



**FINTEL ENERGIJA AD**

**QUARTERLY REPORT OF  
FINTEL ENERGIJA A.D.  
FOR PERIOD ENDED 30 SEPTEMBER 2021**

**Belgrade, November 2021.**

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 PERIOD ENDED 30 SEPTEMBER 2021**

### **CONTENT**

- 1. QUARTERLY FINANCIAL STATEMENTS OF FINTEL ENERGIJA A.D. FOR PERIOD ENDED 30 SEPTEMBER 2021 (Balance Sheet, Income Statement, Report on Other Income, Cash Flow Statement, Statement of Changes in Equity, Notes to Quarterly Financial Statements)**
- 2. BUSINESS REPORT (Note Business Report and Consolidated Business Report are presented as a single report and these contain information of significance for the economic entity)**
- 3. STATEMENT BY THE PERSONS RESPONSIBLE FOR PREPARATION OF REPORT**

**QUARTERLY FINANCIAL STATEMENTS FOR  
THE PERIOD ENDED 30 SEPTEMBER 2021**

**FINTEL ENERGIJA AD, BEOGRAD**

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THE LAW ON ACCOUNTING OF THE REPUBLIC OF SERBIA

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## STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

### QUARTERLY STAND-ALONE BALANCE SHEET

In RSD thousand

	AOP	Note	30 September 2021 <i>(unaudited)</i>	31 December 2020
<b>A. SUBSCRIBED CAPITAL UNPAID</b>	<b>0001</b>		-	-
<b>B. NON-CURRENT ASSETS (0003 + 0010 + 0019+ 0024 + 0034)</b>	<b>0002</b>		<b>1,515,718</b>	<b>1,516,001</b>
<b>I. INTANGIBLE ASSETS (0004+0005+0006+0007+0008+0009)</b>	<b>0003</b>			
1. Development investments	0004			
2. Concessions, licenses, software and other rights	0005			
3. Goodwill	0006			
4. Other intangible assets	0007			
5. Intangible assets under development	0008			
6. Advances for intangible assets	0009			
<b>II. PROPERTY, PLANT AND EQUIPMENT (0011+0012+0013+0014+0015+0016+0017+0018)</b>	<b>0010</b>		<b>14</b>	<b>33</b>
1. Land	0011			
2. Buildings	0012			
3. Machinery and equipment	0013		14	33
4. Investment property	0014			
5. Other property, plant and equipment	0015			
6. Construction in progress	0016			
7. Investments in leased PP&E	0017			
8. Advances for PP&E	0018			
<b>III. BIOLOGICAL ASSETS (0020+0021+0022+0023)</b>	<b>0019</b>			
1. Forest farming	0020			
2. Livestock	0021			
3. Biological assets in production	0022			
4. Advances for biological assets	0023			
<b>IV. LONG-TERM FINANCIAL INVESTMENTS (0025+0026+0027+0028+0029+0030+0031+0032+0033)</b>	<b>0024</b>		<b>1,515,704</b>	<b>1,515,968</b>
1. Investments in subsidiary	0025	5	16,016	16,016
2. Investments in joint ventures	0026			
3. Investments in other legal entities and other available for sales financial assets	0027			
4. Long term investments in parent and subsidiaries	0028	6	1,499,688	1,499,952
5. Long-term investments in other related parties	0029			
6. Long-term investments – domestic	0030			
7. Long-term investments – foreign	0031			
8. Securities held to maturity	0032			
9. Other long-term financial investments	0033			
<b>V. LONG-TERM RECEIVABLES (0035+0036+0037+0038+0039+0040+0041)</b>	<b>0034</b>			
1. Receivables from parent company and subsidiaries	0035			
2. Receivables from other related parties	0036			
3. Receivables from sale of goods on credit	0037			
4. Receivables arising out of finance lease contracts	0038			
5. Claims arising from guarantees	0039			
6. Bad and doubtful receivables	0040			
7. Other long-term receivables	0041			
<b>C. DEFERRED TAX ASSETS</b>	<b>0042</b>			

# STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

## QUARTERLY STAND-ALONE BALANCE SHEET (CONTINUED)

In RSD thousand

	AOP	Note	30 September 2021 <i>(unaudited)</i>	31 December 2020
<b>D. CURRENT ASSETS</b>	<b>0043</b>			
<b>(0044+0051+0059+0060+0061+0062+0068+0069+0070)</b>			<b>331,093</b>	<b>253,285</b>
<b>I. INVENTORY (0045+0046+0047+0048+0049+0050)</b>	<b>0044</b>		<b>767</b>	<b>497</b>
1. Materials, spare parts and tools	0045			
2. Work in progress	0046			
3. Finished goods	0047			
4. Merchandise	0048			
5. Assets held for sale	0049			
6. Advances for inventory and services	0050		767	497
<b>II. TRADE RECEIVABLES</b>	<b>0051</b>			
<b>(0052+0053+0054+0055+0056+0057+0058)</b>				
1. Domestic trade receivables - parents and subsidiaries	0052			
2. Foreign trade receivables - parents and subsidiaries	0053			
3. Domestic trade receivables - other related parties	0054			
4. Foreign trade receivables - other related parties	0055			
5. Trade receivables - domestic	0056			
6. Trade receivables - foreign	0057			
7. Other trade receivables	0058			
<b>III. RECEIVABLES FROM SPECIFIC OPERATIONS</b>	<b>0059</b>			
<b>IV. OTHER RECEIVABLES</b>	<b>0060</b>	<b>9</b>	<b>4,344</b>	<b>4,344</b>
<b>V. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>0061</b>			
<b>VI. SHORT TERM FINANCIAL INVESTMENTS</b>	<b>0062</b>		<b>103,784</b>	<b>60,097</b>
<b>(0063+0064+0065+0066+0067)</b>				
1. Short-term loans and investments - parent companies and subsidiaries	0063	7	103,770	60,083
2. Short-term loans and investments - other related parties	0064			
3. Short-term loans and investments - domestic	0065			
4. Short-term loans and investments - foreign	0066			
5. Other short-term loans and investments	0067		14	14
<b>VII. CASH AND CASH EQUIVALENTS</b>	<b>0068</b>	<b>8</b>	<b>3,592</b>	<b>1,757</b>
<b>VIII. VALUE ADDED TAX</b>	<b>0069</b>	<b>9</b>	<b>9,729</b>	<b>9,386</b>
<b>IX. PREPAYMENTS AND ACCRUED INCOME</b>	<b>0070</b>	<b>9</b>	<b>208,877</b>	<b>177,204</b>
<b>E. TOTAL ASSETS (0001+0002+0042+0043)</b>	<b>0071</b>		<b>1,846,811</b>	<b>1,769,286</b>
<b>F. OFF-BALANCE SHEET ASSETS</b>	<b>0072</b>			<b>324,521</b>
<b>A. EQUITY (0402+0411-0412+0413+0414+0415-0416+0417+0420-0421)</b>	<b>0401</b>		<b>441,992</b>	<b>430,017</b>
<b>I. EQUITY (0403+0404+0405+0406+0407+0408+0409+0410)</b>	<b>0402</b>		<b>685,294</b>	<b>685,294</b>
1. Share capital	0403	10	4,057	4,057
2. Stakes of limited liability companies	0404			
3. Stakes	0405			
4. State owned capital	0406			
5. Socially owned capital	0407			
6. Stakes in cooperatives	0408			
7. Share premium	0409	10	681,237	681,237
8. Other capital	0410			
<b>II. SUBSCRIBED CAPITAL UNPAID</b>	<b>0411</b>			
<b>III. OWN SHARES</b>	<b>0412</b>			
<b>IV. RESERVES</b>	<b>0413</b>			
<b>V. REVALUATION RESERVES FROM VALUATION OF INTANGIBLES, PROPERTIES, PLANT AND EQUIPMENT</b>	<b>0414</b>			
<b>VI. UNREALISED GAINS FROM SECURITAS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME</b>	<b>0415</b>			
<b>VII. UNREALIZED LOSSES FROM SECURITIES AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME</b>	<b>0416</b>			
<b>VIII. RETAINED EARNINGS (0418+0419)</b>	<b>0417</b>		<b>11,975</b>	
1. Retained earnings from previous years	0418			
2. Retained earnings from current year	0419	10	11,975	
<b>IX. NON-CONTROLLING INTEREST</b>	<b>0420</b>			
<b>X. LOSS (0422+0423)</b>	<b>0421</b>		<b>255,277</b>	<b>255,277</b>
1. Loss from previous years	0422	10	255,277	219,550
2. Loss from current year	0423			35,727

# STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

## QUARTERLY STAND-ALONE BALANCE SHEET (CONTINUED)

In RSD thousand

	AOP	Note	30 September 2021 (unaudited)	31 December 2020
<b>B. LONG-TERM PROVISIONS AND LIABILITIES (0425+0432)</b>	<b>0424</b>			<b>696,396</b>
<b>I. LONG-TERM PROVISIONS (0426+0427+0428+0429+0430+0431)</b>	<b>0425</b>			
1. Provisions for warranty claims	0426			
2. Provision for environmental rehabilitation	0427			
3. Provisions for restructuring costs	0428			
4. Provisions for employee benefits	0429			
5. Provisions for litigations	0430			
6. Other long term provisions	0431			
<b>II. LONG-TERM LIABILITIES (0433+0434+0435+0436+0437+0438+0439+0440)</b>	<b>0432</b>			<b>696,396</b>
1. Liabilities convertible to equity	0433			
2. Liabilities to parent and subsidiaries	0434			
3. Liabilities to other related parties	0435			
4. Liabilities for issued long-term securities	0436			
5. Long term borrowings - domestic	0437	11		
6. Long-term borrowings - foreign	0438			696,396
7. Finance lease liabilities	0439			
8. Other long-term liabilities	0440			
<b>C. DEFERRED TAX LIABILITIES 0441</b>	<b>0441</b>			
<b>D. SHORT-TERM LIABILITIES (0443+0450+0451+0459+0460+0461+0462)</b>	<b>0442</b>		<b>1,404,819</b>	<b>642,873</b>
<b>I. SHORT-TERM FINANCIAL LIABILITIES (0444+0445+0446+0447+0448+0449)</b>	<b>0443</b>		<b>1,185,508</b>	<b>430,530</b>
1. Short term borrowings from parent and subsidiaries	0444	12	1,185,508	327,380
2. Short term borrowings from other related parties	0445			
3. Short-term loans and borrowings - domestic	0446	11		103,150
4. Short-term loans and borrowings - foreign	0447			
5. Liabilities relating to current assets and held-for-sale assets attributable to discounted operations	0448			
6. Other short term liabilities	0449			
<b>II. ADVANCES RECEIVED 0450</b>	<b>0450</b>			
<b>III. TRADE PAYABLES (0452+0453+0454+0455+0456+0458)</b>	<b>0451</b>		<b>77,515</b>	<b>62,826</b>
1. Trade payables - parent and subsidiaries - domestic	0452			
2. Trade payables - parent and subsidiaries - foreign	0453	13	76,259	55,466
3. Trade payables - other related parties - domestic	0454			
4. Trade payables - other related parties - foreign	0455			
5. Trade payables - domestic	0456	13	1,256	7,360
6. Trade payables - foreign	0457			
7. Other operating liabilities	0458			
<b>IV. OTHER SHORT-TERM LIABILITIES 0459</b>	<b>0459</b>		<b>308</b>	<b>50</b>
<b>V. LIABILITIES FOR VAT 0460</b>	<b>0460</b>			
<b>VI. LIABILITIES FOR OTHER TAXES 0461</b>	<b>0461</b>			
<b>VII. ACCRUED EXPENSES 0462</b>	<b>0462</b>	<b>14</b>	<b>141,488</b>	<b>149,467</b>
<b>E. LOSS EXCEEDING EQUITY (0412+0416+0421-0420-0417-0415-0414-0413-0411-0402)&gt;=0=(0441+0424+0442-0071)&gt;=0</b>	<b>0463</b>			
<b>F. TOTAL EQUITY AND LIABILITIES (0424+0442+0441+0401-0463)&gt;=0</b>	<b>0464</b>		<b>1,846,811</b>	<b>1,769,286</b>
<b>G. OFF-BALANCE SHEET LIABILITIES 0465</b>	<b>0465</b>			<b>324,521</b>

Tiziano Giovannelli  
Director  
09 November 2021



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

# STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

QUARTERLY STAND-ALONE INCOME  
STATEMENT  
In RSD thousand

	AOP	Note	Three-month period ended		Nine-month period ended	
			30 September 2021 (unaudited)	2020 (unaudited)	30 September 2021 (unaudited)	2020 (unaudited)
<b>INCOME FROM REGULAR OPERATING ACTIVITIES</b>						
<b>A. OPERATING INCOME (1002+1009+1016+1017)</b>	<b>1001</b>					
<b>I. INCOME FROM THE SALE OF GOODS (1003+1004+1005+1006+1007+1008)</b>	<b>1002</b>					
1. Income from sales of goods to parent and subsidiaries on domestic market	1003					
2. Income from sales of goods to parent and subsidiaries on foreign market	1004					
3. Income from the sale of goods to other related parties on domestic market	1005					
4. Income from the sale of goods to other related parties on foreign market	1006					
5. Income from sale of goods on domestic market	1007					
6. Income from sale of goods on foreign market	1008					
<b>II. INCOME FROM SALES OF PRODUCTS AND SERVICES (1010+1011+1012+1013+1014+1015)</b>	<b>1009</b>					
1. Income from sales of products and services to parent and subsidiaries on domestic market	1010					
2. Income from sales of products and services to parent and subsidiaries on foreign market	1011					
3. Income from sales of products and services to other related parties on domestic market	1012					
4. Income from sales of products and services to other related parties on foreign market	1013					
5. Income from sales of products and services – domestic	1014					
6. Income from sales of products and services – foreign	1015					
<b>III. INCOME FROM PREMIUMS, SUBVENTIONS AND DONATIONS</b>	<b>1016</b>					
<b>IV. OTHER OPERATING INCOME</b>	<b>1017</b>					
<b>EXPENSES FROM REGULAR OPERATING ACTIVITIES</b>						
<b>B. OPERATING EXPENSES (1019-1020-1021+1022+1023+1024+1025+1026+1027+1028+1029)&gt;=0</b>	<b>1018</b>		<b>8,672</b>	<b>8,779</b>	<b>26,966</b>	<b>27,189</b>
I. COST OF GOODS SOLD	1019					
II. WORK PERFORMED BY THE ENTITY AND CAPITALIZED	1020					
III. INCREASE IN INVENTORIES OF UNFINISHED AND FINISHED GOODS AND ONGOING SERVICES	1021					
IV. DECREASE IN INVENTORIES OF UNFINISHED AND FINISHED GOODS AND ONGOING SERVICES	1022					
V. COST OF MATERIAL	1023					
VI. COST OF FUEL AND ENERGY	1024					
VII. COST OF SALARIES, FRINGE BENEFITS AND OTHER PERSONAL EXPENSES	1025		774	770	3,155	3,142
VIII. COST OF PRODUCTION SERVICES	1026		40	40	129	105
IX. DEPRECIATION, DEPLETION AND AMORTIZATION	1027		6	6	18	18
X. COST OF LONG-TERM PROVISIONING	1028					
XI. NON-PRODUCTION COSTS	1029	15	7,852	7,963	23,664	23,924
<b>C. OPERATING GAIN (1001-1018)&gt;=0</b>	<b>1030</b>					
<b>D. OPERATING LOSS (1018-1001)&gt;=0</b>	<b>1031</b>		<b>8,672</b>	<b>8,779</b>	<b>26,966</b>	<b>27,189</b>
<b>E. FINANCE INCOME (1033+1038+1039)</b>	<b>1032</b>		<b>11,112</b>	<b>11,289</b>	<b>85,798</b>	<b>64,946</b>
I. FINANCIAL INCOME FROM RELATED PARTIES AND OTHER FINANCIAL INCOME (1034+1035+1036+1037)	1033		11,108	11,270	85,746	64,804
1. Finance income - parent company and subsidiaries	1034	16	11,108	11,270	33,369	33,486
2. Finance income - other related parties	1035					
3. Share of profit of associates and joint ventures	1036	16			52,377	31,318
4. Other financial income	1037					
II. INTEREST INCOME (from third parties)	1038					
III. FOREIGN EXCHANGE GAINS (third parties)	1039	16	4	19	52	142



# STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

QUARTERLY STAND-ALONE INCOME  
STATEMENT  
In RSD thousand

	AOP	Note	Three-month period ended		Nine-month period ended	
			30 September 2021 (unaudited)	2020 (unaudited)	30 September 2021 (unaudited)	2020 (unaudited)
<b>F. FINANCE EXPENSES (1041+1046+1047)</b>	<b>1040</b>		<b>11,332</b>	<b>19,408</b>	<b>46,857</b>	<b>58,964</b>
I. FINANCIAL EXPENSES FROM RELATED PARTIES AND OTHER FINANCIAL EXPENSES (1042+1043+1044+1045)	1041		11,330	6,383	24,378	20,748
1. Finance expense - parent company and subsidiaries	1042	17	11,330	4,760	22,732	14,398
2. Finance expense - other related parties	1043					
3. Share of loss of associates and joint ventures	1044					
4. Other financial expense	1045	17		1,623	1,646	6,350
II. INTEREST EXPENSE (from third parties)	1046	17		12,995	22,471	38,167
III. FOREIGN EXCHANGE LOSSES (third parties)	1047	17	2	30	8	49
<b>G. PROFIT FROM FINANCING OPERATIONS (1032-1040)</b>	<b>1048</b>				<b>38,941</b>	<b>5,982</b>
<b>H. LOSS FROM FINANCING OPERATIONS (1040-1032)</b>	<b>1049</b>		<b>220</b>	<b>8,119</b>		
<b>I. INCOME FROM VALUATION OF ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS</b>	<b>1050</b>					
<b>J. LOSS FROM VALUATION OF ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS</b>	<b>1051</b>					
<b>K. OTHER INCOME</b>	<b>1052</b>					
<b>L. OTHER EXPENSES</b>	<b>1053</b>					<b>12</b>
<b>M. OPERATING PROFIT BEFORE TAX (1030-1031+1048-1049+1050-1051+1052-1053)</b>	<b>1054</b>				<b>11,975</b>	
<b>N. OPERATING LOSS BEFORE TAX (1031-1030+1049-1048+1051-1050+1053-1052)</b>	<b>1055</b>		<b>8,892</b>	<b>16,898</b>		<b>21,219</b>
<b>O. NET INCOME ATTRIBUTABLE TO DISCONTINUED OPERATIONS, EXPENSES ARISING FROM CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF PRIOR PERIOD ERRORS</b>	<b>1056</b>					
<b>P. NET LOSS ATTRIBUTABLE TO DISCONTINUED OPERATIONS, EXPENSES ARISING FROM CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF PRIOR PERIOD ERRORS</b>	<b>1057</b>					
<b>Q. PROFIT BEFORE TAX (1054-1055+1056-1057)</b>	<b>1058</b>				<b>11,975</b>	
<b>R. LOSS BEFORE TAX (1055-1054+1057-1056)</b>	<b>1059</b>		<b>8,892</b>	<b>16,898</b>		<b>21,219</b>
II. INCOME TAX						
I. CURRENT INCOME TAX	1060					
II. DEFERRED TAX EXPENSE FOR THE PERIOD	1061					
III. DEFERRED TAX INCOME FOR THE PERIOD	1062					
<b>S. PERSONAL INCOME PAID TO EMPLOYER</b>	<b>1063</b>					
<b>T. NET PROFIT (1058-1059-1060-1061+1062)</b>	<b>1064</b>				<b>11,975</b>	
<b>V. NET LOSS (1059-1058+1060+1061-1062)</b>	<b>1065</b>		<b>8,892</b>	<b>16,898</b>		<b>21,219</b>
I. NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1066					
II. NET INCOME ATTRIBUTABLE TO THE OWNER	1067				11,975	
III. NET LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1068					
IV. NET LOSS ATTRIBUTABLE TO THE OWNER	1069		8,892	16,898		21,219
V. EARNINGS PER SHARE						
1. Basic earnings per share (in RSD)	1070		(0.34)	(0.64)	0.45	(0.80)
2. Diluted earnings per share (in RSD)	1071		(0.34)	(0.64)	0.45	(0.80)

# STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

QUARTERLY STAND-ALONE STATEMENT OF OTHER COMPREHENSIVE INCOME In RSD thousand	AOP Note	Three-month period ended		Nine-month period ended	
		30 September		30 September	
		2021	2020	2021	2020
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>A. NET PROFIT/(LOSS)</b>					
<b>I. PROFIT, NET (AOP 1064)</b>	<b>2001</b>			<b>11,975</b>	
<b>II. LOSS, NET (AOP 1065)</b>	<b>2002</b>	<b>8,892</b>	<b>16,898</b>		<b>21,219</b>
<b>B. OTHER COMPREHENSIVE PROFIT OR LOSS</b>					
<i>a) Items that will not be reclassified to profit or loss</i>					
<b>1. Changes in the revaluation of intangible assets, property, plant and equipment</b>					
a) increase in revaluation reserves	2003				
b) decrease in revaluation reserves	2004				
<b>2. Actuarial gains (losses) of post-employment benefit obligations</b>					
a) gains	2005				
b) losses	2006				
<b>3. Gains and losses arising from equity investments</b>					
a) gains	2007				
b) losses	2008				
<b>4. Gains or losses arising from a share in the associate's other comprehensive profit or loss</b>					
a) gains	2009				
b) losses	2010				
<i>b) Items that may be subsequently reclassified to profit or loss</i>					
<b>1. Gains (losses) from currency translation differences</b>					
a) gains	2011				
b) losses	2012				
<b>2. Gains (losses) on investment hedging instruments in foreign business</b>					
a) gains	2013				
b) losses	2014				
<b>3. Gains and losses on cash flow hedges</b>					
a) gains	2015				
b) losses	2016				
<b>4. Gains (losses) from change in value of available-for-sale financial assets</b>					
a) gains	2017				
b) losses	2018				
<b>I. OTHER COMPREHENSIVE PROFIT BEFORE TAX (2003+2005+2007+2009+2011+2013+2015+2017)- (2004+2006+2008+2010+2012+2014+2016+2018)&gt;=0</b>	<b>2019</b>				
<b>II. OTHER COMPREHENSIVE LOSS BEFORE TAX (2004+2006+2008+2010+2012+2014+2016+2018)- (2003+2005+2007+2009+2009+2011+2013+2015+2017)&gt;=0</b>	<b>2020</b>				
<b>III. TAX ON OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>	<b>2021</b>				
<b>IV. TOTAL NET COMPREHENSIVE PROFIT (2019-2020- 2021)&gt;=0</b>	<b>2022</b>				
<b>V. TOTAL NET COMPREHENSIVE LOSS (2020- 2019+2021)&gt;=0</b>	<b>2023</b>				
<b>C. TOTAL NET COMPREHENSIVE PROFIT</b>					
<b>I. TOTAL COMPREHENSIVE PROFIT, NET (2001-2002+2022-2023)&gt;=0</b>	<b>2024</b>			<b>11,975</b>	
<b>II. TOTAL COMPREHENSIVE LOSS, NET (2002-2001+2023-2022)&gt;=0</b>	<b>2025</b>	<b>8,892</b>	<b>16,898</b>		<b>21,219</b>
<b>D. TOTAL NET COMPREHENSIVE PROFIT / (LOSS) (2027+2028)=AOP 2024&gt;=0 или AOP 2025&gt;0</b>	<b>2026</b>				
1. Attributable to shareholders	2027	(8,892)	(16,898)	11,975	(21,219)
2. Attributable to non-controlling interest	2028				

# STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

## QUARTERLY STAND-ALONE STATEMENT OF CASH FLOWS In RSD thousand

	AOP	Note	Nine-month period ended 30 September	
			2021 (unaudited)	2020 (unaudited)
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>I. Cash inflow from operating activities (1 to 3)</b>	<b>3001</b>		-	-
1. Sales and advances received	3002			
2. Interest from operating activities	3003			
3. Other inflow from operating activities	3004			
<b>II. Cash outflow from operating activities (1 to 5)</b>	<b>3005</b>		<b>66,449</b>	<b>36,060</b>
1. Payments and prepayments to suppliers	3006		11,373	19,580
2. Salaries, benefits and other personal expenses	3007		2,839	3,142
3. Interest paid	3008		52,201	13,338
4. Income tax paid	3009			
5. Payments for other public revenues	3010		36	
<b>III. Net cash inflow from operating activities (I - II)</b>	<b>3011</b>			
<b>IV. Net cash outflow from operating activities (II - I)</b>	<b>3012</b>		<b>66,449</b>	<b>36,060</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>I. Cash flows from investing activities (1 to 5)</b>	<b>3013</b>		<b>52,377</b>	<b>58,856</b>
1. Sale of shares (net inflow)	3014			
2. Proceeds from sale of intangible assets, property, plant and equipment	3015			
3. Other financial investments (net inflow)	3016			27,223
4. Interest from investing activities	3017			315
5. Dividend received	3018		52,377	31,318
<b>II. Cash outflow from investing activities (1 to 3)</b>	<b>3019</b>		<b>42,342</b>	<b>14,205</b>
1. Acquisition of subsidiaries or other business (net outflow)	3020			
2. Purchase of intangible assets, property, plant and equipment	3021			
3. Other financial investments (net outflow)	3022		42,342	14,205
<b>III. Net cash inflow from investing activities (I - II)</b>	<b>3023</b>		<b>10,035</b>	<b>44,651</b>
<b>IV. Net cash outflow from investing activities (II - I)</b>	<b>3024</b>			
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>I. Cash inflow from financing activities (1 to 5)</b>	<b>3025</b>		<b>858,288</b>	
1. Increase in share capital	3026			
2. Proceeds from long-term borrowings (net inflow)	3027			
3. Proceeds from short-term borrowings (net inflow)	3028		858,288	
4. Other long-term liabilities	3029			
5. Other short-term liabilities	3030			
<b>II. Cash outflow from financing activities (1 to 6)</b>	<b>3031</b>		<b>800,040</b>	
1. Purchase of own shares	3032			
2. Repayment of long-term borrowings (net outflow)	3033		800,040	
3. Repayment of short-term borrowings (net outflow)	3034			
4. Repayment of other liabilities (net outflow)	3035			
5. Financial lease	3036			
6. Dividend distribution	3037			
<b>III. Net cash inflow from financing activities (I - II)</b>	<b>3038</b>		<b>58,248</b>	
<b>IV. Net cash outflow from financing activities (II - I)</b>	<b>3039</b>			
<b>D. TOTAL CASH INFLOW (3001+3013+3025)</b>	<b>3040</b>		<b>910,665</b>	<b>58,856</b>
<b>E. TOTAL CASH OUTFLOW (3005+3019+3031)</b>	<b>3041</b>		<b>908,831</b>	<b>50,265</b>
<b>F. NET CASH INFLOW (340-341)</b>	<b>3042</b>		<b>1,834</b>	<b>8,591</b>
<b>G. NET CASH OUTFLOW (341-340)</b>	<b>3043</b>			
<b>H. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>3044</b>		<b>1,757</b>	<b>12,024</b>
<b>I. CURRENCY TRANSLATION GAINS ON CASH AND CASH EQUIVALENTS</b>	<b>3045</b>			
<b>J. CURRENCY TRANSLATION LOSSES ON CASH AND CASH EQUIVALENTS</b>	<b>3046</b>			
<b>K. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (3042-3043+3044+3045-3046)</b>	<b>3047</b>		<b>3,591</b>	<b>20,615</b>

## STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

### QUARTERLY STATEMENT OF CHANGES IN EQUITY (unaudited)

RSD THOUSAND	Equity components							
	AOP	Share Capital	AOP	Reserves	AOP	Loss	AOP	Retained earnings
<b>Balance as at 1 January 2020</b>								
a) debit (3a+4a-4b)>=0	4001		4037		4055	219,550	4091	
b) credit (3b-4a+4b)>=0	4002	685,294	4038		4056		4092	
<b>Adjustments of material errors and changes in accounting policies</b>								
a) debit	4003		4039		4057		4093	
b) credit	4004		4040		4058		4094	
<b>Restated opening balance as at 1 January 2020</b>								
a) debit (5a+6a-6b)>=0	4005		4041		4059	219,550	4095	
b) credit (5b-6a+6b)>=0	4006	685,294	4042		4060		4096	
<b>Changes in period</b>								
a) debit	4007		4043		4061	35,727	4097	
b) credit	4008		4044		4062		4098	
<b>Balance as at 30 September 2020</b>						<b>255,277</b>		
a) debit (7a+8a-8b)>=0								
b) credit (7b-8a+8b)>=0								
<b>Balance as at 1 January 2021</b>								
a) debit (7a+8a-8b)>=0	4009		4045		4063	255,277	4099	
b) credit (7b-8a+8b)>=0	4010	685,294	4046		4064		4100	
<b>Adjustments of material errors and changes in accounting policies</b>								
a) debit	4011		4047		4065		4101	
b) credit	4012		4048		4066		4102	
<b>Restated opening balance as at 1 January 2021</b>								
a) debit (5a+6a-6b)>=0	4013		4049		4067	<b>255,277</b>	4103	
b) credit (5b-6a+6b)>=0	4014	685,294	4050		4068		4104	
<b>Changes in period</b>								
a) debit	4015		4051		4069		4105	
b) credit	4016		4052		4070		4106	11,975
<b>Balance as at 30 September 2021</b>						<b>255,277</b>		
a) debit (7a+8a-8b)>=0	4017		4053		4071		4107	
b) credit (7b-8a+8b)>=0	4018	685,294	4054		4072		4108	<b>11,975</b>

## STAND-ALONE QUARTERLY FINANCIAL STATEMENTS

### QUARTERLY STATEMENT OF CHANGES IN EQUITY (CONTINUED) (unaudited)

RSD THOUSAND	Other comprehensive income components						Total Equity
	AOP	Revaluation reserves	AOP	Actuarial gain/(loss)	AOP	Gains (losses) from change in value of available-for-sale financial assets	
<b>Balance as at 1 January 2020</b>							
a) debit (3a+4a-4b)>=0	4109		4127		4217		219,550
b) credit (3b-4a+4b)>=0	4110		4128		4218		685,294
<b>Adjustments of material errors and changes in accounting policies</b>							
a) debit	4111		4129		4219	4236	
b) credit	4112		4130		4220		
<b>Restated opening balance as at 1 January 2020</b>							
a) debit (5a+6a-6b)>=0	4113		4131		4221	4237	219,550
b) credit (5b-6a+6b)>=0	4114		4132		4222		685,294
<b>Changes in period</b>							
a) debit	4115		4133		4223	4238	35,727
b) credit	4116		4134		4224		
<b>Balance as at 30 September 2020</b>							
a) debit (7a+8a-8b)>=0							255,277
b) credit (7b-8a+8b)>=0							685,294
<b>Balance as at 1 January 2021</b>							
a) debit (7a+8a-8b)>=0	4117		4135		4225	4239	255,277
b) credit (7b-8a+8b)>=0	4118		4136		4226		685,294
<b>Adjustments of material errors and changes in accounting policies</b>							
a) debit	4119		4137		4227	4240	
b) credit	4120		4138		4228		
<b>Restated opening balance as at 1 January 2021</b>							
a) debit (5a+6a-6b)>=0	4121		4139		4229	4241	255,277
b) credit (5b-6a+6b)>=0	4122		4140		4230		685,294
<b>Changes in period</b>							
a) debit	4123		4141		4231	4242	
b) credit	4124		4142		4232		11,975
<b>Balance as at 30 September 2021</b>							
a) debit (7a+8a-8b)>=0	4125		4143		4233	4243	255,277
b) credit (7b-8a+8b)>=0	4126		4144		4234		697,269

**EXPLANATORY NOTES TO THE QUARTERLY  
FINANCIAL STATEMENTS FOR THE PERIOD  
ENDED 30 SEPTEMBER 2021**

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

*(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 Bulevar Mihajla Pupina 115e, Beograd, Serbia.

At 30 September 2021, 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 2021 is RSD 15,879,793 thousand (unit price per share of RSD 599).

Fintel Energia Group SpA, the majority shareholder of the Company, is listed joint stock company under Italian law. It 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 2021 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 2021

*(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:

Company	City
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)
Lipar doo	Belgrade (Serbia)
Lipar 2 doo	Belgrade (Serbia)
Maestralski Ring doo	Belgrade (Serbia)
Fintel Energija Development doo	Belgrade (Serbia)
MK-Fintel Wind Development doo	Belgrade (Serbia)
Project Torak doo	Belgrade (Serbia)
Fintel Energija Development LTD	Cyprus
Vetropark Torak LTD	Cyprus
Vetropark Ring LTD	Cyprus
Kula Solar ltd	Cyprus
Agrosolar d.o.o.	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.

The Company does not disclose information which would substantially duplicate the disclosures contained in its audited Financial Statements for 2020, 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 2020.

Subsequent events occurring after 30 September 2021 were evaluated through 09 November 2021, the date these Interim Condensed Financial Statements were authorised for issue.



**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

*(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 results for the six month period ended 30 September 2021 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 2020.

**2.3 Going concern**

The Company meets its day-to-day working capital requirements through its bank facilities. 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. Further information on the Company's borrowings is given in Note 11.

**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 2021**

*(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**

There were no guarantees issued, commitments and other contingent liabilities.

**STATEMENT OF FINANCIAL POSITION**

**5. Investments in subsidiary**

Investments in subsidiary is detailed as follow:

- RSD 16,009 thousand for 54% owned of MK-Fintel Wind AD (RSD 16,009 thousand at 31 December 2020).
- RSD 5 thousand for 54% owned of MK-Fintel Wind Holding Doo (RSD 5 thousand at 31 December 2020).
- RSD 100 for 100% owned of Lipar Doo (RSD 100 at 31 December 2020).
- RSD 100 for 100% owned of Lipar 2 Doo (RSD 100 at 31 December 2020).
- RSD 100 for 100% owned of Maestralski Ring Doo (RSD 100 at 31 December 2020).
- RSD 100 for 100% owned of Project Torak Doo (RSD 100 at 31 December 2020).
- RSD 200 for 100% owned of Fintel Energija Development Doo (RSD 200 at 31 December 2020).

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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

**6. Long-term financial investments in parents and subsidiaries**

The balance amounts to RSD 1,499,688 thousand and they only refer to financing provided to the subsidiaries MK-Fintel Wind AD (RSD 1,415,633 thousand at 30 September 2021) and MK-Fintel Wind Holding Doo (RSD 84,055 thousand at 30 September 2021).

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

<b>Recipient of the loan</b>	<b>Amount 30.09.2021 EUR</b>	<b>Amount 30.09.2021 000 RSD</b>	<b>Maturity</b>
MK Fintel Wind ad	12,041,839	1,415,633	2023
MK Fintel Wind Holding d.o.o.	715,000	84,055	2023
<b>Total</b>	<b>12,756,839</b>	<b>1,499,688</b>	

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

The balance amounts to RSD 103,770 thousand (RSD 60,083 thousand at 31 December 2020) and they refer to financing provided to the subsidiaries Lipar Doo (RSD 25,863 thousand at 30 September 2021), Lipar 2 Doo (RSD 10,580 thousand at 30 September 2021), Maestrle Ring Doo (RSD 54,077 thousand at 30 September 2021), Fintel Energija Development Doo (RSD 4,702 thousand at 30 September 2021), MK-Fintel Wind Holding doo (RSD 670 thousand at 30 September 2021) and Project Torak Doo (RSD 7,876 thousand at 30 September 2021).

<b>Recipient of the loan</b>	<b>Amount 30.09.2021 EUR</b>	<b>Amount 30.09.2021 000 RSD</b>	<b>Maturity</b>
VP Lipar d.o.o.	220,000	25,863	2021
VP Lipar 2 d.o.o.	90,000	10,580	2021
VP Maestrle Ring d.o.o.	460,000	54,077	2021
Project Torak d.o.o.	67,000	7,876	2021
Fintel Energija Development d.o.o.	39,998	4,702	2021
MK Fintel Wind Holding d.o.o.	5,700	670	2021
<b>Total</b>	<b>882,698</b>	<b>103,770</b>	

**8. Cash and cash equivalents**

“Cash and cash equivalents” at 30 September 2021 and 31 December 2020 are detailed as follows:

	<b>30 September 2021</b>	<b>31 December 2020</b>
Current account		
- in dinars	3,552	1,701
- in foreign currency	40	56
<b>Cash and cash equivalents</b>	<b>3,592</b>	<b>1,757</b>

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.

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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

**9. Other current assets**

“Other current assets” of RSD 222,950 thousand at 30 September 2021 (RSD 190,934 thousand at 31 December 2020) are detailed in the following table:

<i>RSD thousand</i>	<b>30 September 2021</b>	<b>31 December 2020</b>
Other receivables	4,344	4,344
Value added tax	9,729	9,386
Prepayments and accrued income	208,877	177,204
<b>Total</b>	<b>222,950</b>	<b>190,934</b>

Prepayments and accrued income includes interests accrued during the years for the shareholder’s loans to the subsidiaries. Accrued interest is due on payment by the end of 2021.

**10. Equity**

Equity at 30 September 2021 and 31 December 2020 is detailed in the following table:

<i>RSD thousand</i>	<b>30 September 2021</b>	<b>31 December 2020</b>
Share capital	4,057	4,057
Share premium	681,237	681,237
Loss from previous years	(255,277)	(219,550)
Loss from current year	-	(35,727)
Retained earnings from current year	11,975	-
<b>TOTAL EQUITY</b>	<b>441,992</b>	<b>430,017</b>

The equity components and changes therein are detailed below:

Share capital

As of 30 September 2021, the Company's fully subscribed and paid up share capital amounted to RSD 4,056,524 (RSD 4,056,524 as at 31 December 2020) consisting of 26,510,506 ordinary shares with nominal value of RSD 0.153 each.

Share premium

At 30 September 2021, 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.

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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

**10. Equity (Continued)**

*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 to external parties**

Set out below are details of long and short term loans and borrowings at 30 September 2021 and 31 December 2020:

<i>RSD thousand</i>	<b>30 September 2021</b>	<b>31 December 2020</b>
Long term borrowings	-	696,396
Short-term loans and borrowings	-	103,150
<b>Total</b>	-	<b>799,546</b>

Decrease on long and short term loans is mainly due to the prepayment during first nine months of 2021 of the whole outstanding amount and accrued interests for AIK loans.

**12. Long and short term loans and borrowings from parent and subsidiaries**

Loans and borrowings to parent and subsidiaries of RSD 1,185,508 thousand as at 30 September 2021 (RSD 327,380 thousand at 31 December 2020), mainly consist of revocable loans to be repaid to the Ultimate Parent company Fintel Energia Group Spa that were granted for the benefit of Fintel Energija. The loan of EUR 9,967,000 is interest bearing, interest is from 3% to 6%. Other loans are non-interest bearing. The loans are due in 2021.

Increase of liabilities to parent companies in first nine months of 2021 is mainly due to a new loan received from Fintel Energia Group Spa of Euro 7,300 thousand.

**13. Trade payables**

Trade payables amounted to RSD 77,514 thousand at 30 September 2021 (RSD 62,826 thousand at 31 December 2020) consist mainly of payables for invoice to be received from the Parent Company for management fee services.

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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

**14. Accruals**

Accruals amounted to RSD 141,488 thousand at 30 September 2021 (RSD 149,467 thousand at 31 December 2020) consist mainly of interests on shareholders loan due to Fintel Energia Group SpA.

**15. Non-production costs**

Non-production costs amount to RSD 23,664 thousand for nine-months ended 30 September 2021 (RSD 23,924 thousand for nine-month ended 30 September 2020) and relate to accounting services and management fee costs (invoices issued in according management fee contract).

**16. Finance income – parent company and subsidiaries**

Finance income for nine-month period ended 30 September 2021 and 2020 are detailed as follows:

	<b>Nine-month ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
Finance income - parent company and subsidiaries	33,369	33,486
Share of profit of associates and joint ventures	52,377	31,318
Foreign exchange gains (third parties)	52	142
<b>Total</b>	<b>85,799</b>	<b>64,946</b>

For nine-month period ended 30 September 2021, finance income include dividends from subsidiary MK-Fintel Wind Holding of RSD 52,377 thousand and interests from subsidiaries of RSD 33,176 thousand.

**17. Finance expenses**

Finance expenses for nine-month period ended 30 September 2021 and 2020 are detailed as follows:

	<b>Nine-month ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
Finance expense - parent company and subsidiaries	22,732	14,398
Other financial expense	1,646	6,350
Interest expense (from third parties)	22,471	38,167
Foreign exchange losses (third parties)	9	49
<b>Total</b>	<b>46,858</b>	<b>58,964</b>

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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

**18. Earnings/(loss) per share**

The basic result per share has gone from a loss per share of RSD 0.80 for nine-month period ended 30 September 2020 to income per share of RSD 0.45 for the period ended 30 September 2021. 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 2021. Accordingly, diluted earnings per share thus coincide with basic earnings per share.

**19. 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 2021 and 31 December 2020. All transactions with related parties are entered into at market value.

As of 30 September 2021 and 31 December 2020 the outstanding balances with related parties were as follows:

<i>RSD thousand</i>	<b>At 30 September 2021</b>		
	Parent Company	Subsidiaries	Total
Short-term loans	-	103,770	103,770
Long-term loans	-	1,499,688	1,499,688
Other current assets	-	208,877	208,877
Other current liabilities	141,488	-	141,488
Trade payables	76,259	-	76,259
Shareholder's loan	1,185,508	-	1,185,508
<b>Total</b>	<b>1,403,254</b>	<b>1,812,334</b>	<b>3,215,588</b>

<i>RSD thousand</i>	<b>At 31 December 2020</b>		
	Parent Company	Subsidiaries	Total
Short-term loans	-	60,083	60,083
Long-term loans	-	1,499,952	1,499,952
Other current assets	-	177,204	177,204
Other current liabilities	(119,629)	-	(119,629)
Trade payables	(55,466)	-	(55,466)
Shareholder's loan	(327,380)	-	(327,380)
<b>Total</b>	<b>(502,475)</b>	<b>1,737,239</b>	<b>1,234,764</b>

**FINTEL ENERGIJA AD, BEOGRAD**  
**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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

**19. Related party transactions (Continued)**

For nine-month period ended 30 September 2021 and 2020 the following transactions occurred with related parties:

<i>RSD thousand</i>	Period ended 30 September 2021		
	Parent Company	Subsidiaries	Total
Selling, general and administrative expenses	(20,998)	-	(20,998)
Dividends	-	52,377	52,377
Finance income	-	33,369	33,369
Finance expense	(22,732)	-	(22,732)
<b>Total</b>	<b>(43,730)</b>	<b>85,747</b>	<b>42,017</b>

<i>RSD thousand</i>	Period ended 30 September 2020		
	Parent Company	Subsidiaries	Total
Selling, general and administrative expenses	(20,916)	-	(20,916)
Dividends	-	31,318	31,318
Finance income	-	33,313	33,313
Finance expense	(14,398)	-	(14,398)
<b>Total</b>	<b>(35,314)</b>	<b>64,631</b>	<b>29,317</b>

Remuneration of Fintel's directors

Tiziano Giovannetti acts as sole director in of Fintel Energija's subsidiaries. His salary for first nine months of 2021 amounted to RSD 177 thousand.

**20. 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 2021, nor disclosure in the Notes to the quarterly financial statements of the Company.

Legal representative:

  


Tiziano Giovannetti  
 Director



**QUARTERLY BUSINESS REPORT  
FOR THE PERIOD ENDED  
30 SEPTEMBER 2021**

**FINTEL ENERGIJA AD, BEOGRAD**

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QUARTERLY BUSINESS REPORT FOR THE PERIOD  
ENDED 30 SEPTEMBER 2021**1. Summary of the business activities*****Identification data***

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

Seat: Belgrade

Address: Bulevar Mihajla Pupina 115e

Company Identification Number: 20305266

Tax Identification Number: 105058839

Date of incorporation: 27 June 2007

Persons authorized to represent: Tiziano Giovannetti

Website: [www.fintelenergija.rs](http://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.

## QUARTERLY BUSINESS REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021

### 1. Summary of the business activities (Continued)

#### *Subsidiaries*

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

- 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,
- Maestrle Ring d.o.o. Beograd, ID number 21452068 ("**Maestrle Ring**"), whereby the Company holds 100,00% of the share capital,
- Project Torak d.o.o. Beograd, ID number 21459631 ("**Project Torak**"), whereby the Company holds 100,00% of the share capital,
- 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. za holding poslove Beograd, ID number 21280275, whereby the Company holds 53,99737% of the share capital ("**MK Fintel d.o.o.**"), while the remaining 46,00263% is held by the company *MK Holding d.o.o. za holding poslove Beograd*,
- MK-Fintel Wind akcionarsko društvo Beograd, ID number 20392126, whereby the Company holds 53,99737% of the share capital ("**MK Fintel a.d.**"), while the remaining 46,00263% is held by the company *MK Holding d.o.o. za holding poslove Beograd*;
- Fintel Energija Development Ltd Cyprus, ID number HE 419780, whereby the Company holds 100,00% of the share capital,
- Vetropark Torak Ltd Cyprus, ID number HE 423070, whereby the Company holds 100,00% of the share capital,
- Vetropark Ring Ltd Cyprus, ID number HE 420088 , whereby the Company holds 100,00% of the share capital;
- Kula Solar Ltd Cyprus, ID number HE 424176, whereby the Company holds 100,00% of the share capital;
- Agrosolar d.o.o. Beograd, ID number 21710717, 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 Vetroparka La Piccolina ("**Energobalkan**"),

Fintel Energija Development d.o.o. holds 54% in the following subsidiary: MK-Fintel Wind Development d.o.o. Beograd, ID number 21528536 ("**MK-Fintel Wind Development**").

**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**"),

**QUARTERLY BUSINESS REPORT FOR THE PERIOD  
ENDED 30 SEPTEMBER 2021****1. Summary of the business activities (Continued)*****Information about the management of the company***

Members of Board of Directors:

- ✓ Claudio Nardone, President
- ✓ Tiziano Giovannetti
- ✓ Luka Bjeković
- ✓ Paolo Martini
- ✓ Aleksandra Stojanovic

**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 June 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 19 turbines with capacity of up 68.4 MW, subject to turbine selection, which is estimated to become fully operational in the financial year 2022.

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 861 MW of total capacity. Out of this amount, 125 MW is at an advanced development stage (building permits has been obtained for 78,5 MW, including 68.4 MW under construction) and approximately 693 MW where planning applications will be soon submitted or were submitted already).

The Company is targeting in total between 180 MW and 230 MW of installed capacity through organic growth of its Wind Development Pipeline Business over the next three years. The Directors expect to finance approximately 80 or 90% of these investments through loans, while the remaining funds are to be financed through subordinated debt or Company's cash flow. It is the Directors' intention to take a flexible approach to the development of the Company's Wind Development Pipeline Business, in order to deliver growth without compromising the Company's ability to pay out dividends in line with its dividend policy. Even though the focus of the Group is on organic growth, growth through acquisitions would be considered on an opportunistic basis.

#### 5. Significant transactions with related parties

The representation of the Company's relations with related parties is presented in point 19 of the Notes to the Financial Statements for the period ended 30 September 2021.

In the third quarter of 2021, 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 2020.

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 2021 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.

In compliance with the Law on Capital Market (RS Official Gazette, No. 31/2011, 112/2015, 108/2016 and 9/2020) we hereby declare that the financial statements in question have not been audited.

Legal representative:

Fintel Energija a.d.

Director



Tiziano Giovannetti