



I-III/2020

DALEKOVOD GROUP AND DALEKOVOD D.D. UNAUDITED FINANCIAL RESULTS

6/5/20

The regular stock DLKV-R-A included in the official market of the Zagreb Stock Exchange
Notice in accordance with the capital market law

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Business revenue and EBITDA Dalekovod Group

279,4 million kuna

BUSINESS REVENUE

16 million kuna

EBITDA

Business revenue and EBITDA Dalekovod d.d.

223,6 million kuna

BUSINESS REVENUE

25,7 million kuna

EBITDA

In the reporting period of I-III 2020 in the consolidated reports, Dalekovod Group (hereinafter: Group) consist of:

- Dalekovod d.d., Croatia
- Proizvodnja MK d.o.o., Croatia
- Proizvodnja OSO d.o.o., Croatia
- Cinčanonica usluge d.o.o., Croatia
- Dalekovod Projekt d.o.o., Croatia
- Dalekovod EMU d.o.o., Croatia
- Dalekovod Adria d.o.o., Croatia
- EL-RA d.o.o., Croatia
- Dalekovod Mostar d.o.o., BIH
- Dalekovod Ljubljana d.o.o., Slovenia
- Dalekovod Norge AS, Norway
- Dalekovod Polska S.A, Poland
- Dalekovod Ukrajina d.o.o., Ukraine

Management Report

Key Indicators

The operations of the Dalekovod Group (hereinafter: the Group) and the parent company (hereinafter: the Company) during the first quarter of 2020, despite the challenging situation caused by the COVID-19 virus pandemic, were marked by a high level of business activities, which had a positive impact on the first three months of 2020.

The Group closely monitors the situation regarding the impact of COVID-19 and potential impacts on the operations of all Group companies. The situation in the key markets of Dalekovod, in Scandinavia and the domestic market is stable, the works are being performed without delays with parallel planning of actions in case of escalation.

Given the specificity of the services provided by the Group, i.e. the performance of work on critical infrastructure, the occurrence of COVID-19 did not have a significant impact on the operations of the Group's companies during January and April 2020. The company is in constant contact with suppliers and customers in the context of minimizing potential negative impacts in the event of deterioration.

Activities focused on the amount and optimization of costs were significantly implemented during the last year, while the Group's management is working intensively on the implementation of other activities envisaged in the restructuring plan. Among the most important would be the improvement of the process related to project activities, especially in the part of contracting, project implementation, and procurement process and the restructuring of the production part of the Group.

Financial results for period I-III 2020

The Group's operating revenues amount to HRK 279.4 million and are 27 percent higher compared to the same period last year. Custom EBITDA at the group level amounts to HRK 16.7 million, which is an increase of HRK 40 million compared to the same period last year. The Company's operating revenues amount to HRK 223.6 million and are higher by 42 percent compared to the same period last year. Custom EBITDA at the Company level amounts to HRK 25.7 million, which is an increase of HRK 37 million compared to the same period last year. Operating profit (EBIT) increased strongly in the reporting period, amounting to HRK 7.9 million for the Group and HRK 18.2 million for the Company. Such realization represents an increase of HRK 40 million compared to the same period last year at the Group level. A similar trend was recorded at the level of net profit, where growth was also recorded compared to the same period last year, which during the first quarter of the previous year was influenced by a one-off item of wind farm sales in the amount of HRK 44.5 million for the Group and 37.6 million for the Company.

Significant growth in revenues and EBITDA indicators is the result of a high level of contracted operations and optimization of the cost structure in the context of the restructuring process that began during the previous year. Overhead costs related to the costs of the Group's employees are lower by HRK 6.3 million and the Company's by HRK 5.8 million compared to the same period last year. A similar trend of lower overhead costs is expected in the future.

Overview of key segments business

The Energy Sector (construction of transmission lines and substations) recorded revenue growth of 77 percent and amounted to HRK 186 million. Most of the revenue was generated on the foreign market, i.e. 95%. The department of high and low voltage is currently performing works on 22 large projects and 17 smaller projects, and the department of substations 4 large projects and seven smaller projects. During the first quarter of 2020, four projects worth more than HRK 115 million were contracted.

The Infrastructure sector recorded a drop in revenue of 8 percent and amounted to HRK 29 million. All revenue was recorded in the domestic market. The largest number of projects, ie six, refers to the investor HŽ Infrastruktura, five projects for HAC, and two projects for the City of Zagreb. Several projects are in progress in the tendering phase, i.e. in the contract signing phase.

During the reporting period, **the production segment** was marked by the separation of the company Proizvodnja MK and OSO d.o.o. to two companies, Proizvodnja MK d.o.o. and Proizvodnja OSO d.o.o. The separation will enable more efficient implementation of separate development

strategies for each segment to increase the efficiency of both companies. Looking at both companies during the first quarter, revenue fell 39 percent. Revenues for both companies totaled HRK 25 million. A significant decline was recorded in the company Proizvodnja MK d.o.o., as a result of poorer contract dynamics.

The designing segment related to the activities of Dalekovod Projekt d.o.o. recorded a 4 percent drop in operating revenues and amounted to HRK 6.9 million. The impact of the COVID-19 virus pandemic affected the postponement of certain tenders, which harmed the business result of the segment.

From other segments, we would single out the business of the company **Cinčaonica usluge d.o.o.** which generated revenues of HRK 9.8 million. The company has been operating separately since April 1, 2019, when it operated within the company Dalekovod Proizvodnja d.o.o. The impact of the COVID-19 virus pandemic affected the weaker activity of customers, primarily from abroad, i.e. Slovenia and Italy. All of the above also affected the decrease in profitability, and the company generated negative EBITDA in the amount of HRK 2.5 million.

Financial results for I-III/2020

Key business Indicators

Indicators (in 000 kuna)	Dalekovod Group			Dalekovod d.d.		
	Q1/2019	Q1/2020	Index	Q1/2019	Q1/2020	Index
Business revenues	220,691	279,433	127	157,532	223,642	142
Sales revenue	215,506	275,530	128	151,791	217,824	144
Operating expenses	253,125	271,538	107	176,053	205,425	117
EBITDA*	(23,224)	16,698	+39,922kn	(11,522)	25,696	+37,218kn
EBIT	-32,434	7,894	+40,328kn	-18,522	18,218	+36,740kn
Net profit	11,980	-4,153	-16,133kn	16,685	8,874	-7,811kn
EBITDA* margin	-10.5%	6.0%		-7.3%	11.5%	

Type of financial debt (in 000 kuna)	Dalekovod Group			Dalekovod d.d.		
	2019	Q1/2020	Index	2019	Q1/2020	Index
Senior debt	212.875	214.580	101	212.875	214.580	101
Financial Leasing	101.324	99.535	98	100.985	99.141	98
Bonds	16.871	15.737	93	22.261	20.778	93
Mezzanine	29.516	29.811	101	33.721	34.062	101
SSR debt	67.239	67.239	100	67.239	67.239	100
Other debt	10.757	20.058	186	14.724	23.611	160
Total financial debt	438.582	446.960	102	451.805	459.411	102
Cash	61.519	50.416	82	49.553	35.578	72
Financial debt**	341.827	349.910	102	350.845	358.110	102
Net financial debt**	280.308	299.494	107	301.292	322.532	107
EBITDA* (TTM)	43.970	80.222		62.424	96.389	
Net financial debt / EBITDA (TTM)***	6,7x	3,7x		4,9x	3,3x	

*EBITDA is adjusted for one-off items

** Financial debt adjusted for debt that has no impact on the company's operating cash flows: (i) Mezzanine Debt (ii) Separate satisfactory right debt

*** (TTM) — last 12 months

The Group's assets increased by 0.3 percent compared to the same period last year. The growth is a consequence of the increase in current assets, ie trade receivables, in line with the strong dynamics of revenue growth. Liabilities at the Group were reduced by 11 million primarily resulting from the reduction in provisions and long-term liabilities.

The company recorded an increase in assets of 4 percent, or HRK 36 million. The largest increase is the result of an increase in trade receivables in the amount of HRK 66 million. The capital increased by 30 percent and amounts to HRK 38.5 million. Liabilities increased slightly and amounted to HRK 783.6 million and the growth was due to the increase in liabilities to suppliers and banks and financial institutions. The mentioned changes are a consequence of strong business activity and growth of operating revenues, i.e. sales revenues.

Dalekovod Group (in 000 kn)	Dalekovod Group			Dalekovod d.d.		
	2019	I-III/2020	Index	2019	I-III/2020	Index
ASSETS	946.633	949.528	100	818.522	854.399	104
Fixed Assets	395.851	395.500	100	421.035	421.726	100
Short-term assets	547.441	549.985	100	395.086	429.771	109
LIABILITIES	850.570	839.717	99	774.969	783.625	101
Reservations	36.270	32.446	89	31.468	27.372	87
LT debt	376.595	369.451	98	384.851	378.445	98
ST debt	437.706	437.820	100	358.651	377.808	105
CAPITAL	82.514	78.607	95	29.620	38.493	130

Basic indicators of Group members

Company name (in 000 kuna)	Business revenues			Adjusted EBITDA		
	I-III/2019	I-III/2020	Index	I-III /2019	I-III/2020	Index
Dalekovod d.d.	157.532	223.642	142	(11.522)	25.696	+37.218kn
Proizvodnja MK d.o.o.	63.463	21.545	39	(8.702)	(6.790)	+83kn
Proizvodnja OSO d.o.o.		2.973			(462)	
Dalekovod Projekt d.o.o.	7.201	6.939	96	(1.741)	(752)	+989kn
Cinčaonica Usluge d.o.o.	-	9.752	-	-	(2.457)	-
Dalekovod EMU d.o.o.	618	1.044	169	(29)	311	+340kn
Other Affiliates	11.567	32.408	280	(1.057)	1.152	+2.209kn
Elimination	(19.690)	(18.870)	96	(173)	-	-
Group Total	220.691	279.433	127	(23.224)	16.698	+39.922kn

Dalekovod d.d. Management Board:



Tomislav Rosandić
predsjednik Uprave



Ivan Kurobasa
Board Member



Hrvoje Šek
član Uprave



Đuro Tatašević
Board Member

Declaration

Pursuant to Article 410 Paragraph 1 and Article 407 Paragraph 2 Subparagraph 3 and Paragraph 3 of the Capital Market Act, the authorized persons for drawing up the report: Tomislav Rosandić — President of the Board, Hrvoje Išek — Member of the Board, Ivan Kurobasa — Member of the Board, Đuro Tatalović — Member of the Board, issue the following


DECLARATION

According to our best knowledge, the financial Reports for the reporting period were drawn up in compliance with the appropriate financial reporting standards; they provide a complete and honest representation of assets and obligations, and the result of Dalekovod's business activities, as well as of other companies included in the consolidation, with a brief overview of the causes for data provided. Financial reports are not revised.

Dalekovod d.d. Management Board:



Tomislav Rosandić
predsjednik Uprave



Hrvoje Išek
član Uprave



Ivan Kurobasa
Board Member



Đuro Tatalović
Board Member

Group financial report for I-III 2020 period

Financial position report

Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	1	-	-
B) FIXED ASSETS (ADP 003+010+020+031+036)	2	395.850.703	395.500.283
I INTANGIBLE ASSETS (ADP 004 to 009)	3	6.056.676	5.736.779
II TANGIBLE ASSETS (ADP 011 to 019)	10	339.294.668	335.171.442
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	20	13.734.197	13.673.966
IV RECEIVABLES (ADP 032 to 035)	31	36.765.161	40.918.096
V DEFERRED TAX ASSETS	36	-	-
C) CURRENT ASSETS (ADP 038+046+053+063)	37	547.440.651	549.985.174
I INVENTORIES (ADP 039 to 045)	38	85.247.917	81.796.722
II RECEIVABLES (ADP 047 to 052)	46	386.124.913	402.788.460
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	53	14.548.513	14.984.270
IV CASH AT BANK AND IN HAND	63	61.519.308	50.415.722
D) PREPAID EXPENSES AND ACCRUED INCOME	64	3.341.230	4.042.652
E) TOTAL ASSETS (ADP 001+002+037+064)	65	946.632.584	949.528.109
OFF-BALANCE SHEET ITEMS	66	487.526.376	823.798.637
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	67	82.514.227	78.606.674
I INITIAL (SUBSCRIBED) CAPITAL	68	247.193.050	247.193.050
II CAPITAL RESERVES	69	86.141.670	86.141.670
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	70	74.430.517	74.675.533
IV REVALUATION RESERVES	76	40.706.979	40.706.979
V FAIR VALUE RESERVES (ADP 078 to 080)	77	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	81	-369.208.977	-365.957.988
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	84	3.250.989	-4.152.570
VIII MINORITY (NON-CONTROLLING) INTEREST	87	0	0
B) PROVISIONS (ADP 089 to 094)	88	36.270.122	32.445.647
C) LONG-TERM LIABILITIES (ADP 096 to 106)	95	376.594.147	369.451.352
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	437.706.563	437.820.281
E) ACCRUALS AND DEFERRED INCOME	122	13.547.524	31.204.155
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	946.632.584	949.528.109
G) OFF-BALANCE SHEET ITEMS	124	487.526.376	823.798.637

Profit and loss report

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 126 to 130)	125	220.690.828	220.690.828	279.432.787	279.432.787
1 Income from sales with undertakings within the group	126	-	-	-	-
2 Income from sales (outside group)	127	215.506.006	215.506.006	275.529.946	275.529.946
3 Income from the use of own products, goods and services	128	-	-	-	-
4 Other operating income with undertakings within the group	129	-	-	-	-
5 Other operating income (outside the group)	130	5.184.822	5.184.822	3.902.841	3.902.841
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	253.124.873	253.124.873	271.538.366	271.538.366
1 Changes in inventories of work in progress and finished goods	132	-8.672.409	-8.672.409	11.217	11.217
2 Material costs (ADP 134 to 136)	133	156.780.035	156.780.035	168.110.023	168.110.023
3 Staff costs (ADP 138 to 140)	137	65.836.615	65.836.615	65.579.324	65.579.324
4 Depreciation	141	9.351.244	9.351.244	8.061.919	8.061.919
5 Other costs	142	5.073.652	5.073.652	5.629.196	5.629.196
6 Value adjustments (ADP 144+145)	143	30.111	30.111	218.434	218.434
7 Provisions (ADP 147 to 152)	146	-	-	-	-
8 Other operating expenses	153	24.725.625	24.725.625	23.928.253	23.928.253
III FINANCIAL INCOME (ADP 155 to 164)	154	50.498.077	50.498.077	6.468.137	6.468.137
7 Other interest income	161	223.062	223.062	150.027	150.027
8 Exchange rate differences and other financial income	162	3.120.465	3.120.465	6.311.524	6.311.524
9 Unrealised gains (income) from financial assets	163	-	-	-	-
10 Other financial income	164	47.154.550	47.154.550	6.585	6.585
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	6.000.273	6.000.273	18.294.807	18.294.807
3 Interest expenses and similar expenses	168	3.636.415	3.636.415	2.269.362	2.269.362
4 Exchange rate differences and other expenses	169	2.363.858	2.363.858	16.025.445	16.025.445
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	271.188.905	271.188.905	285.900.924	285.900.924
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	259.125.146	259.125.146	289.833.173	289.833.173
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	12.063.759	12.063.759	-3.932.248	-3.932.248
XII INCOME TAX	182	83.762	83.762	220.322	220.322
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	11.979.997	11.979.997	-4.152.570	-4.152.570
Item	ADP code	Same period of the previous year		Current period	
1	2	3	4	5	6
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	11.979.997	11.979.997	-4.152.570	-4.152.570
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	-1.284.597	-1.284.597	245.016	245.016
1 Exchange rate differences from translation of foreign operations	204	-1.284.597	-1.284.597	245.016	245.016
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	-	-	-	-
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	-1.284.597	-1.284.597	245.016	245.016
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	10.695.400	10.695.400	-3.907.554	-3.907.554
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)	215	10.695.400	10.695.400	-3.907.554	-3.907.554
1 Attributable to owners of the parent	216	10.695.269	10.695.269	-3.907.554	-3.907.554
2 Attributable to minority (non-controlling) interest	217	131	131	-	-

Cash flow report

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	1	12.063.759	-3.932.248
2 Adjustments (ADP 003 to 010):	2	-33.786.355	16.247.669
a) Depreciation	3	9.351.244	8.061.919
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	4	18.678	-
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	5	-47.155.000	286.024
d) Interest and dividend income	6	-223.000	-150.027
e) Interest expenses	7	3.636.000	2.269.362
f) Provisions	8	-30.392	0
g) Exchange rate differences (unrealised)	9	616.115	5.780.391
I Cash flow increase or decrease before changes in working capital (AI)	11	-21.722.596	12.315.421
3 Changes in the working capital (ADP 013 to 016)	12	-36.961.074	-15.098.205
a) Increase or decrease in short-term liabilities	13	-41.529.855	-15.173.416
b) Increase or decrease in short-term receivables	14	5.276.932	-16.663.547
c) Increase or decrease in inventories	15	-7.220.124	3.451.195
d) Other increase or decrease in working capital	16	6.511.973	13.287.562
II Cash from operations (ADP 011+012)	17	-58.683.670	-2.782.784
4 Interest paid	18	-693.651	-1.933.352
5 Income tax paid	19	-1.431.000	-6.021.909
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	20	-60.808.321	-10.738.045
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	21	12.500	4.518
2 Cash receipts from sales of financial instruments	22	108.703.000	-
3 Interest received	23	131.000	327
5 Cash receipts from repayment of loans and deposits	25	1.617.842	187.500
III Total cash receipts from investment activities (ADP 021 to 026)	27	110.464.342	192.345
1 Cash payments for the purchase of fixed tangible and intangible assets	28	-9.383.000	-4.511.405
3 Cash payments for loans and deposits for the period	30	-	-1.680.707
5 Other cash payments from investment activities	32	-6.138.220	-
IV Total cash payments from investment activities (ADP 028 to 032)	33	-15.521.220	-6.192.113
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	34	94.943.122	-5.999.767
Cash flow from financing activities			
3 Cash receipts from credit principals, loans and other borrowings	37	24.894.000	9.713.670
V Total cash receipts from financing activities (ADP 035 to 038)	39	24.894.000	9.713.670
1 Cash payments for the repayment of credit principals, loans and other borrowir	40	-73.133.000	-2.118.996
3 Cash payments for finance lease	42	-3.775.000	-1.823.005
5 Other cash payments from financing activities	44	-1.202.000	-137.442
VI Total cash payments from financing activities (ADP 040 to 044)	45	-78.110.000	-4.079.444
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	46	-53.216.000	5.634.226
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	48	-19.081.199	-11.103.586
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49	66.179.291	61.519.308
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048)	50	47.098.092	50.415.722

Report on changes in capital for the current period

Item	AOP oznaka	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	Revaluation reserves	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	14	15	16 (3 do 6 - 7 + 8 do 15)	17	18 (16+17)
Current period														
1 Balance on the first day of the current business year	27	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.589.488	40.706.979	(369.208.977)	3.250.989	82.514.016	-	82.514.016
2 Changes in accounting policies	28	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Correction of errors	29	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Balance on the first day of the current business year (restated) (ADP 27 + 28)	30	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.589.488	40.706.979	(369.208.977)	3.250.989	82.514.016	-	82.514.016
5 Profit/loss of the period	31	-	-	-	-	-	-	-	-	-	(4.152.570)	(4.152.570)	-	(4.152.570)
6 Exchange rate differences from translation of foreign operations	32	-	-	-	-	-	-	245.016	-	-	-	245.016	-	245.016
20 Other distribution to owners	46	-	-	-	-	-	-	-	-	3.250.989	(3.250.989)	-	-	-
23 Balance on the last day of the current business year reporting period (A)	49	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.834.504	40.706.979	(365.957.988)	(4.152.570)	78.606.462	-	78.606.462
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)														
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF	50	-	-	-	-	-	-	245.016	-	-	-	245.016	-	245.016
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+5)	51	-	-	-	-	-	-	245.016	-	-	(4.152.570)	(3.907.554)	-	(3.907.554)
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIF	52	-	-	-	-	-	-	-	-	3.250.989	(3.250.989)	-	-	-

Report on changes in capital for the previous period

Item	AOP oznaka	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	Revaluation reserves	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	14	15	16 (3 do 6 - 7 + 8 do 15)	17	18 (16+17)
Previous period														
1 Balance on the first day of the previous business year	1	247.193.050	88.235.980	11.652.410	8.465.950	8.465.950	32.188.407	32.251.148	40.706.979	(249.638.779)	(119.570.198)	83.018.997	(693.731)	82.325.266
2 Changes in accounting policies	2	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Correction of errors	3	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Balance on the first day of the previous business year (restated) (ADP 01)	4	247.193.050	88.235.980	11.652.410	8.465.950	8.465.950	32.188.407	32.251.148	40.706.979	(249.638.779)	(119.570.198)	83.018.997	(693.731)	82.325.266
5 Profit/loss of the period	5	-	-	-	-	-	-	-	-	-	3.250.989	3.250.989	-	3.250.989
6 Exchange rate differences from translation of foreign operations	6	-	-	-	-	-	-	(1.661.660)	-	-	-	(1.661.660)	-	(1.661.660)
13 Other changes in equity unrelated to owners	13	-	-	-	-	-	-	-	-	-	-	-	693.731	693.731
20 Other distribution to owners	20	-	(2.094.310)	-	-	-	-	-	-	(119.570.198)	119.570.198	(2.094.310)	-	(2.094.310)
23 Balance on the last day of the previous business year reporting period (23	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.589.488	40.706.979	(369.208.977)	3.250.989	82.514.016	-	82.514.016
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	24	-	-	-	-	-	-	(1.661.660)	-	-	-	(1.661.660)	693.731	(967.929)
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP	25	-	-	-	-	-	-	(1.661.660)	-	-	3.250.989	1.589.329	693.731	2.283.060
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED	26	-	(2.094.310)	-	-	-	-	-	-	(119.570.198)	119.570.198	(2.094.310)	-	(2.094.310)

Company financial report for I-III 2020 period

Financial position report

Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	1	-	-
B) FIXED ASSETS (ADP 003+010+020+031+036)	2	421.035.334	421.726.605
I INTANGIBLE ASSETS (ADP 004 to 009)	3	4.173.237	3.848.034
II TANGIBLE ASSETS (ADP 011 to 019)	10	313.343.368	310.166.269
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	20	66.888.987	66.888.666
IV RECEIVABLES (ADP 032 to 035)	31	36.629.742	40.823.636
V DEFERRED TAX ASSETS	36	-	-
C) CURRENT ASSETS (ADP 038+046+053+063)	37	395.086.035	429.771.325
I INVENTORIES (ADP 039 to 045)	38	6.345.879	7.586.991
II RECEIVABLES (ADP 047 to 052)	46	322.077.130	370.795.932
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	53	17.109.884	15.810.395
IV CASH AT BANK AND IN HAND	63	49.553.142	35.578.007
D) PREPAID EXPENSES AND ACCRUED INCOME	64	2.400.906	2.901.073
E) TOTAL ASSETS (ADP 001+002+037+064)	65	818.522.275	854.399.003
OFF-BALANCE SHEET ITEMS	66	356.786.379	348.787.749
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	67	29.619.554	38.493.241
I INITIAL (SUBSCRIBED) CAPITAL	68	247.193.050	247.193.050
II CAPITAL RESERVES	69	86.141.670	86.141.670
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	70	43.675.007	43.675.007
IV REVALUATION RESERVES	76	40.706.979	40.706.979
V FAIR VALUE RESERVES (ADP 078 to 080)	77	-	-
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	81	-393.897.901	-388.097.152
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	84	5.800.749	8.873.687
VIII MINORITY (NON-CONTROLLING) INTEREST	87	-	-
B) PROVISIONS (ADP 089 to 094)	88	31.468.170	27.371.592
C) LONG-TERM LIABILITIES (ADP 096 to 106)	95	384.850.490	378.445.328
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	358.650.576	377.808.292
E) ACCRUALS AND DEFERRED INCOME	122	13.933.485	32.280.550
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	818.522.275	854.399.003
G) OFF-BALANCE SHEET ITEMS	124	356.786.379	348.787.749

Profit and loss report

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 126 to 130)	125	157.531.708	157.531.708	223.642.132	223.642.132
1 Income from sales with undertakings within the group	126	22.243.131	22.243.131	5.753.097	5.753.097
2 Income from sales (outside group)	127	129.547.765	129.547.765	212.071.220	212.071.220
3 Income from the use of own products, goods and services	128	-	-	-	-
4 Other operating income with undertakings within the group	129	4.596.935	4.596.935	4.137.985	4.137.985
5 Other operating income (outside the group)	130	1.143.877	1.143.877	1.679.830	1.679.830
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	176.053.349	176.053.349	205.424.836	205.424.836
1 Changes in inventories of work in progress and finished goods	132	-	-	-	-
2 Material costs (ADP 134 to 136)	133	101.961.033	101.961.033	127.960.960	127.960.960
3 Staff costs (ADP 138 to 140)	137	44.639.968	44.639.968	47.191.502	47.191.502
4 Depreciation	141	6.999.198	6.999.198	6.836.420	6.836.420
5 Other costs	142	2.544.769	2.544.769	3.523.409	3.523.409
6 Value adjustments (ADP 144+145)	143	-	-	253.108	253.108
7 Provisions (ADP 147 to 152)	146	-	-	-	-
8 Other operating expenses	153	19.908.381	19.908.381	19.659.437	19.659.437
III FINANCIAL INCOME (ADP 155 to 164)	154	40.972.308	40.972.308	8.979.882	8.979.882
1 Income from investments in holdings (shares) of undertakings within the group	155	-	-	2.493.726	2.493.726
4 Other interest income from operations with undertakings within the group	158	176.371	176.371	109.728	109.728
7 Other interest income	161	306.539	306.539	256.495	256.495
8 Exchange rate differences and other financial income	162	2.861.778	2.861.778	6.119.933	6.119.933
10 Other financial income	164	37.627.620	37.627.620	-	-
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	5.765.851	5.765.851	18.323.491	18.323.491
1 Interest expenses and similar expenses with undertakings within the group	166	28.414	28.414	52.006	52.006
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	47.354	47.354	46.396	46.396
3 Interest expenses and similar expenses	168	2.742.759	2.742.759	1.311.299	1.311.299
4 Exchange rate differences and other expenses	169	2.947.324	2.947.324	16.913.790	16.913.790
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	198.504.016	198.504.016	232.622.014	232.622.014
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	181.819.200	181.819.200	223.748.327	223.748.327
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	16.684.816	16.684.816	8.873.687	8.873.687
XII INCOME TAX	182	-	-	-	-
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	16.684.816	16.684.816	8.873.687	8.873.687
Item	ADP code	Same period of the previous year		Current period	
1	2	3	4	5	6
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	16.684.816	16.684.816	8.873.687	8.873.687
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	203	-	-	-	-
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	-	-	-	-
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	-	-	-	-
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	16.684.816	16.684.816	8.873.687	8.873.687

Cash flow report

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	1	16.684.816	8.873.687
2 Adjustments (ADP 003 to 010):	2	-29.479.372	11.371.588
a) Depreciation	3	6.999.198	6.836.420
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	5	-37.627.619	286.024
d) Interest and dividend income	6	-482.910	-2.859.949
e) Interest expenses	7	2.771.173	1.363.460
f) Provisions	8	-31.130	-
g) Exchange rate differences (unrealised)	9	-1.108.084	5.745.633
I Cash flow increase or decrease before changes in working capital (AI)	11	-12.794.556	20.245.275
3 Changes in the working capital (ADP 013 to 016)	12	-53.292.284	-28.919.246
a) Increase or decrease in short-term liabilities	13	-21.932.663	13.071.782
b) Increase or decrease in short-term receivables	14	-30.811.454	-71.463.766
c) Increase or decrease in inventories	15	1.480.581	-1.241.112
d) Other increase or decrease in working capital	16	-2.028.748	30.713.850
II Cash from operations (ADP 011+012)	17	-66.086.840	-8.673.971
4 Interest paid	18	-4.398.680	-1.933.352
5 Income tax paid	19	-	-6.021.909
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	20	-70.485.520	-16.629.232
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	21	-	500
2 Cash receipts from sales of financial instruments	22	108.702.713	20.000
3 Interest received	23	316.686	2.724
4 Dividends received	24	-	2.493.726
5 Cash receipts from repayment of loans and deposits	25	8.283.458	400.020
III Total cash receipts from investment activities (ADP 021 to 026)	27	117.302.857	2.916.970
1 Cash payments for the purchase of fixed tangible and intangible assets	28	-8.767.096	-4.317.251
3 Cash payments for loans and deposits for the period	30	-7.627.947	-
4 Acquisition of a subsidiary, net of cash acquired	31	-20.000	-20.000
IV Total cash payments from investment activities (ADP 028 to 032)	33	-16.415.043	-4.337.251
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	34	100.887.814	-1.420.281
Cash flow from financing activities			
3 Cash receipts from credit principals, loans and other borrowings	37	24.830.780	9.713.670
V Total cash receipts from financing activities (ADP 035 to 038)	39	24.830.780	9.713.670
1 Cash payments for the repayment of credit principals, loans and other borrowir	40	-70.463.849	-3.895.738
3 Cash payments for finance lease	42	-3.413.823	-1.743.554
VI Total cash payments from financing activities (ADP 040 to 044)	45	-73.877.672	-5.639.292
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	46	-49.046.892	4.074.378
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	48	-18.644.598	-13.975.135
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49	51.076.527	49.553.142
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048-049)	50	32.431.929	35.578.007

Report on changes in capital for the current period

Item	AOP oznaka	Attributable to owners of the parent											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	Revaluation reserves	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	
1	2	3	4	5	6	7	8	9	10	14	15	16 (3 do 6 - 7 + 8 do 15)	18 (16+17)
Current period													
1 Balance on the first day of the current business year	27	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	(393.897.901)	5.800.749	29.619.554	29.619.554
4 Balance on the first day of the current business year (restated) (ADP 27 t)	30	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	(393.897.901)	5.800.749	29.619.554	29.619.554
5 Profit/loss of the period	31	-	-	-	-	-	-	-	-	-	8.873.687	8.873.687	8.873.687
20 Other distribution to owners	46	-	-	-	-	-	-	-	-	5.800.749	(5.800.749)	-	-
23 Balance on the last day of the current business year reporting period (A)	49	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	(388.097.152)	8.873.687	38.493.241	38.493.241
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)													
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF	50	-	-	-	-	-	-	-	-	-	-	-	-
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+5)	51	-	-	-	-	-	-	-	-	-	8.873.687	8.873.687	8.873.687
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIF	52	-	-	-	-	-	-	-	-	5.800.749	(5.800.749)	-	-

Report on changes in capital for the previous period

Item	AOP oznaka	Attributable to owners of the parent											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	Revaluation reserves	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	
1	2	3	4	5	6	7	8	9	10	14	15	16 (3 do 6 - 7 + 8 do 15)	18 (16+17)
Previous period													
1 Balance on the first day of the previous business year	1	247.193.050	88.235.980	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	(160.874.981)	(233.022.920)	25.913.115	25.913.115
4 Balance on the first day of the previous business year (restated) (ADP 01)	4	247.193.050	88.235.980	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	(160.874.981)	(233.022.920)	25.913.115	25.913.115
5 Profit/loss of the period	5	-	-	-	-	-	-	-	-	-	5.800.749	5.800.749	5.800.749
20 Other distribution to owners	20	-	(2.094.310)	-	-	-	-	-	-	-	-	(2.094.310)	(2.094.310)
23 Balance on the last day of the previous business year reporting period (23	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	(393.897.901)	5.800.749	29.619.554	29.619.554
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	24	-	-	-	-	-	-	-	-	-	-	-	-
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP	25	-	-	-	-	-	-	-	-	-	5.800.749	5.800.749	5.800.749
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED	26	-	(2.094.310)	-	-	-	-	-	-	(233.022.920)	233.022.920	(2.094.310)	(2.094.310)

Notes to financial statements

I. BASIC INFORMATION

MANAGEMENT BOARD (on 31-03-2020)

Tomislav Rosandić — president of the Board

Tomislav Đurić — Board member

Ivan Kurobasa — Board member

Đuro Tatalović — Board member

SUPERVISORY BOARD (on 31-03-2020.)

Željko Perić - president

Dinko Novoselec — vice president

Hrvoje Markovinović - member

Toni Đikić - member

Gordan Kuvek - member

Vladimir Maoduš - member

Dražen Buljić - member

DALEKOVOD JOINT STOCK COMPANY FOR ENGINEERING, PRODUCTION AND CONSTRUCTION

Marijana Čavića 4, 10 000 Zagreb, Croatia

10001 Zagreb, P.P. 128

URL: www.dalekovod.hr, www.dalekovod.com

E-mail: dalekovod@dalekovod.hr

Equity: 247,193,050.00, 00 kn. Number of shares: 24,719,305

IBAN: HR8323600001101226102 ZABA Zagreb

MBS: 080010093, Commercial Court in Zagreb

MB: 3275531

OIB: 47911242222

Activity code: 4222 (Electrical and telecommunication power lines construction)

II. SHAREHOLDERS STRUCTURE (on 31-03-2020):

Konsolidator d.o.o.	15.000.000
Individuals	5.360.249
Financial Institutions	3.650.901
Others	609.314
Own Shares	98.841
TOTAL	24.719.305

III. ACQUISITIONS, MERGERS, SALE, FOUNDATION

During the first three months of 2020 company Proizvodnja MK i OSO d.o.o. changed name to Proizvodnja MK d.o.o. and company Proizvodnja OSO d.o.o. was founded.

IV. UNCERTAINTY

There were no identified suspicious or disputable claims in the first three months of 2020 which would affect the continuity of business.

V. DESCRIPTION OF PRODUCTS AND SERVICES

Over time, Dalekovod d.d. specialized for the realization of "turn-key" contracts in the following fields:

- electricity facilities, especially transmission lines between 0.4 and 750 kV
- transformer substations of all levels and voltages up to 500 kV
- air, underground and underwater cables up to 100 kV
- telecommunications facilities, all types of networks and antennas
- production of suspension and jointing equipment for all types of transmission lines and sub-stations between 0.4 and 750 kV
- manufacture and installation of all metal parts for roads, especially for road lighting, security barriers and traffic signals, tunnel lighting and traffic management
- electrification of railroads and tramways

VI. CHANGES IN ACCOUNTING POLICIES

There are no new accounting policies.