

# Business Results and Consolidated Statements of KONČAR Group

**Unaudited**

January - September 2024



**KONČAR**  
Inspired by challenge

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# Key Performance Indicators

Export

**+32.3%**

Sales revenue

**+22.2%**

Book-to-bill ratio

**1.7**

Backlog

**+38.1%**

Net profit

**+141.4%**

EBITDA

**+117.9%**

*Compared to 1-9 2023*

*Backlog compared to 31 December 2023*



# A Report of the Management Board



## CEO Statement Gordan Kolak, President of the Management Board

Throughout the third quarter, we maintained a strong growth trajectory. Building on our strong financial results, we undertook additional strategic measures to reinforce KONČAR's standing among Europe's top manufacturers, advancing our commitment to the green energy transition.

Our *People, Technology, Investment* – KONČAR 2030 Strategy reinforces KONČAR Group's ongoing transformation. This strategy is designed to drive significant global expansion, leveraging a digital portfolio of advanced solutions for the energy, transportation, and industrial markets. Building on organizational restructuring initiated four years ago, KONČAR - Engineering Ltd. and KONČAR - Energy and Services Ltd. have merged with KONČAR Inc., reinforcing synergies across KONČAR Group to enable the streamlined delivery of advanced, high-value solutions.

In mid-July, capitalizing on rising demand for transformers and the subsequent expansion in related manufacturing areas, we concluded a joint venture agreement with Siemens Energy AG, a longstanding partner. This joint initiative will develop a new production facility for transformer tanks, with a plan that KONČAR holds a 60% majority share.

Complementing our strategic and operational progress, Q3 saw the conclusion of several substantial contracts. Within the Urban Mobility and Infrastructure segment, we reached an agreement with HŽ Passenger Transport Ltd. for the sale of six electro-diesel long-distance trains, valued at EUR 57.3 million, and with Zagrebački električni tramvaj Ltd. for 20 tram vehicles, totalling nearly EUR 40 million. A notable contract in the Power Transmission and Distribution segment includes the EUR 13.7 million reconstruction of high-voltage substations for EAC Cyprus. Additionally, Dalekovod has secured preferred bidder status for the construction of a 420 kV transmission line in Norway, valued above EUR 63 million.

Our order intake for the first three quarters of 2023 totalled EUR 1.28 billion, with international contracts making up a significant EUR 1 billion (76.5%). By the close of September, our order backlog had risen to EUR 1.96 billion, of which EUR 1.52 billion is slated for execution in 2025 and subsequent years.

The positive year-on-year trend in EBITDA, net profit, and operating profit continues. Sales revenue from products and services rose by EUR 133.5 million year-on-year to EUR 734.6 million. Exports comprise almost 72.7% of revenue, with the European Union contributing EUR 398.2 million – a substantial 35.3% increase over last year.

Achieved net profit stands at EUR 116.6 million, reflecting a robust 141.4% growth year-over-year through the first three quarters. EBITDA climbed by EUR 75.5 million to a total of EUR 139.5 million, delivering a strong margin of 19%.

KONČAR – Distribution and Special Transformers excelled among KONČAR Group companies, with a 43% increase in revenue year-over-year and a net profit 2.8 times higher than the corresponding period last year.

The impressive revenue growth and even higher net profit achieved over the past four years have garnered strong recognition from investors. In mid-October, the share price surpassed EUR 400, and our market capitalization has reached the EUR 1 billion mark.

Looking ahead with a strong order backlog for the coming years, we anticipate sustained growth across all segments. Our priorities remain clear: advancing our investment cycle to modernize the product portfolio for energy transition, streamlining our operational model for greater market resilience, and prioritizing talent development – the foundation of our continued success.

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

## KEY PERFORMANCE INDICATORS OF KONČAR GROUP OPERATIONS FOR THE PERIOD JANUARY - SEPTEMBER 2024

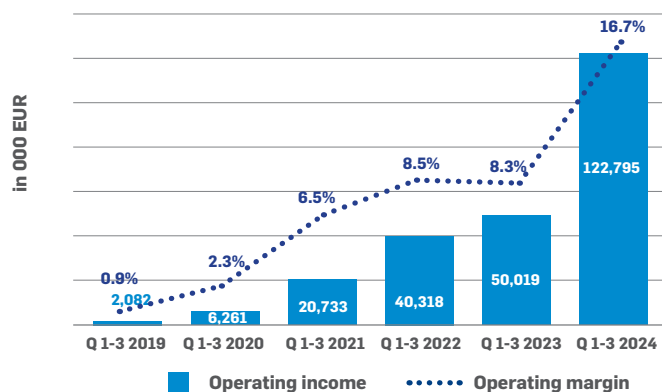
## Key performance indicators

	Index			
in EUR 000	Q I-III 2023	Q I-III 2024	Δ	2024/2023
<b>Operating income</b>	<b>615,162</b>	<b>745,292</b>	<b>130,129</b>	<b>121.2</b>
Sales income- total	601,084	734,573	133,489	122.2
Sales income- export	403,860	534,269	130,409	132.3
<b>Operating expenses</b>	<b>565,144</b>	<b>622,497</b>	<b>57,353</b>	<b>110.1</b>
Operating profit	50,019	122,795	72,776	245.5
Operating margin	8.3%	16.7%		
Normalized operating profit	42,122	120,384	78,262	285.8
Normalized operating margin	7.0%	16.4%		
Net profit	48,311	116,604	68,293	241.4
Normalized net profit	40,414	114,194	73,780	282.6
Normalized net profit margin	6.7%	15.5%		
Depreciation and amortization	14,010	16,747	2,737	119.5
<b>EBITDA</b>	<b>64,029</b>	<b>139,542</b>	<b>75,513</b>	<b>217.9</b>
EBITDA margin	10.7%	19.0%		
Normalized EBITDA <sup>1</sup>	56,133	137,131	80,999	244.3
Normalized EBITDA margin <sup>1</sup>	9.3%	18.7%		
<b>Order intake</b>	<b>1,041,527</b>	<b>1,276,411</b>	<b>234,884</b>	<b>122.6</b>
<b>Backlog<sup>2</sup></b>	<b>1,422,538</b>	<b>1,964,376</b>	<b>541,838</b>	<b>138.1</b>
Book-to-bill ratio	1.7	1.7		

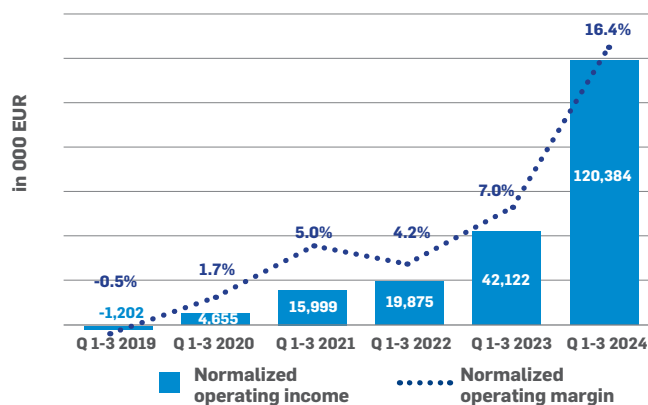
EBITDA normalized<sup>1</sup>: EBITDA less the net effect of provisions, one-off effects of transactions, asset sale income, loss compensation income, and increased by value adjustment of non-current and current assets.

Backlog<sup>2</sup> as at 31 December 2023 and 30 September 2024

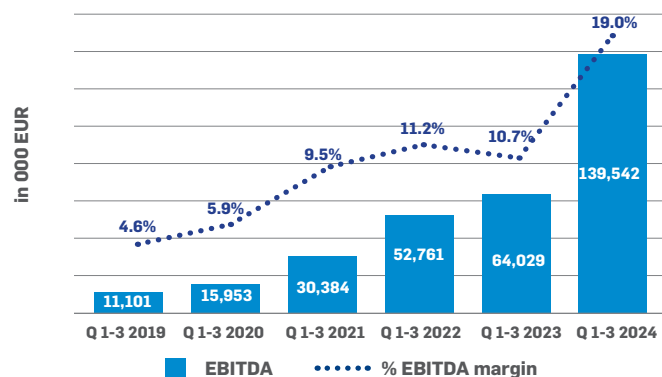
## Operating income



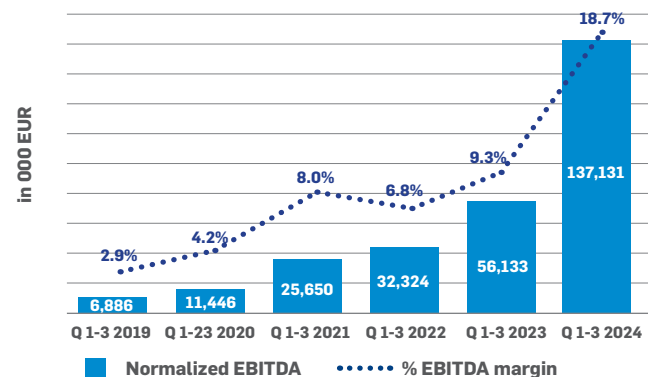
## Normalized operating income

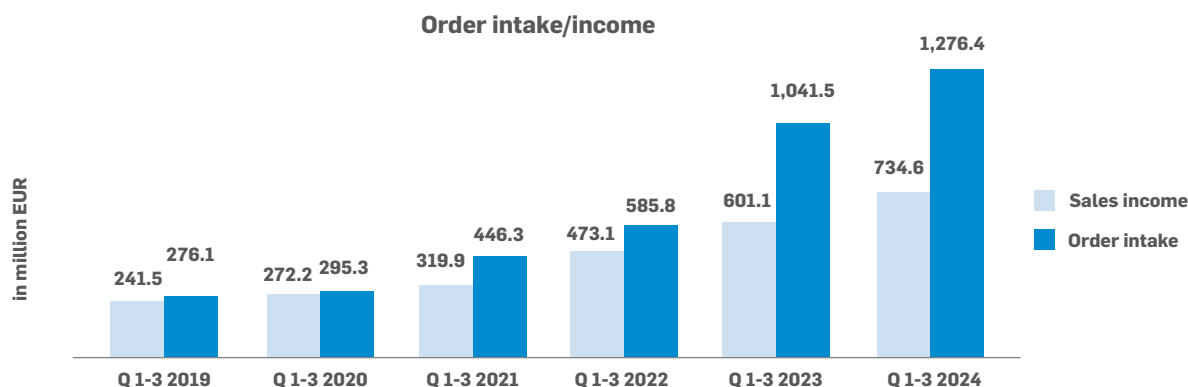


## EBITDA



## Normalized EBITDA





## Income Statement

For the period Q1–Q3 2024, consolidated operating results were significantly higher than those in the corresponding period last year. Notably, KONČAR – Distribution and Special Transformers delivered an exceptional performance, with its net result 2.8 times higher year-on-year than in Q1–Q3 2023. Alongside KONČAR – D&ST, KONČAR – Instrument Transformers and Dalekovod Group also reported substantial improvements in their results.

KONČAR Group's profit margins remained at record levels, supported by a sustained positive trend in order intake and backlog, suggesting that this year's targets will be surpassed. Projects contracted for 2025 and beyond lay a robust foundation for continued strong performance in the periods ahead.

For the period January - September 2024, total operating income was realized in the amount of EUR 745.3 million, which represents an increase of EUR 130.1 million or 21.2% year-on-year.

Sales revenues amounted EUR 734.6 million, which is an increase of EUR 133.5 million or 22.2% compared to the same period of 2023.

Other operating income totalled EUR 10.7 million, down by EUR 3.4 million from the period Q1–Q3 2023.

Operating expenses were realized in the amount of EUR 622.5 million, which is a 10.1% rise on Q1-Q3 2023 realization. The largest portion of operating expenses is attributable to material costs (including raw materials, goods sold, and other external costs), which totalled EUR 430.2 million – EUR 0.9 million lower compared to Q1-Q3 2023. The ratio of material costs to adjusted sales revenue stands at 58.6%, 10.7 percentage points lower than in Q1–Q3 2023.

Staff costs amount to EUR 131.2 million, representing a year-on-year expansion of EUR 23.7 million or 22.1%. The staff costs ratio relative to adjusted sales revenue is 17.9%, up by 0.6 percentage points compared to Q1–Q3 2023. Year-on-year, the headcount increased by 478 employees, with KONČAR Group employing 5,391 people as of September 30, 2024.

Other operating expenses totalled EUR 42.3 million, an increase of EUR 9.2 million from Q1-Q3 2023. Other operating expenses include staff remuneration and other employee benefits, as well as non-manufacturing services, and intellectual services, insurance premiums, banking services, and other costs.

Operating profit (EBIT) amounts to EUR 122.8 million, which is a year-on-year increase of EUR 72.8 million. The operating margin rose to 16.7% in Q1–Q3 2024, up from 8.3% year-on-year, reflecting an improvement of 8.4 percentage points.

Normalized operating profit amounts to EUR 120.4 million, which is EUR 78.3 million rise year-over-year. Normalized EBIT margin is 16.4% which is a 9.4 percentage points improvement year-over-year, up from 7.0% in Q1-Q3.

Share of profit from an associate company amounted to EUR 18.5 million, representing a year-on-year increase of EUR 11.4 million.

In Q1-Q3 2024, the net balance of financial income and expenses was negative, totalling EUR 96 thousand.

Total consolidated income generated by the Group amounts to EUR 767.6 million, a growth of EUR 144.1 million or 23.1% on Q1-Q3 2023.

Operating profit of EUR 122.8 million, combined with profit/loss from associates and joint ventures totalling EUR 18.4 million, resulted in consolidated profit before tax of EUR 141.2 million.

Income tax advance amounts to EUR 24.5 million.

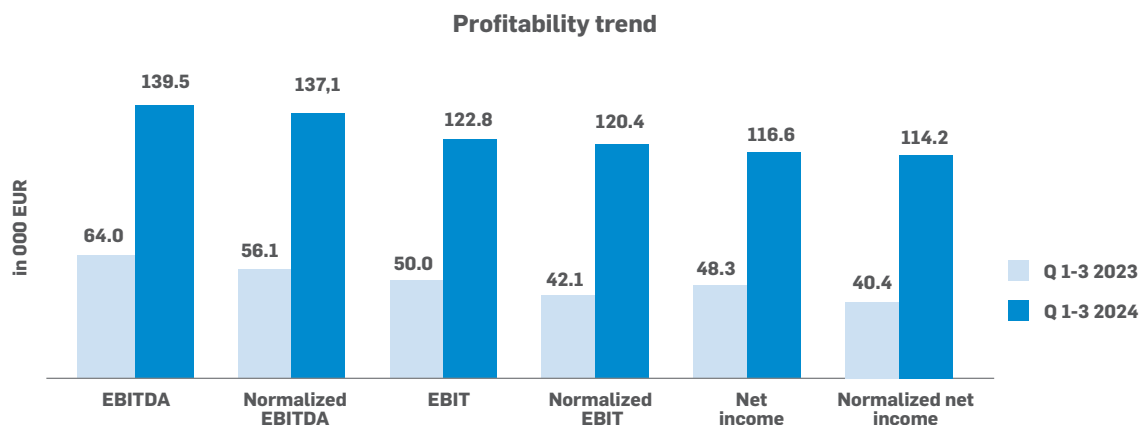
Realized net profit for the reporting period stands at EUR 116.6 million. KONČAR Group recorded a growth in net result of EUR 68.3 million compared to the corresponding period in 2023, representing a 141.4% increase.

Normalized net profit stands at EUR 114.2 million, marking an increase of EUR 73.8 million year-over-year. The normalized net margin reached 15.5%, up from 6.7% in the same period last year.

EBITDA amounts to EUR 139.5 million, representing an expansion of EUR 75.5 million compared to Q1-Q3 2023. EBITDA margin is 19.0% (in 2023 it stood at 10.7%).

Normalized EBITDA amounts to EUR 137.1 million, reflecting a year-on-year increase of EUR 81.0 million on Q1-Q3 2023. Additionally, normalized EBITDA margin stands at 18.7%, while in Q1-Q3 2023 it amounted to 9.3%.

in EUR 000	Index			
	Q 1-3 2023	Q 1-3 2024	Δ	2024/2023
<b>OPERATING INCOME</b>	<b>615,162</b>	<b>745,292</b>	<b>130,129</b>	<b>121.2</b>
<b>OPERATING EXPENSES</b>	<b>565,144</b>	<b>622,497</b>	<b>57,353</b>	<b>110.1</b>
Material costs and change in value of inventories	410,298	430,864	20,566	<b>105.0</b>
Staff costs	107,508	131,234	23,726	<b>122.1</b>
Depreciation and amortization	14,010	16,747	2,736	<b>119.5</b>
Other costs	33,094	42,271	9,177	<b>127.7</b>
Impairment of non-current and current assets	233	1,382	1,148	<b>591.7</b>
OPERATING PROFIT	50,019	122,795	72,776	<b>245.5</b>
SHARE IN PROFIT OF ASSOCIATED PARTIES	7,077	18,458	11,381	<b>260.8</b>
SHARE IN LOSS OF ASSOCIATED PARTIES	9	7	-2	<b>79.2</b>
FINANCE INCOME	1,289	3,889	2,600	<b>301.7</b>
FINANCE COSTS	2,555	3,984	1,428	<b>155.9</b>
<b>TOTAL INCOME</b>	<b>623,528</b>	<b>767,638</b>	<b>144,110</b>	<b>123.1</b>
<b>TOTAL EXPENSES</b>	<b>567,708</b>	<b>626,488</b>	<b>58,780</b>	<b>110.4</b>
Profit before taxation	55,820	141,150	85,330	252.9
Income tax	7,509	24,546	17,036	326.9
<b>PROFIT FOR THE PERIOD</b>	<b>48,311</b>	<b>116,604</b>	<b>68,294</b>	<b>241.4</b>



**Net debt**

in EUR 000	31/12/2023	30/9/2024	Δ
Non-current liabilities for loans	46	0	-46
Non-current liabilities to banks and other financial institutions	35,206	31,760	3,446
Non-current liabilities for future lease payments	688	697	9
<b>TOTAL Non-current liabilities</b>	<b>35,940</b>	<b>32,457</b>	<b>-3,483</b>
Current liabilities for loans	25	122	97
Liabilities to banks and other financial institutions	51,257	35,121	-16,136
Interest payable	1,210	233	-977
Current liabilities for future lease payments	366	196	-170
<b>TOTAL Current liabilities</b>	<b>52,858</b>	<b>35,672</b>	<b>-17,186</b>
<b>TOTAL DEBT</b>	<b>88,798</b>	<b>68,129</b>	<b>-20,669</b>
<b>Cash</b>	<b>153,824</b>	<b>197,916</b>	<b>44,092</b>
Current financial assets	536	3,134	2,598
<b>NET DEBT</b>	<b>-65,563</b>	<b>-132,921</b>	<b>-67,358</b>
<b>Net debt / normalized EBITDA</b>	<b>neg</b>	<b>neg</b>	

**Summarised statement of financial position**

in EUR 000	31/12/2023	30/9/2024	Δ
Current assets and prepaid expenses	706,015	736,929	30,915
Current liabilities and accruals	413,781	418,953	5,172
<b>Current ratio</b>	<b>1.7</b>	<b>1.8</b>	

in EUR 000	31/12/2023	30/9/2024	Δ
Non-current assets	313,353	358,375	45,022
Current assets and prepaid expenses	706,015	736,929	30,915
<b>Assets</b>	<b>1,019,368</b>	<b>1,095,304</b>	<b>75,936</b>
Capital and reserves	530,974	602,492	71,519
Non-current liabilities and provisions	74,613	73,859	-754
Current liabilities and accruals	413,781	418,953	5,172
<b>Total equity and liabilities</b>	<b>1,019,368</b>	<b>1,095,304</b>	<b>75,936</b>

**Statement of Financial Position****Key indicators of the Statement of Financial Position as at 30 September 2024**

The balance of total consolidated funds and sources of funding as at 30 September 2024 amounts to EUR 1,095.3 million, representing a growth of EUR 75.9 million or 7.4% compared to the balance as at 31 December 2023.

Within the asset structure, non-current assets totalled EUR 358.4 million, comprising 32.7% of total assets. Intangible assets increased by EUR 4.8 million, while tangible assets rose by EUR 17.0 million. The most significant increase was in the item of tangible assets under construction, reflecting the expansion of production capacities compared to the balance as at 31 December 2023.

Non-current financial assets grew by EUR 24.3 million compared to the balance as at 31 December 2023. This increase is largely attributed to a higher volume of loans granted and investments in companies linked by virtue of participating interests.

As at 30 September 2024, current assets amount to EUR 728.9 million, which is a EUR 32.1 million rise compared to the balance as at 31 December 2023.



Relative to the situation as of 31 December 2023:

- Total inventories decreased by EUR 3.2 million, with reductions in finished goods by EUR 15.0 million and raw materials by EUR 2.8 million, while work-in-progress increased by EUR 14.8 million;
- Total current receivables are down by EUR 11.4 million. Trade receivables decreased by EUR 9.1 million. Receivables from companies linked by virtue of participating interest decreased by EUR 9.4 million. Other receivables are up by EUR 7.1 million;
- Financial assets increased by EUR 2.6 million, with the most significant rise attributed to deposits over three months. These deposits now total EUR 2.7 million, up by EUR 2.4 million from the year-end 2023 figures;
- At Group level, cash balance grew by EUR 44.1 million;
- Prepaid expenses and accrued income decreased by EUR 1.2 million.

As of 30 September 2024, the sources of funding item show changes from 31 December 2023, as follows:

- Equity, including reserves and retained earnings, amounts to EUR 602.5 million, an increase of EUR 71.5 million as at year end. This change is primarily due to the allocation of 2023 profits/losses and the net income generated during the reporting period;
- Non-controlling (minority interest) amounts to EUR 139.5 million, which is EUR 14.7 million higher;
- Non-current provisions amount to EUR 32.3 million, an increase of EUR 0.9 million;
- Non-current liabilities stand at EUR 41.5 million, representing a decrease of EUR 1.7 million. The amount of liabilities towards long-term bank loans decreased by EUR 2.6 million, and other non-current liabilities are up by EUR 0.9 million;
- Current liabilities amount to EUR 380.1 million, which is EUR 2.6 million higher. Within the structure of current liabilities, the main contributors to this increase were advances received, which rose by EUR 48.1 million, and liabilities for taxes, contributions, and similar charges, which increased by EUR 6.7 million. The primary factors reducing current liabilities were trade payables, down by EUR 21.2 million, and liabilities toward banks and other financial institutions, which decreased by EUR 13.8 million;
- Accrued expenses and deferred income amount to EUR 38.9 million, representing an increase of EUR 2.6 million.

In the structure of sources of funding, subscribed capital, reserves, reserves from retained earnings, profit for the year and non-controlling (minority) interest amount to EUR 602.5 million, which accounts for 55.0% of the total sources of funding. Non-current provisions amount to EUR 32.3 million, accounting for 3.0% of the total sources. Total non-current and current liabilities and accruals and deferred income amount to EUR 460.4 million and account for 42.0% of the total sources.

As of 30 September 2024, contingent liabilities (off-balance sheet items) amount to EUR 1.165.3 million, which represents an increase of EUR 389.3 million compared to the balance as at 31 December 2023. Contingent liabilities pertain to issued payment securities (guarantees, letters of credit, promissory notes) and are aligned with the growth in sales revenue and backlog.

Total current assets and prepaid expenses exceed 1.8 times total current liabilities, accrued expenses and deferred income. The structure of the Consolidated Statement of Financial Position indicates a sound balance between funding sources and investments and an overall financial stability of KONČAR Group.

## Market position

Consolidated revenue generated from the sale of goods and services amounts to EUR 734.6 million, representing a growth of EUR 133.5 million or 22.2% on Q1-Q3 2023.

In Q1-Q3 2024, domestic market sales totalled EUR 200.3 million, marking a 1.6% year-on-year increase on Q1-Q3 2023.

Sales in the domestic market account for 27.3% of the total sales income, while in the same period of the last year it amounted 32.8%.

Within the structure of domestic revenue, the largest share, at 36.1%, was attributed to sales to companies within the HEP Group. KONČAR Group's sales to HEP companies totalled EUR 72.4 million in Q1-Q3 2024, reflecting a 5.6% year-on-year increase on Q1-Q3 2023.

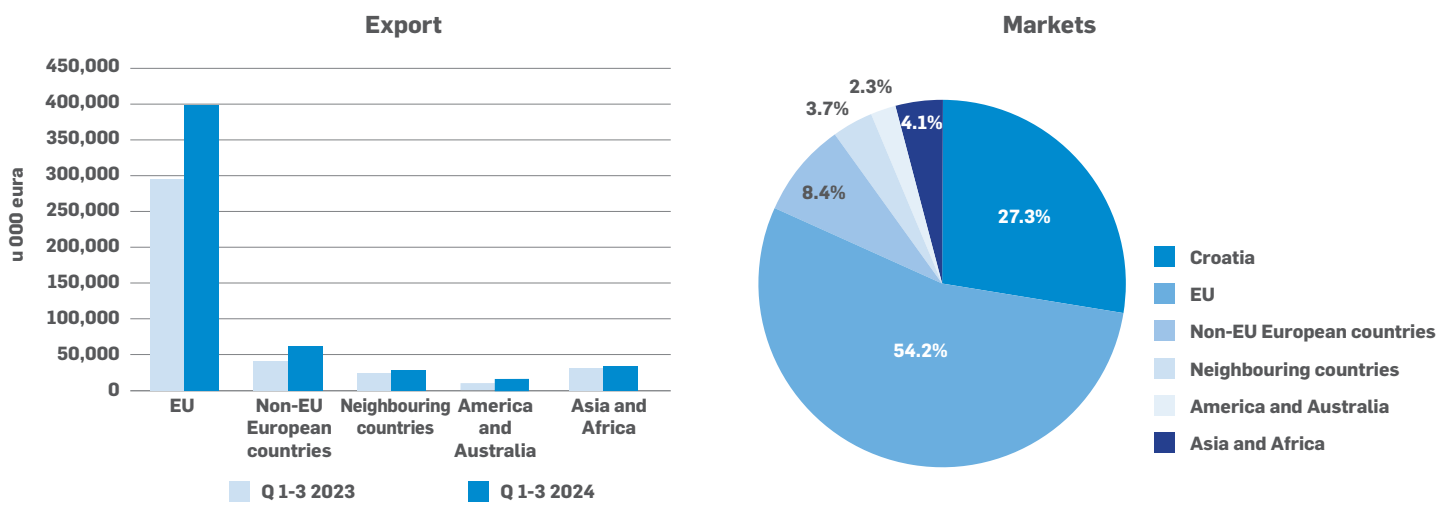
Revenue from the sales of goods and services to HŽ Passenger Transport, HŽ Infrastructure, Rolling Stock Technical Services and HŽ Cargo amounts to EUR 39.5 million, representing 5.4% of total sales revenue and 19.7% of total domestic sales revenue.

The share of revenue from product and service sales on international markets was 72.7% of total sales revenue, compared to 67.2% in Q1-Q3 2023. Exports reached EUR 534.3 million, reflecting a year-on-year increase of EUR 130.4 million, or 32.3%.

Year-on-year in Q1–Q3 2024, the most substantial increase in export revenue in absolute terms was in the European Union market, where exports rose by EUR 103.9 million, or 35.3%. Exports to the EU reached EUR 398.2 million, accounting for 74.5% of the Group’s total exports. Additionally, exports to European countries outside the EU (primarily the United Kingdom, Norway, and Iceland) grew significantly, reaching EUR 61.8 million—a 44.3% increase on Q1–Q3 2023.

By individual country, KONČAR Group companies achieved their highest export revenue in Germany, amounting to EUR 83.6 million, or 15.6% of total exports (a year-on-year increase of EUR 8.4 million from Q1–Q3 2023). Exports to Sweden totalled EUR 80.7 million, or 15.1% of total exports, reflecting a 22.5% year-on-year increase. Exports to Austria reached EUR 45.8 million, accounting for 8.6% of total exports, marking a substantial year-on-year increase of 77.5% compared to Q1–Q3 2023.

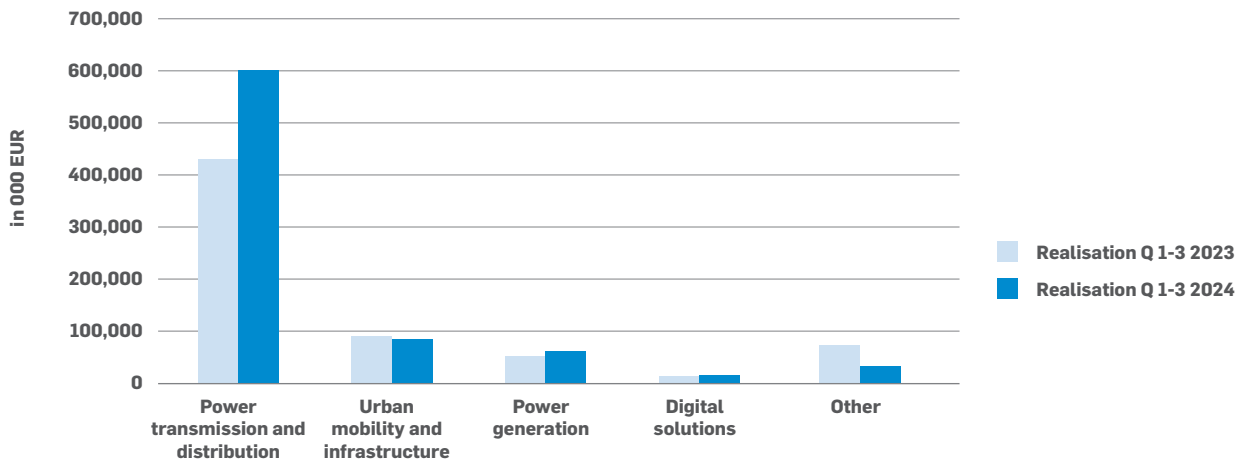
Order intake from international markets in Q1–Q3 2024 totalled EUR 976.9 million, establishing a solid foundation for further export revenue growth in upcoming periods.



### Income by segments

in EUR 000

Segment	Q 1-3 2023	Q 1-3 2024
Power transmission and distribution	431,276	602,804
Urban mobility and infrastructure	88,947	85,508
Power generation	52,347	60,964
Digital solutions	13,805	17,242
Other	71,574	35,461
<b>Total Sales Income Unconsolidated</b>	<b>657,949</b>	<b>801,978</b>



## Order intake and backlog

The third quarter of 2024 continued the upward trend in new order intake.

For the period Q1–Q3 2024, order intake totalled EUR 1,276.4 million, representing a year-on-year increase of EUR 234.9 million compared to Q1–Q3 2023.

Book-to-bill ratio for Q1–Q3 2024 was 1.7, indicating a strong order intake relative to revenues.

International markets dominated the order intake, significantly exceeding domestic contract volumes. Export contracts totalled EUR 976.9 million, accounting for 76.5% of order intake in Q1–Q3 2024. New order intake on international markets was 1.8 times higher than the value of exports realized in Q1–Q3 2024.

Year-on-year, domestic market contracts increased by EUR 59.0 million, with order intake totalling EUR 299.5 million in Q1–Q3 2024. The most significant portion pertains to contracts with companies within the HEP Group, totalling EUR 67.6 million. HEP accounts for 5.3% of the total order intake. Other notable domestic contracts included agreements with HŽ Passenger Transport for the purchase of six trains, contracts for the supply of 20 additional trams, and maintenance contracts with Zagrebački Holding for trams, totalling EUR 50.8 million.

Of the total order intake in foreign markets, the majority pertains to the European Union countries, amounting to EUR 740.4 million, which is EUR 93.1 million upturn on the comparable period in 2023. The EU market accounts for 75.8% of the total order intake on foreign markets.

Other significant increases in order intake were seen in European countries outside the EU and in neighbouring countries, where order intake rose by EUR 100.3 million compared to Q1–Q3 2023.

Broken down by countries, the most significant order intake volume pertains to the German market, in the amount of EUR 240.6 million. Significant growth was also achieved in Norway, Romania, the Netherlands, and Sweden. Order intake for Norway reached EUR 100.6 million, an increase of EUR 82.4 million from Q1–Q3 2023; the Netherlands recorded EUR 94.6 million in order intake, up by EUR 58.3 million; Romania's order intake totalled EUR 87.6 million, EUR 87.0 million higher year-on-year; and Sweden saw EUR 150.7 million in order intake, representing a year-on-year increase of 39.7 million on Q1–Q3 2023.

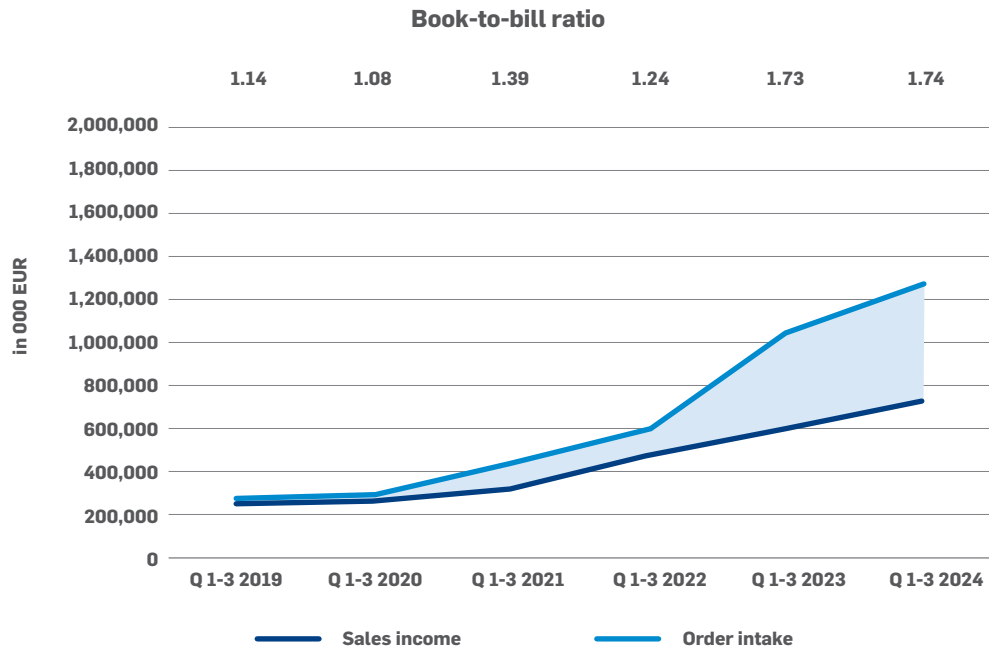
Looking ahead, in terms of delivery dynamics, EUR 292.1 million is contracted and scheduled for realization in 2024, which accounts for 22.9% of new order intake, followed by EUR 399.3 million, or 31.3%, contracted for realization in 2025, and the largest portion of new contracts, EUR 585.0 million, or 45.8%, is scheduled for realization in 2026 and beyond.

The value of total order intake (backlog) as at the end of September 2024 amounts to EUR 1,964.4 million, representing a 38.1% increase compared to the value at 2023 year-end. Backlog at the end of Q3 2024 is up by EUR 551.7 million year-on-year.

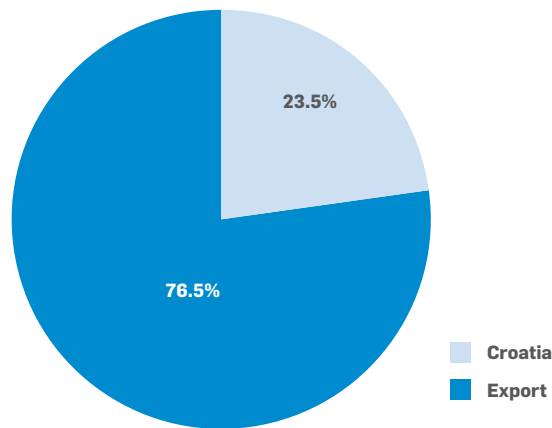
Of the current open liabilities, contracts scheduled for delivery in 2024 amount to EUR 439.9 million. If all contracts in the backlog for 2024 are fulfilled, total sales revenue for the year would exceed EUR 1.1 billion.

Key contracts significant to the entire KONČAR Group include the following signed agreements:

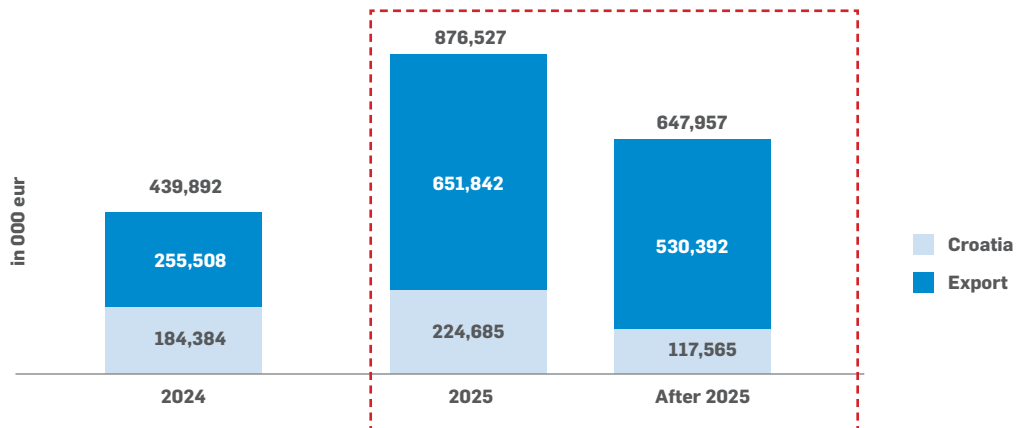
- Contract for the revitalization of Vidraru Hydropower Plant in Romania, valued at EUR 80 million;
- Contract for the purchase of six electro-diesel motor trains for long-distance transport, valued at EUR 57.3 million;
- Contract for the sale of 20 trams between KONČAR – Electric Vehicles and Zagrebački električni tramvaj, valued at EUR 40 million;
- Contract for the revitalization of Velebit Pumped Storage Hydropower Plant, valued at EUR 14.2 million;
- Contract for the reconstruction of high-voltage substations for EAC Cyprus, amounting to EUR 13.7 million;
- Contract for the Landesbergen – Borken project between Dalekovod and German transmission system operator TenneT for part of the rehabilitation project of the 380/220/110-kV transmission line, valued at EUR 30 million;
- Dalekovod was awarded a contract by Norway's national transmission company Statnett to construct the eastern section of the 420 kV transmission line on the Bláfali-Gismarvik segment, valued at EUR 63 million.



Order intake in Q 1-3 2024



Expected income in the upcoming period



**Information for Shareholders**

KOEI-R-A	30/9/2023	30/9/2024	Index
Final price (EUR)	183.00	370.00	202.2
Highest price (EUR)*	200.00	398.00	199.0
Lowest price (EUR)*	115.00	184.00	160.0
Volume*	47,152	85,407	181.1
Turnover (EUR)*	7,176,554,00	23,977,486,00	334.1
Market capitalisation (EUR)	465,943,620	942,217,210	202.2
EPS (EUR)* (profit of the parent company/weighted average number of shares)	12.13	27.07	223.2

\* For the period January - September 2024

Shares of KONČAR – Electrical Industry Inc. are listed in the Official Market of the Zagreb Stock Exchange. The shares are identified by the identification code KOEI-R-A. In accordance with applicable regulations, the Company ensures regular access to information on its operations and activities, and information on any facts and circumstances that may influence the share price (price sensitive information).

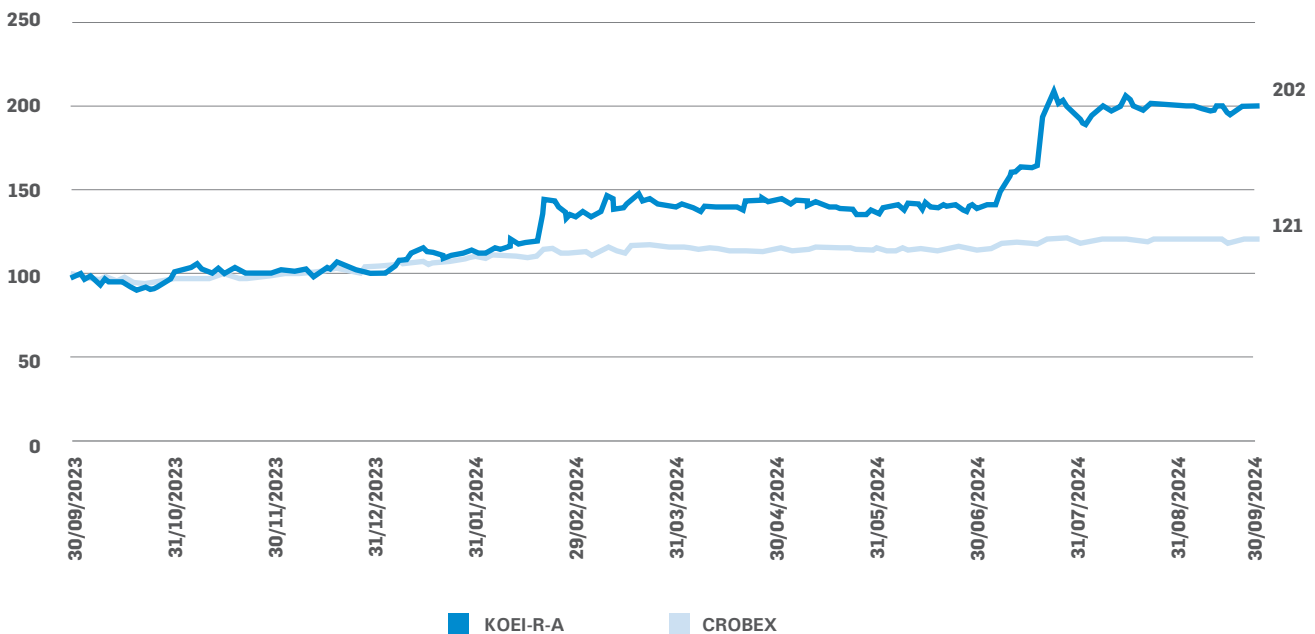
Over the past few months, KONČAR's shares have consistently topped the list of price increases on the Zagreb Stock Exchange. The shares reached a record high at the end of July 2024, with a value of EUR 398.00.

As of the end of September this year, the market capitalization stood at EUR 942,2 million, marking the growth of 102.2% compared to the figure recorded on 30 September 2023 and 97.7% compared to the figure recorded on 31 December 2023.

Earnings per share attributable to the parent company's shareholders stood at EUR 27.07, marking a 123% year-on-year increase compared to the corresponding period in 2023.

The General Assembly of KONČAR - Electrical Industry Inc. was held on 12 June 2024. The General Assembly adopted a Resolution on the Distribution of Dividend to the Shareholders in the amount of EUR 2.50 per share.

**Indices of KOEI price and CROBEX value changes**





# B Unaudited Consolidated Financial Statements of KONČAR Group for the period January - September 2024

## Annex 1

### ISSUER'S GENERAL DATA

Reporting period:	<b>01/01/2024</b>	to	<b>30/09/2024</b>
Year:	<b>2024</b>	Quarter:	<b>3</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>74780000HOSHMRAWO115</b>
Institution code:	<b>501</b>		
Name of the issuer:	<b>KONČAR - ELECTRICAL INDUSTRY INC.</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>5391</b>		
Consolidated report:	<b>KD</b>	(KN-not consolidated/KD-consolidated)	
Audited:	<b>RN</b>	(RN-not audited/RD-audited)	

Names of subsidiaries (according to IFRS):	Registered office:	MB:
<b>KONČAR - Infrastructure and Services Ltd. for services</b>	<b>Zagreb</b>	<b>1343068</b>
<b>KONČAR - Electrical Engineering Institute Ltd. for research, development and services</b>	<b>Zagreb</b>	<b>3645363</b>
<b>KONČAR - Electronics and Informatics Inc. for production and services</b>	<b>Zagreb</b>	<b>3282899</b>
<b>KONČAR - Motors and Electrical Systems Ltd. for production</b>	<b>Zagreb</b>	<b>3282678</b>
<b>KONČAR - Generators and Motors Inc. for production</b>	<b>Zagreb</b>	<b>1356216</b>
<b>KONČAR - Renewable Energy Sources Ltd. for production</b>	<b>Zagreb</b>	<b>2435071</b>
<b>KONČAR - Instrument Transformers Inc. for production</b>	<b>Zagreb</b>	<b>3654656</b>
<b>KONČAR - Distribution and Special Transformers Inc. for manufacturing</b>	<b>Zagreb</b>	<b>3654664</b>
<b>KONČAR - Switchgear Ltd. for production</b>	<b>Zagreb</b>	<b>3641287</b>
<b>KONČAR - Electric Vehicles Inc. for manufacturing</b>	<b>Zagreb</b>	<b>3282660</b>
<b>KONČAR - Engineering Co. Ltd. for production and services</b>	<b>Zagreb</b>	<b>3654354</b>
<b>KONČAR - Metal Structures Ltd. for production</b>	<b>Zagreb</b>	<b>1114328</b>
<b>KONČAR - Investments Ltd. for business services</b>	<b>Zagreb</b>	<b>5423392</b>
<b>KONČAR - Digital Ltd. for digital services</b>	<b>Zagreb</b>	<b>5478421</b>
<b>KONČAR - Transformer Tanks Ltd.</b>	<b>Zagreb</b>	<b>5853184</b>
<b>TELENERG-ENGINEERING Llc. for design and manufacturing</b>	<b>Zagreb</b>	<b>5539684</b>
<b>INK PROJECT Ltd. for construction and services</b>	<b>Zagreb</b>	<b>2057301</b>

Bookkeeping firm:	<b>No</b>	(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 Croatia d.o.o.</b> (name of the audit firm)	
Certified auditor:	<b>Igor Gošek</b> (name and surname)	

## BALANCE SHEET

### balance as at 30.09.2024

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>313,353,712</b>	<b>358,374,749</b>
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	<b>25,742,275</b>	<b>30,510,067</b>
1 Research and development	<b>004</b>	5,466,207	4,921,803
2 Concessions, patents, licences, trademarks, software and other rights	<b>005</b>	8,659,143	8,964,890
3, Goodwill	<b>006</b>	8,352,686	11,065,173
4 Advances for the purchase of intangible assets	<b>007</b>	0	14,580
5 Intangible assets in preparation	<b>008</b>	3,249,291	5,517,128
6 Other intangible assets	<b>009</b>	14,948	26,493
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	<b>232,818,877</b>	<b>249,834,291</b>
1 Land	<b>011</b>	41,479,811	42,484,057
2 Buildings	<b>012</b>	76,451,357	79,462,259
3 Plant and equipment	<b>013</b>	68,760,791	70,912,607
4 Tools, working inventory and transportation assets	<b>014</b>	15,803,304	17,087,026
5 Biological assets	<b>015</b>	0	0
6 Advances for the purchase of tangible assets	<b>016</b>	8,213,025	6,176,022
7 Tangible assets in preparation	<b>017</b>	4,009,859	13,708,732
8 Other tangible assets	<b>018</b>	98,036	1,029,981
9 Investment property	<b>019</b>	18,002,694	18,973,607
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	<b>39,185,883</b>	<b>63,505,926</b>
1 Investments in holdings (shares) of undertakings within the group	<b>021</b>	8,265	8,265
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>	33,334,461	50,939,581
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	5,725,000
7 Investments in securities	<b>027</b>	357,088	685,568
8 Loans, deposits, etc, given	<b>028</b>	1,274,770	1,221,942
9 Other investments accounted for using the equity method	<b>029</b>	3,848,230	4,693,677
10 Other fixed financial assets	<b>030</b>	363,069	231,893
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	<b>6,690,107</b>	<b>5,914,459</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>	1,295,391	1,203,708
4 Other receivables	<b>035</b>	5,394,716	4,710,751
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	<b>8,916,570</b>	<b>8,610,006</b>
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	<b>696,811,983</b>	<b>728,911,326</b>
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	<b>220,533,216</b>	<b>217,362,158</b>
1 Raw materials and consumables	<b>039</b>	109,032,506	106,187,726
2 Work in progress	<b>040</b>	62,825,081	77,607,932
3 Finished goods	<b>041</b>	36,842,270	21,804,554
4 Merchandise	<b>042</b>	3,815,037	3,928,307
5 Advances for inventories	<b>043</b>	7,255,067	7,066,047
6 Fixed assets held for sale	<b>044</b>	763,255	767,592
7 Biological assets	<b>045</b>	0	0

## BALANCE SHEET

### balance as at 30.09.2024

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>321,918,665</b>	<b>310,498,955</b>
1 Receivables from undertakings within the group	<b>047</b>	0	0
2 Receivables from companies linked by virtue of participating interests	<b>048</b>	12,507,096	3,146,989
3 Customer receivables	<b>049</b>	273,362,113	264,245,457
4 Receivables from employees and members of the undertaking	<b>050</b>	77,977	284,011
5 Receivables from government and other institutions	<b>051</b>	14,428,326	15,462,611
6 Other receivables	<b>052</b>	21,543,153	27,359,887
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>			
	<b>053</b>	<b>536,361</b>	<b>3,133,770</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>	0	0
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	11,662
8 Loans, deposits, etc, given	<b>061</b>	475,991	3,076,586
9 Other financial assets	<b>062</b>	60,370	45,522
<b>IV CASH AT BANK AND IN HAND</b>			
	<b>063</b>	<b>153,823,741</b>	<b>197,916,443</b>
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>			
	<b>064</b>	<b>9,202,598</b>	<b>8,018,149</b>
<b>E ) TOTAL ASSETS (ADP 001+002+037+064)</b>			
	<b>065</b>	<b>1,019,368,293</b>	<b>1,095,304,224</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
	<b>066</b>	<b>776,014,997</b>	<b>1,165,302,646</b>
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)</b>			
	<b>067</b>	<b>530,973,632</b>	<b>602,492,486</b>
<b>I INITIAL (SUBSCRIBED) CAPITAL</b>			
	<b>068</b>	<b>159,471,379</b>	<b>159,471,378</b>
<b>II CAPITAL RESERVES</b>			
	<b>069</b>	<b>1,072,189</b>	<b>1,073,176</b>
<b>III RESERVES FROM PROFIT (ADP 071+072-073+074+075)</b>			
	<b>070</b>	<b>106,637,562</b>	<b>110,440,763</b>
1 Legal reserves	<b>071</b>	9,726,616	10,572,683
2 Reserves for treasury shares	<b>072</b>	4,507,291	5,998,550
3 Treasury shares and holdings (deductible item)	<b>073</b>	-2,032,193	-1,998,550
4 Statutory reserves	<b>074</b>	65,869,433	67,243,333
5 Other reserves	<b>075</b>	28,566,415	28,624,747
<b>IV REVALUATION RESERVES</b>			
	<b>076</b>	<b>0</b>	<b>0</b>
<b>V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)</b>			
	<b>077</b>	<b>624,455</b>	<b>606,803</b>
1 Financial assets at fair value through other comprehensive income (i.e, available for sale)	<b>078</b>	830,229	830,229
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>	-205,774	-223,426
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>			
	<b>083</b>	<b>92,084,350</b>	<b>122,495,380</b>
1 Retained profit	<b>084</b>	92,084,350	122,495,380
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>	<b>46,328,381</b>	<b>68,924,378</b>
1 Profit for the business year	<b>087</b>	46,328,381	68,924,378
2 Loss for the business year	<b>088</b>	0	0
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>			
	<b>089</b>	<b>124,755,316</b>	<b>139,480,608</b>

## BALANCE SHEET

### balance as at 30.09.2024

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>31,414,110</b>	<b>32,346,958</b>
1 Provisions for pensions, termination benefits and similar obligations	<b>091</b>	6,067,206	6,035,470
2 Provisions for tax liabilities	<b>092</b>	0	0
3 Provisions for ongoing legal cases	<b>093</b>	3,066,319	3,495,412
4 Provisions for renewal of natural resources	<b>094</b>	609,529	609,529
5 Provisions for warranty obligations	<b>095</b>	21,631,366	21,024,299
6 Other provisions	<b>096</b>	39,690	1,182,248
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>097</b>	<b>43,200,203</b>	<b>41,511,673</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>	46,453	0
6 Liabilities to banks and other financial institutions	<b>103</b>	31,774,344	29,207,335
7 Liabilities for advance payments	<b>104</b>	0	0
8 Liabilities to suppliers	<b>105</b>	0	1,599,847
9 Liabilities for securities	<b>106</b>	1,345,000	1,077,676
10 Other long-term liabilities	<b>107</b>	6,247,316	5,491,552
11 Deferred tax liability	<b>108</b>	3,787,090	4,135,263
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	<b>377,486,959</b>	<b>380,088,874</b>
1 Liabilities to undertakings within the group	<b>110</b>	0	0
2 Liabilities for loans, deposits, etc., of undertakings within the group	<b>111</b>	0	0
3 Liabilities to companies linked by virtue of participating interests	<b>112</b>	15,501,708	10,634,727
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>	10,000	121,591
6 Liabilities to banks and other financial institutions	<b>115</b>	28,081,379	14,257,556
7 Liabilities for advance payments	<b>116</b>	132,754,442	180,876,447
8 Liabilities to suppliers	<b>117</b>	123,888,897	102,685,386
9 Liabilities for securities	<b>118</b>	195,000	267,731
10 Liabilities to employees	<b>119</b>	11,706,100	13,608,504
11 Taxes, contributions and similar liabilities	<b>120</b>	24,490,575	31,217,519
12 Liabilities arising from the share in the result	<b>121</b>	322,252	383,275
13 Liabilities arising from fixed assets held for sale	<b>122</b>	41,226	34,126
14 Other short-term liabilities	<b>123</b>	40,495,380	26,002,012
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	<b>36,293,389</b>	<b>38,864,233</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	<b>1,019,368,293</b>	<b>1,095,304,224</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	<b>776,014,997</b>	<b>1,165,302,646</b>

## STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 30.09.2024

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>	615,162,217	223,192,728	745,291,638	258,967,308
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	601,084,257	218,162,034	734,572,852	255,880,242
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	0	0	0	0
5 Other operating income (outside the group)	006	14,077,960	5,030,694	10,718,786	3,087,066
<b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>	<b>007</b>	565,143,501	200,619,406	622,496,933	215,584,996
1 Changes in inventories of work in progress and finished goods	008	-20,782,978	4,808,347	649,960	8,140,792
2 Material costs (ADP 010 to 012)	009	431,080,618	141,254,285	430,213,936	139,188,037
a) Costs of raw materials and consumables	010	338,148,556	106,452,601	318,408,766	98,960,093
b) Costs of goods sold	011	31,175,619	10,707,672	30,185,363	10,815,160
c) Other external costs	012	61,756,443	24,094,012	81,619,807	29,412,784
3 Staff costs (ADP 014 to 016)	013	107,507,899	38,711,311	131,234,031	46,696,942
a) Net salaries and wages	014	67,392,383	24,388,445	82,893,865	29,648,871
b) Tax and contributions from salary costs	015	26,825,762	9,574,211	32,500,987	11,470,267
c) Contributions on salaries	016	13,289,754	4,748,655	15,839,179	5,577,804
4 Depreciation	017	14,010,438	4,690,303	16,746,666	5,616,798
5 Other costs	018	30,764,964	10,614,939	41,040,960	14,587,976
6 Value adjustments (ADP 020+021)	019	233,496	64,624	1,381,619	1,140,676
a) fixed assets other than financial assets	020	62,307	0	17,100	1,411
b) current assets other than financial assets	021	171,189	64,624	1,364,519	1,139,265
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	2,329,064	475,597	1,229,761	213,775
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	1,289,034	598,011	3,888,628	1,252,303
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	0	0	0	0
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	95,389	-65,028	171,077	129,146
7 Other interest income	037	1,039,538	632,310	3,331,339	1,015,084
8 Exchange rate differences and other financial income	038	262	262	0	0
9 Unrealised gains (income) from financial assets	039	97,872	23,469	174,899	45,928
10 Other financial income	040	55,973	6,998	211,313	62,145
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	2,555,451	1,047,086	3,983,747	1,364,056
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0



## STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 30.09.2024

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	2,234,682	890,520	2,925,970	875,828
4 Exchange rate differences and other expenses	045	312,011	152,183	1,001,603	438,722
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	8,758	4,383	56,174	49,506
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	<b>6,548,374</b>	<b>3,522,461</b>	<b>17,605,120</b>	<b>9,231,148</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	<b>528,711</b>	<b>173,752</b>	<b>852,810</b>	<b>298,208</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	<b>9,299</b>	<b>3,076</b>	<b>7,363</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>623,528,336</b>	<b>227,486,952</b>	<b>767,638,196</b>	<b>269,748,967</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>567,708,251</b>	<b>201,669,568</b>	<b>626,488,043</b>	<b>216,949,052</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>55,820,085</b>	<b>25,817,384</b>	<b>141,150,153</b>	<b>52,799,915</b>
1 Pre-tax profit (ADP 053-054)	056	55,820,085	25,817,384	141,150,153	52,799,915
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
<b>XII INCOME TAX</b>	<b>058</b>	<b>7,509,384</b>	<b>3,274,110</b>	<b>24,545,674</b>	<b>9,987,873</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>48,310,701</b>	<b>22,543,274</b>	<b>116,604,479</b>	<b>42,812,042</b>
1 Profit for the period (ADP 055-059)	060	48,310,701	22,543,274	116,604,479	42,812,042
2 Loss for the period (ADP 059-055)	061	0	0	0	0
<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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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>	<b>48,310,701</b>	<b>22,543,274</b>	<b>116,604,479</b>	<b>42,812,042</b>
<b>1 Attributable to owners of the parent</b>	<b>076</b>	<b>30,889,388</b>	<b>13,463,349</b>	<b>68,924,378</b>	<b>27,559,691</b>
<b>2 Attributable to minority (non-controlling) interest</b>	<b>077</b>	<b>17,421,313</b>	<b>9,079,925</b>	<b>47,680,101</b>	<b>15,252,351</b>
<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>	<b>48,310,701</b>	<b>22,543,274</b>	<b>116,604,479</b>	<b>42,812,042</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	<b>200,486</b>	<b>50,480</b>	<b>192,051</b>	<b>-1,079,078</b>
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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 30.09.2024

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		
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>	200,486	50,480	192,051	-1,079,078
1 Exchange rate differences from translation of foreign operations	088	200,486	50,480	192,051	-1,079,078
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>	200,486	50,480	192,051	-1,079,078
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b> (ADP 078+097)	<b>098</b>	48,511,187	22,593,754	116,796,530	41,732,964
<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>	48,511,187	22,593,754	116,796,530	41,732,964
<b>1 Attributable to owners of the parent</b>	<b>100</b>	30,995,104	13,489,968	69,025,642	26,990,689
<b>2 Attributable to minority (non-controlling) interest</b>	<b>101</b>	17,516,083	9,103,786	47,770,888	14,742,275

## STATEMENT OF CASH FLOWS - direct method for the period 01.01.2024 to 30.09.2024

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	688,639,423	825,186,335
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	20,739
3 Cash receipts from insurance premiums	003	1,129,297	890,710
4 Cash receipts from tax refund	004	22,778,790	28,747,593
5 Other cash receipts from operating activities	005	9,507,568	5,220,082
<b>I Total cash receipts from operating activities (ADP 001 to 005)</b>	<b>006</b>	<b>722,055,078</b>	<b>860,065,459</b>
1 Cash payments to suppliers	007	-451,498,668	-492,111,986
2 Cash payments to employees	008	-111,508,416	-137,274,279
3 Cash payments for insurance premiums	009	-2,755,797	-3,157,189
4 Interest paid	010	-1,123,540	-1,742,963
5 Income tax paid	011	-6,571,612	-22,824,403
6 Other cash payments from operating activities	012	-45,706,595	-39,810,745
<b>II Total cash payments from operating activities (ADP 007 to 012)</b>	<b>013</b>	<b>-619,164,628</b>	<b>-696,921,565</b>
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)</b>	<b>014</b>	<b>102,890,450</b>	<b>163,143,894</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	015	4,508,889	232,760
2 Cash receipts from sales of financial instruments	016	390,643	0
3 Interest received	017	539,679	3,613,442
4 Dividends received	018	5,260,631	8,577,896
5 Cash receipts from the repayment of loans and deposits	019	2,616,642	8,168,014
6 Other cash receipts from investment activities	020	1,450	42,358
<b>III Total cash receipts from investment activities (ADP 015 to 020)</b>	<b>021</b>	<b>13,317,934</b>	<b>20,634,470</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-15,479,192	-29,210,326
2 Cash payments for the acquisition of financial instruments	023	-7,272,032	-6,196,267
3 Cash payments for loans and deposits	024	-2,816,206	-13,515,564
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	-2,120	-32,704,734
<b>IV Total cash payments from investment activities (ADP 022 to 026)</b>	<b>027</b>	<b>-25,569,550</b>	<b>-81,626,891</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)</b>	<b>028</b>	<b>-12,251,616</b>	<b>-60,992,421</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	029	169	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	24,448,283	36,946,998
4 Other cash receipts from financing activities	032	1,376,985	696,995
<b>V Total cash receipts from financing activities (ADP 029 to 032)</b>	<b>033</b>	<b>25,825,437</b>	<b>37,643,993</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	-34,158,831	-53,457,631
2 Cash payments for dividends	035	-8,908,128	-14,454,192
3 Cash payments for finance lease	036	-1,107,284	-1,230,289
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	-6,703,146	-26,952,063
<b>VI Total cash payments from financing activities (ADP 034 to 038)</b>	<b>039</b>	<b>-50,877,389</b>	<b>-96,094,175</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)</b>	<b>040</b>	<b>-25,051,952</b>	<b>-58,450,182</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	-65,142	391,411
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)</b>	<b>042</b>	<b>65,521,740</b>	<b>44,092,702</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>043</b>	<b>57,262,703</b>	<b>153,823,741</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)</b>	<b>044</b>	<b>122,784,443</b>	<b>197,916,443</b>

# STATEMENT OF CHANGES IN EQUITY

## for the period from 01.01.2024 to 30.09.2024

Unaudited Consolidated Financial Statements of KONČAR Group for the period January - September 2024

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital re-serves	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	9,662,202	4,526,798	2,051,700	67,872,168	31,861,678	0	0	0	0	0	-16,144	58,812,800	34,555,177	365,766,547	94,701,987	460,468,534
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>9,662,202</b>	<b>4,526,798</b>	<b>2,051,700</b>	<b>67,872,168</b>	<b>31,861,678</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-16,144</b>	<b>58,812,800</b>	<b>34,555,177</b>	<b>365,766,547</b>	<b>94,701,987</b>	<b>460,468,534</b>
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	46,328,381	46,328,381	24,574,007	70,902,388
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	-189,630	0	0	-189,630	-253,465	-443,095
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	830,229	0	0	0	0	0	0	830,229	744,261	1,574,490
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,534,342	6,534,342
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	-976,684	976,684	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	-5,092,280	0	-5,092,280	-3,812,002	-8,904,282
21 Other distributions and payments to members/shareholders	21	0	0	0	-19,507	-19,507	0	0	0	0	0	0	0	0	-1,424,931	0	-1,424,931	2,266,186	841,255
22 Transfer to reserves according to the annual schedule	22	0	0	64,414	0	0	-2,002,735	-3,295,263	0	0	0	0	0	0	39,788,761	-34,555,177	0	0	0
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>159,471,379</b>	<b>1,072,189</b>	<b>9,726,616</b>	<b>4,507,291</b>	<b>2,032,193</b>	<b>65,869,433</b>	<b>28,566,415</b>	<b>0</b>	<b>830,229</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-205,774</b>	<b>92,084,350</b>	<b>46,328,381</b>	<b>406,218,316</b>	<b>124,755,316</b>	<b>530,973,632</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>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>830,229</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-189,630</b>	<b>0</b>	<b>0</b>	<b>640,599</b>	<b>7,025,138</b>	<b>7,665,737</b>
<b>II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)</b>	<b>26</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>830,229</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-189,630</b>	<b>0</b>	<b>46,328,381</b>	<b>46,968,980</b>	<b>31,599,145</b>	<b>78,568,125</b>
<b>III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)</b>	<b>27</b>	<b>-976,684</b>	<b>976,684</b>	<b>64,414</b>	<b>-19,507</b>	<b>-19,507</b>	<b>-2,002,735</b>	<b>-3,295,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,271,550</b>	<b>-34,555,177</b>	<b>-6,517,211</b>	<b>-1,545,816</b>	<b>-8,063,027</b>

# STATEMENT OF CHANGES IN EQUITY

## for the period from 01.01.2024 to 30.09.2024

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 do 6 - 7 + 8 do 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>	159,471,379	1,072,189	9,726,616	4,507,291	2,032,193	65,869,433	28,566,415	0	830,229	0	0	0	-205,774	92,084,350	46,328,381	406,218,316	124,755,316	530,973,632
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>159,471,379</b>	<b>1,072,189</b>	<b>9,726,616</b>	<b>4,507,291</b>	<b>2,032,193</b>	<b>65,869,433</b>	<b>28,566,415</b>	<b>0</b>	<b>830,229</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-205,774</b>	<b>92,084,350</b>	<b>46,328,381</b>	<b>406,218,316</b>	<b>124,755,316</b>	<b>530,973,632</b>
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	68,924,378	68,924,378	47,680,101	116,604,479
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	99,273	0	0	99,273	92,778	192,051
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	1,491,259	-33,643	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	-7,138,222	0	-7,138,222	-8,457,852	-15,596,074
21 Other distributions and payments to members/shareholders	48	0	987	412,798	0	0	1,373,900	-746,402	0	0	0	0	0	-116,925	-6,016,224	0	-5,091,866	-24,589,735	-29,681,601
22 Transfer to reserves according to the annual schedule	49	0	0	433,269	0	0	0	2,329,636	0	0	0	0	0	0	43,565,476	-46,328,381	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>159,471,379</b>	<b>1,073,176</b>	<b>10,572,683</b>	<b>5,998,550</b>	<b>1,998,550</b>	<b>67,243,333</b>	<b>28,624,747</b>	<b>0</b>	<b>830,229</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-223,426</b>	<b>122,495,380</b>	<b>68,924,378</b>	<b>463,011,879</b>	<b>139,480,608</b>	<b>602,492,487</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>1,491,259</b>	<b>-33,643</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>99,273</b>	<b>0</b>	<b>0</b>	<b>99,273</b>	<b>92,778</b>	<b>192,051</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>1,491,259</b>	<b>-33,643</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>99,273</b>	<b>0</b>	<b>68,924,378</b>	<b>69,023,651</b>	<b>47,772,879</b>	<b>116,796,530</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>987</b>	<b>846,067</b>	<b>0</b>	<b>0</b>	<b>1,373,900</b>	<b>1,583,234</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-116,925</b>	<b>30,411,030</b>	<b>-46,328,381</b>	<b>-12,230,088</b>	<b>-33,047,587</b>	<b>-45,277,675</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 September 2024**

### 1 GENERAL INFORMATION

#### Business segments

The core business segments of KONČAR Group (hereinafter: the Group) are:

- power generation
- power transmission and distribution
- urban mobility and infrastructure
- digital solutions

#### Group structure

The Group, alongside the Parent Company, includes 14 subsidiaries engaged in core business activities and 2 subsidiaries focused on specialized activities, primarily in product research and development. There are also entities controlled by these subsidiaries, including companies within the Dalekovod Group.

The Group has one associate company in Croatia.

The Parent Company of the Group is KONČAR – Electrical Industry Inc. (PIN 45050126417), Zagreb, Fallerovo šetalište 22 (hereinafter: the Company).

#### Number of employees

As at 30 September 2024, the Group has 5,391 employees, while as of 31 December 2023 it had 5,271 employees.

The average number of employees in the period January - September 2024 was 5,349 (Jan - Sep 2023: 4,921).

### 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

#### Basis of preparation

The Consolidated Financial Statements for the period January - September 2024 have been drawn up in accordance with the International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

The Consolidated Financial Statements do not include all information and disclosures required in consolidated annual financial statements and they must be read together with the Consolidated Annual Financial Statements of the Group as at 31 December 2023. The Consolidated Annual Financial Statements of the Group are drawn up in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.

The Consolidated Annual Financial Statements of the Group are available at the official website of Zagreb Stock Exchange ([www.zse.hr](http://www.zse.hr)), Croatian Financial Services Supervisory Agency ([www.hanfa.hr](http://www.hanfa.hr)) and at the Company's official website ([www.koncar.hr](http://www.koncar.hr)).

#### Going concern assumption

The Company's Management Board believes that the Group has sufficient resources to continue its operations in the foreseeable future and has not found any significant uncertainties pertaining to business events and conditions that may cast doubt about the Group's going concern assumption.

#### Significant accounting policies

The Consolidated Financial Statements for the period January - September 2024 have been drawn up on the basis of the same accounting policies, disclosures and calculation methods used in the Consolidated Annual Financial Statements of the Group as at 31 December 2023.

#### Key accounting estimates and judgments

While drawing up consolidated financial statements, the Management Board used the judgments and estimates affecting the application of accounting policies and the recorded amounts of assets and liabilities, income and expenses. The resulting accounting estimates will, by definition, seldom equal the related actual results. Key accounting estimates are equal to those described in the most recent annual financial statement.

#### Seasonal effects

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

## 3 SUBSIDIARIES

	Country	30/09/2024		31/12/2023	
		Voting rights (%)	Effective share (%)	Voting rights (%)	Effective share (%)
<b>Consolidated subsidiaries:</b>					
KONČAR - Motors and Electrical Systems Ltd. for manufacturing	Croatia	100.00	100.00	100.00	100.00
KONČAR - Engineering Ltd., Zagreb	Croatia	-	-	100.00	100.00
TELENERG-ENGINEERING Llc., for design and manufacturing	Croatia	100.00	100.00	100.00	100.00
INK PROJEKT d.o.o. za građevinarstvo i usluge	Croatia	100.00	100.00	100.00	100.00
KONČAR - Infrastructure and Services Ltd. for services	Croatia	-	-	100.00	100.00
KONČAR - Electrical Engineering Institute Ltd. for research, development and services	Croatia	100.00	100.00	100.00	100.00
KONČAR - Generators and Motors Ltd. for manufacturing	Croatia	100.00	100.00	100.00	100.00
KONČAR - Metal Structures Ltd. for manufacturing	Croatia	100.00	100.00	100.00	100.00
KONČAR - SWITCHGEAR Ltd. for production	Croatia	100.00	100.00	100.00	100.00
KONČAR - Renewable Energy Sources Ltd. for production	Croatia	100.00	100.00	100.00	100.00
Wind Farm Rust Ltd.	Croatia	100.00	100.00	100.00	100.00
Solar power plant Deponija fosfogipsa d.o.o., Zagreb	Croatia	51.00	51.00	51.00	51.00
Liburnia Solar d.o.o. za proizvodnju električne energije, Zagreb	Croatia	76.00	76.00	-	-
South East Energy d.o.o. za usluge, Zagreb	Croatia	75.20	75.20	-	-
Energy park Pometeno brdo Ltd, for manufacturing, Zagreb	Croatia	100.00	100.00	-	-
KONČAR - Electric Vehicles Inc for manufacturing	Croatia	84.71	84.71	77.74	77.44
Konnell d.o.o., Sofia, Bulgaria*	Bulgaria	85.00	71.08	85.00	66.08
KONČAR - Electronics and Informatics Ltd., Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Instrument Transformers Inc., Zagreb	Croatia	99.77	99.77	99.77	99.77
KONČAR - Distribution and Special Transformers Inc., Zagreb	Croatia	67.90	67.90	67.90	67.90
FEROKOTAO d.o.o.	Croatia	51.80	35.17	51.80	35.17
Power Engineering Transformatory Sp.z.o.o. (PET)	Poland	100.00	67.90	100.00	67.90
KONČAR - Digital Ltd., Zagreb	Croatia	100.00	100.00	100.00	100.00
KODEKS SISTEMSKJE INTEGRACIJE d.o.o.	Croatia	75.00	75.00	75.00	75.00
ADNET d.o.o.	Croatia	26.00	26.00	-	-
KREANCA SUSTAVI d.o.o.	Croatia	52.00	52.00	-	-
ADNET d.o.o.	Croatia	50.00	26.00	-	-
KONČAR - Transformer tanks Ltd.	Croatia	100.00	100.00	100.00	100.00
KONČAR - Investments Ltd., Zagreb	Croatia	100.00	100.00	100.00	100.00
Advanced Energy Solutions Ltd., Zagreb (indirect ownership through the subsidiary KONČAR - Investments Ltd.)	Croatia	100.00	100.00	51.00	51.00
Dalekovod Inc., Zagreb	Croatia	75.16	75.16	75.16	38.33
DALEKOVOD MK Ltd., Velika Gorica	Croatia	100.00	75.16	100.00	38.33
DALEKOVOD OSO Ltd., Velika Gorica	Croatia	100.00	75.16	100.00	38.33
Dalekovod Projekt d.o.o., Zagreb	Croatia	100.00	75.16	100.00	38.33
Dalekovod EMU d.o.o., Vela Luka	Croatia	100.00	75.16	100.00	38.33
EL-RA d.o.o., Vela Luka	Croatia	100.00	75.16	100.00	38.33
Cinčaonica usluge d.o.o. in liquidation, Dugo selo	Croatia	100.00	75.16	100.00	38.33
Dalekovod Mostar d.o.o., Mostar, Bosnia and Herzegovina	B&H	100.00	75.16	100.00	38.33
Dalekovod Ljubljana d.o.o., Ljubljana, Slovenia	Slovenia	100.00	75.16	100.00	38.33
Dalekovod Norge AS, Oslo, Norway	Norway	100.00	75.16	100.00	38.33
Dalekovod Ukrajina d.o.o., Kiev, Ukraine	Ukraine	100.00	75.16	100.00	38.33

\*the company is not subject to consolidation due to its immateriality

The Group has control over several subsidiaries arising from the majority of voting rights. However, the ownership share in these subsidiaries does not correspond to the share of voting rights due to the fact that the companies also have issued preference shares, which carry the same rights as ordinary shares, but with no voting rights. The share in the ownership of these subsidiaries is as follows:

	<b>30/09/2024</b>	<b>31/12/2023</b>
	Ownership share (%)	Ownership share (%)
KONČAR - Instrument transformers Inc., Zagreb	61.97	61.97
KONČAR - D&ST Inc., Zagreb	52.73	52.73

#### 4 SEGMENT REPORTING

For management purposes, the Group is organised into business units based on the similarity in the nature of individual product groups and has identified reportable segments. The reportable segments of the Group are as follows:

- power generation - manufacturing and revitalization of generators, construction and revitalization of HPPs, construction of solar power plants, manufacturing of converters, manufacturing and installation of wind turbines, management, maintenance and servicing
- power transmission and distribution - manufacturing and sales of distribution, special, instrument and other types of transformers, transformer tanks, substations, equipment for primary and secondary power distribution, low voltage plants, monitoring systems, diagnostics, testing and technical control
- urban mobility and infrastructure – construction and sale of rail vehicles such as trains and trams, railway infrastructure, as well as related maintenance services for rail vehicles, and other infrastructure (roads, lighting, and more).
- digital solutions - digital solutions, digital services, digitalization of products and production, business support systems, ICT infrastructure and services.

The reportable segments are an integral part of internal financial statements. The Company's Management Board reviews the internal financial statements regularly and as the main business decision maker, it assesses performance based on those reports in order to take business decisions.

Other segments include leasing real estate that is not in the function of the core business segments, as well as the part of the manufacturing of small motors and electrical machines, and as such does not represent a separate operating segment.

##### *Sales revenue by segment*

An analysis of the Group's sales revenue by reportable segments disclosed in accordance with IFRS 8 – Operating Segments is presented below.

	<b>01/01/2024 - 30/09/2024</b>	<b>01/01/2023 - 30/09/2023</b>
	EUR' 000	EUR' 000
Power generation	<b>60.964</b>	<b>52.347</b>
Power transmission and distribution	<b>602.804</b>	<b>431.276</b>
- transmission	200.285	151.294
- distribution	402.519	279.982
Urban mobility and infrastructure	<b>85.508</b>	<b>88.947</b>
- mobility	58.761	71.645
- infrastructure	26.746	17.302
Digital solutions	<b>17.243</b>	<b>13.806</b>
Total reportable segments	<b>766.518</b>	<b>586.376</b>
Other	35.461	71.574
<b>Total revenue from contracts with customers</b>	<b>801.978</b>	<b>657.950</b>
Intercompany eliminations	<b>(67.405)</b>	<b>(56.866)</b>
<b>Revenue from contracts with customers</b>	<b>734.573</b>	<b>601.084</b>
Associate companies	9.817	15.343
Unaffiliated companies	724.755	585.741
<b>Total revenue from contracts with customers</b>	<b>734.573</b>	<b>601.084</b>

## 5 OTHER OPERATING INCOME

Other operating income amounts to EUR 10.72 million and pertains to asset sale revenue, loss compensation, income from state aid and other income.

## 6 CAPITALISED SALARY COSTS

In the period from January to September 2024, the group companies capitalized salary costs totalling EUR 2,017 thousand (Q1-Q3 2023: EUR 1,147 thousand). This includes net salaries of EUR 1,204 thousand (Q1-Q3 2023: EUR 684 thousand), taxes, surtaxes, and employee contributions from salaries amounting to EUR 556 thousand (Q1-Q3 2023: EUR 326 thousand), and employer contributions of EUR 257 thousand (Q1-Q3 2023: EUR 137 thousand).

## 7 EARNINGS PER SHARE

	<u>01/01/2024 - 30/09/2024</u>	<u>01/01/2023 - 30/09/2023</u>
<b>Net profit attributable to the Parent Company Shareholders (EUR' 000)</b>	<b>68,924</b>	<b>30,889</b>
Weighted average number of shares	2,546,533	2,546,212
<b>Basic and diluted earnings per share in EUR</b>	<b>27.07</b>	<b>12.13</b>

## 8 NON-CURRENT TANGIBLE AND INTANGIBLE ASSETS

Over the course of Q1-Q3 2024, the Group procured assets in the amount of EUR 31,515 thousand (Q1-Q3 2023: EUR 19,564 thousand). Depreciation and amortization expenses in the period Q1-Q3 2024 amount to EUR 16,747 thousand (Q1-Q3 2023: EUR 14,010 thousand).

## 9 INVENTORIES

Over the course of Q1-Q3 2024, the Group recognised value adjustment of inventories in the amount of EUR 227 thousand (Q1-Q3 2023: EUR 143 thousand).

## 10 EQUITY 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) divided in 2,572,119 shares each in the 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 September 2024, the Company holds 25,306 treasury shares (as at 30 December 2023: 25,732 shares).

## 11 LIABILITIES UNDER LOANS

	<b>30/09/2024</b> EUR' 000	<b>31/12/2023</b> EUR' 000
<b>Liabilities under loans</b>		
Non-current	29,207	31,774
Current	14,258	28,081
	<b>43,465</b>	<b>59,855</b>

Bank loans are secured by a lien on immovable and movable property. The current value of immovable property on which a lien has been registered amounts to EUR 31,252 thousand, while the current value of movable property on which a lien has been registered amounts to EUR 6,330 thousand.

Long-term bank borrowings mature as follows:

	<b>30/09/2024</b> EUR' 000
Within one year	14,258
In 1 to 2 years	10,979
In 2 to 5 years	13,559
More than 5 years	4,669
	<b>43,465</b>

## 12 RELATED PARTY TRANSACTIONS

Parties are considered related if one party has the ability to control the other party, if it is under joint control or has a significant impact on the business of the other party. The Republic of Croatia and other companies under control or a significant influence of the Republic of Croatia also have significant ownership of the Group. Accordingly, the Group is related to state institutions and other majority state-owned companies or significantly state-influenced companies. For the purpose of related party disclosures, the Group does not consider routine transactions (such as taxes, levies, etc.) with various local utility entities (directly or indirectly owned by the State) or with other bodies to be related party transactions. The most significant transactions between the Group and state-owned companies pertain to electricity and heat supply and similar services. Apart from the above, over the course of Q1-Q3 2024 the Group realised the total of EUR 125.09 million of sales revenue with state institutions and other companies where the State is a majority owner or has a significant influence (Q1-Q3 2023: EUR 125.37 million), which mostly pertains to engineering services in the energy sector, rail vehicles and industrial electronics.

	<b>30/09/2024</b> EUR' 000	<b>31/12/2023</b> EUR' 000
<b>Receivables</b>		
Associate companies	2.126	10.516
Joint ventures	1.021	1.991
	<b>3.147</b>	<b>12.507</b>
<b>Liabilities</b>		
Associate companies	9.964	14.085
Joint ventures	671	1.416
	<b>10.635</b>	<b>15.501</b>
	<b>01/01/2024 - 30/09/2024</b> EUR' 000	<b>01/01/2023 - 30/09/2023</b> EUR' 000
<b>Sales revenue</b>		
Associate companies	5.731	12.746
Joint ventures	4.087	2.597
	<b>9.818</b>	<b>15.343</b>
<b>Operating expenses</b>		
Associate companies	11.449	12.655
Joint ventures	1.310	307
	<b>12.759</b>	<b>12.962</b>

## 13 EVENTS AFTER THE REPORTING DATE

There have been no events occurring between the reporting date and the date of approval of the Financial Statements that could have a significant impact on the quarterly Consolidated Financial Statements of the Group for the period Q1-Q3 2024 and as a result, these financial statements are appropriate for disclosure.



## Management's Statement of Responsibility

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

The Management Statement for the period ended 30 September 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 / CEO



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



Zagreb, 31 October 2024



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