Consolidated financial statements of **KONČAR Group**

Unaudited

January – June 2026

KONČAR

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Key performance indicators

Export
+13.4%

Backlog
+27.0%

Sales revenue
+13.8%

Net profit
+32.6%

EBITDA
+24.2%

Book-to-bill ratio
1.4

Compared to January – June 2025
Backlog compared to 30 June 2025

A Management Board Report

Statement by the President of the Management Board

During the first half of 2026, global demand for power infrastructure and electrical equipment remained strong, supported by ongoing investments in grid modernisation and the increasing need for reliable and sustainable energy solutions. These market trends confirm the long-term nature of the investment cycle in the energy sector and create an environment in which technological excellence, production capacity, and the ability to ensure timely delivery become key competitive advantages.

Against this setting, KONČAR Group continued to deliver strong growth and outstanding profitability, demonstrating the value of the strategic decisions and investments made in recent years. The results achieved in the first six months reflect our ability to identify market opportunities, invest in development and capacities in a timely manner, and maintain a competitive position in demanding international markets.

Revenue from the sale of products and services reached EUR 724.9 million, with international markets accounting for 71.2% of total sales. EBITDA amounted to EUR 173.4 million, resulting in a margin of 23.9%, while net profit amounted to EUR 171.4 million, corresponding to a net margin of 23.6%. These profitability levels rank among the highest in the Group's history and confirm that business growth is continuously accompanied by improved operational efficiency and value creation.

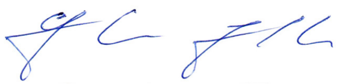
An equally important indicator of future development remains the level of order intake. During the first half of the year, new orders worth more than EUR 1 billion were secured, while the backlog exceeded EUR 2.9 billion at the end of June. This level of order intake ensures high revenue visibility for upcoming periods, stable utilisation of production capacities, and a strong foundation for further growth. Contracts already secured for execution during 2026 exceed the planned revenue level, while projects worth more than EUR 2.1 billion have been secured for 2027 and following years, providing a solid basis for the continued growth and development of the Group.

The largest contribution to results continues to come from the power transmission and distribution segment, which remains the key growth driver of the Group thanks to strong demand for transformers, substations, and other equipment essential for the construction and modernisation of power grids. At the same time, the power generation segment recorded growth of 77.1% compared to the first half of the previous year, driven primarily by hydro power plant modernisation projects. Digital solutions and platforms continued to expand, achieving growth of 68.1%, while the urban mobility and infrastructure segment successfully continued the implementation of contracted projects and activities focused on future development opportunities in both domestic and international markets. During the second quarter, we further strengthened our position in international markets by securing new projects in the fields of power transmission and distribution, as well as power generation. We are especially encouraged by KONČAR's continued success in European markets, where projects focused on modernising power infrastructure and hydropower facilities showcase our expertise and ability to deliver complex infrastructure projects.

Market confidence in KONČAR's development strategy and business performance is also reflected in the interest shown by the investment community. Following the continuation of an upward trend during the second quarter, KONČAR's share price closed the first half of the year at EUR 1,032.00, with a market capitalisation more than EUR 2.6 billion. Transparency in reporting and open dialogue with the investment community remain among our enduring priorities, while our results and the consistent implementation of our development strategy provide the strongest confirmation of the trust that investors place in KONČAR.

The results achieved in the first half of the year confirm that the KONČAR Group is entering the remainder of 2026 with a strong market position, a high level of backlog, and a clear development outlook. We continue to invest in our people, technology, and the development and expansion of production capacities to meet growing market demand and seize the opportunities arising from global electrification, energy transition, and digitalisation trends. We remain confident that our combination of engineering expertise, innovation, and long-term strategic focus will continue to generate sustainable value for our customers, employees, shareholders, and the wider community.

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

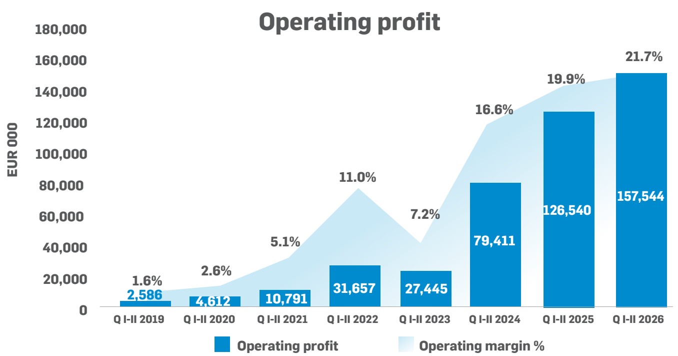


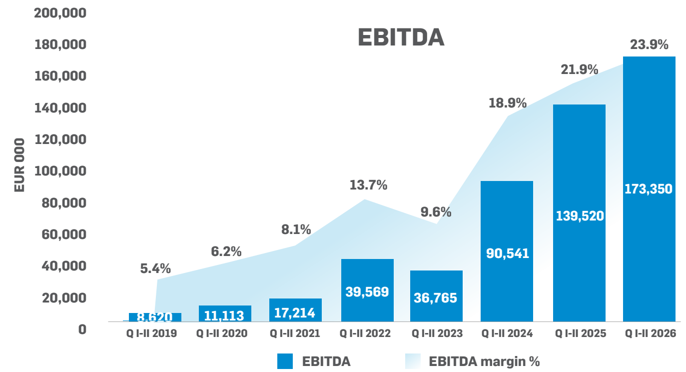
KONČAR Group key performance indicators January – June 2026

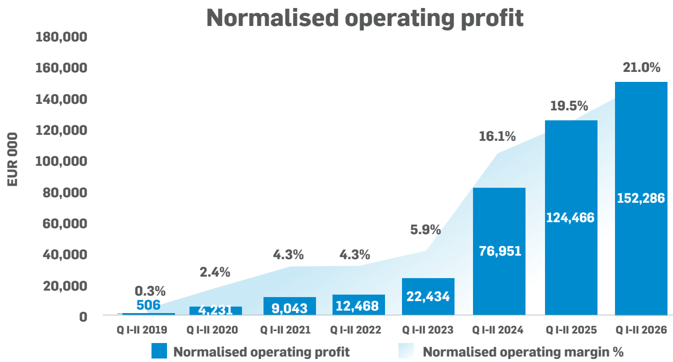
Business performance indicators

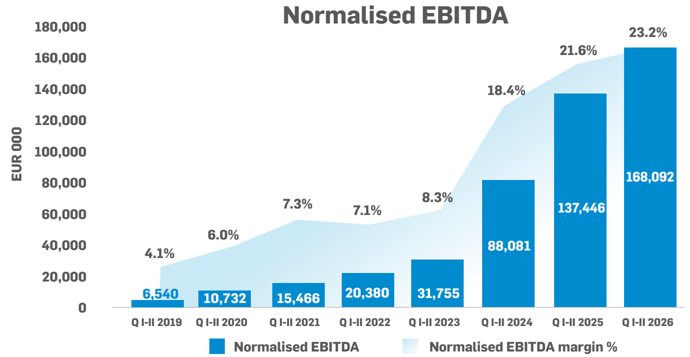
EUR 000	Q I-II 2025	Q I-II 2026	Δ	Index 2026/2025
OPERATING INCOME	**643,305**	**733,873**	**90,568**	**114.1**
Sales revenue - total	636,750	724,927	88,177	113.8
Sales revenue - export	455,274	516,501	61,227	113.4
OPERATING EXPENSES	**516,765**	**576,329**	**59,564**	**111.5**
Operating profit	126,540	157,544	31,004	124.5
Operating margin	19.9%	21.7%		
Normalised operating profit	124,466	152,286	27,820	122.4
Normalised operating margin	19.5%	21.0%		
Net profit	129,238	171,411	42,173	132.6
Net profit margin	20.3%	23.6%		
Normalised net profit	127,164	166,153	38,989	130.7
Normalised net margin	20.0%	22.9 %		
D&A	12,980	15,806	2,826	121.8
EBITDA	**139,520**	**173,350**	**33,830**	**124.2**
EBITDA margin	21.9%	23.9%		
Normalised EBITDA[1]	137,446	168,092	30,646	122.3
Normalised EBITDA margin[1]	21.6%	23.2%		
Order intake	**916,651**	**1,013,857**	**97,206**	**110.6**
Backlog[2]	**2,315,473**	**2,939,698**	**624,225**	**127.0**
Book-to-bill ratio	1.4	1.4		

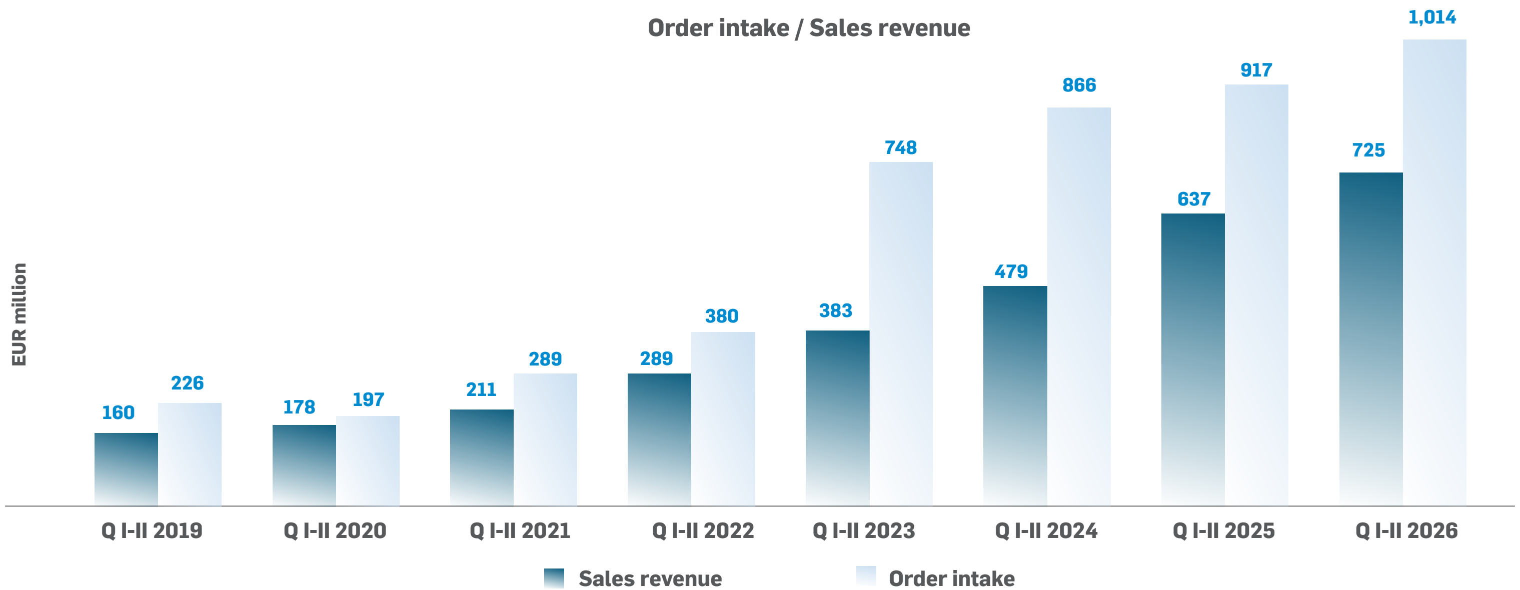
[1] EBITDA adjusted for the net effect of provisioning, gains on the sale of assets, income from damage compensation and impairment of non-current and current assets
[2] Backlog: Value as at 30 June


Operating profit
EUR 000
0
20,000
40,000
60,000
80,000
100,000
120,000
140,000
160,000
180,000
1.6%
2.6%
5.1%
11.0%
7.2%
16.6%
19.9%
21.7%
2,586
4,612
10,791
31,657
27,445
79,411
126,540
157,544
Q I-II 2019
Q I-II 2020
Q I-II 2021
Q I-II 2022
Q I-II 2023
Q I-II 2024
Q I-II 2025
Q I-II 2026
Operating profit
Operating margin %


EBITDA
EUR 000
0
20,000
40,000
60,000
80,000
100,000
120,000
140,000
160,000
180,000
200,000
5.4%
6.2%
8.1%
13.7%
9.6%
18.9%
21.9%
23.9%
8,620
11,113
17,214
39,569
36,765
90,541
139,520
173,350
Q I-II 2019
Q I-II 2020
Q I-II 2021
Q I-II 2022
Q I-II 2023
Q I-II 2024
Q I-II 2025
Q I-II 2026
EBITDA
EBITDA margin %


Normalised operating profit
EUR 000
0
20,000
40,000
60,000
80,000
100,000
120,000
140,000
160,000
180,000
0.3%
2.4%
4.3%
4.3%
5.9%
16.1%
19.5%
21.0%
506
4,231
9,043
12,468
22,434
76,951
124,466
152,286
Q I-II 2019
Q I-II 2020
Q I-II 2021
Q I-II 2022
Q I-II 2023
Q I-II 2024
Q I-II 2025
Q I-II 2026
Normalised operating profit
Normalised operating margin %


Normalised EBITDA
EUR 000
0
20,000
40,000
60,000
80,000
100,000
120,000
140,000
160,000
180,000
4.1%
6.0%
7.3%
7.1%
8.3%
18.4%
21.6%
23.2%
6,540
10,732
15,466
20,380
31,755
88,081
137,446
168,092
Q I-II 2019
Q I-II 2020
Q I-II 2021
Q I-II 2022
Q I-II 2023
Q I-II 2024
Q I-II 2025
Q I-II 2026
Normalised EBITDA
Normalised EBITDA margin %


Order intake / Sales revenue
EUR million
160
226
178
197
211
289
289
380
383
748
479
866
637
917
725
1,014
Q I-II 2019
Q I-II 2020
Q I-II 2021
Q I-II 2022
Q I-II 2023
Q I-II 2024
Q I-II 2025
Q I-II 2026
Sales revenue
Order intake

Statement of profit or loss

Consolidated operating income of KONČAR Group amounted to EUR 733.9 million in H1 2026, representing a year-on-year increase of EUR 90.6 million, or 14.1%.

Consolidated revenue from the sale of products and services amounted to EUR 724.9 million, up EUR 88.2 million, or 13.8%, compared with H1 2025.

Other operating income amounted to EUR 8.9 million, representing an increase of EUR 2.4 million compared with January – June 2025. Other operating income comprised gains on the disposal of assets, income from damage compensation and other income.

Operating expenses amounted to EUR 576.3 million, representing an increase of EUR 59.6 million, or 11.5%, compared with January – June 2025. The most significant component of operating expenses was material costs, comprising costs of raw materials and supplies, cost of goods sold and other external costs, which amounted to EUR 400.0 million, up EUR 36.5 million compared with the corresponding period of the previous year. Material costs accounted for 53.5% of sales revenue adjusted for changes in the value of inventories of work in progress and finished goods, 3.4 percentage points lower than in H1 2025.

Staff costs amounted to EUR 138.8 million, representing an increase of EUR 30.8 million, or 28.5%, compared with the corresponding period of the previous year. Staff costs accounted for 18.6% of adjusted sales revenue, 1.7 percentage points higher than in the corresponding period of the previous year. The average number of employees increased from 5,613 in H1 2025 to 6,569 in H1 2026. This increase was primarily attributable to the expansion of operations, including the addition of companies to the consolidation scope following completed acquisitions.

Other operating costs amounted to EUR 41.0 million, representing an increase of EUR 6.6 million, or 19.1%, compared with the corresponding period of the previous year. Other operating costs comprised employee expense reimbursements and other employee benefits of EUR 20.3 million, non-production services of EUR 8.5 million and other costs of EUR 12.2 million, including banking services, insurance premiums, membership fees and similar items.

Other operating expenses amounted to EUR 3.8 million, up EUR 2.0 million year-on-year compared with H1 2025.

Operating profit (EBIT) amounted to EUR 157.5 million, representing an increase of EUR 31.0 million, or 24.5%, year-on-year. The operating margin stood at 21.7%, compared with 19.9% in the corresponding period of the previous year. Normalised operating profit amounted to EUR 152.3 million, up EUR 27.8 million, or 22.4%, compared with normalised operating profit generated in H1 2025. The normalised EBIT margin stood at 21.0%, 1.5 percentage points higher than in the corresponding period of the previous year, when it stood at 19.5%.

The share of profit of associates and joint ventures amounted to EUR 29.5 million, representing an increase of EUR 6.1 million compared with H1 2025.

In H1 2026, the net balance of financial income and expenses was positive and amounted to EUR 1.8 million, compared with a negative balance of EUR 0.3 million in the corresponding period of the previous year.

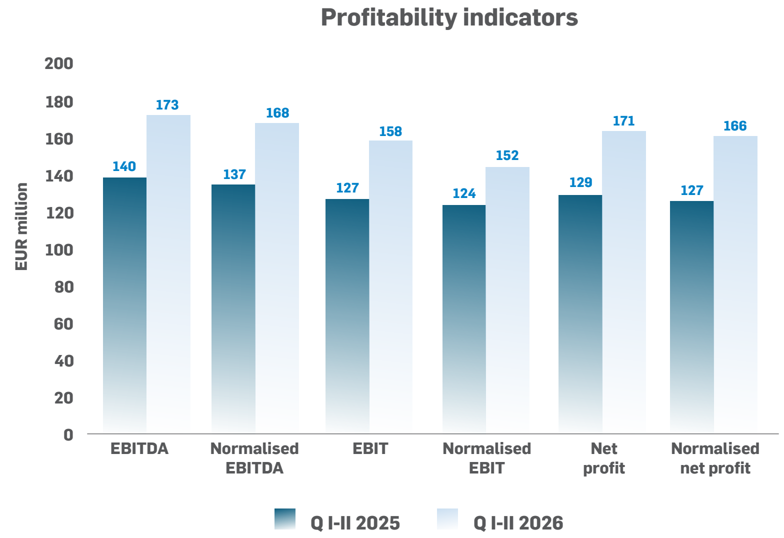
Total consolidated income generated by the Group amounted to EUR 766.6 million, representing an increase of EUR 97.8 million, or 14.6%, compared with January – June 2025.

Operating profit of EUR 157.5 million, the share of profit of associates and joint ventures of EUR 29.5 million and the positive net balance of financial income and expenses of EUR 1.8 million resulted in consolidated profit before tax of EUR 188.8 million. The estimated income tax expense amounted to EUR 17.4 million.

Net profit for the first half of 2026 totalled EUR 171.4 million, representing a year-on-year increase of EUR 42.2 million or 32.6% compared to the corresponding period in 2025. Normalised net profit amounted to EUR 166.2 million, representing a year-on-year increase of EUR 39.0 million. The normalised net margin stood at 22.9%, 2.9 percentage points higher than in the corresponding period of the previous year, when it stood at 20.0%.

EBITDA amounted to EUR 173.4 million, up EUR 33.8 million, or 24.2%, year-on-year compared with EBITDA generated in H1 2025. The EBITDA margin stands at 23.9%, an increase of 2.0 percentage points compared to the same period last year, when it was 21.9%. Normalised EBITDA amounted to EUR 168.1 million, representing an increase of EUR 30.6 million compared with normalised EBITDA generated in H1 2025. The normalised EBITDA margin stood at 23.2%, compared with 21.6% in the corresponding period of the previous year.

Normalised indicators are calculated by adjusting the reported indicators for non-recurring items, specifically by gains on the disposal of assets, income from damage compensation, impairments of non-current and current assets and the net effect of provisions.



EUR 000	Q I-II 2025	Q I-II 2026	Δ	Index 2026/2025
OPERATING INCOME	**643,305**	**733,873**	**90,568**	**114.1**
OPERATING EXPENSES	**516,765**	**576,329**	**59,564**	**111.5**
Material costs and change in value of inventories	360,639	376,690	16,051	104.5
Staff costs	108,016	138,826	30,810	128.5
Depreciation and amortisation	12,980	15,806	2,826	121.8
Other costs	36,156	44,730	8,574	123.7
Value adjustment	-8	162	170	n/a
Provisions*	-1,018	116	1,134	n/a
OPERATING PROFIT	126,540	157,544	31,004	124.5
SHARE IN PROFIT OF ASSOCIATES	23,365	29,472	6,107	126.1
SHARE IN LOSS FROM JOINT VENTURES	19	-	-19	n/a
FINANCE INCOME	2,147	3,261	1,114	151.9
FINANCE COSTS	2,423	1,438	-985	59.3
TOTAL INCOME	**668,817**	**766,606**	**97,789**	**114.6**
TOTAL EXPENSES	**519,207**	**577,767**	**58,560**	**111.3**
Profit before tax	149,610	188,839	39,229	126.2
Income tax	20,372	17,428	-2,944	85.5
PROFIT FOR THE PERIOD	**129,238**	**171,411**	**42,173**	**132.6**

** net effect of provisioning*

Financial position

Key features of the statement of consolidated balance sheet as at 30 June 2026

The balance sheet total of KONČAR Group as at 30 June 2026 amounted to EUR 1,791.6 million, up EUR 169.2 million, or 10.4%, compared with year-end 2025.

Within the asset structure, non-current assets amounted to EUR 535.2 million, accounting for 29.9% of total assets, and were EUR 84.9 million higher than as at 31 December 2025. Compared with year-end 2025, intangible assets increased by EUR 15.6 million, or 47.3%, primarily reflecting an increase in goodwill arising from the acquisition of a new company at the beginning of 2026 and an increase in other intangible assets under development. Tangible assets increased by EUR 31.6 million, or 9.2%, primarily as a result of capital expenditure by several subsidiaries and assets being brought into use. Non-current financial assets increased by EUR 26.8 million, or 48.3%, due to an increase in the value of investments accounted for using the equity method, while receivables increased by EUR 3.8 million, or 75.5%. Deferred tax assets increased by EUR 7.2 million, or 53.8%, compared with year-end 2025, primarily due to a tax incentive granted to a Group subsidiary.

Current assets as at 30 June 2026 amounted to EUR 1,248.7 million, accounting for 69.7% of total assets, and were EUR 83.6 million higher than as at 31 December 2025. The increase in current assets was driven by higher inventories and current financial assets, while receivables and cash decreased during the period under review.

Compared to 31 December 2025:
- Inventories increased by EUR 31.3 million, primarily reflecting increases of EUR 13.5 million in raw materials and supplies and EUR 20.9 million in work in progress. Advances for inventories and non-current assets held for sale increased in total of EUR 0.9 million, while finished goods and merchandise decreased in total of EUR 3.9 million.
- Total current receivables amounted to EUR 452.7 million, representing a decrease of EUR 38.3 million. This was attributable to decreases of EUR 42.4 million in receivables from companies linked by associates and join ventures and EUR 3.5 million in trade receivables. Receivables from government authorities increased by EUR 3.0 million and other receivables by EUR 4.5 million, while receivables from employees remained mostly unchanged.
- Current financial assets increased by EUR 97.1 million, primarily due to higher deposits and investments in Treasury bills.
- Cash and cash equivalents of KONČAR Group amounted to EUR 236.2 million, representing a decrease of EUR 6.5 million. The decrease was primarily attributable to negative cash flows from investing and financing activities.

Prepaid expenses and accrued income as at 30 June 2026 amounted to EUR 7.6 million, up EUR 0.7 million compared with year-end 2025.

Within sources of funds, the following changes occurred as at 30 June 2026 compared with 31 December 2025:
- Total equity and reserves of the Group amounted to EUR 975.4 million, representing an increase of EUR 127.4 million. The increase reflected the distribution of profit for the previous financial year, the profit generated in the current period and a EUR 25.9 million increase in equity attributable to non-controlling (minority) interests.
- Provisions amounted to EUR 34.3 million, up EUR 4.0 million.
- Non-current liabilities amounted to EUR 59.5 million, representing an increase of EUR 1.8 million. This was primarily attributable to a EUR 6.6 million increase in liabilities to banks and other financial institutions, partially offset by a total of EUR 4.8 million decrease in other liabilities.
- Current liabilities amounted to EUR 648.0 million, representing an increase of EUR 52.4 million. The most significant movements within current liabilities were a EUR 48.2 million increase in liabilities for advances received, a EUR 13.4 million increase arising from the share in the result and a EUR 5.6 million increase in other current liabilities. Current liabilities to banks and other financial institutions increased by EUR 2.9 million, while trade payables decreased by EUR 4.0 million. Liabilities for taxes, contributions and similar charges decreased by EUR 8.5 million, while liabilities to employees decreased by EUR 1.6 million.
- Accrued expenses and deferred income amounted to EUR 74.4 million, representing a decrease of EUR 16.4 million.

Within the structure of sources of funds on the equity and liabilities side, share capital, reserves, retained earnings, profit for the current year and equity attributable to non-controlling (minority) interests amounted to EUR 975.4 million, accounting for 54.4% of total sources of funds. Provisions totalled EUR 34.3 million, accounting for 1.9% of total sources. Total non-current and current liabilities amounted to EUR 707.5 million, representing 39.5% of total sources of funds. Within current liabilities, advance payments received amounted to EUR 336.6 million or 18.8% of total sources, while trade payables totalled EUR 156.5 million, or 8.7% of total sources. Total liabilities to banks, both non-current and current, amounted to EUR 65.1 million, representing 3.6% of total sources.

The Group's contingent liabilities (off-balance-sheet records) as at 30 June 2026 amounted to EUR 1,973.4 million, representing an increase of EUR 175.8 million compared with 31 December 2025. Contingent liabilities relate primarily to issued payment security instruments, mainly guarantees and promissory notes.

The total amount of current assets and prepaid expenses and accrued income exceeds the total of current liabilities and accruals and deferred income of 1.7, indicating a sound liquidity position. The structure of the consolidated statement of financial position indicates an appropriate alignment between sources of funds and investments, as well as the sound financial stability of KONČAR Group.

Net debt

EUR 000	31 December 2025	30 June 2026	Δ
Liabilities to banks and financial institutions	43,322	49,746	6,424
Lease liabilities – future payments	3,506	3,840	334
Non-current liabilities	**46,827**	**53,586**	**6,759**
Liabilities for loans and to banks and financial institutions	38,339	41,271	2,932
Interest liabilities	232	111	-121
Lease liabilities – future payments	1,404	1,003	-401
Current liabilities	**39,975**	**42,385**	**2,410**
TOTAL DEBT	**86,803**	**95,971**	**9,168**
Cash and cash equivalents	242,715	236,216	-6,499
Current financial assets	161,562	258,683	97,121
NET DEBT	**-317,475**	**-398,928**	**-81,453**
NET DEBT/normalised EBITDA	**neg**	**neg**	

Note: the calculation of net debt may differ from the amounts presented in financial statements prepared in accordance with IFRS, due to differences in the methodology for classifying and presenting individual items.

Summarised statement of financial position

EUR 000	31 December 2025	30 June 2026	Δ
Non-current assets	450,320	535,206	84,886
Current assets and prepaid expenses and accrued income	1,172,009	1,256,352	84,343
Total assets	**1,622,329**	**1,791,558**	**169,229**
Capital and reserves	847,977	975,384	127,407
Non-current liabilities and provisions	87,999	93,827	5,828
Current liabilities and accruals and deferred income	686,353	722,347	35,994
Total equity and liabilities	**1,622,329**	**1,791,558**	**169,229**

EUR 000	31 December 2025	30 June 2026	Δ
Current assets and prepaid expenses and accrued income	1,172,009	1,256,352	84,343
Current liabilities and accruals and deferred income	686,353	722,346	35,993
Current ratio	**1.7**	**1.7**	

Market position

Consolidated revenue from the sale of products and services amounted to EUR 724.9 million, representing an increase of EUR 88.2 million, or 13.8%, compared with H1 2025.

In the period under review, sales revenue generated in the domestic market amounted to EUR 208.4 million, up EUR 27.0 million, or 14.9%, compared with H1 2025. The domestic market accounted for 28.8% of total revenue from the sale of products and services.

Within the structure of domestic revenue from the sale of products and services, the largest share, 38.4%, related to sales to HEP Group companies or partners supplying the HEP Group. In H1 2026, KONČAR Group generated EUR 80.1 million from the sale of products and services to the HEP Group, representing a year-on-year decrease of EUR 2.8 million, or 3.3%.

Revenue from the sale of products and services to HŽ Passenger Transport, HŽ Infrastructure, Technical Services for Railway Vehicles and HŽ Cargo amounted to EUR 33.8 million, representing an increase of EUR 6.4 million, or 23.4%, compared with H1 2025. These customers accounted for 16.2% of total sales revenue generated in the domestic market.

In international markets, sales revenue amounted to EUR 516.5 million, representing an increase of EUR 61.2 million, or 13.4%, year-on-year. International markets accounted for 71.2% of total revenue from the sale of products and services.

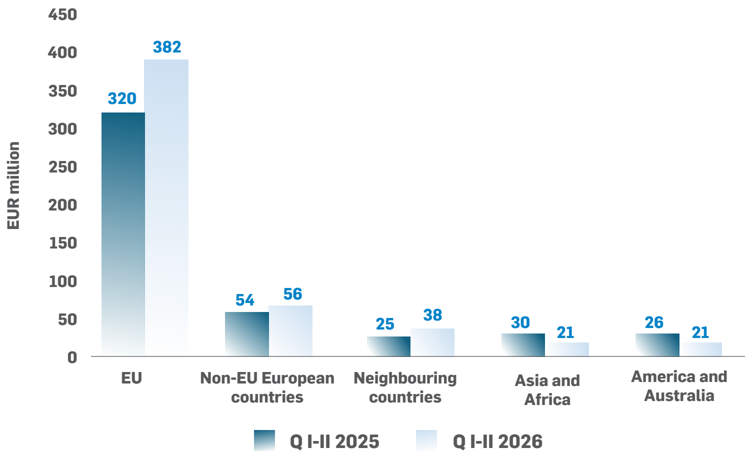
Compared with the corresponding period of the previous year, the most significant increase in export revenue from the sale of products and services in absolute terms was recorded in the European Union market, where exports increased by EUR 61.3 million, or 19.1%, year-on-year. Exports to European Union countries amounted to EUR 381.7 million and accounted for 73.9% of KONČAR Group's total exports, 3.5 percentage points higher than in the corresponding period of the previous year, when the share stood at 70.4%. Sales revenue also increased by EUR 12.8 million in countries in the region and by EUR 1.9 million in non-EU European countries. Compared with H1 2025, sales revenue decreased by EUR 5.4 million in the America and Australia and by EUR 9.3 million in Asia and Africa.

The highest percentage increase in export sales revenue was recorded in countries in the region, where exports grew by 51.9% year-on-year to EUR 37.5 million. The largest increases were generated in Bosnia and Herzegovina, where sales revenue amounted to EUR 23.1 million, and Albania, where sales revenue amounted to EUR 6.4 million.

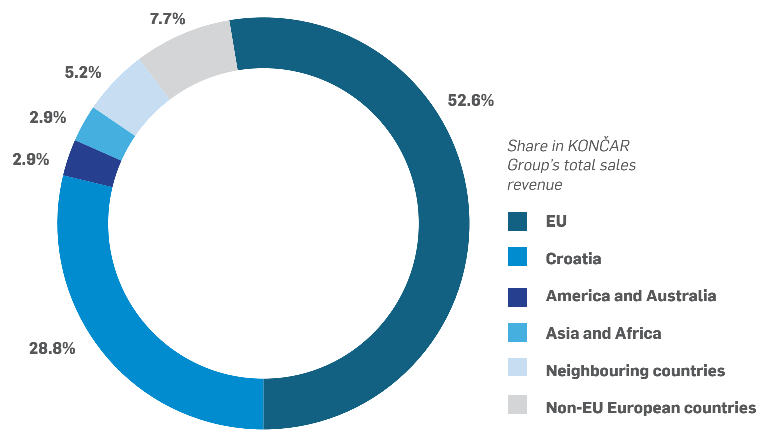
On a country-by-country basis, the highest export revenue was generated in Germany, amounting to EUR 124.4 million, followed by Sweden at EUR 60.6 million and the Netherlands at EUR 42.7 million. In absolute terms, the most significant increases compared with H1 2025 were recorded in Germany, where sales revenue increased by EUR 26.2 million, and the Netherlands, where it increased by EUR 14.8 million.

Viewed by division, almost all reporting divisions recorded growth compared with H1 2025. The strongest absolute growth was achieved by the Power Transmission and Distribution division, which generated revenue of EUR 587.1 million, representing an increase of EUR 58.5 million, or 11.1%, year-on-year. The division accounted for 74.1% of total sales revenue of KONČAR Group and it is 1.3 percentage points lower than in the previous year. The highest relative growth was recorded by the Power Generation division, which generated revenue of EUR 78.3 million, up EUR 34.1 million, or 77.1%, year-on-year. The Digital Solutions and Platforms division generated sales revenue of EUR 30.2 million, representing an increase of EUR 12.2 million, or 68.1%, year-on-year, while sales revenue generated by the Urban Mobility and Infrastructure division decreased by EUR 9.6 million to EUR 72.1 million in the period under review.

Sales income - export by markets

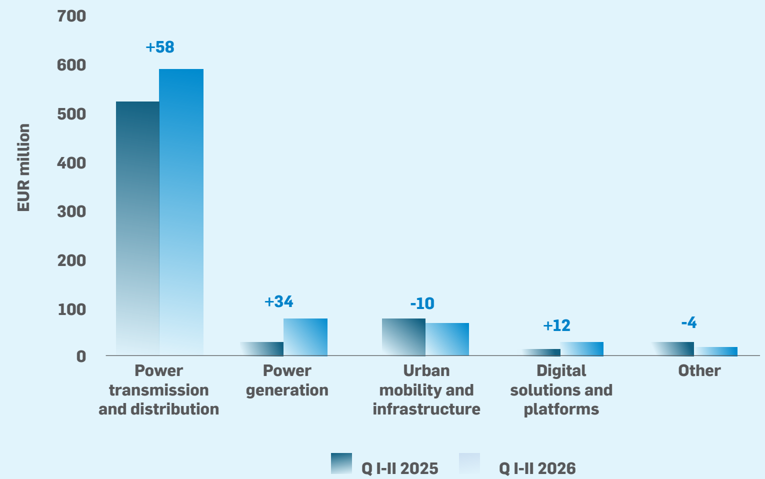


Sales income by markets



Revenue by divisions

EUR 000	Q I-II 2025	Share in total	Q I-II 2026	Share in total
Power generation	**44,197**	**6.3%**	**78,284**	**9.9%**
Hydro	36,432		45,209	
Renewable Energy Source	7,764		33,075	
Power transmission and distribution	**528,691**	**75.4%**	**587,144**	**74.1%**
Transmission	189,788		235,389	
Distribution	338,903		351,755	
Urban mobility and infrastructure	**81,753**	**11.7%**	**72,143**	**9.1%**
Mobility	50,651		44,845	
Infrastructure	31,102		27,298	
Digital solutions and platforms	**17,940**	**2.6%**	**30,155**	**3.8%**
Other	28,416	4.1%	24,664	3.1%
Total sales revenue (non-consolidated)	**700,996**	**100%**	**792,390**	**100%**
Elimination of intercompany transactions	-64,247		-67,463	
Total sales revenue (consolidated)	**636,750**		**724,927**	



Order intake and backlog

The upward trend in contracting activity continued in H1 2026. The level of order intake further strengthened the order book and provides a stable revenue base for future periods. Despite challenging market conditions and persistent geopolitical uncertainty, demand for solutions supporting the energy transition and the reinforcement and modernisation of the power grid remained strong, further confirming KONČAR Group's competitiveness and robust market position.

In H1 2026, KONČAR Group companies recorded order intake totalling EUR 1,013.9 million. This represents an increase of EUR 97.2 million, or 10.6%, compared with the corresponding period of the previous year, driven by new contracts concluded in international markets, where contracting activity significantly outpaced that in the domestic market.

The book-to-bill ratio for January – June 2026 stood at 1.4.

In H1 2026, export orders amounted to EUR 779.3 million, representing an increase of EUR 195.9 million, or 33.6%, compared with the corresponding period of the previous year. Export orders accounted for a high 76.9% of total order intake, compared with 63.6% in H1 2025.

Of the total export order intake in H1 2026, the largest portion related to European Union countries and amounted to EUR 535.6 million, up EUR 109.2 million compared with the corresponding period of 2025. European Union countries accounted for 68.7% of total export orders. Contracting activity also increased in Asia and Africa, where order intake was EUR 8.8 million higher year-on-year; in non-EU European countries, where it increased by EUR 14.2 million; and in countries in the region, where order intake was EUR 64.5 million higher than in H1 2025. In the Americas and Australia, order intake decreased by EUR 0.7 million.

On a country-by-country basis, the highest value of new orders was recorded in Germany, where order intake amounted to EUR 99.5 million, representing a decrease of EUR 11.6 million compared with H1 2025. Order intake amounted to EUR 72.5 million in Sweden, down EUR 29.3 million year-on-year, and EUR 59.1 million in the Netherlands, up EUR 22.4 million year-on-year. A significant year-on-year increase of EUR 53.7 million was recorded in North Macedonia, primarily as a result of contracts for the construction of a substation and overhead line (SS/OHL) and for the construction of a wind farm. In addition to North Macedonia, a significant increase in contracting activity was recorded in the Czech Republic, where new order intake was EUR 47.6 million higher than in the corresponding period of the previous year. This increase arose from a contract concluded with Litostroj Engineering for the design, manufacture, delivery, supervision of installation and commissioning of new generators, new motor-generators and a complete monitoring system as part of the modernisation of the generating units at the Orlík hydropower plant on the Vltava River. Order intake in Austria increased by EUR 35.5 million, primarily reflecting a contract for the supply of power transformers.

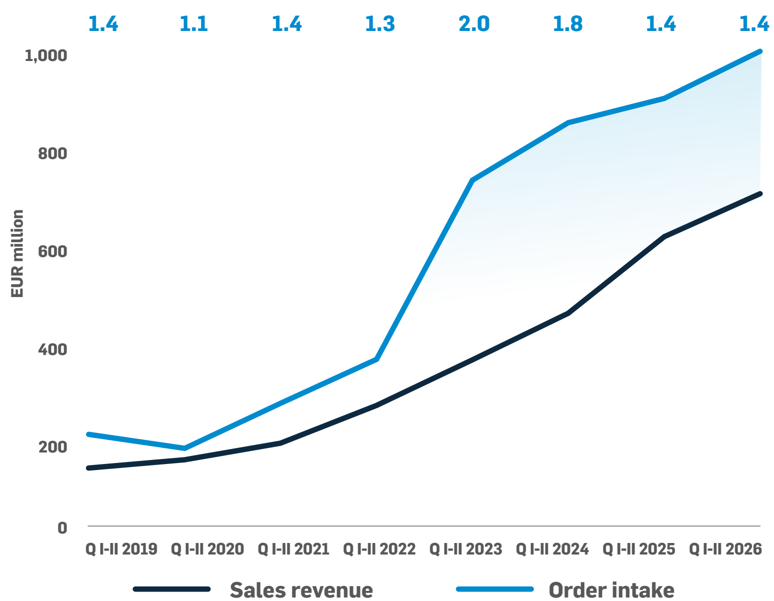
Significantly stronger contracting activity in international markets offset the decrease in domestic order intake. Order intake in the domestic market amounted to EUR 234.6 million, down EUR 98.7 million compared with H1 2025. The decrease primarily reflected a high prior-year comparison base, as two significant contracts with HŽ Passenger Transport, with a combined value of EUR 117.9 million, were concluded in the previous year. In H1 2026, new orders from HŽ Group companies accounted for 24.9% of domestic order intake and 5.8% of KONČAR Group's total order intake. Order intake from HEP Group companies or partners supplying the HEP Group also decreased, by EUR 44.8 million. Despite this decline, this customer group accounted for the largest value of new orders in the domestic market, amounting to EUR 82.6 million and representing 35.2% of domestic order intake and 8.1% of KONČAR Group's total order intake. In addition to contracts with the HŽ and HEP groups, significant domestic contracts included contracts with Zagreb Electric Tram (ZET) totalling EUR 12.8 million.

By delivery schedule, EUR 274.5 million, or 27.1%, of order intake is scheduled for execution in 2026, EUR 359.5 million, or 35.5%, is scheduled for execution in 2027 and EUR 379.9 million, or 37.5%, is scheduled for execution in subsequent years.

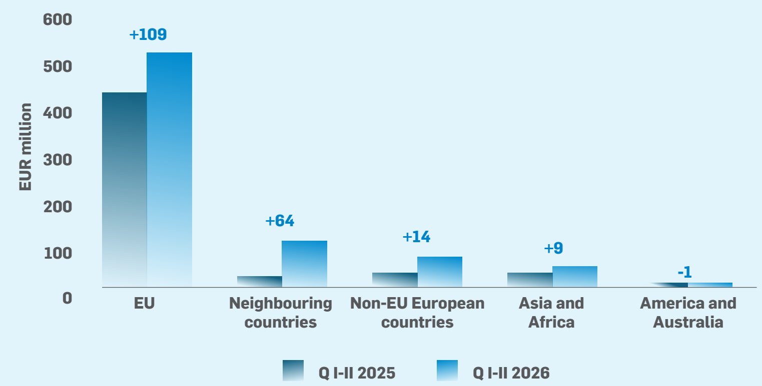
As at 30 June 2026, backlog amounted to EUR 2,939.7 million, representing an increase of EUR 624.2 million, or 27.0%, compared with 30 June 2025. Compared with 31 March 2026, backlog increased by EUR 34.4 million.

Of the backlog outstanding at the end of June 2026, contracts scheduled for execution in 2026 amounted to EUR 823.1 million. The existing backlog therefore provides full coverage of the annual sales revenue plan for 2026.

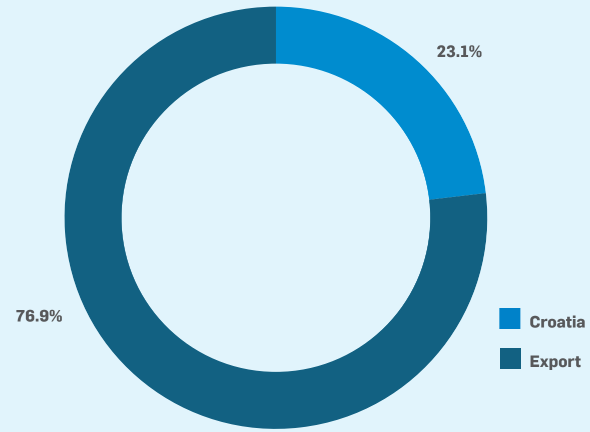
Book-to-bill ratio



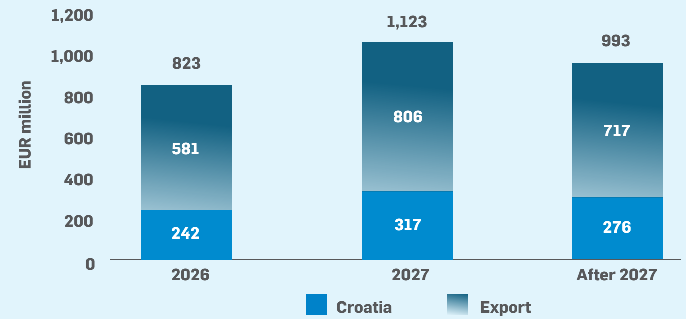
Order intake in international markets



Order intake Q I-II 2026



Expected revenue from backlog



Information for shareholders

KONČAR Inc. shares are 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 and timely disclosure of information regarding its operations and activities, including information on facts and circumstances that may have a material impact on the share price (price-sensitive information).

During the period under review, the share price was characterised by growth at the beginning of the year, followed by a temporary decline during Q1. The share price subsequently recovered in Q2 and resumed its upward trend, exceeding EUR 1,000 in June. At the end of Q2, the closing price stood at EUR 1,032.00, representing a year-on-year increase of 94.7%. The lowest price recorded during the period was EUR 706.00, while the highest was EUR 1,080.00. The increase in the share price was accompanied by a high level of liquidity. Total share turnover during the period under review amounted to EUR 174.1 million, up 129% compared with the corresponding period of the previous year. Of this amount, EUR 52.4 million related to block trades, indicating a high level of activity among institutional investors.

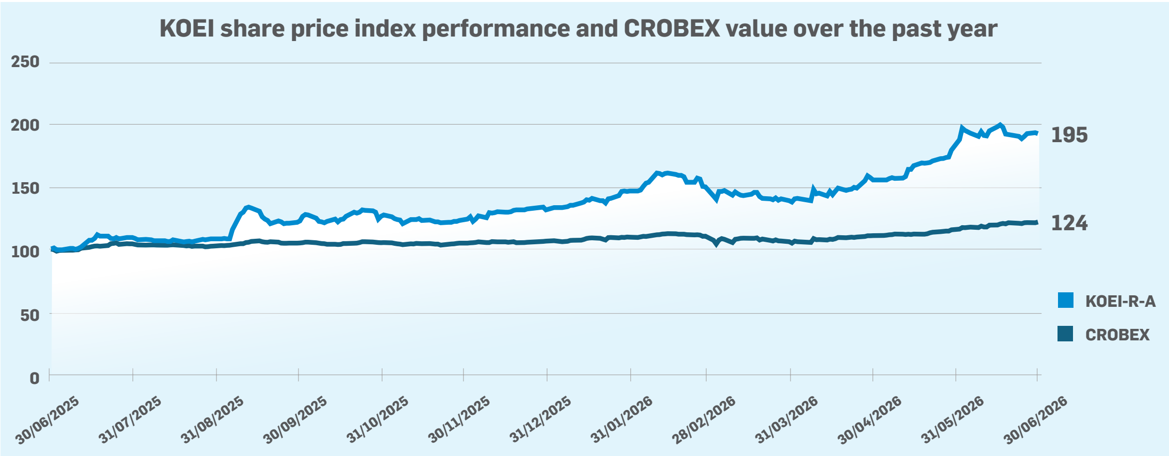
Market capitalisation at the end of June 2026 amounted more than EUR 2.6 billion, representing an increase of 94.7% compared with market capitalisation as at 30 June 2025.

Earnings per share attributable to owners of the Parent for H1 2026 amounted to EUR 45.2, representing a year-on-year increase of 33.2%.

The General Assembly of the Parent Company was held on 12 June 2026. Among the other resolutions included on the agenda, the shareholders approved the payment of a dividend of EUR 4.00 per share.

KOEI-R-A	30 June 2025	30 June 2026	Index
Last price (EUR)	530	1,032	194.7
Highest price (EUR) *	565	1,080	191.2
Lowest price (EUR) *	424	706	166.5
Volume *	154,853	206,653	133.5
Turnover (EUR) *	76,047,474	174,128,078	229.0
Market capitalization (EUR) **	1,350,662,070	2,630,140,752	194.7
EPS (Earnings per Share) (EUR)	33.9	45.2	133.2

*for period January - June
**total number of listed shares minus treasury shares



B Unaudited consolidated financial statements of KONČAR Group for Jan-Jun 2026

Annex 1

ISSUER'S GENERAL DATA			
Reporting period:	**1.1.2026**	to:	**30.6.2026**
Year:	**2026**	Quarter:	**2**

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**		
Street and house number:	**Fallerovo šetalište 22**		**Zagreb**
E-mail address:	**koncar.finance@koncar.hr**		
Web address:	**www.koncar.hr**		
Number of employees (end of the reporting period):	**6732**		
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 manufacturing and services	**Zagreb**	**3282899**	
KONČAR - Motors and Electrical Systems Ltd. for manufacturing	**Zagreb**	**3282678**	
KONČAR - Generators and Motors Ltd. for manufacturing	**Zagreb**	**1356216**	
KONČAR - Renewable Energy Sources Ltd. for production	**Zagreb**	**2435071**	
KONČAR - Instrument Transformers Inc. for manufacturing	**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 manufacturing	**Zagreb**	**1114328**	
KONČAR - Digital Ltd. for digital services	**Zagreb**	**5478421**	
KONČAR - Transformer tanks Ltd. for manufacturing	**Zagreb**	**5853184**	
HELB Ltd. for production, assembly and servicing of electrical devices	**Božjakovina**	**3511120**	
TELENERG - ENGINEERING Llc. for design and manufacturing	**Zagreb**	**5539684**	
KONČAR - Hydro Turbine Ltd. for production and services	**Zagreb**	**6056580**	
Dalekovod Jsc. for engineering, production and construction	**Zagreb**	**3275531**	
KONČAR Switzerland GmbH	**Baden**		
Bookkeeping firm:	**No**	(Yes/No)	(name of the bookkeeping firm)
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 Croatia d.o.o.** (name of the audit firm)		
Certified auditor:	**Igor Gošek** (name and surname)		

BALANCE SHEET
balance as at 30.6.2026

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**	0.00	0.00
B) FIXED ASSETS (ADP 003+010+020+031+036)	**002**	450,320,125.00	535,205,586.00
I INTANGIBLE ASSETS (ADP 004 to 009)	**003**	32,864,828.00	48,418,233.00
1 Research and development	**004**	6,467,673.00	8,786,582.00
2 Concessions, patents, licences, trademarks, software and other rights	**005**	7,312,770.00	7,345,254.00
3 Goodwill	**006**	11,683,686.00	20,749,059.00
4 Advances for the purchase of intangible assets	**007**	324,709.00	507,565.00
5 Intangible assets in preparation	**008**	6,931,487.00	10,944,413.00
6 Other intangible assets	**009**	144,503.00	85,360.00
II TANGIBLE ASSETS (ADP 011 to 019)	**010**	343,546,142.00	375,098,623.00
1 Land	**011**	56,634,708.00	56,533,902.00
2 Buildings	**012**	101,528,989.00	111,849,602.00
3 Plant and equipment	**013**	87,934,721.00	91,692,183.00
4 Tools, working inventory and transportation assets	**014**	27,653,198.00	32,578,195.00
5 Biological assets	**015**	0.00	0.00
6 Advances for the purchase of tangible assets	**016**	10,073,122.00	14,255,940.00
7 Tangible assets in preparation	**017**	38,331,383.00	43,209,227.00
8 Other tangible assets	**018**	234,392.00	756,442.00
9 Investment property	**019**	21,155,629.00	24,223,132.00
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	**020**	55,535,628.00	82,337,738.00
1 Investments in holdings (shares) of undertakings within the group	**021**	8,265.00	8,265.00
2 Investments in other securities of undertakings within the group	**022**	0.00	0.00
3 Loans, deposits, etc. to undertakings within the group	**023**	0.00	0.00
4 Investments in holdings (shares) of companies linked by virtue of participating interests	**024**	45,624,533.00	74,666,894.00
5 Investment in other securities of companies linked by virtue of participating interests	**025**	0.00	0.00
6 Loans, deposits etc. to companies linked by virtue of participating interests	**026**	0.00	0.00
7 Investments in securities	**027**	805,374.00	33,524.00
8 Loans, deposits, etc. given	**028**	1,239,638.00	1,209,480.00
9 Other investments accounted for using the equity method	**029**	5,610,837.00	5,686,300.00
10 Other fixed financial assets	**030**	2,246,981.00	733,275.00
IV RECEIVABLES (ADP 032 to 035)	**031**	5,057,456.00	8,876,790.00
1 Receivables from undertakings within the group	**032**	0.00	0.00
2 Receivables from companies linked by virtue of participating interests	**033**	0.00	0.00

BALANCE SHEET
balance as at 30.6.2026

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
3 Customer receivables	034	589,183.00	3,216,439.00
4 Other receivables	035	4,468,273.00	5,660,351.00
V DEFERRED TAX ASSETS	036	13,316,071.00	20,474,202.00
C) CURRENT ASSETS (ADP 038+046+053+063)	037	1,165,114,385.00	1,248,717,726.00
I INVENTORIES (ADP 039 to 045)	038	269,813,276.00	301,120,263.00
1 Raw materials and consumables	039	130,219,195.00	143,684,834.00
2 Production in progress	040	76,042,509.00	96,920,548.00
3 Finished goods	041	47,752,611.00	45,284,862.00
4 Merchandise	042	3,757,445.00	2,310,640.00
5 Advances for inventories	043	10,639,343.00	11,511,391.00
6 Fixed assets held for sale	044	1,402,173.00	1,407,988.00
7 Biological assets	045	0.00	0.00
II RECEIVABLES (ADP 047 to 052)	046	491,023,811.00	452,698,629.00
1 Receivables from undertakings within the group	047	0.00	0.00
2 Receivables from companies linked by virtue of participating interests	048	47,080,328.00	4,724,346.00
3 Customer receivables	049	375,289,886.00	371,793,676.00
4 Receivables from employees and members of the undertaking	050	158,190.00	157,412.00
5 Receivables from government and other institutions	051	20,459,566.00	23,447,945.00
6 Other receivables	052	48,035,841.00	52,575,250.00
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	161,562,243.00	258,682,557.00
1 Investments in holdings (shares) of undertakings within the group	054	0.00	0.00
2 Investments in other securities of undertakings within the group	055	0.00	0.00
3 Loans, deposits, etc, to undertakings within the group	056	0.00	0.00
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0.00	0.00
5 Investment in other securities of companies linked by virtue of participating interests	058	0.00	0.00
6 Loans, deposits etc, to companies linked by virtue of participating interests	059	9,255,000.00	9,900,736.00
7 Investments in securities	060	29,478,446.00	54,502,087.00
8 Loans, deposits, etc, given	061	122,807,275.00	193,701,244.00
9 Other financial assets	062	21,522.00	578,490.00
IV CASH AT BANK AND IN HAND	063	242,715,055.00	236,216,277.00
D) PREPAID EXPENSES AND ACCRUED INCOME	064	6,894,267.00	7,633,993.00
E) TOTAL ASSETS (ADP 001+002+037+064)	065	1,622,328,777.00	1,791,557,305.00
OFF-BALANCE SHEET ITEMS	066	1,797,511,206.00	1,973,355,579.00

BALANCE SHEET
balance as at 30.6.2026

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
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)	**067**	847,977,032.00	975,383,752.00
I INITIAL (SUBSCRIBED) CAPITAL	**068**	159,471,379.00	159,471,379.00
II CAPITAL RESERVES	**069**	1,826,728.00	1,826,728.00
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	**070**	113,266,824.00	119,560,954.00
1 Legal reserves	**071**	10,572,684.00	10,572,684.00
2 Reserves for treasury shares	**072**	5,871,715.00	5,855,052.00
3 Treasury shares and holdings (deductible item)	**073**	-1,871,715.00	-1,855,052.00
4 Statutory reserves	**074**	66,074,285.00	66,438,080.00
5 Other reserves	**075**	32,619,855.00	38,550,190.00
IV REVALUATION RESERVES	**076**	0.00	0.00
V FAIR VALUE RESERVES AND OTHER (ADP 078 to 083)	**077**	1,025,976.00	696,606.00
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	**078**	1,261,937.00	1,261,937.00
2 Cash flow hedge - effective portion	**079**	0.00	0.00
3 Hedge of a net investment in a foreign operation - effective portion	**080**	0.00	0.00
4 Other fair value reserves	**081**	0.00	0.00
5 Exchange rate differences from translation of foreign operations (consolidation)	**082**	-235,961.00	-565,331,00
6 Exchange rate differences from translation into the presentation currency	**083**	0.00	0,00
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 085-086)	**084**	207,718,470.00	335,008,314.00
1 Retained profit	**085**	207,718,470.00	335,008,314.00
2 Loss brought forward	**086**	0.00	0.00
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 088-089)	**087**	146,860,849.00	115,096,365.00
1 Profit for the business year	**088**	146,860,849.00	115,096,365.00
2 Loss for the business year	**089**	0.00	0.00
VIII MINORITY (NON-CONTROLLING) INTEREST	**090**	217,806,806.00	243,723,406.00
B) PROVISIONS (ADP 092 to 097)	**091**	30,347,173.00	34,333,147.00
1 Provisions for pensions, termination benefits and similar obligations	**092**	6,007,892.00	5,019,441.00
2 Provisions for tax liabilities	**093**	0.00	0.00
3 Provisions for ongoing legal cases	**094**	1,595,755.00	4,025,222.00
4 Provisions for renewal of natural resources	**095**	956,671.00	956,671.00
5 Provisions for warranty obligations	**096**	21,686,855.00	22,024,719.00
6 Other provisions	**097**	100,000.00	2,307,094.00

BALANCE SHEET
balance as at 30.6.2026

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
C) LONG-TERM LIABILITIES (ADP 099 to 109)	**098**	57,651,420.00	59,494,159.00
1 Liabilities to undertakings within the group	**099**	0.00	0.00
2 Liabilities for loans, deposits, etc. of undertakings within the group	**100**	0.00	0.00
3 Liabilities to companies linked by virtue of participating interests	**101**	0.00	0.00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	**102**	0.00	0.00
5 Liabilities for loans, deposits etc.	**103**	0.00	0.00
6 Liabilities to banks and other financial institutions	**104**	35,646,587.00	42,261,648.00
7 Liabilities for advance payments	**105**	0.00	0.00
8 Liabilities to suppliers	**106**	0.00	0.00
9 Liabilities for securities	**107**	932,000.00	642,043.00
10 Other long-term liabilities	**108**	17,037,259.00	12,744,370.00
11 Deferred tax liability	**109**	4,035,574.00	3,846,098.00
D) SHORT-TERM LIABILITIES (ADP 111 to 124)	**110**	595,539,882.00	647,962,687,00
1 Liabilities to undertakings within the group	**111**	0.00	0.00
2 Liabilities for loans, deposits, etc. of undertakings within the group	**112**	0.00	0.00
3 Liabilities to companies linked by virtue of participating interests	**113**	17,282,675.00	12,762,276.00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	**114**	0.00	0.00
5 Liabilities for loans, deposits etc.	**115**	0.00	794,671.00
6 Liabilities to banks and other financial institutions	**116**	19,920,519.00	22,806,195.00
7 Liabilities for advance payments	**117**	288,407,405.00	336,594,805.00
8 Liabilities to suppliers	**118**	160,452,887.00	156,502,990.00
9 Liabilities for securities	**119**	211,000.00	289,578.00
10 Liabilities to employees	**120**	26,199,133.00	24,631,234.00
11 Taxes, contributions and similar liabilities	**121**	37,717,307.00	29,235,480.00
12 Liabilities arising from the share in the result	**122**	82,992.00	13,509,725,00
13 Liabilities arising from fixed assets held for sale	**123**	0.00	0.00
14 Other short-term liabilities	**124**	45,265,964.00	50,835,733.00
E) ACCRUALS AND DEFERRED INCOME	**125**	90,813,270.00	74,383,560.00
F) TOTAL – LIABILITIES (ADP 067+091+098+110+125)	**126**	1,622,328,777.00	1,791,557,305.00
G) OFF-BALANCE SHEET ITEMS	**127**	1,797,511,206.00	1,973,355,579.00

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2026 to 30.6.2026

in EUR

Submitter: KONČAR 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 002 to 006)	**001**	643,304,582.00	333,091,670.00	733,873,281.00	396,573,021.00
1 Income from sales with undertakings within the group	**002**	0.00	0.00	0.00	0.00
2 Income from sales	**003**	636,749,647.00	330,599,846.00	724,927,074.00	394,409,514.00
3 Income from the use of own products, goods and services	**004**	0.00	0.00	0.00	0.00
4 Other operating income with undertakings within the group	**005**	0.00	0.00	0.00	0.00
5 Other operating income (outside the group)	**006**	6,554,935.00	2,491,824.00	8,946,207.00	2,163,507.00
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	**007**	516,765,016.00	269,563,539.00	576,328,802.00	310,387,916.00
1 Changes in inventories of work in progress and finished goods	**008**	-2,943,914.00	2,895,573.00	-23,355,455.00	-6,735,157.00
2 Material costs (ADP 010 to 012)	**009**	363,583,307.00	182,611,445.00	400,045,432.00	214,356,205.00
a) Costs of raw materials and consumables	**010**	272,877,313.00	133,935,778.00	280,869,380.00	148,549,739.00
b) Costs of goods sold	**011**	22,015,982.00	9,927,754.00	28,759,992.00	17,510,930.00
c) Other external costs	**012**	68,690,012.00	38,747,913.00	90,416,060.00	48,295,536.00
3 Staff costs (ADP 014 to 016)	**013**	108,015,520.00	57,029,135.00	138,825,050.00	72,853,643.00
a) Net salaries and wages	**014**	68,841,460.00	36,411,070.00	86,623,620.00	45,815,943.00
b) Tax and contributions from salary costs	**015**	26,180,139.00	13,776,081.00	35,071,751.00	18,175,824.00
c) Contributions on salaries	**016**	12,993,921.00	6,841,984.00	17,129,679.00	8,861,876.00
4 Depreciation	**017**	12,979,872.00	6,442,021.00	15,806,490.00	8,108,098.00
5 Other costs	**018**	34,416,256.00	19,982,816.00	40,975,484.00	20,407,088,00
6 Value adjustments (ADP 020+021)	**019**	-8,307.00	-12,257.00	162,012.00	201,417.00
a) fixed assets other than financial assets	**020**	1,293.00	777.00	124,961.00	100,866.00
b) current assets other than financial assets	**021**	-9,600.00	-13,034.00	37,051.00	100,551.00
7 Provisions (ADP 023 to 028)	**022**	-1,017,668.00	-428,627.00	115,915.00	-550,507.00
a) Provisions for pensions, termination benefits and similar obligations	**023**	-368,513.00	-123,450.00	-30,393.00	-15,664.00
b) Provisions for tax liabilities	**024**	0.00	0.00	0.00	0,00
c) Provisions for ongoing legal cases	**025**	1,660.00	43.00	1,655.00	20.00
d) Provisions for renewal of natural resources	**026**	0.00	0.00	0.00	0,00
e) Provisions for warranty obligations	**027**	27,890.00	280,561.00	-65,604.00	-70,378.00
f) Other provisions	**028**	-678,705.00	-585,781.00	210,257.00	-464,485,00
8 Other operating expenses	**029**	1,739,950.00	1,043,433.00	3,753,874.00	1,747,129.00
III FINANCIAL INCOME (ADP 031 to 040)	**030**	2,147,046.00	831,705.00	3,260,658.00	1,505,996.00
1 Income from investments in holdings (shares) of undertakings within the group	**031**	0.00	0.00	0.00	0.00
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	**032**	0.00	0.00	0.00	0.00
3 Income from other long-term financial investment and loans granted to undertakings within the group	**033**	0.00	0.00	0.00	0.00

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2026 to 30.6.2026

in EUR

Submitter: KONČAR Inc.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
4 Other interest income from operations with undertakings within the group	034	0.00	0.00	0.00	0.00
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0.00	0.00	0.00	0.00
6 Income from other long-term financial investments and loans	036	173,972.00	173,972.00	151,896.00	151,896.00
7 Other interest income	037	1,680,091.00	890,277.00	1,975,383.00	937,667.00
8 Exchange rate differences and other financial income	038	0.00	-376,690.00	504,332.00	-176,497.00
9 Unrealised gains (income) from financial assets	039	182,673.00	64,651.00	536,391.00	536,391.00
10 Other financial income	040	110,310.00	79,495.00	92,656.00	56,539.00
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	2,423,353.00	1,885,705.00	1,437,680.00	893,824.00
1 Interest expenses and similar expenses with undertakings within the group	042	0.00	0.00	0.00	0.00
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0.00	0.00	0.00	0.00
3 Interest expenses and similar expenses	044	1,122,720.00	589,092.00	1,062,426.00	572,330.00
4 Exchange rate differences and other expenses	045	995,135.00	991,115.00	0.00	0.00
5 Unrealised losses (expenses) from financial assets	046	134,825.00	134,825.00	317,932.00	317,932.00
6 Value adjustments of financial assets (net)	047	0.00	0.00	0.00	0.00
7 Other financial expenses	048	170,673.00	170,673.00	57,322.00	3,562.00
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VRITUE OF PARTICIPATING INTERESTS	049	22,873,906.00	11,603,906.00	29,042,361.00	17,939,327.00
VI SHARE IN PROFIT FROM JOINT VENTURES	050	491,330.00	290,184.00	429,244.00	185,959.00
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0.00	0.00	0.00	0.00
VIII SHARE IN LOSS OF JOINT VENTURES	052	18,993.00	9,505.00	0.00	-99.00
IX TOTAL INCOME (ADP 001+030+049 +050)	053	668,816,864.00	345,817,465.00	766,605,544.00	416,204,303.00
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	519,207,362.00	271,458,749.00	577,766,482.00	311,281,641.00
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	149,609,502.00	74,358,716.00	188,839,062.00	104,922,662.00
1 Pre-tax profit (ADP 053-054)	056	149,609,502.00	74,358,716.00	188,839,062.00	104,922,662.00
2 Pre-tax loss (ADP 054-053)	057	0.00	0.00	0.00	0.00
XII INCOME TAX	058	20,371,163.00	10,198,819.00	17,428,055.00	6,179,313.00
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	129,238,339.00	64,159,897.00	171,411,007.00	98,743,349.00
1 Profit for the period (ADP 055-059)	060	129,238,339.00	64,159,897.00	171,411,007.00	98,743,349.00
2 Loss for the period (ADP 059-055)	061	0.00	0.00	0.00	0.00
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	0.00	0.00	0.00	0.00
1 Pre-tax profit from discontinued operations	063	0.00	0.00	0.00	0.00

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2026 to 30.6.2026

in EUR

Submitter: KONČAR Inc.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
2 Pre-tax loss on discontinued operations	064	0.00	0.00	0.00	0.00
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0.00	0.00	0.00	0.00
1 Discontinued operations profit for the period (ADP 062-065)	066	0.00	0.00	0.00	0.00
2 Discontinued operations loss for the period (ADP 065-062)	067	0.00	0.00	0.00	0.00
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	0.00	0.00	0.00	0.00
1 Pre-tax profit (ADP 068)	069	0.00	0.00	0.00	0.00
2 Pre-tax loss (ADP 068)	070	0.00	0.00	0.00	0.00
XVII INCOME TAX (ADP 058+065)	071	0.00	0.00	0.00	0.00
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0.00	0.00	0.00	0.00
1 Profit for the period (ADP 068-071)	073	0.00	0.00	0.00	0.00
2 Loss for the period (ADP 071-068)	074	0.00	0.00	0.00	0.00
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 076+077)	075	129,238,339.00	64,159,897.00	171,411,007.00	98,743,349.00
1 Attributable to owners of the parent	076	86,378,503.00	42,452,022.00	115,096,365.00	66,280,149.00
2 Attributable to minority (non-controlling) interest	077	42,859,836.00	21,707,875.00	56,314,642.00	32,463,200.00
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	129,238,339.00	64,159,897.00	171,411,007.00	98,743,349.00
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80 + 87)	079	248,779.00	-339,066.00	-624,580.00	-140,248.00
III Items that will not be reclassified to profit or loss (ADP 081 to 085)	080	0.00	0.00	0.00	0.00
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0.00	0.00	0.00	0.00
2 Profit or loss arising from subsequent measurement of equity securities at fair value through other comprehensive income	082	0.00	0.00	0.00	0.00
3 Changes in the fair value of the financial liability at fair value through statement of profit or loss that is attributable to changes in the credit risk of that liability	083	0.00	0.00	0.00	0.00
4 Actuarial gains/losses on the defined benefit obligation	084	0.00	0.00	0.00	0.00
5 Other items that will not be reclassified	085	0.00	0.00	0.00	0.00
6 Income tax relating to items that will not be reclassified	086	0.00	0.00	0.00	0.00
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	248,779.00	-339,066.00	-624,580.00	-140,248.00
1 Exchange rate differences from translation of foreign operations	088	248,779.00	-339,066.00	-624,580.00	-140,248.00
2 Exchange rate differences from translation into the presentation currency	089	0.00	0.00	0.00	0.00
3 Profit or loss arising from subsequent measurement of debt securities at fair value through other comprehensive income	090	0.00	0.00	0.00	0.00
4 Profit or loss arising from effective cash flow hedging	091	0.00	0.00	0.00	0.00

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2026 to 30.6.2026

in EUR

Submitter: KONČAR Inc.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
5 Profit or loss arising from effective hedge of a net investment in a foreign operation	092	0.00	0.00	0.00	0.00
6 Share in other comprehensive income/loss of companies linked by virtue of participating interests	093	0.00	0.00	0.00	0.00
7 Changes in fair value of the time value of an option	094	0.00	0.00	0.00	0.00
8 Changes in fair value of the forward elements of forward contracts	095	0.00	0.00	0.00	0.00
9 Other items that may be reclassified to profit or loss	096	0.00	0.00	0.00	0.00
10 Income tax relating to items that may be reclassified to profit or loss	097	0.00	0.00	0.00	0.00
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087 - 086 - 097)	098	248,779.00	-339,066.00	-624,580.00	-140,248.00
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+099)	099	129,487,118.00	63,820,831.00	170,786,427.00	98,603,101.00
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VII COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 101+102)	100	129,487,118.00	63,820,831.00	170,786,427.00	98,603,101.00
1 Attributable to owners of the parent	101	86,509,696.00	42,273,217.00	114,766,996.00	66,206,190.00
2 Attributable to minority (non-controlling) interest	102	42,977,422.00	21,547,614.00	56,019,431.00	32,396,911.00

STATEMENT OF CASH FLOWS - direct method
for the period 1.1.2026 to 30.6.2026

in EUR

Submitter: KONČAR Inc.

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Cash receipts from customers	001	635,890,827.00	787,810,657.00
2 Cash receipts from royalties, fees, commissions and other revenue	002	44,278.00	26,947.00
3 Cash receipts from insurance premiums	003	664,413.00	2,472,830.00
4 Cash receipts from tax refund	004	21,378,673.00	26,637,407.00
5 Other cash receipts from operating activities	005	9,274,185.00	20,238,186.00
I Total cash receipts from operating activities (ADP 001 to 005)	006	667,252,376.00	837,186,027.00
1 Cash payments to suppliers	007	-431,224,526.00	-474,887,238.00
2 Cash payments to employees	008	-115,137,386.00	-148,884,751.00
3 Cash payments for insurance premiums	009	-1,954,349.00	-2,326,488.00
4 Interest paid	010	-809,293.00	-882,718.00
5 Income tax paid	011	-13,560,488.00	-29,231,555.00
6 Other cash payments from operating activities	012	-32,390,958.00	-41,118,318.00
II Total cash payments from operating activities (ADP 007 to 012)	013	-595,077,000.00	-697,331,068.00
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	72,175,376.00	139,854,959.00
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	1,335,404.00	190,145.00
2 Cash receipts from sales of financial instruments	016	25,000,000.00	18,060,316.00
3 Interest received	017	1,244,043.00	1,630,974.00
4 Dividends received	018	21,393,358.00	43,492,602.00
5 Cash receipts from the repayment of loans and deposits	019	21,253,239.00	200.00
6 Other cash receipts from investment activities	020	7,680.00	62,309.00
III Total cash receipts from investment activities (ADP 015 to 020)	021	70,233,724.00	63,436,546.00
1 Cash payments for the purchase of fixed tangible and intangible assets	022	-34,080,615.00	-38,076,403.00
2 Cash payments for the acquisition of financial instruments	023	-30,958,626.00	-62,420,247.00
3 Cash payments for loans and deposits	024	-47,990,974.00	-71,852,942.00
4 Acquisition of a subsidiary, net of cash acquired	025	0.00	0.00
5 Other cash payments from investment activities	026	0.00	0.00
IV Total cash payments from investment activities (ADP 022 to 026)	027	-113,030,215.00	-172,349,592.00
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	-42,796,491.00	-108,913,046.00
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	0.00	0.00
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	030	0.00	0.00

STATEMENT OF CASH FLOWS - direct method
for the period 1.1.2026 to 30.6.2026

in EUR

Submitter: KONČAR Inc.

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
3 Cash receipts from credit principals, loans and other borrowings	031	42,423,030.00	23,818,409.00
4 Other cash receipts from financing activities	032	329,606.00	1,773,329.00
V Total cash receipts from financing activities (ADP 029 to 032)	033	42,752,636.00	25,591,738,00
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	-10,385,554.00	-19,444,009.00
2 Cash payments for dividends	035	-19,467,072.00	-22,884,789.00
3 Cash payments for finance lease	036	-1,213,685.00	-1,504,130.00
4 Cash payments for the redemption of own shares and decrease in initial (subscribed) capital	037	0.00	0.00
5 Other cash payments from financing activities	038	-8,827,432.00	-18,840,477.00
VI Total cash payments from financing activities (ADP 034 to 038)	039	-39,893,743.00	-62,673,405.00
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033+039)	040	2,858,893.00	-37,081,667.00
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	-186,962.00	-359,024.00
D) NET INCREASE OR DECREASE IN CASH FLOW (ADP 014 + 028 + 040 + 041)	042	32,050,816.00	-6,498,778.00
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	147,964,001.00	242,715,055.00
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 042+043)	044	180,014,817.00	236,216,277.00

STATEMENT OF CHANGES IN EQUITY
for the period from 1.1.2026 to 30.6.2026

in EUR

Item	ADP 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	Financial assets at fair value 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	Exchange rate differences from translation into the presentation currency	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	19 (3 to 6 - 7 + 8 to 18)	20	21 (19+20)
Previous period																				
1 Balance on the first day of the previous business year	**01**	159,471,379.00	1,073,176.00	10,572,684.00	5,998,550.00	1,998,550.00	67,243,333.00	28,677,901.00	0.00	830,229.00	0.00	0.00	0.00	-73,159.00	0.00	122,979,209.00	102,600,368.00	497,375,120.00	152,678,100.00	650,053,220.00
2 Changes in accounting policies	**02**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Correction of errors	**03**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	**04**	159,471,379.00	1,073,176.00	10,572,684.00	5,998,550.00	1,998,550.00	67,243,333.00	28,677,901.00	0.00	830,229.00	0.00	0.00	0.00	-73,159.00	0.00	122,979,209.00	102,600,368.00	497,375,120.00	152,678,100.00	650,053,220.00
5 Profit/loss of the period	**05**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	146,860,849.00	146,860,849.00	75,567,140.00	222,427,989.00
6 Exchange rate differences from translation of foreign operations	**06**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-162,802.00	0.00	0.00	0.00	-162,802.00	-97,439.00	-260,241.00
7 Changes in revaluation reserves of fixed tangible and intangible assets	**07**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	**08**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	431,636.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	431,636.00	386,871.00	818,507.00
9 Profit or loss arising from effective cash flow hedge	**09**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	**10**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	**11**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12 Actuarial gains/losses on the defined benefit obligation	**12**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13 Other changes in equity unrelated to owners	**13**	0.00	753,552.00	0.00	-126,835.00	-126,835.00	-1,169,048.00	-430,393.00	0.00	72.00	0.00	0.00	0.00	0.00	0.00	-5,847,055.00	0.00	-6,692,872.00	9,286,978.00	2,594,106.00
14 Tax on transactions recognised directly in equity	**14**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	**15**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	**16**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	**17**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18 Redemption of treasury shares/holdings	**18**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19 Payments from members/shareholders	**19**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20 Payment of share in profit/dividend	**20**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-7,641,705.00	0.00	-7,641,705.00	-20,014,844.00	-27,656,549.00
21 Other distributions and payments to members/shareholders	**21**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22 Transfer to reserves according to the annual schedule	**22**	0.00	0.00	0.00	0.00	0.00	0.00	4,372,347.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98,228,021.00	-102,600,368.00	0.00	0.00	0.00
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	**23**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	**24**	159,471,379.00	1,826,728.00	10,572,684.00	5,871,715.00	1,871,715.00	66,074,285.00	32,619,855.00	0.00	1,261,937.00	0.00	0.00	0.00	-235,961.00	0.00	207,718,470.00	146,860,849.00	630,170,226.00	217,806,806.00	847,977,032.00
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**	0.00	753,552.00	0.00	-126,835.00	-126,835.00	-1,169,048.00	-430,393.00	0.00	431,708.00	0.00	0,00	0.00	-162,802.00	0.00	-5,847,055.00	0.00	-6,424,038.00	9,576,410.00	3,152,372.00
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	**26**	0.00	753,552.00	0.00	-126,835.00	-126,835.00	-1,169,048.00	-430,393.00	0.00	431,708.00	0.00	0,00	0.00	-162,802.00	0.00	-5,847,055.00	146,860,849.00	140,436,811.00	85,143,550.00	225,580,361.00
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	**27**	0.00	0.00	0.00	0.00	0.00	0.00	4,372,347.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	90,586,316.00	-102,600,368.00	-7,641,705.00	-20,014,844.00	-27,656,549.00

STATEMENT OF CHANGES IN EQUITY
for the period from 1.1.2026 to 30.6.2026

in EUR

		Attributable to owners of the parent																		
Item	ADP code	Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Financial assets at fair value 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	Exchange rate differences from translation into the presentation currency	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	Minority (non-controlling) interest	Total capital and reserves
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19 (3 to 6 - 7 + 8 to 18)	20	21 (19+20)
Current period																				
1 Balance on the first day of the previous business year	**28**	159,471,379.00	1,826,728.00	10,572,684.00	5,871,715.00	1,871,715.00	66,074,285.00	32,619,855.00	0.00	1,261,937.00	0.00	0.00	0.00	-235,961.00	0.00	207,718,470.00	146,860,849.00	630,170,226.00	217,806,806.00	847,977,032.00
2 Changes in accounting policies	**29**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Correction of errors	**30**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4 Balance on the first day of the previous business year (restated) (ADP 28 to 30)	**31**	159,471,379.00	1,826,728.00	10,572,684.00	5,871,715.00	1,871,715.00	66,074,285.00	32,619,855.00	0.00	1,261,937.00	0.00	0.00	0.00	-235,961.00	0.00	207,718,470.00	146,860,849.00	630,170,226.00	217,806,806.00	847,977,032.00
5 Profit/loss of the period	**32**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	115,096,365.00	115,096,365.00	56,314,642.00	171,411,007.00
6 Exchange rate differences from translation of foreign operations	**33**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-329,370.00	0.00	0.00	0.00	-329,370.00	-295,210.00	-624,580.00
7 Changes in revaluation reserves of fixed tangible and intangible assets	**34**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	**35**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 Profit or loss arising from effective cash flow hedge	**36**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	**37**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	**38**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12 Actuarial gains/losses on the defined benefit obligation	**39**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13 Other changes in equity unrelated to owners	**40**	0.00	0.00	0.00	-16,663.00	-16,663.00	0.00	-758,228.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2,324,302.00	0.00	-3,082,530.00	-4,081,639.00	-7,164,169.00
14 Tax on transactions recognised directly in equity	**41**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	**42**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	**43**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	**44**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18 Redemption of treasury shares/holdings	**45**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19 Payments from members/shareholders	**46**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20 Payment of share in profit/dividend	**47**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-10,194,344.00	0.00	-10,194,344.00	-26,021,193.00	-36,215,537.00
21 Other distributions and payments to members/shareholders	**48**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22 Transfer to reserves according to the annual schedule	**49**	0.00	0.00	0.00	0.00	0.00	363,795.00	6,688,563.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	139,808,490.00	-146,860,849.00	-1.00	0.00	-1.00
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	**50**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24 Balance on the last day of the previous business year reporting period (ADP 31 to 50)	**51**	159,471,379.00	1,826,728.00	10,572,684.00	5,855,052.00	1,855,052.00	66,438,080.00	38,550,190.00	0.00	1,261,937.00	0.00	0.00	0.00	-565,331.00	0.00	335,008,314.00	115,096,365.00	731,660,346.00	243,723,406.00	975,383,752.00
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**	0.00	0.00	0.00	-16,663.00	-16,663.00	0.00	-758,228.00	0.00	0.00	0.00	0.00	0.00	-329,370.00	0.00	-2,324,302.00	0.00	-3,411,900.00	-4,376,849.00	-7,788,749.00
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	**53**	0.00	0.00	0.00	-16,663.00	-16,663.00	0.00	-758,228.00	0.00	0.00	0.00	0.00	0.00	-329,370.00	0.00	-2,324,302.00	115,096,365.00	111,684,465.00	51,937,793.00	163,622,258.00
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	**54**	0.00	0.00	0.00	0.00	0.00	363,795.00	6,688,563.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	129,614,146.00	-146,860,849.00	-10,194,345.00	-26,021,193.00	-36,215,538.00

NOTES TO THE FINANCIAL STATEMENTS

Name of Issuer: KONČAR Inc.
PIN: 45050126417
Reporting Period: 1 January 2026 – 30 June 2026

1 GENERAL INFORMATION

Business segments
The core business segments 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 at 30 June 2026, the Group had 6,732 employees, compared to 6,345 employees as of 31 December 2025.

The average number of employees for the period January – June 2026 was 6,569 (compared to 5,613 in the same period in 2025).

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation
The consolidated financial statements for the period January – June 2026 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 2025. 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 – June 2026 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 2025.

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 variations in its business operations.

NOTES TO THE FINANCIAL STATEMENTS

3 SUBSIDIARIES

Consolidated subsidiaries:	Country	30 June 2026 Voting rights (%)	30 June 2026 Effective group share (%)	31 December 2025 Voting rights (%)	31 December 2025 Effective group share (%)
KONČAR – Motors and Electrical Systems Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
TELENERG – ENGINEERING Ltd. for design and manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
INK PROJECT Ltd. for construction and services, Zagreb[5]	Croatia	-	-	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[7]	Croatia	100.00	100.00	75.00	75.00
KONČAR – Metal Structures Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
DALEKOVOD MK Ltd., Velika Gorica[5]	Croatia	-	-	100.00	100.00
KONČAR – Switchgear Ltd. for manufacturing, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR – Renewable Energy Sources Ltd. for production, Zagreb	Croatia	100.00	100.00	100.00	100.00
Energy Park Pometeno Brdo Ltd. for production, Zagreb	Croatia	100.00	100.00	100.00	100.00
Wind Power Plant Rust Ltd. for electricity generation, Zagreb	Croatia	100.00	100.00	100.00	100.00
Solar Power Plant Deponija Fosfogipsa Ltd. for production, trade and services, Zagreb[8]	Croatia	-	-	51.00	51.00
Liburnia Solar Ltd. for electricity generation, Zagreb	Croatia	76.00	76.00	76.00	76.00
South East Energy Ltd. for services, Zagreb	Croatia	91.20	91.20	91.20	91.20
SOLAR SUNRISE PARK S.R.L., Oradea[4]	Romania	80.00	80.00	-	-
VABEKO RENEWABLE ENERGY Ltd. for services, Velika Gorica[4]	Croatia	75.10	75.10	-	-
KONČAR – Electric Vehicles Inc. for manufacturing, Zagreb	Croatia	85.73	85.73	85.73	85.73
Konell Ltd., Sofia[9]	Bulgaria	85.00	72.03	85.00	72.03
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 manufacturing transformer tanks and other metal structures, Donji Kraljevec[6]	Croatia	82.50	56.02	51.00	34.63
NOVI FEROMONT Ltd. for manufacturing large transformer tanks and metal structures, Donji Kraljevec	Croatia	81.19	55.13	81.19	55.13
Power Engineering Transformatory Sp. z o.o. (PET), Poznan	Poland	100.00	67.90	100.00	67.90

NOTES TO THE FINANCIAL STATEMENTS

3 SUBSIDIARIES

Consolidated subsidiaries:	Country	30 June 2026 Voting rights (%)	30 June 2026 Effective group share (%)	31 December 2025 Voting rights (%)	31 December 2025 Effective group share (%)
KONČAR – Digital Ltd. for digital services, Zagreb	Croatia	100.00	100.00	100.00	100.00
ADNET Ltd. for engineering, manufacturing and trade, Zagreb[1]	Croatia	50.00	50.00	38.00	38.00
KREANCA SYSTEMS Ltd. for business and management consulting, Zagreb[1]	Croatia	100.00	100.00	76.00	76.00
ADNET Ltd. for engineering, manufacturing and trade, Zagreb[1]	Croatia	50.00	50.00	50.00	38.00
Prosperus Growth NEOS Ltd. For services, Zagreb[2]	Croatia	100.00	100.00	-	-
NEOS Ltd. for information system design and development, Zagreb[2]	Croatia	48.81	48.81	-	-
NEOS Ltd. for information system design and development, Zagreb[2]	Croatia	29.25	29.25	-	-
NEOS TECH Ltd, Ljubljana[2]	Slovenia	51.00	39.81	-	-
NEOS Tech Ltd., Sarajevo[2]	Bosnia and Herzegovina	100.00	78.06	-	-
KONČAR – Transformer Tanks Ltd. for manufacturing, Sesvete (City of Zagreb)	Croatia	60.00	60.00	60.00	60.00
KONČAR – Hydro Turbine Ltd. for manufacturing and services, Zagreb	Croatia	100.00	100.00	100.00	100.00
KONČAR Switzerland GmbH, Baden[3]	Switzerland	100.00	100.00	-	-
Dalekovod jsc. for engineering, production and construction, Zagreb	Croatia	75.16	75.16	75.16	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
EL-RA Ltd., Vela Luka	Croatia	100.00	75.16	100.00	75.16
Dalekovod Mostar Ltd., Mostar	Bosnia and Herzegovina	100.00	75.16	100.00	75.16
Dalekovod Ljubljana Ltd., Ljubljana	Slovenia	100.00	75.16	100.00	75.16
Dalekovod Norge AS, Oslo	Norway	100.00	75.16	100.00	75.16
Dalekovod Ukraine Ltd., Kyiv	Ukraine	100.00	75.16	100.00	75.16

[1] In April 2026, the subsidiary KONČAR - Digital Ltd. used the call option from the purchase agreement and thereby acquired an additional 24% ownership in KREANCA SYSTEMS Ltd. and 12% in ADNET Ltd. With this, the KONČAR Group became the 100% owner of the subsidiaries KREANCA SYSTEMS Ltd. and ADNET Ltd.
[2] On 2 January 2026, as defined in the previously signed share purchase agreement for NEOS Ltd., the conditions for completion of the transaction and the acquisition of a majority ownership interest by KONČAR – Digital Ltd. in NEOS Ltd. were met.
[3] In January 2026, the KONČAR Inc. established the company KONČAR Switzerland for the purpose of expanding business in the DACH region.
[4] The subsidiary KONČAR – Renewable Energy Sources Ltd. (KOI) in January 2026, together with the company SOLAR KRAFT Kft, Boly, Hungary, established the company SOLAR SUNRISE PARK SRL (SSP) headquartered in Oradea, Romania. KOI's ownership share in SSP is 80%. Additionally, in March 2026, KOI, based on a purchase agreement, acquired 75.1% ownership interest in the company VABEKO RENEWABLE ENERGY Ltd.
[5] Commercial Court in Zagreb, on 31 December 2025, issued decisions No. Tt-25/71794-2 and Tt-25/71797-2, on the basis of which the merger of the company INK PROJEKT Ltd.,as the merged company will be carried out with KONČAR Inc., as the acquiring company. Commercial Court in Zagreb, on 31 December 2025, issued decisions No. Tt-25/70286-2 and Tt-25/70287-2, on the basis of which the status change of the merger of the company DALEKOVOD MK Ltd., as merged company, to KONČAR – Metal Structures Ltd., as the acquiring company, will be carried out.
[6] The subsidiary KONČAR – Distribution and Special Transformers Inc. (KONČAR D&ST) signed share purchase agreements in February and April 2026 to acquire a 31.5% ownership interest in FEROKOTAO Ltd. Prior to this acquisition, KONČAR D&ST held a 51% ownership interest in FEROKOTAO Ltd., and following the acquisition, its ownership interest increased to 82.5% of the share capital of the company.
[7] On April 7, 2026, KONČAR Inc. signed an agreement to buy 25% of the ownership shares in HELB Ltd. On April 8, 2026, the transaction was successfully completed, which allowed KONČAR Inc. to acquire the remaining 25% of the ownership shares and thus become the owner of 100% of the shares in HELB Ltd.
[8] The subsidiary KONČAR – Renewable Energy Sources Ltd. (KOI) signed a sales agreement on April 22, 2026, to sell its stake in the company Solar Power Plant Deponija Fosfogipsa Ltd. (SEDEF), and KOI no longer holds any stake in SEDEF.
[9] Entity not consolidated due to immateriality

NOTES TO THE FINANCIAL STATEMENTS

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 Jun 2026	31 Dec 2025
	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 INFORMATION ON BUSINESS SEGMENTS

For management purposes, the Group is organized into business units based on product similarity, and accordingly, reportable segments have been identified. The Group's reportable segments are as follows:

- Power generation – includes the manufacturing and revitalization of generators, the construction and refurbishment of hydropower plants (HPPs), the development of solar power plants, the production of converters, manufacturing and installation of wind turbines, as well as operation, maintenance, and servicing activities
- Power transmission and distribution – includes the manufacturing and sale of transformers (power, distribution, special, and instrument transformers), overhead transmission lines, substations, transformer tanks, primary and secondary power distribution equipment, low-voltage switchgear, monitoring systems, and diagnostic, testing, and technical inspection services
- Urban mobility and infrastructure – includes manufacturing and sale of rail vehicles (trains and trams), railway infrastructure, maintenance of rail vehicles, as well as other infrastructure services (roads, lighting, and others)
- Digital solutions and platforms – includes digital solutions and services, digitalization of products and manufacturing, business support systems, ICT infrastructure, and related 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) 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 Jan 2026 – 30 Jun 2026 EUR' 000	1 Jan 2025 – 30 Jun 2025 EUR' 000
Power generation	**78,284**	**44,197**
- Hydro	45,209	36,432
- Renewable energy sources	33,075	7,764
Power transmission and distribution	**587,144**	**528,691**
- Transmission	235,389	189,788
- Distribution	351,755	338,903
Urban mobility and infrastructure	**72,143**	**81,753**
- Mobility	44,845	50,651
- Infrastructure	27,298	31,102
Digital solutions and platforms	**30,155**	**17,940**
Total reportable segments	**767,726**	**672,580**
Other	24,664	28,416
Total revenue from contracts with customers	**792,390**	**700,996**
Elimination of intercompany transactions	(67,463)	(64,247)
Revenue from contracts with customers	**724,927**	**636,749**
Related parties	10,399	8,335
Unrelated parties	714,528	628,414
Total revenue from contracts with customers	**724,927**	**636,750**

5 OTHER OPERATING INCOME

Other operating income amounts to EUR 8.9 million (1 January – 30 June 2025: EUR 6.6 million) and includes: income from asset disposals, government grants, compensation for damages, and other miscellaneous income.

6 CAPITALIZED EMPLOYEE COSTS

During the period 1 January – 30 June 2026, the Group capitalized wages and salaries totaling EUR 824 thousand (1 January – 30 June 2025: EUR 808 thousand), of which EUR 496 thousand relates to net salaries (1 January – 30 June 2025: EUR 517 thousand), EUR 233 thousand to taxes, surtaxes, and payroll contributions (1 January – 30 June 2025: EUR 179 thousand), and EUR 95 thousand to employer contributions (1 January – 30 June 2025: EUR 112 thousand).

NOTES TO THE FINANCIAL STATEMENTS

7 EARNINGS PER SHARE

	1 Jan 2026 – 30 Jun 2026	1 Jan 2025 – 30 Jun 2025
Net profit attributable to owners of the parent (EUR '000)	**115,096**	**86,379**
Weighted average number of shares	2,548,562	2,547,170
Basic and diluted earnings per share (EUR)	**45.16**	**33.91**

8 NON-CURRENT TANGIBLE AND INTANGIBLE ASSETS

During the period 1 January – 30 June 2026, the Group acquired assets totaling EUR 39,779 thousand (1 January – 30 June 2025: EUR 40,457 thousand).
Depreciation expense for the period 1 January – 30 June 2026 amounted to EUR 15,806 thousand (1 January – 30 June 2025: EUR 12,980 thousand).

9 INVENTORIES

During the period 1 January – 30 June 2026, the Group adjusted inventories by EUR 101 thousand (1 January – 30 June 2025: EUR 3 thousand).

10 CAPITAL AND RESERVES

The share capital (subscribed capital) is determined at a nominal value of EUR 159,471,379 (as of 31 December 2025: EUR 159,471,379) 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 June 2026, the Company holds 23,533 treasury shares (31 December 2025: 23,700 treasury shares).

11 LOAN LIABILITIES

	30 Jun 2026 EUR' 000	31 Dec 2025 EUR' 000
Loan liabilities		
Non-current	42,262	35,647
Current	22,806	19,920
	65,068	**55,567**

The maturity profile of loan repayments is as follows:

	30 Jun 2026 EUR' 000
Due within one year	22,806
Due in 1 to 2 years	12,174
Due in 2 to 5 years	15,624
Due in more than 5 years	14,464
	65,068

12 TRANSACTIONS WITH RELATED PARTIES

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 131.0 million for the period 1 January – 30 June 2026 (1 January – 30 June 2025: EUR 122.9 million), with the majority derived from engineering services, rail vehicles, and industrial electronics.

2026	Receivables 30 Jun 2026 EUR'000	Liabilities 30 Jun 2026 EUR'000	Revenue 1 Jan – 30 Jun 2026 EUR'000	Expenses 1 Jan – 30 Jun 2026 EUR'000
Operating activities				
Associate companies	3,507	12,651	10,010	8,892
Joint ventures	632	111	389	1,197
Total operating activities	**4,139**	**12,762**	**10,399**	**10,089**
Financing activities				
Associate companies	-	-	-	-
Joint ventures	10,485	-	124	-
Total financing activities	**10,485**	**-**	**124**	**-**

2025	Receivables 31 Dec 2025 EUR'000	Liabilities 31 Dec 2025 EUR'000	Revenue 1 Jan – 30 Jun 2025 EUR'000	Expenses 1 Jan – 30 Jun 2025 EUR'000
Operating activities				
Associate companies	44,655	17,180	6,635	8,780
Joint ventures	1,965	102	1,700	1,223
Total operating activities	**46,620**	**17,282**	**8,335**	**10,003**
Financing activities				
Associate companies	-	-	-	-
Joint ventures	9,716	-	113	-
Total financing activities	**9,716**	**-**	**113**	**-**

13 EVENTS AFTER THE REPORTING PERIOD

On July 1, 2026, based on the decision of the Commercial Court, the company name HELB Ltd. was changed to KONČAR – Helb Ltd.
On July 1, 2026, based on a decision by the Commercial Court, the share capital of KONČAR – Helb Ltd. was increased by contributing the business unit 'Assembly' from KONČAR Inc.
On July 1, 2026, based on a decision by the Commercial Court, the company KONČAR – Electronics and Informatics Ltd. was split, and part of its assets was transferred to the company KONČAR – Helb Ltd.
On July 1, 2026, based on a decision by the Commercial Court, the companies KREANCA SYSTEMS Ltd. and Prosperus Growth NEOS Ltd. were merged into the company KONČAR – Digital Ltd.
As of July 1, 2026, the company KONČAR – Renewable Energy Sources Ltd. acquired the company H2 Axis Infrastructure Ltd. in 100%.
Except for the above, after the reporting date until the date of approval of the financial statements, there were no other events that would have a significant impact on the Group's consolidated financial statements, which should be published.

C Management's Statement of Responsibility

The consolidated financial statements of the KONČAR Group are prepared in accordance with 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 June 2026 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 June 2026 contains a true and fair presentation of the Group's operating results.

On behalf of the Management Board, signed by:

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

Mario Radaković, CFA
Member of the Management Board
in charge of Finance

Zagreb, 30 July 2026

KONČAR

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