



ČAKOVEČKI
MLINOVI

- 1893 -

ČAKOVEČKI MLINOVI INC.

QUARTERLY FINANCIAL REPORT
FOR Q1 2026



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ČAKOVEČKI MLINOVI INC.

**INTERIM MANAGEMENT REPORT
FOR Q1 2026**

1. BUSINESS RESULTS IN Q1 2026

ABOUT THE COMPANY

Čakovečki mlinovi Inc. (hereinafter: "Čakovečki mlinovi" or "Company"), founded in 1893 in Čakovec, is one of the oldest Croatian food and retail companies. The Company operates a vertically integrated business model that includes the production of high-quality mill, bakery and oil products on the one hand and the retail sale of mixed goods on the other. Although food production is the tradition and heritage of the Company, the Company has developed into a business system through a series of successful acquisitions and integrations of retail chains, which today generates the majority of its revenue from retail activities.

Čakovečki mlinovi Inc. operates six subsidiaries: Trgovina Krk Inc. Malinska, Trgocentar Inc. Virovitica, Radnik Opatija Inc. Lovran, Zagrebačke pekarnice Klara Inc., Zagreb, and NewMiP Ltd. (hereinafter collectively: "Čakovečki mlinovi Group" or "Group") and one associated company: Narodni trgovačka lanac Ltd. Soblinec. Čakovečki mlinovi Inc., in addition to the unconsolidated reports of the Company, also prepares the consolidated reports of the Group separately.

In the first quarter of 2026, Čakovečki mlinovi Inc. generated EUR 6,7 million in total revenue based on total assets in the amount of 102,6 million euros and are on average employed 100 employees based on working hours. According to the Accounting Act, the company Čakovečki mlinovi Inc. is classified as a medium-sized enterprise.

The shares of Čakovečki mlinovi Inc. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML. As of 31 March 2026, the Company had 16,020,000 issued shares with a market capitalization of EUR 179,4 million.

BUSINESS SEGMENT

The company Čakovečki mlinovi Inc. operates in one business segment at the company level (food production) and reports accordingly in unconsolidated financial statements. The company as a whole is part of the segment reporting of the Čakovečki mlinovi Group (Food segment) whose operations are presented within the consolidated financial statements. Users of this report should read it together with the consolidated report of the Group for the period January-March 2026, in order to obtain complete information on the financial position and results of operations of the Company and the Group.

KEY FINANCIAL INDICATORS OF THE COMPANY

PROFIT AND LOSS ACCOUNT (in millions of euros)	1.-3. 2026.	1.-3. 2025.	1.-3. 2026. / 1.-3. 2025.
Sales revenue	6,5	6,8	(5,2%)
Operating expenses, net ¹	5,9	6,1	(3,4%)
EBITDA ²	0,6	0,7	(20,2%)
Normalized EBITDA ³	0,8	0,8	6,2%
Amortization	0,3	0,2	41,5%
EBIT ⁴	0,3	0,5	(42,3%)
Net financial result ⁵	0,0	0,1	(141,5%)
Net profit (loss)	0,2	0,5	(52,9%)

Profit margins ⁶			
EBITDA margin	9,0%	10,7%	(1,7 pb)
Normalized EBITDA margin	12,3%	11,0%	1,3 pb
EBIT margin	4,8%	7,9%	(3,1 pb)
Net profit margin	3,6%	7,3%	(3,6 pb)

BALANCE SHEET (in millions of euros)	31.3.2026.	31.12.2025.	31.03.2026./ 31.12.2025.
Net debt (cash) ⁷	5,4	6,8	-20,0%
Capital and reserves	92,9	92,7	0,3%
Net working capital ⁸	11,0	11,3	-2,1%

CASH FLOWS (in millions of euros)	1.-3. 2026.	1.-3. 2025.	1.-3. 2026. / 1.-3. 2025.
Net cash flows from operating activities.	0,8	(1,6)	(151,5%)
Capital expenditure (CapEx) ⁹	0,1	0,0	73,6%
Cash expenditures for dividend payments	0,0	5,0	(100,0%)

1 Operating expenses, net include business expenses less depreciation, other business income and income based on the use of own products, goods and services.

2 EBITDA before interest , taxes , depreciation and amortization) represents operating profit before amortization; calculated as business income - business expenses + depreciation.

3 Normalization implies adjustment for material one-off items. In the first quarter of 2025, the Company recorded EUR 0.1 million in one-off costs (Q1 2024: EUR 0.3 million).

4 EBIT (Earnings before interest and taxes) before interest and taxes) represents operating profit; calculated as business income - business expenses.

5 Net financial result is calculated as financial income – financial expenses.

6 Profit margins are calculated on the basis of sales revenue.

7 Net debt (money) includes long-term and short-term financial liabilities minus cash and cash equivalents and deposits with banks. Deposits with banks are included regardless of maturity because they are available on call.

8 Net working capital includes inventories plus short-term trade receivables and less short-term trade payables.

9 CapEx expenditures) represents monetary expenditures for the purchase of long-term tangible and intangible assets.

Note: The amounts in this section, as well as in the rest of the report, are rounded to one decimal place.

2. EXPECTED BUSINESS DEVELOPMENT IN 2026

The forecasts for 2026 are based on the expected gradual slowdown in economic expansion in Croatia and the euro area, with geopolitical risks still prominent and domestic demand growing moderately. According to the updated projections, the Croatian economy is expected to grow between 2.8% and 2.9% in 2026, which represents a slight slowdown compared to 2025, but still indicates a relatively solid growth pace.

During 2026, the Management Board of the parent company of the Group will continue to implement strategic activities aimed at consolidating operations within the MIP Group and the Čakovečki mlinovi Group and increasing operational efficiency and competitiveness. Further strengthening of the market position is expected through cost optimization, modernization of business processes and expansion of the client base on the domestic and international markets, with an emphasis on strengthening export orientation.

The Group's operations in 2026 will remain influenced by international developments, especially in the context of trade tensions, energy price developments and inflation dynamics. The Group will therefore continue to actively manage risks and monitor changes in the economic environment.

At the date of issuance of this report, the Group has sufficient liquidity to meet all due obligations, and the financial statements are prepared on a going concern basis..

General economic environment

According to the latest projections by the Croatian National Bank and the European Commission, inflation in Croatia in 2026 is expected to slow to around 3.1%, or 2.8% according to the European Commission methodology, indicating a gradual weakening of inflationary pressures after the induced price increases in previous years.

The slowdown in inflation is a consequence of the weakening of fundamental inflationary factors, including slower food price growth and stabilization of energy costs. At the same time, continued wage growth and low unemployment (around 4.5%) will continue to support household consumption.

Investment activity in 2026 will remain driven by the continued use of EU funds, albeit at a slower growth rate compared to the period of strong investment expansion in 2022–2024.

Exports of goods are also expected to continue to grow, while exports of services will remain moderate due to the continued deterioration in the price competitiveness of tourism.

The contribution of net exports to GDP is likely to remain negative due to the growth of household consumption abroad and strong imports of services.

Impact of the war in Ukraine and the Middle East

The prolonged conflicts in Ukraine and the Middle East continue to pose significant negative risks to global and European economic developments. These risks include potential disruptions in supply chains, instability in energy prices and increased defense spending, which could impact investments and operating costs.

Croatia remains relatively unexposed to the direct trade effects of the conflict, while indirect effects through energy and raw material price movements remain present.

The Company has no business exposure to companies from Russia, Belarus or Ukraine this year, nor any ownership links to these markets. Risks related to geopolitical developments are continuously monitored and assessed, with the assessment that there are no threats to the stability of the Company's operations

State price control measures

During 2026, certain government interventions are expected to continue in the segment of prices of basic food products, energy products and services, especially in the context of stabilizing inflation. Given similar

mechanisms applied in 2025, it is possible that the measures will affect margins and pricing strategies in the retail and processing sectors.

The limitation of prices of certain food items could further limit the Group's flexibility in pricing, especially in the segment of flour, bakery products and other basic food items. The Management will continue to compensate for the negative effects through business optimization, cost rationalization and price adjustment in the non-regulated assortment.

ČAKOVEČKI MLINOVI INC.

FINANCIAL STATEMENTS FOR Q1 2026

**STATEMENT OF PERSONS RESPONSIBLE FOR PREPARING THE FINANCIAL
STATEMENTS OF THE ISSUER ČAKOVEČKI MLINOVI INC. FOR THE FIRST QUARTER
OF 2026.**

Pursuant to the provisions of Article 468 of the Capital Market Act, the President of the Management Board of the Company, Mario Sedlaček, and the members of the Management Board, Krešimir Kvaternik and Franjo Plodinec, make the following statement:

To the best of our knowledge:

- The financial statements for the first quarter of 2026, prepared in accordance with appropriate financial reporting standards, provide a true and fair view of the assets and liabilities, financial position, and profit or loss of the issuer.
- The interim management report for the first quarter of 2026 contains an objective overview of the development and results of the issuer's business and position, along with a description of the most significant risks and uncertainties to which it is exposed.

The financial statements for the first quarter of 2026 are not audited.

In Čakovec, April 29, 2025.


For Čakovečke mlinovi Inc.:



Mario Sedlaček
President of the Management Board



Krešimir Kvaternik
Member of the Management Board



Franjo Plodinec
Member of the Management Board

	1.-3. 2026. u '000 EUR	1.-3. 2025. u '000 EUR
Sales revenue	6.463	6.821
Others business revenues	199	12
Business revenues	6.662	6.833
Change values stock production in progress and finished goods products	(167)	(282)
Costs raw material and materials	4.334	4.146
Costs goods sold	169	177
Others external costs	462	465
Costs staff	1.069	1.275
Amortization	273	193
Others costs	208	291
Others business expenses	4	29
Business expenses	6.351	6.294
Operational profit	311	539
Financial revenues	3	66
Financial expenses	30	2
Net financial result	(27)	65
Profit ago taxation	284	603
Tax on profit	(51)	(109)
Net profit	233	495
Others comprehensive profit	-	-
Total comprehensive profit for the year	233	495
Earnings per share for profit attributable to equity holders of the Company during the year (in euros)		
- basic	0,01	0,03
- diluted	0,01	0,03

	31.3.2026.	31.12.2025.
	in '000 EUR	in '000 EUR
Assets		
Non - current assets		
Intangible assets	1.176	1.171
Material assets	6.523	7.334
Real estate investments	2.640	2.660
Investments in shares (stocks) related to participating with interest	79.218	79.218
Financial assets	1	1
Receivables	0	0
Postponed tax assets	77	77
	<hr/>	<hr/>
	89.635	90.459
Short-term assets		
Inventories	7.444	8.230
Receivables	4.689	4.387
Financial assets	43	42
Money in the bank and cash register	784	708
	<hr/>	<hr/>
	12.960	13.367
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TOTAL ASSETS	102.595	103.826
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Capital and reserves		
Fundamental capital	21.262	21.262
Capital reserves	54.909	54.909
Reserves from get	1.677	1.677
Held profit	15.082	14.849
Total capital	<hr/>	<hr/>
	92.930	92.697
<hr/>		
Liabilities		
Long-term liabilities		
Provisions	81	81
Liabilities for loans , deposits and similar	236	58
Liabilities to bank	1.410	1.600
Deferred tax liability	299	299
	<hr/>	<hr/>
	2.026	2.038
Current liabilities		
Liabilities to group enterprises	2.026	3.077
Liabilities for loans, deposits and similar	73	33
Liabilities to bank	2.490	2.800
Liabilities for advances	7	17
Trade payables	902	1.050
Employee benefits payables	196	208
Taxes, contributions and other duties payable	756	673
Liabilities from equity share in profit	27	28
Other short-term liabilities	1.057	1.099
Provisions	104	104
	<hr/>	<hr/>
	7.638	9.089
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TOTAL EQUITY AND LIABILITIES	102.595	103.826

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1-3 2026.

	Share capital in '000 EUR	Capital reserves in '000 EUR	Legal reserves in '000 EUR	Other reserves in '000 EUR	Retained earnings in '000 EUR	Total in '000 EUR
Status as of 1.1.2025.	13.657.177	-	682.859	2.448.652	19.350.387	36.139.075
Profit for the year	-	-	-	-	8.591.115	8.591.115
Other comprehensive income	-	-	-	-	8.591.115	8.591.115
Total comprehensive income/loss	7.605.017	54.909.283	-	-	-	62.514.300
Dividend	-	-	-	-1.454.782	-	-1.454.782
Balance as of 31.12.2025.	-	-	-	-	-40.087	-40.087
Status as of 1.1.2026.	21.262.194	54.909.283	682.859	993.870	14.849.315	92.697.521
Profit/(loss) for the year	21.262.194	54.909.283	682.859	993.870	14.849.315	92.697.521
Other comprehensive loss	-	-	-	-	232.929	232.929
Total comprehensive income/loss	-	-	-	-	232.929	232.929
Payments from members/shareholders	-	-	-	-	232.929	232.929
Dividend	-	-	-	-	-	-
Status as of 31.3.2026.	21.262.194	54.909.283	682.859	993.870	15.082.244	92.930.450

	1-3. 2026. in '000 EUR	1-3. 2025. in '000 EUR
CASH FLOW FROM BUSINESS ACTIVITIES		
Profit ago taxation	284	603
Adjustments :		
Amortization	273	193
Profits and losses on sales and valuable adjustments long-term material and intangible property	(2)	-
Profits and losses on sales and unrealized profits and losses and valuable reconciliation of financial assets	-	-
Interest income and dividends	3	-)
Interest expenses	30	2
Increase or reduction monetary flows ago change in work capital	588	797
Changes in work capital	278	(2.272)
Increase or reduction short-term obligation	(199)	27
Increase or reduction short-term claims	(309)	(833)
Increase or reduction stock	786	(1.467)
Other increases or reduction working capital	-	1
Money from business	866	(1.474)
Cash expenses for interest	-	-
Paid tax on profit	(51)	(109)
NET CASH FLOWS FROM BUSINESS ACTIVITIES	815	(1.583)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash proceeds from the sale of non-current assets	5	1
Cash proceeds from interest	3	66
Cash proceeds from dividends	-	-
Cash proceeds from loans and deposits	-	49
Other cash proceeds from investment activities	807	-
Payments for non-current and current assets	(52)	(30)
NET CASH FLOWS FROM INVESTING ACTIVITIES	763	86
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Cash receipts from principal of loans	1.000	-
Cash expenditures for repayment of principal of loans, borrowings and other borrowings and debt financial instruments	(2.500)	-
Cash outlays for finance lease	(3)	(2)
Payment of dividends	-	(5.042)
Other payments from financial activities	-	-
NET CASH FLOWS FROM FINANCIAL ACTIVITIES	(1.503)	(5.044)
TOTAL NET CASH FLOW	76	(6.541)
Cash and cash equivalents at the beginning of the period	709	14.065
Cash and cash equivalents at the end of the period	784	7.524

NOTE 1 – GENERAL INFORMATION

The company Čakovečki mlinovi Inc. Čakovec, Mlinska ulica 1 (hereinafter referred to as: the Company) has harmonized its general acts with the Companies Act and, on the basis thereof, the Commercial Court in Varaždin, by Decision Tt-95/482-2 on 4 December 1995, entered the Company into the court register. Country of incorporation of the company: Croatia, Company registration number: 03108414 Company OIB: 20262622069.

The Company's share capital on the date of this report amounts to EUR 21,262,193.93, fully paid up and divided into 16,020,000 ordinary dematerialized registered shares, without nominal value. 16,020,000 shares of Čakovečki mlinovi Inc. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML-RA.

From the point of view of the provisions of Article 475, paragraph 3 of the Companies Act, the company MLIN I PEKARE Ltd., Sisak, is the direct controlling company in relation to Čakovečke mlinove Inc., and indirectly in relation to the companies of the Čakovečki mlinove Group, i.e. its subsidiaries, namely the companies TRGOVINA KRK Inc., Malinska, RADNIK OPATIJA Inc., Lovran, TRGOCENTAR Inc., Virovitica, ZAGREBAČKE PEKARNE KLARA Inc., Zagreb, , Zagreb and NewMip Ltd., Sisak (hereinafter together: the "Čakovečki mlinove Group" or the "Group") and one associated company: Narodni trgovačka lanac Ltd. Soblinec. Čakovečki mlinove Inc. prepares the consolidated reports of the Group separately, in addition to the unconsolidated reports of the Company.

The annual consolidated financial statements of the Čakovečki mlinovi Group are available on the Company's website: www.cak-mlinovi.hr.

The Company's business accounts are opened with the following banks:

- HR26 2340 0091 1160 0590 7 in Privredna banka Inc. Zagreb
- HR49 2402 0061 1000 3181 7 in Erste&Steiermarkische bank Inc. Rijeka
- HR92 2360 0001 1025 6133 9 in Zagrebačka banka Inc. Zagreb
- HR59 2407 0001 1007 4868 6 in OTP banka Inc. Split

GROUP ACTIVITIES

The Group generates the majority of its revenue from retail trade, wholesale trade, and the production and sale of food products (flour, bread, pastries, biscuits, waffles, pasta, porridge, edible oils).

COMPANY BODIES

The composition of the Company's bodies as of December 31, 2025 is as follows.

Management Board

- Mario Sedlaček, President of the Management Board
- Krešimir Kvaternik, member of the Management Board
- Franjo Plodinec, member of the Management Board

Supervisory Board

- Damir Metelko, President of the Supervisory Board, independent member
- Vesna Butorac, Deputy President of the Supervisory Board
- Vanja Kutnjak, member of the Supervisory Board, employee representative
- Josip Plodinec, member of the Supervisory Board
- Dragica Plodinec, member of the Supervisory Board

- Prof. Dr. Sc. Mislav Ante Omazić, independent member of the Supervisory Board
- Ema Marušić, independent member of the Supervisory Board

Auditboard

- Vesna Butorac, President of the Audit Committee
- Prof. Dr. Sc. Mislav Ante Omazić, Deputy Chairman of the Audit Committee (independent member)
- Damir Metelko, , independent member
- Vanja Kutnjak, member of the Audit Committee
- Josip Plodinec, member of the Audit Committee
- Ema Marušić independent member of the Audit Committee
- Dragica Plodinec, member of the Audit Committee

Nominations Committee

- Ema Marušić, Chair of the Nomination Committee, independent member
- Damir Metelko, Deputy Chair of the Nomination Committee, independent member
- Prof. Dr. Sc. Mislav Ante Omazić, independent member of the Nomination Committee
- Vesna Butorac, member of the Nomination Committee
- Vanja Kutnjak, member of the Nomination Committee

Remuneration Committee

- Prof. Dr. Sc. Mislav Ante Omazić, Chairman of the Remuneration Committee, independent member
- Vanja Kutnjak, Deputy Chair of the Remuneration Committee
- Vesna Butorac, member of the Remuneration Committee
- Ema Marušić, independent member of the Remuneration Committee
- Damir Metelko, independent member of the Remuneration Committee

SUBSIDIARIES AND ASSOCIATED COMPANIES

Name	Headquarters	Principal activity	Accounting method	Direct ownership /voting rights	Direct ownership /voting rights
				31.3.2026.	31.12.2025.
Radnik Opatija Inc.	Lovran, Croatia	Retail trade; Bakery	Consolidated	100%	100%
Trgovina Krk Inc.	Malinska, Croatia	Retail	Consolidated	87.61%	87.61%
NewMip Ltd.	Sisak, Croatia	Production, Wholesale and retail trade	Consolidated	100%	100%
Zagrebačke Pekarne Klara Inc.	Zagreb, Croatia	Retail trade; Bakery	Consolidated	95.20%	95.20%
Trgocentar Inc.	Virovitica, Croatia	Real estate rental	Consolidated	49.55% / 52.03 %	49.55% / 52.03 %
Narodni trgovački lanac Ltd.	Soblinec, Croatia	Wholesale and retail trade	Equity method	25%	25%
Radnik Opatija Inc.	Lovran, Croatia	Retail trade; Bakery	Consolidated	100%	100%

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of these financial statements are International Financial Reporting Standards and Accounting Policies of Čakovečki mlinovi Inc., and have been consistently applied to all periods presented, unless otherwise stated.

The accounting policies that were applied in the preparation of the audited annual financial statements for 2025 have not been changed and have been applied in the preparation of these financial statements. The stated accounting policies can be found in the audited annual financial statements for 2025, published on the website of the Zagreb Stock Exchange (www.zse.hr).



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