

MANAGEMENT REPORT
For the period January- December 2018
(unrevised)

Crikvenica, February 2019.

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1. GENERAL INFORMATION

Company and business name

JADRAN, dioničko društvo za hotelijerstvo i turizam, court registration number (MBS): 040000817, Croatian tax number (OIB): 56994999963. The company's business name is JADRAN d.d.

Registered seat and legal structure

JADRAN d.d. is a joint-stock company. Its registered seat is in Crikvenica, Bana Jelačića 16, in the Republic of Croatia.

Securities

The Company's share capital on 31st December, 2018 is HRK 482.507.730,00 and it is divided in 27.971.463 ordinary shares without the nominal value. The shares have been issued as non-material securities, with code JDRN-R-B and ISIN code HRJDRNB0002 and are managed by the Central Depository and Clearing Company, Inc.

Board members:

- Goran Fabris, chairman of the Board of Directors
- Karlo Čulo, Board member

Supervisory Board:

- Tomislav Kitonić, chairman of the Supervisory Board
- Ante Jelčić, vice-chairman of the Supervisory Board
- Ivan Blažević, Supervisory Board member
- Dragan Magaš, Supervisory Board member
- Mirko Herceg, Supervisory Board member

Jadran d.d. za hotelijerstvo i turizam, Bana Jelačića 16, HR-51260 Crikvenica | www.jadran-crikvenica.hr

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OIB: 56994999963
Privredna banka d.d. 2340009-1110722690
IBAN: HR4323400091110722690
SWIFT: PBZGHR2X

Temeljni kapital iznosi 482.507.730,00 kn uplaćen u cijelosti podijeljen na 27.971.463 redovnih dionica bez nominalnog iznosa. Društvo je upisano u Sudski registar Trgovačkog suda u Rijeci pri Trgovačkom sudu u Rijeci pod MBS: 040000817. Predsjednik Uprave: Goran Fabris, Član Uprave: Karlo Čulo, Predsjednik Nadzornog odbora: Tomislav Kitonić

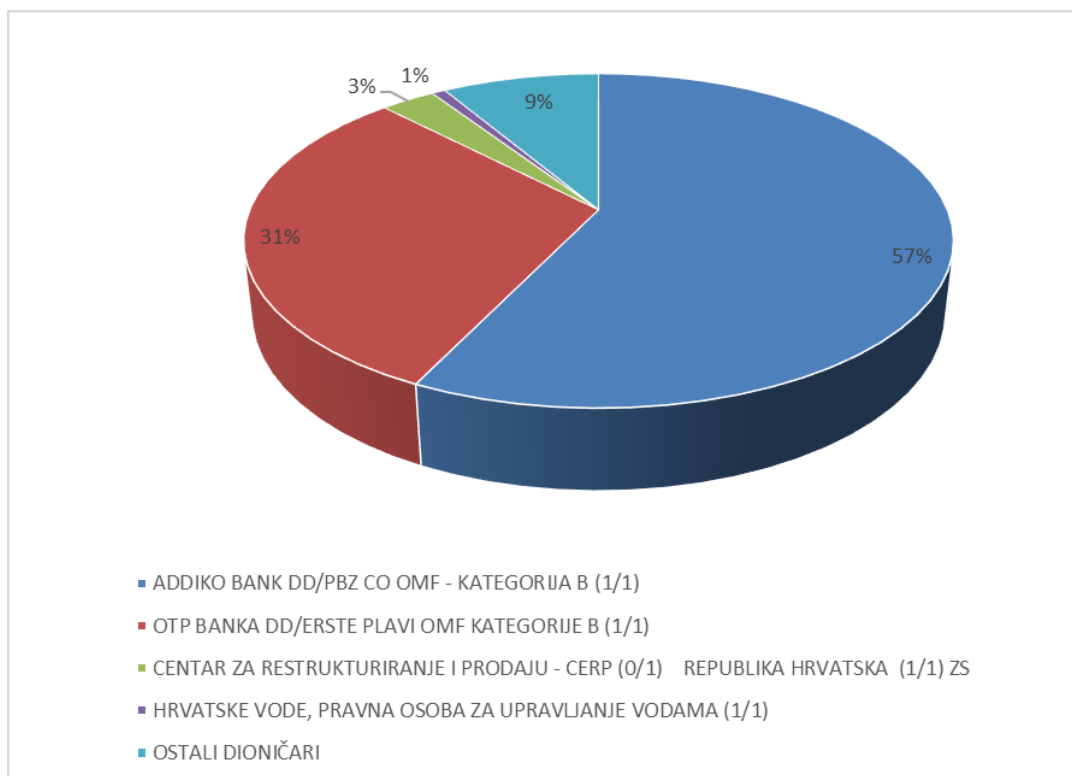
2. ORGANISATIONAL AND OWNERSHIP STRUCTURE

JADRAN d.d. is a joint-stock company and it is not a member of any group of companies and has no daughter-companies. The Company is the 100% shareholder of company CLUB ADRIATIC d.o.o, Zagreb, Savska cesta 41/V. The Company's share capital is HRK 482.507.730,00 and it is divided in 27.971.463 ordinary shares without the nominal value.

The list of the Company's shareholders holding 5% or more of the Company's shares (as on 31st December, 2018):

- PBZ CO OMF - KATEGORIJA B has 15,995,780 shares, representing an equity stake of 57,19% in the Company;
- ERSTE PLAVI OMF KATEGORIJE B has 8,547,346 shares, representing an equity stake of 30,56% in the Company.

The Company's shareholders on 31st December, 2018



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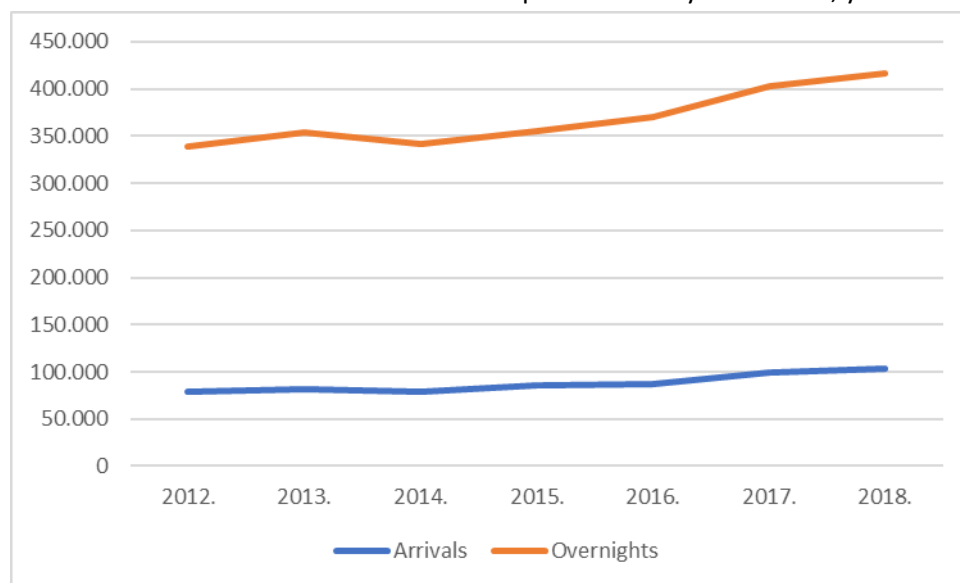
3. BUSINESS PERFORMANCE RESULTS

JADRAN d.d. in the period from January until December, 2018 recorded a total of 416,553 overnights, showing a 3,25% year-over-year growth rate. The hotels recorded a decreased number of overnights compared to the same period in 2017, while the camps recorded a 15% year-over-year growth. Capacity utilization in the period from January to December, 2018 is the same as in the same period in 2017, while capacity utilization in camps increased by 13%.

The highest capacity utilization was recorded by the Katarina, Omorika, Kaštel i Esplanade hotels. A higher capacity utilization compared to 2017 was recorded by the both camps (Autocamp Selce and Camp Kačjak).

In the period from January until December from 2012 until 2018 the growth rate for tourist arrivals was 4.85% and overnights increased by 3.52%. In that time period tourist stays on average lasted for 4 days.

Chart 1- Tourist traffic in Jadran d.d. in the period January-December, years 2012 to 2018.



The majority of guests in the period January-December, 2018 were the Slovenians, with a 19% share in the total number of overnights. They were followed by the Germans with 14%, the Croats with 13% overnights and the Czechs with 9% overnights.

In the period January- December, 2018 the total sales increased by 9.3% and the total expenses by 3.8% year-over-year.

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The 2018 income structure shows an 8.8% year-over-year increase in operating income (accommodation and catering services).

The expense structure shows a 4.7% year-over-year increase in operating expenses. Material costs in 2018 are 4.1% lower compared to 2017, while labour costs are 14.3% higher in the relevant time period of 2018 compared to the same time period in 2017.

Financial income is 36.3% higher in 2018 compared to the same period in 2017, while financial expenses are 15.2% lower than in the same period last year.

In the period January-December, 2018 the Company made a profit of HRK 287,636 and in the same period in 2017 Company made a loss of HRK 4,230,650.

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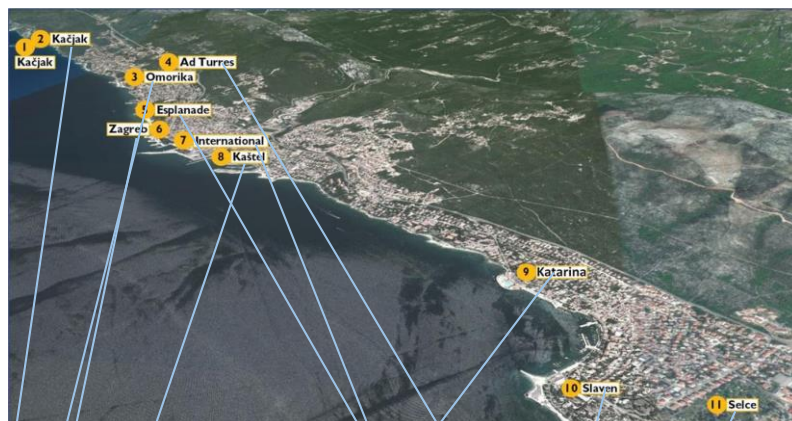
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4. KEY PERFORMANCE INDICATORS



KAČJAK	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
TS	37.527	6.328	15.736	435
Camping site	7.667	2.010	9.165	90
TOTAL	45.194	8.338	24.901	525

OMORIKA	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	36.666	12.407	18.477	248

ZAGREB	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	7.071	1.476	3.863	64

KAŠTEL	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	22.651	6.851	11.491	178

KATARINA	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	60.284	16.588	30.499	352

AD TURRES	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
TS	61.120	14.353	27.211	762

ESPLANADE	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	9.974	2.375	5.229	76

INTERNATIONAL	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	11.264	2.755	6.080	83

SLAVEN	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Hotel	44.668	8.664	20.426	407

KAMP SELCE	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
Camp	117.661	30.116	89.667	1.500

TOTAL JADRAN	OVERNIGHT STAYS	ARRIVALS	UNITS	CAPACITY BEDS
TS	98.647	20.681	42.947	1.197
Hotels	192.578	51.116	96.065	1.408
Camp	117.661	30.116	89.667	1.500
Camping site	7.667	2.010	9.165	90
TOTAL	416.553	103.923	237.844	4.195

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5. RISK EXPOSURE

Below are the most significant risks the Company or its activities are exposed to:

Competitive risk

Competitive risk in the hospitality industry is extremely high, as the other destinations are also investing significantly in capacity growth and development and in tourism marketing. Competitive pressures are based on, among other things, price, quality and amenities offered on the Crikvenica Riviera and other national and international tourist destinations.

Currency risk

The Company is exposed to currency risk due to financial transactions with its costumers denominated in currencies that are not its base currency, i.e. due to currency clauses used in agreements.

The Company has expenses based on currency.

The monetary policy based on maintaining the stability of the Croatian kuna is partly affecting the competitiveness of the Company in the global tourism industry.

Interest rate risk

The Company is exposed to the interest rate risk that arises from its loan agreements and fluctuating interest rates. The Company manages the risk by maintaining its loan portfolio in a way that ensures the appropriate ratio between fixed and floating interest rate loans.

Default risk

Default risk is part of every bilateral agreement. The other contracting parties' ability to meet their financial obligations toward the Company is one of the key elements for maintaining financial stability. The Company pays a great deal of attention to the risk, especially due to the domestic economic situation.

Liquidity risk

The Company manages the risk by keeping adequate reserves, through loans issued by foreign banks and via other sources of finance and by continually planning and monitoring cash flows and comparing maturity profiles of financial assets and liabilities.

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Regulatory and compliance risk (especially relating to changes in taxation and concession regulations)

Regulatory risk is also probability that the legislator will change tax regulations in a way that will have a negative impact on profitability. The regulatory risk poses a significant risk for potential investors in the Company's shares. It is reflected in potential changes in tax rates and taxable assets.

The Company is exposed to risks of potential changes to concession regulations and concession permits, i.e. maritime domain use rights are among the especially important conditions for the Company to be able to continue its operations.

Tourism risk and tourism trend changes

Tourism is strongly affected by wider political situation, increase in the acts of terrorism and the most recent migrant crisis and a rising number of people arriving from the war-torn North Africa and Middle East, with Croatia becoming a standard route on their way to Western Europe.

The specificities of hospitality services are relatively short duration of production and service processes, discontinuous flow of work processes, inability of tourism product storage, constant readiness of workers and infrastructure and provision of services that begins from the guest's arrival, i.e. from the moment of ordering, product and service diversity, direct communication with guests and adjusting to guest preferences, specific working conditions (long standing, long walking, high temperatures, dealing with nervous guests, etc.), inability to make precise plans and distribute production and supply of services over time, rigidity of the scope and structure of factors that dictate a dominant share of fixed costs in the total hotel costs, inability to ensure permanent and complete adjustment of the number of staff and capacity utilization, working time flexibility, need to differentiate prices of hotel services, i.e. continuous adjustment of consumption.

One of the tourism risks is seasonality and only one bad season can lead to business interruptions and liquidity problems.

Litigation risk- Risk of losing in court

The Company is involved in many litigation and non-litigation disputes relating to ownership, disputing actions of secured creditors who have not accepted terms and conditions of the bankruptcy plan, civil and enforcement proceedings and those for the return of property, i.e. compensation for the expropriated property.

Legal actions that may expose the Company to the risk are those disputing the actions of secured creditors who have not accepted terms and conditions of the bankruptcy plan. These are disputed with former employees of the Company and Croatia osiguranje d.d. Zagreb, Rijeka Branch. They all have mortgages and enforcement notices on the Company's real estate.

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6. EMPLOYEES

The total number of JADRAN d.d. employees on 31st December, 2018 was 239. The total number of permanent employees is 148 and 91 are parties to fixed-term employment contracts.

7. CORPORATE MANAGEMENT CODE

JADRAN d.d. applies and fosters the principals of corporate management. The Company does not have its own corporate management code, but applies the provisions of the Zagreb Stock Exchange Code (<http://zse.hr/default.aspx?id=10865>).

The Company's shares are listed on the Zagreb Stock Exchange.

All reports and required information are published and available according to the Capital Market Act and Rules of the Zagreb Stock Exchange.

The Company applies recommendations as provided in the Code, with certain exceptions, as specified and explained later in this document.

The Company has not yet introduced the possibility to attend and vote in the General Shareholders Meeting using modern communications technology, as there was no need or requests from shareholders.

The fee of the Supervisory Board members are entitled to receive has been determined in a fixed amount by decision adopted in the General Shareholders Meeting.

On 6th July, 2018 the Audit Committee, Remuneration and Appointment Committee and Corporate Management Committee have been appointed.

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8. APPENDICES

Appendix 1					
Reporting period		1.1.2018	to	31.12.2018	
GFI-POD Annual Business Financial Statement					
Statistical Number (MB):	03145662				
Registration Number (MBS):	040000817				
Personal Identification Number (PIN):	5699499963				
Issuer's corporate name:	JADRAN D.D., CRIKVENICA				
Postal code and town/city:	51260		CRIKVENICA		
Street and street number:	Bana Jelačića 16				
e-mail:	uprava@jadran-crikvenica.hr				
Web:	www.jadran-crikvenica.hr				
Municipality/City code:	53	Crikvenica			
County code and name:	8	PRIMORSKO - GORANSKA ŽUPANIJA	Number of employees:	304	
Consolidated statement	NO		(as at the end of the reporting period)	NCA code	5510
Consolidated entity's companies (according to IFRS):		Registered office:		MB:	
Accounting firm:					
Contact:	Ivančić Majetić Natali				
	(please insert only the contact's full name)				
Phone:	+385 (0)51 800 482		Fax:	+385 (0)51 241 349	
e-mail:	natali.ivancic@jadran-crikvenica.hr				
Full name:	Fabris Goran				
	(authorized representative)				
Documents disclosed:					
1. Financial statements (Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity and notes to financial statements);					
2. Management Interim Report;					
3. Declaration of the persons responsible for preparing the issuer's statements;					
4. Decision of the competent authority (proposal) on the establishment of Annual Financial Statements; and					
5. Decision on the Proposal for distribution of profit or loss coverage.					
		L.S.			(authorized representative's signature)

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Balance Sheet
as at 31 December 2018

Issuer: JADRAN D.D., CRIKVENICA			
Item	AOP	Previous period	Current period
1	2	3	4
A) RECEIVABLES FOR REGISTERED UNPAID CAPITAL	001		
B) NON CURRENT ASSETS (003+010+020+029+033)	002	634.132.150	695.857.790
I. INTANGIBLE ASSETS (004 do 009)	003	196.720	182.982
1. Research & Development expenditure	004		
2. Patents, licences, royalties, trade marks, software&similar rights	005	196.720	182.982
3. Goodwill	006		
4. Prepayments for intangible assets	007		
5. Intangible assets under construction	008	0	0
6. Other intangible assets	009		
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	630.388.719	625.131.906
1. Land	011	298.373.064	298.373.064
2. Property	012	301.254.714	293.486.253
3. Plants and equipment	013	29.023.878	27.978.442
4. Tools, plants&vehicles	014	258.176	192.281
5. Biological asset	015		
6. Prepayments for tangible assets	016		
7. Assets under construction	017	1.478.887	5.101.866
8. Other tangible assets	018		
9. Investments property	019		
III. FINANCIAL ASSETS (021 do 028)	020	3.212.240	70.208.431
1. Investments in subsidiaries	021		70.208.431
2. Loans to subsidiaries	022		
3. Participating interests (stakes)	023		
4. Loans to participating interest	024		
5. Investments in securities	025		
6. Loans & deposits	026		
7. Other non-current financial assets	027	3.212.240	0
8. Investment accounted by equity method	028		
IV. RECEIVABLES (030 do 032)	029	0	0
1. Receivables from subsidiaries	030		
2. Receivables from credit sales	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033	334.471	334.471
C) CURENT ASSETS (035+043+050+058)	034	6.402.498	129.369.937
I. INVENTORIES (036 do 042)	035	461.667	452.470
1. Raw materials & consumables	036	448.206	429.856

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2. Work in progress	037		
3. Products	038		
4. Merchandise	039	13.461	22.614
5. Prepayments for inventories	040		
6. Other available-for-sale assets	041		
7. Biological asset	042		
II. RECEIVABLES (044 do 049)	043	3.288.361	3.415.303
1. Receivables for trade debt of subsidiaries	044		
2. Trade receivables	045	840.228	1.849.452
3. Receivables for trade debts of participating entities	046		
4. Amounts receivable from employees	047	36.495	36.444
5. Receivables from government agencies	048	1.172.009	319.462
6. Other receivables	049	1.239.629	1.209.945
III. FINANCIAL ASSETS (051 do 057)	050	0	0
1. Investments in subsidiaries	051		
2. Loans to subsidiaries	052		
3. Participating interests (stakes)	053		
4. Loans to participating interest	054		
5. Investments in securities	055		
6. Loans & deposits	056	0	0
7. Other financial assets	057		
IV. CASH AND CASH EQUIVALENTS	058	2.652.470	125.502.164
D) PREPAYMENTS AND ACCRUED INCOME	059	1.831.193	1.315.868
E) TOTAL ASSETS (001+002+034+059)	060	642.365.841	826.543.595
F) OFF-BALANCE SHEET ITEMS	061		
EQUITY AND LIABILITES			
A) EQUITY (063+064+065+071+072+075+078)	062	524.073.513	720.724.798
I. SHARE CAPITAL	063	491.316.690	482.507.730
II. CAPITAL RESERVES	064	25.401.322	25.401.322
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	0	
1. Legal reserves	066		
2. Reserves for treasury shares	067		
3. Treasury shares and stakes (less)	068		
4. Statutory reserves	069		
5. Other reserves	070		
IV. REVALUATION RESERVES	071		208.809.600
V. RETAINED EARNINGS (073-074)	072	11.586.151	3.718.510
1. Retained earnings	073	11.586.151	3.718.510
2. Loss brought forward	074		
VI. PROFIT OR LOSS FOR THE FINANCIAL YEAR (076-077)	075	4.230.650	287.636
1. Profit for the financial year	076		287.636
2. Loss for the financial year	077	4.230.650	
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	885.032	928.904

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1. Provisions for redundancy costs	080	438.542	482.414
2. Provisions for tax obligations	081		
3. Other provisions	082	446.490	446.490
C) NON-CURRENT LIABILITIES (084 do 092)	083	93.486.996	75.147.116
1. Amounts payable to subsidiaries	084		
2. Liabilities for loans, deposits and other	085		
3. Liabilities towards banks and other financial institutions	086	84.935.655	74.875.662
4. Amounts payable for prepayment	087		
5. Trade payables	088		
6. Amounts payable for securities	089		
7. Liabilities toward participating interests	090		
8. Other non-current liabilities	091	8.551.341	271.454
9. Deferred tax	092		
D) CURRENT LIABILITIES (094 do 105)	093	22.065.505	27.244.158
1. Amounts payable to subsidiaries	094		
2. Liabilities for loans, deposits and other	095	500.946	548.861
3. Liabilities towards banks and other financial institutions	096	4.453.581	8.260.982
4. Amounts payable for prepayment	097	3.675.372	3.080.903
5. Trade payables	098	9.767.460	9.690.179
6. Amounts payable for securities	099		
7. Liabilities toward participating interests	100		
8. Amounts payable to employees	101	1.297.399	1.692.534
9. Liabilities for taxes and contributions	102	1.057.945	1.432.237
10. Dividend payables	103		
11. Liabilities directly associated with the assets classified as held for sale	104		
12. Other current liabilities	105	1.312.802	2.538.462
E) ACCRUED CHARGES AND DEFERRED REVENUE	106	1.854.795	2.498.619
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	642.365.841	826.543.595
G) OFF-BALANCE SHEET ITEMS	108		
ANNEX TO THE BALANCE SHEET (to be filled in by entrepreneur submitting consolidated financial report)			
A) CAPITAL AND RESERVES			
1. Attributable to equity holders of the parent company's capital	109		
2. Attributable to minority interest	110		

Note 1.: APPENDIX TO THE BALANCE SHEET (to be filled in by entities who submitting consolidated financial statements).

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INCOME STATEMENT

for the period 01 January 2018 to 31 December 2018

Issuer: JADRAN D.D., CRIKVENICA

Item	AOP	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112+113)	111	83.691.077	6.938.588	91.075.525	7.946.493
1. Sales revenue	112	79.544.559	5.809.695	86.783.904	6.238.487
2. Other operating income	113	4.146.518	1.128.893	4.291.621	1.708.006
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	85.224.132	18.771.056	89.214.285	19.687.880
1. Changes in inventories of finished products and work in progress	115				
2. Raw material and consumables used (117 do 119)	116	40.255.103	6.025.294	38.583.391	6.475.414
a) Cost of raw materials & consumables	117	20.425.319	2.470.954	19.532.474	2.206.059
b) Cost of goods sold	118	102.543	688	230.021	74.311
c) Other costs	119	19.727.241	3.553.652	18.820.896	4.195.044
3. Staff costs (121 do 123)	120	28.273.270	7.300.775	32.304.179	8.064.855
a) Net salaries	121	18.629.215	5.003.911	20.917.331	5.287.916
b) Employee income tax and contributions	122	5.859.267	1.389.856	7.127.870	1.756.729
c) Employer's contributions	123	3.784.788	907.008	4.258.978	1.020.210
4. Depreciation and amortisation expense	124	9.556.717	2.999.442	10.746.181	2.673.363
5. Other costs	125	6.232.324	1.604.091	6.035.452	1.142.346
6. Impairment losses (127+128)	126	107.142	107.143	272.948	272.948
a) non-current assets (except financial assets)	127	0	0	0	0
b) current assets (except financial assets)	128	107.142	107.143	272.948	272.948
7. Provisions	129	506.377	506.377	1.030.039	1.030.039
8. Other operating expenses	130	293.199	227.934	242.095	28.915
III. FINANCIAL INCOME (132 do 136)	131	1.387.571	178.346	1.891.544	214.821
1. Interest, foreign exchange gains, dividends and other income from related parties	132				
2. Interest, foreign exchange gains, dividends and other income from non-related and other entities	133	1.306.155	103.390	1.760.232	83.447
3. Income from associates and ownership interests	134				
4. Unrealized gains	135				
5. Other financial income	136	81.416	74.956	131.312	131.374
IV. FINANCIAL EXPENSES (138 do 141)	137	4.085.166	1.897.646	3.465.148	843.435
1. Interest, foreign exchange losses and other expenses with related parties	138				
2. Interest, foreign exchange differences and other expenses with non-related and other entities	139	4.085.166	1.897.646	3.288.447	666.734
3. Unrealized losses	140				
4. Other financial expenses	141			176.701	176.701

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V. SHARE OF INCOME OF ASSOCIATES	142				
VI. SHARE OF LOSS OF ASSOCIATES	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	85.078.648	7.116.934	92.967.069	8.161.314
X. TOTAL EXPENSES (114+137+143 + 145)	147	89.309.298	20.668.702	92.679.433	20.531.315
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	4.230.650	13.551.768	287.636	12.370.001
1. Profit before tax (146-147)	149			287.636	
2. Loss before tax (147-146)	150	4.230.650	13.551.768		12.370.001
XII. INCOME TAX EXPENSE	151	0			
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	4.230.650	13.551.768	287.636	12.370.001
1. Profit for the period (149-151)	153			287.636	
2. Loss for the period (151-148)	154	4.230.650	13.551.768		12.370.001
ANNEX TO THE PROFIT AND LOSS ACCOUNT (to be filled in by entities submitting consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to owners of the company	155				
2. Attributable to non-controlling interests	156				
STATEMENTS OF COMPREHENSIVE INCOME (to be filled in by entities who work in compliance with IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157				
II. OTHER COMPREHENSIVE INCOME /LOSS BEFORE TAX (159 do 165)	158				
1. Exchange differences arising from foreign operations	159				
2. Revaluation of non-current assets and intangible assets	160				
3. Gains or loss available for sale investments	161				
4. Gains or loss on net movement on cash flow hedges	162				
5. Gains or loss on net investments hedge	163				
6. Share of the other comprehensive income/loss of associates	164				
7. Actuarial gain / loss on post employment benefit obligations	165				
III. TAX ON OTHER COMPREHENSIVE INCOME OF THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE YEAR (158-166)	167				
V. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD (157+167)	168				
APPENDIX Statement of Comprehensive Income (to be filled in by entities submitting consolidated financial statements)					
VI. TOTAL COMPREHENSIVE INCOME/LOSS FOR THE PERIOD					
1. Attributable to owners of the company	169				
2. Attributable to non-controlling interests	170				

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CASH FLOW STATEMENT - Indirect Method

for 01.01.2018 to 31.12.2018

Taxpayer: JADRAN D.D., CRIKVENICA			
Item	ADP code	Preceding period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Income before taxes	001	-4.230.650	282.636
2. Depreciation and amortisation	002	9.556.717	10.746.181
3. Increase of current liabilities	003	3.426.431	5.178.653
4. Decrease of current receivables	004		
5. Decrease of inventories	005		9.197
6. Other increase of cash flow	006	45.619	804.991
I. Total increase of cash flow from operating activities (001 do 006)	007	8.798.117	17.021.658
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	1.354.993	126.942
3. Increase of inventories	010	104.347	
4. Other decrease of cash flow	011	1.044.985	15.351.713
II. Total decrease of cash flow from operating activities (008 do 011)	012	2.504.325	15.478.655
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	6.293.792	1.543.003
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014		
CASH FLOW FROM INVESTMENT ACTIVITIES			
1. Proceeds from sale of non-current assets	015		
2. Proceeds from sale of non-current financial assets	016		
3. Proceeds from interest rates	017	35.578	1.705
4. Proceeds from dividends	018		
5. Other proceeds from investment activities	019	1.209.246	5.475.630
III. Total cash proceeds from investment activities (015 do 019)	020	1.244.824	5.477.335
1. Purchase of non-current assets	021	52.440.868	6.860.305
2. Purchase of non-current financial assets	022		
3. Other payments from investment activities	023		70.208.431
IV. Total cash payments from investment activities (021 do 023)	024	52.440.868	77.068.736
B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (020-024)	025		
B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (024-020)	026	51.196.044	71.591.401
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Proceeds from issuing of equity and debt financial instruments	027		
2. Proceeds from loan principal, debentures, loans and other borrowing	028	43.644.029	2.500.000
3. Other proceeds from financial activities	029	0	201.670.977
V. Total proceeds from financial activities (027 do 029)	030	43.644.029	204.170.977
1. Repayment of loan principal and bonds	031		11.272.884

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2. Dividends paid	032		0
3. Payment of finance lease liabilities	033		0
4. Payments from repurchase of treasury shares	034		0
5. Other payments from financial activities	035		
VI. Total payments from financial activities (031 do 035)	036		11.272.884
C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	43.644.029	192.898.093
C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038		
Total increase of cash flow (013 – 014 + 025 – 026 + 037 – 038)	039		122.849.695
Total decrease of cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	1.258.223	
Cash and cash equivalents at the beginning of the period	041	3.910.692	2.652.469
Increase of cash and cash equivalents	042		122.849.695
Decrease of cash and cash equivalents	043	1.258.223	
Cash and cash equivalents at the end of the period	044	2.652.469	125.502.164

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STATEMENT OF CHANGES IN EQUITY			
for 1.1.2018 to 31.12.2018			
Item	ADP code	Preceding period	Current period
1	2	3	4
1. Subscribed capital	001	491.316.690	482.507.730
2. Capital reserves	002	25.401.322	25.401.322
3. Profit reserves	003		
4. Retained earnings or loss carried forward	004	11.586.151	3.718.510
5. Profit or loss of the current year	005	-4.230.650	287.636
6. Revaluation of fixed tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial financial property available for sale	008		
9. Other revaluation	009		208.809.600
10. Total capital and reserves (AOP 001 do 009)	010	524.073.513	720.724.798
11. Foreign exchange differences from net investments in foreign operations	011	0	0
12. Current and deferred taxes (part)	012		
13. Cash flow hedge	013		
14. Changes in accounting policies	014		
15. Correction of significant mistakes from the previous period	015		-3.636.990
16. Other equity changes	016		
17. Total equity increase or decrease (AOP 011 do 016)	017	0	-3.636.990
17 a. Attributable to parent company's shareholders	018		
17 b. Attributable to non-controlling interests	019		

The equity decreasing items are preceded by a minus

The data under ADP codes 001 to 009 is to be entered as balance as at the balance sheet date

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Pursuant to Articles 407 and 410 of the Capital Market Act (Official Gazette 88/08, 146/08), the Management Board of the company JADRAN d.d., according to our best knowledge, gives the following

STATEMENT BY PERSONS RESPONSIBLE FOR THE PREPARATION OF THE REPORT

Unaudited financial reports of JADRAN d.d. are prepared in accordance with International Financial Reporting Standards and the Accounting Act valid at the date of the financial reports.

Unaudited financial reports of JADRAN d.d. for the period from 1 January 2018 to 31 December 2018 provide true and fair view of the assets and liabilities, losses and gains, financial position and operations of the Company.

Report on business operations contains a true and faithful presentation of the Company's business development and results, along with a description of the most significant risks and uncertainties to which the Company is exposed.

In Crikvenica, 27 February 2019

Chairman of the Board

Goran Fabris

Member of the Board

Karlo Čulo



Jadran
dioničko društvo
za hotelijerstvo i turizam
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