

DALEKOVOD D.D.

REPORT ON THE IMPLEMENTATION OF FINANCIAL RESTRUCTURING 31st IMPLEMENTATION REPORT (Q3 2021)

1. Balance sheets, income, and cash flow statements

The report was compiled in accordance with the provision of Art. 79, paragraph 4 of the Financial Operations and Pre-Bankruptcy Settlement Act. It refers, in all its contents, to the period from 1 January 2014 to 30 September 2021.

Pre-bankruptcy settlement (hereinafter "settlement") over the debtor Dalekovod d.d. Zagreb (hereinafter "the Company") was reached at the hearing before the Commercial Court in Zagreb on 29/01/2014 and it became final on 14/02/2014.

In accordance with the provisions of Article 79, paragraph 4 of the Law on Financial Operations and Pre-Bankruptcy Settlement, the report contains:

1. description of financial restructuring measures implemented and their impact on a debtor in terms of liquidity and solvency,
2. total amount of payment of creditors' claims, in the shares in which these claims were paid,
3. quarterly balance sheets, income statement, and cash flow statement,
4. statement by the debtor that he has not taken any action that would result in bringing the creditor into an unequal position.

2. Description of the financial restructuring measures implemented and their impact on the debtor in terms of liquidity and solvency and the total amount of payment of creditors' claims, in the shares in which these claims were paid

In the period from 14/02/2014 when the final decision on the pre-bankruptcy settlement came into force by 30/09/2021 the following financial restructuring measures have been implemented:

A) The share capital was reduced to cover the accumulated losses, and accordingly, the nominal value of the share was reduced from HRK 100 to HRK 10.

B) The conversion of part of the debt to creditors into the capital was carried out, 852,168 new shares were issued and thus the share capital of the Company was increased by HRK 8,521,680.

C) A recapitalization of HRK 150,000,000 was made by payment in cash to finance investments and the development of the company. The recapitalization was performed by the company Konsolidator d.o.o. at HRK 10 per share. 15,000,000 new shares were issued and the share capital was increased by HRK 150,000,000.

D) Recapitalization of HRK 59,998,720 was carried out by payment in cash for financing investments and development of the company. The recapitalization was carried out by the existing shareholders, with the exclusion of the pre-emptive right of shareholders holding the Company's shares issued for a cash investment based on the decision of the regular General Assembly of the Company dated 22/07/2013 under item 8 of the Agenda, at HRK 10 per share. 5,999,872 new shares were issued and the share capital was increased by HRK 59,998,720.

E) The process of selling shares in the company Dalekovod Professio d.o.o. has been initiated. for investment in renewable energy sources as one of the financial restructuring measures listed in the Settlement.

F) Following the terms of the Settlement, the Company's debt based on co-debt, joint and several guarantee or guarantee in its entirety and claims of other companies based on co-debt for the Company's obligations to third parties have been released.

G) Following the terms of the Settlement, the write-off of interest and fee liabilities was performed.

H) The fair value of long-term liabilities from the pre-bankruptcy settlement on 31/03/2014 was calculated. following International Accounting Standards and represents a one-time significant positive effect on the income statement, and the Company's balance sheet in the amount of HRK 223.8 million. The calculation of fair value will be performed quarterly and will be presented in future financial statements.

- I) The payment of the first installment to suppliers was made by a one-time payment in cash. It included 20% of total debt to creditors of categories (j), (k), (l), (m), and (n), and according to Settlement it amounted to HRK 69.8 million.
- J) On 31/03/2015 the first of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- K) On 30/06/2015 the second of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- L) On 30/09/2015 the third of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- M) On 30/12/2015 the fourth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- N) On 31/03/2016 the fifth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- O) On 30/06/2016 the sixth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- P) On 30/09/2016 the seventh of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- Q) On 30/12/2016 the eighth of 13 installments was paid to suppliers by a one-time payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- R) On 31/03/2017 the ninth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- S) On 31/03/2017 the principal of senior debt to banks was paid in the total amount of HRK 4.8 million and interest on loans for the first quarter in the amount of HRK 2.2 million.
- T) according to the Decision on Pre-Bankruptcy Settlement and Settlement of Claims of a category (h), claims based on commercial papers issued by the Debtor, and which part of the claims was settled by refinancing through the issue of bonds, Dalekovod d.d. is 14/02/2017 redeemed interest on security marked DLKV-0-302E in the nominal amount of EUR 0.12 per bond, ie according to the middle exchange rate of the CNB 7.462096 HRK / 1 EUR on 14/02/2017 which amounts to HRK 0.89545152 per bond, and interest on the security marked DLKV-0-302A in the nominal amount of HRK 0.12 per bond. Thus, Dalekovod d.d. reduced debt on issued bonds by HRK 3.0 million. The listing agent is Zagrebačka banka d.d. Zagreb.
- U) On 01/03/2017 the payment of the contractual penalty was made due to the default of the Debtor of sale and transfer of business shares in the company Dalekovod Professio (following Art. 212 of the Settlement) in total amount of HRK 3.7 million.
- C) On 30/06/2017 the tenth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.
- W) On 30/06/2017 2nd installment of principal of the senior debt to the banks was paid in the total amount of HRK 4.8 million.
- X) All liabilities from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid based on interest on loans for the second quarter in the amount of HRK 2.5 million, and the basis of annuities on financial leasing of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN.
- Y) On 29/09/2017 the eleventh installment of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million
- Z) On 29/09/2017, 3rd installment of the principal of the senior debt to banks was paid in the total amount of HRK 4.8 million.

AA) All obligations from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on basis of interest on loans for third quarter in the amount of HRK 2.5 million, and on basis of annuities on financial leasing in the amount of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN

BB) On December 29, 2017, the twelfth of 13 installments was paid to suppliers in a one-time payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

CC) On 29/12/2017 fourth installment of the principal of the senior debt to banks was paid in the total amount of million HRK.

DD) All obligations from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on basis of interest on loans for fourth quarter in the amount of HRK 2.5 million, and on basis of annuities on financial leasing in amount of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN.

EE) On 02/03/2018 payment of contractual penalty was made due to default of the Debtor of sale and transfer of business shares in company Dalekovod Professio (in accordance with Art. 212 of Settlement) in the total amount of HRK 3.7 million.

FF) On March 30, 2018, the thirteenth of 13 installments was paid to suppliers by a one-time payment into new ones, which according to the Settlement amounts to a total of HRK 12.4 million

GG) On 30/03/2018 the 5th installment of the principal of senior debt to banks was paid in the total amount of HRK 4.8 million

HH) All obligations from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on the basis of interest on loans for the first quarter of 2018 in the amount of HRK 2.5 million, and on the basis of annuities on financial leasing in the amount of HRK 2.7 million. No outstanding liabilities based on issued invoices from liabilities under PSN

II) The 6th installment of the principal of senior debt to banks was paid in the total amount of HRK 4.8 million

JJ) All liabilities from pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on basis of interest on loans for second quarter of 2018 in amount of HRK 2.37 million, and on basis of annuities on financial leasing in the amount of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN

KK) On 14 November 2018, all liabilities based on interest and principal of senior debt from the pre-bankruptcy settlement to financial institutions on loans for the third quarter of 2018 in the amount of HRK 7.2 million were settled, and on the basis of annuities on financial leasing in the amount of HRK 2.7 million.

LL) As of January 14, 2019, all liabilities based on interest and principal of senior debt from the pre-bankruptcy settlement to financial institutions on loans for the fourth quarter of 2018 in the amount of HRK 7.48 million were settled. All liabilities based on annuities on financial leasing in the amount of HRK 2.7 million for the reporting quarter have been settled.

MM) As of May 17, 2019, all liabilities based on interest and principal of senior debt from the pre-bankruptcy settlement to financial institutions on loans for the first quarter of 2019 in the amount of HRK 7.04 million were settled. Liabilities from annuities on financial leasing in the amount of HRK 1.8 million for the reporting quarter were settled.

NN) In the period from 15/01/2019 to 25/02/2019, a payment was made in the amount of HRK 59.47 million. The stated amount of funds was paid to the mezzanine creditors on the basis of the sale of Dalekovod Professio in accordance with pre-bankruptcy settlement

OO) On 14/02/2020, bonds DLKV-O-302A and DLKV-O-302A were redeemed in amount of principal and interest HRK 2.54 mil.

PP) On 10 July 2020, the settlement was concluded with the creditor from the Pre-Bankruptcy Settlement HETA Asset Resolution d.o.o. , on the arrangement of relations from three leasing contracts of which HETA is an excrucial creditor on assets that in nature represent a galvanizing plant in Dugo Selo. Settlement reduced Groups financial debt more than HRK 61 million. With the settlement, the debt on the basis of the 7.4.a claim under a lease agreement in amount greater than HRK 2 million was fully regulated.

RR) On 12 February 2021, DLKV-O-302A and DLKV-O-302A bonds were redeemed in total amount of principal and interest of HRK 2.55 million.

SS) As of 15 November 2021, Company and Group have due liabilities based on regular interest and principal of senior debt from pre-bankruptcy settlement in amount of HRK 60.80 mil.

3. Balance sheets, income statement and cash flow statement

Source: Business results of Dalekovod Group and Dalekovod d.d. for the period I - IX 2021

Financial position report

Item	AOP code	Last day of the preceding business year	At th reporting date of the current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	-	-
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	329,131,110	344,236,164
I INTANGIBLE ASSETS (ADP 004 to 009)	003	4,831,284	3,846,041
II TANGIBLE ASSETS (ADP 011 to 019)	010	254,778,531	272,557,436
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	9,473,799	7,660,580
IV RECEIVABLES (ADP 032 to 035)	031	60,047,496	60,172,107
V DEFERRED TAX ASSETS	036	-	-
C) CURRENT ASSETS (ADP 038+046+053+063)	037	579,501,010	635,200,223
I INVENTORIES (ADP 039 to 045)	038	73,240,563	72,397,498
II RECEIVABLES (ADP 047 to 052)	046	432,026,551	483,543,440
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	10,133,765	2,288,586
IV CASH AT BANK AND IN HAND	063	64,100,131	76,970,699
D) PREPAID EXPENSES AND ACCRUED INCOME	064	14,389,006	9,713,212
E) TOTAL ASSETS (ADP 001+002+037+064)	065	923,021,126	989,149,599
OFF-BALANCE SHEET ITEMS	066	449,171,244	466,744,067
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	54,749,610	89,570,421
I INITIAL (SUBSCRIBED) CAPITAL	068	247,193,050	2,471,930
II CAPITAL RESERVES	069	86,141,670	-
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	74,182,289	32,957,874
IV REVALUATION RESERVES	076	40,706,979	40,706,979
V FAIR VALUE RESERVES (ADP 078 to 080)	077	-	-
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	083	(365,957,988)	(18,936,581)
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	086	(27,516,390)	32,370,219
VIII MINORITY (NON-CONTROLLING) INTEREST	089	-	-
B) PROVISIONS (ADP 089 to 094)	090	33,361,333	31,398,744
C) LONG-TERM LIABILITIES (ADP 096 to 106)	097	285,300,252	308,099,533
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	109	505,811,255	514,388,632
E) ACCRUALS AND DEFERRED INCOME	124	43,798,677	45,692,269
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	125	923,021,127	989,149,599
G) OFF-BALANCE SHEET ITEMS	126	449,171,244	466,744,067

Profit and loss report

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 126 to 130)	001	944,228,838	360,180,059	1,110,826,821	362,170,100
2 Income from sales (outside group)	003	929,855,221	355,927,841	1,102,806,926	359,252,999
5 Other operating income (outside the group)	006	14,373,617	4,252,218	8,019,895	2,917,101
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	007	902,561,881	340,200,057	1,064,439,502	340,143,715
1 Changes in inventories of work in progress and finished goods	008	4,350,902	2,074,339	5,590,345	6,232,212
2 Material costs (ADP 134 to 136)	009	540,596,565	197,249,505	696,935,127	202,469,631
a) Costs of raw materials and consumables	010	245,057,677	78,519,787	125,180,577	38,456,545
b) Costs of goods sold	011	43,273,390	10,123,540	220,063,675	41,168,841
c) Other external costs	012	252,265,498	108,606,178	351,690,875	122,844,245
3 Staff costs (ADP 138 to 140)	013	232,453,341	91,803,103	224,308,353	83,717,721
a) Net salaries and wages	014	182,718,120	73,143,150	172,990,195	65,457,128
b) Tax and contributions from salary costs	015	28,808,441	10,157,621	29,584,535	10,140,203
c) Contributions on salaries	016	20,926,780	8,502,332	21,733,623	8,120,389
4 Depreciation	017	20,463,312	7,087,112	23,708,903	8,059,588
5 Other costs	018	18,122,331	7,206,669	22,466,505	9,391,202
6 Value adjustments (ADP 144+145)	019	163,141	(71,722)	4,409,541	(88,228)
b) current assets other than financial assets	021	163,141	(71,722)	4,409,541	(88,228)
8 Other operating expenses	029	86,412,289	34,851,051	87,020,728	30,361,588
III FINANCIAL INCOME (ADP 155 to 164)	030	8,157,866	4,814,743	5,046,536	538,254
7 Other interest income	037	591,787	200,240	293,973	69,211
8 Exchange rate differences and other financial income	038	7,270,225	4,507,908	4,752,563	469,044
10 Other financial income	040	295,854	106,595	-	-
IV FINANCIAL EXPENSES (ADP 166 to 172)	041	17,896,979	5,240,375	18,822,271	4,291,397
3 Interest expenses and similar expenses	044	6,301,884	552,547	11,846,714	4,165,178
4 Exchange rate differences and other expenses	045	11,595,095	4,687,828	6,975,557	126,219
IX TOTAL INCOME (ADP 125+154+173 + 174)	053	952,386,704	364,994,802	1,115,873,357	362,708,354
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	054	920,458,860	345,440,432	1,083,261,773	344,435,112
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	055	31,927,844	19,554,370	32,611,584	18,273,243
1 Pre-tax profit (ADP 177-178)	056	31,927,844	19,554,370	32,611,584	18,273,243
XII INCOME TAX	058	337,815	40,488	167,035	81,909
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	059	31,590,029	19,513,882	32,444,549	18,191,333
1 Profit for the period (ADP 179-182)	060	31,590,029	19,513,882	32,444,549	18,191,333
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)	062	(51,301,958)	(45,078,790)	(74,330)	6,854
2 Pre-tax loss on discontinued operations	064	51,301,958	45,078,790	74,330	(6,854)
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	-	-	-	-
2 Discontinued operations loss for the period (ADP 189-186)	067	51,301,958	45,078,790	74,330	6,854
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	068	(19,374,114)	(25,524,420)	32,537,254	18,280,096
1 Pre-tax profit (ADP 192)	069	-	-	32,537,254	18,280,096
2 Pre-tax loss (ADP 192)	070	19,374,114	25,524,420	-	-
XVII INCOME TAX (ADP 182+189)	071	337,815	40,488	167,035	81,909
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	072	(19,711,929)	(25,564,908)	32,370,219	18,198,187
1 Profit for the period (ADP 192-195)	073	-	-	32,370,219	18,198,187
2 Loss for the period (ADP 195-192)	074	19,711,929	25,564,908	-	-
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	075	(19,711,929)	(25,564,908)	32,370,219	18,198,187
1 Attributable to owners of the parent	076	(19,711,929)	(25,564,908)	32,370,219	18,198,187
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	(19,711,929)	(25,564,908)	32,370,219	18,198,187
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	079	814,807	657,763	2,450,592	(889)
1 Exchange rate differences from translation of foreign operations	088	814,807	657,763	2,450,592	(889)
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	097	814,807	657,763	2,450,592	(889)
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	098	(18,897,122)	(24,907,145)	34,820,811	18,197,298
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 216+217)	099	(18,897,122)	(24,907,145)	34,820,811	18,197,298
1 Attributable to owners of the parent	100	(18,897,122)	(24,907,145)	34,820,811	18,197,298

Cash flow report

Item	AOP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	1	(19,711,927)	32,537,254
2 Adjustments (ADP 003 to 010):	2	5,547,158	44,107,877
a) Depreciation	3	20,463,312	23,708,903
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	4	-	(53,210)
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	5	4,019,578	4,409,541
d) Interest and dividend income	6	(887,641)	293,973
e) Interest expenses	7	6,843,730	11,846,714
f) Provisions	8	-	(1,962,589)
g) Exchange rate differences (unrealised)	9	5,096,830	5,990,249
h) Other adjustments for non-cash transactions and unrealised gains and losses	10	(29,988,651)	(125,704)
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	11	(14,164,769)	76,645,131
3 Changes in the working capital (ADP 013 to 016)	12	8,139,061	(51,695,075)
a) Increase or decrease in short-term liabilities	13	(30,890,025)	(2,840,922)
b) Increase or decrease in short-term receivables	14	(66,769,490)	(56,266,604)
c) Increase or decrease in inventories	15	106,425,651	843,065
d) Other increase or decrease in working capital	16	(627,075)	6,569,386
II Cash from operations (ADP 011+012)	17	(6,025,708)	24,950,056
4 Interest paid	18	(2,626,338)	(2,041,654)
5 Income tax paid	19	(5,490,443)	(2,826,553)
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	20	(14,142,489)	20,081,849
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	21	3,101,764	97,035
3 Interest received	23	289	46,201
5 Cash receipts from repayment of loans and deposits	25	2,643,055	7,084,354
6 Other cash receipts from investment activities	26	4,600,098	-
III Total cash receipts from investment activities (ADP 021 to 026)	27	10,345,206	7,227,590
1 Cash payments for the purchase of fixed tangible and intangible assets	28	(16,582,312)	(4,252,561)
3 Cash payments for loans and deposits for the period	30	(2,415,670)	(236,694)
IV Total cash payments from investment activities (ADP 028 to 032)	33	(18,997,982)	(4,489,255)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	34	(8,652,776)	2,738,336
Cash flow from financing activities			
3 Cash receipts from credit principals, loans and other borrowings	37	10,211,721	-
V Total cash receipts from financing activities (ADP 035 to 038)	39	10,211,721	-
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial	40	(4,380,629)	(6,149,809)
2 Cash payments for dividends	41	(1,433,396)	-
3 Cash payments for finance lease	42	(4,286,764)	(3,799,808)
VI Total cash payments from financing activities (ADP 040 to 044)	45	(10,100,789)	(9,949,617)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	46	110,932	(9,949,617)
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	48	(22,684,333)	12,870,568
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49	61,115,329	64,100,131
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	50	38,430,996	76,970,699

Report on changes in capital for the current period

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)	Statutory reserves	Other reserves	Revaluation reserves	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	16	17	18 (3 do 6 - 7 + 8 do 17)	19	20 (18+19)
Current period														
1 Balance on the first day of the current business year	28	247,193,050	86,141,670	11,652,410	8,465,950	8,465,950	32,188,407	30,341,472	40,706,979	(365,957,988)	(27,516,390)	54,749,610	-	54,749,610
4 Balance on the first day of the current business year (restated) (ADP 2)	31	247,193,050	86,141,670	11,652,410	8,465,950	8,465,950	32,188,407	30,341,472	40,706,979	(365,957,988)	(27,516,390)	54,749,610	-	54,749,610
5 Profit/loss of the period	32	-	-	-	-	-	-	-	-	-	32,370,219	32,370,219	-	32,370,219
6 Exchange rate differences from translation of foreign operations	33	-	-	-	-	-	-	2,450,592	-	-	-	2,450,592	-	2,450,592
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	(244,721,120)	(86,141,670)	(11,486,600)	(428)	(428)	(32,188,407)	-	-	374,537,797	-	-	-	-
21 Other distributions and payments to members/shareholders	48	-	-	-	-	-	-	-	-	(27,516,390)	27,516,390	-	-	-
24 Balance on the last day of the previous business year reporting period	51	2,471,930	-	165,810	8,465,522	8,465,522	-	32,792,064	40,706,979	(18,936,581)	32,370,219	89,570,421	-	89,570,421
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 FOR THE CURRENT PERIOD, NET OF	52	-	-	-	-	-	-	2,450,592	-	-	-	2,450,592	-	2,450,592
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 3)	53	-	-	-	-	-	-	2,450,592	-	-	32,370,219	34,820,811	-	34,820,811
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED	54	(244,721,120)	(86,141,670)	(11,486,600)	(428)	(428)	(32,188,407)	-	-	347,021,407	27,516,390	-	-	-

Regular stock DLKV-R-A included in the official market of the Zagreb Stock Exchange

Issuing country of origin Croatia

ISIN: HRDLKVRA0006, LEI: 74780000WOKHNRDW7105

Notice in accordance with the capital market law

Report on changes in capital for the previous period

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)	Statutory reserves	Other reserves	Revaluation reserves	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	16	17	18 (3 do 6 - 7 + 8 do 17)	19	20 (18+19)
Previous period														
1 Balance on the first day of the previous business year	1	247,193,050	86,141,670	11,652,410	8,465,950	8,465,950	32,188,407	30,589,700	40,706,979	(369,208,977)	3,250,989	82,514,228	-	82,514,228
2 Changes in accounting policies	2	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Correction of errors	3	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Balance on the first day of the previous business year (restated) (ADP (4	247,193,050	86,141,670	11,652,410	8,465,950	8,465,950	32,188,407	30,589,700	40,706,979	(369,208,977)	3,250,989	82,514,228	-	82,514,228
5 Profit/loss of the period	5	-	-	-	-	-	-	-	-	-	(27,516,390)	(27,516,390)	-	(27,516,390)
6 Exchange rate differences from translation of foreign operations	6	-	-	-	-	-	-	(248,228)	-	-	-	(248,228)	-	(248,228)
22 Transfer to reserves according to the annual schedule	22	-	-	-	-	-	-	-	-	3,250,989	(3,250,989)	-	-	-
24 Balance on the last day of the previous business year reporting period	24	247,193,050	86,141,670	11,652,410	8,465,950	8,465,950	32,188,407	30,341,472	40,706,979	(365,957,988)	(27,516,390)	54,749,610	-	54,749,610
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	25	-	-	-	-	-	-	(248,228)	-	-	-	(248,228)	-	(248,228)
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP	26	-	-	-	-	-	-	(248,228)	-	-	(27,516,390)	(27,764,618)	-	(27,764,618)
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD	27	-	-	-	-	-	-	-	-	3,250,989	(3,250,989)	-	-	-

Regular stock DLKV-R-A included in the official market of the Zagreb Stock Exchange

Issuing country of origin Croatia

ISIN: HRDLKVRA0006, LEI: 74780000WOKHNRDW7105

Notice in accordance with the capital market law

Company financial report for I - IX 2021 period

Financial position report

Item	AOP code	Last day of the preceding business year	At th reporting date of the current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	-	-
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	352,620,580	370,571,271
I INTANGIBLE ASSETS (ADP 004 to 009)	003	2,922,549	2,048,126
II TANGIBLE ASSETS (ADP 011 to 019)	010	232,064,683	252,360,851
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	57,585,852	55,990,187
IV RECEIVABLES (ADP 032 to 035)	031	60,047,496	60,172,107
V DEFERRED TAX ASSETS	036	-	-
C) CURRENT ASSETS (ADP 038+046+053+063)	037	463,400,901	505,346,069
I INVENTORIES (ADP 039 to 045)	038	7,679,608	10,127,559
II RECEIVABLES (ADP 047 to 052)	046	394,254,056	415,856,944
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	10,662,167	9,654,585
IV CASH AT BANK AND IN HAND	063	50,805,070	69,706,981
D) PREPAID EXPENSES AND ACCRUED INCOME	064	11,634,590	7,108,125
E) TOTAL ASSETS (ADP 001+002+037+064)	065	827,656,071	883,025,465
OFF-BALANCE SHEET ITEMS	066	436,201,104	451,557,294
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	19,607,832	42,952,815
I INITIAL (SUBSCRIBED) CAPITAL	068	247,193,050	2,471,930
II CAPITAL RESERVES	069	86,141,670	-
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	43,675,007	-
IV REVALUATION RESERVES	076	40,706,979	40,706,979
V FAIR VALUE RESERVES (ADP 078 to 080)	077	-	-
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	083	(388,097,152)	(23,571,078)
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	086	(10,011,722)	23,344,984
VIII MINORITY (NON-CONTROLLING) INTEREST	089	-	-
B) PROVISIONS (ADP 089 to 094)	090	30,030,231	28,067,642
C) LONG-TERM LIABILITIES (ADP 096 to 106)	097	293,322,453	316,065,805
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	109	442,178,144	451,521,247
E) ACCRUALS AND DEFERRED INCOME	124	42,517,410	44,417,956
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	125	827,656,070	883,025,465
G) OFF-BALANCE SHEET ITEMS	126	436,201,104	451,557,294

Profit and loss report

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 126 to 130)	001	798,352,899	309,352,682	826,212,056	265,674,100
1 Income from sales with undertakings within the group	002	8,435,258	251,680	112,958,674	9,996,482
2 Income from sales (outside group)	003	774,135,413	305,151,815	690,440,995	245,787,316
4 Other operating income with undertakings within the group	005	12,875,237	3,279,480	15,558,149	7,237,687
5 Other operating income (outside the group)	006	2,906,991	669,707	7,254,238	2,652,615
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	007	757,887,368	297,090,188	791,877,007	244,810,946
2 Material costs (ADP 134 to 136)	009	473,516,854	183,016,594	501,422,097	139,753,736
a) Costs of raw materials and consumables	010	233,726,690	80,063,083	110,604,437	39,810,459
b) Costs of goods sold	011	8,704,558	3,833,377	193,447,893	30,792,597
c) Other external costs	012	231,085,606	99,120,134	197,369,767	69,150,680
3 Staff costs (ADP 138 to 140)	013	184,604,996	75,778,995	179,630,515	68,821,606
a) Net salaries and wages	014	152,778,031	63,112,919	144,982,686	56,106,731
b) Tax and contributions from salary costs	015	17,905,764	6,313,264	18,794,499	4,700,409
c) Contributions on salaries	016	13,921,201	6,352,812	15,853,330	8,014,466
4 Depreciation	017	16,835,585	5,870,285	19,920,736	6,852,958
5 Other costs	018	12,386,108	4,495,668	13,503,789	4,805,859
6 Value adjustments (ADP 144+145)	019	179,437	(70,625)	4,502,141	3,878
b) current assets other than financial assets	021	179,437	(70,625)	4,502,141	3,878
8 Other operating expenses	029	70,364,388	27,999,271	72,897,729	24,572,909
III FINANCIAL INCOME (ADP 155 to 164)	030	11,952,786	2,574,360	7,556,882	408,792
1 Income from investments in holdings (shares) of undertakings within the group	031	4,434,730	-	2,850,469	(67,421)
4 Other interest income from operations with undertakings within the group	034	255,648	47,084	147,986	61,638
7 Other interest income	037	691,154	230,584	228,184	76,203
8 Exchange rate differences and other financial income	038	6,571,254	2,296,692	4,330,243	338,372
IV FINANCIAL EXPENSES (ADP 166 to 172)	041	16,507,680	2,367,765	18,546,947	4,207,341
1 Interest expenses and similar expenses with undertakings within the group	042	179,063	76,942	286,628	193,351
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	141,251	47,949	-	-
3 Interest expenses and similar expenses	044	4,471,901	(171,842)	11,809,532	4,055,859
4 Exchange rate differences and other expenses	045	11,715,465	2,414,716	6,450,787	(41,869)
IX TOTAL INCOME (ADP 125+154+173 + 174)	053	810,305,685	311,927,042	833,768,938	266,082,892
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	054	774,395,048	299,457,953	810,423,954	249,018,287
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	055	35,910,637	12,469,089	23,344,984	17,064,605
1 Pre-tax profit (ADP 177-178)	056	35,910,637	12,469,089	23,344,984	17,064,605
XII INCOME TAX	058	-	-	-	-
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	059	35,910,637	12,469,089	23,344,984	17,064,605
1 Profit for the period (ADP 179-182)	060	35,910,637	12,469,089	23,344,984	17,064,605
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)	062	(47,719,184)	(44,693,250)	-	-
2 Pre-tax loss on discontinued operations	064	47,719,184	44,693,250	-	-
2 Discontinued operations loss for the period (ADP 189-186)	067	47,719,184	44,693,250	-	-
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	068	(11,808,547)	(32,224,161)	23,344,984	17,064,605
1 Pre-tax profit (ADP 192)	069	-	-	23,344,984	17,064,605
2 Pre-tax loss (ADP 192)	070	11,808,547	32,224,161	-	-
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	072	(11,808,547)	(32,224,161)	23,344,984	17,064,605
1 Profit for the period (ADP 192-195)	073	-	-	23,344,984	17,064,605
2 Loss for the period (ADP 195-192)	074	11,808,547	32,224,161	-	-
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	(11,808,547)	(32,224,161)	23,344,984	17,064,605
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	079	-	-	-	-
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	097	-	-	-	-
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	098	(11,808,547)	(32,224,161)	23,344,984	17,064,605
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 216+217)	099	-	-	-	-

Cash flow report

Item	AOP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	1	(11,808,547)	23,344,984
2 Adjustments (ADP 003 to 010):	2	70,691,855	35,064,879
a) Depreciation	3	16,835,585	19,920,736
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	5	1,770,824	4,502,141
d) Interest and dividend income	6	(5,381,532)	(3,226,639)
e) Interest expenses	7	4,650,964	9,778,191
f) Provisions	8	-	(1,962,589)
g) Exchange rate differences (unrealised)	9	5,096,830	5,932,578
h) Other adjustments for non-cash transactions and unrealised gains and losses	10	47,719,184	120,461
I Cash flow increase or decrease before changes in working capital	11	58,883,308	58,409,863
3 Changes in the working capital (ADP 013 to 016)	12	(72,525,066)	(26,255,786)
a) Increase or decrease in short-term liabilities	13	11,409,013	(5,767,988)
b) Increase or decrease in short-term receivables	14	(81,176,852)	(25,728,859)
c) Increase or decrease in inventories	15	(1,356,956)	(1,185,951)
d) Other increase or decrease in working capital	16	(1,400,271)	6,427,011
II Cash from operations (ADP 011+012)	17	(13,641,758)	32,154,077
4 Interest paid	18	(2,218,012)	(1,774,154)
5 Income tax paid	19	(5,305,418)	(1,897,102)
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	20	(21,165,188)	28,482,821
Cash flow from investment activities		-	-
1 Cash receipts from sales of fixed tangible and intangible assets	21	3,016,045	-
2 Cash receipts from sales of financial instruments	22	20,008	-
3 Interest received	23	37,431	-
4 Dividends received	24	4,434,730	2,850,469
5 Cash receipts from repayment of loans and deposits	25	4,807,068	7,854,978
6 Other cash receipts from investment activities	26	4,600,098	-
III Total cash receipts from investment activities (ADP 021 to 026)	27	16,915,380	10,705,447
1 Cash payments for the purchase of fixed tangible and intangible assets	28	(15,019,527)	(3,212,255)
3 Cash payments for loans and deposits for the period	30	(1,305,000)	(6,759,900)
4 Acquisition of a subsidiary, net of cash acquired	31	(20,000)	-
IV Total cash payments from investment activities (ADP 028 to 032)	33	(16,344,527)	(9,972,155)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	34	570,853	733,292
Cash flow from financing activities		-	-
3 Cash receipts from credit principals, loans and other borrowings	37	10,409,721	-
V Total cash receipts from financing activities (ADP 035 to 038)	39	10,409,721	-
1 Cash payments for the repayment of credit principals, loans and other borrowings	40	(4,980,541)	(6,594,926)
3 Cash payments for finance lease	42	(4,117,348)	(3,719,276)
VI Total cash payments from financing activities (ADP 040 to 044)	45	(9,097,889)	(10,314,202)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	46	1,311,832	(10,314,202)
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046)	48	(19,282,503)	18,901,911
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49	49,553,142	50,805,070
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADI)	50	30,270,639	69,706,981

Report on changes in capital for the current period

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	shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent (+ 8 do 17)		
1	2	3	4	5	6	7	8	9	10	16	17	+ 8 do 17)	19	20 (18+19)
Current period														
1 Balance on the first day of the current business year	28	247,193,050	86,141,670	11,486,600	8,465,950	8,465,950	32,188,407	-	40,706,979	(388,097,152)	(10,011,722)	19,607,832	-	19,607,832
4 Balance on the first day of the current business year (restated) (ADP 2	31	247,193,050	86,141,670	11,486,600	8,465,950	8,465,950	32,188,407	-	40,706,979	(388,097,152)	(10,011,722)	19,607,832	-	19,607,832
5 Profit/loss of the period	32	-	-	-	-	-	-	-	-	-	23,344,984	23,344,984	-	23,344,984
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	(244,721,120)	(86,141,670)	(11,486,600)	(428)	(428)	(32,188,407)	-	-	374,537,797	-	-	-	-
22 Transfer to reserves according to the annual schedule	49	-	-	-	-	-	-	-	-	(10,011,722)	10,011,722	-	-	-
23 Balance on the last day of the current business year reporting period (51	2,471,930	-	-	8,465,522	8,465,522	-	-	40,706,979	(23,571,077)	23,344,984	42,952,816	-	42,952,816
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)														
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 3	53	-	-	-	-	-	-	-	-	-	23,344,984	23,344,984	-	23,344,984
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED	54	(244,721,120)	(86,141,670)	(11,486,600)	(428)	(428)	(32,188,407)	-	-	364,526,075	10,011,722	-	-	-

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Notice in accordance with the capital market law

Report on changes in capital for the previous period

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	shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	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	16	17	+ 8 do 17)	19	20 (18+19)
Previous period														
1 Balance on the first day of the previous business year	1	247,193,050	86,141,670	11,486,600	8,465,950	8,465,950	32,188,407	-	40,706,979	(393,897,901)	5,800,749	29,619,554	-	29,619,554
4 Balance on the first day of the previous business year (restated) (ADP C	4	247,193,050	86,141,670	11,486,600	8,465,950	8,465,950	32,188,407	-	40,706,979	(393,897,901)	5,800,749	29,619,554	-	29,619,554
5 Profit/loss of the period	5	-	-	-	-	-	-	-	-	-	(10,011,722)	(10,011,722)	-	(10,011,722)
22 Transfer to reserves according to the annual schedule	22									5,800,749	(5,800,749)	-	-	-
24 Balance on the last day of the previous business year reporting period	24	247,193,050	86,141,670	11,486,600	8,465,950	8,465,950	32,188,407	-	40,706,979	(388,097,152)	(10,011,722)	19,607,832	-	19,607,832
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)														
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP	26	-	-	-	-	-	-	-	-	-	(10,011,722)	(10,011,722)	-	(10,011,722)
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD	27	-	-	-	-	-	-	-	-	5,800,749	(5,800,749)	-	-	-

4. Statement of the debtor that he did not take any action that would result in putting creditors in an unequal position

STATEMENT

by which we confirm that we have not taken any action that would result in bringing creditors into an unequal position.



Duro Tatalović, Management Board member

