



ZAGREB STOCK EXCHANGE

Ivana Lu i a 2a
10000 Zagreb

Subject: **Notice of agreement concluded with HEP d.d. for construction of S/S Srš in Dubrovnik**

Dear Sirs,

We are free to inform you that yesterday Dalekovod, as a leading partner, and Kon ar-in0enjerin g d.d. za energetiku i transport and Hidroelektra niskogradnja d.d. as partners entered into an agreement with HEP Operator distribucijskog sustava d.o.o. for construction of S/S 110/20(10) kV Sr š in Durbovnik on a *turn-key* basis.

The total value of contracted works amounts to 97.8 million kuna including VAT, and the above must be completed within two years.

This projects is of paramount importance for the city of Dubrovnik and the wider area of the Dubrovnik-Neretva County due to the increase in electricity consumption and the need to increase the availability and capacity of the distribution network on the territory of the South Adriatic.

With construction of S/S 110/20 (10) kV Sr š with the accompanying connecting lines the availability and reliability of supply of electricity to consumers shall be provided and the quality of the delivered electricity increased as well.

Sincerely,

Dalekovod d.d.