

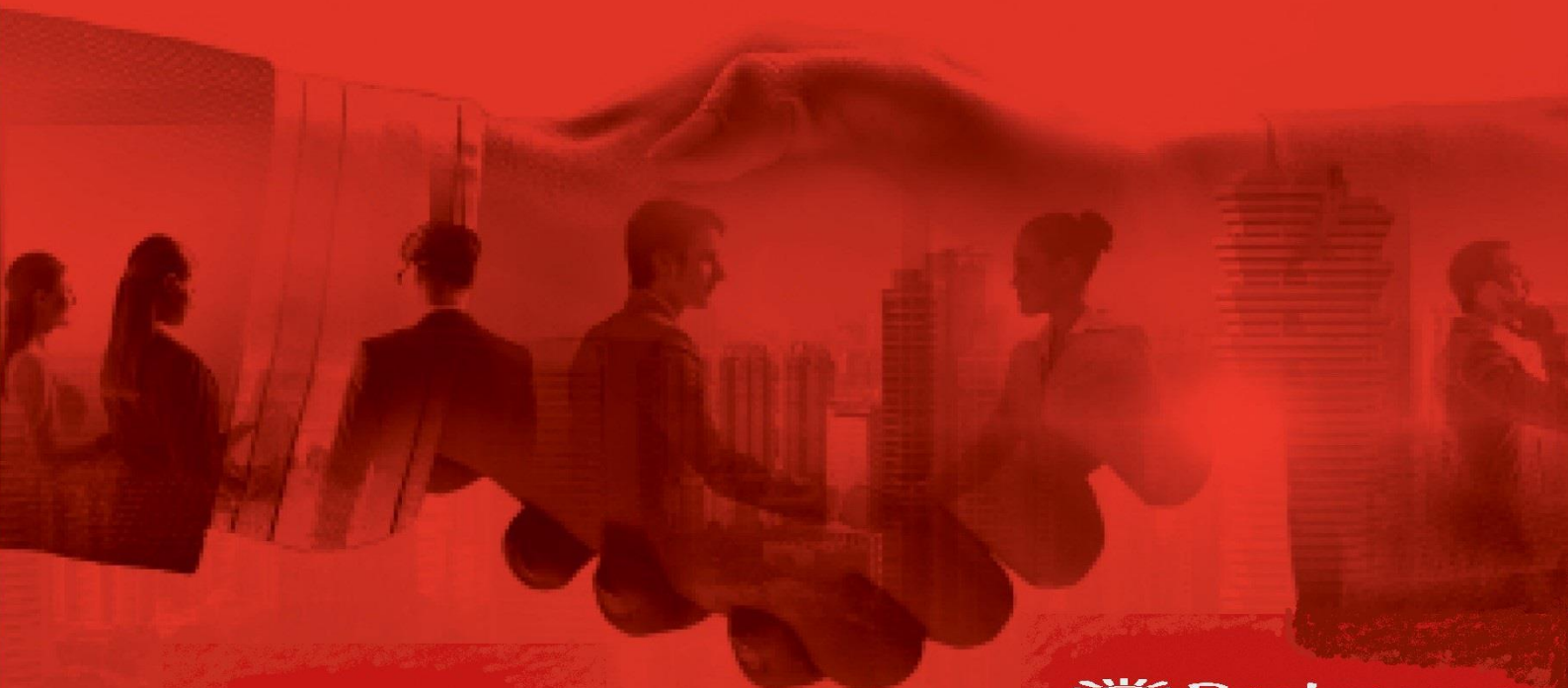


ČAKOVEČKI MLINOVI

- 1893 -

ČAKOVEČKI MLINOVI INC.

CONSOLIDATED FINANCIAL REPORT FOR H1 2025



CONTENT

CONSOLIDATED INTERIM MANAGEMENT REPORT FOR THE PERIOD 1.-6. 2025. YEAR ...	3
1. BUSINESS RESULTS IN H1 2025.....	4
<i>BRIEFLY ABOUT THE ČAKOVECKI MLINOVI GROUP.....</i>	<i>4</i>
<i>BUSINESS SEGMENTS AND OPERATIONAL BUSINESS</i>	<i>4</i>
<i>KEY FINANCIAL INDICATORS OF THE GROUP</i>	<i>6</i>
<i>QUARTERLY PERFORMANCE OVERVIEW OF THE GROUP</i>	<i>8</i>
<i>SALES INCOME</i>	<i>9</i>
<i>OPERATING COSTS</i>	<i>10</i>
<i>EBITDA.....</i>	<i>10</i>
<i>NET PROFIT.....</i>	<i>11</i>
<i>NET DEBT</i>	<i>11</i>
<i>CASH FLOWS.....</i>	<i>12</i>
<i>VALUATION OF THE ČAKOVECKI MLINOVI GROUP.....</i>	<i>12</i>
2. EXPECTED BUSINESS DEVELOPMENT IN 2025	13
CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1.-6. 2025. YEAR.....	15

ČAKOVECKI MLINOVI INC.

**CONSOLIDATED INTERIM MANAGEMENT REPORT
FOR H1 2025**

1. BUSINESS RESULTS IN H1 2025.

BRIEFLY ABOUT THE ČAKOVEČKI MLINOVI GROUP

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

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

In H1 2025, the Čakovečki mlinovi Group achieved 186.2 million euros of consolidated total revenues based on consolidated total assets in the amount of 185.2 million euros and is on average based on hours worked, employed 4.587 employees. According to the Accounting Act, the Čakovečki mlinovi Group belongs to a large group of entrepreneurs.

The shares of Čakovečki mlinovi Inc. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML. As of 30 June 2025, the Company had 16,020,000 issued and 10,290,000 listed shares with a market capitalization of 176.2 million euros.

On January 30, 2025, the company Čakovečki mlinovi Inc. paid a dividend in the amount of EUR 5,042,100 (EUR 0.49 per share).

BUSINESS SEGMENTS AND OPERATIONAL BUSINESS

The Čakovečki mlinovi Group is organized into two strategic business segments:

- Trade, which includes retail and wholesale of food and non-food products;
- Food, which includes the production of mill and bakery products and oil.

Čakovečki mlinovi Inc. manages the segments from a strategic level and acts as the corporate center of the Group. The Trade business segment is operationally managed by Trgovina Krk Inc. The Food business segment is operationally managed by Čakovečki mlinovi Inc.

The business segments of the Group and their key operating indicators are presented below.

Trade

KEY OPERATIONAL INDICATORS	30.6.2025.	30.6.2024.
Number of retail stores	845	425
Retail store area (in m2 net)	85,505	55,325
Average store area (in m2 net)	101	130
Area of distribution warehouses (in m2 gross)	19,662	11,343
Average number of employees	3,848	1,797

Trade is the largest segment of the Čakovečki mlinovi Group, which is in the H1 2025 82.4% of Group sales revenue.

The Trade segment is organized into two business areas:

- retail - trade in predominantly food and, to a lesser extent, non-food assortment;
- Wholesale – trade in food, non-food and construction products.

Retail makes up 95.8% of sales revenue of the Trade segment.

As of 30 June 2025, the store operated 845 retail stores located in northwestern and eastern Croatia, in Kvarner and on the island of Krk. The total net sales area was 85.505 m². The main factors of the Retail segment's offer are the proximity of stores and local assortment, which is why the Group's retail stores are mostly located in smaller settlements or residential areas and have an average net sales area of up to 101 m². This store format in Croatia is defined as a market or supermarket, and is better known internationally as the proximity format due to its characteristic proximity to customers.

Trgovina Krk Inc. holds a 25% ownership share in the company Narodni tragnar lanac Ltd. (further: "NTL"), the largest procurement association for food products in Croatia, through which it realizes about 75% of the procurement of goods. In addition to providing commercial services to its members, developing the NTL brand, and purchasing and distributing fruit and vegetables, NTL manages its own retail network of 346 stores and 9 wholesale logistics and distribution centers. In H1 2025, NTL generated 1.9 million euros of net profit (H1 2024: 0,6million euros). Trgovina Krk Inc. also holds a 10% ownership stake in the company Grandal grupa Ltd., the largest purchasing association for construction materials in Croatia.

Food

KEY OPERATIONAL INDICATORS	30.6.2025.	30.6.2024.
Cereal processing (in tons)	36,526	28,391
Production of bakery products (in tons)	14,093	3,862
Average number of employees	739	273

The Food segment covers food production and is organized into three business areas:

- milling - production of mainly flour and other mill products, and to a lesser extent porridge and cattle meal;
- bakery - production of mainly bread, pastries and cakes and to a lesser extent dough and;

As of 30 June 2025, the Food segment operated three flour milling plants (Čakovec, Donji Kraljevec and Sisak) with a total production capacity of 105,000 tons per year, five bakery plants (Čakovec, Oroslavje, Lovran, Malinska, Zagreb) with a total production capacity of 37,533 tons per year, and one oil mill (Punat).

KEY FINANCIAL INDICATORS OF THE GROUP

PROFIT AND LOSS ACCOUNT (in millions of euros)	1.-6. 2025.	1.-6. 2024.	1.-6. 2025./ 1.-6. 2024.
Sales revenue	181.8	92.9	95.6%
Operating expenses, net ¹	173.7	89.8	93.5%
EBITDA ²	8.1	3.1	157.8%
Normalized EBITDA³	8.0	3.7	120.2%
Amortization	6.6	3.6	84.9%
EBIT ⁴	1.4	-0.5	-
Net financial result ⁵	1.1	1.1	0.0%
Net profit (loss)	1.7	0.5	-

Profit margins⁶			
EBITDA margin	4.4%	3.4%	1.1 bp
Normalized EBITDA margin	4.4%	3.9%	0.5 bp
EBIT margin	0.8%	-0.5%	1.3 bp
Net profit margin	1.0%	0.5%	0.5 bp

BALANCE SHEET (in millions of euros)	30.6.2025.	31.12.2024.	30.6.2025./3 1.12.2024.
Net debt (cash) ⁷	-4.8	-20.6	-76.5%
Capital and reserves	109.3	87.6	24.9%
Net working capital ⁸	29.0	23.7	22,5%

CASH FLOWS (in millions of euros)	1.-6. 2025.	1.-6. 2024.	1.-6. 2025./1.-6. 2024.
Net cash flows from operating activities.	16,9	7.5	125,8%
Capital expenditure (CapEx) ⁹	4.5	2.7	66.5%
Cash expenditures for dividend payments	5.0	0.0	-

1 Operating costs, net include business expenses less depreciation, other business income and income based on the use of own products, goods and services; a detailed calculation is presented under Operating costs in this part of the report.

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

3 Normalization implies adjustment for one-off items; detailed calculation is presented under EBITDA Normalization in this section of the report.

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

5 Net financial result is calculated as financial income + share in the profit of the associated company (NTL) – financial expenses.

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

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

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

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

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

SUMMARY OF GROUP RESULTS

In H1 2025, the Čakovečki mlinovi Group achieved 181.8 million euros in sales revenue, 8.0 million euros of normalized EBITDA and 1,7million euros net profit.

The Group's operations were marked by an increase in sales revenue of 95.6% or 88.9 million euros compared to the same period last year. Sales revenue from Retail, the Group's largest business area, grew by 94,1% or 68.7 million euros, or for 97.9% or 69.0 million euros on a comparable (hereinafter: "LFL") basis. The stated revenue growth is primarily a result of the Group's growth due to the results of the new members Zagrebačka Pekarna Klara Inc., Prehrana Trgovina Inc. and New MIP Ltd.

The Trade business segment, as the largest segment of the Group, achieved 149,7 million euros or 82,4% of sales revenue Groups and 4.7 million euros of normalized EBITDA.

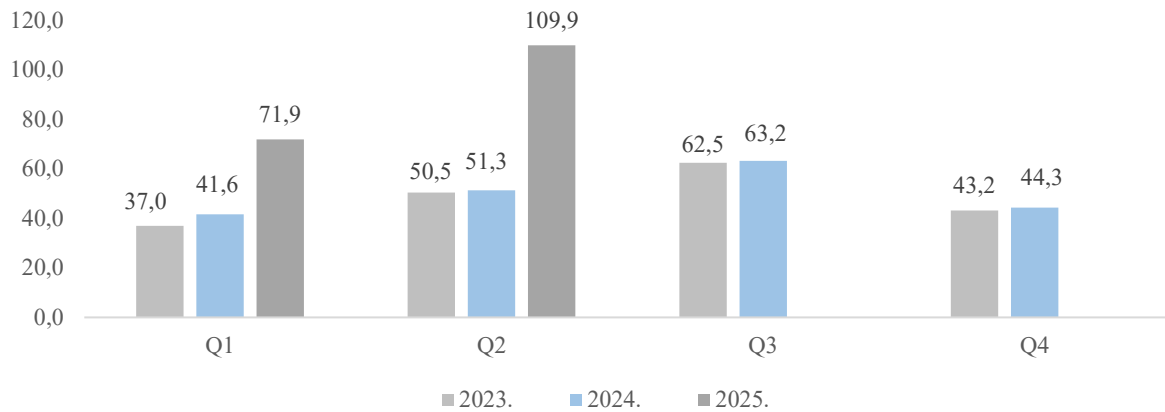
The Group's net operating expenses increased by 93.5% or 83.9 million euros, mostly as a result of the inclusion of new affiliated companies.

In the H1 2025, the Group's normalized EBITDA increased by 4.3 million euros, and net profits 1,7 million euros and increased for 1,2 million euros compared to H1 in 2024, the Group achieved a normalized EBITDA margin growth of 4.4% (H1 2024: 3.9%), the net profit margin is 1,0% (H1 2024: 0.5%).

QUARTERLY PERFORMANCE OVERVIEW OF THE GROUP

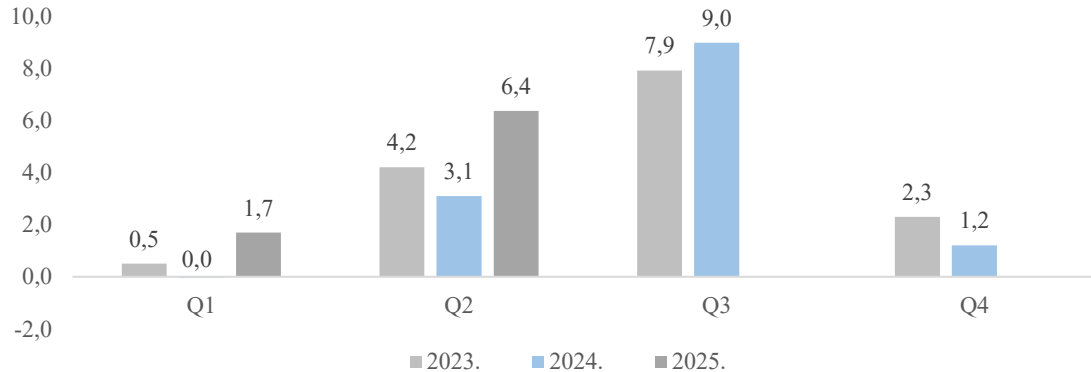
Group sales revenue

(in million euros)



Group EBITDA

(in million euros)



Note: Data for the fourth quarter were calculated based on audited (if available) annual financial statements and unaudited quarterly financial statements for the first, second and third quarters.

The Čakovečki mlinovi Group has a characteristic seasonality of business depending on the situation in Croatian tourism, with considering new members of the Group that have influenced the improvement of the revenue base, Group in the Q2 2025 records continued growth in sales revenue for Q2 2025 year and amounts 109.9 million euros and EBITDA for Q2 2025 of the year which amounts to 6.4 million euros.

SALES INCOME

SALES REVENUE BY SEGMENT					
(in millions of euros)	1.-6. 2025.	% of sales revenue	1.-6. 2024.	% of sales revenue	1.-6. 2025./ 1.-6. 2024.
Trade	149.7	82.4%	80.8	87.0%	85.2%
Food	32.1	17.6%	12.1	13.0%	165.8%
Consolidated sales revenue	181.8	100.0%	92.9	100.0%	95.6%

Note: Data are presented on a consolidated basis.

LFL1 RETAIL GROWTH			
(in millions of euros)	1.-6. 2025.	1.-6. 2024.	1.-6. 2025./ 1.-6. 2024.
Revenue from the sale of goods – Trade	147.9	80.5	83.7%
Revenue from sales of goods - Retail	141.8	73.0	94.1%
Revenues from the sale of goods - Retail - LFL	70.4	70.3	0.1%

1 Revenues on a comparative basis (eng. like-for-like, LFL) refer to stores that operated throughout both comparative periods.
Note: Data are presented on a consolidated basis.

In the H1 2025, the Group generated sales revenue of 181.8 million euros which is 95.6% or 88.9 million euros more compared to the same period last year as a result of increased revenue from new members of the Group, while sales revenue from the Food segment increased by 165.8% also as a result of the accession of new members.

Sales revenue of the Trade segment amounted to 149.7 million euros or 82.4% of the Group's sales revenue and increased by 85.2% or 68.9 million euros compared to the same period last year. The stated growth is a consequence of the positive effects of the merger of new members. Revenues from the sale of goods in Retail increased by 94,1% or 68.8 million euros, or increased are for 0.1% or 0.1 million euros on an LFL basis.

Sales revenue of the Food segment amounted to 32.1 million euros or 17.6% of sales revenue and are higher by 165.8% or 20.0 million euros compared to the same period last year.

OPERATING COSTS

(in millions of euros)	1-6. 2025.	% of sales revenue	1-6. 2024.	% of sales revenue	1.-6. 2025./ 1.-6. 2024.
Costs of raw materials, materials, energy and changes in inventory values	19.4	10.7%	11.4	12.3%	70.0%
Cost of goods sold, net ¹	101.7	56.0%	55.2	59.4%	84.3%
Other external costs	8.9	4.9%	3.5	3.7%	158.4%
Staff costs ²	41.7	23.0%	18.2	19.6%	129.7%
Other costs	2.2	1.2%	1.2	1.3%	74.6%
Value adjustments and provisions	-0.8	-0.5%	0.0	0.0%	-
Other operating expenses (income) ³	0.6	0.31%	0.3	0.3%	85.3%
Operating expenses, net	173.7	95.6%	89.8	96.6%	93.5%

1 Cost of goods sold less income from subsequently approved rebates and marketing services.

2 Personnel costs include net salaries, taxes and contributions from salaries, contributions to salaries and paid non-taxable benefits to employees.

3 Other business expenses less: paid non-taxable receipts of employees, other business income without income from subsequently approved rebates and marketing services and for income based on the use of own products, goods and services.

In the H1 2025, the Group recorded an increase in net operating expenses of 93.5% or 83.9 million euros compared to the same period last year. The increase in costs is the result of the merger of new members into the Group.

Cost of goods sold increased by 84.3% or 46.5 million euros as a result of the merger. Personnel costs together with non-taxable benefits paid amounted to 41.7 million euros and have increased 129.7% or 23.5 million euros. Personnel costs increased under the influence of the increase in the minimum wage and the spillover of this impact to the rest of the salaries. As of 30 June 2025, the Group employed 4,949 employees (H1 2024: 2,278), or in the H1 2025, an average of 4,587 employees based on hours worked (H1 2024: 2,070).

EBITDA

EBITDA BY SEGMENTS (in millions of euros)	1.-6. 2025.			1.-6. 2024.		
	GROUP	TRADE	FOOD	GROUP	TRADE	FOOD
Cons. sales revenue	181.8	149.7	32.1	92.9	80.8	12.1
EBITDA	8.1	4.9	3.2	3.1	1.8	1.3
EBITDA margin	4.4%	3.2%	10.0%	3.4%	2.2%	11.1%
Normalized EBITDA ¹	8.0	4.7	3.3	3.7	2.2	1.5
Normalized EBITDA margin	4.4%	3.2%	10.3%	3.9%	2.7%	12.3%

1 Normalization implies adjustment for material one-off items; detailed calculation is presented under EBITDA Normalization in this section of the report.

Note: Data are presented on a consolidated basis.

In the H1 2025, the Group achieved normalized EBITDA in the amount of 8.0 million euros which is 4.3 million euros more than in the same period last year. Reported EBITDA amounted to 8.1 million euros (H1 2024: 3.1 million euros).

Normalized EBITDA of the Trade segment amounts to 4.7 million euros and was increased by 2.5 million euros compared to the same period last year. The normalized EBITDA margin of the Trade segment is 3.2% (H1 2024: 2.7%).

EBITDA normalization

EBITDA NORMALIZATION (in millions of euros)	1.-6. 2025.			1.-6. 2024.		
	GROUP	TRADE	FOOD	GROUP	TRADE	FOOD
EBITDA	8.1	4.9	3.2	3.1	1.8	1.3
Intellectual services costs	0.1	0.0	0.1	0.1	0.0	0.1
Bonuses according to contractual relationships	0.0	0.0	0.0	0.5	0.4	0.1
Other one-time expenses (income), net	-0.2	-0.2	0.0	0.0	0.0	0.0
Normalized EBITDA	8.0	4.7	3.3	3.7	2.2	1.5

Note: The term 'net' implies that an individual item of income is netted by a comparable item of expenditure.

In addition to reporting on alternative (non-IFRS) business performance measures such as EBITDA, the Group discloses the impact of non-recurring items in order to achieve a higher level of transparency of its normal business activities. Non-recurring items are those items that do not appear regularly and have a significant impact on the result. In the first half of 2025, the Group recorded EUR 0.1 million of non-recurring costs of intellectual services (H1 2024.: 0.1 million euros), -0,2 million other expenses (H1 2024.: 0,0 million euros).

NET PROFIT

In H1 2025, the Group achieved net profit in the amount of 1,7 million euros and its net profit increased by 1.2 million euros relation to H1 2024.

NET DEBT

(in millions of euros)	30.6.2025.	31.12.2024.	30.6.2025./ 31.12.2024.
Long-term liabilities for loans received	2.3	0.0	-
Long-term lease liabilities	13.2	2.7	390.2%
Short-term liabilities from loans received	5.5	4.2	31.4%
Short-term lease liabilities	2.0	1.4	37.1%
Loans, deposits, etc. given	-8.6	0.0	-
Cash	-19.3	-28.8	-33.2%
Net debt (cash)	-4,9	-20,5	-76.5%

As of 30 June 2025, the Group recorded a net cash item in the amount of 4,9 million euros (31.12.2024: 20.5 million euros), of which liabilities for loans and credits relate to 7.8 million euros (31.12.2024: 4.2 million euros), on lease liabilities 15.2 million euros (31.12.2024: 2.7 million euros), and on cash equivalents and deposits given 27.8 million euros (31.12.2024: 28.8 million euros).

CASH FLOWS

In the H1 2025, the Čakovečki mlinovi Group achieved 16,9 million euros of net cash flows from operating activities, which is higher than the achieved EBITDA, primarily as a result of an increase in net working capital by 27.2 million euros.

NET WORKING CAPITAL			
(in millions of euros)	30.6.2025.	31.12.2024.	30.6.2025./ 31.12.2024.
Supplies	44.7	25.8	73.3%
Short-term receivables from customers	18.2	8.1	125.0%
Short-term liabilities to suppliers	-35.7	-10.2	250.9%
Net working capital	27.2	23.7	14.8%

The Group's net working capital increased by 14.8% or 3.5 million euros, with inventories increasing by 73.3% or 18.9 million euros. Trade receivables increased by 125.0% or 10.1 million euros due to revenue growth, while short-term liabilities to suppliers increased by 250.9% or 25.5 million euros.

The Group's capital investments in the H1 2025 they amounted to 4.5 million euros and are higher than in the same period last year (H1 2024: 2,7 million euros).

VALUATION OF THE ČAKOVEČKI MLINOVI GROUP

KEY VALUATION INDICATORS OF CKML SHARES			
(in millions of euros)	30.6.2025.	31.12.2024.	30.6.2025./ 31.12.2024.
Price per share (PPS, in euros) ¹	11.0	10.6	3.8%
Market capitalization ²	176.2	109.1	61.6%
EV ³	170.5	84.7	101.4%

¹ Price per share (PPS) is represented by the reference price on the Zagreb Stock Exchange, i.e. the average price weighted by the volume of traded shares as a better representative of the price given the low liquidity of the CKML share.

² Market capitalization represents the market value of share capital on the stock exchange; calculated as the product of the number of shares (16,020,000) and the price per share.

³ EV (enterprise value) represents the value of business; calculated as market capitalization + net debt (money) + minority interest.

2. EXPECTED BUSINESS DEVELOPMENT IN 2025

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

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

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

General economic environment

According to CNB data, core inflation in Croatia is expected to slow from 4.0% to 3.6% in 2025. The further reduction in inflation, for the third year in a row, stems from the slowdown in wage growth and personal consumption, subdued growth in foreign demand for tourism-related services, as well as a reduction in cost pressures due to the strengthening of the euro and the spillover of the recent drop in energy prices. The risks of higher inflation are mainly related to geopolitical tensions that could result in higher allocations for defense and thus higher prices of energy and other raw materials, trade barriers and stronger than expected wage growth.

Real GDP in Croatia for 2024 was 3.9%, and the CNB expects further growth but at a slightly lower level of 3.3% in 2025.

For 2025, global and regional GDP is expected to continue to grow, although perhaps at a slower pace than during the post-pandemic recovery. Depending on the region, economies could experience stabilization, while markets in developed countries should record moderate growth. In Croatia and Europe, the return to economic growth will also depend on favorable circumstances in the international market, interest rate policy and stability of political and trade relations. Thus, in Croatia we have a slowdown in growth to 3.3% (in 2024 3.9%).

Further GDP growth is expected through a greater contribution from the export of goods and services, assuming a recovery in external demand, but also through a continued decline in interest rates and more favorable financing costs. The slowdown in growth results from the slower growth of investments and the weakening of consumer confidence, i.e. the weakening of personal consumption in the first two months.

Impact of the war in Ukraine and the Middle East

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

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

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

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

State price control measures

In the retail segment, during 2025, new government measures aimed at controlling the prices of certain products will potentially have a negative impact on the volume and profitability of the Group's business. As of January 2025, limited prices have been defined for 70 products in retail. Management is influencing the negative effects through the pricing policy of the rest of the assortment and through the adjustment of business operations to Sundays.

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

ČAKOVECKI MLINOVI INC.INC.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR H1 2025**

**STATEMENT OF PERSONS RESPONSIBLE FOR PREPARING THE FINANCIAL
STATEMENTS OF THE PUBLISHER ČAKOVEČKI MLINOVI INC. FOR 2025**

Pursuant to the provisions of Article 465. of the Capital Market Act, the President of the Company's Management Board, Mario Sedlaček, and the members of the Management Board, Krešimir Kvaternik, Marijan Sršen and Franjo Plodinec, make the following statement:

To the best of our knowledge:

- Consolidated financial statements for the first half of the year 2025, have been prepared using appropriate financial reporting standards, and give a true and fair view of the assets and liabilities, financial position, profit or loss of the issuer and the companies included in the consolidation as a whole.
- Consolidated interim management report for the first half of the year 2025, it contains an objective presentation of the development and results of operations and the position of the issuers and companies included in the consolidation as a whole, along with a description of the most significant risks and uncertainties to which they are exposed.

Consolidated financial statements for the first half of the year 2025 are not audited.

In Čakovec, 30 July 2025

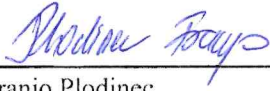
For Čakovečki mlinovi Inc.:



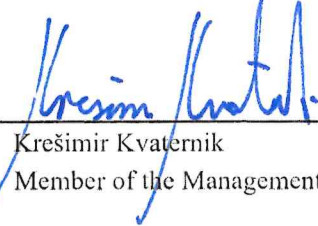
Mario Sedlaček
President of the Management Board



Marijan Sršen
Member of the Management Board



Franjo Plodinec
Member of the Management Board



Krešimir Kvaternik
Member of the Management Board

	1-6. 2025. in '000 EUR	1-6. 2024. in '000 EUR	1-6. 2025. in '000 EUR	1-6. 2024. in '000 EUR
Sales revenue	181,763	92,905	109,901	51,313
Other operating income	3.113	2,003	1,888	993
Business income	184,876	94,908	111,788	52,306
Change in the value of work in progress and finished goods inventories	810	(49)	(5.178)	(116)
Raw material and material costs	(20,248)	(11,383)	(11,558)	(5,527)
Cost of goods sold	(104.108)	(57,004)	(57,746)	(31,336)
Other external costs	(8,925)	(3,453)	(5,270)	(1,854)
Personnel costs	(36,596)	(16,378)	(20,695)	(8,554)
Amortization	(6,625)	(3,583)	(3,629)	(1,805)
Other costs	(7,314)	(3,033)	(4,694)	(1,521)
Value adjustments	-	-	(1)	-
Reservations	850	-	456	-
Other business expenses	(1.283)	(480)	(734)	(237)
Business expenses	(183.439)	(95,363)	(109.049)	(50,950)
Operating profit	1,437	(455)	2,740	1,356
Financial income	812	556	393	346
Financial expenses	(237)	(50)	(124)	(29)
Net financial result	575	506	269	317
Share in the profit of an associated company	514	584	477	445
Profit before tax	2,526	635	3,486	2.118
Income tax	(777)	(183)	(484)	(128)
Net profit	1,749	452	3,004	1,990
Attributable to:				
To the shareholders of the Company	1,620	450	3,063	1,984
Owners of non-controlling interests	129	2	(-59)	6
Earnings per share for profit attributable to shareholders of the Company during the year (in euros)				
- basic	0.16	0.04	0.30	0.19
- diluted	0.16	0.04	0.30	0.19

	1-6. 2025. in '000 EUR	1-6. 2024. in '000 EUR	1-6. 2025. in '000 EUR	1-6. 2024. in '000 EUR
NET PROFIT FOR 2025	1,749	452	3,004	1,990
Other comprehensive gains: Items that will not be reclassified to the income statement				
Fair valuation of shares in associated companies				
Fair valuation of shares				
Total comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income/(loss) for the year	1,749	452	3,004	1,990
Attributable to:				
To the shareholders of the Company	1,620	450	3,063	1,984
Owners of non-controlling interests	129	2	(59)	6

	30.6.2025. in '000 EUR	31.12.2024. in '000 EUR
Assets		
Fixed assets		
Intangible assets	2,888	72
Tangible assets	76,750	37,786
Real estate investments	724	481
Investments in associated companies	8,058	9,078
Financial assets	1,852	1,799
Receivables	0	0
Deferred tax assets	320	320
	<hr/> 90,592	<hr/> 49,537
Current assets		
Supplies	44,679	25,786
Receivables	22,096	8,995
Financial assets	8,596	81
Money in the bank and cash register	19,260	28,833
	<hr/> 94,630	<hr/> 63,694
TOTAL ASSETS	<hr/> 185,222	<hr/> 113,231
Capital and reserves		
Share capital	21,262	13,657
Capital reserves	54,909	-
Reserves from profit	3,132	3,132
Fair value reserves	2,990	2,990
Retained earnings	27,977	71,615
	<hr/> 110,271	<hr/> 91,394
Owners of non-controlling interests	(936)	(3,823)
Total capital	<hr/> 109,334	<hr/> 87,571
Obligations		
Long-term liabilities		
Reservations	2,071	1,421
Liabilities for loans, deposits, leases, etc.	13,231	2,699
Liabilities to banks and other financial	2,306	-
Deferred tax liability	656	656
	<hr/> 18,264	<hr/> 4,776
Short-term liabilities		
Liabilities for loans, deposits, leases, etc.	6,141.1	5,610
Liabilities to banks and other financial	1,311.6	-
Liabilities for advances	28	64
Accounts payable	35,662.2	10,164
Obligations towards employees	5,587.9	2,078
Obligations for taxes, contributions and similar	5,619.1	2,409
Liabilities based on share in results	2,487	29
Other short-term liabilities	643.1	530
Reservations - short term	145	-
	<hr/> 57,624	<hr/> 20,884
TOTAL LIABILITIES	<hr/> 185,222	<hr/> 113,231

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1.-6. 2025. YEAR

	Share in '000	Capital in '000	Legal in '000	Other in '000	Fair in '000	Retained in '000	Total in '000	Non- in '000 EUR	Total in '000 EUR
Status as of 1.1.2024.	13,657	0	683	2,563	2,869	65,766	85,538	-3.865	81,673
Transfer to retained earnings				(114)		114			
Profit/(loss) for the year	-					6,764	6,764	42	6,806
Other comprehensive income	-					-	121		121
Total comprehensive income/(loss)				(114)	121	6,878	6,885		6,927
Other non-ownership changes in capital									-
Dividend						(1,029)	(1,029)		(1,029)
Balance as of 31.12.2024.	13,657	0	683	2,449	2,990	71,615	91,394	(3,823)	87,571
Status as of 1.1.2025.	13,657	0	683	2,449	2,990	71,615	91,394	(3,823)	87,571
Profit/(loss) for the year	-		-	-		(1,443)	(1,443)	189	(1,255)
Other comprehensive income						-	-		-
Total comprehensive income/(loss)	-	-	-	-		(1,443)	(1,443)	189	(1,255)
Payments from members/shareholders							62,514		62,514
Other non-ownership changes in capital							140	2,887	3,027
Other distributions						(40,420)	(40,420)		(40,420)
Dividend						(5,042)	(5,042)		(5,042)
Condition 30.06.2025.	21,262	54,909	683	2,449	2,990	27,913	110,206	(936)	109,270

	1-6. 2025. in '000 EUR	1-6. 2024. in '000 EUR
CASH FLOW FROM BUSINESS ACTIVITIES		
Profit before tax	2,526	635
Adjustments:		
Amortization	6,625	3,583
Gains and losses from the sale and value adjustments of long-term tangible and intangible assets	-	(189)
Share in the profit of an associated company	(515)	(584)
Interest and dividend income	(317)	(428)
Interest expenses	237	40
Reservations	850	-
Other adjustments for non-cash transactions and unrealized gains and losses	-	2
	9,406	3,059
Increase or decrease in cash flows before changes in working capital		
Changes in working capital	8,014	5,011
Increase or decrease in short-term liabilities	49,852	8,535
Increase or decrease in current receivables	(22,945)	(3,739)
Increase or decrease in inventory	(18,893)	215
Cash from business	17,420	8,071
Cash expenses for interest	172	(88)
Paid income tax	(656)	(481)
NET CASH FLOWS FROM BUSINESS ACTIVITIES	16,936	7,502
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash receipts from the sale of fixed assets and intangible assets	518	32
Cash receipts from interest	312	424
Cash receipts from dividends	687	120
Cash receipts based on the return of loans and savings deposits	2,441	525
Cash expenditures for the purchase of long-term tangible and intangible assets	(4,550)	(2,732)
Acquisition of a subsidiary, net of cash acquired	(18,787)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(19,379)	(1,631)
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Cash expenses for financial lease	(2,088)	(668)
Cash expenditures for dividend payments	(5,042)	-
NET CASH FLOWS FROM FINANCIAL ACTIVITIES	(7,130)	(668)
TOTAL NET CASH FLOW	(9,573)	5,203
Cash and cash equivalents at the beginning of the period	28,833	23,754
Cash and cash equivalents at the end of the period	19,260	28,957

NOTE 1 – GENERAL INFORMATION

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

The Company's share capital on the date of this report amounts to EUR 21,262,193.93, fully paid up and divided into 16,020,000 ordinary dematerialized registered shares, without nominal value. 10,290,000 shares of Čakovečki mlinovi INC. are listed on the Official Market of the Zagreb Stock Exchange under the symbol CKML-RA, and 5,730,000 shares with the symbol CKML-RB, which were issued in accordance with the decision of the General Assembly of the Company dated 15 January 2025 on increasing the share capital by rights issues by issuing ordinary shares with partial exclusion of pre-emptive rights of existing shareholders, will also, in accordance with the decision of the General Assembly of the Company dated 15 January 2025, be listed on the Official Market of the Zagreb Stock Exchange in the future.

From the point of view of the provisions of Article 475, paragraph 3 of the Companies Act, the company MLIN I PEKARE Ltd., Sisak, is the direct controlling company in relation to Čakovečke mlinove INC., and indirectly in relation to the companies of the Čakovečki mlinove Group, i.e. its subsidiaries, namely the companies TRGOVINA KRK INC., Malinska, RADNIK OPATIJA INC., Lovran, TRGOCENTAR INC., Virovitica, ZAGREBAČKE PEKARNE KLARA INC., Zagreb, PREHRANA TRGOVINA INC., Zagreb and NewMip Ltd., Sisak (hereinafter together: the "Čakovečki mlinove Group" or the "Group") and one associated company: Narodni trgovački lanac Ltd. Soblinec. Čakovečki mlinove Inc. prepares the consolidated reports of the Group separately, in addition to the unconsolidated reports of the Company. The annual consolidated financial statements of the Čakovečki mlinovi Group are available on the Company's website: www.cak-mlinovi.hr.

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

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

GROUP ACTIVITIES

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

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

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

NOTE 1 – GENERAL INFORMATION (CONTINUED)

COMPANY BODIES

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

Management Board

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

Supervisory Board

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

Audit Committee

- Vesna Butorac, Chairwoman of the Audit Committee
- prof. dr. sc. Mislav Ante Omazić, Deputy Chairman of the Audit Committee (independent member)
- Damir Metelko, independent member
- Vanja Kutnjak, member of the Audit Committee
- Josip Plodinec, member of the Audit Committee
- Ema Marušić, independent member of the Audit Committee
- Dragica Plodinec, member of the Audit Committee

Nomination Committee

- Ema Marušić, Chairwoman of the Nomination Committee, independent member
- Damir Metelko, Deputy of Chairwoman of the Nomination Committee, independent member
- prof. dr. sc. Mislav Ante Omazić, independent member of the Nomination Committee
- Vesna Butorac, member of the Nomination Committee
- Vanja Kutnjak, member of the Nomination Committee

Remuneration Committee

- prof. dr. sc. Mislav Ante Omazić, Chairman of the Remuneration Committee, independent member
- Vanja Kutnjak, Deputy Chairman of the Remuneration Committee
- Vesna Butorac, Member of the Remuneration Committee
- Ema Marušić, independent member of the Remuneration Committee
- Damir Metelko, independent member of the Remuneration Committee

NOTE 1 – GENERAL INFORMATION (CONTINUED)

SUBSIDIARIES AND ASSOCIATED COMPANIES

Name	Headquarters	Principal activity	Accounting method	Direct ownership /voting rights	Direct ownership /voting rights
				30.6.2025.	31.12.2025.
Radnik Opatija Inc.	Lovran, Croatia	Retail trade; Bakery	Consolidated	100%	100%
Krk Trade Inc.	Malinska, Croatia	Retail	Consolidated	100%	100%
NewMip Ltd.	Sisak, Croatia	Production, Wholesale and retail trade	Consolidated	100%	0%
Prehrana Trgovina Inc.	Zagreb, Croatia	Retail	Consolidated	92.90%	0%
Zagrebačke Pekarne Klara Inc.	Zagreb, Croatia	Retail trade; Bakery	Consolidated	89.53%	0%
Trgocentar Inc.	Virovitica, Croatia	Real estate rental	Consolidated	49.55% / 52.03 %	49.55% / 52.03 %
Narodni trgovački lanac Ltd.	Soblinec, Croatia	Wholesale and retail trade	Equity method	25%	25%

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies that were applied in the preparation of the audited consolidated annual financial statements for 2024 have not been changed and have been applied in the preparation of these consolidated financial statements. The stated accounting policies can be found in the audited consolidated annual financial statements for 2024, published on the website of the Zagreb Stock Exchange (www.zse.hr).



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