

Podravka
Group
Annual
report for
2025



1	STRUCTURE AND OWNERSHIP	3
2	CORPORATE PROFILE OF PODRAVKA GROUP	6
3	FOREWORD BY THE PRESIDENT OF THE MANAGEMENT BOARD OF PODRAVKA INC.	13
4	MANAGEMENT BOARD OF PODRAVKA INC.	16
5	SUPERVISORY BOARD OF PODRAVKA INC.	21
6	REPORT OF THE WORK OF THE SUPERVISORY BOARD OF PODRAVKA INC.	29
7	REPORT ON THE APPLICATION OF THE CORPORATE GOVERNANCE CODE	33
8	KEY BUSINESS INDICATORS	37
	Macroeconomic Environment	38
	Key Events	40
9	BUSINESS RESULTS AND SHARES	54
	Business Results	55
	Shares	79
10	EXPECTED DEVELOPMENT	82
11	PODRAVKA GROUP'S BRANDS	85
12	INNOVATIONS, AWARDS AND RECOGNITIONS	96
	Research and Development	97
	New Products	99
	Digital Innovations	109
	Awards and Recognitions	112
13	SUSTAINABILITY STATEMENT	125
14	FINANCIAL REPORTS	271



1 Structure and Ownership



STRUCTURE of the Podravka Group

Podravka is a joint-stock company listed on the Prime Market of the Zagreb Stock Exchange. The Podravka Group is comprised of a number of affiliated companies owned by Podravka Inc.

PODRAVKA INC.

Name of subsidiary	Ownership interest of Podravka Inc.
Podravka Ltd., Ljubljana, Slovenia	100.00%
Žito Ltd., Ljubljana, Slovenia	100.00%
Intes Storitve Ltd., Maribor, Slovenia*	100.00%
Žito maloprodaja Ltd., Ljubljana, Slovenia*	100.00%
Mirna Inc., Rovinj, Croatia	100.00%
Podravka-Lagris a.s., Dolni Lhota u Luhačovic, Czech Republic	100.00%
Podravka-Polska Sp.z o.o., Warszawa, Poland	100.00%
Podravka-International Kft, Budapest, Hungary	100.00%
Podravka Ltd., Belgrade, Serbia	100.00%
Podravka-Int. Deutschland –“Konar” GmbH, Germany	100.00%
Podravka-International s.r.o., Zvolen, Slovakia***	100.00%
Podravka Ltd., Podgorica, Montenegro	100.00%
Podravka-International Pty Ltd, Silverwater, Australia	100.00%
Podravka EOOD, Sofia, Bulgaria	100.00%
Podravka-International s.r.l., Bucharest, Romania	100.00%
Podravka DOOEL, Petrovec, North Macedonia	100.00%
Podravka Ltd., Sarajevo, Bosnia and Herzegovina	100.00%
Podravka USA Inc., New York, USA	100.00%
Podravka Ltd., Moskva, Russia****	100.00%
Foodpro Limited, Dar es Salaam, Tanzania****	100.00%
Podravka Gulf Fze, Jebel Ali, Dubai, UAE	100.00%
Belupo Inc., Koprivnica, Croatia	100.00%
Ljekarne Deltis Pharm, Koprivnica, Croatia**	100.00%
Farmavita Ltd. Sarajevo, Vogošća, Bosnia and Herzegovina**	65.00%
Belupo dooel, Skopje, North Macedonia**	100.00%
Belupo s.r.o. Bratislava, Slovakia**	100.00%
Belupo Ltd. Ljubljana, Slovenia**	100.00%
Podravka Agri Ltd.*****	84.99%
Belje plus Ltd., Darda, Croatia	100.00%
Pik-Vinkovci plus Ltd., Vinkovci, Croatia	100.00%
Vupik plus Ltd., Vukovar, Croatia	100.00%
Energija Gradec Ltd., Sesvete, Croatia	100.00%
Belje agro-vet plus Ltd., Mece, Croatia	100.00%
Felix plus Ltd., Vinkovci, Croatia	100.00%

* Podravka Inc. holds these ownership interests indirectly through its subsidiary Žito Ltd.

** Podravka Inc. holds these ownership interests indirectly through its subsidiary Belupo Inc.

*** 25% of ownership interest is held indirectly through the subsidiary Podravka-Lagris a.s., Dolni Lhota u Luhačovic

**** 15% of ownership interest is held indirectly through the subsidiary Podravka-Int. Deutschland – “Konar” GmbH

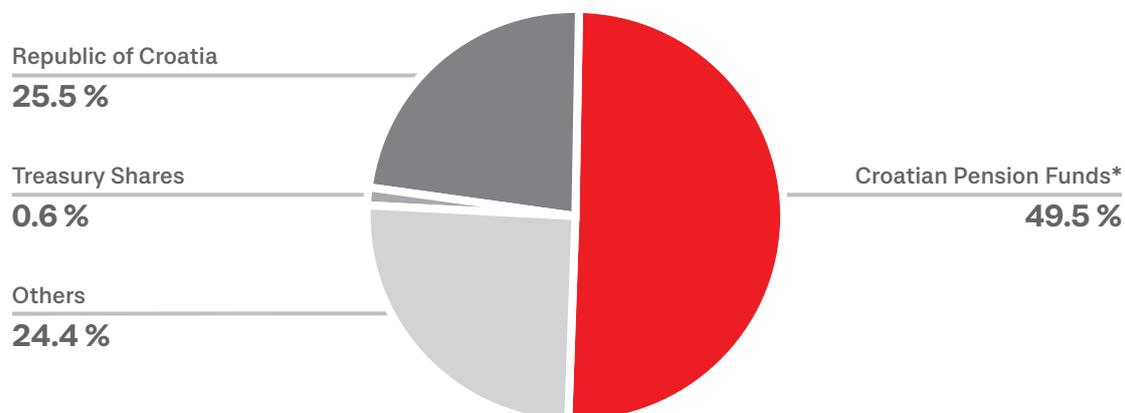
***** Business activities are suspended during 2022

***** At the General Assembly of Podravka Agri Ltd. held on 27 January 2025, a decision was adopted to increase the share capital, through which the European Bank for Reconstruction and Development acquired a 15.01% ownership stake in Podravka Agri Ltd. On 31 January 2025, Podravka Inc. completed the acquisition of the agricultural segment of Fortenova group. Through the newly established company Podravka Agri Ltd., in which Podravka holds 84.99% ownership and the European Bank for Reconstruction and Development (EBRD) 15.01%, the companies Belje plus Ltd., Vupik plus Ltd., PIK Vinkovci plus Ltd., Energija Gradec Ltd., Belje Agro-Vet plus Ltd. and Felix plus Ltd. were acquired.



OWNERSHIP STRUCTURE OF PODRAVKA INC.

as of December 31, 2025



List of 10 largest shareholders of Podravke Inc. as of 31 december 2025

Shareholder	Number of shares	% of ownership
1. RSC** - Republic of Croatia	1,187,732	16.7%
2. PBZ Croatia Osiguranje mandatory pension fund, category B	1,097,644	15.4%
3. AZ mandatory pension fund, category B	934,026	13.1%
4. Raiffeisen mandatory pension fund, category B	625,298	8.8%
5. Erste Plavi mandatory pension fund, category B	613,643	8.6%
6. Pivac Brothers Meat Industry	511,519	7.2%
7. Capital Fund	406,842	5.7%
8. HPB d.d. / Republic of Croatia	167,281	2.3%
9. Radnik d.d.	77,778	1.1%
10. Bistra d.o.o.	75,015	1.1%
Other shareholders	1,423,225	20.0%
● Total	7,120,003	100.0%

* Includes all mandatory and voluntary pension funds managed by the pension companies: AZ, ROMF, PBZCO and ERSTE.

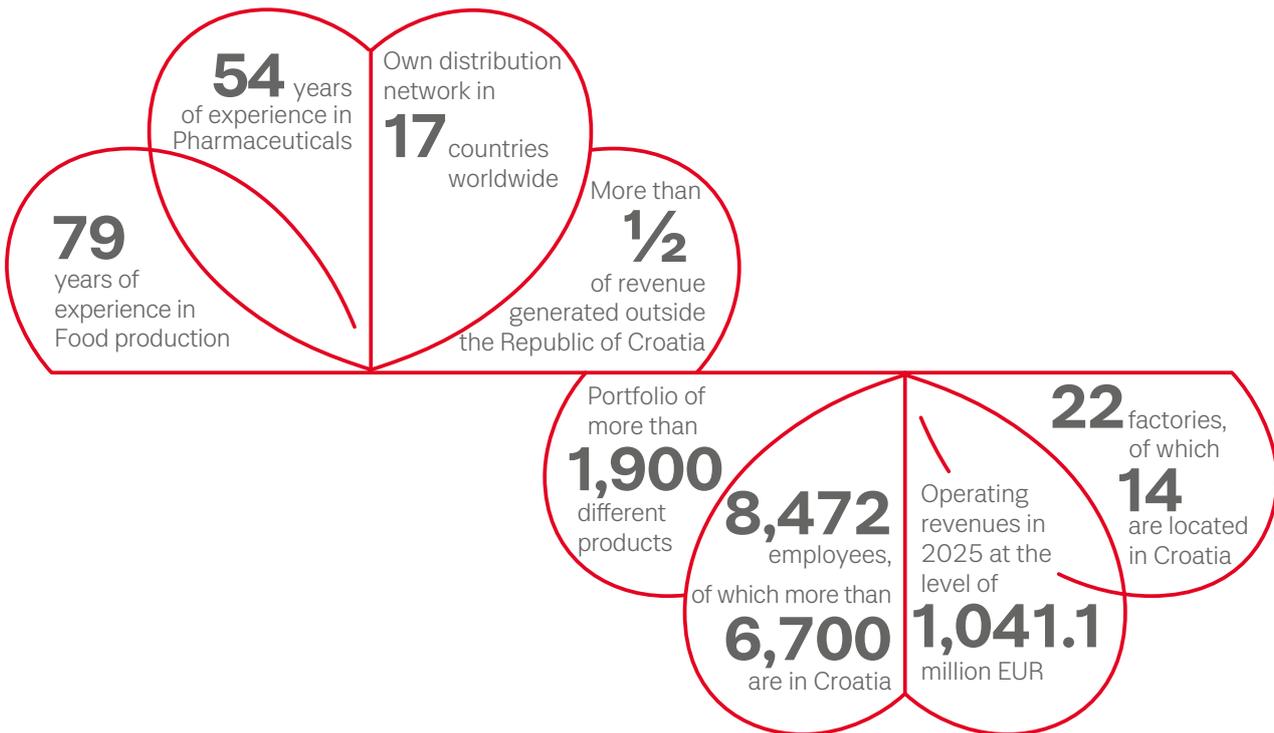
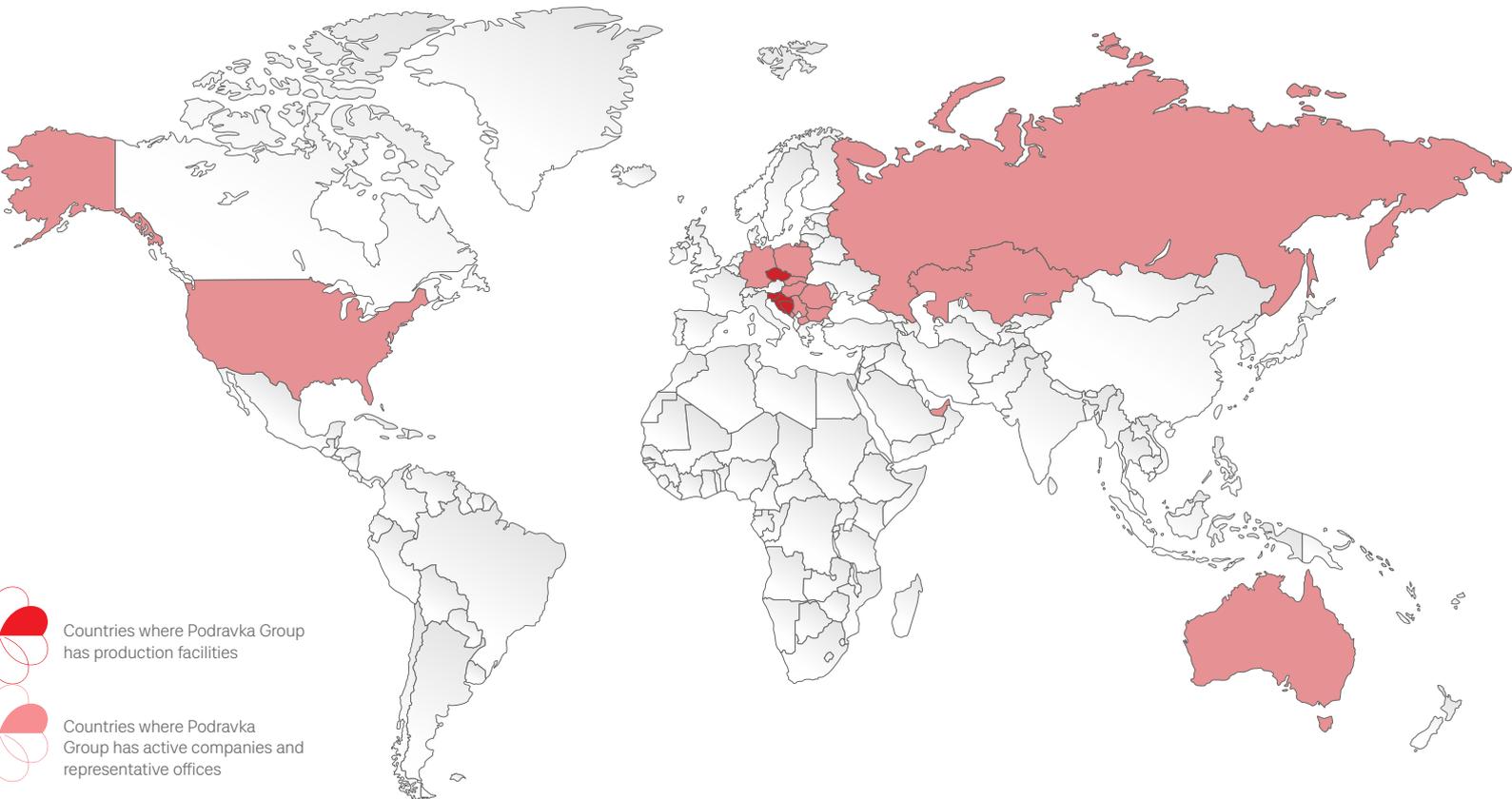
** The Restructuring and Sale Centre holds 1,241,504 shares through two accounts, Capital Fund Inc. holds 406,842 shares, the Republic of Croatia additionally holds 167,281 shares on a separate account



2 Corporate Profile of Podravka Group

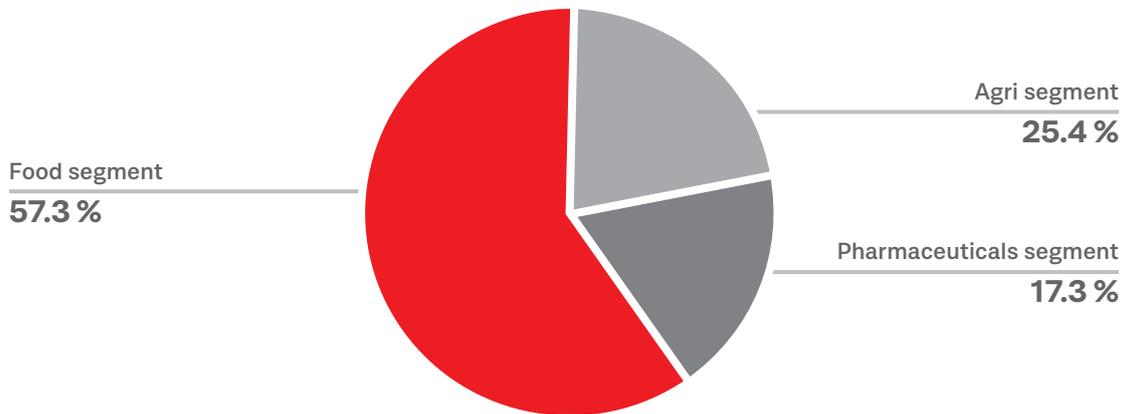


- Headquarters: Koprivnica, Republic of Croatia
- The most internationalized company based in the Republic of Croatia
- The leading culinary institution in Central and Southeastern Europe

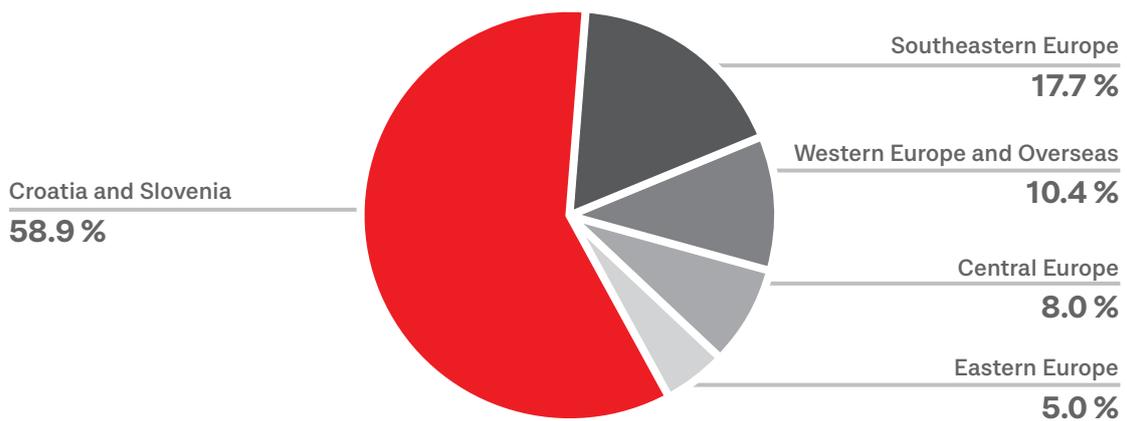




OPERATING REVENUES STRUCTURE OF PODRAVKA GROUP*
by Segments in 2025



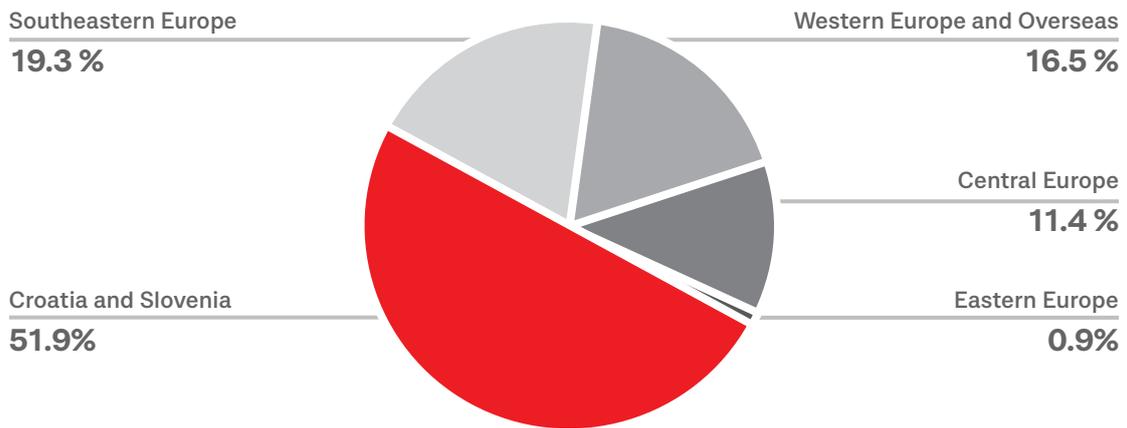
SALES REVENUES STRUCTURE OF PODRAVKA GROUP*
by Region in 2025



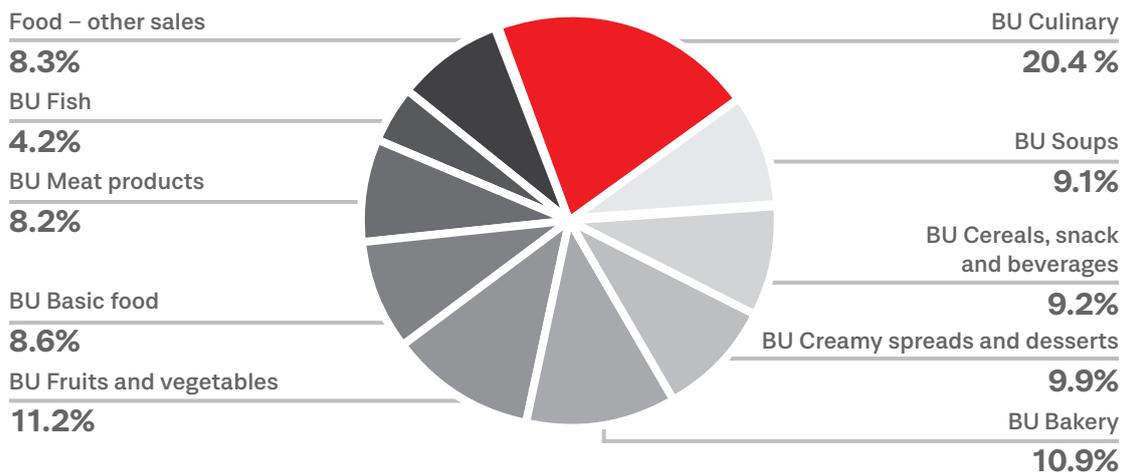
* Gross presentation of revenues without consolidation adjustment.



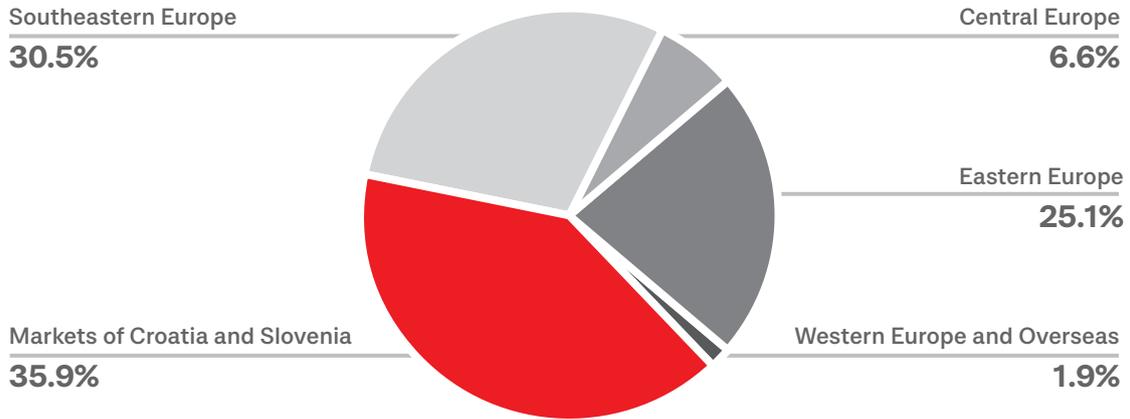
**SALES REVENUES STRUCTURE OF FOOD SEGMENT
by Region in 2025**



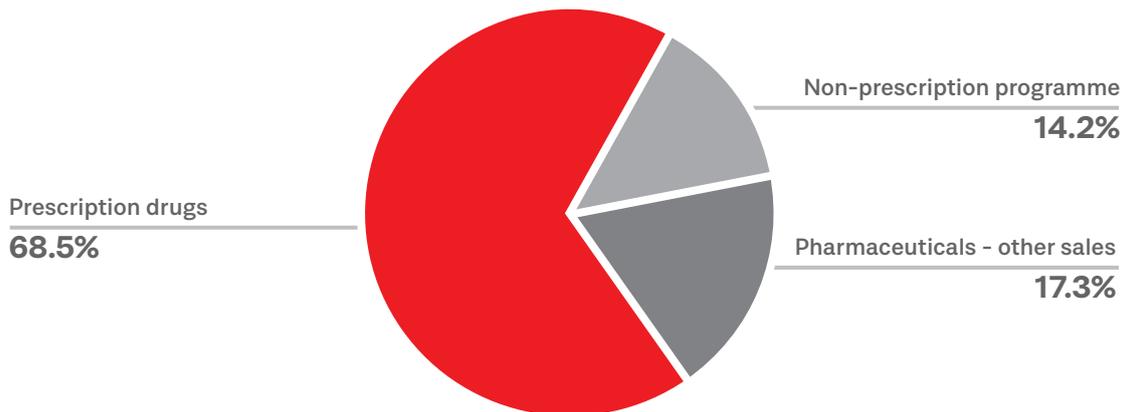
**SALES REVENUES STRUCTURE OF FOOD SEGMENT
by Business Unit in 2025**



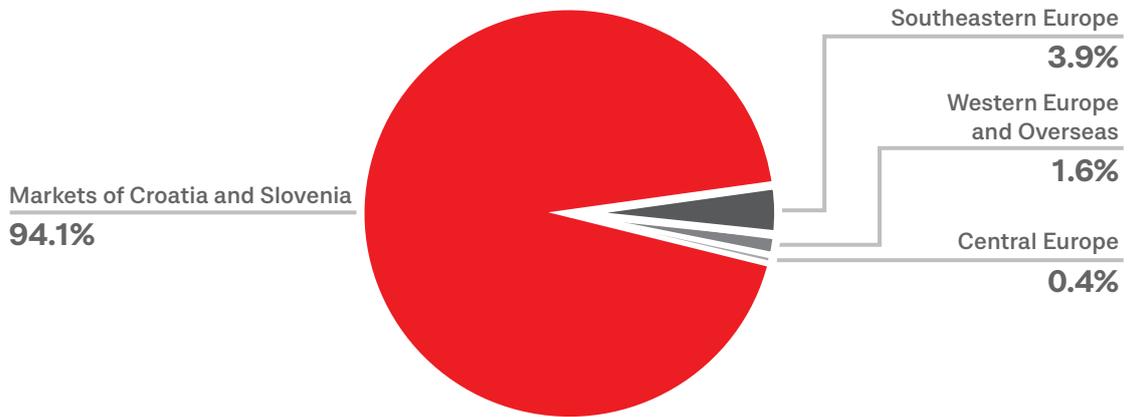
**SALES REVENUES STRUCTURE OF PHARMACEUTICALS SEGMENT
by Region in 2025**



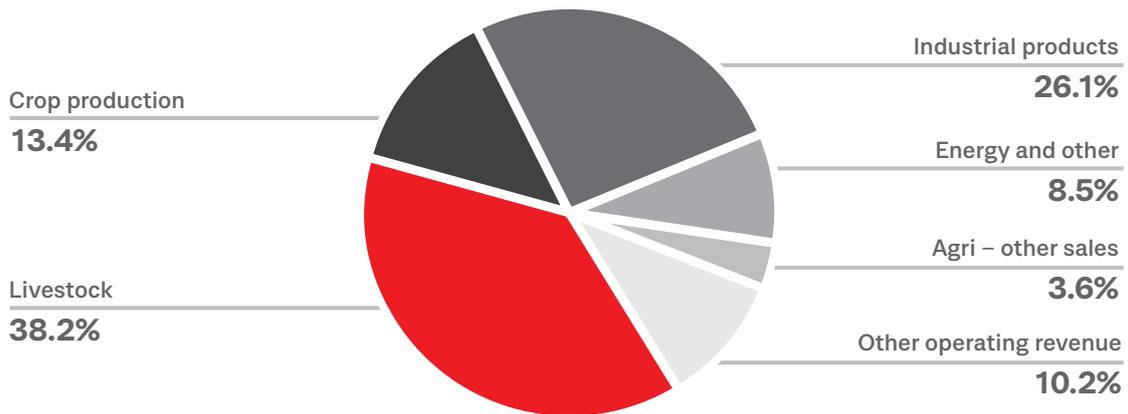
**SALES REVENUES STRUCTURE OF PHARMACEUTICALS SEGMENT
by Category in 2025**



SALES REVENUES STRUCTURE OF AGRI SEGMENT
by Region in 2025



OPERATING REVENUES STRUCTURE OF AGRI SEGMENT
by Subsegments in 2025



3 Foreword by the President of the Management Board of Podravka Inc.



Dear shareholders, partners and employees,

It is my great pleasure to present the Podravka Group's Annual Report for 2025, a year in which we achieved a historic business result, surpassed the milestone of one billion euros in revenue, and completed key strategic transactions that have permanently reshaped the profile of our Group.

First and foremost, I would like to extend my sincere congratulations and gratitude to all our employees across all Group companies, whose hard work, expertise and dedication were crucial to our success in an exceptionally demanding environment.

In 2025, the Podravka Group generated operating revenues of EUR 1.041 billion, achieving historically high profitability at the Group level. Despite a challenging global environment, both the Food and Pharmaceuticals segments recorded growth in sales and operating profit, confirming the strength of our core business and the soundness of our strategic decisions focused on internationalisation, innovation and efficiency improvements.

The Food segment continued to grow, primarily driven by the expansion of Podravka's product portfolio, as well as the widening and growth of distribution, including cooperation with principals. This provides us with additional stability and a strong foundation for further export expansion, and confirms that investments in brands, new products, logistics, and distribution were well-timed and well-judged.

The Pharmaceuticals segment also continued its stable and profitable growth, particularly in international markets and markets across Southeast Europe, supported by a competitive portfolio of prescription and over-the-counter products. Continuous investments in



product development, quality and regulatory compliance are further strengthening our second business pillar in line with the Group's long-term strategy.

The most significant strategic step in 2025 was the entry into the Agri segment through the acquisition of agricultural companies – Belje, PIK Vinkovci, Vupik, Energija Gradec and Agrovjet – and the establishment of Podravka Agri Ltd., in which Podravka holds a majority stake. Through this transaction, we assumed management of a significant share of Croatian agricultural production and established the third pillar of our business, which will play a key role in strengthening sustainable self-sufficiency, supply security and value creation for the entire Group in the years ahead.

Although the Agri segment in 2025 was under pressure due to lower prices and challenges related to African

swine fever, as well as changes in the business structure compared with the previous year, the implemented reorganisation, the new operating model and the investment cycle that has already begun have enabled the establishment of solid foundations for future growth in efficiency and profitability. This confirms that the integration of the new segment is well positioned and that it will contribute to the Group's overall results in the coming years.

In recent years, we completed the most intensive investment cycle in the Group's history, during which almost EUR 250 million were invested in modernisation, new technologies, digitalisation, energy efficiency and improvements in working conditions. In 2025, we continued to manage our portfolio in a disciplined manner, completing the divestment of the Confectionery business and the pharmacy operations, further focusing on our core activities and releasing resources for investment in key segments.

We also continued to place special emphasis on our employees and their material rights, maintaining the trend of significant salary increases, improvements in working conditions and development programmes initiated in previous years. At the same time, we remained committed to the principles of equality and diversity, which is also reflected in the structure of our workforce, particularly in managerial positions.

Sustainability remains one of the fundamental strategic commitments of the Podravka Group. We continue to reduce emissions, increase the share of renewable energy sources, improve packaging in line with circular economy principles and develop products with a more favourable

nutritional profile, while responsibly managing our impact on the environment, employees and the communities in which we operate. In 2025, we further enhanced our sustainability management processes and integrated the new Agri segment into the system for collecting and analysing data, establishing solid foundations for further strengthening ESG standards.

We are aware that the global environment remains unstable and uncertain, with pressures on costs, geopolitical risks and changes in consumer behaviour. Nevertheless, the structure of our business model, our strong financial position, the completed investment cycle, strategic acquisitions and strong teams across all three segments give us the confidence to continue delivering sustainable and high-quality growth in the coming period, strengthening our international position and creating additional value for our shareholders and all other stakeholders.

I would like to thank all our employees for their dedication and achievements, our shareholders for their trust, and our partners and the communities in which we operate for their cooperation to date and in the future. Together, we are building the Podravka of the future – a modern, international and sustainable company founded on high-quality products, strong brands, responsible management and respect for people and the environment.

Yours sincerely,
Martina Dalić, PhD
President of the Management Board of Podravka Inc.



4 Management Board of Podravka Inc.





In accordance with the provisions of the Articles of Association of Podravka Inc., the Management Board consists of three to six members appointed by the Supervisory Board. The Management Board is appointed for a term determined by the Supervisory Board, with the possibility of reappointment. If the President and individual members of the Management Board are appointed during the term of the existing Management Board, their mandate lasts until the expiration of the entire Board's mandate. The term of office begins on the date of appointment unless otherwise specified by the Supervisory Board's decision.

Members of the Management Board manage the company's operations, and the organization and division of responsibilities among them are regulated by the Rules of Procedure of the Management Board, adopted by the Management Board of Podravka Inc. with the approval of the Supervisory Board of Podravka Inc.

The Management Board consists of the President and four members appointed by the Supervisory Board of Podravka Inc.

MEMBERS OF THE MANAGEMENT BOARD OF PODRAVKA INC. IN 2025:

1. Martina Dalić / *President*
2. Davor Doko / *Member*
3. Ljiljana Šapina / *Member*
4. Milan Tadić / *Member*
5. Ivan Ostojčić / *Member*

The remuneration of the Management Board members of Podravka Inc. is determined by a contract concluded with the company and approved by the Supervisory Board of Podravka Inc. on behalf of the company.

Members of the Management Board of Podravka Inc. have not been granted or paid any compensation for their membership in the supervisory boards of Podravka Group companies.

In 2025, 61 meeting of the Management Board of Podravka Inc. was held, with a recorded attendance of 99.02% by the Board members.

BIOGRAPHIES OF THE MANAGEMENT BOARD MEMBERS

MARTINA DALIĆ

President of the Management Board



Martina Dalić was first appointed as President of the Management Board of Podravka Inc. in February 2021. She was reappointed as President of the Management Board of Podravka Inc. in February 2022.

Dr. Martina Dalić has extensive experience in both the public and private sectors, as well as in international institutions.

In her public sector career, she served as Deputy Prime Minister of the Republic of Croatia and Minister of Economy, Entrepreneurship, and Crafts (2016–2018), Minister of Finance (2010–2011), State Secretary (2004–2008), and Assistant Minister of Finance (1997–2000). She was also a member of the Croatian Parliament from 2011 to 2015.

She gained significant experience in the private sector as well. From 2008 to 2010, she was President of the Management Board of Partner Banka Zagreb, and from 2000 to 2004, she served as Chief Economist at Privredna Banka Zagreb. From 2015 to 2016, she was a permanent advisor for public finance management at the International Monetary Fund in Washington.

Between 2005 and 2012, Dalić was Deputy Chief Negotiator and Negotiator for Croatia's accession to the European Union, responsible for four chapters: Customs Union, Taxation, Financial Control, and Budgetary and Financial Provisions.

She graduated from the Faculty of Economics at the University of Zagreb, where she began her professional career as an assistant at the Department of Organization and Management. She earned her Ph.D. in 2012.

DAVOR DOKO

*Member of the
Management Board*



Davor Doko was first appointed as a member of the Management Board of Podravka Inc. in May 2017. He was reappointed in February 2022.

He began his professional career in 2000 in the Asset Management Department of Zagrebačka Banka as an assistant portfolio manager, where he participated in establishing an investment fund management company within Zagrebačka Banka. Two years later, he joined the AZ Mandatory Pension Fund team. As a procurator and chief portfolio manager, he actively participated in the investment process.

Since 2006, he has been a member of the Management Board of Allianz ZB Ltd., a company managing mandatory pension funds, responsible for investments. In the AZ Voluntary Pension Funds, he was responsible for investments, managing all aspects of the investment process.

He graduated from the Faculty of Economics at the University of Zagreb. Throughout his career, he has attended numerous professional development programs and participated in conferences related to investment and capital markets.

Also, as of 2025, he serves as President of the Management Board of Podravka Agri Ltd.

LJILJANA ŠAPINA

*Member of the
Management Board*



Ljiljana Šapina was first appointed as a member of the Management Board of Podravka Inc. in February 2017. She was reappointed in February 2022.

She has been employed at Podravka Inc. since 1984, gaining experience in various managerial and director positions in Accounting and Finance, Retail, Gastro Sales, Frozen Program, Common Market Affairs, and Export Preparation. In 2012, she became Director of the Import-Export Logistics Service, and in 2015, she was appointed Head of the Import-Export Logistics Department.

She graduated in International Trade from the Faculty of Economics at the University of Zagreb, where she also earned her master's degree in 2012.

MILAN TADIĆ

*Member of the
Management Board*



Milan Tadić was appointed as a member of the Management Board of Podravka Inc. in February 2022.

He began his professional career in 1986 at the Croatian Pension Insurance Institute as a property rights representative. He joined Podravka as a specialist and director of property rights affairs, later becoming Director of the Property Rights Affairs and Contracts Service. He also served as an advisor to the Management Board of Podravka Inc. for international markets, then as Executive Director for International Key Accounts and Executive Director for Central European Markets.

After holding executive director positions at Tvornica Duhana Rovinj, he returned to Podravka in 2014. Since then, he has held various roles, including Executive Director for Southeast Europe, Member of the Management Board of Žito, and Chief Director for the Adriatic Region.

He graduated from the Faculty of Law at the University of Osijek and completed managerial education programs at the Faculty of Economics at the University of Zagreb. He has also attended numerous managerial training sessions and courses in sales and management.

IVAN OSTOJIĆ

*Member of the
Management Board*



Ivan Ostojić was appointed as a member of the Management Board of Podravka Inc. in February 2022, with his term beginning on July 1, 2022.

He began his professional career in 1997 at the Ministry of Finance of the Republic of Croatia in the Directorate for Financial System and Capital Market, where he served as an advisor. From 2000 to 2001, he was a board member of the Directorate for Insurance Supervision and Chairman of the Examination Committee for Certified Insurance Brokers and Agents.

In 2001, he became Head of the Clients/Credit Department and a procurator at Wüstenrot Housing Savings Bank in Zagreb. In 2007, he was appointed a Management Board member responsible for sales and marketing, risk management, and treasury and credit back-office operations.

He graduated in 1996 from the Faculty of Tourism and Foreign Trade in Dubrovnik and earned a master's degree in 2000 from the Faculty of Political Science at the University of Zagreb in Zagreb.

He is a member of the Supervisory Board of Luka Ploče Inc.



5 Supervisory Board of Podravka Inc.





The Supervisory Board of the Company consists of nine members, eight of whom are elected by shareholders at the General Assembly by a three-quarters majority of votes, while one member of the Supervisory Board is appointed by the Workers' Council of the Company in the manner and procedure stipulated by the provisions of the Labor Law. Supervisory Board members are generally elected for a term of four years. The start of the mandate for each member of the Supervisory Board is calculated from the day of election or appointment, unless otherwise determined by the decision on election or appointment. The Supervisory Board oversees the management of the Company, and on matters within its competence, the Supervisory Board makes decisions in accordance with the law, the Articles of Association of Podravka Inc., and the Rules of Procedure of the Supervisory Board.

MEMBERS OF THE SUPERVISORY BOARD OF PODRAVKA INC. IN 2025:

- 1. Dubravko Štimac / *President since 20 October 2025***
- 2. Damir Grbavac / *Member; President until 19 October 2025***
- 3. Luka Burilović / *Vice President***
- 4. Damir Čukman / *Member***
- 5. Damir Felak / *Member***
- 6. Ksenija Horvat / *Member (Representative of the Workers)***
- 7. Ante Jelčić / *Member until 19 October 2025***
- 8. Petar Miladin / *Member***
- 9. Darko Prpić / *Member***
- 10. Krunoslav Vitelj / *Member***

Members of the Supervisory Board and the Management Board of the Company are primarily selected based on their professional competence, knowledge and relevant experience, with additional consideration given to the application of the principle of balanced gender representation.

Supervisory Board member Darko Prpić is an expert in the fields of accounting and financial statement auditing.

The objective of achieving 30% female representation on the Management Board has been fully met, as women account for 40% of its members, while women represent 11% of the Supervisory Board. The Podravka Group is committed to meeting the objectives set out in the EU Directive on improving gender balance at all levels.

When submitting its next proposal to the Company's General Meeting regarding the election of new Supervisory Board members, the Supervisory Board will take into account the application of the principle of gender equality.

The Supervisory Board of Podravka Inc. has established the following committees: the Audit Committee, the Remuneration Committee and the Nomination Committee.

IN 2025, THE AUDIT COMMITTEE OPERATED IN THE FOLLOWING COMPOSITION:

1. Darko Prpić / *Vice President until 23 July 2025, and President since 24 July 2025*
2. Jeni Krstičević / *Member since 10 July 2025*
3. Dubravko Štimac / *Member since 20 October 2025*
4. Ivana Matovina / *President of the Committee until 29 June 2025*
5. Damir Grbavac / *Member until 19 October 2025*

All members of the Audit Committee are independent in accordance with Article 255, paragraph 6 of the Companies Act and the Corporate Governance Code.

THE REMUNERATION COMMITTEE OPERATED IN THE FOLLOWING COMPOSITION:

1. Luka Burilović / *President of the Committee*
2. Petar Miladin / *Member*
3. Dubravko Štimac / *Member since 20 October 2025*
4. Damir Grbavac / *Member until 19 October 2025*

The Chair and one member of the Remuneration Committee are independent in accordance with Article 255, paragraph 6 of the Companies Act and the Corporate Governance Code.

THE NOMINATION COMMITTEE OPERATED IN THE FOLLOWING COMPOSITION:

1. Dubravko Štimac / *President of the Committee from 20 October 2025*
2. Luka Burilović / *Member*
3. Krunoslav Vitelj / *Member*
4. Damir Grbavac / *President of the Committee until 19 October 2025*

All members of the Nomination Committee are independent in accordance with Article 255, paragraph 6 of the Companies Act and the Corporate Governance Code.

Members of the Supervisory Board of Podravka Inc. are entitled to a monthly fee determined as a fixed amount pursuant to the decision of the General Meeting on the remuneration of the Company's Supervisory Board members.



BIOGRAPHIES OF THE MEMBERS OF THE SUPERVISORY BOARD OF PODRAVKA INC.

DUBRAVKO ŠTIMAC

President of the Supervisory Board

Dubravko Štimac was elected President of the Supervisory Board of Podravka Inc. in October 2025, with his term commencing on 20 October 2025.

He serves as President of the Nomination Committee and as a member of the Audit Committee and the Remuneration Committee of Podravka Inc.

He began his professional career in 1994 as Director of the Foreign Trade Operations Division at PBZ Investholding Ltd. From 1998 to 2001, he worked at Privredna banka Zagreb Inc., first as Director of the Securities Custody Department and subsequently as Project Manager of the pension reform initiative. He assumed the position of President of the Supervisory Board of Podravka Inc. after serving since 2001 as President of the Management Board of PBZ Croatia osiguranje Inc. for the management of mandatory pension funds.

From 2006 to 2012, he was a member of the Supervisory Board of Podravka Inc., and from 2012 to 2019 he served as President of the Supervisory Board of Podravka Inc. He held the position of President of the Supervisory Board of Zagrebačka burza Inc. from 2011 to 2019, while he was a member of the Supervisory Board of Zavarovalnica Triglav Inc. from 2013 to 2017.

He graduated from the Faculty of Economics in Zagreb in 1992, obtained a brokerage licence in 1996, and completed a Master of Science degree in the field of organisation and management at the Faculty of Economics in Zagreb in 1997. In 2002, he obtained a licence for pension fund management. He earned his PhD in 2012 at the Faculty of Economics in Zagreb.

LUKA BURILOVIĆ

Vice President of the Supervisory Board

Luka Burilović was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He is the President of the Remuneration Committee and a member of the Nomination Committee of Podravka Inc. Luka Burilović has been the President of the Croatian Chamber of Economy since 2014. Prior to that, he served as the CEO of Sladorana Inc. in Županja. In his professional career, he also worked as the Assistant Minister in the Ministry of Agriculture, Forestry, and Water Management, and from 1996 to 2004, he was the Deputy Mayor of the Municipality of Nijemci.

Burilović is a member of the Supervisory Board of HBOR and Podravka Inc. Among other roles, he is the President of the Croatian National Committee of the International Chamber of Commerce (ICC), a member of the Board of EUROCHAMBRES (the Association of European Chambers of Commerce), and a member of the Board of the Foundation of the Croatian Academy of Sciences and Arts.

He completed his postgraduate specialist and doctoral studies in economics and management at the Faculty of Economics at the University of Osijek.

He was awarded the Order of Danica Hrvatska with the image of Blaž Lorković for exceptional contributions to the economy. He is a Homeland War volunteer, a reserve officer of the Croatian Army, and a recipient of the Homeland War Memorial Medal.



DAMIR GRBAVAC

Member of the Supervisory Board

Damir Grbavac was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on July 1, 2022. He has been the President of the Supervisory Board since November 2022.

He is the President of the Nomination Committee, a member of the Audit Committee, and the Remuneration Committee of Podravka Inc.

He began his professional career in 1978 at the Đuro Đaković Group, working from a credit officer to the Deputy General Director of the Holding. In 1997, he moved to Raiffeisenbank Austria Inc. in Zagreb as the Director of the Investment Banking Department. In the same year, he became a member of the Management Board of Raiffeisen Investments, and two years later, he became the President of the Management Board of Raiffeisen Securities Ltd. From 2003, he was an advisor to the Management Board of Raiffeisenbank Austria Inc. in Zagreb, and from 2004 to 2021, he was the President of the Management Board of Raiffeisen Pension Company. He served as a member of the Supervisory Board of companies such as Hrvatski Telekom Inc., Zagrebačka Burza Inc., and Podravka Inc. from 2017 to 2019. He was also a member of the Management Board of the Central Registry of Insured Persons in the first system and the President of the Association of Pension Fund Management Companies and Pension Insurance Companies.

He graduated from the Faculty of Economics at the University of Zagreb in 1978 and obtained a Master's degree from the same faculty in 1985. Holds a license as an authorized manager of pension funds and pension insurance companies.

DAMIR ČUKMAN

Member of the Supervisory Board

Damir Čukman was elected as a member of the Supervisory Board of Podravka Inc. in May 2023, with the term beginning on July 1, 2023.

He started his professional career in 2006 at Erste Securities Ltd., where he worked in various positions, including as the Head of the Asset Management Department, until 2010. In the same year, he became a portfolio manager at Erste Ltd., a pension fund management company. In 2016, he was one of the founders and the first president of the CFA Society Croatia. Since 2013, when he founded N3 Capital Partners Ltd., he has served as the CEO. Since 2021, he has been a member of the Supervisory Board of Quattro Logistics Inc.

He graduated in economics from the Zagreb School of Economics and Management in 2006 and also attended Università Commerciale Luigi Bocconi in Milan and the London School of Economics and Political Science. He has passed the exam for a licensed investment advisor, as well as all three levels of the CFA exams.

DAMIR FELAK

Member of the Supervisory Board

Damir Felak was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He began his professional career in 1990 in the Forestry Industry, which, in the following year, became part of the Public Company Hrvatske šume, where he worked until 1997. From 1993 to 1997, he was the Mayor of



the Municipality of Sokolovac, and from 1997 to 2001, he served as the Deputy County Prefect of Koprivnica-Križevci County. He continued his career until 2015 at Hrvatske šume Ltd. as a forester, technical associate, forest manager, and senior technical associate. From 2008 to 2012, he was also a member of the Management Board, and since 2020, he has worked as a senior technical associate at Hrvatske šume.

He served as the President of the Croatian Chamber of Forestry Engineers and Wood Technology for ten years and was elected twice to the Croatian Parliament. He is currently the President of the County Assembly of Koprivnica-Križevci County.

He graduated from the Faculty of Forestry in 1990 and completed a postgraduate specialist study in Strategic Entrepreneurship at the Faculty of Economics at the University of Zagreb in 2013. He is a recipient of the Homeland War Memorial Medal, the Homeland Gratitude Memorial Medal, and the Order of the Croatian Interlace.

KSENIJA HORVAT

Member of the Supervisory Board

Ksenija Horvat was appointed as a member of the Supervisory Board of Podravka Inc. in June 2023 by the Workers' Council of the Company, with the term beginning on July 1, 2023.

She began her professional career at Podravka in 1984, working in administrative and later in market research positions for Croatia.

Since 2001, as the representative of the majority union at Podravka, the PPDIV Union, she has worked full-time

for the union and has been one of the leading union negotiators for the improvement of workers' rights at Podravka through the collective agreement for the Podravka Group. She was first elected to the Workers' Council of Podravka Inc. in 2002 and has served as its President since 2013.

She was the workers' representative on the Supervisory Board of Podravka for the first time from 2004 to 2012, during which time she served as the Deputy President and Acting President of the Supervisory Board from 2009 to 2010.

PETAR MILADIN

Member of the Supervisory Board

Petar Miladin was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He is a member of the Remuneration Committee of Podravka Inc.

He started his career at the Municipal and Commercial Court in Zagreb, and in 1997, he joined the Faculty of Law at the University of Zagreb as a junior assistant in the Department of Commercial Law and Company Law. From 2013 to 2015, he served as the Vice Dean of the Faculty of Law at the University of Zagreb. Since 2019, he has been employed at the Faculty of Law as a full professor with permanent tenure.

He obtained a Master's degree in Commercial Law and Company Law from the Postgraduate Scientific Study at the Faculty of Law at the University of Zagreb. He defended his doctoral dissertation in 2005.



DARKO PRPIĆ

Member of the Supervisory Board

Darko Prpić was elected as a member of the Supervisory Board of Podravka Inc. in May 2023, with the term beginning on July 1, 2023.

He served as Vice President of the Audit Committee and since 24 July 2025, has held the position of President of the Audit Committee.

He began his professional career as an analyst at Allianz ZB Ltd., a company for managing mandatory pension funds, and from 2006, he worked as a financial analyst in Prpić Accounting, Auditing, and Tax Consultancy. Since 2007, he has served as the Director of Darfin Ltd., a company specializing in finance, accounting, securities, and consulting. Since 2017, he has been an auditor at UHY Rudan Ltd., and a member of the Supervisory Board of SQ Kapital Ltd.

He graduated in Finance from the Faculty of Economics at the University of Zagreb in 2003, and five years later, he became a permanent court expert in finance, accounting, and securities.

KRUNOSLAV VITELJ

Member of the Supervisory Board

Krunoslav Vitelj was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He is a member of the Nomination Committee of Podravka Inc.

He began his professional career in 1977 at Podravka, where he held various managerial positions until 1991. In the same year, he became the head of the Koprivnica Municipal Assembly, and in 1993, he moved to the Ministry of the Interior of the Republic of Croatia, Police

Department of Koprivnica-Križevci County, where he worked as the head of the Civil Protection, Fire Protection, and Inspection Department. He returned to Podravka in 1995 as an advisor to the President of the Management Board for human resources and legal affairs. The following year, he became the director of the Croatian Chamber of Commerce – County Chamber of Koprivnica, a position he has held since 2021.

He graduated from the Faculty of Economics at the University of Zagreb in 1993, where he also earned his Master's degree two years later.

In 2008, he obtained a qualification in Corporate Governance for members of supervisory and management boards at the Faculty of Economics at the University of Zagreb.

ANTE JELČIĆ

Member of the Supervisory Board until 19 October 2025

Ante Jelčić was elected as a member of the Supervisory Board of Podravka Inc. in May 2023, with the term beginning on May 17, 2023.

He began his professional career in 2011 as an investment analyst at PBZ Croatia Osiguranje, where he remained until 2023, later becoming the Head of the Financial Markets Analysis Department. In 2023, he became a member of the Management Board of Gumiimpex – GRP Ltd., overseeing the Commercial Sector, Accounting and Finance, Controlling, IT, Human Resources, and General Affairs. From 2017 to 2019, he was a member of the Supervisory Board and the Audit Committee of the company Stanovi Jadran Inc., and from 2018 to 2019, he served as the Deputy President of the Supervisory Board and member of the Audit Committee of Jadran Inc. Crikvenica.



He earned a Master's degree in Mathematics from the Faculty of Science at the University of Zagreb in 2011. Since 2016, he has been teaching the Business Simulations course at the Master's University Program in Financial and Business Mathematics at the same faculty. He is a holder of the Chartered Financial Analyst (CFA) certificate and a licensed pension fund manager.

JENI KRSTIČEVIĆ
Member of the Audit Committee
since 10 July 2025

Jeni Krstičević was appointed, by decision of the General Meeting, as a member of the Audit Committee of Podravka Inc., with her term commencing on 10 July 2025.

She began her professional career in 1997 at BDO Croatia Ltd., where she held the positions of Executive Director and Audit and Business Advisory Partner. From 2019 to the present, she has served as President of the Management Board of PKF FACT revizija Ltd.

She is a member of the Association of Accountants at the Croatian Chamber of Economy, a permanent court-appointed expert at the Commercial Court in Zagreb, Deputy Chair of the Supervisory Board and Chair of the Audit Committee of Luka Ploče Inc. She also serves as Chair of the Audit Committee at HŽ Putnički prijevoz Ltd. and as a member of the Audit Committee at HŽ Infrastruktura Ltd.

She obtained a Master's degree in Economics, majoring in Finance, at the Faculty of Economics, University of Zagreb, and completed a postgraduate scientific Master's degree in Accounting, Auditing and Analysis at the Faculty of Economics, University of Osijek.

IVANA MATOVINA
President of the Audit Committee
until 29 June 2025

Ivana Matovina was appointed President of the Audit Committee of Podravka Inc. by the General Assembly, with the term beginning on June 30, 2021.

She began her professional career in 1996 as a head of accounting, and from 1997 to 2009, she worked at KPMG Croatia Ltd. After that, until 2011, she worked as a partner and director of Cinotti Auditing Ltd./Cinotti Consulting Ltd. In the same year, she founded her companies Antares Auditing Ltd./Antares Consulting Ltd., which specialize in auditing, internal auditing, accounting, business consulting, and education. From 2009 to 2012, she was a member of the Management Board of the Croatian Chamber of Auditors, and since 2012, she has been a member of the Financial Reporting Standards Committee and the Council of the Croatian Financial Services Supervisory Agency (HANFA).

She graduated in 1996 from the Faculty of Economics at the University of Zagreb, with a major in Accounting and Finance. She became a Chartered Accountant in the United Kingdom in 2000 and two years later earned the title of Croatian Certified Auditor.



6 Report of the work of the Supervisory Board of Podravka Inc.





During 2025, the Supervisory Board of Podravka Inc. operated in the following composition:

Dubravko Štimac / *Chairman of the Supervisory Board from 20 October 2025*

Damir Grbavac / *Chairman of the Supervisory Board until 19 October 2025*

Luka Burilović / *Deputy Chairman of the Supervisory Board*

Damir Čukman, Damir Felak, Ksenija Horvat, Ante Jelčić (until 19 October 2025), Damir Grbavac (from 20 October 2025), Darko Prpić, Petar Miladin and Krunoslav Vitelj / *members of the Supervisory Board*

In accordance with the powers defined by the Companies Act and the Articles of Association of Podravka Inc., the Supervisory Board continuously supervised the business operations of Podravka Inc. and the Podravka Group during 2025 through 15 meetings. Regarding attendance at Supervisory Board meetings, Mr Štimac, Mr Grbavac, Mr Prpić and Mr Vitelj attended all meetings, while Mr Burilović was absent from four meetings, Mr Felak from two meetings, and Mr Miladin, Mr Čukman, Mr Jelčić and Ms Horvat from one meeting each.

In supervising business operations, the Supervisory Board discussed all key business matters related to Podravka Inc. and its subsidiaries and regularly received written business reports, as well as materials accompanying the proposals of the Management Board of Podravka Inc., which it reviewed and decided upon in accordance with applicable regulations. The Management Board of Podravka Inc. reported to the Supervisory Board on all important business events, business performance developments and the overall business condition of Podravka Inc. and the Podravka Group.

The Supervisory Board determined that Podravka Inc. operated in compliance with applicable laws, the Articles of Association of Podravka Inc., resolutions of the

General Assembly of Podravka Inc., and other relevant regulations and general corporate acts.

The Supervisory Board reviewed and approved the audited Annual Financial Statements of Podravka Inc. and the Podravka Group, the Company and subsidiaries performance report, and the Sustainability Report of the Podravka Group for 2024, submitted by the Management Board of Podravka Inc.

During the year, the Supervisory Board also reviewed and approved, among other matters, the Management Board's decisions regarding the purchase and sale of the business share in Podravka Ltd. Ljubljana, the sale of the confectionery business segment, the project for construction of the logistics and distribution centre for Belupo Inc., and the selection of bidders and sale of Deltis Pharm Pharmacy.

The Supervisory Board adopted the Internal Audit Strategy of the Podravka Group, the Annual Internal Audit Plan and the Internal Audit Charter, and reviewed and aligned policies and procedures in accordance with the Corporate Governance Code.

During the year, the Supervisory Board also approved other Management Board decisions in accordance with applicable regulations and the Articles of Association of Podravka Inc.

Continuous performance of the supervisory function in the best interest of Podravka Inc., its shareholders and other stakeholders, in accordance with applicable regulations and internal acts of Podravka Inc., was strongly supported by adequate information and reports provided by the Management Board to the Supervisory Board throughout the year.

As the Supervisory Board was regularly informed by the Management Board about all significant business



events, business results and the condition of Podravka Inc. and the Podravka Group, the Supervisory Board assesses the cooperation with the Management Board as high-quality, constructive and efficient.

For more efficient performance of its function, the Supervisory Board operates through the following committees: the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Audit Committee operated in 2025 in the following composition: Darko Prpić, Chairman of the Audit Committee (from 24 July 2025) and Deputy Chairperson of the Audit Committee (until 23 July 2025), Ivana Matovina, Chairperson of the Audit Committee (until 29 June 2025), and Jeni Krstičević (from 10 July 2025), Dubravko Štimac (from 20 October 2025) and Damir Grbavac (until 19 October 2025), members of the Audit Committee.

The Audit Committee held ten meetings in 2025, four of which were held in writing. Mr Prpić, Mr Štimac, Mr Grbavac and Ms Krstičević attended all meetings, while Ms Matovina was absent from one meeting.

The Audit Committee regularly reported to the Supervisory Board on its recommendations and submitted its Activity Report.

The Audit Committee reviewed and recommended to the Supervisory Board the adoption of the Annual Financial Statements of Podravka Inc. and the Podravka Group and the Company and subsidiaries performance reports for 2024, together with the reports of the authorised auditors Ernst & Young Ltd. and Grant Thornton Audit Ltd. The Audit Committee reviewed and recommended to the Supervisory Board the adoption of the Annual Financial Statements of Podravka Inc. and the Podravka Group and the Company and subsidiaries performance reports for 2024, together with the reports of the authorised auditors Ernst & Young Ltd. and Grant Thornton Audit Ltd. on the verification of the Sustainability Report of the Podravka

Group for the year 2024 and the quarterly financial statements of Podravka Inc. and Podravka Group in 2025.

The Audit Committee further recommended to the Supervisory Board the appointment of Ernst & Young Ltd. and Grant Thornton Audit Ltd. as joint statutory auditors of Podravka Inc. and the Podravka Group for 2025 and 2026, and Ernst & Young Ltd. for the assurance of the Podravka Group Sustainability Reports for 2025 and 2026.

The Audit Committee monitored the effectiveness of the internal control and risk management systems and the Internal Audit work plan and its execution.

The Audit Committee reviewed the Tax Policy of the Podravka Group and agreed on the revision of the Accounting Policies for Podravka Group companies.

The Audit Committee also monitored the sustainability reporting process.

The Nomination Committee operated in 2025 in the following composition: Dubravko Štimac, Chairman of the Nomination Committee (from 20 October 2025), Damir Grbavac, Chairman of the Nomination Committee (until 19 October 2025), and Luka Burilović and Krunoslav Vitelj as members of the Nomination Committee. The Nomination Committee held three meetings in 2025, all attended by all committee members. The Nomination Committee submitted its Activity Report to the Supervisory Board, a proposal for the appointment of a member of the Audit Committee, and a recommendation of a candidate for election to the Supervisory Board of Podravka Inc.

The Remuneration Committee operated in 2025 in the following composition: Luka Burilović, Chairman of the Remuneration Committee, and Dubravko Štimac (from 20 October 2025), Damir Grbavac (until 19 October 2025) and Petar Miladin as members of the Remuneration Committee.



The Remuneration Committee held four meetings in 2025, all attended by all members. The Remuneration Committee regularly informed the Supervisory Board of its proposals and recommendations and submitted its Activity Report.

The Supervisory Board conducted a self-assessment of its effectiveness, profile and composition, as well as the effectiveness and composition of its committees and individual members' performance. The assessment was led by the Chairman of the Supervisory Board without engaging external evaluators.



The Supervisory Board concluded that its overall composition and profile, as well as the composition and profile of its committees, meet the needs and activities of Podravka Inc.

The Supervisory Board also supports Podravka Inc.'s orientation towards balanced gender representation at the level of the entire company, particularly in senior management positions.

As of 31 December 2025, Podravka Inc. employed 48% women. In the segment of highly educated employees, women accounted for 64%, while at senior management positions they represented 49%.

All of the above positions Podravka Inc. among the leading companies in terms of gender equality, and the Supervisory Board considers this employee structure an excellent achievement.

Members of the Supervisory Board and the Company's Management Board are primarily elected based on their expertise, knowledge and relevant experience, with additional attention paid to balanced gender representation. When proposing new members of the Supervisory Board to the General Assembly, the Supervisory Board will continue to consider gender equality principles.

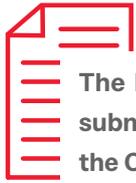


The Supervisory Board concluded through its evaluation that all members of the Supervisory Board and its committees possess the necessary knowledge, skills and professional experience, actively participated in work, and contributed effectively to discussions and decision-making on all agenda items of Supervisory Board and committee meetings.



7 Report on the application of the Corporate Governance Code





The Management Board of Podravka Inc. submits a Statement on the Application of the Corporate Governance Code based on the

Accounting Act and the Companies Act.

Podravka Inc. continuously monitors the development of regulations in the area of corporate governance and improves its relationships with shareholders, investors, and the general public, applying high standards of communication.

In compliance with applicable legislation, particularly considering the OECD Guidelines for Corporate Governance and the Corporate Governance Code of HANFA and the Zagreb Stock Exchange, Podravka Inc. is one of the first joint-stock companies whose shares are listed on the regulated market to adopt the Corporate Governance Code in order to equalize the rights of all shareholders and establish an open, professional, and transparent approach to investor relations and the general public.

Key principles of corporate governance that Podravka Inc. follows include:

- Transparency of operations,
- Clearly defined procedures for the operation of the management board, supervisory board, and its committees, as well as the general assembly,
- Avoidance of conflicts of interest,
- Effective internal control, and
- An efficient accountability system.

Podravka Inc. annually completes two questionnaires. One in which it declares whether it has adhered to the provisions of the Corporate Governance Code and specifies any deviations from the Code along with the reasons (Compliance Questionnaire), and the other which provides detailed information on its corporate governance practices (Corporate Governance Practices Questionnaire). Both questionnaires are submitted to HANFA, and the Compliance Questionnaire is published on the Zagreb Stock Exchange and Podravka's website

at <https://www.podravka.com/storage/repository/download/61e412c0-25ed-11f0-8d45-8e22bd9c09eb>

In order to improve the corporate governance system, the Management Board of Podravka Inc., with the consent of the Supervisory Board of Podravka Inc., has adopted the Conflict of Interest Management Policy, which establishes mechanisms for early detection of potential conflicts of interest, preventing their occurrence, and measures to be taken in case a conflict of interest is identified.

This Policy applies to all members of the Management Board of Podravka Inc., all members of the Supervisory Board of Podravka Inc. and its committees, as well as to all employees of Podravka Inc.

Podravka Inc. will strive to ensure that the Group companies also respect and adopt behavior models based on the same principles that this Policy is founded upon.

For the prevention of conflicts of interest and related actions, the Company will periodically, at least once every two years, conduct training for managerial personnel and employees performing managerial tasks on the Company's business policy regarding conflicts of interest, competition bans, transactions with related parties, and other related actions, especially concerning the mechanisms established in the Company to manage these issues in line with best corporate governance practices.

In November 2024, training was held for the members of the Management Board and Supervisory Board of Podravka Inc. on the topic of Corporate Governance, which covered the monistic and dualistic systems, legal differences and similarities regarding structure, appointment and dismissal, powers, and methods of operation, conflicts of interest, the position of a Supervisory Board member, including self-assessment, independence, equal gender representation, and managerial aspects of corporate governance.



The implementation of this Policy is overseen by the Internal Audit of Podravka Inc., which reports at least annually to the Audit Committee, Supervisory Board, and Management Board of Podravka Inc. on the effectiveness, reliability, and security of the systems and procedures prescribed by this Policy.

The Conflict of Interest Management Policy can be found at <https://www.podravka.com/storage/repository/download/4a6a141a-0404-11f0-bac0-26f94fb23c24>

Aware of the importance of responsible and ethically based behavior in business, Podravka Inc. has adopted the Code of Ethics in Business Operations of the Podravka Group, committing to respect ethical principles in all its business relationships and to act in accordance with laws and regulations, principles of responsibility, truthfulness, effectiveness, transparency, quality, good faith, zero tolerance for corruption, respecting good business practices towards business partners, the community, and its employees, and respecting the human rights of all stakeholders. Special attention is focused on employees, suppliers, and vulnerable social groups – national minorities, children, persons with disabilities, migrant workers, and their families. The Code of Ethics defines business principles that cover the legality and transparency of operations, equal treatment and equal opportunities, professionalism and objectivity in work, relationships with the public and privacy protection, product quality, working in a safe environment, sustainable development, and community relations. In addition to business principles, the Code of Ethics defines behavioral principles that cover the confidentiality and secrecy of information, communication, attitude towards the Podravka Group's assets, leadership style, conflicts of interest, criteria for business gifts and representation, and the strictest prohibition of corruption, bribery, extortion, and any similar behavior. The Code of Ethics also strictly prohibits the exploitation of child labor.

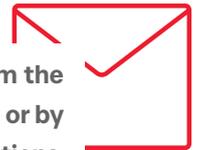
Every employee has the right to inform the Ethics Committee in writing, via email or by mail, about possible or committed violations,

or non-compliance with the Code of Ethics, which ensures the protection of the employee who submits the report, including the prohibition of sanctions or discrimination in future work.

The Code of Ethics in Business Operations of the Podravka Group can be found at <https://www.podravka.com/storage/repository/download/ea58fc16-0bca-11f0-abb8-26f94fb23c24>

The Podravka Group continuously promotes a policy of diversity and non-discrimination. The diversity of employees is one of the strengths of the Podravka Group, and all employees are equal. Any form of discrimination or harassment based on bias or prejudice, such as discrimination due to race, ethnicity, skin color, gender, language, religion, political or other beliefs, national or social origin, financial status, union membership, education, social status, marital or family status, age, health condition, disability, genetic inheritance, gender identity, expression, or sexual orientation, as well as any other characteristic protected by applicable regulations, is prohibited.

Additionally, in Podravka Inc. and Belupo Inc., in accordance with the Whistleblower Protection Act, a Regulation has been adopted governing the internal reporting of irregularities and the appointment of a confidential person for internal reporting of irregularities. Irregularities can be reported in writing or orally, with written reports including any form of communication that provides a written record. Oral reporting can be done by phone or, at the request of the whistleblower, through a physical meeting within a reasonable time.



The Regulation on the Procedure for Internal Reporting of Irregularities and the Appointment of a Confidential Person can be found at the following links:

<https://cdn.podravkagrupa.com/podravkagrupauploads/hr/wp-content/uploads/2025/07/original-wKo1ey.pdf>

In the Žito Group, a Regulation on the Prevention and Suppression of Mobbing has been adopted, and a commissioner has been appointed to receive reports and handle mobbing cases.

Podravka Inc. applies the Remuneration Policy approved by the General Assembly of the Company for the period from 2022 to 2025. The principles of the Remuneration Policy are designed to ensure competitiveness and attract and retain high-quality professionals with the necessary skills, expertise, and experience for positions on the Management Board. The Remuneration Policy can be found at <https://www.podravka.com/storage/repository/download/3917821c-eb66-11ec-863a-0e931d035065> (Decisions of the General Assembly of the Company from 14.06.2022).



An amendment to the Remuneration Policy approved by the General Assembly of the Company can be found at <https://www.podravka.com/storage/repository/download/423604bc-138b-11ef-823b-52c2f6608951> (Decisions of the General Assembly from 2024).

At the General Assembly, shareholders exercise their voting rights personally, through a legal representative or proxy. The right to participate and exercise voting rights at the General Assembly is granted to shareholders registered in the computer system of the Central Depository & Clearing Company Inc. who register to attend the General Assembly no later than seven days before the meeting.

The General Assembly can validly decide if at least thirty percent of the total number of shares with voting rights are represented. The General Assembly is chaired by the Chairman of the General Assembly, appointed by the Supervisory Board on the proposal of the Management Board.

Each Podravka Inc. share carries one vote at the General Assembly.

At the General Assembly, shareholders, representatives, and proxies vote using ballots indicating the number of votes allocated to each participant.

All materials related to the convocation and holding of the General Assembly are available on Podravka Inc.'s website at <https://www.podravka.com/investors/corporate-governance/the-general-assembly/>

8 Key Business Indicators

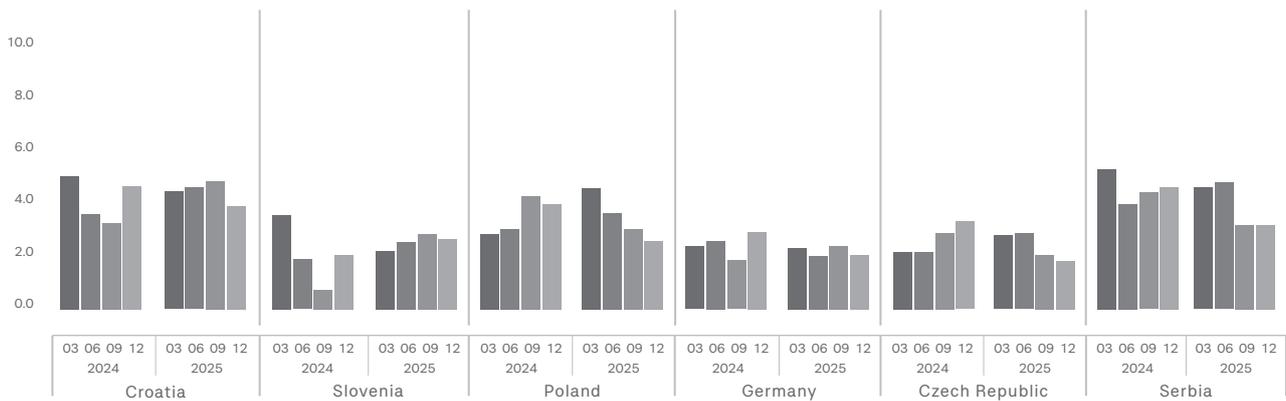


MACROECONOMIC environment

In 2025, the Podravka Group operated in a complex and volatile global environment marked by a slowdown in economic growth across key European markets, heightened geopolitical risks and shifts in consumer behaviour. Given its international presence, production in four countries, distribution in 16 countries and exports to more than sixty markets, the Group is significantly exposed to global economic trends, with more than half of its revenue generated outside Croatia.

Across most relevant markets, a slowdown in personal consumption was recorded, along with a decline in volume retail sales of food, beverages and tobacco, with particularly pronounced challenges in Germany and parts of Central and Eastern Europe. Although inflationary pressures gradually eased during the year, volatility in raw material prices, rising labour costs and differences in economic policies among countries continued to affect business conditions. Under such circumstances, the Podravka Group continued to implement adjustment and optimisation measures aimed at preserving profitability, market share and long-term sustainability.

INFLATION RATE TRENDS FOR SELECTED COUNTRIES IN THE PERIOD 2024 – 2025 - HARMONISED INDICES OF CONSUMER PRICES (HICP) (% comparison with the same month of the previous year)

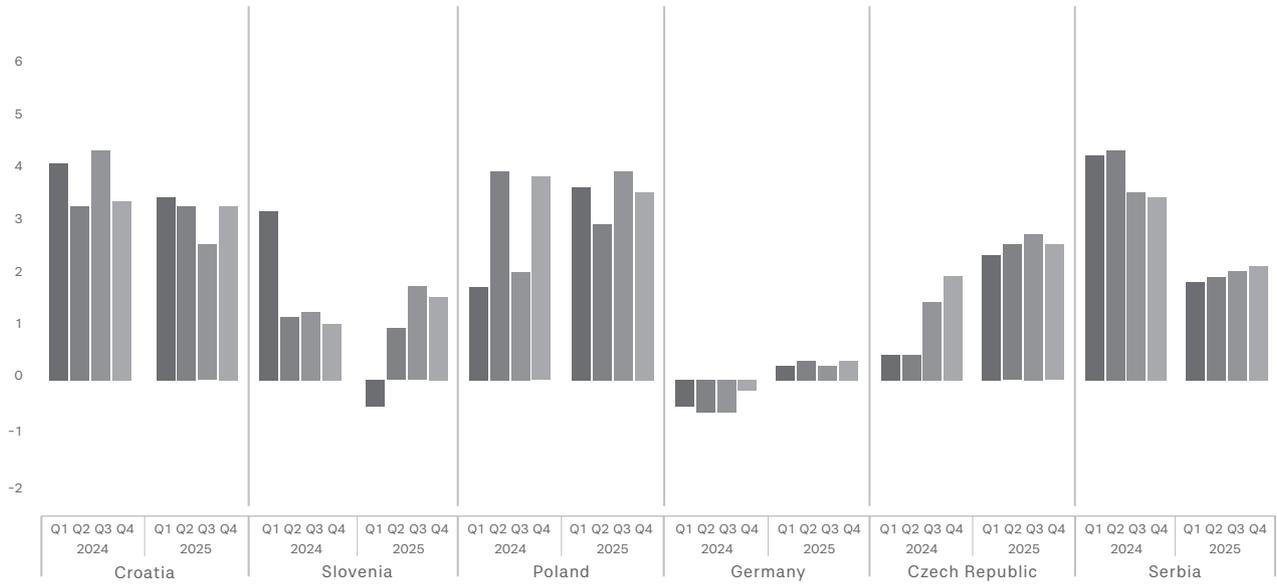


(Source: <https://ec.europa.eu/eurostat>)



REAL GDP GROWTH RATE TRENDS FOR SELECTED COUNTRIES IN THE PERIOD 2024 – 2025

(% change compared to the same quarter of the previous year)



(Source: <https://ec.europa.eu/eurostat>)



KEY events

COMPLETION OF THE BELJE, VUPIK AND PIK VINKOVCI ACQUISITION

For Podravka, 2025 was a historic year in which the Podravka Group, alongside its Food and Pharmaceutical segments, assumed a third pillar of business operations – Agriculture, or Agri. The acquisition was completed on 31 January 2025, when Podravka acquired the agricultural segment of the Fortenova group. Through the newly established company Podravka Agri Ltd., in which Podravka holds an 84.99% ownership stake and the European Bank for Reconstruction and Development (EBRD) 15.01%, the companies Belje plus Ltd., Vupik plus Ltd., PIK Vinkovci plus Ltd., Energija Gradec Ltd., Belje Agro-Vet plus Ltd. and Felix plus Ltd. were acquired.

Agriculture has thus become the third pillar of the Podravka Group's operations, with Podravka Agri assuming management of the agricultural companies.

The total transaction value amounted to EUR 333 million, of which Podravka secured EUR 283 million through a club loan provided by leading commercial banks in Croatia, while the EBRD contributed EUR 50 million. The partnership with the EBRD brings additional knowledge transfer, global best practices in the management

of agricultural systems and further strengthening of corporate governance.

This acquisition has further reinforced Podravka's position among the leading domestic companies. It also marks the continuation of cooperation with the Fortenova Group, with Belje, Vupik and PIK Vinkovci maintaining business relationships with companies such as PIK Vrbovec, Zvijezda and Jamnica.

Podravka Agri has launched an investment cycle within the acquired companies, focused on technology modernisation, irrigation systems and improving working conditions. Care for employees and the protection of their material rights remain among the key priorities. Cooperation with existing subcontractors has also continued, alongside the expansion of the supplier network, further strengthening domestic production and supply chain stability.

This acquisition marks the beginning of a new chapter for the Podravka Group – which, following the transaction, exceeds EUR 1 billion in revenue and employs almost 8,500 people.

PODRAVKA INTRODUCED NEW BUSINESS STRATEGY THROUGH 2030

Following the successful implementation of its Business Strategy through 2025, Podravka Group has adopted a new Business Strategy through 2030, covering all three business segments – Food, Agriculture (Agri) and Pharmaceuticals – with the objective of continuing profitable growth, strengthening market positions, and creating additional value for all stakeholders, including



consumers, employees, shareholders and the community. The Strategy focuses on growth driven by productivity, innovation, sustainability, and investments in modern technologies, with a strong emphasis on international expansion and competitiveness.

The Strategy is based on a comprehensive approach to development – from expanding the strength, presence and recognition of brands, further investments in production capacities, particularly in Agriculture, and the adoption of digitalization and artificial intelligence, to strengthening the domestic raw material base and cooperation with suppliers. Podravka Group will continue to be a responsible and attractive employer, continuously investing in employee development, working conditions and remuneration, while contributing to the community through various socially responsible initiatives.

With the Business Strategy through 2030, Podravka Group clearly defines its ambition to become an even stronger international player, leveraging its own excellence, high added value, and responsible business practices. In a time of global challenges, Podravka positions itself as an agile company that not only keeps pace with trends but also leads production and business trends in the sector.

PODRAVKA FOOD – INTERNATIONALIZATION, VEGETA AS A GLOBAL BRAND, AND DOMESTIC RAW MATERIALS

In the Food segment, Podravka, as one of the leading food companies in Southeast Europe, plans under its new Strategy to further strengthen the presence and expansion of the Vegeta, Lino, Lino Lada, Podravka, O'Plant and Zik Zak brands in developed markets such as Germany, Austria, Switzerland, the United States, and Australia, while continuing to maintain strong positions in Croatia and the region. The strategic focus in the coming period will be on categories with high sales potential and profitability – universal food seasonings, soups, cereals (including Čokolino) and creamy spreads. At the same time, strong development is planned

for categories and brands whose potential has been reinforced through the recently completed investment cycle, particularly tomato-based products, ready meals, bakery snacks, fish salads, and frozen food.

Over the next five years, a key strategic priority will be positioning Vegeta as a global brand through further internationalization and expansion of the product range marketed internationally under the Vegeta brand.

Podravka will continue to place particular emphasis on sustainability, responsible environmental practices, and the promotion of healthy eating habits across all business segments. This includes further increasing the production and use of domestic agricultural raw materials, aiming for self-sufficiency in all ingredients that can be grown under local climatic and agricultural conditions. In line with this approach, the network of suppliers in fruit and vegetable production will continue to be developed, optimally leveraging synergies with the Group's own agricultural segment – Podravka Agri.

The Strategy also includes the further advancement of digitalization and automation, including the application of artificial intelligence in production processes, as well as portfolio development aligned with food trends – healthier products, local and seasonal ingredients, and convenient options suited to modern lifestyles. Considering that the technological, logistics and IT investment cycle in the Food segment, worth €250 million, was completed in early 2025, investments over the next five-year period are planned at a standard level to ensure efficient use of technology and continued adaptation to consumer needs.



PODRAVKA AGRI – €200 MILLION INVESTMENT AND GREEN TRANSFORMATION

Podravka Agri, the newly integrated business segment, is at the center of ambitious modernization and sustainability plans. By 2030, nearly €200 million is planned for investments in technological development, energy efficiency, new farms, and expansion of irrigation systems. The goal is to increase irrigated land from 8% to 21% and to maximize yields in crop and vegetable production. In livestock, the largest segment of Agri operations, four new pig farms are planned, with a 20% annual increase in fattened pig production, while beef production is expected to grow by 25%. Farm modernization will also include automation and biosecurity measures.

Podravka Agri plans to significantly increase the use of renewable energy and organic materials, as well as develop carbon-neutral farming models based on a circular bioeconomy. The focus will also be on cooperation with suppliers, strengthening brands such as Belje and ABC, and expanding distribution both domestically and internationally.

PHARMACEUTICALS – BELUPO AS A EUROPEAN LEADER IN DERMATOLOGY

Belupo aims to become a leading European specialist in dermatology by 2030, while also establishing a strong regional presence in OTC (over-the-counter) products, cardiology, psychiatry, and neurology. Key growth markets are Central and Southeastern Europe, with strategic expansion into Western markets through dermatology and partner collaborations.

The strategy includes investments of €36 million to increase production and logistics capacities and enhance operational efficiency. A key component of the planned investments is the establishment of a Center of Excellence in Dermatology.

Belupo will also continue investing in sustainability, including the use of renewable energy and recyclable packaging, as well as strengthening ties with local communities. Focus areas include employee career development, innovative product development, and improved communication with patients and healthcare professionals.

SEVENTH SALARY AND BENEFITS INCREASE FOR PODRAVKA AND BELUPO EMPLOYEES IN FOUR YEARS

The negotiation teams of Podravka and Belupo, together with the representative trade unions – PPDIV Union, Independent Podravka Union, and Podravka Group Workers' Union (SINPOD) – successfully concluded another round of negotiations on amendments to the Podravka Group Collective Agreement. As of 1 January 2026, employees of Podravka and Belupo received a new salary increase, alongside improvements in other material benefits.

Under the agreement, the basic gross salary for approximately 4,100 employees was increased by 4.5%, corresponding to an average raise of around €70 gross. The new higher base salary also serves as the updated reference for calculating additional pay components, such as seniority and shift allowances. In addition to the salary increase, maternity support for each newborn child was raised to €1,500. This marks the seventh salary increase over the past four years, with the average salary of Podravka employees rising by more than 65% since 2021.



PODRAVKA AGRI AGREES ON SALARY AND BENEFITS INCREASE FOR EMPLOYEES IN AGRICULTURAL COMPANIES

In April 2025, the negotiation teams of Belje, Vupik and PIK Vinkovci, under the umbrella of Podravka Agri, together with the representative trade unions – PPDIV Union, HUS Union of Industry and Trade Workers of Croatia, and the Slavonia-Baranja Union – successfully concluded negotiations on the extension of the existing collective agreements of the companies within Podravka Agri and agreed on new amendments to the agreements for a one-year period.

As of 1 April 2025, with the first payment in May, employees of Belje, PIK Vinkovci and Vupik received salary increases and additional pay components, alongside improvements in other material benefits. All rights negotiated through collective bargaining also apply to employees of Energija Gradec and Belje Agro-Vet, thereby harmonizing employee benefits across Podravka Agri.

The basic salary for all employees increased by €133 gross, which additionally impacted the calculation of allowances, such as seniority and difficult working conditions. As a result, the lowest salaries increased by approximately 16%, while the average increase for employees covered by the agreements exceeded 10%.

The agreement also included tax-free annual bonuses of €700 per employee, covering Easter, holiday, and Christmas bonuses, all paid in cash.

In addition to salary and bonus increases, enhancements were made to child allowances, per diems and field allowances, on-call hourly rates, and the introduction or increase of allowances for difficult working conditions in cattle and pig farming at PIK Vinkovci. This represented a significant step toward harmonizing salaries, allowances, and other material benefits across all companies, ensuring equal rights for comparable work.

The agreement with all representative unions was concluded just over two months after the acquisition of the agricultural companies, demonstrating Podravka's strong commitment as a responsible employer and high competence in integration. As announced on 31 January 2025 at the completion of the acquisition process, one of Podravka Agri's strategic priorities is the improvement of working conditions and material benefits for its employees.

PODRAVKA AGRI LAUNCHES MAJOR INVESTMENT CYCLE

During 2025, Podravka Agri launched a significant investment cycle focused on the modernization of machinery and the enhancement of sustainability through renewable energy, further increasing the efficiency and technological readiness of its agricultural capacities.



As part of these investments, 22 new John Deere Series 6 tractors were delivered to Podravka Agri, intended for crop cultivation, inter-row cultivation, field maintenance, and internal transport. Ten of these tractors were specifically adapted for vegetable production in the Vinkovci and Vukovar areas. All tractors are equipped with the advanced JD Link telematics system, enabling real-time monitoring of operations and optimization of machine usage.

The investment cycle was further strengthened by the delivery of the largest and most powerful tractors in Podravka Agri's history – two articulated John Deere 9R

540 models. With nearly 600 HP, these tractors enable greater precision and quality on large areas, while the articulated design facilitates easier maneuvering. They are specially equipped for night work, featuring 18 work lights, an advanced cabin with the G5 Plus control center, and the AutoTrac system.

Alongside machinery modernization, Podravka Agri continues to invest in energy efficiency. Three new solar power plants were commissioned at Belje facilities – in Baranjki, the Belje Dairy Plant in Beli Manastir, and Belje Winery in Kamenac. The new plants produce 1.84 MWh of electricity annually for internal use, bringing the total number of Podravka Agri sites using solar energy to 14. This significantly reduces operational costs and enhances energy security through the integration of renewable energy into production processes.

Thanks to these investments in advanced machinery and sustainable energy, Podravka Agri further strengthens its role as a key driver of modern and technologically advanced agricultural production in Croatia.

IMPACT OF AFRICAN SWINE FEVER IN BARANJA

During the third quarter of 2025, African swine fever (ASF) spread in the Baranja region, significantly increasing the risk of infection around pig farms.

According to authorized veterinary inspection authorities, all Belje pig farms maintain a high biosafety status. Existing biosafety measures at all Podravka Agri farms are among the highest in Croatia and include individualized biosafety plans for each farm. These plans prescribe strict entry procedures, including hygiene protocols for personnel and disinfection of objects brought onto the farm. Farm employees are prohibited from owning pigs, living in households engaged in pig farming, participating in hunting or slaughtering, and must provide written declarations confirming compliance.

Despite enhanced biosecurity measures and continuous monitoring, a positive case of African swine fever (ASF) was confirmed in September at the Sokolovac farm. The Sokolovac farm is a specialized pig finishing facility representing the final stage of the production cycle, and there is no movement of animals from this farm to other farms. Following confirmation of the positive African swine fever findings by the State Inspectorate, the euthanasia of 9,829 pigs was ordered and carried out. Following confirmation of the case, measures were implemented at the Sokolovac farm with the aim of further enhancing biosecurity at pig production facilities.



SUCCESSFUL TRANSITION OF EXISTING SAP SYSTEM TO SAP S/4HANA

The transition to the new SAPS/4HANA system represents one of the most complex and important projects in the digital transformation of the Podravka Group. The project, valued at over €4 million, was successfully completed in the first quarter of 2025. It encompassed all business processes across 23 Podravka Group companies using the previous SAP ERP version, including Belupo and Žito. This significant milestone established a stable foundation for further digitalization and optimization of business processes, enabling greater connectivity, transparency, and operational excellence.

SAPS/4HANA introduces modern technology that enables faster, more efficient, and more connected operations.



With real-time data analytics, automated processes, and an intuitive user interface, the system lays the groundwork for improved organization and strategic decision-making. The most impacted areas include finance, controlling, and sales, with a selective transformation of existing business processes implemented alongside process and master data optimization and enhancement.

OPENING OF NEW TRANSPORT CENTER

In April 2025, Podravka inaugurated a new Transport Center in Koprivnica, valued at €3 million. The modern logistics facility has further improved transport and distribution processes within the company, increasing efficiency and optimizing operations.

The investment also enhanced traffic safety and improved working conditions. Together with the new logistics and distribution center, the Transport Center forms a strong operational hub that further strengthens the efficiency of Podravka's logistics processes.

The new Transport Center is the latest project within the largest investment cycle in Podravka Group's history, valued at nearly €250 million and carried out in line with the Group's Strategy from 2021 to 2025. The investment cycle, completed without external financing, enabled a comprehensive modernization and transformation of operations – from investments in production capacity

and digitalization to energy efficiency improvements and better working conditions.

Throughout the cycle, production capacities were modernized, new technologies introduced, working conditions enhanced, and foundations laid for long-term sustainability and growth. Key achievements include a new pasta factory, a new tomato processing facility, 11 new production lines, 15 new packaging lines, solar power plants with a total capacity of 13.2 MW, a fully renewed company vehicle fleet, modern agricultural machinery, renovation of the headquarters and other facilities, climate control in all production sites, and the construction of a logistics and distribution center with a capacity of 62,000 pallet spaces – the largest single investment of the cycle.

NEW PRODUCTION LINES COMPLETED – POUCH FILLING FOR READY MEALS AND SARDINE CUTTING

In 2025, two major manufacturing investments were completed within the Food segment. At the Meat Products Factory, the filling process for ready meals in pouch packaging, serving both retail and gastro customers, was fully automated. The new equipment went live in Q4 2025, improving process efficiency and enabling the rollout of a new product range, following EU-fund supervision and the disbursement of the related co-financing. In parallel, a new sardine-cutting line was delivered, tested and put into operation at the Mirna Factory in Q3 2025, boosting productivity in the fish assortment and improving raw material utilisation, with regular production starting towards the end of 2025.



COMPLETION OF CONFECTIONERY BUSINESS SALE

On 1 December 2025, Podravka and its affiliated company Žito Ltd., Ljubljana, fully completed the sale of the Confectionery business unit, which included the Šumi, Gorenjka, Herba, Mistica and Bali brands. The transaction aimed to enable Žito Ltd., Ljubljana, to focus on its core bakery operations. The purchase price amounted to €8.6 million, while the difference up to the realized revenue of €12.6 million relates to the level of inventories and net cash as of the closing date.

The newly established company UPI Star SEE Ljubljana, owned by UPI Star Ltd., Sarajevo, acquired the entire confectionery business – 100% of Šumi Gorenjka Ltd. – from Žito Ltd., Ljubljana. The acquisition included employees, brands, and the Šumi factory in Krško and the Gorenjka factory in Lesce, with the intention of further developing and strengthening the business.

COMPLETION OF SALE OF LJEKARNE DELTIS PHARM

Belupo Inc., as the seller, and the pharmacy chain Farmacia Holding Ltd., owned by Atlantic Group, completed the sale of Ljekarne Deltis Pharm on 15 January 2026. The total transaction value amounted to €10.9 million, which included the purchase price of the pharmacy business and Farmacia's investment in the strategic partnership and commercial operations with Belupo over the next five years.



The decision to sell was part of Belupo's strategic focus on directing resources and investments toward its core activities, in line with long-term objectives and sustainable business practices. The sale involved nine pharmacies, which represent a small portion of Belupo's Pharmaceuticals segment and are not part of its core business, although they contributed over the years to the company's brand recognition and the availability of high-quality pharmaceutical products. The divestment allows Belupo to focus more intensively on portfolio development and business efficiency within the Pharmaceuticals segment.

PODRAVKA AND COOPERANTS CELEBRATE RECORD TOMATO HARVEST

Podravka entered the new season with a clear target – to produce more than 40,000 tons of tomatoes and fully utilize the capacity of its new tomato processing facility in Varaždin. This target was ultimately exceeded. During the season, Podravka produced approximately 5,400 tons of tomatoes on its own fields, while cooperants supplied an additional 40,600 tons, resulting in a total production of 46,000 tons – a new record and a 50% increase compared to the previous year.

The new tomato processing plant, opened in summer 2024, operated at full capacity and demonstrated its value in its first year, enabling Podravka, with the support of cooperants, to achieve full self-sufficiency in tomato production. The previous year's production was around 31,000 tons, with the 2025 target set above 40,000 tons – successfully achieved and surpassed.

Cooperation with cooperants has expanded nationwide, from Istria through Međimurje and Podravina to Slavonia. Shared commitment to quality, investment in modern technology, and stable partnerships have made Croatian tomato production competitive, sustainable, and highly productive.

During a traditional gathering at the Fruit and Vegetable Factory in Varaždin, Podravka celebrated the season's results with its cooperants. The highest-performing tomato producers were recognized, highlighting the crucial role of the cooperant network and the contributions of individuals who have collaborated with Podravka for many years.



in the Leading Role”, created in collaboration with agencies Bruketa&Žinić&Grey, BBDO, Šanavala, Pink Moon, ZOO, and other production, digital, and media partners.

Beyond recognition for successful marketing campaigns, the awards reflect Podravka's strategic focus on creativity and effective consumer communication. The result reinforces Podravka's position as one of the leading advertisers in Croatia and the region and highlights the importance of collaboration with top creative agencies. Winning 11 awards at a single Communication Days event nearly matches the total number of awards Podravka won in the previous ten editions combined.

This achievement represents the Group's most successful participation at the prestigious event to date and underscores its ongoing investment in creativity and communication quality.

PODRAVKA ACHIEVES HISTORIC SUCCESS AT COMMUNICATION DAYS

At Communication Days 2025, Podravka achieved a historic milestone by winning a total of 11 awards – seven at the IdejaX competition and four at Effie Awards Croatia. Notably, Podravka was recognized as Advertiser of the Year at IdejaX, further confirming the Group's creativity and innovation in marketing.

At IdejaX, which honors the most creative and original marketing campaigns in Croatia, Podravka won two gold, three silver, and two bronze awards. At Effie Awards Croatia, which evaluates campaign effectiveness, Podravka's campaigns earned one gold and three silver awards. Awarded campaigns included “Everything Tastes Better with Vegeta”, “Vegeta – Cooking is Terrifying”, “Dolcela – No Guarantee on Appearance”, “Fant – Unfailingly Fantastic”, “Juhuuuu for Podravka Soup!”, and “Domestic

PODRAVKA AGRI BECOMES CROATIA'S LARGEST ONION PRODUCER

With a total of 75 hectares of arable land across Vupik and PIK Vinkovci, Podravka Agri delivered 3,500 tons of onions in 2025 to its specialized vegetable storage facility in Lipovac, marking the largest onion production in Croatia. Onions are stored at three degrees Celsius, ensuring year-round availability. This is particularly significant as domestic production currently meets only one-third of the national demand for onions.

In parallel, 50 hectares of potatoes were planted, achieving an average yield of 55 t/ha – 50% above the EU average. Efficient irrigation systems were key to attaining high yields, and Podravka Agri plans further expansion of cultivated areas along with continued investment in irrigation infrastructure.



PODRAVKA RESUMES WHEAT DELIVERIES VIA RAIL

After more than 15 years, Podravka has resumed receiving wheat deliveries by rail. This initiative reflects the Company's strategic commitment to strengthening self-sufficiency in agriculture and promoting a more sustainable business model.

To enable the project, the industrial rail track serving the Mill – Flour and Semolina Factory in Koprivnica was fully revitalized. Renovation works included replacement of sleepers and switches, gravel replenishment, and clearing of blocked sections of the track. These measures created the conditions for the resumption of rail-based raw material intake.

The first shipment of wheat arrived in Koprivnica from Vukovar, in cooperation with Podravka Agri, under a contract for first-class wheat deliveries.

Through the revitalization of the rail infrastructure and the resumption of wheat procurement by train, Podravka further reinforces its strategic focus on sustainability, supply security, and support for domestic farmers.



PODRAVKA AND KRAŠ STRENGTHEN PARTNERSHIP IN THE U.S. MARKET

In early June 2025, two leading Croatian food companies, Podravka and Kraš, launched a business collaboration in the United States. The long-standing partners further reinforced their cooperation through a distribution agreement, under which Podravka USA Inc. assumed the role of importer and distributor of Kraš products across the U.S.

The partnership represents a strategic step in strengthening the presence of Croatian brands in the demanding U.S. market. Kraš's extensive portfolio, including its leading and innovative products, complements and broadens Podravka USA's offerings, both in the ethnic food segment and in its expanding appeal to general consumers.

The collaboration aims to achieve additional distribution synergies, reinforce the market position of both companies, and increase the visibility of Croatian brands among U.S. consumers. By joining forces, Podravka and Kraš demonstrate the importance of connecting domestic companies in international business and contribute to enhancing the competitiveness of the Croatian food industry on the global stage.

VEGETA SHINES ON TIMES SQUARE

In October 2025, Vegeta appeared on New York's iconic Times Square, a global advertising hub and stage reserved for leading international brands, further strengthening its global recognition and positioning.



The activation highlighted the strength and worldwide relevance of Vegeta, a brand that has been an essential part of kitchens around the world for over 65 years. Its presence on Times Square symbolically reflects Vegeta's role as a brand that unites flavours, cultures, and generations while proudly representing Croatian quality on the international stage.



VEGETA RECOGNIZED AS A TOP BRAND IN GERMANY

Vegeta was named a Top-Marke 2025, one of Germany's most prestigious brand awards, by the specialized portal Lebensmittel Zeitung. Out of more than 5,000 competing brands, Vegeta secured the leading position in the spice category, confirming its relevance and market position in one of Europe's most important markets.

The recognition is based on independent consumer research conducted by YouGov CP Germany GmbH, a specialist in online market research and data analysis. Measurable indicators include customer growth, market share increase, and consistent market presence.

“ZLATA BARTL” FOUNDATION REACTIVATED

Podravka's "Zlata Bartl" Foundation entered a new phase of activity in 2025, focusing on supporting innovation, education, and sustainability projects. After several years of inactivity, the Foundation was reactivated in spring 2025 and began a renewed developmental phase, providing financial support to innovative projects, women entrepreneurs, and outstanding students and pupils.

The Foundation is named after Zlata Bartl, the distinguished scientist and Podravka employee who, together with her research team, developed Vegeta in 1958, one of Croatia's most iconic products. Her creativity, vision, and dedication to scientific research inspired the creation of the Foundation, which aims to promote knowledge, innovation, and creativity to new generations.

The Foundation's activities are organized around two programs: "Power of Innovation" and "Young Leaders." The "Power of Innovation" program encourages the development of innovative solutions in the food and agricultural sectors, with an emphasis on sustainability and environmental awareness. Particular attention is given to projects led by women entrepreneurs, aiming to strengthen female entrepreneurship and reduce gender inequality. The "Young Leaders" program targets students and pupils achieving excellence in STEM fields, supporting initiatives that develop skills and knowledge needed for future professions.

The "Power of Innovation" program attracted twenty applications, from which three projects were selected for financial support totaling nearly €65,000. The call was open to women-led projects enhancing the agri-food sector, with a focus on sustainability, environmental protection, and digital transformation.

Two calls under the "Young Leaders" program were also successfully completed. These included support for student STEM competitions and scholarships for students who demonstrate knowledge, dedication, and vision,



contributing to community development and showing potential as future leaders. Ten selected students received scholarships of €250 per month for ten months, with opportunities to participate in networking and knowledge-sharing programs with other Foundation scholars.

Financial support for student STEM competitions was awarded to Gimnazija "Fran Galović" Koprivnica, the association for promoting new technologies "Robofreak" from Varaždin, the association of young mathematicians in Koprivnica, and the Croatian Mathematical Society from Zagreb for two competitions: the International Mathematical Olympiad in Shanghai and the Mathematics Olympiad in the Netherlands.

PODRAVKA CONTINUED THE "LITTLE SECRETS OF PODRAVKA'S GREAT MASTERS" SCHOLARSHIP PROGRAM

In 2025, Podravka continued investing in the future of young people by launching a new round of scholarships through the program "Little Secrets of Podravka's Great Masters." The program is designed to support students in their daily school life, encourage vocational education, and provide the opportunity for employment at Podravka after completing secondary school.



The vocational student scholarship program, initiated in the previous school year, has already seen three scholarship recipients begin their professional journey at Podravka. The company continues to build a pipeline of future specialists, with a total of 31 students receiving scholarships. Each student will receive financial support of €1,800 over the school year, disbursed in ten monthly installments of €180. In the previous school year, 26 scholarships were awarded, and three students have already started their careers in Podravka's production facilities – two in the Vegeta, soups, and pasta factory in Koprivnica, and one in the Fruit and Vegetable Factory in Varaždin.

PODRAVKA AND CONSUMERS RAISED OVER €83,000 TO EQUIP SCHOOL PRACTICUM FACILITIES

Through the campaign "Let's Donate for Schools and Meals We Love," Podravka raised €83,189.95, which was donated to three schools to equip their culinary practicums. Between 1 April and 30 May 2025, five cents from the sale of each Podravka tomato product and Zlato polje pasta was allocated to the donation. The total collected amount was divided equally among three schools, each receiving €27,730, based on the highest votes in a creative competition.

Twenty-nine vocational schools submitted valid applications and presentation videos for the campaign. A professional jury selected ten schools for public voting, and the greatest number of votes went to Srednja škola Petra Šegedina (Korčula), Srednja škola Ambroza Haračića (Mali Lošinj), and Obrtničko-industrijska škola Županja, which were awarded the donations for equipping their culinary practicums.

Corporate social responsibility is an integral part of Podravka's operations. As a socially responsible company, Podravka has supported a wide range of initiatives for decades, contributing to the community and society in which it operates. This campaign is one of many such initiatives, and in line with the adopted Sustainable Business Strategy to 2030, Podravka will continue its work in the future through both its own projects and support for humanitarian, economic, cultural, sports, and scientific initiatives.

PODRAVKA CONTINUES INVESTMENTS IN RENEWABLE ENERGY

Aligned with its long-term strategy for sustainable development and energy efficiency, Podravka has launched a new project entitled "Podravka Solar Plant – Danica Phase IV Expansion – LDC." This project continues the company's successful investments in renewable energy, aiming to reduce greenhouse gas emissions, increase energy independence, and optimize operational costs.

The solar plant was constructed in the Danica industrial zone and has a nominal capacity of 1,069.2 kW. It will generate 1,047,816 kWh of electricity annually, thereby significantly contributing to the reduction of energy consumption from conventional sources.

The project is estimated to reduce CO₂ emissions by 160 tons annually, representing an important step toward achieving climate goals and environmental protection.

PODRAVKA GROUP COMPANIES AWARDED "EMPLOYER PARTNER" CERTIFICATION AGAIN

In 2025, the Podravka Group's commitment to the highest standards in human resources management

was recognized once more. Podravka, Belupo, Belje, Vupik, and PIK Vinkovci were awarded the Employer Partner certification by SELECTIO Group. This certification is the most prestigious regional recognition for excellence in human resources management and is granted to organizations that demonstrably meet high-quality standards and integrate best practices across their HR systems.



RECOGNITION OF PODRAVKA'S EXCELLENCE IN INVESTOR RELATIONS AND CORPORATE GOVERNANCE

In 2025, Podravka received two significant awards in the capital markets, further confirming its dedication to transparent and responsible business practices.

At the annual awards ceremony of the Zagreb Stock Exchange, Podravka received the First Prize for Investor Relations, recognizing the company's systematic and professional approach to communicating with the investor community and developing high-quality, long-term relationships with shareholders.

Additionally, at the conference "IPO as an Opportunity for Long-Term Owners and Growth through Capital Markets" organized by HANFA, Podravka was awarded in the category of Leading Market Companies for its 2024 Annual Corporate Governance Report.



These recognitions highlight Podravka's high standards in corporate governance, transparency, and open communication with all stakeholders, as well as the company's continuous improvement of practices in investor relations and capital market reporting.



DUBRAVKO ŠTIMAC APPOINTED CHAIRMAN OF THE SUPERVISORY BOARD OF PODRAVKA INC.

At the Annual General Meeting of Podravka Inc. held on October 20, 2025, Dubravko Štimac was elected as a member of the Supervisory Board of Podravka Inc. for a four-year term effective from the date of election. His appointment triggered the resignation of Ante Jelčić from the Supervisory Board.

Following the AGM, at the subsequent Supervisory Board meeting, Dubravko Štimac was elected Chairman of the Supervisory Board, replacing Damir Grbavac, who remains a member of the Board.

Dubravko Štimac's extensive career includes serving as President of the Management Board of PBZ Croatia Osiguranje overseeing mandatory pension funds from 2001 onwards. Prior to that, he held executive positions at Privredna banka Zagreb and PBZ Invest, and served as Chairman of the Supervisory Board of the Zagreb Stock Exchange and member of the Supervisory Board of

Zavarovalnica Triglav. He previously served on Podravka's Supervisory Board from 2006 to 2012 as a member and from 2012 to 2019 as Chairman.

He graduated from the Faculty of Economics, University of Zagreb in 1992, completed a Master of Science in Organization and Management in 1997, and earned a PhD at the same faculty. He also holds a broker license and a license to manage pension funds.

APPOINTED NEW MEMBER OF THE MANAGEMENT BOARD OF BELUPO INC.

At the Supervisory Board meeting of Belupo Inc. on September 3, 2025, Nenad Pavletić was appointed as a member of the Management Board of Belupo Inc. His mandate began on September 15, 2025, and will run until the expiry of the current Management Board term on May 3, 2028.



Nenad Pavletić brings over 25 years of experience in the pharmaceutical industry, specializing in the development of commercial strategies for innovative and generic medicines. He has successfully led teams in more than ten countries across Europe, holding key positions including General Manager in Germany for Gedeon Richter, in Russia for Hoffman-La Roche, in Scandinavia, Russia, Romania, and Slovenia for AstraZeneca, and in Poland for Pliva. He



holds a degree in Economics from the University of Zagreb and an MBA from London Business School. Within the Management Board of Belupo, which consists of President Hrvoje Čeović and Board Member Tihomir Heđever, Nenad Pavletić will be responsible for marketing, sales, and the management of all Belupo market operations.

AT THE ANNUAL GENERAL MEETING OF PODRAVKA INC., A DECISION WAS PASSED TO PAY A DIVIDEND OF €3.20 PER SHARE, THE SAME AS LAST YEAR

At the Annual General Meeting of Podravka Inc., held on 10 July 2025, the shareholders of Podravka Inc. approved the proposal of the Management Board and Supervisory Board of Podravka Inc. to pay a dividend of €3.20 per share, which is the same as the previous year. The dividend was paid on 30 July 2025 to all shareholders recorded in the share register as of 17 July 2025.



Considering the last market price of Podravka's share at the end of 2024 (€148.50), the dividend implies a dividend yield of 2.2%, compared to 2% the year before. By maintaining continuity in dividend yields over the years, the Podravka Group confirms its commitment to meeting the expectations set by its shareholders.

INVESTOR DAY HELD AGAIN AT PODRAVKA'S HEADQUARTERS

In May 2025, the Podravka Group held its Investor Day at Podravka's headquarters in Koprivnica, aiming to present the Group's business results as well as key and current projects and initiatives. Representatives of pension and investment funds, banks, analysts, and investment service providers were welcomed by the President of the Management Board, Martina Dalić, and Management Board member Davor Doko. Alongside the presentation of business results for 2024, investors had the opportunity to ask questions to the Management Board. As part of the event, a tour of the Belupo factory complex was also organized.



9 Business Results and Shares



BUSINESS results

NOTE: Decimal differences in the document are possible due to rounding.

OPERATING REVENUES BY SEGMENT IN 2025

(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
Food	591.6	-	591.6	599.2	7.6	1.3%
Own brands	542.1	-	542.1	549.2	7.1	1.3%
Other sales	49.5	-	49.5	50.0	0.5	1.0%
Pharmaceuticals	174.9	-	174.9	180.7	5.8	3.3%
Own brands	143.2	-	143.2	149.5	6.3	4.4%
Other sales	31.6	-	31.6	31.2	(0.4)	(1.4%)
Agri	-	277.2	277.2	266.1	(11.1)	(4.0%)
Own brands	-	234.7	234.7	229.3	(5.4)	(2.3%)
Other sales	-	15.1	15.1	9.6	(5.5)	(36.4%)
Other operating revenues	-	27.3	27.3	27.2	(0.1)	(0.5%)
Podravka Group	766.5	277.2	1,043.7	1,041.1	(2.6)	(0.2%)
Own brands	685.3	234.7	920.0	928.0	8.0	0.9%
Other sales	81.2	15.1	96.3	90.8	(5.5)	(5.7%)
Other Operating revenues	-	27.3	27.3	27.2	(0.1)	(0.5%)
Consolidation adjustment****	-	-	-	(4.9)	(4.9)	n/a

* Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.

** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.

*** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.

**** Consolidation adjustment represents the elimination of intra-group transactions between the Food and Agri segments.



MOVEMENTS OF THE FOOD SEGMENT REVENUES (1 - 12 2025 COMPARED TO 1 - 12 2024):

- Own brands recorded EUR 7.1m (+1.3%) higher sales due to the increase in sales of most business units,
- Other sales recorded EUR 0.5m (+1.0%) higher sales primarily due to the expansion of distribution on the US market, where the cooperation with new principals has been agreed,
- Overall, the Food segment recorded EUR 7.6m (+1.3%) higher sales.

MOVEMENTS OF THE PHARMACEUTICALS SEGMENT REVENUES (1 - 12 2025 COMPARED TO 1 - 12 2024):

- Own brands recorded EUR 6.3m (+4.4%) higher sales, primarily from sales of dermatological drugs
- Other sales recorded EUR 0.4m (-1.4%) lower revenues, due to lower sales of trade goods in the market of Croatia,
- Overall, the Pharmaceuticals segment recorded EUR 5.8m (+3.3%) higher sales revenues.

IN THE 2 – 12 2025 PERIOD, THE NEW AGRI SEGMENT CONTRIBUTES TO THE PODRAVKA GROUP'S RESULT WITH EUR 266.1M IN OPERATING INCOME, AND COMPARED TO THE 2 – 12 2024 PRO FORMA CONSOLIDATED REPORTS, SHOWS THE FOLLOWING TRENDS:

- Own brands achieved EUR 5.4m (-2.3%) lower sales revenue,
- Other sales achieved EUR 5.5m (-36.4%) lower sales revenue,
- Other operating income relates to income from incentives in agriculture and is lower by EUR 0.1m (-0.5%).

In 1 – 12 2025, the Podravka Group achieved operating income in the amount of EUR 1,041.1m, which is EUR 2.6m (-0.2%) lower compared to the comparable base in 2024, which implies a pro-forma simulation of the Podravka Group with the Agri segment.



OPERATING REVENUES BY BUSINESS UNITS, CATEGORIES AND SUBSEGMENTS IN 2025

(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
BU Culinary	122.7	-	122.7	122.5	(0.2)	(0.1%)
BU Soups	52.4	-	52.4	54.3	1.9	3.6%
BU Cereals, snack and beverages	50.3	-	50.3	55.0	4.7	9.4%
BU Creamy spreads and desserts	54.9	-	54.9	59.2	4.3	7.8%
BU Bakery	69.7	-	69.7	65.5	(4.2)	(6.1%)
BU Fruits and vegetables	67.2	-	67.2	67.3	0.0	0.0%
BU Basic food	50.7	-	50.7	51.5	0.7	1.5%
BU Meat products	47.0	-	47.0	49.1	2.1	4.5%
BU Fish	27.1	-	27.1	24.9	(2.2)	(8.2%)
Prescription drugs	118.8	-	118.8	123.8	5.1	4.3%
Non-prescription programme	24.5	-	24.5	25.7	1.2	5.0%
Livestock	-	104.8	104.8	101.6	(3.1)	(3.0%)
Crop production	-	39.0	39.0	35.5	(3.5)	(9.0%)
Industrial products	-	68.1	68.1	69.4	1.3	1.9%
Energy and other	-	22.8	22.8	22.7	(0.1)	(0.5%)
Other sales	81.2	15.1	96.3	90.9	(5.5)	(5.7%)
<i>Other sales Food</i>	49.5	-	49.5	50.0	0.5	1.0%
<i>Other sales Pharmaceuticals</i>	31.6	-	31.6	31.2	(0.4)	(1.4%)
<i>Other sales Agri</i>	-	15.1	15.1	9.6	(5.5)	(36.4%)
Other operating revenues	-	27.3	27.3	27.2	(0.1)	(0.5%)
Consolidation adjustment****	-	-	-	(4.9)	(4.9)	
Podravka Group	766.5	277.2	1.043.7	1,041.1	(2.6)	(0.2%)

* Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.

** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.

*** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.

**** Consolidation adjustment represents the elimination of intra-group transactions between the Food and Agri segments.





MOVEMENTS OF REVENUES BY BUSINESS UNITS, CATEGORIES AND SUBSEGMENTS (1 - 12 2025 COMPARED TO 1 - 12 2024):

- The Culinary business unit recorded EUR 0.2m (-0.1%) lower sales than in the comparative period, due to increasing uncertainty in global markets, which led to heightened consumer caution, the decline in revenue was primarily recorded in the U.S. market, while the Croatian market achieved growth,
- The Soups business unit recorded EUR 1.9m (+3.6%) sales growth. The markets of Southeastern Europe, Croatia and Slovenia contribute most to the growth. The Clear soups and Creamy soups subcategories contribute most to a positive trend within the Soups business unit,
- The Cereals, snack and beverages business unit recorded EUR 4.7m (+9.4%) higher sales than in the comparative period. The markets of Croatia, Germany, Slovenia and Southeastern Europe contribute most to the growth, while the growth was recorded by all categories, led by the Cereals category, and the Tea and beverages category,
- The Creamy spreads and desserts business unit records EUR 4.3m (+7.8%) higher sales, primarily in the markets of Croatia, Germany and Southeastern Europe. The Creamy spreads category contributes most to the growth,
- The Bakery business unit recorded a revenue decrease of EUR 4.2m (-6.1%), primarily in the markets of Slovenia and Italy,
- The Fruits and vegetables business unit recorded revenues at the same level as in the comparative period. The markets of Croatia, Bosnia and Herzegovina, and North Macedonia contribute most to the growth,
- The Basic food business unit recorded EUR 0.7m (+1.5%) higher sales, with the greatest contributions coming from the markets of the Czech Republic, Croatia, and Bosnia and Herzegovina in the Rice and Pasta categories,
- The Meat products business unit recorded EUR 2.1m (+4.5%) higher sales, primarily on the markets of Croatia, the Czech Republic, Germany and Southeastern Europe. The revenue growth arises from the categories of Ready meals, and Pates,
- The Fish business unit in the reporting period recorded EUR 2.2m (-8.2%) lower sales, which is caused by the lack of raw material, sardines, due to significantly lower catches in the Adriatic Sea, and thus lower sales in the Canned fish category,
- The Prescription drugs category recorded EUR 5.1m (+4.3%) higher sales than in the comparative period, mainly due to the increase in sales of dermatological drugs and cardiovascular drugs categories in the markets of Eastern and Southeastern Europe,
- The revenues of the Non-prescription programme category are EUR 1.2m (+5.0%) higher, as a result of the increase in sales of the OTC drugs category in the markets of Eastern and Southeastern Europe,
- In relation to the comparable base in 2024, the Livestock subsegment generated EUR 3.1m (-3.0%) lower revenues, primarily due to lower market prices of fattened pigs and lower sales volumes as a result of restrictions caused by African swine fever,
- The Crop production subsegment generated EUR 3.5m (-9.0%) lower revenues, due to the fact that some smaller segments were not taken over in the acquisition, but their sales were recorded in the comparable period,
- The Industrial products subsegment generated EUR 1.3m (+1.9%) higher revenues due to higher sales of dairy products,
- The Energy and other subsegment, which includes biogas plants and smaller subsegments within the Agri segment, generated EUR 0.1m (-0.5%) lower revenues,
- In the Food segment, Other sales increased by EUR 0.5m (+1.0%), mainly as a result of the expansion of distribution activities in the US market and agreed cooperation with new principals, while in the Pharmaceuticals segment, Other sales dropped by EUR 0.4m (-1.4%), due to lower trade goods sales in the market of Croatia. In the Agri segment, Other sales is EUR 5.5m lower (-36.4%), due to lower sales of trade goods.



OPERATING REVENUES BY REGION IN 2025

(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
Markets of Croatia and Slovenia	367.6	233.6	601.2	600.2	(1.0)	(0.2%)
Food	297.2	-	297.2	310.7	13.5	4.5%
Pharmaceuticals	70.4	-	70.4	64.8	(5.6)	(7.9%)
Agri	-	233.6	233.6	224.7	(8.9)	(3.8%)
Southeastern Europe	164.9	9.8	174.7	180.3	5.6	3.2%
Food	113.7	-	113.7	115.8	2.1	1.8%
Pharmaceuticals	51.2	-	51.2	55.1	3.9	7.7%
Agri	-	9.8	9.8	9.4	(0.4)	(3.8%)
WE and Overseas	106.3	4.9	111.2	106.1	(5.1)	(4.6%)
Food	103.9	-	103.9	98.9	(5.0)	(4.8%)
Pharmaceuticals	2.4	-	2.4	3.5	1.1	43.8%
Agri	-	4.9	4.9	3.7	(1.2)	(23.9%)
Central Europe	82.0	1.5	83.6	81.3	(2.2)	(2.7%)
Food	70.8	-	70.8	68.3	(2.5)	(3.5%)
Pharmaceuticals	11.3	-	11.3	12.0	0.7	6.1%
Agri	-	1.5	1.5	1.0	(0.5)	(30.5%)
Eastern Europe	45.6	-	45.6	50.8	5.1	11.3%
Food	6.0	-	6.0	5.5	(0.6)	(9.5%)
Pharmaceuticals	39.6	-	39.6	45.3	5.7	14.4%
Agri	-	-	-	-	-	n/a
Other operating revenues	-	27.3	27.3	27.2	(0.1)	(0.5%)
Consolidation adjustment****	-	-	-	(4.9)	(4.9)	n/a
Podravka Group	766.5	277.2	1,043.7	1,041.1	(2.6)	(0.2%)

* Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.

** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.

*** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.

**** Consolidation adjustment represents the elimination of intra-group transactions between the Food and Agri segments.





MOVEMENTS OF SALES REVENUES BY REGION (2025 COMPARED TO 2024):

- In the Markets of Croatia and Slovenia, the Food segment achieved EUR 13.5m (+4.5) higher revenues mainly due to higher sales on the Croatian market in almost all Business units. Revenues of the Pharmaceuticals segment on the market of Croatia and Slovenia are lower by EUR 5.6m (-7.9%) primarily due to lower sales on the Croatian market. In relation to the comparable base in 2024, the Agri segment achieved lower revenues by EUR 8.9m (-3.8%) due to lower sales in the Crop production subsegment, due to the fact that some smaller segments were not taken over in the acquisition, as well as in the Livestock segment, due to lower prices of fattened pigs and reduced delivery volumes resulting from the impact of African swine fever,
- In the Market of Southeastern Europe, the Food segment achieved revenue growth of EUR 2.1m (+1.8%), with the highest absolute growth generated by the Soups, Creamy spreads and desserts, Meat products, and Cereals, snack and beverages business units in the markets of Bosnia and Herzegovina, Montenegro, Kosovo, and North Macedonia. Revenue growth was achieved despite pressures in the external environment and regulatory changes in certain Southeast European markets. Revenues in the Pharmaceuticals segment were higher by EUR 3.9m (+7.7%) due to growth in Prescription drugs in the markets of Bosnia and Herzegovina and North Macedonia, while revenues in the Agri segment were lower by EUR 0.4m (-3.8%) compared to the comparable base due to lower sales in the Serbian market,
- In the Western Europe and Overseas Region, the Food segment achieved EUR 5.0m (-4.8%) lower revenue, primarily due to a decline in revenue from the Bakery business unit in the Italian market, as well as slightly lower revenue generated by the Culinary Business Program, primarily in the U.S. market, driven by increasing global market uncertainty and the resulting more cautious consumer spending behaviour. On the other hand, the German market, where restructuring was carried out in 2024 to increase profitability, is growing significantly in revenue compared to last year. The Pharmaceuticals segment achieved EUR 1.1m (+43.8%) higher revenue, primarily due to an increase in revenue from Prescription drugs in the market of Great Britain, while the Agri segment's revenue was EUR 1.2m (-23.9%) lower compared to a comparable base,
- In the Central Europe Region, the Food segment recorded a revenue decline of EUR 2.5m (-3.5%) due to lower Other sales in the Czech Republic, Poland, and Romania. The Pharmaceuticals segment recorded a revenue growth of EUR 0.7m (+6.1%) due to higher revenues in the markets of Poland and the Czech Republic, while the Agri segment's revenues were lower by EUR 0.5m (-30.5%) compared to the comparable base,
- In the Eastern Europe Region, the Pharmaceuticals segment achieved revenue growth of EUR 5.7m (+14.4%), primarily in the Prescription drugs category, while the Food segment achieved revenue decline of EUR 0.6m (-9.5%).



PROFITABILITY OF THE FOOD SEGMENT IN 2025

(in EUR millions)	Profitability of the Food segment				Normalised			
	1 - 12 24	1 - 12 25	Δ	%	1 - 12 24	1 - 12 25	Δ	%
Sales revenue	591.6	599.2	7.6	1.3%	591.6	599.2	7.6	1.3%
Gross profit	202.0	204.5	2.5	1.2%	202.2	204.6	2.5	1.2%
EBITDA*	69.5	76.7	7.2	10.3%	70.6	74.0	3.5	4.9%
EBIT	44.0	49.0	5.0	11.4%	45.1	46.3	1.2	2.6%
Net profit after MI	44.6	31.3	(13.2)	(29.7%)	35.8	28.3	(7.6)	(21.1%)
Gross margin	34.1%	34.1%		-2 bp	34.2%	34.1%		-2 bp
EBITDA margin	11.8%	12.8%		+105 bp	11.9%	12.4%		+43 bp
EBIT margin	7.4%	8.2%		+74 bp	7.6%	7.7%		+10 bp
Net margin after MI	7.5%	5.2%		-231 bp	6.1%	4.7%		-134 bp

* EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments of noncurrent tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortization.



PROFITABILITY OF THE FOOD SEGMENT (1 - 12 2025 COMPARED TO 1 - 12 2024):

- In the 1 - 12 2025 period, the Food segment recorded an increase in **gross profit** of EUR 2.5m (+1.2%) with a gross margin at the same level as in the comparative period. **Operating profit before depreciation and amortisation** (EBITDA) is EUR 7.2m (+10.3%) higher, while **normalised operating profit before depreciation and amortisation** (EBITDA) is EUR 3.5m (+4.9%) higher,
- Higher **normalised operating profit before depreciation and amortisation** (EBITDA) is

primarily the result of higher sales revenue, as well as process improvements and the optimisation of operating expenses, with EBITDA growth achieved despite investments in improving the material status of employees, which resulted in an increase in staff costs,

- **Normalised net profit after minority interests** is EUR 7.6m lower (-21.1%) due to higher depreciation costs given the completed significant investment cycle, as well as the costs of financing the acquisition of agricultural companies of the Fortenova Group. Podravka Inc. is the debtor of the borrowing for financing the acquisition, therefore the financing cost is formally borne by the Food segment.



PROFITABILITY OF THE PHARMACEUTICALS SEGMENT IN 1 - 12 2025

Profitability of the Pharmaceutical segment					Normalised			
(in EUR millions)	1 - 12 24	1 - 12 25	Δ	%	1 - 12 24	1 - 12 25	Δ	%
Sales revenue	174.9	180.7	5.8	3.3%	174.9	180.7	5.8	3.3%
Gross profit	89.6	95.2	5.6	6.2%	89.6	95.3	5.7	6.3%
EBITDA*	45.9	48.9	3.1	6.7%	46.2	49.4	3.1	6.8%
EBIT	36.0	41.0	5.0	14.0%	36.8	39.7	2.9	8.0%
Net profit after MI	29.3	31.8	2.5	8.5%	28.4	30.7	2.4	8.3%
Gross margin	51.2%	52.6%		+143 bp	51.2%	52.7%		+149 bp
EBITDA margin	26.2%	27.1%		+84 bp	26.4%	27.3%		+88 bp
EBIT margin	20.6%	22.7%		+212 bp	21.0%	22.0%		+94 bp
Net margin after MI	16.8%	17.6%		+84 bp	16.2%	17.0%		+78 bp

* EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments of noncurrent tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortization.



PROFITABILITY OF THE PHARMACEUTICALS SEGMENT (2025 COMPARED TO 2024):

- The Pharmaceuticals segment recorded EUR 5.6m (+6.2%) higher **gross profit**, with an increase in gross margin from 51.2% to 52.6%. **Normalised operating profit before depreciation and amortisation (EBITDA)** is EUR 3.1m (+6.8%) higher,
- Higher **normalised operating profit before depreciation and amortisation (EBITDA)** is mainly caused by the increase in sales revenues and gross profit, despite investments in improving the material status of employees, which resulted in an increase in staff costs,
- **Net profit after minority interests** is EUR 2.5m higher (+8.5%), while **normalised net profit after minority interests** is EUR 2.4m (+8.3%) higher.



PROFITABILITY OF THE AGRI SEGMENT IN 2-12 2025

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Through the newly established company Podravka Agri d.o.o., the companies Belje plus d.o.o., Vupik plus d.o.o., PIK Vinkovci plus d.o.o., Energija Gradec d.o.o., Belje Agro-Vet plus d.o.o. and Felix plus d.o.o. were acquired. Accordingly, the Agri segment was established, which, along with Food and Pharmaceuticals, represents the third business pillar. Given that the Podravka Group acquired control of the segment on 31 January 2025, the results of the Podravka Group below include the results of the Agri segment's operations from the date of acquisition of control, which means for the period 2-12 2025.

To ensure data comparability and enhance transparency in reporting, pro forma result of the Agri segment in 2-12 2024 is presented, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.

(in EUR millions)	Profitability of the Agri segment				Normalised			
	2 - 12 24 pro forma*	2 - 12 25	Δ	%	2 - 12 24 pro forma*	2 - 12 25	Δ	%
Operating revenues	277.2	266.1	(11.1)	(4.0%)	277.2	266.1	(11.1)	(4.0%)
Sales revenues	249.8	238.9	(10.9)	(4.4%)	249.8	238.9	(10.9)	(4.4%)
Other operating revenues**	27.3	27.2	(0.1)	(0.5%)	27.3	27.2	(0.1)	(0.5%)
Gross profit	42.6	43.3	0.7	1.7%	42.6	45.3	2.7	6.4%
EBITDA***	46.2	101.0	54.8	118.5%	45.3	44.5	(0.8)	(1.8%)
EBIT	7.0	79.7	72.7	1,037.6%	24.1	23.2	(0.8)	(3.5%)
Net profit	(4.6)	72.4	77.0	n/a	10.1	15.8	5.7	56.4%
Gross margin	15.4%	16.3%		+92 bp	15.4%	17.0%		+167 bp
EBITDA margin	16.7%	38.0%		+2,128 bp	16.4%	16.7%		+37 bp
EBIT margin	2.5%	30.0%		+2,743 bp	8.7%	8.7%		+4 bp
Net margin	(1.6%)	27.2%		+2,886 bp	3.6%	5.9%		+229 bp

NOTE: The difference between reported and normalised profitability at the EBITDA, EBIT and net profit levels primarily relates to the booked difference between the compensation paid and the net acquired assets of the agricultural companies of the Fortenova Group in the amount of EUR 57.53m, which is treated as a one-off item.

- * Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.
- ** Other operating revenues refer to agricultural subsidies, which the Group considers to be regular operating income within the newly acquired Agri segment.
- *** EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments to noncurrent tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortization.





PROFITABILITY OF THE AGRI SEGMENT (2 - 12 2025 COMPARED TO 2 - 12 2024 PRO-FORMA):

- In relation to the comparable base in 2024, in 2 - 12 2025 the Agri segment recorded **gross profit** higher by EUR 0.7m (+1.7%), with the higher gross margin, which is at a level of 16.3%,
- Within the Agri segment, the difference between the paid compensation and the net acquired assets of the agricultural companies of the Fortenova Group was recorded in the amount of EUR 57.5m, which is shown in the **reported operating profit before depreciation and amortisation** (EBITDA). The **normalised operating profit before depreciation and amortisation**

(EBITDA) is reduced by the stated effect and other one-off items, and amounts to EUR 44.5m, which is EUR 0.8m (-1.8%) lower than the comparable base. Approximately the same level of EBITDA was achieved despite the significant negative impact of lower fattened pig prices in 2025, increased employee compensation due to the new collective agreement, and lower corn yields caused by adverse weather conditions, which is primarily the result of implemented business restructuring measures and changes to the operating model.

- **Normalised net profit after minority interests** amounts to EUR 15.8m and is higher than the comparable base by EUR 5.7m.

PROFITABILITY OF THE PODRAVKA GROUP IN 1 - 12 2025

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Through the newly established company Podravka Agri d.o.o., the companies Belje plus d.o.o., Vupik plus d.o.o., PIK Vinkovci plus d.o.o., Energija Gradec d.o.o., Belje Agro-Vet plus d.o.o. and Felix plus d.o.o. were acquired. Accordingly, the Agri segment was established, which, along with Food and Pharmaceuticals, represents the third business pillar. Given that the Podravka Group acquired control of the segment on 31 January 2025, the results of the Podravka Group below include the results of the Agri segment's operations from the date of acquisition of control, which means for the period 2-12 2025.

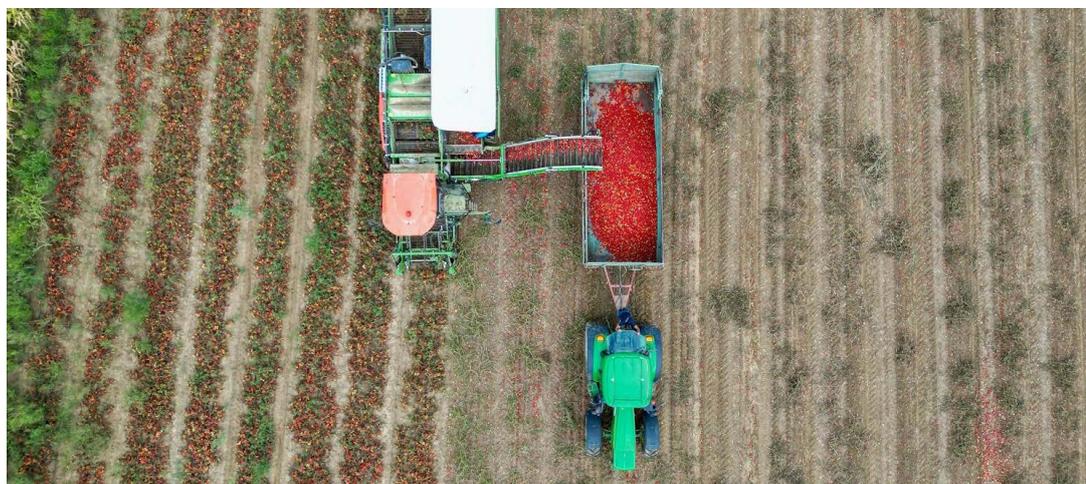
To ensure data comparability and enhance transparency in reporting, alongside the official results of the Podravka Group for 2024, pro forma consolidated data for 2024 are presented, which simulate the results of the Podravka Group as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The pro forma information is provided solely for the purpose of better comparability and does not constitute the Podravka Group's official financial results for the previous year.



Profitability of the Podravka Group		Reported				
(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
Operating revenues	766.5	277.2	1.043.7	1.041.1	(2.6)	(0.2%)
Sales revenues	766.5	249.8	1.016.3	1.013.9	(2.5)	(0.2%)
Other operating revenues	0.0	27.3	27.3	27.2	(0.1)	(0.5%)
Gross profit	291.6	42.6	334.2	341.9	7.7	2.3%
EBITDA****	115.4	46.2	161.6	226.5	64.8	40.1%
EBIT	80.0	7.0	87.0	169.6	82.6	94.9%
Net profit after MI	73.9	(4.6)	69.3	135.4	66.1	95.3%
Gross margin	38.0%	15.4%	32.0%	32.8%		+82 bp
EBITDA margin	15.1%	16.7%	15.5%	21.8%		+627 bp
EBIT margin	10.4%	2.5%	8.3%	16.3%		+795 bp
Net margin after MI	9.6%	(1.6%)	6.6%	13.0%		+636 bp

NOTE: The difference between reported and normalised profitability at the EBITDA, EBIT and net profit levels primarily relates to the booked difference between the compensation paid and the net acquired assets of the agricultural companies of the Fortenova Group in the amount of EUR 57.53m, which is treated as a one-off item.

- * Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.
- ** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.
- *** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.
- **** EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments of non-current tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortization.



Profitability of the Podravka Group		Normalised				
(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
Operating revenues	766.5	277.2	1.043.7	1.041.1	(2.6)	(0.2%)
Sales revenues	766.5	249.8	1.016.3	1.013.9	(2.5)	(0.2%)
Other operating revenues	0.0	27.3	27.3	27.2	(0.1)	(0.5%)
Gross profit	291.8	42.6	334.4	344.1	9.8	2.9%
EBITDA****	116.8	45.3	162.1	167.7	5.6	3.5%
EBIT	81.9	24.1	106.0	109.1	3.1	2.9%
Net profit after MI	64.2	10.1	74.3	74.6	0.3	0.5%
Gross margin	38.1%	15.4%	32.0%	33.1%		+102 bp
EBITDA margin	15.2%	16.4%	15.5%	16.1%		+58 bp
EBIT margin	10.7%	8.7%	10.2%	10.5%		+32 bp
Net margin after MI	8.4%	3.6%	7.1%	7.2%		+5 bp

NOTE: consolidated result of the Podravka Group is presented after elimination of intragroup transactions.

- * Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.
- ** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.
- *** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.
- **** EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments of non-current tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortization.



PROFITABILITY OF THE PODRAVKA GROUP (2025 COMPARED TO 2024 PRO-FORMA):

- The results in 1-12 2025 show different achievements by business segments of the Podravka Group. The normalised EBITDA of the Food segment is 4.9% higher than in the same period last year, while the Pharmaceuticals segment records an normalised EBITDA growth of 6.8%. The Agri segment records a mild decline in normalised EBITDA of -1.8% (EUR -0.8m) compared to the results that this segment had

last year when it was not part of the Podravka Group, with approximately the same level of normalised EBITDA achieved despite the significant negative impact of lower fattened pig prices in 2025, higher employee compensation resulting from the new collective agreement, and lower corn yields due to adverse weather conditions. Overall, the Group's normalised EBITDA reached EUR 167.7m and increased by EUR 5.6m (+3.5%) compared to the comparable base in 2024,

- The **Group's normalised net profit** in the period 1-12 2025 amounts to EUR 74.6m and is



EUR 0.3m (+0.5%) higher than the comparable base in 2024, where the Food segment formally bears the costs of financing the acquisition of agricultural companies of the Fortenova Group and thus records a decrease in normalised net profit, while the Pharmaceuticals and Agri segments record an increase in normalised net profit,

- The difference between reported and normalised profitability at the EBITDA and net profit levels primarily relates to the booked difference between the compensation paid and the net acquired assets of the agricultural companies of the Fortenova Group in the amount of EUR 57.5m, which is treated as a one-off item.

KEY HIGHLIGHTS OF THE INCOME STATEMENT IN 1 - 12 2025

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Through the newly established company Podravka Agri d.o.o., the companies Belje plus d.o.o., Vupik plus d.o.o., PIK Vinkovci plus d.o.o., Energija Gradec d.o.o., Belje Agro-Vet plus d.o.o. and Felix plus d.o.o. were acquired. Accordingly, the Agri segment was established, which, along with Food and Pharmaceuticals, represents the third business pillar. Given that the Podravka Group acquired control of the segment on 31 January 2025, the results of the Podravka Group below include the results of the Agri segment's operations from the date of acquisition of control, which means for the period 2-12 2025.

To ensure data comparability and enhance transparency in reporting, alongside the official results of the Podravka Group for 2024, pro forma consolidated data for 2024 are presented, which simulate the results of the Podravka Group as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The pro forma information is provided solely for the purpose of better comparability and does not constitute the Podravka Group's official financial results for the previous year.

Podravka Group		Reported				
(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
Cost of goods sold	474.9	234.6	709.5	699.2	(10.3)	(1.5%)
General and administrative expenses	61.2	12.3	73.6	70.1	(3.4)	(4.7%)
Selling and distribution costs	98.9	8.2	107.1	110.2	3.1	2.9%
Marketing expenses	53.9	1.2	55.1	57.8	2.7	4.9%
Other expenses (income), net	(2.5)	13.9	11.4	(65.8)	(77.2)	n/a
Total operating expenses	686.5	270.1	956.7	871.5	(85.2)	(8.9%)

* Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.

** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.

*** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.



Podravka Group		Normalised				
(in EUR millions)	Group Podravka 1 - 12 24*	Agri pro forma 2 - 12 24**	Group Podravka pro forma 1 - 12 24***	Group Podravka 1 - 12 25	Δ 25/24 pro forma	% 25/24 pro forma
Cost of goods sold	474.7	234.5	709.3	696.9	(12.4)	(1.7%)
General and administrative expenses	58.2	12.3	70.5	69.2	(1.3)	(1.9%)
Selling and distribution costs	98.6	8.2	106.8	110.2	3.4	3.2%
Marketing expenses	53.9	1.2	55.1	57.7	2.6	4.8%
Other expenses (income), net	(0.9)	14.8	13.9	(2.1)	(16.0)	(114.9%)
Total operating expenses	684.6	271.0	955.6	932.0	(23.6)	(2.5%)

* Official result of the Podravka Group for 2024, comprising the Food and Pharmaceutical segments.

** Pro forma result for the Agri segment in 2-12 2024, simulating the consolidated business result of the acquired agricultural companies during 2024, when these companies were not yet part of the Podravka Group. The comparative period includes the 2-12 2024 period, as the acquisition was completed on 31 January 2025.

*** Pro forma result of the Podravka Group for 2024, simulating the Podravka Group's consolidated business result as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The comparative period for the Agri segment includes the 2-12 2024 period, given that the acquisition was finalised on 31 January 2025.

COST OF GOODS SOLD

Cost of goods sold is EUR 10.3m (-1.5%) lower, whereby in the Food and Pharmaceuticals segments they are higher primarily due to the increase in material rights of employees, while in the Agri segment they are lower as a result of lower sales revenues despite the increase in material rights of employees.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are EUR 3.4m (-4.7%) lower, which results from the parts of operations where cost savings were achieved through process improvements and workflow optimisation despite the increase in material rights of employees.

SELLING AND DISTRIBUTION COSTS

In the observed period, selling and distribution costs are EUR 3.1m (+2.9%) higher, which is affected by all three segments primarily due to the increase in material rights of employees compared to a comparable base.

MARKETING EXPENSES

In the reporting period, marketing expenses are EUR 2.7m higher (+4.9%), which arises from the Food and Pharmaceuticals segments, primarily due to an increase in costs of the marketing department following the improved material rights of employees in relation to the comparative period.



OTHER EXPENSES (INCOME), NET

In the reporting period, other expenses and income, net amounted to EUR -65.8m (positive impact), which primarily refers to the recorded difference between the paid compensation and the net acquired assets of the agricultural companies of the Fortenova Group in the amount of EUR 57.5m, which is treated as a one-off item.

NET FINANCE COSTS

In the observed period, net finance costs amounted to EUR -15.9m (negative impact), while in the comparative period they amounted to EUR -11.6m (negative impact), where the difference primarily arises from financial costs related to the acquisition of agricultural companies of the Fortenova Group.

INCOME TAX

The reported income tax of the Podravka Group in 1 – 12 2025 amounted to EUR 16.6m, while in the same period of the previous year in pro-forma consolidation statements it amounted to EUR 4.5m.



KEY HIGHLIGHTS OF THE BALANCE SHEET AS AT 31 DECEMBER 2025

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Through the newly established company Podravka Agri d.o.o., the companies Belje plus d.o.o., Vupik plus d.o.o., PIK Vinkovci plus d.o.o., Energija Gradec d.o.o., Belje Agro-Vet plus d.o.o. and Felix plus d.o.o. were acquired. Accordingly, the Agri segment was established, which, along with Food and Pharmaceuticals, represents the third business pillar.

To ensure data comparability and enhance transparency in reporting, alongside the official balance sheet of the Podravka Group for 2024, pro forma balance sheet simulation as at 31 December 2024 is presented, as it would have been if the acquired agricultural companies had been part of the Podravka Group in the previous year. The pro forma information is provided solely for the purpose of better comparability and does not constitute the Podravka Group's official financial results for the previous year.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment of the Podravka Group are EUR 28.8m higher compared to 31 December 2024, where this arises from the increase in assets of the newly acquired Agri segment due to new capital expenditures, while the Food and the Pharmaceuticals segments remain at approximately the same level.

INVENTORIES

Inventories of the Podravka Group are EUR 11.2m higher than as at 31 December 2024, where the inventories of the Food and Pharmaceuticals segments are slightly higher due to increased volume of operations and are maintained at the optimum level, while the Agri segment's inventories are slightly lower.

BIOLOGICAL ASSETS

The Agri segment presents biological assets under assets. Non-current biological assets primarily relate to the main herd and amount to EUR 15.4m, while current biological assets, which by their nature are part of working capital, mostly refer to fattening animals from the livestock segment and plantations within the crop production segment, and amount to EUR 52.1m.

TRADE AND OTHER RECEIVABLES

Trade and other receivables of the Podravka Group are EUR 4.0m lower than as at 31 December 2024, where this arises from the Food segment in the part of lower other receivables, while the Pharmaceuticals segment records an increase in trade receivables.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Podravka Group at the end of the observed period amount to EUR 40.2m. Movements in cash and cash equivalents at the Podravka Group level are explained in more detail in the "Key highlights of the cash flow statement in 1 – 12 2025" section.

LONG-TERM AND SHORT-TERM BORROWINGS

As at 31 December 2025, long-term and short-term borrowings of the Podravka Group amounted to EUR 349.4m, primarily as a result of financing the acquisition of agricultural companies of the Fortenova Group. The transaction value is EUR 333m, for which Podravka Inc. provided EUR 283m through a club loan from leading commercial banks in Croatia, while the EBRD participated with EUR 50m.



TRADE AND OTHER PAYABLES

Trade and other payables of the Podravka Group are EUR 3.0m higher compared to the comparable base, due to higher payables in the Agri segment, partly reduced by lower trade payables in the Food and Pharmaceuticals segments.

INDEBTEDNESS

As at 31 December 2025, the total debt of the Podravka Group related to borrowings and other interest-bearing financial liabilities amounted to EUR 421.7m, of which

EUR 272.0m relates to long-term borrowings, EUR 77.3m to short-term borrowings, while EUR 72.3m relates to liabilities for right-of-use assets. The average weighted cost of debt on all the stated liabilities as at 31 December 2025 was 3.3%, while if right-of-use assets were excluded it was 2.9%.

Analysing the debt currency structure, the highest exposure, of 99.6%, was in the Euro (EUR). The debt share in the Bosnia and Herzegovina mark (BAM) amounted to 0.1%, in Polish zloty (PLN) to 0.1%, while the remainder of 0.2% relates to other currencies.

(in EUR millions)*	2024	2025	Δ	%
Financial debt**	57.7	421.7	364.0	n/a
Cash and cash equivalents	27.1	40.2	13.1	48.3%
Net debt***	30.5	381.5	350.9	n/a
Interest expense	0.96	16.05	15.1	n/a
Net debt / Normalised EBITDA	0.26	2.27	2.0	n/a
Normalised EBIT / Interest expense	85.3	6.8	(78.5)	(92.0%)
Equity to assets ratio****	74.7%	54.8%		n/a

- * All indicators were calculated in a way that the income statement items were calculated at the level of the last 12 months, while the balance sheet items were taken at the end of the period, whereby for the newly acquired Agri segment, the current calculation includes income statement items for the period 2-12 2025, given that the Podravka Group acquired control over the segment on 31 January 2025. Leverage indicators for 2024 reflect the official financial data of the Podravka Group, which during this period formally comprised the Food and Pharmaceuticals segments. In 2025, the Group also includes the newly acquired Agri segment; therefore, the figures presented in the table are not directly comparable on a numerical basis.
- ** Financial debt: long-term and short-term borrowings + lease liabilities + financial liabilities at fair value through profit or loss. The data is provided in the "Consolidated statements of financial position as at 31 December 2025" section.
- *** Net debt: Financial debt – Cash and cash equivalents.
- **** Equity to assets ratio: total shareholder's equity / total assets. The data is provided in the "Consolidated statements of financial position as at 31 December 2025" section.

The net debt increase as at 31 December 2025 compared to 31 December 2024 is a consequence of financing the acquisition of agricultural companies of the Fortenova Group. The transaction value is EUR 333m, for which Podravka Inc. secured EUR 283m through a club loan from leading commercial banks in Croatia, while the EBRD participated with EUR 50m. An additional increase refers to the right-of-use assets related to the newly acquired Agri segment. Net debt/

Normalised EBITDA is calculated in such a way that income statement items are calculated at the level of the last 12 months, while balance sheet items are taken at the end of the period, whereby for the newly acquired Agri segment the current calculation includes income statement items for the period 2-12 2025, given that the Podravka Group acquired control over the segment on 31 January 2025.



KEY HIGHLIGHTS OF THE CASH FLOW STATEMENT IN 2025

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Given that the control over the segment was acquired on 31 January 2025, the results of the Podravka Group below include operating results of the Agri segment for the period 2-12 2025, while they are not shown in the comparative period.

The key highlights of the 2024 cash flow statement reflect the official financial data of the Podravka Group, which during this period formally comprised the Food and Pharmaceuticals segments. In 2025, the Group also includes the newly acquired Agri segment; therefore, the figures presented in the table are not directly comparable on a numerical basis.

(in EUR millions)	1 - 12 2024	1 - 12 2025	Δ
Net cash flow from operating activities	88.8	99.3	11.8%
Net cash flow from investing activities	(68.2)	(362.8)	(432.4%)
Net cash flow from financing activities	(36.1)	276.7	867.3%
Net increase / (decrease) of cash and cash equivalents	(15.4)	13.1	185.1%



NET CASH FLOW FROM OPERATING ACTIVITIES

In the observed period, net cash flow from operating activities amounted to positive EUR 99.3m as a result of operating business and dynamics of movements in the working capital.

NET CASH FLOW FROM INVESTING ACTIVITIES

Net cash flow from investing activities in the reporting period amounted to negative EUR 362.8m, primarily as a result of the acquisition of agricultural companies of the Fortenova Group.

CAPITAL EXPENDITURES AMOUNTED TO EUR 82.0M AND PRIMARILY REFER TO:

- Completion of investment activities related to the process of purchasing new agricultural machinery in the crop production and livestock segments

for all Agri segment companies. During 2025, all new agricultural machinery, including attached machinery, was delivered. The new agricultural machinery will improve efficiency in crop and livestock production, while also enhancing working conditions and lowering maintenance costs,

- Continuation of investment activities related to the irrigation system for field crops, which will result in increased yields and greater production efficiency. In the fourth quarter of 2025, most of the equipment was delivered, and excavation works for the hydrant pipelines were initiated. The expected completion of the project is by the beginning of the irrigation season, i.e. mid-2026,
- Completion of investment activities related to the construction of a central facility for transport and maintenance with accompanying facilities. During the second quarter of 2025, the employees scheduled to work at that location moved to the facility. During the third quarter of 2025, all work was completed with the purchase of additional maintenance tools and software. The investment will contribute to improving working conditions and increasing the efficiency of logistics processes,

- Completion of investment activities related to the automation of the ready meal in pouch packaging filling process at the Meat products factory, intended for retail and gastro customers. The investment will improve the efficiency of the existing ready meal production process and enable the launch of a new product range within the same category. In the fourth quarter of 2025, the equipment was put into operation, and production of the previously mentioned product range commenced. Supervision of the equipment was conducted by the EU funds involved in financing the investment, and the appropriate financial resources were released,
- Completion of investment activities for the sardine cutting line, which was received during the third quarter of 2025, when it was tested and put into use. The line will contribute to greater production efficiency of the fish product range and greater utilization of raw materials. The project was successfully completed during the third quarter of 2025, and regular industrial production began in the fourth quarter of 2025,
- Completion of investment activities related to solar power plants in the Agri segment. The investments will greatly contribute to reducing electricity costs and contribute to business sustainability. In the fourth quarter of 2025, the solar power plants were put into full operation,
- Completion of investment activities for the project of transitioning the existing SAP system to the SAP S/4HANA version, which will enable the improvement of operations and the efficiency of business processes, primarily financial and accounting processes,
- Completion of investment activities related to the project to renovate the Žito Group's retail stores. During 2025, the renovation of eight stores has been completed. This project contributed to enhancing the brand visibility of the Žito bakery product range,
- Completion of investment activities related to the procurement of boars and gilts for the purpose of rebuilding the herd, which are key to maintaining and improving production in the livestock segment. By improving the genetic structure of new animals and rebuilding the herd, the size and structure of the herd is renewed, which leads to greater efficiency and productivity,
- Completion of investments in solar power plants related to the new logistics and distribution centre in Koprivnica. During the third quarter of 2025, equipment installation has been completed. All installations have been tested, and the project has been successfully completed. The solar power plant is currently in trial operation,
- Completion of investment activities related to the digitalisation of agricultural production. The goal of the investment is to improve operational efficiency through real-time monitoring of field activities and work processes. Also, compliance with industry standards and regulatory requirements will be improved,
- Completion of investment activities related to the production digitalisation project of all factories covered by the project in order to improve production efficiency and reduce operating expenses. During the fourth quarter, all remaining factories involved in the project have fully completed the digitalisation of their production processes, whereby the project has been successfully completed.

The above capital expenditures are expected to positively impact the operating profitability increase.

NET CASH FLOW FROM FINANCING ACTIVITIES

In the 1 - 12 2025 period, net cash flow from financing activities amounted to positive EUR 276.7m, primarily due to financial liabilities related to the acquisition of agricultural companies of the Fortenova Group.



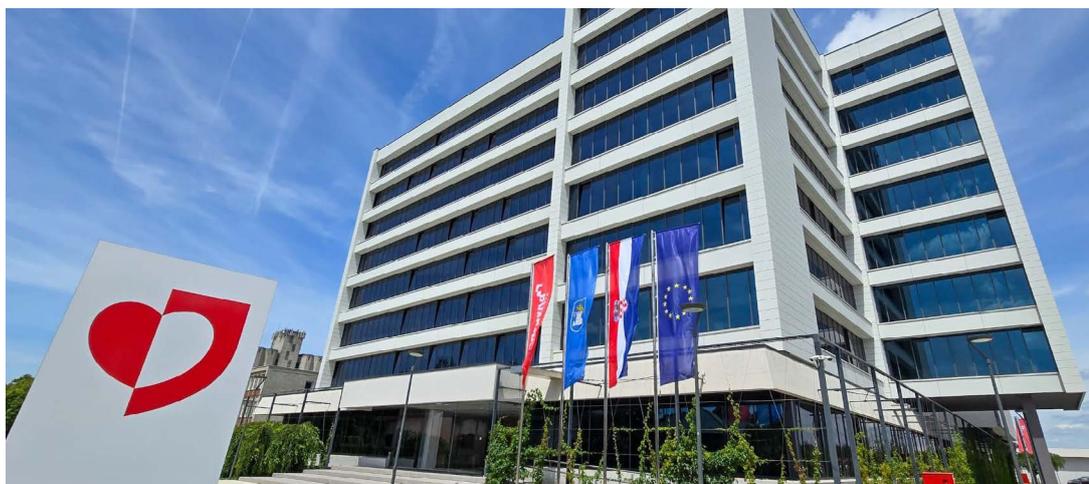
ADDITIONAL TABLES FOR 2025

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Through the newly established company Podravka Agri d.o.o., the companies Belje plus d.o.o., Vupik plus d.o.o., PIK Vinkovci plus d.o.o., Energija Gradec d.o.o., Belje Agro-Vet plus d.o.o. and Felix plus d.o.o. were acquired. Accordingly, the Agri segment was established, which, along with Food and Pharmaceuticals, represents the third business pillar. Given that the Podravka Group acquired control of the segment on 31 January 2025, the results of the Podravka Group below include the results of the Agri segment's operations from the date of acquisition of control, which means for the period 2-12 2025.

To ensure data comparability and enhance transparency in reporting, alongside the official results of the Podravka Group for 2024, pro forma consolidated data for 2024 are presented, which simulate the results of the Podravka Group as if the acquired agricultural companies had been part of the Podravka Group in the previous year. The pro forma information is provided solely for the purpose of better comparability and does not constitute the Podravka Group's official financial results for the previous year.

CALCULATION OF REPORTED AND NORMALISED EBITDA

EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments to non-current tangible and intangible assets. Value adjustments to non-current tangible and intangible assets in the reporting and the comparative periods are presented in the table below.



Value adjustments	1 - 12 2024			1 - 12 2024 pro forma					1 - 12 2025				
	Group	Food	Pharma	Group pro forma	Food	Pharma	Agri pro forma	Cons. adj.*	Group	Food	Pharma	Agri	Cons. adj.*
(in EUR millions)													
Intangible assets	0.45	-	0.45	0.45	-	0.45	-	-	(1.18)	-	(1.18)	-	-
Tangible assets	0.59	0.14	0.45	18.56	0.14	0.45	17.97	-	0.08	-	-	0.08	-
Total	1.04	0.14	0.90	19.01	0.14	0.90	17.97	-	(1.10)	-	(1.18)	0.08	-

Reported EBITDA calculation	1 - 12 2024			1 - 12 2024 pro forma					1 - 12 2025				
	Group	Food	Pharma	Group pro forma	Food	Pharma	Agri pro forma	Cons. adj.*	Group	Food	Pharma	Agri	Cons. adj.*
(in EUR millions)													
Reported EBIT	79.98	43.98	36.00	86.99	43.98	36.00	7.01	-	169.56	48.98	41.04	79.72	(0.18)
+ amortization and depreciation	34.39	25.41	8.99	55.65	25.41	8.99	21.26	-	58.02	27.73	9.09	21.21	-
+ value adjustments	1.04	0.14	0.90	19.01	0.14	0.90	17.97	-	(1.10)	-	(1.18)	0.08	-
Reported EBITDA	115.41	69.52	45.89	161.65	69.52	45.89	46.24	-	226.49	76.70	48.95	101.01	(0.18)

Normalised EBITDA calculation	1 - 12 2024			1 - 12 2024 pro forma					1 - 12 2025				
	Group	Food	Pharma	Group pro forma	Food	Pharma	Agri pro forma	Cons. adj.*	Group	Food	Pharma	Agri	Cons. adj.*
(in EUR millions)													
Normalised EBIT	81.93	45.15	36.79	106.02	45.15	36.79	24.09	-	109.10	46.31	39.73	23.24	(0.18)
+ amortization and depreciation	34.39	25.41	8.99	55.65	25.41	8.99	21.26	-	58.02	27.73	9.09	21.21	-
+ value adjustments	0.45	-	0.45	0.45	-	0.45	-	-	0.63	-	0.55	0.08	-
Normalised EBITDA	116.78	70.55	46.23	162.13	70.55	46.23	45.35	-	167.75	74.04	49.36	44.53	(0.18)

*The Consolidation adjustment represents an elimination of intragroup transactions between the Food and Agri segments



ONE-OFF ITEMS IN 2025 AND 2024

In the 1 - 12 2025 period, the Food segment incurred EUR 1.88m of net gain from sale of assets, EUR 1.31m of net gain from the sale of Šumi Gorenjka d.o.o., EUR 0.12m costs of severance payments, EUR 0.13m costs related to the acquisition of the agricultural segment of the Fortenova Group, EUR 0.11m in costs associated with the centralisation of the bakery business in Slovenia, EUR 0.1m of bonus costs for the introduction of the new SAP system, and EUR 0.06m of one-off costs for consulting services. The normalisation below the EBIT result for the Food segment primarily relates to the positive effect of received tax incentives under the Investment Promotion Act, amounting to EUR 1.12m. The estimated impact of these one-off items on tax of the Food segment is EUR 0.73m (increases it).

In the 1-12 2025 period, the Pharmaceuticals segment incurred EUR 0.41m costs of severance payments and EUR 0.01m of difference in provisions for bonuses for the introduction of the new SAP system and EUR 0.01m of one-off costs for consulting services. The Pharmaceuticals segment recorded a positive effect of EUR 1.72m from value adjustments to intangible assets. The estimated impact of these one-off items on tax of the Pharmaceuticals segment is EUR 0.24m (increases it).

Within the Agri segment, the difference between the paid compensation and the net acquired assets of the agricultural companies of the Fortenova Group is recorded in the amount of EUR 57.53m. This was recorded through the purchase price allocation procedure, the purpose of which is to allocate the total purchase price to the fair value of the acquired assets and liabilities on the date of acquisition.

Additionally, within the Agri segment, EUR 0.08m of net income from the sale of nonoperating assets, EUR 0.15m of costs related to the acquisition of the agricultural segment of the Fortenova Group, and EUR 0.13m of costs of severance payments were recorded. The negative

effect on the Agri segment's income statement as a result of the euthanasia of fattening animals at the Sokolovac farm due to African swine fever infection amounts to EUR -1.44m, with a revenue for compensation for damage also recorded in the amount of EUR 1.16m and additional costs arising from the ASF infection in the amount of EUR 0.58m. All of the above are treated as one-off items. The estimated impact of these one-off items on the tax of the Agri segment is EUR 0.16m (decreases it).

In the 1 - 12 2024 period, the Food segment incurred EUR 0.25m costs of severance payments for employees, primarily related to long-term sick leaves, EUR 0.11m in costs associated with the centralisation of the bakery business in the Slovenian market, EUR 0.35m in provisions for one-off bonuses related to the implementation of the new SAP system, EUR 0.05m in costs arising from changes in the fair value of investments in the Fortenova Group (old debt), EUR 0.12m in provisions for legal disputes, and income from the sale of non-operating assets of EUR 0.26m. Costs related to the acquisition of agricultural companies of the Fortenova Group in the 1 - 12 2024 period were normalised in the total amount of EUR 2.38m.

In 2024, Podravka Inc. collected the border debt, including the related interest from the Fortenova group based on the Settlement concluded in the Extraordinary Administration procedure over the company Agrokor d.d. and its subsidiaries, in the total amount of EUR 8.25m. The effect in the income statement amounts to a positive EUR 3.42m (of which the effect related to border debt amounts to EUR 1.97m, while financial income from interest amounts to EUR 1.45m).

In the 1-12 2024 period, the Food segment also incurred EUR 0.14m in costs related to the value adjustments to non-current tangible assets. The normalisation below the EBIT result of Food primarily relates to the positive effect of tax incentives received



in accordance with the Investment Promotion Act in the amount of EUR 8.5m. The estimated impact of all these oneoff items on Food's tax is EUR 0.05m (increases it).

The Pharmaceuticals segment incurred EUR 0.08m costs of severance payments related to long-term sick leaves, EUR 0.01m net income from the sale of non-operating assets, EUR 0.15m in provisions for one-off bonuses related to the implementation of the new SAP system, and EUR 0.12m in tax expense arising from the sale of non-operating assets.

In the 1-12 2024 period, the Pharmaceuticals segment also recorded EUR 0.45m in costs related to the value adjustments to non-current intangible

assets and a positive effect of EUR 1.60m relating to the final calculation of utilised tax incentives for the 2015 expansion of the Belupo factory. The estimated impact of all these one-off items on tax of the Pharmaceuticals segment is EUR 0.13m (decreases it).

In the 2-12 2024 period, the Agri segment generated EUR 1.01m in revenue from the sale of non-operating assets, incurred EUR 0.02m costs of severance payments, EUR 0.10m in SAP project write-off costs, and recorded value adjustments to intangible and tangible assets totalling EUR 17.97m. The estimated impact of these one-off items on the Agri segment's tax amounts to EUR 2,44m (decreases it).



NORMALIZATION OF THE PROFIT AND LOSS STATEMENT BY SEGMENTS IN 2025

Reported and Normalised profitability	1 - 12 2024				1 - 12 2024 pro forma				1 - 12 2025				
(in EUR millions)	Group	Food	Pharma	Group pro forma	Food	Pharma	Agri pro forma	Cons. adj*	Grupa	Prehrana	Farma	Agri	Cons. adj*
Reported gross profit	291.59	202.01	89.58	334.18	202.01	89.58	42.60	-	341.88	204.50	95.16	43.34	(1.11)
+ severance payments	-	-	-	0.02	-	-	0.02	-	0.12	-	0.12	-	-
+ cost related to the outbreak of African swine fever ASK	-	-	-	-	-	-	-	-	0.58	-	-	0.58	-
+ cost related to the centralization of bakery operations in the Slovenian market	0.03	0.03	-	0.03	0.03	-	-	-	0.06	0.06	-	-	-
+ rewards related to the new SAP system	0.15	0.12	0.03	0.15	0.12	0.03	-	-	0.07	0.05	0.02	-	-
+ negative effect of euthanasia of fattened livestock	-	-	-	-	-	-	-	-	1.44	-	-	1.44	-
Normalised gross profit	291.76	202.16	89.61	334.38	202.16	89.61	42.62	-	344.14	204.61	95.29	45.35	(1.11)
Reported EBITDA	115.41	69.52	45.89	161.65	69.52	45.89	46.24	-	226.49	76.70	48.95	101.01	(0.18)
+ normalization above gross profit	0.18	0.15	0.03	0.20	0.15	0.03	0.02	-	2.26	0.11	0.14	2.01	-
+ severance payments	0.33	0.25	0.08	0.33	0.25	0.08	-	-	0.55	0.12	0.30	0.13	-
+ gain from the sale of assets	(0.27)	(0.26)	(0.01)	(1.28)	(0.26)	(0.01)	(1.01)	-	(1.95)	(1.88)	-	(0.08)	-
+ SAP project write-off	-	-	-	0.10	-	-	0.10	-	-	-	-	-	-
+ cost related to the centralization of bakery operations the Slovenian market	0.08	0.08	-	0.08	0.08	-	-	-	0.04	0.04	-	-	-
+ rewards related to the Sugo project	-	-	-	-	-	-	-	-	0.02	0.02	-	-	-
+ cost related to the acquisition of Fortenova Group's agricultural business	2.38	2.38	-	2.38	2.38	-	-	-	0.27	0.13	-	0.15	-
+ net effect of the sale of companies Sumi and Gorenjka	-	-	-	-	-	-	-	-	(1.32)	(1.32)	-	-	-
+ difference between the fee paid and net acquired assets related to the acquisition of Fortenova Group's agricultural segment	-	-	-	-	-	-	-	-	(57.53)	-	-	(57.53)	-
+ rewards related to the new SAP system	0.35	0.23	0.12	0.35	0.23	0.12	-	-	0.01	0.05	(0.03)	-	-
+ consulting services	-	-	-	-	-	-	-	-	0.07	0.06	0.01	-	(0.00)
+ effect of Fortenova's collection of border debt	(1.97)	(1.97)	-	(1.97)	(1.97)	-	-	-	-	-	-	-	-
+ tax impact of sale of non-operative assets	0.12	-	0.12	0.12	-	0.12	-	-	-	-	-	-	-
+ change in fair investment values	0.05	0.05	-	0.05	0.05	-	-	-	-	-	-	-	-
+ income from compensation for damage (fattened livestock euthanasia)	-	-	-	-	-	-	-	-	(1.16)	-	-	(1.16)	-
+ provisions for litigation	0.12	0.12	-	0.12	0.12	-	-	-	-	-	-	-	-
Normalised EBITDA	116.78	70.55	46.23	162.13	70.55	46.23	45.35	-	167.75	74.04	49.36	44.53	(0.18)
Reported EBIT	79.98	43.98	36.00	86.99	43.98	36.00	7.01	-	169.56	48.98	41.04	79.72	(0.18)
+ normalizations above EBITDA level	1.37	1.03	0.34	0.48	1.03	0.34	(0.89)	-	(58.74)	(2.67)	0.41	(56.48)	(0.00)
+ value adjustments – Intangible and tangible assets	0.59	0.14	0.45	18.56	0.14	0.45	17.97	-	(1.72)	-	(1.72)	-	-
Normalised EBIT	81.93	45.15	36.79	106.02	45.15	36.79	24.09	-	109.10	46.31	39.73	23.24	(0.18)
Reported Net profit after MI	73.86	44.56	29.30	69.31	44.56	29.30	(4.55)	-	135.38	31.31	31.80	72.43	(0.15)
+normalizations above EBIT level	1.96	1.17	0.79	19.04	1.17	0.79	17.08	-	(60.46)	(2.67)	(1.31)	(56.48)	-
+ tax benefits according to Investment Promotion Act	(10.10)	(8.50)	(1.60)	(10.10)	(8.50)	(1.60)	-	-	(1.12)	(1.12)	-	-	-
+ interest income based on Fortenova's border debt	(1.45)	(1.45)	-	(1.45)	(1.45)	-	-	-	-	-	-	-	-
+ estimated impact of normalization on taxes	(0.08)	0.05	(0.13)	(2.51)	0.05	(0.13)	(2.44)	-	0.81	0.73	0.24	(0.16)	-
Normalised Net profit after MI	64.19	35.83	28.36	74.28	35.83	28.36	10.09	-	74.62	28.26	30.72	15.79	(0.15)

* The Consolidation adjustment represents an elimination of intragroup transactions between the Food and Agri segment



SHARE IN 2025

LIST OF MAJOR SHAREHOLDERS AS AT 31 DECEMBER 2025

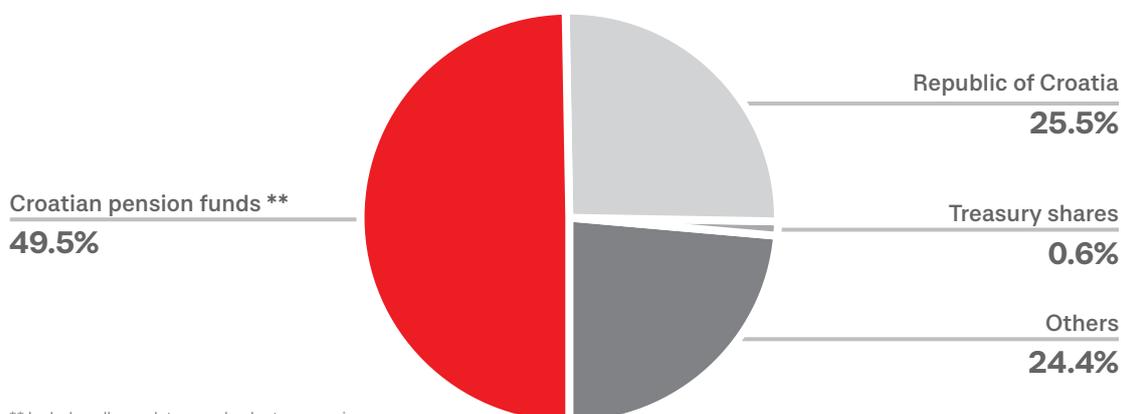
No.	Shareholder	Number of shares	% of ownership
1.	RSC* - Republic of Croatia	1,187,732	16.7%
2.	PBZ Croatia osiguranje mandatory pension fund, category B	1,097,644	15.4%
3.	AZ mandatory pension fund, category B	934,026	13.1%
4.	Raiffeisen mandatory pension fund, category B	625,298	8.8%
5.	Erste Plavi mandatory pension fund, category B	613,643	8.6%
6.	Pivac Brothers Meat Industry	511,519	7.2%
7.	Capital Fund	406,842	5.7%
8.	HPB d.d./Republic of Croatia	167,281	2.3%
9.	Radnik d.d.	77,778	1.1%
10.	Bistra d.o.o.	75,015	1.1%
	Other shareholders	1,423,225	20.0%
	Total	7,120,003	100.0%

*The Restructuring and Sale Centre holds 1,241,504 shares through two accounts, Capital Fund Inc. holds 406,842 shares, the Republic of Croatia additionally holds 167,281 shares on a separate account.

Podravka Inc. has a stable ownership structure where the most significant stake is held by the Republic of Croatia and domestic pension funds. A total of 7,120,003 shares have been issued at nominal price of EUR 30.0 per share. As at 31 December 2025, the Republic of Croatia holds 25.5% stake, and domestic pension funds (mandatory and voluntary) hold a total of 49.5% stake. Podravka Inc.

has 0.6% of treasury shares. Podravka Inc.'s shares have been listed on the Prime Market of the Zagreb Stock Exchange and in eight Zagreb Stock Exchange indices (CROBEX, CROBEX10, CROBEXtr, CROBEX10tr, CROBEXprime, CROBEXplus, CROBEXnutris and ADRIAprime).

OWNERSHIP STRUCTURE AS AT 31 DECEMBER 2025



** Includes all mandatory and voluntary pension funds managed by the pension companies: AZ, ROMF, PBZCO and ERSTE.



SHARE PRICE MOVEMENT IN 1 – 12 2025

PODR CROBEX CROBEX10



(closing price in EUR; closing points)	31 December 2024	31 December 2025	%
PODR	148.5	150.0	1.0%
CROBEX	3,191.2	3,857.2	20.9%
CROBEX10	2,002.7	2,461.6	22.9%

In the reporting period, the price of Podravka's share increased by 1.0% compared to the end of 2024. At the same time, the CROBEX and CROBEX 10 stock indices grew by 20.9% and 22.9%, respectively.

RESULT ON THE CROATIAN CAPITAL MARKET IN 1 – 12 2025

(in EUR; in units)*	1 - 12 2024	1 - 12 2025	%
Weighted average daily price	157.7	147.8	(6.3%)
Average daily number of transactions	12	13	15.4%
Average daily volume	725	629	(13.2%)
Average daily turnover	114,325	92,218	(19.3%)

* The weighted average daily price in the reporting period is calculated as the sum of the weighted average daily prices in the reporting period, multiplied by the daily volume weight. The daily volume weight is calculated as a ratio of daily volume and total volume in the reporting period. The formula, *Weighted average daily price in the reporting period* = $\sum \text{average daily price} \cdot (\text{daily volume} / \text{total volume in the reporting period})$. Other indicators are calculated as the average of average daily transactions/volume/turnover in the reporting period. Block trades are excluded from the calculation.

In the 1 - 12 2025 period, the weighted average daily price of Podravka's share recorded a decrease of 6.3% relative to the comparative period. Compared to 1 – 12 2024, the average daily number of transactions is 15.4% higher, the average daily volume decreased by 13.2%, and the average daily turnover decreased by 19.3%.



VALUATION

(in EUR millions; last price and earnings per share in EUR)*	2024	2025	%
Last price	148,5	150,0	1,0%
Weighted average number of shares**	7.043.408	7.055.226	0,2%
Market capitalization***	1.045,9	1.058,3	1,2%
EV****	1.087,3	1.451,0	33,4%
Normalised earnings per share*****	9,1	10,6	16,1%
EV / operating revenues	1,4	1,4	(1,7%)
EV / Normalised EBITDA	9,3	8,6	(7,1%)
EV / Normalised EBIT	13,3	13,3	0,2%
Last price / Normalised earnings per share ratio (P / E)	16,3	14,2	(13,0%)
Return on average equity*****	10,7%	11,6%	+85 bb
Return on average assets*****	8,0%	7,2%	-75 bb

* All indicators were calculated in a way that the income statement items were calculated at the level of the last 12 months, while the balance sheet items were taken at the end of the period, whereby for the newly acquired Agri segment, the current calculation includes income statement items for the period 2-12 2025, given that the Podravka Group acquired control over the segment on 31 January 2025.

The valuation indicators in the table for 2024 reflect the official financial data of the Podravka Group, which during this period formally comprised the Food and Pharmaceuticals segments. In 2025, the Group also includes the newly acquired Agri segment; therefore, the figures presented in the table are not directly comparable on a numerical basis.

** The weighted average number of shares is calculated on the basis of previous 12 months period by dividing the sum of the weighted number of shares of each individual month by the total number of calendar days in the previous 12 months. The weighted number of shares on a monthly basis is calculated by reducing the total number of issued shares by the amount of treasury shares and multiplying the difference by the number of days of that month.

*** Market Capitalization: Last price * Weighted average number of shares.

**** Enterprise value: Market Capitalization + Net debt + Minority interests.

***** Normalised earnings per share is calculated in a way that Normalised Net income after minority interests is divided with weighted average number of shares. Normalised Net income after minority interests include the last 12 months period.

***** Normalised. Return on average equity is calculated in a way that Normalised Net income is divided by average total shareholder's equity. Average total shareholder's equity is a sum of total shareholder's equity on the last day of reporting period (31.12.2025) and comparative period (31.12.2024) divided by 2. Normalised Net income include the last 12 months period.

***** Normalised. Return on average assets is calculated in a way that Normalised Net income is divided by average total asset. Average total asset is a sum of total asset on the last day of reporting period (31.12.2025) and comparative period (31.12.2024) divided by 2. Normalised Net income include the last 12 months period.



10 Expected Development





In June 2025, Podravka Group adopted a new Business Strategy through 2030, covering all three segments – Food, Agriculture (Agri) and Pharmaceuticals – with the objective of achieving sustainable and profitable growth, strengthening its international presence, and ensuring responsible governance in line with best corporate governance practices. The Strategy builds on the strong foundations established in the previous period and sets the direction for the Group to continue creating long-term value for its stakeholders through disciplined capital allocation and further modernization of operations.

In the coming period, despite ongoing macroeconomic pressures and risks, further strengthening of the international position of the Food portfolio is expected, with a focus on the internationalization of key brands and categories. The strategic focus will be on high-potential, high-margin categories – universal food seasonings, soups, cereals and creamy spreads. Positioning Vegeta as a global brand remains a strategic priority, alongside the expansion of the assortment marketed under the Vegeta brand in international markets. At the same time, the

development of categories whose potential has been further reinforced by the previous investment cycle will continue – from tomato-based products and ready meals to bakery snacks. In the domestic and regional markets, existing leading positions will be maintained and enhanced through selective portfolio localization and the development of higher value-added channels. The establishment of a Business Development Division as of early 2026 underscores the increased focus on innovation and portfolio expansion in line with the Nutrition Strategy and evolving consumer habits and demographics, with an emphasis on the highest-value and highest-potential categories. Further increasing the share of agricultural raw materials sourced from own and domestic production, while ensuring excellence in crop cultivation, will also remain a key priority.

In Pharmaceuticals, the priority will be organic growth in selected therapeutic areas, with a particular focus on dermatology and the OTC portfolio, as well as the strengthening of research and development capabilities. This will be achieved by expanding the new portfolio through the launch of new products, primarily



in the dermatology segment, with a strategic focus on dermatology, cardiology, the central nervous system and OTC, alongside a stronger presence in existing markets and targeted expansion into new ones, primarily Poland, Romania and Bulgaria. The segment will further enhance its research and development processes and capacities, as well as Business Development (Medical Affairs), in order to ensure a coordinated and efficient launch of the new portfolio in selected markets. This includes the establishment of a center of excellence in dermatology, partnerships in the development of new products, and the strengthening of regulatory and quality capabilities related to product safety. Particular emphasis will be placed on supply chain efficiency, quality and safety, as well as disciplined pricing and promotion management, supported by consistent execution of commercial plans and standardized processes across priority markets.

In Agriculture (Agri), the third pillar of the Group, the integration of the acquired companies into a unified value chain will continue in the forthcoming period. Further optimization, standardization and business improvement are expected, aimed at ensuring sustainable productivity, quality and profitability of agricultural production, with greater cost predictability, disciplined capital allocation and consistent realization of synergies with the Food segment through aligned planning, standardized quality processes and efficient logistics. Priorities include economically optimized sowing plans, higher yields and improved biological performance indicators in crop farming and livestock production, modernization of technology and storage capacities, and the strengthening of S&OP and controlling processes to accelerate the realization of synergies in procurement, quality and logistics.

Across all segments, the Group will accelerate the digital transformation of its business processes – from planning, production and logistics to commercial activities – with the aim of shortening decision-making cycles, improving forecast accuracy and reducing unit costs. In the coming period, continued focus will be placed on efficiency improvements and process standardization, a more agile organizational setup and faster implementation of best practices across all subsidiaries of the Group.

Following the successful completion of transactions in 2025 – the divestment of the Confectionery business under the Šumi and Gorenjka brands (Food pillar) and the Pharmacy business of Ljekarne Deltis Pharm (Pharmaceuticals pillar) – the Group continues to consistently implement disciplined portfolio management. This includes the potential for selective acquisitions that accelerate growth and synergies, as well as possible divestments of non-core categories, supported by strict capital discipline and clear return criteria. The primary objective is to increase overall profitability, sharpen the focus on core competencies and strengthen the Group's long-term competitiveness.

The investment framework includes continuous investments in the modernization of production and technology. In the Food segment, average annual investments are planned; Pharmaceuticals will intensify investments in research and development; while the Agri segment is expected to enter a stronger multi-year investment cycle.

ESG objectives are fully integrated into the Group's business strategy and operational plans. Key priorities include reducing CO₂ emissions, increasing the share of renewable energy sources, optimizing packaging in line with circular economy principles, reducing food waste, and ensuring responsible soil and water management. At the same time, the development of products with improved nutritional profiles will be encouraged, alongside responsible human capital management through the continuous enhancement of working conditions, competence development and active partnership with the communities in which the Group operates.

Based on the adopted strategic framework, planned investments and operational priorities, Podravka Group is expected to continue delivering sustainable and high-quality growth in the forthcoming period, while strengthening its international position, further improving efficiency and responsibly managing its environmental and social impacts. Such an approach ensures the Group's long-term competitiveness and resilience, as well as the continuous creation of value for shareholders and all other stakeholders.



11 Brands of Podravka Group



FOOD

VEGETA is Podravka's most famous and strongest brand, which, in over six decades of its existence, has entered the kitchens of consumers in more than sixty countries, from Australia to the USA. Under the Vegeta brand, there are universal food seasonings, special food seasonings, meal preparation mixes, single spices, bouillons, and many other products. Listening to the dietary needs and preferences of modern consumers, Vegeta has always provided new culinary solutions and followed the latest trends, whether in design, packaging, communication, or new products. For millions of consumers, Vegeta is an inspiration and help in everyday cooking, offering culinary ideas through numerous recipes. Vegeta is today the best-selling dehydrated food seasoning in Europe, seasoning a variety of dishes daily and winning the hearts and palates of its consumers.



FANT meal mixes will enrich anyone's culinary skills, making every culinary attempt successful and delicious. Fant answers the everyday question "What to cook today?" enabling the simple preparation of even the most complicated dishes and guaranteeing excellent taste every time. In the wide assortment of Fant products, there is a variety of dishes, from traditional ones to international cuisine, as well as newer, modern dishes that can now be prepared in either a vegetarian or classic version, thanks to Fant. Fant also offers dehydrated sauces in a wide range of well-known flavours.

MAESTRO is a brand with a rich tradition in the Slovenian market that provides consumers with security, the warmth of home, and the ability to explore different flavours with a constant guarantee of quality. The assortment of single spices and special food seasonings under the Maestro brand has been an inspiration in the kitchen for over seven decades, bringing a richness of flavour that enhances every dish and serving as an indispensable companion in every kitchen. With a wide assortment of Maestro spices, herbs, and spice mixes, anyone can easily become a maestro in their own kitchen.



The homemade taste is a key value of **PODRAVKA SOUPS**. They are extremely easy to prepare, provide a quality meal in just a few minutes, and still leave room for personal creativity. Podravka soups continuously follow the latest dietary trends, and within the wide and diverse assortment of clear and cream soups, consumers have been finding their favorite flavours for over 65 years, which is further confirmed by Podravka soups' market leadership across nearly all regional markets and their presence in more than 35 markets worldwide.



The practicality of preparation and excellent taste are characteristics of **TALIANETTA** pasta, which allow consumers to prepare a delicious and nutritious meal in just a few minutes. Talianetta responds to the increasing demand from consumers for semi-ready and instant meals, providing quick and quality solutions for a standalone meal or as a side dish to other dishes.

The logo for Talianetta is written in a blue, cursive script font with a registered trademark symbol (®) at the end.The logo for Fini-Mini is written in a red, bold, sans-serif font with a registered trademark symbol (®) at the end.

For those seeking solutions without cooking, there are products from the **FINI MINI** assortment – instant soups and noodles, meals ready in just a few minutes. These products are carefully prepared to meet the needs of modern consumers who appreciate convenience and the excellent taste of recognizable quality.

For more than half a century, **ČOKOLINO** has been an indispensable part of family moments, a symbol of childhood and a cherished memory of growing up that continues to delight all generations – from the youngest to those who still, with nostalgia, choose their favourite “spoonable” meal. Today, alongside the classic variant, modern versions such as Čokolino Dark, Protein, Fit, Plus and gluten-free Čokolino are also available, winning over new generations with their nutritional value, innovative composition and flavour. This is further supported by the fact that, according to Nielsen retail panel data in Croatia (March 2025), Podravka stood out as the leading breakfast cereal manufacturer. To mark this year’s major anniversary, Čokolino decided to surprise its loyal consumers with a new limited-edition product – Čokolino Toffee. Simply put, yet another product that delivers a moment of enjoyment – especially for me, because after all, Čokolino is not just a meal; Čokolino is a story, a memory and an emotion. And with 55 years behind it, one thing still holds true – Čokolino grows with you.

The logo for Čokolino is written in a dark brown, bold, sans-serif font with a white outline and a registered trademark symbol (®) at the end.The logo for Lino is written in a blue, bold, sans-serif font with a white outline and a registered trademark symbol (®) at the end.

LINO reveals a rich, diverse, and marvelous world of flavours, with tasty and healthy products carefully prepared for happy and healthy growth. The absolute hit among both small and large consumers, Lino Pillows cereals offer enjoyment with a crispy, creamy flavour. Listening to consumer desires, Lino cereals also provide wholegrain and gluten-free solutions. As a reliable manufacturer of baby food for over fifty years, Podravka offers a wide range of baby food that provides all the necessary ingredients for a child's growth and development. Thanks to convenient packaging, the natural and fine Lino baby products are also ideal for consumption outside the home.

For more than 50 years, the **KVIKI** brand has been bringing crispy snacks with excellent taste to consumers and delighting generations with its high-quality, fun and convenient bites. The assortment offers a wide selection of savoury baked and fried snacks – from pretzels, sticks and fish-shaped crackers to the long-recognised and original Kviki Grica – perfect for any occasion. Kviki is the ideal snack for sporting get-togethers, movie nights, parties and all the important moments in life that we share with friends.

The logo for Kviki is written in a bold, yellow, sans-serif font with a black outline and a registered trademark symbol (®) at the end.



1001 CVET and **PODRAVKA TEAS** ensure that you can find your perfect cup of enjoyment among a wide selection of unique blends made from the finest and highest-quality ingredients. 1001 CVET/Podravka teas are a good habit drawn from nature, composed of carefully cultivated and harvested – and even more carefully combined – ground medicinal herbs and fruit in proportions that give them an unforgettable aroma. Emphasising naturalness and environmental sustainability, the brand is committed to preserving nature, while the new assortment enables consumption beyond the seasonal offering.

LINO LADA is a popular brand of cream spreads, distinguished by its premium quality, the widest selection of flavours, and a variety of packaging tailored to different consumers and occasions. Thanks to its innovativeness and continuous investment in development, it now holds a significant position in the spread market in the region, while demand is also expanding to international markets. Since 2025, Lino Lada has been the number-one chocolate spread in Croatia, confirming its status as a favourite product among consumers. In addition to cream spreads, Lino Lada remains one of the most sought-after flavours in the ice cream category and is also present in impulse products such as pillow cereals, wafers, and doughnuts. The brand further stands out as one of the few recognised players in the peanut butter category.



DOLCELA is a brand that consumers have trusted for years. With a broad portfolio and high quality, Dolcela offers simple solutions for preparing desserts that deliver genuine enjoyment. At the same time, it responds to the needs of modern consumers by introducing innovations and modernising its packaging, while taking environmental considerations into account through the use of recyclable packaging solutions for cake and cream mixes. In 2025, Dolcela also received recognition for its creativity at this year's Ideja X competition, where it won the gold award for "Best Outdoor – OOH (Best in Channel)", the silver award in the "Food (Best on Market)" category, and the bronze award in the "Best TV Commercial & Film (Best in Channel)" category.

PODRAVKA is a strong market player in the **READY MEALS AND SAUCES** category. Excellent homemade flavours, superior quality, and quick preparation are the main features of the broad range of ready meals. The category continued its positive growth trend and good results in 2025, especially in the domestic market, where it has seen market share growth for the third consecutive year. The latest addition to this category is the Gastro pouch ready meals line, designed for HoReCa customers. These products, due to their new type of packaging, represent an innovation in this segment, while maintaining all the main qualities of Podravka's ready meals—great taste, high quality, fast and simple preparation, and ambient storage and distribution.



PODRAVKA PÂTÉS have been a part of consumers' lives since 1958. Thanks to the high quality of their ingredients, perfectly spreadable texture, and excellent taste, Podravka chicken pâtés maintain a leading position in the chicken pâté category in Croatia. Made from selected meat and the finest spices, they create an irresistible combination for tasty bites while also serving as a valuable source of protein. They contain no preservatives, palm oil, or flavour enhancers. For those seeking more economical options, Piketa pâtés are also available in a variety of flavours and packaging.



Podravka

PODRAVKA MEAT products, with their taste and quality, evoke positive emotions in us, reminiscent of the beloved flavours from our childhood—comfort food. For over sixty years, they have been an excellent protein meal for all generations, whether served as cold cuts, added to salads, or grilled. Due to their practical packaging, they are a popular choice for outdoor activities, hiking, or beach trips.

Knowledge, experience, dedication, and passion are woven into the creation of **PODRAVKA SEMI-DRY AND DRY CURED MEATS AND SAUSAGES**. The high meat content of the cured assortment makes these products a valuable source of protein, while quality ingredients and carefully selected spice blends ensure each product's characteristic, well-known aroma and flavour.

Although **O'PLANT** is the youngest brand in Podravka's portfolio, it successfully brings together innovative plant-based products within a compact, recognisable marketing concept, thereby developing a plant-based assortment in new market segments. The brand's key growth drivers are continuous product innovation and assortment expansion. Building on the innovations from 2024, including fruit cereal porridges and breakfast cereals, the O'Plant brand continued its dynamic development in 2025 with new frozen vegetable and fruit products, as well as innovative liquid O'Plant soups made from Croatian tomatoes. With its wide assortment, O'Plant products have become an excellent plant-based dietary complement and an increasingly popular choice for consumers seeking better, more varied, and tastier nutrition. O'Plant products are not only an excellent plant-based alternative to meat dishes but also serve as a nutritious and natural vegetable side dish that perfectly complements traditional meat meals.





The extensive range of fish products under the **EVA** and **MIRELA** brands includes a wide variety of fish types. The assortment features products made from sardines, tuna, mackerel, fish salads, herring, salmon, and hake. Products under the Eva and Mirela brands are rich in nutrients such as omega-3 fatty acids, protein, and vitamin D, making them part of a nutritionally balanced and healthy diet. In 2025, frozen fish products were also launched under the Eva brand, whose quality, taste, and design confirm Eva's expertise in the fish category.

During 2025 processing fresh tomatoes from Croatian fields reached full capacity, allowing consumers to enjoy the aromas of fresh tomatoes throughout the year. A wide range of products – from passata to ketchup and tomato concentrate – is entirely made from Croatian-grown raw materials of premium quality and freshness. **PODRAVKA TOMATO** is an indispensable ingredient in every kitchen, particularly in Mediterranean cuisine, and blends perfectly with a wide variety of culinary ingredients and recipes. Natural tomato products contribute to health while enabling creativity in preparing quick and convenient meals. In addition to classic Mediterranean dishes, they also complement established combinations in continental cuisine.

PODRAVKA FRUIT has been processed from premium fruit for over 75 years. The recipes of leading products, such as pomegranate jam, mixed fruit jam, or plum preserve, remain identical to the original formulations, guaranteeing the familiar full fruit flavour and the most natural sweet enjoyment. The Podravka fruit assortment has been expanded with new fruit spreads in squeeze packaging, offering new growth potential for the future.

PODRAVKA VEGETABLES, in both sterilised and pickled varieties, preserve the highest nutritional value. The products are highly convenient and ready to consume throughout the year, suitable for a variety of dishes from salads and side dishes to sauces, stews, and sandwiches. Podravka's canned peas and beetroot are made entirely from vegetables grown on Croatian fields.

Perfect texture and proven flavour make **PODRAVKA CONDIMENTS** – including ajvar, mustard, ketchup, and horseradish – ideal complements to a wide variety of dishes. Podravka's tasty and aromatic condiments offer special gastronomic value, providing consumers with excitement and an experience of premium flavour. Certain products, such as ajvar, also contain a true wealth of nutrients and can rightfully be considered superfoods. Podravka continuously develops the condiment market by offering consumers new and exciting flavours. The latest innovation in the line is ZIK ZAK Paprichup, an exciting sauce primarily aimed at young consumers.



Podravka 

PODRAVKA FLOUR has been synonymous with quality for many years and is an indispensable ingredient in the preparation of delicious breads, pastries, cakes, and more. The Podravka flour assortment consists of standard flour types as well as purpose-specific and specialty flours, while its recognisable and unique packaging design further enhances the brand's image and status.

ZLATO POLJE is synonymous with high-quality side dishes, including rice, pasta, polenta, semolina, porridges, and frozen side dishes such as croquettes, rolls, štrukli, and dumplings. Through its wide assortment, Zlato Polje offers products for the whole day and for every occasion.



Žito 

ŽITO fresh bakery products cover segments of partially baked bread (twice-baked bread), fresh bread, and pastries. The secret of these products lies in the combination of tradition and innovation through the use of the finest ingredients, preserving the best of Slovenian culinary tradition while incorporating modern technologies. The Žito brand also covers the categories of flour, toast, and gluten-free rolls.

LAGRIS is a well-known Czech brand that has been combining naturalness and tradition for 30 years. Within its wide and diverse assortment, it offers products such as rice, legumes, poppy seeds, porridges, and potato-based products. Lagris' high quality is ensured by certified high production standards. The raw materials for Lagris products are stored using a unique technology under controlled conditions, perfectly preserving the quality and original flavours of the products.



PHARMACEUTICALS

BELUPO produces both prescription and non-prescription products, including herbal medicines, dietary supplements, cosmetics, OTC medicines, medical devices, and excipients. With selected therapeutic groups, it ensures sustainable growth and long-term value for employees, users, and society as a whole. The company is present in 12 sub-portfolios and 14 ATC categories and is the unit leader in the Croatian prescription medicine market, according to IMS data for 2022. Belupo is also active on international markets with almost all of its brands, which are likewise available domestically, although the product portfolio varies from market to market. Belupo's medicine portfolio is well known among business partners, patients, and consumers, and efforts are continuously made to enrich it with new products in line with market trends.



BELOSALIC
BETAMETAZON, SALICILNA KISELINA

The **BELOSALIC** brand (lotion, spray, and ointment) is the best-selling brand in Belupo's portfolio and is also the top-selling medicine in the markets of Russia, Ukraine, Kazakhstan, and Poland. Thanks to its active ingredients, the Belosalic brand belongs to the group of topical corticosteroid medicines, classified as a "strong corticosteroid." Belosalic products are applied to the skin to reduce redness and itching caused by certain skin conditions and have been part of Belupo's portfolio since 2000.

The **BELOGENT** brand also includes medicines containing active ingredients from the group of strong corticosteroids, as well as the antibiotic gentamicin. Belogent is used for skin conditions that respond to local corticosteroid treatment, such as psoriasis, dermatitis, eczema, seborrhoea, and other skin changes, particularly when complicated by secondary infection caused by microorganisms sensitive to gentamicin or when such an infection is suspected.

BELOGENT
BETAMETAZON, GENTAMICIN

NEOFEN

The **NEOFEN** brand, which includes tablets and gel for adults as well as syrup and suppositories for children, is based on the active ingredient ibuprofen. On the Croatian market, Neofen ranks among the four best-selling OTC brands. At the same time, it is the best-selling Belupo OTC brand in Bosnia and Herzegovina, as well as in Slovenia, where it is marketed under the name Ibubel. Most products in the Neofen line contain ibuprofen, while Neofen Combo combines ibuprofen and paracetamol. Neofen tablets are intended to relieve pain, reduce inflammation, and lower elevated body temperature. Neofen Plus gel is used for the local treatment of rheumatic pain, muscle and back pain, as well as pain and swelling caused by dislocations, sprains, other sports injuries, and neuralgia. Neofen Combo is intended for adults over 18 years of age for the short-term relief of mild to moderate pain associated with migraine, headache, back pain, and menstrual pain.



ROSIX, ROSIX DUO, and ROSIX COMBI are used to lower elevated blood lipid levels. They represent a new potent statin for the control and treatment of dyslipidemia.

BELFORMIN is the primary therapy for the treatment of type 2 diabetes and for the prevention of disease progression.

RIBAS is a medicine that helps prevent the formation of blood clots. The full range of strengths (2.5 mg, 10 mg, 15 mg, and 20 mg) allows therapy to be tailored to the diverse needs of patients, significantly contributing to treatment safety and improving patients' quality of life.

NORMABEL
D I A Z E P A M

Medicines under the **NORMABEL** brand contain the active ingredient diazepam and are available as tablets and as an injectable solution. Normabel tablets are used in the treatment of anxiety, insomnia associated with anxiety, muscle spasms, and cerebral spasticity. They are also used as an adjunct treatment for certain types of epilepsy (e.g., myoclonus) and for sedation during minor diagnostic and therapeutic procedures.

Within Belupo's non-prescription (OTC) portfolio, the best-selling OTC brand in the Croatian market during 2025 was **LUPOCET**. The Lupocet brand maintained its leading position in ATC group N, both in units sold and in value. The main active ingredient of the products is paracetamol, and the Lupocet brand includes 11 different strengths and pharmaceutical forms. Products in the Lupocet line are intended for the treatment of pain and elevated body temperature, while Lupocet Trio and Lupocet Flu Forte are aimed at relieving symptoms of flu and cold. Lupocet Trio, in addition to paracetamol, contains guaifenesin and phenylephrine chloride in the form of powder for oral solution, while Lupocet Flu Forte, alongside paracetamol, contains ascorbic acid (vitamin C) and chlorphenamine in effervescent tablet form.

LUPOCET



AGRI

ABC FRESH CREAM CHEESE is one of the most well-known Croatian dairy products, enjoyed by generations of consumers. Its original recipe, based on domestic milk from the Belje and Vupik farms and from cooperative farms, was introduced to the market in 1980 and has been maintained to this day. ABC Fresh Cream Cheese is made from just three ingredients: milk, cream, and a pinch of sea salt. In addition to the ABC Fresh Cream Cheese Classic, prepared according to the original recipe, the rich ABC range includes flavours such as Ham, Kulen, Chives, Tuna, Chili, and the two newest flavours, Mediterranean and Truffle. All flavours use the highest-quality ingredients, including pieces of tuna, sliced kulen, chopped ham, minced chives, chili paste with pepper pieces, or olives and sun-dried tomatoes, as well as a blend of black and white Istrian truffles, offering consumers an authentic taste experience.



For the production of **KRAVICA KRALJICA** dairy products, domestic milk is used from Belje and Vupik farms as well as from cooperative farms. Since Belje is the only large dairy producer in Croatia that also produces its own milk on its farms, Kravica Kraljica products proudly carry the "100% Croatian Milk" label, reflecting true domestic production. For every dairy product, traceability starts on Belje's own fields, where domestic raw materials for cow feed are grown, as the preparation of high-quality feed is the most important step in producing premium-class milk. Special attention is given to this process. Kravica Kraljica milk is also unique in its packaging, made from wood, with the cap and protective layers produced from plastic derived from sustainably grown sugarcane, reducing the carbon footprint of the packaging by 18 percent.

The main characteristic of **BARANJSKI KULEN** is its preparation according to a traditional recipe, which has earned the product the EU-protected designation of geographical origin. To make each kulen a premium delicacy, selecting the right cuts of meat is crucial to ensure the texture and full flavour are preserved throughout the curing process. From choosing the finest pork cuts, preparing the seasoning, filling into natural casing (katicu), to smoking, every piece of Baranjski kulen is handcrafted. After several months of maturation, Baranjski kulen develops its distinctive appearance and taste, highly valued by lovers of mildly spicy flavours as well as those who appreciate the heritage and origin of the product.



Other traditional meat delicacies still handcrafted according to the old Baranja recipes include **BARANJSKA SLANINA** and **BARANJSKA KOBASICA**. They are made from carefully selected meat cuts and smoked over open beechwood fires to achieve an authentic Baranja flavour.

The **CRNA SLAVONSKA** premium cured meat line includes kulen, bacon, sausage, and kulenova seka. These handcrafted products are traditionally smoked over beechwood to achieve a rounded depth of flavour and authentic taste. The highlight of the Crna Slavonska line, the kulen, requires six months of maturation before reaching the market, during which master kulen makers carefully monitor each piece. Thanks to the highest-quality raw materials, meticulous craftsmanship, and extended curing, Crna Slavonska Kulen is among the elite of Croatian cured meat products. Its premium quality is further emphasised by special packaging in fine gold paper and luxury boxes.



VINA BELJE wines are produced exclusively from grapes grown on 564 hectares of vineyards located on the southern slopes of Banovo Hill in Baranja. The most common grape varieties in the vineyard are Graševina, Frankovka, Merlot, and Cabernet Sauvignon, which form the basis for the classic, cuvée, select, and premium wine lines. In addition to still wines, the vineyards also produce sparkling wines, Perla and La Belle. On a special vineyard site at the top of Banovo Hill grows the finest grapes Baranja can offer. This is Zlatno Brdo, a site known as Aureus Mons in Roman times, today called **GOLDBERG**. Goldberg is also the name of a prestigious wine line, which includes Goldberg Graševina, Goldberg Red, and Goldberg White.



12 Innovations, Awards and Recognitions



RESEARCH and Development

In line with contemporary guidelines for healthy and sustainable nutrition, the Nutrition Strategy of the Podravka Group (Food segment) for the period 2022–2027 clearly demonstrates the company's commitment to offering consumers nutritionally improved products, actively promoting healthier and more sustainable eating habits. This further confirms Podravka's responsibility towards consumers and highlights the important role that high-quality food products play in supporting long-term health.

The commitment to achieving the goals of the Nutrition Strategy is reflected through continuous product development and innovation, as well as systematic monitoring of nutritional trends and consumer habits. The new generation of consumers significantly influences portfolio shaping, and it is the company's responsibility to provide high-quality products that consumers want, need, and trust.

Shaping the portfolio towards nutritionally improved products naturally encourages consumers to adopt healthier dietary habits. The development of new products and the improvement of existing ones, with reduced salt and sugar content or without added amounts—whose long-term excessive intake is associated with adverse health effects—significantly contributes to the overall nutritional quality of the food product portfolio. This ensures consumers have a broader and more diverse choice, making it easier for them to make dietary decisions aligned with the principles of sustainable and balanced nutrition.

The Podravka Group Nutrition Strategy defines clear objectives for improving the nutritional quality and sustainability of the entire product portfolio. In line with this, the key commitments focus on the following priorities:

- Reduction of salt and added sugars: Reduce the average content of salt and added sugars by 20% in at least 75% of new and reformulated products.
- Incorporation of positive ingredients: Include at least one ingredient contributing to a healthy and balanced diet—such as dietary fibre, protein, vitamins, or minerals—in at least 75% of new and reformulated products.
- Increase the share of sustainable ingredients: Base at least 40% of new and reformulated products on ingredients linked to sustainable nutrition, such as fruits, vegetables, legumes, whole grains, and plant-based protein sources.
- Support for sustainable diets overall: Encourage sustainable nutrition across 100% of products.

In implementing the Nutrition Strategy, particular emphasis has been placed on the development of new products and the continuous improvement of existing ones, as key processes for achieving overall strategic objectives. During the reporting year, significant efforts were made to enhance the nutritional quality across a wide range of Podravka product categories, systematically contributing to the achievement of the Nutrition Strategy goals.

Within savory product categories, such as soups and ready-to-eat meals, meal mixes, condiments, meat and fish products, and bakery items, an average salt reduction of 20.7% was achieved in 48.2% of new and reformulated products.

At the same time, in sweet product categories, such as baby food, breakfast cereals, fruit snacks, dessert mixes, jams, and condiments, an average sugar reduction of 64.6% was achieved in 72.1% of new and reformulated products.



Sustainable nutrition, in addition to nutritionally improved products with reduced salt and sugar, supports health by encouraging the consumption of food categories that are underrepresented in the diet, such as vegetables, fruits, whole grains, nuts, and legumes, and through portion sizes adapted to real dietary needs. It is defined as nutritionally adequate, accessible, and culturally acceptable, with an optimal environmental impact throughout production and consumption.

The commitment of the Nutrition Strategy for Podravka's entire product portfolio to support sustainable nutrition means that every product, through its composition or various forms of communication, contributes to the accessibility of proper nutrition and represents a valuable part of the solution for daily adoption of healthy and sustainable dietary patterns.

In 2025, 72.3% of new and reformulated products included positive ingredients such as proteins, fibre, vitamins, and minerals, while 43.9% of new and reformulated products were based on a significant proportion of ingredients associated with sustainable nutrition, including fruits, vegetables, legumes, whole grains, and plant-based protein sources. The contribution achieved in 2025 represents further progress in the development of a portfolio in which 63% of products actively promote sustainable nutrition.

Collaboration with the local community in 2025 was particularly evident through the development of standards for school meals and educational activities aimed at children and youth. The project "Smart Meal for Smart Kids," focused on improving and standardizing nutrition in 18 primary schools in the Koprivnica-Križevci County, reached more than 3,400 students during 2025. Podravka's nutritionists developed 217 meal standards for dishes prepared over forty working weeks of the school year to support school nutrition.

As an **extension of support for primary schools across Croatia, the booklet "School Menus with Podravka"** was prepared, containing over fifty standards for school meals. This publication

is the result of long-term collaboration with primary schools in Koprivnica and Koprivnica-Križevci County in developing standardized norms for school meals.

In the field of nutrition education, more than one hundred hours were invested in 2025 to implement educational activities for children, youth, and adults. Podravka's nutritionists, both independently and in cooperation with other teams within the Podravka Group, conducted workshops and lectures for students and school staff in three counties in northern and eastern Croatia and participated in the Science Festival at the University of North. These activities further contributed to strengthening knowledge and raising awareness of the importance of proper and balanced nutrition.

The Research and Development sector of Belupo (Pharmaceuticals)

in 2025 focused on the development of new medicines, the transfer of partner technologies to Belupo's production facilities, and the optimization and upgrading of existing portfolio products. The activities of the R&D sector clearly demonstrate a focus on the development of products in the dermatological drug group.

In 2025, R&D continued to be actively involved in a wide range of company projects and, in collaboration with other Belupo sectors, contributed to maintaining Belupo's overall quality system. During 2025, bioequivalence studies were successfully completed for the triple combination of Perindopril, Indapamide, and Amlodipine, as well as for the dual combination of Perindopril and Indapamide. Additionally, approval was obtained for Ibuprofen granules in 2025.

The Research and Development sector of Podravka Agri

in 2025 focused on developing new flavours of ABC Fresh Cream Cheese—Mediterranean and Truffle—which were successfully launched on the market. Development of fermented products and improvement of technological processes in dosing and fermentation continued, with further enhancements made to the kefir production recipe.



NEW Products

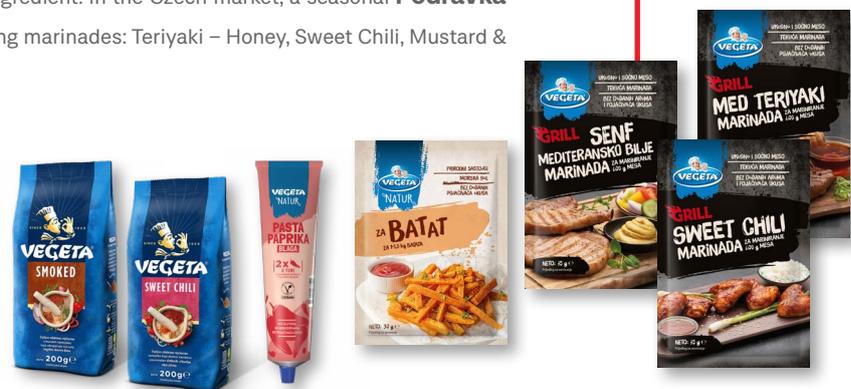
FOOD

In the **universal seasoning category**, a key innovation relates to the introduction of a **new, modern, attractive, and iconic visual identity for Vegeta**, nearly ten years after its last refresh. While preserving the core elements of Vegeta's recognisability, the packaging redesign communicates to consumers what matters most – the pleasure of excellent taste in dishes prepared with Vegeta. **The new Vegeta design was launched** on the Croatian market at the beginning of 2025 and was gradually rolled out to all other markets during the same year.

At the beginning of 2025, Vegeta further enriched its portfolio with two new, contemporary products within the universal seasoning range: **Vegeta Sweet Chili** and **Vegeta Smoked**. These innovative products further strengthen the brand's modern perception, having been developed for today's consumers and creating opportunities to enter the territory of globally inspired cuisines that currently enjoy strong popularity. Their use remains as clear, intuitive, and universal as that of Vegeta Original, offering a simple way to enhance everyday meals with new and exciting flavours.

The unique category of **Vegeta Natur paste seasonings** has been expanded with a new product – **Vegeta Natur Mild Paprika Paste**. Vegeta Paprika Paste serves as a base or an addition to dishes and can be used before, during, or at the end of cooking. It adds depth of flavour to meals while providing consumers with an additional high-quality choice within the still-developing paste seasoning category.

In the special seasonings category, Vegeta continues to strengthen its portfolio with innovative products aligned with contemporary culinary trends. During the year, **Vegeta Natur for Sweet Potato** was launched, a seasoning designed to facilitate the preparation of dishes featuring this increasingly popular ingredient. In the Czech market, a seasonal **Podravka Grill range** was introduced, featuring marinades: Teriyaki – Honey, Sweet Chili, Mustard & Mediterranean, and BBQ.



The single-spice segment was marked by innovations aimed at enhancing consumer experience and improving shelf visibility. **Ceramic grinders** were introduced across all markets, while in Slovenia an additional range of new products was launched: Chili and Salt, as well as Mediterranean and Provençal Blend. **Coloured caps** were introduced on single-spice shakers to improve on-shelf differentiation and facilitate easier product navigation for consumers. At the same time, logistics for SRP packaging of shakers and grinders on the Maestro line were optimized. During the year, **Vegeta Maestro Granulated onion** was launched in the markets of Croatia and Montenegro.



Within **the meal mix category**, the Fant brand continues to follow market trends and offer innovations to consumers, both in flavours and in meal preparation concepts. In 2025, **the redesign of the Fant dual and international meal range** continued, creating a stronger shelf block while making the brand more modern and appealing to younger consumers, without compromising the recognisable core design elements. The Fant dual meal range was expanded with two new popular products offering quick and simple preparation: **Fant for Chicken or Vegetable Paprika Stew** and **Fant for Burger or Veggie Burger**.



With the aim of internationalising the meal mix portfolio and expanding the Vegeta brand into a new category, **Vegeta Basis meal mixes** were launched on the Austrian market in 2025. This represents a modern and innovative dual meal preparation concept, allowing consumers to choose between a meat-based or vegetarian preparation in line with dietary trends and habits in the Austrian market. The range comprises five products: **Goulash/Vegetable Goulash, Spaghetti Bolognese/Veggie Spaghetti, Pasta Asciutta/Veggie Pasta Asciutta, Turkey/Seitan in Cream and Mushroom Sauce, and Chicken/Zucchini in Four-Cheese Sauce.**



Podravka soups continue to represent a practical and tasty solution for every occasion and every preference. In 2025, a new clear soup flavour was launched – **Chicken Soup with Grated Pasta**, featuring a type of pasta characteristic of traditional homemade soups. The combination of meatballs, rich grated pasta, and carefully selected vegetables and spices, without added flavour enhancers, further enriches the portfolio and provides consumers with the warmth of a homemade taste.

In addition, the soup category introduced a unique innovation within the plant-based segment – three new **liquid soups made from Croatian tomatoes under the O'Plant brand: Tomato Soup Classic, Tomato Soup Spicy, and O'Plant Tomato and Lentil Soup.** Launched under the O'Plant brand, these liquid soups follow a plant-based concept – they are made from plant-based ingredients, without preservatives, flavour enhancers, additives, colourings, or aromas, and carry the vegan label. They are packaged in glass bottles that preserve full flavour while offering a more sustainable option for consumers who value quality and environmental responsibility.



Within the Fini-Mini Noodles range, two new products were launched – **Teriyaki** and **Spicy Beef** – enriching the assortment with modern, globally popular flavours. In the multipack segment, a new **Simply** line was introduced, offering the best-selling **Chicken** and **Beef** flavours in a practical format without added oil, responding to growing demand for quick, tasty, and affordable meal solutions.



In 2025, Podravka introduced **Zik Zak Papri-chup** to consumers, an innovation in the sauce segment available in two flavours – mild and hot. Zik Zak is produced with a high paprika content, making it a natural source of vitamin C. It contains no preservatives and comes in a bottle with a practical anti-drip cap. All packaging components – the bottle, cap, and label – are made from recyclable materials. This fully natural sauce is intended for versatile use. It can be served as an accompaniment to dishes such as hamburgers, sandwiches, fries, and grilled meat, or used as an ingredient in the preparation of various stews. Zik Zak is also distinguished by its balanced combination of salty, sour, sweet, and spicy flavours, making it suitable for a wide range of dishes. The development of this product forms part of Podravka's innovation strategy in the food market. Zik Zak is also among the first free-from sauces on the market, meaning it contains no gluten, lactose, or cereals.

In the previous year, **frozen fish products** were launched under the Eva brand, including **hake fillets, Adriatic sardines, Patagonian squid, Argentine shrimp, and Atlantic salmon (Salmo salar)** – the most highly valued salmon species on the market. Eva frozen fish products are cleaned and ready to prepare, ensuring convenient and quick meal preparation for consumers. Product availability is not dependent on season or location, allowing consumers to enjoy Eva frozen products throughout the year. With this launch, Eva begins a new cycle of development and expanded focus on modern and younger consumers, bringing together all these benefits in one place.



Dolcela offers a rich holiday assortment that combines domestic tradition with global trends. By introducing seasonal flavours such as **Dolcela Cinnamon Roll, Churros, Carrot Cake, and Cinnamon Muffin**, Dolcela has further enhanced the holiday baking experience. The entire line is packaged in recyclable materials, confirming Dolcela's commitment to meeting consumer expectations while taking responsibility for environmental sustainability.

In the value packaging segment, Dolcela moved closer to consumers seeking greater value for money. Larger formats such as **Muffins XXL** and **Gussnel XXL** have become key representatives of the value-for-money offering, particularly relevant during periods of increased inflationary pressure.

Additional visibility for Dolcela was generated through a limited collaboration between Dolcela and Lino Lada, which brought strong emotional value to the brand and increased its appeal among younger audiences. This collaboration demonstrated that a traditional brand can successfully create products that introduce freshness and excitement to the market. Through two attractive desserts – **Lino Lada Cake** and **Lino Lada Cake Pops** – the habit of involving younger consumers in home dessert preparation was further encouraged. As a fundamental pillar of the portfolio, Dolcela puddings were expanded through the innovative no-cook line, **Dolcela Perfetta Vanilla** and **Dolcela Perfetta Chocolate**, responding to the global trend of instant desserts that require quick, simple, and practical preparation.



As the leading chocolate spread in Croatia, Lino Lada continuously invests significant care in its consumers and regularly introduces new, premium, and irresistibly tasty products. Accordingly, in 2025 a new member of the Lino Lada family was introduced – **Lino Lada Milk Mania**. Created for those who love Lino Lada Duo but secretly crave even more white cream, Lino Lada Milk Mania fulfils that desire – with as much as seventy percent white cream, it is the ideal choice for consumers who favour milky notes. The striped dispensing format enables a playful flavour experience and encourages consumers to create their own perfect combination of delicate white and intense dark cream.



The goulash category was rejuvenated in 2025 with the launch of two new products – **Goulash with Potatoes** and **Gourmet Goulash**. By introducing new and distinctive flavours designed to appeal to both existing and new consumers, the goulash category was expanded and additional dynamism was created within this traditional segment. The concept of the new products was adapted to individual markets while consistently retaining recognisable goulash design elements to ensure shelf synergy.

The children's pâté segment continued to grow in 2025, with **Lino Njupalice** expanding its line through the launch of the new **Lino Tea Pâté**. This well-known tea pate flavour is prepared with chicken and chicken liver, following a recipe free from preservatives, added flavours, palm oil, and flavour enhancers. As a source of protein, the product supports children's growth and development and is fully adapted to their taste preferences and nutritional needs.

Development of the **ready-to-eat pouch meal** segment continued in 2025 with new products: Pulled Beef 2.5 kg, Spare Ribs 2.5 kg, and a bakery filling Burek Balkan Style 2.8 kg.



The development and strengthening of the **O'Plant** brand in 2025 continued through the redesign and rebranding of the frozen vegetable assortment. As a result, Podravka Frozen Vegetables received a new, modern look and were incorporated under the O'Plant brand. In addition to eight standard and established **frozen vegetable products**, the assortment was expanded with two new vegetable mixes for wok preparation and two frozen fruit products. Alongside the Croatian market, distribution of O'Plant frozen vegetables and fruit also started in Slovenia, further strengthening the O'Plant brand's position with key customers. O'Plant vegetables and fruits of exceptionally high quality provide a simple, quick, and healthy meal solution, offering consumers additional options and inspiration for meals throughout the day.



In 2025, **Čokolino Toffee** was launched – a quick and easy in/out dessert that guarantees a “just-for-me” moment of pleasure. To inspire consumers with diverse preparation options, several excellent recipes are available via a QR code on the back of the package. The product is made from 100% wholegrain oat flour, sweetened with honey and dates, and contains caramel flavour, a mix of extruded rice crisps with caramel and chocolate flavour, and crunchy toffee caramel with cinnamon. Toffee provides a creamy caramel taste, while the combination of flakes and crunchy additions adds textural variety, turning each bite into a special moment of enjoyment. The product can also be prepared with plant-based milk or water, depending on the desired consistency.



Lino Baby Muesli are specially formulated for children from the first year of life, with carefully selected high-quality ingredients tailored to their nutritional needs. They combine creamy whole grains with crunchy additions that encourage little ones to chew and explore new flavours, helping to create a positive feeding experience. Lino Baby Muesli comes in three irresistible flavour combinations: **Multigrain & Strawberry, Oat & Plum, and Multigrain & Chocolate**. Sweetened with dates and rich in whole grains and crunchy pieces, Lino Baby Muesli turns every meal into a healthy adventure. They are easy to prepare with milk and provide a perfectly nutritionally balanced meal for young children.

The Children’s Cereals category was enriched in 2025 with two new, special products – **Lino Pillows Duo** and **Lino Pillows White**. Lino Pillows Duo were created in response to consumer demand for more playful, fun, and flavourful experiences. The dual-colored pillows combine milk and chocolate fillings to create a dynamic, joyful experience, while Lino Pillows White is designed for those seeking a delicate, milky, and creamy taste. They are a natural choice for consumers who prefer gentler, more elegant flavours and want a tasty alternative to stronger aromas.



Kviki Gric was expanded with two new flavours – **Sour Cream & Onion** and **Nacho Cheese** – further strengthening the assortment of this popular snack aimed at a wide range of consumers. The nacho cheese flavour stands out with mild saltiness and gentle spiciness, accompanied by a characteristic aroma that appeals to fans of more intense flavours. The sour cream & onion variant combines creamy and aromatic notes, attracting consumers who favor classic flavour combinations.



The new line of **Podravka teas** offers three carefully crafted fruit flavours inspired by the diversity of different regions, creating a harmonious experience throughout the year. **Očaravajući Voćnjak** delivers a warm, nostalgic aroma of homegrown fruit with a gentle, playful sweetness reminiscent of traditional orchards. **Čarobni Vinograd** blends the juicy sweetness of grapes with the mild tartness of aronia, producing a full, rounded flavour that evokes the richness of autumn vineyards. **Primorski Raj** refreshes with a Mediterranean character, combining citrus freshness with pomegranate and fig for a lightly exotic, sun-kissed experience. Together, these teas offer the perfect balance of warmth for cold days and refreshment for warm months, providing natural enjoyment and aromatic harmony throughout the seasons.

Žito, as one of the leading bakery producers in the region, develops products that align with modern dietary habits – from improved nutritional values to greater attention to ingredients and the overall enjoyment of bread. Within this context, a new **high-protein line of Žito bread and pastries** was created for those who expect more from every daily bite. Each product in the line contains over **18 g of protein** and proudly carries the high protein label. The recipe combines semi-white wheat flour with whole wheat flour, enriched with flax, sesame, and sunflower seeds, delivering a richer nutritional profile, fuller flavour, and pleasant cereal aroma. The line also carries the V-Label certification, making it suitable for vegans and all who carefully select their ingredients. This high-protein bread and pastries follow the strong trend of functional bakery products and have already been well received by consumers seeking a more modern choice for their table.



PHARMACEUTICALS

In 2025, Belupo expanded its portfolio of over-the-counter products with a new line of dermocosmetics under the umbrella brand Belupo Skin Solutions. **Belupo Skin Solutions ALBA** is a moisturizing facial cream enriched with plant extracts of white mulberry and linden, which help even out skin tone and enhance the brightening effect on facial skin. Its olive oil-based formula provides long-lasting protection against dryness, keeping the skin smooth and supple. The cream offers mild UV protection and is suitable for use before and after aesthetic procedures.



Belupo Skin Solutions APSORIA is a soothing spray emulsion designed for hydration and moisturizing of dry and irritated skin, suitable for both the scalp and the body, and is also available as a cream. Carefully selected ingredients, including coconut oil, almond oil, and panthenol, serve as an ideal base for skin regeneration while providing long-lasting protection against dryness. The formula, enriched with plant extracts, alleviates discomfort and dryness associated with psoriatic skin.

Additionally, **Belupo Skin Solutions ASKAR** is a soothing gel that softens the skin and helps maintain hydration. Its carefully selected silicone-based formula creates a protective barrier that shields the skin from external factors while aiding in softening, smoothing, and reducing the appearance of scars.



During the past year, Belupo also launched a product in the diabetes treatment category: **Belformin** prolonged-release tablets (500 mg, 750 mg, 1000 mg). The tablets contain the active ingredient metformin and belong to the pharmacotherapeutic group of antidiabetic agents, biguanides (ATC code: A10BA02).



AGRI

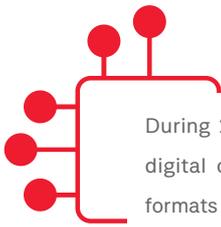
Inspired by consumer preferences for Mediterranean flavours, two new **ABC cheese** varieties were created. **ABC Cheese Mediteran**, in addition to milk, cream, and a small amount of sea salt, contains olives and sun-dried tomatoes, authentic ingredients of Mediterranean cuisine. **ABC Cheese Tartufi** features a blend of truffles that impart its characteristic flavour.



The **Savoj wine** collection is inspired by the figure and heritage of Prince Eugene of Savoy. This line, developed exclusively for the HORECA channel (hotels, restaurants, and bars), includes **Savoj Graševina**, **Savoj Rosé**, **Savoj Orange**, **Savoj Rouge**, and **Savoj Blanc**. Together, the bottles tell a unique Savoj story, distinguished by Burgundy-style bottles with cork closures and subtle labels featuring crests, shields, and baroque ornaments.



DIGITAL Innovations



During 2025, Podravka continued to strengthen its digital channels and innovations through scalable formats and tools that simultaneously increased reach, personalization, and operational efficiency, with a clear connection between digital activities and sales objectives, as well as measurable contributions to user engagement in key markets.

FOCUS ON DIGITAL CHANNELS AND TARGETED COMMUNICATION

Fini-Mini launched its official TikTok profile in May to engage more effectively with consumers through fun and creative content, reflecting the brand's signature energy as a product "with attitude."

In 2025, Vegeta executed two waves of digital activations for its new communication platform and the redesign of "Cooking is Scary", generating **approximately 40,000 entries in competitions on vegeta.com/hr**, with additional amplification on social media through influencer partnerships and relevant media coverage.

Structured **digital communication in the DACH market** was established to actively support sales activities and strengthen Podravka's position among younger consumer segments. **Vegeta became the first CEE brand on Netflix Advertising (Germany)**, achieving over 650,000 ad impressions. Digital channels were connected to points of sale through the EDEKA app (coupons) and an innovative **interactive banner format, PiRate AdChat** ("Kochen ist verdammt gut mit Vegeta"), guiding users toward conversion and Vegeta purchase with a €0.50 discount in the EDEKA app. A total of 1,000 Vegeta coupons were claimed. Additionally, Vegeta was integrated into a podcast with renowned nutritionist Dr. Anna Fleck, where the brand was naturally incorporated into discussions about healthy and flavourful eating.

Lino Lada in-app advertising delivered results above plan, with particularly strong user engagement: as much as 7.43% clicked on the ad, confirming the relevance of mobile applications in building brand awareness among younger consumers and parents.

New Instagram channels were launched for the U.S. and Sweden markets (Podravka US and Podravka Sverige) to strengthen local presence and deliver communication tailored to the habits of each market. In early 2025, the Lino Kids Instagram profile was also launched, targeting parents with a focus on product news, trends, DIY projects, and building a relevant user base.

On META channels (Facebook and Instagram), Coolinarika recorded year-on-year growth across all metrics. Followers on Coolinarika's Facebook profile increased by 0.31%, reach grew by 49%, and engagement rose by 270%. On Instagram, followers increased by 0.32%, reach grew by 2.4%, and engagement increased by 24%. **The Coolinarika TikTok profile reached 92,000 followers** in 2025 (+12% vs. 2024) with **video views up 1,083% year-on-year.** Throughout the year, a continuous testing and learning approach was introduced to further optimize content, engagement, and cost efficiency across digital channels.

AI AND PERSONALIZATION – COOLIE

The Coolie project made a significant contribution to user growth and engagement on the Coolinarika platform during the year. Thanks to personalized communication and continuous improvements, **the Gen Z audience increased by more than 10% year-on-year.** In the new development phase in 2025, the user experience



(UX) of the assistant was enhanced, **resulting in 2.4 million message exchanges, engagement from 904,965 users, and a reduction of negative sentiment to just 2%**. Coolie remembers the preferences, allergies, and interests of more than 5,000 users, and proactive communication via WhatsApp led to a 70% increase in activity following the UX improvements. New UX elements and interactive functionalities, such as Fun Search options (“Break Up,” “Midnight Snack,” “Complain to Coolie”), further increased user engagement, with 10% of users actively using these features.

A standout digital activation was the “Complain to Coolie” microsite, which, in just 12 days and with a limited media budget, achieved over **100,000 page views and more than 700,000 views on TikTok, with a 76.9% WhatsApp open rate** (four times the industry average) and 88% WhatsApp engagement (four times the average).



Coolie continued to receive industry recognition in 2025 by reaching the finals at domestic and regional conferences: Dani komunikacija in Rovinj (finalist in the *Direct Response and Lead Generation Campaign* category for the “KuhAl with Coolie” campaign) and the SEMPL Conference in Portorož (finalist in the categories *Best Technology Approach and Innovative Use of New Media, Media Format, or Communication Channel*).

DIGITAL PLATFORMS AND USER EXPERIENCE (UX)

Vegeta continued the **redesign of the vegeta.com market websites** to provide users with an improved experience across 16 language-specific subpages.

In October, a **new corporate website for the Podravka Group was launched**, featuring a refreshed design, simplified user experience, and a focus on sustainability, innovation, people, and financial information. Additionally, the **Podravka Expert platform** was launched for the Gastro segment,

serving as a professional knowledge-sharing platform from chefs to chefs.

DIGITAL INFRASTRUCTURE, DATA, AND AUTOMATION

A Contact Center application with Consumer 360° functionality was implemented, modernizing support processes and ensuring a faster and more efficient consumer experience. The platform integrates AI chatbots, web forms, sentiment analysis, crisis detection, and full GDPR compliance. By unifying all communication channels into a single ecosystem, the platform delivers a true omnichannel experience, ready for future B2B integrations.

A Marketing Automation tool was also introduced, with SAP Emarsys implemented for campaign automation and personalization (launch of newsletter campaigns and dynamic support for sales activities in Croatia is underway). **Foundations have been laid for broader use of BI analytics and Emarsys**, as well as the development of an internal Podravka Data Lake, serving as the central repository for results from online campaigns and advertising channels linked to the database.

A DAM (Digital Asset Management) platform was established as a centralized repository of marketing content for all markets, standardizing and accelerating the use of creative materials and formats on a global scale.



SUSTAINABILITY IN ADVERTISING

The goal of the “Packaging Everyone Loves” campaign was to continue communicating that Podravka is a responsible company that cares about sustainability and the environment. This campaign was the first in which the Carbon Footprint was systematically monitored and optimized across all channels, **achieving a 65% reduction in Carbon Score in programmatic advertising from the beginning to the end of the campaign.**



During 2025, Belupo also continued to systematically strengthen its digital ecosystem, aiming to increase the availability of relevant, verified, and professional information for end users, patients, and the general public.

The website www.amofin.hr was launched, ensuring a clear and centralized digital presence for the brand, with a focus on educating users about the therapeutic area. Additionally, a new website, www.beluposkinsolutions.hr, was launched, dedicated to dermatological solutions, emphasizing educational content, simple navigation, and optimized user experience.

In 2025, the focus was also on further optimization of these web platforms through SEO improvements, content structure enhancements, and integration of analytical tools to better understand user behavior.

DEVELOPMENT OF SOCIAL MEDIA PRESENCE

In line with the Group's trends, Belupo further developed its social media presence in 2025 as a key channel for education, engagement, and building trust.

The **Belupo Skin Solutions Facebook page and Instagram profile** were launched, creating a

direct communication channel with users interested in dermatological topics, prevention, and proper skin care. At the same time, the **Instagram profile zdravo_budi.hr** was opened to promote healthy lifestyle habits, raise health literacy, and share expert advice in a tailored digital format aimed at attracting a younger audience.

In 2025, efforts also focused on strengthening the content strategy for www.zdravobudi.hr through educational series, video formats, collaborations with health professionals, and gradual testing of new formats (Reels, Stories, interactive content), in full compliance with the pharmaceutical industry regulatory framework.

Digital presence was also enhanced within Podravka Agri, the agricultural pillar of the Podravka Group. A dedicated **website for the Savoj wine** line was created, presenting the full assortment. The line is dedicated to Prince Eugene of Savoy, who established the Belje agricultural estate. Even today, centuries later, Belje wines follow his philosophy: caring for the soil where the best grape varieties are grown, applying top knowledge and technology, while maintaining deep respect for nature and heritage. The Savoj line represents a contemporary face of this tradition—a selection of wines created for those who value storytelling, quality, and character in every glass.



AWARDS and Recognitions

The awards received are the result of investments in production, safety and consumer satisfaction, and further confirm our commitment to excellence. They reflect the strong position of the Podravka Group's high-quality products not only in Croatia, but also across the region and globally, and serve as additional motivation for all future plans and achievements.

NUMEROUS AWARDS WON AGAIN AT THE DANI KOMUNIKACIJA FESTIVAL

Dani Komunikacija is the leading national festival of creativity and market communications in Croatia, bringing together global and domestic leaders from the fields of communications, digital industries, and creative sectors, and recognizing the best marketing campaigns. In 2025, Podravka earned a significant number of awards for its campaigns. The campaign **Everything Tastes Better with Vegeta** won the Gold **Effie Award** for the most effective campaign in the Food category, while in the same category the **Silver Effie Awards** were received by the campaigns **Unmistakably Fantastic, Juhuuu for Podravka Soup, and Home Ingredients in the Leading Role**.

The IdejaX Award recognizes creative, original, and innovative campaigns, and several Podravka campaigns received this honor. The campaign **Dolcela – Only the Appearance Cannot Be Guaranteed** won **Gold in the OOH Advertising category, Silver in Food, and Bronze in Best TV Spot & Film**. The **Vegeta** campaign **Cooking Is Amazing** won **Silver in Best TV Spot & Film**, while the campaign **Vegeta Ring** won **Silver in Best Digital – Social Media**. Another **Vegeta** campaign, **Vegeta BIO – Everything Tastes Better with Vegeta**, received **Silver in the Best Packaging – Small Edition category**.

At the Dani Komunikacija festival, **the Advertiser of the Year** award is also presented, and in 2025 this prestigious title was awarded to **Podravka**.



COMMUNICATION CAMPAIGN AWARDED PRESTIGIOUS REGIONAL RECOGNITION

This year, the **prestigious regional the! award**, presented by the Hrvatska udruga za odnose s javnošću (Croatian Public Relations Association), **was once again awarded** in recognition of the best communication projects in the region.

The award was granted **for the communication of the largest investment cycle in the company's history**, valued at nearly EUR 250 million. As part of this cycle, working conditions were improved, production capacities were modernised, and a new logistics and distribution centre and Pasta Factory were constructed.

The objective of the project was to communicate the scale of the investment in a transparent, consistent and clear manner, to highlight the importance of modernisation, and to reaffirm that each investment is driven by a long-term vision of sustainable growth and development.



RECOGNITION OF PODRAVKA'S EXCELLENCE IN INVESTOR RELATIONS AND CORPORATE GOVERNANCE

In 2025, Podravka received two significant awards in the capital markets, further confirming its dedication to transparent and responsible business practices.

At the annual awards ceremony of the Zagreb Stock Exchange, Podravka received the **First Prize for Investor Relations**, recognizing the company's systematic and professional approach to communicating with the investor community and developing high-quality, long-term relationships with shareholders.

Additionally, at the conference "IPO as an Opportunity for Long-Term Owners and Growth through Capital Markets" organized by HANFA, Podravka was awarded in the category of Leading Market Companies for its 2024 Annual Corporate Governance Report.

These recognitions highlight Podravka's high standards in corporate governance, transparency, and open communication with all stakeholders, as well as the company's continuous improvement of practices in investor relations and capital market reporting.



VEGETA RECOGNIZED AS ONE OF THE BEST BRANDS IN GERMANY

Vegeta was recognized as a **Top-Marke 2025** – one of the most prestigious awards for brands **in Germany**, granted by the specialized portal Lebensmittel Zeitung and based on an independent consumer behavior study conducted by YouGov CP Germany GmbH. Out of more than five thousand brands, Vegeta achieved the leading position in the seasoning category. The Top-Marke status is awarded to brands that demonstrate the best sales performance and enjoy a high level of consumer loyalty, confirming the brand's strength in a highly competitive environment. This recognition further reinforces Vegeta's relevance and positioning in one of Europe's key markets.



MULTIPLE AWARDS FOR VEGETA IN BOSNIA AND HERZEGOVINA

The **Vegeta** marketing campaign **Cooking Is Amazing** won the award for **Rebranding Campaign of the Year at the 12th Sarajevo Marketing Summit in the Bosnian market**. This award is granted by the Summit's expert panel and is not open for independent application.

The same campaign also received numerous awards at the **No Limit BiH Festival** in Bosnia and Herzegovina. No Limit is a festival of creative communications that brings together media and creative agencies, media outlets, and advertisers. **The Cooking Is Amazing campaign** won Gold in the OOH Advertising category, Silver in the Creative Use of Media and Adriatic Import categories, and Bronze in the Event category (in collaboration with the portal Bonjour.ba) as well as in Digital – Social Media and Influencers.



VEGETA RANKED #1 IN AUSTRALIA

Vegeta also claimed the title of **the number 1 stock powder brand in Australia** (Circana grocery sales Australia, latest MAT as of 12.10.25), holding a 44.6% value share and a 56.3% volume share of the market.



THREE PODRAVKA PRODUCTS HONORED WITH STA AWARDS

The **Superior Taste Award** is an annual accolade for any consumer food or beverage product. Products are blindly tested in Brussels by a panel of professional chefs and sommeliers, who evaluate them based on first impression, appearance, aroma, taste, texture (for food), or final sensation (for beverages). The jury consists of over 200 professional taste experts, members of the world's most prestigious association, Chef & Sommelier. Products that achieve a global score above 70% are granted the Superior Taste Award.

In 2025, **three products from the Podravka portfolio received Superior Taste Award** distinctions. The highest honors were awarded to O'Plant Fruit Muesli, which received three stars. O'Plant Immuno Fruit & Grain Snack earned two stars, while Podravka Beef Goulash was awarded one STA star.

Two products from the Žito portfolio were also recognized – **Cheese Pastry** and **Lino Lada Mini Donut**. These awards confirm the exceptional sensory qualities, taste excellence, and competitiveness of our products on international markets.



ŽITO PRODUCTS AWARDED BY THE CHAMBER OF COMMERCE AND INDUSTRY OF SLOVENIA

A total of **28 products from the Žito portfolio received the Gold Distinction from the Chamber of Commerce and Industry of Slovenia**. This national recognition confirms consistent product excellence and acknowledges Žito's contribution to the development and competitiveness of the Slovenian food industry.



ŽITO HONORED WITH THE STAR OF EXCELLENT QUALITY

Between 2021 and 2025, **Žito** confirmed its excellence with the **Star of Excellent Quality award**. This distinction is given to products that demonstrate stable and top-tier quality over an extended period. Several Žito products have been recipients of this award since last year, including: Jelenov Bread (1 kg and 500 g), Hribovc (1 kg and 500 g), Stoletni Bread 750 g, Martinov Bread 500 g, Ajdov z orehi 400 g, Corn Bread 500 g, Seeded Bread 500 g, Italian Bread 500 g, Mixed Homemade Bread 500 g, and Pirina Loaf 60 g.



RECOGNITION FOR EXCELLENT DOUGH QUALITY FOR ŽITO PRODUCTS

Žito is also proud of the national recognition **Product of Excellent Dough Quality**. This award is granted based on sensory and technological criteria. In 2025, two products received the Gold Distinction: Skutni Štruklji 400 g and Ajdovi Skutni Štruklji 400 g. Bakery products also received the distinction **Excellent Bakery Product**, which confirms top quality in the categories of bread, bakery items, and fine pastries. Among the awarded breads and products are: Jelenov Bread (1 kg, 500 g), Hribovc (1 kg, 500 g), Krpan 800 g, Stoletni Bread 750 g, Ajdov Bread with Walnuts 400 g, Drožnik 400 g, Corn Bread 500 g, Seeded Bread 500 g, Martinov Bread 500 g, Italian Bread 500 g, Corn Drožnik 400 g, Rustic Black Loaf 500 g, Bread with Cracklings 400 g, Festive Bread 350 g, Imperial Seeded Bread 500 g, Mixed Homemade Bread 500 g, Dark Loaf Pack 1 kg, White Loaf Sliced Pack 1 kg. Awarded pastries include: Cheese Loaf 80 g, Pirina Loaf 60 g, Beer Loaf 100 g, Gold Pastry 60 g, Kaiser Rolls (Pack 360 g), and Rolls (Pack 600 g). Awarded fine pastries include: Walnut Potička 80 g, Gorenjka Mini Rolls (Vanilla and Chocolate, 280 g), and Cheese Burek 750 g.



PASSATA AND ZLATO POLJE RICE RECOGNIZED AMONG THE BEST PRODUCTS BY MOMS IN SLOVENIA

Podravka Passata and Zlato Polje St. Andrea Rice received the **Chosen by Moms label** in the Slovenian market. This award is given by consumers—mothers—for products that stand out in quality and usability in family kitchens. The label is based on the first and unique survey of Slovenian mothers' satisfaction with products and services on the market, involving one thousand mothers. Their opinions are key, as they often make household purchasing decisions and thus influence the quality of their families' nutrition.



PODRAVKA RECEIVES “CHOSEN PRODUCT OF THE YEAR” IN THREE CATEGORIES, ONE AWARD IN SLOVENIA

Consumers once again had the opportunity to share their opinions and satisfaction with retail products and services through the now-traditional **Chosen Product of the Year initiative**. This global survey has been present on the Croatian market since 2016 and is conducted in over 45 countries worldwide. This year, Podravka celebrated wins in three categories: **Vegeta Fine Blend in the Universal Meal Additives category, O'Plant Muesli in the Breakfast Cereals category, and O'Plant BIO Fruit & Cereal Snack in the Healthy Snack category**. The survey was conducted in January 2025 by Treetz, under methodological supervision by Deloitte, on a nationally representative sample of Croatian consumers.

In Slovenia, the title Chosen Product of the Year 2025 was awarded to Podravka's O'Plant Muesli line. This prestigious title is given to products that Slovenian consumers have rated as the best in their category through a public survey. The main evaluation criteria include innovativeness, attractiveness, and purchase intent (or recommendation). The survey includes products and services introduced to the Slovenian market in the past 24 months and, according to an expert panel, demonstrates novelty, innovation, quality, consumer appeal, and effectiveness.



MAESTRO SPICE BLEND FOR SLOVENIAN DISHES SWEEPS THE COMPETITION

The **Maestro Spice Blend for Slovenian dishes** had an exceptional year in terms of awards, earning recognition at several festivals and competitions. At the **Slovenian Advertising Festival (SOF)**, the country's leading festival of creativity and advertising that evaluates the best communication strategies and innovative solutions, the product won two silver awards in the categories Brand Management and Innovative Solutions.

At the **Somoborac** Festival in Croatia, the campaign for this product secured second place in the SoMo Tech category, highlighting Podravka's strength in digital innovation. The recognition for technological advancement and creativity positions Podravka among the leading creators of contemporary marketing solutions. With the Maestro brand, trends that inspire the digital future continue to be introduced.

At the **DiggIt** Festival, the project won the Gold Award in the category Special Digital Projects as well as the Grand Award for an exceptionally creative and effective digital campaign. The project was recognized as one of the best in its category, confirming the highest quality, creativity, and execution efficiency. This award underscores the campaign's standout innovation and results in comparison to competitors.

At the international **KIAF** Festival, the project received two bronze awards, affirming its creativity and innovation on a global scale. This recognition demonstrates that the ideas and execution meet the best international advertising standards. Podravka, with the Maestro brand, sets new benchmarks in connecting tradition with contemporary communication trends.

Finally, at the renowned Slovenian competition **WEBSI**, which honors the best digital projects and web solutions, the project won two awards. The bronze award confirmed quality and user experience, while the silver award highlighted the project's innovation and advanced approach.



ŽITO AND VEGETA RECOGNIZED AS SUPERBRANDS IN SLOVENIA, PODRAVKA IN SLOVAKIA

In 2025, the **Žito** brand received the **Superbrands award in Slovenia**. Superbrands recognizes brands with exceptional reputation, high levels of recognition, and consumer trust. This distinction further confirms Žito's strong market position and supports ongoing marketing and sales initiatives.

The title Superbrands Slovenia 2025 was also awarded to Vegeta, a globally recognized brand and indispensable kitchen ally worldwide. The award highlights Vegeta's outstanding strength, recognition, and consumer trust in the Slovenian market. The Superbrands Slovenia 2025 title confirms that Vegeta is not just a spice, but a symbol of trust, innovation, and culinary excellence.

In Slovakia, the Superbrands award was received by the Podravka brand.



VEGETA BIO WINS SILVER AT PENTAWARDS

At the international **Pentawards competition**, **Vegeta BIO** received a **silver award** in the category Brand Identity & Connecting Packaging – Design with Purpose. Pentawards is one of the most prestigious global competitions dedicated to packaging design and brand identity. Each year, it brings together experts and jury members from leading global agencies and brands, awarding entries for innovation, functionality, and aesthetic value. This year, the award recognized the limited-edition Vegeta BIO created to mark the brand's 65th anniversary.



LINO LADA REMAINS THE #1 SPREAD IN CROATIA

Lino Lada continues to hold the **#1 position among spreads** in Croatia, as confirmed by Nielsen research in the chocolate spreads category for the 12-month period ending May 2025. In a competitive market, Lino Lada has demonstrated the brand's breadth that Croatian consumers recognize, appreciate, and purchase. The expansion of the Lino Lada range to five flavours has contributed to this success, allowing everyone to find their favorite taste. Additionally, the variety of packaging formats offers great convenience, making Lino Lada the go-to choice for any occasion. The brand's leading position has also been strengthened by the collaboration with Luka Modrić as brand ambassador, further creating a positive connection between Lino Lada and consumers. As one of the world's most renowned athletes, Luka Modrić's football moves and public appearances attract great attention and bring moments of joy and excitement. These are the same emotions associated with Lino Lada, making the partnership highly successful and reinforcing Lino Lada's #1 market position in Croatia.



PODRAVKA PRODUCTS WIN PRESTIGIOUS AWARDS IN POLAND

In the Polish market, Podravka products received several notable awards in 2025. **Vegeta Universal Seasoning 180 g** and **Podravka Passata** were honored with the **Złoty Paragon 2025** (Golden Receipt 2025) award. Additionally, products from the Vegeta Natur paste seasoning range received recognition in the **Złote Innowacje 2025** (Golden Innovations 2025) competition. At the 28th International Trade Fair in Poland, Vegeta Natur spices were also awarded a gold medal, further confirming the quality and innovation of Podravka products on the Polish market.



VEGETA CAMPAIGN WINS AWARD FOR BEST COMMERCIAL

At the regional **KAKTUS** Integrated Communications Festival held in Belgrade, the Vegeta campaign **“Kuhanje je strašno”** won **gold in the Execution – Production category**. This marked the first time a Podravka campaign received an award for the production of a commercial spot, with the accolade shared in collaboration with the production company Brand Vision from Belgrade.

PODRAVKA WINS GOLDEN BASKET RETAILER OF THE YEAR FOR SECOND CONSECUTIVE YEAR

For the second year in a row, **Podravka** received the prestigious **Golden Basket** award, presented by the specialized retail and FMCG magazine Ja TRGOVAC, in the category Retailer of the Year. This award recognizes retail companies in the fast-moving consumer goods market in Croatia. Eligible retailers must demonstrate progress achieved in the previous year regarding business expansion and improvement, the opening of new jobs within new sales outlets or new sales channels, executed acquisitions, and other indicators of successful strategies and business policies that have contributed to growth.



O'PLANT PRODUCTS RECOGNIZED WITHIN THE NATIONAL LIVE HEALTHY INITIATIVE

Products from the O'Plant portfolio, including **O'Plant muesli** and **O'Plant fruit & grain snack**, were recognized within the **national Živjeti zdravo (Live Healthy) initiative**, which highlights products that make a positive contribution to fostering healthier eating habits and promoting a balanced lifestyle.



BELUPO RECEIVES GOLDEN KEY AS BEST EXPORTER TO SLOVAKIA

In 2025, **Belupo** was awarded the **Golden Key by the Croatian Exporters Association in the category of Best Exporter to Slovakia**. Additionally, the company received the **Bilanca uspjeha 2025 (Balance of Success 2025) award for Entrepreneur of the Year**, presented by the Koprivnica-Križevci County.

A WEALTH OF AWARDS FOR VINA BELJE IN 2025, INCLUDING BEST WINERY IN CROATIA

In 2025, **Vina Belje** was named the best winery from Croatia four times at **prestigious international wine competitions**: Mundus Vini – Spring Tasting, Berliner Wine Trophy, AWC Vienna, and Mundus Vini Summer Tasting.

Additionally, at **Mundus Vini – Spring Tasting 2025**, **Vina Belje** achieved its **greatest success in history at a single competition, winning six gold and five silver medals for quality**. Gold medals were awarded to: Goldberg Red, Cabernet Sauvignon, Graševina Premium, Graševina Select, Cabernet Sauvignon–Merlot Premium, and the Ruby Selection.

Goldberg Red, a unique blend of Cabernet Sauvignon, Merlot, and Frankovka, was the **most awarded wine of Belje in 2025**.

At the Challenge International du Vin, **the premium Graševina and La Belle Grand sparkling wine earned two gold medals**.

At the **Berliner Wine Trophy**, the largest wine competition under the patronage of the OIV (International Organisation of Vine and Wine), **gold was awarded to Goldberg Red and two selected harvests, Ruby and Jade**.

At Vina Slovenija, the **sparkling wine La Belle Grand won the champion title in the sparkling wine category**. This sparkling wine is produced using the Charmat method and represents a brut style popular with international wine audiences. Gold medals were also awarded to Belje's premium Graševina, premium Cabernet Sauvignon, premium Cabernet Sauvignon–Merlot, as well as Goldberg Red and Cuvée Rose.

La Belle Grand also earned gold at AWC Vienna, alongside premium Cabernet Sauvignon–Merlot and the Ruby Selection, and **Vina Belje** was named Best Winery in Croatia.



Immediately upon market release, **Savoj Orange** from the new Savoj line **received a gold medal for quality at the Concours Mondial de Bruxelles.**

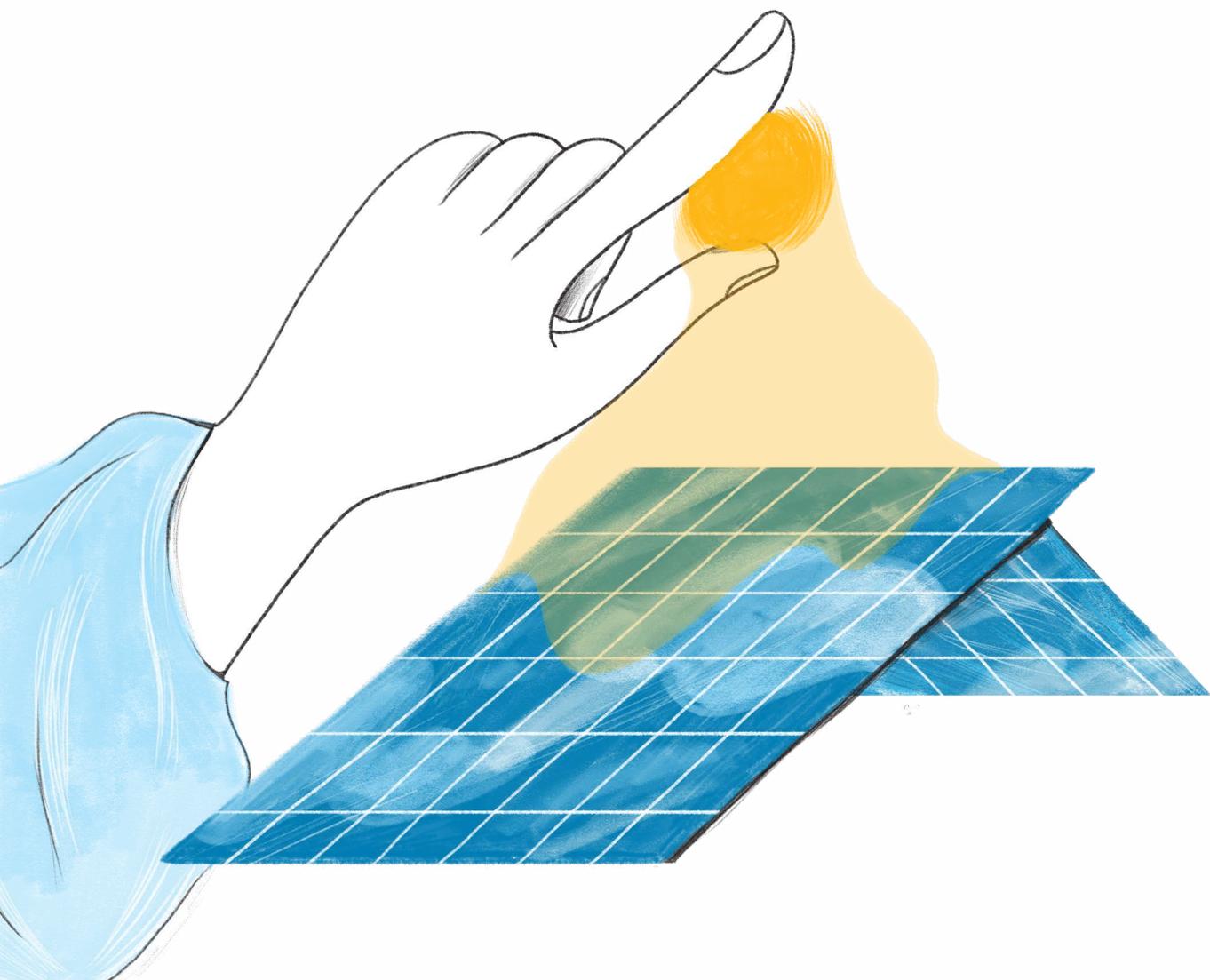
The summer edition of Mundus Vini confirmed Vina Belje as the best winery in Croatia once again, with gold medals awarded to La Belle Grand and the Jade Selection.

ABC CHEESE WINS PRODUCT OF THE YEAR AWARD

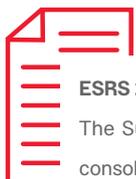
In 2025, **ABC Cheese** celebrated 45 years of production tradition and, on this milestone anniversary, **was awarded Product of the Year.** This award is a special recognition for the successful packaging redesign and visual identity refresh of the ABC brand. The new design delivered a more modern appearance, greater shelf visibility, and a stronger emotional connection with consumers.



13 Sustainability Statement



Basis of the **SUSTAINABILITY STATEMENT** preparation



ESRS 2 BP-1

The Sustainability Statement has been prepared on a consolidated basis for the Podravka Group and includes all subsidiaries on the same principle as in financial consolidation. The companies included in the consolidation are presented in the *Structure and Ownership section*.

In 2025, there was a change in the scope of information included in the Sustainability Statement due to the completed acquisition of the agricultural (Agri) business segment (31 January 2025). As in the financial statements, the Agri segment is included in the Sustainability Statement for the period from February to December 2025.

The Sustainability Statement mainly covers own activities. The value chain is covered only in the context of the *Greenhouse Gas Protocol* (GHG emissions) Scope 3 indicators, since the requirements of European Sustainability Reporting Standards allow for the limitation of information on the value chain to that which is available, including internal and publicly available data, during the first three years of sustainability reporting. The Podravka Group did not collect information from participants in the value chain when establishing policies, measures and objectives, and for the first three years it plans to use the option of exemption and during that period establish a procedure for collecting information from the value chain in accordance with applicable EU and national regulations. In the assessment of double materiality, based on currently available public and internal data, the impacts, risks and opportunities from the value chain were identified and assessed, and this is explained in the section *Double materiality assessment for the Podravka Group* (ESRS 2 IRO-1).

ESRS 2 BP-2

For the purposes of this report, the following time periods are used: (a) short term up to a year, (b) medium term from one to three years and (c) long term from three to five years. These periods are aligned with the methodology of Centralised Enterprise Risk Management (ERM), which is the basis for assessing the financial materiality of risks and opportunities. For the purposes of climate risk analysis, the following periods were used: (a) 2025-2034, (b) 2035-2044 and (c) 2045-2054, which is additionally explained in the *Climate risks and strategy resilience assessment section* (ESRS 2 SBM-3).

In the presentation of quantitative indicators, estimates were used for:

- calculation of scope 3 emissions (in more detail in the *Climate change chapter*)
- calculation of water consumption and waste for leased properties where there is no direct control over water consumption or waste disposal (explained in *ESRS E3* and *ESRS E5*).

Considering the product portfolio of the Podravka Group and consumers as end users, there is no relevant data for making an assessment for certain categories of scope 3 emissions. This primarily refers to the category of downstream transportation, use of sold products and end-of-life treatment of sold products. Additional clarifications related to the scope 3 emissions assessment procedure are explained in *ESRS E1*.

The Podravka Group plans to introduce a due diligence procedure throughout the value chain in which, among other things, the data necessary for the calculation of scope 3 GHG emissions will be collected in order to make the final calculation as reliable as possible.

During 2025, the data preparation process for the calculation of GHG emissions (Scope 3 categories 1 and 2) was further improved, and the boundary between FLAG¹ and non-FLAG² emissions was defined in accordance with the applicable GHG Protocol guidelines.

In the current reporting period, there were no changes in the method of preparation or presentation of sustainability information, except for changes in estimation methods as explained in E5 Circular Economy and amendments within ESRS E1 Climate Change, as further detailed below.

Restatements of data from the previous reporting period were made within the material topic ESRS E1 Climate Change, related to comparative information. These corrections represent the restatement of certain data and result from methodological improvements and/or the availability of additional information, with the aim of increasing the accuracy and comparability of the disclosed data. The restatements relate to disclosures on energy consumption and gross Scope 1 and Scope 2 greenhouse gas emissions and are the result of enhanced data collection and processing methodologies, in line with the applicable ESRS requirements.

All restatements and amendments are clearly indicated by footnotes accompanying the updated information.

¹ FLAG (Forestry, Land use and Agriculture) are greenhouse gas emissions arising from land use for the purpose of food production. In the context of the Podravka Group, these are emissions from crop production and livestock farming.

² Non-FLAG emissions are all direct and indirect greenhouse gas emissions of the Podravka Group arising from business activities and the value chain (Scope 1, 2 and 3) that are not related to the FLAG component.



	DISCLOSURE REQUIREMENT	REFERENCE (TITLE)	PAGE
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies (20 a,b,c)	Management Board of Podravka Inc.	16
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies (20 a,b,c)	Supervisory Board of Podravka Inc.	21
ESRS G1	Business conduct policies and corporate culture (GOV-1 5 a,b)	Statement of application of Corporate Governance Code	30

ESRS 2 IRO-2**CONTENT OF THE SUSTAINABILITY STATEMENT OF THE PODRAVKA GROUP****ESRS 2 IRO-2 LIST OF DISCLOSURE REQUIREMENTS IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT**

ESRS 2	GENERAL DISCLOSURES	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
BP-1	General basis for preparation of sustainability statements	Basis of the Sustainability Statement preparation	126
BP-2	Disclosures in relation to specific circumstances	Basis of the Sustainability Statement preparation	126
GOV-1	The role of the administrative, management and supervisory bodies	Management and supervisory bodies of the Podravka Group	141
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability reporting and sustainability topics management	140
GOV-3	Integration of sustainability-related performance in incentive schemes	Podravka Inc. Management Board Remuneration Policy	144
GOV-4	Statement on due diligence	Due diligence and risk management of the Podravka Group	150
GOV-5	Risk management and internal controls over sustainability reporting	Due diligence and risk management of the Podravka Group	150
SBM-1	Strategy, business model and value chain	Strategy, business model and value chain	144
SBM-2	Interests and views of stakeholders	Interests and views of stakeholders	146
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	154
		Climate risks and strategy resilience analysis	166
		Overview of key policies and documents for managing sustainability factors	168
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Double materiality assessment for the Podravka Group	148
	Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation)	Report on the requirements of the Taxonomy Regulation	178

ESRS E1	CLIMATE CHANGE	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 GOV-3 E1	Integration of sustainability-related performance in incentive schemes	Podravka Inc. Management Board Remuneration Policy	144
ESRS 2 SBM-3 E1	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	154
		Climate risks and strategy resilience analysis	166
ESRS 2 IRO-1 E1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Double materiality assessment for the Podravka Group	148
		Climate risks and strategy resilience analysis	166
ESRS E1-1	Transition plan to reach climate neutrality by 2050	Strategy, policies and documents	188
ESRS E1-2	Policies related to climate change mitigation and adaptation	Overview of key policies and documents for managing sustainability factors	169
		Strategy, policies and documents	187
ESRS E1-3	Actions and resources in relation to climate change policies	Renewable energy sources	197
		Energy efficiency	200
ESRS E1-4	Targets related to climate change mitigation and adaptation	Greenhouse gas emissions	191
		Renewable energy sources	197
		Energy efficiency	200
ESRS E1-5	Energy consumption and mix	Energy consumption	189
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Greenhouse gas emissions	191
ESRS E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable	
ESRS E1-8	Internal carbon pricing	Not applicable	
ESRS E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (option of gradual introduction)	Exemption option is used in accordance with ESRS 1, Appendix C.	153

ESRS E3	WATER AND MARINE RESOURCES	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 IRO-1 E3	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Double materiality assessment for the Podravka Group	148
ESRS E3-1	Policies related to water and marine resources	Double materiality assessment results	155
		Overview of key policies and documents for managing sustainability factors	170
		Strategy, policies and documents	187
ESRS E3-2	Actions and resources related to water and marine resources	Wastewater management	205
ESRS E3-3	Targets related to water and marine resources	Strategic goal	202
ESRS E3-4	Water consumption	Water consumption	203
ESRS E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Exemption option is used in accordance with ESRS 1, Appendix C.	153



ESRS E4	BIODIVERSITY AND ECOSYSTEMS	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 SBM-3 E4	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	156
ESRS 2 IRO-1 E4	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Double materiality assessment for the Podravka Group	148
		Double materiality assessment results	156
ESRS E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Strategy, policies and documents	187
ESRS E4-2	Policies related to biodiversity and ecosystems	Overview of key policies and documents for managing sustainability factors	170
		Strategy, policies and documents	187
ESRS E4-3	Actions and resources related to biodiversity and ecosystems	Own agricultural production	212
ESRS E4-4	Targets related to biodiversity and ecosystems	Strategic goal	208
ESRS E4-5	Impact metrics related to biodiversity and ecosystems change	Own agricultural production	212
ESRS E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	Exemption option is used in accordance with ESRS 1, Appendix C.	153

ESRS E5	CIRCULAR ECONOMY	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 IRO-1 E5	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Double materiality assessment for the Podravka Group	148
		Double materiality assessment results	157
ESRS 2 SBM-3 E5	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	157
ESRS E5-1	Policies related to resource use and circular economy	Overview of key policies and documents for managing sustainability factors	171
		Strategy, policies and documents	187
ESRS E5-2	Actions and resources related to resource use and circular economy	Circular economy	220
		Waste	220
		Resource inflows	225
		Resource outflows	227
ESRS E-3	Targets related to resource use and circular economy	Strategic goals	220;224
		Waste	220
		Packaging	224
ESRS E5-4	Resource inflows	Resource inflows	225
ESRS E5-5	Resource outflows	Resource outflows	227
ESRS E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Exemption option is used in accordance with ESRS 1, Appendix C.	153

ESRS S1	OWN WORKFORCE	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 IRO-1 S1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Double materiality assessment for the Podravka Group	148
		Double materiality assessment results	159
ESRS 2 SBM-2 S1	Interests and views of stakeholders	Interests and views of stakeholders	146
ESRS 2 SBM-3 S1	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	159
ESRS S1-1	Policies related to own workforce	Double materiality assessment results	159
		Overview of key policies and documents for managing sustainability factors	172
		Strategy, policies and documents	228
ESRS S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Social dialogue	239
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Strategy, policies and documents	228
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Collective bargaining	241
		Attracting and retaining employees	243
		Health and safety	244
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Strategic goals	231
ESRS S1-6	Characteristics of the undertaking's employees	Own workforce	231
		Overview of basic indicators of Podravka Group employees as of 31 December 2025	232
		Overview of basic indicators of Podravka Inc. employees as of 31 December 2025	236
ESRS S1-8	Collective bargaining coverage and social dialogue	Social dialogue	239
		Collective bargaining	241
ESRS S1-11	Social protection	Collective bargaining	241
ESRS S1-13	Training and skills development metrics	Attracting and retaining employees	243
ESRS S1-14	Health and safety metrics	Health and safety	246

ESRS S2	WORKERS IN THE VALUE CHAIN	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 SBM-2 S2	Interests and views of stakeholders	Interests and views of stakeholders	146
ESRS 2 SBM-3 S2	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	161
		Workers in the value chain	246
ESRS S2-1	Policies related to value chain workers	Overview of key policies and documents for managing sustainability factors	174
		Strategy, policies and documents	228
		Workers in the value chain	247
ESRS S2-2	Processes for engaging with value chain workers about impacts	Workers in the value chain	247
ESRS S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Workers in the value chain	247
ESRS S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Workers in the value chain	246
ESRS S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Strategic goal	247

ESRS S3	AFFECTED COMMUNITIES	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 SBM-2 S3	Interests and views of stakeholders	Interests and views of stakeholders	146
ESRS 2 SBM-3 S3	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	161
		Overview of key policies and documents for managing sustainability factors	174
ESRS S3-1	Policies related to affected communities	Strategy, policies and documents	228
		Corporate social responsibility	248
ESRS S3-2	Processes for engaging with affected communities about impacts	Corporate social responsibility	248
ESRS S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Corporate social responsibility	248
ESRS S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Corporate social responsibility	248
ESRS S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Strategic goals	247

ESRS S4	CONSUMERS AND END-USERS	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 SBM-2 S4	Interests and views of stakeholders	Interests and views of stakeholders	146
ESRS 2 SBM-3 S4	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
		Double materiality assessment results	162
		Consumers	251
ESRS S4-1	Policies related to consumers and end-users	Overview of key policies and documents for managing sustainability factors	175
		Strategy, policies and documents	228
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	Communication with consumers	258
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Communication with consumers	258
ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Consumer health and safety	253
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Strategic goals	252

ESRS G1	BUSINESS CONDUCT	SECTION IN THE PODRAVKA GROUP SUSTAINABILITY STATEMENT	PAGE
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	Management and supervisory bodies of the Podravka Group	141
		Management Board of Podravka Inc.	16
		Supervisory Board of Podravka Inc.	21
		Report on the work of Supervisory Board of Podravka Inc. and its committees in 2025	29
ESRS 2 SBM-3 G1	Material impacts, risks and opportunities and their interaction with strategy and business model	Interaction of strategy and business model with double materiality assessment results	153
ESRS 2 IRO-1 G1	Description of the processes to identify and assess material impacts, risks and opportunities	Double materiality assessment results	164
		Double materiality assessment for the Podravka Group	148
ESRS G1-1	Business conduct policies and corporate culture	Double materiality assessment results	164
		Overview of key policies and documents for managing sustainability factors	176
ESRS G1-2	Management of relationships with suppliers	Strategy, policies and documents	260
		Supplier relationship management	262
ESRS G1-3	Prevention and detection of corruption and bribery	Supplier payment practices	264
		Strategy, policies and documents	260
ESRS G1-4	Incidents of corruption or bribery	Preventing and detecting bribery and corruption	261
		Preventing and detecting bribery and corruption	261
ESRS G1-6	Payment practices	Supplier payment practices	264
	Management statement of responsibility for the Sustainability Statement		265

LIST OF DATA POINT IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

DISCLOSURE REQUIREMENT	DISCLOSURE POINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIALITY	SECTION TITLE
ESRS 2 GOV-1 Board's gender diversity	21. d	x		x			ESRS 2 GOV-1 Management and supervisory bodies of the Podravka Group
ESRS 2 GOV-1 Percentage of board members who are independent	21. e			x			ESRS 2 GOV-1 Management and supervisory bodies of the Podravka Group – Supervisory Board of Podravka Inc.
ESRS 2 GOV-4 Statement on due diligence	30.	x					ESRS 2 GOV-5 Due diligence and risk management of the Podravka Group
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities	40. d-i	x	x	x		n/a	
ESRS 2 SBM-1 Involvement in activities related to chemical production	40. d-ii	x		x		n/a	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons	40. d-iii	x		x		n/a	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco	40. d-iv			x		n/a	
ESRS E1-1 Transition plan to reach climate neutrality by 2050	14.				x		ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Environmental impact of business)
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks	16. g		x	x		n/a	
ESRS E1-4 GHG emission reduction targets	34.	x	x	x			ESRS E1 Climate change – Greenhouse gas emissions, Renewable energy sources, Energy efficiency



DISCLOSURE REQUIREMENT	DISCLOSURE POINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIALITY	SECTION TITLE
ESRS E1-5 Energy consumption and mix	37.	x					ESRS E1 Climate change – Energy consumption
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors	40.-43.	x					ESRS E1 Climate change – Energy consumption
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions	44.	x	x	x			ESRS E1 Climate change – Greenhouse gas emissions
ESRS E1-6 Gross GHG emissions intensity	53.-55.	x	x	x			ESRS E1 Climate change – Greenhouse gas emissions
ESRS E1-7 GHG removals and carbon credits	56.				x		ESRS E1 Climate change – Greenhouse gas emissions; ESRS E4 Biodiversity – Own agricultural production
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks	66.			x			ESRS 2 SBM-3 Interaction of strategy and business model with double materiality assessment results – Climate risks and strategy resilience assessment;
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk	66. a		x				ESRS 2 SBM-3 Interaction of strategy and business model with double materiality assessment results – Climate risks and strategy resilience assessment;
ESRS E1-9 Location of significant assets at material physical risk	66. c		x				ESRS 2 SBM-3 Interaction of strategy and business model with double materiality assessment results – Climate risks and strategy resilience assessment;
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes	67. c		x				ESRS 2 SBM-3 Interaction of strategy and business model with double materiality assessment results – Climate risks and strategy resilience assessment;

DISCLOSURE REQUIREMENT	DISCLOSURE POINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIALITY	SECTION TITLE
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities	69.			x			ESRS 2 SBM-3 Interaction of strategy and business model with double materiality assessment results – Climate risks and strategy resilience assessment;
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation emitted to air, water and soil	28.	x				not material	
ESRS E3-1 Water and marine resources	9.	x					ESRS E3 Water resources – Water consumption
ESRS E3-1 Dedicated policy	13.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Environmental impact of business)
ESRS E3-1 Sustainable oceans and seas	14.	x				not material	
ESRS E3-4 Total water recycled and reused	28. c	x					ESRS E3 Water resources – Water consumption
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations	29.	x					ESRS E3 Water resources – Water consumption
ESRS 2 SBM-3 E4	16. a-i	x					ESRS E4 Biodiversity
ESRS 2 SBM-3 E4	16. b	x				not material	
ESRS 2 SBM-3 E4	16. c	x					ESRS E4 Biodiversity
ESRS E4-2 Sustainable land /agriculture practices or policies	24. b	x					ESRS E4 Biodiversity
ESES E4-2 Sustainable oceans / seas practices or policies	24. c	x				not material	



DISCLOSURE REQUIREMENT	DISCLOSURE POINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIALITY	SECTION TITLE
ESES E4-2 Policies to address deforestation	24. d	x				not material	
ESES E5-5 Hazardous waste and radioactive waste	39.	x					ESRS E5 Circular economy – Waste
ESES 2 SBM-3 S1 Risk of incidents of forced labour	14. f	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS 2 SBM-3 S1 Risk of incidents of child labour	14. g	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S1-1 Human rights policy commitments	20.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESES S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	21.		x				ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESES S1-1 Processes and measures for preventing trafficking in human beings	22.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S1-1 Workplace accident prevention policy or management system	23.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S1-3 Grievance/ complaints handling mechanisms	32. c	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Corporate governance)
ESRS S1-14 Number of fatalities and number and rate of work-related accidents	88. b-c			x			ESRS S1 Own workforce – Health and safety
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness	88. e	x					ESRS S1 Own workforce – Health and safety



DISCLOSURE REQUIREMENT	DISCLOSURE POINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIALITY	SECTION TITLE
ESRS S1-16 Unadjusted gender pay gap	97. a	x		x		not material	
ESRS S1-16 Excessive CEO pay ratio	97. b	x		x		not material	
ESRS S1-17 Incidents of discrimination	103. a	x					Strategy, policies and documents (Social responsibility)
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	104. a	x		x			ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS 2 SBM-3 S2 Significant risk of child labour or forced labour in the value chain	11. b	x					ESRS S2 Workers in the value chain
ESRS S2-1 Human rights policy commitments	17.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S2-1 Policies related to value chain workers	18.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility) ESRS S2 Workers in the value chain (Supplier Code of Conduct)
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	19.	x		x			ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility) ESRS S2 Workers in the value chain (Supplier Code of Conduct)
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	19.			x			ESRS S2 Workers in the value chain (Supplier Code of Conduct)
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	36.	x					ESRS S2 Workers in the value chain (Supplier Code of Conduct)



DISCLOSURE REQUIREMENT	DISCLOSURE POINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIALITY	SECTION TITLE
ESRS S3-1 Human rights policy commitments	16.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	17.	x		x		not material	
ESRS S3-4 Human rights issues and incidents	36.	x				not material	
ESRS S4-1 Policies related to consumers and end-users	16.	x					ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	17.	x		x			ESRS 2 SBM-3 Overview of key policies and documents for managing sustainability factors; Strategy, policies and documents (Social responsibility)
ESRS S4-4 Human rights issues and incidents	35.	x					ESRS S4 Consumers and end-users – Communication with consumers
ESRS G1-1 United Nations Convention against Corruption	10. b	x					ESRS 2 SBM-3 Interaction of strategy and business model with double materiality assessment results (ESRS G1 Business conduct) ESRS G1 Strategy, policies and documents
ESRS G1-1 Protection of whistle-blowers	10. d	x					ESRS G1 Strategy, policies and documents
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws	24. a	x		x			ESRS G1 Preventing and detecting bribery and corruption
ESRS G1-4 Standards of anti-corruption and anti-bribery	24. b	x					ESRS G1 Strategy, policies and documents



ESRS GOV-2**SUSTAINABILITY REPORTING AND SUSTAINABILITY TOPICS MANAGEMENT**

Sustainability topics management is an integral part of the Podravka Group's corporate culture under the supervision of the Management Board of Podravka Inc. Responsibility for sustainability and its integration into all business segments is the responsibility of the President of the Management Board, and operational activities are delegated to the Strategic Business Development sector. The Podravka Group Business Sustainability Strategy determines the main ESG³ goals and key performance indicators, and the Strategic Business Development sector monitors the implementation of the objectives and reports the results to the Management Board of Podravka Inc. at least once a year.

The Management Board of Podravka Inc. receives a report on corporate governance once a year based on a questionnaire submitted to the Croatian Financial Services Supervisory Agency and published on the Zagreb Stock Exchange in accordance with the provisions of the Corporate Governance Code. During the reporting year, the Management Board adopted a number of decisions and documents⁴ related to the topic of sustainability, such as policies or investment decisions implementing ESG goals. Examples of such documents are the Podravka Group Supplier Code of Conduct, the policy Process of Preparing the Sustainability Statement of the Podravka Group, the Podravka Group Corporate Communications Management policy, and other documents related to the implementation of sustainability in business operations, such as decisions aimed at material employee rights, decisions on sponsorships and donations aimed at supporting the local community, and decisions related to the activities of the "Zlata Bartl" Foundation.

In 2025, the business practice policy "Process of Preparing the Sustainability Statement of the Podravka Group" was adopted, defining the course of the process for preparing the consolidated Sustainability Statement. The policy ensures that all participants in the process understand their roles and responsibilities, enables efficient and timely management of the Sustainability Statement preparation process, and ensures the preparation of the Sustainability Statement within the defined deadlines in accordance with

all applicable regulatory requirements.

For the purpose of compiling the Sustainability Statement, data is collected from the entire business system in the same scope as for the financial reporting. Data for 2025 was collected centrally, and each business unit, from all three business segments, entered data from its competence. The Agri segment was also included in the data collection for 2025, in the same scope as in the financial consolidation (period February to December 2025). The input is controlled by the Strategic Business Development sector. Given the significant scope of the downstream and upstream value chains, the Podravka Group will enable the gradual collection and inclusion of data from the value chain in the Sustainability Statement in the coming period.

The Podravka Group ensured the completeness, accuracy, measurability and verification of the data published in the 2025 Sustainability Statement by using a digital tool that serves to calculate emissions from scopes 1, 2 and 3 according to the methodology defined in ESRS E1. During 2025, business system training was continuously conducted as part of business activities related to sustainability factors. Employees from the companies of the Podravka Group participated in training on the application of EU Taxonomy requirements in the preparation of the CAPEX plan. In the process of integrating the Agri segment, educational workshops were systematically conducted:

- on all topics related to sustainability matters as part of the revision of the Podravka Group's double materiality assessment,
- analysis of revenue, CAPEX and OPEX in accordance with EU Taxonomy criteria,
- preparation for climate risk analysis,
- data mapping in accordance with ESRS requirements
- methodology for assessing GHG emissions (FLAG and non-FLAG).

During 2025, the Management Board of Podravka Inc. monitored material topics through the process of reporting on the implementation of the sustainability

³ Environmental, Social and Governance

⁴ Policies, procedures, work instructions, codes, etc.



strategy, through the monitoring of business risks, and through the results of the revision of the Podravka Group's double materiality assessment. In June 2025, a new business strategy of the Podravka Group until 2030 was adopted, covering all three business segments – Food, Pharmaceuticals and Agri. Through the revised strategy, the Podravka Group continues to direct particular attention to business sustainability across all segments, as explained in the section *Interaction of strategy and business model with double materiality assessment results (ESRS 2 SBM-3)*.

The consolidated Sustainability Statement, as an integral part of the Podravka Group Annual Report, is submitted by the Management Board to the Audit Committee and the Supervisory Board. The Audit Committee, as a subcommittee responsible for sustainability issues, analyses how the information required for the report has been determined, monitors the preparation of the report in accordance with reporting standards, and reports the outcome of its checks to the Supervisory Board.

The expertise and awareness of the management bodies are ensured through regular communication between the Strategic Business Development sector and the Management Board of Podravka Inc. and the Audit Committee. During 2025, the members of the Management Board of Podravka Inc. systematically received information and were educated about the obligations that arise for the Podravka Group from applicable regulations and reporting standards at all Management Board meetings where decisions related to sustainability were made. The President of the Management Board of Podravka Inc. introduced the members of the Supervisory Board to the main aspects of sustainability in business when presenting the annual report for 2024. In October 2025, a presentation on the topic of the Revision of the Double Materiality Assessment of the Podravka Group was held for the members of the Audit Committee at its session. In December 2025, the Supervisory Board granted its consent to the decisions and documents adopted by the Management Board during 2024 and 2025, with the aim of aligning with the requirements of the new Corporate Governance Code.

ESRS 2 GOV-1

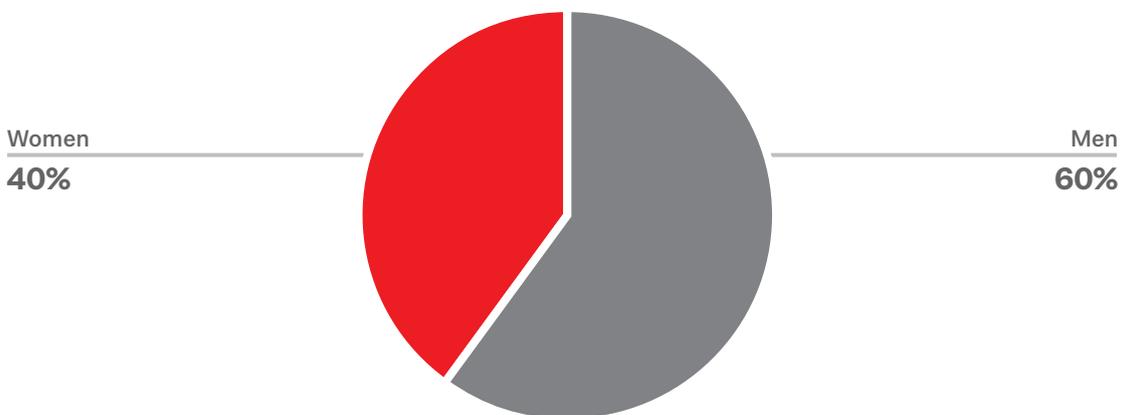
MANAGEMENT AND SUPERVISORY BODIES OF THE PODRAVKA GROUP

As of December 31 2025, the Supervisory Board and the Management Bord of Podravka Inc. consist of a total of 14 members, of whom three are women and eleven are men, i.e. 21.43% women and 78.57% men.

MANAGEMENT BOARD OF PODRAVKA INC.

As at 31 December 2025, the Management Board of Podravka Inc. had five members of which two are women and three are men.

GENDER STRUCTURE OF PODRAVKA INC. MANAGEMENT BOARD



The biographies of the President and members of the Management Board of Podravka Inc. are included in the Management Report in the "Management Board of

Podravka Inc." section, and their scope of responsibilities is described below.



MARTINA DALIĆ,
President of the
Management Board

- responsible for the following guidance and leadership:
- tasks related to defining and implementing the strategic and corporate priorities of the Podravka Group, including acquisitions and strategic development of operations, sustainability, human resources management, corporate management, corporate marketing, corporate communications, asset and service management;
- strategies of corporate restructuring and optimisation of business processes in the Podravka Group;
- drafting the three-year Operation Plan and the three-year Investment Plan of the Podravka Group,
- corporate and information security;
- legal affairs;
- all other business processes for which no other Management Board member is responsible.

DAVOR DOKO,
Member of the
Management Board

- responsible for coordinating and leading the tasks in the following areas:
- corporate financial and managerial accounting and cash flows of the Podravka Group;
- financing of Podravka Group companies, particularly management of capital, assets and liabilities to banks and other financial institutions;
- in cooperation with the President of the Management Board, the drafting of the three-year Operation Plan and the three-year Investment Plan of the Podravka Group;
- supervision of the execution of the annual and three-year Operation Plans;
- application of tax regulations at the Podravka Group level;
- procurement;
- asset management of the Podravka Group;
- corporate IT system;
- investor relations.

LJILJANA ŠAPINA,
Member of the
Management Board

- responsible for coordinating and leading the tasks in the following areas:
- production, maintenance, energy and ecology of the Food business segment;
- logistics of the Food business segment;
- stocks of raw materials, production materials and finished products in the Food business segment;
- digitalisation and modernisation of the supply chain;
- planning and joint tasks in the supply chain;
- implementation of investments in the supply chain.

MILAN TADIĆ,
Member of the
Management Board

- responsible for coordinating and leading the tasks in the following areas:
- strategic management of all markets in the Food business segment;
- expansion of sales onto new markets;
- implementation of strategic sales goals;
- sales policies;
- pricing policies in cooperation with business programmes;
- sales and distribution on all markets of the Food business segment;
- trade marketing;
- customer management and distribution index by sales channels.

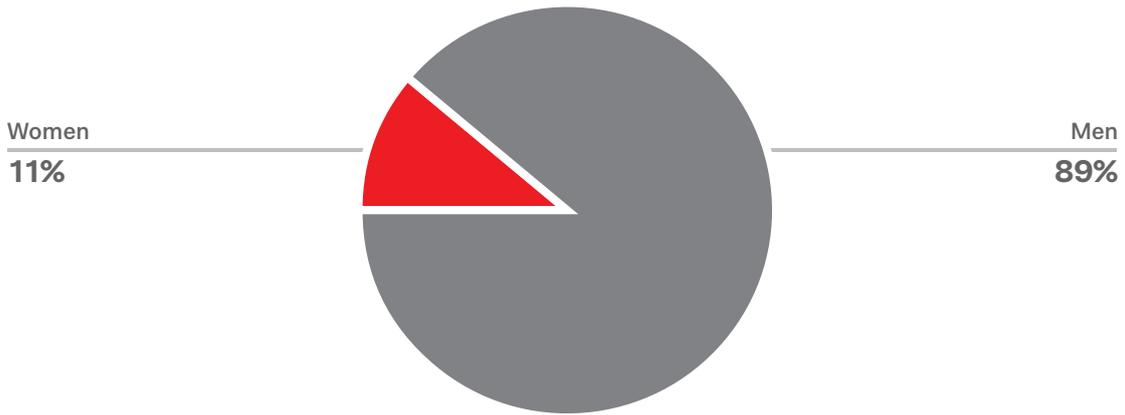
IVAN OSTOJIĆ,
Member of the
Management Board

- responsible for coordinating and leading the tasks in the following areas:
- business programmes;
- marketing of the product portfolio managed by business programmes;
- development of the product portfolio managed by business programmes;
- structure and profitability of the product portfolio of the Food business segment;
- innovation and alignment of the product portfolio of the Food business segment with market trends;
- corporate development;
- quality control;
- agricultural production and agricultural development

SUPERVISORY BOARD OF PODRAVKA INC.

The Supervisory Board has nine members of which one is woman and eight are men.

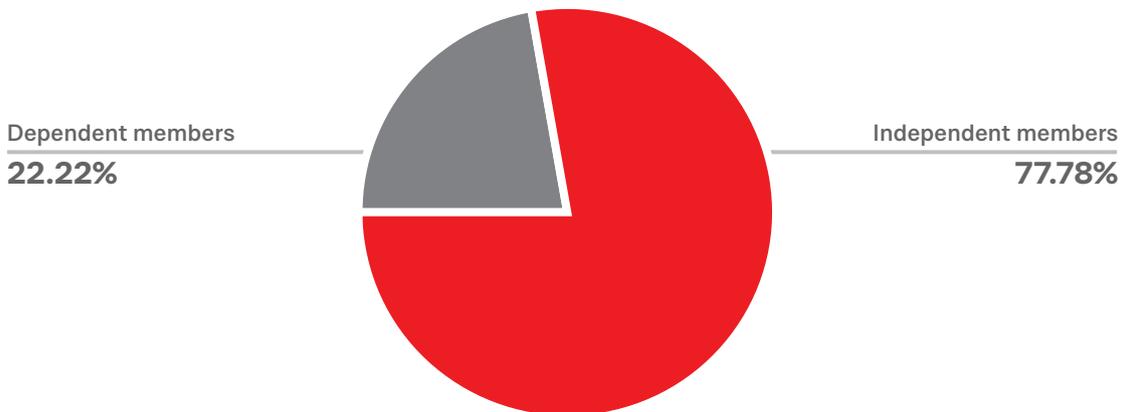
GENDER STRUCTURE OF SUPERVISORY BOARD



The independence of the members of the Supervisory Board has not changed in relation to the comparative period and in 2025 it was 77.78%. The President of the Supervisory Board, the Vice-president of the Supervisory Board and five members of the Supervisory Board are independent in accordance with the provisions of Article

255, paragraph 6 of the Companies Act and the Corporate Governance Code. Ksenija Horvat, as an employee representative, is not an independent member of the Supervisory Board. Petar Miladin is not an independent member of the Supervisory Board due to his mandate in the Company's Supervisory Board for more than 12 years.

SUPERVISORY BOARD STRUCTURE BY INDEPENDENCY



The biographies of the members of the Supervisory Board of Podravka Inc. are included in the Management Report in the "Supervisory Board of Podravka Inc." section.



ESRS 2 GOV-3**PODRAVKA INC. MANAGEMENT BOARD REMUNERATION POLICY**

Remuneration of members of the Management Board of Podravka Inc. is determined by the contract concluded with the Company and approved by the Supervisory Board of Podravka Inc. on behalf of the Company.

Compensation for membership in the supervisory boards of the Podravka Group companies was not approved or paid to the members of the Management Board of Podravka Inc.

Podravka Inc. applies the Remuneration Policy approved by the Company's General Assembly established for a period of four years (2022-2025). The Policy is available at <https://www.podravka.com/storage/repository/download/3917821c-eb6e6-11ec-863a-0e931d035065>. The principles of the Remuneration Policy are established in a way that ensures competitiveness and stimulates interest in the position of a member of the Management

Board of the Company with an appropriate high-quality profile of experts with the necessary abilities, skills and experience. The Remuneration Policy was approved on 14 June 2022, and the Amendment to the Remuneration Policy was approved on 16 May 2024 by the Company's General Assembly, and it is available at <https://www.podravka.com/storage/repository/download/423604bc-138b-11ef-823b-52c2f6608951>.

The incentive program for Management Board members is based on the financial result (net profit) and profitability (EBITDA) of the Podravka Group and does not include sustainability factors. Supervisory Board members do not have a variable part of their remuneration or sustainability-related targets, but are entitled to a monthly compensation determined in a fixed amount according to the Decision of the General Assembly on determining the compensation for work of the members of the Company's Supervisory Board.

ESRS 2 SBM-1**STRATEGY, BUSINESS MODEL AND VALUE CHAIN**

In 2025, the Podravka Group operated through three business segments: Food, Pharmaceuticals and Agri, and as at 31 December 2025, it had 8,472 employees, mostly in Croatia (explained and presented in ESRS S1 Own workforce).

Within the Food segment, Podravka develops and produces a wide range of food products that are then distributed through its own or external distribution channels, depending on the needs and specificities of each market. The products reach customer delivery points in more than sixty markets around the world, enabling a global presence and brand recognition among end consumers. Significant product categories and significant markets (regions), along with a breakdown of total revenues for 2025, are presented in the financial part of the report (Note 8).

Podravka Inc. is largely self-sufficient in the production of agricultural raw materials, which is one of the important

strategic goals of the company. Self-sufficiency is ensured through:

- Own agricultural production, where key raw materials are produced under controlled conditions to guarantee high-quality and continuity of supply;
- Subcontractor production, which involves cooperation with local farmers, which further stimulates the development of domestic agriculture.

In addition to its own production and subcontractors, the Food segment procures other necessary raw materials from domestic and foreign suppliers, thus ensuring the stability of the supply chain, and cooperates with numerous service providers. The Food segment continuously works to improve relationships with partners in order to ensure excellence at all levels of the value chain. This model enables adaptation to the requirements of different markets and enables the production of high-quality products that meet the needs of end consumers around the world.



The Pharmaceuticals segment develops and produces a wide range of pharmaceutical products that are distributed through wholesale distribution channels. The products reach customer delivery points in 24 predominantly European markets. Belupo Inc. largely independently produces pharmaceutical products and other pharmaceutical products, and divides the raw materials for the production of pharmaceutical products into two main groups:

- Active Pharmaceutical Ingredients (API) that are mainly procured from global manufacturers, in accordance with the specifics of the pharmaceutical industry worldwide. API raw materials are subject to extremely rigorous quality control through the Good Manufacturing Practice (GMP⁵) system;
- Auxiliary ingredients and packaging, which are mostly procured locally and regionally, thus contributing to the local economy.

The Agri segment operates through the company Podravka Agri, which manages agricultural companies⁶ whose activities are divided into the following key areas: livestock farming, agriculture, industry, and electricity generation from biogas. The core activity and central link in the Agri segment's value chain is livestock farming, within which pig and cattle breeding is primarily carried out on own farms, with the aim of selling live animals to external customers. Livestock farming largely relies on own crop production, as crops grown within the Podravka Agri crop segment serve as raw materials and inputs for own farms and for the production of animal feed in own feed factory, for internal use in livestock farming. This achieves a significant level of business self-sufficiency through the integration of crop production, livestock farming and the feed factory. Furthermore, subcontractors are a key stakeholder in the Agri segment's operations, where a portion of animals is raised on subcontractors' farms, which are also supplied with animal feed produced in own factory. This further strengthens the value chain and supports the development of domestic agriculture.

Industry is the third significant activity of the Agri segment

and includes the production of cured meat products, dairy products, and wine, for sale to external customers. The key raw material for dairy production, milk, originates from own farms, while wine production also uses own-grown grapes. The production of cured meat products relies on the procurement of raw materials from external suppliers, with whom continuous partnership relationships are developed as important stakeholders, with the aim of maintaining excellence of the final product.

Electricity generation from biogas uses waste and by-products generated in livestock farming, crop production and industry on the one hand, while on the other hand the by-product of biogas plants (digestate) serves as a high-value organic fertiliser in own crop production, thereby contributing to circular economy principles.

The Podravka Group business strategy sets out corporate strategic goals. The strategy addresses key sustainability matters, as explained in the section *Interaction of strategy and business model with double materiality assessment results* (ESRS 2 SBM-3).

In March 2023, the Management Board of Podravka Inc. adopted the Podravka Group Business Sustainability Strategy until 2030⁷, which defines ten main strategic and 45 specific goals related to sustainability. The strategy is based on four pillars: (1) clean environment, (2) healthy nutrition, (3) care about employees and the community, and (4) good corporate governance. The strategic goals are aimed at creating innovative, nutritionally high-quality and environmentally responsible products that meet the needs of consumers of all ages and eating habits, while at the same time preserving natural resources, responsibility towards society and the environment, continuous improvement of working conditions and employee satisfaction, and responsible and transparent corporate governance. The achievement of sustainability goals in 2025 compared to the base year 2022 is explained in the topical sections of this report (ESRS E1, ESRS E3, ESRS E4, ESRS E5, ESRS S1, ESRS S2, ESRS S3, ESRS S4, ESRS G1). The external stakeholders to whom the strategic goals relate were not involved in the definition of the strategic goals.

⁵ Good Manufacturing Practice

⁶ Belje plus Ltd., PIK-Vinkovci plus Ltd., Vupik plus Ltd., Energija Gradec

⁷ Podravka Group Business Sustainability Strategy until 2030 is available at <https://www.podravka.com/sustainability/sustainable-business-strategy/>



With the aim of integrating the acquired Agri segment, in 2026 the Podravka Group's business sustainability strategy will be updated, along with the strategic objectives focused on managing sustainability matters, which are an integral part of the Podravka Group's overarching business strategy. Data from 2025 will be used as the basis for the revision of strategic objectives focused on managing sustainability matters. Stakeholder interests and viewpoints were taken into account in the preparation of the Podravka Group's overarching business strategy, as further explained in the section *Interests and views of stakeholders (ESRS 2 SBM-2)*.

In accordance with the Podravka Group's Business

Strategy for the period 2021-2025, a strong investment cycle has been implemented, laying the foundations for further growth and business improvements. Certain markets have been restructured, the transparency and efficiency of procurement processes have been increased, financial functions have been digitised and transparency in communication with investors has been increased. Also, numerous activities have also been carried out aimed at improving the material status of employees. Significant progress has been made in the use of energy from renewable sources, production processes have been technologically modernised, innovations have been achieved in accordance with the Nutritional Strategy, and self-sufficiency in agricultural production has been increased.

ESRS 2 SBM-2

INTERESTS AND VIEWS OF STAKEHOLDERS

The Podravka Group identifies key stakeholders through its business activities and maintains regular communication with them, and takes all relevant data arising from relationships with key stakeholders into account when determining strategic and operational goals.

At the end of 2025, the Management Board of Podravka Inc. adopted the business practice policy "Stakeholder Relations of the Podravka Group" with the aim of timely identifying the interests of internal and external key stakeholders, maintaining transparent communication, and building trust and mutual benefit, in accordance with applicable regulations. The policy defines the key stakeholders of the Podravka Group and the manner of communication with them, ensuring stakeholder understanding and achieving collaboration with stakeholders in creating value, sustainability, and resilience of the Podravka Group's operations. Collaboration with stakeholders and exerting influence on other organisational units entails systematically identifying key stakeholders by defining their roles, as well as assessing their impacts, interests, and expectations within the framework of mutual cooperation. These activities are carried out in accordance with the Social Responsibility policy. Directors of individual organisational units of the

Podravka Group are responsible for maintaining their stakeholder database and managing relationships and communication with their stakeholders within their areas of authority.

The key stakeholders of the Podravka Group are suppliers, customers, consumers, employees, regulatory bodies, local community and owners (shareholders); in the Pharmaceuticals segment, very important stakeholders are intermediaries, i.e. doctors and pharmacists, while in the Agri segment, subcontractors are also an important factor. The Podravka Group maintains continuous and high-quality cooperation with each group of key stakeholders.

Cooperation with customers in the Food and Agri segments takes place through different sales models, depending on the product category and the market segment to which the placement is targeted (directly or indirectly), and customers are divided into two main groups:

- Sales channel: Retail chains and traditional stores that offer Podravka's products to end consumers through a wide distribution network.
- Gastro channel: Corporate and institutional customers, including catering facilities, public institutions and other organisations, who use the products to prepare meals or offer them to end consumers.



Customers in the Pharmaceuticals segment are exclusively wholesalers that distribute Belupo's products to pharmacies, hospitals and other healthcare institutions and make them available to end consumers. Cooperation with customers in the Pharmaceuticals segment is strictly regulated by the Ordinance on the Manner of Advertising Medicinal Products. The company directs all relevant information about pharmaceutical products to intermediaries, and the company informs consumers directly through its own "Zdravo budi" platform allowing them to ask questions by phone, email or on the corporate website. The company cooperates with intermediaries directly and indirectly through the "Belupoint" platform.

Cooperation with consumers in the Food and Agri segments is mainly carried out indirectly through media campaigns, external research agencies and digital agencies, and direct contact is also possible through the customer relations call centre, email or standard mail, via social networks and Coolinarika. Within the Pharmaceuticals segment, communication is directed exclusively at users of over-the-counter products and dietary supplements. Collaboration with this group of consumers is carried out through media and digital campaigns, market research agencies, and consumer relations departments, which enable two-way communication via telephone lines, email, social media, and web portals.

In the supply chain, the Podravka Group cooperates with producers of raw materials, packaging and equipment, with subcontractors who produce agricultural products, and numerous partners and service providers. Among the most important service providers are marketing agencies and consultants, distribution and logistics partners, IT and technology service providers, etc. Services are procured using the SAP Ariba tool and through direct negotiations. The Podravka Group expects its suppliers to apply the principles of good corporate governance in their own activities, including respect for human rights, in accordance with the Supplier Code of Conduct.

The Podravka Group encourages direct dialogue with its employees as highly important stakeholders, as well as with trade union representatives and employee representatives. Employee meetings are held regularly,

attended by the Company's Management Board and trade union representatives in the companies where they operate, which enables and creates opportunities for discussions on matters of common interest and provides employees with insight into operations and an understanding of the Podravka Group's business objectives. An employee satisfaction survey is conducted once a year and the results are incorporated into business plans. Significant topics related to own workforce are included in the strategic goals of the Podravka Group Business Sustainability Strategy and in the Collective Agreements of individual companies that have such agreements. The 2025 Sustainability Statement of the Podravka Group was presented on 9th of March 2026 to the Podravka Inc. Workers' Council and the Council supported the report. All decisions important for the position of employees are without exception subject to consultation with the workers' councils where they operate. Podravka Group employees also have access to other internal communication channels, such as company newsletters and Intranet pages.

The Podravka Group is important for the development of the local community. In addition to employing a significant number of workers from the local labour pool, for many years and with numerous projects it supports the local community and provides financial assistance in the form of sponsorships and donations. Contribution to the development of the local community is one of the strategic determinants of the Group's business model.

Shareholders (owners) as one of the key stakeholders exercise their right to vote at the General Assembly in person, through a legal representative or proxy. The right to participate and exercise their voting right at the General Assembly is granted to the shareholders registered in the computer system of the Central Depository and Clearing Company Inc. who apply to participate in the General Assembly no later than the seventh day before it is held. The General Assembly may make valid decisions if at least 30% (thirty percent) of the total number of shares giving voting rights are represented. The General Assembly is chaired by the President of the General Assembly, who is appointed by the Supervisory Board upon the proposal of the Management Board.



At the General Assembly meetings, shareholders, representatives and proxies of shareholders vote using ballots indicating the number of votes belonging to each participant in the General Assembly. Each share of Podravka Inc. entitles the holder to one vote in the General Assembly. All materials related to the convening and holding of the General Assembly meetings are available on the Podravka Inc. website at <https://www.podravka.com/investors/corporate-governance/the-general-assembly/>.

The Podravka Group has a department in charge of investor relations through which institutional investors (shareholders) communicate with the member of the Management Board responsible for finance. Once a year, after the publication of the audited Annual Report of the Podravka Group, the company organises

an investor conference at which the President of the Management Board and the member of the Management Board responsible for finance present all significant activities of the Podravka Group in the reporting period. In 2025, the investor conference was held in Koprivnica and, in addition to presenting business activities and results for 2024, investors could visit the drug factory of Belupo Inc.

Through cooperation with key stakeholders, the Podravka Group obtains valuable information that it considers and incorporates into its strategic plans, and strives to direct its activities to achieving positive effects on all its stakeholders. The Management Board continuously monitors all business activities and is informed about the interests and views of stakeholders through regular reporting by individual organisational units.

ESRS 2 IRO-1

DOUBLE MATERIALITY ASSESSMENT FOR THE PODRAVKA GROUP

In 2025, the Podravka Group double materiality assessment (DMA⁸) was revised due to significant changes in the Group structure (acquisition of the Agri segment). The procedure covered the assessment of impacts, risks and opportunities (IRO⁹) and all sustainability factors covered by topical ESRs, in the manner required by the ESRS 1 standard down to the sub-sub-topic level. The DMA procedure is structured to substantiate the Podravka Group's exposure to external impacts and impacts throughout the value chain, and to enable understanding of the results and effects of own business activities. IROs were reviewed at the level of each business segment (Food, Pharmaceuticals, and Agriculture-Agri), with segregation and separate consideration and evaluation of positive and negative impacts. The assessment of significant IROs was carried out according to the same methodology as in 2024, which was adopted by the Management Board of Podravka Inc. in December 2024. No consultation was conducted with the affected communities on the results of the assessment and the identified material topics.

Changes in the approach and consequently in the result of the 2025 DMA review compared to 2024 are as follows:

- The materiality threshold was raised from a score of 11 to 12.5 out of a maximum possible score of 25 for IROs – in line with best practices
- ESG risks are fully integrated into ERM, so the comprehensive ERM report (covering all three business segments) was taken as the basis for the risk assessment review
- Physical and transition climate risks were analysed using a relevant tool
- Opportunities were derived from the revised Podravka Group 2025–2030 overarching strategy.

After the DMA review, the number of material topics remained the same, while changes occurred at the level of sub-topics and sub-sub-topics, which is further explained in section SBM-3 *Interaction of strategy and business model with double materiality assessment results*.

⁸ Double Materiality Assessment (DMA)

⁹ Impacts, Risks and Opportunities (IRO)



The results of the DMA review were confirmed by the Management Board of Podravka Inc. in October 2025. According to the same decision, the double materiality assessment procedure will be revised every five years or upon significant changes in the operations of the Podravka Group.

The comprehensive **assessment of ESG risks and opportunities** is based on the same methodology as the Centralised Enterprise Risk Management (ERM) implemented by the Podravka Group (explained in ESRS 2 GOV-5). **The assessment of ESG risks** was integrated into ERM in January 2025 and it covers the entire business organisation of the Podravka Group (according to the same principle as for financial consolidation). The assessment process used questionnaires filled in by the directors of all affiliated companies, while at the level of Podravka Inc., the Belupo Group the Žito Group and companies within Podravka Agri, individual sectors were included. All risks identified by the business organisation were included, regardless of their assessment and materiality. For the purposes of the assessment, the gross rank of risks (the product of the impact scale and the probability of occurrence) was considered. The risk assessment included the analysis of physical and transition climate risks as explained in the section Climate risks and strategy resilience assessment (ESRS 2 SBM-3). The identified physical and transition climate risks were assessed as immaterial.

ESG opportunities considered in the DMA review were derived from the revised Podravka Group 2025–2030 overarching strategy.

The financial materiality assessment matrix for assessment of risks and opportunities is aligned with the ERM methodology consisting of five levels, and financial materiality is related to the effect on the operating profit of the Podravka Group. Any risk and opportunity rated 12.5 or higher (out of a maximum of 25) is considered material.

The assessment of the impact materiality

of the Podravka Group for all sustainability factors covered by topical ESRSs (as required by the ESRS 1 standard) was carried out through meetings at which multidisciplinary teams considered the impacts based on available internal data sources, analyses and studies and using relevant publicly available information and documents. The impacts were considered through own activities and through the value chain for those factors where the availability of data made this possible. For most factors, it was not possible to adequately assess the impacts through the value chain due to the unavailability of the necessary information. In the coming period, the Podravka Group will define a due diligence procedure and then reassess the materiality of individual sustainability factors through the value chain. The assessment was conducted using a matrix consisting of five levels for each element considered – scale, scope, irremediable character and likelihood. The final score is equal to the product of the severity of the impact and the likelihood of the impact, while the severity of the impacts is defined as the arithmetic mean of the scale and scope for positive impacts, and the arithmetic mean of the scale, scope and irremediable character of the damage for negative impacts. Any impact that is rated 12.5 or higher (out of a maximum of 25) is considered material.

Material topics of the Podravka Group arising from the above assessment:

- ESRS E1 Climate change
- ESRS E3 Water and marine resources
- ESRS E4 Biodiversity and ecosystems
- ESRS E5 Circular economy
- ESRS S1 Own workforce
- ESRS S2 Workers in the value chain
- ESRS S3 Affected communities
- ESRS S4 Consumers and end-users
- ESRS G1 Business conduct



ESRS 2 GOV-4**ESRS 2 GOV-5****DUE DILIGENCE AND RISK MANAGEMENT OF THE PODRAVKA GROUP**

In the double materiality assessment process, due diligence was conducted on certain parts of the value chain (customers and suppliers), however, the process did not cover all the requirements prescribed by *ESRS 2*. The Supplier Code of Conduct and the Social Responsibility Policy define the framework for establishing a due diligence process in the supply chain in the coming period.

In its operations, the Podravka Group is exposed to risks typical of economic entities operating on the domestic and foreign markets, especially those from the food, agricultural and pharmaceutical industries. These include key risks such as risks in relations with customers and suppliers, volatility in the purchasing market, commodity price volatility, risks of the business environment such as economic, political, technological, social risks, risks of changing consumer preferences and risks related to changes in legal regulations, as well as the impacts of climate change on operations.

The Group implements Centralised Enterprise Risk Management (ERM). An integral part of ERM is the active reporting to management bodies of critical events and risks that have the potential to negatively affect operations, business results and the achievement of the Group's strategic goals. ERM is a process that serves the early identification of key corporate risks that are observed in the context of the impact on the goals and strategy of the Podravka Group. In this way, the response to identified risks is proactively defined, and it enables continuous monitoring of the effectiveness of controls for managing these risks. Such a process enables timely and appropriate decisions related to specific business activities, for the purpose of effective and efficient management of corporate risks. Furthermore, it primarily enables the continuous implementation of the Podravka Group's strategy and increases the adaptability of business in the short, medium, and long term. By maintaining an optimum and adequate level of liquidity, solvency, and operational stability, with a clear growth strategy, high-quality corporate governance, and transparent reporting, the Podravka Group maintains stable relationships with leading financial institutions, which ensures continuous

access to financing sources on competitive and accessible terms. Continuous skill development and investment in all categories of employees, with a focus on cultivating an agile organisational culture, enables flexibility in planning and implementing adjustments to disruptive factors, such as upgrading or optimising existing asset resources in the short to medium term, and adjusting the product portfolio in response to changes in market trends in the long term. This integration of financial and operational capacities allows the Podravka Group to effectively respond to material risks while simultaneously maximising opportunities arising from changes in the business environment, thereby ensuring long-term sustainability and resilience of operations.

ERM covers all three business segments (Food, Pharmaceuticals and Agri) and implies the implementation of analysis and reporting on the materiality of the risks to which the Podravka Group is exposed. The process observes the materiality of risks through three main groups of risks: strategic, operational and financial risks and through the materiality of certain defined risk categories within the three main risk groups. In the context of the materiality of the risks, the effectiveness of the controls that mitigate the identified risks is also observed. All organisational units of the Podravka Group participate in ERM reporting, while each organisational unit is responsible for the active management of risks arising from its business activities. Such a complete ERM report is submitted to the Management Board and the Supervisory Board (Audit Committee) twice a year, as part of active corporate governance. The ERM process complements the definition of strategic goals and contributes to the efficiency of governance in achieving these goals.

From 2025, a risk assessment with elements of sustainability (ESG) has been integrated into the regular ERM reporting, and risks of the Agri segment have also been integrated. Integrating ESG risk assessment into the ERM also implies defining corrective measures and continuously monitoring the effectiveness of the controls used to manage these risks and reporting to the Management Board and the Supervisory Board.



AN OVERVIEW OF THE MAIN TOPICS AND THE DUE DILIGENCE STEPS IN PREPARING THE SUSTAINABILITY STATEMENT

KEY ELEMENTS OF THE DUE DILIGENCE PROCESS	POINTS IN THE SUSTAINABILITY STATEMENT	
Inclusion of the due diligence process in management, strategy and business model	ESRS 2 GOV-2	Sustainability reporting and sustainability topics management
	ESRS 2 GOV-3	Podravka Inc. Management Board Remuneration Policy
	ESRS 2 GOV-5	Due diligence and risk management of the Podravka Group
	ESRS 2 SBM-1	Strategy, business model and value chain
	ESRS 2 SBM-3 E1	Interaction of strategy and business model with double materiality assessment results
	ESRS 2 SBM-3 E3	
	ESRS 2 SBM-3 E4	
	ESRS 2 SBM-3 E5	
	ESRS 2 SBM-3 S1	
	ESRS 2 SBM-3 S2	
	ESRS 2 SBM-3 S3	
	ESRS 2 SBM-3 S4	
	ESRS 2 SBM-3 G1	
Collaboration with affected stakeholders in all key steps of the due diligence process	ESRS 2 SBM-2	
	ESRS S1	Own workforce
	ESRS S3	Corporate social responsibility
	ESRS S4	Consumers
	ESRS G1	Corporate governance
Identification and assessment of negative impacts	ESRS 2 IRO-1	Double materiality assessment for the Podravka Group
	ESRS 2 SBM-3 E1	Interaction of strategy and business model with double materiality assessment results
	ESRS 2 SBM-3 E3	
	ESRS 2 SBM-3 E4	
	ESRS 2 SBM-3 E5	
	ESRS 2 SBM-3 S1	
	ESRS 2 SBM-3 S2	
	ESRS 2 SBM-3 S3	
	ESRS 2 SBM-3 S4	
ESRS 2 SBM-3 G1		



Taking measures to eliminate negative impacts	ESRS E1	Climate change
	ESRS E3	Water resources
	ESRS E4	Biodiversity
	ESRS E5	Circular economy
	ESRS S1	Own workforce
	ESRS S2	Workers in the value chain
	ESRS S3	Corporate social responsibility
	ESRS S4	Consumers
	ESRS G1	Corporate governance
Monitoring and communicating the effectiveness of these efforts	<i>Strategic goals and metrics</i>	
	ESRS E1	Climate change
	ESRS E3	Water resources
	ESRS E4	Biodiversity
	ESRS E5	Circular economy
	ESRS S1	Own workforce
	ESRS S2	Workers in the value chain
	ESRS S3	Corporate social responsibility
	ESRS S4	Consumers



ESRS 2 SBM-3**INTERACTION OF STRATEGY AND BUSINESS MODEL WITH DOUBLE MATERIALITY ASSESSMENT RESULTS**

The assessment of the double materiality for the Podravka Group in 2024 identified significant impacts, risks and opportunities (IRO), as explained in the section *Double materiality assessment for the Podravka Group (ESRS 2 IRO-1)*. The dependence of impacts on identified risks arises from the identification and assessment process in such a way that the same business units (across the entire business system) are included in the impact assessment, depending on the topic and sub-topic covered in the ERM. From this, it follows that each business unit, in addition to impacts within its area of responsibility, also considers related risks (internal and external) and includes and evaluates them in the ERM. The results of the double materiality review, carried out in 2025, are systematised in the tables below. Changes in identified material impacts arise from the activities of the Agri segment as well as from changes in the approach to DMA preparation, as described in the section *Double materiality assessment for the Podravka Group (ESRS 2 IRO-1)*.

Changes in the number of material risks result from the change in the financial materiality threshold (from 11 in 2024 to 12.5 in 2025), while changes in the number of material opportunities result from the review of the Podravka Group's overarching Business Strategy and the change in the financial materiality threshold. All of the above is further explained in the section *ESRS 2 IRO-1 Double materiality assessment for the Podravka Group*.

Material topics are covered in the Podravka Group's strategic documents, and strategic goals are defined for most of them. Strategic goals focused on sustainability factors do not include the Agri segment. The Podravka

Group's Business Strategy addresses key sustainability factors by further increasing the production and use of domestic agricultural raw materials, aiming to achieve self-sufficiency in all raw materials where climatic and agricultural conditions allow, increasing the use of renewable energy sources across all business segments, reducing energy consumption per unit of product, and focusing on sustainable packaging materials and waste reduction. Furthermore, the Agri segment includes investments in efficient irrigation systems that utilise rainwater, and the development of business according to circular economy principles, aiming to create a model of carbon-neutral agriculture. Key strategic directions also involve maintaining high-level cooperation with the local community and subcontractors, sustaining social dialogue, and continuous investment in career and development management systems for all employee categories, with the aim of creating attractive and competitive working conditions and fostering an agile organisational culture.

The activities that were carried out during 2025 with the aim of achieving strategic goals and their connection with the identified material risks and opportunities are described in the topical units of this report. Financing of the measures described in the topical sections of this report is provided by the Podravka Group from its own operational business.

The Podravka Group uses the option of exemption from disclosure of expected financial consequences of the estimated impacts, risks and opportunities and disclosure of the average number of training hours by gender (S1-13), in accordance with the "Quick fix" delegated regulation.



DOUBLE MATERIALITY ASSESSMENT RESULTS



ENVIRONMENTAL MATTERS (E)

ESRS E1 CLIMATE CHANGE

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Climate change mitigation			
In its business activities, the Podravka Group emits Scope 1 and 2 emissions, while almost 90% of emissions (Scope 3) arise from the value chain. Fossil fuels dominate the energy mix.	Actual negative impact	-	Own operations and value chain
The main activities of the Podravka Group are not energy-intensive by nature. Continuous investments are made in renewable energy sources. The agriculture segment owns biogas plants that produce heat and electricity from renewable sources.	Actual positive impact	-	Own operations
Sub-topic: Energy			
In the Podravka Group's energy mix, a significant share makes energy from fossil sources (natural gas, fuel oil, extra light heating oil).	Actual negative impact	-	Own operations
The company continuously invests in technological modernisation and energy efficiency in its business activities, as well as in increasing the share of renewable energy sources in the energy mix. Energy consumption in production is monitored and actively managed.	Actual positive impact	-	Own operations

The Podravka Group assessed scope 3 emissions for the first time for 2024, confirming the significance of emissions from the value chain in the double materiality process. With the acquisition of the Agri segment, value chain emissions continue dominating the structure of the Podravka Group's GHG emissions for 2025.

The positive impact on climate change mitigation stems from the Agri segment acquisition through the production and use of energy from renewable sources. The Agri segment, through the company Energija Gradec, owns five biogas plants that use biomass primarily

generated by Agri segment activities to produce energy from renewable sources, as explained in more detail in the sections *ESRS E1 Renewable energy sources and ESRS E5 Resource use and circular economy/Waste*.

A significantly positive impact from an energy perspective arises from all three business segments due to continuous investments in technological modernisation and energy efficiency in business activities, as well as in increasing the share of renewable energy sources in the energy mix, while energy consumption in production facilities is monitored and actively managed.



ESRS E3 WATER AND MARINE RESOURCES

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Water			
Sub-sub-topic: Water consumption			
Water resources are used in industrial and agricultural production (irrigation, livestock watering, incorporation into products, and water lost through evaporation in the technological process).	Actual negative impact	-	Own operations
Sub-sub-topic: Water withdrawals			
Water withdrawals from the public water supply system and own wells.	Actual negative impact	-	Own operations
Sub-sub-topic: Water discharges			
Wastewater treatment at our own treatment plants before discharge into the public drainage system. Regular analyses have so far not recorded any emissions above the legally prescribed limits.	Actual positive impact	-	Own operations

Under the Water and marine resources topic, materiality arises from water consumption, withdrawal, and discharge in the Podravka Group's business activities. The change in the assessment of water consumption and withdrawal impact from positive (DMA 2024) to negative (DMA 2025) results from the crop production and livestock farming activities of the Agri segment. The Agri segment consumes more water than the Food and Pharmaceuticals segments combined, primarily for irrigation of agricultural land and livestock watering.

Water is withdrawn for business activities from the public water supply system and from own wells; water consumption in production is continuously monitored and measures are taken for the most efficient operation

of machines and optimum water consumption. All wells used by the company are equipped with meters, and water consumption is controlled and recorded. Environmental impact studies, which are an integral part of the documentation required for obtaining permits for digging and using wells, confirm the negligible impact on renewable underground water supplies.

At production sites in Croatia and Slovenia, water is treated in wastewater treatment plants before being discharged into the public drainage system. The plants owned by the Podravka Group are regularly maintained. The wastewater meets all prescribed parameters and regular analyses have not recorded emissions of harmful substances into water above the legally prescribed limits.



ESRS E4 BIODIVERSITY AND ECOSYSTEMS

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Direct impact drivers of biodiversity loss			
Sub-sub-topic: Climate change			
Greenhouse gas emissions from own operations and the value chain (Scope 1, 2 and 3) negatively impact biodiversity.	Actual negative impact	-	Own operations and value chain
The main activities of the Podravka Group are not energy-intensive by nature. Continuous investments are made in renewable energy sources. The agriculture segment owns biogas plants that produce heat and electricity from renewable sources.	Actual positive impact	-	Own operations
Implementation of a sustainable and carbon-neutral agricultural production model.	Opportunity	Long term	Own operations
Sub-topic: Impacts and dependencies on ecosystem services			
The Podravka Group is primarily a producer of agricultural and food products, and raw material production significantly depends on ecosystem services.	Actual negative impact	-	Own operations and value chain
Increasing self-sufficiency through the production of primary raw materials from own and domestic sources while reducing dependence on the supply chain.	Opportunity	Long term	Own operations

The negative impact on biodiversity is represented by activities related to climate change, as explained in the topic ESRS E1. This impact also arises from the supply chain, since the Podravka Group purchases large quantities of agricultural and food products that it uses in its own production. Furthermore, with the acquisition of the Agri segment, the negative impact from FLAG emissions, i.e., emissions from crop production and livestock farming activities, also increases.

The positive impact on biodiversity from a climate change perspective arises from continuous investments in renewable energy and energy efficiency, as well as from Energija Gradec's activities through biogas plants that produce significant amounts of heat and electricity from renewable sources.

A study by the European Environment Agency from 2020 indicates negative trends in topics related to biodiversity, so the assumption is that all business entities from the EU contribute to this, including the Podravka Group.

In its own activities and through the supply chain, the Podravka Group uses the natural ecosystem services for its own production (fish resources, photosynthesis,

plant pollination, natural filtration of rainwater, etc.). In order to contribute to the preservation of the natural ecosystem, the principles of responsible agriculture are applied, which reduce the negative impact of agrotechnical operations on populations of beneficial insects, contribute to photosynthesis processes, enrich the soil and reduce its warming.

The material opportunities arising from the Podravka Group's overarching Business Strategy 2025–2030 are:

- Implementation of a sustainable and carbon-neutral agricultural production model, as carbon-neutral agriculture is part of the Agri segment Strategy 2025–2030 and a fundamental determinant of operations in the crop production activities.
- Increasing self-sufficiency through the production of primary raw materials from own and domestic sources while reducing dependence on the supply chain. In the Food segment, significant attention has been given in recent years to relationships with subcontractors to ensure vegetable production from Croatian fields. Additionally, the acquisition of the Agri segment creates opportunities for synergies in the area of crop and vegetable production needs.



ESRS E5 CIRCULAR ECONOMY

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Resource inflows, including resource use			
High share of recyclable packaging materials in all three business segments.	Actual positive impact	-	Own operations
Sub-topic: Resource outflows related to products and services			
Packaging is the only part of the product that can be recovered, a significant portion of which is recyclable.	Actual positive impact	-	Own operations
Sub-topic: Waste			
More than half of the waste is directed to recycling. Part of food waste is sold to customers who use it as input raw material in their operations.	Actual positive impact	-	Own operations

RESOURCE INFLOWS

The materiality of the impact stems from own activities of all three business segments based on the analysis of packaging material structure and the use of renewable energy. The company contributes to the circular economy in the segments where the nature of the core activities allows it. The Podravka Group uses significant amounts of input resources, the largest part of which relates to raw materials needed for the production of food products, agricultural products and pharmaceutical products that cannot come from recovery or recycling. Contribution to the circular economy can be achieved in the packaging segment. The share of recyclable packaging materials in the total purchases of the Food segment is around 89% (almost 90% in 2024), in the Agri segment 82%, and in the Pharmaceuticals segment 85% (compared to 67% in 2024)¹⁰.

RESOURCE OUTFLOWS

The life cycle of products in all three segments ends with the consumption of the final products by consumers and they cannot be recovered. Part of the product that is subject to recovery is the packaging, which is highly recyclable in all three business segments. The Food segment continuously conducts trials and tests the possibilities of using plastic packaging with a share of recycled content.

WASTE

In its operations, the Podravka Group generates waste, of which approximately 1.9% is recycled, while 97% of the total waste produced is sent for energy recovery. Of the total non-hazardous waste treated through energy recovery, 97.1% is directed to own biogas plants. The

¹⁰ The change results from a change in the calculation methodology, since previously the Pharmaceuticals segment data were based on the quantities of packaging placed on the market.



share of hazardous waste in 2025 in the total waste generated is 0.2%, compared to 1% in 2024. The change in waste structure and treatment methods in 2025 results from the acquisition of the Agri segment and the incomparability of Podravka Group data with 2024, as further explained in *ESRS E5 Circular economy/Waste*. The Podravka Group continuously works on reducing municipal waste, and a voluntary agreement has been signed with the Ministry of Agriculture on reducing food waste. Part of the food waste is sold to customers who use this waste as input raw material in their operations, thus contributing to the circular economy. The high share of recyclable packaging also contributes to reducing municipal waste in the downstream value chain (with consumers). The Food segment continuously works on raising consumer awareness of the importance of reducing food waste and on the proper sorting of packaging waste.

In the Agri segment, most of the waste from agricultural production is directed to Energija Gradec's biogas plants, which operate according to the circular economy principle through five biogas plants located next to their agricultural facilities (Belje, Vupik). The Mitrovac complex is particularly notable, where livestock, vegetable, and energy production are integrated – biogas is produced from by-products of the cow farm, and the resulting heat warms a greenhouse for hydroponic tomato production. A similar model is implemented in Gradec and Ovčara, where biogas plants next to pig farms produce electricity and heat, thereby closing the circular process. The by-product of the biogas plants, digestate, is further used in agriculture. This business model ensures energy stability and independence from market energy prices and the availability of input raw materials on the market.





SOCIAL MATTERS (S)

ESRS S1 OWN WORKFORCE

Assessment based on impacts, risks and opportunities from own operations

MATERIAL IMPACT/RISK/OPPORTUNITY (OWN OPERATIONS)	TYPE	TIME HORIZON
Sub-topic: Working conditions		
Sub-sub-topic: Secure employment		
Compliance of business processes with ISO 26000 Social Responsibility and OECD guidelines. Around 90% of employed workers are residents employed on a permanent basis.	Actual positive impact	-
Sub-sub-topic: Social dialogue		
Continuous social dialogue with the Workers' Council and unions.	Actual positive impact	-
Sub-sub-topic: Freedom of association, the existence of works councils and the information, consultation and participation rights of workers		
Full respect for freedom of association and the right of workers to information, consultation and participation in making important decisions. Continuous dialogue with workers' representatives and direct communication with the Management at regular workers' meetings.	Actual positive impact	-
Sub-sub-topic: Collective bargaining, including the rate of the undertaking's workforce covered by collective agreements		
Collective agreements cover all employees of companies in which collective agreements exist, regardless of their union membership.	Actual positive impact	-
Sub-sub-topic: Health and safety		
Employee health and safety management system introduced in all production companies.	Actual positive impact	-
Sub-topic: Equal treatment and opportunities for all		
Sub-sub-topic: Training and skills development		
Systematic investment in employee and management development.	Actual positive impact	-
Sub-sub-topic: Measures against violence and harassment in the workplace		
Zero tolerance rate for any form of violence, harassment and discrimination of employees in all countries where the Podravka Group operates (in accordance with the Code of Ethics in Business Operations of the Podravka Group).	Actual positive impact	-

As a result of the double materiality assessment review, the number of identified material impacts was reduced; specifically, the Sub-sub-topics Work-life balance, Gender equality and equal pay for work of equal value, Diversity and Privacy are no longer considered material for the Podravka Group.

The change in materiality of the above-mentioned sub-sub-topics results from an improved understanding of the impact, risk and opportunity assessment and evaluation process. Sub-sub-topics in which the positive impact primarily arises from regulatory requirements have been assessed as not material.

Identified material impacts for own workforce relate to all employees (the structure of own workforce is explained in ESRS S1). The Podravka Group has strategically opted for the full application of the principle of social responsibility and considers its employees to be its greatest asset. Business processes in Podravka Inc. as the parent company of the Group are aligned with the requirements of the ISO 26000 Social Responsibility standard and the OECD guidelines for corporate governance.

Social dialogue in the companies of the Podravka Group takes place in cooperation with workers' councils and trade unions. Consultation on the intention to make decisions important for the position of workers is carried out for all such decisions. Collective agreements cover all employees regardless of their membership in trade unions, and they regulate respect for working hours and enable a work-life balance beyond the rights stipulated by law. The positive impact on the own

workforce results from the continuous improvement of the material and non-material rights of employees, as well as working conditions in the past four years, which is the permanent subject to collective bargaining, and systematic investment in the development of employees and management. In the context of training and skills development, in addition to the possibility of attending one-day and multi-day seminars and various courses, employees may participate in professional conferences and events. There is also the possibility to pursue formal education programmes, undertake professional traineeships, and attend foreign language courses, in line with business needs and employees' potential.

Great attention is paid to compliance with the Podravka Group's Code of Ethics in Business Operations, which prohibits any form of discrimination and harassment in the workplace and strictly prohibits the employment of children and forced/inhumane labour. The analysis of supplier materiality identified suppliers of the Pharmaceuticals segment from countries (China and India) where there is an increased risk of forced/child labour, but regular audits at supplier locations have not identified such cases.

Given that the Podravka Group is engaged in production activities, an occupational health and safety management system has been introduced in all production companies, which includes safety and preventive measures and health surveillance measures. A commitment to a safe working environment is also embedded in the Podravka Group's Code of Ethics in Business Operations.



ESRS S2 WORKERS IN THE VALUE CHAIN

Assessment based on impacts, risks and opportunities from the value chain

MATERIAL IMPACT/RISK/OPPORTUNITY (VALUE CHAIN)	TYPE	TIME HORIZON	SUB-SUB-TOPIC
Sub-topics: Working conditions, Equal treatment and opportunities for all, Other work-related rights			
The Podravka Group's Supplier Code of Conduct requires suppliers to operate in accordance with the principles of social responsibility and to respect human rights and workers' rights (OECD).	Potential positive impact	Medium term	Working time, Adequate wages, Freedom of association, Health and safety, Gender equality and equal pay for work of equal value, Measures against violence and harassment in the workplace, Child labour, Forced labour

The estimated impact on workers in the value chain is based on the materiality analysis of suppliers (50% largest suppliers in each procurement category) and of customers (who make 50% of total revenues) for each business segment (Food, Pharmaceuticals and Agri).

A positive impact is assumed, as the materiality analyses indicate that the Podravka Group's suppliers and customers are predominantly located within the EU. Therefore, compliance with the principles of

social responsibility (OECD) is presumed in their own operations. Significant suppliers of strategic raw materials from third countries are established manufacturers cooperating with all global pharmaceutical companies and are subject to regular inspections by competent regulatory authorities.

A potentially positive impact is assumed, given that the due diligence process related to the Supplier Code of Conduct has not yet been established.

ESRS S3 AFFECTED COMMUNITIES

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Contribution to community development (specific topic)			
Under the Podravka Group's Business Sustainability Strategy, social responsibility is defined as one of the key strategic pillars, and related strategic KPIs have been established.	Actual positive impact	-	Own operations

Positive impact on affected communities implies a relationship with the local community in which the Podravka Group operates, cooperation with associations, sports clubs, educational, health and

cultural institutions, and the professional and academic community. Positive impacts are achieved through support for all of these partners through sponsorships, donations and development projects.



ESRS S4 CONSUMERS AND END-USERS

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Information-related impacts for consumers and/or end-users			
Sub-sub-topic: Privacy			
Respect for consumer privacy through an established personal data protection and information security system.	Actual positive impact	-	Own operations
Risk of information security breach and data loss resulting from a cyberattack on the system.	Risk	Long term	Own operations
Sub-sub-topic: Freedom of expression			
Direct communication with consumers through numerous communication channels.	Stvarno pozitivan učinak	-	Own operations
Sub-sub-topic: Access to (quality) information			
Consumers are given access to all relevant information about the use of the Group's products.	Stvarno pozitivan učinak	-	Own operations
Risk of changes in consumer habits and behaviour.	Rizik	Medium term	Own operations
Sub-topic: Personal safety of consumers and/or end-users			
Sub-sub-topic: Health and safety of consumers			
<p>The production of the Food segment is certified according to the leading food safety standards IFS Food and BRCGS Food Safety.</p> <p>The Pharmaceuticals segment guarantees the safety and quality of its products with EU GMP certificates.</p> <p>The Agri segment is certified according to the IFS Food standard and GLOBALG.A.P. in crop production.</p>	Actual positive impact	-	Own operations
Sub-topic: Social inclusion of consumers and/or end-users			
Sub-sub-topic: Non-discrimination			
With its wide portfolio of food and pharmaceutical products, the Podravka Group excludes the possibility of customer discrimination, since the products are intended for all customers, regardless of gender, age, religious affiliation or nationality.	Actual positive impact	-	Own operations
Sub-sub-topic: Access to products and services			
<p>Food products available to consumers in stores, mainly large retail chains, in many locations.</p> <p>Pharmaceutical products available to all consumers through pharmacies and health institutions in markets where pharmaceutical products are sold.</p>	Actual positive impact	-	Own operations
Sub-sub-topic: Responsible marketing practices			
Clear and unambiguous messages that are communicated to consumers of food products, which are based on the functional characteristics of products or result from market research on the perception of brands, products, etc.	Actual positive impact	-	Own operations



The estimated positive impacts on consumers are linked to the strategic commitment of the Podravka Group, according to which health safety and quality of products represent the most important priority. Compared to 2024, the 2025 double materiality review addresses the protection of children's health as consumers through the material sub-sub-topics Health and safety of consumers, and Responsible marketing practices.

The production of the Food segment is certified according to the leading food safety standards *IFS Food (International Featured Standard-Food)* and *BRCGS¹¹ Food Safety*, which confirm the safety of the company's products. The leading food industry standards according to which the Food segment operates are built on a management system in accordance with the ISO 9001 standard. Health safety is confirmed by strict controls, assessments of suppliers and input raw materials. The production of baby food has a higher standard in production compared to adult food (certificates, regulations) in terms of raw materials, production conditions and packaging.

The Food Segment has introduced a food safety system based on HACCP¹² principles in all factories and for all stages of production, processing and distribution, and a Food Safety and Quality System Policy focused on consumer health and safety. In order for the business process management system to be effective, potential risks are proactively considered and a culture of preventive action and improvement of the management system has been established. By introducing the supply chain safety system, Podravka has committed to the application of the Threat assessment (*Food Defence*) and input material Vulnerability Assessment (*Food Fraud*) methodologies.

The Agri segment ensures consumer health and safety through the application of recognised standards, regular quality controls, and continuous monitoring of production processes. In the food industry, the IFS Food standard is implemented, providing a systematic approach to food safety management – including HACCP risk analysis, strict hygiene protocols, and regular internal and external inspections. In the crop production

sector, the GLOBALG.A.P. standard is applied, ensuring traceability and responsible use of plant protection products while safeguarding the environment and the safety of the final product. All processes are based on a quality management system according to ISO 9001, ensuring structured and effective management focused on continuous improvement and regulatory compliance. Food safety is monitored through microbiological and chemical analyses of raw materials, semi-finished, and finished products, including residue and water testing. Products are properly labelled, with clearly indicated ingredients and potential allergens, in line with applicable regulations. Additionally, threat assessment (*Food Defence*) and vulnerability assessment (*Food Fraud*) systems are applied to proactively manage the risks of fraud and contamination within the supply chain.

The Pharmaceuticals segment guarantees the safety and quality of its products with EU GMP¹³ certificates. They confirm that the quality system implemented by the company complies with the standards applicable to the EU. The company also holds a GMP certificate for Russia and a GMP certificate for Ukraine. To ensure health safety and product safety, tests are carried out, and the drug is only placed on the market when it fully meets the regulatory quality requirements set during its registration. Quality control of the drug and its compliance with the requirements is carried out throughout the drug's life cycle. The pharmaceutical segment applies equal quality and safety standards to all its products, including those used by children. Child-resistant packaging solutions are used for products to which this is applicable, and all other products, in accordance with regulations, contain a warning and recommendation on proper storage of pharmaceutical products to prevent improper and independent use of pharmaceutical products by children.

The HACCP system is being introduced in the production of food supplements. The Pharmaceuticals segment has an established pharmacovigilance system that ensures that monitoring the safety of drug use, gathering and reporting suspected drug side effects to regulatory authorities are carried out in accordance with applicable

¹¹ *British Retail Consortium Global Standard*

¹² *Hazard Analysis and Critical Control Point*

¹³ *Good Manufacturer Practices*



EU requirements and regulations of the countries in which the company has a marketing authorisation for the drug.

The Podravka Group has an equal approach to all consumers within each business segment and takes measures to ensure the security of consumer personal data, equal availability of important information and access to communication channels. In the marketing activities of the Food segment, internal procedures prescribe the method of communication with consumers. The Agri segment bases its communication with consumers on the principles of transparency, respect, and responsibility. Communication with end users of the Pharmaceuticals segment is in accordance with and regulated by the Ordinance on the Manner of Advertising Medicinal Products, which implies that communication about pharmaceutical products to children is strictly prohibited by relevant regulations.

The risk of cyberattacks is associated with increasingly sophisticated attempts at malicious breaches to which all business entities are exposed and requires increased activities to train and inform employees about information security rules. Therefore, investing in technical solutions to protect the Podravka Group's information system and investing in employee training on the importance of information security and the protection of personal data of employees, customers and consumers has been recognised as an area of significant focus.

The risk of changes in consumer behaviour and preferences is identified as significant for food products. Therefore, two-way communication with consumers and monitoring market trends form the basis for the continuous development of new and innovative products aligned with consumer preferences.

ESRS G1 BUSINESS CONDUCT

MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Corporate culture			
OECD principles of corporate governance and the <i>UN Global Compact</i> integrated into internal codes, regulations and policies. Information security is an important segment of corporate culture; ISO 27001 certificate obtained.	Actual positive impact	-	Own operations
Cyberattacks on the information system and data loss.	Risk	Medium term	Own operations
Sub-topic: Protection of whistle-blowers			
Whistleblower protection is guaranteed to all employees who report business irregularities.	Actual positive impact	-	Own operations
Sub-topic: Management of relationships with suppliers			
Strategic procurement management and digitisation of the procurement function. Treasury policy that ensures the standardisation of business processes related to payments to suppliers.	Actual positive impact	-	Own operations



MATERIAL IMPACT/RISK/OPPORTUNITY	TYPE	TIME HORIZON	CONCENTRATION
Sub-topic: Corruption and bribery			
Sub-sub-topic: Prevention and detection of corruption and bribery including training			
The Podravka Group applies the Code of Ethics and the Conflict of Interest Management Policy, which clearly define the principles of conduct and unacceptable activities.	Actual positive impact	-	Own operations
Sub-sub-topic: Incidents			
No incidents (irregularities) related to corruption and bribery, which would result in legal proceedings or material damage, were recorded.	Actual positive impact	-	Own operations

The materiality of topics related to business conduct arises from the size, structure and distribution of the Podravka Group system. The parent company Podravka Inc. is an issuer on the prime market of the Zagreb Stock Exchange and as such is committed to the highest level of transparency towards external stakeholders, primarily investors, i.e., owners.

The Podravka Group supports and applies the principles of numerous external initiatives in its operations, of which the Corporate Governance Code of HANFA and ZSE, as well as the OECD guidelines for corporate governance, have the greatest impact on corporate governance. The principles of corporate governance and the guidelines of the *UN Global Compact* have been integrated by the company through internal codes, regulations and policies. Podravka Inc. is among the first issuers of the ZSE regulated market that accepted the Corporate Governance Code of HANFA and ZSE. Podravka Inc. as the parent company determines the rules and principles

of business conduct, and all other companies within the Podravka Group are obliged to apply the same rules and principles in their business activities.

Good corporate governance is one of the fundamental pillars of the Business Sustainability Strategy, which has led the Group to implement corporate governance standards that go beyond the legal requirements. This includes transparent and regular communication with investors, which the Management Board of Podravka Inc. achieves through the annual investor conference, as well as the implementation of the social responsibility principles throughout the supply chain (explained in *ESRS G1*).

Material risk is associated with possible deviations or insufficient attention by employees in the application of rules related to information security, the use of acceptable software tools or the transfer of knowledge.



CLIMATE RISKS AND STRATEGY RESILIENCE ANALYSIS

The Podravka Group has conducted a strategy resilience analysis as required by the reporting standard, and the basis for assessing the resilience of the strategy is the Podravka Group's Climate risk analysis.

CLIMATE RISKS

In 2025, following the acquisition of the Agri segment, the Podravka Group conducted, as part of the double materiality review, an analysis of physical and transition climate risks covering all three business segments. The analysis was based on climate-related risks identified and assessed by the organisation in the ERM. The assessment covered production companies (by operating location), the impact of physical climate risks on owned tangible

assets and own agricultural production, and the impact of transition climate risks on the Podravka Group's operations. The climate risk assessment was prepared in accordance with the requirements of ESRS 2 IRO-1, including AR 11.d) Classification of climate-related hazards and AR 12.d) Examples of climate-related transition events, with a partial deviation related to the application of the climate scenario, as explained in the following text.

THE ANALYSIS INCLUDED THE FOLLOWING RELEVANT RISKS:

RISK DESCRIPTION	
Physical climate risks	Transition climate risks
Increased frequency and intensity of wildfires, leading to operational disruptions and damage to assets	Changes in energy demand and regulatory policies, leading to increased energy costs
Increased frequency and intensity of extreme winds, causing operational disturbances and damage to assets	Rising costs and limited availability of key raw materials, resulting in higher expenses
Impact of severe storms (lightning, rain, and hail)	Impact of regulation of existing products and services, and increased obligations for GHG emissions reporting
Increased frequency and severity of riverine floods, resulting in operational interruptions and damage to assets	Unsuccessful investments in new technologies
Increased frequency and severity of coastal floods, causing operational disruptions and damage to assets	Market signal uncertainty
Changes in climate patterns ¹⁴ , leading to reduced crop yields	Changes in consumer preferences
Changes in climate patterns resulting in altered energy consumption	Increased stakeholder concern or negative feedback (Reputational risk)

¹⁴ Climate patterns include changes in temperature (heat stress), precipitation patterns (droughts, heavy rainfall, frost), and the frequency of extreme weather events.



For the climate risk assessment, a tool was used that applies three climate models from the Intergovernmental Panel on Climate Change (IPCC)¹⁵.

1. SSP126 Sustainability – “Taking the Green Road” which assumes a prioritisation of sustainability, international cooperation, and energy transition, keeping global warming below 2 °C,
2. SSP245 “Middle of the Road”, which assumes global temperature rise of around 2.5-3 °C by 2100, with gradual reduction of fossil fuel use and an insufficiently rapid transition from fossil fuel to renewable energy sources,
3. SSP585 Fossil-fuelled development (“Taking the Highway”), which assumes high economic growth based on fossil fuel use, decarbonisation is not a priority, and global temperature rise exceeds 4°C by 2100.

The described scenarios reflect the latest scientific knowledge on climate and provide a solid basis for assessing physical and transition risks. The analysis included both financial and non-financial data of the Podravka Group¹⁶, such as the value of tangible assets (balance sheet), revenues, raw material costs, energy costs, employee costs, and geographic coordinates of assets, based on which the potential “value at risk” (VaR¹⁷) was calculated on a gross basis¹⁸.

The physical climate risk analysis covered the impact of risks on own operations, while the transition risk analysis also considered impacts across the value chain. Multiple climate models were used for the physical risk analysis to capture the widest possible range of available and relevant data for each time horizon. This approach allows

for a more precise calculation of the value at risk for each risk and a better understanding of potential risks.

Transition climate risks were primarily analysed qualitatively based on publicly available information, taking into account the assumptions of each climate scenario, except for the risks “Changes in energy demand and regulatory policies” and “Rising costs and limited availability of raw materials,” which were quantified. This approach is considered more appropriate due to the lack of precise and reliable models to quantify the financial impact of each transition risk. The analysis considered impacts on own operations and the value chain, focusing on potential disruptions and price fluctuations in the supply chain. The qualitative analysis approach was selected due to the absence of clear and accurate climate models for transition risks:

- Impact of regulation of existing products and services, and increased obligations for GHG emissions reporting,
- Unsuccessful investments in new technologies,
- Market signal uncertainty,
- Changes in consumer preferences,
- Increased stakeholder concern or negative feedback (Reputational risk).

Although ESRS 2 IRO-1 requires a climate risk analysis based on a 1.5 °C global warming scenario (SSP119) by 2050, this scenario was not used, as the current level of global warming has already exceeded 1.5 °C. Instead, SSP126 was applied, as it is assumed to provide more detailed results due to the greater number of models simultaneously used in the assessment compared with SSP119.

¹⁵ Climate scenarios are frameworks used to explore potential future climate conditions based on varying levels of greenhouse gas (GHG) emissions, socioeconomic development, and mitigation actions. These scenarios support policymakers, companies, and researchers in assessing climate-related risks and strategic planning. The Intergovernmental Panel on Climate Change (IPCC) relies on two key frameworks: Representative Concentration Pathways (RCPs), which focus on different levels of radiative forcing (the warming effect of GHGs), and Shared Socioeconomic Pathways (SSPs), which outline potential global development trajectories that influence emissions and climate resilience. SSPs complement RCPs by describing how global societies, economies, and policies may evolve in ways that affect mitigation and adaptation efforts. SSPs range from sustainability-oriented, low-emission futures to high-emission growth driven by fossil fuel use. Each SSP considers factors such as economic development, population growth, technological progress, and international cooperation. When combined with RCPs, SSPs provide a comprehensive view of future climate and socioeconomic conditions, enabling companies and governments to prepare for both physical and transition climate risks.

¹⁶ The analysis was conducted based on quantitative data from the Food and Pharmaceuticals segments for 2024, and for the Agri segment based on actual data for the period January-August 2025 and the pro forma financial plan for the period September-December 2025.

¹⁷ VaR – Value at Risk

¹⁸ In the calculation of climate risks, the activities undertaken by the Podravka Group aimed at risk mitigation were not considered.



Climate risk assessments were conducted for ten-year periods:

- Short term (2025-2034)
- Medium term (2035-2044)
- Long term (2045-2054)

The analysis determined the potential financial losses for each risk across all three climate scenarios and periods. The materiality of each climate risk was assessed by considering the maximum financial impact (regardless of period or scenario) in the context of its effect on Podravka Group's profitability (EBIT). All climate risks considered were assessed as not material.

The periods for the climate risk analysis are not currently linked to the expected useful life of Podravka Group assets, strategic planning, or capital allocation plans. They were set in ten-year intervals to ensure a consistent approach to climate risk assessment over time, taking into account long-term trends while minimising the impact of short-term fluctuations on the analysis results.

The climate risk assessment is an integral part of the double materiality assessment, meaning the climate risk analysis is reviewed alongside the double materiality assessment (every five years). This ensures alignment between monitoring the impact of climate risks on the Podravka Group's operations and the timing of the Podravka Group's overarching Business Strategy preparation.

RESILIENCE ANALYSIS OF THE PODRAVKA GROUP BUSINESS STRATEGY

The analysis of business strategy resilience was based on the climate risk assessment results (as described in the Climate risks section) and included all considered climate risks, even though all were assessed as not material. Areas of uncertainty relate to climate risks

analysed qualitatively, due to the lack of relevant climate models for certain transition risks, as explained in the Climate risks section.

The assessment considered all activities and measures implemented by the Podravka Group across all three business segments aimed at mitigating individual risks or reducing the intensity of each risk's impact on business strategy and financial planning.

Based on the results of the scenario-based analysis and considering all risk mitigation activities and measures conducted or continuously implemented by the Podravka Group for each identified climate risk, it is concluded that the Podravka Group's operations are resilient to all key climate risks within each considered climate scenario (SSP) and across all analysed time periods.

OVERVIEW OF KEY POLICIES AND DOCUMENTS FOR MANAGING SUSTAINABILITY FACTORS

In its operations, the Podravka Group has a developed management system based on defined processes, procedures and work instructions. Individual topics are covered by policies, regulations and codes. All documents of affiliated companies are approved by their Management Boards, while documents aimed at the Podravka Group are adopted by the Management Board of Podravka Inc. To increase business efficiency and consistent application of corporate governance rules established by the Management Board of Podravka Inc., corporate business processes are aligned with those of Podravka Inc. as the parent company.

During 2025, there were no significant changes in the key policies and documents related to sustainability factors management.

An overview of key policies and documents for managing sustainability factors can be found in the table below.



ESRS 2

POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Process of Preparing the Sustainability Statement of the Podravka Group	internal document	Yes	Podravka Group	
Stakeholder Relations of the Podravka Group	internal document	Yes	Podravka Group	

SUSTAINABILITY FACTOR: ENVIRONMENT (E)

SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Environment	Climate change E1	Climate change mitigation		Environmental Protection Policy	publicly available	Yes	Podravka Group	
				Energy Management Policy	internal document	Yes	Podravka Inc.	ISO 50001
				Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.	
				Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001
				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd.	
		Energy		Environmental Protection Policy	publicly available	Yes	Podravka Group	
				Energy Management Policy	internal document	Yes	Podravka Inc.	ISO 50001
				Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.	
				Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001
				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd.	



SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS	
Environment	Water and marine resources E3	Water	Water consumption, Water withdrawals and Water discharges	Environmental Protection Policy	publicly available	Yes	Podravka Group		
				Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.		
				Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001	
				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd.		
	Biodiversity and ecosystems E4	Direct impact drivers of biodiversity loss	Climate change	Climate Change Adaptation Plan	internal document	Yes	Podravka Group	IPCC methodology	
				Environmental Protection Policy	publicly available	Yes	Podravka Group		
				Energy Management Policy	internal document	Yes	Podravka Inc.	ISO 50001	
				Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.		
				Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001	
				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd.		
		Impacts and dependencies on ecosystem services			Environmental Protection Policy	publicly available	Yes	Podravka Group	
					Biodiversity Plan	internal document	Yes	Belje plus Ltd.	
					Management Plan and Biodiversity in Agricultural Production	internal document	Yes	PIK-Vinkovci plus Ltd.	
					Biodiversity Plan	internal document	Yes	Vupik plus Ltd.	

SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS		
Environment	Circular economy E5	Resources inflows, including resource use		Environmental Protection Policy	publicly available	Yes	Podravka Group			
				Energy Management Policy	internal document	Yes	Podravka Inc.	ISO 50001		
				Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.			
				Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001		
		Resource outflows related to products and services				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd .	
						Environmental Protection Policy	publicly available	Yes	Podravka Group	
						Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.	
						Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001
		Waste				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd.	
						Environmental Protection Policy	publicly available	Yes	Podravka Group	
						Environment and Energy Management Policy	publicly available	Yes	Belje plus Ltd.	
						Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001, ISO 50001



SUSTAINABILITY FACTOR: SOCIAL RESPONSIBILITY (S)

SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Social responsibility	Own workforce S1	Working conditions	Secure employment	Human Resources Management policy and guidelines	internal document	Yes	Podravka Group	
				Collective agreements	internal document	Yes	Podravka Inc., Belupo Inc., Mirna Inc. (separate Collective agreement), Žito Group (separate Collective agreement), Belje plus Ltd.	
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
			Social dialogue	Human Resources Management policy and guidelines	internal document	Yes	Podravka Group	
				Collective agreements	internal document	Yes	Podravka Inc., Belupo Inc., Mirna Inc. (separate Collective agreement), Žito Group (separate Collective agreement), Belje plus Ltd.	
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
		Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	Collective agreements	internal document	Yes	Podravka Inc., Belupo Inc., Mirna Inc. (separate Collective agreement), Žito Group (separate Collective agreement), Belje plus Ltd.		
			Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights	



SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Social responsibility	Own workforce S1	Working conditions	Collective bargaining, including the rate of the undertaking's workforce covered by collective agreements	Collective agreements	internal document	Yes	Podravka Inc., Belupo Inc., Mirna Inc. (separate Collective agreement), Žito Group (separate Collective agreement), Belje plus Ltd.	
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
			Health and safety	Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Occupational Health and Safety Policy	publicly available	Yes	Podravka Inc.	ISO 45001
				Occupational Health and Safety Management Policy	publicly available	Yes	Belje plus Ltd.	ISO 45001
				Environment, Energy Efficiency, Health and Safety Management Policy	publicly available	Yes	PIK-Vinkovci plus Ltd.	ISO 14001
				Implemented Standards Integrated Policy	publicly available	Yes	Vupik plus Ltd.	
			Training and skills development	Human Resources Management policy and guidelines	internal document	Yes	Podravka Group	
				Collective agreements	internal document	Yes	Podravka Inc., Belupo Inc., Mirna Inc. (separate Collective agreement), Žito Group (separate Collective agreement), Belje plus Ltd.	

SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Social responsibility	Own workforce S1	Working conditions	Measures against violence and harassment in the workplace	Podravka Group Code of Ethics in Business Operations	publicly available	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
	Workers in the value chain S2	Working conditions, Equal treatment and opportunities for all, Other work-related rights	Working time, Adequate wages, Freedom of association, Health and safety, Gender equality and equal pay for work of equal value, Measures against violence and harassment in the workplace, Child labour, Forced labour	Podravka Group Code of Ethics in Business Operations	publicly available	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Social Responsibility Policy	public document	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Supplier Code of Conduct	publicly available	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
	Affected communities S3	Communities' economic, social and cultural rights	Contribution to community development (specific topic)	Podravka Group Code of Ethics in Business Operations	publicly available	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Rulebook on Donations and Sponsorships	internal document	Yes	Belupo Inc.	
				Communication Strategy	internal document	Yes	Podravka Inc.	



SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Social responsibility	Consumers and end-users S4	Information-related impacts for consumers and/or end-users	Privacy	Personal Data Protection Policy	publicly available	Yes	Podravka Group	
				Information Security Policy	internal document	Yes	Podravka Group	ISO 27001
			Freedom of expression	Inquiries and complaints management	internal document	Yes	Food and Agri segments	
				Social media playbook	internal document	No	Food and Agri segments	
			Access to (quality) information	Social media playbook	internal document	No	Food and Agri segments	
		Personal safety of consumers and/or end-users	Health and safety	Food Safety and Quality Management	publicly available	Yes	Podravka Inc.	ISO 9001, BRC, IFS
				Food safety and quality system policy	public document	Yes	Žito Ltd.	ISO 9001, BRC, IFS
				Food Safety and Quality Policy	public document	Yes	Belje plus Ltd., PIK-Vinkovci plus Ltd.	ISO 9001, Global GAP, IFS
				Podravka Group Nutritional Strategy	publicly available	Yes	Food segment	EU "Farm to Fork" strategy
				Guidelines on encouraging sustainable nutrition	internal document	No	Food segment	
				Recalls and withdrawals	internal document	Yes	Podravka Inc., Belje plus Ltd., PIK-Vinkovci Ltd., Vupik plus Ltd.	BRC, IFS
				Supply Chain Safety	internal document	Yes	Food segment	U.S. CTPAT (Customs Trade Partnership Against Terrorism) criteria and EU AEO (Authorised Economic Operators)
				Criteria for responsible nutritional marketing	internal document	No	Food segment	
Belupo Statement of Quality	internal document	Yes	Pharmaceuticals segment	GXP practices, ISO 9001, ISO 13485				



SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Social responsibility	Consumers and end-users S4	Social inclusion of consumers and/or end-users	Non-discrimination, Access to products and services, Responsible marketing practices	Podravka Group Nutritional Strategy	publicly available	Yes	Food segment	EU "Farm to Fork" strategy
				Criteria for responsible nutritional marketing	internal document	No	Food segment	
				Social media playbook	internal document	No	Food and Agri segments	

SUSTAINABILITY FACTOR: CORPORATE GOVERNANCE (G)

SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Corporate governance	Business conduct G1	Corporate culture		Podravka Group Code of Ethics in Business Operations	publicly available	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Information Security Policy	internal document	Yes	Podravka Group	ISO 27001
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights



SUSTAINABILITY MATTER	MATERIAL TOPIC	MATERIAL SUB-TOPIC	MATERIAL SUB-SUB-TOPIC	POLICY/DOCUMENT	AVAILABILITY	APPROVED BY MANAGEMENT BOARD	AREA OF APPLICATION	REFERENCE TO RELEVANT STANDARDS
Corporate governance	Business conduct G 1	Protection of whistle-blowers		Podravka Group Code of Ethics in Business Operations	publicly available	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Social Responsibility Policy	public document	Yes	Podravka Group	ISO 26000, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Rulebook on the procedure for internal reporting of irregularities and the appointment of a confidential person	publicly available	Yes	Podravka Inc., Belje plus Ltd., PIK-Vinkovci plus Ltd., Vupik plus Ltd.	
		Management of relationships with suppliers including payment practices		Supplier Code of Conduct	publicly available	Yes	Podravka Group	
				Podravka Group Procurement Process Management Policy	internal document	Yes	Podravka Group	
				Conflict of interest management policy	internal document	Yes	Podravka Group	
				Treasury Policy	internal document	Yes	Podravka Group	
		Corruption and bribery	Prevention and detection including training, Incidents	Podravka Group Code of Ethics in Business Operations	publicly available	Yes	Podravka Group	OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights
				Conflict of interest management policy	internal document	Yes	Podravka Group	
				Rulebook on the procedure for internal reporting of irregularities and the appointment of a confidential person	publicly available	Yes	Podravka Inc., Belje plus Ltd., PIK-Vinkovci plus Ltd., Vupik plus Ltd.	





Environmental impact of business (CRITERION „E”)

REPORT ON THE REQUIREMENTS OF THE TAXONOMY REGULATION

In accordance with the Delegated Act¹⁹ on Disclosures and Technical Screening Criteria for all six Environmental Objectives (Delegated Acts²⁰), the Report on the requirements of the Taxonomy Regulation for 2025 covers all environmental objectives:

- Climate Change Mitigation (CCM),
- Climate Change Adaptation (CCA),
- Sustainable Use and Protection of Water and Marine Resources (WTR)
- Transition to a Circular Economy (CE)
- Pollution Prevention and Control (PPC)
- Protection and Restoration of Biodiversity and Ecosystems (BIO)

In the Report on the requirements of the Taxonomy Regulation for 2025, the amendments and simplifications introduced by Commission Delegated Regulation (EU) 2026/73 have been applied.

As of February 2025, the Podravka Group operates through three business segments – Food, Pharmaceuticals and Agri. The activities of the Food segment are not taxonomy-eligible, but certain revenues, capital expenditure and operating expenditure can be linked to taxonomy-eligible activities as described in the Delegated Act on Disclosures.

The main activity of the Pharmaceuticals segment, the production of pharmaceuticals, is a taxonomy-eligible activity in the environmental objective Pollution Prevention and Control (PPC). The pharmaceuticals production activity has been analysed according to the technical screening criteria specified in the Delegated Act for the Pollution Prevention and Control objective, as well as the “Do No Significant Harm” criteria for the

remaining environmental objectives. Given the scope and complexity of the technical screening criteria, there is currently no compliance.

The Agri segment comprises seven companies, of which the activities of Energija Gradec are taxonomy-eligible under the environmental objective Climate Change Mitigation (CCM). Through the process of anaerobic digestion of biomass, Energija Gradec produces biogas, which it used as an input fuel for the generation of electricity. The taxonomy-eligible activities of Energija Gradec are Cogeneration of heat/cool and power from bioenergy, and Production of heat/cool using waste heat. Both activities were assessed in accordance with the technical screening criteria set out in the Delegated Act for the objective of Climate Change Mitigation, as well as against the “Do No Significant Harm” criteria for the remaining environmental objectives. The substantial contribution criterion is met for both activities; however, the “Do No Significant Harm” criterion for the objective Climate Change Adaptation is not met, as the activities do not comply with the requirements set out in Appendix A of the Climate Delegated Act. Furthermore, the activity Cogeneration of heat/cool and power from bioenergy only partially meets the “Do No Significant Harm” criterion for the environmental objective Pollution Prevention and Control (PPC).

The preparation of this report requires a multidisciplinary approach. Coordination, data collection and calculation of key performance indicators were carried out by the Strategic Business Development sector with the help of employees from the entire Podravka Group system, especially the production companies. In the Pharmaceuticals segment, the engagement was led by representatives of the Pharmaceuticals entities, given

¹⁹ (EU) 2021/2178

²⁰ (EU) 2021/2139 and (EU) 2023/2486



that the production of medicines is a taxonomy-eligible activity. In the Food segment, emphasis is placed on the involvement of production companies in the preparation of the report, while at the level of Podravka Inc., a great deal of engagement comes from the Accounting sector, the Controlling sector, the Human Resources sector and all employees who participate in the planning and implementation of capital expenditure. In the Agri segment, the finance departments (Accounting and Controlling) of all companies were involved, as well as all employees who participate in the planning and implementation of capital expenditure.

The report was prepared on a consolidated basis and includes all companies of the Podravka Group. The Agri segment is included in the same scope as in financial consolidation, i.e. for the period from February to December 2025. During the process of calculating the taxonomy key performance indicators (KPIs), care was taken to ensure that each item was included in the calculation of only one KPI in order to avoid double counting. For the calculation of the KPI revenue, consolidated external sales revenues of the Podravka Group were analysed, while intragroup sales were not considered. For the calculation of the KPI CAPEX, expenditures recorded as investments were considered, while for the calculation of the KPI OPEX, expenditures that are kept on expense accounts according to accounting policies were considered. Also, if some revenue or expenditure is eligible for several taxonomy activities, it was considered only within one taxonomy activity, which was assessed to be the most suitable by nature to the technical criteria of that activity and the environmental objective.

In accordance with the amendments introduced by Commission Delegated Regulation (EU) 2026/73, in 2025 an assessment of the materiality of KPI OPEX for the Podravka Group's business model was carried, including all three business segments. The share of the KPI OPEX denominator in the total operating expenses of the Podravka Group amounted to 3.6% in 2025, and 3.5% in 2024. Taxonomy OPEX is not relevant to the Podravka Group's business model when considering the cost structure and the fact that the business model is focused on capital expenditures and strict control of operating expenses. Specifically, all expenses of the Podravka Group

that generate long-term benefits and create new value for the business system are materialized and recognised as capital expenditures (CAPEX). The emphasis on capital expenditures rather than operating expenses is also aligned with the priorities and focus of investors/owners and banks. The analysis concluded that KPI OPEX is immaterial from the perspective of the business model. Accordingly, and in line with Delegated Regulation (EU) 2026/73, the analysis of taxonomy eligibility and alignment of operating expenses has been omitted. The total KPI OPEX denominator amounted to EUR 34.2m in 2025, compared to EUR 24.0m in 2024.

The analysis of revenue and expenditure by activity was carried out in accordance with the provisions of the Delegated Act on Disclosures and Delegated Acts prescribing technical screening criteria. The analysis of capital expenditures of the Food and Pharmaceuticals segments was made based on CAPEX, which is stated in accordance with the Group's accounting policies, and which, in accordance with the Delegated Acts, can be linked to taxonomy-eligible activities. An assessment of the alignment of capital expenditures was carried out, and alignment with the Substantial Contribution and "Do No Significant Harm" criteria was established for only one investment, relating to the activity Installation, maintenance and repair of renewable energy technologies under the environmental objective Climate Change Mitigation (CCM). All other investments were determined to be non-aligned. In addition, all taxonomy-eligible revenues were assessed as non-aligned.

For companies within the Agri segment (except Energija Gradec), assessment of taxonomy alignment was not performed, as the Agri segment companies neither have their own nor are they included in the existing Climate Change Adaptation Plan of the Podravka Group, and without such a plan, taxonomy alignment cannot be achieved. The Agri segment was determined to be non-aligned with respect to both KPI Revenues and KPI CAPEX.

An analysis of alignment with Minimum Safeguards criteria was carried out. The Podravka Group's operations are aligned with the UN Guiding Principles on Business and Human Rights, as well as the OECD Guidelines for Multinational Enterprises.



NOTE: Decimal differences are possible due to rounding

PROPORTION OF TURNOVER, CAPEX, OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ELIGIBLE OR TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2025 (SUMMARY KPIS)

FINANCIAL YEAR 2025.					BREAKDOWN BY ENVIRONMENTAL OBJECTIVES OF TAXONOMY-ALIGNED ACTIVITIES										
KPI (1)	Total (2)	Proportion of Taxonomy-eligible activities (3)	Taxonomy-aligned activities (4)	Proportion of Taxonomy-aligned activities (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy-aligned activities in previous financial year (N-1) (5)	Proportion of Taxonomy-aligned activities in previous financial year (N-1) (16)
Podravka Group	EUR	%	EUR	%	%	%	%	%	%	%	%	%	%	EUR	%
Turnover	1,016,641,957.4	15.6%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	0.0%	0.0	0.0%
CapEX	402,860,492.1	41.0%	366,508.4	0.09%	0.09%	0.0%	0.0%	0.0%	0.0%	0.0%	0.09%	n/a	0.0%	0.0	0.0%
OpEX	34,235,467.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a



1. KEY PERFORMANCE INDICATOR RELATED TO TURNOVER (KPI TURNOVER)

In 2025, the Podravka Group achieved operating revenues²¹ in the amount of EUR 1,107.9m, of which EUR 1,013.9m of external sales revenues, EUR 66.8m of other income and EUR 27.2m of income from agricultural incentives.

Of the total realised external sales revenues, a total of EUR 155.9m can be linked to taxonomy-eligible activities related to:

- revenue from the sale of medicinal products (PPC 1.2),
- revenue from the sale of electricity from solar power plants (CCM 7.6),
- revenue from the sale of by-products in the production of food products (CCM 5.5),
- revenue from the sale of second-hand goods (CE 5.4),
- revenue from services related to passenger cars and freight vehicles (CCM 6.5. and 6.6),
- revenue from the sale of non-current tangible assets (CCM 7.7),
- revenues from the sale of electricity generated through biomass cogeneration (CCM 4.20),
- revenues from the transmission and distribution of electricity (CCM 4.9),
- revenues from the anaerobic digestion of waste (CCM 5.7).

The sale of manufactured medicinal products generated EUR 135.2m of revenues that are not aligned with the EU taxonomy because they do not fully meet the technical screening criteria and the “Do No Significant Harm” criterion for the remaining environmental objectives.

The production process of the Food and Agri segments generates by-products that the Podravka Group sells to customers who use this by-product as raw material. In 2025, EUR 1.3m of **revenue from the sale of by-products** (food waste from the production

process) and **manure** (waste from livestock farming activities) were generated, which can be linked to the taxonomy-eligible activity Collection and transport of non-hazardous waste in source segregated fractions (CCM 5.5).

From the **production of electricity** using solar photovoltaic technology, 2,219.5 MWh of electricity was sold to the electricity grid, generating revenue of EUR 208.8 thousand. These revenues can be linked to the taxonomy-eligible activity Installation, maintenance and repair of renewable energy technologies (CCM 7.6). The production of electricity from solar power plants is linked to 12 integrated solar power plants at the production sites of all three business segments. The electricity produced by solar power plants is used for own needs, and only the produced surplus is sold to the power grid and on that basis, income is generated.

In 2025, EUR 1.0m in revenue was generated from the **sale of wooden pallets**, which can be linked to the taxonomy activity Sale of second-hand goods (CE 5.4). In addition, EUR 725.7 thousand in revenue was generated from **transport and vehicle maintenance services**, which can be linked to the taxonomy activity Freight transport services by road (CCM 6.6), and EUR 2.2 thousand in **revenue from the lease of warehouse space**, which can be linked to the taxonomy-eligible activity Acquisition and ownership of buildings (CCM 7.7).

Revenue of EUR 15.9m was generated from the **sale of electricity produced through biomass cogeneration** (CCM 4.20), along with an additional EUR 1.5m from **frequency control services of the electricity grid**, which can be linked to the taxonomy-eligible activity Transmission and distribution of electricity (CCM 4.9). Furthermore, EUR 82 thousand

²¹ Podravka Group's operating revenue is explained in the Consolidated Financial Statements, Note 8 (Sales revenues) and Note 9 (Other income).



in revenue was generated from **environmentally friendly waste treatment services for partners**, which can be linked to the taxonomy-eligible activity Anaerobic digestion of bio-waste (CCM 5.7.). Of the other income in 2025, EUR 2.8m can be linked to taxonomy-eligible activities. EUR 2.1m was generated from the **sale of non-operating assets**, which can be linked to the taxonomy-eligible activity Acquisition and ownership of buildings (CCM 7.7.). EUR 80.3 thousand was generated from the **sale of pallets**, which can be linked to the taxonomy activity Sale of second-hand goods (CE 5.4.). In other income, EUR 0.6m was generated from the **sale of royalties and the sale of the right to use registration dossiers**, which can be linked to the taxonomy activity Manufacture of medicinal products (PPC 1.2.). Additionally, EUR 47.3 thousand of other income can be associated with the taxonomy-eligible activity Transport by motorbikes, passenger cars and light commercial vehicles (CCM 6.5.).

The numerator of the key performance indicator Turnover (KPI Turnover) is EUR 158.7m and includes:

- revenues that can be linked to activities 4.20., 4.9., 5.5., 5.7., 6.5., 6.6., 7.6. and 7.7. that contribute to the objective Climate Change Mitigation,

- revenues that can be linked to activity 5.4. that contributes to the objective Transition to a Circular Economy, and
- revenues from activity 1.2. Manufacture of medicinal products that contributes to the objective Pollution Prevention and Control.

The denominator of the KPI Turnover amounts to EUR 1,016.6m and includes external sales revenues of the Podravka Group (Note 8) and a part of other revenues (Note 9) in the amount of EUR 2.8m. Of Other income (EUR 66.8m), the denominator of the KPI Turnover includes the total amounts of the following items:

- Gains on sale of assets held for sale,
- Gains on sale and disposals of non-current assets,
- Other income.

From all the above, it follows that the **key performance indicator Turnover (KPI Turnover)** for the Podravka Group in 2025 is **15.6%**, while in 2024 it was 17.3%.

NOTE: Decimal differences are possible due to rounding

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ELIGIBLE OR TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2025 (ACTIVITY BREAKDOWN)

REPORTED KPI TURNOVER

FINANCIAL YEAR 2025	ENVIRONMENTAL OBJECTIVE OF TAXONOMY-ALIGNED ACTIVITIES													
	Economic Activities (1)	Code (2)	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover) (3)	Taxonomy-aligned KPI (monetary value of Turnover) (4)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover) (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy-aligned in Taxonomy-eligible (14)
Podravka Group		%	EUR	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%	
Cogeneration of heat/cool and power from bioenergy	CCM 4.20.	1.6%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Transmission and distribution of electricity	CCM 4.9.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Anaerobic digestion of bio-waste	CCM 5.7.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Transport of motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Freight transport services by road	CCM 6.6.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Acquisition and ownership of buildings	CCM 7.7.	0.2%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Sale of second-hand goods	CE 5.4.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Manufacture of medicinal products	PPC 1.2.	13.4%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Sum of alignment per objective					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Total KPI Turnover		15.6%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/p	n/p	0.0%	



2. KEY PERFORMANCE INDICATOR RELATED TO CAPEX (KPI CAPEX)

Capital investments (capital expenditures) at the Podravka Group level include investments that resulted in an increase in non-current tangible, intangible and right-of-use assets in the reporting period.

For the calculation of the numerator, CAPEX analytics for the Food and Pharmaceuticals segments was analysed, as well as the total assets of the Agri segment as of 31 December 2025, which was presented as an increase in Podravka Group's assets due to the acquisition.

By analysing the capital expenditures realised in 2025 and the value of the Agri segment's assets as at 31 December 2025, capital expenditures were identified that can be linked and correspond to the descriptions of environmentally eligible activities defined in the Climate Delegated Act²² and Delegated Act (EU) 2023/2486, and the amount of these capital expenditures was calculated in the numerator for the calculation of the KPI CAPEX, which at the Podravka Group level amounted to EUR 165.1m. The numerator includes EUR 150.6m of taxonomy-eligible investments and an amount of EUR 14.5m based on the increase in the position of right-of-use assets²³.

The capital expenditures of the Podravka Group in 2025, which can be linked to environmentally eligible activities, are as follows:

Objective Climate Change Mitigation (CCM)

- 4.20. Cogeneration of heat/cool and power from bioenergy
- 4.24. Production of heat/cool from bioenergy
- 4.25. Production of heat/cool using waste heat
- 4.9. Transmission and distribution of electricity
- 5.4. Renewal of wastewater collection and treatment
- 6.14. Infrastructure for rail transport
- 6.2. Freight rail transport
- 6.5. Transport by motorbikes, passenger cars and light commercial vehicles

- 6.6. Freight transport services by road
- 7.1. Construction of new buildings
- 7.2. Renovation of existing buildings
- 7.3. Installation, maintenance and repair of energy efficiency equipment
- 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 7.6. Installation, maintenance and repair of renewable energy technologies
- 7.7. Acquisition and ownership of buildings

Objective Pollution prevention and control (PPC)

- 1.2. Manufacture of medicinal products

Objective Sustainable use and protection of water and marine resources (WTR)

- 2.1. Water supply
- 2.2. Urban wastewater treatment

Only one taxonomy capital expenditure, representing 0.2% of total taxonomy-eligible capital expenditures, was identified as aligned, meeting both the technical criteria and the "Do No Significant Harm" criteria. This relates to an investment in a rooftop solar power plant located in the industrial zone Danica in Koprivnica, which can be linked to the taxonomy-eligible activity 7.6. Installation, maintenance and repair of renewable energy technologies under the environmental objective Climate Change Mitigation (CCM). The solar power plant investment satisfies point a)²⁴ of the criteria for making a substantial contribution to climate change mitigation objective. For activity 7.6., only one "Do No Significant Harm" criterion applies, related to the objective Climate Change Adaptation; "Do No Significant Harm" criteria for other environmental objectives are not applicable. At the end of 2024, the Management

²² (EU) 2021/2139

²³ The increase in right-of-use assets is explained in the Consolidated financial statements, Note 20.

²⁴ The activity is carried out by implementing one of the following individual measures, if they are performed on site as part of the building's technical systems: a) installation, maintenance and repair of solar photovoltaic systems and auxiliary technical equipment.



Board of Podravka Inc. adopted the Podravka Group Climate Change Adaptation Plan, prepared based on a climate risk analysis of the Podravka Group's tangible assets across all locations of the business system. The document was prepared in accordance with the guidelines of Delegated Regulation (EU) 2021/2139, Annex A, Appendix 1, and therefore compliance with the "Do No Significant Harm" criterion for the environmental objective Climate Change Adaptation (CCA) is assumed. Alignment with the Minimum Safeguards criteria has also been confirmed, as described in the introductory section of the Report on the requirements prescribed by the Taxonomy Regulation. Alignment with the criteria for Minimum Safeguards has been confirmed, which results from the compliance of the Podravka Group's operations with the OECD Guidelines for Multinational Companies, the UN's Guiding Principles on Business and Human Rights, and the International Labor Organization (ILO) convention. All of the above is defined by internal documents, procedures and processes, which is explained in the section Social responsibility/Strategy, policies and documents.

All other taxonomy-eligible expenditures were determined to be non-aligned with the criteria for making a substantial contribution to the environmental objective and/or the "Do No Significant Harm" criteria.

The total amount of taxonomy-eligible capital expenditures²⁵ for the Podravka Group in 2025 amounted to EUR 165.1m, which provides the numerator KPI CAPEX, while the denominator includes the amount of EUR 402.9m and represents the sum of the increase in the following items:

- right-of-use assets,
- tangible assets,
- intangible assets,
- long-term biological assets.

From the above, it follows that the **key performance indicator CAPEX (KPI CAPEX)** of the Podravka Group for 2025 is **41.0%** compared to 57.5% in 2024.

²⁵Data available in the Consolidated financial statements – Note 18 (Intangible assets), Note 19 (Tangible assets) and Note 20 (Right-of-use assets).



NOTE: Decimal differences are possible due to rounding

PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ELIGIBLE OR TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2025. (ACTIVITY BREAKDOWN)

REPORTED KPI CAPEX

FINANCIAL YEAR 2025

Economic Activities (1)	FINANCIAL YEAR 2025				ENVIRONMENTAL OBJECTIVE OF TAXONOMY-ALIGNED ACTIVITIES						Enabling activity (12) (E where applicable)	Transitional activity (13) (T where applicable)	Proportion of Taxonomy-aligned in Taxonomy-eligible (14) %
	Code (2)	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible CapEx) (3)	Taxonomy-aligned KPI (monetary value of CapEx) (4)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned CapEx) (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
Podravka Group		%	EUR	%	%	%	%	%	%	%			%
Cogeneration of heat/cool and power from bioenergy	CCM 4.20.	2.6%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Production of heat/cool using waste heat	CCM 4.25.	0.3%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Production of heat/cool from bioenergy	CCM 4.24.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Transmission and distribution of electricity	CCM 4.9.	0.3%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Renewal of waste water collection and treatment	CCM 5.4.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Infrastructure for rail transport	CCM 6.14.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Freight rail transport	CCM 6.2.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	3.2%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Freight transport services by road	CCM 6.6.	0.2%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Construction of new buildings	CCM 7.1.	0.4%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Renovation of existing buildings	CCM 7.2.	0.1%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	1.3%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	0.9%	366,508.4	0.09%	0.09%	0.0%	0.0%	0.0%	0.0%	0.0%	0.09%	n/a	0.2%
Acquisition and ownership of buildings	CCM 7.7.	29.3%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Water supply	WTR 2.1.	0.0%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Urban waste water treatment	WTR 2.2.	0.3%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Manufacture of medicinal products	PPC 1.2.	1.9%	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%
Sum of alignment per objective					0.09%	0.0%	0.0%	0.0%	0.0%	0.0%			
Total KPI CapEx		41.0%	366,508.4	0.09%	0.09%	0.0%	0.0%	0.0%	0.0%	0.0%	0.09%	n/a	0.2%



ESRS E1, ESRS E3, ESRS E4, ESRS E5

STRATEGY, POLICIES AND DOCUMENTS

The Business Sustainability Strategy of the Podravka Group defines strategic goals associated with the reduction of scope 1 and scope 2 GHG emissions, reducing waste from own activities, increasing the recirculation of water from own activities, and the goals related to the preservation of biodiversity.

Application of environmental protection principles is prescribed by the Environmental Protection Policy of the Podravka Group, which includes material impacts presented in the *ESRS 2 SBM-3*. The fundamental determinants of the policy are as follows:

- compliance with regulations related to environmental protection;
- focus on increasing energy efficiency while increasing the use of energy from renewable sources;
- responsible water management by taking care of wastewater quality and reducing water withdrawal into the production process (recirculation);
- improvement of production processes with the aim of reducing food waste, and disposing of food waste by applying the principles of the circular economy;
- responsible waste management with the aim of reducing the amount of total waste generated and reducing the amount of municipal waste generated;
- implementation of consumer demands in the area of packaging, and continuously increasing the share of environmentally friendly packaging solutions;
- application of the principles of responsible agricultural production and preserving biodiversity through reducing the use of mineral fertilisers and pesticides and continuous work on improving soil quality.

The business activities of all companies within the Agri segment are aligned with the ISO 14001 Environmental protection standard, while Belje plus Ltd. and PIK-Vinkovci plus Ltd. hold the ISO 50001 Energy efficiency certificate.

Through its Environmental and Energy Management Policy, Belje plus Ltd. confirms its commitment to:

- the continuous improvement of energy efficiency
- compliance with all applicable legal and other requirements related to environmental protection and energy use
- the procurement of energy-efficient products and services

Through its Environmental, Energy Efficiency, Health and Safety Management Policy, PIK-Vinkovci plus Ltd. confirms its commitment to:

- reducing negative environmental impacts
- continuously improving energy efficiency
- reducing energy consumption through optimisation of technological processes
- the use of renewable energy sources

The implementation of these policies is based on minimising adverse environmental impacts across the entire value chain, including sustainable procurement, responsible waste management, responsible resource use, sustainable soil management, use of environmentally friendly packaging, and the reduction of greenhouse gas emissions through technological process optimisation and the use of renewable energy sources.

Podravka Inc. applies the Energy Management Policy, which applies to the parent company of the group and covers the impacts and opportunities for climate change mitigation, energy efficiency and the use of renewable energy sources presented in *ESRS 2 SBM-3*. The policy confirms the company's focus on systematic energy management through.

- setting energy goals and securing the necessary resources for their implementation,
- raising awareness and educating the business organisation about the need for efficient energy management,
- purchasing and implementing energy-efficient products and services and energy-efficient project solutions.



The strategic environmental objectives are not based on scientific analysis and are voluntary, except for the packaging-related objectives which are based on the applicable legal framework for packaging and packaging waste. The strategic objectives related to waste and packaging are aligned with the principles of the circular economy.

The Podravka Group does not have a transition plan for climate change mitigation or for issues related to biodiversity and ecosystems, and the development of a transition plan will begin upon completion of the review of the existing Business Sustainability Strategy and the revision of climate-related goals.

ESRS E1

CLIMATE CHANGE

When identifying material impacts, risks and opportunities, the strategic goals, business model, results of the climate risk analysis and gross scope 1 and 2 emissions measured according to the GHG Protocol were considered, especially considering that Podravka Inc. is part of the EU ETS where measurement issues are regulated. The announced revision of the strategic objectives will create the basis for the development of a transition plan, assess potential future sources of greenhouse gas emissions in operations and along the value chain, and measured emissions from 2025 will be used as input data.

During 2025, the Podravka Group assessed risks related to sustainability factors, considering physical

Companies within the Agri segment maintain relevant documents²⁶ presented in *ESRS 2 SBM-3*, which define the approach and ongoing measures for biodiversity preservation within their own business operations. The implementation of these measures contributes to the conservation of natural resources, the promotion of functional biodiversity, and the development of a more resilient and climate-neutral agricultural system. These measures are detailed and explained in the *Biodiversity, Own agricultural production section (ESRS E4)*. These documents provide a framework for integrating natural capital into daily agricultural practices with the objective of balancing food production with ecosystem preservation and they represent a step toward sustainable food production in alignment with natural cycles.

and transition climate risks²⁷. The assessment did not determine the materiality of climate risks on tangible assets and agricultural land owned by the Podravka Group. Nevertheless, a Podravka Group's strategy resilience analysis has been conducted. The assessment of climate risks of the Podravka Group and the Podravka Group's strategy resilience analysis is described in the section Climate risks and strategy resilience analysis (*ESRS 2 SBM-3*).

The Podravka Group does not implement greenhouse gas removal and emission mitigation projects financed by carbon credits. The system for determining the internal price of carbon has not been introduced.

²⁶ Belje plus Ltd. and Vupik plus Ltd. have the Biodiversity Plan, while PIK-Vinkovci Ltd. has the Management Plan and Biodiversity in Agricultural Production document.

²⁷ In accordance with Commission Delegated Regulation (EU) 2021/2139, the process and methodology are explained in *ESRS 2 SBM-3*.



ENERGY CONSUMPTION

Restatements in the comparative period at the Group level are the result of changes in the quantities of natural gas consumed and purchased energy for heating from fossil sources, due to methodological improvements in data collection and processing, which had the following impacts.

	Previously disclosed in MWh	Restated in MWh	Difference in MWh
Fuel from natural gas	105,423.9	117,511.7	12,087.8
Purchased or acquired energy from fossil sources - heat	8,308.0	776.4	-7,531.5

Podravka Group	2024**		2025	
Energy consumption and mix*	in MWh	% in total energy consumption	in MWh	% in total energy consumption
Total energy consumption	260,391.4		430,915.3	
Energy from fossil fuels	228,731.5	87.8%	356,580.6	82.7%
Fuel from coal and coal products			1.9	
Fuel from crude oil and petroleum products	36,278.3	13.9%	88,321.4	20.5%
light destilate oil	5,514.1	2.1%	9,755.8	2.3%
motor vehicles fuel	30,764.2	11.8%	78,565.7	18.2%
Fuel from natural gas	117,511.7	45.1%	161,793.0	37.5%
Fuel from other fossil sources			n/a	
Purchased or acquired energy from fossil sources	74,941.5	28.8%	106,464.3	24.7%
electricity	74,165.1	28.5%	101,291.4	23.5%
heat	776.4	0.3%	5,172.9	1.2%
Energy from nuclear sources	16.7	0.0%	17.9	0.0%
Purchased electricity from nuclear sources	16.7	0.0%	17.9	0.0%
Energy from renewable sources	31,643.3	12.2%	74,316.8	17.2%
Biomass	25,645.6	9.8%	26,623.8	6.2%
Self-generated electricity from renewable sources	5,997.6	2.3%	20,815.9	4.8%
Self-generated heat from biogas	n/a	n/a	26,877.1	6.2%

*The information presented refers to the final energy consumption and is calculated according to the Lower Heating Value (LHV). The scope of data for energy consumption is equal to the scope of emissions from scopes 1 and 2.

**The comparative data have been restated due to methodological improvements in data collection and processing, with the effect of the restatement presented in this chapter.

NOTE: Decimal differences are possible due to rounding



Podravka Inc.	2024		2025	
Energy consumption and mix*	in MWh	% in total energy consumption	in MWh	% in total energy consumption
Total energy consumption	139,644.9		155,297.8	
Energy from fossil fuels	109,248.2	78.2%	121,448.9	78.2%
Fuel from coal and coal products	n/a	n/a	n/a	n/a
Fuel from crude oil and petroleum products	17,048.2	12.2%	19,101.2	12.3%
light destilate oil	5.0	0.0%	0.7	0.0%
motor vehicles fuel	17,043.2	12.2%	19,100.5	12.3%
Fuel from natural gas	62,110.8	44.5%	72,394.9	46.6%
Fuel from other fossil sources	n/a	n/a	n/a	n/a
Purchased or acquired energy from fossil sources	30,089.2	21.5%	29,952.8	19.3%
electricity	30,005.0	21.5%	29,879.9	19.3%
heat	84.2	0.1%	72.9	0.0%
Energy from nuclear sources	0.0	0.0%	0.0	0.0%
Purchased electricity from nuclear sources	0.0	0.0%	0.0	0.0%
Energy from renewable sources	30,396.8	21.8%	33,848.8	21.8%
Biomass	25,539.0	18.3%	26,170.0	16.9%
Self-generated electricity from renewable sources	4,857.8	3.5%	7,678.8	4.9%

*The information presented refers to the final energy consumption and is calculated according to the Lower Heating Value (LHV). The scope of data for energy consumption is equal to the scope of emissions from scopes 1 and 2.

NOTE: Decimal differences are possible due to rounding

In the Podravka Group's energy mix, energy from fossil sources predominates, and the largest share refers to energy from natural gas (37.5%), mostly due to the need for production in all three business segments, and energy from fuel for vehicles (18.2%), which includes gasoline and diesel fuel, auto gas and gas for forklifts.

The share of renewable sources in the energy mix is 17.2%, of which 6.2% is biomass, 4.8% is electricity from own solar power plants and 6.2% is heat from own

biogas plants. Energy from biomass includes the use of wood chips at the Koprivnica location, the use of organic by-products as an energy source in the Czech Republic, and the use of wood pellets in the Agri segment.

An assessment was carried out for companies that use leased business premises in which there is no control over energy consumption (there are no separate meters), but the energy used is included in the rental price²⁸.

²⁸ In 2025, the assessment was calculated using the same factors as in 2024 to ensure data comparability. For the purposes of the assessment, energy consumption for heating and electricity per m² was calculated in the same manner as in 2024 to maintain comparability of the data. The assessment was made by dividing the total consumption of each energy source in 2024 for an administrative business facility owned by Podravka Inc. by the m² of area of that facility.



The activities of the Podravka Group belong to the sectors that significantly affect the climate²⁹. The energy intensity³⁰ of the Podravka Group in relation to total

revenues for 2025 is 0.0004 MWh/EUR, compared to 0.0003 MWh/EUR in 2024, and 0.0004 MWh/EUR for Podravka Inc. which is at the comparative period level.

GREENHOUSE GAS EMISSIONS

Restatements in the comparative period result from changes in Scope 1 and Scope 2 gross greenhouse gas

(GHG) emissions at the Group level. These changes have resulted in the following impacts, as presented below.

	Previously disclosed tCO ₂ e	Restated tCO ₂ e	Difference tCO ₂ e
Scope 1	30,480.6	34,451.1	3,970.5
Scope 2 (location-based)	18,183.1	16,828.3	-1,354.8
Scope 2 (market-based)	41,969.4	40,614.6	-1,354.8

Strategic goals* aimed at reducing CO₂ emissions:

- Podravka Inc. by >60% until the end of 2030
- Podravka Group by >40% until the end of 2030

* The strategic goals do not include the Agri segment.

Strategic goals aimed at reducing CO₂ emissions include scope 1 emissions (energy sources and fuels). Refrigerant emissions (scope 1) and scope 2 emissions are not included in the calculation of strategic goals. In the preparation of the strategy, 2022 was determined as the base year and is considered representative because certain reductions in CO₂ were already achieved in that year compared to previous periods and there were no significant impacts from external factors that would affect the calculation of emissions.

CO ₂ e EMISSIONS TOTAL (KPI)	2022	2024*	2025	CHANGE
Podravka Group	37,123.7	33,407.5	37,104.0	-0.1%
Podravka Inc.	16,340.3	17,032.0	20,497.8	25.4%

*The comparative data have been restated due to methodological improvements in data collection and processing, with the effect of the restatement presented in this chapter.

The increase in CO₂ emissions of Podravka Inc. by 25.4% compared to the base year is primarily the result of an increase in the scope of production activities in two new production facilities – a plant for the production of tomatoes and a new pasta factory, and consequently an increase in natural gas consumption. Specifically, at the tomato production facility, wood chip energy is not used. The full effect of the construction of two new facilities is reflected in the reporting period. Additionally, the increase in emissions was also driven by higher fuel consumption by the vehicle fleet.

Furthermore, in 2025, the increase in natural gas

emissions was influenced by a change in the method of calculating gas energy based on the lower heating value (LHV). During the year, the updated NIR³¹ was published, according to which the LHV for natural gas increased by 4.8% (from 35.3 MJ/Sm³ to 37 MJ/Sm³), resulting in higher reported natural gas energy consumption and, consequently, higher CO₂ emissions.

The reduction of Podravka Group's CO₂ emissions by 0.1% mainly results from the bakery concentration project in Slovenia.

²⁹ As defined in Section L of Annex I to Regulation (EC) No. 1893/2006 of the European Parliament and of the Council – agricultural production and the production of food and pharmaceutical products.

³⁰ Total energy consumption per net revenue, which represents the ratio of total energy consumption in MWh to net revenue in EUR (Note 8 of the Consolidated financial statements of the Podravka Group).

³¹ The National Greenhouse Gas Inventory, which contains conversion factors for fossil fuels, and which is used to calculate emissions under the EU ETS. All companies within the Podravka Group apply the same methodology for calculating gas energy based on the LHV, i.e., the same methodology used by Podravka Inc. for EU ETS.



	2024*	2025	2025/2024	
Podravka Group	tonne CO ₂ e	tonne CO ₂ e	Difference	% Change
Scope 1	34,451.1	143,802.1	109,351.0	317.4%
Business activities	34,306.4	60,150.6	25,844.2	75.3%
Emissions from agriculture (FLAG)	661.8	83,651.5	82,989.7	12,539.8%
Carbon removal (FLAG)	-517.1	-43,105.4	-42,588.3	8,236.4%
Biomass	9,606.9	9,835.8	228.9	2.4%
Scope 2 (location based)	16,828.3	20,116.3	3,288.0	19.5%
Scope 2 (market based)	40,614.6	58,090.4	17,475.8	43.0%
Opseg 3	422,373.9	569,478.7	147,104.8	34.8%
Purchased goods and services	373,554.5	500,978.7	127,424.1	34.1%
Capital goods	15,753.0	18,417.0	2,664.0	16.9%
Fuel and energy-related activities	14,482.3	17,552.0	3,069.6	21.2%
Upstream transportation and distribution	13,674.2	22,703.2	9,029.0	66.0%
Waste generated in operations	1,043.9	662.4	(381.6)	(36.6%)
Business travel	733.2	710.8	(22.3)	(3.0%)
Employee commuting	3,132.7	8,364.8	5,232.2	167.0%
Downstream leased assets	n/a	89.8		
Total (location based)	473,653.3	733,397.0	259,743.8	54.8%
Total (market based)	497,439.5	771,371.1	273,931.6	55.1%

*The comparative data have been restated due to methodological improvements in data collection and processing, with the effect of the restatement presented in this chapter.

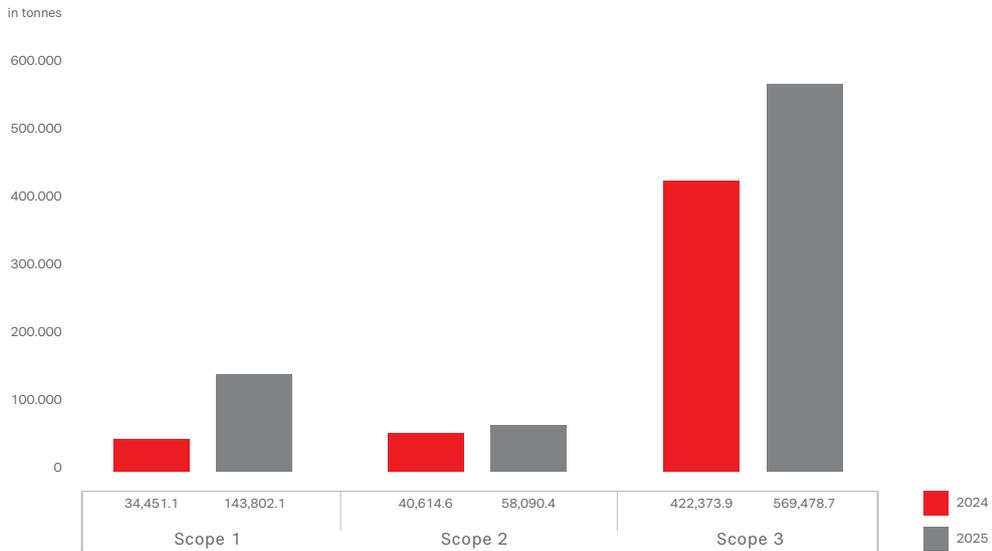
Podravka Group's total CO₂e emissions in 2025 amounted to 733,397.0 tonnes of location-based emissions and 771,371.1 tonnes of market-based emissions.

The CO₂e emission intensity of the Podravka Group in relation to the realised revenues³² in 2025 was 0.00072 tCO₂e/EUR based on location, compared to 0.00061 tCO₂e/EUR in 2024, and 0.00076 tCO₂e/EUR based on the market, compared to 0.00065 tCO₂e/EUR in the comparative period.

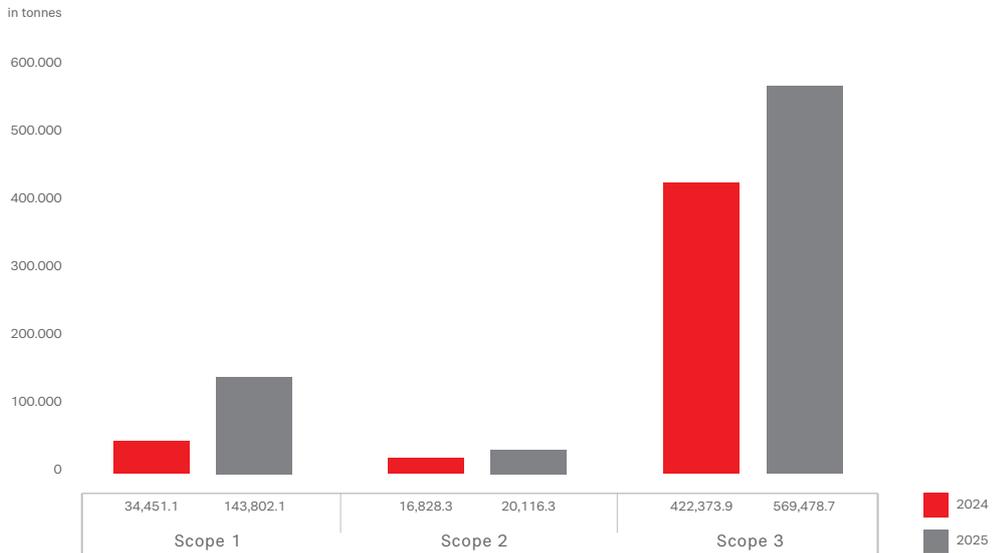
³² According to the Consolidated financial statements of the Podravka Group (Note 8).



THE PODRAVKA GROUP'S TOTAL CO₂e EMISSIONS - MARKET BASED



THE PODRAVKA GROUP'S TOTAL CO₂e EMISSIONS - LOCATION BASED



The calculation of GHG emissions was made using a tool³³ that is aligned with the GHG protocol, considering operational control, i.e., Podravka Inc. as the parent company and all representative offices and

affiliated companies. Podravka Inc. has 100% control in all affiliated companies and therefore the total GHG emissions of affiliated companies are included in the GHG emissions of the Podravka Group. The GHG

³³ The assessment of GHG emissions was carried out in accordance with the World Business Council for Sustainable Development and the World Resources Institute (WBCSD/WRI), GHG protocol; a Corporate Accounting and Reporting Standard, including the GHG Protocol Scope 2 Guidance. This approach is considered current best practice for reporting greenhouse gas emissions.



protocol was departed from in the scope 3 category Upstream leased assets where financial control was applied (in accordance with EFRAG guidelines *IG 2 Value Chain, points 55 to 57*). These are leased properties accounted for in accordance with IFRS 16, which the Podravka Group uses in its operating activities (business and warehouse premises). Emissions from leased properties accounted for in accordance with IFRS 16 are included in scope 1 and 2, which is in accordance with the methodology for calculating scopes 1 and 2 in the base year.

For the purposes of the calculation, actual and estimated data were used, as detailed in the table below. For the calculation of scopes 1 and 2 emissions, actual data were used to the greatest extent, which provides the most precise calculation of GHG emissions (litres of fuel, kWh of energy), while for the purposes of calculating scope 3 emissions, alternative data such as kilometres travelled, number of overnight stays, financial data, etc. were also used, to which adequate emission factors were then applied. Estimated data were used for emissions from one scope 3 category (*Category 7 Employee commuting*).

OVERVIEW OF DATA ACCURACY		2024*		2025	
By location	t CO ₂	Share	t CO ₂	Share	
Actual	462,761	97.7%	728,142	99.3%	
Estimated	10,892	2.3%	5,255	0.7%	
Total	473,653	100.0%	733,397	100.0%	
By location	t CO ₂	Share	t CO ₂	Share	
Actual	486,502	97.8%	766,116	99.3%	
Estimated	10,938	2.2%	5,255	0.7%	
Total	497,440	100.0%	771,371	100.0%	

* The comparative data have been restated due to methodological improvements in data collection and processing, with the effect of the restatement presented in this chapter.

For the calculation of Scope 1 emissions, national emission factors and DEFRA emission factors were used, except for Podravka Inc. in the part covered by the EU ETS system where NIR (National greenhouse gas inventory) emission factors were used for natural gas and fuel oil, while a verified emission factor, confirmed by the EU ETS, was used for wood chips.

When calculating location-based scope 2 emissions, national emission factors were used. For market-based scope 2 emissions, the emission factors for the residual energy mix for each country were used, and such a calculation is higher since these emission factors refer to the electricity that remains on the grid when electricity from renewable sources is removed.

For the calculation of Scope 3 emissions, primarily databases of average industry emission factors and scientific literature were used.

All emission factors used to calculate GHG emissions are based on the global warming potential (GWP) according to IPCC AR6.

Non-FLAG Scope 1 emissions include fuel consumption for motor vehicles, natural gas, fuel oil and refrigerants³⁴. Actual data on energy sources consumed from invoices were used for the calculation. Given the inconsistency of local regulations and reporting standard requirements, energy from natural gas in countries where the calculation is made according to the Higher Heating Value (HHV) was converted to the Lower Heating Value (LHV). Biogenic CO₂ emissions from biomass are not included in Scope 1 but are reported separately, because biomass (wood chips, organic by-products and pellets) is a climate-neutral fuel, however, methane (CH₄) and nitrous oxide (N₂O) emissions are included in Scope 1 emissions.

³⁴ Freon emissions are recorded in accordance with the service records of individual cooling devices and facilities. If the system was refilled with refrigerant gas in the reporting year, the amount of refilled gas is included in scope 1 emissions.



Podravka Inc. is part of the EU ETS³⁵ system in which two ETS facilities (locations) have been registered.

1. ETS locations Ante Stračevića 32, Koprivnica (ETS AS32), 24 MW
2. ETS Industrial zone Danica, Koprivnica (ETS IZD), 30 MW

Emissions monitored through the EU ETS include natural gas, fuel oil and wood chips, as they are used as fuel at the above locations. In 2025, of the total annual Scope 1 CO₂ emissions of the Podravka Group, 15,487.1 tonnes (10.8%) come from ETS facilities and relate to emissions (CH₄ and N₂O) from wood chips, and GHG emissions from using natural gas and heating oil. During 2025, Podravka Inc. did not purchase CO₂ emission units.

Scope 2 emissions include the consumption of purchased electricity and heating energy and were calculated based on actual data from invoices and accounts. For business premises where there is no control over the consumption of energy sources, alternative data (m² of business premises) was used for the purposes of calculating CO₂ emissions.

At the beginning of last year, the Podravka Group assessed its scope 3 emissions for the first time, which is the basis for setting climate goals for the value chain and developing a transition plan. By analysing the 15 scope 3 categories, the following were identified as material.

CATEGORY 1 PURCHASED GOODS AND SERVICES

Includes external procurement of all raw materials, packaging and materials, and services of the Podravka Group. Since no relevant data on supply chain emissions are available, financial data for goods and services

together with data on purchased quantities (tonnes) for individual categories of goods were used to calculate CO₂e emissions. FLAG Scope 3 supply chain emissions are not presented, as the application of financial data and the corresponding emission factors does not allow for the disaggregation of emissions from land-related activities and fossil fuel emissions. This category also includes emissions related to water consumed, for which data specified in *ESRS E3 Water Resources were used*.

CATEGORY 2 CAPITAL GOODS

Includes financial data that is recorded as an investment according to the procurement category. It also includes financial amounts of long-term leases that are accounted for according to IFRS 16.

CATEGORY 3 FUEL- AND ENERGY-RELATED ACTIVITIES

The emissions from this category are calculated based on entered data on energy and fuel consumption (scope 1 and 2).

CATEGORY 4 UPSTREAM TRANSPORTATION AND DISTRIBUTION

It includes data in kilometres travelled, financial amounts and actual data on fuel consumption³⁶ for the transport of finished products of the Podravka Group from the production site (warehouse) to the storage area of the affiliated company and local transport in certain countries from the warehouse to the customer. If the customer comes to collect the goods at the production site or to the storage area of the affiliated company, this transport is not included in the calculation of CO₂ emissions in this category.

³⁵ ETS (Emissions Trading System) is an international system for trading GHG emissions in the European Union, the basis of the EU's climate change policy, which monitors GHG emissions from industry and encourages their reduction (a tool for cost-effective emission reduction). It refers to CO₂ emissions from plants that use fossil fuels (gas, oil, coal). It operates on the principle of capping the amount of greenhouse gases that industry can emit and "trading", i.e., buying the difference in the amounts emitted. This is achieved by issuing emission permits to plants and distributing a specific amount of free emission units (which decrease over time) according to set criteria. Each year, a company participating in the EU ETS must acquire and surrender enough emission units to cover all its emissions. If it reduces its CO₂ emissions, it can keep the allocated permits-quotas to cover its future needs, or it can sell them to another company that does not have enough emission units. The EU ETS system is the first and largest carbon market in the world.

Entry/participation in the ETS is an obligation for plant operators from the industrial and energy sectors who have a stationary plant with a total installed power of ≥20 MW-thermal energy (provided that the sum of individual installed devices that are ≥3 MW is ≥20 MW).

³⁶ Data obtained from the partner providing the transportation service.



This category also includes emissions from the transport of raw materials and supplies that was contracted separately from the procurement process. Transport of raw materials and supplies arranged through the procurement process and included in the purchase price is reported under Category 1 Purchased goods and services, as it cannot be separated from the amount paid for the purchased goods and services.

CATEGORY 5 WASTE GENERATED IN OPERATIONS

The calculation of category 5 emissions is based on data on waste generated in own business activities, presented in the section *ESRS 5 Waste*.

CATEGORY 6 BUSINESS TRAVEL

Includes data on business trips by means of transport not owned/used by the Podravka Group and hotel overnight stays³⁷. The calculation was made based on data on distances travelled by type of transport or financial amounts in cases where data on distance could not be calculated (taxi transport).

CATEGORY 7 EMPLOYEE COMMUTING

For the purposes of calculating this category, a survey was conducted. The survey was carried out at the level of each affiliated company. The share of actual data collected varies by company, and for the remaining employees at the level of each company extrapolation was used, and the collected data was mapped to the remaining number of employees.

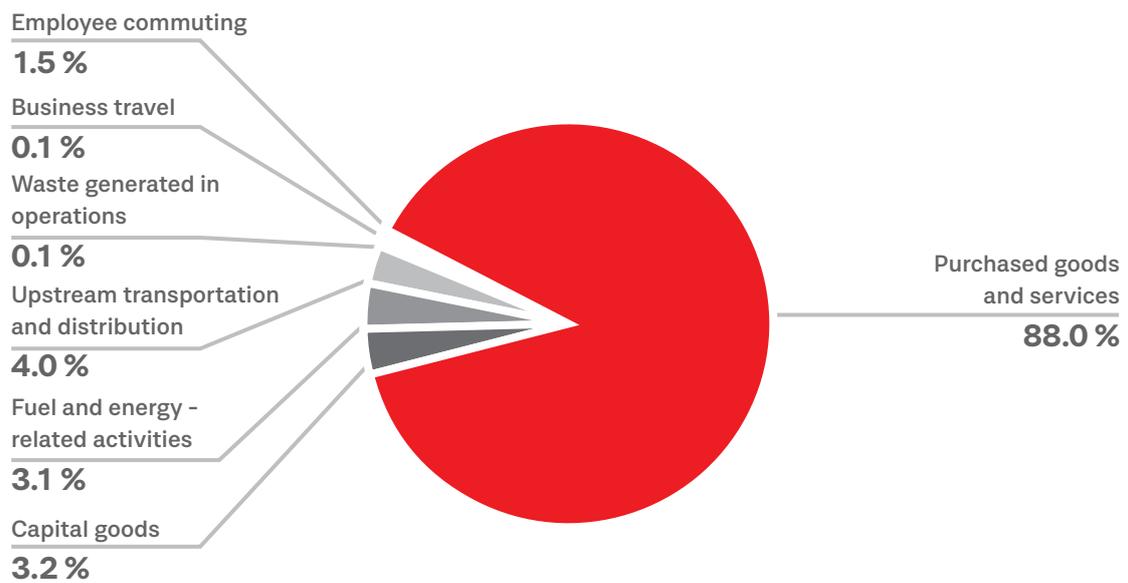
CATEGORY 8 UPSTREAM LEASED ASSETS

Emissions from this category are included in scope 1 and 2 due to the application of financial control principles in accordance with EFRAG guidelines *IG 2 Value Chain*, points 55 to 57.

CATEGORY 13 DOWNSTREAM LEASED ASSETS

Emissions from this category arise from the Agri segment i.e., activities of leasing own business premises.

STRUCTURE OF SCOPE 3 CO₂e EMISSIONS



³⁷ Number of overnight stays by location (city or country).



RENEWABLE ENERGY SOURCES

Strategic goals*:

- 100% electricity from renewable sources in production in the EU
- 50% thermal energy from renewable sources in production in the EU

- Increasing the share of renewable energy sources (RES) in total energy consumption
 - PODD from ~20% in 2022 to ~40% in 2025, and >60% RES in 2030
 - Podravka Group from ~10% in 2022 to ~20% in 2025, and >40% RES in 2030

* The strategic goals do not include the Agri segment.

SHARE OF RES IN ELECTRICITY	2022	2024*	2025
Podravka Group	1.1%	7.5%	13.8%
Podravka Inc.	2.9%	13.9%	20.4%

*The comparative data have been restated due to methodological improvements in data collection and processing, with the effect of the restatement presented in this chapter.

In 2025, the Podravka Group (excluding the Agri segment) used 13.8% of electricity from renewable sources compared to 1.1% in 2022 and 7.5% in 2024, while Podravka Inc. used 20.4% compared to 2.9% in

2022 and 13.9% in 2024. These positive trends were primarily influenced by the full effect of solar power plants commissioned in 2024 and the favourable number of sunny days in 2025.

SHARE OF RES IN THERMAL ENERGY	2022	2024*	2025
Podravka Group	16.1%	20.7%	16.3%
Podravka Inc.	30.3%	29.1%	26.6%

*The comparative data have been restated due to methodological improvements in data collection and processing, with the effect of the restatement presented in this chapter.

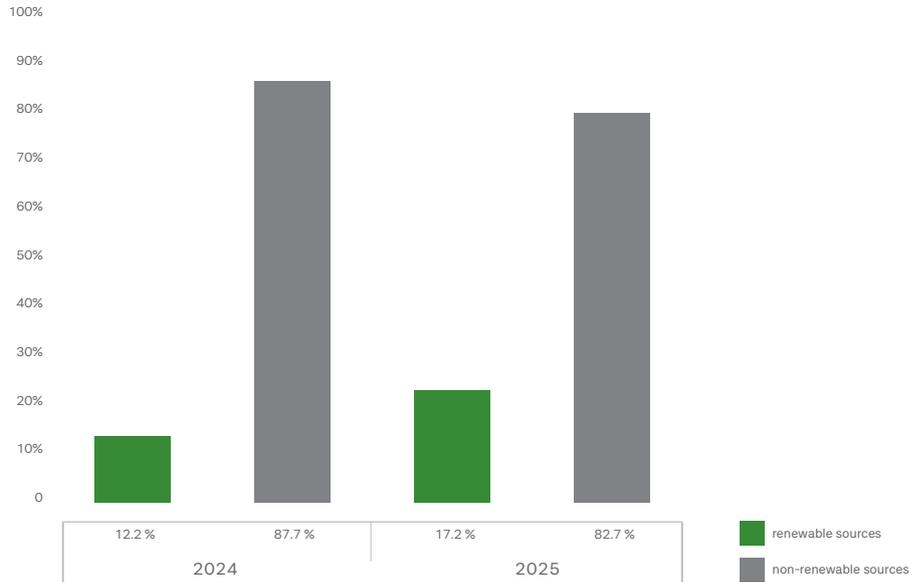
The share of renewable energy sources (RES) in thermal energy in 2025 for the Podravka Group was 16.3% compared to 16.1% in 2022 and 20.7% in 2024. At the level of Podravka Inc., the share of RES in thermal energy was 26.6% compared to 30.3% in 2022 and 29.1% in 2024. The decrease in the share of renewable sources in thermal energy at the level of Podravka Inc. in 2025

compared to the base year and to 2024 is the result of the technical maximum of the facility using wood chips³⁸ and the increased use of natural gas energy due to the expansion of production activities at the tomato production facility in Varaždin, where RES are not used for heat generation.

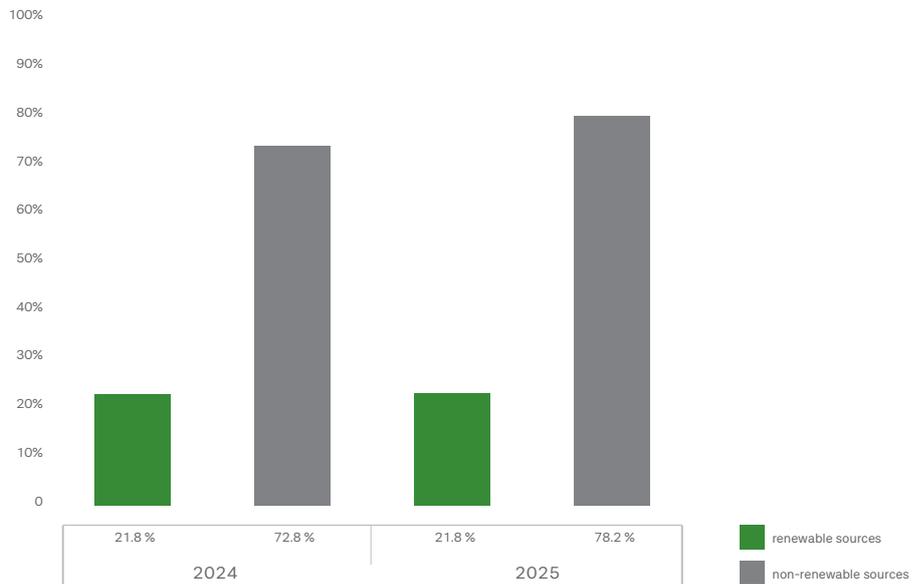
³⁸ Cannot produce more than 3.3 MWh of thermal energy.



PODRAVKA GROUP - ENERGY BY SOURCES



PODRAVKA INC - ENERGY BY SOURCES



Activities aimed at increasing the share of renewable energy sources are being implemented in phases.

During 2025, Podravka Inc. completed the construction and equipment of a solar power plant at the logistics and

distribution centre in Koprivnica, with a nominal capacity of 1,069.2 kW and 2,376 photovoltaic panels, capable of producing 1,047,816 kWh of electricity per year.



In the Pharmaceuticals segment, at the end of 2024, a solar power plant was commissioned at the Koprivnica site, with a total installed capacity of 2.24 MW and 7,432 photovoltaic panels, designed for an annual electricity output of 2,731.3 MWh, which under favourable weather conditions can generate even more. During 2025, the plant produced 2,954.8 MWh of electricity which was used for own consumption, enabling Belupo Inc. to reduce electricity drawn from the grid by 15.5%, and consequently Scope 2 CO₂ emissions.

Until the beginning of 2025, companies in the Agri segment possessed 11 solar power plants at various locations/farms with a total installed capacity of 2,793.1 kW and 5,819 photovoltaic panels, capable of producing 3,137,797 kWh of electricity per year. During 2025, the construction, equipment and commissioning of 3 additional solar power plants were completed, bringing the total installed capacity of solar power plants in the Agri segment to 4,370.4 kW with 9,324 photovoltaic panels, capable of producing 4,975,677 kWh of electricity per year.

Additionally, in 2025, five solar power plants were installed under the ESCO³⁹ model, with ownership to be transferred to Vupik plus Ltd. after ten years of operation. These plants have a total capacity of 720 kW, with a planned annual electricity generation of 1,092 MWh.

Overall, the Podravka Group operates 27 solar power plants, of which 14 are located at the Agri segment sites. Total installed capacity of Podravka Group solar power plants is 18.7 MW with 45,330 photovoltaic panels installed, which can produce 19,180 MWh of electricity annually. The effect of using energy from solar power plants is an annual reduction in CO₂ Scope 2 emissions of approximately 3,050 tonnes.

Wood chips are used as fuel in the energy plant for heat

production, in the boiler room to produce technical steam in the Danica industrial zone in Koprivnica. The boiler room supplies all Podravka Inc. factories at this location with the necessary thermal energy, i.e., steam for technological needs.

The biomass boiler room has a capacity of 3.3 MW and has been in operation since 2017, and the use of biomass reduces the need for gas consumption. In 2025, the need for gas was reduced by approximately 26,170 MWh, which corresponds to an emission of approximately 5,285.3 tonnes of CO₂, compared to 2024 when the need for gas was reduced by approximately 25,539 MWh which corresponds to an emission of approximately 5,157.9 tonnes of CO₂. Podravka Inc. is certified according to the SURE scheme to produce thermal energy from biomass and holds a SURE certificate, which proves the sustainable origin⁴⁰ of the biomass used.

The wood biomass used in 2025 was procured from a certified supplier that issues proof of sustainability for each delivery, which together with the existing SURE certificate makes it possible to consider as renewable energy the energy from biomass used. The use of certified wood chips results in 9,663.3 tonnes of CO₂, which is considered climate-neutral because it comes from renewable sources and is therefore excluded from Scope 1 emissions.

The Agri segment is a significant producer of renewable energy through five biogas plants⁴¹ of the company Energija Gradec. Energija Gradec has an installed electric capacity of 9.8 MW, representing 18.5% of the total installed electric capacity of biogas plants in the Republic of Croatia.

Electricity and heat are produced from biomass (plant- and animal-based raw materials), primarily sourced from the crop production and livestock farming activities of the

³⁹ Vupik plus Ltd. leases rooftops and purchases the electricity generated by the solar power plants installed on those rooftops, and will acquire ownership of the plants after ten years.

⁴⁰ For wood chips as an energy source to be treated as a renewable energy source (RES), it is necessary to establish effective procedures for biomass monitoring, i.e., to prove that it complies with sustainability criteria (EU Implementing Regulation 2018/2066). If the biomass used for combustion does not comply with the above regulation, the carbon content in it is considered fossil carbon. As proof of sustainability, it is possible to use a voluntary national or international scheme approved by the European Commission and the member state in which it is used. Since there is no national scheme in the Republic of Croatia, Podravka uses the SURE scheme, a scheme established in Germany and approved by the EC. The SURE scheme requires that everyone in the chain be part of it (from the supplier of wood chips to the end user). In addition to the aforementioned certificate, a Proof of Sustainability (PoS) for biomass is also required. A Proof of Sustainability (PoS) is issued by an economic operator to confirm that a certain batch of biomass, biofuel or biogas material meets all sustainability criteria or greenhouse gas emission reduction criteria. The PoS contains information about the biomass, its quantity and a statement that it is "EU compliant material" and that all relevant RED II criteria have been met and verified throughout the supply chain.

⁴¹ Locations Mitrovac, Gradec, Vinkovci, Ovčara and Popovac



Agri segment. Through anaerobic digestion, biomass is converted into biogas, which powers cogeneration units, producing both electricity and heat.

Part of the electricity generated is used to meet the technological energy needs of the biogas plants, while the remaining electricity is supplied to the power grid. Part of the heat produced is used for heating biogas plant

processes, and the remaining heat is supplied to Agri segment companies for heating farms and greenhouses at Mitrovac⁴².

A by-product of the process is anaerobic digestate, a high-value organic fertiliser with soil-enhancing properties, which is applied to agricultural land in accordance with agronomic and environmental guidelines.

ENERGY EFFICIENCY

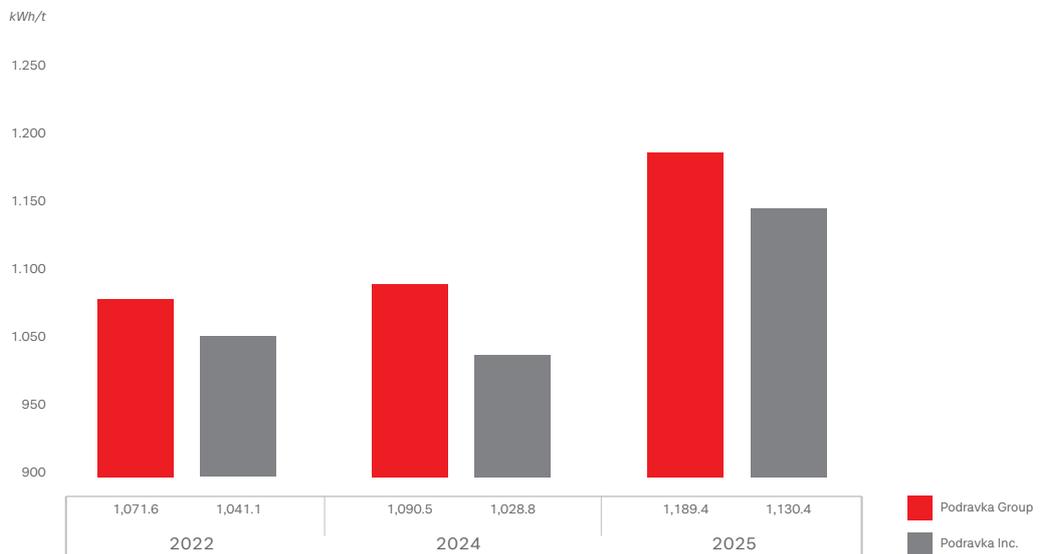
Strategic goals*:

- **Reduction from 1,109 kWh/t in production in 2022 to 917 kWh/t in production in 2030**
- **Increase in RES** from 114 kWh/t in production in 2022 to 383 kWh/t in production in 2030**

*The strategic goals do not include the Agri segment.

Activities aimed at the energy efficiency of the Food segment are carried out at production locations that are the main consumers of energy, and consequently also the main generators of CO₂ emissions from own operations.

ENERGY CONSUMPTION BY TONNE OF PRODUCED PRODUCTS



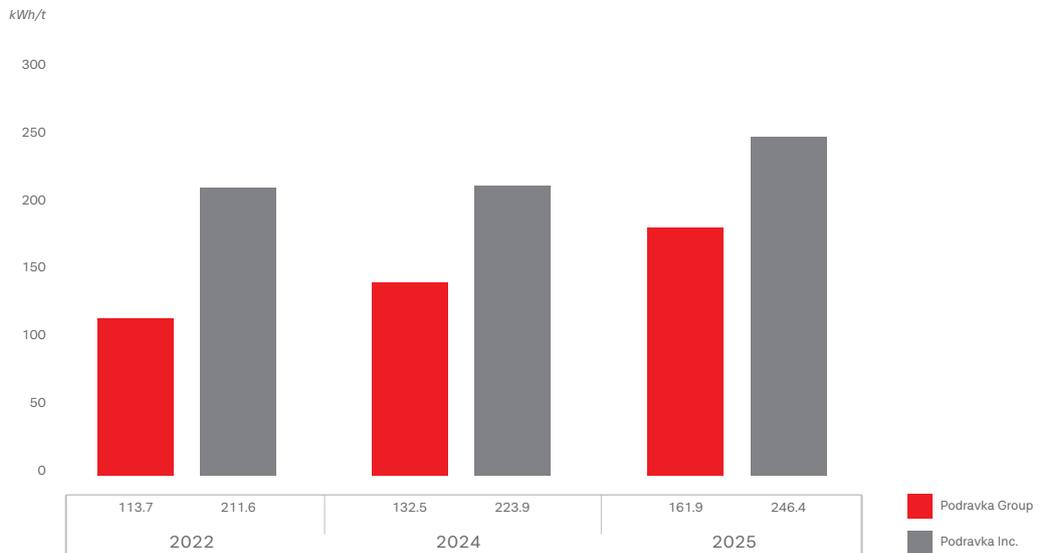
In 2025, the Podravka Group increased energy consumption per tonne of product produced by 11,0%, and by 8.6% at the level of Podravka Inc. In 2025, the

increase in the indicator was also influenced by a change in the method of calculating gas energy based on the lower heating value (LHV).

⁴² Additionally explained in the section Circular economy ESRS E5.



RES CONSUMPTION BY TONNE OF PRODUCED PRODUCTS



In 2025, the share of renewable energy sources (RES) per tonne of produced products increased by 42.5% at the Podravka Group level compared to the base year, and by 16.4% at the Podravka Inc. level.

In the Food segment, in 2025, the strategic goal of implementing an energy management system in accordance with ISO 50001 was achieved at all Podravka Inc. production locations. An integrated energy management system was established, and processes and organisational structures necessary to improve energy performance indicators, including energy efficiency and energy use and consumption across all segments (technological processes, buildings, and transport) were implemented.

With the completion of the Logistics and Distribution Centre (LDC) in Koprivnica, logistics processes were significantly improved. Optimisation of the vehicle fleet enabled more efficient use of vehicles, reduction of empty kilometres, better allocation of capacity and drivers, and more efficient micro-distribution route planning. Inventory centralisation was implemented, resulting in a centralised, more efficient, and technologically advanced logistics

structure, which allows better tracking and control of goods, reduces process delays, optimises material flow throughout the supply chain, and increases transparency. The number of gas-powered forklifts was reduced by 38%, process automation was increased, and labour productivity improved. Additionally, the distribution model was adjusted for certain customers, reducing capillary deliveries (fewer dispatch notes and invoices).

In Slovenia, in 2025, a new system for automatic dosing of liquid yeast was successfully implemented. The new technology will reduce the carbon footprint of production. At the end of 2025, modernisation of the boiler plant at the Vič production site commenced, which will enable significantly more efficient operation and consequent energy consumption reduction. Monitoring in production processes was also increased to optimise electricity use.

Following the Agri segment acquisition at the beginning of 2025, an investment cycle in the Agri segment began, with many investments aimed at increasing energy efficiency and, consequently, reducing the carbon footprint. Belje plus Ltd. and PIK-Vinkovci plus Ltd. maintain ISO 50001-certified energy management



systems and systematically monitor measures and analyse energy consumption. Measures such as replacing lighting fixtures with energy-efficient LED lighting were implemented across all sites as needed. In crop production, in 2025, energy sources consumption was reduced due to the consolidation of two sites into one, which features a modular facility with a solar power plant. The machinery fleet was renewed with the acquisition of 22 new Series six tractors using AdBlue. The increased tractor power enables work with larger implements and more complex functions, reducing the number of passes and increasing overall efficiency.

In cattle farming, significant machinery upgrades were carried out in 2025, including the acquisition of new loaders, mixers, and tractors. Investments were made in paving handling roads and work surfaces within farms, contributing to machinery longevity.

In 2025, a new agricultural transport model was introduced for cereals and oilseeds, based on their intended use. During harvest, transport is organised directly from the field to the corresponding silos of all Agri segment companies, avoiding subsequent relocations of raw materials between silos. This reduces electricity consumption in silos and fuel consumption for transport vehicles.

Additionally, the logistics application is being expanded by introducing a module for managing handling areas, which will enable faster and more efficient vehicle entry and exit, more precise planning of deliveries and transport costs, and consequently a reduction in the number of transports. Route optimisation will result in fewer kilometres travelled and lower fuel consumption.

ESRS E3

WATER RESOURCES

Strategic goal*:

- **Increasing the share of recirculated water from 10% in 2022 to 16% by the end of 2030**

*Due to the adjustment of the methodology for reporting recirculated water with the requirements of ESRS E3, the % shown in the given strategic goal deviates from the data presented in this report, which is explained in footnote 44. The strategic goals will be revised and adjusted to the ESRS requirements in the announced strategy revision process. The strategic goal does not cover the Agri segment.

Recirculated water in m ³ 43	Podravka Group**	Podravka Inc.
2022	406,602.0	99,233.0
2024	1,270,468.0	948,988.0
2025	1,312,237.0	1,066,741.0
Share of recirculated water ⁴⁴		
2022	43.4%	18.3%
2024	103.2%	106.8%
2025	113.1%	122.2%

**The strategic goal do not include the Agri segment.

⁴³ To calculate the water recirculation data, the average hourly flow of the cooling system pump is taken, multiplied by the number of operating hours..

⁴⁴ For the purposes of reporting on the implementation of the strategic goal in 2025, the data on the share of recirculated water in the base year 2022 has been corrected and adjusted to the methodology defined by the reporting standard (ESRS). Namely, the data on recirculated water must show the effect, i.e., how much water would be withdrawn from the water supply system if there was no recirculation. The data on recirculated water in 2022 showed the share of water that entered the recirculation process in relation to the total water withdrawn and did not show the effect of water savings.

The recirculation process reduces the amount of water withdrawn into the production process, and consequently the amount of water discharged, in accordance with the guidelines from the Podravka Group Environmental Protection Policy.

Water recirculation is carried out at the production locations of the Food segment (Fruit and Vegetable Factory in Varaždin, Meat Products Factory in Koprivnica, Mirna Factory in Rovinj). In the base year 2022, only the Meat Products Factory (to a smaller extent than it has today) and the Mirna Factory had recirculation.

Recirculation is a procedure in the production process where a certain amount of water enters the technological process and circulates in the process for several cycles before being discharged. The data on recirculated water shows the effect, i.e., how much higher the water consumption would be if there was no recirculation.



WATER CONSUMPTION		PODRAVKA GROUP	
in m ³	2024	2025	2025/2024
Total water withdrawn	1,230,522.8	5,530,196.7	349.4%
Total recirculated water	1,270,468.0	1,312,237.0	3.3%
Total water consumed	403,097	4,254,264	955.4%
Total water stored as at 31 Dec*	n/a	2,833	
Total water discharged	827,426.1	1,273,099.7	53.9%

*Water in water towers on livestock farms.

WATER CONSUMPTION		PODRAVKA INC.	
in m ³	2024	2025	2025/2024
Total water withdrawn	888,977.3	872,994.2	(1.8%)
Total recirculated water	948,988.0	1,066,741.0	12.4%
Total water consumed	281,753	268,314	(4.8%)
Total water stored as at 31 Dec*	n/a	n/a	
Total water discharged	607,224.3	604,680.2	(0.4%)

*Water in water towers on livestock farms.

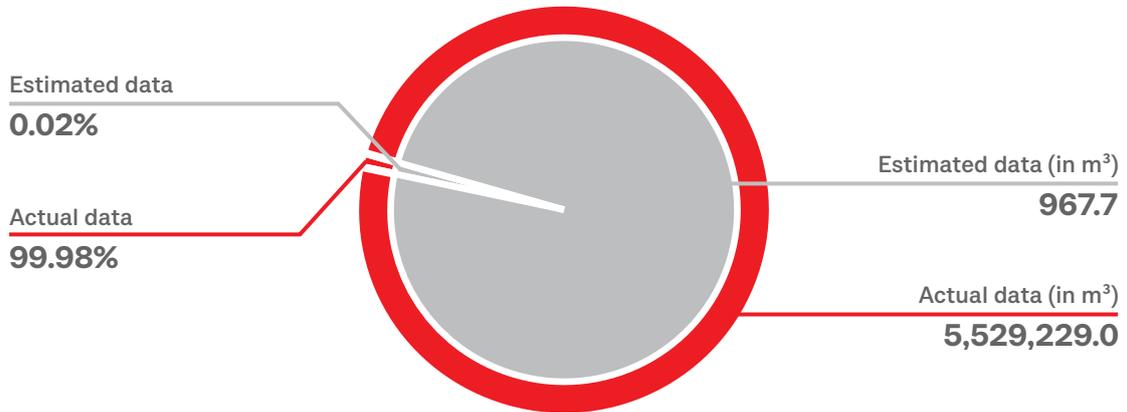
The data on total water withdrawn includes actual and estimated data. Actual data refers to production locations and property owned by the Podravka Group where there are water consumption meters. At locations where there are no water meters, i.e., control over consumption (leased business premises), an estimate was made⁴⁵.

⁴⁵ Estimation methodology: The basis for the calculation was the withdrawn water total from invoices for one administrative location of PODRAVKA Inc. in 2024 where there is control and data on the total amount of withdrawn water. The total water withdrawn at that location is divided by the number of people working at that location to determine the average water withdrawal for office activities. This data is mapped to all related companies that lease business premises and do not have actual data on water withdrawal.

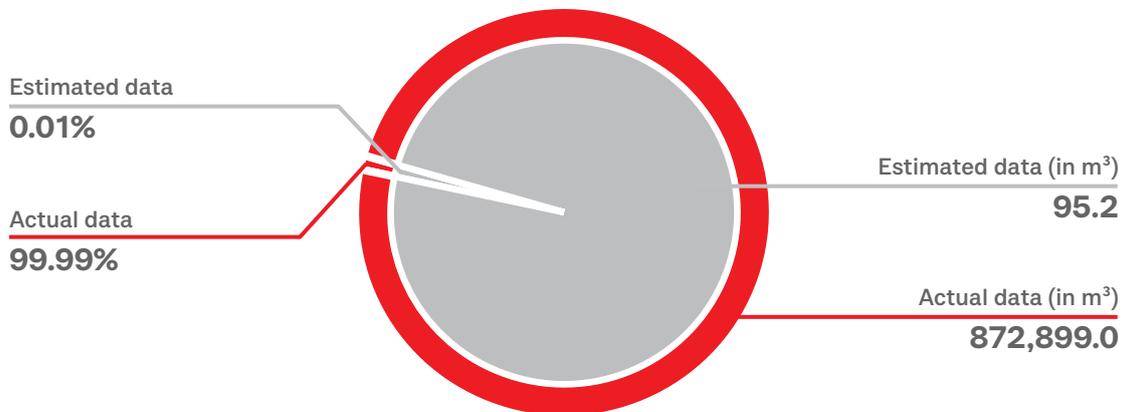


PODRAVKA GROUP - SHARE OD ACTUAL AND ESTIMATED DATA

PODRAVKA GROUP



PODRAVKA INC.



The total water consumption is the amount of water that was withdrawn in the reporting period in the business activities of the Podravka Group and Podravka Inc. and which during that period was not discharged back into the environment or to a third party (water incorporated into products, water that evaporated during production activities and water in agricultural production that was absorbed by plants or evaporated and water for livestock watering). The total discharged water is the difference

between the total withdrawn and consumed water in the reporting period. The significant increase in total water withdrawal by the Podravka Group in 2025 compared to 2024 originates from the Agri segment, which consumes substantial amounts of water for crop and livestock activities. This effect is reflected in the ratio of total water withdrawn to total water discharged in 2025 compared to the comparative period.



The Pharmaceuticals segment continuously invests in maintaining the proper condition of water distribution systems, preventing uncontrolled water withdrawal and discharge. Optimisation of water-consuming production processes is also ongoing, primarily in washing processes, where water savings are possible. During 2026, in pharmaceutical production, old compressed air compressors that use water for operation will be replaced with new compressors that do not require water. This investment will result in significant water savings in the production process.

The Agri segment is a significant water consumer in crop and livestock activities. Water is used for irrigation and

livestock watering, in accordance with applicable water permits and concessions. Agri segment companies are required to obtain water permits and they use water from both the public water supply system and own wells, and for irrigation purposes also water from canals. On farms (livestock farming operations), water towers (storage tanks) and, in the industrial sector, tanks (at the Factory of dairy products and Belje Wines) ensure a constant and uninterrupted water supply for livestock watering, washing, and continuous industrial operations. Water in towers and tanks is reported as total stored water. As of 31 December 2025, total stored water amounted to 2,833 m³, whereas in the comparative period, the Podravka Group did not have any stored water.

INTENSITY m ³ /EUR MILLION REVENUE	PODRAVKA GROUP		PODRAVKA INC.	
	2024	2025	2024	2025
Water withdrawn	1,605.40	5,454.60	2,368.53	2,252.42
Water consumed	525.90	4,196.11	750.68	692.28

WASTEWATER MANAGEMENT

Activities aimed at reducing the amount of discharged water and reducing the concentration of pollutants in wastewater are continuously carried out at all production locations in all three business segments.

In the **Food segment**, activities aimed at reducing the pollution of wastewater (discharged) are also continuously being carried out, and additional improvements are made through the selection and frequency of use of cleaning and washing agents. By using appropriate environmentally acceptable chemicals in the cleaning and washing processes of technological equipment, the required volume of water for properly prescribed cleaning is reduced by 5%. These measures also reduce the amount of pollutants in discharged water.

At the Danica industrial zone location, Podravka Inc. has its own mechanical-biological wastewater pre-treatment plant. The plant treats industrial wastewater from all units of the Podravka Group located in the Danica industrial zone (Vegeta, Soup and Pasta Factory, Meat Products Factory, Baby Food and Creamy Spreads Factory, Transport, Logistics and Distribution Centre and Belupo Inc.). After treatment, wastewater is discharged through an inspection chamber into the public drainage system to the city wastewater treatment plant. Composite samples of treated wastewater are analysed by an authorised laboratory for 24 parameters, six times a year, in accordance with the Water Management Permit for the location. All samples tested in 2025 were compliant, i.e., the values of the pollution parameters were below the maximum permitted concentrations.



In 2021, the project to renovate the wastewater treatment plant in the Danica industrial zone began. The project includes the construction renovation of the concrete parts of the plant for the purpose of renewing worn-out surfaces and providing additional protection with the aim of extending the life of the plant and reducing the risk of wastewater leakage into the environment (soil). The renovation of the plant is still ongoing, and the investment is expected to be completed in 2028.

Technological wastewater of Mirna Inc. is purified in a membrane bioreactor (MBR) type device before being discharged into the public drainage system, while the Fruit and Vegetable Factory (Kalnik) purifies wastewater with a mechanical device and discharges wastewater into the public drainage system through an inspection chamber. At the end of 2025, Mirna Inc. initiated the procedure to obtain a permanent Water Permit, which is still pending. In 2025, the volume of water withdrawn, and consequently discharged, at the Mirna factory was reduced due to changes in the organisation of production.

At the Žito Group production site in Gradišče, there is no public sewerage network in place; therefore, in accordance with applicable regulations, treated wastewater is discharged into groundwater. As the site is located within the wider water catchment area of the Rižana River, strict water protection conditions apply to discharge. Compliance is regularly confirmed through wastewater monitoring conducted twice per year. The annual volume of generated wastewater is less than 1,000 m³, and the wastewater does not contain hazardous pollutants. The wastewater treatment system has been established in line with legal requirements and includes installed grease separators, an SBR biological treatment system, and an additional final treatment stage via a constructed wetland. This combined system enables efficient removal of organic matter and reduction of nitrogen and phosphorus concentrations. Based on the conducted analyses and monitoring results, the quality of treated wastewater meets all prescribed criteria for discharge into the environment. The wastewater management and treatment system

thereby ensure a high level of protection of groundwater and the Rižana river catchment area. In 2025, a grease separation mechanism was installed at the production site in Maribor.

In the **Pharmaceuticals segment**, the project to introduce the share of campaign manufacture continued in 2025 (four additional products), which enabled a reduction in the number of cleaning operations required, thereby significantly reducing water consumption per unit of product produced. Campaign manufacture involves the production and packaging of multiple batches of a single product without washing the equipment, which increases production efficiency, reduces scrap, increases the efficiency of bulk⁴⁶ mass and reduces the consumption of water and cleaning agents. The average batch size also increased (from 22,825 units in 2024 to 25,059 units in 2025), contributing to improved water consumption efficiency, enhanced production efficiency, reduced scrap rates, and improved bulk mass efficiency.

Through the reorganisation of business activities within Quality Control, the number of analyses was optimised, resulting in reduced consumption of water and cleaning agents, as well as a decrease in generated wastewater volumes.

Continuous investments are being made to ensure the proper condition of the distribution system, thereby preventing uncontrolled water withdrawal and discharge. In 2025, the rehabilitation of the stormwater drainage system was completed using the CIPP⁴⁷ method.

Within the **Agri segment**, water-related aspects are managed in accordance with the certified ISO 14001 standard, including regular assessment of impacts on water and wastewater and verification of compliance with applicable legislation. Wastewater analyses are carried out in accordance with the frequency defined by water permits. Activities are continuously implemented to reduce wastewater discharges and to optimise the selection and frequency of use of cleaning agents in production facilities.

⁴⁶ The mass of product that has not yet been packaged in the primary container.

⁴⁷ Cured In Place Pipe (CIPP) is a trenchless rehabilitation method for existing pipelines, whereby an impregnated liner is inserted into the existing pipe and subsequently cured (using steam, hot water or UV light), forming a new self-supporting pipe within the old one or sealing cracks in the existing pipe and restoring its watertightness.



At the Baranjka site, alkaline cleaning agents are used for cleaning production facilities, while acidic agents are used only once per week, thereby reducing the concentration of pollutants in wastewater. The site is equipped with two oil and grease separators, a sedimentation tank, and an equalisation basin.

Wastewater from the Baranjka site and from the Factories of dairy products Beli Manastir and Osijek is discharged via a control shaft into the public sewerage system and conveyed to the municipal wastewater treatment plant. At the sites of Factories of dairy products in Osijek and Beli Manastir, CIP⁴⁸ equipment washing method is applied, reducing water withdrawal and wastewater generation. In 2025, compared to 2024, the number of CIP cycles decreased due to the quantitative increase in production batches.

The frequency and parameters of wastewater sampling and testing are defined in accordance with water permits and environmental permits, and analyses are performed by an authorised laboratory.

At the Factory of dairy products location, an oil and grease separator and an equalisation basin are installed, while at the Danube silo site an oil and grease separator for stormwater is in place. The Belje Winery operates a wastewater treatment unit, with treated wastewater discharged into the public sewerage system.

At the Maintenance location, a permanent Water Permit was obtained in 2024. At the end of 2025, the project for the Water protection measures plan, including implementation deadlines, was completed, covering the rehabilitation and reconstruction of the sewerage system and the installation of a new discharge connection to the municipal sewerage network.

In 2025, additional watertightness testing of part of the sewerage system and collection pits was carried out at the Animal feed factory location.

Pig farms⁴⁹, dairy cattle farms⁵⁰ and beef cattle fattening farms⁵¹ treat withdrawn well water through filtration systems to reduce naturally occurring iron and manganese concentrations. Water from washing filters used in water processing is directed to a sedimentation tank where sludge is mechanically separated, and the treated wastewater is discharged into a natural recipient.

At certain crop production and vegetable production locations⁵², sedimentation tanks and oil and grease separators are installed.

At the vegetable storage and packaging site in Lipovac, collection pits are used for sanitary wastewater, while the Vinkovci site is connected to the public sewerage network and operates two oil and grease separators for stormwater.

The Jakobovac and Klisa dairy cattle farms use oil and grease separators, while all dairy cattle and beef cattle fattening farms are equipped with collection pits for sanitary wastewater.

At the biogas plant in Gradec, wastewater originating from handling areas passes through two oil and grease separators. During 2025, rehabilitation of permeable sections, installation of liners, and leak testing of the drainage system were carried out.

In the forthcoming period, the Agri segment plans to implement further measures to improve wastewater quality, including the installation of additional separators and the reconstruction of technological wastewater drainage systems.

In 2025, no irregularities or deviations related to wastewater in the operations of the Podravka Group were established.

⁴⁸ Clean In Place is an automated process for the cleaning and disinfection of closed process systems.

⁴⁹ Locations: Brod pustara 1, Darda 1, Gaj, Gradec, Haljevo, Kozarac, Sokolovac, Ovčara 1 and 2, Bobota and Pačetin, Andrijaševci 1 and 2 and Čeretinci.

⁵⁰ Locations: Čeminac, Mitrovac, Topolík

⁵¹ Locations: Potok

⁵² Locations: Sopot, Bobota and Ovčara



ESRS E4

BIODIVERSITY

Strategic goals*:

- Reduce the use of mineral fertilisers per tonne of primary raw material produced by 8% by the end of 2030
- Increase the total amount of humus and calcium added to the soil by 15% by the end of 2030
- By 2030, contribute to carbon absorption by at least 2,000 tonnes of CO₂ by planting 100,000 trees
- Cooperate with the Kopački Rit Nature Park to preserve wetland habitats and increase natural carbon absorption
- Implement ISO 14001 – Environmental Management Systems by the end of 2030
- Use 100% RSPO⁵³ palm oil in the production of creamy spreads by the end of 2030

*The strategic goals do not include the Agri segment.

The strategic goals for own agricultural production relate to Podravka Inc. and are aimed at reducing GHG emissions from agricultural production and preventing the degradation of soil biodiversity, while increasing the productivity and efficiency of production processes in order to achieve the highest possible yields in the

production of primary raw materials. The use of lower acidity mineral fertilisers maintains the optimum pH value of the soil, which improves the absorption of nutrients and plant health. The goal is also to improve soil quality by green fertilisation i.e., by adding humus and calcium, which will increase soil fertility in the long term. Adding humus and calcium returns to the soil everything that was depleted from it for the production of primary raw materials. By regularly analysing the amounts of mineral fertilisers, plant protection products used and the amounts of added calcium and humus, the realisation of the set strategic goals can be monitored. If there is a deviation from the set goals, corrective measures are considered.

When setting the target values, no ecological milestones are applied, and the goals are not based on the global biodiversity framework. The goals cover activities from own agricultural production, which is localised in the territory of Croatia. The goal aimed at reducing the consumption of mineral fertilisers and plant protection products is based on the principle of “minimisation”. The strategic goal related to the use of RSPO is based on the principle of “avoidance”, and the remaining strategic goals are based on the principle of “restoration and rehabilitation”. The Podravka Group has not applied biodiversity offsets in its own activities.

THE USE OF MINERAL FERTILIZERS AND PROTECTION PRODUCTS PER KG OF PRODUCED PRIMARY RAW MATERIAL

PODRAVKA INC.

In kg	2022	2024	2025	2025/2022
Mineral fertilisers	108.07	50.61	57.58	-46.7%
Protection products	1.27	0.81	1.20	-5.7%

Due to increased agricultural production of vegetables in Podravka Inc. in 2025, more mineral fertilisers and plant protection products were used, but their use per tonne of primary raw material produced was reduced compared to 2022. Vegetables as a crop require larger amounts of fertilisers and more intensive treatment with

protection products due to greater exposure to diseases and pests compared to field crops. The trend in the use of mineral fertilisers and plant protection products in 2025 compared to 2024 arises from the specific characteristics of vegetable production and its dependence on many factors that are difficult to control, such as weather



conditions, the occurrence of diseases and pests, and changes in soil conditions. As a result, planned yields cannot be guaranteed. Additionally, the annual rotation of plots for certain crops alters the need for fertilisers and other inputs, creating further differences in the ratio of total mineral fertiliser and plant protection product consumption relative to achieved yields.

On Podravka Inc.'s agricultural land of crops in 2025, liming and humification were carried out. The liming process introduced 65 t of calcium into the soil, while 23 t were introduced in 2024, and 93 t in 2023, which is in total 52% compared to 2022 when 350 t of calcium were introduced into the soil. Also, in 2025, humification was also carried out on part of the agricultural land and 2,225 kg of green manure seeds were sown. The total amount of seeds for humification in the period from 2023 to 2025 is 7,075 kg, which is 289% more compared to 2022 when 1,820 kg of green manure seeds were sown.

In 2025, Podravka Inc. carried out conservation tillage on 15.5% of the area to prevent erosion and soil degradation, increase biodiversity, reduce the occurrence of weeds, improve water permeability and reduce water evaporation from the soil.

The Podravka Group contributes to the preservation of biodiversity through afforestation and restoration of forest areas. In 2025, Belupo Inc. planted 1,500 beech seedlings in cooperation with Hrvatske šume in the vicinity of Koprivnica. In 2024, in the area of the city of Vukovar, 5,000 seed balls of pedunculate oak and other pioneer species of seeds were released by drones, and 200 pedunculate oak seedlings were planted by hand. Together with 4,000 pedunculate oak seedlings and 10,000 common beech seedlings in 2023, the Podravka Group has so far planted 20,700 seedlings with the aim of preserving and restoring forest areas in Croatia. Activities that aim to positively contribute to the preservation of wetland habitats are in the preparation phase.

Regarding the introduction of ISO standards at Podravka Inc. level, the ISO 50001 standard was introduced and

confirmed in 2025, while the introduction of the ISO 14001 standard is planned in the coming period.

For some of its eco products, Podravka uses RSPO and BIO certificates, which implies that the raw materials are produced in a manner that complies with the principles of biodiversity and nature conservation.

Podravka Inc. is registered on the Variety List of the Republic of Croatia in the register of the Ministry of Agriculture as a maintainer of old vegetable varieties. It responsibly approaches the protection of the ecosystem by applying responsible agricultural practices and by planting melliferous plants, it encourages the preservation of old and domesticated vegetable varieties.

According to the Podravka Group's knowledge, the production locations of the Food and Pharmaceuticals segments are not located in the ecological network area nor are they located in the area of protected species. The available environmental impact studies for the production locations state that the Podravka Group does not have a significant negative impact on the environment and biodiversity in its business activities.

The Agri segment, within its crop production and viticulture activities, operates on land areas located within the Natura 2000 ecological network, of which:

- 1,470.29 ha are located within areas covered by the Birds Directive,
- 423.61 ha are located within areas simultaneously covered by the Birds Directive and the Habitats Directive, and
- 267.26 ha are located within areas covered by the Habitats Directive.
- Additionally, 1,192.62 ha are located within Kopački rit Nature Park, within the Natura 2000 zone (Birds and Habitats Directives).

With the objective of preserving biodiversity within the ecological network and with respect to protected species, the Agri segment conducts its activities in



compliance with GAEC⁵⁴ standards and good agricultural practice in line with the EU Agricultural Green Deal. In addition to preserving landscape features (woodlots, individual trees, canals, ditches, grasslands, etc.), crop rotation principles are applied to support biodiversity conservation. Measures also include mechanical control of invasive weeds (e.g., Ambrosia and Abutilon species) and integrated plant protection based on the principles of disease, pest and weed control, including intervention at established damage threshold levels. Mineral fertilisation is carried out based on soil analyses, crop nutrient requirements depending on growth stage, and applicable legal requirements.

Kopački rit has the ten-year Management Plan in the preparation of which the employees of Belje plus Ltd. actively participate through workshops and expert consultations. During cultivation of land within Natura 2000 areas, prescribed conservation measures for birds and other protected species are respected, including refraining from rodent control treatments and preserving individual trees with developed canopies on arable land, which serve as habitats for bats and birds.

Also, in Podravka Group's activities no significant negative impacts were identified in terms of land degradation, desertification and soil cover.

Significant locations in the Podravka Group's operations are locations where production is organised:

1. Croatia

- Koprivnica (industrial zone Danica and Ante Starčevića 32)
- Agricultural areas of Podravka Inc. used in own agricultural production in the Koprivničko-križevačka County. In 2025, Podravka Inc. had 562.74 ha of agricultural land, of which 64.76 ha were own land and 497.98 ha were leased for a period of fifty years.
- Varaždin (Kalnik Factory)
- Rovinj (Mirna Factory)

2. Slovenia

- Lesce (confectionery and bakery Lesce)
- Ljubljana (Vič bakery)
- Krško (Šumi- candies)⁵⁵
- Gradišče pri Materiji (production of tea, rice and porridge and instant products)
- Maribor (Intes - mill, breadcrumbs and packaging, Bread and Bakery products)
- Vrhnika (Vrhnika bakery)

3. Czech Republic

- Dolní Lhota (Lagris factory)

4. Bosnia and Herzegovina

- Vogošća Sarajevo (Farmavita factory)

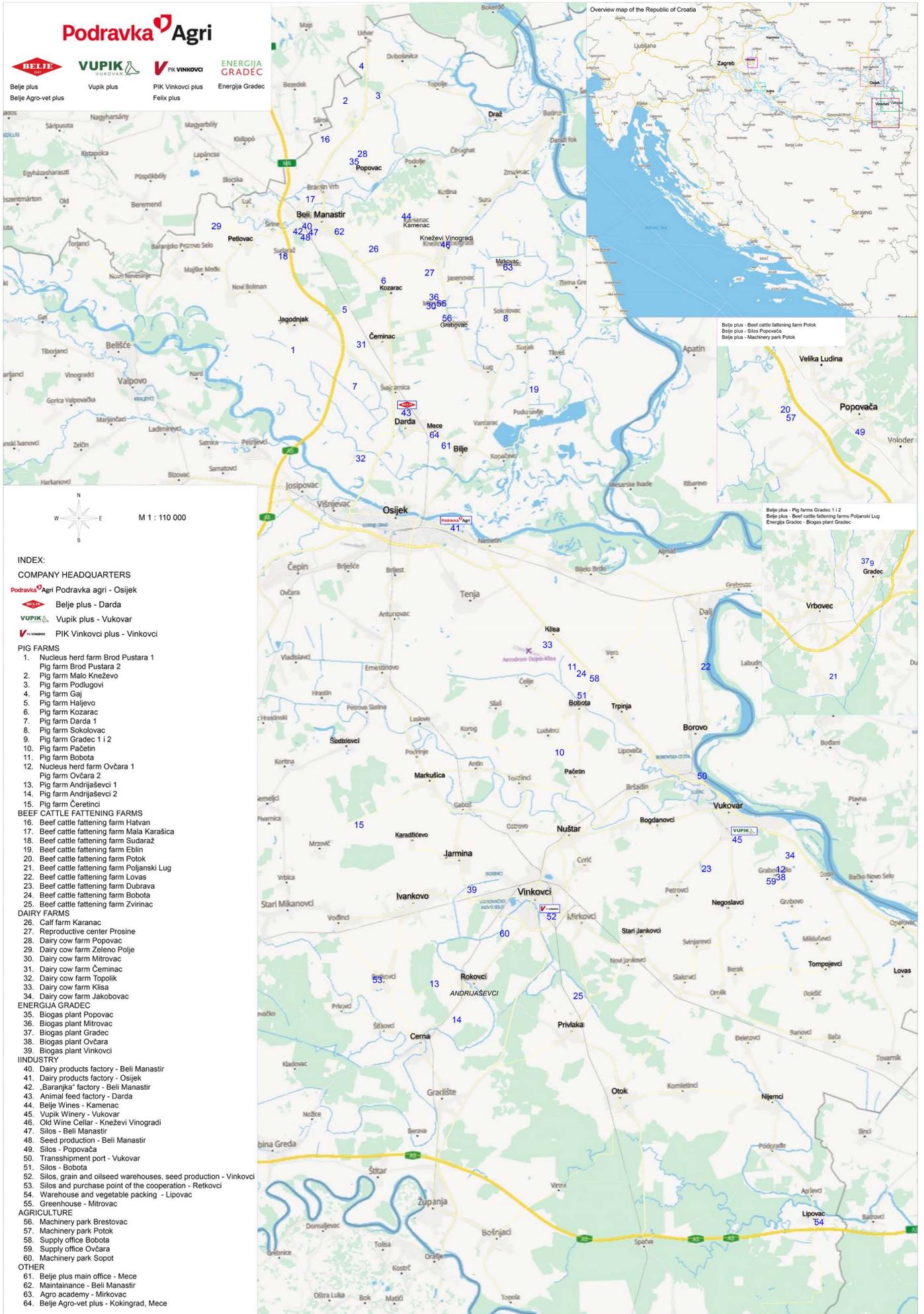
Within the Agri segment, all significant locations are located in the Republic of Croatia. Business activities are carried out on 32,277 ha of arable land in the Osječko-baranjska, Vukovarsko-srijemska, Sisačko-moslavačka and Zagrebačka counties, and on 657 ha of vineyards in the Osječko-baranjska and Vukovarsko-srijemska counties.

The locations of all real estate assets of the Agri segment are presented in the map below.

⁵⁴ The Standard for Good Agricultural and Environmental Conditions of Land (EU 2024/587).

⁵⁵ Confectionery business (Šumi and Gorenjka) were sold in December 2025.





OWN AGRICULTURAL PRODUCTION

1. The Agri segment

The operations of the Agri segment comprise industrial production activities as well as arable farming, viticulture and livestock farming activities, which are mutually integrated, thereby achieving a significant level of self-sufficiency within its own operations.

1.1. Crop farming

Crop farming is based on the “farm to fork” concept and covers 32,293 ha of arable land, on which a total of 454 thousand tonnes of field and vegetable crops were produced in 2025.

The majority of the cultivated area is sown with maize and wheat, while other crops include sugar beet, sunflower, soybean, alfalfa, rye, oats, seed maize and barley. Crop farming production is primarily aimed at meeting the raw material requirements of the Animal feed factory and own livestock farms in order to achieve the highest possible level of self-sufficiency. Cereals and oilseeds are stored in own silos after harvest, while vegetable crops are stored and packaged at the Lipovac location.

Within the agricultural production segment, there are also two seed processing facilities. The Belje facility has a processing capacity of 100 tonnes per day for cereals, with a multi-year average of 6-7 thousand tonnes annually, and a maize processing capacity of 80 tonnes of maize ear per day. Belje also operates a seed maize dryer and dryers for grass and soybean. The PIK Vinkovci location has a capacity of 60 tonnes per day for cereal and soybean processing.

Cover crops from own production are also sown on agricultural land. The cover crop seed mixture is adapted to local conditions, and their application contributes to:

- increasing the share of organic matter in the soil,
- promoting CO₂ assimilation from the air,

- improving soil structure,
- retaining nutrients in the topsoil layer, and
- protecting soil from the adverse effects of high temperatures, heavy precipitation and wind erosion.

The Agri segment is committed to soil conservation and biodiversity protection. Accordingly, soil samples are taken on all arable land in line with a soil monitoring methodology of four-year cycles. Humus content, pH value, and phosphorus and potassium levels are monitored, forming the basis for calculating fertilisation requirements. In order to achieve a positive impact on soil, activities are implemented to reduce the need for mineral fertilisers through the use of natural fertilisers:

- manure and slurry from own livestock farms
- digestate from biogas plants.

In 2025, investments were made in a slurry and digestate mixing and pumping vessel, as well as in additional hoses to ensure higher-quality and more homogeneous soil application at more remote locations.

Straw from all cereals produced on own agricultural land is used for feed and bedding on cattle farms.

Within own production, ecological farming practices are applied on 309 ha for clover-grass mixtures used for feeding cattle on own farms.

Conservation tillage is implemented on 99% of agricultural land (32,022 ha). During 2025, investments were made generating positive effects in agricultural production:

- Investment in new machinery enabled a further reduction of the carbon footprint and simplification of operational processes.
- The purchase of new attachments for conservation tillage increased the capacity of all business units which ensures timely implementation of operations.
- Disc harrows were purchased for cover crop sowing, performing shallow tillage and sowing in a single



pass, resulting in increased machine/hour and man/hour productivity and fuel savings,

- New self-propelled sprayers with a 36-metre working width and six thousand litres capacity were purchased, equipped with navigation systems and treated areas overlap avoidance functionality.

The following measures are continuously implemented:

- Introduction of irrigation systems on production areas,
- Timely crop treatment based on precise agrometeorological forecasts, reducing the use of pesticides and mineral fertilisers in agricultural production,
- Following the introduction of new machinery, soil cultivation is largely based on conservation tillage, while a portion of vegetable production is still cultivated conventionally,
- Changes in soil cultivation practices and new machinery significantly reduce fossil fuel consumption per unit of area.

In order to ensure agricultural yields and the quality of primary raw materials, as well as to increase resilience to climate change impacts, irrigation practices are applied on 2,617 ha of agricultural land. Irrigation implementation is underway on an additional 1,170 ha, bringing the total irrigated agricultural area to 3,787 ha by the end of 2026. Within vegetable production, 30 ha are irrigated using a drip irrigation system, resulting in water savings and ensuring optimal water supply to plants.

In addition to modern irrigation systems, investments were made in a vegetable transplanter that plants three double rows in a single pass, simultaneously irrigates seedlings during planting, applies fertiliser and installs irrigation laterals. Vegetable crops produced include tomato, pepper, onion, potatoes for chips and table potatoes.

Vegetable production also takes place in a 4.5 ha greenhouse at the Mitrovac location⁵⁶, where hydroponic production of several tomato varieties is implemented.

In order to achieve a positive impact on biodiversity, crop farming activities, in addition to the above measures, also implement the following:

- Introduction of diverse crops and crop rotation to improve soil diversity and reduce the need for chemicals,
- Selection of pest- and parasite-resistant varieties and hybrids to reduce pesticide use and naturally suppress their populations without harmful environmental impacts,
- Timely land cultivation and implementation of various agrotechnical soil management measures to control a large number of weed species using appropriate machinery to preserve soil structure,
- Maintenance and restoration of landscape features serving as habitats for pollinators, birds and other beneficial organisms. In cooperation with the local community and hunting associations, certain parts of land plots are temporarily left uncultivated, particularly areas hosting rare bird habitats,
- Reduced pesticide use through the application of integrated plant protection,
- Reduced mineral fertiliser use by promoting organic and biological products with control and balancing of nutrient inputs and losses,
- Spatial isolation of identical crops to assist in insect control,
- Establishment of buffer strips along watercourses to protect water bodies and small habitats for various plant and animal species,
- Sowing of more resistant varieties and hybrids within optimal timeframes to reduce pest development and subsequent insecticide application
- Optimal planning of harvesting and collection of various crops to minimise yield losses and consequently reduce the proliferation of numerous pest and parasite species

Agricultural products are stored in Lipovac, where storage capacity amounts to five thousand tonnes in floor storage and 4,400 box pallets in pallet storage. In 2025, slightly more than 7.8 thousand tonnes of vegetables from own production areas were delivered



to the warehouse. The quantities of onions produced by the Agri segment represent the largest domestic production of this crop. Onions are stored at 3°C and are available for delivery throughout the year. This is particularly significant as domestic production currently satisfies only one third of total onion demand.

Vupik operates a modern river terminal on the Danube, connected to silos, rail and road transshipment facilities, intended for handling cereals, oilseeds and other bulk cargo. The location comprises three silos and a dryer for the reception, drying and storage of marketable products from own production and from other producers. Goods enter and exit the silos by barge via river transport. The total silo capacity amounts to 48 thousand tonnes.

The river terminal on the Danube and the associated silo enable fertiliser delivery by vessel from suppliers to companies within the Agri segment and provide customers with transshipment and onward delivery of goods. The river transport enables significantly lower energy consumption and lower CO₂ emissions compared to road transport. The use of river transport reduces pressure on road infrastructure while enhancing logistical efficiency, supply chain security and optimisation of goods flows.

In Vinkovci, silos and floor storage facilities with a total capacity of 90 thousand tonnes are located, storing cereals and oilseeds from own production, contracted production and goods from other producers. The silo is connected to both rail and road transport networks. The location also includes dryers providing drying services prior to storage.

Several silos are located in the Baranja region.

- Silos Darda, with a total capacity of 56 thousand tonnes, is located next to the Animal feed factory to ensure continuous year-round supply of cereals, oilseeds and protein raw materials. The location is equipped with a gas dryer and truck and rail scales.
- Silos Beli Manastir plays a key role in storing crop trade goods and provides additional capacities for

raw materials required by the Animal feed factory. The total capacity amounts to 35 thousand tonnes. The location is equipped with a gas dryer, automatic probe and two 50-tonne truck scale.

- Silos Popovača represents an important logistics point in the western part of operations. The total capacity amounts to 38.5 thousand tonnes. The location is equipped with a gas dryer, truck scale and automatic probe.

1.2. Viticulture and winemaking

Viticulture activities cover a total of 657 ha of vineyards, of which Belje plus Ltd. manages 542 ha, with the Graševina variety accounting for 85% of total production. Vineyard production is self-sufficient, meaning that produced grape quantities meet the needs of own wine production. The entire quantity of grapes produced is processed at the Belje Wine winery, located within the vineyard area, enabling immediate reception and processing after harvest, preservation of freshness and quality of raw materials, and optimisation of transport costs. Vupik plus Ltd. manages an additional 115 ha of vineyards, also focused on Graševina, with grapes processed at the winery in Vukovar.

In 2025, the Agri segment produced more than 6 thousand tonnes of grapes for wine production in own wineries.

In viticulture activities, soil sampling is conducted on all land plots in four-year cycles in accordance with the prescribed methodology, monitoring humus content, pH value, and phosphorus and potassium levels. Based on the analyses, actual fertilisation requirements are determined. Fertiliser is applied in several smaller doses to prevent nutrient leaching. Although the European average application of mineral fertilisers ranges from 480–760 kg/ha annually, only natural or organic fertilisers (foliar⁵⁷ and soil) are used in viticulture.

During 2025, mechanisation modernisation activities were carried out, and seven new generation five tractors equipped with AdBlue technology to reduce greenhouse



gas emissions and four atomisers⁵⁸. were acquired. Two recycling atomisers are also used in production to reduce pesticide consumption. All tractors are equipped with GPS systems to optimise operations and eliminate overlaps in soil cultivation, while combining certain operations, such as green pruning and mulching, further reduces fuel consumption.

Biodiversity conservation is ensured by maintaining landscape elements such as buffer zones along watercourses, groves and fallow land, which serve as natural habitats for beneficial insects. Inter-row areas are maintained under permanent vegetation cover on 100% of the area in Vupik plus Ltd. and on 74% of the area in Belje plus Ltd., reducing soil erosion risk, preventing soil leaching and improving soil structure. In dry years, minimum tillage contributes to moisture retention and reduction of organic matter loss.

Regular soil cultivation and crop protection using herbicides are carried out on all cultivated vineyard areas, while pesticides are targeted against invasive annual species as they occur. Uncultivated vineyard areas, such as grasslands and watercourse buffer zones, are maintained by mowing or disking to prevent undesirable vegetation growth. Particular emphasis is placed on mechanical weed control using brushes and mulchers, thereby reducing herbicide use.

Fertiliser is applied directly into the soil to prevent nitrogen volatilisation, and limited soil cultivation contributes to preserving soil structure and organic matter. Field operations are not conducted on excessively wet soil to prevent compaction, while mulching of vines after pruning retains moisture and further improves soil quality. Pest populations are monitored using methods such as pheromone traps and visual inspections, and insecticides are applied only when necessary.

1.3. Livestock farming

Livestock farming activities include pig farming, beef

cattle fattening and dairy farming, i.e. production of pork, beef and fresh milk.

In 2025, the Agri segment produced slightly more than 393 thousand fattening pigs, representing approximately 32%⁵⁹ of total domestic production.

Croatia currently meets approximately 57% of its beef demand from domestic production⁶⁰, with the Agri segment contributing 20% of total domestic beef production.

The Agri segment is self-sufficient in milk production, meaning that milk produced on own farms in 2025 fully met the needs of own dairy products factories. In 2025, more than 46 million litres of milk were produced, representing slightly more than 12% of total Croatian cow's milk production⁶¹.

Animal feed is secured from own production at the Animal feed factory in Darda, which sources more than 90% of macro raw materials from own crop production. The factory has a production capacity of 185 thousand tonnes of animal feed and supplies feed to a total of 37 own livestock farms within Belje plus Ltd., Vupik plus Ltd. and PIK Vinkovci plus Ltd., as well as to subcontractors' farms in pig farming and beef fattening. This operating model ensures a high level of self-sufficiency, greater control over feed quality and reduced dependency on external suppliers.

A high level of animal welfare is ensured in livestock production. This is supported by the company Belje Agro-Vet, operating within the system and providing comprehensive veterinary services both on own farms and at subcontractors' farms. The expert team provides veterinary care, conducts regular professional supervision and offers advisory support to all livestock subcontractors. Veterinarians are present daily on all livestock farms, ensuring continuous monitoring of animal health status, timely intervention, monitoring of biosecurity measures and implementation of preventive

⁵⁸ An atomiser is a device that converts a mixture of water and protection products into very fine droplets, allowing them to be evenly applied to the treated surface.

⁵⁹ Based on the estimate of the Croatian Bureau of Statistics for 2025.

⁶⁰ Data source: MAFRD, Directorate for Animal Husbandry and Food Quality, 2025

⁶¹ Source: TISUP; Quantity of delivered cow's milk and dairy product production in Croatia, January 2026



programmes. The Agri segment has implemented a series of rigorous biosecurity measures in compliance with the regulations and acts of the Republic of Croatia and the EU, applying the highest standards of protection. Despite the implementation of biosecurity measures on all farms of the Agri segment, as confirmed by the competent authorities, the State Inspectorate and the Ministry of Agriculture (Directorate for veterinary medicine), the risk of incidents remains. In 2025, at one of the total 18 pig farms, an incident related to African Swine Fever (ASF) occurred, resulting in the euthanasia of 9,801 fattening pigs, representing 2.4% of the annual fattening pig production of the Agri segment. Following this event, the already high level of biosecurity measures was further strengthened across all farms, crop production and animal feed production, with the aim of minimising the risk of recurrence. Additional organisational, logistical and operational controls were introduced, and supervision of measure implementation was intensified through internal and external audits.

1.3.1. Pig farming

The pig farming segment comprises 18 pig farms located in the Osječko-baranjska, Vukovarsko-srijemska and Zagrebačka counties.

PIC⁶² genetics are used on pig farms. The entire production cycle begins at the nucleus farm with a capacity of 1,356 sows, representing the top of the pig production pyramid. Other pig farms are divided into nine reproduction farms (piglet farms) with a capacity of 14 thousand sows, and additional farms functioning as finishing units for fattening pigs, which together with subcontractors can produce approximately 400 thousand fattening pigs annually.

Production is organised so that one reproduction farm supplies one finishing farm, where piglets with an average entry weight of approximately 27 kg are introduced for

fattening. In addition to own finishing farms, fattening pig production also takes place on subcontractors' farms under continuous supervision by the subcontractor pig farming sector and Belje Agro-Vet staff. These farms must meet high production standards and a high level of biosecurity and technological measures.

Strict biosecurity measures are implemented on all farms, and farms are located in areas of low pig production density.

Slurry produced by pigs is collected in closed tanks and applied to agricultural land as organic fertiliser or directed to biogas plants as raw material for energy production.

1.3.2. Cattle farming

1.3.2.1. Dairy farming

Dairy farming is organised across nine farms and through cooperation with subcontractors, with specialised farms⁶³ for rearing calves and heifers forming part of the system.

All milk produced on farms is delivered to dairy products factories in Beli Manastir and Osijek within 24 hours of milking, depending on farm production capacity. On average, 4,916 cows are housed on the farms.

1.3.2.2. Beef cattle fattening

Beef cattle fattening is organised across ten own farms and in cooperation with 68 subcontractors.

Annual production exceeds twenty thousand head of fattening cattle, with continuous annual growth primarily through expansion of cooperation. Of the total number of cattle, 10% are reared internally on dairy farms, while 90% are externally sourced. All produced fattening cattle are sold to external customers.

⁶² Pig Improvement Company (PIC), a global company specializing in the production of breeding stock (boars, gilts), the development of genetic lines, and the provision of technical/genetic support to pig breeders.

⁶³ Karanac and breeding farm Pro sine



2. Podravka Inc.

In the Podravka Inc.'s agricultural production, vegetables are the most sensitive to climate extremes, especially to daily temperature fluctuations. This is especially true during more sensitive phenophases such as flowering. Above-average high temperatures increase the need for water, which can lead to heat stress in plants and subsequently contribute to a decrease in yield.

During the 2025 growing season, above-average temperatures were recorded in summer months. Significant precipitation deficits, long-term dry periods, and five consecutive heat waves accompanied by above-average air temperatures were recorded from beginning of June to the end of August. Vegetables and other field crops were in a state of heat stress. During this period, as many as 54 days with air temperatures above 30°C were recorded (the annual average is 45 such days). May was significantly colder than the multi-year average, which adversely affected the recently planted tomato and pepper seedlings, resulting in stagnation in the growth and development of the young tomato and pepper plants.

Temperature is the most important environmental factor that also affects the dynamics of harmful insect populations. Due to the warm winter months, the proportion of overwintered insects increases, and due to the above-average warm summer months, the number of generations of pests on vegetables and other field crops increases. In 2025, the corn borer had four generations, which caused damage to peppers during the growing season. For the same reasons, the risk of the introduction of invasive pests and vector-borne plant diseases increases, as well as changes in their interaction with host plants and natural enemies. These changes in the intensity of pest occurrence are accompanied by serious economic and ecological consequences. Therefore, it is important to adapt agricultural production to climate change in order to minimise its negative consequences. Through own agricultural production, in 2025, over 8,830 tonnes of field crops (wheat, corn, rapeseed, rye)

and vegetable crops (peas, peppers, tomatoes, beets) were produced, compared to 9,000 tonnes in 2024. Of the field crops, wheat and rapeseed had the largest area share, and of vegetable crops, peas and tomatoes. Of the total vegetables consumed as primary raw materials in food production, 15% of the needs were met from own production, compared to 19% in the comparative period.

Important stakeholders in agricultural production are subcontractors. In 2025, cooperation was achieved with more than 90 subcontractors (compared to 263 subcontractors in 2024) for the production of vegetables on 600 ha of agricultural land (compared to 485 ha in 2024). In addition to subcontractors, Podravka Inc. also cooperates with production organisers who have their own subcontractors (in 2025, cooperation was realised with more than 100 subcontractors compared to 300 in 2024).

The number of subcontractors producing tomatoes increased from 24 in 2022 to 80 subcontractors in 2025 (compared to 68 in 2024), and the subcontractor area under tomatoes grew from 150 ha to 510 ha (compared to 340 ha in 2024).

In 2025, as well as in 2024, the needs for tomatoes (for the production of pureed tomatoes), peas, beets and wheat were fully met from local (domestic) production.

With the aim of ensuring agricultural yields and the quality of primary raw materials, as well as increasing resistance to the impact of climate change, the following measures are continuously applied in own agricultural production:

- introduction of irrigation systems on production areas,
- introduction of a system for draining excess rainwater from threatened production areas (with the aim of increasing drained areas),
- installation of meteorological sensors on agricultural areas for the purpose of monitoring climate parameters and timely intervention in crops, timely treatment of diseases, and precise forecasts of



sowing and harvesting dates,

- timely treatment of crops based on precise agrometeorological forecasts, which reduces the use of pesticides and mineral fertilisers in agricultural production,
- humification, i.e., green fertilisation on part of agricultural land,
- minimally invasive technology for the cultivation of agricultural land on part of the areas (conservative soil cultivation),
- selection of varieties of vegetables and field crops that are most resistant to climate change with the aim of timely ensuring high-quality primary raw materials.

In 2025, 141 ha of agricultural land under vegetable crops were irrigated (sprinklers and drip) compared to 131 ha in 2024, for which groundwater, i.e. wells were used. The total irrigation capacity is 251 ha. Investment in the irrigation system achieves savings in water consumption, increases yields and raw material quality. A total of 250,500 m³ of water was used for the needs of vegetable irrigation in 2025 (211,420 m³ in 2024), of which 31% evaporated, 31% remained in the soil, and 38% of the water was absorbed by the plants.

During 2025, no irregularities related to violations of environmental protection regulations were recorded, and accordingly, there were no monetary or non-monetary sanctions.

GHG EMISSIONS FROM OWN AGRICULTURAL PRODUCTION (FLAG EMISSIONS)

The calculation of emissions from agricultural production was made according to the GHG protocol⁶⁴ in accordance with the FLAG emissions calculation methodology, and includes agricultural production (crop farming, viticulture, and livestock activities) of the Agri segment, as well as the agricultural production of Podravka Inc. Given that the methodology for calculating and managing FLAG emissions is completely different from emissions from other business activities, they are shown here because they are based on procedures related to soil and livestock farming and consequently to the impact on biodiversity.

With the acquisition of the Agri segment, Podravka Group's FLAG emissions have become significant in the GHG inventory, and the approach has been revised compared to 2024; that is, emissions are reported under Scope 1, while carbon removals are presented separately. Podravka Group's FLAG emissions for 2025 are reported separately to enhance transparency in reporting. The calculation period for FLAG emissions has also been adjusted to align with the GHG inventory and ensure consistency in reporting. For 2024, the FLAG emissions calculation period covered the crop cycle, i.e., from November 2023 to October 2024. In 2025, Podravka Inc.'s FLAG emissions were calculated for the reporting period (January to December), and for the Agri segment⁶⁵ from February to December, in line with non-FLAG emissions.

FLAG emissions are not included in the calculation of strategic goals aimed at CO₂ reduction.

⁶⁴ GHG Protocol Revised Corporate Standard (2004), Scope 2 (2015) and Scope 3 (2011) standards, and Agricultural Guidance (2016).

⁶⁵ The data scope is consistent with that of the financial statements, as the Agri segment became part of the Podravka Group at the beginning of February 2025.



2025	SEGMENT AGRI	SEGMENT FOOD	PODRAVKA GROUP	
Total tCO ₂ e			CO ₂ emissions	CO ₂ removals
Agrochemicals-Fertilizers	32,328.9	326.6	32,655.5	
Dolomite (application to soil)	113.4	30.9	144.3	
Liquid digestate injected into soil	14,387.0	0.0	14,387.0	
Nitrogen applied as a green fertiliser with zeolite	1,893.1	0.0	1,893.1	
Nitrogen from mineral fertilizers (application to soil)	4,876.9	295.7	5,172.7	
Nitrogen from organic fertiliser	13.7	0.0	13.7	
Pig manure applied to soils	1,403.8	0.0	1,403.8	
Urea (application to soil)	9,640.8	0.0	9,640.8	
Land Use Carbon Emissions & Removals			295.3	-43,105.4
Continuous cropping and conventional tillage	295.3	0.0	295.3	
Crop rotation and conventional tillage	0.0	0.0		
Crop rotation with legumes and no-till / conservation tillage	-42,977.5	-127.9		-43,105.4
Livestock Enteric Emissions	50,700.8	0.0	50,700.8	
Dairy Cattle Enteric Fermentation (Eastern Europe)	12,024.4	0.0	12,024.4	
Other Cattle Enteric Fermentation (Eastern Europe)	31,047.3	0.0	31,047.3	
Pig Enteric Fermentation	7,629.0	0.0	7,629.0	
Total tCO₂e			83,651.5	-43,105.4

In its own agricultural production activities, through applied agrotechnical operations and livestock rearing, the Podravka Group emitted a total of 83,651.5 tonnes of Scope 1 CO₂e, of which 50,700.8 tonnes (60.6%) originated from livestock farming activities.

Crop farming activities accounted for 32,950.8 tonnes of CO₂e, primarily from fertiliser application. Through the implementation of conservation measures and the action of agricultural crops, a carbon removal effect of 43,105.4 tonnes of CO₂e was simultaneously achieved.



ESRS E5

CIRCULAR ECONOMY**WASTE****Strategic goals*:**

- Reduce food waste in production by 5% per tonne of product produced by the end of 2030
- Reduce total waste generated per tonne of product produced sent to landfill by 2% annually by the end of 2030
- Reduce municipal waste per tonne of product produced by 2% annually by the end of 2030

*The strategic goals do not include the Agri segment.

PODRAVKA GROUP				% CHANGE
KPI	2022	2024	2025	2025/2022
Food waste per tonne of product produced	0.01	0.03	0.03	119.5%

In 2025, food waste per tonne of product produced⁶⁶ was 0.03 tonnes compared to 0.01 tonnes in 2022. The increase in food waste in 2025 is a consequence of the higher processing of primary tomato production and the

increase in pasta production in 2025 compared to 2024, which correspondingly led to a rise in processing waste. In 2022, these production activities were not present.

PODRAVKA GROUP				% CHANGE
KPI	2022	2024	2025	2025/2022
Landfill waste per tonne of product produced	0.004	0.003	0.004	-14.0%
Mixed municipal waste per tonne of product produced	0.003	0.003	0.004	2.6%

In 2025, the amount of waste generated per tonne of product produced sent to landfill decreased to 0.004 tonnes, compared to 0.004 tonnes in 2022 and 0.003 tonnes in 2024.

Despite the lower total amount of municipal waste in 2025, the municipal waste per tonne of product increased by 2.6% compared to the base year due to lower overall production in 2025 compared to 2022.

⁶⁶ For the calculation of the KPI related to food waste, the denominator that includes the total quantity of products produced in the Food segment also includes the quantity of raw materials that Podravka Inc. purchases for the purpose of preparing meals in its own restaurant for all employees.



Podravka Group	2024	2025	% Change
Mixed municipal waste	753.7	1,284.6	70.4%
Non-hazardous waste (mixed municipal waste excluded)	9,727.8	171,569.1	1,663.7%
1. Recycling (including composting)	6,789.2	3,321.4	(51.1%)
2. Energy recovery (e.g. biogas plant, waste oil for fuel)	2,773.6	168,050.8	5,958.9%
3. Incineration	147.5	14.7	(90.1%)
4. Landfill	17.5	148.6	747.9%
5. Physicochemical treatment of waste	n/a	33.6	
Hazardous waste	169.4	303.9	79.4%
1. Recycling (including composting)	13.2	28.0	111.1%
2. Energy recovery (e.g. biogas plant, waste oil for fuel)	9.7	37.8	288.3%
3. Incineration	146.4	193.0	31.8%
4. Landfill	0.0	35.9	
5. Physicochemical treatment of waste	n/a	9.2	
Total waste generated (municipal+non-hazardous+hazardous)	10,650.9	173,157.6	1,525.8%
Total waste generated that is disposed outside Podravka Group	10,650.9	9,749.0	(8.5%)
Total recycled waste	6,802.4	3,349.3	(50.8%)
Waste directed to landfill	771.2	1,469.0	90.5%
Total non-recycled waste	3,848.5	169,765.4	4,311.2%

Podravka Inc	2024	2025	% Change
Mixed municipal waste	439.9	428.8	(2.5%)
Non-hazardous waste (mixed municipal waste excluded)	8,486.4	9,373.8	10.5%
1. Recycling (including composting)	5,707.2	1,703.5	(70.2%)
2. Energy recovery (e.g. biogas plant, waste oil for fuel)	2,763.9	7,670.3	177.5%
3. Incineration	0.0	0.0	n/a
4. Landfill	15.3	0.0	n/a
5. Physicochemical treatment of waste	n/a	n/a	
Hazardous waste	42.1	11.3	(73.2%)
1. Recycling (including composting)	0.0	3.0	
2. Energy recovery (e.g. biogas plant, waste oil for fuel)	9.7	3.0	(69.6%)
3. Incineration	32.4	5.3	(83.6%)
4. Landfill	0.0	0.0	
5. Physicochemical treatment of waste	n/a	n/a	
Total waste generated (municipal+non-hazardous+hazardous)	8,968.4	9,813.9	9.4%
Total waste generated that is disposed outside Podravka Group	8,968.4	5,805.7	(35.3%)
Total recycled waste	5,707.2	1,706.5	(70.1%)
Waste directed to landfill	455.2	428.8	(5.8%)
Total non-recycled waste	3,261.3	8,107.4	148.6%



The waste structure of the Podravka Group in 2025 largely reflects the specific characteristics of the Agri segment's operations. Of the total waste generated⁶⁷ by the Podravka Group in 2025, 0.2% was hazardous waste and 0.7% was municipal waste. The share of recycled waste in the total waste generated by the Podravka Group was 1.9% (3,349.3 tonnes), and 17.4% (1,706.5 tonnes) at the level of Podravka Inc. At the same time, the share of non-hazardous waste sent for energy recovery in total waste generated amounted to 97.1%. All biomass generated by the Agri segment and Podravka Inc., totalling 163.4 thousand tonnes, is directed to energy recovery in own biogas plants. Consequently, the amount of recycled waste from Podravka Inc. has decreased, as in previous years biomass was directed to recycling (composting), whereas from 2025 it is used as an energy source for electricity generation within the Podravka Group system. Accordingly, of the total waste generated, 9,749 tonnes, or 5.6%, were sent for disposal outside the Podravka Group system.

The **Food segment** generates various types of waste that arise during processing and production and receipts of raw materials and packaging:

- organic/biodegradable waste (food waste, fruit, vegetable and grain processing residues);
- packaging waste (plastic, paper and cardboard packaging, glass, metal and wooden packaging);
- other waste (municipal waste, electronic waste, chemical packaging, ash from wood chip boiler).

The main materials contained in the waste are biomass, paper and cardboard, plastic, glass, metals, wood.

The **Agri segment** generates various types of waste arising from processing and production activities, as well as from the receipt of raw materials and packaging:

- organic/biodegradable waste (food waste, fruit processing residues (stems and pomace), organic waste from crop production, and leftover feed and

mixtures no longer suitable for use);

- packaging waste (plastic, paper and cardboard, glass, multilayer packaging, metal packaging);
- other waste (mixed municipal waste, pharmaceutical and infectious waste, glass, absorbents, packaging contaminated with hazardous substances, aqueous liquid waste containing hazardous substances, waste oils).

Plastic packaging is further sorted by subtype and directed either to recycling (PE film, hard plastics) or energy recovery (waste plastics from production and from farms, agrofilm, nets, and twine).

Hazardous waste includes:

- infectious waste generated from veterinary activities on farms,
- packaging contaminated with hazardous substances,
- aqueous liquid waste containing hazardous substances (water from disinfection barriers),
- electrical and electronic waste, fluorescent tubes, waste synthetic oils, laboratory chemicals, waste printing toners, waste batteries, etc.

The main materials contained in the waste are biodegradable waste sent to biogas plants, paper and cardboard, plastics, multilayer packaging, glass, pharmaceutical and infectious waste.

The legal regulation prescribes a waste management hierarchy, which sets the order of priorities in dealing with waste, and aims to reduce the amount of waste that ends up in the landfill. In the Food and Agri segments, before a certain material is defined as waste, its use as a useful material is examined (sale of waste packaging, finishing of semi-finished products, processing into feed, by-product or similar). This prevents the generation of waste, and the useful material becomes a resource in another process in accordance with the principles of the circular economy. All waste from the Food and Agri segments is sorted

⁶⁷ For companies that do not have data on total waste generated because it is not stated on invoices and for companies that use leased business premises where waste disposal is included in the lease price, an estimate per employee was made. The basis for the estimate is the Podravka Inc. administrative building (excluding the restaurant) where the product of the volume of all municipal waste bins (in litres) and the number of bin emptyings per year was converted to kg (using the average conversion factor) and divided by the number of employees working in the administrative building. In 2024, the conversion factor 6 was used, explained in the footnote 71. In 2025, the estimate for municipal waste generated in 2025 was prepared based on the document "Methodology for Determining the Composition and Quantities of Municipal or Mixed Municipal Waste" by the Croatian Agency for the Environment and Nature, using a waste compaction coefficient of 0.15 t/m³.



according to types at the point of origin and handed over to authorised disposers, while municipal waste and a small amount of waste that cannot be disposed of in any other way are disposed of at a landfill. All waste data was collected from contracted waste management companies (data from weighing slips and/or accompanying waste sheets), with the exception of municipal waste, since at some locations the waste is not weighed, but its quantity is estimated⁶⁸.

In the Food segment's production process, food waste is also generated. As a socially responsible company, Podravka Inc. signed a Voluntary Agreement on the Prevention of Food Waste with the Ministry of Agriculture in 2023, committing to implementing activities aimed at reducing food waste for a period of five years. One of the activities within the agreement relates to the redirection of food waste into animal feed and pet food. In 2025, activities were carried out to transfer by-products from production to entities registered with the Ministry of Agriculture, which use food industry by-products as raw materials for animal feed production. In 2025, Podravka Inc. transferred a total of 123,340 kg of by-products (feed) to a factory that uses them as raw material for pet food production, compared to 28,898 kg in 2024.

In the fish products factory, all by-products are sold for the production of fishmeal as an ingredient in pet food, and food waste at locations in Slovenia is sold as raw material for livestock feed.

At all production and warehouse locations of the Food and Agri segments, the internal waste management system is continuously improved through training, optimisation of resource use, monitoring of waste quantities and finding optimum solutions for increasing the share of composting, recycling and waste recovery, in accordance with the guidelines of the circular economy and the waste management hierarchy. In addition to own locations, activities are also carried out to improve waste disposal services with suppliers. In the production

process, regular maintenance and overhauls of machines and lines are carried out to reduce the share of defective products, and consequently, waste generation.

A significant contribution to reducing waste sent outside the business system is achieved by Podravka Group through Energija Gradec, a company within the Agri segment, which successfully applies circular economy principles through five biogas plants. Energija Gradec is a major producer of electricity from renewable sources, as explained in the *Climate change, Renewable energy sources ESRS E1 section*.

Energija Gradec receives biomass generated from the activities of the Agri segment (crop and vegetable production, greenhouse operations, seed production, silos, Animal feed factory, winery, and manure and slurry from livestock farms), as well as biomass from Podravka Inc.'s production activities.

The Mitrovac complex particularly stands out, where livestock and vegetable production is integrated with renewable energy generation. The biogas plant is located adjacent to the farm, allowing farm biomass to enter the plant, where it is converted into biogas. The resulting thermal energy is used to heat greenhouses for hydroponic tomato production. A similar model is applied at the Gradec and Ovčara biogas plant locations, situated next to pig farms, producing both electricity and thermal energy from renewable sources, thereby closing the circular process. The by-product of the biogas plants, digestate, is applied to agricultural land as fertiliser.

In 2025⁶⁹, Energija Gradec utilised 304,490.2 tonnes of biomass, of which 282,432.2 tonnes (92.76%) originated from the production processes of the Agri and Food segments. This amount also represents the portion of waste/biomass that the Podravka Group internally managed and recovered for energy, significantly reducing the amount of waste leaving the system for external disposal.

⁶⁸ The 2024 assessment methodology was obtained from the city utility company, which performed an analysis of the average weight for each container (depending on its volume), based on which they calculated the average weight of municipal waste per container. The analysis yielded an average conversion factor of 6, which is used to convert m³ to tonnes for all Podravka Group locations that do not have municipal waste weighing. The estimate for municipal waste generated in 2025 was prepared based on the document "Methodology for Determining the Composition and Quantities of Municipal or Mixed Municipal Waste" by the Croatian Agency for the Environment and Nature, using a waste compaction coefficient of 0.15 t/m³.

⁶⁹ Period from February to December 2025



The **Pharmaceuticals segment** generates hazardous and non-hazardous waste in its production processes, mainly waste medicines, waste scrap from the production process, filter materials and waste protective clothing, packaging contaminated with hazardous substances, composite, plastic, glass and metal packaging and various types of chemicals. The materials present in the waste are organic waste, paper and cardboard, plastic, metal, glass, textiles. All waste is weighed.

During 2025, a project was continued in Koprivnica to reduce the generation of mixed municipal waste by introducing additional bins for sorting of waste. As a result of these measures, separate collection of biodegradable waste in the amount of 7.72 t was achieved, and at the same time, the amount of municipal waste ending up in landfill was reduced by 4.5 t, or 36%.

The Quality Control reorganisation was carried out during 2024 with the aim of optimising the organisational structure and more efficient use of resources. By merging two organisational units with the same area of activity, a foundation was created for further consolidation of identical or similar analyses. The full effect of the reorganisation became visible in 2025 through direct resource savings, better utilisation of equipment and personnel, and a reduction in waste, thereby further enhancing operational efficiency and contributing to sustainable business practices.

PACKAGING

Strategic goals*:

- **By the end of 2030, 100% of packaging recyclable, returnable or compostable for all food products**
- **By the end of 2030, polystyrene-free packaging**
- **Share of recycled packaging materials in plastic packaging of Podravka products at least 25% by the end of 2030**

*The strategic goals do not include the Agri segment.

The achievement of target values is monitored through the procurement of packaging and the quantity of materials used. The share of recyclable packaging is calculated as the share of weight of recyclable packaging in the total quantity of purchased packaging materials of the Food segment. Packaging materials are divided into groups of materials (paper, cardboard, glass, metal, flexible, aluminium, plastic, chrome cardboard, other), and a percentage of recyclability is defined for each type of packaging material.

In 2025, the share of environmentally friendly packaging in the total procurement of the Food segment was 88.5 % compared to 87.8% in 2022 and 89.6% in 2024. The decrease in the share of recyclable packaging in total procurement for the Food segment, compared to 2024, is a result of the increased share of flexible packaging in total procurement.

When selecting and purchasing packaging, the Podravka Group, in line with the specific characteristics of products in each business segment, follows the principles of the circular economy, which means increasing the share of recycled materials in packaging materials, using recyclable materials and optimising the packaging production process at suppliers, reducing the weight and total share of packaging materials. Materials that can be further processed (sorting, recycling) are used, and stakeholders are informed about the composition of the packaging material and the possibilities of further processing and return to the cycle of use.



RESOURCE INFLOWS

Resource inflows of the **Food segment** through procurement procedures include:

- Primary raw materials, including those produced by subcontractors;
- Raw materials;
- Packaging;
- Products from outsourced production;
- Procurement of investment-related goods;
- Repro material;
- Procurement of all other goods necessary for the continuity of business activities, including energy sources.

The resource inflows of the **Agri segment** through procurement processes include:

- Primary raw materials for animal feed production, including those produced by subcontractors;
- Calves and heifers, including those produced by subcontractors;
- Raw materials for the food industry;
- Packaging;
- Procurement of investment-related goods;
- Spare parts for machinery, farms, and industry;
- Raw material for all production lines;
- Procurement of all other goods and services necessary for the continuity of business activities, including energy sources.

In 2025, through the Agri segment's supply chain, nearly 90% of the main macro-components for own animal feed production, produced for the needs of own farms, were secured within the system through own production capacities and subcontractors.

Timely procurement of other macro-components ensured favourable purchasing conditions and lower raw material prices compared to current market rates. Internal collaboration in supplying animal meal for feed production was also increased, covering approximately

50% of total needs for this raw material within the system. These measures to strengthen self-sufficiency reduce dependency on external markets, enhance quality control, and contribute to the long-term sustainability of the Agri segment's entire supply chain.

Resource inflows of the **Pharmaceuticals segment** through procurement procedures include:

- Active Pharmaceutical Ingredients (API);
- Inactive Ingredients (IPI);
- Semi-finished products;
- Trade goods;
- Procurement of investment-related goods;
- Packaging;
- Procurement of technical and other materials necessary for the continuity of business activities, including energy sources.

The Pharmaceuticals segment procures part of the active pharmaceutical ingredients, semi-finished products and trade goods from third countries since there are no alternative suppliers. The introduction of alternative suppliers is a priority project for the Procurement sector.

In the Food segment, the total weight of procured organic materials in 2025, which are included in the composition of food products, amounted to 236,923 tonnes compared to 217,320 tonnes in 2024, while 22,144 tonnes of packaging were purchased compared to 21,819 tonnes in 2024. The total weight of organic and technical materials procured by the Agri segment in 2025, used for the production of food sector products, crop products, livestock farming, and electricity generation, amounted to 543,626 tonnes, while 4,419 tonnes of packaging were procured. The weight of raw materials for pharmaceutical products in 2025 totalled 1,233 tonnes, while the bulk⁷⁰ materials amounted to 4,335 tonnes, compared to 5,237 tonnes (raw materials and bulk) in 2024. The weight of packaging was 1,251 tonnes compared to 1,518 tonnes in 2024. The data on the specified quantities are based on the quantities recorded in procurement procedures.

⁷⁰ A product that is not yet market-ready, a semi-finished product (blister) that requires further packaging, or loose tablets that need both primary and secondary packaging.



The Podravka Group produces a wide portfolio of food and pharmaceutical products. Food products of the Food segment are classified into nine business programmes, products of the Agri segment are classified into four subsegments, while pharmaceutical products are divided into prescription pharmaceutical products and over-the-counter pharmaceutical products.

The shelf life is the period of time during which the product has its full organoleptic, nutritional and health properties. Products in the Food segment's portfolio have a shelf life ranging from one day to four years, depending on the category, technological production process, and product storage conditions. Products in the Agri segment portfolio have a shelf life ranging from 21 days to four years, depending on the product category, production technology, and storage conditions, whereas wines do not have a defined shelf life.

In the Pharmaceuticals segment, the expected shelf life of 80% of products is 24-36 months.

Podravka Group products cannot be repaired, recovered or recycled and do not contain recycled materials. The use of materials with a recycled content is possible only in packaging. Regulations in the pharmaceutical industry do not allow recycled content in primary packaging.

The **Food segment** uses glass and metal packaging that is 100% recyclable (it can be recycled after adequate disposal in a correct and marked container). The glass and metal packaging that is used already contains a share of recycled glass and metal. Glass contains a 60% share of recycled glass, while metal contains a share of recycled metal up to 58%.

In 2025, the shipping boxes used for the entire product range were made of brown, unbleached cardboard. All boxes are FSC certified, and the surface of the box is minimally painted, has a design and visual in only one colour. The shipping boxes are made of secondary raw materials, and the share of recycled paper incorporated into the boxes varies from 40% to 100%, depending on

the complexity of the box and the required specification. The entire range of shipping packaging in the Food segment is 100% recyclable.

The **Agri segment** uses glass and metal packaging, which is 100% recyclable (recyclable after proper disposal into designated containers). In the production of milk and dairy products (brand "Kravica Kraljica"), TetraPak packaging is used, made of 85% plant-based materials (65% cardboard and 21% sugarcane-based plastic), with integrated "BIO" plastic caps (made from sugarcane). Additionally, all secondary packaging is made of cardboard, reducing the amount of plastic components in distribution.

Recycled content in the Pharmaceuticals segment includes commercial boxes, which, according to the manufacturer, contain 30% of high-quality post-industrial unprinted recycled material. According to the manufacturer, the shipping boxes contain 99.9% recycled content.

In accordance with the Environmental Protection Policy, the Podravka Group optimises input resources by reducing scrap, actively managing inventories, managing supplier relationships as described in *ESRS G1*, and by increasing the share of renewable energy sources from its own production.

Furthermore, continuous efforts are being made to reduce the amount of packaging. In all packaging categories, the principle of reducing packaging weight is followed to lower CO₂ emissions, with a focus on glass, metal, paper, and rigid plastic packaging. The distance from the production site of packaging materials and their transport is also taken into account.

In 2025, the Food segment successfully implemented an investment in a new system for automatic dosing of liquid yeast at the Maribor site. Among other benefits, the new technology reduces packaging use, ensures greater quality stability, and enables more efficient use of raw materials.



In the Pharmaceuticals segment, in 2025, dimensions of part of commercial boxes and instructions were standardised, and the process was initiated to replace metalized cardboard with more environmentally friendly GC2 cardboard in additional commercial boxes and labels. During 2026, optimisation and standardisation of printed packaging (instructions, labels and boxes) will continue, which will increase the efficiency of the packaging process and reduce overall material consumption.

RESOURCE OUTFLOWS

The Podravka Group can contribute to the achievement of circular economy goals by using sustainable packaging materials. The Pharmaceuticals segment must comply with regulatory restrictions related to the use of packaging materials, and therefore activities focused on sustainable packaging in 2025 largely relate to the Food and Agri segments.

A significant change was introduced in the liquid soup product range. Previously, liquid soups were packaged in multilayer composite flexible packaging, which was not recyclable; from 2025 onwards, they are packaged in glass containers. Glass packaging is an inert and environmentally friendly material that preserves the quality of products undergoing only pasteurisation, maintaining their nutritional value.

In the stretch film segment for pallet wrapping, a new film was introduced, with consumption 59% lower than the previously used film, or an annual reduction of 23,600 kg of film, thereby reducing the amount of generated waste. The use of the new film also achieved financial savings and ensured greater pallet stability, as confirmed by measurements.

The development of packaging for the Food segment is a multiannual process that includes testing packaging solutions on existing production lines. If the product packaging tests prove to be successful, the organoleptic properties (colour, taste, smell) are tested in new packaging solutions. After it has been determined

that the new packaging solutions did not impair the organoleptic properties of the product, testing of the packaging for the shelf life continues, i.e., it is necessary to confirm that the food product in the new packaging will have the same shelf life as in the existing one.

During 2025, tests of new packaging materials and materials from new suppliers continued. In the flexible packaging segment, recyclable solutions based on monomaterials (PP or PE) were tested on a number of products that are currently packaged in non-recyclable composite packaging solutions with multiple layers of different packaging materials (aluminium, polymer, paper). A large number of products, such as Vegeta, soups, and baby food, are currently in the shelf-life validation phase, and for some products, the suitability of new packaging solutions has been confirmed, with further implementation under consideration.

In collaboration with the Faculty of Chemical Engineering and partner companies, Podravka Inc. is involved in the **Komposta** project – **“Production and Development of Compostable Packaging from Waste Biomass for Packaging Industrially Processed Food Products”**. The project aims to develop biodegradable and compostable active packaging suitable for extended shelf life of industrially processed foods. In the first phase of the project, bio-based and biodegradable materials (PLA, PBAT, PBS, PHA, starch-based bioplastics) were used to design five laboratory prototypes of eco-innovative packaging. In addition to developing own biomass-based solutions, several commercial compostable and biodegradable packaging materials available on the market are being tested, including shelf-life testing of soups, spices, and Vegeta in three different compostable material compositions.

In the Agri segment, at the beginning of 2025, bottles for packaging fermented products (rPET) were introduced, containing 30% recycled content.





Corporate Social Responsibility (CRITERION „S”)

ESRS S1, ESRS S2, ESRS S3, ESRS S4

STRATEGY, POLICIES AND DOCUMENTS

The Business Sustainability Strategy of the Podravka Group defines strategic goals related to the topic of social responsibility, which includes own workforce, workers in the value chain, the local community and consumers.

Respect for human rights and doing business in accordance with the principles of social responsibility is an integral part of the corporate culture, core values and strategic directions of the Podravka Group. The operations of the Podravka Group are aligned with the OECD guidelines for multinational enterprises, the UN Guiding Principles on Business and Human Rights, and the Convention of the International Labour Organization (ILO). All of the above is defined by internal documents, procedures and processes, the key of which are the Social Responsibility Policy and the Code of Ethics in Business Operations of the Podravka Group.

The Social Responsibility Policy is an internal document that defines the principle of implementing the social responsibility guidelines according to the ISO 26000 standard in the existing company management system. The social responsibility process in the management system includes raising employee awareness, conducting in-depth analysis, setting priorities, monitoring and improving processes, and reporting. This policy also defines cooperation with stakeholders and includes own workforce, workers in the value chain, the local community and consumers. Formal confirmation of compliance with the above principles was confirmed by obtaining the ISO 26000 Social Responsibility standard for Podravka Inc. As the parent company,

Podravka Inc. expects all its affiliated companies to apply the principles of social responsibility equally. To this end, a Social Responsibility commitment policy has been published that applies to the Podravka Group and describes the ways in which the management system is continuously improved in accordance with the ISO 26000 standard, the UN Sustainable Development Goals and OECD guidelines.

The Code of Ethics in Business Operations of the Podravka Group defines social responsibility and the promotion of the principles of sustainability as an important part of the corporate culture of the Podravka Group. The Code defines the fundamental ethical principles and regulates the rules of good and conscientious business conduct of all employees of the Podravka Group companies, as well as all natural and legal persons who are in any type of business relationship with the companies, regardless of their functions and position in the Podravka Group. The Code also stipulates that any form of favouritism towards family and/or in-laws is inadmissible and unacceptable. The diversity of employees is one of the strengths of the Podravka Group, and all employees are equal, and any form of discrimination and harassment of workers based on bias or prejudice is prohibited, such as discrimination due to race, ethnicity or skin colour, gender, language, religion, political or other belief, national or social origin, property status, union membership, education, social position, marital or family status, age, health status, disability, genetic inheritance, gender identity, expression or sexual orientation, and any other characteristics protected by applicable regulations.



All employees are obliged to treat colleagues, business partners, service users and all other persons with whom they come into contact while performing their work with respect and consideration. The Podravka Group supports and actively promotes human rights with an emphasis on vulnerable groups. The exploitation of children, forced or inhumane labour is not acceptable and the Group does not cooperate with partners who violate such principles.

In the event of a violation of the Code of Ethics, a channel for submitting a report has been established, the manner in which the Ethics Committee will act upon the report, and measures in the event of a violation of the Code, which are explained in the section *Corporate Governance (ESRS G1)*.

During 2025, the Ethics Committee received two employee reports concerning non-compliance with the rules established by the Podravka Group Code of Ethics.

The Ethics Committee carefully reviewed all allegations stated in the reports and unanimously concluded that, in one case, there were no grounds for complaint, while in the other case a breach of the Code of Ethics was identified. The Committee decided to issue a formal warning to the employee for violating the Code and to initiate a procedure in accordance with the Rulebook on liability for breach of employment obligations. A written warning for breach of employment obligations was delivered to the employee.

In 2025, within the Food segment, one internal report of irregularities was received in the area of application of the Act on the Protection of Whistleblowers, as well as one report under the procedure for the protection of employee dignity. Additionally, in the Agri segment, one report was received under the procedure for the protection of employee dignity. In the Food segment, the assessment procedure determined that one report did not fall within the scope of the Act on the Protection of Whistleblowers; therefore, no further action was taken. The procedure to determine whether the second report was founded resulted in a written warning issued to the perpetrator, with the possibility of termination of the employment contract in the event of repeated breach.

In the Agri segment, following the conducted procedure, the allegations were determined to be unfounded.

The Podravka Group Human Resources Management policy and guidelines is a document that standardises all key processes in the area of human resources management.

The policy covers the following areas:

- Attracting, selecting and hiring employees;
- Managing employment relationships, work schedules and termination of employment;
- Managing employee performance and career;
- Training, education and development of employees;
- Managing the system of salaries, rewards and employee benefits;
- Providing services to respond to employee inquiries in the field of human resources;
- Protection of personal data;
- Social dialogue and corporate social responsibility.

In the subsidiaries of the Podravka Group in Croatia and abroad, the presidents or members of the management boards responsible for human resources management and the human resources directors are responsible for implementing the Policy.

All production companies of the Podravka Group have a health and safety protection system for their employees, while non-production companies act in accordance with local regulations related to occupational health and safety. The health and safety protection system implies the existence of procedures, regulations and work instructions that define the framework and rules of the system and a responsible unit within the organisation in charge of their application and implementation of measures.

Podravka Inc. has a Health and Safety Policy based on the principles of ISO 45001. Although the occupational health and safety management system according to ISO 45001 has been introduced and formally certified in one part of production, it is applied to a large extent in all production, logistics and administrative units. The



Corporate and Information Security sector is responsible for implementing the Health and Safety Policy.

The Agri segment companies, Belje plus Ltd. and PIK-Vinkovci plus Ltd., hold ISO 45001 Occupational Health and Safety certification and have Occupational Health and Safety Management Policies based on the principles of ISO 45001. The policies have been adopted by the Management Board, and corporate security at the level of the Agri segment's operating companies is responsible for overseeing their implementation. Although Vupik plus Ltd. and Energija Gradec do not have a certified ISO 45001 system, the principles of the ISO 45001 standard are largely applied.

The policies confirm the Podravka Group's focus on reducing potential occupational health and safety risks. In order to achieve positive impacts on own workforce, a key measure that is continuously implemented in production companies is ensuring the health protection of workers, in accordance with the assessment of the risks to the safety and health of workers to which they are exposed.

The Podravka Group pays great attention to the well-being of its consumers in all three business segments. The personal data protection policies in all three segments define the rules and assign responsibilities for the systematic management and protection of personal data of natural persons, and such data is treated as confidential. Support in the implementation of privacy protection also comes through the Information Security Policy (described in ESRG G1). In the area of compliance with and application of the General Data Protection Regulation, no requests for the determination of rights violations were recorded in 2025 that would have resulted in the initiation of proceedings.

Communication with consumers of the Food and Agri segments is defined through the *Social media playbook* document, which provides guidance on how to behave on social networks and applications, and the procedure for managing inquiries and complaints. This document serves to standardise the digital appearance and presence of all companies in the Food and Agri segments and their brands on all markets. It makes recommendations

regarding the content and tone of communication towards end consumers. The supervision of the implementation of the guidelines defined by the Social media playbook, for the Food and Agri segments, is the responsibility of the director of the Corporate Marketing sector of Podravka Inc. The Procedure for managing inquiries and complaints in the Food segment is the responsibility of the director of the Corporate Marketing sector of Podravka Inc., and in the Agri segment it is the responsibility of the Sales and Marketing director of Podravka Agri. The procedure defines activities that are undertaken on the basis of received inquiries or complaints from consumers, customers and inspections. Both documents are aligned with the defined values of the Podravka Group and GDPR regulations and rules.

The health and safety of consumers is the basic premise of Podravka Group's business activities.

The Food Safety and Quality Management Policy of the Food and Agri segments confirms the commitment to continuous improvement of product safety and quality by applying leading food safety standards (*IFS Food and BRC Food Safety*). The guidelines defined in the policy must be applied by all levels within the business system. The Supply Chain Safety Policy of the Food segment sets the basic guidelines for managing the safety of the supply chain and emphasises the priority of the Food segment in preventing intentional contamination of food products and the food supply chain due to human activity. The Product Withdrawal and Recall Procedure of the Food and Agri segments defines the activities that are undertaken in the event of complaints and if there is a reasonable suspicion that food placed on the market may be harmful to consumers. Supervision and implementation of the above policies and procedures for the Food segment is the responsibility of the Strategic Business Development sector. The supervision and implementation of the aforementioned policies and procedures for the Agri segment are the responsibility of the Podravka Agri Management and Sustainability System.

With the Podravka Group Business Sustainability Strategy and Nutritional Strategy, the Podravka Group has strategically positioned itself towards consumer health as one of its fundamental pillars of business.



The Guidelines on encouraging sustainable nutrition is an internal document that defines how to encourage consumers to eat sustainably with the help of existing, new and innovated products. They are intended for all teams working on product development and innovation, as well as teams working on designing promotion, advertising and training. Additionally, at the beginning of 2025, the document Criteria for Responsible Nutritional Marketing was finalised, which defines the criteria and recommendations for responsible marketing, along with a specially developed standard for advertising products aimed at children as a vulnerable consumer group. The criteria describe the implementation of nutritional marketing in practice and provide guidelines for the marketing and communication teams of the Food

segment. In addition to the Criteria for Responsible Marketing, the document Nutritional Criteria for Products Intended for Children was also developed, focused on the development of products for children aged 4 to 13. The document sets out the criteria that a product must meet in order to be advertised to children. The implementation of the above documents is the responsibility of the Business Programmes.

In the Belupo Quality document, the Pharmaceuticals segment defines its commitment to ensuring high product quality and continuous improvement of the quality of business processes, and by applying GXP⁷¹ practices and international ISO standards, it ensures the effectiveness and safety of pharmaceutical products.

ESRS S1

OWN WORKFORCE

The Podravka Group’s own workforce includes permanent employees, full-time employees, agency workers, seasonal workers and workers employed on a

fixed-term contract. The structure of the own workforce in 2025 is dominated by permanent employees (91.8%) compared to 88% in the comparative period .

Strategic goals*:

Quantitative

- **Share of women in management around 50% (ideally kept in the range from 45% to 50%) by 2030**
- **Share of women in jobs requiring higher education kept at 50% or more by 2030**
- **Share of women in Podravka Inc. around 50% (ideally kept in the range from 45% to 50%) by 2030**

Qualitative

- **Implementing a development program for first-level managers with an emphasis on operational efficiency and excellence in management**
- **Preserving specific expertise and skills of employees**
- **Implementing “Unconscious bias” training (promoting diversity and reducing prejudice) for 100% of management**
- **Continuously improving the material rights of employees**
- **Continuously improving the health care of employees, with special care for young parents**

*The strategic goals do not include the Agri segment.

In 2025, the share of women in the Management Board of Podravka Inc. was 40%, same as in 2024, while the share of women at the highest management level⁷² was 39%, compared to 43% in 2024.

In 2024, the share of women in jobs requiring higher education in the Podravka Group was 63% (1,168 persons) while in 2025 this share was 62% (1,311), which is in line with the strategic goal.

⁷¹ A set of rules of good practices in the pharmaceutical industry. G (Good), X (a variable letter representing different areas of activity, changing depending on the type of activity – manufacturing, laboratory, distribution, storage, etc.), P (Practice).

⁷² At the Podravka Group level, the highest management/leadership level consists of the Management Board, general managers, executive managers, sector directors who report directly to a Member of the Management Board or to the chief executive officer, directors of representative offices, directors of subsidiaries.



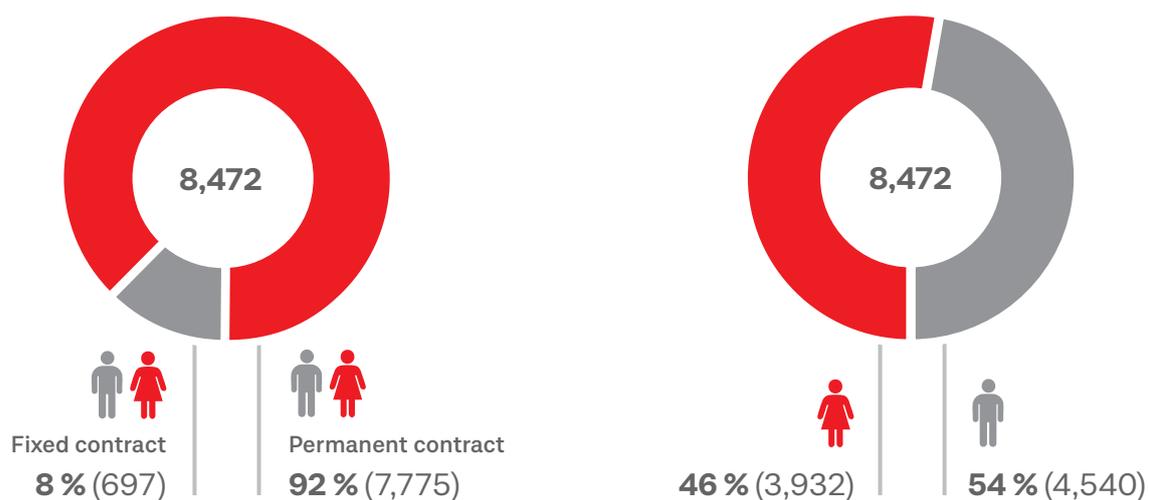
SHARE OF WOMEN IN PODRAVKA INC.

Gender	2022	2024	2025
M	53%	53%	52%
F	47%	47%	48%

THE GENDER DISTRIBUTION IN NUMBER AND PERCENTAGE AT TOP MANAGEMENT LEVEL									
Podravka Group	31 Dec 2024		31 Dec 2025		Podravka Inc.	31 Dec 2024		31 Dec 2025	
	Number	%	Number	%		Number	%	Number	%
M	58	57%	67	61%	M	26	62%	23	55%
F	43	43%	42	39%	F	16	38%	19	45%

The realisation of qualitative goals is explained below.

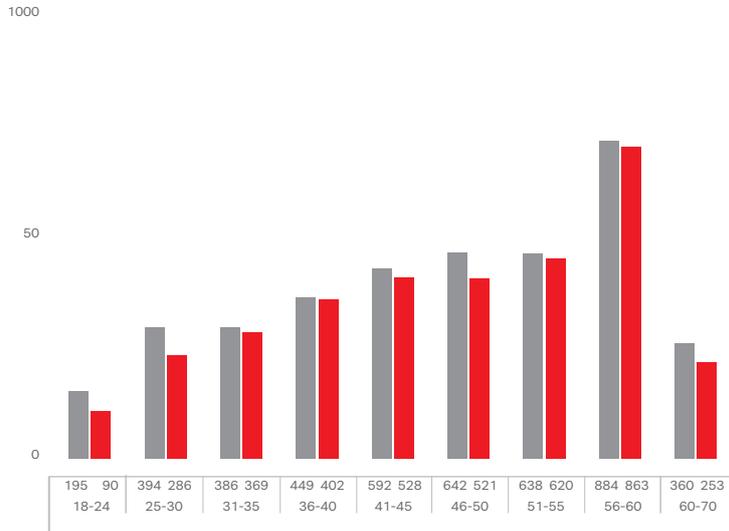
OVERVIEW OF BASIC INDICATORS OF PODRAVKA GROUP EMPLOYEES AS OF 31 DECEMBER 2025*



OVERVIEW OF BASIC INDICATORS OF PODRAVKA GROUP EMPLOYEES AS OF 31 DECEMBER 2025*

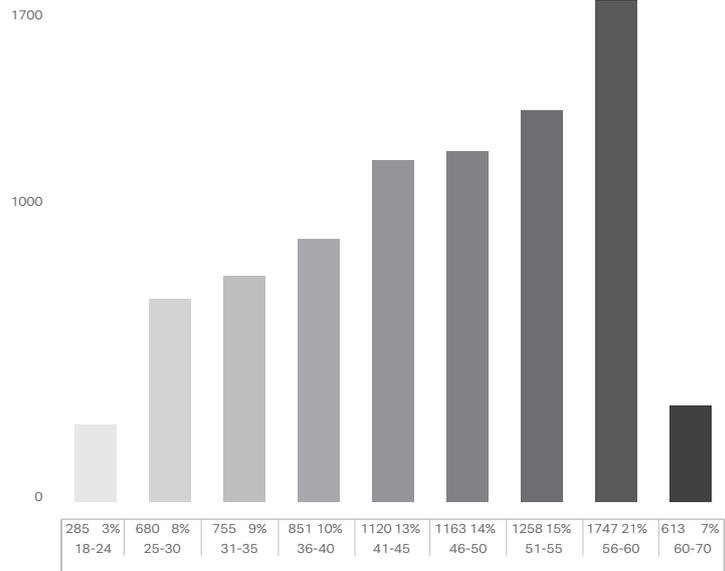


GENDER BY AGE

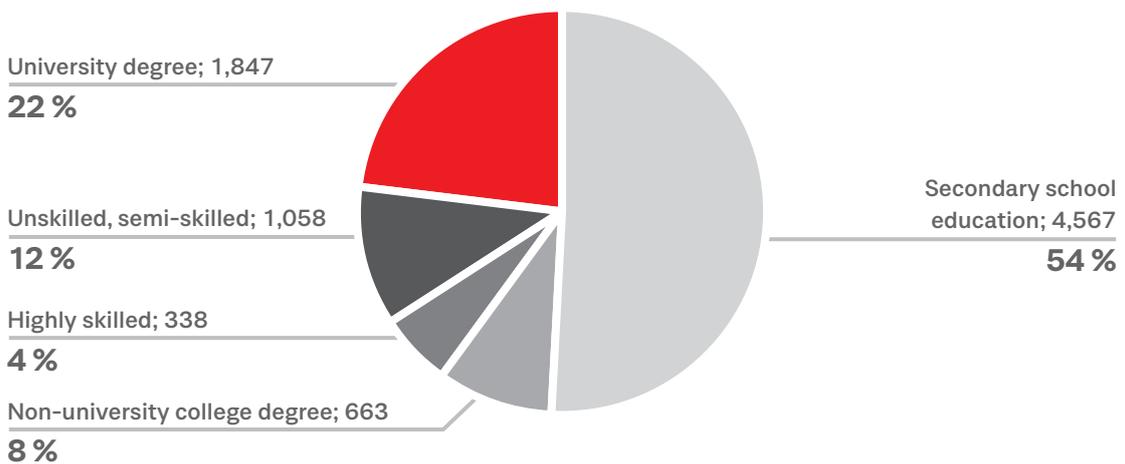


AGE STRUCTURE

Average age
46.1 years



WORKERS' QUALIFICATION

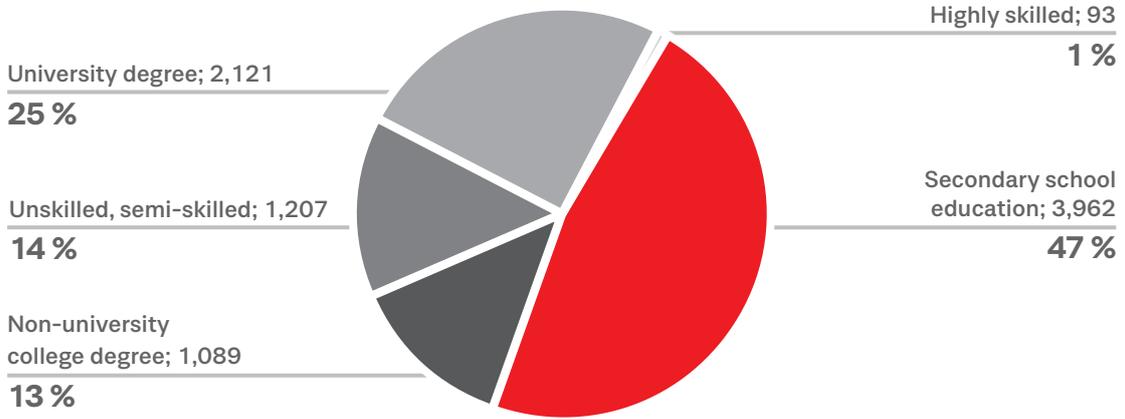


* excluding agency workers

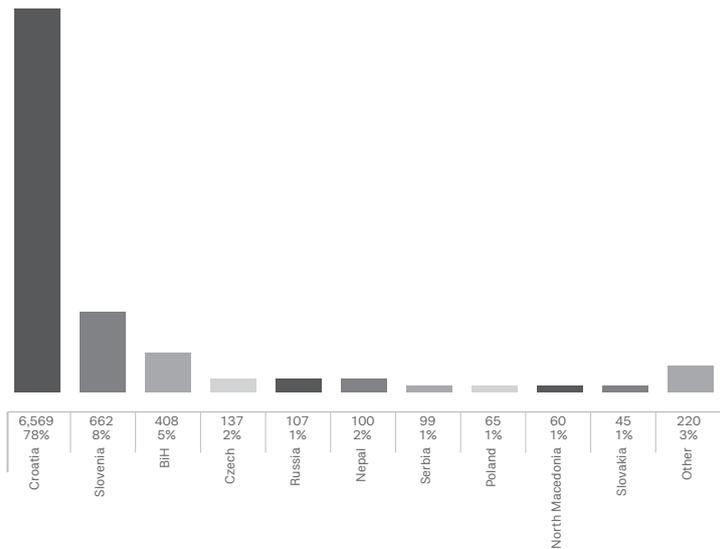


OVERVIEW OF BASIC INDICATORS OF PODRAVKA GROUP EMPLOYEES AS OF 31 DECEMBER 2025*

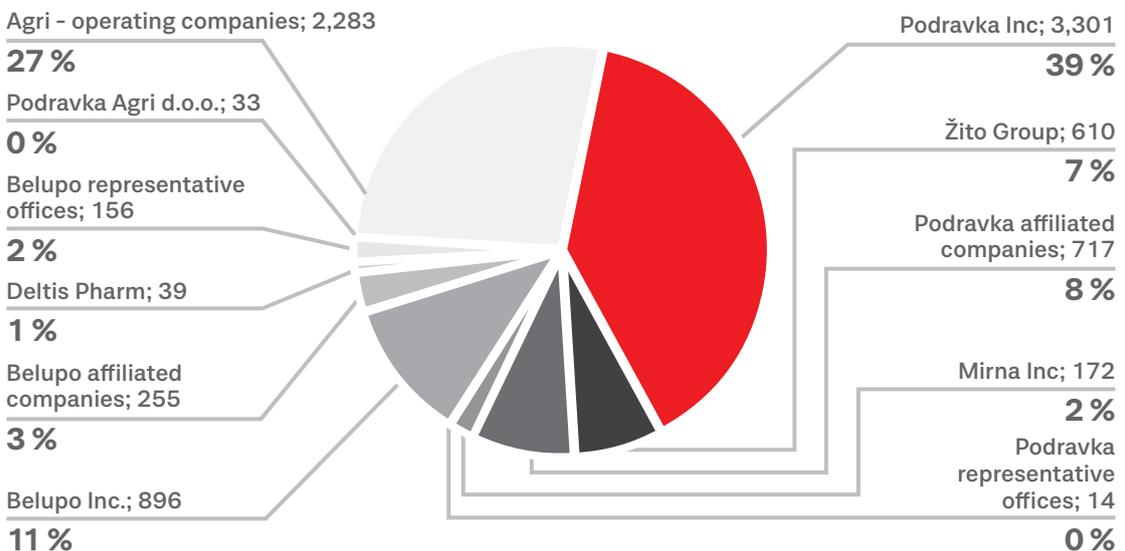
WORKPLACE QUALIFICATION



CITIZENSHIP



NUMBER OF WORKERS BY COMPANY

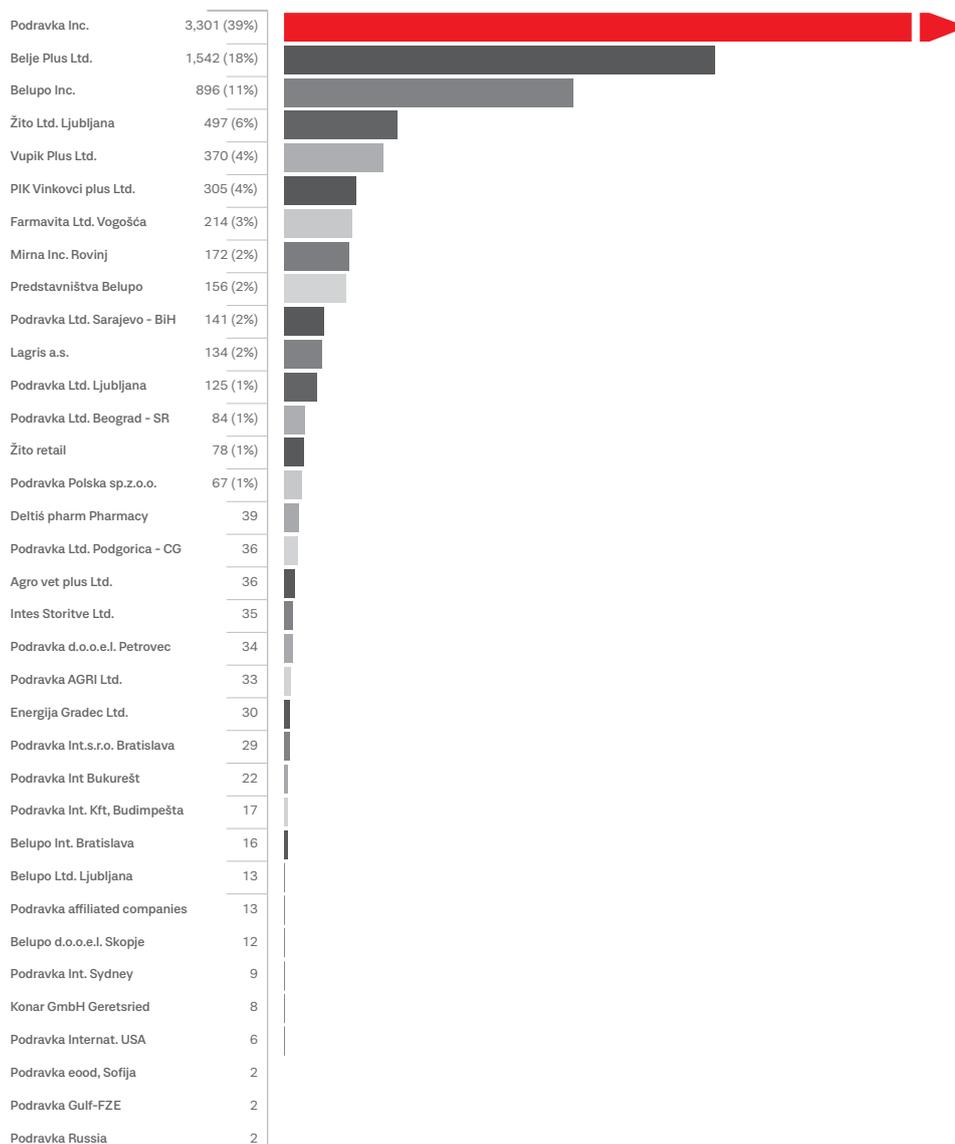


* excluding agency workers



OVERVIEW OF BASIC INDICATORS OF PODRAVKA GROUP EMPLOYEES AS OF 31 DECEMBER 2025*

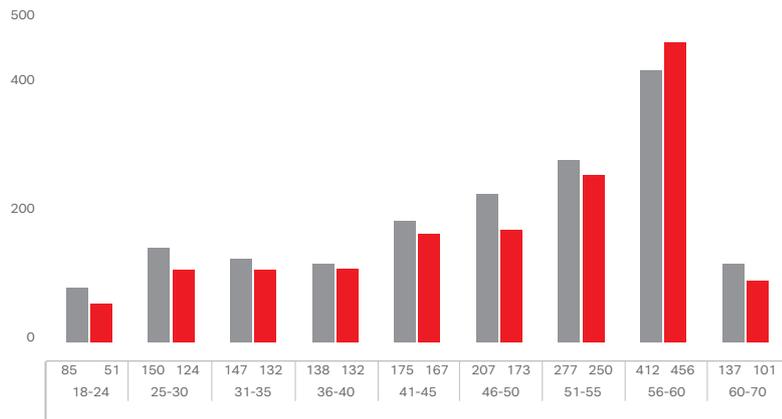
NUMBER OF WORKERS BY COMPANY



OVERVIEW OF BASIC INDICATORS OF PODRAVKA INC.⁷³ EMPLOYEES AS OF 31 DECEMBER 2025*

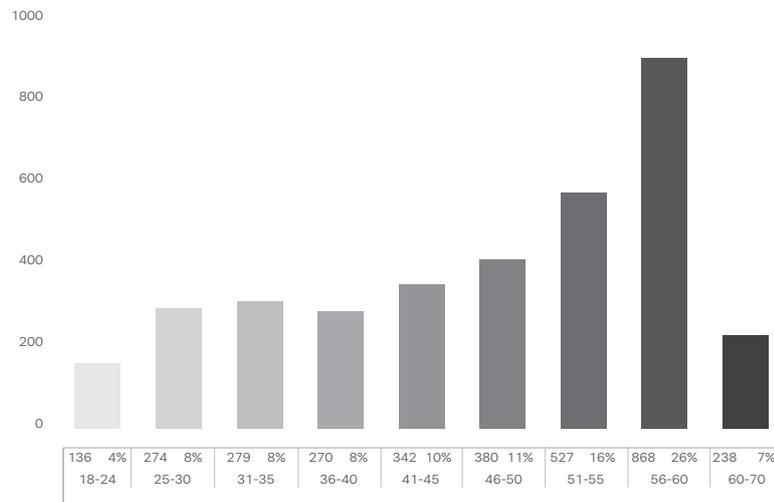


GENDER BY AGE



AGE STRUCTURE

Average age
46.9 years



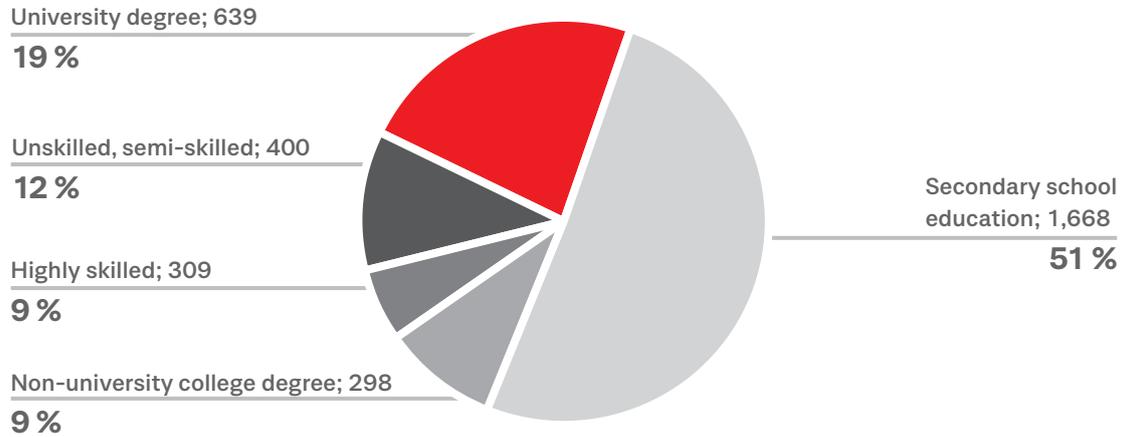
* excluding agency workers

⁷³ Consolidated data of Podravka Inc. include representative offices of Podravka Inc. i.e., include ¹¹ employees in Kosovo, one employee in Ukraine and one employee in Latvia. Total number of employees stated in the Consolidated financial statements, Note 12.

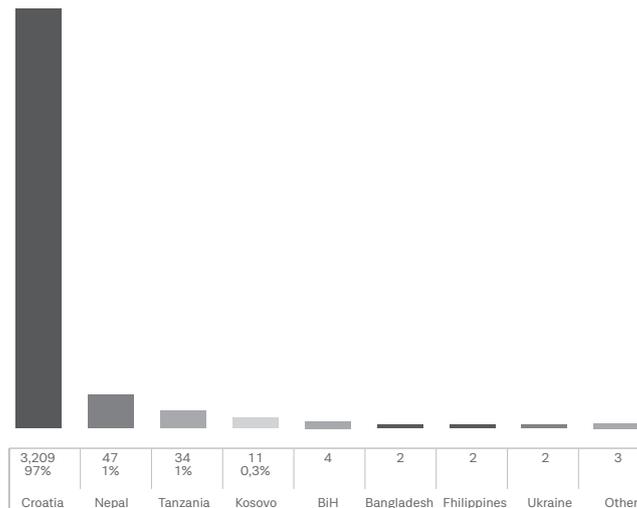


OVERVIEW OF BASIC INDICATORS OF PODRAVKA INC.⁷³ EMPLOYEES AS OF 31 DECEMBER 2025*

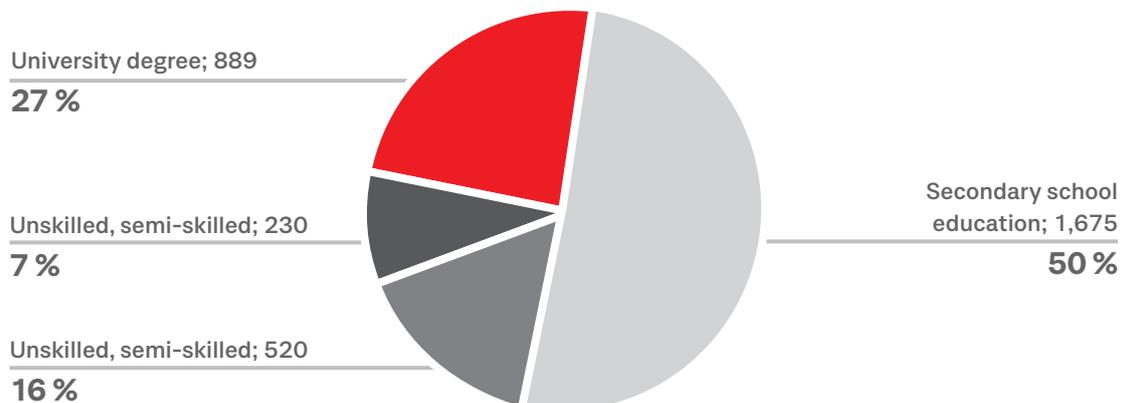
WORKERS' QUALIFICATION



CITIZENSHIP



WORKPLACE QUALIFICATION



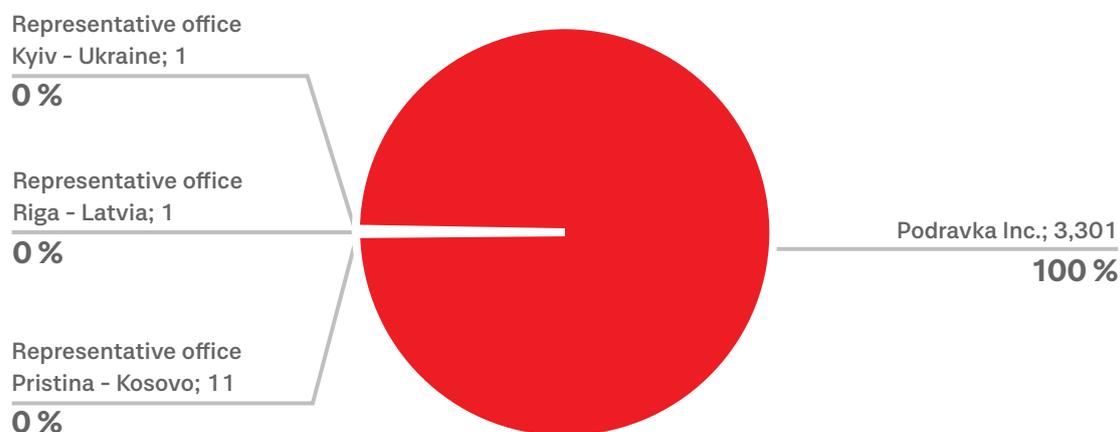
* excluding agency workers

⁷³ Consolidated data of Podravka Inc. include representative offices of Podravka Inc. i.e., include 11 employees in Kosovo, one employee in Ukraine and one employee in Latvia. Total number of employees stated in the Consolidated financial statements, Note 12.



OVERVIEW OF BASIC INDICATORS OF PODRAVKA INC.⁷³ EMPLOYEES AS OF 31 DECEMBER 2025*

NUMBER OF WORKERS BY COMPANY



EMPLOYEES BY CONTRACT TYPE, BROKEN DOWN BY GENDER**

Podravka Group	Female		Male		Other		Not disclosed		TOTAL	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Number of employees	3,436	3,932	2,984	4,540	0	0	0	0	6,420	8,472
Number of permanent employees	3,022	3,632	2,607	4,143	0	0	0	0	5,629	7,775
Number of temporary employees	414	300	377	397	0	0	0	0	791	697
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0

EMPLOYEES BY CONTRACT TYPE, BROKEN DOWN BY REGION**

Podravka Group	Markets of Croatia and Slovenia		Southeastern Europe		Western Europe and Overseas		Central Europe		Eastern Europe		TOTAL	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Number of employees	5,433	7,470	541	554	25	25	297	294	124	129	6,420	8,472
Number of permanent employees	4,861	6,959	376	420	24	24	248	246	120	126	5,629	7,775
Number of temporary employees	572	511	165	134	1	1	49	48	4	3	791	697
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0	0	0

**The number of employees, broken down by gender, type of contract and region, is expressed as the number of employees (headcount) as of 31 December 2025. Data on the number of employees is taken from the internal database (SAP). The number of temporary employees, i.e., employees on fixed-term contracts, in most cases refers to employees replacing employees on sick leave, maternity and parental leave, etc.

* excluding agency workers

⁷³ Consolidated data of Podravka Inc. include representative offices of Podravka Inc. i.e., include 11 employees in Kosovo, one employee in Ukraine and one employee in Latvia. Total number of employees stated in the Consolidated financial statements, Note 12.



BREAKDOWN BY COUNTRY FOR COUNTRIES IN WHICH THE UNDERTAKING HAS 50 OR MORE EMPLOYEES REPRESENTING AT LEAST 10% OF ITS TOTAL NUMBER OF EMPLOYEES

Country I	Number of employees	
	2024	2025
Croatia	4,571	6,722
Slovenia	862	748

As of 31 December 2025, at the Podravka Group level 164 employees were hired through an employment agency. The number of workers who are not employed in

SOCIAL DIALOGUE

Social dialogue in the Podravka Group is continuously improved through cooperation with the Workers' Council and trade unions in the Republic of Croatia (PPDIV Trade Union, Podravka Independent Trade Union, Podravka Group Workers' Union – SINPOD, New Trade Union, HUS Trade Union of Workers in Industry and Commerce of Croatia, Slavonija-Baranja Trade Union, Istria, Kvarner and Dalmatia Trade Union) and trade unions abroad (Macedonia, Poland and Slovenia).

Employees of Podravka Inc., Belupo Inc. and Mirna Inc., of the Žito Group and agricultural companies within Podravka Agri have the right to elect one or more of their representatives in free and direct elections, by secret ballot, who will represent them with the employer in the protection and promotion of their rights and interests, and thus form a workers' council. In the Republic of Croatia, all workers employed by a particular employer have the right to vote and be elected, except for members of the employer's management and supervisory bodies and members of their families, while in Slovenia, all employees with at least six months of service can vote, and employees with at least 12 months

the company's own workforce is affected by seasonality, especially in the summer months when an increased number of workers is needed. Data on the number of employees was taken from internal sources.

As of 31 December 2025, the Podravka Group employed 293 foreign workers.

In 2025, the turnover rate⁷⁴ in the Podravka Group was 9.97%, compared to 9.11% in 2024. In 2025, 845 employees left the Podravka Group compared to 592 employees in 2024.

of service can be elected. Cooperation with the workers' council is achieved through mandatory consultation before making important decisions for the position of workers, co-decision-making, and through reporting to the workers' council on issues regulated by the Labour Act, such as:

1. position, business results and work organisation;
2. expected development of business activities and their impact on the economic and social position of employees;
3. trends and changes in wages;
4. scope and reasons for introducing overtime work;
5. number and type of workers employed, employment structure and development and employment policy;
6. protection of occupational health and safety and measures to improve working conditions;
7. results of inspections carried out in the field of labour and occupational safety;
8. other issues of particular importance for the economic and social position of employees.

In the Žito Group, the employer is obliged to report to the Workers' Council on all issues stipulated by the Act on Employee Participation in Management (ZSDO).

⁷⁴ The turnover rate is calculated in such a way that the numerator represents the number of all terminations of employment except:
 - Terminations due to employment in another company within the Podravka Group in the Republic of Croatia or abroad, since the number of employees at the Group level does not change in such cases (leaving to the parent company or an LTD., fluctuation between international companies)
 - Expiration of fixed-term employment contracts
 - Expiration of work permits for foreign citizens
 - Termination of contract – unpaid leave
 - Termination of contract – serving in the Croatian Armed Forces
 Such a number of terminations of employment is compared to the total number of employees as at 31 December 2025. Seasonal workers are not included in the calculation, regardless of the manner of termination of employment.



All decisions important for the position of employees in the companies of the Podravka Group in the Republic of Croatia are subject to consultation on the intention to make such decisions. By means of the collective agreement, the employer has undertaken to ensure the freedom of association and membership in trade unions for employees, as well as the right to information, consultation and association. Also, all rights and obligations arising in the event of termination of the employment contract for both the employer and the employee are defined.

Social dialogue with union representatives and regular communication with employee representatives is a common practice. In addition, there is constant direct communication between Podravka Group management and employees, which enables and creates opportunities for discussions on issues of common interest and provides employees with insight into the operations and understanding of the Podravka Group's business goals.

The Podravka Group encourages dialogue with its employees that goes beyond traditional collective bargaining in order to exchange opinions and find common solutions and opportunities related to issues such as occupational health and safety and the environment.

Employee meetings are held regularly, and are attended by the company's Management Board and union representatives in the companies where they exist. In this way, employees are provided with direct information about the company's strategy, important projects of individual organisational units, investments and other initiatives, as well as the opportunity to directly ask questions to Podravka Group management.

Podravka Group employees also have access to other internal communication channels, such as company newsletters and Intranet sites.

Every year, the Podravka Group organises annual holiday gatherings for employees at all locations, as well as a traditional meeting of employees, and retirees, in order to express gratitude for their many years of work.

In accordance with the Labour Act and the Agreement on the Regulation of Working Conditions of the Workers' Council, Podravka Inc., Belupo Inc., Mirna Inc. and companies within Podravka Agri submit quarterly reports to the workers' councils on all issues that are particularly important for the economic and social position of employees.

Thus, workers' councils are informed about business results and the state of business, about the organisation of work, the expected development of business activities and their impact on the economic and social position of employees, about trends and changes in wages, the number and type of employees and labour costs, the extent and reasons for introducing overtime work, the number and structure of employed workers, occupational health and safety protection and measures to improve working conditions, the results of inspections carried out in the field of labour and occupational safety, as well as other issues particularly important for the position of employees.

Employees also participate in decision-making through their representatives in workers' councils that promote their rights and interests towards the employer, but also through workers' representatives in Supervisory Boards in companies of the Podravka Group.

All decisions important for the position of employees are, without exception, subject to consultation on the intention to make such decisions, and workers' councils are provided with information important for making future decisions and their impact on the position of employees.

Podravka Group employees have the opportunity to express their opinion, satisfaction or concerns, and point out opportunities for improvement through a survey of organisational climate, culture and engagement conducted annually. The aim of the survey is to determine the level of employee satisfaction with various aspects of work, such as the quality of communication with the superior, the leadership of the direct superior, employee inclusion and well-being, satisfaction with salary and material rights, and the work-life balance. By defining



specific action plans, it is possible to address the identified risks and introduce improvements, for which the directors of all units of the Group are responsible.

COLLECTIVE BARGAINING

Collective agreements regulate the rights and obligations of the contracting parties in the field of employment relations, and in particular the establishment of an employment, the protection of employees' privacy, education and training of trainees for independent work, working hours, holidays and leave, wages and compensation of employees, material and other rights of employees, inventions and technical improvements, termination of employment contracts, exercise of rights and obligations arising from employment, conditions for the work of trade unions, rights and obligations of the contracting parties and the method of resolving disputes, conclusion of contracts, delivery of contracts to the competent ministry and publication of contracts.

The Collective Agreement of the Podravka Group concluded on 5 November 2018 with the corresponding annexes, the last of which, Annex VII was signed on 26 November 2025, applies to employees of Podravka Inc. and Belupo Inc. and according to which the salaries increased by 4.5% from 1 January 2026. This salary increase covered approximately 4,100 employees of Podravka Inc. and Belupo Inc. Employers and trade unions also agreed to increase maternity support for each newborn child, raising the benefit to EUR 1,500.

For employees of Mirna Inc., the Mirna Inc. Collective Agreement applies. By signing Annex I to the Collective Agreement on 8 December 2025, the base contractual salary of Mirna Inc. employees will increase by 4% as of 1 January 2026. The average increase was 7%, with an absolute average increase of EUR 73. An agreement was also reached to eliminate employee contributions to the cost of hot meals, which is now fully covered by the employer. Additionally, the amounts for Christmas, Easter, and holiday bonuses, as well as support for employees

in case of disability due to a work-related injury or occupational disease, are being aligned with the levels defined in the Podravka Group Collective Agreement.

In March 2025, the negotiation teams of Belje, PIK Vinkovci, and Vupik, together with representative trade unions, concluded negotiations on the extension of the existing collective agreements for companies within Podravka Agri. As of 1 April 2025, with the first payment in May, salaries and salary supplements for employees of Belje, PIK Vinkovci, and Vupik increased, along with improvements in other material benefits. All employees received a gross base salary increase of EUR 133, which also positively impacted allowances, such as past work and working conditions allowances. The lowest employee salaries increased by approximately 16 %, while the average increase for employees covered by collective agreements exceeded 10%. An agreement was also reached on non-taxable occasional bonuses totalling EUR 700 annually per employee, covering Easter, holiday, and Christmas bonuses. All rights agreed through collective bargaining were also applied to employees of Energija Gradec and Belje Agro-vet, thereby harmonising employee material rights across Podravka Agri.

The Collective Agreement for Agriculture and Food Industry of Slovenia and the Enterprise Collective Agreement of the ŽITO Group apply to the employees of the ŽITO Group, with the exception of Podravka Ltd. Ljubljana, where the Collective Agreement for Trade Sector of Slovenia is applicable.

The provisions of the collective agreement concluded on 1 April 2025 apply to all employees of agricultural companies within Podravka Agri.

In the companies Podravka Inc., Belupo Inc., Mirna Inc. and in the Žito Group, the Collective Agreements apply to employees, regardless of union membership, while national and local regulations apply to employees of other companies.



PODRAVKA GROUP	COLLECTIVE BARGAINING COVERAGE				SOCIAL DIALOGUE	
	Employees – EEA*		Employees – Non-EEA**		Workplace representation***	
	2024	2025	2024	2025	2024	2025
0-19%						
20-39%						
40-59%						
60-79%						
80-100%	Croatia Slovenia	Croatia Slovenia			Croatia Slovenia	Croatia Slovenia

* for countries with >50 employees representing >10% total employees
 ** estimate for regions with >50 employees representing >10% total employees
 *** EEA only, for countries with >50 employees representing >10% total employees

PODRAVKA INC.	COLLECTIVE BARGAINING COVERAGE				SOCIAL DIALOGUE	
	Employees – EEA*		Employees – Non-EEA**		Workplace representation***	
	2024	2025	2024	2025	2024	2025
0-19%						
20-39%						
40-59%						
60-79%						
80-100%	Croatia	Croatia			Croatia	Croatia

* for countries with >50 employees representing >10% total employees
 ** estimate for regions with >50 employees representing >10% total employees
 *** EEA only, for countries with >50 employees representing >10% total employees

The Podravka Group, as a socially responsible company, provides its employees with social protection in accordance with the regulations, and in some countries even beyond legal regulations of the countries in which it operates. Thus, in the collective agreements, employees exercise the right to support in the prescribed cash amounts in cases of:

1. death of a close family member (spouse, children or parents)
2. disability due to a work-related injury or an occupational disease
3. sick leave longer than 90 days
4. elimination of the consequences of natural disasters or fire in the building where the employee lives
5. onset of disability
6. funeral costs of the deceased employee



Financial support may also be granted in other justified cases, e.g., severe disability of a close family member, difficult social situation of the employee, etc.

A retiree who has worked for an employer for at least five years continuously and has retired from that employment is entitled to a Christmas gift consisting of products from Podravka Inc. or Mirna Inc. The composition and value of the gift is decided each year by the company's Management Board.

With the aim of having a positive impact on health, employees of Podravka Inc., Belupo Inc., Belje plus Ltd. and PIK Vinkovci plus Ltd. are also provided with supplementary health insurance, which includes an annual physical exam and the possibility of specialist examinations as needed and a large number of diagnostic procedures. Employees of Podravka and Belupo are also entitled to a Multisport card.

The Podravka Group continuously implements measures and activities aimed at improving material rights and wages for employees of the Podravka Group, which is evident from the increase in staff costs in the consolidated financial statements (Note 12). Based on signed annexes to Collective Agreements in 2024, in the coming period, the Podravka Group will continue to focus its business activities on increasing employee material rights.

ATTRACTING AND RETAINING EMPLOYEES

In the context of the challenges on the global labour market that employers have been facing in recent years, one of the primary goals of human resources management of the Podravka Group is to reduce the risk of labour outflow and ensure the labour through employment, training, development and advancement opportunities. Given that the company's production facilities are mostly located in Croatia and Slovenia, the initiatives to attract and retain labour are mostly focused on these locations.

For example, Podravka Inc., in cooperation with agencies for the employment of foreign workers, compensated for

the deficit of domestic labour, and for the purpose of announcing vacancies and recruiting, various channels were used, such as the Employment Service and job search sites. Employees of younger age were employed with the aim of rejuvenating the workforce due to retirements. New employees were introduced to jobs by assigned mentors who transfer process and business expertise and skills to them.

In order to create the prerequisites for employment in shortage occupations, in 2024 Podravka Inc. launched and in 2025 continued a project to provide scholarships to pupils of high schools with programmes of shortage occupations under the title "Little secrets of Podravka's great masters". The Decision on the criteria and procedure for awarding scholarships to shortage occupations high school pupils was adopted and a Scholarship Award Committee was appointed. Upon completion of the scholarship, the scholarship recipients are guaranteed employment in Podravka Inc. The scholarship project for pupils in shortage occupations continued in the 2025/2026 school year, with a total of 31 scholarships awarded.

The Podravka Group plans the training of its employees as well as development projects on an annual basis within a predefined budget. The Group's employees have access to training within their profession, training defined by law, formal education, i.e., retraining and training, as well as education for acquiring certain business knowledge and skills.

To strengthen the performance of the marketing team and create an agile, consumer-oriented organisation, the Marketing Academy programme was completed in 2025 at Podravka Inc. and Podravka Ljubljana, involving a total of 84 employees (14 male and 70 female). The training cycle responds to an identified need for an educational programme that enables knowledge and experience sharing, fosters innovation and strengthens team cohesion. Through the structured Marketing Academy programme, participants acquire new knowledge and skills contributing to greater efficiency, proactivity and focus on the achievement of strategic objectives.



Through joint cooperation between Strategic Business Development, Sales, and Human Resources, the concept of the Podravka Sales Academy was designed and launched, attended by a total of 124 colleagues (69 male and 55 female) from the retail segment in the markets of Croatia, Slovenia, Montenegro, North Macedonia, Serbia, and Bosnia and Herzegovina. The programme will be implemented from March 2025 to June 2026 and will include lectures delivered by internal experts, training sessions led by internal trainers, as well as training provided by external experts. The Sales Academy will further enhance the competencies of the sales operations function and increase effectiveness in addressing challenges in a dynamic and competitive environment.

The developing management skills programme continued in 2025 for 66 managers at Podravka Inc., Belupo Inc. and Žito Inc. The objective of the programme is to strengthen the competencies required for effective team leadership and more efficient process management.

With the aim of workforce retention, within the long-term “Compass” project implemented in the Podravka Group, key roles, potential successors and knowledge transfer needs are identified, employee development plans are defined, and potential employee departures and related reasons are assessed. The “Compass” project was also implemented in 2025 and, in addition to Podravka Inc. and Belupo Inc., included all other affiliated companies of the Podravka Group, except companies within Podravka Agri. As part of the project, a total of 1,524 employees of the Podravka Group were assessed, employees of Podravka Inc., all international companies of Podravka Inc., Belupo Inc. and Žito Ltd.

Using the methodology applied within this project, employees in key and critical positions and their successors were identified, and targeted development activities were defined to support the further development of their competencies. The objective of the project is to ensure the timely provision of training programmes to develop the competencies of Podravka Group employees and to identify the activities necessary

to ensure business continuity and the stability of business processes. For the purpose of maintaining training records, Podravka Inc. uses an internal training monitoring system through the eObrazovanje process, while in other Podravka Group companies training is monitored using spreadsheet-based records.

In 2025, 2,150 employees, of which 896 women and 1,254 men participated in the performance monitoring systems at the Podravka Group level, which makes 25% of all employees in the Group, i.e., 22% of women and 26% of men.

In 2025, the average number of training hours⁵ per employee in Podravka Inc. was 10.42 hours, compared to 15.54 in 2024, while at the Podravka Group level⁷⁵ it was 13.96 hours, compared to 16.49 hours in the comparative period.

As a result of all activities aimed at excellence in human resources management and a strong commitment to creating a high-quality, supportive and fair working environment, the companies within the Podravka Group – Podravka Inc., Belupo Inc., Belje plus Ltd., Vupik plus Ltd. and PIK-Vinkovci plus Ltd. – hold the prestigious Employer Partner certificate. In addition, Podravka Inc. received the Equal Pay Champion certificate in 2025.

HEALTH AND SAFETY

The production companies of the Podravka Group (across all three segments) continuously organise and implement occupational health and safety measures, with a focus on risk prevention, as well as information and training related to all work processes and work organisation, thereby ensuring the highest possible level of safety for all employees. Workplaces are safe, maintained, adapted for work and in good condition, in accordance with occupational safety rules. Regular inspections and tests of work equipment are carried out, and workplaces are monitored in order to avoid hazards to the safety and health of employees.

⁷⁵ When calculating the number of employees who participated in regular performance reviews, the numerator includes employees who were in the performance and/or KPI-based review and reward system as at 31 December 2025, whether it was monthly, quarterly or annual review. The calculation was made in such a way that the numerator used the number of female and male employees who participated in regular performance and professional development reviews, and the denominator used the total number of employees specified in the disclosure requirement of ESRS S1-6. The calculation was made in such a way that the total number of hours of training offered and completed per employee was divided by the total number of employees specified in the disclosure requirement of ESRS S1-6.



Documents have been prepared assessing the risk to the life and health of employees and persons at work, in relation to work equipment, working environment, technology, physical hazards, chemicals, workplace design, work process organisation, effort, imposed pace of work, norms of work, night work and psychological workload, in order to prevent or reduce the risk. Based on the risk assessment, which is updated regularly, occupational safety rules, preventive measures and other activities are applied to prevent and reduce exposure of employees to identified risks.

The implementation of occupational safety has been transferred to a certain extent to authorised persons within their scope of work. The performance of occupational safety tasks is contracted with the legally prescribed number of occupational safety experts. Through internal inspections of the implementation of occupational safety rules, occupational safety experts encourage and advise the employer and its authorised persons to eliminate deficiencies in occupational safety identified by internal inspections. Training and professional development of employees, authorised persons and workers' representatives for occupational safety is continuously carried out. The training process for predominantly administrative tasks is also organised through e-courses available in Croatian and English.

Through the work of occupational safety committees, established as a central committee and committees for specific organisational units within the Food segment, as well as occupational health and safety committees at the level of organisational units within the Pharmaceuticals and Agri segments, consultations are conducted with stakeholders of the occupational health and safety system, with the aim of improving occupational health and safety performance.

During 2025, with the aim of improving employee safety and health protection, employee training procedures as well as information and consultation procedures involving employees and their representatives with employers and their authorised representatives were implemented across all three business segments.

In addition to implementing all legally prescribed occupational health and safety measures, the Agri segment introduced a mandatory "5 Minutes for Safety" programme, under which managers gather employees prior to the commencement of work tasks to briefly raise awareness of the importance of occupational health and safety prevention and compliance with all prescribed occupational health and safety rules and procedures.

At the Lagris production location, the "First Aid in Realistic Conditions" training was delivered to employees. Furthermore, through investment in poppy seed cleaning technology, Lagris consolidated the technological process within a single facility, eliminating the need to transport poppy seeds by forklift across inclined surfaces, thereby removing the risk of forklift overturning. Investment in a new roof over part of the production facility significantly improved thermal insulation, resulting in substantially improved working conditions for Lagris employees during the summer months.

One of the key measures for ensuring employee health protection is the identification and assessment of occupational safety and health risks to which employees are exposed at work. In order to determine medical fitness for performing specific tasks, employees across all three business segments are referred to specialist occupational health services both prior to and during employment. All employees working in positions with special working conditions are provided with occupational health services through health surveillance appropriate to the hazards, risks and physical demands of their work, with the aim of protecting employee health and preserving work ability.

Through the work of the occupational safety committees, which have been established as a central committee and committees for certain organisational units, consultations are carried out with the aim of improving the state of occupational safety. Particularly vulnerable groups of employees (employees who have been determined to have reduced and remaining working capacity or who are at immediate risk of reduced working capacity) are provided with special protection at work. For example, work in the Finishing plant where they do not perform physically demanding tasks.



In 2025, Podravka Inc. continued with the modernisation of automatic fire alarm systems. With the aim of increasing the efficiency of fire extinguishing systems and achieving a positive impact on the environment, fire extinguishing systems were replaced with more advanced technology in certain specialised areas. Also, construction protection measures were implemented in production and warehouse areas by installing walls with higher fire resistance, special doors and reducing the fire load. In areas at risk of

explosive atmospheres, safety improvements are regularly implemented, and such areas are monitored and inspected by the Ministry of the Interior.

By collecting and analysing data regarding accidents, work-related injuries, occupational diseases and work-related diseases, the Podravka Group monitors the success of the implementation of activities aimed at health and safety of employees.

	PODRAVKA GROUP			PODRAVKA INC.		
	2024	2025	2025/ 2024	2024	2025	2025/ 2024
Coverage of own workforce by health and safety management system	100%	100%	0.0%	100%	100%	0.0%
Number of fatalities as a result of work-related injuries and work-related ill health – own workforce⁷⁶	0	0	0.0%	0	0	0.0%
Number of recordable work-related injuries⁷⁷	155	225	45.2%	110	100	(9.1%)
Rate of recordable work-related injuries⁷⁸	14.8	16.0	8.2%	20.2	18.6	(7.9%)
Number of cases of recordable work-related ill health	0	0	0.0%	0	0	0.0%
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health – own workforce⁷⁹	7,091	8,795	24.0%	5,165	3,042	(41.1%)

ESRS S2

WORKERS IN THE VALUE CHAIN

In 2025, the Podravka Group cooperated with 13,287 suppliers (9,996 in 2024), of which over 68% were domestic (60% in 2024), which indicates a significant number of workers in the value chain.

The Podravka Group does not have information on the structure of workers in the value chain, nor the exact geographical areas in which workers work. The risk of child and forced labour from suppliers in third countries is assessed as low, given that a significant

number of suppliers are from the EU, while significant suppliers from third countries (China, India) in the Pharmaceuticals segment are subject to regular audits at supplier locations once every three years.

For workers in the value chain who perform business activities at Podravka Group locations, such as suppliers of capital goods and services (construction works), the company requires an ISO 45001 certificate and/or a statement related to ensuring occupational safety and health, as well as the submission of documentation and certificates on the health status of workers and the proper functioning of machinery and equipment.

⁷⁶ The data also includes workers in the value chain who work at Podravka Group locations.

⁷⁷ Includes all reported work-related injuries that resulted in lost working hours/days.

⁷⁸ The ratio of the number of work-related injuries multiplied by 1,000,000 to the total number of hours worked. It shows the number of work-related injuries per million hours worked.

⁷⁹ The number of days lost includes the first full day and the last day of absence. The calculation takes into account calendar days, so days on which the person is not scheduled to work (e.g., weekends, public holidays) are counted as lost days.



The Podravka Group does not have any specific mechanisms in place for cooperation with workers in the value chain.

On its corporate website, the Podravka Group has a published email address that allows reporting irregularities by all persons who participate in the employer's activities in any way, including workers in the value chain. So far, there have been no reported irregularities by workers in the value chain.

Strategic goal*:

- **100% of suppliers signing the Supplier Code of Conduct by the end of 2025**

*The strategic goal does not include the Agri segment.

The Supplier Code of Conduct was drawn up in 2023 and revised in 2024, given that in the meantime, regulations focused on due care in the supply chain were adopted. The revised Code was adopted by the Management Board of Podravka Inc. and was implemented in February 2025. The Supplier Code of Conduct is applied by all production companies of the Podravka Group and is publicly available on the corporate website⁸⁰. In mid-2025, the Supplier Code of Conduct was integrated into the SAP Ariba system as a precondition for participation in procurement procedures. All suppliers participating in tenders via Ariba are required to confirm their acceptance of the Code.

Furthermore, in January 2026, a clause was added to purchase orders stipulating that, by accepting the purchase order, the supplier also accepts the provisions defined in the Code. In this way, the application of the Code has been extended to all suppliers with whom cooperation is conducted through purchase orders.

In 2025, a total of 783 suppliers (7.4%) across all companies within the Food and Pharmaceuticals segments confirmed the Supplier Code of Conduct

As of September 2025, the Agri segment applies the Supplier Code of Conduct in its procurement procedures,

and by the end of 2025 a total of 573 suppliers (21%) had accepted the Code.

The Code requires all suppliers to apply the principles of social responsibility in their own operations and in the supply chain. The content of the Code is divided into four parts:

- 1. Business Ethics, Compliance and Transparency**
- 2. Human Rights**
- 3. Environment**
- 4. Animal Welfare**

The Podravka Group expects its suppliers to act with due care and to recognise risks within their own supply chain, as well as to take appropriate measures to detect, prevent and correct negative impacts in the context of the principles of the Code.

Evidence of implementation of the principles will be requested from suppliers, and the Podravka Group will assess compliance with the principles of business conduct defined in the Code. The Code defines measures related to the violation of the defined provisions, which implies a written notification to the supplier and the definition of a reasonable deadline, in line with the principles of the Code. The final measure in case of violation of the principles of the Code is the termination of the contractual relationship.

ESRS S3

CORPORATE SOCIAL RESPONSIBILITY

Strategic goals*:

- **Support for cultural events**
- **Support for sports events**
- **Support for associations, social institutions and other organisations that care for the people in need**
- **Contribution to the improvement of preschool and school nutrition**

* The strategic goals do not include the Agri segment.

⁸⁰ <https://podravkagrupa.com/hr/prehrana/dobavljaci/>



Strategic goals in the segment of corporate social responsibility are qualitatively defined, and the Podravka Group aims to maintain the continuity and level of support provided. In 2025, the Podravka Group supported the local community with EUR 3.9m through sponsorships and donations, or 25.1% more compared to EUR 3.1m in the base year 2022 and 14.1% more compared to EUR 3.4m in 2024.

Cooperation with affected communities takes place through calls for donations, but also through sponsorships, in accordance with the Business Strategy and Communication Strategy. The Corporate communications and stakeholder relations sector is responsible for cooperation with affected communities.

All activities aimed at the local community are carried out with full respect for the principle of gender equality, and with respect for the principle of giving priority to marginalised groups and vulnerable parts of society.

Members of the affected communities are provided with the following channels for communication with the company:

- email addresses;
- free consumer phone number;
- email address for questions about brands and products;
- <https://podravkagrupa.com/hr/kontakt/>

All inquiries are answered as soon as possible, regardless of whether the answer is positive or negative.

Sponsorships are awarded according to plan and based on submitted applications, and in most cases, they are long-term collaborations that are in line with the adopted business strategy. The amounts are paid from the company's regular operations, without additional borrowing or financial instruments.

Donations are awarded twice a year through a public call published on the corporate website. All received applications are considered, and the results are publicly announced.

In 2025, Podravka Inc. announced two calls for the donation of funds to humanitarian projects, projects involving children and youth, projects in the fields

of education, health and ecology, and culture and sports. The most important selection criteria were the project's contribution to the overall development of the social community, the quality of the project and its compliance with the Company's goals. The results were publicly announced on the corporate website (<https://podravkagrupa.com/hr/odrzivost/donacije>).

In addition to the sponsorships and donations mentioned above, Podravka Inc. carried out a number of activities aimed at contributing to the local community, such as:

1. "Let's Donate for Schools and the Meals We Love" campaign implemented in three countries:

- In Croatia, 5 cents were allocated from each sold Podravka tomato product and Zlato polje pasta product, resulting in a total of EUR 83,189.95 donated to three secondary schools for equipping school practical training facilities: High School Petar Šegedin (Korčula), High School Ambroz Haračić – Mali Lošinj and Vocational and Industrial School Županja.
- In Bosnia and Herzegovina, a portion of profit from the sale of Podravka products (BAM 30,000, approximately EUR 15,000) was allocated to six secondary hospitality schools for equipping practical training facilities (High School Jablanica, Antun Branko Šimić School, Tourism and hospitality school Tuzla, High School Hadžići, Hospitality and Trade School Doboje and High School Foča). In addition, all secondary hospitality schools in the country (37 in total) received product donation packages with an individual market value of BAM 500. Furthermore, in December 2025, as part of a corporate social responsibility campaign, Podravka BiH donated BAM 10,000 to Association Srce za djecu oboljelu od raka to support and enhance the work of the Parent Houses in Sarajevo and Tuzla. The donation was realised by allocating BAM 0.20 from each sold Lino product in all dm retail stores across Bosnia and Herzegovina.
- In North Macedonia, MKD 1 was allocated per product sold (donation value of approximately EUR 6,000) to the hospitality school Lazar Tanev in Skopje.

2. Donations to Food Bank in Zagreb and Food Bank in Koprivnica,

3. Support to events and manifestations: Ironman, Youth Sports Games, Pannonian Challenge, Highlander, ATP Umag, Picokijada, Pula Film Festival and Sinjska



alka, as well as local events in Koprivnica such as the Renaissance Festival, Summer at Zrinski, Labour Day celebrations, Advent/Christmas Fairytale and Podravina Motifs,

4. Support to sports clubs from the Koprivnica area (Handball Club Podravka, Basketball Club Koprivnica, Bowling Club Podravka, Sport Fishing Club Podravka, Chess Club Podravka, Karate Club Podravka, Table Tennis Club Podravka, Shooting Sport Club Podravka, Wrestling Club Podravka) and sports associations (HRS),
5. Organisation of student visits to Podravka's business premises and factories,
6. Cooperation with universities:
 - University North – cooperation on real-life business projects (students and best projects awarded nearly EUR 7,000); Career Week; the Science Festival (two nutrition workshops),
 - Faculty of Organization and Informatics in Varaždin, Faculty of Food Technology and Biotechnology in Zagreb, Faculty of Humanities and Social Sciences in Zagreb, Faculty of Agriculture in Zagreb,
 - Križevci University of Applied Sciences and Faculty of Food Technology and Biotechnology in Križevci,

The cooperation with the local community was continued through the project of the development of standards for school meals as well as educational activities aimed at children. The "Smart Meal for Smart Children" project is aimed at improving and standardizing nutrition in 18 primary schools of Koprivničko-Križevačka County. A total of 217 standards for school meals were delivered to schools, and more than 80 hours were invested in educational activities for children and young people in the local community and beyond. In addition, an electronic booklet "School Menus with Podravka", containing more than 50 standards for school meals, was published.

In cooperation with the municipal utility company Komunalac, Podravka Inc. has, since 2023, continuously implemented fruit tree planting activities based on principles of permaculture – self-sustaining development of plants. At the Cerine site in Koprivnica, an orchard has been planted where fruit trees, berries and aromatic herbs are cultivated without the use of chemicals. The main contribution of the project is the free availability of produce to all citizens, while several times per year the

harvested fruit is used to prepare healthy meals, which Podravka Inc. and Komunalac prepare for Cerine visitors, pupils and citizens through tasting events.

Since 2002, the company has supported the work of the Zlata Bartl Foundation, established with the aim of preserving the legacy of Professor Zlata Bartl, head of Podravka's team that developed the universal seasoning Vegeta.

The reactivation of the Foundation in 2025 confirms the long-term commitment to corporate social responsibility and highlights the importance of innovation and the adoption of new knowledge and technologies. The revitalisation was implemented through two programmes:

- **"Power of Innovation"** programme, which supports the development of innovative solutions addressing specific challenges in the food and agriculture sectors or current social and environmental challenges. The programme is primarily targeted at companies predominantly owned by women.
- **"Young Leaders"** programme, which supports pupils and students achieving outstanding results in education or STEM competitions, as well as projects and initiatives aimed at acquiring knowledge and skills for professions of the future.

By the end of 2025, three public calls had been implemented:

- one call under the "Power of Innovation" programme – support for women entrepreneurs
- two calls under the "Young Leaders" programme – scholarships for outstanding students and support for pupil STEM competitions

Through these activities, the Zlata Bartl Foundation further strengthens its role in fostering innovation, education and social responsibility.

The Žito Group implements its social responsibility activities through a range of educational campaigns, donations and sponsorships, with a particular focus on youth and vulnerable groups, professional events and conferences, as well as sports events. Among its humanitarian projects, the *Path – from Grain to Bread*



campaign stands out, involving more than 33,000 children from 387 primary schools, 231 kindergartens and 31 schools with adapted programmes across Slovenia. Award-winning children's works were used in the campaign's communication activities, and part of the revenue from bread sales was donated to Zveza prijateljev mladine Slovenije to support programmes enabling equal opportunities for children and young people in growth, learning and play. The winning illustration was used in printed campaign materials, while the winning poem was incorporated into a radio advertisement accompanying the humanitarian campaign. Three winning classes were awarded a visit to the factory in Maribor.

A traditional campaign involving the sale of special *Pink October* bread was also implemented, with part of the sales revenue donated to Europa Donna to raise awareness of the importance of self-examination and preventive activities in the fight against breast cancer. The donation was intended for the purchase of breast models for self-examination education. This awareness-raising approach represents a core tool used by Europa Donna in delivering lectures in secondary schools and across various organisations and companies. Žito also joined the international *Pink Caravan* initiative, which promotes education on the importance of self-examination through information stands in various cities. The project forms part of internal activities aimed at raising employee awareness of the importance of self-examination and a healthy lifestyle within the framework of the "Žitnica zdravlja" programme.

The Žito Group also supported the Ski Jumping World Cup event in Planica with product donations.

In 2025, Belupo Inc. carried out a number of activities focused on corporate social responsibility. The project "Cheerfully to School" was supported, which for the 19th year in a row has been providing free notebooks for all elementary school pupils in Koprivnica. In 2025, 2,504 sets, or 34,000 notebooks were purchased. This initiative plays an important role in reducing costs for parents and promoting equal opportunities in education.

In 2025, donations were directed to public health initiatives (Brain Week, World Health Day and World Multiple Sclerosis Day), to Koprivnica General Hospital, the Teaching institute for emergency medicine of the

Istarska county, various sports associations and clubs. In addition, vitamin supplements were donated to the Ljubav na djelu association, and students participating in the Plexus scientific conference and at RIT.

Belupo Inc. continuously promotes health and quality of life through socially responsible activities that contribute to the community. We highlight several key initiatives:

- 1.** Support for the public health initiative "Brain Week", organised by the Croatian Society for Neuroscience and the Croatian Institute for Brain Research, University of Zagreb Medical School. Main topics covered included children's brains in the digital era, neuroethics, and the brain in deaf and blind individuals,
- 2.** Support for an event organised by the City of Koprivnica on the occasion of World Health Day,
- 3.** Support for the humanitarian action "Cycle for Those Who Cannot" on the occasion of World Multiple Sclerosis Day, aimed at raising awareness of multiple sclerosis and collecting funds to support patients,
- 4.** Organisation of visits to the company and production facilities for teachers and secondary school students,
- 5.** Employee trainings marking Red Dress Day, World Health Day, World Heart Day, and Movember, and a "How to Calm the Mind and Slow Down" was organised.

Companies within the Agri segment, in 2025, supported local cultural events, sports clubs, associations, and the Kopački rit Nature Park through donations. Continuous collaboration with the scientific community was maintained, including cooperation with the Faculty of Agrobiotechnical Sciences on the project "Study Abroad in Croatia", as well as organisation of practical training for students. Practical training was also organised for students of the Faculty of Economics Osijek, and students of the Faculty of Food Technology Osijek visited production facilities.

In addition to these initiatives and activities, Podravka Group employee teams (across all three business segments) actively participated in and supported events such as B2Run, Wings for Life, the Zagreb Marathon, the Osijek Ferivi Half Marathon, B2Run in Osijek and Zagreb, the celebration of World Health Day at Cerine in Koprivnica, and the European Mobility Week in cooperation with the Ministry of the Interior.



ESRS S4

CONSUMERS

The Podravka Group focuses its business on consumer welfare through the quality of food and pharmaceutical products, and through the breadth of the product range offered to consumers.

The Food segment sells food products through intermediaries (traders, online retailers, distributors, etc.) or directly through online sales in some markets, to all age groups of consumers older than four months. The wide portfolio of food products is available to all customers regardless of gender, age, religious affiliation or nationality. The company holds Kosher, Halal, BIO, Vegan and AOECs certificates for certain products, which ensures the acceptability of food products to a wide range of consumers. When producing and selling all food products in its portfolio, it complies with all regulations and rules that prescribe quality standards and the management of raw materials, packaging and products throughout the entire supply chain.

The Podravka Group offers its food products to consumers in stores, mainly large retail chains. Through cooperation with various retail chains, the products are available to consumers in a large number of locations. Consumers also have access to the products through traditional stores, gastro channels, special stores such as BIO stores and special ethnic⁸¹ stores. The main sales markets of the Food segment are the markets of Slovenia and Croatia and the countries of the Southeast Europe, and the market of Croatia for the Agri segment, in which the company operates with all retail chains and ensures the availability of certain parts of the product range to all customers.

Since the business model of the Pharmaceuticals segment is focused on the production of pharmaceutical products and other products that positively affect the health of users, the end users of the Pharmaceuticals segment are considered to be all age groups who are looking for a solution to a specific health problem or its prevention. Belupo Inc., as a manufacturer of pharmaceutical products, pays exceptional attention to quality control

and accurate and clear instructions for using the products. Potential side effects of pharmaceutical products are listed in the instructions that come with the product, and within Belupo Inc. there is a special service responsible for supporting patients and users. The positive impact of pharmaceutical products primarily comes through active use of the product (alleviation or complete treatment of the diagnosed indication), and secondarily through legally specified information on the use of the product and through packaging design elements. This information helps consumers to use the medicine correctly and in a timely manner and thus significantly reduce potential risks. In the Pharmaceuticals segment, the majority of the portfolio consists of prescription pharmaceutical products, which end consumers gain access to according to the assessment and prescription of a doctor, while all end consumers have access to over-the-counter pharmaceutical products (OTC) through pharmacies.

The company sells pharmaceutical products to wholesalers who sell them to medical institutions and pharmacies, and a smaller part of OTC pharmaceutical products, food supplements and cosmetics is sold in specialised stores. Due to the business model, pharmaceutical products are available to all consumers in the markets where pharmaceutical products are sold.

Strategic goals aimed at consumers are included in the strategic pillar Healthy Life. The goals include only the Food segment, given that the portfolio of pharmaceutical products is very specific and strictly regulated, and the Podravka Group's Pharmaceuticals segment is primarily a manufacturer of generic pharmaceutical products. Also, the Agri segment is not included in strategic goals.

Taking into account the current guidelines for a healthy and sustainable nutrition, in the Food segment in 2023, a revised Nutritional Strategy for the period until 2027 was adopted, which confirms the importance of a healthy, balanced and sustainable nutrition through greater availability of nutritionally better products. The nutritional strategy represents a significant upgrade of the Business Sustainability Strategy and a significant expansion of nutritional goals compared to the previous strategy.



The focus of Podravka's Nutritional Strategy is on active management of the nutritional quality of products within all categories, on product development in accordance with consumer needs, on motivating consumers to improve their diet, and on setting trends in the development of nutritionally high-quality and sustainable products.

The basic tool for managing the nutritional quality of Podravka's products is the nutritional profile, whose scientifically valorised methodology implies the development of internally recommended criteria for the content of macro and micro nutrients per product serving. With the help of existing independent systems of nutritional profiling, periodic product analysis is carried out and thus the progress in improving the nutritional quality of Podravka's portfolio is additionally monitored. During 2023, the nutritional profiles of all Podravka categories were revised, and in 2025, significant progress was made in achieving strategic goals.

Strategic goals:

Quantitative:

- **Reduce the average salt and sugar content in 75% of new and innovated products by 20% compared to the current average content**
- **Incorporate at least one ingredient that supports a healthy and balanced diet, such as fibre, protein, vitamins and minerals in 75% of new and innovated products**
- **Base at least 40% of new and innovated products on ingredients related to sustainable nutrition, such as fruits, vegetables, legumes, whole grains, plant-based protein sources, etc.**
- **Support sustainable nutrition with 100% of products**

Qualitative:

- **Raise awareness of the importance of a balanced and healthy diet**
- **Raise awareness of the importance of reducing and disposing of food waste**

The base year for the first quantitative goal is the year 2022, and for the remaining goals it is the year 2023, when the nutritional profiles have been established.

In 2025, activities aimed at achieving the goals of the Nutritional Strategy resulted in:

- reducing the sugar content in 72.1% of new and innovated products by an average of 64.6% compared to the category average. Compared to 2022, when the share of such products was 38.5%, this is an increase of 33.6 percentage points. This increase corresponds to a relative growth of approximately 87% compared to 2022,
- reducing the salt content in 48.2% of new and innovated products by an average of 20.7% compared to the category average. Compared to 2022, when the share of such products was 26.6%, this is an increase of 21.6 percentage points. This increase corresponds to a relative growth of approximately 81% compared to 2022,
- 72.3% of new and innovated products contain at least one positive ingredient, in accordance with the nutritional profile. Compared to 2023, when the share of such products was 60.3%, this is an increase of 12 percentage points, or a relative growth of approximately 20%,
- 43.9% of new and innovated products are based on ingredients related to sustainable nutrition, including plant-based⁸² products. Compared to 2023, when this share was 31.8%, an increase of 12.1 percentage points was achieved, corresponding to a relative growth of approximately 38%,
- 63% of products in the entire portfolio encourage consumers to eat sustainably. Compared to 2023, when this share was 53.7%, an increase of 8.7 percentage points was achieved, corresponding to a relative growth of approximately 16%.

During 2025, marketing activities were carried out in line with qualitative strategic goals:

1. A campaign related to tin packaging that emphasises and promotes the principle of "reduce, reuse,



recycle" and encourages the use of cans as the ideal packaging with the aim of raising awareness among consumers about contributing to the goals of the circular economy.

2. A campaign related to self-sustainability in agriculture, through which the strategic goal of the Podravka Group related to the increase in own areas and cooperation with subcontractors in the production of agricultural crops is communicated, with a special emphasis on tomatoes.
3. Publishing of recipes in accordance with the Nutritional strategy of the Podravka Group and zero waste recipes on Coolinarika as the largest regional platform for cooking advice (Croatia, Bosnia and Herzegovina, Serbia).
4. Activities that promote innovations according to the criteria of the Nutritional Strategy, such as the O'Plant range of products (encouraging the consumption of plant-based products), Vegeta Natur pasty food seasonings (low salt content), Čokolino dark (low sugar content, oat-based product), ZikZak (a new condiments category, with low levels of all sensitive ingredients and a high vegetable content), as well as regular communication of the functional benefits of existing products related to healthy and sustainable nutrition.

CONSUMER HEALTH AND SAFETY

In the Food segment, activities are continuously carried out with the aim of maintaining and improving the safety and quality of food products placed on the market and available to consumers. These include certification, recertification, continuous audits of the management system, activities to strengthen the food safety culture

in accordance with Regulation (EU) 2021/382 and systematic training of employees on their role and the rules they are required to apply. The level of awareness of employees is analysed through surveys and measures to strengthen the food safety culture are determined. Once a year, a report on the functioning of the management system and the achievement of business goals is submitted to the Management Board of Podravka Inc. and Podravka Agri. The result of continuous activities in the field of integrated management system are 30 system certificates that are publicly available on the corporate website⁸³.

During 2025, the Podravka Group further strengthened its Integrated Management System (IMS) by expanding the scope of certifications through the introduction of the international standard ISO 50001 Energy Management System within Podravka Inc., as explained in the section *Climate change / Energy efficiency ESRS E1*.

In addition, activities were initiated to implement a centralised approach to managing the IMS at the level of Podravka Inc. for subsidiaries within the Podravka Group. This model provides a unified framework for managing key processes, aligned with relevant international standards and market requirements. Responsibilities and authorities, as well as the obligation for regular reporting from subsidiaries to the Strategic Business Development sector of Podravka Inc., have been clarified. This contributes to greater transparency, more effective monitoring of target achievement, and the establishment of a solid foundation for the continuous improvement of business processes, corporate governance, and the overall sustainability of Podravka Group's operations.

⁸³ <https://www.podravka.com/sustainability/certificates/>
<https://www.zito.si/sl/vsebinski/standardi-poslovanja>
<https://farmavita.ba/en/about-us/?utm>



PODRAVKA GROUP MANAGEMENT SYSTEM CERTIFICATIONS IN 2025

FOOD AND PHARMACEUTICALS SEGMENTS

NO.	STANDARD	CERTIFICATE SCOPE	AUTHORISED BODY
1	ISO 9001 Quality management systems	1) Podravka Inc.	SGS certification company
		2) Belupo Inc.	SGS certification company
		3) Žito Group and sales segment of Podravka Ltd. Ljubljana	SIQ Slovenian Institute of Quality Lj.
		3) Farmavita Ltd.	TÜV NORD Adriatic d.o.o.
2	HACCP according to Codex Alimentarius	1) Podravka Inc.	SGS certification company
		2) Mirna Inc.	SGS certification company
3	IFS Food, International Featured Standards – Food	1) Podravka Inc., Soups and Vegeta Factory	SGS certification company
		2) Podravka Inc., Baby Food and Creamy Spreads Factory	
		3) Podravka Inc., Kalnik Factory	
		4) Podravka Inc., Production Danica	
		5) Mirna Inc.	
		6) Podravka - Lagris a.s.	TÜV SÜD
		Žito Group: 1) HQ Management and Shared Services 2) PC Gorenjka 3) PC Bread and Bakery Products 4) PC Vrhnika Bakery 5) PC Gradišče 6) PC Šumi 7) DE Vič Bakery	SIQ - QA - Quality Austria
4	BRCGS, British Retail Consortium Global Standard for Food Safety	1) Podravka Inc., Soups and Vegeta Factory	SGS certification company
		2) Podravka Inc., Baby Food and Creamy Spreads Factory	
5	HALAL	1) Podravka Inc., Danica Factory	Centre for Halal Quality Certification
		2) Podravka Inc., Soups and Vegeta Factory	
		3) Podravka Inc., Baby Food and Creamy Spreads Factory	
		4) Podravka Inc., Kalnik Factory	
		5) Podravka Inc., Cocktail Pastries Factory	
		6) Mirna Inc., Rovinj	
		Žito Group: 7) PC ŠUMI	Islamic association in Slovenia
6	KOSHER	1) Podravka Inc., Kalnik Factory	Rabbi Kotel Da-Don
		2) Podravka Inc., Soups and Vegeta Factory	
		3) Podravka Inc., Cocktail Pastries Factory	
		4) Podravka Inc., Mill	
7	BIO	1) Podravka Inc.	Bio Garantie
		2) Žito Group: 2.1) PC Intes MB, 2.2) PC Gradišče 2.3) PC Bread and Bakery Products 2.4) Podravka Ltd.	Institute kon-cert, Maribor
		3) Podravka - Lagris a.s.	AGCERT AG, CZ
8	AOECS The AOECS Standard for Gluten-Free Foods	3) Podravka - Lagris a.s.	Společnost pro bezpečnou dietu z.s., CZ



NO.	STANDARD	CERTIFICATE SCOPE	AUTHORISED BODY
9	VEGAN European Vegetarian label	1) Podravka Inc., Kalnik Factory 2) Podravka Inc., Cocktail Pastries Factory 3) Podravka Inc., Soups and Vegeta Factory 4) Podravka Inc., Danica Factory	Animal Friends Association
		Žito Group: 1) PC Bread and Bakery Products 2) PC Vrhnika Bakery 3) PC Šumi	Institute Padma Animal Friends Association
10	RSPO Supply Chain Certification Standard	1) Podravka Inc., Soups and Vegeta Factory 2) Podravka Inc., Baby Food and Creamy Spreads factory	SGS certification company
		Žito Group: 1) PC Bread and Bakery Products (Frozen Food) 2) PC Gorenjka 3) PC Šumi	BV - Bureau Veritas d.o.o. Slovenia, Ljubljana
		Žito Group: 1) Žito Retail Ltd. (licence distributor)	RSPO organisation
11	ECOVADIS	Žito Group Management and Shared Services	Ecovadis system
12	Rainforest Alliance, ver.1.4.	Žito Group: 1) PC Gorenjka, 2) PC Bread and Bakery Products – pastry	Bureau Veritas d.o.o. Slovenia, Ljubljana (Ceres), Certification of Environmental Standards
		Podravka Inc. Baby Food and Creamy Spreads	Ceres
		Žito Group: 1) Podravka Ltd. (licence distributor)	RA-Rainforest Alliance, non-profit organisation
13	ISO 26000 Guidance on Social Responsibility	Podravka Inc. Certificate of compliance HR23/3192	SGS certification company
14	ISO 27001 Information Security Management Systems	Podravka Inc.	SGS certification company
15	ISO 45001 Occupational Health and Safety Management System	1) Podravka Inc., Koprivnica 2) Soups and Vegeta Factory	SGS certification company
16	ISO 50001 Energy Management System	Podravka Inc., Koprivnica	SGS certification company
17	EU GMP certificate	Belupo Inc.	HALMED
18	GMP certificate	Farmavita Ltd.	ALMBiH
19	GMP certificate	Belupo Inc.	Croatian Ministry of Health
		Farmavita Ltd.	ALMBiH
20	GMP certificate Russia	Belupo Inc.	Min. of Industry and Trade of the Russian Federation
21	SEDEX (platform) - SMETA audit methodology	1) Podravka Inc., Koprivnica	SGS certification company
		2) Žito Group: Podravka Ltd.	
22	SURE	Podravka Inc., Koprivnica	European Commission SGS certification company

NOTE: The specific scope of each certificate is stated in the certificate itself.

In order to increase the safety of food supplements for consumers, the applicable HACCP system is being introduced in the pharmaceutical production segment in Koprivnica for which the Free Sales Certificate is planned in the first quarter of 2026. Also, new computer systems

are being introduced to digitise quality management processes. The project will last until the beginning of 2027, and it will result in faster and more transparent processes and more reliable information for customers and consumers.



SEGMENT AGRI

NO.	STANDARD	CERTIFICATE SCOPE	AUTHORISED BODY	TYPE OF ISSUER
1	GLOBAL G.A.P.+ GRASP	1) PIK-Vinkovci plus Ltd.	BUREAU VERITAS Slovenia d.o.o. (CERES)	Accredited certification body
2	GLOBAL G.A.P. CoC	1) PIK-Vinkovci plus Ltd.	TÜV Nord Adratic d.o.o. Zagreb (TÜV HELLAS - TÜV Nord Atena)	Accredited certification body
3	GLOBAL G.A.P.	1) Belje plus Ltd. 2) Vupik plus Ltd.	BUREAU VERITAS Slovenia d.o.o. (CERES)	Accredited certification body
4	ISO 9001 Quality management systems	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd. 3) Vupik plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Accredited certification body
		Energija Gradec	Quality Austria Adriatic d.o.o	Accredited certification body
5	ISO 50001 Energy Management System	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Accredited certification body
6	ISO 14001 Environmental Management System	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd. 3) Vupik plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Accredited certification body
		Energija Gradec	Quality Austria Adriatic d.o.o	Accredited certification body
7	ISO 45001 Occupational Health and Safety Management System	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Accredited certification body
8	ISCC EU	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd. 3) Vupik plus Ltd.	BUREAU VERITAS Slovenia d.o.o. (BUREAU VERITAS POLSKA Sp.z.o.o.)	Accredited certification body
9	FSSC 22000	Vupik plus Ltd. 1) Winery	BUREAU VERITAS Croatia d.o.o. (BUREAU VERITAS CERTIFICATION CZ)	Accredited certification body
10	HACCP	PIK-Vinkovci plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Competent authority / public label
11	EKO CERTIFIKAT	Belje plus Ltd.	Bioinspekt d.o.o.	Competent authority / public label
12	DONAU SOJA	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd. 3) Vupik plus Ltd.	BUREAU VERITAS Slovenia d.o.o.	Accredited certification body
13	MESO HRVATSKIH FARMI	1) Belje plus Ltd. 2) PIK-Vinkovci plus Ltd.	Croatian Agency for Agriculture and Food (HAPIH)	Competent authority / public label
14	IFS v8	Belje plus Ltd. 1) Dairy products factory Beli Manastir; 2) Dairy products factory Osijek; 3) Baranjka; 4) Belje Wine	SGS Adriatica d.o.o.	Accredited certification body



NO.	STANDARD	CERTIFICATE SCOPE	AUTHORISED BODY	TYPE OF ISSUER
15	HALAL	Belje plus Ltd. 1) Dairy products factory Beli Manastir	Islamska zajednica u Hrvatskoj	Accredited certification body
16	HALAL ITALIA	Belje plus Ltd. 1) Dairy products factory Beli Manastir	Halal Italia	Accredited certification body
17	KOSHER	Belje plus Ltd. 1) Dairy products factory Beli Manastir	Jewish community Bet Israel in Croatia	Accredited certification body
18	HRVATSKA KVALITETA ONION	PIK-Vinkovci plus Ltd.	Croatian Chamber of Economy (HGK)	Competent authority / public label
19	HRVATSKA KVALITETA ONION	1) PIK-Vinkovci plus Ltd. -certificate holder 2) Vupik plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Competent authority / public label
20	OZNAKA ZEMLJOPIISNOG PODRIJETLA (OZP) (Baranjski kulen)	Belje plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Competent authority / public label
21	DOKAZANA KVALITETA TOMATO	Belje plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Competent authority / public label
22	DOKAZANA KVALITETA PORK	1) Belje plus Ltd. -certificate holder 2) Vupik plus Ltd.	BUREAU VERITAS Croatia d.o.o.	Competent authority / public label
23	MLIJEKO HRVATSKIH FARMI	Belje plus Ltd. 1) Govedarstvo 2) Dairy products factory Osijek	Croatian Agency for Agriculture and Food (HAPIH)	Competent authority / public label
24	HRVATSKA KVALITETA (ABC Fresh Cream Cheese)	Belje plus Ltd.	Croatian Chamber of Economy (HGK)	Competent authority / public label
25	IZVORNO HRVATSKO (Baranjski kulen)	Belje plus Ltd.	Croatian Chamber of Economy (HGK)	Competent authority / public label
26	ŽIVJETI ZDRAVO (Kravica kraljica long-life milk 1.0% milk fat, Fresh milk 1.5% milk fat, Probitas liquid yogurt 1% milk fat – flavours, low-fat cottage cheese)	Belje plus Ltd.	Croatian Chamber of Economy (HZJZ)	Competent authority / public label
27	ZOI- Protected mark of origin (Hrvatsko Podunavlje - Vinogorje Baranja Controlled geographical origin)	Belje plus Ltd.	Department of Viticulture and Enology	Competent authority / public label



COMMUNICATION WITH CONSUMERS

Communication with consumers of the **Food segment** is realised:

1. Directly through own web platforms, mostly through Coolinarika. Furthermore, direct communication with consumers is achieved through internal research and own platform, which uses Coolinarika users as a database, as well as through a call centre, where consumers report their inquiries and/or complaints.
2. Indirectly through traditional and online media (radio, television, outdoor advertising, websites, social networks, etc.), external research agencies and digital agencies that manage individual profiles. The company also communicates with consumers through their representatives, such as the Celiac Association, with the aim of presenting and increasing the visibility of its products among target users.

Communication with consumers in the **Agri segment** is conducted through:

1. Directly through official communication forms implemented on the corporate website and the websites of individual brands, where consumers can submit inquiries and/or complaints.
2. Indirectly through traditional and online media (radio, television, outdoor advertising, websites, social media, etc.) and digital agencies managing the individual profiles.

Communication via digital channels and the call centre is continuous, while traditional media channels are used in targeted periods related to seasonal consumption of certain product groups or brands. Research is conducted periodically as needed.

The effectiveness of cooperation with consumers is assessed through measuring market indicators, such as market shares of individual products and brands, and through the results of targeted surveys on user

satisfaction, continuous analysis of reports on contacts with consumers, etc.

In the **Pharmaceuticals segment**, all communication about pharmaceutical products to doctors, pharmacists and end users is strictly regulated by the Ordinance on the Manner of Advertising Medicinal Products, and the company fully complies with it.

The company directs all relevant information about pharmaceutical products to intermediaries (doctors and pharmacists), and consumers are informed directly via the "Zdravo Budi" platform in a way that consumers can ask questions, and columnists (doctors and other healthcare professionals) answer their questions. Also, consumers can contact the company directly by phone, email and the corporate website. Information about drugs (instructions containing information on dosage, possible side effects) is also available on the corporate website.

The company informs and educates mediators by organising the "School of Health" and other meetings and workshops, through participation in professional congresses, the Belupoint platform and through direct contact with doctors and pharmacists in a manner prescribed by relevant regulations.

In the Food and Agri segments, handling of consumer complaints and inquiries is prescribed by internal documents that regulate the process of receiving inquiries and complaints from consumers and the specific steps that need to be taken to resolve them. The documents are aligned with the GDPR regulation and the Podravka Group's regulations in the part of storing data collected from consumers.

Consumers of the Food and Agri segments can file a complaint or ask a question by email, in writing or by phone. Communication with consumers is also possible through social networks in many markets where the Podravka Group operates. Every received complaint and inquiry are processed and included in regular reporting, and the necessary corrective measures are taken. The



protection of individuals when reporting irregularities is clarified in ESRS G1.

In the event of complaints received and if it is considered or reasonably suspected that food placed on the market may be harmful to consumer health, a product withdrawal or recall procedure is initiated. The Food segment has 23 product withdrawal and recall teams according to product categories, and all activities related to withdrawal and recall in the Food segment are available on the corporate website <https://www.podravka.com/media/>, and in the Agri segment at www.belje.hr; www.pik-vinkovci.hr; www.vupik.hr.

In 2025, at the level of the Food and Agri segments, no recalls or withdrawals of food products from the market were recorded.

In the Pharmaceuticals segment, consumers and partners can report directly to the company suspected side effects, as well as any complaints about product quality. Instructions on how to report product quality complaints and side effects are provided on the corporate website and on the HALMED website.

Consumers and customers can also contact the company directly by phone and email, and all inquiries are answered by staff who are trained and authorised to handle the information in question.

The side effect reporting system and the drug quality complaints system are under constant supervision and are tightly connected and coordinated. All processes are prescribed by internal procedures, and are monitored in annual product and process reports, and regularly inspected by regulatory authorities, as well as customers/partners.

In 2025, Belupo Inc. conducted a total of 6 recall procedures affecting 1,900 different solutions from its portfolio. Most of these recalls were related to product deregistrations (market withdrawals) and increased levels of nitrosamines due to alignment with regulatory requirements.

When withdrawing products, regulatory changes have a major impact, and the Pharmaceuticals segment is obliged to monitor these regulatory changes throughout the entire life cycle of its products (e.g. stability monitoring). All regulatory changes are implemented through changes to procedures, processes, changes to products, packaging, quality control system (methods, specifications) and the process of placing products on the market. All changes undergo a rigorous testing and approval process by regulatory agencies and are ultimately communicated through channels targeting pharmacists and physicians, thereby also reaching patients.





Corporate governance („CRITERION G”)

ESRS G1

STRATEGY, POLICIES AND DOCUMENTS

The Podravka Group incorporated the principles of good corporate governance into its internal policies and documents, and in accordance with the regulations, the Management Board of Podravka Inc. once or several times a year monitors the implementation of key policies and documents and records of reported situations related to business conduct. Podravka Inc. applies the Corporate Governance Code based on the Accounting Act and the Companies Act and continuously monitors the development of regulations in the field of corporate governance and improves relations with shareholders, investors and the general public, applying high standards in mutual communication. The report on the application of the Corporate Governance Code can be found in a separate section of the management report.

The framework for the development and implementation of the corporate culture of the Podravka Group is the Social Responsibility Policy and the Code of Ethics in Business Operations of the Podravka Group, which are described in the Social Responsibility section, and the *Information Security Policy*.

In addition to what is stated in the Social Responsibility section, the Podravka Group Code of Ethics⁸⁴ in Business Operations defines the principles of professional ethics in business for the Management Board, managers and all employees of the Podravka Group, and the basic postulates are: respect for fundamental human rights, equality, integrity, mutual respect, humanity, tolerance and responsibility. It prescribes the avoidance of any form of unacceptable conduct that is contrary to the Code. Standards of conduct and rules are aligned with the corporate culture of the Podravka Group based on

key values: innovation, courage, heritage, sustainability, quality and care. The Code establishes principles, rules and procedures that prevent, recognise and resolve conflicts of interest. Conflict of interest is defined as decision-making and actions related to close persons, which includes all situations that can be defined as bribery and corruption. Positions with the highest risk of conflict of interest arise from the defined principles of preventing conflicts of interest, namely employees in procurement and sales due to business relationships with business partners, suppliers and customers.

In the event of a violation of the Code of Ethics, a channel for reporting and the manner of action taken by the Ethics Committee upon a report have been established, as well as measures in case of a violation of the Code. The Ethics Committee consists of five members appointed by the Management Board of Podravka Inc. for a period of two years and is independent in its decision-making. The Ethics Committee analyses reports and makes decisions within 15 days. In the event of established violations, measures such as warnings, fines or, in serious cases, termination of employment contracts may be taken. The work of the Ethics Committee is supervised by the Management Board of Podravka Inc. Persons who reported irregularities are provided with protection from sanctions of any kind.

In order to ensure the understanding and consistent application of the Podravka Group Code of Ethics in Business Operations, the following is implemented:

1. Training of employees, especially newly hired employees, on the ethical standards and rules of the Code

⁸⁴ <https://www.podravka.com/investors/corporate-governance/documents/>



2. Promoting transparency with the aim of promoting a culture in which employees freely report cases of irregularities and conflicts of interest
3. Monitoring the implementation of the Code with the aim of regularly monitoring compliance with ethical rules and evaluating their implementation

All employees can report violations of the Code or ethical rules to the Ethics Committee via email etikicko.povjerenstvo@podravka.hr or by standard mail to the address: Podravka Inc., Ethics Committee, Ante Starčevića 32, 48000 Koprivnica. Reports are processed confidentially and in good faith. Employee reports of non-compliance with the rules established in the Podravka Group Code of Ethics in 2025 are presented and explained in the section *Own Workforce ESRS S1, Strategy, policies and documents*.

With the aim of raising the level of awareness of corporate values and rules of conduct, the Code prescribes the continuous training of all employees (including managers), especially new hires, and the encouragement of a culture in which employees freely report any form of unacceptable behaviour and cases of violations of the Code. Once a year (or upon request) the cases of violations of the Code and the measures taken are reported to the Management Board of Podravka Inc.

The protection of all employees who report irregularities in business is guaranteed by the Code of Ethics in Business Operations of the Podravka Group and the Rulebook on the procedure for internal reporting of irregularities and the appointment of a confidential person (Podravka Inc.⁸⁵ and Belupo Inc.). The Žito Group has adopted the Rulebook on the prevention of mobbing and appointed a commissioner for receiving reports and acting in the event of mobbing. The system for reporting irregularities is regulated by the procedure for internal reporting of irregularities, which includes steps such as receiving a report of irregularities, confirming receipt of the report, taking action to protect the person reporting irregularities, analysing the allegations in the report and informing the person who submitted the report of the outcome. Employees can report irregularities digitally

or in written form, and there is direct access to all documents necessary for reporting irregularities on the employer's website (intranet). At the proposal of the Workers' Council, the Management Board of Podravka Inc. appointed a confidential person for internal reporting of irregularities and their deputy, to which they gave prior written consent. The confidential person prepares a quarterly report on all reports received and activities undertaken and submits the report to the Management Board of Podravka Inc. and Internal Audit. In addition to internal reporting of irregularities, reports can also be submitted to the competent body for external reporting of irregularities, i.e., the Ombudsman.

PREVENTING AND DETECTING BRIBERY AND CORRUPTION

With the Code of Ethics in Business Operations, the Podravka Group has committed to a zero-tolerance rate for bribery and corruption. By decision of the Management Board of Podravka Inc. from January 2025, a committee responsible for implementing the Code (the Ethics Committee) was established, consisting of five members, which is independent in its decision-making. Every employee of the Podravka Group has the right to inform the Ethics Committee about a violation of the Code, after which the Ethics Committee considers the report and makes a decision within 15 days. Every case of a violation of the Code is reported to Internal Audit.

In 2025, there were no recorded cases of bribery and corruption, nor fines for violations of regulations on preventing corruption and bribery.

INFORMATION SECURITY

Information security is also an important segment of corporate culture. The company has an ISO/IEC 27001:2022 certificate and related documentation covering various topics in the field of information security. The umbrella policy is the Information Security Policy, and it establishes principles that protect the

⁸⁵ <https://podravkagrupa.com/hr/o-nama/menadzment/dokumenti/umenti> | Podravka



values and reputation of the Podravka Group, as well as consumer trust.

Due to the digital transformation of the business environment in the last few years, there has been an exponential growth of cyberattacks. In almost all relevant reports, the risk of cyberattacks is considered the number one risk of business disruption in the corporate environment. The security of the information system therefore represents one of the key foundations for business continuity, because any incident in this segment can result in large financial damages caused by longer disruption of business processes.

Despite all the above challenges, and thanks to the increased efforts of Podravka's Corporate and Information Security and Informatics sectors, no significant security incidents were recorded that would cause the information system to be unavailable and consequently have an impact on the continuity of the company's business.

Systematic education of all employees, which has also been extended to subsidiaries, *security awareness*⁸⁶ training for new employees and *e-learning*⁸⁷ courses ensure the appropriate implementation of information security requirements.

Following the acquisition of the Agri segment, and in parallel with its integration into the Podravka Group's information system, work is underway to integrate the Agri segment's Information Security Management System into the existing Podravka Group system.

Alignment of the Information Security Management System with the NIS2 Directive and the corresponding legislation in Croatia is currently underway.

At the end of 2025, a control audit of the Information Security Management System based on the ISO/IEC 27001:2022 standard was successfully conducted, focusing on ICT service activities as a support for the management of processes related to the development, production, storage, sale and distribution of food products. The company has held the certificate for five years.

SUPPLIER RELATIONSHIP MANAGEMENT

The Procurement function of the Podravka Group is focused on supporting the company's strategic objectives through an efficient, responsible, innovative, and transparent procurement process that ensures the timely delivery of goods and services while optimising costs, improving operational efficiency, and reducing supply chain risks. Podravka Group's procurement is oriented toward sustainable and ethical business practices, with a focus on the long-term sustainability of operations.

Managing relationships in the supply chain is of strategic importance for the Podravka Group, since suppliers are an important link in creating added value at the level of individual companies and the Group as a whole. Through procurement processes, a partnership relationship with suppliers is nurtured in order to achieve a timely, safe and high-quality supply of resources needed for production, thereby ensuring business continuity and increasing competitiveness on the market.

Podravka Group's procurement is divided into procurement categories for which procurement strategies are determined in a targeted manner, and relationships with suppliers are managed within them. In order to achieve the best value for money, market research is regularly conducted and annual, semi-annual and monthly tenders are organised.

In the last few years, including during 2025, the base of alternative suppliers has been significantly expanded, especially in key strategic categories. The company is continuously working on finding alternative suppliers in order to ensure stability in the supply of raw materials and materials. In the production companies of the Podravka Group (Podravka Inc., Žito Ltd. and Belupo Inc.), procurement processes have been digitised and are carried out using the SAP Ariba tool, which significantly contributes to the efficiency and transparency of procurement. During 2025, 516 procurement processes (887 in 2024) were carried out through the SAP Ariba system in all companies in the Food and Pharmaceuticals

⁸⁶ trainings aimed at raising awareness about information security

⁸⁷ Online trainings



segments, and the full effects of its implementation are expected in the coming period.

The procurement function of the Agri segment is also organised by purchasing categories and is centrally managed by Belje plus Ltd. From this central unit, in coordination with the procurement team of Podravka Inc., raw materials and supplies are procured for all companies within Podravka Agri.

In 2025, plans were established to implement the digitalisation of procurement processes for the Agri segment companies through the SAP Ariba system.

In September 2025, the Management Board of Podravka Agri adopted the Podravka Group Supplier Code of Conduct. The Code was published on the websites of Belje plus Ltd., PIK Vinkovci plus Ltd., and Vupik plus Ltd. Since September 2025, when entering into contracts with suppliers, Agri segment companies include a clause requiring acceptance of the Code, and Statements have been sent to suppliers with existing contracts. Implementation of the Supplier Code acceptance in the Agri segment is explained in the section *ESRS S2 Workers in the value chain*. Podravka Agri will monitor suppliers' adherence to the Code, and acceptance of the Code will become an integral part of supplier evaluation processes.

A special supplier category in the Agri segment consists of approximately 540 crop production subcontractors, who supply primary raw materials (wheat, silage and commercial maize, barley, soybean, and sunflower). Management of relationships with subcontractors in the Agri segment is handled through the subcontractor business units within Procurement at companies PIK Vinkovci and Belje. This supplier category, which also functions as buyers of raw materials, will remain a focus of operations in the coming period, with the aim of increasing both the number of suppliers and the volume of goods supplied.

In addition to the use of digital tools, the standardisation of procurement processes at the corporate level will be significantly contributed to by the implementation of the Podravka Group Procurement Process Management

Policy, adopted by the Management Board of Podravka Inc. in December 2025. The policy is an internal document and establishes the principles and fundamental principles that all companies within the Group are obliged to apply when purchasing goods and services. To ensure effective procurement, the Podravka Group Procurement function bases its activities on principles that guarantee transparency, cost-efficiency, and compliance with legal requirements. Responsibility for the implementation of the Podravka Group Procurement Process Management Policy lies with the managers of the procurement business segment or with the directors who manage affiliated companies. The Procurement sector in Podravka Inc. is responsible for supervising the implementation of the Procurement Process Management Policy.

Once a year, a supplier evaluation procedure is carried out, whereby environmental and social factors are evaluated, but they do not represent a mandatory criterion. After the adoption of the Policy and its full application, a revision of all operational processes, including the supplier evaluation procedure, is planned. The criterion of sustainability will be introduced as one of the mandatory criteria in the supplier evaluation process, and partners who operate in accordance with the principles of sustainability and can provide appropriate evidence for this will receive additional points.

As the parent company of the Podravka Group, which operates in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, Podravka Inc. expects socially responsible business conduct from all affiliated companies and suppliers. The Supplier Code of Conduct is fully in line with applicable ILO⁸⁸ standards and, among others, includes compliance with principles relating to business ethics, protection of human rights, responsible treatment of the environment and resources, and employees. The integration of ESG principles into the procurement process is certainly facilitated by the application of the Supplier Code of Conduct as of 2025. The Code has been implemented in SAP Ariba so that all suppliers participating in tenders are required to accept the Code as the first step. The Podravka Group will

⁸⁸ International Labour Organization



monitor the application of the Code through cooperation with suppliers, and acceptance of the Code will become an integral part of the supplier evaluation process.

In 2025, there were no recorded cases related to bribery and corruption at the Podravka Group level.

SUPPLIER PAYMENT PRACTICES

All Podravka Group companies apply the Podravka Group Treasury Management policy, the main objective of which is to standardise business processes within the scope of the Treasury through the application of the same rules throughout the Podravka Group. The Treasury sector of Podravka Inc. is responsible for supervising, controlling and monitoring its implementation.

The policy, among other things, prescribes the standard payment deadlines for the financial liabilities of the Podravka Group, which are applied in contractual relationships with all categories of suppliers within the Podravka Group. The standard payment deadlines for suppliers are in accordance with the deadlines prescribed by law. Payments of financial liabilities in the Podravka Group are made within the deadlines in accordance with the agreed payment terms.

The Policy also prescribes the rules that apply when making payments, including the obligation to settle all financial liabilities of the Podravka Group companies when due. In the reporting period, the Podravka Group settled all its financial liabilities, which were certified and recorded, in accordance with the adopted Policy and as agreed with its suppliers.

At the beginning of May 2025, all processes related to the payment of financial liabilities were integrated across all companies in the Agri segment, in accordance with the Podravka Group Treasury Management Policy. This integration resulted in a change to the previous practices for settling financial liabilities.

The invoices by suppliers have on average been paid in the Podravka Group within 41 days, compared to 37 days in 2024, from the date on which the legal or contractual

payment obligation starts. Suppliers are not classified in the system by their size (small, mid and large), therefore the average time of invoice payment has been established on the basis of realised turnover with suppliers.

In the total number of Podravka Group suppliers, the largest share in 2025 make suppliers with turnover up to EUR 1m which make 98.4% of the total number of suppliers (98.6% in 2024), and their invoices have been settled on average within 42 days, compared to 37 days in the comparative period. The share of suppliers with turnover between EUR 1m and EUR 3m in 2025 is 1,3% of the total number of suppliers and their invoices have been settled on average within 40 days, which is at the same level as in 2024. For the remaining suppliers with turnover larger than EUR 3m, which make 0,3% of the total number of Podravka Group suppliers, at the same level as in 2024, the invoices have been settled on average within 32 days compared to 34 days in 2024.

In the reporting period, the Podravka Group settled 86% of suppliers' invoices by the payment deadline (88% in 2024), whereby the reason for late payment of the remaining 14% is primarily of technical nature, such as adjustment of items with suppliers, complaints and similar (12% in 2024).

The decrease in the percentage of financial liabilities settled with suppliers on the due date from 88% in 2024 to 86% in 2025 is a consequence of the acquisition of the Agri segment in February. The companies of this segment only began applying the Podravka Group Treasury Management Policy after integration, i.e., from May 2025.

The contractual deadlines for payment to suppliers of the Podravka Group with turnover up to EUR 1m are 38 days on average (39 days in 2024), while suppliers with turnover of EUR 1m to EUR 3m have contractual payment deadlines of 47 days on average (50 days in 2024). Average contractual deadlines for suppliers who have produced traffic greater than EUR 3m are 30 days (48 days in 2024).

In 2025, no legal proceedings were initiated against the Podravka Group related to late payment, nor are there any active proceedings from previous periods.



MANAGEMENT'S STATEMENT OF RESPONSIBILITY FOR THE SUSTAINABILITY REPORT

According to the provisions of Articles 32 and 36 of the Accounting Act (NN 85/24, 145/24, 151/25), the Management Board is responsible for the preparation of the consolidated Sustainability Report in accordance with the European Sustainability Reporting Standards (ESRS) and for:

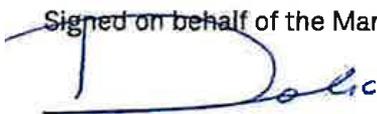
- preparation of disclosures in the section "Report on the requirements of the Taxonomy Regulation" of the consolidated Sustainability Report in accordance with the reporting requirements of Article 8 of EU Regulation 2020/852 (EU Taxonomy Regulation)
- design, implementation, and maintenance of internal control systems that the Management Board deems necessary to enable the preparation of the consolidated Sustainability Report, free from material misstatements due to fraud or error, and
- selection and application of appropriate sustainability reporting methods, as well as making reasonable judgments and estimates regarding individual sustainability disclosures, considering the circumstances.

The Management Board is also responsible for the design and implementation of the process for identifying information disclosed in the consolidated Sustainability Report in accordance with the ESRS, and for disclosing this process in the section "ESRS 2 IRO-1 Double materiality assessment for the Podravka Group" in the consolidated Sustainability Report. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and understanding the affected stakeholders;
- identification of actual and potential impacts (both negative and positive) related to sustainability issues, as well as risks and opportunities that affect, or could reasonably be expected to affect the Group's financial position, financial performance, cash flows, access to financing or cost of capital in the short, medium, or long term;
- assessment of the significance of the identified impacts, risks, and opportunities related to sustainability issues by selecting and applying appropriate materiality thresholds, and
- making assumptions that are reasonable under the circumstances.

The consolidated Sustainability Report was approved by the Management Board on 27 March 2026.

Signed on behalf of the Management Board on 27 March 2026.



Martina Dalić

President of the Management Board



Davor Doko

Member of the Management Board



Ljiljana Šapina

Member of the Management Board



Milan Tadić

Member of the Management Board



Ivan Ostojić

Member of the Management Board





**Shape the future
with confidence**

Ernst & Young d.o.o.
Radnička cesta 50, 10 000 Zagreb
Hrvatska / Croatia
MBS: 080435407
OIB: 58960122779
PDV br. / VAT no.: HR58960122779

Tel: +385 1 5800 800
Fax: +385 1 5800 888
www.ey.com/hr

Banka / Bank:
Erste & Steiermärkische Bank d.d.
Jadranski trg 3A, 51000 Rijeka
Hrvatska / Croatia
IBAN: HR3324020061100280716
SWIFT: ESBCHR22

Independent auditor's limited assurance report on Sustainability Statement

To the Shareholders of Podravka d.d.

Scope

We have been engaged by Podravka d.d. to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on consolidated Sustainability Statement (the "Subject Matter") of Podravka d.d. (the "Company", an EU/EEA entity) and its subsidiaries (together "the Group"), contained in the Management Report (the "Sustainability Statement"), as at 31 December 2025 and for the year then ended.

Criteria applied by the Group

In preparing the Sustainability Statement, the Group applied the provisions of the Articles 32 and 36 of the Croatian Accounting Act, including:

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in note ESRS 2 IRO-1 *Double materiality assessment for the Podravka Group* and IRO-2 *Content of the sustainability statement of the Podravka Group*; and
- Compliance of the disclosures set out in the Sustainability Statement with the reporting requirements of Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation").

Inherent limitations in preparing the sustainability statement

Inherent limitations exist in all assurance engagements.

The criteria, nature of the Sustainability Statement, and absence of long-standing established authoritative guidance, standard applications and reporting practices allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organizations and from year to year within an organization as methodologies evolve.

In reporting forward-looking information in accordance with ESRS, Management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Sustainability Statement, Management interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.



Shape the future
with confidence

Management and Audit Committee responsibilities

Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this process in note ESRS 2 IRO-1 *Double materiality assessment for the Podravka Group* and IRO-2 *Content of the sustainability statement of the Podravka Group*. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with Croatian Accounting Act Articles 32 and 36, including:

- compliance with the ESRS;
- preparing the disclosures in the *Report on the requirements of the Taxonomy Regulation* within the environmental section of the Sustainability Statement, in compliance with Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation");
- designing, implementing and maintaining such internal controls that Management determines are necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

Audit committee is responsible for overseeing the Group's sustainability reporting process.

Auditor's responsibilities

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') as prescribed by the Article 37 of the Croatian Accounting Act, and the terms of reference for this engagement as agreed with Podravka d.d. on 17 September 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.



**Shape the future
with confidence**

Our responsibilities in respect of the Subject Matter, in relation to the Process, include:

- Obtaining an understanding of the process but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the process is consistent with the Group's description of its process, as disclosed in note ESRS 2 IRO-1 *Double materiality assessment for the Podravka Group* and IRO-2 *Content of the sustainability statement of the Podravka Group*.

Our other responsibilities in respect of the Subject Matter include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error;
- Designing and performing procedures responsive to disclosures in the Sustainability Statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.



Shape the future
with confidence

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Sustainability statement and related information, and applying analytical and other appropriate procedures.

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by Management (e.g., stakeholder engagement, business plans and strategy documents); and
 - reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the process implemented by the Group was consistent with the description of the process set out in note ESRS 2 IRO-1 *Double materiality assessment for the Podravka Group* and IRO-2 *Content of the sustainability statement of the Podravka Group*.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement including the consolidation process by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Evaluated whether material information identified by the process to identify the information reported in the Sustainability Statement is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Evaluated methods, assumptions and data for developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding of the process to identify EU taxonomy eligible and aligned economic activities for turnover, CAPEX and OPEX and the corresponding disclosures in the Sustainability Statement;
- Evaluated the presentation and use of EU taxonomy templates in accordance with relevant requirements;
- Reconciled and ensured consistency between the reported EU taxonomy economic activities and the items reported in the primary financial statements including the disclosures provided in related notes.

We also performed such other procedures as we considered necessary in the circumstances.



Shape the future
with confidence

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with Articles 32 and 36 of the Croatian Accounting Act, including:

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Management to identify the information reported in the Sustainability Statement (the “Process”) is in accordance with the description set out in note ESRS 2 IRO-1 *Double materiality assessment for the Podravka Group* and IRO-2 *Content of the sustainability statement of the Podravka Group*; and
- compliance of the disclosures in *Report on the requirements of the Taxonomy Regulation* within the environmental section of the Sustainability Statement with Article 8 of Regulation (EU) 2020/852 (the “Taxonomy Regulation”).



ERNST & YOUNG
d.o.o.
Zagreb, Radnička cesta 50

Berislav Horvat
President of the Management Board and Certified auditor

27 March 2026

Ernst & Young d.o.o.
Radnička cesta 50
10000 Zagreb
Republic of Croatia

14 Financial report



STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

The Management Board is required to prepare the consolidated financial statements for each financial year which give a true and fair view of the financial position of the Company and its subsidiaries ("the Group") and of the results of its operations and its cash flows, in accordance with applicable accounting standards, and is responsible for maintaining proper accounting records to enable the preparation of such financial statements at any time. It has a general responsibility for taking such steps as are reasonably available to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Management Board is responsible for selecting suitable accounting policies to conform with applicable accounting standards and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business. After making enquiries, the Management Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the consolidated financial statements.

The Management Board is also responsible for the preparation of the Annual report, the Statement on implementation of the corporate governance code and the Sustainability Report in accordance with the Croatian Accounting Act. The Annual report, the Statement on implementation of corporate governance code and the Sustainability Report are authorised and signed by the Management Board. The Management Board is responsible for the submission to the Supervisory Board of its Annual report together with the annual consolidated and separate financial statements, following which the Supervisory Board is required to approve the annual consolidated financial statements for submission to the General Assembly of Shareholders for adoption.

The separate financial statements of the Company are published separately and issued simultaneously with the annual consolidated financial statements.

Martina Dalić

President of the Management Board



Davor Doko

Member of the Management Board



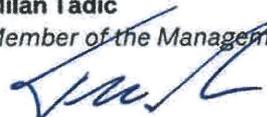
Ljiljana Šapina

Member of the Management Board



Milan Tadić

Member of the Management Board



Ivan Ostojić

Member of the Management Board



Podravka
PREHRAMBENA INDUSTRIJA D.D.
KOPRIVNICA 173

Podravka d.d.

Ante Starčevića 32

48 000 Koprivnica

Republic of Croatia

Koprivnica, 27 March 2026



**Shape the future
with confidence**



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Podravka d.d.

Report on the audit of the consolidated financial statements

Opinion

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

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Company and the Group in accordance with the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Republic of Croatia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matters is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Shape the future
with confidence



Key Audit Matter	How we addressed Key Audit Matter
<p>Business combination</p> <p>As disclosed in Note 44 and Note 6, Podravka acquired the Agri segment comprising six legal entities (Belje, PIK Vinkovci, Vupik, Energija Gradec, Belje Agro-Vet and Felix; together the “Agri segment”). Control was obtained on 31 January 2025 for a total purchase consideration of EUR 333,116 thousand.</p> <p>The fair value of the identifiable net assets acquired, determined in accordance with IFRS 3 <i>Business Combinations</i>, amounted to EUR 390,647 thousand, resulting in the recognition of a bargain purchase gain of EUR 57,531 thousand.</p> <p>Management engaged independent valuation experts to perform the purchase price allocation (PPA), including the identification and fair value measurement of the acquired assets and assumed liabilities. The identification of such assets and liabilities and the determination of their fair values involve significant management judgement and the use of complex valuation techniques and assumptions.</p> <p>Due to the significance of the transaction and the recognition of the bargain purchase gain, we considered this matter to be a key audit matter.</p>	<p>Our audit procedures included obtaining an understanding of management’s process for accounting for the acquisition, including the determination of the acquisition date and the preparation of the PPA.</p> <p>We assessed whether the acquisition date determined by management was consistent with the recognition criteria under IFRS.</p> <p>With respect to the PPA, we assessed, with the involvement of our internal valuation specialists, the valuation methods and key assumptions applied by management. On a selected sample of the individual asset valuation reports prepared as part of the transaction, we evaluated the valuation methodologies used to measure the fair value of the acquired assets and assumed liabilities and assessed their compliance with IFRS 3.</p> <p>We also tested the mathematical accuracy of the overall PPA calculation, and the models used for separate calculations of different asset classes.</p> <p>We reviewed whether management had appropriately reassessed the identification and measurement of the acquired assets and assumed liabilities prior to recognizing the gain and whether the resulting gain was recognized in profit or loss on the acquisition date in accordance with IFRS 3.</p> <p>We also read the relevant minutes of meetings of the Management Board, Supervisory Board, and Internal Audit to identify matters related to the acquisition.</p> <p>In addition, we assessed the adequacy and completeness of the related disclosures in the consolidated financial statements and evaluated whether these disclosures are in accordance with the requirements of IFRS.</p>



**Shape the future
with confidence**



Key Audit Matter	How we addressed Key Audit Matter
<p>Recognition of revenue: valuation of customer discounts, incentives and rebates</p> <p>As indicated in Note 3 Material accounting policy information and Note 8 Sales revenue to the consolidated financial statements, the Group recognizes revenue net of volume rebates, trade discounts, returns, listing fees and various promotional and marketing activities that are integral part of contracts with customers. Revenue measurement and presentation therefore involves estimates related to such agreements or actions.</p> <p>At the reporting date, amounts for discounts, incentives and rebates that have been incurred and not yet confirmed by the customers are estimated and accrued. Due to the variety of contractual terms across the markets, management is required to monitor a large number of individual customer arrangements in order to estimate the discounts, incentives and rebates amounts at the reporting date. This is considered complex and includes risk of incorrect inclusion or non-inclusion of discounts, incentives and rebates in the current period and year-end accruals, or incorrect calculation of these amounts recorded as at the reporting date.</p> <p>Due to the above mentioned, measurement and presentation of these costs is considered a key audit matter due to the judgements required and the number of unique customer arrangements they relate to.</p>	<p>Our audit procedures included understanding of the revenue recognition process including discounts, incentives and rebates recognition and assessing compliance with the policies in terms of IFRS. We walked through and tested the operation effectiveness of the controls over revenue recognition process.</p> <p>Based on a sample, we assessed revenue transactions taking place at either side of the balance sheet date as well as credit notes issued after the reporting date to evaluate whether that revenue was recognised in the correct period.</p> <p>We also developed an expectation of the current year sales revenue balance considering historical revenue and discounts, incentives and rebates information, compared it to the actual sales revenues and examined unexpected differences.</p> <p>On a sample of key customers, we inspected respective contractual terms and recalculated the amount of discounts, incentives and rebates. Where our recalculation differed to contractual terms, we obtained support for the differences to vouch their validity.</p> <p>We obtained customer confirmations of amounts outstanding at the reporting date for a sample of customers and gained understanding of any significant differences between customer confirmations received and the Group's accounting records.</p> <p>In addition, we assessed on the adequacy of the relevant disclosures in the consolidated financial statements and if these are in line with the requirements of the IFRS.</p>



**Shape the future
with confidence**



Other information

Management is responsible for the other information. Other information comprises the information included in the Annual Report, but does not include consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information.

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

With respect to the Management Report (excluding the Sustainability Statement) and Corporate Governance Report, we also performed procedures required by the Accounting Act. Those procedures include considering whether the Management Report (excluding the Sustainability Statement) is prepared in accordance with the requirements of Articles 22 and 24 of the Accounting Act and whether the Corporate Governance Report includes the information specified in Articles 22 and 25 of the Accounting Act.

Based on the procedures undertaken, to the extent we are able to assess it, we report that:

1. the information given in the enclosed Management Report and Corporate Governance Report is consistent, in all material respects, with the enclosed consolidated financial statements;
2. the enclosed Management Report is prepared in accordance with requirements of Articles 22 and 24 of the Accounting Act, excluding the requirements on sustainability reporting. Auditor's conclusion regarding the procedures conducted on the Sustainability Statement, in accordance with Article 37 of the Accounting Act, is provided separately; and
3. the enclosed Corporate Governance Report includes the information specified in Articles 22 and 25 of the Accounting Act.

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit of consolidated financial statements, we are also required to report if we have identified material misstatements in the other information (excluding the Sustainability Statement). We have nothing to report in this respect.

Responsibilities of management and Audit Committee for the consolidated financial statements

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

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

Audit Committee is responsible for overseeing the Group's financial reporting process.



**Shape the future
with confidence**



Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

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



**Shape the future
with confidence**



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

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

Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of ISAs:

Appointment of Auditor and Period of Engagement

Ernst & Young d.o.o was initially appointed as auditors of the Company on 18 June 2019. Our appointment has been renewed annually by General Assembly of Shareholders, with the most recent reappointment on 10 July 2025, representing a total period of uninterrupted engagement appointment of 7 years.

Grant Thornton revizija d.o.o. was initially appointed as auditors of the Company on 17 May 2023. Our appointment has been renewed annually by General Assembly of Shareholders, with the most recent reappointment on 10 July 2025, representing a total period of uninterrupted engagement appointment of 3 years.

Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 27 March 2026 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company and its controlled undertakings within the European Union. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the consolidated financial statements.



**Shape the future
with confidence**



Report based on Delegated Regulation (EU) 2018/815 on supplementing Directive 2004/109/EZ of European parliament and Council related to regulatory technical standard for specification of single electronic reporting format of reporting

Independent report on the compliance of consolidated financial statements prepared pursuant to Article 462 (5) of the Capital Market Act (Official Gazette 65/18, 17/20,83/21 and 151/22) applying the requirements of the Delegated Regulation (EU) 2018 / 815 on establishing of single electronic reporting format for issuers (the ESEF Regulation).

We have conducted a reasonable assurance engagement on whether the consolidated financial statements, as contained in the attached electronic file PodravkaGroup-2025-12-31-1-en, are prepared, for the purposes of public disclosure pursuant to Article 462, paragraph 5 of the Capital Market Act, in all material respects in accordance with the requirements of the ESEF Regulation.

Responsibilities of the management and Audit Committee

Management is responsible for the preparation of the consolidated financial statements in accordance with ESEF Regulation.

Furthermore, management is responsible for maintaining an internal control system that reasonably ensures the preparation of consolidated financial statements without material non-compliances with ESEF Regulation requirements, whether due to fraud or error.

Management is also responsible for:

- the public disclosure of consolidated financial statements included in the annual report, in XHTML format and
- selecting and using XBRL codes in accordance with ESEF regulation.

Audit Committee is responsible for overseeing the preparation of the consolidated financial statements in ESEF format as part of the financial reporting process.

Auditor's responsibilities

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



**Shape the future
with confidence**



Work performed

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high degree of assurance, however it does not guarantee that the scope of procedures will identify all significant (material) non-compliance with ESEF regulation.

In respect of the subject matter, we have performed the following procedures:

- we read the requirements of the ESEF Regulation,
- we have gained an understanding of the Company's internal controls relevant to the application of the requirements of the ESEF Regulation,
- we have identified and assessed the risks of material non-compliance with the ESEF Regulation due to fraud or error; and
- Based on this, devise and implement procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The aim of our procedures was to assess whether:

- the consolidated financial statements, which are included in the annual report, are prepared in the relevant XHTML format,
- the information contained in the consolidated financial statements required by the ESEF Regulation is marked and all markings meet the following requirements:
 - the XBRL markup language was used,
 - the basic taxonomy elements listed in the ESEF Regulation with the closest accounting significance have been used, unless an additional taxonomy element has been created in accordance with Annex IV. ESEF Regulation,
 - the labeled elements comply with the common labeling rules under the ESEF Regulation.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures performed and evidence gathered, the consolidated financial statements presented in ESEF format for the year ended on 31 December 2025, contained in the aforementioned attached electronic file and prepared pursuant to Article 462 paragraph 5 of the Capital Market Act prepared for public disclosure, are prepared in all material respects in line with the requirements of Articles 3, 4 and 6 of the ESEF Regulation. Further to this conclusion, as well as the opinion contained in this independent auditor's report related to accompanying consolidated financial statements and annual report for the year ended 31 December 2025, we do not express any opinion on the information contained in these presentations or on any other information contained in the aforementioned file.



**Shape the future
with confidence**

The partners in charge of the audit resulting in this independent auditor's report are Berislav Horvat for Ernst & Young d.o.o. and Vedran Miloš for Grant Thornton revizija d.o.o.

ERNST & YOUNG
d.o.o.
Zagreb, Radnička cesta 50

Berislav Horvat
President of the Management Board and Certified auditor

27 March 2026

Ernst & Young d.o.o.
Radnička cesta 50
10000 Zagreb
Republic of Croatia



 **Grant Thornton**
Grant Thornton revizija d.o.o.
HR - 10000 Zagreb

Vedran Miloš
Director and Certified auditor

27 March 2026

Grant Thornton revizija d.o.o.
Ulica Grada Vukovara 284
10000 Zagreb
Republic of Croatia

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of EUR)

	<i>Note</i>	2025	2024
Sales revenues	8	1,013,859	766,502
Revenue from agricultural incentives	8	27,194	-
Cost of goods sold	11	(699,169)	(474,916)
Gross profit		341,884	291,586
Other income	9	66,801	5,002
General and administrative expenses	11	(70,123)	(61,225)
Selling and distribution costs	11	(110,218)	(98,919)
Marketing expenses	11	(57,787)	(53,925)
Other expenses	10	(1,000)	(2,541)
Operating profit		169,557	79,978
Financial income	13	728	2,524
Financial expenses	14	(16,653)	(2,639)
Profit before tax		153,632	79,863
Income tax	15	(16,617)	(4,526)
Profit for the year		137,015	75,337
Other comprehensive income:			
Items that will not be reclassified to profit or loss account			
Actuarial profit/(loss) - (net of deferred tax)		7	(108)
Change in fair value of equity instruments through OCI (net of deferred tax)		-	21
Items that can be subsequently reclassified to profit and loss account			
Exchange differences on translation of foreign operations		238	(234)
Total other comprehensive (loss)/income		245	(321)
Total comprehensive income		137,260	75,016
Profit attributable to:			
Equity holders of the parent		135,384	73,862
Non-controlling interests		1,631	1,475
Total comprehensive income attributable to:			
Equity holders of the parent		135,628	73,541
Non-controlling interests		1,632	1,475
Earnings per share (in EUR)			
- Basic	16	19.1	10.5
- Diluted	16	19.1	10.4

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

(in thousands of EUR)

	<i>Note</i>	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Goodwill	17	3,853	3,698
Intangible assets	18	46,446	36,714
Property, plant and equipment	19	611,438	380,309
Right-of-use assets	20	71,510	16,728
Investment property	21	16,992	13,698
Long-term biological assets	22	15,408	-
Non-current financial assets	24	1,071	1,047
Deferred tax assets	15	28,563	28,358
Total non-current assets		795,281	480,552
Current assets			
Inventories	25	250,461	166,363
Short-term biological assets	22	52,097	-
Trade and other receivables	26	205,007	153,495
Financial assets at fair value through profit and loss	27	-	2
Income tax receivable		455	595
Cash and cash equivalents	28	40,240	27,138
Current assets excluding non-current assets held for sale		548,260	347,593
Non-current assets held for sale	29	6,420	7,251
Total current assets		554,680	354,844
Total assets		1,349,961	835,396
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	30	213,600	213,600
Share premium	30	14,848	17,370
Treasury shares	30	(4,541)	(8,569)
Reserves	31	199,928	197,454
Retained earnings	32	304,240	193,609
Attributable to equity holders of the parent		728,075	613,464
Non-controlling interests	33	11,243	10,864
Total shareholders' equity		739,318	624,328
Non-current liabilities			
Borrowings	35	272,037	72
Lease liabilities	20	62,971	11,591
Non-current provisions for employee benefits	36	12,022	7,637
Other non-current provisions	36	7,871	5,061
Other non-current liabilities	37	2,218	2,310
Deferred tax liability	15	5,484	4,142
Non-current trade payables		196	-
Total non-current liabilities		362,799	30,813
Current liabilities			
Trade and other payables	38	146,438	119,032
Income tax payable		5,951	6,097
Financial liabilities at fair value through profit and loss	34	-	30
Borrowings	35	77,339	40,512
Lease liabilities	20	9,354	5,458
Current provisions for employee benefits	36	8,276	8,821
Other current provisions	36	486	305
Total current liabilities		247,844	180,255
Total liabilities		610,643	211,068
Total equity and liabilities		1,349,961	835,396

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

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>(in thousands of EUR)</i>	Note	Issued capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total	Non-controlling interests	Total
As at 1 January 2024		213,600	17,479	(6,929)	172,144	168,056	564,350	10,642	574,992
<i>Comprehensive income</i>									
Profit for the year		-	-	-	-	73,862	73,862	1,475	75,337
Foreign exchange differences		-	-	-	(234)	-	(234)	-	(234)
Change in fair value of equity instruments through OCI		-	-	-	21	-	21	-	21
Actuarial loss (net of deferred tax)		-	-	-	(108)	-	(108)	-	(108)
Total comprehensive loss		-	-	-	(321)	-	(321)	-	(321)
Total comprehensive (loss)/ income		-	-	-	(321)	73,862	73,541	1,475	75,016
<i>Transactions with owners and transfers recognised directly in equity</i>									
Dividend distribution to minority owner		-	-	-	-	-	-	(1,253)	(1,253)
Allocation from retained earnings	31	-	-	-	25,631	(25,631)	-	-	-
Exercise of options		-	(1,122)	1,581	-	(199)	260	-	260
Fair value of share-based payment transactions	40	-	1,013	-	-	-	1,013	-	1,013
Dividend declared		-	-	-	-	(22,479)	(22,479)	-	(22,479)
Purchase of treasury shares	30	-	-	(3,221)	-	-	(3,221)	-	(3,221)
Total transactions with owners recognised directly in equity		-	(109)	(1,640)	25,631	(48,309)	(24,427)	(1,253)	(25,680)
As at 31 December 2024		213,600	17,370	(8,569)	197,454	193,609	613,464	10,864	624,328
<i>Comprehensive income</i>									
Profit for the year		-	-	-	-	135,384	135,384	1,631	137,015
Foreign exchange differences		-	-	-	237	-	237	1	238
Actuarial profit (net of deferred tax)		-	-	-	7	-	7	-	7
Other comprehensive income		-	-	-	244	-	244	1	245
Total comprehensive income		-	-	-	244	135,384	135,628	1,632	137,260
<i>Transactions with owners and transfers recognised directly in equity</i>									
Dividend distribution to minority owner		-	-	-	-	-	-	(1,253)	(1,253)
Allocation from retained earnings	31	-	-	-	2,230	(2,230)	-	-	-
Effect of sold company	32	-	-	-	-	(301)	(301)	-	(301)
Exercise of options		-	(3,049)	4,888	-	356	2,195	-	2,195
Fair value of share-based payment transactions	40	-	527	-	-	-	527	-	527
Dividend declared		-	-	-	-	(22,578)	(22,578)	-	(22,578)
Purchase of treasury shares	30	-	-	(860)	-	-	(860)	-	(860)
Total transactions with owners recognised directly in equity		-	(2,522)	4,028	2,230	(24,753)	(21,017)	(1,253)	(22,270)
As at 31 December 2025		213,600	14,848	(4,541)	199,928	304,240	728,075	11,243	739,318

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>(in thousands of EUR)</i>	<i>Note</i>	2025	2024
Profit before tax		153,632	79,863
Depreciation and amortization	11	58,024	34,391
Difference in consideration paid and net assets acquired	9	(57,531)	-
Gains on breeding herd growth, net of mortality		(5,934)	-
Impairment of property, plant and equipment	10	40	271
Impairment of intangible assets	10	548	770
Reversal of impairment of trade receivables and other receivables		(8)	(133)
Reversal of impairment of assets held for sale	10	-	(4)
Reversal of impairment of loans given and interest		(3)	(4)
Reversal of impairment of long term financial assets	9	-	(1,970)
Reversal of impairment of pharmacy rights	9	(1,724)	-
Gain on sale of subsidiary	9	(1,324)	-
(Gain) / loss on disposal of non-current assets and right-of-use assets		(186)	870
Remeasurement of financial assets and liabilities at FVTPL	13	(28)	78
Share-based payment transactions		527	1,013
Gain on write-off of liabilities	9	(9)	(828)
Gain on disposal of assets held for sale		(1,616)	(149)
Change in fair value of financial assets through OCI		-	52
(Decrease) / increase in provisions		(3,498)	1,775
Interest income	13	(686)	(2,510)
Dividend income and similar		(15)	(14)
Interest expense	14	16,637	2,492
Foreign exchange differences		(104)	(78)
Total adjustments		3,110	36,022
Changes in working capital:			
Increase in inventories		(19,314)	(15,536)
Increase in receivables		(13,606)	(8,082)
Increase in payables		4,149	2,437
Cash generated from operations		127,971	94,704
Income taxes paid		(13,930)	(1,877)
Interest paid		(14,775)	(4,006)
Net cash from operating activities		99,266	88,821
Cash flows from investing activities			
Purchase of property, plant, equipment and intangibles		(81,406)	(71,186)
Purchase of non-current biological assets		(545)	-
Acquisition of subsidiary, net of cash acquired	44	(299,633)	-
Sale of subsidiary net	44	11,305	-
Proceeds from investment in debt instruments at amortised cost		-	8,000
Proceeds from sale of assets held for sale	29	2,444	315
Proceeds from sale of property, plant, equipment and intangibles		4,325	599
Deposits given		(11)	(15,178)
Proceeds from loans given		3	16
Proceeds from financial instruments		-	6,800
Interest received		666	2,467
Dividends received		15	14
Net cash from investing activities		(362,837)	(68,153)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of EUR)

	Note	2025	2024
Cash flows from financing activities			
Dividend paid		(22,445)	(22,347)
Dividend distribution to minority shareholder		(895)	(1,253)
Purchase of treasury shares	30	(860)	(3,221)
Sale of treasury shares		2,784	854
Proceeds from borrowings		472,026	18,006
Repayment of borrowings		(162,330)	(20,970)
Repayment of leases		(11,607)	(7,127)
Net cash from financing activities		276,673	(36,058)
Net increase / (decrease) in cash and cash equivalents		13,102	(15,390)
Cash and cash equivalents at beginning of year		27,138	42,528
Cash and cash equivalents at the end of year	28	40,240	27,138

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 1 – GENERAL INFORMATION

History and incorporation

Podravka prehrambena industrija d.d., Koprivnica (“the Company”) is incorporated in the Republic of Croatia. The principal activities of the Group comprise production of a wide range of food products as well as production and distribution of drugs, pharmaceutical products, cosmetics, auxiliary medical preparations and other chemicals. The Group consists of the parent company Podravka d.d. and its subsidiaries as stated in note 22. Podravka d.d. was established as a joint stock company under the entity registration number 010006549 and personal identification number 18928523252.

The Group is headquartered in Koprivnica, Croatia Ante Starčevića 32.

The main location of the Company’s operations is Koprivnica, the Republic of Croatia.

The Company’s shares were listed on the official market of the Zagreb Stock Exchange until 27 December 2018, since when they have been listed on the Prime Market of the Zagreb Stock Exchange. The shareholder structure is shown in note 30.

Podravka d.d. is the ultimate parent company of the Group.

During 2025, there were no changes in the Company’s name or other identification of the reported entity.

General Assembly

The General Assembly of the Company consists of the shareholders of Podravka d.d.

Supervisory Board:

Members of the Supervisory Board in 2025:

President	Dubravko Štimac	(20 Oct. 2025 to 19 Oct. 2029)
President	Damir Grbavac	(01 July 2022 to 19 Oct. 2025)
Deputy President	Luka Buričević	(21 Feb. 2017 to 07 Sept. 2026)
Member	Ante Jelčić	(17 May 2023 to 19 Oct. 2025)
Member	Ksenija Horvat	(01 July 2015 to 30 June 2027)
Member	Damir Felak	(08 Sept. 2022 to 07 Sept. 2026)
Member	Petar Miladin	(08 Sept. 2010 to 07 Sept. 2026)
Member	Damir Čukman	(01 July 2023 to 30 June 2027)
Member	Krunoslav Vitelj	(08 Sept. 2018 to 07 Sept. 2026)
Member	Darko Prpić	(01 July 2023 to 30 June 2027)
Member	Damir Grbavac	(20 Oct. 2025 to 30 June 2026)

Management Board:

President	Martina Dalić	(04 Feb. 2021 to 23 Feb. 2027)
Member	Davor Doko	(01 May 2017 to 23 Feb. 2027)
Member	Ljiljana Šapina	(24 Feb. 2017 to 23 Feb. 2027)
Member	Milan Tadić	(24 Feb. 2022 to 23 Feb. 2027)
Member	Ivan Ostojić	(01 July 2022 to 23 Feb. 2027)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 2 – BASIS OF PREPARATION

(i) *Statement of compliance*

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“EU IFRS”).

Financial statements are presented for the Group. The financial statements of the Group comprise the consolidated financial statements of the Company and its subsidiaries. The separate financial statements of the Company, which the Company is also required to prepare in accordance with EU IFRS, are published separately and issued simultaneously with these consolidated financial statements. The consolidated financial statements are available on the Company’s website.

Changes in accounting policies are explained in note 5.

These financial statements were authorised for issue by the Management Board on 27 March 2026.

(ii) *Basis of measurement*

The consolidated financial statements of the Group have been prepared on the historical cost basis, except where stated otherwise (see note 6).

(iii) *Functional and presentation currency*

The items included in the Group's financial statements are expressed in the currency of the primary economic environment in which the Group operates (functional currency EUR) rounded to the nearest thousand.

(iv) *Gross profit*

Gross profit is the difference between the total revenues generated from the sale of products, services and agricultural recurring subsidies and the costs contained in the products sold.

(v) *Operating profit*

Operating profit is gross profit increased by other income and reduced by sales, distribution, marketing, general, administrative, research and development expenses and other expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of Podravka d.d. (“the Company”) and entities controlled by Podravka d.d. (its subsidiaries) as at and for the year ended 31 December 2025. Control is achieved if the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

(i) Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

(ii) Business combinations

The Group uses the acquisition method of accounting to account for business combinations.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

(iii) Non-controlling interests

Non-controlling interests are initially measured by their proportionate share of recognised net assets of the acquiree at the acquisition date. Changes in the Group’s share in the subsidiary that do not result in loss of control are accounted for as transactions with owners.

3.2 Goodwill

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired.

3.3 Revenue recognition

Revenue is recognised, net of value-added tax, volume rebates, trade discounts, returns, listing fees and various promotional and marketing activities that are an integral part of contracts with customers.

In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration and consideration payable to the customer.

Group’s sales contracts generally comprise of only one performance obligation. As such, the Group does not disclose information about the allocation of the transaction price.

(i) Revenue from sale of products and merchandise – wholesale

The Group manufactures and sells its own products and goods of third parties (for which the Group is a distributor) in the wholesale market. Revenue is recognised when the Group transfers the promised goods or services to the wholesaler.

Products are sold with volume discounts and customers have a right to return products in the wholesale market in case of defects. Sales are recorded based on the price specified in the sales contracts, net of estimated volume rebates and trade discounts and returns. The volume discounts are assessed based on contracts with customers. No element of financing is deemed present in the sales.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Revenue recognition (continued)

(ii) *Revenue from sale of products and merchandise – retail*

Sales of products and goods sold in retail stores are recognised when the Group sells a product to the customer. Retail sales are usually in cash or by credit card. The Group does not operate any customer loyalty programmes.

(iii) *Revenue from services*

Sales of services, such as private label production, are recognised in the accounting period in which the services are rendered.

(iv) *Financial income*

Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised when the right to receive payment is established.

3.4 Leases

The Podravka Group leases certain property (including long-term lease of agricultural land), plant and equipment.

The Group elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value in the amount up to EUR 5 thousand (low-value assets). Assessment of asset of a low value starts from the assessment of new assets, regardless of the age of that asset at the time of assessment. If a lessee subleases an asset the head lease does not qualify as a lease of a low value asset. In short-term leases and leases of a low value asset, lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Podravka Group at the commencement date also recognizes lease liabilities at the present value of the minimum future lease payments (discounted value). Interest rate implicit in the lease contract is used for discounting or if that rate cannot be readily determined, the incremental borrowing rate at the commencement date is used.

Lease liabilities are measured at the effective interest rate method and re-measured to include changes due to reassessments (changes in fixed payments, lease terms, discount rates and other similar changes).

In the statement of financial position, right-of-use assets is reported as a separate line under long-term assets, lease liabilities are disclosed as a separate item within long-term and short-term liabilities.

The statement of comprehensive income includes the cost of depreciation of the right-of-use assets and interest expenses on lease liabilities (see note 20).

3.5 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions associated with them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic basis over the useful lives of the related assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Government grants (continued)

Government grants that are receivable as compensation for expenses or loss already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The Group, based on its registered agricultural and livestock-breeding activities, is entitled to receive Direct Payments in accordance with the Ordinance on the Implementation of Direct Payments and Direct Payments and Agri-environmental, Climate and Structural Measures (IACS) Rural Development Measures. The purpose of direct payments is to ensure the long-term sustainability of active farmers engaged in agricultural activity. They are granted for the production, cultivation, or planting of agricultural products, for the breeding or keeping of livestock, as well as for maintaining agricultural land in a condition suitable for grazing or cultivation.

To be eligible for direct payments, beneficiaries must comply with the conditions prescribed by the above-mentioned Ordinance, as well as the Cross-Compliance Ordinance, and therefore farmers must meet criteria in their production activities. All production areas must also be registered in the ARKOD system, and all livestock must be recorded in the Single Register of Domestic Animals.

Within the prescribed deadline, the Group submits an application to the Agency for Payments in Agriculture, Fisheries and Rural Development for each production year, based on the sowing plan and the number of livestock. Based on the submitted application, the Group recognises income in its accounting records up to the amount of the claim submitted.

Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received and that the Group will comply with all associated conditions. Government grants are recognised at 95% of the grant amount defined in the Ordinance on the Implementation of Direct Payments in Agriculture and IACS Rural Development Measures in the calendar year in which the application is submitted.

3.6 Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's General Assembly.

3.7 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

At the consolidated level, the Group internally monitors and reports the following segments:

- BU Culinary
- BU Basic Food
- BU Fruit and Vegetables
- BU Meat products
- BU Soups
- BU Cereals, Snacks and Beverages
- BU Creamy spreads and Desserts
- BU Fish
- BU Bakery
- Pharmaceuticals
- Agri
- Other sales

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Segment reporting (continued)

The Group identifies business segments on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the Management Board of the Company) in order to allocate resources to the segments and to assess their performance. Following the completed acquisition, the Group included a new segment, Agri, in its internal monitoring and segment reporting during 2025.

Territorial analysis of operations by segment is presented in note 8.

3.8 Taxation

(i) *Income taxes*

Current tax is the expected tax liability on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax liability in respect of previous years.

(ii) *Deferred tax assets and liabilities*

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax asset recognised on the basis of tax losses carried forward is recognised in accordance with tax legislation of the country where the company operates for the period envisaged by the law and is discharged at the expiry of this period if it is not used until then.

(iii) *Investment tax credits*

Investment tax credits are incentives arising from government incentive schemes which enable the Group to reduce its income tax liability or liabilities arising from other specified taxes in future periods, and are linked to the construction or acquisition of certain assets and/or performance of certain activities and/or fulfilment of certain specific conditions prescribed in the relevant regulation for investment incentives by the relevant authorities. Tax investment credits are initially recognized as a deferred tax asset and an income tax benefit in the amount equal to the lower of the maximum authorized credit and the estimated amount of credit that the Group expected it will be able to utilize until the incentive expires. Deferred tax assets recognized as a result of investment tax credits is utilized during the period of the incentive, i.e. until the expiration of the credits (if so specified) in accordance with and subject to the availability of tax obligations in future years against which the credits can be offset.

3.9 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, where applicable.

Land and assets under construction are not depreciated. Depreciation of other items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	10 to 50 years
Equipment	3 to 30 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date and when necessary.

Gains and losses on disposals are determined as the difference between the income from the disposal and the asset's carrying amount, and are recognised in profit or loss within other income/expenses.

3.10 Investment property

Investment property is carried at historical cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation of buildings is calculated using the straight-line method over their useful lives generally ranging from 10 to 50 years, depending on the type of the building.

3.11 Intangible assets

(i) Licences, brands, distribution rights and registration

Product distribution rights and right over use of registration files generally have a definite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is calculated using the straight-line method to allocate the cost of licences, distribution rights and registrations, and brands with definite useful lives over their useful lives estimated from 3 to 15 years.

Rights to acquired trademarks and know-how are carried at cost and have an indefinite useful life, since based on an analysis of all of the relevant factors at the reporting date, there is no foreseeable limit to the period of time over which the identified rights are expected to generate net cash inflows. Intangible assets with indefinite useful lives are tested annually for impairment and are stated at cost less accumulated impairment loss (note 3.13).

(ii) Computer software

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their useful lives estimated at 5 years.

(iii) Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment loss, on the same basis as intangible assets that are acquired separately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Biological assets

The Podravka Group recognizes biological assets or agricultural products, such as livestock, crops, vineyards and orchards, when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the company, and when the fair value or cost of the asset can be measured reliably.

Short-term biological assets are measured at initial recognition and at each reporting date at their fair value less estimated costs to sell. In such cases, upon initial recognition, biological assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Agricultural produce harvested is measured at fair value less estimated costs to sell at the time of harvest.

(i) Long-term biological assets

Biological assets – plantations are assets used in the production or supply of agricultural products and are expected to bear produce for more than one period. They are accounted for within property, plant and equipment, while agricultural products growing on plantations are presented within biological assets.

Breeding herd are presented within long-term biological assets.

Plantations and breeding herd are measured at cost. Depreciation is calculated on acquisition cost and recognized as an expense of the period using the straight-line method over the expected useful life of the asset.

Breeding herd is depreciated over an expected useful life of 2.5 to 3 years. Residual value is determined based on expected proceeds upon disposal after full depreciation.

(ii) Short-term biological assets

Biological assets – crops represent agricultural products harvested. They are measured at fair value less estimated costs to sell at the time of harvest. The effect of adjusting agricultural products at fair value represents the difference between the value of agricultural products at the time of harvest and the production costs incurred, and is recognized in the income statement through changes in the value of inventories. Crops are measured at fair value, which is considered to approximate amortized cost

Biological assets – livestock for fattening relate to the production of piglets and calves measured at fair value. The effect of adjusting livestock for fattening at fair value represents the difference between the production cost of livestock fattening, determined based on production costs incurred during the period, and market prices, and is recognized in the income statement within changes in the value of inventories.

(iii) Valuation of short-term biological assets (fertilizers and crops)

The Group recognizes biological assets or agricultural products, such as livestock, crops, vineyards, vegetables and other perennial crops, when there is control over the asset as a result of past events, when it is certain that the future economic benefits associated with the asset will flow to the Group and when the fair value or cost of the asset can be reliably determined.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Biological assets (continued)

(iii) *Valuation of short-term biological assets (fertilizers and crops) (continued)*

Harvested agricultural products are valued at fair value less estimated selling costs at the time of harvest. Prices based on real market prices at the time of harvest are used.

The fair value of the livestock in stock on the reporting date is calculated from the input fair value of the livestock in the fattening, to which is added the fair value of the realized increase of the livestock that is in stock. The fair value of the increment is the difference between the average fair value of the input to the fattening and the average fair value of the output.

The fair value of the fertilizers is determined according to the last quarter of the VAEX and follows the German Stock Exchange.

The fair value of the fattening cattle is determined according to the average selling prices based on the last 3 months.

By dividing the fair value of the increment by the average weight of the increment to the output weight, the market price of the unfinished production of the increment is determined.

3.13 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (apart from inventories and deferred taxes) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Intangible assets with indefinite useful lives and other intangible assets are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is expensed immediately.

3.14 Inventories

Inventories of raw materials and spare parts are stated at the lower of cost, determined using the weighted average cost method, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

The cost of work-in-progress and finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity).

Merchandise is carried at the lower of purchase cost and selling price (less applicable taxes and rebates).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.15 Trade receivables

Trade receivables are recognised initially at cost which is equal to the fair value at the moment of recognition and subsequently measured at amortised cost using the effective interest method, if significant; if not, at nominal amount less an allowance for impairment.

3.16 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term highly liquid instruments with original maturities of three months or less. Bank overdrafts are included within current liabilities on the consolidated statement of financial position.

3.17 Share capital

Share capital consists of ordinary shares. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds of those transactions. Any excess of the fair value of the consideration received over the par value of the shares issued is presented in the notes as a share premium.

If the Group purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

3.18 Employee benefits

(i) Pension obligations and post-employment benefits

In the normal course of business through salary payment, the Group makes payments to mandatory pension funds operated by third parties on behalf of its employees as required by law. All contributions made to the mandatory pension funds are recorded as salary expense when incurred. The Group is not obliged to provide any other post-employment benefits with respect to these pension schemes.

(ii) Termination benefits

Termination benefits are recognized when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as expenses when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(iii) Regular retirement benefits

Retirement benefits falling due more than 12 months after the reporting date are discounted to their present value based on the calculation performed at each reporting date by an independent actuary, using assumptions regarding the number of staff likely to earn regular retirement benefits, estimated benefit cost and the discount rate which is determined as the average expected rate of return on investment in government and corporate bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.18 Employee benefits (continued)

(iv) Long-term employee benefits

The Group recognises a liability for long-term employee benefits (jubilee awards) evenly over the period the benefit is earned based on actual years of service. The long-term employee benefit liability is determined annually by an independent actuary, using assumptions regarding the likely number of staff to whom the benefits will be payable, estimated benefit cost and the discount rate which is determined as the average expected rate of return on investment in corporate bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(v) Short-term employee benefits

The Group recognises a provision for employee bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

(vi) Share-based payments

The Group operates a remuneration plan in the form of stock options and shares. Certain members of management receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for equity instruments.

Share-based payments to employees for services rendered that were settled by equity instruments are measured at fair value of the equity instruments at the grant date. The fair value of share-based payments settled by equity is recognized as expenditure over the period of acquiring the conditions, based on estimates relating to equity instruments for which conditions will eventually be vested.

3.19 Financial instruments

A. Financial assets

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

The structure of the Group's financial assets is simple and primarily relates to trade receivables without a significant financial component, loans given and short-term deposits in banks at fixed interest rates, while forward contracts are of insignificant amount. This significantly reduces the complexity of the assessment whether the financial assets meet the criterion of 'solely payments of principal and interest'.

B. Financial liabilities

Financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

C. Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

During 2025 and 2024, Group had no transactions related to hedge accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.19 Financial instruments (continued)

D. Impairment of non-derivative financial assets

Recognition of impairment losses

The Group recognises loss allowances for expected credit loss (ECLs) on:

- financial assets measured at amortised cost;
- debt instruments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss (ECLs).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if early warning indicators have been activated in accordance with the Group's policy or contractual terms of the instrument.

The Group considers a financial asset to be fully or partially in default if:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are estimate of credit losses. Credit losses are measured as the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. Regular external trade receivables that are not past due and uncollected receivables past due up to 360 days from the maturity date are impaired using the percentage that reflects the expectations of the non-collection of trade receivables (ECL). The percentage of impairment is determined on the basis of the average of the previous three-year period (historical rate) separately for each of the Group's companies, adjusted for the macroeconomic impact. The calculation of the historical rate is adjusted for extraordinary and specific circumstances, if required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.19 Financial instruments (continued)

D. Impairment of non-derivative financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a significant delay of payment by the borrower;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Write-off of financial assets

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount of a financial asset upon the legal statute of limitation and it generally expects no recovery of the amount written off.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 4 – NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

At the date of authorization of these financial statements the following standards, revisions and interpretations were issued by IASB and endorsed by the EU but not yet effective.

- **Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instrument**, issued on 30 May 2024 (effective date for annual periods beginning on or after 1 January 2026).
- **Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity**, issued on 18 December 2024 (effective date for annual periods beginning on or after 1 January 2026).
- **Annual Improvements to IFRS Accounting Standards – Volume 11**, issued on 18 July 2024 (effective date for annual periods beginning on or after 1 January 2026).

At the date of authorization of these financial statements the following standards, revisions and interpretations were in issue by the International Accounting Standards Board but not yet adopted by the EU:

- **IFRS 18 Presentation and Disclosure in Financial Statements** (issued on 9 April 2024).
- **IFRS 19, including Amendments Subsidiaries without Public Accountability: Disclosures** (issued on 9 May 2024 and on 21 August 2025).
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency** (issued on 13 November 2025).

The Group does not anticipate that the adoption of these Standards and Interpretations will have a significant impact on the financial statements of the Group.

NOTE 5 – IMPACT OF NEW ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except for the changes following amended IFRSs which have been adopted by the Group as of 1 January 2025:

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**, issued on 15 August 2023 (effective date for annual periods beginning on or after 1 January 2025).

The adoption of these Standards and Interpretations had no significant impact on the financial statements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with Financial reporting standards as adopted by the European Union (EU IFRS) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of EU IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in more detail below.

(i) Deferred tax assets recognition

The deferred tax asset represents income taxes recoverable through future deductions from taxable profits and is recorded in the statement of financial position. Deferred income tax assets are recorded to the extent that realisation of the related tax benefit is probable. In determining future taxable profits and the amount of tax benefits that are probable in the future, management makes judgments and applies estimation based on previous years taxable profits and expectations of future income that are believed to be reasonable under the existing circumstances (see note 15).

(ii) Actuarial estimates used in determining obligations for employee benefits

The cost of defined benefits is determined using actuarial estimates. Actuarial estimates involve assumptions about discount rates, future salary increases and the mortality or fluctuation rates. Due to the long-term nature of those plans, these estimates contain an element of uncertainty (see note 36).

(iii) Consequences of certain legal actions

The Group is involved in a number of legal actions which have arisen from the regular course of operations. Management makes estimates of probable outcomes of the legal actions, and the provisions for the Group's obligations arising from these legal actions are recognised on a consistent basis.

The Group recognises a provision in the total expected amount of outflows of economic benefits as a result of the court case, which is generally the claim amount plus penalty interest (if applicable), if it is more likely than not, based on the opinion of management after consultation with legal advisers, that the outcome of the court case will be unfavourable for the Group. The Group does not recognise provisions for court cases or the expected related legal costs and penalty interest (if applicable) in cases where management estimates that an unfavourable outcome of the court case is less likely than a favourable outcome for the Group.

Where indications exist of a possible settlement in relation to a particular court case, a provision is recognised, based on the best estimate of management made in consultation with its legal advisers, in the amount of the expected settlement less any existing amounts already provided for in relation to that particular court case.

Where the Group is a plaintiff in a particular court case, any economic benefits expected to flow to the Group as a result are recognised only when virtually certain which is generally as at the date of inflow of these economic benefits.

Provisions for the Group's obligations arising from legal actions are recognised on a consistent basis and estimated on a case by case principle.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights*

The Group tests goodwill, brands and rights for impairment on an annual basis in accordance with accounting policy 3.13. For the purposes of impairment testing, goodwill, brands and rights with indefinite useful lives and brands and rights with finite useful lives have been allocated to cash generating units within reportable segments at their net carrying amount at the reporting date as follows:

	Goodwill	Brands	Rights
<i>Operating segment</i>	<i>(in thousands of EUR)</i>		
BU Culinary	-	972	-
BU Soups	-	-	-
BU Cereals, Snack and Beverages	-	3,536	-
BU Creamy spreads and Desserts	-	-	-
BU Bakery	-	3,684	-
BU Fruit and Vegetables	-	-	-
BU Basic food	3,853	910	-
BU Meat products	-	-	-
BU Fish	-	2,495	-
Agri	-	4,930	-
Pharmaceuticals	-	-	7,555
Other - unallocated	-	-	2,402
	3,853	16,527	9,957

The recoverable amount of cash generating units is determined based on value-in-use calculations or fair value. These calculations use cash flow projections from financial budgets approved by management and cover a period of five years.

Goodwill

Goodwill relates entirely to goodwill arising on acquisition of the subsidiary Podravka Lagris a.s. The Group annually performs an impairment test in order to assess whether the recoverable amount of goodwill indicates potential impairment of its carrying amount. The calculation of the recoverable amount of goodwill is based on five-year plans for sales on the Czech market and business plans of the subsidiary developed by the Group bearing in mind its corporate selling and marketing strategy, relevant market trends (such as estimated movements in gross domestic product, market share of relevant products and categories) and the analysis of its competitors.

The calculation of the recoverable amount implies a terminal growth rate for cash flows after the projected five-year period amounting to 2.00% (2024: 2.00%). Cash flows created from such plans are discounted using the post-tax discount rate which reflects the risk of the underlying asset, and which has been defined for the purposes of the impairment test for goodwill as the weighted average cost of capital after tax for the Czech market and the food industry and amounts to 6.71% (2024: 6.41%).

As a result of the impairment testing of goodwill, the Group had no impairment losses relating to goodwill during 2025 and 2024.

The sensitivity analysis of presumptions indicates the need for the impairment of goodwill in case of an increase in the weighted average cost of capital rate by 420 (2024: 409) basis points or a decrease in the terminal growth rate (assuming unchanged weighted average cost of capital) by 1,764 (2024: 1,803) basis points.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands

Brands relate to acquired rights of use of logos, trademarks and brand names which the Group allocates to business segments in accordance with internal categorisation of products to which the specific brand relates, whereby the brand value is either allocated entirely to a specific segment or where applicable and where a brand relates to products and categories which relate to several segments, it is allocated based on the share of gross margin of the brand in each of the segments.

The Group annually performs impairment tests in order to assess whether the recoverable amount of brands indicates potential impairment of their carrying amount whereby the primary focus is on brands where the difference between the recoverable amount and the carrying amount indicates a significant sensitivity to changes in key variables used in impairment testing. The calculation of the recoverable amount of brands is based on five-year plans for sales of product and categories which comprise a certain brand and which the Group developed bearing in mind its corporate and marketing strategy, trends on relevant markets where the brands are sold (such as estimated movements in gross domestic product, market share of relevant products and categories) and the analysis of its competitors.

Cash flows created from such plans are discounted using the post-tax discount rate which reflects the risk of the underlying asset, and which has been defined for the purposes of the impairment test for brands as the weighted average cost of capital (WACC) for the primary market the brand is sold on and the food industry.

For the purpose of recoverable amount of brands whose dominant markets are the markets of Croatia and Slovenia, as at 31 December 2025 the Group applied an income approach – the relief-from-royalty method.

The basis of the relief-from-royalty method is that the value of intangible assets equals the amount that the owner would pay for the licence over the assets if it had not been owned, i.e. the value equals post-tax discounted expenses saved if royalties, i.e. the compensation for the use of trademarks, are not paid.

When calculating the recoverable amount of brands whose dominant markets are the markets of Croatia and Slovenia (a total of 5 brands), rates equal to the weighted average cost of capital after tax (WACC) per individual market and the food industry were used, ranging from 5.00% to 9.07% (2024: ranging from 5.05% to 9.32%), while the applied terminal growth rates range from 2.30% to 3.37% (2024: ranging from 2.50% to 3.54%). The recoverable amount of the most significant brands resulting from the discounted cash flow method is as follows:

	Book value		Recoverable amount	
	2025	2024	2025	2024
Brands	<i>(in thousands of EUR)</i>			
Brand 1	836	836	1,519	1,853
Brand 2	2,057	2,057	23,275	23,332
Brand 3	2,806	2,806	4,129	3,999
Brand 4	58	58	399	493
Brand 5	438	438	1,602	2,970

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 1	Weighted average cost of capital	2025: 5.97% 2024: 5.97%	Increase in weighted average cost of capital by 1,626 basis points (2024: 426) with unchanged terminal growth rate would result in an impairment of EUR 3 thousand (2024: EUR 3 thousand).
		Terminal growth rate	2025: 2.44% 2024: 2.60%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 391 basis points (2024: 573) would result in an impairment of EUR 5 thousand (2024: EUR 5 thousand).
Relief-from-royalty method	Brand 2	Weighted average cost of capital	2025: 7.37% 2024: 8.09%	Increase in weighted average cost of capital by 10,537 basis points (2024: 6,604) with unchanged terminal growth rate would result in an impairment of EUR 3 thousand (2024: EUR 4 thousand).
		Terminal growth rate	2025: 2.85% 2024: 3.00%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024).
Relief-from-royalty method	Brand 3	Weighted average cost of capital	2025: 5.23% 2024: 5.46%	Increase in weighted average cost of capital by 980 basis points (2024: 127) with unchanged terminal growth rate would result in an impairment of EUR 213 (2024: EUR 218).
		Terminal growth rate	2025: 2.35% 2024: 2.55%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 162 basis points (2024: 155) would result in an impairment of EUR 2 thousand (2024: EUR 2 thousand).
Relief-from-royalty method	Brand 4	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 6,318 basis points (2024: 2,177) with unchanged terminal growth rate would result in an impairment of EUR 475 (2024: EUR 309).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 5,533 basis points (2024: 13,050) would result in an impairment of EUR 568 (2024: EUR 132).
Relief-from-royalty method	Brand 5	Weighted average cost of capital	2025: 9.07% 2024: 9.32%	Increase in weighted average cost of capital by 4,458 basis points (2024: 4,098) with unchanged terminal growth rate would result in an impairment of EUR 2 thousand (2024: EUR 2 thousand).
		Terminal growth rate	2025: 3.37% 2024: 3.54%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

When calculating the recoverable amount of brands whose dominant market is the Slovenian market (a total of 21 brands), rates equal to the weighted average cost of capital after tax (WACC) per individual market and the food industry were used, ranging from 5.00% to 6.61% (2024: ranging from 5.05% to 7.48%) while the applied terminal growth rate ranges from 1.71% to 2.53% (2024: ranging from 1.84% to 2.77%).

The recoverable amount of most significant brands resulting from the discounted cash flow method is as follows:

	Book value		Recoverable amount	
	2025	2024	2025	2024
Brands	<i>(in thousands of EUR)</i>			
Brand 1	1,712	1,712	7,703	9,209
Brand 2	519	519	4,351	6,744
Brand 3	398	398	1,190	1,304
Brand 4	121	121	436	509
Brand 5	87	87	1,247	657
Brand 6	92	92	470	419
Brand 7	38	38	400	333
Brand 8	421	421	5,832	5,653
Brand 9	254	254	812	1,023
Brand 10	38	38	92	181
Brand 11	322	322	760	792
Brand 12	239	239	5,340	4,490
Brand 13	212	212	3,230	2,959
Brand 14	97	97	682	625
Brand 15	-	291	-	1,542
Brand 16	-	334	-	1,954
Brand 17	486	486	10,605	11,063
Brand 18	-	35	-	284
Brand 19	-	27	-	135
Brand 20	208	208	521	486
Brand 21	24	24	75	66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 1	Weighted average cost of capital	2025: 5.61% 2024: 5.97%	Increase in weighted average cost of capital by 4,886 basis points (2024: 1,946) with unchanged terminal growth rate would result in an impairment of EUR 3 thousand (2024: EUR 4 thousand).
		Terminal growth rate	2025: 1.96% 2024: 1.94%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 3,355 basis points (2024: 8,719) would result in an impairment of EUR 872 (2024: EUR 1 thousand).
Relief-from-royalty method	Brand 2	Weighted average cost of capital	2025: 5.29% 2024: 5.14%	Increase in weighted average cost of capital by 7,628 basis points (2024: 6,604) with unchanged terminal growth rate would result in an impairment of EUR 1 thousand (2024: EUR 2 thousand).
		Terminal growth rate	2025: 2.17% 2024: 2.40%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024).
Relief-from-royalty method	Brand 3	Weighted average cost of capital	2025: 5.24% 2024: 5.17%	Increase in weighted average cost of capital by 3,150 basis points (2024: 636) with unchanged terminal growth rate would result in an impairment of EUR 675 (2024: EUR 1 thousand).
		Terminal growth rate	2025: 2.46% 2024: 2.51%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 804 basis points (2024: 918) would result in an impairment of EUR 390 (2024: EUR 1 thousand).
Relief-from-royalty method	Brand 4	Weighted average cost of capital	2025: 6.05% 2024: 6.30%	Increase in weighted average cost of capital by 3,994 basis points (2024: 1,306) with unchanged terminal growth rate would result in an impairment of EUR 820 (2024: EUR 1 thousand).
		Terminal growth rate	2025: 2.44% 2024: 2.60%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 1,822 basis points (2024: 2,948) would result in an impairment of EUR 362 (2024: EUR 1 thousand).
Relief-from-royalty method	Brand 5	Weighted average cost of capital	2025: 5.31% 2024: 5.52%	Increase in weighted average cost of capital by 11,554 basis points (2024: 2,824) with unchanged terminal growth rate would result in an impairment of EUR 2 thousand (2024: EUR 3 thousand).
		Terminal growth rate	2025: 1.71% 2024: 1.84%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 6	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 5,128 basis points (2024: 982) with unchanged terminal growth rate would result in an impairment of EUR 933 (2024: EUR 1 thousand).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 2,216 basis points (2024: 1,696) would result in an impairment of EUR 767 (2024: EUR 1 thousand).
Relief-from-royalty method	Brand 7	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 8,698 basis points (2024: 2,305) with unchanged terminal growth rate would result in an impairment of EUR 806 (2024: EUR 1 thousand).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (2024: Decrease in terminal growth rate with unchanged weighted average cost of capital by 16,249 basis points would result in an impairment of EUR 511).
Relief-from-royalty method	Brand 8	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 10,419 basis points (2024: 3,814) with unchanged terminal growth rate would result in an impairment of EUR 58 (2024: EUR 797).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024).
Relief-from-royalty method	Brand 9	Weighted average cost of capital	2025: 6.45% 2024: 7.01%	Increase in weighted average cost of capital by 3,597 basis points (2024: 1,390) with unchanged terminal growth rate would result in an impairment of EUR 860 (2024: EUR 1 thousand).
		Terminal growth rate	2025: 2.53% 2024: 2.69%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 1,620 basis points (2024: 3,369) would result in an impairment of EUR 202 (2024: EUR 745).
Relief-from-royalty method	Brand 10	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 2,450 basis points (2024: 1,053) with unchanged terminal growth rate would result in an impairment of EUR 325 (2024: EUR 369).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 502 basis points (2024: 1,879) would result in an impairment of EUR 674 (2024: EUR 216).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 11	Weighted average cost of capital	2025: 6.46% 2024: 6.59%	Increase in weighted average cost of capital by 2,508 basis points (2024: 620) with unchanged terminal growth rate would result in an impairment of EUR 437 (2024: EUR 494).
		Terminal growth rate	2025: 2.50% 2024: 2.61%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 832 basis points (2024: 936) would result in an impairment of EUR 839 (2024: EUR 1 thousand).
Relief-from-royalty method	Brand 12	Weighted average cost of capital	2025: 5.07% 2024: 5.05%	Increase in weighted average cost of capital by 14,237 basis points (2024: 5,323) with unchanged terminal growth rate would result in an impairment of EUR 209 (2024: EUR 359).
		Terminal growth rate	2025: 2.35 % 2024: 2.50%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024)
Relief-from-royalty method	Brand 13	Weighted average cost of capital	2025: 6.61% 2024: 6.85%	Increase in weighted average cost of capital by 12,996 basis points (2024: 7,305) with unchanged terminal growth rate would result in an impairment of EUR 71 (2024: EUR 502).
		Terminal growth rate	2025: 2.51% 2024: 2.66%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024)
Relief-from-royalty method	Brand 14	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 6,497 basis points (2024: 1,518) with unchanged terminal growth rate would result in an impairment of EUR 263 (2024: EUR 452).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 5,503 basis points (2024: 3,810) would result in an impairment of EUR 87 (2024: EUR 223).
Relief-from-royalty method	Brand 15	Weighted average cost of capital	2025: - 2024: 5.09%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Increase in weighted average cost of capital by 1,190 basis points with unchanged terminal growth rate would result in an impairment of EUR 124.
		Terminal growth rate	2025: - 2024: 2.50%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Decrease in terminal growth rate with unchanged weighted average cost of capital by 2,347 basis points would result in an impairment of EUR 319.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 16	Weighted average cost of capital	2025: - 2024: 7.48%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Increase in weighted average cost of capital by 2,623 basis points with unchanged terminal growth rate would result in an impairment of EUR 1 thousand.
		Terminal growth rate	2025: - 2024: 2.77%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand.
Relief-from-royalty method	Brand 17	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 14,164 basis points (2024: 7,433) with unchanged terminal growth rate would result in an impairment of EUR 234 (2024: EUR 262).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same refers to 2024).
Relief-from-royalty method	Brand 18	Weighted average cost of capital	2025: - 2024: 5.05%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Increase in weighted average cost of capital by 2,554 basis points with unchanged terminal growth rate would result in an impairment of EUR 1 thousand.
		Terminal growth rate	2025: - 2024: 2.50%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand.
Relief-from-royalty method	Brand 19	Weighted average cost of capital	2025: - 2024: 5.05%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Increase in weighted average cost of capital by 1,104 basis points with unchanged terminal growth rate would result in an impairment of EUR 270.
		Terminal growth rate	2025: - 2024: 2.50%	2025: Sensitivity analysis was not performed since the brand was sold in the sale of the confectionery segment of operations. 2024: Decrease in terminal growth rate with unchanged weighted average cost of capital by 1,965 basis points would result in an impairment of EUR 265.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 20	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 2,550 basis points (2024: 352) with unchanged terminal growth rate would result in an impairment of EUR 70 (2024: EUR 358).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 541 basis points (2024: 442) would result in an impairment of EUR 548 (2024: EUR 145).
Relief-from-royalty method	Brand 21	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 3,312 basis points (2024: 470) with unchanged terminal growth rate would result in an impairment of EUR 405 (2024: EUR 171).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 849 basis points (2024: 640) would result in an impairment of EUR 547 (2024: EUR 116).

When calculating the recoverable amount of the brand whose dominant market is the market of Poland, rate equal to the weighted average cost of capital after tax (WACC) for the Polish market and the food industry of 6.86% (2024: 9.36%) was used, while the terminal growth rate applied was 2.6% (2024: 0%).

The recoverable amount of the brand resulting from the discounted cash flow method is as follows:

	Book value		Recoverable amount	
	2025	2024	2025	2024
Brands	<i>(in thousands of EUR)</i>			
Brand 1	132	130	173	185

Relief-from-royalty method	Brand 1	Weighted average cost of capital	2025: 6.86% 2024: 9.36%	Increase in weighted average cost of capital by 839 basis points (2024: 1,211) with unchanged terminal growth rate would result in an impairment of EUR 290 (2024: EUR 143).
		Terminal growth rate	2025: 2.60% 2024: 0.00%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 212 basis points (2024: 838) would result in an impairment of EUR 520 (2024: EUR 457).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Brands (continued)

Upon the acquisition of Agri Group and the allocation of the purchase price, three brands were identified. For the purpose of determining the recoverable amount of these brands, the Group applied the income approach – the relief-from-royalty method. In calculating the recoverable amount of the aforementioned brands, discount rates equivalent to the post-tax weighted average cost of capital were applied for the respective markets and the food industry. These rates ranged from 10.8% to 13.4%, while the terminal growth rates applied ranged from 1.90% to 2.40%

The basis of the relief-from-royalty method is that the value of intangible assets equals the amount that the owner would pay for the licence over the assets if it had not been owned, i.e. the value equals post-tax discounted expenses saved if royalties, i.e. the compensation for the use of trademarks, are not paid.

After comparison of the projected sales for the forthcoming five-year period with the projected sales for the five-year period used in the process of the acquisition of the company when allocating the purchase price, it was concluded that there were no material differences, and no impairment of the brands was required. In 2025, Agri Group did not recognise any impairment losses relating to the brands.

The estimated value of the brands at acquisition is equal to their carrying amount:

	2025	2024
Brands	<i>(in thousands of EUR)</i>	
Brand 1	3,145	-
Brand 2	1,365	-
Brand 3	420	-

During 2025, the Group had no impairment costs relating to brands.

Rights

Rights relate to registration files (pharmaceutical segment), distribution rights relating either to a specific segment or to several segments combined and acquired rights for operating pharmacies (pharmaceutical segment). Registration files and distribution rights have finite useful lives over which they are amortised and impaired in the event circumstances arise which indicate a need for impairment in excess of the regular amortisation charge. Pharmaceutical rights relate to acquired rights to perform pharmaceutical activities that are fully allocated to the segment "Pharmaceuticals". In accordance with local legislation such rights do not expire (the Group does not expect regulatory changes in this respect).

The Group annually performs impairment tests in order to assess whether the recoverable amount of pharmaceutical rights indicates potential impairment of their carrying amount. Rights with an unlimited useful lives are allocated for the purpose of impairment testing to cash-generating units within the business segments and their net carrying value at the reporting date is EUR 6,400 thousand (2024: EUR 4,676 thousand). During 2025, the Group recognised a reversal of part of the previously recognised impairment loss relating to pharmacy rights in the amount of EUR 1,724 thousand, based on a sales and purchase agreement for the sale of the pharmacy business, which was completed in early 2026. The realised purchase price reflects the fair value of the pharmacy rights as at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for goodwill, brands and rights (continued)*

Rights (continued)

During 2024, the Group had impairment cost on pharmacy rights for three pharmacy units in the total amount of EUR 450 thousand. Following the impairment test, the Group further compared similar transactions on the pharmacy market through revenue and operating profit multipliers that also indicate that the carrying amount is not higher than the fair value. Management views the cash-generating unit as a single pharmacy unit in a particular geographical area. The recoverable value of cash-generating units was determined by calculations of value in use based on projections of discounted cash flows on the basis of financial plans approved by the Management Board, which cover a five-year period from the reporting date. Key assumptions on which projections of future discounted cash flows were based as at 31 December 2024 include an average revenue growth rate in the five-year period from 2026 onward of 2.5%, and for 2025, certain deviations were expected due to changes in the business organization of some pharmacy units through optimization of the number of shifts. In cash flows after the five-year period, a terminal growth rate of 2.00% was used, and the present value of net future cash flows was calculated using discount rates based on the average weighted cost of capital of 8.00% after taxation (for assets that generate the majority of income on the Croatian market).

(v) *Impairment test for property, plant and equipment, investment property and assets held for sale*

The Group annually performs analysis of impairment indicators for property, plant and equipment in order to assess whether the recoverable amount indicates potential impairment of their carrying amount. In 2025, the Group recognised impairment of property and plant in the amount of EUR 40 thousand (2024: EUR 271 thousand).

For property, plant and equipment held for sale, upon classification of such assets as held for sale the Group estimates their recoverable amount based on an independent expert valuer's estimate of the fair value of these assets less costs to sell and records these assets at the lower of their carrying amount and the recoverable amount. Generally, the Group considers with significant confidence that the recoverable amount of such assets will be realized through sale or disposal in the short term and in cases where there has been a delay in disposal due to circumstances which do not require reclassification of such assets into property, plant and equipment, the Group considers whether there have been significant changes in the circumstances and expectations related to the disposal process which would require re-assessment of their fair value. If a significant change in circumstances has not occurred, but the asset relates to property which is intended to be used until disposal, the Group approximates the possible impairment that could arise from the date of classification of such assets as held for sale up to the reporting date at the level of depreciation that would have been recognised had those assets not been classified as held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(vi) *Determination of the fair value of the newly acquired assets and liabilities of the Agri segment*

Upon the initial consolidation of the Agri segment companies, the Group management engaged independent third parties for the purpose of determining the acquired assets and liabilities in order to meet the requirements of IFRS 3. The acquired assets and liabilities were recognized in the consolidated statement of financial position at fair value based on the following valuation methods and techniques:

- **Intangible assets:** In the fair valuation of the brands, the income approach and the relief-from-royalty method were applied. The assumptions used in the models are explained in Note 6 (iv).
- **Land and buildings:** The determination of fair value was performed in accordance with the valuations of an independent appraisal firm, using the cost, market and income approaches depending on the type of asset being valued. The valuations were prepared based on the descriptions and photographic documentation of the independent appraiser and the related on-site inspections. The total estimated fair value resulted in an increase of EUR 9,621 thousand.
- **Plant and equipment:** The fair value has been determined by applying the cost approach at the level of each individual item of plant and equipment with an individual value exceeding EUR 2.5 thousand. For assets acquired less than two years before the acquisition date, it is assumed that their carrying amount approximates fair value, while no adjustment is made for equipment older than 15 years. Based on the analysis performed, no differences were identified between the carrying amount and the calculated fair value of plant and equipment.
- **Inventories:** In the course of determining the fair value of spare parts inventories, write-down of EUR 1,988 thousand was recorded.
- **Right-of-use assets and lease liabilities:** For the purpose of measuring right-of-use assets and lease liabilities, the lease agreements were reviewed and their fair value was determined. In valuing the contracts at the acquisition date, an estimated discount rate of 6.01% was applied. This remeasurement resulted in an increase in right-of-use assets of EUR 12,388 thousand and an increase in lease liabilities of EUR 9,952 thousand.
- **Biological assets:** The fair value of livestock at the acquisition date was determined based on a price of EUR 3 per kg for fattening cattle and EUR 1.5 per kg for fattening pigs (prices aligned with VAEX and the German commodity exchange). Due to the nature of this asset category, no differences were identified between the carrying amount and the calculated fair value of biological assets.
- **Other assets and liabilities:** No significant reconciliation differences were identified on the remaining asset and liability items measured at fair value.

The determined fair value of the acquired assets and liabilities is presented in Note 44.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 7 – DETERMINATION OF FAIR VALUES

The Group has an established control framework with respect to fair value measurement which assumes the overall responsibility of the Management Board and finance department in relation to the monitoring of all significant fair value measurements, consultation with external experts and the responsibility to report, with respect the above, to those charged with corporate governance.

Fair values are measured using information collected from third parties in which case the Board and the finance department assess whether the evidence collected from third parties support the conclusion that such valuations meet the requirements of IFRSs, including the level in the fair value hierarchy where such valuations should be classified.

All significant issues related to fair values estimates are reported to the Supervisory Board and the Audit Committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in level 1, that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - input variables for assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more significant inputs are not based on observable market data, the fair value estimate is included in level 3.

In preparing these financial statements, the Group has made the following significant fair value estimates, as further explained in detail in the following notes:

- note 22: Biological assets
- note 26: Trade and other receivables
- note 27: Financial assets at fair value through profit or loss
- note 29: Non-current assets held for sale
- note 34: Financial liabilities at fair value through profit or loss
- note 40: Share-based payments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE

Sales revenue

	2025	2024
	<i>(in thousands of EUR)</i>	
Revenue from sale of products and merchandise	987,978	762,610
Revenue from services	25,881	3,892
	1,013,859	766,502

Revenue from agricultural subsidies relates to recurring subsidies received by the Group, which are considered regular operating income within the newly acquired Agri segment. These subsidies represent government grants for agricultural production.

Revenue from agricultural subsidies

	2025	2024
	<i>(in thousands of EUR)</i>	
Livestock farming	17,104	-
Crop production	9,737	-
Vine growing	353	-
	27,194	-

Information about major customers

Third-party sales in Croatia account for 47% (2024: 33%) of the total revenue from external customers, whereas the remaining 53% (2024: 67%) represent foreign sales. Top 20 customers participate with 36% (2024: 36%) in the value of external sales in total income.

Sales to major customers owned or controlled by the same third party group represent approximately 16% of the Group's total revenue in 2025 (2024: approximately 9% of the total revenue).

For management purposes, the Group is organised in business units based on the similarity in the nature of individual product groups and has identified reportable segments in accordance with quantitative thresholds for segment reporting. The reportable segments of the Group are as follows:

- BU Culinary
- BU Basic Food
- BU Fruit and Vegetables
- BU Meat products
- BU Soups
- BU Cereals, Snacks and Beverages
- BU Creamy spreads and Desserts
- BU Fish
- BU Bakery
- Pharmaceuticals
- Agri
- Other sales

The reportable segments are part of the internal financial reporting to the Management Board which was identified as the chief operating decision maker. The Management Board reviews the internal reports regularly and assesses the segment performance, and uses those reports in making operating decisions.

Segment revenues and results

Set out below is an analysis of the Group's revenue and results by its reportable segments, presented in accordance with IFRS 8 *Operating segments* and a reconciliation of segment profits to profit or loss before tax as presented in the consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Segment revenues and results (continued)

The revenue presented below relates to third-party sales. Inter-segment revenues are eliminated on consolidation.

<i>(in thousands of EUR)</i>	Segment revenues 2025	Segment expenses 2025	Segment depreciation 2025	Segment profits/(loss) 2025
BU Culinary	122,530	76,649	2,250	43,631
BU Soups	54,273	38,349	1,611	14,312
BU Cereals, Snacks and Beverages	55,014	41,941	2,474	10,599
BU Creamy Spreads and Desserts	59,175	50,164	2,556	6,455
BU Bakery	65,469	60,398	3,564	1,507
BU Fruit and Vegetables	67,250	58,690	3,907	4,653
BU Basic food	51,458	47,871	2,576	1,011
BU Meat products	49,091	43,388	1,887	3,817
BU Fish	24,905	23,590	1,083	232
Other sales	50,013	45,352	697	3,964
Pharmaceutical	180,735	132,572	9,088	39,075
Agri	238,888	224,287	21,209	20,588
Consolidation adjustment	(4,942)	(4,797)	-	(145)
	1,013,859	838,454	52,902	149,699
Finance income (note 13)				728
Other income (note 9)				66,801
Central administration costs				(45,943)
Other expenses (note 10)				(1,000)
Finance expenses (note 14)				(16,653)
Profit before tax				153,632

<i>(in thousands of EUR)</i>	Segment revenues 2024	Segment expenses 2024	Segment depreciation 2024	Segment profits/(loss) 2024
BU Culinary	122,700	77,755	2,148	42,796
BU Soups	52,399	35,980	1,184	15,234
BU Cereals, Snacks and Beverages	50,301	37,751	2,210	10,341
BU Creamy Spreads and Desserts	54,907	46,261	2,496	6,150
BU Bakery	69,707	60,986	3,874	4,846
BU Fruit and Vegetables	67,232	57,966	3,173	6,094
BU Basic food	50,719	49,205	2,218	(704)
BU Meat products	46,995	41,802	1,701	3,492
BU Fish	27,130	25,583	1,025	522
Other sales	49,522	44,546	884	4,093
Pharmaceutical	174,890	128,917	8,985	36,987
Agri	-	-	-	-
	766,502	606,752	29,898	129,851
Finance income (note 13)				2,524
Other income (note 9)				5,002
Central administration costs				(52,334)
Other expenses (note 10)				(2,541)
Finance expenses (note 14)				(2,639)
Profit before tax				79,863

During 2025, the Group enhanced its methodology for monitoring segment profitability. Accordingly, the data for the comparative period have been updated to reflect changes in the methodology.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Segment revenues and results (continued)

BU Culinary comprises the following product groups: Universal seasonings, Special seasonings, Monospices and salts, Bouillons, and Food mixes.

BU Basic Food comprises the following product groups: Podravka flour, Rice, Pasta, Side dishes, and Frozen food.

BU Fruit and Vegetables comprises the following product groups: Condiments, Tomato products, Processed fruit, Vegetables, and Plant-based drinks.

BU Meat products comprises the following product groups: Ready meals, Pates, Dried Meat and Sausage Products, and Other products.

BU Soups comprises the following product groups: Soups, and Instant meals.

BU Cereals, Snack and Beverages comprises the following product groups: Cereals, Baby food, Snack, Tea, and Beverages.

BU Creamy spreads and desserts comprises the following product groups: Creamy spreads, Desserts, and Confectionery.

BU Fish comprises the following product groups: Canned fish, Fish salads, and Fish others.

BU Bakery comprises the following product groups: Bakery products and mill products.

The Pharmaceutical segment comprises the following: ethical drugs (medically prescribed drugs), non-prescription program (drugs for which no medical prescription is required), nutraceuticals and trade goods and services. Pharmaceuticals segment is regulated by the Croatian Institute for Health Insurance, which provides prescription drug prices and by the relevant regulatory authorities in connection with the registration of medicines in the Croatian market. Foreign markets in this segment have similar regulation characteristics.

The Agri segment comprises the following product groups: livestock (pig farming, cattle fattening, dairy cattle farming), crop farming (arable crop production, vegetable production, greenhouse production, seed production, animal feed factory, silos), industrial products (Baranjka, Dairy products factory, wine), energy and other activities.

The Other segment comprises the following product groups: merchandise and food services.

Business unites (BU) comprise own brands, B2B, private labels and service production.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, other income, other expenses, finance expenses, and income tax expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Balance sheet by segments

<i>(in thousands of EUR)</i>	31 December 2025				
	Total	Food Segment	Agri	Pharmaceuticals	Consolidation adjustment
ASSETS					
Total non-current assets	795,280	312,059	321,913	167,919	(6,611)
Total current assets	554,681	247,344	205,332	117,264	(15,259)
Total assets	1,349,961	559,403	527,245	285,183	(21,870)
LIABILITIES					
Equity	728,075	87,961	403,379	236,784	(49)
Minority interest	11,243	-	-	11,243	-
Total long-term liabilities	362,799	279,553	85,368	4,585	(6,707)
Total current liabilities	247,844	191,889	38,498	32,571	(15,114)
Total equity and liabilities	1,349,961	559,403	527,245	285,183	(21,870)

<i>(in thousands of EUR)</i>	31 December 2024		
	Total	Food Segment	Pharmaceuticals
ASSETS			
Total non-current assets	480,552	365,099	115,453
Total current assets	354,844	207,932	146,912
Total assets	835,396	573,031	262,365
LIABILITIES			
Equity	613,464	399,471	213,993
Minority interest	10,864	-	10,864
Total long-term liabilities	30,813	26,281	4,532
Total current liabilities	180,255	147,279	32,976
Total equity and liabilities	835,396	573,031	262,365

Group does not follow detailed breakdown of balance sheet by segment but only by the three main segments on consolidated level.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Geographical information

The Group operates in five principal geographical areas by which it reports third-party sales:

<i>(in thousands of EUR)</i>	2025	2024
Markets of Croatia and Slovenia	600,195	367,560
Southeastern Europe	180,334	164,924
Western Europe and Overseas	106,115	106,328
Central Europe	81,375	82,045
Eastern Europe	50,782	45,645
Consolidation adjustment	(4,942)	-
	1,013,859	766,502

Below is a more detailed overview of countries by geographical area:

Markets of Croatia and Slovenia	Southeastern Europe	International markets				
		Western Europe and Overseas			Central Europe	Eastern Europe
		Western Europe	Overseas			
Croatia Slovenia	Bosnia and Herzegovina North Macedonia Serbia Montenegro Kosovo Bulgaria Albania Greece	Germany Austria Switzerland France Great Britain Italy Denmark Sweden Netherlands Belgium Ireland Spain Portugal Finland Malta	USA Canada Australia New Zealand Iraq UAE Kuwait Qatar Saudi Arabia Turkey Jordan Cyprus Egypt Fiji Ghana	Libya Burkina Faso China Japan Taiwan Israel Mongolia Bolivia South Korea Kongo Lebanon Senegal Morocco Vietnam	Poland Czech Rep. Slovakia Hungary Romania	Russian Feder. Ukraine Kazakhstan Estonia Lithuania Latvia Moldova Belarus Armenia Kyrgyzstan Georgia Uzbekistan

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 9 – OTHER INCOME

	2025	2024
	<i>(in thousands of EUR)</i>	
Difference between consideration paid and net assets acquired	57,531	-
Grant income	2,432	1,110
Income from reversal of impairment of pharmacy rights	1,724	-
Gain on disposal of assets held for sale	1,616	149
Gains on sale of subsidiary	1,324	-
Income from reversal of provision for legal claims	859	-
Gain on disposal of tangible and intangible assets	314	-
Gains on write-off of right-of-use assets	91	10
Write-off of liabilities	9	828
Impairment of financial assets	-	1,970
Other income	901	935
	66,801	5,002

In 2025, the Group recognised EUR 57,531 thousand arising from the difference between the consideration paid and the net assets acquired of the Agri segment, as further disclosed in Note 44 (2024: EUR 0 thousand). In 2025, the Group also recognised income from the reversal of impairment of pharmacy rights amounting to EUR 1,724 thousand relating to the agreed sale of the subsidiary within the Pharmaceuticals segment, as further disclosed in Note 44 (2024: impairment of EUR 546 thousand). In 2025, the Group recorded gains on sale of assets held for sale of EUR 1,616 thousand (2024: EUR 149 thousand). In 2025, the Group recognised a gain on the sale of a subsidiary of EUR 1,324 thousand (2024: EUR 0 thousand).

In 2024, upon collection of border debt from the Fortenova Group, the Group generated income from reversal of impairment of financial assets in the amount of EUR 1,970 thousand.

Grant income mainly refers to non-repayable state grants for the employment of disabled persons, grants intended to compensate for costs incurred due to increases in energy prices, state grants in the agricultural sector that are non-refundable and not of a recurring nature and energy, and research and development programmes.

NOTE 10 – OTHER EXPENSES

	2025	2024
	<i>(in thousands of EUR)</i>	
Impairment loss on property, plant, equipment and intangibles	588	1,038
Interest and foreign exchange differences on trade receivables and payables	374	554
Interest expense relating to trade payables and other	38	17
Loss on disposal of property, plant, equipment and intangibles	-	880
Change in fair value of assets through OCI	-	52
	1,000	2,541

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 11 – EXPENSES BY NATURE

	2025	2024
	<i>(in thousands of EUR)</i>	
Raw materials supplies, energy and cost of goods sold including change in inventory	503,302	372,610
Staff costs (note 12)	238,208	175,032
Depreciation and amortisation (i)	58,024	34,391
Services (ii)	52,448	37,406
Transport	30,451	21,424
Advertising and promotion	28,526	28,446
Taxes and contributions independent of operating results	6,087	3,337
Insurance premiums	5,453	1,650
Rental expense	5,001	3,422
Entertainment	4,688	4,577
Daily allowances and other business travel expenses	2,765	2,344
Telecommunications	1,564	1,298
Reversal of impairment of trade receivables (note 26)	(8)	(133)
Other	788	3,181
Total cost of goods sold, selling and distribution costs, marketing costs and general and administrative costs	937,297	688,985

(i) Depreciation and amortisation include EUR 609 thousand of government grants for co-financing of assets (2024: EUR 403 thousand).

(ii) Costs of services include audit fees. Fees of the Group's statutory auditors amounted to EUR 865 thousand for the audit of annual financial statements (2024: EUR 545 thousand).

Related audit services and other permitted services provided by the statutory auditor Ernst & Young d.o.o. amounted to EUR 171 thousand and relate to the audit conclusion on the Sustainability Report, Report on Remuneration of the Management Board and the Supervisory Board, Report on Related Party Transactions and Agreed-upon procedures engagement (2024: EUR 164 thousand related to the audit conclusion on the Sustainability Report, Report on Remuneration of the Management Board and the Supervisory Board, Report on Related Party Transactions and Agreed-upon procedures engagement, as well as the sustainability advisory services for prior periods).

Other members of the Ernst & Young network did not provide other permitted services in 2025 (2024: EUR 283 thousand for due diligence services).

The Group reports operating profit as revenue from the sale of products and agricultural recurring subsidies less operating expenses as shown in the specification above with the net effect of other income (note 9) and other expenses (note 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 11 – EXPENSES BY NATURE (CONTINUED)

The following tables present expenses by nature contained in cost of goods sold:

	2025	2024
	<i>(in thousands of EUR)</i>	
Raw material and changes in inventory	372,824	261,919
Cost of goods sold	122,735	103,701
Staff costs	123,280	73,860
Depreciation and amortisation	39,545	18,166
Production services	23,399	11,486
Taxes and contributions independent of operating results	2,799	1,506
Other expenses (transport, rent, education, etc.)	14,587	4,278
Cost of goods sold	699,169	474,916

The Group reports gross profit as revenue from the sale of products and agricultural recurring subsidies less cost of goods sold as shown in the specification above.

Depreciation and amortisation allocated to each function is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Cost of goods sold	39,545	18,165
Selling, logistics and distribution costs	8,984	7,952
General and administrative expenses	7,835	6,662
Marketing expenses	1,660	1,612
	58,024	34,391

Staff costs allocated to each function is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Cost of goods sold	123,280	73,860
Selling, logistics and distribution costs	54,444	48,422
General and administrative expenses	42,949	37,128
Marketing expenses	17,535	15,622
	238,208	175,032

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 12 – STAFF COSTS

	2025	2024
	<i>(in thousands of EUR)</i>	
Net salaries	126,192	90,710
Taxes and contributions from salaries	50,753	35,740
Contributions on salaries	26,712	18,693
Meals	8,117	4,501
Christmas and Easter bonuses, holiday allowance	7,826	5,751
Transportation	6,068	3,736
Cash awards	5,067	5,611
Termination and retirement benefits	1,006	920
Share options (note 40)	527	1,013
Other costs of employees	5,940	8,357
	238,208	175,032

As at 31 December 2025, the number of staff employed by the Group was 8,472 (2024: 6,420). The average number of employees of the Group during 2025 is 8,198 employees (2024: 6,284 employees).

Of the total cost of share-based payments of EUR 527 thousand (2024: EUR 1,013 thousand), the amount of EUR 0 thousand relates to stock options (2024: EUR 187 thousand), while the amount of EUR 527 thousand relates to shares (2024: EUR 826 thousand).

In 2025, termination and retirement benefits of EUR 1,006 thousand were paid to 275 employees (2024: termination and retirement benefits of EUR 920 thousand were paid to 201 employees).

NOTE 13 – FINANCE INCOME

	2025	2024
	<i>(in thousands of EUR)</i>	
Interest on term deposits	671	2,400
Remeasurement of financial instruments at fair value	28	-
Dividend income	15	14
Other interest	14	110
	728	2,524

NOTE 14 – FINANCE EXPENSES

	2025	2024
	<i>(in thousands of EUR)</i>	
Interest and fee expense	16,637	2,492
Net foreign exchange loss on borrowings	16	69
Unrealised losses from forward	-	78
	16,653	2,639

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX

Income tax expense consists of:

	2025	2024
	<i>(in thousands of EUR)</i>	
Current income tax	17,100	13,041
Impact of the incentive obtained on the income tax liability reduction	(3,610)	(5,561)
Tax paid abroad and Tax difference	375	307
Deferred tax expense / (income)	2,752	(3,261)
	16,617	4,526

Effective tax rate reconciliation

A reconciliation of tax expense per the statement of comprehensive income and taxation at the statutory rate is detailed in the table below:

	2025	2024
	<i>(in thousands of EUR)</i>	
Profit before taxation	153,632	79,863
Income tax at 18%	27,654	14,375
Non-taxable income	(158)	(104)
Non-deductible expenses	1,298	1,261
Tax incentives (research and development, education and other)	(2,087)	(10,384)
Recognition of previously unrecognized temporary differences and tax losses as deferred tax assets	(531)	(900)
Temporary differences and tax losses not recognized as deferred tax assets	968	458
Effect of different tax rates	(546)	(493)
Effect of a change in the tax rate on deferred tax assets and liabilities	-	6
Difference between consideration paid and net assets acquired	(10,356)	-
Tax paid abroad	375	307
Income tax	16,617	4,526
Effective tax rate	11%	6%

Difference between the consideration transferred and the net assets acquired

Through the acquisition of companies within the Agri segment, the Group recognized a difference between the consideration transferred and the net assets acquired in the amount of EUR 57,531 thousand euros, with a related tax effect of EUR 10,356 thousand.

Investment tax credit

In March 2015, pursuant to the Investment Promotion and Development of Investment Climate Act, the subsidiary Belupo d.d. became eligible to receive incentive measures. The Ministry of Economy approved the tax incentive measures, as a subsidy for qualifying costs of new employment linked to the investment project and an incentive for capital expenditure related to the investment project, in the form of an investment tax credit in the amount of EUR 21,7 million for which the subsidiary will be able to reduce its future income tax liabilities and/or receive cash reimbursements as an incentive for employment related to the investment project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

Investment tax credit (continued)

The subsidiary has the right to use the investment tax credit in the next 10 years from the date of approval by the relevant authorities. The execution of the investment project is subject to supervision by the relevant institutions and the subsidiary is not permitted to reduce the number of new jobs (related to the terms of the incentive measures) in addition to other conditions, throughout the period of the incentive measures, but no less than 5 years. If the conditions of the tax incentive are not met, the subsidiary would have to retroactively pay income tax inclusive of any penalty interest.

Based on the assessment of the recoverability of the tax incentive made by the management of the subsidiary and the Group, in financial statements for 2015, the subsidiary and Group initially recognised the entire amount of approved tax incentives as a deferred tax asset and an income tax benefit. In future years, the deferred tax asset will be utilised in accordance with the utilization of the tax incentive, i.e. in accordance with and subject to the availability of tax obligations against which the credits can be offset and/or amounts of cash reimbursements the subsidiary receives as incentives for new employment as part of the investment project. In 2023, the remaining deferred tax asset of EUR 3,127 thousand was used from this basis. Subsequently, in May 2024, the Ministry of Economy and Sustainable Development issued a decision according to which Belupo could use an additional incentive up to the total profit achieved, so an additional EUR 1,600 thousand of deferred tax assets were recognized and used.

On 10 November 2022, the Company Podravka d.d. applied for approval of the status of holder of incentive measures based on the Investment Promotion Act. The Act allows for tax incentives in the amount of 50% of the investment amount up to the amount of the investment in the equivalent value of EUR 50 million, and 25% of the incentive for the value of the investment that exceeds the equivalent value of EUR 50 million. Incentives are not approved for the part of the investment that potentially exceeds the equivalent value of EUR 100 million. The theoretical holder of incentive measures can achieve a maximum of EUR 37,5 million tax incentives that can be used for a maximum of 10 years. On 02 May 2023 The Ministry of Economy and Sustainable Development awarded Podravka the status of beneficiary of investment support, based on the project of investing in expanding capacities and increasing competitiveness through construction and equipping in area of Koprivnica and Varaždin. The approved tax advantage can be used from 2023, from payment of the corporate income tax payment for 2022, with the realization of the conditions of maintaining the investment during the period of using the tax advantage and employing at least 15 new employees related to the investment and keeping them during the period of use.

The approved incentive measures have a maximum intensity of EUR 34,300 thousand. Based on the assessment of the possible use of the tax benefit by the Management of the Company, Podravka d.d. initially recognized EUR 19,718 thousand of tax benefits as deferred tax asset and tax income in 2023, and taking into account the anticipated level of investment as well as the anticipated availability of taxable profits. In the coming years, deferred tax assets will be used in accordance with the use of the tax benefit, i.e. the availability of tax liability, which the Company will be able to reduce based on the incentive measure. During December 2022, the Company started with the investment and in 2022 used part of the total incentives and reduced the income tax liability by the amount of EUR 3,966 thousand. In 2023, EUR 3,989 thousand of deferred tax assets were also used on this basis. In 2024, the expected availability of taxable profit and the expected investment amount were re-tested and an additional EUR 8,522 thousand of deferred tax was recognized. At the same time, EUR 5,885 thousand of deferred tax assets were utilized on this basis in 2024. As the three-year period for the realisation of the initial investment, or investment project, ended on 9 November 2025, the final entitlement to the tax incentive, i.e., the final right to deferred tax assets, was determined. Accordingly, an additional EUR 1,118 thousand of deferred tax was recognised. During 2025, EUR 4,173 thousand of deferred tax assets were utilised against taxable profit. The remaining balance of deferred tax assets amounts to EUR 11,346 thousand (2024: EUR 14,401 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

OECD Pillar 2 Globe Rules

In December 2021, the OECD published the rules for Pillar 2, i.e., the global rules addressing base erosion and profit shifting (Global Anti-Base Erosion or GloBE rules). These rules establish a minimum global corporate income tax rate of 15% for multinational groups and large domestic groups whose total consolidated annual revenues exceeded EUR 750 million in any two of the previous four years.

The objective of these rules is to ensure that the prescribed amount of corporate income tax is paid on profits earned by a multinational group in each jurisdiction in which it operates. In December 2022, the EU Council adopted the Pillar 2 Directive, which was implemented in Croatia at the beginning of 2024 through the introduction of the Act on the Minimum Global Corporate Tax.

For 2024 and 2025, the Podravka Group achieved consolidated revenues exceeding EUR 750 million. Accordingly, Pillar 2 rules will apply to the Podravka Group starting in 2026, as the revenue threshold condition of EUR 750 million has been met in at least two of the four fiscal years immediately preceding the reference (2026) fiscal year. Therefore, it can be concluded that Pillar 2 has no impact on the current corporate income tax for the financial year ending 31 December 2025. However, the obligation to apply Pillar 2 in 2026 can be confirmed, and the impact of Pillar 2 rules on the Podravka Group will be further analysed.

The Podravka Group conducted a preliminary assessment of potential exposure to the minimum global corporate tax based on available data in the financial statements for 2025, taking into account the simplified calculation provisions (de minimis rules and the exclusion of certain routine profits, or the routine profit test) and considering current corporate income tax rates in each jurisdiction. The preliminary assessment indicates that tax effects in 2026 are not expected for most jurisdictions, or are expected to be immaterial.

The Podravka Group will reassess the potential exposure to the minimum global corporate tax during 2026 to enable reporting to stakeholders and to plan for potential impacts on business results and cash flows. The Group will continue to monitor developments in Pillar 2 legislation in all jurisdictions in which it has companies in order to respond timely to any changes.

Unused tax losses

In accordance with tax regulations, as at 31 December 2025 the Group has unused tax losses in the amount of EUR 17,8 million (2024: EUR 13,6 million) which consist of tax losses in Croatia (in the amount of EUR 11,9 million), Slovenia (in the amount of EUR 1,6 million), Tanzania (in the amount of EUR 3 million), Poland (in the amount of EUR 1 million) and in other jurisdictions in the total amount of EUR 0,3 million (Russia, Australia, and Bulgaria).

Unused tax losses carried forward were recognized as deferred tax assets in the amount of EUR 567 thousand (2024: EUR 613 thousand). In the financial statements, the Group did not recognize deferred tax assets for the remaining tax losses since it is not probable that the tax losses will be utilized by the companies they relate to.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

Unused tax losses (continued)

Unused tax losses (gross) at the reporting date were as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Tax losses expiring at 31 December 2025	-	1,117
Tax losses expiring at 31 December 2026	2,209	1,723
Tax losses expiring at 31 December 2027	2,739	2,825
Tax losses expiring at 31 December 2028	99	99
Tax losses expiring at 31 December 2029	5,130	4,590
Tax losses expiring at 31 December 2030	4,321	-
Tax losses with no expiration date	3,267	3,227
	17,765	13,581

Deferred tax assets

Deferred tax assets arise from the following:

2025	Opening balance	Recognized in profit or loss	Recognized directly in equity	Acquisition of subsidiaries	Sales of subsidiaries	Foreign exchange differences	Closing balance
	<i>(in thousands of EUR)</i>						
Basis:							
Intangible assets	741	(358)	-	1,487	-	-	1,870
Property, plant and equipment	888	(201)	-	1,580	-	-	2,267
Financial assets	5,716	(41)	-	-	-	-	5,675
Right-of-use assets and lease liabilities	58	218	-	(129)	-	-	147
Provisions	3,456	(501)	38	632	(19)	3	3,609
Share-based payments	362	101	(304)	-	-	-	159
Inventories	2,078	198	-	495	-	1	2,772
Investment tax credit	14,401	(3,055)	-	-	-	-	11,346
Unutilized tax losses carried forward	613	(48)	-	-	-	2	567
Receivables	45	29	-	76	-	1	151
Deferred tax assets	28,358	(3,658)	(266)	4,141	(19)	7	28,563

The most significant increase in deferred tax assets in 2025 arises from the recognition of effects resulting from the acquisition of companies within the Agri Group, while the most significant decrease is attributable to the utilisation of tax incentives for investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

Deferred tax assets (continued)

2024	Opening balance	Recognised in profit or loss	Recognised directly in equity	Foreign exchange differences	Closing balance
<i>(in thousands of EUR)</i>					
Basis:					
Intangible assets	573	168	-	-	741
Property, plant and equipment	909	(20)	-	(1)	888
Financial assets	6,926	(1,210)	-	-	5,716
Right-of-use assets and lease liabilities	34	24	-	-	58
Provisions	2,246	1,292	(83)	1	3,456
Share-based payments	322	40	-	-	362
Inventories	2,096	(18)	-	-	2,078
Investment tax credit	11,764	2,637	-	-	14,401
Unutilised tax losses carried forward	511	102	-	-	613
Receivables	4	41	-	-	45
Deferred tax assets	25,385	3,056	(83)	-	28,358

Deferred tax liability

Deferred tax liabilities arise from the following:

2025	Opening balance	Recognised in profit or loss	Recognised Acquisition directly in equity Agri Group	Foreign exchange differences	Closing balance
<i>(in thousands of EUR)</i>					
Basis:					
Intangible assets	(1,374)	164	-	-	(1,210)
Property, plant and equipment	(2,858)	550	-	(2,022)	(4,345)
Provisions	55	(5)	(2)	-	48
Inventories	35	(12)	-	-	23
	(4,142)	697	(2)	(2,022)	(5,484)

2024	Opening balance	Recognised in profit or loss	Foreign exchange differences	Closing balance
<i>(in thousands of EUR)</i>				
Basis:				
Intangible assets	(1,390)	16	-	(1,374)
Property, plant and equipment	(2,962)	99	5	(2,858)
Provisions	-	55	-	55
Inventories	-	35	-	35
	(4,352)	205	5	(4,142)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2025**

NOTE 15 – INCOME TAX (CONTINUED)*Deferred tax liabilities (continued)*

Movement in deferred tax on the basis of lease (right-of-use assets and lease liabilities) is presented in the table below:

	Deferred tax asset based on lease liability	Deferred tax liability based on right-of-use assets	Net
		(in thousands of EUR)	
At 1 January 2024	2,410	(2,376)	34
Credited/charged to P&L	659	(635)	24
At 31 December 2024	3,069	(3,011)	58
Acquisition of Agri Group	13,421	(13,550)	(129)
Credited/charged to P&L	(3,471)	3,689	218
At 31 December 2025	13,019	(12,872)	147

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16 – EARNINGS/ (LOSS) PER SHARE

Basic earnings per share

Basic earnings per share are determined by dividing the Group's net earnings or losses with the weighted average number of ordinary shares in issue during the year, excluding the weighted average number of ordinary shares purchased by the Group and held as treasury shares.

Diluted earnings per share

Diluted earnings per share were calculated as the basic earnings per share, including the impact of the number of share options granted to employees, of which 17,000 were not exercised (2024: 60,300 options). The price of all unexercised share options is lower than the share market price as at 31 December 2025. The value of diluted earnings per share is the lower of the basic earnings per share obtained and the diluted earnings per share obtained.

Basic and diluted weighted average number of shares is as follows:

	2025	2024
Ordinary shares as at 1 January	7,120,003	7,120,003
Effect of treasury shares	(46,012)	(89,945)
Weighted average number of shares at 31 December (basic)	7,073,991	7,030,058
Effect of share based payments	17,000	60,300
Weighted average number of shares at 31 December (diluted)	7,090,991	7,090,358

Basic and diluted earnings per share for the Group as a whole was as follows:

	2025	2024
<i>Basic earnings per share</i>		
Profit for the year attributable to the owners of parent company (in thousands of EUR)	135,384	73,862
Basic earnings per share (in EUR)	19.1	10.5
<i>Diluted earnings per share</i>		
Profit for the year attributable to the owners of parent company (in thousands of EUR)	135,384	73,862
Diluted earnings per share (in EUR)	19.1	10.4

NOTE 17 – GOODWILL

(in thousands of EUR)

	2025	2024
Cost		
At 1 January	8,933	8,933
At 31 December	8,933	8,933
Accumulated impairment losses		
At 1 January	5,235	5,157
Effect of foreign exchange differences	(155)	78
At 31 December	5,080	5,235
Carrying amount at 31 December	3,853	3,698

During 2025 and 2024 there was no impairment of goodwill. A more detailed description of the approach and methods used in impairment testing is provided in note 6 (iv).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 18 – INTANGIBLE ASSETS

<i>(in thousands of EUR)</i>	Software and licences	Rights, registration files, know how	Brands	Intangible assets in progress	Total
Cost					
At 1 January 2024	45,533	35,463	26,749	5,964	113,709
Effect of foreign exchange differences	5	-	27	-	32
Additions	1	-	-	7,970	7,971
Transfers	3,413	1,125	-	(4,538)	-
Disposals and write-offs	(536)	(544)	-	-	(1,080)
Transfer from tangible fixed assets	103	-	-	31	134
Impairment of assets	-	(1)	-	(223)	(224)
At 31 December 2024	48,519	36,043	26,776	9,204	120,542
Accumulated amortisation and impairments					
At 1 January 2024	(39,076)	(26,719)	(14,475)	-	(80,270)
Effect of foreign exchange differences	(13)	-	(24)	-	(37)
Disposals and write-offs	536	544	-	-	1,080
Amortisation	(3,103)	(952)	-	-	(4,055)
Impairment of assets	-	(546)	-	-	(546)
At 31 December 2024	(41,656)	(27,673)	(14,499)	-	(83,828)
Carrying amount as at 31 December 2024	6,863	8,370	12,277	9,204	36,714

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 18 – INTANGIBLE ASSETS (CONTINUED)

<i>(in thousands of EUR)</i>	Software and licences	Rights, registration files, know how	Brands	Intangible assets in progress	Customer base	Total
Cost						
At 1 January 2025	48,519	36,043	26,776	9,204	-	120,542
Effect of foreign exchange differences	-	2	1	1	-	4
Additions	9	-	-	7,505	-	7,514
Acquisition of subsidiaries (note 44)	32	1	4,930	-	(13)	4,950
Company sold during the year	(347)	-	(681)	-	-	(1,028)
Transfers	11,291	701	-	(11,992)	-	-
Disposals and write-offs	(84)	(110)	-	-	-	(194)
Transfer from tangible fixed assets	56	-	-	1,400	-	1,456
Impairment of assets	-	-	-	(546)	-	(546)
At 31 December 2025	59,476	36,637	31,026	5,572	(13)	132,698
Accumulated amortisation and impairments						
At 1 January 2025	(41,656)	(27,673)	(14,499)	-	-	(83,828)
Company sold during the year	342	-	-	-	-	342
Effect of foreign exchange differences	(5)	(1)	-	-	-	(6)
Disposals and write-offs	83	110	-	-	-	193
Amortisation	(3,850)	(838)	-	-	13	(4,675)
Impairment of assets	-	1,722	-	-	-	1,722
At 31 December 2025	(45,086)	(26,680)	(14,499)	-	13	(86,252)
Carrying amount as at 31 December 2025	14,390	9,957	16,527	5,572	-	46,446

Of the total amount of accumulated amortisation and impairment losses, EUR 5,104 thousand relates to accumulated impairment losses (2024: EUR 6,280 thousand).

The total intangible assets with indefinite useful lives as at 31 December 2025 amount to EUR 26,483 thousand and relate to brands and other rights.

During 2025, the Group recognised net impairment of pharmacy rights and other rights in the amount of EUR 1,722 thousand (2024: EUR 546 thousand).

In 2025, the Group recognised impairment of intangible assets in progress in the amount of EUR 546 thousand (2024: EUR 224 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 19 – PROPERTY, PLANT AND EQUIPMENT

(in thousands of EUR)

	Land and buildings	Equipment	Assets under construction	Total
Cost				
At 1 January 2024	378,717	364,486	58,599	801,802
Effect of foreign exchange differences	(99)	(109)	(10)	(218)
Additions	(2)	1,385	61,832	63,215
Purchase of used equipment	-	39	-	39
Transfers	15,691	37,306	(52,997)	-
Disposals and write-offs	(1,773)	(11,430)	(1)	(13,204)
Transfer to intangible assets	-	-	(134)	(134)
Transfer from assets held for sale	36	580	-	616
Transfer to investment property	-	(745)	(78)	(823)
Impairment of assets (iii)	(137)	(83)	-	(220)
At 31 December 2024	392,433	391,429	67,211	851,073
Accumulated depreciation and impairments				
At 1 January 2024	(237,838)	(221,555)	(43)	(459,436)
Effect of foreign exchange differences	37	(310)	-	(273)
Impairment of used assets	1	(40)	-	(39)
Disposals and write-offs	694	11,030	-	11,724
Depreciation charge for the year	(7,620)	(15,212)	-	(22,832)
Transfer from assets held for sale	(31)	(285)	-	(316)
Transfer to assets held for sale	-	460	-	460
Impairment of assets (iii)	-	(52)	-	(52)
At 31 December 2024	(244,757)	(225,964)	(43)	(470,764)
Carrying amount as at 31 December 2024	147,676	165,465	67,168	380,309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 19 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

<i>(in thousands of EUR)</i>	Land and buildings	Equipment	Assets under construction	Lease improvements	Plantations	Total
Cost						
At 1 January 2025	392,433	391,429	67,168	-	-	851,030
Effect of foreign exchange differences	45	117	2	-	-	164
Additions	801	2,447	70,645	-	-	73,893
Acquisition of subsidiaries (note 44)	135,262	57,496	5,288	3,580	2,559	204,185
Company sold during the year	(8,119)	(8,041)	(8)	-	-	(16,168)
Transfers	37,269	81,827	(119,126)	30	-	-
Disposals and write-off's	(328)	(7,852)	-	-	-	(8,180)
Transfer to intangible assets (i)	-	-	(1,456)	-	-	(1,456)
Transfer to assets held for sale (ii)	-	-	(3)	-	-	(3)
Impairment of assets (iii)	-	-	(40)	-	-	(40)
At 31 December 2025	557,363	517,423	22,470	3,610	2,559	1,103,425
Accumulated depreciation and impairments						
At 1 January 2025	(244,757)	(225,964)	-	-	-	(470,721)
Effect of foreign exchange differences	-	(10)	-	-	-	(10)
Company sold during the year	2,830	6,180	-	-	-	9,010
Disposals and write-off's	220	7,489	-	-	-	7,709
Depreciation charge for the year	(12,449)	(25,072)	-	(290)	(164)	(37,975)
At 31 December 2025	(254,156)	(237,377)	-	(290)	(164)	(491,987)
Carrying amount as at 31 December 2025	303,207	280,046	22,470	3,320	2,395	611,438

(i) During 2025, the Group transferred property, plant and equipment to intangible assets in the net amount of EUR 1,456 thousand (2024: EUR 134 thousand).

(ii) During 2025, the Group transferred property, plant and equipment to assets held for sale in the amount of EUR 3 thousand (2024: EUR 363 thousand).

(iii) During 2025, the Group recognised impairment of assets under construction in the amount of EUR 40 thousand (2024: EUR 272 thousand).

Assets under construction mainly relate to investments in modernisation of production capacities and extension of the product range.

During 2025, the Group had no investments related to interest expense capitalisation in property and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 19 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Mortgaged assets

Buildings, land and equipment of the Group with a net carrying amount of EUR 1,386 thousand (2024: EUR 40,134 thousand) are pledged as collateral against the Group's borrowings.

NOTE 20 – LEASES

Movements in right-of-use assets:

<i>(in thousands of EUR)</i>	Land	Buildings	Total land and buildings	Plant and equipment	Total
Cost					
As at 1 January 2024	1,744	15,110	16,854	13,175	30,029
Exchange rate effect (Decrease)/Increase	-	7	7	(10)	(3)
Disposals and write-offs	(510)	8,197	7,687	3,368	11,055
Balance at 31 December 2024	1,234	21,128	22,362	14,355	36,717
Accumulated depreciation					
As at 1 January 2024	186	7,728	7,914	8,915	16,829
Exchange rate effect Increase	-	(5)	(5)	(6)	(11)
Depreciation charge for the year	-	-	-	(47)	(47)
Disposals and write-offs	34	4,197	4,231	3,075	7,306
Balance at 31 December 2024	220	9,931	10,151	9,838	19,989
Present value at 31 December 2024	1,014	11,197	12,211	4,517	16,728
Cost					
As at 1 January 2025	1,234	21,128	22,362	14,355	36,717
Exchange rate effect (Decrease)/Increase	-	7	7	(10)	(3)
Acquisition of subsidiaries (note 44)	2,492	132	2,624	(7,461)	(4,837)
Company sold during the year	46,421	670	47,091	28,187	75,278
Disposals and write-offs	-	-	-	(63)	(63)
Balance at 31 December 2025	49,677	19,944	69,621	21,626	91,247
Accumulated depreciation					
As at 1 January 2025	220	9,931	10,151	9,838	19,989
Exchange rate effect	-	(5)	(5)	(6)	(11)
Depreciation charge for the year	2,836	3,256	6,092	6,881	12,973
Company sold during the year	-	-	-	(40)	(40)
Disposals and write-offs	(470)	(1,091)	(1,561)	(11,613)	(13,174)
Balance at 31 December 2025	2,586	12,091	14,677	5,060	19,737
Present value at 31 December 2025	47,091	7,853	54,944	16,566	71,510

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 20 – LEASES (CONTINUED)

Movements in lease liabilities for right-of-use assets:

	2025	2024
	<i>(in thousands of EUR)</i>	
As at 1 January	17,049	13,391
Interest expense	4,265	628
Company purchased during the year	74,560	-
Company sold during the year	(23)	-
Increase of lease liabilities during the year (net)	(7,508)	10,826
Lease liabilities payments	(15,872)	(7,755)
Exchange rate difference	(146)	(41)
As at 31 December	72,325	17,049
Current portion of long-term liability for right-of-use assets	9,354	5,458
Long-term liability for right-of-use assets	62,971	11,591

Amounts recognised in the statement of comprehensive income:

	2025	2024
	<i>(in thousands of EUR)</i>	
Depreciation expense of right-of-use assets	12,973	7,306
Expenses related to short-term leases and leases of low-value assets etc.	6,453	4,223
Interest expense	4,265	628
Total amount recognised in the statement of comprehensive income	23,691	12,157

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 21 – INVESTMENT PROPERTY

<i>(in thousands of EUR)</i>	Total
Cost	
As at 1 January 2024	18,263
Transfer from property, plant and equipment	78
Balance at 31 December 2024	18,341
Accumulated depreciation	
As at 1 January 2024	(4,444)
Depreciation charge for the year	(199)
Balance at 31 December 2024	(4,643)
Net book value at 31 December 2024	13,698
Cost	
As at 1 January 2025	18,341
Acquisition of subsidiaries (note 44)	3,553
Balance at 31 December 2025	21,894
Accumulated depreciation	
As at 1 January 2025	(4,643)
Effect of changes in foreign exchange rates	(2)
Depreciation charge for the year	(257)
Balance at 31 December 2025	(4,902)
Net book value at 31 December 2025	16,992

Operating expenses for investment property amount to EUR 539 thousand (2024: EUR 301 thousand), while rental income from the property amounts to EUR 483 thousand (2023: EUR 285 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 22 – BIOLOGICAL ASSETS

The Group's agricultural production consists of crop production, vegetable production, and livestock farming.

<i>(in thousands of EUR)</i>	2025	2024
Long-term biological assets	15,408	-
Short-term biological assets	52,097	-
Total	67,505	-

Long-term biological assets

Movements in long-term biological assets were as follows:

	Volume in tonnes	Value in thousands of EUR
As at 1 January 2025	-	-
Acquisition of subsidiaries	7,859	16,393
Increase – purchase of breeding herd	194	547
Increase due to biological transformation (production)	1,061	2,323
Increase – growth	1,799	4,313
Decrease due to sale of breeding livestock	(2,593)	(3,758)
Decrease – transfer to fattening	(274)	(955)
Decrease – mortality	(513)	(701)
Depreciation	-	(2,754)
As at 31 December 2025	7,533	15,408

As of 31 December 2025, the Group held 14,621 sows, 4,972 cows, 2,989 heifers, 1,960 calves, 724 replacement gilts and 92 boars. Milk production for the period from 1 February 2025 to 31 December 2025 amounted to 42.7 million litres.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 22 – BIOLOGICAL ASSETS (CONTINUED)

Short-term biological assets – livestock fattening and crop cultivation:

<i>(in thousands of EUR)</i>	2025	2024
Livestock fattening	41,140	-
Crop cultivation	10,957	-
Total	52,097	-

Movements in short-term biological assets – livestock fattening were as follows:

	Volume in tonnes	Value in thousands of EUR
As at 1 January 2025	-	-
Acquisition of subsidiaries	10,091	36,140
Purchase (purchase of biological assets)	7,323	29,140
Increase due to biological transformation (growth, breeding, production, and fair value adjustment)	56,614	71,776
Decrease due to sale	(58,320)	(91,771)
Decrease due to mortalities	(1,609)	(4,145)
As at 31 December 2025	14,099	41,140

As of 31 December 2025, the Group held 214,386 pigs (weaners), with a total weight of 8,188,398 kilograms. The Group also held 17,697 fattening calves, with a total weight of 5,929,546 kilograms.

During 2025, 507,229 pigs were sold, amounting to a total of 47,380,821 kilograms.

In 2025, 19,639 fattening calves were sold, amounting to a total of 11,994,099 kilograms.

Fattening livestock measured at fair value as of 31 December 2025 amounted to EUR 41,140 thousand, and the effect of the fair value adjustment at the balance sheet date is recognised as a loss of EUR 6,469 thousand.

The fair value adjustment of fattening livestock represents the difference between the cost of fattening livestock, determined based on production costs incurred during the relevant period, and the market prices. Production costs for fattening livestock in 2025 amounted to EUR 124,243 thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 22 – BIOLOGICAL ASSETS (CONTINUED)

Short-term biological assets – crop cultivation

Movements in short-term biological assets – crop cultivation were as follows:

	Value in thousands of EUR
As at 1 January 2025	-
Acquisition of subsidiaries	16,487
Increase due to biological transformation (cultivation / production) and fair value adjustment	51,427
Decrease due to harvest (transfer to inventories)	(56,957)
As at 31 December 2025	10,957

As at 31 December 2025, the Group utilised 31,410 hectares of agricultural land for the cultivation of cereals, oilseeds, and vegetables. During 2025, the Group has produced 437,457 tonnes of cereals and oilseeds and sold 242,000 tonnes of cereals and oilseeds from own production and 9,303 tonnes of vegetables. Cost, as an approximation of fair value, is used to measure crop production, since their biological transformation is considered insignificant at the balance sheet date, and cost is considered a reasonable estimate of fair value.

In 2025, the effect of fair value adjustment of crops at the point of harvest resulted in a loss of EUR 2,656 thousand. Production costs of crops in 2025 amounted to EUR 54,530 thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 23 – SUBSIDIARIES

Group consists of the Company and the following subsidiaries in which the Company has an ownership and control:

Name of subsidiary	Country	2025	2024	Principal activity
Belupo d.d., Koprivnica	Croatia	100.00%	100.00%	Production and distribution of pharmaceuticals
Belupo dooel, Skopje*	North Maced.	100.00%	100.00%	Sale and distribution of pharmaceuticals
Belupo s.r.o. Bratislava*	Slovakia	100.00%	100.00%	Sale and distribution of pharmaceuticals
Belupo d.o.o. Ljubljana*	Slovenia	100.00%	100.00%	Sale and distribution of pharmaceuticals
Ljekarne Deltis Pharm, Koprivnica*	Croatia	100.00%	100.00%	Sale and distribution of pharmaceuticals
Farmavita d.o.o. Sarajevo, Vogošća*	Bosnia and Herzeg.	65.00%	65.00%	Production and distribution of pharmaceuticals
Mirna d.d., Rovinj	Croatia	100.00%	100.00%	Fish processing and production
Podravka-Lagris a.s., Dolni Lhota u Luhačovic	Czech Rep.	100.00%	100.00%	Rice production and sale
Podravka-Polska Sp.z o.o., Warszawa	Poland	100.00%	100.00%	Seasonings sale and distribution
Podravka-International Kft, Budapest	Hungary	100.00%	100.00%	Sale and distribution of food and beverages
Podravka d.o.o., Belgrade	Serbia	100.00%	100.00%	Sale and distribution of food and beverages
Podravka-Int. Deutschland –“Konar” GmbH	Germany	100.00%	100.00%	Sale and distribution of food and beverages
Podravka-International s.r.o., Zvolen **	Slovakia	100.00%	100.00%	Sale and distribution of food and beverages
Podravka d.o.o., Podgorica	Monteneg.	100.00%	100.00%	Sale and distribution of food and beverages
Podravka-International Pty Ltd, Silverwater	Australia	100.00%	100.00%	Sale and distribution of food and beverages
Podravka EOOD, Sofia	Bulgaria	100.00%	100.00%	Sale and distribution of food and beverages
Podravka-International s.r.l., Bucharest	Romania	100.00%	100.00%	Sale and distribution of food and beverages
Podravka DOOEL, Petrovec	North Macedonia	100.00%	100.00%	Sale and distribution of food and beverages
Podravka d.o.o., Sarajevo	Bosnia and Herzegov.	100.00%	100.00%	Sale and distribution of food and beverages
Podravka USA Inc., New York	USA	100.00%	100.00%	Sale and distribution of food and beverages
Podravka d.o.o., Moscow	Russia	100.00%	100.00%	Sale and distribution of food and beverages
Foodpro Limited, Dar es Salaam***	Tanzania	100.00%	100.00%	Production and distribution of food
Podravka Gulf Fze, Jebel Ali, Dubai	UAE	100.00%	100.00%	Sale and distribution
Žito d.o.o., Ljubljana	Slovenia	100.00%	100.00%	Production and distribution of food
Intes Storitve d.o.o., Maribor****	Slovenia	100.00%	100.00%	Production and distribution of food
Žito maloprodaja d.o.o., Ljubljana****	Slovenia	100.00%	100.00%	Sale of food and beverages - retail
Podravka d.o.o., Ljubljana*****	Slovenia	100.00%	100.00%	Sale and distribution of food and beverages
Podravka Agri d.o.o., Osijek*****	Croatia	84.99%	100.00%	Holding companies
Belje plus d.o.o., Darda*****	Croatia	100.00%	-	Agricultural activities
Pik-Vinkovci plus d.o.o., Vinkovci*****	Croatia	100.00%	-	Agricultural activities
Vupik plus d.o.o., Vukovar*****	Croatia	100.00%	-	Agricultural activities
Energija Gradec d.o.o., Sesvete*****	Croatia	100.00%	-	Electricity production and trade
Belje agro-vet plus d.o.o.*****	Croatia	100.00%	-	Veterinary activities
Felix plus d.o.o.*****	Croatia	100.00%	-	Agricultural activities

* The Group holds these ownership interests indirectly through its subsidiary Belupo d.d.

** 25% of ownership interest is held indirectly through the subsidiary Podravka-Lagris a.s., Dolni

*** 15% of ownership interest is held indirectly through the subsidiary Podravka-Int. Deutschland – “Konar” GmbH

**** The Group holds these ownership interests indirectly through its subsidiary Žito d.o.o.

***** The Group held a 100% interest indirectly through its subsidiary Žito d.o.o. until 30 June 2025, and as of 1 July 2025 it is under the Group’s direct full ownership

***** In 2024, the Group established the company Podravka Agri d.o.o., Koprivnica. As at 31 December 2025, the Company holds an 84.99% ownership interest, while the European Bank for Reconstruction and Development holds 15.01% in Podravka Agri d.o.o., Osijek

***** The Group holds these ownership interests indirectly through its subsidiary Podravka Agri d.o.o.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 24 – NON-CURRENT FINANCIAL ASSETS

	2025	2024
	<i>(in thousands of EUR)</i>	
Financial instruments	384	384
Impairment of financial instruments	(384)	(384)
Equity instruments	680	680
Deposits and other	391	367
	1,071	1,047

Equity instruments mainly relate to investments in unquoted equity instruments.

NOTE 25 – INVENTORIES

	2025	2024
	<i>(in thousands of EUR)</i>	
Raw materials and supplies	100,937	62,890
Finished goods	98,348	72,222
Work in progress	29,252	13,615
Merchandise	21,924	17,636
	250,461	166,363

In 2025, the Group recognised net gain on value adjustments to certain inventories in the amount of EUR 1,592 thousand (2024: net gain of EUR 1,087 thousand). The movement in inventory impairment provision is included in the statement of comprehensive income in line item 'Cost of goods sold'.

As at 31 December 2025, the total inventories also include inventories measured at fair value in the amount of EUR 20,672 thousand (2024: EUR 0 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 26 – TRADE AND OTHER RECEIVABLES

	2025	2024
Current receivables		
Trade receivables	196,881	148,803
Impairment of receivables	(22,623)	(22,485)
Impairment of receivables for expected credit losses	(14)	(10)
Net trade receivables	174,244	126,308
Receivables from government incentives and subsidies	22,084	-
Net VAT receivable	2,838	3,198
Prepaid expenses	2,372	3,460
Advances to suppliers	886	346
Receivables from employees	633	744
Deposit receivables	-	15,000
Other receivables	1,950	4,439
	205,007	153,495

Receivables from government incentives and subsidies amounting to EUR 22,084 thousand relate to agricultural incentives and subsidies. Other receivables primarily relate to receivables from agricultural subsidies and incentives. Deposit receivables in 2024 in the amount of EUR 15,000 thousand refer to the deposit paid by Podravka Group for the acquisition of Fortenova Group's agricultural companies based on the signed Exclusivity Agreement between Podravka d.d. and Fortenova Group d.d.

Movements in the impairment allowance for trade receivables are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
At 1 January	22,495	23,283
Increase	69	31
Amounts collected	(77)	(164)
Written off as uncollectable	150	(655)
At 31 December	22,637	22,495

Impairment losses on trade receivables and subsequent collections are included in 'Selling and distribution expenses'.

Ageing analysis of trade receivables which have not been impaired:

	2025	2024
	<i>(in thousands of EUR)</i>	
Not due	138,863	100,233
0-90 days	30,941	22,990
91-180 days	1,883	1,166
181-360 days	2,557	1,919
	174,244	126,308

Major customers

Trade receivables from major customers owned or controlled by the same third party from regular business as at 31 December 2025 amount to EUR 29,812 thousand (2024: EUR 14,966 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 27 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2025</u>	<u>2024</u>
	<i>(in thousands of EUR)</i>	
Forward contracts	-	2
	<u>-</u>	<u>2</u>

In 2025, the Group used forward contracts with commercial banks with the primary intention of managing the fluctuation of the exchange rates of foreign currencies. As at 31 December 2025, the forward contracts had a fair value of EUR 0 (31 December 2024: EUR 2 thousand).

As there were no forward contracts as at 31 December 2025, the nominal value of forward exchange contracts in the sold currency translated at the CNB exchange rate as at 31 December 2025 amounted to EUR 0 (2024: EUR 4,379 thousand with maturities between 10 January 2025 and 10 September 2025).

Gains and losses recognized as changes in the market value of the currency forward contracts are recorded in the statement of comprehensive income within 'financial income/financial expenses'.

Fair value measurement

The fair value of forward exchange contracts is based on the quotation of the exchange rate. In accordance with the used input variables, evaluation is categorized in the fair value hierarchy as level 2 (see note 7).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 28 – CASH AND CASH EQUIVALENTS

	2025	2024
	<i>(in thousands of EUR)</i>	
Cash in banks	30,264	10,531
Short-term deposits up to 3 months	9,947	16,579
Cash in hand	29	28
	40,240	27,138

Cash in banks refers to transaction accounts at commercial banks bearing an interest rate ranging from 0.0% to 4.00%.

Deposits refer to funds deposited with commercial banks for a period of up to three months.

The Group has certain transactions in foreign currencies and holds cash on bank accounts mainly in EUR (EUR 27,677 thousand), BAM (EUR 4,744 thousand), USD (EUR 2,387 thousand), CZK (EUR 899 thousand), PLN (EUR 887 thousand), while in other currencies it holds EUR 3,646 thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 29 – NON-CURRENT ASSETS HELD FOR SALE

	2025	2024
	<i>(in thousands of EUR)</i>	
Land and buildings	5,518	6,312
Equipment	902	939
	6,420	7,251

In 2025, the Group sold a portion of non-current assets held for sale with the carrying value of EUR 828 thousand and realised gain on sale in the amount of EUR 1,616 thousand. In addition, the Group transferred property, plant and equipment to assets held for sale in the amount of EUR 3 thousand.

Of the total amount of land and buildings held for sale, EUR 1,732 thousand relates to land and buildings on the market of Slovenia, EUR 150 thousand to land and buildings in Tanzania, EUR 3,636 thousand to land and buildings in Croatia.

Fair value measurement

Land and buildings held for sale in the amount of EUR 6,420 thousand are measured at fair value less costs to sell due to the fact that this value is lower than the net carrying value prior to classification as held for sale. The Group has made an estimation of fair value on classification date and regularly checks if estimation needs to be revised.

Fair value measurement according to inputs used in evaluation is classified as level 3 (see note 7). The following table summarizes the valuation methods and techniques as well as significant inputs used in measuring the fair value at the classification date:

Valuation methods and techniques	Significant unobservable inputs
<i>Property</i> For buildings and land, cost and comparative methods are used.	Following an examination of the actual transactions, information regarding realized transactions of comparable size was discovered. When using the cost method, factors that affect the building's value are considered, including age impairment, normal construction costs, defects, and damage.
<i>Equipment</i> For equipment, the cost method is used.	

Equipment held for sale

The amount of EUR 358 thousand as at 31 December 2025 relates to equipment in the production plant in Tanzania (2024: EUR 367 thousand), and equipment on the market of Slovenia in the amount of EUR 544 thousand (2024: EUR 572 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 30– SHARE CAPITAL

	Number of shares	Ordinary shares	Share premium	Treasury shares	Total
	<i>(in pcs)</i>	<i>(in thousands of EUR)</i>			
At 1 January 2024	7,033,219	213,600	17,479	(6,929)	224,150
Purchase of treasury shares (i)	(20,070)	-	-	(3,221)	(3,221)
Exercise of options (i)	16,909	-	(1,122)	1,581	459
Fair value of share based payments (i)	-	-	1,013	-	1,013
31 December 2024	7,030,058	213,600	17,370	(8,569)	222,401
At 1 January 2025	7,030,058	213,600	17,370	(8,569)	222,401
Purchase of treasury shares (i)	(6,050)	-	-	(860)	(860)
Exercise of options (i)	49,983	-	(3,049)	4,888	1,839
Fair value of share based payments (i)	-	-	527	-	527
31 December 2025	7,073,991	213,600	14,848	(4,541)	223,907

As at 31 December 2025, the Company's share capital amounted to EUR 213,600 thousand, distributed among 7,120,003 shares out of which 46,012 relates to treasury shares (2024: EUR 213,600 thousand, distributed among 7,120,003 shares out of which 89,945 relates to treasury shares).

(i) Share based payments

During 2025, the Company purchased 6,050 treasury shares (2024: 20,070 treasury shares).

The shareholder structure as at the reporting date was as follows:

	2025		2024	
Structure of ownership	Number of shares	% of ownership	Number of shares	% of ownership
CERP – Republic of Croatia*	1,187,732	16.68	452,792	6.36
PBZ CO OMF - category B	1,097,644	15.42	1,097,644	15.42
AZ OMF category B	934,026	13.12	932,563	13.10
Raiffeisen OMF category B	625,298	8.78	625,298	8.78
Erste plavi OMF category B	613,643	8.62	638,248	8.96
Mesna industrija braća Pivac d.o.o.	511,519	7.18	370,977	5.21
Kapitalni fond d.d.	406,842	5.71	406,842	5.71
HPB – Republic of Croatia	167,281	2.35	167,281	2.35
Radnik d.d.	77,778	1.09	71,320	1.00
Bistra d.o.o.	75,015	1.05	70,038	0.98
Other shareholders	1,423,225	20.00	2,287,000	32.13
Total	7,120,003	100.00	7,120,003	100.00

* During 2025, 727,703 shares were transferred from the CERP/HZMO account and 7,237 shares from the individual CERP account to the CERP/REPUBLIC OF CROATIA account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 31 – RESERVES

<i>(in thousands of EUR)</i>	Reserves for treasury shares	Legal reserves	Reserves for reinvested profit	Statutory reserves	Other reserves	Total
At 1 January 2024	19,590	14,397	25,183	10,622	102,352	172,144
Allocation of profits	-	2,370	-	1,015	22,246	25,631
Foreign exchange rate differences	-	-	-	-	(234)	(234)
Change in fair value of equity instruments through OCI (net of deferred tax)	-	-	-	-	21	21
Actuarial losses (net of tax)	-	-	-	-	(108)	(108)
At 31 December 2024	19,590	16,767	25,183	11,637	124,277	197,454
At 1 January 2025	19,590	16,767	25,183	11,637	124,277	197,454
Allocation of profits (i)	-	-	-	1,452	778	2,230
Foreign exchange rate differences	-	-	-	-	237	237
Actuarial gains (net of tax)	-	-	-	-	7	7
At 31 December 2025	19,590	16,767	25,183	13,089	125,299	199,928

The legal reserve is required under Croatian law according under which the Company is committed to build up legal reserves to a minimum of 5% of the profit for the year until the total reserve reaches 5% of the share capital. Both legal reserves and reserves for treasury shares, as well as reserves for reinvested profits, are non-distributable. Other reserves mainly relate to (non-distributable) reserves required by the Company's Articles of Association and foreign exchange translation reserves related to subsidiaries abroad, and actuarial gains and losses related to the assessment of long-term provisions for employee benefits.

(i) Allocation of profits

Following the General Assembly's decision of 29 April 2025, the Company's profit from 2024 in the amount of EUR 30,189 was allocated to the Company's retained earnings.

In addition, in 2025, in accordance with the decision of its General Assembly, the company Belupo d.d. allocated the Company's profit from 2024 in the amount of EUR 29,050 thousand as follows: the amount of EUR 1,452 thousand to statutory reserves, the amount of EUR 778 thousand to other reserves, and the remainder of EUR 26,819 thousand to retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 32 – RETAINED EARNINGS

Movement in retained earnings is presented as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
At 1 January	193,609	168,056
- effect of sold company	(301)	-
- profit for the year	135,384	73,862
- exercise of options	356	(199)
- dividend declared	(22,578)	(22,479)
- transfer to legal and other reserves	(2,230)	(25,631)
At 31 December	304,240	193,609

At 29 April 2025, the General Assembly reached a decision on dividend distribution in amount of EUR 22,578 thousand, EUR 3.20 per share (2024: EUR 22,479 thousand, EUR 3.20 per share).

NOTE 33 – NON-CONTROLLING INTERESTS

Podravka Group has non-controlling interests arising from acquisitions of 65% of ownership interest in subsidiary Farmavita d.o.o. Sarajevo.

Summary financial information for the company Farmavita d.o.o., Sarajevo as at 31 December 2025 (excluding consolidation eliminations) are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Statement of financial position		
Non-current assets	9,971	10,364
Current assets	30,107	27,467
Current liabilities	(9,319)	(8,275)
Non-current liabilities	(500)	(521)
Net assets	30,259	29,035
Statement of comprehensive income for the period		
Sales revenue	43,186	41,516
(Loss)/Profit after tax	4,802	4,355
Other comprehensive income	1	-
Total comprehensive income for the period	4,803	4,355
Statement of cash flows		
Net increase in cash and cash equivalents	(27)	(1,914)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 33 – NON-CONTROLLING INTERESTS (CONTINUED)

The movement in non-controlling interest was as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Balance at 1 January	10,864	10,642
Dividend distribution to minority owner	(1,253)	(1,253)
Share in current year profit	1,632	1,475
Balance at 31 December	11,243	10,864

NOTE 34 - FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	<i>(in thousands of EUR)</i>	
Forwards	-	30
	-	30

As at 31 December 2025, financial liabilities at the fair value of currency forward contracts amount to EUR 0 thousand (2024: EUR 30 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – BORROWINGS

	2025	2024
	<i>(in thousands of EUR)</i>	
Non-current borrowings		
Banks in Croatia	221,954	-
Banks abroad	50,000	-
Finance lease	83	72
	272,037	72
Current borrowings		
Banks in Croatia	77,044	40,000
Banks abroad	231	470
Finance lease	64	42
	77,339	40,512
Total borrowings	349,376	40,584

Short-term borrowings also include the current portion of long-term borrowings, which amounted to EUR 43,038 thousand as of the reporting date (2024: EUR 512 thousand).

The Group's companies have credit lines with commercial banks with maturities of two to five years, from which short-term borrowings are drawn on a revolving basis. These revolving credit lines also include the possibility of using bank guarantees, letters of intent, and letters of credit.

In 2024, Podravka d.d. concluded a long-term club loan agreement with Croatian commercial banks. The borrowing was used in January 2025 for the capital contribution to Podravka Agri d.o.o. in the amount of EUR 283 million to pay the purchase price for the takeover of the agricultural companies of the Fortenova Group.

In 2024, Podravka d.d. and Podravka Agri d.o.o. signed long-term agreements with the European Bank for Reconstruction and Development for an equity investment in Podravka Agri d.o.o. in the amount of EUR 50 million.

The amount of EUR 50 million was used in January 2025 for the capital contribution to Podravka Agri d.o.o. to pay the purchase price for the takeover of the agricultural companies of the Fortenova Group.

According to the currently valid loan agreements and revolving facilities with banks, the Group is obliged to maintain the financial indicator of net debt coverage with EBITDA, which is calculated as the ratio of net financial debt to EBITDA on a consolidated basis.

Group's Borrowings in the amount of EUR 102 thousand (2024: EUR 52 thousand) are secured by mortgages over the Group's land and buildings and movables with a net carrying value of EUR 1,386 thousand (note 19).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – BORROWINGS (CONTINUED)

The financial lease liabilities of the Group are as follows:

	Minimum lease payments		Finance cost		Present value	
	2025	2024	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>					
Up to 1 year	69	45	(5)	(3)	64	42
Between 1 and 5 years	86	74	(3)	(2)	83	72
Total	155	119	(8)	(5)	147	114

Included in the consolidated financial statements within:

Current borrowings	64	42
Non-current borrowings	83	72
	147	114

The maturity of non-current borrowings is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Between 1 and 2 years	207,303	42
Between 2 and 5 years	64,734	30
	272,037	72

The Group's weighted average interest rate on bank loans as at the reporting date was 2.87% (2024: 0.79%), while the weighted average interest rate on finance leases was 5.85% (2024: 6.13%).

An overview of borrowings by fixed and variable interest rates is as follows:

	2025		2024	
	fixed	variable	fixed	variable
	<i>(in thousands of EUR)</i>			
Non-current borrowings	19,487	252,549	31	41
Current borrowings	3,478	73,862	40,482	30
	22,965	326,411	40,513	71

The average weighted cost of debt on the Group's interest-bearing liabilities as at 31 December 2025 was 2.87% (31 December 2024: 0.81%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – BORROWINGS (CONTINUED)

The carrying amounts and fair values of the Group's long-term borrowings are as follows:

	Carrying value		Fair value	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>			
Non-current borrowings				
Banks in Croatia	221,954	-	221,397	-
Banks abroad	50,000	-	50,000	-
Finance leases	83	72	86	68
	272,037	72	271,483	68

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2025	2024
	<i>(in thousands of EUR)</i>	
EUR	349,136	40,099
Other currencies	239	485
	349,375	40,584

The Group has the following undrawn bank borrowing facilities:

	2025	2024
	<i>(in thousands of EUR)</i>	
Available for withdrawal within a year	7,359	91,456
From 1- 3 years	167,631	-
Over 3 years	30,000	-
	204,990	91,456

These comprise unused revolving facilities, guarantees and letters of credit which the Group has available with several commercial banks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – BORROWINGS (CONTINUED)

Reconciliation of movements in liabilities with cash flows from financing activities:

	Loans	Lease liabilities	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
<i>(in thousands of EUR)</i>							
At 1 January 2025	40,584	17,049	222,401	197,454	193,609	10,864	681,961
<i>Cash transactions:</i>					-		
Loans received	472,026	-	-	-	-	-	472,026
Loans repayments	(162,330)	-	-	-	-	-	(162,330)
Repayment of lease liabilities	-	(11,607)	-	-	-	-	(11,607)
Sale of treasury shares	-	-	2,784	-	-	-	2,784
Purchase of treasury shares	-	-	(860)	-	-	-	(860)
Dividend paid	-	-	-	-	(22,445)	-	(22,445)
Total cash transactions	309,696	(11,607)	1,924	-	(22,445)	-	277,568
<i>Non-cash transactions:</i>							
Effect of change in exchange rates	20	(54)	-	237	-	1	204
Actuarial gains (net of deferred tax)	-	-	-	7	-	-	7
Transfer from retained earnings (note 31)	-	-	-	2,230	(2,230)	-	-
Gain on sale of subsidiary	-	(25)	-	-	(301)	-	(326)
Other non-cash transactions	(924)	(4,837)	-	-	356	-	(5,405)
Gain from right-of-use assets write-off	-	(2,761)	-	-	-	-	(2,761)
Acquisition of subsidiary, net of cash acquired	-	74,560	-	-	-	-	74,560
Dividend distribution to minority owner	-	-	-	-	-	(1,253)	(1,253)
Total other changes related to equity	-	-	(418)	-	135,251	1,631	136,464
At 31 December 2025	349,376	72,325	223,907	199,928	304,240	11,243	1,161,019

The total amount of EUR 74,560 thousand relates to the lease liability recognised upon the acquisition of the subsidiaries within the Agri segment (Note 44).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – PROVISIONS

<i>(in thousands of EUR)</i>	Jubilee awards	Solidarity assistance	Unused holiday accruals	Retirement benefits	Termination benefits and bonuses	Legal cases	Total
As at 31 December 2024							
Non-current	1,774	-	-	5,863	-	5,061	12,698
Current	306	-	3,701	-	4,814	305	9,126
At 1 January 2025	2,080	-	3,701	5,863	4,814	5,366	21,824
Increase/(decrease) in provisions	350	71	3,637	867	3,777	(656)	8,048
Effect of acquisition of subsidiaries (note 44)	985	1,337	1,193	2,595	944	3,871	10,925
Sale of subsidiaries (note 44)	(45)	-	(46)	(143)	-	-	(237)
Utilised during the year	(525)	(227)	(4,556)	(744)	(5,630)	(224)	(11,905)
At 31 December 2025	2,845	1,181	3,929	8,438	3,905	8,357	28,655
Non-current	2,403	1,181	-	8,438	-	7,871	19,893
Current	442	-	3,929	-	3,905	486	8,762
	2,845	1,181	3,929	8,438	3,905	8,357	28,655

(i) *Legal cases*

Legal provisions relate to a number of legal proceedings initiated against the Group which stem from regular commercial activities and court cases including former employees. The expenses relating to the provisions are included in the consolidated statement of comprehensive income within Other income or Administrative expenses. Based on the expert opinion of legal counsels, the Group's Management believes that the outcome of these legal proceedings will not give rise to any significant losses beyond the amounts provided as at 31 December 2025.

(ii) *Termination benefits and bonuses*

As at 31 December 2025, the Group recognised EUR 3,905 thousand of provisions for bonuses to key management (2024: EUR 4,814 thousand).

(iii) *Jubilee awards and regular retirement benefits*

According to the Collective Labour Agreement signed by the Group companies, the Group has an obligation to pay jubilee awards, retirement and other benefits to its employees. No other post-retirement benefits are provided. The present values of these obligations, the related current service cost and past service cost were measured using the projected credit unit method. The management believes that the Croatian corporate bond market is a deep market.

The actuarial estimates have been derived on the basis of the following key assumptions:

	2025	2024
Discount rate	2.55% - 3.92%	2.45% - 3.47%
Fluctuation rate	2.00% - 18.96%	4.50% - 12.50%
Average years of service (in years)	20	21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – PROVISIONS (CONTINUED)

Changes in the present value of the defined benefit obligation during the period:

<i>(in thousands of EUR)</i>	2025		2024	
	Jubilee awards	Retirement benefits	Jubilee awards	Retirement benefits
At 1 January	2,080	5,863	2,047	5,708
Increase/(decrease) of provisions	985	2,595	-	-
Effect of acquisition of subsidiaries (note 44)	(45)	(143)	-	-
Sale of subsidiaries (note 44)	16	172	27	61
Current service cost	244	575	187	415
Interest expense	73	119	48	132
Actuarial (gains) / losses	17	1	120	119
Benefits paid	(525)	(744)	(349)	(572)
At 31 December	2,845	8,438	2,080	5,863

NOTE 37 – OTHER NON-CURRENT LIABILITIES

	2025	2024
	<i>(in thousands of EUR)</i>	
Deferred income on government incentives	2,218	2,310
	2,218	2,310

Deferred income on government grants relates to non-monetary government grant to subsidiary in Slovenia and it is based on the amount of contributions for the employment of disabled persons.

In accordance with the relevant regulations, the aforementioned contributions are not paid into the government budget and it can be used for the acquisition of qualifying non-current tangible assets during three years' period. The amount of unpaid contributions is then recognized as government grant and transferred to profit or loss on a systematic basis over the useful life of the related assets. If the grant is not used for the acquisition of non-current assets within the prescribed period, unpaid contributions become payable.

The amount of deferred income on government grants that is expected to be transferred to profit or loss in the period of up to one year on a basis of depreciation of qualifying assets, or the amount of unpaid contributions, which will not qualify as a government grant and will become payable within one year, is recognized as a current liability in trade and other payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 38 – TRADE AND OTHER PAYABLES

	2025	2024
	<hr/> <i>(in thousands of EUR)</i>	
Trade payables	84,417	72,999
Other payables	62,021	46,033
	146,438	119,032

At 31 December 2025 and 2024, the carrying amounts of trade and other payables approximate their fair values due to the short-term nature of those liabilities.

Other liabilities include the following:

	2025	2024
	<hr/> <i>(in thousands of EUR)</i>	
Other accrued expenses	19,755	17,964
Salaries and other benefits to employees	19,188	14,037
Deferred income	13,653	8,648
Taxes, contributions and value added tax	3,024	1,204
Interest payable	1,874	8
Dividends payable	1,207	716
Advances received	1,024	1,088
Packaging waste disposal fee payable	208	85
Other payables	2,088	2,283
	62,021	46,033

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT

Categories of financial instruments are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Financial assets at amortised cost		
Long-term deposits (note 24)	391	367
Short-term loans (note 26)	1	1
Trade receivables (note 26)	174,244	126,308
Cash and cash equivalents (note 28)	40,240	27,138
	214,876	153,814
Financial assets through other comprehensive income		
Equity instruments	680	680
Forward contracts (note 27)	-	2
Total financial assets	215,556	154,496
Financial liabilities at amortised cost		
Finance lease liabilities (note 35)	147	114
Borrowings (note 35)	349,229	40,470
Lease liabilities (note 20)	72,325	17,049
Trade and interest payables (note 38)	86,291	73,007
	507,992	130,640
Financial liabilities at fair value through profit or loss		
Forward contract (note 34)	-	30
	-	30
Total financial liabilities	507,992	130,670

Fair value of financial instruments

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and other financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Financial instruments held to maturity in the normal course of operations are carried at the lower of cost and the net amount less the portion repaid. Fair value is determined as the amount at which a financial instrument can be exchanged between willing and knowledgeable parties in an arm's-length transaction, except in the event of forced sale or liquidation.

At the reporting date, the carrying amounts of cash and cash equivalents, short-term deposits and short-term borrowings approximate their market value due to the short-term nature of those assets and liabilities and due to the fact that a majority of these assets and liabilities are at variable interest rates approximating market interest rates.

Financial assets arising from currency forward contracts are measured at fair value as explained in note 27.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Fair value of financial instruments (continued)

The Podravka Group considers that the carrying amount of investments in unquoted equity instruments with no active market approximates their fair value due to the fact that the respective instruments were acquired at a price willingly agreed by knowledgeable and unrelated parties.

The carrying amounts of finance lease liabilities and borrowings and lease liabilities approximate their fair values as these liabilities bear variable interest rates or fixed interest rate approximating market interest rates.

Risk factors

In its operations, the Podravka Group is exposed to risks typical for economic entities operating on the domestic and foreign markets, especially those from the food and pharmaceutical industries.

External risk factors refer to influences from the environment such as economic, political, technological, social, risk related to changes in legislation and in recent years the increasingly pronounced impact of climate change on certain parts of the business system. The Podravka Group ensures compliance with the standards governing individual areas and thereby reduces exposure to external risk factors. The Podravka Group can influence the impact of internal risk factors through regular business policies, procedures and decisions.

The Podravka Group continues with the continuous implementation of the Enterprise Risk Management (ERM) process).

Enterprise Risk Management refers to the process of integrated analysis and reporting of key strategic, operational and financial risks to which the Podravka Group is exposed, identification of potential events that may negatively affect the Podravka group's results, and management of identified risks.

Financial risks

In its operations, the Podravka Group is exposed to financial risks, such as the currency risk, interest rate risk, price risk, credit risk, and liquidity risk. The Podravka Group actively manages these risks through adopted policies and set guidelines related to financial risk management.

Capital risk management

The gearing ratio at the reporting date was as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Debt (non-current and current borrowings including forwards)	349,376	40,614
Cash and cash equivalents	(40,240)	(27,138)
Net debt	<u>309,136</u>	<u>13,476</u>
Equity	739,318	624,328
Net debt to equity ratio	41.81%	2.16%

Debt is defined as long-term and short-term borrowings. Equity includes all capital and reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Credit risk management

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in a possible financial loss for the Podravka Group. Thus, Podravka d.d. adopted “Policy of customer credit risk management and collection of receivables in the Podravka Group” and applies it in operations with customers, based on which it takes security instruments, wherever possible, for the purpose of hedging possible financial risks and loss as a consequence of default.

The Podravka Group enters into business only with counterparties with good credit ratings, securing, when needed, receivables for the purpose of decreasing the risk of financial loss as a consequence of default. The Podravka Group’s exposure based on receivables, and the credit ratings of its counterparties are continuously monitored.

The Group’s exposure to major customers

The control of the Group’s exposure to major customers is carried out through regular monitoring of receivables and certain measures to control the collection and delivery of goods, as well as the acquisition of adequate collection security instruments.

The Group accepts new customers and continues cooperation with existing customers with payment delays subject to meeting the Group’s credit risk parameters. Receivables are analysed on a weekly basis and necessary measures are taken with respect to their collection.

Risk mitigation instruments are defined based on the financial performance ratios for individual customers, using internet services where the required information is available (financial statements, credit ratings). The company’s exposure and credit rating are continuously monitored through credit limits set by the company and insurer, which are continuously controlled and adjusted if appropriate in accordance with the needs and situation on the market.

During 2025, the Podravka Group did not have significant damage claims related to the insurance of receivable collection.

Liquidity risk management

The Podravka Group manages liquidity risk by maintaining optimum amounts of cash on accounts, continuously forecasting future cash flows and monitoring realised ones and contracting adequate sources of financing from which it can in short-term and at familiar conditions ensure liquidity requirements.

The Podravka Group continuously monitors and plans all its receivables and all trade payables, liabilities to employees, banks and other financial institutions, taxes payable and other payables with the aim of timely ensuring required liquidity level.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Liquidity risk analysis

Tables below show contracted maturity of financial liabilities and financial assets of the Podravka Group stated in the consolidated statement of financial position at the end of each reporting period.

The tables have been drawn up based on the undiscounted cash flows based on contracted terms at reporting date and include cash flows from both interest and principal.

The liquidity risk analysis below shows no potential deficit of short-term liquidity for the Podravka Group.

<i>as at 31 December 2025</i>	Net book value	Contracted cashflow	Up to one year	1 - 5 years	over 5 years
	<i>(in thousands of EUR)</i>				
<i>Non-interest bearing liabilities:</i>					
Trade and interest payables	86,291	86,291	86,192	12	87
	86,291	86,291	86,192	12	87
<i>Interest bearing liabilities</i>					
Finance lease liabilities	147	156	69	87	-
Borrowings	349,229	368,816	89,603	279,213	-
Lease liabilities	72,325	123,706	13,046	38,688	71,971
	421,701	492,678	102,718	317,988	71,971
	507,992	578,969	188,910	318,000	72,058
<i>Non-interest bearing assets:</i>					
Trade receivables	174,244	174,244	174,075	135	34
Financial instruments	680	680	-	680	-
Cash and cash equivalents	40,240	40,240	40,240	-	-
	215,164	215,164	214,315	815	34
<i>Interest bearing assets:</i>					
Long-term and short-term loans	1	1	1	-	-
Long-term deposits	391	433	153	78	202
	392	434	154	78	202
	215,556	215,598	214,469	893	236
Net liquidity position	(292,436)	(363,371)	25,559	(317,107)	(71,822)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Liquidity risk management (continued)

Liquidity risk analysis (continued)

<i>as at 31 December 2024</i>	Net book value	Contracted cashflow	Up to one year	1 - 5 years	over 5 years
	<i>(in thousands of EUR)</i>				
<i>Non-interest bearing liabilities:</i>					
Forward contracts	30	30	30	-	-
Trade and interest payables	73,007	73,007	72,997	7	3
	73,037	73,037	73,027	7	3
<i>Interest bearing liabilities</i>					
Finance lease liabilities	114	117	44	73	-
Borrowings	40,470	40,518	40,518	-	-
Lease liabilities	17,049	19,973	5,977	10,196	3,800
	57,633	60,608	46,539	10,269	3,800
	130,670	133,645	119,566	10,276	3,803
<i>Non-interest bearing assets:</i>					
Trade receivables	126,308	126,308	126,070	238	-
Financial instruments	680	680	-	680	-
Forward contracts	2	2	2	-	-
Deposit receivables	15,000	15,000	15,000	-	-
Cash and cash equivalents	27,138	27,138	27,138	-	-
	169,128	169,128	168,210	918	-
<i>Interest bearing assets:</i>					
Long-term and short-term loans	1	1	1	-	-
Long-term deposits	367	408	134	181	93
Deposits – longer than 3 months	2,045	2,045	2,045	-	-
	2,413	2,454	2,180	181	93
	171,541	171,582	170,390	1,099	93
Net liquidity position	40,871	37,937	50,824	(9,177)	(3,710)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks

(i) *Interest rate risk management*

The Podravka Group has credit arrangements at both fixed and variable interest rates, as well as long-term financing arrangements executed at the beginning of 2025. These carry a variable interest rate, determined as the sum of the agreed interest margin and the three-month EURIBOR. As at the reporting date, the Group predominantly used financing arrangements with a variable interest rate, which resulted in a higher exposure to interest rate risk compared to the same period of the previous year.

The Podravka Group continuously monitors changes and projections of interest rates so that it can react in a timely manner if necessary.

Exposure to changes in interest rates on borrowings in accordance with the contractual dates of changes in interest rates is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Bank borrowings based on EURIBOR	326,290	-
Finance lease based on EURIBOR	120	70
	326,410	70

Interest rate sensitivity analysis

The sensitivity analysis below is determined based on the exposure to changes in contractual interest rates at the reporting date.

For floating rate liabilities, the analysis is prepared by calculating the effect of a reasonably possible increase in interest rates on floating rate debt on the expected contractual cash flows of such debt compared to those calculated using the interest rates applicable at the current reporting period end date.

The estimated effect of an increase in interest rates of 50 basis points on the Podravka Group's result before tax for the reporting periods is as follows:

31 December 2025	Contractual cash flows	up to 1 year	from 1 to 2 years	from 2 to 5 years
	<i>(in thousands of EUR)</i>			
At current interest rates	344,217	82,309	207,798	54,110
At current interest rates +50 basis points	347,000	83,765	208,642	54,593
Effect of increase in interest rate by 50 basis points	(2,783)	(1,456)	(844)	(483)

31 December 2024	Contractual cash flows	up to 1 year	from 1 to 2 years	from 2 to 5 years
	<i>(in thousands of EUR)</i>			
At current interest rates	75	33	28	14
At current interest rates +50 basis points	76	33	29	14
Effect of increase in interest rate by 50 basis points	(1)	-	(1)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

Interest rate sensitivity analysis (continued)

The drawdown of long-term financing arrangements with variable interest rates in 2025 resulted in higher exposure of the Group to interest rate risk compared to the previous period.

(ii) Price risk

The success of business of Podravka Group is dependent on adequate sources of raw materials, as well as their prices on the market, the efficiency of the production process and distribution of products to its customers.

The cost of raw materials can play a significant role in the cost of finished products the Podravka Group produces, therefore, it is subject to fluctuations of market prices of agricultural, food and pharmaceutical raw materials.

Protective customs and trade mechanisms in the EU protecting EU producers represent a risk in terms of increased customs duties (antidumping) for certain raw materials from third countries.

Also, frequent disruptions on the global market caused by environmental and geopolitical factors and a consolidation in the sector of primary production of raw materials, as well as global disruptions in the supply chain caused by uncertainty and fluctuations in container transport prices, energy crisis and the current wars in Ukraine and Israel and the unrest in the Middle East, have higher purchase prices as a consequence.

Risks of raw material procurement and product delivery

The Podravka Group realises the procurement on the domestic and foreign markets, while the majority of turnover with foreign suppliers relates to suppliers from EU member states. Among procurement function risks, the risk of availability of goods on market is one of the most significant, due to its possible impact on the Podravka Group's operations.

Over the last years, this risk is more prominent due to more frequent adverse weather conditions caused by climate change on the global level (long droughts, floods, etc.). The consequence are lower yields of some agricultural plants often coupled with their lower quality, which leads to the deficit of these raw materials in the free market (fresh and dried vegetables), even for several consecutive seasons.

More frequent livestock diseases cause global disruptions on the meat market, while political or social unrest in certain countries (wars in Ukraine and the unrest in the Middle East), or interventions on market (hazelnut, cocoa) or speculation in key agricultural and food commodities (such as wheat, sugar, oilseeds) are a constant threat in the global business environment.

The increasing instability of maritime transport contributes to further price volatility that is reflected in all types of raw materials and packaging as it has a global impact on the functioning of the entire supply chain from Canada, African countries to Eastern markets.

Disruptions in the market of pharmaceutical products, due to a significant increase in energy prices, disruptions in global supply chains and the inflation significantly contribute to the extension of delivery times and the increase in procurement costs. The wars in Ukraine and Israel have not so far had a negative impact on the procurement and delivery of pharmaceutical products, but the risk remains. On the other hand, the restriction of navigation through the Suez Canal has resulted in increased transportation costs and longer delivery times due to vessels being rerouted around the southern tip of Africa. Delivery lead times for some European suppliers have also been extended due to insufficient production capacity (by at least 3 to 6 months).

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(ii) *Price risk*

Risks of raw material procurement and product delivery (continued)

The procurement function of the Podravka Group minimizes these impacts through managing the strategic procurement categories and key suppliers, consolidation of purchasing volumes with the aim to strengthen market positions and ensure availability of raw materials for the production in required volumes, of satisfying quality and on time. The Podravka Group works intensively on approving alternative suppliers and introducing substitute raw materials, optimizing procurement processes and material specifications in order to reduce the risk of unavailability of materials and increase flexibility and competitiveness with the aim of mitigating and/or eliminating the negative effects of disruptions on the procurement market.

Risks of price fluctuations of basic raw materials

The market of agricultural and food products, as the most significant source of raw materials for the Group, is among the most sensitive markets of the modern world. Therefore, the volatility of prices of agricultural and food raw materials is a significant element in the Group's business environment, especially in conditions of prominent disruptions on the global and local markets. One of the reasons lies in the already mentioned risks of availability of goods due to environmental, geopolitical and social factors and speculation in key agricultural and food commodities, especially wheat, sugar and oilseeds.

Exceptional price volatility is particularly relevant in the commodity market segment (hazelnut, sugar, spices, cocoa, powdered milk, wheat, durum semolina, oilseeds, oils, soybean meal, oilseed meals, mineral fertilizers, etc.) due to disruptions in the supply chain and climate change on the one hand, and on the other hand due to increased demand in the Chinese market. Furthermore, producers in the EU increasingly have to comply with various production conditions that producers in other parts of the world are not obliged to comply with, regarding the strictest environmental standards, CO₂ emissions and the use of permitted plant protection products, regulations on animal welfare, etc.

Protective customs and trade mechanisms in the EU that, on one hand, protect EU producers and customers, on the other hand pose a risk in terms of increased customs duties (antidumping) for certain raw materials from third countries, as well as the impossibility of supplying certain materials that in those countries have not been observed as a health risk (use of certain types of pesticides) and as such are allowed for use in those countries.

The risk of fluctuation in prices of pharmaceutical raw materials from Chinese and Indian producers is also present, and its increase in previous periods was influenced by alternative, longer and more expensive transport routes. On the other hand, European suppliers, due to labour shortages and labour cost increases, more frequently request the raw material price increases of 5 to 10% compared to suppliers from China and India.

To minimise these impacts, the Podravka Group's procurement function continuously monitors movements in prices and market trends, conducts joint tenders for certain strategic procurement categories, uses new procurement techniques (a new e-procurement system has been implemented to conduct procurement tenders, which is also used for internet auctions) to increase the transparency and efficiency of the sourcing process and reduce the cost of procurement. Timely contracting, allocating a portion of risk to suppliers, optimisation of material specifications and introduction of replacement raw materials, as well as active implementation of the Commodity Risk Management with strengthening of causality analyses in the movements of procurement costs, are only some of the measures taken by the Podravka Group for the purpose of best estimates of price movements and the minimisation of market price volatility risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(iii) *Currency risk*

The carrying amounts of the Podravka Group's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows.

	Liabilities		Assets	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Bosnia and Herzegovina (BAM)	5,477	4,934	27,142	26,265
Russian Ruble (RUB)	2,323	2,052	15,030	2,474
Serbia (RSD)	1,603	1,457	6,117	7,215
USA (USD)	2,260	2,831	6,059	6,602
Poland (PLN)	2,751	3,247	5,601	6,737
Other currencies	5,936	6,390	13,055	10,823
	20,350	20,911	73,004	60,116

Foreign currency sensitivity analysis

The Podravka Group conducts most of its transactions in EUR, therefore a large part of the currency risk is eliminated. However, the Podravka Group performs certain transactions in other foreign currencies so the highest exposure during 2025 was to changes in the exchange rate of the Euro against RUB, RSD, USD and PLN.

During 2025, the application of the principles of transactional currency risk management within the framework of the Risk Management Policy continued. Through this Policy, the currency risk protection model has been improved by additional activities of monitoring market trends, regular analysis of all currencies in which there is exposure, and defining the possibility and scope of contracting permitted derivative financial instruments aimed at currency risk protection. This approach is applied to the group of currencies to which the Podravka Group has exposure that cannot be reduced by natural, balance sheet protection. Through the Bloomberg terminal, macroeconomic projections are regularly monitored and derivative financial instruments are contracted with the aim of managing currency risk.

During 2025, Podravka d.d. realised fx forward contracts concluded in 2024 for managing currency risk of the USD and PLN.

The currency risk analysis is based on the official exchange rates for the currencies analysed as published by the Croatian National Bank, which were as follows:

	31 Dec 2025	31 Dec 2024
BAM	1.9558	1.9558
RUB	90.136	111.7972
RSD	117.3633	116.9707
USD	1.1757	1.0444
PLN	4.2263	4.2655

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(iii) Currency risk (continued)

Foreign currency sensitivity analysis (continued)

The following table details the Podravka Group's sensitivity to a 10% increase and decrease in Euro against the relevant foreign currencies where the Podravka Group has significant exposure (RUB, RSD, USD and PLN). The sensitivity analysis includes only outstanding cash items in foreign currency and their translation at the end of the period based on the percentage change in currency exchange rates. The sensitivity analysis includes monetary assets and monetary liabilities in foreign currencies. A negative number below indicates a decrease in profit where Euro changes against the relevant currency for the percentage specified above. For an inversely proportional change of Euro against the relevant currency, there would be an equal and opposite impact on the profit.

	RUB exposure		RSD exposure	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Increase/(decrease) of net result +10%	1,298	40	451	576
Increase/(decrease) of net result -10%	(1,298)	(40)	(451)	(576)

	USD exposure		PLN exposure	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Increase/(decrease) of net result +10%	380	377	285	349
Increase/(decrease) of net result -10%	(380)	(377)	(285)	(349)

(iv) Sales function based risks

The Podravka Group generates 47% (2024: 33%) of its revenue on the Croatian market, whereas 53% (2024: 67%) of the sales are generated on international markets.

The Podravka Group determines the selling price and rebates taking into account the macroeconomic conditions prevailing in each of the markets, which is at the same time the maximum sales function based risk.

As for operations on key markets, the Podravka Group expects increased risks related to the consolidation of the market and the strengthening of the bargaining power of customers, as well as the retention of the market position. In order to reduce this impact, the Podravka Group strives to diversify its customer base, further strengthen its own competitiveness by increasing efficiency, modernizing technology and strengthening product brands, as well as visibility through investments in marketing activities in order to respond to the price elasticity of end consumers.

The Podravka Group is making efforts through optimization of existing business models, pricing policies and price levels in markets where it operates to secure a basis for the continuing successful long-term sustainable growth and avoidance of profit margins erosion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(iv) Sales function based risks (continued)

In the food industry, market trends as well as consumer habits change in a very short period of time. Due to this risk, the Podravka Group seeks to constantly improve the processes and meet market conditions. In the food and pharmaceutical industries, where the focus is on products and brands, the Group complies with legislative, health and manufacturing regulations. The legal regulations according to which the production and sales processes within the Group Podravka are harmonized are subject to change, depending on the bodies that adopt them. By improving internal processes, the Podravka Group strives to eliminate most potential threats.

The Group is also exposed to fluctuations in market prices of crop and livestock products within the Agri segment, which may vary depending on developments in domestic and international markets, seasonality, geopolitical factors and the level of global inventories. The Group manages these risks through long-term commercial relationships with customers, as well as through diversification of sales channels. By continuously monitoring market prices and assessing the likelihood of different scenarios, the Group seeks to mitigate the impact of price volatility by planning the optimal timing of sales. Finally, the Group further aims to reduce exposure to changes in selling prices through continuous improvements in operational efficiency and reductions in unit production costs, thereby decreasing the sensitivity of profitability to movements in market prices of finished goods.

The sensitivity analysis for increase in livestock prices is as follows:

	Impact of the increase in livestock prices	
	2025	2024
	<i>(in thousands of EUR)</i>	
Increase/(decrease) in the fair value of assets +10%	4,114	-
Increase/(decrease) in the fair value of assets -10%	(4,114)	-

Fair value measurement

The fair value measurement hierarchy for Agri segment assets as at 31 December 2025:

	Level 1	Level 2	Level 3	Total
	<i>(in thousands of EUR)</i>			
Government grants at fair value through P&L (note 26)	-	22,084	-	22,084
Current biological assets – livestock (note 22)	-	41,140	-	41,140
Current biological assets – crops (note 22)	-	-	10,957	10,957

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Business risks management

Industry risks

The continuing risks in global supply chains pose a challenge for food and medicines manufacturers. Volatility of prices on the market of agricultural and food raw materials, as well as the risk of unavailability of goods on the market due to increasingly frequent weather disasters caused by climate change (perennial droughts, floods, etc.), outbreaks of livestock diseases, volatility of energy sources, disruptions in supply chains, and political or social unrest in certain countries affects the rise in prices and the availability of raw materials. The risk of external shocks and unpreparedness for extraordinary demands is reduced by further developing competition among suppliers, process optimization, timely contracting of procurement, consolidating procurement volumes, as well as timely production planning and taking into account unpredictable circumstances.

Global economic and political volatility and commodity price inflation are negatively affecting the supply chain of medicines and other medical equipment worldwide due to challenges in production, distribution and trade. The difficult supply of raw materials is particularly relevant to manufacturers and suppliers of active substances (API), resulting in global shortages of certain medicines. In response to this risk, the European Commission has launched a programme related to critically important medicines, in which Belupo is also participating, and which aims to ensure the continuity of the supply of medicines in the EU. Timely ordering, introducing tested alternative manufacturers, optimizing transport and internal resources, aims to ensure the timeliness and availability of raw materials and materials that are necessary for the production of medicines in order to reduce the risk and maintain a sufficient supply of drugs for the domestic population.

Competition risk

The Podravka Group sells products both on the Croatian and international markets, and is exposed to numerous competitors in all product categories. Innovations, and continued high quality of products are important elements that the Group is paying attention to in order to be different from competition.

In addition, the reputation of the brand, or the Podravka Group, is intangible value that differentiates it from the competition and creates the advantage. Monitoring of consumer habits and preferences that are subject to constant changes, and adjustments to them, are one of a series of activities that the Podravka Group undertakes to maintain and increase the existing market positions and margins.

Risks of IT system disruptions

The Podravka Group intensely uses IT systems that enable it to efficiently manage the Group, communicate with customers and suppliers, and collect all the information that management can rely on in making decisions.

Given the high degree of automation of business processes through the use of IT systems, the Group takes the necessary measures to minimise IT system disruptions due to problems with IT equipment, the space in which it is located, viruses and unauthorised external breaches into the systems.

As each IT system potential disruption causes significant problems in operating systems and financial losses, the Podravka Group has implemented IT system recovery procedures.

The Group regularly implements proactive actions to improve the IT system security by applying the best recommended security practices.

Also, following the implementation of advance security monitoring systems, monitored on a daily basis, the risk of external breaches into the Podravka Group's IT systems is additionally reduced.

Podravka d.d. has implemented and certified the IT security management system based on the ISO/IEC 27001:2022 standard.

NOTE 39 – RISK MANAGEMENT (CONTINUED)

Business risks management (continued)

Human resource risk management

Considering the challenges on the labour market and the general lack of labour force and the increasing number of shortage occupations in the Republic of Croatia, the Podravka Group observes these risks from the aspect of timely recruitment and retention of skilled labour and unfavourable age structure of employees and retirement in the coming years.

Accordingly, in 2025 the Podravka Group continued a number of activities to mitigate these risks such as employment of young workers from new pools, intensifying cooperation with educational institutions, employer image management, developing programs that encourage intergenerational and multicultural cooperation and understanding, programs for trainees and new employees, and improvements in the promotion and reward system.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 40 – SHARE-BASED PAYMENT TRANSACTIONS

Key management share options

Options for the purchase of Podravka d.d. shares were granted to key management of the Group. The exercise price of the granted option equals the weighted average share price of Podravka d.d. shares as per the Zagreb Stock Exchange in the year the option is granted. Options are acquired separately for each business year. Share purchase options may be exercised after the expiration of at least two and at most five years from the year to which the share purchase option applies. In case of termination of employment, the acquired options can be exercised within 3 years from the date of termination of employment.

The following share-based payment options were effective as at 31 December 2025:

Date of issue	Number of options	Vesting terms	Contracted vesting period
<i>Options granted to key Management of the Group</i>			
As at 30 April 2021	15,000	Employment until contracted vesting period	31 Dec 2026
As at 13 September 2021	2,000	Employment until contracted vesting period	31 Dec 2026
Total	17,000		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 40 – SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Key management share options (continued)

Fair value measurement

The fair value of the employee share options is measured using the Black-Scholes formula. Measurement inputs include the share price on the measurement date, the exercise price of the instrument, expected volatility (based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). In accordance with the input variables used, the fair value estimate of the option is categorised in the fair value hierarchy as level 1. Service and non-market performance conditions are not taken into account in determining fair value.

Input variables for calculation of fair value:

Share option programme for key management	2025	2024
Fair value at grant date (weighted average)	22	20
Share price at grant date (weighted average)	84	76
Exercise price (weighted average)	78	68
Expected volatility (weighted average)	23%	22%
Expected life (weighted average in years)	1.0	1.6
Risk-free interest rate (based on government bonds)	2.72%	2.63%
Expense recognised in profit or loss	2025	2024
	<i>(in thousands of EUR)</i>	
Equity-settled share-based payment transactions	-	187

The exercise price of share options for key management is EUR 78.

Movement in the number of share options and respective exercise prices in EUR is as follows:

	2025		2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at 1 January	60,300	68	80,300	65
Exercised	(43,300)	64	(20,000)	78
Outstanding at 31 December	17,000	78	60,300	68
Unused at 31 December	17,000	78	60,300	68

As at 31 December 2025, there are 17,000 of outstanding options (2024: 60,300 options). In 2025, 43,300 options were exercised (2024: 20,000 options).

The weighted average exercise price of outstanding options at the end of 2025 is EUR 78 (2024: EUR 68). The price of all unexercised share options is lower than the share market price as at 31 December 2025. The weighted average remaining validity of options is 1.0 years at year end (2024: 1.6 years).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 40 – SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Shares for the Company's management

At the level of the Company, there are long-term plans for the allocation of shares to the Company's key management for the period from 2025 to 2028.

The share allocation program applies to the Company's Management Board, and the right is acquired in the event that a member of the Management Board has the right to the payment of an annual bonus. The total number of shares to which a member of the Management Board is entitled for a particular business year is determined by multiplying a certain number of monthly salaries by the amount of monthly salary expressed in gross amount and subsequently divided by the share price of the Company, which is calculated as the average price realized on the Zagreb Stock Exchange during the six months preceding the date of the decision of the Supervisory Board. The Supervisory Board shall determine the number of shares to be awarded to a member of the Management Board in such a way that the total number of shares is reduced by the number of shares whose market value on the date of award corresponds to the value of the legally required duties.

In accordance with the plan for the allocation of shares to key management for 2025, the right to allocate shares for 2025 is acquired, which will be allocated within 30 days of the Supervisory Board's decision in 2026. With the last share price of EUR 151.50 on 31 December 2025, the estimate of the number of shares without reduction for prescribed duties is 3,029 shares.

During 2025, in accordance with the long-term programme for the allocation of shares 2022-2024, 8,829 shares (minus prescribed duties) were allocated.

Fair value measurement

Variables in measuring the cost of share-based payment transactions are the gross salary, the number of gross salaries and the share price on the measurement date.

Recognized in profit or loss	2025	2024
	(in thousands of EUR)	
Equity-settled share-based payment transactions	527	826

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 41 – RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are its related parties, are eliminated through consolidation and are not presented in this note.

Payments to members of the Supervisory Board and Management Board

	<u>2025</u>	<u>2024</u>
	<i>(in thousands of EUR)</i>	
Salaries, bonuses and other benefits paid	3,542	2,525
Share-based payments reimbursement	5,048	1,563
	<u>8,590</u>	<u>4,088</u>

The data refers to the Management Board of the Company and Management Boards of the three largest groups, 14 members (2024: 12 members, related to the Management Board of the Company and Management Boards of the two largest groups).

During 2025, share-based payments were realized by the members of the Management Boards in the amount of EUR 5,048 thousand (2024: EUR 1,563 thousand). For details see note 40.

During 2025, a total of EUR 570 thousand was paid to members of the Supervisory Board and the Audit Committee of the Company and members of the Supervisory Boards of the three largest groups (2024: EUR 471 thousand to members of the Supervisory Board and the Audit Committee of the Company and members of the Supervisory Boards of the two largest groups).

NOTE 42 – CONTINGENT LIABILITIES

	<u>2025</u>	<u>2024</u>
	<i>(in thousands of EUR)</i>	
Guarantees and warranties given	4,893	4,916
	<u>4,893</u>	<u>4,916</u>

Guarantees and warranties mainly relate to the potential liability of the Belupo Group, Podravka d.d., Podravka d.o.o. Ljubljana and the Agri Group on the basis of guarantees and letters of credit.

With respect to guarantees and warranties granted, contingent liabilities have not been recognised in the consolidated statement of financial position as at 31 December as the Management Board estimated that, as at 31 December 2025 and 2024, it is not probable that they will result in liabilities for the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 43 – COMMITMENTS

In 2025, the purchase costs of tangible fixed assets contracted with suppliers amounted to EUR 11,041 thousand (2024: EUR 9,069 thousand), which are not yet realised or recognised in the consolidated statement of financial position.

The future payments under operating leases in 2025 relate to the usage of IT equipment and other operating leases, as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Up to 1 year	308	784
From 1 to 5 years	198	85
	506	869

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 44 – ACQUISITION AND SALE OF SUBSIDIARIES

Acquisition of subsidiaries

On 31 January 2025, the Podravka Group completed the acquisition of the agricultural segment of the Fortenova Group. Through the newly established company Podravka Agri d.o.o., the following companies were acquired: Belje plus d.o.o., Vupik plus d.o.o., PIK Vinkovci plus d.o.o., Energija Gradec d.o.o., Belje Agro-Vet plus d.o.o., and Felix plus d.o.o.

In Podravka Agri d.o.o., Podravka d.d. holds an 84.99% interest, while the European Bank for Reconstruction and Development (EBRD) holds a 15.01% interest. As EBRD, under the contractual arrangement, is not exposed to the risks and rewards associated with ownership and its contribution is fixed with all the characteristics of a debt instrument, Podravka d.d. does not consider it a non-controlling interest but a financial liability. Accordingly, 100% of the results and equity are attributed to the parent company

For the purpose of executing the acquisition of the subsidiaries, Podravka d.d. established a special-purpose entity, Podravka Agri d.o.o., as a management company, whose management team was appointed by the parent with the objective of managing the newly acquired entities.

At the initial consolidation, the Group recognised the acquired assets and liabilities of the newly acquired subsidiaries in the consolidated statement of financial position at their fair values.

As at the acquisition date, the fair values of the acquired assets and liabilities were as follows:

<i>(in thousands of EUR)</i>	<u>Fair value</u>
Intangible assets (note 18)	4,950
Property, plant and equipment (note 19)	204,185
Non-current financial assets	11
Investment property (note 21)	3,553
Right-of-use assets (note 20)	75,278
Non-current biological assets (note 22)	16,393
Deferred tax assets (note 15)	4,141
Inventories	67,503
Biological assets (note 22)	52,627
Trade and other receivables	55,160
Cash	18,483
Non-current liabilities	(77,820)
Deferred tax liabilities (note 15)	(2,022)
Current liabilities	(31,795)
Net assets acquired	<u>390,647</u>
Consideration paid	333,116
Fair value of net assets acquired	<u>390,647</u>
Difference between consideration paid and net assets acquired	<u>(57,531)</u>

At the acquisition date, the fair value of the receivables amounted to EUR 55,160 thousand, and the Group considers them to be fully collectible.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 44 – ACQUISITION AND SALE OF SUBSIDIARIES (CONTINUED)

Acquisition of subsidiaries (continued)

The consideration paid of EUR 333,116 thousand includes a deposit of EUR 15,000 thousand paid by the Company during 2024 for the acquisition of the Fortenova Group's agricultural companies under the signed Exclusivity Agreement, while the remaining amount was paid during 2025.

By paying the consideration, the Group acquired assets in the amount of EUR 390,647 thousand, resulting in a gain of EUR 57,531 thousand (note 9).

From the acquisition date, the revenue of the newly formed Agri segment amounted to EUR 238,888 thousand, while profit before tax amounted to EUR 76,283 thousand, including income arising from the difference between the consideration transferred and the net assets acquired. If the business combination had been completed at the beginning of 2025, revenue of the Agri segment would have amounted to EUR 256,901 thousand, while profit before tax would have amounted to EUR 76,700 thousand.

Sale of a subsidiary

During 2025, Žito d.o.o., Ljubljana established and separated its confectionery business into a new subsidiary, Šumi Gorenjka d.o.o.

The sale of this subsidiary was completed on 1 December 2025.

The pre-tax gain on the sale of the subsidiary is presented within Other income (Note 9).

As of the disposal date, 1 December 2025, the assets and liabilities of the sold subsidiary were as follows:

<i>(in thousands of EUR)</i>	<u>1 December 2025</u>
Property, plant, equipment and intangible assets (note 18,19)	4,924
Right-of-use assets (note 20)	23
Deferred tax assets (note 15)	19
Inventories	2,719
Trade and other receivables	2,069
Cash	1,254
Non-current liabilities	(195)
Current liabilities	(2,197)
Net assets	8,616
Amount of assets recognized in consolidation of the Group	2,619
Income from sale of Šumi Gorenjka d.o.o.	12,559
Gain on sale	1,324

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 45 – EVENTS AFTER THE BALANCE SHEET DATE

The Supervisory Board of Podravka d.d. at its meeting held on 10 December 2025 approved the sale of the healthcare entity Deltis Pharm Pharmacies, which is 100% owned by Belupo d.d. within the Pharmaceuticals segment.

Following a tender and evaluation of binding offers, the offer from Farmacia Holding d.o.o. was assessed as the most favourable.

As of 31 December 2025, the assets and liabilities of the Deltis Pharm Pharmacies were as follows:

<i>(in thousands of EUR)</i>	<u>31 December 2025</u>
Intangible assets	3,309
Property, plant, equipment and intangible assets	12
Right-of-use assets	655
Deferred tax assets	50
Inventories	598
Trade and other receivables	1,714
Cash	224
Non-current liabilities	(523)
Current liabilities	(715)
Net assets	<u>5,324</u>
Amount of assets recognized in consolidation of the Group	<u>3,437</u>
Income from sale of Deltis Pharm Pharmacies	<u>8,761</u>

Statement of Comprehensive Income Deltis Pharm Pharmacies

<i>(in thousands of EUR)</i>	<u>2025</u>
Revenue from sales	8,206
Expenses by nature	(7,997)
Operating profit	209
Finance expenses	(22)
Profit before tax	187
Income tax	(35)
Profit for the year	<u>152</u>
Other comprehensive income - net from tax	3
Total comprehensive income for the year	<u>155</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 45 – EVENTS AFTER THE BALANCE SHEET DATE (CONTINUED)

Statement of Cash Flows Deltis Pharm Pharmacies

(in thousands of EUR)

	2025
Net cash generated from Operations	107
Net cash from investing activities	(28)
Net cash from financing activities	(48)
Net increase/(decrease) in cash and cash equivalents	31

The total effect of the sale of the subsidiary impacted the financial statements for 2025, reflecting the adjustment of the value of the subsidiary to the purchase price, which represents its fair value. Accordingly, Belupo d.d. reversed part of the previously recognised impairment of pharmacy rights in the amount of EUR 1,724 thousand.

Belupo d.d. and Farmacia Holding d.o.o. completed the sale transaction of Deltis Pharm Pharmacies on 15 January 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

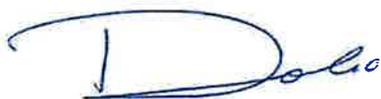
NOTE 46 – APPROVAL OF FINANCIAL STATEMENTS

The financial statements were adopted by the Management Board and approved for issue on 27 March 2026.

Signed on behalf of the Company on 27 March 2026:

Martina Dalić

President of the Management Board



Davor Doko

Member of the Management Board



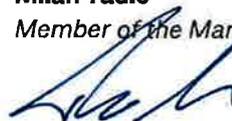
Ljiljana Šapina

Member of the Management Board



Milan Tadić

Member of the Management Board



Ivan Ostojić

Member of the Management Board



Podravka d.d.

Ante Starčevića 32

48 000 Koprivnica

Republic of Croatia

Podravka 
PREHRAMBENA INDUSTRIJA D.D.
KOPRIVNICA 173

Koprivnica,

March 27th 2026

**STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARATION OF
FINANCIAL STATEMENTS**

According to our best knowledge consolidated audited financial statements of Podravka Group for the period 1 – 12 2025 have been prepared in compliance with the Accounting Act of the Republic of Croatia and International Financial Reporting Standards as adopted by the European Union (EU IFRS) and provide an complete and true presentation of assets, liabilities, profit and loss, financial position and business operations of Podravka Group and all subsidiaries involved in the consolidation.

Corporate Accounting Director:
Katarina Petković



Board Member:

Davor Doko



No: MB-105-2026.
Zagreb, 27th March 2026

Pursuant to Articles 250b, 300a and 300b of the Companies Act (Official Gazette No. 152/11 – cleared version, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), Articles 462 and 463 of the Capital Market Act (Official Gazette No. 65/18, 17/20, 151/22 and 85/24) and Article 21 of the Accounting Act (Official Gazette No. 85/24 and 145/24), the Management Board of PODRAVKA Inc. on its 239th session held on 27th March 2026 adopted the

DECISION

on establishing of the Annual Statement of Podravka Group for the year 2025

I.

The Annual Report of the Podravka Group for 2025 is hereby established, consisting of the consolidated annual financial statements of PODRAVKA Inc. (hereinafter: the Company) and its subsidiaries, the Report of the independent auditors Ernst & Young Ltd and Grant Thornton audit Ltd on the audit performed, the Sustainability Statement with the report of the auditor Ernst & Young Ltd and the Annual Report of the Management Board on the state of the Company and its subsidiaries, which is attached to this Decision and forms its integral part.

II.

The consolidated annual financial statements from article I of this Decision consists of:

1. Statement of financial position (Balance sheet)
2. Statement of profit and loss
3. Statement of other comprehensive income
4. Statement of cash flow
5. Statement of changes in equity
6. Notes to financial statements

III.

The Statement of profit and loss for the year 2025 is established and shows net profit in the amount of EUR 135,384,474.07.

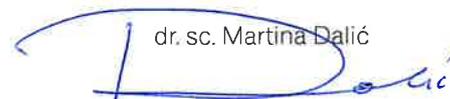
The Statement of financial position as of 31 December 2025 shows the sum of assets in the amount of EUR 1,349,961,053.93.

IV.

The statements from article I of this Decision, prepared by the Management Board of PODRAVKA Inc., shall be submitted to Supervisory Board of PODRAVKA Inc. for examination and approval.

President of the Management Board:

dr. sc. Martina Dalić



No: SB-96-2-2026.
Koprivnica, 31st March, 2026

Pursuant to Articles 300.c and 300.d of the Company Act (Official Gazette no. 152/11.-clear version, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24) and Article 4 of the Rules of Procedure of the Company Supervisory Board, the Supervisory Board of PODRAVKA Inc. at its 96th session held on 31st March 2026, adopted the following

DECISION
on the Approval to Decision of Management Board of PODRAVKA Inc.
on establishing of the Annual Report of Podravka Group for the year 2025

I.

The Approval is hereby given to Decision of Management Board of PODRAVKA Inc., MB-105-2026 on establishing of the Annual Report of PODRAVKA Group for the year 2025.

II.

Decision of the Management Board of PODRAVKA Inc. No: MB-105-2026 of 27th March 2026 is attached to this Decision and makes its integral part.

III.

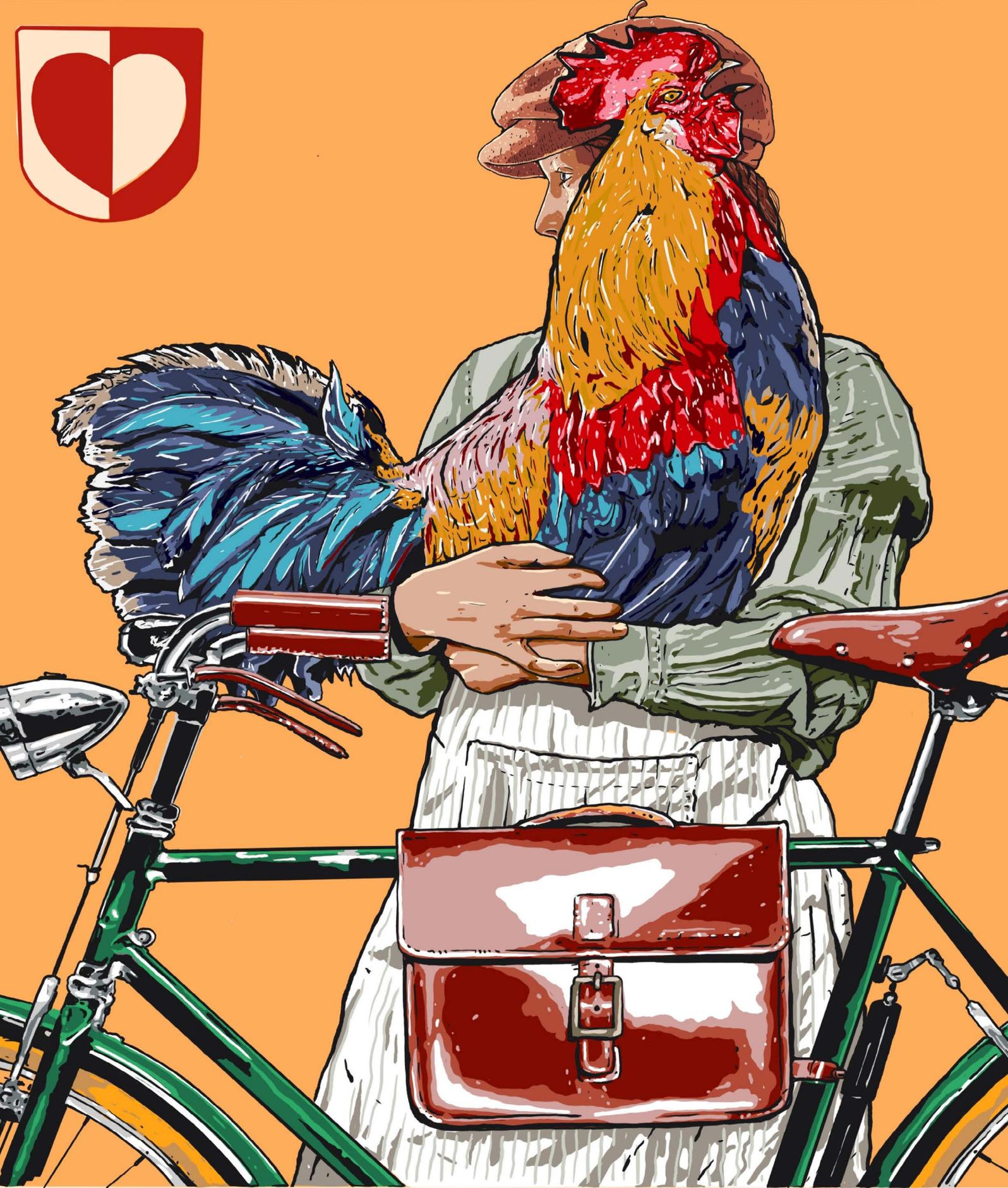
This Decision shall enter into force on the day of its adoption.

President of the Supervisory Board:

Dubravko Štimac

Attachment:

Decision of the Management Board of PODRAVKA Inc. No: MB-105-2026 of 27th March 2026



PODRAVKA



Stvaramo ukusniji svijet.
Uvijek sa srcem.