

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

January – March 2024

KONČAR

Inspired by challenge

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

Introduction

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

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

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

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

in EUR 000	Index			
	Q I 2023	Q I 2024	Δ	2024/2023
Total operating income	11,442	16,735	5,293	146.3
Sales income	11,434	16,627	5,193	145.4
Dividend received	8,842	13,508	4,666	152.8
Income from contracts with customers	2,592	3,119	527	120.3
Other operating income	8	108	100	1350.0
Operating expenses	2,618	3,287	669	125.6
EBIT	8,824	13,448	4,624	152.4
Net profit	352	615	263	174.7
Net profit normalized ¹	9,176	14,063	4,887	153.3
EBITDA	9,097	13,741	4,644	151.0
Normalized EBITDA ¹	9,096	13,799	4,703	151.7

Normalized EBITDA¹: EBITDA less the net effect of provisions, asset sale income, loss compensation income and other operating income

Business results

For the period January - March 2024, KONČAR – Electrical Industry Inc. for manufacturing and services generated EUR 16.7 million in operating income, which is a 46.3% rise year-on-year.

Revenues generated from sales of goods and services amount to EUR 3.1 million, which is a year-on-year increase of EUR 20.3%. Dividends amount to EUR 13.5 million (Q1 2023: EUR 8.8 million). Finance income amounting to EUR 0.6 million was realized.

Operating expenses amount to EUR 3.3 million, which represents 25.6% rise on Q1 2023.

Operating expenses comprise the following:

- Material costs amount to EUR 0.8 million (Q1 2023: EUR 0.65 million), representing a 25% increase year-on-year.
- Staff costs amount to EUR 0.87 million, which is a 6.5% increase year-on-year. The average number of employees in the reporting period was 80 employees, while in the corresponding period in 2023 it stood at 65 employees.
- Depreciation and amortization amount to EUR 0.3 million, marking a 7.2% increase from Q1 2023.
- Other costs amount to EUR 1.3 million marking an increase of 46.1% compared to Q1 2023.

Financial income for Q1 2024 totalled EUR 0.62 million, representing a 75.2% increase from Q1 2023. Finance income mostly includes interest rates on loans given to subsidiaries and overnight rates.



Statement of financial position

The value of total assets of KONČAR – Electrical Industry Inc. for manufacturing and services as at 31 March 2024 amounts to EUR 262.5 million, which represents a growth of EUR 8.6 million, or 3.4% compared to the balance as at 31 December 2023.

Total non-current assets amount to EUR 201.4 million, which is EUR 7.6 million (or 3.97%) above the position as at 31 December 2023. As a result of depreciation and amortization, the non-current assets item decreased by 7.4% as of 31 December 2023, while tangible assets item increased by 2.4% compared to the balance as at December 31, 2023.

Non-current financial assets grew by EUR 6.3 million compared to the balance as at 31 December 2023, which is attributed to the loan granted to a subsidiary. Loans given, including an item from the previous year totalling EUR 20.6 million, pertain to loans granted to subsidiary companies. Non-current receivables amount to EUR 1.3 million as of 31 December 2023, consistent with the previous year's level, and they pertain to receivables from a subsidiary sell-off.

Total current assets amount to EUR 59.6 million, which is an increase of EUR 0.7 million compared to the balance as at 31 December 2023, resulting from a rise in receivables in the amount of EUR 5.4 million, and a decrease in cash in the amount of EUR 4.4 million.

Non-current assets held for sale stand at the same level as at 31 December 2023, amounting to EUR 0.8 million.

In the course of regular operations, receivables from ordinary activities declined by EUR 0.2 million and receivables for dividends rose by EUR 5.5 million for the difference between receivables for dividends from subsidiaries as at 31 March 2024 and receivables for dividends from associate companies as at 31 December 2023. Other receivables decreased by EUR 0.3 million compared to the balance as at 31 December 2023.

Current financial assets are at approximately the same level as at 31 December 2023. Financial assets are in entirety comprised of loans given to subsidiaries.

As of 31 March 2024, the balance of cash and cash equivalents stands at EUR 34.0 million, representing a decrease of EUR 4.4 million since the beginning of the year.

The reduction is primarily due to a decrease in cash flow from investing activities amounting to EUR 3.9 million.

Prepaid expenses record an increase of EUR 0.3 million as at 31 December 2023 and arise from the costs related to fairs, marketing activities and audit costs that are to be invoiced to subsidiaries.

Total capital and reserves as at 31 March 2024 amount to EUR 254.9 million, which is a EUR 14.1 million rise compared to the position as at 31 December 2023. This increase is the result of the quarterly profit.

Current liabilities declined by EUR 5.0 million, compared to the balance as at 31 December 2023, mainly due to reduced liabilities to suppliers.

As at 31 March 2024, off-balance sheet items included mostly security instruments (including corporate guarantees to third parties) issued at the request of the Group subsidiaries for the requirements of financial institutions and suppliers.

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

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	01/01/2024	to	31/03/2024
Year:	2024	Quarter:	1

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:	74780000H0SHMRAW0115
Institution code:	501		
Name of the issuer:	KONČAR - Electrical Industry Inc. for manufacturing and services		
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):	80		
Consolidated report:	KN	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:	
Bookkeeping firm:		(Yes/No)	
Contact person:	Sandra Ivanjko Biga (only name and surname of the contact person)		
Telephone:	01 3655 160		
E-mail address:	sandraivanjko.big@koncar.hr		
Audit firm:	(name of the audit firm)		
Certified auditor:	(name and surname)		

BALANCE SHEET

balance as at 31.03.2024

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	193,802,588	201,373,150
I INTANGIBLE ASSETS (ADP 004 to 009)	003	61,756	57,167
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	61,756	57,167
3, Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	52,829,538	54,104,258
1 Land	011	442,521	442,521
2 Buildings	012	2,436,105	2,387,350
3 Plant and equipment	013	643,075	868,547
4 Tools, working inventory and transportation assets	014	6,338	2,664
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	3,598,289	3,844,362
8 Other tangible assets	018	7,398	7,398
9 Investment property	019	45,695,812	46,551,416
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	139,624,132	145,924,563
1 Investments in holdings (shares) of undertakings within the group	021	109,560,702	110,033,492
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	8,988,288	8,988,288
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	0
7 Investments in securities	027	456,654	559,295
8 Loans, deposits, etc, given	028	20,618,488	26,343,488
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	1,287,162	1,287,162
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	1,287,162	1,287,162
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	58,929,392	59,586,482
I INVENTORIES (ADP 039 to 045)	038	757,255	757,255
1 Raw materials and consumables	039	0	0
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	0	0
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	757,255	757,255
7 Biological assets	045	0	0

BALANCE SHEET

balance as at 31.03.2024

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)			
	046	14,802,613	19,763,581
1 Receivables from undertakings within the group	047	6,064,940	19,219,958
2 Receivables from companies linked by virtue of participating interests	048	8,145,892	152,533
3 Customer receivables	049	51,106	29,715
4 Receivables from employees and members of the undertaking	050	4,825	3,555
5 Receivables from government and other institutions	051	212,873	18,390
6 Other receivables	052	322,977	339,430
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
	053	5,027,376	5,077,376
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	5,027,376	5,077,376
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	0
8 Loans, deposits, etc, given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	38,342,148	33,988,270
D) PREPAID EXPENSES AND ACCRUED INCOME	064	1,168,335	1,494,230
E) TOTAL ASSETS (ADP 001+002+037+064)	065	253,900,315	262,453,862
OFF-BALANCE SHEET ITEMS			
	066	301,355,775	359,820,484
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)			
	067	240,834,045	254,896,739
I INITIAL (SUBSCRIBED) CAPITAL			
	068	159,471,378	159,471,378
II CAPITAL RESERVES			
	069	1,072,189	1,072,189
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)			
	070	57,272,455	57,272,455
1 Legal reserves	071	7,540,299	7,540,299
2 Reserves for treasury shares	072	4,507,291	6,032,193
3 Treasury shares and holdings (deductible item)	073	-2,032,193	-2,032,193
4 Statutory reserves	074	28,891,636	28,891,636
5 Other reserves	075	18,365,422	16,840,520
IV REVALUATION RESERVES			
	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)			
	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e, available for sale)	078	0	0
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	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)			
	083	9,310,565	23,018,023
1 Retained profit	084	9,310,565	23,018,023
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)			
	086	13,707,458	14,062,694
1 Profit for the business year	087	13,707,458	14,062,694
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST			
	089	0	0

BALANCE SHEET

balance as at 31.03.2024

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	1,449,235	957,537
1 Provisions for pensions, termination benefits and similar obligations	091	1,449,235	957,537
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	0	0
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	0	0
6 Liabilities to banks and other financial institutions	103	0	0
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	0	0
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	9,841,921	4,855,833
1 Liabilities to undertakings within the group	110	2,497,665	1,754,678
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	0	0
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc,	114	0	0
6 Liabilities to banks and other financial institutions	115	0	0
7 Liabilities for advance payments	116	0	0
8 Liabilities to suppliers	117	5,471,168	1,292,956
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	676,973	689,732
11 Taxes, contributions and similar liabilities	120	872,478	1,031,218
12 Liabilities arising from the share in the result	121	60,625	73,750
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	263,012	13,499
E) ACCRUALS AND DEFERRED INCOME	124	1,775,114	1,743,753
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	253,900,315	262,453,862
G) OFF-BALANCE SHEET ITEMS	126	301,355,775	359,820,484

STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 31.03.2024

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	11,441,701	11,441,701	16,735,015	16,735,015
1 Income from sales with undertakings within the group	002	11,408,282	11,408,282	16,599,441	16,599,441
2 Income from sales (outside group)	003	25,375	25,375	27,346	27,346
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	997	997	997	997
5 Other operating income (outside the group)	006	7,047	7,047	107,231	107,231
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	2,617,594	2,617,594	3,287,463	3,287,463
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	650,380	650,380	812,756	812,756
a) Costs of raw materials and consumables	010	52,324	52,324	51,350	51,350
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	598,056	598,056	761,406	761,406
3 Staff costs (ADP 014 to 016)	013	820,906	820,906	873,872	873,872
a) Net salaries and wages	014	455,605	455,605	494,818	494,818
b) Tax and contributions from salary costs	015	254,944	254,944	192,118	192,118
c) Contributions on salaries	016	110,357	110,357	186,936	186,936
4 Depreciation	017	272,965	272,965	292,734	292,734
5 Other costs	018	858,977	858,977	1,254,959	1,254,959
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	14,366	14,366	53,142	53,142
III FINANCIAL INCOME (ADP 031 to 040)	030	351,994	351,994	616,945	616,945
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	247,814	247,814	179,455	179,455
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	0	0	0	0
7 Other interest income	037	19,763	19,763	334,848	334,848
8 Exchange rate differences and other financial income	038	0	0	0	0
9 Unrealised gains (income) from financial assets	039	84,417	84,417	102,642	102,642
10 Other financial income	040	0	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	244	244	1,803	1,803
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	182	182	1,802	1,802

STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 31.03.2024

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	62	62	0	0
4 Exchange rate differences and other expenses	045	0	0	0	0
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	1	1
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
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	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	11,793,695	11,793,695	17,351,960	17,351,960
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	2,617,838	2,617,838	3,289,266	3,289,266
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	9,175,857	9,175,857	14,062,694	14,062,694
1 Pre-tax profit (ADP 053-054)	056	9,175,857	9,175,857	14,062,694	14,062,694
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	9,175,857	9,175,857	14,062,694	14,062,694
1 Profit for the period (ADP 055-059)	060	9,175,857	9,175,857	14,062,694	14,062,694
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	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	9,175,857	9,175,857	14,062,694	14,062,694
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 01.01.2024 to 31.03.2024

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	9,175,857	9,175,857	14,062,694	14,062,694
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	0	0	0	0
1 Attributable to owners of the parent	100	0	0	0	0
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - direct method for the period 01.01.2024 to 31.03.2024

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	3,941,056	2,818,630
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	0
3 Cash receipts from insurance premiums	003	0	0
4 Cash receipts from tax refund	004	0	0
5 Other cash receipts from operating activities	005	463,900	436,662
I Total cash receipts from operating activities (ADP 001 to 005)	006	4,404,956	3,255,292
1 Cash payments to suppliers	007	-1,469,518	-1,973,906
2 Cash payments to employees	008	-824,741	-1,349,951
3 Cash payments for insurance premiums	009	0	0
4 Interest paid	010	-55	0
5 Income tax paid	011	0	0
6 Other cash payments from operating activities	012	-949,349	-369,059
II Total cash payments from operating activities (ADP 007 to 012)	013	-3,243,663	-3,692,916
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	1,161,293	-437,624
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	55,531	51,186
2 Cash receipts from sales of financial instruments	016	0	0
3 Interest received	017	114,543	342,081
4 Dividends received	018	5,065,285	8,016,869
5 Cash receipts from the repayment of loans and deposits	019	11,030,891	2,000,000
6 Other cash receipts from investment activities	020	0	0
III Total cash receipts from investment activities (ADP 015 to 020)	021	16,266,250	10,410,136
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-283,964	-5,865,891
2 Cash payments for the acquisition of financial instruments	023	-6,636,140	-698,505
3 Cash payments for loans and deposits	024	-7,500,000	-7,775,000
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	0	0
IV Total cash payments from investment activities (ADP 022 to 026)	027	-14,420,104	-14,339,396
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	1,846,146	-3,929,260
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	0
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	0	0
4 Other cash receipts from financing activities	032	0	13,125
V Total cash receipts from financing activities (ADP 029 to 032)	033	0	13,125
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	0	0
2 Cash payments for dividends	035	-286	0
3 Cash payments for finance lease	036	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capita	037	0	0
5 Other cash payments from financing activities	038	0	0
VI Total cash payments from financing activities (ADP 034 to 038)	039	-286	0
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)	040	-286	13,125
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	-377	-119
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)	042	3,006,776	-4,353,878
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	13,473,705	38,342,148
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)	044	16,480,481	33,988,270

STATEMENT OF CHANGES IN EQUITY

for the period from 01.01.2024 to 31.03.2024

B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January - March 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	6.790.178	4.526.798	2.051.700	28.891.636	18.365.422	0	0	0	0	0	0	113.855	15.002.409	232.182.166	0	232.182.166
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	160.448.063	95.505	6.790.178	4.526.798	2.051.700	28.891.636	18.365.422	0	0	0	0	0	0	113.855	15.002.409	232.182.166	0	232.182.166
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13.707.458	13.707.458	0	13.707.458
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	-1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	-976.685	976.685	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5.092.281	-5.092.281	0	-5.092.281
21 Other distributions and payments to members/shareholders	21	0	0	0	-19.507	-19.507	0	0	0	0	0	0	0	0	36.701	0	36.701	0	36.701
22 Transfer to reserves according to the annual schedule	22	0	0	750.120	0	0	0	0	0	0	0	0	0	0	9.160.009	-9.910.128	1	0	1
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	159.471.378	1.072.189	7.540.299	4.507.291	2.032.193	28.891.636	18.365.422	0	0	0	0	0	0	9.310.565	13.707.458	240.834.045	0	240.834.045
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	-1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	-1	1	0	0	0	0	0	0	0	0	0	0	0	13.707.458	13.707.458	0	13.707.458
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	-976.685	976.685	750.120	-19.507	-19.507	0	0	0	0	0	0	0	0	9.196.710	-15.002.409	-5.055.579	0	-5.055.579

STATEMENT OF CHANGES IN EQUITY

for the period from 01.01.2024 to 31.03.2024

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 to 6 - 7 + 8 to 17)	19	20 (18+19)
Current period																			
1 Balance on the first day of the previous business year	28	159.471.378	1.072.189	7.540.299	4.507.291	2.032.193	28.891.636	18.365.422	0	0	0	0	0	0	9.310.565	13.707.458	240.834.045	0	240.834.045
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 28 to 30)	31	159.471.378	1.072.189	7.540.299	4.507.291	2.032.193	28.891.636	18.365.422	0	0	0	0	0	0	9.310.565	13.707.458	240.834.045	0	240.834.045
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14.062.694	14.062.694	0	14.062.694
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	0	1.524.902	0	0	-1.524.902	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Transfer to reserves according to the annual schedule	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	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	159.471.378	1.072.189	7.540.299	6.032.193	2.032.193	28.891.636	16.840.520	0	0	0	0	0	0	9.310.565	27.770.152	254.896.739	0	254.896.739
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	1.524.902	0	0	-1.524.902	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	1.524.902	0	0	-1.524.902	0	0	0	0	0	0	0	14.062.694	14.062.694	0	14.062.694
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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 March 2024

1 General information about the company

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

The average number of employees in Q1 2024 was 80 (Q1 2023.: 65 employees).

2 Significant accounting policies

These quarterly statements for the period ended 31 March 2024 are to be read together with the most recent annual financial statement of the Company as of and for the year ended 31 December 2023 ("the most recent annual financial statements") considering the fact that they do not include all the necessary information for the entire set of financial statements drawn up in accordance with the International Financial Reporting Standards. However, the explanations selected include explanations of the events and transactions significant for understanding changes in the financial position and performance of the Company since the most recent annual financial statement. Annual individual and consolidated financial statements have been published on the Company's website.

While drawing up quarterly financial statements, the Management Board used the judgments and estimates affecting the application of accounting policies and the recorded amounts of assets and liabilities, revenue 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. The accounting policies applied in these quarterly financial statements are equal to those applied in the financial statements of the Company as of and for the year ended 31 December 2023.

Seasonal effects

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

3 Sales revenue

	January-March 2024 EUR	January-March 2023 EUR
Income from dividends /i/	13,507,618	8,841,373
Income from contracts with customers /ii/	3,119,169	2,592,284
	16,626,787	11,433,657
<i>/i/ Income from dividends</i>		
	January-March 2024 EUR	January-March 2023 EUR
Income from dividends – dependent companies	13,507,618	8,841,373
Income from dividends – affiliated companies	-	-
	13,507,618	8,841,373
<i>/ii/ Income from contracts with customers</i>		
	January-March 2024 EUR	January-March 2023 EUR
<i>Type of service</i>		
Income from brand fees (fees for using the company name, trademark and service mark)	2,128,515	1,605,496
Income from real estate management	788,816	788,622
Income from other fees	201,838	198,166
Total income from contracts with customers	3,119,169	2,592,284

4 Other income and operating expenses

During Q1 2024, as well as Q1 2023, there were no significant exceptional business expenses or events that would require additional disclosure.

5 Income tax

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the reporting period by the management's best estimate of the average annual income tax rate expected for the full financial year. Income tax expense is adjusted for the tax effect of certain items recognised in full in the reporting period. Considering the tax loss carryforwards, the Company does not recognise income tax expense.

6 Earnings per share

	January-March 2024 EUR	January-March 2023 EUR
Profit for the year	14,062,694	9,175,857
Weighted average number of shares	2,546,256	2,546,140
Earnings per share in EUR	5.52	3.60

7 Property, plant and equipment

During Q1 2024, the Company purchased assets in the amount of EUR 510 thousand (Q1 2023: EUR 277 thousand), while depreciation costs amounted to EUR 290 thousand (Q1 2023: EUR 270 thousand).

8 Investments in subsidiaries

Compared to December 31, 2023, shares of KONČAR - Electric Vehicles have been repurchased. There were no changes in other investments in subsidiaries and associated companies during the first quarter compared to December 31, 2023.

	31 March 2024 EUR' 000	31 Decem- ber 2023 EUR' 000	31 March 2024 Share in %	31 Decem- ber 2023 Share in %
Stakes (shares) in subsidiaries in Croatia				
KONČAR – Switchgear Ltd. for production, Zagreb	11,197	11,197	100	100
KONČAR – Steel Structures Ltd. for production, Zagreb	16,779	16,779	100	100
KONČAR – Generators and motors Ltd. for production, Zagreb	9,600	9,600	100	100
KONČAR – Distribution and Special Transformers, Zagreb	8,245	8,245	52.73	52.73
KONČAR – Electrical engineering institute Ltd. for research, development and services, Zagreb	8,088	8,088	100	100
KONČAR – Infrastructure and Services Ltd. for services, Zagreb	7,524	7,524	100	100
KONČAR – Electronics and informatics Ltd. for production and services, Zagreb	8,353	8,353	100	100
KONČAR – Renewable energy sources Ltd. for production, Zagreb	5,733	5,733	91.25	91.25
KONČAR – Engineering Co. Ltd. for production and services, Zagreb	9,304	9,304	100	100
KONČAR – Motors and electrical systems Ltd. for production, Zagreb	6,450	6,450	100	100
KONČAR – Electric vehicles Inc. for production, Zagreb	5,530	5,058	83.62	77.74
KONČAR – Instrument transformers Inc. for production, Zagreb	4,041	4,041	61.97	61.97
KONČAR – Digital Ltd. for digital services, Zagreb	9,184	9,184	100	100
KONČAR – Investments Ltd. for business services, Zagreb	3	3	100	100
KONČAR – Transformer Tanks, Sesevetski Kraljevec	2	2	100	100
	110,033	109,561		

9 Capital and reserves

Share (subscribed) capital has a nominal value of EUR 159.471.378 (31 December 2023: EUR 159.471.378) and consists of 2,572,119 shares with a nominal value of EUR 62. The Company's ordinary shares are listed on the Official Market of Zagreb Stock Exchange, identified by the symbol KOEI-R-A. As at 31 March 2024, the Company owned 25,732 treasury shares (31 December 2023: 25,732 shares). By the decision of the Company's Assembly dated June 13, 2023, the share capital of the Company was aligned with euros, and this was also published in the court register on September 28, 2023.

10 Contingent liabilities and off-balance sheet items

Off-balance sheet records as at 31 March 2024 include collaterals issued (including corporate guarantees to third parties) at the request of the Group's subsidiaries to financial institutions and suppliers.

11 Related party transactions

<i>in EUR thousand</i>	Transactions for the period ended	
	31 March 2024	31 March 2023
Income from services		
Subsidiaries	2,961	2,487
Associates	131	79
Gain on sale of assets		
Subsidiaries	0	0
Associates	0	0
Income from dividends		
Subsidiaries	13,508	8,841
Associates		0
Finance income		
Subsidiaries	179	248
Cost of services		
Subsidiaries	918	870

<i>in EUR thousand</i>	Transactions for the period ended	
	31 March 2024	31 December 2023
Receivables from operating activities		
Subsidiaries	4,055	4,583
Associates	153	128
Dividend receivables		
Subsidiaries	13,508	0
Associates		8,017
Other receivables		
Subsidiaries	504	504
Receivables from financing activities		
Subsidiaries	32,573	26,626
Liabilities from operating activities		
Subsidiaries	1,755	2,498

12 Events after the reporting date

Following the expiration of the term and the appointment of the Management Board, as of January 21, 2024, the members of the Management Board are Gordan Kolak, Josip Lasić, Miki Huljić, Ivan Paić, and Petar Bobek.

Supervisory Board KONČAR – Electrical Industry Inc. for manufacturing and services at the meeting held on April 4, 2024, agreed with the proposal of the Company's Management Board to implement a statutory merger of the related companies KONČAR – Engineering Co. Ltd. for production and services and KONČAR – Infrastructure and Services Ltd. for services, by merging mentioned companies into KONČAR – Electrical Industry Inc. for manufacturing and services, as the acquiring company. The merged companies will continue their regular operations within KONČAR – Electrical Industry Inc. for manufacturing and services. The new organizational-operational model is expected to strengthen synergy within the KONČAR Group, aiming for more efficient delivery of complex solutions with the highest added value.

Furthermore, after the reporting date up to the date of approval of the financial statements, there were no events that would significantly impact on the Company's financial statements, which should therefore be disclosed.

Management's Statement of Responsibility

Unaudited Financial Statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period 1 January to 31 March 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 31 March 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 Report for the period ending 31 March 2024 gives a true and fair view of the company's business performance.

Signed on behalf of the Management Board:

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



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



Zagreb, 29 April 2024



KONČAR

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