

Croatian Financial Services Agency  
Zagreb Stock Exchange Inc.  
Croatian News Agency

In Zagreb, on 7<sup>th</sup> March, 2019

Subject: Notice Supplement

Končar – Electrical Industry Inc. supplements its notice of 23<sup>rd</sup> November, 2018 referring to the Contract on Manufacture of Six Low Floor Tram Cars for the town transport in the Town of Liepaja in the Republic of Latvia as follows:

The value of the contracted project represents app. 30 % of the total annual income of Končar – Electrical Vehicles Inc. and the stated Contract is important due to additional references for bidding in other export markets, since it is the first export project of Končar – Electrical Vehicles regarding low floor tram cars.

The importance of the contracted project for the business operations of the issuer is estimated by:

- a) The importance of the contracted project at the level of Končar – Electrical Vehicles Inc;
- b) The importance of the contracted project at the level of the Končar Group Companies that will deliver equipment and services from its production programme for the needs of transport as well as for the complete Končar Group;
- c) The fact we are talking about the project resulted from Končar in-house research and development having a high added value.