

**UNAUDITED REPORT ON
CINKARNA CELJE'S
PERFORMANCE FOR THE
PERIOD
JANUARY–MARCH 2026**

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SELECTION OF THE MOST IMPORTANT DATA

OPERATIONS in € 000	I-III 2026	I-III 2025	2025	2024
Turnover	50,385	58,213	198,801	200,285
Operating profit (EBIT) ¹	3,717	8,059	22,227	26,664
Operating profit plus depreciation and amortisation (EBITDA) ²	7,378	11,690	36,098	39,565
Net profit	3,046	6,340	19,470	23,087
Non-current assets (end of period)	119,616	117,122	121,393	116,964
Current assets (end of period)	147,115	150,177	139,844	154,390
Equity (end of period)	219,801	217,376	216,755	211,036
Non-current liabilities (end of period)	16,409	18,901	17,427	18,925
Current liabilities (end of period)	30,520	31,022	27,054	41,393
Investments	1,749	4,237	19,525	14,302
INDICATORS				
EBIT as a percentage of turnover	7.38	13.84	11.18	13.31
EBITDA as a percentage of turnover	14.64	20.08	18.16	19.75
Net profit as a percentage of turnover (ROS)	6.05	10.89	9.79	11.53
Return on equity (ROE) ³ in %	1.40	2.96	9.10	10.68
Return on assets (ROA) ⁴ in %	1.15	2.35	7.31	8.69
Value added per employee ⁵	25,813	31,007	106,613	107,471
NUMBER OF EMPLOYEES				
End of year/period	706	722	726	718
Average at end of year/period	712	723	724	725
SHARE INFORMATION*				
Total number of shares	8,079,770	8,079,770	8,079,770	8,079,770
Number of own shares	299,874	298,404	299,874	298,384
Number of shareholders	3,246	2,976	3,199	2,871
Earnings per share in € ⁶	0.38	0.78	2.41	2.86
Dividend yield ⁷ in %	n/a	n/a	5 %	17 %
Gross dividend per share in €	n/a	n/a	1.80	4.10
Share price at end of period in €	28.10	31.30	31.50	27.70
Book value per share in € ⁸	27.20	26.90	26.83	26.12
Market capitalisation (end of period)	227,042	252,897	254,513	223,809

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

** In 2023, no dividends were paid under the Act on Aid to the Economy to Mitigate the Effects of the Energy Crisis (ZPGOPEK).

¹ The difference between operating income and operating expenses.

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

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

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

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

⁶ Net profit/total number of shares issued.

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

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

BUSINESS REPORT

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

In the first quarter, we generated EUR 50.4 million in revenue from sales, of which EUR 47.1 million was achieved in foreign markets. Net profit for the first three months of 2026 amounted to EUR 3.1 million, representing 48% of the net profit achieved in 2025, when it reached EUR 6.3 million. Operating profit increased by depreciation and amortization (EBITDA) amounted to EUR 7.4 million, representing 14.6% of sales. Compared to the previous year, EBITDA decreased by 36.9%.

In the period under review, we generated lower operating profit compared to the previous year, primarily due to unfavorable conditions in the market for our core product. The decline in profitability was significantly influenced by lower selling prices and reduced sales volumes of TiO₂, resulting from persistently weak demand. In addition, higher costs of key input raw materials, particularly sulfur, had a negative impact on the business result, further burdening the cost structure of production. The combination of lower revenues and higher costs put pressure on margins and consequently resulted in lower profit compared to the previous period.

Market conditions in the first quarter of 2026 remained challenging. Contract prices for TiO₂ in Europe stabilized at the beginning of the year following several consecutive reductions in 2025, indicating that further price declines have come to a halt. However, market recovery is not yet visible. Western producers attempted to increase prices in the first quarter, mainly due to pressure to improve margins and uncertainty following the insolvency of Venator, but these efforts were largely unsuccessful as demand remained weak. Additional downward pressure on prices resulted from the redirection of Chinese material to the European market. This trend continued despite the anti-dumping duties in force since January 2025, as well as due to the use of hybrid blends with lower TiO₂ content, enabling circumvention of tariff restrictions. Towards the end of the first quarter, raw material costs (sulfur and sulfuric acid) as well as energy costs began to rise significantly due to escalating tensions in the Middle East, further increasing the cost burden for sulfate-process producers, including Cinkarna Celje, d.d.

The core business of Cinkarna Celje d.d. remains titanium dioxide pigment, and we focus on continuously improving its quality and developing sustainable applications. Despite our role as a smaller producer that follows market trends, we strive to effectively capitalise on the opportunities presented by cost pressures on competitors and structural changes in the European industry. Our strategy is guided by a focus on profitable markets, high-quality customers, and long-term partnerships, particularly in the context of increased supply chain uncertainty.

Economic sentiment indicators in the euro area deteriorated slightly at the start of 2026, as the economic climate indicator fell to its lowest level in the past year in February, with confidence declining across all sectors and among consumers. In the manufacturing sector, the decline was driven by lower production expectations, rising inventories, and slightly weaker assessments of current orders, with firms reporting high levels of uncertainty. In Slovenia, GDP growth slowed to 1.1% in 2025, with economic activity driven primarily by construction and household consumption, while exports and the manufacturing sector remained weak. Preliminary data for 2026 shows a further contraction in goods exports, and forecasting models for the first quarter indicate only 0.5% quarterly GDP growth. For the euro area, the ECB expects growth of around 1.2% this year, meaning that the recovery remains fragile and uneven, with high risks associated with trade tensions and geopolitics.

In this macroeconomic environment, the TiO₂ industry ended the first quarter of 2026 with a cautious stabilisation at low levels. In Europe, contract prices for the first quarter stabilised, albeit against a backdrop of persistently subdued demand from the construction, coatings, and architectural applications sectors, where the typical seasonal uptick had not yet materialised. Supply remained sufficient, and individual transactions in March were primarily driven by expectations of price increases in the second quarter rather than by structural recovery. For the second quarter, leading Western producers announced price increases in the range of 130–150 EUR/ton, but due to sufficient supply and weak market demand, these will materialise at significantly lower levels. In the U.S., contracts in the first quarter settled between a rollover and a slight increase at the upper end of the range, with buyers largely rejecting proposed additional increases due to weak demand in the construction and automotive industries; however, the expected cost discipline among producers amid rising energy costs in the second quarter increased the market's willingness to adjust. In Asia, Chinese producers signalled price increases after the Lunar New Year, primarily citing rising prices for sulphur and sulphuric acid, but without clear support from end-user demand.

As the second quarter begins, Western producers are focusing on restoring margins, maintaining positive cash flow, and keeping capacity utilisation high, while protective measures remain under pressure from hybrid blends and Chinese imports at adjusted prices. Nevertheless, supportive factors for the second quarter include the loss of Venator's capacity, reduced supply of TiO₂ chloride for certain plastic applications, and announced price adjustments that are gradually taking effect amid rising sulphur and energy costs. In the short term, seasonal restocking is expected in the coatings and construction sectors, but we estimate that any recovery in the TiO₂ market will still be slow, uneven, and closely tied to the dynamics of the construction and industrial cycles in key regions. Such conditions require prudent working capital management, cost discipline, and active adjustment of the sales mix toward markets with better margins.

In the area of employee relations and human capital management, we continued to optimise our organisational structure during this period with the aim of ensuring the smooth operation of the Company and creating conditions for a safe, healthy, and productive work environment for our employees. We adhere to the principles of a balanced and motivating remuneration policy and ensure an appropriate level of employee satisfaction and engagement, while simultaneously controlling labor costs. We are implementing IT support for the systematic development of competencies and the improvement of the organisational climate, and together with our social partners, we prepared a draft for the overhaul of the competency and pay model, which will enable greater transparency and the long-term sustainability of the remuneration system.

In the first three months of 2026, we allocated EUR 1.8 million to investments, the purchase of fixed assets, and replacement equipment, making our investment decisions in a selective and prudent manner. We invested primarily in programmes and projects with clear growth potential, as well as in production investments that contribute to reducing operating costs, ensuring profitable production volumes, improving product quality, compliance with legislation, and greater energy efficiency. Investment activity follows the annual plan and strategy for ensuring long-term competitiveness and business stability.

Most multi-year development projects follow the established five-year strategy, while being continuously adapted to new market conditions. We implement them in a targeted manner, based on identified opportunities, our own expertise, and taking into account trends and customer expectations, with an emphasis on areas where we can create higher added value.

In the area of spatial and environmental risks, we continue to implement projects that enable us to comprehensively manage long-term risks and ensure a stable business environment. Among the more significant ones are the alternative water supply project, the harmonisation of spatial planning documents for the red gypsum filling facilities at Za Travnik and Bukovžlak, and projects to ensure the

stability of retaining structures. Additionally, this year we are undertaking the task of comprehensively managing H₂S emissions.

In planning and carrying out all our activities, we consistently adhere to the principles of sustainable development and the circular economy. As part of ensuring the sustainable development of titanium dioxide production, we continued projects for comprehensive water management and waste acid treatment, and focused on a project for the recovery of red gypsum and cogeneration of electricity. At the same time, we initiated and implemented numerous smaller initiatives in the areas of carbon footprint reduction, the use of renewable energy sources, and material reuse, with a clear goal of long-term cost and environmental sustainability.

The following sections of the report present the results for each business area in greater detail, along with a comprehensive overview of the Company's financial position and operations.

Management Board

STATEMENT OF MANAGEMENT RESPONSIBILITY

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

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

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

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

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

- that the business report of Cinkarna Celje d.d. for the first quarter of 2026 includes a fair presentation of the development and results of its operations and of its financial position, including a description of all material risks to which the Company is exposed;
- that the financial statements of Cinkarna Celje d.d. for the first quarter of 2026 are prepared in accordance with International Financial Reporting Standards as adopted by the EU and give a true and fair view of the assets and liabilities, financial position, profit or loss and comprehensive income of the Company.

The Management Board approved the financial statements, along with the accompanying policies and notes, at its meeting on 21 April 2026.

Management Board

**President of the
Management Board**

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

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

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

**Member of the
Management Board –
Works Director**

Nika VERONOVSKI, PhD

1 SALES

Total sales reached EUR 50.4 million during the period under review, representing a 13% decrease compared to sales in the corresponding period of 2025.

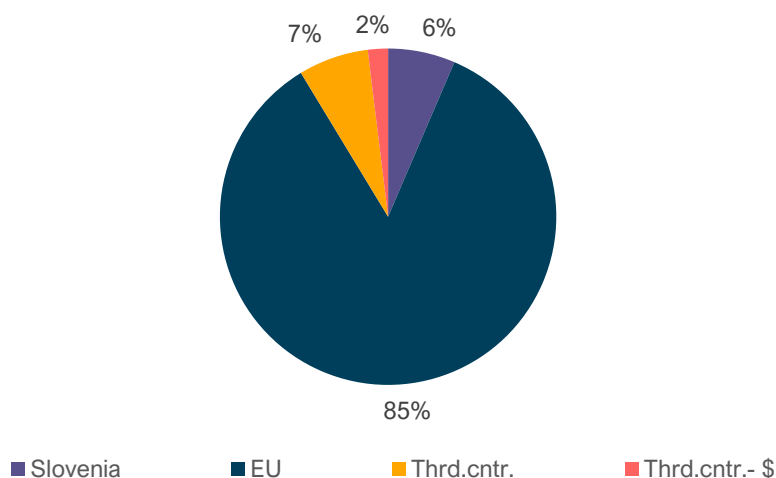
1.1 Sales by regional section

Total sales to foreign markets decreased by 13% compared to the same period last year. The decline in sales to foreign markets is undoubtedly due to weaker sales of pigment to EU markets.

Sales by regional section

	JAN- MAR 2026	JAN- MAR 2025	ΔPY%
Slovenia	3,251,125	4,115,435	-21
EU	42,763,633	47,822,445	-11
Third countries	3,394,430	4,320,693	-21
Third countries – dollar markets	975,418	1,954,760	-50
TOTAL	50,384,606	58,213,334	-13

Share of each market in the Company's total sales

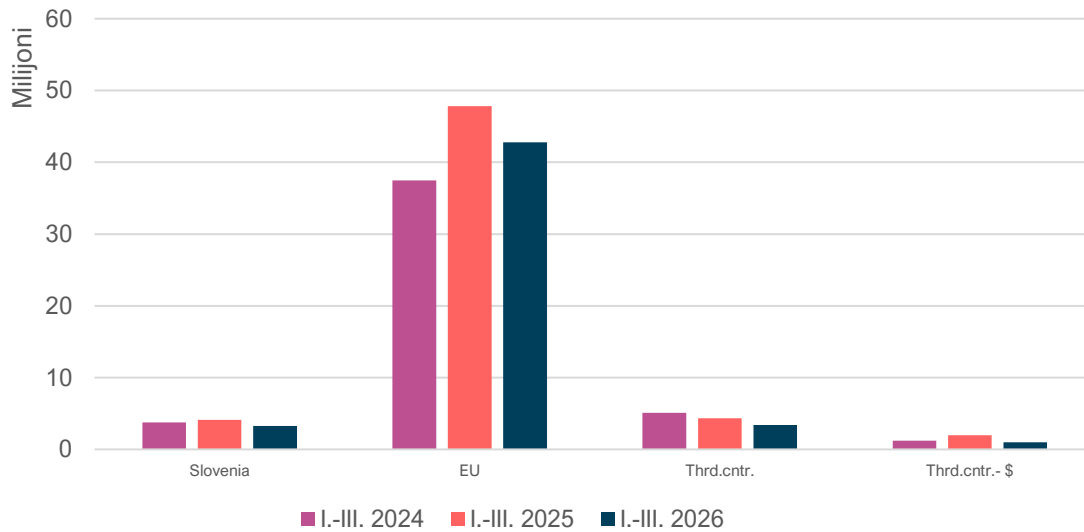


Sales to the **EU market** were 11% lower during the period under review than in the previous year, with weaker sales conditions in the EU's largest TiO₂ markets contributing to the decline.

Sales in the **domestic market** were down 21% compared to the same period last year, primarily due to significantly lower sales of BU Polimeri related to projects in the regional pharmaceutical industry.

Total sales to **third-country markets**, meanwhile, were down by 30%; however, due to a lack of price competitiveness in certain Middle Eastern regions, we successfully redirected a portion of our volumes to specific EU markets where we noticed better opportunities. The scope and sustainability of this strategy will depend largely on the further development of global trade relations and protectionist measures.

Sales by geographical segment



During the period under review, exports accounted for 93.5% of total sales, which is 0.6 percentage points less than in the same period last year.

Our main product, titanium dioxide pigment, remains the driving force behind our exports and the foundation for further expansion into foreign markets, where we are striving to strengthen our presence, particularly in stable, regulatory-protected markets with long-term growth potential.

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

1.2 Sales by business segment

Sales by business segment

	JAN- MAR 2026	JAN- MAR 2025	ΔPY%
Titanium dioxide	42,005,066	47,931,987	-12
- of which TiO ₂ pigment	41,069,751	46,862,134	-12
Varnishes and masters	4,279,229	4,321,034	-1
Agro programme	3,322,475	4,804,439	-31
Polymers	598,315	1,045,395	-43
Other	179,521	110,478	+62
TOTAL	50,384,606	58,213,334	-13

During the period under review, sales of our main product, **titanium dioxide pigment**, reached EUR 41.1 million, representing a 12% decline compared to the same period last year. In the first quarter, we recorded lower year-over-year sales volumes of the pigment, while sales prices trended downward

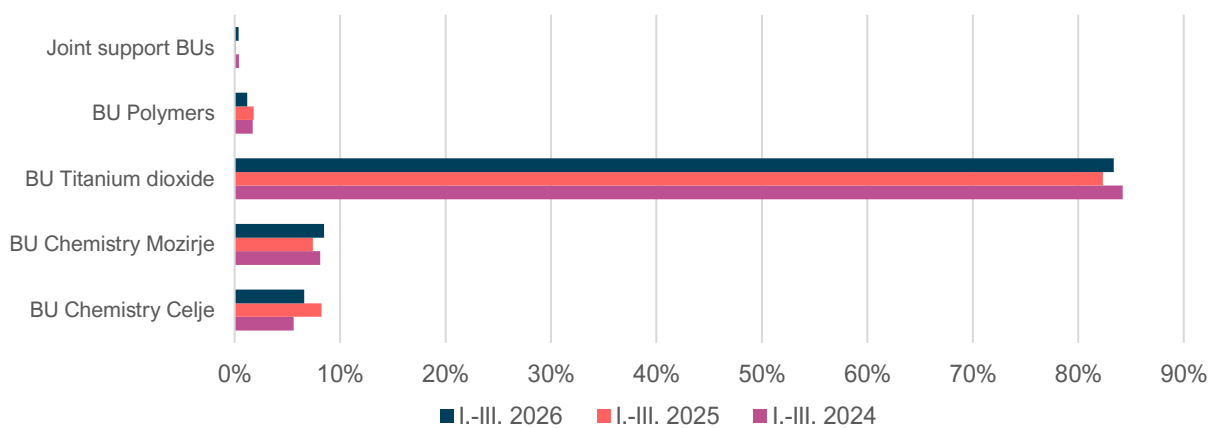
month over month, which together resulted in lower sales revenue. Although contract prices on the European market formally stabilised at the quarterly level, actual sales followed a gradual monthly decline, as individual transactions were concluded under pressure from weak demand and aggressive competition. Lower volumes were driven by persistently subdued demand from the construction sector and architectural coatings, where the typical seasonal uptick was not observed, as well as cautious inventory management by customers.

Within the TiO₂ segment, special mention should be made of **CEGIPS**, a byproduct of TiO₂ production, of which 38,400 tons were sold in the first quarter. This sales volume is particularly significant, as it reduces the amount of gypsum that is dry-filled at the Za Travnik gypsum disposal facility. This directly contributes to extending the facility's service life.

During the period under review, we recorded a 1% decline in sales in the **varnishes and masters segment**, primarily due to the challenging market conditions in this segment. Demand in this part of the chain remains under pressure due to weak industrial activity and customers' reluctance to build up inventories. Nevertheless, we managed to minimise the decline in foreign markets thanks to stronger sales in the domestic market.

Sales of the **agro programme**, which includes copper fungicides, Pepelin, copperas, and Humovit, fell by 31% during the period under review compared to the same period in 2025. This result was driven by lower sales volumes. Although Humovit sales were higher in terms of volume, they remain primarily tied to the domestic and nearby markets. Due to additional transportation costs, the product has a harder time penetrating more distant markets, which limits its geographic reach and underscores the importance of optimising distribution at the local level.

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



During the period under review, the relative proportions among the business units adjusted once again. With the exception of the business units Titanov dioksid and Kemija Mozirje, the share of the remaining units decreased.

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

2 PERFORMANCE ANALYSIS

2.1 Operating result

	31 Mar 2026	31 Mar 2025	ΔPY%
Operating income	52,013,071	56,896,071	-9
Operating expenses	48,295,937	48,837,504	-1
OPERATING RESULT	3,717,134	8,058,567	-54
Financial income	188,159	175,014	+8
Financial expenses	194	105,237	-100
OPERATING RESULT before tax	3,905,099	8,128,344	-52
Income tax	859,122	1,788,236	-52
NET OPERATING RESULT	3,045,977	6,340,108	-52

In the first quarter of 2026, **operating result** amounted to EUR 3.7 million. This figure represents only 46% of the operating result for the same period in 2025, when it stood at EUR 8.1 million. The Company's performance was significantly worse than last year's, but it exceeds the results of the business plan for the reporting period. This weaker performance and failure to match last year's results were influenced by a lower selling price and volume of the main product. Operating profit before depreciation and amortisation, or EBITDA, reached EUR 7.4 million and accounts for 14.6% of sales. Compared to the previous year, EBITDA is 36.9% lower.

After adjusting for the impact of financial income and expenses, **operating result before tax** for the first quarter of 2026 amounted to EUR 3.9 million; in the same period last year, the result before tax was EUR 8.1 million. The result before tax represents 48% of the result from the previous year.

In the first quarter of 2026, similar to 2025, a positive net cash flow from financing was recorded, amounting to EUR 187,965 (in the same period of 2025, the positive financing balance amounted to EUR 67,777) and was generated primarily from positive exchange rate differences and income from short-term financial investments. The resulting net cash flow from financing activities thus stems from a net positive balance of income and expenses from investments and forward contracts amounting to EUR 188,159 and interest expenses amounting to EUR 194. The positive balance from exchange rate differences (forward contracts), achieved through the use of hedging instruments to manage the volatile movements of the \$/€ currency pair during the procurement of titanium-bearing ores, once again demonstrated the effective use of this instrument to hedge against fluctuations in the \$/€ currency pair. The positive balance from investments, meanwhile, reflects the effective use and placement of surplus funds in profitable investments.

Net operating result for the accounting period amounts to EUR 3.1 million, which is 52% lower than the figure recorded in the same period of 2025, when it stood at EUR 6.3 million. Taking into account developments in the global economy, the titanium dioxide pigment market, and, above all, the results of competitors in the titanium dioxide industry, we assess that the result is still good and exceeds plans and expectations. Net operating result comprises operating result before tax and income tax of EUR 0.9 million (the effective tax rate is 22%).

2.2 Expenditure and costs

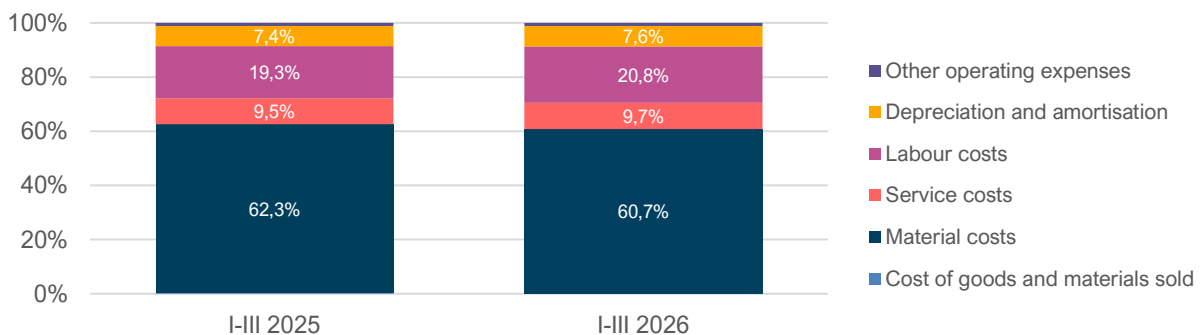
Within the overall cost structure, material costs account for the largest share, at 60.4%. In the breakdown of raw material, packaging, and energy consumption, certain deviations are noticeable compared to the corresponding period in 2025, with the most significant reduction in relative terms

being in packaging costs. This must also be interpreted in the context of the different structure of the sales portfolio.

Purchase prices for titanium-bearing raw materials were lower during the period under review than in the previous year. Meanwhile, prices for sulphur, a key input material for acid production, rose. Production volume was slightly lower than in the comparable period of 2025, and total raw material costs were also lower, by 4%.

Raw materials and supplies continue to account for the largest share of the Company's production costs, at 81.7%, followed by energy at 16.8% and packaging at 1.5%. The breakdown of the Company's other costs is shown in the chart below.

Cost structure (in %)



The structure of labour costs is disclosed in Note 5, Labour Costs, to the financial statements. Gross salaries were determined in accordance with the provisions of the collective bargaining agreement, taking into account the agreements between the unions and management. Commuting and meals during work are in accordance with applicable regulations. Labour costs include supplementary pension insurance, performance-based payments, severance pay, annual leave allowance, costs for solidarity assistance, anniversary awards, and other employee benefits.

2.3 Assets

	31 Mar 2026	31 Dec 2025
ASSETS		
Intangible assets	2,109,392	2,142,639
Tangible fixed assets	114,521,155	116,232,009
Financial assets at fair value through other comprehensive income	1,709,631	1,709,631
Other non-current assets	83,112	115,376
Deferred tax assets	1,192,860	1,192,860
Total non-current (long-term) assets	119,616,151	121,392,516
Current assets		
Inventories	50,270,890	54,460,671
Financial receivables	45,380,740	38,456,959
Trade receivables	35,859,074	26,096,057
Income tax receivables	1,774,934	1,283,140
Cash and cash equivalents	13,457,060	19,122,785
Other current assets	372,094	424,474
Total current assets	147,114,791	139,844,086
Total assets	266,730,942	261,236,601

The share of non-current (long-term) assets in the total asset structure decreased by 1.6 percentage points compared to the end of 2025, amounting to 44.8%. Tangible fixed assets remain the largest category of non-current assets (96%). Their value decreased by 1% compared to the end of 2025, based on the difference between the amount invested in tangible fixed assets and the actual depreciation charged in the first quarter of 2026. Long-term financial investments in electricity companies were revalued to fair value at the end of 2025 and remain unchanged at the end of the first quarter of 2026. Deferred tax assets also remain unchanged compared to the year-end balance. Other non-current assets consist of emission allowances acquired free of charge from the state. Their balance as of 31 March 2026 is EUR 32.3 thousand lower than the balance as of 31 December 2025 as a result of a decrease in the first quarter of 2026 due to the transfer of 24,764 allowances to ARSO for CO2 emissions in 2025 and the sale of 7,500 allowances.

The share of current assets in the total assets structure increased by 1.6 percentage points compared to the end of the previous year, reaching 55.2%. In the structure of current assets, the most significant categories by value are inventories (34%), financial receivables (31%), trade receivables together with other current assets and income tax receivables (26%), and cash and cash equivalents (9%).

Inventories decreased by 8% compared to the end of 2025, with the value of raw material inventories (including advances) decreasing by 14%. The value of work-in-progress inventories increased by 32%, while the total value of the Company's finished goods and merchandise inventories decreased by 4% due to increased sales in March 2026 (all compared to the end of 2025). As already mentioned, the most significant reason for the decrease in finished goods inventory is that sales volume of pigment exceeded its production in the first quarter of 2026.

Current financial receivables as of 31 March 2026 consist primarily of investments in short-term treasury bills intended to ensure the efficient use of cash and have increased by 18% compared to the balance at the end of 2025.

Current trade receivables include current trade receivables from customers and current trade receivables from others (primarily from the government for input VAT) as well as income tax receivables. Compared to the balance at the end of 2025, trade receivables increased by 37%. Receivables from customers increased by 45%, while other current receivables decreased by 21% compared to the balance at the end of 2025. Income tax receivables in the amount of EUR 1.8 million relate to the difference between overpaid income tax prepayments for 2025 and the actual income tax assessed for 2025, as well as the assessed tax and prepayments for the first quarter of 2026. An analysis of trade receivables by due date indicates that the maturity structure of receivables remains sound and is secured by an external institution or other forms of collateral.

Cash (and cash equivalents) account for 9% of total current assets; the amount of cash has decreased by 30% compared to the last day of the previous year. A portion of the cash, amounting to EUR 7 million, consists of short-term bank deposits.

Other current assets consist of prepaid expenses. Their value decreased by 12%.

2.4 Liabilities to sources of funds

	31 Mar 2026	31 Dec 2025
CAPITAL AND LIABILITIES		
Called-up capital	20,229,770	20,229,770
Capital reserves	44,284,976	44,284,976
Profit reserves	125,036,192	125,036,192
Fair value reserve	-1,354,842	-1,354,842
Retained earnings	31,604,967	28,558,990
Total capital	219,801,063	216,755,086
Provisions for employee benefits	3,640,233	3,819,086
Other provisions	11,908,756	12,746,394
Non-current deferred income	860,491	861,858
Total non-current liabilities	16,409,480	17,427,338
Financial liabilities	111,730	60,832
Trade payables	25,596,484	24,885,606
Liabilities under contracts with customers	184,652	0
Other current liabilities	4,627,533	2,107,739
Total current liabilities	30,520,399	27,054,177
Total capital and liabilities	266,730,942	261,236,601

The value of capital in the structure of liabilities to sources of funds as of 31 March 2026 represents 83%, which is the same as at the end of 2025. The amount of capital increased by 1% compared to the end of 2025. The increase (EUR 3.1 million) relates to the net profit generated in the first quarter of 2026. As of 31 March 2026, the Company held 299,874 treasury shares (3.7% of all shares). The Company did not acquire any treasury shares in 2026. There were no other significant changes in capital.

Of the total capital, the share capital amounts to EUR 20.2 million, consisting of 8,079,770 shares following a 1:10 stock split on 15 August 2022 (of which 299,874 are treasury shares held in the treasury stock fund), ordinary freely transferable shares. The book value of a share as of 31 March 2026 amounts to EUR 27.2 (an increase of 1.4% since the beginning of the year, when it stood at EUR 26.8).

Provisions and deferred revenue account for 6.2% of liabilities to sources of funds. Provisions for pensions and similar obligations were established as of 1 January 2006 (severance pay and long-service awards) and are adjusted annually based on actuarial calculations. Other provisions were established during the privatisation process as environmental provisions, and additional provisions were established for the remediation of the Bukovžlak solid waste landfill and the Za Travnik landfill. At the end of 2025, similar to the end of 2024, we re-evaluated the amount of provisions and adjusted them accordingly—either increasing or releasing them—based on actual market conditions and the reasons for their existence. The amount of environmental provisions decreased by 7% at the end of the first quarter of 2026 compared to the beginning of 2026, due to the coverage of remediation project costs. Long-term deferred revenue, which consists mainly of funds received for the co-financing of electric vehicles and solar power plants purchased in 2024 and 2025, did not change significantly in the first quarter of 2026.

Financial and operating liabilities increased by 13% compared to the balance at the end of the previous year due to an increase in current operating liabilities arising from accounts payable to suppliers and employees. Accounts payable to suppliers thus increased by 6%. Other current business liabilities decreased by 18% due to lower liabilities to government agencies. Other current liabilities, however, increased by 120% due to accrued and unpaid liabilities to employees arising from other

employment-related benefits, which will be paid out in 2026 in accordance with agreements. All financial and business liabilities are current in nature. The Company's gross debt ratio is 11.4%, an increase of 1.1% compared to the balance as of 31 December 2025.

Current financial liabilities as of 31 March 2026 amount to EUR 112,000; at the end of 2025, they amounted to EUR 61,000. The Company's gearing ratio is therefore 0.2‰ (at the end of 2025, it was 0.1‰).

Current trade payables increased by 3% during the period under review. Current trade payables to suppliers amounted to EUR 22.6 million as of 31 March 2026 and increased by 6% compared to the end of 2025 due to an increase in payables to suppliers of strategic raw materials. Other trade payables decreased by 18% (or EUR 0.7 million). These relate to liabilities for the payment of net salaries to employees and other net payments arising from employment amounting to EUR 1.5 million, as well as liabilities arising from contributions and taxes on personal income, together with VAT liabilities and liabilities to other institutions, also amounting to EUR 1.5 million.

Other current liabilities increased by 120% during the reporting period. They primarily include accrued liabilities for annual leave and accrued but unpaid liabilities to employees arising from other employment-related benefits, in accordance with agreements concluded between the Company and representative trade unions, pre-calculated environmental contributions and taxes, and VAT on advances paid.

3 STAFF

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

As of 31 March 2026, Cinkarna employed 706 people, which is 20 fewer, or 2.8% less, than at the end of 2025. The changes are smaller when broken down by business unit.

In our communication with employees, we primarily encourage open and comprehensive communication between the Company's Management Board, employees, the Works Council, and the two representative trade unions. In addition to keeping employees informed about the current overall situation, it is also very important to gather feedback and suggestions from employees, which contributes to a positive work environment within the Company, fosters a strong organisational culture, increases employee loyalty, and strengthens employees' trust in the Company's management.

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

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

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

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

3.1 Added value at Company level

Value added per employee in the first quarter of 2026 was 17% lower than in the same period of 2025. The decline is primarily due to a 13% decrease in sales revenue, while the number of employees fell by 1%.

	JAN-MAR 2026	JAN-MAR 2025	ΔPY%
Revenue from sales	50,384,606	58,213,334	-13
Increase or decrease in inventory value	291,049	-2,245,383	-
Capitalised own products and services	594,768	731,367	-19
Other operating income	742,648	196,754	277
Cost of goods, materials, and services	34,062,334	35,233,798	-3
Other operating expenses	527,108	453,254	16
Added value	17,423,629	21,209,019	-18
Average no. of employees by hours worked	675	684	-1
AV (in €) / employee	25,813	31,007	-17

4 MOST IMPORTANT RISKS OF THE COMPANY

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

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

In light of CSRD reporting requirements, we address not only risks but also the impacts and opportunities arising from them. We assessed sustainability impacts and risks through a double materiality assessment (DMA) process.

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

We manage impacts, risks, and opportunities through implementation objectives or tasks, the execution of which we track via reports and/or minutes. We monitor impacts, risks, and opportunities on an ongoing basis, while the Committee for Risks, Impacts, and Opportunities conducts a thorough review once per quarter. This is followed by reporting to the Management Board’s Extended Expert Committee. We inform the Management Board and the Supervisory Board of key impacts, risks, and opportunities on a quarterly basis.

We also communicate with the external public regarding the Company's operational risks and their management in interim and annual reports, i.e., every three months. The reports are publicly available on the SEO-net portal and on the Company's website www.cinkarna.si.

Overview of key risks – residual risk

The following overview has been updated and reflects the situation and expectations as of the reporting date.

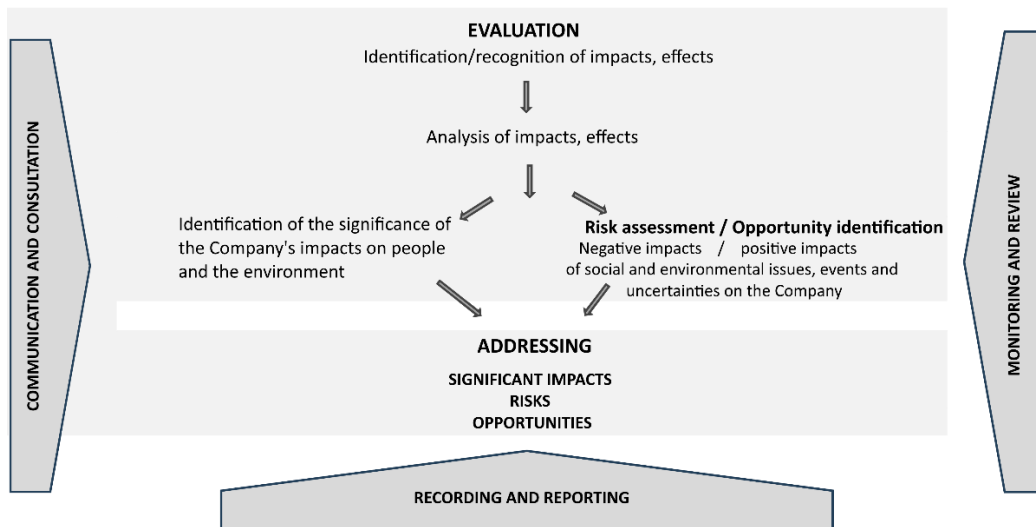


Figure 1: Impact, Risk and Opportunity (IRO) management process

We identified the following key residual risks:

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

1	Work items
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In the area of raw material procurement, we face three types of risks. A shortfall in production and, consequently, in planned revenue can result from a failure to receive supplies from monopoly suppliers, as well as from unforeseen delays in delivery times throughout the entire supply chain. Price increases also pose a risk in cases where demand exceeds supply.

We ensure timely planning of needs and ordering of raw materials, take into account experience-based time buffers, and increase minimum stock levels as needed. For all strategic raw materials, we continuously update the business case and checklist in response to market changes, raw material prices, the Company's business needs, and other external factors.

We seek out, test, and introduce new sources of raw materials into production. We also evaluate alternative raw material sources by compiling catalogues of verified alternative raw materials and suppliers. We build long-term and stable partnerships in a targeted manner. We maintain regular contact even with suppliers with whom we do not currently do business, but who represent a high-quality potential alternative.

We manage risks by using appropriate contractual safeguards.

Recently, the risk associated with sulphur supplies has increased further. As liquid sulphur volumes decline and certain countries ban the export of solid sulphur, market prices for both liquid and solid sulphur continue to rise. As the conflict in the Middle East continues, the risk of further increases in sulphur prices beyond levels that are economically sustainable for the Company is increasing, as is the risk of a physical shortage of sulphur. For both risks, we cannot rule out the possibility that, under extremely severe conditions, they could lead to a reduction in production and, consequently, in sales of our main product, titanium dioxide. We manage price and volume risks to the extent possible by expanding our supplier base.

2	Digital transformation
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Through digitisation, we can reduce the risks of production volume losses, excessive maintenance costs, and errors in manual data entry; we can lower administrative costs and better manage security risks.

We are mitigating this risk by implementing several operational objectives that increase the level of digitisation and streamline business processes (upgrading modules in the Power BI business analytics platform and in Moja Cinkarna, the document management system, migrating Oracle Forms applications, implementing the mSign system, an AI agent for knowledge transfer, and updating the maintenance information system and the Spekter production information system).

Within this risk, we also address automation and cybersecurity as sub-themes. We mitigate this risk through a virtual backup environment, the implementation of security tools, and regular updates of critical hardware and software.

3	Human resources
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On the one hand, the Company is facing a wave of retirements, and on the other, a shortage of qualified personnel in the labour market. The rate of sick leave poses an additional risk.

Given the large number of retirements, there is a risk in ensuring adequate succession planning and the lack of appropriate skills among new hires, as it takes a considerable amount of time to develop these skills.

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

We are cataloguing all specific and general knowledge within the Company, redesigning the onboarding system for new hires, and assessing existing skills among employees.

We have developed and approved a new competency model. In it, we have precisely defined the required competencies for all positions. Based on this, we conduct systematic training through the Leadership Academy for Level B-1 and for all employees via the Smart Arena training platform.

We are implementing a comprehensive Knowledge Transfer project in key titanium dioxide production.

We have identified key positions within the Company, potential successors, the necessary additional competencies, and the timeframe for the required replacement.

For the most promising candidates, we implement the Leadership Academy development programme and individual coaching.

In addition to traditional recruitment methods, we use social media-based recruitment solutions when seeking new employees. We have increased our collaboration with staffing agencies and, in specific cases, entered into contracts with external service providers.

We are offering staff scholarships. We actively participate in career fairs. We have deepened our cooperation with high schools. We provide high school and college students with opportunities for mandatory internships and student work. We enable students to complete their bachelor's, master's, and doctoral theses within the Company.

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

By introducing team-based problem-solving and communicating with employees, we strive to increase employee engagement. We systematically address safety issues at daily meetings and eliminate the causes of injuries. Within the scope of our capabilities, we ensure the versatility of our employees.

4	Overall equipment effectiveness (OEE)
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At the Company, we prepare annual and strategic plans based on achieving maximum equipment utilisation. Breakdowns, unplanned maintenance, and limited storage capacity pose a risk of failing to meet our desired goals.

We have significantly reduced the risk in titanium dioxide production during the flue gas cleaning process through the successful renovation of two electrostatic precipitators in 2025. The replacement of a third is currently underway.

We are implementing the "Maintenance Process Upgrade" project in the Maintenance and Energy Business Unit and the "Business Excellence" project in the Titanium Dioxide Business Unit, featuring numerous activities aimed at increasing OEE.

In the Kemija Celje Business Unit, the risk stems from the possibility of equipment failure during periods of high production line utilisation. We continue to manage this risk through operations that place less strain on the line, by packaging in larger containers, and by outsourcing packaging to subcontractors.

We have not identified any major risks in the Polymers Business Unit.

At the Kemija Mozirje Business Unit, we manage the risk of production downtime due to equipment failure through expanded preventive maintenance and by maintaining a stock of key spare parts.

5	Products
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In both the titanium dioxide and masterbatch sectors, sales volumes in our traditional markets are changing noticeably due to the deteriorating economic situation in Europe and the influx of low-cost Chinese pigments—and, following the imposition of tariffs, masterbatches as well. As a countermeasure, we are increasing pigment sales to Scandinavian markets, expanding our sales network in the U.S., and exploring opportunities for expansion into the Indian and Brazilian markets. In the masterbatch sector, we are increasing sales in the segment of more demanding applications.

We also carry out cost optimisation.

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

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

The solution of using wastewater from the Celje Municipal Wastewater Treatment Plant (KČN) has proven to be the most suitable and, above all, the most sustainable. This source is quantitatively sufficient in the long term but requires additional treatment. Its use consequently improves both the biological and hydromorphological condition of the watercourse.

Pilot tests of one type of technology at the WWTP site have been completed and serve as the basis for equipment design; we are continuing with pilot testing of alternative technologies. In cooperation with the Municipality of Celje, the process of preparing the Detailed Spatial Plan (OPPN) for the installation of the pipeline is underway. At the same time, we are also preparing the project documentation for the construction of the pipeline.

Through various measures, we have already partially increased the use of internal water recycling and ensured the possibility of short-term emergency water supply, which prevents the need to halt production.

We have ensured a partial emergency water supply, which would prevent production stoppages, by obtaining a water permit and establishing connections to the drinking water supply.

7	Safety
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Heavy rainfall (floods, landslides) or an earthquake pose a risk of negatively impacting the Company's operations due to damage to the dam structures, which could result in a partial breach and a subsequent flood wave.

Regular technical observation and monitoring are conducted at the high embankment dams (Bukovžlak and Za Travnik).

Based on the results of these observations, we implement systematic and long-term maintenance measures to ensure the stability of the dam structures, or, as needed, take measures to address the consequences of adverse weather conditions. One such incident was a landslide triggered by heavy August rainfall in 2023 on the lower western section of the Za Travnik high embankment dam. We are monitoring the landslide through measurements. We carried out emergency remediation work, which will be followed by comprehensive remediation in 2026.

An industrial accident poses a potential risk of negatively impacting the Company's operations. At the end of the year, a railway accident occurred in our area during ore unloading; however, due to proper work organisation, it did not result in a production outage or negative environmental impacts. Repairs to equipment, tracks, and buildings are underway. In the meantime, we are managing the ore storage and preparation process with adapted logistics.

We also ensure safety by assessing impacts on the environment and employees, conducting periodic fire risk assessments, and classifying jobs based on risk assessments.

In the area of limiting environmental impacts, we have systematically implemented European environmental protection standards by applying the principles of the Responsible Care Programme and harmonised our operations with the requirements of the IED and SEVESO Directives.

We conduct internal audits of the adequacy of the implementation of measures required by the SEVESO permit and address any identified deficiencies.

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

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

We enter into written agreements with external contractors and provide them with training. We have appointed a full-time coordinator for occupational safety and health. We have implemented work instructions for performing maintenance tasks with a focus on fire prevention, accident prevention, and improving cleanliness in the work environment.

8	Legislative compliance
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The Company fills the Za Travnik waste disposal facility with waste red gypsum from titanium dioxide production. The existing zoning plan (ZN) and building permit allow for filling up to an elevation of 300 m above sea level, which, according to the latest projections, will be reached in 5–6 years.

Due to new circumstances and findings that have emerged during the filling process, the implementation as originally envisioned in the Za Travnik waste disposal facility filling project is not

feasible in certain areas or could lead to the collapse of the planned structures. Another negative aspect is the planned inadequate drainage, which would lead to the site being partially flooded again by rainwater.

In response to the new circumstances and findings described above, the designer, together with expert support from the Department of Geotechnics at the Faculty of Civil Engineering, University of Ljubljana, prepared a revision of the Za Travnik project. This revision provides for increased quantities of red gypsum and a different form of backfill. The projected volumes have already been included in the environmental permit, and the Ministry of the Environment and Spatial Planning (MOPE) has issued a decision stating that a new environmental impact assessment is not required for the planned change. However, an amendment to the zoning plan and the building permit is required.

We have submitted the initiative for the zoning plan amendment to all three relevant municipalities. A decision to initiate the zoning plan amendment must be adopted by all three municipalities. For now, one of the municipalities is not in favour of this.

According to the provisions of the Šentjur Municipality decree, Cinkarna should have ceased landfilling operations on 27 October 2023. Due to the leaching of white gypsum and significant subsidence—factors not anticipated by the backfilling project—this deadline is not feasible in practice. We have been informing representatives of the Municipality of Šentjur and the Blagovna Local Community about this since 2017, but they have insisted on the need to adhere to the stated date. We obtained a legal opinion regarding the validity of such a decree. It concludes that the decree is inconsistent with applicable legislation; therefore, we submitted a request to the Ministry of Natural Resources and Spatial Planning (MNVP) to review the legality of the Decree on Amendments and Supplements to the ZN Za Travnik Decree. The Ministry of Natural Resources and Spatial Planning partially referred the complaint to the Ministry of the Environment, Energy, and Climate (MOPE) for review; the latter concurred with the legal opinion and called on the Municipality of Šentjur to bring the decree into compliance with applicable legislation within 90 days. Since it failed to do so, the Government initiated a constitutional review procedure at the proposal of MOPE.

With the aim of sustainable development, a circular economy, and extending the available time for disposal, the Company is also developing procedures to reduce the quantities of red gypsum. We are continuing to take steps toward the adoption of a new, appropriate spatial act for gypsum disposal at a second location.

At the Bukovžlak Non-Hazardous Waste Landfill (ONOB) site, waste was also disposed of in the distant past from which rainwater and groundwater leach heavy metals. We do successfully collect some of this leachate and transport it to the Company for treatment, but some of it escapes into the environment. To minimise this impact, the Company is carrying out extensive remediation of this area, for which it has also established an environmental provision. The remediation includes reinforcing the embankment, restoring the drainage system and deep pipeline, constructing channels for backwater drainage, restoring the C1 drainage system beneath the high-fill Bukovžlak embankment, installing a sealing curtain and a low-permeability cover, and constructing a diversion embankment. In 2026, intensive work is underway on the restoration of the C1 drainage system and the construction of a sealing curtain.

In the field of chemicals, a series of requirements for compliance with various laws in countries around the world (REACH, registration of Cu preparations) has been established. Assessments of potential harm and the resulting withdrawal of products from the market (e.g., PFAS) are underway. Requirements regarding the use of plastics—both for food contact and microplastics—are becoming stricter.

This legislation also affects our products. We manage the risk through various approaches. We are carrying out the necessary registration procedures and seeking alternatives for products whose use may be restricted or even banned.

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

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

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

5 DATA ON SHAREHOLDERS AND OWNERSHIP STRUCTURE

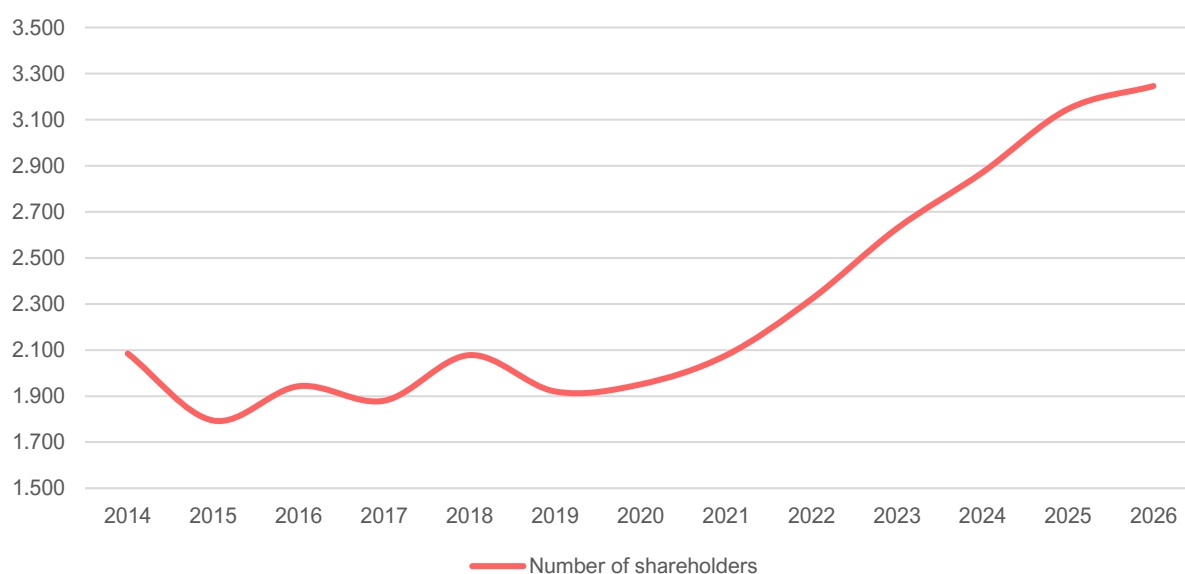
5.1 Ownership structure

The share capital of Cinkarna Celje d.d. amounting to EUR 20,229,769.66 is divided into 8,079,770 ordinary freely transferable bulk shares. At the end of the period, the Company held 299,874 treasury shares (representing 3.7% of the total issued share capital). The number of shareholders at the end of the reporting period was 3,246. The ownership structure at the end of the period is shown in the table below.

Share ownership structure of Cinkarna Celje d.d.

	No. of shares	%
SDH, d.d.	1,974,540	24.44
Modra zavarovalnica, d.d.	1,629,630	20.17
OTP BANKA D.D. - fid.	424,649	5.26
TR5 d.o.o	364,943	4.52
Treasury shares	299,874	3.71
KRITNI SKLAD PRVEGA POKOJNINSKEGA SKLADA	165,117	2.04
RAIFFEISEN BANK AUSTRIA D.D. - FID	157,340	1.95
NLB Skladi - Slovenija mešani	131,680	1.63
Intercapital securites Ltd - fid.	82,884	1.03
Zagrebačka banka d.d. - fid.	69,380	0.86
Privredna banka Zagreb d.d. - fid.	65,985	0.82
Generali Jugovzhodna Evropa	50,000	0.62
Internal shareholders – FO	48,062	0.59
External shareholders – FO	1,989,697	24.63
Other	625,989	7.73

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



5.2 Trading in shares

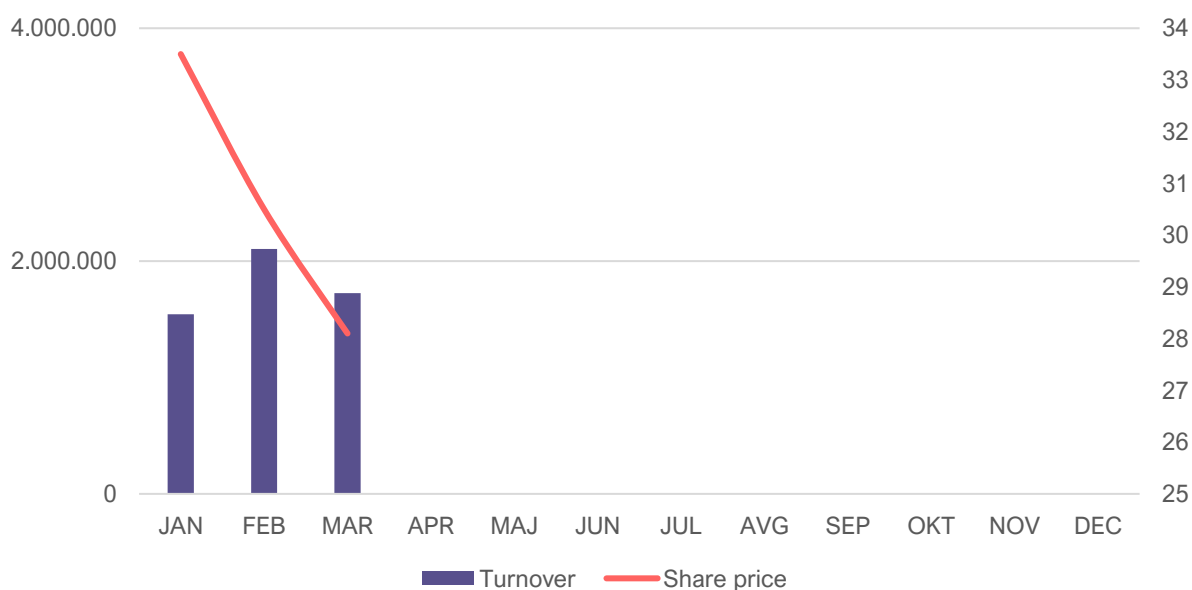
Cinkarna shares with the ticker symbol CICG are traded on the open securities market. The first day of trading was 6 March 1998. The single share price on that day was EUR 33.71. In August 2022, a 1:10 share split was carried out.

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

	Single price		Turnover
	2025	2026	2026
JAN	27.80	33.50	1,544,098
FEB	30.40	30.50	2,104,588
MAR	31.30	28.10	1,724,123
APR	31.60		
MAY	34.80		
JUN	34.50		
JUL	33.00		
AUG	34.60		
SEP	35.10		
OCT	33.80		
NOV	32.50		
DEC	31.50		

The value of the share of Cinkarna Celje d.d., listed on the first listing of the Ljubljana Stock Exchange (under the symbol CICG), fluctuated between EUR 27.0 per share and EUR 34.1 per share in the period under review. From the last trading day of 2025 to the last trading day of the period under review, the share price has decreased by 11%

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



6 FOUNDATIONS OF DEVELOPMENT

6.1 Investments

In the first quarter of 2026, we spent EUR 1.749.446 on investments, the purchase of fixed assets, and replacement equipment, thereby achieving 10.2% of the planned budget. The use of funds is generally not evenly distributed across quarters, as the initial phase primarily involves the preparation of documentation.

Table of investments by individual areas

	Realised Q1 2026 (In €)
Investments	877,006
Fixed assets	286,205
Replacement equipment	586,235
Total	1,749,446

Work is currently underway to replace the third electrostatic filter for flue gas cleaning from the calcination process and to install a filter for liquid sulphur filtration.

Intensive work is underway to install a gel press.

We have obtained a building permit for the 7th centrifuge. We are finalising the detailed design.

We are ordering equipment, clearing space, and obtaining a building permit for the installation of a steam turbine.

An investment in the procurement of battery storage units has been initiated.

Investments from the environmental provision are also underway. In Bukovžlak, construction is underway on a sealing curtain on the northeast side of the Bukovžlak Non-Hazardous Waste Landfill (ONOB) and the C1 drainage system.

In accordance with the plan and current needs, we have also purchased some fixed assets (electric vehicles, a specific surface area measuring device, etc.) and replacement equipment (renovation of equipment parts and catch basins).

Overview of investments by strategic pillar

Pillar	Realised Q1 2026 (In €)
Sustainability and energy transformation	245,531
Quality and expansion of production	655,143
Digitisation	134,166
Other	714,607
Total	1,749,446

6.2 Development activities

We have set our development goals primarily in the areas of titanium dioxide, copper fungicides, masterbatches, and powder coatings, with the aim of developing new products and introducing improvements to existing technological processes and products. These are primarily focused on the following areas:

- development of products from waste streams in titanium dioxide production,
- a new UF titanium dioxide product for use in agriculture,
- improving the quality of pigment-grade titanium dioxide,
- new types of combo and weather-resistant masterbatches,
- powder coatings with a wider curing temperature range,
- higher quality levels of powder coatings,
- elimination of waste in fungicide production,
- reduction of waste or improvement of chemical reaction yields,
- use of alternative raw materials,
- reduction of air emissions.

During the first three months of 2026, work continued on all development projects. We achieved a positive outcome in the form of a product that we are already marketing in the area of combo masterbatches.

6.3 Quality assurance

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

In March, we approved a new Internal Audit Plan and held an initial meeting with the internal auditors. To ensure the credibility of the ISV and strengthen our partners' trust, we will have the system certified by an independent external institution, the Slovenian Institute for Quality and Metrology (SIQ), in 2026 as well. The audit against all four standards will be conducted in June.

Our laboratories are additionally accredited under the SIST EN ISO 17025 standard for wastewater monitoring, which provides significant support for quality assurance and compliance with regulatory requirements. The Slovenian Accreditation Agency conducted an external assessment in March and confirmed compliance with the standard.

We manage risks in the Risk Register, where they are classified according to financially defined categories. The risk management system also covers aspects of impacts and opportunities.

In the Titanium Dioxide and Maintenance business units, we are continuing to implement a business excellence system, thereby strengthening a culture of continuous improvement and long-term competitiveness.

An important element of our approach to improvement is the active involvement of employees. We have established a system for rewarding improvement suggestions, which we also monitor as a key performance indicator. In the first quarter of 2026, we recorded 39 useful suggestions, or 0.05 suggestions per employee.

We regularly monitor production processes using quality and stability indicators and by analysing deviations, which enables us to take timely action and prevent non-conformities.

In the first quarter of this year, we recorded a total of three complaints across all our programmes, involving negligible costs and risks.

We view quality as the responsibility of all employees and the foundation of the Company's long-term competitiveness; therefore, we will continue to improve our processes and strengthen the trust of customers and other stakeholders in the future.

6.4 Environmental management

Our management of environmental impacts in 2026 is based on the requirements of the ESRS standard. In doing so, we focused on important topics that we identified during the implementation of the ESRS standards and linked them to the key priorities of the Company's sustainability strategy. On this basis, we set out implementation targets in the areas of climate, pollution, water resource management, resource use, and the circular economy, which together support comprehensive and responsible management of environmental impacts.

To achieve these targets, we implemented a series of measures in 2026 aimed at fulfilling the commitments of the sustainability strategy.

In 2026, we underwent four environmental inspections. Three inspections were conducted to verify compliance with the requirements of the environmental permit for facilities capable of causing large-scale pollution, specifically due to complaints (odours and watercourse pollution). The inspector reviewed the measures already implemented and assessed the current situation. The decision concluded that measures to prevent odours had been taken and all requirements met within the agreed timeframe. No irregularities were found regarding water pollution. One inspection was conducted by the Financial Administration regarding tax oversight, focusing on environmental fees for the period from 1 January 2024 to 31 December 2024 in connection with the calculation and payment of environmental fees for packaging and packaging waste, electrical and electronic equipment, lubricating oils, and wastewater for the 2024 fiscal year. The inspector did not identify any major deficiencies in the calculation, reporting, and payment of environmental fees.

We recorded three complaints from the public regarding odour, noise, and watercourse pollution. We addressed the complaints as they arose. The inspector also addressed these complaints during two extraordinary inspections. We implemented measures to eliminate the causes—to eliminate the odor and noise; however, the watercourse pollution was not a result of our operations.

In 2025, we carried out all required monitoring activities and submitted all reports by the deadline of 31 March 2026. Based on ongoing reviews of the monitoring results, which do not include final assessments of pollution levels, we assess that these are in compliance with legal requirements. No limit values were exceeded.

An impact on groundwater has been detected at the Bukovžlak non-hazardous waste landfill. A comprehensive remediation is underway to mitigate this impact.

The Ministry of the Environment and Spatial Planning (MOPE) is reviewing our applications for modifications to the sulphuric acid production facility (increase in acid production capacity, increase in the volume of waste cake processing, installation of a steam turbine) and the necessary modifications due to the installation of a turbine in the water treatment plant at Energetika.

In March 2026, we received a decision regarding an amendment to the OVD permit in the area of air emissions.

Due to changes in legislation, it is necessary to supplement the implementation of continuous measurements of emissions from the pre-drying stage in TiO₂ production and to establish telemetric reporting of measured values to ARSO by 5 January 2027. In the meantime, monthly reporting and publication of data on the Company's website are required.

We regularly monitor all changes in environmental legislative requirements, implement them into the Company's operations, and participate in the drafting of new regulations. We collaborate with the Chamber of Commerce and Industry of Slovenia (GZS) and the Association of Chemical Industries of Slovenia (ZKI) in drafting new regulations and harmonising requirements in the fields of the environment and energy

(changes regarding the management of packaging and packaging waste, the Energy Act, the Environmental Protection Act, the preparation of BREF-BAT conclusions, amendments to the Industrial Pollution Directive, sustainability standards, and other measures related to the adoption of requirements—Omnibus).

A Sustainability Team is in place to meet requirements in the area of sustainable corporate management and the preparation of a sustainability report in accordance with ESRS standards. The Annual Report of Cinkarna Celje d.d. was prepared, including a Sustainability Statement for 2025. An external audit was conducted, which provided limited assurance with recommendations of low significance.

We have fulfilled all obligations for the re-certification of the POR certificate, which was awarded in January 2026.

6.5 Safety and health

In the first quarter of 2026, we recorded three minor workplace accidents. The common cause of all accidents was slipping and falling. Based on our analysis, we implemented corrective measures; specifically, we added warning signs on staircases regarding the mandatory use of handrails and conducted a "Minute for Safety" activity focusing on safe walking and hazard recognition.

During the period in question, we received 35 reports of potential hazards, of which we have already resolved 5. The reports were primarily related to the condition of work equipment and the organisation of the working environment.

We recorded eight extraordinary events. Analyses show that their causes were predominantly related to malfunctions in work equipment. In all cases, we immediately implemented appropriate measures to stabilise processes and minimise environmental impacts.

In the area of fire safety, we carried out the planned routine activities. In the first quarter, the fire brigade conducted eight training sessions on understanding work instructions and familiarisation with the facilities. In addition, we held a meeting with shift supervisors to improve operational coordination and risk management.

A total of 86 preventive medical examinations were performed between January and March 2026.

In the area of health promotion, we carried out several activities:

- we conducted regular monthly measurements of body fat, blood glucose, and body composition,
- we raised awareness about healthy lifestyles through our newsletter and screen savers,
- we held three workshops on the following topics: Basics of Healthy Nutrition; Self-Sufficiency – Pantry: Tips from Our Grandmothers; Preparing Areas for Self-Sufficiency and Learning About Vegetables and Herbs for Self-Sufficiency,

- we provided vaccinations against tick-borne meningoencephalitis,
- and we conducted preventive examinations of the skin and moles.

We conduct regular inspections and tests of our equipment and promptly address any identified deficiencies.

7 FINANCIAL STATEMENTS

7.1 Income statement

Income statement for the period 1 January to 31 March

	JAN-MAR 2026	JAN-MAR 2025
Revenue from contracts with buyers	50,384,606	58,213,334
- Revenue from contracts with domestic customers	3,251,125	4,115,435
- Revenue from contracts with foreign customers	47,133,481	54,097,898
Changes in the value of stocks of goods and work in progress	291,049	-2,245,383
Capitalised own products and services	594,768	731,367
Cost of goods and materials sold	48,009	164,756
Cost of materials	29,312,919	30,418,667
Cost of services	4,701,407	4,650,375
Labour costs	10,036,524	9,410,943
a) Wages and salaries	6,333,372	6,334,048
b) Social security costs	536,062	461,331
c) Pension insurance costs	689,838	666,387
č) Other labour costs	2,477,253	1,949,177
Amortisation	3,661,121	3,631,364
Other operating income	742,648	196,754
Other operating expenses	535,666	561,238
Impairment and write-offs of trade receivables	291	162
Operating result	3,717,134	8,058,567
Financial income	188,159	175,014
Financial expenses	194	105,237
Financial result	187,965	69,777
Operating result before tax	3,905,099	8,128,344
Accrued tax	859,122	1,788,236
Deferred tax	0	0
Income tax	859,122	1,788,236
Net operating result for the period	3,045,977	6,340,108
Basic and diluted earnings per share	0.38	0.78

7.2 Statement of financial position of the Company

Statement of financial position of the Company

	31 Mar 2026	31 Dec 2025
ASSETS		
Non-current (long-term) assets		
Intangible assets	2,109,392	2,142,639
Tangible fixed assets	114,521,155	116,232,009
Land	9,461,034	9,479,292
Buildings	37,673,899	38,469,429
Manufacturing plants and machinery	54,053,278	56,578,505
Other machinery and equipment	40,431	40,769
Tangible fixed assets in construction and elaboration	11,839,640	10,378,714
Advances for the acquisition of tangible fixed assets	1,452,874	1,285,300
Financial assets at fair value through other comprehensive income	1,709,631	1,709,631
Financial receivables	0	0
Trade receivables	0	0
Other non-current assets	83,112	115,376
Deferred tax assets	1,192,860	1,192,860
Total non-current (long-term assets)	119,616,151	121,392,516
Current assets		
Assets held for sale	0	0
Inventories	50,270,890	54,460,671
Material	26,111,337	30,520,042
Work in progress	4,333,669	3,273,409
Products and merchandise	19,784,593	20,540,256
Advances for inventories	41,291	126,963
Assets under contracts with customers	0	0
Financial receivables	45,380,740	38,456,959
Trade receivables	35,859,074	26,096,057
Receivables from customers	33,397,080	22,966,858
Other receivables	2,461,994	3,129,199
Income tax receivable	1,774,934	1,283,140
Cash and cash equivalents	13,457,060	19,122,785
Other current assets	372,094	424,474
Total current assets	147,114,791	139,844,086
Total assets	266,730,942	261,236,601

Statement of financial position of the Company (cont.)

	31 Mar 2026	31 Dec 2025
CAPITAL AND LIABILITIES		
Owners' capital		
Called-up capital	20,229,770	20,229,770
Capital reserves	44,284,976	44,284,976
Profit reserves	125,036,192	125,036,192
Statutory reserves	16,931,435	16,931,435
Reserves for own shares	5,688,771	5,688,771
Own shares	-5,688,771	-5,688,771
Other profit reserves	108,104,757	108,104,757
Fair value reserve	-1,354,842	-1,354,842
Retained earnings	31,604,967	28,558,990
Total capital	219,801,063	216,755,086
Non-current liabilities		
Provisions for employee benefits	3,640,233	3,819,086
Other provisions	11,908,756	12,746,394
Non-current deferred income	860,491	861,858
Financial payables	0	0
Trade payables	0	0
Obligations under contracts with customers	0	0
Deferred tax liabilities	0	0
Total non-current liabilities	16,409,480	17,427,338
Current liabilities		
Liabilities included in disposal groups	0	0
Financial payables	111,730	60,832
Trade payables	25,596,484	24,885,606
Payables to suppliers	22,575,686	21,206,587
Other liabilities	3,020,798	3,679,019
Income tax liabilities	0	0
Liabilities under contracts with customers	184,652	0
Other current liabilities	4,627,533	2,107,739
Total current liabilities	30,520,399	27,054,177
Total liabilities	46,929,879	44,481,515
Total capital and liabilities	266,730,942	261,236,601

7.3 Statement of changes in equity

Statement of changes in equity for the first quarter of 2026

CINKARNA Cinkarna - kemična industrija Celje, d. d.	Called-up capital	Capital reserve	Profit reserves				Fair value reserve	Retained earnings		Total capital
			Statutory reserve	Reserves for own shares	Own shares	Other profit reserve		Profit or loss carried forward	Net profit for the period	
Opening balance of the period	20,229,770	44,284,976	16,931,435	5,688,771	-5,688,771	108,104,757	-1,354,842	9,089,444	19,469,546	216,755,086
Changes in equity – transactions with owners										0
Purchase of own shares										
Withdrawal of own shares										
Payment of dividends										
Total comprehensive income for the period									3,045,977	3,045,977
Entry of net profit or loss for the period									3,045,977	3,045,977
Other components of comprehensive income for the period										
B3. Changes in equity								19,469,546	-19,469,546	0
Allocation of the residual part of net profit of reporting period to other components of equity										0
Allocation of part of reported net income to other components of capital as decided by management and supervisory bodies								19,469,546	-19,469,546	0
Creation of reserves for own shares										0
Release of reserves for own shares										0
Closing balance of the period	20,229,770	44,284,976	16,931,435	5,688,771	-5,688,771	108,104,757	-1,354,842	28,558,990	3,045,977	219,801,063
DISTRIBUTABLE PROFIT								28,558,990	3,045,977	31,604,967

Statement of changes for equity in the first quarter of 2025

CINKARNA Cinkarna - kemična industrija Celje, d. d.	Called-up capital	Capital reserve	Profit reserves				Fair value reserve	Retained earnings		Total capital
			Statutory reserve	Reserves for own shares	Own shares	Other profit reserve		Profit or loss carried forward	Net profit for the period	
Opening balance of the period	20,229,770	44,284,976	16,931,435	5,646,149	-5,646,149	108,147,379	-1,650,342	6,007	23,087,251	211,036,476
Changes in equity – transactions with owners										-578
Purchase of own shares										-578
Withdrawal of own shares										
Payment of dividends										
Total comprehensive income for the period									6,340,108	6,340,108
Entry of net profit or loss for the period									6,340,108	6,340,108
Other components of comprehensive income for the period										0
B3. Changes in equity				578				23,087,251	-23,087,251	0
Allocation of the residual part of net profit of reporting period to other components of equity										0
Allocation of part of reported net income to other components of capital as decided by management and supervisory bodies								23,087,251	-23,087,251	0
Creation of reserves for own shares										0
Release of reserves for own shares				578						0
Closing balance of the period	20,229,770	44,284,976	16,931,435	5,646,149	-5,646,727	108,146,801	-1,650,342	23,093,258	6,340,108	217,375,428
DISTRIBUTABLE PROFIT								23,093,258	6,340,108	29,433,366

7.4 Cash flow statement for the period

Cash flow statement for the period from 1 January to 31 March

	JAN-MAR 2026	JAN-MAR 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net operating result before tax	3,905,099	8,128,344
Adjustments for:	3,857,936	3,788,686
Depreciation +	3,661,121	3,631,364
Profit/loss on sale of fixed assets	8,558	422
Impairment/write-down (reversal of impairment) of assets	0	100,812
Net increase/decrease in the valuation allowance for receivables	291	162
Net financial income/expenses	187,965	69,777
Cash flow from operating activities before change in net current assets (working capital)	-4,868,330	-12,223,421
Change in trade receivables	-9,763,017	-10,656,353
Change in other non-current and current assets	52,381	-34,715
Change in stocks	4,189,781	10,523,902
Change in trade payables	710,878	-13,984,227
Change in provisions	-127,376	-39,670
Change in deferred income	-1,367	29,813
Change in other current liabilities	2,519,793	2,141,021
Change in liabilities under contracts with buyers	184,652	174,315
Income tax paid	-2,634,055	-377,507
Net cash flow from operating activities	2,894,705	-306,391
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	62,093	175,436
Income from interest earned	53,536	175,014
Income from disposal of tangible fixed assets	8,558	422
Expenditure on investments	-8,673,227	-4,237,459
Expenditure on the acquisition of intangible assets	-86,207	-32,968
Expenditure on the acquisition of tangible fixed assets	-1,663,239	-4,204,491
Expenditure on the acquisition of financial investments	-6,923,781	0
Net cash flow from investing activities	-8,611,134	-4,062,023
Cash flows from financing activities		
Income from financing activities	50,899	5,825,994
Income from an increase in financial liabilities	50,899	0
Income from a decrease in financial assets	0	5,825,994
Financing expenses	-194	-12,211
Expenditure on repayment of financial liabilities	0	-11,617
Expenditure on interest paid	-194	-15
Expenditure on the purchase of own shares	0	-578
Net cash flow from financing activities	50,705	5,813,783
Closing balance of cash and cash equivalents	13,457,060	19,176,777
Net increase/decrease in cash and cash equivalents	-5,665,726	1,445,370
Opening balance of cash and cash equivalents (01/01)	19,122,785	15,687,805

7.5 Statement of other comprehensive income

Statement of other comprehensive income for the period from 1 January to 31 March

	JAN-MAR 2026	JAN-MAR 2025
Net profit	3,045,977	6,340,108
Other comprehensive income for the year		
Net other comprehensive income for the year that will not be recognised in the income statement in the future (after tax)	0	0
Other comprehensive income for the year that will be recognised in the income statement in the future		
Net other comprehensive income for the year that will be recognised in the income statement in the future	0	0
Total other comprehensive income for the year (after tax)	0	0
Total comprehensive income for the year (after tax)	3,045,977	6,340,108

8 NOTES TO FINANCIAL STATEMENTS

1 Reporting by segment

Sales by business segment

	In €	
	JAN-MAR 2026	JAN-MAR 2025
Titanium dioxide	42,005,066	47,931,987
- of which TiO ₂ pigment	41,069,751	46,862,134
Varnishes, masters	4,279,229	4,321,034
Agro programme	3,322,475	4,804,439
Polymers	598,315	1,045,395
Other	179,521	110,478
TOTAL	50,384,606	58,213,334

Sales by regional segment

	In €	
	JAN-MAR 2026	JAN-MAR 2025
Slovenia	3,251,125	4,115,435
European Union	42,763,633	47,822,445
Third countries	3,394,430	4,320,693
Third countries – dollar market	975,418	1,954,760
TOTAL	50,384,606	58,213,334

Operating result by business segment

	In €											
	Titanium dioxide		Varnishes, masters		Agro programme		Polymers		Other		Total	
	31/3/2025	31/3/2026	31/3/2025	31/3/2026	31/3/2025	31/3/2026	31/3/2025	31/3/2026	31/3/2025	31/3/2026	31/3/2025	31/3/2026
Rev. from contr. with customers	47,931,987	42,005,066	4,321,034	4,279,229	4,804,439	3,322,475	1,045,395	598,315	110,479	179,521	58,213,334	50,384,606
Adjustments	0	0	0	0	0	0	0	0	0	0	0	0
Other operating income	73,808	680,908	7,217	7,459	8,500	1,732	118,852	95,447	719,744	551,870	928,121	1,337,416
Change in value of inventories	-970,824	-20,056	-270,051	-45,880	-1,004,508	356,985	0	0	0	0	-2,245,383	291,049
Operating costs	-40,152,563	-39,672,925	-3,822,304	-4,018,923	-3,120,833	-3,369,941	-865,585	-431,928	-876,220	-802,220	-48,837,504	48,295,936
Operating result	6,882,408	2,992,993	235,896	221,885	687,598	311,251	298,662	261,834	-45,997	-70,829	8,058,567	3,717,134
Interest income											175,014	53,536
Other financial income											0	134,622
Interest expense											709	194
Other financial expenses											104,527	0
Financial result	0	0	0	0	0	0	0	0	0	0	69,778	187,965
Deferred taxes											0	0
Income tax											1,788,236	859,122
Net profit	0	0	0	0	0	0	0	0	0	0	6,340,108	3,045,977

2 Revenue from contracts with customers

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

	In €	
	JAN-MAR 2026	JAN-MAR 2025
Net revenues from contracts with customers of products and services	50,202,163	57,879,967
Net revenues from contracts with customers of merchandise and materials	182,443	333,367
TOTAL	50,384,606	58,213,334

3 Other operating income

	In €	
Income	JAN-MAR 2026	JAN-MAR 2025
Sale of emission allowances	656,367	0
Profit on sales and write-offs of assets	0	6,750
Revenue from refund claims	83,284	159,236
Compensation received	0	25,765
Income from previous years	0	4,995
Other income	2,997	7
TOTAL	742,648	196,754

4 Costs by natural type

	In €	
	JAN-MAR 2026	JAN-MAR 2025
Purchase value of materials and goods sold	48,009	164,756
Cost of materials	29,312,919	30,418,667
Cost of services	4,701,407	4,650,375
Labour costs	10,036,524	9,410,943
Depreciation	3,661,121	3,631,364
Other operating costs	535,666	561,238
Impairment and write-offs of trade receivables	291	162
TOTAL	48,295,937	48,837,504

5 Labour costs

	In €	
Labour costs	JAN-MAR 2026	JAN-MAR 2025
Salaries and allowances	6,333,372	6,334,048
Social security contributions	1,097,676	1,007,423
Expenses reimbursements and other staff compensation	2,477,253	1,949,177
Supplementary pension insurance	128,224	120,295
TOTAL	10,036,524	9,410,943

As of 31 March 2026, the Company employed 706 people. The average number of employees was 712.

6 Depreciation and amortisation

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

	In €	
Description	JAN-MAR 2026	JAN-MAR 2025
Depreciation and amortisation		
- intangible assets	119,626	96,114
- easements	18,086	18,086
- buildings	799,815	814,677
- production equipment	2,723,256	2,702,225
- other equipment	338	262
TOTAL	3,661,121	3,631,364

7 Operating expenses

Operating expenses

	In €	
Expenses	JAN-MAR 2026	JAN-MAR 2025
Cost of materials	29,312,919	30,418,667
Cost of services	4,701,407	4,650,375
Purchase value of materials and goods sold	48,009	164,756
Other operating expenses	535,666	561,238
TOTAL	34,598,001	35,795,036

Other operating expenses

	In €	
Other operating expenses	JAN-MAR 2026	JAN-MAR 2025
Environmental fees and refunds	150,028	97,528
Awards to students and trainees	35,193	27,087
Building land use allowance	287,289	250,375
Revaluation of stocks of materials and goods	0	100,812
Loss on sale (disposal) of fixed assets	8,558	7,172
Other costs and expenses	54,598	78,264
TOTAL	535,666	561,238

8 Financial income and expenses

	In €	
Income	JAN-MAR 2026	JAN-MAR 2025
Net exchange differences	134,622	0
Interest and investment income	53,536	175,014
Total financial income	188,159	175,014
Net exchange differences	0	-104,527
Interest expense	-194	-709
Total financial expenses	-194	-105,237
Net financial result	187,965	69,777

9 Income tax

The calculated income tax at the effective tax rate of 22% amounts to EUR 0.9 million.

10 Intangible assets

	In €					
Intangible asset group for 2026	Acquisition value		Value adjustment		Undepreciated value	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025	31/3/2026	31/12/2025
Property rights	6,385,442	6,385,442	5,215,864	5,096,410	1,169,578	1,289,031
Assets under acquisition	939,814	853,607	0	0	939,814	853,607
TOTAL	7,325,256	7,239,049	5,215,864	5,096,410	2,109,392	2,142,639

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

11 Tangible fixed assets

	In €					
Tangible fixed assets group for 2026	Acquisition value		Value adjustment		Undepreciated value	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025	31/3/2026	31/12/2025
Land	10,895,071	10,895,071	1,434,037	1,415,779	9,461,034	9,479,292
Buildings	134,408,430	134,404,145	96,734,531	95,934,717	37,673,899	38,469,429
Equipment	257,855,433	257,738,049	203,761,724	201,118,775	54,093,709	56,619,274
Assets under acquisition	11,839,640	10,378,714	0	0	11,839,640	10,378,714
Advances	1,452,874	1,285,300	0	0	1,452,874	1,285,300
TOTAL	416,451,448	414,701,280	301,930,293	298,469,271	114,521,155	116,232,009

The Company verified their values and determined that their current value does not exceed their recoverable amounts. The Company has no assets under finance leases, nor does it have any assets pledged as collateral for any guarantees as at 31 March 2026.

12 Financial assets

	In €					
Non-current financial investments group for 2026	Acquisition value		Value adjustment		Fair value	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025	31/3/2026	31/12/2025
Other investments	2,077,692	2,077,692	368,061	368,061	1,709,631	1,709,631
TOTAL	2,077,692	2,077,692	368,061	368,061	1,709,631	1,709,631

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

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

13 Other non-current assets

Other non-current assets group for 2026	Acquisition value		Value adjustment		Undepreciated value	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025	31/3/2026	31/12/2025
	Emission allowances	83,112	115,376	0	0	83,112
TOTAL	83,112	115,376	0	0	83,112	115,376

In €

In 2026, the Company submitted 24,764 emission allowances to ARSO for CO₂ emissions in the 2025 financial year and sold 7,500 allowances. As of 2026, the Company has not yet received the allowances for the 2026 financial year.

14 Deferred tax assets and liabilities

Description	31/3/2026		31/12/2025		Liabilities 2026		Liabilities 2025	
	Opening balance	1,192,860	1,536,620	74,132	133,797			
Increase during the year	29,025	29,025	92,908	0				
Decrease during the year	205,745	205,745	0	59,665				
Closing balance	1,359,900	1,359,900	167,040	74,132				
Offsetting	-167,040	-167,040	-167,040	-74,132				
Closing balance	1,192,860	1,192,860	0	0				

In €

15 Current financial receivables

Current financial receivables group for 2026	Value of investments		Adjustment of investments		Net investments	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025	31/3/2026	31/12/2025
Current financial receivables – treasury bills	45,341,245	38,444,342	0	0	45,341,245	38,444,342
Fair value of derivative financial instruments	39,496	12,617	0	0	39,496	12,617
TOTAL	45,380,740	38,456,959	0	0	45,380,740	38,456,959

In €

16 Inventories

Inventories group	31/3/2026		31/12/2025		Recoverable amount	
	Material	26,111,337	30,520,042	26,111,337		
Work in progress	4,333,669	3,273,409	4,333,669			
Products	19,732,195	20,501,406	19,732,195			
Merchandise	52,397	38,850	52,397			
Advances made	41,291	126,963	41,291			
TOTAL	50,270,890	54,460,671	50,270,890	54,460,671	50,270,890	57,950,078

In €

Inventories are not pledged as collateral. Advances paid represent funds provided for the purchase of raw materials and supplies. The net realisable value of inventories as at 31 March 2026 exceeds their carrying amount.

17 Trade receivablesCurrent trade receivables

In €

Receivables group for 2026	Value of receivables		Value adjustment		Net receivables	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025	31/3/2026	31/12/2025
Buyers in the country	3,262,995	2,265,057	273,321	273,321	2,989,674	1,991,737
Buyers abroad	30,836,098	21,350,041	429,247	429,247	30,406,851	20,920,794
Indirect exporters	0	54,327	0	0	0	54,327
Receivables on behalf of third parties	554	0	0	0	554	0
TOTAL	34,099,647	23,669,425	702,568	702,568	33,397,080	22,966,858

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

Movement in valuation allowances on current trade receivables

In €

2026	As at 31/12/2025	Adjustment 2026	Value adjustment formed 2026	Write-downs of valuation allowances of prior years	Paid written-off receivables	As at 31/3/2026
Buyers in the country	273,320	0	0	0	0	273,320
Buyers abroad	429,247	0	0	0	0	429,247
TOTAL	702,568	0	0	0	0	702,568

Trade receivables by maturity

In €

Trade receivables by maturity	Gross value 31/3/2026	Adjustment 31/3/2026	Gross value 31/12/2025	Adjustment 31/12/2025
Not past due	31,251,892	1,900	19,027,876	1,900
Past due up to 15 days	1,932,098	323	3,232,088	323
Past due from 16 to 60 days	220,389	5,077	440,092	5,077
Past due from 61 to 180 days	96,071	96,071	202,322	96,071
Past due more than 180 days	599,199	599,199	767,049	599,199
TOTAL	34,099,649	702,568	23,669,426	702,568

Other current receivables

In €

Other receivables group	31/3/2026	31/12/2025
Receivables for VAT	2,297,741	2,750,530
Receivables from government institutions	2,235	113,280
Receivables from employees	4,821	5,215
Other receivables	157,197	260,174
TOTAL	2,461,994	3,129,199

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

18 Cash and cash equivalents

In €

Assets group	31/3/2026	31/12/2025
Cash on hand	30	30
Cash in transit	300,000	0
Cash in accounts	3,858,247	11,785,855
Short-term deposits at call	7,000,000	7,000,000
Foreign currency balances on accounts	2,298,783	336,900
TOTAL	13,457,060	19,122,785

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

19 Other current assets

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

Description	In €	
	31/3/2026	31/12/2025
Prepaid expenses	354,544	220,527
VAT on advances received	17,550	2,200
Other	0	201,747
TOTAL	372,094	424,474

20 Owners' capital

Capital items	In €	
	31/3/2026	31/12/2025
Called-up capital	20,229,770	20,229,770
Capital reserves	44,284,976	44,284,976
Statutory reserves	16,931,435	16,931,435
Reserves for own shares	5,688,771	5,688,771
Own shares	-5,688,771	-5,688,771
Other profit reserves	108,104,757	108,104,757
Fair value reserve	-1,354,842	-1,354,842
Retained earnings	31,604,967	28,558,990
TOTAL CAPITAL	219,801,063	216,755,086

The Company's share capital consists of 8,079,770 freely transferable bulk shares of the same class. All shares have the same nominal value and are fully paid up. As at the balance sheet date of 31 March 2026, the share capital amounts to EUR 20,229,770.

As of 31 March 2026, the Company held 299,874 treasury shares (3.7% of all shares). The Company did not acquire any treasury shares in 2026, as shown in the table below.

	Number of treasury shares	Average market price per share (in EUR)	Value of treasury shares (in EUR)
Balance as at 31 December 2025	299,874		5,688,771
Purchases in 2025	0	0,00	0
Balance as at 31 March 2026	299,874		5,688,771

21 Non-current liabilities

Provisions and non-current accruals	In €	
	31/3/2026	31/12/2025
Provisions for employee benefits	3,640,233	3,819,086
Provisions for the environment	11,908,756	12,746,394
Government grants received - emission allowances	83,112	91,066
Deferred income	777,379	770,791
TOTAL	16,409,480	17,427,338

Post-employment benefits of employees

Post-employment benefits of employees	In €	
	31/3/2026	31/12/2025
Provisions for severance payments	2,841,018	2,990,259
Provisions for jubilee awards	799,215	828,827
TOTAL	3,640,233	3,819,086

Post-employment benefits of employees for 2026	In €		
	31/12/2025	Designated use	31/3/2026
Provisions for severance payments	2,990,259	149,241	2,841,018
Provisions for jubilee awards	828,827	29,612	799,215
TOTAL	3,819,086	178,853	3,640,233

Provisions

In €

Provisions for the environment for 2026	As at 31/12/2025	Annual plan for designated use 2026	Designated use 2026	As at 31/3/2026
Provisions for the Za Travnik landfill site	1,874,917	728,900	0	1,874,916
Provisions for the Bukovžlak landfill site (ONOB)	7,403,014	1,793,500	837,638	6,565,377
Provisions for the Bukovžlak high embankment barrier	1,797,796	143,000	0	1,797,796
Environmental provisions - Environmental investment in TiO ₂ production	1,670,667	0	0	1,670,667
TOTAL	12,746,394	2,665,400	837,638	11,908,756

The use of environmental provision in the first quarter of 2026 consists mainly of contractors' costs for work performed, amounting to EUR 0.8 million.

Deferred income

In €

Deferred income	31/3/2026	31/12/2025
Funds received from the EU Fund	7,505	7,505
Emission allowances	83,112	91,066
Subsidies for photovoltaics and electric vehicles	770,324	763,287
TOTAL	860,941	861,858

22 Current financial liabilities

In €

Liabilities group	31/3/2026	31/12/2025
Current financial liabilities – assignments, cessions	111,730	60,832
TOTAL	111,730	60,832

23 Current trade payables

In €

Liabilities group	31/3/2026	31/12/2025
Current payables to in-country suppliers	13,655,899	11,920,515
Current payables to suppliers abroad	8,290,145	9,284,127
Current payables for unbilled goods and services	629,641	1,945
Current payables against advances	354,820	769,091
Current payables to employees	1,499,874	1,601,972
Current payables for payer's contributions	874,407	915,457
Current payables to government and other institutions	282,645	354,684
Other current liabilities	9,052	37,816
TOTAL	25,596,484	24,885,604

24 Liabilities under contracts with customers

In €

Liabilities under contracts with customers	31/3/2026	31/12/2025
Liabilities under contracts with customers	184,652	0
TOTAL	184,652	0

As at the balance sheet date of 31 March 2026, the Company has EUR 185,000 in liabilities under contracts with customers, which will arise from contractual obligations to customers regarding agreed compensation for increased placements.

25 Other current liabilities

Other current liabilities comprise accrued costs or expenses.

In €

Description	31/3/2026	31/12/2025
Calculated unused entitlement to annual leave	955,639	955,639
Accrued costs	3,645,496	1,137,842
VAT on advances made	18,198	2,200
European funds received	8,199	8,199
Other	0	3,859
TOTAL	4,627,533	2,107,739

26 Contingent assets and liabilities

In €

Description	31/3/2026	31/12/2025
Guarantees given	2,063,515	2,063,515
Futures	2,480,228	7,328,408
VISA and Mastercard payment cards	60,000	60,000
Material in finishing and processing	59,726	59,726
TOTAL	4,663,468	9,511,649

27 Fair value

In €

	31/3/2026		31/12/2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through other comprehensive income	1,709,631	1,709,631	1,709,631	1,709,631
Current financial receivables	45,380,740	45,380,740	38,456,959	38,456,959
Trade receivables	33,397,080	33,397,080	22,966,858	22,966,858
Cash and cash equivalents	13,457,060	13,457,060	19,122,785	19,122,785
Financial liabilities	-111,730	-111,730	-60,832	-60,832
Payables to suppliers	-22,575,686	-22,575,686	-21,206,587	-21,206,587
Liabilities under contracts with customers	-184,652	-184,652	0	0
TOTAL	71,072,443	71,072,443	60,988,814	60,988,814

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

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

In €

Fair value of assets	31/3/2026				31/12/2025			
	Group 1	Group 2	Group 3	Total	Group 1	Group 2	Group 3	Total
Financial assets at fair value through other comprehensive income	0	1,709,631	0	1,709,631	0	1,709,631	0	1,709,631
Total assets measured at fair value	0	1,709,631	0	1,709,631	0	1,709,631	0	1,709,631
Assets for which fair value is disclosed								
Current financial receivables	45,380,740	0	0	45,380,740	38,456,959	0	0	38,456,959
Trade receivables	0	0	33,397,080	33,397,080	0	0	22,966,858	22,966,858
Cash and cash equivalents		0	13,457,060	13,457,060	0	0	19,122,785	19,122,785
Total assets for which fair value is disclosed	45,380,740	0	46,854,140	92,234,880	38,456,959	0	42,089,643	80,546,602
Total	45,380,740	1,709,631	46,854,140	93,944,512	38,456,959	1,709,631	42,089,643	82,256,233

In €

Fair value of liabilities	31/3/2026				31/12/2025			
	Group 1	Group 2	Group 3	Total	Group 1	Group 2	Group 3	Total
Financial liabilities	0	0	111,730	111,730	0	0	60,832	60,832
Payables to suppliers	0	0	22,575,686	22,575,686	0	0	21,206,587	21,206,587
Liabilities under contracts with customers	0	0	184,652	184,652	0	0	0	0
Total liabilities for which fair value is disclosed	0	0	22,872,068	22,872,068	0	0	21,267,419	21,267,419

III CASH FLOW STATEMENT

The cash flow statement shows changes in cash and cash equivalents for the financial year as the difference between the balances as at 31 March 2026 and 31 December 2025. It is prepared using the indirect method based on the statement of financial position as at 31 December of the reporting year and the statement of financial position as at 31 December 2025, as well as additional data necessary to adjust revenues and expenses and to appropriately break down significant items. Theoretically possible items are not shown, and values are reported for the current and prior periods.

IV STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity takes the form of a consolidated table showing changes in all components of equity. Theoretically possible items are not shown. Changes in equity relate to the general meeting's resolution on the allocation of the prior year's retained earnings for the payment of dividends to shareholders that have been or will be paid, and to the purchase of treasury shares. Pursuant to Article 64(14) of the Companies Act (ZGD-1), the determination of retained earnings is appended to the statement of changes in equity.

V FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

Financial risks (liquidity and interest rate)

Liquidity risk

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

Interest rate risk

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

Due to its favorable financial position, the Company enters into short-term deposit agreements with banks at positive interest rates in order to increase its financial income. As at the balance sheet date of 31 March 2026, deposits amount to EUR 7 million. Furthermore, to ensure the efficient use of excess cash, the Company invests these funds in short-term treasury bills, which amount to EUR 45.3 million as at 31 March 2026.

Credit risk

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

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

Besides the regular monitoring of the credit limit for each customer, the payment discipline of the customer and the announcements of proceedings on AJPES under the Act on Financial Management, Insolvency and Compulsory Winding-up Proceedings (ZFPPIPP) are monitored on a daily basis. The customer is also reminded of the due date of a receivable by a reminder, first by telephone and then by letter, and interest is charged from the due date until

the date of repayment. The process of regular monitoring and control of the portfolio of trade receivables is a permanent feature of the company, resulting in a small proportion of write-offs or impairments of receivables in relation to the proportion of sales.

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

	Note	31/3/2026	31/12/2025
Financial assets at fair value through other comprehensive income	3	1,709,631	1,709,631
Financial receivables	7	45,380,740	38,456,959
Trade receivables	8	33,397,080	22,966,858
Cash and cash equivalents	9	13,457,060	19,122,785
TOTAL		93,944,512	82,256,233

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

Currency risk

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

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

Exposure to foreign exchange rate risk

	31/3/2026		31/12/2025	
	EUR*	USD	EUR*	USD
Financial assets at fair value through other comprehensive income	1,709,631	0	1,709,631	0
Current financial receivables	45,380,740	0	38,456,959	0
Trade receivables	32,678,834	939,737	22,627,209	399,087
Cash and cash equivalents	13,457,060	0	19,122,785	0
Current financial liabilities	-111,730	0	-60,832	0
Current trade payables	-20,914,082	-5,386,411	-15,811,309	-6,337,657
Exposure in the statement of financial position (net)	72,200,453	-4,446,674	66,044,445	-5,938,571

*EUR is the functional currency and does not represent exposure to foreign exchange risk. In addition to the functional currency (EUR), the Company also uses USD (U.S. dollar), which was used to translate balance sheet items as at 31 December and 31 March and is equal to the European Central Bank's reference rate; specifically, the exchange rate of one national currency per 1 EUR as at 31 March 2026 is 1.1498 and as at 31 December 2025 is 1.1750.

Sensitivity analysis

A 1% change in the value of the USD against the EUR on 31 March 2026 or 31 December 2025 would change the profit before tax by the amounts shown in the table below. The analysis, which is performed in the same manner for both years, assumes that all variables, particularly interest rates, remain unchanged. The calculation of the impact of changes in the US dollar exchange rate takes into account the balance of receivables and liabilities denominated in dollars.

	31/3/2026		31/12/2025	
USD currency change	1%	-1%	1%	-1%
Impact on operating result before tax	-38,291	38,291	-50,041	50,041

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

Capital management

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

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

	In €	
	31/3/2026	31/12/2025
Financial liabilities	111,730	60,832
Trade and other current liabilities	30,408,669	26,993,345
Cash and cash equivalents	-58,837,800	-57,579,744
Net indebtedness	-28,317,401	-30,525,567
Capital	219,801,063	216,755,086
Financial leverage ratio	-15%	-16%

9 SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

After the balance sheet date, no significant events were recorded that would have an impact on the financial statements presented as at 31 March 2026.