

Business Results and Consolidated Statements of KONČAR Group

Unaudited

January - December 2024



KONČAR
Inspired by challenge

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Key Performance Indicators

Export

+28.3%

Sales revenue

+18.1%

Book-to-bill ratio

1.6

Backlog

+43%

Net profit

+130.4%

EBITDA

+100.4%

Compared to 2023

Backlog compared to 31 December 2023

A Report of the Management Board



CEO Statement Gordan Kolak, President of the Management Board

In 2024, KONČAR Group successfully maintained its growth trajectory, marking the fifth consecutive year of revenue and net profit growth. All key performance indicators recorded double-digit growth rates, a testament to our continued business transformation, strategic investments, and commitment to innovation. Through ongoing investment in R&D, new production capacities, and cutting-edge technology, KONČAR has further strengthened its position as a leading technology manufacturer and regional leader in power engineering, urban mobility, renewable energy, and digital solutions. Our knowledge, quality and reliance continues to drive global recognition, as demonstrated by our exceptional backlog, which reached over EUR 2 billion at year-end 2024, with export contracts comprising 74.4% of total contracted revenue.

It is important to emphasize that in 2024, all business segments of the KONČAR Group achieved growth, and as expected, the transmission and distribution segment leads the way. At the same time, the star of the portfolio is still represented by transformers - the strongest export lever of KONČAR's product portfolio, largely responsible for KONČAR's overall achievements in the past period. Excellent results were achieved in other business areas as well. In urban mobility and infrastructure, we continued our partnership with HŽ Putnički Prijevoz, signing a contract for the delivery of six diesel-electric multiple unit trains, connecting Split and Zagreb. Additionally, our longstanding cooperation with ZET and the City of Zagreb was extended with an agreement for 20 new trams. At InnoTrans 2024, the world's largest trade fair for transport technology in Berlin, KONČAR premiered two groundbreaking railway solutions – the battery-powered multiple unit train with an integrated charging station and the measurement train. These innovations showcase our technological excellence, expertise, and innovation capabilities, reaffirming KONČAR's standing among Europe's leading rolling stock manufacturers.

KONČAR's strong performance in 2024 garnered significant attention from the investment community. By year-end, our market capitalization exceeded EUR 1.1 billion, placing us among a select group of companies on the Zagreb Stock Exchange to surpass the EUR 1 billion threshold. This outstanding achievement was further acknowledged with the prestigious 'Golden Stock of the Year' award, presented by the Zagreb Stock Exchange.

As part of its ongoing transformation, KONČAR restructured its operations in 2024, merging KONČAR - Engineering Ltd. for manufacturing and services and KONČAR - Infrastructure and Services Ltd. into KONČAR Inc. This new organizational model is designed to unlock synergies, improve operational efficiency, and support the delivery of complex, high-value solutions. Further strengthening its strategic positioning, KONČAR signed a joint investment agreement with Siemens Energy, establishing KONČAR - Transformer Tanks Ltd., where KONČAR will, upon closing of the transaction and final establishment of an operational company, hold a 60% majority share. This collaboration marks an important step in expanding our technological foundation, equipping both partners to effectively meet the rising global demand for transformers.

While positive market trends persist, the global economy continues to face significant geopolitical challenges. The ongoing war in Ukraine, conflicts in the Middle East, and the risk of further escalation pose threats to oil prices and global stability. Despite this volatile environment, KONČAR has outperformed expectations, surpassing the ambitious targets set at the beginning of the year. As of 31 December 2024, the Group's backlog stood at EUR 2,034.3 million, with the 2025 order intake almost meeting planned levels. Additionally, new contracts for 2026 and following years have been signed, totaling EUR 925.8 million.

Driven by a strong order intake and backlog, revenue growth translated into exceptional financial performance. Consolidated sales revenue amounted to EUR 1,055.6 million, up EUR 161.5 million (+18.1%) year-on-year. Exports accounted for over 70% of total sales revenue, with significant increases across almost all markets. The EU market remains the key driver, with exports rising by EUR 133 million to EUR 551.7 million, representing 74.2% of total exports. Outstanding sales performance further drove profitability growth. Net profit reached EUR 163.3 million, a remarkable EUR 92.4 million increase compared to 2023. EBITDA doubled year-on-year to EUR 183.2 million, while the EBITDA margin improved to 17.4% (2023: 10.2%).

As we move into 2025, we remain focused on advancing our transformation and further strengthening our global market position. Our ongoing investment cycle will prioritize the digitalization of products, solutions, and services for the energy, transport, and industrial sectors, while also expanding our production capacities to drive sustainable long-term growth. Also, KONČAR continues to evaluate acquisition opportunities, both in the Croatian market and in the markets of surrounding countries. Attracting and retaining top talents, as well as developing our key employees, will remain a priority of our company in the coming years.

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

A handwritten signature in blue ink, appearing to read 'G. Kolak', positioned below the printed name and title.

MAJOR MILESTONES IN 2024

Major contracts completed

- The project for the construction of a transformer station for Campus Rimac was successfully completed. The transformer station will ensure the power supply for the production facility and the battery module testing site.
- As part of a solar power plant project in Latvia, the first 22 GREEN LINE series instrument transformers were delivered.
- For Albania's transmission system operator, the revitalization and integration of the existing SCADA system was completed.
- A regional passenger train was delivered and put into service, marking the completion of the EU-funded project for the procurement of 21 trains.
- For HOPS, the delivery and installation of 110 kV submarine cables spanning 42 km was completed, connecting the islands of Krk, Cres, Lošinj, Brač, Hvar, and Korčula.
- The final generator at HPP Sestrimo in Bulgaria was successfully commissioned.
- In Gratkorn, Austria, the newly constructed run-of-river hydroelectric power plant on the Mur River was commissioned, with KONČAR manufacturing, delivering, and successfully commissioning two 7 MVA generators.
- The first batch of specialized offshore transformers for the Ostwind 3 project in the Baltic Sea was delivered to 50Hertz, Germany.



Installation of submarine cables

Major new contracts

- Dalekovod was selected as the winning bidder for the construction of a new 420 kV transmission line on the Vik – Sogndal section in Norway. The project involves the dismantling of the existing 300 kV transmission line and the construction of a new 12.5 km 420 kV line.
- Following the successful completion of its first generator project for sHPP Shin Sakagami, KONČAR contracted a new project in Japan, sHPP Chidori.
- KONČAR Inc. signed an engineering contract under a turnkey model for the reconstruction of the 130 kV PT60 Flarken substation in Sweden
- KONČAR signed contracts for the revitalization of HPP Svarthålsforsen in Sweden and HPP Nuojua in Finland.
- A contract was signed for the revitalization of the Vidraru hydroelectric power plant in Romania. The scope of work includes design, manufacturing, delivery, dismantling of existing equipment, installation of new equipment, testing, and commissioning. Secured through an international tender, the contract is valued at over EUR 188 million, with KONČAR's share amounting to nearly EUR 80 million. Located on the Arges River, HPP Vidraru is a key hydropower plant within Romania's energy system. The revitalization will enhance performance, extend the plant's operational life, and strengthen Romania's energy infrastructure.
- KONČAR signed a contract with the Croatian Transmission System Operator (HOPS d.d.) for the delivery of equipment and reconstruction works at the Velebit pumped-storage hydroelectric power plant.
- The project was secured under a turnkey model, marking a strategically significant contract for KONČAR, as multiple Group companies are involved. This project further demonstrates KONČAR's capability to implement complex energy solutions, improving reliability and efficiency in power systems, while contributing to sustainable development and the green energy transition.
- A contract was signed for the design and construction of a new solar power plant, SPP Lipik, in the city of Lipik, Croatia. Developed in collaboration with the City of Lipik, the project aims to establish a sustainable energy infrastructure in the region, further reducing the carbon footprint in electricity generation.
- A contract was signed with Croatian Railways for the procurement of six electro-diesel multiple unit trains to connect Split and Zagreb. The project is financed through an EIB loan.
- A contract was signed with the City of Zagreb (ZET) for the delivery of 20 additional low-floor trams for ZET. This extends KONČAR's longstanding collaboration with ZET and the City of Zagreb, under which 143 low-floor trams have already been delivered and are regularly maintained in cooperation with ZET. The first contract for 20 new low-floor trams was signed in June 2023, and production is currently underway.
- In Sweden, KONČAR secured its first-ever turnkey contract for the construction of a new 145 kV Tando substation for distribution operator Ellevio.



Transmission line in Norway



HPP Vidraru, Romania

Strategic partnerships, acquisitions, trade fairs, business transformation, and awards

- KONČAR and Siemens Energy strengthened their partnership through a new joint investment. The signing of the Joint Venture Agreement deepens the longstanding collaboration between these two key players in Europe's green transition, who have maintained a successful partnership since 1994 within their joint company KONČAR - Power Transformers Ltd. (KPT). The new joint company, KONČAR - Transformer Tanks Ltd. (KTK), will specialize in the production and sale of transformer tanks. This strategic partnership will significantly expand production capacity, secure a portion of future production for Siemens Energy, facilitate knowledge and expertise exchange, enable risk sharing, and increase global market penetration.
- At InnoTrans 2024 in Berlin, KONČAR showcased the latest advancements in urban mobility and infrastructure, unveiling its battery-powered multiple unit train and measurement train. These cutting-edge innovations, developed by Croatian experts, represent the most complex high-tech products in the Croatian industry. With over 160,000 visitors from 150 countries, KONČAR's presence at the exhibition contributed to Croatia's strategic positioning in Europe's high-tech industry and boosted the nation's economic competitiveness.
- A majority stake acquisition agreement was signed for Adnet Ltd., expanding KONČAR's portfolio of products, services, and SLA (Service Level Agreement) contracts in the areas of equipment supply, network and IT infrastructure design, implementation, and engineering, as well as critical and urban infrastructure management and monitoring solutions.
- Effective 1 July 2024, KONČAR - Engineering Ltd. for manufacturing and services and KONČAR - Infrastructure and Services Ltd. were merged into KONČAR Inc. The new organizational and operational structure is expected to enhance synergies within the Group, ensuring more efficient delivery of complex, high-value solutions.
- At the 19th Croatian Exporters Convention, KONČAR - Distribution and Special Transformers Inc. was awarded the Golden Key for the Best Large Exporter of 2023, while KONČAR - Instrument Transformers Inc. received the award for Best Exporter to Canada.
- KONČAR - Distribution and Special Transformers Inc. was also honored with the Golden Kuna award from the Croatian Chamber of Economy (HGK) and the Golden Kuna Certificate from the Zagreb Chamber of Commerce for outstanding overall business performance in 2023. Additionally, the company received the HGK ESG Rating Award for the best sustainable business model in Croatia.
- Gordan Kolak, CEO, was named Business Leader of the Year.
- KONČAR received the Zagreb Stock Exchange Golden Stock of the Year Award for 2024, as well as HANFA's Corporate Governance Compliance Award for the second consecutive year.



Signing of the Joint Venture Agreement with Siemens Energy



Battery multiple unit with charging station



Golden Key Award

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

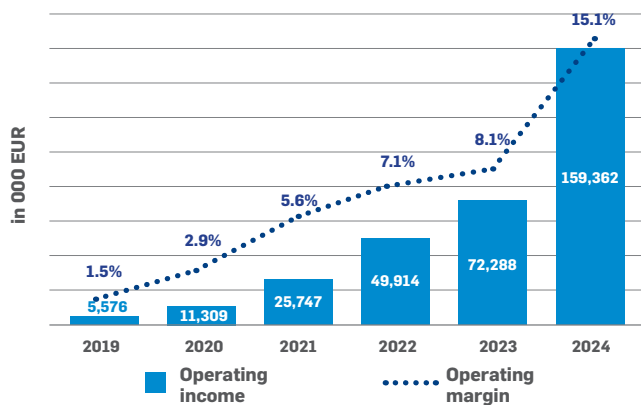
Key Performance Indicators

KEY FINANCIAL METRICS (EUR '000) - unaudited

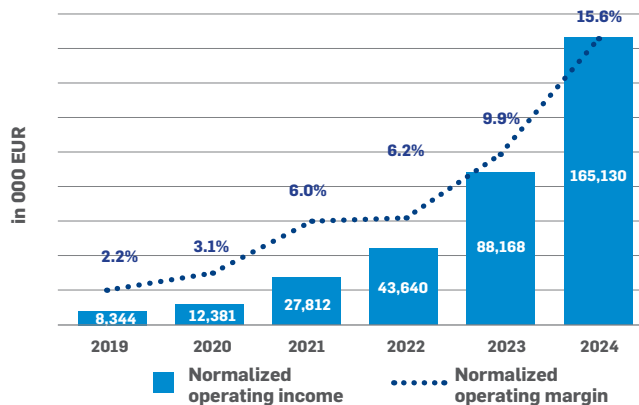
in 000 eur	KONČAR GROUP							CAGR 2024/2019
	2019 1	2020 2	2021 3	2022 4	2023 5	2024 6	2024/2023 7	
Operating income	381,842	401,655	471,731	725,260	908,029	1,069,961	17.8%	22.9%
Sales income - total	373,077	394,526	461,537	703,872	894,079	1,055,620	18.1%	23.1%
Sales income - export	219,055	245,483	273,772	430,543	579,149	743,073	28.3%	27.7%
Operating expenses	376,266	390,346	445,984	675,346	835,741	910,599	9.0%	19.3%
Operating profit	5,576	11,309	25,747	49,914	72,288	159,362	120.5%	95.5%
Operating margin	1.5%	2.9%	5.6%	7.1%	8.1%	15.1%		
Net profit	6,908	16,932	28,056	49,128	70,902	163,341	130.4%	88.3%
Net margin	1.9%	4.3%	6.1%	7.0%	7.9%	15.5%		
Normalized net profit	9,676	18,004	30,122	42,853	86,782	169,109	94.9%	77.2%
Normalized net profit margin	2.6%	4.6%	6.5%	6.1%	9.7%	16.0%		
Depreciation and amortization	12,142	12,947	12,912	16,906	19,136	23,880	24.8%	14.5%
EBITDA	17,718	24,255	38,659	66,820	91,424	183,242	100.4%	59.6%
EBITDA margin	4.7%	6.1%	8.4%	9.5%	10.2%	17.4%		
Normalized EBITDA ¹	20,486	25,327	40,724	60,546	107,304	189,010	76.1%	56.0%
Normalized EBITDA margin ¹	5.5%	6.4%	8.8%	8.6%	12.0%	17.9%		
Order intake	408,682	495,713	562,544	848,531	1,310,074	1,667,411	27.3%	32.5%
Backlog²	462,566	563,752	661,901	1,006,543	1,422,538	2,034,329	43.0%	34.5%
Book-to-bill ratio	1.1	1.3	1.2	1.2	1.5	1.6		

EBITDA normalized¹: EBITDA adjusted for one-off transactions, gains from asset disposals, compensation income, and increased by impairment adjustments on non-current and current assets, as well as provisions balance adjustments.
 Backlog²: balance as of 31 December

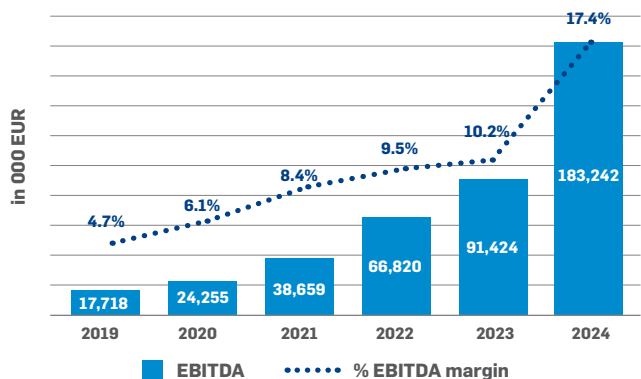
Operating income



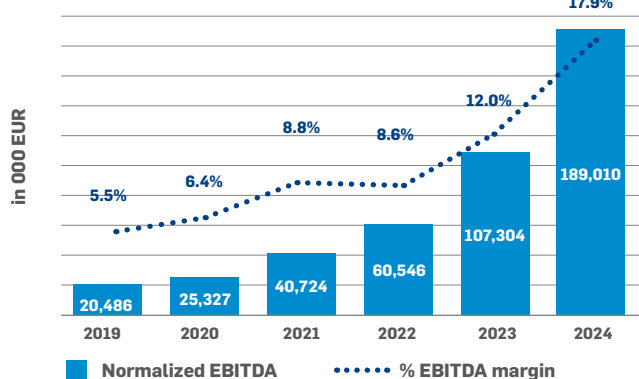
Normalized operating income

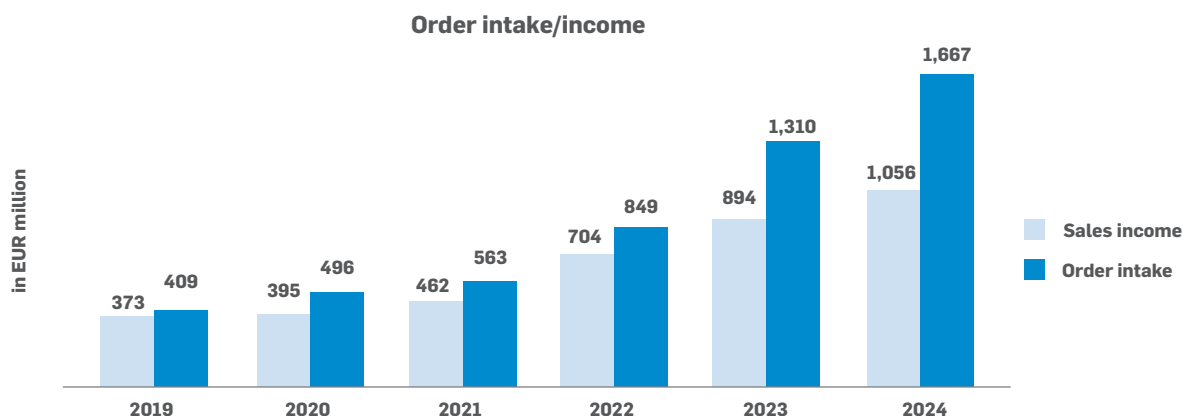


EBITDA



Normalized EBITDA





Income Statement

The KONČAR Group delivered another year of exceptional financial performance in 2024, achieving record-high revenue, net profit, and all key financial indicators. Profit margins expanded significantly compared to the previous year, while the positive trend in order intake and backlog continued.

Consolidated operating revenue reached EUR 1,070.0 million, an increase of EUR 161.9 million or +17.8% year-on-year. Revenue from the sale of products and services amounted to EUR 1,055.6 million, reflecting an 18.1% increase or EUR 161.5 million compared to 2023.

Other operating income totaled EUR 14.3 million, increasing by EUR 0.4 million year-on-year. The most significant components of other income in 2024 were compensation income, recoveries of previously written-off receivables, income from utilized written-off inventories, and the disposal of non-core assets.

Total operating expenses amounted to EUR 910.6 million, up EUR 74.9 million or +9.0% compared to 2023. Material costs excluding changes in the value of inventories (including raw materials, goods sold, and other external costs) totaled EUR 631.3 million, an increase of EUR 12.0 million or +1.9% year-on-year. The share of total material costs in sales revenue, adjusted for changes in inventory, was 59.4%, down 7.7 percentage points compared to the previous year. The cost of raw materials and supplies acco-

Index

in EUR 000	2023	2024	Δ	2024/2023
OPERATING INCOME	908,029	1,069,961	161,932	117.8
OPERATING EXPENSES	835,741	910,599	74,858	109.0
Material costs and change in value of inventories	589,742	623,910	34,168	105.8
Staff costs	148,773	186,356	37,583	125.3
Depreciation and amortization	19,136	23,880	4,744	124.8
Other costs	52,447	68,757	16,310	131.1
Provisions	13,179	1,355	-11,824	10.3
Impairment of non-current and current assets	12,465	6,342	-6,123	50.9
OPERATING PROFIT	72,288	159,362	87,074	220.5
SHARE IN PROFIT OF ASSOCIATED PARTIES	13,324	32,177	18,853	241.5
SHARE IN LOSS OF ASSOCIATED PARTIES	12	7	-5	58.3
FINANCE INCOME	3,298	5,335	2,037	161.8
FINANCE COSTS	3,545	5,242	1,697	147.9
TOTAL INCOME	924,651	1,107,474	182,823	119.8
TOTAL EXPENSES	839,298	915,849	76,551	109.1
Profit before taxation	85,353	191,625	106,272	224.5
Income tax	14,451	28,284	13,833	195.7
PROFIT FOR THE PERIOD	70,902	163,341	92,439	230.4

unted for 43.0% of sales revenue, adjusted for changes in inventory, down 8.7 percentage points year-on-year, while the cost of goods sold declined by 0.3 percentage points to 4.4%. Conversely, other external costs rose by 1.35 percentage points, reaching 12.0%.

Employee expenses totaled EUR 186.4 million, up EUR 37.6 million or +25.3% compared to 2023. The share of personnel costs in sales revenue, adjusted for changes in inventory, was 17.5%, increasing by 1.4 percentage points year-on-year.

Other operating expenses amounted to EUR 68.8 million, an increase of EUR 16.3 million year-on-year. The largest components were employee benefits and related costs, totaling EUR 35.0 million (up EUR 9.8 million compared to 2023), and costs related to production services, intellectual services, insurance premiums, and other expenses, which totaled EUR 30.0 million (up EUR 6.4 million year-on-year). The share of other expenses in adjusted sales revenue increased by 0.8 percentage points, reaching 6.5%.

Operating profit (EBIT) stood at EUR 159.4 million, up EUR 87.1 million compared to 2023. The EBIT margin improved to 15.1%, compared to 8.1% in the previous year.

Normalized EBIT totaled EUR 165.1 million, almost doubling year-on-year. The normalized EBIT margin increased to 15.6%, up 5.7 percentage points from 9.9% in 2023.

The difference between financial income and financial expenses was positive, amounting to EUR 0.1 million.

Total consolidated revenue reached EUR 1,107.5 million, increasing by EUR 182.8 million or +19.8% compared to 2023. Consolidated pre-tax profit amounted to EUR 191.6 million, up 124.5% year-on-year. Income tax expense totaled EUR 28.3 million, but the calculation based on the Pillar 2 regulation (Global minimum tax Act) is still on-going and might affect the final income tax expense.

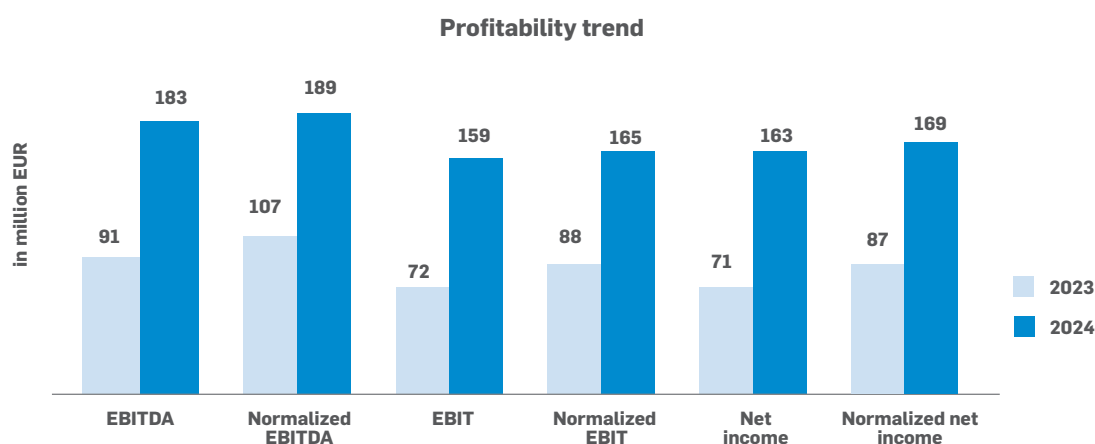
Net profit for 2024 was EUR 163.3 million, marking an increase of EUR 92.4 million or +130.4% year-on-year.

Normalized net profit stood at EUR 169.1 million, more than doubling compared to 2023, with an increase of EUR 82.3 million.

EBITDA reached EUR 183.2 million, growing by EUR 91.8 million year-on-year. The EBITDA margin was 17.4%, up from 10.2% in 2023.

Normalized EBITDA totaled EUR 189.0 million, increasing by EUR 81.7 million or +76.1% compared to 2023. The normalized EBITDA margin reached 17.9%, up from 12.0% in the previous year.

Normalized figures are calculated by adjusting reported financial results for the effects of one-off transactions, gains from asset disposals, compensation income, and impairment adjustments on non-current and current assets, as well as provisions balance adjustments.



Net debt

in EUR 000	31/12/2023	31/12/2024	Δ
Non-current liabilities for loans	46	0	-46
Non-current liabilities to banks and other financial institutions	35,206	26,150	-9,056
Non-current liabilities for future lease payments	687	509	-178
TOTAL Non-current liabilities	35,940	26,659	-9,280
Liabilities to banks and other financial institutions	51,237	39,951	-11,286
Interest payable	1,210	202	-1,009
Current liabilities for future lease payments	366	225	-141
TOTAL Current liabilities	52,813	40,378	-12,436
TOTAL DEBT	88,753	67,037	-21,716
Cash	153,824	143,415	-10,409
Current financial assets	536	85,667	85,131
NET DEBT	-65,607	-162,045	-96,438
Net debt / normalized EBITDA	neg	neg	

Summarised statement of financial position

in EUR 000	31/12/2023	31/12/2024	Δ
Current assets and prepaid expenses	706,015	887,752	181,737
Current liabilities and accruals	413,780	536,432	122,652
Current ratio	1.7	1.7	

in EUR 000	31/12/2023	31/12/2024	Δ
Non-current assets	313,354	368,146	54,793
Current assets and prepaid expenses	706,015	887,752	181,737
Assets	1,019,368	1,255,898	236,530
Capital and reserves	530,974	649,243	118,270
Non-current liabilities and provisions	74,614	70,222	-4,392
Current liabilities and accruals	413,780	536,432	122,652
Total equity and liabilities	1,019,368	1,255,898	236,530

Statement of Financial Position**Key indicators of the Statement of Financial Position as at 31 December 2024**

As of 31 December 2024, KONČAR Group's total consolidated assets and liabilities amounted to EUR 1,256.0 million, reflecting an increase of EUR 236.5 million, or +23.2% year-on-year.

Non-current assets totaled EUR 368.1 million, accounting for 29.3% of total assets. The year-on-year increase in non-current assets was primarily driven by higher intangible assets, property, plant, and equipment, financial assets, and deferred tax assets, while non-current receivables slightly declined. The most significant increase in intangible assets related to development projects, patents, licenses, and concessions across multiple subsidiaries. Property, plant, and equipment (PPE) saw notable growth, particularly in assets under construction, which increased by EUR 12.2 million, mainly due to the expansion of production capacities across several entities. Additionally, advances for PPE rose by EUR 2.8 million, primarily for expanding existing manufacturing facilities and constructing a new production hall for the newly established KONČAR – Transformer Tanks Ltd. Investments in real estate increased by EUR 1.0 million, while tools, operating inventory, and transport equipment grew by EUR 4.5 million, with investments made across multiple subsidiaries. Financial assets recorded a significant increase

of EUR 18.6 million, or +47.4% year-on-year, mainly due to higher investments in joint ventures and associates, which rose by EUR 12.5 million.

Current assets amounted to EUR 877.6 million, reflecting a EUR 180.8 million increase year-on-year. The most significant growth was seen in receivables and financial assets.

Compared to 31 December 2023:

- Total inventories increased by EUR 15.4 million, driven by a EUR 20.5 million increase in raw materials, work-in-progress, semi-finished goods, and merchandise, despite a EUR 4.3 million decrease in finished goods inventories and a EUR 0.8 million reduction in advances for inventories.
- Total short-term receivables increased by EUR 90.7 million. The most significant growth was recorded in trade receivables, which rose by EUR 61.5 million, in line with the revenue growth. Dividend receivables increased by EUR 13.3 million, while receivables from the state grew by EUR 5.4 million. Other receivables recorded an increase of EUR 12.0 million compared to the previous year.
- Financial assets increased by EUR 85.1 million, primarily driven by a EUR 70.1 million rise in term deposits (over 3 months), bringing the total to EUR 70.6 million.
- Cash and cash equivalents at the Group level decreased by EUR 10.4 million, reaching EUR 143.4 million as of 31 December 2024. The decline was primarily driven by significant investment activities, including EUR 78.5 million in term deposits and savings accounts, as well as EUR 43.9 million in investments in property, plant, and equipment (PPE) and intangible assets, alongside other investment-related cash outflows. Operating cash flow remained positive, totaling EUR 211.5 million in 2024, while cash flow from financing activities was negative, mainly due to loan principal repayments and other financing outflows.
- Prepaid expenses and accrued income increased by EUR 0.9 million, totaling EUR 10.1 million.

As of 31 December 2024, total sources of funds reflected the following year-on-year changes:

- Total equity and reserves stood at EUR 649.2 million, marking an increase of EUR 118.3 million, primarily driven by net profit for the year and profit distribution for 2023 in accordance with shareholder resolutions.
- Non-controlling interests totaled EUR 155.6 million, increasing by EUR 30.8 million compared to 31 December 2023.
- Long-term provisions increased by EUR 2.9 million to EUR 34.3 million.
- Non-current liabilities totaled EUR 35.9 million, down EUR 7.3 million, primarily due to a EUR 8.1 million reduction in long-term bank and financial institution loans, while all other non-current liabilities increased by EUR 0.8 million.
- Short-term liabilities increased by EUR 113.1 million. The most significant change was a EUR 92.3 million increase in advances received, reflecting active contracts. Trade payables increased by EUR 28.0 million, while short-term bank loans decreased by EUR 1.5 million.
- Deferred costs and deferred income totaled EUR 45.8 million, up EUR 9.5 million.

Equity, reserves, retained earnings, current-year profit, and non-controlling interests totaled EUR 649.2 million, accounting for 51.7% of total funding sources. Long-term provisions amounted to EUR 34.3 million, representing 2.7% of total sources. Total non-current and current liabilities stood at EUR 526.5 million, making up 41.9% of total funding sources. Trade payables amounted to EUR 151.9 million, representing 12.1% of total sources, while total bank loans (long-term and short-term) stood at EUR 50.2 million, or 4.0% of total funding sources.

KONČAR Group's off-balance sheet liabilities totaled EUR 1,213.6 million, increasing by EUR 437.6 million year-on-year. These primarily consist of issued payment guarantees (bank guarantees, sureties, promissory notes), with the majority allocated to securing financial arrangements for multiple Group subsidiaries.

The ratio of total current assets and prepaid expenses to short-term liabilities and deferred income remains strong at 1.7x, underscoring the Group's solid financial stability and alignment between funding sources and investments.

Market position

Consolidated revenue from sales of products and services in 2024 amounted to EUR 1,055.6 million, an increase of EUR 161.5 million or 18.1% compared to 2023.

Revenue generated in the domestic market totaled EUR 312.5 million, which is EUR 2.4 million or 0.8% lower than in the previous year. The share of domestic market revenue in total sales continued its downward trend, standing at 29.6% for the reporting period (compared to 35.2% in 2023).

Within the domestic sales structure, revenue from sales to companies within the HEP Group amounted to EUR 122.2 million, representing 11.6% of total sales revenue in 2024. This marks a decrease of EUR 4.3 million or 3.4% compared to 2023.

Revenue from sales to the HŽ Group totaled EUR 59.2 million, accounting for 5.6% of total sales revenue in 2024. Compared to the previous year, this represents a decrease of EUR 10.5 million or 15.1%, largely due to the completion of contracted train deliveries for HŽ Putnički prijevoz.

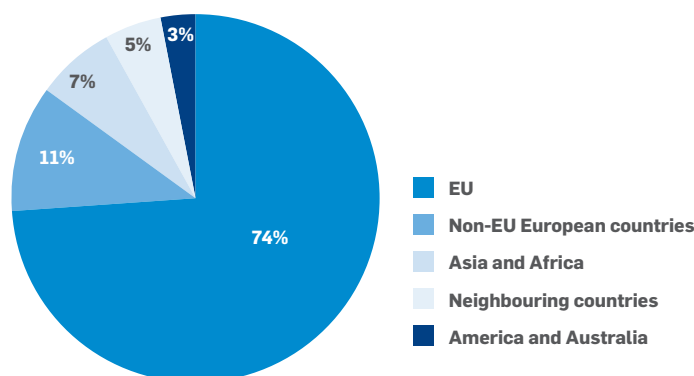
Revenue from sales of products and services in foreign markets amounted to EUR 743.1 million, an increase of EUR 163.9 million or 28.3% compared to the previous year. The share of exports in total revenue stood at 70.4%, up from 64.8% in 2023.

Year-on-year export revenue increased across all markets, except for Asia and Africa, where revenue remained at similar levels. The most significant growth was recorded in the EU market, where exports rose by EUR 133.0 million. Revenue from sales in the EU reached EUR 551.7 million, accounting for 74.2% of total exports and 52.3% of total sales revenue in 2024.

Exports to Germany remained the highest, reaching EUR 130.6 million, which accounted for 17.6% of total exports. Sweden recorded export revenue of EUR 109.7 million, making up 14.8% of total exports. Austria saw an increase, with exports amounting to EUR 62.5 million, representing 8.4% of total exports. The Netherlands also recorded strong growth, with exports reaching EUR 39.1 million, representing 5.3% of total exports.

The trend of increasing order intake in foreign markets continued in 2024, creating a strong foundation for further export growth in the coming periods. All business segments recorded revenue growth in 2024, with the Power Transmission and Distribution segment achieving the most significant increase, exceeding EUR 200 million in additional revenue.

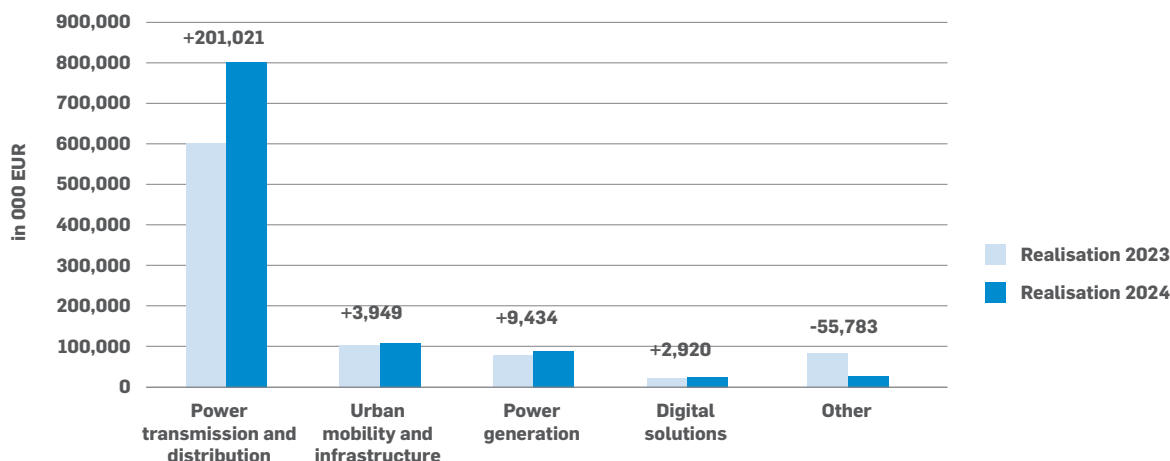
Markets in 2024



Income by segments

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Segment	2023	2024
Power transmission and distribution	601,025	802,046
Urban mobility and infrastructure	104,051	108,000
Power generation	80,430	89,864
Digital solutions	23,328	26,248
Other	85,245	29,462
Total Sales Income Consolidated	894,079	1,055,620



Order intake and backlog

Order intake for the period January–December 2024 amounted to EUR 1,667.4 million, marking an increase of EUR 357.3 million compared to the same period last year.

The book-to-bill ratio for the period stood at 1.6, reflecting strong order intake relative to revenue.

Almost all Group companies recorded a significant year-on-year increase in order intake.

Order intake in the domestic market totaled EUR 404.8 million, with the largest share related to agreements with HEP Group in the amount of EUR 187.3 million, accounting for 11.2% of total order intake. Among the most notable domestic contracts was the agreement for the delivery of an additional 20 low-floor trams for ZET, continuing KONČAR's long-standing partnership with the City of Zagreb and ZET, valued at EUR 39.9 million (following the initial contract for 20 low-floor trams signed in June 2023). Another significant domestic contract was signed with HŽ for the delivery of six diesel-electric multiple-unit trains, worth EUR 57.3 million. Additionally, an agreement with HEP for the supply of equipment and reconstruction works at RHPP Velebit, valued at EUR 14.2 million, was among the key domestic contracts signed in 2024.

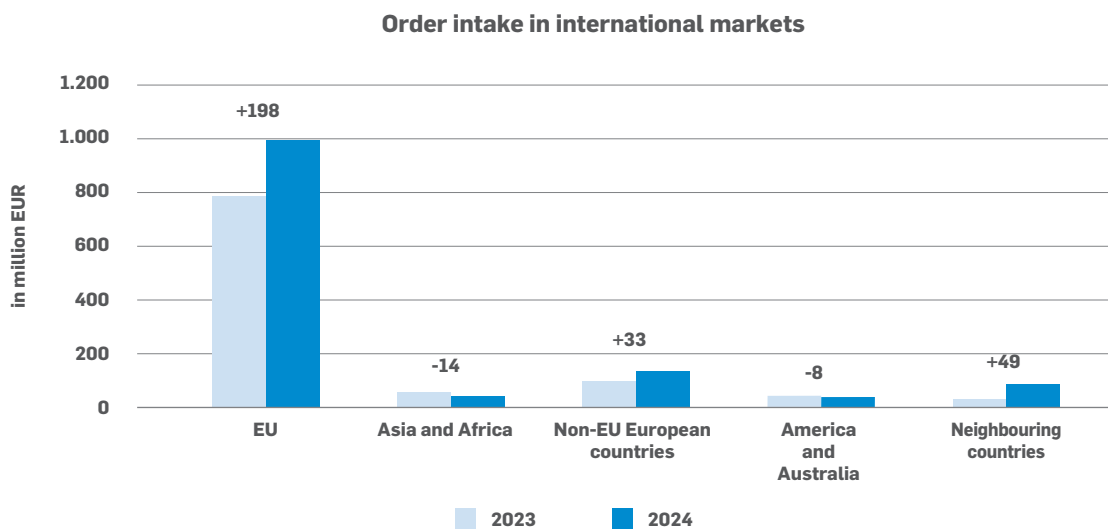
Order intake in international markets totaled EUR 1,262.6 million. The European Union accounted for the largest share, with EUR 963.6 million in new contracts, marking a year-on-year increase of EUR 198.2 million. The EU's share of total contracted export business stood at 76.3%, reflecting sustained demand across key markets.

Compared to the previous year, contract volumes grew by 26% year-on-year in EU markets, totaling EUR 963.6 million, other European countries (non-EU countries) grew by 33%, totaling EUR 133.6 million and neighboring countries grew by 137%, totaling EUR 85.2 million.

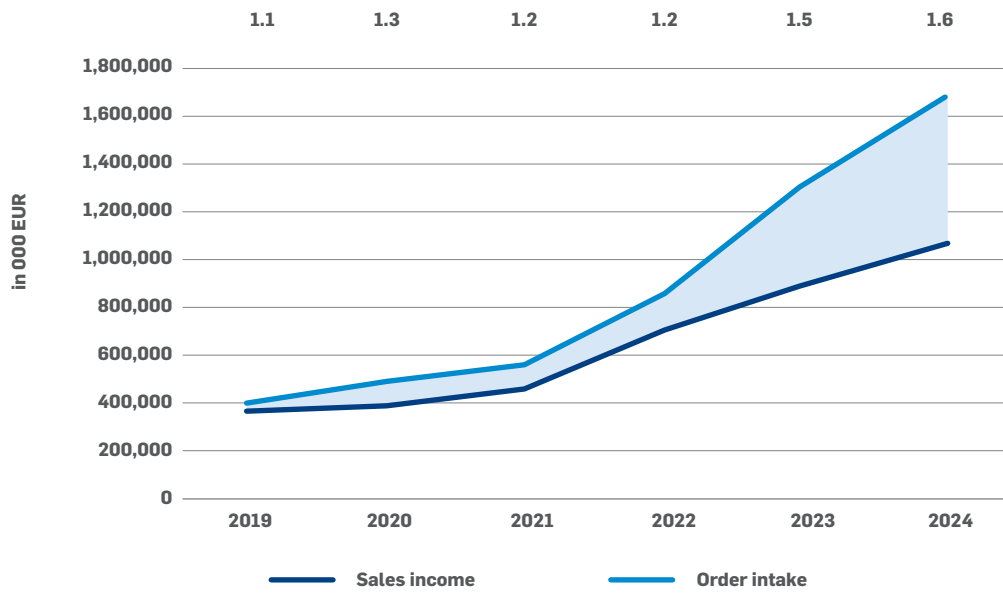
At a country level, Germany remained the largest export market, with EUR 306.6 million in new contracts, maintaining a high book-to-bill ratio of 2.3. Sweden followed with EUR 177.1 million, while Romania secured new contracts worth EUR 111.3 million, the Netherlands EUR 106.2 million, and Norway EUR 106.1 million.

The order backlog at year-end 2024 stood at EUR 2,034.3 million, reflecting a year-on-year increase of EUR 611.8 million (31 December 2023: EUR 1,422.5 million), marking a 43.0% growth.

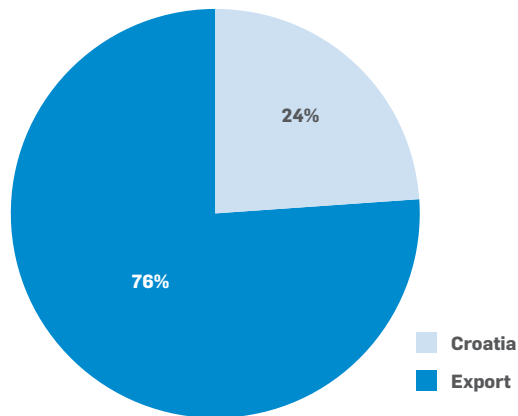
Of the total backlog, contracts scheduled for execution in 2025 amount to EUR 1,108.6 million, supporting the planned sales revenue of EUR 1,165.6 million for the year. Contracts scheduled for execution in subsequent years, as of 31 December 2024, total EUR 925.8 million, representing 45.5% of the total backlog.



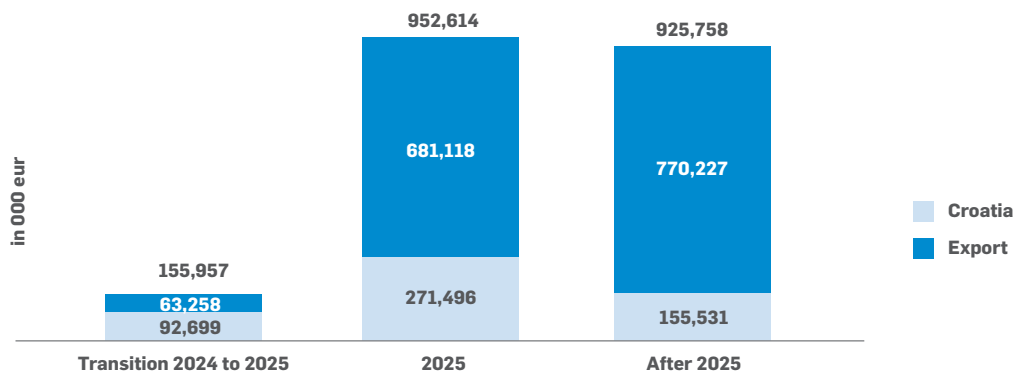
Book-to-bill ratio



Order intake in 2024



Expected income in the upcoming period



Information for Shareholders

KOEI-R-A	31/12/2023	31/12/2024	Indeks
Final price (EUR)	187.00	444.00	237.4
Highest price (EUR)	200.00	462.00	231.0
Lowest price (EUR)	115.00	184.00	160.0
Volume	65,201	122,537	187.9
Turnover (EUR)	10,501,587	39,110,412	372.4
Market capitalisation (EUR)	476,149,872	1,130,784,972	237.5
EPS (EUR) (profit of the parent company/weighted average number of shares)	18.19	39.84	219.0

The shares of KONČAR – Electrical Industry Inc. are listed on the Official Market of the Zagreb Stock Exchange under the ticker KOEI-R-A. In compliance with applicable regulations, the Company ensures regular access to information regarding its operations and activities, including material facts and circumstances that may affect the share price (price-sensitive information).

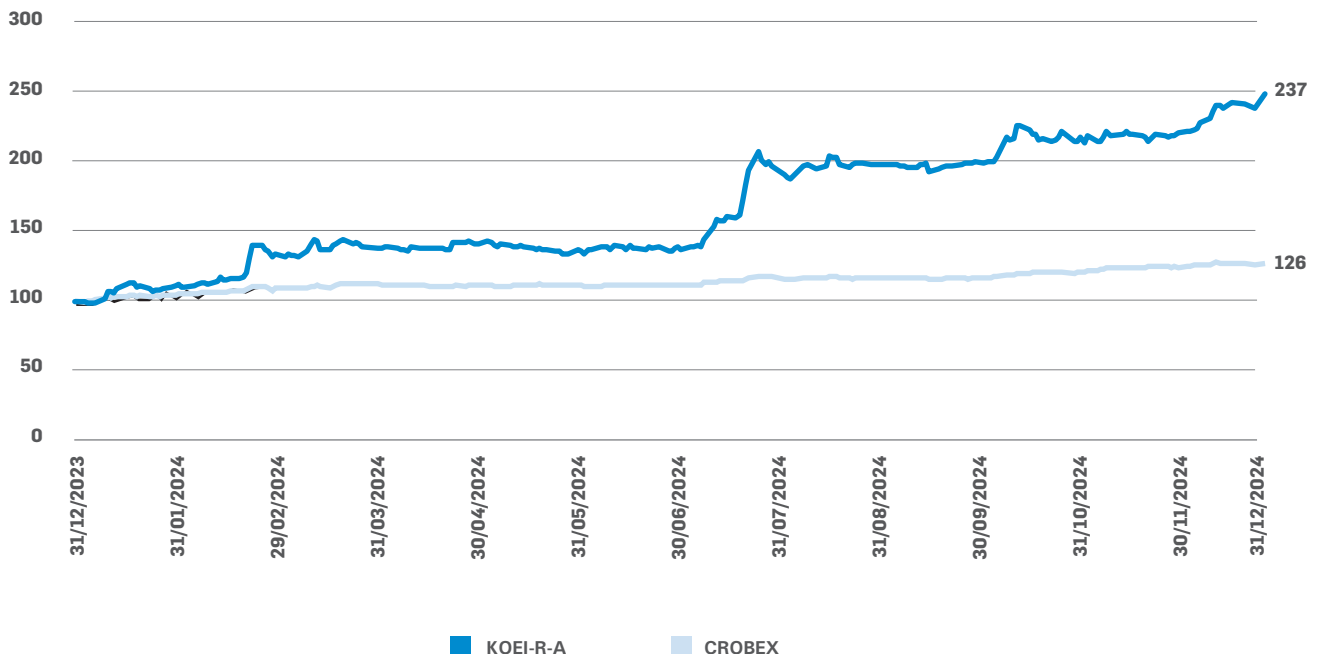
Over the past few months, KONČAR's share has recorded the highest growth among all listed companies on the Zagreb Stock Exchange. The share reached its all-time high at the end of December 2024, closing at EUR 462.00.

At year-end 2024, market capitalization stood at EUR 1,130.8 million, representing a 137.5% increase compared to 31 December 2023.

Earnings per share (EPS) attributable to equity holders of the parent amounted to EUR 39.84, marking a 119% year-on-year increase.

The General Assembly of KONČAR – Electrical Industry Inc. was held on 12 June 2024, where a resolution was passed to distribute a dividend of EUR 2.50 per share to shareholders.

Indices of KOEI price and CROBEX value changes



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

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	01/01/2024	to	31/12/2024
Year:	2024	Quarter:	4

Quarterly financial statements

Registration number (MB):	03282635	Issuer's home Member State code:	HR
Entity's registration number (MBS):	080040936		
Personal identification number (OIB):	45050126417	LEI:	74780000HOSHMRAWOI15
Institution code:	501		
Name of the issuer:	KONČAR - ELECTRICAL INDUSTRY INC.		
Postcode and town:	10000	ZAGREB	
Street and house number:	FALLEROVO ŠETALIŠTE 22		
E-mail address:	koncar.finance@koncar.hr		
Web address:	www.koncar.hr		
Number of employees (end of the reporting period):	5503		
Consolidated report:	KD	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	

Names of subsidiaries (according to IFRS):	Registered office:	MB:
KONČAR - Electrical Engineering Institute Ltd. for research, development and services	Zagreb	3645363
KONČAR - Electronics and Informatics Inc. for production and services	Zagreb	3282899
KONČAR - Motors and Electrical Systems Ltd. for production	Zagreb	3282678
KONČAR - Generators and Motors Inc. for production	Zagreb	1356216
KONČAR - Renewable Energy Sources Ltd. for production	Zagreb	2435071
KONČAR - Instrument Transformers Inc. for production	Zagreb	3654656
KONČAR - Distribution and Special Transformers Inc. for manufacturing	Zagreb	3654664
KONČAR - Switchgear Ltd. for production	Zagreb	3641287
KONČAR - Electric Vehicles Inc. for manufacturing	Zagreb	3282660
KONČAR - Metal Structures Ltd. for production	Zagreb	1114328
KONČAR - Digital Ltd. for digital services	Zagreb	5478421
KONČAR - Transformer tanks Ltd. for manufacturing	Zagreb	5853184
Energy Park Pometeno brdo Ltd. for production	Zagreb	5977134
TELENERG-ENGINEERING Llc. for design and manufacturing	Zagreb	5539684
INK PROJECT Ltd. for construction and services	Zagreb	2057301
KONČAR - Hydro Turbine Ltd.	Zagreb	6056580
Dalekovod jsc	Zagreb	3275531

Bookkeeping firm:	No	(Yes/No)
Contact person:	Marina Markušić (only name and surname of the contact person)	
Telephone:	01 3667175	
E-mail address:	marina.markusic@koncar.hr	
Audit firm:	KPMG Croatia d.o.o. (name of the audit firm)	
Certified auditor:	Igor Gošek (name and surname)	

BALANCE SHEET

balance as at 31.12.2024

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
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	313,353,712	368,146,328
I INTANGIBLE ASSETS (ADP 004 to 009)	003	25,742,275	29,640,649
1 Research and development	004	5,466,207	5,328,228
2 Concessions, patents, licences, trademarks, software and other rights	005	8,659,143	7,880,518
3, Goodwill	006	8,352,686	10,604,696
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	3,249,291	5,807,828
6 Other intangible assets	009	14,948	19,379
II TANGIBLE ASSETS (ADP 011 to 019)	010	232,818,877	263,509,426
1 Land	011	41,479,811	42,918,284
2 Buildings	012	76,451,357	79,288,718
3 Plant and equipment	013	68,760,791	74,366,715
4 Tools, working inventory and transportation assets	014	15,803,304	20,267,194
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	4,009,859	6,829,791
7 Tangible assets in preparation	017	8,213,025	20,430,833
8 Other tangible assets	018	98,036	433,173
9 Investment property	019	18,002,694	18,974,718
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	39,185,883	57,759,115
1 Investments in holdings (shares) of undertakings within the group	021	8,265	8,265
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc, to undertakings within the group	023	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	024	33,334,461	44,854,012
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc, to companies linked by virtue of participating interests	026	0	5,725,000
7 Investments in securities	027	357,088	885,684
8 Loans, deposits, etc, given	028	1,274,770	1,206,699
9 Other investments accounted for using the equity method	029	3,848,230	4,847,562
10 Other fixed financial assets	030	363,069	231,893
IV RECEIVABLES (ADP 032 to 035)	031	6,690,107	6,043,230
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	1,295,391	1,128,333
4 Other receivables	035	5,394,716	4,914,897
V DEFERRED TAX ASSETS	036	8,916,570	11,193,908
C) CURRENT ASSETS (ADP 038+046+053+063)	037	696,811,983	877,648,191
I INVENTORIES (ADP 039 to 045)	038	220,533,216	235,946,057
1 Raw materials and consumables	039	109,032,506	121,181,307
2 Work in progress	040	62,825,081	70,530,106
3 Finished goods	041	36,842,270	32,584,938
4 Merchandise	042	3,815,037	4,481,665
5 Advances for inventories	043	7,255,067	6,410,785
6 Fixed assets held for sale	044	763,255	757,256
7 Biological assets	045	0	0

BALANCE SHEET

balance as at 31.12.2024

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
II RECEIVABLES (ADP 047 to 052)			
II RECEIVABLES (ADP 047 to 052)	046	321,918,665	412,620,345
1 Receivables from undertakings within the group	047	0	0
2 Receivables from companies linked by virtue of participating interests	048	12,507,096	24,359,144
3 Customer receivables	049	273,362,113	334,858,283
4 Receivables from employees and members of the undertaking	050	77,977	123,992
5 Receivables from government and other institutions	051	14,428,326	19,807,019
6 Other receivables	052	21,543,153	33,471,907
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	536,361	85,666,964
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc, to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc, to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	14,927,801
8 Loans, deposits, etc, given	061	475,991	70,612,331
9 Other financial assets	062	60,370	126,832
IV CASH AT BANK AND IN HAND	063	153,823,741	143,414,825
D) PREPAID EXPENSES AND ACCRUED INCOME	064	9,202,598	10,103,365
E) TOTAL ASSETS (ADP 001+002+037+064)	065	1,019,368,293	1,255,897,884
OFF-BALANCE SHEET ITEMS			
	066	776,014,997	1,213,614,612
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	530,973,632	649,243,223
I INITIAL (SUBSCRIBED) CAPITAL	068	159,471,379	159,471,379
II CAPITAL RESERVES	069	1,072,189	1,073,176
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	106,637,562	110,117,467
1 Legal reserves	071	9,726,616	10,572,586
2 Reserves for treasury shares	072	4,507,291	5,998,550
3 Treasury shares and holdings (deductible item)	073	-2,032,193	-1,998,550
4 Statutory reserves	074	65,869,433	67,242,497
5 Other reserves	075	28,566,415	28,302,384
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	624,455	465,264
1 Financial assets at fair value through other comprehensive income (i.e, available for sale)	078	830,229	830,229
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	-205,774	-364,965
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	083	92,084,350	121,089,736
1 Retained profit	084	92,084,350	121,089,736
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	46,328,381	101,448,958
1 Profit for the business year	087	46,328,381	101,448,958
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	124,755,316	155,577,243

BALANCE SHEET

balance as at 31.12.2024

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) PROVISIONS (ADP 091 to 096)	090	31,414,110	34,313,947
1 Provisions for pensions, termination benefits and similar obligations	091	6,067,206	6,556,115
2 Provisions for tax liabilities	092	0	454,901
3 Provisions for ongoing legal cases	093	3,066,319	4,656,141
4 Provisions for renewal of natural resources	094	609,529	959,921
5 Provisions for warranty obligations	095	21,631,366	21,686,869
6 Other provisions	096	39,690	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	43,200,203	35,908,229
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc, of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc,	102	46,453	0
6 Liabilities to banks and other financial institutions	103	31,774,344	23,635,118
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	2,836,960
9 Liabilities for securities	106	1,345,000	1,077,676
10 Other long-term liabilities	107	6,247,316	4,838,032
11 Deferred tax liability	108	3,787,090	3,520,443
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	377,486,959	490,606,647
1 Liabilities to undertakings within the group	110	0	0
2 Liabilities for loans, deposits, etc, of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	15,501,708	8,239,468
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc,	114	10,000	277,957
6 Liabilities to banks and other financial institutions	115	28,081,379	26,594,794
7 Liabilities for advance payments	116	132,754,442	225,091,585
8 Liabilities to suppliers	117	123,888,897	151,882,281
9 Liabilities for securities	118	195,000	267,731
10 Liabilities to employees	119	11,706,100	16,991,345
11 Taxes, contributions and similar liabilities	120	24,490,575	25,878,139
12 Liabilities arising from the share in the result	121	322,252	72,217
13 Liabilities arising from fixed assets held for sale	122	41,226	0
14 Other short-term liabilities	123	40,495,380	35,311,130
E) ACCRUALS AND DEFERRED INCOME	124	36,293,389	45,825,838
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	1,019,368,293	1,255,897,884
G) OFF-BALANCE SHEET ITEMS	126	776,014,997	1,213,614,612

STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 31.12.2024

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
I OPERATING INCOME (ADP 002 to 006)	001	908,029,096	292,866,879	1,069,961,492	324,669,854
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	894,079,022	292,994,765	1,055,620,974	321,048,122
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	13,950,074	-127,886	14,340,518	3,621,732
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	835,740,513	270,597,012	910,599,287	288,102,354
1 Changes in inventories of work in progress and finished goods	008	-29,605,122	-8,822,144	-7,384,042	-8,034,002
2 Material costs (ADP 010 to 012)	009	619,345,778	188,265,160	631,293,431	201,079,495
a) Costs of raw materials and consumables	010	477,560,464	139,411,908	456,745,920	138,337,154
b) Costs of goods sold	011	43,394,558	12,218,939	46,962,756	16,777,393
c) Other external costs	012	98,390,756	36,634,313	127,584,755	45,964,948
3 Staff costs (ADP 014 to 016)	013	148,773,795	41,265,896	186,355,996	55,121,965
a) Net salaries and wages	014	93,058,314	25,665,931	116,526,410	33,632,545
b) Tax and contributions from salary costs	015	37,590,462	10,764,700	47,226,796	14,725,809
c) Contributions on salaries	016	18,125,019	4,835,265	22,602,790	6,763,611
4 Depreciation	017	19,135,769	5,125,331	23,879,963	7,133,297
5 Other costs	018	48,819,622	18,054,658	65,039,607	23,998,647
6 Value adjustments (ADP 020+021)	019	12,464,930	12,231,434	6,341,778	4,960,159
a) fixed assets other than financial assets	020	1,216,870	1,154,563	1,768,844	1,751,744
b) current assets other than financial assets	021	11,248,060	11,076,871	4,572,934	3,208,415
7 Provisions (ADP 023 to 028)	022	13,178,786	13,178,786	1,355,180	1,355,180
a) Provisions for pensions, termination benefits and similar obligations	023	1,961,458	1,961,458	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	1,672,410	1,672,410	1,075,150	1,075,150
d) Provisions for renewal of natural resources	026	-227,808	-227,808	0	0
e) Provisions for warranty obligations	027	10,890,666	10,890,666	280,030	280,030
f) Other provisions	028	-1,117,940	-1,117,940	0	0
8 Other operating expenses	029	3,626,955	1,297,891	3,717,374	2,487,613
III FINANCIAL INCOME (ADP 031 to 040)	030	3,298,095	2,009,061	5,335,949	1,447,321
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	135,628	40,239	237,017	65,940
7 Other interest income	037	2,062,320	1,022,782	4,520,501	1,189,162
8 Exchange rate differences and other financial income	038	727,347	727,085	0	0
9 Unrealised gains (income) from financial assets	039	194,705	96,833	402,551	227,652
10 Other financial income	040	178,095	122,122	175,880	-35,433
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	3,545,087	989,636	5,243,070	1,259,323
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 31.12.2024

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	3,292,850	1,058,168	3,574,210	648,240
4 Exchange rate differences and other expenses	045	0	-312,011	1,224,479	222,876
5 Unrealised losses (expenses) from financial assets	046	13	13	437,139	437,139
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	252,224	243,466	7,242	-48,932
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	12,428,818	5,880,444	30,871,648	13,266,528
VI SHARE IN PROFIT FROM JOINT VENTURES	050	895,294	366,583	1,305,317	452,507
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	12,372	3,073	6,581	-782
IX TOTAL INCOME (ADP 001+030+049 +050)	053	924,651,303	301,122,967	1,107,474,406	339,836,210
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	839,297,972	271,589,721	915,848,938	289,360,895
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	85,353,331	29,533,246	191,625,468	50,475,315
1 Pre-tax profit (ADP 053-054)	056	85,353,331	29,533,246	191,625,468	50,475,315
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	14,450,943	6,941,559	28,284,450	3,738,776
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	70,902,388	22,591,687	163,341,018	46,736,539
1 Profit for the period (ADP 055-059)	060	70,902,388	22,591,687	163,341,018	46,736,539
2 Loss for the period (ADP 059-055)	061	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	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
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	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
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)	068	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
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	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
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (AOP 076+077)	075	70,902,388	22,591,687	163,341,018	46,736,539
1 Attributable to owners of the parent	076	46,328,381	15,438,993	101,448,958	32,524,578
2 Attributable to minority (non-controlling) interest	077	24,574,007	7,152,694	61,892,060	14,211,961
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	70,902,388	22,591,687	163,341,018	46,736,539
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	1,131,397	930,911	-76,350	-268,401
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	1,574,490	1,574,490	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 31.12.2024

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	1,574,490	1,574,490	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
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	-443,093	-643,579	-76,350	-268,401
1 Exchange rate differences from translation of foreign operations	088	-443,093	-643,579	-76,350	-268,401
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
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	1,131,397	930,911	-76,350	-268,401
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	72,033,785	23,522,598	163,264,668	46,468,138
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	72,033,785	23,522,598	163,264,668	46,468,138
1 Attributable to owners of the parent	100	46,968,982	15,973,878	101,408,695	32,383,051
2 Attributable to minority (non-controlling) interest	101	25,064,803	7,548,720	61,855,973	14,085,087

STATEMENT OF CASH FLOWS - direct method for the period 01.01.2024 to 31.12.2024

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
Cash flow from operating activities			
1 Cash receipts from customers	001	968,437,426	1,125,748,396
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	29,288
3 Cash receipts from insurance premiums	003	1,416,952	1,016,413
4 Cash receipts from tax refund	004	29,511,365	41,304,348
5 Other cash receipts from operating activities	005	11,618,145	10,382,907
I Total cash receipts from operating activities (ADP 001 to 005)	006	1,010,983,888	1,178,481,352
1 Cash payments to suppliers	007	-623,931,231	-673,602,455
2 Cash payments to employees	008	-154,729,337	-190,375,484
3 Cash payments for insurance premiums	009	-3,444,901	-4,153,344
4 Interest paid	010	-1,580,507	-2,058,959
5 Income tax paid	011	-8,508,381	-38,307,762
6 Other cash payments from operating activities	012	-64,440,258	-58,461,599
II Total cash payments from operating activities (ADP 007 to 012)	013	-856,634,615	-966,959,603
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	154,349,273	211,521,749
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	4,594,297	380,583
2 Cash receipts from sales of financial instruments	016	390,643	0
3 Interest received	017	1,447,788	4,606,569
4 Dividends received	018	5,437,762	8,812,300
5 Cash receipts from the repayment of loans and deposits	019	5,184,202	8,022,336
6 Other cash receipts from investment activities	020	7,120	261,148
III Total cash receipts from investment activities (ADP 015 to 020)	021	17,061,812	22,082,936
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-22,562,072	-43,856,970
2 Cash payments for the acquisition of financial instruments	023	-9,267,346	-21,099,667
3 Cash payments for loans and deposits	024	-2,932,490	-78,515,764
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	-14,140	-32,069,988
IV Total cash payments from investment activities (ADP 022 to 026)	027	-34,776,048	-175,542,389
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	-17,714,236	-153,459,453
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	169	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	26,423,310	48,412,786
4 Other cash receipts from financing activities	032	2,013,346	3,382,663
V Total cash receipts from financing activities (ADP 029 to 032)	033	28,436,825	51,795,449
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	-49,006,899	-58,366,850
2 Cash payments for dividends	035	-9,154,011	-14,480,275
3 Cash payments for finance lease	036	-1,585,152	-1,705,320
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	037	0	0
5 Other cash payments from financing activities	038	-9,333,550	-45,423,526
VI Total cash payments from financing activities (ADP 034 to 038)	039	-69,079,612	-119,975,971
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)	040	-40,642,787	-68,180,522
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	568,788	-290,690
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)	042	96,561,038	-10,408,916
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	57,262,703	153,823,741
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)	044	153,823,741	143,414,825

STATEMENT OF CHANGES IN EQUITY

for the period from 01.01.2024 to 31.12.2024

B Unaudited Consolidated Financial Statements of KONČAR Group for the period January - December 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)
Previous period																			
1 Balance on the first day of the previous business year	01	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
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	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
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
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	159.471.379	1.072.189	9.726.616	4.507.291	2.032.193	65.869.433	28.586.415	0	830.229	0	0	0	-205.774	92.084.350	46.328.381	406.218.316	124.755.316	530.973.632
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	0	0	830.229	0	0	0	-189.630	0	0	640.599	7.025.138	7.665.737
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	0	0	830.229	0	0	0	-189.630	0	46.328.381	46.968.980	31.599.145	78.568.125
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	-976.684	976.684	64.414	-19.507	-19.507	-2.002.735	-3.295.263	0	0	0	0	0	0	33.271.550	-34.555.177	-6.517.211	-1.545.816	-8.063.027

STATEMENT OF CHANGES IN EQUITY

for the period from 01.01.2024 to 31.12.2024

B Unaudited Consolidated Financial Statements of KONČAR Group for the period January - December 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 do 6 - 7 + 8 do 17)	19	20 (18+19)
Current period																			
1 Balance on the first day of the previous business year	28	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
4 Balance on the first day of the previous business year (restated) (ADP 28 to 30)	31	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
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	101.448.958	101.448.958	61.892.060	163.341.018
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	-40.252	0	0	-40.252	-36.098	-76.350
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	-118.939	0	0	-118.939	0	-118.939
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	412.701	0	0	1.373.064	-1.068.765	0	0	0	0	0	0	-7.421.868	0	-6.703.881	-22.576.183	-29.280.064
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
24 Balance on the last day of the previous business year reporting period (ADP 31 to 50)	51	159.471.379	1.073.176	10.572.586	5.998.550	1.998.550	67.242.497	28.302.384	0	830.229	0	0	0	-364.965	121.089.736	101.448.958	493.665.980	155.577.243	649.243.223
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	1.491.259	-33.643	0	-1.524.902	0	0	0	0	0	-159.191	0	0	-159.191	-36.098	-195.289
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	1.491.259	-33.643	0	-1.524.902	0	0	0	0	0	-159.191	0	101.448.958	101.289.767	61.855.962	163.145.729
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	987	845.970	0	0	1.373.064	1.260.871	0	0	0	0	0	0	29.005.386	-46.328.381	-13.842.103	-31.034.035	-44.876.138

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 31 December 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 and platforms.

Group structure

In addition to the Parent Company, the Group consists of 16 subsidiaries operating in core business activities, 1 subsidiary engaged in special activities (product research and development), subsidiaries controlled by other subsidiaries, one associate company, and subsidiaries of associated companies.

The Parent Company of the Group is KONČAR - Electrical Industry Inc. for Manufacturing and Services (PIN: 45050126417), located at Fallerovo šetalište 22, Zagreb (hereinafter: the "Company").

The Company is engaged in architectural activities, engineering, and related technical consulting services, energy distribution, maintenance services, and management of its subsidiaries.

Number of employees

As of 31 December 2024, the Group had 5,503 employees, compared to 5,271 employees as of 31 December 2023.

The average number of employees for the period January – December 2024 was 5,382 (compared to 4,888 in the same period in 2023).

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements for the period January – December 2024 have been prepared in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting, as adopted by the European Union (EU).

The consolidated financial statements do not include all disclosures required for the full set of annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2023. The annual consolidated financial statements of the Group are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU.

The annual consolidated financial statements of the Group are available on the official websites of: Zagreb Stock Exchange (www.zse.hr), Croatian Financial Services Supervisory Agency (www.hanfa.hr), and the Company (www.koncar.hr).

Going concern assumption

The Management Board believes that the Group has sufficient resources to continue operations in the foreseeable future and has not identified any significant uncertainties related to business events or conditions that may cast doubt on the Group's ability to continue as a going concern.

Significant accounting policies

The consolidated financial statements for the period January – December 2024 have been prepared using the same accounting policies, presentation, and calculation methods applied in the preparation of the Group's annual consolidated financial statements as of 31 December 2023.

Key accounting estimates

In preparing the consolidated financial statements, the Management Board applied judgments and estimates that impact the application of accounting policies and the recognized amounts of assets, liabilities, revenues, and expenses. By definition, accounting estimates rarely correspond exactly to actual results. Key accounting estimates remain unchanged from those described in the most recent annual financial statements.

Seasonal effects

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

3. SUBSIDIARIES

	Country	31/12/2024		31/12/2023	
		Voting rights (%)	Effective group share	Voting rights (%)	Effective group share
Consolidated subsidiaries registered in Croatia:					
KONČAR - Motors and Electrical Systems Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Engineering Ltd. for manufacturing and services, Zagreb	Croatia	-	-	100.00	100.00
Telenerg - Engineering Ltd. for design and manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
INK PROJEKT Ltd. for Construction and Services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Infrastructure and Services Ltd. for Services, Zagreb	Croatia	-	-	100.00	100.00
KONČAR - Electrical Engineering Institute Ltd. for Research, Development, and Services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Generators and Motors Ltd. for Manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Metal Structures Ltd. for Manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Switchgear Ltd. for Manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR - Renewable Energy Sources Ltd. for Production, Zagreb	Croatia	100.00	100.00	100.00	100.00
Wind Power Plant Rust Ltd. for Electricity Generation, Zagreb	Croatia	100.00	100.00	100.00	100.00
Solar Power Plant Deponija Fosfogipsa Ltd. for Production, Trade, and Services, Zagreb	Croatia	51.00	51.00	51.00	51.00
Liburnia Solar Ltd. for Electricity Generation, Zagreb	Croatia	76.00	76.00	-	-
South East Energy Ltd. for Services, Zagreb	Croatia	75.20	75.20	-	-
Energy Park Pometeno Brdo Ltd. for Production, Zagreb	Croatia	100.00	100.00	-	-
KONČAR - Electric Vehicles Inc. for Manufacturing, Zagreb	Croatia	84.71	84.71	77.74	77.44
Konell Ltd., Sofija, Bugarska*	Bulgaria	85.00	71.08	85.00	66.08
KONČAR - Electronics and Informatics Ltd. for Manufacturing and Services, Zagreb	Croatia	100.00	100.00	100.00	100.00
ENAKON MOBILITY Ltd. for Services, Zagreb	Croatia	100.00	100.00	-	-
KONČAR - Instrument Transformers Inc. for Manufacturing, Zagreb	Croatia	99.77	99.77	99.77	99.77
KONČAR - Distribution and Special Transformers Inc. for Manufacturing, Zagreb	Croatia	67.90	67.90	67.90	67.90
FEROKOTAO Ltd. for Manufacturing Transformer Tanks and Other Metal Structures, Donji Kraljevec	Croatia	51.80	35.17	51.80	35.17
Power Engineering Transformatory Sp. z o.o. (PET), Poznan, Poljska	Poland	100.00	67.90	100.00	67.90
KONČAR - Digital Ltd. for Digital Services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KODEKS SYSTEMS INTEGRATION Ltd. for Manufacturing and Trade, Zagreb	Croatia	75.00	75.00	75.00	75.00
ADNET d.o.o. za inženjerstvo, proizvodnju i trgovinu, Zagreb	Croatia	26.00	26.00	-	-
KREANCA SUSTAVI d.o.o. za savjetovanje u vezi s poslovanjem i upravljanjem, Zagreb	Croatia	52.00	52.00	-	-
ADNET Ltd. for Engineering, Manufacturing, and Trade, Zagreb	Croatia	50.00	26.00	-	-
KONČAR - Transformer Tanks Ltd. for Manufacturing, Sesvete (City of Zagreb)	Croatia	100.00	100.00	100.00	100.00
KONČAR - Hydro Turbine Ltd. for Manufacturing and Services	Croatia	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 d.d., 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	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

* Entity not consolidated due to immateriality

Pursuant to previously adopted decisions, on 1 July 2024, a statutory merger was executed, whereby KONČAR - Engineering Ltd. for Manufacturing and Services and KONČAR - Energy and Services Ltd. were merged into KONČAR - Electrical Industry Inc. for Manufacturing and Services as the acquiring company. The merged entities continued their regular operations within KONČAR - Electrical Industry Inc. for Manufacturing and Services.

Additionally, during 2024, the following entities were merged into the Company: KONČAR - Investments Ltd. for Business Services (on 11 November 2024), and Naprdna energetska rješenja Ltd. for Investment (on 31 December 2024).

For certain subsidiaries, the Group holds control through the majority of voting rights. However, the ownership interest in these subsidiaries does not correspond to the voting rights because some of these entities have preferred shares that carry the same rights as ordinary shares, except for voting rights. The ownership interests in these subsidiaries are as follows:

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

4. INFORMATION ON BUSINESS SEGMENTS

For management purposes, the Group is organized into business units based on product similarity, and accordingly, reportable segments have been identified. The Group's reportable segments are as follows:

- Power Generation – includes the manufacturing and revitalization of generators, the construction and refurbishment of hydropower plants (HPPs), the development of solar power plants, the production of converters, manufacturing and installation of wind turbines, as well as operation, maintenance, and servicing activities
- Power Transmission and Distribution – includes the manufacturing and sale of transformers (power, distribution, special, and instrument transformers), overhead transmission lines, substations, transformer boilers, primary and secondary power distribution equipment, low-voltage switchgear, monitoring systems, and diagnostic, testing, and technical inspection services
- Urban Mobility and Infrastructure – includes manufacturing and sale of rail vehicles (trains and trams), railway infrastructure, maintenance of rolling stock, as well as other infrastructure-related services (roads, lighting, and others)
- Digital Solutions and Platforms – includes digital solutions and services, digitalization of products and manufacturing, business support systems, ICT infrastructure, and related services.

The reportable segments form an integral part of the internal financial reports, which are regularly reviewed by the Company's Management Board—the chief decision-making body—to assess performance and make business decisions.

The "Other" category includes real estate leasing activities (not related to the Group's core business) and certain small-scale production of motors and electrical machines, which does not qualify as a separate business segment.

Revenue by segment

The following is an analysis of the Group's revenue by reportable segment, presented in accordance with IFRS 8 – Operating segments.

	01/01/2024 - 31/12/2024	01/01/2023 - 31/12/2023
	EUR' 000	EUR' 000
Power generation	89,864	80,430
Power transmission and distribution	802,046	601,025
- transmission	288,938	221,027
- distribution	513,107	379,998
Urban mobility and infrastructure	108,000	104,051
- mobility	70,106	77,567
- infrastructure	37,894	26,484
Digital solutions and platforms	26,248	23,328
Total reportable segments	1,026,158	808,834
Other	29,462	85,245
Total revenue from contracts with customers	1,055,620	894,079
Intercompany eliminations		
Revenue from contracts with customers	12,663	20,639
Unaffiliated companies	1,042,957	873,440
Total revenue from contracts with customers	1,055,620	894,079

5. OTHER OPERATING INCOME

Other operating income amounts to EUR 14.34 million (1 Jan – 31 Dec 2023: EUR 13.95 million) and includes: Income from asset disposals, government grants, compensation for damages, and other miscellaneous income.

6. CAPITALIZED EMPLOYEE COSTS

During the period 1 January – 31 December 2024, the Group capitalized wages and salaries totaling EUR 1,839 thousand (1 January – 31 December 2023: EUR 3,487 thousand), of which EUR 1,099 thousand relates to net salaries (2023: EUR 1,803 thousand), EUR 525 thousand to taxes, surtaxes, and payroll contributions (2023: EUR 755 thousand), and EUR 213 thousand to employer contributions (2023: EUR 584 thousand).

7. EARNINGS PER SHARE

	01/01/2024 - 31/12/2024	01/01/2023 - 31/12/2023
Net profit attributable to the Parent Company Shareholders (EUR' 000)	101,449	46,328
Weighted average number of shares	2,546,603	2,546,256
Basic and diluted earnings per share in EUR	39,84	18,19

8. NON-CURRENT TANGIBLE AND INTANGIBLE ASSETS

During the period 1 January – 31 December 2024, the Group acquired assets totaling EUR 42,812 thousand (1 January – 31 December 2023: EUR 37,955 thousand). Depreciation expense for the period 1 January – 31 December 2024 amounted to EUR 23,880 thousand (1 January – 31 December 2023: EUR 19,136 thousand).

9. INVENTORIES

During the period 1 January – 31 December 2024, the Group recognized a value adjustment of inventories in the amount of EUR 849 thousand (1 January – 31 December 2023: EUR 3,721 thousand).

10. CAPITAL AND RESERVES

The share capital (subscribed capital) is determined at a nominal value of EUR 159,471,378 (as of 31 December 2023: EUR 159,471,378) and consists of 2,572,119 shares, each with a nominal value of EUR 62. The Company's ordinary shares are listed on the Official Market of the Zagreb Stock Exchange under the ticker KOEI-R-A. As of 31 December 2024, the Company holds 25,306 treasury shares (31 December 2023: 25,732 treasury shares).

11. LIABILITIES UNDER LOANS

	31/12/2024 EUR' 000	31/12/2023 EUR' 000
Liabilities under loans		
Non-current	23,635	31,774
Current	26,595	28,081
	50,230	59,855

Bank loans are secured by mortgages on real estate and pledges on movable assets. The current fair value of mortgaged real estate amounts to EUR 30,961 thousand, while the fair value of pledged movable assets amounts to EUR 6,128 thousand.

The maturity profile of loan repayments is as follows:

	31/12/2024 EUR' 000
Within one year	26,595
In 1 to 2 years	7,938
In 2 to 5 years	11,111
More than 5 years	4,586
	50,230

12. TRANSACTIONS WITH RELATED PARTIES

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, in 2024 the Group realised the total of EUR 205.95 million of sales revenue with state institutions and other companies where the State is a majority owner or has a significant influence (2023: EUR 208.70 million), which mostly pertains to engineering services in the energy sector, rail vehicles and industrial electronics.

	31/12/2024 EUR' 000	31/12/2023 EUR' 000
Receivables		
Associate companies	23,718	10,516
Joint ventures	641	1,991
	24,359	12,507
Liabilities		
Associate companies	7,780	14,085
Joint ventures	460	1,416
	8,240	15,501
	01/01/2024 - 31/12/2024 EUR' 000	01/01/2023 - 31/12/2023 EUR' 000
Sales revenue		
Associate companies	7,789	15,279
Joint ventures	4,874	5,360
	12,663	20,639
Operating expenses		
Associate companies	15,435	28,627
Joint ventures	1,294	437
	16,729	29,064

13. EVENTS AFTER THE REPORTING PERIOD

On 10 February 2025, KONČAR - Electrical Industry Inc. for manufacturing and services signed a share purchase agreement for the acquisition of a 75% ownership stake in HELB d.o.o., headquartered in Božjakovina, Industrijska ulica 1, Republic of Croatia.

C Management's Statement of Responsibility

The consolidated financial statements of the KONČAR Group are prepared in accordance with the International Financial Reporting Standards (IFRS) and the Croatian Accounting Act.

The consolidated financial statements for the period 1 January to 31 December 2024 provide a true and fair view of the assets, liabilities, profit and loss, financial position, and operations of the issuer and the companies included in the consolidation as a whole.

The Management Report for the period ending 31 December 2024 provides an accurate and truthful representation of the Company's financial performance.

Signed on behalf of the Management Board:

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



Mario Radaković, CFA
Member of the Management Board in charge of Finance



Zagreb, 26 February 2025



KONČAR

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