

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

January – September 2023



KONČAR
Inspired by challenge

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A Management Board Report on the business activity of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January – September 2023

Introduction

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

This Statement for the period January - September 2023 is a report of the Company as a separate entity.

The subsidiaries within the Group are legally autonomous companies that the Parent Company oversees, strategically directs and supports through the supervisory boards and general assemblies of the respective companies, all in compliance with the Companies Act, the Articles of Association of KONČAR – Electrical Industry Inc. for manufacturing and services, and the Articles of Association and Memoranda of Incorporation of the member companies. The Parent Company manages the part of the assets that are not invested in subsidiaries, however are directly and indirectly in the function of financial support for marketing, products and equipment of associate companies as a credit-guarantee potential.

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

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

in EUR 000	Q1-Q3 2022	Q1-Q3 2023	Δ	Index 2023/2022
Total operating income	23,822	19,817	-4,005	83.2
Sales income	14,701	16,878	2,177	114.8
Dividend received	7,853	8,685	832	110.6
Income from contracts with customers	6,848	8,193	8,193	119.6
Other operating income	9,121	2,939	-6,182	
Operating expenses	7,880	8,253	373	104.7
EBIT	15,942	11,564	-4,378	72.5
Net profit	16,434	12,714	-3,720	77.4
Net profit normalized ¹	7,321	9,790	2,469	133.7
EBITDA	16,783	12,400	-4,383	73.9
Normalized EBITDA ¹	7,670	9,476	1,806	123.5

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

Business results

For the period January - September 2023, KONČAR – Electrical Industry Inc. for manufacturing and services generated EUR 19.8 million in operating income, which is a 16.8% decline on the previous year. Normalized data, excluding one-off items, increased by 29.4% year-over-year.

In Q3 2022, a significant share of the operating income was realized from a one-off other income transaction amounting to EUR 8.5 million generated from the sale of facilities not in the function of the core business, loss compensation, purchase of accounts receivables and provisions reversed.

Revenue generated from sales of goods and services amounts to EUR 8.2 million, which is a year-on-year increase of EUR 1.4 million. Dividend received from Group subsidiaries amounts to EUR 8.7 million (Q3 2022: EUR 7.9 million).

Finance income amounting to EUR 1.2 million was realized. Finance income mostly includes interest rates on loans given to subsidiaries, and overnight rates.

Operating expenses amount to EUR 8.3 million, which represents a EUR 0.4 million rise on Q3 2022.

Operating expenses comprise the following:

- Material costs amounting to EUR 2.1 million, of which EUR 1.9 million pertains to other external costs and EUR 0.2 million pertains to costs of commodities and raw materials. Other external costs predominantly pertain to services related to the operation and real estate management, utility and water supply fees, cleaning services, maintenance services and other services.
- Staff costs amount to EUR 2.4 million, which is a 21.6% increase on the previous year. The average number of employees in the reporting period was 69 employees, while in the corresponding period in 2022 it stood at 57 employees.
- Depreciation and amortization amounts to EUR 0.8 million, down by 0.4% on Q3 2022
- Other costs amount to EUR 2.8 million, which is an increase of 4.7% year-on-year. Other costs pertain to employee compensation fees, intellectual services, insurance premiums, fees for service contracts and training costs.
- In compliance with the 2022 tax return, the Company is under no obligation to pay the 2023 income tax advance.

Statement of financial position

The value of total assets of KONČAR – Electrical Industry Inc. for manufacturing and services as at 30 September 2023 amounts to EUR 243.6 million, which represents a growth of EUR 6.8 million, or 2.9% compared to the balance as at 31 December 2022.

Total non-current assets amount to EUR 192.7 million, which is EUR 11.4 million (or 6.3%) above the balance as at 31 December 2022. As a result of depreciation and amortization calculation, the **non-current intangible assets item** remains on the same level as at 31 December 2022, while the **tangible assets item** increased by EUR 0.8 million compared to the balance as at 31 December 2022. The increase is attributed to investment in real estate.

Non-current financial assets grew by EUR 10.7 million compared to the balance as of 31 December 2022, which is attributed to the share increase in subsidiaries realized through capital injection. Loans given in the amount of EUR 20.6 million pertain to loans granted to a subsidiary.

Non-current receivables amount to EUR 1.3 million, a decline of EUR 0.2 million compared to 31 December 2022, and they pertain to receivables from a subsidiary sell-off.

Total current assets stand at EUR 50.7 million, which represents a EUR 4.5 million decline compared to the position as at 31 December 2022. Compared to the balance as at 31 December 2022, significant changes occurred in the following items:

- Total current **receivables** decreased by EUR 6.0 million, which mostly pertains to a decline in **dividend receivables** amounting to EUR 5.1 million from the associate company as at 31 December 2022.
- **Other receivables** as of 31 December 2022, are up by EUR 440 thousand, which is attributed to the transfer of the current maturity of instalment payments for shares of a sold-off company.

- As a result of the repayment of loans given to associate companies, **current financial assets** decreased by EUR 27.8 million compared to the balance as at 31 December 2022.
- There was an increase in the **balance of cash** on 31 December 2022 amounting to EUR 29.3 million, resulting predominantly from net proceeds from financing activities of EUR 33.7 million and net proceeds from operating activities of EUR 0.7 million. Cash inflow from dividends from an associate company and subsidiaries was realized in the amount of EUR 13.7 million, as well as EUR 35.2 million from returns on loans. Financing activities outflow resulted in a decline in the balance of cash, due to the capital injection and a loan given to a subsidiary. Changes in financing activities together and cash flow from operating activities contributed to growth in cash of EUR 23.3 million with respect to the balance as of 31 December 2022.
- **Prepaid expenses amount** to EUR 0.2 million and arise from the costs related to fairs, marketing activities and audit costs that are to be invoiced to subsidiaries.

Total capital and reserves as at 30 September 2023 amount to EUR 239.8 million, which is a EUR 7.7 million rise compared to the balance as at 31 December 2022. The rise is the result of the realized profit in the amount of EUR 12.7 million and distribution of profits for 2022 pursuant to the Resolution of the General Assembly.

As at the Statement of Financial Position date, there were no recorded changes in provisions for pensions and jubilee awards item, which amount to EUR 1.2 million, and remain the same as at 31 December 2022.

Current liabilities are EUR 0.7 million down as at 31 December 2022. Concurrently, liabilities towards the government and to employees are reduced, by EUR 0.8 million and EUR 0.4 million respectively, while trade payables item records an increase of EUR 0.4 million.

Current provisions and deferrals pertain to accrued cost of unused annual leave.

As at 30 September 2023, off-balance sheet items include mostly security instruments (including corporate guarantees to third parties) issued at the request of the Group subsidiaries for the requirements of financial institutions and suppliers in the amount of EUR 156.0 million (31 December 2022: EUR 126.8 million).

B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January – September 2023

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	01/01/2023	to	30/09/2023
Year:	2023	Quarter:	3

Quarterly financial statements

Registration number (MB):	03282635	Issuer's home Member State code:	HR
Entity's registration number (MBS)	080040936		
Personal identification number (OIB):	45050126417	LEI:	74780000H0SHMRAW0115
Institution code:	501		
Name of the issuer:	KONČAR - Electrical Industry Inc. for manufacturing and services		
Postcode and town:	10000	ZAGREB	
Street and house number:	FALLEROVO ŠETALIŠTE 22		
E-mail address:	koncar.finance@koncar.hr		
Web address:	www.koncar.hr		
Number of employees (end of the reporting period):	71		
Consolidated report:	KN	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:	
Bookkeeping firm:		(Yes/No)	
Contact person:	Sandra Ivanjko Biga (only name and surname of the contact person)		
Telephone:	01 3655 160		
E-mail address:	sandraivanjko.big@koncar.hr		
Audit firm:	(name of the audit firm)		
Certified auditor:	(name and surname)		

BALANCE SHEET

balance as at 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	0	0
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	181,319,673	192,720,207
I INTANGIBLE ASSETS (ADP 004 to 009)	003	44,135	138,394
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	44,135	138,394
3, Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	0	0
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	46,736,411	47,574,766
1 Land	011	442,521	442,521
2 Buildings	012	2,537,754	2,485,358
3 Plant and equipment	013	372,224	362,745
4 Tools, working inventory and transportation assets	014	29,112	12,032
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	184,435
7 Tangible assets in preparation	017	4,575	144,736
8 Other tangible assets	018	7,398	7,398
9 Investment property	019	43,342,827	43,935,541
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	132,967,383	143,682,783
1 Investments in holdings (shares) of undertakings within the group	021	103,071,946	113,689,486
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc, to undertakings within the group	023	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	024	8,988,288	8,988,288
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc, to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	288,661	386,521
8 Loans, deposits, etc, given	028	20,618,488	20,618,488
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	1,571,744	1,324,264
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	1,571,744	1,324,264
4 Other receivables	035	0	0
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	55,232,796	50,692,461
I INVENTORIES (ADP 039 to 045)	038	2,049,664	1,949,767
1 Raw materials and consumables	039	0	0
2 Work in progress	040	0	0
3 Finished goods	041	0	0
4 Merchandise	042	0	0
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	2,049,664	1,949,767
7 Biological assets	045	0	0

BALANCE SHEET

balance as at 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
II RECEIVABLES (ADP 047 to 052)			
	046	11,921,273	5,920,740
1 Receivables from undertakings within the group	047	6,331,718	5,361,355
2 Receivables from companies linked by virtue of participating interests	048	5,152,404	177,306
3 Customer receivables	049	32,829	57,150
4 Receivables from employees and members of the undertaking	050	4,468	4,268
5 Receivables from government and other institutions	051	0	1,600
6 Other receivables	052	399,854	319,061
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
	053	27,788,174	27,376
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc, to undertakings within the group	056	27,788,174	27,376
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc, to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	0	0
8 Loans, deposits, etc, given	061	0	0
9 Other financial assets	062	0	0
IV CASH AT BANK AND IN HAND	063	13,473,685	42,794,578
D) PREPAID EXPENSES AND ACCRUED INCOME	064	296,406	231,650
E) TOTAL ASSETS (ADP 001+002+037+064)	065	236,848,875	243,644,318
OFF-BALANCE SHEET ITEMS			
	066	274,628,912	305,165,305
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)			
	067	232,182,166	239,840,605
I INITIAL (SUBSCRIBED) CAPITAL	068	160,448,063	159,471,378
II CAPITAL RESERVES	069	95,505	1,072,189
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)			
	070	56,522,335	57,272,455
1 Legal reserves	071	6,790,179	7,540,299
2 Reserves for treasury shares	072	4,526,798	4,507,291
3 Treasury shares and holdings (deductible item)	073	-2,051,700	-2,032,193
4 Statutory reserves	074	28,891,636	28,891,636
5 Other reserves	075	18,365,422	18,365,422
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)			
	077	0	0
1 Financial assets at fair value through other comprehensive income (i.e, available for sale)	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)			
	083	113,854	9,310,565
1 Retained profit	084	113,854	9,310,565
2 Loss brought forward	085	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)			
	086	15,002,409	12,714,018
1 Profit for the business year	087	15,002,409	12,714,018
2 Loss for the business year	088	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	089	0	0

BALANCE SHEET

balance as at 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
B) PROVISIONS (ADP 091 to 096)	090	1,233,877	1,233,877
1 Provisions for pensions, termination benefits and similar obligations	091	1,233,877	1,233,877
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	0	0
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc, of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc,	102	0	0
6 Liabilities to banks and other financial institutions	103	0	0
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	0	0
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	3,144,067	2,406,283
1 Liabilities to undertakings within the group	110	940,672	1,215,928
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	453,484	591,662
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	540,589	152,356
11 Taxes, contributions and similar liabilities	120	1,110,341	338,064
12 Liabilities arising from the share in the result	121	61,180	60,625
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	37,801	47,648
E) ACCRUALS AND DEFERRED INCOME	124	288,765	163,553
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	236,848,875	243,644,318
G) OFF-BALANCE SHEET ITEMS	126	274,628,912	305,165,305

STATEMENT OF PROFIT OR LOSS for the period 01.01.2023 to 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	23,817,947	3,019,994	19,817,228	5,760,582
1 Income from sales with undertakings within the group	002	14,625,297	2,437,545	16,787,213	2,810,683
2 Income from sales (outside group)	003	75,973	31,838	90,883	31,679
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	1,445,211	994	2,744,954	2,742,960
5 Other operating income (outside the group)	006	7,671,466	549,617	194,178	175,260
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	7,875,962	2,617,396	8,252,817	2,839,713
1 Changes in inventories of work in progress and finished goods	008	0	0	0	0
2 Material costs (ADP 010 to 012)	009	2,203,687	686,127	2,128,652	719,004
a) Costs of raw materials and consumables	010	173,669	49,120	153,344	43,613
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	2,030,018	637,007	1,975,308	675,391
3 Staff costs (ADP 014 to 016)	013	1,999,232	679,496	2,436,582	797,937
a) Net salaries and wages	014	1,117,999	381,651	1,363,107	448,756
b) Tax and contributions from salary costs	015	609,811	206,692	745,763	241,162
c) Contributions on salaries	016	271,422	91,153	327,712	108,019
4 Depreciation	017	840,904	280,288	835,655	282,231
5 Other costs	018	2,707,628	971,481	2,837,440	1,040,526
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	0	0	0	0
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	0	0
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	0	0
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	124,511	4	14,488	15
III FINANCIAL INCOME (ADP 031 to 040)	030	502,302	206,078	1,152,549	439,613
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	406,731	159,965	654,706	173,108
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	20,601	0
7 Other interest income	037	72,000	46,113	379,370	243,036
8 Exchange rate differences and other financial income	038	0	0	0	0
9 Unrealised gains (income) from financial assets	039	0	0	97,872	23,469
10 Other financial income	040	23,571	0	0	0
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	10,556	10,521	2,942	1,013
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2. Tečajne razlike i drugi rashodi s poduzetnicima unutar grupe	043	3,667	3,667	2,738	937

STATEMENT OF PROFIT OR LOSS for the period 01.01.2023 to 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
3 Interest expenses and similar expenses	044	91	56	204	76
4 Exchange rate differences and other expenses	045	0	0	0	0
5 Unrealised losses (expenses) from financial assets	046	6,798	6,798	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049 +050)	053	24,320,249	3,226,072	20,969,777	6,200,195
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	7,886,518	2,627,917	8,255,759	2,840,726
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	16,433,731	598,155	12,714,018	3,359,469
1 Pre-tax profit (ADP 053-054)	056	16,433,731	598,155	12,714,018	3,359,469
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	16,433,731	598,155	12,714,018	3,359,469
1 Profit for the period (ADP 055-059)	060	16,433,731	598,155	12,714,018	3,359,469
2 Loss for the period (ADP 059-055)	061	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (AOP 076+077)	075	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	16,433,731	598,155	12,714,018	3,359,469
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 01.01.2023 to 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	16,433,731	598,155	12,714,018	3,359,469
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	0	0	0	0
1 Attributable to owners of the parent	100	0	0	0	0
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - direct method for the period 01.01.2023 to 30.09.2023

in EUR

Submitter: KONČAR - Electrical Industry Inc. for manufacturing and services			
item	AOP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Cash receipts from customers	001	4,277,125	8,723,045
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	443,424	914,497
I Total cash receipts from operating activities (ADP 001 to 005)	006	4,720,549	9,637,542
1 Cash payments to suppliers	007	-3,279,838	-3,478,576
2 Cash payments to employees	008	-2,784,889	-3,267,779
3 Cash payments for insurance premiums	009	0	0
4 Interest paid	010	-24	-69
5 Income tax paid	011	0	0
6 Other cash payments from operating activities	012	-1,428,049	-2,150,460
II Total cash payments from operating activities (ADP 007 to 012)	013	-7,492,800	-8,896,884
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	-2,772,251	740,658
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	6,818,205	3,403,480
2 Cash receipts from sales of financial instruments	016	7,016,354	390,643
3 Interest received	017	51,986	662,127
4 Dividends received	018	11,300,245	13,771,320
5 Cash receipts from the repayment of loans and deposits	019	16,263,014	35,275,698
6 Other cash receipts from investment activities	020	15,065,468	0
III Total cash receipts from investment activities (ADP 015 to 020)	021	56,515,272	53,503,268
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-661,665	-1,695,770
2 Cash payments for the acquisition of financial instruments	023	-1,275,154	-10,617,540
3 Cash payments for loans and deposits	024	-31,553,613	-7,514,900
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	-2,434	0
IV Total cash payments from investment activities (ADP 022 to 026)	027	-33,492,866	-19,828,210
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	23,022,406	33,675,058
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	0
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	0	0
4 Other cash receipts from financing activities	032	0	0
V Total cash receipts from financing activities (ADP 029 to 032)	033	0	0
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	-4,393,158	-5,092,836
3 Cash payments for finance lease	036	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capita	037	0	0
5 Other cash payments from financing activities	038	0	0
VI Total cash payments from financing activities (ADP 034 to 038)	039	-4,393,158	-5,092,836
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)	040	-4,393,158	-5,092,836
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	-695	-2,006
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)	042	15,856,302	29,320,874
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	2,948,885	13,473,705
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)	044	18,805,187	42,794,579

STATEMENT OF CHANGES IN EQUITY

for the period from 01.01.2023 to 30.09.2023

B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January - September 2023

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital re-serves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Re-valuation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)
Previous period																			
1 Balance on the first day of the previous business year	01	160,448,063	95,505	6,546,297	4,581,370	2,106,272	28,891,636	18,133,735	0	0	0	0	0	0	26,222	4,877,629	221,494,185	0	221,494,185
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	160,448,063	95,505	6,546,297	4,581,370	2,106,272	28,891,636	18,133,735	0	0	0	0	0	0	26,222	4,877,629	221,494,185	0	221,494,185
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,008,205	15,008,205	0	15,008,205
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	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	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-4,391,909	-4,391,909	0	-4,391,909
21 Other distributions and payments to members/shareholders	21	0	0	0	-54,572	-54,572	0	0	0	0	0	0	0	0	77,481	0	77,481	0	77,481
22 Transfer to reserves according to the annual schedule	22	0	0	243,881	0	0	0	231,687	0	0	0	0	0	0	10,152	-485,720	0	0	0
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	160,448,063	95,505	6,790,178	4,526,798	2,051,700	28,891,636	18,365,422	0	0	0	0	0	0	113,855	15,008,205	232,187,962	0	232,187,962
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,008,205	15,008,205	0	15,008,205
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	243,881	-54,572	-54,572	0	231,687	0	0	0	0	0	0	87,633	-4,877,629	-4,314,428	0	-4,314,428

STATEMENT OF CHANGES IN EQUITY

for the period from 01.01.2023 to 30.09.2023

B Financial statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period January - September 2023

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Re-valuation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)
Current period																			
1 Balance on the first day of the previous business year	28	160.448.063	95.505	6.790.178	4.526.798	2.051.700	28.891.636	18.365.422	0	0	0	0	0	0	113.854	15.008.205	232.187.961	0	232.187.961
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5.796	-5.796	0	-5.796
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 28 to 30)	31	160.448.063	95.505	6.790.178	4.526.798	2.051.700	28.891.636	18.365.422	0	0	0	0	0	0	113.854	15.002.409	232.182.165	0	232.182.165
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12.714.018	12.714.018	0	12.714.018
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	-976.685	976.685	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5.055.578	-5.055.578	0	-5.055.578
21 Other distributions and payments to members/shareholders	48	0	0	0	-19.507	-19.507	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Transfer to reserves according to the annual schedule	49	0	0	750.120	0	0	0	0	0	0	0	0	0	0	9.196.711	-9.946.831	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 31 to 50)	51	159.471.378	1.072.190	7.540.298	4.507.291	2.032.193	28.891.636	18.365.422	0	0	0	0	0	0	9.310.565	12.714.018	239.840.605	0	239.840.605
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12.714.018	12.714.018	0	12.714.018
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	-976.685	976.685	750.120	-19.507	-19.507	0	0	0	0	0	0	0	0	9.196.711	-15.002.409	-5.055.578	0	-5.055.578

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS - TFI

Name of issuer: KONČAR - Electrical Industry Inc. for manufacturing and services

PIN: 45050126417

Reporting period: 1 January 2023 to 30 September 2023

1 General information about the company

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

The average number of employees during three quarters of 2023 was 69 (Q3 2022.: 57 employees).

2 Significant accounting policies

These 3Q reports for the period ended 30 September 2023 are to be read together with the most recent annual financial statement of the Company as of and for the year ended 31 December 2022 ("the most recent annual financial statements") considering the fact that they do not include all the necessary information for the entire set of financial statements drawn up in accordance with the International Financial Reporting Standards. However, the explanations selected include explanations of the events and transactions significant for understanding changes in the financial position and performance of the Company since the most recent annual financial statement. Annual individual and consolidated financial statements have been published on the Company's website.

While drawing up 3Q financial statements, the Management Board used the judgments and estimates affecting the application of accounting policies and the recorded amounts of assets and liabilities, revenue and expenses. The resulting accounting estimates will, by definition, seldom equal the related actual results. Key accounting estimates are equal to those described in the most recent annual financial statement. The accounting policies applied in these 3Q financial statements are equal to those applied in the financial statements of the Company as of and for the year ended 31 December 2022.

Seasonal effects

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

3 Sales revenue

	January-September 2023 EUR	January-September 2022 EUR
Income from dividends /i/	8,685,435	7,853,178
Income from contracts with customers /ii/	8,192,661	6,848,092
	16,878,096	14,701,270
<i>/i/ Income from dividends</i>		
	January-September 2023 EUR	January-September 2022 EUR
Income from dividends – subsidiaries	8,685,435	7,853,178
Income from dividends – associates	-	-
	8,685,435	7,853,178
<i>/ii/ Income from contracts with customers</i>		
	January-September 2023 EUR	January-September 2022 EUR
<i>Type of service</i>		
Income from brand fees (fees for using the company name, trademark and service mark)	5,322,046	4,128,695
Income from real estate management	2,365,866	2,259,790
Income from other fees	504,749	459,607
Total income from contracts with customers	8,192,661	6,848,092

4 Other income and operating expenses

During Q1-Q3 2023 other income mostly relates to the gain from the sale of land and buildings.

5 Income tax

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

6 Earnings per share

	January-September 2023 EUR	January-September 2022 EUR
Profit for the year	12,714,018	16,433,731
Weighted average number of shares	2,546,212	2,545,295
Earnings per share in EUR	4.99	6.46

7 Property, plant and equipment

During Q1-Q3 2023, the Company purchased assets in the amount of EUR 2,876 thousand (Q1-Q3 2022: EUR 682 thousand), while depreciation costs amounted to EUR 836 thousand (Q1-Q3 2022: EUR 841 thousand).

8 Investments in subsidiaries

The increase relate to the recapitalization of KONČAR - Digital Ltd and KONČAR - Generators and Motors Ltd During Q1-Q3 2023, there were no changes regarding other investments in subsidiaries and associates compared to 31 December 2022.

	30 September 2023 EUR' 000	31 December 2022 EUR' 000	30 September 2023 Share in %	31 December 2022 Share in %
Stakes (shares) in subsidiaries in Croatia				
KONČAR – Switchgear Ltd. for production, Zagreb	11,197	11,197	100	100
KONČAR – Steel Structures Ltd. for production, Zagreb	16,779	16,779	100	100
KONČAR – Generators and motors Ltd. for production, Zagreb	13,956	11,302	100	100
KONČAR – Distribution and Special Transformers, Zagreb	8,245	8,245	52.73	52.73
KONČAR – Electrical engineering institute Ltd. for research, development and services, Zagreb	8,088	8,088	100	100
KONČAR – Infrastructure and Services Ltd. for services, Zagreb	7,524	7,524	100	100
KONČAR – Electronics and informatics Ltd. for production and services, Zagreb	8,353	8,353	100	100
KONČAR – Renewable energy sources Ltd. for production, Zagreb	5,733	5,733	91.25	91.25
KONČAR – Engineering Co. Ltd. for production and services, Zagreb	9,304	9,304	100	100
KONČAR – Motors and electrical systems Ltd. for production, Zagreb	6,450	6,450	100	100
KONČAR – Electric vehicles Inc. for production, Zagreb	4,832	4,832	75.04	75.04
KONČAR – Instrument transformers Inc. for production, Zagreb	4,041	4,041	61.97	61.97
KONČAR – Digital Ltd. for digital services, Zagreb	9,184	1,221	100	100
KONČAR – Investments Ltd. for business services, Zagreb	3	3	100	100
	113,689	103,072		

9 Capital and reserves

Share (subscribed) capital has a nominal value of EUR 159,471,378 (31 December 2022: EUR 160,448,062.91) and consists of 2,572,119 shares with a nominal value of EUR 62. The Company's ordinary shares are listed on the Official Market of Zagreb Stock Exchange, identified by the symbol KOEI-R-A. As at 30 September 2023, the Company owned 25,732 treasury shares (31 December 2022: 25,979 shares). By the decision of the Assembly of the company dated 13 June 2023 the share capital of the company was harmonized with euros and the same was announced on 28 September in the court register.

10 Contingent liabilities and off-balance sheet items

Off-balance sheet records as at 30 September 2023 include collaterals issued (including corporate guarantees to third parties) at the request of the Group's subsidiaries to financial institutions and suppliers in the amount of EUR 156,0 million (31 December 2022: EUR 126,8 million).

11 Related party transactions

<i>in EUR thousand</i>	Transactions for the period ended	
	30 September 2023	30 September 2022
Income from services		
Subsidiaries	7,752	6,498
Associates	353	277
Gain on sale of assets		
Subsidiaries	0	1,442
Associates	0	0
Income from dividends		
Subsidiaries	8,685	7,853
Associates	0	0
Finance income		
Subsidiaries	655	406
Cost of services		
Subsidiaries	2,676	2,507
<i>in EUR thousand</i>	Transactions for the period ended	
	30 September 2023	31 December 2022
Receivables		
Subsidiaries	3,613	5,139
Associates	177	87
Dividend receivables		
Subsidiaries	0	0
Associates	0	5,065
Other receivables		
Subsidiaries	891	684
Receivables from financing activities		
Subsidiaries	21,502	48,915
Liabilities from operating activities		
Subsidiaries	1,216	941

12 Events after the reporting date

After the reporting date, until the date of approval of the financial statements, there were no events that would significantly affect the Company's financial statements, which should, consequently, be adjusted and/or disclosed.

Management's Statement of Responsibility

Unaudited Financial Statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period 1 January to 30 September 2023 have been drawn up in accordance with the International Financial Reporting Standards (IFRS) and with the Croatian Accounting Act.

Unaudited Financial Statements of KONČAR – Electrical Industry Inc. for manufacturing and services for the period from 1 January 2023 to 30 September 2023 give a comprehensive and a true and fair view of assets and liabilities, profit and loss, financial position and business operations of the issuer and the Company.

The Management Statement for the period ending 30 September 2023 gives a true and fair view of the company's business performance.

Signed on behalf of the Management Board:

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



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



Zagreb, 31 October 2023



KONČAR

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