



FINTEL ENERGIJA AD

**QUARTERLY REPORT OF
FINTEL ENERGIJA A.D. FOR THE PERIOD
ENDED 30 SEPTEMBER 2023**

Belgrade, October 2023

Pursuant to Article 53 of the Law on Capital Market (RS Official Gazette, No. 31/2011, 112/2015, 108/2016 and 9/2020) and pursuant to Article 5 of the Rulebook on the Content, Form and Method of Publication of Annual, Half-Yearly and Quarterly Reports of Public Companies (RS Official Gazette, No. 14/2012, 5/2015, 24/2017 and 14/2020), Fintel Energija ad from Belgrade (registration number 20305266) hereby publishes the following:

QUARTERLY REPORT OF FINTEL ENERGIJA A.D. FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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- 1. QUARTERLY FINANCIAL STATEMENTS OF FINTEL ENERGIJA A.D. FOR THE PERIOD ENDED 30 SEPTEMBER 2023 (Balance Sheet, Income Statement, Report on Other Comprehensive Income, Cash Flow Statement, Statement of Changes in Equity, Notes to Quarterly Financial Statements)**
- 2. QUARTERLY BUSINESS REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022**
- 3. STATEMENT BY THE PERSONS RESPONSIBLE FOR PREPARATION OF REPORT**

**QUARTERLY FINANCIAL STATEMENTS FOR
THE PERIOD ENDED 30 SEPTEMBER 2023**

FINTEL ENERGIJA AD, BEOGRAD

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STAND-ALONE BALANCE SHEET

In RSD thousand

POSITION	AOP	Note	30 September 2023 (unaudited)	31 December 2022
ASSETS				
A. SUBSCRIBED AND UNPAID CAPITAL	0001			
B. NON-CURRENT ASSETS (0003 + 0009 + 0018 + 0028)	0002		1,487,454	1,637,344
I. INTANGIBLE ASSETS (0004 + 0005 + 0006 + 0007 + 0008)	0003		-	-
1. Development investments	0004		-	-
2. Concessions, patents, licenses, trademarks, software and other intangible assets	0005		-	-
3. Goodwill	0006		-	-
4. Intangible assets leased and intangible assets in preparation	0007		-	-
5. Advances for intangible assets	0008		-	-
II. PROPERTY, PLANT AND EQUIPMENT (0010+0011 + 0012 + 0013 + 0014 + 0015 + 0016)	0009		0	0
1. Land and buildings	0010		-	-
2. Machinery and equipment	0011		-	-
3. Investment property	0012		-	-
4. Property, plant and equipment leased and property, plant and equipment under construction	0013		-	-
5. Other property, plant and equipment and investing in third-party property, plant and equipment	0014		-	-
6. Advances for property, plant and equipment in the country	0015		-	-
7. Advances for property, plant and equipment foreign	0016		-	-
III. BIOLOGICAL ASSETS	0017		-	-
IV. LONG-TERM FINANCIAL INVESTMENTS AND LONG-TERM RECEIVABLES (0019+0020+0021+0022+0023+0024+0025 + 0026 + 0027)	0018		1,487,454	1,637,344
1. Equity investments in legal entities (excluding equity investments valued using the equity method)	0019	5	16,014	16,014
2. Equity investments that are valued using the equity method	0020		-	-
3. Long-term investments to parent companies, to subsidiaries and to other associated companies in the country	0021	6	1,471,440	1,621,330
4. Long-term investments to parent companies, to subsidiaries and to other associated companies abroad	0022		-	-
5. Long-term investments (loans and credits) in the country	0023		-	-
6. Long-term investments (loans and credits) abroad	0024		-	-
7. Long-term financial investments (securities valued at amortized cost)	0025		-	-
8. Own shares purchased	0026		-	-
9. Other long-term investments and receivables	0027		-	-
V. LONG-TERM PREPAYMENTS AND ACCRUED INCOME	0028		-	-
C. DEFERRED TAX ASSETS	0029		-	-

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STAND-ALONE BALANCE SHEET (CONTINUED)				
In RSD thousand				
POSITION	AOP	Note	30 September 2023 (unaudited)	31 December 2022
D. CURRENT ASSETS (0031+0037+0038+0044+0048+0057+0058)	0030		323,945	299,556
I. INVENTORIES (0032+0033+0034+0035+0036)	0031		13,321	581
1. Materials, spare parts, tools and supplies	0032		-	-
2. Work in progress and unfinished services	0033		-	-
3. Goods	0034		-	-
5. Advances paid to suppliers for stock and services in country	0035		1,241	497
6. Advances paid to suppliers for stock and services - abroad	0036		12,080	84
II. FIXED ASSETS HELD FOR SALE AND CESSATION OF OPERATIONS	0037		-	-
III. RECEIVABLES FROM SALES (0039+0040+0041+0042+0043)	0038		352	267
1. Trade receivables - domestic	0039		-	-
2. Trade receivables - foreign	0040		-	-
3. Trade receivables domestic - parent companies, subsidiaries and other related parties	0041		352	267
4. Trade receivables foreign - parent companies, subsidiaries and other related parties	0042		-	-
5. Other trade receivables	0043		-	-
IV. OTHER SHORT-TERM RECEIVABLES (0045+0046+0047)	0044		66,151	14,909
1. Other receivables	0045	9	61,918	10,676
2. Receivables for prepaid CIT	0046	9	4,224	4,224
3. Receivables for prepaid other taxes & contributions	0047	9	10	10
V. SHORT- TERM FINANCIAL INVESTMENTS (0049+0050+0051+0052+0053+0054+0055+0056)	0048		1,655	16,498
1. Short-term loans and investments - parent and subsidiaries	0049	7	1,641	16,484
2. Short-term loans and investments - other related parties	0050		-	-
3. Short-term loans, borrowings and investments - domestic	0051		-	-
4. Short-term loans, borrowings and investments - foreign	0052		-	-
5. Securities valued at amortized cost	0053		-	-
6. Financial instrument valued at fair value	0054		-	-
7. Bought up own shares	0055		-	-
8. Other Short-term financial investments	0056		14	14
VI. CASH AND CASH EQUIVALENTS	0057	8	18,999	4,723
VII. SHORT-TERM ACCRUALS	0058		223,467	262,578
E. TOTAL ASSETS = OPERATING ASSETS (0001 + 0002 + 0029+0030)	0059		1,811,398	1,936,900
F. OFF-BALANCE SHEET ASSETS	0060		-	-

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STAND-ALONE BALANCE SHEET (CONTINUED)

In RSD thousand

POSITION	AOP	Note	30 September 2023 (unaudited)	31 December 2022
EQUITY AND LIABILITIES				
A. EQUITY (0402 + 0403+0404+0405+0406-0407+0408+0411-0412) ≥ 0	0401		475,895	439,302
I. SHARE CAPITAL	0402	10	4,057	4,057
II. SUBSCRIBED CAPITAL UNPAID	0403		-	-
III. SHARE ISSUING PREMIUMS	0404	10	681,237	681,237
IV. RESERVES	0405		-	-
V. POSITIVE REVALUATION RESERVES AND UNREALIZED GAINS ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0406		-	-
VI. UNREALIZED LOSSES ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0407		-	-
VII. UNDISTRIBUTED PROFIT (0409 + 0410)	0408		36,593	9,286
1. Retained profit from previous years	0409		-	1,659
2. Retained profit from current year	0410	10	36,593	7,626
VIII. PARTICIPATION WITHOUT CONTROL RIGHTS	0411		-	-
IX. LOSSES (0413 + 0414)	0412		245,993	255,277
1. Losses of previous years	0413	10	245,993	255,277
2. Losses of current year	0414		-	-
B. LONG-TERM LIABILITIES AND PROVISIONS (0416+0420+0428)	0415		-	-
I. LONG-TERM PROVISIONS (0417++0418+0419)	0416		-	-
1. Provisions for employees benefits	0417		-	-
2. Provisions for costs in warranty period	0418		-	-
3. Other long-term provisions	0419		-	-
II. LONGTERM LIABILITIES (0421+0422+0423+0424+0425+0426+0427)	0420		-	-
1. Liabilities which can be converted into capital	0421		-	-
2. Long-term loans and other liabilities to parent companies, subsidiaries and other related parties - domestic	0422		-	-
3. Long-term loans and other liabilities to parent companies, subsidiaries and other related parties - domestic	0423		-	-
4. Long-term loans, borrowings and liabilities based on leasing - foreign	0424		-	-
5. Long-term loans, borrowings and liabilities based on leasing - foreign	0425		-	-
6. Liabilities for long-term securities	0426		-	-
7. Other longterm liabilities	0427		-	-

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STAND-ALONE BALANCE SHEET (CONTINUED)

In RSD thousand

POSITION	AOP	Note	30 September 2023 (unaudited)	31 December 2022
III. LONG-TERM ACCRUALS	0428		-	-
C. DEFERRED TAX LIABILITIES	0429		-	-
D. LONG-TERM DEFERRED INCOME AND DONATIONS RECEIVED	0430		-	-
E. SHORT-TERM PROVISIONS AND LIABILITIES (0432+0433+0441+0442+0449+0453+0454)	0431		1,335,504	1,497,597
I. SHORT TERM PROVISIONS	0432		-	-
II. SHORT-TERM FINANCIAL LIABILITIES (0434+0435+0436+0437+0438+0439+0440)	0433		1,087,633	1,265,201
1. Short-term loans from parent companies, subsidiaries and other related parties - domestic	0434		-	-
2. Short-term loans from parent companies, subsidiaries and other related parties - foreign	0435	11	1,087,633	1,265,201
3. Liabilities based on loans and borrowings from entities other than domestic banks	0436		-	-
4. Liabilities based on loans and borrowings from domestic banks	0437		-	-
5. Loans, borrowings and liabilities from abroad	0438		-	-
6. Liabilities for short-term securities	0439		-	-
7. Liabilities based on financial derivatives	0440		-	-
III. RECEIVED ADVANCES, DEPOSITS AND GUARANTEES	0441		-	-
IV. LIABILITIES FROM BUSINESS OPERATIONS (0443+0444+0445+0446+0447+0448)	0442		1,196	35,508
1. Trade payables - parent companies, subsidiaries and other related parties - domestic	0443		-	-
2. Trade payables - parent companies, subsidiaries and other related parties - foreign	0444		-	34,259
3. Trade payables - domestic	0445	12	1,196	1,249
4. Trade payables - foreign	0446		-	-
5. Obligations under bills of exchange	0447		-	-
6. Other business liabilities	0448		-	-
V. OTHER SHORT-TERM LIABILITIES (0450+0451+0452)	0449		92	11
1. Other short term liabilities	0450		92	11
2. Liabilities for VAT and other public revenues	0451		-	-
3. Liabilities for income tax	0452		-	-
VI. LIABILITIES FOR FIXED ASSETS AND ASSETS OF DISCOUNTING OPERATIONS HELD FOR SALE	0453		-	-
VII. SHORT-TERM ACCRUALS	0454	13	246,583	196,878
F. LOSS OVER CAPITAL (0415+ 0429+0430+0431-0059) ≥ 0 = (0407+0412-0402-0403-0404-0405-0406-0408-0411) ≥ 0	0455		-	-
G. TOTAL EQUITY AND LIABILITIES (0401+0415+0429+0430+0431-0455)	0456		1,811,399	1,936,900
H. OFF-BALANCE SHEET LIABILITIES	0457		-	-

Tiziano Giovannetti

Director

24 October 2023

The accompanying notes are an integral part of these Financial Statements.

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

INCOME STATEMENT							
In RSD thousand							
POSITION	AOP	Note	Amount		Amount		
			Three month period of 2023 year (unaudited)	Three month period of 2022 year (unaudited)	Nine month period of 2023 year (unaudited)	Nine month period of 2022 year (unaudited)	
2	3	4	5	6	5	6	
A. OPERATING REVENUES (1002 + 1005+1008+1009-1010+1011+1012)	1001		457	-	1,325	-	
I. REVENUES OF SOLD GOODS (1003 + 1004)	1002		-	-	-	-	
1. Income from the sale of goods - domestic market	1003		-	-	-	-	
2. Income from the sale of goods - foreign market	1004		-	-	-	-	
II. REVENUES OF SOLD PRODUCTS AND SERVICES (1006+1007)	1005		457	-	1,325	-	
1. Income from the sale of products and services - domestic market	1006		457	-	1,325	-	
2. Income from the sale of products and services - foreign market	1007		-	-	-	-	
III. INCOME FROM THE OWN USE OF PRODUCTS, SERVICES AND MERCHANDISE	1008		-	-	-	-	
IV. INCREASE OF STOCK VALUE FOR WORK IN PROGRESS AND FINISHED GOODS	1009		-	-	-	-	
V. DECREASE OF STOCK VALUE FOR WORK IN PROGRESS AND FINISHED GOODS	1010		-	-	-	-	
VI. OTHER OPERATING INCOME	1011		-	-	-	-	
VII. INCOME FROM ASSETS ADJUSTMENTS (EXCEPT FINANCIAL)	1012		-	-	-	-	
B. OPERATING EXPENSES (1014+1015+1016+1020+1021+1022+1023+1024)	1013		11,979	8,585	34,210	28,015	
I. COST OF GOODS SOLD	1014		-	-	-	-	
II. COST OF MATERIALS, FUEL AND ENERGY	1015		-	-	20	27	
III. COST OF SALARIES, WAGES AND OTHER PERSONNEL EXPENSES (1017+1018+1019)	1016		2,251	979	6,218	3,941	
1. Cost of salary and compensation of salary (gross employee)	1017		1,889	775	4,560	2,294	
2. Costs of taxes and contributions on salaries and compensation of salaries (employer)	1018		286	125	691	371	
3. Other personal expenses and remunerations	1019		76	79	967	1,276	
IV. DEPRECIATION EXPENSES	1020		-	-	-	8	
V. EXPENSES FROM ASSETS ADJUSTMENTS (EXCEPT FINANCIAL)	1021		-	-	-	-	
VIII. COSTS OF PRODUCTION SERVICES	1022		174	196	494	348	
X. COSTS OF LONG-TERM PROVISIONS	1023		-	-	-	-	
XI. INTANGIBLE EXPENSES	1024	14	9,554	7,410	27,479	23,691	
C. OPERATING PROFIT (1001 - 1013) ≥ 0	1025		-	-	-	-	
D. OPERETAING LOSS (1013 - 1001) ≥ 0	1026		11,522	8,585	32,885	28,015	

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

INCOME STATEMENT In RSD thousand							Amount		Amount	
POSITION	AOP	Note	Amount		Amount		Nine month period of 2023 year (unaudited)	Nine month period of 2022 year (unaudited)		
			Three month period of 2023 year (unaudited)	Three month period of 2022 year (unaudited)	Three month period of 2023 year (unaudited)	Three month period of 2022 year (unaudited)				
E. FINANCIAL REVENUE (1028+1029+1030+1031)	1027		80,907	14,391	103,043		87,937			
I. FINANCIAL INCOME INCURRED WITH PARENT COMPANIES, SUBSIDIARIES AND OTHER RELATED PARTIES	1028	15	80,907	11,357	103,035		84,903			
II. INCOME FROM INTEREST	1029		-	-	-		-			
III. FX GAINS AND POSITIVE EFFECTS OF CURRENCY CLAUSE	1030	15	-	3,034	8		3,034			
IV. OTHER FINANCIAL INCOME	1031		-	-	-		-			
F. FINANCIAL EXPENSES (1033+1034+1035+1036)	1032		11,122	15,385	33,552		37,525			
I. FINANCIAL EXPENSES INCURRED WITH PARENT COMPANIES, SUBSIDIARIES AND OTHER RELATED PARTIES	1033	16	11,067	11,208	33,315		33,307			
II. COSTS OF INTEREST	1034	16	55	-	114		40			
III. FX LOSSES AND NEGATIVE EFFECTS OF CURRENCY CLAUSE	1035	16	-	4,177	123		4,177			
IV. OTHER FINANCIAL COSTS	1036		-	-	-		1			
G. PROFIT FROM FINANCING (1027 - 1032) ≥ 0	1037		69,784	-	69,491		50,412			
H. LOSS FROM FINANCING (1032 - 1027) ≥ 0	1038		-	-	994		-			
I. INCOME FROM VALUATION ADJUSTMENT OF FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH P&L	1039		-	-	-		-			
J. COSTS FROM VALUATION ADJUSTMENT OF FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH P&L	1040		-	-	-		-			
K. OTHER INCOME	1041		-	-	-		6			
L. OTHER COSTS	1042		-	-	-		-			
M. TOTAL INCOME (1001+1027+1039+1041)	1043		81,364	14,391	104,368		87,943			
N. TOTAL COSTS (1013+1032+1040+1042)	1044		23,101	23,970	67,762		65,540			
O. OPERATING PROFIT BEFORE TAX (1043-1044) ≥ 0	1045		58,263	-	36,606		22,403			
P. OPERATING LOSS BEFORE TAX (11044-1043) ≥ 0	1046		-	9,579	-		-			
Q. NET PROFIT FROM DISCONTINUED OPERATIONS, THE EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS FROM PREVIOUS PERIOD	1047		-	-	-		-			
R. NET LOSS FROM DISCONTINUED OPERATIONS, LOSS CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS FROM PREVIOUS PERIOD	1048		-	-	12		-			
S. PROFIT BEFORE TAX (1045-1046+1047-1048) ≥ 0	1049		58,263	-	36,593		22,403			
T. LOSS BEFORE TAX (1046-1045+1048-1047) ≥ 0	1050		-	9,579	-		-			
U. INCOME TAXES										
I. TAX EXPENSES FROM THE PERIOD	1051		-	-	-		-			
II. DEFERRED TAX EXPENSE	1052		-	-	-		-			
III. DEFERRED TAX INCOME	1053		-	-	-		-			
V. EARNINGS OF EMPLOYER	1054		-	-	-		-			
W. NET PROFIT (1049-1050-1051-1052+1053-1054) ≥ 0	1055		58,263	-	36,593		22,403			
X. NET LOSS (1050-1049+1051+1052-1053+1054) ≥ 0	1056		-	9,579	-		-			
I. NET PROFIT BELONGING TO PARTICIPATION WITHOUT CONTROLLING RIGHTS	1057		-	-	-		-			
II. NET PROFIT BELONGING TO PARENT COMPANY	1058		-	-	-		-			
III. NET LOSS BELONGING TO PARTICIPATION WITHOUT CONTROLLING RIGHTS	1059		-	-	-		-			
IV. NET LOSS BELONGING TO PARENT COMPANY	1060		-	-	-		-			
V. EARNINGS PER SHARE										
1. Basic earning per share	1061	17	2.20	-	1.38		0.85			
2. Reduced (diluted) earnings per share	1062	17	2.20	-	1.38		0.85			

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STATEMENT OF OTHER COMPREHENSIVE INCOME							
In RSD thousand							
POSITION	AOP	Note	Amount		Amount		
			Three month period of 2023 year (unaudited)	Three month period of 2022 year (unaudited)	Nine month period of 2023 year (unaudited)	Nine month period of 2022 year (unaudited)	
A. NET PROFIT/(LOSS)							
I. PROFIT, NET (AOP 1055)	2001		58,263	-	36,593	22,403	
II. LOSS, NET (AOP 1056)	2002		-	9,579	-	-	
B. OTHER COMPREHENSIVE PROFIT OR LOSS							
a) Items that will not be reclassified to profit or loss							
1. Changes in the revaluation of intangible assets, property, plant and equipment							
a) increase in revaluation reserves	2003						
b) decrease in revaluation reserves	2004						
2. Actuarial gains (losses) of post employment benefit obligations							
a) gains	2005						
b) losses	2006						
4. Gains or losses arising from a share in the associate's other comprehensive profit or loss							
a) gains	2007						
b) losses	2008						
b) Items that may be subsequently reclassified to profit or loss							
1. Gains or losses on investments in equity instruments							
a) gains	2009						
b) losses	2010						
1. Gains or losses on the translation of financial statements of foreign operations							
a) gains	2011						
b) losses	2012						
2. Gains or losses on hedging instruments of net investments in foreign operations							
a) gains	2013						
b) losses	2014						
3. Gains and losses on cash flow hedges							
a) gains	2015						
b) losses	2016						
4. Gains or losses on securities that are measured at fair value through other comprehensive income							
a) gains	2017						
b) losses	2018						
I. OTHER COMPREHENSIVE PROFIT BEFORE TAX (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) - (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) ≥ 0	2019		-	-	-	-	
II. OTHER COMPREHENSIVE LOSS BEFORE TAX (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) - (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) ≥ 0	2020		-	-	-	-	
III. DEFERRED TAX EXPENSES FOR OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD	2021						
IV. DEFERRED TAX REVENUE ON OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD	2022		-	-	-	-	
IV. TOTAL NET COMPREHENSIVE PROFIT (2019 - 2020 - 2021+2022) ≥ 0	2023		-	-	-	-	
V. TOTAL NET COMPREHENSIVE LOSS (2020 - 2019 + 2021-2022) ≥ 0	2024		-	-	-	-	
C. TOTAL NET COMPREHENSIVE PROFIT							
I. TOTAL COMPREHENSIVE PROFIT, NET (2001 - 2002 + 2023 - 2024) ≥ 0	2025		58,263	-	36,593	22,403	
II. TOTAL COMPREHENSIVE LOSS, NET (2002 - 2001 + 2024 - 2023) ≥ 0	2026		-	9,579	-	-	
D. TOTAL NET COMPREHENSIVE PROFIT / (LOSS) (2028 + 2029) = AOP 2025 ≥ 0 or AOP 2026 > 0	2027		58,263	9,579	36,593	22,403	
1. Attributable to shareholders	2028		58,263	9,579	36,593	22,403	
2. Attributable to non-controlling interest	2029						

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

QUARTERLY STAND-ALONE STATEMENT OF CASH FLOWS In RSD thousand		Nine-month period ended 30 September	
		2023 (unaudited)	2022 (unaudited)
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I. Cash inflow from operating activities (1-4)		54,824	-
1. Sales and advances received in the country		1,506	-
2. Sales and advances received abroad		-	-
3. Interest from operating activities		53,318	-
4. Other inflow from operating activities		-	-
II. Cash outflow from operating activities (1 do 8)		140,610	8,914
1. Payments and prepayments to suppliers in the country		5,877	4,954
2. Payments and prepayments to suppliers abroad		128,434	42
3. Salaries, benefits and other personal expenses		5,906	3,838
4. Interest paid in the country		114	40
5. Interest paid abroad		-	-
6. Income tax paid		279	40
7. Payments for other public revenues		-	-
8. Other outflows from operating activities		-	-
III. Net cash inflow from operating activities (I - II)		85,786	8,914
IV. Net cash outflow from operating activities (II - I)		128,894	60,710
B. CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash flows from investing activities (1 do 5)			
1. Sale of shares		-	-
2. Proceeds from sale of intangible assets, property, plant and equipment and biological assets		95,589	9,412
3. Other financial investments		-	-
4. Interest from investing activities		33,305	51,298
5. Dividend received		28,725	29,107
II. Cash outflow from investing activities (1 do 3)			
1. Acquisition of subsidiaries or other business		-	-
2. Purchase of intangible assets, property, plant and equipment and biological assets		28,725	29,107
3. Other financial investments		100,169	31,603
III. Net cash inflow from investing activities (I - II)			
IV. Net cash outflow from investing activities (II - I)			
C. CASH FLOWS FROM FINANCING ACTIVITIES			
I. Cash inflow from financing activities (1 do 7)			
1. Increase in share capital		-	-
2. Long-term borrowings in the country		-	-
3. Long-term borrowings abroad		-	-
4. Short-term borrowings in the country		-	-
5. Short-term borrowings abroad		-	-
6. Other long-term liabilities		-	-
7. Other short-term liabilities		-	-
II. Cash outflow from financing activities (1 do 8)			
1. Purchase of own shares		-	-
2. Long-term borrowings in the country		-	-
3. Long-term borrowings in abroad		-	-
4. Short-term borrowings in the country		-	-
5. Short-term borrowings country abroad		-	-
6. Other liabilities		-	-
7. Financial lease		-	-
8. Dividend distribution		-	-
III. Net cash inflow from financing activities (I - II)			
IV. Net cash outflow from financing activities (II - I)			
D. TOTAL CASH INFLOW (3001 + 3017 + 3029)		183,718	60,710
E. TOTAL CASH OUTFLOW (3006 + 3023 + 3037)		169,335	38,021
F. NET CASH INFLOW (3048 - 3049) ≥ 0		14,383	22,689
G. NET CASH OUTFLOW (3049 - 3048) ≥ 0			
H. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		4,723	4,383
I. CURRENCY TRANSLATION GAINS ON CASH AND CASH EQUIVALENTS		10	
J. CURRENCY TRANSLATION LOSSES ON CASH AND CASH EQUIVALENTS		117	1
K. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (3050-3051+3052+3053-3054)		18,999	27,071

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

(unaudited)
In RSD thousand

Position	Description	AOP	Share capital (group 30 without 306 and 309)	AOP	Other share capital (account 309)	AOP	Subscribed but unpaid capital (group 31)	AOP	Share premium and reserves (account 306 and group 32.)	AOP	Revaluation reserves (group 33)
1	Balance as at 01.01.2021	4001	4,057	4010	-	4019	-	4028	681,237	4037	-
2	Adjustments of material errors and changes in accounting policies	4002	-	4011	-	4020	-	4029	-	4038	-
3	Restated opening balance as at 01.01.2021 (1+2)	4003	4,057	4012	-	4021	-	4030	681,237	4039	-
4	Net changes in 2021	4004	-	4013	-	4022	-	4031	-	4040	-
5	Balance as at 31.12.2021 (3+4)	4005	4,057	4014	-	4023	-	4032	681,237	4041	-
6	Adjustments of material errors and changes in accounting policies	4006	-	4015	-	4024	-	4033	-	4042	-
7	Restated opening balance as at 01.01. 2022 (5+6)	4007	4,057	4016	-	4025	-	4034	681,237	4043	-
8	Net changes in 2022	4008	-	4017	-	4026	-	4035	-	4044	-
9	Balance as at 30.06.2022 (7+8)	4009	4,057	4018	-	4027	-	4036	681,237	4045	-

STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

STAND -ALONE STATEMENT OF CHANGE IN EQUITY (CONTINUED)

(unaudited)
in RSD thousand

Position	Description	AOP 4046	Retained earnings (group 34)	AOP	Loss (group 35)	AOP	Non-controlling interest	AOP	Total (corresponds to the position of AOP 0401) (col.2+3+4+5+6+7- 8+9) ≥ 0	AOP	LOSS EXCEEDING EQUITY (corresponds to the position of AOP 0455) (col.2+3+4+5+6+7- 8+9)<0
1	Balance as at 01.01.2022	4046	1,659	4055	255,277	4064	-	4073	431,676	4082	-
2	Adjustments of material errors and changes in accounting policies	4047	-	4056	-	4065	-	4074	-	4083	-
3	Restated opening balance as at 01.01.2022 (1+2)	4048	1,659	4057	255,277	4066	-	4075	431,676	4084	-
4	Net changes in 2022	4049	7,626	4058	-	4067	-	4076	7,626	4085	-
5	Balance as at 31.12.2022 (3+4)	4050	9,286	4059	255,277	4068	-	4077	439,302	4086	-
6	Adjustments of material errors and changes in accounting policies	4051	-	4060	-	4069	-	4078	-	4087	-
7	Restated opening balance as at 01.01. 2023 (5+6)	4052	9,286	4061	255,277	4070	-	4079	439,302	4088	-
8	Net changes in 2023	4053	27,308	4062	9,285	4071	-	4080	36,592	4089	-
9	Balance as at 30.09.2023 (7+8)	4054	36,593	4063	245,993	4072	-	4081	475,895	4090	-

**EXPLANATORY NOTES TO THE QUARTERLY
FINANCIAL STATEMENTS FOR THE PERIOD
ENDEND 30 SEPTEMBER 2023**

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

1. General information

Fintel Energija A.D. (hereinafter the "**Company**" or "**Fintel Energija**") is a Serbian holding leading independent renewable energy generator in Serbia. The Company through its subsidiaries acted as the pioneer in the Serbian wind business being the first ever to install and operate wind farms in the country.

The Company was incorporated as a closed joint stock company on 27 June 2007, under the business name PRIVREDNO DRUŠTVO ZA PROIZVODNJU ELEKTRIČNE ENERGIJE FINTEL ENERGIJA AD BEOGRAD, by the company FINTEL ENERGIJA GROUP S.P.A, registration number 02658620402, as the sole shareholder (hereinafter the "**Principal Shareholder**"). Fintel Energia Group S.p.A. is 86.22% owned by Hopafi Srl.

Fintel Energia's registered office is located at Masarikova 5, Belgrade, Serbia.

At 30 September 2023, the Company's fully subscribed and paid up share capital amounted to RSD 4,057 thousand, consisting of 26,510,506 ordinary shares of RSD 0.153 each.

In 2018 the Company listed its shares on the stock market. The process of Initial Public Offering of the Company's shares ended on 30. October 2018, and during the offering period 1,510,506 shares were registered. Initial price on the stock market was RSD 500 per share.

The company's shares are traded on the organized market – Belgrade Stock Exchange. The symbol of the shares is FINT, and ISIN number is RSFINEE60549. The market capitalization of the Company as at 30 September 2023 is RSD 17,762,039 thousand (unit price per share of RSD 670).

Fintel Energia Group SpA, the majority shareholder of the Company, constitute a vertical operator in the integrated energy supply chain, which engages in the sale of electricity and natural gas in Italy and in the development and exploitation of renewable energy power plants (photovoltaic, wind and mini wind) in Italy and Serbia.

These stand-alone quarterly financial statements for the period ended 30 September 2023 have approved and authorized for issue by Director. The Company prepared these stand-alone financial statements based on and in accordance with the requirements of the laws and regulations of the Republic of Serbia where investments in subsidiaries in these stand-alone financial statements are stated as cost less any impairment.

FINTEL ENERGIJA AD, BEOGRAD

EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

1. General information (Continued)

The company is the parent company of the Group, consisting of the following entities:

Name	Head office
Fintel Energija ad	Belgrade (Serbia)
MK-Fintel Wind ad	Belgrade (Serbia)
MK-Fintel Wind Holding doo	Belgrade (Serbia)
Energobalkan doo	Belgrade (Serbia)
Vetropark Ram doo	Belgrade (Serbia)
Vetropark Kula doo	Belgrade (Serbia)
Vetropark Torak doo	Belgrade (Serbia)
Fintel Energija Dev. doo	Belgrade (Serbia)
MK-Fintel Wind Dev. doo	Belgrade (Serbia)
Vetropark Lipar doo	Belgrade (Serbia)
Vetropark Lipar 2 doo	Belgrade (Serbia)
Vetropark Project Torak doo	Belgrade (Serbia)
Fintel Energija Dev. Ltd	Nicosia (Cyprus)
Vetropark Torak Ltd	Nicosia (Cyprus)
Staklenik 1 doo	Belgrade (Serbia)
Staklenik 2 doo	Belgrade (Serbia)
Staklenik 3 doo	Belgrade (Serbia)
Staklenik 4 doo	Belgrade (Serbia)
Staklenik 5 doo	Belgrade (Serbia)

2. Summary of accounting policies and standards adopted

2.1 Basis of presentation

The Company maintains its books and records in accordance with accounting and taxation principles and practices mandated by Serbian legislation. The accompanying Interim Condensed Financial Statements were primarily derived from the Company's statutory books and records with adjustments and reclassifications made to present them in accordance with International Financial Reporting Standards (IFRS).

The Interim Condensed Financial Statements have been prepared in accordance with International Accounting Standard IAS 34 Interim Financial Reporting. IAS 34 for interim financial reporting does not require all disclosures that would be necessarily required by IFRS.

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

2. Summary of accounting policies and standards adopted (Continued)

2.1 Basis of presentation (Continued)

The Company does not disclose information which would substantially duplicate the disclosures contained in its audited Financial Statements for 2022, such as significant accounting policies, significant estimates and judgements, financial risk disclosures or disclosures of financial line items, which have not changed significantly in amount or composition. Management of the Company believes that the disclosures in these Interim Condensed Financial Statements are adequate to make the information presented not misleading if these Interim Condensed Financial Statements are read in conjunction with the Company's Financial Statements for 2022.

Subsequent events occurring after 30 June 2023 were evaluated through xx September 2023, the date these Interim Condensed Financial Statements were authorised for issue.

The results for the six month period ended 30 September 2023 are not necessarily indicative of the results expected for the full year. The Company as a whole is not subject to significant seasonal fluctuations.

2.2. Changes in significant accounting policies

Significant accounting policies, judgements and estimates applied while preparing these Interim Condensed Financial Statements are consistent with those applied during the preparation of Financial Statements as of and for the year ended 31 December 2022.

2.3 Going concern

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. Bearing in mind the foregoing, management considers that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its quarterly stand-alone financial statements.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured and presented in Serbian dinars (RSD). Dinar represents the official reporting currency in the Republic of Serbia.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

3. IFRS 8: segment information

Based on the fact that Company operates only in the wind renewable energy sector and operations are essentially in Serbia, hence there is only one reportable segment.

4. Information on guarantees issued, commitments and other contingent liabilities

a) *Guarantees issued*

There were no issued guarantees.

b) *Other*

There were no other contingent liabilities of the Company.

5. Investments in subsidiary

Investments in subsidiary are detailed as follow:

- RSD 16,009 thousand for 54% owned in of MK-Fintel Wind AD(RSD 16,009 thousand at 31 December 2022).
- RSD 5 thousand for 54% owned in of MK-Fintel Wind Holding Doo (RSD 5 thousand at 31 December 2022).
- RSD 200 for 100% owned in Fintel Energija Development Doo(RSD 200 at 31 December 2022).

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

STATEMENT OF FINANCIAL POSITION

6. Long-term financial investments in parents and subsidiaries

The balance amounts to RSD 1,471,440 thousand and they refer to financing provided to the subsidiaries MK-Fintel Wind AD (RSD 1,315,735 thousand at 30 September 2023), MK-Fintel Wind Holding Doo (RSD 70,484 thousand at 30 September 2023), MK-Fintel Wind Development Doo (RSD 5,063 thousand at 30 September 2023), Lipar 2 Doo (RSD 16,877 thousand at 30 September 2023), Lipar Doo (RSD 32,816 thousand at 30 September 2023), Project Torak Doo (RSD 7,852 thousand at 30 September 2023), Fintel Energija Development Doo (RSD 14,584 thousand at 30 September 2023), Staklenik 1 Doo (RSD 234 thousand at 30 September 2023), Staklenik 2 Doo (RSD 469 thousand at 30 September 2023), Staklenik 3 Doo (RSD 527 thousand at 30 September 2023), Staklenik 4 Doo (RSD 234 thousand at 30 September 2023), Staklenik 5 Doo (RSD 234 thousand at 30 September 2023), Viafast Doo (RSD 469 thousand at 30 September 2023), i Maestrale Ring Doo (RSD 5,860 thousand at 30 September 2023).

Summary of given loans, with maturities in the following table:

Recipient of the loan	Amount 30.09.2023 EUR	Amount 30.09.2023 RSD	Maturity
MK Fintel Wind ad	11,226,449	1,315,735,332	2030
MK Fintel Wind Holding d.o.o.	601,400	70,483,839	2030
MK-Fintel Wind Development d.o.o.	43,200	5,063,023	2024
Maestrale Ring d.o.o.	50,000	5,859,980	2025
VP Lipar d.o.o.	280,000	32,815,888	2025
VP Lipar 2 d.o.o.	144,000	16,876,742	2025
Project Torak d.o.o.	67,000	7,852,373	2025
Fintel Energija Development d.o.o.	124,440	14,584,318	2027
Staklenik 1 d.o.o.	2,000	234,399	2025
Staklenik 2 d.o.o.	4,000	468,798	2025
Staklenik 3 d.o.o.	4,500	527,398	2025
Staklenik 4 d.o.o.	2,000	234,399	2025
Staklenik 5 d.o.o.	2,000	234,399	2025
Viafast d.o.o.	4,000	468,798	2025
Total	11,827,849	1,471,439,689	

7. Short-term loans and investments – parent companies and subsidiaries

The balance amounts to RSD 1,641 thousand (RSD 16,484 thousand at 31 December 2022) and they refer to financing provided to the subsidiaries Lipar Doo (RSD 1,406 thousand at 30 September 2023) and associated company Punware Doo (RSD 234 thousand at 30 September 2023).

Summary of given loans, maturities in the following table:

Recipient of the loan	Amount 30.09.2023 RSD	Amount 30.09.2023 EUR	Maturity
VP Lipar d.o.o.	12,000	1,406,395	2023
Punware d.o.o.	2,000	234,399	2024
Total	14,000	1,640,794	

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

8. Cash and cash equivalents

“Cash and cash equivalents” at 30 September 2023 and 31 December 2022 are detailed as follows:

<i>RSD thousand</i>	30 September 2023 (unaudited)	31 December 2022
Current account		
- in dinars	18,959	4,683
- in foreign currency	40	40
Cash and cash equivalents	18,999	4,723

The fair value of cash and cash equivalents coincides with the carrying amount thereof.

For the purpose of the preparation of the statement of cash flows, investing and financing transactions that did not require the use of cash or cash equivalents have been excluded.

9. Other short-term receivables

“Other short-term receivables” of RSD 66,151 thousand at at 30 September 2023 (RSD 14,909 thousand at 31 December 2022) are detailed in the following table:

<i>RSD thousand</i>	30 September 2023 (unaudited)	31 December 2022
Other receivables	61,918	10,676
Receivables for prepaid CIT	4,224	4,224
Receivables for prepaid other taxes & contributions	10	10
Total	66,151	14,909

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

10. Equity

Equity at 30 September 2023 and 31 December 2022 is detailed in the following table:

<i>RSD thousand</i>	30 September 2023 (unaudited)	31 December 2022
Share capital	4,057	4,057
Share premium	681,237	681,237
Retained profit from previous years	-	1,659
Retained profit from current period	36,593	7,626
Loss from previous years	(245,993)	(255,277)
Loss from current period	-	-
TOTAL EQUITY	475,895	439,302

The equity components and changes therein are detailed below:

Share capital

As of 30 September 2023, the Company's fully subscribed and paid up share capital amounted to RSD 4,056,524 (RSD 4,056,524 as at 31 December 2021) consisting of 26,510,506 ordinary shares with nominal value of RSD 0.153 each.

Share premium

At 30 September 2023, such Reserve includes the share premium resulting from the capital increase related to the IPO of the Company on the Prime Listing Segment of the Belgrade Stock Exchange. The share premium worths RSD 755,022 Thousands (equivalent to RSD 499,847 per each new share issued by the Company). Such value is reported net of the IPO related costs.

Retained earnings/(Losses)

These consist of earnings/(Losses) from previous years. They also include net profit/(losses) for the current year.

11. Long and short term loans and borrowings from parent and subsidiaries

Loans and borrowings to parent and subsidiaries of RSD 1,087,633 thousand as at 30 September 2023 (RSD 1,265,201 thousand at 31 December 2022), mainly consist of revocable loans to be repaid to the Ultimate Parent company Fintel Energija Group Spa that were granted for the benefit of Fintel Energija. The loan of EUR 9,162,747 is interest bearing, interest is from 3% to 6%. Other loans are non-interest bearing.

12. Trade payables

Trade payables amounted to RSD 1,196 thousand at 30 September 2023 (RSD 35,508 thousand at 31 December 2022) consist mainly of payables for domestic suppliers.

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

13. Short-term accruals

Accruals amounted to RSD 246,583 thousand at 30 September 2023 (RSD 196,878 thousand at 31 December 2022) consist mainly of interests on shareholders loan due to Fintel Energia Group SpA.

INCOME STATEMENT

14. Intangible expenses

Non-production costs amount to RSD 27,479 thousand for nine-month ended 30 September 2023 relate to accounting services and management fee costs (invoices issued in according management fee contract).

15. Finance income

Finance income for nine-month period ended 30 September 2023 and 2022 are detailed as follows:

	Nine month period of 2023 year	Nine month period of 2022 year
	(unaudited)	(unaudited)
FINANCIAL INCOME INCURRED WITH PARENT COMPANIES, SUBSIDIARIES AND OTHER RELATED PARTIES	103,035	84,903
INCOME FROM INTEREST	-	-
FX GAINS AND POSITIVE EFFECTS OF CURRENCY CLAUSE	8	3,034
OTHER FINANCIAL INCOME	-	-
Total	103,043	87,937

16. Finance expenses

Finance expenses for nine-month period ended 30 September 2023 and 2022 are detailed as follows:

	Nine month period of 2023 year	Nine month period of 2022 year
	(unaudited)	(unaudited)
FINANCIAL EXPENSES INCURRED WITH PARENT COMPANIES, SUBSIDIARIES AND OTHER RELATED PARTIES	33,315	33,307
COSTS OF INTEREST	114	40
FX LOSSES AND NEGATIVE EFFECTS OF CURRENCY CLAUSE	123	4,177
OTHER FINANCIAL COSTS	-	1
Total	33,552	37,525

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

17. Earnings/(loss) per share

The basic result per share has gone from a profit per share of RSD 0.85 for nine-month period ended 30 September 2022 to profit per share of RSD 1.38 for the period ended 30 September 2023. It has been computed by dividing the Group's net result by the number of Fintel Energija shares outstanding in the years in question (number of shares outstanding of 26,511 thousand).

There were no dilutive effects at 30 September 2023. Accordingly, diluted earnings per share thus coincide with basic earnings per share.

18. Related party transactions

As previously indicated, the Company is a subsidiary of Fintel EnergiaGroup SpA,

A summary is provided below of the Group's transactions with related parties at 30 September 2023 and 31 December 2022. All transactions with related parties are entered into at market value.

As of 30 September 2023 and 31 December 2022 the outstanding balances with related parties were as follows:

	At 30 September 2023			
	Parent Company	Parent's subsidiaries and associates	Subsidiaries	Total
<i>RSD thousand</i>				
Short-term loans	-	-	1,641	1,641
Long-term loans	-	-	1,471,440	1,471,440
Other current assets	-	-	223,467	223,467
Other current liabilities	(23,210)	-	-	(23,210)
Trade payables	-	-	-	-
Shareholder's loan	(1,087,633)	-	-	(1,087,633)
Total	(1,110,842)	-	1,696,547	585,705

	At 31 December 2022			
	Parent Company	Parent's subsidiaries and associates	Subsidiaries	Total
<i>RSD thousand</i>				
Short-term loans	-	-	16,484	16,484
Long-term loans	-	-	1,621,330	1,621,330
Other current assets	-	-	262,578	262,578
Other current liabilities	(32,622)	-	-	(32,622)
Trade payables	(34,259)	-	-	(34,259)
Shareholder's loan	(1,265,201)	-	-	(1,265,201)
Total	(1,332,082)	-	1,900,392	568,310

FINTEL ENERGIJA AD, BEOGRAD
EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(All amounts are in 000 RSD, unless otherwise stated)

19. Related party transactions (Continued)

For nine-month period ended 30 September 2023 and 30 September 2022 the following transactions occurred with related parties:

<i>RSD thousand</i>	At 30 September 2023			
	Parent Company	Parent's subsidiaries and associates	Subsidiaries	Total
Selling, general and administrative expenses	(23,210)	-	-	(23,210)
Dividends	-	-	64,473	64,473
Finance income	-	-	38,562	38,562
Finance expense	(33,315)	-	-	(33,315)
Total	(56,525)	-	103,035	46,510

<i>RSD thousand</i>	At 30 September 2022			
	Parent Company	Parent's subsidiaries and associates	Subsidiaries	Total
Selling, general and administrative expenses	(21,276)	-	-	(21,276)
Finance income	-	-	36,639	36,639
Dividends	-	-	51,298	51,298
Finance expense	(33,307)	-	-	(33,307)
Total	(54,583)	-	87,937	33,354

19. Significant subsequent events

There were no events occurring after the balance sheet date that could require a correction of the quarterly financial statements as at 30 September 2023, nor disclosure in the Notes to the quarterly financial statements of the Company.

Legal representative:



The person responsible for the preparation of stand alone quarterly financial statements:

**QUARTERLY BUSINESS REPORT
FOR THE PERIOD ENDED
30 SEPTEMBER 2023**

FINTEL ENERGIJA AD, BEOGRAD

Content

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1. Summary of the business activities

Identification data

Business name: PRIVREDNO DRUŠTVO ZA PROIZVODNJU ELEKTRIČNE ENERGIJE FINTEL ENERGIJA AD BEOGRAD

Seat: Belgrade

Address: Masarikova 5

Company Identification Number: 20305266

Tax Identification Number: 105058839

Date of incorporation: 27 June 2007

Persons authorized to represent: Tiziano Giovannetti

Website: www.fintelenergija.rs

Core business activity

Description and code of the core business activity: 3511 – Production of electrical energy.

Business activities

Fintel Energija A.D. (hereinafter the “**Company**” or “**Fintel Energija**”) and its subsidiaries (together, “**Fintel Group**” or the “**Group**”) is the leading independent renewable energy generator in Serbia. The Company and the Group acted as the pioneer in the Serbian wind business being the first ever to install and operate wind farms in the country. The Group sells its power output through offtake arrangements (Power Purchase Agreement or the “PPA”) to JP Elektroprivreda Srbije (“EPS”) and does not supply electricity directly to the retail customers.

Organizational structure

By aligning corporate bodies and documents with the Companies Law (“Official Gazette of the RS” no. 36/2011, 99/2011, 83/2014, - other law, and 5/2015, 44/2018 and 95/2018) the Company has the following internal organizational structure: Shareholder Assembly and Board of Directors.

1. Summary of the business activities (Continued)**Subsidiaries**

The Company act as a holding company of the following subsidiaries:

- MK-Fintel Wind AD Beograd, ID number 20392126, whereby the Company holds 54,00% of the share capital ("**MK Fintel a.d.**", ."), while the remaining 46,00% is held by the company *MK Holding d.o.o. za holding poslove Beograd*;
- MK-Fintel Wind Holding d.o.o. za holding poslove Beograd, ID number 21280275, whereby the Company holds 54,00% of the share capital ("**MK Fintel Holding d.o.o.**"), while the remaining 46,00% is held by the company *MK Holding d.o.o. za holding poslove Beograd*;
- Fintel Energija development d.o.o. Beograd, ID number 21522732 ("**Fintel Energija Development**"), whereby the Company holds 100,00% of the share capital,

MK-Fintel Wind Holding d.o.o. holds 100% in the following subsidiaries, SPVs for other projects:

- Vetropark Kula d.o.o. Beograd, ID number 20901659 – SPV established for the project wind farm Kula ("**Kula**");
- Energobalkan d.o.o. Beograd, ID number 20833122 – SPV established for the project wind farm La Piccolina ("**Energobalkan**").

Fintel Energija Development d.o.o. holds:

- Fintel Energija Development Ltd Cyprus, ID number HE 419780 ("**Fintel Energija Development Cyprus**"), whereby the Company holds 100,00% of the share capital;
- MK-Fintel Wind Development d.o.o. Beograd, ID number 21528536 ("**MK-Fintel Wind Development**"), whereby the Company holds 54,00% of the share capital;
- Lipar d.o.o. Beograd, ID number 21452149 ("**Lipar**"), whereby the Company holds 100,00% of the share capital;
- Lipar 2 d.o.o. Beograd, ID number 21452122 ("**Lipar 2**"), whereby the Company holds 100,00% of the share capital.

MK-Fintel Wind Development holds 100% in the following subsidiaries:

- Vetropark Torak d.o.o. Beograd, ID number 21040339 ("**Torak**");
- Vetropark Ram d.o.o. Beograd, ID number 20927119 ("**Ram**").

Fintel Energija Development Ltd holds 100% in the following subsidiaries, SPVs for other projects:

- Vetropark Torak Ltd Cyprus, ID number HE 423070;
- Staklenik 1 d.o.o, ID number 21861103;
- Staklenik 2 d.o.o, ID number 21861111;
- Staklenik 3 d.o.o, ID number 21861120;
- Staklenik 4 d.o.o, ID number 21861081;
- Staklenik 5 d.o.o, ID number 21861090.

The following companies are 100% owned through Cyprus vehicles:

- Project Torak d.o.o. Beograd, ID number 21459631 ("**Project Torak**");

1. Summary of the business activities (Continued)

Information about the management of the company

Members of Board of Directors:

- ✓ Claudio Nardone, President
- ✓ Tiziano Giovannetti
- ✓ Giulio Moreno
- ✓ Tamara Mlađenović
- ✓ Jovan Purar

2. Presentation of development and activities of the legal entity, personnel structure

Fintel Energija is a pionir in the production of electrical energy from wind power in the territory of the Republic of Serbia. Currently the total installed capacity of all wind turbines in Serbia is 398 MW, of which 85.5 MW is held in the ownership of the Company (21,5%). Out of the total current quota for construction of wind farms under preferential conditions, which is 500 MW, Fintel has been granted the right to build wind farms of a total capacity of 85.5 MW (17,1%).

Personnel structure

The employees in the company have the appropriate qualifications, knowledge and experience necessary for the quality performance of the services provided by the Company. In addition to the Director, the Company has further 14 employees its subsidiaries who work mainly on maintenance of existing wind farms.

3. Environmental protection

Fintel Energija contributes to environmental protection mainly through investing in construction of capacities for production of electrical energy from renewable sources (green energy). Construction of wind farms significantly reduces CO2 emissions as one of the leading harmful factors that affect the environment.

4. Planned future development

As of December 2021, the Group has increased its production of electrical energy from wind of 85.5 MW, through the construction of three projects, "Kula", "La Piccolina" and "Kosava phase I". The Group also has ongoing further onshore wind farms development of above 1 GW. The pipeline is being actively developed and projects are continuously progressed through the development and obtaining the appropriate regulatory consents. Projects are all developed in accordance with the "gateway" approval process, so the pace of development will depend on a number of internal and external factors. Out of the ongoing project, the project that has most advanced is Kosava Phase II - a project that obtained all licenses and that plans to have 15 turbines with capacity of up to 70.0 MW, subject to turbine selection, which is estimated to become fully operational in the financial year 2024.

4. Planned future development (Continued)

The growth of the Company's and Group's business will be driven primarily by the build of the Company's Development Pipeline Business, comprising approximately 1 GW of total capacity.

The management of the Company expects 80% to 90% of investments to be financed through credit, while the remaining portion will be funded through subordinated debt or cash flows of the Company. Additionally, the Company's management intends to approach wind park development projects in a flexible manner, aiming for growth without jeopardizing the Company's ability to pay dividends in accordance with its dividend policies. While the Group is focused on organic growth, growth through acquisitions may also be considered based on opportunities.

5. Significant transactions with related parties

The representation of the Company's relations with related parties is presented in point 18 of the Notes to the Financial Statements for the period ended 30 September 2023.

In the third quarter of 2023, there were no significant transactions of the Company with related parties.

6. Goals and policies in connection with managing financial risks, credit risks, liquidity risk and market risk

The coordination and monitoring of key financial risks is carried out by the central treasury department of the Principal Shareholder Company, which provides guidelines for the management of various types of risk and for the use of financial instruments. The main features of Fintel Group's risk management policy are:

- central determination of operational risk management guidelines concerning market, liquidity and cash flow risks;
- monitoring of results achieved;
- diversification of commitments/obligations and of the product portfolio.

Above mentioned Financial risk management procedures are consistent with those applied during the preparation of Financial Statements as of and for the year ended 31 December 2022.

Tiziano Giovannetti
Director





FINTEL ENERGIJA AD

STATEMENT BY PERSONS RESPONSIBLE FOR REPORT PREPARATION

To the best of our knowledge, Quarterly Financial Statements of the Fintel Energija a.d. for period ended 30 September 2023 were prepared in compliance with the relevant International Financial Reporting Standards and these present authentic and objective information about assets, liabilities, financial position and operations, profit and losses, cash flows and changes in equity of the Public Company, including those of the Companies included in the Statements.

Legal representative:

Fintel Energija a.d.

Director


Tiziano Giovannetti