Report of the Board of Directors

on operations in the first half of 2025

All amounts are in thousands of Euro, unless otherwise stated

Auditor review status

This half-yearly financial report has neither been audited nor reviewed by an audit firm. This statement is made in accordance with Article 5(5) of Directive 2004/109/EC, as transposed by the Transparency Requirements Law of the Republic of Cyprus No. 190(I)/2007: where the half-yearly report has not been audited or reviewed by auditors, the issuer is required to state this in the report.

Contents

Overview of Operations in H1 2025 and Outlook for the Year 2025

Strategy and Operations

In the first half of 2025 the Group operated through its Ukrainian production and trading subsidiaries, its Cyprus holding and trading companies and its Polish subsidiary Milkiland EU sp. z o.o. The former Russian subsidiaries are no longer part of the Group, control over them having been lost, and they are excluded from the consolidation perimeter. The commentary below and all financial information in this report relate to the current perimeter only.

The recovery of the Ukrainian economy became more evident in the reporting period. Real GDP in Q1 2025 increased by 2.5% in comparison with the same period of 2024, while the CPI stood at a relatively low 3.6%. These trends provided the background for growth in the real wages of Ukrainians by 9.8% and in the real disposable income of the population by 7.7% on a y-o-y basis. As a consequence, retail trade turnover in Ukraine in the first half of 2025 grew by a double-digit 10.3%. The hryvnia revalued against the euro by approximately 6%.

The Group's consolidated revenue for the six months ended 30 June 2025 amounted to EUR 16.7 million (H1 2024: EUR 6.6 million) and was generated almost entirely by the Ukrainian sub-group. Cost of sales amounted to EUR 12.8 million, resulting in a gross profit of EUR 4.0 million and a gross margin of 23.6% (H1 2024: EUR 0.7 million and 11.0%). Operating expenses of EUR 1.2 million resulted in an operating profit of EUR 2.8 million, corresponding to an operating margin of 16.6% (H1 2024: operating loss of EUR 0.3 million).

Net finance income of EUR 0.1 million was more than offset by a net foreign exchange loss of EUR 1.7 million, recognised principally at the level of the parent company. Profit before tax amounted to EUR 1.2 million and, after an income tax charge of EUR 0.6 million, the Group recognised a net profit for the period of EUR 0.6 million. The result attributable to the owners of the Company was a loss of EUR 0.3 million; the profit attributable to non-controlling interests was EUR 0.9 million. Loss per ordinary share was 0.86 EUR cents.

No finance expense was recognised for the period: no interest accrues on the Company's principal indebtedness for the duration of martial law in Ukraine, pursuant to an arrangement with the current lender, Y, Inc. Property B.V. Depreciation of EUR 49 thousand was recognised for the period (H1 2024: EUR 29 thousand). EBITDA for the period amounted to EUR 2,822 thousand, or 16.9% of revenue (H1 2024: negative EBITDA of EUR 312 thousand).

As at 30 June 2025 the Group's total assets amounted to EUR 117.1 million (31 December 2024: EUR 119.6 million), total liabilities to EUR 108.8 million (EUR 107.7 million) and total equity to EUR 8.3 million (EUR 12.0 million).

The Polish component. Until September 2019 the production company Ostrowia sp. z o.o. was 100% owned by the Group's Polish subsidiary Milkiland EU sp. z o.o. Under an Investment Agreement dated 20 September 2019 the share capital of Ostrowia was increased from PLN 105,000 to PLN 525,000; all 8,400 new shares were acquired by Crema Vita sp. z o.o. in exchange for a non-cash contribution of know-how valued at PLN 420,000. As a result, Milkiland EU's interest in Ostrowia decreased from 100% to 20%. This was a transaction agreed between the parties.

In April 2021 the commercial proxy (prokurent) of Crema Vita sp. z o.o., acting without proper authority, executed resolutions of the general meeting of shareholders of that company as a result of which its owner was deprived of control over it and, consequently, indirectly of control over the controlling stake in Ostrowia. Those resolutions have been held by the court to be non-existent; the judgment became final on 17 February 2026. The Group is not a party to these proceedings. A description is set out in the section “Material Factors and Events” and in Note 8.

Accordingly, since 2019 the Group does not control Ostrowia sp. z o.o. and holds a 20% non-controlling interest in it. The Polish component is not an operating base of the Group, and its carrying amount is at risk of material impairment.

The Ukrainian operating entities remain the operating core of the Group and continue to generate substantially all of its revenue, EBITDA and operating cash flow, notwithstanding war-related risks affecting energy and other critical suppliers.

Dairy Markets

Ukraine is the key market of the Group. According to the State Statistics Service of Ukraine, the volume of raw milk delivered for processing in the first half of 2025 amounted to c. 2 million tonnes, which is 8% lower than in the first half of 2024. The production volumes of fresh dairy increased by 1.0% y-o-y, contrary to the decline in butter and cheese-like products production volumes (−21% and −40% respectively) and also SMP (−21%).

The Company managed to maintain reduced exports to the Republics of Kazakhstan and Kyrgyzstan and to the United States.

On the EU markets, which determine the Group's export prices, the reporting period saw stagnating demand for butter and a declining price trend: by the end of June 2025 the average price per tonne of butter in Europe stood at c. USD 3,650 against c. USD 6,600 in the same period of 2024. Prices for Gouda/Edam types of cheese remained stable at

USD 3,400–3,500 per tonne. SMP prices in the EU were higher on a y-o-y basis and reached c. USD 2,300–2,350 per tonne in June 2025.

Russia is no longer a market of the Group, and no review of the Russian dairy market is presented in this report.

MLK Foods' Financial Performance and Financial Position

The table below provides selected financial data for the six months ended 30 June 2025 in thousands of Euro.

Selected financial data

	6 m 2025	6 m 2024
I. Revenues	16,722	6,605
II. EBITDA	2,822	(312)
III. Operating profit/(loss)	2,773	(341)
IV. Profit/(loss) before tax	1,213	746
V. Net profit/(loss)	645	746
VI. Cash flows used in operating activities	(1,447)	(455)
VII. Cash flows used in investing activities	(633)	–
VIII. Cash flows from financing activities	–	–
IX. Net movement in cash	(2,080)	(455)
X. Total assets	117,078	117,177
XI. Current liabilities	27,033	27,961
XII. Non-current liabilities	81,725	79,871
XIII. Share capital	3,125	3,125
XIV. Total equity	8,320	9,344
XV. Weighted average number of shares, ths	31,250	31,250
XVI. Profit/(loss) per ordinary share, EUR cents	(0.86)	2.79

Revenue

The Group's consolidated revenue for the six months ended 30 June 2025 amounted to EUR 16.7 million against EUR 6.6 million for the six months ended 30 June 2024. Revenue was generated almost entirely by the Ukrainian sub-group; the Cyprus and Polish entities did not recognise external revenue in either period.

Breakdown of consolidated revenue by product group:

EUR ths	6 m 2025	Share, %	6 m 2024	Share, %
Cheese & butter	412	2.5	483	7.3
Whole milk products	804	4.8	1,553	23.5
Ingredients and other	15,506	92.7	4,568	69.2
Total	**16,722**	**100.0**	**6,605**	**100.0**

Cost of sales and Gross profit

Cost of sales for the six months ended 30 June 2025 amounted to EUR 12.8 million, or 76.4% of consolidated revenue (H1 2024: EUR 5.9 million, or 89.0%). Gross profit amounted to EUR 4.0 million, corresponding to a gross margin of 23.6% (H1 2024: EUR 0.7 million and 11.0%).

Breakdown of cost of sales by cost element:

EUR ths	6 m 2025	Share, %	6 m 2024	Share, %
Raw and other materials	12,386	97.0	5,685	96.7
Wages and salaries	128	1.0	60	1.0
Depreciation	26	0.2	20	0.3
Transportation costs	51	0.4	20	0.3
Gas	102	0.8	47	0.8
Other	77	0.6	47	0.8
Total	**12,770**	**100.0**	**5,878**	**100.0**

Profit from operations and EBITDA

Operating expenses for the period amounted to EUR 1.2 million in aggregate, comprising selling and distribution expenses of EUR 0.4 million, administrative expenses of EUR 0.6 million and other expenses, net, of EUR 0.3 million (H1 2024: EUR 1.1 million). The Group recognised an operating profit of EUR 2.8 million, corresponding to an operating margin of 16.6% (H1 2024: operating loss of EUR 0.3 million). Including depreciation of EUR 49 thousand, EBITDA amounted to EUR 2,822 thousand, or 16.9% of revenue (H1 2024: negative EBITDA of EUR 312 thousand).

Profit before tax and Net profit

Finance income for the period amounted to EUR 131 thousand (H1 2024: EUR 95 thousand); no finance expense was recognised in either period, as no interest accrues on the Company's principal indebtedness for the duration of martial law in Ukraine, pursuant to an arrangement with the lender Y, Inc. Property B.V. (Note 6). A net foreign exchange loss of EUR 1.7 million was recognised, principally at the level of the parent company (H1 2024: net gain of EUR 1.0 million). As a result, the Group recognised a profit before tax of EUR 1.2 million (EUR 0.7 million). After an income tax charge of EUR 0.6 million (nil), the net profit for the period amounted to EUR 0.6 million (EUR 0.7 million), of which a loss of EUR 0.3 million is attributable to the owners of the Company and a profit of EUR 0.9 million to non-controlling interests.

Financial Position

As at 30 June 2025 the Group's total assets amounted to EUR 117.1 million (31 December 2024: EUR 119.6 million). Current assets of EUR 35.3 million comprised principally trade and other receivables of EUR 28.6 million, cash of EUR 3.0 million and inventories of EUR 3.6 million. Non-current assets of EUR 81.8 million consisted almost entirely of property, plant and equipment of EUR 80.2 million and deferred income tax assets of EUR 1.6 million.

Total liabilities amounted to EUR 108.8 million (31 December 2024: EUR 107.7 million). Current liabilities of EUR 27.0 million comprised mainly trade and other payables of EUR 26.2 million and short-term loans of EUR 0.4 million. Non-current liabilities of EUR 81.7 million consisted principally of long-term loans of EUR 81.2 million.

The Group's aggregate loans and borrowings amounted to EUR 81.7 million (31 December 2024: EUR 79.1 million); net debt amounted to EUR 78.6 million.

Net cash used in operating activities for the period amounted to EUR 1.4 million (H1 2024: EUR 0.5 million); EUR 0.6 million was used in investing activities for the acquisition of property, plant and equipment. There were no cash flows from financing activities. The cash balance decreased from EUR 5.1 million at 31 December 2024 to EUR 3.0 million at 30 June 2025.

A substantial part of the Group's liabilities consists of intragroup balances and balances with related parties; the Board of Directors is pursuing refinancing, deferral and standstill arrangements with the relevant creditors.

The lender under the Company's principal indebtedness is Y, Inc. Property B.V., a related party of the Group, which has agreed not to accrue interest for the duration of martial law in Ukraine (Note 6).

Total equity amounted to EUR 8.3 million (31 December 2024: EUR 12.0 million), comprising equity attributable to the owners of the Company of EUR 6.6 million and non-controlling interests of EUR 1.7 million. Accumulated losses amounted to EUR 31.6 million.

Basis of Preparation

The condensed consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the European Union and with IAS 34 “Interim Financial Reporting”, except for the departures disclosed in the Note on this corrigendum. The consolidation perimeter comprises MLK Foods PCL and its consolidated subsidiaries and excludes the former Russian subsidiaries over which control has been lost.

Material Factors and Events

Material Factors and Events during the Reporting Period

Indebtedness under the Syndicated Loan Facility: transfer of the lender's rights and cessation of interest accrual.

As at 30 June 2025 the Company's lender under the former syndicated indebtedness is Y, Inc. Property B.V., a company under common control with the principal shareholder of the Group. It is a related party of the Group within the meaning of IAS 24 (Note 7).

Interest non-accrual arrangement.

From the date on which Y, Inc. Property B.V. bought out the Company's indebtedness to the banks, the parties agreed that no interest accrues on that indebtedness for the entire duration of martial law in Ukraine. Accordingly, finance expense on that indebtedness for the six months ended 30 June 2025 is nil, and the amount of interest accrued up to the buy-out date is fixed and does not increase. Accrued interest is included within trade and other payables. The accounting implications of this arrangement are disclosed in Note 6.

The Group's management continues negotiations on the settlement of the indebtedness with the current lender.

Material Factors and Events after the Reporting Date

The Polish component: Ostrowia sp. z o.o., Milkiland EU sp. z o.o. and Crema Vita sp. z o.o.

The circumstances described below, with the exception of the judgment of the court of appeal dated 17 February 2026, preceded the reporting date. They are presented together for completeness.

Dilution of Milkiland EU's interest in Ostrowia (2019).

Ostrowia sp. z o.o. (Ostrów Mazowiecka, Poland, KRS 0000363390) is a production company. Until September 2019 its sole shareholder was Milkiland EU sp. z o.o. (KRS 0000425095), a 100% subsidiary of the Group. At that time Ostrowia was subject to restructuring proceedings.

On 20 September 2019 in Warsaw, Ostrowia sp. z o.o., Milkiland EU sp. z o.o. as its sole shareholder, and Crema Vita sp. z o.o. (KRS 0000763752) as investor entered into an Investment Agreement. Under its terms the share capital of Ostrowia was increased by PLN 420,000 — from PLN 105,000 to PLN 525,000 — through the issue of 8,400 new shares with a nominal value of PLN 50 each; all the new shares were acquired by the investor at an issue price equal to nominal value, in exchange for a non-cash contribution of know-how (a technology for the production of dried foamed cheese and for microwave vacuum drying of cheese) valued at PLN 420,000; the pre-emptive rights of the existing shareholders to acquire the new shares were excluded; and the investor undertook to provide loans to Ostrowia in accordance with the business plan for 2019–2025.

As a result, Milkiland EU's interest in Ostrowia decreased from 100% to 20%, and Crema Vita acquired 80%. The agreement was entered into with the consent of Milkiland EU and does not constitute a misappropriation of assets.

Loss of control over Crema Vita by its owner (2021).

The shareholders of Crema Vita sp. z o.o. were Anatoliy Milevskyi (98 shares, 98%) and Olga Yurkevych (2 shares, 2%); Anatoliy Milevskyi was also the president and sole member of the management board. Since July 2019 the commercial proxy (prokurent) of the company was Viktor Arderichyn.

On 28 April 2021 and 16 June 2021 resolutions of extraordinary general meetings of the shareholders of Crema Vita were executed, by which the company's share capital was increased from PLN 5,000 to PLN 17,000 through the issue of 240 new shares to Kentix sp. z o.o. (KRS 0000796376), the pre-emptive rights of the existing shareholders were excluded, the articles of association and the registered seat of the company were amended, and Anatoliy Milevskyi was removed from the office of president of the management board. The corresponding changes were entered in the KRS register on 28 May 2021 and 19 July 2021.

Court judgments.

By a judgment of the Regional Court in Rzeszów dated 31 March 2025 (case VI GC 231/22) all six of those resolutions were held to be non-existent. The court found that the commercial proxy had no authority to convene the meetings and to vote on behalf of the shareholder, and that Kentix sp. z o.o. was not yet a shareholder of Crema Vita as at the voting date of 16 June 2021, since an increase of share capital takes effect only upon registration.

By a judgment of the Court of Appeal in Rzeszów dated 17 February 2026 (case I AGa 56/25) the defendant's appeal was dismissed. The judgment of the court of first instance became final. Kentix sp. z o.o. is in bankruptcy proceedings and participated in the proceedings through its trustee in bankruptcy.

Implications for the Group.

The Group is not a party to these proceedings: the claimant was a shareholder of Crema Vita acting in a personal capacity. Milkiland EU's 20% interest in Ostrowia was not the subject of the dispute and was not disposed of. The Group recognises neither an asset nor a liability as a result of these proceedings.

Since September 2019 Milkiland EU does not control Ostrowia. Deconsolidation in accordance with IFRS 10.25 and B97–B99 and the subsequent classification of the 20% interest (associate under IAS 28 or financial asset under IFRS 9) were effected in 2020.

Control over the Russian subsidiaries was lost in February 2022 and this is not an event after the reporting date for this period.

Strategic Plans and Initiatives for H2 2025

The Group's management plan to implement in the second half of 2025 and thereafter the following measures, which are directed at preserving liquidity, protecting the Group's assets and maintaining the Ukrainian operating base.

Finance and liquidity

• Continue negotiations with the current lender under the former Syndicated Loan Facility, Y, Inc. Property B.V., on the manner of settling the indebtedness; document the interest non-accrual arrangement in writing and complete its accounting assessment under IFRS 9.

• Pursue refinancing, deferral arrangements and temporary standstill agreements, and obtain written confirmations from intragroup, related-party and friendly creditors that they will not demand immediate repayment during the going concern assessment period.

• Generate cash inflows through equity financing, including the possible sale of shares; secure shareholder financial support.

• Complete the cash flow forecast covering at least twelve months from the date of approval of the financial statements, together with base and severe-but-plausible stress scenarios, and the schedule of liabilities distinguishing external debt, intragroup balances and balances with related parties.

Production and markets

• Maintain the continuity of production at the Ukrainian dairy plants, with particular attention to the availability of energy and other critical supplies.

• Support sales in the Ukrainian dairy market and exports of butter, cheese and dry milk products to the EU within the free trade agreement.

Principal risks and uncertainties for the remainder of the financial year

War-related risks in Ukraine; the risk of material impairment of the Polish component and uncertainty as to control over Ostrowia sp. z o.o.; overdue indebtedness under the Syndicated Loan Facility and non-compliance with financial covenants; residual recourse risks in respect of the former Russian entities (parent guarantees, cross-default, recoverability of intragroup receivables); foreign currency risk at the level of the parent company.

Going Concern

Basis of the assessment

The Board of Directors assesses going concern at the level of the reporting entity — the consolidated Group and the parent on a standalone basis — rather than for each subsidiary in isolation. Individual subsidiaries are relevant only through their effect on the cash flows and obligations of the reporting entity.

Circumstances relevant to the going concern assumption

Russia — control lost. The loss of control has been accounted for by deconsolidation under IFRS 10.25 and B97–B99, with recycling of the foreign currency translation reserve under IAS 21; the investments have been written down in full, through a reserve of approximately EUR 40.56 million, to nil. These entities are outside the consolidation perimeter; only residual recourse risks remain relevant.

Poland — Milkiland EU sp. z o.o. (100%) and Ostrowia sp. z o.o. (20%). Since September 2019 Milkiland EU has held a 20% non-controlling interest in the production company Ostrowia and does not control it; at the date of the Investment Agreement Ostrowia was subject to restructuring proceedings. Control over 80% of Ostrowia is held indirectly by Crema Vita sp. z o.o., a company outside the consolidation perimeter whose ownership structure was the subject of litigation concluded on 17 February 2026. The carrying amount of the Polish component was approximately EUR 10.92 million and is at risk of material impairment. The Polish component generates no operating cash flow for the Group, and the Board of Directors does not rely on it in its going concern assessment.

Ukraine — operating entities. They are fully consolidated under IFRS 10 and constitute the operating core of the Group. Their aggregate carrying amount is approximately EUR 0.72 million. They are a source of potential material uncertainty arising from war-related risks.

Cyprus — MLK Finance Limited and Milkiland Intermarket (CY) Ltd (100%). They perform holding and intragroup functions; their aggregate carrying amount is approximately EUR 2 thousand.

The Board of Directors draws attention to a principle it has applied: carrying amount is not a measure of operational significance. The Ukrainian entities carry a negligible aggregate amount yet, as production entities, generate substantially all of the Group's revenue, EBITDA and operating cash flow. Conversely, the Polish carrying amount, although the largest, corresponds to a non-controlling interest in a company which the Group has not controlled since 2019, is itself at risk of impairment and may not be recoverable.

Mitigating factors and management actions

The Company has the ability to generate cash inflows through equity financing, including the possible sale of shares. The Board of Directors considers this an important source of potential liquidity.

An arrangement has been reached with the principal shareholder, 1, Inc. Coöperatief U.A., for the provision of loans to the Company to support its liquidity. The Board of Directors intends to obtain written confirmation of the amount, terms and timing of such support for the going concern assessment period.

A substantial part of the Company's liabilities consists of intragroup balances or balances with related or friendly parties. The Board of Directors considers that the going concern risk associated with such liabilities is materially lower than in the case of immediately enforceable third-party debt, and intends to obtain from such creditors written confirmations that they will refrain from demanding immediate repayment and from enforcement action during the assessment period.

The Company's principal financial creditor is Y, Inc. Property B.V., a company under common control with the principal shareholder of the Group, which acquired the rights under the former syndicated indebtedness and agreed not to accrue interest for the entire duration of martial law in Ukraine. This materially reduces the cash outflow on debt service during the assessment period. At the same time, this arrangement does not constitute a deferral of the maturity of the principal.

The Board of Directors is considering refinancing, deferral arrangements and temporary standstill or moratorium agreements with the relevant creditors. Apart from Y, Inc. Property B.V., the Group's external financial creditor is JSC OTP Bank (Ukraine), with indebtedness of USD 3,787 thousand in respect of which settlement negotiations are ongoing (Note 6).

At the same time, the Board of Directors draws attention to the fact that the Group's operating activities for the six months ended 30 June 2025 consumed EUR 1.4 million of cash, and the cash balance decreased from EUR 5.1 million to EUR 3.0 million. The cash flow forecast must demonstrate the sufficiency of liquidity having regard to this trend.

The Board’s preliminary assessment

Outside Ukraine the Group has no operating base. The Polish component has provided the Group with neither control nor operating cash flow since September 2019, and its carrying amount is at risk of material impairment. The Ukrainian operating entities, which generate substantially all of the Group's revenue, EBITDA and operating cash flow, operate under war-related risks, in particular in respect of energy and other critical suppliers. The central question the Board of Directors is addressing is securing the Group's ability to continue in operation for at least twelve months from the date of approval of the financial statements, relying on the Ukrainian operating base, shareholder support and the arrangements with the lender under common control, and without relying on the Polish component.

The Board of Directors is preparing a cash flow forecast covering at least twelve months from the date of approval, excluding the deconsolidated Russian operations and any reliance on the Polish component, together with base and severe-but-plausible stress scenarios, and is securing shareholder financial support.

Statement of the Board of Directors

on compliance of the condensed consolidated interim financial statements

The Board of Directors of MLK Foods PCL hereby represents that, to the best of its knowledge:

(a) the condensed consolidated interim financial statements of MLK Foods PCL for the period ended 30 June 2025 have been prepared in accordance with the applicable accounting standards — having regard to the departures disclosed in the Note on this corrigendum — and give a true, fair and clear view of the assets, liabilities, financial position and financial results of MLK Foods PCL and of the undertakings included in the consolidation taken as a whole;

(b) the interim report of the Board of Directors for the six months ended 30 June 2025 gives a fair review of the material events of the reporting period and their impact, together with a description of the principal risks and uncertainties for the remainder of the financial year.

This half-yearly financial report has neither been audited nor reviewed by an audit firm.

Board of Directors of MLK Foods PCL

Kyiv, 10 July 2026

A. Yurkevych, Chief Executive Officer

MLK FOODS PUBLIC COMPANY LTD
HE 413091
REPUBLIC OF CYPRUS

Condensed consolidated interim financial statements

Condensed consolidated interim statement of financial position

	Note	30 June 2025 (unaudited)	30 June 2024 (unaudited)
ASSETS			
Current Assets			
Cash and cash equivalents		3,043	2,459
Trade and other receivables		28,566	27,494
Inventories		3,615	3,761
Other taxes receivable		29	25
Total current assets		**35,253**	**33,739**
Non-Current Assets			
Property, plant and equipment		80,246	81,859
Deferred income tax assets		1,576	1,576
Other non-current assets		3	3
Total non-current assets		**81,825**	**83,438**
TOTAL ASSETS		**117,078**	**117,177**
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		26,213	27,153
Current income tax liabilities		338	–
Other taxes payable		32	391
Short-term loans and borrowings	6	449	417
Total current liabilities		**27,033**	**27,961**
Non-current liabilities			
Loans and borrowings	6	81,225	79,413
Deferred income tax liabilities		412	390
Other non-current liabilities		88	68
Total non-current liabilities		**81,725**	**79,871**
Total liabilities		**108,758**	**107,833**
Share capital		3,125	3,125
Revaluation and other reserves		35,091	38,868
Retained earnings (accumulated losses)		(31,586)	(33,302)
Total equity attributable to the owners of the Company		**6,630**	**8,692**
Non-controlling interests		1,691	652
Total equity		**8,320**	**9,344**
TOTAL LIABILITIES AND EQUITY		**117,078**	**117,177**

Condensed consolidated interim statement of comprehensive income

	Note	2025 (unaudited)	2024 (unaudited)
Revenue	5	16,722	6,605
Cost of sales		(12,770)	(5,878)
Gross profit		**3,952**	**727**
Selling and distribution expenses		(375)	(300)
Administrative expenses		(552)	(525)
Other income/(expenses), net		(251)	(244)
Operating profit/(loss)		**2,773**	**(341)**
Finance income		131	95
Finance expenses	6	–	–
Foreign exchange gain/(loss), net		(1,692)	993
Profit/(loss) before tax		**1,213**	**746**
Income tax		(568)	–
Net profit/(loss) for the period		**645**	**746**
Other comprehensive income/(loss)		–	–
Total comprehensive income/(loss)		**645**	**746**
Attributable to the owners of the Company		(270)	873
Attributable to non-controlling interests		915	(127)
Profit/(loss) per share, basic and diluted (EUR cents)		(0.86)	2.79

Condensed consolidated interim statement of cash flows

EUR ths	6 m 2025	6 m 2024
Profit before tax	**1,213**	**746**
Adjustments for:		
Depreciation and amortization	49	29
(Gain)/Loss from disposal and write off of inventories	(64)	36
Change in provision and write off of trade and other accounts receivable	(114)	67
Change in provision and write off of unrealised VAT	(48)	24
Foreign exchange result, net	(114)	157
Finance income	(131)	(95)
Finance expenses	–	–
Operating cash flow before movements in working capital	**791**	**964**
(Increase)/ Decrease in trade and other accounts receivable	(390)	470
Decrease/(Increase) in inventories	72	(184)
Increase/(decrease) in trade and other payables	(1,494)	(1,765)
(Increase)/decrease in other taxes receivable	(16)	(4)
Increase/ (Decrease) in other taxes payable	26	(30)
Net cash used in operations	**(1,011)**	**(550)**
Income taxes paid	(568)	–
Interest received	131	95
Interest paid	–	–

EUR ths	6 m 2025	6 m 2024
Net cash used in operating activities	**(1,447)**	**(455)**
Acquisition of property, plant and equipment	(633)	–
Net cash used in investing activities	**(633)**	**–**
Net cash from financing activities	**–**	**–**
Net decrease in cash and cash equivalents	**(2,080)**	**(455)**
Cash and equivalents, beginning of the period	5,123	2,914
Cash and equivalents, end of the period	**3,043**	**2,459**

The opening cash balance for the six months ended 30 June 2024 (EUR 2,914 thousand) does not agree with the consolidated balance as at 31 December 2023 (EUR 3,511 thousand). The difference is under reconciliation.

Condensed consolidated interim statement of changes in equity

	Share capital	Revaluation and other reserves	Retained earnings	Total owners	NCI	Total
Balance at 1 January 2025	**3,125**	**40,331**	**(32,332)**	**11,124**	**836**	**11,960**
Profit/(loss) for the period	–	–	(270)	(270)	915	645
Other movements, net of tax (under reconciliation)	–	(5,240)	1,016	(4,224)	(61)	(4,285)
Balance at 30 June 2025	**3,125**	**35,091**	**(31,586)**	**6,630**	**1,691**	**8,320**

Notes to the condensed consolidated interim financial statements

1 The Group and its operations

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union for the six months ended 30 June 2025 for MLK Foods PCL (the “Company”) and its subsidiaries (together referred to as the “Group” or “MLK Foods»).

The Company is a public company incorporated in the Republic of Cyprus under registration number HE 413091. The principal place of business of the Group is 9 Boryspilska Str., 02090, Kyiv, Ukraine. Commencing from 6 December 2010 the shares of the Company have been listed on the Warsaw Stock Exchange.

The principal shareholder is 1, Inc. Coöperatief U.A. (Amsterdam, the Netherlands, registration number KVK 34293975), which as at 30 June 2025 holds 21,676,930 shares, or 69.37% of the Company's share capital.

The ultimate beneficial owner of both 1, Inc. Coöperatief U.A. and Y, Inc. Property B.V. is recorded in the ultimate beneficial owner registers of the Netherlands Chamber of Commerce (KVK) as Anatoliy Yurkevych, with an interest of more than 75%. The Board of Directors regards Anatoliy Yurkevych as the ultimate controlling party of the Group.

The Company primarily acts as a holding company. “MLK Foods” is a dairy processing group producing and distributing dairy products. Following the loss of control over the Russian subsidiaries, the Group's production facilities are located in Ukraine. Since September 2019 the Polish subsidiary Milkiland EU sp. z o.o. has held only a 20% non-controlling interest in the production company Ostrowia sp. z o.o. and is not an operating base of the Group (Note 8). As at 30 June 2025 the Group employed 250 people.

The consolidation perimeter comprises the Company, the Cyprus holding and trading companies (MLK Finance Limited, Milkiland Intermarket (CY) Ltd), the Polish Milkiland EU sp. z o.o. and the Ukrainian operating sub-groups (LLC Milkiland N.V., LLC Milkiland Ukraine, LLC Moloko-Kraina, LLC 7-Ya).

These financial statements were approved by the Board of Directors on 10 July 2026.

2 Basis of preparation and accounting policies

This condensed consolidated interim financial information has been prepared in accordance with IAS 34 “Interim Financial Reporting”, except for the departures disclosed in the Note on this corrigendum.

The accounting policies applied in this interim period are consistent with those of the annual financial statements for the year ended 31 December 2024. New or revised standards and interpretations effective from 1 January 2025 had no material impact on this financial information. Income taxes in interim periods are accrued using the tax rate that would be applicable to the expected total annual profit or loss.

The euro exchange rates used in the preparation of this financial information are as follows:

	USD	UAH	PLN
As at 30 June 2025	1.1720	48.7823	4.2423
Average for the six months of 2025	1.1015	46.8480	4.2335
As at 31 December 2024	1.0389	43.9266	4.2750

Seasonality of operations. The Group's sales volumes and revenue are affected by seasonal fluctuations in demand: demand for the Group's cheese products and butter usually peaks in late autumn and in winter. Raw milk production in Ukraine peaks in the summer months; the Group manages the summer surplus by drying milk for use or sale in the winter periods. During the six months ended 30 June 2025.

Critical accounting estimates and judgements. The principal sources of estimation uncertainty at the reporting date are: impairment of property, plant and equipment and of the investment in the Polish component (IAS 36); the allowance for doubtful debts in respect of receivables; and the measurement of provisions and contingent liabilities relating to pending legal proceedings. There have been no material changes in estimates compared with the annual financial statements for 2024, other than those set out in Note 8.

3 Changes in the composition of the Group — loss of control over the Russian subsidiaries

Control over the Group's Russian subsidiaries (JSC Ostankino Dairy Plant, LLC Ostankino Dairy Plant, LLC Milkiland RU, LLC Novomoskovsk Dairy Plant, LLC Rylsky Cheese Maker, LLC Ostankinskoye) was lost in February 2022.

The loss of control has been accounted for by deconsolidation in accordance with IFRS 10.25 and B97–B99, with recycling of the foreign currency translation reserve in accordance with IAS 21. The related investments have been written down in full, through a reserve of approximately EUR 40.56 million, to nil.

These entities are outside the consolidation perimeter. Only residual recourse risks remain relevant to the Group, namely parent guarantees, cross-default provisions and the recoverability of intragroup receivables.

As the loss of control occurred in February 2022, the effect on the comparative periods is subject to retrospective treatment in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

4 Segment information

Substantially all of the Group's revenue for the period was generated by the Ukrainian operating sub-group; the Cyprus and Polish entities did not recognise external revenue.

5 Revenue

Revenue for the six months ended 30 June 2025 amounted to EUR 16,722 thousand (H1 2024: EUR 6,605 thousand). The disaggregation of revenue by product group is set out in the section "MLK Foods' Financial Performance and Financial Position"; substantially all revenue was generated by the Ukrainian operating sub-group.

6 Loans and borrowings

EUR ths	30 June 2025	31 December 2024
Short-term loans and borrowings	449	420
Non-current loans and borrowings	81,225	78,706
Total borrowings	**81,674**	**79,126**

The major part of the Group's borrowings is the Company's indebtedness under the Facility Agreement with a syndicate of international banks dated 16 December 2011. The full amount is overdue. The lender's rights under both tranches were transferred from the syndicate banks in 2019.

Principal creditors.

As at 30 June 2025 the principal financial creditors of the Group are:

Creditor	Currency	Amount, ths	Equivalent, EUR ths
Y, Inc. Property B.V.	USD	87,948	75,169
JSC OTP Bank (Ukraine)	USD	3,787	3,237
Total			**78,406**

An arrangement has been reached with Y, Inc. Property B.V. for interest not to accrue for the duration of martial law in Ukraine. Negotiations on the settlement of the indebtedness are ongoing with JSC OTP Bank.

The lender.

As at 30 June 2025 the lender under the principal indebtedness is Y, Inc. Property B.V. (the Netherlands, registration number KVK 89366913), which acquired the lender's rights under an Asset Transfer Agreement dated 20 November 2023. 100% of the shares in Y, Inc. Property B.V. and 100% of the membership interests in the Group's principal shareholder, 1, Inc. Coöperatief U.A., are held by one and the same trust, the Y Inc. Irrevocable Trust (Note 1). Accordingly, the lender is a company under common control with the principal shareholder of the Group and a related party of the Group (Note 7).

The carrying amount of the claim in the lender's accounts does not affect the amount of the Company's liability. The liability is recognised at amortised cost in accordance with IFRS 9 and is reduced only upon settlement or legal release from the obligation (IFRS 9.3.3.1).

Non-accrual of interest.

Pursuant to the arrangement with Y, Inc. Property B.V., from the date on which it bought out the Company's indebtedness to the banks, no interest accrues on that indebtedness for the entire duration of martial law in Ukraine. Accordingly, finance expense on that indebtedness for the six months ended 30 June 2025 is nil. The amount of interest accrued up to the buy-out date is fixed, does not increase and is included within trade and other payables.

Accounting assessment of the arrangement.

The interest non-accrual arrangement is a modification of the contractual terms of a financial liability. Management is assessing, in accordance with IFRS 9, paragraphs 3.3.1–3.3.2 and B3.3.6, whether that modification is substantial and whether it results in derecognition of the existing liability and recognition of a new one. As the duration of martial law in Ukraine is indefinite, the measurement of the revised contractual cash flows requires significant judgement.

In addition, the lender and the Group's principal shareholder are under the common control of a single trust. The waiver of interest accrual has been granted on terms that are not at arm's length and, in the absence of such a relationship, would be economically unjustified. Management considers that in these circumstances the economic benefit of the interest non-accrual is most likely to be recognised directly in equity as a transaction with an owner in its capacity as owner, rather than in profit or loss. An alternative treatment is the recognition of the modification result in profit or loss in accordance with IFRS 9.B3.3.6.

7 Balances and transactions with related parties

Parties are considered to be related if one party has the ability to control the other, is under common control, or can exercise significant influence over the other party in making financial or operational decisions, as defined by IAS 24. During the reporting period the Company had transactions with related parties — the ultimate shareholders, key management personnel and entities under common control.

Short-term employee benefits paid or payable to key management personnel for the six months ended 30 June 2025 amounted to EUR 85 thousand (2024: EUR 107 thousand).

Principal shareholder: 1, Inc. Coöperatief U.A. (the Netherlands), interest of 69.37%. Common owner of the principal shareholder and of the lender: Y Inc. Irrevocable Trust (State of Florida, USA). Ultimate controlling party: Anatoliy Yurkevych (Note 1).

A substantial part of the Company's liabilities consists of intragroup balances and balances with related parties.

8 Contingent assets and liabilities

The Polish component.

Since September 2019 the Group's Polish subsidiary Milkiland EU sp. z o.o. has held a 20% non-controlling interest in the production company Ostrowia sp. z o.o. The reduction of the interest from 100% to 20% resulted from an increase in the share capital of Ostrowia under the Investment Agreement dated 20 September 2019, whereby 8,400 new shares (80% of the capital) were acquired by Crema Vita sp. z o.o. in exchange for a non-cash contribution of know-how valued at PLN 420,000.

The resolutions of the general meetings of the shareholders of Crema Vita sp. z o.o. dated 28 April 2021 and 16 June 2021, by which the ownership structure and the composition of the management board of that company were changed, have been held by the courts to be non-existent (Regional Court in Rzeszów, case VI GC 231/22, judgment dated 31 March 2025; Court of Appeal in Rzeszów, case I AGa 56/25, judgment dated 17 February 2026 dismissing the appeal). The Group is not a party to these proceedings and recognises neither an asset nor a liability in connection with them. No contingent asset under IAS 37 arises for the Group.

The investment in Milkiland EU sp. z o.o. and the claims related to the Polish component are being tested for impairment in accordance with IAS 36 and IFRS 9; a material write-down is considered likely. The carrying amount of the Polish component was approximately EUR 10.92 million. The date of the loss of control over Ostrowia sp. z o.o. and the classification of the 20% interest are under review; the retrospective effect, if any, will be accounted for in accordance with IAS 8.

The Group is from time to time involved in other legal proceedings. None of them, individually or in the aggregate, has had a material adverse effect on the Group.

9 Events after the reporting date

By a judgment of the Court of Appeal in Rzeszów dated 17 February 2026 (case I AGa 56/25), the appeal against the judgment of the Regional Court in Rzeszów dated 31 March 2025 (case VI GC 231/22), by which the resolutions of the general meetings of the shareholders of Crema Vita sp. z o.o. dated 28 April 2021 and 16 June 2021 were held to be non-existent, was dismissed. The judgment became final. The Group is not a party to these proceedings; no adjustment to these financial statements is required. A description is set out in Note 8 and in the section “Material Factors and Events”.

There were no other events after the reporting date requiring adjustment to, or disclosure in, these financial statements.