



Jadran d.d. za hotelijerstvo i turizam
Bana Jelačića 16, HR-51260 Crikvenica
T. +385 51 241 222
E: uprava@jadran-crikvenica.hr
www.jadran-crikvenica.hr
OIB: 56994999963

MANAGEMENT COMPANY AND GROUP REPORT
January-June 2020
(Unaudited)



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1. GENERAL INFORMATION

Corporate name

Jadran, dioničko društvo za hotelijerstvo i turizam, Reg. No. (MBS): 040000817, Personal Identification Number (PIN): 56994999963. The short corporate name is JADRAN d.d.

Registered office and legal form

JADRAN d.d. is a joint-stock company. It has its registered office at Bana Jelačića 16, Crikvenica, Republic of Croatia.

Securities

As of 30 June 2020, the Company's share capital was HRK 482,507,730.00, divided into 27,971,463 common shares with no nominal value. The shares were issued in dematerialized form, ticker symbol: JDRN-R-B, ISIN code: HRJDRNB0002, and are held at the repository of the Central Depository and Clearing Company.

Management Board Members:

Goran Fabris, Chairman of the Management Board

Supervisory Board:

- Tomislav Kitonić, Chairman of the Supervisory Board
- Karlo Došen, Supervisory Board Member
- Ivan Blažević, Supervisory Board Member
- Dragan Magaš, Supervisory Board Member
- Mirko Herceg, Supervisory Board Member

Jadran Group comprises Jadran d.d. and its subsidiaries:

- Club Adriatic d.o.o, in which Jadran holds 4 shares having a total value of HRK 117,104,500.00 and representing 100% of shares and voting rights – one share having a nominal value of HRK 9,900.00, one share having a nominal value of HRK 53,572,100.00, one share having a nominal value of HRK 6,418,000.00, and one share having a nominal value of HRK 57,104,500.00; and
- Stolist d.o.o., in which Jadran holds 100% of shares.

List of Company shareholders holding 5 percent or more of the Company's share capital (balance as at 30 June 2020):

- ADDIKO BANK D.D./PBZ CO OMF – CLASS B holds 16,153,265 shares accounting for 57.75% of the Company's share capital; and
- OTP BANK D.D./ERSTE PLAVI OMF, CLASS B, holds 8,547,346 shares accounting for 30.56% of the Company's share capital.

2. COMPANY AND GROUP BUSINESS RESULTS

The Company's and Group's business in Q2 2020 was largely affected by the COVID-19 pandemic. At the beginning of Q2, the Company and the Group were in the center of the pandemic which stopped all or part of the operations of many businesses both in Croatia and across the world. For the Company and the Group, this meant complete closure of all properties between 19 March and 11 May 2020 and having all employees whose respective jobs allowed it work from home.

To ensure business continuity and liquidity of the Company and the Group, the Management Boards of the Companies implemented several measures to rationalize costs, capital expenditures and cash outflows. These measures include:

- Personnel cost rationalization – taking holidays and days of leave, work from home and, in agreement with our social partners, reduction of salaries for employees who do not work.
- Postponement of hiring seasonal workers (seasonal workers account for roughly 50 percent of the workforce).
- Suspension of investment to the extent that it does not compromise the operation of facilities and performance of obligations to business partners.
- Operating cost rationalization – purchases of low-value items were canceled, maintenance and landscaping costs were deferred and reduced, etc.
- The leases where the Company appears as the lessee were adjusted to protect liquidity, but also to ensure the financial feasibility of the leases.

After the measures were eased and we were allowed to reopen our properties, on 11 May 2020 Jadran d.d. reopened its Inter Coffee Shop in Crikvenica, on 22 May 2020 Selce Camp in Selce, and on 29 May 2020 Hotel Esplanade and Kačjak Camping Site. The other hotels began to open their doors in June – Baško Polje Camp on 5 June, Hotel Lišanj on 10 June, Hotels Slaven and Omorika on 19 June, and Hotel Alem on 26 June 2020.

After reopening its properties in late May and in June, the Company recorded a total of 22,981 overnights, which is only 23% of the overnights recorded in the same period in 2019.

COVID-19 also significantly affected the financial performance of the Company and the Group. Between January and June 2020, the Company obtained total revenue of HRK 11,235,072, which is 63% less than the total revenue earned the same period in 2019.

In 2020, operating revenue totaled HRK 11,204,802, which is 62% less than the operating revenue earned in the same period in 2019. Sales revenue obtained in 2020 totaled HRK 7,094,089, which is 72% less than such revenue earned in the same period in 2019. Other intra-group operating revenue totaled HRK 230,200, which is HRK 221,622 more than earned in the same period in 2019. Other (extra-group) operating revenue earned in 2020 totaled HRK 3,880,513, 5% less than earned in the same period in 2019. Financial income obtained in the first six months of 2020 totaled HRK 30,270, 94% less than such income obtained in the same period in 2019.

It is important to underline that the Company applied for and received employment and job preservation aid intended for sectors affected by COVID-19. The aid was granted for the March-May 2020 period and was also requested for June, so it is, based on the results achieved, expected to be granted. For the months of March, April and May, the Company received a total of HRK 1,728,702 in aid. According to the current employment and job preservation measures intended for sectors affected by COVID-19 and the results recorded for June 2020, the Company expects to obtain this income for June as well, in the amount of HRK 600,000. Considering that job preservation aid accounts for some of the revenue earned by the Company, the actual decrease in revenue in 2020 compared to the same period in 2019 is 68%.

Company's total expenses incurred between January and June 2020 were HRK 44,016,423, which is 7% more than the expenses incurred in the same period in 2019. The most notable increase in total expenses relates to an increase in depreciation, which amounted to HRK 21,694,123 in the January-June 2020 period, 258% more than the depreciation recorded in the same period in 2019. This increase in depreciation, which also caused total operating expenses to exceed the figure recorded in the same period in 2019, is a result of accounting for the depreciation of properties leased by the Company, whereas no such properties were leased in 2019 (other than Delfin Boarding House and 2 Ad Turre pavilions).

Operating expenses incurred between January and June 2020 totaled HRK 41,672,514, which is 5% more than the expenses incurred in the same period in 2019. In 2020, material costs amounted to HRK 6,284,575, 63% less than in 2019. In the first six months of 2020, personnel costs totaled HRK 10,808,965, 17% less than those incurred in the same period in 2019. According to the announced employment and job preservation measures intended for sectors affected by COVID-19, the Company expects to write off part of the social security contributions totaling HRK 1,069,000. This amount is not included in the financial statements because there is at present no effective base to present it.

Other costs incurred in 2020 totaled HRK 2,706,790, 16% less than the costs incurred in the same period in 2019. Financial expenses amounted to HRK 2,343,909, which is 58% more than such expenses incurred in the same period in 2019.

It should be underlined that leases of new commercial properties in Novi Vinodolski, Umag and Baško Polje became effective in this period, which resulted in an increase in the value of intangible assets and, consequently, an increase in lease liabilities by HRK 114 million according to IFRS 16. Having been executed and adjusted to reflect the newly arisen situation caused by the COVID-19 pandemic, these leases additionally helped stabilize Company's cash flow in this year.

Between January and June 2020, the Company incurred loss before taxes of HRK -32,781,351, which is 201% more than the loss incurred in the same period in 2019. EBITDA obtained in the first six months was HRK -8,773,589, which is HRK 10,231,563 less than that obtained in the same period in 2019.

Between January and June 2020, the Group earned total revenue of HRK 13,213,058, which is 61% less than the revenue earned in the same period in 2019. Operating revenue amounted to HRK 13,137,404, 61% less

than that earned in the same period in 2019. Financial income obtained in 2020 totaled HRK 75,654, which is 86% less than in 2019.

The Group applied for and received employment and job preservation aid intended for sectors affected by COVID-19. The aid was granted for the March-May 2020 period and was also requested for June, so it is, based on the results achieved, expected to be granted. For the months of March, April and May, the Group received a total of HRK 2,296,277 in aid. According to the current employment and job preservation measures intended for sectors affected by COVID-19 and the results recorded for June 2020, the Group expects to obtain this income for June as well, in the amount of HRK 808,000. Considering that job preservation aid accounts for some of the revenue earned by the Company, the actual decrease in revenue in 2020 compared to the same period in 2019 is 68%.

In the first six months of 2020, Group's total expenses were HRK 49,331,286, 1% more than incurred in the same period in 2019. The most notable increase in total expenses relates to an increase in depreciation, which amounted to HRK 23,127,375 in this period of 2020 compared to HRK 7,123,444 (HRK 16,003,931 less) in the same period in 2019.

Operating expenses amounted to HRK 46,955,326, 1% less than incurred in the same period in 2019. According to the announced employment and job preservation measures intended for sectors affected by COVID-19, the Company expects to write off part of the social security contributions totaling HRK 1,416,199. This amount is not included in the financial statements because there is at present no effective base to present it.

Financial expenses totaled HRK 2,375,960, 58% more than incurred in the same period in 2019.

It should be underlined that leases of new commercial properties in Novi Vinodolski, Umag and Baško Polje became effective in this period, which resulted in an increase in the value of intangible assets and, consequently, an increase in lease liabilities by HRK 114 million according to IFRS 16. Having been executed and adjusted to reflect the newly arisen situation caused by the COVID-19 pandemic, these leases additionally helped stabilize Group's cash flow in this year.

Loss of HRK 36,118,228 was incurred in the first six months of 2020, which is 144% more than the loss incurred in the same period in 2019. The Group obtained total EBITDA of HRK -10,690,546 in the January-June 2020 period, which is 4,007,674 below the figure obtained in the same period in 2019.

3. COMPANY AND GROUP RISK EXPOSURE

Primary risks in Company's and Group's business are as follows:

Competition risk

Competition risk in the tourism market is very high because other similar tourism destinations have invested substantial funds in the growth and development of their capacities, as well as in other marketing activities focused on tourist arrivals. Among other things, competition is based on the prices, quality and substance of tourism offerings in Crikvenica Riviera and other domestic and foreign tourism destinations. To increase its market competitiveness, the Company and the Group launched a new investment cycle in 2018 and

continued with it in 2019, which includes not only investments in accommodations to increase the number of units and improve accommodation quality, but also investments in the destination through active involvement in all events and designing new attractions in Crikvenica Riviera.

Due to being involved in a pre-bankruptcy settlement proceeding, Club Adriatic d.o.o. has not, for the time being, been able to invest in improving the quality of its accommodations and the 2* and 3* classification for the hotel and the camp, respectively, prevented the Company from competing with its most direct rivals in terms of prices and service quality.

Currency risk

The official currency of the Company and the Group is HRK however certain transactions in foreign currencies are translated into HRK according to the exchange rate applicable on the balance sheet date. The resulting foreign exchange differences are recorded as expenses or through profit and loss, but do not affect operating cash flow.

Interest rate risk

The Company and the Group are exposed to interest rate risk because they enter into loan agreements with, inter alia, variable interest rates with banks, which exposes the Company and the Group to increased risk.

Settlement risk

Settlement risk is present in all bilateral transactions. Considering that the performance of monetary obligations to the issuers is one of the key elements necessary for uninterrupted business, the Company and the Group give high importance to this risk. The Company and the Group have established stringent procedures to minimize collection risks. During the pandemic, certain partners may be additionally exposed to liquidity risk, which may result in increased settlement risk. In addition, settlement risk arising from executed contracts may be significantly increased in case a contract is terminated for force majeure or if free movement of persons and goods is prevented during pandemics.

Inflation risk

Inflation risk is in particular present in contractual relationships where the price of a service or product is indexed and tied to Croatian National Bank's strong HRK policy. As this is an external risk, the ability to eliminate it is minimal. For the purpose of minimizing inflation risk, the Company and the Group insist on negotiating fixed terms of supply with all suppliers where possible. Suppliers of energy are an exception – their prices are subject to stock exchange variations.

Liquidity risk

The Company and the Group manage this risk by maintaining adequate reserves and by obtaining loans from banks and using other sources of funding, by constantly monitoring planned and actual cash flows, and by comparing maturity profiles of financial assets and liabilities. The Company and the Group treat this risk as particularly important as long as there is increased uncertainty with regard to revenue earning abilities as a result of the pandemic's adverse effects on the free movement of guests, impairment of their spending powers, and default on contracts by business partners.

Liquidity risk management includes maintaining sufficient amounts of cash and working capital.

Risk of tax and concession legislation developments

The risk of tax and concession legislation developments is the likelihood that legislative authorities will amend tax legislation in a way that they adversely impact the Company's and Group's profitability. This risk is reflected in potential changes in tax rates and taxable assets, as well as in changes in regulations concerning concessions and concessional authorizations. The right to use a maritime domain is one of the significant conditions precedent to further operation of the Company and the Group, so the Company and the Group have actively endeavored to establish new bases for cooperation with the local community in this segment. The Company and the Group hope that, during the pandemic, the legislators, the executive authorities and the local community will offer various financial and operating benefits to entities exposed to significant adverse impacts of the pandemic, in addition to the measures necessary to protect people's health.

Tourism industry risk

Tourism trends are largely affected by the broader political situation, growth of terrorism, the global financial crisis and the pandemic. As an industry, tourism is highly sensitive to the state of security at the destination and its surroundings. After the risk in some rival destinations was reduced (e.g. Turkey, Greece), the competitive position of both Croatian tourism and the Company has become additionally weakened. By launching the aforementioned investment cycle, the Company and the Group will endeavor to minimize the impact of adverse market trends and the resulting risks.

The global financial crisis may significantly reduce the spending power of individuals inclined to traveling, whereas a pandemic may also significantly reduce or completely eliminate the effects of tourist arrivals at the Company's and Group's destination as a result of the inability to travel outside one's own country or fear for own health and future.

Environmental risk

Environmental risk may significantly affect the Company's and Group's performance, notably through the quality of the sea and coast where guests stay. Climate change may directly affect the length of stay in Company's and Group's accommodation facilities. This risk also includes other natural disasters.

4. EMPLOYEES

As of 30 June 2020, the Jadran d.d. employed a total of 270 persons.

As of 30 June 2020, Club Adriatic d.o.o. employed a total of 57 persons.

Stolist d.o.o. employed one person.

As of 30 June 2020, the Group employed 323 persons.

5. RESEARCH AND DEVELOPMENT ACTIVITIES

The Company and the Group constantly monitor developments in its environment and invests in market research, identification of business opportunities, and new acquisitions. The Company and the Group direct and support its affiliate's activities.



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6. OWN SHARE REDEMPTION

As of 30 June 2020, share capital of company Jadran d.d. was HRK 482,507,730.00, divided into 27,971,463 common dematerialized shares with no nominal value, and the Company held 631 own shares, which accounted for 0.0023% of the Company's share capital.

As of 30 June 2020, share capital of company Club Adriatic d.o.o. was HRK 117,104,500.

As of 30 June 2020, share capital of company Stolist d.o.o. was HRK 20,000.

7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no events relevant to the Company or the Group after the reporting period.

8. CODE OF CORPORATE GOVERNANCE

Pursuant to Article 250.b(4) and (5) and Article 272.p of the Companies Act (Official Gazette No. 111/93, 34/99, 121/99, 52/00 – Decision of the Constitutional Court of the Republic of Croatia, 118/03, 107/07, 146/08, 137/09, 152/11 – Consolidated Text, 111/12, 68/13, 110/15, and 40/19), JADRAN d.d. (hereinafter referred to as Jadran d.d. or the Company) hereby issues this Corporate Governance Statement.

In the period from January the Company and the Group applied the Code of Corporate Governance of Zagreb Stock Exchange, Inc. as published on the Stock Exchange website (www.zse.hr) and on the website of the Croatian Financial Services Supervisory Agency (www.hanfa.hr). The Company's and the Group's application of the Zagreb Stock Exchange's Code is reflected in an annual questionnaire which is publicly disclosed in accordance with the applicable regulations. The answers in the Questionnaire clearly show which provisions of the Code are complied with by the Company and the Group and which are not and the Questionnaire is publicly available on Zagreb Stock Exchange's website (www.zse.hr).

The Company's shares have been quoted on the official market of the Zagreb Stock Exchange since January of 2018 and the shareholding report is part of the Annual Report. As of the date its shares were first quoted on the stock exchange, the Company has not recorded profits and no dividend has thus been distributed.

The Company's share capital is HRK 482,507,730.00, divided into 27,971,463 registered common dematerialised shares without nominal value, each entitling its holder to one vote. There are no holders of securities in the Company that entail special control rights or voting limitations to a specific percentage or number of votes. As of 30 June 2020, the Company held 631 own shares.

Information about significant shareholders is available on a daily basis on the official website of the Central Depository and Clearing Company (www.skdd.hr).

The Company and the Group applied the principle of equal treatment to all shareholders. The shareholders exercised their primary control rights by deciding on matters within their scope of responsibility via the General Meeting of Jadran d.d. The General Meeting is responsible for deciding on the following matters: election and removal of Supervisory Board Members, allocation of profits, granting discharge to Management Board Members, appointment of auditors, amendments to the Articles of Association, increasing and decreasing of share capital, and any other matters placed under its responsibility under the law. The shareholders exercise their rights via the General Meeting.

In 2019, the Company's Ordinary General Meeting was held within the time defined in the Companies Act and the Company's Articles of Association. The notice of the General Meeting, proposals for Resolutions, the relevant materials and the Resolutions passed were published in accordance with the Companies Act, the Capital Market Act, the Zagreb Stock Exchange Rules, and the Company's Articles of Association. Registration for participation in the proceedings of the General Meeting is defined by the Company's Articles of

Association, in compliance with the relevant provisions of the Companies Act – shareholders register their participation as and within the time limits indicated in the notice of the General Meeting.

As of 30 June 2019, the Supervisory Board comprised the following persons:

- Tomislav Kitonić, Chairman of the Supervisory Board
- Karlo Došen, Deputy Chairman of the Supervisory Board
- Dragan Magaš, Supervisory Board Member
- Mirko Herceg, Supervisory Board Member
- Ivan Blažević, Supervisory Board Member (representative of employees)

The Management Board comprises of one member who is authorised to represent the Company solely and independently. The composition of the Management Board of the Company as of June 30, 2020 is as follows:

- Goran Fabris, Chairman of the Management Board

Karlo Čulo's term as Management Board Member expired on 22 May 2020.

In the period from January to June the Management Board managed the Company's and the Group's affairs in accordance with the Companies Act, the Articles of Association and other internal corporate documents, and fully complied with the provisions of the Code.

Pursuant to the Companies Act and the Articles of Association, the Supervisory Board takes its decisions at its meetings. During the second quarter the Supervisory Board supervised the management of Company's affairs in accordance with the Companies Act, the Articles of Association and other internal corporate documents. In the period from January to June 2020. the Supervisory Board held a total of 4 meetings, which is consistent with good corporate practices. The Supervisory Board operates three committees, which support the Supervisory Board by preparing decisions to be taken by the Supervisory Board and supervising their implementation. These committees are: the Audit Committee, the Remuneration Committee, and the Corporate Governance Committee.

The rules for appointing and removing Management Board Members and Supervisory Board Members are defined by the Articles of Association and the Companies Act.

No restrictions in terms of gender, age, education, profession, etc. apply in any executive, managing or supervisory organs or on any other level.

The Company complies with the provisions of the Code, except for those provisions that cannot be implemented at a given time. Such exceptions are as follows:

- The Company will not provide a proxy holder for shareholders who are unable to vote personally at the General Meeting for any reason. The Company has not received such requests from its shareholders to date but does provide its shareholders with a proxy form to help them empower a person of their choice;

- Shareholders were not allowed to take part in and vote at the General Meeting using modern communication technology because there has been no need for this as yet;
- The Company does not maintain a long-term succession plan within the meaning of the Code but has a general plan for the replacement of key function holders through ongoing training programs;
- The remuneration paid to the Supervisory Board Members was not determined based on their contribution to the Company's performance but equals a fixed amount in line with the decision of the Shareholders' Meeting. It was found impossible to evaluate each Supervisory Board Member's contribution to the Company's performance, especially since the Supervisory Board Members are not actively involved in the management of Company's business;
- The Audit Committee is not mostly comprised of independent Supervisory Board Members. It was decided to implement an alternative solution offered by Article 65 of the Audit Act, so the Supervisory Board appointed all three members of the Audit Committee from among Supervisory Board Members. Of these three Audit Committee members, one is an independent Supervisory Board member and his membership in this Committee reflects the relevant proportion of independent members in the Supervisory Board. All three Audit Committee members are financial experts;
- The Supervisory Board did not prepare an evaluation of its work in the past period, except for the review contained in the Supervision Report 2019 and the results of examining reports relevant to the closing of the fiscal year 2019;
- No transactions were conducted that involved any Supervisory Board Members or their related parties and the Company or its related parties, which is why they were not specified in Company's reports. This also pertains to transactions involving Management Board members or Executive Directors or their related parties and the Company or its related parties;
- No contracts or agreements were entered into in 2019 between Supervisory Board Members or Management Board Members and the Company;
- The Audit Committee did not find it necessary to develop rules defining which services external auditors are not allowed to provide to the Company;
- The Company did not create a calendar of key events because it did not find this necessary considering that it duly announces and discloses all information concerning such events.

As part of its organisational model that encompasses all business operations and processes, the Company and the Group developed internal control systems on all relevant levels which, inter alia, provide a true and fair view of the financial statements and business reports.

Pursuant to the Capital Market Act, the Zagreb Stock Exchange Rules and other applicable regulations, Jadran d.d. duly discloses the required inside information and any changes thereto as soon as such changes occur.

9. APPENDICIES

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2020

to

30.6.2020

Year:

2020

Quarter:

2

Quarterly financial statements

Registration number (MB):

03145662

Issuer's home Member
State code:

HR

Entity's registration
number (MBS):

040000817

Personal identification
number (OIB):

56994999963

LEI:

74780030Q33IX8LEE969

Institution
code:

1285

Name of the issuer:

JADRAN D.D.

Postcode and town:

51260

CRIKVENICA

Street and house number:

BANA JELAČIĆA 16

E-mail address:

uprava@jadran-crikvenica.hr

Web address:

www.jadran-crikvenica.hr

Number of employees
(end of the reporting

270

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person:

IVANČIĆ MAJETIĆ NATALI

(only name and surname of the contact person)

Telephone:

051/800-482

E-mail address:

financije@jadran-crikvenica.hr

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 30.06.2020.

in HRK

Submitter: JADRAN D.D., CRIKVENICA			
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	709.454.671	885.959.844
I INTANGIBLE ASSETS (ADP 004 to 009)	003	16.189.841	123.120.869
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	130.748	102.773
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	16.059.093	123.018.096
II TANGIBLE ASSETS (ADP 011 to 019)	010	631.788.145	644.257.790
1 Land	011	298.373.065	298.373.065
2 Buildings	012	227.926.318	219.146.735
3 Plant and equipment	013	68.737.620	63.979.600
4 Tools, working inventory and transportation assets	014	306.037	280.542
5 Biological assets	015	589.689	541.620
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	35.855.416	61.936.228
8 Other tangible assets	018	0	0
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	61.476.685	118.581.185
1 Investments in holdings (shares) of undertakings within the group	021	61.476.685	118.581.185
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	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	0	0
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	0	0
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	119.388.012	89.582.032
I INVENTORIES (ADP 039 to 045)	038	397.008	1.012.638

1 Raw materials and consumables	039	374.366	1.010.526
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	22.642	2.112
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	83.729.804	29.763.439
1 Receivables from undertakings within the group	047	9.664.710	837.679
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	5.718.868	5.208.965
4 Receivables from employees and members of the undertaking	050	29.084	45.941
5 Receivables from government and other institutions	051	977.663	2.122.850
6 Other receivables	052	67.339.479	21.548.004
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	14.000.000	18.200.000
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	14.000.000	18.200.000
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	21.261.200	40.605.955
D) PREPAID EXPENSES AND ACCRUED INCOME	064	1.094.636	1.620.767
E) TOTAL ASSETS (ADP 001+002+037+064)	065	829.937.319	977.162.643
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	597.296.159	564.514.808
I INITIAL (SUBSCRIBED) CAPITAL	068	482.507.730	482.507.730
II CAPITAL RESERVES	069	234.210.922	234.210.922
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	0	0
1 Legal reserves	071	0	0
2 Reserves for treasury shares	072	0	0
3 Treasury shares and holdings (deductible item)	073	0	0
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)	077	0	0
1 Fair value of financial assets 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
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	-114.648.124	-119.422.493
1 Retained profit	082	0	0

2 Loss brought forward	083	114.648.124	119.422.493
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	-4.774.369	-32.781.351
1 Profit for the business year	085	0	0
2 Loss for the business year	086	4.774.369	32.781.351
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	489.419	489.419
1 Provisions for pensions, termination benefits and similar obligations	089	489.419	489.419
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	0
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	188.228.144	360.797.797
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	171.956.525	230.722.780
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	16.271.619	130.075.017
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	42.619.267	50.455.032
1 Liabilities to undertakings within the group	108	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	576.462	576.462
6 Liabilities to banks and other financial institutions	113	14.764.498	14.523.167
7 Liabilities for advance payments	114	1.746.946	10.420.068
8 Liabilities to suppliers	115	19.337.444	16.979.913
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	3.927.786	1.622.753
11 Taxes, contributions and similar liabilities	118	817.439	3.593.649
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	1.448.692	2.739.020
E) ACCRUALS AND DEFERRED INCOME	122	1.304.330	905.587
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	829.937.319	977.162.643
G) OFF-BALANCE SHEET ITEMS	124	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2020 to 30.06.2020

in HRK

Submitter: JADRAN D.D., CRIKVENICA					
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 126 to 130)	125	29.572.776	27.155.130	11.204.802	8.106.805
1 Income from sales with undertakings within the group	126	0	0	0	0
2 Income from sales (outside group)	127	25.460.400	24.208.834	7.094.089	5.843.568
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	8.578	8.578	230.200	230.200
5 Other operating income (outside the group)	130	4.103.798	2.937.718	3.880.513	2.033.037
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	39.520.441	25.916.405	41.672.514	25.596.248
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	17.025.386	11.746.531	6.284.575	2.911.435
a) Costs of raw materials and consumables	134	6.418.909	5.374.925	2.309.423	1.359.835
b) Costs of goods sold	135	1.916.293	1.831.489	37.771	23.300
c) Other external costs	136	8.690.184	4.540.117	3.937.381	1.528.300
3 Staff costs (ADP 138 to 140)	137	13.017.859	8.723.472	10.808.965	6.330.743
a) Net salaries and wages	138	8.265.419	5.677.370	6.457.532	3.891.525
b) Tax and contributions from salary costs	139	3.096.440	1.948.822	2.934.684	1.607.079
c) Contributions on salaries	140	1.656.000	1.097.280	1.416.749	832.139
4 Depreciation	141	6.062.096	3.376.929	21.694.123	14.841.636
5 Other costs	142	3.211.392	1.953.653	2.706.790	1.393.537
6 Value adjustments (ADP 144+145)	143	0	0	0	0
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	0	0
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	0	0	0	0
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	203.708	115.820	178.061	118.897
III FINANCIAL INCOME (ADP 155 to 164)	154	528.303	489.469	30.270	4.783
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0

6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	198.866	182.252	19.715	4.783
8 Exchange rate differences and other financial income	162	329.437	307.217	184	0
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	10.371	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	1.485.067	942.845	2.343.909	928.541
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	1.340.614	800.023	2.170.174	928.541
4 Exchange rate differences and other expenses	169	144.453	142.822	173.735	0
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	176	0	0	0	0
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	30.101.079	27.644.599	11.235.072	8.111.588
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	41.005.508	26.859.250	44.016.423	26.524.789
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	-10.904.429	785.349	-32.781.351	-18.413.201
1 Pre-tax profit (ADP 177-178)	180	0	785.349	0	0
2 Pre-tax loss (ADP 178-177)	181	-10.904.429	0	-32.781.351	-18.413.201
XII INCOME TAX	182	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	-10.904.429	785.349	-32.781.351	-18.413.201
1 Profit for the period (ADP 179-182)	184	0	785.349	0	0
2 Loss for the period (ADP 182-179)	185	-10.904.429	0	-32.781.351	-18.413.201
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 187-188)	186	0	0	0	0
1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-186)	191	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	192	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
XVII INCOME TAX (ADP 182+189)	195	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196	0	0	0	0
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					

XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	199	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	-10.904.429	785.349	-32.781.351	-18.413.201
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	0	0	0	0
1 Exchange rate differences from translation of foreign operations	204	0	0	0	0
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	0	0	0	0
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	0
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	0	0
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	-10.904.429	785.349	-32.781.351	-18.413.201
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 216+217)	215	0	0	0	0
1 Attributable to owners of the parent	216	0	0	0	0
2 Attributable to minority (non-controlling) interest	217	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2020. to 30.06.2020.

in HRK

Submitter: JADRAN D.D., CRIKVENICA			
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	-10.904.429	-32.781.351
2 Adjustments (ADP 003 to 010):	002	6.062.096	21.694.123
a) Depreciation	003	6.062.096	21.694.123
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	0	0
e) Interest expenses	007	0	0
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	0
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	-4.842.333	-11.087.228
3 Changes in the working capital (ADP 013 to 016)	012	-1.822.491	60.261.626
a) Increase or decrease in short-term liabilities	013	35.247.759	7.835.765
b) Increase or decrease in short-term receivables	014	-36.476.053	53.966.365
c) Increase or decrease in inventories	015	-1.148.170	-615.630
d) Other increase or decrease in working capital	016	553.973	-924.874
II Cash from operations (ADP 011+012)	017	-6.664.824	49.174.398
4 Interest paid	018	0	0
5 Income tax paid	019	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	-6.664.824	49.174.398
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	0
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	0	0
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-87.146.701	-34.135.793
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	-57.104.500
5 Other cash payments from investment activities	032	0	0
IV Total cash payments from investment activities (ADP 028 to 032)	033	-87.146.701	-91.240.293
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-87.146.701	-91.240.293

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	58.766.255
4 Other cash receipts from financing activities	038	17.183.441	6.844.395
V Total cash receipts from financing activities (ADP 035 to 038)	039	17.183.441	65.610.650
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-10.783.114	0
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	0	-4.200.000
VI Total cash payments from financing activities (ADP 040 to 044)	045	-10.783.114	-4.200.000
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	6.400.327	61.410.650
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	-87.411.198	19.344.755
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	125.502.164	21.261.200
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	38.090.966	40.605.955

NOTES TO FINANCIAL STATEMENTS - TFI

Name of the issuer: JADRAN D.D.
Personal identification number (OIB): 56994999963

Reporting period: 01.01.-30.06.2020.

Business Data for the period 01-06 / 2020. are specified in the interim report which is an integral part of the report for the Second Quarter of 2020.

Annex 1

ISSUER'S GENERAL DATA

Reporting period: to

Year:

Quarter:

Quarterly financial statements

Registration number (MB): Issuer's home Member State code:

Entity's registration number (MBS):

Personal identification number (OIB): LEI:

Institution code:

Name of the issuer:

Postcode and town:

Street and house number:

E-mail address:

Web address:

Number of employees (end of the reporting period):

Consolidated report: (KN-not consolidated/KD-consolidated)

Audited: (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS): Registered office: MB:

CLUB ADRIATIC D.O.O.	BAŠKA VODA, PETRA KREŠIMIRA IV 11	1634470
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STOLIST D.O.O.	CRIKVENICA, FRANKOPANSKA 22	2741865
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Bookkeeping firm: (Yes/No)

(name of the bookkeeping firm)

Contact person:

(only name and surname of the contact person)

Telephone:

E-mail address:

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
balance as at 30.06.2020

in HRK

Submitter: JADRAN D.D., CRIKVENICA -CONSOLIDATED			
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	850.413.320	973.501.994
I INTANGIBLE ASSETS (ADP 004 to 009)	003	17.631.191	123.452.920
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	255.333	209.126
3 Goodwill	006	1.316.765	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	16.059.093	123.243.794
II TANGIBLE ASSETS (ADP 011 to 019)	010	832.772.599	850.039.544
1 Land	011	476.976.674	476.976.674
2 Buildings	012	244.293.827	234.809.747
3 Plant and equipment	013	74.609.634	70.336.842
4 Tools, working inventory and transportation assets	014	306.037	280.542
5 Biological assets	015	731.011	681.104
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	35.855.416	66.954.635
8 Other tangible assets	018	0	0
9 Investment property	019	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	9.530	9.530
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	9.530	9.530
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	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	0	0
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	0	0
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	96.646.027	76.719.095
I INVENTORIES (ADP 039 to 045)	038	542.543	1.181.754

1 Raw materials and consumables	039	519.901	1.179.642
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	22.642	2.112
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
II RECEIVABLES (ADP 047 to 052)	046	72.846.495	32.690.311
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	4.426.268	6.250.485
4 Receivables from employees and members of the undertaking	050	29.084	48.133
5 Receivables from government and other institutions	051	977.662	2.639.353
6 Other receivables	052	67.413.481	23.752.340
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	0	0
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	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	23.256.989	42.847.030
D) PREPAID EXPENSES AND ACCRUED INCOME	064	1.852.630	1.739.066
E) TOTAL ASSETS (ADP 001+002+037+064)	065	948.911.977	1.051.960.155
OFF-BALANCE SHEET ITEMS	066	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	660.243.751	625.022.076
I INITIAL (SUBSCRIBED) CAPITAL	068	482.507.730	482.507.730
II CAPITAL RESERVES	069	234.210.922	234.210.922
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	-271.122	0
1 Legal reserves	071	0	0
2 Reserves for treasury shares	072	0	0
3 Treasury shares and holdings (deductible item)	073	0	0
4 Statutory reserves	074	0	0
5 Other reserves	075	-271.122	0
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)	077	0	0
1 Fair value of financial assets 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
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	-54.115.871	-55.578.348
1 Retained profit	082	0	0

2 Loss brought forward	083	54.115.871	55.578.348
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	-2.087.908	-36.118.228
1 Profit for the business year	085	0	0
2 Loss for the business year	086	2.087.908	36.118.228
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0
B) PROVISIONS (ADP 089 to 094)	088	489.419	489.419
1 Provisions for pensions, termination benefits and similar obligations	089	489.419	489.419
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	0
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	188.228.144	361.044.013
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	246.216
6 Liabilities to banks and other financial institutions	101	171.956.525	230.722.780
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	16.271.619	130.075.017
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	98.090.784	64.431.060
1 Liabilities to undertakings within the group	108	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	576.461	576.462
6 Liabilities to banks and other financial institutions	113	44.955.627	14.523.167
7 Liabilities for advance payments	114	5.680.814	16.392.720
8 Liabilities to suppliers	115	25.394.438	20.812.736
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	4.672.347	1.816.592
11 Taxes, contributions and similar liabilities	118	6.635.264	7.563.415
12 Liabilities arising from the share in the result	119	0	0
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	10.175.833	2.745.968
E) ACCRUALS AND DEFERRED INCOME	122	1.859.879	973.587
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	948.911.977	1.051.960.155
G) OFF-BALANCE SHEET ITEMS	124	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2020 to 30.06.2020

in HRK

Submitter: JADRAN D.D., CRIKVENICA -CONSOLIDATED					
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 126 to 130)	125	33.395.670	30.938.245	13.137.404	9.261.465
1 Income from sales with undertakings within the group	126	0	0	0	0
2 Income from sales (outside group)	127	29.216.928	27.965.362	8.380.188	6.800.606
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	4.178.742	2.972.883	4.757.216	2.460.859
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	47.201.986	30.385.035	46.955.326	28.455.264
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	18.869.683	13.302.001	7.437.522	3.422.325
a) Costs of raw materials and consumables	134	7.367.415	6.215.757	2.606.849	1.528.118
b) Costs of goods sold	135	1.916.292	1.831.489	37.771	23.300
c) Other external costs	136	9.585.976	5.254.755	4.792.902	1.870.907
3 Staff costs (ADP 138 to 140)	137	17.741.858	11.071.217	13.287.874	7.570.643
a) Net salaries and wages	138	11.363.939	7.168.778	8.054.645	4.702.913
b) Tax and contributions from salary costs	139	4.122.835	2.490.854	3.480.718	1.867.090
c) Contributions on salaries	140	2.255.084	1.411.585	1.752.511	1.000.640
4 Depreciation	141	7.123.444	3.906.437	23.127.376	15.550.224
5 Other costs	142	3.262.841	1.989.108	2.924.493	1.793.175
6 Value adjustments (ADP 144+145)	143	0	0	0	0
a) fixed assets other than financial assets	144	0	0	0	0
b) current assets other than financial assets	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	147	0	0	0	0
b) Provisions for tax liabilities	148	0	0	0	0
c) Provisions for ongoing legal cases	149	0	0	0	0
d) Provisions for renewal of natural resources	150	0	0	0	0
e) Provisions for warranty obligations	151	0	0	0	0
f) Other provisions	152	0	0	0	0
8 Other operating expenses	153	204.160	116.272	178.061	118.897
III FINANCIAL INCOME (ADP 155 to 164)	154	528.347	489.513	75.654	34.044
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0

6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	198.866	182.252	19.768	4.822
8 Exchange rate differences and other financial income	162	329.481	307.261	39.541	29.222
9 Unrealised gains (income) from financial assets	163	0	0	0	0
10 Other financial income	164	0	0	16.345	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	1.506.594	953.927	2.375.960	932.317
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0
3 Interest expenses and similar expenses	168	1.347.292	802.850	2.172.234	928.674
4 Exchange rate differences and other expenses	169	159.302	151.077	203.726	3.643
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	176	0	0	0	0
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	33.924.017	31.427.758	13.213.058	9.295.509
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	48.708.580	31.338.962	49.331.286	29.387.581
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	-14.784.563	88.796	-36.118.228	-20.092.072
1 Pre-tax profit (ADP 177-178)	180	0	88.796	0	0
2 Pre-tax loss (ADP 178-177)	181	-14.784.563	0	-36.118.228	-20.092.072
XII INCOME TAX	182	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	-14.784.563	88.796	-36.118.228	-20.092.072
1 Profit for the period (ADP 179-182)	184	0	88.796	0	0
2 Loss for the period (ADP 182-179)	185	-14.784.563	0	-36.118.228	-20.092.072
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 187-188)	186	0	0	0	0
1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-186)	191	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	192	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
XVII INCOME TAX (ADP 182+189)	195	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196	0	0	0	0
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					

XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	199	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	-14.784.563	88.796	-36.118.228	-20.092.072
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	0	0	0	0
1 Exchange rate differences from translation of foreign operations	204	0	0	0	0
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	0	0	0	0
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	0
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	0	0
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	-14.784.563	88.796	-36.118.228	-20.092.072
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 216+217)	215	0	0	0	0
1 Attributable to owners of the parent	216	0	0	0	0
2 Attributable to minority (non-controlling) interest	217	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 01.01.2020. to 30.06.2020.

in HRK

Submitter: JADRAN D.D., CRIKVENICA-CONSOLIDATED			
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	-14.784.563	-36.118.228
2 Adjustments (ADP 003 to 010):	002	7.123.444	23.127.376
a) Depreciation	003	7.123.444	23.127.376
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	0	0
e) Interest expenses	007	0	0
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	0	0
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	-7.661.119	-12.990.852
3 Changes in the working capital (ADP 013 to 016)	012	20.848.584	5.084.521
a) Increase or decrease in short-term liabilities	013	62.867.504	-33.659.724
b) Increase or decrease in short-term receivables	014	-41.274.414	40.156.184
c) Increase or decrease in inventories	015	-1.329.510	-639.211
d) Other increase or decrease in working capital	016	585.004	-772.728
II Cash from operations (ADP 011+012)	017	13.187.465	-7.906.331
4 Interest paid	018	0	0
5 Income tax paid	019	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	13.187.465	-7.906.331
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0	0
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	0	0
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	0	0
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-95.200.379	-39.031.349
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	-95.200.379	-39.031.349
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-95.200.379	-39.031.349

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	17.162.169	58.766.255
4 Other cash receipts from financing activities	038	17.183.441	7.761.466
V Total cash receipts from financing activities (ADP 035 to 038)	039	34.345.610	66.527.721
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	0	0
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	-45.760.368	0
5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-45.760.368	0
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-11.414.758	66.527.721
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	-93.427.672	19.590.041
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	133.743.250	23.256.989
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	40.315.578	42.847.030

NOTES TO FINANCIAL STATEMENTS - TFI

Name of the issuer: JADRAN D.D.-CONSOLIDATED
Personal identification number (OIB): 56994999963

Reporting period: 01.01.-30.06.2020.

Business Data for the period 01-06 / 2020. are specified in the interim report which is an integral part of the report for the Second Quarter of 2020.

Pursuant to Articles 407 and 410 of the Capital Market Act (Official Gazette 88/08, 146/08), the Management Board, 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. and the Group 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. and the Group for the period from January 1st 2020 to June 30th 2020 provide a true and fair view of the assets and liabilities, losses and gains, financial position and operations of the Company and the Group.

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

In Crikvenica, July 31st 2020



Chairman of the Management Board
Goran Fabris