

DALEKOVOD D.D.

REPORT ON THE IMPLEMENTATION OF FINANCIAL RESTRUCTURING 29th IMPLEMENTATION REPORT (Q1 2021)

1. Balance sheets, income, and cash flow statements

The report was compiled in accordance with the provision of Art. 79, paragraph 4 of the Financial Operations and Pre-Bankruptcy Settlement Act. It refers, in all its contents, to the period from 1 January 2014 to 31 March 2021.

Pre-bankruptcy settlement (hereinafter "settlement") over the debtor Dalekovod d.d. Zagreb (hereinafter "the Company") was reached at the hearing before the Commercial Court in Zagreb on 29/01/2014 and it became final on 14/02/2014.

In accordance with the provisions of Article 79, paragraph 4 of the Law on Financial Operations and Pre-Bankruptcy Settlement, the report contains:

1. description of financial restructuring measures implemented and their impact on a debtor in terms of liquidity and solvency,
2. total amount of payment of creditors' claims, in the shares in which these claims were paid,
3. quarterly balance sheets, income statement, and cash flow statement,
4. statement by the debtor that he has not taken any action that would result in bringing the creditor into an unequal position.

2. Description of the financial restructuring measures implemented and their impact on the debtor in terms of liquidity and solvency and the total amount of payment of creditors' claims, in the shares in which these claims were paid

In the period from 14/02/2014 when the final decision on the pre-bankruptcy settlement came into force by 31/03/2021 the following financial restructuring measures have been implemented:

A) The share capital was reduced to cover the accumulated losses, and accordingly, the nominal value of the share was reduced from HRK 100 to HRK 10.

B) The conversion of part of the debt to creditors into the capital was carried out, 852,168 new shares were issued and thus the share capital of the Company was increased by HRK 8,521,680.

C) A recapitalization of HRK 150,000,000 was made by payment in cash to finance investments and the development of the company. The recapitalization was performed by the company Konsolidator d.o.o. at HRK 10 per share. 15,000,000 new shares were issued and the share capital was increased by HRK 150,000,000.

D) Recapitalization of HRK 59,998,720 was carried out by payment in cash for financing investments and development of the company. The recapitalization was carried out by the existing shareholders, with the exclusion of the pre-emptive right of shareholders holding the Company's shares issued for a cash investment based on the decision of the regular General Assembly of the Company dated 22/07/2013 under item 8 of the Agenda, at HRK 10 per share. 5,999,872 new shares were issued and the share capital was increased by HRK 59,998,720.

E) The process of selling shares in the company Dalekovod Professio d.o.o. has been initiated. for investment in renewable energy sources as one of the financial restructuring measures listed in the Settlement.

F) Following the terms of the Settlement, the Company's debt based on co-debt, joint and several guarantee or guarantee in its entirety and claims of other companies based on co-debt for the Company's obligations to third parties have been released.

G) Following the terms of the Settlement, the write-off of interest and fee liabilities was performed.

H) The fair value of long-term liabilities from the pre-bankruptcy settlement on 31/03/2014 was calculated. following International Accounting Standards and represents a one-time significant positive effect on the income statement, and the Company's balance sheet in the amount of HRK 223.8 million. The calculation of fair value will be performed quarterly and will be presented in future financial statements.

I) The payment of the first installment to suppliers was made by a one-time payment in cash. It included 20% of total debt to creditors of categories (j), (k), (l), (m), and (n), and according to Settlement it amounted to HRK 69.8 million.

J) On 31/03/2015 the first of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

K) On 30/06/2015 the second of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

L) On 30/09/2015 the third of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

M) On 30/12/2015 the fourth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

N) On 31/03/2016 the fifth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

O) On 30/06/2016 the sixth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

P) On 30/09/2016 the seventh of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

Q) On 30/12/2016 the eighth of 13 installments was paid to suppliers by a one-time payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

R) On 31/03/2017 the ninth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

S) On 31/03/2017 the principal of senior debt to banks was paid in the total amount of HRK 4.8 million and interest on loans for the first quarter in the amount of HRK 2.2 million.

T) according to the Decision on Pre-Bankruptcy Settlement and Settlement of Claims of a category (h), claims based on commercial papers issued by the Debtor, and which part of the claims was settled by refinancing through the issue of bonds, Dalekovod d.d. is 14/02/2017 redeemed interest on security marked DLKV-O-302E in the nominal amount of EUR 0.12 per bond, ie according to the middle exchange rate of the CNB 7.462096 HRK / 1 EUR on 14/02/2017 which amounts to HRK 0.89545152 per bond, and interest on the security marked DLKV-O-302A in the nominal amount of HRK 0.12 per bond. Thus, Dalekovod d.d. reduced debt on issued bonds by HRK 3.0 million. The listing agent is Zagrebačka banka d.d. Zagreb.

U) On 01/03/2017 the payment of the contractual penalty was made due to the default of the Debtor of sale and transfer of business shares in the company Dalekovod Professio (following Art. 212 of the Settlement) in total amount of HRK 3.7 million.

C) On 30/06/2017 the tenth of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

W) On 30/06/2017 2nd installment of principal of the senior debt to the banks was paid in the total amount of HRK 4.8 million.

X) All liabilities from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid based on interest on loans for the second quarter in the amount of HRK 2.5 million, and the basis of annuities on financial leasing of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN.

Y) On 29/09/2017 the eleventh installment of 13 installments was paid to suppliers in a single payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million

Z) On 29/09/2017, 3rd installment of the principal of the senior debt to banks was paid in the total amount of HRK 4.8 million.

AA) All obligations from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on basis of interest on loans for third quarter in the amount of HRK 2.5 million, and on basis of annuities on financial leasing in the amount of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN

BB) On December 29, 2017, the twelfth of 13 installments was paid to suppliers in a one-time payment in cash, which according to the Settlement amounts to a total of HRK 12.4 million.

CC) On 29/12/2017 fourth installment of the principal of the senior debt to banks was paid in the total amount of million HRK.

DD) All obligations from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on basis of interest on loans for fourth quarter in the amount of HRK 2.5 million, and on basis of annuities on financial leasing in amount of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN.

EE) On 02/03/2018 payment of contractual penalty was made due to default of the Debtor of sale and transfer of business shares in company Dalekovod Professio (in accordance with Art. 212 of Settlement) in the total amount of HRK 3.7 million.

FF) On March 30, 2018, the thirteenth of 13 installments was paid to suppliers by a one-time payment into new ones, which according to the Settlement amounts to a total of HRK 12.4 million

GG) On 30/03/2018 the 5th installment of the principal of senior debt to banks was paid in the total amount of HRK 4.8 million

HH) All obligations from the pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on the basis of interest on loans for the first quarter of 2018 in the amount of HRK 2.5 million, and on the basis of annuities on financial leasing in the amount of HRK 2.7 million. No outstanding liabilities based on issued invoices from liabilities under PSN

II) The 6th installment of the principal of senior debt to banks was paid in the total amount of HRK 4.8 million

JJ) All liabilities from pre-bankruptcy settlement to financial institutions have been duly settled. Liabilities were paid on basis of interest on loans for second quarter of 2018 in amount of HRK 2.37 million, and on basis of annuities on financial leasing in the amount of HRK 2.7 million. There are no overdue outstanding liabilities based on invoices issued from liabilities under PSN

KK) On 14 November 2018, all liabilities based on interest and principal of senior debt from the pre-bankruptcy settlement to financial institutions on loans for the third quarter of 2018 in the amount of HRK 7.2 million were settled, and on the basis of annuities on financial leasing in the amount of HRK 2.7 million.

LL) As of January 14, 2019, all liabilities based on interest and principal of senior debt from the pre-bankruptcy settlement to financial institutions on loans for the fourth quarter of 2018 in the amount of HRK 7.48 million were settled. All liabilities based on annuities on financial leasing in the amount of HRK 2.7 million for the reporting quarter have been settled.

MM) As of May 17, 2019, all liabilities based on interest and principal of senior debt from the pre-bankruptcy settlement to financial institutions on loans for the first quarter of 2019 in the amount of HRK 7.04 million were settled. Liabilities from annuities on financial leasing in the amount of HRK 1.8 million for the reporting quarter were settled.

NN) In the period from 15/01/2019 to 25/02/2019, a payment was made in the amount of HRK 59.47 million. The stated amount of funds was paid to the mezzanine creditors on the basis of the sale of Dalekovod Professio in accordance with pre-bankruptcy settlement

OO) On 14/02/2020, bonds DLKV-O-302A and DLKV-O-302A were redeemed in amount of principal and interest HRK 2.54 mil.

PP) On 10 July 2020, the settlement was concluded with the creditor from the Pre-Bankruptcy Settlement HETA Asset Resolution d.o.o. , on the arrangement of relations from three leasing contracts of which HETA is an extrucial creditor on assets that in nature represent a galvanizing plant in Dugo Selo. Settlement reduced Groups financial debt more than HRK 61 million. With the settlement, the debt on the basis of the 7.4.a claim under a lease agreement in amount greater than HRK 2 million was fully regulated.

RR) On 12 February 2021, DLKV-O-302A and DLKV-O-302A bonds were redeemed in total amount of principal and interest of HRK 2.55 million.

SS) As of 15 May 2021, Company and Group have due liabilities based on regular interest and principal of senior debt from pre-bankruptcy settlement in amount of HRK 55.63 mil.

3. Balance sheets, income statement and cash flow statement

Source: Business results of Dalekovod Group and Dalekovod d.d. for the period I - III 2021

Financial position report

Item	AOP code	Last day of the preceding business year	At th reporting date of the current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	-	-
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	329.131.120	340.286.508
I INTANGIBLE ASSETS (ADP 004 to 009)	003	4.831.284	4.506.798
II TANGIBLE ASSETS (ADP 011 to 019)	010	254.778.541	262.726.609
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	9.473.799	9.405.845
IV RECEIVABLES (ADP 032 to 035)	031	60.047.496	63.647.256
V DEFERRED TAX ASSETS	036	-	-
C) CURRENT ASSETS (ADP 038+046+053+063)	037	579.501.010	602.562.115
I INVENTORIES (ADP 039 to 045)	038	73.240.563	82.566.518
II RECEIVABLES (ADP 047 to 052)	046	432.026.551	465.119.054
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	10.133.765	6.833.272
IV CASH AT BANK AND IN HAND	063	64.100.131	48.043.271
D) PREPAID EXPENSES AND ACCRUED INCOME	064	14.389.006	14.405.513
E) TOTAL ASSETS (ADP 001+002+037+064)	065	923.021.136	957.254.136
OFF-BALANCE SHEET ITEMS	066	449.171.244	444.142.067
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	54.749.610	57.770.112
I INITIAL (SUBSCRIBED) CAPITAL	068	247.193.050	247.193.050
II CAPITAL RESERVES	069	86.141.670	86.141.670
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	74.182.289	77.463.231
IV REVALUATION RESERVES	076	40.706.979	40.706.979
V FAIR VALUE RESERVES (ADP 078 to 080)	077	-	-
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	083	(365.957.988)	(393.474.378)
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	086	(27.516.390)	(260.441)
VIII MINORITY (NON-CONTROLLING) INTEREST	089	-	-
B) PROVISIONS (ADP 089 to 094)	090	33.361.333	33.361.333
C) LONG-TERM LIABILITIES (ADP 096 to 106)	097	285.300.252	286.914.234
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	109	505.811.255	543.739.041
E) ACCRUALS AND DEFERRED INCOME	124	43.798.677	35.469.416
F) TOTAL – LIABILITIES (ADP 067+088+095+107+122)	125	923.021.127	957.254.136
G) OFF-BALANCE SHEET ITEMS	126	449.171.244	444.142.067

Profit and loss report

Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 126 to 130)	001	270.643.509	270.643.509	283.553.772	283.553.772
2 Income from sales (outside group)	003	267.391.169	267.391.169	282.008.267	282.008.267
5 Other operating income (outside the group)	006	3.252.340	3.252.340	1.545.505	1.545.505
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	007	258.442.813	258.442.813	276.854.490	276.854.490
1 Changes in inventories of work in progress and finished goods	008	11.217	11.217	(6.454.808)	(6.454.808)
2 Material costs (ADP 134 to 136)	009	160.294.631	160.294.631	182.090.184	182.090.184
a) Costs of raw materials and consumables	010	74.209.376	74.209.376	44.513.965	44.513.965
b) Costs of goods sold	011	19.647.144	19.647.144	80.746.801	80.746.801
c) Other external costs	012	66.438.111	66.438.111	56.829.418	56.829.418
3 Staff costs (ADP 138 to 140)	013	62.804.187	62.804.187	62.098.455	62.098.455
a) Net salaries and wages	014	47.495.091	47.495.091	46.508.042	46.508.042
b) Tax and contributions from salary costs	015	9.213.665	9.213.665	9.320.291	9.320.291
c) Contributions on salaries	016	6.095.431	6.095.431	6.270.122	6.270.122
4 Depreciation	017	6.599.046	6.599.046	7.674.452	7.674.452
5 Other costs	018	4.965.363	4.965.363	4.849.919	4.849.919
6 Value adjustments (ADP 144+145)	019	218.434	218.434	-	-
b) current assets other than financial assets	021	218.434	218.434	-	-
8 Other operating expenses	029	23.549.935	23.549.935	26.596.288	26.596.288
III FINANCIAL INCOME (ADP 155 to 164)	030	6.539.975	6.539.975	1.973.721	1.973.721
7 Other interest income	037	150.027	150.027	110.326	110.326
8 Exchange rate differences and other financial income	038	6.311.524	6.311.524	1.863.395	1.863.395
10 Other financial income	040	78.424	78.424	-	-
IV FINANCIAL EXPENSES (ADP 166 to 172)	041	17.469.957	17.469.957	8.885.449	8.885.449
3 Interest expenses and similar expenses	044	1.444.512	1.444.512	2.839.630	2.839.630
4 Exchange rate differences and other expenses	045	16.025.445	16.025.445	6.045.819	6.045.819
IX TOTAL INCOME (ADP 125+154+173 + 174)	053	277.183.484	277.183.484	285.527.493	285.527.493
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	054	275.912.770	275.912.770	285.739.939	285.739.939
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	055	1.270.714	1.270.714	(212.446)	(212.446)
1 Pre-tax profit (ADP 177-178)	056	1.270.714	1.270.714	-	-
2 Pre-tax loss (ADP 178-177)	057	-	-	(212.446)	(212.446)
XII INCOME TAX	058	220.322	220.322	39.254	39.254
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	059	1.050.392	1.050.392	(251.700)	(251.700)
1 Profit for the period (ADP 179-182)	060	1.050.392	1.050.392	-	-
2 Loss for the period (ADP 182-179)	061	-	-	(251.700)	(251.700)
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)	062	(5.202.962)	(5.202.962)	(8.741)	(8.741)
2 Pre-tax loss on discontinued operations	064	5.202.962	5.202.962	8.741	8.741
2 Discontinued operations loss for the period (ADP 189-186)	067	(5.202.962)	(5.202.962)	(8.741)	(8.741)
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	068	(3.932.248)	(3.932.248)	(221.187)	(221.187)
2 Pre-tax loss (ADP 192)	070	3.932.248	3.932.248	221.187	221.187
XVII INCOME TAX (ADP 182+189)	071	220.322	220.322	39.254	39.254
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	072	(4.152.570)	(4.152.570)	(260.441)	(260.441)
2 Loss for the period (ADP 195-192)	074	4.152.570	4.152.570	260.441	260.441
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	075	(4.152.570)	(4.152.570)	(260.441)	(260.441)
1 Attributable to owners of the parent	076	(4.152.570)	(4.152.570)	(260.441)	(260.441)
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	(4.152.570)	(4.152.570)	(260.441)	(260.441)
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	079	245.016	245.016	3.280.942	3.280.942
1 Exchange rate differences from translation of foreign operations	088	245.016	245.016	3.280.942	3.280.942
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	097	245.016	245.016	3.280.942	3.280.942
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	098	(3.907.554)	(3.907.554)	3.020.502	3.020.502
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)	099	(3.907.554)	(3.907.554)	3.020.502	3.020.502
1 Attributable to owners of the parent	100	(3.907.554)	(3.907.554)	3.020.502	3.020.502

Cash flow report

Item	AOP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	1	(3.932.248)	(221.187)
2 Adjustments (ADP 003 to 010):	2	16.247.669	8.982.114
a) Depreciation	3	8.061.919	7.674.452
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	4	-	(226.795)
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	5	286.024	-
d) Interest and dividend income	6	(150.027)	(110.326)
e) Interest expenses	7	2.269.362	2.839.630
g) Exchange rate differences (unrealised)	9	5.780.391	(1.194.848)
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	11	12.315.421	8.760.927
3 Changes in the working capital (ADP 013 to 016)	12	(15.098.206)	(21.431.534)
a) Increase or decrease in short-term liabilities	13	(15.173.416)	30.940.066
b) Increase or decrease in short-term receivables	14	(16.663.547)	(33.000.057)
c) Increase or decrease in inventories	15	3.451.195	(9.325.955)
d) Other increase or decrease in working capital	16	13.287.562	(10.045.588)
II Cash from operations (ADP 011+012)	17	(2.782.785)	(12.670.607)
4 Interest paid	18	(1.933.352)	(909.448)
5 Income tax paid	19	(6.021.909)	(2.076.875)
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	20	(10.738.046)	(15.656.931)
Cash flow from investment activities		-	-
1 Cash receipts from sales of fixed tangible and intangible assets	21	4.518	47.447
3 Interest received	23	327	1.372
5 Cash receipts from repayment of loans and deposits	25	187.500	3.651.496
III Total cash receipts from investment activities (ADP 021 to 026)	27	192.345	3.700.315
1 Cash payments for the purchase of fixed tangible and intangible assets	28	(4.511.405)	(2.321.334)
3 Cash payments for loans and deposits for the period	30	(1.680.707)	(418.019)
IV Total cash payments from investment activities (ADP 028 to 032)	33	(6.192.112)	(2.739.353)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	34	(5.999.767)	960.963
Cash flow from financing activities		-	-
3 Cash receipts from credit principals, loans and other borrowings	37	9.713.670	-
V Total cash receipts from financing activities (ADP 035 to 038)	39	9.713.670	-
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial	40	(2.118.996)	(892.882)
3 Cash payments for finance lease	42	(1.823.005)	(472.884)
5 Other cash payments from financing activities	44	(137.442)	(3.867)
VI Total cash payments from financing activities (ADP 040 to 044)	45	(4.079.443)	(1.369.633)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	46	5.634.227	(1.369.633)
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	48	(11.103.586)	(16.065.601)
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49	61.519.308	64.100.131
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	50	50.415.722	48.034.530

Report on changes in capital for the current period

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets available	Cash flow hedge - effective portion	Hedge of a net investment in a	Retained profit / loss brought forward	Profit/loss for the business year	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	+ 8 do 17)	17	18 (16+17)
Current period																			
1 Balance on the first day of the current business year	28	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.341.472	40.706.979	-	-	-	-	-	(365.957.988)	(27.516.390)	54.749.610	-	54.749.610
2 Changes in accounting policies	29																-	-	-
3 Correction of errors	30																-	-	-
4 Balance on the first day of the current business year (restated) (ADP 2	31	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.341.472	40.706.979	-	-	-	-	-	(365.957.988)	(27.516.390)	54.749.610	-	54.749.610
5 Profit/loss of the period	32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(260.441)	(260.441)	-	(260.441)
6 Exchange rate differences from translation of foreign operations	33	-	-	-	-	-	-	3.280.942	-	-	-	-	-	-	-	-	3.280.942	-	3.280.942
21 Other distributions and payments to members/shareholders	48														(27.516.390)	27.516.390	-	-	-
24 Balance on the last day of the previous business year reporting period	51	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	33.622.414	40.706.979	-	-	-	-	-	(393.474.378)	(260.441)	57.770.112	-	57.770.112
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF	52	-	-	-	-	-	-	3.280.942	-	-	-	-	-	-	-	-	3.280.942	-	3.280.942
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 3	53	-	-	-	-	-	-	3.280.942	-	-	-	-	-	-	-	(260.441)	3.020.502	-	3.020.502
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED	54	-	-	-	-	-	-	-	-	-	-	-	-	-	(27.516.390)	27.516.390	-	-	-

Report on changes in capital for the previous period

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets available for sale	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Retained profit / loss brought forward	Profit/loss for the business year	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 do 6 - 7 + 8 do 17)	17	18 (16+17)
Previous period																			
1 Balance on the first day of the previous business year	1	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.589.700	40.706.979	-	-	-	-	-	(369.208.977)	3.250.989	82.514.228	-	82.514.228
2 Changes in accounting policies	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Correction of errors	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Balance on the first day of the previous business year (restated) (ADP €)	4	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.589.700	40.706.979	-	-	-	-	-	(369.208.977)	3.250.989	82.514.228	-	82.514.228
5 Profit/loss of the period	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(27.516.390)	(27.516.390)	-	(27.516.390)
6 Exchange rate differences from translation of foreign operations	6	-	-	-	-	-	-	(248.228)	-	-	-	-	-	-	-	-	(248.228)	-	(248.228)
21 Other distributions and payments to members/shareholders	21	-	-	-	-	-	-	-	-	-	-	-	-	-	3.250.989	(3.250.989)	-	-	-
24 Balance on the last day of the previous business year reporting period	24	247.193.050	86.141.670	11.652.410	8.465.950	8.465.950	32.188.407	30.341.472	40.706.979	-	-	-	-	-	(365.957.988)	(27.516.390)	54.749.610	-	54.749.610
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	25	-	-	-	-	-	-	(248.228)	-	-	-	-	-	-	-	-	(248.228)	-	(248.228)
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP €)	26	-	-	-	-	-	-	(248.228)	-	-	-	-	-	-	-	(27.516.390)	(27.764.618)	-	(27.764.618)
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD	27	-	-	-	-	-	-	-	-	-	-	-	-	-	3.250.989	(3.250.989)	-	-	-

Company financial report for I - III 2021 period

Financial position report

Item	AOP code	Last day of the preceding business year	At th reporting date of the current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001	-	-
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	352.620.580	364.726.394
I INTANGIBLE ASSETS (ADP 004 to 009)	003	2.922.549	2.620.546
II TANGIBLE ASSETS (ADP 011 to 019)	010	232.064.683	240.873.327
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	57.585.852	57.585.265
IV RECEIVABLES (ADP 032 to 035)	031	60.047.496	63.647.256
V DEFERRED TAX ASSETS	036	-	-
C) CURRENT ASSETS (ADP 038+046+053+063)	037	463.400.901	470.592.631
I INVENTORIES (ADP 039 to 045)	038	7.679.608	13.082.068
II RECEIVABLES (ADP 047 to 052)	046	394.254.056	412.333.523
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	10.662.167	9.029.180
IV CASH AT BANK AND IN HAND	063	50.805.070	36.147.860
D) PREPAID EXPENSES AND ACCRUED INCOME	064	11.634.590	11.633.745
E) TOTAL ASSETS (ADP 001+002+037+064)	065	827.656.071	846.952.770
OFF-BALANCE SHEET ITEMS	066	436.201.104	435.332.220
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)	067	19.607.832	18.237.256
I INITIAL (SUBSCRIBED) CAPITAL	068	247.193.050	247.193.050
II CAPITAL RESERVES	069	86.141.670	86.141.670
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	070	43.675.007	43.675.007
IV REVALUATION RESERVES	076	40.706.979	40.706.979
V FAIR VALUE RESERVES (ADP 078 to 080)	077	-	-
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 082-083)	083	(388.097.152)	(398.108.874)
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 085-086)	086	(10.011.722)	(1.370.576)
VIII MINORITY (NON-CONTROLLING) INTEREST	089	-	-
B) PROVISIONS (ADP 089 to 094)	090	30.030.231	30.030.231
C) LONG-TERM LIABILITIES (ADP 096 to 106)	097	293.322.453	295.089.210
D) SHORT-TERM LIABILITIES (ADP 108 to 121)	109	442.178.144	469.413.474
E) ACCRUALS AND DEFERRED INCOME	124	42.517.410	34.182.599
F) TOTAL — LIABILITIES (ADP 067+088+095+107+122)	125	827.656.070	846.952.770
G) OFF-BALANCE SHEET ITEMS	126	436.201.104	435.332.220

Profit and loss report

Item	AOP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 126 to 130)	001	223.068.854	223.068.854	203.364.216	203.364.216
1 Income from sales with undertakings within the group	002	5.179.819	5.179.819	46.056.079	46.056.079
2 Income from sales (outside group)	003	212.071.220	212.071.220	152.612.539	152.612.539
4 Other operating income with undertakings within the group	005	4.137.985	4.137.985	3.476.586	3.476.586
5 Other operating income (outside the group)	006	1.679.830	1.679.830	1.219.012	1.219.012
II OPERATING EXPENSES (ADP 132+133+137+141+142+143+146+153)	007	203.884.499	203.884.499	197.787.799	197.787.799
2 Material costs (ADP 134 to 136)	009	127.822.320	127.822.320	119.164.994	119.164.994
a) Costs of raw materials and consumables	010	68.808.876	68.808.876	31.745.004	31.745.004
b) Costs of goods sold	011	3.044.846	3.044.846	33.704.949	33.704.949
c) Other external costs	012	55.968.598	55.968.598	53.715.041	53.715.041
3 Staff costs (ADP 138 to 140)	013	47.191.502	47.191.502	47.383.858	47.383.858
a) Net salaries and wages	014	37.813.815	37.813.815	37.263.240	37.263.240
b) Tax and contributions from salary costs	015	5.688.007	5.688.007	5.775.322	5.775.322
c) Contributions on salaries	016	3.689.680	3.689.680	4.345.296	4.345.296
4 Depreciation	017	5.434.723	5.434.723	6.400.283	6.400.283
5 Other costs	018	3.523.409	3.523.409	3.305.362	3.305.362
6 Value adjustments (ADP 144+145)	019	253.108	253.108	-	-
b) current assets other than financial assets	021	253.108	253.108	-	-
8 Other operating expenses	029	19.659.437	19.659.437	21.533.302	21.533.302
III FINANCIAL INCOME (ADP 155 to 164)	030	8.979.882	8.979.882	1.879.645	1.879.645
1 Income from investments in holdings (shares) of undertakings within the group	031	2.493.726	2.493.726	-	-
4 Other interest income from operations with undertakings within the group	034	109.728	109.728	47.953	47.953
7 Other interest income	037	256.495	256.495	77.901	77.901
8 Exchange rate differences and other financial income	038	6.119.933	6.119.933	1.753.791	1.753.791
IV FINANCIAL EXPENSES (ADP 166 to 172)	041	17.498.641	17.498.641	8.826.638	8.826.638
1 Interest expenses and similar expenses with undertakings within the group	042	52.006	52.006	47.745	47.745
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	46.396	46.396	-	-
3 Interest expenses and similar expenses	044	486.449	486.449	2.872.531	2.872.531
4 Exchange rate differences and other expenses	045	16.913.790	16.913.790	5.906.362	5.906.362
IX TOTAL INCOME (ADP 125+154+173 + 174)	053	232.048.736	232.048.736	205.243.861	205.243.861
X TOTAL EXPENDITURE (ADP 131+165+175 + 176)	054	221.383.140	221.383.140	206.614.437	206.614.437
XI PRE-TAX PROFIT OR LOSS (ADP 177-178)	055	10.665.596	10.665.596	(1.370.576)	(1.370.576)
1 Pre-tax profit (ADP 177-178)	056	10.665.596	10.665.596	-	-
2 Pre-tax loss (ADP 178-177)	057	-	-	(1.370.576)	(1.370.576)
XII INCOME TAX	058	-	-	-	-
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 179-182)	059	10.665.596	10.665.596	(1.370.576)	(1.370.576)
1 Profit for the period (ADP 179-182)	060	10.665.596	10.665.596	-	-
2 Loss for the period (ADP 182-179)	061	-	-	(1.370.576)	(1.370.576)
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 187-188)	062	(1.791.909)	(1.791.909)	-	-
2 Pre-tax loss on discontinued operations	064	1.791.909	1.791.909	-	-
2 Discontinued operations loss for the period (ADP 189-186)	067	1.791.909	1.791.909	-	-
XVI PRE-TAX PROFIT OR LOSS (ADP 179+186)	068	8.873.687	8.873.687	(1.370.576)	(1.370.576)
1 Pre-tax profit (ADP 192)	069	8.873.687	8.873.687	-	-
2 Pre-tax loss (ADP 192)	070	-	-	1.370.576	1.370.576
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 192-195)	072	8.873.687	8.873.687	(1.370.576)	(1.370.576)
1 Profit for the period (ADP 192-195)	073	8.873.687	8.873.687	-	-
2 Loss for the period (ADP 195-192)	074	-	-	1.370.576	1.370.576
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 200+201)	075	-	-	-	-
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	8.873.687	8.873.687	(1.370.576)	(1.370.576)
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 204 to 211)	079	-	-	-	-
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 203-212)	097	-	-	-	-
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 202+213)	098	8.873.687	8.873.687	(1.370.576)	(1.370.576)
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 216+217)	099	-	-	-	-

Cash flow report

Item	AOP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	1	8.873.687	(1.370.576)
2 Adjustments (ADP 003 to 010):	2	11.371.588	10.317.984
a) Depreciation	3	6.836.420	6.400.283
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	4	-	912.767
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	5	286.024	-
d) Interest and dividend income	6	(2.859.949)	(125.854)
e) Interest expenses	7	1.363.460	2.920.276
g) Exchange rate differences (unrealised)	9	5.745.633	210.512
I Cash flow increase or decrease before changes in working capital	11	20.245.275	8.947.408
3 Changes in the working capital (ADP 013 to 016)	12	(28.919.246)	(17.691.378)
a) Increase or decrease in short-term liabilities	13	13.071.782	16.869.650
b) Increase or decrease in short-term receivables	14	(71.463.766)	(21.554.602)
c) Increase or decrease in inventories	15	(1.241.112)	(4.672.460)
d) Other increase or decrease in working capital	16	30.713.850	(8.333.966)
II Cash from operations (ADP 011 + 012)	17	(8.673.971)	(8.743.970)
4 Interest paid	18	(1.933.352)	(827.345)
5 Income tax paid	19	(6.021.909)	(1.918.708)
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 016)	20	(16.629.232)	(11.490.024)
Cash flow from investment activities		-	-
1 Cash receipts from sales of fixed tangible and intangible assets	21	500	-
2 Cash receipts from sales of financial instruments	22	20.000	-
3 Interest received	23	2.724	1.229
4 Dividends received	24	2.493.726	-
5 Cash receipts from repayment of loans and deposits	25	400.020	3.351.496
III Total cash receipts from investment activities (ADP 021 to 026)	27	2.916.970	3.352.725
1 Cash payments for the purchase of fixed tangible and intangible assets	28	(4.317.251)	(2.307.403)
3 Cash payments for loans and deposits for the period	30	-	(2.866.528)
4 Acquisition of a subsidiary, net of cash acquired	31	(20.000)	-
IV Total cash payments from investment activities (ADP 028 to 032)	33	(4.337.251)	(5.173.931)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 + 033)	34	(1.420.281)	(1.821.206)
Cash flow from financing activities		-	-
3 Cash receipts from credit principals, loans and other borrowings	37	9.713.670	-
V Total cash receipts from financing activities (ADP 035 to 038)	39	9.713.670	-
1 Cash payments for the repayment of credit principals, loans and other borrowings	40	(3.895.738)	(892.882)
3 Cash payments for finance lease	42	(1.743.554)	(453.098)
VI Total cash payments from financing activities (ADP 040 to 044)	45	(5.639.292)	(1.345.980)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 + 045)	46	4.074.378	(1.345.980)
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020 + 034 + 046)	48	(13.975.135)	(14.657.210)
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49	49.553.142	50.805.070
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 049 + 048)	50	35.578.007	36.147.860

Regular stock DLKV-R-A included in the official market of the Zagreb Stock Exchange

Issuing country of origin Croatia

ISIN: HRDLKVRA0006, LEI: 74780000WOKHNRDW7105

Notice in accordance with the capital market law

Report on changes in capital for the current period

Item	AOP code	Attributable to owners of the parent																Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	financial assets available for sale	Cash flow hedge - effective portion	net investment in a foreign operation -	Retained profit / loss brought forward	Profit/loss for the business year	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	+ 8 do 17)	17	18 (16+17)
Current period																			
1 Balance on the first day of the current business year	28	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	-	-	-	-	-	(388.097.152)	(10.011.722)	19.607.832	-	19.607.832
2 Changes in accounting policies	29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Correction of errors	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Balance on the first day of the current business year (restated) (ADP 2	31	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	-	-	-	-	-	(388.097.152)	(10.011.722)	19.607.832	-	19.607.832
5 Profit/loss of the period	32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.370.576)	(1.370.576)	-	(1.370.576)
22 Transfer to reserves according to the annual schedule	49	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.011.722)	10.011.722	-	-	-
23 Balance on the last day of the current business year reporting period (51	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	-	-	-	-	-	(398.108.874)	(1.370.576)	18.237.256	-	18.237.256
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF	52	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 3	53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.370.576)	(1.370.576)	-	(1.370.576)
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED	54	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.011.722)	10.011.722	-	-	-

Report on changes in capital for the previous period

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	Fair value of financial assets available for sale	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Retained profit / loss brought forward	Profit/loss for the business year	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 do 6 - 7 + 8 do 17)	17	18 (16+17)
Previous period																			
1 Balance on the first day of the previous business year	1	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979						(393.897.901)	5.800.749	29.619.554	-	29.619.554
2 Changes in accounting policies	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Correction of errors	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Balance on the first day of the previous business year (restated) (ADP 1)	4	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	-	-	-	-	-	(393.897.901)	5.800.749	29.619.554	-	29.619.554
5 Profit/loss of the period	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.011.722)	(10.011.722)	-	(10.011.722)
22 Transfer to reserves according to the annual schedule	22														5.800.749	(5.800.749)	-	-	-
24 Balance on the last day of the previous business year reporting period	24	247.193.050	86.141.670	11.486.600	8.465.950	8.465.950	32.188.407	-	40.706.979	-	-	-	-	-	(388.097.152)	(10.011.722)	19.607.832	-	19.607.832
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	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 1)	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.011.722)	(10.011.722)	-	(10.011.722)
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD	27	-	-	-	-	-	-	-	-	-	-	-	-	-	5.800.749	(5.800.749)	-	-	-

4. Statement of the debtor that he did not take any action that would result in putting creditors in an unequal position

STATEMENT

by which we confirm that we have not taken any action that would result in bringing creditors into an unequal position.



Duro Tatalović, Management Board member

