

CIAK Grupa d.d. (ZB: CIAK-R-A; ciakgrupa.hr) has published results for the period VII– IX 2024. Report contains non audited financial statements for period ending 30 September 2024, prepared by the company's Management in accordance with International financial reporting standards (IFRS).

CIAK Group financial results (IFRS)

VII -IX 2023	VII -IX 2024	In EUR thousands	I-IX 2023	I-IX 2024	%
68,141	85,519	Sales revenues	194,958	239,705	23
5,946	6,823	EBITDA ⁽¹⁾	16,464	18,958	15
5,347	6,823	EBITDA without one-off items ⁽²⁾	15,865	19,180	21
3,246	3,216	Profit / (Loss) from operations	8,244	9,044	10
2,647	3,216	Profit from operations without one-off items ⁽²⁾	7,645	9,266	21
(752)	(986)	Result from financial activities	(1,894)	(2,643)	40
2,495	2,231	Gross profit / (loss)	6,350	6,401	1
1,896	2,231	Gross profit / (loss) of period without one-off items ⁽²⁾	5,751	6,623	15
0.11	0.09	Earnings per share ⁽³⁾	0.27	0.27	(2)
473	3,392	Simplified free cash flow ⁽⁴⁾	5,866	8,320	42
4,874	3,431	CAPEX	9,999	10,860	9

⁽¹⁾ EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) = EBIT (Earnings Before Interest and Taxes) + Amortization

⁽²⁾ EBITDA and operating profit in I- IX 2024 were negatively affected by EUR 222 thousand one-off staff costs, while on EBITDA, operating profit and gross profit in I-IX in 2023 has been positively affected by EUR 599 thousand from the sale of long-term tangible assets of the company

⁽³⁾ Earnings per share = net profit / number of shares

⁽⁴⁾ Simplified Free Cash Flow = EBITDA without one-off items – CAPEX (capital expenditures)

⁽⁵⁾ Net debt = Long and short-term financial liabilities – Cash and cash equivalents

⁽⁶⁾ Gearing ratio = Long and short-term financial liabilities – Loans and deposits given - Cash and cash equivalents / (Long and short-term financial liabilities – Loans and deposits given - Cash and cash equivalents + Equity)

Compared to the first three quarters of previous year, reported sales revenue growth amounted to EUR 44.8 million or 23% increase.

EBITDA without one-off items in the observed period of current year is higher by EUR 3.3 million or 21% compared to the same period of the previous year.

Profit from operations without one-off items generated in current year is higher by EUR 1.6 million or 21% compared to same period of the previous year.

In the first three quarters of year 2024 capital investments amounted to EUR 10.9 million and were increased by 9% or EUR 861 thousand compared to the same period of the previous year. The presented CAPEX in both reporting periods includes investments in long-term tangible and intangible assets.

Main external parameters

VII -IX 2023	VII -IX 2024		I-IX 2023	I-IX 2024	%
2,170.20	2,043.62	Lead price (USD/t)*	2,143.19	2,094.70	(2)
1.09	1.1	Average USD/EUR	1.08	1.09	1
1.06	1.12	Closing USD/EUR	1.06	1.12	5

* LME market data – period average

Key effects on business result in I- IX 2024 in comparison to I- IX 2023

- Sales revenues in first three quarters of year 2024 amounted to EUR 239.7 million and increased by 23% compared to the same period of last year.
- Average lead price on the London Stock Exchange in the observed period of the year 2024 was 2,094.70 USD/t, i.e., it was lower by 2% compared to the same period of the previous year.
- Consolidated EBITDA without one-off items realized in the first three quarters of year 2024 amounts to EUR 19.2 million and is 21% higher compared to the same period previous year, primarily because of higher realized revenues, continued optimization of procurement processes, and management of operating expenditures.
- Financial expenditures amount to EUR 2.8 million and are 34% higher in comparison with last year's realisation.

Statement by president of the Management Board, Mr. Ivan Leko:

CIAK Group continued in 2024 with the delivery of good business results. During the third quarter, the further growth of CIAK Group continued not only through organic growth, but also through acquisitions and further consolidation of the market via acquisitions of two companies - STAHLGRUBER trgovina d.o.o. Ljubljana and SIM IMPEX Banja Luka d.o.o., members of LKQ Europe. Transactions have been fully completed at the end of third quarter.

In 2024, the realized consolidated revenues amounted more than EUR 241 million and are EUR 45 million or 23% higher compared to the same period of the previous year. EBITDA without one-off items amounts to EUR 19.2 million, which represents a growth of 21% compared to the same period of the previous year.

Also, it is important to highlight that almost 90% of the growth of consolidated revenues as well as realized EBITDA is delivered by organic growth, given that the effects of the realized acquisitions are not reflected in this report, i.e. will be reflected in the CIAK Group's annual report.

At the same time, realized capital investments amount to almost EUR 11 million, which is 9% higher compared to the same period of previous year. Therefore, CIAK Group continues development and keeps its focus on long-term business development and business delivery results.

*Consolidated Profit & Loss statement of CIAK Group
for period ending 30 September 2023 and 30 September 2024 (in EUR thousands)*

VII -IX 2023	VII -IX 2024	In EUR thousands	Notes	I-IX 2023	I-IX 2024	%
68,141	85,519	Sales revenues		194,958	239,705	23
671	930	Other operating revenues		1,475	1,384	(6)
68,812	86,450	Operating revenues	1	196,433	241,089	23
7,897	9,481	Costs of raw materials and consumables		22,436	27,441	22
2,700	3,607	Amortization		8,220	9,914	21
12,638	16,791	Staff costs	3	34,620	46,668	35
36,194	45,726	Costs of goods sold		107,921	128,354	19
4,522	6,694	Other costs		12,812	17,339	35
1,534	886	Value adjustments		2,025	2,511	24
81	48	Provisions for costs and risks		155	(182)	(217)
65,566	83,233	Operating expenditures		188,189	232,045	23
3,246	3,216	Profit / (Loss) from operations		8,244	9,044	10
74	8	Financial revenues		163	109	(33)
826	993	Financial expenditures	4	2,057	2,752	34
(752)	(986)	Profit / (loss) from financial activities		(1,894)	(2,643)	40
2,495	2,231	Profit / (Loss) of the period		6,350	6,401	1

*Consolidated Statement of financial position of CIAK Group
on 31 December 2023 and 30 September 2024 (in EUR thousands)*

In EUR thousands	Notes	31 December 2023	30 September 2024	%
TOTAL ASSETS				
Fixed assets				
Intangible assets		9,263	9,592	4
Real estate, plant and equipment		54,857	66,495	21
Loans and deposits given		365	350	(4)
Investment in holdings, securities and other fixed financial assets		315	314	(0)
Receivables		300	115	(62)
Deferred tax assets		295	296	0
Total fixed assets	5	65,395	77,162	18
Current assets				
Inventories	6	96,157	119,948	25
Customer receivables		36,625	39,243	7
Other receivables		2,725	2,927	7
Loans and deposits given		1,310	1,711	31
Cash & cash equivalents		13,706	7,465	(46)
Total current assets		150,523	171,294	14
Prepaid expenses and accrued revenues		6,542	13,165	101
Total assets		222,460	261,621	18
Equity and liabilities				
Equity and reserves				
Initial equity		26,215	26,215	0
Capital reserves		24,505	24,505	0
Other reserves		603	594	(1)
Retained profit / (Loss brought forward)		11,860	14,812	25
Profit / (Loss) of the period		7,025	5,301	(25)
Minority interest		(37)	(59)	59
Total equity		70,171	71,368	2
Provisions		3	3	0
Long-term liabilities				
Long-term liabilities for loans and deposits	7	54,481	70,412	29
Other long-term liabilities		1,171	5,382	360
Deferred tax liability		778	777	(0)
Total long-term liabilities		56,430	76,571	36
Short-term liabilities				
Liabilities for bank's and other creditor's loans	7	19,939	22,938	15
Liabilities to suppliers		58,815	73,934	26
Taxes and similar liabilities		9,852	9,010	(9)
Other short-term liabilities		2,602	2,025	(22)
Liabilities to employees		2,724	3,443	26
Total short-term liabilities		93,931	111,350	19
Accruals and deferred income		1,925	2,330	21
Total liabilities		152,289	190,253	25
Total equity and liabilities		222,460	261,621	18

Financial result overview and notes

PROFIT AND LOSS STATEMENT

Notes

- 1 **Consolidated revenues** of the CIAK Group in the first three quarters of 2024 amounted to EUR 241.1 million, which is EUR 44.7 million or 23% higher compared to the same reporting period last year, of which:
 - o EUR 38.5 million related to organic growth
 - o EUR 6.2 million related to inorganic growth
- 2 **Consolidated EBITDA** realized in the observed period of year 2024 amounts to almost EUR 19 million and is 15% higher compared to consolidated EBITDA realized in the first half of the previous year.
- 3 **Staff costs** realised in first three quarters of year 2024 are EUR 12.1 million or 35% higher compared to the realisation of previous year, primarily because of an increase in employee wages.
- 4 **Financial expenditures** compared to the same period of previous year are higher by EUR 695 thousand or 34%.

STATEMENT OF FINANCIAL POSITION

Notes

- 5 **Long-term assets** of the company at the end of the third quarter of this year are higher, compared to the end of the previous year, by 18% or EUR 11.8 million mostly due to realized capital expenditures, and partially due to realized acquisitions in the observed period.
- 6 Compared to the end of the previous year, **inventory level** is EUR 23.8 million or 25% higher at the reporting date, partly as an effect of business expansion on foreign markets.
- 7 **Short-term and long-term loans** on 30 September 2024 increased compared to the 31 December 2023 by EUR 18.9 million, of which:
 - o EUR 7.7 million relates to increase of IFRS 16, long-term leases and loans from legal entities
 - o EUR 11.2 million relates to increase of debt toward financial institutions and banks

One-off items in EBITDA, operating and gross/net profit

The result of the three quarters of year 2024 was negatively affected by EUR 222 thousand one-off staff costs, while the EBITDA, operating and gross profit in the same period of 2023 was positively affected by the income from the sale of the company's fixed tangible assets of EUR 599 thousand.

Significant events in 2024

On 16 April 2024, a member of the CIAK Group, the company C.I.A.K. Auto d.o.o. Croatia, signed a takeover transaction of two companies - STAHLGRUBER trgovina d.o.o. Ljubljana and SIM IMPEX Banja Luka d.o.o., members of LKQ Europe.

The takeover transactions of both companies have been fully completed.

The company STAHLGRUBER trgovina d.o.o. Ljubljana is one of the independent distributors in the automotive aftermarket (IAM) in Slovenia and generates an annual revenue of over EUR 12 million at three sales locations. With an experienced team that will continue to be led by Mr. Benjamin Lenart as the President of the Management Board, and with a business culture and business expertise very similar to one used in the C.I.A.K. Auto company, we expect to make full use of the synergistic effects and enable the Company to achieve even higher results in the coming years. The company will continue to operate on the market as C.I.A.K. Auto Slovenia, thereby further strengthening the market position of C.I.A.K. Auto in the Adria region.

Company Sim Impex d.o.o. is one of the leading independent distributors of auto parts (IAM) in Bosnia and Herzegovina, generating an annual revenue of more than 21 million euros with 245 employees at 33 locations in Bosnia and Herzegovina. Thanks to a highly developed logistics and distribution system, a portfolio of several thousand customers, a wide range assortment of spare parts and qualified employees, it has a strong potential for further development of the IAM segment in Bosnia and Herzegovina.

It should be highlighted that the results realization of Sim Impex d.o.o. are not included in this report. The effects of this acquisition will be reflected in the CIAK Group's annual report.

Considering the core business of the CIAK Group, those takeovers are logical steps towards further strengthening and growth of the CIAK Group's portfolio on the market of Southern and Eastern Europe.

Financial instruments and risks

The risks are explained in detail in CIAK Group's audited Financial Statements for the year ending 31 December 2023.

As of 30 September 2024, CIAK Group had financial debt amounted to **EUR 93.4 million**, of which **EUR 32.2 million** was related to long-term leases (IFRS 16) and to a lesser extent corporate loans, while **EUR 61.2 million** was related to banks and financial institutions.

Management Board

Financial reports for period I- IX 2024 were prepared in accordance with International financial reporting standards (IFRS), i.e., they accurately show, in all material respects, the financial position of the company, the results of its operations and cash flows.

Management Board:

Ivan Leko	President of the Management Board
Dominik Leko	Member
Dalibor Bagarić	Member
Ivica Greguraš	Member
Ivan Miloš	Member