

PRELIMINARY FY 2025 RESULTS

UNAUDITED

Celje, January 2026

KEY HIGHLIGHTS

PERFORMANCE IN EUR 000	2025	2024	2023
Sales revenue	198,801	200,285	176,464
Operating profit (EBIT) ¹	21,927	26,664	12,723
Operating profit before depreciation and amortisation (EBITDA) ²	35,798	39,565	25,078
Net operating profit	19,136	23,087	12,653
Investments	19,525	14,302	19,825
INDICATORS			
EBIT margin (%)	11.03	13.31	7.21
EBITDA margin (%)	18.01	19.75	14.21
Net profit as a percentage of sales revenue (ROS) (%)	9.63	11.53	7.17
Return on equity (ROE) ³ (%)	8.95	10.68	5.88
Return on assets (ROA) ⁴ (%)	7.19	8.69	4.95
NUMBER OF EMPLOYEES			
End of year/period	726	718	742
SHARE INFORMATION *			
Total number of shares	8,079,770	8,079,770	8,079,770
Number of treasury shares	299,874	298,384	264,650
Number of shareholders	3,199	2,871	2,651
Earnings per share in EUR ⁵	2.37	2.86	1.57

¹ Difference between operating revenue and expenses.

² Difference between operating revenue and expenses before depreciation and amortisation. Reflects operating performance.

³ Net profit/average equity during the period. This indicator reflects the company's efficiency in generating net profit relative to equity. Return on equity is also an indicator of management's performance in maximising the value of the company for its owners.

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

⁵ Net profit/total number of issued shares.

BUSINESS REPORT

In the period under consideration, we generated sales revenue of EUR 198.8 million. The total export value during this period reached EUR 185.0 million, which is consistent with the level recorded in 2024. In 2025 market conditions were challenging and largely unpredictable, mainly due to weaker competitiveness in markets outside EU which resulted in lower sales volumes and, consequently, slightly lower sales, despite higher selling prices. Competitive pressure in the EU markets intensified further, as certain Western competitors (otherwise globally diversified) increasingly focused on the European market, as they, like us, were less competitive in unprotected markets. Anti-dumping measures on imports of Chinese TiO₂ remained in force throughout the year, however, they have so far not provided the expected level of protection against price pressure. Chinese producers absorbed a substantial share of the tariffs and adjusted their ex-factory prices accordingly, while continuing to actively seek access to the European market. Amid a persistent excess of capacity in the industry (primarily of Chinese origin) and more subdued demand, selling prices and margins remained under pressure. In addition, an increase in sulphur costs further intensified market pressures, adversely affecting producers' cost structure.

	2024	2025	ΔPY%
Slovenia	13,684,845	13,822,459	+1
EU	162,234,825	163,927,291	+1
Third countries	19,080,093	16,427,125	-14
Third countries – dollar markets	5,285,650	4,624,406	-13
TOTAL	200,285,413	198,801,281	-1

In 2025 sales in the **EU market** increased by 1% compared to last year with the increase driven by both higher pigment volumes sold and slightly more favorable selling prices. Sales in **domestic market** were also 1 % higher compared to 2024 primarily due to significantly stronger performance of Business Unit Polymers, linked to larger projects in the regional pharmaceutical industry. Meanwhile, total sales in **third countries markets** were 14% lower, mainly as a result of reduced pigment sales volumes in the Middle East markets.

Net profit reached EUR 19.1 million and amounts to 82,9 % of the net profit achieved in 2024, when it reached EUR 23.1 million. Operating profit before depreciation and amortisation (EBITDA) reached EUR 35.8 million representing 18.0 % of total sales. Compared to the previous year, EBITDA decreased by 9.5 %.

In 2025, we spent EUR 19.5 million on capital expenditures, purchases of fixed assets and replacement equipment. We invest in programmes with growth potential. Our investments in production are primarily focused on reducing operating costs, ensuring profitable scale of production, achieving higher quality, regulatory compliance and energy sustainability.

Our development activities follow our five-year strategy. We have carried out development activities based on identified opportunities in areas where we have expertise, as well as trends and customer expectations. The company is implementing several interrelated projects through which we comprehensively manage spatial and environmental risks. Some of the key projects are the alternative water supply project, harmonisation of spatial acts at the Za Travnik red gypsum filling plant, remediation work at the Bukovžlak landfill for non-hazardous waste and ensuring the stability of barrier structures.

Management Board