

ANNUAL REPORT 2025

Žito Inc.
Žito Inc. and subsidiaries (Žito Group)

Osijek, 29 April 2026

Stvoreno da raste.

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This version of the Annual Report is a translation of the original, prepared in Croatian. Every effort has been made to ensure that the translation accurately represents 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.

1 Introduction



Introduction

1.1 Statement of the CEO Marko Pipunić



Croatian agricultural and food production in 2025 was signifiacntly affected by climate change, high input costs and market pressures. In such an environment, Žito Group demonstrated its resilience and business maturity, not only by confronting the challenges but by achieving growth that we can proudly present to the investor and business community.

I am pleased to highlight that in the 2025 business year we achieved excellent financial results which once again confirmed that an integrated cycle of crop, livestock and industrial production demonstrates exceptional resilience to market fluctuations. In the past year, Žito Group generated sales revenues of EUR 315.5 million, representing a 9% increase compared to the previous year. Net profit amounted to EUR 35.7 million, while reported EBITDA reached EUR 70.2 million, an increase of 2% compared to the previous year. The results achieved confirm the stability of our operations and reflect disciplined cost management and the optimisation of operational processes, driven by continuous investment in modern technological solutions and renewable energy sources, which ensures market-leading natural indicators and a established role in the food and agricultural industry.

However, the most significant event of the 2025 business year, one that marks a turning point in the history of Žito, was the successful entry into the capital market. After 35 years of operations, we successfully completed the transformation from a family-owned company to a publicly listed company. The initial public offering (IPO) was not merely a financial transaction for us, it was a confirmation of the investment community's trust in our business model, our people and our strategy. More than 300 employees, over 4,100 retail investors and 27 qualified investors have placed their trust in us. We are proud that both our employees and investors recognised the value of Žito Group, for which I sincerely thank them. I am confident that together we will continue the strong development of the company, further strengthen its competitiveness and expand operations across all segments.

By entering the stock exchange, we have taken on new obligations of transparency and accountability, while also gaining powerful instruments to finance further growth. We launched a new investment cycle worth EUR 105 million, which we plan to complete by 2027. Ahead of us are ambitious plans aimed at further strengthening production capacities, animal welfare, increasing efficiency and investing in green energy.

We strategically leveraged favourable market conditions and successfully completed several acqui-

sitions that expanded our business portfolio and strengthened our market position. Of exceptional importance for development and future growth of Žito Group are the acquisitions of the crop production companies Agro-Tovarnik d.o.o. and Arator d.o.o. in 2025, as well as Mesna industrija Ravlić d.o.o. and Anabbela d.o.o. this year. In 2025, we signed a contract with Fortenova Grupa for the purchase of 100% of business shares in Zvijezda plus d.o.o. and Zvijezda Slovenija d.o.o., and the transaction will be finalised upon obtaining approval from the Competition Agency. These business moves further consolidate our market position and open up opportunities for new development advances. We are confident that the integration of new business units will bring synergy effects that will be reflected in future financial results, as well as in our ability to respond even better to the needs of our customers and partners.

Looking ahead, we clearly know what we need to work on. We aim to provide our employees with even better working conditions and opportunities for professional development, and this remains our commitment to each and every one of them. We feel a strong responsibility towards the community and the environment in which we live and work, which is why we continue to invest in renewable energy sources and reduce our carbon footprint. And by entering the capital market, we gained new partners, our investors to whom we owe clear, consistent and open communication which is precisely why we place the enhancement of corporate governance and transparency at the very top of our priorities.

Taking all of the above into account, we look to 2026 with justified optimism. I would like to thank all employees for their exceptional dedication, our partners and customers for their trust, and all shareholders for their support. As a company deeply rooted in the Slavonian region, we are aware of our responsibility towards the community in which we operate. That is precisely why we see our growth also contributing to the economic development of Slavonia. We look forward to new business successes, for the benefit of the entire region.

Marko Pipunić

CEO

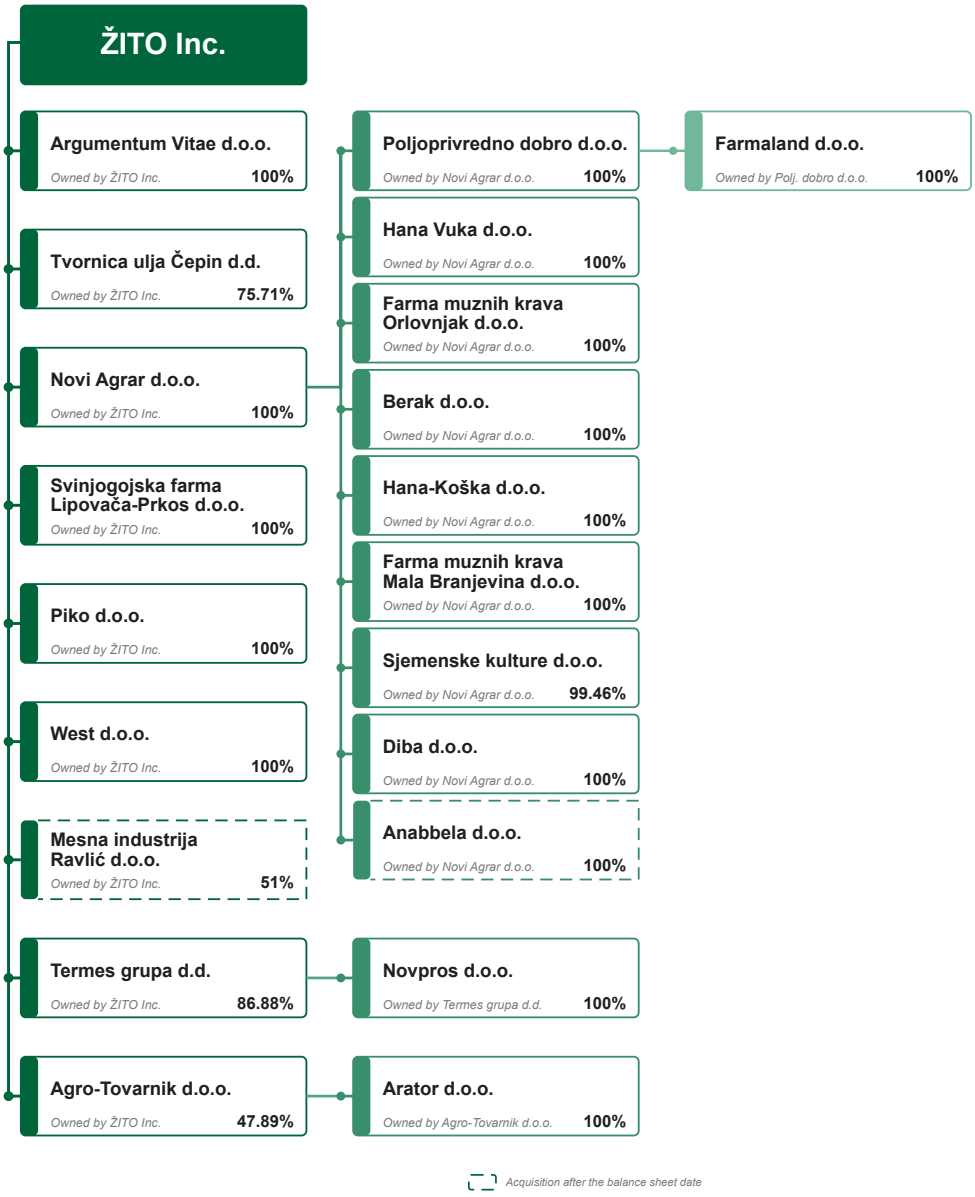
Žito Inc.

1.2 History and Development



1.3 Organisational Structure

As of 31 December 2025, Žito Inc. together with its related companies forms a group of 20 affiliated entities. In the first quarter of 2026, new companies joined the group: Mesna industrija Ravlić d.o.o. and Anabbela d.o.o.



Žito Inc. has a branch office, Žito Inc. Čepin Branch, headquartered in Čepin, whose registered activity is a travel agency.

1.4 Business Model and Brands of Žito Group

The business model of Žito Inc. and its subsidiaries (Žito Group) is based on the principles of vertical integration, which link production processes and enable comprehensive oversight from raw material to finished product. The business segments integrated within the Žito Group include crop production, livestock farming, industrial production, trade, and silo operations. Žito Group conducts its operations responsibly across all segments, adhering to both social and environmental standards. Crop production forms the foundation of the vertically integrated model, ensuring a self-sufficient supply of raw materials for the Group's industrial production needs. With a known origin of raw materials, the production cycle continues into the livestock segment, which includes pig farming, egg production, dairy farming, and beef cattle fattening. All farms place great emphasis on animal welfare and biosafety measures. The industrial segment encompasses the production of animal feed, meat products, oil, and electricity. Final products are marketed under proprietary brands through well-developed retail and wholesale channels, granting the Group direct access to end consumers. This approach enhances brand recognition, fosters customer loyalty, and adds value through the branding of domestically sourced products.

Žito Group Brands

DOBRO

The cured meat products of Žito Group are available to customers under the DOBRO brand for the markets of the Republic of Croatia, Bosnia and Herzegovina, Montenegro, and Slovenia. The word "dobro" in the Croatian language denotes an agricultural estate, and in our eyes it represents an estate where products made exclusively from good ingredients are created. The range of DOBRO products, which contain no flavour enhancers, soy, or gluten, includes prosciutto, cured salami, and cured meat products characterised by a mild taste and tender texture.

ADRIA D'ORO

For foreign markets, such as Austria, Germany, and other European countries, cured meat products are marketed under the Adria D'Oro brand.

Tena

Tena sunflower oil is produced from carefully selected non-GMO raw materials, without artificial flavours or additives. Its mild taste and aroma enrich prepared dishes without compromising their authenticity. It is the indispensable choice of every master chef, and its natural richness in vitamin E and unsaturated fatty acids makes it an important part of a balanced and healthy diet. Tena sunflower oil is a proud holder of the "Hrvatska kvaliteta" mark and the "Odabrale mame", and its quality is further confirmed by the Superior Taste Award with two golden stars for a product of outstanding taste.

žito svježa jaja

Žito Group follows the highest standards in farming and invests in the transition to floor rearing, which allows laying hens to move freely within the poultry house. This method of housing ensures more natural animal behaviour while also protecting them from predators and adverse weather conditions. The result is a high-quality, safe, and fresh egg. "Žito fresh eggs" from floor or cage rearing are available in packs of 6, 10, or 30.

Premium products from the Vitalka Animal Feed Factory are the result of state-of-the-art technology, as well as the dedicated effort and expertise of specialists involved in all stages of the closed-cycle production: from the fertile Slavonian land, through animal feed, all the way to finished products. The product line includes complete and supplementary compound feeds in pelleted or mash form, tailored to the age of the animal and its production purpose. The wide Vitalka product range also includes cereals and protein feed materials: soybean meal, sunflower cake, and rapeseed cake.

At the seed processing facility in Đakovo, high-quality and licensed seed of wheat, barley, and soybean, produced on own arable land, is processed, treated, and packaged under the Žito brand.

In order to preserve the environment, the Group applies the principles of a circular economy in its business model. By-products from livestock production are used to enrich agricultural land, meeting high ecological standards, while by-products from crop cultivation, oil production, and silo husks are utilized as raw materials for electricity production in the Group's own biogas plants. This closed-loop production system enables the Group to operate as an efficient, self-sustaining, and market-competitive entity, building its strategic advantage on the full integration of resources and control over all stages of the production process, from field to table.

Žito Inc. encompasses within its activities livestock production, specifically pig farming and egg production, animal feed manufacturing, and the production and packaging of cured meat products. The trade in cereals and oilseeds, seeds, crop protection products and fertilisers is organised within Žito Inc. as the parent company of Žito Group.

In 2024, Žito Group made a step forward into a new area of business by constructing Hotel Materra. Hotel Materra represents a unique tourism offering in the Slavonia region and through 61 accommodation units provides a unique balance of tranquillity, connection with nature, and premium service and comfort. The mission is to offer guests a unique experience inspired by the rich Slavonian tradition, interpreted in a contemporary and refined manner, leaving a lasting impression well beyond their stay.

MATERRA

2 Corporate Governance



Corporate Governance

2.1 Statement on the Application of the Corporate Governance Code

Statement on the Application of the Corporate Governance Code

prepared in accordance with Article 272.p of the Companies Act (Official Gazette No. 111/1993, 34/1999, 121/1999, 52/2000, 118/2003, 107/2007, 146/2008, 137/2009, 111/2012, 125/2011, 68/2013, 110/2015, 40/2019, 34/2022, 114/2022, 18/2023, 130/2023, 136/2024, hereinafter: the Companies Act), and Article 25 of the Accounting Act (Official Gazette No. 85/2024, 145/2024).

I. Žito Inc. (hereinafter: the Company) is a joint-stock company whose shares are listed on the regulated market of the Zagreb Stock Exchange. Accordingly, the Company applies the Corporate Governance Code (hereinafter: the Code) of the Zagreb Stock Exchange (hereinafter: ZSE) and the Croatian Financial Services Supervisory Agency (hereinafter: HANFA), publicly available on the websites of the ZSE (www.zse.hr) and HANFA (www.hanfa.hr).
   The Company substantially complies with the Code's recommendations. All deviations, together with the specific reasons therefor, are publicly disclosed in the annual Corporate Governance Code Compliance Questionnaire and in the Governance Practices Questionnaire submitted to HANFA for 2025, and are published on the websites of the Company and the ZSE. All deviations reflect the specificities of the Company's organisational structure, size, and stage of development. The Management Board and the Supervisory Board are working continuously to reduce the number of deviations and raise the overall standard of corporate governance.
   The Management Board, with the prior consent of the Supervisory Board, adopted a Conflict of Interest Management Policy as one of the Company's key internal governance instruments. The Policy sets out rules of conduct in situations involving actual, potential, or apparent conflicts of interest, with the aim of preserving business integrity and protecting the Company's interests. It applies to all members of the Management Board, the Supervisory Board, and any other bodies, committees, or commissions established within the Company. It also applies to all employees regardless of position or employment status, as well as to all other persons acting on behalf of the Company. The Policy establishes clear rules, mechanisms, and responsibilities for the identification, prevention, reporting, management, and oversight of conflicts of interest. Through this Policy, the Company seeks to ensure transparent, responsible, and lawful business conduct in accordance with the highest ethical standards, applicable legislation, and internal regulations. The Conflict of Interest Management Policy is publicly available on the Company's website (www.zito.hr).

II. Internal control at Žito Inc. and its related companies with respect to financial reporting is currently carried out primarily through centralised accounting and controlling departments that

continuously monitor and analyse financial and operational performance, identify deviations from plan, and report to the Management Board. Periodic financial reports are prepared on a regular basis and serve both the Management Board and the Supervisory Board as a foundation for management decisions.

The Supervisory Board and the Management Board have identified the development of a more comprehensive internal control system as a strategic priority. Following the establishment of the Audit Committee at the General Assembly of 22 April 2026, systematic oversight of the financial reporting process, the effectiveness of internal controls and risk management systems, the work of internal audit, the statutory audit of annual financial statements, including monitoring the independence and objectivity of the external auditor, and the Company's compliance with applicable regulations and corporate governance standards is planned. The Audit Committee will assume oversight of these activities and report regularly to the Supervisory Board on implementation progress.

III. The ten largest shareholders of Žito Inc. as of 31 December 2025 are:

Table 2.1. Ten largest shareholders of Žito Inc. as at 31.12.2025

No.	Shareholder	Number of shares	% ownership
1.	Marko Pipunić	12,831,940	50.11%
2.	Marijana Majić Pipunić	5,486,735	21.43%
3.	AZ mandatory pension fund category B	1,768,054	6.90%
4.	Raiffeisen mandatory pension fund category B	828,629	3.24%
5.	Surimar d.o.o.	637,080	2.49%
6.	AZ mandatory pension fund category A	275,511	1.08%
7.	Žito Inc.	247,970	0.97%
8.	Fund for financing the decommissioning of Krško NPP	243,842	0.95%
9.	Raiffeisen voluntary pension fund	164,700	0.64%
10.	OTP index fund - OEI fund with public offering	133,447	0.52%
	Other shareholders	2,989,767	11.68%
	Total	**25,607,675**	**100.00%**

Shareholdings of Management Board members as of 31 December 2025:

Table 2.2. Shares held by Management Board members as at 31.12.2025

Name	Position	Number of shares	% ownership
Marko Pipunić	President of the Management Board	12,831,940	50.11%
Mato Božić	Management Board Member *(agriculture)*	7,389	0.03%
Jozo Ljubičić	Management Board Member *(finance)*	7,389	0.03%
Josip Bičvić	Management Board Member *(industry, trade)*	7,389	0.03%

Shareholdings of Supervisory Board members as of 31 December 2025:

Table 2.3. Shares held by Supervisory Board members as at 31.12.2025

Name	Position	Number of shares	% ownership
Ante Mandić	Supervisory Board Chairman	14,778	0.06%
Željko Senjić	Supervisory Board Deputy Chairman	2,463	0.01%
Marijana Majić Pipunić	Supervisory Board Member	5,486,735	21.43%

As of 31 December 2025, the Company has no holders of securities with special control rights, nor holders of shares subject to voting right restrictions by percentage or number of votes, time-limited voting rights, or arrangements under which financial rights arising from securities are separated from the holding of those securities in cooperation with the Company. Furthermore, there are no special rules on the appointment or dismissal of Management Board or Supervisory Board members, amendments to the Articles of Association, or special powers of Management Board or Supervisory Board members beyond those provided by the Companies Act and the Articles of Association, which are available on the Company's website (www.zito.hr). In accordance with Article 272.p, paragraph 1, point d) of the Companies Act, the Company discloses that as of 31 December 2025, no shareholder agreements within the meaning of Article 293.a of the Companies Act registered in the court register are known.
At the General Assembly held on 22 April 2026, a resolution was passed to amend the Articles of Association, which are available on the Company's website (www.zito.hr).

IV. The procedures, decision-making process, and powers of the General Assembly, as well as the exercise of shareholder rights, are governed by the Companies Act and the Articles of Association. Notices of convocation, proposed resolutions, and resolutions adopted at the General Assembly are published promptly in accordance with the Companies Act, the Capital Market Act, and the Rules of the ZSE, thereby ensuring transparency and equal treatment of all shareholders. Each share carries one vote at the General Assembly. Every shareholder meeting the conditions for participation is guaranteed the unimpeded exercise of voting rights.

V. Management Board

As of 31 December 2025, the Management Board consists of four members:

Table 2.4. Management Board members of Žito Inc. as at 31.12.2025

Name	Position	Gender	Mandate from
Marko Pipunić	President of the Management Board	M	12.12.2024
Mato Božić	Management Board Member *(agriculture)*	M	12.12.2024
Jozo Ljubičić	Management Board Member *(finance)*	M	12.12.2024
Josip Bičvić	Management Board Member *(industry and trade)*	M	12.12.2024

The term of office of the President and members of the Management Board is four years, with the possibility of reappointment. The Management Board directs the Company's business operations, takes key decisions, and implements strategy and plans, ensuring the orderly and efficient functioning of the Company. It acts in accordance with the principles of accountability, transparency, diligent management, long-term sustainability, and respect for the rights of all stakeholders. The Rules of Procedure of the Management Board govern the organisation of work, competencies, decision-making procedures, working methods, and internal relations within the Management Board, as well as relations with other corporate bodies. The Rules of Procedure are publicly available on the Company's website (www.zito.hr).

The Remuneration Policy for Management Board members was adopted by the Supervisory Board and approved at the General Assembly held on 22 April 2026. It is available on the Company's website (www.zito.hr).

Supervisory Board

As of 31 December 2025, the Supervisory Board consists of three members:

Table 2.5. Supervisory Board members as at 31.12.2025

Name	Position	Independent member	Accounting /audit expert	Gender	Mandate from
Ante Mandić	Supervisory Board Chairman	No	No	M	12.12.2024
Željko Senjić	Supervisory Board Deputy Chairman	No	No	M	12.12.2024
Marijana Majić Pipunić	Supervisory Board Member	No	No	F	12.12.2024

The Supervisory Board oversees the conduct of business and contributes to the Company's development, and approves the strategy, business plan, and budget. Under the Articles of Association, it may comprise up to seven members elected for terms of up to four years, with

the possibility of reappointment. Members are elected by the General Assembly. The Supervisory Board and each of its members are obligated to act in the Company's best interests. The Rules of Procedure of the Supervisory Board define the rules and procedures for the organisation of work, including the convening and conduct of meetings, decision-making, minutes, prior consents to Management Board actions, and other operational matters relevant to the effective functioning of the Supervisory Board. The Rules of Procedure are publicly available on the Company's website (www.zito.hr).

As of 31 December 2025, the Company has not yet formally constituted Supervisory Board committees. Internal oversight of business processes and financial reporting is partially achieved through the controlling function, which regularly monitors and analyses key financial and operational indicators and reports to both the Management Board and the Supervisory Board. The Supervisory Board and the Management Board have recognised the need to establish a structured internal control system as a necessary element of mature corporate governance. Accordingly, at the General Assembly held on 22 April 2026, the election of new Supervisory Board members was approved. At its constitutive session, the newly constituted Supervisory Board appointed from among its members an Audit Committee, a Nomination Committee, and a Remuneration Committee in accordance with the Audit Act and the Code's recommendations.

VI. As of 31 December 2025, balanced gender representation on the Management Board and the Supervisory Board has not been achieved: women constitute 14% of the combined seven members. Women are not represented on the Management Board. Of the three Supervisory Board members, one is a woman, giving a female representation of 33%.

The composition of these bodies reflects the Company's business history, organisational development, and the availability of suitable candidates in the relevant executive labour market at the time of appointment. The Supervisory Board has identified this as an area requiring improvement. Progress was achieved through resolutions of the General Assembly held on 22 April 2026, which confirmed the appointment of new Supervisory Board members and the dismissal of one existing member. Following these changes, the new Supervisory Board has five members, of whom two are women, bringing female representation on the Supervisory Board to 40% and thereby achieving balanced gender representation. Across the Management Board and the Supervisory Board combined, the share of women stands at 22%, an improvement compared to 31 December 2025.

This Statement forms an integral part of the Annual Report for the financial year 2025.

2.2 Compliance Questionnaire for 2025

Žito Inc. provides detailed disclosures on the application of prescribed corporate governance measures in its Compliance Questionnaire, which is published in accordance with applicable regulations on the websites of the ZSE and the corporate website of Žito Group (www.zito.hr) and submitted to HANFA. In addition, the Company submits to HANFA the Governance Practices Ques-

tionnaire, providing further detail on its corporate governance practices.

2.3 Corporate Governance Structure

2.3.1 Management Board

Under the Articles of Association of Žito Inc., the Management Board consists of one to five members appointed and dismissed by the Supervisory Board. The term of office of the President and members of the Management Board is four years, with the possibility of reappointment. The Management Board directs the Company's business operations, takes key decisions, and implements strategy and plans, ensuring the orderly and efficient functioning of the Company. It acts in accordance with the principles of accountability, transparency, diligent management, long-term sustainability, and respect for the rights of all stakeholders. The Rules of Procedure of the Management Board govern the organisation of work, competencies, decision-making procedures, working methods, and internal relations within the Management Board, as well as relations with other corporate bodies. The Rules of Procedure are publicly available on the Company's website (www.zito.hr).

The Remuneration Policy for Management Board members was adopted by the Supervisory Board and confirmed at the General Assembly held on 22 April 2026. It is published on the Company's website (www.zito.hr). The Policy sets out the principles, guidelines, and rules governing the determination, payment, and oversight of all forms of Management Board remuneration. It provides the fundamental framework for a remuneration system aligned with the Company's long-term interests, business strategy, sustainable development, and the creation of value for shareholders and other stakeholders, including employees, customers, suppliers, and the wider community. The Company submits an annual Remuneration Report to the General Assembly covering compensation paid to members of the Management Board and the Supervisory Board in the preceding year; this report is published on the Company's website.

As of 31 December 2025, the Management Board consists of four members, one of whom serves as President. They were appointed by resolution of 12 December 2024 for a term expiring on 12 December 2028.



Marko Pipunić
President of the Management Board



Josip Bičvić
Member of the Management Board



Mato Božić
Member of the Management Board



Jozo Ljubičić
Member of the Management Board

Marko Pipunić

President of the Management Board

Marko Pipunić, President of the Management Board and founder of Žito Group, has held this position for 35 years. He graduated from the Faculty of Agriculture at the University of Osijek with a degree in Agricultural Engineering, specialising in animal husbandry. He has devoted almost his entire professional career to entrepreneurship, with a particular focus on agriculture, livestock, and crop production. His achievements have been widely recognised, including the prestigious EY Entrepreneur of the Year award for 2016.

Beyond his role within the Group, Marko Pipunić is the owner of the International Medical Centre ”Priora,” the sports centre ”Sokolski dom” in Osijek, and the restaurant ”Crna svinja,” through which he supports the local community and contributes to social infrastructure.

Josip Bičvić

Member of the Management Board

Josip Bičvić is the Management Board member responsible for industry and trade. He holds a degree in computer science and began his career in 2007 at Žito Group, progressively advancing through roles including sales representative in the meat division, production administrator at the Animal Feed Factory, and manager of mills and silos. In 2014, he was appointed to the Management Board of Tvornica ulja Čepin d.d., and has served on the Company’s Management Board since 2015.

His experience and deep knowledge of production and commercial processes make him an important contributor to the development of the Group’s industrial capacity. He is also active in developing modern sales channels and strengthening the market presence of Žito Group’s products.

Mato Božić

Member of the Management Board

Mato Božić leads operations across the agricultural segment, from crop production to livestock. He graduated from the Faculty of Agriculture in Sarajevo and joined Žito Group in 2005 as head of pig farming production. He has served on the Company’s Management Board since 2013.

He is an advocate of sustainable and precision agriculture, employing drones, modern machinery, and detailed soil analyses to maximise yields while minimising environmental impact. Under his leadership, the Group manages ten pig farms, five beef cattle fattening facilities, three dairy farms, and two laying hen farms.

Jozo Ljubičić

Member of the Management Board

Jozo Ljubičić is the Management Board member responsible for finance, accounting, and strategic operations, including mergers and acquisitions (M&A). He holds a degree in economics and began his career in controlling, joining Žito Group in 2010 as Chief Financial Officer. He has served on the Management Board since 2014.

He leads financial planning and optimises the Group's balance sheet structure and financial position. He plays a key role in managing the Group's investment cycles and strategic decision-making, including investment evaluation and the integration of acquired companies.

2.3.2 Supervisory Board

The Supervisory Board oversees the conduct of business and contributes to the Company's development, and approves the strategy, business plan, and budget. Under the Articles of Association, it may comprise up to seven members elected for terms of up to four years, with the possibility of reappointment. Members are elected by the General Assembly. The Supervisory Board and each of its members are obligated to act in the Company's best interests.

The Rules of Procedure of the Supervisory Board define the rules and procedures for the organisation of work, including the convening and conduct of meetings, decision-making, minutes, prior consents to Management Board actions, and other operational matters relevant to the effective functioning of the Supervisory Board. The Rules of Procedure are publicly available on the Company's website (www.zito.hr).

The resolution on Supervisory Board compensation was approved at the General Assembly of 22 April 2026 and is published on the Company's website (www.zito.hr). The resolution is guided by the principle of attracting, motivating, and retaining qualified supervisory board and committee members, taking into account the Company's purpose, values, and activities. It aims to ensure balanced, sustainable, and transparent compensation that supports the Company's long-term strategy.

As of 31 December 2025, the Supervisory Board of Žito Inc. consists of three members:

- Ante Mandić, Chairman of the Supervisory Board
- Željko Senjić, Deputy Chairman of the Supervisory Board
- Marijana Majić Pipunić, Member of the Supervisory Board

Ante Mandić

Chairman of the Supervisory Board

Ante Mandić completed the five-year Technical Military Academy (TVA) in Zagreb, obtaining the title of Graduate Engineer of Nuclear Physics. He continued his career in the military, where, following initial command postings, he returned to the TVA as a lecturer and scientific researcher. He obtained his master's degree in 1985 in the field of computer simulation. He left the military in 1991 and founded IN2 d.o.o. in Zagreb the following year. By 2018, IN2 had grown into a group of 12 regional companies with more than 630 employees and was sold that same year to the Canadian group Constellation Software.

Ante Mandić is today an investor and co-owner of a number of Croatian companies and occasionally volunteers as a mentor to small and medium-sized entrepreneurs. He is an active participant in the Croatian IT community and has held the positions of president of associations at the Croatian Employers' Association (HUP) and the Croatian Chamber of Economy (HGK). The President of the Republic of Croatia awarded him with "Redom Danice hrvatske" in 2014 for his contribution to

the Croatian economy. He was named Manager of the Year in 1999 and 2021, and Entrepreneur of the Year in 2014 and 2018. He received the ”Zlatna Kuna” award from HGK for the most successful medium-sized enterprise in 2010.

Željko Senjić

Deputy Chairman of the Supervisory Board

A legal professional with more than 35 years of experience in the judiciary and corporate law. He graduated from the Faculty of Law in Osijek in 1981 and passed the bar examination in Sarajevo in 1985. Part of his career was spent as a judge at the Municipal Court, where he gained thorough knowledge of judicial practice and procedural law. For the past 25 years, he has served as head of the legal department at Žito Group. Specialising in commercial law, labour law, contract law, and regulatory matters related to corporate governance, he provides ongoing strategic legal support to the Management Board and oversees compliance within the Group’s complex business structure.

Marijana Majić Pipunić

Member of the Supervisory Board

Marijana Majić Pipunić is one of the founders and a key operational figure of Žito Group, which has grown over three decades into a group of 20 companies with 1,200 employees.

Throughout her career, she has been closely involved in all aspects of the Group’s financial and accounting operations. Over the past ten years, she has focused particularly on coordinating accounting and finance functions, supporting the development of internal processes and company growth in a dynamic business environment.

Pursuant to Article 255, paragraph 6 of the Companies Act and Annex A (Independence of Supervisory Board and Committee Members) of the Corporate Governance Code, none of the Supervisory Board members as of 31 December 2025 are independent. Female representation on the Supervisory Board stands at 33%. The Code requires at least 40% representation of the underrepresented gender and a majority of independent members. The Company is committed to adhering to the Code’s principles, and at the General Assembly of 22 April 2026, the appointment of new Supervisory Board members and the dismissal of one existing member were approved, thereby fulfilling these criteria.

During the 2025 financial year, the Supervisory Board held a total of ten meetings, with full attendance at all sessions. The Board’s effectiveness was assessed through internal self-evaluation by its members, without an external evaluator or third-party consultation. The evaluation was based on an analysis of documentation (meeting minutes, decisions, and supporting materials) and mutual assessment among members. The Supervisory Board concluded that in 2025 it endeavoured to comply with the majority of the Code’s recommendations and that improvements are needed, particularly regarding the Board’s composition and the establishment of committees. Based on these findings, corrective actions were initiated at the General Assembly of 22 April 2026.

The Management Board and the Supervisory Board maintain continuous and close cooperation through regular communication, with the aim of ensuring the long-term welfare of the Company.

The Management Board kept the Supervisory Board promptly informed of all significant business events, the course of operations, revenue and expenses, and the overall condition of the Company. The Supervisory Board assessed its cooperation with the Management Board as positive and effective, characterised by a high level of mutual trust and transparency.

At the General Assembly of 22 April 2026, resolutions were adopted on the election and dismissal of Supervisory Board members. The new Supervisory Board is composed of:

- Ante Mandić
- Marijana Majić Pipunić
- Ante Kušurin
- Vlado Guberac
- Ivana Turjak-Čebohin

Ante Kušurin

Member of the Supervisory Board

Ante Kušurin is an experienced private equity professional with more than fifteen years in investment and leadership roles in the industrial and technology sectors, with a proven track record in identifying, executing, and managing strategic investments on a global scale. He serves on the boards (or equivalent governing bodies) of several portfolio companies, with demonstrated expertise in operational improvements, growth strategies, and value creation. He is currently a partner at One Equity Partners, where he leads investments in the industrial and technology sectors, and serves on the boards of Comau, EthosEnergy, Associated Spring, Siti B&T, Acteon, Amey plc, and Infobip, and as Chairman of the Supervisory Board at Myberg d.o.o. and Kugar Holding d.o.o.

He holds a Master of Business Administration (MBA) from the Saïd Business School and a Master of Science in Geography from the School of Geography and the Environment, both at the University of Oxford.

Vlado Guberac, PhD

Member of the Supervisory Board

Vlado Guberac, PhD is a Full Professor with Tenure at the Faculty of Agrobiotechnical Sciences of the Josip Juraj Strossmayer University of Osijek, Vice-Rector for Technology Transfer, Innovation, and Cooperation with Industry, Vice-President of the Croatian Agronomic Chamber, Chairman of the Governing Board of the Agricultural Institute Osijek, member of the Parliamentary Committee for State Science Prizes, and Chairman of the Supervisory Board at Tera Tehnopolis d.o.o. He is the recipient of the Gold Plaque ”Grb Grada Osijeka” in science (2019) and the Gold Plaque of Osijek-Baranja County in science (2020). He has published 85 original scientific and professional papers, a university textbook, a monograph, internal course materials, and scientific papers indexed in WoS (Web of Science).

He graduated from the Faculty of Agriculture in Osijek in 1989, obtained his master’s degree in 1993, and completed his doctorate at the same faculty in 1996. Since 1997, he has held successive academic-scientific titles: Assistant Professor, Associate Professor (2000), Full Professor

(2003), and Full Professor with Tenure since 2007. In his recent scientific and research work, Vlado Guberac, PhD, has focused on wheat genetics and breeding.

Ivana Turjak-Čebohin

Member of the Supervisory Board

Ivana Turjak-Čebohin is a certified external and internal auditor with extensive experience leading audits of large national and international non-financial groups. Her professional interests also encompass non-financial reporting and sustainable business practices. In recent years, she has worked as a consultant in accounting and finance and serves as director of ITC poslovno savjetovanje d.o.o., providing advisory services to leading domestic and international clients. She is also Deputy Chairman of the Supervisory Board at Autotransport Karlovac d.o.o.

She graduated from the Faculty of Economics at the University of Zagreb, majoring in finance. She holds a Certified Auditor certificate from the Croatian Auditors' Association and a Certified Internal Auditor certificate from the Croatian Association of Accountants and Financial Professionals, Internal Auditors Section. She is also a member of the Association of Chartered Certified Accountants (ACCA) and holds the ACCA Certificate in Sustainability Finance.

Pursuant to Article 255, paragraph 6 of the Companies Act and Annex A (Independence of Supervisory Board and Committee Members) of the Corporate Governance Code, the new members of the Supervisory Board are independent and constitute 60% of the Board. Female representation stands at 40%.

2.3.3 General Assembly

The General Assembly comprises the Company's shareholders and has authority to decide on matters prescribed by law and the Articles of Association. Resolutions require the attendance of shareholders or their proxies representing at least 50% plus one of the shares with voting rights, unless a higher threshold is required by law or the Articles of Association for specific matters. Voting rights correspond to the nominal amounts of shares, with each share carrying one vote.

In 2025, one General Assembly was held prior to the initial public offering. The first General Assembly in 2026 took place on 22 April 2026. Information about General Assemblies is publicly available on the Company's website (www.zito.hr).

25,607,675 shares

Nominal value of EUR 1.00 per share

2.4 Capital Market Performance and Ownership Structure

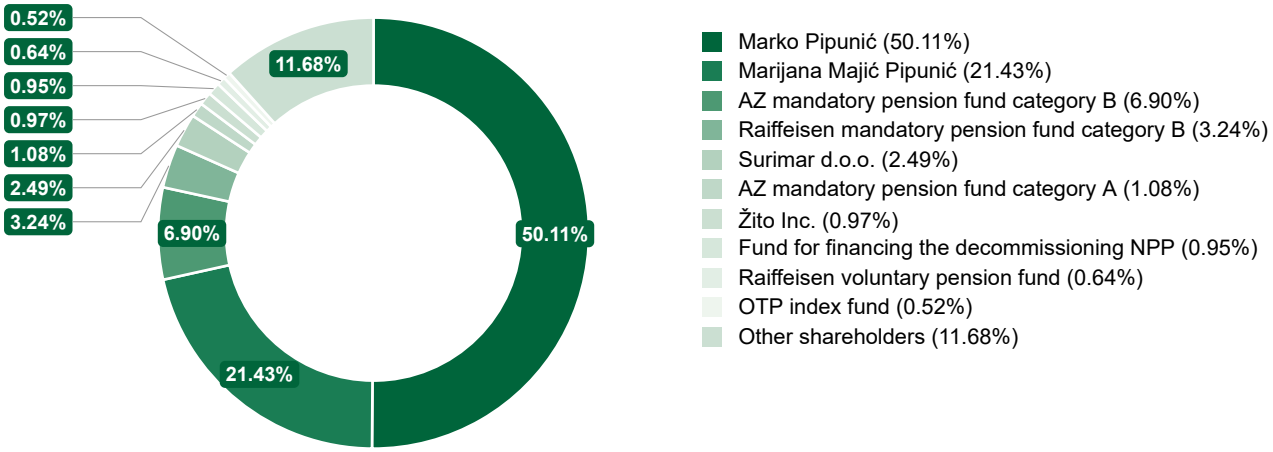


Figure 2.1. Ownership Structure of Žito Inc. as of 31 December 2025

The Company's share capital amounts to EUR 25,607,675.00, divided into 25,607,675 ordinary shares with a nominal value of EUR 1.00 each, of which Žito Inc. holds 247,970 own shares. The ownership structure is stable: as of 31 December 2025, the largest individual holding of 50.11% is held by Marko Pipunić, who also serves as President of the Management Board. The shareholdings of Management Board and Supervisory Board members as of 31 December 2025 are presented in the tables below.

Table 2.6. Number of shares held by Management Board members of the Company as of 31.12.2025

Name	Position	Number of shares	% ownership
Marko Pipunić	President of the Management Board	12,831,940	50.11%
Mato Božić	Management Board Member	7,389	0.03%
Jozo Ljubičić	Management Board Member	7,389	0.03%
Josip Bičvić	Management Board Member	7,389	0.03%

Table 2.7. Number of shares held by Supervisory Board members of the Company as of 31.12.2025

Name	Position	Number of shares	% ownership
Ante Mandić	Supervisory Board Chairman	14,778	0.06%
Željko Senjić	Supervisory Board Deputy Chairman	2,463	0.01%
Marijana Majić Pipunić	Supervisory Board Member	5,486,735	21.43%

Senior management, excluding the Management Board and the Supervisory Board, holds 9,455 shares as of 31 December 2025.

The shares of Žito Inc. (ticker: ZITO, ISIN: HRZTOSRB0002) were admitted to trading on the Zagreb Stock Exchange by decision of 24 July 2025, with the first trading day on 28 July 2025. The

shares are listed on the Official Market and included in the following indices: CROBEX, CROBEXtr, CROBEXplus, CROBEXnutris, and since 23 March 2026 also in CROBEX10 and CROBEX10tr. In 2025, the Company has two active market makers: Intercapital securities Ltd. and Zagrebačka banka d.d.

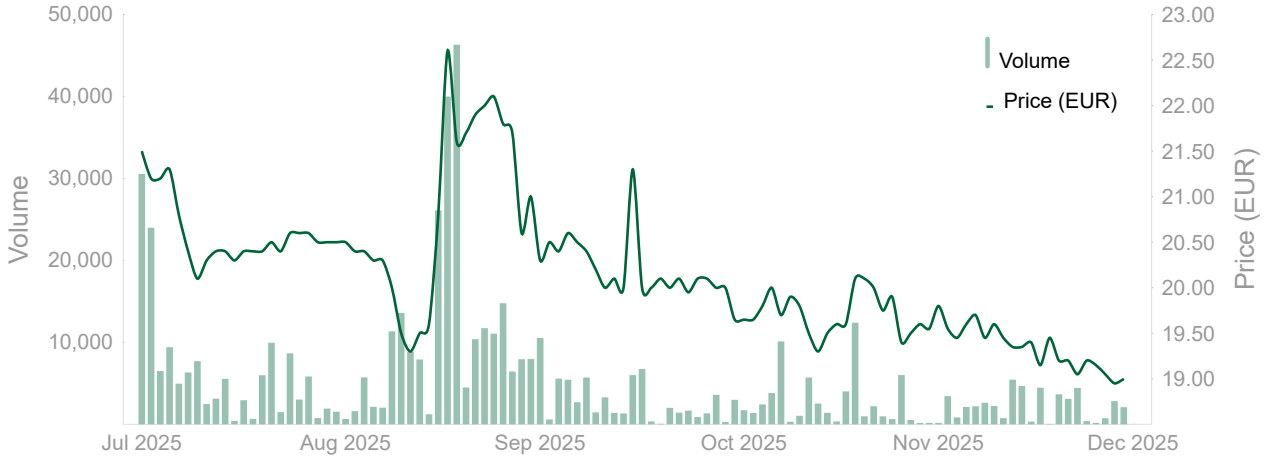


Figure 2.2. Share Price Movement of Žito Inc.

At the General Assembly of 22 April 2026, a decision on the Acquisition and Disposal of company's own shares was adopted, authorising the Management Board to acquire own shares over a period of five years from the date of the decision, provided that the total number of shares held (including existing own shares) does not exceed 3% of the share capital at the time of acquisition. The purchase price may not deviate by more than 10% above or below the average market price achieved over the preceding 15 trading days.

The Company adopted its Dividend Policy on 26 June 2025, which envisages paying between 30% and 50% of net profit from the previous year as a dividend over the following three financial years. The target payout range takes into account the specificities of the sector and the importance of cash flow stability for the long-term sustainability of the business model. The final decision on dividend payments, i.e., the appropriation of profit, is made by the General Assembly upon a proposal by the Management Board with the prior consent of the Supervisory Board. The Policy is available on the Company's website (www.zito.hr). At the General Assembly of 22 April 2026, a Resolution on Amendments to the Articles of Association was additionally adopted, stipulating, among other things, the right of shareholders to receive between 30% and 50% of consolidated net profit, but no less than EUR 0.60 per share, subject to the fulfilment of applicable legal conditions. This distribution applies to consolidated profit for the years 2025, 2026, and 2027.

The Company has no outstanding bonds as of 31 December 2025.

2.5 Employees

2.5.1 Employee Structure

Given the production-oriented nature of the business, the majority of employees at both Žito Group (57%) and Žito Inc. (59%) hold secondary education qualifications. Nonetheless, employees with higher and university-level education represent a significant proportion: 24% at Group level and 29% at Company level.

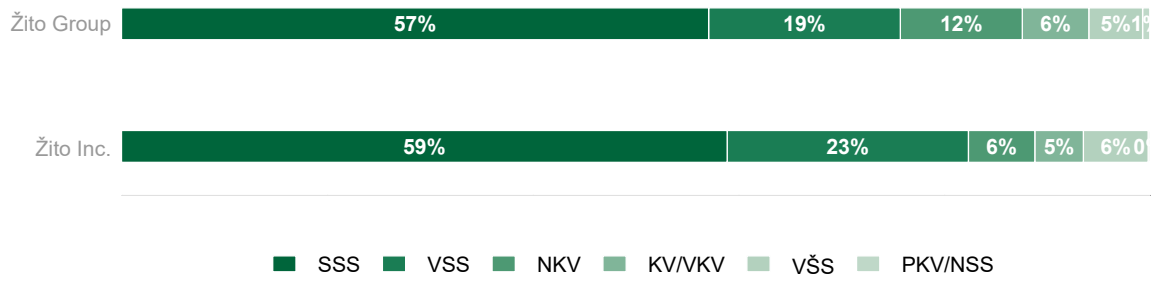


Figure 2.3. Employees by Qualification

By gender at Žito Inc., 60% of employees are male and 40% female. The average employee age in 2025 was 42.77 years. The largest age cohorts are 30–39 (31%), 40–49 (26%), and 50–59 (19%). Žito Inc. also employs a significant number of young people: 86 employees are under the age of 30, of whom 30 are aged 25 or younger. Employing younger workers provides them with the opportunity to gain first professional experience and apply their academic knowledge in practice. The vast majority of employees hold permanent contracts (96%), with only a small proportion on fixed-term contracts (4%).

These trends are mirrored across Žito Group as a whole. By gender, 67% of Group employees are male and 33% female. The largest age cohorts are 30–39 (27%), 40–49 (26%), and 50–59 (23%). At the consolidated level, 182 employees (14%) are under the age of 30, of whom 75 are under 26. The majority hold permanent contracts (94%), with a smaller proportion on fixed-term contracts (6%).

2.5.2 Recruitment Process

In 2025, Žito Group hired a total of 140 new employees, of whom 78 joined Žito Inc. Recruitment is conducted through internal and external job postings. Open positions are advertised via the company's careers page, the Croatian Employment Service website, specialised portals such as MojPosao, and the company's LinkedIn profile. Positions are also filled through open applications submitted at any time via the careers page, email, or telephone.

In 2025, 54 positions were opened within the Group, and over 300 candidates participated in the selection process. All postings include the job title, place of work, job description, application requirements (qualifications, knowledge, and skills), and the deadline and method of application. The criteria are stated without any form of discrimination, and all postings clearly indicate that candidates of any gender may apply (m/f).

The selection process may include one or more of the following stages, depending on the role: application review, telephone interview, in-person interview, psychological testing, and a final interview with the department head or the Management Board. All applicants receive feedback upon completion of the selection process, either by email or by telephone. To continually improve the process, a short satisfaction survey is sent to all participating candidates. In 2025, the average candidate satisfaction score was 4.1 on a scale of 1 to 5.

2.5.3 Onboarding of New Employees

To ease the transition for newly hired employees, they receive timely and accurate information about their first working day through a welcome letter, as well as ongoing support during the initial months of employment.

After three months, new employee satisfaction is surveyed through a short online questionnaire covering topics such as satisfaction with one's supervisor, team, advancement opportunities, and compensation. This provides a quick, targeted insight into employee needs and enables the adaptation of onboarding practices. In 2025, the average overall satisfaction score at the three-month mark was 4.5 on a scale of 1 to 5.

In addition, the direct supervisors of new employees also participate in the assessment. In 2025, the average supervisor satisfaction score with new hires was 4.3 on a scale of 1 to 5, confirming the effectiveness of the selection process.

2.5.4 Training and Employee Benefits

In addition to secure employment, regular salary, and covered commuting costs, Žito Group provides employees with a range of additional benefits:


Additional payments: Christmas bonus, Easter bonus, and special rewards for results


Additional annual leave days


Jubilee awards recognising years of dedicated service


Professional development through educations


Financial support for newborns and holiday gifts children

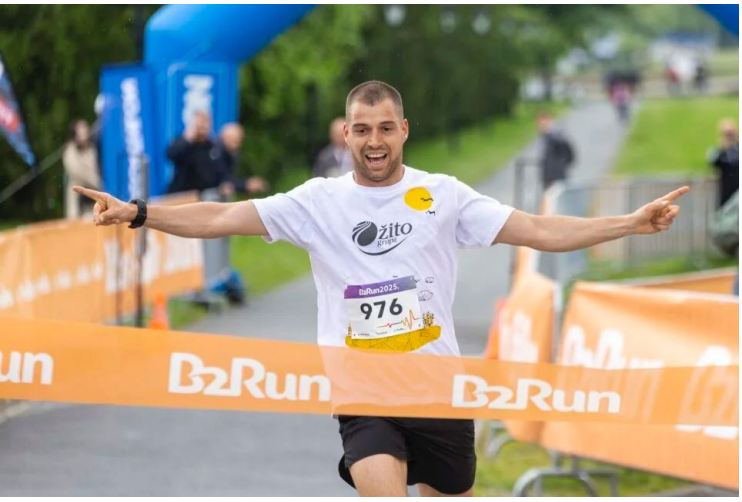

Flexible working hours for office staff


Subsidised meal costs at the workplace


Occasional gifts in kind


Access to physical and mental health recovery programmes


Participation in sports activities such as the B2Run race



Through continuous investment in corporate values that promote health, teamwork, and excellence, Žito Group has participated in the B2Run race since 2017. In 2025, 40 employees from various departments joined forces to run the 5-kilometre course along both banks of the Drava, alongside more than 1,000 colleagues from other Osijek companies. The Žito team demonstrated outstanding motivation, collegiality, and team spirit, finishing 1st in the large companies category and 2nd in the overall standings.

In 2025, the Group organised free preventive health screenings for its employees, aiming to promote health awareness and the importance of early prevention. This initiative gave employees additional opportunities to monitor their health within the work environment.

Žito Group regularly participates in career events organised by educational institutions. One such event is the Career Promenade, held during Career Week at the Josip Juraj Strossmayer University of Osijek, at the Faculty of Agrobiotechnical Sciences. Through interactive games, promotional prizes, and career speed-dating activities, students had the opportunity to learn about the Group, its companies, and the career opportunities available to young professionals. The Career Promenade is a valuable tool for promoting the Group among students and establishing contacts that may lead to future collaboration.



In addition to sports and career events, the Group organises festive activities for employees and their families, including events for children. In 2025, more than 350 children attended the Christmas party, where they and their parents enjoyed specially designed games and a show featuring two of Santa's helpers. A special surprise was prepared by Gica Dobrica and Svježe Jaje, mascots who joined the children in singing, dancing, and Christmas celebrations.

2.6 Quality Management Systems

Žito Inc. and its subsidiaries continuously improve the efficiency of their business processes and management systems. Quality management, food safety, animal welfare, environmental protection, energy, and information security are integral to the Group's responsible and sustainable operations and contribute to building long-term trust among customers, business partners, and other stakeholders. The Group applies internationally recognised certification systems that ensure high standards of product quality, food safety, and raw material traceability, as well as responsible resource management. These certifications support alignment with regulatory requirements and market expectations and drive continuous improvement of operational processes. An overview of

the key certificates and quality marks held by Žito Group companies is presented below.

Table 2.8. Quality certificates and standards of Žito Group

Certificate / standard	Company	Validity	Issuer
IFS Food	Žito Inc. Laying Hen Farm Vuka	11.03.2027	SGS Adriatica d.o.o.
IFS Food	TUČ d.d.	29.01.2027	SGS Adriatica d.o.o.
IFS Food	PIKO d.o.o. Laying Hen Farm	24.12.2026	SGS Adriatica d.o.o.
IFS Food	Žito Inc. Meat Industry	19.12.2026	TÜV NORD CERT GmbH
HACCP (Codex Alimentarius)	TUČ d.d.	12.11.2026	SGS Adriatica d.o.o.
ISO 9001:2015 (quality)	TUČ d.d.	22.02.2027	SGS Adriatica d.o.o.
ISO 14001:2015 (environment)	Žito Inc. Laying Hen Farm Vuka	27.07.2028	SGS Adriatica d.o.o.
ISO 14001:2015 (environment)	TUČ d.d.	27.02.2029	SGS Adriatica d.o.o.
ISO 50001:2018 (energy)	TUČ d.d.	03.03.2029	SGS Adriatica d.o.o.
ISO 27001:2022 (info. security)	Žito Inc.	17.06.2028	SGS Adriatica d.o.o.
ISO 27001:2022 (info. security)	TUČ d.d.	22.06.2028	SGS Adriatica d.o.o.
KOSHER	TUČ d.d.	22.05.2026.	Bet Israel Jewish Community
GMP+ International	Žito Inc. Silo Đakovo	22.11.2026	SGS Adriatica d.o.o.
GMP+ International	TUČ d.d.	07.10.2028	SGS Adriatica d.o.o.
ISCC EU (sustainability)	Žito Inc. Oilseed Procurement	03.07.2026	Bureau Veritas Polska
ISCC EU (sustainability)	TUČ d.d.	22.06.2026	Bureau Veritas Polska
Donau Soja	Žito Inc. Oilseed Procurement	31.12.2026	Bureau Veritas d.o.o.
Organic production	Žito Inc. Organic Grain Procurement	31.01.2027	Bio Garantie d.o.o.

In addition to the above certifications, Žito Group farms hold national quality and origin marks confirming product quality and domestic provenance. Laying hen farms carry the ”Dokazana kvaliteta” and ”Jaja hrvatskih farmi” marks, pig and beef cattle farms carry the ”Meso hrvatskih farmi”, and dairy farms carry the ”Mlijeko hrvatskih farmi” mark.

2.7 Business Risks

Business risks are inherent in any enterprise and relate to events that may adversely affect the achievement of business objectives. They may arise from internal factors such as organisational weaknesses or limited resources, as well as from external factors including market developments, regulatory changes, and economic conditions. Financial risks, which directly affect the Company's financial stability and performance, are of particular significance.

2.7.1 Price Risk

The Group's operations are significantly affected by the prices of agricultural inputs, including seed, mineral fertilisers, crop protection products, energy, and fuel, which are subject to fluctuations on domestic and international markets. The Company and the Group generate most of their revenue in the domestic market, setting prices on the basis of prevailing market rates. Procurement is centralised, enabling better cost control, more efficient supplier management, and more favourable terms through demand aggregation. By entering into longer-term contracts at predetermined prices, the Group reduces its exposure to market price volatility. Supplier diversification further reduces dependence on a limited number of partners, strengthening supply security and procurement flexibility. This approach supports more stable cost planning and is a key mechanism for managing price risk.

2.7.2 Currency Risk

The Company and the Group conduct certain transactions in foreign currency and are therefore exposed to exchange rate risk. In dealings with foreign customers, invoicing is in euros; however, customers' ability to settle obligations in euros may be affected by exchange rate movements in the currencies in which they operate, except where those currencies are pegged to the euro.

2.7.3 Interest Rate Risk

The Group is exposed to interest rate risk arising from existing and future financing arrangements, including short-term and long-term loans and other forms of borrowing. Interest rate risk relates primarily to changes in reference rates (e.g., EURIBOR), which may cause fluctuations in financing costs and thereby affect the Group's cash flows and financial results. Variable-rate loans represent a smaller portion of the Group's total credit exposure, with the majority of liabilities contracted at fixed rates.

2.7.4 Credit Risk

Credit risk, i.e. the risk of non-collection of receivables, refers to the possibility that business partners may fail to settle their obligations in full or on time due to insolvency, illiquidity, or other reasons, potentially resulting in direct financial loss and adversely affecting the Group's liquidity and operations. The Company and the Group seek to transact only with creditworthy counterparties and obtain additional security instruments (bank guarantees, promissory notes, or deposit retention) to

mitigate the risk of financial loss. Customer assessments draw on published financial statements, independent credit agency ratings, and the Company's own records of previous dealings. An ageing analysis of trade receivables is regularly prepared to monitor collection dynamics and identify potentially impaired or disputed receivables.

2.7.5 Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Group manages liquidity through active working capital management, access to short-term and long-term financing, and cash planning. Key measures include arranging credit facilities to ensure adequate financial resources, optimising inventory levels, preparing cash flow projections, aligning the maturities of financial assets and liabilities, and maintaining sufficient cash and cash equivalents for current needs.

2.7.6 Capital Risk

Capital risk is the risk that the Company will lack the appropriate structure and level of equity and debt capital needed for stable operations and loss absorption. Consequences may include reduced financial stability, difficulty accessing new financing, and increased insolvency risk. Capital risk management involves maintaining an optimal capital structure, monitoring leverage, strengthening equity, and carefully planning financing and investment activities.

2.8 Awards and Recognitions

During 2025, Žito Group received a number of significant recognitions confirming the success of its operations, the execution of strategic projects, and its contribution to the development of the capital market in Croatia.



Photo credit: Pixsell

In connection with the successful initial public offering (IPO), the Zagreb Stock Exchange presented the Group with the Capital Market Development Contribution Award, traditionally given to market participants who contribute to the development and transparency of the capital market. Additionally, the Group received the CFA Society Croatia award for Financial Breakthrough and Transaction of the Year. The IPO was one of the key strategic milestones for Žito Group in 2025 and an important step in the further development of its operations, strengthening of corporate governance, and enhancement of business transparency. In 2025, the CEO of Žito Inc., Marko Pipunić, was named Businessperson of the Year by Večernji list and Poslovni dnevnik. The award recognises business results, investment activity, export, innovation, and contribution to economic development and employment.

At the operational level, Žito Group subsidiaries FMK Orlovnjak d.o.o. and Diba d.o.o. received the Golden Beet award for 2025, given to the most successful sugar beet producers by production category. With more than 2,000 hectares under sugar beet cultivation, Žito Group is the largest individual producer of this crop in Croatia.



During 2025, Hotel Materra received several notable industry recognitions. At Tourism Days 2025 in Dubrovnik, it was named Best Wellness Hotel of the Year, confirming the quality of its services and market positioning in the premium wellness segment. The hotel also received the Meeting Star Award at the international congress fair Conventa 2025 in Ljubljana, recognising the quality of its MICE services (meetings, incentives, conferences, and exhibitions). It was further honoured with the Traveller Review Awards from Booking.com, based on high guest ratings and service quality. Hotel Materra was also shortlisted among the three finalists for the national sustainable tourism award in the category of best entity in sustainable tourism, underscoring the company's commitment to integrating sustainable practices into its operations.

These recognitions further confirm the soundness of Žito Group's business model, the successful execution of strategic initiatives, and the continuity of growth and development in 2025.

2.9 Sponsorships and Donations

Corporate social responsibility is an integral part of Žito Group's business strategy, expressed through continuous support for projects and initiatives that contribute to community development, cultural heritage preservation, and improved quality of life. Through sponsorships and donations, the Group actively supports the communities in which it operates, with particular emphasis on sports, culture, and humanitarian activities.

Žito Group continuously supports cultural associations and events. A highlight is the 59th Đakovački vezovi, for which Žito Group served as general sponsor in 2025. This is Croatia's largest traditional folklore festival, featuring approximately seventy folklore groups from Croatia and abroad with a total of around four thousand participants. The festival celebrates the rich Slavonian folk heritage, including folklore, customs, traditional costumes, music, and gastronomy, and makes an important contribution to preserving national cultural heritage.

Žito Group also actively supports sports development in its community, with an emphasis on gymnastics. Long-standing donations and sponsorships to Gymnastics Club Osijek Žito have contributed significantly to the growth of gymnastics in Osijek. This support

is important not only for the sport itself but also for the wider community, particularly in encouraging children and young people to pursue athletics from an early age. The club trains a large number of young athletes and also offers recreational programmes for adults, further promoting the importance of physical activity, health, and a quality lifestyle.



As a result of years of systematic development, Gymnastics Club Osijek Žito, together with the Croatian Gymnastics Federation, serves as executive organiser of the international DOBRO World Cup competition. Held annually, the event brings together top gymnasts from around the world as part of the FIG Artistic Gymnastics World Cup series. Since 2025, the competition has also served as a qualifying event for world championships and the Olympic Games. Žito Group's long-standing support for gymnastics has thus contributed not only to sport at the local level but also to the organisation of an internationally recognised event that promotes athletics, healthy living, and the city as a sporting destination.

Corporate social responsibility also extends to initiatives that improve the lives and development of children, particularly those with special needs. Tvornica ulja Čepin d.d., in cooperation with KTC, donated to inclusive programmes for children with autism spectrum disorder. As part of this traditional humanitarian campaign, the joint donation supported the Association raSTEM u SPEKTRU from Dugo Selo, which provides inclusion and educational support for children with autism.



As part of initiatives promoting education and healthy lifestyles among children, Žito Group celebrated World Egg Day with a special workshop for children at the Sokol Centre in Osijek. World Egg Day, observed since 1996, aims to raise awareness of the nutritional value of eggs. Through the interactive picture book "The Smart Egg," children learned in an engaging way why eggs are important for their health, while developing awareness of proper nutrition and the importance of taking care of their bodies.

3 Key Period Highlights



Key Period Highlights

315.5
EUR million sales revenue
↑ 9% YoY

70.2
EUR million EBITDA
↑ 2% YoY

35.7
EUR million net profit
↑ 43% YoY

Key financial indicators of Žito Group for 2025

3.1 Macroeconomic Environment

The Croatian economy sustained positive real gross domestic product (GDP) growth throughout 2025. Seasonally adjusted quarterly growth ranged from 0.4% to 1.4% quarter-on-quarter. On an annual basis, real GDP expanded by 3.2%, moderating from 3.8% in 2024. The deceleration was primarily driven by softer growth in private and government consumption and a contraction in services exports, partially offset by stronger investment activity and higher goods exports. Despite the slowdown, Croatia's real GDP growth rate in 2025 remained well above the European Union average of 1.4%.

Year-on-year inflation in Croatia, measured by the Harmonised Index of Consumer Prices (HICP), edged up to 4.4% in 2025, exceeding both the European Union average of 2.5% and the European Central Bank's medium-term price stability target of 2%. Persistent price pressures in food, energy and services meant that inflation remained one of the key macroeconomic challenges.

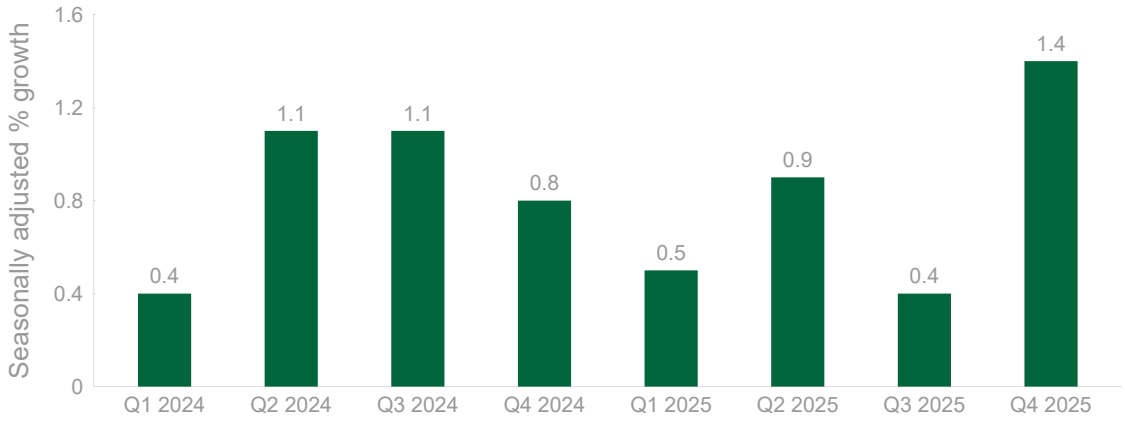


Figure 3.1. Quarterly GDP growth of Croatia (seasonally adjusted % compared to previous quarter), source: Eurostat

3.2 Significant Events in 2025 and After the Balance Sheet Date

3.2.1 Initial Public Offering

6,403,950	130 mil EUR	4,100+
allocated shares	funds raised	retail investors

In June 2025, Žito Inc. launched a public offering of the Company's shares. The offering period ran from 27 June to 9 July 2025, with a maximum offered quantity of 6,651,920 shares. A total of 6,403,950 shares were allocated, comprising 4,371,535 newly issued shares, 1,280,385 existing shares offered for sale and 752,030 treasury shares. Total proceeds amounted to EUR 130,000,185.00, implying a price of EUR 20.30 per share. The right to participate in the offering was granted to Company employees, retail investors, and qualified investors. Through the public invitation, 155,678 shares were allocated to employees, 2,401,873 shares to retail investors and 3,846,399 shares to qualified investors.

3.2.2 Investments

The affiliated company Novi Agrar d.o.o. completed construction of the Klisa pig fattening farm in the first half of 2025. The farm has a capacity of 9,000 fattening pigs and is expected to produce 25,200 pigs annually. The project was co-financed through the Agency for Payments in Agriculture, Fisheries and Rural Development under measures 4.1.1 "Support for investments in agricultural holdings" and 4.1.2 "Disposal, handling, and use of manure to reduce harmful environmental impact", securing a grant covering 49% of total eligible costs. The Klisa farm features advanced video surveillance, automatic feeding systems and climate-controlled ventilation. Facilities exceed regulatory animal welfare space requirement, maintain optimal microclimatic conditions and state of the art ventilation.

Svinjogojska farma Lipovača-Prkos d.o.o. commenced the expansion of the Orlovnjak piglet breeding farm in mid-2025. Current capacity stands at 1,350 sows producing 44,550 piglets annually; following reconstruction, capacity will rise to 2,800 sows, effectively doubling output. The estimated investment is EUR 7.9 million, with completion and commissioning expected in 2026. The Group views pig farming as a significant growth opportunity given the persistent shortfall in domestic production, and continues to execute its investment programme, reinforcing its position as one of the leading pig breeders in Croatia.

On 25 September 2025, Tvornica ulja Čepin d.d. received a Funding Decision from the Ministry of Economy under the call "Support for enterprises transitioning to an energy and resource efficient economy". The oil factory has been awarded a EUR 3 million non-refundable grant, which also represents the maximum eligible co-financing amount for the submitted project. The project includes the construction of a 3.5 MW solar power plant and an energy storage system located on the factory premises, featuring a storage capacity of 9 MWh and a rated power of 4.5 MW. The expected

annual electricity production is 4,092 MWh, significantly improving energy efficiency, generating cost savings, reducing grid dependence and lowering CO_2 emissions.



Following the signing of the funding agreement with the Ministry of Economy, a public call was conducted among potential bidders to obtain the most favorable offer. A construction agreement for the solar power plant was signed with the selected contractor in February 2026. Completion of the investment is expected during 2026.

In 2025, a new photovoltaic plant at Animal feed factory Vitalka (TSH), part of Žito Inc., was commissioned at a cost of EUR 1.15 million. The plant has a total DC capacity of 1,715.03 kWp across 3,854 panels installed adjacent to the factory, with expected annual generation of 1,934.1 MWh, covering 74% the factory's total electricity consumption. This investment marks the first completed project funded through IPO proceeds.

In early 2026, Žito Inc. initiated the permitting process for a solar power plant at the meat industry facility, with a connection capacity of 3.9 MW (AC), along with an associated 9 MWh energy storage system with 4.5 MW rated power. The installed capacity of the photovoltaic panels is planned at 4,719 kWp. The investment is scheduled for completion by the end of 2026. Upon completion, the project is expected to increase energy self-sufficiency, reduce electricity costs, and enhance business sustainability by leveraging renewable energy sources and optimizing consumption management through the energy storage system.

The Meat Industry DOBRO has made a significant step in developing its production processes with the introduction of a new line for slicing meat products. This strategic investment, valued at EUR 1.75 million, includes the third and most advanced slicing and packaging line, as well as a fully automated robotic line at the output stage. Investment in modern technology and expanded production capacity further strengthens the brand's market position, while the new line delivers tangible improvements in speed, precision, and overall efficiency. The slicing capacity reaches up to 650 kilograms per hour, representing an approximately 30 percent increase in total slicing and packaging capacity. An integrated scale and advanced 3D scanner enable automatic portioning by weight, significantly reducing variations in the final product. This new technology ensures greater consistency while optimizing raw material usage and processing time. The fully automated robotic line at the output further accelerates the packaging process and reduces the need for manual labor, ensuring a more stable and secure production flow.

Investments in new ventilation systems have been completed on three dairy cow farms within the Žito Group (Orlovnjak, Mala Branjevina and Krndija). The installation of ventilation in the barns improves air quality, reduces heat stress and humidity, and creates more comfortable conditions for the animals. This increases milk production, enhances cow health, reduces the incidence of

respiratory diseases and mastitis, and achieves more uniform reproduction while decreasing seasonality in breeding throughout the year.

3.2.3 Acquisitions

Agro-Tovarnik d.o.o.

In July 2025, Žito Inc. signed a share purchase agreement regarding Agro-Tovarnik d.o.o., expanding the Group's existing crop production and livestock operations. Agro-Tovarnik cultivates over 3,500 hectares directly and manages a total of nearly 10,000 hectares through contract farming arrangements. This is complemented by proprietary silo storage capacity of 28,000 tonnes for cereals and oilseeds. The acquisition also includes a 400-head dairy cow farm.

Mesna industrija Ravlić d.o.o.

In 2025, Žito Inc. entered into an agreement to acquire a 51% share in the registered capital of Mesna industrija Ravlić d.o.o. Closing was subject to several conditions precedent, including: (i) merger clearance from the Croatian Competition Agency (AZTN) in accordance with the provisions of the Competition Act, (ii) consent from the Agency for Payments in Agriculture, Fisheries and Rural Development regarding the transfer of the shareholding, and (iii) other contractual conditions set out in the share purchase agreement. On 15 October 2025 Žito Inc. received a decision from the Croatian Competition Agency which determines the notified concentration as permissible within the meaning of Article 16 of the Competition Act, which arises from the acquisition of direct control on a permanent basis by the Company over the undertaking Mesna industrija Ravlić limited liability company, by acquiring shares representing 51% shares in the total registered share capital, within the meaning of the provision of Article 15, paragraph 1, item 2 of the Competition Act. The transaction closed on 13 January 2026 which confirmed that all conditions under the sale and purchase agreement have been fulfilled.

This transaction represents a significant step in the implementation of the Group's growth and diversification strategy, with a focus on vertical integration of operations. Entering the ownership structure of Mesna industrija Ravlić ensures a more secure sales channel for pigs and cattle for Žito Group and lays the foundation for further investments and growth in the pig farming segment. Moreover, it ensures a stable supply of fresh pork for the Group's meat industry ("Dobro") from pigs raised on its own farms, thereby enabling full control over the entire production process, from farm to table.

Zvijezda plus d.o.o.

On 13 November 2025, the Management Board of the Company signed a share purchase agreement for 100% of the ownership interests in Zvijezda plus d.o.o. and Zvijezda Podjetje za notranjo in zunanjo trgovino, d.o.o., Ljubljana (Zvijezda Slovenija d.o.o.), with Fortenova Grupa JSC, as the seller. The Share Purchase Agreement sets out the terms and conditions that the contracting parties are required to fulfill as conditions precedent to the completion of the transaction, including, the clearance of the concentration by the Croatian Competition Agency. The final purchase price will be determined upon the closing of the transaction in accordance with the agreed price adjustment

mechanism and will depend on the financial results and operating performance of Zvijezda plus d.o.o. up to the closing date.

Through the acquisition of Zvijezda, a company with a long-standing tradition in food production, Žito Group will further strengthen its brand portfolio with the addition of the Zvijezda, Margo and Omegol brands. The Zvijezda oil brand has for many years been positioned as one of the leading brands on the Croatian market, with significant market shares across other regional markets as well. This transaction represents an important step forward in further strengthening the Group's position in the regional food industry market and contributes to the expansion of its product portfolio and production capacities. Synergies between the Group's existing production facilities and Zvijezda's operations are expected to enhance operational efficiency, innovation and competitiveness, while creating long-term value for employees, shareholders and the wider community.

Anabbela d.o.o.

In March 2026, Novi Agrar d.o.o., a Žito Group subsidiary, signed a purchase and transfer agreement for 100% of the business shares of Anabbela d.o.o. from Duboševica. Anabbela cultivates over 1,000 hectares in Baranja and has established cooperation with local producers. Together with the Agro-Tovarnik acquisition, this transaction has increased the Group's total cultivated area by 4,500 hectares, or 25%, since the IPO, bringing the total to over 22,000 hectares and extending crop production operations into the Baranja region for the first time.

3.2.4 Sale of Equity Interests

The divestment of the shareholding in Croatian Sugar Industry Plc, was completed in March 2025. The former shareholder, Novpros d.o.o., sold its 40% stake to a private individual, Marko Pipunić, who thereby became the new owner of the mentioned stake. As a result of this transaction, Croatian Sugar Industry Plc. is no longer included in the Žito Group's consolidated financial statements.

Žito Inc. completed the transaction for the sale of a 23% of shares of the company Tvornica ulja Čepin d.d. to Equinor Limited, as the buyer. The transfer of shares was completed following the obtainment of all required corporate approvals and regulatory consents, in accordance with the applicable laws of the Republic of Croatia and the European Union. This transaction holds significant strategic value for the Group. The financial proceeds from the sale of the stake further strengthen the Group's capital position and will be directed towards the continued development and investment in its core activities. At the same time, the buyer holds a substantial market share in the oil sales segment in its domestic market, and the entry of this reputable industry partner enables the planned long-term cooperation in the production and distribution of oilseeds, from which considerable benefits are expected. Through this strategic partnership, new market opportunities will open for the distribution of products from the Čepin Oil Factory, supply chain integration within the Group will be strengthened, and the transfer of specialized knowledge and technology in oil production will be facilitated.

3.2.5 Business Segments

A period of severe drought in June 2025 affected agricultural crops across Croatia. The impact on cereals, primarily barley and wheat, was limited, with good yields and high grain quality recorded. Maize, soya and sugar beet were more significantly affected; nevertheless, the Group's yields remained above the national average.

In the livestock segment, several cases of African Swine Fever (ASF) were reported in early July 2025 at certain farm locations in the Vukovar-Srijem County (Gradište municipality) and Osijek-Baranja County (Jagodnjak and Erdut municipality). Following the outbreak, restriction zones have been put in place by the Ministry of Agriculture. Pigs within these zones, except for restriction zone 1, cannot be exported and must be sold on the domestic market. The State compensates the difference in the selling price in accordance with the state grant program for the compensation of reduced market value of fattening pigs delivered for slaughter from restriction zone 3. Žito Group's pig farming operations are currently split between restricted zone 3 and unrestricted zones, disrupting the normal production flow and creating imbalances in the capacity for sows, piglets, and fattening pigs. Given the continuous changes in the restriction zones in which pig farms are located, the Group adjusts its production processes in accordance with the prescribed requirements. Such adjustments include technological modifications in planning the turnaround of breeding farms and in the organization of piglet and fattening pig production.



The Group's pig farming operations are organized according to the highest technological and biosecurity standards. Given the immediate threat posed by ASF, an additional review of all biosecurity measures was conducted, and the biosecurity plan has been further updated. This plan now defines protocols for all farm processes, farm layout, employee behavior, and restrictions on pig keeping, fully complying with all applicable legal regulations. As an additional measure, biosecurity protocols have also been implemented at the animal feed factory and for the transportation of feed and livestock. In addition to the biosecurity measures implemented by the Group on its own farms, additional national-level measures are being carried out to control African Swine Fever. Emphasis is placed on reducing the wild boar population, one of the main vectors of the disease. In coordination with the Hunting Association and the Ministry of Agriculture, a continuous culling of wild boars commenced in 2025, as these animals represent a significant threat to domestic pigs and organized pig production in Croatia. The culling of infected animals is expected to reduce the pressure of African Swine Fever on domestic pig populations.

No cases of African swine fever have been recorded on the Group's farms.

With annual production capacity of 130 million eggs and 480,000 laying hens across two farms,

Vuka and Piko, Žito Group is Croatia's largest egg producer and a reliable supplier to the domestic market. The hens are raised in enriched cages and floor rearing systems in compliance with EU regulations, fed high-quality feed from the Group's own production, and their fresh eggs carry the 'Jaja hrvatskih farmi' label awarded by HAPIH, as well as the 'Dokazana kvaliteta' mark issued by the Ministry of Agriculture. The packing centre's food safety management system holds IFS certification and ISO 14001:2015 environmental management certification. The Group sells exclusively own-produced eggs and maintains an uninterrupted domestic supply with no salmonella incidents.

3.3 Operating Results

The Group generated sales revenue of EUR 315.5 million in 2025, a 9% increase year-on-year, while Žito Inc. recorded sales revenue growth of 16%.

Table 3.1. Key financial indicators (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Sales revenue	315,528	290,462	9%	311,474	269,166	16%
EBITDA	70,229	69,171	2%	27,864	22,249	25%
Normalised EBITDA	63,399	66,297	-4%	18,633	18,633	0%
EBIT	48,193	45,887	5%	18,352	16,556	11%
Net financial result	-1,965	-10,597	-81%	7,042	18,592	-62%
Profit before tax[1]	46,228	32,990	40%	25,394	35,148	-28%
Profit for the period[2]	35,743	24,991	43%	19,949	29,615	-33%
EBIT margin	15.27%	15.80%	-52 bp	5.89%	6.15%	-26 bp
EBITDA margin	22.26%	23.81%	-155 bp	8.95%	8.27%	68 bp
Net profit margin	11.33%	8.60%	273 bp	6.40%	11.00%	-460 bp

[1] Profit from continued operations before tax
[2] Profit for the period from continued operations

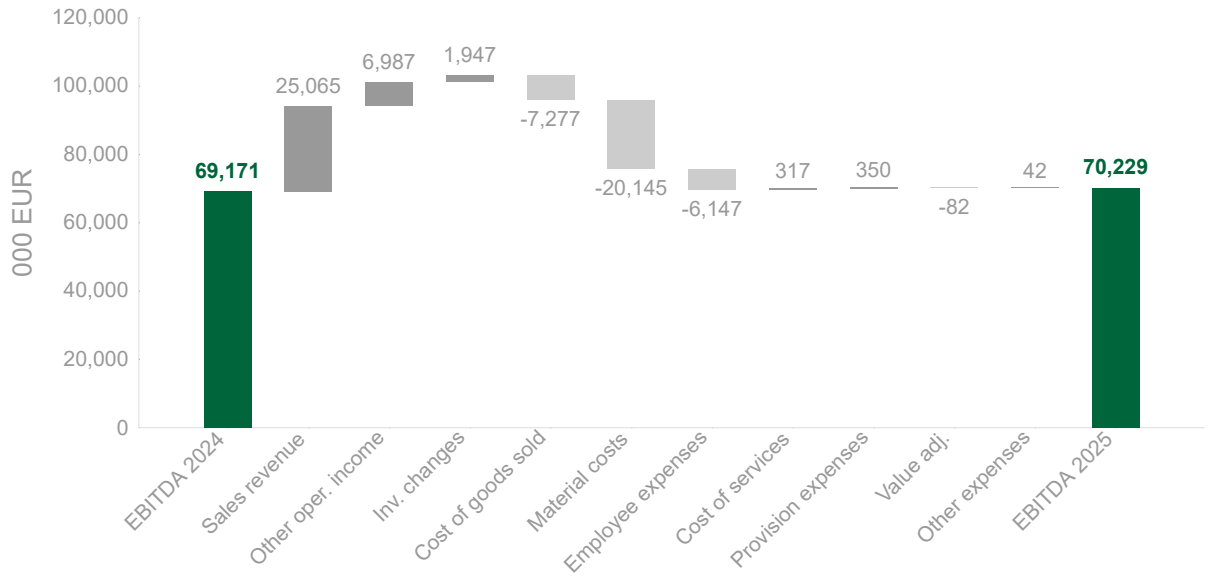


Figure 3.2. Žito Group EBITDA 2024 – 2025

Reported EBITDA for Žito Group in 2025 amounts to EUR 70.2 million. Normalised EBITDA decreased 4% year-on-year to EUR 63.4 million (Table 3.1). The EBITDA bridge (Figure 3.2) shows absolute year-on-year changes in individual income statement line items.

In order to provide additional information on business performance and comparability, EBITDA is also presented excluding the impact of one-off items. These one-off items for 2025 and 2024 include: income from collected written-off receivables, differed income from EU grants for construction and equipping, profits from the sale of tangible fixed assets, income from cancellation of long-term provisions, profit from the sale of an associate company, profit on bargain purchase, profit from the sale of joint ventures/stakes, value adjustments of trade receivables, penalties and fines, a one-off fee to the FZOEU, provision expenses, donations, write-off of receivables and one-off advisory fees. Normalised EBITDA of Žito Group declined EUR 3 million year-on-year to EUR 63.4 million (Table 3.2).

Table 3.2. EBITDA normalisation (000 EUR)

	Žito Group		Žito Inc.	
(000 €)	**2025**	**2024**	**2025**	**2024**
Reported EBITDA	**70,229**	**69,171**	**27,864**	**22,249**
Reported EBIT	**48,193**	**45,887**	**18,352**	**16,556**
Income from collected written-off receivables	-326	-3,060	-48	-2,648
Differed income from EU grants[3]	-2,474	-2,030	-1,416	-564
Profits from the sale of tangible fixed assets	-828	-974	-121	-1,619
Income from cancellation of long-term provisions	0	-6	0	-6
Profit from the sale of an associate company	-1,491	0	0	0
Profit on bargain purchase	-2,913	0	0	0
Profit from the sale of joint ventures/stakes	0	0	-8,345	0
Value adjustments of trade receivables	698	616	448	448
Penalties and fines	10	244	2	191
One-off fee to the FZOEU	0	913	0	0
Provision expenses	59	408	24	26
Donations	341	477	144	165
Write-off of receivables	5	184	0	37
Advisory fess	90	354	80	354
Normalised EBITDA	**63,399**	**66,297**	**18,633**	**18,633**
Normalised EBITDA margin	**20.09%**	**22.83%**	**5.98%**	**6.92%**
Normalised EBIT	**41,363**	**43,013**	**9,120**	**12,940**
Normalised EBIT margin	**13.11%**	**14.81%**	**2.93%**	**4.81%**

[3] Differed income from EU grants for construction and equipping

3.3.1 Revenue by Segment

Group sales revenue increased by EUR 25.1 million year-on-year to EUR 315.5 million (Table 3.3). The industry segment accounted for the largest share of revenue at 39% in 2025 (Figure 3.3).

Žito Inc. through its portfolio of activities, encompasses trade and silos, industry, livestock and other segments including hospitality and other service activities as well as crop production. Since Žito Inc., as the parent company of Žito Group, centrally conducts trading activities for the entire Group, including intercompany transactions; consequently, the trade segment reports significantly higher revenue at the parent company level than at the consolidated Group level.

Table 3.3. Sales revenue by segment (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Industry	122,025	110,363	11%	64,130	55,638	15%
Livestock	83,124	76,001	9%	27,146	31,798	-15%
Trade and silos	64,931	67,980	-4%	206,799	173,803	19%
Crop production	33,312	29,508	13%	-	-	-
Other	12,136	6,611	84%	13,399	7,926	69%
Total	**315,528**	**290,462**	**9%**	**311,474**	**269,166**	**16%**

Industry. The Group's industrial production segment encompasses the production of animal feed, edible oil, meat products and electricity. Established proprietary brands in edible oil and cured meats enable direct consumer access.

Animal feed production covers compound feed for pigs, cattle, poultry and other livestock. Priority is given to supplying the Group's own farms, with surplus production sold on the open market.

Oil production at TUČ d.d. encompasses crude and refined sunflower and rapeseed oils. Raw materials are sourced primarily from the Group's own arable land and contract farmers, with the balance procured on the market. The by-products, sunflower and rapeseed meal, serve as key raw materials for the Group's animal feed production.

Cured meat products are manufactured across four technologically advanced production, packaging and slicing facilities. Raw materials are sourced from the Group's own pig fattening operations. The product range includes prosciutto, cured salami and other specialities such as buđola, pancetta, bacon, available as sliced products and whole pieces. All products are free from soya, gluten, flavour enhancers and artificial colourings. Consistent product quality is the result of a modern production process and a high degree of automation. The majority of output is marketed under the DOBRO brand domestically and the Adria D'Oro brand internationally, with a significant share produced as private labels for retail chains. In 2025, the one millionth prosciutto entered production, a milestone reflecting the sustained growth in capacity and quality.

The 9% increase in revenue in 2025 was primarily driven by higher edible oil sales.

Livestock. The livestock segment encompasses pig farming, cattle production, egg production and milk production. Livestock operations are closely integrated with crop production and industrial production. Feed is produced from nearby arable units and at the Vitalka animal feed factory, while the application of manure on agricultural land closes the production cycle.

Pig production is conducted across ten specialised farms, including a nucleus farm for gilt production, breeding farms for piglets and fattening farms. High environmental standards are maintained through the incorporation of pig manure on arable land. All farms are equipped with modern automatic liquid feeding systems ensuring precise control and feed safety at every production stage.

Approximately 175,000 fattening pigs are raised annually. Fatteners are sold on the market, with a portion repurchased post-slaughter as raw material for the Group's cured meat manufacturing.

The Group produces approximately 5,000 head of cattle annually, with feed sourced from nearby arable units and supplemented by compound mixes from the Vitalka factory. The cattle fattening farms hold the "Meso hrvatskih farmi" label.

Žito Group is Croatia's largest fresh egg producer, with annual capacity of 130 million eggs across two poultry farms housing approximately 480,000 laying hens in enriched cage and barn systems. Hens are fed proprietary high-quality feed, ensuring full traceability. Fresh eggs carry the "Jaja hrvatskih farmi" (HAPIH) and "Dokazana kvaliteta" (Ministry of Agriculture) labels. Eggs are marketed under the proprietary "Žito Svježa jaja" brand and as private labels for leading retailers. A notable milestone was reached in November 2025, when cumulative production at the Vuka farm surpassed one billion eggs since inception.

From mid-2025, milk production takes place on four farms with a combined capacity of approximately 2,500 Holstein Friesian cows, following the addition of a fourth farm through the Agro-Tovarnik acquisition. Production is vertically integrated from proprietary young stock, calves, highly pregnant heifers through to milking cows. Milk yields exceed national averages, and the Group's milk carries the "Mlijeko hrvatskih farmi" label (HAPIH).

The livestock segment recorded consolidated revenue of EUR 83.1 million in the reporting period.

Trade and Silos. This segment manages contract farming arrangements, as well as the wholesale and retail of cereals, oilseeds, seeds, crop protection products and fertilisers. Its primary function is to secure sufficient raw material supply for the Group's animal feed and oil production, with surplus agricultural commodities sold on the open market.

Crop Production. Crop production covers cereals (wheat, maize, alfalfa, barley and other crops), oilseeds (sunflower, soya, rapeseed) and industrial crops (sugar beet). Following the Agro-Tovarnik acquisition, the Group's managed agricultural land increased to 21,300 hectares. Production applies balanced agro-technical measures with minimal agrochemical use and modern machinery, significantly improving efficiency while reducing environmental impact. The Group's precision agriculture capabilities, including drones, soil analysis, variable-rate fertilisation and sowing, are the result of sustained capital investment in prior years and contribute to above-average yields and lower unit costs.

Other. In early 2024, the Group entered the hospitality sector with the opening of the "Materra" hotel in Čepin near Osijek. The "Materra" hotel represents a unique tourism offering in the Slavonia region, providing a unique combination of peace, luxury and premium comfort across 61 accommodation units. In addition to the hotel, The Other segment also includes ancillary services and activities that individually do not generate material revenue.

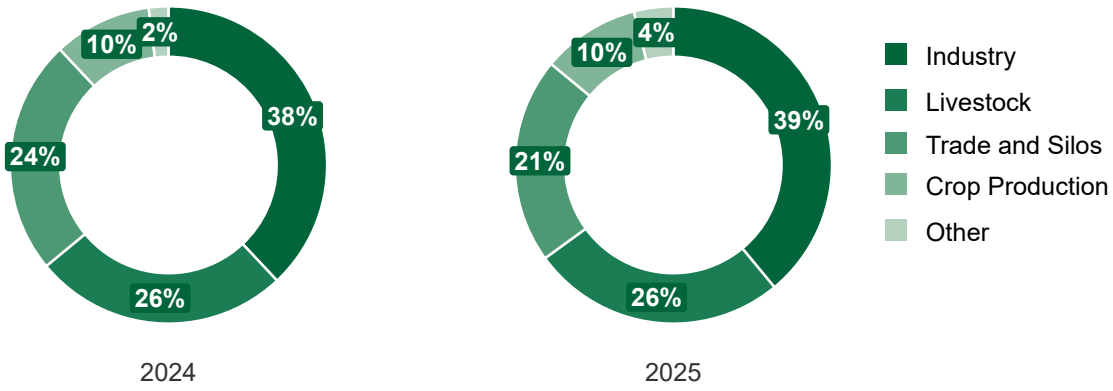


Figure 3.3. Sales revenue structure by segment and year, Žito Group

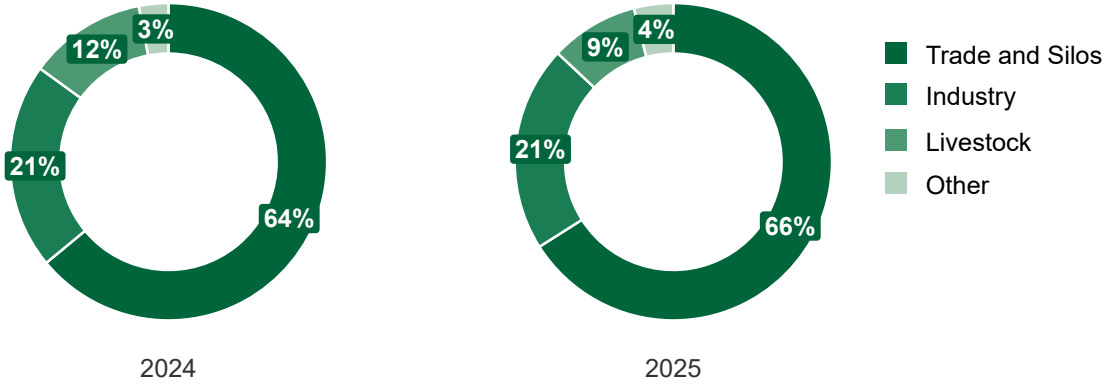


Figure 3.4. Sales revenue structure by segment and year, Žito Inc.

3.3.2 Revenue by Market

International sales revenue totalled EUR 89.3 million in 2025, representing 28% of total sales revenue. The principal export markets are neighbouring and regional countries: Hungary, Italy, Bosnia and Herzegovina, Serbia and Slovakia (Table 3.4).

Table 3.4. Revenue by market (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Croatia	226,178	196,322	15%	249,980	206,772	21%
Hungary	30,777	33,285	-8%	27,769	29,656	-6%
Italy	19,365	19,815	-2%	17,724	13,367	33%
Bosnia and Herzegovina	10,174	4,913	107%	1,780	787	126%
Serbia	6,506	13,844	-53%	6,506	13,844	-53%
Slovakia	5,096	7,733	-34%	160	34	371%
Other countries	17,432	14,550	20%	7,555	4,706	61%
Total	**315,528**	**290,462**	**9%**	**311,474**	**269,166**	**16%**

The primary exports to Hungary are pigs and crops, while crops dominate on the Italian and Serbian markets, and oil in Bosnia and Herzegovina and Slovakia (Figure 3.5).

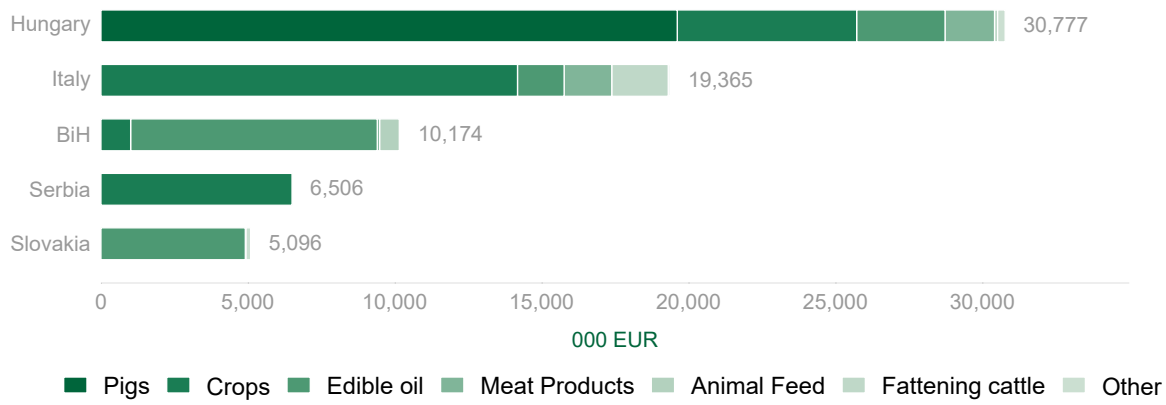


Figure 3.5. Export structure by country 2025

Group exports declined 5% year-on-year in 2025, driven by lower pig exports due to African swine fever related restrictions (Table 3.5). Crops, edible oil and pigs together account for 86% of international revenue (Figure 3.6).

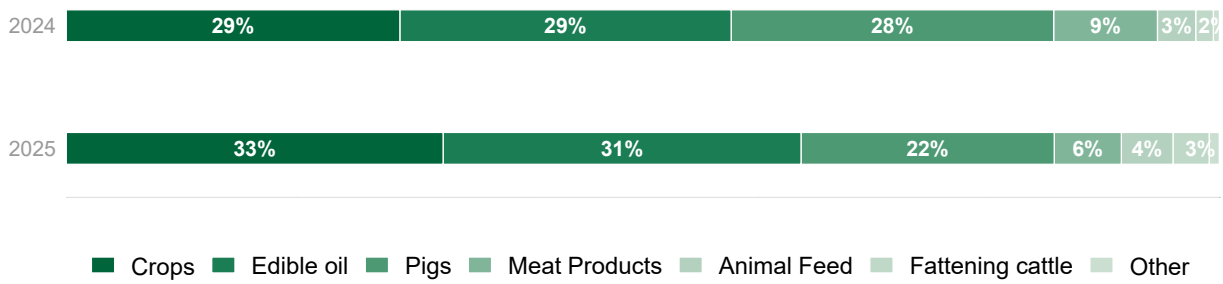


Figure 3.6. Export structure by product

Table 3.5. Exports by segment (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Crops	29,196	27,236	7%	29,196	27,236	7%
Oil	27,736	27,049	3%	-	-	-
Pigs	19,615	26,329	-25%	19,615	26,329	-25%
Meat products	5,196	8,471	-39%	5,196	3,778	38%
Animal feed	4,006	3,124	28%	4,006	3,124	28%
Fattening cattle	2,809	1,437	96%	2,809	1,437	96%
Other products	791	495	60%	673	491	37%
Total	**89,349**	**94,140**	**-5%**	**61,495**	**62,394**	**-1%**

3.3.3 EBITDA by Business Segment

Reported EBITDA for Žito Group amounted EUR 70.2 million in 2025, up 2% year-on-year (Table 3.6). The livestock segment was the largest contributor, accounting for 38% of Group EBITDA.

Table 3.6. EBITDA by segment (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Industry	13,657	20,335	-33%	5,514	2,855	93%
Livestock	26,914	26,559	1%	8,094	8,619	-6%
Trade and silos	6,152	6,666	-8%	6,089	6,925	-12%
Crop production	19,269	13,221	46%	-	-	-
Other	4,237	2,390	77%	8,167	3,850	112%
Total	**70,229**	**69,171**	**2%**	**27,864**	**22,249**	**25%**

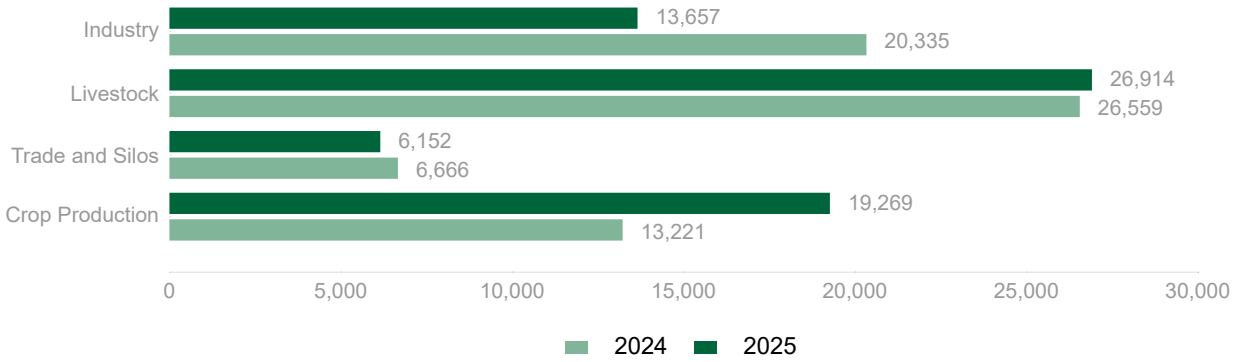


Figure 3.7. Žito Group EBITDA by business segment

3.3.4 Operating Expenses Structure

Group operating expenses increased by EUR 30 million, or 10%, year-on-year (Table 3.7). Cost of goods sold and raw materials together accounted for 76% of operating expenses in 2025, increasing 13% driven by inflationary pressures. Employee expenses grew due to headcount additions following the Agro-Tovarnik acquisition and salary increases.

Table 3.7. Operating expenses structure (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Changes in inventory value	-4,526	-2,578	76%	-6,149	1,918	-421%
Material costs	115,557	95,412	21%	91,884	59,919	53%
Cost of goods sold	126,003	118,726	6%	175,397	163,853	7%
Cost of services	16,137	16,454	-2%	10,891	11,889	-8%
Employee expenses	34,298	28,151	22%	18,630	13,798	35%
Depreciation	22,036	23,284	-5%	9,513	5,694	67%
Value adjustments	698	616	13%	448	448	0%
Other operating expenses	8,758	9,150	-4%	6,329	4,676	35%
Total operating expenses	**318,961**	**289,215**	**10%**	**306,943**	**262,194**	**17%**

3.3.5 Financial Indicators

Net financial debt declined by 130% year-on-year, driven by partial repayment of long-term bank borrowings and IPO proceeds that materially increased cash balances. Including IFRS 16 lease liabilities related to long-term concession agreements and the dividend payable recognised in December 2024 for distribution during 2025, net debt decreased by 98%. The net financial debt to normalised EBITDA ratio as of 31 December 2025 is 0.02 (Table 3.8).

Table 3.8. Financial indicators (000 EUR)

	Žito Group			Žito Inc.		
(000 €)	**2025**	**2024**	**Δ%**	**2025**	**2024**	**Δ%**
Total liabilities	134,531	174,804	-23%	95,332	126,874	-25%
NFD [4]	-16,211	53,196	-130%	-9,128	47,898	-119%
NFD 2 [5]	1,565	69,615	-98%	-8,673	48,384	-118%
NFD 3 [6]	1,565	77,269	-98%	-8,673	56,038	-115%
Total assets	516,939	420,788	23%	353,336	282,899	25%
Total capital and reserves	382,408	245,984	55%	258,004	156,025	65%
Net working capital	178,723	89,477	100%	116,905	55,753	110%
Current ratio	3.18	2.01	58%	2.46	1.73	42%
NFD/EBITDA	-0.23	0.77	-130%	-0.33	2.15	-115%
NFD 2/EBITDA	0.02	1.01	-98%	-0.31	2.17	-114%
NFD 3/EBITDA	0.02	1.12	-98%	-0.31	2.52	-112%
NFD/EBITDA norm.[7]	-0.26	0.80	-132%	-0.49	2.57	-119%
NFD 2/EBITDA norm.	0.02	1.05	-98%	-0.47	2.60	-118%
NFD 3/EBITDA norm.	0.02	1.17	-98%	-0.47	3.01	-115%
Debt ratio	0.26	0.42	-37%	0.27	0.45	-40%

[4] Net financial debt
[5] Net financial debt including land concession liability
[6] Net financial debt including land concession liability and profit distribution liability
[7] EBITDA norm. represents normalised EBITDA

Financial liabilities represented 11% of total liabilities as of 31 December 2025 (Figure 3.8).

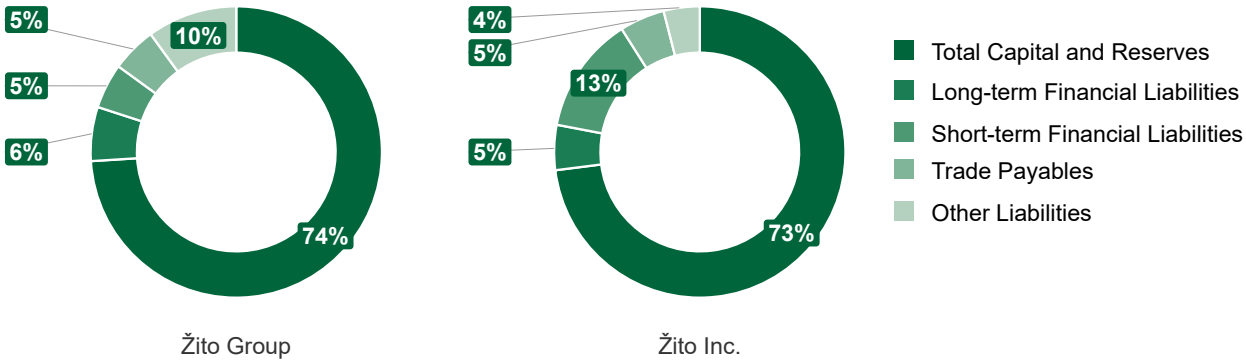


Figure 3.8. Equity and liability structure of Žito Group and Žito Inc.

3.4 Sustainability

During 2025, Žito Group actively continued the education process on sustainability topics in cooperation with renowned professional advisors. The education covers the EU Taxonomy, including the methodology for calculating taxonomy-eligible and taxonomy-aligned KPIs, as well as compliance with regulatory requirements from Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting (CSRD) and the associated European Sustainability Reporting Standards (ESRS). Within the scope of these activities, the Group will establish sustainability reporting systems, develop internal controls, define data collection processes and prepare its first Sustainability Report. In cooperation with external advisors, the Group plans to define relevant sustainability targets and integrate them into existing business processes through adapted organisational and operational procedures.



Under the Act on Amendments to the Accounting Act (Official Gazette No. 151/2025), Article 6(3), an undertaking referred to in Article 70, paragraphs 1 and 2 of the Accounting Act (Official Gazette No. 85/2024) that becomes a public interest entity during the 2025 or 2026 financial year is exempt from sustainability reporting for that year. As Žito Inc. was listed on the Official Market of the Zagreb Stock Exchange on 24 July 2025, with first trading on 28 July 2025, it will not be a subject obligated to sustainability reporting for 2025.

The following information is disclosed voluntarily in accordance with Article 61 of the Accounting Act, reflecting the Company's commitment to responsible, transparent and sustainable business practices. Disclosure will be expanded in subsequent annual reports as mandatory sustainability reporting obligations take effect.

3.4.1 Environment

Environmental responsibility is an integral part to the Company's business strategy. During the reporting period, the Group continued systematic efforts to reduce energy consumption and its carbon footprint. Key achievements include the construction of solar power plants at Group-owned sites, materially increasing the share of proprietary renewable electricity in total consumption. This simultaneously reduces dependence on external suppliers and lowers long-term electricity costs.

As part of the planned investment cycle, Žito Group has earmarked dedicated capital expenditure for upgrading its energy infrastructure in line with the green transition. Planned investments include additional solar power plants at Group-owned sites and battery energy storage systems to optimise electricity management and reduce peak-hour grid dependence. This approach trans-

forms the Group's energy base from a cost centre into a strategic asset with predictable pricing and measurable environmental impact. The Group expects these projects to deliver a material reduction in its carbon footprint by displacing grid electricity from fossil sources with proprietary clean energy.

As confirmation of the systematic approach to energy management, Žito Group member Tvornica ulja Čepin d.d. is certified according to the international standard ISO 50001, which defines requirements for establishing, implementing, maintaining and improving an energy management system. The certification involves regular energy reviews, setting measurable consumption reduction targets and continuous monitoring of key energy efficiency indicators at all levels of operations.

In addition to the energy management system, Tvornica ulja Čepin, together with the egg production segment at Žito Inc., holds certification to ISO 14001 for environmental management. This standards provides a framework for identifying environmental aspects and impacts, setting environmental objectives and systematically controlling relevant risks. Both certification systems are subject to regular external surveillance audits ensuring independent verification of compliance.

Žito Group systematically monitors energy and water consumption as key operational inputs. Given the nature and scale of its food and agricultural production, the Group consumes significant volumes of water, sourced from proprietary wells and the public supply system.

The Group recognises that its operations may have direct and indirect impacts on biodiversity and ecosystems near its sites. Žito Group operates exclusively on agricultural land that has not been deforested, and the Group does not carry out nor plan to carry out deforestation. Land under both ownership and concession is systematically maintained to preserve soil fertility, prevent erosion and protect groundwater from pollution.

3.4.2 Society

The social dimension of Žito Group's operations rests on the conviction that long-term business success requires a responsible relationship with employees, communities and all supply chain stakeholders.

Employees are the foundation of the Company's long-term performance. Human resource management is based on the principles of equal opportunities, non-discrimination and respect for individual dignity, with investment in training, professional development and competence building at all organisational levels. Employee engagement and satisfaction are recognised as direct drivers of productivity and innovation, while occupational health and safety is managed in accordance with legal requirements and internal procedures, with continuous incident analysis to improve working conditions. Further detail is provided in Chapter 2.5 Employees.

The Group is equally committed to the local communities in which it operates. Through sponsorships, donations and participation in public interest initiatives, Žito Group confirms its conviction that business success and social progress must go hand in hand and that an economic entity bears responsibility for the broader social effects of its operations. Further detail is provided in Chapter 2.9 Sponsorships and Donations.

These principles extend to suppliers and business partners, from whom the Group expects adherence to fundamental human rights standards as a precondition for cooperation. In its consumer relationships, Žito Group upholds hold standards of food safety and compliance standards, which are confirmed by a number of independently verified certifications. The quality management system is aligned with the ISO 9001:2015 standard, which ensures a systematic approach to process management and continuous improvement at all levels. Food safety is guaranteed through the application of the HACCP system according to Codex Alimentarius, which identifies and controls critical points in the food chain, and through IFS Food standard certification, one of the most demanding international reference standards for food safety and quality auditing in the retail supply chain. To ensure the quality and safety of animal feed production processes, the Group applies the requirements of the GMP+ International programme, thereby ensuring compliance with good manufacturing practice throughout the feed chain. More information is available in Chapter 2.6 Quality Management Systems.

Quality control is applied at every stage from raw material receipt to finished product delivery. Consumer complaints are processed within prescribed deadlines with full feedback provided.

3.4.3 Governance

Žito Group maintains a zero-tolerance policy towards corruption, bribery and all forms of improper influence in business dealings, applicable to employees, management and external associates without exception. The Conflict of Interest Management Policy establishes clear rules, mechanisms and responsibilities for identifying, preventing, reporting and overseeing actual, apparent or potential conflicts of interest. Violations of the Policy constitute a breach of professional and ethical obligations and may result in disciplinary action.

As an issuer with securities listed on a regulated market, the Company is subject to the Corporate Governance Code; the Report on Application of the Code, in accordance with legal obligations, forms an integral part of this annual report. Beyond the statutory framework, the Company is implementing additional internal procedures to strengthen its internal control system, focusing on process standardisation, clear allocation of responsibilities and more effective management of business, operational and reputational risks.

4 Outlook



Outlook

4.1 Research and Development

Žito Group continuously works on improving its production processes and technological modernisation, which remain key prerequisites for maintaining competitiveness in the regional agricultural and food industry. Activites are carried out through the introduction of advanced digitalised systems and the application of innovative solutions that increase efficiency, reduce costs, and ensure consistent product quality.

In the area of food product development, the Group conducts ongoing research into new formulations and nutritional combinations, tests products, and optimises recipes to address evolving consumer preferences while safeguarding the reliability and quality of its established brands.

The modernisation of existing production facilities is underpinned by the integration of advanced technological solutions into key operational processes. Particular attention is devoted to technologies that enable optimal resource utilisation, lower unit production costs, and measurable gains in overall productivity. Going forward, the Group aims to significantly increase the share of electricity generated from its own renewable sources, with a focus on the installation of photovoltaic systems on the rooftops of existing facilities and on open land owned by the Group. These initiatives are expected to reduce operating costs, strengthen business resilience against external supply disruptions, and further reinforce the Group's commitment to reducing its carbon footprint in line with broader ESG objectives.

4.2 Strategy

Žito Group is positioned as one of the leading regional players in the food industry and agriculture, with a clearly defined strategic framework encompassing three interconnected development paths: organic growth, strengthening of market position, and regional consolidation as a long-term objective. This strategic framework is based on the conviction that the regional food industry and agriculture represent sectors with significant development potential, while Žito Group possesses the business foundations, recognisable brands, and substantial operational expertise that makes it a credible driver of growth in both the domestic and regional markets.

Following the successful completion of its initial public offering (IPO), the Group has commenced the implementation of an extensive investment cycle aimed at modernising and expanding existing business segments, with the goal of improving operational efficiency within an already proven business model. The realisation of these investments will enable the Group to significantly increase profitability in existing markets while simultaneously laying the foundations for further execution of its strategic development plans.

Growth through acquisitions and regional consolidation in the agriculture segment, along with

strengthening presence in food production, represents one of the key strategic priorities for the Group's further development. Through carefully selected acquisition opportunities and disciplined business integration, the Group aims to achieve operational synergies, increase the efficiency of production processes, and further strengthen its market position. Particular emphasis is placed on sustainable agricultural practices, responsible resource management, and the enhancement of food quality and safety standards, thereby contributing to long-term business stability and value creation for all stakeholders.

Looking ahead, the Group's ambition is to establish itself as one of the leading regional market participants through the systematic strengthening of competitiveness, expansion of presence in target markets, and development of an integrated business model along the entire value chain. Activities are focused on improving technological capabilities, increasing productivity, developing products with higher added value, and strengthening the recognition of key brands. In this context, the Group plans to advance its practices in the areas of environmental protection, efficient use of energy and raw materials, and responsible corporate governance, thereby further strengthening business resilience and the ability to adapt to long-term market trends.

5 Statement



Statement of persons responsible for preparing financial statements

To the best of our knowledge, the audited financial statements of Žito Inc. and its subsidiaries (Žito Group) and of the company Žito Inc. (the Company) for the year ended 31 December 2025 have been prepared in accordance with the Croatian Accounting Act and International Financial Reporting Standards (IFRS) and present a true and fair view of the assets and liabilities, profit and loss, financial position, and results of operations of Žito Group and the Company.

The management report for the year ended 31 December 2025 contains a true and fair view of the development and results of operations, including a description of the most significant risks and uncertainties to which they are exposed.

Jozo Ljubičić

Member of the Management Board for Finance



6 Financial Statements



Responsibility for the annual consolidated financial statements

The Management Board of Žito d.d., Osijek, Đakovština 3 (hereinafter referred to as the "Company") is responsible for ensuring that the annual separate and consolidated financial statements of the Company and its subsidiaries (hereinafter referred to as the "Group") for 2025 are prepared in accordance with the applicable Croatian Accounting Act and International Financial Reporting Standards as adopted by the European Union, so that they provide a true and fair view of the separate and consolidated financial position, separate and consolidated operating results, separate and consolidated changes in equity and separate and consolidated cash flows of the Company and the Group for that period.

Based on the research conducted, the Management Board reasonably expects that the Company and the Group have adequate resources to continue operating in the foreseeable future. Accordingly, the Management Board has prepared the annual separate and consolidated financial statements on the assumption of the going concern.

In preparing the annual separate and consolidated financial statements, the Management Board is responsible for:

- selecting and then consistently applying appropriate accounting policies in accordance with applicable financial reporting standards;
- making reasonable and prudent judgments and estimates;
- preparing the annual separate and consolidated financial statements on a going concern basis unless such an assumption is inappropriate.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the separate and consolidated financial position, separate and consolidated operating results, separate and consolidated changes in equity and separate and consolidated cash flows of the Company and the Group and must ensure that they comply with the applicable Croatian Accounting Act. The Management Board is also responsible for safeguarding the Company and Group's assets and, therefore, for taking reasonable steps to prevent and detect fraud and other irregularities.

Signed on behalf of the Management Board:

Marko Pipunić, President of the Management Board

Josip Bičvić, Member of the Management Board

Mato Božić, Member of the Management Board

Jozo Ljubičić, Member of the Management Board

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In Osijek, on 29 April 2026

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10000 Zagreb
Radnička cesta 180

INDEPENDENT AUDITOR'S REPORT

To the owners of Žito d.d., Osijek and its subsidiaries

Report on the audit of separate and consolidated annual financial statements

Opinion

We have audited the annual separate and consolidated financial statements of Žito d.d., Osijek (the "Company") and its subsidiaries (the "Group"), which comprise the Separate and Consolidated Statement of Financial Position as of 31 December 2025, the Separate and Consolidated Statement of Comprehensive Income, the Separate and Consolidated Statement of Cash Flows and the Separate and Consolidated Statement of Changes in Equity for the year then ended, and the Notes to the annual separate and consolidated financial statements, including significant accounting policy information.

In our opinion, the accompanying annual separate and consolidated financial statements give a true and fair view of the consolidated financial position of the Company and the Group as of 31 December 2025, its separate and consolidated financial performance and 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 International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in our Auditor's Report in the *Auditor's Responsibilities for the Audit of the Annual Separate and Consolidated Financial Statements* section. We are independent of the Company and the Group in accordance with the International Code of Ethics for Professional Accountants (with International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the separate and consolidated annual financial statements of public interest entities in the Republic of Croatia, and we have fulfilled our other ethical responsibilities in accordance with those 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were most significant in our audit of the separate and consolidated annual financial statements for the current period. We addressed these matters in the context of our audit of the separate and consolidated annual financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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.

Registrirano kod Trgovačkog suda u Zagrebu pod brojem 080044149

OIB 76394522236

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Key Audit Matters (continued)

We have determined that the issue below is a key audit matter that should be disclosed in our Independent Auditor's Report.

Key audit matter	How we addressed the key audit matter
Revenue recognition In the Statement of Comprehensive Income, the Company and the Group reported sales revenues in the amount of EUR 311,474 thousand and EUR 315,528 thousand, respectively. Operating income is generated by selling products and merchandise and by providing services. Revenues are measured at the fair value of the compensation received or claims for compensation and are reduced by the estimated amounts of refunds from customers, volume and similar discounts. In accordance with International Financial Reporting Standard 15, revenue is recognised when control is transferred, either over time or at a specific point in time. Control over property is the ability to manage its use and to obtain almost all the remaining benefits, including the ability to prevent others from managing its use and deriving benefits from it. Considering the significance of sales revenue shown in the separate and consolidated statements of comprehensive income and the risk of its recognition, we concluded that the existance and accuracy of the revenue, as well as its distribution in the proper reporting period, are key audit matters. See note 3. "Revenue recognition" and 5. "Sales revenue" in the corresponding separate and consolidated annual financial statements.	Our audit procedures related to this area included, among others: - Gaining an understanding of the sales process by conducting interviews with key individuals - Gaining an understanding of key controls related to the recognition of sales revenue and assessing the adequacy of the design and implementation of identified internal controls relevant to the revenue recognition process; - Conducting substantive testing to verify the existance, accuracy and timeliness of revenue recognition; - Comparing the external confirmations received of the amounts of outstanding trade receivables at the reporting date with the balances shown in the books of the companies within the Group at the same date; - Assessing the compliance of the sales revenue recognition policy with International Financial Reporting Standard 15 – Revenues from Contracts with Customers; - Assessing the adequacy of disclosures related to the sales revenue recognition in accordance with International Financial Reporting Standard 15 - Revenues from Contracts with Customers.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Key Audit Matters (continued)

We have determined that the issue below is a key audit matter that should be disclosed in our Independent Auditor's Report.

Key audit matter	How we addressed the key audit matter
Valuation of investments in subsidiaries In its Separate Statement of Financial Position as of 31 December 2025, the Company recognised investments in subsidiaries of EUR 55,926 thousand. Determining the valuation of individual investments in subsidiaries requires the Company's Management to use various assumptions, projections, and forecasts related to future cash flows, applied discount rates, and growth rates to calculate the expected future performance of subsidiaries. Impairment of investments in subsidiaries is defined as a key audit matter due to its significant carrying amount and the wide range of assumptions, projections, and forecasts used in the models and impairment assessment. See notes 3. c) "Basis of consolidation, 22. "Investments in subsidiaries and joint ventures" in the accompanying separate and consolidated annual financial statements.	Our audit procedures related to this area included, among others: - Obtaining an understanding of the Company's accounting policies and processes related to impairment testing of investments in subsidiaries and associates; - Reviewing the financial information collected used in considering the existence of impairment indicators of investments and evaluating the Company's judgment of indicators of potential impairment; - Critically evaluating the selected model used in the calculations of the recoverable amount and fair value of subsidiaries and associates for which the existence of impairment indicators has been identified, in order to assess its compliance with IFRSs adopted by the EU and its consistent application; - Assessing the reasonableness of key assumptions used in the valuation model for investments in subsidiaries, in particular operating cash flow projections, discount rates and estimates of long-term growth rates; - Comparing key assumptions with external information, where applicable; - Testing the sensitivity of the valuation model for investments in subsidiaries to changes in key assumptions; - Testing the mathematical accuracy of the valuation model for investments in subsidiaries; - Reviewing related notes and assessing the appropriateness of disclosures related to investments in subsidiaries to assess compliance with IFRSs adopted by the EU

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Other Information

The Management Board is responsible for the other information. The other information includes the Management Report but does not include the annual separate and consolidated financial statements and our Auditor's Report thereon. Our opinion on the annual separate and consolidated financial statements does not cover the other information.

In connection with our audit of the annual separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the Management Report and Report on the application of the Corporate Governance Code, we have also performed the procedures prescribed by the Accounting Act. These procedures include checking whether the Management Report has been prepared in accordance with Articles 22 and 24 of the Accounting Act and whether Report on the application of the Corporate Governance Code includes data in accordance with Articles 22 and 25 of the Accounting Act.

Based on the procedures performed, to the extent that we are able to assess this, we report that:

1. the information in the attached Management Report and the Report on the application of the Corporate Governance Code is consistent, in all material respects, with the attached annual separate and consolidated financial statements;

2. the attached Management Report has been prepared in accordance with Articles 22 and 24 of the Accounting Act.

3. the attached Report on the application of the Corporate Governance Code has been prepared in accordance with Articles 22 and 25 of the Accounting Act.

Based on our knowledge and understanding of the Company and Group's business and its environment obtained in the context of our audit of the annual separate and consolidated financial statements, we are required to report if we have determined that there are material misstatements in the Other information. In this regard, we have nothing to report.

Responsibilities of the Management Board and Those Charged with Governance for the Annual Separate and Consolidated Financial Statements

The Management Board is responsible for the preparation of the annual separate and consolidated financial statements that give a true and fair view in accordance with IFRS and for such internal controls as the Management Board determines necessary to enable the preparation of the annual separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual separate and consolidated financial statements, the Management Board is responsible for assessing the Company and Group’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 Board either intends to liquidate the Company and the Group, cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process established by the Company and the Group.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Auditor's Responsibilities for the Audit of the Annual Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual separate and consolidated 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 it 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 based on these annual consolidated financial statements.

As an integral part of an audit in accordance with ISAs, we make professional judgments and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual separate and consolidated 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 that of one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of the going concern basis of accounting used by the Management Board 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 and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Independent Auditor's Report to the related disclosures in the annual separate and consolidated 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 and the Group to cease to operate as a going concern.
- Evaluate the overall presentation, structure and content of the annual separate and consolidated financial statements, including the disclosures, and whether the annual separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and the Group to express an opinion on these annual separate and consolidated financial statements. We are responsible for directing, supervising and performing the audit of the Company and the Group. We are solely responsible for our audit opinion.

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

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Auditor's Responsibilities for the Audit of the Annual Consolidated Financial Statements (continued)

We also state to those charged with governance that we have complied with relevant ethical requirements regarding independence and that we will communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, actions taken to address threats to independence and related safeguards.

Among the matters communicated with those charged with governance, we determine those that were most significant in the audit of the separate and consolidated annual financial statements for the current period and are therefore the key audit matters. We describe these matters in our Independent Auditor's Report unless law or regulation prevents public disclosure of the matter or when we determine, in extremely rare circumstances, that the matter should not be communicated in our Independent Auditor's Report because the adverse consequences of communication would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

On 25 June 2025, we were appointed by the Company's General Assembly to audit the separate and consolidated annual financial statements for the years 2025 and 2026.

As of the date of this Report, we have been continuously engaged in performing statutory audits of the Company and the Group, from the audit of the separate and consolidated annual financial statements for 2020 to the audit of the separate and consolidated annual financial statements for 2025, totalling six years.

In the audit of the Company's separate annual financial statements for 2025, we determined materiality for the separate annual financial statements as a whole in the amount of EUR 1,744 thousand, which represents approximately 6.8% of the normalised profit before tax.

In our audit of the Group's consolidated annual financial statements for the year 2025, we determined materiality for the consolidated annual financial statements as a whole to be EUR 2,666 thousand, which represents approximately 6.8% of the normalised consolidated profit before tax.

We selected the normalised profit before tax achieved as the materiality measure because we believe it is the most appropriate for the Company's or the Group's performance.

Our audit opinion is consistent with the additional report for the Company's Audit Committee prepared in accordance with the provisions of Article 11 of Regulation (EU) No. 537/2014.

During the period between the initial date of the audited separate and consolidated annual financial statements for 2025 and the date of this Report, we did not provide the Company and the companies under its control with prohibited non-audit services and did not provide services in the business year prior to the aforementioned period for the design and implementation of internal control procedures or risk management related to the preparation and/or control of financial information or the design and implementation of technological systems for financial information, and we maintained independence in relation to the Company and the Group in performing the audit.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Report on Other Legal and Regulatory Requirements (continued)

Report based on the requirements of Delegated Regulation (EU) 2018/815 amending Directive 2004/109/EC of the European Parliament and the Council regarding regulatory technical standards for the specification of the European Single Electronic Format

Auditor's assurance report on the compliance of annual separate consolidated financial statements (hereinafter: "financial statements"), prepared pursuant to the provision of Article 462, paragraph 5 of the Capital Market Act (Official Gazette, no. 85/24) by applying the Delegated Regulation (EU) 2018/815 establishing a single electronic reporting format for issuers (hereinafter: the "ESEF Regulation").
We conducted the engagement by expressing reasonable assurance as to whether the financial statements prepared for the purposes of public disclosure pursuant to Article 462, paragraph 5 of the Capital Market Act, which are contained in the electronic file *Zito Group FS 2025 EN,* in all material aspects, were prepared in accordance with the requirements of the ESEF Regulation.

Responsibilities of the Management Board and those charged with governance

The Company's Management Board is responsible for the preparation and content of the financial statements in accordance with the ESEF Regulation.

In addition, the Management Board is responsible for maintaining a system of internal controls that reasonably assures the preparation of financial statements without material non-compliance with the reporting requirements of the ESEF Regulation, whether due to fraud or error.

The Management Board is also responsible for:

- public disclosure of the financial statements contained in the annual report in a valid XBRL format, and
- selection and use of XBRL codes in accordance with the requirements of the ESEF Regulation.

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

Auditor's responsibilities

It is our responsibility to express a conclusion, based on the audit evidence gathered, as to whether the separate and consolidated financial statements are free from material non-compliance with the requirements of the ESEF Regulation. We conducted this reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) - *Assurance engagements other than audits or reviews of historical financial information*.

Procedures performed

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high level of assurance. However, it does not assure that the scope of testing will reveal all significant (material) non-compliance with the ESEF Regulation.
As part of the selected procedures, we have performed the following activities:

- we have read the requirements of the ESEF Regulation,
- we have gained an understanding of the Company's internal controls relevant to the application of the requirements of the ESEF Regulation,
- we have identified and assessed the risks of material non-compliance with the ESEF Regulation due to fraud or errors; and
- based on that, we have planned and designed procedures for responding to assessed risks and for obtaining reasonable assurance for the purpose of expressing our conclusion.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the audit of separate and consolidated annual financial statements (continued)

Report based on the requirements of Delegated Regulation (EU) 2018/815 amending Directive 2004/109/EC of the European Parliament and the Council regarding regulatory technical standards for the specification of the European Single Electronic Format (continued)

Procedures performed (continued)

The aim of our procedures was to assess whether:

- the financial statements, which are included in the separate and consolidated annual report, are prepared in the valid XHTML format,
- the information contained in the separate and consolidated financial statements required by ESEF Regulation, are labelled and all labels meet the following requirements:
  - *XBRL mark-up language was used,*
  - *the elements of the basic taxonomy listed in the ESEF Regulation with the closest accounting meaning were used, unless an additional element of taxonomy has been created in accordance with Annex IV ESEF Regulations,*
  - *the labels comply with the common labelling rules under the ESEF Regulation.*

We believe the audit evidence we have obtained is sufficient and appropriate to support our conclusion.

Conclusion

In our opinion, based on the procedures performed and the evidence obtained, the financial statements presented in ESEF format, contained in the above-mentioned electronic file and based on the provision of Article 462, paragraph 5 of the Capital Market Act prepared for the purposes of public disclosure, in all material respects are in line with the requirements from 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 opinion contained in this Independent Auditor's Report for the accompanying separate and consolidated financial statements for the year ended 31 December 2025, we do not express any opinion on the information contained in these statements or other information contained in the file stated above.

The engaged partner involved in the audit of the Company's and the Group's 2025 annual separate and consolidated financial statements, resulting in this Independent Auditor's Report, is the certified auditor Vedrana Stipić.

In Zagreb, 29 April 2026

BDO Croatia d.o.o.
Radnička cesta 180
10000 Zagreb

Hrvoje Stipić, President of the Management Board

Vedrana Stipić, Certified Auditor

BDO Croatia d.o.o.
Zagreb, Radnička cesta 180
OIB: 76394522236

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Separate and Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

(in EUR '000)

	Note	Žito d.d. and subsidiaries		Žito d.d.	
		2025	2024	2025	2024
		'000 EUR	'000 EUR	'000 EUR	'000 EUR
Sales revenue	5	315,528	290,462	311,474	269,166
Other operating income	6	51,627	44,640	13,821	9,584
Total income from continued operations		**367,155**	**335,102**	**325,295**	**278,750**
Change in the value of finished goods and work-in-progress inventories		4,526	2,578	6,149	(1,918)
Cost of raw materials, supplies and goods sold	7	(241,560)	(214,138)	(267,281)	(223,772)
Cost of services	8	(16,137)	(16,454)	(10,891)	(11,889)
Employee expenses	9	(34,298)	(28,151)	(18,630)	(13,798)
Depreciation and amortization	10	(22,733)	(23,900)	(9,961)	(6,141)
Other operating expenses	11	(8,759)	(9,150)	(6,329)	(4,676)
Total expenses from continued operations		**(318,961)**	**(289,215)**	**(306,943)**	**(262,194)**
Profit from continued operations		**48,194**	**45,887**	**18,352**	**16,556**
Net (loss)/profit from financing activities	12	(1,965)	(10,597)	7,042	18,592
Share in the results of associates and joint ventures	22	-	(2,300)	-	-
Profit from continued operations before tax		**46,229**	**32,990**	**25,394**	**35,148**
Profit tax expense	14	(10,486)	(7,999)	(5,445)	(5,533)
Net profit from continued operations		**35,743**	**24,991**	**19,949**	**29,615**
Result of disposal group	13	**-**	**9,468**	**-**	**9,468**
Total profit for the period		**35,743**	**34,459**	**19,949**	**39,083**
PROFIT OF THE CURRENT YEAR		**35,743**	**34,459**	**19,949**	**39,083**
Attributable:					
to the owner of the Parent Company		35,022	34,659	-	-
to the owners of non-controlling interest		721	(200)	-	-
		35,743	**34,459**	**-**	**-**
OTHER COMPREHENSIVE INCOME					
Other comprehensive income			**-**	**-**	**-**
Total comprehensive income		**35,743**	**34,459**	**19,949**	**39,083**
Basic and diluted earnings per share (continued operations)	35	**1.40**	**1.18**	**0.78**	**1.40**
Basic and diluted earnings per share (discontinued operations)	35	**-**	**0.44**	**-**	**0.44**
Basic and diluted earnings per share (total operations)	35	**1.40**	**1.62**	**0.78**	**1.84**

The accounting policies and notes that follow form an integral part of these consolidated financial statements.

Separate and Consolidated Statement of Financial Position

as at 31 December 2025

(in EUR '000)

	Note	Žito d.d. and subsidiaries		Žito d.d.	
ASSETS		**31.12.2025 '000 EUR**	**31.12.2024 '000 EUR**	**31.12.2025 '000 EUR**	**31.12.2024 '000 EUR**
Fixed assets					
Goodwill	15	4,444	4,444	791	791
Intangible assets	16	496	486	155	188
Right-of-use assets	17	14,599	12,362	422	378
Property, plant and equipment	18	214,891	188,818	91,304	95,224
Investment property	19	1,371	1,344	1,371	1,344
Prepayments for property, plant and equipment	20	1,954	516	1,115	298
Biological assets	21	7,505	7,065	-	56
Investments in associates and joint ventures	22	-	19,509	55,926	45,707
Financial assets at amortised cost	23	7,368	3,110	7,316	3,072
Deferred tax assets	14	3,214	4,886	415	3,190
Total fixed assets		**255,842**	**242,540**	**158,815**	**150,248**
Current assets					
Inventories	24	122,465	86,933	66,974	50,866
Trade receivables	25	35,821	26,518	31,712	21,169
Subcontractor receivables	26	3,521	3,156	3,521	3,156
Receivables from the state	27	14,070	7,741	1,224	969
Receivables for prepayments and other receivables	28	1,623	2,446	1,314	2,249
Current financial assets at amortised cost	29	7,196	5,114	19,283	18,691
Cash and cash equivalents	30	76,107	46,046	70,384	35,442
Total current assets		**260,803**	**177,954**	**194,412**	**132,542**
Assets intended for sale	31	294	294	109	109
TOTAL ASSETS		**516,939**	**420,788**	**353,336**	**282,899**

The accounting policies and notes that follow form an integral part of these consolidated financial statements.

Separate and Consolidated Statement of Financial Position
as at 31 December 2025

(in EUR '000)

	Note	Žito d.d. and subsidiaries		Žito d.d.	
		31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
EQUITY AND LIABILITIES		**'000 EUR**	**'000 EUR**	**'000 EUR**	**'000 EUR**
Capital and reserves					
Share capital	32	25,608	21,236	25,608	21,236
Treasury shares		(5,208)	-	(5,208)	-
Reserves for treasury shares		5,208	-	5,208	-
Capital reserves		82,866	-	82,866	-
Other reserves	32	12,930	7,817	(1,207)	(1,207)
Retained earnings	33	243,983	213,830	150,737	135,996
Parent's equity		**365,387**	**242,883**	**258,004**	**156,025**
Non-controlling interests	34	17,021	3,101	-	-
Total capital and reserves		**382,408**	**245,984**	**258,004**	**156,025**
Non-current liabilities					
Liabilities for non-current loans and borrowings	36	31,204	68,887	16,867	49,036
Lease liabilities	38	17,404	16,854	555	638
Provisions	37	784	586	403	411
Total non-current liabilities		**49,392**	**86,327**	**17,825**	**50,085**
Current liabilities					
Trade payables	39	18,914	19,131	16,188	18,659
Supplier factoring liabilities	40	5,008	5,091	4,984	5,066
Current loan liabilities	41	26,479	26,444	44,149	33,909
Lease liabilities	38	2,585	3,476	140	243
Liabilities to the State	42	10,944	6,407	6,021	3,516
Provisions	37	1,199	1,338	671	639
Other liabilities	43	20,010	26,590	5,354	14,757
Total current liabilities		**85,139**	**88,477**	**77,507**	**76,789**
TOTAL EQUITY AND LIABILITIES		**516,939**	**420,788**	**353,336**	**282,899**

The accounting policies and notes that follow form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

(in EUR '000)

	Share capital	Other acquisition reserves	Treasury shares	Reserves for treasury shares	Capital reserves	Retained earnings	Non-controlling interest	Total capital
	'000 EUR	'000 EUR	'000 EUR	'000 EUR		'000 EUR	'000 EUR	'000 EUR
Balance as of 1 January 2024	**21,236**	**7,817**	**-**	**-**	**-**	**207,430**	**6,450**	**242,933**
Distributable profit	-	-	-	-	-	(31,404)	-	**(31,404)**
Repurchase of non-controlling interest	-	-	-	-	-	3,145	(3,149)	**(4)**
Comprehensive income								
Profit for the current year	-	-	-	-	-	34,659	(200)	34,459
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	***34,659***	***(200)***	***34,459***
Balance as of 31 December 2024	**21,236**	**7,817**	**-**	**-**	**-**	**213,830**	**3,101**	**245,984**
Repurchase of non-controlling interest	-	-	-	-	-	339	(374)	**(35)**
Repurchase of treasury shares	-	-	(21,000)	21,000	-	(21,000)	-	**(21,000)**
IPO and other changes	4,372	-	-	-	83,393	-	-	**87,765**
Sale of treasury shares IPO	-	-	15,792	(15,792)	(527)	15,792	-	**15,265**
Sale of shares – Tvornica Ulja Čepin d.d.	-	5,113	-	-	-	-	5,559	**10,672**
Acquisition of subsidiaries	-	-	-	-	-	-	8,014	**8,014**
Comprehensive income								
Profit for the current year	-	-	-	-	-	35,022	721	**35,743**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	***35,022***	***721***	***35,743***
Balance as of 31 December 2025	**25,608**	**12,930**	**(5,208)**	**5,208**	**82,866**	**243,983**	**17,021**	**382,408**

The accounting policies and notes that follow form an integral part of these consolidated financial statements.

Separate Statement of Changes in Equity

for the year ended 31 December 2025

(in EUR '000)

	Share capital	Other acquisition reserves	Treasury shares	Reserves for treasury shares	Capital reserves	Retained earnings	Total capital
	'000 EUR	'000 EUR	‘000 EUR	‘000 EUR	‘000 EUR	'000 EUR	'000 EUR
Balance as of 1 January 2024	**21,236**	**(1,207)**	**-**	**-**	**-**	**139,522**	**159,551**
Merger loss	-	-	-	-	-	(11,205)	**(11,205)**
Profit distribution	-	-	-	-	-	(31,404)	**(31,404)**
Net profit for the year	-	-	-	-	-	39,083	**39,083**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	***39,083***	***39,083***
Balance as of 31 December 2024	**21,236**	**(1,207)**	**-**	**-**	**-**	**135,996**	**156,025**
Balance as of 1 January 2024	**21,236**	**(1,207)**	**-**	**-**	**-**	**135,996**	**156,025**
Repurchase of treasury shares	-	-	(21,000)	21,000	-	(21,000)	**(21,000)**
IPO and other changes	4,372	-	-	-	83,393	-	**87,765**
Sale of treasury shares IPO	-	-	15,792	(15,792)	(527)	15,792	**15,265**
Net profit for the year	-	-	-	-	-	19,949	**19,949**
Total comprehensive income						***19,949***	***19,949***
Balance as of 31 December 2025	**25,608**	**(1,207)**	**(5,208)**	**5,208**	**82,866**	**150,737**	**258,004**

Separate and Consolidated Statement of Cash Flows

for the year ended 31 December 2025

(in EUR '000)

	Note	Žito d.d. and subsidiaries 2025	2024	Žito d.d. 2025	2024
Operating activities					
Profit after tax		35,743	34,459	19,949	39,083
Adjustment for:					
Tax expense/(income) recognized in the statement of comprehensive income	14	10,486	7,999	5,445	5,533
Depreciation of property, plant and equipment, intangible and biological assets, right-of-use assets	10,13	22,035	23,614	9,513	6,025
Value adjustment of current assets, net	25,12	779	1,267	537	1,139
Gain on sale of joint ventures/shares	6	(1,491)	-	(8,345)	-
Changes in provisions, net	11,6	(59)	402	24	20
Share of results of joint ventures and associates		-	2,300	-	-
Income from lease termination	6	(825)	-	-	-
Gain on sale and disposal of property, plant and equipment	6,13	(829)	(11,031)	(121)	(11,676)
Increase in biological assets	21	(17,650)	(19,264)	(961)	(2,378)
Interest expense	12	3,646	4,200	2,363	2,715
Interest income	12	(1,843)	(2,052)	(2,316)	(3,120)
Dividend income	12	-	-	(7,097)	(17,291)
Impairment of goodwill		-	470	-	-
Profit from a bargain purchase of shares	6	(2,913)	-	-	-
Value adjustment of shares	12	-	5,653	-	-
Cash from operations before changes in working capital		**47,079**	**48,017**	**18,991**	**20,050**
Increase or (decrease) in current liabilities		(15,951)	1,432	1,570	10,791
(Increase) or decrease in current receivables		(30,799)	20,547	(18,704)	(37,880)
(Increase) or a decrease in inventory		(19,040)	12,784	(10,215)	(1,129)
Other increases or decreases in working capital		(1,987)	-	(1,287)	-
Cash made in operating activities		**(20,698)**	**82,780**	**(9,645)**	**(8,168)**
Interest paid		(1,795)	(2,790)	(2,059)	(2,181)
Profit tax paid		(5,053)	(3,445)	-	(20)
Net cash (used)/ generated in operating activities		**(27,546)**	**76,545**	**(11,704)**	**(10,369)**
Investing activities					
Cash receipts from the sale of tangible and intangible fixed assets		9,076	13,755	243	14,349
Cash receipts from interest		338	309	355	401
Cash receipts from dividends		-	-	7,097	17,291
Cash receipts from repayment of loans and savings deposits		36,281	23,763	71,713	81,987
Cash receipts from the sale of shares		-	-	10,673	1,328
Cash expenses for the purchase of tangible and intangible fixed assets		(22,954)	(19,378)	(12,970)	(7,313)
Cash expenses from loans and savings deposits for the period		(24,980)	(26,398)	(102,352)	(82,482)
Acquisition of a subsidiary, less cash acquired		(11,515)	(4)	(11,720)	(4)
Net cash (used)/generated in investing activities		**(13,754)**	**(7,953)**	**(36,961)**	**25,557**

Separate and Consolidated Statement of Cash Flows

for the year ended 31 December 2025

(in EUR '000)

	Note	Žito d.d. and subsidiaries 2025.	Žito d.d. and subsidiaries 2024.	Žito d.d. 2025.	Žito d.d. 2024.
Financing activities					
Cash receipts from increase in share capital		4,372	-	4,372	-
Cash receipts from issuance of equity and debt financial instruments		99,637	-	99,637	-
Cash receipts from principal of loans and borrowings		74,336	99,437	154,754	200,416
Cash receipts from ownership changes		10,673	-	-	-
Cash expenses for repayment of principal of loans, borrowings and debt financial instruments		(112,344)	(126,109)	(172,841)	(174,283)
Cash expenses for payment of dividends		(1,182)	(23,750)	(1,182)	(23,750)
Cash expenses for lease/rent		(3,153)	-	(155)	(144)
Cash expenses related to issuance of equity instruments		(978)	-	(978)	-
Net cash generated / (used) in financing activities		**71,361**	**(50,422)**	**83,607**	**2,239**
Net increase in cash and cash equivalents		**30,061**	**18,170**	**34,942**	**17,427**
Cash and cash equivalents at the beginning of the year	**30**	**46,046**	**27,876**	**35,442**	**18,017**
Cash and cash equivalents at the end of the year	**30**	**76,107**	**46,046**	**70,384**	**35,442**

The accounting policies and notes that follow form an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

Foundation and history

The company Erde d.o.o. was founded in the Republic of Croatia on 12 February 1992. By decision of 28 December 1998, the company Žito d.o.o. was merged with the company Erde d.o.o., with the assets, rights, and obligations of the former being entered into the latter, and employees were taken over on 1 January 1999. In 1999, the aforementioned merger was registered with the competent Commercial Court, after which the company Erde d.o.o. changed its name to Žito d.o.o. and continued its operations under that name. On 12 December 2024, the Company's General Assembly decided to transform the limited liability company into a joint stock company and adopted the Articles of Association as the Company's basic act, becoming Žito d.d. (the “Company”). The registered office of the Company is at Đakovština 3, Osijek.

The ownership structure of the Company is listed below:

No.	Name	No. of shares	% of ownership
1.	Marko Pipunić	12,831,940	50.11%
2.	Marijana Majić Pipunić	5,486,735	21.43%
3.	AZ obvezni mirovinski fond kategorije B	1,768,054	6.90%
4.	Raiffeisen obvezni mirovinski fond kategorije B	828,629	3.24%
5.	Surimar d.o.o.	637,080	2.49%
6.	AZ obvezni mirovinski fond kategorije A	275,511	1.08%
7.	Žito d.d.	247,970	0.97%
8.	Fond za financiranje izgradnje NEK	243,842	0.95%
9.	Raiffeisen dobrovoljni mirovinski fond	164,700	0.64%
10.	OTP indeksni fond - OIF s javnom ponudom	133,447	0.52%
	Other shareholders	2,989,767	11.68%
	Total	**25,607,675**	**100.00%**

Principal activities

The main Group's activities are farming, animal husbandry, industrial production and trade. Farming is the basis of the Group's vertically integrated operations, from which the production cycle continues to animal husbandry, including pig farming, beef fattening, milk and egg production. The industrial group comprises the animal feed factory, seed processing, oil factory, and electricity production. Wholesale and retail sales of grains, oilseeds, seeds, protection and fertilizers are carried out within the trade segment..

1. GENERAL INFORMATION (continued)

Management Board

The Company's Management Board consists of:

Marko Pipunić	President of the Management Board, represents the Company independently and without any restrictions.
Mato Božić	Member of the Management Board, represents the Company independently and without any restrictions
Jozo Ljubičić	Member of the Management Board, represents the Company independently and without any restrictions
Josip Bičvić	Member of the Management Board, represents the Company independently and without any restrictions

Supervisory Board

The Company's Supervisory Board consists of:

Ante Mandić	President of the Supervisory Board
Željko Senjić	Deputy President of the Supervisory Board
Marijana Majić Pipunić	Member of the Supervisory Board

1. GENERAL INFORMATION (continued)

SUBSIDIARIES

Subsidiaries as of 31 December 2025

Company name	Country	Primary activity	Share of Žito d.d. in ownership	Share of Žito d.d. in voting rights	Share of subsidiary ownership
NOVI AGRAR D.O.O.	Osijek, Croatia	Agriculture	100.00%	100.00%	-
ARGUMENTUM VITAE D.O.O.	Osijek, Croatia	Edible oil production	100.00%	100.00%	-
WEST D.O.O.	Donji Miholjac, Croatia	Agriculture	100.00%	100.00%	-
TERMES GRUPA D.D.	Osijek,Croatia	Business consulting	86.88%	93.41%	-
TVORNICA ULJA ČEPIN D.O.O.	Čepin, Croatia	Edible oil production	75.71%	75.71%	-
HANA KOŠKA D.O.O. (1)	Koška,Croatia	Farming	100.00%	100.00%	100.00%
FARMA MUZNIH KRAVA MALA BRANJEVINA d.o.o. (1)	Osijek,Croatia	Milk production	100.00%	100.00%	100.00%
BERAK D.O.O. (1)	Semeljci, Croatia	Farming	100.00%	100.00%	100.00%
HANA VUKA D.O.O. (1)	Budimci, Croatia	Farming	100.00%	100.00%	100.00%
FARMA MUZNIH KRAVA ORLOVNJAK D.O.O. (1)	Antunovac, Croatia	Milk production	100.00%	100.00%	100.00%
SVINJOGOJSKA FARMA LIPOVAČA-PRKOS D.O.O.	Erdut,Croatia	Pig farming	100.00%	100.00%	-
NOVPROS D.O.O. (2)	Osijek,Croatia	Bioenergy production	86.88%	93.41%	100.00%
POLJOPRIVREDNO DOBRO D.O.O. (1)	Gradina, Croatia	Farming	100.00%	100.00%	100.00%
DIBA D.O.O. (1)	Suhopolje, Croatia	Farming	100.00%	100.00%	100.00%
SJEMENSKE KULTURE D.O.O. (1)	Osijek,Croatia	Farming	99.46%	99.46%	99.46%
FARMALAND GRADAC D.O.O. (3)	Gradina, Croatia	Farming	-	-	-
FARMALAND D.O.O. (3)	Suhopolje, Croatia	Farming	100.00%	100.00%	100.00%
PIKO D.O.O.	Jastrebarsko, Croatia	Egg production	100.00%	100.00%	100.00%
AGRO-TOVARNIK d.o.o.	Tovarnik, Croatia	Farming	47.89%	64.53%	-
ARATOR d.o.o. (4)	Lovas, Croatia	Milk production	47.89%	47.89%	100.00%

1. GENERAL INFORMATION (continued)

SUBSIDIARIES (continued)

Subsidiaries as of 31 December 2025

Company name	Country	Primary activity	Share of Žito d.d. in ownership	Share of Žito d.d. in voting rights	Share of subsidiary ownership
NOVI AGRAR D.O.O.	Osijek, Croatia	Agriculture	100.00%	100.00%	-
ARGUMENTUM VITAE D.O.O.	Osijek, Croatia	Edible oil production	100.00%	100.00%	-
WEST D.O.O.	Donji Miholjac, Croatia	Agriculture	100.00%	100.00%	-
TERMES GRUPA D.D.	Osijek,Croatia	Business consulting	86.58%	93.08%	-
TVORNICA ULJA ČEPIN D.O.O.	Čepin, Croatia	Edible oil production	98.69%	98.69%	-
HANA KOŠKA D.O.O. (1)	Koška,Croatia	Farming	100.00%	100.00%	100.00%
FARMA MUZNIH KRAVA MALA BRANJEVINA d.o.o. (1)	Osijek,Croatia	Milk production	100.00%	100.00%	100.00%
BERAK D.O.O. (1)	Semeljci, Croatia	Farming	100.00%	100.00%	100.00%
HANA VUKA D.O.O. (1)	Budimci, Croatia	Farming	100.00%	100.00%	100.00%
FARMA MUZNIH KRAVA ORLOVNJAK D.O.O. (1)	Antunovac, Croatia	Milk production	100.00%	100.00%	100.00%
SVINJOGOJSKA FARMA LIPOVAČA-PRKOS D.O.O.	Erdut,Croatia	Pig farming	100.00%	100.00%	-
NOVPROS D.O.O. (2)	Osijek,Croatia	Bioenergy production	86.58%	93.08%	100.00%
POLJOPRIVREDNO DOBRO D.O.O. (1)	Gradina, Croatia	Farming	100.00%	100.00%	100.00%
DIBA D.O.O. (1)	Suhopolje, Croatia	Farming	100.00%	100.00%	100.00%
SJEMENSKE KULTURE D.O.O. (1)	Osijek,Croatia	Farming	100.00%	100.00%	100.00%
FARMALAND GRADAC D.O.O. (3)	Gradina, Croatia	Farming	100.00%	100.00%	100.00%
FARMALAND D.O.O. (3)	Suhopolje, Croatia	Farming	100.00%	100.00%	100.00%
PIKO D.O.O.	Jastrebarsko, Croatia	Egg production	100.00%	100.00%	-
AGRO-TOVARNIK d.o.o.	Tovarnik, Croatia	Farming	-	-	-
ARATOR d.o.o. (4)	Lovas, Croatia	Milk production	-	-	-

(1) owned by the company Novi agrar d.o.o., (2) owned by the company Termes grupa d.d., (3) owned by the company Poljoprivredno dobro d.o.o., (4) owned by the company Agro-Tovarnik d.o.o.

1. GENERAL INFORMATION (continued)

SUBSIDIARIES (continued)

In 2024, a status change was implemented by merging the following subsidiaries: Melem d.o.o., Rosa d.o.o., Mambo d.o.o. and Prosciutto Pannnico d.o.o. with the parent company Žito d.o.o.; Gospodarstvo Gorjani d.o.o. and Krndija d.o.o. were merged with the company Farma muznih krava Orlovnjak d.o.o.; Mirkom d.o.o. was merged with the company Novi Agrar d.o.o., Navi upravljanje d.o.o. with the company Mambo d.o.o., Silosi Pitomača d.o.o. with the company Diba d.o.o. and Vitulus d.o.o. with the company Hana Vuka d.o.o. The merger process was carried out in accordance with the provisions of the Companies Act, and the merger goals are related to the economy and efficiency of business operations, more efficient cost management and better utilisation of technical and technological resources.

JOINT VENTURE

Company name	Country	Primary activity	Share of Žito d.d. in ownership and voting rights	
			2025	2024
Hrvatska industrija šećera d.d.	Zagreb, Croatia	Agriculture	-	37.23%

In 2025, the investment in the joint venture was sold in full for a value of EUR 21,000 thousand, resulting in a profit of EUR 1,491 thousand (Note 22).

2. ADOPTION OF NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") AND INTERPRETATIONS

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

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the period beginning 1 January 2025:

- Effects of changes in foreign exchange rates: lack of exchangeability (Amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates")

The adoption of the above amendment to the existing standard did not result in significant changes to the Company's and the Group's financial statements.

The following illustrative examples were issued during 2025 without an effective date:

- Illustrative examples of reporting uncertainties in financial statements

  On 28 November 2025, the International Accounting Standards Board (IASB) issued Disclosures about Uncertainties in the Financial Statements—Illustrative examples, which amended several IFRS accounting standards to include illustrative examples that demonstrate how entities can apply IFRS accounting standards when reporting the effects of uncertainty in their financial statements. The illustrative examples are supporting materials for IFRS accounting standards and do not have an effective date. The IASB issued a near-final version of the illustrative examples in July 2025.

The Company and the Group have taken these illustrative examples into account in preparing the separate and consolidated financial statements, and no additional disclosures or changes in presentation were required.

Standards and amendments to existing standards issued by the IASB and adopted by the European Union, but not yet effective

The following amendments are effective for annual periods beginning on or after 1 January 2026.:

- Amendments to Classification and Measurement of Financial Instruments (Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"))
- Nature-dependent electricity contracts (Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures")

The Company and the Group are currently assessing the impact of these new amendments to accounting standards.

2. ADOPTION OF NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") AND INTERPRETATIONS (CONTINUED)

New standards and amendments to existing standards issued by the IASB not yet adopted in the European Union

The IFRS currently adopted in the European Union do not differ significantly from the regulations issued by the International Accounting Standards Board (IASB), with the exception of the following new standards and amendments to existing standards, the adoption of which by the European Union has not yet been decided (the effective dates specified below refer to IFRSs issued by the IASB):

The following standards apply to annual reporting periods beginning on or after 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Company and the Group are currently assessing the impact of these new accounting standards.
IFRS 18 Presentation and Disclosure in Financial Statements, issued by the IASB in April 2024, replaces IAS 1 and will result in significant consequential changes to IFRS accounting standards, including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Although IFRS 18 will not affect the recognition and measurement of items in separate financial statements, it is expected to significantly affect the presentation and disclosure of certain items. These changes include categorisation and subtotals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of performance measures determined by management.

The Company and the Group do not expect to be entitled to apply IFRS 19.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The separate and consolidated financial statements have been prepared in accordance with the applicable Croatian Accounting Act and International Financial Reporting Standards as adopted by the European Union.

b) Basis of preparation

The Company’s and the Group's separate and consolidated financial statements have been prepared under the historical cost convention, except for biological assets, which are stated at revalued amounts or at their fair value, as explained in the accounting policies that follow, and in accordance with the applicable Croatian Accounting Act and International Financial Reporting Standards as adopted by the European Union.

The Company and the Group maintain their accounting records in Croatian, in euros, and in accordance with Croatian law and accounting principles and practices generally accepted by companies in Croatia.

The preparation of separate and consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) requires the Management Board to use certain critical accounting estimates and to exercise judgment in applying the Company’s and the Group's accounting policies. Areas that involve a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the separate and consolidated financial statements, are disclosed in Note 3.

The Management Board believes that the Company’s and the Group's ability to continue as a going concern is not in doubt, and therefore these separate and consolidated financial statements have been prepared under the going concern principle.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Basis of consolidation

The accompanying consolidated financial statements include the financial statements of the Group and the entities under its control, i.e. its subsidiaries, including associated entities. Control is achieved if:

- The Group has power over the entity
- The Company is exposed to or has rights to variable returns from its involvement in the entity
- It is able to affect its returns through its power over the entity.

The Group reassesses whether it has control if the facts and circumstances indicate a change in one or more of the three elements of control mentioned above.

When the Group holds less than a majority of voting rights in an entity, it has the upper hand if its voting rights are sufficient, because in practice they enable it to direct the entity's essential activities unanimously. In assessing whether its voting rights in the entity are sufficient to have dominance, the Group considers all relevant facts and circumstances, including:

- share of their voting rights in relation to the size and division of voting rights of other persons with the right to vote,

- potential voting rights of investors, other persons with the right to vote or other persons,

- rights from other contractual relationships, and

- all additional facts and circumstances that indicate that the Group has or does not have the current ability to manage the relevant affairs at the time when such decisions need to be made, which includes how votes were cast at previous shareholders' assemblies.

A subsidiary is consolidated or ceases to be consolidated from the moment the Group obtains or loses control over it. Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date on which the Group obtains control until the date on which the Group loses control over the subsidiary.

Profit or loss and each component of other comprehensive income are separated into the part attributable to the owners of the Parent (the Company) and the part attributable to the owners of non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and the owners of non-controlling interests, even if this results in a negative balance of non-controlling interests.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Basis of consolidation (continued)

When the Group loses control of a subsidiary, the gain or loss on disposal is determined as the difference between i) the aggregate fair value of the consideration received and the fair value of any retained interest and ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interest. Any amounts previously recognised in other comprehensive income in respect of the subsidiary are accounted for as if the Group had sold the assets or liabilities of that subsidiary directly, i.e. are transferred to profit or loss or to a component of equity in accordance with applicable IFRS. The fair value of the retained interest in the former subsidiary at the date of loss of control is subsequently accounted for in accordance with IAS 39 as fair value on initial recognition or, if applicable, as an expense on initial recognition of the interest in the associate or joint venture.

d) Business mergers

Mergers, i.e. acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at fair value, which is the aggregate of the fair value at the date of exchange, of the assets given, the liabilities incurred or assumed by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

At the date of acquisition, identifiable assets acquired, and identifiable liabilities assumed are recognized at their fair values at that date, except:

• deferred tax assets or deferred tax liabilities and liabilities and assets related to employee benefit arrangements, which are recognised and measured in accordance with IAS 12 “Income Taxes” and IAS 19 “Employee Benefits”

• liabilities or equity instruments relating to share-based payment arrangements of the acquiree or share-based payment arrangements entered into by the Group to replace share-based payment arrangements of the acquiree, which are measured in accordance with IFRS 2 “Share-based Payment” and

• assets (or disposal groups) classified as held for sale in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, which are measured in accordance with that standard.

Goodwill is measured as the difference between the sum of the consideration transferred for the acquisition, the amount of non-controlling interest, if any, and the fair value of the acquirer's previous ownership interest in the entity, in excess of the net amount of the identifiable assets acquired and the identifiable liabilities assumed at the acquisition date. If, upon reassessment, the Group's share of the fair value of the acquiree's identifiable net assets is higher than the sum of the consideration transferred, the amount of non-controlling interest, if any, and the fair value of the acquirer's previous ownership interest in the entity, the excess is recognised immediately in profit or loss as a gain on a bargain purchase.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Business mergers (continued)

Non-controlling interests that represent existing ownership interests that entitle the owners to a proportionate share of the net assets of the entity in the event of liquidation may be measured on initial recognition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The valuation method is selected for each individual transaction. Other types of non-controlling interests are measured at fair value or another basis if required by another IFRS.

e) Goodwill

Goodwill arising from a business combination is carried at cost at the acquisition date, less any impairment losses.

For the purpose of impairment testing, goodwill is allocated to each cash-generating unit of the Company and the Group (or groups of such units) that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill is allocated is tested for impairment annually or more frequently if there is an indication that it may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is first allocated to reduce the carrying amount of goodwill allocated to the unit and then proportionately to the other assets of the cash-generating unit based on the carrying amount of each asset in the cash-generating unit. Any gain or loss arising from a reduction to fair value is recognised in profit or loss. An impairment loss on goodwill once recognised is not reversed in subsequent periods.

When a cash-generating unit is disposed of, the related amount of goodwill is included in the determination of the gain or loss on disposal.

f) Investments in associates and joint ventures

The results and assets and liabilities of associates or joint ventures are included in these financial statements using the equity method, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or joint venture is initially recognized in the consolidated statement of financial position at cost and subsequently adjusted to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of the losses of an associate or joint venture exceeds the Group's share of that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Investments in associates and joint ventures (continued)

The Group ceases to recognise its share of further losses. Additional losses are recognised only to the extent that the Group has assumed legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or joint venture is accounted for using the equity method from the date the investor becomes an associate or joint venture. After the acquisition of an investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

A joint venture is a joint arrangement in which parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is an agreed sharing of control over an arrangement that exists only when the unanimous consent of the parties sharing control is required to make decisions on the relevant arrangements.

Any goodwill arising from the Group's acquisition of a joint control interest in the entity is accounted for in accordance with the Group's accounting policy for goodwill arising in a business combination.

Unrealized gains and losses on transactions between the Group and entities over which it has joint control are eliminated in proportion to the Group's interest in the joint venture. Gains and losses on transactions between the Group and a jointly controlled entity are recognized in the Group's consolidated financial statements only to the extent of the Group's interest in jointly controlled entities that do not relate to the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Revenue recognition

Operating revenues are generated by the sale of products, merchandise and services. Revenue is measured at the fair value of the consideration received or receivable, less estimated returns from customers, volume discounts and similar discounts.

In accordance with IFRS 15 – Revenue from Contracts with Customers, the basic principle of revenue recognition is developed through a five-step model:

- Identify the contract
- Identify separate performance obligations
- Determine the transaction price
- Allocate transaction price to performance obligations
- Recognise revenue when each performance obligation is satisfied

Revenue is recognized when control is transferred, either over time or at a specific point in time. Control over assets is defined as the ability to manage the way it is used and retaining almost all the remaining benefits from the asset, which includes the ability to prevent others from managing the way it is used.

Revenue from the sale of products and merchandise
Sales revenue includes transfers of goods and services less rebates related to customers, and other benefits paid or granted. Sales revenue is recognized after control of the goods has been transferred or the service has been rendered. The time of transfer of control of the goods to the customer is determined based on the concluded contracts and delivery conditions specified therein or international trade rules. Sales revenue represents the consideration that the Company and the Group is likely to receive in exchange for the transfer of goods or the provision of services. Sales revenue can only be recognized if significant adjustments to the cumulative revenue recognized are not expected.

Revenue from the provision of services
Revenues from the provision of services are calculated in the Statement of Comprehensive Income:
Especially:

- if the performance obligation is satisfied at a specific time ("at the time"), the related revenue is recognized in the statement of profit or loss when the service is provided;
- if the performance obligation is satisfied over time, the related revenue is recognized in the statement of comprehensive income to reflect the progress of fulfilling that obligation.

If the timing of the cash flow is not aligned with the manner in which the performance obligation is satisfied, the Company and the Group account for a contract asset or a contract liability for the portion of the revenue that has accrued in that period or for the deferral in subsequent periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Revenue recognition (continuous)

Interest income
Interest income is recognized according to the principle of interest calculated based on the outstanding principal and according to the effective interest rates that are in use.

Revenue from natural growth – see Note 3. q)

Dividend income
Income from dividends, i.e. profit share, is recognized when the shareholder's right to receive dividends has been voted, with the condition that the flow of economic benefits to the Company and the Group is probable and that the income can be reliably measured.

h) Leases

Leases are recognized as right-of-use assets and lease liabilities whenever substantially all the risks and rewards incidental to ownership of the asset are transferred to the lessee during the lease term, except:

- leases of low-value assets and
- leases whose lease term ends within 12 months from the date of initial application or less.

Lease income is recognized on a straight-line basis over the lease term.

At the inception of the contract, the Company and the Group assess whether the contract is or contains the characteristics of a lease. It assesses whether the contract conveys the right to control the use of the underlying asset over time in exchange for consideration.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Leases (continued)

The Company and the Group as lessees

For all leases, except for short-term leases and leases of low-value assets, the Company and the Group apply a single recognition and measurement approach. The Company and the Group recognise lease liabilities and the right-of-use asset representing the right to use the underlying asset.

Right-of-use assets

The Company and the Group recognise right-of-use assets at the inception of the lease (i.e. when the underlying asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of a right-of-use asset includes the amount of the recognised lease liability, initial direct costs and lease payments made on or before the inception date, net of lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

When entering into a lease agreement, the Company and the Group recognise a lease liability measured at the present value of the future lease payments over the lease term. Lease payments include fixed payments (net of any incentive payments), variable payments that are index- or rate-related, and amounts expected to be paid under residual value guarantees. Lease payments may also include the value of a purchase option that is reasonably certain to be exercised and the payment of a termination penalty, if the terms of the agreement provide for a termination option. Variable lease payments that are not index- or rate-related are recognised as an expense in the period in which the event or condition giving rise to the payment occurs.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Foreign currencies

Functional and reporting currency

The financial statements are presented in the currency of the primary economic environment in which the entity operates, i.e. its functional currency. In the consolidated financial statements, the results and financial position of the Group are expressed in euros (EUR) because the euro is the functional currency of the entity and the presentation currency of the consolidated financial statements.
When preparing the financial statements of individual entities, transactions in currencies other than the entity's functional currency, i.e. in foreign currencies, are recorded using the exchange rates ruling at the date of the transaction. Monetary items in foreign currencies are translated at the end of each reporting period at the exchange rate ruling at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rate ruling at the date their fair value was determined. Non-monetary items in foreign currencies that are carried at historical cost are not translated.

Exchange differences are included in profit or loss in the period in which they arise, except

- exchange rate differences for received loans and borrowings in foreign currency related to assets under construction intended for future production, which are included in the purchase value of these assets if they are viewed as adjustment of interest expense on liabilities under these loans and credits,
- exchange rate differences for transactions concluded for the purpose of certain currency hedging, and
- exchange rate differences from the title of monetary receivables or liabilities from relations with foreign parts of the business, the settlement of which is neither planned nor probable, and which therefore form part of the net investment in the foreign business, which are first recognized as part of other comprehensive income and, when all or part of the net investment is sold, are transferred from the principal to profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Foreign currencies (continued)

In the accompanying consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into euros at the foreign exchange rates prevailing at the end of each reporting period presented. Income and expenses are translated using the average exchange rate for the reporting period, except for significant fluctuations in exchange rates, in which case the exchange rates prevailing at the date of the transaction are used. Any exchange differences are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests, if any).
On the sale of a foreign operation, i.e. the sale of the Group's entire interest in a foreign operation, a sale in which the Group loses control of a subsidiary that includes a foreign operation or significant influence over an associate that includes a foreign operation, all cumulative exchange differences arising from foreign operations attributable to the owners of the parent are transferred to profit or loss.

Furthermore, in the case of a partial sale of a subsidiary that includes a foreign operation, in which the Group does not lose control of the subsidiary, a portion of the cumulative exchange differences is re-attributed to non-controlling interests in proportion to the portion sold and is not included in profit or loss. In all other partial sales, i.e. partial sales of associates or joint ventures in which the Group does not lose significant influence or joint control over the entity, a portion of the cumulative exchange differences is transferred to profit or loss in proportion to the portion sold.

The adjustment of goodwill and the fair value of identifiable assets and liabilities acquired on the acquisition of a foreign operation is accounted for as assets and liabilities of the foreign operation and translated at the closing rate at the end of each reporting period. Differences arising from translation are reported in other comprehensive income.

j) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized until the asset is substantially ready for its intended use or sale.

Investment income earned on the temporary investment of dedicated borrowings until they are expended on a qualifying asset is deducted from borrowing costs that are eligible for capitalization.

All other borrowing costs are included in profit or loss in the period in which they are incurred.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Government grants

Unconditional government grants related to biological assets measured at fair value less estimated costs to sell should be recognized as income when, and only when, the conditions of the grant are met. If government grants related to biological assets measured at fair value less estimated costs to sell are conditional, including the possibility that the government grants require the entity not to engage in a particular agricultural activity, the entity should recognize the grants as income when, and only when, the conditions of the grant are met..

l) Segment reporting

A segment is a recognizable component or part of the Company and the Group that is engaged in the sale of related products and services (business segment) or engaged in the sale of products and services within a specific economic environment (geographical segment) and is subject to risks and benefits that differ from those applicable to other segments. A business segment is a component of the Company and the Group that deals with business activities from which they can generate income and in connection with which they bear costs, whose business results are regularly reviewed by the Company’s and the Group's chief decision maker in order to make decisions about the resources that need to be allocated to the segment and evaluate its business results, and for which separate financial data is available.

On a separate level, the Group internally monitors and reports on the following segments: animal husbandry, trade and silos, industry, arable farming and other segments.

On a consolidated level, the Group internally monitors and reports on the following segments: animal husbandry, trade and silos, industry, arable farming and other segments.

m) Taxation

The profit tax liability is determined based on the results achieved in the current year, adjusted for amounts that are not included in the tax base or tax-deductible expenses. Profit tax is calculated using tax rates that were in effect at the reporting date. Provisions for profit tax are determined if necessary.

Deferred profit tax reflects the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are determined using tax rates that are expected to be applicable to taxable profit in the years in which the temporary differences are expected to be reversed or settled. Deferred tax assets are recognised for transfer to the next tax period as unused tax losses or tax credits to the extent that it is probable that taxable profit will be available in the future against which unused tax losses and tax credits can be utilised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Property, plant and equipment

Property, plant and equipment are stated at cost, i.e. at cost less accumulated depreciation and accumulated impairment losses. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable taxes, and all other costs directly attributable to bringing the asset to its working condition and location for its intended use. Costs incurred after the property, plant and equipment is put into use, such as repairs and maintenance, are recognised as an expense in the statement of comprehensive income in the period in which they are incurred. In situations where it is clearly evident that the costs have increased the future economic benefits expected to be generated from the use of property, plant and equipment, they are capitalised. The costs of periodic, pre-planned major and significant inspections necessary for the continued use of the asset are also capitalised.

Subsequent expenditure is included in the carrying amount of the asset or, where appropriate, recognised as a separate asset only if it is probable that future economic benefits from the asset will flow to the Company and the cost of the asset can be reliably measured. The carrying amount of the replaced part is written off. All other investment and maintenance costs are charged to the statement of comprehensive income in the financial period in which they are incurred.

Properties under construction for use in production, rental or for administrative purposes or for other purposes not yet determined are stated at cost less any recognised impairment losses. Depreciation of these assets, which is applied on the same basis as for other properties, commences when the assets are ready for their intended use.

Land and assets under construction are not depreciated. Depreciation of other property, plant and equipment is calculated using the straight-line method to allocate the cost or residual value of the asset over its estimated useful life as follows::

	2025	**2024**
Buildings	10-20 years	10-20 years
Passenger vehicles	5 years	5 years
Trucks and other vehicles	5 years	5 years
Machinery	2-10 years	2-10 years
Computers	2 years	2 years
Intangible assets	4 years	4 years

Gains or losses arising from the disposal or write-off of an asset are measured as the difference between the sale proceeds and the asset's carrying amount and recognised as a credit or a debit to income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Property, plant and equipment (continued)

Property, plant and equipment are derecognised upon sale or when no further benefits are expected from their use or disposal. Gains or losses on the sale of property, plant and equipment are recognised directly in the statement of financial position. The net carrying amount of property, plant and equipment disposed of is included in the cost and offset against the selling price to arrive at the gain or loss on disposal. Items of property, plant and equipment that are disposed of or sold are eliminated together with the related accumulated depreciation.

o) Intangible assets

Fixed intangible assets, such as software, are stated at cost less amortisation. Intangible assets are initially stated at cost. Intangible assets are recognised when it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. After initial recognition, intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses. There are no intangible assets with an estimated indefinite useful life. Intangible assets are amortised on a straight-line basis over their estimated useful lives, which range from 4 to 10 years.

p) Investment property

Investments in land and buildings for the purpose of earning rental income or for capital appreciation are classified as investment property.

Investment property is stated at cost less accumulated depreciation and impairment losses. Investment property includes investments in property held by the Company for the purpose of earning rental income or for capital appreciation, but does not include investments held for sale in the ordinary course of business or for administrative purposes. All investment property, except for assets under construction, is depreciated on a straight-line basis at prescribed rates that write off the cost of the property over its estimated useful life.

The useful life and residual value of an asset are reviewed and adjusted at each reporting date. Transfers are made to and from investment property when there is a change in use, as evidenced by the cessation or commencement of owner-occupancy. Investment property is derecognised when the asset is either removed or permanently withdrawn from use, or no future economic benefits are expected from its use. Gains and losses on write-off or disposal are recognised in profit or loss in the year of disposal. Land and assets under construction are not depreciated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) Biological assets

Biological assets are managed by groups of livestock. The basic herd consists of two categories of livestock: pigs (piglets, gilts up to and from 6 months of age, sows and boars) and cows (brood cows and bulls). The basic herd does not consist of cattle for fattening and further sale. The acquisition of the basic herd is recorded at the acquisition cost because, at that moment, it represents the fair value. The change in fair value less estimated costs up to the point of sale of the biological asset is included in the statement of comprehensive income of the period in which it arose. On the reporting date, the Company and the Group reduce the value of the basic herd of pigs to fair value, considering the best available market indicators.

For the cattle category cows (brood cows and bulls), it is not possible to determine the fair value either on the market (lack of an active market), or according to other alternative methods (last market price, market prices for similar assets, sector of best comparable measurement), or through the DFC method (unrealistic DFC), so the best possible approximation of the fair value of the acquisition cost is distributed over the life cycle (for cows 5 years, for bulls 5 years).

The basic herd consists of cattle that are initially recorded at the cost of acquisition for external procurement and, for the basic herd, at fair value for further breeding from own production. When the basic herd is no longer in function, it is put for forced slaughter or sold at fair value. The increase in the basic herd is calculated and recorded on a monthly basis as the difference in the value of cattle at the end and beginning of the accounting period, based on changes in units and kilograms of cattle during the period. The increase in the basic herd is recorded as an increase in the value of the basic herd, and in favour of income from the natural growth in the Statement of Comprehensive Income.

r) Impairment of property, plant, equipment and intangible assets

The Company and the Group review the carrying amounts of its property, plant and equipment and intangible assets at each reporting date to determine whether there is any indication of impairment of those assets. If such indications exist, the recoverable amount of the asset is estimated to determine any impairment loss.

s) Fixed assets intended for sale

Fixed assets and disposal groups are classified as held for sale if their carrying amount will be recovered primarily through a sale transaction rather than through continuing use. This condition is met only if the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. The Management Board must demonstrate its firm determination to sell, which it expects to qualify for recognition as a completed sale within one year from the date of classification in this group.

Property, plant and equipment or disposal groups held for sale are measured in their entirety at the lower of their carrying amount or fair value less costs to sell.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

t) Inventories

Inventories are stated at the lower of cost or net realisable value. Cost includes direct materials and, if applicable, direct labour costs, as well as any overhead/indirect costs associated with bringing the inventory to its current location and condition. The cost is determined using the average method. Net realisable value represents the estimated selling price less all estimated costs of completion, marketing, sales, and distribution.

u) Cash and cash equivalents

Cash and cash equivalents include cash, demand deposits held with banks and other current, highly liquid instruments with maturities of three months or less.

v) Employee benefits

Pension and other post-retirement liabilities

In the ordinary course of business, when paying salaries, the Company and the Group make regular contributions on behalf of its employees who are members of mandatory pension funds in accordance with the applicable act. Mandatory pension contributions to the funds are recorded as part of the salary expense when they are accrued. The Company and the Group do not have a supplementary pension plan and therefore have no other obligations in relation to employee pensions.

The Company and the Group pay jubilee awards and one-off severance payments to employees upon retirement. The liability and cost of these benefits are determined using the projected unit credit method. The projected unit credit method considers each period of employment as the basis for an additional unit of benefit entitlement, and each unit is measured separately until the final liability is created. The retirement liability is measured at the present value of estimated future cash flows, using a discount rate similar to the interest rate on issued government bonds whose currencies and terms are in accordance with the currencies and estimated duration of the obligation to pay benefits.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

w) Provisions

A provision is recognised when the Company and the Group have a present obligation (legal or constructive) as a result of past events, and it is probable (more likely than not) that an outflow of resources will be required to settle it, and a reliable estimate can be made of the amount of the liability. Provisions are reviewed at the reporting date and adjusted to reflect the best available evidence. When the impairment loss is significant, the provision is the present value of the costs expected to be incurred to settle the liability, determined using the estimated risk-free interest rate as the discount rate. When discounting is used, the effect of discounting is recorded as a financial expense each year, and the carrying amount of the provision is increased each year for the period elapsed.

x) Financial instruments

Recognition

Financial assets and financial liabilities are recognised in the Company's and the Group's statement of financial position when the Company and the Group become a party to the contractual provisions of the instrument.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liability, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.1. Financial assets

Classification of financial assets

At initial recognition, financial assets are classified as measured at: amortised cost, fair value through other comprehensive income (FVOCI) or fair value through the statement of comprehensive income (FVTPL). The Company and the Group classify its financial assets at amortised cost (trade and other receivables, loans granted).

Financial assets are measured at amortised cost if they meet both of the following conditions and if they are not measured at fair value through the statement of comprehensive income (FVTPL):

- the asset is held within a business model whose objective is to hold the asset to collect contractual cash flows; and
- the contractual terms of the financial asset assume cash flows on specified dates that are payments of principal and interest on the principal outstanding (SPPI).

A debt instrument is measured at fair value through other comprehensive income (FVOCI) only if it meets both of the following conditions and is not measured at fair value through the statement of comprehensive income (FVTPL):

- the asset is held within a business model whose objective is to collect contractual cash flows and sell the financial asset; and
- the contractual terms of the financial asset assume cash flows on specified dates that are payments of principal and interest on the outstanding principal (SPPI).

Upon initial recognition of equity investments not held for trading, the Company and the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This decision is made on a case-by-case basis.

All other financial assets are classified as measured at fair value through the statement of comprehensive income (FVTPL).

Furthermore, upon initial recognition, the Company and the Group may irrevocably designate a financial asset that otherwise meets the requirements for measurement at amortised cost or at fair value through other comprehensive income (FVOCI) as at fair value through the statement of comprehensive income (FVTPL) if this eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Company and the Group assess the objective of a business model where assets are held at the portfolio level as this best reflects the way the business is managed and provides information to the Management Board. Financial assets that are held for trading or managed and whose performance is assessed based on fair value are measured at fair value through the statement of comprehensive income (FVTPL) because they are not held for the collection of contractual cash flows nor for the collection of contractual cash flows and for the sale of financial assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.1. Financial assets (continued)

Assessing whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset at initial recognition. “Interest” is defined as compensation for the time value of money and for the credit risk associated with the principal amount outstanding over a period of time, and for other basic risks and costs of lending (e.g. liquidity risk and administrative expenses), as well as a profit margin.

In assessing whether contractual cash flows are payments of principal and interest on outstanding principal (SPPI), the Company and the Group consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual provision that could change the timing or amount of the contractual cash flows so that that condition would not be met. In making the assessment, the Company and the Group consider:

- unforeseen events that could change the amount and timing of cash flows,
- prepayment and extension conditions, and
- features that restrict the Company’s and the Group’s access to cash from the assets.

Subsequent measurement of financial assets

Financial assets at amortized cost.

Assets in this category are subsequently measured at amortized cost using the effective interest rate method.

Financial assets at fair value through the statement of comprehensive income (FVTPL)

Assets in this category are subsequently measured at fair value. Net gains and losses, including interest income and dividend income, are recognised in profit or loss.

Derecognition of financial assets

The Company and the Group derecognise a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another party. If the Company or the Group do not transfer and retain substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company and the Group recognise its retained interest in the asset and an associated liability for the amounts it may have to pay.

In the event of derecognition of a financial asset measured at amortised cost, the difference between the carrying amount and the amount of consideration received, or receivable, is recognised in the statement of comprehensive income. Furthermore, on derecognition of an investment in a debt instrument measured at FVOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss, except for equity instruments for which the FVOCI option is elected.

Reclassification

Financial assets are not reclassified after initial recognition, except in the period after the Company and the Group change their business model for financial asset management.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.1. Financial assets (continued)

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The effective interest rate is the rate at which estimated future cash flows, including any point charges paid or received that are an integral part of the effective interest rate, transaction costs and other premiums and discounts, are discounted over the expected life of the financial asset or a shorter period, if applicable.

Income from debt instruments, other than financial assets designated at fair value through profit or loss, is recognised on an effective interest basis.

x2. Financial liabilities and equity instruments issued by the Company and the Group

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss. The Company and the Group measure all financial liabilities at amortised cost.

Classification into liabilities or principal

Debt and equity instruments are classified as either financial liabilities or equity, in accordance with the substance of the contractual agreement.

Equity instruments

An equity instrument is a contract that evidences the remaining share in an entity's assets after subtracting all its liabilities.

Financial liabilities

Financial liabilities are classified either as financial liabilities at fair value through the presentation of changes in fair value in the statement of comprehensive income or as other financial liabilities.

Other financial liabilities

Other financial liabilities, including liabilities for loans and borrowings, are initially measured at fair value less transaction costs. Later, they are measured at amortized cost using the effective interest method, whereby interest expenses are recognized based on the effective yield.

The effective interest method is the method by which the amortized cost of the financial liability is calculated, and the interest expense is allocated over the relevant period. The effective interest rate is the rate at which estimated future cash outflows are discounted through the expected life of the financial liability, or a shorter period, if applicable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.2. Financial liabilities and equity instruments (continued)

Derecognition of financial liabilities

The Company and the Group derecognise financial liabilities when, and only when, the Company's and the Group's liabilities are discharged, cancelled or have expired.

Liabilities under financial guarantee contracts

Liabilities under financial guarantee contracts are initially measured at fair value and subsequently at a higher amount comparing:

- the amount of the liability based on the contract as determined in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and
- initially recognised amount less, if applicable, cumulative depreciation recognised in accordance with revenue recognition policies.

x.3. Impairment of financial assets

The Company and the Group recognise provisions for expected credit losses on investments in debt instruments measured at amortised cost, i.e., loans granted and trade and other receivables. The amount of expected credit losses is calculated at each reporting date to reflect changes in credit risk since the initial recognition of an individual financial instrument.

The Company and the Group always recognise lifetime expected credit losses (ECL) for trade receivables based on the chosen simplified approach. Expected credit losses on these financial assets are estimated using a days past due matrix based on the Company's and the Group's historical credit loss experience, adjusted for debtor-specific factors. The Company and the Group do not currently adjust the loss rate for future macroeconomic conditions, as they have not analysed the impact of macroeconomic factors on historical loss rates, including the time value of money, where appropriate.

For all other financial instruments, the Company and the Group recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Company and the Group measure a loss for that financial instrument at an amount equal to the 12-month ECL.

Lifetime ECL represents the expected credit losses that will arise from all possible default events over the expected life of the financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that reflects the probability of default over the next 12 months after the reporting date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.3. Impairment of financial assets (continued)

Significant increase in credit risk

When assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company and the Group compare the risk of default on the financial instrument at the reporting date with that at the date of initial recognition. In making this assessment, the Company and the Group consider both quantitative and qualitative information that is reasonable and available, including historical experience, and that is available without undue cost or effort.

Specifically, the Company and the Group rely on days past due when assessing significant deterioration in credit risk. If a debtor is more than 90 days past due, then the Company and the Group assume that there has been a significant increase in credit risk.

Notwithstanding the above, it is assumed that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default,
- the debtor has a strong ability to meet its contractual liabilities in the short term, and
- adverse changes in economic and business conditions over the longer term may, but need not, reduce the borrower's ability to meet its contractual cash flow liabilities.

The Company and the Group regularly monitor the effectiveness of the criteria used to determine whether there has been a significant increase in credit risk and review them to ensure they can identify such an increase before payments become delinquent.

Definition of default

The following facts that constitute an event of default for the purposes of internal credit risk management are considered by the Company and the Group to be historical experience that indicates that financial assets that meet any of the following criteria are generally not recoverable:

- when the debtor has breached financial covenants; or
- information developed internally or obtained from external sources indicates that it is unlikely that the debtor will pay its creditors, including the Company and the Group, in full (without considering any collateral held by the Company and the Group).

Notwithstanding the above, the Company and the Group consider that a financial asset is in default when it is more than 90 days past due and the liabilities under it have not been paid, unless the Company and the Group have reasonable and supportable information to demonstrate a more appropriate criterion for default.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.3. Impairment of financial assets (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events have occurred that have a negative impact on the estimated future cash flows of that financial asset. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulties of the issuer or the debtor;
- breach of contract, such as default (defined above);
- when the issuer grants the debtor a concession that it would not otherwise have considered due to the debtor's financial difficulties;
- it becomes probable that the debtor will enter bankruptcy or other financial reorganisation
- the disappearance of an active market for a particular financial asset due to financial difficulties.

Write-off policy

The Company and the Group write off financial assets when there is data indicating that the debtor is in serious financial difficulties and that there are no realistic prospects for recovery, e.g. when the debtor has been placed under liquidation or is in bankruptcy proceedings or in the case of trade receivables, when the amounts are overdue for more than two years, whichever occurs first. A written-off financial asset may still be subject to the Company’s and the Group's collection activities, with legal advice considered where appropriate. Revenue from the collection of previously written-off financial assets is recognised in the statement of comprehensive income.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default (PD), the loss given default (LGD), i.e., the size of the loss in case of default, and the exposure at default (EAD). The assessment of the probability of default and loss given default is based on historical data and the information specified in the previous paragraphs. As regards exposure at the time of default, for financial assets, it represents the asset's gross carrying amount at the reporting date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Financial instruments (continued)

x.3. Impairment of financial assets (continued)

For financial assets, expected credit loss is estimated as the difference between all contractual cash flows due under the contract and all expected cash flows, discounted at the original effective interest rate.
If the Company and the Group measured an allowance for expected credit losses for a financial instrument at the lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company and the Group measure the loss at an amount equal to the 12-month ECL at the current reporting date, except for assets for which the simplified approach is used (trade receivables).
The Company and the Group recognise an impairment gain or loss in the statement of comprehensive income for all financial instruments with a corresponding adjustment to the carrying amount through the allowance account for expected credit losses.

y) Share capital

Share capital consists of ordinary shares. Receipts from capital when issuing new shares or options are reported less the related transaction costs and profit tax. The amount of the fair value of the received consideration above the nominal value of the issued shares is recognised as capital gain.

z) Earnings per share

The Company and the Group present basic earnings per share data for ordinary shares. Basic earnings per share are calculated by dividing the profit or loss for the year applicable to ordinary shares by the weighted average number of ordinary shares during the period. The Company and the Group had no potentially dilutive shares, basic and diluted earnings per share are equal.

aa) Dividends

Dividends are recognised in the statement of changes in equity and presented as a liability in the period in which they are approved by the Company’s and the Group's shareholders.

bb) Contingent liabilities

Contingent liabilities are not recognized in the separate and consolidated financial statements. They are disclosed only if the possibility of an outflow of resources embodying economic benefits is not remote. A contingent asset is not recognized in the financial statements but is disclosed when an inflow of economic benefits becomes probable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

cc) Events after the reporting date

Events after the reporting date that provide additional information about the Company's and the Group's position at the reporting date (adjusting events) are reflected in the separate and consolidated financial statements. Those events that do not have an adjusting effect are disclosed in the notes to the separate and consolidated financial statements if they are material.

dd) Significant accounting judgements and estimates

Critical judgments in applying accounting policies

In applying the Group's accounting policies, which are described in Note 3, the Management Board is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not observable from other sources. Estimates and related assumptions are based on historical experience and other relevant factors. Actual results may differ from estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the period in which the estimate is revised if the change affects only that period or in the period in which the estimate is revised and in future periods if the change affects both current and future periods.

Useful lives of property, plant and equipment and intangible assets

	2025	202
Buildings	10-20 years	10-20 years
Inventory and equipment	2-5 years	2-5 years
Intangible assets	4 years	4 years
Biological assets	5 years	5 years

Trade receivables

The Management Board determines the allowance for doubtful receivables in accordance with the accounting policy described in Note 3.

Estimates used to calculate retirement and jubilee benefits

The cost of defined benefit plans is determined using estimates.

Estimates include making assumptions about discount rates, future salary increases and mortality or turnover rates. Due to the long-term nature of these plans, these estimates are subject to uncertainty.

Consequences of certain legal disputes

The parent company and its subsidiaries are parties to several lawsuits and proceedings arising in the ordinary course of business. The Management Board uses estimates when the most likely consequences of these activities are estimated, and provisions are recognised on a consistent basis.

Allowance for inventories of finished goods

The Management Board determines the allowance for inventories based on average selling prices at the year-end.

4. SEGMENT INFORMATION

The Group's business model consists of the following business segments: flour (Note 13), industry, animal husbandry, trade and storage facilities, crop production and other segments:

Below is an analysis of revenue by business segment.

Žito d.d. and subsidiaries

2025	Industry	Animal husbandry	Trade and storage facilities	Farming	Other	Total
Sales revenue	122,025	83,124	64,931	33,312	12,136	315,528
EBITDA	13,657	26,914	6,152	19,269	4,237	70,229

Žito d.d. and subsidiaries

2024	Industry	Animal husbandry	Trade and storage facilities	Farming	Other	Total
Sales revenue	110,363	76,001	67,980	29,508	6,611	290,462
EBITDA	20,335	26,559	6,666	13,221	2,389	69,171

4. SEGMENT INFORMATION (CONTINUED)

The Company's (Parent) business model consists of the following business segments: trade and silos, animal husbandry, industry and other segments:

Below is an analysis of revenue by operating segment. The reported revenue consists of sales revenue and other revenue:

Žito d.d.

2025	Trade and silos	Animal husbandry	Industry	Other	Total
Sales revenue	206,799	27,146	64,131	13,398	311,474
Other operating income	218	3,343	973	9,287	13,821
Inter-segment sales					
Total revenue	207,017	30,489	65,104	22,685	325,295
Change in inventory value	(381)	(7,385)	9,483	4,432	6,149
Material expenses	(189,522)	(9,134)	(55,308)	(13,318)	(267,281)
Service expenses	(3,254)	(1,229)	(4,133)	(2,275)	(10,891)
Other expenses	(7,770)	(4,648)	(9,632)	(3,356)	(25,407)
Depreciation and amortisation	(1,252)	(1,472)	(4,450)	(2,339)	(9,513)
Total expenses	(202,179)	(23,868)	(64,040)	(16,856)	(306,943)
Segment profit	**4,838**	**6,621**	**1,064**	**5,829**	**18,352**
Financial expenses	(906)	(165)	(364)	(1,161)	(2,596)
Financial income	887	99	233	8,419	9,638
Earnings before taxes and discontinued operations	**4,819**	**6,555**	**933**	**13,087**	**25,394**

4. SEGMENT INFORMATION (CONTINUED)

Žito d.d.

2024	Trade and silos	Animal husbandry	Industry	Other	Total
Sales revenue	173,803	31,798	55,638	7,926	269,166
Other operating income	277	4,220	83	5,004	9,584
Inter-segment sales					
Total revenue	174,080	36,019	55,721	12,929	278,750
Change in inventory value	(1,063)	(20,382)	19,077	450	(1,918)
Material expenses	(156,724)	(2,494)	(62,477)	(2,077)	(223,772)
Service expenses	(2,649)	(1,126)	(3,373)	(4,742)	(11,889)
Other expenses	(6,719)	(3,397)	(6,095)	(2,709)	(18,920)
Depreciation and amortisation	(1,235)	(1,406)	(1,234)	(1,820)	(5,693)
Total expenses	(168,390)	(28,805)	(54,101)	(10,899)	(262,194)
Segment profit	**5,690**	**7,214**	**1,620**	**2,030**	**16,556**
Financial expenses	(1,125)	(168)	(493)	(1,778)	(3,563)
Financial income	1,152	151	287	20,565	22,155
Earnings before taxes and discontinued operations	**5,717**	**7,197**	**1,415**	**20,819**	**35,148**

	Žito d.d. and subsidiaries Sales revenue		Žito d.d. Sales revenue	
	2025	2024	2025	2024
Croatia	226,178	196,322	249,980	206,772
Hungary	30,777	33,285	27,769	29,656
Italy	19,365	19,815	17,724	13,367
BiH	10,174	4,913	1,780	787
Serbia	6,506	13,844	6,506	13,844
Slovakia	5,096	7,733	160	34
Other markets	17,432	14,550	7,555	4,706
	315,528	**290,462**	**311,474**	**269,166**

Balance sheet positions are not monitored by operating segments, because such a division within the framework of internal management reporting is not purposeful due to the significant intertwining of assets and liabilities.

5. SALES REVENUE

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Revenue from sales of products	176,709	159,693	104,913	78,028
Revenue from sales of goods	128,680	121,683	187,229	170,036
Revenue from services	7,781	7,706	17,213	17,028
Revenue from sales of raw materials	2,188	1,153	2,113	1,274
Revenue from sales of livestock units	170	227	6	2,800
	315,528	**290,462**	**311,474**	**269,166**

The Company's revenue from the sale of goods amounted to EUR 187,229 (2024: EUR 170,036 thousand) and was mainly generated by the sale of agricultural products, fertilisers, plant protection products, and mixtures. The Group's revenues from the sale of goods amounted to EUR 128,680 (2024: EUR 121,683 thousand), generated mostly from the sale of agricultural products, followed by fertilisers, plant protection products and mixtures.

6. OTHER OPERATING INCOME

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Income from the growth of livestock	17,650	19,264	1,455	2,898
Income from monetary subsidies	25,034	19,010	3,182	1,706
Profit from a bargain purchase	2,913	-	-	-
Profit from the sale of joint ventures/stakes	1,491	-	8,345	-
Income from damages	906	983	97	256
Profit from the sale of tangible fixed assets	828	974	121	1,619
Income from termination of lease	825	-	-	-
Income from collected written-off receivables	326	3,060	48	2,648
Income from rents	176	152	-	-
Surplus income	137	43	11	15
Income from subsequently approved rebates	135	24	4	2
Income from reduction of liabilities	1	7	-	-
Income from cancellation of long-term provisions	-	6	-	6
Other income	1,205	1,117	558	434
	51,627	**44,640**	**13,821**	**9,584**

The Company and the Group receive state aid paid in cash as subsidies for livestock and crop production. The subsidies are provided under the conditions stipulated in the Act on State Aid in Agriculture, Fisheries and Forestry. The State pays subsidies based on funds available in the EU and Croatian budgets.

Other income mainly consists of sales of other goods and subsidies for property, plant and equipment.

7. COST OF RAW MATERIALS, SUPPLIES AND GOODS SOLD

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	**2024.**	**2025.**	**2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Used material	107,573	87,861	88,459	57,410
Energy and fuel consumed	6,674	6,772	3,363	2,214
Used spare parts	1,030	282	2	-
Small inventory write-off	280	497	60	295
	115,557	**95,412**	**91,884**	**59,919**

	2025, '000 EUR	**2024, '000 EUR**	**2025, '000 EUR**	**2024, '000 EUR**
Cost of goods sold	126,003	118,726	175,397	163,853
	126,003	**118,726**	**175,397**	**163,853**

Cost of raw materials, supplies and goods sold	**243,883**	**214,138**	**267,281**	**223,772**

8. COST OF SERVICES

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	**2024.**	**2025.**	**2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Transportation services	4,314	4,073	2,626	2,634
Maintenance services	2,441	1,919	1,342	912
Manufacturing services	2,255	4,690	1,212	3,669
Promotional services	1,819	1,329	1,689	1,417
Rent fees	839	492	559	393
Intermediation services	873	394	873	747
Intellectual services	502	1,232	713	822
Property protection service	273	-	273	199
Utility fees	225	265	160	76
Other services	2,596	2,060	1,444	1,020
	16,137	**16,454**	**10,891**	**11,889**

Promotional services relate to the promotion and advertising of the Dobro brand. Other service costs mostly relate to the costs of disinfection and pest control, and the costs of other services. Rental costs relate to the costs of grain storage.

Total net auditor fees for 2025 amount to EUR 156 thousand (2024: EUR 125 thousand).

9. EMPLOYEE EXPENSES

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Salaries and allowances	18,607	15,032	10,031	7,287
Contributions from and on salaries	8,881	7,133	4,742	3,505
Taxes and surtaxes on salaries	1,871	1,406	1,013	677
Other employee expenses	4,939	4,580	2,844	2,329
	34,298	**28,151**	**18,630**	**13,798**

As of 31 December 2025, the Group had 1,283 employees (2024: 1,167 employees).

As of 31 December 2025, the Company had 635 employees (2024: 654 employees).

10. DEPRECIATION, AMORTISATION AND VALUE ADJUSTMENT

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Depreciation of property, plant and equipment (Note 18)	19,844	21,321	9,276	5,514
Depreciation of right-of-use assets (Note 17)	1,230	1,023	72	40
Depreciation of biological assets (Note 21)	764	751	-	-
Depreciation of investment property (Note 19)	128	114	128	114
Amortization of intangible assets (Note 16)	69	75	37	25
	22,035	**23,284**	**9,513**	**5,694**

	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Value adjustment of trade receivables (Note 25)	698	616	448	448
	698	**616**	**448**	**448**
DEPRECIATION, AMORTISATION AND VALUE ADJUSTMENT	**22,733**	**23,900**	**9,961**	**6,141**

11. OTHER OPERATING EXPENSES

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Customer bonuses	2,367	1,788	2,367	1,788
Insurance premiums	1,546	1,362	264	266
Deficiencies, losses, waste, defects and breakage	1,164	1,204	596	804
Contributions and taxes that do not depend on the result	770	719	577	490
Entertainment expenses	578	340	472	305
Donations	341	477	144	165
Banking fees	207	142	137	51
Service contracts	191	168	155	159
Provision expenses	59	408	24	26
Administrative fees	41	20	36	13
Vocational education costs	31	56	24	34
Penalties, fines and compensation for damages	10	244	2	191
Professional literature	10	8	9	5
Write-off of receivables	5	184	-	37
One-off compensation to the Environmental Protection Fund	-	913	-	-
Other expenses	1,439	1,117	1,522	342
	8,759	**9,150**	**6,329**	**4,676**

Other expenses mostly refer to licenses and other operating expenses.

12. NET LOSS FROM FINANCIAL ACTIVITIES

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Financial expenses				
Interest expenses on loans	3,531	2,868	2,363	2,715
Interest expenses on leases	116	1,332	-	-
Value adjustment of financial assets	81	5,653	89	713
Other financial expenses	164	3,217	144	135
	3,892	**13,070**	**2,596**	**3,563**
Financial income				
Interest income	1,843	2,052	2,525	3,120
Dividend income	-	-	7,097	17,291
Revenues from the collection of corrected loans	1	-	16	1,744
Foreign exchange gains	-	1	-	-
Other financial income/income from sale of investments	83	420	-	-
	1,927	**2,473**	**9,638**	**22,155**
	(1,965)	**(10,597)**	**7,042**	**18,592**

13. RESULT OF DISPOSAL GROUP

This note contains a presentation of the financial results of the milling business unit for 2023 and 2024, which the Company and the Group classified as discontinued operations, in accordance with the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

On 22 March 2024, the Group's Parent company, as the transferor, entered into a Framework Agreement on the Transfer of Milling Business with the company Granolio d.d., as the acquirer, pursuant to which the company Granolio d.d. acquires the milling segment of the company Žito d.d., i.e. all assets and employees, together with the organisational structure necessary for the production and distribution of flour. The transaction was subject to the approval of the Croatian Competition Agency (CCA), which was issued on 24 June 2024.

Accordingly, in the separate and consolidated financial statements, the result of the milling business was classified as a discontinued operation.

13. RESULT OF DISPOSAL GROUP (CONTINUED)

Below are presented the results of the milling segment's operations for 7 months in 2024, up to the time of sale. The reported results for 2024 include the profit from the sale of the milling business.

	Žito d.d. and subsidiaries '000 EUR	Žito d.d. '000 EUR
Sales revenue	12,078	13,375
Other operating income	10,067	10,067
Total income from discontinued operations	**22,145**	**23,442**
Change in value of inventories of finished goods and work in progress	(207)	(207)
Cost of raw materials, supplies and goods sold	10,773	12,070
Cost of services	621	621
Employee expenses	1,133	1,133
Depreciation, amortisation and value adjustment	330	330
Other expenses	53	53
Other operating expenses	**12,703**	**14,000**
Total expenses from discontinued operations	**9,442**	**9,442**
Profit from discontinued operations	26	26
Financial income/(expenses) net	**9,468**	**9,468**

14. PROFIT TAX

Profit tax recognised in profit or loss

Profit tax recognised in the statement of comprehensive income comprises:

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	**2024.**	**2025.**	**2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Current profit expenses	8,814	4,154	2,670	-
Deferred tax income	1,672	3,845	2,775	5,533
	10,486	**7,999**	**5,445**	**5,533**

The reconciliation of accounting profit and tax base is shown as follows:

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	**31.12.2024.**	**31.12.2025.**	**31.12.2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Profit before tax	46,229	42,458	25,394	44,616
Tax at 18% rate	11,043	12,220	4,571	8,031
Effect of tax-deductible expenses	1,893	2,314	220	311
Effect of non-taxable income	(2,690)	(4,978)	(1,287)	(3,433)
Effect of tax loss carried forward	(619)	(811)	(21)	(319)
Effect of tax relief	(813)	(4,591)	(813)	(4,591)
Profit tax expense	**8,814**	**4,154**	**2,670**	**-**
Effect of temporary tax differences	**1,672**	**3,845**	**2,775**	**5,533**
Profit tax expense	**10,486**	**7,999**	**5,445**	**5,533**

In 2025 and 2024, the corporate profit tax rate in Croatia was 18%. The Company and the Group are subject to tax on their profits in Croatia.

In accordance with tax regulations, the tax authorities may at any time inspect the books and records of the Company and its subsidiaries for a period of three years after the end of the year in which the tax liability was stated and may impose additional tax liabilities and penalties. The Management Board is not aware of any circumstances that could give rise to potentially significant liabilities in this regard.

The applicable profit tax rate for companies in the Republic of Croatia for 2025 is 18%.

14. PROFIT TAX (CONTINUED)

Deferred tax assets

Deferred tax assets are presented in the Statement of Financial Position as follows:

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Balance as of 1 January	4,886	8,731	3,190	8,723
Increase in deferred tax assets	1,192	1,719	89	-
Reversal of deferred tax assets	(2,864)	(5,564)	(2,864)	(5,533)
Balance as of 31 December	**3,214**	**4,886**	**415**	**3,190**

During 2023, the Company recognised deferred tax assets in accordance with the Investment Promotion Act (OG 63/22, 136/24). Also, by merging subsidiaries, the Company recognised deferred tax assets in accordance with tax losses carried forward. The movement of deferred tax assets is presented below

Žito d.d. and subsidiaries

2025	Opening balance	Recognition of deferred tax assets in profit or loss	Release of deferred tax assets against the results of the period	Closing balance
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Temporary differences:				
Provisions for jubilee awards and severance pay	76	2	-	78
Transferred losses arising from the merger of subsidiaries	20	-	(20)	-
Tax benefits in accordance with the Investment Promotion Act	2,844	-	(2,844))	-
Expected credit losses	258	1,103	-	1,361
Value adjustment of shares	1,688	87	-	1,775
	4,886	**1,192**	**(2,864)**	**3,214**

14. PROFIT TAX (CONTINUED)

Žito d.d. and subsidiaries

2024	Opening balance	Recognition of deferred tax assets in profit or loss	Release of deferred tax assets against the results of the period	Closing balance
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Temporary differences:				
Provisions for jubilee awards and severance pay	77	-	(1)	76
Transferred losses arising from the merger of subsidiaries	507	-	(487)	20
Tax benefits in accordance with the Investment Promotion Act	7,882	-	(5,038)	2,844
Expected credit losses	265	31	(38)	258
Value adjustment of shares	-	1,688	-	1,688
	8,731	**1,719**	**(5,564)**	**4,886**

Deferred tax assets arise from the following:

Žito d.d.

2025	Opening balance	Recognition of deferred tax assets in profit or loss	Release of deferred tax assets against the results of the period	Closing balance
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Temporary differences:				
Provisions for jubilee awards and severance pay	78	2	-	80
Transferred losses arising from the merger of subsidiaries	20	-	(20)	-
Tax benefits in accordance with the Investment Promotion Act	2,844	-	(2,844)	-
Expected credit losses	248	87	-	335
	3,190	**89**	**(2,864)**	**415**

14. PROFIT TAX (CONTINUED)

Žito d.d.

2024	Opening balance	Recognition of deferred tax assets in profit or loss	Release of deferred tax assets against the results of the period	Closing balance
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Temporary differences:				
Provisions for jubilee awards and severance pay	79	-	(1)	78
Transferred losses arising from the merger of subsidiaries	507	-	(487)	20
Tax benefits in accordance with the Investment Promotion Act	7,882	-	(5,038)	2,844
Expected credit losses	255	31	(38)	248
	8,723	**31**	**(5,564)**	**3,190**

15. GOODWILL

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Goodwill arising from acquisition	4,444	4,444	791	791
	4,444	**4,444**	**791**	**791**

	Žito d.d. and subsidiaries	Žito d.d.
	31.12.2025.	31.12.2025.
	'000 EUR	'000 EUR
Balance at the beginning of the period	4.444	791
Impairment of goodwill	-	-
Balance at the end of the period	**4,444**	**791**

The recoverable amount of cash-generating units is determined based on value-in-use calculations. These calculations use cash flow projections based on financial plans approved by the Company's Management Board and cover a five-year period.

Goodwill has been allocated to the following cash-generating units for the purposes of impairment testing as follows:

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Mirkom	1,829	1,829	-	-
Diba	1,412	1,412	-	-
Rosa	521	521	521	521
Piko	361	361	-	-
Melem	270	270	270	270
Termes Grupa	51	51	-	-
	4,444	**4,444**	**791**	**791**

The Group performs an annual impairment test to assess whether the recoverable amount of goodwill indicates an impairment of the carrying amount. The calculation of the recoverable amount of goodwill is based on the five-year revenue plan developed by the Group for the cash-generating units operating on local and foreign markets, considering the business strategy and relevant market trends.

15. GOODWILL (CONTINUED)

The calculation of the recoverable amount implies terminal cash flow growth rates after a five-year projection period of 2.0% - 3.0%, depending on the industry in which the company operates. The cash flows generated from these plans are discounted using a discount rate that reflects the return on the underlying assets, which is defined for the purposes of the goodwill impairment test as the weighted average cost of capital for the local market.

The value in use calculations for cash-generating units are most sensitive to the following assumptions:

Revenue and gross margins – Revenue and gross margins are based on average values achieved in the last few years prior to the start of the business plan period. They are increased during the business plan period for the expected rate of customer retention, business expansion, synergies and efficiency improvements

The average revenue growth rates over the business plan period range from 2.3% to 6%. The discount rates represent a current assessment of the market risks specific to the cash-generating units. This is the benchmark the Group uses to assess the business's performance and evaluate future investment proposals. A sensitivity analysis of key assumptions used in goodwill impairment testing shows that an increase in the discount rate by 1 percentage point, with other assumptions unchanged, would not result in goodwill impairment. Also, the value of goodwill would remain unchanged even with a 1 percentage point decrease in the terminal growth rate, with other assumptions unchanged.

16. INTANGIBLE ASSETS

Žito d.d. and subsidiaries

PURCHASE VALUE	SOFTWARE '000 EUR
As of 1 January 2024	**3,913**
Increases	92
Transfers from tangible assets	119
Sales and expenses	(996)
Sale of assets for disposal	(67)
As of 31 December 2024	**3,061**
Acquisition	179
Increases	25
Sales and expenses	(43)
As of 31 December 2025	**3,222**
VALUE ADJUSTMENT	
As of 1 January 2024	**3,088**
Amortisation expense for the year	75
Sales and expenses	(521)
Sale of assets for disposal	(67)
As of 31 December 2024	**2,575**
Amortisation expense for the year	124
Sales and expenses	69
Sales of assets for disposal	(42)
As of 31 December 2025	**2,726**
PRESENT VALUE	
As of 31 December 2025	**496**
As of 31 December 2024	**486**

16. INTANGIBLE ASSETS (CONTINUED)

Žito d.d	Software '000 EUR
PURCHASE VALUE	
As of 1 January 2024	**1,853**
Increases	57
Transfers from/to	119
Sale of assets for disposal	(67)
Company acquisition	29
As of 31 December 2024	**1,991**
Increases	4
As of 31 December 2025	**1,995**
VALUE ADJUSTMENT	
As of 1 January 2024	**1,818**
Amortisation expense for the year	25
Sale of assets for disposal	(67)
Company acquisition	27
As of 31 December 2024	**1,803**
Amortisation expense for the year	37
As of 31 December 2025	**1,840**
PRESENT VALUE	
As of 31 December 2025	**155**
As of 31 December 2024	**188**

17. RIGHT-OF-USE ASSETS

Žito d.d. and subsidiaries	Leased land
PURCHASE VALUE	**'000 EUR**
As of 1 January 2024	**18,845**
Increases	692
Contract modification	(527)
Reversal of an entry	(257)
As of 31 December 2024	**18,753**
Acquired through business combinations	2,927
Increases	1,210
Reclassification	145
Contract modification and termination	(1,059)
As of 31 December 2025	**21,976**
VALUE ADJUSTMENT	
As of 1 January 2024	**5,515**
Depreciation expense for the year	1,023
Reversal of an entry	(147)
As of 31 December 2024	**6,391**
Depreciation expense for the year	1,230
Reclassification	80
Contract modification and termination	(324)
As of 31 December 2025	**7,377**
PRESENT VALUE	
As of 31 December 2025	**14,599**
As of 31 December 2024	**12,362**

The majority of right-of-use assets relate to lease agreements for agricultural land, mainly with local government units in the Republic of Croatia. The leases are mostly for periods longer than 20 years and expire between 2033 and 2066. The maturity of lease liabilities is disclosed in Note 38.

17. RIGHT-OF-USE ASSETS (CONTINUED)

Žito d.d.	Land '000 EUR
PURCHASE VALUE	
As of 1 January 2024	**-**
Company merger	631
Increases	34
Reversal of an entry	(6)
As of 31 December 2024	**659**
Increases	51
Reclassification	145
As of 31 December 2025	**855**
VALUE ADJUSTMENT	
As of 1 January 2024	**-**
Company merger	243
Depreciation cost for the year	40
Reversal of an entry	(2)
As of 31 December 2024	**281**
Depreciation cost for the year	72
Reclassification	80
As of 31 December 2025	**433**
PRESENT VALUE	
As of 31 December 2025	**422**
As of 31 December 2024	**378**

The majority of right-of-use assets relate to lease agreements for agricultural land, mainly with local government units in the Republic of Croatia. The leases are mostly for periods longer than 20 years and expire between 2033 and 2066. The maturity of lease liabilities is disclosed in Note 38.

(in EUR '000)

18. PROPERTY, PLANT AND EQUIPMENT

Žito d.d. and subsidiaries

PURCHASE OR ESTIMATED VALUE	Land '000 EUR	Buildings '000 EUR	Equipment '000 EUR	Furniture, vehicles and other assets '000 EUR	Assets under construction '000 EUR	Total tangible assets '000 EUR
As of 1 January 2024	**32,917**	**184,118**	**157,716**	**9,877**	**25,406**	**410,034**
Increases	1,342	2,135	1,638	1,017	16,443	22,575
Transfer from/to use	382	21,544	6,773	1,405	(30,104)	-
Transfer to investment property	(597)	(1,921)	(244)	(98)	-	(2,860)
Transfer to assets under construction	(171)	-	-	-	171	-
Transfer to intangible assets	-	-	-	-	(119)	(119)
Transfer to inventories	-	-	-	-	(1,651)	(1,651)
Transfer to assets held for sale	-	(3,451)	(1,142)	-	-	(4,593)
Sales and write-offs	(565)	(3,491)	(2,863)	(856)	(323)	(8,098)
Sale of disposal group	(87)	(1,322)	(12,742)	(33)	-	(14,184)
As of 31 December 2024	**33,221**	**197,612**	**149,136**	**11,312**	**9,823**	**401,104**
Acquired through business combinations	21,142	9,545	9,808	1,828	-	42,323
Increases	1,724	208	5,712	421	12,921	20,986
Transfer from/to use	-	5,887	2,934	87	(8,908)	-
Reclassification	-	-	-	(145)	-	(145)
Transfer to inventories	(1,339)	-	-	-	(1,231)	(2,570)
Sales and write-offs	(602)	(1,503)	(1,701)	(1,391)	(19)	(5,216)
As of 31 December 2025	**54,146**	**211,749**	**165,889**	**12,112**	**12,586**	**456,482**
VALUE ADJUSTMENT						
As of 1 January 2024	**-**	**87,180**	**117,540**	**7,239**	**-**	**211,959**
Depreciation expense for the year	-	7,067	13,172	1,082	-	21,321
Depreciation of disposal group	-	39	289	2	-	330
Sales and write-offs	-	(2,038)	(3,060)	(846)	-	(5,944)
Sale of disposal group	-	(77)	(10,905)	(28)	-	(11,010)
Transfer to assets held for sale	-	(1,984)	(984)	-	-	(2,968)
Transfer to investment property	-	(1,125)	(229)	(48)	-	(1,402)
As of 31 December 2024	**-**	**89,062**	**115,823**	**7,401**	**-**	**212,286**
Acquired through business combinations	-	5,657	5,655	1,431	-	**12,743**
Depreciation expense for the year	-	7,215	11,483	1,146	-	19,844
Sales and write-offs	-	(729)	(1,082)	(1,391)	-	(3,202)
Reclassification	-	-		(80)	-	(80)
As of 31 December 2025	**-**	**101,205**	**131,879**	**8,507**	**-**	**241,591**
PRESENT VALUE						
As of 31 December 2025	**54,146**	**110,544**	**34,010**	**3,605**	**12,586**	**214,891**
As of 31 December 2024	**33,221**	**108,550**	**33,313**	**3,911**	**9,823**	**188,818**

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As of 31 December 2025, the present value of land, buildings and equipment mortgaged by banks as loan collateral amounts to EUR 61,526 thousand (2024: EUR 155,660 thousand).

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Žito d.d. PURCHASE OR ESTIMATED VALUE	Land '000 EUR	Buildings '000 EUR	Equipment '000 EUR	Furniture, vehicles and other assets '000 EUR	Assets under construction '000 EUR	Total tangible assets '000 EUR
As of 1 January 2024	**21,026**	**65,761**	**48,099**	**5,036**	**24,085**	**164,007**
Increases	1,340	404	390	957	5,134	8,225
Transfer to use	-	21,148	1,909	1,282	(24,339)	-
Transfer to intangible assets	-	-	-	-	(119)	(119)
Transfer to investment property	(597)	(1,921)	(244)	(98)	-	(2,860)
Transfer to assets under construction	(171)	-	-	-	171	-
Transfer to inventories	-	-	-	-	(1,651)	(1,651)
Sales and write-offs	(548)	(2,726)	(506)	(488)	(10)	(4,278)
Sale of disposal group	(88)	(1,322)	(12,742)	(31)	-	(14,183)
Merger of company	1,806	17,391	14,777	174	9	34,157
As of 31 December 2024	**22,768**	**98,735**	**51,683**	**6,832**	**3,280**	**183,298**
Increases	1,720	49	1,128	524	5,780	9,201
Transfer to use	-	192	1,514	-	(1,706)	-
Transfer to inventories	(1,339)	-	-	-	(1,231)	(2,570)
Sales and write-offs	(106)	(333)	(304)	(119)	(19)	(881)
Reclassification	-	-	-	(145)	-	(145)
Transfer of business unit	(266)	(8,810)	(3,354)	(170)	(132)	(12,732)
As of 31 December 2025	**22,777**	**89,833**	**50,667**	**6,922**	**5,972**	**176,171**
VALUE ADJUSTMENT						
As of 1 January 2024	**-**	**44,203**	**41,653**	**3,403**	**-**	**89,259**
Depreciation expense for the year	-	2,663	2,112	739	-	5,514
Depreciation of disposal group	-	39	289	2	-	330
Sales	-	(1,906)	(754)	(483)	-	(3,143)
Sales of disposal group	-	(77)	(10,905)	(28)	-	(11,010)
Transfer to investment property	-	(1,125)	(229)	(48)	-	(1,402)
Merger of company	-	1,892	6,561	73	-	8,526
As **of 31 December 2024**	**-**	**45,689**	**38,727**	**3,658**	**-**	**88,074**
Depreciation expense for year	-	3,723	4,675	878	-	9,276
Sale	-	(75)	(297)	(120)	-	(492)
Reclassification	-	-	-	(80)	-	(80)
Transfer of business unit	-	(8,595)	(3,156)	(160)	-	(11,911)
As of 31 December 2025	**-**	**40,742**	**39,949**	**4,176**	**-**	**84,867**
PRESENT VALUE						
As of 31 December 2024	**22,768**	**53,046**	**12,956**	**3,174**	**3,280**	**95,224**
As of 31 December 2025	**22,777**	**49,091**	**10,718**	**2,746**	**5,972**	**91,304**

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As of 31 December 2025, the present value of land and buildings mortgaged by banks as collateral for loans amounts to EUR 27,913 thousand (2024: EUR 55,072 thousand).

The transfer of the business unit relates to the farms Slašćak and Forkuševci, which were transferred to Novi Agrar d.o.o during 2025.

19. INVESTMENT PROPERTY

	Žito d.d. and subsidiaries '000 EUR	Žito d.d. '000 EUR
PURCHASE OR ESTIMATED VALUE		
As of 1 January 2024	**-**	**-**
Transfer to investment property	2,860	2,860
As of 31 December 2024	**2,860**	**2,860**
Increases	155	155
Sales and write-offs	(11)	(11)
As of 31 December 2025	**3,004**	**3,004**
VALUE ADJUSTMENT		
As of 1 January 2024	**-**	**-**
Depreciation expense for the year	114	114
Transfer to investment property	1,402	1,402
As of 31 December 2024	**1,516**	**1,516**
Depreciation expense for the year	128	128
Sales and write-offs	(11)	(11)
As of 31 December 2025	**1,633**	**1,633**
PRESENT VALUE		
As of 31 December 2024	**1,344**	**1,344**
As of 31 December 2025	**1,371**	**1,371**

20. PREPAYMENT FOR PROPERTY, PLANT AND EQUIPMENT

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Prepayments given	2,633	1,185	1,794	967
Impairment of prepayments given	(679)	(669)	(679)	(669)
	1,954	**516**	**1,115**	**298**

	Žito d.d. and subsidiaries	Žito d.d.
	31.12.2025. '000 EUR	31.12.2025. '000 EUR
Balance at the beginning of the period	669	669
Impairment during the year	10	10
	679	**679**

21. BIOLOGICAL ASSETS

Žito d.d. and subsidiaries PURCHASE VALUE	Biological assets '000 EUR
As of 1 January 2024	**8,822**
Increases	2,223
Increase of the livestock unit	18,467
Sale of livestock units	(6,938)
Transfer to assets held for sale	(886)
Transfer to production	(13,486)
As of 31 December 2024	**8,202**
Acquired through business combinations	1,148
Increases	3,176
Increase of the livestock unit	17,650
Sale of livestock units	(12,741)
Transfer to production	(8,559)
As of 31 December 2025	**8,876**
VALUE ADJUSTMENT	
As of 1 January 2024	**1,504**
Depreciation cost for the year	751
Transfer to assets held for sale	(349)
Disposal	(769)
As of 31 December 2024	**1,137**
Acquired through business combinations	105
Depreciation cost for the year	764
Reclassification	(635)
As of 31 December 2025	**1,371**
PRESENT VALUE	
As of 31 December 2025	**7,505**
As of 31 December 2024	**7,065**

21. BIOLOGICAL ASSETS (CONTINUED)

Žito d.d.	Biological assets '000 EUR
As of 1 January 2024	**1,890**
Increases	1,149
Increase of the livestock unit	2,378
Sale of livestock units	(2,799)
Transfer to production	(2,562)
As of 31 December 2024	**56**
Increases	938
Increase of the livestock unit	960
Sale of livestock units	(6)
Transfer to production	(1,948)
As of 31 December 2025	**-**

22. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

As of 31 December 2025, Žito owns the following investments in subsidiaries and joint ventures:

	Žito d.d.	
	31.12.2025.	**31.12.2024.**
	'000 EUR	**'000 EUR**
Investments in subsidiaries and joint ventures	66,052	55,833
Value adjustment of investments in subsidiaries	(10,126)	(10,126)
	55,926	**45,707**

As of 31 December 2025, Žito owns the following subsidiaries:

Subsidiary	Country	Share in ownership	Share in voting rights	Primary activity	Share value
					'000 EUR
TERMES GRUPA d.d.	Osijek, Croatia	86.88%	93.41%	Sugar production	18,740
NOVI AGRAR d.o.o.	Osijek, Croatia	100%	100%	Agriculture	15,591
ARGMENTUM VITAE d.o.o.	Osijek, Croatia	100%	100%	Edible oil production	199
SVINJOGOJSKA FARMA LIPOVAČA-PRKOS d.o.o.	Erdut, Croatia	100%	100%	Pig farming	1,288
PIKO d.o.o.	Jastrebarsko, Croatia	100%	100%	Egg production	796
TVORNICA ULJA ČEPIN d.o.o.	Čepin, Croatia	75.71%	75.71%	Edible oil production	7,646
AGRO-TOVARNIK d.d.	Tovarnik, Croatia	47.89%	64.53%	Farming	11,666
					55,926

	2025.
	'000 EUR
Investment balance at the beginning of the reporting period	45,707
Increase in shareholding based on the acquisition of Agro-tovarnik d.o.o.	11,666
Increase in existing shareholding	55
Decrease in shareholding based on the sale of shares in Tvornica ulja Čepin d.d.	(2,328)
Other increases	826
Investment balance at the end of the reporting period	**55,926**

In July 2025, upon fulfilment of all contractual provisions defined in the agreements on the transfer of business shares, the Company acquired 47.89% of ownership in the company Agro-tovarnik d.o.o. and 64.53% of the voting rights. The total value of the acquisition is EUR 11,666 thousand. The share in Tvornica ulja Čepin d.d. was increased by EUR 19 thousand, and in Termes Grupa by EUR 36 thousand. In November 2025, the Company sold a 23% share in Tvornica ulja Čepin d.d.

Other increases relate to the increase in the share based on the entry of the Slašćak and Forkuševci business units into the capital reserves of the subsidiary Novi Agrar d.o.o.

22. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

As of 31 December 2025, Žito owned the following subsidiaries:

Subsidiary	Country	Share in ownership	Share in voting rights	Primary activity	Share value
					'000 EUR
TERMES GRUPA d.d.	Osijek, Croatia	86.58%	93.08%	Sugar production	18,704
NOVI AGRAR d.o.o.	Osijek, Croatia	100.00%	100%	Agriculture	14,765
ARGMENTUM VITAE d.o.o.	Osijek, Croatia	100.00%	100%	Edible oil production	199
SVINJOGOJSKA FARMA LIPOVAČA-PRKOS d.o.o.	Erdut, Croatia	100.00%	100%	Pig farming	1,288
PIKO d.o.o.	Jastrebarsko, Croatia	100.00%	100%	Egg production	796
TVORNICA ULJA ČEPIN d.o.o.	Čepin, Croatia	98.69%	98.69%	Edible oil production	9,955
					45,707

	2024 '000 EUR
Investment balance at the beginning of the reporting period	60,777
Reduction in shareholding through merger of subsidiaries	(26,586)
Increase in shareholding through merger	12,841
Return of capital reserves	(1,328)
Increase in shareholding	4
Investment balance at the end of the reporting period	**45,707**

In 2024, a status change was implemented by merging 4 subsidiaries with the parent company Žito d.d. (Melem d.o.o., Rosa d.o.o., Mambo d.o.o. and Prosciutto Pannonico d.o.o.). The status change of the merger of Mambo d.o.o. was preceded by the purchase of the minority interest of Navi Upravljanje d.o.o., in the amount of EUR 150, the return of capital reserves of Navi Upravljanje d.o.o. in the total amount of EUR 1,328 thousand and its merger with Mambo d.o.o.

At the time of the merger, the company Mambo d.o.o. was a 98.69% owner of Tvornica ulja Čepin d.o.o., a 100% owner of Piko d.o.o., and a minority owner of Novi Agrar d.o.o. (5.69%). With the aforementioned Merger, the company Žito d.d. became the 100% owner of Novi Agrar d.o.o. and Piko d.o.o., and the 98.69% owner of Tvornica ulja Čepin d.o.o.

During the year, Mirkom d.o.o. was merged with its sister company Novi Agrar and its stake in Termes grupa d.d. was increased by EUR 4 thousand.

22. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES (CONTINUED)

Investments in joint venture

As of 31 December 2025, the Group owns the following investments in joint ventures:

Žito d.d. and subsidiaries

Company	Country	Share in ownership and voting rights		Share value	
		2025.	2024.	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Hrvatska industrija šećera d.d.	Croatia	-	37.23%	-	19,509
				-	**19,509**

Žito d.d. and subsidiaries

Company	Hrvatska industrija šećera d.d.	Hrvatska industrija šećera d.d.
	2025.	2024.
	'000 EUR	'000 EUR
Shares - opening balance	**19.509**	**27.462**
Sale of share	(19,509)	-
Share in loss for the current period	-	(2,300)
Value adjustment of shares	-	(5,653)
Total share value	**-**	**19,509**

Assets related to the sugar segment - on 28 December 2018, the companies Tvornica šećera Osijek d.o.o., Viro tvornica šećera d.d. and Sladorana d.o.o. signed an agreement based on which they will combine their production capacities, knowledge and business experience and jointly establish a new company that will carry out the activities of integrated production and sale of sugar on the market under the working name "Hrvatska industrija šećera". The aforementioned agreement provides that, upon obtaining all necessary regulatory approvals, Tvornica šećera Osijek d.o.o. will sell part of its assets related to sugar production to the newly established company, with part of the receivables being paid and the remainder converted into ownership shares in the new company. The transaction was completed in 2018 when the assets were sold to the company Hrvatska industrija šećera d.d. For the outstanding part of the receivables based on the purchase and sale transaction, Tvornica Šećera Osijek d.o.o. (the company was renamed in 2021 from Tvornica Šećera Osijek d.o.o. to Novpros d.o.o.) acquired a 40% stake in the company Hrvatska Industrija šećera d.d.

22. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES (CONTINUED)

Pursuant to the management agreement of Hrvatska industrija šećera d.d., Novpros d.o.o. exercises joint control over the acquired company, and the aforementioned investment is classified as an investment in a joint venture.

During 2024, the production results of Croatia industrija šećera were significantly weaker than in the previous year as a result of unfavourable agro-climatic factors that caused sugar beet production in the Republic of Croatia to fall to a level not recorded in more than 20 years. Several elements influenced the Company's results, the most significant being a double ice-hail storm in the area of two counties where 85% of Croatian sugar beet plantations are located, and a long-term drought during the final months of the vegetation period. In light of the above, an equity value assessment of Hrvatska industrija šećera d.d. was conducted on 31 December 2024. The valuation is based on the income approach, specifically the discounted cash flow (DCF) method. The weighted average cost of capital of 11.3% and a residual growth rate of 2% were used, and after valuation, a 14.6% discount on the marketability deficit was applied. In accordance with the valuation results, an impairment indicator was determined and the value adjusted in the amount of EUR 5,653 thousand.

In March 2025, the company Novpros d.o.o. sold its ownership shares in the company Hrvatska industrija šećera d.d., with the transaction value determined by an independent appraiser at EUR 21,000 thousand.

23. FIXED FINANCIAL ASSETS ANT AMORTISED COST

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Non-current loans granted	3,876	5,374	3,876	5,388
Current maturity of non-current loans	(2,264)	(2,279)	(2,264)	(2,279)
Purchase of claims under pre-bankruptcy settlement	5,732	-	5,732	-
Other fixed financial assets	40	28		
Expected credit losses on fixed financial assets	(16)	(13)	(28)	(37)
	7,368	**3,110**	**7,316**	**3,072**

During 2025, the Company and the Group granted non-current loans to legal entities and individuals with interest rates ranging from 4% to 10.15%. The loans are secured by mortgages on real estate. The loans are granted for a period of over 1 to 6 years.

	Žito d.d. and subsidiaries 2025. '000 EUR	Žito d.d. 2025. '000 EUR
Balance as of 1 January	**13**	**37**
Changes in expected credit losses	3	15
Write-off of receivables	**-**	(24)
Balance as of 31 December	**16**	**28**

23. FIXED FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

An overview of loans granted as of 31 December 2025 is shown in the following table:

	Žito d.d. and subsidiaries	
	31.12.2025.	31.12.2024.
Legal entities	**'000 EUR**	**'000 EUR**
LANDIA d.o.o. Tordinci	461	461
ANABBELA d.o.o. Duboševica	430	-
ŠIPOŠ obrt za poljoprivredu, proizvodnju i usluge vl. Šipoš Josip Suza	374	195
ENERA j.d.o.o. Petrijevci	279	279
BIOAGRAR d.o.o. Ivanovci	245	100
OPG SVALINA MARIO Kneževi Vinogradi	220	240
OPG ŠIMARA RUBEN Podravska Moslavina	129	147
OPG MATOTA DRAŽEN Miljevci	125	158
OPG ZLATAR TOMISLAV Dubovica	119	119
POLJ. OBRT MARIĆ Vl. Marić Branimir Vrbanja	106	90
OPG VUKOVAC IVAN Lipovac	104	97
OPG DABIĆ ALEKSANDAR Kamenac	96	89
PRO FARM MANDIĆ obrt vl.Mandić Mario Koritna	92	92
OPG VENGERT IVAN Brezovljani Vojlovički	67	96
OPG MILIČEVIĆ TOMISLAV Soljani	67	70
OPG MESELJEVIĆ STIPO Apševci	64	-
OPG DETELIĆ GORAN Vraneševci	60	69
OPG JOSIP HEERMMON-SREMSKE ORANICE	59	70
OPG MARJANOVIĆ MARIO Drenovci	56	-
OPG LEH TONI Antunovac	55	30
RENATO obrt za prijevoz i usluge vl. Matota Renato	53	-
BEJTEŠ polj.obrt Vl.Bejteš Laslo Koritna	48	53
OPG DUKMENIĆ JOSIP Kunišinci	48	49
SJETVA d.o.o. Erdut	46	72
OPG ILEŠ GORAN Viljevo	40	-
OPG BUZINA SVETLANA Vuka	35	39
OPG MARIĆ MARINA Vrbanja	32	32
OPG STREPAČKI BRANIMIR Rajevo Selo	29	-
OPG JOKIĆ HRVOJE Račinovci	27	-
OPG MRGANIĆ MARINA Lacići	26	52
OPG MATOTA SILVIO Miljevci	23	23
OPG HORVAT ZORAN Čepin	20	28
OPG TIKVIĆ LEONARDO Lipovac	18	26
OPG VRAČARIĆ TOMISLAV Podgorač	16	32
OPG ŠIPOŠ IRENA Suza	14	27
AGRO-TOVARNIK d.o.o. Tovarnik	-	2,000
AGRIMEX d.o.o. Detkovac	-	133
POLJODAR d.o.o. Kešinci	-	28
GLAS SLAVONIJE d.d. Osijek	-	26
OPG 4D LOVRIŠA DINO Miljevci	-	22
Other	193	327
Total legal entities	**3,876**	**5,371**
Natural persons		
BUTKA ALEN Slatina	-	3
Total natural persons	**-**	**3**
Total	**3,876**	**5,374**

23. FIXED FINANCIAL ASSETS AT AMORTISED COST

An overview of loans granted as of 31 December 2025 is shown in the following table:

	Žito d.d.	
	31.12.2025.	31.12.2024.
Legal entities	**'000 EUR**	**'000 EUR**
LANDIA d.o.o. Tordinci	461	461
ANABBELA d.o.o. Duboševica	430	-
ŠIPOŠ obrt za poljoprivredu, proizvodnju i usluge vl. Šipoš Josip Suza	374	195
ENERA j.d.o.o. Petrijevci	279	279
BIOAGRAR d.o.o. Ivanovci	245	100
OPG SVALINA MARIO Kneževi Vinogradi	220	240
OPG ŠIMARA RUBEN Podravska Moslavina	129	147
OPG MATOTA DRAŽEN Miljevci	125	158
OPG ZLATAR TOMISLAV Dubovica	119	119
POLJ. OBRT MARIĆ Vl. Marić Branimir Vrbanja	106	90
OPG VUKOVAC IVAN Lipovac	104	97
OPG DABIĆ ALEKSANDAR Kamenac	96	89
PRO FARM MANDIĆ obrt vl.Mandić Mario Koritna	92	92
OPG VENGERT IVAN Brezovljani Vojlovički	67	96
OPG MILIČEVIĆ TOMISLAV Soljani	67	70
OPG MESELJEVIĆ STIPO Apševci	64	-
OPG DETELIĆ GORAN Vraneševci	60	69
OPG JOSIP HEERMMON-SREMSKE ORANICE	59	70
OPG MARJANOVIĆ MARIO Drenovci	56	-
OPG LEH TONI Antunovac	55	30
RENATO obrt za prijevoz i usluge vl. Matota Renato	53	-
BEJTEŠ polj.obrt Vl.Bejteš Laslo Koritna	48	53
OPG DUKMENIĆ JOSIP Kunišinci	48	49
SJETVA d.o.o. Erdut	46	72
OPG ILEŠ GORAN Viljevo	40	-
OPG BUZINA SVETLANA Vuka	35	39
OPG MARIĆ MARINA Vrbanja	32	32
OPG STREPAČKI BRANIMIR Rajevo Selo	29	-
OPG JOKIĆ HRVOJE Račinovci	27	-
OPG MRGANIĆ MARINA Lacići	26	52
OPG MATOTA SILVIO Miljevci	23	23
OPG HORVAT ZORAN Čepin	20	28
OPG TIKVIĆ LEONARDO Lipovac	18	26
OPG VRAČARIĆ TOMISLAV Podgorač	16	32
OPG ŠIPOŠ IRENA Suza	14	27
AGRO-TOVARNIK d.o.o. Tovarnik	-	2,000
AGRIMEX d.o.o. Detkovac	-	133
POLJODAR d.o.o. Kešinci	-	28
GLAS SLAVONIJE d.d. Osijek	-	26
OPG 4D LOVRIŠA DINO Miljevci	-	22
Other	193	341
Total legal entities	**3,876**	**5,385**
Natural persons		
BUTKA ALEN Slatina	-	3
Total natural persons	**-**	**3**
Total	**3,876**	**5,388**

24. INVENTORIES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Goods	37,746	30,264	37,562	30,259
Work in progress	37,244	28,873	18,189	12,496
Raw materials and supplies	34,000	22,145	4,424	6,970
Finished products	6,297	5,342	1,597	1,142
Advance receivables	7,178	309	5,202	-
Total	**122,465**	**86,933**	**66,974**	**50,866**

Inventories of finished goods and work in progress that were acquired by the Group amount to EUR 4,800 thousand..

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Advance receivables	**7,256**	**324**	**5,280**	**15**
Impairment of advance receivables	(78)	(15)	(78)	(15)
Total	**7,178**	**309**	**5,202**	**-**

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Balance as of 1 January	**15**	**33**	**15**	**33**
Value adjustment of advances (Note 24)	63	(18)	63	(18)
Balance as of 31 December	**78**	**15**	**78**	**15**

25. TRADE RECEIVABLES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	**31.12.2024. '000 EUR**	**31.12.2025. '000 EUR**	**31.12.2024. '000 EUR**
Domestic trade receivables	36,218	26,589	25,569	17,079
Trade receivables – related parties (Note 43)	-	-	5,888	3,683
Foreign trade receivables	5,766	6,208	5,373	5,184
Receivables from retail customers	560	55	-	-
Impairment of trade receivables	(6,723)	(6,334)	(5,118)	(4,777)
	35,821	**26,518**	**31,712**	**21,169**

Total domestic trade receivables, net of impairment, amount to EUR 33,923 thousand (2024: EUR 20,398 thousand), and foreign trade receivables amount to EUR 5,530 thousand (2024: EUR 6,065 thousand) at the Group level.

Total domestic trade receivables, net of impairment, amount to EUR 24,621 thousand (2024: EUR 16,244 thousand), and foreign trade receivables amount to EUR 5,142 thousand (2024: EUR 4,925 thousand) at the Company level.

Uncollected receivables until a certain agreed date are subject to interest according to the contract (for most customers 4%-9.9%), and after that date, default interest is charged at 7.25% and for legal entities at 12.50%.

The Company and the Group use promissory notes and bills of exchange as collateral for receivables from 85% of their customers.

Before accepting a new customer, the Company and the Group use an external credit rating system to assess the customer's creditworthiness and determine a credit limit for each individual customer. The assigned limits are reviewed annually, or more frequently if necessary.

25. TRADE RECEIVABLES (CONTINUED)

Of the total balance of the Group's trade receivables at the end of 2025 that were not corrected and amounted to EUR 35,821 thousand (2024: EUR 26,518 thousand), the ten largest customers as of 31 December 2025 relate to::

	Žito d.d. and subsidiaries	
DESCRIPTION	**31.12.2025.**	**%**
	'000 EUR	
GRANOLIO d.o.o. Zagreb	4,708	13.14
VICTORIAOIL d.o.o.	2,036	5.68
KOMETA 99 ZRT.	1,966	5.49
KONZUM PLUS d.o.o. Zagreb	1,856	5.18
LIDL HRVATSKA d.o.o.k.d. Velika Gorica	1,264	3.53
DUKAT d.d. Zagreb	876	2.45
ADRIA OIL d.o.o.	744	2.08
ZVIJEZDA plus d.o.o.	558	1.56
STUDENAC d.o.o.	445	1.24
PLODINE d.d.	383	1.07
Other	20,985	58.58
TOTAL	**35,821**	**100**

Receivables from other customers individually do not exceed 2% of the total balance of trade receivables.

Of the total balance of the Company's trade receivables at the end of 2025 that have not been corrected and amount to EUR 31,712 thousand (2024: EUR 21,169 thousand), the ten largest customers as of 31 December 2025, refer to:

	Žito d.d.	
CUSTOMER	**31.12.2025.**	**%**
	'000 EUR	
GRANOLIO d.o.o. Zagreb	4,708	14.85
HRVATSKA INDUSTRIJA ŠEĆERA d.d. Zagreb	4,264	13.78
VICTORIAOIL d.o.o.	2,036	6.42
KOMETA 99 ZRT.	1,966	6.20
TVORNICA ULJA ČEPIN d.d. Čepin	1,496	4.72
DIBA d.o.o. Suhopolje	1,378	4.35
KONZUM PLUS d.o.o. Zagreb	1,221	3.85
ARGUMENTUM VITAE d.o.o. Osijek	1,149	3.62
LIDL HRVATSKA d.o.o.k.d. Velika Gorica	1,004	3.17
AGRO-TOVARNIK d.o.o. Tovarnik	917	2.89
Other	11,573	36.16
TOTAL	**31,712**	**100**

25. TRADE RECEIVABLES (CONTINUED)

Changes in allowance for doubtful receivables

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Balance as of 1 January	**6,334**	**6,521**	**4,777**	**4,901**
New impairments	698	616	448	447
Merger	-	-	-	25
Transfer Agro-Tovarnik d.o.o.	73	-	-	-
Collection of previously impaired receivables	(326)	(224)	(48)	(156)
Write-off of previously impaired receivables	(56)	(579)	(59)	(440)
	6,723	**6,334**	**5,118**	**4,777**

Age structure of due, but unimpaired receivables

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Up to 90 days	9,062	8,224	9,766	5,546
Up to 120 days	204	340	74	211
Up to 360 days	420	498	381	392
Over 360 days	612	400	559	372
	10,298	**9,462**	**10,780**	**6,521**

Trade receivables include receivables with a carrying value of EUR 10,780 thousand (2024: EUR 6,521 thousand) that are due on the reporting date for the Company, and due trade receivables with a carrying value of EUR 10,298 thousand (2024: EUR 9,462 thousand) for the Group. The Company and the Group recorded a correction in the value of receivables in the amounts of EUR 448 thousand (the Company) and EUR 698 thousand (the Group) for receivables from customers older than 90 days. The calculation of expected credit losses in accordance with IFRS 9 is applied to the remaining receivables, and, in accordance with the accounting policies of the Company and the Group, all receivables older than 360 days are fully adjusted for value. Also, the Company and the Group own certain insurance instruments for receivables older than 90 days.

25. TRADE RECEIVABLES (CONTINUED)

Included in trade receivables are amounts due at the reporting date with a carrying amount of EUR 9,462 thousand (2023: EUR 12,154 thousand).

Ageing analysis of impaired trade receivables

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Up to 90 days	534	-	498	-
Up to 120 days	11	-	10	-
Up to 360 days	188	-	131	-
Over 360 days	5,990	6,334	4,479	4,777
	6,723	**6,334**	**5,118**	**4,777**

26. SUBCONTRACTOR RECEIVABLES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Receivables from joint operations - sowing	3,500	3,134	3,500	3,134
Other receivables - assignments	208	209	208	209
Impairment of receivables – assignments (merger)	(187)	(187)	(187)	(187)
	3,521	**3,156**	**3,521**	**3,156**

Based on a contract for business cooperation and lending for sowing and the purchase of arable crops, the production of arable crops is subcontracted. Mutual relations are regulated in connection with the sale of goods from the production and sales program of Žito d.o.o., for the smooth production cycle of sowing, cultivation and harvesting of subcontractors' field crops. Based on this, partners are supplied with seeding materials and other goods necessary for sowing and growing crops. During the harvest, the subcontractor pays its debt through a transaction account and/or sells the goods subject to the contract, thereby settling its debt with those goods.

Receivables are assigned by:

	31.12.2025. '000 EUR	31.12.2024. '000 EUR
INGPLAN d.o.o. Zagreb	184	184
ENERA j.d.o.o. Petrijevci	22	22
GLAVIĆ MIHO Zagreb	2	3
TOTAL	**208**	**209**

27. RECEIVABLES FROM THE STATE

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Receivables from the state for subsidies	11,344	6,925	821	545
Receivables from the state for VAT prepayment	679	-	136	-
Receivables for profit tax prepayment	769	-	-	20
Prepaid expenses	102	69	24	-
Other receivables from the state	1,176	747	243	404
	14,070	**7,741**	**1,224**	**969**

The subsidies the Company and the Group are entitled to refer to subsidies for livestock, farming and breeding stock.

28. RECEIVABLES FOR PREPAYMENTS AND OTHER RECEIVABLES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Receivables for prepayments	12	1,258	-	1,181
Receivables for interest	780	705	828	721
Receivables from employees	242	227	156	145
Receivables from insurance companies	-	4	-	-
Receivables for sale of shares	-	-	-	-
Value adjustment	-	(15)	-	(15)
Other receivables	589	267	330	217
	1,623	**2,446**	**1,314**	**2,249**

Other receivables include prepaid expenses, receivables under contracts, and fees for bank loans. The Group provides prepayments for the delivery of goods and services to domestic and foreign suppliers. Interest receivables refer to interest charged to customers for late payments, whose payment currency is mostly 30 days from the invoice date, and interest on non-current and current loans.

29. CURRENT FINANCIAL ASSETS AT AMORTISED COST

Receivables for loans granted are shown in the following table:

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	**31.12.2024.**	**31.12.2025.**	**31.12.2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Receivables for loans to related parties	-	-	13,332	14,047
Receivables for loans to legal entities	6,375	4,233	5,252	4,124
Current financial investments	11	257	-	-
Receivables for loans to natural persons	41	14	1	-
Impairment of loans	(1,495)	(1,669)	(1,566)	(1,759)
	4,932	**2,835**	**17,019**	**16,412**
Current maturity of non-current loans (Note 23)	2,264	2,279	2,264	2,279
	7,196	**5,114**	**19,283**	**18,691**

Changes in impairment of loans granted

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	**31.12.2024.**	**31.12.2025.**	**31.12.2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Balance as of 1 January	**1,669**	**1,849**	**1,759**	**3,335**
New impairment	3	51	-	51
Collection of previously impaired receivables	-	(182)	(16)	(1,556)
Write-off of receivables	(177)	(49)	(177)	(71)
Total balance as of 31 December	**1,495**	**1,669**	**1,566**	**1,759**

29. CURRENT FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

Receivables for loans granted

Company	Žito d.d. and subsidiaries		Žito d.d.	
	Balance as of 31.12.2025. '000 EUR	Balance as of 31.12.2024. '000 EUR	Balance as of 31.12.2025. '000 EUR	Balance as of 31.12.2024. '000 EUR
MM MESNA INDUSTRIJA d.o.o. Krašić	-	1,455	-	1,455
IMPULSCOMMERCE d.o.o Zagreb	1,436	1,436	1,436	1,436
ENERA j.d.o.o. Petrijevci	279	279	279	279
LANDIA d.o.o.	232	232	232	232
VIS VITALIS d.o.o. Osijek	-	156	-	156
AN.ST. d.o.o.	59	109	-	-
OPG HALAS FRANJO Brezik	5	60	5	60
GLAS SLAVONIJE d.d. Osijek	27	44	27	44
SIMIC polj.i ug.obrt vl. Gradimir Simic Karanac	40	40	40	40
OPG MATOTA DRAŽEN Miljevci	10	34	10	34
SJETVA d.o.o. Erdut	12	34	12	34
HRVATSKA INDUSTRIJA ŠEĆERA d.d. Zagreb	1,742	-	1,742	-
MESNA INDUSTRIJA RAVLIĆ d.o.o. Osijek	2,007	-	969	-
RING-PROJEKT d.o.o. Osijek	123	-	123	-
BIOAGRAR d.o.o. Ivanovci	56	-	56	-
OPG MALENJAK DENIS Miljevci	-	-	-	-
OPG PAVIĆ FRANJO Kuševac	10	-	10	-
OPG SVALINA MARIO Kneževi Vinogradi	70	-	70	-
Other	267	354	241	354
TOTAL	**6,375**	**4,233**	**5,252**	**4,124**

Current loans granted to legal entities have a repayment term of 1 year and interest rates from 4% to 10.15% per year. Collaterals for the mentioned loans are mortgages and fiduciaries on crops.

30. CASH AND CASH EQUIVALENTS

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Giro account	25,074	28,887	25,028	28,406
Deposits	50,943	17,124	45,276	7,005
Cash on hand	90	33	80	29
Foreign currency account	-	2	-	2
	76,107	**46,046**	**70,384**	**35,442**

31. ASSETS HELD FOR SALE

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Apartments Osijek	294	294	109	109
	294	**294**	**109**	**109**

Assets held for sale relate to apartments and commercial premises for which the Group and the Company are actively seeking a buyer.

32. CAPITAL AND RESERVES

By the decision of the General Assembly of 12 December 2024 on the transformation of the parent Company into a joint stock company, the Group's share capital was adopted in the amount of EUR 21,236 thousand (2024: EUR 21,236 thousand), divided into a total of 21,236,140 ordinary registered shares, carrying voting rights and issued in dematerialised form. The nominal share value is EUR 1.

On 16 May 2025, the General Assembly adopted a Decision increasing the share capital. The share capital is increased to the amount of EUR 25,608 thousand by issuing 4,371,535 ordinary shares with a nominal amount of EUR 1.

The ownership structure of the Group and the Company is shown as follows:

	Number of shares	31.12.2025. '000 EUR	% of shares
Mr Marko Pipunić	12,831,940	12,831	50%
Ms Marijana Pipunić	5,486,735	5,487	21%
Surimar d.o.o.	637,080	637	3%
Shareholders	6,651,920	6,652	26%
Total	**25,607,675**	**25,608**	**100%**

	Number of shares	31.12.2024. '000 EUR	% of shares
Mr Marko Pipunić	14,228,210	14,228	67%
Ms Marijana Pipunić	6,370,850	6,371	30%
Surimar d.o.o.	637,080	637	3%
Total	**21,236,140**	**21,236**	**100%**

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Other reserves	12,930	7,817	(1,207)	(1,207)
	12,930	**7,817**	**(1,207)**	**(1,207)**

The Company's other reserves in the amount of EUR 1,207 thousand refer to the merger of Nucleus d.o.o. with the company Žito d.d. In 2025, the Group's other reserves increased by EUR 5,113 thousand and relate to the sale of shares in Tvornica Ulja Čepin d.d.

33. RETAINED EARNINGS

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Balance as of 1 January	**213,830**	**207,430**	**135,996**	**139,522**
Repurchase of minority interest	339	3,145	-	-
Net profit for the year	35,022	34,659	19,949	39,083
Profit distribution	-	(31,404)	-	(31,404)
Share buyback	(21,000)	-	(21,000)	-
Sale of own shares IPO	15,792	-	15,792	-
Loss on merger	-	-	-	(11,205)
Balance as of 31 December	**243,983**	**213,830**	**150,737**	**135,996**

In March 2025, a total of 1,000,000 own shares were purchased, namely 500,000 shares of Mr Marko Pipunić and 500,000 shares of Ms Marijana Majić Pipunić.

In July 2025, the shares of the company Žita d.d. were listed on the Official Market following the successful initial public offering (IPO), which offered the Company's 4,371,535 newly issued shares and 1,000,000 treasury shares. The effects of the initial public offering are shown in the statement of changes in equity.

34. NON-CONTROLLING INTERESTS

	Navi Upravljanje	Termes Grupa	Tvornica ulja Čepin	Agrotovarnik Grupa	Total
Balance as of 1 January 2024	**450**	**5,722**	**278**	**-**	**6,450**
Profit/(loss) of the current year		(226)	26	-	(200)
Purchase of non-controlling interest	(450)	(2,699)	-	-	(3,149)
Balance as of 31 December 2024	**-**	**2,797**	**304**	**-**	**3,101**
Profit/(loss) of the current year	-	118	393	210	721
Acquisition	-	-	5,559	8,014	13,573
Purchase of non-controlling interest	-	(151)	(223)	-	(374)
Balance as of 31 December 2025	-	**2,764**	**6,033**	**8,224**	**17,021**

35. EARNING PER SHARE

For 2024 and 2025, EPS calculation is based on net profit from continued and discontinued operations.

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	**2024.**	**2025.**	**2024.**
Profit from continued operations in EUR '000	**35,743**	**24,991**	**19,949**	**29,615**
Number of shares issued	25,607,675	21,236,140	25,607,675	21,236,140
Basic and diluted earnings per share in EUR	**1.40**	**1.18**	**0.78**	**1.4**

	2025	**2024**	**2025**	**2024**
Profit from discontinued operations in EUR '000 (disposal group result)	**-**	**9,468**	-	**9,468**
Number of shares issued	25,607,675	21,236,140	25,607,675	21,236,140
Basic and diluted earnings per share in EUR	**-**	**0.44**	**-**	**0.44**

	2025	**2024**	**2025**	**2024**
Total profit for the year in EUR '000	**35,743**	**34,459**	**19,949**	**39,083**
Number of shares issued	25,607,675	21,236,140	25,607,675	21,236,140
Basic and diluted earnings per share in EUR	**1.40**	**1.62**	**0.78**	**1.84**

Diluted earnings per share are the same as basic because the Company had no convertible instruments or stock options.

36. LIABILITIES UNDER NON-CURRENT LOANS AND BORROWINGS

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Erste & Steiermarskiche Bank d.d.	10,037	17,605	9,454	16,487
OTP banka Hrvatska d.d.	10,289	19,970	6,765	15,405
Hrvatska poštanska banka d.d.	10,926	16,980	10,926	16,980
Zagrebačka banka d.d.	7,132	11,878	681	1,363
HBOR	19,299	28,798	6,838	16,470
Loans and borrowings total	**57,683**	**95,231**	**34,664**	**66,705**
Loans mature as follows:				
On demand or within one year	26,479	26,344	17,797	17,669
In the second year	12,679	27,803	8,047	19,593
From the third to the fifth year (including year five)	15,067	29,084	8,222	20,504
After five years	3,458	12,000	598	8,939
Total loans due	**57,683**	**95,231**	**34,664**	**66,705**
On demand or within one year	(26,479)	(26,344)	(17,797)	(17,669)
TOTAL	**31,204**	**68,887**	**16,867**	**49,036**

Bank loans related to the company Žito d.d., initially contracted in EUR, amount to a debt of EUR 30,821 thousand, while loans initially contracted in HRK amount to a debt of EUR 3,843 thousand. Bank loans related to the Žito Group, initially contracted in EUR, amount to a debt of EUR 51,140 thousand, while those initially contracted in HRK amount to a debt of EUR 6,543 thousand. Loans are secured by mortgages on real estate and equipment (see Note 18). According to the Management Board's assessment, the fair value of the loans is close to their carrying value. Companies to which long-term loans were contracted with Zagrebačka banka d.d., Erste & Steiermarkische Bank d.d., OTP banka d.d., Hrvatska poštanska banka d.d. and the Croatian Bank for Reconstruction and Development are obliged, in accordance with the signed contracts, to adhere to the agreed covenants. Non-current financing contracts concluded in this way include standard financial covenants, including the maintenance of certain financial indicators. As of the date of the statement of financial position, the Company and the Group are in compliance with contractual obligations.

The range of interest for received loans and borrowings for the year 2025 for the Company is from 1% to 3.35%. At the Group level, it ranges from 0.5% to 3.41%.

36. LIABILITIES UNDER NON-CURRENT LOANS AND BORROWINGS (CONTINUED)

The trend of non-current loans during the year is shown in the following table:

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Balance as of 1 January	**95,231**	**115,232**	**66,705**	**79,493**
New loans	4,446	32,555	-	32,555
New loans - merger of Agro-Tovarnik Group.	1,506	-	-	-
Loan repayments	(42,213)	(52,556)	(32,041)	(45,343)
Loan repayments – merger of Agro-Tovarnik Group.	(1,287)	-	-	-
Balance as of 31 December	**57,683**	**95,231**	**34,664**	**66,705**

37. PROVISIONS

Žito d.d. and subsidiaries

	Unused vacation days '000 EUR	Jubilee awards '000 EUR	Severance pay '000 EUR	Other provisions '000 EUR	Total '000 EUR
Balance as of 1 January 2025	**1.142**	**365**	**335**	**82**	**1.924**
Expense/(income) in the Statement of comprehensive income:					
Reversal of provisions	(26)	(7)	(1)	(81)	**(115)**
Increase in provisions	40	106	28	-	**174**
Balance as of 31 December 2025	**1,156**	**464**	**362**	**1**	**1,983**

Analysis of total provisions as of 31 December 2025

As of 31 December 2025					
Non-current portion	-	442	342	-	**784**
Current portion	1,156	22	20	1	**1,199**

37. PROVISIONS (CONTINUED)

Žito d.d. and subsidiaries

	Unused vacation days '000 EUR	Jubilee awards '000 EUR	Severance pay '000 EUR	Other provisions '000 EUR	Total '000 EUR
Balance as of 1 January 2024	**896**	**326**	**300**	**0**	**1,522**
Expense/(income) in the Statement of comprehensive income:					
Reversal of provisions	(127)	-	(54)	-	**(181)**
Increase in provisions	373	39	89	82	**583**
Balance as of 31 December 2024	**1,142**	**365**	**335**	**82**	**1,924**
Analysis of total provisions as of 31 December 2024					
As of 31 December 2024					
Non-current portion	-	345	241	-	**586**
Current portion	1,142	20	94	82	**1,338**

Žito d.d.

	Unused vacation days '000 EUR	Jubilee awards '000 EUR	Severance pay '000 EUR	Total '000 EUR
Balance as of 1 January 2025	**602**	**254**	**194**	**1,050**
Expense/(income) in the Statement of comprehensive income:	29	-	2	**31**
Reversal of provisions	-	(7)	-	**(7)**
Balance as of 31 December 2025	**631**	**247**	**196**	**1,074**
Analysis of total provisions as of 31 December 2025				
As of 31 December 2025				
Non-current portion	**-**	**225**	**178**	**403**
Current portion	**631**	**22**	**18**	**671**

37. PROVISIONS (CONTINUED)

Žito d.d.

	Unused vacation days '000 EUR	Jubilee awards '000 EUR	Severance pay '000 EUR	Total '000 EUR
Balance as of 1 January 2024	**593**	**237**	**200**	**1,030**
Expense/(income) in the Statement of comprehensive income:	9	17	-	**26**
Reversal of provisions	-	-	(6)	**(6)**
Balance as of 31 December 2024	**602**	**254**	**194**	**1,050**
Analysis of total provisions as of 31 December 2024				
As of 31 December 2024				
Non-current portion	**-**	**234**	**177**	**411**
Current portion	**602**	**20**	**17**	**639**

Provisions at the Group level refer to the estimated employee benefits: jubilee awards, pensions and unused annual leave, which is defined by the Labour Regulations. The amount of the employee benefits consists of EUR 1,983 thousand (2024: EUR 1,924 thousand): of this, jubilee awards are EUR 464 thousand (2024: EUR 365 thousand) and unused annual leave is EUR 1,156 thousand (2024: EUR 1,142 thousand), which will be paid in 2024, and severance pay is EUR 362 thousand (2024: EUR 335 thousand). The average investment return of 2.92% per year was used to calculate the provision, along with the average employee turnover in the Group over the last 5 years.

Provisions at the Company level refer to the estimated employee benefits: jubilee awards, pensions and unused leave, which is defined by the Labour Regulations. The current amount of the employee benefits consists of EUR 671 thousand (2024: EUR 639 thousand): of this, jubilee awards are EUR 22 thousand (2024: EUR 20 thousand), severance pay is EUR 18 thousand (2024: EUR 17 thousand), and unused annual leave is EUR 631 thousand (2024: EUR 602 thousand). An assumed average return on investments of 2.92% per year was used, with an annual fluctuation of 0.32% and the determination of retirement separately for each employee.

Legal disputes

As of 31 December 2025, the Group has no provisions for legal disputes based on the assessment of the lawyer and the Management Board regarding the certainty of losses due to disputes

38. LEASE LIABILITIES

Žito d.d. and subsidiaries

	Liabilities to financial institutions		Liabilities to local self-government units and third parties		Total	
	31.12.2025 '000 EUR	31.12.2024 '000 EUR	31.12.2025 '000 EUR	31.12.2024 '000 EUR	31.12.2025 '000 EUR	31.12.2024 '000 EUR
Non-current lease liabilities	827	2,100	16,577	14,754	17,404	16,854
Current lease liabilities	1,386	1,811	1,199	1,665	2,585	3,476
Total	**2,213**	**3,911**	**17,776**	**16,419**	**19,989**	**20,330**

Žito d.d. and subsidiaries

	Minimal lease payments		Present value of minimal lease payments	
	2025 '000 EUR	2024 '000 EUR	2025 '000 EUR	2024 '000 EUR
Lease liabilities:				
Maturing within one year	2,666	3,627	2,585	3.454
From the second to the fifth year (including year five)	9,255	8,038	9,222	7.924
From the fifth year	8,182	8,929	8,182	8.929
Total lease liabilities	**20,103**	**20,594**	**19,989**	**20.307**
Less: future financing costs	(114)	(264)	-	-
Present value of lease liabilities	**19,989**	**20,330**	**19,989**	**20.307**
Less: amounts due within 12 months (reported as current liabilities)	(2,585)	(3,476)	(2,585)	(3.476)
Amounts due after 12 months	**17.404**	**16,854**	**17,404**	**16,831**

38. LEASE LIABILITIES (CONTINUED)

Žito d.d.

	Liabilities to financial institutions		Liabilities to local self-government units and third parties		Total	
	31.12.2025 '000 EUR	31.12.2024 '000 EUR	31.12.2025 '000 EUR	31.12.2024 '000 EUR	31.12.2025 '000 EUR	31.12.2024 '000 EUR
Non-current lease liabilities	101	240	454	398	555	638
Current lease liabilities	139	155	1	88	140	243
Total	**240**	**395**	**455**	**486**	**695**	**881**

	Minimal lease payments		Present value of minimal lease payments	
Lease liabilities:	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Maturing within one year	146	255	140	243
From the second to the fifth year (including year five)	262	462	260	453
From the fifth year	295	185	295	185
Total lease liabilities	**703**	**902**	**695**	**881**
Less: future financing costs	(8)	(21)	-	-
Present value of lease liabilities	**695**	**881**	**695**	**881**
Less: amounts due within 12 months (reported as current liabilities)	(140)	(243)	(140)	(243)
Amounts due after 12 months	**555**	**638**	**555**	**638**

Under International Financial Reporting Standard 16, since 1 January 2019, all future payments under a lease are shown in the Statement of Financial Position as right-of-use assets and lease liabilities. The largest part of future lease liabilities relates to contracts for the lease of agricultural land. The long-term lease contracts are mostly concluded with local government units in the Republic of Croatia and expire between 2033 and 2066.

In 2025, the Group did not enter into new lease agreements.

39. TRADE PAYABLES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Trade payables – domestic	15,706	15,869	10,581	11,760
Trade payables – related parties (Note 43)	-	-	2,865	4,240
Trade payables – foreign	3,200	3,235	2,742	2,634
Liabilities for univoiced goods	8	27	-	25
	18,914	**19,131**	**16,188**	**18,659**

40. LIABILITIES UNDER SUPPLIER FACTORING

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Liabilities under supplier factoring	5,008	5,091	4,984	5,066
	5,008	**5,091**	**4,984**	**5,066**

Under supplier factoring agreements, the factoring company purchases the receivables that suppliers have towards the Company and the Group and becomes the Company's and the Group's new creditor. Upon maturity of the receivable, the company pays the funds to the buyer of the receivables (a bank or factoring company) instead of the supplier.

41. CURRENT LOAN LIABILITIES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Current loans from companies	-	100	-	100
Current loans from related parties	-	-	26,352	16,140
Current loans	**-**	**100**	**26,352**	**16,240**
Current maturity of non-current loans (Note 36)	26,479	26,344	17,797	17,669
Total	**26,479**	**26,344**	**17,797**	**17,669**
TOTAL	**26,479**	**26,444**	**44,149**	**33,909**

The collaterals for current loans are bills of exchange and debentures.

42. LIABILITIES TO THE STATE

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
VAT liability	3,555	4,036	2,826	3,099
Profit tax liability	6,395	1,598	2,671	-
Liabilities for taxes and contributions from and on salaries	942	752	503	410
Liabilities for other contributions	52	21	21	7
	10,944	**6,407**	**6,021**	**3,516**

43. OTHER LIABILITIES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Deferred income	12,803	14,687	2,397	3,812
Liabilities for prepayments	1,931	2,519	1,764	2,395
Liabilities to employees	1,764	1,533	910	784
Liabilities for dividends	-	7,654	-	7,654
Deferred tax liability	3,059	-	-	-
Other liabilities	453	197	283	112
	20,010	**26,590**	**5,354**	**14,757**

44. RELATED PARTY TRANSACTIONS

During 2025 and 2024, transactions were made, i.e. there were receivables and liabilities with the following related parties:

Related parties with which the Company entered into transactions during 2024 and 2025

Argumentum Vitae d.o.o.
Berak d.o.o.
Farma muznih krava Mala Branjevina d.o.o.
Farma muznih krava Orlovnjak d.o.o.
Hana-Koška d.o.o.
Hana Vuka d.o.o.
Mambo d.o.o. - merged with Žito d.d. on 11 December 2024
Poljoprivredno dobro d.o.o.
Melem d.o.o.- merged with Žito d.d. on 5 March 2024
Novi Agrar d.o.o.
Diba d.o.o.
Krndija d.o.o.- merged with Farma muznih krava Orlovnjak d.o.o. on 26 March 2024
Svinjogojska farma Lipovača Prkos d.o.o.
Termes Grupa d.d.
Novpros d.o.o.
Tvornica ulja Čepin d.d.
Vitulus d.o.o- merged with Hana Vuka d.o.o. on 13 November 2024
West d.o.o.
Mirkom d.o.o.-merged with Novi Agrar d.o.o. on 15 April 2024
Piko d.o.o.
Navi upravljanje d.o.o.- merged with Žito d.d. in December 2024
Sjemenske kulture d.o.o.
Silosi Pitomača d.o.o.- merged with Diba d.o.o. on 13 November 2024
Farmaland Gradac d.o.o. – merged with Farmaland d.o.o. on 29 January 2025
Farmaland d.o.o.
Prosciutto Pannonico d.o.o.- merged with Žito d.d. s on 18 December 2024
Agro-Tovarnik d.o.o.
Arator d.o.o.

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Companies of close family members related to the Group's:

Hrvatska industrija šećera d.d.

Heson d.o.o.

PRIORA Internacional medical centre

Nucleus d.o.o.

Centar Sokol d.o.o.

Ring-projekt d.o.o.

Pinima d.o.o.

Elevien d.o.o.

Mašta d.o.o.

The joint venture Hrvatska industrija Šećera d.d. was sold to the owner, Marko Pipunić, in 2025 and is therefore reported in the category of Companies of close family members related to the Group's owner.

The transactions with the aforementioned companies were as follows:

Sale and purchase transactions

INCOME

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	**2024. '000 EUR**	**2025. '000 EUR**	**2024. '000 EUR**
Total revenue from sale of products and goods	15,874	22,445	118,299	100,945
	15,874	**22,445**	**118,299**	**100,945**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Revenue from the sale of products and goods with related parties

	Žito d.d.	
	2025.	**2024.**
Company:	**'000 EUR**	**'000 EUR**
Tvornica ulja Čepin d.d.	48,536	31,764
Novi Agrar d.o.o.	17,962	17,580
Hana Vuka d.o.o.	4,873	5,077
Diba d.o.o.	6,221	4,910
Piko d.o.o.	4,389	4,053
Hana Koška d.o.o.	2,127	3,215
Argumentum Vitae d.o.o.	5,169	2,436
West d.o.o.	548	1,706
Prosciutto Pannonico d.o.o.	-	1,693
SF Lipovača Prkos d.o.o.	1,483	1,626
Farma muznih krava Orlovnjak d.o.o.	1,148	1,363
Farma muznih krava Branjevina d.o.o.	1,397	1,303
Berak d.o.o.	801	942
Poljoprivredno dobro d.o.o.	655	728
Novpros d.o.o.	8,703	217
Krndija d.o.o.	-	198
Rosa d.o.o.	-	180
Melem d.o.o.	-	76
Farmaland Gradac d.o.o.	-	10
Sjemenske kulture d.o.o.	2	5
Gospodarstvo Gorjani d.o.o.	-	4
Farmaland d.o.o.	2	2
Vitulus d.o.o.	-	1
Mambo d.o.o.	-	1
Arator d.o.o.	265	-
Agro-Tovarnik d.o.o.	1,041	-
Total sales revenues with related parties	**105,322**	**79,090**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Companies of close family members related to the owner of Žito Group, joint ventures and FVOSD; revenue from sales of products and goods:

Revenues from the sale of products and goods - Companies related to the owner

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	**2024. '000 EUR**	**2025. '000 EUR**	**2024. '000 EUR**
Hrvatska industrija šećera d.d.	6,945	9,637	6,075	9,135
Heson d.o.o.	2,950	-	2,679	-
Pinima d.o.o.	420	181	92	167
Mašta d.o.o.	5,496	12,550	4,075	12,485
Nucleus d.o.o.	19	28	12	18
Centar Sokol d.o.o.	3	3	3	3
Ring-projekt d.o.o.	1	1	1	2
PRIORA International medical centre	40	45	40	45
	15,874	**22,445**	**12,977**	**21,885**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

EXPENSES

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Cost of products and goods	13,298	4,521	78,052	72,799
	13,298	**4,521**	**78,052**	**72,799**

Cost of products and goods with related parties

	Žito d.d.	
	2025. '000 EUR	2024. '000 EUR
Novi Agrar d.o.o.	23,978	20,544
Novpros d.o.o.	176	116
Tvornica ulja Čepin d.d.	4,989	4,102
Argumentum Vitae d.o.o.	1	1,547
Piko d.o.o.	5,177	2,589
SF Lipovača Prkos d.o.o.	292	397
Diba d.o.o.	9,190	5,914
West d.o.o.	623	2,294
Hana Vuka d.o.o.	2,943	1,954
Berak d.o.o.	2,847	3,207
Hana Koška d.o.o.	2,858	5,281
Melem d.o.o.	-	67
Prosciutto Pannonico d.o.o.	-	16,865
Rosa d.o.o.	-	144
Poljoprivredno dobro d.o.o.	4,141	2,126
Gospodarstvo Gorjani d.o.o.	-	117
Krndija d.o.o.	-	82
Farma muznih krava Branjevina d.o.o.	482	432
Farma muznih krava Orlovnjak d.o.o.	1,574	1,074
Farmaland d.o.o.	172	187
Vitulus d.o.o.	-	16
Sjemenske kulture d.o.o.	197	103
Farmaland Gradac d.o.o.	-	109
Arator d.o.o.	1,038	-
Agro-Tovarnik d.o.o.	9,797	-
Termes Grupa d.d.	-	1
Total cost of products and goods with related parties	**70,475**	**69,268**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Cost of products and goods - Companies related to the owner

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	**2024. '000 EUR**	**2025. '000 EUR**	**2024. '000 EUR**
Hrvatska industrija šećera d.d.	2,000	1,607	2,000	1,606
Heson d.o.o.	625	-	456	-
Pinima d.o.o.	-	1	-	-
Nucleus d.o.o.	4,378	2,634	4,136	1,714
PRIORA Internacional medical centre	63	3	57	3
Mašta d.o.o.	6,232	275	928	206
Centar Sokol d.o.o.	-	1	-	2
	13,298	**4,521**	**7,577**	**3,531**

RECEIVABLES AND LIABILITIES FOR GOODS AND SERVICES

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	**31.12.2024. '000 EUR**	**31.12.2025. '000 EUR**	**31.12.2024. '000 EUR**
Total receivables for goods and services	5,281	126	10,461	3,984
	5,281	**126**	**10,461**	**3,984**

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	**31.12.2024. '000 EUR**	**31.12.2025. '000 EUR**	**31.12.2024. '000 EUR**
Total liabilities for goods and services	579	240	3,354	4,362
	579	**240**	**3,354**	**4,362**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

RECEIVABLES AND LIABILITIES FOR GOODS AND SERVICES (continued)

Current receivables for goods and services with related parties in the Group

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Argumentum Vitae d.o.o.	-	-	1,149	220
Berak d.o.o.	-	-	81	-
Diba d.o.o.	-	-	1,378	-
Farma muznih krava Branjevina d.o.o.	-	-	17	14
Farma muznih krava Orlovnjak d.o.o.	-	-	59	51
Hana Koška d.o.o.	-	-	87	-
Hana-Vuka d.o.o.	-	-	200	54
Novi Agrar d.o.o.	-	-	159	2
Piko d.o.o.	-	-	42	3
Arator d.o.o.	-	-	38	-
SF Lipovača Prkos d.o.o.	-	-	259	252
Termes grupa d.d.	-	-	1	1
Tvornica ulja Čepin d.d.	-	-	1,496	3,085
Agro-Tovarnik d.o.o.	-	-	917	-
West d.o.o.	-	-	4	-
Total receivables from related parties	**-**	**-**	**5,887**	**3,682**

Current receivables for goods and services from companies related to the owner

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Heson d.o.o.	187	-	187	-
Hrvatska industrija šećera d.d.	5,073	106	4,370	-
Centar Sokol d.o.o.	2	-	2	-
Ring-projekt d.o.o.	3	2	3	1
Pinima d.o.o.	4	1	5	1
Mašta d.o.o.	4	9	-	-
Priora International medical centre	7	8	7	8
Nucleus d.o.o.	1	-	-	292
Total receivables from companies related to the owner	**5,281**	**126**	**4,574**	**302**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Current liabilities for goods and services with related parties in the Group

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Berak d.o.o.	-	-	12	448
Diba d.o.o.	-	-	175	580
Farma muznih krava Branjevina d.o.o.	-	-	19	-
Farmaland d.o.o.	-	-	58	-
Farma muznih krava Orlovnjak d.o.o.	-	-	54	86
Hana Koška d.o.o.	-	-	20	1.089
Hana-Vuka d.o.o.	-	-	53	699
Novi Agrar d.o.o.	-	-	1,697	799
Novpros d.o.o.	-	-	4	
Piko d.o.o.	-	-	380	367
Poljoprivredno dobro d.o.o.	-	-	377	96
Termes grupa d.d.	-	-	-	1
Tvornica ulja Čepin d.d.	-	-	16	32
West d.o.o.	-	-	-	42
Total liabilities to related parties	**-**	**-**	**2,865**	**4,239**

Current liabilities for goods and services to companies related to the owner

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	31.12.2024.	31.12.2025.	31.12.2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Heson d.o.o.	124	-	95	-
Hrvatska industrija šećera d.d.	-	2	-	2
Centar Sokol d.o.o.	-	1	-	1
Mašta d.o.o.	234	8	234	8
Priora International medical centre	3	-	2	-
Nucleus d.o.o.	218	229	158	112
Total liabilities to companies related to the owner	**579**	**240**	**489**	**123**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Financial transactions

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Total financial income	224	358	1,003	1,353
	224	**358**	**1,003**	**1,353**

	Žito d.d. Interest from related parties within the Group	
	2025. '000 EUR	2024. '000 EUR
Argumentum Vitae d.o.o. Osijek	-	3
Farma Muznih Krava Orlovnjak d.o.o. Antunovac	-	3
Hana-Vuka d.o.o.	-	1
Mambo d.o.o. Osijek	-	202
Novi Agrar d.o.o. Osijek	298	71
Svinjogojska Farma Lipovača-Prkos d.o.o. Erdut	52	26
Novpros d.o.o. Osijek	-	59
Tvornica Ulja Čepin D.D. Čepin	-	2
Arator d.o.o.	33	-
West d.o.o. Ekonomija Šljivoševci	1	-
Diba d.o.o.	181	59
Poljoprivredno Dobro d.o.o.	2	-
Gospodarstvo Gorjani d.o.o.	-	4
Krndija d.o.o.	-	1
Mirkom d.o.o.	-	9
Agro-Tovarnik d.o.o.	212	-
Prosciutto Pannonico d.o.o.	-	669
	779	**1,109**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Income from investments in companies of close family members related to the Company owner

	Žito d.d. and subsidiaries		Žito d.d.	
Interest income	**2025.**	**2024.**	**2025.**	**2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Hrvatska industrija šećera d.d.	130	106	130	7
Mašta d.o.o.	74	31	74	32
Pinima d.o.o.	15	199	15	199
Nucleus d.o.o.	-	3	-	3
Elevien d.o.o.	-	16	-	-
Centar Sokol d.o.o.	-	2	-	2
Ring-projekt d.o.o.	5	1	5	1
	224	**358**	**224**	**244**

Financial expenses

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	**2024.**	**2025.**	**2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Total interest expenses	79	1	1,203	690
	79	**1**	**1,203**	**690**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Interest expenses with companies in the Group

	Žito d.d.	
	2025.	2024.
	'000 EUR	'000 EUR
Argumentum Vitae d.o.o. Osijek	148	11
Berak d.o.o. Semeljci	8	-
Piko d.o.o. Jastrebarsko	94	55
Farma Muznih Krava Mala Branjevina d.o.o.	73	48
Farma Muznih Krava Orlovnjak d.o.o. Antunovac	16	28
Hana-Koška d.o.o. Koška	5	1
Hana-Vuka d.o.o.	53	4
Novi Agrar d.o.o. Osijek	-	70
Svinjogojska Farma Lipovača-Prkos d.o.o. Erdut	7	1
Novpros d.o.o. Osijek	333	173
Tvornica Ulja Čepin D.D. Čepin	322	216
Vitulus d.o.o.	-	29
West d.o.o. Ekonomija Šljivoševci	11	20
Sjemenske Kulture d.o.o.	17	4
Poljoprivredno Dobro d.o.o.	3	11
Silosi Pitomača d.o.o.	-	8
Farmaland Gradac d.o.o.	-	2
Farmaland d.o.o.	34	7
Rosa d.o.o.	-	1
	1,124	**689**

Expenses from financing a company of close family members related to the Company's owner

	Žito d.d. and subsidiaries		Žito d.d.	
	2025.	2024.	2025.	2024.
	'000 EUR	'000 EUR	'000 EUR	'000 EUR
Centar Sokol d.o.o.	1	-	1	-
Mašta d.o.o.	78	1	78	1
	79	1	**79**	**1**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

LOAN LIABILITIES

Current loans

Total loan liabilities

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	**2024. '000 EUR**	**2025. '000 EUR**	**2024. '000 EUR**
Loan liabilities	-	99	26,352	16,209
	-	**99**	**26,352**	**16,209**

The table below shows the liability that the Group had with companies of family members related to the owner of Žito Grupa as of 31 December 2025 and 31 December 2024.:

Žito d.d.	**Effective interest rate**		**Loan**	
	31.12.2025.	**31.12.2024.**	**31.12.2025. '000 EUR**	**31.12.2024. '000 EUR**
Novi Agrar d.o.o.	4.38%	3.25%	-	-
Argumentum Vitae d.o.o.	4.38%	3.25%	164	4,049
Piko d.o.o.	4.38%	3.25%	2,103	2,618
Poljoprivredno dobro d.o.o.	4.38%	3.25%	559	-
West d.o.o.	4.38%	3.25%	-	47
Farma muznih krava MB d.o.o.	4.38%	3.25%	1,160	1,142
Hana-Koška d.o.o.	4.38%	3.25%	58	145
Farmaland d.o.o.	4.38%	3.25%	929	369
Sjemenske kulture d.o.o.	4.38%	3.25%	593	422
Farmaland Gradac d.o.o.	4.38%	3.25%	-	407
Hana Vuka d.o.o.	4.38%	3.25%	-	1,622
Novpros d.o.o.	4.38%	3.25%	20,786	5,126
Diba d.o.o.	4.38%	3.25%	-	9
Svinjogojska farma Lipovača-Prkos d.o.o.	4.38%	3.25%	-	136
Berak d.o.o.	4.38%	3.25%	-	48
Total			**26,352**	**16,140**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

	Žito d.d. and subsidiaries				Žito d.d.			
	Effective interest rate		Loan		Effective interest rate		Loan	
Company:	31.12. 2025. '000 EUR	31.12. 2024. '000 EUR	31.12. 2025. '000 EUR	31.12. 2024. '000 EUR	31.12. 2025. '000 EUR	31.12. 2024. '000 EUR	31.12. 2025. '000 EUR	31.12. 2024. '000 EUR
Centar sokol d.o.o.	4.38%	3.25%	-	40	4.38%	3.25%	-	40
Mašta d.o.o.	4.38%	3.25%	-	30	4.38%	3.25%	-	-
Pinima d.o.o.	4.38%	3.25%	-	29	4.38%	3.25%	-	29
Total			**-**	**99**			**-**	**69**

LOAN RECEIVABLES

Total loan receivables

	Žito d.d. and subsidiaries		Žito d.d.	
	2025. '000 EUR	2024. '000 EUR	2025. '000 EUR	2024. '000 EUR
Loan receivables	4,106	74	15,318	14,115
	4,106	**74**	**15,318**	**14,115**

The table below shows the receivables that the Company has with subsidiaries in credit transactions as of 31 December 2025 and 31 December 2024:

	Žito d.d.	
	31.12.2025.	31.12.2024.
Current loans:	'000 EUR	'000 EUR
Berak d.o.o.	65	-
Agro-Tovarnik d.o.o.	4,982	-
Farma muznih krava Orlovnjak d.o.o.	108	-
Diba d.o.o.	2,807	5,814
Arator d.o.o.	1,416	-
Svinjogojska farma Lipovača Prkos d.o.o.	3,894	-
West d.o.o.	124	-
Termes Grupa d.d.	3	-
Poljoprivredno dobro d.o.o.	-	26
Novi Agrar d.o.o.	26	8,208
Total	**13,425**	**14,048**

44. RELATED PARTY TRANSACTIONS (CONTINUED)

Loans to subsidiaries in 2025 amounted to EUR 13,425 thousand, of which EUR 93 thousand related to interest, while in 2024 loans amounted to EUR 14,048 thousand and interest to EUR 91 thousand. Loans to companies of close family members related to the owner of the company Žito d.d. in 2025 amounted to EUR 1,894 thousand, of which EUR 28 thousand related to interest, while in 2024 loans amounted to EUR 67 thousand and interest to EUR 16 thousand. Loans given to companies of close family members related to the owner of the company Žito d.d., by Žito Group in 2025, amounted to EUR 4,106 thousand, of which EUR 36 thousand relates to interest, while in 2024 loans amounted to EUR 74 thousand, and interest amounted to EUR 24 thousand.

	Žito d.d. and subsidiaries		**Žito d.d.**	
	31.12.2025.	**31.12.2024.**	**31.12.2025.**	**31.12.2024.**
Current loans	**'000 EUR**	**'000 EUR**	**'000 EUR**	**'000 EUR**
Hrvatska industrija šećera d.d.	1,761	7	1,761	-
Priora International medical centre	2,213	-	-	-
Elevien d.o.o.	3	4	3	4
Ring-projekt d.o.o.	129	22	129	22
Pinima d.o.o.	-	11	-	11
Nucleus d.o.o.	-	30	-	30
Total	**4,106**	**74**	**1,893**	**67**

Remuneration to the members of the Management Board and executive directors

	Žito d.d. and subsidiaries		**Žito d.d.**	
	2025.	**2024.**	**2025.**	**2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Salaries	906	700	205	139
	906	**700**	**205**	**139**

Remuneration for the Group is in gross II amounts and refers to a total of 11 persons in the Group - directors and members of the Management Board.

Remuneration for the Company is in gross II amounts and refers to two persons - the president and a member of the Management Bord.

44. RELATED PARTY TRANSACTIONS (CONTINUED)

WARRANTIES AND GUARANTEES GIVEN

Warranties and guarantees given to related parties

	Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Tvornica ulja Čepin d.d.- co-borrower for a long-term loan ZABA	2,700	5,399
Tvornica ulja Čepin d.d.- co-borrower for a long-term loan ZABA	3,151	4,297
Svinjogojska farma Lipovača-Prkos d.o.o._guarantor for a long-term loan HBOR	3,386	3,869
Argumentum Vitae d.o.o.- co-borrower for a long-term loan HBOR	2,898	3,219
Tvornica ulja Čepin d.d., co-borrower for a long-term loan HBOR	2,250	3,000
Novi Agrar d.o.o., co-borrower for a long-term loan HBOR	1,250	2,250
West d.o.o.- co-borrower for a long-term loan HBOR	1,368	1,758
Krndija d.o.o.- co-borrower for a current loan Erste bank	583	1,118
Farma muznik krava Orlovnjak d.o.o.-guarantor for a long-term loan OTP bank	139	695
Piko d.o.o., co-borrower for a long-term loan HBOR	825	1,100
Tvornica ulja Čepin d.d.- co-borrower for a long-term loan ZABA	600	819
Argumentum Vitae d.o.o., co-borrower for a long-term loan HBOR	750	1,000
Novi Agrar d.o.o., co-borrower for a long-term loan HBOR	2,901	-
	22,801	**28,524**

Guarantees and warranties received from related parties

	Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Novi Agrar-guarantor for a long-term loan Sberbank	5,250	9,000
Tvornica ulja Čepin-guarantor for a long-term loan Sberbank	5,250	9,000
Novi Agrar - guarantor for a long-term loan OTP bank	6,071	7,500
Novi Agrar - guarantor for a long-term loan HPB	4,349	5,591
Tvornica ulja Čepin-guarantor for a long-term loan HPB	4,349	5,591
Novi Agrar - guarantor for a long-term loan OTP bank	693	1,617
Farma muznih krava mala Branjevina-guarantor for a long-term loan OTP bank	693	1,617
Farma muznih krava Orlovnjak - guarantor for a long-term loan OTP bank	693	1,617
Bioenergija Klisa - guarantor for a long-term loan OTP bank	693	1,617
	28,041	**43,150**

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Capital risk management

Ratio of net debt and capital (Gearing ratio)

The Company and the Group analyse the capital structure on an annual basis. As part of the aforementioned analysis, the cost of capital and the risk associated with each item of capital are analysed.

The gearing ratio on the date of the statement of financial position was as follows:

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025.	**31.12.2024.**	**31.12.2025.**	**31.12.2024.**
	'000 EUR	**'000 EUR**	**'000 EUR**	**'000 EUR**
Debt (non-current and current loans)	57,683	95,331	61,016	82,945
Financial lease liabilities	2,213	3,911	240	395
Cash and cash equivalents	(76,107)	(46,046)	(70,384)	(35,442)
Net debt	**(16,211)**	**53,196**	**(9,128)**	**47,898**
Equity	382,408	245,984	258,004	156,025
Debt to equity ratio	(4.24%)	21.63%	(3.54%)	30.69%

Debt is defined as non-current and current loan liabilities, as well as liabilities to other financial institutions (leasing companies). Equity includes all capital and all reserves.
The Company's and the Group's capital structure consists of net debt (borrowings less cash and cash equivalents) and equity (including share capital, reserves, retained earnings, and non-controlling interests).

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Categories of financial instruments

	Žito d.d. and subsidiaries		Žito d.d.	
	31.12.2025. '000 EUR	31.12.2024. '000 EUR	31.12.2025. '000 EUR	31.12.2024. '000 EUR
Financial assets	**140,768**	**94,131**	**139,847**	**84,324**
Cash in bank and on hand	76,107	46,046	70,384	35,442
Loans and receivables	64,661	48,085	69,463	48,882
Financial liabilities	**87,966**	**168,397**	**85,384**	**118,496**
Non-current and current loan and finance lease liabilities	59,896	99,242	61,255	83,340
Trade and other payables	28,070	69,155	24,129	35,156

Financial risk management objectives

The Company and the Group are exposed to the international market and are financed to a significant extent through loans. As a result, the Company and the Group are subject to the influence of interest rate changes. Due to the sale of goods on deferred payment terms, the Company and the Group are also exposed to the risk of receivables that are likely to be irrecoverable.

The Company and the Group prepare internal risk reports in which exposures are analysed by risk level and size. These are market risks, including currency risk, fair value interest rate risk and price risk, as well as credit risk, liquidity risk, and cash flow interest rate risk.

The Company and the Group strive to minimise the effects of the aforementioned risks to the lowest possible level. The Company and the Group do not enter into contracts on financial instruments, including derivative financial instruments, nor do they trade them for speculative purposes.

Price risk management

The largest market in which the Company and the Group provide their services is the Republic of Croatia. The Žito Group's Management Board determines the prices of its services based on market prices, separately for the domestic and foreign markets. The procurement function is centralised, which alone gives it the status of a respectable buyer on the market and a good negotiating starting point. Fixed-price contracts are concluded with long-term suppliers, where, in principle, the conditions are defined in accordance with market trends. Thus, global trends on commodity exchanges are regularly monitored in procurement, and regular "market reports" from strategic suppliers are used; based on this, reactions are made in the "spot" market at the moment when a certain raw material reaches a good or favourable price.

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Currency risk management

The Company and the Group carry out certain transactions in foreign currencies and is exposed to the risks of currency exchange rates. Exposure to currency risk is managed through approved policy parameters. The following table shows the carrying amounts of the Company's and the Group's monetary assets and liabilities in foreign currency as of the reporting date.

	Žito d.d. and subsidiaries				**Žito d.d.**			
	Liabilities		**Assets**		**Liabilities**		**Assets**	
	31.12. 2025. '000 EUR	**31.12. 2024. '000 EUR**	**31.12. 2025. '000 EUR**	**31.12. 2024. '000 EUR**	**31.12. 2025. '000 EUR**	**31.12. 2024. '000 EUR**	**31.12. 2025. '000 EUR**	**31.12. 2024. '000 EUR**
SAD (USD)	-	-	-	2	-	-	-	2

Currency risk sensitivity analysis

The Company and the Group are mainly exposed to currency risk from changes in the EUR/USD exchange rate, as trade in food-based raw materials on the international market is largely conducted in EUR and USD.

The following table analyses the sensitivity of the Company and the Group to a 5% increase or decrease in the euro exchange rate against the relevant foreign currency. The previous sensitivity rates represent the Management Board's estimates of realistic possible changes in exchange rates. The sensitivity analysis includes only open monetary items in foreign currency and their translation at the end of the period based on the percentage change in exchange rates. The sensitivity analysis includes monetary assets and liabilities in the currency. A negative number indicates a decrease in profit if the euro changes against the relevant currency by the percentages stated above. In the event of an inversely proportional change in the value of the euro against the relevant currency, the impact on profit would be equal and opposite.

	Žito d.d. and subsidiaries		**Žito d.d.**	
	Impact of USD		**Impact of USD**	
	2025. '000 EUR	**2024. '000 EUR**	**2025. '000 EUR**	**2024. '000 EUR**
Profit/loss	-	-	-	-

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest rate risk management

Because the Company and the Group use loans with both fixed and variable interest rates, they are exposed to interest rate risk. The vast majority of loans are contracted at fixed interest rates (14% are contracted at variable interest rates). The sensitivity analysis below is based on exposure to interest rate risk as of the date of the Statement of Financial Position. For liabilities related to variable interest rates, the analysis was prepared assuming that the liabilities reported at the date of the Statement of Financial Position remained valid throughout the year. An increase in interest rates by 0.5%, with other variables held constant, would change the Group's interest expense as of 31 December 2025 by EUR 288 thousand (2024: EUR 477 thousand) and the Company's interest expense as of 31 December 2025 by EUR 305 thousand (2024: EUR 416 thousand). Due to the reduction in non-current debt with a variable interest rate, the impact of any change in interest rates on profit was also reduced.

Credit risk management

Credit risk is the risk of non-payment or non-fulfilment of contractual obligations by customers, which may result in financial losses for the Company and the Group. The Company and the Group have adopted a policy of doing business exclusively with creditworthy parties and of obtaining additional collateral (bank guarantees, promissory notes, or deposits on accounts until the time of handover) to mitigate the risk of financial loss due to default.
Customers are classified into risk groups based on financial performance indicators and the Company's and the Group's previous operations, and appropriate credit risk protection measures are applied to each group. For customer categorisation, data from customers' official financial reports are mainly used, evaluations from independent rating agencies are obtained, and the Company's and Group's data on previous business with the customer are used.
Analysis of the Company's and the Group's exposure and customer credit evaluation is conducted continuously, and credit exposure is monitored and controlled through credit limits that are reviewed and adjusted at least once a year.

Liquidity risk management

Liquidity risk management is the responsibility of the Management Board, which establishes an appropriate liquidity risk management framework to manage short-, medium-, and long-term financing and liquidity requirements. The Company and the Group manage liquidity risk by maintaining adequate reserves and credit lines, continuously comparing planned and actual cash flows, and monitoring the maturity of receivables and liabilities. The planned cash flow is prepared monthly, and deviations are monitored in order to better manage liquidity.

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liquidity risk management (continued)

The tables below present the maturities of contractual liabilities reported in the Statement of Financial Position at the end of the period. The tables are prepared based on undiscounted cash outflows for financial liabilities at maturity, and present cash flows for principal and interest.

Žito d.d. and subsidiaries

	Weighted average effective interest rate %	Up to 1 month. '000 EUR	From 1 to 3 months '000 EUR	From 3 months to 1 year '000 EUR	From 1 to 5 years '000 EUR	After 5 years '000 EUR	Total '000 EUR
2025.							
Non-interest bearing		8,945	4,549	14,576	-	-	28,070
Interest bearing	3.5-9	2,314	6,086	21,483	27,705	4,860	62,448
		11,259	**10,635**	**36,059**	**27,705**	**4,860**	**90,518**
2024.							
Non-interest bearing		9,750	9,640	33,279	-	-	**52,669**
Interest bearing	2.4-8	992	6,595	26,285	75,816	13,478	**123,166**
		10,742	**16,235**	**59,564**	**75,816**	**13,478**	**175,835**

Žito d.d.

	Weighted average effective interest rate %	Up to 1 month. '000 EUR	From 1 to 3 months '000 EUR	From 3 months to 1 year '000 EUR	From 1 to 5 years '000 EUR	After 5 years '000 EUR	Total '000 EUR
2025.							
Non-interest bearing		12,652	6,939	4,538	-	-	24,129
Interest bearing	4.38	9,845	20,295	16,771	15,399	2,105	64,415
		22,497	**27,234**	**21,309**	**15,399**	**2,105**	**88,544**
2024.							
Non-interest bearing		13,895	8,262	12,986	240	-	35,383
Interest bearing	2.4	6,373	14,159	15,770	46,213	6,358	88,873
		20,268	**22,421**	**28,756**	**46,453**	**6,358**	**124,256**

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The tables below show the maturity of the Group's contractual assets as reported in the Statement of financial position at the end of the period. The tables are prepared based on the undiscounted cash inflows of the financial assets at the maturity date and show cash flows for principal and interest.

Žito d.d. and subsidiaries

	Weighted average effective interest rate	Up to 1 month.	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	After 5 years	Total
	%	‘000 EUR	‘000 EUR	‘000 EUR	‘000 EUR	‘000 EUR	‘000 EUR
2025.							
Non-interest bearing		68,216	2,775	4,242	5,755	-	80,988
Interest bearing	4.38	56,498	0	4,882	106	165	61,651
		124,714	**2,775**	**9,124**	**5,861**	**165**	**142,639**
2024.							
Non-interest bearing		80,929	2,181	3,332	-	-	86,442
Interest bearing	2.4	3,389	-	5,138	206	319	9,052
		84,318	**2,181**	**8,470**	**206**	**319**	**95,494**

Žito d.d.

	Weighted average effective interest rate	Up to 1 month.	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	After 5 years	Total
2025.		‘000 EUR	‘000 EUR	‘000 EUR	‘000 EUR	‘000 EUR	‘000 EUR
Non-interest bearing		63,601	2,535	243	5,732	-	72,111
Interest bearing	4.38	61,356	3,246	3,480	1,747	-	69,829
		124,957	**5,781**	**3,723**	**7,479**	**-**	**141,940**
2024.							
Non-interest bearing		53,653	1,755	171	-	-	55,579
Interest bearing	2.4	22,658	2,821	1,234	3,302	-	30,015
		76,311	**4,576**	**1,405**	**3,302**	**-**	**85,594**

45. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Fair value

Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Assets measured at fair value

The portion of non-financial assets measured at fair value relates to biological assets (the basic herd). Given the availability of fair value indicators, they are valued from other asset data that are not quoted prices from Level 1 but are obtained indirectly (derived from their prices). The fair value of biological assets is measured at acquisition cost, with all costs added to the initial acquisition value, including increases and growth of the basic herd up to the point of sale or transfer to production (when the criteria for biological assets are no longer met).

During the year, no items were reclassified from Level 1 to Level 2 indicators, or vice versa, in accordance with the hierarchy of fair value measures.

Financial instruments not measured at fair value

The Management Board believes that the carrying amounts of financial assets and financial liabilities that are stated at amortised cost in the financial statements approximate their fair values

46. BUSINESS COMBINATIONS

BUSINESS COMBINATIONS IN 2025

ACQUISITION OF THE AGROTOVARNIK GROUP

In July 2025, upon fulfilment of all contractual provisions set out in the agreements on the transfer of business shares, the Parent Company acquired 47.89% of the ownership in Agro-tovarnik d.o.o. and 64.53% of the voting rights. The total value of the acquisition of the 47.89% share amounts to EUR 11,666 thousand, and the total value was paid in full in July 2025. As a result, the Group acquired control of the Agrotovarnik Group as of 9 July 2025. And from that moment, it was consolidated into the Group. After the purchase price allocation (PPA), the Company recognised a gain from a bargain purchase in the amount of EUR 2,913 thousand based on the aforementioned transaction (Note 6).

	09 July 2025
Fixed assets	**33,604**
Intangible assets	55
Right-of-use assets	2,927
Property, plant and equipment	29,580
Biological assets	1,043
Current assets	**8,991**
Inventories	5,363
Trade receivables	2,203
Current financial assets at amortised cost	585
Cash and cash equivalents	187
Other receivables	653
Total assets	**42,595**
Non-current liabilities	**11,958**
Non-current financial liabilities	8,439
Deferred tax liabilities	3,059
Other non-current liabilities	460
Current liabilities	**8,044**
Current financial liabilities	413
Trade payables	4,174
Other current liabilities	529
Right-of-use assets liabilities	2,927
Total liabilities	***20,002***
Fair value of net assets	**22,593**

	Share	Value as of 9 July 2025
Fair value of cash consideration transferred	**64.53%**	**11,666**
Non-controlling interest	**35.47%**	**8,014**
Total	**100%**	**19,680**
Fair value of net assets		**22,593**
Bargain gain		**2,913**

The Company has chosen as its accounting policy to measure its non-controlling interest in Agrotovarnik Group at the level of its share in the acquiree's identifiable net assets in proportion to the amount of the non-controlling interest.

BUSINESS COMBINATIONS IN 2024 – ŽITO d.d.

a) MERGERS

In 2024, a status change was implemented by merging the subsidiaries into the parent company Žito d.d. The merger process was carried out in accordance with the provisions of the Companies Act, and the goals of the merger are related to the economy and efficiency of operations, greater cost management and better utilisation of technical and technological resources.

The details of the merger are provided below:

- Melem d.o.o. - merger completed on 13 March 2024.
- Rosa d.o.o. - merger completed on 25 March 2024
- Mambo d.o.o. - merger completed on 19 December 2024
- Prosciutto Pannonico d.o.o. - merger completed on 19 December 2024

	Melem d.o.o.	**Rosa d.o.o.**	**Mambo d.o.o.**	**Prosciutto Pannonico d.o.o.**	**Total**
	EUR 000	***EUR 000***	***EUR 000***	***EUR 000***	***EUR 000***
Fixed assets	**1,165**	**1,445**	**13,130**	**23,913**	**39,653**
Goodwill	270	520	-	-	790
Right-of-use assets	197	191	-	-	388
Property, plant and equipment	698	734	289	23,913	25,634
Interests in associates	-	-	12,841	-	12,841
Current assets	**489**	**423**	**13**	**11,535**	**12,460**
Inventories	102	162	-	9,959	10,223
Trade receivables	279	260	13	1,540	2,092
Other receivables	108	-	-	35	143
Cash and cash equivalents	-	1	-	1	2
TOTAL ASSETS	**1,654**	**1,868**	**13,143**	**35,448**	**52,113**
Liabilities - non-current	**242**	**212**	**-**	**14,478**	**14,932**
Non-current loan liabilities	-	-	-	14,478	14,478
Lease liabilities	242	212	-	-	454
Liabilities - current	**644**	**178**	**10,083**	**10,894**	**21,799**
Trade payables	126	162	-	1,315	11,686
Liabilities to the state	10	5	1,485	557	2,057
Current loan and borrowing liabilities	508	11	8,598	6,693	15,810
Other liabilities	-	-	-	47	47
Accrued expenses and deferred income	-	-	-	2,282	2,282
TOTAL LIABILITIES	**886**	**390**	**10,083**	**25,373**	**36,732**
Net assets	**768**	**1,478**	**3,060**	**10,075**	**15,381**
Investment in a subsidiary	**175**	**816**	**14,093**	**11,502**	**26,586**
Difference - to (charge)/in credit of retained earnings	**593**	**662**	**(11,033)**	**(1,427)**	**(11,205)**

BUSINESS COMBINATIONS IN 2024 – ŽITO d.d. AND SUBSIDIARIES

a) MERGERS

In 2024, the Group is continuing to implement goals related to economy and business efficiency, more efficient cost management, and better use of technical and technological resources, and the status of the subsidiary merger continues. The merger processes were carried out in accordance with the provisions of the Companies Act.

The details of the merger are as follows:

Companies merged with the parent company Žito d.d.:

- Mambo d.o.o.- merger completed on 11 December 2024 (the merger was preceded by the merger of Navi Management d.o.o. in December 2024)
- Prosciutto Pannonico d.o.o.- merger completed on 18 December 2024
- Melem d.o.o. - merger completed on 5 March 2024
- Rosa d.o.o. – merger completed on 5 March 2024

Companies merged with Farma muznih krava Orlovnjak d.o.o.:

- Gospodarstvo Gorjani d.o.o. - merger completed on 18 March 2024
- Krndija d.o.o.- merger completed on 26 March 2024

Companies merged with Novi Agrar:

- Mirkom d.o.o.- merger completed on 15 April 2024

Companies merged with Diba:

- Silosi Pitomača d.o.o.- merger completed on 13 November 2024

Companies merged with Hana Vuka d.o.o:

- Vitulus d.o.o. - merger completed on 13 November 2024

47. EVENTS AFTER THE REPORTING DATE

On 13 January 2026, the transaction for the acquisition of a 51% stake in the share capital of Mesna industrija Ravlić d.o.o. was concluded upon fulfilment of all conditions of the purchase agreement.

On 10 March 2026, the Group signed a purchase agreement and an agreement on the transfer and takeover of 100% of the business shares of Anabbela d.o.o. for production, processing, trade and services, Duboševica, Braće Radića 54.

Apart from the above, there were no events after the reporting date that would significantly affect the annual separate and consolidated financial statements of the Company and the Group for 2025, which should subsequently be published.

48. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were adopted by the Management Board and approved for their issuance on 29 April 2026.

Signed for and on behalf of the Management Board:

Mr Marko Pipunić, President of the Management Board



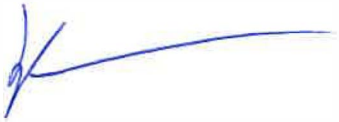
Mr Josip Bičvić, Member of the Management Board



Mr Mato Božić, Member of the Management Board



Mr Jozo Ljubičić, Member of the Management Board



Osijek, 24 April 2026

Based on the provisions of Article 28 of the Articles of Association of the Company ŽITO Inc., the provisions of Articles 300.a, 300.b, 300.d of the Companies Act («Official Gazette», No. 111/93, 34/99, 121/99, 52/00 – Decision of the Constitutional Court of the Republic of Croatia, 118/03, 107/07, 146/08, 137/09, 152/11 – consolidated text, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), the Management Board of the Company ŽITO Inc. on 24 April 2026, adopts the following

D E C I S I O N

1. The annual financial statements for the Company ŽITO Inc. for the business year 2025 are hereby determined, in the text attached to this Decision and form an integral part thereof.

2. The consolidated annual financial statements for the Company ŽITO Inc. and its subsidiaries for the business year 2025 are hereby determined in the text attached to this Decision and form an integral part thereof.

3. The Report of the independent auditor BDO CROATIA Ltd., headquartered in Zagreb, for the business year 2025 is hereby accepted, in the text attached to this Decision and forming an integral part thereof

4. The reports referred to in point 1. of this Decision are submitted to the Supervisory Board of the Company ŽITO Inc. for consent and, upon the obtaining of consent, will be deemed to have been determined by the Management Board and the Supervisory Board of the Company ŽITO Inc. and will be presented to the General Assembly.

5. This Decision shall enter into force on the date of its adoption.

ŽITO Inc.
President of the Management Board
Marko Pipunić

_____
For signature, please refer to the original Croatian document, which prevails.

Submit to:
Members of the Management Board
Members of the Supervisory Board
Treasury Department
Accounting Department

Osijek, 24 April 2026

Based on the provisions of Article 29 of the Articles of Association of the Company ŽITO Inc., and the provisions of Articles 220 and 222 of the Companies Act («Official Gazette», No. 111/93, 34/99, 121/99, 52/00 – Decision of the Constitutional Court of the Republic of Croatia, 118/03, 107/07, 146/08, 137/09, 152/11 – consolidated text, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), the Management Board of the Company ŽITO Inc. on 24 April 2026 adopted the following

D E C I S I O N

I/. The Management Board of ŽITO Inc. establishes the following proposal for a Decision on the use of profits:

"P R O P O S A L
Decision on the use of profit for the year 2025

1. It is determined that the company ŽITO Inc. in the business year ending on 31 December 2025 achieved a net profit of EUR 19,948,802.34.

The amount of net profit from this decision will be used as follows:

- Part of the net profit in the amount of EUR 15,469,420.05 will be used to pay dividend to shareholders, in the amount of EUR 0.61 per share.
- Part of the net profit in the amount of EUR 4,479,382.29 will be distributed to retained earnings

2. The right to receive the dividend (claim) shall belong to all shareholders of the Company, being the holders of shares recorded in their accounts of dematerialized securities in the computer system of the Central Depository and Clearing Company Inc. as of 26 June 2026 (the date of acquisition of the dividend claim – **record date**).

The date from which the Company's shares will be traded on the regulated market without the right to receive the dividend shall be 25 June 2026 (**ex date**).

The dividend shall be paid to the Company's shareholders on 3 July 2026 (payment date).

3. This Decision shall enter into force on the date of its adoption."

II/. Proposal from point I/. of this Decision will be sent for approval to the General Assembly of the Company as a joint proposal of the Management Board and the Supervisory Board.

ŽITO Inc.
President of the Management Board
Marko Pipunić

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For signature, please refer to the original Croatian document, which prevails.

Submit to:
Members of the Management Board
Members of the Supervisory Board
Legal Affairs Department
Controlling Sector
Treasury Department
Accounting Department
Company Secretary

Pursuant to Articles 300.c and 300.d of the Companies Act (Official Gazette, No. 111/93, 34/99, 121/99, 52/00 – Decision of the USRH, 118/03, 107/07, 146/08, 137/09, 152/11 – consolidated text, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), and the provisions of Article 22, paragraph 8, item 3, and the provisions of Article 28, paragraph 4, paragraph 5 and paragraph 6 of the Articles of Association of the Company ŽITO Inc. and the provisions of Article 3 of the Rules of Procedure of the Supervisory Board of the Company ŽITO Inc., at the meeting of the Supervisory Board of the Company ŽITO Inc. held on 29 April 2026, the following is adopted

D E C I S I O N

I/. Consent is given to the annual financial statements of the Company ŽITO Inc. for the business year 2025 and the consolidated annual financial statements of the Company ŽITO Inc. and its subsidiaries for the business year 2025, in the text attached to this Decision and form an integral part thereof.

II/. The Report of the independent auditor BDO CROATIA Ltd., headquartered in Zagreb, for the business year 2025 is accepted, in the text attached to this Decision and form an integral part thereof.

III/. The Supervisory Board also informs the Management Board of the consent given to the individual annual financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (ŽITO Inc. and subsidiaries) for the business year 2025.
It is considered that the Management Board and the Supervisory Board have jointly determined the annual financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries for the business year 2025, together with the auditor's report, in the text attached to this Decision and forming an integral part thereof.

IV/. The annual financial statements of the Company ŽITO Inc. and the consolidated financial statements of the Company ŽITO Inc. and its subsidiaries shall be presented to the General Assembly of the Company.

V/. This decision shall enter into force on the date of its adoption.

PRESIDENT OF THE SUPERVISORY BOARD
ANTE MANDIĆ

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For signature, please refer to the original Croatian document, which prevails.

Pursuant to Article 220, paragraph 3, and Article 222 of the Companies Act (Official Gazette, Nos. 111/93, 34/99, 121/99, 52/00 – Decision of the Constitutional Court of the Republic of Croatia, 118/03, 107/07, 146/08, 137/09, 152/11 – consolidated text, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), Article 29 of the Articles of Association of the Company ŽITO Inc. and the provisions of Articles 3 and 4 of the Rules of Procedure of the Supervisory Board of ŽITO Inc., the Supervisory Board of ŽITO Inc., at its meeting held on 29 April 2026, adopted

D E C I S I O N

I/. Consent is given to the Management's proposal on the use of profits for the year 2025, as follows:

"**P R O P O S A L**
Decision on the use of profit for the year 2025

1. It is determined that the company ŽITO Inc. in the business year ending on 31 December 2025, achieved a net profit of EUR 19,948,802.34.

The amount of net profit from this decision will be used as follows:

- Part of the net profit in the amount of EUR 15,469,420.05 will be used to pay dividend to shareholders, in the amount of EUR 0.61 per share.
- Part of the net profit in the amount of EUR 4,479,382.29 will be distributed to retained earnings.

2. The right to receive the dividend (claim) shall belong to all shareholders of the Company, being the holders of shares recorded in their accounts of dematerialized securities in the computer system of the Central Depository and Clearing Company Inc. as of 26 June 2026 (the date of acquisition of the dividend claim – **record date**).

The date from which the Company's shares will be traded on the regulated market without the right to receive the dividend shall be 25 June 2026 (**ex date**).

The dividend shall be paid to the Company's shareholders on 3 July 2026 (payment date).

3. This Decision shall enter into force on the date of its adoption."

II/. Proposal from point I/. of this Decision will be sent for approval to the General Assembly of the Company as a joint proposal of the Management Board and the Supervisory Board.

PRESIDENT OF THE SUPERVISORY BOARD
ANTE MANDIĆ

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For signature, please refer to the original Croatian document, which prevails.