

Ericsson Nikola Tesla d.d.  
Consolidated statement of comprehensive income  
for the period ended 31 December 2019

	<b>2019</b>	<b>2018</b>
	<b>HRK '000</b>	<b>HRK '000</b>
Sales revenue	1,779,306	1,558,155
Cost of sales	-1,614,851	-1,416,432
<b>Gross profit</b>	<b>164,455</b>	<b>141,723</b>
Selling expenses	-47,107	-40,209
Administrative expenses	-34,721	-32,672
Other operating income	19,934	51,152
<b>Operating profit</b>	<b>102,561</b>	<b>119,994</b>
Finance income/(expense) – net	5,668	637
<b>Profit before tax</b>	<b>108,229</b>	<b>120,631</b>
Income tax	-5,750	-6,988
<b>Profit for the year</b>	<b>102,479</b>	<b>113,643</b>
Other comprehensive income	90	-68
<b>Total comprehensive income for the year</b>	<b>102,569</b>	<b>113,575</b>

Ericsson Nikola Tesla d.d.  
Consolidated statement of financial position  
as at 31 December 2019

	2019 HRK '000	2018 HRK '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	143,776	114,654
Right of use asset	51,920	0
Intangible assets	4,412	5,070
Loans and receivables	53,772	51,657
Deferred tax assets	16,200	21,358
<b>Total non-current assets</b>	270,080	192,739
<b>Current assets</b>		
Inventories	173,311	110,695
Trade receivables	215,437	160,724
Contract assets	3,239	3,335
Receivables from related parties	112,861	109,900
Other receivables	18,123	14,170
Income tax receivable	14,323	472
Financial assets at fair value through profit or loss	37,892	48,490
Prepayments and accrued income	11,654	12,086
Cash and cash equivalents	97,906	187,888
<b>Total current assets</b>	684,746	647,760
<b>TOTAL ASSETS</b>	954,826	840,499
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	133,165	133,165
Treasury shares	-241	-241
Legal reserves	6,658	6,658
Reserve for treasury shares	14,873	14,873
Translation reserve	-176	-86
Retained earnings	160,473	150,609
<b>Total equity</b>	314,753	304,979
<b>Non-current liabilities</b>		
Borrowings	27,362	5,734
Lease liability	33,584	-
Employee benefits	10,314	8,662
Other non-current liabilities	8,704	6,520
<b>Total non-current liabilities</b>	79,964	20,916
<b>Current liabilities</b>		
Payables to related parties	90,579	33,306
Borrowings	34	36
Lease liability	19,057	-
Trade and other payables	188,460	178,908
Contract liabilities	149,375	171,645
Income tax payable	315	270
Provisions	16,376	16,971
Accrued charges and deferred revenue	95,913	113,468
<b>Total current liabilities</b>	560,109	514,604
<b>Total liabilities</b>	640,073	535,520
<b>TOTAL EQUITY AND LIABILITIES</b>	954,826	840,499

Ericsson Nikola Tesla d.d.  
Consolidated statement of cash flows  
for the period ended 31 December 2019

	<b>2019</b>	<b>2018</b>
	<b>HRK '000</b>	<b>HRK '000</b>
<b>Cash flows from operating activities</b>		
<i>Profit before tax</i>	108,229	120,631
Adjustments for:		
Depreciation and amortisation	57,534	34,872
Impairment losses and reversals	4,052	9,408
Net increase in provisions	33,671	39,111
Gain on sale of property, plant and equipment	-2,323	-58
Net loss/(gain) on remeasurement of financial assets	-497	121
Amortisation of discount	-1,023	-2,550
Interest income	-5,742	-1,498
Interest expense	1,565	19
Foreign exchange losses/(gains)	-2,702	-6,876
Equity-settled transactions	-846	0
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<i>Changes in working capital</i>	191,918	193,180
In receivables	-55,924	85,358
In inventories	-62,638	-91,824
In payables	1,590	-109,898
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<i>Cash generated from operations</i>	74,946	76,817
Interest paid	-1,474	-19
Income taxes paid	-4,526	-1,622
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<b>Net cash from operating activities</b>	<b>68,946</b>	<b>75,176</b>
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<b>Cash flows from investing activities</b>		
Interest received	1,734	2,218
Dividends received	70	70
Disposal of/(investment in) subsidiaries	0	40
Proceeds from sale of property, plant and equipment	2,360	143
Purchases of property, plant and equipment, and intangible assets	-82,414	-41,116
Deposits given to financial institutions - net	1,354	0
Proceeds from sale of financial assets at fair value through profit and loss	10,956	35,909
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<b>Net cash used in investing activities</b>	<b>-65,940</b>	<b>-2,735</b>
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<b>Cash flows from financing activities</b>		
Loans received	21,656	0
Dividends paid	-94,000	-43,291
Lease liability	-21,203	0
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<b>Net cash used in financing activities</b>	<b>-93,547</b>	<b>-43,291</b>
Effects of exchange rate changes on cash and cash equivalents	559	-523
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<b>Net decrease/(increase) in cash and cash equivalents</b>	<b>-89,982</b>	<b>28,627</b>
Cash and cash equivalents at the beginning of the year	187,888	159,261
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<b>Cash and cash equivalents at the end of the year</b>	<b>97,906</b>	<b>187,888</b>