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**UNAUDITED INTERIM REPORT  
FOR THE HT GROUP  
JANUARY - MARCH 2020**



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## COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD

Commenting on the business results for Q1 2020, Konstantinos Nempis, CEO of Hrvatski Telekom, stated: *The first quarter of 2020 was anything but ordinary, still Hrvatski Telekom successfully managed to adapt to the new normal. We have in a demanding business environment delivered a stable performance, reorganized every aspect of our business, set up a new operating model that enabled us not only to maintain our efficiency, productivity and high customer service levels, but also to grow our digital channels and deliver the best network experience in the market. In the process we made substantial contributions to the economy, successfully delivered on our promise of connectivity and provided stability, reliability and value to our customers and society in a time when this was crucial.*

*Nevertheless, the unprecedented situation we faced in Q1 will inevitably impact the economy as a whole, as well as the year-end results, with a very challenging outlook foreseen for the remainder of 2020. This will require necessary adjustments on the cost management and investment side.*

*Despite this, our commitment to supporting Croatian economy and society remains strong as ever. Hrvatski Telekom will continue to strive for operational excellence, drive the digitalization agenda, and we are looking forward to enabling the opportunities the digital technology and convergence, especially the roll-out of fiber can provide. In the process, by connecting individuals, businesses and communities, by raising the awareness and appreciation of what we as the leading telecom and the largest investor in Croatia are enabling we will continue creating value for our shareholders, customers and employees.*

## HIGHLIGHTS IN THE FIRST QUARTER OF 2020

- Stable performance in demanding times, challenging outlook ahead
- Network remains stable and reliable under significant double-digit usage surge in March
- Investments into network and customer experience remain in focus
- Postponed application of MSM and impact of reduced wholesale prices

Hrvatski Telekom (Reuters: HT.ZA, Bloomberg: HT CZ), the leading telecommunications provider in Croatia, announces its unaudited consolidated results for the three months ended with March 31, 2020.

Total consolidated net revenue decreased by HRK 40 million or 2.2% in Q1 2020 compared to Q1 2019. The revenue decrease was caused by lower realization in fixed revenue (HRK 47 million or 5.7%), mobile revenue (HRK 28 million or 3.5%) and miscellaneous revenue (HRK 3 million or 92.2%), partially offset by higher system solutions (HRK 38 million or 26.6%).

EBITDA AL decreased by HRK 53 million or 7.9% in Q1 2020 driven by HT Group in Croatia (HRK 55 million or 8.8%), while Crnogorski Telekom contributed an increase (HRK 2 million or 4.3%). Excluding one-off EVO TV transaction in Q1 2019, EBITDA AL increased by 1%. EBITDA AL margin was at level of 35.7%.

At the bottom-line, net profit after non-controlling interests decreased by HRK 41 million or 21.7%. Total CAPEX amounted HRK 413 million or 7% higher comparing the same period last year.

Following a stable quarter, Hrvatski Telekom anticipates a number of COVID-19 related challenges as a result of (1) Service suspensions from closed businesses, (2) Lower prepaid recharges due to less customer mobility, (3) Delayed payments and write offs from struggling businesses, (4) Visitor revenue decrease due to substantially lower tourist arrivals, all of which will require a prudent cost optimization approach with the goal of maintaining CAPEX investment plan intact and ensuring future sustainable growth.

Notwithstanding the good performance in Q1 2020, with the current high level of uncertainty and volatility, it is not possible to provide financial outlook with reliable accuracy, therefore we put our 2020 outlook under-review.

### **Stable performance in demanding times, challenging outlook ahead**

The end of the first quarter of 2020 was marked by the pandemic of COVID-19. Despite the operational demands that arose from the situation Hrvatski Telekom was fully committed to provide connectivity of its users and undertook all measures to ensure that its telecommunications network operated at full capacity, in a reliable and stable manner.

The new conditions of doing business, working from home, higher demand for connectivity, supporting the national online schooling program combined with additional data and voice benefits that Hrvatski Telekom provided its users with, resulted in a strong traffic increase in both fixed and mobile network. In March, compared to February, there was a 25% increase in mobile data traffic and 32% increase in mobile voice traffic. In the fixed network, a 35% increase in Internet traffic and a 45% increase in voice

traffic minutes was recorded. Radio access network modernization, which was completed in 2019, made meeting such traffic requirements possible while maintaining the key network quality indicators high, and this despite the fact that the earthquake that hit the Zagreb area on March 22 required the power be temporarily turned off due to security reasons, at the Draškovićeveva Data Centre. As a result of a fast intervention most of the services were re-established within 24 hours.

#### **Investments into network and customer experience remain in focus**

In 2020, a strong focus has been placed on the implementation of next generation fixed access network (NGA) targeting an increase in the optical network footprint. By the end of the first quarter of 2020, an additional 9,154 households were covered by FTTH technology in the access network, covering in total (FTTH) 289 thousand households.

Ensuring great customer experience is one of Hrvatski Telekom's strategic objectives and the results of the proactive approach and the series of customer-centric efforts were visible in the increase of customers satisfaction both from residential and business customers in Q1 2020.

At the end of March, the My Telecom application had 415,000 users (36% of the base). The number of users of the unique concept of converged offering, Magenta 1, continued to grow as well, with 248,000 households (Q1 2019: 209,000) and 24,000 business users at end of March 2020 (Q1 2019: 21,000).

#### **Postponed application of MSM and impact of reduced wholesale prices**

Due to occurrence of the COVID-19 epidemic and extraordinary measures adopted by the Croatian Government, on March 31, 2020 HAKOM adopted an amended Margin Squeeze Methodology (MSM) and postponed its application on existing portfolio from April 1, 2020 to January 1, 2021 - with the possibility of further extension of the deadline (depending on the development of the current extraordinary circumstances caused by COVID-19).

HAKOM's decision made in October 2019 to reduce WACC from January 1, 2020 reduced wholesale (WS) prices for the mass infrastructure WS services (like LLU, Bitstream, Naked Bistream, Cable Ducts) causing WS fixed revenue reductions. The impact of the reduction of WS prices due to the WACC change resulted in 12 to 21% lower prices in Q1 2020.

The deadline for the switching to the new DVB-T2/HEVC system which is used for digital terrestrial television has been postponed for at least 6 months (not before the end of November or the beginning of December 2020.) by HAKOM. Transition from DVB-T/MPEG-2 system to DVB-T2/HEVC system will enable 700 MHz spectrum availability for mobile networks.

#### **Cancellation of the General Assembly**

In light of the National Civil Protection Authority measures aimed at preventing the spreading of COVID-19, on April 8, 2020 the management Board passed the decision on cancelation of the General Assembly of the Company, convoked for April 29, 2020. The new General Assembly shall be convoked as soon as possible, in compliance with the measures of the National Civil Protection Authority and in line with the Companies Act, to enable the participation of shareholders in the work of the General Assembly under the same conditions and with participation rate as large as possible.

## SELECTED FINANCIAL DATA

### HT Group

in HRK million

INCOME STATEMENT	Q1 2019	Q1 2020	% of change A20/A19
Revenue	1,775	1,735	-2.2%
Exceptional items <sup>1)</sup>	7	52	607.5%
EBITDA before exceptional items after leases	673	620	-7.9%
EBITDA before exceptional items	760	721	-5.2%
EBITDA after exceptional items	753	669	-11.2%
EBIT (Operating profit)	256	192	-25.1%
Net profit after non controlling interests	190	149	-21.7%
EBITDA margin before exceptional items after leases	37.9%	35.7%	-2.2 p.p.
EBITDA margin before exceptional items	42.8%	41.6%	-1.3 p.p.
EBITDA margin after exceptional items	42.4%	38.5%	-3.9 p.p.
EBIT margin	14.4%	11.1%	-3.4 p.p.
Net profit margin	10.7%	8.6%	-2.1 p.p.

BALANCE SHEET	At 31 Dec 2019	At 31 Mar 2020	% of change A20/A19
Total non current assets	10,447	10,509	0.6%
Total current assets	5,880	5,729	-2.6%
<b>TOTAL ASSETS</b>	<b>16,327</b>	<b>16,239</b>	<b>-0.5%</b>
Total issued capital and reserves	13,054	13,187	1.0%
Total non current liabilities	839	879	4.8%
Total current liabilities	2,434	2,173	-10.8%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,327</b>	<b>16,239</b>	<b>-0.5%</b>

CASH FLOW	Q1 2019	Q1 2020	% of change A20/A19
Net cash flow from operating activities	559	409	-26.8%
Net cash flow from investing activities	-304	-283	7.1%
Net cash flow from financing activities	-201	-267	-33.0%
<b>Cash and cash equivalents at the end of period</b>	<b>3,193</b>	<b>2,628</b>	<b>-17.7%</b>

<sup>1)</sup> Mainly related to restructuring redundancy costs and legal cases

### HT Group Croatia

in HRK million

INCOME STATEMENT	Q1 2019	Q1 2020	% of change A20/A19
Revenue	1,635	1,601	-2.1%
Mobile	725	696	-4.1%
Fixed voice	169	145	-14.1%
Broadband & TV	317	338	6.6%
Fixed wholesale	78	68	-12.7%
Other fixed	207	176	-15.2%
System solutions	136	178	30.8%
Miscellaneous	3	0	-92.2%
Exceptional items <sup>1)</sup>	7	52	656.0%
EBITDA before exceptional items after leases	627	572	-8.8%
EBITDA before exceptional items	707	666	-5.8%
EBITDA after exceptional items	700	614	-12.3%
EBIT (Operating profit)	252	187	-25.8%
Net profit after non controlling interests	190	147	-22.4%
EBITDA margin before exceptional items after leases	38.4%	35.7%	-2.6 p.p.
EBITDA margin before exceptional items	43.2%	41.6%	-1.6 p.p.
EBITDA margin after exceptional items	42.8%	38.4%	-4.5 p.p.
EBIT margin	15.4%	11.7%	-3.7 p.p.
Net profit margin	11.6%	9.2%	-2.4 p.p.

<sup>1)</sup> Mainly related to restructuring redundancy costs and legal cases



**Crnogorski Telekom standalone**

in HRK million

<b>INCOME STATEMENT</b>	<b>Q1 2019</b>	<b>Q1 2020</b>	<b>% of change A20/A19</b>
Revenue	141	135	-4.2%
Mobile	71	73	1.8%
Fixed voice	15	13	-14.8%
Broadband & TV	28	29	3.8%
Fixed wholesale	4	3	-14.2%
Other fixed	13	11	-13.9%
System solutions	9	5	-41.1%
Exceptional items	1	1	2.3%
EBITDA before exceptional items after leases	46	48	4.3%
EBITDA before exceptional items	54	55	3.2%
EBITDA after exceptional items	53	55	3.2%
EBIT (Operating profit)	4	4	18.8%
Net profit after non controlling interests	0	2	350.4%
EBITDA margin before exceptional items after leases	32.5%	35.3%	2.9 p.p.
EBITDA margin before exceptional items	38.1%	41.0%	2.9 p.p.
EBITDA margin after exceptional items	37.7%	40.6%	2.9 p.p.
EBIT margin	2.5%	3.1%	0.6 p.p.
Net profit margin	0.3%	1.6%	1.2 p.p.

**SELECTED OPERATIONAL DATA**
**HT Group Croatia**

<b>Key operational data</b>	<b>Q1 2019 reported</b>	<b>Q1 2019 adjusted</b>	<b>Q1 2020</b>	<b>% of change A20/A19 adjusted</b>
<b>Mobile customers in 000</b>				
<b>Number of customers</b>	<b>2,262</b>	<b>2,262</b>	<b>2,248</b>	<b>-0.6%</b>
- Prepaid	933	1,066	1,017	-4.6%
- Postpaid	1,329	1,195	1,231	3.0%
<b>Minutes of use (MOU) per average customer</b>	<b>225</b>	<b>225</b>	<b>271</b>	<b>20.4%</b>
<b>Blended ARPU <sup>4)</sup></b> (monthly average for the period in HRK)	<b>66</b>	<b>66</b>	<b>70</b>	<b>5.5%</b>
- Prepaid	40	36	38	6.4%
- Postpaid	85	94	97	3.2%
<b>Blended non-voice ARPU <sup>4)</sup></b> (monthly average for the period in HRK)	<b>38</b>	<b>38</b>	<b>43</b>	<b>10.9%</b>
<b>SAC per gross add in HRK</b>	<b>168</b>	<b>168</b>	<b>152</b>	<b>-9.2%</b>
<b>Churn rate (%)</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-0.2 p.p.</b>
<b>Penetration (%) <sup>1)</sup></b>	<b>123</b>	<b>123</b>	<b>127</b>	<b>3.8 p.p.</b>
<b>Market share of customers (%) <sup>1)</sup></b>	<b>46</b>	<b>46</b>	<b>44</b>	<b>-1.2 p.p.</b>
<b>Smartphone customers (%) <sup>2)</sup></b>	<b>67</b>	<b>67</b>	<b>70</b>	<b>3.1 p.p.</b>
<b>Smartphones sold (%) <sup>3)</sup></b>	<b>94</b>	<b>94</b>	<b>90</b>	<b>-3.7 p.p.</b>

<sup>1)</sup> Source: competitors' official reports for 1Q 2020

<sup>2)</sup> Number of customers using a smartphone handsets in total number of mobile customers

<sup>3)</sup> Number of smartphones sold in total number of handsets sold (postpaid only)

<sup>4)</sup> ARPU includes IFRS 15 effects

Note: According to DT Group definition of M2M (machine to machine), starting from 2020, all M2M customers, respective revenues and KPIs will be reported in prepaid. For the purpose of like-for-like comparison, 2019 data is restated accordingly

**HT Group Croatia**

Key operational data	Q1 2019	Q1 2020	% of change A20/A19
<b>Fixed mainlines in 000</b>			
<b>Fixed mainlines - retail</b> <sup>1)</sup>	805	772	-4.1%
<b>Fixed mainlines - wholesale</b> (WLR - wholesale line rental)	51	43	-16.5%
<b>ARPU voice per user</b> <sup>5)</sup> (monthly average for the period in HRK) <sup>2)</sup>	69	62	-10.1%
<b>IP mainlines/customers in 000</b>			
<b>Broadband access lines - retail</b> <sup>3)</sup>	617	620	0.4%
<b>Broadband access lines - wholesale</b> <sup>4)</sup>	128	113	-12.0%
<b>TV customers</b>	488	490	0.4%
<b>Broadband retail ARPU</b> <sup>5)</sup> (monthly average for the period in HRK)	104	106	2.7%
<b>TV ARPU</b> <sup>5)</sup> (monthly average for the period in HRK)	87	85	-2.5%
<b>Wholesale customers in 000</b>			
<b>ULL (Unbundled Local Loop)</b>	116	100	-13.6%

<sup>1)</sup> Includes PSTN, FGSM, old PSTN Voice customers migrated to IP platform and Smart packages for business; payphones excluded

<sup>2)</sup> Payphones excluded

<sup>3)</sup> Includes ADSL, VDSL, FTTH i Naked DSL

<sup>4)</sup> Includes Naked Bitstream + Bitstream

<sup>5)</sup> ARPU includes IFRS 15 effects

Note: Optima Telekom's non financial KPIs not integrated into Group results due to limited access to Optima Telekom's information as a result of "Chinese wall" introduced by regulator

**Crnogorski Telekom standalone**

Key operational data	Q1 2019	Q1 2020	% of change A20/A19
<b>Mobile customers in 000</b>	350	358	2.3%
- Prepaid	119	117	-2.0%
- Postpaid	231	241	4.5%
<b>Fixed mainlines - retail in 000</b>	112	107	-3.7%
<b>Broadband access lines - retail in 000</b>	70	81	16.2%
<b>TV customers in 000</b>	65	72	10.3%



## I. Revenue

Total consolidated net revenue decreased by HRK 40 million or 2.2% in Q1 2020 compared to Q1 2019. The revenue decrease is driven by both HT Group in Croatia (HRK 35 million or 2.1%) and Crnogorski Telekom (HRK 5 million or 3.8%).

On HT Group level revenue, the decrease is caused by lower realization in fixed revenue (HRK 47 million or 5.7%), mobile revenue (HRK 28 million or 3.5%) and miscellaneous revenue (HRK 3 million or 92.2%), partially offset by higher system solutions (HRK 38 million or 26.6%).

Optima Telekom's contribution to HT Group amounted to HRK 109 million in Q1 2020 and was down by HRK 24 million in comparison to Q1 2019. The contribution consisted of HRK 62 million of Optima Telekom third party contribution (Q1 2019: HRK 82 million) that was presented in the whole amount under fixed other revenue and HRK 47 million of inter-company relations that mainly decreased fixed wholesale revenue (Q1 2019: HRK 52 million).

The contribution of subsidiaries in Group revenue for Iskon amounted HRK 89 million (Q1 2019: HRK 93 million) and for Combis was HRK 110 million (Q1 2019: HRK 88 million).

### Mobile revenue

Mobile revenue fell by HRK 28 million or 3.5%, down in HT Group in Croatia (HRK 29 million or 4.1%) and up in Crnogorski Telekom (HRK 1 million or 1.7%).

A fall in handset (HRK 41 million or 17.9%) and other mobile revenue (HRK 11 million or 27.3%) was partly offset by growth in postpaid (HRK 20 million or 5.3%) and prepaid revenue (HRK 4 million or 3.4%).

#### HT Group Croatia

The mobile revenue decrease is mainly driven by lower handset revenue due to lower IFRS 15 contribution, lower sales of handsets caused by COVID-19 situation and last year's NF promotional campaign, partly compensated by strong postpaid revenue supported by higher ARPU and customer base. An increase in ARPU was supported by: unlimited tariff introduced in May 2019 with 40K customers at the end of March 2020, Hybrid tariffs redefinition from October 2019, with 93K customers at the end of March 2020 and Gigabox tariff introduced in April 2019, with 10K customers at the end of March 2020.

The total mobile customer base at 2,248 thousand customers in Q1 2020 is slightly lower (-0.6%), with a higher postpaid segment (3.0%) and lower prepaid segment (4.6%) performance compared to Q1 2019 restated for M2M customers (fully reported in prepaid). The higher number of postpaid customers is a result of successful and attractive tariffs and handsets as well as successful Bonbon campaigns resulting in a strong overall performance. The lower number of prepaid customers is due to an overall decline in the prepaid market, fewer visitors due to regulatory changes and strong competition on the market. On-going MNP and retention efforts in prepaid segment as well as focusing on additional value for HT prepaid customers are being undertaken to mitigate the on-going decline.

### Crnogorski Telekom

Mobile revenues increased (1.7%; consolidated), driven by a positive postpaid performance, which compensated for a decrease in prepaid and visitors. Postpaid revenue performance was driven by the residential segment. The growth in the residential segment could not fully compensate for lower prepaid retail revenues, which also show positive trends in the slow-down of decline. Challenges continued in the prepaid segment. The prepaid decline (on retail level) was driven by lower customer numbers (active pre-to-post migration) and by lower ARPU. Crnogorski Telekom remained leader in the postpaid market at the end of Q1 2020, overall and in the business segment.

### Fixed revenue

Fixed revenue decreased by HRK 47 million or 5.7%, driven by both HT Group in Croatia (HRK 44 million or 5.7%) and Crnogorski Telekom (HRK 3 million or 5.2%).

The decrease mainly resulted from lower other fixed revenue (HRK 33 million or 15.1%), lower voice (HRK 26 million or 14.1%) and wholesale revenue (HRK 10 million or 12.5%), while TV realized an increase (HRK 13 million or 10.2%), as well as broadband (HRK 9 million or 4.2%).

### HT Group Croatia

Other fixed revenue decreased, mainly driven by Optima Telekom (HRK 24 million) due to the cancellation of a bilateral telco relationship with Telekom Slovenia. The contract was cancelled in the middle of 2019. This effect will be present until July 2020, bringing a negative yoy gap in the amount of some HRK 6 million on a monthly level (mostly EBITDA neutral).

Voice declined, driven by the market trend of fixed to mobile and IP substitution, regulation and enforced competition. However, the negative trend is stabilizing as HT further continues with proactive and reactive churn prevention offers and activities. To mitigate the on-going decline continuous promotional offers for fixed line are in place offering phone connection for HRK 1 with 24 MCD accompanied by attractive fixed line tariffs.

Wholesale decreased, driven by price adjustments. Namely, as of January 1st, 2020 by decision of National Regulatory Agency (HAKOM) prices for all regulated wholesale services were decreased (in range between 12% and 21%) due to changes in the value of WACC (weighted average cost of capital). On the other hand, in 2020 successful sales of IP and data services continued in spite of a competitive wholesale market of data and IP services. Total capacity of sold IP increased by 17.4% compared to last year contributing to stability of wholesale revenue.

TV revenue growth was supported by a higher Evo TV contribution (consolidation started in March 2019). The TV customer base at the level of 490 thousand shows an 0.4% increase, while TV ARPU at a level of HRK 85 is by 2.5% lower.

Broadband revenue increased, supported by 0.4% increase in customer base which is at the level of 620 thousand. Broadband retail ARPU is higher by 2.7% at HRK 106 a reduction in competitive pricing across the market.

### Crnogorski Telekom

Fixed revenues (consolidated) decreased by 5.2% compared to Q1 2019 mostly due to a fall in retail voice revenue. Fixed BB and TV revenues are stable and altogether have increased yoy, while fixed voice revenues continued the decline, but at a decreased pace. Fixed BB and TV revenues broadly flat as higher customer numbers offset ARPU decrease.

### System Solutions

System solution revenue rose by HRK 38 million or 26.6% driven by HT Group in Croatia (HRK 42 million or 30.8%), while Crnogorski Telekom reported lowered revenue (HRK 3 million or 39.6%). Combis strongly contributed to the rise with HRK 22 million.

### HT Group Croatia

The strongest growth achievement in Q1 is in the area of customized ICT solutions and standard solution ICT portfolio. Key revenue drivers in standard solution portfolio are Managed Network Service and Waste Management service. System solutions revenue is continuously growing in all portfolio segments. Key revenue drivers in standard ICT portfolio are Office 365, Mini and Maxi fiscal register and ICT equipment.

HT Group continues to focus on four main strategic pillars, in order to help Croatian companies in the digitization process:

- Cloud Infrastructure – offering best of Cloud services locally in HT Data Centers
- Digitization – offering most comprehensive portfolio of business applications
- IoT and Smart City – ecosystem of services for more efficient cities
- Security - positioning as the best managed security service provider.

Within by far the largest Research and Development project ever approved in Croatia – CEKOM Smart City Rijeka - from EU Funds, Hrvatski Telekom will be leading the consortium of firms that aims at creating the foundation of a seamless EV charging experience in CE Europe, by development and launch of a regional eRoaming platform.

In Q1 Combis' continuous transformation, focusing on synergy with HT, brought a new sales approach and joint product development. It also delivered the first joint sales bundle released in March combining connectivity & digital tools. Due to the COVID-19 breakout impact on the market, Combis focused on supporting business continuity with existing solutions. At the same time Combis slightly refocused development and delivery due to new market demands which placed the Digital offering in focus together with existing Cloud, Security and managed services offerings.

### Crnogorski Telekom

System solution revenues were below the Q1 2019 level, falling 39.6%, driven by the dynamics of one-off deals.

### Miscellaneous revenue

A decrease in miscellaneous revenue was driven by the contribution of E Tours in 2019 (sale transaction closed on 31 December 2019).

### Other operating income

Other operating income fell by HRK 52 million or 65.5% in Q1 2020 compared to Q1 2019. The fall comes from HT Group in Croatia (HRK 52 million or 66.2%) due to the effect of the Evo TV transaction in March 2019.

## II. Operating expenses

Total consolidated operating expenses decreased by HRK 8 million or 0.7% in Q1 2020 compared to Q1 2019, driven by HT Group in Croatia (HRK 1 million or 0.1%) and Crnogorski Telekom (HRK 7 million or 8.3%).

The decrease was a result of lower material expenses (HRK 38 million or 7.1%), other expenses (HRK 21 million or 7.6%) and write down of assets (HRK 3 million or 11.9%), which covered higher employee benefits expenses (HRK 48 million or 17.3%) and lower amount of work performed by the Group and capitalized (HRK 7 million or 27.7%).

### Material expenses

Lower material expenses are due to service (HRK 27 million or 12.9%) and merchandise, material and energy expenses (HRK 12 million or 3.5%). Savings were reported by both HT Group in Croatia (HRK 34 million or 6.7%) and Crnogorski Telekom (HRK 5 million or 12.6%).

The decrease in service expenses came from:

- Telecommunication cost (HRK 26 million or 17.3%) mainly driven by Optima Telekom (HRK 22 million) due to the cancellation of the bilateral telco relationship with Telekom Slovenia. The contract was cancelled in the middle of 2019. This effect will be present until July 2020, bringing lower cost in the amount of some HRK 6 million on monthly level. Due to the lower revenue effect, the impact is mostly EBITDA neutral.
- Copyright fees (HRK 4 million or 16.3%) due to different effects of content capitalization.

Merchandise costs fell, mainly driven by lower sale of handsets caused by the COVID-19 situation and the previous year's NF campaign, as well as lower unitary investment, which compensated for higher system solution costs in Combis following an increase of system solution revenue in the area of customized ICT solutions and the standard ICT portfolio.



### Employee benefits expenses

Total employee benefits expenses increased, driven by HT Group in Croatia (HRK 50 million or 19.7%) as a result of HT Inc higher severance payments due to business reasons (HRK 47 million).

The total number of FTEs amounts to 5,395 FTEs, which is a decrease of 100 FTEs compared to Q1 2019, coming both from HT Group in Croatia and CT.

### Other expenses

Other expenses decreases were realized by HT Group in Croatia (HRK 21 million or 8.3%) coming from lower maintenance (HRK 15 million), external employment (HRK 6 million) and consulting fees (HRK 5 million), which more than offset higher licenses costs (HRK 7 million) due to 2600MHZ spectrum which started from 1 May 2019.

### Write down of assets

The assets write down fall was driven by HT Group in Croatia (HRK 2 million or 9.2%) and Crnogorski Telekom (HRK 1 million or 30.0%).

### Depreciation and amortization

Depreciation and amortization fell due to HT Group in Croatia (HRK 21 million or 4.7%) as a result of seasonality, while Crnogorski Telekom contributed an increase (HRK 1 million or 2.1%).

## III. Profitability

### EBITDA before exceptional items after leases

EBITDA before exceptional items after leases decreased by HRK 53 million or 7.9% to HRK 620 million in Q1 2020, driven by the decline at HT Group in Croatia (HRK 55 million or 8.8%), while Crnogorski Telekom contributed an increase (HRK 2 million or 4.3%).

HT Group Croatia EBITDA before exceptional items after leases decrease is a result of lower other operating income (HRK 52 million or 66.2%), mainly affected by the Evo TV transaction in Q1 2019, lower net revenue (HRK 35 million or 2.1%) and higher IFRS 16 depreciation (HRK 13 million or 17.7%) mainly related to Evo TV acquisition in March 2019. This was partly offset by lower operating expenses (before exceptional items) (HRK 45 million or 4.5%) as explained above. If excluding the one-off Evo TV transaction in Q1 2019, EBITDA AL rose 1%.

The rise in Crnogorski Telekom EBITDA before exceptional items after leases was influenced by lower operating expenses (before exceptional items), which covered lower net revenue.

### Net profit after non-controlling interests

Net profit after non-controlling interests decreased by HRK 41 million or 21.7% to HRK 149 million in Q1 2020. The decrease in HT Group in Croatia amounted to HRK 43 million or 22.4%, while Crnogorski Telekom recorded an increase of HRK 1 million or 175.8%.

In HT Group in Croatia, the decrease was caused by a fall in EBITDA (HRK 86 million or 12.3%). On the other hand, positive contributions came from: lower depreciation (HRK 21 million or 4.7%), positive effect of the net financial result (HRK 10 million or 43.5%), lower taxation (HRK 9 million or 21.0%) and higher non-controlling interest (HRK 3 million or 60.2%).

Crnogorski Telekom's increase in net profit was driven by higher EBITDA and the positive effect of the net financial result.

## IV. Financial position

### Balance sheet

In comparison to 2019 year-end, there is decrease in the total asset value of 1% or HRK 88 million mainly driven by lower cash and sale of assets Held for Sale, which is partially offset by higher fixed assets and inventories.

Total issued capital and reserves increased from HRK 13,054 million at 31 December 2019 to HRK 13,187 million at 31 March 2020, mainly driven by realized net profit in 1Q 2020 in the amount of HRK 149 million and partially offset by the purchase of own shares in amount of HRK 36 million.

Total non-current liabilities increased by HRK 40 million or 5%, primarily due to the higher volume of lease liabilities. Total current liabilities decreased by HRK 262 million to HRK 2,173 million at 31 March 2020 mainly driven by lower volume of trade payables.

### Cash flow

Cash flow from operating activities decreased by 150 HRK million (26.8%) mainly due to lower net profit and unfavourable working capital movements. Cash flow from investing activities increased by HRK 21 million (7.1%) mainly due to inflows from assets held for sale and lower investment in non-current assets, partially offset by higher payments for non-current assets. Cash flow from financing activities decreased by HRK 66 million (33%), mainly affected by higher lease repayments and repayment of loans and bonds.

## V. Capital expenditure

in HRK million

<b>CAPEX after leases - HT Group</b>	<b>Q1 2019</b>	<b>Q1 2020</b>	<b>% of change A20/A19</b>
CAPEX after leases	386	413	7.0%
CAPEX after leases/ Revenue ratio	21.8%	23.8%	2.1 p.p.

  

<b>CAPEX after leases - HT Group in Croatia</b>	<b>Q1 2019</b>	<b>Q1 2020</b>	<b>% of change A20/A19</b>
CAPEX after leases	360	391	8.5%
CAPEX after leases/ Revenue ratio	22.0%	24.4%	2.4 p.p.

  

<b>CAPEX after leases - Crnogorski Telekom</b>	<b>Q1 2019</b>	<b>Q1 2020</b>	<b>% of change A20/A19</b>
CAPEX after leases	26	23	-13.1%
CAPEX after leases/ Revenue ratio	18.5%	16.8%	-1.7 p.p.

Capital expenditure after leases realization increased by HRK 27 million or 7.0%, driven by higher realization of HT Group in Croatia mainly due to different effects of content capitalization, while CT reported decrease.

### HT Group in Croatia

In 2020, a strong focus has been placed on the implementation of next generation fixed access network (NGA) targeting an increase in the optical network footprint. By the end of the first quarter of 2020, an additional 9,154 households were covered by FTTH technology in the access network, covering in total (FTTH) 289 thousand households.

In total, HT achieved coverage available for 60.3% households with technologies that enable speed >30 Mbps from which 23.8% with technologies that enable speed > 100 Mbp. Optical based access network (FTTx) is available for 445 thousand households.

Activities in the mobile network (after modernisation) have been focused on optimizing network parameters and functionality to achieve the best possible key performance indicators. Optimization on 60% of the radio network footprint was completed within the first quarter. 4G network coverage is at the same level as it was at the end of 2019, which is 89.1% indoors and 99.4% outdoors.

Within the 5G pilot project in the EU Presidency building in which the 5G base station was set up, an info space was installed to present the possibilities and examples of using the 5G network. In parallel, the government selected the city of Osijek for a "5G city" in Croatia.

In IT, intensive activities are taking place towards the agile methodology of work by introducing new teams in functional areas. There are 9 squads organized within 5 functional areas (Tribes): Digital Touchpoint, Service Delivery, Products, Enterprise Communication & Connectivity Products, and ICT Standard Products and Solutions. In Q1, a total of 90 employees are involved within squads and tribes.

## HT GROUP 2020 OUTLOOK

Notwithstanding the good performance in Q1 2020, with the current high level of uncertainty and volatility, it is not possible to provide financial outlook with reliable accuracy, therefore we put our 2020 outlook under-review.

## HT INC. FINANCIAL HIGHLIGHTS

### Revenue

Revenue decreased by HRK 45 million or 3.2% to HRK 1,349 million in Q1 2020 compared to Q1 2019. Decrease was driven by lower fixed revenue (HRK 34 million or 5.6%) mostly as a result of declining voice and wholesale, and lower mobile revenue (HRK 29 million or 3.9%) influenced by IFRS 15. Decrease was partially offset by higher system solution revenue (HRK 18 million or 38.2%).

### EBITDA before exceptional items after leases

EBITDA before exceptional items after leases decreased by HRK 58 million or 9.9% to HRK 523 million in Q1 2020, because of lower revenue realization, lower operating income (HRK 51 million or 66.8%) and negative IFRS 16 (HRK 11 million or 15.1%), partially offset by lower operating expenses excluding exceptional items (HRK 49 million or 6.0%).

### Net profit after non-controlling interests

Net profit after non-controlling interests decreased by HRK 44 million or 22.0% to HRK 156 million in Q1 2020 due to lower EBITDA (HRK 91 million or 14.2%), partially offset by lower depreciation and amortization (HRK 26 million or 6.8%), positive effect of net financial result (HRK 11 million or 92.8%) and lower taxation (HRK 10 million or 21.9%).



## RISK MANAGEMENT

Besides the business and regulatory developments detailed in this statement, and in audited financial statements for 2019 made public, there were no material changes to the Group's risk profile in the period under review except COVID-19.

Hrvatski Telekom actively monitors the situation with COVID-19 virus and correlated risk aspects.

Based on restrictive measures introduced on the level of Republic of Croatia (RoC), which have reflected on closure of direct sales and customer support channels, Hrvatski Telekom has in a very short term adjusted and redirected its business to on-line channels wherever possible, keeping field work network maintenance services whilst respecting the recommended safety measures of customers as well as employees of HT.

In the following situation development with COVID-19 in the short (<1Y) and mid term (<3Y) there is a risk of partial revenue reduction and increase of collection default risk commensurate the impacts on the overall Croatian economy as well as the economic status of citizens of RoC.

## CHANGES IN REPORTING

In 2014 Croatian Competition Agency has conditionally allowed the concentration of HT with Optima Telekom based on the proposal of financial and operational restructuring of Optima Telekom within the pre-bankruptcy settlement procedure. Croatian Competition Agency has determined a set of measures defining the rules of conduct for HT with regard to management and control over Optima Telekom, among which is the implementation of so called "Chinese wall" between Optima Telekom and HT employees involved in Optima Telekom's business, in relation to all sensitive business information, with the exception of reporting of financial data necessary for consolidation. Respectively, only financial statements are consolidated while, due to limited access to Optima Telekom's information, non-financial KPIs are not consolidated in the Group results. In June 2017, AZTN passed the decision by which the duration of temporary management rights of Optima for HT is prolonged for an additional three-year period, that is, until 10 July 2021. On 31 January HT initiated sale process for the shares of Optima Telekom. Submission of non-binding offers finished on 18 March 2020.

In February 2019, HT d.d. concluded a Purchase transaction with the company HP-Hrvatska pošta d.d. on acquisition of 100% stake in the company HT Produkcija d.o.o., provider of evotv service. HT Produkcija d.o.o. is consolidated in HT Group financial results starting with March 2019. Operational highlights that relate to achievement of the main financial and non financial key performance indicators on the following pages are presented with consolidation impact of EvoTV.

Within the strategy of restructuring non-core parts of HT's business operations, in November 2019 a Contract was concluded with Uniline d.o.o. on transfer and sale of the share held by HT holding d.o.o. in the company E-tours d.o.o. The transaction closed on 31 December 2019.

#### IFRS 16 Leases

The standard is applied from January 1<sup>st</sup>, 2019. IFRS 16 has a material effect on the Company's financial statements, particularly on total assets, the results of operations, cash generated from operations, and the presentation of the financial position. The regulations affect the Company as a lessee especially in relation to leases of cell sites (land, space in cell towers or rooftop surface areas), network infrastructure and buildings used for administrative or technical purposes.

„AL” or „After Leases” steering KPIs introduced to ensure comparability:

- EBITDA AL – increase in EBITDA due to elimination of operating lease expenses offset by adding back lease cost now booked in newly created depreciation and interest expense back to EBITDA
- Capex AL – increase in Capex due to capitalization of leases formerly booked as expense offset by AL principle back to pre-IFRS 16 level (remains unchanged)

#### M2M

According to DT Group definition of M2M (machine to machine), starting from 2020, all M2M customers, respective revenues and KPIs will be reported in prepaid. For the purpose of like-for-like comparison, 2019 data in this report is restated accordingly.

## HT GROUP FINANCIAL STATEMENTS

### Consolidated Income Statement

in HRK million	Q1 2019	Q1 2020	% of change A20/A19
Mobile revenue	797	769	-3.5%
Fixed revenue	830	783	-5.7%
System solutions	144	183	26.6%
Miscellaneous	3	0	-92.2%
<b>Revenue</b>	<b>1,775</b>	<b>1,735</b>	<b>-2.2%</b>
Other operating income	80	28	-65.5%
<b>Total operating revenue</b>	<b>1,855</b>	<b>1,762</b>	<b>-5.0%</b>
<b>Operating expenses</b>	<b>1,102</b>	<b>1,094</b>	<b>-0.7%</b>
Material expenses	544	506	-7.1%
Employee benefits expenses	278	326	17.3%
Other expenses	277	256	-7.6%
Work performed by the Group and capitalised	-23	-17	-27.7%
Write down of assets	25	22	-11.9%
<b>EBITDA</b>	<b>753</b>	<b>669</b>	<b>-11.2%</b>
Depreciation and amortization	497	477	-4.1%
<b>EBIT</b>	<b>256</b>	<b>192</b>	<b>-25.1%</b>
Financial income	7	41	491.7%
Income/loss from investment in joint ventures	-2	-4	68.5%
Financial expenses	30	52	71.2%
<b>Profit before taxes</b>	<b>230</b>	<b>177</b>	<b>-23.1%</b>
Taxation	45	35	-21.0%
<b>Net profit</b>	<b>186</b>	<b>142</b>	<b>-23.6%</b>
Non controlling interests	-5	-7	54.8%
<b>Net profit after non controlling interests</b>	<b>190</b>	<b>149</b>	<b>-21.7%</b>
Exceptional items <sup>1)</sup>	7	52	607.5%
<b>EBITDA before exceptional items</b>	<b>760</b>	<b>721</b>	<b>-5.2%</b>
<b>EBITDA before exceptional items after leases</b>	<b>673</b>	<b>620</b>	<b>-7.9%</b>

<sup>1)</sup> Mainly related to restructuring redundancy costs and legal cases

**Consolidated Balance Sheet**

in HRK million	At 31 Dec 2019	At 31 Mar 2020	% of change A20/A19
Intangible assets	2,335	2,393	2.5%
Property, plant and equipment	6,390	6,401	0.2%
Non-current financial assets	388	384	-1.1%
Receivables	347	323	-6.9%
Lessee use rights to leased assets (IFRS 16)	709	718	1.2%
Contract assets (IFRS 15)	51	51	-0.2%
Contract costs (IFRS 15)	98	102	4.6%
Deferred tax asset	129	137	6.4%
<b>Total non-current assets</b>	<b>10,447</b>	<b>10,509</b>	<b>0.6%</b>
Inventories	158	193	21.8%
Assets held for sale	68	0	-100.0%
Receivables	1,520	1,531	0.7%
Current financial assets	928	950	2.4%
Contract assets (IFRS 15)	231	221	-4.2%
Contract costs (IFRS 15)	71	70	-1.7%
Cash and cash equivalents	2,762	2,628	-4.8%
Prepayments and accrued income	142	136	-4.0%
<b>Total current assets</b>	<b>5,880</b>	<b>5,729</b>	<b>-2.6%</b>
<b>TOTAL ASSETS</b>	<b>16,327</b>	<b>16,239</b>	<b>-0.5%</b>
Subscribed share capital	10,245	10,245	0.0%
Reserves	565	565	0.0%
Revaluation reserves	-10	5	-144.6%
Treasury shares	-73	-108	49.0%
Retained earnings	1,260	2,006	59.2%
Net profit for the period	740	149	-79.8%
Non controlling interests	328	326	-0.6%
<b>Total issued capital and reserves</b>	<b>13,054</b>	<b>13,187</b>	<b>1.0%</b>
Provisions	86	81	-5.0%
Non-current liabilities	246	248	1.0%
Lessee lease liabilities to third parties due > 1 year (IFRS 16)	465	499	7.3%
Contract liabilities (IFRS 15)	0	0	-28.3%
Deferred tax liability	42	50	18.7%
<b>Total non-current liabilities</b>	<b>839</b>	<b>879</b>	<b>4.8%</b>
Current liabilities	2,161	1,891	-12.5%
Contract liabilities (IFRS 15)	85	67	-21.5%
Lessee lease liabilities due <= 1 year (IFRS 16)	183	161	-12.5%
Deferred income	5	5	-6.4%
Provisions for redundancy	0	49	-
<b>Total current liabilities</b>	<b>2,434</b>	<b>2,173</b>	<b>-10.8%</b>
<b>Total liabilities</b>	<b>3,273</b>	<b>3,052</b>	<b>-6.8%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,327</b>	<b>16,239</b>	<b>-0.5%</b>



## Consolidated Cash Flow Statement

in HRK million	Q1 2019	Q1 2020	% of change A20/A19
Profit before tax	230	177	-23.1%
Depreciation and amortization	497	477	-4.1%
Increase / decrease of current liabilities	-149	-149	-0.6%
Increase / decrease of current receivables	114	7	-93.5%
Increase / decrease of inventories	-12	-37	-215.3%
Other cash flow increases / decreases	-122	-66	46.1%
<b>Net cash inflow/outflow from operating activities</b>	<b>559</b>	<b>409</b>	<b>-26.8%</b>
Proceeds from sale of non-current assets	1	83	-
Proceeds from sale of non-current financial assets	0	0	-17.7%
Interest received	4	4	-7.0%
Dividend received	0	0	-
Other cash inflows from investing activities	0	0	-
<b>Total increase of cash flow from investing activities</b>	<b>6</b>	<b>88</b>	<b>-</b>
Purchase of non-current assets	-280	-370	-32.1%
Purchase of non-current financial assets	-30	0	100.0%
Other cash outflows from investing activities	0	-1	-14.8%
<b>Total decrease of cash flow from investing activities</b>	<b>-310</b>	<b>-370</b>	<b>-19.4%</b>
<b>Net cash inflow/outflow from investing activities</b>	<b>-304</b>	<b>-283</b>	<b>7.1%</b>
<b>Total increase of cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
Repayment of loans and bonds	-23	-48	-109.8%
Dividends paid	-1	0	89.6%
Repayment of lease	-56	-98	-75.5%
Other cash outflows from financing activities	-121	-121	0.2%
<b>Total decrease in cash flow from financing activities</b>	<b>-201</b>	<b>-267</b>	<b>-33.0%</b>
<b>Net cash inflow/outflow from financing activities</b>	<b>-201</b>	<b>-267</b>	<b>-33.0%</b>
<b>Exchange gains/losses on cash and cash equivalents</b>	<b>3</b>	<b>7</b>	<b>141.6%</b>
Cash and cash equivalents at the beginning of period	3,137	2,762	-11.9%
Net cash (outflow) / inflow	57	-134	-336.2%
<b>Cash and cash equivalents at the end of period</b>	<b>3,193</b>	<b>2,628</b>	<b>-17.7%</b>

## NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2020

### Basis of preparation

The condensed consolidated financial statements as of 31 March 2020 and for the three months then ended, have been prepared using accounting policies consistent with International Financial Reporting Standards.

### Significant Accounting Policies

The consolidated financial statements have been prepared under the historical cost convention, except for investments available-for-sale stated at fair value.

The same accounting policies, presentation and methods of computation are followed in these condensed consolidated financial statements as were applied in the preparation of HT's consolidated financial statements for the year ended 31 December 2019.

### Relations with the governing company and its affiliated companies

In the first three months of 2020 there were no transactions among related parties with a significant impact on the financial position and operations of the Group in the given period.

In the first three months of 2020 there were no changes in transactions among related parties which were specified in the annual financial report for 2019 and which had a significant impact on the financial position and operations of the Group in the first three months of 2020.

Business relations transacted between HT d.d. and affiliated companies thereof (hereinafter referred to as: Group) in the first three months of 2020 and the governing company and affiliated companies thereof can be classified as follows:

### Transactions with related companies

Transactions with related companies primarily related to the transactions with the companies owned by Deutsche Telekom AG (hereinafter referred to as: DTAG). The Group enters into transactions in the normal course of business on an arm's length basis. These transactions included the sending and receiving of international traffic to/from these companies and other intercompany services between related companies.

In the first three months of 2020 the Group generated total revenue from related companies to the amount of HRK 39 million (the first three months of 2019: HRK 36 million), while total costs amounted to HRK 51 million (the first three months of 2019: HRK 51 million). The bond issued by Deutsche Telekom International Finance B. V. matured on 3 April 2020, in the full amount of EUR 125 million.

### Compensation of the Supervisory Board

The chairman of the Supervisory Board receives remuneration in the amount of 1.5 times of the average net salary of the employees of the Company paid in the preceding month. To the deputy chairman, remuneration is the amount of 1.25 times of the average net salary of the employees of the Company paid in the preceding month is paid, while any other member receives the amount of one average net salary of the employees of the Company paid in the preceding month.

To a member of the Supervisory Board, who is in the same time the Chairman of the Audit Committee of the Supervisory Board, remuneration is the amount of 1.5 times of the average monthly net salary of the employees of the Company paid in the preceding month.

To a member of the Supervisory Board, who is in the same time a Member of the Audit Committee of the Supervisory Board, remuneration is the amount of 1.25 times of the average monthly net salary of the employees of the Company paid in the preceding month. To a member of the Supervisory Board, who is in the same time a Member of the Compensation and Nomination Committee of the Supervisory Board, remuneration is the amount of 1.25 times of the average monthly net salary of the employees of the Company paid in the preceding month. DT AG representatives do not receive any remuneration for the membership in the Supervisory Board due to a respective policy of DTAG.

In the first three months of 2020 the Company paid a total amount of HRK 0.2 million (the first three months of 2019: HRK 0.2 million) to the Members of its Supervisory Board. No loans were granted to the Members of the Supervisory Board.

### Compensation to key management personnel

In the first three months of 2020 the total compensation paid to key management personnel of the Group amounted to HRK 13 million (the first three months of 2019: HRK 10 million). Compensation paid to key management personnel relates to short-term employee benefits. Key management personnel include members of the Management Boards of the Company and its subsidiaries and the operating directors of the Company, who are employed by the Group.

## STATEMENT OF THE MANAGEMENT BOARD OF HRVATSKI TELEKOM D.D.

To the best of our knowledge, unaudited financial statements of the company Hrvatski Telekom d.d. (hereinafter: "Company") and unaudited consolidated financial statements of the Company and affiliated companies thereof (hereinafter: "Group"), which are prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of assets and obligations, profit and loss, financial position, and operations of both the Company and the Group.

The Management report for the first three months of 2020 contains a true presentation of development and results of operations and position of the Group, with description of significant risks and uncertainties for the Group as a whole.

Mr. Kostas Nebis, President of the Management Board (CEO)

Mr. Daniel Daub, Member of the Management Board and Chief Financial Officer

Mr. Ivan Bartulović, Member of the Management Board and Chief Human Resources Officer

Ms. Nataša Rapaić, Member of the Management Board and Chief Operating Officer Residential

Mr. Boris Drilo, Member of the Management Board and Chief Technical and Chief Information Officer

Zagreb, 30 April 2020



## PRESENTATION OF INFORMATION

Unless the context otherwise requires, references in this publication to “HT Group” or “the Group” or “HT” are to the Company Hrvatski Telekom d.d., together with its subsidiaries.

References to “Iskon” are to the Company’s wholly-owned subsidiary, Iskon Internet d.d.

References to “Combis” are to the Company’s wholly-owned subsidiary, Combis d.o.o.

References to “KDS” are to the Company’s wholly-owned subsidiary, KDS d.o.o.

References to “E-tours” are to the Company’s wholly-owned subsidiary, which was sold in 2019

References to “Optima” are to Optima Telekom, the company fully consolidated into the Group’s financial statements as of 1 July 2014.

References to “Crnogorski” or “CT” are to Crnogorski Telekom, the company fully consolidated into the Group’s financial statements as of 1 January 2017.

References to “H1” are to H1 Telekom, the company fully consolidated into Optima’s and Group’s financial statements as of 1 July 2017.

References in this publication to “Agency” are to the Croatian Regulatory Authority for Network Industries (HAKOM).

## DISCLAIMER

This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Group. These forward-looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Additional information concerning important factors that could cause actual results to differ materially is available in the Group's reports which may be found at [www.t.ht.hr](http://www.t.ht.hr)



## CONTACT DETAILS

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### Instinctif Partners

Kay Larsen / Adrian Duffield +44 207 457 2020

A conference call for analysts and investors will be held on the same day at 11:00 UK time / 12:00 CET.

The conference call dial in details are as follows:

International Dial In +44 (0) 207 192 8000  
Conference ID 6992685

A replay of the call will be available until Thursday, 7 May using the following details:

International Dial In +44 (0) 333 300 9785  
Conference ID 6992685

### Croatian Telecom Inc.

Radnička cesta 21, HR - Zagreb  
Member State: Republic of Croatia  
Listing: Zagreb Stock Exchange, Official market  
Ordinary share: HT (ISIN: HRHT00RA0005)  
LEI: 097900BFHJ0000029454

Full audited accounts for HT Group and HT d.d., other prescribed documentation as well as a presentation covering results for the 2019 financial year, can be downloaded from the HT web site. ([www.t.ht.hr/en/investor-relations/](http://www.t.ht.hr/en/investor-relations/)) and are fully available in the Official Register of Prescribed Information (SRPI).