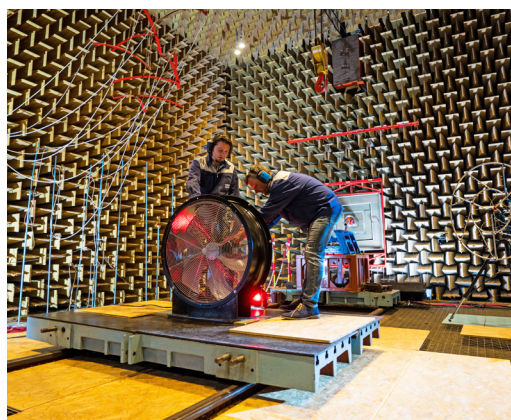


First quarter of 2020

REPORT OF THE MANAGEMENT BOARD OF
KONČAR - ELECTRICAL INDUSTRY Inc. ZAGREB

CONSOLIDATED STATEMENTS OF THE KONČAR GROUP
AND STATEMENTS OF KONČAR - ELECTRICAL INDUSTRY Inc.



KONČAR



TABLE OF CONTENTS

A Report of the Management Board of KONČAR - Electrical Industry Inc.....	4
B Consolidated financial statements of the KONČAR Group for the first quarter of 2020.....	8
C Financial statements of KONČAR - Electrical Industry Inc. for the 1st quarter of 2020	20
D Management's statement of liability.....	30

A Report of the Management Board

Comment by Gordan Kolak, President of the Management Board



Just like most businesses in Croatia, Končar's business operations in the first quarter of 2020 took place in unprecedented circumstances, in which we simultaneously face two extraordinary circumstances - the COVID-19 virus pandemic and the aftermath of the severe earthquake in Zagreb.

On the level of Končar as a whole, as well as in all the companies of the Group, teams are organized to monitor the current situation on a daily basis and take key measures to maintain business continuity on the one hand, and to maximally protect employees and their health on the other, in accordance with the instructions of the state Civil Protection Directorate.

In manufacturing companies, shifts have been organized to allow for social distancing. All workers who are able to work from home and workers who have been in at-risk areas or who have been in contact with the sick are in self-isolation.

The possible negative impact on the Group's operations depends primarily on the length of the extraordinary measures in Croatia as well as world-wide, due to the fact that the Končar Group's market activity is exposed to worldwide disruptions in the supply chain and delivery of products. With the appropriate measures being taken, the unquestionable commitment of our employees and a stable financial situation, we are convinced that in these circumstances we can meet the challenges and continue to operate regularly.

As a socially responsible company, aware of the dire circumstances of the healthcare system and all key institutions, we have actively joined the fight against the new coronavirus and donated one million kuna to an account opened for the payment of funds for the fight against the COVID-19 virus, as part of the fundraiser "Croatia against the coronavirus".

Also, as the recent earthquake seriously damaged the largest Croatian maternity hospital in Petrova street, damaging expensive medical equipment necessary to sustain the lives of the most vulnerable group of newborns - premature babies, the management of the company decided to participate in the fundraiser "Let's return Palčići to Petrova" and to allocate part of their personal income to purchase the necessary equipment. The Company's Supervisory Board joined in by also waiving part of their remuneration.

Notwithstanding the extraordinary circumstances in which the business activities took place, in the first quarter the Končar Group generated operating income in the amount of HRK 624.1 million, which is 7.3 percent more than in the same period of the previous year. Sales of products and services, which account for 97 percent of total operating income, amount to HRK 604.5 million, of which 63 percent relates to sales on the foreign market. New business was contracted in the amount of HRK 676.1 million, of which 71 percent is related to export jobs. The backlog balance at the end of Q1 2020 amounted to HRK 3,397.9 million and is 2.2 percent higher than at the beginning of the year.

EBIDTA is HRK 34.7 million, HRK 6.6 million higher than in the same period of last year.

The realized net profit is significantly lower than planned due to the realized loss in the associated company. According to estimates for the period up to the end of the year, the associated company should end the year with a positive result as planned.

Gordan Kolak, MSc
President of the Management Board

A handwritten signature in blue ink, appearing to read 'G. Kolak', written over a light blue horizontal line.

in 000 HRK				Index
Performance indicator	Q1 2020	Q1 2019	Δ	Q1 20/Q1 19
Operating income	624,140	581,781	42,359	107.3
Income from sales	604,520	565,173	39,347	107.0
Operating expenses	613,998	577,067	36,931	106.4
Operating profit	10,142	4,714	5,428	215.1
Net profit	538	3,905	-3,367	13.8
Depreciation	24,563	23,404	1,159	105.0
EBITDA	34,705	28,118	6,587	123.4
EBITDA margin	5.74%	4.98%		+ 76 bps
EBITDA normalized	31,852	23,214	8,638	137.2
EBITDA margin normalized	5.27%	4.11%		+ 116 bps

During the reporting period, the Končar Group consists of:

KONČAR - ELEKTROINDUSTRIJA d.d. (KONČAR - ELECTRICAL INDUSTRY) as the Parent Company and 14 subsidiaries in which the Parent Company has a prevailing interest (more than 50% of votes in the General Assembly). In addition, the Parent Company has a minority managing interest in three companies, 2 associated companies – Končar – Energetski transformatori (Končar - Power Transformers) and Elkakon d.o.o. as well as a joint venture with TBEA Končar Instrument Transformers Ltd, China. Elkakon Ltd. and TBEA Končar Instrument Transformers Ltd, China are indirectly owned by the Parent Company. In December 2018, a joint venture of Končar - Elektroindustrija d.d. and XD Group of China was established, KONČAR-XD Visokonaponska sklopna postrojenja (KONČAR-XD High Voltage Switchgear) with headquarters in Zagreb, in 50% ownership by each partner.

The companies within the Group are legally autonomous companies and the Parent Company oversees, strategically directs and supports them through the supervisory boards and assemblies of companies, all in accordance with the Companies Act, the Statute of KONČAR ELEKTROINDUSTRIJA d.d. and the Articles of Association. The Parent Company also manages the part of the assets that are not invested in companies but are directly and indirectly in the function of financial support for the marketing, products and equipment of related companies as a credit guarantee potential.

Just like most businesses in Croatia, Končar's business operations in the first quarter of 2020 took place under unprecedented circumstances caused by the COVID-19 virus pandemic and the aftermath of the strong earthquake in Zagreb.

Regardless of the extraordinary circumstances in which the business activities took place, the Končar Group generated operating income in the first quarter in the amount of HRK 648.6 million, which is 9.9 percent more than in the same period of the previous year. For the purposes of comparability of 2019 data, data relating to discontinued operations (sales of the company Končar - Kućanski aparati (Končar - Household Appliances) have been excluded.

Compared to the same period of the previous year, income from sales, which accounts for 95.7 percent of total operating income, increased by 12.8 percent.

Total expenses increased by 10.6 percent compared to the first quarter of 2020. The increase in total expenses compared to the same period of the previous year was caused by the realized share in the loss of the associated company in the amount of HRK 13.6 million. According to the estimates, the loss of the associated company in the second quarter of this year will be much smaller, and the estimate of the results at the end of the business year is in line with the plan, and the company should end the year with a positive result.

The net financial result is positive and amounts to HRK 9.5 million.

The Group's total after-tax profit is HRK 0.5 million. The owners of the Parent Company shares are entitled to a loss of HRK 7.1 million, and profit attributable to minority interest amounts to HRK 7.6 million.

Of the 15 companies in the Končar Group, 12 companies achieved a positive result, while two companies generated a loss in the total amount of HRK 11.7 million, which is entirely attributable to the owners of the Parent Company shares.

Consolidated profit/loss account

Positions (in HRK 000)	Index			
	Q1 2020	Q1 2019	Δ	Q1 20/Q1 19
OPERATING INCOME	624,140	581,781	42,359	107.3
OPERATING EXPENSES	613,998	577,067	36,931	106.4
Material costs and changes in inventories	401,441	370,578	30,863	108.3
Staff costs	158,405	146,674	11,731	108.0
Depreciation	24,563	23,404	1,159	105.0
Other expenses	24,136	32,879	-8,743	73.4
Value adjustment of long-term and short-term assets	295	651	-356	45.3
Provisions	5,158	2,881	2,277	179.0
OPERATING PROFIT	10,142	4,714	5,428	215.1
SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTEREST	0	2,120	-2,120	0.0
SHARE IN LOSS FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTEREST	13,637	341	13,296	
FINANCIAL INCOME	24,500	6,321	18,179	387.6
FINANCIAL EXPENSES	15,021	3,787	11,234	396.6
TOTAL INCOME	648,640	590,222	58,418	109.9
TOTAL EXPENSES	642,656	581,195	61,461	110.6
Pre-tax profit	5,984	9,027	-3,043	66.3
Income tax	5,446	5,122	324	106.3
PROFIT FOR THE PERIOD	538	3,905	-3,367	13.8

Financial position

The financial position is stable and indicates alignment between asset sources and investments and good financial stability of the Končar Group.

In the structure of asset sources, subscribed capital, provisions, retained profit, current year profit and capital belonging to non-controlling interest amount to HRK 2,536.7 million, which is HRK 5.5 million less than on 31 December 2019 and accounts for 66% of total sources. Long-term provisions amount to HRK 201.1 million and account for 5.2% of total sources. Long-term and short-term liabilities amount to HRK 970.2 million, which is HRK 79.4 million less than at the end of 2019, and account for 25.2% of total sources. In short-term liabilities, liabilities to suppliers amount to HRK 383.4 million and account for 10% of total sources. Total loans (long-term and short-term) amount to HRK 313.8 million, down HRK 14.8 million compared to 31 December 2019 and account for 8.2% of total sources.

Long-term asset sources (capital, long-term provisions and long-term liabilities) are 685.9 million higher than long-term assets and average inventory levels. Short-term assets are 3.1 times higher than short-term liabilities.

Abbreviated balance sheet
in 000 HRK

	Index			
	Q1 2020	Q1 2019	Δ	Q1 20/Q1 19
Assets	3,843,131	3,927,355	-84,224	97.9
Long-term assets	1,589,740	1,626,743	-37,003	97.7
Short-term assets	2,253,391	2,300,612	-47,221	97.9
Liabilities	1,306,422	1,385,194	-78,772	94.3
Provisions	201,113	201,384	-271	99.9
Long-term liabilities	211,654	174,968	36,686	121.0
Short-term liabilities	893,655	1,008,842	-115,187	88.6
Capital	2,536,709	2,542,161	-5,452	99.8

Operating income by sales market

For the period of January to March 2020 the companies of Končar Group realized consolidated income from the sales of products and services in the amount of HRK 604.5 million, which is 7% more than in the same period of 2019.

Domestic market income amounted to HRK 222.7 million, which is HRK 41.7 million or 23% more than in 2019.

In the structure of income from sales of products and services in the domestic market, income from sales of products and services to companies within the national power company HEP – HEP Proizvodnja (HEP Generation), HEP Operator distribucijskog sustava (HEP Distribution System Operator), HOPS (Croatian Transmission System Operator) – were realized in the amount of HRK 82.3 million (36.9% of total revenues from the sale of products and services in the domestic market) and increased by HRK 16.5 million compared to the first quarter of 2019.

Income from sales of products and services on the foreign market amounted to HRK 381.8 million, which is on the same level as in the same period last year. Exports account for 63.2% of total income from sales.

Individually, by country, the most significant export was realized on the German market, amounting to HRK 41.8 million or 11% of total exports, in Sweden amounting to HRK 38 million or 10%, in Guinea HRK 32 million or 8.4%, in Austria HRK 30.3 million or 7.9%, in the US HRK 21.5 million or 5.6% of total exports.

Compared to the same period of the previous year, the following markets have experienced a significant increase in the sales of products and services in exports: Guinea (HRK 31.5 million more), the USA (HRK 18.4 million more), Iraq (HRK 14.2 million more) and Slovenia, to which HRK 10.9 million more goods and services were exported compared to the same period last year.

In the period of January - March 2020 the Končar Group companies contracted new business in the amount of HRK 676.1 million. Of the total contracted amount, HRK 197.1 million (29.2% of the total contracted business) was contracted for the domestic market and HRK 478.9 million (70.8% of the total contracted business) relates to export contracts.

The status of contracted business as of 31 March 2020 amounts to HRK 3,397.9 million, which is 2.2% more than at the beginning of the year.

Income from sales (in 000 HRK)	Index			
	Q1 2020	Q1 2019	Δ	Q1 20/Q1 19
CROATIA	222,763	181,052	41,711	123.0
EXPORT	381,757	384,121	-2,364	99.4
European Union	209,592	252,344	-42,752	83.1
Asia and Africa	81,488	77,508	3,980	105.1
America and Australia	38,281	18,119	20,162	211.3
Countries of the region	11,227	23,397	-12,170	48.0
Other countries	41,169	12,753	28,416	322.8
TOTAL INCOME FROM SALES	604,520	565,173	39,347	107.0

B Consolidated financial statements of the KONČAR Group for the first quarter of 2020

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	1/1/20	to:	3/31/20
Year:	2020	Quarter:	1

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:	74780000HOSHMRW0115
Institution code:	501		
Name of the issuer:	Končar Group		
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):	3445		
Consolidated report:	KD	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:	
Končar - Infrastructure and Services Ltd.	Zagreb	1343068	
Končar - Electrical Engineering Institute Inc.	Zagreb	3645363	
Končar - Electronics and Informatics Inc.	Zagreb	3282899	
Končar - Small Electrical Machines Inc.	Zagreb	3282678	
Končar - Generators and Motors Inc.	Zagreb	1356216	
Končar - Renewable Sources Ltd.	Zagreb	2435071	
Končar - Instrument Transformers Inc.	Zagreb	3654656	
Končar - Distribution and Special Transformers Inc.	Zagreb	3654664	
Končar - Switchgear Inc.	Zagreb	3641287	
Končar - Electric Vehicles Inc.	Zagreb	3282660	
Končar - Low Voltage Switches and Circuit Breakers Ltd.	Zagreb	3228398	
Končar - Eng. for Plant Installation & Commissioning Inc.	Zagreb	3654362	
Končar - Power Plant and El. Traction Engineering Inc.	Zagreb	3654354	
Končar - Metal Structures Inc.	Zagreb	1114328	
Power Engineering Transformatory Sp. z o.o.	Czerwonaka, Poznan, Poland		
Bookkeeping firm:	No	(Yes/No)	
Contact person:	MARINA MARKUŠIĆ (only name and surname of the contact person)		
Telephone:	01 3667 175		
E-mail address:	marina.markusic@koncar.hr		
Audit firm:	PricewaterhouseCoopers d.o.o. (name of the audit firm)		
Certified auditor:	Kristina Dimitrov (name and surname)		

BALANCE SHEET

balance as at 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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	1,626,743,107	1,589,740,085
I INTANGIBLE ASSETS (ADP 004 to 009)	003	47,426,037	45,346,935
1 Research and development	004	21,193,174	19,988,410
2 Concessions, patents, licences, trademarks, software and other rights	005	14,427,244	14,338,103
3 Goodwill	006	7,342,331	7,342,331
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	4,463,288	3,678,091
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	1,227,561,090	1,232,350,089
1 Land	011	166,589,706	166,523,136
2 Buildings	012	436,044,459	429,212,081
3 Plant and equipment	013	330,943,539	323,735,824
4 Tools, working inventory and transportation assets	014	60,423,061	61,139,459
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	41,673,305	17,418,343
7 Tangible assets in preparation	017	41,265,580	83,812,014
8 Other tangible assets	018	1,337,757	1,271,747
9 Investment property	019	149,283,683	149,237,485
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	320,305,638	280,645,725
1 Investments in holdings (shares) of undertakings within the group	021	62,280	62,302
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	239,066,545	225,480,446
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	2,002,311	1,663,707
8 Loans, deposits, etc. given	028	10,821,070	5,211,980
9 Other investments accounted for using the equity method	029	45,158,580	45,094,123
10 Other fixed financial assets	030	23,194,852	3,133,167
IV RECEIVABLES (ADP 032 to 035)	031	31,234,634	31,181,628
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	22,295,649	22,591,521
4 Other receivables	035	8,938,985	8,590,107
V DEFERRED TAX ASSETS	036	215,708	215,708
C) CURRENT ASSETS (ADP 038+046+053+063)	037	2,278,939,753	2,226,024,305
I INVENTORIES (ADP 039 to 045)	038	546,807,215	637,138,783
1 Raw materials and consumables	039	290,863,774	292,085,713
2 Work in progress	040	163,182,112	220,614,793
3 Finished goods	041	84,524,520	110,907,982
4 Merchandise	042	217,301	227,233
5 Advances for inventories	043	8,019,508	13,303,062
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0

BALANCE SHEET

balance as at 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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)			
1 Receivables from undertakings within the group	046	1,068,538,533	831,047,728
2 Receivables from companies linked by virtue of participating interests	047	0	0
3 Customer receivables	048	46,170,267	36,806,238
4 Receivables from employees and members of the undertaking	049	928,019,246	691,418,883
5 Receivables from government and other institutions	050	1,135,962	1,646,585
6 Other receivables	051	44,767,093	45,985,864
6 Other receivables	052	48,445,965	55,190,158
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
1 Investments in holdings (shares) of undertakings within the group	053	293,808,189	97,944,224
2 Investments in other securities of undertakings within the group	054	0	0
3 Loans, deposits, etc. to undertakings within the group	055	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	056	0	0
5 Investment in other securities of companies linked by virtue of participating interests	057	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	058	0	0
7 Investments in securities	059	0	0
8 Loans, deposits, etc. given	060	293,299,800	97,117,671
9 Other financial assets	061	508,389	826,553
IV CASH AT BANK AND IN HAND			
	062	369,785,816	659,893,570
D) PREPAID EXPENSES AND ACCRUED INCOME			
	063	21,672,109	27,367,356
E) TOTAL ASSETS (ADP 001+002+037+064)			
	064	3,927,354,969	3,843,131,746
F) OFF-BALANCE SHEET ITEMS			
	065	2,244,877,904	2,092,123,627
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)			
I INITIAL (SUBSCRIBED) CAPITAL			
	067	2,542,161,316	2,536,709,791
II CAPITAL RESERVES			
	068	1,208,895,930	1,208,895,930
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)			
	069	719,579	719,579
1 Legal reserves	070	753,610,993	747,236,788
2 Reserves for treasury shares	071	68,577,327	68,577,327
3 Treasury shares and holdings (deductible item)	072	35,092,359	34,518,335
4 Statutory reserves	073	-10,919,915	-15,497,870
5 Other reserves	074	440,410,513	440,410,513
5 Other reserves	075	220,450,709	219,228,483
IV REVALUATION RESERVES			
	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)			
1 Fair value of financial assets available for sale	077	0	0
2 Cash flow hedge - effective portion	078	0	0
3 Hedge of a net investment in a foreign operation - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)			
1 Retained profit	081	303,376,297	331,915,508
2 Loss brought forward	082	303,376,297	331,915,508
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)			
1 Profit for the business year	084	27,371,314	-7,068,512
2 Loss for the business year	085	27,371,314	0
2 Loss for the business year	086	0	7,068,512
VIII MINORITY (NON-CONTROLLING) INTEREST			
	087	248,187,203	255,010,498

BALANCE SHEET

balance as at 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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 089 to 094)	088	201,384,146	201,113,692
1 Provisions for pensions, termination benefits and similar obligations	089	46,746,634	46,215,518
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	1,912,985	1,912,985
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	151,477,087	151,737,749
6 Other provisions	094	1,247,440	1,247,440
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	174,967,633	211,653,234
1 Liabilities to undertakings within the group	096	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	164,073,437	201,947,121
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	10,894,196	9,706,113
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	837,647,683	758,558,654
1 Liabilities to undertakings within the group	108	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	13,987,694	7,122,586
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	0	0
6 Liabilities to banks and other financial institutions	113	163,819,720	111,901,794
7 Liabilities for advance payments	114	125,804,837	169,089,989
8 Liabilities to suppliers	115	437,375,989	376,266,218
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	34,473,398	40,183,584
11 Taxes, contributions and similar liabilities	118	55,210,543	35,857,471
12 Liabilities arising from the share in the result	119	814,621	913,108
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	6,160,881	17,223,904
E) ACCRUALS AND DEFERRED INCOME	122	171,194,191	135,096,375
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	3,927,354,969	3,843,131,746
G) OFF-BALANCE SHEET ITEMS	124	2,244,877,904	2,092,123,627

STATEMENT OF PROFIT OR LOSS for the period 1.1.2020 to 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.					
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	623,686,352	623,686,352	624,141,832	624,141,832
1 Income from sales with undertakings within the group	126	0	0	0	0
2 Income from sales (outside group)	127	606,629,101	606,629,101	604,520,694	604,520,694
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	17,057,251	17,057,251	19,621,138	19,621,138
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	617,828,064	617,828,064	614,000,371	614,000,371
1 Changes in inventories of work in progress and finished goods	132	-37,520,664	-37,520,664	-77,062,473	-77,062,473
2 Material costs (ADP 134 to 136)	133	444,902,712	444,902,712	478,503,797	478,503,797
<i>a) Costs of raw materials and consumables</i>	134	330,105,558	330,105,558	398,074,646	398,074,646
<i>b) Costs of goods sold</i>	135	44,791,109	44,791,109	14,939,482	14,939,482
<i>c) Other external costs</i>	136	70,006,045	70,006,045	65,489,669	65,489,669
3 Staff costs (ADP 138 to 140)	137	135,423,573	135,423,573	142,308,115	142,308,115
<i>a) Net salaries and wages</i>	138	80,656,446	80,656,446	84,677,276	84,677,276
<i>b) Tax and contributions from salary costs</i>	139	37,416,264	37,416,264	39,333,090	39,333,090
<i>c) Contributions on salaries</i>	140	17,350,863	17,350,863	18,297,749	18,297,749
4 Depreciation	141	23,500,967	23,500,967	24,562,402	24,562,402
5 Other costs	142	46,743,763	46,743,763	38,825,408	38,825,408
6 Value adjustments (ADP 144+145)	143	651,055	651,055	295,265	295,265
<i>a) fixed assets other than financial assets</i>	144	0	0	0	0
<i>b) current assets other than financial assets</i>	145	651,055	651,055	295,265	295,265
7 Provisions (ADP 147 to 152)	146	2,881,818	2,881,818	5,158,974	5,158,974
<i>a) Provisions for pensions, termination benefits and similar obligations</i>	147	0	0	800,000	800,000
<i>b) Provisions for tax liabilities</i>	148	0	0	0	0
<i>c) Provisions for ongoing legal cases</i>	149	0	0	0	0
<i>d) Provisions for renewal of natural resources</i>	150	0	0	0	0
<i>e) Provisions for warranty obligations</i>	151	815,151	815,151	3,558,974	3,558,974
<i>f) Other provisions</i>	152	2,066,667	2,066,667	800,000	800,000
8 Other operating expenses	153	1,244,840	1,244,840	1,408,883	1,408,883
III FINANCIAL INCOME (ADP 155 to 164)	154	6,325,294	6,325,294	24,500,746	24,500,746
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	2,306,711	2,306,711	2,487,219	2,487,219
8 Exchange rate differences and other financial income	162	3,818,755	3,818,755	21,935,056	21,935,056
9 Unrealised gains (income) from financial assets	163	148,960	148,960	1,675	1,675
10 Other financial income	164	50,868	50,868	76,796	76,796
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	3,814,370	3,814,370	15,021,743	15,021,743
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 1.1.2020 to 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.					
Item	ADP 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	168	1,301,085	1,301,085	1,336,471	1,336,471
4 Exchange rate differences and other expenses	169	2,457,005	2,457,005	13,516,412	13,516,412
5 Unrealised losses (expenses) from financial assets	170	0	0	93,232	93,232
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	56,280	56,280	75,628	75,628
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	2,120,423	2,120,423	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	341,340	341,340	13,573,099	13,573,099
VIII SHARE IN LOSS OF JOINT VENTURES	176	0	0	64,456	64,456
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	632,132,069	632,132,069	648,642,578	648,642,578
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	621,983,774	621,983,774	642,659,669	642,659,669
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	10,148,295	10,148,295	5,982,909	5,982,909
1 Pre-tax profit (ADP 177-178)	180	10,148,295	10,148,295	5,982,909	5,982,909
2 Pre-tax loss (ADP 178-177)	181	0	0	0	0
XII INCOME TAX	182	5,122,139	5,122,139	5,446,164	5,446,164
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	5,026,156	5,026,156	536,745	536,745
1 Profit for the period (ADP 179-182)	184	5,026,156	5,026,156	536,745	536,745
2 Loss for the period (ADP 182-179)	185	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 187-188)	186	0	0	0	0
1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-186)	191	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 179+186)	192	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
XVII INCOME TAX (ADP 182+189)	195	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196	0	0	0	0
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	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 (ADP 200+201)	199	5,026,156	5,026,156	536,745	536,745
1 Attributable to owners of the parent	200	662,843	662,843	-7,068,512	-7,068,512
2 Attributable to minority (non-controlling) interest	201	4,363,313	4,363,313	7,605,257	7,605,257
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	202	5,026,156	5,026,156	536,745	536,745
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (AOP 204 do 211)	203	-57,405	-57,405	-2,317,900	-2,317,900
1 Exchange rate differences from translation of foreign operations	204	-57,405	-57,405	-2,317,900	-2,317,900
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 1.1.2020 to 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.					
Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	0
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	0	0
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	-57,405	-57,405	-2,317,900	-2,317,900
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	4,968,751	4,968,751	-1,781,155	-1,781,155
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	4,968,751	4,968,751	-1,781,155	-1,781,155
1 Attributable to owners of the parent	216	632,574	632,574	-8,290,741	-8,290,741
2 Attributable to minority (non-controlling) interest	217	4,336,177	4,336,177	6,509,586	6,509,586

STATEMENT OF CASH FLOWS - direct method for the period 1.1.2020 to 31.3.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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	811,479,871	864,801,765
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	0
3 Cash receipts from insurance premiums	003	515,147	5,674,202
4 Cash receipts from tax refund	004	29,764,737	28,948,103
5 Cash payments to suppliers	005	-572,763,189	-597,520,195
6 Cash payments to employees	006	-143,035,121	-149,083,515
7 Cash payments for insurance premiums	007	-2,184,571	-2,947,998
8 Other cash receipts and payments	008	-55,804,392	-63,817,866
I Cash from operations (ADP 001 to 008)	009	67,972,482	86,054,496
9 Interest paid	010	-1,569,238	-1,324,565
10 Income tax paid	011	-4,291,773	-3,943,616
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 009 to 011)	012	62,111,471	80,786,315
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	013	1,234,747	338,079
2 Cash receipts from sales of financial instruments	014	5,833,275	0
3 Interest received	015	2,232,237	3,221,728
4 Dividends received	016	61,350,031	16,043,418
5 Cash receipts from the repayment of loans and deposits	017	25,910,198	210,331,393
6 Other cash receipts from investment activities	018	0	20,648,745
II Total cash receipts from investment activities (ADP 013 to 018)	019	96,560,488	250,583,363
1 Cash payments for the purchase of fixed tangible and intangible assets	020	-77,925,902	-16,202,038
2 Cash payments for the acquisition of financial instruments	021	0	0
3 Cash payments for loans and deposits	022	-240,515,674	-5,750,121
4 Acquisition of a subsidiary, net of cash acquired	023	0	0
5 Other cash payments from investment activities	024	-396,744	0
III Total cash payments from investment activities (ADP 020 to 024)	025	-318,838,320	-21,952,159
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 019 + 025)	026	-222,277,832	228,631,204
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	027	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	028	0	0
3 Cash receipts from credit principals, loans and other borrowings	029	23,818,357	29,952,012
4 Other cash receipts from financing activities	030	0	195,982
IV Total cash receipts from financing activities (ADP 027 to 030)	031	23,818,357	30,147,994
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	032	-4,026,844	-48,579,385
2 Cash payments for dividends	033	-18,528	-7,082
3 Cash payments for finance lease	034	-246,364	-123,352
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	035	-827,554	-5,151,979
5 Other cash payments from financing activities	036	-214,168	-422,245
V Total cash payments from financing activities (ADP 032 to 036)	037	-5,333,458	-54,284,043
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 031 + 037)	038	18,484,899	-24,136,049
1 Unrealised exchange rate differences in respect of cash and cash equivalents	039	-68,544	4,826,284
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 012+026+038+039)	040	-141,750,006	290,107,754
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	041	616,628,577	369,785,816
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 040+041)	042	474,878,571	659,893,570

STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/20 to 31/03/20

B Consolidated financial statements of the KONČAR Group for the first quarter of 2020

in HRK

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	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge – effective portion	Hedge of a net investment in a foreign operation – effective portion	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 (3 to 6 - 7 + 8 to 15)	17	18
Previous period																	
1 Balance on the first day of the previous business year	01	1,208,895,930	719,579	62,447,461	10,092,359	10,092,359	421,760,811	198,482,961	0	0	0	0	312,124,544	102,837,087	2,307,268,373	230,213,919	2,537,482,292
2 Changes in accounting policies	02	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
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	1,208,895,930	719,579	62,447,461	10,092,359	10,092,359	421,760,811	198,482,961	0	0	0	0	312,124,544	102,837,087	2,307,268,373	230,213,919	2,537,482,292
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	27,371,314	27,371,314	27,582,424	54,953,738
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	1,342,511	0	0	0	0	0	0	1,342,511	1,203,498	2,546,009
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
8 Profit or loss arising from subsequent measurement of financial assets available for sale	08	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
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
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
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
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
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
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	17	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	827,556	0	0	0	0	0	0	0	0	-827,556	0	-827,556
19 Payment of share in profit/dividend	19	0	0	0	0	0	0	0	0	0	0	0	-38,358,860	0	-38,358,860	-13,030,069	-51,388,929
20 Other distribution to owners	20	0	0	0	25,000,000	0	0	-24,980,366	0	0	0	0	-2,841,303	0	-2,821,669	2,217,431	-604,238
21 Transfer to reserves according to the annual schedule	21	0	0	6,129,866	0	0	18,649,702	45,605,603	0	0	0	0	32,451,916	-102,837,087	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the previous business year reporting period (04 to 22)	23	1,208,895,930	719,579	68,577,327	35,092,359	10,919,915	440,410,513	220,450,709	0	0	0	0	303,376,297	27,371,314	2,293,974,113	248,187,203	2,542,161,316
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)	24	0	0	0	0	0	0	1,342,511	0	0	0	0	0	0	1,342,511	1,203,498	2,546,009
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+24)	25	0	0	0	0	0	0	1,342,511	0	0	0	0	0	27,371,314	28,713,825	28,785,922	57,499,747
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	0	0	6,129,866	25,000,000	827,556	18,649,702	20,625,237	0	0	0	0	-8,748,247	-102,837,087	-42,008,085	-10,812,638	-52,820,723

STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/20 to 31/03/20

B Consolidated financial statements of the KONČAR Group for the first quarter of 2020

in HRK

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	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge – effective portion	Hedge of a net investment in a foreign operation – effective portion	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 (3 to 6 - 7 + 8 to 15)	17	18
Current period																	
1 Balance on the first day of the current business year	27	1,208,895,930	719,579	68,577,327	35,092,359	10,919,915	440,410,513	220,450,709	0	0	0	0	303,376,297	27,371,314	2,293,974,113	248,187,203	2,542,161,316
2 Changes in accounting policies	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 27 to 29)	30	1,208,895,930	719,579	68,577,327	35,092,359	10,919,915	440,410,513	220,450,709	0	0	0	0	303,376,297	27,371,314	2,293,974,113	248,187,203	2,542,161,316
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	-7,068,512	-7,068,512	7,605,257	536,745
6 Exchange rate differences from translation of foreign operations	32	0	0	0	0	0	0	-1,222,226	0	0	0	0	0	0	-1,222,226	-1,095,674	-2,317,900
7 Changes in revaluation reserves of fixed tangible and intangible assets	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	34	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	35	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	36	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	37	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	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase 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
18 Redemption of treasury shares/holdings	44	0	0	0	0	5,151,979	0	0	0	0	0	0	0	0	-5,151,979	0	-5,151,979
19 Payment of share in profit/dividend	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	46	0	0	0	-574,024	-574,024	0	0	0	0	0	0	1,167,897	0	1,167,897	313,712	1,481,609
21 Transfer to reserves according to the annual schedule	47	0	0	0	0	0	0	0	0	0	0	0	27,371,314	-27,371,314	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the current business year reporting period (ADP 30 to 48)	49	1,208,895,930	719,579	68,577,327	34,518,335	15,497,870	440,410,513	219,228,483	0	0	0	0	331,915,508	-7,068,512	2,281,699,293	255,010,498	2,536,709,791
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 TAX (AOP 32 to 40)	50	0	0	0	0	0	0	-1,222,226	0	0	0	0	0	0	-1,222,226	-1,095,674	-2,317,900
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 31+50)	51	0	0	0	0	0	0	-1,222,226	0	0	0	0	0	-7,068,512	-8,290,738	6,509,583	-1,781,155
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)	52	0	0	0	-574,024	4,577,955	0	0	0	0	0	0	28,539,211	-27,371,314	-3,984,082	313,712	-3,670,370

Notes to consolidated financial statements

Issuer's name: Končar – Elektroindustrija d.d. (in English: Končar – Electrical Industry Inc.)

Tax identification number (PIN): 45050126417

Reporting period: From January 2020 to 31 March 2020

1. Division of shares

There has been no division of shares.

2. Changes in ownership structure

There have been no significant changes in ownership structure compared to the previous quarter.

3. Mergers and amalgamations

There have been no new mergers or amalgamations

4. Description of products and services

Manufacture of electrical equipment for generation, transmission and consumption of electric power and manufacture of transport equipment.

5. Uncertainty (description of cases for which there are some uncertainties regarding collection of income or possible future costs)

There have been no significant uncertainties regarding the collection of income or possible future costs.

6. Business operation results

In relation to the same period of the previous year, income from sales (which accounts for 93.2% of total income) is 0.3% lower, and operating income (which accounts for 96.2% of total income) are 10.5% higher. Total income is 2.6% higher in comparison with the same period of the previous year. Total expenses are 3.3% higher in comparison with the same period of the previous year, while operating expenses with changes in inventories, which account for 95.5% of total expenses, are 0.6% lower.

Financial income (which accounts for 3.8% of total income) is HRK 18.17 million higher, and financial expenses (which account for 2.3% of total expenses) are HRK 11.21 million higher in comparison to the same period of the previous year. Share in loss from undertakings linked by virtue of participating interest amounts to HRK 13,57 million.

7. Operating and other expenditures

In the period January – March 2020, compared to the same period of the previous year, there has been an increase in the share of material costs in the operating income of 0.8 percentage points and share of provision costs of 0.4 percentage points, and there has been a decrease in the share of staff costs of 0.2 percentage points, depreciation costs of 0.1 percentage points, share of value adjustment costs of 0.1 percentage points and share of other costs and expenses of 1.5 percentage points.

8. Profit or loss

The total profit of the Group after taxation amounts to HRK 537,000, which is HRK 4.49 million less than in the same period of the previous year. A loss in the amount of HRK 7.07 million is attributable to the holders of the Parent Company shares, which is HRK 6.41 million less than in the same period of the previous year. Net profit attributable to the minority interest amounts to HRK 7.61 million, which is HRK 3.24 million more than in the same period of the previous year.

Of the 15 companies that make up the Končar Group, three companies generated a loss in the amount of HRK 11.71 million which is entirely attributable to the holders of the Parent Company shares.

9. Earnings per share

In the period January – March 2020 a loss per share has been realized in the amount of HRK 2.72 which is HRK 2.98 less in comparison to the earnings per share in the same period of the previous year

10. Liquidity

The balance of cash and cash equivalents at the end of the first quarter of 2020 is up by HRK 290.11 million in comparison to the beginning of the year.

11. Accounting policies

In preparing the consolidated financial statements of the Končar Group, the same accounting policies were applied as in the most recent annual financial statements for 2019.

The financial reports for 2019 are available for review on the official website of the Zagreb Stock Exchange (www.zse.hr), Croatian Financial Services Supervisory Agency (www.hanfa.hr) and the company's web site (www.koncar.hr).

C Financial statements of KONČAR – Electrical Industry Inc. for the 1st quarter of 2020

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	1/1/20	to	31/3/20
Year:	2020	Quarter:	1

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:	74780000HOSHMRW0115
Institution code:	501		
Name of the issuer:	KONČAR - ELECTRICAL INDUSTRY Inc.		
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):	51		
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:	No	(Yes/No)	
Contact person:	Ivana Baždar (only name and surname of the contact person)		
Telephone:	01 3655 978		
E-mail address:	ivana.bazdar@koncar.hr		
Audit firm:	PricewaterhouseCoopers d.o.o. (name of the audit firm)		
Certified auditor:	Kristina Dimitrov (name and surname)		

BALANCE SHEET

balance as at 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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	1,400,003,357	1,399,245,371
I INTANGIBLE ASSETS (ADP 004 to 009)	003	3,161,796	3,161,796
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	0	0
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	3,161,796	3,161,796
6 Other intangible assets	009	0	0
II TANGIBLE ASSETS (ADP 011 to 019)	010	413,214,642	412,495,700
1 Land	011	98,596,896	98,596,896
2 Buildings	012	132,843,744	131,213,579
3 Plant and equipment	013	13,102,190	12,622,076
4 Tools, working inventory and transportation assets	014	1,728,557	1,827,446
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	77,168
7 Tangible assets in preparation	017	3,714,115	4,929,395
8 Other tangible assets	018	69,446	69,446
9 Investment property	019	163,159,694	163,159,694
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	953,038,132	953,038,132
1 Investments in holdings (shares) of undertakings within the group	021	846,818,715	846,818,715
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	104,776,367	104,776,367
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	1,443,050	1,443,050
8 Loans, deposits, etc. given	028	0	0
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV RECEIVABLES (ADP 032 to 035)	031	30,588,787	30,549,743
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	22,296,088	22,257,044
4 Other receivables	035	8,292,699	8,292,699
V DEFERRED TAX ASSETS	036	0	0
C) CURRENT ASSETS (ADP 038+046+053+063)	037	281,978,782	310,086,056
I INVENTORIES (ADP 039 to 045)	038	0	0
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	0	0
7 Biological assets	045	0	0

BALANCE SHEET

balance as at 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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)			
1 Receivables from undertakings within the group	046	35,024,023	51,285,341
2 Receivables from companies linked by virtue of participating interests	047	9,447,805	42,745,387
3 Customer receivables	048	16,256,928	456,108
4 Receivables from employees and members of the undertaking	049	1,246,441	1,274,524
5 Receivables from government and other institutions	050	0	0
6 Other receivables	051	0	0
6 Other receivables	052	8,072,849	6,809,322
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
1 Investments in holdings (shares) of undertakings within the group	053	203,575,667	3,527,066
2 Investments in other securities of undertakings within the group	054	0	0
3 Loans, deposits, etc. to undertakings within the group	055	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	056	2,500,000	3,400,000
5 Investment in other securities of companies linked by virtue of participating interests	057	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	058	0	0
7 Investments in securities	059	0	0
8 Loans, deposits, etc. given	060	0	0
9 Other financial assets	061	201,075,667	127,066
IV CASH AT BANK AND IN HAND	062	0	0
D) PREPAID EXPENSES AND ACCRUED INCOME	063	43,379,092	255,273,649
E) TOTAL ASSETS (ADP 001+002+037+064)	064	847,090	1,855,835
F) OFF-BALANCE SHEET ITEMS	065	1,682,829,229	1,711,187,262
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	066	459,846,136	374,297,675
I INITIAL (SUBSCRIBED) CAPITAL	067	1,644,998,526	1,675,809,864
II CAPITAL RESERVES	068	1,208,895,930	1,208,895,930
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	069	719,579	719,579
1 Legal reserves	070	423,268,113	418,116,134
2 Reserves for treasury shares	071	48,614,954	48,614,954
3 Treasury shares and holdings (deductible item)	072	35,092,357	34,518,335
4 Statutory reserves	073	-10,919,913	-15,497,870
5 Other reserves	074	217,684,029	217,684,029
IV REVALUATION RESERVES	075	132,796,686	132,796,686
IV REVALUATION RESERVES	076	0	0
V FAIR VALUE RESERVES (ADP 078 to 080)	077	0	0
1 Fair value of financial assets 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
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	081	4,764,752	12,688,926
1 Retained profit	082	4,764,752	12,688,926
2 Loss brought forward	083	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	084	7,350,152	35,389,295
1 Profit for the business year	085	7,350,152	35,389,295
2 Loss for the business year	086	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	087	0	0

BALANCE SHEET

balance as at 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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 089 to 094)	088	2,579,172	2,579,172
1 Provisions for pensions, termination benefits and similar obligations	089	2,579,172	2,579,172
2 Provisions for tax liabilities	090	0	0
3 Provisions for ongoing legal cases	091	0	0
4 Provisions for renewal of natural resources	092	0	0
5 Provisions for warranty obligations	093	0	0
6 Other provisions	094	0	0
C) LONG-TERM LIABILITIES (ADP 096 to 106)	095	1,245,038	1,245,038
1 Liabilities to undertakings within the group	096	1,173,304	1,173,304
2 Liabilities for loans, deposits, etc. of undertakings within the group	097	0	0
3 Liabilities to companies linked by virtue of participating interests	098	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	099	0	0
5 Liabilities for loans, deposits etc.	100	0	0
6 Liabilities to banks and other financial institutions	101	0	0
7 Liabilities for advance payments	102	0	0
8 Liabilities to suppliers	103	0	0
9 Liabilities for securities	104	0	0
10 Other long-term liabilities	105	71,734	71,734
11 Deferred tax liability	106	0	0
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	107	29,704,301	30,337,387
1 Liabilities to undertakings within the group	108	25,470,080	24,984,884
2 Liabilities for loans, deposits, etc. of undertakings within the group	109	0	0
3 Liabilities to companies linked by virtue of participating interests	110	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	111	0	0
5 Liabilities for loans, deposits etc.	112	0	0
6 Liabilities to banks and other financial institutions	113	0	0
7 Liabilities for advance payments	114	0	0
8 Liabilities to suppliers	115	1,075,733	1,437,601
9 Liabilities for securities	116	0	0
10 Liabilities to employees	117	1,100,715	1,426,103
11 Taxes, contributions and similar liabilities	118	1,170,101	1,635,161
12 Liabilities arising from the share in the result	119	682,918	686,035
13 Liabilities arising from fixed assets held for sale	120	0	0
14 Other short-term liabilities	121	204,754	167,603
E) ACCRUALS AND DEFERRED INCOME	122	4,302,192	1,215,801
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	123	1,682,829,229	1,711,187,262
G) OFF-BALANCE SHEET ITEMS	124	459,846,136	374,297,675

STATEMENT OF PROFIT OR LOSS for the period 01.01.2020 to 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.					
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	44,410,420	44,410,420	50,398,709	50,398,709
1 Income from sales with undertakings within the group	126	42,983,538	42,983,538	48,532,572	48,532,572
2 Income from sales (outside group)	127	28,377	28,377	131,802	131,802
3 Income from the use of own products, goods and services	128	0	0	0	0
4 Other operating income with undertakings within the group	129	0	0	0	0
5 Other operating income (outside the group)	130	1,398,505	1,398,505	1,734,335	1,734,335
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	131	19,692,215	19,692,215	20,496,740	20,496,740
1 Changes in inventories of work in progress and finished goods	132	0	0	0	0
2 Material costs (ADP 134 to 136)	133	7,141,618	7,141,618	7,089,876	7,089,876
<i>a) Costs of raw materials and consumables</i>	134	1,864,727	1,864,727	1,524,881	1,524,881
<i>b) Costs of goods sold</i>	135	0	0	0	0
<i>c) Other external costs</i>	136	5,276,891	5,276,891	5,564,995	5,564,995
3 Staff costs (ADP 138 to 140)	137	6,534,866	6,534,866	7,261,692	7,261,692
<i>a) Net salaries and wages</i>	138	3,291,617	3,291,617	3,656,779	3,656,779
<i>b) Tax and contributions from salary costs</i>	139	2,320,193	2,320,193	2,576,899	2,576,899
<i>c) Contributions on salaries</i>	140	923,056	923,056	1,028,014	1,028,014
4 Depreciation	141	2,023,825	2,023,825	2,475,762	2,475,762
5 Other costs	142	3,973,053	3,973,053	3,656,770	3,656,770
6 Value adjustments (ADP 144+145)	143	0	0	0	0
<i>a) fixed assets other than financial assets</i>	144	0	0	0	0
<i>b) current assets other than financial assets</i>	145	0	0	0	0
7 Provisions (ADP 147 to 152)	146	0	0	0	0
<i>a) Provisions for pensions, termination benefits and similar obligations</i>	147	0	0	0	0
<i>b) Provisions for tax liabilities</i>	148	0	0	0	0
<i>c) Provisions for ongoing legal cases</i>	149	0	0	0	0
<i>d) Provisions for renewal of natural resources</i>	150	0	0	0	0
<i>e) Provisions for warranty obligations</i>	151	0	0	0	0
<i>f) Other provisions</i>	152	0	0	0	0
8 Other operating expenses	153	18,853	18,853	12,640	12,640
III FINANCIAL INCOME (ADP 155 to 164)	154	678,458	678,458	5,552,250	5,552,250
1 Income from investments in holdings (shares) of undertakings within the group	155	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	156	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	157	0	0	0	0
4 Other interest income from operations with undertakings within the group	158	140,133	140,133	17,768	17,768
5 Exchange rate differences and other financial income from operations with undertakings within the group	159	0	0	0	0
6 Income from other long-term financial investments and loans	160	0	0	0	0
7 Other interest income	161	6,040	6,040	253,836	253,836
8 Exchange rate differences and other financial income	162	383,325	383,325	5,280,646	5,280,646
9 Unrealised gains (income) from financial assets	163	148,960	148,960	0	0
10 Other financial income	164	0	0	0	0
IV FINANCIAL EXPENSES (ADP 166 to 172)	165	395,756	395,756	64,924	64,924
1 Interest expenses and similar expenses with undertakings within the group	166	0	0	5,328	5,328
2 Exchange rate differences and other expenses from operations with undertakings within the group	167	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 01.01.2020 to 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.					
Item	ADP 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	168	0	0	0	0
4 Exchange rate differences and other expenses	169	395,756	395,756	59,596	59,596
5 Unrealised losses (expenses) from financial assets	170	0	0	0	0
6 Value adjustments of financial assets (net)	171	0	0	0	0
7 Other financial expenses	172	0	0	0	0
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	173	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	174	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	175	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	176	0	0	0	0
IX TOTAL INCOME (ADP 125+154+173 + 174)	177	45,088,878	45,088,878	55,950,959	55,950,959
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	178	20,087,971	20,087,971	20,561,664	20,561,664
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	179	25,000,907	25,000,907	35,389,295	35,389,295
1 Pre-tax profit (ADP 177-178)	180	25,000,907	25,000,907	35,389,295	35,389,295
2 Pre-tax loss (ADP 178-177)	181	0	0	0	0
XII INCOME TAX	182	0	0	0	0
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	183	25,000,907	25,000,907	35,389,295	35,389,295
1 Profit for the period (ADP 179-182)	184	25,000,907	25,000,907	35,389,295	35,389,295
2 Loss for the period (ADP 182-179)	185	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 187-188)	186	0	0	0	0
1 Pre-tax profit from discontinued operations	187	0	0	0	0
2 Pre-tax loss on discontinued operations	188	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	189	0	0	0	0
1 Discontinued operations profit for the period (ADP 186-189)	190	0	0	0	0
2 Discontinued operations loss for the period (ADP 189-186)	191	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 179+186)	192	0	0	0	0
1 Pre-tax profit (ADP 192)	193	0	0	0	0
2 Pre-tax loss (ADP 192)	194	0	0	0	0
XVII INCOME TAX (ADP 182+189)	195	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	196	0	0	0	0
1 Profit for the period (ADP 192-195)	197	0	0	0	0
2 Loss for the period (ADP 195-192)	198	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 (ADP 200+201)	199	0	0	0	0
1 Attributable to owners of the parent	200	0	0	0	0
2 Attributable to minority (non-controlling) interest	201	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	202	25,000,907	25,000,907	35,389,295	35,389,295
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (AOP 204 do 211)	203	0	0	0	0
1 Exchange rate differences from translation of foreign operations	204	0	0	0	0
2 Changes in revaluation reserves of fixed tangible and intangible assets	205	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 01.01.2020 to 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.					
Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
3 Profit or loss arising from subsequent measurement of financial assets available for sale	206	0	0	0	0
4 Profit or loss arising from effective cash flow hedging	207	0	0	0	0
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	208	0	0	0	0
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	209	0	0	0	0
7 Actuarial gains/losses on the defined benefit obligation	210	0	0	0	0
8 Other changes in equity unrelated to owners	211	0	0	0	0
III TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	212	0	0	0	0
IV NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	213	0	0	0	0
V COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	214	25,000,907	25,000,907	35,389,295	35,389,295
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	0	0	0	0
1 Attributable to owners of the parent	216	0	0	0	0
2 Attributable to minority (non-controlling) interest	217	0	0	0	0

STATEMENT OF CASH FLOWS - direct method for the period 01.01.2020 to 31.03.2020

in HRK

Submitter: KONČAR - ELECTRICAL INDUSTRY, Inc.			
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	4,952,894	5,825,156
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 Cash payments to suppliers	005	-6,424,295	-4,597,980
6 Cash payments to employees	006	-6,280,045	-6,432,480
7 Cash payments for insurance premiums	007	0	0
8 Other cash receipts and payments	008	516,964	2,703,042
I Cash from operations (ADP 001 to 008)	009	-7,234,482	-2,502,262
9 Interest paid	010	0	0
10 Income tax paid	011	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 009 to 011)	012	-7,234,482	-2,502,262
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	013	882,440	303,904
2 Cash receipts from sales of financial instruments	014	5,833,275	0
3 Interest received	015	0	0
4 Dividends received	016	61,350,031	16,043,418
5 Cash receipts from the repayment of loans and deposits	017	21,250,000	208,124,630
6 Other cash receipts from investment activities	018	0	0
II Total cash receipts from investment activities (ADP 013 to 018)	019	68,065,746	16,347,322
1 Cash payments for the purchase of fixed tangible and intangible assets	020	-47,325,409	-516,633
2 Cash payments for the acquisition of financial instruments	021	0	0
3 Cash payments for loans and deposits	022	-200,229,246	-4,400,000
4 Acquisition of a subsidiary, net of cash acquired	023	0	0
5 Other cash payments from investment activities	024	0	0
III Total cash payments from investment activities (ADP 020 to 024)	025	-47,325,409	-516,633
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 019 + 025)	026	20,740,337	15,830,689
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	027	0	0
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	028	0	0
3 Cash receipts from credit principals, loans and other borrowings	029	0	0
4 Other cash receipts from financing activities	030	0	0
IV Total cash receipts from financing activities (ADP 027 to 030)	031	21,250,000	208,124,630
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	032	0	0
2 Cash payments for dividends	033	-18,528	-6,520
3 Cash payments for finance lease	034	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	035	-827,556	-5,151,979
5 Other cash payments from financing activities	036	0	0
V Total cash payments from financing activities (ADP 032 to 036)	037	-201,075,330	-9,558,499
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 031 + 037)	038	-179,825,330	198,566,131
1 Unrealised exchange rate differences in respect of cash and cash equivalents	039	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 012+026+038+039)	040	-166,319,475	211,894,558
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	041	261,470,979	43,379,091
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 040+041)	042	95,151,504	255,273,649

STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/20 to 31/03/20

C Financial statements of KONČAR - Electrical Industry Inc. for the 1st quarter of 2020

in HRK

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	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge – effective portion	Hedge of a net investment in a foreign operation – effective portion	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 (3 to 6 - 7 + 8 to 15)	17	18
Previous period																	
1 Balance on the first day of the previous business year	01	1,208,895,930	719,579	44,839,799	10,092,358	10,092,358	217,684,029	124,407,972	0	0	0	0	4,764,752	75,503,105	1,676,815,166	0	1,676,815,166
2 Changes in accounting policies	02	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
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	1,208,895,930	719,579	44,839,799	10,092,358	10,092,358	217,684,029	124,407,972	0	0	0	0	4,764,752	75,503,105	1,676,815,166	0	1,676,815,166
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	7,350,152	7,350,152	0	7,350,152
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
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
8 Profit or loss arising from subsequent measurement of financial assets available for sale	08	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
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
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
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
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
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
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	17	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	827,556	0	0	0	0	0	0	0	0	-827,556	0	-827,556
19 Payment of share in profit/dividend	19	0	0	0	0	0	0	0	0	0	0	0	0	-38,358,870	-38,358,870	0	-38,358,870
20 Other distribution to owners	20	0	0	0	0	0	0	19,634	0	0	0	0	0	0	19,634	0	19,634
21 Transfer to reserves according to the annual schedule	21	0	0	3,775,155	25,000,000	0	0	8,369,080	0	0	0	0	0	-37,144,235	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the previous business year reporting period (04 to 22)	23	1,208,895,930	719,579	48,614,954	35,092,358	10,919,914	217,684,029	132,796,686	0	0	0	0	4,764,752	7,350,152	1,644,998,526	0	1,644,998,526
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)	24	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+24)	25	0	0	0	0	0	0	0	0	0	0	0	0	7,350,152	7,350,152	0	7,350,152
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 22)	26	0	0	3,775,155	25,000,000	827,556	0	8,388,714	0	0	0	0	0	-75,503,105	-39,166,792	0	-39,166,792

STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/20 to 31/03/20

C Financial statements of KONČAR - Electrical Industry Inc. for the 1st quarter of 2020

in HRK

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	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge – effective portion	Hedge of a net investment in a foreign operation – effective portion	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 (3 to 6 - 7 + 8 to 15)	17	18
Current period																	
1 Balance on the first day of the current business year	27	1,208,895,930	719,579	48,614,954	35,092,358	10,919,914	217,684,029	132,796,686	0	0	0	0	4,764,752	7,350,152	1,644,998,526	0	1,644,998,526
2 Changes in accounting policies	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the current business year (restated) (ADP 27 to 29)	30	1,208,895,930	719,579	48,614,954	35,092,358	10,919,914	217,684,029	132,796,686	0	0	0	0	4,764,752	7,350,152	1,644,998,526	0	1,644,998,526
5 Profit/loss of the period	31	0	0	0	0	0	0	0	0	0	0	0	0	35,389,295	35,389,295	0	35,389,295
6 Exchange rate differences from translation of foreign operations	32	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	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Profit or loss arising from subsequent measurement of financial assets available for sale	34	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	35	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	36	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	37	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	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Increase/decrease in initial (subscribed) capital (other than from reinvesting profit and other than arising from the pre-bankruptcy settlement procedure)	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Increase in initial (subscribed) capital arising from the reinvestment of profit	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Increase 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
18 Redemption of treasury shares/holdings	44	0	0	0	0	5,151,979	0	0	0	0	0	0	0	0	-5,151,979	0	-5,151,979
19 Payment of share in profit/dividend	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Other distribution to owners	46	0	0	0	-574,022	-574,022	0	0	0	0	0	0	574,022	0	574,022	0	574,022
21 Transfer to reserves according to the annual schedule	47	0	0	0	0	0	0	0	0	0	0	0	7,350,152	-7,350,152	0	0	0
22 Increase in reserves arising from the pre-bankruptcy settlement procedure	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Balance on the last day of the current business year reporting period (ADP 30 to 48)	49	1,208,895,930	719,579	48,614,954	34,518,336	15,497,871	217,684,029	132,796,686	0	0	0	0	12,688,926	35,389,295	1,675,809,864	0	1,675,809,864
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 TAX (AOP 32 to 40)	50	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 31+50)	51	0	0	0	0	0	0	0	0	0	0	0	0	35,389,295	35,389,295	0	35,389,295
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 41 to 48)	52	0	0	0	-574,022	4,577,957	0	0	0	0	0	0	7,924,174	-7,350,152	-4,577,957	0	-4,577,957

D Management's statement of liability

The consolidated financial statements of the Končar Group and the company Končar - Elektroindustrija d.d. Zagreb are prepared in accordance with International Financial Reporting Standards (IFRS) and the Croatian Accounting Act.

The unaudited consolidated financial statements of the Končar Group and the financial statements of Končar - Elektroindustrija d.d. for the period from 1 January to 31 March 2020 give a complete and fair view of the assets and liabilities, profit and loss, financial position and operations of the issuers and companies included in the consolidation as a whole

The Management's report for the period up to 31 March 2020 contains a true and fair view of the results of the Company's operations.

Signed on behalf of the Management Board:

Gordan Kolak, MSc
President of the Management Board

A handwritten signature in blue ink, appearing to read 'G. Kolak', is positioned below the printed name and title.



KONČAR

Končar - Elektroindustrija
Faličeva cesta 10, Zagreb

KONČAR

Končar - Electrical Industry Inc.

Fallerovo šetalište 22
10000 Zagreb, Croatia
phone: +385 1 3655 974
e-mail: marketing@koncar.hr