

# 2021

## **NON-AUDITED REPORT ON PERFORMANCE OF LUKA KOPER GROUP AND LUKA KOPER, D. D., IN JANUARY – JUNE 2021**

Luka Koper Group  
and Luka Koper, d. d.

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# INTRODUCTION

## 1 Performance highlights of Luka Koper Group in January - June 2021

In 2020, the COVID-19 pandemics severely affected the whole global economy, trade flows and logistics routes, and also had an impact on the performance of the Luka Koper Group. In the first quarter of 2021, there was a gradual recovery of the global economy, whilst in the second quarter of 2021 the economic activity strengthened in the international context. Due to the progress in the execution of the vaccination, the international institutions expect the enhanced growth in the second half of 2021, and also in Slovenia the prospects for the economic growth remain favourable. In the first half of 2021, the Luka Koper Group achieved good business results. Almost all financial indicators showed better results than planned for the reported period and the results achieved in the first half of 2020. The achieved maritime throughput in the first half of 2021 was higher when compared to the planned and achieved throughput in the same period in the previous year. Higher throughput in both strategic product groups containers and cars, in comparison with 2020 and in relation to the plan should be emphasized. In March, despite the aggravated situation due to the COVID-19 pandemics, Luka Koper, d. d., set a new monthly record in the container throughput, when 97,101 TEU, container units, were transhipped. In comparison to the previous year, the throughput of liquid cargoes decreased, mostly due to the suspension of the passenger air traffic and lower volume of the throughput of petroleum products due to the COVID-19 pandemics impact. Besides that, the throughput of the thermal coal, of which consumption has been reducing in compliance with the European legislation which in coming years provides for complete decarbonisation also decreased.



**512,773** TEU

container throughput

+7 % 2021/2020

+5 % 2021/PLAN 2021



**330,613** units

throughput cars

+22 % 2021/2020

+9 % 2021/PLAN 2021



**114.7** million EUR

net revenue from sale

+7 % 2021/2020

+5 % 2021/PLAN 2021



**17.7** million EUR

earnings before interest and taxes (EBIT)

+3 % 2021/2020

+51 % 2021/PLAN 2021



**32.4** million EUR

earnings before interest and taxes,  
depreciation and amortisation (EBITDA)

+4 % 2021/2020

+26 % 2021/PLAN 2021



**28.2** %

EBITDA margin

-4 % 2021/2020

+20 % 2021/PLAN 2021



**15.4** million EUR

net profit or loss

+2 % 2021/2020

+49 % 2021/PLAN 2021



**30.1** million EUR

investments

+84 % 2021/2020

-9 % 2021/PLAN 2021



**7.0** %

return on equity (ROE)

at 2020 levels

+49 % 2021/PLAN 2021



**0.6**

net financial debt/EBITDA

+0,5 2021/2020

-0,1 2021/PLAN 2021

## Alternative performance measures

The Luka Koper Group also used alternative measures (APMs<sup>1</sup> Guidelines), defined by ESMA<sup>2</sup>.

Alternative measure	Calculation	Explanation of the selection
Earnings before interest and taxes (EBIT)	Earnings before interest and taxes (EBIT) = difference between operating income and costs.	It shows the performance (profitability) of the company's operations from the core business.
Earnings before interest and taxes, depreciation and amortisation (EBITDA)	Earnings before interest and taxes, depreciation and amortisation (EBITDA) = Earnings before interest and taxes (EBIT) + amortisation.	A measure of the company's financial performance and an approximation of the cash flow from operations. Shows the ability to cover write-downs and other non-operating expenses.
Added value	Added value = net revenue from sale + capitalised own products and own services + other revenue – costs of goods, material, services – other operating expenses excluding revaluation operating expenses.	Shows the newly created value of the company within one year. It is a measure of economic activity and success.
Return on sales (ROS)	Return on sales (ROS) = Earnings before interest and taxes (EBIT) / net revenue from sale.	Shows the operational efficiency of the company.
Return on equity (ROE)	Return on equity (ROE) = net income / shareholder equity.	Shows the management success in increasing the value of the company for the owners or shareholders.
Return on assets (ROA)	Return on assets (ROA) = net income / average total assets.	Shows how a company manages its assets.
EBITDA margin	EBITDA margin = Earnings before interest, taxes, depreciation and amortisation (EBITDA) / net revenue from sale.	Shows the business performance and profitability of market activity in percent. It is used to compare the company performance with other companies.
EBITDA margin from market activity	EBITDA margin from market activity = Earnings before interest and taxes, depreciation and amortisation (EBITDA) / net revenue from sale from market activity.	Shows the business performance and profitability of market activity un percent.
Net financial debt/EBITDA	Net financial debt/EBITDA = (Financial liabilities – cash and cash equivalents) / EBITDA.	Shows indebtedness and profitability of a company in order to assess the company's ability to settle its financial debts in the future if the company maintains the same volume of business and profit.

<sup>1</sup> APMs – Alternative Performance Measures

<sup>2</sup> ESMA - European Securities and Markets Authority

## 1.1 Key performance indicators

Table 1: the key performance indicators of Luka Koper, d. d., and the Luka Koper Group in January - June 2021 compared to 2020

Income statement (in EUR)	Luka Koper, d. d.			Luka Koper Group		
	1 - 6 2021	1 - 6 2020	Index 2021/ 2020	1 - 6 2021	1 - 6 2020	Index 2021/ 2020
Net revenue from sale	112,703,017	104,874,655	107	114,721,796	106,775,706	107
Earnings before interest and taxes (EBIT) <sup>3</sup>	17,416,741	16,983,225	103	17,727,521	17,247,961	103
Earnings before interest, taxes, depreciation and amortisation (EBITDA) <sup>4</sup>	31,702,747	30,576,048	104	32,367,634	31,240,460	104
Profit or loss from financing activity	1,348,542	507,200	266	44,589	-112,583	-40
Profit before tax	18,765,283	17,490,425	107	18,470,211	17,604,563	105
Net profit or loss	15,752,376	15,001,011	105	15,424,385	15,086,201	102
Added value <sup>5</sup>	71,523,547	67,726,961	106	75,492,781	71,740,814	105

Statement of financial position (in EUR)	30.06.2021	31.12.2020	Index 2021/ 2020	30.06.2021	31.12.2020	Index 2021/ 2020
Assets	593,681,546	571,650,069	104	629,242,872	607,399,743	104
Non-current assets	514,554,837	491,155,634	105	525,837,426	502,426,648	105
Current assets	79,126,709	80,494,435	98	103,405,446	104,973,095	99
Equity	413,365,431	408,951,207	101	445,836,898	441,660,686	101
Non-current liabilities with provisions and long-term accruals and deferred revenue	108,368,220	113,014,150	96	110,419,635	115,100,788	96
Current liabilities	71,947,895	49,684,712	145	72,986,339	50,638,269	144
Financial liabilities	92,892,688	82,324,438	113	92,884,549	82,378,629	113

Investments (in EUR)	1 - 6 2021	1 - 6 2020	Index 2021/ 2020	1 - 6 2021	1 - 6 2020	Index 2021/ 2020
Investments in property, plant and equipment, investments in property and intangible assets <sup>6,7</sup>	29,937,050	16,293,765	184	30,126,781	16,332,799	184

<sup>3</sup> Earnings before interest and taxes (EBIT) = difference between operating income and costs.

<sup>4</sup> Earnings before interest, taxes, depreciation and amortisation (EBITDA) = earnings before interest and taxes (EBIT) + amortisation.

<sup>5</sup> Added value = net sales + capitalised own products and own services + other revenue - costs of goods, material, services - other operating expenses excluding revaluation operating expenses.

<sup>6</sup> Without taking into account advances paid for the equipment.

Indicators (in %)	Luka Koper, d. d.			Luka Koper Group		
	1 – 6 2021	1 – 6 2020	Index 2021/2020	1 – 6 2021	1 – 6 2020	Index 2021/2020
Return on sales (ROS) <sup>8</sup>	15.5%	16.2%	96	15.5%	16.2%	96
Return on equity (ROE) <sup>9</sup>	7.7%	7.6%	101	7.0%	7.0%	100
Return on assets (ROA) <sup>10</sup>	5.4%	5.1%	106	5.0%	5.0%	100
EBITDA margin <sup>11</sup>	28.1%	29.2%	96	28.2%	29.3%	96
EBITDA margin from market activity <sup>12</sup>	29.1%	30.3%	96	29.1%	30.4%	96
Financial liabilities/equity	22.5%	25.8%	87	20.8%	20.2%	103
Net financial debt/EBITDA <sup>13</sup>	1.0	0.5	200	0,6	0,1	600

Maritime throughput (in tons)	1 – 6 2021	1 – 6 2020	Index 2021/2020	1 – 6 2021	1 – 6 2020	Index 2021/2020
Maritime throughput	10,368,530	10,133,815	102	10,368,530	10,133,815	102

Number of employees	1 – 6 2021	1 – 6 2020	Index 2021/2020	1 – 6 2021	1 – 6 2020	Index 2021/2020
Number of employees	1,528	1,533	100	1,691	1,697	100

<sup>8</sup> Return on sales (ROS) = earnings before interest and taxes (EBIT) / net sales.

<sup>9</sup> Return on equity (ROE) = net income / shareholder equity.

Indicator is calculated on the basis of annualised data

<sup>10</sup> Return on assets (ROA) = net income / average total assets.

Indicator is calculated on the basis of annualised data.

<sup>11</sup> EBITDA margin = earnings before interest, taxes, depreciation and amortisation (EBITDA) / net revenue from sale.

<sup>12</sup> EBITDA margin from market activity = earnings before interest, taxes, depreciation and amortisation (EBITDA) / net sales from market activity.

<sup>13</sup> Net financial debt/EBITDA = (financial liabilities – cash and cash equivalents) / EBITDA.

Indicator is calculated on the basis of annualised data.

Table 2: Maritime throughput in tons per product groups in January - June 2021 and 2020

Cargo groups (in tons)	1-6 2021	1-6 2020	Index 2021/2020
General cargoes	561,794	477,061	118
Containers	5,057,344	4,717,971	107
Cars	541,030	433,876	125
Liquid cargoes	1,490,403	1,655,816	90
Dry and bulk cargoes	2,717,959	2,849,092	95
<b>Total</b>	<b>10,368,530</b>	<b>10,133,815</b>	<b>102</b>

Table 3: Throughput of containers (number of containers in TEU) in cars (in units) in January - June 2021 and 2020

Cargo groups	1-6 2021	1-6 2020	Index 2021/2020
Containers - number	295,369	274,803	107
Containers - TEU	512,773	478,662	107
Cars - units	330,613	271,858	122



Table 4: The key performance indicators of Luka Koper, d. d., and the Luka Koper Group compared to January - June 2021 compared to the plan for 2021

Income statement (in EUR)	Luka Koper, d. d.			Luka Koper Group		
	1 - 6 2021	Plan 1 - 6 2021	Index 2021/ plan 2021	1 - 6 2021	Plan 1 - 6 2021	Index 2021/ plan 2021
Net revenue from sale	112,703,017	107,054,489	105	114,721,796	108,842,100	105
Earnings before interest and taxes (EBIT) <sup>14</sup>	17,416,741	11,865,851	147	17,727,521	11,760,053	151
Earnings before interest, taxes, depreciation and amortisation (EBITDA) <sup>15</sup>	31,702,747	25,400,456	125	32,367,634	25,687,644	126
Profit or loss from financing activity	1,348,542	679,684	198	44,589	-147,475	-30
Profit before tax	18,765,283	12,545,535	150	18,470,211	12,034,741	153
Net profit or loss	15,752,376	10,902,070	144	15,424,385	10,382,620	149
Added value <sup>16</sup>	71,523,547	64,225,257	111	75,492,781	67,925,679	111

Statement of financial position (in EUR)	30.06.2021	Plan 30.06.2021	Index 2021/ plan 2021	30.06.2021	Plan 30.06.2021	Index 2021/ plan 2021
Assets	593,681,546	584,396,848	102	629,242,872	609,011,133	103
Non-current assets	514,554,837	508,422,896	101	525,837,426	518,471,562	101
Current assets	79,126,709	75,973,952	104	103,405,446	90,539,571	114
Equity	413,365,431	410,358,177	101	445,836,898	442,582,830	101
Non-current liabilities with provisions and long-term accruals and deferred revenue	108,368,220	117,273,005	92	110,419,635	109,682,850	101
Current liabilities	71,947,895	56,765,665	127	72,986,339	56,745,453	129
Financial liabilities	92,892,688	86,685,407	107	92,884,549	77,020,497	121

Investments (in EUR)	1 - 6 2021	Plan 1 - 6 2021	Index 2021/ plan 2021	1 - 6 2021	Plan 1 - 6 2021	Index 2021/ plan 2021
Investments in property, plant and equipment, investment in property and intangible assets <sup>17</sup>	29,937,050	32,837,642	91	30,126,781	33,045,642	91

<sup>14</sup> Earnings before interest and taxes (EBIT) = difference between operating income and costs.

<sup>15</sup> Earnings before interest, taxes, depreciation and amortisation (EBITDA) = earnings before interest and taxes (EBIT) + amortisation.

<sup>16</sup> Added value = net sales + capitalised own products and own services + other revenue - costs of goods, material, services - other operating expenses excluding revaluation operating expenses.

<sup>17</sup> Without taking into account advances paid for the equipment.

Ratios (in %)	Luka Koper, d. d.			Luka Koper Group		
	1 – 6 2021	Plan 1 – 6 2021	Index 2021/ plan 2021	1 – 6 2021	Plan 1 – 6 2021	Index 2021/ plan 2021
Return on sale (ROS) <sup>18</sup>	15.5%	11.1%	140	15.5%	10.8%	144
Return on equity (ROE) <sup>19</sup>	7.7%	5.4%	143	7.0%	4.7%	149
Return on assets (ROA) <sup>20</sup>	5.4%	3.8%	142	5.0%	3.4%	147
EBITDA margin <sup>21</sup>	28.1%	23.7%	119	28.2%	23.6%	119
EBITDA margin from market activity <sup>22</sup>	29.1%	24.9%	117	29.1%	24.7%	118
Financial liabilities/equity	22.5%	21.1%	107	20.8%	17.4%	120
Net financial debt /EBITDA <sup>23</sup>	1.0	1.2	83	0.6	0.7	86

Maritime throughput (in tons)	1 – 6 2021	Plan 1 – 6 2021	Index 2021/ plan 2021	1 – 6 2021	Plan 1 – 6 2021	Index 2021/ plan 2021
Maritime throughput	10,368,530	10,254,085	101	10,368,530	10,254,085	101

Number of employees	1 – 6 2021	Plan 1 – 6 2021	Index 2021/ plan 2021	1 – 6 2021	Plan 1 – 6 2021	Index 2021/ plan 2021
Number of employees	1,528	1,563	98	1,691	1,729	98

<sup>18</sup> Return on sales (ROS) = earnings before interest and taxes (EBIT) / net sales

<sup>19</sup> Return on equity (ROE) = net income / shareholder equity.

Indicator is calculated on the basis of annualised data

<sup>20</sup> Return on assets (ROA) = net income / average total assets.

Indicator is calculated on the basis of annualised data.

<sup>21</sup> EBITDA margin = earnings before interest, taxes, depreciation and amortisation (EBITDA) / net revenue from sale.

<sup>22</sup> EBITDA margin from market activity = earnings before interest, taxes, depreciation and amortisation (EBITDA) / net sales from market activity..

<sup>23</sup> Net financial debt/EBITDA = (financial liabilities – cash and cash equivalents) / EBITDA.

Indicator is calculated on the basis of annualised data.

## 2 Introductory note

Compliant with the Market and Financial Instrument Act, Ljubljana Stock Exchange Rules as well as Guidelines and Disclosure for Listed Companies, Luka Koper, d. d., Vojkovo nabrežje 38, 6501 Koper discloses this Non-Audited Report on the performance of Luka Koper Group and Luka Koper, d. d., January – June 2021.

Non-Audited Report on the performance of Luka Koper Group and Luka Koper, d. d., in January – June 2021 can be examined at Luka Koper, d. d., Vojkovo nabrežje 38, 6501 Koper and shall be accessible via the company's website [www.luka-kp.si](http://www.luka-kp.si), from August 27, 2021 onwards.

The company promptly publishes any pertinent changes to information contained in the prospectus for stock exchange listing on SEOnet, the electronic information system.

This Non-Audited Report on the performance of Luka Koper Group and Luka Koper, d. d., in January – June 2021 was addressed by the company's Supervisory Board at its regular session on August 27, 2021.

## 3 Presentation of Luka Koper Group

### 3.1 Profile of the company Luka Koper, d. d., as of 17 August 2021

Company name	<b>LUKA KOPER, pristaniški in logistični sistem, delniška družba</b>
Short company name	<b>LUKA KOPER, d. d., Vojkovo nabrežje 38, 6000 Koper – Capodistria</b>
Registered office	Koper
Business address	Koper, Vojkovo nabrežje 38, 6000 Koper/Capodistria
Company's legal form	Public limited company
	Phone: 05 66 56 100
	Fax: 05 63 95 020
	Email: portkoper@luka-kp.si
	Website: www.luka-kp.si
	Sustainable development: <a href="http://www.zivetispristaniscem.si">http://www.zivetispristaniscem.si</a>
Company's registration	District Court of Koper, application No. 066/10032200
Company's registration number	5144353000
	Tax number SI 89190033
	Issued share capital EUR 58.420.964,78
	Number shares 14.000.000 of ordinary no par value shares
	Share listing Ljubljana Stock Exchange, Prime Mark
	Share listing LKPG
President of the Management Board	Dimitrij Zadel
Member of the Management Board	Metod Podkrižnik, M.Sc.
Member of the Management Board	Irma Gubanec, M.Sc.
Member of the Management Board – Labour Director	Vojko Rotar
President of the Supervisory Board	Franci Matoz
Luka Koper, d. d., core activity	Seaport and logistic system and service provider
Luka Koper Group activities	Various support and ancillary services in relation to core activity



## 3.2 Luka Koper Group structure

Companies consolidated within

Luka Koper Group provide various services which accomplish comprehensive operation of the Port of Koper. The Luka Koper Group includes seven companies, namely the parent company and six subsidiaries:

### Luka Koper Group as at 30 June 2021

- **Luka Koper, d. d.**
- **Subsidiary companies**
  - o Luka Koper INPO, d. o. o., 100 %
  - o Adria Terminali, d. o. o., 100 %
  - o Luka Koper Pristan, d. o. o., 100 %
  - o Logis-Nova, d. o. o., 100 %
  - o Adria Investicije, d. o. o., 100 %
  - o TOC, d. o. o., 68,13 %

### Associated companies

- Adria Transport, d. o. o., 50 %
- Adria-Tow, d. o. o., 50 %
- Adriaфин, d. o. o., 50 %
- Avtoservis, d. o. o., 49 %

## 4 Corporate Management Board and Governance

### 4.1 Luka Koper, d. d., Management Board

As at 30 June 2021, Management Board comprised the following members:

- Dimitrij Zadel, President of the Management Board, commenced a five-year on 29 December 2017,
- Metod Podkrižnik, M.Sc., Member of the Management Board, commenced a five-year term on 29 December 2017,
- Irma Gubanec, M.Sc., Member of the Management Board, commenced a five-year term on 29 December 2017,
- Vojko Rotar, Labour Director, commenced a five year term on 16 February 2018.

A presentation of Luka Koper, d. d., Management Board is available on the Company's website <https://luka-kp.si/slo/vodstvo-druzbe-193>.

### 4.2 Luka Koper, d. d., Supervisory Board

The Luka Koper, d. d., Supervisory Board is composed of nine members, six of whom are elected by the General Shareholders' Meeting and three by the Workers' Council. They are elected for a four-year term.

As at 30 June 2021, the Luka Koper, d. d., Supervisory Board comprised:

#### Representatives of the Shareholders:

Uroš Ilić, M.Sc., President of the Supervisory Board  
Commencement of a four-year term: 1 July 2017 (28 Shareholders' Meeting)

Andraž Lipolt, M.Sc., Deputy President of the Supervisory Board  
Commencement of a four-year term: 1 July 2017 (28 General Shareholders' Meeting)

Rado Antolovič, Ph.D., MBA, Member of the Supervisory Board  
Commencement of a four-year term: 1 July 2017 (28 Shareholders' Meeting)

Milan Jelenc, M.Sc. Member of the Supervisory Board  
Commencement of a four-year term: 1 July 2017 (28 Shareholders' Meeting)

Barbara Nose, Member of the Supervisory Board  
Commencement of a four-year term: 1 July 2017 (28 Shareholders' Meeting)

Tamara Kozlovič, M.Sc. Member of the Supervisory Board  
Commencement of a four-year term: 22 August 2019 (32 Shareholders' Meeting)

#### Representatives of the Employees:

Rok Parovel, Member of the Supervisory Board  
Commencement of a four year term: 13 September 2020 (34 Shareholders Meeting – informing of shareholders)

Mladen Jovičić, Member of the Supervisory Board  
Commencement of a four year term: 8 April 2021 (34 Shareholders' Meeting – informing of shareholders)

Mehrudin Vukovič, Member of the Supervisory Board  
Commencement of a four year term: 19 January 2020 (33 Shareholders' Meeting – informing of shareholders)

#### External Member of the Audit Committee of the Supervisory Board:

Mateja Treven, M.Sc., external Member of the Supervisory Board  
Appointed for the period from 22 February 2019 until revoked.

### Changes in the composition of the Supervisory board

On 1 July 2021, the term of office expired to the members of the Supervisory Board, Uroš Ilić, M. Sc., Andraž Lipolt, Rado Antolovič, Ph.D., Milan Jelenc, M.Sc. and Barbara Nose.

At 34 Shareholders meeting of Luka Koper, d. d., held on 29 June 2021, the shareholders appointed new members of the Supervisory boards with effect from 2 July 2021 nove members and namely Andrej Koprivec, Božidar Godnjavec, Franci Matoz, Nevenka Črešnar Pergar and Rado Antolovič.

As at 2 July 2021, the Luka Koper, d. d., Supervisory Board comprised:

#### Representatives of the Shareholders:

Franci Matoz, President of the Supervisory Board  
Commencement of a four-year term: 2 July 2021 (34 Shareholders' Meeting)

Nevenka Črešnar Pergar, Deputy President of the Management Board  
Commencement of a four-year term: 2 July 2021 (34 Shareholders' Meeting)

Andrej Koprivec, Member of the Supervisory Board  
Commencement of a four-year term: 2 July 2021 (34 Shareholders' Meeting)

Božidar Godnjavec, Member of the Supervisory Board  
Commencement of a four-year term: 2 July 2021 (34 Shareholders' Meeting)

Rado Antolovič, Ph.D., MBA Member of the Supervisory Board  
Commencement of a four-year term: 2 July 2021 (34 Shareholders' Meeting)

Tamara Kozlovič, M.Sc., Member of the Supervisory Board  
Commencement of a four-year term: 22 August 2019 (32 Shareholders' Meeting)

#### Representatives of the Employees:

Rok Parovel, Member of the Supervisory Board  
Commencement of a four-year term: 13 September 2020 (34 Shareholders' Meeting – informing of shareholders)

Mladen Jovičić, Member of the Supervisory Board  
Commencement of a four-year term: 8 April 2021 (34 Shareholders' Meeting – informing of shareholders)

Mehrudin Vukovič, Member of the Supervisory Board  
Commencement of a four-year term: 19 January 2020 (33 Shareholders' – informing of shareholders)

### Changes in the composition of the Audit Committee of the Supervisory Board

Supervisory board of Luka Koper, d. d., appointed a new external member of the Audit Committee of the Supervisory Board Simon Kolenc as from 12 July 2021 in place of the previous external member of the Audit Committee of the Supervisory Board, Mateja Treven, M.Sc.

#### External member of the Audit Committee of the Supervisory Board:

Simon Kolenc, external member of the Audit Committee of the Supervisory Board.  
Appointed from the period as from 12 July 2021 until revoked.

# BUSINESS REPORT

## 5 Significant events, news and achievements in January - June 2021

### JANUARY

- The Management Board of Luka Koper, d. d., adopted the Social Responsibility and Sustainable Development Strategy.
- The shipping company Neptune Lines extended the regular ro-ro maritime connection between Koper and Turkish ports, with calls in Egypt and Israel.
- .

### FEBRUARY

- At the end of February, the Government of the Republic of Slovenia adopted the 2021 – 2025 Port Development Programme for International Transport, thus giving the company the green light to carry out the investment covered by the programme. The Programme has been prepared as the conceptual design of the planned spatial and infrastructural development of the port, and includes investments in the existing and new port's investments in infrastructure, both inside and outside the concession area.
- The shipping company Neptune Lines honoured a long-term excellent cooperation with Luka Koper, d. d., and conferred to one of its vessels the name of the Slovenian port, Koper.
- On 24 February 2021 the Management Board of Luka Koper, d. d., and the Luka Koper Crane Operators Union concluded an agreement to ensure two-year social stability of the Company

### MARCH

- Despite the aggravated situation due to the Covid-19 pandemic, Luka Koper, d. d., set a new monthly record in container throughput in March, when 97.101 container units TEUs were transhipped. Previous monthly record had been achieved in March 2018, when 92.300 container units TEUs had been transhipped. The throughput was above average also at most other terminals.
- The company 2TDK signed the contract for the construction of the first segment of the second railway track between Koper and Črni Kal.
- On 31 March, the Government of the Republic of Slovenia amended the Decree on the administration of the freight port of Koper, port operations and on granting concession for the administration, management, development and regular maintenance of its infrastructure, which entered into force in 2008. The change relates to the extension of the port's extension area by 36 hectares and includes, inter alia, the expansion in the hinterland of Pier II, where the construction of new storage areas for cars is envisaged on the plot 5a.
- The container vessel ran aground in Suez channel and jammed the traffic for almost a week on the most important maritime connection between Far East and Europe. The accident also affected vessels arrivals schedules in the Port of Koper.
- The Austrian rail operator Salzburger EisenbahnTransportLogistik (SETG) improved the connections between Koper and Austria, including in its offer a new weekly connection with Munich.
- The SIQ, Slovenian Institute of Quality and Metrology verified the environmental management system and established that it meets the requirements of the Regulation (EC) No. 1221/2009 (EMAS).

### APRIL

- Luka Koper concluded a contract for the purchase of two super post-panamax cranes for the transhipment of containers, which will be installed on the new extended quayside.
- Work on two major investments was completed: new entrance for trucks (Bertoki entrance) and a new parking garage.



- The Supervisory Board and the Management Board of Luka Koper, d. d., proposed to the General Meeting of Shareholders to endorse the use of the distributable profit, which as at 31 December 2020 amounted to EUR 30.637.829,48, and namely a portion of the profit in the amount of EUR 14.000.000,00 shall be used for dividend pay-out in the gross value of EUR 1.00 per ordinary share, the residual amount in the amount of EUR 16.637.829,48, shall remain unappropriated.
- Due to the pandemic, Luka Koper, d. d., replaced the traditional meeting with Egyptian exporters of fruit and vegetables by video conference. Besides the exporters, also Slovenian and Egyptian forwarding agents attended the event, connecting Egypt with Koper.

## MAY

- The company 2TDK signed the contract for the construction of the section of the second railway track between Črni Kal and Divača, and thus the main construction works on the new railway track were undertaken.
- The French Transport Minister Jean-Baptiste Djebbari paid visit to Luka Koper, d. d., since the port has been cooperating with relevant French logistic companies for decades, primarily with the French shipowner CMA CGM, using the Port of Koper for supplying the Central European markets for more than 20 years.
- Pawel Jabłoński, Deputy Minister and Undersecretary of the State at the Ministry of Foreign Affairs of the Republic of Poland paid an official visit to Slovenia and in the light of the cooperation in the field of transport, visited also the Port of Koper. The connection between Slovenia and Poland with the Baltic-Adriatic Rail-Freight corridor opens up new prospects for expanding economic cooperation, and above all for larger freight flows through the Port of Koper.
- Luka Koper, d. d., received the award for the safest Slovenian company. The award was given by the Institute for corporate security studies in cooperation with Slovenian Corporate Security Association.
- Virtual Port's Day, traditional port open doors day was organised.

## JUNE

- The container quayside was extended by 100 metres.
- Shareholders of Luka Koper, d. d., gathered on the 34th General meeting. At the meeting, shareholders decided that:
  - o the distributable profit totalling EUR 30,637,829.48, as at 31 December 2020 is to be used for the following purposes:
    - a portion of the accumulated profit in the amount of EUR 15,960,000.00 s to be allocated for dividend pay-out in the gross amount of EUR 1.14 per ordinary share,
    - the residual amount of accumulated profit totalling EUR 14,677,829.48 is to remain unappropriated.
  - o appoint new representatives in the Company's Supervisory Board,
  - o grant discharge to the management board and supervisory board for the financial year 2020,
  - o adopt changes and amendments to the Company's Articles of association,
  - o approve the remuneration policy for the members of the management and supervisory board of Luka Koper, d. d.,
  - o agree to a settlement with the former members of the supervisory board of Luka Koper, d. d.,
- Civil Aviation Agency Slovenia declared Luka Koper prohibited geographical area for unmanned aircrafts over the port's zone.
- Works council was elected for the period 2021 – 2025.

# 6 Relevant post-balance events

## JULY

- A renovated corporate website [www.luka-kp.si](http://www.luka-kp.si) was set up.

## 7 Performance analysis

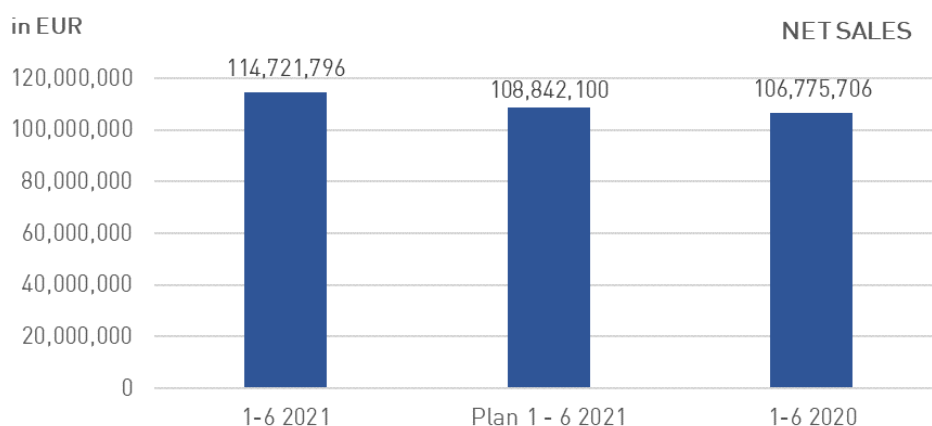
### 7.1 Performance of Luka Koper Group

Financial indicators of the Luka Koper Group, achieved in the first half of 2021, are better than planned resp. the achieved ones in the first half of 2020.

#### 7.1.1 Net revenue from sale of Luka Koper Group

In January – June 2021, net revenue from sale amounted to EUR 114.7 million, which was 7 percent resp. EUR 7.9 million increase in comparison with the same period in 2020.

Figure 1: Net revenue from sale of Luka Koper Group



Net revenue from sale from market activity in the amount of EUR 111.1 million were by 8 percent resp. by EUR 8.2 million higher in comparison with the previous year, whilst the revenue from the performance of the public utility service of regular maintenance of the port's infrastructure intended for the public transport in the amount of EUR 3.6 million were by 7 percent resp. by EUR 0.3 million lower than revenue generated in the previous year.

#### 7.1.2 Capitalized own products and services

In January – June 2021, capitalized own products amounted to EUR 0.06 million, which was 25 percent resp. EUR 19.5 thousand decline in comparison with the first half of 2020. Luka Koper Group accounts capitalized labour costs for employees who worked on high-value investment projects and which have been constructed over a longer period of time among capitalized own products and services.

#### 7.1.3 Other revenue

Other revenue of the Luka Koper Group in the first half of 2021 amounted to EUR 1.5 million, and decreased by 62 percent resp. by EUR 2.5 million in comparison with the first half of 2020. Within other revenues in the first half of 2020, was recognised the revenue from written-off liabilities for the payment of pension and disability insurance contributions in compliance with the provisions of the Act Determining the Intervention Measures to Contain the COVID-19, in the amount of EUR 2.2 million.

#### 7.1.4 Operating expenses

In January - June 2021, the operating expenses of the Luka Koper Group amounted to EUR 98.6 million, which was 5 percent resp. EUR 4.9 million ahead on January - June 2020. The costs of material and other operating expense decreased, whilst the costs of services, labour costs and costs of amortisation increased.

In the first half of 2021, costs of material of the Luka Koper Group amounted to EUR 7.8 million, which was 10 percent resp. EUR 0.9 million decline compared to 2020.

In the first half of 2021, the cost of services of the Luka Koper Group amounted to EUR 29.1 million, which was 11 percent resp. EUR 2.9 million ahead on the comparable period in the previous year, primarily due to the increase of the throughput and more physical services provided – external contractors engaged in the throughput cars and larger throughput as well as more physical services provided – agencies involved in the throughput of containers and general cargoes, in comparison with the first half of 2020.

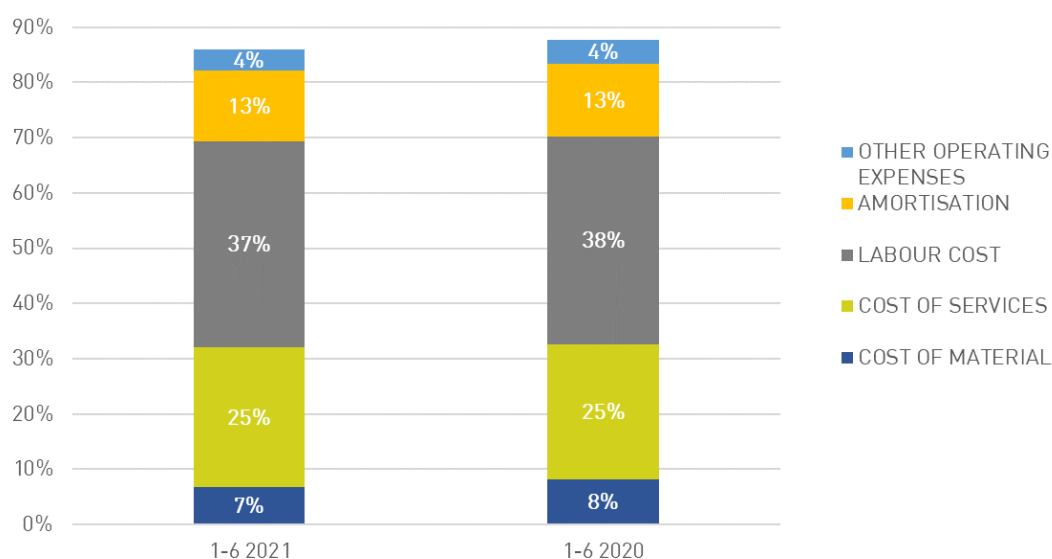
In January - June 2021, labour costs amounted to EUR 42.7 million and were by 7 percent resp. by EUR 2.6 million higher than costs in the same period in 2020. The increase labour costs was primarily attributable to the higher payments for job performance. As at 30 June 2021, the Luka Koper Group had 1,691 employees, whilst as at 30 June 2020, 1,697, which means fewer 6 employees.

In the first half of 2021, the costs of amortisation of the Luka Koper Group amounted to EUR 14.6 million, which was 5 percent resp. EUR 0.6 million ahead on the first half of 2020. The costs increased due to new purchases of assets.

Other operating costs in January – June 2021 amounted to EUR 4.3 million, which was 8 resp. EUR 0.4 million decline in comparison with the same period in the previous year.

The share of operating expenses in net revenue from sale in January – June 2021 amounted to 85.9 percent, which was 1.8 percentage point decline in comparison with the previous year. In comparison with 2020, the share of costs of material in net revenue from sale decreased by one percentage point, the share of costs of services, labour, amortisation and other operating costs stood at the same level

**Figure 2: Share of single operating expenses within net revenue from sale of Luka Koper Group**



### 7.1.5 Earnings before interest and taxes (EBIT)

In the first half of 2021, earnings before interest and taxes (EBIT) of the Luka Koper Group amounted to EUR 17.7 million, which was 3 percent resp. EUR 0.5 million ahead on January – June 2020. Higher earnings before interest and taxes (EBIT) in 2021 in comparison with 2020 were attributable to the higher net revenue from sale by EUR 7.9 million resp. by 7 percent, mainly due to the higher throughput of containers.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) Luka Koper Group in January – June 2021 amounted to EUR 32.4 million, which was an increase of 4 percent resp. EUR 1.1 million in comparison with the previous year.

EBITDA margin Luka Koper Group in January – June 2021 amounted to 28.2 percent, which was 4 percent resp. 1 percentage point decline in comparison with the same period in 2020.

### 7.1.6 Profit before tax and profit for the period

Profit or loss from financing activities in the first half of 2021 amounted to EUR 0.04 million, in the previous year to EUR -0.1 million. Finance income from shares in Group in the first half of 2021 increased the profit before tax of the Luka Koper Group by EUR 0.7 million, which was 49 percent resp. EUR 0.2 million ahead on 2020.

### 7.1.7 Net profit or loss for the period

Net profit or loss of the Luka Koper Group in January – June 2021 amounted to EUR 15.4 million, which was 2 percent resp. EUR 0.3 million ahead on the comparable period of the previous year. Net profit or loss in January – June 2021 in comparison with the same period in 2020 was attributable to already explained impacts which contributed to higher operating profit (EBIT), higher profit or loss from financing activity and higher recognised results of associated companies. Higher income tax rate in 2021 compared to 2020 had a negative impact on the achieved net profit or loss.

### 7.1.8 Financial position and financial management

As at 30 June 2021, the balance sheet of the Luka Koper Group amounted to EUR 629.2 million, which was 4 percent resp. by EUR 21.8 million ahead on 31 December 2020.

As at 30 June 2021, 83.6 percent of the balance sheet of accounted for non-current assets of the Luka Koper Group which increased by 5 percent resp. by EUR 23.4 million. Due to the investments, the value of the property, plant and equipment, which exceeded the depreciation of these assets, increased by 4 percent resp. by EUR 15.2 million. The value of shares and interests increased by 9 percent resp. by EUR 5.5 million, and namely due to the increase of the market value of non-current finance investments and interests carried at fair value. The advances for the acquisition of property, plant and equipment, shown among other non-current assets, increased by EUR 3.7 million, deferred tax assets decreased by EUR 1.1 million.

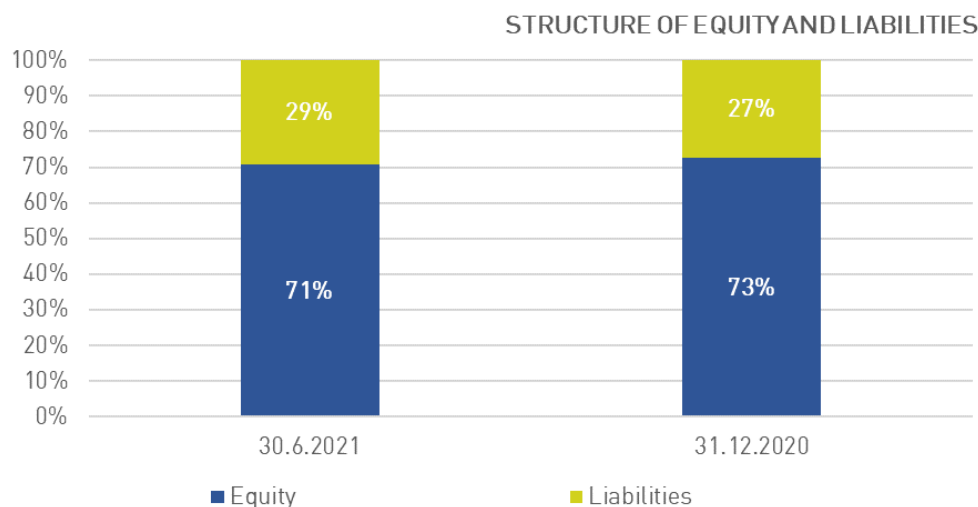
As at 30 June 2021, current assets of the Luka Koper Group amounted to EUR 103.4 million and decreased by 1 percent resp. by EUR 1.6 million in comparison with the balance as at 31 December 2020. Trade receivables increased by EUR 4.2 million, following the increase of revenue, trade receivables to associates increased by EUR 0.6 million, whereas the income tax receivables increased by EUR 3.4 million. Cash and cash equivalents decreased by EUR 9 million, which is due to the fact that positive cash flow from operating activities was insufficient to cover the negative cash flow from financing and negative cash flow from investing.

As at 30 June 2021, the equity of the Luka Koper Group amounted to EUR 445.8 million and in comparison to the year-end 2020 increased by 1 percent resp. by EUR 4.2 million. The increase is the net effect of equity decrease due to the net profit for the period partly brought forward in the amount of EUR 16 million for dividends pay-out by the parent company, entry of the net profit or loss for the period in the amount of EUR 15.4 million and positive changes in surplus from revaluation of financial investments in the amount of EUR 4.7 million. As at 30 June 2021, the equity accounted for 70.9 percent of the balance sheet.

As at 30 June 2021, non-current liabilities including long-term provisions and long-term accrued costs of the Luka Koper Group were by 4 percent resp. by EUR 4.7 million lower than as at 31 December 2020. Non-current loans from domestic banks from regular repayment of principal amounts from contractually agreed amortisation schedules decreased by EUR 5.3 million.

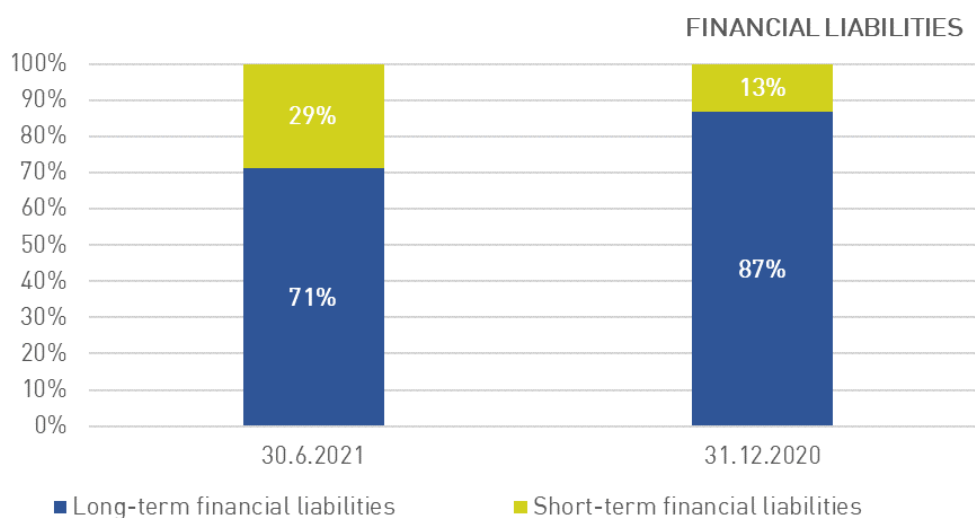
As at 30 June 2021, current liabilities of the Luka Koper Group were higher by 44 percent resp. by EUR 22.3 million compared to the balance as at 31 December 2020. Liabilities related to the distribution of the profit or loss increased by EUR 16 million, whilst income tax liabilities went up by EUR 2.7 million. Trade receivables decreased by 8 percent resp. by EUR 1.8 million. Operating liabilities from accrued costs and other operating liabilities increased by EUR 5 million.

Figure 3: Structure of the Luka Koper Group liabilities



As at 30 June 2021, financial liabilities of the Luka Koper Group amounted to EUR 92.9 million, and went up by 13 percent resp. by EUR 10.5 million when compared to the balance as at 31 December 2020. The volume of domestic bank loans decreased by EUR 5.3 million in accordance with valid amortisation schedules. Financial liabilities related to the distribution of the net profit or loss from the payment of dividends for 2020 increased by EUR 16 million.

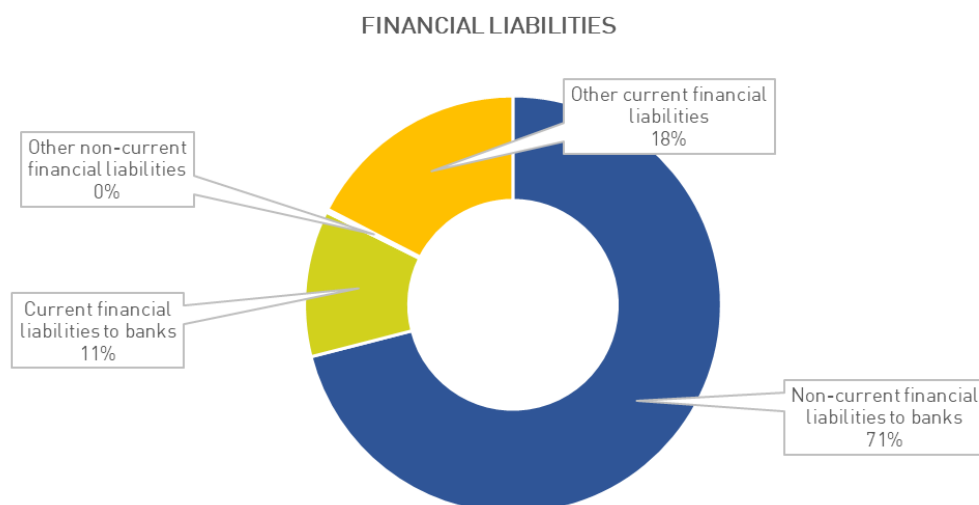
Figure 4: Structure of the Luka Koper Group liabilities by maturity



Non-current financial liabilities to banks of the Luka Koper Group as at 30 June 2021 accounted for 71 percent of total financial liabilities. Their share decreased by 15.4 percentage point in comparison to the balance as at 31 December 2020.

As at 30 June 2021, the Luka Koper Group had 46.3 percent of loans non exposed to interest risk, the remaining 53.7 percent were variable interest loans.

The share of financial liabilities in the equity as at 30 June 2021 amounted to 20.8 percent, which was 0.6 percentage decline compared to 31 December 2020.

**Figure 5: Financial liabilities of the Luka Koper Group as at 30 June 2021**

#### **7.1.9 Comparison of the results achieved by the Luka Koper Group in January - June 2021, in relation to the plan**

In January – June 2021, the Luka Koper Group achieved planned values according to almost all indicators. Net revenue from sale of the Luka Koper Group in the first half of 2021 amounted to EUR 114.7 million and were by 5 percent resp. by EUR 5.9 million higher than planned. Net revenue from sale from market activity amounted to EUR 111.1 million, which was by 7 percent resp. by EUR 7.2 million ahead on the planned, the revenue from the performance of the public utility service in the amount of EUR 3.6 million lagged behind the plan by 27 percent resp. by EUR 1.3 million.

In the first half of 2021, earnings before interest and taxes (EBIT) of the Luka Koper Group amounting to EUR 17.7 million were by 51 percent resp. by EUR 6 million ahead on the planned. Higher earnings before interest and taxes (EBIT) than planned resulted from EUR 5.9 million higher net revenue from sale and by EUR 0.6 million higher other revenue than planned. The Luka Koper Group managed all categories of operating costs, those changing in accordance with changes in throughput and revenue, as well other types of cost. In the first half of 2021, operating costs in comparison with planned increased by 1 percent, mostly costs depending on changes of throughput and revenue.

In January – June 2021, earnings before interest and taxes, depreciation and amortisation (EBITDA) of the Luka Koper Group amounted to EUR 32.4 million and were by 26 percent resp. by EUR 6.7 million higher than planned. The EBITDA margin of the Luka Koper Group in the first half of 2021 amounted to 28.2 percent and was by 20 percent resp. by 4.6 percentage point ahead on the planned.

Net profit or loss of the Luka Koper Group in the first half of 2021 amounted to EUR 15.4 million and was by 49 percent resp. by EUR 5 million higher than planned.

Return on equity (ROE) in January – June 2021 amounted to 7 percent and was by 49 percent resp. by 2.2 percentage point higher than planned.

## 7.2 Summary of the performance of Luka Koper, d. d.

### 7.2.1 Comparison of the achieved results of Luka Koper, d. d., in January – June 2021 and 2020

In January - June 2021, net revenue from sale of Luka Koper, d. d., amounted to EUR 112.7 million, which was a year-on increase of 7 percent resp. EUR 7.8 million. Net revenue from sale from market activity amounted to EUR 109.1 million and were by 8 percent resp. by EUR 8.1 million higher than the revenue achieved in the previous year, whilst the revenue from the performance of the public utility services in the amount of EUR 3.6 million declined by 7 percent resp. by EUR 0.3 million in comparison with the revenue generated in the equivalent period of the previous year.

In the first half of 2021, earnings before interest and taxes (EBIT) of Luka Koper, d. d., amounted to EUR 17.4 million, which was 3 percent resp. EUR 0.4 million increase over January – June 2020. Higher earnings before interest and taxes (EBIT) in 2021 in comparison with 2020 were attributable to higher net revenue from sale by EUR 7.8 million resp. by 7 percent, mainly due to the higher throughput of containers. Other revenue in January – June 2021 in comparison with the comparable period in the previous year decreased by 75 percent resp. by EUR 2.4 million, due to the recognised revenue from written-off liabilities for the payment of pension and disability insurance contributions in compliance with the provisions of the Act Determining the Intervention Measures to Contain the COVID-19 in the amount of EUR 2.1 million in the first half of 2020.

In January - June 2021, operating expenses of Luka Koper, d. d., amounted to EUR 96.1 million, which was 5 percent resp. EUR 5 million ahead on January - June 2020. The cost of material and other operating costs decreased, whilst the costs of services, labour costs and cost of amortisation increased. Within the costs of services the concession fees and cost of other services increased in comparison with the previous year. In January – June 2021, labour costs amounted to EUR 39.4 million and were by 7 percent resp. by EUR 2.7 million higher than costs in 2020. Labour costs increased due to higher payment for job performance and due to 0.3 percent adjustment of salaries for inflation from August 2020 onwards. As at 30 June 2021, Luka Koper, d. d., had 1,528 employees, whereas as at 30 June 2020, 1,533, which means 5 fewer employees. The cost of amortisation increased due to larger purchases of assets.

Net profit or loss of Luka Koper, d. d., in the first half of 2021 amounted to EUR 15.8 million, which was 5 percent resp. EUR 0.8 million ahead on the previous year. Net profit or loss 2021 compared to 2020 was affected by already explained impacts which contributed to higher earnings before interest and taxes (EBIT) and higher operating profit from financing activity, whilst the higher income tax rate in 2021 with respect to 2020 had a negative impact on the net profit or loss.

### 7.2.2 Comparison of results achieved by Luka Koper, d. d., in January – June 2021, in relation to the plan

In January - June 2021, Luka Koper, d. d., achieved the planned values by almost all indicators. In the first half of 2021, net revenue from sale amounted to EUR 112.7 million and were by 5 percent resp. by EUR 5.6 million ahead on the planned net revenue from sale. Net revenue from sale from market activity amounting to EUR 109.1 million, exceeded the planned revenue by 7 percent rep. by EUR 7 million, whilst the revenue from the performance of the public utility in the amount of EUR 3.6 million lagged behind the plan by 27 percent resp. by EUR 1.3 million.

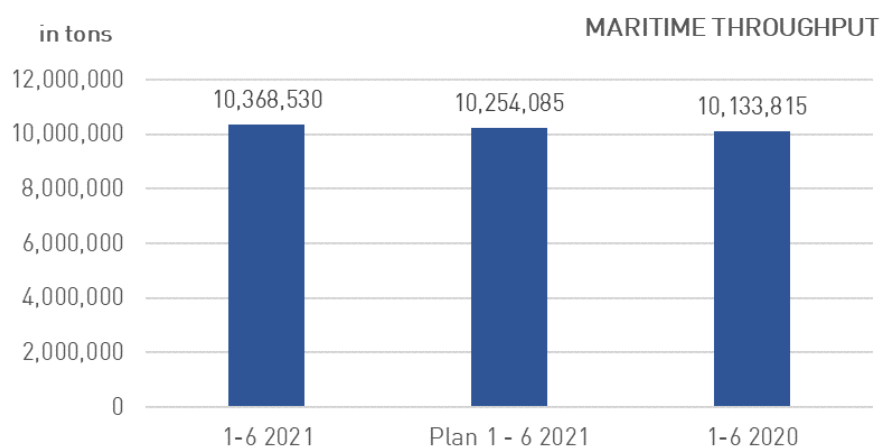
In January – June 2021, earnings before interest and taxes (EBIT) amounted to EUR 17.4 million and were by 47 percent resp. by EUR 5.6 million ahead on the planned. Higher earnings before interest and taxes (EBIT) resulted from EUR 5,6 million higher net revenue from sale and from EUR 0.6 million higher other revenue than planned. Luka Koper, d. d., managed all categories of operating costs, both those changing in accordance with the change in throughput and revenue, as other types of costs. In the first half of 2021, the operating costs in comparison with the planned increased by 1 percent, mostly costs depending on changes in throughput and revenue.

## 8 Marketing and sale

### 8.1 Maritime throughput

The maritime throughput of the Luka Koper Group in January – June 2021 achieved 10.4 million tonnes and was by 1 percent ahead on the planned quantities in comparison with the throughput of the comparable period last year it increased by 2 percent. In January – June 2021, the Luka Koper Group in comparison with the previous year, loaded on the vessels 1 percent and unloaded from the vessel 3 percent more tons of goods.

Figure 6: Maritime throughput



### 8.2 Cargo structure by cargo types

In the whole structure of the maritime throughput prevailed containers, of which share increased by 2 percentage point in comparison to 2020. The share of dry and bulk cargoes and liquid cargoes decreased by 2 percentage point. The share of the cargo group cars increased by 1 percentage point in comparison with 2020.

Table 5: Maritime throughput in tons per cargo types in January – June 2021 and 2020

Cargo groups (in tons)	1-6 2021	1-6 2020	Index 2021/2020
General cargoes	561,794	477,061	118
Containers	5,057,344	4,717,971	107
Cars	541,030	433,876	125
Liquid cargoes	1,490,403	1,655,816	90
Dry and bulk cargoes	2,717,959	2,849,092	95
<b>Total</b>	<b>10,368,530</b>	<b>10,133,815</b>	<b>102</b>



Figure 7: Maritime throughput per cargo types – in tons

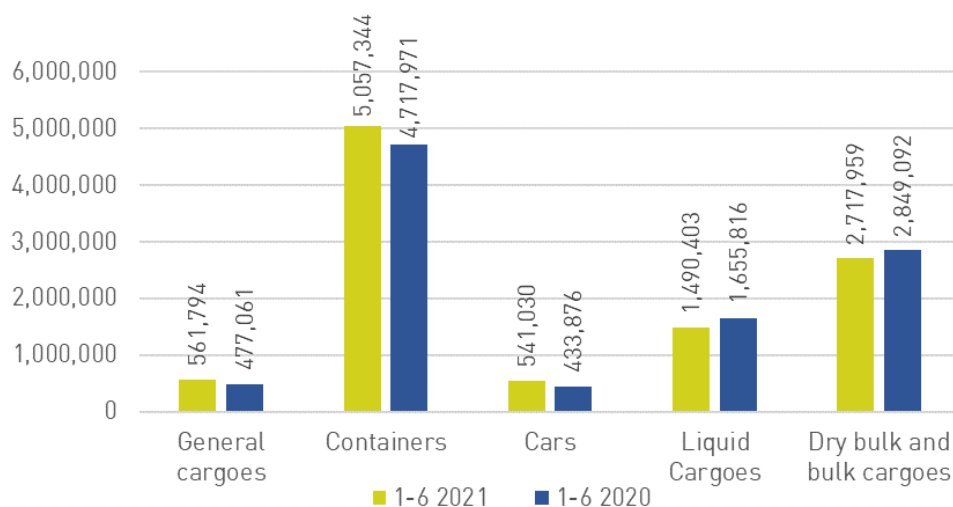


Table 6: Throughput of containers (number containers in TEU) and cars (in units) in January – June 2021 and 2020

Cargo groups	1–6 2021	1–6 2020	Index 2021/2020
Containers – number	295,369	274,803	107
Containers – TEU	512,773	478,662	107
Cars – units	330,613	271,858	122

Figure 8: Throughput of containers and cars

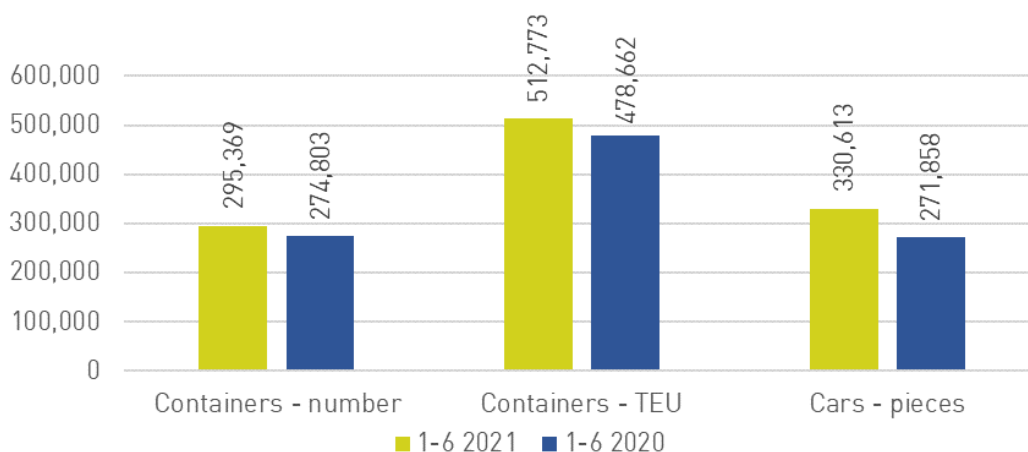
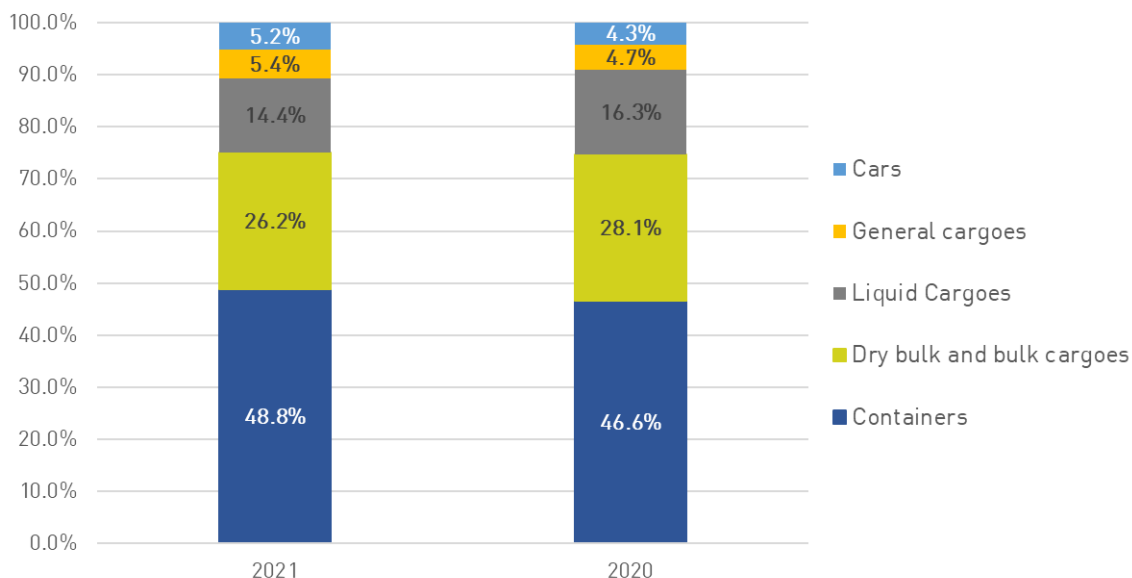


Figure 9: Structure of maritime throughput by cargo types



### 8.2.1 General cargoes

Within the general cargoes the Luka Koper Group in January - June 2021 achieved 18 percent higher throughput in comparison with the same period last year. The maritime throughput within general cargoes was by 52 percent higher in the segment of project cargoes, steel products and other goods. In the segment of timber 21 percent lower export of timber was recorded.

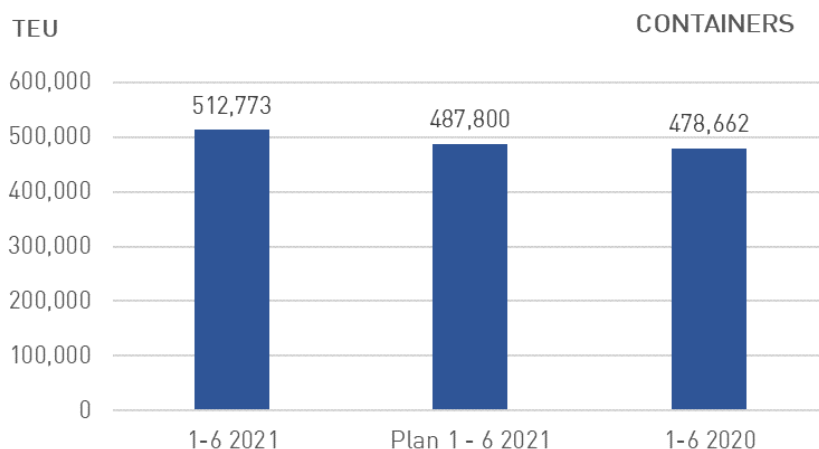
### 8.2.2 Containers

In January – June 2021, the maritime throughput of containers in TEU was by 7 percent higher in comparison with 2020. In March 2021, the Luka Koper Group achieved an absolute record of monthly container throughput in the amount of 97,101 TEUs.

Despite the worsening of the business environment and the pandemic Covid-19, in the first half of 2021, the Luka Koper Group recorded the increase of containers throughput. The growth in the containers throughput resulted from the increase in consumption, mainly in electronics and other household goods, and partially due to the new growth of the production in the car industry.

In the last days of June 2021, the official inauguration ceremony for the extension of the container quayside took place in the Port of Koper. The container quayside at the southern side of the Pier I of the Port of Koper was extended by 100 m. The extended quayside with a new berth 7D, is just one part of a large investment as the port continues to build a container storage area of almost 25,000 m<sup>2</sup> stacking area for containers.

Figure 10: Maritime throughput of containers

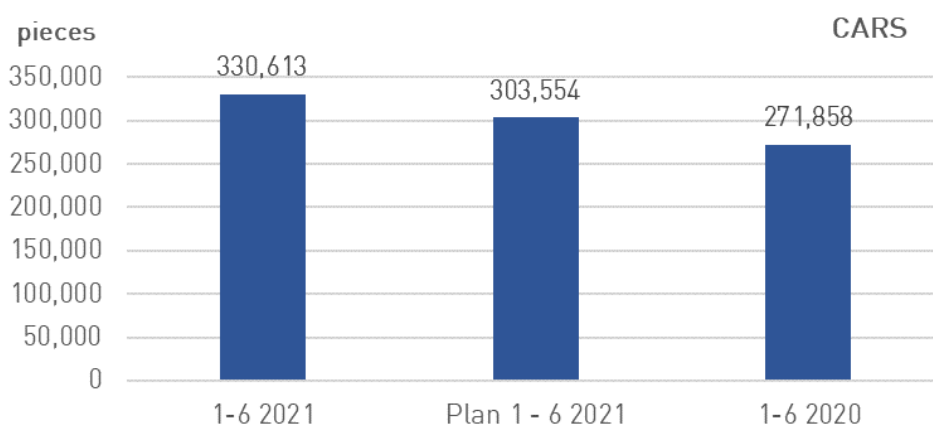


**8.2.3 Cars**

In January – June 2021, 330,613 cars were transhipped, which was 22 percent increase over the equivalent period in 2020. The achieved growth in the cars transhipment resulted from the increased sale of cars in the European Union. In the first half of 2021, the sale of new passenger cars in the European Union increased by 25 percent and achieved almost 5.4 million registered units, but still this is 1.5 million less vehicles than in the first half of 2019. Besides the impact of COVID-19, the automotive industry is unstable due to the auto-semiconductors shortage.

213,8 thousand of cars were loaded and 116,8 thousand cars unloaded from vessels.

Figure 11: Maritime throughput cars



**8.2.4 Liquid cargoes**

In January – June 2021, the throughput of liquid cargoes in comparison with the equivalent period in 2020 decreased by 10 percent, mostly due to the total cessation of the air traffic and lower volume of the petroleum products due to the Covid-19 pandemic impact.

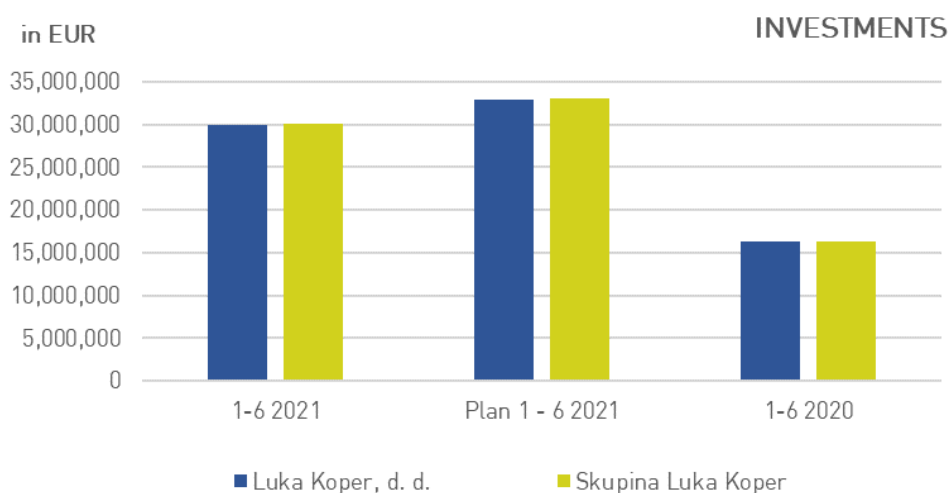
### **8.2.5 Dry and bulk cargoes**

In January – June 2021, the maritime throughput of cargo groups dry and bulk cargoes decreased by 5 percent in comparison with the equivalent period in 2020. The drop in the bulk cargo throughput was mostly due to the loss of the thermal coal throughput for Italian thermal power plants. The use of the latter in compliance with the EU legislation which provides for complete decarbonisation in the coming years, continues to fall. The maritime throughput in the product group of dry bulk cargoes was by 13 percent higher than the throughput achieved in the first half of 2020, mainly due to higher throughput of salt and fertilizers.

## 9 Non-financial investments

In January – June 2021, the Luka Koper Group allocated EUR 30.1 million in the property, plant and equipment, property investments and intangible assets<sup>24</sup>, which was 84 percent ahead on the comparable period in 2020. In January – June 2021, Luka Koper, d. d., allocated EUR 29.9 million for investments, which was 99.4 percent of Luka Koper Group investments.

Figure 12: Non-financial investments



Largest implemented investments were the following:

- Completed construction of the parking garage for cars,
- Completed construction of the additional entrance to the Port (Bertoki access route),
- Purchase of a new shunting locomotive for the needs of the internal rail transport,
- Continued extension of the Pier I – completed construction of the berthing place 7D, continuation of the construction of the storage areas,
- Construction a new petrol station for the needs of the port,
- Continuation of the renovation business premises and changing room in the building at the container terminal,
- Continuation of the integration of berthing places D2 and Jet at Liquid cargoes terminal,
- Purchase of the wheels loader for the needs of the Bulk and Dry bulk cargoes terminal

<sup>24</sup> Without taking into account advances paid for the equipment.

# 10 Risk management

## 10.1 Explanatory note to the Coronavirus SARS-CoV-2 (COVID-19) outbreak

COVID-19 outbreak affected the global economy and logistic flows, and in Slovenia on 12 March, the Government of the Republic of Slovenia declared the epidemic of COVID-19 which lasted till 1 June, on 18 October 2020, the Government of Slovenia, declared the new pandemic. On June 15, 2021, Slovenia declared the end of the pandemics, the Luka Koper Group appointed a working group, which from the beginning of the pandemic proposed the adoption of several measures for the protection of people and minimisation of the pandemic consequences. Thanks to the adopted measures, the risk is managed up to an acceptable level, nevertheless due to unpredictable situations, is closely monitored. The infections resulted in a short-term absence of the employees, which did not have major negative impacts on the company's business performance. In the second quarter of 2021, a significant decline of covid infections of the employees at Luka Koper, d.d. was noted.

## 10.2 Other risks

The prospects for the global economic growth have been improving despite the ongoing uncertainty in relation to the pandemics. The economic recovery, on the assumption of the improvement of the epidemiological situation and gradually increasing vaccination coverage rates in the second half of 2021, will be accelerated – such are the assumptions of the central forecasts for the main trading partners, in the European Union, the growth of the real GDP should amount to 3.7% (UMAR, UMAR, Spring Forecast of Economic Trends, 2021). Following the IMF forecasts, the global growth is projected at 6% (April 2021), in the next year 4.9 percent (IMF, World Economic Outlook, July, 2021). Due to the increasing vaccination coverage and consequently, easing of restrictive measures, the global economic activity has been strengthening intensively, but unevenly, since the recovery of developing economies is even more longer lasting than in developed countries. The World Bank previsioned January forecast, the economic growth is expected to rebound by 5.6 percent instead by 1.5 percentage point, mostly due to the rapid recovery of developed countries. (Bank of Slovenia, Economic and Financial developments, July 2021). Current forecasts are compliant with the actual growth of revenue from sale from the market activity, since in January – June 2021 the revenue increased by 7 percent compared to the same period last year, whereby the growth is noticeable mainly at the container and car terminals, also the throughput at the Dry bulk cargoes increased. Commercial risks based on the improved economic situation in 2021 have been diminishing in comparison with the situation in 2020. The company estimates that in 2021 planned revenue from sale will be achieved.

The Group has been facing commercial risk, originating from highly competitive environment and the entry of shipping companies and logistics companies in the ownership of the neighbouring ports, which may affect the direction of a part of the throughput. Besides that, the neighbouring ports have been paying a lot of attention to the enhancing of competitiveness in rail connections. In recent years, specific storage capacities were developed in the vicinity of the Port of Koper, where mostly the forwarding agencies have been providing CFS services. The latter can represent competition, primarily in the segment of stuffing and stripping of containers. On 7 January 2021, the Hafen und Logistik AG (HHLA) completed the acquisition of 50.01 share of the company Piattaforma Logistica Trieste in the port of Trieste by the Hafen und Logistik AG (HHLA). The transshipment in the segment of general cargoes, RORO in containers will be carried out by the company HHLA PLT Italy. At the end of 2020, the Board of directors of the Port Authority of Rijeka decided that APM Terminals/Enna Logic, owned by the shipping company A.P. Moller – Maersk will be concessionaire of the container terminal for the next 50 years.

The main strategic risks originating from the external environment, remain the uncertainty about the completion of the construction of the second rail track and the obsolete, insufficient capacity of the existing rail track, which may endanger further throughput growth until the construction of the second rail track. In May 2021, major construction works on the second rail track were undertaken. In 2021, the working group, which started to implement actions towards the improvement of the IT support, implementation of the infrastructure operations and in organisational changes in the rail segment, continues its work. These risks are managed by increasing the capacities, supporting the construction of the second railway track and envisaged improvements of processes through various projects.

# 11 European projects

In January - June 2021, Luka Koper, d. d., implemented several activities in the field of research and development aiming to support the port's development and started to implement. Strategic business plan for 2020 - 2025.

The emphasis was on faster implementation of priority infrastructure projects, also in connection with the possibility of obtaining grants to this end. There are challenges in the field of new technologies where Luka Koper, d.d. is partner in several testing new technologies, energy, IT and security issues.

Luka Koper, d. d., was involved in co-funded initiatives, and in January - June 2021 the following applications for new projects for new projects within different programmes, were implemented:

- Within the open public tender of the programme CEF, Luka Koper as a partner joined the application in the project: ACCESS2NAPA.
- Within the public tenders of the programme Horizon 2020, Luka Koper, d. d., joined as a partner the project: GREEN IMPACTS.

Throughout January – June 2021 the activities of approved projects and optimal absorption of funds were carried out:

- With regard to European projects, the following activities of Luka Koper, d. d., as partner or leading partner on two projects from the programme CEF:
  - NAPA4CORE – investments in the port's infrastructure.
  - EALING – investments in the port's infrastructure for the connection of ships to the electricity grid during the mooring.

As partner, Luka Koper, d. d., implemented the activities on the following projects: InfraStress (Horizon 2020), 5G-LOGINNOV (Horizon 2020).

- On the programmes of the European territorial cooperation the activities continued on the projects: ADRIPASS, ISTEN, TalkNet (programme Central Europe), IntraGreen-Nodes, REIF, ComodalCE, CLEAN BERTH.

The projects of the European territorial cooperation programmes are relevant as they place the Port of Koper in the European institutional environment, especially from the aspect of planning of Trans-European transport corridors, environmental protection, as well as cultural heritage, port's security, sustainable energy supply, digitalization and similar.

Within smart digitalisation specialisation, Luka Koper, d. d., continued the implementation of the project:

- Development of a sustainable growth model "Green Port", which comprises nautical characteristics of navigation routes in the bay of Koper, impacts of environmental interventions, primarily on the seabed, primarily in relation to the biodiversity, pollution and flows the re-suspension of the sediment during the navigation and manoeuvring, risk assessment from a nautical perspective and perspective of industrial accidents, analysis of national and international legal procedures for intervention in the seabed.

## 12 Trading in LKPG

The share of Luke Koper identified as LKPG is listed in the first quotation of Ljubljana Stock Exchange. As at 30 June 2021, the share ended its trading with 31 percent higher value than in the comparable period last year. On the last trading day of the first half of 2021, the LKPG amounted to EUR 24.80 per share.

In the first half of 2021, the ownership structure of Luka Koper, d. d., slightly changed. As at 30 June 2021, 9,177 shareholders were registered in the register, which was 77 less than in 2020. The Republic of Slovenia is the company's major shareholder.

Table 7: Ten largest shareholders in Luka Koper, d. d., as at 30 June

Shareholder	Number shares 30.06.2021	Percentage stake 30.06.2021	Number shares 30.06.2020	Percentage stake 30.06.2020
Republic of Slovenia	7,140,000	51.00	7,140,000	51.00
Slovenski državni holding, d. d.	1,557,857	11.13	1,557,857	11.13
Kapitalska družba, d. d.	696,579	4.98	696,579	4.98
Municipality of Koper	439,431	3.14	439,159	3.14
Citibank N.A. – fiduciary account	388,443	2.77	384,421	2.75
Hrvatska poštanska banka, d. d. – fiduciary account	150,962	1.08	144,082	1.01
Raiffeisen Bank International AG (RBI)	129,189	0.92	129,250	0.92
Zagrebačka banka d.d. – fiduciary account	113,730	0.81	107,311	0.77
Zavarovalnica Triglav, d. d.	113,568	0.81	113,568	0.81
NLB skladi – Slovenija mešani	105,014	0.75	115,211	0.82
<b>Total</b>	<b>10,834,773</b>	<b>77.39</b>	<b>10,824,438</b>	<b>77.32</b>

### 12.1 Trading in LKPG

In the first half of 2021, the average daily price of Luka Koper, d. d., stood at EUR 21.24, whilst its overall value fluctuated between EUR 18.50 and EUR 24.80. The highest daily price was EUR 25.00, the lowest EUR 18.40. As at 30 June 2021, the market capitalisation of Luka Koper, d. d., amounted to EUR 347.200.000.

There were 1,452 transactions and block trades with aggregate value of EUR 7,145,517, whereby 346,851 shares changed ownership. In this period, the SBITOP Index achieved 24.9 percent growth.



Figure 13: Changes in the daily LKPG share price and daily turnover in January - June 2021

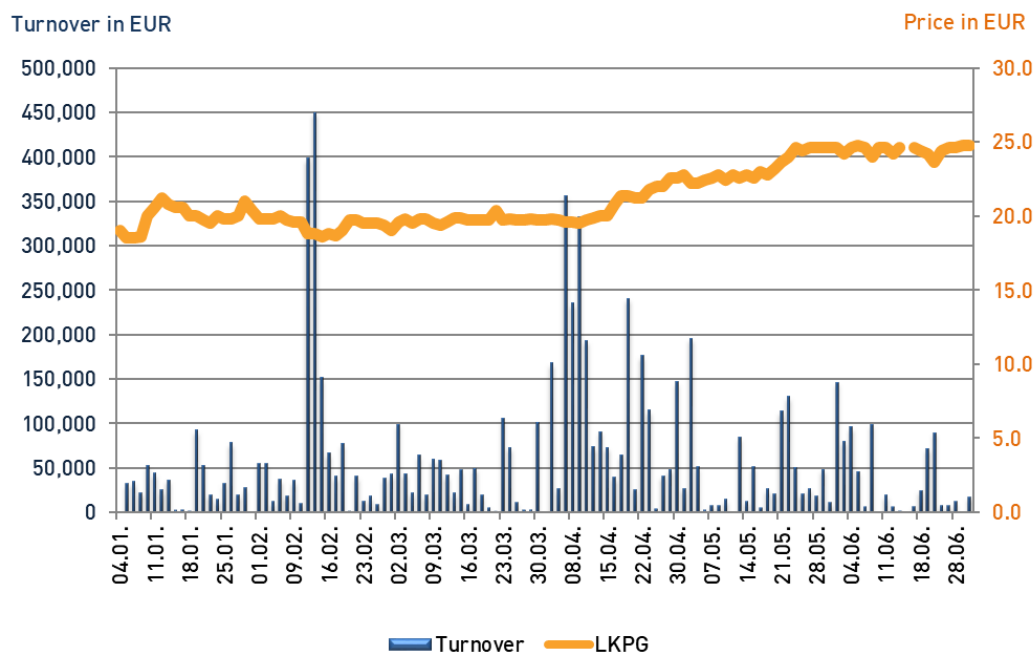


Table 8: Relevant data on LKPG

	1 – 6 2021	1 – 6 2020
Number shares as at 30.06.	14,000,000	14,000,000
Number of ordinary no par value shares	14,000,000	14,000,000
Closing price as at 30. 06. (in EUR)	24.80	19.00
Book value of shares as at 30. 06. (in EUR) <sup>25</sup>	29.53	28.93
Price-To-Book (P/B ratio) <sup>26</sup>	0.84	0.66
Average market price (in EUR) <sup>27</sup>	20.60	20.15
Average book value of share (in EUR) <sup>28</sup>	29.90	28.26
Ratio between average weighed market price and average book value of share	0.69	0.71
Net earnings per share (EPS) (in EUR) <sup>29</sup>	2.25	2.14
Ratio between market price and earnings per share (P/E) <sup>30</sup>	11.02	8.87
Market capitalisation as at 30.06. (in million EUR) <sup>31</sup>	347.20	266.00
Turnover – all transactions in January - June 2021 (in million EUR)	7.15	5.67

<sup>25</sup> Book value of share = equity / number shares

<sup>26</sup> Ratio between market price and book value of share (P/B) = closing share price / book value of share.

<sup>27</sup> Weighted average market price is calculated as a ratio between total value of LKPG stock exchange transaction and the aggregate number of LKPG shares traded across the period.

<sup>28</sup> Average book value of the LKPG is calculated on the basis of average monthly ratio between equity and number of ordinary shares.

<sup>29</sup> Earnings per share (EPS) = net profit or loss / number shares.

<sup>30</sup> Ratio between the market price and earnings per share (P/E) = closing share per price / earnings per share (EPS).

<sup>31</sup> Market capitalisation = closing share price \* number of shares..

## 12.2 Number of LKPG shares by the Supervisory Board and Management Board Members

	Shareholder	Ownership 30. 06. 2021
Supervisory board	Uroš Ilić, President of the Supervisory Board	55
	Tamara Kozlovič, Member of the Supervisory Board	94
	Rok Parovel, Member of the Supervisory Board	8

As at 30 June 2021, other members of the Supervisory Board and members of the Management Board of Luka Koper, d. d., did not own company's shares.

## 12.3 Treasury shares, authorised capital, conditional capital increase

As at 30 June 2021, Luka Koper, d. d., held no treasury shares. The applicable Articles of association do not provide for categories of authorised capital up to which the Management Board could increase the share capital. The company had no basis for the conditional increase in the share capital.

## 12.4 Rules on restrictions and disclosure on trading with company's shares and shares of related parties

In compliance with Ljubljana Stock Exchange recommendations, Luka Koper, d. d., adopted the Rules on trading with issuer's shares. These Rules represent an additional assurance on equal information to all interested public on relevant business events in the company and are important in strengthening the trust of investors and the corporate reputation. The purpose of the Rules is to enable the persons to trade in shares of Luka Koper and to prevent any possible trading based on insider information. At the same time, the Rules enable mandatory reporting in accordance with the law on the sale and purchase of company's shares to the Securities Market Agency.

# SUSTAINABLE DEVELOPMENT

Luka Koper, d. d., is a diligent institutional stakeholder of the sustainable development, since in compliance with its sustainable strategic directions and activities has been full-filling current and future needs of the port and its stakeholders, and at the same time has been protecting and preserving human and natural resources.

## 13 Care for employees

Luka Koper, d. d., is a diligent institutional stakeholder of the sustainable development, since in compliance with its sustainable strategic directions and activities has been full-filling current and future needs of the port and its stakeholders, and at the same time has been protecting and preserving human and natural resources.

The employees of Luka Koper with their knowledge, energy and show their commitment to the work environment and from partnership create the company's future.

### 13.1 Recruitment, turnover rate and employment structure

As at 30 June 2021, Luka Koper Group had 1.691 employees, which was 6 employees more than as at 30 June 2020.

In the first half of 2021, 9 recruitments were realised in the Luka Koper Group, where of 5 in Luka Koper, d. d., which was lower number than in the comparable period in 2020.

In 2021, the measures adopted to prevent the extension of the coronavirus SARS -CoV-2 (COVID-19) affected the implementation of the business processes, although in compliance with the status of a special social and defence relevance of Luka Koper, d. d., the smooth operation of the port was guaranteed. Preventive measures for the protection of the employees with respect to the hygiene, provision of mask and hand sanitizers, maintenance of safe distance, meeting limits, customers' visits and business trips continued Digital forms of communication were intensified among the employees and customers, work from home continued on the posts where feasible. A temporary layoff was applied only in Luka Koper Pristan, d. o. o. (catering industry).

#### Number of employees by company and in the Luka Koper

	30.6.2021	30.6.2020	Index 2021/2020
Luka Koper, d. d.	1,528	1,533	100
Luka Koper INPO, d. o. o.	131	131	100
Luka Koper Pristan, d. o. o.	3	4	75
Adria Terminali, d. o. o.	24	24	100
TOC, d. o. o.	5	5	100
<b>Luka Koper Group</b>	<b>1,691</b>	<b>1,697</b>	<b>100</b>

\* Subsidiaries of Luka Koper Group, Logis-Nova, d. o. o., and Adria Investicije, d. o. o., are not shown in table, since they do not have any employees.

As at 30 June 2021, Luka Koper, d. d., held 381 agency workers, whilst as at 30 June 2020, 336 agency workers, which means 45 workers more.

### Comparison between recruitment, termination and turnover rate

	Number of new recruitments		Number of departures		Turnover rate (in %)*	
	1 – 6 2021	1 – 6 2020	1 – 6 2021	1 – 6 2020	1 – 6 2021	1 – 6 2020
Luka Koper, d. d.	5	9	12	17	0,8	1,1
Luka Koper Group	9	13	15	19	0,9	1,1

\* Fluctuation calculation method = number of departures/(previous number of employees + new recruitments) x100

The number of departures from the Luka Koper Group was lower than in the same period last year. The reasons for the termination of the employment relationship was the retirement age, two cases of employees death and in one case consensual departure. Consequently, the fluctuation of employees was extremely low (0.9 percent).

Intensive recruitment for the basis transshipment and storage process two years ago importantly affected the educational structure of Luka Koper, d. d., and Luka Koper Group, shifting towards larger number of employees at a lower level of education.

## 13.2 Occupational health and safety

Luka Koper, d. d., conducts the policy of safe and healthy working environment so that the modes of operation, work processes and cooperation processes with external stakeholders are compliant with the health and safety management standard ISO 45001.

By a variety of measures, such as education, additional training, informing of employees and other stakeholders in the Port, the company takes preventive actions. Each serious injury is adequately examined and measures to prevent the recurrence of such incidents in the future, are taken.

### Injuries at work

	1 – 6 2021	1 – 6 2020
Luka Koper, d. d.	21	23
Recruitment agencies - RA	13	8
Outsourcing companies	6	6
Subsidiaries - Luka Koper INPO, d. o. o.	4	1

\* External stakeholders are drivers of external freight vehicles and contractors of various works and services.

The target of maximum 14 injuries per million hours worked was not achieved since in January - June 2021, the company recorded 20.7 injuries per worked hours. Partly, the reason of a major number of occupational injuries, partly the indicator is impacted by a different calculating method of hours worked (hours actually worked instead of hours charged). These are mostly minor injuries. Lack of vigilance during handling operations, overloading of a particular part of the body, wrong moves or loss of control of working equipment, either by the injured person or co-workers, remain the most common cause for injuries.

The target 0 serious injuries in January –June 2021 was achieved, since there was no serious injury.

In the reporting period 22.6 collisions per worked hours were recorded in internal transport, therefore the target for 2021 of max 25 collisions per million hours worked was achieved.

The activities to prevent the spread of infections with virus SARS-CoV-2 (COVID-19) are still ongoing in Luka Koper.

## 13.3 Education, training and development of employees

In the first half of 2021, there were still the effects of actions taken to prevent the spread of coronavirus SARS-CoV-2 (COVID-19) on the training programmes. At the Luka Koper Group level, on average 8.5 hours of training per employee resp. 9.2 hours at Luka Koper d. d., which is slightly more than the previous year and essentially less than two years ago. Induction programmes resp. mentorships, new-employment trainings to operate machinery, and the exchange of workers among the terminals as well as periodical tests from safety at work were carried out, there were fewer of other types of training resp. webinars were run. 90 percent of trainings were in-house trainings.

Significantly fewer employees were involved in trainings than in 2020, namely only 42 percent of employees in the Luka Koper Group resp. 44 percent of employees in Luka Koper, d. d.

The Luka Koper Group co-financed the acquisition of a higher level of education to one and a half percent of employees.

Luka Koper, d. d., and Adria Terminali, d. o. o., are involved in the project Competence centre for HR development in logistics Logins, which will disburse grants from 50 – percent co-funding of the education and training of employees until 2022.

The internal mobility of employees was as intense as in 2020, whereby there was slightly higher share of classifications in a higher level of qualification and flexibility and less other types of promotion.

The project of comprehensive renovation of key HR and successors development with the objective to introduce a more long-term and transparent HR system is underway at Luka Koper, d. d.

The dialogue with social partners has been taken place continuously, in particular with crane operator's union trade union, among other also with respect to single articles of the company agreement.

## 14 Natural environment

Luka Koper has always been concerned for improving the quality of life in the entire area in which the port is embedded. In the development issues it takes into consideration the principles of the sustainable and responsible environment management

The most important goals in the area of natural environment in 2021 are:

- Successfully carry out the audit in compliance with EMAS, standard ISO 50001 and ISO 14001
- Reduce emissions of dust at all ten port's locations to 200 mg/m<sup>2</sup>day and max 5 deviations from 120/th measurements in the course of the year,
- Keep the value of PM10 particles (the size up to 10 µm) emissions below 30 µg/m<sup>3</sup> in the entire Port's area (in direction towards Ankaran, Koper and Bertoki),
- Keep the percentage of separately collected waste at 91 percent,
- Decrease night-time noise to 48 dBA in the direction of Koper,
- Keep the day-time noise in front of nearest buildings outside the port zone at 58 dB and night-time noise at 53 dB,
- Despite the purchase of the additional mechanisation and enlarged storage capacities, keep specific consumption of energy at the last year level and namely for motor fuel 0,1249 l/t, for electric energy 0,7658 kWh/t and potable water 4,9 l/t,
- Without taking actions (inspection and internal) in environmental interventions,
- Without pollution outside the Port's aquatorium,
- In case of fire interventions and injury accidents, ensure that the intervention time of the professional fire brigade is less than 8 minutes (from receiving the notification until arrival at the scene),
- Prevent any major industrial accidents altogether,
- Implement all inspection in the field of fire safety,
- Preserve the range of area of underwater meadows (*Cymodocea nodosa*, *Zostera nolti*) with compared to the 2018 reference period.

### 14.1 EMAS certificate

In March 2021, Luka Koper, d. d., successfully passed the re-certification related to the requirements under EMAS regulation. In the beginning of 2021, the company carried out the first certification according to ISO 50001 requirements and has already obtained the certificate.

### 14.2 Atmosphere

Striving for a constant reduction in emissions that are produced by the performance of port activities involves many activities. The most important measures for the reduction in dusting are the introduced technology of applying paper mill sludge to the coal and iron ore disposal area. Paper mill sludge builds a solid layer that prevents drifting of dust.

#### 14.2.1 Total dust in the port

Luka Koper, d. d., has been controlling measurements of the total volume of dust carried by Luka Koper, d. d., yet from 2002 on ten measurement points in the Port. We have set the annual goal not to exceed 200 mg/m<sup>2</sup>day and the average of measurement values for the reporting period was 118 mg/m<sup>2</sup>day. In January – June 2021, 5 deviations were recorded. The law does not prescribe limit values resp. permitted deviations for such measurements.

Table 9: Comparison of mean values of PM<sub>10</sub>

	1 – 6 2021	1 – 6 2020	Index 2021/2020
Average value of dust deposits (mg/m <sup>2</sup> dan)	118	101	117

#### 14.2.2 Quantity of health hazardous dust particles (PM10)

Statutory prescribed measuring of fine dust particles (PM<sub>10</sub>), have been carried out in the Port of Koper and are continuously measured on three points within the Port. The measurement devices are placed inside the port zone, but in the immediate proximity of the residential area Rožnik in Ankaran, towards Bertoki and at the Cruise terminal, in the close proximity of Koper old town centre. The measurements taken in the second quarter of 2021, were below the target value 30 µg/m<sup>3</sup>. The company had not found out the causes for extremely high values in the second quarter of 2021, since there were higher values in the whole Primorska region and not only in Koper.

The results from two measurement devices are shown automatically every hour on the Port's web page online Living with the Port [www.zivetispristaniscem.si](http://www.zivetispristaniscem.si).

Table 10: Comparison of mean values PM<sub>10</sub>

	1 – 6 2021	1 – 6 2020	Index 2021/2020
Ankaran – Rožnik	15 µg/m <sup>3</sup>	23 µg/m <sup>3</sup>	65
Bertoki	18 µg/m <sup>3</sup>	24 µg/m <sup>3</sup>	75
Koper – Cruise terminal	16 µg/m <sup>3</sup>	24 µg/m <sup>3</sup>	67

#### 14.2.3 Emissions of dust particles on key sources

Since the permitted values of dust particles emissions of key sources are stipulated by law, we perform measurements in the direct vicinity of dust-generating sources e.g. at loading/unloading of wagons, trucks and ships. The threshold of permitted value of emissions is 20 mg/m<sup>3</sup>. The company has not yet performed the statutory measurements for 2021.

### 14.3 Waste management

Various types of waste are generated in the Port of Koper. In terms of the commitment for the environment, Luka Koper, d. d., regularly provides for waste separation, recycling and waste processing. The waste separation is carried out at all terminals, by the users of the economic zone and on ships. Separately collected waste materials are delivered to external waste-processing contractors and agents.

In the second quarter of 2021, the share of sorted separately collected waste was 94.5 percent, and thereby the set objective of 91 sorted separately collected waste was achieved. Such a high percentage was achieved due to a larger removal of railway sleepers in May 2021.

### 14.4 Noise

Noise levels are continuously monitored by devices at three peripheral points around the port, and the results are published online via the Living with the Port [www.zivetispristaniscem.si](http://www.zivetispristaniscem.si). The results for the second quarter are in compliance with the requirements of the environmental permit and a newly adopted Decree. Notwithstanding a new Decree, the Company keeps set determined objectives, which were in force under the previous Decree.

Table 11: Average noise levels (in dB)

1 – 6 2021			1 – 6 2020			Threshold values for za 2021
Eastern periphery (Bertoki)	Northern periphery (Ankaran)	Southern periphery (Koper)	Eastern periphery (Bertoki)	Northern periphery (Ankaran)	Southern periphery (Koper)	
LD =39	LD =42	LD =53	LD =39	LD =44	LD =52	LD = 65
LV =37	LV =41	LV =52	LV =37	LV =41	LV =51	LV = 60
LN =34	LN =40	LN =50	LN =35	LN =40	LN =51	LN = 55
LDVN =42	LDVN =46	LDVN =57	LDVN =42	LDVN =47	LDVN =57	LDVN = 65

Legend: LD – daily noise level, LV – evening noise level, LN – night noise level, LDVN – noise level day – evening – night

Data in table show the noise without ships and in the front of the first buildings outside the Port's zone.

## 14.5 Energy

Luka Koper, d. d., obtained the certificate to ISO 50001:2018 standard - Energy management system for the work carried out so far in the field of energy management. The implementation of this standard jointly with systematic energy management will result in additional reduction of greenhouse emissions and other related environmental impacts and energy costs. The value of standard as efficient tool for energy management is even bigger because its compliance can be proved by the certification of an independent organisation.

### 14.5.1 Electricity and water consumption

Specific fuel consumption in the first six months of 2021, in comparison with 2020 was lower by 2 percent.. The advantage of the use of electric powered cranes lays in essentially bigger efficiency of engines, lower noise level and practically zero emissions of local exhaust gases.. A higher specific water consumption in comparison with the same period in the previous year, resulted from the higher throughput of reefer containers. Specific consumption of potable water in the first six months of was 58 percent than in the comparable period last year.

Table 12: Specific consumption of energy and water per handled ton of the total throughput<sup>32</sup>

	1 – 6 2021	1 – 6 2020	Index 2021/2020
Consumption of electric energy	0,79	0,78	101
Motor fuel consumption (l/t)	0,118	0,121	98
Water consumption (l/t)	2,42	5,71	42

### 14.5.2 Electricity consumption

In the first half of 2021, the major consumer of the electric power in port was the Container terminal, followed by the bulk cargo and Reefer terminal. Among major consumers in the port are primarily quay cranes, food stuff cold storage rooms at the Reefer terminal, conveyor belts for the transshipment of the dry bulk cargo, lighting and power supply to the reefer containers. In the first half of 2021, the company did not achieve the target value of specific energy consumption due to the increased consumption of the electric energy for the needs of supplying reefer containers, on which Luka Koper, d. d., has no direct impact because of requested temperatures in reefer containers.

### 14.5.3 Motor fuel consumption

In the first half of 2021, the Container terminal consumed 64.5 percent of motor fuel percent of the whole port, followed by the general cargoes by 10.9 percent. The major consumers of fuel in the Port of Koper in the first half of 2021 were terminal tractors (33.4 percent), followed by warehouse cranes (19.5 percent), reach stackers and

<sup>32</sup> Total throughput comprises maritime throughput, stuffing/unstuffing of containers and land throughput.



forklifts (13.7 percent). In January - June 2021, the company did not achieve the target value of specific energy consumption.

## 14.6 Water

The company pays a great attention to the water as a vital good and for this reason numerous safety and treatment actions are implemented. Since the water is used mainly for sanitary purposes and for supply of vessels, the concern for an adequate purity of water is important. The water consumption is not directly reliant on the throughput and it is to a certain extent attributable to water leakages, and therefore it is difficult to manage. The repairs are constantly carried out in order to reduce water leakages. In the first six months of 2021 the company achieved the target value of specific water consumption.

### 14.6.1 Potable water

Inn April 2021, potable water quality measurements were carried for the first time. The results were adequate.

### 14.6.2 Waste waters

In the port, mostly urban waste waters are generated and to a lower extent, industrial waste waters. Generated industrial waste waters are prior to the discharge adequately treated in own waste water treatment plants, urban waste waters are mainly treated in the Koper central waste treatment plant.

The authorised operator has carried out the sampling of waste waters on two interceptor sludges and the results were adequate. Other samplings at outflows from treatment plants will be carried out in the course of the year.

## 14.7 Effects of lighting

The lighting in the port' area is in line with regulations and in a way that a light is not directed upwards. The lighting plan is published on Luka Koper, d. d., website.

## 14.8 Marine protection

Pursuant to the provisions of the Concession Agreement for the performance of port activity, management, development and regular maintenance of port's infrastructure in the Koper's cargo port area, Luka Koper, d. d., regularly takes care to prevent and remove the consequences of the sea pollution. To carry out such activities Luka Koper, d. d., disposes a special equipment , watercrafts and as well as suitably qualified staff.

In exceptional events at sea, Luka Koper, d. d., takes measures in compliance with the valid Protection and rescuing plan of Luka Koper, d. d., in case of industrial accidents.

In the second quarter of 2021, 14 incidents were recorded in the port's aquatorium. In all cases of pollution at sea measures were taken in accordance to the activation scheme of forces and resources for minor accidents, and the consequences of pollution were successfully dealt with within the concession area. The polluters who were tracked down reimbursed the costs.

Number of recorded events in the concession area is attributable to the consistent implementation of workshops on the environmental protection, where the employees are informed about the significance of all recorded events and consequently an efficient intervention.

Table 13: Statistical data on intervention at sea

	1 – 6 2021	1 – 6 2020	Index 2021/2020
Number of accidents at sea	25	27	93
Number of interventions in the Port's aquatorium	24	26	92
Number of incidents not requiring intervention	1	1	100
Number of pollution incidents outside the Port's aquatorium	0	0	-

The results of measuring from the modern measuring station REBEKA for monitoring of the sea quality, which is installed at the entrance into the Port Basin III are published on the website <http://www.zivetispristaniscem.si/>.

## 15 Commitment to the community

The Port of Koper is surrounded by urban settlements by two sides - on one side by Koper old town centre, on the other Ankaran - in the hinterland it is surrounded by the Škocjan inlet, Natura 2000 site and outwards it is embraced by a sensitive marine ecosystem. The vicinity of urban settlements and protected areas requires concern from the joint stock company Luka Koper, d. d., to which the State granted the concession for the performance and the development of activities in the port, for the quality of living of inhabitants, living and working in this environment and good neighbourhood relationships, which are the condition for its operation and further development. Luka Koper, d. d., has already incorporated the principles of sustainable development in its performance and strategic directions, and set measurable targets in the Social Responsibility and Sustainable Development Strategy, adopted in the beginning of 2021, which will pursue also in the future in cooperation with the local and institutional stakeholders, by taking into account best international practices.

The implementation of the social responsibility towards the local environment, on which the port activity has most impact, was reflected over the years in the support of organised groups and individuals implementing projects or activities relevant for the quality of life of inhabitants in local environment. In view of the restrictions due to Covid-19 pandemic, the company has not published yet the call for the distribution of sponsorships and donations in 2021 from the Living with the Port fund, which is in particular dedicated to local projects and associations. Regardless the consequences of the pandemic, which significantly affected also the Company's performance in 2020, Luka Koper, d. d., respects the agreed contractual obligations regarding sponsorships and donations adapting them to given circumstances. In the first half of 2021, EUR 0.5 million were paid out for sponsorships and donations. Some long-term partnerships, in particular in the do, mostly in the field of humanitarian activity, culture and top-level sport were renewed.

Due to the restrictions resulting from COVID-19 pandemic, also this year it was not possible to organise the traditional Port's Day, when the doors of the sole Slovenian freight port are wide open and visits are port sightseeing is organised for visitors. A virtual tour and other accompanying events with purpose to be informed about the Port of Koper and its activities were organised.

Upon the successful tendering of the Municipality of Koper (MOK) on the awarding of grants for the implementation of mitigating measures for the reduction of emissions arising from the Port's activity, in May 2021, MOK published a new call and announced the following one in the beginning of the next year. At the end of 2019, Luka Koper, d. d., and MOK namely signed an agreement defining the terms for the establishment of a fund in which Luka Koper, d. d., every year allocates EUR 200 thousand. At the first tender in the amount of EUR 400 thousand, in force for 2019 and 2020, the funds were distributed among 55 beneficiaries (of total 256 received applications). The mitigating measures were carried out on 49 buildings. In total, there were 175 mitigating measures.

Luka Koper, d. d., is aware that good neighbourhood relations can be established only by correct and transparent communication with the surroundings, where communication tools are constantly adapted to modern trends, however it remains to informing general public and other stakeholders through media and websites ([www.luka-kp.si](http://www.luka-kp.si), [www.zivetispristaniscem.si](http://www.zivetispristaniscem.si), [www.seonet.si](http://www.seonet.si)) and social media.

# ACCOUNTING REPORT

## 16 Financial statements of Luka Koper, d. d., and Luka Koper Group

### 16.1 Income statement

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
Revenue	112,703,017	104,874,655	114,721,796	106,775,706
Capitalised own products and services	58,303	77,759	58,303	77,766
Other income	788,988	3,201,346	1,538,369	4,068,045
Cost of material	-7,610,028	-8,513,720	-7,786,307	-8,697,465
Cost of services	-30,484,835	-27,678,020	-29,100,402	-26,169,441
Employee benefits expense	-39,434,094	-36,768,944	-42,731,646	-40,107,295
Amortisation and depreciation expense	-14,286,006	-13,592,823	-14,640,113	-13,992,499
Other operating expenses	-4,318,604	-4,617,028	-4,332,479	-4,706,856
<b>Operating profit</b>	<b>17,416,741</b>	<b>16,983,225</b>	<b>17,727,521</b>	<b>17,247,961</b>
Finance income	1,548,047	883,791	191,215	113,859
Finance expenses	-199,505	-376,591	-146,626	-226,442
<b>Profit or loss from financing activity</b>	<b>1,348,542</b>	<b>507,200</b>	<b>44,589</b>	<b>-112,583</b>
Profit or loss of associates	0	0	698,101	469,185
<b>Profit before tax</b>	<b>18,765,283</b>	<b>17,490,425</b>	<b>18,470,211</b>	<b>17,604,563</b>
Income tax expense	-3,027,920	-2,491,931	-3,060,839	-2,520,879
Deferred taxes	15,013	2,517	15,013	2,517
<b>Net profit for the period</b>	<b>15,752,376</b>	<b>15,001,011</b>	<b>15,424,385</b>	<b>15,086,201</b>
<b>Net profit attributable to owners of the company</b>	<b>0</b>	<b>0</b>	<b>15,416,863</b>	<b>15,086,357</b>
<b>Net profit attributable to non-controlling interests</b>	<b>0</b>	<b>0</b>	<b>7,523</b>	<b>-156</b>
<b>Net earnings per share</b>	<b>1.13</b>	<b>1.07</b>	<b>1.10</b>	<b>1.08</b>

Notes to the financial statements are their integral part and shall be read in their conjunction.

## 16.2 Statement of other comprehensive income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
<b>Profit for the period</b>	<b>15,752,376</b>	<b>15,001,011</b>	<b>15,424,385</b>	<b>15,086,201</b>
Items not to be reclassified into profit/loss in future periods	5,705,875	3,865,749	5,822,864	3,841,119
Change in revaluation surplus of available-for-sale financial assets	-1,084,025	-734,492	-1,106,255	-729,813
<b>Deferred tax on revaluation of available-for-sale financial assets</b>	<b>4,621,850</b>	<b>3,131,257</b>	<b>4,716,609</b>	<b>3,111,306</b>
<b>Total comprehensive income for the period</b>	<b>20,374,225</b>	<b>18,132,268</b>	<b>20,140,995</b>	<b>18,197,507</b>
<b>Total comprehensive income for the period owners of the company</b>	<b>20,374,225</b>	<b>18,132,268</b>	<b>20,133,472</b>	<b>18,197,663</b>
<b>Total comprehensive income for the period non-controlling interests</b>	<b>0</b>	<b>0</b>	<b>7,523</b>	<b>-156</b>

### 16.3 Statement of financial position

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
<b>ASSETS</b>				
Property, plant and equipment	418,879,436	403,335,743	432,358,871	417,136,694
Investment property	24,056,190	23,721,641	15,309,925	14,844,630
Intangible assets	1,596,841	1,881,584	1,746,523	2,058,861
Other assets	4,743,750	1,089,144	4,743,750	1,089,144
Shares and interests in associates	4,048,063	4,533,063	0	0
Shares and interests in associates	6,737,709	6,737,709	13,818,860	14,168,687
Other non-current investments	49,929,024	44,223,149	53,246,035	47,423,171
Loans given and deposits	2,539	3,336	8,075	8,866
Non-current operating receivables	41,121	41,088	31,430	31,397
Deferred tax assets	4,520,164	5,589,177	4,573,957	5,665,198
<b>Non-current assets</b>	<b>514,554,837</b>	<b>491,155,634</b>	<b>525,837,426</b>	<b>502,426,648</b>
Assets held for sale	485,000	0	373,738	0
Inventories	1,414,583	1,362,769	1,414,583	1,362,769
Deposits and loans given	1,572	1,824	1,572	72,909
Trade and other receivables	48,953,913	41,192,593	49,586,562	41,632,400
Income tax receivables	0	885,779	0	883,596
Cash and cash equivalents	28,271,641	37,051,470	52,028,991	61,021,421
<b>Current assets</b>	<b>79,126,709</b>	<b>80,494,435</b>	<b>103,405,446</b>	<b>104,973,095</b>
<b>TOTAL ASSETS</b>	<b>593,681,546</b>	<b>571,650,069</b>	<b>629,242,872</b>	<b>607,399,743</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	58,420,965	58,420,965	58,420,965	58,420,965
Capital surplus (share premium)	89,562,703	89,562,703	89,562,703	89,562,703
Revenue reserves	209,947,534	209,947,534	209,947,534	209,947,534
Reserves arising from valuation at fair value	25,004,024	20,382,176	25,223,793	20,507,185
Retained earnings	30,430,205	30,637,829	62,439,639	62,982,777
<b>Equity of owners of the parent</b>	<b>413,365,431</b>	<b>408,951,207</b>	<b>445,594,634</b>	<b>441,421,164</b>
<b>Non-controlling interests</b>	<b>0</b>	<b>0</b>	<b>242,264</b>	<b>239,522</b>
<b>Equity</b>	<b>413,365,431</b>	<b>408,951,207</b>	<b>445,836,898</b>	<b>441,660,686</b>
Provisions	17,520,636	17,273,054	18,179,946	17,943,022
Deferred income	24,564,174	24,153,306	25,929,402	25,537,164
Loans and borrowings	65,949,110	71,209,697	65,949,110	71,209,697
Other non-current financial liabilities	224,461	262,898	224,706	264,966
Non-current operating liabilities	109,839	115,195	136,471	145,939
<b>Non-current liabilities</b>	<b>108,368,220</b>	<b>113,014,150</b>	<b>110,419,635</b>	<b>115,100,788</b>
Liabilities held for sale	0	0	79,300	0
Loans and borrowings	10,521,175	10,521,175	10,521,175	10,521,175
Other current financial liabilities	16,197,942	330,668	16,189,558	382,791
Income tax liabilities	2,660,691	0	2,654,163	0
Trade and other payables	42,568,087	38,832,869	43,542,143	39,734,303
<b>Current liabilities</b>	<b>71,947,895</b>	<b>49,684,712</b>	<b>72,986,339</b>	<b>50,638,269</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>593,681,546</b>	<b>571,650,069</b>	<b>629,242,872</b>	<b>607,399,743</b>

## 16.4 Statement of Cash Flows

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit for the period</b>	<b>15,752,376</b>	<b>15,001,011</b>	<b>15,424,385</b>	<b>15,086,201</b>
<b>Adjustments for:</b>				
Amortisation/Depreciation	14,286,006	13,592,823	14,640,113	13,992,499
Reversal and impairment losses on property, plant and equipment, and intangible assets	69,711	6,717	69,895	6,878
Gain on sale of property, plant and equipment, intangible assets and investment property	-179,168	0	-179,184	-435
Allowances for receivables	316,995	375,253	323,606	386,181
Collected written-off receivables and liabilities	-237,981	-362,006	-238,480	-364,155
Finance income	-1,548,047	-883,791	-191,215	-113,859
Finance expenses	199,505	376,591	146,626	226,442
Recognised results of subsidiaries under equity method	0	0	-698,101	-469,185
Income tax expense and income (expenses) from deferred taxes	3,012,907	2,489,414	3,045,826	2,518,362
<b>Profit before change in net current operating assets and taxes</b>	<b>31,672,304</b>	<b>30,596,012</b>	<b>32,343,472</b>	<b>31,268,929</b>
Change in other assets	-3,654,606	888,207	-3,654,606	988,407
Change in operating receivables	-7,835,926	-3,878,338	-8,050,343	-4,126,430
Change in inventories	-51,815	42,555	-51,814	42,555
Change in assets (disposal group) held for sale	-485,000	0	-373,738	0
Change in assets held for sale	0	0	79,300	0
Change in shares and interests in Group companies	485,000	0	0	0
Change in operating liabilities	10,670,563	4,636,350	10,244,394	-2,617,328
Change in provision	247,582	-1,387,429	236,924	-1,387,429
Change in non-current deferred income	410,868	-724,474	392,238	-829,996
<b>Cash generated in operating activities</b>	<b>31,458,970</b>	<b>30,172,883</b>	<b>31,165,827</b>	<b>23,338,708</b>
Interest expenses	-205,190	-382,899	-152,311	-232,501
Tax expenses	518,550	1,262,479	476,920	1,177,448
<b>Net cash flow from operating activities</b>	<b>31,772,330</b>	<b>31,052,463</b>	<b>31,490,436</b>	<b>24,283,655</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	177,226	174,083	127,457	92,787
Dividends received and profit sharing - subsidiaries	308,723	6,813	0	0
Dividends received and profit sharing - associates	1,047,929	681,823	1,047,929	681,823
Dividends received and share of profits - other companies	14,169	21,072	63,758	21,072
Proceeds from sale of property, plant and equipment, and intangible assets	216,929	0	220,640	274
Proceeds from sale of investment property	0	0	9,664	0
Proceeds from sale, less investments and loans given	1,050	4,476	71,415	4,599
Acquisition of property, plant and equipment, and intangible assets	-36,877,750	-19,331,717	-36,572,802	-11,896,464
<b>Net cash flow used in investing activities</b>	<b>-35,111,724</b>	<b>-18,443,450</b>	<b>-35,031,939</b>	<b>-11,095,909</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of current borrowings	-5,260,587	-4,669,825	-5,260,587	-4,669,825
Payment of the leased asset	-179,848	-178,137	-190,339	-215,150
Dividends paid	0	0	0	3,187
<b>Net cash flow used in financing activities</b>	<b>-5,440,435</b>	<b>-4,847,962</b>	<b>-5,450,926</b>	<b>-4,881,788</b>
<b>Net increase in cash and cash equivalents</b>	<b>-8,779,829</b>	<b>7,761,051</b>	<b>-8,992,430</b>	<b>8,305,958</b>
Opening balance of cash and cash equivalents	37,051,470	65,846,592	61,021,421	73,030,320
<b>Closing balance of cash and cash equivalents</b>	<b>28,271,641</b>	<b>73,607,643</b>	<b>52,028,991</b>	<b>81,336,278</b>

### 16.5 Statement of changes in Equity of Luka Koper, d.d.

(in EUR)	Reserves arising on valuation at fair value							Total equity
	Share capital	Capital surplus	Legal reserves	Other revenue reserves	Retained earnings	Investments	Actuarial gains/losses	
<b>Balance at 31 Dec 2019</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>175,546,044</b>	<b>30,013,664</b>	<b>16,010,857</b>	<b>-1,429,389</b>	<b>386,889,959</b>
<b>Changes of equity – transactions with owners</b>								
<b>Total comprehensive income for the period</b>								
Profit for the period	0	0	0	0	15,001,011	0	0	15,001,011
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	3,131,257	0	3,131,257
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,001,011</b>	<b>3,131,257</b>	<b>0</b>	<b>18,132,268</b>
<b>Balance at 30 June 2020</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>175,546,044</b>	<b>45,014,675</b>	<b>19,142,114</b>	<b>-1,429,389</b>	<b>405,022,227</b>
<b>Balance at 31 December 2020</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>30,637,829</b>	<b>22,023,006</b>	<b>-1,640,830</b>	<b>408,951,207</b>
<b>Changes of equity – transactions with owners</b>								
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	0	0	0	0	15,752,376	0	0	15,752,376
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	4,621,849	0	4,621,849
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,752,376</b>	<b>4,621,849</b>	<b>0</b>	<b>20,374,225</b>
<b>Balance at 30 June 2021</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>30,430,205</b>	<b>26,644,856</b>	<b>-1,640,830</b>	<b>413,365,433</b>



## 16.6 Consolidated Statement of Changes in Equity of the Luka Koper Group

(in EUR)	Share capital	Capital surplus	Legal reserves	Other revenue reserves	Retained earnings	Reserves arising on valuation at fair value	Investments	Actuarial gains/losses	Total equity of owners of the parent company	Non-controlling interests	Total equity
<b>Balance at 31 December 2019</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>175,546,044</b>	<b>61,607,313</b>		<b>16,504,609</b>	<b>-1,556,294</b>	<b>418,850,456</b>	<b>238,899</b>	<b>419,089,355</b>
<b>Equity changes - transactions with owners</b>											
Dividends paid	0	0	0	0	0		0	0	0	-3,187	-3,187
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,187</b>	<b>-3,187</b>
<b>Total comprehensive income for the period</b>											
Profit for the period	0	0	0	0	15,086,357		0	0	15,086,357	-156	15,086,201
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0		3,111,306	0	3,111,306	0	3,111,306
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,086,357</b>		<b>3,111,306</b>	<b>0</b>	<b>18,197,663</b>	<b>-156</b>	<b>18,197,507</b>
<b>Balance at 30 June 2020</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>175,546,044</b>	<b>76,693,670</b>		<b>19,615,915</b>	<b>-1,556,294</b>	<b>437,048,119</b>	<b>235,556</b>	<b>437,283,675</b>
<b>Balance at 31 December 2020</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>62,982,776</b>		<b>22,382,100</b>	<b>-1,874,915</b>	<b>441,421,164</b>	<b>239,522</b>	<b>441,660,686</b>
<b>Equity changes - transactions with owners</b>											
Dividends paid	0	0	0	0	-15,960,000		0	0	-15,960,000	-4,780	-15,964,780
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>		<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>-4,780</b>	<b>-15,964,780</b>
<b>Total comprehensive income for the period</b>											
Profit for the period	0	0	0	0	15,416,863		0	0	15,416,863	7,523	15,424,386
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0		4,716,610	0	4,716,610	0	4,716,610
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,416,863</b>		<b>4,716,610</b>	<b>0</b>	<b>20,133,473</b>	<b>7,523</b>	<b>20,140,996</b>
<b>Balance at 30 June 2021</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>62,439,638</b>		<b>27,098,711</b>	<b>-1,874,916</b>	<b>445,594,636</b>	<b>242,266</b>	<b>445,836,902</b>

# 17 Notes to the separate Financial statements

Luka Koper, d. d., port operator and logistic provider (hereinafter: Company), with registered office at Vojkovo nabrežje 38, Koper, Slovenia, is the controlling company of the Luka Koper Group (hereinafter: Group). Non-audited separate financial statements of Luka Koper, d. d. and non-audited consolidated financial statements of Luka Koper Group, for January – June 2021 resp. as at 30 June 2021. Consolidated financial statements refer to the financial statements of the controlling company, its subsidiaries and corresponding results of associates.

Subsidiaries included in the consolidated financial statements:

- Luka Koper INPO, d. o. o., 100 %
- Adria Terminali, d. o. o., 100 %
- Luka Koper Pristan, d. o. o., 100 %
- TOC, d. o. o., 68,13 %

Associates included in the consolidated financial statements:

- Adria Transport, d. o. o., 50 %
- Adria Transport Croatia, d. o. o., 50 %, 100 % owned by Adria Transport, d. o. o.
- Adria-Tow, d. o. o., 50 %
- Adriaфин, d. o. o., 50 %
- Avtoservis, d. o. o., 49 %

Companies excluded from the consolidated financial statements as at 30 June 2021:

- Logis-Nova, d. o. o., 100 %
- Adria Investicije, d. o. o., 100 %

The companies Adria Investicije, d. o. o., and Logis-Nova, d. o. o., were not included in the consolidated financial statements as they are not considered significant for a fair presentation on the Group's financial position. They operate in a limited scope and without employees. If operations of the companies should change considerably, they would be included in the Group's consolidated statements.

## Statement of compliance

The interim Report has been compiled in accordance with the International Accounting standards 34 – Interim Financial Reporting. The company's financial statements have been compiled in accordance with International Reporting Standards as adopted by the International Accounting Standards (IASB) and European Union and in compliance with Companies Act RS.

## Basis for the compilation of financial statements

The financial statements are compiled in euros (EUR), rounded to the nearest unit. Financial statements provide useful information on the performance in January – June 2021, compared with the comparable data for the previous year and the Company's financial situation as at 30 June 2021 in comparison with the balance as at 31 December 2020.

Financial statements of Luka Koper, d. d. and consolidated financial statements of Luka Koper Group, for the reporting period January – June 2021 and as at 30 June 2021 are not audited, whilst they were audited for the comparable period as at 31 December 2020.

In light of the uncertainties regarding further developments of COVID-19 outbreak, the Management Board closely examines the current situation by establishing that Luka Koper, d. d./the Luka Koper Group will dispose with enough liquidity assets to ensure the continuity of business performance.

## Use of estimates and judgements

Preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates are formed based on past experience and expectations in the accounting period. Formation of estimates and the related assumptions and uncertainties are disclosed in the notes to individual items.

Estimates, judgements and assumptions are reviewed on a regular basis. Actual results may differ from these situations, hence estimates and underlying assumptions are reviewed on a regular basis. Changes in accounting estimates are recognised in the period for which the estimates are modified, or in the coming periods that are impacted by respective changes.

## 18 Additional notes to Income Statement

### Net revenue from sale

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
<b>Revenue from sales with domestic customers based on contract with customer</b>	<b>32,479,225</b>	<b>31,434,066</b>	<b>34,207,425</b>	<b>32,961,180</b>
- services	32,474,953	31,433,201	34,203,153	32,960,315
- goods and material	4,272	865	4,272	865
<b>Revenue from sales with foreign customers based on contract with customer</b>	<b>76,176,427</b>	<b>69,079,580</b>	<b>76,579,094</b>	<b>69,515,827</b>
- services	76,176,427	69,079,580	76,579,094	69,515,827
<b>Revenue to customers</b>	<b>108,655,652</b>	<b>100,513,646</b>	<b>110,786,519</b>	<b>102,477,007</b>
<b>Revenue from collected port dues</b>	<b>3,257,929</b>	<b>3,473,794</b>	<b>3,257,929</b>	<b>3,473,794</b>
<b>Revenue from sales with domestic customers from rentals</b>	<b>789,436</b>	<b>887,215</b>	<b>677,348</b>	<b>824,905</b>
<b>Total</b>	<b>112,703,017</b>	<b>104,874,655</b>	<b>114,721,796</b>	<b>106,775,706</b>

### Other revenue

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
<b>Other operating income</b>	<b>417,149</b>	<b>362,006</b>	<b>1,148,656</b>	<b>1,165,837</b>
<b>Subsidies, grants and similar income</b>	<b>0</b>	<b>0</b>	<b>730,992</b>	<b>801,247</b>
<b>Revaluation operating income</b>	<b>417,149</b>	<b>362,006</b>	<b>417,664</b>	<b>364,590</b>
Income on sale of property, plant and equipment and investment property	179,168	0	179,184	435
Collected written-off receivables and written-off liabilities	237,981	362,006	238,480	364,155
<b>Other income</b>	<b>371,839</b>	<b>2,839,339</b>	<b>389,713</b>	<b>2,902,208</b>
Compensations and damages	151,868	383,136	154,012	383,470
Subsidies and other income not related to services	190,464	269,080	190,464	269,080
Other income	29,507	2,187,123	45,237	2,249,658
<b>Total</b>	<b>788,988</b>	<b>3,201,345</b>	<b>1,538,369</b>	<b>4,068,045</b>

Subsidies, grants and similar revenue in Luka Koper Group mostly account for retained contributions on salaries of employees in the amount of earmarked in the subsidiary Luka Koper INPO, d. o. o.

Revaluation operating income comprises revenue from sale of property, plant and equipment and investment property and from reversal of impairment of receivables. The increase of revenue in the sale of property, plant and equipment and investment property refers to the sale of fixed assets of the controlling company that has not been using for the performance of its activity. The decrease of collected written-off receivables and written-off liabilities account mainly for reversal of impairment of receivables of one customer in controlling company, who settled its liabilities in the beginning of the business year 2020.

Received compensations and damages of Luka Koper, d. d., are mostly related to the received compensation damage cause in the transshipment of goods.

## Cost of material

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
Cost of material	0	0	384	127
Cost of auxiliary material	991,488	1,419,960	1,041,625	1,484,240
Cost of spare parts	2,869,572	3,471,311	2,870,733	3,466,385
Cost of energy	3,504,679	3,265,251	3,608,356	3,368,483
Cost of office stationary	84,025	102,830	91,287	110,745
Other cost of material	160,264	254,368	173,922	267,485
<b>Total</b>	<b>7,610,028</b>	<b>8,513,720</b>	<b>7,786,307</b>	<b>8,697,465</b>

## Cost of services

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
Port services	14,056,773	12,666,421	13,261,790	11,575,156
Cost of transportation	237,225	70,835	82,034	85,666
Cost of maintenance	4,053,699	3,646,674	3,933,661	3,475,983
Rentals	75,837	53,065	106,272	81,291
Reimbursement of labour-related costs	66,969	86,433	72,589	93,181
Costs of payment processing, bank charges and insurance premiums	655,980	570,688	748,108	603,244
Cost of intellectual and personal services	626,294	475,758	640,064	494,880
Advertising, trade fairs and hospitality	365,939	488,569	367,988	490,883
Costs of services provided by individuals not performing business activities	117,581	125,984	124,742	127,533
Sewage and disposal services	723,235	743,024	367,629	372,247
Information support	1,640,859	1,523,698	1,719,152	1,595,925
Concession-related costs	3,841,524	3,561,487	3,841,524	3,561,487
Transshipment fee	2,600,780	2,395,794	2,600,780	2,395,794
Costs of other services	1,422,140	1,269,590	1,234,069	1,216,171
<b>Total</b>	<b>30,484,835</b>	<b>27,678,020</b>	<b>29,100,402</b>	<b>26,169,441</b>

Within the cost of services, a major share represented cost of port services of the controlling company, which increased mainly due to the increased business volume in the first half of 2021.

## Cost of labour

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
Wages and salaries	26,123,646	24,273,507	28,195,005	26,461,779
Wage compensations	3,185,348	3,283,305	3,481,044	3,562,013
Costs of additional pension insurance	1,178,352	1,014,203	1,291,254	1,118,407
Employer's contributions on employee benefits	4,907,013	4,521,239	5,293,462	4,907,258
Annual holiday pay, reimbursements and other costs	4,039,735	3,676,690	4,470,881	4,057,838
<b>Total</b>	<b>39,434,094</b>	<b>36,768,944</b>	<b>42,731,646</b>	<b>40,107,295</b>

In the first half of 2021, labour costs increased in comparison with the same period in the preceding year, primarily due to the successful performance and related payments for job performance.

## Amortisation and depreciation expense

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
Depreciation of buildings	6,301,238	6,561,330	6,457,175	6,720,561
Depreciation of equipment and spare parts	7,108,813	6,169,201	7,347,962	6,424,582
Depreciation of small tools	10,666	9,365	10,867	9,560
Depreciation of investment property	293,590	285,554	211,318	203,172
Amortisation of intangible assets	387,731	385,876	415,325	413,563
Depreciation of investment into foreign-owned assets	5,786	5,802	8,799	8,739
Depreciation of right-of-use	178,182	175,695	188,667	212,322
<b>Total</b>	<b>14,286,006</b>	<b>13,592,823</b>	<b>14,640,113</b>	<b>13,992,499</b>

## Other expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
Provisions	0	6,215	0	6,215
Impairment costs, write-offs and losses on property, plant and equipment, and investment property	69,711	6,717	69,895	6,878
Expenses for allowances for receivables	316,995	375,253	323,606	386,181
Levies that are not contingent upon employee benefits expense and other types of cost	3,326,582	3,374,547	3,326,162	3,457,548
Donations	248,500	269,528	248,700	269,728
Environmental levies	85,800	101,725	80,070	95,519
Awards and scholarship to students inclusive of tax	506	6,105	506	6,105
Awards and scholarship to students	0	1,200	0	1,200
Other costs and expenses	270,510	475,738	283,540	477,482
<b>Total</b>	<b>4,318,604</b>	<b>4,617,028</b>	<b>4,332,479</b>	<b>4,706,856</b>

Levies that are not contingent upon labour costs and other types of costs the Company/Group mostly related for the use of the construction land.

Other costs and expenses mainly consist of compensations for damage to assets owned by third persons.

Damages occurred during cargo handling operations in the port.

## Finance income and finance expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-6 2021	1-6 2020	1-6 2021	1-6 2020
<b>Finance income from shares and interests</b>	<b>1,370,821</b>	<b>709,708</b>	<b>63,758</b>	<b>21,072</b>
Finance income from shares and interests in Group companies	308,723	6,813	0	0
Finance income from shares and interests in associated companies	1,047,929	681,823	0	0
Finance income from shares and interests in other companies	14,169	21,072	63,758	21,072
<b>Finance income - interest</b>	<b>135</b>	<b>271</b>	<b>220</b>	<b>342</b>
Interest income - other	135	271	220	342
<b>Finance income from operating receivables</b>	<b>124,033</b>	<b>102,355</b>	<b>127,237</b>	<b>92,445</b>
Finance income from operating receivables due from others	90,763	102,355	92,535	105,046
Exchange differences	33,270	0	34,702	-12,601
<b>Total finance income</b>	<b>1,494,989</b>	<b>812,334</b>	<b>191,215</b>	<b>113,859</b>
<b>Finance expenses – interest</b>	<b>-142,983</b>	<b>-286,054</b>	<b>-142,989</b>	<b>-219,549</b>
Interest expenses – Group companies	0	-66,891	0	0
Interest expenses – banks	-141,317	-216,721	-141,317	-216,721
Financial expenses arising from lease liabilities to others	-1,501	-2,272	-1,672	-2,828
Financial expenses arising from lease liabilities to Group companies	-165	-170	0	0
<b>Finance expenses for financial liabilities</b>	<b>-3,464</b>	<b>-19,080</b>	<b>-3,637</b>	<b>-6,893</b>
Finance expenses for trade payables	-429	-87	-602	-91
Finance expenses for other operating liabilities	-3,035	-6,794	-3,035	-6,802
Exchange differences	0	-12,199	0	0
<b>Total finance expenses</b>	<b>-146,447</b>	<b>-305,134</b>	<b>-146,626</b>	<b>-226,442</b>
<b>Net financial result</b>	<b>1,348,542</b>	<b>507,200</b>	<b>44,589</b>	<b>-112,583</b>

Finance income from shares refers to profits of Group companies, and which were realised in the current year.

In January - June 2021, finance expenses arising on decreased due to a lower volume of borrowings. In November 2020, the Company repaid the revolving loan received from the subsidiary Luka Koper INPO, d. o. o.

## Profit

### Luka Koper, d. d.

In January – June 2021, the Luka Koper, d. d. generated the operating profit in the amount of EUR 17,416,741, in the equivalent period last year EUR 16,983,225. The financial result was positive and amounted to EUR 1,348,542, in the same period last year it was also positive and amounted to EUR 507,200. The profit before tax amounted to EUR 18,765,283, whilst in the same period last year to EUR 17,490,425. The corporate income tax in the amount of EUR 3,027,920 and the deferred taxes were calculated. In the first half of 2021, Luka Koper, d. d. generated the net profit in the amount of EUR 15,752,376, whilst the net profit in the comparable period last year amounted to EUR 15,001,011.

### Luka Koper Group

In January – June 2021, the Luka Koper Group generated the operating profit in the amount of EUR 17,727,521, in the equivalent period last year EUR 17,247,961. The financial result was positive and amounted to EUR 44,589, whilst in the same period last year it was negative and amounted to EUR 112,583. The attributed result of associated companies amounted to EUR 698,101, whilst in the same period last year it amounted to EUR 469,185. The profit before tax amounted to EUR 18,470,211, in the comparable period last year to EUR 17,604,563. In the first half of 2021, net profit of the Luka Koper Group amounted to EUR 15,424,385 (in the comparable period of the previous year EUR 15,086,201), whereof EUR 15,416,863 (the same period of the previous year EUR 15,086,357) to the controlling company, and EUR 7,523 (the same period of the previous year EUR -156) to owners of non-controlling interests. The non-controlling interest pertains to the co-owner of the subsidiary TOC, d. o. o.

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Net profit for the period	15,752,376	15,001,011	15,416,863	15,086,357
Total number of shares	14,000,000	14,000,000	14,000,000	14,000,000
<b>Basic and diluted earnings per share</b>	<b>1.13</b>	<b>1.07</b>	<b>1.10</b>	<b>1.08</b>



## 19 Additional notes to the Statement of Financial position

### Property, plant and equipment

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Land	20,187,007	20,187,007	23,437,232	23,437,231
Buildings	236,126,479	232,419,381	244,109,833	240,591,362
Plant and machinery	102,266,585	102,189,382	104,501,302	104,496,850
Property, plant and equipment being acquired and advances given	59,934,748	48,050,979	59,953,348	48,065,429
Right-of-use	364,617	488,994	357,156	545,822
<b>Total</b>	<b>418,879,436</b>	<b>403,335,743</b>	<b>432,358,871</b>	<b>417,136,694</b>

In January – June 2021, Luka Koper, d. d., invested in property, plant and equipment in the amount of EUR 29,919,560, whilst the Luka Koper Group EUR 30,109,290.

The largest investments were the following:

- Continuation of the construction of the parking garage for cars,
- Purchase of a new shunting locomotive for the needs of internal rail transport,
- Continuation of the extension of the Pier I – the construction of the berthing place 7D was completed, construction of storage areas continues,
- Construction of the additional entrance to the Port (Bertoki entrance),
- Construction of a new petrol station for the needs of the Port,
- Continuation of the business premises and changing rooms in the building at the Container terminal,
- Continuation of the integration of berths D2 in Jet at the liquid cargoes terminal,
- Purchase of a wheel loader for the needs of the Bulk cargoes and Liquid cargoes terminal.

### Right-of-use assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Land	293,413	426,907	301,104	426,949
Buildings	59,269	39,728	34,179	57,487
Plant and machinery	11,935	22,359	21,873	61,386
<b>Total</b>	<b>364,617</b>	<b>488,994</b>	<b>357,156</b>	<b>545,822</b>

### Investment property

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Investment property - land	14,534,271	14,506,711	11,256,486	11,256,486
Investment property - buildings	9,521,919	9,214,930	4,053,439	3,588,144
<b>Total</b>	<b>24,056,190</b>	<b>23,721,641</b>	<b>15,309,925</b>	<b>14,844,630</b>

Among investment property are land and buildings under lease, and property which increases the value of non-current investment. Investment property is valued using the cost model.

### Intangible assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Non-current property rights (concessions, patents, licences, trademarks and similar rights)	1,596,841	1,881,584	1,746,523	2,058,861
<b>Total</b>	<b>1,596,841</b>	<b>1,881,584</b>	<b>1,746,523</b>	<b>2,058,861</b>

### Other assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
<b>31 Dec</b>	<b>1,089,144</b>	<b>17,752,840</b>	<b>1,089,144</b>	<b>17,853,040</b>
Increase	5,482,076	1,231,764	5,482,076	1,232,380
Transfer between property, plant and equipment	-1,827,470	-17,895,460	-1,827,470	-17,896,076
Return	0	0	0	-100,200
<b>Reporting date</b>	<b>4,743,750</b>	<b>1,089,144</b>	<b>4,743,750</b>	<b>1,089,144</b>

Among other assets, Luka Koper, d. d./Group accounts for advances given for the purchase resp. for the construction property, plant, equipment, investment property and intangible assets, whereby these assets are still not in its possession.

### Shares and interests in Group companies

As at 30 June 2021, shares and interests in Group companies amounted to EUR 4,048,063. The Company transferred the investment in the subsidiary Luka Koper Pristan, d. o. o., among assets held for sale, since in May 2021, the decision to initiate regular liquidation proceedings of the subsidiary was taken.

Shares in subsidiaries, are eliminated in the consolidation procedure in Group's financial statements.

### Shares and interests in the associates

#### Luka Koper, d. d.

As at 30 June 2021, shares and interests in associated companies amounted to EUR 6,737,709. In comparison with the situation as at 31 December 2020, their value stood at the same level.

#### Luka Koper Group

(in EUR)	30 Jun 2021	31 Dec 2020
<b>Balance at 1 Jan</b>	<b>14,168,687</b>	<b>13,800,193</b>
<b>Attributed profits</b>	<b>698,101</b>	<b>1,224,318</b>
- Adria Transport, d. o. o.	252,445	258,668
- Adria Transport Croatia, d. o. o.	-13,872	-62,523
- Adria-tow, d. o. o.	68,124	315,236
- Adriaфин, d. o. o.	193,893	174,475
- Avtoservis, d. o. o.	197,511	538,461
<b>Profit distribution</b>	<b>-1,047,929</b>	<b>-855,823</b>
- Adria-tow, d. o. o.	-336,000	-336,000
- Adriaфин, d. o. o.	-175,000	-174,000
- Avtoservis, d. o. o.	-536,929	-345,823
<b>Balance at 30 June</b>	<b>13,818,859</b>	<b>14,168,687</b>

**Other non-current investments**

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Other investments measured at fair value through profit or loss	911,985	911,985	3,397,760	3,397,760
Other investments measured at fair value through comprehensive income	49,017,039	43,311,164	49,848,275	44,025,411
<b>Total</b>	<b>49,929,024</b>	<b>44,223,149</b>	<b>53,246,035</b>	<b>47,423,171</b>

## Deferred tax

(in EUR)	Luka Koper, d. d.				Luka Koper Group			
	Deferred tax assets		Deferred tax liabilities		Deferred tax assets		Deferred tax liabilities	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
<b>Deferred tax assets and liabilities relating to:</b>								
impairment of investments in subsidiaries	509,689	509,689	0	0	509,689	509,689	0	0
impairment of other investments and deductible temporary differences arising on securities	9,156,152	9,156,152	6,249,916	5,165,890	9,177,320	9,177,320	6,356,376	5,250,122
allowances for trade receivables	168,674	153,661	0	0	244,113	229,100	0	0
provisions for retirement benefits	405,177	405,177	0	0	463,234	463,234	0	0
provisions for jubilee premiums	76,405	76,405	0	0	81,994	81,994	0	0
long-term accrued costs and deferred income from public commercial services	453,983	453,983	0	0	453,983	453,983	0	0
<b>Total</b>	<b>10,770,080</b>	<b>10,755,067</b>	<b>6,249,916</b>	<b>5,165,890</b>	<b>10,930,333</b>	<b>10,915,320</b>	<b>6,356,376</b>	<b>5,250,122</b>
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-6,249,916	-5,165,890	-6,249,916	-5,165,890	-6,356,376	-5,250,122	-6,356,376	-5,250,122
<b>Total</b>	<b>4,520,164</b>	<b>5,589,177</b>	<b>0</b>	<b>0</b>	<b>4,573,957</b>	<b>5,665,198</b>	<b>0</b>	<b>0</b>

## Trade and other receivables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Current trade receivables:				
domestic suppliers	18,257,059	14,143,825	18,988,717	14,565,352
foreign suppliers	19,586,928	19,758,604	19,737,035	19,891,807
Current operating receivables due from Group companies	597,383	288,962	0	0
Current operating receivables due from associates	691,706	53,257	691,706	89,557
<b>Current trade receivables</b>	<b>39,133,075</b>	<b>34,244,648</b>	<b>39,417,458</b>	<b>34,546,716</b>
Current dividend receivables	0	36,300	0	0
Advances and collaterals given	41,265	36,868	42,049	36,855
Receivables due from the state	1,929,200	1,928,337	2,071,639	2,038,205
Other current receivables	154,292	379,394	185,540	438,682
<b>Total trade receivables</b>	<b>41,257,832</b>	<b>36,625,547</b>	<b>41,716,686</b>	<b>37,060,458</b>
Short-term deferred costs and expenses	7,124,420	3,932,685	7,330,387	3,937,582
Accrued income	571,661	634,361	571,660	634,360
<b>Other receivables</b>	<b>7,696,081</b>	<b>4,567,046</b>	<b>7,902,047</b>	<b>4,571,942</b>
<b>Total</b>	<b>48,953,913</b>	<b>41,192,593</b>	<b>49,618,733</b>	<b>41,632,400</b>

Increase of current trade receivables towards domestic and foreign customers mostly relate to the higher turnover volume in the first half 2021, and higher excise for energy products, the parent company reinvoices at the export of energy products from the warehouses.

The increase of short-term costs mostly relate to the deferred costs for the use of the construction land and costs for annual holiday pay, which will be allocated among costs during the financial year.

### Movement of trade receivables of Luka Koper, d. d.

(in EUR)	30 Jun 2021	Allowances 30 Jun 2021	31 Dec 2020	Allowances 31 Dec 2020
Outstanding and undue trade receivables	34,131,468	-124,626	29,265,207	-122,075
Past due receivables:				
up to 30 days	2,971,446	-29,714	4,169,812	-41,698
31 to 60 days overdue	1,498,713	-138,368	615,812	-61,553
61 to 90 days overdue	858,990	-129,343	216,618	-43,324
91 to 180 days overdue	158,479	-46,494	358,901	-76,752
more than 180 days overdue	233,267	-250,744	294,873	-294,873
<b>Total</b>	<b>39,852,363</b>	<b>-719,289</b>	<b>34,921,223</b>	<b>-640,275</b>

Note: the amount comprises trade receivables due from subsidiaries and associates.

### Movement of receivables of the Luka Koper Group

(in EUR)	30 Jun 2021	Allowances 30 Jun 2021	31 Dec 2020	Allowances 31 Dec 2020
Outstanding and undue trade receivables	34,161,875	-125,151	29,354,836	-124,512
Past due receivables:				
up to 30 days	3,137,379	-26,527	4,292,357	-42,924
31 to 60 days overdue	1,580,363	-156,634	658,544	-63,879
61 to 90 days overdue	866,352	-135,654	223,977	-41,255
91 to 180 days overdue	169,737	-40,202	370,721	-85,265
more than 181 days overdue	626,073	-638,284	683,609	-679,493
<b>Total</b>	<b>40,541,779</b>	<b>-1,122,452</b>	<b>35,584,044</b>	<b>-1,037,328</b>

Note: the amount comprises trade receivables due from and associates.

## Cash and cash equivalents

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Cash in hand	268	577	12,855	10,303
Bank balances	18,271,373	17,050,893	40,036,136	39,031,118
Current deposits	10,000,000	20,000,000	11,980,000	21,980,000
<b>Total</b>	<b>28,271,641</b>	<b>37,051,470</b>	<b>52,028,991</b>	<b>61,021,421</b>

## Equity

(in EUR)	Luka Koper, d. d.		Skupina Luka Koper	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Share capital	58,420,965	58,420,965	58,420,965	58,420,965
Capital surplus (share premium)	89,562,703	89,562,703	89,562,703	89,562,703
Revenue reserves	209,947,534	209,947,534	209,947,534	209,947,534
<i>Legal reserves</i>	<i>18,765,115</i>	<i>18,765,115</i>	<i>18,765,115</i>	<i>18,765,115</i>
<i>Other revenue reserves</i>	<i>191,182,419</i>	<i>191,182,419</i>	<i>191,182,419</i>	<i>191,182,419</i>
Reserves arising from valuation at fair value	25,004,024	20,382,176	25,223,793	20,507,185
Retained earnings	14,677,829	15,001,454	47,022,776	46,593,396
Net profit for the period	15,752,376	15,636,375	15,416,863	16,389,381
<b>Equity of owners of the parent</b>	<b>413,365,431</b>	<b>408,951,207</b>	<b>445,594,634</b>	<b>441,421,164</b>
<b>Non-controlling interests</b>	<b>0</b>	<b>0</b>	<b>242,264</b>	<b>239,522</b>
<b>Equity</b>	<b>413,365,431</b>	<b>408,951,207</b>	<b>445,836,898</b>	<b>441,660,686</b>

## Provisions

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Provisions for retirement benefits and similar obligations	6,918,676	6,671,094	7,577,986	7,341,062
Provisions for legal disputes	10,601,960	10,601,960	10,601,960	10,601,960
<b>Total</b>	<b>17,520,636</b>	<b>17,273,054</b>	<b>18,179,946</b>	<b>17,943,022</b>

## Movement of provisions of Luka Koper, d. d.

(in EUR)	1. Termination benefits	2. Jubilee premiums	3. Defined contribution retirement benefit plan	Total post-employment benefits (1. 2. and 3.)	Claims and damages	Total
<b>Balance at 31 Dec 2019</b>	<b>3,665,975</b>	<b>671,656</b>	<b>960,746</b>	<b>5,298,377</b>	<b>15,913,397</b>	<b>21,211,774</b>
<b>Movement:</b>						
Formation	731,144	163,499	1,014,035	1,908,678	66,217	1,974,895
Transfer	0	0	-17,720	-17,720	0	-17,720
Use	-99,980	-27,800	-355,250	-483,030	-1,521,284	-2,004,314
Reversal	-32,119	-3,092	0	-35,211	-3,856,370	-3,891,581
<b>Balance at 31 Dec 2020</b>	<b>4,265,020</b>	<b>804,263</b>	<b>1,601,811</b>	<b>6,671,094</b>	<b>10,601,960</b>	<b>17,273,054</b>
<b>Movement:</b>						
Formation	0	0	504,790	504,790	0	504,790
Transfer	0	0	-710	-710	0	-710
Use	0	0	-256,498	-256,498	0	-256,498
<b>Balance at 30 Jun 2021</b>	<b>4,265,020</b>	<b>804,263</b>	<b>1,849,393</b>	<b>6,918,676</b>	<b>10,601,960</b>	<b>17,520,636</b>

## Movement of provisions of the Luka Koper Group

(in EUR)	1. Termination benefits	2. Jubilee premiums	3. Defined contribution retirement benefit plan	Total post-employment benefits (1. 2. and 3.)	Claims and damages	Total
<b>Balance at 31 Dec 2018</b>	<b>4,131,054</b>	<b>723,345</b>	<b>960,746</b>	<b>5,815,145</b>	<b>15,913,397</b>	<b>21,728,542</b>
<b>Movement:</b>						
Formation	924,969	173,390	1,014,035	2,112,394	66,217	2,178,611
Use	-126,665	-28,949	-372,970	-528,584	-1,521,284	-2,049,868
Reversal	-53,208	-4,685	0	-57,893	-3,856,370	-3,914,263
<b>Balance at 31 Dec 2019</b>	<b>4,876,150</b>	<b>863,101</b>	<b>1,601,811</b>	<b>7,341,062</b>	<b>10,601,960</b>	<b>17,943,022</b>
<b>Movement:</b>						
Formation	0	0	504,790	504,790	0	504,790
Transfer from current borrowings	-9,391	-1,267	0	-10,658	0	-10,658
Use	0	0	-257,208	-257,208	0	-257,208
<b>Balance at 30 Jun 2021</b>	<b>4,866,759</b>	<b>861,834</b>	<b>1,849,393</b>	<b>7,577,986</b>	<b>10,601,960</b>	<b>18,179,946</b>

The defined contribution plan relate to the liabilities from the post-employment benefits (one-off payment on retirement). In accordance with Article 92 of IAS 37 – Provisions, Contingent Liabilities and Contingent assets, the Company/Group does not disclose information on its legal obligations as such disclosure would result in a judgement on the position of the Company/group in disputes with other parties.

## Deferred income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Long-term deferred income for regular maintenance	20,497,392	19,973,192	20,497,392	19,973,192
Non-refundable grants received	4,066,782	4,180,114	4,240,241	4,319,834
Other non-current deferred income	0	0	1,191,769	1,244,138
<b>Total</b>	<b>24,564,174</b>	<b>24,153,306</b>	<b>25,929,402</b>	<b>25,537,164</b>

Pursuant to the Concession Agreement, Luka Koper, d. d., records deferred income on regular maintenance as non-current deferred income since it has the right and obligation to collect port dues, which serve as income intended to cover the costs of performing public utility service of regular maintenance of the port infrastructure intended for public transport. With respect to any annual surplus of revenue over costs, the Company forms non-current deferred income for covering the costs of public utility service relating to regular maintenance of the port infrastructure in the coming years. In the event that costs exceeded the revenue, the Company would be utilising non-current deferred income.

The grants received comprise non-refundable grants and advance payments received with respect to non-refundable funds for investments into EU development projects which are recorded by the controlling company and are utilised in accordance with their useful life. Under non-refundable funds received, the Group also records retained contributions on salaries of employees of the Luka Koper INPO, d. o. o., sheltered workshop, and namely contributions to insurance schemes for retirement pension, disability, sickness, and maternity. The funds were desimursed in compliance with the Vocational rehabilitation and employment of persons with disabilities Act for covering 75 percent of salaries for disabled persons and labour costs for the staff who assist the disabled persons.

Group's other non-current deferred income comprises non-current deferred income earmarked to cover the costs of depreciation of fixed assets.

## Non-current borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Non-current borrowings from domestic banks	44,719,602	48,832,648	44,719,602	48,832,648
Non-current borrowings from foreign banks	21,229,508	22,377,049	21,229,508	22,377,049
<b>Total</b>	<b>65,949,110</b>	<b>71,209,697</b>	<b>65,949,110</b>	<b>71,209,697</b>

## Current borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Current borrowings from domestic banks	8,226,093	8,226,093	8,226,093	8,226,093
Current borrowings from foreign banks	2,295,082	2,295,082	2,295,082	2,295,082
<b>Total</b>	<b>10,521,175</b>	<b>10,521,175</b>	<b>10,521,175</b>	<b>10,521,175</b>

## Trade and other payables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Current liabilities to domestic suppliers	22,087,517	25,082,260	22,563,806	25,531,535
Current liabilities to foreign suppliers	640,403	1,989,153	649,992	2,001,599
Current liabilities to Group companies	505,278	458,275	0	0
Current liabilities to associates	112,006	80,001	112,006	80,001
Current liabilities from advances	2,879,067	2,107,839	3,053,840	2,275,607
Current liabilities to employees	5,266,069	5,386,484	5,604,917	5,787,314
Current liabilities to state and other institutions	-4,207	1,175	15,386	14,223
<b>Total operating liabilities</b>	<b>31,486,133</b>	<b>35,105,187</b>	<b>31,999,947</b>	<b>35,690,279</b>
<b>Other operating liabilities</b>	<b>11,081,954</b>	<b>3,727,681</b>	<b>11,561,010</b>	<b>4,044,024</b>
<b>Total</b>	<b>42,568,087</b>	<b>38,832,868</b>	<b>43,560,957</b>	<b>39,734,303</b>

Current liabilities decreased mostly due to higher accrued costs for invoices to be received during the business year.

Other operating liabilities relate mostly to the accrued costs for the collective job performance, interests for loans and borrowings, costs of performance bonuses for employees under individual contracts, costs of unused holidays and accrued costs for invoices to be received. During the year the accrued costs are higher, since some types of accrued costs, which are accrued during the year, are drawn up at the year-end.

## Contingent liabilities

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Guarantees given	3,110,000	3,110,000	3,386,323	3,436,709
Securities given	2,112,488	2,385,931	2,112,488	2,385,931
Contingent liabilities under legal disputes	23,976,831	21,859,545	23,976,831	21,859,545
	<b>29,199,318</b>	<b>27,355,476</b>	<b>29,475,641</b>	<b>27,682,185</b>

In accordance with Article 92 of IAS 37 – Provisions, Contingent Liabilities and Contingent assets, the Company/Group does not disclose information on its legal obligations as such disclosure would result in a judgement on the position of the Company/Group in disputes with other parties.



## Related parties transactions

### Transactions with the Government of the Republic of Slovenia

Transactions between Luka Koper, d. d./the Luka Koper Group and the Government of the Republic of Slovenia

(in EUR)	Luka Koper, d. d.				Luka Koper Group			
	Payments in period 1-6 2021	Costs/ expenses in period 1-6 2021	Payments in period 1-6 2020	Costs/ expenses in period 1-6 2020	Payments in period 1-6 2021	Costs/ expenses in period 1-6 2021	Payments in period 1-6 2020	Costs/ expenses in period 1-6 2020
Concessions and water fee	3,821,647	3,841,524	3,907,243	3,561,487	3,821,647	3,841,524	3,907,243	3,561,487
Transshipment tax	2,564,157	2,600,780	2,416,221	2,395,794	2,564,157	2,600,780	2,416,221	2,395,794
Corporate income tax (taxes and advance payments)	-518,550	3,027,920	1,262,479	2,491,931	-476,920	3,060,839	1,177,448	2,520,879
Other taxes and contributions	4,641,514	4,907,013	3,576,048	4,521,239	4,755,879	5,293,462	3,677,823	4,907,258
<b>Total</b>	<b>10,508,768</b>	<b>14,377,237</b>	<b>11,161,991</b>	<b>12,970,451</b>	<b>10,664,763</b>	<b>14,796,605</b>	<b>11,178,735</b>	<b>13,385,418</b>

The Company/Group did not have other transactions with the Government of the Republic of Slovenia.

### Transactions with companies in which the Republic of Slovenia has direct controlling influence

The share-holder related companies are those in which the Republic of Slovenia and SDH together directly holds at least 20 percent stake. The list of these companies is published on the Slovenian Sovereign Holding website (<https://www.sdh.si/sl-si/upravljanje-nalozb/seznam-nalozb>).

#### Luka Koper, d. d.

In the first half of 2021, sales transactions conducted between Luka Koper, d. d., and entities in which the state has directly dominant influence were recorded at EUR 5,266,055 and purchasing transactions amounted to EUR 4,392,650. Most of sales referred to services in connection with the port activity, major purchases represent also cost of railway transport, purchase of energy and insurance costs. As at 30 June 2021, Luka Koper, d. d., recorded receivables in the amount of EUR 1,358,549 and liabilities in the amount of EUR 18,460,121. The largest part of liabilities includes the loan given by SID – Slovenska izvozna in razvojna banka, d. d., which was raised under market terms.

#### Luka Koper Group

In the first half of 2021, Luka Koper Group conducted transactions in the amount of EUR 5,290,481 referring to the sales to companies where the State has direct dominant influence, and transactions in the amount of EUR 4,451,763 referring to the purchase. Most of sales referred to services in connection with the port activity, major purchases represent also cost of railway transport, purchase of energy and insurance costs. As at 30 June 2021, Luka Koper Group recorded receivables in the amount of EUR 1,406,086 and liabilities in the amount of EUR 18,468,822. The largest part of liabilities includes the loan given by SID – Slovenska izvozna in razvojna banka, d. d., which was raised under market terms.

### Transactions with natural persons

In January-June 2021, no other transactions between the Company/Group and Members of the Management Board resp. Members of the Supervisory Board were recorded.

## Financial instruments and financial risk management

Financial risks to which the Company/Group is exposed to include:

1. Risk of change in fair value,
2. Interest rate risk
3. Liquidity risk,
4. Currency risk,
5. Credit risk, and
6. Risk of adequate capital structure.

In the Company/Group, management of financial risks has been organised within the finance and accounting department, since the accounting for subsidiaries is carried out within Luka Koper d. d. The existing economic environment makes forecasting future financial categories more demanding, introducing into the planned categories a higher degree of unpredictability and, consequently a higher degree of risk. The company /Group has consequently tightened the control over individual financial categories.

### 1. Risk management and change in fair value

#### Luka Koper, d. d.

As at 30 June 2021, 8.4 percent of the Company's assets were financial investments measured at fair value (at the end of the previous year 7.7 percent). The fair value risk associated with investments in securities is demonstrated through changes in stock market prices that affect the value of these assets and, consequently the potential gain on their disposal, whereas with investments in shares of other companies there is a risk for the sales value not to equal the value of the market transaction. This type of risk has been recognised with regard to investments in market securities of Slovenian companies and to investments in shares and interests.

As at 30 June 202, the value of non-current investments at fair value amounted to EUR 49,929,024.

The sensitivity analysis of investments at fair value Company does not disclose in the books the financial investments at fair value classified in level 3 due to their irrelevance.

#### Fair value hierarchy

(in EUR)	Carrying amount at 30 Jun 2021	Fair value at 30 Jun 2021	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
Other non-current investments*	49,929,024	49,929,024	49,017,039	0	911,985
Non-current loans given**	2,539	2,539	0	0	2,539
Non-current operating receivables**	41,121	41,121	0	0	41,121
<b>Current financial assets</b>					
Current loans given**	1,572	1,572	0	0	1,572
<b>Non-current financial liabilities</b>					
Non-current loans and borrowings**	65,949,110	65,949,110	0	0	65,949,110
Non-current operating liabilities**	109,839	109,839	0	0	109,839
<b>Current financial liabilities</b>					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	55,678	55,678	0	0	55,678

\* measured at fair value \*\* presented at fair value

(in EUR)	Carrying amount at 31 Dec 2020	Fair value at 31 Dec 2020	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
Other non-current investments*	44,223,149	44,223,149	43,311,164	0	911,985
Non-current loans given**	3,336	3,336	0	0	3,336
Non-current operating receivables**	41,088	41,088	0	0	41,088
<b>Current financial assets</b>					
Current loans given**	1,824	1,824	0	0	1,824
<b>Non-current financial liabilities</b>					
Non-current loans and borrowings**	71,209,697	71,209,697	0	0	71,209,697
Non-current operating liabilities**	115,195	115,195	0	0	115,195
<b>Current financial liabilities</b>					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	61,363	61,363	0	0	61,363

\* measured at fair value \*\* presented at fair value

The book value of receivables and current liabilities represent a good approximation of the fair value, therefore the Company does not disclose them in the table above.

Shares and interests measured at fair value were valued at publicly applicable exchange rates at the Ljubljana Stock Exchange and the list of mutual funds quotations.

To calculate Level 3 value, the Company uses the information available to it to compare the value of the investment that the Company discloses in the books of account with relative value in the equity of the investment company at the balance sheet day.

#### Luka Koper Group

As at 30 June 2021, 8.5 percent of the Group's assets were financial investments measured at fair value (as 31 December 2020, 7.8 percent). The fair value risk associated with these investments is demonstrated through changes in stock market that affect the value of these assets and, consequently the potential gain on their disposal, whereas with investments in shares of other companies there is a risk for the sales value not to equal the value of the market transaction. This type of risk has been recognised with regard to investments in market securities of Slovenian companies and to investments in shares and interests.

As at 30 June 2021, the value of non-current investments at fair value amounted to EUR 53,246,035.

The sensitivity analysis of investments at fair value Group does not disclose in the books the financial investments at fair value classified in level 3 due to their irrelevance.

*Fair value hierarchy*

(in EUR)	Carrying amount at 30 Jun 2021	Fair value at 30 Jun 2021	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
Other non-current investments*	53,246,035	53,246,035	49,848,275	0	3,397,760
Non-current loans given**	8,075	8,075	0	0	8,075
Non-current operating receivables**	31,430	31,430	0	0	31,430
<b>Current financial assets</b>					
Current loans given**	1,572	1,572	0	0	1,572
<b>Non-current financial liabilities</b>					
Non-current loans and borrowings**	65,949,110	65,949,110	0	0	65,949,110
Non-current operating liabilities**	136,471	136,471	0	0	136,471
<b>Current financial liabilities</b>					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	55,678	55,678	0	0	55,678

\* measured at fair value \*\* presented at fair value

(in EUR)	Carrying amount at 31 Dec 2020	Fair value at 31 Dec 2020	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
Other non-current investments*	47,423,171	47,423,171	44,025,411	0	3,397,760
Non-current loans given**	8,866	8,866	0	0	8,866
Non-current operating receivables**	31,397	31,397	0	0	31,397
<b>Current financial assets</b>					
Current loans given**	1,824	1,824	0	0	1,824
<b>Non-current financial liabilities</b>					
Non-current loans and borrowings**	71,209,697	142,419,394	0	71,209,697	71,209,697
Non-current operating liabilities**	145,939	291,878	0	145,939	145,939
<b>Current financial liabilities</b>					
Current loans and borrowings**	10,521,175	21,042,350	0	10,521,175	10,521,175
Other current financial liabilities**	61,363	61,363	0	0	61,363

\* measured at fair value \*\* presented at fair value

The book value of receivables and current liabilities represents a good approximation of the fair value, therefore the Group does not disclose them in the table above.

Shares and interests measured at fair value were valued at publicly applicable exchange rates at the Ljubljana Stock Exchange and the list of mutual funds quotations.

To calculate Level 3 value, the Group uses the information available to it to compare the value of the investment that the Group discloses in the books of account with relative value in the equity of the investment company at the balance sheet day.

## 2. Management of interest rate risk

With respect to its liabilities structure, the Company/Group also faces interest rate risk as an unexpected growth in variable interest rates can have an adverse effect on the planned results.

Luka Koper, d. d.

As 30 June 2021, the share of financial liabilities (excluding other financial liabilities) decreased in the overall structure of the Company's liabilities from the initial 14.3 percent at the end of 2020 to 12.9 percent as at 30 June 2021. The effect of variable interest rate changes on future profit or loss after taxes is shown in the table below.

Possible interest rate fluctuations would consequently have an impact on 53.6 percent (as at 31 December 2020, 53.7 percent); of Company's total borrowings. The remaining 46.4 percent of borrowings were concluded with a fixed interest rate.

### Overview of exposure

(in EUR)	30. Jun 2021	Exposure 30 Jun 2021	31. Dec 2020	Exposure 31 Dec 2020
Borrowings received at variable interest rate (without interest rate hedge)	41,024,590	53.6%	43,922,131	53.7%
Borrowings received at nominal interest rate	35,445,695	46.4%	37,808,741	46.3%
<b>Total</b>	<b>76,470,285</b>	<b>100.0%</b>	<b>81,730,872</b>	<b>100.0%</b>

### Sensitivity analysis of borrowings from banks in view of the variable interest rate fluctuations:

(in EUR)	Borrowings from banks under the variable interest rate	Increase by 15 bp	Increase by 25 bp	Increase by 50 bp
<b>Balance at 30 Jun 2021</b>				
3M EURIBOR	41,024,590	35,287	58,811	117,623
<b>Total effect on interests expenses</b>	<b>41,024,590</b>	<b>35,287</b>	<b>58,811</b>	<b>117,623</b>
<b>Balance at 31 Dec 2020</b>				
3M EURIBOR	43,922,131	38,008	61,680	123,361
<b>Total effect on interests expenses</b>	<b>43,922,131</b>	<b>38,008</b>	<b>61,680</b>	<b>123,361</b>

The analysis of financial liabilities' sensitivity to changes in variable interest rates was based on the assumption of potential growth of interest rates of 15, 25 and base 50 points. As at 30 June 2021, the Company's borrowings not hedged against interest rate were subject to the movement of 3M Euribor.

Luka Koper Group

As at 30 June 2021, the share of financial liabilities (excluding other financial liabilities) in the overall structure of Group's liabilities from the initial 13.5 percent at the end of 2020 to 12.2 percent. The effect of variable interest rates changes on future profit and loss after taxes is shown in the table below.

Possible interest rate fluctuations would consequently have an impact on 53.6 percent of all borrowings (as at 31 December 2020, 53.7 percent). The remaining 46.4 percent of borrowings were concluded with a fixed interest rate.

*Overview of exposure*

(in EUR)	30. Jun 2021	Exposure 30 Jun 2021	31. Dec 2020	Exposure 31 Dec 2020
Borrowings received at variable interest rate (without interest rate hedge)	41,024,590	53.6%	43,922,131	53.7%
Borrowings received at nominal interest rate	35,445,695	46.4%	37,808,741	46.3%
<b>Total</b>	<b>76,470,285</b>	<b>100.0%</b>	<b>81,730,872</b>	<b>100.0%</b>

*Sensitivity analysis of borrowings from banks in view of the variable interest rate fluctuations:*

(in EUR)	Borrowings from banks under the variable interest rate	Increase by 15 bp	Increase by 25 bp	Increase by 50 bp
<b>Balance at 30 Jun 2021</b>				
3M EURIBOR	41,024,590	35,287	58,811	117,623
<b>Total effect on interests expenses</b>	<b>41,024,590</b>	<b>35,287</b>	<b>58,811</b>	<b>117,623</b>
<b>Balance at 31 Dec 2020</b>				
3M EURIBOR	43,922,131	37,008	61,680	123,361
<b>Total effect on interests expenses</b>	<b>43,922,131</b>	<b>37,008</b>	<b>61,680</b>	<b>123,361</b>

The analysis of financial liabilities' sensitivity to changes in variable interest rates was based on the assumption of potential growth of interest rates of 15, 25 and base 50 points. As at 30 June 2021, the Group's borrowings not hedged against interest rate risk were subject to the movement of the 3M Euribor

**3. Management of liquidity risk**

The liquidity risk is the risk that the Company/Group will fail to settle its liabilities at maturity. The Company/Group manages liquidity risk by regular planning of cash flows with diverse maturity. Additional measures for preventing from delays in receivable collection include regular monitoring of payments and immediate response to any delay and charging penalty interest in accordance with the uniform policy of receivable management.

<b>Luka Koper, d. d.</b>						
(in EUR)	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	Total
<b>30 Jun 2021</b>						
Loans and borrowings	2,630,294	7,890,881	10,521,175	31,563,524	23,864,412	76,470,284
Accrued interest maturing in the next calendar year	115,657	317,084	365,063	692,761	194,129	1,684,693
Liabilities from a lease	70,296	71,499	76,733	147,729	0	366,257
Other financial liabilities	16,056,146	0	0	0	0	16,056,146
Payables to suppliers	28,607,066	0	0	0	0	28,607,066
Other operating liabilities	11,081,954	0	0	0	0	11,081,954
<b>Total</b>	<b>58,561,413</b>	<b>8,279,464</b>	<b>10,962,970</b>	<b>32,404,013</b>	<b>24,058,541</b>	<b>134,266,401</b>
<b>31 Dec 2020</b>						
Loans and borrowings	2,630,294	7,890,881	10,521,175	31,563,524	29,124,999	81,730,872
Accrued interest maturing in the next calendar year	123,602	345,224	399,489	795,343	268,843	1,932,501
Liabilities from a lease	76,240	152,598	80,048	182,849	0	491,735
Other financial liabilities	101,831	0	0	0	0	101,831
Current operating liabilities	32,997,348	0	0	0	0	32,997,348
Other operating liabilities	3,727,681	0	0	0	0	3,727,681
<b>Total</b>	<b>39,656,995</b>	<b>8,388,703</b>	<b>11,000,712</b>	<b>32,541,716</b>	<b>29,393,842</b>	<b>120,981,968</b>

<b>Luka Koper Group</b>						
(in EUR)	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	Total
<b>30 Jun 2021</b>						
Loans and borrowings	2,630,294	7,890,881	10,521,175	31,563,524	23,864,412	76,470,285
Accrued interest maturing in the next calendar year	115,657	317,084	365,063	692,761	194,129	1,684,694
Liabilities from a lease	69,867	63,545	76,978	147,729	0	358,118
Other financial liabilities	16,056,146	0	0	0	0	16,056,146
Current operating liabilities	28,946,107	0	0	0	0	28,946,107
Other operating liabilities	11,561,010	0	0	0	0	11,561,010
<b>Total</b>	<b>59,379,081</b>	<b>8,271,509</b>	<b>10,963,215</b>	<b>32,404,013</b>	<b>24,058,541</b>	<b>135,076,360</b>
<b>31 Dec 2020</b>						
Loans and borrowings	2,630,294	7,890,881	10,521,175	31,563,524	29,124,999	81,730,872
Accrued interest maturing in the next calendar year	123,602	345,224	399,489	795,343	268,843	1,932,501
Liabilities from a lease	93,763	187,198	82,116	182,849	0	545,926
Other financial liabilities	101,831	0	0	0	0	101,831
Current operating liabilities	33,414,672	0	0	0	0	33,414,672
Other operating liabilities	4,044,024	0	0	0	0	4,044,024
<b>Total</b>	<b>40,408,185</b>	<b>8,423,303</b>	<b>11,002,779</b>	<b>32,541,716</b>	<b>29,393,842</b>	<b>121,769,825</b>

#### 4. Management of currency risk

The risk of changes in foreign exchange rates arises from trade receivables denominated in US dollars (USD). In recent years, the Company/Group has succeeded in achieving significantly lower accrued income in US dollars to the extent that US dollars denominated receivables are negligible, based on which the Company/Group has opted not to hedge this item.

## 5. Management of credit risk

Management of the risk of default on the side of the counterparty or the credit risk has gained in importance in recent years. Customer defaults are being passed on to economic entities, much like a chain reaction, which significantly reduces the assessed probability of timely inflows and increases additional costs of financing the operation. Accordingly, the Company/ the Group has accelerated collection-related activities in the past years and more consistently monitored trade receivables past due. In case of customers, regarding whom the Company/Group detects late payments and inconsistency in observing adopted business agreements, and advance payment system is set up for all ordered services with the aim of avoiding the late payments. This area is positively impacted by the specific structure of the Company's/Group's customers, who are predominantly major companies, freight forwarders and forwarding agents that have been the Company's/Group's business partners for a number of years.

Certain Company's/Group's receivables have been secured with collaterals, which are returned to the customers once all obligations have been settled or cooperation has been terminated. Investments include loans, which are secured with blank bills of exchange and other movable and immovable property.

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Non-current loans	2,539	3,336	8,075	8,866
Non-current operating liabilities	41,121	41,088	31,430	31,397
Kratkoročni depoziti	0	0	0	71,085
Current loans	1,572	1,824	1,572	1,824
Current trade receivables	39,133,075	34,244,648	39,417,458	34,546,716
Other current receivables	2,124,757	2,380,899	2,299,228	2,513,742
Cash and cash equivalents	28,271,641	37,051,470	52,028,991	61,021,421
<b>Total</b>	<b>70,059,705</b>	<b>73,723,265</b>	<b>94,160,492</b>	<b>98,195,051</b>

## 6. Management of risk relating to adequate capital structure

Having identified the optimal capital structure, the Company/Group has set a non-current strategic goal of maintaining the debtors' share within the liabilities side below 50 percent. As at 30 June 2021, the percentage in the Company was 30.4 percent, which was an increase of 1.9 percent compared to 31 December 2020. , whereas in the Group 28.8 percent, which was an increase of 1.6 percent in comparison with 31 December 2020.

(in EUR)	Luka Koper, d. d.				Luka Koper Group			
	30 Jun 2021		31 Dec 2020		30 Jun 2021		31 Dec 2020	
	in EUR	share (%)	in EUR	share (%)	in EUR	share (%)	in EUR	share (%)
Equity	413,365,431	69.6%	408,951,207	71.5%	445,836,898	70.9%	441,660,686	72.7%
Non-current liabilities	108,368,220	18.3%	113,014,150	19.8%	110,419,635	17.5%	115,100,788	18.9%
Current liabilities	71,947,895	12.1%	49,684,711	8.7%	72,986,339	11.6%	50,638,269	8.3%
<b>Total accumulated profit</b>	<b>593,681,546</b>	<b>100.0%</b>	<b>571,650,068</b>	<b>100.0%</b>	<b>629,242,872</b>	<b>100.0%</b>	<b>607,399,743</b>	<b>100.0%</b>



## 20 Statement of Management Board responsibility

The Management Board of Luka Koper, d. d., herein declares that the non-audited condensed financial statements of Luka Koper, d. d., and non-audited condensed consolidated statements of Luka Koper Group for the period ending 30 June 2021, have been compiled in order that they shall provide true and fair disclosure of Luka Koper, d. d., and Luka Koper Group. The condensed financial statements January – June 2021 have been compiled in accordance with the same accounting policies and principles applicable in Luka Koper, d. d., and Luka Koper Group annual reports 2020.

These condensed interim statements for the period ending 30 June 2021, were compiled in accordance to the International accounting Standards 34 – Interim Financial Statement, and should be considered in relation to the annual financial statement for fiscal year ending 31 December 2020. Financial statements for 2020 are audited.

The Management Board shall be held responsible for the implementation of measures guaranteeing the preservation and growth of assets of Luka Koper, d. d. and Luka Koper Group assets and detection of fraud and other irregularities and their elimination.

The Management Board declares that the associated companies of Luka Koper Group made mutual transactions on the basis of concluded agreements in which market prices for products and services were applied, namely, no business was conducted under unusual terms and conditions.

Members of the Management Board:



Dimitrij Zadel

President of the Management Board



Metod Podkrižnik, M.Sc

Member of the Management Board



mag. Irma Gubanec

Member of the Management Board



Vojko Rotar

Member of the Management Board –

Labour Director

Koper, 17 August 2021