



ČAKOVEČKI MLINOVI INC.

FINANCIAL REPORT
FOR 9M 2025



CONTENT

INTERIM MANAGEMENT REPORT FOR THE PERIOD 1-9 2025.....	3
1. BUSINESS RESULTS IN THE FIRST NINE MONTHS OF 2025	4
<i>BRIEFLY ABOUT THE COMPANY</i>	<i>4</i>
<i>BUSINESS SEGMENT.....</i>	<i>4</i>
<i>KEY FINANCIAL INDICATORS OF THE COMPANY</i>	<i>5</i>
2. EXPECTED BUSINESS DEVELOPMENT IN 2025	6
FINANCIAL STATEMENTS FOR THE PERIOD 1-9 2025	8

Translation Disclaimer

This version of the Quarterly Report is a translation of the original document prepared in the Croatian language. Every effort has been made to ensure that this translation accurately reflects the content of the original. However, in the event of any discrepancies in interpretation, meaning, or intent, the original Croatian version of the Quarterly Report shall prevail.

ČAKOVEČKI MLINOVI INC.

**INTERIM MANAGEMENT REPORT
FOR 9M 2025**

1. BUSINESS RESULTS IN THE FIRST NINE MONTHS OF 2025

BRIEFLY 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, Prehrana trgovina 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 nine months of 2025, Čakovečki mlinovi Inc. generated EUR 31.0 million in total revenue based on total assets in the amount of 108.4 million euros and are on average employed 211 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 30 September 2025, the Company had 16,020,000 issued and 10,290,000 listed shares with a market capitalization of EUR 181 million.

Two dividends were paid in 2025 in the amount of EUR 13,052,100. The first dividend was paid on January 30, 2025 in the amount of EUR 5,042,100 (EUR 0.49 per share) and the second dividend was paid on September 18, 2025 in the amount of EUR 8,010,000 (EUR 0.50 per share).

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-September 2025, 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)	1-9. 2025.	1-9. 2024.	1.-9. 2025. / 1-9. 2024.
Sales revenue	23.4	21.4	9.2%
Operating expenses, net ¹	21.2	19.0	11.7%
EBITDA²	2.2	2.4	-9.9%
Normalized EBITDA³	2.4	2.6	-9.3%
Amortization	0.7	0.7	-4.3%
EBIT ⁴	1.5	1.7	-12.3%
Net financial result ⁵	7.5	7.2	3.8%
Net profit (loss)	8.7	8.6	1.4%

Profit margins⁶			
EBITDA margin	9.3%	11.3%	-2.0 bp
Normalized EBITDA margin	10.1%	12.1%	-2.1 bp
EBIT margin	6.3%	7.9%	-1.6 bp
Net profit margin	37.1%	40.0%	-2.9 bp

BALANCE SHEET (in millions of euros)	30.9.2025.	31.12.2024.	30.9.2025. / 31.12.2024.
Net debt (cash) ⁷	8.3	-14.0	-159.4%
Capital and reserves	95.7	36.1	164.8%
Net working capital ⁸	11.5	6.5	74.9%

CASH FLOWS (in millions of euros)	1-9. 2025.	1-9. 2024.	1.-9. 2025. / 1.-9. 2024.
Net cash flows from operating activities.	5.4	-0.4	-1382.5%
Capital expenditure (CapEx) ⁹	3.1	0.2	1457.2%
Cash expenditures for dividend payments	13.1	1.0	1168.4%

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 (eng. earnings 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 nine months of 2025, the Company recorded EUR 0.2 million in one-off costs (Q3 2024: EUR 0.2 million).

4 EBIT (eng. earnings 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 (capital expenditures) represents financial 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 2025

The forecast for 2025 is based on mild economic growth due to positive developments in the labor market and further inflow of EU funds, with an expected decrease in disposable household income and investments. Due to Croatia's relatively low exposure to the US market, no significant negative effects of the increase in tariffs are expected. The Management Board of the parent company of the Group will continue to work actively on further business development. In this regard, the Management Board of the parent company of the Group will carry out all necessary activities in 2025 to consolidate the operations of the MIP Group and the Čakovečki mlinovi Group with the aim of increasing competitiveness and expanding operations in the relevant market, optimizing costs, and increasing the client base with the planned modernization of operations.

The Group's operations in 2025 are subject to macroeconomic and economic trends in the world and Europe, and the Group will continue with a focused approach to finding opportunities in a dynamic environment.

On the date of publication of this report The Group has sufficient cash position to meet its liabilities as they fall due and therefore prepares its financial statements on a going concern basis.

General economic environment

According to CNB projections from September 2025, somewhat higher inflation is expected in Croatia in 2025 from 4.0% to 4.2% due to the increase in energy and food price inflation. Acceleration of overall inflation in 2025 is contributed by the rise in energy prices, driven by administrative increases in the prices of gas, electricity and thermal energy at the end of 2024 and beginning of 2025, and, to a lesser extent, the increase in food price inflation after the strengthening of ongoing inflationary pressures in the middle of the year. The rise in food prices can be partly explained by the previous rise in the prices of certain food raw materials, the transfer of higher wage costs to prices and strong domestic demand. The risks of higher inflation are mainly related to geopolitical tensions that could result in higher allocations for defense and thus higher prices of energy and other raw materials, trade barriers and stronger than expected wage growth.

The Croatian economy is expected to continue growing relatively strongly in 2025 and 2026, but with the expansion slowing to around 3% on average, after real GDP growth accelerated to 3.9% in 2024. Real disposable income growth will gradually weaken, although it will continue to support personal consumption thanks to higher wages and employment. A more moderate increase in investment is also expected after three years of double-digit growth, but with a continued strong contribution from EU funds and more favorable financing conditions.

Strengthening external demand could support exports, but the price uncompetitiveness of tourism and the growth in services imports will limit the positive impact, so the contribution of net exports to GDP growth could remain negative. Risks remain, primarily due to geopolitical and trade tensions, while higher military investment in the EU could have a growth-enhancing effect.

Impact of the war in Ukraine and the Middle East

The extended duration of the wars in Ukraine and the Middle East represent negative risks for global trends and the economic growth of the Eurozone, which ultimately affects the Croatian economy.

As of the date of this report, the Group has no relationship with, nor exposure to, companies from Russia, Belarus or Ukraine. The Group maintains all business operations in Croatia, to a lesser extent The Group's

foreign revenues relate to EU countries. Also, the parent company Čakovečki mlinovi Inc. does not have any shareholders from Russia or Belarus, nor does it directly or indirectly hold ownership interests in entities in those countries.

There is no direct exposure to the mentioned countries. The management continuously considers all risks associated with external geopolitical movements and assesses that these risks do not threaten the stability of the Group's operations.

State price control measures

State price control measures have limited the prices of flour type T-550 smooth and T-400 sharp, wheat bread, instant polenta, Kaiser rolls, and barley porridge from January 31, 2025, which prevents them from having an active pricing policy and indexing costs that affect the price of the final product.

ČAKOVEČKI MLINOVI INC.

**FINANCIAL STATEMENTS
FOR 9M 2025**

**STATEMENT OF PERSONS RESPONSIBLE FOR PREPARING THE FINANCIAL
STATEMENTS OF THE ISSUER ČAKOVEČKI MLINOVI INC. FOR THE PERIOD 1-9 2025.**

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:

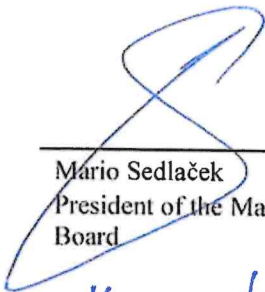
To the best of our knowledge:

- The financial statements for the third quarter of 2025, or for the first nine months of 2025, were prepared using appropriate financial reporting standards and provide a true and fair view of the issuer's assets and liabilities, financial position, profit or loss.
- The interim management report for the third quarter of 2025, or for the first nine months of 2025, 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.

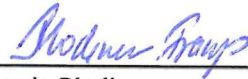
The financial statements for the third quarter of 2025 and the first nine months of 2025 have not been audited.

In Čakovec, October 30, 2025.

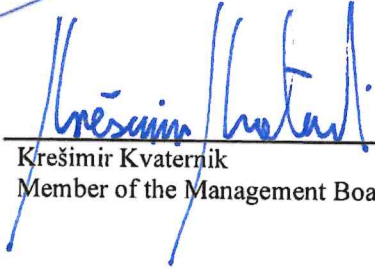
For Čakovečke mlinove Inc.:



Mario Sedlaček
President of the Management
Board



Franjo Plodinec
Member of the Management Board



Krešimir Kvaternik
Member of the Management Board

	1-9. 2025. in '000 EUR	1-9. 2024. in '000 EUR	7-9. 2025. in '000 EUR	7-9. 2024. in '000 EUR
Sales revenue	23,371	21,396	8,979	7,661
Other operating income	125	87	13	1
Business income	23,496	21,483	8,992	7,662
Change in the value of work in progress and finished goods inventories	456	(37)	(275)	12
Raw material and material costs	(14,298)	(12,749)	(5,182)	(4,349)
Cost of goods sold	(478)	(496)	(105)	(174)
Other external costs	(1,895)	(1,438)	(745)	(442)
Personnel costs	(4,175)	(3,553)	(1,505)	(1,181)
Amortization	(700)	(732)	(319)	(210)
Other costs	(895)	(762)	(243)	(332)
Value adjustments	(1)	-	-	-
Other business expenses	(29)	(26)	(10)	(5)
Business expenses	(22,015)	(19,793)	(8,384)	(6,681)
Operating profit	1,481	1,690	608	981
Financial income	7,509	7,213	16	7,095
Financial expenses	(25)	(3)	(20)	(2)
Net financial result	7,484	7,210	(4)	7,093
Profit before tax	8,965	8,900	603	8,074
Income tax	(288)	(342)	(109)	(193)
Net profit	8,677	8,558	495	7,881
Total comprehensive income for the year	8,677	8,558	495	7,881
Earnings per share for profit attributable to shareholders of the Company during the year (in euros)				
- basic	0.54	0.53	0.03	0.49
- diluted	0.54	0.53	0.03	0.49

	30.9.2025. in '000 EUR	31.12.2024. in '000 EUR
Assets		
Fixed assets		
Intangible assets	4,909	5
Tangible assets	7,953	3,159
Real estate investments	2.69	2,804
Investments in shares (stocks) linked by participating interest	77,449	10,537
Financial assets	1	1
Deferred tax assets	119	119
	93,125	16,625
Current assets		
Supplies	8,532	4,582
Receivables	5,560	3,878
Financial assets	58	56
Money in the bank and cash register	1,142	14,065
	15,292	22,581
TOTAL ASSETS	108,417	39,206
Capital and reserves		
Share capital	21,262	13,657
Capital reserves	54,909	-
Reserves from profit	3,132	3,132
Revaluation reserves	1,410	-
Fair value reserves	-	-
Retained earnings	14,975	19,350
	95,688	36,139
Minority interests	-	-
Total capital	95,688	36,139
Obligations		
Long-term liabilities		
Reservations	412	412
Obligations for loans, deposits and the like	1,666	34
Deferred tax liability	310	-
	2,388	446
Short-term liabilities		
Obligations towards entrepreneurs within the group	78	121
Obligations for loans, deposits and the like	7,836	18
Liabilities for advances	3	0
Accounts payable	1,750	1,720
Obligations towards employees	336	292
Obligations for taxes, contributions and similar benefits	272	397
Liabilities based on share in results	28	29
Other short-term liabilities	15	21
Reservations	23	23
	10,341	2,620
TOTAL LIABILITIES	108,417	39,206

	Share capital in '000 EUR	Capital reserves in '000 EUR	Legal reserves in '000 EUR	Other reserves in '000 EUR	Revaluation reserves in '000 EUR	Retained earnings in '000 EUR	Total in '000 EUR
Status as of 1.1.2024.	13,657	0	683	2,449	-	11,762	28,551
Profit for the year	-	-	-	-	-	8,617	8,617
Other comprehensive income	-	-	-	-	-	-	0
Total comprehensive income/loss	-	-	-	-	-	8,617	8,617
Dividend	-	-	-	-	-	(1,029)	(1,029)
Balance as of 31.12.2024.	13,657	-	683	2,449	-	19,350	36,139
Status as of 1.1.2025.	13,657	-	683	2,449	-	19,350	36,139
Profit/(loss) for the year	-	-	-	-	-	8,677	8,677
Other comprehensive loss	-	-	-	-	-	-	-
Total comprehensive income/loss	-	-	-	-	-	8,677	8,677
Payments from members/shareholders	7,605	54,909	-	-	-	-	62,514
Dividend	-	-	-	-	-	(13,052)	(13,052)
Other non-ownership changes in capital	-	-	-	-	1,410	1,410	1,410
Status as of 30.9.2025.	21,262	54,909	683	2,449	1,410	14,975	95,688

	1-9. 2025. in '000 EUR	1-9. 2024. in '000 EUR
CASH FLOW FROM BUSINESS ACTIVITIES		
Profit before tax	8,965	8,900
Adjustments:		
Amortization	700	732
Gains and losses from the sale and value adjustments of long-term tangible and intangible assets	(67)	(29)
Value adjustment of trade receivables	1	-
Interest and dividend income	(7,509)	(7,210)
Reservations	27	-
Other adjustments for non-cash transactions and unrealized gains and losses	-	18
Increase or decrease in cash flows before changes in working capital	2,117	2,414
Changes in working capital	3,608	(2,738)
Increase or decrease in short-term liabilities	9,331	(308)
Increase or decrease in current receivables	(1,774)	(1,135)
Increase or decrease in inventory	(3,951)	(1,295)
Other increases or decreases in working capital	2	-
Cash from business	5,725	(327)
Cash expenses for interest	-	(2)
Paid income tax	(288)	(98)
NET CASH FLOWS FROM BUSINESS ACTIVITIES	5,439	(424)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash receipts from the sale of fixed assets and intangible assets	67	30
Cash receipts from interest	141	210
Cash receipts from dividends	7,369	7,003
Cash receipts based on the return of loans and savings deposits	88	-
Cash expenditures for the purchase of long-term tangible and intangible assets	(3,075)	(197)
Acquisition of a subsidiary, net of cash acquired	(343)	
Other cash expenditures from investment activities	(9,549)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(5,302)	7,046
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Cash expenses for financial lease	(6)	(11)
Cash expenditures for dividend payments	(13,052)	(1,029)
NET CASH FLOWS FROM FINANCIAL ACTIVITIES	(13,058)	(1,040)
TOTAL NET CASH FLOW	(12,923)	5,581
Cash and cash equivalents at the beginning of the period	14,065	5,384
Cash and cash equivalents at the end of the period	1,142	10,965

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. 10,290,000 shares of Čakovečki mlinovi Inc. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML-RA, and 5,730,000 shares with the symbol CKML-RB, which were issued in accordance with the decision of the General Assembly of the Company dated 15 January 2025 on increasing the share capital by rights issues by issuing ordinary shares with partial exclusion of pre-emptive rights of existing shareholders, will also, in accordance with the decision of the General Assembly of the Company dated 15 January 2025, be listed on the Official Market of the Zagreb Stock Exchange in the future.

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, PREHRANA TRGOVINA Inc., 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

COMPANY ACTIVITIES

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

NOTE 1 – GENERAL INFORMATION (CONTINUED)

COMPANY BODIES

The composition of the Company's bodies as of September 30, 2025 is as follows.

Management Board

- Mario Sedlaček, President of the Management Board
- Krešimir Kvaternik, member of the Management Board
- Marijan Sršen, 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

NOTE 1 – GENERAL INFORMATION (CONTINUED)***SUBSIDIARIES AND ASSOCIATED COMPANIES***

Name	Headquarters	Principal activity	Accounting method	Direct ownership /voting rights	Direct ownership /voting rights
				30.9.2025.	31.12.2025.
Radnik Opatija Inc.	Lovran, Croatia	Retail trade; Bakery	Consolidated	100%	100%
Trgovina Krk Inc.	Malinska, Croatia	Retail	Consolidated	99.99%	100%
NewMip Ltd.	Sisak, Croatia	Production, Wholesale and retail trade	Consolidated	100%	0%
Prehrana Trgovina Inc.	Zagreb, Croatia	Retail	Consolidated	92.90%	0%
Zagrebačke Pekarne Klara Inc.	Zagreb, Croatia	Retail trade; Bakery	Consolidated	89.54%	0%
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%

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 2024 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 2024, published on the website of the Zagreb Stock Exchange (www.zse.hr).



Mlinska ulica 1, 40000 Čakovec, Hrvatska, centrala: 040 375 555, fax: 040 375 558
e-mail: mlinovi@cak-mlinovi.hr, www.cak-mlinovi.hr