

CIAK Grupa d.d. (ZB: CIAK-R-A; ciakgrupa.hr) has published results for the period IV– VI 2024. Report contains non audited financial statements for period ending 30 June 2024, prepared by the company's Management in accordance with International financial reporting standards (IFRS).

### **CIAK Group financial results (IFRS)**

IV -VI 2023	IV -VI 2024	In EUR thousands	I-VI 2023	I-VI 2024	%
65,041	82,702	Sales revenues	126,817	154,185	22
5,580	6,830	EBITDA <sup>(1)</sup>	10,518	12,133	15
<b>5,580</b>	<b>6,830</b>	<b>EBITDA without one-off items <sup>(2)</sup></b>	<b>10,518</b>	<b>12,355</b>	<b>17</b>
2,561	3,506	Profit / (Loss) from operations	4,998	5,827	17
<b>2,561</b>	<b>3,506</b>	<b>Profit from operations without one-off items <sup>(2)</sup></b>	<b>4,998</b>	<b>6,049</b>	<b>21</b>
(704)	(900)	Result from financial activities	(1,142)	(1,657)	45
1,857	2,605	Gross profit / (loss)	3,856	4,170	8
<b>1,857</b>	<b>2,605</b>	<b>Gross profit / (loss) of period without one-off items<sup>(2)</sup></b>	<b>3,856</b>	<b>4,392</b>	<b>14</b>
		Net profit / (loss)	<b>3,192</b>	<b>3,480</b>	<b>9</b>
		<b>Net profit / (loss) of period without one-off items</b>	<b>3,192</b>	<b>3,480</b>	<b>9</b>
<b>0.08</b>	<b>0.11</b>	<b>Earnings per share <sup>(3)</sup></b>	<b>0.16</b>	<b>0.18</b>	<b>9</b>
<b>3,262</b>	<b>2,662</b>	<b>Simplified free cash flow <sup>(4)</sup></b>	<b>5,393</b>	<b>4,925</b>	<b>(9)</b>
57,375	78,150	Net debt <sup>(5)</sup>	57,375	78,150	36
46	52	Net gearing (%) <sup>(6)</sup>	46	52	13
<b>2,318</b>	<b>4,168</b>	<b>CAPEX</b>	<b>5,125</b>	<b>7,429</b>	<b>45</b>

<sup>(1)</sup> EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) = EBIT (Earnings Before Interest and Taxes) + Amortization

<sup>(2)</sup> EBITDA and operating profit in I- III 2024 were negatively affected by EUR 222 thousand one-off staff costs

<sup>(3)</sup> Earnings per share = net profit / number of shares

<sup>(4)</sup> Simplified Free Cash Flow = EBITDA without one-off items – CAPEX (capital expenditures)

<sup>(5)</sup> Net debt = Long and short-term financial liabilities – Cash and cash equivalents

<sup>(6)</sup> Gearing ratio = Long and short-term financial liabilities – Loans and deposits given - Cash and cash equivalents / (Long and short-term financial liabilities – Loans and deposits given - Cash and cash equivalents + Equity)

Compared to the first half of previous year, reported sales revenue growth amounted to EUR 27.4 million or 22% increase.

EBITDA without one-off items in the first half of current year is higher by EUR 1.8 million or 17% compared to the same period of the previous year.

Profit from operations without one-off items generated in the first half of current year is higher by EUR 1.1 million or 21% compared to same period of the previous year.

In the first half of year 2024 capital investments amounted to EUR 7.4 million and were increased by 45% or EUR 2.3 million compared to the same period of the previous year. The presented CAPEX in both reporting periods includes investments in long-term tangible and intangible assets.

During the second quarter, further growth of CIAK Group continued not only through organic growth, but also through acquisitions and further market consolidation. The Group published notice regarding signed acquisitions of two companies - STAHLGRUBER trgovina d.o.o. Ljubljana and SIM IMPEX Banja Luka d.o.o., member of LKQ Europe (under Significant events in 2024).

### Main external parameters

IV -VI 2023	IV -VI 2024		I-VI 2023	I-VI 2024	%
2,117.31	2,121.26	Lead price (USD/t)*	2,129.26	2,166.55	2
1.09	1.08	Average USD/EUR	1.08	1.08	0
1.09	1.07	Closing USD/EUR	1.09	1.07	(2)

\* LME market data – period average

### Key effects on business result in I- VI 2024 in comparison to I- VI 2023

- Sales revenues in first half of year 2024 amounted to EUR 154.2 million and increased by 22% compared to the same period of last year.
- Average lead price on the London Stock Exchange in first half of the year 2024 was 2,166.55 USD/t, i.e., it was higher by 2% compared to the same period of the previous year.
- Consolidated EBITDA without one-off items realized in the first half of year 2024 amounts to EUR 12.4 million and is 17% higher compared to the same period previous year, primarily because of higher realized revenues, continued optimization of procurement processes, and management of operating expenditures.
- Financial expenditures amount to EUR 1.8 million and are 43% higher in comparison with last year's realisation.

#### Statement by president of the Management Board, Mr. Ivan Leko:

CIAK Group continued in 2024 with the delivery of good business results. During the second quarter, the further growth of CIAK Group continued not only through organic growth, but also through acquisitions and further consolidation of the market, primarily through signed takeover transactions of two companies - STAHLGRUBER trgovina d.o.o. Ljubljana and SIM IMPEX Banja Luka d.o.o., members of LKQ Europe.

In the first half of 2024, the realized consolidated revenues amounts to more than EUR 154 million and are 22% higher compared to the same period of the previous year. Reported EBITDA amounts to EUR 12.1 million, which represents a growth of 15% compared to the same period of the previous year. Also, it is important to notice that almost 90% of the growth of consolidated revenues as well as realized EBITDA is delivered by organic growth.

At the same time, realized capital investments amount to more than EUR 7 million, which is 45% higher compared to the same period of previous year. That sends a clear message that CIAK Group continues and keeps its focus on long-term business development and business delivery results.

The realization of the first half of 2024 represents a good foundation for the continuation of the business year, but with the ongoing challenges in external environment CIAK Group keeps its focus on further consolidation and optimization of business processes at the Group level. Optimum approach to operational business, management processes and delivery of key business goals and projects is priority in further activities in the 2024.

*Consolidated Profit & Loss statement of CIAK Group  
for period ending 30 June 2023 and 30 June 2024 (in EUR thousands)*

IV -VI 2023	IV -VI 2024	In EUR thousands	Notes	I-VI 2023	I-VI 2024	%
<b>65,041</b>	<b>82,702</b>	<b>Sales revenues</b>		<b>126,817</b>	<b>154,185</b>	<b>22</b>
370	71	Other operating revenues		804	454	(44)
<b>65,412</b>	<b>82,772</b>	<b>Operating revenues</b>	<b>1</b>	<b>127,621</b>	<b>154,639</b>	<b>21</b>
6,846	8,215	Costs of raw materials and consumables		14,539	17,961	24
3,019	3,324	Amortization		5,520	6,306	14
11,392	15,468	Staff costs	<b>3</b>	21,982	29,877	36
37,131	45,612	Costs of goods sold		71,727	82,627	15
4,524	5,693	Other costs		8,290	10,645	28
45	925	Value adjustments		491	1,626	231
(107)	29	Provisions for costs and risks		74	(230)	(411)
<b>62,851</b>	<b>79,267</b>	<b>Operating expenditures</b>		<b>122,623</b>	<b>148,812</b>	<b>21</b>
<b>2,561</b>	<b>3,506</b>	<b>Profit / (Loss) from operations</b>		<b>4,998</b>	<b>5,827</b>	<b>17</b>
48	77	Financial revenues		89	101	13
753	977	Financial expenditures	<b>4</b>	1,231	1,758	43
<b>(704)</b>	<b>(900)</b>	<b>Profit / (loss) from financial activities</b>		<b>(1,142)</b>	<b>(1,657)</b>	<b>45</b>
<b>1,857</b>	<b>2,605</b>	<b>Profit / (Loss) of the period</b>		<b>3,856</b>	<b>4,170</b>	<b>8</b>

*Consolidated Statement of financial position of CIAK Group  
on 31 December 2023 and 30 June 2024 (in EUR thousands)*

In EUR thousands	Notes	31 December 2023	30 June 2024	%
Intangible assets		9,263	9,483	2
Real estate, plant and equipment		54,857	65,314	19
Loans and deposits given		365	582	59
Investment in holdings, securities and other fixed financial assets		315	314	(0)
Receivables		300	125	(58)
Deferred tax assets		295	296	0
<b>Total fixed assets</b>	<b>5</b>	<b>65,395</b>	<b>76,114</b>	<b>16</b>
<b>Current assets</b>				
Inventories	<b>6</b>	96,157	110,425	15
Customer receivables		36,625	39,163	7
Other receivables		2,725	4,343	59
Loans and deposits given		1,310	1,758	34
Cash & cash equivalents		13,706	8,120	(41)
<b>Total current assets</b>		<b>150,523</b>	<b>163,809</b>	<b>9</b>
<b>Prepaid expenses and accrued revenues</b>		<b>6,542</b>	<b>10,159</b>	<b>55</b>
<b>Total assets</b>		<b>222,460</b>	<b>250,082</b>	<b>12</b>
<b>Equity and liabilities</b>				
<b>Equity and reserves</b>				
Initial equity		26,215	26,215	0
Capital reserves		24,505	24,505	0
Other reserves		603	769	28
Retained profit / (Loss brought forward)		11,860	14,870	25
Profit / (Loss) of the period		7,025	3,522	(50)
Minority interest		(37)	(55)	49
<b>Total equity</b>		<b>70,171</b>	<b>69,826</b>	<b>(0)</b>
<b>Provisions</b>		<b>3</b>	<b>3</b>	<b>0</b>
<b>Long-term liabilities</b>				
Long-term liabilities for loans and deposits	<b>7</b>	54,481	54,786	1
Other long-term liabilities		1,171	5,325	355
Deferred tax liability		778	777	(0)
<b>Total long-term liabilities</b>		<b>56,430</b>	<b>60,888</b>	<b>8</b>
<b>Short-term liabilities</b>				
Liabilities for bank's and other creditor's loans	<b>7</b>	19,939	31,484	58
Liabilities to suppliers		58,815	67,191	14
Taxes and similar liabilities		9,852	9,628	(2)
Other short-term liabilities		2,602	5,552	113
Liabilities to employees		2,724	3,222	18
<b>Total short-term liabilities</b>		<b>93,931</b>	<b>117,077</b>	<b>25</b>
<b>Accruals and deferred income</b>		<b>1,925</b>	<b>2,288</b>	<b>19</b>
<b>Total liabilities</b>		<b>152,289</b>	<b>180,256</b>	<b>18</b>
<b>Total equity and liabilities</b>		<b>222,460</b>	<b>250,082</b>	<b>12</b>

## Financial result overview and notes

### PROFIT AND LOSS STATEMENT

#### Notes

- 1 Consolidated revenues** of the CIAK Group in the first two quarters of 2024 amounted to EUR 154.6 million, which is EUR 27 million or 21% higher compared to the same reporting period last year, of which:
  - o EUR 23.5 million related to organic growth
  - o EUR 3.5 million related to inorganic growth
- 2 Consolidated EBITDA** realized in the first half of year 2024 amounts to EUR 12.1 million and is 15% higher compared to consolidated EBITDA realized in the first half of the previous year.
- 3 Staff costs** realised in first half of year 2024 are EUR 7.9 million or 36% higher compared to the realisation of previous year, primarily because of an increase in employee wages.
- 4 Financial expenditures** compared to the same period of previous year are higher by EUR 527 thousand or 43%.

### STATEMENT OF FINANCIAL POSITION

#### Notes

- 5 Long-term assets** of the company at the end of the second quarter of this year are higher, compared to the end of the previous year, by 16% or EUR 10.8 million mostly due to realized capital expenditures, and partially due to realized acquisitions in the observed period.
- Compared to the end of the previous year, **inventory level** is EUR 14.3 million or 15% higher at the reporting date, partly as an effect of business expansion on foreign markets.
- Short-term and long-term loans** on 30 June 2024 increased compared to the 31 December 2023 by EUR 11.9 million, of which:
  - o EUR 7.6 million relates to increase of IFRS 16, long-term leases and loans from legal entities
  - o EUR 4.3 million relates to increase of debt toward financial institutions and banks

## One-off items in EBITDA, operating and gross/net profit

The result of the first half of year 2024 is negatively affected by EUR 222 thousand one-off staff costs.

## Significant events in 2024

On 16 April 2024, a member of the CIAK Group, the company C.I.A.K. Auto d.o.o. Croatia, signed a takeover transaction of two companies - STAHLGRUBER trgovina d.o.o. Ljubljana and SIM IMPEX Banja Luka d.o.o., members of LKQ Europe.

The takeover transaction of the company STAHLGRUBER trgovina d.o.o. Ljubljana is fully completed, while the execution of the transaction for the company SIM IMPEX d.o.o. Banja Luka remains subject to approval by the competent authorities.

The company STAHLGRUBER trgovina d.o.o. Ljubljana is one of the independent distributors in the automotive aftermarket (IAM) in Slovenia and generates an annual revenue of over EUR 12 million at three sales locations. With an experienced team that will continue to be led by Mr. Benjamin Lenart as the President of the Management Board, and with a business culture and business expertise very similar to one used in the C.I.A.K. Auto company, we expect to make full use of the synergistic effects and enable the Company to achieve even higher results in the coming years. The company will continue to operate on the market as C.I.A.K. Auto Slovenia, thereby further strengthening the market position of C.I.A.K. Auto in the Adria region.

Considering the core business of the CIAK Group, those takeovers are logical steps towards further strengthening and growth of the CIAK Group's portfolio on the market of Southern and Eastern Europe.

### ***Financial instruments and risks***

The risks are explained in detail in CIAK Group's audited Financial Statements for the year ending 31 December 2023.

As of 30 June 2024, CIAK Group had financial debt amounted to **EUR 86.3 million**, of which **EUR 32 million** was related to long-term leases (IFRS 16) and to a lesser extent corporate loans, while **EUR 54.3 million** was related to banks and financial institutions.

### ***Management Board***

Financial reports for period I- VI 2024 were prepared in accordance with International financial reporting standards (IFRS), i.e., they accurately show, in all material respects, the financial position of the company, the results of its operations and cash flows.

Management Board:

<b>Ivan Leko</b>	<b>President of the Management Board</b>
<b>Dominik Leko</b>	<b>Member</b>
<b>Dalibor Bagarić</b>	<b>Member</b>
<b>Ivica Greguraš</b>	<b>Member</b>
<b>Ivan Miloš</b>	<b>Member</b>