

UNAUDITED REPORT ON CINKARNA CELJE'S PERFORMANCE

JANUARY-SEPTEMBER 2025

Celje, November 2025

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SELECTION OF THE MOST IMPORTANT DATA

OPERATIONS in € 000	I-IX 2025	I-IX 2024	2024	2023
Turnover	158,091	153,532	200,285	176,464
Operating profit (EBIT) ¹	20,430	17,985	26,664	12,723
Operating profit plus depreciation and amortisation (EBITDA) ²	31,323	27,946	39,565	25,078
Net profit	16,339	14,627	23,087	12,653
Non-current assets (end of period)	118,667	116,153	116,964	114,523
Current assets (end of period)	135,837	130,280	154,391	145,393
Equity (end of period)	213,329	203,046	211,036	221,230
Non-current liabilities (end of period)	17,547	18,594	18,925	18,844
Current liabilities (end of period)	23,628	24,793	41,393	19,841
Investments	12,469	10,107	14,302	19,825
INDICATORS				
EBIT as a percentage of turnover	12.92	11.71	13.31	7.21
EBITDA as a percentage of turnover	19.81	18.20	19.75	14.21
Net profit as a percentage of turnover (ROS)	10.34	9.53	11.53	7.17
Return on equity (ROE) ³ in %	7.70	6.98	10.68	5.88
Return on assets (ROA) ⁴ in %	6.21	5.94	8.69	4.95
Value added per employee ⁵	84,193	77,856	107,471	80,305
NUMBER OF EMPLOYEES				
End of year/period	726	717	718	742
Average at end of year/period	723	725	725	754
SHARE INFORMATION*				
Total number of shares	8,079,770	8,079,770	8,079,770	8,079,770
Number of own shares	299,874	296,094	298,384	264,650
Number of shareholders	3,146	2,809	2,871	2,651
Earnings per share in € ⁶	2.02	1.81	2.86	1.57
Dividend yield ⁷ in %	5%	17%	17%	0%
Gross dividend per share in €	1.80	4.10	4.10	0.00
Share price at end of period in €	35.10	28.50	27.70	20.50
Book value per share in € ⁸	26.40	25.13	26.12	27.38
Market capitalisation (end of period)	283,600	230,273	223,809	165,635

* Share split recalculated for previous periods. The gross dividend for 2024 is the sum of two dividends paid in the relevant year, namely EUR 0.9 gross per share (28th General Meeting) and EUR 3.2 gross per share (Extraordinary General Meeting).

¹ The difference between operating income and operating expenses.

² The difference between operating income and operating expenses, plus depreciation and amortisation. Reflects operating performance.

³ Net profit/average equity for the year. The indicator reflects the efficiency of the company in generating net profit in relation to capital. Return on equity is also an indicator of management's performance in maximising the value of the company for its owners.

⁴ Net profit/average balance for the year. The indicator reflects the efficiency of the company in generating net profit in relation to assets. Return on assets is also an indicator of management's performance in using assets efficiently to generate profits.

⁵ Operating profit plus depreciation, amortisation and labour costs divided by the average number of employees after accrued hours. A productivity indicator reflecting the average new value created per employee at Cinkarna.

⁶ Net profit/total number of shares issued.

⁷ Amount of dividend/share value (at the date of the resolution).

⁸ Capital at end of period/total number of shares issued.

BUSINESS REPORT

With more than 150 years of continuous operation, Cinkarna Celje d.d., a modern and future-oriented chemical company, is in excellent condition and has ambitious goals for sustainable operations. As part of the chemical industry, which is a vital component of the European and Slovenian economies, we are aware of our opportunities, responsibilities, and challenges in the context of the green, low-carbon, and circular transformation of European industry and the dynamic nature of the pigment industry.

In the first nine months of 2025, we increased sales by 3% compared to the same period in 2024, mainly due to higher sales volumes and higher sales prices of titanium dioxide pigment. It should be noted that permanent anti-dumping measures on imports of Chinese TiO₂ pigment came into force at the beginning of the year. Initial market reactions and the current situation indicate that the measures have not yet provided the expected protection against price pressure, as Chinese producers adjusted their export prices and absorbed most of the tariffs, while continuing to seek access to the European market. Despite the temporary or permanent closure of additional production facilities in the Western world, the industry is currently facing a significant excess of capacity, mainly of Chinese origin, which represents a structural challenge, especially in times of lower demand. We expect increased pressure on prices and consequently reduced margins until the end of the year, but we estimate that the planned net profit for 2025 will be exceeded.

Net profit amounted to EUR 16.3 million, which is 11.7% higher than in the comparable period of 2024, when it amounted to EUR 14.6 million. Operating profit before depreciation and amortisation, or EBITDA, amounted to EUR 31.3 million, representing 19.8% of sales. Compared to the previous year, EBITDA increased by 12.1%.

The core business of Cinkarna remains titanium dioxide pigment, with a focus on continuously improving its quality and developing sustainable applications. Despite our role as a smaller manufacturer that follows market trends, we exceeded expectations in the first nine months by effectively exploiting opportunities. Our strategy is guided by a focus on profitable markets, high-quality customers, and long-term partnerships.

Real GDP growth in the EU and the euro area is expected to be around 1% this year, supported by private consumption and public investment, while industrial activity remains weak. Production in energy-intensive sectors such as chemicals and metals is under particular pressure, as high energy and raw material costs continue to weigh on competitiveness. With inflation easing, consumption is improving, but households and businesses remain cautious due to uncertainty about the geopolitical situation, trade tensions, and interest rate movements. Construction is gradually stabilising, particularly in the public and infrastructure investment segment, while residential construction is still awaiting recovery.

The global environment also does not offer strong support. After a temporary acceleration in 2024, global growth is slowing to around 3%, with trade flows remaining under pressure from higher tariffs and uncertainty about the US trade policy. Weaker external demand, lower energy prices, and limited investment activity are also affecting the European industry, particularly in the intermediate goods segments, where demand from the construction and automotive industries remains weak. These conditions mean that demand for titanium dioxide remains restrained, as key end markets (construction, coatings, and plastics) are operating below their long-term averages and recovery is gradual and uneven. In the plastics segment, European masterbatch producers are facing increased pressure from imports of lower-priced products.

Western producers report reduced margins due to downward price pressure and increased competition, and are therefore focusing primarily on maintaining positive cash flow, higher capacity utilisation and cost reduction. In protected EU markets, they are facing additional pigment volumes being diverted from less profitable, non-tariff markets, which is further intensifying price pressure. Hybrid blends with reduced TiO₂ content are also emerging, which remain below the threshold for tariff restrictions, calling

into question the long-term effectiveness of protective measures. Competition is expected to intensify in the coming months, especially if demand in the Chinese market remains weak and spot prices, which are already low, remain unchanged or fall further. As a result, we will continue to focus on maintaining high capacity utilisation and careful management of working capital in order to maintain business stability in a challenging market environment.

In the area of employee relations and human resource management, we focus on optimising the organisational structure with the aim of ensuring the smooth operation of the Company and, consequently, the conditions for maximum safety and health of our employees. We follow the principle of a positive motivational salary policy and ensure an appropriate level of employee satisfaction and motivation. At the same time, we are introducing IT support for the development of competencies and improvement of the organisational climate. Together with our social partners, we drafted a redesign of the competency and salary model.

In the first nine months of 2025, we spent EUR 12.5 million on investments, the purchase of fixed assets, and replacement equipment. We invest in programmes that show growth potential. Our investments in production are primarily aimed at reducing operating costs, ensuring profitable volume production, achieving higher quality, legislative compliance, and energy sustainability.

Our development activities are largely guided by a five-year strategy, adjusted to reflect new market conditions. We carried out development activities based on identified opportunities in areas where we have expertise, taking into account trends and customer expectations.

The Company is implementing several interrelated projects to comprehensively manage spatial and environmental risks. The most important of these are the alternative water supply project, the harmonisation of spatial acts on the red gypsum filling facilities Za Travnikom and Bukovžlak, and ensuring the stability of barrier structures.

We take into account the principles of sustainable development and the circular economy when planning and implementing all activities. As part of ensuring the sustainable development of titanium dioxide production, we continued with projects for comprehensive water management and waste acid processing, and focused on a project for the evaluation of red gypsum. We also launched and implemented new activities in the areas of carbon footprint reduction, renewable energy use, and material reuse.

The following chapters of the report provide more detailed information on individual business areas, as well as an overview of the Company's financial position and operations.

Management Board

STATEMENT OF MANAGEMENT RESPONSIBILITY

The Management Board of Cinkarna Celje d.d. is responsible for preparing the financial statements for each period in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act (ZGD) in such a way that they give a true and fair view of the business activities of Cinkarna Celje d.d.

The management expects that the Company will have sufficient resources to continue operations in the future, and therefore the financial statements have been prepared on a going concern basis.

The Management Board's responsibility in preparing the financial statements includes the following:

- accounting policies are appropriately selected and consistently applied,
- judgments and estimates are reasonable and prudent,
- the financial statements are prepared in accordance with IFRS as adopted by the European Union, and any deviations are disclosed and explained in the report.

To the best of its knowledge, the Management Board declares:

- that the business report of Cinkarna Celje d.d. for the first nine months of 2025 includes a fair presentation of the development and results of operations and its financial position, including a description of all significant types of risks to which the Company is exposed;
- that the financial statements of Cinkarna Celje d.d. for the first nine months of 2025 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and that they give a true and fair view of the Company's assets and liabilities, financial position, operating results, and comprehensive income.

The financial statements, together with the related policies and notes, were adopted by the Management Board on 22 October 2025.

Management Board

President of the Management Board

Aleš SKOK,
BSc (Chem. Eng., MBA – USA)



Member of the Management Board – Deputy President of the Management Board – Technical Director

Nikolaja PODGORŠEK SELIČ
BSc (Chem. Eng., Specialist)



Member of the Management Board – Works Director

Filip KOŽELNIK,
MSc (Business Studies)



1 SALES

Total sales reached EUR 158.1 million in the period under review, which is 3% higher than sales achieved in the comparable period of 2024.

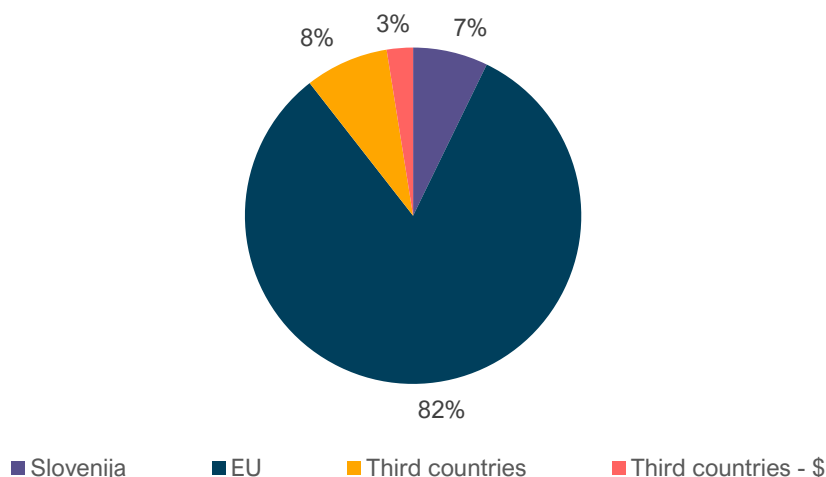
1.1 Sales by regional section

Total sales to foreign markets increased by 3% compared to the previous year. The increase in sales to foreign markets is undoubtedly the result of improved pigment sales to EU markets, which are our most important markets.

Sales by regional section

	2025	2024	Δ%
Slovenia	11,409,583	10,926,698	+4
EU	130,016,397	123,580,108	+5
Third countries	12,679,936	15,185,463	-16
Third countries – dollar markets	3,985,438	3,839,655	+4
TOTAL	158,091,354	153,531,924	+3

Share of each market in the Company's total sales

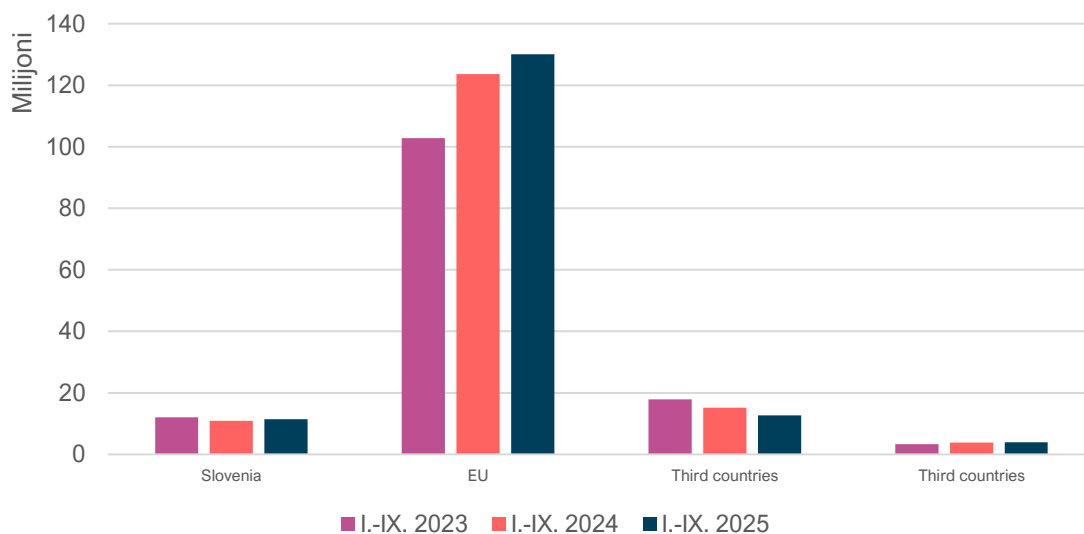


Sales to the **EU market** were 5% higher than in the comparable period last year. The growth was driven by higher sales volumes and higher pigment prices, which is a result of the anti-dumping measures imposed on this market.

Sales on the **domestic market** were 4% higher compared to 2024. This is influenced by BU Polimeri's investment projects.

Total sales to **third countries** were down 12%, but due to price uncompetitiveness in certain Middle Eastern regions, we successfully redirected part of our volumes to the North American market, particularly the US. In the medium term, we plan to strengthen our marketing activities in these markets, which represent an opportunity for greater geographical diversification and revenue stabilisation. The scope and sustainability of this approach will largely depend on the further development of global trade relations and protectionist measures.

Sales by geographical segment



In the period under review, exports accounted for 92.8% of total sales, which is 0.1 percentage points less than in the same period last year. The growth in export intensity was mainly driven by an increase in the value of sales in the main EU markets, which represent the focus of our sales, with the most pronounced growth in Sweden, where sales volume grew by 129%, while our largest export partner, Germany, recorded a 7% increase in sales volume.

The key product, titanium dioxide pigment, remains the driving force behind exports and the foundation for further expansion in foreign markets, where we strive to consolidate our presence primarily in stable, regulatory-protected, and long-term promising markets.

The sales structure by individual markets is adjusted on a quarterly basis to operational and macroeconomic conditions, while in the long term it is guided by risk diversification, profitability criteria, compliance with the marketing strategy, and assessments of political and economic stability. The strengthening of anti-dumping protection in the EU further reinforces the strategic focus on safer and more sustainable markets with higher added value, where the Company sees the greatest potential for stable operations. At the same time, marketing activities are also focused on countries that are introducing or announcing the introduction of protective measures against the dumping practices of price-aggressive competitors, such as Brazil and India, as such markets may represent an opportunity to increase the competitiveness of European manufacturers in the future.

1.2 Sales by business segment

Sales by business segment

	2025	2024	Δ%
Titanium dioxide	134,235,035	129,201,422	+4
- of which TiO ₂ pigment	131,320,824	126,462,582	+4
Varnishes and masters	11,769,257	12,482,102	-6
Agro programme	7,997,373	8,606,545	-7
Polymers	3,671,415	2,461,811	+49
Other	418,275	780,044	-46
TOTAL	158,091,354	153,531,924	+3

During the period under review, sales of the flagship **titanium dioxide pigment** programme reached EUR 134.2 million, representing a 4% increase compared to the same period last year. Higher prices

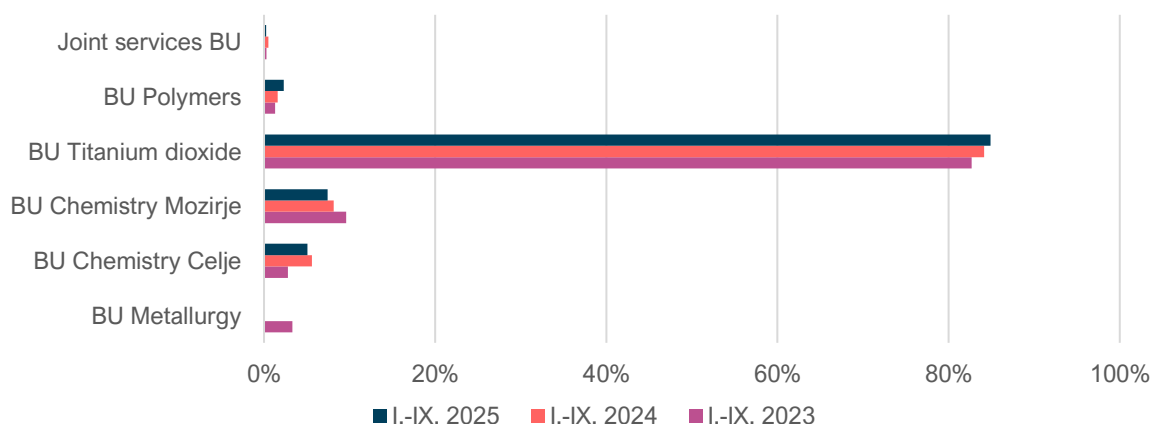
on European markets contributed to this growth, as demand in the first quarter recovered faster than seasonal expectations. However, a slowdown in demand began to be felt in the second quarter. The slowdown in demand was more pronounced in the third quarter and is expected to intensify in the rest of the year. At the same time, we are replacing lost market share in the Middle East by focusing sales on the North American market and on markets where protectionist trends and additional investigations and measures against Chinese imports are creating more favourable conditions for Western manufacturers.

Within the TiO₂ segment programmes, **CEGIPS** deserves special mention, with sales of 120.4 thousand tonnes, representing a 6% increase over the previous period. This result is particularly important as it directly contributes to extending the life of the Za Travnikom facility.

During the period under review, we recorded a 6% decline in sales in the **paints and masterbatches** programme, mainly due to the challenging market situation in this segment. Demand in this part of the chain remains under pressure due to weak industrial activity and customer reluctance to build up inventories.

Sales of the **agro programme**, which includes copper fungicides, Pepelin, copperas and Humovit, fell by 7% in the period under review compared to the same period in 2024. The result was influenced by lower sales volumes, but it is important to note that the transactions concluded were of higher added value. We are managing to maintain Humovit sales at the level of previous years, but they remain primarily tied to domestic and nearby markets. Due to additional transport costs, the product is finding it more difficult to penetrate more distant markets, which limits its geographical reach and highlights the importance of optimising distribution at the local level.

Share of each business unit in the Company's total sales



During the period under review, the relative ratios between business units were adjusted again. With the exception of BU Titanov dioksid and BU Polimeri, the share of the remaining units decreased. BU Polimeri remains closely linked to the investment dynamics of the pharmaceutical and petrochemical sectors in the region, confirming its strategic focus on contract manufacturing with a high degree of technical flexibility and orientation towards specific customer needs. This model enables differentiation and the strengthening of long-term partnerships, but at the same time it is sensitive to fluctuations in the industry's investment cycles.

Adjustments to business models are leading to a restructuring of the scope and focus of individual business units, which has already resulted in a reduction in their number. In this context, we expect further growth in the relative importance of our main titanium dioxide production programme, which will become even stronger as a key source of value creation in the structure of our operations in the coming periods.

2 PERFORMANCE ANALYSIS

2.1 Operating result

	30,09,2025	30,09,2024	In € Δ%
Operating income	160,911,996	148,955,158	+8
Operating expenses	140,481,595	130,970,522	+7
OPERATING RESULT	20,430,401	17,984,636	+14
Financial income	760,725	835,818	-9
Financial expenses	243,988	67,249	+263
OPERATING RESULT before tax	20,947,138	18,753,205	+12
Income tax	4,608,370	4,125,705	+12
NET OPERATING RESULT	16,338,768	14,627,499	+12

In the first nine months of 2025, the **operating result** amounted to EUR 20.4 million. This result exceeds the operating result for the same period in 2024 by 14%, when it amounted to EUR 18 million. The Company's performance was better than last year and exceeded the results of the business plan. The aforementioned exceeding of the planned result and the result of the previous year was influenced by better sales in terms of quantity and value of the main product than forecast in the business plan, as a result of the introduction of customs duties on imports of Chinese pigment. The operating result from operations with write-offs, or EBITDA, reached EUR 31.3 million, accounting for 19.8% of sales. Compared to the previous year, EBITDA is up 12%.

After accounting for the impact of financial income and expenses, the **operating result before tax** for the first nine months of 2025 amounted to EUR 20.9 million, compared to a result of EUR 18.8 million in the same period last year. The result before tax exceeds last year's result by 12%.

In the first nine months of 2025, similar to the same period in 2024, a positive balance from financing was achieved, amounting to EUR 517 thousand (in the first nine months of 2024, the positive balance from financing amounted to EUR 769 thousand). The resulting financing balance stems from a positive balance of income and expenses from investments and interest in the amount of EUR 756 thousand and a negative balance of exchange rate differences in the amount of EUR 239 thousand, using hedging instruments to manage the volatile movement of the USD/EUR currency pair in the purchase of titanium-bearing ores. The positive balance from investments represents the effective use and placement of surplus cash in profitable investments.

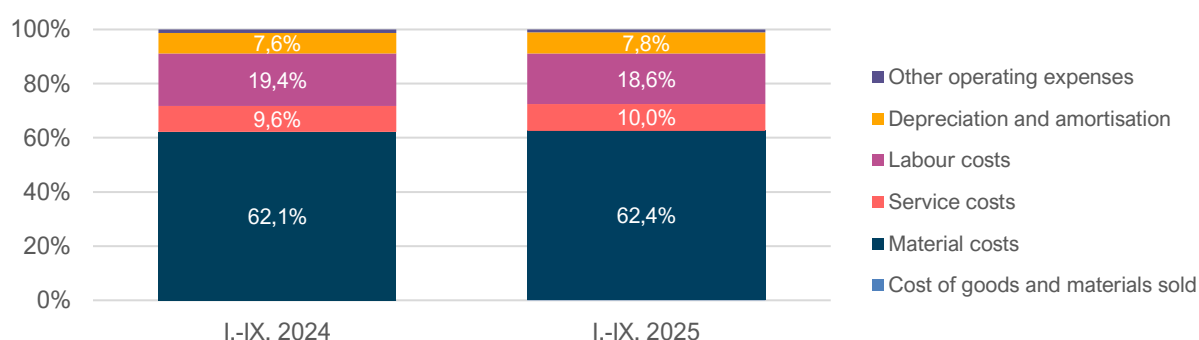
The **net operating result for the accounting period** amounts to EUR 16.3 million, which is 12% higher than in the same period of 2024, when it amounted to EUR 14.6 million. Taking into account developments in the international economy, the titanium dioxide pigment market, and, above all, the results of competitors in the titanium dioxide industry, we conclude that the result is very good and exceeds expectations. Net operating result includes operating result before tax, while income tax amounts to EUR 4.6 million (effective tax rate is 22%).

2.2 Expenditure and costs

Costs of materials represent the largest share of total costs, accounting for 62.4%. In the structure of raw materials, packaging, and energy consumption, there are certain deviations compared to the comparable period in 2024, with the most significant increase in relative terms being in energy costs. This must also be interpreted in the context of higher production.

Purchase prices of titanium-bearing raw materials remained at comparable levels to the previous year during the period under review, with the exception of certain supporting chemicals. Nevertheless, the total cost of raw materials increased by 6%, mainly as a result of other purchase prices. Raw materials and supplies continue to dominate the structure of material production costs, accounting for 83.4%, followed by energy at 15.1% and packaging at 1.5%. The structure of all other costs incurred by the Company is shown in the chart below.

Cost structure (in %)



The structure of labour costs is disclosed in the section Notes to the Financial Statements 5 Labour Costs. Gross salaries were determined in accordance with the provisions of the collective agreement, taking into account the agreements between the trade unions and the Management. Transportation to work and meals during work are in line with applicable regulations. Labour costs include supplementary pension insurance, performance-related payments, severance pay, other employee benefits, solidarity assistance costs, jubilee awards, and other items.

2.3 Assets

	30 Sep 2025	31 Dec 2024
ASSETS		
Intangible assets	2,292,122	2,408,779
Tangible fixed assets	113,509,197	111,699,615
Financial assets at fair value through other comprehensive income	1,287,325	1,287,325
Other non-current assets	115,376	105,470
Deferred tax assets	1,462,488	1,462,488
Total non-current (long-term) assets	118,666,508	116,963,678
Current assets		
Stocks	45,592,177	58,969,428
Financial receivables	46,441,184	47,214,859
Trade receivables	31,862,180	30,243,586
Cash and cash equivalents	11,714,381	17,731,407
Other current assets	227,270	230,760
Total current assets	135,837,192	154,390,040
Total assets	254,503,700	271,353,718

The share of non-current (long-term) assets in the structure of total assets increased by 3.5 percentage points compared to the end of 2024 and amounted to 46.6%. Tangible fixed assets remain the largest category of non-current assets (96%). Their value increased by 2% compared to the end of 2024, due to the difference between the amount invested in tangible fixed assets and the actual depreciation calculated for the first nine months of 2025. Non-current financial investments and deferred tax assets did not change in 2025. Other non-current assets represent emission allowances acquired free of charge from the state. Their balance as at 30 September 2025 is EUR 10 thousand higher than the balance as at 31 December 2024 as a result of the balance between the acquisition of allowances for 2025 and the transfer to ARSO for CO2 emissions for 2024.

The share of current assets in the structure of total assets decreased by 3.5 percentage points compared to the end of the previous year and amounted to 53.4%. In the structure of current assets, the most significant categories in terms of value are financial receivables (34%), inventories (33%), trade receivables together with other current assets and income tax receivables (24%), and cash and cash equivalents (9%).

Inventories decreased by 23% compared to the end of 2024, with the value of material inventories (including advances) decreasing by 31%, the value of work in progress decreased by 9%, and the total value of the Company's finished goods and merchandise decreased by 5% (all compared to the situation at the end of 2024). The most important reason for the decrease in inventories of finished products is the higher volume of pigment sales than production in 2025.

Current financial receivables as at 30 September 2025 mainly comprise investments in short-term treasury bills for the purpose of efficient use of cash.

Current trade receivables comprise current trade receivables from customers and current trade receivables from others (primarily from the state for input VAT). Compared to the end of 2024, trade receivables increased by 5%. Trade receivables increased by 10% due to higher sales, while other current receivables decreased by 35% due to lower receivables from the state for value added tax. A review of trade receivables by maturity shows that the age structure of receivables remains sound and secured by an external institution or other form of collateral.

Cash (and cash equivalents) represents 9% of the total value of current assets. Despite good business performance, cash decreased by 34% compared to the last day of the previous year, as the Company paid dividends in the amount of EUR 14 million at the end of June 2025. Part of the cash and cash equivalents, amounting to EUR 7 million, consists of short-term bank deposits.

Other current assets are prepaid expenses. The value decreased by 2%.

2.4 Liabilities to sources of funds

	30 Sep 2025	31 Dec 2024
CAPITAL AND LIABILITIES		
Called-up capital	20,229,770	20,229,770
Capital reserves	44,284,976	44,284,976
Profit reserves	125,036,192	125,078,814
Fair value reserve	-1,650,342	-1,650,342
Retained earnings	25,428,212	23,093,258
Total capital	213,328,808	211,036,476
Provisions for employee benefits	3,524,796	3,748,722
Other provisions	13,082,262	14,302,270
Non-current deferred income	940,180	873,579
Total non-current liabilities	17,547,239	18,924,572
Financial liabilities	23,991	29,915
Trade payables	19,778,339	36,124,537
Income tax payable	1,005,930	4,019,469
Liabilities under contracts with customers	579,805	0
Other current liabilities	2,239,589	1,218,750
Total current liabilities	23,627,653	41,392,670
Total capital and liabilities	254,503,700	271,353,718

The value of capital in the structure of liabilities to sources of funds as at 30 September 2025 represents 83.8%, which is 6.1 percentage points more than at the end of 2024. The amount of capital increased by 1% compared to the end of 2024. The increase (EUR 2.3 million) relates to the balance between the net profit for the first quarter of 2025 in the amount of EUR 16.3 million, expenditure on the purchase of own shares in the amount of EUR 42,622 and the payment of dividends based on the resolution of the 29th regular General Meeting of Shareholders of Cinkarna Celje d.d. on 21 May 2025 in the amount of EUR 14 million. As at 30 September 2025, the Company held 299,874 treasury shares (3.7% of all shares). In accordance with the resolution of the 28th regular General Meeting of Shareholders of Cinkarna Celje d.d. dated 19 June 2024, the Company acquired 1,490 treasury shares in the amount of EUR 42,622 in 2025. There were no other significant changes in capital.

The total share capital amounts to EUR 20,229,769.66, consisting of 8,079,770 ordinary freely transferable shares, following a 1:10 split on 15 August 2022 (of which 299,874 are treasury shares registered in the treasury share account). The book value of the share as at 30 September 2025 is EUR 26.40 (up 1.2% from EUR 26.1 at the beginning of the year).

Provisions and deferred income account for 6.7% of liabilities to sources of funds. Provisions for pensions and similar obligations were established on 1 January 2006 (severance payments and jubilee awards) and are adjusted annually on the basis of actuarial calculations. Other provisions were established during the ownership transfer process from provisions for ecology, and additional provisions were established for the purpose of rehabilitating the Bukovžlak solid waste landfill and the Za Travnikom landfill. At the end of 2024, as at the end of 2023, we re-examined the scope of provisions and created/released them accordingly, based on actual market conditions and the reasons for their existence. The amount of environmental provisions decreased by 9% at the end of the first nine months of 2025 due to the coverage of rehabilitation project costs. Non-current deferred income increased by 8% due to funds obtained for co-financing electric vehicles purchased in 2024 and 2025 and the acquisition of emission allowances for CO₂ emissions in 2025.

Financial and business liabilities decreased by 43% compared to the end of the previous year due to a reduction in current business liabilities arising from the repayment of liabilities to suppliers, employees, and the state for the payment of income tax. Liabilities to suppliers decreased by 45% for the reason stated above. Other current business liabilities decreased by 44% due to lower liabilities to employees and state institutions. Liabilities for income tax for the 2025 financial year, reduced by advance payments already made for the 2025 financial year, after repayment of liabilities for 2024, as at 30 September 2025, amount to EUR 1 million, as the advance payments made during 2025 do not fully cover the calculated tax liabilities for 2025. All financial and business liabilities are current. The Company's gross gearing ratio is 9%, which is a 6% decrease compared to 31 December 2024.

Current financial liabilities as of 30 September 2025 amount to EUR 24 thousand, while at the end of 2024 they amounted to EUR 30 thousand. The Company's financial gearing ratio is therefore 0.1‰ (at the end of 2024 it was also 0.1‰).

Current trade payables decreased by 45% in the period under review. Current trade payables to suppliers amounted to EUR 16.9 million as at 30 September 2025, down 45% compared to the end of 2024 due to the settlement of liabilities to suppliers of strategic raw materials. Other trade payables decreased by 44% (or EUR 2.3 million) and mainly comprise EUR 1.5 million in liabilities for the payment of net salaries and other net payments from employment relationships, EUR 1.3 million in liabilities from contributions and taxes on personal remuneration, and liabilities for VAT and to other institutions.

Other current liabilities increased by 84% in the period under review. They mainly comprise accrued liabilities for annual leave and other labour costs, prepaid environmental contributions and taxes, and VAT on advances paid.

2.5 Assessment up to the end of the year and plan for the coming year

In 2026, sales revenue is expected to reach approximately EUR 194.3 million (the estimate for 2025 is EUR 197.7 million), in line with industry trends and anticipated market cycles. Net profit is projected at EUR 8.0 million, which represents a decrease compared to 2025, when it is estimated at EUR 18.0 million. The main reasons for the lower profit next year are a lower average selling price of the key product and higher purchase prices of raw materials for sulfuric acid production.

As a result, business profitability will also decline. The estimated EBITDA margin stands at 13% (compared to 18% in 2025), which translates to about EUR 24.8 million of EBITDA in 2026, down from the current year's estimated EUR 35.7 million.

Investment activity will continue within individual programs, according to their needs, capacities, and long-term prospects, and in line with the company's strategic plan. The total investment volume in 2026 is planned at EUR 17.2 million, slightly higher than this year's estimated EUR 15.4 million.

In the human resources area, further optimization is expected. At the end of 2025, the company is projected to employ around 726 people, while by the end of 2026, the number of employees is expected to decrease by about 28.

The above refers to the company's future operations and financial position. The assessments and plans are based on the current situation, evaluations, analyses, as well as on assumptions, expectations, and forecasts of relevant institutions and industry analysts. The chapter also includes the Management Board's views, expectations, and conclusions, which relate to areas objectively outside the influence of the company and the Management Board. The forecasts and plans for the company's future operations and its financial position are therefore subject to various uncertainties and risks related to the realization of assumptions, as well as of the plans themselves. The company and the Management Board do not assume responsibility for the scope, content, or degree of realization of the aforementioned assumptions, baselines, and resulting forecasts. The company and the Management Board also do not assume any obligation to make interim adjustments or corrections to the forecasts and plans in the event of changes in the assumptions or the bases and foundations of these forecasts and plans.

3 STAFF

Human resources activities were focused on acquiring professionally qualified staff, seeking innovative human resources solutions, and strengthening social cohesion in a situation marked by tensions on the labour market and cost pressures. We continued with a rational approach to employment, meeting the need for highly qualified staff primarily through external recruitment and internal redeployment. We placed particular emphasis on rejuvenating the workforce, seeking candidates with natural science profiles, and gradually agreeing on retirements in critical positions.

On 30 September 2025, Cinkarna employed 726 people, which is 8 or 1.1% more than at the end of 2024. The changes are minor across business units.

When communicating with employees, we encourage open and comprehensive communication between the Company's Management, employees, the Works Council, and two representative trade unions. In addition to informing employees about the current overall situation, it is also very important to obtain feedback and suggestions from employees, which has a positive effect on the working atmosphere in the Company, promotes a good organisational culture, increases loyalty to the Company and strengthens employee trust in the Company's Management.

During this period, the Management Board, business unit directors, and the Works Council paid considerable attention to communication through a wide range of communication channels. We used print and electronic media to communicate information to our employees, such as: messages from the Management Board via e-mail with the latest news for employees and electronic messaging dialogue with our company mascots (Cinko and Cinka), Informator – printed version, Cinkarna company magazine – twice a year, active social networks Facebook and LinkedIn of Cinkarna Celje, we also publish a trade union newsletter, have our own Sharepoint (intranet and extranet) and always interesting and active notice boards for posting news. There are more than 70 notice boards installed throughout the Company as a means of communication.

In addition, we are improving and upgrading the Moja Cinkarna employee app, which serves as an additional channel of communication with our employees. The app is becoming increasingly popular among employees and will be enhanced with new features. For those who do not use the Moja Cinkarna app, we have set up an INFO point, through which all employees can access work domains, reports, and other content.

In the field of social work, activities were also carried out during the period in question in relation to the individual resolution of employees' problems, the management and allocation of disabled employees, ergonomics, employee prevention, and the retirement of employees who meet the conditions for retirement.

In the future, we plan to continue optimising our staffing structure through redeployment, optimisation of business processes and the recruitment of new, young and technically skilled staff. Investments in development, training, and further improvement of the working environment for employees will also continue, with particular attention being paid to the renovation and development of human resources systems.

3.1 Added value at Company level

The added value per employee is 8% higher than in the first nine months of 2024, which is a result of higher sales and a slight decrease in the number of employees based on calculated hours, which was lower by three employees. The combination of higher revenues and an optimised staffing structure has thus contributed significantly to improved productivity.

	JAN-SEP 2025	JAN-SEP 2024	ΔPY%
Revenue from sales	158,091,354	153,531,924	+3
Increase or decrease in inventory value	-957,095	-8,070,129	-88
Capitalised own products and services	3,130,071	2,917,335	+7
Other operating income	647,666	576,028	+12
Cost of goods, materials, and services	101,868,460	93,965,928	+8
Other operating expenses	1,455,602	1,501,908	-3
Added value	57,587,934	53,487,322	+8
Average no. of employees by hours worked	684	687	0
AV (in €) / employee	84,193	77,856	+8

4 MOST IMPORTANT RISKS OF THE COMPANY

The risk management process is a key process and the foundation of the Integrated Management System (IMS). We manage risks in accordance with the Rules on the Management of Impacts, Risks, and Opportunities at Cinkarna Celje d.d. The Rules precisely define the organisation, responsibilities, and methodology used.

The risk management system includes risk identification, risk assessment and classification, implementation of measures, monitoring and reporting. Based on monitoring and analysis of the external and internal environment, we obtain input data for identifying key risks and opportunities, which is crucial for our operational, tactical, and strategic planning in line with sustainable development goals.

In light of reporting in accordance with the CSRD, we added an assessment of sustainable impacts and the risks and opportunities arising from them to our existing risk management approach. We identified the method for assessing sustainable impacts and risks through a double materiality assessment (DMA) process.

At the end of 2024, following the example of European reporting standards, where the identification of impacts is focused on predefined sustainability topics, subtopics, and sub-subtopics, we also implemented this approach in the area of risk assessment.

The Impact, Risk, and Opportunity Management Committee has identified important areas of financial impact on the Company, which are clearly described by topics, subtopics, and sub-subtopics. Alongside these changes, we made a major change to risk assessment in the area of work items, where we evaluate a group of key raw materials and energy sources as part of the risk assessment.

The levels of management of individual risks and opportunities remain the same and depend on the degree of financial impact on the Company.

We manage impacts, risks, and opportunities through implementation targets or tasks, the execution of which we monitor through reports and/or protocols. We monitor impacts, risks, and opportunities on an ongoing basis, with a thorough review conducted by the Committee once a quarter. This is followed by reporting to the Management Board's Extended Professional Council. We inform the Management Board and the Supervisory Board on a quarterly basis about key impacts, risks, and opportunities.

We also communicate with the external public about the risks of the Company's operations and how we manage them in interim and annual reports, i.e. every three months. The reports are published on the SEO-net portal and on the Company's website www.cinkarna.si.

Overview of key risks – residual risk below is updated and defined based on the status and expectations at the reporting date.

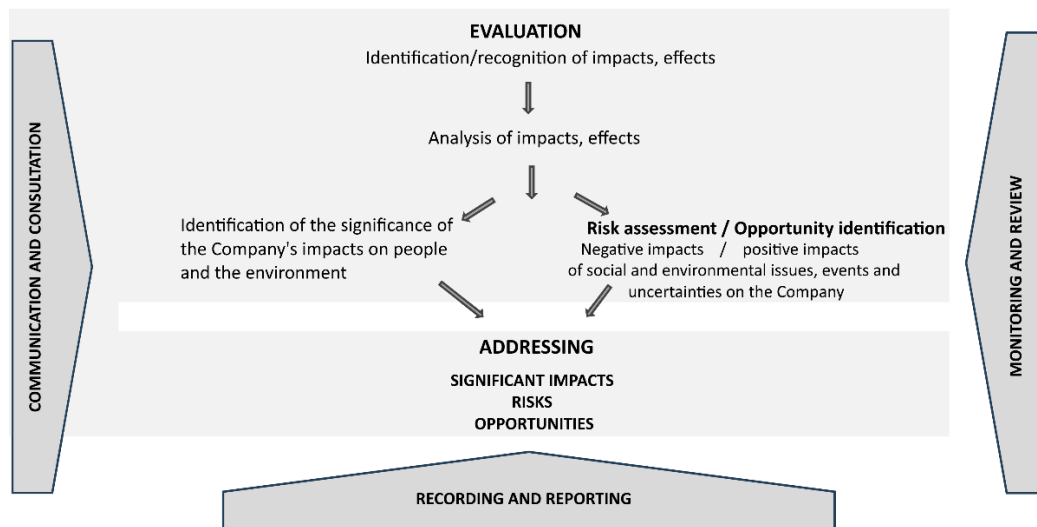


Figure 1: Impact, Risk and Opportunity (IRO) management process

We identified the following key residual risks:

1	Work items
2	Digital transformation
3	Human resources
4	Overall equipment effectiveness (OEE)
5	Products
6	Water resources
7	Safety
8	Legislative compliance
9	Financial risks

1	Work items
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In the area of raw material procurement, we encounter two types of risk. Production downtime and the resulting loss of planned revenue can be caused by delivery failures from monopoly suppliers, as well as unexpected delays in the entire supply chain. We manage this risk by using appropriate contractual safeguards.

In critical cases, we ensure larger stocks. We conduct thorough research of the market for raw materials and possible substitutes and take timely action based on our findings.

We search for, test and introduce new sources of raw materials into production. We also evaluate alternative sources of raw materials in terms of compiling catalogues of verified alternative raw materials and suppliers. We build long-term and stable partnerships in a targeted manner. We monitor and analyse the state of international markets ourselves and with the help of market specialists.

We also maintain regular contact with suppliers with whom we do not do business on an operational level, but who nevertheless represent a high-quality potential alternative.

We place orders on time, make reservations with suppliers, look for alternative suppliers and alternative testing procedures.

We ensure timely planning of requirements and ordering of raw materials, take into account empirical time reserves and increase minimum inventories as necessary. For all strategic raw materials, we continuously update the business case and checklist in line with market changes, raw material prices, business needs and other external factors.

2

Digital transformation

Unused opportunities in the field of digitisation and additional costs due to unsuccessful digital transformation or inadequate digital security. Lagging behind modern technologies can lead to greater uncompetitiveness. Digitisation can reduce the risk of loss of production volume, higher maintenance costs, errors in manual data entry, reduce administrative costs and improve security risk management.

We are reducing risk by implementing several operational objectives that increase the level of digitisation and computerise and simplify business processes (upgrading modules in Power BI business analytics and in Moja Cinkarna, document management system, migration of Oracle Forms programmes, upgrading the maintenance information system and the Spekter production information system).

This risk also includes automation and cyber security. We reduce risk with a virtual backup environment, the introduction of security tools and regular updates of critical elements.

3

Human resources

The Company faces a wave of retirements on the one hand and a shortage of labour on the other. The percentage of sick leave represents an additional risk.

With a large number of retirements, there is a risk of ensuring adequate succession and inadequate competence of new employees, as it takes a long time to acquire these skills.

We established a staffing system in which a training programme and mentor are prescribed for each job position.

We regularly list all specific and general knowledge within the Company, redesign the system for integrating new employees, and check the existing skills of employees.

We developed and approved a new competency model.

We are implementing a broad project entitled Knowledge Transfer in Key Titanium Dioxide Production.

We have listed key positions in the Company, identified potential successors and defined the time frame for replacement and the necessary additional competencies.

For the most promising candidates, we run a development management programme called the Leadership Academy and offer individual coaching.

When searching for new employees, in addition to traditional methods of recruitment, we use social media recruitment solutions. We have increased our cooperation with employment agencies and concluded contracts with external service providers for individual cases.

We offer staff scholarships. We actively participate in career fairs. We strengthened our cooperation with secondary schools. We enable secondary school and university students to complete their compulsory internships and student work. We enable students to complete their bachelor's, master's and doctoral theses at our Company.

We continuously implement organisational changes and adapt quickly to new circumstances.

We strive to increase employee commitment by introducing team-based problem solving and communication with employees. We systematically address safety issues at daily meetings and eliminate the causes of injuries. Where possible, we ensure that employees are versatile.

4	Overall equipment effectiveness (OEE)
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At the Company, we prepare annual and strategic plans based on achieving maximum utilisation of equipment. Breakdowns, unplanned maintenance interventions and limited storage capacities pose a risk of not achieving the desired goal. In the first half of 2025, we recorded individual risks of equipment breakdowns in all production business units.

We significantly reduced the risk in titanium dioxide production during the flue gas cleaning process with the successful start-up of the fourth electrostatic precipitator. This will now be followed by the renovation of two old electrostatic precipitators. However, we identified new, more serious risks in the areas of vacuum cooling, calcination and gel washing. The necessary equipment repairs will jeopardise the achievement of the production plan. We will minimise downtime by preparing a detailed plan in advance, purchasing the necessary parts and efficiently organising work during implementation.

At BU Kemija Celje, the risk is the chance of a breakdown when the production line is really busy. We manage this risk by doing jobs that do not put as much strain on the line, by using bigger packaging, and by outsourcing some of the packaging to subcontractors.

At BU Polimeri, the sandblasting machine poses a risk to availability. A new one is already being procured.

At BU Kemija Mozirje, we perform extended preventive maintenance and ensure a stock of important spare parts. We prepared a feasibility study for the installation of an additional line. We are preparing project documentation.

5	Products
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Due to the deteriorating economic situation in Europe and the influx of cheap Chinese pigments, as well as the introduction of customs duties on masterbatches, there has been a noticeable change in sales volumes in our traditional markets, both in the titanium dioxide and masterbatch segments. As a countermeasure, we are increasing pigment sales to Scandinavian markets, expanding our sales network in the US, and exploring opportunities for expansion into the Indian and Brazilian markets. In the field of masterbatches, we are increasing sales in the segment of more demanding applications.

We also carry out cost optimisations.

6	Water resources
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This is a risk associated with climate change, which may have a negative impact on the Company's operations due to restrictions on water supply during periods of drought.

The Company recognises a potential shortage of water for production as a significant risk due to drought and, at the same time, as an opportunity to pursue sustainable business principles.

The most suitable and, above all, sustainable solution proved to be the use of wastewater from the Celje Central Wastewater Treatment Plant (WWTP). This source is quantitatively sufficient in the long

term, but requires additional treatment. Its use improves both the biological and hydromorphological status of the watercourse.

Pilot tests with one type of technology at the WWTP site have been completed and form the basis for equipment planning, while we are still reviewing alternative technologies. In cooperation with the Municipality of Celje, the procedure for preparing the detailed spatial plan for the installation of the pipeline is underway. At the same time, we are also preparing project documentation for the construction of the pipeline. We are also introducing other alternative sources of water supply from the existing network.

7	Safety
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Heavy rainfall (floods, landslides) or earthquakes pose a risk of negative impact on the Company's operations due to damage to barrier structures, which could result in partial collapse and subsequent flooding.

Regular technical observation and monitoring are carried out in the area of high embankments (Bukovžlak and Za Travnikom).

Based on the results of our observations, we carry out systematic and long-term maintenance measures to ensure the stability of the barrier structures and, if necessary, we take measures to eliminate the consequences of adverse weather conditions. One such event was the landslide triggered by heavy rainfall in August 2023 in the lower western part of the high embankment at Za Travnikom. The landslide is being monitored by measurements. We carried out emergency remediation work, which will be followed by comprehensive remediation, for which an environmental provision has been made. A prerequisite for the remediation is the relocation of the cable duct, which has already been dug in. All that remains is to connect it.

An industrial accident poses a potential risk of negative impact on the Company's operations. We manage this risk through systematic assessment of the impact on the environment and employees, periodic fire risk assessments, and systematisation of workplaces based on risk assessments.

In the field of environmental impact reduction, we systematically introduced European environmental standards by implementing the principles of the Responsible Care Programme and harmonised our operations with the requirements of the IED and SEVESO Directives.

We carry out internal assessments of the adequacy of the implementation of measures required by the SEVESO permit and remedy any identified deficiencies.

In terms of fire safety, we have our own fire brigade, and the Company is also adequately insured against fire.

In the field of occupational accidents, a professional service has been set up to monitor compliance with occupational health and safety rules and measures. We conduct regular training and education of employees. The Company is insured for liability.

We conclude written agreements with external contractors and provide them with training. We appointed a permanent coordinator for safe and healthy work. We introduced work instructions for the performance of maintenance work in terms of fire prevention, accident prevention, and improving cleanliness in the working environment.

The Company fills waste red gypsum from titanium dioxide production into the Za Travnikom waste disposal facility. The existing zoning plan (ZN) and building permit allow filling up to an elevation of 300 m above sea level, which will be reached in 6-7 years.

Due to newly arisen circumstances and findings during the implementation, the project as originally conceived is not feasible in certain parts or could lead to the destruction of the planned structures. Another negative aspect is the planned inadequate drainage, which would lead to the site being partially flooded again with rainwater.

The designer, with expert support from the UL FGG Department of Geotechnical Engineering, has prepared a revised project. This provides for increased quantities of red gypsum and a different type of filling. The planned volumes have already been entered in the environmental permit, and MOPE has issued a decision that the planned modification does not require a reassessment of the environmental impact. However, an amendment to the zoning plan and the building permit is required.

We submitted the initiative for the amendment to the ZN to all three municipalities concerned. The terms and conditions for the signing of the agreement between the municipalities are currently being coordinated, which will be followed by the submission of the initiative for the amendment to the zoning plan to MOPE.

According to the decree of the Municipality of Šentjur, Cinkarna Celje d.d. should have ceased filling on 27 October 2023. Due to the removal of white gypsum and large subsidence, which were not anticipated in the filling project, this deadline was not achievable in practice. We have been informing the representatives of the Municipality of Šentjur and the Blagovna Local Community about this since 2017, but they have insisted on the need to comply with the specified date. We have obtained a legal opinion on the validity of such a decree. It found that the decree is not in line with the current laws, so we sent a request to the Ministry of Natural Resources and Spatial Planning (MNVP) to check if the Decree on Amendments and Supplements to the ZN Za Travnikom Decree is lawful. The Ministry of Natural Resources and Spatial Planning has partially referred the case to the Ministry of the Environment, Climate and Energy (MOPE), which agreed with the legal opinion and called on the Municipality of Šentjur to bring the decree into line with the applicable legislation within 90 days. As this was not done, the Government initiated a constitutional review procedure at the proposal of MOPE.

With the aim of sustainable development, a circular economy, and extending the available time for landfilling, the Company is also developing processes to reduce the quantities of red gypsum. A procedure to amend the spatial act at another location is underway.

In the distant past, waste from which heavy metals leach into rainwater and groundwater was also deposited at the Bukovžlak non-hazardous waste landfill site (ONOB). We are partially successful in collecting this leachate and sending it to a treatment plant, but some of it escapes into the environment. In order to minimise this impact, the Company is carrying out extensive remediation of this area, for which it has also set aside an environmental provision. The remediation includes reinforcement of the barrier, restoration of drainage and deep piping (all three are already completed), the construction of channels for the drainage of backwater, the restoration of C1 drainage under the high embankment of Bukovžlak, the installation of a sealing curtain and a minimally permeable cover, and the construction of a diversion embankment.

In the field of chemicals, a series of requirements for compliance with various laws in countries around the world (REACH, registration of Cu preparations) has been established. Potential harmfulness is being assessed and products are being withdrawn from the market (TMP, PFAS). Requirements are becoming stricter in the field of plastic use, both for food contact and microplastics.

The aforementioned legislation also affects our products. We manage risk through various approaches. We carry out the necessary registration procedures and seek replacements for products whose use may be restricted or even prohibited.

9	Financial risks
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Credit risk: The potential risk represents the possibility of increased expenses due to non-payment by customers for whom we do not have secured receivables, which represents approximately 5% of receivables. As protection, we perform internal credit checks on individual customers for whom we have set individual credit limits based on their solvency.

Liquidity risk: Failure to make payments within the agreed deadlines due to the insolvency or indiscipline of customers may cause liquidity problems. We manage this risk by ensuring a stable cash flow. The Company's operations are traditionally conservative with a high level of cash and cash equivalents. Liquidity management includes, among other things, planning expected cash obligations and covering them on a daily, weekly, monthly, and annual basis, continuously monitoring the solvency of customers, and regularly collecting overdue receivables. We regularly obtain up-to-date information for more accurate cash flow planning. Cash flow is prepared in detail, carefully and accurately on a daily, monthly and annual basis.

Currency risk: Loss of revenue and higher costs due to the euro/dollar exchange rate when purchasing materials and raw materials in US dollars (titanium-bearing raw materials, partly copper compounds) is the third possible financial risk. To avoid this risk, we continuously monitor movements and forecasts regarding the dynamics of the EUR/USD currency pair. We basically limit the short-term risk of unfavourable changes in the dollar exchange rate through the standardised and consistent use of financial instruments (dollar forward contracts). We also regularly obtain more accurate data for advance purchases of foreign currencies.

5 DATA ON SHAREHOLDERS AND OWNERSHIP STRUCTURE

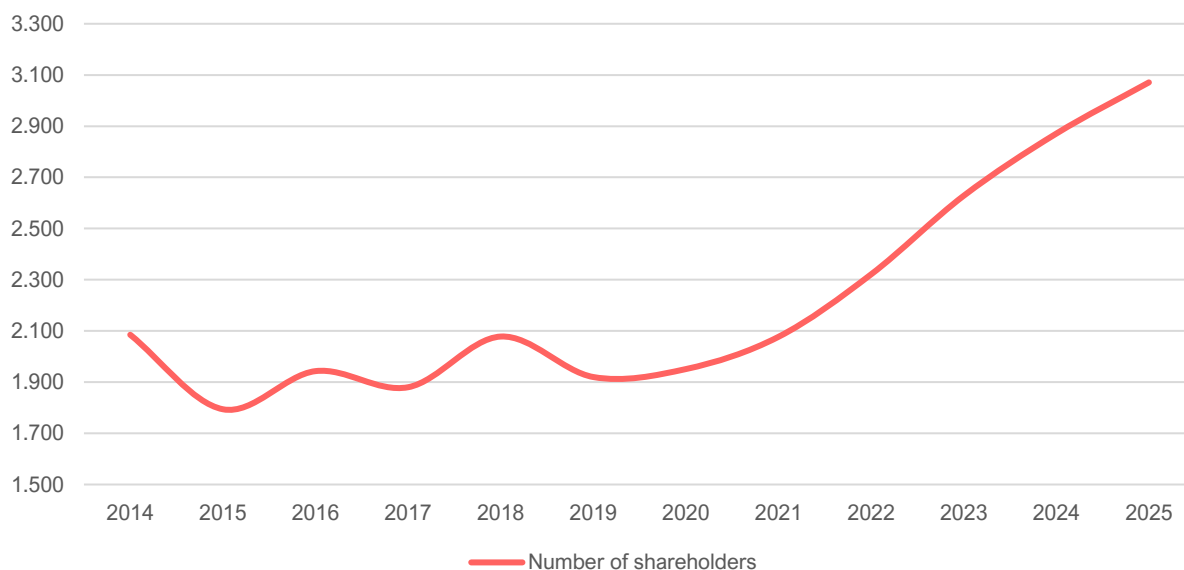
5.1 Ownership structure

The share capital of Cinkarna Celje d.d. amounting to EUR 20,229,769.66 is divided into 8,079,770 ordinary freely transferable bulk shares. At the end of the period, the Company held 299,874 treasury shares (representing 3.7% of the total issued share capital). The number of shareholders at the end of the reporting period was 3,146. The ownership structure at the end of the period is shown in the table below.

Share ownership structure of Cinkarna Celje d.d.

	No. of shares	%
SDH, d.d.	1,974,540	24.44
Modra zavarovalnica, d.d.	1,629,630	20.17
OTP BANKA D.D. - fid.	410,308	5.08
TR5 d.o.o	364,943	4.52
Treasury shares	299,874	3.71
KRITNI SKLAD PRVEGA POKOJNINSKEGA SKLADA	167,050	2.07
RAIFFEISEN BANK AUSTRIA D.D. – FID	157,340	1.95
NLB Skladi – Slovenija mešani	92,021	1.14
Intercapital securites Ltd – fid.	85,692	1.06
Zagrebačka banka d.d. – fid.	69,380	0.86
Privredna banka Zagreb d.d. – fid.	65,985	0.82
Generali Jugovzhodna Evropa	63,698	0.79
Internal shareholders – FO	54,034	0.67
External shareholders – FO	1,994,099	24.68
Other	651,176	8.04

Movement in the number of shareholders at the end of the year/period



5.2 Trading in shares

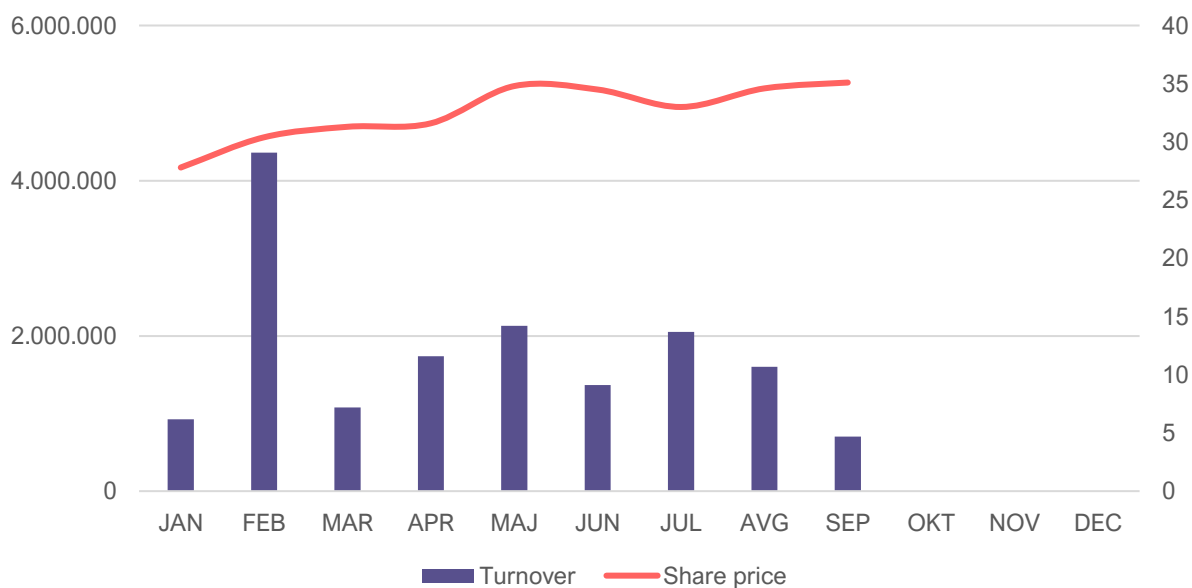
Cinkarna shares with the ticker symbol CICG are traded on the open securities market. The first day of trading was 6 March 1998. The single share price on that day was EUR 33.71. In August 2022, a 1:10 share split was carried out.

Movement in market value of shares (single price on the last day of the month) and turnover:

	Single price		Turnover
	2024	2025	2025
JAN	23.6	27.8	924,972
FEB	20.9	30.4	4,362,905
JUN	21.5	31.3	1,077,570
APR	21.8	31.6	1,737,393
MAY	21.6	34.8	2,128,891
JUN	22.3	34.5	1,366,093
JUL	23.8	33.0	2,049,975
AUG	24.5	34.6	1,602,298
SEP	28.5	35.1	703,312
OCT	28.7		
NOV	27.0		
DEC	27.7		

The value of the share of Cinkarna Celje d.d., listed on the first listing of the Ljubljana Stock Exchange (under the symbol CICG), fluctuated between EUR 27.5 per share and EUR 36,0 per share in the period under review. From the last trading day in 2024 to the last trading day of the period under review, the share price rose by 26%.

Share price (right axis) and stock turnover (left axis) by month



6 FOUNDATIONS OF DEVELOPMENT

6.1 Investments

In the first nine months of 2025, we spent EUR 12.5 million on investments, the purchase of fixed assets and replacement equipment, thereby achieving 62.8% of the plan.

Table of investments by individual areas

	Planned 2025 (in €)	Realised I-IX 2025 (in €)	Realised I-IX 2025/ Plan 2025 (%)
Investments	11,557,900	6,962,942	60.2
Fixed assets	2,727,000	1,042,432	38.2
Replacement equipment	5,563,677	4,454,082	80.1
Total	19,848,577	12,459,456	62.8

The funds were mainly used for the following investments:

- Design and implementation of the first phase of cogeneration of electricity from steam generated during sulphur incineration; in the third quarter, we carried out all necessary adjustments to the sulfuric acid production plant as part of the overhaul;
- Order of two electrostatic filters for cleaning flue gases from the calcination process; installation of the first of the ordered filters is underway;
- Order of a filter for filtering liquid sulphur; delivery in December, installation to follow in Q1 2026;
- Increase in white gypsum separation capacity; procedures for obtaining a building permit are underway;
- Purchase and design of installation of a press for squeezing gel; implementation is in progress;
- Start-up and elimination of defects in the pigment press; startup completed successfully;
- Final activities on the tank for storing the solution after separation 12.10C; the tank is in regular use;
- Preparation of project documentation for the installation of a new masterbatch line at the location with a positive feasibility study; due to unfavourable market conditions, there are no further activities at this time.

We established a 5G network at our location in Celje. The installation of hardware and implementation of the Kadris 4 Cloud system software is underway.

In accordance with the requirements of the baseline report, in 2025 we began the gradual renovation of surfaces and sewers where hazardous substances are transported/transferred.

In the area of environmental provisions, work on the implementation of drainage C1 and sealing curtains is progressing intensively. In the first nine months of 2025, we spent 80% of the planned funds for drainage C1 and sealing curtains.

Overview of investments by strategic pillar

Pillar	Planned 2025 (in €)	Realised I-IX 2025 (in €)	Realised I-IX 2025/Plan 2025 (%)
Sustainability and energy transformation	9,763,515	3,635,798	37.2
Quality and expansion of production	2,743,073	4,127,713	150.5
Digitisation	664,927	332,228	50.0
Other	6,677,061	4,363,718	65.
Total	19,848,577	12,459,456	62.8%

6.2 Development activities

Hydrophilic & hydrophobic organic treatment of titanium dioxide

Due to the classification of TMP as reprotoxic, we must find a suitable substitute raw material for hydrophilic products that will not have a hazard symbol and will enable the same pigment dispersibility. We achieved the expected result with a suitable substitute raw material. In the field of hydrophobic treatment, we found an additive that will reduce the total carbon content in wastewater by 50%, which is important in terms of its impact on emissions into water.

Development and improvement of pigment quality

Our goals are focused on improving certain parameters (opacity, gloss, dispersibility, viscosity) that represent a higher quality class of pigment when used. We carry out activities primarily in the field of using appropriate binders and modified sand grinding methods.

Waste acid treatment

A technological project for TiO₂ separation is currently under development. We developed a pilot process for obtaining metal concentrate, which requires further optimisation. We performed calcination of Fe oxalate in an oxidative atmosphere, which did not yield the desired result.

Evaluation of red gypsum

The preparation of inert material using the leaching method in Annex 5 of the Waste Management Regulation, which would enable the use of gypsum for various filling or recultivation purposes, does not yet meet the required characteristics.

Together with FGPA Maribor, we are developing possibilities for using red gypsum in the production of construction materials.

Treatment of wastewater from the Tremerje wastewater treatment plant

We commissioned the construction of a pilot plant for testing ultrafiltration with SiC membranes.

Development of a process for obtaining copper sulphate solution from ash

A cheap source of waste copper (ash from fishing nets) can currently only be used for the production of oxychloride. This produces sodium chloride, for which it is difficult to find a use. By defining the process of dissolution in sulfuric acid, we want to introduce the possibility of using cheap copper in the production of tribasic copper sulphate, preferably without problematic waste. The experiments carried out so far have not yet yielded the desired results.

6.3 Quality assurance

We manage various aspects of our business (quality, environment, occupational health and safety) with an integrated management system (IMS). The structure of the IMS is based on the ISO 9001 standard, which has been upgraded and expanded with ISO 14001, ISO 45001, and ISO 50001.

We completed the internal audits for 2024, prepared the Audit Plan for 2025, and held an initial meeting with internal auditors to discuss the guidelines for this year's audits.

In order to ensure the credibility of the IMS and strengthen the trust of our partners, we also had it certified by an independent external institution (Slovenian Institute for Quality and Metrology, SIQ) in 2025. The assessment according to all four standards was carried out in June and did not reveal any non-conformities.

Our laboratories are accredited according to the SIST EN ISO 17025 standard for wastewater monitoring.

We manage risks in the Risk Register, which classifies risks according to financially defined categories. We updated our risk management system to include impacts and opportunities, improved our methodology, and adjusted the Rules accordingly.

We are introducing a business excellence system in the titanium dioxide and maintenance business units.

6.4 Environmental management

For 2025, we set one framework goal in the field of environment and energy (Sustainability – Environment and Energy).

Within this framework goal, we set implementation goals in the areas of climate, pollution, water resources, biodiversity, resource use and the circular economy.

Some important activities not covered in other chapters:

- At BU Kemija Mozirje, energy use is being optimised at individual measuring points with the aim of reducing specific consumption by 2%.
- In order to ensure legislative compliance in the event that masterbatches fall under microplastics, we are monitoring developments in legislation in this area. If necessary, we will provide relevant information to suppliers and users and supplement the technical documentation to ensure full compliance with legislative requirements.
- We are replacing old lighting with more efficient lighting with the aim of saving approximately 113 MWh/year of electricity (96% of the planned target for 2030 has been achieved).
- We replaced a total of 26 electric motors with more energy-efficient ones; the estimated savings amount to 97.52 MWh/year (achieving 34% of the planned target by 2030).
- We are in the process of changing the groundwater monitoring programme at ONOB in order to monitor the effectiveness of the planned reconstruction works.
- For the remediation of the landslide at VPN Za Travnikom, a tender was issued for the permanent remediation of the landslide, and an electrical cable for the gypsum filtration facility was successfully laid.
- At BU Polimeri, activities are underway to analyse energy efficiency in the field of electricity consumption. With the identified proposals for improvements, we could achieve up to a 30% reduction in specific compressed air consumption.
- KSS is implementing activities to reduce food waste and other organic waste (a 9.1% reduction was achieved during this period).
- The Marketing Department is implementing sustainability requirements in the lower part of the value chain with the aim of obtaining sustainability commitments from major transport companies by 2030.
- We are continuing with the electrification of our vehicle fleet.

This year, four inspections have been carried out by the environmental inspector. The compliance of the requirements of the environmental permit for facilities that may cause large-scale pollution was inspected, namely in the area of wastewater discharge, air emissions, and the environmental permit for the Bukovžlak non-hazardous waste landfill. No irregularities were found during the inspections. Following a visit by an inspector as a result of complaints from local residents about odours caused by wastewater discharge, a decision was issued to remedy the deficiencies in accordance with the prepared remediation programme. We recorded twenty complaints from the public. Most of them were about odour. Measures are being implemented.

In accordance with legislative requirements, we prepared and submitted all monitoring reports for 2024 within the deadline. There were no exceedances of limit values except for a single exceedance of the

limit value in wastewater from copperas production. We implemented corrective measures and confirmed them with additional measurements.

We received a decision on the successful completion of the preliminary procedure for changes to the sulfuric acid production plant and Energetika, and submitted an application for a change to the OVD documentation. We prepared several additions to the applications already submitted at the request of the Ministry of the Environment, Climate, and Energy (hereinafter: MOPE) for the amendment of the OVD. We submitted to MOPE a revision of the existing Monitoring Programme, including the Programme of Measures in the event of exceeding the warning change in groundwater parameters. Activities are underway to coordinate the environmental permit due to the changes introduced and changes ex officio (preparation of a partial baseline report) with MOPE.

We regularly monitor all changes in legislative requirements and participate in the preparation of new environmental regulations. We cooperate with the Chamber of Commerce and Industry of Slovenia and the ZKI in coordinating requirements in the field of environment and energy (draft ZVO-3, preparation of BREF-BAT conclusions, amendments to the IED Directive).

We published the Company's annual report, which also includes a sustainability statement in accordance with ESRS standards on sustainable operations and environmentally sustainable economic activities and investments. The statement was reviewed by external auditors, who issued a positive opinion. A sustainability team is actively working on preparing the statement for 2025.

We have fulfilled all the requirements for the re-certification of the POR certificate, which was awarded in January 2025, and are continuing to implement activities for the future. We are also responding to an increasing number of questionnaires on the implementation of sustainable development commitments.

6.5 Safety and health

No serious accidents at work were recorded during the period under review. We dealt with 13 minor accidents, one less than in the same period last year.

We implement a system for identifying potential hazards and taking action when near misses occur. We identified 127 such incidents, which we are addressing on an ongoing basis. Thirteen extraordinary events were reported. In production work environments, we run the Minute for Safety activity in various forms and at different time intervals, along with other forms of employee awareness-raising for safe and healthy work, reporting potential hazards and near misses.

In the field of fire protection, we performed several inspections and tests of the operation of automatic fire detection and safety lighting systems and supplemented one system for automatic fire detection, reporting, and alarm.

We participated in the implementation of the regional exercise "Earthquake ZŠ 2025."

In the field of employee health care, 171 periodic, 61 control, and 38 preliminary medical examinations were performed.

In accordance with the health promotion programme, we carried out nine activities, one of which was in the second quarter, and two activities are repeated monthly.

We updated the risk assessments for two organisational units with the highest exposure in the area of lifting loads (adaptation to new legislative requirements).

We updated organisational regulation OP 183 - Safety Management and Emergency Response System.

We are introducing the LOTO system for maintenance work.

7 FINANCIAL STATEMENTS

7.1 Income statement

Income statement for the period from 1 January to 30 September

	JAN-SEP 2025	JAN-SEP 2024
Revenue from contracts with buyers	158,091,354	153,531,924
- Revenue from contracts with domestic customers	11,409,583	10,926,698
- Revenue from contracts with foreign customers	146,681,771	142,605,225
Changes in the value of stocks of goods and work in progress	-957,095	-8,070,129
Capitalised own products and services	3,130,071	2,917,335
Cost of goods and materials sold	220,061	101,531
Cost of materials	87,626,908	81,271,595
Cost of services	14,021,491	12,592,802
Labour costs	26,156,411	25,368,677
a) Wages and salaries	18,927,466	18,533,440
b) Social security costs	1,485,346	1,396,542
c) Pension insurance costs	2,042,036	1,954,733
č) Other labour costs	3,701,563	3,483,961
Amortisation	10,892,783	9,961,307
Other operating income	647,666	576,028
Other operating expenses	1,563,778	1,668,304
Impairment and write-offs of trade receivables	162	6,307
Operating result	20,430,401	17,984,636
Financial income	760,725	835,818
Financial expenses	243,988	67,249
Financial result	516,737	768,568
Operating result before tax	20,947,138	18,753,204
Accrued tax	4,608,370	4,125,705
Income tax	4,608,370	4,125,705
Net operating result for the period	16,338,768	14,627,499
Basic and diluted earnings per share	2.02	1.81

7.2 Statement of financial position of the Company

Statement of financial position of the Company

	30/9/2025	31/12/2024
ASSETS		
Non-current (long-term) assets		
Intangible assets	2,292,122	2,408,779
Tangible fixed assets	113,509,197	111,699,615
Land	9,497,376	9,551,633
Buildings	37,996,280	38,846,617
Manufacturing plants and machinery	47,558,137	52,831,132
Other machinery and equipment	41,442	41,538
Tangible fixed assets in construction and elaboration	16,594,558	8,731,586
Advances for the acquisition of tangible fixed assets	1,821,404	1,697,110
Financial assets at fair value through other comprehensive income	1,287,325	1,287,325
Financial receivables	0	0
Trade receivables	0	0
Other non-current assets	115,376	105,470
Deferred tax assets	1,462,488	1,462,488
Total non-current (long-term assets)	118,666,508	116,963,678
Current assets		
Assets held for sale	0	0
Inventories	45,592,177	58,969,428
Material	27,523,156	40,009,286
Work in progress	3,116,387	3,407,765
Products and merchandise	14,708,057	15,421,020
Advances for inventories	244,578	131,357
Assets under contracts with customers	0	0
Financial receivables	46,441,184	47,214,859
Trade receivables	31,862,180	30,243,586
Receivables from customers	29,818,003	27,100,674
Other receivables	2,044,177	3,142,911
Income tax receivable	0	0
Cash and cash equivalents	11,714,381	17,731,407
Other current assets	227,270	230,760
Total current assets	135,837,192	154,390,040
Total assets	254,503,700	271,353,718

Statement of financial position of the Company (cont.)

	30/9/2025	31/12/2024
CAPITAL AND LIABILITIES		
Owners' capital		
Called-up capital	20,229,770	20,229,770
Capital reserves	44,284,976	44,284,976
Profit reserves	125,036,192	125,078,814
Statutory reserves	16,931,435	16,931,435
Reserves for own shares	5,688,771	5,646,149
Own shares	-5,688,771	-5,646,149
Other profit reserves	108,104,757	108,147,379
Fair value reserve	-1,650,342	-1,650,342
Retained earnings	25,428,212	23,093,258
Total capital	213,328,808	211,036,476
Non-current liabilities		
Provisions for employee benefits	3,524,796	3,748,722
Other provisions	13,082,262	14,302,270
Non-current deferred income	940,180	873,579
Financial payables	0	0
Trade payables	0	0
Obligations under contracts with customers	0	0
Deferred tax liabilities	0	0
Total non-current liabilities	17,547,239	18,924,572
Current liabilities		
Liabilities included in disposal groups	0	0
Financial payables	23,991	29,915
Trade payables	19,778,339	36,124,537
Payables to suppliers	16,902,023	30,982,718
Other liabilities	2,876,316	5,141,818
Income tax liabilities	1,005,930	4,019,469
Liabilities under contracts with customers	579,805	0
Other current liabilities	2,239,589	1,218,750
Total current liabilities	23,627,653	41,392,670
Total liabilities	41,174,892	60,317,242
Total capital and liabilities	254,503,700	271,353,718

7.3 Statement of changes in equity

Statement of changes in equity in 2025

Cinkarna, kemična industrija Celje d.d.	Called-up capital	Capital reserve	Profit reserves				Fair value reserve	Retained earnings		Total capital
			Statutory reserve	Reserves for own shares	Own shares	Other profit reserve		Profit or loss carried forward	Net profit for the period	
Opening balance of the period	20,229,770	44,284,976	16,931,435	5,646,149	-5,646,149	108,147,379	-1,650,342	6,007	23,087,251	211,036,476
Changes in equity – transactions with owners				42,622	-42,622			14,003,813		14,003,813
Purchase of own shares				42,622	-42,622					
Withdrawal of own shares										
Payment of dividends								14,003,813		
Total comprehensive income for the period							0	0	16,338,768	16,338,768
Entry of net profit or loss for the period									16,338,768	16,338,768
Other components of comprehensive income for the period										0
B3. Changes in equity	0	0	0	0	0	-42,622	0	23,087,251	-23,087,251	-42,622
Allocation of the residual part of net profit of reporting period to other components of equity										0
Allocation of part of reported net income to other components of capital as decided by management and supervisory bodies								23,087,251	-23,087,251	0
Creation of reserves for own shares										0
Release of reserves for own shares						-42,622				-42,622
Closing balance of the period	20,229,770	44,284,976	16,931,435	5,688,771	-5,688,771	108,104,757	-1,650,342	9,089,445	16,338,768	213,328,808
DISTRIBUTABLE PROFIT								9,089,445	16,338,768	25,428,212

Statement of changes in equity in 2024

Cinkarna, kemična industrija Celje d.d.	Called-up capital	Capital reserve	Profit reserves				Fair value reserve	Retained earnings		Total capital
			Statutory reserve	Reserves for own shares	Own shares	Other profit reserve		Profit or loss carried forward	Net profit for the period	
Opening balance of the period	20,229,770	44,284,976	16,931,435	4,814,794	-4,814,794	102,652,061	-1,242,486	32,047,999	6,326,704	221,230,458
Changes in equity – transactions with owners				769,498	-769,498			32,041,992		32,041,992
Purchase of own shares				769,498	-769,498					
Withdrawal of own shares										
Payment of dividends								32,041,992		
Total comprehensive income for the period							0	0	14,627,499	14,627,499
Entry of net profit or loss for the period									14,627,499	14,627,499
Other components of comprehensive income for the period										0
B3. Changes in equity	0	0	0	0	0	5,557,206	0	0	-6,326,704	-769,498
Allocation of the residual part of net profit of reporting period to other components of equity						0		0	0	0
Allocation of part of reported net income to other components of capital as decided by management and supervisory bodies						6,326,704		0	-6,326,704	0
Creation of reserves for own shares										0
Release of reserves for own shares						-769,498				-769,498
Closing balance of the period	20,229,770	44,284,976	16,931,435	5,584,262	-5,584,262	108,209,266	-1,242,486	6,007	14,627,499	203,046,467
DISTRIBUTABLE PROFIT								6,007	14,627,499	14,633,506

7.4 Cash flow statement for the period

Cash flow statement for the period from 1 January to 30 September.

	JAN-SEP 2025	JAN-SEP 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net operating result before tax	20,947,138	18,753,204
Adjustments for:	11,517,858	10,917,578
Depreciation +	10,892,783	9,961,307
Profit/loss on sale of fixed assets	7,365	15,001
Impairment/write-down (reversal of impairment) of assets	100,812	166,396
Net increase/decrease in the valuation allowance for receivables	162	6,307
Net financial income/expenses	516,737	768,568
Cash flows from operating activities before change in net current assets (working capital)	-13,498,150	15,750,160
Change in trade receivables	-1,618,594	-7,080,718
Change in other non-current and current assets	3,490	139,883
Change in stocks	13,377,251	19,899,070
Change in trade payables	-16,510,783	2,260,107
Change in provisions	-1,443,935	-373,562
Change in deferred income	66,601	215,226
Change in other current liabilities	1,020,839	1,144,068
Change in liabilities under contracts with buyers	579,805	552,771
Income tax paid	-8,972,825	-1,006,686
Net cash flows from operating activities	18,966,846	45,420,943
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	768,090	850,818
Income from interest earned	733,640	829,806
Income from dividends received	27,086	6,011
Income from disposal of tangible fixed assets	7,365	15,001
Expenditure on investments	-12,468,779	-19,582,385
Expenditure on the acquisition of intangible assets	-171,685	-213,379
Expenditure on the acquisition of tangible fixed assets	-12,297,093	-9,893,207
Expenditure on the acquisition of financial investments	0	-9,475,799
Net cash flows from investing	-11,700,689	-18,731,567
Cash flows from financing activities		
Income from financing activities	773,675	0
Proceeds from increases in financial liabilities	773,675	0
Financing expenses	-14,056,859	-32,825,995
Expenditure on repayment of financial liabilities	-5,924	-11,720
Expenditure on interest paid	-4,500	-2,784
Expenditure on the purchase of own shares	-42,622	-769,498
Expenditure on dividends and other profit-sharing	-14,003,813	-32,041,992
Net cash flow from financing activities	-13,283,184	-32,825,995
Closing balance of cash and cash equivalents	11,714,381	9,551,186
Net increase/decrease in cash and cash equivalents	-6,017,026	-6,136,619
Opening balance of cash and cash equivalents (01/01)	17,731,407	15,687,805

7.5 Statement of other comprehensive income

Statement of other comprehensive income for the period from 1 January to 30 September.

	JAN-SEP 2025	JAN-SEP 2024
Net profit	16,338,768	14,627,499
Other comprehensive income for the year	0	0
Other comprehensive income for the year to be recognised in the income statement in the future	0	0
Net other comprehensive income for the year that will not be recognised in the income statement in the future	0	0
Total other comprehensive income for the year (after tax)	0	0
Total comprehensive income for the year (after tax)	16,338,768	14,627,499

8 NOTES TO FINANCIAL STATEMENTS

1 Reporting by segment

Sales by business segment

	In €	
	JAN-SEP 2025	JAN-SEP 2024
Titanium dioxide	134,235,035	129,201,422
- of which TiO_2 pigment	131,320,824	126,462,582
Varnishes, masters	11,769,257	12,482,102
Agro programme	7,997,373	8,606,545
Polymers	3,671,415	2,461,811
Other	418,275	780,044
TOTAL	158,091,354	153,531,924

Sales by regional segment

	In €	
	JAN-SEP 2025	JAN-SEP 2024
Slovenia	11,409,583	10,926,698
European Union	130,016,397	123,580,108
Third countries	12,679,936	15,185,463
Third countries – dollar market	3,985,438	3,839,655
TOTAL	158,091,354	153,531,924

Operating result by business segment

	In €											
	Titanium dioxide		Varnishes, masters		Agro programme		Polymers		Other		Total	
	30/09/2024	30/09/2025	30/09/2024	30/09/2025	30/09/2024	30/09/2025	30/09/2024	30/09/2025	30/09/2024	30/09/2025	30/09/2024	30/09/2025
Rev. from contr. with customers	129,201,422	134,235,035	12,482,102	11,769,257	8,606,545	7,997,373	2,461,811	3,671,415	780,044	418,274	153,531,924	158,091,354
Other operating income	146,451	162,506	29,446	45,517	30,494	21,260	227,700	320,627	3,059,272	3,227,826	3,493,363	3,777,736
Change in value of inventories	-7,271,744	-1,496,835	-390,742	74,396	-26,292	465,344	0	0	-381,351	0	-8,070,129	-957,095
Operating costs	-105,242,436	-114,719,682	-11,587,653	-11,178,366	-8,504,827	-7,922,197	-1,925,163	-2,884,341	-3,710,444	-3,777,009	-130,970,523	-140,481,594
-of which depreciation	-7,300,740	-7,747,305	-371,541	-303,234	-219,063	-259,011	-158,157	-169,513	-1,911,806	-2,413,719	-9,961,307	-10,892,783
Operating result	16,833,693	18,181,024	533,153	710,804	105,920	561,780	764,348	1,107,701	-252,479	-130,909	17,984,635	20,430,401
Interest income											829,712	733,640
Other financial income											350,681	805,256
Interest expense											2,785	4,500
Other financial expenses											409,040	1,017,659
Financial result	0	0	0	0	0	0	0	0	0	0	768,568	516,737
Deferred taxes											0	0
Income tax											4,125,705	4,608,370
Net profit	0	0	0	0	0	0	0	0	0	0	14,627,499	16,338,768

2 Revenue from contracts with customers

Revenue from contracts with customers comprises the sales value of products sold, merchandise, materials, and services rendered during the accounting period. A breakdown of net sales revenue by business segment and region is presented below.

	In €	
	JAN-SEP 2025	JAN-SEP 2024
Net revenues from contracts with customers of products and services	157,605,627	153,216,636
Net revenues from contracts with customers of merchandise and materials	485,728	315,288
TOTAL	158,091,354	153,531,924

3 Other operating income

	In €	
Income	JAN-SEP 2025	JAN-SEP 2024
Profit on sales and write-offs of assets	7,135	15,001
Revenue from refund claims	598,450	526,685
Compensation received	1,982	0
Income from previous years	26,911	22,820
Other income	13,188	11,522
TOTAL	647,666	576,028

4 Costs by natural type

	In €	
	JAN-SEP 2025	JAN-SEP 2024
Cost of materials	87,626,908	81,271,595
Cost of services	14,021,491	12,592,802
Purchase value of materials and goods sold	220,061	101,531
Other operating costs	1,563,778	1,668,304
TOTAL	103,432,239	95,634,231

5 Labour costs

	In €	
Labour costs	JAN-SEP 2025	JAN-SEP 2024
Salaries and allowances	18,927,466	18,533,440
Social security contributions	3,165,418	3,018,350
Expenses reimbursements and other staff compensation	3,701,563	3,483,961
Supplementary pension insurance	361,964	332,925
TOTAL	26,156,411	25,368,677

As at 30 September 2025, the Company had 726 employees. The average number of employees was 723.

6 Depreciation and amortisation

The Company depreciates fixed assets on a straight-line basis over the expected useful life of each fixed asset. Depreciation is charged to the carrying amount of each fixed asset.

	In €	
Description	JAN-SEP 2025	JAN-SEP 2024
Depreciation and amortisation		
- intangible assets	288,341	229,350
- easements	54,258	54,258
- buildings	2,444,032	2,402,659
- production equipment	8,105,367	7,273,793
- other equipment	785	1,247
TOTAL	10,892,783	9,961,307

7 Operating expensesOperating expenses

	In €	
Expenses	JAN-SEP 2025	JAN-SEP 2024
Purchase value of materials and goods sold	220,061	101,531
Cost of materials	87,626,908	81,271,595
Cost of services	14,021,491	12,592,802
Labour costs	26,156,411	25,368,677
Depreciation and amortisation	10,892,783	9,961,307
Other operating expenses	1,563,778	1,668,304
Impairment and write-offs of trade receivables	162	6,307
TOTAL	140,481,595	130,970,522

Other operating expenses

In €

Other operating expenses	JAN-SEP 2025	JAN-SEP 2024
Environmental fees and refunds	292,897	350,326
Awards to students and trainees	192,748	238,245
Building land use allowance	751,126	722,270
Revaluation of stocks of materials and goods	100,812	160,090
Loss on sale (disposal) of fixed assets	7,365	163,005
Other costs and expenses	218,830	34,368
TOTAL	1,563,778	1,668,304

8 Financial income and expenses

In €

Income	JAN-SEP 2025	JAN-SEP 2024
Net exchange differences	0	0
Interest income	733,640	829,806
Dividend income	27,086	6,011
Total financial income	760,725	835,818
Net exchange differences	-239,488	-64,371
Interest expense	-4,500	-2,879
Total financial expenses	-243,988	-67,249
Net financial result	516,737	768,568

9 Income tax

The income tax calculated at the effective tax rate of 22% amounts to EUR 4.6 million.

10 Intangible assets

In €

Intangible asset group for 2025	Acquisition value		Value adjustment		Undepreciated value	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024
Property rights	6,158,767	5,690,758	4,866,699	4,630,393	1,292,068	1,060,366
Assets under acquisition	1,000,053	1,348,412	0	0	1,000,053	1,348,412
TOTAL	7,158,820	7,039,170	4,866,699	4,630,393	2,292,122	2,408,779

The useful lives of intangible assets are finite. The Company reviewed their values and determined that their current values do not exceed their recoverable amounts.

11 Tangible fixed assets

In €

Tangible fixed assets group for 2025	Acquisition value		Value adjustment		Undepreciated value	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024
Land	10,895,071	10,895,071	1,397,695	1,343,438	9,497,376	9,551,633
Buildings	133,234,855	131,641,160	95,238,575	92,794,543	37,996,280	38,846,617
Equipment	247,419,351	245,772,392	199,819,772	192,899,723	47,599,579	52,872,669
Assets under acquisition	16,594,558	8,731,586	0	0	16,594,558	8,731,586
Advances	1,821,404	1,697,110	0	0	1,821,404	1,697,110
TOTAL	409,965,239	398,737,319	296,456,042	287,037,704	113,509,197	111,699,615

The Company verified their values and determined that their current value does not exceed their recoverable amounts. The Company has no assets under finance leases, nor does it have any assets pledged as collateral for any guarantees as at 30 September 2025.

12 Financial assets

In €

Non-current financial investments group for 2025	Acquisition value		Value adjustment		Fair value	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024
Other investments	2,077,692	2,077,692	790,367	790,367	1,287,325	1,287,325
TOTAL	2,077,692	2,077,692	790,367	790,367	1,287,325	1,287,325

Investments in Elektro Celje and Elektro Maribor shares are valued using the fair value model, and their holdings in all shares of the aforementioned companies represent less than a 1% share.

Members of the Management Board and Supervisory Board did not receive any long-term loans. Cinkarna Celje d.d. has no other subsidiaries or associates and does not conduct business with other related parties.

13 Other non-current assets

In €

Other non-current assets group for 2025	Acquisition value		Value adjustment		Undepreciated value	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024
Emission allowances	115,376	105,470	0	0	115,376	105,470
TOTAL	115,376	105,470	0	0	115,376	105,470

In 2025, the Company submitted 23,273 emission allowances to ARSO for CO₂ emissions for the 2024 financial year and returned 3,609 allowances based on the decision. The Company also received 36,788 allowances for the 2025 financial year.

14 Deferred tax assets and liabilities

In €

Description	30/9/2025	31/12/2024	Liabilities 2025	Liabilities 2024
Opening balance	1,536,620	1,572,841	74,132	133,797
Increase during the year	0	68,796	0	0
Decrease during the year	0	105,017	0	59,665
Closing balance	1,536,620	1,536,620	74,132	74,132
Offsetting	-74,132	-74,132	-74,132	-74,132
Closing balance	1,462,488	1,462,488	0	0

15 Current financial receivables

In €

Current financial receivables group for 2025	Value of investments		Adjustment of investments		Net investments	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024
Current financial receivables – treasury bills	46,416,844	47,150,115	0	0	46,416,844	47,150,115
Fair value of derivative financial instruments	24,340	64,744	0	0	24,340	64,744
TOTAL	46,441,184	47,214,859	0	0	46,441,184	47,214,859

16 Inventories

In €

Inventories group	30/9/2025	31/12/2024	Recoverable amount
Material	27,523,156	40,009,286	27,523,156
Work in progress	3,116,387	3,407,765	3,116,387
Products	14,688,519	15,354,235	18,707,048
Merchandise	19,538	66,785	19,538
Advances made	244,578	131,357	244,578
TOTAL	45,592,177	58,969,428	49,610,707

Inventories are not pledged as collateral. Advances paid represent funds provided for the purchase of raw materials and supplies. The net realisable value of inventories as at 30 September 2025 exceeds their carrying amount.

17 Trade receivablesCurrent trade receivables

In €

Receivables group for 2025	Value of receivables		Value adjustment		Net receivables	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024
Buyers in the country	4,003,258	2,157,838	273,233	273,233	3,730,025	1,884,604
Buyers abroad	26,346,770	25,408,800	361,737	363,719	25,985,033	25,045,081
Indirect exporters	102,944	170,989	0	0	102,944	170,989
TOTAL	30,452,973	27,737,626	634,970	636,952	29,818,003	27,100,674

As of 1 June 2021, trade receivables are insured with an external institution.

Movement in valuation allowances on current trade receivables

In €

2025	As at 31/12/2024	Adjustment 2025	Value adjustment formed 2025	Write-downs of valuation allowances of prior years	Paid written-off receivables	As at 30/9/2025
Buyers in the country	273,233	0	0	0	0	273,233
Buyers abroad	363,720	0	0	0	1,982	361,738
TOTAL	636,952	0	0	0	1,982	634,970

Trade receivables by maturity

In €

Trade receivables by maturity	Gross value 30/9/2025	Adjustment 30/9/2025	Gross value 31/12/2024	Adjustment 31/12/2024
Not past due	26,933,609	4,298	21,758,815	4,298
Past due up to 15 days	2,324,795	919	4,776,348	919
Past due from 16 to 60 days	396,564	440	402,918	440
Past due from 61 to 180 days	31,044	30,202	30,602	30,202
Past due more than 180 days	766,961	599,111	768,943	601,093
TOTAL	30,452,972	634,970	27,737,626	636,952

Other current receivables

In €

Other receivables group	30/9/2025	31/12/2024
Receivables for VAT	2,038,370	2,697,649
Receivables from government institutions	1,371	2,990
Receivables from employees	4,435	6,297
Other receivables	0	435,975
TOTAL	2,044,177	3,142,911

The Company has no receivables from members of the Management Board or the Supervisory Board.

18 Cash and cash equivalents

In €

Assets group	30/9/2025	31/12/2024
Cash in hand	30	30
Cash in accounts	4,320,822	9,218,478
Short-term deposits at call	7,002,100	8,040,374
Foreign currency balances on accounts	391,430	472,524
TOTAL	11,714,381	17,731,407

Cash is invested with domestic banks and bears interest at a fixed annual rate.

19 Other current assets

Under other current liabilities, the Company reports current prepaid expenses and VAT on advances received.

In €		
Description	30/9/2025	31/12/2024
Prepaid expenses	224,939	179,975
VAT on advances received	2,331	2,100
Other	0	48,686
TOTAL	227,270	230,760

20 Owners' capital

In €		
Capital items	30/9/2025	31/12/2024
Called-up capital	20,229,770	20,229,770
Capital reserves	44,284,976	44,284,976
Statutory reserves	16,931,435	16,931,435
Reserves for own shares	5,688,771	5,646,149
Own shares	-5,688,771	-5,646,149
Other profit reserves	108,104,757	108,147,379
Fair value reserve	-1,650,342	-1,650,342
Retained earnings	25,428,212	23,093,258
TOTAL CAPITAL	213,328,808	211,036,476

The Company's share capital consists of 8,079,770 freely transferable bulk shares of the same class. All shares have the same nominal value and are fully paid up. As at the balance sheet date of 30 September 2025, the share capital amounts to EUR 20,229,770.

Based on the resolution of the 29th regular General Meeting of Shareholders of Cinkarna Celje d.d. held on 21 May 2025, the Company paid dividends in the amount of EUR 14 million at the end of June 2025.

As at 30 September 2025, the Company held 299,874 treasury shares (3.7% of all shares). In accordance with the resolution of the 28th regular General Meeting of Shareholders of Cinkarna Celje d.d. held on 19 June 2024, the Company acquired 1,490 treasury shares with a value of EUR 42,622 in 2025.

	Number of treasury shares	Average market price per share (in EUR)	Value of treasury shares (in EUR)
Balance as at 31 December 2024	298,384		5,646,149
Purchases in 2025	1,490	28,61	42,622
Balance as at 30 September 2025	299,874		5,688,771

21 Non-current liabilities

In €		
Provisions and long-term accruals	30/9/2025	31/12/2024
Provisions for employee benefits	3,524,796	3,748,722
Provisions for the environment	13,082,262	14,302,270
Government grants received - emission allowances	115,376	78,675
Deferred income	824,804	794,904
TOTAL	17,547,239	18,924,572

Post-employment benefits of employees

In €		
Post-employment benefits of employees	30/9/2025	31/12/2024
Provisions for severance payments	2,801,865	2,947,434
Provisions for jubilee awards	722,931	801,288
TOTAL	3,524,796	3,748,722

In €

Post-employment benefits of employees 2025	31/12/2024	Intended use	30/9/2025
Provisions for severance payments	2,947,434	145,570	2,801,865
Provisions for jubilee awards	801,288	78,357	722,931
TOTAL	3,748,722	223,927	3,524,796

Provisions

In €

Provisions for the environment 2025	As at 31/12/2024	Annual plan for designated use 2025	Use 2025	As at 30/9/2025
Provisions for the Za Travnikom landfill site	1,937,448	922,000	74,349	1,863,100
Provisions for the Bukovžlak landfill site (ONOB)	8,586,266	1,410,000	1,136,289	7,449,977
Provisions for the Bukovžlak high embankment barrier	1,811,864	133,000	9,370	1,802,494
Environmental provisions - Environmental investment in TiO ₂ production	1,966,691	0	0	1,966,691
SKUPAJ	14,302,270	2,465,000	1,220,008	13,082,262

The use of environmental provisions in 2025 represents the costs incurred by contractors for work performed in the amount of EUR 1.2 million.

Deferred income

In €

Deferred income	30/9/2025	31/12/2024
Funds received from the EU Fund	35,341	35,341
Emission allowances	115,376	78,675
Subsidies for photovoltaics and e-vehicles	789,463	759,562
TOTAL	940,180	873,579

22 Current financial liabilities

In €

Liabilities group	30/9/2025	31/12/2024
Current financial liabilities – assignments, cessions	23,991	29,915
TOTAL	23,991	29,915

23 Current trade payables

In €

Liabilities group	30/9/2025	31/12/2024
Current payables to in-country suppliers	11,712,146	13,112,651
Current payables to suppliers abroad	4,414,950	17,830,038
Current payables for unbilled goods and services	774,926	40,029
Current payables against advances	243,284	749,351
Current payables to employees	1,467,913	2,508,986
Current payables for payer's contributions	513,068	1,288,315
Current payables to government and other institutions	639,520	559,614
Other current liabilities	12,532	35,554
TOTAL	19,778,339	36,124,537

24 Income tax liabilities

In €

Income tax	30/9/2025	31/12/2024
Current liabilities for income tax	1,005,930	4,019,469
TOTAL	1,005,930	4,019,469

25 Liabilities under contracts with customers

In €

Liabilities under contracts with customers	30/9/2025	31/12/2024
Liabilities under contracts with customers	579,805	0
TOTAL	579,805	0

Liabilities under contracts with buyers arise from contractual commitments to customers for agreed bulk payments.

26 Other current liabilities

Other current liabilities comprise accrued costs or expenses.

In €		
Description	30/9/2025	31/12/2024
Calculated unused entitlement to annual leave	851,641	851,641
Accrued costs	1,298,852	277,173
VAT on advances made	2,916	2,100
European funds received	86,180	86,180
Other	0	1,656
TOTAL	2,239,589	1,218,750

27 Contingent assets and liabilities

In €		
Description	30/9/2025	31/12/2024
Guarantees given	2,131,657	2,131,657
Futures	2,543,262	3,966,896
VISA and Mastercard payment cards	60,000	60,000
Material in finishing and processing	59,726	59,726
TOTAL	4,794,645	6,218,279

28 Fair value

In €				
	30/9/2025		31/12/2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through other comprehensive income	1,287,325	1,287,325	1,287,325	1,287,325
Current financial receivables	46,441,184	46,441,184	47,214,859	47,214,859
Trade receivables	29,818,003	29,818,003	27,100,674	27,100,674
Cash and cash equivalents	11,714,381	11,714,381	17,731,407	17,731,407
Financial liabilities	-23,991	-23,991	-29,915	-29,915
Payables to suppliers	-16,902,023	-16,902,023	-30,982,718	-30,982,718
Liabilities under contracts with customers	-579,805	-579,805	0	0
TOTAL	71,755,073	71,755,073	62,321,632	62,321,632

Financial investments are classified into three groups based on the fair value calculation:

- Group I - assets at market price;
- Group II - assets not classified in Group I, whose value is determined directly or on the basis of comparable market data;
- Group III - assets for which market data cannot be obtained.

In €								
Fair value of assets	30/9/2025				31/12/2024			
	Group 1	Group 2	Group 3	Total	Group 1	Group 2	Group 3	Total
Financial assets at fair value through other comprehensive income	0	1,287,325	0	1,287,325	0	1,287,325	0	1,287,325
Total assets measured at fair value	0	1,287,325	0	1,287,325	0	1,287,325	0	1,287,325
Assets for which fair value is disclosed								
Current financial receivables	46,441,184	0	0	46,441,184	47,150,115	0	64,744	47,214,859
Trade receivables	0	0	29,818,003	29,818,003	0	0	27,100,674	27,100,674
Cash and cash equivalents	0	0	11,714,381	11,714,381	0	0	17,731,407	17,731,407
Total assets for which fair value is disclosed	46,441,184	0	41,532,383	87,973,567	47,150,115	0	44,896,825	92,046,940
Total	46,441,184	1,287,325	41,532,383	89,260,892	47,150,115	1,287,325	44,896,825	93,334,265

Fair value of liabilities	30/9/2025				31/12/2024			
	Group 1	Group 2	Group 3	Total	Group 1	Group 2	Group 3	Total
Financial liabilities	0	0	23,991	23,991	0	0	29,915	29,915
Payables to suppliers	0	0	16,902,023	16,902,023	0	0	30,982,718	30,982,718
Liabilities under contracts with customers	0	0	579,805	579,805	0	0	0	0
Total liabilities for which fair value is disclosed	0	0	17,505,819	17,505,819	0	0	31,012,633	31,012,633

III CASH FLOW STATEMENT

The cash flow statement shows changes in cash and cash equivalents for the financial year as the difference between the balance on 30 September 2025 and 31 December 2024. It is prepared using the indirect method from the statement of financial position as at 30 September of the accounting year and the statement of financial position as at 31 December 2024, as well as from additional information necessary to adjust income and expenses and to appropriately break down significant items. Theoretically possible items are not shown, and values are shown for the current and previous periods.

IV STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity is presented in the form of a composite table showing changes in all components of equity. Theoretically possible items are not shown. Changes in equity relate to the decision of the General Meeting on the distribution of the previous year's retained earnings for the payment of dividends to owners that have been or will be paid, and to the purchase of own shares. Pursuant to Article 64(14) of the Companies Act (ZGD-1), the statement of changes in equity includes the determination of retained earnings.

V FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

Financial risks (liquidity and interest rate)

Liquidity risk

Cinkarna Celje d.d. is a business partner known for its payment discipline both on the domestic and foreign markets, a company with no bank debts and stable cash flows. The Company's business is traditionally conservative with high cash flow. Liquidity management includes, inter alia, planning and covering expected cash commitments, ongoing monitoring of customer solvency and regular collection of overdue receivables. The credit rating is AAA, and the Company once again received a platinum credit rating in 2025 (Dun & Bradstreet).

Interest rate risk

Interest rate risk is the potential for losses due to adverse movements in market interest rates. The Company does not have any long-term financial commitments and has no measures in place to address this. If this were to change, appropriate measures would be put in place to manage this type of risk.

Due to its favourable financial position, the Company enters into short-term deposit agreements with positive interest rates with banks in order to increase its financial income. As of the balance sheet date of 30 September 2025, deposits amount to EUR 7 million. In order to make effective use of surplus cash, the Company also invests it in short-term treasury bills, which amounted to EUR 46.4 million as at 30 September 2025.

Credit risk

The key credit risk of Cinkarna Celje d.d. is the risk that customers will not settle their obligations when they fall due. The risk is limited as we operate mainly with long-standing partners, which are often well-known traditional European industrial companies with a high credit rating. In recent years, we have perceived that payment discipline in Slovenia, the Balkans and Eastern Europe has been relatively poor, but we do not expect any further problems in this geographic area in the coming period or a significant reduction in risk potential. With the realignment/reorganisation of the portfolio of the company's strategic business areas, specifically the discontinuation of the Graphic Repro Materials programme, the Rolled Titanium Sheet programme, the Anti-Corrosion Coatings programme and the Building Materials programme, the exposure to credit risk has been significantly reduced, as evidenced by the maturity of receivables and the fact that we have virtually no further allowance for doubtful or defaulted receivables from customers.

For many years, Cinkarna Celje has been carrying out internal credit control for individual customers, who have been assigned an individual credit limit based on their payment discipline, credit rating and good performance with the company. The credit risk monitoring and management process was further enhanced in mid-2021 with the introduction of receivables insurance with an external institution, where credit limits are set, monitored and changed on a daily basis.

Besides the regular monitoring of the credit limit for each customer, the payment discipline of the customer and the announcements of proceedings on AJPES under the Act on Financial Management, Insolvency and Compulsory Winding-up Proceedings (ZFPPIPP) are monitored on a daily basis. The customer is also reminded of the due date of a receivable by a reminder, first by telephone and then by letter, and interest is charged from the due date until the date of repayment. The process of regular monitoring and control of the portfolio of trade receivables is a permanent feature of the company, resulting in a small proportion of write-offs or impairments of receivables in relation to the proportion of sales.

The carrying amount of financial assets most exposed to credit risk at the reporting date was as follows:

		In €	
	Notes	30/9/2025	31/12/2024
Financial assets at fair value through other comprehensive income	3	1,287,325	1,287,325
Financial receivables	7	46,441,184	47,214,859
Trade receivables	8	29,818,003	27,100,674
Cash and cash equivalents	9	11,714,381	17,731,407
TOTAL		89,260,892	93,334,265

The Company has a healthy structure of trade receivables, as shown in Note 17 Trade receivables in the table of receivables by maturity and in the table of changes in the allowance for current trade receivables.

Currency risk

Cinkarna Celje d.d. purchases and sells on the world market and is therefore exposed to the risk of unfavourable cross-currency exchange rates. In particular, the €/€ exchange rate. As most sales are made in euro, the exposure is particularly acute for dollar purchases of titanium-bearing raw materials and, exceptionally, sulphur and copper compounds. The exposure is significantly lower in dollar-denominated sales.

We continuously monitor movements and forecasts regarding the dynamics of the €/€ currency pair. In essence, we limit the short-term risk of adverse changes in the \$ exchange rate through the standardised and consistent use of financial instruments (dollar futures). We achieve virtually complete coverage of relevant business events involving the €/€ currency pair.

Exposure to foreign exchange rate risk

	30/9/2025		31/12/2024	
	EUR*	USD	EUR*	USD
Financial assets at fair value through other comprehensive income	1,287,325	0	1,287,325	0
Current financial receivables	46,441,184	0	47,214,859	0
Trade receivables	29,338,967	561,252	26,086,389	1,059,110
Cash and cash equivalents	11,714,381	0	17,731,407	0
Current financial liabilities	-23,991	0	-29,915	0
Current trade payables	-30,559,133	-81,782	-17,429,009	-14,177,564
Exposure in the statement of financial position (net)	58,198,732	479,470	74,861,056	-13,118,454

*EUR is the functional currency and does not represent exposure to exchange rate risk. In addition to the functional currency EUR, the Company also uses USD (US dollar), which was used to translate balance sheet items as at 30 September and 31 December 2025. The reference rate of the European Central Bank is 1.1741 for one national currency per EUR on 30 September 2025 and 1.0389 on 31 December 2024.

Sensitivity analysis

A 1% change in the value of the USD against the EUR on 30 September 2025 or 31 December 2024 would change the pre-tax profit by the amounts shown in the table below. The analysis, which is performed in the same manner for both years, assumes that all variables, particularly interest rates, remain unchanged. The calculation of the impact of the change in the US dollar exchange rate takes into account the balance of receivables and liabilities denominated in dollars.

	30/9/2025		31/12/2024	
USD currency change	1%	-1%	1%	-1%
Impact on operating result before tax	4,043	-4,043	125,002	-125,002

Any further change of 1% in the USD exchange rate against the EUR would result in a further change in the operating result before tax of the above amounts.

Capital management

The primary objective of Cinkarna Celje's capital management is to ensure a high credit rating and adequate funding ratios to ensure the proper development of its business and to maximise value for its shareholders.

Cinkarna Celje d.d. wishes to manage and adapt its capital structure in line with changes in the economic environment. Dividends are paid once a year in accordance with the adopted dividend policy and the resolutions of the General Meeting. Cinkarna Celje d.d. has no specific objectives regarding employee ownership and no share option programme. There were no changes in the method of capital management in 2025. Cinkarna Celje d.d. uses the financial leverage ratio to monitor its capital, which shows the ratio of net debt to capital and total net debt. Net debt includes financial and operating liabilities, less cash and cash equivalents and financial receivables (treasury bills).

	30/9/2025	31/12/2024
Financial liabilities	23,991	29,915
Trade and other current liabilities	25,085,740	37,343,286
Cash and cash equivalents	-58,131,225	-64,881,522
Net indebtedness	-33,021,493	-27,508,321
Capital	213,328,808	211,036,476
Financial leverage ratio	-18%	-15%

9 SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

After the balance sheet date, no significant events were recorded that would have an impact on the financial statements presented as at 30 September 2025.