital expenditures, exploration and development costs | | (6) | (52) | 732 |
| Interest on loans, net | | 0 | 0 | 0 |
| Investments and loans to third parties, net | | 0 | 0 | 0 |
| Net cash used for investing activities | 17 | (6) | (52) | 798 |
| Cash flows from financing activities | | | | |
| Issuing of own and debt financial instruments | | 0 | 0 | 0 |
| Repayment borrowings, net | | (33) | (4) | (89) |
| Other financing activities | | (0) | 0 | 0 |
| Net cash used in financing activities | | (33) | (3) | (90) |
| Net (decrease)/increase in cash and cash equivalents | | 107 | (63) | n.a. |
| At 1 January | | 483 | 341 | (29) |
| Effect of foreign exchange rate changes | | 0 | 0 | 0 |
| At the end of period | | 590 | 278 | (53) |

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



Financial overview and notes

STATEMENT OF PROFIT OR LOSS

| Notes | Q1 2021 RESULTS ⁽¹⁾ |
|-------|--|
| 1 | Total sales revenues in Q1 2021 amounted to HRK 490 million and were 13% lower compared to Q1 2020, triggered mainly by lower sales quantities. |
| 2 | Costs of raw materials, consumables and other material costs were 6% lower than in Q1 2020, at HRK 280 million, mainly due to lower cost of raw materials consumed due to the turnaround. |
| 3 | In Q1 2021 as well as in Q1 2020 no provisions were recorded. |
| 4 | Other operating costs realized in Q1 2021 are significantly above the level of Q1 2020, mainly because of Q1 2021 negative impact of special items related to the value adjustment of liabilities for CO2 emission charges in the amount of HRK 50 mln while in Q1 2020 positive impact related to the value adjustment of liabilities for CO2 emission charges in the amount of HRK 19 mln was recorded. |
| 5 | Depreciation in the amount of HRK 21 million was 7% lower compared to Q1 2020. |
| 6 | Staff costs in the amount HRK 44 million were 2% higher compared to Q1 2020. |
| 7 | Net result from financial activities is negative in Q1 2021 and amounts to HRK 0.7 million which is lower compared to Q1 2020 loss in the amount of HRK 6.8 million. <ul style="list-style-type: none"> - Net foreign exchange profit was HRK 0.8 million in Q1 2021, while in Q1 2020 loss amounted to HRK 1.7 mln - Net interest payable amounted to HRK 1.4 million in Q1 2021, while net interest payable in Q1 2020 amounted to HRK 4.8 mln. |

STATEMENT OF FINANCIAL POSITION

| Notes | |
|-------|--|
| 8 | As at 31 th March 2021 Petrokemija Group total assets amounted to HRK 1,369 million, 11% higher compared to 31 st December 2020. |
| 9 | In the period ended 31 th March 2021, Petrokemija invested HRK 52 million in property, plant and equipment . This effect increased net book value of property, plant and equipment to amount of HRK 623 million. |
| 10 | Inventories amounted to HRK 163 million, and have decreased by 20% compared to 31 st December 2020. |
| 11 | Trade receivables increased to HRK 21 million. |
| 12 | As at 31 th March 2021 total liabilities amounted to HRK 712 million which is 20% or HRK 118 million higher compared to 31 st December 2020. Petrokemija net debt ⁽¹⁾ is negative and amounts to HRK 33 million with a negative gearing ratio of 5%, while at 31 st December 2020 the net debt amounted to HRK 45 million with a gearing ratio of 7%. |
| 13 | Trade payables increased by 56% to HRK 192 million, as a result of higher liabilities for raw materials and consumables. |
| 14 | Other current liabilities decreased by 26% to HRK 27 million, out of which liabilities for advance payments decreased from HRK 27 million to HRK 18 million. |

CASH FLOW

| Notes | |
|-------|---|
| 15 | The operating cash-flow before changes in working capital amounted to HRK 43 million in Q1 2021 representing an decrease of HRK 130 million compared to Q1 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 49 million in Q1 2021, due to: <ul style="list-style-type: none"> - decreasead value of inventories by HRK 41 million - increase in receivables by HRK 211 million due to purchased CO2 Emissions allowances (EUA) - increase in trade and other payables by HRK 121 million mainly as a result of higher liabilities for natural gas |
| 17 | Net outflows from investing activities amounted to HRK 52 million, which is by HRK 46 million higher compared to Q1 2020. |

Restatement

- (1) Petrokemija adjusted its Net debt methodology 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.

In Q1 2021 EBITDA, Operating and net profit were negatively impacted by HRK 50 mln of special items related to the value adjustment of liabilities for CO2 emission charges and HRK 1 mln for severance payments, in Q1 2020 EBITDA, Operating and net loss were positively impacted by HRK 19 mln value adjustment of liabilities for CO2 emission charges and negatively by HRK 1 mln for severance payments.

Financial instruments and risks

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

As of 31th March 2020 Petrokemija, had credit debt of HRK 180 million, out of which HRK 86 million is related to short-term debt and HRK 94 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 |
|---|---------------|----------------|----------------|---------------------|--|--|--------------------------|------------|
| Balance at 1 January 2020 | 550 | 0 | 0 | 0 | (182) | 368 | 2 | 371 |
| 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 |
| Total comprehensive income/(loss) for the period | 0 | 0 | 0 | 0 | 267 | 267 | (0) | 267 |
| 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 |
| Balance at 1 January 2021 | 550 | 0 | 0 | 0 | 86 | 636 | 2 | 638 |
| Profit/(Loss) for the period | 0 | 0 | 0 | 0 | 20 | 20 | 0 | 20 |
| Transfer | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other comprehensive loss, net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total comprehensive income/(loss) for the period | 0 | 0 | 0 | 0 | 20 | 20 | 0 | 20 |
| Transfer to legal reserves from retained earnings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 31 March 2021 | 550 | 0 | 0 | 0 | 106 | 656 | 2 | 657 |



Management representation

Petrokemija financial statements for Q1 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. Željko Marić's mandate as Management Board member ceased on December 2nd of 2020. Mr. Krešimir Rendeli, has been appointed member of the Management Board in charge of production as of December 3rd, 2020.

Management Board:

| | |
|-------------------------|------------------|
| Davor Žmegač | President |
| Juraj Kojundžić | Member |
| Krešimir Rendeli | Member |
| Peter Suba | Member |