

2022

NON-AUDITED REPORT ON PERFORMANCE OF LUKA KOPER GROUP AND LUKA KOPER, D. D., IN JANUARY – MARCH 2022

Luka Koper Group
and Luka Koper, d. d.

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BUSINESS REPORT

1 Performance highlights of the Luka Koper Group in January - March 2022

The beginning of 2022 saw an encouraging recovery of the global economy after Covid-19 pandemic, but in March 2022, a new shock resulting from the start of the war in Ukraine, followed in Ukraine. A direct exposure of the Luka Koper Group to Russia and Ukraine is relatively small, since the volume of throughput via the port of Koper destined to the markets Ukrainian and Russian markets, is insignificant. The throughput growth trend has been continuing also this year, and practically in all cargo groups, primarily in containers throughput, which presents additional challenges, especially as regards ensuring storage areas. This was additionally affected by slower containers turnover, which stay longer time in the port due to overcrowding of hinterland warehouses and irregular arrival of ships. The situation in the global maritime container shipping is still unstable. The ports around the world are facing ship delays, occupancy of storage areas, disruptions in the distribution, which has an impact on the whole logistic chain, on the land transport, which must adapt to this. At the end of April, The Federation of European Private Port Companies and terminals published the urge addressed to the European institutions to help the port activity to overcome this crisis, which was additionally worsened by the closure of the largest world port in Shanghai due to the Covid. The Federation forecasts that the closure of this Chinese port will affect the European ports for the next three or four months.

In the first quarter of 2022, Luka Koper Group did not perceive the negative consequences of the war and achieved good business results. Financial indicators of the Luka Koper Group achieved in the first quarter of 2022, were better than planned indicators and better than achieved ones in the first quarter of 2021. In the first quarter of 2022, the maritime throughput exceeded planned quantities by 10 percent, the throughput in 2021 by 18 percent and namely in all cargo groups. In March 2022, Luka Koper set a new monthly record in the container throughput when nearly 100 thousand TEU, container units, were transhipped. In 2022, the Luka Koper Group started the implementation of larger investments at the container terminal, which represent a new development cycle of this the most important strategic cargo group.

NET REVENUE FROM SALE**70.9** mio EUR

+23 % 2022/2021

+20 % 2022/PLAN 2022

MARITIME THROUGHPUT**5.9** mio TON

+18 % 2022/2021

+10 % 2022/PLAN 2022

CONTAINER THROUGHPUT**268.1** THOUSAND TEU

+4 % 2022/2021

+7 % 2022/PLAN 2022

CARS THROUGHPUT**176.9** THOUSAND UNITS

+5 % 2022/2021

+7 % 2022/PLAN 2022

EARNINGS BEFORE INTEREST AND TAXES (EBIT)**19.7** mio EUR

+101 % 2022/2021

+148 % 2022/PLAN 2022

EARNINGS BEFORE INTEREST AND TAXES, DEPRECIATION AND AMORTISATION (EBITDA)**27.4** mio EUR

+61 % 2022/2021

+76 % 2022/PLAN 2022

RETURN ON SALES (ROS)**27.9** %

+63 % 2022/2021

+107 % 2022/PLAN 2022

EBITDA margin**38.7** %

+30 % 2022/2021

+47 % 2022/PLAN 2022

NET PROFIT OR LOSS**16.5** mio. EUR

+91 % 2022/2021

+119 % 2022/PLAN 2022

RETURN ON EQUITY (ROE)**14.0** %

+81 % 2022/2021

+115 % 2022/PLAN 2022

INVESTMENT EXPENDITURE**6.3** mio. EUR

-65 % 2022/2021

-40 % 2022/PLAN 2022

NET FINANCIAL DEBT/ EBITDA**0.2**

-0.1 2022/2021

-0.3 2022/PLAN 2022

Alternative performance measures

The Luka Koper Group also used alternative measures (APMs¹ Guidelines), defined by ESMA².

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 in 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.

¹ APMs – Alternative Performance Measures

² ESMA – European Securities and Markets Authority – European Securities and Markets Authority

Key performance indicators

The key performance indicators of Luka Koper, d. d., and the Luka Koper Group in January - March 2022, compared to 2021

Items	Luka Koper, d. d.			Luka Koper Group		
	1 - 3 2022	1 - 3 2021	Index 2022/2021	1 - 3 2022	1 - 3 2021	Index 2022/2021
Net revenue from sale (in EUR)	69,970,141	56,409,221	124	70,851,504	57,475,673	123
Earnings before interest and taxes (EBIT) (in EUR)	19,208,403	9,539,172	201	19,745,360	9,811,839	201
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	26,718,069	16,638,448	161	27,440,220	17,087,406	161
Net profit or loss (in EUR)	15,539,459	8,366,652	186	16,452,719	8,622,435	191
Added value (in EUR)	47,060,421	36,641,648	128	49,453,712	38,699,437	128
Investment expenditure (in EUR)	6,160,447	18,094,891	34	6,257,703	18,130,353	35
Maritime throughput (in tons)	5,883,230	5,005,641	118	5,883,230	5,005,641	118
Number of employees	1,572	1,530	103	1,733	1,693	102

Indicators (in %)	1 - 3 2022	1 - 3 2021	Index 2022/2021	1 - 3 2022	1 - 3 2021	Index 2022/2021
Return on sales (ROS)	27.5%	16.9%	163	27.9%	17.1%	163
Return on equity (ROE) ³	14.3%	8.1%	177	14.0%	7.7%	182
Return on assets (ROA) ⁴	10.3%	5.8%	178	10.3%	5.6%	184
EBITDA margin	38.2%	29.5%	129	38.7%	29.7%	130
EBITDA margin from market activity	39.1%	30.6%	128	39.7%	30.8%	129
Financial liabilities/equity	15.9%	19.2%	83	14.7%	17.8%	83
Net financial debt/EBITDA ⁵	0.4	0.7	57	0.2	0.3	67

Items	31.3.2022	31.12.2021	Index 2022/2021	31.3.2022	31.12.2021	Index 2022/2021
Assets (in EUR)	607,698,400	596,417,076	102	645,944,086	634,103,258	102
Equity (in EUR)	439,840,814	432,176,305	102	475,478,261	466,965,328	102
Financial liabilities (in EUR)	69,922,509	72,645,327	96	69,880,509	72,605,452	96

³ Indicator is calculated on the basis of annualised data.

⁴ Indicator is calculated on the basis of annualised data.

⁵ Indicator is calculated on the basis of annualised data.

The key performance indicators of Luka Koper, d. d., and Luka Koper Group in January – March, compared to the plan 2022

Items	Luka Koper, d. d.			Luka Koper Group		
	1 – 3 2022	Plan 1 – 3 2022	Index 2022/ plan 2022	1 – 3 2022	Plan 1 – 3 2022	Index 2022/ plan 2022
Net revenue from sale (in EUR)	69,970,141	58,831,898	119	70,851,504	59,245,632	120
Earnings before interest and taxes (EBIT) (in EUR)	19,208,403	7,900,055	243	19,745,360	7,960,126	248
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	26,718,069	15,308,000	175	27,440,220	15,607,896	176
Net profit or loss (in EUR)	15,539,459	7,241,412	215	16,452,719	7,520,237	219
Added value (in EUR)	47,060,421	35,413,529	133	49,453,712	37,451,021	132
Investment expenditure (in EUR)	6,160,447	10,371,609	59	6,257,703	10,508,609	60
Maritime throughput (in tons)	5,883,230	5,370,731	110	5,883,230	5,370,731	110
Number of employees	1,572	1,592	99	1,733	1,756	99

Indicators (in %)	1 – 3 2022	Plan 1 – 3 2022	Index 2022/ plan 2022	1 – 3 2022	Plan 1 – 3 2022	Index 2022/ plan 2022
Return on sales (ROS)	27.5%	13.4%	205	27.9%	13.4%	208
Return on equity (ROE) ⁶	14.3%	6.7%	213	14.0%	6.5%	215
Return on assets (ROA) ⁷	10.3%	4.8%	215	10.3%	4.8%	215
EBITDA margin	38.2%	26.0%	147	38.7%	26.3%	147
EBITDA margin from market activity	39.1%	27.2%	144	39.7%	27.5%	144
Financial liabilities/equity	15.9%	20.8%	76	14.7%	15.0%	98
Net financial debt/EBITDA ⁸	0.4	0.9	44	0.2	0.5	40

Items	31.3.2022	Plan 31.12.2022	Index 2022/ plan 2022	31.3.2022	Plan 31.12.2022	Index 2022/ plan 2022
Assets (in EUR)	607,698,400	614,099,887	99	645,944,086	630,025,035	103
Equity (in EUR)	439,840,814	433,464,076	101	475,478,261	466,176,888	102
Financial liabilities (in EUR)	69,922,509	90,048,336	78	69,880,509	69,942,314	100

⁶ Indicator is calculated on the basis of annualised data.

⁷ Indicator is calculated on the basis of annualised data.

⁸ 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 – March 2022.

Non-Audited Report on the performance of Luka Koper Group and Luka Koper, d. d., in January – March 2022 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, from May 27, 2022 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 – March 2022 was addressed by the company's Supervisory Board at its regular session on May 27, 2022.

3 Presentation of Luka Koper Group

3.1 Profile of the company Luka Koper, d. d., as of 31 March 2022

Company name	LUKA KOPER, pristaniški in logistični sistem, delniška družba
Short company name	LUKA KOPER, d. d., Vojkovo nabrežje 38, 6000 Koper – Capodistria
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: http://www.zivetispristaniscem.si
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 of	Shares 14.000.000 of ordinary no par value shares
Share listing	Ljubljana Stock Exchange, Prime Mark
Share ticker	LKPG
President of the Management Board	Boštjan Napast
Member of the Management Board	Robert Rožac
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

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:

The Luka Koper Group as at 31 March 2022

- **Controlling company 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., in liquidation, 100 %⁹
 - 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 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 %

3.3 Corporate Management Board and Governance

3.3.1 Luka Koper, d. d. Management Board

As at 31 March 2022, Luka Koper, d. d., Management Board comprised the following members:

- Boštjan Napast, President of the Management Board, appointed on December 3, 2021 for a five-year term, he took office on the date of his appointment,
- Robert Rožac, Member of the Management Board, appointed on November 12, 2021 for a five-year term, he took office on November 16, 2021,
- Vojko Rotar, Labour Director, appointed on February 16, 2018 for a five-year term, he took office on the date of his appointment.

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

3.3.2 Luka Koper, d. d., Supervisory Board

Luka Koper, d. d., Supervisory Board is composed of nine members, six of whom are elected by The General Shareholders Meeting

Luka Koper, d.d. supervisory Board comprised:

Representatives of 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 Supervisory 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)

⁹ Luka Koper, d. d., transferred the investment in the subsidiary Luka Koper Pristan, d. o. o., among assets held for sale, since in May 2021 the decision on the start of the regular liquidation proceeding of the subsidiary was adopted, The regular liquidation started on 15 September 2021.

Rado Antolovič, MBA, Ph.D., 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: August 22, 2019 (32 Shareholders' Meeting)

Representatives of the Employees:

Rok Parovel, Member of the Supervisory Board
Commencement of a four-year term: September 13, 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:

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

Changes in the composition of the Supervisory Board:

On 27 April 2022, the Company received the resignation statement of the Member of the Supervisory Board, Rado Antolovič, who resigned from the position of the Member of the Supervisory Board of Luka Koper, d. d. on the said date.

On 13 May 2022, the company received a resignation letter from Tamara Kozlovič, a member of the Supervisory Board, with a three-month notice period starting on 13 May 2022 and lasting until the appointment of a new (alternate) Supervisory Board member or three months after the resignation.

4 Significant events, news and achievements in January - March 2022

JANUARY

- The company Volta Shipping Services headquartered in Dubai launched a new container line connecting Koper with one South Korean and four Chinese ports.
- Within the European project COMODALCE, Luka Koper, d.d. purchased and introduced the system for the optical recognition of characters OCR (Optical character recognition) for the railway transport of containers to the terminal. The system can detect the numbers of containers and wagons, eventual damages and specific markings for dangerous goods recording them in digital form.
- Luka Koper as investor started the preparatory works for the arrangement of a new external truck terminal, located at the Sermin truck entrance, covering 5.2 ha of surface.
- On 21 January 2022, Luka Koper, d. d., concluded a long-term syndicated loan agreement of EUR 60 million with the Nova Ljubljanska banka, d. d., and Banka Intesa Sanpaolo, d. d. . The loan is intended to finance the company's investment activities and is based on a fixed interest rate with quarterly repayment installments that will last from mid-2023 to the end of 2031.

FEBRUARY

- The Russian Ukrainian conflict started. In analysing the consequences on the business performance, Luka Koper Group poslovanje ugotavlja, that its exposure to Russia and Ukraine is relatively small, since the volume of throughput destined for the markets of Ukraine and Russia is insignificant. The Luka Koper group does not have direct financial exposure to Russia, Ukraine and Belarus, whilst indirect impacts on its investment portfolio may be expected due to developments in financial markets.

MARCH

- Luka Koper, d.d. started the construction of a multi-purpose warehouse on the area of 2,800 square metres on the Pier II. The warehouse will be built for the storage of bulk materials, mainly rolled sheet metal in coils.
- At the end of March 2022, a decree of the Government of the Republic of 2022 extended the port concession area on the plots of landfills 6A and 7A in the rear areas of the basin III. This increased the concession area by 11.6 hectares to total surface of 353 hectares. In the future the area will be arranged into storage areas, mainly for the car segment.
- In March 2022, Luka Koper set a new monthly record of containers throughput (TEU) at the container terminal.

5 Relevant post-balance events

APRIL

- On 22 April 2022, the Supervisory Board of Luka Koper, d. d., appointed Nevenka Kržan Member of the Management Board. She will begin the five-year term on 1 July 2022.
- On 22 April 2022 the supervisory board also discussed and adopted several important resolutions related to the increase of handling and storing port facilities. These are mostly investments focused at the container terminal and they represent a new development cycle of this strategic commodity segment. The supervisory board approved a study of the project, which envisages 248 million euros of investments by 2030 in increasing the capacity of the container terminal to 1.75 million TEU/year. These investments include additional quays and stacking areas on the northern part of Pier I, purchase of additional shore cranes, extension of terminal's rail yard, expansion of the terminal's storage areas in the hinterland and the purchase of various handling equipment.
- On 25 April 2022, Luka Koper, d.d. concluded a long-term syndicated loan agreement of EUR 36.1 million with the Nova Ljubljanska banka, d. d., and Banke Intesa Sanpaolo, d. d. . The loan is intended for refinancing a portion of existing long-term loans, thereby lowering the interest margin and extending the loan repayment deadline. The loan is based on a variable interest rate with quarterly payment instalments, with the final repayment deadline in April 2032.
- On 27 April 2022, the company received a resignation statement from the member of the Supervisory Board Rado Antolovič, who resigned from the position of the member of the Supervisory Board of Luka Koper, d. d. on the aforesaid date.
- One of two new container cranes was delivered in the Port of Koper. The cranes are super post-panamax and the same in dimensions and technical characteristics to the existing ones, purchased in 2017. The crane weighs a little more than 1,200 tons, it has an outreach of 65 metres and 24 container rows.

MAY

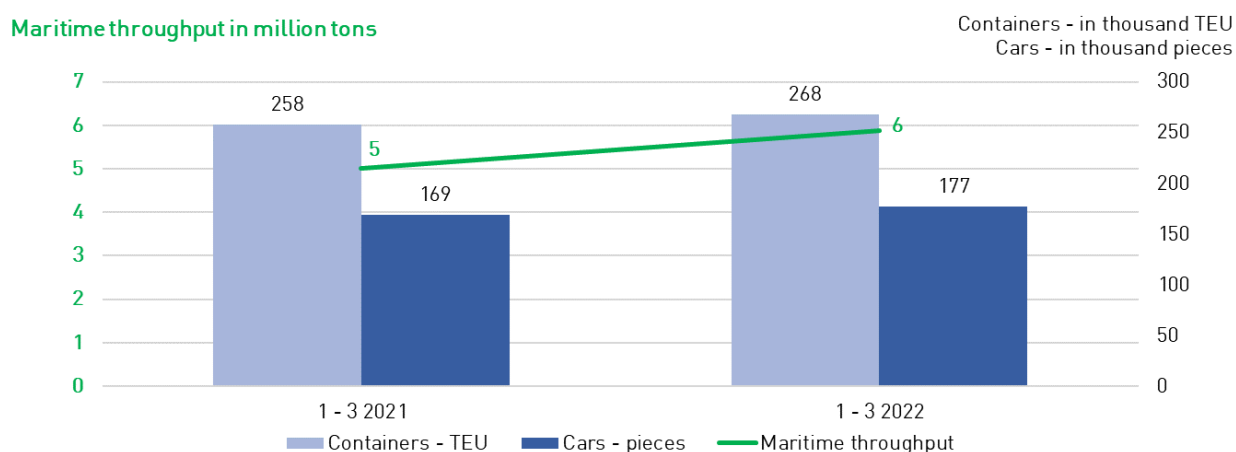
- On 3 May 2022 a convocation of 35 Shareholders' Meeting of Luka Koper, d. d., which will be held on 6 June 2022 was published.

- The second new container crane, type super post-panamax, was delivered in the Port of Koper. Shortly, 11 cranes in total will be in use at the container quayside.
- On 13 May 2022, the company received a resignation letter from Tamara Kozlovič, a member of the Supervisory Board, with a three-month notice period starting on 13 May 2022 and lasting until the appointment of a new (alternate) Supervisory Board member or three months after the resignation.

6 Performance of Luka Koper Group in January - March 2022

In the first quarter of 2022, the Luka Koper Group achieved good business results. All financial indicators are better than achieved ones in the first quarter of 2021. Also the maritime throughput exceeded the throughput achieved in 2021 and namely in all cargo groups.

Maritime throughput



Maritime throughput in tons per cargo groups in January – March 2022 in comparison with 2021

Cargo groups (in tons)	1 – 3 2022	1 – 3 2021	Index 2022/2021
General cargoes	351,615	287,506	122
Containers	2,548,305	2,526,339	101
Cars	307,241	276,680	111
Liquid cargoes	922,497	656,722	140
Dry and bulk cargoes	1,753,571	1,258,395	139
Total	5,883,230	5,005,641	118

Within the **general cargoes**, the Luka Koper Group in Januar – March 2022 achieved 22 percent higher throughput in comparison with the comparable period last year. The maritime throughput within general cargoes was higher in the segment of steel products and caotchouc. 4 percent lower export of timber was recorded in the maritime

throughput. However, the trend of containerisation of these goods is increasing, which is reflected in the increased throughput of containers and the increase of additional services of containers stuffing.

In the first quarter of 2022, the **Liquid cargoes** terminal achieved 67 percent higher throughput in comparison with the same period last year, generated by all cargo groups, including the modest start of the renewed throughput of the jet fuel. Luka Koper Group achieved 33 percent increase in the throughput of petroleum products in comparison with January – March 2021.

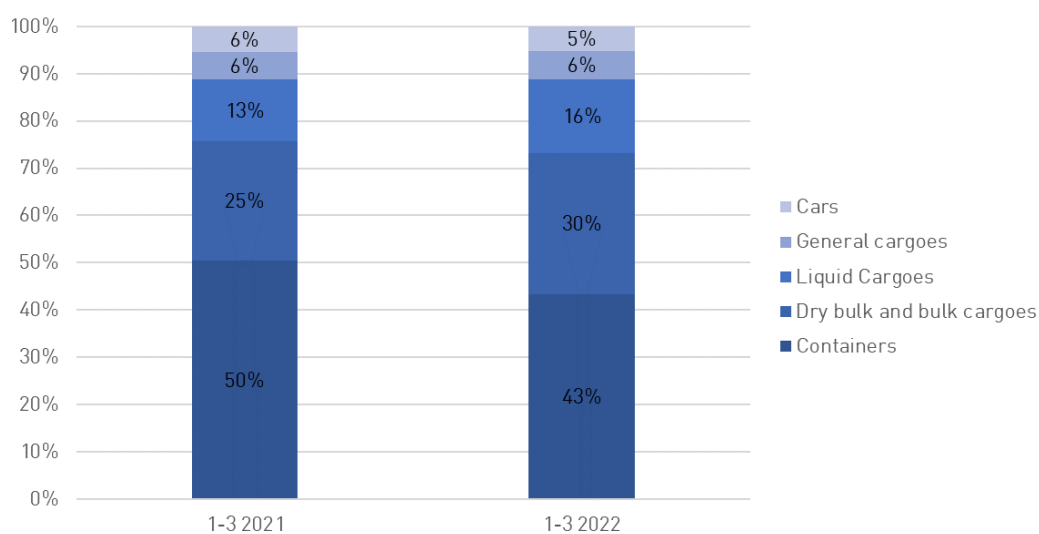
The maritime throughput of **dry and bulk cargoes** in January – March 2022 increased by 39 percent in comparison with the equivalent period in 2021. The maritime throughput in the segment of dry bulk cargoes was by 7 percent higher, especially in the transshipment of soya. The throughput growth of road salt, industrial sal, fertilizers and scarp iron was recorded. The increased throughput in the cargo group of dry bulk cargoes was attributable to the additional quantities of iron ore and coal. The supplst started from the Port of Koper also in the hinterland of remote ironworks.

In the first quarter of 2022, delays of ships arriving from Asia continued, which caused problems in the European ports and consequently deviations in regular land shipments for/from ports. Problems with ships delays resulted from increased quantities at the source in Asia and problems in major Asian ports to supply these quantities. The problems were further exacerbated by severaly days closure of some major Asian ports, due to the containment of COVID-19 outbreak. Despite the aggravated business environment, the maritime throughput **of containers** in TEU was 4 percent higher than in the equivalent period in 2021 and amounted to 268.142 TEU. In March 2022, the Luka Koper Group set an absolute monthly record in the throughput of containers. The record growth of throughput in the first quarter of 2022 resulted from the still ongoing positive growth of consumption of electronic products and other consumer products and partially, due to the resumption of the in the automotive industry.

In January – March 2022, 176.864 **cars**, which was 5 percent ahead on the equivalent period in 2021, mainly in the segment of electric vehicles. This year, car manufacturers are still facing serious semiconductors shortage and other automotive parts shortage, also as a result of the war in Ukraine, which still causes still certain

In the whole structure of the maritime throughput predominate containers, of which share decreased by 7 percentage points in comparison with 2021. Also the share of cars decreased by 1 percentage point. The share of the cargo group dry and dry bulk cargoes increased by 5 percentage points lagovne skupine sipki in razzuti tovari se je glede na leto 2021 povečal za 5 percentage points, whilst the share of the cargo group liquid cargoes by 3 percentage points. The share of the cargo group general cargoes remained unchanged.

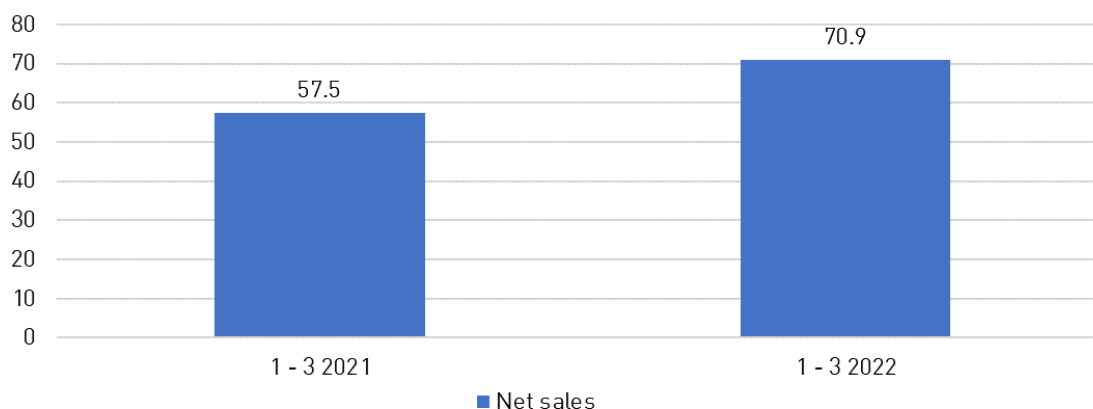
Structure of throughput by commodity groups



6.1 Financial performance analysis of the Luka Koper Group

The performance of the Luka Koper Group in the first quarter of 2022 exceeded the results achieved in the first quarter of 2021, in transhipped quantities and financial items. With 18-percent increase of the maritime throughput in the first quarter of 2022 in comparison with 2021, the net revenue from sale increased by 23 percent resp. by EUR 13.4 million. Higher achieved revenue from sale was attributable to the increased volume of throughput, increased volume of additional services, rising prices, and above all higher revenue from warehouse fees due to the extended retention time of goods in warehouses.

Net sales in million EUR



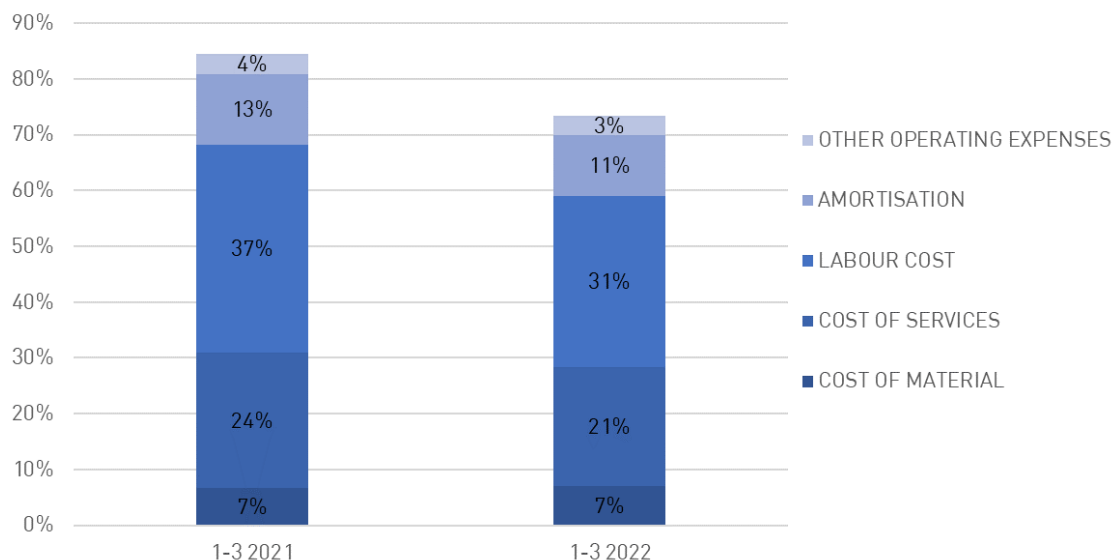
Higher net revenue from sale had positive impact on the operating profit (EBIT), which in January – March 2022 exceeded the achieved EBIT in the comparable period of the previous year by 101 percent resp. by EUR 9.9 million.

Poslovni izid iz poslovanja (EBIT) v mio evrih



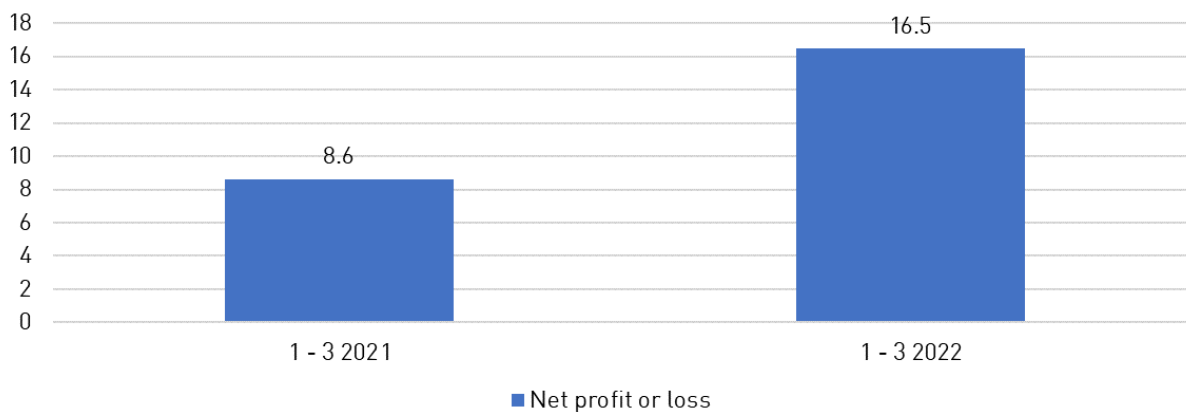
In the first quarter of 2022, the operating expense had a negative impact on earnings before interest and taxes which were 7 percent or EUR 3.4 million higher in comparison with 2021. The cost of material, the most, energy costs due to the higher consumption and higher electricity prices and motor fuel; cost of services, costs of port services increased the most, transshipment fee, and concession fees due to the increased throughput and higher net revenue from sale, higher were also IT costs; labour costs due to the higher number of employees, higher payments for job performance and alignment of salaries with inflation; the costs of amortisation from new purchases of assets and other operating expenses from grants for the implementation of mitigating measures for the reduction of emissions from the port activity – invitation to tender of the Municipality of Koper. In 2021, the expenses from mitigating measures were recognised in the second quarter.

Share of operating expenses within net revenue from sale



Share of operating expenses within net revenue from sale amounted to 73.4 percent, which was 11.1 percentage point less than in 2021. In comparison with 2021, the share of all types of costs decreased with the net revenue from sale, the share of costs of material remained at the same level.

Net profit or loss in million EUR

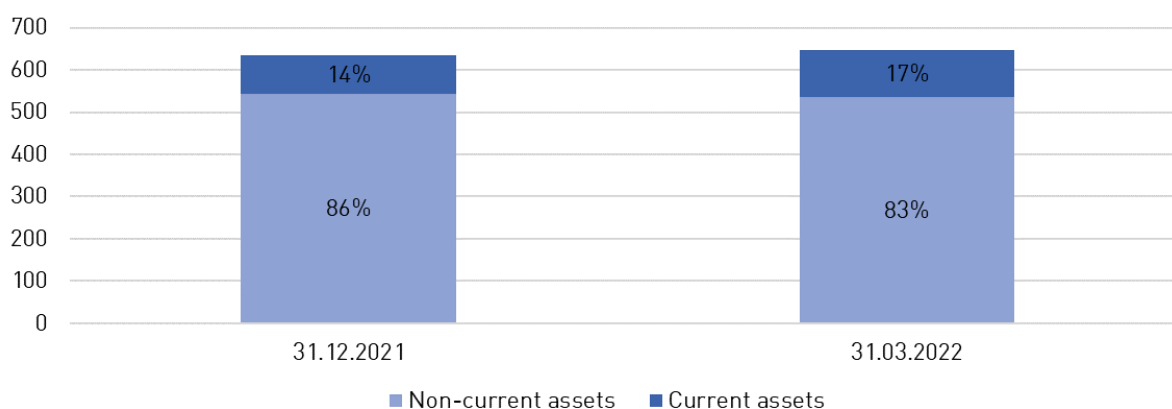


The above explained factors had impact on the net profit or loss in the first quarter of 2022 in comparison with 2021, which contributed to the higher earnings before interest and taxes (EBIT), higher corporate tax rate in 2022 in comparison with 2021, had a negative impact on the operating profit.

As at 31 March 2022, the balance sheet total of the Luka Koper Group amounted to EUR 645.9 million, which was 2 percent or EUR 11.8 million ahead on 31 December 2021.

Assets structure

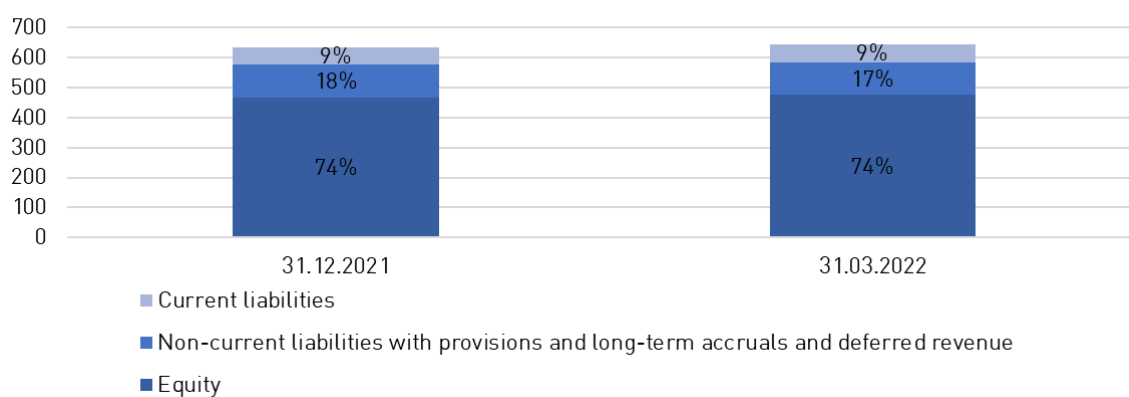
in million EUR



Non-current assets of the Luka Koper Group decreased due to the fall of value of other shares and interests measured at fair value, current assets increased from trade receivables, following the increase of revenue and increase of cash and cash equivalents.

Structure of the Luka Group liabilities by maturity

in million EUR



The increase of equity of the Luka Koper Group in 2022 was the net effect of the entry of net profit or loss of the period in the amount of EUR 16.4 million and negative changes in the revaluation surplus in the amount of EUR 7.9 million. Non-current liabilities with long-term provisions and long-term accrued costs and deferred revenue of the Luka Koper Group were on 31 March 2022 were lower than as at 31 December 2021, since due to the regular transfer of principals from domestic banks from regular repayment of principal amounts from contractually agreed amortisation schedules decreased. Current liabilities of the Luka Koper Group were at 31 March 2022 higher compared to 31 December 2021, due to the increase of liabilities from income tax rate and other operating liabilities.

Financial liabilities of the Luka Koper Group as at 31 March 2022 amounted to EUR 69.9 million, which was 4 percent resp. EUR 2.7 million below the balance as at 31 December 2021.

Comparison of the results achieved by the Luka Koper Group, in January - March 2022, in relation to the plan

In the first quarter of 2022, the Luka Koper Group exceeded the planned performance indicators. Net revenue from sale of the Luka Koper Group amounted to EUR 70.9 million and were by 20 resp. by EUR 11.6 million higher than planned, whereby the maritime throughput increased by 10 percent compared to the plan.

Maritime throughput in tonsh per cargo groups in January - March 2022 in comparison with the plan for 2022

Cargo groups (in tons)	1 – 3 2022	Plan 1 – 3 2022	Index 2022/plan 2022
General cargoes	351,615	301,600	117
Containers	2,548,305	2,453,384	104
Cars	307,241	274,297	112
Liquid cargoes	922,497	802,950	115
Dry and dry bulk cargoes	1,753,571	1,538,500	114
Total	5,883,230	5,370,731	110

Higher net revenue from sale than planned and higher other revenue than planned had a positive impact on the earnings before interest and taxes (EBIT) of the Luka Koper Group amounting to EUR 19.7 , and was in the first quarter by 148 percent resp. by EUR 11.8 million higher than planned. Operating expenses of the Luka Koper Group in January – March 2022 were at the level of planned costs.

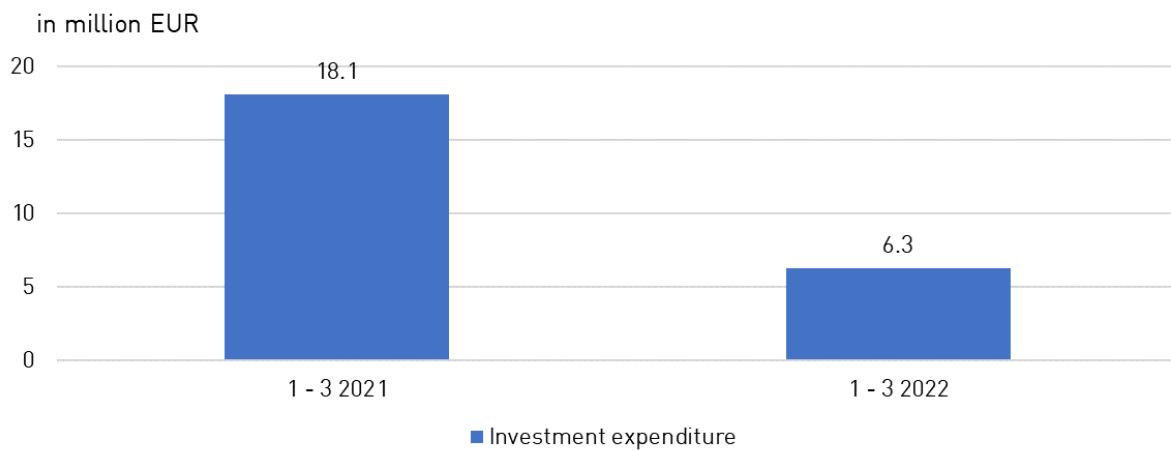
Net profit or loss of the Luka Koper Group in the first quarter of 2022 amounted to EUR 16.5 million and was by 119 percent resp. EUR 8.9 million higher than planned.

7 Non-financial investments

In the first quarter of 2022, the Luka Koper Group allocated EUR 6.3 million in the property, plant and equipment, property investments and intangible assets, which was 65 percent decline in comparison with the comparable period in 2021. In the first quarter of 2022, Luka Koper, d. d., allocated EUR 6.2 million, which represents 98.5 percent of the Luka Koper Group investments.

The realization of investments amounted to 59 percent of the planned investments and is largely due to the time lag in the construction of storage and handling areas in the southern part of Pier I. The contract deadline was extended in accordance with PKP7. The works are expected to be completed in the third quarter of 2022. The public procurement procedure was repeated for two investments because the obtained bids exceeded the guaranteed funds. The repeated public procurement procedure was successful for both investments.

Investments in the property, plant and equipment, property investments and intangible assets of the Luka Koper Group



Largest implemented investments:

- The purchase of three E-RTG cranes for the needs of the Container terminal started,
- the construction of the external truck terminal at the Sermin entrance continued,
- the extension of the Pier I – the construction of the berthing place 7D was completed, the construction of the storage areas continued.



8 Risk management

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

COVID-19 outbreak affected the global economy and logistics flows. In Slovenia on 12 March 2020, the Government of the Republic of Slovenia first declared the epidemic of COVID-19 which lasted till 1 June 2020, secondly was declared on 18 October and lasted till 15 June 2021. 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, it is closely monitored. The infections caused short-term absences of the employees, mainly in the first two months of 2022, which not resulted in major negative effects on the company's business performance. From March 2022 onwards, a significant decline in infections of employees in Luka Koper, d.d. was observed.

8.2 Impact of Russia-Ukraine conflict on the performance of the Luka Koper Group

Due to the start of the War in Ukraine the geopolitical situation in March 2022 worsened considerably and will undoubtedly affect the global economic developments in 2022. A direct exposure of the Slovenian economy towards Russia and Ukraine is relatively small, since the volume of throughput via the Port of Koper, destined to Ukrainian and Russian market, is insignificant. The consequences of the conflict had a direct impact on higher energy and raw material prices, shrinking foreign demand, financial stress and decline in confidence. Potential impacts can also be expected in supply chains, which, given the existing problems, could lead to additional negative impacts on the production. Current trends in energy, raw materials and food markets, affected by the war in Ukraine, show additional global inflationary pressure. Unexpectedly high inflation and rising inflation risks had until the start of the war in Ukraine significantly increase the market expectations related to the faster withdrawal of non-standard measures of the monetary policy and a rise in key interest rates of the leading central banks¹⁰.

The Luka Koper Group estimates that the war in Ukraine may indirectly impact the Group's business performance in 2022. The war will affect supplying chains and therefore logistics flows, in which the company besides the perils sees also the opportunities, also by rerouting certain goods which previously gravitated on the Baltic sea, on Adriatic ports and import of other cargo groups due in order to ensure the energy self-sufficiency of the EU countries. On the other side, the negative impact could be perceived as consequence of export restriction on export of certain cargo groups from Europe in order to ensure self-sufficiency. At this time, it is still difficult to predict which impact the war will have on these flows. The Luka Koper Group will also face the inflationary pressures and thereby higher operating expenses, at the macroeconomic level the latter could result also in decline in demand. The Luka Koper Group has already been implementing a set of measures to manage these risks and opportunities. In the current situation, the company faces also the increased cyber risks, which are successfully managed within the comprehensive risk management system. The Luka Koper Group has no direct financial exposure to Russia, Ukraine and Belarus, but due to the developments in financial markets in the first quarter of 2022 the value of stock prices decreased in the Company / Group portfolio measured at fair value through equity.

8.3 Other risks

After the war outbreak in Ukraine, there is evidence a slowdown in the economic growth in the Euro zone, forecasts of international institutions for 2022 have deteriorated considerably in the last forecasts, but above all they significantly increased the risks for longer period of high inflation, which is expected to amount to 5.1 percent in 2022, under more severe scenario, it could even exceed 7 percent¹¹ (Bank of Slovenia, Half-annual overview of economic and financial developments), whilst UMAR¹² forecasts 5.4 inflation. Due to the rising of the global raw material prices (steel, iron) and bottlenecks in the supply chains, also the prices of non-energy industrial goods are rising. As concerns the company, inflationary developments and expectations are reflected mainly in two areas – on the increase of material costs (fuel, electricity, labour and increase of the value of planned investments, both

¹⁰ Source: [Overview of macroeconomic projections \(bsi.si\)](#)

¹¹ Source: Bank of Slovenia, Semi-annual review of economic and financial developments

¹² Source: UMAR, Spring forecast of economic trends

for equipment and infrastructure. It is expected that energy prices and raw material prices will remain high for a long time.

The Group has been facing commercial risks, originating from highly competitive environment and the entry of shipping and logistic 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 a strong competition, primarily in the segment of stuffing and unstuffing of containers. On 7 January 2021, the Hafen und Logistik AG (HHLA) completed the acquisition of 50.01 share of the company Piattaforma Logistica in the port of Trieste. The transshipment in the segment of general cargoes, RO-RO and containers will be carried out by the company HHLA PLT Italy. The Board of Directors of the Port Authority of Rijeka decided that the APM Terminals/Enna Logic, owned by the shipping company A.P. Moller – Maersk will be the 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 jeopardize further throughput growth also till the construction of the second rail track. In 2021, the working group, which started to implement actions towards the improvement of the IT support, implementation of the infrastructure operations and organisational changes in the rail segment continues its work.

In 2022, Luka Koper, d. d., will continue the implementation of some investment projects, focused primarily on the increase of capacities of the Container terminal. On the session of 22 April 2022, the Supervisory Board considered and adopted several relevant resolutions related to the increase and construction of additional handling and storage capacities. In the most cases these are the investment at the container terminal, which represent a new development cycle of this most important strategic cargo group. The study of this project envisages EUR 248 million of investments till 2030 in the increase of the Container terminal to 1.75 million TEU/yearly. At the same session, also the plan for the increase of port capacities destined to the transshipment and storage of general cargoes was endorsed by the Supervisory Board. The construction of the dedicated warehouse for steel coils in the Pier II area is envisaged in the project.

9 Trading in LKPG

The share of Luka Koper, d. d., identified as LKPG, is listed in the first quotation of Ljubljana Stock Exchange. As at 31 March 2022, the share ended its trading with 24 percent higher value than in the comparable period last year. On the last trading day of the first quarter of 2022, the LKPG amounted to EUR 24.40 per share.

In the first quarter of 2022, the ownership structure of Luka Koper, d. d., slightly changed. As at 30 March, 8,848 shareholders were registered in the register, which was 296 less than in 2021. The Republic of Slovenia is the company's major shareholder.

Ten largest shareholders in Luka Koper, d.d. as at 31 March

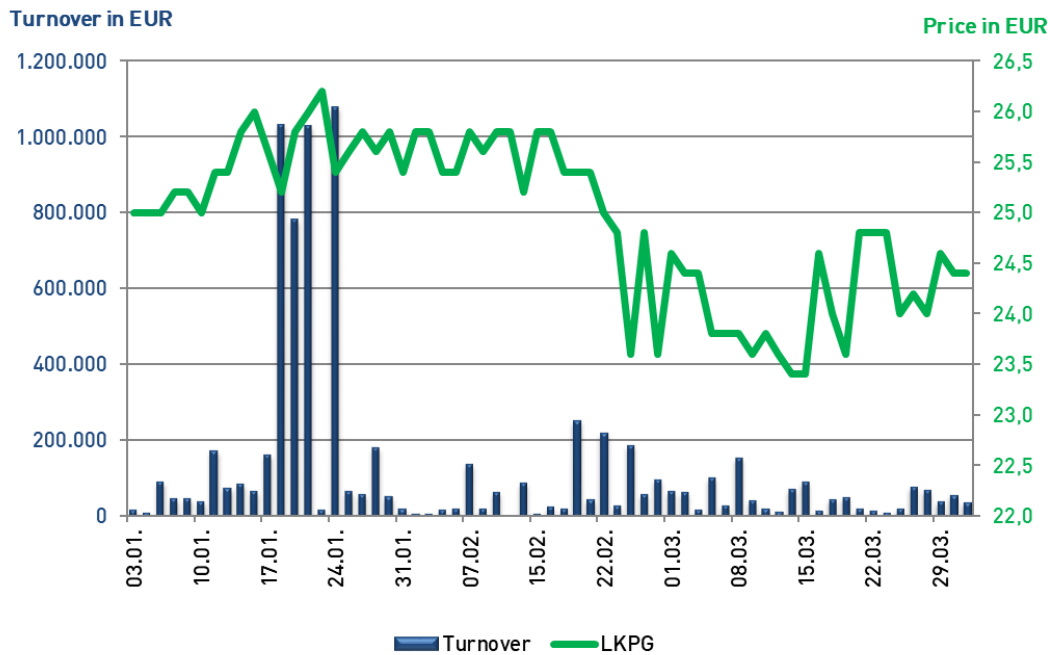
Shareholder	Number shares 31.3.2022	Percentage stake 31.3.2022 in %	Number shares 31.3.2021	Percentage stake 31.3.2021 in %
Republic of Slovenia	7,140,000	51.00	7,140,000	51.00
Slovenski državni holding, d. d.	1,557,857	11.13	1,557,857	11.13
Kapitalska družba, d. d.	696,579	4.98	696,579	4.98
Municipality of Koper	439,431	3.14	439,159	3.14
Citibank N.A. – fiduciary account	300,274	2.14	388,443	2.77
Zagrebačka banka, d. d. – fiduciarni račun	157,560	1.13	113,730	0.81
OTP Banka, d. d. – fiduciary account	156,398	1.12	27,631	0.20
Hrvatska poštanska banka, d. d. – fiduciary account	150,232	1.07	141,962	1.01
Raiffeisen Bank International AG (RBI)	143,406	1.02	127,787	0.91
NLB skladi – Slovenija mešani	116,346	0.83	111,500	0.80
Total	10,858,083	77.56	10,744,648	76.75

9.1 Trading in LKPG

In the first quarter of 2022, the average daily price of Luka Koper, d. d., stood at EUR 24.93, whilst its overall value fluctuated between EUR 23.40 and EUR 26.20. The highest daily price was EUR 26.20, the lowest EUR 23.20. As at 31 March 2022, the market capitalisation of Luka Koper, d.d. amounted to EUR 341,600,000.

There were 708 transactions and block trades with aggregate value of EUR 7,345,189, whereby 290,169 shares changed ownership. In this period, the SBITOP Index decreased by 4.81 percent, whilst the closing LKPG share price on the last trading date of the first quarter of 2022 decreased by 2.5 percent.

Changes in the daily LKPG share price and daily turnover in January – March 2022



Relevant data on LKPG

	1 – 3 2022	1 – 3 2021
Number of shares	14,000,000	14,000,000
Number of ordinary shares no par value shares	14,000,000	14,000,000
Closing price as at 31.3. (in EUR)	24.40	19.70
Book value of shares as at 31.3. (in EUR) ¹³	31.42	29.89
Ratio between average weighed price in avce (P/B) ¹⁴	0.78	0.66
Average market price (in EUR) ¹⁵	25.31	19.37
Average book value of share (in EUR) ¹⁶	31.10	29.62
Ratio between average weighed maret price and average book value of share	0.81	0.65
Net earning per share (EPS) (in EUR) ¹⁷	4.44	2.39
Ratio between market price and earnings per share (P/E) ¹⁸	5.50	8.24
Market capitalisation as at 31.3. (in mio EUR) ¹⁹	341.60	275.80
Turnover – all transactions in January – March (in mio EUR)	7.35	3.02

¹³ Book value of share = equity / number of shares.

¹⁴ Ratio between the market price and book value of share (P/B) = closing share price / book value of share.

¹⁵ 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.

¹⁶ Average book value of the LKPG is calculated on the basis of average monthly ratio between equity and number of ordinary shares.

¹⁷ Earnings per share (EPS) = net profit or loss / number shares.

Indicator is calculated on the basis of annualised data.

¹⁸ Ratio between the market price and earnings per share (P/E) = closing share price / earnings per share (EPS).

Indicator is calculated on the basis of annualised data.

¹⁹ Market capitalisation = closing share price * number shares.

9.2 Number of LKPG shares by the Supervisory Board and Management Board Members

	Shareholder	Ownership 31. 3. 2022
Supervisory Board	Nevenka Črešnar Pergar, Deputy Chairman of the Supervisory Board	570
	Tamara Kozlovič, Member of the Supervisory Board	94
	Rok Parovel, Member of the Supervisory Board	8

As at 31 March 2022, other members of the Supervisory Board and Members of the Management Board of Luka Koper, d.d., did not own company's shares.

9.3 Treasury shares, authorised capital, conditional capital increase of equity

As at 31 March 2022, 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.

9.4 Rules on restriction 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, d.d. and to prevent any possible tradig 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.

10 Sustainable development

The Port of Koper is embedded in the urban environment, in the hinterland borders Škocjan Bay protected area. Therefore, the care for the quality of people's life and the protection of the nature is emphasized in all development documents and Company' key policies. Quite a while ago, the company integrated the sustainable development principles in its business operations and strategic orientations, whilst in the Social Responsibility and Sustainable Development Strategy, adopted in the beginning of 2021, set the objectives it will strive to achieve in cooperation with local and institutional stakeholders taking into account the best international practices.

At its meeting in April, the Supervisory Board approved the plan for the construction of the specialised warehouse for general cargoes, on the roof of which is also projected the installation of the photovoltaic power plan, which will jointly with other planned photovoltaic facilities in the port, accelerate the energy transition with objective to increase the share of self-sufficiency with renewable energy sources to 23 percent.

Highlights of the first quarter of 2022

- The company published the call for sponsorships and donations from the Living with the Port fund, destined primarily to the support of minor local projects.
- Successfully performed assessment in compliance with the requirements of EMAS directive, ISO 50001, ISO 14001, ISO 45001 standard and GRI.
- Due to the increased volume of work, 18 recruitments were realised in the Luka Koper Group in the first quarter of 2022.
- The impact of measures in order to prevent the spread of Covid-19 still had impact on lower number of trainings.
- There was no serious injury in the reported period.
- underwater noise measurements started.
- Fund remittance to the Municipality of Koper within the annual funding from the agreement on the implementation of the mitigation measures for the reduction of noise.

10.1 Care for employees

The employees of Luka Koper Group with their knowledge, energy and eagerness prove their commitment to the working environment and they co-create the company's future in partnership.

Number of employees in the Luka Koper Group

	31. 3. 2022	31. 3. 2021	Index 2022/2021
Luka Koper, d. d.	1,572	1,530	103
Luka Koper INPO, d. o. o.	131	132	99
Luka Koper Pristan, d. o. o. ²⁰	/	3	/
Adria Terminali, d. o. o.	25	23	104
TOC, d. o. o.	5	5	100
Luka Koper Group²¹	1,733	1,693	102

Number of agency workers

	31. 3. 2022	31. 3. 2021	Index 2022/2021
Luka Koper, d. d.	334	309	108

²⁰ Luka Koper, d. d., reclassified the investment in the subsidiary Luka Koper Pristan, d. o. o., among the assets held for sale, since in May 2021 a decision on the initiation of the procedure of regular liquidation was adopted. Regular liquidation started on 15 September 2021.

²¹ Subsidiaries of the 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.

Comparison between recruitment, termination and turnover rate

	Number of new recruitments		Number of departures		Turnover rate (in %) ²²	
	1 – 3 2022	1 – 3 2021	1 – 3 2022	1 – 3 2021	1 – 3 2022	1 – 3 2021
Luka Koper, d. d.	13	3	18	8	1.1	0.5
Luka Koper Group	18	4	22	9	1.3	0.5

Number of hours of trainings / employee

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Luka Koper, d. d.	16	3.1	4.3	72
Luka Koper Group	/	2.9	3.9	74

Number injuries at work / million hours worked

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Luka Koper, d. d.	13	11.7	18.3	64

Number serious injuries

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Luka Koper, d. d.	0	0	0	/

Number collisions in the internal transport / million hours worked

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Luka Koper, d. d.	25	14.1	24.4	58

Number collisions on the port handling areas / million hours worked

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Luka Koper, d. d.	35	48.1	/ ²³	/

The number of collisions on the handling areas is slightly higher than the set target, which is to some extent affected by the considerable occupancy of storage areas and thus the additional intertwining of handling areas and road traffic.

10.2 Natural environment

Luka Koper, d. d., has always been concerned for improving the quality of life in the entire area in which the port is embedded and is aware of the vulnerability of the natural environment. Realizing that the port has an impact on the environment, Luka Koper has committed itself to sound environmental management, wishing to preserve it for future generation. Monitoring and minimising environmental impacts are part of regular work activities, whereby Koper, d. d., cooperates with competent professional institutions.

²² Fluctuation calculation method = number of departures/(previous number of employees + new recruitments) x100

²³ Data monitoring was introduced in 2022, therefore the comparison with previous periods is not possible.

Quantity of health hazardous dust particles PM10 (in $\mu\text{g}/\text{m}^3$)

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Ankaran - Rožnik	<30	23	18	128
Bertoki	<30	27	19	142
Koper – Cruise terminal	<30	21	19	111

Average value of dust deposits (in $\text{mg}/\text{m}^2\text{day}$)

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Average value of dust deposits	<200	140	104	135

Share of sorted separately collected waste (in %)

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Share of sorted separately collected waste	92	92,7	91	102

Average noise levels (in dB)

	1 – 3 2022	1 – 3 2021	Index 2022/2021	Threshold values for 2022
Eastern periphery (Bertoki)	$L_D = 39$	$L_D = 39$	100	65
	$L_V = 38$	$L_V = 38$	100	60
	$L_N = 36$	$L_N = 34$	106	55
	$L_{DVN} = 43$	$L_{DVN} = 42$	102	65
Northern periphery (Ankaran)	$L_D = 44$	$L_D = 42$	105	65
	$L_V = 43$	$L_V = 41$	105	60
	$L_N = 42$	$L_N = 40$	105	55
	$L_{DVN} = 49$	$L_{DVN} = 47$	104	65
Southern periphery (Koper)	$L_D = 52$	$L_D = 53$	98	65
	$L_V = 52$	$L_V = 52$	100	60
	$L_N = 50$	$L_N = 50$	100	55
	$L_{DVN} = 57$	$L_{DVN} = 57$	100	65

Legend: L_D – daily noise level, L_V – evening noise level, L_N – night noise level, L_{DVN} – 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.

Specific consumption of energy and water per handled ton of the total throughput²⁴

	Letni cilj 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Consumption of electric energy (kWh/t)	0.7918	0.640	0.811	79
Motor fuel consumption (l/t)	0.1214	0.124	0.123	101
Water consumption (l/t)	4.900	2.250	2.621	86

²⁴ Total throughput comprises maritime throughput, stuffing/unstuffing of containers and land throughput

In the first quarter of 2022, the target was not achieved. The absolute motor fuel consumption was 11.5 % higher in comparison with the same period in 2021 at 15.8 % higher maritime throughput. Higher specific consumption (by 2 % of the target value) resulted from the higher motor fuel consumption at the Container terminal and occupancy of the storage areas and therefore the use of alternative more dispersed storage areas of other terminals.

Number pollution incidents outside the port aquatorium

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Number pollution incidents	0	0	0	/

Inspection and internal measures in spatial interventions

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Number of measures	0	0	0	/

Fire safety

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Intervention time of the professional fire brigade for fire interventions and injuries	<8 min	2.94	3.25	111
Number of major industrial accidents	0	0	0	/
Number of unrealised inspection fire-safety decisions	0	0	0	/

10.3 Social environment

Social responsibility towards the local environment, on which the port activity has most impact, Luka Koper is demonstrated through the support of organised groups and individuals implementing projects or activities relevant for the quality of live of the inhabitants in the local area and namely in the field of sport, culture, ecology, science, education and humanitarian activity.

Sponsorships and donations (in thousand EUR)

	Annual target 2022	1 – 3 2022	1 – 3 2021	Index 2022/2021
Luka Koper, d. d.	1,127	385.5	170.0	227

ACCOUNTING REPORT

11 Financial statements of Luka Koper, d. d., and Luka Koper Group

11.1 Income statement

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Revenue	69,970,141	56,409,221	70,851,504	57,475,673
Other income	439,418	499,668	843,766	863,573
Cost of material	-4,839,822	-3,753,798	-4,932,955	-3,844,103
Cost of services	-16,367,593	-14,671,901	-15,135,288	-13,927,587
Other operating expenses	-2,390,365	-2,058,228	-2,425,774	-2,097,600
Operating profit	19,208,403	9,539,172	19,745,360	9,811,839
Finance income	49,538	477,227	51,694	139,536
Finance expenses	-86,739	-86,437	-86,695	-81,607
Profit or loss from financing activity	-37,201	390,790	-35,001	57,929
Profit before tax	19,171,202	9,929,962	20,129,878	10,207,390
Income tax expense	-3,641,081	-1,567,676	-3,677,432	-1,589,321
Deferred taxes	9,338	4,366	9,400	4,366
Net profit from continuing operations	15,539,459	8,366,652	16,461,846	8,622,435
Net profit from discontinued operations	0	0	-9,127	0
Net profit for the period	15,539,459	8,366,652	16,452,719	8,622,435
Net profit attributable to owners of the company	0	0	16,438,911	8,624,166
Net profit attributable to non-controlling interests	0	0	13,808	-1,730
Net earnings per share	1.11	0.60	1.17	0.62

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

11.2 Statement of other comprehensive income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Profit for the period	15,539,459	8,366,652	16,452,719	8,622,435
Items not to be reclassified into profit/loss in future periods	-9,722,162	1,465,006	-9,802,207	1,458,847
Change in revaluation surplus of available-for-sale financial assets	1,847,210	-278,351	1,862,420	-277,181
Deferred tax on revaluation of available-for-sale financial assets	-7,874,952	1,186,655	-7,939,787	1,181,666
Total comprehensive income for the period	7,664,506	9,553,307	8,512,932	9,804,101
Total comprehensive income for the period owners of the company	7,664,506	9,553,307	8,499,124	9,805,831
Total comprehensive income for the period non-controlling interests	0	0	13,808	-1,730

In 2021, the Company/Luka Koper Group started the procedure of regular liquidation of the company Luka Koper Pristan, d. o. o. – in liquidation, the Company/Group recorded as discontinued operation. The discontinued operations in January – March 2022 had no impact on the Statement of other comprehensive income, therefore the Company/Group did not record this impact in the Statement of other comprehensive income.

11.3 Statement of financial position

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
ASSETS				
Property, plant and equipment	424,849,458	425,978,241	437,610,362	438,877,277
Investment property	23,832,167	23,975,120	15,467,925	15,530,234
Intangible assets	1,152,491	1,250,530	1,260,433	1,372,176
Other assets	11,226,756	9,650,187	11,226,756	9,650,187
Shares and interests in Group companies	4,048,063	4,048,063	0	0
Shares and interests in associates	6,737,709	6,737,709	16,204,312	15,784,793
Other non-current investments	46,837,471	56,587,335	50,142,167	59,972,076
Loans given and deposits	1,298	1,717	6,841	7,260
Non-current operating receivables	39,991	39,991	39,991	39,991
Deferred tax assets	4,979,861	3,123,312	5,029,083	3,139,376
Non-current assets	523,705,265	531,392,205	536,987,870	544,373,370
Assets held for sale	485,000	485,000	288,095	340,807
Inventories	1,456,495	1,422,438	1,456,495	1,422,438
Deposits and loans given	1,643	1,619	1,643	1,619
Trade and other receivables	57,234,319	46,773,388	57,713,828	47,326,339
Cash and cash equivalents	24,815,678	16,342,426	49,496,155	40,638,685
Current assets	83,993,135	65,024,871	108,956,216	89,729,888
TOTAL ASSETS	607,698,400	596,417,076	645,944,086	634,103,258
EQUITY AND LIABILITIES				
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	224,907,699	224,907,699	224,907,699	224,907,699
Reserves arising from valuation at fair value	21,817,668	29,692,618	22,097,015	30,036,801
Retained earnings	45,131,779	29,592,320	80,208,367	63,769,456
Equity of owners of the parent	439,840,814	432,176,305	475,196,749	466,697,624
Non-controlling interests	0	0	281,512	267,704
Equity	439,840,814	432,176,305	475,478,261	466,965,328
Provisions	18,882,877	19,150,740	19,486,826	19,754,689
Deferred income	29,561,437	28,878,641	30,819,944	30,137,376
Loans and borrowings	58,058,229	60,688,522	58,058,229	60,688,522
Other non-current financial liabilities	937,537	967,048	897,455	967,241
Non-current operating liabilities	99,132	106,025	139,932	143,693
Non-current liabilities	107,539,212	109,790,976	109,402,386	111,691,521
Liabilities (disposal groups) held for sale	0	0	20,895	40,984
Loans and borrowings	10,521,175	10,521,175	10,521,175	10,521,175
Other current financial liabilities	405,568	468,582	403,650	428,514
Income tax liabilities	5,941,408	3,130,837	5,932,804	3,130,790
Trade and other payables	43,450,223	40,329,201	44,184,915	41,324,946
Current liabilities	60,318,374	54,449,795	61,063,439	55,446,409
TOTAL EQUITY AND LIABILITIES	607,698,400	596,417,076	645,944,086	634,103,258

11.4 Statement of cash flows

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the period	15,539,459	8,366,652	16,452,719	8,622,435
Adjustments for:				
Amortisation/Depreciation	7,509,666	7,099,276	7,694,860	7,275,567
Reversal and impairment losses on property, plant and equipment, and intangible assets	20,557	12,547	20,557	12,731
Gain on sale of property, plant and equipment, intangible assets and investment property	0	-163,512	-86	-163,524
Allowances for receivables	202,375	172,723	206,192	185,334
Collected written-off receivables and liabilities	-153,225	-149,745	-158,400	-149,745
Reversal of provisions	-7,144	0	-7,144	0
Finance income	-49,538	-477,227	-51,694	-139,536
Finance expenses	86,739	86,437	86,695	81,607
Recognised results of subsidiaries under equity method	0	0	-419,519	-337,622
Income tax expense and income (expenses) from deferred taxes	3,631,743	1,563,310	3,668,032	1,584,955
Profit before change in net current operating assets and taxes	26,780,632	16,510,461	27,492,212	16,972,202
Change in other assets	-1,576,569	1,089,144	-1,576,569	1,089,144
Change in operating receivables	-10,508,395	-8,309,893	-10,419,296	-8,390,588
Change in inventories	-34,057	-43,325	-34,057	-43,324
Change in operating liabilities	6,493,274	10,479,850	6,216,825	10,450,966
Change in provision	-260,719	1,569	-260,719	1,569
Change in non-current deferred income	682,796	-7,561	682,568	-4,212
Cash generated in operating activities	21,576,962	19,720,245	22,100,964	20,075,757
Interest expenses	-61,883	-89,317	-61,839	-84,487
Tax expenses	-830,510	-1,741,590	-875,418	-1,764,939
Net cash flow from operating activities	20,684,569	17,889,338	21,163,707	18,226,331
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	49,538	101,806	51,694	100,115
Dividends received and profit sharing - subsidiaries	0	39,421	0	0
Dividends received and profit sharing - associates	0	336,000	0	336,000
Proceeds from sale of property, plant and equipment, and intangible assets	0	201,274	86	204,981
Proceeds from sale of investment property	0	0	0	9,664
Proceeds from sale, less investments and loans given	396	0	396	0
Acquisition of property, plant and equipment, and intangible assets	-9,539,592	-17,312,479	-9,618,320	-17,392,351
Net cash flow used in investing activities	-9,489,658	-16,633,978	-9,566,144	-16,741,591
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of current borrowings	-2,630,293	-2,039,531	-2,630,293	-2,039,531
Payment of the leased asset	-91,366	-89,593	-109,800	-94,741
Net cash flow used in financing activities	-2,721,659	-2,129,124	-2,740,093	-2,134,272
Net increase in cash and cash equivalents	8,473,252	-873,764	8,857,470	-649,532
Opening balance of cash and cash equivalents	16,342,426	37,051,470	40,638,685	61,021,421
Closing balance of cash and cash equivalents	24,815,678	36,177,706	49,496,155	60,371,889

11.5 Statement of changes in equity

(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	
Balance at 31 December 2020	58,420,965	89,562,703	18,765,115	191,182,419	30,637,829	22,023,006	-1,640,830	386,889,959
Total comprehensive income for the period								
Profit for the period	0	0	0	0	8,366,652	0	0	8,366,652
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	1,186,655	0	1,186,655
	0	0	0	0	8,366,652	1,186,655	0	9,553,307
Balance at 31 March 2021	58,420,965	89,562,703	18,765,115	191,182,419	39,004,482	23,209,661	-1,640,830	418,504,515
Balance at 31 December 2021	58,420,965	89,562,703	18,765,115	206,142,584	29,592,320	31,260,558	-1,567,938	432,176,307
Total comprehensive income for the period								
Profit for the period	0	0	0	0	15,539,459	0	0	15,539,459
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	-7,874,953	0	-7,874,953
	0	0	0	0	15,539,459	-7,874,953	0	7,664,506
Balance at 31 March 2022	58,420,965	89,562,703	18,765,115	206,142,584	45,131,779	23,385,606	-1,567,938	439,840,813

11.6 Consolidated statement of changes in equity of the Luka Koper Group

(in EUR)	Reserves arising on valuation at fair value							Total equity of owners of the parent company	Non-controlling interests	Total equity
	Share capital	Capital surplus	Legal reserves	Other revenue reserves	Retained earnings	Investments	Actuarial gains/losses			
Balance at 31 December 2020	58,420,965	89,562,703	18,765,115	191,182,419	62,982,776	22,382,100	-1,874,915	441,421,164	239,522	441,660,686
Profit for the period	0	0	0	0	8,624,166	0	0	8,624,166	-1,730	8,622,436
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	1,181,666	0	1,181,666	0	1,181,666
	0	0	0	0	8,624,166	1,181,666	0	9,805,832	-1,730	9,804,102
Balance at 31 March 2021	58,420,965	89,562,703	18,765,115	191,182,419	71,606,942	23,563,766	-1,874,915	451,226,996	237,792	451,464,788
Balance at 31 December 2021	58,420,965	89,562,703	18,765,115	206,142,584	63,769,456	31,769,273	-1,732,471	466,697,624	267,704	466,965,328
Total comprehensive income for the period										
Profit for the period	0	0	0	0	16,438,911	0	0	16,438,911	13,808	16,452,719
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	-7,939,787	0	-7,939,787	0	-7,939,787
	0	0	0	0	16,438,911	-7,939,787	0	8,499,124	13,808	8,512,932
Balance at 31 March 2022	58,420,965	89,562,703	18,765,115	206,142,584	80,208,366	23,829,486	-1,732,471	475,196,748	281,511	475,478,259

12 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 – March 2022 resp. as at 31 March 2022. 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. – in liquidation, 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 31 March 2022:

- 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.

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 of Luka Koper, d.d. and the Luka Koper Group were compiled on the assumption that the Company/Group will continue to operate in the future, which implies that Company/Group will dispose with enough liquidity assets to ensure the continuity of business performance. The Company/Group operations are not seasonal. The financial statements are compiled in euros (EUR), rounded to the nearest unit. Financial statements provide useful information on the performance in January – March 2022, in comparison with the balance as at 31 December 2021.

Financial statements of Luka Koper, d. d. and consolidated financial statements of Luka Koper Group, for the reporting period January – March 2022 and as at 31 March 2022 are not audited, whilst they were audited for the comparable period as at 31 December 2021.

In light of the uncertainties regarding further developments of COVID-19 outbreak, the Management Board closely examines the current situation and potential impact on business.

Due to the war in Ukraine, the geopolitical situation has deteriorated significantly and affected economic trends in 2022. The consequences had a direct impact on rising energy and raw material prices, which is monitored by the Management board, who responds appropriately to ensure smooth business operations of the Company/the Group.

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.

13 Additional notes Income Statement

Net revenue from sale

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Revenue from sales with domestic customers based on contract with customer	20,605,728	16,120,216	21,400,136	17,008,853
- services	20,503,457	16,119,608	21,297,865	17,008,245
- goods and material	102,271	608	102,271	608
Revenue from sales with foreign customers based on contract with customer	47,459,583	38,095,335	47,679,634	38,326,636
- services	47,459,583	38,095,335	47,679,634	38,326,636
Revenue to customers	68,065,311	54,215,551	69,079,770	55,335,489
Revenue from collected port dues	1,409,312	1,802,596	1,409,312	1,802,596
Revenue from sales with domestic customers from rentals	495,518	391,074	362,422	337,588
Total	69,970,141	56,409,221	70,851,504	57,475,673

In the overall structure of the net revenue in reported period of 2022 two customers exceeded 10 percent of the whole sale, both in the Company and in the Group, and remained at the same level as the previous year.

Other revenue

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Other operating income	160,369	313,257	552,228	667,767
Reversal of provisions	7,144	0	7,144	0
Subsidies, grants and similar income	0	0	386,598	354,498
Revaluation operating income	153,225	313,257	158,486	313,269
Income on sale of property, plant and equipment and investment property	0	163,512	86	163,524
Collected written-off receivables and written-off liabilities	153,225	149,745	158,400	149,745
Other income	279,049	186,411	291,538	195,806
Compensations and damages	100,892	77,258	107,858	77,587
Subsidies and other income not related to services	178,030	81,670	178,030	81,670
Other income	127	27,483	5,650	36,549
Total	439,418	499,668	843,766	863,573

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.

Subsidies and other revenue, not related to the business performance, comprise primarily revenue to cover costs from EU projects.

Cost of material

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Cost of material	0	0	0	73
Cost of auxiliary material	499,769	446,474	522,141	472,890
Cost of spare parts	1,506,575	1,384,189	1,506,563	1,384,538
Cost of electricity	1,071,138	660,880	1,083,385	674,377
Cost of fuel	1,588,125	1,046,115	1,638,601	1,085,678
Other cost of energy	65,332	78,779	66,110	79,171
Cost of office stationary	23,567	50,916	25,991	54,374
Other cost of material	85,316	86,445	90,164	93,002
Total	4,839,822	3,753,798	4,932,955	3,844,103

The increase of electricity and fuel cost was mainly attributable to the increase in energy prices in 2022.

Cost of services

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Port services	7,431,191	6,625,126	6,741,240	6,230,357
Cost of transportation	100,596	115,739	37,893	34,513
Cost of maintenance	1,540,807	2,018,045	1,474,185	1,960,696
Rentals	42,133	41,102	39,396	56,441
Reimbursement of labour-related costs	51,396	30,946	55,459	32,477
Costs of payment processing, bank charges and insurance premiums	296,130	313,788	346,448	350,864
Cost of intellectual and personal services	222,912	278,434	230,620	284,583
Advertising, trade fairs and hospitality	208,344	150,556	210,389	151,524
Costs of services provided by individuals not performing business activities	83,101	45,128	92,016	47,068
Sewage and disposal services	359,524	334,104	198,630	150,712
Information support	999,409	760,868	1,040,692	800,934
Concession-related costs	2,404,025	1,922,196	2,404,025	1,922,196
Transshipment fee	1,556,704	1,258,454	1,556,704	1,258,454
Costs of other services	1,071,321	777,415	707,591	646,768
Total	16,367,593	14,671,901	15,135,288	13,927,587

Within the cost of services a major share represented cost of port services of the controlling company. The Company/the Group recorded the costs of agency workers and costs of services of contractual partners among the costs of port services.

Cost of labour

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Wages and salaries	13,557,646	13,379,068	14,609,515	14,395,125
Wage compensations	1,385,645	1,424,936	1,520,749	1,556,808
Costs of additional pension insurance	581,687	570,464	639,198	625,235
Employer's contributions on employee benefits	2,510,647	2,478,393	2,703,655	2,666,450
Annual holiday pay, reimbursements and other costs	2,083,795	1,965,069	2,313,626	2,170,348
Total	20,119,420	19,817,930	21,786,743	21,413,966

Labour costs increased in comparison with the same period in the preceding year primarily due to the adjusting of salaries to the Consumer Price Index.

Amortisation and depreciation expense

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Depreciation of buildings	3,573,962	3,146,400	3,684,484	3,265,510
Depreciation of equipment and spare parts	3,585,477	3,520,907	3,706,374	3,639,897
Depreciation of small tools	5,015	5,387	5,091	5,487
Depreciation of investment property	145,342	143,026	65,355	60,754
Amortisation of intangible assets	107,701	192,006	121,405	205,731
Depreciation of investment into foreign-owned assets	2,877	2,877	4,375	4,375
Depreciation of right-of-use	89,292	88,673	107,776	93,813
Total	7,509,666	7,099,276	7,694,860	7,275,567

Other expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Impairment costs, write-offs and losses on property, plant and equipment, and investment property	20,557	12,547	20,557	12,731
Expenses for allowances for receivables	202,375	172,723	206,192	185,334
Levies that are not contingent upon employee benefits expense and other types of cost	1,785,119	1,670,624	1,817,911	1,345,526
Donations	220,000	47,000	220,600	390,828
Environmental levies	37,366	32,540	35,053	30,576
Awards and scholarship to students inclusive of tax	144	177	144	177
Awards and scholarship to students	5,052	0	5,052	0
Other costs and expenses	119,752	122,617	120,265	132,428
Total	2,390,365	2,058,228	2,425,774	2,097,600

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 were primarily compensations for damages to assets, owned by third parties. The damages occurred during the transshipment of goods in the port.

Finance income and expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Finance income from shares and interests	0	375,421	0	39,421
Finance income from shares and interests in Group companies	0	39,421	0	0
Finance income from shares and interests in associated companies	0	336,000	0	0
Finance income from shares and interests in other companies	0	0	0	39,421
Finance income - interest	47	71	47	115
Interest income - other	47	71	47	115
Finance income from operating receivables	49,491	101,735	51,647	100,000
Finance income from operating receivables due from others	38,299	49,889	39,575	50,994
Exchange differences	11,192	51,846	12,072	49,006
Total finance income	49,538	477,227	51,694	139,536
Finance expenses from financial assets	-27,702	0	-27,702	0
Finance expenses - interest	-57,904	-78,851	-57,854	-78,859
Interest expenses - banks	-55,830	-77,931	-55,830	-77,931
Financial expenses arising from lease liabilities to others	-1,922	-823	-2,024	-928
Financial expenses arising from lease liabilities to Group companies	-152	-97	0	0
Finance expenses for financial liabilities	-1,133	-7,586	-1,139	-2,748
Finance expenses for trade payables	-2	-360	-2	-360
Finance expenses for other operating liabilities	-1,131	-7,226	-1,137	-2,388
Total finance expenses	-86,739	-86,437	-86,695	-81,607
Net financial result	-37,201	390,790	-35,001	57,929

Finance income from shares refers to the payout of the balance-sheet profit.

Finance expenses from financial assets were related to the revaluation of financial assets at fair value through profit or loss.

Profit

Luka Koper, d. d.

In Januar – March 2022, Luka Koper, d.d. generated the operating profit in the amount of EUR 19,208,403, whilst in the equivalent period of the previous year EUR 9,539,172. The financial result was negative and amounted to iz EUR 37,201, in the same period last year it was positive and amounted to EUR 390,790. The profit before tax amounted to EUR 19,171,202, whilst in the same period last year to EUR 9,929,962. The corporate income tax in the amount of EUR 3,641,081, in the equivalent period last year EUR 1,567,676, and deferred taxes. In the first quarter of 2022, net profit of Luka Koper, d.d. amounted to EUR 15,539,459, whilst the net profit in the comparable period last year amounted to EUR 8,366,652.

The Luka Koper Group

In January – March 2022, the Luka Koper Group generated the operating profit in the amount of EUR 19,745,360, whilst in the equivalent period last year EUR 9,811,839. Financial result was negative and amounted to - EUR 35,001, in the same period last year was positive and amounted to EUR 57,929. The attributed result of associated companies amounted to EUR 419,519, whilst in equivalent period of the previous year to EUR 337,622. The profit before tax amounted to EUR 20,129,878, in the same period last year EUR 10,207,390. Net profit or loss of the Luka Koper Group in the first quarter of 2022 amounted to EUR 16,452,719, whereof from the discontinued operations in the amount of EUR -9,127 (in the same period of the previous year EUR 8,622,435). To the controlling company pertained EUR 16,438,911 (in the same period of the previous year EUR 8,624,166), whilst to owners of non-controlling interests EUR 13,808 (in the same period of the previous year EUR -1,730). The non-controlling interest pertains to the co-owner of the subsidiary TOC, d. o. o. .

Net earnings per share

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Net profit for the period	15,539,459	8,366,654	16,438,911	8,624,166
Total number of shares	14,000,000	14,000,000	14,000,000	14,000,000
Basic and diluted earnings per share for the period	1.11	0.60	1.17	0.62

14 Additional notes to the Statement of Financial position

Property, plant and equipment

(in EUR)	Luka Koper, d. d.		Group Luka Koper	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Land	20,138,595	20,138,595	23,287,917	23,287,917
Buildings	265,681,978	268,278,064	273,280,682	275,989,445
Plant and machinery	96,169,728	98,532,159	98,197,010	100,589,752
Property, plant and equipment being acquired and advances given	41,568,681	37,649,656	41,596,274	37,670,656
Right-of-use	1,290,476	1,379,767	1,248,479	1,339,507
Total	424,849,458	425,978,241	437,610,362	438,877,277

In January – March 2022, Luka Koper, d.d. in property, plant and equipment in the amount of EUR 6,148,206, whilst the Luka Koper Group EUR 6,245,462.

The largest investment were the following:

- the purchase of three E-RTG cranes for the needs of the Container terminal began,
- the construction of a new external truck terminal at Sermin entrance continued,
- the extension of the Pier I continued – the construction of the berthing place 7D was completed, the construction of storage areas continued.

As at 31 March 2022, the Company/the Group 2022 recorded liabilities for the purchase of property, plant and equipment in the amount of EUR 54,891,350 (in the previous year EUR 54,432,512).

Right-of-use assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Land	1,158,215	1,224,381	1,158,215	1,224,381
Buildings	127,798	149,278	47,732	43,302
Plant and machinery	4,463	6,108	42,532	71,824
	1,290,476	1,379,767	1,248,479	1,339,507

Investment property

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Investment property - land	14,405,808	14,405,808	11,256,486	11,256,486
Investment property - buildings	9,426,359	9,569,312	4,211,439	4,273,748
Total	23,832,167	23,975,120	15,467,925	15,530,234

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	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Non-current property rights (concessions, patents, licences, trademarks and similar rights)	1,152,491	1,250,530	1,260,433	1,372,176
Total	1,152,491	1,250,530	1,260,433	1,372,176

Other assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
31 Dec	9,650,187	1,089,144	9,650,187	1,089,144
Increase	1,591,881	10,544,939	1,591,881	10,544,939
Transfer between property, plant and equipment	-15,312	-1,983,896	-15,312	-1,983,896
Reporting date	11,226,756	9,650,187	11,226,756	9,650,187

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 31 March 2022, shares and interests in Group companies amounted to EUR 4,048,063. Investment in the subsidiary Luka Koper Pristan, d. o. o. – in liquidation, was recorded in the Financial statement among Assets (disposal group) held for sale, since in September 2021 started the regular liquidation proceeding of the company.

Investment in subsidiaries are not subject to pledge.

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

Shares and interests in the associates

Luka Koper, d. d.

As at 31 March 2022, shares and interests in associated companies amounted to EUR 6,737,709. In comparison with the situation as at 31 December 2021, their value has not changed.

Luka Koper Group

(in EUR)	31 Mar 2022	31 Dec 2021
Balance at 1 Jan	15,784,793	14,168,687
Attributed profits	419,519	2,793,284
- Adria Transport, d. o. o.	98,112	1,385,147
- Adria Transport Croatia, d. o. o.	-8,782	-35,174
- Adria-tow, d. o. o.	150,289	799,674
- Adriaфин, d. o. o.	-8,566	179,245
- Avtoservis, d. o. o.	188,465	464,392
Profit distribution	0	-1,177,179
- Adria Transport, d. o. o.	0	-129,250
- Adria-tow, d. o. o.	0	-336,000
- Adriaфин, d. o. o.	0	-175,000
- Avtoservis, d. o. o.	0	-536,929
Balance at end of period	16,204,312	15,784,792

Other non-current investments

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Other investments measured at fair value through profit or loss	3,387,790	3,415,492	5,873,565	5,901,267
Other investments measured at fair value through comprehensive income	43,449,681	53,171,843	44,268,602	54,070,809
Total	46,837,471	56,587,335	50,142,167	59,972,076

As at 31 March 2022, the value of other investments measured at fair value through profit or loss was lower than as at 31 December 2021, resulting from lower stock exchange rates in the Company/Group portfolio.

Deferred tax

(in EUR)	Luka Koper, d. d.			
	Deferred tax assets		Deferred tax liabilities	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Deferred tax assets and liabilities relating to:				
- impairment of investments in subsidiaries	509,689	509,689	0	0
- impairment of other investments and deductible temporary differences arising on securities	8,740,582	8,740,582	5,485,512	7,332,723
- allowances for trade receivables	245,456	236,118	0	0
- provisions for retirement benefits	438,550	438,550	0	0
- provisions for jubilee premiums	77,113	77,113	0	0
- long-term accrued costs and deferred income from public commercial services	453,983	453,983	0	0
Total	10,465,373	10,456,035	5,485,512	7,332,723
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,485,512	-7,332,723	-5,485,512	-7,332,723
Total	4,979,861	3,123,312	0	0

(in EUR)	Luka Koper Group			
	Deferred tax assets		Deferred tax liabilities	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Deferred tax assets and liabilities relating to:				
- impairment of investments in subsidiaries	509,689	509,689	0	0
- impairment of other investments and deductible temporary differences arising on securities	8,761,750	8,761,750	5,589,632	7,452,051
- allowances for trade receivables	320,256	292,968	0	0
- provisions for retirement benefits	490,518	490,518	0	0
- provisions for jubilee premiums	82,520	82,520	0	0
- long-term accrued costs and deferred income from public commercial services	453,983	453,983	0	0
Total	10,618,716	10,591,428	5,589,632	7,452,051
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,589,632	-7,452,051	-5,589,632	-7,452,051
Total	5,029,084	3,139,377	0	0

Assets held for sale

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Investment in a subsidiary	485,000	485,000	0	0
Trade and other receivables, cash and cash equivalents	0	0	288,095	0
Total	485,000	485,000	288,095	340,807

In compliance with IFRS 5, Non-current assets held for sale and discontinued operations, the Company/the Group reclassified all assets in connection with the investment in the company Luka Koper Pristan, d. o. o. – in liquidation, into the assets held for sale, and namely at book value. In January – March 2022, Luka Koper Pristan, d. o. o. – in liquidation generated the operating loss in the amount of EUR 29,157.

Trade and other receivables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Current trade receivables:				
domestic costumers	22,790,085	20,146,338	23,570,398	20,831,878
foreign costumers	26,244,613	18,873,816	26,484,933	19,034,849
Current operating receivables due from Group companies	769,848	504,373	0	0
Current operating receivables due from associates	389,490	143,570	389,490	143,570
Current trade receivables	50,194,036	39,668,097	50,444,821	40,010,297
Advances and collaterals given	36,044	41,176	36,549	41,681
Receivables due from the state	2,241,876	2,296,840	2,405,622	2,434,252
Other current receivables	486,958	407,257	523,715	473,325
Total trade receivables	52,958,914	42,413,370	53,410,707	42,959,555
Short-term deferred costs and expenses	4,017,344	3,700,938	4,045,061	3,707,705
Accrued income	258,061	340,741	258,060	340,740
Right-of-use	0	318,339	0	318,339
Other receivables	4,275,405	4,360,018	4,303,121	4,366,784
Total	57,234,319	46,773,388	57,713,828	47,326,339

Increase of current trade receivables towards domestic and foreign customers mostly related to the higher turnover volume in the first quarter of 2022, and higher excise for energy products, which are re invoiced by the parent company at the export of energy products from the warehouses.

The increase of short-term costs mostly relate to the deferred costs, paid in the beginning of the year and are allocated throughout the financial year.

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

(in EUR)	31 Mar 2022			31 Dec 2021		
	Gross amount	Allowances	Net amount	Gross amount	Allowances	Net amount
Outstanding and undue trade receivables	45,740,269	-169,717	45,570,552	35,523,666	-130,115	35,393,551
Past due receivables:						
up to 30 days	3,671,258	-37,137	3,634,121	3,225,694	-32,227	3,193,467
31 to 60 days overdue	665,197	-66,364	598,833	765,724	-77,252	688,472
61 to 90 days overdue	151,303	-25,699	125,604	117,651	-23,388	94,263
91 to 180 days overdue	137,219	-45,075	92,144	221,451	-86,295	135,156
more than 180 days overdue	952,200	-779,418	172,782	888,172	-724,984	163,188
Total	51,317,446	-1,123,410	50,194,036	40,742,358	-1,074,261	39,668,097

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

Movement of trade receivables of the Luka Koper

(in EUR)	31 Mar 2022			31 Dec 2021		
	Gross amount	Allowances	Net amount	Gross amount	Allowances	Net amount
Outstanding and undue trade receivables	45,800,521	-173,372	45,627,149	35,641,742	-132,948	35,508,794
Past due receivables:						
up to 30 days	3,820,265	-38,625	3,781,640	3,398,625	-34,003	3,364,622
31 to 60 days overdue	691,522	-69,268	622,254	820,247	-82,810	737,437
61 to 90 days overdue	180,338	-31,322	149,016	128,273	-25,534	102,739
91 to 180 days overdue	141,520	-46,459	95,061	222,404	-86,743	135,661
more than 181 days overdue	1,231,916	-1,062,215	169,701	1,172,476	-1,011,432	161,044
Total	51,866,082	-1,421,261	50,444,821	41,383,767	-1,373,470	40,010,297

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

Cash and cash equivalents

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Cash in hand	1,230	1,687	24,319	16,191
Bank balances	23,814,448	15,340,739	46,491,836	37,642,494
Current deposits	1,000,000	1,000,000	2,980,000	2,980,000
Total	24,815,678	16,342,426	49,496,155	40,638,685

Equity

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
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	224,907,699	224,907,699	224,907,699	224,907,699
<i>Legal reserves</i>	18,765,115	18,765,115	18,765,115	18,765,115
<i>Other revenue reserves</i>	206,142,584	206,142,584	206,142,584	206,142,584
Reserves arising from valuation at fair value	21,817,668	29,692,618	22,097,015	30,036,801
Retained earnings	29,592,320	14,632,155	63,769,456	46,969,402
Net profit for the period	15,539,459	14,960,165	16,438,911	16,800,054
Equity of owners of the parent	439,840,814	432,176,305	475,196,749	466,697,624
Non-controlling interests	0	0	281,512	267,704
Equity	439,840,814	432,176,305	475,478,261	466,965,328

Provisions

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Provisions for retirement benefits and similar obligations	7,565,763	7,784,631	8,169,712	8,388,580
Provisions for legal disputes	11,317,114	11,366,109	11,317,114	11,366,109
Total	18,882,877	19,150,740	19,486,826	19,754,689

Movement of provisions of Luka Koper, d. d.

(in EUR)	1. Termination benefits	2. Jubilee premiums	3. Defined contribution retirement benefit plan	Total benefits (1., 2. and 3.)	Claims and damages	Total
Balance at 31 Dec 2020	4,265,020	804,263	1,601,811	6,671,094	10,601,960	17,273,054
Movement:						
Formation	510,460	74,395	1,012,000	1,596,855	1,258,949	2,855,804
Transfer	0	0	-710	-710	0	-710
Use	-131,303	-58,485	-256,498	-446,286	-6,454	-452,740
Reversal	-27,862	-8,460	0	-36,322	-488,346	-524,668
Balance at 31 Dec 2021	4,616,315	811,713	2,356,603	7,784,631	11,366,109	19,150,740
Movement:						
Formation	0	0	258,830	258,830	0	258,830
Transfer	0	0	-63,495	-63,495	0	-63,495
Use	0	0	-414,203	-414,203	-41,851	-456,054
Reversal	0	0	0	0	-7,144	-7,144
Balance at 31 Mar 2022	4,616,315	811,713	2,137,735	7,565,763	11,317,114	18,882,877

Movement of provisions of the Luka Koper Group

(in EUR)	1. Termination benefits	2. Jubilee premiums	3. Defined contribution retirement benefit plan	Total benefits (1., 2. and 3.)	Claims and damages	Total
Balance at 31 Dec 2020	4,876,150	863,101	1,601,811	7,341,062	10,601,960	17,943,022
Movement:						
Formation	494,233	83,984	1,012,000	1,590,217	1,258,949	2,849,166
Use	-163,607	-68,732	-257,208	-489,547	-6,454	-496,001
Reversal	-43,425	-9,727	0	-53,152	-488,346	-541,498
Balance at 31 Dec 2021	5,163,351	868,626	2,356,603	8,388,580	11,366,109	19,754,689
Movement:						
Formation	0	0	258,830	258,830	0	258,830
Transfer	0	0	-63,495	-63,495	0	-63,495
Use	0	0	-414,203	-414,203	-41,851	-456,054
Reversal	0	0	0	0	-7,144	-7,144
Balance at 31 Mar 2022	5,163,351	868,626	2,137,735	8,169,712	11,317,114	19,486,826

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	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Long-term deferred income for regular maintenance	22,413,982	21,642,989	22,413,982	21,642,989
Non-refundable grants received	7,147,455	7,235,652	7,314,450	7,376,030
Other non-current deferred income	0	0	1,091,512	1,118,357
Total	29,561,437	28,878,641	30,819,944	30,137,376

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 desimbursed 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.

The 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	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Non-current borrowings from domestic banks	38,550,032	40,606,555	38,550,032	40,606,555
Non-current borrowings from foreign banks	19,508,197	20,081,967	19,508,197	20,081,967
Total	58,058,229	60,688,522	58,058,229	60,688,522

Other non-current financial liabilities

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Other non-current financial liabilities	937,537	967,048	897,455	967,241
Total	937,537	967,048	897,455	967,241

Current borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
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
Total	10,521,175	10,521,175	10,521,175	10,521,175

Trade and other payables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Current liabilities to domestic suppliers	20,600,354	24,306,362	20,966,165	24,965,306
Current liabilities to foreign suppliers	413,399	793,099	433,590	835,045
Current liabilities to Group companies	816,168	677,951	0	0
Current liabilities to associates	98,074	51,492	98,074	51,492
Current liabilities from advances	3,754,816	2,623,337	3,952,973	2,826,077
Current liabilities to employees	5,994,931	5,735,227	6,375,768	6,150,732
Current liabilities to state and other institutions	1,021	444	113,996	17,240
Total operating liabilities	31,678,763	34,187,912	31,940,566	34,845,892
Other operating liabilities	11,771,460	6,141,289	12,244,349	6,479,054
Total	43,450,223	40,329,201	44,184,915	41,324,946

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.		The Luka Koper Group	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
Guarantees given	3,110,000	3,110,000	3,386,323	3,386,323
Securities given	1,707,352	1,837,640	1,707,352	1,837,640
Contingent liabilities under legal disputes	23,993,522	23,968,442	23,993,522	23,968,442
	28,810,874	28,916,082	29,087,197	29,192,405

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. and the Government of the Republic of Slovenia

(in EUR)	Luka Koper, d. d.			
	Payments		Costs/	
	in period 1 - 3 2022	in period 1 - 3 2022	in period 1 - 3 2021	in period 1 - 3 2021
Concessions and water fee	1,826,365	2,404,025	1,910,823	1,922,196
Transshipment tax	1,398,330	1,556,704	1,081,960	1,258,454
Corporate income tax (taxes and advance payments)	830,510	3,641,081	1,741,590	1,567,676
Other taxes and contributions	2,514,092	2,510,647	2,194,186	2,478,393
Total	6,569,297	10,112,457	6,928,559	7,226,719

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

Transactions between the Luka Koper Group and the Government of the Republic of Slovenia

(in EUR)	Luka Koper Group			
	Payments in period 1 - 3 2022	Costs/ expenses in period 1 - 3 2022	Payments in period 1 - 3 2021	Costs/ expenses in period 1 - 3 2021
Concessions and water fee	1,826,365	2,404,025	1,910,823	1,922,196
Transshipment tax	1,398,330	1,556,704	1,081,960	1,258,454
Corporate income tax (taxes and advance payments)	875,418	3,677,432	1,764,939	1,589,321
Other taxes and contributions	2,608,918	2,703,655	2,256,501	2,666,450
Total	6,709,031	10,341,816	7,014,223	7,436,421

The Luka Koper 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 quarter of 2022, Luka Koper, d. d., sales transactions conducted between Luka Koper, d. d., and entities in which the state has directly dominant influence were recorded at EUR 3,050,284 and purchasing transactions amounted to EUR 1,641,751. 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 31 March 2022, Luka Koper, d. d., recorded receivables in the amount of EUR 1,792,979 and liabilities in the amount of EUR 16,298,794. 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 quarter of 2022, the Luka Koper Group conducted transactions in the amount of EUR 3,066,097 referring to the sales to companies where the State has direct dominant influence, and transactions in the amount of EUR 1,687,414 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 31 March 2022, the Luka Koper Group recorded receivables in the amount of EUR 1,834,265 and liabilities in the amount of EUR 16,329,785. 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 - March 2022, 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.

Book and fair values of financial instruments

(in EUR)	Luka Koper, d. d.			
	Carrying amount at 31 Mar 2022	Fair value at 31 Mar 2022	Carrying amount at 31 Dec 2021	Fair value at 31 Dec 2021
Non-derivative financial assets at fair value				
Financial assets at fair value through profit or loss	3,387,790	3,387,790	3,415,492	3,415,492
Financial assets at fair value through other comprehensive income	43,449,681	43,449,681	53,171,843	53,171,843
Non-derivative financial assets at amortised cost				
Financial claims	2,941	2,941	3,336	3,336
Operating receivables (excluding receivables due from the state, advances and collaterals given)	50,939,055	50,939,055	40,416,095	40,416,095
Assets from contracts with customers	0	0	318,339	318,339
Cash and cash equivalents	24,815,678	24,815,678	16,342,426	16,342,426
Total non-derivative financial assets	122,595,145	122,595,145	113,667,531	113,667,531
Non-derivative financial liabilities at amortised cost				
Bank loans and other financial liabilities	68,579,404	68,579,404	71,209,697	71,209,697
Lease liabilities	1,293,691	1,293,691	1,383,370	1,383,370
Operating liabilities (excluding other non-current and current liabilities, current liabilities to the state, employees and from advances and collaterals)	21,927,995	21,927,995	25,828,904	25,828,904
Total non-derivative financial liabilities	91,801,090	91,801,090	98,421,971	98,421,971

(in EUR)	Luka Koper group			
	Carrying amount at 31 Mar 2022	Fair value at 31 Mar 2022	Carrying amount at 31 Dec 2021	Fair value at 31 Dec 2021
Non-derivative financial assets at fair value				
Financial assets at fair value through profit or loss	5,873,565	5,873,565	5,901,267	5,901,267
Financial assets at fair value through other comprehensive income	44,268,602	44,268,602	54,070,809	54,070,809
Non-derivative financial assets at amortised cost				
Financial claims	8,484	8,484	8,879	8,879
Operating receivables (excluding receivables due from the state, advances and collaterals given)	51,226,596	51,226,596	40,824,362	40,824,362
Assets from contracts with customers	0	0	318,339	318,339
Cash and cash equivalents	49,496,155	49,496,155	40,638,685	40,638,685
Total non-derivative financial assets	150,873,402	150,873,402	141,762,341	141,762,341
Non-derivative financial liabilities at amortised cost				
Bank loans and other financial liabilities	68,579,404	68,579,404	71,209,697	71,209,697
Lease liabilities	1,251,691	1,251,691	1,343,495	1,343,495
Operating liabilities (excluding other non-current and current liabilities, current liabilities to the state, employees and from advances and collaterals)	21,497,829	21,497,829	25,851,843	25,851,843
Total non-derivative financial liabilities	91,328,924	91,328,924	98,405,035	98,405,035

1. Risk management and change in fair value

Luka Koper, d. d.

As at 31 March 2022, 7.7 percent of the Company's assets were financial investments measured at fair value (at the end of the previous year 9.5 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 31 March 2022, the value of non-current investments at fair value amounted to EUR 46,837,471.

The sensitivity analysis of investments at fair value 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 31 Mar 2022	Fair value at 31 Mar 2022	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	46,837,471	46,837,471	45,925,486	0	911,985
Non-current loans given**	1,298	1,298	0	0	1,298
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial asstes					
Current loans given**	1,643	1,643	0	0	1,643
Non-current financial liabilities					
Non-current loans and borrowings**	58,058,229	58,058,229	0	0	58,058,229
Non-current operating liabilities**	99,132	99,132	0	0	99,132
Current financial liabilities					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	49,414	49,414	0	0	49,414

* measured at fair value ** presented at fair value

(in EUR)	Carrying amount at 31 Dec 2021	Fair value at 31 Dec 2021	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	56,587,335	56,587,335	55,675,350	0	911,985
Non-current loans given**	1,717	1,717	0	0	1,717
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial asstes					
Current loans given**	1,619	1,619	0	0	1,619
Non-current financial liabilities					
Non-current loans and borrowings**	60,688,522	60,688,522	0	0	60,688,522
Non-current operating liabilities**	106,025	106,025	0	0	106,025
Current financial liabilities					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	52,260	52,260	0	0	52,260

* measured at fair value ** presented at fair value

The book value of receivables and current liabilities 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/Group uses the information available to it to compare the value of the investment that the Company/Group 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 31 March 2022, 7.8 percent of the Group's assets were financial investments measure at fair value (as at 31 December 2021, 9.5 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 31 March 2022, the value of non-current investments at fair value amounted to EUR 50,142,167.

The sensitivity analysis of investments at fair value 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 31 Mar 2022	Fair value at 31 Mar 2022	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	50,142,167	50,142,167	46,744,407	0	3,397,760
Non-current loans given**	6,841	6,841	0	0	6,841
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial assets					
Current loans given**	1,643	1,643	0	0	1,643
Non-current financial liabilities					
Non-current loans and borrowings**	58,058,229	58,058,229	0	0	58,058,229
Non-current operating liabilities**	139,932	139,932	0	0	139,932
Current financial liabilities					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	49,414	49,414	0	0	49,414

* measured at fair value ** presented at fair value

(in EUR)	Carrying amount at 31 Dec 2021	Fair value at 31 Dec 2021	Direct stock market quotation (Level 1)	Value defined on the basis of comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	59,972,076	59,972,076	56,574,316	0	3,397,760
Non-current loans given**	7,260	7,260	0	0	7,260
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial assets					
Current loans given**	1,619	1,619	0	0	1,619
Non-current financial liabilities					
Non-current loans and borrowings**	60,688,522	60,688,522	0	0	60,688,522
Non-current operating liabilities**	143,693	143,693	0	0	143,693
Current financial liabilities					
Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
Other current financial liabilities**	52,260	52,260	0	0	52,260

* measured at fair value ** presented at fair value

The book value of receivables and current liabilities 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 Company/Group uses the information available to it to compare the value of the investment that the Company/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 at 31 March 2022, the share of financial liabilities (excluding other financial liabilities) decreased in the overall structure of the Company's liabilities from the initial 11.9 percent at the end of 2021 to 11.3 percent as at 31 March 2022. 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 53.5 percent (the same as at 31 December 2021) of total borrowings.; the remaining 46.5 percent of borrowings were concluded with a fixed interest rate.

Overview of exposure

(in EUR)	31 Mar 2022	Exposure 31 Mar 2022	31 Dec 2021	Exposure 31 Dec 2021
Borrowings received at variable interest rate (without interest rate hedge)	36,678,279	53.5%	38,127,049	53.5%
Borrowings received at nominal interest rate	31,901,125	46.5%	33,082,648	46.5%
Total	68,579,404	100.0%	71,209,697	100.0%

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	Increase by 100 bp	Increase by 150 bp
Balance at 31 Mar 2022						
3M EURIBOR	36,678,279	32,705	54,508	138,015	356,048	574,080
Total effect on interests expenses	36,678,279	32,705	54,508	138,015	356,048	574,080
Balance at 31 Dec 2021						
3M EURIBOR	38,127,049	33,566	55,943	111,885	283,406	437,791
Total effect on interests expenses	38,127,049	33,566	55,943	111,885	283,406	437,791

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, 50, 100 and 150 base points. As at 31 March 2022 the Company's borrowings not hedged against interest rate were subject to the movement of 3M Euribor.

In the last period, the value of Euribor has been growing significantly, but the value of the three-month Euribor, to which loans of the Company with a variable interest rate are tied, remains in the negative range. According to the European Central Bank's forecast for raising the key interest rate, followed by the movement of reference interest rates, can be expected an additional growth in the value of Euribor in the coming periods, which may lead to an increase in interest expenses of the Company.

Luka Koper Group

As at 31 March 2022, the share of financial liabilities (excluding other financial liabilities) in the overall structure of Group's liabilities decreased from the initial 11.2 percent at the end of 2021 to 10.6 percent as at 31. March 2022. The effect of variable interest rates changes on future profit and losses after taxes is shown in the table below.

Possible interest rate fluctuations would consequently have an impact on 53.5 percent of all borrowings (the same as at 31 December 2021). The remaining 46.5 percent of borrowings were concluded with a fixed interest rate.

Overview of exposure

(in EUR)	31 Mar 2022	Exposure 31 Mar 2022	31 Dec 2021	Exposure 31 Dec 2021
Borrowings received at variable interest rate (without interest rate hedge)	36,678,279	53.5%	38,127,049	53.5%
Borrowings received at nominal interest rate	31,901,125	46.5%	33,082,648	46.5%
Total	68,579,404	100.0%	71,209,697	100.0%

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	Increase by 100 bp	Increase by 150 bp
Balance at 31 Mar 2022						
3M EURIBOR	36,678,279	32,705	54,508	138,015	356,048	574,080
Total effect on interests expenses	36,678,279	32,705	54,508	138,015	356,048	574,080
Balance at 31 Dec 2021						
3M EURIBOR	38,127,049	33,566	55,943	111,885	283,406	437,791
Total effect on interests expenses	38,127,049	33,566	55,943	111,885	283,406	437,791

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, 50, 100 and 150 base points. As at 31 March 2022, the Group's borrowings not hedged against interest rate risk were subject to the movement of the 3M Euribor.

In the last period, the value of Euribor has been growing significantly, but the value of the three-month Euribor, to which loans of the Group with a variable interest rate are tied, remains in the negative range. According to the European Central Bank's forecast for raising the key interest rate, followed by the movement of reference interest rates, can be expected an additional growth in the value of Euribor in the coming periods, which may lead to an increase in interest expenses of the Group.

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, in such a way that is able to meet all due obligations at any time. 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.

(in EUR)	Luka Koper, d. d.					
	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	Total
31 Mar 2021						
Loans and borrowings	2,630,294	7,890,881	10,521,175	28,938,524	18,598,531	68,579,403
Accrued interest maturing in the next calendar year	100,716	287,379	348,600	538,802	122,197	1,397,694
Liabilities from lease	91,152	265,002	322,011	615,526	0	1,293,691
Other financial liabilities	49,414	0	0	0	0	49,414
Payables to suppliers	27,923,947	0	0	0	0	27,923,947
Other operating liabilities	11,771,460	0	0	0	0	11,771,460
Total	42,566,982	8,443,262	11,191,786	30,092,852	18,720,728	111,015,610
31 Dec 2021						
Loans and borrowings	2,630,294	7,890,881	10,521,175	29,813,524	20,353,824	71,209,697
Accrued interest maturing in the next calendar year	104,564	289,535	326,128	581,025	128,610	1,429,862
Liabilities from lease	91,292	325,030	231,003	736,045	0	1,383,370
Other financial liabilities	52,260	0	0	0	0	52,260
Current operating liabilities	31,564,575	0	0	0	0	31,564,575
Other operating liabilities	6,141,289	0	0	0	0	6,141,289
Total	40,584,273	8,505,446	11,078,306	31,130,594	20,482,435	111,781,053

(in EUR)	Luka Koper Group					
	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	Total
31 Mar 2021						
Loans and borrowings	2,630,294	7,890,881	10,521,175	28,938,524	18,598,531	68,579,403
Accrued interest maturing in the next calendar year	100,716	287,379	348,600	538,802	122,197	1,397,694
Liabilities from a lease	109,860	244,376	281,928	615,526	0	1,251,691
Other financial liabilities	49,414	0	0	0	0	49,414
Current operating liabilities	27,987,593	0	0	0	0	27,987,593
Other operating liabilities	12,244,349	0	0	0	0	12,244,349
Total	43,122,225	8,422,636	11,151,703	30,092,852	18,720,728	111,510,144
31 Dec 2021						
Loans and borrowings	2,630,294	7,890,881	10,521,175	29,813,524	20,353,824	71,209,697
Accrued interest maturing in the next calendar year	104,564	289,535	326,128	581,025	128,610	1,429,862
Liabilities from a lease	107,194	269,060	284,707	682,534	0	1,343,495
Other financial liabilities	52,260	0	0	0	0	52,260
Current operating liabilities	32,019,815	0	0	0	0	32,019,815
Other operating liabilities	6,479,054	0	0	0	0	6,479,054
Total	41,393,180	8,449,476	11,132,010	31,077,083	20,482,435	112,534,184

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 Mar 2022	31 Dec 2021	30 Mar 2022	31 Dec 2021
Non-current loans	1,298	1,717	6,841	7,260
Non-current operating liabilities	39,991	39,991	39,991	39,991
Current loans	1,643	1,619	1,643	1,619
Current trade receivables	50,194,036	39,668,097	50,444,821	40,010,297
Other current receivables	2,764,878	2,745,273	2,965,886	2,949,258
Cash and cash equivalents	24,815,678	16,342,426	49,496,155	40,638,685
Total	77,817,524	58,799,123	102,955,337	83,647,110

As follows from the maturity structure of trade receivables as at 31 March 2022, compared to the structure as at 31 December 2021 (on page 46), no deterioration in customer payment discipline was observed in the Company/Group.

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 31 March 2022, the percentage in the Company was 27.6 percent, which was an increase of 0.1 percent compared to 31 December 2021, whereas in the Group 26.4 percent, which was also an increase of 0.1 percent in comparison with 31 December 2021.

(in EUR)	Luka Koper, d. d.				Luka Koper Group			
	31 Mar 2022		31 Dec 2021		31 Mar 2022		31 Dec 2021	
	in EUR	share (in %)	in EUR	share (in %)	in EUR	share (in %)	in EUR	share (in %)
Equity	439,840,814	72.4%	432,176,305	72.5%	475,478,261	73.6%	466,965,328	73.6%
Non-current liabilities	107,539,212	17.7%	109,790,976	18.4%	109,402,386	16.9%	111,691,521	17.6%
Current liabilities	60,318,374	9.9%	54,449,795	9.1%	61,063,439	9.5%	55,446,409	8.7%
Total accumulated profit	607,698,400	100.0%	596,417,076	100.0%	645,944,086	100.0%	634,103,258	100.0%

15 **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 31 March 2022, 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 for January – March 2022 have been compiled in accordance with the same accounting policies and principles applicable in Luka Koper, d. d. and Luka Koper Group annual reports 2021.

These condensed interim statements for the period ending 31 March 2022, 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 2021. Financial statements for 2021 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:



Boštjan Napast

President of the Management Board



Robert Rožac

Member of the Management



Vojko Rotar

Member of the Management Board – Labour Director

Koper, 17 May 2022