

# Business Results and Unaudited Unconsolidated Financial Statements of KONČAR – Electrical Industry Inc. for manufacturing and services

January – June 2024



# KONČAR

Inspired by challenge

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# A Management Board Report on the business activity of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January – June 2024

## Introduction

The Parent Company of the Group is KONČAR – Electrical Industry Inc. for manufacturing and services. As the Parent Company, the Company draws up consolidated reports, which are presented separately.

This Statement for the period January – June 2024 is a report of the Company as a separate entity. The subsidiaries within the Group are legally autonomous companies that the Parent Company oversees, strategically directs and supports through the supervisory boards and general assemblies of the respective companies, all in compliance with the Companies Act, the Articles of Association of KONČAR – Electrical Industry Inc., and the Articles of Association and Memoranda of Incorporation of the member companies. The Parent Company administers assets not allocated to subsidiaries but employed both directly and indirectly to bolster the marketing, products, and equipment of associate companies by offering credit-guarantee support.

As the Parent Company of the Group, KONČAR – Electrical Industry Inc. for manufacturing and services invoices the following services to its subsidiaries:

- Brand usage fee (fee for the usage of company name, trademark and service mark),
- Part of the cost of organized joint exhibitions at fairs,
- Part of the cost of foreign branch offices,
- Part of the cost of joint marketing activities,
- Management seminars, employee training etc.

in EUR 000	Index			
	Q II 2023	Q II 2024	Δ	2024/2023
<b>Total operating income</b>	<b>14,057</b>	<b>19,202</b>	<b>5,145</b>	<b>136.6</b>
Sales income	14,035	19,065	5,030	135.8
Dividend received	8,685	13,385	4,700	154.1
Income from contracts with customers	5,350	5,680	330	106.2
Other operating income	21	138	117	
<b>Operating expenses</b>	<b>5,413</b>	<b>6,723</b>	<b>1,310</b>	<b>124.2</b>
EBIT	8,644	12,479	3,835	144.4
Net profit	9,355	13,733	4,378	146.8
<b>EBITDA</b>	<b>9,197</b>	<b>13,068</b>	<b>3,871</b>	<b>142.1</b>
Normalized EBITDA <sup>1</sup>	9,206	13,154	3,948	142.9

Normalized EBITDA<sup>1</sup>: EBITDA less the net effect of provisions, asset sale income, loss compensation income and other operating income

## Business results

For the period January – June 2024, KONČAR – Electrical Industry Inc. for manufacturing and services generated EUR 19.2 million in operating income, which is a 36.61% rise year-on-year.

Revenues generated from sales of goods and services amount to EUR 5.7 million, which is a year-on-year increase of 6.16%. Dividend received from Group subsidiaries amounts to EUR 13.4 million (H1 2023: EUR 8.7 million).

Operating expenses amount to EUR 6.7 million, which represents 24.19% rise on H1 2023.

Operating expenses comprise the following:

- Material costs amount to EUR 1.7 million (H1 2023: EUR 1.4 million), representing a 19.83% increase year-on-year.
- Staff costs amount to EUR 1.9 million, which is a 14.05% increase year-on-year. The average number of employees in the reporting period was 81 employees, while in the corresponding period in 2023 it stood at 67 employees.
- Depreciation and amortization amount to EUR 589 thousand, marking a 6.5% increase from H1 2023.
- Other costs amount to EUR 2.5 million marking an increase of 40.1% compared to H1 2023.
- In line with the 2023 tax return, the Company is under obligation to pay the 2024 income tax advance. However, based on current estimates, no tax expense is expected for 2024, and therefore, none has been recognized in this quarter's financial statements.

Financial income totalled EUR 1.3 million, representing a 78% increase from H1 2023. Financial income mostly includes interest on loans given to subsidiaries, overnight interest, and the mark-to-market revaluation of shares. Financial expenditure totalled EUR 16,0 thousand, marking an increase of EUR 14,0 thousand compared to H1 2023.

## Statement of financial position

The value of total assets of KONČAR – Electrical Industry Inc. for manufacturing and services as at 30 June 2024 amounts to EUR 263.7 million, which represents a growth of EUR 9.8 million, or 3.9% compared to the balance as at 31 December 2023.

Total non-current assets amount to EUR 187.1 million, which is EUR 6.7 million (or 3.5%) below the position as at 31 December 2023. As a result of depreciation and amortization, the non-current intangible assets decreased by 15.5% as of 31 December 2023, while tangible assets increased by 4% compared to the balance as of 31 December 2023, which pertains to investments in company properties and equipment.

Total current assets amount to EUR 75.1 million, reflecting an increase of EUR 16.1 million compared to the balance as at 31 December 2023. This change is primarily due to a decrease in receivables by EUR 8.0 million, an increase in loans granted by EUR 50.0 million, and a decrease in cash by EUR 25.5 million.

Non-current assets held for sale amount to EUR 0.8 million, remaining at the same level compared to the balance as at 31 December 2023.

During regular operations, there was a reduction in receivables from ordinary activities and dividend receivables, primarily due to the collection of dividends and other receivables during the reporting period.

As of 30 June 2024, the balance of cash and cash equivalents stands at EUR 12.8 million, representing a decrease of EUR 25.5 million since the beginning of the year.

Prepaid expenses pertain to costs related to fairs, marketing activities, and strategic project expenses that are to be invoiced to subsidiaries.

Total capital and reserves as at 30 June 2024 amount to EUR 248.2 million, which is a EUR 7.4 million rise compared to the position as at 31 December 2023. The noted increase results from the half-year profit and the allocation of the 2023 profit, resulting in a EUR 6.4 million dividend payment obligation to shareholders.

Provisions for retirement benefits and years-of-service rewards decreased by EUR 0.5 million due to severance pay liabilities to Board members whose terms of office concluded in January 2024.

Current liabilities rose by EUR 4.5 million, or 46% compared to the balance as at 31 December 2023.

Liabilities for loans increased by EUR 5.0 million, pertaining to a loan received from the subsidiary. Liabilities to suppliers decreased due to the settlement of major investment obligations. Additionally, dividend payment obligations were established pursuant to the Resolution of the General Assembly.

Current provisions and deferrals decreased compared to 31 December 2023 due to the invoicing of accrued items from 2023.

As of 30 June 2024, off-balance sheet items included mostly security instruments (including corporate guarantees to third parties) issued at the request of the Group subsidiaries for the requirements of financial institutions and suppliers.



# B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January – June 2024

## Annex 1

### ISSUER'S GENERAL DATA

Reporting period:	<b>01/01/2024</b>	to	<b>30/06/2024</b>
Year:	<b>2024</b>	Quarter:	<b>2</b>

### Quarterly financial statements

Registration number (MB):	<b>03282635</b>	Issuer's home Member State code:	<b>HR</b>
Entity's registration number (MBS)	<b>080040936</b>		
Personal identification number (OIB):	<b>45050126417</b>	LEI:	<b>74780000H0SHMRAW0115</b>
Institution code:	<b>501</b>		
Name of the issuer:	<b>KONČAR - Electrical Industry Inc. for manufacturing and services</b>		
Postcode and town:	<b>10000</b>	<b>ZAGREB</b>	
Street and house number:	<b>FALLEROVO ŠETALIŠTE 22</b>		
E-mail address:	<b>koncar.finance@koncar.hr</b>		
Web address:	<b>www.koncar.hr</b>		
Number of employees (end of the reporting period):	<b>89</b>		
Consolidated report:	<b>KN</b>	(KN-not consolidated/KD-consolidated)	
Audited:	<b>RN</b>	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:	
Bookkeeping firm:		(Yes/No)	
Contact person:	<b>Sandra Ivanjko Biga</b> (only name and surname of the contact person)		
Telephone:	<b>01 3655 160</b>		
E-mail address:	<b>sandra.ivanjkobiga@koncar.hr</b>		
Audit firm:	<b>KPMG</b> (name of the audit firm)		
Certified auditor:	<b>Igor Gošek</b> (name and surname)		



## BALANCE SHEET

### balance as at 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	<b>193,802,588</b>	<b>187,101,271</b>
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	<b>61,756</b>	<b>52,179</b>
1 Research and development	<b>004</b>	0	0
2 Concessions, patents, licences, trademarks, software and other rights	<b>005</b>	61,756	52,179
3, Goodwill	<b>006</b>	0	0
4 Advances for the purchase of intangible assets	<b>007</b>	0	0
5 Intangible assets in preparation	<b>008</b>	0	0
6 Other intangible assets	<b>009</b>	0	0
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	<b>52,829,538</b>	<b>54,911,951</b>
1 Land	<b>011</b>	442,521	442,521
2 Buildings	<b>012</b>	2,436,105	2,370,298
3 Plant and equipment	<b>013</b>	643,075	858,395
4 Tools, working inventory and transportation assets	<b>014</b>	6,338	0
5 Biological assets	<b>015</b>	0	0
6 Advances for the purchase of tangible assets	<b>016</b>	0	0
7 Tangible assets in preparation	<b>017</b>	3,598,289	4,698,453
8 Other tangible assets	<b>018</b>	7,398	7,398
9 Investment property	<b>019</b>	45,695,812	46,534,886
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	<b>139,624,132</b>	<b>130,849,979</b>
1 Investments in holdings (shares) of undertakings within the group	<b>021</b>	109,560,702	115,551,067
2 Investments in other securities of undertakings within the group	<b>022</b>	0	0
3 Loans, deposits, etc, to undertakings within the group	<b>023</b>	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	<b>024</b>	8,988,288	8,988,288
5 Investment in other securities of companies linked by virtue of participating interests	<b>025</b>	0	0
6 Loans, deposits etc, to companies linked by virtue of participating interests	<b>026</b>	0	0
7 Investments in securities	<b>027</b>	456,654	585,624
8 Loans, deposits, etc, given	<b>028</b>	20,618,488	5,725,000
9 Other investments accounted for using the equity method	<b>029</b>	0	0
10 Other fixed financial assets	<b>030</b>	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	<b>1,287,162</b>	<b>1,287,162</b>
1 Receivables from undertakings within the group	<b>032</b>	0	0
2 Receivables from companies linked by virtue of participating interests	<b>033</b>	0	0
3 Customer receivables	<b>034</b>	1,287,162	1,287,162
4 Other receivables	<b>035</b>	0	0
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	<b>0</b>	<b>0</b>
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	<b>58,929,392</b>	<b>75,062,003</b>
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	<b>757,255</b>	<b>757,255</b>
1 Raw materials and consumables	<b>039</b>	0	0
2 Work in progress	<b>040</b>	0	0
3 Finished goods	<b>041</b>	0	0
4 Merchandise	<b>042</b>	0	0
5 Advances for inventories	<b>043</b>	0	0
6 Fixed assets held for sale	<b>044</b>	757,255	757,255
7 Biological assets	<b>045</b>	0	0

## BALANCE SHEET

### balance as at 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>II RECEIVABLES (ADP 047 to 052)</b>			
	<b>046</b>	<b>14,802,613</b>	<b>6,832,398</b>
1 Receivables from undertakings within the group	<b>047</b>	6,064,940	6,125,729
2 Receivables from companies linked by virtue of participating interests	<b>048</b>	8,145,892	59,470
3 Customer receivables	<b>049</b>	51,106	32,115
4 Receivables from employees and members of the undertaking	<b>050</b>	4,825	1,410
5 Receivables from government and other institutions	<b>051</b>	212,873	145,241
6 Other receivables	<b>052</b>	322,977	468,433
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>			
	<b>053</b>	<b>5,027,376</b>	<b>54,655,864</b>
1 Investments in holdings (shares) of undertakings within the group	<b>054</b>	0	0
2 Investments in other securities of undertakings within the group	<b>055</b>	0	0
3 Loans, deposits, etc, to undertakings within the group	<b>056</b>	5,027,376	54,655,864
4 Investments in holdings (shares) of companies linked by virtue of participating interests	<b>057</b>	0	0
5 Investment in other securities of companies linked by virtue of participating interests	<b>058</b>	0	0
6 Loans, deposits etc, to companies linked by virtue of participating interests	<b>059</b>	0	0
7 Investments in securities	<b>060</b>	0	0
8 Loans, deposits, etc, given	<b>061</b>	0	0
9 Other financial assets	<b>062</b>	0	0
IV CASH AT BANK AND IN HAND	<b>063</b>	38,342,148	12,816,486
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	1,168,335	1,539,558
<b>E ) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	<b>253,900,315</b>	<b>263,702,832</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
	<b>066</b>	301,355,775	329,756,534
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)</b>			
	<b>067</b>	240,834,045	248,201,411
<b>I INITIAL (SUBSCRIBED) CAPITAL</b>			
	<b>068</b>	159,471,378	159,471,378
<b>II CAPITAL RESERVES</b>			
	<b>069</b>	1,072,189	1,072,189
<b>III RESERVES FROM PROFIT (ADP 071+072-073+074+075)</b>			
	<b>070</b>	57,272,455	57,705,725
1 Legal reserves	<b>071</b>	7,540,299	7,973,569
2 Reserves for treasury shares	<b>072</b>	4,507,291	6,032,193
3 Treasury shares and holdings (deductible item)	<b>073</b>	-2,032,193	-2,032,193
4 Statutory reserves	<b>074</b>	28,891,636	28,891,636
5 Other reserves	<b>075</b>	18,365,422	16,840,520
<b>IV REVALUATION RESERVES</b>			
	<b>076</b>	0	0
<b>V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)</b>			
	<b>077</b>	0	0
1 Financial assets at fair value through other comprehensive income (i.e, available for sale)	<b>078</b>	0	0
2 Cash flow hedge - effective portion	<b>079</b>	0	0
3 Hedge of a net investment in a foreign operation - effective portion	<b>080</b>	0	0
4 Other fair value reserves	<b>081</b>	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	<b>082</b>	0	0
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>			
	<b>083</b>	9,310,565	16,218,785
1 Retained profit	<b>084</b>	9,310,565	16,218,785
2 Loss brought forward	<b>085</b>	0	0
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>			
	<b>086</b>	13,707,458	13,733,334
1 Profit for the business year	<b>087</b>	13,707,458	13,733,334
2 Loss for the business year	<b>088</b>	0	0
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>			
	<b>089</b>	0	0



## BALANCE SHEET

### balance as at 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>090</b>	<b>1,449,235</b>	<b>957,536</b>
1 Provisions for pensions, termination benefits and similar obligations	<b>091</b>	1,449,235	957,536
2 Provisions for tax liabilities	<b>092</b>	0	0
3 Provisions for ongoing legal cases	<b>093</b>	0	0
4 Provisions for renewal of natural resources	<b>094</b>	0	0
5 Provisions for warranty obligations	<b>095</b>	0	0
6 Other provisions	<b>096</b>	0	0
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>097</b>	<b>0</b>	<b>0</b>
1 Liabilities to undertakings within the group	<b>098</b>	0	0
2 Liabilities for loans, deposits, etc, of undertakings within the group	<b>099</b>	0	0
3 Liabilities to companies linked by virtue of participating interests	<b>100</b>	0	0
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	<b>101</b>	0	0
5 Liabilities for loans, deposits etc,	<b>102</b>	0	0
6 Liabilities to banks and other financial institutions	<b>103</b>	0	0
7 Liabilities for advance payments	<b>104</b>	0	0
8 Liabilities to suppliers	<b>105</b>	0	0
9 Liabilities for securities	<b>106</b>	0	0
10 Other long-term liabilities	<b>107</b>	0	0
11 Deferred tax liability	<b>108</b>	0	0
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	<b>9,841,921</b>	<b>14,365,326</b>
1 Liabilities to undertakings within the group	<b>110</b>	2,497,665	1,563,047
2 Liabilities for loans, deposits, etc, of undertakings within the group	<b>111</b>	0	5,013,699
3 Liabilities to companies linked by virtue of participating interests	<b>112</b>	0	0
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	<b>113</b>	0	0
5 Liabilities for loans, deposits etc,	<b>114</b>	0	0
6 Liabilities to banks and other financial institutions	<b>115</b>	0	0
7 Liabilities for advance payments	<b>116</b>	0	0
8 Liabilities to suppliers	<b>117</b>	5,471,168	888,525
9 Liabilities for securities	<b>118</b>	0	0
10 Liabilities to employees	<b>119</b>	676,973	324,166
11 Taxes, contributions and similar liabilities	<b>120</b>	872,478	158,664
12 Liabilities arising from the share in the result	<b>121</b>	60,625	6,411,163
13 Liabilities arising from fixed assets held for sale	<b>122</b>	0	0
14 Other short-term liabilities	<b>123</b>	263,012	6,062
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	<b>1,775,114</b>	<b>178,559</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	<b>253,900,315</b>	<b>263,702,832</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	<b>301,355,775</b>	<b>329,756,534</b>

## STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	14,056,646	2,614,945	19,202,484	2,467,469
1 Income from sales with undertakings within the group	002	13,976,530	2,568,248	19,010,565	2,411,124
2 Income from sales (outside group)	003	59,204	33,829	54,169	26,823
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	1,994	997	22,505	21,508
5 Other operating income (outside the group)	006	18,918	11,871	115,245	8,014
<b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>	<b>007</b>	5,413,104	2,795,510	6,722,668	3,435,205
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	1,409,648	759,268	1,689,200	876,444
a) Costs of raw materials and consumables	010	109,731	57,407	95,665	44,315
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	1,299,917	701,861	1,593,535	832,129
3 Staff costs (ADP 014 to 016)	013	1,638,645	817,739	1,868,910	995,038
a) Net salaries and wages	014	914,351	458,746	1,132,166	637,348
b) Tax and contributions from salary costs	015	504,601	249,657	476,775	284,657
c) Contributions on salaries	016	219,693	109,336	259,969	73,033
4 Depreciation	017	553,424	280,459	589,236	296,502
5 Other costs	018	1,796,914	937,937	2,517,206	1,262,247
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	14,473	107	58,116	4,974
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	712,936	360,942	1,269,727	652,602
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	481,598	233,784	506,590	327,135
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	20,601	20,601	38,739	38,739
7 Other interest income	037	136,334	116,571	595,428	260,580
8 Exchange rate differences and other financial income	038	0	0	0	0
9 Unrealised gains (income) from financial assets	039	74,403	-10,014	128,970	26,148
10 Other financial income	040	0	0	0	0
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	1,929	1,685	16,209	14,405
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	13,699	13,699
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	1,801	1,619	0	-1,802

## STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
3 Interest expenses and similar expenses	044	128	66	0	0
4 Exchange rate differences and other expenses	045	0	0	2,494	2,494
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	16	14
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	0	0	0	0
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	0	0	0	0
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	0	0	0	0
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	0	0	0	0
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	14,769,582	2,975,887	20,472,211	3,120,071
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	5,415,033	2,797,195	6,738,877	3,449,610
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	9,354,549	178,692	13,733,334	-329,539
1 Pre-tax profit (ADP 053-054)	056	9,354,549	178,692	13,733,334	0
2 Pre-tax loss (ADP 054-053)	057	0	0	0	-329,539
<b>XII INCOME TAX</b>	<b>058</b>	0	0	0	0
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	9,354,549	178,692	13,733,334	-329,539
1 Profit for the period (ADP 055-059)	060	9,354,549	178,692	13,733,334	0
2 Loss for the period (ADP 059-055)	061	0	0	0	-329,539
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>065</b>	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)</b>	<b>068</b>	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
<b>XVII INCOME TAX (ADP 058+065)</b>	<b>071</b>	0	0	0	0
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (AOP 076+077)</b>	<b>075</b>	0	0	0	0
<b>1 Attributable to owners of the parent</b>	<b>076</b>	0	0	0	0
<b>2 Attributable to minority (non-controlling) interest</b>	<b>077</b>	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	9,354,549	178,692	13,733,334	-329,539
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	0	0	0	0
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0

## STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
<b>IV Items that may be reclassified to profit or loss</b> (ADP 088 to 095)	<b>087</b>	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS</b> (ADP 080+087- 086 - 096)	<b>097</b>	0	0	0	0
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b> (ADP 078+097)	<b>098</b>	9,354,549	178,692	13,733,334	-329,539
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b> (ADP 100+101)	<b>099</b>	0	0	0	0
<b>1 Attributable to owners of the parent</b>	<b>100</b>	0	0	0	0
<b>2 Attributable to minority (non-controlling) interest</b>	<b>101</b>	0	0	0	0

## STATEMENT OF CASH FLOWS - direct method for the period 01.01.2024 to 30.06.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
item	AOP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Cash receipts from customers	001	6,538,981	4,411,546
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	0
3 Cash receipts from insurance premiums	003	0	0
4 Cash receipts from tax refund	004	0	0
5 Other cash receipts from operating activities	005	771,916	761,574
<b>I Total cash receipts from operating activities (ADP 001 to 005)</b>	<b>006</b>	<b>7,310,897</b>	<b>5,173,120</b>
1 Cash payments to suppliers	007	-2,435,450	-3,897,089
2 Cash payments to employees	008	-2,449,265	-3,243,786
3 Cash payments for insurance premiums	009	0	0
4 Interest paid	010	-69	0
5 Income tax paid	011	0	0
6 Other cash payments from operating activities	012	-1,528,089	-1,082,939
<b>II Total cash payments from operating activities (ADP 007 to 012)</b>	<b>013</b>	<b>-6,412,873</b>	<b>-8,223,814</b>
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)</b>	<b>014</b>	<b>898,024</b>	<b>-3,050,694</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	015	60,366	74,385
2 Cash receipts from sales of financial instruments	016	0	0
3 Interest received	017	340,480	582,935
4 Dividends received	018	11,975,177	20,253,236
5 Cash receipts from the repayment of loans and deposits	019	16,339,803	5,050,000
6 Other cash receipts from investment activities	020	0	0
<b>III Total cash receipts from investment activities (ADP 015 to 020)</b>	<b>021</b>	<b>28,715,826</b>	<b>25,960,556</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-970,745	-7,418,570
2 Cash payments for the acquisition of financial instruments	023	-6,636,140	-6,244,256
3 Cash payments for loans and deposits	024	-7,500,000	-39,785,000
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	0	0
<b>IV Total cash payments from investment activities (ADP 022 to 026)</b>	<b>027</b>	<b>-15,106,885</b>	<b>-53,447,826</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)</b>	<b>028</b>	<b>13,608,941</b>	<b>-27,487,270</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	0
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	0	5,000,000
4 Other cash receipts from financing activities	032	0	12,599
<b>V Total cash receipts from financing activities (ADP 029 to 032)</b>	<b>033</b>	<b>0</b>	<b>5,012,599</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	0	0
2 Cash payments for dividends	035	-374	0
3 Cash payments for finance lease	036	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capita	037	0	0
5 Other cash payments from financing activities	038	0	0
<b>VI Total cash payments from financing activities (ADP 034 to 038)</b>	<b>039</b>	<b>-374</b>	<b>0</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)</b>	<b>040</b>	<b>-374</b>	<b>5,012,599</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	-1,904	-297
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)</b>	<b>042</b>	<b>14,504,687</b>	<b>-25,525,662</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>043</b>	<b>13,473,705</b>	<b>38,342,148</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)</b>	<b>044</b>	<b>27,978,392</b>	<b>12,816,486</b>

# STATEMENT OF CHANGES IN EQUITY

## for the period from 01.01.2024 to 30.06.2024

B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January - June 2024

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Re-valuation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)
<b>Previous period</b>																			
<b>1 Balance on the first day of the previous business year</b>	<b>01</b>	160,448,063	95,505	6,790,178	4,526,798	2,051,700	28,891,636	18,365,422	0	0	0	0	0	0	113,855	15,002,409	232,182,166	0	232,182,166
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)</b>	<b>04</b>	<b>160,448,063</b>	<b>95,505</b>	<b>6,790,178</b>	<b>4,526,798</b>	<b>2,051,700</b>	<b>28,891,636</b>	<b>18,365,422</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>113,855</b>	<b>15,002,409</b>	<b>232,182,166</b>	<b>0</b>	<b>232,182,166</b>
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,707,458	13,707,458	0	13,707,458
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	-1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	-976,685	976,685	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5,092,281	-5,092,281	0	-5,092,281
21 Other distributions and payments to members/shareholders	21	0	0	0	-19,507	-19,507	0	0	0	0	0	0	0	0	36,701	0	36,701	0	36,701
22 Transfer to reserves according to the annual schedule	22	0	0	750,120	0	0	0	0	0	0	0	0	0	0	9,160,009	-9,910,128	1	0	1
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)</b>	<b>24</b>	<b>159,471,378</b>	<b>1,072,189</b>	<b>7,540,299</b>	<b>4,507,291</b>	<b>2,032,193</b>	<b>28,891,636</b>	<b>18,365,422</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,310,565</b>	<b>13,707,458</b>	<b>240,834,045</b>	<b>0</b>	<b>240,834,045</b>
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																			
<b>I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)</b>	<b>25</b>	<b>0</b>	<b>-1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)</b>	<b>26</b>	<b>0</b>	<b>-1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,707,458</b>	<b>13,707,458</b>	<b>0</b>	<b>13,707,458</b>
<b>III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)</b>	<b>27</b>	<b>-976,685</b>	<b>976,685</b>	<b>750,120</b>	<b>-19,507</b>	<b>-19,507</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,196,710</b>	<b>-15,002,409</b>	<b>-5,055,579</b>	<b>0</b>	<b>-5,055,579</b>



# STATEMENT OF CHANGES IN EQUITY

## for the period from 01.01.2024 to 30.06.2024

B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January - June 2024

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Re-valuation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)
<b>Current period</b>																			
<b>1 Balance on the first day of the previous business year</b>	<b>28</b>	159,471,378	1,072,189	7,540,299	4,507,291	2,032,193	28,891,636	18,365,422	0	0	0	0	0	0	9,310,565	13,707,458	240,834,045	0	240,834,045
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>4 Balance on the first day of the previous business year (restated) (ADP 28 to 30)</b>	<b>31</b>	<b>159,471,378</b>	<b>1,072,189</b>	<b>7,540,299</b>	<b>4,507,291</b>	<b>2,032,193</b>	<b>28,891,636</b>	<b>18,365,422</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,310,565</b>	<b>13,707,458</b>	<b>240,834,045</b>	<b>0</b>	<b>240,834,045</b>
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,733,334	13,733,334	0	13,733,334
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	0	1,524,902	0	0	-1,524,902	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-6,365,968	-6,365,968	0	-6,365,968
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Transfer to reserves according to the annual schedule	49	0	0	433,270	0	0	0	0	0	0	0	0	0	0	6,908,220	-7,341,490	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>24 Balance on the last day of the previous business year reporting period (ADP 31 to 50)</b>	<b>51</b>	<b>159,471,378</b>	<b>1,072,189</b>	<b>7,973,569</b>	<b>6,032,193</b>	<b>2,032,193</b>	<b>28,891,636</b>	<b>16,840,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,218,785</b>	<b>13,733,334</b>	<b>248,201,411</b>	<b>0</b>	<b>248,201,411</b>
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																			
<b>I OTHER COMPREHENSIVE INCOME OF THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)</b>	<b>52</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,524,902</b>	<b>0</b>	<b>0</b>	<b>-1,524,902</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)</b>	<b>53</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,524,902</b>	<b>0</b>	<b>0</b>	<b>-1,524,902</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,733,334</b>	<b>13,733,334</b>	<b>0</b>	<b>13,733,334</b>
<b>III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>433,270</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,908,220</b>	<b>-13,707,458</b>	<b>-6,365,968</b>	<b>0</b>	<b>-6,365,968</b>

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS - TFI

**Name of issuer: KONČAR - Electrical Industry Inc. for manufacturing and services**

**PIN: 45050126417**

**Reporting period: 1 January 2024 to 30 June 2024**

### 1 General information about the company

KONČAR - Electrical Industry Inc. for manufacturing and service (PIN: 45050126417) Zagreb, Fallerovo šetalište 22 ("the Company) is the Parent Company of the KONČAR Group. As the parent company, the Company also prepares consolidated reports, which are presented separately. These unconsolidated financial statements of the Company are financial statements of the company as a separate entity. The Company manages its subsidiaries and associates.

The average number of employees during Q2 2024 was 81 employees (Q2 2023: 67 employees).

### 2 Significant accounting policies

These semi-annual reports for the period ended 30 June 2024 should be read together with the latest annual financial statements of the Company as at and for the year ended 31 December 2023 ('the latest annual financial statements'), as they do not include all the necessary data for the entire set of financial statements prepared in accordance with International Financial Reporting Standards. However, the selected explanations include explanations of events and transactions that are significant for understanding changes in the financial position and performance of the Company since the last annual financial report. Annual individual and consolidated financial statements are published on the Company's website.

In the preparation of the semi-annual financial statements, the management used judgments and estimates that affect the application of accounting policies and the recorded amounts of assets and liabilities, income and expenses. The resulting accounting estimates are, by definition, in rare cases equated with actual results. The key accounting estimates are the same as those described in the last annual financial report. The accounting policies applied in these semi-annual financial statements are the same as those applied in the Company's financial statements as of and for the year ended December 31, 2023.

### Seasonal effects

The Company is not exposed to significant seasonal or cyclical changes in its business operations.

### 3 Sales revenue

	<b>January-June 2024</b> EUR	<b>January-June 2023</b> EUR
Income from dividends /i/	13,384,701	8,685,435
Income from contracts with customers /ii/	5,680,033	5,350,299
	<b>19,064,734</b>	<b>14,035,734</b>
<i>/i/ Income from dividends</i>		
	<b>January-June 2024</b> EUR	<b>January-June 2023</b> EUR
Income from dividends – dependent companies	13,384,701	8,685,435
Income from dividends – affiliated companies	-	-
	<b>13,384,701</b>	<b>8,685,435</b>
<i>/ii/ Income from contracts with customers</i>		
	<b>January-June 2024</b> EUR	<b>January-June 2023</b> EUR
<i>Type of service</i>		
Income from brand fees (fees for using the company name, trademark and service mark)	3,710,853	3,436,922
Income from real estate management	1,577,438	1,577,244
Income from other fees	391,742	336,133
<b>Total income from contracts with customers</b>	<b>5,680,033</b>	<b>5,350,299</b>

#### 4 Other income and operating expenses

During the first half of 2024 as well as the first half of 2023, there were no significant business expenses of exceptional size or occurrence that would require additional disclosure as a result of the above.

#### 5 Income tax

Income tax expense is recognized in the amount determined by multiplying pre-tax profit for the reporting period with the Management Board's best estimate of the average annual income tax rate expected for the entire financial year. The income tax expense is adjusted for the tax effects of certain items recognized in full in the reporting period. Considering the assessment that it will not have an obligation for the year 2024, the Company does not report the cost of income tax.

#### 6 Earnings per share

	January-June 2024 EUR	January-June 2023 EUR
Profit for the year	13,733,334	9,354,549
Weighted average number of shares	2,546,256	2,546,140
<b>Earnings per share in EUR</b>	<b>5.39</b>	<b>3.67</b>

#### 7 Property, plant and equipment

During the first quarter of 2024, the Company acquired 2,832 thousand euros of assets (first half of 2023: 1,163 thousand euros of assets), while the cost of depreciation amounted to 589 thousand euros (first half of 2023: 547 thousand euros).

#### 8 Investments in subsidiaries

In relation to 31.12.2023, in 2024 the shares of the company KONČAR - Electric vehicles were purchased and the company KONČAR - Digital was recapitalized. During the first half of the year, there were no other changes in other investments in subsidiaries and associated companies compared to December 31, 2023.

	30 June 2024 EUR' 000	31 Decem- ber 2023 EUR' 000	30 June 2024 Share in %	31 Decem- ber 2023 Share in %
<b>Stakes (shares) in subsidiaries in Croatia</b>				
KONČAR – Switchgear Ltd. for production, Zagreb	11,197	11,197	100	100
KONČAR – Steel Structures Ltd. for production, Zagreb	16,779	16,779	100	100
KONČAR – Generators and motors Ltd. for production, Zagreb	9,600	9,600	100	100
KONČAR – Distribution and Special Transformers, Zagreb	8,245	8,245	52.73	52.73
KONČAR – Electrical engineering institute Ltd. for research, development and services, Zagreb	8,088	8,088	100	100
KONČAR – Infrastructure and Services Ltd. for services, Zagreb	7,524	7,524	100	100
KONČAR – Electronics and informatics Ltd. for production and services, Zagreb	8,353	8,353	100	100
KONČAR – Renewable energy sources Ltd. for production, Zagreb	5,733	5,733	91.25	91.25
KONČAR – Engineering Co. Ltd. for production and services, Zagreb	9,304	9,304	100	100
KONČAR – Motors and electrical systems Ltd. for production, Zagreb	6,450	6,450	100	100
KONČAR – Electric vehicles Inc. for production, Zagreb	5,548	5,058	83.62	77.74
KONČAR – Instrument transformers Inc. for production, Zagreb	4,041	4,041	61.97	61.97
KONČAR – Digital Ltd. for digital services, Zagreb	14,684	9,184	100	100
KONČAR – Investments Ltd. for business services, Zagreb	3	3	100	100
KONČAR – Transformer Tanks, Sesevski Kraljevec	2	2	100	100
	<b>115,551</b>	<b>109,561</b>		

#### 9 Capital and reserves

Share (subscribed) capital is determined in the nominal amount of EUR 159,471,378 (as at 31 December 2023: EUR 159,471,378) and consists of 2,572,119 shares with a nominal value of EUR 62. The Company's ordinary shares are listed on the Official Market of Zagreb Stock Exchange, identified by the symbol KOEI-R-A. As at 30 June 2024, the Company owned 25,732 treasury shares (as at 31 December 2023: 25,732 shares). By the decision of the Assembly of the company dated 13 June 2023 the share capital of the company was harmonized with euros and the same was announced on 28 September in the court register.



## Management's Statement of Responsibility

Unaudited Financial Statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period 1 January to 30 June 2024 have been drawn up in accordance with the International Financial Reporting Standards (IFRS) and with the Croatian Accounting Act.

Unaudited Financial Statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period from 1 January to 30 June 2024 give a comprehensive and a true and fair view of assets and liabilities, profit and loss, financial position and business operations of the Company.

The Management Statement for the period ending 30 June 2024 gives a true and fair view of the company's business performance.

Signed on behalf of the Management Board:

Gordan Kolak, M.Sc.  
President of the Management Board



Josip Lasić, CFA  
Member of the Management Board in charge of Finance



Zagreb, 26 July 2024



# KONČAR

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