

- Croatian Financial Services Supervisory Agency (HANFA)
- Zagreb Stock Exchange Inc.
- Croatian News Agency (HINA)
- Official company website

Fallerovo šetalište 22, 10000 Zagreb

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

Zagreb, 6 September 2023

Subject: Framework Agreement for the procurement of low-floor trams for the purpose of the modernization of the tram fleet in the City of Osijek and the first Procurement Agreement for new trams for the purpose of modernization of the tram fleet in the City of Osijek

On 6 September 2023 KONČAR - Electric Vehicles Inc. and Gradski prijevoz putnika d.o.o. from Osijek (GPP Osijek) signed a Framework Agreement for the procurement of low-floor trams for the purpose of the modernization of the tram fleet in the City of Osijek and the first Procurement Agreement for new trams for the purpose of the modernization of the tram fleet in the City of Osijek.

The Framework Agreement for the procurement of low-floor trams for the purpose of the modernization of the tram fleet in the City of Osijek is concluded for the period until 31 December 2030 with the option to conclude individual procurement agreements within the Framework Agreement, contingent on the funds secured by the Customer for the financial realization of individual agreements within public procurement, not exceeding the amount of EUR 55,350,000.00, excluding VAT.

The Procurement Agreement for new trams for the purpose of the modernization of the tram fleet in the City of Osijek will see the initial delivery of 10 low-floor trams. The Agreement was signed as part of the project *The application of green technologies in railway passenger transport* included in the 2021 - 2026 National Recovery and Resilience Plan (NRRP), with the completion and delivery deadline of 24 months from the agreement signing.

This Agreement represents the continuation of KONČAR's successful operations in the domestic market, which includes the delivery of the total of 142 low-floor trams. The Company is currently in the process of manufacturing and delivering 20 new low-floor trams for ZET, the City of Zagreb's public transit operator.

The vehicle and all associated relevant sub-systems are the result of KONČAR's Group-wide development and manufacturing. This achievement reaffirms KONČAR's position as the regional technological leader, that can compete with internationally renowned rail vehicle manufacturers.

With the delivery of new trams to the City of Osijek, KONČAR will continue the trajectory of developing products and solutions that reduce adverse environmental impacts, while delivering sustainable products and forward-looking digitalization solutions in the fight against climate change. Our continuous efforts to advance mobility technologies champion one of the primary EU goals - the creation of sustainable green mobility.

KONČAR - Electrical Industry Inc.