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Security: KOEI-R-A
ISIN: HRKOEIRA0009
LEI: 74780000H0SHMRAW0I15
Home Member State: Croatia
Regulated Market Segment: Official Market of the Zagreb Stock Exchange

Zagreb, 30 July 2026

Subject: Agreement with a group of leading international and domestic financial institutions on project lending in the amount of EUR 320 million

KONČAR Group today signed a €320 million project financing agreement with representatives of the European Bank for Reconstruction and Development (EBRD), the International Finance Corporation (IFC, a member of the World Bank Group), Privredna banka Zagreb (PBZ) and Zagrebačka banka (ZABA). Together with an additional €50 million of KONČAR's own funds, the financing arrangement provides funding for an investment project with a total value of €370 million, aimed at expanding production facilities, purchasing equipment, and strengthening manufacturing capacity for critical power equipment and infrastructure.

Under the financing arrangement, EBRD and IFC will each provide €120 million, while PBZ and ZABA will contribute €40 million each. The agreed financing package represents a strong endorsement by leading international development and financial institutions, as well as Croatia's leading banks, of KONČAR Group's long-term growth strategy, technological expertise and international market position.

The agreement was signed by Gordan Kolak, President of the Management Board of KONČAR, and Mario Radaković, Member of the Management Board of KONČAR; Miljan Ždralo, EBRD Regional Director for Central Europe; Ines Rocha, IFC Division Director (Europe region); Paolo Musso, Advisor to the President of the Management Board of PBZ; and Aleksandra Rašić, Member of the Management Board of Zagrebačka banka.

"The confidence shown by international development institutions and Croatia's leading banks is a strong confirmation of KONČAR's position as an industrial and technological partner, as well as its increasingly important role in Europe's energy transition. This support provides a solid foundation for delivering the investments that will define the next stage of KONČAR's development", said Gordan Kolak, President of the Management Board of KONČAR.

The investment projects financed under this arrangement are part of the largest investment cycle in KONČAR Group's history. In response to the growing needs of the European energy sector and the strong increase in demand for power infrastructure, KONČAR plans to invest a total of €550 million over the next three years in the expansion and modernization of its manufacturing capacities, technology development, and enhancement of its technological capabilities. When combined with investments in the expansion of power transformer manufacturing capacities being implemented in cooperation with its long-standing strategic partner Siemens Energy, the total value of planned investments exceeds €800 million. Support from strong financial institutions such as the EBRD and IFC, as well as leading Croatian banks PBZ and ZABA, therefore comes at a particularly important time, as Europe requires significant investments in the renewal of transmission and distribution networks, the strengthening of industrial capacities, and the acceleration of the energy transition.

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