

Consolidated
financial statements
of **KONČAR Group**

Unaudited

January –
September

**20
25**

KONČAR

Inspired by challenge

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Key performance indicators

Sales revenue

+ 24.5%

Export

+ 20.9%

EBITDA

+31.5%

Net profit

+43.7%

Backlog

+18.3%

Book-to-bill ratio

1.3

*Compared to January – September 2024
Backlog comparable to 30 September 2024*

A Management Board Report



Statement by Mr. Gordan Kolak, MSc, President of the Management Board

The results recorded for the first nine months of 2025 clearly reflect the KONČAR Group's operational strength and strategic resilience. With a solid foundation built through strategic transformation and targeted investment, we are well-positioned to unlock further growth in the coming period.

Our sustained upward momentum is evident across all key metrics – revenue grew by 24.5% year-on-year, while net profit surged to EUR 167.6 million, up 43.7%. Order intake continues to exceed revenue, with the order backlog reaching a robust EUR 2.32 billion.

KONČAR reached several defining milestones in the third quarter, further reinforcing its influence in Europe's energy, transport, and industrial sectors. By introducing the first battery-powered train into service, Croatia has become the first European country to have such a train in commercial operation. With this achievement, KONČAR has joined a select group of global innovators capable of designing and producing battery-powered trains, underscoring its role as a world-class high-tech manufacturer. Alongside this, we continued our successful collaboration with Gradski prijevoz putnika Osijek by signing a second supply agreement for ten new trams.

Meanwhile, in the power transmission and distribution segment, which continues to drive the Group's operations, a key milestone was the contract for the new 400 kV Promina substation. This facility will serve as a key node in the transmission network, enabling integration of renewable energy from the Promina solar power plant and securing supply for nearly 69,000 households. Complementing our infrastructure portfolio, we are accelerating progress in digital transformation. KONČAR – Digital has been engaged as a cybersecurity advisor for a UK project focused on modernising security systems at two power plants. Our scope encompasses system diagnostics and expert advisory on implementing OT security frameworks in accordance with regulatory and industry-specific standards.

For the third consecutive year, KONČAR has been recognised by HANFA with the Award for Excellence in adherence to the Corporate Governance Code for issuers listed on the Official Market of the Zagreb Stock Exchange. This achievement underscores our dedication to integrity, transparency, and best practice governance, which remain central to our sustainable growth and leadership.

Driven by consistent financial strength, KONČAR continues to gain traction among investors. In September alone, shares of KONČAR Inc., Dalekovod, and KONČAR – Distribution and Special Transformers made up 44.2% of total trading activity on the Zagreb Stock Exchange. Over the third quarter, KONČAR Inc. recorded a market capitalisation increase of EUR 326 million, closing the period at EUR 1.7 billion.

With the final quarter underway, KONČAR Group continues to advance its long-term strategy, building on the pillars of sustainability, talent, and innovation. In an environment that demands agility and resilience, we remain confident that our strong momentum, paired with Europe's accelerating green and digital transformation, will drive 2025 to surpass both prior-year results and internal target projections.

Gordan Kolak, MSc, BSc Eng.
President of the Management Board

KONČAR GROUP KEY PERFORMANCE INDICATORS JANUARY - SEPTEMBER 2025

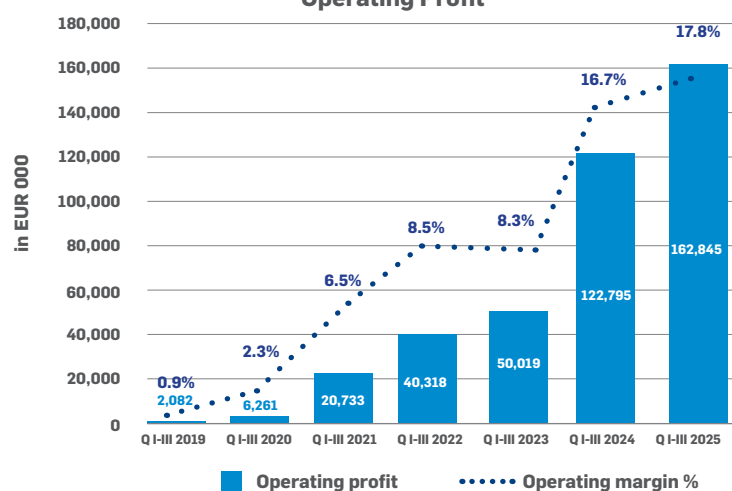
Business performance indicators

Index

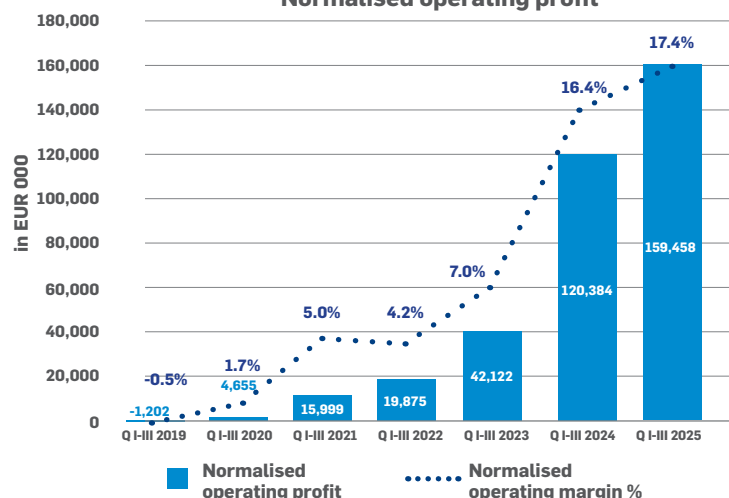
in EUR 000	Q I-III 2024	Q I-III 2025	Δ	2025/2024
Operating income	745,292	925,828	180,536	124.2
Sales revenue – total	734,573	914,191	179,618	124.5
Sales revenue – export	534,269	645,944	111,675	120.9
Operating expenses	622,497	762,983	140,486	122.6
Operating profit	122,795	162,845	40,050	132.6
Operating margin	16.7%	17.8%		
Normalised operating profit	120,384	159,458	39,074	132.5
Normalised operating margin	16.4%	17.4%		
Net profit	116,604	167,574	50,970	143.7
Net margin	15.9%	18.3%		
Normalised net profit	114,194	164,187	49,993	143.8
Normalised net margin	15.5%	18.0%		
Depreciation and amortisation	16,747	20,647	3,900	123.3
EBITDA	139,542	183,492	43,950	131.5
EBITDA margin	19.0%	20.1%		
Normalised EBITDA ¹	137,131	180,105	42,974	131.3
Normalised EBITDA margin ¹	18.7%	19.7%		
Order intake	1,276,411	1,201,940	-74,471	94.2
Backlog²	1,964,376	2,323,321	358,945	118.3
Book-to-bill ratio	1.7	1.3		

Normalised EBITDA¹: EBITDA adjusted for the net effect of provisioning, gains on the sale of assets, income from damage compensation, and increased by impairment of non-current and current assets.
Backlog²: Value as at 30 September

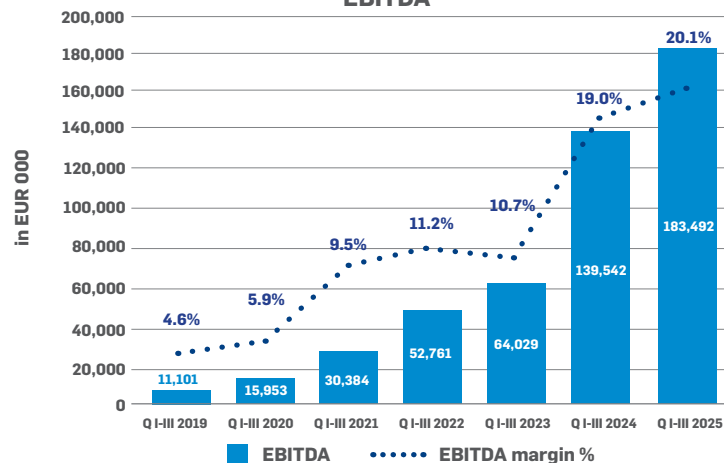
Operating Profit



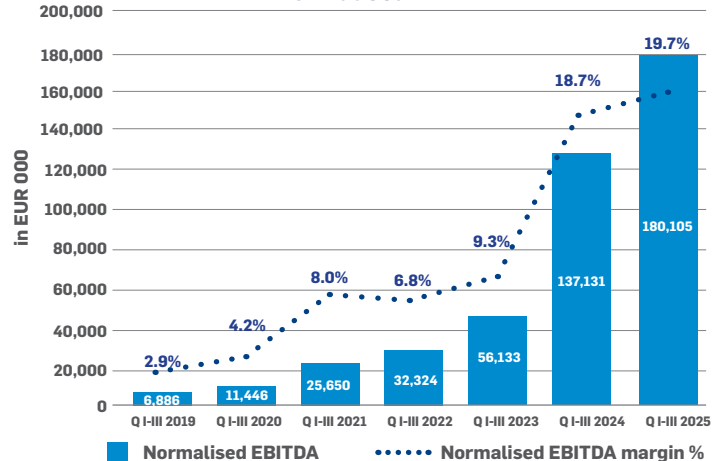
Normalised operating profit



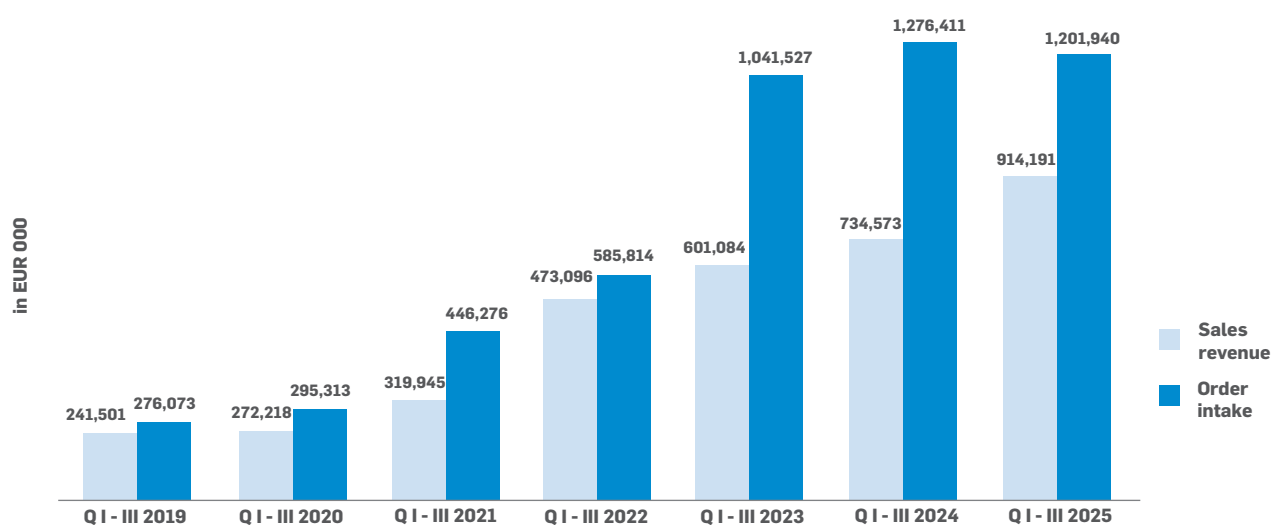
EBITDA



Normalised EBITDA



Order intake/Revenue



STATEMENT OF PROFIT AND LOSS

During the period January – September 2025, KONČAR Group delivered results that exceeded those achieved in the first three quarters of the previous year. All business segments performed strongly, with key companies KONČAR – D&ST and KONČAR – Instrument Transformers once again outperforming across all performance indicators — including revenue, profit, profitability, and order intake. Dalekovod Group also continues to show results that are significantly better than last year's figures.

Consolidated operating income for Q1–Q3 2025 amounted to EUR 925.8 million, which represents an increase of EUR 180.5 million or 24.2% compared to the corresponding period in 2024.

Consolidated revenue from the sale of products and services totalled EUR 914.2 million, an increase of EUR 179.6 million or 24.5% year-on-year.

Other operating income amounted to EUR 11.6 million, representing a year-on-year increase of EUR 0.9 million. This income includes one-off items such as gains on the sale of assets, government grants, income from damage compensation, and other revenues.

Operating expenses amounted to EUR 763.0 million, representing a 22.6% year-on-year increase compared to Q1–Q3 2024.

The largest component of operating expenses was material costs, comprising raw materials and supplies, cost of goods sold, and other external services, which amounted to EUR 535.6 million, representing a year-on-year increase of EUR 105.4 million compared to Q1–Q3 2024. Material costs accounted for 57.6% of adjusted sales revenue, down by 1.0 percentage point year-on-year.

Staff costs amounted to EUR 166.4 million in Q1–Q3 2025. Their share in adjusted sales revenue accounted for 17.9%, identical to the same period last year. Staff costs increased by EUR 35.2 million year-on-year. This nominal increase is primarily attributable to a higher headcount, 584 more employees compared to Q1–Q3 2024, as well as to increased employee remuneration across all Group companies. As at 30 September 2025, the Group had a total of 5,975 employees.

Other operating expenses totalled EUR 56.8 million, representing a year-on-year increase of EUR 14.5 million. These expenses include employee-related costs and benefits, non-production services, banking fees and commissions, insurance premiums, professional training, donations and sponsorships, and fees and costs under service contracts, among others.

Operating profit (EBIT) amounted to EUR 162.8 million, up EUR 40.1 million or 32.6% compared to the same period in 2024. The operating margin was 17.8%, up from 16.7% in the prior-year period.

Share in profit of associates amounted to EUR 32.2 million, an increase of EUR 13.8 million compared to Q1–Q3 2024.

The net financial result was negative, amounting to EUR 0.5 million.

Total consolidated income of the Group for Q1–Q3 2025 amounted to EUR 961.4 million, representing a year-on-year increase of EUR 193.7 million or 25.2% compared to Q1–Q3 2024.

Operating profit of EUR 162.8 million, a negative net financial result of EUR 0.5 million, and a profit contribution from associates and joint ventures of EUR 32.2 million together resulted in consolidated profit before tax of EUR 194.5 million.

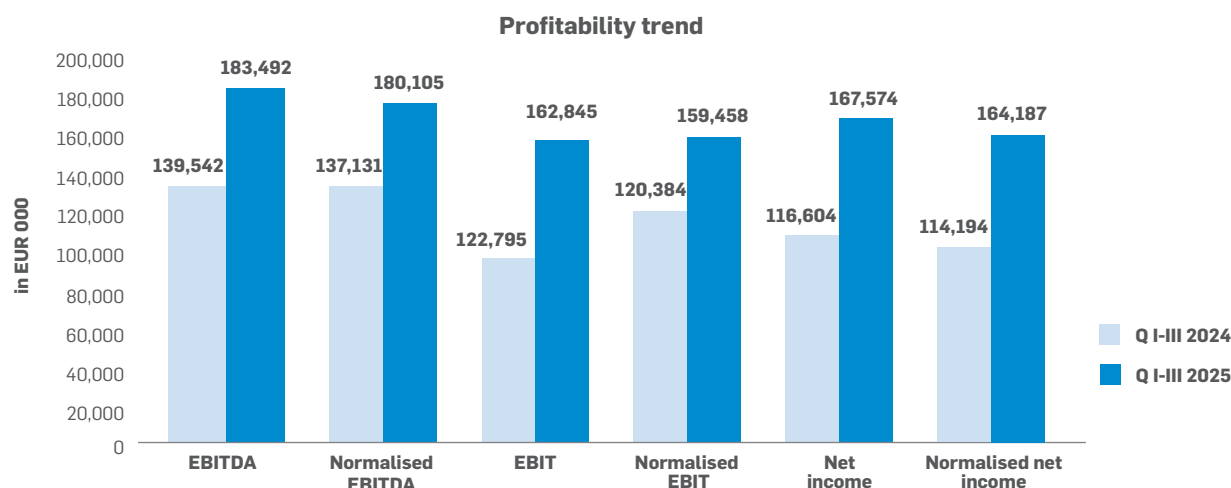
The estimated income tax expense for the period amounts to EUR 26.9 million.

Net profit for the first three quarters of 2025 totalled EUR 167.6 million. This represents a year-on-year increase of EUR 51.0 million, or 43.7%, compared to the corresponding period of the previous year.

EBITDA amounted to EUR 183.5 million, an increase of EUR 44.0 million compared to Q1–Q3 2024. The EBITDA margin stood at 20.1%, up from 19.0% in the prior-year period.

During the reporting period, normalised performance indicators (EBITDA, EBIT, and net profit) were EUR 3.4 million lower than reported figures. Accordingly, normalised margins were lower by 0.4 percentage points compared to reported margins.

in EUR 000	Index			
	Q I - III 2024	Q I - III 2025	Δ	2025/2024
OPERATING INCOME	745,292	925,828	180,536	124.2
OPERATING EXPENSES	622,497	762,983	140,486	122.6
Material costs and change in value of inventories	430,864	519,652	88,788	120.6
Staff costs	131,234	166,429	35,195	126.8
Depreciation and amortisation	16,747	20,647	3,900	123.3
Other costs	42,271	56,779	14,508	134.3
Value adjustment of non-current and current assets	1,382	796	-586	57.6
Provisions	0	-1,320	-1,320	n/a
OPERATING PROFIT	122,795	162,845	40,050	132.6
SHARE IN PROFIT OF ASSOCIATED PARTIES	18,458	32,223	13,765	174.6
SHARE IN LOSS OF ASSOCIATED PARTIES	7	28	21	400.0
FINANCE INCOME	3,889	3,321	-568	85.4
FINANCE COSTS	3,984	3,898	-86	97.8
TOTAL INCOME	767,638	961,372	193,734	125.2
TOTAL EXPENSES	626,488	766,909	140,421	122.4
Profit before tax	141,150	194,463	53,313	137.8
Income tax	24,546	26,889	2,343	109.5
PROFIT FOR THE PERIOD	116,604	167,574	50,970	143.7



Net Debt

in EUR 000	31 December 2024	30 September 2025	Δ
Liabilities to banks and financial institutions	29,044	45,430	16,386
Lease liabilities – future payments	461	2,693	2,232
Non-current liabilities	29,505	48,122	18,617
Liabilities for loans and to banks and financial institutions	41,358	44,570	3,212
Interest liabilities	207	214	7
Lease liabilities – future payments	280	405	125
Current liabilities	41,845	45,188	3,343
TOTAL DEBT	71,350	93,311	21,961
Cash and cash equivalents	147,964	218,761	70,797
Current financial assets	80,666	138,363	57,697
NET DEBT	-157,280	-263,814	-106,534
Net debt / normalised EBITDA	neg	neg	

Summarised Statement of Financial Position

in EUR 000	31 December 2024	30 September 2025	Δ
Non-current assets	366,115	455,798	89,683
Current assets and prepaid expenses and accrued income	881,517	1,004,197	122,680
Assets	1,247,632	1,459,995	212,363
Capital and reserves	650,053	789,723	139,670
Non-current liabilities	66,380	85,379	18,999
Current liabilities and accruals and deferred income	531,199	584,893	53,694
Total equity and liabilities	1,247,632	1,459,995	212,363

in EUR 000	31 December 2024	30 September 2025	Δ
Current assets and prepaid expenses and accrued income	881,517	1,004,197	122,680
Current liabilities and accruals and deferred income	531,199	584,893	53,694
Current Assets to Current Liabilities Ratio	1,7	1,7	

Financial position

Key indicators of the Statement of financial position as at 30 September 2025

As at 30 September 2025, total consolidated assets and sources of funds amounted to EUR 1,460.0 million, representing an increase of EUR 212.4 million or 17.0% compared to the year-end 2024.

Within the asset structure, non-current assets amounted to EUR 455.8 million, accounting for 31.2% of total assets. Compared to the previous year-end, non-current assets increased by EUR 89.7 million or 24.5%. The increase was driven by growth across property, plant and equipment, intangible assets, non-current financial assets, and non-current receivables, while deferred tax assets declined. Property, plant and equipment increased by EUR 54.8 million, primarily due to investment activities across several Group companies, including the expansion of production capacities and the construction of a new facility. Increase in intangible assets mainly reflects goodwill arising from the acquisition of HELB Ltd. by KONČAR Inc., as well as intangible assets under development.

Non-current financial assets amounted to EUR 84.1 million, up EUR 26.3 million as a result of increased equity-accounted investments and decrease of long-term loans (reclassification of long-term loans to short-term).

As at 30 September 2025, current assets and prepaid expenses and accrued income totalled EUR 1,004.2 million, an increase of EUR 122.7 million compared to 31 December 2024, and accounted for 68.8% of total assets. The increase was primarily driven by higher cash and cash equivalents, an increase in current financial assets, and inventory growth. These increases were partially offset by declines in trade receivables, prepaid expenses, and accrued income.

Compared to 31 December 2024:

- Inventories amounted to EUR 264.1 million, representing an increase of EUR 27.5 million. This increase was driven by higher

values of raw materials and supplies, semi-finished and finished goods, advances for inventory, and non-current assets held for sale, while work-in-progress and merchandise decreased;

- Total current receivables decreased by EUR 28.7 million. The most significant portion of this decrease relates to the collection of dividends from associated company. Trade receivables declined by EUR 12.1 million;
- State receivables decreased by EUR 0.9 million, while receivables from employees and company members increased by EUR 0.2 million. Other receivables rose by EUR 2.9 million;
- Current financial assets increased by EUR 57.7 million, with deposits higher by EUR 59.9 million and investments in securities lower by EUR 10.9 million;
- Prepaid expenses and accrued income as at 30 September 2025 amounted to EUR 5.0 million, representing a decrease of EUR 4.6 million;
- Cash and cash equivalents as at 30 September 2025 amounted to EUR 218.8 million, an increase of EUR 70.8 million. The increase was primarily driven by strong positive cash flow from operating activities, which totalled EUR 182.7 million for the period Q1–Q3 2025. Cash flow from financing activities was negative at EUR 18.4 million, while cash flow from investing activities was also negative, amounting to EUR 93.3 million, mainly due to increased outflows for term deposits, capital investments, and the acquisition of financial instruments (e.g. treasury bills and equity interests).

As of 30 September 2025, the sources of funding item show changes from 31 December 2024, as follows:

- Total equity and reserves of the Group amounted to EUR 789.7 million, an increase of EUR 139.7 million. This increase was primarily driven by net profit generated during the first three quarters of 2025;
- Non-current provisions totalled EUR 27.8 million, down EUR 0.2 million;
- Non-current liabilities amounted to EUR 57.6 million, an increase of EUR 19.2 million, largely due to higher long-term liabilities to banks and other financial institutions for investment purposes;
- Current liabilities amounted to EUR 530.6 million, up EUR 46.5 million. The most significant change within the structure of current liabilities was in advance payments received, which rose by EUR 48.7 million. Liabilities for taxes, contributions, and similar charges increased by EUR 16.9 million, while liabilities to employees grew by EUR 4.1 million. In contrast, trade payables decreased by EUR 29.2 million, and short-term liabilities to banks and other financial institutions increased by EUR 2.1 million;
- Deferred income and accrued expenses amounted to EUR 54.3 million, an increase of EUR 7.2 million.

In the structure of sources of funding, subscribed capital, reserves, retained earnings, current year profit, and non-controlling interests amounted to EUR 789.7 million, representing 54.1% of total sources of funding. Non-current provisions totalled EUR 27.8 million, accounting for 2.0% of total sources. Total non-current and current liabilities amounted to EUR 588.2 million, representing 40.3% of total sources. Within current liabilities, advance payments received amounted to EUR 274.8 million or 18.8% of total sources, while trade payables totalled EUR 119.8 million, or 8.2% of total sources. Total bank liabilities (both long-term and short-term) amounted to EUR 66.6 million, an increase of EUR 16.3 million compared to 31 December 2024, and represented 4.6% of total sources of funding.

At the end of Q3 2025, the Group's off-balance-sheet contingent liabilities amounted to EUR 1,423.8 million, up EUR 191.5 million compared to year-end 2024. These contingent liabilities relate to issued payment securities, including guarantees, sureties, and promissory notes.

The total amount of current assets and prepaid expenses exceeds the total of current liabilities and deferred income by a factor of 1.7. The structure of the consolidated balance sheet reflects a strong alignment between capital sources and investments, underscoring the KONČAR Group's robust financial stability.

Market position

KONČAR Group generated consolidated revenue from the sale of goods and services amounting to EUR 914.2 million, marking a year-on-year increase of EUR 179.6 million or 24.5%.

On the domestic market, sales revenue reached EUR 268.2 million, representing an increase of EUR 67.9 million, or 33.9% compared to the prior-year period. This growth was primarily driven by contracts with companies within the HEP Group, deliveries of trams for Osijek and Zagreb, as well as trains for HŽ Putnički prijevoz, and contracts related to railway infrastructure reconstruction. The domestic market accounted for 29.3% of total product and service sales, an increase of 2.1 percentage points compared to the corresponding period last year.

Within domestic sales revenue, the largest share relates to the sale of products and services to companies within the HEP Group or to partners supplying the Group. In Q1–Q3 2025, sales to HEP totalled EUR 113.5 million, an increase of EUR 41.1 million or 56.9% year-on-year. HEP's share in KONČAR Group's total sales revenue stood at 12.4%.

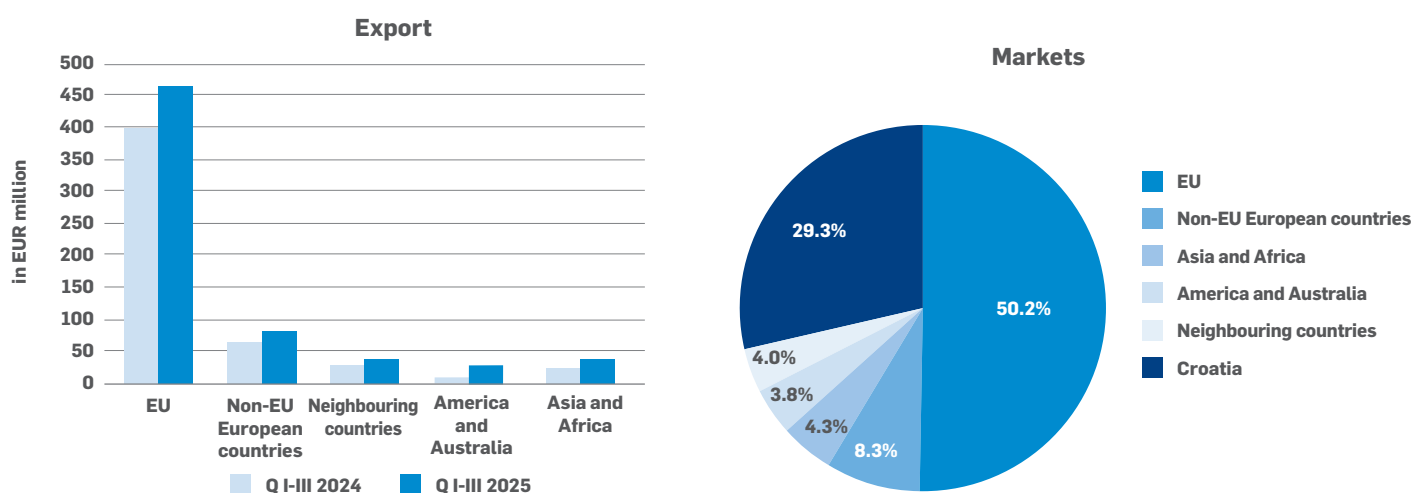
Sales of products and services to Croatian Railways (HŽ Group) amounted to EUR 45.8 million, representing 5.0% of KONČAR Group's total sales revenue. In addition to strong sales to HEP and HŽ, significant revenue in Q1–Q3 2025 was also generated from ZET (EUR 24.5 million) and GPP Osijek (EUR 17.8 million), reflecting the successful execution and delivery of new low-floor trams for Zagreb and Osijek.

Foreign markets accounted for 70.7% of total product and service sales. Export revenue amounted to EUR 645.9 million, an increase of EUR 111.7 million, or 20.9% year-on-year, compared to the corresponding period in 2024.

Sales revenue increased across all observed export markets compared to the corresponding period in the previous year. The most significant absolute increase was recorded in the European Union, where export revenue rose by EUR 59.9 million, or 15.0%. Exports to the EU amounted to EUR 458.8 million, accounting for 71.0% of KONČAR Group's total export revenue. Sales to the America and Australia reached EUR 34.8 million, an increase of EUR 17.6 million or 102.4% year-on-year. On the Asian and African markets, exports totalled EUR 39.3 million, up EUR 9.8 million, or 33.4%, compared to the corresponding period in 2024. Total sales to countries outside the EU and the immediate region amounted to EUR 113.1 million, an increase of EUR 24.3 million year-on-year.

On a country-by-country basis, Germany remained the Group's leading export destination, with EUR 142.5 million in sales, representing 22.1% of total exports, an increase of EUR 58.9 million compared to Q1–Q3 2024. Sweden followed with EUR 94.6 million (14.7% of total exports), and Norway with EUR 48.8 million (7.6% of total exports).

All reporting divisions recorded year-on-year growth in Q1–Q3 2025 compared to the corresponding period in 2024. The Power Transmission and Distribution division delivered the strongest absolute growth, with EUR 724.3 million in revenue, up EUR 121.5 million year-on-year. The Urban Mobility and Infrastructure division recorded revenue of EUR 122.5 million, marking a 43.3% increase compared to the same period last year.

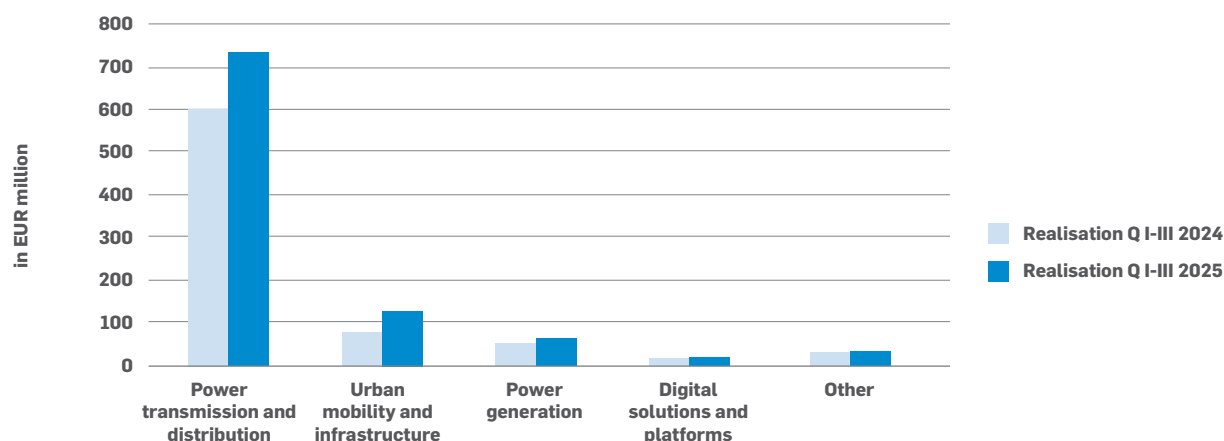


Revenue by divisions

in EUR 000

Division	Q I-III 2024	Share in total	Q I-III 2025	Share in total	Δ	Index 2025/2024
Power Generation	60,964	7.6%	74,720	7.6%	13,756	122.6
Hydro	42,605		61,970			
Renewable Energy Sources	18,359		12,751			
Power Transmission and Distribution	602,804	75.2%	724,279	73.7%	121,475	120.2
Transmission	200,285		273,204			
Distribution	402,519		451,075			
Urban Mobility and Infrastructure	85,507	10.7%	122,539	12.4%	37,032	143.3
Mobility	58,761		78,899			
Infrastructure	26,746		43,640			
Digital Solutions and Platforms	17,243	2.2%	23,578	2.4%	6,335	136.7
Other	35,461		42,718		7,257	
Total sales revenue (non-consolidated)	801,979	100%	987,833	100.0%		
Elimination of intercompany transactions	-67,406		-73,642			
Total sales revenue (consolidated)	734,573		914,191			

Revenue by divisions



Order intake and backlog

During the first three quarters of 2025, KONČAR Group companies continued the trend of order intake exceeding revenue realisation.

From January to September 2025, the Group recorded an order intake of EUR 1,201.9 million.

The dominance of international markets in order intake continues to remain evident. Export-related contracts accounted for EUR 799.3 million, or 66.5% of total order intake in the first nine months of the year.

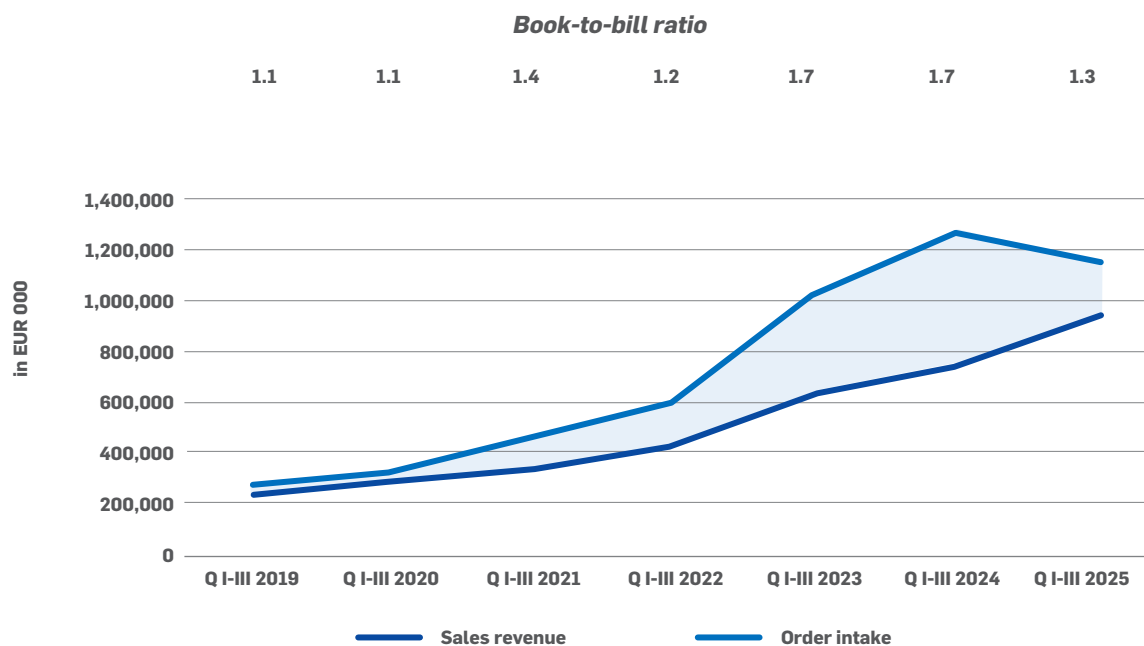
Compared to the same period in the previous year, order intake on the domestic market increased by EUR 103.2 million. This growth was primarily driven by new contracts with key domestic customers, notably: contracts with companies from the Croatian Railways (HŽ Group) totalling EUR 123.2 million, up EUR 58.6 million, primarily related to train deliveries, and contracts with the HEP Group amounting to EUR 153.2 million, up EUR 24.1 million year-on-year. Contracts with HŽ Group accounted for 10.2% of total order intake, while HEP Group contracts made up 12.7%.

Out of the total EUR 799.3 million of contracted export business in Q1–Q3 2025, the majority, EUR 589.3 million, was generated in European Union markets, representing 73.7% of total export-related order intake. The increase in contracted volumes was recorded in Asia and Africa, where newly contracted volumes rose by a total of EUR 25.2 million compared to the same period last year.

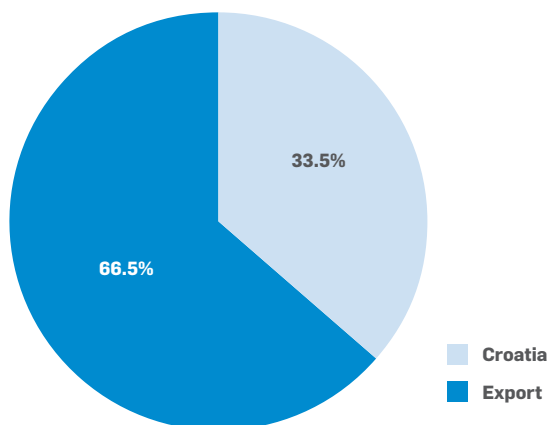
On a country-by-country basis, the highest volume of order intake was again recorded in Germany, with EUR 164.1 million, followed by Sweden, with EUR 136.0 million.

In terms of delivery timeline, the majority of orders are scheduled for execution beyond 2026, amounting to EUR 506.4 million, or 42.1% of total order intake. Contracts scheduled for execution in 2026 total EUR 380.8 million (31.7%), while EUR 314.7 million (26.2%) is scheduled for delivery in 2025.

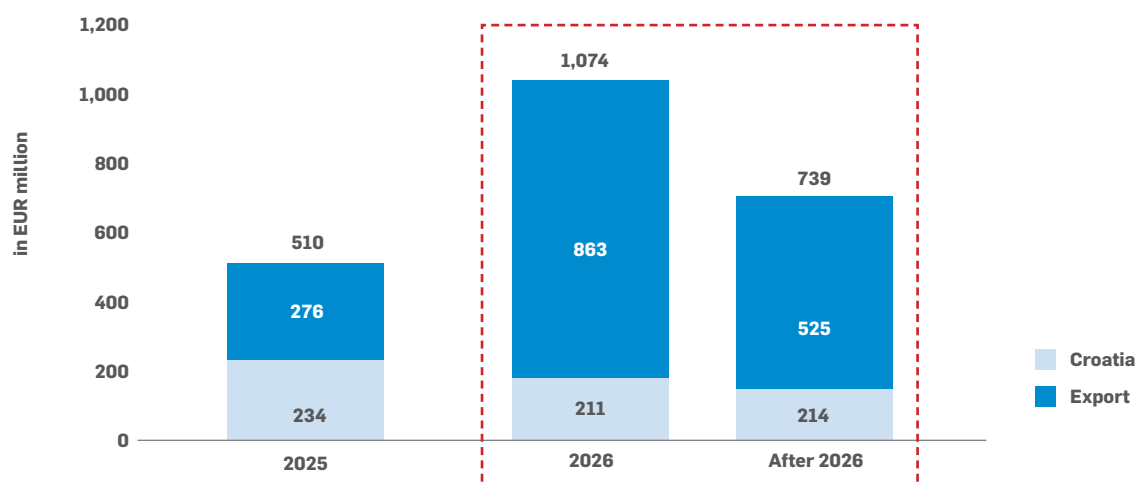
As at 30 September 2025, the Group's order backlog stood at EUR 2,323.3 million, an increase of EUR 287.7 million compared to year-end 2024, and EUR 358.9 million higher year-on-year. According to the current delivery plan, EUR 510.3 million of the backlog is scheduled for execution in the final quarter of 2025. As in previous years, it is expected that a portion of these contracts will shift into 2026, due to customer requests, delays in preparatory works, and other timing-related factors. Contracts scheduled for 2026 amount to EUR 1,074.5 million, while those slated for execution beyond 2026 total EUR 738.6 million.



Order intake Q I - III 2025



Expected revenue from backlog



Information for Shareholders

KOEI-R-A	30 September 2024	30 September 2025	Index
Last price (EUR)	370.00	652.00	176.2
Highest price (EUR) *	398.00	720.00	180.9
Lowest price (EUR) *	184.00	391.00	212.5
Volume *	85,407.00	292,430.00	342.4
Turnover (EUR) *	23,977,486.00	158,311,686.00	660.3
Market capitalization (EUR)	942,217,210.00	1,661,569,188.00	176.3
EPS (Earnings per Share) (profit attributable to the parent company's owners / weighted average number of shares)	27.07	43.52	160.8

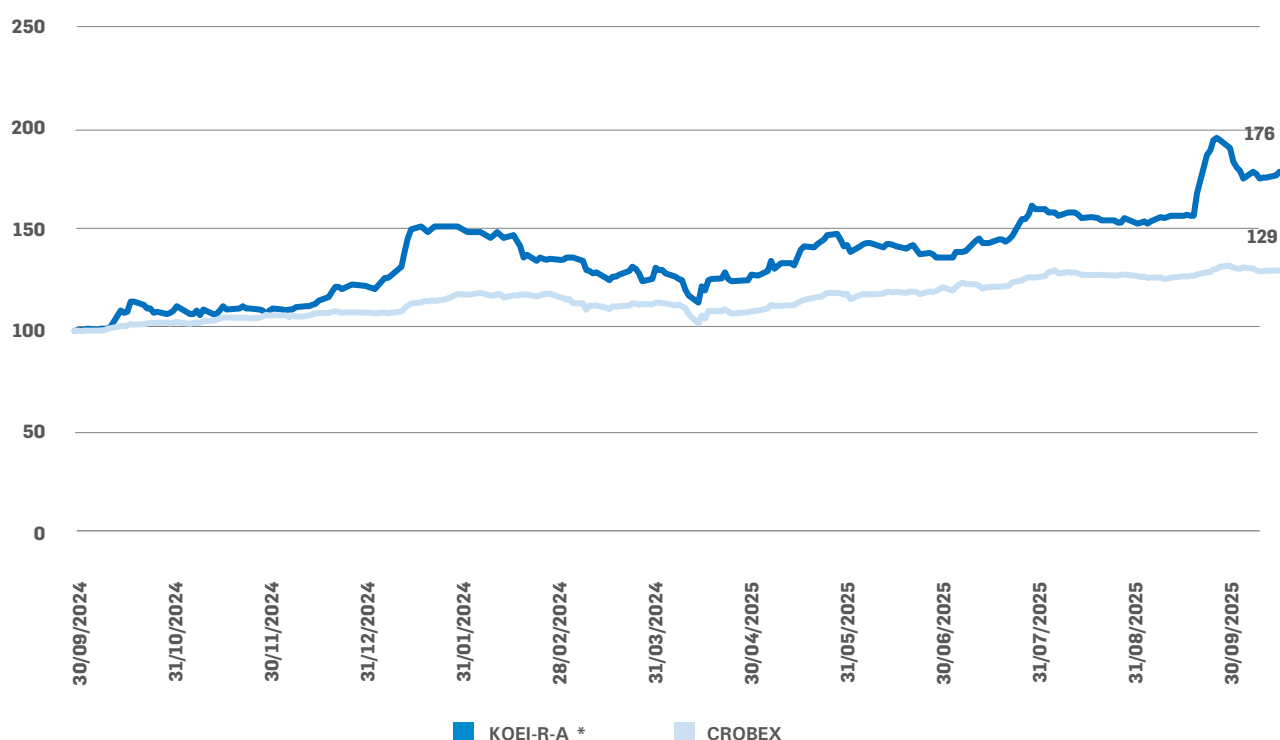
* for period January - September

The KONČAR Inc. share is listed on the Official Market of the Zagreb Stock Exchange under the ticker symbol KOEI-R-A. In accordance with applicable regulations, the Company ensures regular public access to information on its operations and activities, as well as any material facts and circumstances that may affect the share price (price-sensitive information).

KONČAR's share has once again ranked among the most actively traded stocks on the Zagreb Stock Exchange. As at the end of September 2025, the Company's market capitalisation stood at EUR 1.66 billion, representing a 76.3% increase compared to 30 September 2024. Earnings per share (EPS) attributable to the equity holders of the parent company amounted to EUR 43.52, representing a 60.8% year-on-year increase.

The General Assembly of KONČAR Inc., held on 12 June 2025, adopted the resolution to pay a dividend of EUR 3.0 per share to all shareholders.

KOEI share price index performance and CROBEX value over the past year



*Trading model: CT

B Unaudited consolidated financial statements of KONČAR Group for January - September 2025

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	1/1/2025	to	30/9/2025
Year:	2025	Quarter:	3

Quarterly financial statements

Registration number (MB):	03282635	Issuer's home Member State code:	HR
Entity's registration number (MBS):	080040936		
Personal identification number (OIB):	45050126417	LEI:	74780000HOSHMRAWOI15
Institution code:	501		
Name of the issuer:	KONČAR 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):	5,975		
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 - Electrical Engineering Institute Ltd. for research, development and services	Zagreb	3645363
KONČAR - Electronics and Informatics Ltd. for production and services	Zagreb	3282899
KONČAR - Motors and Electrical Systems Ltd. for production	Zagreb	3282678
KONČAR - Generators and Motors Inc. for production	Zagreb	1356216
KONČAR - Renewable Energy Sources Ltd. for production	Zagreb	2435071
KONČAR - Instrument Transformers Inc. for production	Zagreb	3654656
KONČAR - Distribution and Special Transformers Inc. for manufacturing	Zagreb	3654664
KONČAR - Switchgear Ltd. for production	Zagreb	3641287
KONČAR - Electric Vehicles Inc. for manufacturing	Zagreb	3282660
KONČAR - Metal Structures Ltd. for production	Zagreb	1114328
KONČAR - Digital Ltd. for digital services	Zagreb	5478421
KONČAR - Transformer Tanks Ltd.	Zagreb	5853184
HELB Ltd. for production, assembly and servicing of electrical devices	Božjakovina	3511120
TELENERG-ENGINEERING LLC. for design and manufacturing	Zagreb	5539684
INK PROJECT Ltd. for construction and services	Zagreb	2057301
KONČAR - Hydro Turbine Ltd. for manufacturing and services	Zagreb	6056580
Dalekovod Jsc. for engineering, production and construction	Zagreb	3275531

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:	KPMG Ltd. Croatia	(name of the audit firm)
Certified auditor:	Igor Gošek	(name and surname)

BALANCE SHEET

balance as at 30.9.2025

in EUR

Submitter: KONČAR 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	366,115,324	455,798,316
I INTANGIBLE ASSETS (ADP 004 to 009)	003	28,658,597	33,301,717
1 Research and development	004	5,460,192	4,448,290
2 Concessions, patents, licences, trademarks, software and other rights	005	7,932,769	7,281,370
3, Goodwill	006	9,551,478	13,030,672
4 Advances for the purchase of intangible assets	007	0	74,577
5 Intangible assets in preparation	008	5,690,940	8,458,551
6 Other intangible assets	009	23,218	8,257
II TANGIBLE ASSETS (ADP 011 to 019)	010	263,841,828	318,675,237
1 Land	011	42,918,283	51,333,649
2 Buildings	012	79,361,026	95,364,154
3 Plant and equipment	013	78,154,093	82,112,992
4 Tools, working inventory and transportation assets	014	16,778,713	26,114,183
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	6,829,791	6,380,587
7 Tangible assets in preparation	017	20,346,748	37,683,857
8 Other tangible assets	018	436,483	413,051
9 Investment property	019	19,016,691	19,272,764
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	57,744,346	84,091,828
1 Investments in holdings (shares) of undertakings within the group	021	8,265	8,265
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	44,849,705	76,259,195
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	5,725,000	0
7 Investments in securities	027	754,920	812,461
8 Loans, deposits, etc, given	028	1,195,746	1,140,909
9 Other investments accounted for using the equity method	029	4,848,053	5,633,229
10 Other fixed financial assets	030	362,657	237,769
IV RECEIVABLES (ADP 032 to 035)	031	6,053,332	10,036,132
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	924,702	1,509,086
4 Other receivables	035	5,128,630	8,527,046
V DEFERRED TAX ASSETS	036	9,817,221	9,693,402
C) CURRENT ASSETS (ADP 038+046+053+063)	037	871,945,809	999,202,117
I INVENTORIES (ADP 039 to 045)	038	236,683,629	264,149,440
1 Raw materials and consumables	039	121,889,202	132,334,909
2 Work in progress	040	70,717,300	68,266,656
3 Finished goods	041	32,585,272	48,523,931
4 Merchandise	042	4,513,841	3,504,085
5 Advances for inventories	043	6,220,758	10,117,686
6 Fixed assets held for sale	044	757,256	1,402,173
7 Biological assets	045	0	0

BALANCE SHEET

balance as at 30.9.2025

in EUR

Submitter: KONČAR 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	406,669,254	377,928,478
2 Receivables from companies linked by virtue of participating interests	047	0	0
3 Customer receivables	048	24,359,145	5,454,904
4 Receivables from employees and members of the undertaking	049	329,755,317	317,663,454
5 Receivables from government and other institutions	050	106,674	349,020
6 Other receivables	051	15,940,323	15,059,630
6 Other receivables	052	36,507,795	39,401,470
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
1 Investments in holdings (shares) of undertakings within the group	053	80,628,924	138,363,464
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	8,225,000
8 Loans, deposits, etc, given	060	14,927,801	4,077,152
9 Other financial assets	061	65,701,123	125,619,052
IV CASH AT BANK AND IN HAND	062	0	442,260
D) PREPAID EXPENSES AND ACCRUED INCOME	063	147,964,002	218,760,735
E) TOTAL ASSETS (ADP 001+002+037+064)	064	9,570,497	4,994,624
OFF-BALANCE SHEET ITEMS	065	1,247,631,630	1,459,995,057
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)	066	1,232,267,421	1,423,775,052
I INITIAL (SUBSCRIBED) CAPITAL	067	650,053,220	789,722,722
II CAPITAL RESERVES	068	159,471,379	159,471,379
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	069	1,073,176	1,073,176
1 Legal reserves	070	110,493,918	114,616,290
2 Reserves for treasury shares	071	10,572,684	10,572,704
3 Treasury shares and holdings (deductible item)	072	5,998,550	5,871,715
4 Statutory reserves	073	-1,998,550	-1,871,715
5 Other reserves	074	67,243,333	67,243,510
IV REVALUATION RESERVES	075	28,677,901	32,800,076
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	076	0	0
1 Financial assets at fair value through other comprehensive income (i.e, available for sale)	077	757,070	742,033
2 Cash flow hedge - effective portion	078	830,229	830,301
3 Hedge of a net investment in a foreign operation - effective portion	079	0	0
4 Other fair value reserves	080	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	081	0	0
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)	082	-73,159	-88,268
1 Retained profit	083	122,979,209	206,305,997
2 Loss brought forward	084	122,979,209	206,305,997
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	085	0	0
1 Profit for the business year	086	102,600,368	110,867,143
2 Loss for the business year	087	102,600,368	110,867,143
VIII MINORITY (NON-CONTROLLING) INTEREST	088	0	0
	089	152,678,100	196,646,704

BALANCE SHEET

balance as at 30.9.2025

in EUR

Submitter: KONČAR 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 091 to 096)	090	27,941,173	27,780,116
1 Provisions for pensions, termination benefits and similar obligations	091	6,596,098	6,254,281
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	670,506	63,755
4 Provisions for renewal of natural resources	094	940,143	940,143
5 Provisions for warranty obligations	095	19,725,986	20,273,992
6 Other provisions	096	8,440	247,945
C) LONG-TERM LIABILITIES (ADP 098 to 108)	097	38,438,350	57,599,493
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc, of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc,	102	0	0
6 Liabilities to banks and other financial institutions	103	23,635,118	37,900,921
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	1,077,676	864,131
10 Other long-term liabilities	107	10,205,924	15,406,327
11 Deferred tax liability	108	3,519,632	3,428,114
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	484,124,308	530,609,593
1 Liabilities to undertakings within the group	110	0	0
2 Liabilities for loans, deposits, etc, of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	8,239,472	7,587,586
4 Liabilities for loans, deposits etc, of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc,	114	277,957	575,927
6 Liabilities to banks and other financial institutions	115	26,591,583	28,654,904
7 Liabilities for advance payments	116	226,062,127	274,754,364
8 Liabilities to suppliers	117	148,964,023	119,761,678
9 Liabilities for securities	118	267,731	278,441
10 Liabilities to employees	119	17,185,872	21,244,897
11 Taxes, contributions and similar liabilities	120	21,691,344	38,562,479
12 Liabilities arising from the share in the result	121	72,217	65,970
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	34,771,982	39,123,347
E) ACCRUALS AND DEFERRED INCOME	124	47,074,579	54,283,133
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	125	1,247,631,630	1,459,995,057
G) OFF-BALANCE SHEET ITEMS	126	1,232,267,421	1,423,775,052

STATEMENT OF PROFIT OR LOSS for the period 1.1.2025 to 30.9.2025

in EUR

Submitter: KONČAR Inc.					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	745,291,638	258,967,308	925,827,603	282,523,021
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	734,572,852	255,880,242	914,191,302	277,441,655
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	0	0	0	0
5 Other operating income (outside the group)	006	10,718,786	3,087,066	11,636,301	5,081,366
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	622,496,933	215,584,996	762,982,274	246,217,258
1 Changes in inventories of work in progress and finished goods	008	649,960	8,140,792	-15,923,474	-12,979,560
2 Material costs (ADP 010 to 012)	009	430,213,936	139,188,037	535,574,820	171,991,513
a) Costs of raw materials and consumables	010	318,408,766	98,960,093	397,026,103	124,148,790
b) Costs of goods sold	011	30,185,363	10,815,160	30,717,724	8,701,742
c) Other external costs	012	81,619,807	29,412,784	107,830,993	39,140,981
3 Staff costs (ADP 014 to 016)	013	131,234,031	46,696,942	166,428,659	58,413,139
a) Net salaries and wages	014	82,893,865	29,648,871	105,980,178	37,138,718
b) Tax and contributions from salary costs	015	32,500,987	11,470,267	40,340,632	14,160,493
c) Contributions on salaries	016	15,839,179	5,577,804	20,107,849	7,113,928
4 Depreciation	017	16,746,666	5,616,798	20,646,842	7,666,970
5 Other costs	018	41,040,960	14,587,976	53,282,363	18,866,107
6 Value adjustments (ADP 020+021)	019	1,381,619	1,140,676	796,395	804,702
a) fixed assets other than financial assets	020	17,100	1,411	2,183	890
b) current assets other than financial assets	021	1,364,519	1,139,265	794,212	803,812
7 Provisions (ADP 023 to 028)	022	0	0	-1,319,607	-301,939
a) Provisions for pensions, termination benefits and similar obligations	023	0	0	-382,209	-13,696
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	1,713	53
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	0	0	14,209	-13,681
f) Other provisions	028	0	0	-953,320	-274,615
8 Other operating expenses	029	1,229,761	213,775	3,496,276	1,756,326
III FINANCIAL INCOME (ADP 031 to 040)	030	3,888,628	1,252,303	3,320,551	1,173,505
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	171,077	129,146	239,564	65,592
7 Other interest income	037	3,331,339	1,015,084	2,447,738	767,647
8 Exchange rate differences and other financial income	038	0	0	0	0
9 Unrealised gains (income) from financial assets	039	174,899	45,928	275,644	92,971
10 Other financial income	040	211,313	62,145	357,605	247,295
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	3,983,747	1,364,056	3,898,216	1,478,883
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0

STATEMENT OF PROFIT OR LOSS

for the period 1.1.2025 to 30.9.2025

in EUR

Submitter: KONČAR Inc.					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
3 Interest expenses and similar expenses	044	2,925,970	875,828	1,785,360	662,640
4 Exchange rate differences and other expenses	045	1,001,603	438,722	827,514	-163,601
5 Unrealised losses (expenses) from financial assets	046	0	0	1,043,665	908,840
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	56,174	49,506	241,677	71,004
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	17,605,120	9,231,148	31,409,000	8,535,094
VI SHARE IN PROFIT FROM JOINT VENTURES	050	852,810	298,208	814,119	322,789
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	7,363	0	28,453	9,460
IX TOTAL INCOME (ADP 001+030+049 +050)	053	767,638,196	269,748,967	961,371,273	292,554,409
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	626,488,043	216,949,052	766,908,943	247,705,601
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	141,150,153	52,799,915	194,462,330	44,848,808
1 Pre-tax profit (ADP 053-054)	056	141,150,153	52,799,915	194,462,330	44,848,808
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	24,545,674	9,987,873	26,888,541	6,517,378
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	116,604,479	42,812,042	167,573,789	38,331,430
1 Profit for the period (ADP 055-059)	060	116,604,479	42,812,042	167,573,789	38,331,430
2 Loss for the period (ADP 059-055)	061	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (AOP 076+077)	075	116,604,479	42,812,042	167,573,789	38,331,430
1 Attributable to owners of the parent	076	68,924,378	27,559,691	110,867,143	24,488,640
2 Attributable to minority (non-controlling) interest	077	47,680,101	15,252,351	56,706,646	13,842,790
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	116,604,479	42,812,042	167,573,789	38,331,430
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	192,051	-1,079,078	-28,650	-277,429
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0	0	0	0
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0

STATEMENT OF PROFIT OR LOSS for the period 1.1.2025 to 30.9.2025

in EUR

Submitter: KONČAR Inc.					
Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0		
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	192,051	-1,079,078	-28,650	-277,429
1 Exchange rate differences from translation of foreign operations	088	192,051	-1,079,078	-28,650	-277,429
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)	097	192,051	-1,079,078	-28,650	-277,429
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	116,796,530	41,732,964	167,545,139	38,054,001
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	116,796,530	41,732,964	167,545,139	38,054,001
1 Attributable to owners of the parent	100	69,025,642	26,990,689	110,852,033	24,342,337
2 Attributable to minority (non-controlling) interest	101	47,770,888	14,742,275	56,693,106	13,711,664

STATEMENT OF CASH FLOWS - direct method for the period 1.1.2025 to 30.9.2025

in EUR

Submitter: KONČAR 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	825,186,335	1,028,895,594
2 Cash receipts from royalties, fees, commissions and other revenue	002	20,739	67,299
3 Cash receipts from insurance premiums	003	890,710	736,055
4 Cash receipts from tax refund	004	28,747,593	31,487,060
5 Other cash receipts from operating activities	005	5,220,082	12,644,884
I Total cash receipts from operating activities (ADP 001 to 005)	006	860,065,459	1,073,830,892
1 Cash payments to suppliers	007	-492,111,986	-639,768,803
2 Cash payments to employees	008	-137,274,279	-178,315,353
3 Cash payments for insurance premiums	009	-3,157,189	-3,350,113
4 Interest paid	010	-1,742,963	-1,321,236
5 Income tax paid	011	-22,824,403	-20,879,127
6 Other cash payments from operating activities	012	-39,810,745	-47,495,027
II Total cash payments from operating activities (ADP 007 to 012)	013	-696,921,565	-891,129,659
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	163,143,894	182,701,233
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	232,760	1,375,149
2 Cash receipts from sales of financial instruments	016	0	45,135,811
3 Interest received	017	3,613,442	2,252,808
4 Dividends received	018	8,577,896	21,393,358
5 Cash receipts from the repayment of loans and deposits	019	8,168,014	60,053,239
6 Other cash receipts from investment activities	020	42,358	7,680
III Total cash receipts from investment activities (ADP 015 to 020)	021	20,634,470	130,218,045
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-29,210,326	-55,549,594
2 Cash payments for the acquisition of financial instruments	023	-6,196,267	-44,881,270
3 Cash payments for loans and deposits	024	-13,515,564	-123,090,974
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	-32,704,734	-23,522
IV Total cash payments from investment activities (ADP 022 to 026)	027	-81,626,891	-223,545,360
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	-60,992,421	-93,327,315
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	36,946,998	46,720,143
4 Other cash receipts from financing activities	032	696,995	8,766,595
V Total cash receipts from financing activities (ADP 029 to 032)	033	37,643,993	55,486,738
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	-53,457,631	-30,174,873
2 Cash payments for dividends	035	-14,454,192	-27,653,657
3 Cash payments for finance lease	036	-1,230,289	-1,966,151
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	037	0	0
5 Other cash payments from financing activities	038	-26,952,063	-14,053,183
VI Total cash payments from financing activities (ADP 034 to 038)	039	-96,094,175	-73,847,864
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 + 039)	040	-58,450,182	-18,361,126
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	391,411	-216,059
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)	042	44,092,702	70,796,733
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	153,823,741	147,964,001
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)	044	197,916,443	218,760,734

STATEMENT OF CHANGES IN EQUITY

for the period from 1.1.2025 to 30.9.2025

B Unaudited consolidated financial statements of KONČAR Group for January – September 2025

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital re-serves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Re-valuation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 do 6 - 7 + 8 do 17)	19	20 (18+19)
Previous period																			
1 Balance on the first day of the previous business year	01	159,471,379	1,072,189	9,726,616	4,507,291	2,032,193	65,869,433	28,566,415	0	830,229	0	0	0	-205,774	92,084,350	46,328,381	406,218,316	124,755,316	530,973,632
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	159,471,379	1,072,189	9,726,616	4,507,291	2,032,193	65,869,433	28,566,415	0	830,229	0	0	0	-205,774	92,084,350	46,328,381	406,218,316	124,755,316	530,973,632
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	102,600,368	102,600,368	61,752,879	164,353,247
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	251,543	0	0	251,543	186,332	437,875
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	-6,365,968	0	-6,365,968	-8,457,852	-14,823,820
21 Other distributions and payments to members/shareholders	21	0	987	412,799	1,491,259	-33,643	1,373,900	-2,218,150	0	0	0	0	0	-118,928	-6,304,649	0	-5,329,139	-25,558,575	-30,887,714
22 Transfer to reserves according to the annual schedule	22	0	0	433,269	0	0	0	2,329,636	0	0	0	0	0	0	43,565,476	-46,328,381	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	159,471,379	1,073,176	10,572,684	5,998,550	1,998,550	67,243,333	28,677,901	0	830,229	0	0	0	-73,159	122,979,209	102,600,368	497,375,120	152,678,100	650,053,220
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	0	0	0	0	0	0	251,543	0	0	251,543	186,332	437,875
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	0	0	0	0	0	0	251,543	0	102,600,368	102,851,911	61,939,211	164,791,122
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	987	846,068	1,491,259	-33,643	1,373,900	111,486	0	0	0	0	0	-118,928	30,894,859	-46,328,381	-11,695,107	-34,016,427	-45,711,534

STATEMENT OF CHANGES IN EQUITY

for the period from 1.1.2025 to 30.9.2025

B Unaudited consolidated financial statements of KONČAR Group for January - September 2025

in EUR

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital re-serves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Re-valuation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 do 6 - 7 + 8 do 17)	19	20 (18+19)
Current period																			
1 Balance on the first day of the previous business year	28	159,471,379	1,073,176	10,572,684	5,998,550	1,998,550	67,243,333	28,677,901	0	830,229	0	0	0	-73,159	122,979,209	102,600,368	497,375,120	152,678,100	650,053,220
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Balance on the first day of the previous business year (restated) (ADP 28 to 30)	31	159,471,379	1,073,176	10,572,684	5,998,550	1,998,550	67,243,333	28,677,901	0	830,229	0	0	0	-73,159	122,979,209	102,600,368	497,375,120	152,678,100	650,053,220
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	110,867,143	110,867,143	56,706,646	167,573,789
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	-15,109	0	0	-15,109	-13,541	-28,650
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Other changes in equity unrelated to owners	40	0	0	20	-126,835	-126,835	177	-161,171	0	72	0	0	0	0	-7,348,529	0	-7,509,431	7,290,343	-219,088
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Redemption of treasury shares/holdings	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	-7,641,705	0	-7,641,705	-20,014,844	-27,656,549
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Transfer to reserves according to the annual schedule	49	0	0	0	0	0	0	4,283,346	0	0	0	0	0	0	98,317,022	-102,600,368	0	0	0
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Balance on the last day of the previous business year reporting period (ADP 31 to 50)	51	159,471,379	1,073,176	10,572,704	5,871,715	1,871,715	67,243,510	32,800,076	0	830,301	0	0	0	-88,268	206,305,997	110,867,143	593,076,018	196,646,704	789,722,722
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME OF THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	20	-126,835	-126,835	177	-161,171	0	72	0	0	0	-15,109	-7,348,529	0	-7,524,540	7,276,802	-247,738
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	20	-126,835	-126,835	177	-161,171	0	72	0	0	0	-15,109	-7,348,529	110,867,143	103,342,603	63,983,448	167,326,051
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	0	0	0	4,283,346	0	0	0	0	0	0	90,675,317	-102,600,368	-7,641,705	-20,014,844	-27,656,549

NOTES TO THE FINANCIAL STATEMENTS

Name of issuer: KONČAR Inc.

PIN: 45050126417

Reporting period: 1 January 2025 to 30 September 2025

1. GENERAL INFORMATION

Business Activities

The core business activities of KONČAR Group (hereinafter: „the Group“) are:

- Power generation,
- Power transmission and distribution,
- Urban mobility and infrastructure
- Digital solutions and platforms

Group structure

In addition to the Parent Company, the Group consists of 16 subsidiaries operating in core business activities, 1 subsidiary engaged in special activities (product research and development), subsidiaries controlled by other subsidiaries, one associate company, and associates of subsidiaries.

The Parent Company of the Group is KONČAR Inc. (PIN: 45050126417), located at Fallerovo šetalište 22, Zagreb (hereinafter: the „Company“).

The Company is engaged in architectural activities, engineering, and related technical consulting services, energy distribution, maintenance services, and management of its subsidiaries.

Number of employees

As of 30 September 2025, the Group had 5,975 employees, compared to 5,503 employees as of 31 December 2024. The average number of employees for the period January – September 2025 was 5,699 (compared to 5,349 in the same period in 2024).

2. Basis of preparation and accounting policies

Basis of preparation

The consolidated financial statements for the period January – September 2025 have been prepared in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting, as adopted by the European Union (EU).

The consolidated financial statements do not include all disclosures required for the full set of annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024. The annual consolidated financial statements of the Group are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU.

The annual consolidated financial statements of the Group are available on the official websites of Zagreb Stock Exchange (www.zse.hr), Croatian Financial Services Supervisory Agency (www.hanfa.hr), and the Company (www.koncar.hr).

Going concern assumption

The Management Board believes that the Group has sufficient resources to continue operations in the foreseeable future and has not identified any significant uncertainties related to business events or conditions that may raise significant doubt on the Group's ability to continue as a going concern.

Significant accounting policies

The consolidated financial statements for the period January – September 2025 have been prepared using the same accounting policies, presentation, and calculation methods applied in the preparation of the Group's annual consolidated financial statements as at 31 December 2024.

Key accounting estimates

In preparing the consolidated financial statements, the Management Board applied judgments and estimates that impact the application of accounting policies and the recognized amounts of assets, liabilities, revenues, and expenses. By definition, accounting estimates rarely correspond exactly to actual results. Key accounting estimates remain consistent with those disclosed in the most recent annual financial statements.

Seasonal effects

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

3. SUBSIDIARIES

Consolidated subsidiaries registered in Croatia:	Country	30 September 2025		31 December 2024	
		Voting rights (%)	Effective share of the Group	Voting rights (%)	Effective share of the Group
KONČAR – Motors and Electrical Systems Ltd. for manufacturing and services	Croatia	100.00	100.00	100.00	100.00
Telenerg – Engineering Ltd. for design and production, Zagreb	Croatia	100.00	100.00	100.00	100.00
INK PROJEKT Ltd. for construction and services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR – Electrical Engineering Institute Ltd. for research, development and services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR – Generators and Motors Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
HELB Ltd. for production, assembly and servicing of electrical devices, Božjakovina*	Croatia	75.00	75.00	–	–
KONČAR – Metal Structures Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR – Switchgear Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
Energy Park Pometeno Brdo Ltd. for production, Zagreb***	Croatia	–	–	100.00	100.00
KONČAR – Renewable Energy Sources Ltd., Zagreb	Croatia	100.00	100.00	100.00	100.00
Energy Park Pometeno Brdo Ltd. for production, Zagreb***	Croatia	100.00	100.00	–	–
Wind Farm Rust Ltd. for electricity production, Zagreb	Croatia	100.00	100.00	100.00	100.00
Solar Power Plant Deponija Fosfogipsa Ltd. for manufacturing, trade and services, Zagreb	Croatia	51.00	51.00	51.00	51.00
Liburnia Solar Ltd. for electricity production, Zagreb	Croatia	76.00	76.00	76.00	76.00
South East Energy Ltd. for services, Zagreb	Croatia	91.20	91.20	75.20	75.20
KONČAR – Electric Vehicles Inc. for manufacturing, Zagreb	Croatia	84.84	84.84	84.73	84.73
Konell Ltd., Sofia, Bulgaria*	Bulgaria	85.00	72.03	85.00	72.02
KONČAR – Electronics and Informatics Ltd. for manufacturing and services, Zagreb	Croatia	100.00	100.00	100.00	100.00
ENAKON MOBILITY Ltd. for services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR – Instrument Transformers Inc. for manufacturing, Zagreb	Croatia	99.77	99.77	99.77	99.77
KONČAR – Distribution and Special Transformers Inc. for manufacturing, Zagreb	Croatia	67.90	67.90	67.90	67.90
FEROKOTAO Ltd. for the manufacturing of transformer tanks and other metal components, Donji Kraljevec	Croatia	51.00	34.63	51.00	34.63
Power Engineering Transformatory Sp. z o.o. (PET), Poznan, Poland	Poland	100.00	67.90	100.00	67.90
KONČAR – Digital Ltd. for digital services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR – Systems Integration Ltd. for manufacturing and trade, Zagreb	Croatia	100.00	100.00	75.00	75.00
ADNET Ltd. for engineering, manufacturing and trade, Zagreb**	Croatia	38.00	38.00	26.00	26.00
KREANCA SUSTAVI Ltd. for business and management consulting, Zagreb	Croatia	76.00	76.00	52.00	52.00
ADNET Ltd. for engineering, manufacturing and trade, Zagreb**	Croatia	50.00	38.00	50.00	26.00
KONČAR – Transformer Tanks Ltd. for manufacturing, Sesvete (City of Zagreb)	Croatia	60.00	60.00	100.00	100.00
KONČAR – Hydro Turbine Ltd. for manufacturing and services	Croatia	100.00	100.00	100.00	100.00
Dalekovod Jsc. for engineering, production and construction, Zagreb	Croatia	75.16	75.16	75.16	75.16
DALEKOVOD MK Ltd., Velika Gorica	Croatia	100.00	75.16	100.00	75.16
DALEKOVOD OSO Ltd., Velika Gorica	Croatia	100.00	75.16	100.00	75.16
Dalekovod Projekt Ltd., Zagreb	Croatia	100.00	75.16	100.00	75.16
Dalekovod EMU Ltd., Vela Luka	Croatia	100.00	75.16	100.00	75.16
Dalekovod Mostar Ltd., Mostar, BIH	B&H	100.00	75.16	100.00	75.16
Dalekovod Ljubljana Ltd., Ljubljana, Slovenia	Slovenia	100.00	75.16	100.00	75.16
Dalekovod Norge as, Oslo, Norway	Norway	100.00	75.16	100.00	75.16
Dalekovod Ukraine Ltd., Kiev, Ukraine	Ukraine	100.00	75.16	100.00	75.16

* As of August 1, 2025, the Group acquired control with a 75% ownership stake in HELB Ltd. However, no minority interest is recognized, as a call option was agreed upon as part of the transactions granting the acquirer the right to purchase the remaining ownership stake in the future, which management has assessed as highly probable to be exercised.

** Although the Group had, by September 30, 2025, acquired control with a 76% ownership stake in Adnet Ltd. and a 76% ownership stake in Kreanca Sustavi Ltd., the Group does not recognize a minority interest in these subsidiaries, as a call options were agreed upon as part of the transactions granting the acquirer the right to purchase the remaining stake in the future, which management has assessed as highly probable to be exercised.

*** In July 2025, a contract for the sale and transfer of business shares was signed between KONČAR Inc. and KONČAR – Renewable Energy Sources Ltd. Under this contract, KONČAR Inc. sold the business shares in the company Energy park Pometeno Brdo Ltd. to the company KONČAR – Renewable Energy Sources Ltd.

**** Entity not consolidated due to immateriality

For certain subsidiaries, the Group holds control through the majority of voting rights. However, the ownership interest in these subsidiaries does not correspond to the voting rights because some of these entities have preferred shares that carry the same rights as ordinary shares, except for voting rights. The ownership interests in these subsidiaries are as follows:

	30 September 2025	31 December 2024
	Ownership share (%)	Ownership share (%)
KONČAR – Instrument Transformers Inc. for manufacturing, Zagreb	61.97	61.97
KONČAR – Distribution and Special Transformers Inc. for manufacturing, Zagreb	52.73	52.73

4. SEGMENT REPORTING

For management purposes, the Group is organised in business units based on the similarity in the nature of individual product groups and has therefore identified the following reportable segments:

- Power generation – manufacturing and revitalisation of generators, construction and revitalisation of hydroelectric power plants (HPPs), construction of solar power plants, manufacturing of converters, manufacturing and installation of wind turbines, management, maintenance, and servicing
- Power transmission and distribution – comprehensive solutions for high- and medium-voltage electricity infrastructure, including the production and sale of power, distribution, special-purpose and instrument transformers, overhead lines, turnkey substations; transformer tanks, primary and secondary equipment for grid applications, low-voltage switchgear, condition monitoring systems, diagnostics, testing and technical supervision
- Urban mobility and infrastructure – design, manufacture, and maintenance of rail vehicles (e.g., trains, trams), development of railway infrastructure and urban infrastructure solutions including roads, lighting, and other public assets
- Digital solutions and platforms – digital solutions, digital services, product and production digitalisation, business support systems, ICT infrastructure and services.

The reportable segments form an integral part of the internal financial reports, which are regularly reviewed by the Company's Management Board – the chief decision-making body – to assess performance and make business decisions.

The 'Other' category includes real estate leasing activities (not related to the Group's core business) and certain small-scale production of motors and electrical machines, which does not qualify as a separate business segment.

Revenue by Segment

The following is an analysis of the Group's revenue by reportable segment, presented in accordance with IFRS 8 – Operating segments.

	1 January 2025 to 30 September 2025 EUR' 000	1 January 2024 to 30 September 2024 EUR' 000
Power generation	74,720	60,964
- Hydro	61,970	42,605
- Renewable energy sources	12,751	18,359
Power transmission and distribution	724,279	602,804
- Transmission	273,204	200,285
- Distribution	451,075	402,519
Urban mobility and infrastructure	122,539	85,508
- Mobility	78,899	58,761
- Infrastructure	43,640	26,746
Digital solutions and platforms	23,578	17,243
Total reportable segments	945,115	766,518
Other	42,718	35,461
Total revenue from contracts with customers	987,833	801,978
Intercompany eliminations	(73,642)	(67,405)
Revenue from contracts with customers	914,191	734,573
Associate companies	14,197	9,817
Unaffiliated companies	899,994	724,755
Total revenue from contracts with customers	914,191	734,573

5. OTHER OPERATING INCOME

Other operating income amounts to EUR 11.6 million (1 January – 30 September 2024: EUR 10.7 million) and includes: Income from asset disposals, government grants, compensation for damages, and other miscellaneous income.

6. CAPITALISED SALARY COSTS

During the period 1 January – 30 September 2025, the Group capitalized wages and salaries totaling EUR 1,442 thousand (1 January – 30 September 2024: EUR 2,017 thousand), of which EUR 866 thousand relates to net salaries (1 January – 30 September 2024: EUR 1,204 thousand), EUR 389 thousand to taxes, surtaxes, and payroll contributions (1 January – 30 September 2024: EUR 556 thousand), and EUR 187 thousand to employer contributions (1 January – 30 September 2024: EUR 257 thousand).

7. EARNINGS PER SHARE

	1 January 2025 to 30 September 2025	1 January 2024 to 30 September 2024
Net profit attributable to the owners of the Parent Company (EUR'000)	110,867	68,924
Weighted average number of shares	2,547,560	2,546,533
Basic and diluted earnings per share (EUR)	43.52	27.07

8. NON-CURRENT TANGIBLE AND INTANGIBLE ASSETS

During the period 1 January – 30 September 2025, the Group acquired assets totaling EUR 65,159 thousand (1 Jan – 30 September 2024: EUR 31,515 thousand). Depreciation expense for the period 1 January – 30 September 2025 amounted to EUR 20,647 thousand (1 January – 30 September 2024: EUR 16,747 thousand).

9. INVENTORIES

During the period 1 January – 30 September 2025, the Group recognized a value adjustment of inventories in the amount of EUR 244 thousand (1 January – 30 September 2024: EUR 227 thousand).

10. EQUITY AND RESERVES

The share capital (subscribed capital) is determined at a nominal value of EUR 159,471,378 (as of 31 December 2024: EUR 159,471,378) and consists of 2,572,119 shares, each with a nominal value of EUR 62. The Company's ordinary shares are listed on the Official Market of the Zagreb Stock Exchange under the ticker KOEI-R-A. As of 30 September 2025, the Company holds 23,700 treasury shares (31 December 2024: 25,306 treasury shares).

11. LOAN LIABILITIES

	30 September 2025 EUR'000	31 December 2024 EUR' 000
Loan liabilities		
Non-current	37,901	23,635
Current	28,655	26,592
	66,556	50,227

Bank loans are secured by mortgages on real estate and pledges on movable assets. The current fair value of mortgaged real estate amounts to EUR 40,708 thousand, while the fair value of pledged movable assets amounts to EUR 6,026 thousand.

The maturity profile of loan repayments is as follows:

	30 September 2025
	EUR' 000
Within one year	28,655
In 1 to 2 years	11,074
In 2 to 5 years	16,456
More than 5 years	10,371
	66,556

12. RELATED PARTY TRANSACTIONS

Entities are considered related parties if one party has control over another, if they are under joint control, or if one party has a significant influence over the business of the other. The Group is also significantly owned by the Republic of Croatia and other entities controlled by or under the significant influence of the Republic of Croatia. Accordingly, the Group has transactions with state institutions and other entities under majority state ownership or influence. For the purpose of disclosing related party transactions, the Group does not consider routine transactions (such as tax payments, levies, and similar transactions) with local municipal companies (either directly or indirectly state-owned) or other state bodies as related party transactions. The most significant related party transactions with state-owned enterprises relate to electricity and thermal energy supply and similar services. Excluding these routine transactions, the Group's revenue from sales to state institutions and other entities under majority state ownership or influence amounted to EUR 177,6 million for the period 1 January – 30 September 2025 (1 January – 30 September 2024: EUR 125,1 million), with the majority derived from engineering services, rail vehicles, and industrial electronics.

2025	Receivables 30 Sep 2025 EUR' 000	Liabilities 30 Sep 2025 EUR' 000	Revenues 1 Jan 2025 to 30 Sep 2025 EUR' 000	Expenses 1 Jan 2025 to 30 Sep 2025 EUR' 000
Operating activities				
Associated companies	4.140	7.535	10.460	11.254
Joint ventures	943	53	3.737	1.459
Total operating activities	5.083	7.588	14.197	12.713
Investing activities				
Associated companies	0	0	0	0
Joint ventures	8.597	0	179	0
Total investing activities	8.597	0	179	0

2024	Receivables 31 Dec 2024 EUR' 000	Liabilities 31 Dec 2024 EUR' 000	Revenues 1 Jan 2024 to 30 Sep 2024 EUR' 000	Expenses 1 Jan 2024 to 30 Sep 2024 EUR' 000
Operating activities				
Associated companies	22.887	7.779	5.730	11.449
Joint ventures	1.278	460	4.087	1.310
Total operating activities	24.165	8.239	9.817	12.759
Investing activities				
Associated companies	0	0	0	0
Joint ventures	5.918	0	129	0
Total investing activities	5.918	0	129	0

13. EVENTS AFTER THE REPORTING DATE

After the reporting date, until the date of approval of the financial statements, there were no events that would have a significant impact on the Group's consolidated financial statements for the period January - September 2025, which should be published.

C Management's Statement of Responsibility

The consolidated financial statements of the KONČAR Group are prepared in accordance with the International Financial Reporting Standards (IFRS) and the Croatian Accounting Act.

The consolidated financial statements of the KONČAR Group for the period from 1 January to 30 September 2025 present a complete and true view of the assets and liabilities, profit and loss, financial position and operations of the issuer and the companies included in the consolidation, considered as a whole.

The Management Report for the period up to 30 September 2025 contains a true and fair presentation of the Company's operating results.

On behalf of the Board, signed by:

Gordan Kolak, MSc, BSc Eng.
President of the Management Board



Mario Radaković, CFA
Member of the Management Board



Zagreb, 29 October 2025



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