

Income Statement

In EUR

	Position	Previous Period	Curent Period	Indexes
		01/01-30/06/24	01/01-30/06/25	curent year / previous year
1	Sales revenues	15.095.471	12.934.940	86
1a	Revenues from domestic market	99.394	242.347	244
1b	Revenues from foreign markets	14.996.077	12.692.593	85
2	Cost of goods sold	4.576.373	6.012.559	131
3	Gross Profit	10.519.098	6.922.381	66
4	Administrative Costs	586.346	590.070	101
5	Sales and Marketing Cost	1.188.361	799.841	67
6	Provisions	0	0	0
7	Other operating revenues	19.706	110.061	559
8	Impairment and Other operating Costs	15.328	18.715	122
9	Operating profit	8.748.769	5.623.816	64
10	Total Financial Revenue	82.325	178.478	217
10a	Financial revenues from investment, loans granted and interest and exchange rate gains	82.288	177.908	216
10b	Other Financial Revenue	37	570	1.541
10c	Income From Associated Companies	0	0	0
11	Total Financial Expenses	94.016	165.500	176
11a	Financial expenses from interests and exchange rate losses	93.840	164.759	176
11b	Other financial expenses	176	741	421
11c	Losses from Associates	0	0	0
12	Profit from ordinary activities	8.737.078	5.636.794	65
13	Net Profit from Discountinued activities	0	0	0
14	Profit from ordinary activities before taxation	8.737.078	5.636.794	65
15	Corporate tax	-899.722	-593.102	0
16	Net profit	7.837.356	5.043.692	64
17	Net profit minority shareholders	0	0	0
18	Net profit Majority shareholders	7.837.356	5.043.692	64
19	Total other comprehensive income	0	0	0
20	TOTAL COMPREHENSIVE INCOME	7.837.356	5.043.692	64

Analysis of the operating profit by nature of costs

	Position	Previous Period	Curent Period	Indexes
		Year to date	Year to date	curent year / previous year
1	Sales revenues	15.095.471	12.934.940	86
2	Other operating revenues	19.706	110.061	559
3	Changes in inventories of finished goods and work in progress	696.033	41.663	6
4	Cost of trading goods sold	0	0	0
5	Cost of consumed materials and other supplies	2.060.472	2.230.007	108
6	Cost of materials, spare parts and other inventory sold	0	0	0
7	Services	1.230.858	869.160	71
8	Other Expenditures	454.551	881.205	194
9	Expenses for employees	2.130.168	2.370.670	111
10	Amortization And Depreciation	1.170.645	1.092.763	93
11	Impairment losses of Non-current assets	0	0	0
12	Impairment losses of current assets	7	20	286
13	Provisions	0	0	0
14	Other operating expenses	15.740	19.023	121
15	Operating profit	8.748.769	5.623.816	64

Pursuant to Article 40 paragraph (4) of the Listing Rules, MERMEREN Kombinat AD Prilep ("the Company"), along with the unaudited and unconsolidated financial statements for the period 01.01. until 30.06.2025, also publishes

Explanation

to the results for the period from January 1 to June 30, 2025

- a) Changes in the accounting policies and methods of valuation of the items in the financial statements compared to the last annual audited financial statements have not occurred.
- b) For the period from January 1 to June 30, 2025, the Company achieved sales revenues in the amount of €12,934,940 which represents a decrease of 14.31% compared to the same period last year.

Sales revenues	2025		2024		change
- foreign markets	12,692,593	98.13%	14,996,077	99.34%	-15.36%
- domestic market	242,347	1.87%	99,394	0.66%	143.82%
	12,934,940	100.00%	15,095,471	100.00%	-14.31%

Sales revenues	2025		2024		change
- quarry	12,481,893	96.50%	14,660,505	97.12%	-14.86%
- factory	443,041	3.43%	417,586	2.77%	6.10%
- photovoltaics	10,006	0.08%	17,380	0.12%	-42.43%
	12,934,940	100.00%	15,095,471	100.00%	-14.31%

The realized operating profit for the period is in the amount of €5,623,816 which compared to the realized operating profit for the same period in 2024 in the amount of €8,748,769 represents a decrease of 35.72%.

EBITDA for the period from January 1 to June 30, 2025 is €6,716,579 and compared to the realized amount of €9,919,415 in the same period of last year, it shows a decrease of 32.29%.

The final result after taxation is positive and amounts to €5,043,692 and represents a decrease of 35.65% compared to the realized profit for the same period of last year (June 30, 2024: €7,837,356).

- c) The 31.38% increase in the cost of goods sold is mainly attributed to the liquidation of aged inventory—specifically, factory stock over 10 years old that had remained unsold in prior

years. This inventory carried elevated historical costs, and its one-time clearance materially affected the cost structure.

Following the changes to the Tariff for determining the amount of fees for the exploitation of mineral resources, published in Official Gazette No. 268 of 25 December 2024, the concession fee increased by 277% compared to the previous year.

Operating expenses for the period are higher by 5.65% compared to those incurred in the same period last year.

From the operating expenses, the largest part belongs to the expenses for employees, which in the period show an increase of 11.29% compared to the same period last year. A decrease in the costs for external services by 29.39% was recorded.

An increase of 8.23% was recorded in the costs of energy and consumed materials and other supplies, which are the second largest expense for the Company.

- d) In accordance with the Decision of the Meeting of Shareholders number 02-2442/5 of May 30, 2025, part of the profit from the year 2024 in the amount of €11,248,459 is distributed for the payment of dividends.

In the period ending June 30, 2025, the Company paid dividends to its minority shareholders in a total net amount of €1,085,157 and €120,469 in tax on dividends paid.

- e) There are no significant investments or sales of tangible assets (real estate, plants and equipment) or significant write-offs (greater than 30% of the value of the assets compared to the last annual audited financial statements).
- f) The total debts of the Company as of June 30, 2025 amount to €32,929 and in the period from January to June 2025 they show a decrease of 19.38% compared to the last annual audited financial statements, as a result of regular repayment of financial leasing obligations.

On 09/05/2025, the Company entered into a Sub-loan agreement from the credit line for financing investments and development of private companies implemented through the Development Bank of North Macedonia, in the amount of €2.5 mill, with an interest rate of 1.95% annually decursive, a repayment deadline until 12/04/2035, including a grace period of 2 (two) years. The loan funds will be used for the construction of new photovoltaic power plants. As of 30/06/2025 no available loan funds had been drawn.

- g) Looking ahead, the Company remains committed to stable and profitable operations, while prioritizing customer-centric service excellence. Our key goals include:
- Continuously driving revenue growth,
 - Strengthening cost-control measures and enhancing operational efficiency,
 - Expanding production capacity to meet the demand.

Prilep, 31.07.2025