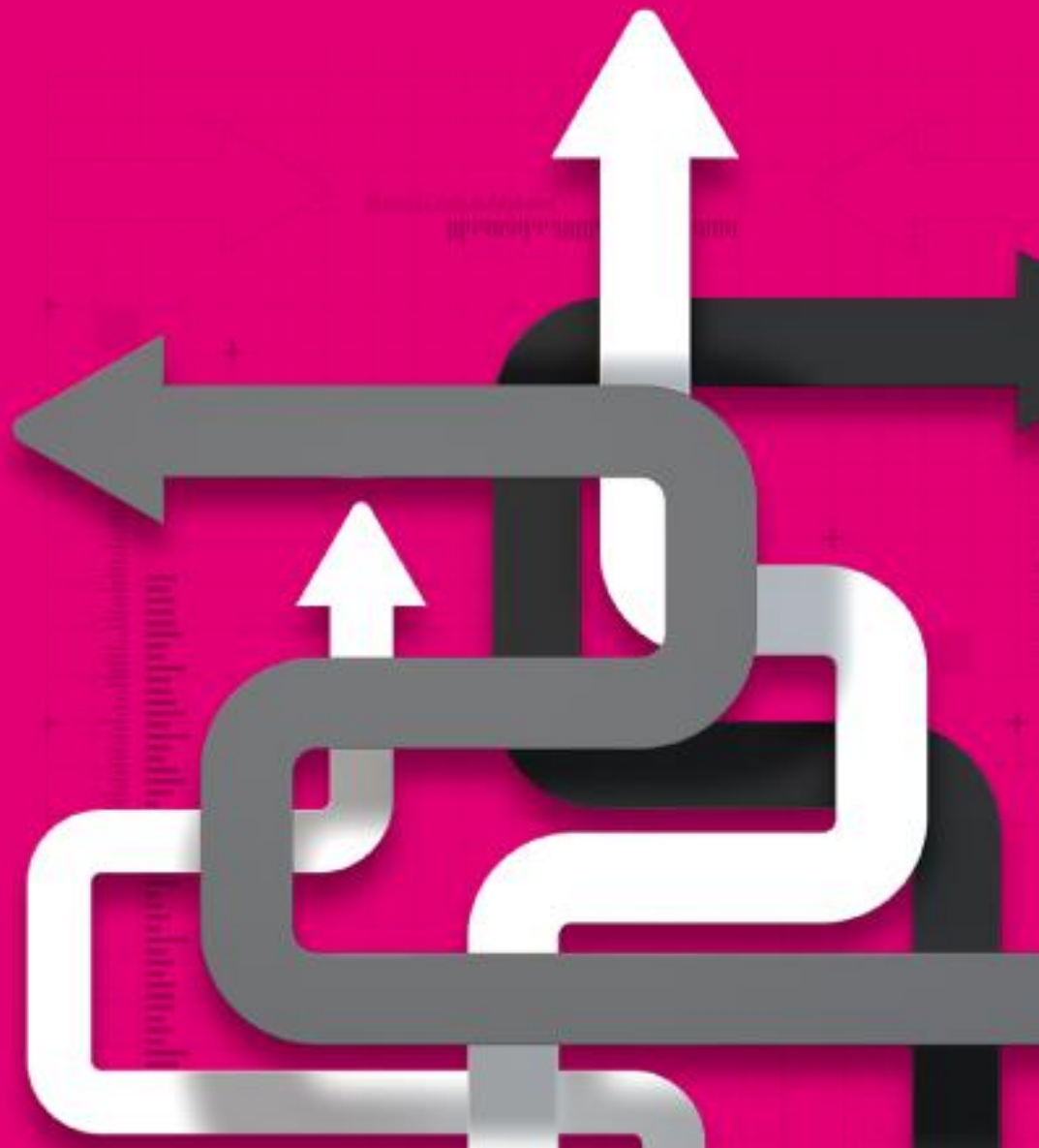




# UNAUDITED CONSOLIDATED INTERIM REPORT FOR THE HT GROUP

**JANUARY - JUNE 2023**



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## COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD

**Commenting on the business results for H1 2023, Konstantinos Nempis, CEO of Hrvatski Telekom, stated:**

*“In the first half of 2023, we continued with a strong commercial performance, delivering solid results across both consumer and business segment, with revenues and EBITDA continuing to grow, offsetting inflationary pressures on our operating expenses.*

*Knowing that our investments are essential for Croatia’s digitalization, we have more than doubled them compared to the same period last year, providing crucial support for the country’s progress. With the market leading investments, Hrvatski Telekom strengthened the foundations for our sustainable growth in the future as well as our network leadership in fixed and mobile. Increasing further the quality of our mobile network and gigabit 5G network coverage resulted with us winning industry standard awards for the best and fastest mobile network for the unprecedented fifth year in a row. By continuing to grow the largest fiber network, rolling out in cities and rural area we are bringing households and businesses across Croatia into gigabit era, remaining committed to our plans to cover more than 1 million Croatian households with fiber.*

*Digitalization has a truly transformative power in enabling economic growth and social development, and with the networks we are building being the backbone of digitalization, we continue creating the opportunities for the county’s progress.”*

## H1 2023 HIGHLIGHTS

- Good commercial results, revenue up by 6.2%, offsetting 6.7% operating costs increase, with adjusted EBITDA AL up by 1.8%
- Net profit of EUR 53.3m approaching the pre-covid level, mainly supported by non-operational drivers and Montenegro
- Doubled market leading investments, leading to strengthened network leadership, the best and the fastest mobile network for the 5<sup>th</sup> year in a row, 19% FTTH growth

As a result of positive business developments Hrvatski Telekom in H1 2023 recorded 6.2% YoY revenue growth, which was driven by good performance across revenue categories in consumer and business segment.

Despite the double digit inflationary pressures on our cost base, we have managed to contain operating expenses increase to 6.7% YoY, supported by continued operating model transformation and efficiency initiatives. This, alongside with the strong commercial momentum has helped our adjusted EBITDA AL grow by 1.8% YoY.

Net profit of EUR 53,3 million approached pre-covid levels and was mainly supported by non-operational drivers and Montenegro.

Total investments including spectrum amounted to EUR 233.1 million (+126.4% YoY), representing the market leading investments and HT's persistent dedication to provide the platform for country's digitalization and future business growth.

### Strengthened network leadership

By further investing in the development of infrastructure across Croatia, HT strengthened its network leadership.

Securing the largest share of legacy bands in the spectrum auction, in combination with the largest share of 5G spectrum won two years ago, HT ensures its customers will enjoy the best mobile network experience for years to come. At the same time, for the fifth year in a row, HT won the Ookla Speedtest Awards for the best and the fastest mobile network, recording the best ever score in Croatia.

In first six months of 2023 HT continued to expand its market leading fiber-to-the-home (FTTH) network, the only original gigabit technology, growing the largest FTTH network in Croatia by another 19% YoY – a step closer towards our ambition to cover more than 1 million households with fiber, investing and digitalizing across Croatia, in urban and rural areas.

### Record-high employee and customer satisfaction

As the industry best employer HT continued systematically investing in its employees, result of which are record-high employee engagement and satisfaction scores, which also translated into HT maintaining the highest ever customer satisfaction levels.

### **Initiated take back of ENTS technological unit for construction and maintenance**

Hrvatski Telekom has decided to take back the Ericsson Nikola Tesla Servisi d.o.o. (ENTS) technological unit for construction and maintenance of HT's network which was initially outsourced from HT to ENTS in September 2014, and since then has been conducting construction and maintenance activities of HT's electronic infrastructure.

The decision to have all strategic business segments within the company follows industry trends and will further accelerate HT's operating model transformation, improve business flexibility, create prerequisites for further development of both fixed and mobile networks, while delivering even better and faster services to HT's customers.

### **10-year contract for supply of electricity from renewable sources**

Hrvatski Telekom d.d. and Liburana d.o.o., 100% owned by Professio Energia d.d., have concluded a Virtual Power Purchase Agreement (vPPA), which represents a significant milestone in HT's energy strategy, thus confirming the Company's commitment to responsible and proactive management on the way to a sustainable future. The electricity from renewable energy supply, in volume of 50 GWh per year, will be produced by wind powerplant that is to be built at the Mazin Gračac location.

The first ever corporate vPPA in Croatia, marks a great structural energy transition as an important step to ensure a substantial share of renewable energy for HT business operations, with it also directly contributing to meeting ambitious ESG goals.

### **Attractive capital return program for shareholders**

Hrvatski Telekom's capital allocation strategy clearly demonstrates the Company's strong focus on shareholder returns and intention to return value to shareholders.

On 10 May 2023, the General Assembly confirmed the joint proposal by the Management Board and the Supervisory Board for the distribution of Net profit for 2022. The amount of EUR 1.10 per share represents a ratio of the dividend payment in relation to the realized Company profit of 93.9% and growth of 3.6% compared to the previous year.

In H1 2023 Hrvatski Telekom purchased additional 216,286 Company shares on the Zagreb Stock Exchange, within the framework of ongoing Share Buyback Programme. Hrvatski Telekom paid an equivalent value of EUR 5.4 million for the acquisition of the Company's shares in the reporting period.

Management Board currently expects a minimum dividend of EUR 0.80 per share for the year 2023.

### **Unchanged outlook for 2023**

In 2023, we are aiming for a low-single digit increase in revenues and adjusted EBITDA AL, and a mid-single digit decrease in CAPEX AL compared to 2022 (when excluding this year's investments in spectrum). Our regional expansion outlook remains the same, as we continue to monitor and evaluate potential M&A activities.

## SELECTED FINANCIAL DATA

### HT Group

Key financial data - HT Group (EUR mil.)	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
Revenue	463	492	6,2%	236	250	6,2%
Adjusted EBITDA AL	174	178	1,8%	88	90	2,7%
Adjusted EBITDA AL margin	37,7%	36,1%	-1,6 p.p.	37,4%	36,1%	-1,2 p.p.
EBITDA AL	170	175	3,1%	86	90	4,4%
EBITDA AL margin	36,6%	35,6%	-1,1 p.p.	36,7%	36,1%	-0,6 p.p.
EBIT	56	67	18,6%	26	33	28,7%
EBIT margin	12,2%	13,6%	1,4 p.p.	10,8%	13,1%	2,3 p.p.
Net profit after non controlling interests	40	53	33,3%	17	26	56,3%
Net profit margin	8,6%	10,9%	2,2 p.p.	7,1%	10,5%	3,4 p.p.
CAPEX AL	103	93	-9,2%	55	48	-14,0%
CAPEX AL / Revenue ratio	22,2%	19,0%	-3,2 p.p.	23,5%	19,0%	-4,5 p.p.

\* CT H1 & Q2 2022 translated from HRK to EUR using conversion exchange rate of €1 = HRK 7.53450

### HT Croatia

Key financial data - HT Croatia (EUR mil.)	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
Revenue	425	452	6,2%	216	230	6,3%
Mobile service revenues	150	158	5,0%	79	83	5,9%
Mobile non-service revenues	63	76	19,0%	30	36	20,9%
Fixed service revenues	146	147	0,8%	74	74	1,0%
Fixed non-service revenues	31	38	19,8%	16	19	15,1%
System solutions	34	34	-1,2%	18	18	-2,3%
Adjusted EBITDA AL	161	163	1,5%	81	83	2,3%
Adjusted EBITDA AL margin	37,8%	36,1%	-1,7 p.p.	37,5%	36,1%	-1,4 p.p.
EBITDA AL	157	161	2,5%	80	83	3,3%
EBITDA AL margin	36,8%	35,5%	-1,3 p.p.	37,1%	36,0%	-1,0 p.p.
EBIT	54	63	16,3%	24	31	25,6%
EBIT margin	12,7%	13,9%	1,2 p.p.	11,3%	13,4%	2,1 p.p.
Net profit after non controlling interests	42	53	25,6%	19	27	39,0%
Net profit margin	9,8%	11,6%	1,8 p.p.	8,9%	11,7%	2,7 p.p.
Exceptional items <sup>1)</sup>	4	3	-37,8%	1	0	-84,1%

<sup>1)</sup> Mainly related to restructuring redundancy costs and legal cases

### Crnogorski Telekom non-consolidated

Key financial data - CT standalone (EUR mil.)	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
Revenue	38	40	6,4%	20	21	5,4%
Mobile service revenues	17	18	7,6%	9	9	8,9%
Mobile non-service revenues	4	5	12,2%	2	2	7,6%
Fixed service revenues	12	13	5,4%	6	6	5,9%
Fixed non-service revenues	3	3	-2,0%	1	1	-2,6%
System solutions	2	2	0,3%	1	1	-21,0%
Adjusted EBITDA AL	14	15	5,7%	7	7	7,1%
Adjusted EBITDA AL margin	36,4%	36,1%	-0,2 p.p.	35,7%	36,2%	0,6 p.p.
EBITDA AL	13	14	10,8%	6	7	19,0%
EBITDA AL margin	34,4%	35,8%	1,4 p.p.	31,8%	35,9%	4,1 p.p.
EBIT	2	4	75,6%	1	2	104,5%
EBIT margin	6,0%	9,9%	3,9 p.p.	5,2%	10,2%	4,9 p.p.
Net profit after non controlling interests	0	3	989,9%	0	2	429,3%
Net profit margin	0,8%	8,1%	7,3 p.p.	-2,5%	7,8%	10,3 p.p.
Exceptional items <sup>1)</sup>	1	0	-81,9%	1	0	-90,8%

<sup>1)</sup> Mainly related to restructuring redundancy costs and legal cases

\* CT H1 & Q2 2022 translated from HRK to EUR using conversion exchange rate of €1 = HRK 7.53450

## SELECTED OPERATIONAL DATA

### HT Croatia and Crnogorski Telekom

Key operational data - HT Croatia <sup>1</sup>	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
<b>Mobile</b>						
Number of customers	2.318	2.323	0,2%	2.318	2.323	0,2%
- Prepaid	947	899	-5,1%	947	899	-5,1%
- Postpaid	1.371	1.424	3,8%	1.371	1.424	3,8%
Blended ARPU <sup>2</sup>	10	10	3,9%	10	11	4,3%
- Prepaid	5	5	0,2%	5	5	0,8%
- Postpaid	13	14	2,9%	14	14	3,0%
<b>Fixed</b>						
Fixed voice mainlines - retail <sup>3</sup>	722	708	-2,0%	722	708	-2,0%
- ARPU voice per user	8	8	-0,8%	8	8	-0,1%
Broadband access lines - retail <sup>4</sup>	642	654	1,8%	642	654	1,8%
- Broadband retail ARPU	14	14	0,4%	14	14	0,6%
TV customers	538	534	-0,7%	538	534	-0,7%
- TV ARPU	11	12	3,6%	12	12	4,0%
Wholesale customers <sup>5</sup>	213	200	-6,4%	213	200	-6,4%

<sup>1</sup> Number of customers in thousands, ARPU in EUR

<sup>2</sup> ARPU includes IFRS 15 effects and has been amended to make the figure comparable to the current period

<sup>3</sup> Includes PSTN, FGSM, old PSTN Voice customers migrated to IP platform and Smart packages for business; payphones excluded

<sup>4</sup> Includes ADSL, VDSL, FTTH i Naked DSL

<sup>5</sup> Includes Naked Bitstream + Bitstream + ULL + FA + WLR wholesale rental

Key operational data - CT (in thousands)	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
<b>Mobile</b>						
Number of customers	396	471	18,8%	396	471	18,8%
- Prepaid	123	173	40,8%	123	173	40,8%
- Postpaid	273	298	8,9%	273	298	8,9%
<b>Fixed</b>						
Fixed mainlines - retail	102	101	-1,0%	102	101	-1,0%
Broadband access lines - retail	82	83	1,3%	82	83	1,3%
TV customers <sup>1</sup>	77	80	3,4%	77	80	3,4%

<sup>1</sup> Agency of telecommunication changed the reporting definition for TV customers, starting from June 2020: only active are customers included, suspended are excluded

## I. Revenue

Revenue in H1 2023 grew by EUR 28.8 million or 6.2% YoY, up in HT Group in Croatia (EUR 26.5 million/6.2%) and CT (EUR 2.3 million/6.1%).

### Mobile service revenue

Mobile service revenue grew by EUR 8.7 million or 5.2% supported by strong postpaid and visitor revenue, which offset for the contraction on prepaid services, as more prepaid customers are moving to our attractive postpaid propositions.

### Mobile non-service revenue

Mobile non-service revenue grew by EUR 12.6 million or 18.5% mostly supported by better handset sale.

### Fixed service revenue

Fixed service revenue grew by EUR 1.8 million or 1.1%, as growth in BB and TV revenue offset contraction in voice, consistent with market trends.

### Fixed non-service revenue

Fixed non-service revenue grew by EUR 6.1 million or 18.0% as a result of higher transit traffic revenue.

### System Solutions

System Solutions revenue contracted by EUR 0.4 million or 1.2% due to different dynamics of projects.

## II. Operating expenses

Operating expenses in H1 2023 grew by EUR 18.5 million or 6.7% YoY, driven by HT Group in Croatia (EUR 17.4 million or 6.8%) and in CT (EUR 1.1 million or 4.8%). Increase is mostly coming from higher material (EUR 16.6 million or 12.2%) and employee benefits expenses (EUR 4.6 million or 6.3%) and write down of assets (EUR 2.2 million or 60.3%), partly offset by lower other cost (EUR 4.2 million or 6.4%) and higher work performed by the Group (EUR 0.7 million or 19.8%). Double-digit inflationary pressure on cost was partially contained by continued transformation of operating model and cost efficiency initiatives.



### III. Profitability

#### Adjusted EBITDA AL

Adjusted EBITDA AL in H1 2023 grew by EUR 3.2 million (1.8%) YoY, supported by positive commercial momentum and revenue growth which has offset inflationary pressures on operating expenses.

#### Net profit after non-controlling interests (NCI)

Net profit after NCI in H1 2023 grew by EUR 13.3 million YoY. Increase is largely driven by non-operational drivers - lower depreciation, positive net financial result stemming from the interest rates increase, lower taxation and improved EBITDA.

### IV. Financial position

#### Balance sheet

In comparison to 2022 year-end, total asset value decreased by EUR 13.7 million or 0.7% mainly driven by lower cash and cash equivalents partially offset by higher fixed assets, current receivables and inventories.

Total issued capital and reserves decreased by EUR 37.8 million (2.3%) compared to 31 December 2022 due to dividend payout and treasury share buyback partially offset by the net profit for the period.

Total non-current liabilities decreased by EUR 8.5 million (9.4%) primarily due to lower content liabilities and provisions.

Total current liabilities increased by EUR 32.5 million to EUR 266.0 million at 30 June 2023 primarily due to higher trade payables.

#### Cash flow (CF)

CF from operating activities increased by EUR 5.9 million or 3.4% due to better operating performance.

CF from investing activities decreased by EUR 170.1 million mainly affected by higher cash capex including Spectrum and higher net investment outflow.

CF from financing activities increased by EUR 21.4 million (13.9%) mainly affected by lower treasury shares buyback compared to last year and lower content repayments.

## V. Capital expenditure (excluding Spectrum)

in EUR million

CAPEX after leases - HT Group*	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
CAPEX after leases	103	93	-9,2%	55	48	-14,0%
CAPEX after leases/ Revenue ratio	22,2%	19,0%	-3,2 p.p.	23,5%	19,0%	-4,5 p.p.
CAPEX after leases - HT Group in Croatia*	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
CAPEX after leases	98	84	-14,3%	53	43	-18,4%
CAPEX after leases/ Revenue ratio	22,9%	18,5%	-4,4 p.p.	24,5%	18,8%	-5,7 p.p.
CAPEX after leases - Crnogorski Telekom	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
CAPEX after leases	5	10	91,9%	2	4	89,3%
CAPEX after leases/ Revenue ratio	13,3%	23,9%	10,7 p.p.	11,6%	20,9%	9,2 p.p.
IFRS 16 CAPEX - HT Group	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
IFRS 16 CAPEX - HT Group	18	20	13,2%	11	12	8,1%
IFRS 16 CAPEX - HT Group in Croatia	17	20	14,6%	10	11	7,4%
IFRS 16 CAPEX - Crnogorski Telekom	1	0	-22,6%	0	0	31,0%
Total CAPEX (Booked + IFRS 16 Capex) - HT Group	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
Total CAPEX	120	113	-5,9%	66	59	-10,4%
Total CAPEX/ Revenue ratio	26,0%	23,0%	-3,0 p.p.	28,0%	23,7%	-4,4 p.p.

\*CAPEX after leases excluding Spectrum

\* CT H1 & Q2 2022 translated from HRK to EUR using conversion exchange rate of €1 = HRK 7.53450

Capex after leases w/o Spectrum realization in H1 2023 declined by EUR 9.4 million (9.2%) YoY, down in HT Group in Croatia (EUR 14.0 million or -14.3%) and up in CT (EUR 4.6 million or 91.9%). Decrease in HT Group in Croatia is coming from different seasonality of projects, while increase in CT is due to dynamic of TV Content capitalization, as well as from increased operational investments.

## HT GROUP 2023 OUTLOOK

	Results 2022	Outlook 2023 vs. 2022
REVENUE	EUR 984 million	Low single-digit increase
ADJ. EBITDA AL	EUR 378 million	Low single-digit increase
CAPEX AL <sup>1</sup>	EUR 231 million	Mid-single digit decrease
REGIONAL EXPANSION	HT is monitoring and evaluating potential M&A opportunities	HT is monitoring and evaluating potential M&A opportunities

1.Excluding Spectrum

## RISK MANAGEMENT

Besides the business and regulatory developments detailed in this statement, and in the publicly available audited financial statements for 2022, there were no material changes to the Group's risk profile in the period under review.

## CHANGES IN REPORTING

Based on the Merger Agreement concluded on 15 March 2022 between the company Croatian Telecom Inc. (hereinafter: HT Inc. or the acquiring company) and the company HT Produkcija LLC (hereinafter: HTP LLC or the merged company), and pursuant to the Assembly decision of the merged company on approval of the merger, on 1 June 2022 the merger has been entered into the Court Register of the Commercial Court in Zagreb. By entry of the merger into the Court Register, the merged company HTP LLC ceased to exist. The acquiring company, HT Inc., became the universal legal successor of the merged company, thus entering into all legal relationships of the merged company.

### IFRS 17 Insurance Contracts

IFRS 17 is mandatory for annual reporting periods beginning on or after 1 January 2023. In HT there were no detected contracts on which IFRS 17 would have a material impact.

### New revenues breakdown

In Q4 2022, HT changed the breakdown of revenues. HT reports revenues according to the revenues categories, which consists of:

REVENUE CATEGORY	CONSISTS OF:
MOBILE SERVICE REVENUE	Prepaid, Postpaid, Visitors and Other
MOBILE NON-SERVICE REVENUE	Handset and Other
FIXED SERVICE REVENUE	Voice, Broadband, TV, Data and Other
FIXED NON-SERVICE REVENUE	Equipment, Wholesale, Miscellaneous and Other
SYSTEM SOLUTIONS	No change

# HT GROUP FINANCIAL STATEMENTS

## Unaudited consolidated financial statements

### Consolidated Income Statement

in EUR million	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
Mobile service revenues	167	175	5,2%	87	93	6,2%
Mobile non-service revenues	68	81	18,5%	32	38	20,0%
Fixed service revenues	158	160	1,1%	80	81	1,3%
Fixed non-service revenues	34	40	18,0%	18	20	13,6%
System solutions	36	35	-1,2%	19	18	-3,3%
<b>Revenue</b>	<b>463</b>	<b>492</b>	<b>6,2%</b>	<b>236</b>	<b>250</b>	<b>6,2%</b>
Other operating income	7	2	-70,9%	4	1	-73,7%
<b>Total operating revenue</b>	<b>470</b>	<b>494</b>	<b>5,1%</b>	<b>240</b>	<b>251</b>	<b>4,9%</b>
<b>Operating expenses</b>	<b>277</b>	<b>296</b>	<b>6,7%</b>	<b>142</b>	<b>149</b>	<b>5,3%</b>
Material expenses	137	153	12,2%	69	74	6,7%
Employee benefits expenses	74	79	6,3%	36	40	10,3%
Other expenses	67	63	-6,4%	37	33	-8,8%
Work performed by the Group and capitalised	-4	-4	-19,8%	-2	-2	-7,1%
Net impairment losses on trade receivables and contract assets	4	6	60,3%	2	4	148,1%
Depreciation and amortization	136	131	-3,8%	72	69	-4,3%
<b>EBIT</b>	<b>56</b>	<b>67</b>	<b>18,6%</b>	<b>26</b>	<b>33</b>	<b>28,7%</b>
Financial income	1	4	163,2%	0	2	1184,3%
Income/loss from investment in joint ventures	0	0	100,0%	0	0	-100,0%
Financial expenses	4	4	-14,8%	1	2	24,1%
<b>Profit before taxes</b>	<b>53</b>	<b>67</b>	<b>25,3%</b>	<b>24</b>	<b>33</b>	<b>35,8%</b>
Taxation	13	13	-3,5%	8	6	-15,6%
<b>Net profit</b>	<b>40</b>	<b>54</b>	<b>34,9%</b>	<b>17</b>	<b>27</b>	<b>59,4%</b>
Non controlling interests	0	-1	-631,3%	0	0	-503,9%
<b>Net profit after non controlling interests</b>	<b>40</b>	<b>53</b>	<b>33,3%</b>	<b>17</b>	<b>26</b>	<b>56,3%</b>
<b>Adjusted EBITDA AL <sup>1)</sup></b>	<b>174</b>	<b>178</b>	<b>1,8%</b>	<b>88</b>	<b>90</b>	<b>2,7%</b>
Exceptional items <sup>2)</sup>	5	3	-44,7%	2	0	-87,1%
<b>EBITDA AL</b>	<b>170</b>	<b>175</b>	<b>3,1%</b>	<b>86</b>	<b>90</b>	<b>4,4%</b>

<sup>1)</sup> Mainly adjusted for restructuring redundancy costs and legal cases

<sup>2)</sup> Mainly related to restructuring redundancy costs and legal cases

\* CT H1 & Q2 2022 translated from HRK to EUR using conversion exchange rate of €1 = HRK 7.53450

## Consolidated Balance Sheet

in EUR million	At 31 Dec 2022	At 30 Jun 2023	% of change A23/A22
Intangible assets	257	386	50,2%
Property, plant and equipment	839	833	-0,7%
Non-current financial assets	1	1	-20,3%
Receivables	35	33	-4,4%
Prepayments and accrued income	25	28	13,7%
Lessee use rights to leased assets (IFRS 16)	74	72	-2,4%
Contract assets (IFRS 15)	7	7	-0,3%
Contract costs (IFRS 15)	22	26	17,9%
Deferred tax asset	18	20	9,2%
<b>Total non-current assets</b>	<b>1.277</b>	<b>1.406</b>	<b>10,1%</b>
Inventories	35	40	13,4%
Assets held for sale	32	32	0,0%
Receivables	200	219	9,4%
Current financial assets	14	20	47,6%
Contract assets (IFRS 15)	29	29	-1,0%
Contract costs (IFRS 15)	10	10	2,3%
Cash and cash equivalents	373	207	-44,6%
Prepayments and accrued income	21	16	-25,3%
<b>Total current assets</b>	<b>713</b>	<b>571</b>	<b>-19,9%</b>
<b>TOTAL ASSETS</b>	<b>1.991</b>	<b>1.977</b>	<b>-0,7%</b>
Subscribed share capital	1.360	1.359	0,0%
Reserves	69	69	0,2%
Revaluation reserves	0	0	388,4%
Treasury shares	-1	-6	-631,5%
Retained earnings	120	121	1,2%
Net profit for the period	87	53	-38,7%
Non controlling interests	33	32	-0,4%
<b>Total issued capital and reserves</b>	<b>1.667</b>	<b>1.629</b>	<b>-2,3%</b>
Provisions	19	16	-17,2%
Non-current liabilities	17	13	-19,3%
Lessee lease liabilities to third partie due > 1 year (IFRS 16)	50	48	-3,5%
Contract liabilities (IFRS 15)	0	0	-
Deferred tax liability	4	4	-5,5%
<b>Total non-current liabilities</b>	<b>90</b>	<b>82</b>	<b>-9,4%</b>
Current liabilities	198	237	19,6%
Contract liabilities (IFRS 15)	10	9	-10,6%
Lessee lease liabilities due <= 1 year (IFRS 16)	20	18	-10,8%
Accrued expenses and deferred income	1	1	0,0%
Provisions for redundancy	4	1	-84,9%
<b>Total current liabilities</b>	<b>233</b>	<b>266</b>	<b>13,9%</b>
<b>Total liabilities</b>	<b>324</b>	<b>348</b>	<b>7,4%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1.991</b>	<b>1.977</b>	<b>-0,7%</b>

## Consolidated Cash Flow Statement

in EUR million	H1 2022	H1 2023	% of change A23/A22	Q2 2022	Q2 2023	% of change A23/A22
Profit before tax	53	67	25,3%	24	33	35,8%
Depreciation and amortization	136	131	-3,8%	72	69	-4,3%
Increase / decrease of current liabilities	5	32	490,2%	13	18	38,5%
Increase / decrease of current receivables	-13	-18	-45,8%	-18	-23	-32,7%
Increase / decrease of inventories	-5	-5	4,8%	-1	2	360,0%
Other cash flow increases / decreases	-5	-28	-476,8%	-3	-16	-432,1%
<b>Net cash inflow/outflow from operating activities</b>	<b>172</b>	<b>178</b>	<b>3,4%</b>	<b>89</b>	<b>84</b>	<b>-5,4%</b>
Proceeds from sale of non-current assets	1	0	-82,2%	0	0	-45,1%
Proceeds from sale of non-current financial assets	0	0	28,9%	0	0	-1458,6%
Interest received	1	3	331,5%	0	2	986,0%
Dividend received	0	0	-	0	0	-
Other cash inflows from investing activities	27	4	-	0	0	-
<b>Total increase of cash flow from investing activities</b>	<b>28</b>	<b>7</b>	<b>-75,7%</b>	<b>0</b>	<b>2</b>	<b>534,9%</b>
Purchase of non-current assets	-66	-209	-218,1%	-36	-163	-354,8%
Purchase of non-current financial assets	0	0	-	0	0	-
Other cash outflows from investing activities	-5	-10	-101,4%	0	2	-
<b>Total decrease of cash flow from investing activities</b>	<b>-71</b>	<b>-219</b>	<b>-210,5%</b>	<b>-36</b>	<b>-162</b>	<b>-353,7%</b>
<b>Net cash inflow/outflow from investing activities</b>	<b>-42</b>	<b>-212</b>	<b>-402,0%</b>	<b>-35</b>	<b>-160</b>	<b>-352,3%</b>
<b>Total increase of cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>
Repayment of loans and bonds	0	0	-	0	0	-
Dividends paid	-84	-86	-3,3%	-84	-86	-3,3%
Repayment of lease	-22	-23	-5,2%	-12	-13	-4,2%
Other cash outflows from financing activities	-48	-23	52,4%	-15	-13	13,7%
<b>Total decrease in cash flow from financing activities</b>	<b>-154</b>	<b>-132</b>	<b>13,9%</b>	<b>-111</b>	<b>-112</b>	<b>-1,1%</b>
<b>Net cash inflow/outflow from financing activities</b>	<b>-154</b>	<b>-132</b>	<b>13,9%</b>	<b>-111</b>	<b>-112</b>	<b>-1,1%</b>
<b>Exchange gains/losses on cash and cash equivalents</b>	<b>0</b>	<b>0</b>	<b>-100,0%</b>	<b>0</b>	<b>0</b>	<b>100,0%</b>
Cash and cash equivalents at the beginning of period	381	373	-2,0%	0	0	-
Net cash (outflow) / inflow	-24	-167	-606,6%	-58	-188	-223,8%
<b>Cash and cash equivalents at the end of period</b>	<b>357</b>	<b>207</b>	<b>-42,1%</b>	<b>-58</b>	<b>-188</b>	<b>-223,8%</b>

\* CT H1 & Q2 2022 translated from HRK to EUR using conversion exchange rate of €1 = HRK 7.53450

## NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 30 JUNE 2023

### Basis of preparation

The condensed consolidated financial statements as of 30 June 2023 and for the six months then ended, have been prepared using accounting policies consistent with International Financial Reporting Standards.

### Significant Accounting Policies

The consolidated financial statements have been prepared under the historical cost convention, except for investments available-for-sale stated at fair value.

The same accounting policies, presentation and methods of computation are followed in these condensed consolidated financial statements as were applied in the preparation of HT's consolidated financial statements for the year ended 31 December 2022.

IFRS 17 Insurance Contracts is mandatory for annual reporting periods beginning on or after 1 January 2023. In HT Group there were no detected contracts on which IFRS 17 would have a material impact

### Virtual Power Purchase Agreement

To hedge against variability in electricity prices, Croatian Telekom concluded on 25th May 2023 a cash flow hedge transaction in the form of a virtual Power Purchase Agreement (vPPA).

vPPA is concluded for future energy consumption for the period beginning from 1st October 2024 until 30th September 2034 and is expected to cover part of Company's energy consumption.

On the date of signing, fair value of derivative instrument equals to its transaction value.

Since change in fair value from signing date until the reporting date is not significant, change in fair value is not recognized.

### Dividend

On May 10, 2023, General Assembly of Hrvatski Telekom has brought the decision regarding the dividend payout for year 2022 in amount of EUR 1.10 per share. Dividend in amount of EUR 86,464,032.60 was distributed from net profit in 2022.

### Relations with the governing company and its affiliated companies

In the first six months of 2023 there were no transactions among related parties with a significant impact on the financial position and operations of the Group in the given period.

In the first six months of 2023 there were no changes in transactions among related parties which were specified in the annual financial report for 2022 and which had a significant impact on the financial position and operations of the Group in the first six months of 2023.



Business relations transacted between HT d.d. and affiliated companies thereof (hereinafter referred to as: Group) in the first six months of 2023 and the governing company and affiliated companies thereof can be classified as follows:

#### Transactions with related companies

Transactions with related companies primarily related to the transactions with the companies owned by Deutsche Telekom AG (hereinafter referred to as: DTAG). The Group enters into transactions in the regular course of business on an arm's length basis. These transactions included the sending and receiving of international traffic to/from these companies and other intercompany services between related companies.

In the first six months of 2023 the Group generated total revenue from related companies to the amount of EUR 13.3 million (the first six months of 2022: EUR 11.6 million), while total costs amounted to EUR 14.5 million (the first six months of 2022: EUR 12.6 million).

#### Compensation of the Supervisory Board

The chairman of the Supervisory Board receives remuneration in the amount of 1.5 times of the average net salary of the employees of the Company paid in the preceding month. To the deputy chairman, remuneration is the amount of 1.25 times of the average net salary of the employees of the Company paid in the preceding month is paid, while any other member receives the amount of one average net salary of the employees of the Company paid in the preceding month.

To a member of the Supervisory Board, who is at the same time the Chairman of the Audit Committee of the Supervisory Board, remuneration is the amount of 1.5 times of the average monthly net salary of the employees of the Company paid in the preceding month.

To a member of the Supervisory Board, who is at the same time a Member of one board or committee of the Supervisory Board, remuneration is the amount of 1.25 times of the average monthly net salary of the employees of the Company paid in the preceding month. To a member of the Supervisory Board, who is at the same time a Member of two or more committees of the Supervisory Board, remuneration is the amount of 1.5 times of the average monthly net salary of the employees of the Company paid in the preceding month. DT AG representatives do not receive any remuneration for the membership in the Supervisory Board due to a respective policy of DT AG.

In the first six months of 2023, the Group paid a total amount of EUR 0.06 million (the first six months of 2022: EUR 0.06 million) to the Members of its Supervisory Board. No loans were granted to the Members of the Supervisory Board.

#### Compensation to key management personnel

In the first six months of 2023, the total compensation paid to key management personnel of the Group amounted to EUR 5.1 million (the first six months of 2022: EUR 4.3 million). Compensation paid to key management personnel relates to short-term employee benefits. Key management personnel include members of the Management Boards of the Company and its subsidiaries and the Company's directors of Sector, who are employed by the Group.

## STATEMENT OF THE MANAGEMENT BOARD OF HRVATSKI TELEKOM D.D.

Financial Statements of the company Hrvatski Telekom d.d., for the H1 2023, consolidated and non-consolidated, are not audited.

To the best of our knowledge, unaudited financial statements of the company Hrvatski Telekom d.d. (hereinafter: "Company") and unaudited consolidated financial statements of the Company and affiliated companies thereof (hereinafter: "Group"), which are prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of assets and obligations, profit and loss, financial position, and operations of both the Company and the Group.

The Management report for the H1 2023 contains a true presentation of development and results of operations and position of the Group, with description of significant risks and uncertainties for the Group as a whole.

Mr. Konstantinos Nempis, President of the Management Board (CEO)

Ms. Marijana Bačić, Member of the Management Board and Chief Operating Officer Business

Mr. Ivan Bartulović, Member of the Management Board and Chief Human Resources Officer

Mr. Boris Drilo, Member of the Management Board and Chief Technical and Chief Information Officer

Mr. Siniša Đuranović, Member of the Management Board and Chief Corporate Affairs Officer

Mr. Matija Kovačević, Member of the Management Board and Chief Financial Officer

Ms. Nataša Rapaić, Member of the Management Board and Chief Operating Officer Residential

Zagreb, 27 July 2023

## PRESENTATION OF INFORMATION

Unless the context otherwise requires, references in this publication to “HT Group” or “the Group” or “HT” are to the Company Hrvatski Telekom d.d., together with its subsidiaries.

References to “Iskon” are to the Company’s fully owned subsidiary, Iskon Internet d.d.

References to “Combis” are to the Company’s wholly-owned subsidiary, Combis d.o.o.

References to “Crnogorski” or “CT” are to Crnogorski Telekom, the company fully consolidated into the Group’s financial statements as of 1 January 2017.

References in this publication to “Agency” are to the Croatian Regulatory Authority for Network Industries (HAKOM).

## DISCLAIMER

This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Group. These forward-looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Additional information concerning important factors that could cause actual results to differ materially is available in the Group's reports which may be found at [www.t.ht.hr](http://www.t.ht.hr)

## CONTACT DETAILS

### Hrvatski Telekom Investor Relations

Tomislav Bajić, CFA



+ 385 1 4911 114



ir@t.ht.hr

A conference call for analysts and investors will be held on Thursday, 27 July 2023 at 12:00 CET.

### Hrvatski Telekom Inc.

Radnička cesta 21, HR - Zagreb

Member State: Republic of Croatia

Listing: Zagreb Stock Exchange, Prime Market

Ordinary share: HT (ISIN: HRHT00RA0005)

LEI: 097900BFHJ0000029454

Full unaudited results for HT Group and HT d.d., other prescribed documentation as well as a presentation covering results for the H1 2023, can be downloaded from the HT web site. ([www.t.ht.hr/en/investor-relations/](http://www.t.ht.hr/en/investor-relations/)) and are fully available in the Official Register of Prescribed Information (SRPI).



## APPENDIX

HT GROUP FINANCIAL STATEMENTS – TFI POD

Unaudited consolidated financial statements

*\* The following statements are prepared according to TFI-POD requirements. Therefore, the structure of the statements is not entirely the same as our statements presented on the previous pages prepared according to IFRS methodology.*

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:

01.01.23

to

30.06.23

Year:

2023

Quarter:

2.

## Quarterly financial statements

Registration number (MB):

1414887

Issuer's home Member

State code:

HR

Entity's registration  
number (MBS):

80266256

Personal identification  
number (OIB):

81793146560

LEI:

097900BFHJ0000029454

Institution  
code:

273

Name of the issuer: Hrvatski Telekom d.d.

Postcode and town:

10000

Zagreb

Street and house number:

Radnička cesta 21

E-mail address:

consolidation@t.ht.hr

Web address:

www.t.ht.hr

Number of employees  
(end of the reporting

4962

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Iskon Internet d.d.

Radnička cesta 21, Zagreb

0629529

COMBIS d.o.o.

Radnička cesta 21, Zagreb

3609103

Crnogorski Telekom A.D.

Moskovska 29, Podgorica

02289377

HT Holding

Radnička cesta 21, Zagreb

04659511

HT produkcija

Ulica grada Vukovara 23, Zagreb

02753227

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person:

(only name and surname of the contact person)

Telephone:

E-mail address:

consolidation@t.ht.hr

Audit firm:

Deloitte d.o.o.

(name of the audit firm)

Certified auditor:

Katarina Kadunc

(name and surname)

**BALANCE SHEET**  
balance as at 30.06.2023

in EUR

Submitter: Hrvatski Telekom d.d.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	1.252.852.875	1.377.865.336
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	330.616.146	457.786.610
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	167.511.770	180.624.569
3 Goodwill	006	46.087.164	46.087.164
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	43.322.741	159.121.671
6 Other intangible assets	009	73.694.471	71.953.206
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	838.686.379	832.748.177
1 Land	011	6.247.582	6.248.432
2 Buildings	012	490.317.326	495.127.582
3 Plant and equipment	013	207.362.547	199.032.769
4 Tools, working inventory and transportation assets	014	865.772	779.370
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	212.250	206.046
7 Tangible assets in preparation	017	131.029.550	128.786.802
8 Other tangible assets	018	1.192.497	1.177.764
9 Investment property	019	1.458.855	1.389.412
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	1.182.781	1.045.493
1 Investments in holdings (shares) of undertakings within the group	021	0	0
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	0	0
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	1.182.781	917.207
8 Loans, deposits, etc. given	028	0	0
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	128.286
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	64.451.434	66.726.878
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	56.944.990	59.527.961
4 Other receivables	035	7.506.444	7.198.917
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	17.916.135	19.558.178
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	692.321.382	555.468.900
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	66.408.917	71.076.424
1 Raw materials and consumables	039	5.046.674	5.716.508
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	29.801.643	33.799.316
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	31.560.600	31.560.600
7 Biological assets	045	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	238.990.056	257.643.753
1 Receivables from undertakings within the group	047	803.485	1.624.300
2 Receivables from companies linked by virtue of participating interests	048	0	0
3 Customer receivables	049	227.386.197	246.650.151
4 Receivables from employees and members of the undertaking	050	3.202.143	3.214.462
5 Receivables from government and other institutions	051	5.160.894	851.926
6 Other receivables	052	2.437.337	5.302.914
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	13.500.000	19.926.537
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	9.975.750
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	13.500.000	9.950.787
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	373.422.409	206.822.186
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	45.476.226	43.578.468
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	1.990.650.483	1.976.912.704
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	0	0
<b>LIABILITIES</b>			

<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)</b>	<b>067</b>	<b>1.667.006.032</b>	<b>1.629.199.107</b>
I INITIAL (SUBSCRIBED) CAPITAL	068	1.359.742.667	1.359.243.565
II CAPITAL RESERVES	069	0	0
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	68.211.897	63.232.381
1 Legal reserves	071	67.987.109	67.987.109
2 Reserves for treasury shares	072	472.086	472.086
3 Treasury shares and holdings (deductible item)	073	-808.155	-5.912.042
4 Statutory reserves	074	0	0
5 Other reserves	075	560.857	685.228
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	-6.586	18.994
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	-6.586	18.994
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	119.510.468	120.940.624
1 Retained profit	084	119.510.468	120.940.624
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	86.986.541	53.348.675
1 Profit for the business year	087	86.986.541	53.348.675
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	32.561.045	32.414.868
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>090</b>	<b>19.104.634</b>	<b>15.820.274</b>
1 Provisions for pensions, termination benefits and similar obligations	091	2.377.079	2.672.714
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	11.874.167	8.170.757
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	4.853.388	4.976.803
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>097</b>	<b>71.099.424</b>	<b>65.913.747</b>
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	66.718.960	61.775.716
11 Deferred tax liability	108	4.380.464	4.138.031
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	<b>232.220.018</b>	<b>264.759.231</b>
1 Liabilities to undertakings within the group	110	22.091.931	14.275.135
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	120.861.602	156.175.420
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	25.811.144	18.795.226
11 Taxes, contributions and similar liabilities	120	16.178.563	19.406.442
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	47.276.778	56.107.008
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	<b>1.220.375</b>	<b>1.220.345</b>
<b>F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	<b>1.990.650.483</b>	<b>1.976.912.704</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	<b>0</b>	<b>0</b>



**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2023 to 30.06.2023

in EUR

Submitter: Hrvatski Telekom d.d.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>469.712.954</b>	<b>239.525.220</b>	<b>493.578.895</b>	<b>251.295.361</b>
1 Income from sales with undertakings within the group	002	11.611.816	7.059.957	13.348.877	8.358.300
2 Income from sales (outside group)	003	451.160.883	228.674.220	478.211.113	241.940.469
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	6.940.255	3.791.043	2.018.905	996.592
<b>II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>413.279.479</b>	<b>213.962.975</b>	<b>426.632.337</b>	<b>218.399.732</b>
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	136.574.982	69.334.565	153.167.355	73.922.283
a) Costs of raw materials and consumables	010	12.750.779	7.692.603	18.821.773	9.291.659
b) Costs of goods sold	011	76.081.673	37.173.581	86.176.824	40.427.373
c) Other external costs	012	47.742.530	24.468.381	48.168.758	24.203.251
3 Staff costs (ADP 014 to 016)	013	67.032.983	34.328.261	72.716.226	37.711.503
a) Net salaries and wages	014	42.620.379	21.575.647	46.917.160	24.813.269
b) Tax and contributions from salary costs	015	16.501.335	8.656.213	17.339.783	8.623.116
c) Contributions on salaries	016	7.911.269	4.096.401	8.459.283	4.275.118
4 Depreciation	017	135.968.138	72.397.382	130.836.542	69.295.891
5 Other costs	018	65.214.150	35.749.332	64.365.912	36.426.339
6 Value adjustments (ADP 020+021)	019	3.642.480	1.709.328	5.855.560	4.241.211
a) fixed assets other than financial assets	020	0	0	16.306	0
b) current assets other than financial assets	021	3.642.480	1.709.328	5.839.254	4.241.211
7 Provisions (ADP 023 to 028)	022	4.846.746	444.107	-309.258	-3.197.495
a) Provisions for pensions, termination benefits and similar obligations	023	4.132.635	1.007.598	2.552.899	124.909
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	50.882	-77.756	-3.603.868	-3.721.263
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	663.229	-485.735	741.711	398.859
8 Other operating expenses	029	0	0	0	0
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>1.448.414</b>	<b>159.787</b>	<b>3.811.748</b>	<b>2.029.978</b>
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	129.667	129.667	1.753.297	1.753.297
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	11.782	8.140	83.740	61.758
6 Income from other long-term financial investments and loans	036	221.688	96.071	168.498	75.791
7 Other interest income	037	4.323	-60.345	1.344.446	-21.553
8 Exchange rate differences and other financial income	038	1.071.961	-21.812	460.884	159.802
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	8.993	8.066	883	883
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>4.426.139</b>	<b>1.437.422</b>	<b>3.772.597</b>	<b>1.780.988</b>
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	17.184	-49.057	43.994	22.480
3 Interest expenses and similar expenses	044	3.075.044	1.543.033	3.119.573	1.516.050
4 Exchange rate differences and other expenses	045	1.356.592	120.701	573.739	225.913
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	-111.275	-230.071	-1.410	747
7 Other financial expenses	048	88.594	52.816	36.701	15.798
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	<b>0</b>	<b>-132.952</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	<b>8.584</b>	<b>8.584</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>471.161.368</b>	<b>239.685.007</b>	<b>497.390.643</b>	<b>253.325.339</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>417.714.202</b>	<b>215.276.029</b>	<b>430.404.934</b>	<b>220.180.720</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>53.447.166</b>	<b>24.408.978</b>	<b>66.985.709</b>	<b>33.144.619</b>
1 Pre-tax profit (ADP 053-054)	056	53.447.166	24.408.978	66.985.709	33.144.619
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
<b>XII INCOME TAX</b>	<b>058</b>	<b>13.325.239</b>	<b>7.683.387</b>	<b>12.858.862</b>	<b>6.486.426</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>40.121.927</b>	<b>16.725.591</b>	<b>54.126.847</b>	<b>26.658.193</b>
1 Profit for the period (ADP 055-059)	060	40.121.927	16.725.591	54.126.847	26.658.193
2 Loss for the period (ADP 059-055)	061	0	0	0	0
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>065</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0

<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)</b>	<b>068</b>				
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
<b>XVII INCOME TAX (ADP 058+065)</b>	<b>071</b>	0	0	0	0
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>	<b>075</b>	40.121.927	16.725.591	54.126.847	26.658.193
1 Attributable to owners of the parent	076	40.015.523	16.818.557	53.348.675	26.282.722
2 Attributable to minority (non-controlling) interest	077	106.404	-92.966	778.172	375.471
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	40.121.927	16.725.591	54.126.847	26.658.193
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	214.228	-893.951	25.581	6.688
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	10.950	10.950	25.581	6.688
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	10.950	10.950	25.581	6.688
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
<b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>	<b>087</b>	203.278	-904.901	0	0
1 Exchange rate differences from translation of foreign operations	088	203.278	-904.901	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)</b>	<b>097</b>	214.228	-893.951	25.581	6.688
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>	<b>098</b>	40.336.155	15.831.640	54.152.428	26.664.881
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>	<b>099</b>	40.336.155	15.831.640	54.152.428	26.664.881
1 Attributable to owners of the parent	100	40.229.751	15.924.606	53.374.256	26.289.410
2 Attributable to minority (non-controlling) interest	101	106.404	-92.966	778.172	375.471

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2023 to 30.06.2023

in EUR

Submitter: Hrvatski Telekom d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	53.447.166	66.985.709
2 Adjustments (ADP 003 to 010):	002	137.756.860	127.969.766
a) Depreciation	003	135.968.138	130.836.542
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-718.513	-36.065
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-253.362	-1.887.387
d) Interest and dividend income	006	-133.990	-1.344.446
e) Interest expenses	007	3.075.044	3.119.573
f) Provisions	008	-721.175	-3.284.360
g) Exchange rate differences (unrealised)	009	657.982	85.751
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	-117.264	480.158
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>191.204.026</b>	<b>194.955.475</b>
3 Changes in the working capital (ADP 013 to 016)	012	-8.206.267	8.573.801
a) Increase or decrease in short-term liabilities	013	5.362.157	31.648.208
b) Increase or decrease in short-term receivables	014	-12.616.586	-18.390.182
c) Increase or decrease in inventories	015	-4.902.305	-4.667.507
d) Other increase or decrease in working capital	016	3.950.467	-16.718
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>182.997.759</b>	<b>203.529.276</b>
4 Interest paid	018	-2.606.655	-2.813.760
5 Income tax paid	019	-8.016.732	-22.456.858
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>172.374.372</b>	<b>178.258.658</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	859.568	152.759
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	702.212	3.029.942
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	26.677.284	3.601.113
6 Other cash receipts from investment activities	026	66.965	86.338
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>28.306.029</b>	<b>6.870.152</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-65.692.242	-208.999.720
2 Cash payments for the acquisition of financial instruments	029	-4.924.008	-9.915.273
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	-350.998
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-70.616.250</b>	<b>-219.265.991</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-42.310.221</b>	<b>-212.395.839</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	0	0
4 Other cash receipts from financing activities	038	0	0
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>0</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	0	0
2 Cash payments for dividends	041	-83.722.498	-86.473.668
3 Cash payments for finance lease	042	-21.901.591	-23.038.348
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-23.668.479	-5.439.956
5 Other cash payments from financing activities	044	-24.523.952	-17.511.069
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-153.816.520</b>	<b>-132.463.041</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-153.816.520</b>	<b>-132.463.041</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	174.865	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>-23.577.504</b>	<b>-166.600.222</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>381.074.174</b>	<b>373.422.408</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>357.496.670</b>	<b>206.822.186</b>

**STATEMENT OF CASH FLOWS - direct method**  
for the period 01.01.2023 to 30.06.2023

in EUR

Submitter: Hrvatski Telekom d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Cash receipts from customers	001	0	0
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	0	0
<b>I Total cash receipts from operating activities (ADP 001 to 005)</b>	<b>006</b>	<b>0</b>	<b>0</b>
1 Cash payments to suppliers	007	0	0
2 Cash payments to employees	008	0	0
3 Cash payments for insurance premiums	009	0	0
4 Interest paid	010	0	0
5 Income tax paid	011	0	0
6 Other cash payments from operating activities	012	0	0
<b>II Total cash payments from operating activities (ADP 007 to 012)</b>	<b>013</b>	<b>0</b>	<b>0</b>
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)</b>	<b>014</b>	<b>0</b>	<b>0</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	015	0	0
2 Cash receipts from sales of financial instruments	016	0	0
3 Interest received	017	0	0
4 Dividends received	018	0	0
5 Cash receipts from the repayment of loans and deposits	019	0	0
6 Other cash receipts from investment activities	020	0	0
<b>III Total cash receipts from investment activities (ADP 015 to 020)</b>	<b>021</b>	<b>0</b>	<b>0</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	022	0	0
2 Cash payments for the acquisition of financial instruments	023	0	0
3 Cash payments for loans and deposits	024	0	0
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	0	0
<b>IV Total cash payments from investment activities (ADP 022 to 026)</b>	<b>027</b>	<b>0</b>	<b>0</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)</b>	<b>028</b>	<b>0</b>	<b>0</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	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	0	0
4 Other cash receipts from financing activities	032	0	0
<b>V Total cash receipts from financing activities (ADP 029 to 032)</b>	<b>033</b>	<b>0</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	0	0
2 Cash payments for dividends	035	0	0
3 Cash payments for finance lease	036	0	0
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	0	0
<b>VI Total cash payments from financing activities (ADP 034 to 038)</b>	<b>039</b>	<b>0</b>	<b>0</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)</b>	<b>040</b>	<b>0</b>	<b>0</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	0	0
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)</b>	<b>042</b>	<b>0</b>	<b>0</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>043</b>	<b>0</b>	<b>0</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)</b>	<b>044</b>	<b>0</b>	<b>0</b>

**STATEMENT OF CHANGES IN EQUITY**  
for the period from **01.01.23** to **30.06.23**

in EUR

Item	ADP code	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Attributable to owners of the parent							Total attributable to owners of the parent	Minority (non-subsidiary) interest	Total capital and reserves	
									Revaluation 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
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 7 + 8 to 17)	19	20 (18+19)
<b>Previous period</b>																			
1 Balance on the first day of the previous business year	01	1.359.742.171	0	67.987.109	8.149.425	8.149.425	0	172.692	0	-14.592	0	0	0	0	146.125.859	81.991.625	1.656.004.864	32.610.887	1.688.615.751
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	1.359.742.171	0	67.987.109	8.149.425	8.149.425	0	172.692	0	-14.592	0	0	0	0	146.125.859	81.991.625	1.656.004.864	32.610.887	1.688.615.751
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	360.854	0	0	0	0	0	0	0	0	86.986.541	86.986.541	87.021.046
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	360.854	360.854	360.854
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	8.006	0	0	0	0	0	0	0	8.006	8.006
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	466	0	0	-373.382	-373.382	0	27.311	0	0	0	0	0	0	0	0	373.382	-401.189	-401.189
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1.416.381	-1.416.381	-1.416.381
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	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	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	24.282.718	0	0	0	0	0	0	0	0	0	0	0	-24.282.718	-24.282.718
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	0	-83.649.166	-83.649.166	-84.313.513
21 Other distributions and payments to members/shareholders	21	0	0	0	-31.250.606	-31.250.606	0	0	0	0	0	0	0	0	0	0	0	-664.347	-664.347
22 Transfer to reserves according to the annual schedule	22	0	0	0	23.944.649	23.944.649	0	0	0	0	0	0	0	0	0	0	-23.914.851	31.798	31.798
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	1.359.742.667	0	67.987.109	472.086	808.155	0	560.857	0	-6.586	0	0	0	0	146.125.859	60.371.150	1.634.444.987	32.561.046	1.667.006.032
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																			
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 05 to 14)	25	496	0	0	-373.382	-373.382	0	388.160	0	8.006	0	0	0	0	0	-1.042.999	-646.332	0	-646.332
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 25-25)	26	496	0	0	-373.382	-373.382	0	388.160	0	8.006	0	0	0	0	0	85.943.542	86.340.209	614.505	86.954.714
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	0	-7.303.957	-6.967.888	0	0	0	0	0	0	0	0	0	-107.564.017	-107.900.088	-664.347	-108.564.433
<b>Current period</b>																			
1 Balance on the first day of the current business year	28	1.359.742.667	0	67.987.109	472.086	808.155	0	560.857	0	-6.586	0	0	0	0	146.125.859	60.371.150	1.634.444.987	32.561.046	1.667.006.032
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 current business year (restated) (ADP 28 to 30)	31	1.359.742.667	0	67.987.109	472.086	808.155	0	560.857	0	-6.586	0	0	0	0	146.125.859	60.371.150	1.634.444.987	32.561.046	1.667.006.032
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53.348.675	53.348.675	776.172
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	-360.854	0	0	0	0	0	0	0	0	0	-360.854	-286.477
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	25.580	0	0	0	0	0	0	0	25.580	25.580
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	0	0	0	488.226	0	0	0	0	0	0	0	0	286.477	771.702	771.702
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	-499.102	0	0	0	5.103.887	0	0	0	0	0	0	0	0	0	0	163.033	-5.439.956	-5.439.956
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	-86.464.033	-86.464.033	-87.004.621
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	458.138	-458.138	0
22 Carryforward per annual plan	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	60.371.150	-60.371.150	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 current business year reporting period (ADP 31 to 50)	51	1.359.243.565	0	67.987.109	472.086	5.912.042	0	685.228	0	18.994	0	0	0	0	120.940.624	63.348.675	1.596.784.230	32.414.868	1.629.199.107
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																			
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	0	0	0	124.371	0	25.580	0	0	0	0	0	286.477	436.428	74.377	510.805
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 51)	53	0	0	0	0	0	0	124.371	0	25.580	0	0	0	0	0	286.477	63.348.675	63.785.103	64.637.652
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	-499.102	0	0	0	5.103.887	0	0	0	0	0	0	0	0	0	-25.471.712	-60.371.150	-91.445.851	-968.726

NOTES TO FINANCIAL STATEMENTS - TFI  
(drawn up for quarterly reporting periods)

Name of the issuer: \_\_\_\_\_

Personal identification number (OIB): \_\_\_\_\_

Reporting period: \_\_\_\_\_

Notes to financial statements for quarterly periods include:

- a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to the last business year; information is provided regarding these events and relevant information published in the last annual financial statement is updated (Items 15 to 15C IAS 34 - Interim financial reporting)
- b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period
- c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (Item 16.A (a) IAS 34 - Interim financial reporting)
- d) a description of the financial performance in the case of the issuer whose business is seasonal (Items 37 and 38 IAS 34 - Interim financial reporting)
- e) other comments prescribed by IAS 34 - Interim financial reporting
- f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:
  1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration
  2. adopted accounting policies (only an indication of whether there has been a change from the previous period)
  3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately
  4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
  5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security
  6. average number of employees during the financial year
  7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries
  8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year
  9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted, the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking
  10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital
  11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer
  12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
  13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member
  14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13
  15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available
  16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking
  17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet