



**ČAKOVEČKI
MLINOVI**

-1893-

ČAKOVEČKI MLINOVI D.D.

**ANNUAL REPORT
FOR 2025**



CONTENTS

	Page
1. MANAGEMENT REPORT FOR 2025	3
2. STATEMENT ON THE APPLICATION OF THE CODE OF CORPORATE GOVERNANCE FOR 2025	17
3. RESPONSIBILITY OF THE MANAGEMENT BOARD FOR THE PREPARATION AND APPROVAL OF THE ANNUAL REPORT	22
4. STATEMENT OF PERSONS RESPONSIBLE FOR THE PREPARATION OF FINANCIAL STATEMENTS	23
5. INDEPENDENT AUDITOR'S REPORT	24
6. FINANCIAL STATEMENTS FOR 2025	
SEPARATE STATEMENT OF COMPREHENSIVE INCOME	31
SEPARATE STATEMENT OF FINANCIAL POSITION	32
SEPARATE CASH FLOW STATEMENT	33
SEPARATE STATEMENT OF CHANGES IN EQUITY	34
NOTES TO SEPARATE FINANCIAL STATEMENTS	35

ČAKOVEČKI MLINOVI D.D.

MANAGEMENT REPORT
FOR 2025

1. CORE BUSINESS AND GENERAL INFORMATION

BRIEFLY ABOUT THE COMPANY

Čakovečki mlinovi d.d. (hereinafter: "Čakovečki mlinovi" or "the Company"), founded in 1893 in Čakovec, is one of the oldest Croatian food and trade companies. The Company operates a vertically integrated business model that includes the production of high-quality milling, bakery and oil products on the one hand and grocery retail on the other. Although food production is a tradition and heritage of the Company, the Company has grown into a business system through a series of successful acquisitions and integration of retail chains that today generates most of its revenue from trade activities.

In 2025, as of February 1, 2025, the Company increased its share capital via a contribution in rights and, as a result of the transaction, acquired control over the companies, Zagrebačke pekarnice Klara d.d. and NewMip d.o.o., therefore, as of February 1, 2025, Čakovečki mlinovi d.d. has five subsidiaries: Trgovina Krk d.d. Malinska, Trgocentar d.d. Virovitica, Radnik Opatija d.d. Lovran, Zagrebačke pekarnice Klara d.d., Zagreb, and NewMiP d.o.o., Sisak (hereinafter jointly: "Group Čakovečki mlinovi" or "Group") and one associate company: Narodni trgovački lanac d.o.o. Soblinec.

In 2025, Čakovečki mlinovi d.d. generated EUR 38,1 million in total revenues based on total assets in the amount of EUR 103.6 million and employed an average of 175 employees on an hourly basis. According to the Accounting Act (OG 85/24, 145/24), the company Čakovečki mlinovi d.d. belongs to a medium-sized group of entrepreneurs.

Shares of Čakovečki mlinovi d.d. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML. As of December 31, 2025, the Company had issued and listed 16.020.000 shares with a market capitalization of EUR 176.220.000.

In 2025, the Company paid a dividend on two occasions, with a total value of EUR 13,052,100.00: The first dividend was paid in accordance with the decision of the General Assembly of the Company held on January 15, 2025, which approved the payment of a dividend in the amount of EUR 0.49 per share. The dividend was paid to the Company's shareholders from retained earnings generated in 2018, 2019 and 2020, in the total amount of EUR 5,042,100.00. The dividend payment was made on January 30, 2025.

The second dividend was paid in accordance with the decision of the General Assembly of the Company held on August 18, 2025, which approved the payment of dividend in the amount of EUR 0.50 per share. The dividend was paid to the shareholders of the Company from a part of the net profit generated in 2024, in the total amount of EUR 8,010,000.00. The dividend payment was made on September 18, 2025.

BUSINESS SEGMENT

The company Čakovečki mlinovi d.d. 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 2025, in order to obtain complete information on the financial position and results of the Company's operations.

In 2025, the Company generated 5.6% of sales revenues abroad (2024: 5.7%). For more details on the geographical structure of the Company's foreign sales revenues, see note 4 – Sales revenues (outside the group) in the attached financial statements.

CORPORATE BODIES AND CORPORATE GOVERNANCE

The corporate governance of the Company is based on a dualistic system and structure consisting of the Supervisory Board and the Management Board of the Company. In accordance with the Articles of Association and the Companies Act, the Supervisory Board and the Management Board, together with the General Assembly, represent the three basic bodies of the Company. The specific management power and responsibilities of these managing bodies are regulated by the applicable Croatian legislation, the Company's Articles of Association and the Corporate Governance Code, as well as regulations or prescribed acts.

Based on the Company's Articles of Association from January 15, 2025, the General Assembly of the Company elects four members of the Supervisory Board. In accordance with the provision of Article 23 paragraph 1 of the Company's Articles of Association, one member of the Supervisory Board is appointed and revoked by (i) AZ d.o.o. company for the management of mandatory and voluntary pension funds and (ii) PBZ CROATIA OSIGURANJE d.d. for the management of mandatory pension funds, while one member of the Supervisory Board is appointed and recalled by the employees of the Company in the manner prescribed by law.

Members of the Supervisory Board are elected for a term of four years. The Supervisory Board appoints the members of the Management Board of the Company for a term of up to five years.

During 2025, the composition of the Company's Management Board, the Supervisory Board and the Supervisory Board's subcommittees were subject to multiple changes. The Company has publicly informed the relevant stakeholders about all these changes, in accordance with the prescribed obligations, without delay (details available on the Company's website: <https://cak-mlinovi.hr/obavijesti/>).

Composition of the Management Board of the Company as of December 31, 2025:

- Mario Sedlaček, President of the Management Board,
- Franjo Plodinec, Member of the Management Board and
- Krešimir Kvaternik, Member of the Management Board.

All members of the Management Board are authorized to represent the Company independently and individually.

Composition of the Supervisory Board of the Company as of December 31, 2025:

- Damir Metelko, Chairman of the Supervisory Board,
- Vesna Butorac, Deputy Chairman of the Supervisory Board
- Dragica Plodinec, Member of the Supervisory Board
- Josip Plodinec, Member of the Supervisory Board,
- Ema Marušić, Member of the Supervisory Board,
- prof.dr.sc. Mislav Ante Omazić, Member of the Supervisory Board and
- Vanja Kutnjak, member of the Supervisory Board, representative of the workers.

During 2025, the Supervisory Board held a total of sixteen sessions.

The Management Board and the Supervisory Board of the Company act at sessions, electronically or by correspondence, in accordance with the provisions of the Company's positive regulations and acts.

More details on corporate governance in the Company in 2025 are available below and in the Consolidated Statement on the Application of the Code of Corporate Governance.

Changes in the composition of the Management Board in 2025

- By the decision of the Supervisory Board of the Company of April 10, 2025, the number of members of the Management Board was increased to four members, and Franjo Plodinec was appointed as a member of the Management Board, along with Mario Sedlaček, Krešimir Kvaternik and Marijan Sršen.
- By the decision of the Supervisory Board of the Company of October 1, 2025, Marijan Sršen's mandate was not extended to the position of a member of the Management Board and a decision was made that he will not be reappointed to the said position.
- By the decision of the Supervisory Board from 1 October 2025 until the appointment of a new member of the Management Board – Chief Financial Officer, the responsibilities and duties of the member of the Management Board – Chief Financial Officer, temporarily, for a period of three

months (from 2 October 2025 to 3 January 2026), will be taken over by Member of the Management Board Krešimir Kvaternik.

- By the decision of the Supervisory Board of the Company of December 22, 2025, the mandate of Krešimir Kvaternik, Member of the Management Board, is extended for a further six months (from January 4, 2026 to July 4, 2026) as a member of the Management Board - Chief Financial Officer.

Changes in the composition of the Supervisory Board in 2025

- On 18 February 2025, Franjo Plodinec, Josip Plodinec Jr. and Igor Komorski, members of the Supervisory Board, also members of the Audit Committee and other subcommittees, resigned from their duties, with effect from 9 April 2025. On April 7, 2025, Damir Metelko, a member of the Supervisory Board of the Company, as well as a member of the Audit Committee and other subcommittees, resigned from his duties, with effect from April 9, 2025. On April 8, 2025, prof. dr. sc. Mislav Ante Omazić, a member of the Supervisory Board, as well as a member of the Audit Committee and other subcommittees, has resigned from his positions, with effect from 9 April 2025;
- By the decision of the General Assembly of April 9, 2025, the following are elected as members of the Supervisory Board Dragica Plodinec, Josip Plodinec Sr., Mrs. Ema Marušić and Mrs. Vesna Butorac;
- In accordance with the provision of Article 23 para. 1 of the Company's Articles of Association, the shareholders of PBZ CROATIA OSIGURANJE d.d. and Allianz ZB d.d. on 10 April 2025 appointed Professor Mislav Ante Omazić and Damir Metelko to the members of the Supervisory Board of the Company.

General Assemblies in 2025

In 2025, three General Assemblies of the Company were held. At the General Assembly, which was held on 15 January 2025, the following key decisions were adopted: a decision on the payment of dividends from retained earnings, a decision on the increase of the Company's share capital by issuing ordinary shares to contributions in rights with partial exclusion of the right of priority in the subscription of new shares, a decision on the change of the subject of business, a decision on the amendment of the Company's Articles of Association, a decision on the listing of the Company's shares on the official market of the Zagreb Stock Exchange d.d., At the General Assembly, held on April 9, 2025, a decision was made on the election of members of the Supervisory Board of the Company.

At the General Assembly, held on 18 August 2025, the following key decisions were adopted: a decision on the use of profit for 2024, a decision on the payment of dividends, a decision on granting discharge to the members of the Management Board and the Supervisory Board for 2024, a decision approving the report on the remuneration of members of the Management Board and the Supervisory Board for 2024, the decision on the approval of the Agreement on the transfer of the bakery business unit, the decision on the appointment of the Company's auditor for 2025 and 2026 and the decision on the remuneration of the members of the Supervisory Board.

All decisions of the General Assembly were published in accordance with legal regulations and are available on the websites of Čakovečki mlinovi (www.cak-mlinovi.hr) and the Zagreb Stock Exchange (www.zse.hr).

CVs of the members of the Supervisory Board

Damir Metelko

Chairman of the Supervisory Board

He graduated from the Faculty of Law in Zagreb. He began his career in 1991 at the law firm Hanžeković & Radaković d.o.o. as an attorney. In 2003, he became a member of the company, i.e. partner, and later a member of the Management Board. He held this position until 2020. He continues his career at the Law Firm Metelko, Knežević & Partners d.o.o. as a partner and member of the Management Board. He is a member of the Croatian Chamber of Commerce, the Executive Board of the Croatian Chamber of Commerce, the Board of Directors of the Croatian Chamber of Commerce and the Taxation Commission – ICC Croatia.

He has been a member of the Supervisory Board of Čakovečki mlinovi since August 2020, since September 2023 he has held the position of Deputy Chairman of the Supervisory Board, and since November 2024 he has become the President of the Supervisory Board. He acts as an independent member of the Supervisory Board of Čakovečki mlinovi.

Vesna Butorac

Deputy Chairman of the Supervisory Board

She started her career in 1982 as an intern in planning and analysis at Metalotehna d.o.o. Sisak. She has been working in this company for 11 years in various positions, as an independent planner, analyst, plan and analysis manager, director of the work community and director of the company. From 1993 to 2002 she worked as an inspector in the Ministry of Finance, Financial Police. In 2002, she was employed at Segestica d.o.o. as director of finance and accounting. In 2005, she became the director of finance and accounting at the company Mlin i pekare d.o.o. Sisak. From March 2007 onwards, she was the director (member of the board) of the company Mlin i pekare d.o.o. Sisak. In the period from 2021 to 2023, she held the position of a member of the supervisory board at Zagrebačka pekarnice Klara d.d. She is the President of the Supervisory Board in the company Papuk d.o.o. Našice. She has been a member of the Supervisory Board of Čakovečki mlinovi since April 2025

Josip Plodinec Sr.

Member of the Supervisory Board

He obtained the title of wood industry engineer at the Faculty of Forestry in Zagreb. He started his career in 2002 in the company Plodinec d.o.o., and in 2003 he moved to the position of advisor to the Management Board in Mlin i Pekare d.o.o. In 2009, he was appointed director of the company Prehrana trgovina d.d. Zagreb. After that, he again took over the position of advisor to the Management Board in the company Mlin i pekare d.o.o. Sisak. He is currently a director at NewMip d.o.o. Sisak. He is the President of the Supervisory Board at Mlin i pekare d.o.o., a member of the Supervisory Board at Zagrebačke pekarnice Klara d.d. and Prehrana trgovina d.d. and a director (member of the Management Board) at Plodinec d.o.o. He has been a member of the Supervisory Board of Čakovečki mlinovi d.d. since April 2025.

Mislav Ante Omazić, Professor, PhD

Member of the Supervisory Board

He received his PhD from the Faculty of Economics and Business in Zagreb, in the scientific field of economics, branches of organization and management. He is the author of many scientific and professional projects and a guest lecturer at numerous educational institutions in Croatia and abroad.

He began his career in 2008 as an assistant professor for organization and management at the Faculty of Economics and Business in Zagreb, in 2013 he became the head and associate professor, and in 2014 he held the position of Vice-Dean for Teaching, Students and Quality Management. He gained knowledge and experience in the field of corporate governance and the functioning of management bodies during his work on the Supervisory Board of the Zagreb Stock Exchange Inc. and Hrvatska poštanska banka d.d., and as the President of the Board of Directors of the Institute of Economics in Zagreb. Today, he is a full professor at the Department of Organization and Management at the Faculty of Economics and Business in Zagreb.

He is currently the President of the Management Board of IEDC – Bled Business School, where he contributes to the development of strategic initiatives and business management at the international level.

He has been a member of the Supervisory Board of Čakovečki mlinovi d.d. since August 2024. He acts as an independent member of the Supervisory Board of Čakovečki mlinovi.

Vanja Kutnjak

Member of the Supervisory Board

He graduated from the College of Security where he earned a master's degree in safety and security engineering. He attended postgraduate studies at the Faculty of Organization and Informatics in Varaždin, majoring in Business Systems Management. In 1989, he began his career in Čakovečki mlinovi d.d. During his work, he was trained to perform the function of an occupational safety and fire protection expert. Thirty-five years of work experience in Čakovečki mlinovi d.d. is marked by the experience of working in the maintenance, laboratory and technical service departments. In 2021, he took over the position of Head of the Technical Service, which is responsible for the entire investment maintenance, fleet and procurement management, and management of the safety department and laboratory.

He has been a member of the Supervisory Board of Čakovečki mlinovi since March 2024.

Dragica Plodinec

Member of the Supervisory Board

She began her career, as a merchant, after graduating from high school, in OPZ Turopolje. During the 1980s, she and her husband were engaged in the cultivation and marketing of vegetables. In 1990, she founded the company Plodinec d.o.o., and in 1991 she started her own mill with her husband. She is a member of the supervisory board in the following companies: Mlin i pekare d.o.o. and Prehrana trgovina d.d. She has been a member of the Supervisory Board of Čakovečki mlinovi since April 2025.

Emma Marušić

Member of the Supervisory Board

She graduated from the Faculty of Law in Zagreb in 2003. She began her career as a trainee lawyer with attorney Anđelko Jurešek. From 2004 to 2014, she worked at the Law Firm Divjak, Topić & Bahtijarević, first as a trainee lawyer and then as an attorney. Since 2006 she has been a full-time court interpreter for the English language. In 2014, she founded her own law office, where she still works. She has been a member of the Supervisory Board of Čakovečki mlinovi since April 2025.

Subcommittees of the Supervisory Board

The Supervisory Board of the Company established the following subcommittees: the Audit Committee, the Nomination Committee and the Remuneration Committee.

In addition to the tasks laid down in Regulation (EU) No 537/2014, the Audit Committee shall have the following tasks:

- reports to the Supervisory Board on the outcome of the statutory audit and explains how the statutory audit has contributed to the integrity of financial reporting and explains the role of the audit committee in this process,
- monitors the financial reporting process, including the reporting process in electronic format in accordance with the law governing the accounting of entrepreneurs, and submits recommendations or proposals to ensure its integrity,
- with regard to financial reporting, monitors the effectiveness of the internal quality and risk management systems and, where applicable, internal audit, without compromising its independence;
- monitors the performance of statutory audits of annual financial statements and consolidated annual financial statements,
- examines and monitors the independence of the audit firm in accordance with the Audit Act and Regulation (EU) No. Regulation (EU) No 537/2014, and in particular the appropriateness of providing non-audit services subject to its prior approval,
- is responsible for the audit firm selection process and proposes the appointment of the audit firm.

With regard to sustainability reporting and the verification of sustainability reporting, it has the following tasks:

- reports to the Supervisory Board on the outcome of the assurance of sustainability reporting and explains how the assurance of sustainability reporting has contributed to the integrity of sustainability reporting and explains the role of the Audit Committee in this process;
- monitors the sustainability reporting process, including the process of reporting in electronic format in accordance with the law governing the accounting of undertakings and the process carried out to determine the information to be reported in accordance with the sustainability reporting standards as regulated by the implementing acts of the European Commission, and submits recommendations or proposals to ensure its integrity,
- with regard to sustainability reporting, including the process of reporting in electronic format in accordance with the law governing the accounting of undertakings, monitors the effectiveness of the internal quality management system and the risk management system and, where applicable, internal audit, without violating its independence,
- monitors the performance of the verification of sustainability reports,
- examines and monitors the independence of the audit firm in accordance with the Audit Act,
- is responsible for the audit firm selection process and proposes the appointment of the audit firm.

The composition of the Audit Committee as of 31 December 2025 is as follows: Vesna Butorac (President), Mislav Ante Omazić (Deputy Chair), Damir Metelko (Member), Ema Marušić (Member), Dragica Plodinec (Member), Josip Plodinec Sr. (member) and Vanja Kutnjak (member).

In 2025, the Audit Committee held six meetings.

Nominations Committee – main responsibilities:

- overseeing the appointment process to the Supervisory Board and Management Board to ensure that it is fair, transparent and non-discriminatory, promotes diversity, inclusion and equal opportunities, and achieves gender balance;
- developing descriptions of roles and candidates for each vacancy in accordance with the profile of the Management Board or the Supervisory Board (if necessary, in consultation with the President of the Management Board or the Supervisory Board) and identifying and recommending suitable candidates to the Supervisory Board
- when searching for independent candidates of the Supervisory Board, determines that the candidates are independent and on the basis of which criteria (as defined in Appendix A)
- agreeing on the terms of appointment with potential new members of the Management Board or the Supervisory Board, including the expected time required to perform their function
- preparing a succession plan for the reappointment or replacement of members of the Supervisory Board and the Management Board, in consultation with the Chairman of the Supervisory Board or the Management Board
- overseeing progress in achieving the percentage of female board and supervisory board members and senior management
- supervising the management policy in the selection and appointment of senior management
- supervising the implementation of internal evaluation and a survey on workers' perceptions of gender equality and equal opportunities in the Company.

The composition of the Nominations Committee as of 31 December 2025 is as follows: Ema Marušić (Chair), Damir Metelko (Deputy Chair), Vanja Kutnjak, Mislav Ante Omazić, Vesna Butorac (members).

In 2025, the Nominations Committee held two sessions.

Remuneration Committee – main responsibilities:

- recommend to the Supervisory Board the remuneration policy for members of the Management Board at least every three years, taking into account the amount and structure of remuneration of senior management and employees as a whole, and carry out a preliminary assessment of the effects of the said policy on gender equality for equal work and/or work of equal value; recommend annually to the Supervisory Board the remuneration that should be received by members of the Management Board, based on the assessment of the Company's results and their personal results, and after consultation with the President of the Management Board, taking into account the equality of remuneration of different sexes for equal work and/or work of equal value, recommend to the Supervisory Board the remuneration policy for members of the Supervisory Board, which will be given for approval to the General Assembly and carry out a preliminary assessment of the effects of the said policy on equality of remuneration of different sexes for equal work and/or work of equal value, monitor the amount and the remuneration structure of senior management and workers as a whole, taking into account gender pay equality for equal and/or work of equal value, and make recommendations to the management on its policies, and
- supervise the preparation of the legally prescribed mandatory annual report on receipts for the approval of the Supervisory Board.

The composition of the Remuneration Committee as of 31 December 2025 is as follows: Mislav Ante Omazić (President), Vanja Kutnjak (Deputy Chairman), Damir Metelko, Ema Marušić, Vesna Butorac (members).

In 2025, the Remuneration Committee held three sessions.

In 2025, the members of the Supervisory Board and its subcommittees achieved the following attendance at the sessions:

	Supervisory Board	Audit Committee	Nomination Committee	Remuneration Committee
Damir Metelko	15/16	6/6	2/2	3/3
Igor Komorski	2/3	1/1	-	-
Franjo Plodinec	3/3	1/1	-	-
Josip Plodinec Jr.	3/3	1/1	-	-
Vanja Kutnjak	16/16	6/6	2/2	3/3
Mislav Ante Omazić	16/16	6/6	2/2	3/3
Vesna Butorac	13/13	5/5	2/2	3/3
Josip Plodinec Sr.	13/13	5/5	-	-
Ema Marušić	13/13	5/5	2/2	3/3
Dragica Plodinec	13/13	5/5	-	-

CVs of Management Board members

Mario Sedlaček

President of the Management Board

He graduated from the Faculty of Economics in Osijek, majoring in financial management. In 2012, he completed his postgraduate studies and obtained the title of Master of Science. He started his career at Papuk d.d., where he worked in the sales sector, and in 2004 he moved to Metalija-Trans d.o.o. as a retail and wholesale manager. He gained his further professional experience in renowned companies such as Hofer KG, Mercator-H d.o.o., Spar Hrvatska d.o.o. and PP Orahovica, in positions that included management, planning, organization and control of operations in the areas of procurement, sales and production. Since 2016, he has held the position of director in the company Papuk Našice d.o.o., which he will leave in 2024, simultaneously with his appointment as President of the Management Board of Čakovečki mlinovi d.d. Since 2024, he has been the President of the Management Board of Agro-Čepin d.o.o., which he will leave in May 2025.

Franjo Plodinec

Member of the Management Board

He graduated in 2008 from the Faculty of Economics and Business in Zagreb. He started his career in 2004 in the company Plodinec d.o.o., then continued his work in the company Zagrebačke pekarnе Klara d.d., first as an advisor to the Management Board, then as the director of the commercial sector and since 2012 again as an advisor to the Management Board, a function he still performs today. He is the President of the Supervisory Board of Zagrebačke pekarnе Klara d.d., Radnik Opatija d.d. and Trgovina Krk d.d. He is a member of the Supervisory Board of Papuk Našice d.o.o. and a director of Coolway d.o.o. Since May 2025, he has been a member of the Management Board of Čakovečki mlinovi d.d.

Krešimir Kvaternik

Member of the Management Board

He holds a BA in International Economics and Political Science from the University of California, Los Angeles. He is completing an MBA, a master's degree in business management at the IEDC Bled School of Management. He began his career in 1998, in the consulting company Ernst & Young Management Consultant and continued at Deloitte, in charge of providing consulting services to renowned Croatian and foreign companies in Croatia and the region. He continued his career path at CEMEX as a manager for strategic planning, acquisitions and business development, and then as CFO at the Financial Agency, and subsequently at STSI d.o.o., INA Group. He then continued his business career as a member of the Management Board for Restructuring, Sales and Procurement at Petrokemija. In 2015, he founded the startup Intelligent Warranty and at the same time worked at Zagreb Holding d.o.o. as a financial director, and in the same year he moved to HAC-ONC d.o.o. as a member of the Management Board in charge of IT and toll fees. From 2016 to 2021, he worked in the company ADRIATIC WATCH 22. d.o.o. as a procurator. He is the director of 5i Digital d.o.o. He is the Deputy Chairman of the Supervisory Board of Radnik Opatija d.d. and Trgovina Krk d.d. and a member of the Supervisory Board of Trgocentar d.d. and Zagrebačke pekarnе Klara d.d. By the Decision of the Supervisory Board, he temporarily performs the function of Chief Financial Officer in the Company as of October 2025.

2. SUBSIDIARIES AND AFFILIATES

Below is an overview of the affiliated companies of the parent company Čakovečki mlinovi d.d. as of December 31, 2025. The Company has no registered branches.

Company Name	Headquarters	Main activity	Type of connection	Share of the direct parent in the capital / Voting rights 31.12.2025.	Share of the direct parent in the capital / Voting rights 31.12.2024.
Trgovina Krk d.d.	Malinska, Croatia	Retail	Direct	87.61%	100%
NewMip d.o.o.	Sisak, Croatia	Production, Wholesale and retail trade	Direct	100%	0%
Zagrebačke pekarnice Klara d.d.	Zagreb, Croatia	Retail trade; Bakery	Direct	94.27%	0%
Trgocentar d.d.	Virovitica, Croatia	Rental properties	Indirect	49.55% / 52.03 %	49.55% / 52.03 %
Narodni trgovački lanac d.o.o.	Soblinec, Croatia	Wholesale and retail trade	Indirect	25%	25%
Radnik Opatija d.d.	Lovran, Croatia	Bakery	Direct	100%	100%

For more details on the Company's income and expenses with related companies and the status of the Company's receivables and liabilities from and to related companies, see Note 31 – Related Party Relations in the attached financial statements.

3. BUSINESS RESULTS IN 2025

KEY FINANCIAL INDICATORS OF THE COMPANY

PROFIT AND LOSS ACCOUNT(in million euros)	1.-12. 2025.	1.-12. 2024.	2025./2024.
Sales revenue	30.3	28.4	6.6%
Operating expenses, net ¹	27.6	25.8	6.7%
EBITDA²	2.7	2.6	5.4%
Normalized EBITDA³	3.0	3.3	-6.9%
Depreciation	1.1	0.9	22.1%
EBIT ⁴	1.6	1.7	-3.8%
Net financial result ⁵	7.4	7.3	1.5%
Net profit (loss)	8.5	8.6	-1.9%

Profit margins			
EBITDA margin	9.0%	9.1%	-0.1 pb
Normalized EBITDA margin	10.0%	11.7%	-1.7 pb
EBIT margin	5.3%	5.9%	-0.6 pb
Net profit margin	27.9%	30.3%	-2.4 pb

BALANCE SHEET(million euros)	31.12.2025.	31.12.2024.	31.12.2025./31.12.2024.
Net debt (cash)	6.8	-14.0	-148.3%
Capital and Reserves.	92.8	36.1	156.8%
Net working capital	11.3	6.5	72.3%

CASH FLOW(million euro)	1.-12. 2025.	1.-12. 2024.	2025./2024.
Net cash flows from operating activities.	5.6	2.5	126.2%
Capital Investment (CapEx)	3.6	0.2	1782.0%
Cash outlays for dividend payments	13.1	1.0	1168.4%

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

EBITDA (earnings before interest, taxes, depreciation and amortization) represents operating profit before depreciation; calculated as operating income – operating expenses + depreciation.

3 Normalisation implies an adjustment for material one-off items. In 2025, the Company recorded €0.3 million in net one-off expenses (2024: €0.72 million).

4 EBIT (earnings before interest and taxes) represents operating profit; calculated as operating revenues – operating expenses.

5 The net financial result is calculated as financial income – financial expenses.

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

7 Net debt (cash) includes long-term and short-term financial liabilities minus cash in the bank and cash register and deposits with banks. Deposits with banks are included regardless of the maturity date as they are available on call.

8 Net debt (cash) / normalized EBITDA (TTM, trailing twelve months) reflects the Company's ability to repay financial obligations; calculated as net debt (cash) divided by normalised EBITDA generated in the last 12 months prior to the reporting date.

9 ROAE (Return on Average Equity) is the return on average equity; calculated as net profit divided by the average of capital and reserves between the beginning and the end of the year.

10 Net working capital includes inventories plus current trade receivables and less current accounts payable and advances.

11 CapEx (capital expenditures) represents monetary expenditures for the purchase of tangible and intangible fixed assets.

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

4. MAJOR EVENTS AFTER THE END OF THE FINANCIAL YEAR

During 2026, the Company continued with the reorganization of affiliated companies, and on January 27, 2026, a Merger Agreement was concluded between the affiliated companies NewMip d.o.o. and Trgovina Krk d.d. with the transfer of all assets, rights and obligations of NewMip as a merged company to Trgovina Krk d.d. as the acquiring company. Čakovečki mlinovi d.d. is the 100% owner of the company NewMip d.o.o. and the 87.61% owner of the company Trgovina Krk d.d. The transaction will be carried out by increasing the share capital of the acquiring company through the issuance of new shares acquired as an exclusive consideration by the sole member of the merged company – Čakovečki mlinovi d.d., with the partial exclusion of the pre-emptive rights of existing shareholders, whereby the rights of minority shareholders do not change outside the framework prescribed by the Companies Act. The effects of the merger will occur upon the entry of the merger in the court register. As of the date of issuance of these financial statements, the merger has not been carried out, but the legal proceedings preceding it are underway.

The Company's Management has considered the potential effects of ongoing geopolitical tensions involving Iran and the wider Middle East region. However, given the changing circumstances and the accompanying uncertainty, it is currently not possible to reliably estimate the potential impact on certain assumptions, estimates and carrying amounts of assets and liabilities.

5. EXPECTED BUSINESS DEVELOPMENT IN 2026

The forecasts for 2026 are based on the expected gradual slowdown in the economic expansion in Croatia and the euro area, with geopolitical risks still pronouncing and moderate growth in domestic demand. 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 marks a relatively solid growth pace. During 2026, the Management Board of the Company will continue to carry out strategic activities aimed at consolidating operations within 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 Company's operations in 2026 will remain under the influence of international developments, especially in the context of trade tensions, energy prices and inflation dynamics. The Company will therefore continue to actively manage risks and monitor changes in the economic environment. On the date of issuance of this report, the Company has sufficient liquidity for the proper settlement of all due liabilities, and the financial statements are prepared under the assumption of unlimited continuation of operations.

General economic environment

According to the latest projections of the CNB and the European Commission, inflation in Croatia in 2026 should slow down to around 3.1% and 2.8%, respectively, according to the European Commission's methodology, which indicates a gradual weakening of inflationary pressures after induced price growth in previous years.

The slowdown in inflation reflects the weakening of underlying inflation factors, including slower food price growth and stabilising 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 supported by the continued use of EU funds, albeit at milder growth rates 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 still distorted price competitiveness of tourism.

The contribution of net exports to GDP is likely to continue to be negative, owing to growth in household consumption abroad and strong imports of services.

The impact of the war in Ukraine and the Middle East

The protracted conflicts in Ukraine and the Middle East continue to pose significant downside risks to global and European economic developments. These risks include potential disruptions in supply chains, energy price volatility and increased defence spending, which could affect investment and operating costs.

Croatia remains relatively poorly exposed to the direct trade effects of the conflict, while indirect effects through the movement of energy and commodity prices remain present.

This year, the Company does not have any business exposure to companies from Russia, Belarus or Ukraine, as well as ownership links with 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

In 2026, certain government interventions in the segment of prices of basic food products, energy products and services are expected to continue, especially in the context of inflation stabilisation. Given the similar mechanisms applied in 2025, it is possible that the measures will affect margins and pricing strategies in the retail and manufacturing sectors.

Price caps on certain food items could further limit the Company's pricing flexibility, in particular in the segment of flour, bakery products and other basic food items. Management will continue to compensate for the negative effects through business optimization, cost rationalization and price adjustment in the assortment that is not regulated.

6. RISKS AND RISK MANAGEMENT OF THE COMPANY

In its operations, the Company is exposed to the risks listed in Note 32 – Risk Exposure and Risk Management in the attached financial statements, which can be divided into the following groups:

- financial risks, which include: capital risk, credit risk, liquidity risk and fair value interest rate risk
- risks of ordinary operations, which include: market risk (interest rate, currency and price risk), operational risk, industry risk, risk of procurement of raw materials and delivery of products, risk of competition, risk of fluctuation in prices of basic raw materials, risk of litigation against the Company and risk of liabilities or losses not covered by insurance
- general risks, which include: the risk of the business environment and the risk of a change in the legal framework.

Risk management in the Company consists of the following steps:

- identifying potential risks in the business
- analysis and assessment of identified risks
- defining risk management objectives and policies
- supervision and monitoring of risk management activities
- reporting on the results of risk management.

More detailed information on risk management is provided in Note 32 – Risk exposure and management. The Company does not use financial instruments with the aim of hedging against these risks.

7. DATA ON THE ACQUISITION AND DISPOSAL OF OWN SHARES

As of December 31, 2025, the Company did not hold its own shares, nor did it acquire or dispose of them during 2025.

8. RESEARCH AND DEVELOPMENT ACTIVITIES

The company is continuously working on research and improvement activities of new products and key business processes, employee development and growth through acquisitions.

Special emphasis is placed on the Company's tradition in the production of high-quality milling and bakery products, as well as on continuous market analysis and the development of a locally-specific assortment.

The Company's milling facilities were completely renovated in 2017 and are one of the most technologically advanced plants in Croatia and the wider region with a tendency for further investments. In 2025, a new packaging line was also installed.

The Company does not develop the assets internally and consequently does not carry out research and development activities related to the development of the assets.

9. SUSTAINABILITY REPORT

The Čakovečki mlinovi Group prepares a consolidated Sustainability Report in accordance with the European Sustainability Reporting Standards. This report is part of the annual report, i.e. the consolidated Management Report, which also includes the data of the Company as the parent company of the Group. Consequently, and in accordance with the Accounting Act, Articles 32 and 36, the Company has fulfilled its sustainability reporting obligations. The consolidated annual report of the Čakovečki mlinovi Group, which includes the consolidated Sustainability Report within the Management Report, will be issued after the issuance of individual financial statements and published on the Company's website.

10. EMPLOYEE STRUCTURE


In 2025, the Company had an average of 230 employees. The calculation of the average was obtained on the basis of the actual number of employees on 01.01.2025, and the quarter within 2025. An overview of the employee structure is given in the table below.

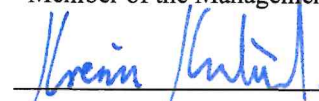
Work Unit						Average number of employees
	01.01.25.	31.03.25.	30.06.25.	30.09.25.	31.12.25.	
Mill Čakovec	49	49	52	48	46	
Mill Donji Kraljevec	8	8	8	11	9	
Sisak Mill				22	26	
Bakery Čakovec	81	82	81	79		
Bakery Oroslavje	32	34	34	34		
Joint affairs	42	42	43	44	41	
Total	212	215	218	238	122	201

For Čakovečke mlinovi d.d.:



 Mario Sedlaček
 President of the Management Board



 Franjo Plodinec
 Member of the Management Board


 Krešimir Kyaternik
 Member of the Management Board

ČAKOVEČKI MLINOVI D.D.

**STATEMENT ON THE APPLICATION OF THE CODE
CORPORATE GOVERNANCE
FOR 2025**

Pursuant to Article 272p, and in conjunction with Article 250a, paragraph 4 of the Act. of the Companies Act (Official Gazette, No. 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 152/11, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23, 136/24; hereinafter: ZTD) and Article 25 of the Accounting Act ("Official Gazette", No. 85/24, 145/24, 151/25), the Management Board of the company Čakovečki mlinovi, d.d., Čakovec, Mlinska ulica 1, OIB: 20262622069 (hereinafter: the Company), hereby gives the following

**STATEMENT
ON THE APPLICATION OF THE CODE OF CORPORATE GOVERNANCE**

1. The Company voluntarily applies the Code of Corporate Governance jointly developed by the Croatian Financial Services Supervisory Agency and the Zagreb Stock Exchange (hereinafter: the "Code"), which code is publicly available on the official website of the Zagreb Stock Exchange (www.zse.hr).

2. In the past year, the Company has substantially applied the recommendations set out in the Code, publishing all information the disclosure of which is provided for by positive regulations and the disclosure of which information is primarily in the interest of the Company's shareholders. The Supervisory Board of the Company established the Nomination Committee and the Remuneration Committee, with the tasks provided for in the Code. At the same time, in accordance with the provisions of the Audit Act, the Audit Committee also operates in the Company.

Detailed explanations related to deviations from certain recommendations of the Code are presented by the Company in the Compliance Questionnaire for Issuers of Shares, which is submitted to the Croatian Financial Services Supervisory Agency and published on the Company's official website (www.cak-mlinovi.hr) as well as on the websites of the Zagreb Stock Exchange Inc. and the Croatian News Agency.

The Company plans to continue to make its operations and results transparent and available to the public during 2026.

3. Supervision over the management of the Company's affairs shall be carried out by the Supervisory Board in accordance with the provisions of the Companies Act. The role of the Supervisory Board is also regulated by the Company's Articles of Association. Members of the Supervisory Board regularly receive detailed information on the management and operation of the Company in order to be able to effectively fulfil their supervisory role. The report of the Supervisory Board on the supervision of the conduct of affairs shall be submitted to the General Assembly.

The Audit Committee of the Company acts as a committee of the Supervisory Board. The Audit Committee provides support to the Supervisory Board and the Management Board of the Company in the effective execution of the Company's corporate governance, financial reporting and control obligations.

The Company applies the rules on the application of accounting policy, and which rules govern the application of the procedure and techniques in the presentation of assets, liabilities, principal, income, expenses and financial results of the Company in the basic financial statements.

A description of the basic features of risk management in relation to financial reporting is contained in Note 32 – Risk exposure and management in the accompanying consolidated financial statements.

4. The ten largest shareholders, as at 31 December 2025:

Red. Number	Shareholder	Number of shares	Share in share capital
1.	MLIN I PEKARE D.O.O.	3,208,066	31.18%
2.	OTP BANKA D.D./ AZ OMF CATEGORY B	2,853,265	27.73%
3.	ERSTE & STEIERMARKISCHE BANK D.D./ PBZ CO OMF - CATEGORY B	2,391,539	23.24%
4.	ZAGREBAČKA BANKA D.D./ AZ PROFIT OPEN-ENDED VOLUNTARY PENSION FUND	302,624	2.94%
5.	OTP BANKA D.D./ AZ MANDATORY PENSION FUND CATEGORY A	195,403	1.90%
6.	ERSTE & STEIERMARKISCHE BANK D.D./ PBZ CO OMF - CATEGORY A	160,732	1.56%
7.	ZAGREBAČKA BANKA D.D./OMNIBUS CUSTODY ACCOUNT - DOMESTIC LEGAL	61,534	0.60%
8.	ZAGREBAČKA BANKA D.D./ AZ BENEFIT OPEN-END VOLUNTARY PENSION FUND (1/1)	60,858	0.59%
9.	FIMA-VRIJEDNOSNICE D.O.O./ NEKIĆ DANKA	46,500	0.45%
10.	OTP BANKA D.D./ OTP INDEX FUND - OIF WITH A PUBLIC OFFERING	39,656	0.39%

The Company is aware of the fact of establishing joint action on the basis of the Agreement on the Regulation of Mutual Relations concluded on September 25, 2023 between the companies: Mlin i pekare d.o.o., Sisak, OIB: 22260862756, Plodinec d.o.o., Staro Čiče, OIB: 93116812695, Allianz ZB d.o.o. mandatory and voluntary pension fund management company, Zagreb, OIB: 58384724129, on its own behalf, and on behalf of certain pension funds under its management and PBZ CROATIA OSIGURANJE d.d. for management of mandatory pension funds, Zagreb, OIB: 20455535575, in its own name, and on behalf of certain pension funds under its management. In accordance with the provision of Article 293a of the Companies Act, and in connection with the transitional and final provisions of the Act on Amendments to the Companies Act (Official Gazette 136/2024), Art. 37th paragraph 4., the Company submitted an application for the entry of information on the existence of the Agreement on the Regulation of Mutual Relations of 25 September 2023 in the court register within the prescribed deadline, stating the purpose of that contract and the manner of achieving that purpose.

The right to vote of the Company's shareholders by the Company's Articles of Association of August 30, 2023, which was in force during 2024, is not limited to a certain percentage or number of votes, nor are there time limits for exercising voting rights. Each ordinary share gives the right to one vote at the General Assembly. The Company is authorized to issue ordinary registered shares as well as to issue other types and types of shares in accordance with the positive regulations of the Republic of Croatia and the Company's Articles of Association. The decision on the issuance of shares, in accordance with Article 172 of the ZTD, is made by the General Assembly, in accordance with the Company's Articles of Association. The rights and obligations of the Company arising from the acquisition of own shares are exercised in accordance with the provisions of the ZTD and in accordance with the decision of the General Assembly of the Company of 30 August 2021 on granting the authority to the Management Board of the Company to acquire and dispose of its own shares for a period of five years from the date of the decision.

Amendments to the Company's Articles of Association shall be adopted in the manner determined by the ZTD. During 2024, the General Assembly of the Company did not make a decision on amendments to the Company's Articles of Association of August 30, 2023.

The General Assembly of the Company operates and has authorizations, and shareholders exercise their rights, in accordance with the provisions of the ZTD and other applicable regulations.

5. The Management Board of the Company shall consist of three members. As of December 31, 2025, the function of the President of the Management Board of the Company is performed by Mr. Mario Sedlaček, and the functions of a member of the Management Board of the Company are performed by Mr. Franjo Plodinec and Mr. Krešimir Kvaternik. During 2025, members of the Management Board will manage the Company's affairs at their own risk and represent the Company in such a way that the President of the Management Board represents the Company together with one member of the Management Board, while other members of the Management Board represent together with the President of the Management Board or another member of the Management Board. Certain tasks, exhaustively defined by Article 18. of the Company's Articles of Association of 15 January 2025 and in other cases, when prescribed by law, the Company's Articles of Association or the decision of the Supervisory Board, they are authorized to undertake only with the prior consent of 6 members of the Supervisory Board. The Management Board is appointed and recalled by the Supervisory Board for a period of up to five years.

The Supervisory Board of the Company consists of 7 members.

Composition of the Supervisory Board of the Company as of December 31, 2025:

- Damir Metelko, Chairman of the Supervisory Board,
- Vesna Butorac, Deputy Chairman of the Supervisory Board,
- Dragica Plodinec, Member of the Supervisory Board,
- Josip Plodinec Sr., Member of the Supervisory Board,
- Ema Marušić, Member of the Supervisory Board
- Professor, PhDMislav Ante Omazić, Member of the Supervisory Board and
- Vanja Kutnjak, member of the Supervisory Board, representative of the workers.

Changes in the composition of the Management Board in 2025

- By the decision of the Supervisory Board of the Company of April 10, 2025, the number of members of the Management Board was increased to four members, and Mr. Franjo Plodinec was appointed as a member of the Management Board, along with Mr. Mario Sedlaček, Mr. Krešimir Kvaternik and Mr. Marijan Sršen.
- By the decision of the Supervisory Board of the Company of October 1, 2025, Marijan Sršen's mandate was not extended to the position of a member of the Management Board and a decision was made that he will not be reappointed to the said position.
- By the decision of the Supervisory Board from 1 October 2025 until the appointment of a new member of the Management Board – Chief Financial Officer, the responsibilities and duties of the Member of the Management Board – Chief Financial Officer, temporarily, for a period of three months (from 2 October 2025 to 3 January 2026), will be taken over by Member of the Management Board Mr. Krešimir Kvaternik.
- by the decision of the Supervisory Board of the Company of 22 December 2025. The term of office of Mr. Krešimir Kvaternik, Member of the Management Board, is hereby extended for a further six months (from 4 January 2026 to 4 July 2026) as a Member of the Management Board - Chief Financial Officer.

Changes in the composition of the Supervisory Board in 2025

- By the decision of the Supervisory Board of February 18, 2025, Mr. Franjo Plodinec resigned from the position of Deputy Chairman of the Supervisory Board and in the subcommittees of the Company, Mr. Josip Plodinec Jr. resigned from the position of a member of the Supervisory Board and in the subcommittees of the Company, and Mr. Igor Komorski resigned from the position of a member of the Supervisory Board and in the subcommittees of the Company.
- By the decision of the General Assembly of April 9, 2025, Ms. Dragica Plodinec, Mr. Josip Plodinec, Mrs. Ema Marušić and Mrs. Vesna Butorac are appointed as members of the Supervisory board;

By the decision of the Supervisory Board dated 10 April 2025, Ms Vesna Butorac, Ms Ema Marušić, Ms Dragica Plodinec and Mr Josip Plodinec are appointed to the Audit Committee in place of Mr Franjo Plodinec, Mr Igor Komorski and Mr Josip Plodinec Jr., while Ms Ema Marušić and Ms Vesna Butorac are appointed as members of the Nomination Committee and the Remuneration Committee.

Pursuant to the provisions of the Company's Articles of Association of January 15, 2025, the General Assembly elects and revokes six members of the Supervisory Board, while one member of the Supervisory Board is appointed and recalled by the Company's employees in the manner determined by law. The Supervisory Board acts as a collegial body at meetings held at least quarterly, at which it discusses and decides on all issues within its competence prescribed by the ZTD and the Company's Articles of Association. Decisions of the Supervisory Board shall be made by a majority of the votes cast, except in cases where the Company's Articles of Association provide for something else to be made.

All members of the Supervisory Board are also members of the Audit Committee.

Members of the Supervisory Board were appointed to the Nomination Committee, as well as to the Remuneration Committee.

In the executive, management and supervisory bodies, as well as at all other levels of the Company, there are no restrictions with regard to gender, age, education, profession or other similar restrictions.

At the General Assembly of the Company held on January 15, 2025, a Decision was adopted to amend the Company's Articles of Association, on the basis of which the statutory provisions on operations, i.e. on obligations, powers and limitations in the activities of the Management Board, the powers of the Supervisory Board and the General Assembly of the Company, were significantly changed.


6. In accordance with the provisions of Article 250a, paragraph 4 and Article 272p of the ZTD, this Statement is a separate section and an integral part of the annual report on the state of the Company for 2025.

In Čakovec, April 30, 2026.

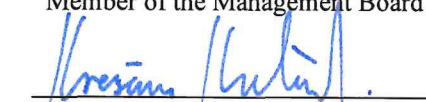
For Čakovečke mlinovi d.d.:



Mario Sedlaček
President of the Management Board



Franjo Plodinec
Member of the Management Board



Krešimir Kvaternik
Member of the Management Board

ČAKOVEČKI MLINOVI D.D.

**FINANCIAL STATEMENTS
FOR 2025**

**RESPONSIBILITY OF THE MANAGEMENT BOARD
FOR THE PREPARATION AND APPROVAL OF THE ANNUAL REPORT**

The Management Board of Čakovečki mlinovi d.d. is responsible for the preparation of separate financial statements for each financial year in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS"), so as to give a true and objective picture of the financial condition and results of operations of Čakovečki mlinovi d.d. (the "Company") for that period.

The Management Board expects that the Company will have adequate resources at its disposal in the foreseeable future and therefore continues to adopt the principle of going concern in the preparation of financial statements.

The responsibilities of the Management Board in the preparation of financial statements include the following:

- the selection and consistent application of appropriate accounting policies;
- providing reasoned and prudent judgments and assessments;
- acting in accordance with applicable accounting standards, with disclosure and explanation of any materially significant deviations in the financial statements; and
- preparation of financial statements under the assumption of going concern.

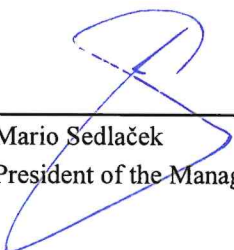
The Management Board of the Company is responsible for the preparation of the annual report, the keeping of appropriate accounting records, so that at all times they provide a true and objective picture of the financial condition and results of the Company's operations and is obliged to prepare financial statements in accordance with IFRS and Articles 21 and 24 of The Accounting Act.

In addition, the Management Board has general responsibility for taking available measures in order to preserve the Company's assets and prevent and establish fraud and other irregularities.


The Annual Report, including the financial statements displayed on the following pages, has been approved by the Management Board of the Company.

In Čakovec, April 30, 2026

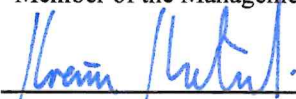
For Čakovečke mlinovi d.d.:



Mario Sedlaček
President of the Management Board



Franjo Plodinec
Member of the Management Board



Krešimir Kyaternik
Member of the Management Board

**STATEMENT OF THE PERSONS RESPONSIBLE
FOR THE PREPARATION OF FINANCIAL STATEMENTS**

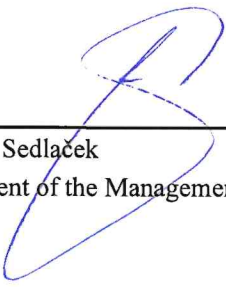
Pursuant to the provisions of Article 462. of the Capital Market Act (Official Gazette 65/18, 17/20, 83/21, 151/22, 85/24 and 126/25), the President of the Management Board of the Company, Mario Sedlaček, and members of the Management Board of the Company, Franjo Plodinec and Krešimir Kvaternik, make the following statement:

To the best of our knowledge:


- The financial statements for 2025 are prepared in accordance with IFRS and provide an objective view of the assets and liabilities, financial position, profit or loss of the issuer.
- The Management Report for 2025 contains a true view of the development and results of the business and position of the issuer, with a description of the most significant risks and uncertainties to which the issuer is exposed.

In Čakovec, April 30, 2026

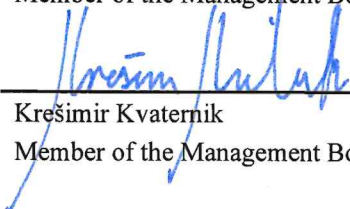
For Čakovečke mlinovi d.d.:



Mario Sedlaček
President of the Management Board



Franjo Plodinec
Member of the Management Board



Krešimir Kvaternik
Member of the Management Board

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Čakovečki mlinovi d.d.

Report on the Audit of the Financial Statements

Opinion

We have audited the separate financial statements of Čakovečki mlinovi d.d. (the Company), which comprise the separate statement of financial position as at 31 December 2025, the separate statement of comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2025, and its separate financial performance and its separate cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) and Regulation (EU) 537/2014 of the European Parliament and of the Council, dated 16 April 2014, on specific requirements regarding statutory audit of public-interest entities. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Croatia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1 *General information* to the accompanying separate financial statements, which states that the consolidated financial statements, which include the Company and its subsidiaries ("Čakovečki mlinovi Group"), prepared in accordance with IFRS and will be published subsequently. For a better understanding of the Čakovečki mlinovi Group as a whole, users should read the consolidated financial statements in conjunction with the accompanying separate financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is that matter that, in our professional judgment, was of most significance in our audit of the separate financial statements of the current period. That matter was addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on that matter.

This version of the auditor's report is translation from the original, which was prepared in the Croatian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over this translation.

The company was registered at Zagreb Commercial Court: MBS 030022053; paid-in initial capital: EUR 5,930.00; Company Directors: Katarina Kadunc, Goran Končar and Helena Schmidt, Bank: Privredna banka Zagreb d.d., Radnička cesta 50, 10 000 Zagreb, bank account no. 2340009-1110098294; SWIFT Code: PBZGHR2X IBAN: HR3823400091110098294.

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INDEPENDENT AUDITOR'S REPORT (continued)

Report on the Audit of the Financial Statements (continued)

Key Audit Matter

Recognition of sales revenue	
<p>For the accounting framework see Note 2 <i>“Significant information on accounting policies”</i>, section 2.16 <i>„Revenue recognition“</i>. For additional information related to the identified key audit matter, see notes 4 and 5 to the separate financial statements.</p>	
Description of the Key audit matter	How we addressed Key audit matter
<p>As of 31 December 2025, sales revenue amounted to EUR 30,314,563 (2024: EUR 28,433,424).</p> <p>In accordance with International Financial Reporting Standard 15 - <i>Revenue from Contracts with Customers</i> ("IFRS 15"), the Company recognizes sales revenue when control of the products and goods is transferred to the customer, or when the obligation is fulfilled, in an amount that represents the consideration to which the Company expects to be entitled in exchange for the agreed products and goods.</p> <p>Revenue is measured on a net basis, net of rebates and other trade allowances to customers. Management includes various judgments when estimating rebates due to the complex nature of trade agreements and customer relationships.</p> <p>The timing of revenue recognition is affected by different shipping terms agreed with different customers, and the risk of recognizing sales revenue in the wrong period is higher at year-end.</p> <p>Sales revenue is one of the key performance indicators of the Company and the Management Board, and as such is exposed to the risk of Management's override to encourage the recognition of revenue before the conditions are created and before the transfer of control over products and goods to the customer.</p> <p>We consider this area to be a key audit matter during our audit of the separate financial statements for the year ended 31 December 2025 due to the possible significant effects on the financial statements if revenue is not properly calculated and recognized in a timely manner.</p>	<p>In order to respond to the risks associated with sales revenue, identified as a key audit matter, we designed audit procedures that enabled us to obtain sufficient appropriate audit evidence to form our conclusion on this matter.</p> <p>We performed the following audit procedures with respect to the area of sales revenue:</p> <ul style="list-style-type: none"> • Reviewed and inspected accounting policies applied for revenue recognition, and comparing them with the requirements of IFRS 15 – <i>Revenue from Contracts with Customers</i>; • Obtained an understanding of the control environment and internal controls established by the Management Board in the process of recognizing sales revenue, including the information technology applications and tools used; • Verified the adequacy of the design and effectiveness of the implementation of the identified internal controls relevant to the revenue recognition process; • Determined the scope and type of substantive testing to verify the correctness of the calculation and recognition of sales revenue; • Substantive testing of the recognition and measurement of sales revenue on a selected sample, with which we verified the accuracy and timeliness of revenue recognition; • Review and vitrification of the sufficiency of disclosures in accordance with the requirements of IFRS 15 - Revenue from contracts with customers.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the Audit of the Financial Statements (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the separate financial statements and our auditor's report.

Our opinion on the separate financial statements does not cover the other information.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. With respect to the Management Report and the Corporate Governance Report, which are included in the Annual Report, we have also performed the other procedures prescribed by the Accounting Act. These procedures include examination of whether the Management Report include required disclosures as set out in the Article 24 of the Accounting Act and whether the Corporate Governance Report includes the information specified in the Article 25 of the Accounting Act.

Based on the procedures performed during our audit, to the extent we are able to assess it, we report that:

- 1) Information included in the other information is, in all material respects, consistent with the attached separate financial statements.
- 2) Management Report has been prepared, in all material respects, in accordance with the Article 24 of the Accounting Act.
- 3) Corporate Governance Report has been prepared, in all material aspects, in accordance with the Article 25 of the Accounting Act,

Based on the knowledge and understanding of the Company and its environment, which we gained during our audit of the separate financial statements, we have not identified material misstatements in the other information.

Responsibilities of Management and Those Charged with Governance for the separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRSs and for such internal control as Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on Other Legal and Regulatory Requirements

Report based on the requirements of Delegated Regulation (EU) No. 2018/815 amending Directive No. 2004/109/EC of the European Parliament and of the Council as regards regulatory technical standards for the specification of the uniform electronic format for reporting (ESEF)

Auditor's reasonable assurance report on the compliance of separate financial statements (financial statements), prepared based on the provision of Article 462 (5) of the Capital Market Act by applying the requirements of the Delegated Regulation (EU) 2018/815 specifying for the issuers a single electronic reporting format ("ESEF Regulation"). We conducted a reasonable assurance engagement on whether the financial statements of the Čakovečki mlinovi d.d. for the financial year ended 31 December 2025 prepared to be made public pursuant to Article 462 (5) of the Capital Market Act, contained in the electronic file [cakoveckimlinovi-2025-12-31-1-eng.zip], have been prepared in all material aspects in accordance with the requirements of the ESEF Regulation.

Responsibilities of the Management and Those Charged with Governance

Management is responsible for the preparation and content of the financial statements in line with the ESEF Regulation.

In addition, Management is responsible for maintaining the internal controls system that reasonably ensures the preparation of financial statements without material differences with the reporting requirements from the ESEF Regulation, whether due to fraud or error.

Furthermore, Company Management is responsible for the following:

- public reporting of financial statements presented in the Annual Report in valid XHTML format
- selection and use of XBRL markups in line with the requirements of the ESEF Regulation.

Those charged with governance are responsible for supervising the preparation of financial statements in ESEF format as part of the financial reporting process.

Auditor's Responsibilities

It is our responsibility to carry out a reasonable assurance engagement and, based on the audit evidence obtained, give our conclusion on whether the financial statements have been prepared without material differences with the requirements from the ESEF Regulation. We conducted our reasonable assurance engagement in accordance with the *International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ISAE 3000). This standard requires that we plan and perform the engagement to obtain reasonable assurance for providing a conclusion.

Quality management

We have conducted the engagement in compliance with independence and ethical requirements as provided by the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, as well as in compliance with the independence and the ethical requirements in Croatia. The code is based on the principles of integrity, objectivity, professional competence and due diligence, confidentiality, and professional conduct. We comply with the *International Standard on Quality Management 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* (ISQM 1) and accordingly maintain an overall management control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and statutory requirements.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on Other Legal and Regulatory Requirements (continued)

Report based on the requirements of Delegated Regulation (EU) No. 2018/815 amending Directive No. 2004/109/EC of the European Parliament and of the Council as regards regulatory technical standards for the specification of the uniform electronic format for reporting (ESEF) (continued)

Procedures performed

As part of the selected procedures, we have conducted the following activities:

- We have read the requirements of the ESEF Regulation;
- We have gained an understanding of internal controls of the Company, relevant for the application of the ESEF Regulation requirements;
- We have identified and assessed the risks of material differences with the ESEF Regulation due to fraud or error;
- We have devised and designed procedures for responding to estimated risks and obtaining reasonable assurance in order to give our conclusion.

Our procedures focused on assessing whether:

- Financial statements included in the separate report have been prepared in valid XHTML format;
- Data included in the separate financial statements required by the ESEF Regulation have been marked up and meet all of the following requirements:
 - XBRL has been used for markups.
 - Core taxonomy elements stipulated in the ESEF Regulation with the closest accounting meaning were used unless an extension taxonomy element was created in line with the Annex IV of the ESEF Regulation;
 - Markups comply with the common rules on markups in line with the ESEF Regulation.

We believe the evidence we obtained to be sufficient and appropriate to provide a basis for our conclusion.

Conclusion

We believe that, based on the procedures performed and evidence obtained, the financial statements of the Company presented in the ESEF format, contained in the aforementioned electronic file, and based on the provision of Article 462 (5) of the Capital Market Act, have been prepared to be published for public, in all material aspects in accordance with the requirements of articles 3, 4 and 6 of the ESEF Regulation for the year ended 31 December 2025.

In addition to this conclusion, as well as the audit opinion contained in this Independent Auditor's Report for the accompanying financial statements and Annual Report for the year ended 31 December 2025, we do not express any opinion on the information contained in these documents or other information contained in the above mentioned file.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on Other Legal and Regulatory Requirements (continued)

Other reporting obligations as required by Regulation (EU) No. 537/2014 of the European Parliament and the Council and the Audit Act

We were appointed as the statutory auditor of the Company on General Shareholders' Meeting held on 18 August 2025 to perform audit of accompanying separate financial statements. Our total uninterrupted engagement has lasted 2 years and covers period 1 January 2024 to 31 December 2025.

We confirm that:

- our audit opinion on the accompanying separate financial statements is consistent with the additional report issued to the Audit Committee of the Company on 30 April 2026 in accordance with the Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council;
- no prohibited non-audit services referred to in the Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided.

There are no services, in addition to the statutory audit, which we provided to the Company and its controlled undertakings, and which have not been disclosed in the Annual Report.

The engagement partner on the audit resulting in this independent auditor's report is Goran Končar.

Goran Končar
Direktor & Certified auditor

For signatures, please refer to the original Croatian auditor's report, which prevails.

Deloitte d.o.o.

30 April 2026
Radnička cesta 80,
10 000 Zagreb,
Croatia

	Note	2025 in EUR	2024 in EUR
Sales revenue	4, 5	30,314,563	28,433,424
Other operating income	6	261,939	131,596
Operating income		30,576,502	28,565,020
Change in the value of in-progress and finished product inventories	7	394,065	162,811
Costs of raw materials and materials, energy and raw materials	8	(18,943,711)	(16,901,272)
Cost of goods sold	8	(553,712)	(689,288)
Other external costs	8	(2,511,886)	(2,472,180)
Personnel costs	9	(5,062,987)	(4,919,951)
Depreciation		(924,917)	(923,009)
Other costs	10	(1,157,161)	(1,139,852)
Value adjustments	11	(740)	(10,927)
Provisions	12	27,071	29,156
Other operating expenses	13	(42,907)	(30,328)
Operating expenses		(28,776,885)	(26,894,840)
Operating profit		1,799,617	1,670,180
Financial income	14	7,515,085	7,317,370
Financial expenditure	15	(88,732)	(3,746)
Net financial result		7,426,353	7,313,624
Profit before tax		9,225,970	8,983,804
Corporate Income Tax	16	(634,855)	(366,729)
Net profit		8,591,115	8,617,075
Other comprehensive income		-	-
Total Comprehensive Profit for the Year		8,591,115	8,617,075
Earnings per share for earnings attributable to the Company's shareholders during the year (in euros)	17		
- Basic		0.54	0.84
- diluted		0.54	0.84

The significant accounting policies and notes below form an integral part of these financial statements.

	Note	31.12.2025. in EUR	31.12.2024. in EUR
Assets			
Non-current assets			
Intangible assets	18	5,244	4,760
Goodwill	18	1,166,229	-
Tangible assets	18a	7,244,739	3,109,812
Property with the right of use	19	87,612	49,441
Investing in real estate	19a	2,660,101	2,804,001
Investments in subsidiaries	20	79,218,461	10,537,303
Financial assets	20	557	557
Trade receivables and other receivables		-	193
Deferred tax assets	21	76,652	118,601
		<u>90,459,595</u>	<u>16,624,669</u>
Current assets			
Inventory	22	8,229,937	4,397,131
Non-current assets intended for sale	22	-	184,390
Trade receivables	23	4,172,584	3,806,988
Other claims	23	213,917	70,728
Financial assets	24	41,783	56,421
Cash in the bank and cash register	25	708,763	14,065,326
		<u>13,366,984</u>	<u>22,580,984</u>
TOTAL ASSETS		103,826,579	39,205,653
Capital and Reserves.			
Share capital	26	21,262,194	13,657,177
Premium on issued shares	26	54,909,283	-
Reserves from profit	26	682,859	682,859
Other reserves	26	993,870	2,448,652
Retained earnings	26	14,849,315	19,350,387
		<u>92,697,521</u>	<u>36,139,075</u>
Liabilities			
Long-term liabilities			
Provisions	27	81,197	300,726
Liabilities for leases and other liabilities	28	58,187	34,077
Liabilities to banks and other financial institutions.	28	1,600,000	-
Deferred tax liability	21	299,051	-
		<u>2,038,435</u>	<u>334,803</u>
Short-term liabilities			
Provisions	27	104,236	134,484
Liabilities to undertakings within the group	29	77,343	120,622
Liabilities for intra-group loans	29	3,000,000	-
Liabilities for leases and other liabilities	28	33,029	17,776
Liabilities to banks and other financial institutions.	28	2,800,000	-
Liabilities for advances	29	17,311	331
Liabilities to suppliers	29	1,050,354	1,720,047
Liabilities to employees	29	208,259	292,236
Liabilities for taxes, contributions and similar duties	29	337,285	182,024
Corporate income tax liabilities	29	336,063	214,554
Liabilities based on the share in the result	29	27,765	28,608
Other current liabilities	29	1,098,978	21,093
		<u>9,090,623</u>	<u>2,731,775</u>
TOTAL LIABILITIES		103,826,579	39,205,653

The significant accounting policies and notes below form an integral part of these financial statements

	Note	2025. in EUR	2024. in EUR
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		9,225,970	8,983,804
Adjustments:			
Depreciation	18,18a	924,917	923,009
Gains and losses on sales and value adjustments of tangible and intangible fixed assets	18,18a	(61,470)	(48,387)
Value adjustment of trade receivables	11	740	10,927
Dividend income	14	(7,369,282)	(7,003,055)
Interest income	14	(145,803)	(314,315)
Interest expenses	15	88,732	3,746
Provisions	12	(249,777)	(29,156)
Increase or decrease in cash flows before changes in working capital		2,414,027	2,526,573
Changes in working capital		(4,021,267)	255,471
Increase or decrease in short-term liabilities		197,329	1,243,713
Increase or decrease in current receivables		(570,180)	(301,483)
Increase or decrease in inventory		(3,648,416)	(686,759)
Cash from business		(1,607,240)	2,782,044
Cash receipts from the collection of previously corrected receivables		2,676	10,704
Corporate Income Tax Paid		(632,537)	(336,580)
NET CASH FLOWS FROM OPERATING ACTIVITIES		(2,237,101)	2.456.168
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Cash receipts from the sale of tangible and intangible fixed assets		67,531	52,792
Cash receipts from interest	14	145,803	314,315
Cash receipts from dividends	14	7,369,282	7,003,055
Cash receipts from the repayment of loans and savings deposits		95,991	77,928
Cash expenditure for the purchase of tangible and intangible fixed assets	18,19	(3,586,449)	(190,562)
Cash outflows for buying shares	20	(9,550,818)	-
NET CASH FLOWS FROM INVESTMENT ACTIVITIES		(5,458,660)	7,257,528
CASH FLOWS FROM FINANCIAL ACTIVITIES			
Cash outlays for dividend payments		(13,052,100)	(1,029,000)
Cash outlays for financial lease		(8,702)	(3,734)
Cash inflows from loan principal	28,29	7,400,000	
NET CASH FLOWS FROM FINANCIAL ACTIVITIES		(5,660,802)	(1,032,734)
TOTAL NET CASH FLOW		(13,356,563)	8,680,962
Cash and cash equivalents at the beginning of the period		14,065,326	5,384,364
Cash and cash equivalents at the end of the period	25	708,763	14,065,326

The significant accounting policies and notes below form an integral part of these financial statements.

	Share capital	Premium on issued shares	Legal reserves	Other reserves	Retained earnings	Total
	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR
Status 1.1.2024.	13,657,177	-	682,859	2,448,652	11,762,311	28,550,999
Profit of the financial year	-	-	-	-	8,617,075	8,617,075
<i>Comprehensive Profit</i>	-	-	-	-	8,617,075	8,617,075
Dividend	-	-	-	-	(1,029,000)	(1,029,000)
Status 31.12.2024.	13,657,177	-	682,859	2,448,652	19,350,387	36,139,075
Situation 1.1.2025.	13,657,177	-	682,859	2,448,652	19,350,387	36,139,075
Profit of the financial year	-	-	-	-	8,591,115	8,591,115
<i>Comprehensive Profit</i>	-	-	-	-	8,591,115	8,591,115
Share capital increase	7,605,017	54,909,283	-	-	-	62,514,300
Reserves – effect of the merger	-	-	-	(1,454,782)	-	(1,454,782)
Entry of rights – business units of bakery in the ZPKL (note 33)	-	-	-	-	(40,087)	(40,087)
Dividend payment	-	-	-	-	(13,052,100)	(13,052,100)
Status 31.12.2025.	21,262,194	54,909,283	682,859	993,870	14,849,315	92,697,521

The significant accounting policies and notes below form an integral part of these financial statements.

NOTE 1 – GENERAL INFORMATION

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

The share capital of the Company as at the date of this report amounts to EUR 21,262,193.93 and is divided into 16,020,000 ordinary book-entry registered shares without nominal value (31.12.2024: EUR 13,657,177 and divided into 10,290,000 shares). The shares of Čakovečki mlinovi d.d. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML.

As of December 31, 2025, Čakovečki mlinovi d.d. has five subsidiaries: Trgovina Krk d.d. Malinska, Trgocentar d.d. Virovitica, Radnik Opatija d.d. Lovran, Zagrebačke pekarnice Klara d.d., Zagreb and NewMiP d.o.o. (hereinafter collectively: "Čakovečki mlinovi Group" or "Group") and one affiliated company: Narodni trgovački lanac d.o.o. Soblinec.

The consolidated annual report of the Čakovečki mlinovi Group, which includes the consolidated Sustainability Report within the Management Report, will be issued after the issuance of individual financial statements and published on the Company's website.

The Company's business accounts are open at:

- Privredna banka d.d. Zagreb IBAN: HR2623400091116005907,
- Erste & Steiermarkische bank d.d. Zagreb IBAN: HR4924020061100031817,
- Zagrebačka banka d.d. Zagreb IBAN: HR9223600001102561339, and with
- OTP banka d.d. Split IBANHR59 2407 0001 1007 4868 6.

GROUP ACTIVITIES

The Group generates the majority of its revenues by performing the activities of retail trade, wholesale trade, and production and trade in food products (flour, bread, pastries, biscuits, waffles, pasta, porridge, edible oils).

COMPANY BODIES

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

Management

- 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, Chairman of the Supervisory Board, independent member
- Igor Komorski, independent member of the Supervisory Board
- Vanja Kutnjak, Member of the Supervisory Board, Workers' Representative
- Josip Plodinec, Member of the Supervisory Board
- Franjo Plodinec, Deputy Chairman of the Supervisory Board
- Mislav Ante Omazić, independent member of the Supervisory Board

Audit Committee

- Franjo Plodinec, Chairman of the Audit Committee
- Igor Komorski, 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
- Mislav Ante Omazić, Independent Member of the Audit Committee

NOTE 1 – GENERAL INFORMATION (continued)

Nomination Committee

- Ema Marušić, Chair of the Nomination Committee, independent member
- Damir Metelko, Deputy Chairman of the Nominations Committee, independent member
- Vanja Kutnjak, Member of the Nominations Committee
- Vesna Butorac, Member of the Nominations Committee
- Mislav Ante Omazić, Member of the Nominations Committee, Independent Member

Remuneration Committee

- Mislav Ante Omazić, Chairman of the Remuneration Committee, independent member
- Vanja Kutnjak, Deputy Chairman of the Remuneration Committee,
- Damir Metelko, Member of the Remuneration Committee (independent member)
- Vesna Butorac, Member of the Remuneration Committee
- Ema Marušić, Member of the Remuneration Committee (independent member)

NOTE 1A – BASIS FOR PREPARATION

Declaration of Conformity

The Company has prepared these individual financial statements in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS").

Basis of measurement

The Company's financial statements are prepared on a historical cost basis, with the exception of those financial assets and financial liabilities, which are measured at fair value, and for which such a method of measurement is indicated in accounting policies.

Assumption of going concern

These separate financial statements have been prepared under the assumption of going concern, which implies business continuity and the realization of assets and payment of liabilities as part of ordinary operations.

Estimates and judgments

When preparing financial statements in accordance with IFRS, the Management Board makes estimates, judgments and assumptions that affect the application of policies and the stated amounts of assets and liabilities, as well as the disclosure of assumed and contingent liabilities as at the date of the statement of financial position, as well as the amounts of income and expenses in the reporting period.

Estimates and related assumptions are based on past experience and other relevant factors that are considered reasonable in the circumstances, and the outcome of which forms the basis for making judgments about the carrying amounts of assets and liabilities that are not apparent from other sources. Actual results may differ from estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognised in the period in which the estimate is changed if the change affects only that period, or in the period of the change and future periods if the change affects current and future periods.

The Management's judgments regarding the application of IFRS that have a material impact on the financial statements and estimates with a significant risk of a possible material adjustment in the following year are described in Note 3. *Key accounting estimates and judgments.*

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES

2.1. BASIS OF PREPARATION

Changes to accounting policies and disclosures

a) First application of new amendments to existing standards in force for the current reporting period

In the current year, the Company has applied amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability" issued by the International Accounting Standards Board (IASB) and adopted by the European Union, which are mandatory for periods beginning on or after 1 January 2025.

The adoption of these standards and interpretations had no impact on the Company's financial statements. Their adoption did not have any material impact on the disclosures or amounts presented in these financial statements.

b) Standards and amendments to existing standards published by the IASB and adopted in the European Union but not yet in force

As of the date of approval of these financial statements, the Company has not applied the following revised IFRS accounting standards that have been adopted by the EU and have not yet entered into force.

Standard	Title	Effective Date
Amendments to IFRS 9 and IFRS 7	Changes in the classification and measurement of financial instruments (IASB Date of entry into force: 1 January 2026)	1 January 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards – Issue 11 (IASB Date of entry into force: 1 January 2026)	1 January 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7;	Annual Improvements to IFRS Accounting Standards – Issue 11 (IASB date of entry into force 1 January 2026)	1 January 2026
IFRS 18	Presentation and disclosures in financial statements (IASB date of entry into force: 1 January 2027)	1 January 2027

The Company does not expect that the adoption of the above Standards will have a material impact on the Company's financial statements in future periods, except for potentially amending IFRS 18, which cannot be specified at this time.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)

2.1. BASIS FOR DRAFTING AND DECLARATION OF CONFORMITY (CONTINUED)

c) New standards and amendments to standards published by the IASB but not yet adopted in the European Union

The IFRS currently adopted in the European Union do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following standards and amendments to existing standards, the adoption of which has not yet been decided by the European Union at the date of publication of the financial statements:

Standard	Title	Status of adoption in the EU
IFRS 19	Branches without public liability: Disclosures (IASB date of entry into force: 1 January 2027)	It has not yet been adopted by the European Union
Amendments to IAS 21	Translation into currency for the presentation of hyperinflation (IASB date of entry into force: 1 January 2027)	It has not yet been adopted by the European Union
IFRS 14	Deferral Regulatory Accounts (IASB date of entry into force: 1 January 2016)	The European Commission has decided not to initiate the approval process for this interim standard and to wait for the final standard.
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its affiliate or joint venture and further modifications	The approval process has been postponed indefinitely until the end of the research project on the share method.

The Company believes that the adoption of the above standards will not lead to significant changes in the Company's financial statements in future periods.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.2. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE***Investing in subsidiaries*

Subsidiaries are all companies over which the Company has control if, on the basis of its participation in it, it is exposed to variable returns, i.e. has rights to them and the ability to influence the yield by its dominance in that company. The existence and effect of potential voting rights that can currently be exercised or exchanged are considered when assessing whether the Company controls another entity. Investments in subsidiaries are recognised at cost less impairment loss.

Investing in a joint venture

The Company has a stake in a joint venture that is a jointly controlled entity, and the investors have a contract that establishes joint control over the economic activities of the entity. The Company recognises its interest in the joint venture using the cost-less impairment loss method. An estimate of the value of an investment in a joint venture of the Company is made in the event that there is an indication that this value has been impaired or there are no longer impairment losses recognized in previous periods.

Business combinations

The takeover or acquisition of subsidiaries and operations is calculated using the acquisition method. The fee, in the context of a business combination is valued at fair value, which is the total fair value, at the date of the exchange, of the assets transferred by the Company and the Company's liabilities to the former owners of the acquiree and the shares or stakes issued by the Company in exchange for control over the acquiree. Acquisition-related costs are recognised in profit or loss as they arise.

At the acquisition date, identifiable acquired assets and identifiable liabilities are recognised at their fair value at the acquisition date, except:

- deferred tax assets, i.e. deferred tax liabilities and liabilities and assets related to employee benefit agreements, which are recognised and measured in accordance with IAS 12 and IAS 19 respectively;
- liabilities or equity instruments relating to the acquiree's or share-based Consideration Agreements entered to replace the acquiree's share-based payment agreements and are measured at the acquisition date in accordance with IFRS 2 (see below); and
- assets (or disposal lots) classified as held for sale in accordance with IFRS 5 that are measured in accordance with that Standard.

Goodwill is measured as the positive difference between the sum of the acquisition consideration transferred, the amount of the non-controlling interest, if any, and the fair value of the acquirer's previous ownership interest in the entity, on the one hand, and the net amount at the date of acquisition of the identifiable assets acquired and the identifiable liabilities undertaken, on the other hand. If the reassessment determines that the Company's share in the fair value of the acquirer's identifiable net assets is greater than the sum of the consideration transferred, the amount of the non-controlling interest, if any, and the fair value of the acquirer's previous equity interest in the entity, the excess is recognised immediately in profit or loss as a bargain gain.

If the first accounting of a business combination has not been completed by the end of the reporting period in which the merger occurred, the Company shall report transitional amounts by items that have not been definitively accrued.

Interim amounts are adjusted during the measurement period (see above) or additional assets or additional liabilities are recognised in accordance with new knowledge of facts and circumstances existing at the acquisition date that, if known, would have affected the amounts recognised on that date.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.2. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE (CONT'D)***Business combinations (continued)*

Goodwill is not amortised, but is reviewed for impairment at least once a year. For the purpose of impairment testing, goodwill is allocated to each cash-generating unit of the Company (or groups of such units) that is expected to benefit from the synergies resulting from the merger. The cash-generating unit to which goodwill is allocated is subject to an impairment check once a year, or more frequently if there is an indication of a possible impairment. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first by reducing the carrying amount of the goodwill allocated to the cash-generating unit and then proportionately to the other assets of the cash-generating unit on the basis of the carrying amount of each asset in the cash-generating unit. A loss on impairment of goodwill once recognised is not reversed in the following period. When the cash-generating unit is disposed of, the corresponding amount of goodwill enters into the determination of the profit or loss from the disposal.

business combinations under joint control.

Business combinations under joint control are transactions in which all participating entities (acquirer and acquiree) are under joint ultimate control of the same owner or the same group of owners before and after the transaction, where this joint control is not temporary.

IFRS does not currently prescribe specific provisions/requirements related to business combinations under common control. In the absence of specific provisions, and taking into account the analysis of the economic substance of a particular transaction, the Company has selected an appropriate accounting policy using the hierarchy described in paragraphs 10 to 12 of IAS 8 *Basis for the preparation of financial statements*.

In business combinations under common control, the Company uses the predecessor values' method. This method is based on the predecessor value (book values) approach, according to which values taken from existing financial statements are used as the basis for the accounting coverage of business combinations under common control.

Using the predecessor value method:

- the identified assets and assumed liabilities of the acquiree are assumed at their existing carrying amounts, whereby the Company uses as a basis the carrying amounts disclosed in the Group's consolidated financial statements at the date of the transaction (the so-called "consolidated values", including previously recognised adjustments to fair value arising from previous acquisitions);
- no new goodwill or bargain purchase in relation to business combinations under common control shall be identified or recognised;
- the difference between the carrying amount of the transferred consideration (including any changes in share capital) and the carrying amount of the acquiree's net assets is recognised directly in equity, under *Other merger reserves*, without affecting the profit or loss of the period.

In this way, the accounting effect of the merger reflects the fact that it is a reorganization within the same Group under common control, rather than the acquisition of new economic value from third parties, and ensures the neutrality of accounting values from the owner's point of view.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.3. REPORTING ON BUSINESS SEGMENTS**

A business segment is a component of the Company that engages in business activities from which it can generate revenue and in respect of which it incurs costs (including income and expenses related to transactions with other components of the same entity), the business results of which are regularly reviewed by the entity's lead decision-maker to make decisions about the resources to be allocated to the segment and to evaluate its business performance; and for which separate financial data are available. The Company operates in one business segment (food production) and does not report on business segments in separate financial statements.

The business segments are relevant from the Group perspective and will be presented within the consolidated financial statements that will be published on the Company's website (www.cak-mlinovi.hr).

2.4. FOREIGN CURRENCIES**a) Functional and reporting currency**

The items included in the Company's financial statements are presented in the currency of the primary economic environment in which the Company operates (functional currency). The functional and presentation currency is the EURO.

b) Transactions and balances in foreign currency

Transactions in foreign means of payment are translated into functional currency so that the amounts in foreign means of payment are converted at the exchange rate on the day of the transaction. Foreign exchange gains or losses arising from the settlement of these transactions and the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Balances of assets and liabilities in foreign currencies are recalculated at the middle exchange rate of the Croatian National Bank on the balance sheet date.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)

2.5. PROPERTY, PLANT AND EQUIPMENT

Real estate, plant and equipment are presented on the balance sheet at historical cost less accumulated depreciation and impairment. Historical cost includes a cost that is directly related to the acquisition of an asset.

Subsequent expenses are included in the carrying amount of assets or, where applicable, recognised as separate assets only if the Company will derive future economic benefits from those assets, and if the cost of the asset can be measured reliably. All other costs for maintenance and repairs are charged to the costs in the period in which they are incurred.

Land and assets in preparation are not depreciated. The depreciation of other assets is calculated using the straight-line method for the purpose of allocating the cost of these assets over their estimated useful life. Depreciation is calculated for each asset until the asset is fully depreciated or up to the residual value of the asset if it is significant.

The estimated useful life and annual depreciation rate were determined as follows and did not change in 2025 compared to 2024. With the merger of BU milling from NewMip, the depreciation rates of that company were taken over for the transferred fixed assets, which are in line with the rates set out below:

Construction facilities	10 – 40 years	2.5 % - 10%
Plant and equipment	2 – 10 years	10% - 50%
Tools, plant inventory and transport assets	4 – 5 years	20% - 25%

In the event that the carrying amount of the asset is greater than the estimated recoverable amount, the difference shall be written off up to the recoverable amount. Gains and losses arising from the sale are determined by comparing the income and carrying amount of the asset and are included in other gains - net in the profit and loss account.

2.6. INVESTMENTS IN REAL ESTATE

Investments in real estate refer mainly to commercial buildings and land that are held for the purpose of long-term acquisition of rental income or due to an increase in their value, and are not used by the Company. Investments in real estate are treated as long-term investments, unless they are intended for sale in the following year and the buyer is identified, in which case they are classified as short-term assets.

An investment in real estate is recognised at historical cost less accumulated depreciation and impairment provisions if necessary. The depreciation of buildings is calculated using a straight-line method for the purpose of allocating costs over their useful life (10 to 40 years).

Subsequent expenditure is capitalised only when it is probable that the Company will derive future economic benefits and when the cost can be measured reliably. All other repair and maintenance costs are charged to the profit and loss account when they are incurred.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)

2.7. FINANCIAL ASSETS

The Company classifies its financial assets into the following categories: financial assets at fair value in profit or loss and financial assets at amortised cost. The classification depends on the purpose for which the financial asset was acquired and the characteristics of the asset's cash flows. Management determines the classification of financial assets at initial recognition and evaluates that decision at each reporting date.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model that aims to hold the financial asset for the purpose of collecting contractual cash flows; and
- contractual terms of a financial asset give rise to cash flows that are exclusively the payment of principal and interest on the remaining principal amount on specified dates.

Verification of whether the contractual terms of a financial asset contain cash flows that are exclusively payments of principal and interest on the remaining principal amount on certain dates (eng. *SPPI*) is done exclusively at the initial recognition of financial assets.

If the contractual terms of a financial asset change significantly or if a partial or full write-off of the contracted cash flows is implemented, the financial asset ceases to be recognised, and the new financial asset is initially recognised and is subject to a retest.

The materiality of the change in the terms of the contract is calculated by applying the original effective interest rate to the cash flows resulting from the change in the terms of the contract. The difference resulting from the original contracted cash flows calculated in this way shall be recorded in the statement of comprehensive income if it is insignificant, while if it is significant it shall be derecognised as stated above. The Company defines the significance of the change in the contractual terms on a qualitative and quantitative level at each change in the terms of an individual contract.

By default, all other financial assets are measured subsequently at fair value through profit or loss. Trade receivables that do not include a significant financing component are initially recognised at transaction price instead of fair value.

When initially recognising a financial asset, the Company shall exercise the option to irrevocably determine the following:

- The Company may irrevocably opt for subsequent changes in the fair value of equity investments in other comprehensive income if certain criteria are met (see (ii) below); and
- The Company may irrevocably designate a debt instrument that meets the criterion of measurement at amortised cost, measured at fair value through profit or loss if doing so eliminates or significantly reduces the accounting mismatch (see (iii) below).

Asset items are classified and measured as shown below:

Description	Classification and measurement
Assets	
Cash and cash equivalents (deposits, commercial papers)	Amortized cost
Trade receivables and other receivables	Amortized cost
Other financial assets	Amortized cost
Loans and other receivables	Amortized cost
Equity instruments	Fair value through profit or loss.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.7. FINANCIAL ASSETS (continued)***(i) Amortised cost and effective interest rate method*

The effective interest rate method is a method of calculating the amortized cost of a debt instrument and allocating interest income over a relevant period.

For financial assets, other than purchased or originated credit-impaired financial assets (i.e. assets that were credit-impaired at initial recognition), the effective interest rate is the rate that accurately discounts the estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses; through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument at initial recognition. For purchased or originated credit-impaired financial assets, the loan-adjusted effective interest rate shall be calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument at initial measurement.

The amortised cost of a financial asset is the amount at which a financial instrument is measured at initial recognition less principal payments and increased by cumulative depreciation, using the effective interest rate method of any difference between that initial amount and the maturity amount, adjusted for any loss.

The gross carrying amount of a financial asset is the amortized cost of the financial asset before it is adjusted for any loss.

Interest income is recognised using the effective interest rate method for debt instruments, which are subsequently measured at amortised cost and at FVOSD. For financial assets, other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for financial assets that subsequently became credit-impaired financial assets.

For financial assets that have subsequently become credit-impaired financial assets, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on a credit-impaired financial instrument improves so that the financial instrument is no longer credit-impaired financial instrument, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the risk-adjusted effective interest rate to the amortised cost of the financial asset at initial recognition. The calculation shall not be returned to a gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in Note 14 Financial income.

(ii) Financial assets measured at fair value through profit or loss

Financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period, with all gains or losses at fair value recognised in the statement of comprehensive income. Net profit or loss recognised in profit or loss includes any dividend or interest earned on financial assets and is included in the item other gains and losses (note 14). Fair value is determined as described in note 32.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.7. FINANCIAL ASSETS (continued)***Impairment of financial assets*

An entity shall measure impairment provisions for a financial instrument at each reporting date in an amount equal to the duration of expected credit losses if the credit risk for that financial instrument has increased significantly since initial recognition.

The measurement of expected credit losses is measured and recognised on the basis of an assessment of the probability and facts of default (all of which are older than 360 days) and losses due to relationships with business partners based on historical data and current facts adjusted for forward-looking information such as repayment plans agreed with customers, amount of payment collateral, etc.

The Company applies the simplified model of IFRS 9 *Financial Instruments* and classifies its financial assets with respect to the valuation method in the category of financial assets at amortized cost. This classification is carried out at the time of initial recognition and depends on the business model for managing financial assets and cash flow characteristics adopted by the Company. Lifetime expected credit losses are recognized in the case of adjustment of the value of trade receivables, so there is no need for additional monitoring of indicators of increased risk of receivables, because expected credit loss is recognized based on the expected credit loss matrix.

The estimation of future expected credit losses, i.e. the adjustment of the value of financial instruments resulting therefrom, is carried out on the basis of the average write-down rate in previous years and its application to unadjusted financial assets measured at amortised cost at the reporting date.

After the lawsuit and the existence of objective evidence of impairment based on one or more events that indicate to the Management Board that the contracted cash flows will not be able to be collected, the value adjustment of the said financial assets is carried out.

A financial asset ceases to exist at the moment when the rights to receive cash flows from the financial asset have expired or the rights have been transferred with other rights and responsibilities.

Expected future developments

The firm will include forward-looking data when assessing whether the credit risk of an instrument has increased significantly since initial recognition and when calculating the expected credit loss.

Derecognition of financial assets

A company ceases to recognise financial assets when:

- (a) contractual rights over the cash flows of financial assets have expired, or
- (b) transfers financial assets and the transfer qualifies for derecognition

Transfer of financial assets

An entity shall transfer financial assets in such a way that:

- (a) transfers contractual rights to receive cash flows from financial assets, or
- (b) retains contractual rights to receive cash flows from financial assets, but presupposes a contractual obligation to pay cash flows to one or more recipients in the arrangement.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.8. LEASES****a) The company is a lessor**

Assets leased under operating lease are depreciated over their expected useful life in the same way as other similar assets.

Leases in which the Company is the lessor are classified as operating leases. A lease is classified as a finance lease if it transfers to the lessee virtually all the risks and rewards associated with the ownership of the underlying asset. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for the main lease and sublease as two separate agreements. A sublease is classified as a financial or operating lease by reference to right-of-use assets arising from the main lease.

Rental income based on operating leases is recognised in a straight line during the lease period in question. Initial direct costs incurred in the negotiation and negotiation phase of the operating lease terms shall be attributed to the carrying amount of the leased object and recognised in a straight line over the lease period. Receivables based on financial leases are recorded as receivables in the amount of the Company's net investment in lease. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Company's net investment on the open balance based on leases.

When the agreement includes both lease and non-lease components, the Company shall apply IFRS 15 to apportion the remuneration in accordance with the contract for each component.

b) The company is a tenant

Right-of-use assets are classified in the same item where the corresponding underlying assets would be shown if they were owned by the Company, and lease liabilities are disclosed under long-term and short-term liabilities for loans, deposits and the like.

The company assesses whether it is a lease agreement or whether the contract contains a lease, at the beginning of the contract. The Company shall report right-of-use assets and the corresponding lease obligation in respect of all leases in which it is a lessee, except for short-term leases (defined as leases with a duration of 12 months or less) and leases of low-value assets (such as tablets and personal computers, office furniture and telephones). For such leases, the Company recognises lease payments as an operating expense during the lease term, unless some other systematic basis better reflects the time dynamics of the consumption of economic benefits from the assets held in the lease.

The lease obligation shall be measured for the first time at the present value of the lease payments outstanding at the commencement date, reduced by the use of the rate defined in the lease or the incremental borrowing rate. If this rate cannot be determined, the lessee most often uses the incremental borrowing rate.

The lease payments covered by the measurement of the lease obligation include:

- fixed lease payments (including lease payments that are essentially fixed), less rental incentives received;
- variable lease payments that depend on an index or rate, initially measured using an index or rate in force on the lease start date;
- the amount that the lessee is expected to pay on the basis of residual value guarantees;
- the price of the exercise of the purchase option if it is certain that the lessee will exercise this option; and
- payment of penalties for termination of the lease if the lease period reflects that the tenant will exercise the possibility of terminating the lease.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.8. LEASES (continued)**

The lease liability is subsequently measured

- increasing the carrying amount to reflect interest on lease liabilities (by applying a discount interest rate included in the lease – incremental borrowing rate);
- reducing the carrying amount to reflect the lease payments made.
- re-measuring the lease liability (and making appropriate adjustments to related right-of-use assets) when:
 - the lease period changes or a significant event or a significant change in circumstances occurs, resulting in a change in the assessment of the exercise of the option to purchase, in which case the lease liability is measured again by discounting the revised lease payments using the revised discount rate;
 - lease payments are changed due to changes in the index or rate, or a change in the expected payment of the guaranteed residual value, in which case the lease liability is measured again by discounting the revised lease payments using unchanged discount rates (unless the change in lease payments is due to a change in variable interest rates, in which case the revised discount rate is applied).
 - the lease agreement is changed and the lease modification is not accounted for as a separate lease, in which case the lease liability is measured again on the basis of the period of the modified lease so that the revised lease payments are discounted by applying the revised discount rates on the effective date of the amendment.

Right-of-use assets include the initial measurement of the lease obligation in question, the lease payments on or before the lease commencement date, minus the incentives received to conclude the operating lease and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

When the Company bears the costs of dismantling and removing leased assets, restoring the location of the asset or returning the underlying asset to the condition required by the lease terms, the provision shall be recognised and measured in accordance with IAS 37, *Provisions, Uncertain Liabilities and Uncertain Assets*. Where costs relate to right-of-use assets, the costs are included in the related right-of-use assets, unless those costs are incurred in the production of inventories.

Right-of-use assets are depreciated over the lease period or useful life, whichever is shorter. If the lease transfers ownership of the underlying asset or if the cost of the right-of-use asset reflects that the Company will exercise the option to purchase, the right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation begins on the lease start date.

The Company applies IAS 36, *Impairment of Assets*, to determine whether the value of a right-of-use asset has been impaired or whether any impairment losses have been accrued for it, as described in the Real Property, Plant and Equipment policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease obligation and right-of-use assets. The related payments are recognised as an expense in the period in which the event or condition that triggered the payments in question occurred and are included in 'Other costs' in profit or loss (see Note 10).

As a practical solution, IFRS 16 allows a lessee not to separate non-lease components and to account for lease and non-lease components as a single component. The Company did not use this practical solution. For a contract containing a lease component and one or more additional non-lease components, the Company shall allocate the remuneration under the contract to each lease component based on the relative stand-alone price of that component and the total stand-alone price of the non-lease components.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.9. STOCKS**

Stocks of raw materials and materials are reported at the lower value between the cost of acquisition determined by the weighted average price method and the net realisable sales value, whichever is lower, after provisioning for obsolete stocks. Net realisable value is an estimate of the selling price in ordinary operations minus variable selling costs.

The costs incurred in bringing each product to its present location and condition shall be calculated as follows:

- consumption of raw materials; based on average purchase prices.
- Finished goods and work in progress include the cost of raw materials and auxiliary materials, the cost of direct labour, other direct costs and the corresponding part of manufacturing overheads (based on normal production capacity) and do not include borrowing costs.

Commercial goods are reported at the selling price less taxes and margins.

On each balance sheet day, a check of damaged and non-compliant stocks is performed. If necessary, the value of damaged stocks and stocks that have passed their expiration date is corrected.

Small inventory, packaging and car tires in use can be included in the costs when their individual value is less than 500 euros and their useful life is less than one year, using the one-time write-off method.

2.10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, current accounts and deposits with banks with an original contractual maturity of up to three months. Cash equivalents are short-term, highly liquid investments that can be exchanged for a known amount of cash and are subject to non-material depreciation risk and are held with the intention of settling short-term monetary obligations rather than for investment or other reasons.

2.11. PRINCIPAL

Ordinary shares are shown as principal. Shares owned by the Company are shown as treasury shares and are deducted from the principal.

2.12. CREDITS AND LOANS

Borrowings are initially recognised at fair value less transaction costs. In future periods, borrowings are reported at amortised cost; and any differences between the receipts (less transaction costs) and the redemption value are recognised in profit or loss during the term of the borrowing. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are an integral part of the cost of those assets. Borrowings are classified as short-term liabilities unless the Company has an unconditional right to defer the settlement of the obligation for at least 12 months after the balance sheet date.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.13. DEFERRED AND CURRENT CORPORATE INCOME TAX**

The Company calculates the tax liability in accordance with Croatian laws and regulations. Tax expense calculated on the result for the year consists of current tax and deferred tax. Current tax represents the expected tax liability calculated on the taxable amount of profit for the financial year, using the tax rate in effect on the reporting date and any tax liability adjustments from previous periods.

The amount of deferred tax is calculated using the balance sheet liability method, on temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements, at the rate at which temporary differences are expected to be realized, and which are valid or legally adopted or published on the given reporting date. However, deferred tax is not recognised if it arises from the initial recognition of assets or liabilities in a transaction that is not a business combination and that does not affect accounting profit or taxable profit (tax loss) at the time of the transaction.

2.14. REMUNERATION OF EMPLOYEES**a) Liabilities for pensions and other liabilities after retirement**

In the course of its regular operations, when paying salaries, the Company performs regular payments of contributions on behalf of its employees who are members of mandatory pension funds in accordance with the law. Mandatory pension contributions to funds are reported as part of the cost of salaries when they are calculated. The Company's liability ceases at the moment when the contributions are settled. The Company does not have an additional pension plan and therefore has no other obligations regarding employee pensions. Furthermore, the Company has no obligation to provide any other employee benefits after their retirement.

b) Severance pay

Severance pay liabilities are recognized when the Company terminates an employee's employment prior to the normal retirement date or by the employee's decision to voluntarily accept termination of employment in exchange for compensation. The Company recognizes severance payment liabilities when it has demonstrably assumed an obligation to terminate the employment relationship with current employees.

c) Short-term employee benefits

An undertaking recognises a provision for bonuses when there is a contractual obligation or past practice that gave rise to a constructive obligation. A provision is also recognized for unused annual leave in the amount that is expected to be paid as a short-term liability if the Company has a present legal or derivative liability to pay that amount as a result of a service performed in the past by the employee and if the liability can be reliably measured.

d) Other employee benefits

Liabilities based on other long-term employee benefits, such as jubilee bonuses and statutory severance pay, are reported at the net present value of the defined benefit obligation at the reporting date. To calculate the present value of the liability, the projected credit unit method is used. Corresponding losses or gains on remeasurement are recognised immediately in the statement of profit or loss, except for actuarial gains and losses on the remeasurement of defined benefit obligations of employees that are recognised in the statement of other comprehensive income as items that will not be carried forward in profit or loss in subsequent periods.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)**2.15. PROVISIONS**

Provisions for warranty costs and litigation are recognised if the Company has a present legal or constructive obligation as a result of a past event, if it is probable that an outflow of resources will be required to settle the obligation, and if the amount of the liability can be estimated reliably.

Provisions are measured at the present value of the costs expected to be required to settle the liability, using a pre-tax discount rate, which reflects current market estimates of the time value of cash as well as risks specific to that liability. The amount of the reservation increases in each period to reflect the elapsed time.

2.16. RECOGNITION OF REVENUE

Revenue is recognised as the amount of the transaction price, where the transaction price is the amount of consideration to which the Company expects to be entitled in exchange for the transfer of the promised goods or services to the customer, excluding amounts charged on behalf of third parties. A company recognises revenue when it transfers control of a product or service to a customer.

Revenue consists of the fair value of consideration received or receivables for products, goods or services sold in the ordinary course of the Company's business. Revenues are reported in amounts less value added tax, rebates and discounts that are an integral part of contracts with customers. The Company recognises revenue when the amount of revenue can be measured reliably, when it is probable that the Company will achieve future economic benefits, and when the specific criteria for all of the Company's activities described below are met. Revenue is recognised as follows:

a) Revenues from the sale of products and goods

Revenue is recognised when delivery obligations are satisfied by transferring control of the promised products and goods or services to the customer.

Control over products and goods (e.g. sale of equipment) is transferred when the products and goods are delivered to the customer, the customer is in full possession of the products and goods, and there is no outstanding obligation that could affect the buyer's acceptance of the goods. Delivery is made when products and goods have been shipped to a specific location, and the risks of obsolescence and loss have been passed on to the customer. Control over products and goods is usually transferred at a certain point in time.

Revenues from the sale of products and goods mostly include revenues from the sale of flour, bread, pastries, biscuits, waffles, pasta, porridges, edible oils. Revenues from the sale of products and goods are recognised at the time of sale of goods to the customer. Standard payment terms range from 30 to 60 days.

b) Revenue from services

Revenue from services is recognised in the period in which the services are performed. If the delivery of a service extends over more than one period, the input method (based on costs incurred) and the output method (based on units/jobs delivered) are used to measure progress to final execution. The services provided by the Company mostly include transport services and rental services.

NOTE 2 - SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES (CONTINUED)

2.17. FINANCIAL INCOME

a) Interest income

Interest income is recognised on a pro-rata basis using the effective interest rate method.

b) Dividend income

Dividend income is recognised when the right to dividend payment has been established.

2.18. DISTRIBUTION OF DIVIDENDS

The distribution of dividends to the Company's shareholders is recognised as a liability in the financial statements in the period in which they are approved by the General Meeting of Shareholders of the Company.

NOTE 3 - KEY ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates are evaluated on an ongoing basis and are based on experience and other factors, including expectations of future events that are considered acceptable under the current circumstances. The Company makes estimates and makes assumptions related to the future. The resulting accounting estimates are, by definition, in rare cases equated to actual results. Estimates and assumptions that could result in a material risk of reconciliation of the carrying amounts of assets and liabilities in the following financial year are set out below.

a) Impairment of non-financial assets

Depreciable assets are reviewed for impairment when events or changed circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the fair value of the asset less the cost of selling or the value of the asset in use, whichever is higher.

The recoverable amount and fair values are usually determined using the discounted cash flow method, which contains reasonable assumptions about the market.

Impairment is based on many factors such as changes in market conditions, increases in the cost of capital, changes in future financing options, technological obsolescence, replacement costs, amounts paid in comparable transactions and other changes in circumstances that indicate the existence of impairment.

An impairment loss is recognised as the difference between the carrying amount of an asset and its recoverable amount. For the purpose of estimating impairment, assets are grouped at the lowest level that generates cash flows (cash generating unit).

Non-financial assets, other than goodwill, for which an impairment loss has been reported, are reviewed at each reporting date for the possible reversal of impairment.

Determining the impairment (value adjustment) of an asset involves the use of estimates that contain, but are not limited to, the causes, timing, and amount of the impairment. The determination of impairment indicators, as well as the estimation of future cash flows and the determination of the fair value of an asset (or group of assets), requires Management to make significant estimates when identifying and valuing impairment indicators, expected cash flows, applicable discount rates, useful lives and residual values. For details, see Notes 18, 18a, 19, 19a, 20, 23 and 31.

b) Useful life of the asset

The determination of the useful life of an asset is based on historical experience with similar assets, as well as projected technological developments and changes in broader economic and industrial factors. The adequacy of the estimated useful life shall be considered annually, or whenever there is indication of a significant change in the assumptions. We believe that this is an important accounting estimate, as it involves assumptions about technological development and is significantly dependent on the Company's investment plans. See Notes 18 and 19 for details.

c) Inventories

Inventories are valued at the lower value between the cost of acquisition and the net realisable value, after adjusting the value for obsolete inventory. The value adjustment is carried out on each balance sheet date, depending on the shelf life of the stocks and their utilization.

d) Impairment of investments in subsidiaries

An undertaking shall carry out an impairment test on investments in subsidiaries when events or changed circumstances occur that indicate that the carrying amount is not recoverable. The recoverable amounts of cash-generating units are determined on the basis of fair value less costs to sell. These calculations require the use of estimates. See Note 20 for details.

NOTE 3 - KEY ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)**e) Expected loss model**

The Company uses a simplified approach to the calculation of expected credit losses according to the requirements of IFRS 9. The estimation of future expected credit losses, i.e. the adjustment of the value of financial instruments resulting therefrom, is carried out on the basis of the average write-down rate in previous years and its application to unadjusted financial assets measured at amortised cost at the reporting date.

The Company does not reduce the value of cash and cash equivalents, as it considers the effect of expected credit losses not to be significant. The Company uses a simplified approach to calculating expected credit losses, and on each reporting date it assesses whether there are receivables that are older than 360 days, if they are older than 360 days and are not collectible and have been sued, the Company applies a value adjustment in the amount that it considers not recoverable.

If they are not collected earlier, all claims are sued within one year from the due date. The analysis of receivables and the corresponding value adjustment showed significant collection of receivables in the first year from the due date and in the following two years through court actions. Historically, these trends are stable and there are no known facts or indications that the trend will change in future periods.

After legal action and the existence of objective evidence of impairment based on one or more events that indicate to the Management Board that the contracted cash flows will not be able to be collected, the value of the said financial assets is adjusted, in an amount that reflects the said parameters. The decision on adjustment is made by the Management Board of the Company. See Notes 11, 23, 24, 25 and 31 for details.

f) Provisions

Provisions are measured at the present value of the costs expected to be required to settle the liability, using a pre-tax discount rate, which reflects current market estimates of the time value of cash as well as risks specific to that liability. The amount of the provision increases in each period to reflect the elapsed time. Notes 12 and 27.

For litigation

Provisions for warranty costs and litigation are recognised if the Company has a present legal or constructive liability as a result of a past event, if it is probable that an outflow of resources will be required to settle the liability, and if the amount of the liability can be estimated reliably.

For severance pay and jubilee awards

Liabilities based on other long-term employee benefits, such as jubilee bonuses and statutory severance pay, are reported at the net present value of the defined benefit liability at the reporting date. To calculate the present value of the liability, the projected credit unit method is used. Corresponding losses or gains on remeasurement are recognised immediately in the statement of profit or loss, except for actuarial gains and losses on the remeasurement of defined benefit liability of employees that are recognised in the statement of other comprehensive income as items that will not be carried forward in profit or loss in subsequent periods.

For unused vacations

A provision is also recognized for unused annual leave in the amount that is expected to be paid as a short-term liability if the Company has a present legal or constructive liability to pay that amount as a result of a service performed in the past by the employee and if the liability can be reliably measured.

NOTE 3 - KEY ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)**g) Corporate Income Tax and Deferred Tax**

The Company is a corporate income tax payer in Croatia. As part of its regular operations, the Company concludes transactions and makes calculations according to which the final amount of tax cannot be determined with certainty. The Company recognizes liabilities for expected possible tax issues during a tax audit, which is based on estimates of whether an additional tax liability will arise. If the final tax outcome of these tax matters differs from the amount originally calculated, the resulting differences will affect the provisions for corporate income tax and deferred tax in the period of adoption of the final tax ruling.

Deferred tax assets are recognised up to the amount that is likely to generate taxable profits sufficient for their use. At each reporting date, the Company reassesses the unrecognised potential deferred tax assets and the recoverability of the carrying amount of recognised deferred tax assets. See Notes 16 and 21 for details.

In accordance with the regulations of the Republic of Croatia, the Tax Administration may at any time inspect the Company's books and records for a period of 3 years after the end of the year in which the tax liability was reported and may introduce additional tax liabilities and penalties. The management is not aware of circumstances that could give rise to significant liabilities in this regard.

NOTE 4 – SALES REVENUES (within the Group)

Total sales revenues include:

(in euros)	2025.	2024.
Revenues from sales to non-group undertakings	22,241,800	21,601,422
Revenues from sales to undertakings within the group	8,072,763	6,832,002
Total sales revenue	30,314,563	28,433,424

Most of the revenue is recognized at the time of sale.

Sales revenues with undertakings within the group by types of revenue

(in euros)	2025.	2024.
Revenue from the sale of products	6,921,806	5,588,731
Rental income /i/	754,441	701,299
Revenues from the sale of goods	319,195	472,163
Revenues from transport services	77,321	69,809
Sales revenues with undertakings within the group	8,072,763	6,832,002

/i/ Rental income

These revenues are mostly related to the lease of real estate given to the subsidiary Trgovina Krk d.d. Malinska.

NOTE 5 – SALES REVENUE (outside the group)

(in euros)	2025.	2024.
Sales revenues in the country /i/	20,991,705	20,379,200
Revenues from sales abroad /ii/	1,250,095	1,222,222
Total sales revenue	22,241,800	21,601,422

/i/ Domestic sales revenues by type of income

(in euros)	2025.	2024.
Revenue from the sale of products	20,211,160	19,715,707
Revenues from the sale of goods	501,851	512,517
Revenues from transport services	118,066	89,857
Rental income	160,628	61,119
Total sales revenues in the country	20,991,705	20,379,200

NOTE 5 – SALES REVENUE (Outside Group) (CONTINUED)

/ii/ Revenues from sales abroad by country

(in euros)	2025.	2024.
Sales revenue - Slovenia	892,467	702,037
Sales revenues - BiH	323,001	497,487
Sales revenue - Lithuania	25,480	16,640
Sales revenue - Germany	5,091	6,058
Sales revenues - Kosovo	4,056	-
Total sales revenues abroad	1,250,095	1,222,222

NOTE 6 – OTHER OPERATING INCOME

(in euros)	2025.	2024.
Income from the sale of fixed assets	67,531	52,792
Revenue from surpluses	64,418	7,440
Revenues from state aid, donations, awards, subsidies and assistance	48,845	15,285
Revenues from collected and cancelled reconciled receivables	27,985	10,704
Revenues based on the use of own products, goods and services	9,808	9,177
Revenue from the sale of raw materials and materials, spare parts, small inventory, packaging and car tires	6,061	3,046
Other operating income with entrepreneurs within the group	3,571	54
Receipt of damages from insurance companies	257	23,750
Other operating income	33,463	9,348
Total other operating income	261,939	131,596

NOTE 7 – CHANGE IN THE VALUE OF STOCKS OF WORK IN PROGRESS AND FINISHED PRODUCTS

Changes in the value of inventories of work in progress and finished products as at 31 December compared to 1 January of the current year affect costs in that in the amount of the increase in the value of inventories, part of the costs of the current year is retained in inventories, while the decrease in the value of inventories increases the costs of the period. Inventories in 2025 increased by 383,000 euros (in 2024 they increased by 147,583 euros). Furthermore, the change in the value of inventories was adjusted for the amount of surpluses in production and finished goods in the amount of EUR 5,528 (2024: EUR 3,933), and shortfalls in production and finished goods in the amount of EUR 16,593 (2024: EUR 19,160), which were reported as other operating income or expenses.

Change in inventory value	2025.	2024.
Situation on January 1	762,045	614,461
Situation as of December 31	1,145,045	762,045
Difference	383,000	147,584
Shortages in production and finished products	16,593	19,160
Production and finished product surpluses	(5,528)	(3,933)
Change in the value of inventories on 31 December	394,065	162,811

NOTE 8 – MATERIAL COSTS

(in euros)	2025.	2024.
Costs of raw materials, energy and auxiliary materials /i/	18,943,711	16,901,272
Cost of goods sold	553,712	689,288
Other external costs /ii/	2,511,886	2,472,180
Total material costs	22,009,309	20,062,740

/i/ Costs of raw materials, energy and auxiliary materials

(in euros)	2025.	2024.
Costs of raw materials and materials	16,702,425	14,488,824
Costs of energy consumed	1,279,815	1,375,197
Packaging costs	938,982	989,330
Spare parts and small inventory	22,489	47,921
Total cost of raw materials and materials	18,943,711	16,901,272

NOTE 8 – MATERIAL COSTS (CONTINUED)

/ii/ Other external costs

(in euros)	2025.	2024.
Costs of telephone, internet, transport, etc.	602,839	488,022
Intellectual and Personal Services /i/	544,382	733,323
Costs of promotion, propaganda, advertising, sponsorship, fairs	497,811	533,009
Maintenance Services	225,290	251,601
Leases and rents	215,248	98,287
Utilities and other services	171,180	161,829
Outsourcing service of agency workers	102,184	107,060
Services on the production of products	19,190	8,900
Cost registration of means of transport, intermediation and commercial services	16,952	22,280
Student Services	9,958	6,778
Other services /ii/	106,852	61,091
Total other external costs	2,511,886	2,472,180

/i/ Intellectual and personal services

Within the cost of intellectual and personal services, the costs of auditing the Company's financial statements are reported. The audit fee in 2025 is 58,000 euros. Other costs relate to the cost of maintaining the IT system, fees related to listing on the capital market, and intellectual services related to the acquisition project.

/ii/ Other services

Other services include ongoing occupational health and safety services in the amount of €6,675 (2024: €5,424), cleaning services €15,302 (2024: €3,850) and other services (vehicle monitoring, fire alarm services, testing of fire extinguishers, work equipment, vehicle washing and parking services and other costs) in the amount of €84,875 (2024: €51,817).

NOTE 9 – STAFF COSTS

(in euros)	2025.	2024.
Net salaries and wages	3,095,739	3,032,951
Costs of taxes and contributions from salaries	1,259,859	1,212,858
Contributions to salaries	707,389	674,142
Total personnel costs	5,062,987	4,919,951

As of December 31, 2025, the Company had 122 employees (in 2024: 212).

NOTE 10 – OTHER COSTS

(in euros)	2025.	2024.
Awards and gifts to workers	423,461	543,583
Allowances and remuneration of workers	192,598	217,621
Remuneration of members of the Supervisory Board and other income (gross)	136,283	76,093
Insurance premiums	133,401	118,379
Banking services and commissions	52,317	27,662
Contributions for water management, forests and monument rent	50,765	43,718
Contributions and membership fees of the HGK, HOK, tourist boards, etc.	28,546	17,029
Representation and promotion	24,754	14,285
Costs of general and special education and training of workers	23,820	7,176
Expenses for business trips	18,019	10,965
Costs of medical examinations of workers	8,019	10,253
Expenses for manuals, journals, professional literature, official journals	2,228	2,715
Court costs, fees and costs of reminders	187	301
Other operating expenses /i/	62,763	50,072
Total other costs	1,157,161	1,139,852

/i/ Other operating expenses

Other operating costs mostly include expenditures on health surveillance and product inspections, as well as environmental protection costs.

NOTE 11 – VALUE ADJUSTMENTS

The costs of value adjustments to current assets consist of value adjustments based on the adjustment of the value of trade receivables for delivered goods and services, for which there is a probability that they will not be collected (which also includes general provisions under anticipated future adjustments in accordance with IFRS 9 - notes 23 and 31), and other value adjustments to receivables that have been sued or reported in pre-bankruptcy and bankruptcy proceedings, and written off as non-collectible receivables.

In 2025, costs were accrued for current assets value adjustments in the amount of EUR 740 (in 2024: EUR 10,927), previously value-adjustments EUR 27,985 (2024: EUR 10,704) were collected, of which the item of value adjustments of trade receivables refers to the amount of EUR (27,245) (in 2024: EUR (223)).

NOTE 12 – PROVISIONS

(in euros)	2025.	2024.
Provisions for unused annual leave /i/	(16,090)	4,323
Provisions for severance pay and jubilee awards (note 27)	(10,981)	(33,479)
Total provisions	(27,071)	(29,156)

/i/ The Company recognises the provision for unused annual leave on a net basis as the difference between the opening and closing balances of liabilities. In 2025, revenues in the amount of EUR 16,090 reported as provisions were recognised (in 2024, expenses in the amount of EUR 4,323 were charged).

The provision is recognised for unused annual leave because the Company has a current statutory or constructive liability to pay this amount for 6,254 hours (in 2024: 9,732 hours) of unused annual leave as a result of past service rendered by the employee and the liability can be reliably measured.

Booking information and movement is described in note 27.

	2025.	2024.
Balance on January 1 (unused vacation)	107,489	103,166
Revenue from the cancellation of provisions for unused vacation	(16,090)	-
Expenditure on provisioning for unused vacation	-	4,323
Situation as of December 31	91,399	107,489

NOTE 13 - OTHER OPERATING EXPENSES

(in euros)	2025.	2024.
Shortages, wastage, defects, write-offs and shortages of short-term assets	27,376	21,772
Purchase value of raw materials and supplies sold, derecognition of property, plant and equipment	9,273	4,404
Fines, penalties, damages, etc.	4,842	658
Other operating expenses	1,416	3,494
Total other operating expenses	42,907	30,328

NOTE 14 – FINANCIAL INCOME

(in euros)	2025.	2024.
Income from investments in shares of undertakings within the group /i/	7,365,687	7,000,000
Income from other long-term financial investments and loans	145,803	314,315
Other financial income /ii/	3,595	3,055
Total financial income	7,515,085	7,317,370

/i/ Income from investments in shares of undertakings within the group

In 2025, dividends (note 30) were paid by subsidiaries in the amount of EUR 7,365,687. In 2024, the dividend payment by subsidiaries amounted to EUR 7,000,000.

/ii/ Other financial income

Other financial income in 2025 and 2024 includes income from stock dividends recognised within current financial assets at fair value through profit or loss.

NOTE 15 – FINANCIAL EXPENDITURE

(in euros)	2025.	2024.
Interest expenses - bank loans /i/	42,111	-
Expenditures on the basis of interest, etc. Expenditures from undertakings within the group /II/	37,920	-
Interest-based expenses - IFRS 16 (note 28)	8,277	3,474
Interest expenses - other	424	259
Unrealised losses (expenses) on financial assets	-	13
Total financial expenditures	88,732	3,746

/i/ Interest-based expenses – bank loans

The Company took loans from banks whose balance at the end of 2025 amounts to EUR 4,400,000, of which EUR 2,800,000 refers to short-term loans and EUR 1,600,000 to long-term loans. The loans were taken for the purpose of investment in the Čakovec and Sisak mills. Details of loan movements, interest and maturity are shown in footnote 28.

/ii/ Interest and similar expenditures with related parties within the group.

In 2025, the Company received loans in the total amount of EUR 3,000,000 from its subsidiaries Trgovina Krk d.d. and NewMip d.o.o. Sisak. The statutory interest rate between related parties was calculated on loans in the amount of 4.38%. In 2024, there were no loans received by subsidiaries.

NOTE 16 – CORPORATE INCOME TAX

(in euros)	2025.	2024.
Current tax	635,311	367,131
Deferred tax cost/(revenue) (Note 21)	(456)	(403)
Total	634,855	366,728

(in euros)	2025.	2024.
Profit or loss before tax	9,225,970	8,983,804
Tax calculated at the rate of 18%	1,660,675	1,617,085
Taxable expenses	2,038,109	130,120
Non-taxable income and allowances	6,087,417	5,784,654
Profit or loss tax on business	635,311	367,131
Effective tax rate	6.89%	4.09%
Deferred tax cost/(revenue)	(456)	(403)
Profit or loss of the financial year	8,591,115	8,617,075

The most significant part of the reduction in the tax base relates to the cancellation of the part of the provision under IAS 19 in the amount of EUR 10,980 (2024: cancellation of the part of the provision under IAS 19 in the amount of EUR 33,479), the cancellation of the part of the provision under IFRS 9 in the amount of EUR 25,309, and dividend income in the amount of EUR 7,369,282, and to state aid for education and training. The most significant part of the increase in the tax base refers to the taxation of hidden reserves (the difference between the book and fair value of BU mlinar) in the amount of EUR 1,674,271, and the cost of depreciation of fixed assets that do not perform activities in the amount of EUR 25,947.

In accordance with local regulations, the Tax Administration may inspect the Company's books and records at any time, and may impose additional tax obligations and penalties.

NOTE 17 - EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the Company's net profit by the weighted average number of ordinary shares.

(in euros)	2025.	2024.
Net profit of the company	8,591,115	8,617,075
Weighted average number of ordinary shares	16,020,000	10,290,000
Basic earnings per share (in euros)	0.54	0.84

NOTE 18 – INTANGIBLE ASSETS

	Concessions, patents, licenses, trademarks and service marks, software and other rights	Goodwill	TOTAL INTANGIBLE ASSETS
Purchase value			
1.1.2024	74,497	-	74,497
New procurement and calculation	6,720	-	6,720
31.12.2024	81,217	-	81,217
New procurement and calculation	5,654	-	5,654
Increase	-	1,166,229	1,506,545
Recognition of assets from the merger of BU milling from NewMip	5,194	-	5,194
31.12.2025.	92,065	1,166,229	1,258,294
Value correction			
1.1.2024	73,877	-	73,877
Depreciation Cost for the Year	2,579	-	2,579
31.12.2024	76,456	-	76,456
Recognition of accumulated depreciation from the merger of BU milling from NewMip	5,194	-	5,194
Depreciation Cost for the Year	5,171	-	5,171
31.12.2025.	86,821	-	86,821
Book value 31.12.2024	4,761	-	4,761
Book value 12/31/2025	5,244	1,166,229	1,171,473

As of February 1, 2025, the Company acquired a 100% stake in the company NewMip d.o.o., which includes operations through 3 economic units (milling economic unit, bakery economic unit and retail business unit). On the date of acquisition, the Company calculated goodwill at the level of NewMip at the consolidated level, which is recognized in the Company as of July 1, 2025 for the milling business unit, when the merger/transfer of the previously acquired milling business unit from NewMip to the Company took place as part of a business combination under common control.

The merger of the business unit was carried out using the predecessor value method, according to which the net assets of the transferred economic unit at the date of the transfer were recognised at the values of these net assets at the consolidated level (the so-called "consolidated book values"), without new recognition of goodwill or advantageous purchases. The difference between the carrying amount of the consideration transferred relating to this acquired economic unit and the net assets of the same from the consolidated level at the date of the transfer is recognised directly in equity.

NOTE 18a – TANGIBLE ASSETS

	Lands	Construction facilities	Plant and equipment	Tools, drive inv. and transport assets	Tangible assets in preparation and advances	TOTAL TANGIBLE ASSETS
Purchase value						
1.1.2024	962,897	8,685,042	17,575,856	1,797,994	213,665	29,235,454
New procurement and calculation	-	-	-	-	257,732	257,732
Transfer to use	-	-	61,596	184,874	(429,093)	(182,623)
Disposal and sale	-	-	(33,674)	(260,381)	-	(294,055)
31.12.2024	962,897	8,685,042	17,603,778	1,722,486	42,304	29,016,507
Entry of rights – bakery business segment in ZPKL	(27,769)	(1,319,560)	(4,478,652)	(973,589)	-	(6,799,570)
New procurement and calculation	-	-	-	-	3,135,492	3,135,492
Transfer to use	-	-	2,713,328	52,884	(2,766,212)	-
Recognition of assets from merger of NewMip's GC Milling	779,582	5,571,770	4,265,469	83,935	-	10,700,756
Disposal and sale	-	-	(1,545,569)	(4,451)	-	(1,550,020)
31.12.2025.	1,714,710	12,937,252	18,558,354	881,265	411,584	34,503,165
Value correction						
1.1.2024	-	7,227,591	16,882,685	1,323,739	-	25,434,015
Depreciation Cost for the Year	-	185,828	399,492	179,341	-	764,661
Disposal and sale	-	-	(31,599)	(260,381)	-	(291,980)
31.12.2024	-	7,413,419	17,250,578	1,242,698	-	25,906,697
Entry of rights – bakery business segment in ZPKL	-	(1,319,291)	(4,369,578)	(683,544)	-	(6,372,413)
Recognition of accumulated depreciation from merger of NewMip's BU Milling	-	4,400,512	4,054,074	67,780	-	8,522,366
Depreciation Cost for the Year	-	224,078	375,752	148,738	-	748,567
Disposal and sale	-	-	(1,542,339)	(4,451)	-	(1,546,790)
31.12.2025.	-	10,718,718	15,768,487	771,221	-	27,258,426
Book value 31.12.2024	962,897	1,271,623	353,200	479,788	42,304	3,109,812
Book value 12/31/2025	1,714,710	2,218,534	2,789,867	110,044	411,584	7,244,739

NOTE 18a – TANGIBLE ASSETS (CONT'D)

The most significant change in 2025, in tangible assets, was caused by the purchase of two automatic flour packaging lines of 1 kg and 25 kg, and the purchase of a grain cleaning line. All three lines are co-financed by the Paying Agency for Agriculture, Fisheries and Rural Development prescribed by the Ordinance on the Implementation of Measures of the Rural Development Programme of the Republic of Croatia and the Tender for the Implementation of Sub-Measure 4.2. By the decision on disbursement, the Agency approved funds in the amount of EUR 1,117,681, booked as part of other current liabilities (note 29).

The movement of fixed assets was also greatly influenced by the process of status change of separation with the takeover of BU milling from the company NewMip to the company Čakovečki mlinovi, and the entry of rights – the business unit of the bakery from the company Čakovečki mlinovi d.d. to the company Zagrebačke pekarnje Klara d.d., where the entry of fixed intangible and tangible assets was made, see Note 33.

The increased value of the cost of procurement on land and facilities arose as the difference between the book and fair value of the economic unit of milling from NewMip as of 01.02.2025. The identified fair value adjustments refer to land and facilities for which, by a certified valuer, a market value assessment study has been made. The values of the transferred net assets as at the date of the merger on 1 July 2025 are presented in Note 33.

As of December 31, 2025 and December 31, 2024, the Company has no pledged tangible fixed assets as a means of collateral for loan repayment.

The book value of temporarily unused real estate, plant and equipment as at 31 December 2025 is EUR 720,225 (EUR 764,581 as of December 31, 2024). The fair value of those assets is approximately equal to the carrying amount at the balance sheet date.

(in euros)	2025.	2024.
Depreciation of plant and equipment	375,752	397,725
Depreciation of construction facilities	224,078	185,828
Depreciation of tools and operating inventory, transport	148,738	179,341
Depreciation of real estate investments	141,672	141,777
Depreciation of passenger cars - rental	29,506	15,759
Depreciation of fixed intangible assets	5,171	2,579
Total depreciation	924,917	923,009

NOTE 19 – RIGHT-OF-USE ASSETS

Purchase value	Tools, plant inventory and transport assets	Total
31.12.2023.	44,917	44,917
New procurement	62,628	62,628
Disposal and sale	(44,917)	(44,917)
31.12.2024.	62,628	62,628
New procurement	67,677	67,677
31.12.2025.	130,305	130,305
Value correction		
31.12.2023.	42,345	42,345
Calculation of depreciation	15,759	15,759
Disposal and sale	(44,917)	(44,917)
31.12.2024.	13,187	13,187
Calculation of depreciation	29,506	29,506
31.12.2025.	42,693	42,693
Book value at 31.12.2024	49,441	49,441
Book value as at 31.12.2025	87,612	87,612

NOTE 19a – INVESTMENTS IN REAL ESTATE

Purchase value	Ground	Construction facilities	Total
31.12.2023.	1,975,876	15,069,015	17,044,891
31.12.2024.	1,975,876	15,069,015	17,044,891
Disposal and sale	(2,230)	(37,257)	(39,487)
31.12.2025.	1,973,646	15,031,758	17,005,404
Value correction			
31.12.2023.	-	14,099,112	14,099,112
Calculation of depreciation	-	141,777	141,777
31.12.2024.	-	14,240,889	14,240,889
Calculation of depreciation	-	141,671	141,671
Disposal and sale	-	(37,257)	(37,258)
31.12.2025.	-	14,345,303	14,345,303
Book value at 31.12.2024	1,975,876	828,126	2,804,002
Book value as at 31.12.2025	1,973,646	686,455	2,660,101

The Company estimates the fair value of real estate investments using Level 3 data, in accordance with IFRS 13: Fair Value Measurement. The Company uses the income approach when calculating estimated at the fair value of real estate investments of €8,586,515 (2024: €8,637,985).

NOTE 20 - INVESTMENTS IN SUBSIDIARIES AND FIXED FINANCIAL ASSETS

(in euros)	31.12.2025.	31.12.2024.
Investments in stakes (shares) of the company. Within the group - ZP Klara /i/	44,599,234	-
Investments in stakes (shares) of the company. Within the group - NewMip /i/	24,081,924	-
Investments in stakes (shares) of the company. Within the group - Trgovina Krk	9,360,346	9,360,346
Investments in stakes (shares) of the company. within the group - Radnik Opatija	1,176,957	1,176,957
Total investments in subsidiaries	79,218,461	10,537,303
Other non-current financial assets - share in Žitozajednica d.o.o.	557	557
Total non-current financial assets	79,219,018	10,537,860

/i/ Shares in related undertakings

On January 15, 2025, the General Assembly of Čakovečki mlinovi d.d. adopted the Decision on the increase of the share capital of the Company by issuing ordinary shares with contributions in rights. With this Decision, the share capital of the Company increased from EUR 13,657,177 by EUR 7,605,017 to EUR 21,262,194 and was divided into 16,020,000 ordinary dematerialised shares. The increase in the share capital was carried out by entering rights in the following ways:

- by entering the rights – business shares held by the company MLIN I PEKARE d.o.o. in the company NewMip d.o.o., namely one business share in the nominal amount of EUR 2,500.00 paid in full in cash, registered in the book of business shares under ordinal number 1, one business share in the nominal in the amount of EUR 11,135,000.00 entered in things and rights, registered in the book of business shares under ordinal number 2, and which business shares represent 100.00% of the share capital of the company NewMip d.o.o., by issuing 3,804,979 new ordinary book-entry shares of the Company).
- by entering the rights – ordinary dematerialised shares in the name held by MLIN I PEKARE d.o.o. in the company Zagrebačke pekarnice Klara d.d., namely 117,199 ordinary dematerialised registered shares, each with a nominal value of EUR 53.00, i.e. the total nominal value of EUR 6,211,547.00, which shares represent 41.30% of the share capital of Zagrebačke pekarnice Klara d.d., by issuing 1,291,688 new ordinary dematerialised shares of the Company.
- by entering the rights – ordinary book-entry shares held by PLODINEC d.o.o. in the company Zagrebačke pekarnice Klara d.d., namely 57,474 ordinary book-entry registered shares, each with a nominal value of EUR 53.00, i.e. the total nominal value of EUR 3,046,122.00, which shares represent 20.25% of the share capital of Zagrebačke pekarnice Klara d.d., by issuing 633,333 new ordinary book-entry shares of the Company.

The Company's share capital is increased by issuing a total of 5,730,000 new ordinary dematerialised shares of the Company. The amount for which the New Shares are issued is determined in the amount of EUR 10.91 per New Share. The value of the right that constitutes the surplus above the amount of the share capital pertaining to each already issued share of the Company is entered into the Company's capital through a premium on the issued shares.

The table below shows the amounts of investments in shares of related companies as of the date of acquisition on February 1, 2025.

Company	Number of shares	Share price	Investing in shares of a related company
NewMip d.o.o.	3,804,979	10.91	41,512,321
Zagrebačke pekarnice Klara d.d.	1,925,021	10.91	21,001,979
Total	5,730,000		62,514,300

NOTE 20 - INVESTMENTS IN SUBSIDIARIES AND FIXED FINANCIAL ASSETS

(CONTINUED)

After the initial acquisition of control, the Company carried out certain status transactions through the reorganization of the Čakovečki mlinovi Group – transactions of division and takeover of economic segments from the company NewMip d.o.o. to the company Čakovečki mlinovi d.d. and the company Zagrebačke pekarnje Klara d.d. and the transaction of contribution of assets and rights from the Company into the share capital of the company Zagrebačke pekarnje Klara d.d.

Investing in shares of an affiliated company - NewMip d.o.o.	
Acquisition by entering rights – acquisition on 1 February 2025	41,512,321
Reduction of the share for BU milling NewMip d.o.o.	(4,244,071)
Reduction of the share for BU bakery NewMip d.o.o.	(13,186,326)
Total on 31.12.2025.	24,081,924

Investment in shares of an affiliated company - Zagrebačke pekarnje Klara d.d.	
Acquisition by entering rights – acquisition on 1 February 2025	21,001,979
Acquisition by public offering and purchase from shareholders	9,550,818
Increase in the share for the entry of BU bakery CKML d.d. (note 33)	860,111
Increase in the share for the entry of BU bakery NewMip d.o.o.	13,186,326
Total on 31.12.2025.	44,599,234

With the status change of separation with the takeover from the company NewMip d.o.o., the economic units of milling and bakery were separated. Consequently, the investment in NewMip d.o.o. was reduced by a total of EUR 17,430,397, of which EUR 4,244,071 refers to the economic unit of milling transferred to Čakovečki mlinovi d.d., and EUR 13,186,326 to the economic unit of bakery transferred to Zagrebačke pekarnje Klara d.d.

At the same time, the investment in the company Zagrebačke pekarnje Klara d.d. increased:

- for the amount of net assets of the transferred bakery business unit in the amount of EUR 860,111,
- for the part of the investment cost in NewMip d.o.o. that was allocated to the transferred bakery business unit (EUR 13,186,326).

The stated amounts of reductions of the cost of acquisition (investment) were determined on the basis of the assessment of the fair value of NewMip d.o.o. and the associated economic units (milling, bakery and retail) as at the date of acquisition of control, in proportion to their shares in the total fair value of the company.

In 2024, there were no changes in these positions.

NOTE 21 – DEFERRED TAX ASSETS AND LIABILITIES

This position shows the effects of temporary tax differences for expenses that were not tax deductible and increased the tax base. It consists of €76,652 (2024: €118,601) based on unrealised losses on fair valuation of shares and value adjustments, provisions for pensions and severance payments, value adjustments of trade receivables, and tax-non-deductible depreciation.

With the status change of the increase in the share capital of the company Zagrebačke pekarnе Klara d.d., the entry of rights or the entry of BU pekarstvo from the company Čakovečki mlinovi d.d., the value of deferred tax assets on the basis of provisions for pensions and severance payments in the amount of EUR 40,087 was derecognised.

(in euros)	31.12.2025.	31.12.2024.
Basis for recognition		
Valuation of financial assets (shares)	38,887	38,887
Non-tax-deductible depreciation	20,238	15,568
Liabilities based on employee income (jubilee and severance pay)	16,927	58,990
Impairment of trade receivables	600	5,156
Total deferred tax assets	76,652	118,601

	31.12.2025.	31.12.2024.
Deferred tax assets		
Situation on January 1	118,601	118,198
Liabilities based on employee income (jubilee and severance pay)	58,990	65,016
Valuation of financial assets	38,887	38,885
Non-tax-deductible depreciation	15,568	10,897
Impairment of trade receivables	5,156	3,400
Liabilities based on employee income (jubilee and severance pay) – entry of the rights of the bakery business segment into the ZPKL	(40,087)	-
Situation on October 1	78,514	118,198
Recognized through RDG	(1,862)	403
Non-tax-deductible depreciation	4,670	4,671
Impairment of trade receivables	(4,556)	1,756
Liabilities based on employee income (jubilee and severance pay)	(1,976)	(6,026)
Valuation of financial assets	-	2
Situation as of December 31	76,652	118,601

NOTE 21 – DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

On July 1, 2025, by merging the milling business unit of NewMip d.o.o., the company recorded an adjustment to the fair value of tangible assets on the basis of which it recognized the deferred tax liability. The trend of deferred tax liability is shown in the table below.

Deferred tax liability	31.12.2025.	31.12.2024.
Situation on January 1	-	-
Liabilities based on the increase in the value of procurement costs - BU milling	301,369	-
Situation on July 1	301,369	-
Recognized through RDG	(2,318)	-
Liabilities based on the increase in the value of procurement costs - BU milling	(2,318)	-
Situation as of December 31	299,051	-
Liabilities based on the increase in the value of procurement costs - BU milling	299,051	-
Situation as of December 31	299,051	-

NOTE 22 - INVENTORIES AND FIXED ASSETS HELD FOR SALE

(in euros)	31.12.2025.	31.12.2024.
Raw materials and materials /i/	7,067,085	3,588,306
Finished product /i/	1,145,045	762,045
Merchandise /i/	17,807	46,780
Total Stock	8,229,937	4,397,131
Non-current assets for sale /ii/	-	184,390
Total	8,229,937	4,581,521

The Company did not adjust the value of inventories in 2025.

/i/ Raw materials and materials, finished products and merchandise

During the transfer of BU milling from NewMip d.o.o. to Čakovečke mlinovi d.d., raw materials and materials in the amount of EUR 689,659 were transferred by the distribution balance.

Also, by entering the rights - BU bakery from Čakovečki mlinovi d.d. to Zagrebačke pekarnе Klara d.d., raw materials and materials in the amount of 60,892 euros, finished products in the amount of 18,768 euros, and merchandise in the amount of 19,441 euros were transferred. See Note 33 for details.

/ii/ Non-current assets held for sale

In 2024, according to the decision of the Management Board, the automatic mixing plant, with a total value of EUR 184,390, was reclassified from fixed assets in preparation to assets intended for sale. In 2025, the aforementioned assets were transferred to Zagrebačke pekarnе Klara d.d., i.e. the transfer of BU bakery.

NOTE 23 - TRADE RECEIVABLES AND OTHER RECEIVABLES

Trade receivables on the balance sheet date consist of:

(in euros)	31.12.2025.	31.12.2024.
Trade receivables/i/	3,192,615	2,961,181
Receivables from undertakings within the group /ii/	979,969	845,807
Total trade receivables	4,172,584	3,806,988
Claims from the state and other institutions /iii/	15,369	22,961
Receivables from employees and members of undertakings	116	451
Other receivables /iv/	198,432	47,316
Total other receivables	213,917	70,728
Total receivables	4,386,501	3,877,716

(in euros)	31.12.2025.	31.12.2024.
Short-term trade receivables	4,172,584	3,806,988
Long-term trade receivables	-	193
Total trade receivables	4,172,584	3,807,181

Trade receivables by region	31.12.2025.	31.12.2024.
Domestic	4,015,482	3,729,345
Foreign	157,102	77,643
Total trade receivables by region	4,172,584	3,806,988

/i/ Trade receivables

(in euros)	31.12.2025.	31.12.2024.
Trade receivables from customers in the country	3,151,349	3,158,760
Trade receivables from customers abroad	157,102	77,642
Correction of the value of sued and disputed trade receivables	(115,836)	(275,221)
Total trade receivables	3,192,615	2,961,181

Trade receivables are reported in the amount of net invoiced value adjusted for expected credit losses. The balance sheet for 2025 shows an adjustment to the value of trade receivables in the amount of EUR 115,836 (2024: EUR 275,221), of which EUR 547 (2024: EUR 10,927) is debited from the current year's results.

/ii/ Receivables from undertakings within the group

(in euros)	31.12.2025.	31.12.2024.
Receivables from undertakings within the group	1,039,239	905,077
Value correction	(59,270)	(59,270)
Total receivables from undertakings within the group	979,969	845,807

NOTE 23 – TRADE RECEIVABLES AND OTHER RECEIVABLES (CONTINUED)

/ii/ Receivables from undertakings within the group (continued)

Receivables from related undertakings relate to receivables arising from business relationships of delivery of goods and services to related companies Trgovina Krk d.d. Malinska, Radnik Opatija d.d. Lovran, Trgoćentar d.d. Virovitica, Zagrebačke pekarnice Klara d.d. Zagreb and NewMip d.o.o. Sisak. The balance sheet for 2025 showed an adjustment in the value of receivables from undertakings within the group in the amount of EUR 59,270 (2024: EUR 59,270), of which no adjustments were made to the current year's results.

Age structure of trade receivables and receivables from intra-group undertakings

	Gross 31.12.2025.	Impairment 31.12.2025.	Net 31.12.2025	Gross 31.12.2024.	Impairment 31.12.2024.	Net 31.12.2024
Not due	3,431,335	(1,277)	3,430,058	3,356,002	(6,031)	3,349,971
Matured up to 30 days	616,395	(533)	615,862	241,483	(1,601)	239,882
Matured from 31-90 days	93,707	(556)	93,151	125,951	(3,627)	122,324
Over 90 days due	206,253	(172,740)	33,513	418,043	(323,232)	94,811
Total gross	4,347,690	(175,106)	4,172,584	4,141,479	(334,491)	3,806,988

Impairment of trade receivables and receivables from entrepreneurs within the group throughout the year

	2025.	2024.
IFRS 9 as at 1 January	334,491	373,123
(Cancellation income)/impairment cost (note 11)	(25,309)	9,756
Write-offs	(132,455)	(39,065)
Suspicious receivables collected	(1,620)	(9,323)
Situation as of December 31	175,107	334,491

Table for the calculation of expected credit losses in accordance with IFRS 9

	31.12.2025.	31.12.2024.
Average Applied Impairment Rate of Trade Receivables*	1.65%	5.84%
Gross value of trade receivables**	3,160,543	3,111,735
Expected impairment	(3,336)	(28,645)
Net trade receivables	3,157,207	3,083,090

*A different discount rate was used for each group of receivables depending on the maturity age, and the table shows the average rate.

**Gross value of trade receivables includes total outstanding trade receivables from customers and customers abroad at the balance sheet date.

NOTE 23 – TRADE RECEIVABLES AND OTHER RECEIVABLES (CONTINUED)

/iii/ Claims from the state and other institutions

Within the receivables from the state and other institutions, claims for salary compensation from the Croatian Health Insurance Fund and the health fund were expressed, as well as claims for a higher paid contribution for the general useful functions of forests.

/iv/ Other claims

Within other receivables, receivables for advance payments, top-up of ENC devices, receivables from claims from insurance companies, re-invoicing, and other receivables in the form of prepaid costs related to 2026 were reported.

NOTE 24 - CURRENT FINANCIAL ASSETS

(in euros)	31.12.2025.	31.12.2024.
Investments in securities /i/	38,367	38,367
Receivables under the given guarantees	3,416	18,054
Total current financial assets	41,783	56,421

/i/ Investments in securities

A securities investment position refers to an investment in shares held for trading that are recorded using the fair value method. A gain or loss arising from a change in the fair value of a financial asset is recognised in the profit or loss account for the current year.

The Company did not impair of current financial assets for expected credit losses as at 31 December 2025 or 31 December 2024, as they are insignificant.

NOTE 25 – CASH IN THE BANK AND CASH REGISTER

(in euros)	31.12.2025.	31.12.2024.
Deposits with a maturity of less than three months	633,000	13,984,000
Bank account and cash register	75,763	81,326
Total cash	708,763	14,065,326

The Company did not impair the value of cash in the bank and cash register for expected credit losses as at 31 December 2025 or 31 December 2024, as they are insignificant.

All cash in the bank and cash register can be used by the Company without additional restrictions.

NOTE 26 – CAPITAL AND RESERVES

(in euros)	31.12.2025.	31.12.2024.
Profit of the financial year	8,591,115	8,617,075
Retained earnings /ii/	6,258,199	10,733,312
Premium on issued shares (note 33)	54,909,283	-
Share (subscribed) capital /i/	21,262,194	13,657,177
Legal and other reserves /iii/	1,676,730	3,131,511
Total Capital and Reserves	92,697,521	36,139,075

/i/ Subscribed capital and premium on issued shares

Share capital of the Company as of 31 December 2025 amounts to 21,262,194 EUR (31 December 2024: EUR 13,657,177) and is divided into 16,020,000 ordinary dematerialised shares (31 December 2024: 10,290,000 shares), note 20.

On February 1, 2025, by entering the rights and increasing the share capital as described in note 20, the Company increased the share capital by EUR 7,605,017 and recognized a premium on issued shares in the amount of EUR 54,909,283. For details of the resulting transactions, see Notes 20 and 34.

/ii/ Retained earnings or losses carried forward

Based on the decision of the General Assembly of the Company dated January 15, 2025, a dividend in the amount of EUR 5,042,100 was paid to the shareholders of the Company from retained earnings generated in 2018, 2019 and 2020. Furthermore, based on the decision of the General Assembly of the Company held on 18.08.2025, the Company's net profit of EUR 8,617,075 was allocated for the payment of dividend in the amount of EUR 8,010,000, while the amount of EUR 607,075 was allocated to retained earnings. Consequently, in 2025, a dividend was paid in the total amount of EUR 13,052,100, while in 2024, EUR 1,029,000 in dividend was paid.

Retained earnings in 2025 were reduced by the amount of EUR 40,087, which refers to the effect of deferred tax assets previously recognized, and as of October 1, 2025, transferred to Zagrebačke pekarnice Klara d.d. by contribution in rights.

/iii/ Legal and other reserves

The statutory reserve is formed in accordance with Croatian regulations, according to which the Company is obliged to enter the twentieth part (5%) of the profit of the current year into the statutory reserves, until these reserves, together with the capital gain, reach the amount of five percent (5%) of the share capital. This reserve is not distributable. In 2025, the share capital of the Company was increased, and with the Decision on the distribution of profit for 2025, part of the net profit from 2025 will be allocated to legal reserves.

The decrease in other reserves in 2025 is the result of the merger and acquisition of BU Milling NewMip, details are shown in note 33.

(in euros)	31.12.2025.	31.12.2024.
Other reserves	2,448,652	2,448,652
Other reserves – effect of the merger of BU milling NewMip	(1,454,782)	-
Legal reserves	682,859	682,859
Total legal and other reserves	1,676,730	3,131,511

NOTE 27 – PROVISIONS

(in euros)	31.12.2025.	31.12.2024.
Provisions for pensions, severance payments and identical liabilities /ii/	94,034	327,721
Provisions for unused vacation (note 12) /i	91,399	107,489
Total provisions	185,433	435,210

31.12.2025	Severance pay	Jubilee awards	Unused vacation	Total
Short-term part	8,495	4,342	91,399	104,236
Long-term diop	21,905	59,292	-	81,197
Total provisions	30,400	63,634	91,399	185,433

31.12.2024	Severance pay	Jubilee awards	Unused vacation	Total
Short-term part	4,414	22,581	107,489	134,484
Long-term part	140,224	160,502	-	300,726
Total provisions	144,638	183,083	107,489	435,210

/i/ Provisions for unused annual leave

The Company recognises the provision for unused annual leave on a net basis as the difference between the opening and closing balances of liabilities. In 2025, revenues in the amount of EUR 16,090 were generated as part of provisions (in 2024, expenditures in the amount of EUR 4,323 were charged). The provision is recognised for unused annual leave because the Company has a current statutory or constructive liability to pay this amount for 6,254 hours (in 2024: 9,732 hours) of unused annual leave as a result of past service rendered by the employee and the liability can be reliably measured.

	2025.	2024.
Balance on January 1 (unused vacation)	107,489	103,166
Revenue from the cancellation of provisions for unused vacation (note 12)	(16,090)	-
Expenditure on provisioning for unused vacation (note 12)	-	4,323
Situation as of December 31	91,399	107,489

NOTE 27 – PROVISIONS (CONTINUED)

/ii/ Provisions for pensions, severance payments and similar liabilities

	Jubilee Awards	Severance pay	Total
Condition 1. January 2024	206,195	155,005	361,200
(Revenue)/ Booking Cost	(23,112)	(10,367)	(33,479)
As of December 31, 2024	183,083	144,638	327,721
Entry of the rights of the bakery business unit in the ZPKL	(101,008)	(121,698)	(222,706)
As of October 31, 2025	82,075	22,940	105,015
(Revenue)/ Booking Cost	(18,441)	7,460	(10,981)
As of December 31, 2025	63,634	30,400	94,034

This provision refers to the estimated long-term income of employees related to severance pay and jubilee bonuses, which is defined by internal regulations. The long-term provisioning amount refers to the estimated acquired rights to severance pay and jubilee bonuses that will be paid after December 31, 2025. The short-term amount of the worker's remuneration consists of an estimate of jubilee bonuses and severance payments in the amount of 12,837 euros to be paid in a period of 12 months after the balance sheet date. In 2024, the short-term amount of provisions for workers' benefits consists of jubilee bonuses and severance payments in the amount of EUR 26,995.

The entry of rights, i.e. the entry of BU bakery from Čakovečki mlinovi d.d. to Zagrebačke pekarnje Klara d.d., also includes a part of the provisions related to jubilee bonuses and severance payments of workers who transferred to Zagrebačke pekarnje Klara d.d. in the amount of EUR 222,706 through this process.

Actuarial valuations are based on the following main assumptions:

	2025.	2024.
Discount rate	3.14%	3.09%
Turnover rate	22.74%	9.47%
Average expected remaining service (in years)	17.17	18.20

NOTE 28 - LONG-TERM LIABILITIES

(in euros)	31.12.2025.	31.12.2024.
Liabilities to banks and other financial institutions /i/	1,600,000	-
Lease liabilities /ii/	58,187	34,077
Deferred tax liability (Note 21)	299,051	-
Total long-term liabilities	1,957,238	34,077

Maturity of lease and loan liabilities	31.12.2025.	31.12.2024.
Long-term loan liabilities	1,600,000	-
Short-term loan liabilities	-	-
Total liabilities for loans	1,600,000	-
Long-term lease liabilities	58,187	34,077
Short-term lease liabilities	33,029	17,776
Total liabilities for leases	91,216	51,853
Total lease and loan liabilities	1,691,216	51,853

/i/ Liabilities to banks and other financial institutions

The amount of the long-term loan received by the Company from banks is EUR 1,600,000. This loan, as well as other short-term loans (note 15), were taken for the purpose of investment in the Čakovec and Sisak mills.

/ii/ Lease liabilities

The Company applies IFRS 16 in such a way that it discloses right-of-use assets in the same item as the corresponding underlying assets would be shown if they were owned by the Company, and lease liabilities are disclosed within the framework of long-term and short-term liabilities for loans, deposits, etc. The application of IFRS 16 in the Company refers to passenger vehicles leased (operating lease).

Maturity Analysis – Contractual Undiscounted Cash Flows	2025.	2024.
Up to one year	33,029	17,776
Between one and two years	20,633	18,832
Between two and three years	20,758	5,938
More than three years	16,918	9,431
Total gross	91,339	51,977
The impact of discounting	(124)	(124)
Total liabilities under lease and loans as at 31.12.2025.	91,216	51,853

NOTE 28 – LONG-TERM LIABILITIES (CONTINUED)

Lease and loan amounts recognised through profit or loss	2025.	2024.
Costs related to short-term leases	215,248	98,287
Depreciation Cost	29,506	15,759
Interest on long-term loans	8,462	-
Interest on lease liabilities	8,277	3,474
Total gross	261,493	117,520

The total cash outflow from the lease of right-of-use assets to which the Company applies IFRS 16 is €28,315 (2024: €15,300).

Movement of lease liabilities and liabilities to banks and other financial institutions during the year:

(in euros)	Lease liabilities	Loan liabilities
Short-term	17,776	-
Long-term	34,077	-
Total situation 1.1	51,853	-
Cash receipts	67,677	1,600,000
Cash outlays	(28,315)	-
Total Monetary Transactions	39,363	1,600,000
Other changes	-	-
Changing the terms of the lease agreement	-	-
Total non-monetary transactions	-	-
Balance 31.12. total	91,216	1,600,000
Short-term	33,029	-
Long-term	58,187	1,600,000

NOTE 29 – CURRENT LIABILITIES

(in euros)	31.12.2025.	31.12.2024.
Liabilities for loans, deposits and the like to undertakings within the group /i/	3,000,000	-
Liabilities to banks and other financial institutions /ii/	2,800,000	-
Deferred revenue from state aid, APPRRR, measure 4.2.1/iii/	1,080,425	-
Liabilities to suppliers /iv/	1,050,354	1,720,047
Liabilities for taxes, contributions and similar charges /v/	337,285	182,024
Corporate income tax liabilities /v/	336,063	214,554
Liabilities to employees /vi/	208,259	292,236
Provisions – current maturity (note 27)	104,236	134,484
Liabilities to undertakings within the group	77,343	120,622
Lease liabilities /vii/ (note 28)	33,029	17,776
Liabilities based on the share in the result	27,765	28,608
Liabilities for advances	17,311	331
Other current liabilities /viii/	18,553	21,093
Total current liabilities	9,090,623	2,731,775

/i/ Liabilities for loans, deposits and the like to undertakings within the group

The Company received short-term loans from affiliated companies Trgovina Krk d.d. and NewMip d.o.o. in the total amount of EUR 3,000,000. The Company undertakes to repay the loans no later than 30.06.2026. The interest rate determined by the Ministry of Finance as the interest rate between related parties is calculated on loans. The loans (note 15) were taken for the purpose of investment in the Čakovec and Sisak mills.

/ii/ Liabilities to banks and other financial institutions

The amount of short-term loans received from banks in 2025 is EUR 2,800,000. Note 15

/iii/ Deferred revenue from state aid, APPRRR, measure 4.2.1

As stated in Note 18a, the most significant change in 2025, in tangible assets, was due to the acquisition of two automatic flour packaging lines of 1 kg and 25 kg, and the procurement of a grain cleaning line. All three lines are co-financed by the Paying Agency for Agriculture, Fisheries and Rural Development prescribed by the Ordinance on the Implementation of Measures of the Rural Development Programme of the Republic of Croatia and the Tender for the Implementation of Sub-Measure 4.2. With the decision on disbursement, the Agency approved funds in the amount of EUR 1,117,681, recorded as deferred income from state aid. Monthly (within 5 years, related to the depreciation of these funds), the amount of EUR 18,628 is cancelled and recognized as income from state aid. In 2025, the recognized income was 37,256 euros.

/iv/ Liabilities to suppliers

Liabilities to suppliers mainly relate to liabilities to suppliers in the country on the basis of delivered and invoiced goods, services, fixed assets and interest in the amount of €918,908 (2024: €1,301,634). The liabilities for non-invoiced goods and services in the amount of €95,666 (2024: €163,577) relate for the majority of cereal deposits, while foreign suppliers relate to €35,780 (2024: €254,836).

NOTE 29 – CURRENT LIABILITIES (CONTINUED)

/v/ Liabilities for taxes, contributions and similar charges

(in euros)	31.12.2025.	31.12.2024.
Corporate income tax liabilities	336,063	214,554
Value added tax liabilities	213,778	24,938
Liabilities for insurance contributions from and on salaries	94,029	125,557
Liabilities for income tax and surtax	27,539	29,768
Other liabilities of public charges	1,939	1,761
Total liabilities for taxes, contributions and similar charges	673,348	396,578

/vi/ Liabilities to employees

Liabilities to employees included liabilities for net earnings of employees for December 2025 in the amount of EUR 182,158 (2024: EUR 258,469), and liabilities for employee compensation for December 2025 in the amount of EUR 26,101 (in 2024: EUR 33,767), which were calculated in the accounting period, and the payment of which followed in 2026.

/vii/ Liabilities for leases

Within these liabilities, the lease liability under IFRS 16 – leases was presented. As of 31.12.2025, they include contracted leases for passenger vehicles, and within this item, a short-term liability with a maturity date of one year is reported.

/viii/ Other current liabilities

Other current liabilities, totalling €18,554 (2024: €21,093), include liabilities for accrued costs of services performed, rebates, fees and other expenses charged to the current period.

NOTE 30 – RELATED PARTY TRANSACTIONS

As of December 31, 2025, the Company has shares in the following related companies:

Company Name	Headquarters	Main activity	Type of connection	Share of the direct parent in the capital / Voting rights	Share of the direct parent in the capital / Voting rights
Radnik Opatija d.d.	Lovran, Croatia	Retail trade; Bakery	Direct	100%	100%
Trgovina Krk d.d.	Malinska, Croatia	Retail	Direct	87.61%	100%
NewMip d.o.o.	Sisak, Croatia	Production, Wholesale and retail trade	Direct	100%	0%
Zagrebačke pekarnе Klara d.d.	Zagreb, Croatia	Retail trade; Bakery	Direct	94.27%	0%
Trgocentar d.d.	Virovitica, Croatia	Rental properties	Indirect	49.55% / 52.03 %	49.55% / 52.03 %
Narodni trgovački lanac d.o.o.	Soblinec, Croatia	Wholesale and retail trade	Indirect	25%	25%

/i/ Key changes in the shares of associated companies

In 2025, the composition of the Group was expanded, with the date of 1. February 2025, the Company acquired new companies respectively, Zagrebačke pekarnе Klara d.d., Zagreb and NewMip d.o.o., Sisak in the manner described in Note 20. During 2025, at the level of the Čakovečki mlinovi d.d. Group, there was a reorganization of operations and the transfer of certain economic units between companies within the Group. Details relating to Čakovečke mlinovi d.d. are shown in Note 33.

/ii/ Key transactions with related companies of the Group

As part of its core business, the Company also performs business with related companies, which includes the purchase of goods and services, as well as credit relations.

Affiliated company	Procurement in 2024	Debt balance as at 31.12.2024.	Sales in 2024	Balance of receivables as at 31.12.2024.	Interest receivable	Loan balance as at 31.12.2024.
Trgovina Krk d.d. Malinska	294,323	120,622	6,131,442	752,374	-	-
Radnik Opatija d.d. Lovran	14,130	-	700,614	93,433	-	-
Trgocentar d.d. Virovitica	-	-	-	-	59,270	3,031,500
Trgocentar d.d. Virovitica value adjustment	-	-	-	-	(59,270)	(3,031,500)
Zagrebačke pekarnе Klara d.d.	159,050	15,107	524,743	37,068	-	-
NewMip d.o.o.	38	-	-	-	-	-
Papuk Našice d.o.o	1,123,040	80,739	3,213	-	-	-
Narodni trgovački lanac d.o.o.	45,700	18,187	1,711,509	285,389	-	-

NOTE 30 – RELATED PARTY TRANSACTIONS (CONT'INUED)

Affiliated company	Procurement in 2025	Debt balance as at 31.12.2025.	Sales in 2025	Balance of receivables as at 31.12.2025.	Interest receivable	Loan balance as at 31.12.2025.
Trgovina Krk d.d. Malinska	1,263,748	30,702	5,803,033	148,214	-	2,000,000
Radnik Opatija d.d. Lovran	2,400	-	785,363	97,899	-	-
Trgocentar d.d. Virovitica	-	-	-	-	59,270	3,031,500
Trgocentar d.d. Virovitica value adjustment	-	-	-	-	(59,270)	(3,031,500)
Zagrebačke pekarnice Klara d.d.	1,272,793	-	3,101,494	537,104	-	-
NewMip d.o.o.	461,035	46,641	1,046,021	196,752	-	1,000,000
Papuk Našice d.o.o.	1,251,145	84,630	43,288	4,022	-	-
MLIN I PEKARE d.o.o.	-	-	938	313	-	-
PLODINEC d.o.o.	44,164	-	63,317	14,297	-	-
Prehrana trgovina d.d.	-	-	14,493	-	-	-
Narodni trgovački lanac d.o.o.	215,659	2,500	1,872,577	245,215	-	-
TOTAL	4,510,944	164,473	12,730,524	1,243,816	-	3,000,000

Loans to associated companies

Affiliated company	Claim 31.12.2025.	Receivable 31.12.2024.	Interest income 2025	Interest income 2024
Trgocentar d.d. Virovitica	3,031,500	3,031,500	-	-
Trgocentar d.d. Virovitica value adjustment	(3,031,500)	(3,031,500)	-	-
Total	-	-	-	-

Loans received from affiliated companies

Affiliated company	Loan liability 31.12.2025.	Loan liability 31.12.2024.	Interest expense 2025	Interest expense 2024
Trgovina Krk d.d. Malinska	2,000,000	-	25,200	-
NewMip d.o.o.	1,000,000	-	12,720	-
Total	3,000,000	0	37,920	0

NOTE 30 – RELATED PARTY TRANSACTIONS (CONTINUED)

Dividend income from affiliates

Affiliated company	Dividend income 2025	Dividend income 2024
Radnik Opatija d.d. Lovran	902,287	-
Trgovina Krk d.d. Malinska	6,463,400	7,000,000
Total	7,365,687	7,000,000

/iii/ Transactions with key personnel of the entity's management

The key management personnel of the entity are the Company's Management Board and the Supervisory Board. The Management Board consists of two members of the Management Board and the President of the Management Board. The Supervisory Board has seven members and one is employed by the Company. Salaries and remunerations of members to the Management Board are reported as personnel costs, and remuneration to the Supervisory Board as part of other costs. In 2025, the members of the Management Board and the Supervisory Board were paid a total of €618,346 in salary costs with associated contributions and allowances (in 2024: €337,754).

NOTE 31 – RISK EXPOSURE AND MANAGEMENT

The term risk means all risks to which the Company is exposed or could be exposed in business. Risk management encompasses the identification, measurement or assessment and monitoring of risks, including the reporting of risks to which a Company is or may be exposed in the course of its operations. The Company implements regular risk management measures with regard to the scope and type of business performed by the Company.

31.1 Financial risk management

The activities performed by the Company expose it to various financial risks: credit risk, liquidity risk, interest rate risk.

(in euros)	31.12.2025.	31.12.2024.
Investments in shares of undertakings within the group - long-term	79,218,461	10,537,303
Trade receivables	3,192,615	2,961,181
Receivables from undertakings within the group	979,969	845,807
Cash in the bank and cash register	708,763	14,065,326
Other claims	198,432	47,316
Investments in securities	38,367	38,367
Claims from the state and other institutions	15,369	22,961
Loans, deposits and the like - short-term	3,416	18,054
Other non-current financial assets - long-term	557	557
Receivables from employees and members of undertakings	116	451
Other receivables - long-term	-	193
Total financial assets	84,356,065	28,537,516

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)

(in euros)	31.12.2025.	31.12.2024.
Liabilities for loans, deposits, etc. - IFRS 16 lease - short-term	2,833,029	17,776
Liabilities for loans, deposits, etc. - IFRS 16 lease – long-term	1,658,187	34,077
Liabilities to suppliers	1,050,354	1,720,047
Liabilities for taxes, contributions and similar duties	337,285	182,024
Corporate Income Tax	336,063	214,554
Liabilities to employees	208,259	292,236
Provisions	185,433	435,210
Liabilities to undertakings within the group	77,343	120,622
Liabilities based on the share in the result	27,765	28,608
Liabilities for advances	17,311	331
Other current liabilities	18,554	21,093
Total financial liabilities	6,749,583	3,066,578

Financial instruments

a) Capital risk management

The primary objective of the Company's capital management is to provide support to the business and maximize shareholder value. The Company's capital structure refers to the share capital consisting of subscribed capital, reserves and retained earnings and amounts to EUR 92,697,521 as of December 31, 2025 (December 31, 2024: EUR 36,139,075).

The Company also manages capital for the purpose of adjusting in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust dividend payments to investors, return of capital to investors or increase capital in the context of savings through tax benefits. The Company manages capital risk by monitoring indebtedness indicators through the debt-equity ratio, and by monitoring equity return indicators.

Indebtedness indicator

	31.12.2025.	31.12.2024.
Liabilities under loans, borrowings and leases	7,491,216	51,853
Cash, cash equivalents and deposits	(712,179)	(14,083,380)
Net debt	6,779,037	(14,031,527)
Capital	92,697,521	36,139,075
Net debt to equity ratio	-7.3%	38.8%

There were no changes in objectives, policies and processes during the years ended 31 December 2025 and 31 December 2024.

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)

Financial instruments (continued)

b) Credit risk

The Company's current assets that may give rise to credit risk consist mainly of cash, trade receivables and receivables from loans granted. The Company does not have a significant concentration of credit risk. The Company's sales policies ensure that sales are made to customers who have a proper credit history. The rest of the trade receivables is not significant due to the dispersion to a very large number of customers, individually small stocks, and strict collection and delivery measures by the Company. Part of the receivables is secured by the Company with promissory notes. In order to minimize this risk, the Company's sales policy ensures sales to verified customers with whom there are long-standing relationships and security of collection. Strict collection measures are implemented for new customers. The Company considers that its maximum exposure is reflected in the amount of claims less the value adjustment recognised at the date of the statement of financial position.

Carrying amount of financial assets	31.12.2025.	31.12.2024.
Trade receivables and other receivables	4,386,501	3,877,716
Loans, deposits, etc. - short-term	3,416	18,054
Cash and cash equivalents	708,763	14,065,326
Total	5,098,680	17,961,096

Trade receivables by region	31.12.2025.	31.12.2024.
Domestic	4,015,482	3,729,345
Foreign	157,102	77,643
Total trade receivables by region	4,172,584	3,806,988

Age structure of trade receivables at the reporting date

	Gross 31.12.2025.	Impairment 31.12.2025.	Net 31.12.2025	Gross 31.12.2024.	Impairment 31.12.2024.	Net 31.12.2024
Not due	3,431,335	(1,277)	3,430,058	3,356,002	(6,031)	3,349,971
Matured up to 30 days	616,395	(533)	615,862	241,483	(1,601)	239,882
Matured from 31-90 days	93,707	(556)	93,151	125,951	(3,627)	122,324
Over 90 days due	206,253	(172,740)	33,513	418,043	(323,232)	94,811
Total gross	4,347,690	(175,106)	4,172,584	4,141,479	(334,491)	3,806,988

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)

Financial instruments (continued)

b) Credit risk

The following is information on the credit risk exposure of receivables from the Company's customers using the provisioning matrix:

31.12.2024.	Not due	0-30	31-60	61-90	91-120	>121	TOTAL
Trade receivables							
Expected Credit Loss Rate	0.25%	0.36%	1.98%	4.86%	8.82%	14.59%	-
Estimated total gross Carrying amount of defaults	2,402,008	446,738	107,209	30,932	14,370	110,478	3,111,735
Expected credit loss	6.,030	1,601	2,124	1,503	1,267	16,120	28,645

31.12.2025.	Not due	0-30	31-60	61-90	91-120	>121	TOTAL
Trade receivables							
Expected Credit Loss Rate	0.05%	0.08%	0.50%	1.51%	2.89%	4.86%	-
Estimated total gross Carrying amount of defaults	2,377,297	670,802	74,187	12,127	15,242	10,888	3,160,543
Expected credit loss	1,277	533	373	183	440	529	3,336

Impairment of trade receivables throughout the year

	2025.	2024.
IFRS 9 as at 1 January	334,491	373,123
Impairment cost/(redemption) (note 11)	(25,309)	9,757
Write-offs	(132,455)	(39,066)
Suspicious receivables collected	(1,620)	(9,323)
Situation as of December 31	175,107	334,491

Furthermore, the Company is exposed to credit risk through cash deposits in banks. The Company did not impair the value of cash in the bank and cash register and deposits for expected credit losses as at 31 December 2025 or 31 December 2024, as they are insignificant.

Risk management is focused on doing business with the most respectable banks in the country, with regular monitoring of available statistical reports of banks and capital adequacy at the CNB.

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)

Financial instruments (continued)

c) Liquidity risk

Liquidity risk management implies maintaining a sufficient amount of cash, ensuring the availability of financial resources with an adequate amount of contracted credit lines and the ability to settle all liabilities. The Company's goal is to maintain financing flexibility in such a way that the contracted credit lines are available. The Finance Department regularly monitors the level of available sources of funds. Exposure to liquidity risk is reduced by maintaining a sufficient amount of own funds necessary to settle all liabilities, and by providing adequate credit lines in the event of a lack of own funds through the planning of known and potential cash outflows and inflows with regard to the regular course of business, regular monitoring and liquidity management, determining appropriate measures to prevent or eliminate the causes of illiquidity and identifying other possibilities.

Presentation of liabilities and receivables on the balance sheet date according to expected maturity:

December 31, 2025	Up to 1 month	1-3 months	From 3 months up to 1 year	1-5 years	Total
Trade receivables (interest-free.) (note 23)	4,045,920	93,151	33,513	-	4,172,584
Other receivables. (interest-free.) (note 23)	213,917	-	-	-	213,917
Receivables.fordeposits (note 24)	3,416	-	-	-	3,416
Cash and cash equivalents (note 25)	708,763	-	-	-	708,763
Total	4,972,016	93,151	33,513	-	5,098,680
December 31, 2025	Up to 1 month	1-3 months	From 3 months up to 1 year	1-5 years	Total
Trade payables. (interest-free) (note 29)	1,127,697	-	-	-	1,127,697
Deferred State aid revenue, APPRRR	18,628	37,256	167,652	856,889	1,080,425
Other liabilities (interest-free) (note 29)	945,236	-	-	299,051	1,244,287
Loan liabilities (note 29)	1,000,000	500,000	4,300,000	1,600,000	7,400,000
Lease liability (note 28)	2,693	5,417	24,920	58,187	91,217
Total	3,094,254	542,673	4,492,572	2,814,127	10,943,626
Maturity mismatch	1,877,762	(449,522)	(4,459,059)	(2,814,127)	(5,844,946)

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)

Financial instruments (continued)

c) Liquidity risk (continued)

Presentation of liabilities and receivables on the balance sheet date according to expected maturity (continued):

December 31, 2024	Up to 1 month	1-3 months	From 3 months up to 1 year	1-5 years	Total
Trade receivables (interest-free.) (note 23)	3,589,854	122,324	94,810	-	3,806,988
Other receivables. (interest-free) (note 23)	70,728	-	-	-	70,728
Receivables for deposits (note 24)	18,054	-	-	-	18,054
Cash and cash equivalents (note 25)	14,065,326	-	-	-	14,065,326
Total	17,743,962	122,324	94,810	-	17,961,096
December 31, 2024	Up to 1 month	1-3 months	From 3 months up to 1 year	1-5 years	Total
Trade payables (interest-free) (note 29)	1,840,669	-	-	-	1,840,669
Other liabilities (interest-free.) (note 29)	846,335	-	-	-	846,335
Lease liability (note 28)	1,443	2,907	13,426	34,201	51,977
Total	2,688,447	2,907	13,426	34,201	2,738,981
Maturity mismatch	15,055,515	119,417	81,384	(34,201)	15,222,115

(d) Interest rate risk

Since the Company has significant assets that generate interest income, the Company's income and cash flow from operating activities may be significantly dependent on changes in market interest rates. The Company's exposure to the risk of changes in the interest rate market is primarily related to the Company's loans, cash and cash equivalents, and cash deposits.

Loans, deposits and the like were granted in previous years to the undertakings within the group to the subsidiary company Trgocentar d.d. Virovitica in the amount of a loan of EUR 2,984,330 with agreed annual interest at a variable rate determined on the basis of the provisions of the Corporate Income Tax Act that regulate interest between related parties, i.e. in accordance with applicable regulations, and which amounted to 3.42% per annum on the balance sheet date. The agreed loans are secured by a pledge on real estate and blank promissory notes.

The Company's cash deposits are short-term revolving deposits with banks. Deposits are prone to change in the interest rate, by the decision of the Bank.

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)

Financial instruments (continued)

d) Interest rate risk (continued)

Analysis of sensitivity to changes in the value of the interest rate

The following table analyses the Company's sensitivity to a change in the interest rate of 0.5%. The 0.5% sensitivity ratio is a rate that represents management's estimate of the realistically possible changes in the interest rate on loans and deposits that are contracted with a variable interest rate.

December 31, 2025	Interest increased by 0.5%	Difference	Interest reduced by 0.5%	Difference
Liabilities under loans, borrowings and leases	1,691,215	(8,456)	1,691,215	8,456
Loans, deposits and the like	633,000	3,165	633,000	(3,165)
Net impact		(5,291)		5,291
December 31, 2024	Interest increased by 0.5%	Difference	Interest rate reduced by 0.5%	Difference
Liabilities under loans, borrowings and leases	51,854	(259)	51,854	259
Loans, deposits and the like	13,984,000	69,920	13,984,000	(69,920)
Net impact		69,661		(69,661)

32.2 Risks of Ordinary Operations

Market risk

Market risk is related to the performance and realization of the product on the market. In order to successfully cope with the competition, the Company reduces risk through quality preparation and careful selection of the appropriate market strategy resulting from the analysis of the market, customers and competition. The Company is fully committed to the requirements and needs of customers and is constantly exploring new customers and distribution channels.

The demand for food products is relatively inelastic to the price of the product. The factors influencing the demand for food products are: demographic (increase-decrease in the number of inhabitants), economic (increase in the number of tourists and food consumption in the catering industry; growth of production in the confectionery and bakery industry), social (changes in the standard of living and eating habits of the population), political (EU membership that enables unhindered exports to the countries of the European Union, but also increased competition on the domestic market with the arrival of producers from other member states).

Operational risk

Operational risk is the risk of loss due to errors, interruptions or damages caused by inadequate internal processes, persons, systems or external events, including the risk of changes in legal regulations. Business activities are planned on the basis of the plans specified in the procedures for the application of the HACCP system. Activity planning also includes the HACCP plan that is created as a result of the HACCP study. Hazard analysis and identification of critical control points is part of quality planning. This includes improvements and incentives for actions that prevent the occurrence of inappropriate work activities during the performance of regular business activities.

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)**31.2 Risks of Ordinary Operations****Operational risk (continued)**

Flour production could be negatively affected by extraordinary events such as earthquake, fire, explosion, failure and breakage of production equipment, extended or extraordinary maintenance. The Company uses insurance to cover damage to these facilities and equipment, as well as insurance and agreed compensation in the event of a downtime. Such insurance will be subject to limitations in the form of a maximum amount of compensation and a warranty period of 6 months, and may not be sufficient to cover all costs. Also, the Company may be subject to expenses that are not covered by insurance.

The Company relies on IT systems that enable it to efficiently manage the Company, communicate with customers and suppliers, and collect all the necessary information that the Management Board could rely on in making decisions. The Company's business is becoming increasingly dependent on the use of such systems, and any disruptions in the operation of IT systems based on computer viruses, hacker attacks, disruptions in the operation of IT equipment and programs or some other reasons could have a significant impact on the business and financial condition of the Company. The Company actively implements the policy of protecting its systems from these risks through the Company's IT department, and through external support. The Company has also performed an analysis and assessment of compliance with the Cyber Security Regulation (NIS2) and is in the process of compliance with legal obligations.

Industry risk

One of the risks that appear in the food industry is the fact that consumers' eating habits and their awareness of the impact of food on health have been changing strongly in the past 20 years. Such trends put an imperative in front of manufacturers in terms of increasing the existing range of products and further improving the quality of existing products.

Risk of sourcing raw materials and delivering products

Wheat production and the movement of the price of wheat on the domestic and world markets, as the most important raw material for flour production, significantly affects the production and movement of the price of flour. An important domestic source of raw materials are local wheat producers with whom a long-standing business relationship has been established. The risk of purchasing raw materials as well as the price of raw materials is directly related to the quality of the raw material. It is possible that due to climatic influences, the raw material does not have the satisfactory or required quality. The risk of procurement of raw materials is reduced by the fact that the Company can procure a sufficient quantity of wheat at the currently valid market price on international commodity markets, for the time being, at any time. By joining the European Union, all administrative obstacles to the procurement of raw materials from the European Union disappeared. The risk of non-delivery of the product is present due to the possibility of cessation of production due to a malfunction at the milling plant. The risk of production downtime is mitigated by the fact that the Company employs employees at the mill site who are adequately trained to resolve failures within a reasonable period of time. The risk of non-delivery of products due to the cancellation of the contract with the flour carrier is sought to be mitigated by the fact that the Company has a large base of carriers and is not dependent on any of them in terms of the volume of use of the carrier's services.

Risk of competition

The Company sells its products and goods mainly on the domestic market. With Croatia's accession to the European Union, it has been administratively facilitated to enter the market of other member states, as well as the arrival of foreign competition to the domestic market. The flour market is striving for increasing concentration, i.e. reducing the total number of flour producers (by consolidating or shutting down small mills), in order to achieve the lowest possible production costs per unit of product through economies of scale and thus strengthen the competitive position on the market.

NOTE 31 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)**31.2 Risks of Ordinary Operations (continued)****Risk of competition (continued)**

With Croatia's accession to the European Union, the Company is no longer facing only domestic competition, which is why the need to strengthen competitiveness is even more pronounced. With the Company's investment in 2016, all existing equipment for cleaning and grinding cereals as well as equipment for peeling cereals was replaced. The latest generation of milling equipment for the processing of wheat and rye has been installed, which ensures an increase in processing capacities and supports the intention for the Company to have the highest standards in the quality and health safety of products, and thus a greater competitive advantage.

Risk of fluctuations in the prices of basic raw materials

The business results are influenced by the price of wheat, as the most important raw material in the production of the Company, which is a commodity on the stock exchange. Wheat price volatility can be due to bad weather, disease, political instability and other external factors. General economic conditions, unforeseen supply and demand in neighboring markets, and problems in production and distribution affect the formation of wheat prices. Unfavorable weather conditions during crop growth and harvest can significantly affect the quality of wheat and the amount of yield, and thus have a negative impact on the growth of prices of wheat of adequate quality for flour production.

Regardless of the fact that the Company can meet all the needs for wheat on the domestic market, the price movement on the domestic market is influenced by the movement of the price of wheat on the world and European commodity exchanges. Based on the historical operations of the Company, it can be stated that the movement of the purchase price of wheat was positively correlated with the movement of the price of flour. However, it should be noted that a certain period of time is needed in order for the price of flour to adjust to changes in wheat prices, which in certain shorter periods has a negative impact on the Company's margin in the event of an increase in the price of wheat.

Regardless of the historical indicators indicating the correlation between flour and wheat prices, the Company cannot guarantee that in the future it will be able to fully compensate for any increase in wheat prices by increasing flour prices in a way that maintains historical margins. The Company further reduces the risk of price fluctuations by buying larger quantities of raw material at the harvest price, depending on the price itself.

Risk of litigation against the Company

The Company, like any economic operator, is subject to the risk of conducting proceedings before courts, regulatory or other competent authorities, as part of its ordinary business. Such disputes primarily concern disputes with debtors or suppliers. In the future, the risk of potential lawsuits by customers and other stakeholders against the Company due to damage caused by the consumption of products cannot be ruled out. The Company cannot provide any guarantees that the results of future legal and regulatory disputes or actions will not materially affect the Company's operations and financial condition. Part of the risk is mitigated by the Company with concluded liability insurance policies.

Risk of liabilities or losses not covered by insurance

The Company has undertaken activities, through the engagement of insurance specialists, to identify key risks and threats to the Company's business. The concluded insurance policies and the risks they cover, in addition to the usual risks for the industries in which the Company operates, also cover risks due to earthquakes and downtime due to earthquakes, fires and explosions. However, it is not possible to cover all potential liabilities and losses with insurance, and therefore the Company cannot provide any guarantees that it will not be exposed to situations that will not be covered by insurance, and that such situations will not have a significant impact on the Company's operations and financial condition.

NOTE 32 – RISK EXPOSURE AND MANAGEMENT (CONTINUED)**31.3. General risks****Risk of the business environment**

The risk of the business environment includes political, legal and macroeconomic risks of the environment in which the Company operates, which primarily refers to the Croatian market where the Company generates its total revenue, and the remaining part to Bosnia and Herzegovina and Slovenia. Previous governments have implemented economic reforms with the aim of developing and stabilizing a free market economy. Although Croatia has made significant efforts towards establishing a market economy, it will take several more years and a number of additional investments to achieve the level of infrastructure of Western European countries. The Company cannot provide any guarantees that Croatia will achieve the intended reforms or that the political environment will be conducive to the implementation of reforms.

The Company is not able to provide any guarantees that the Government will not introduce new regulation, fiscal or monetary policy, including regulation or policy on taxation, environmental protection, public procurement or exchange rate policy. The legal framework of the Republic of Croatia is still evolving, which may cause certain legal uncertainties. The Company could find itself in a situation where it is not able to successfully exercise or protect some of its rights.

The Company's operations are subject to the macroeconomic environment, economic conditions and economic activity trends. In the event of significant adverse economic developments, the Company may experience additional difficulties in expanding its business. The realization of these assumptions could lead to additional difficulties for the Company, as well as for its customers and suppliers, possible access to the capital market, which could affect the existing level of revenue and profitability.

The Company is also influenced by international trends, given that wheat, which is the basic raw material for production in the Company, is a commodity on the stock exchange and may therefore be subject to the influence of possible political instability in countries that are significant producers of this grain (China, Russia, Ukraine, USA). However, as previously indicated, the Company can fully meet its raw material needs from domestic sources.

Risk of a change in the legal framework

As a manufacturer of food products, the Company is subject to strong regulations related to human nutrition, product safety, safety and working conditions of employees, safety and environmental protection (including those related to wastewater, clean air, noise, waste disposal, environmental cleaning, etc.), product composition, packaging, labeling, advertising and competition. Food production results in the generation of waste, the release of harmful substances into the atmosphere and water, and the Company is therefore obliged to obtain various permits and comply with different regulations. Health, safety and environmental regulations in Europe and other developed regions are becoming stricter and enforcement is becoming more pronounced. The company tries to monitor and anticipate all such changes, but any failures of this type could result in various penalties.

The Company believes that it is currently compliant with existing laws and regulations and deadlines set by various regulators.

The Company cannot give any guarantees that it will not face significant costs to adapt to changes in existing regulations, which could significantly affect the operations and financial condition of the Company.

Also, it is possible that in the future additional regulations will be introduced and the current legislation (or its interpretation) will change, which could affect the Company's operations and products. The Company cannot provide any guarantees that in the future the cost of adhering to such initiatives will not have a material impact on the Company's operations and financial condition.

NOTE 32 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities under standard terms and traded on active liquid markets is determined by the prices quoted on the market
- The fair value of other financial assets and other financial liabilities is determined in accordance with pricing models, based on an analysis of discounted cash flows using prices from known market transactions and prices offered for similar instruments

As at 31 December 2025 and 31 December 2024, the reported amounts of cash, short-term deposits, receivables, short-term liabilities, accrued costs, short-term loans and other financial instruments correspond to their market value, due to the short-term nature of these assets and liabilities.

The carrying amounts of financial instruments that are not measured at fair value are approximately equal to fair values.

Fair value indicators recognised in the statement of financial position

The following table analyses financial instruments that were reduced to fair value after the first recognition, classified into three groups depending on the availability of fair value indicators:

- Indicator level 1 – fair value indicators are derived from (unadjusted) prices quoted on active markets for similar assets and liabilities
- Level 2 – fair value indicators are derived from other data on assets or liabilities other than quoted prices from Level 1, either directly (i.e. as prices) or indirectly (i.e. derived from their prices)
- Indicator level 3 – indicators derived using valuation methods that use data on assets or liabilities that are not based on available market data as inputs.

In 2025, there were no transfers between levels.

The Company adjusts the value of the instruments shown in level 3 in accordance with the certificate of the Central Depository and Clearing Company ("CCDC") on the market value on the balance sheet date.

December 31, 2025	Level 1	Level 2	Level 3	Total
Investments in stocks	-	-	38,367	38,367
Total	-	-	38,367	38,367
December 31, 2024	Level 1	Level 2	Level 3	Total
Investments in stocks	-	-	38,367	38,367
Total	-	-	38,367	38,367

NOTE 33- ACQUISITION OF SUBSIDIARIES BY CAPITAL INCREASE AND MERGER OF BU MILLING OF NEWMIP

Entry of rights – transfer of the bakery business unit of the company Čakovečki mlinovi d.d. to Zagrebačke pekarnе Klara d.d.

In the transaction involving the contribution of BU bakery operations of Čakovečki mlinovi d.d. to Zagrebačke pekarnе Klara d.d., the Company derecognized the following assets and liabilities, as presented in the table below.

The increase in share capital is the result of an exchange of equity interests and shares, with the objective of aligning the capital structure among the participants to the transaction, in accordance with an appropriate exchange ratio based on the values contributed.

The acquired net assets of the milling segment of NewMip d.o.o. as at the transaction date of 1 July 2025 are presented in accordance with the Company's accounting policies.

	<u>Book value</u>
Assets	
Non-current tangible assets	427,158
Receivables	715,651
Inventory	99,101
Non-current assets intended for sale	184,390
Deferred tax assets	40,087
Total assets	1,466,387
Liabilities	
Liabilities	343,483
Provisions for severance pay and jubilee awards	222,706
Retained earnings for deferred tax assets	40,087
Total liabilities	606,276
Net assets of BU pekarstvo Čakovečki mlinovi d.d. as at the date of the transaction	860,111
On the date of the transaction	
Net assets of BU pekarstvo Čakovečki mlinovi d.d.	(860,111)
Shares in undertakings within the group – ZPKL entry of rights (note 20)	860,111
Deferred tax liability (Note 21)	40,087
Impact on the Company's net assets	40,087
31.12.2025.	
Deferred tax assets - effect through retained earnings	(40,087)
Impact on the Company's capital	(40,087)

NOTE 33 - ACQUISITION OF SUBSIDIARIES BY INCREASE OF SHARE CAPITAL AND MERGER OF BU MILLING OF NEWMIP (CONTINUED)

Merger of BU milling of the company NewMip d.o.o.

In the transaction involving the merger of the BU Milling operations of NewMip d.o.o., the Company recognized goodwill allocated to the milling segment at the consolidated level and performed fair value adjustments to the acquired assets and liabilities.

The increase in share capital resulted from an exchange of equity interests and shares, with the objective of aligning the capital structure among the participants in the transaction, in accordance with an appropriate exchange ratio based on the contributed values.

The acquired net assets of the milling segment of NewMip d.o.o. as at the transaction date of 1 July 2025 are presented in accordance with the Company's accounting policies.

	<u>Book value consolidated levels</u>
Assets	
Non-current tangible assets	567,859
Intangible assets	-
Receivables	448,729
Inventory	689,659
Cash	20,000
Total assets	1,726,247
Liabilities	
Liabilities	1,476,089
Total liabilities	1,476,089
<hr/>	
Net assets of BU milling NewMip d.o.o. at the date of the transaction	250,158
<hr/>	
	On the date of the transaction
Net Assets of BU Milling	250,158
Increased value of procurement costs	1,674,271
Goodwill	1,166,229
Interests in entities within the group - NewMip	(4,244,071)
Deferred tax liability	(301,369)
Impact on the Company's net assets	(1,454,782)
<hr/>	
	31.12.2025.
Other reserves - effect of the merger	(1,454,782)
Impact on the Company's capital	(1,454,782)

NOTE 34– COMMITMENTS AND CONTINGENT LIABILITIES**Liabilities**

At the balance sheet date, the Company has no contingent or assumed liability that should be disclosed in the financial statements.

Contingent liabilities and litigation*Litigation*

The Company conducts several proceedings for the collection of claims resulting from insolvency or other circumstances on the part of the Company's debtor. The Company takes all necessary legal actions to protect its claims and ensure timely collection.

On the balance sheet date, the Company, as a defendant, participates in civil proceedings initiated in 2021 by the plaintiff Allianz Hrvatska d.d., for payment. The proceedings are related to the fire at the building owned by the Company, which is located at I. Novaka 42, Čakovec. The value of the subject matter of the dispute is EUR 716,703. Given the status of the case and the evidence submitted, the plaintiff's chances of success in the dispute have been assessed as low. Due to the above, no reservation was made for the described subject.

NOTE 35 - EVENTS AFTER THE BALANCE SHEET DATE

In 2026, the Company continues to operate in a challenging economic environment marked by inflation and geopolitical risks due to the war in Ukraine and Iran. The Company's Management has considered the potential effects of ongoing geopolitical tensions involving Iran and the wider Middle East region. However, given the changing circumstances and the accompanying uncertainty, it is currently not possible to reliably estimate the potential impact on certain assumptions, estimates and carrying amounts of assets and liabilities.

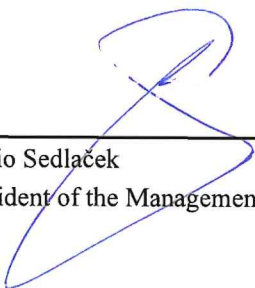
During 2026, the Company continued with the reorganization of affiliated companies, and on January 27, 2026, a Merger Agreement was concluded between the affiliated companies NewMip d.o.o. and Trgovina Krk d.d. with the transfer of all assets, rights and obligations of NewMip as a merged company to Trgovina Krk d.d. as the acquiring company. As of the date of issuance of these financial statements, the merger has not been carried out, but the legal proceedings preceding it are underway.

In addition to the above, after the balance sheet date and up to the date of issuance of these financial statements, no business events or transactions have occurred that would have a significant impact on the Company's operations or disclosures in these financial statements.

NOTE 36 – APPROVAL OF FINANCIAL STATEMENTS

The annual report of Čakovečki mlinovi d.d. was approved for issuance by the Management Board of the Company on April 30, 2026.

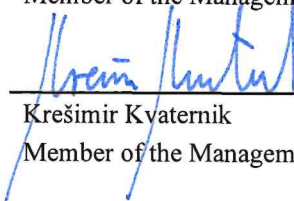
For Čakovečki mlinovi d.d.:



Mario Sedlaček
President of the Management Board



Franjo Plodinec
Member of the Management Board



Krešimir Kyaternik
Member of the Management Board

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