

Cabka H1 2025 Results on Track: Delivering on Key Milestones with Improved Visibility for H2

PRESS RELEASE

Online investor presentation and Q&A at 11.00 CEST on 12 August 2025 via:
[Webinar | Cabka N.V. HY 2025 results](#)

Amsterdam, Netherlands - 12 August 2025 - Cabka N.V. (together with its subsidiaries “Cabka”, or the “Company”), a company specialized in transforming hard to recycle plastic waste into innovative Reusable Transport Packaging (RTP), listed at Euronext Amsterdam, today announces its unaudited results for the first half of 2025.

Highlights 2025 half-year

- **Sales** of €90.0 million, down 2% YoY, driven by market volatility experienced in Europe, partially mitigated by improved sales in the US (+9%)
- **Gross Operating margin** improved with more than 200 bps to 51.7% (H1 2024: 49.5%)
- **Operational EBITDA** of €9.1 million, down €1.4 million YoY, driven by € 5.6 million inventory reduction and with margin preservation through cost savings achieved through Shift program
- **Net Working Capital** improved by 26% y-o-y to €28.6 million (H1 2024: €38.6 million), representing 15.7% of sales. The movement was the result of favorable changes in working capital, particularly resulting from a decrease in inventory via our Shift program
- **Total CAPEX** materially lower at €5.4 million (H1 2024: €9.3 million); evenly split between replacement & maintenance capex and expansion & automation capex
- **Capital Markets Day update** scheduled for November 2025 to outline strategic roadmap and the company’s medium-term targets

Cabka CEO Alexander Masharov, commented:

“Following the market challenges in 2024, the Group implemented a turnaround strategy, namely to execute the Shift program and reposition the company for growth. In the first half of 2025, we delivered on the first critical steps, outlined in detail at our November 2024 Capital Markets Day (CMD). Our Shift program is now delivering measurable impact, with a leaner cost base, material capex reduction, increased site efficiencies, and improved our cash from operations compared to the prior year.

Our performance in the first half of 2025 has been resilient. While total sales were slightly lower year-on-year, we are seeing early signs of improved commercial momentum. The US recovery continues to gain traction and we are pursuing several promising opportunities that should help improve capacity utilization.

Operational EBITDA declined compared to last year, primarily due to a deliberate reduction in inventory. In combination with the reductions achieved in operational costs under the Shift program, supported our free cash flow.

Looking ahead, our focus remains on disciplined execution. We are encouraged by the signs of strengthening in our order book for the second half of the year, and as such are comfortable confirming our guidance for the full-year.

We will share further details on our strategic roadmap and medium-term targets at our next CMD in November of this year.

Key Figures Half Year			
	H1 2025	H1 2024	YoY Change
Sales	90.0	92.3	-2 %
Gross operating margin	51.7 %	49.5 %	220 bps
Gross profit margin	49.7 %	50.5 %	-80 bps
Operational EBITDA	9.1	10.4	-13 %
Net result	-4.7	-1.9	-147 %
Basic EPS	-0.19	-0.06	-217 %
Cash from/(used in) Operating Activities	0.2	-4.4	105 %
Net Working Capital	28.6	38.6	-26 %
CAPEX	5.4	9.3	-42 %
Recycled Material Intake	87 %	86 %	1 %

Financial and operational performance for the first half-year 2025

Sales performance

Total first half 2025 sales amounted to €90.0 million, which is 2% lower compared to the same period last year.

In Europe, markets remained volatile as a result of continued geopolitical uncertainties which led to some customers holding off on larger commitments. Our sales came in at €57.7 million, 8% lower than in the previous year (H1 2024: €62.8¹ million), driven by smaller Portfolio customers pausing investments. Sales in Customized solutions remained steady. However, Contract manufacturing saw a substantial rebound, up 24% in H1 2025 compared to the same period last year.

In the US, sales increased by 9% to €12.0 million (H1 2024: €11.1 million). The US sales team implemented a new commercial strategy, with investment in pricing to regain market share. Additionally, the company successfully increased its capacity utilization, by expanding its Contract manufacturing service line in the US.

Our ECO business grew by 7% to €14.2 million, driven by product sales (H1 2024: €13.3 million).

Cost developments

Our gross operating margin improved by more than 200 bps, rising from 49.5% in H1 2024 to 51.7% in H1 2025. This improvement reflects the continued efforts made as part of our Shift program, which delivered a significant €5.8 million² inventory reduction. While this reduction improved our net debt position, it also led to a temporary gross profit margin reduction. As a result, our gross profit margin for H1 2025 was 49.7%, compared 50.5% in H1 2024.

Operating expenses decreased by €0.5 million year-on-year, driven primarily by cost savings realized as a result of the Shift program. The most notable was a €1.1 million saving in personnel expenses which

¹ Prior year segmentation has been updated to align with the updated segmentation of certain customer products, for further information refer to section B. Note 8.

² Including inventory from raw materials, inventory movements are reported under Other Operating Income Items in the Condensed Income Statement.

also included a reduction in temporary labor costs. However, some of these gains were partially offset by an increase in other fixed costs, largely attributable to inflationary pressures. It is important to note that the prior-year period included a one-off release of an expense accrual from earlier years, which positively impacted the 2024 result. Adjusting for this non-recurring item, the underlying reduction in operating expenses would have been €1.1 million.

Depreciation and amortization remained stable at €9.7 million.

EBITDA

Operational EBITDA for the first half of 2025 amounted to €9.1 million, representing a decrease of €1.4 million compared to the same period in 2024 (H1 2024: €10.4 million). This decline was fully driven by the reduction in inventory in the first half of the year. However, the impact was partially mitigated by cost savings achieved through the successful implementation of our Shift plan, which continues to reduce our cost base and enhance operational efficiency.

Cash flows and Debt

Cash from operating activities amounted to €0.2 million, a meaningful improvement from the €4.4 million cash outflow in H1 2024. This positive shift was primarily driven by favorable working capital movements, particularly in inventories, decreasing by €5.8 million in H1 2025 compared to a €3.6 million increase in H1 2024. This change was partially offset by a €2.9 million greater reduction in trade payables compared to H1 2024 and an greater increase of €0.3 million in trade and other receivables compared to last year.

Cash flows used in investing activities totaled €1.4 million (H1 2024HY: €9.3 million). Capital expenditures on tangible and intangible assets amounted to €5.4 million (H1 2024: €9.3 million), and proceeds from the disposal of property, plant and equipment amounted to €4.0 million (H1 2024: nil).

Cash flows used in financing activities amounted to €3.9 million, compared to €11.9 million net cash inflow in H1 2024. The primary cash outflows during the first half of 2025 were the repayment of debt facilities of €-3.9 million (H1 2024: €-0.6 million), partially offset by a €2.9 million additional drawdown on the debt facility (H1 2024: €16.5 million). Further cash flows were resulting from the interest amounting to €-2.4 million (H1 2024: €-1.9 million), and lease repayments of €-0.5 million (H1 2024: €-2.1 million).

As at 30 June 2025, the total cash balance was €3.0 million (31 December 2024: €4.7 million). Gross debt reduced with €1.1 million to €75.3 million (31 December 2024: €76.4 million).

Net Working Capital

As of 30 June 2025, our Net Working Capital (NWC) position was €28.6 million, representing 15.7% of sales over the last twelve months (LTM). This is well within our medium-term guidance range and reflects a 26% year-on-year reduction compared to €38.6 million as of 30 June 2024.

During the first half of 2025, NWC increased by €2.1 million. This movement was primarily driven by a €4.6 million decrease in trade payables, relating to final payments for machinery and equipment installations in Belgium committed in a previous period. Additionally, trade receivables increased by €3.1 million, largely due to the timing of customer payments. One significant invoice became due and was settled shortly after the reporting date. A further €0.2 million reduction in customer prepayments also contributed to the increase.

These effects were partially offset by the €5.8 million³ reduction in inventories, achieved through our active inventory management program under the Shift initiative.

CAPEX

CAPEX investments for the first half of 2025 amounted to €5.4 million, which is €3.9 million lower compared to the same period last year (H1 2024: €9.3 million). This decline reflects our disciplined approach to capital expenditures under the Shift program, which continues to drive cost optimization and tighter control over our investment decisions.

³ Including inventory from raw materials

Of the total CAPEX, €2.7 million was allocated to replacement & maintenance investments, in line with our guidance to dedicate approximately 50% of our annual Capex to sustaining our current asset base.

During the first half of 2025, €2.0 million was invested into expansion and automation initiatives, with a focus on next-generation solutions designed to enhance our future profitability.

Investments in our ECO business amounted to €0.7 million, well below the €1.1 million invested in the prior year.

Outlook

The first half of 2025 has progressed in line with our expectations. We reiterate our guidance provided earlier this year for sales and EBITDA for 2025 to be at least in line with 2024. We are increasingly confident in our projections given the development of our order book. The recovery of our US business is gaining traction and we expect to see further improvement in capacity utilization.

Our Shift program is delivering tangible results, contributing to a leaner cost base and improved operational efficiency. Capital expenditures and working capital management will remain disciplined.

In conversations with our customers we see increased interest in the transition toward reusable plastic packaging, supported by the recently adopted Packaging & Packaging Waste Regulation (PPWR) and other legislative developments. Our integrated approach to circularity positions us well to capture additional market share.

The company will host a virtual capital markets update in November, where we will provide further details on our strategic roadmap and medium-term targets.

Key figures first six months 2025 including split in operational and non-operational items

Condensed income statement bridge operations to IFRS			
<i>In Euro million</i>	H1 2025	H1 2024	Change
Sales	90.0	92.3	(2)%
Other operating income items	-3.5	1.7	(302)%
Total Operating income	86.5	94.0	(8)%
Expenses for materials, energy and purchased services	-41.8	-47.5	12 %
Gross Profit from operations	44.7	46.6	(4)%
Operating expenses	-35.7	-36.2	1 %
EBITDA from operations	9.1	10.4	(13)%
Depreciation	-9.7	-9.7	— %
EBIT /Operating Income	-0.6	0.7	(187)%
Net Financial Result	-2.9	-2.0	(43)%
Earnings before taxes	-3.5	-1.3	(168)%
Taxes	-0.6	-0.6	2 %
Net income from operations	-4.1	-1.9	(113)%
<i>Non-operational and exceptional items</i>			
Tax on non-operational items	0.0	0.1	
Non operational restructuring costs	-0.5	-0.7	
Fair value of Special shares and Warrants	0.0	0.7	
Net result reported IFRS	-4.7	-1.9	

Environmental, Social and Governance (ESG)

Plastics and packaging circularity remains a central theme in both corporate and regulatory agendas. In the European Union, the Packaging and Packaging Waste Regulation entered into force in February 2025. Secondary legislation is currently under development to clarify the application of the regulation, particularly regarding to the sustainability requirements of packaging. Circularity is also embedded in other major EU policy frameworks and legislative initiatives, where it is recognized as a key driver of competitiveness and economic resilience.

At Cabka, circularity is not merely a compliance obligation, it is the foundation of our business model. As a recognized industry leader in innovative, sustainable transport packaging solutions made primarily from recycled plastics, we continue to deliver tangible environmental impact. In the first half of 2025, 87% of our raw material intake originated from secondary (recycled) sources, consistent with the same period in 2024. This underscores our ongoing commitment to circular economy principles, as we continue to re-introduce plastic waste material into durable, reusable applications.

Beyond our core materials strategy, we are advancing the sustainability of our operations. Key initiatives include:

- Increasing the share of renewable energy at our production facilities,
- Accelerating digitalization to enhance operational efficiency and transparency, and
- Implementing our social responsibility agenda, aligned with the priorities set by Cabka's management team.

These initiatives are integral to our ESG performance and reflect Cabka's commitment to responsible business practices across our entire value chain. In June of this year, the company announced that it has been awarded the Platinum Medal by EcoVadis. This distinction represents the highest level of recognition for sustainability management and marks a significant upgrade from last year's Gold Medal.

Cabka increased its EcoVadis score from 72 to 82 points, placing the company in the top 1% of all rated companies worldwide—a remarkable achievement and a testament to Cabka's leadership in environmental, social, and governance (ESG) practices.

The EU's Sustainability agenda continue to impact Cabka's sustainability reporting. Under the Corporate Sustainability Reporting Directive (CSRD), stock-listed companies are required to provide advanced reporting on ESG matters for the first time for financial year 2024. In February 2025, the European Commission launched the Omnibus Simplification Proposal (Omnibus), which includes potential amendments to key sustainability regulations such as the CSRD and EU Taxonomy in the near future. These changes may affect Cabka's future reporting obligations, potentially moving Cabka out of the compliance scope.

Nonetheless, we remain fully committed to transparency and support the CSRD and EU Taxonomy as a means to make sustainability reporting an actionable resource for all our stakeholders, as it creates a clear set of rules and standards. Therefore, we have reported in accordance with the EU Taxonomy and the CSRD and applicable European Sustainability Reporting Standards for the financial year 2024, including third-party limited assurance of the sustainability statement. In the first half of 2025, we closely monitored developments related to the Omnibus proposal and continue to assess its potential implications for Cabka's sustainability reporting obligations.

Statement of the directors' responsibilities

The Directors declare that, to the best of their knowledge:

1. The half-year financial statements, as included on pages 7 to 19 of this report, give a true and fair view of the assets, liabilities, financial position, and profit or loss of Cabka N.V. and the undertakings included in the consolidation taken as a whole; and
2. The half-year report, as included on pages 7 to 19 of this report, gives a true and fair view of the development and performance of the business and the position of Cabka N.V. and the

undertakings included in the consolidation taken as a whole (details of which are included in the half-year financial statements) on the reporting date. The half-year report also gives a true and fair view of the expected development and performance of the business, the investments and the conditions on which the development of revenues and return depend.

Alexander Masharov, CEO
Frank Roerink, CFO

FINANCIAL OVERVIEW APPENDIX

Definitions of operational items by management

- **Gross Margin** Gross Profit divided by Revenue
- **EBITDA** or Earnings Before Interest, Taxes, Depreciation, and Amortization is an important measurement of the Company's financial performance before taking the cost of capital, depreciation and taxes into consideration. EBITDA margins provide a view of operational efficiency and enable a more accurate and relevant comparison between peer companies.
- **EBIT** or Earnings Before Interest and Taxes, is a measure of a company's profitability that excludes interest expenses and tax payments. It represents the company's core, recurring business income before the impact of its capital structure and tax obligations. EBIT is also known as operating income and is calculated as revenue minus operating expenses, excluding interest and taxes.
- **Gross Profit** Profit as Revenue for the period plus changes in inventory and other operating income for the period, minus raw material costs, energy costs and purchased services
- **Maintenance and Replacement Capital Expenditures** The expenses incurred by the company that are related to the maintenance and replacements of assets like plants, machinery and buildings
- **Maintenance and Replacement Capital Expenditures as a percentage of revenue:** Maintenance and Replacement Capital Expenditures divided by Revenue
- **Net Working Capital** Trade accounts receivables plus inventories net of trade accounts payables
- **Net Working Capital as percentage of revenue** Net Working Capital divided by Revenue.
- **Net Income from operations** Net Income reported for the period, being adjusted for non-operational activities.
- **Non-operational** Indicates that this is not part of regular operational activities.
- **Operational EBITDA** Net Result reported for the period, adjusted for non-operational activities, before depreciation and amortization, interest expenses and income, taxes and share option plan accruals



**Interim Report
&
Unaudited interim
condensed consolidated
financial statements
for the first half-year 2025**

SECTION A. Half Year 2025 FINANCIAL OVERVIEW
I. Interim condensed consolidated statement of profit and loss and other comprehensive income (unaudited) first six months 2025 (2024)

Interim condensed statement of profit and loss			
<i>In Euro million</i>	Notes	H1 2025	H1 2024
Revenue	8	90.0	92.3
Change in inventories of finished goods and work in progress		(6.0)	(0.3)
Other operating income		2.5	2.1
Total Operating income		86.5	94.0
Material expenses / expenses for purchased services		(41.8)	(47.5)
Personnel expenses	9	(22.0)	(22.9)
Amortization/depreciation and impairment of intangible and tangible fixed assets		(9.7)	(9.7)
Other operating expenses	9	(14.2)	(13.9)
Total Operating expenses		(87.7)	(94.0)
Finance income ⁴	6	4.3	1.2
Finance expenses ⁴	6	(7.2)	(2.5)
Net Financial Result		(2.9)	(1.4)
Result before taxes		(4.1)	(1.3)
Income tax (expense)/income		(0.6)	(0.5)
Result for the year		(4.7)	(1.9)
<i>Attributable to:</i>			
Non-controlling interest		—	—
Equity holders of CABKA N.V.		(4.7)	(1.9)

Other comprehensive income			
<i>In Euro million</i>	Notes	H1 2025	H1 2024
Result for the year		(4.7)	(1.9)
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translation of foreign operations		0.8	0.1
Other comprehensive income/(loss) - cash flow hedges		(1.0)	—
Total comprehensive (loss) / income		(4.9)	(1.8)
<i>Attributable to:</i>			
Non-controlling interest		—	—
Equity holders of CABKA N.V.		(4.9)	(1.8)

⁴ Finance income and finance expenses include the fluctuations resulting from our foreign exchange hedging policy, which relates to the same segment and are managed together. Going forward, the company intends to net the position.

**II. Consolidated interim Statement of Financial Position (unaudited)
as at 30 June 2025 (2024)**

Consolidated Statement of Financial Position			
<i>In Euro million</i>	Notes	30.06.2025	31.12.2024
ASSETS			
Non-current assets			
Intangible assets		2.4	2.7
Property, plant and equipment		75.6	83.9
Right of Use assets		10.3	11.6
Long-term financial assets		0.1	0.1
Deferred tax assets	4	5.9	5.9
Total Non-current assets		94.2	104.3
Current assets			
Inventories		30.4	36.2
Trade receivables		22.6	19.5
Other short-term assets		9.6	9.1
Cash and cash equivalents		3.0	4.4
Total Current assets		65.7	69.3
Total Assets		159.9	173.5
LIABILITIES			
Equity			
Share capital		0.4	0.4
Treasury shares		(0.2)	(0.2)
Share premium	11	74.1	74.0
Other reserves	11	5.9	6.9
Retained earnings		(27.4)	(22.9)
Foreign currency translation reserve		(0.7)	(1.5)
Total Equity		52.2	56.7
Non-current liabilities			
Long-term financial liabilities		9.8	38.9
Other long-term liabilities		1.5	0.5
Deferred tax liabilities		—	—
Total Non-current liabilities		11.3	39.4
Current liabilities			
Short-term financial liabilities	6, 11	65.4	37.5
Provisions		0.4	0.8
Contract liabilities		1.5	3.1
Trade payables		24.4	29.0
Other short-term liabilities		4.7	6.9
Total Current liabilities		96.4	77.4
Total Equity and Liabilities		159.9	173.5

Interim condensed consolidated statement of changes in equity for the six months ended 30 June 2025

Interim condensed consolidated statement of changes in equity (01.01.2025– 30.06.2025)							
<i>In Euro million</i>	Share capital	Share premium	Treasury shares	Other reserves	Foreign currency exchange reserve	Retained earnings	Total equity
At December 31, 2024	0.4	74.0	-0.2	6.9	-1.5	-22.9	56.7
Net result for the period	-	-	-	-	-	-4.7	-4.7
Other comprehensive income/(loss)- exchange difference	-	-	-	-	0.8	0.3	1.1
Other comprehensive income/(loss)- cash flow hedges	-	-	-	-1.0	-	-	-1.0
Total comprehensive income/(loss)- for the year	-	-	-	-1.0	0.8	-4.3	-4.5
Transactions with owners of the Company							
Increase of legal reserve	-	0.1	-	-	-	-	0.1
Total transactions with owners of the Company	-	0.1	-	-	-	-	0.1
At June 30, 2025	0.4	74.1	-0.2	5.9	-0.7	-27.3	52.2

**Interim condensed consolidated statement of cash flow
for the six months ended 30 June**

Consolidated Statement of Cash Flows		
<i>In Euro million</i>	H1 2025	H1 2024
Cash flow from operating activities		
Net result after tax	(4.7)	(1.9)
Adjustments for:		
Amortization/depreciation of intangible and tangible fixed assets	9.7	9.7
(Loss) on disposal/profit on sale of property, plant & equipment	-	(0.1)
Share-based payment expense	(0.1)	(0.5)
Other non-cash transactions	(1.0)	(0.1)
Finance income	-	(1.1)
Finance expenses	2.4	2.2
Income tax expenses	0.6	0.5
Net foreign exchange differences	0.5	0.3
	-	-
Changes in:		
Inventories	5.8	(3.6)
Trade receivables and other current assets	(3.7)	(3.4)
Trade payables and other current liabilities	(8.9)	(6.0)
Cash generated/(utilized) from operations	0.7	(3.9)
Income taxes paid	(0.5)	(0.6)
Net cash from/(used in) operating activities	0.2	(4.4)
Cash flow from investing activities		
Cash outflow for investment in intangible assets	(0.1)	(0.1)
Cash inflow from sale of property, plant and equipment	4.0	-
Cash outflow for investment in property, plant and equipment	(5.3)	(9.2)
Interest received on cash and equivalents	-	-
Net cash used in investing activities	(1.4)	(9.3)
Cash flow from financing activities		
Cash outflow for the repayment of liabilities to banks	(3.9)	(0.6)
Cash inflow from receipt of liabilities to banks	2.9	16.5
Cash outflow for the repayment of lease liabilities	(1.7)	(1.4)
Cash inflow from sale and lease back activities	2.0	-
Cash outflow for the repayment of sale and lease back activities	(0.7)	(0.7)
Interest paid	(2.4)	(1.9)
Net cash from/(used in) financing activities	(3.9)	11.9
Changes in cash and cash equivalents	(5.2)	(1.9)
Cash and cash equivalents at the beginning of the year	4.4	7.3
Net foreign exchange difference	0.8	-
Effect of changes in foreign exchange rates	2.9	(0.8)
Cash and cash equivalents at the end of the year	3.0	4.7

Section B. Notes to the interim condensed consolidated financial statements

1. Corporate information

Cabka N.V. is a listed public company which is registered in the Chamber of Commerce Amsterdam under number 80504493 and has its registered office at John M. Keynesplein 10, 1066 EP Amsterdam, The Netherlands.

Cabka N.V. is based in the Netherlands with subsidiaries in the US, Spain, Germany and Belgium. Cabka is listed at Euronext Amsterdam. Throughout this report, the name “Cabka”, “Cabka Group”, “the Company” or “the Group” will be used interchangeably to refer to Cabka N.V. and its subsidiaries. These consolidated financial statements comprise the Company and its subsidiaries.

Cabka is creating clever and transformative packaging solutions for moving goods around the world in a sustainable fashion. We take post-industrial plastic waste and recycled plastics and transform it into reusable transport packaging (RTP), namely pallets and large containers. In addition to transport packaging, we develop and produce Eco products. These are made from post-consumer plastic waste and are used in road construction, traffic safety systems and gardening.

We are leading the industry in our integrated approach closing the loop from waste, to recycling, to manufacturing. Thanks to our many years of experience and the work of our engineers at our state-of-the-art Innovation Center, we are able to bring recycled plastics back into the production cycle at attractive prices. This enables us to significantly reduce both the costs and the environmental footprint of our customers.

The interim condensed consolidated financial statements of Cabka N.V. and its subsidiaries for the six months ended 30 June 2025, are presented in millions of Euro, unless indicated otherwise. They have been authorized for publication by the Supervisory Board on 11 August 2025, and are unaudited.

2. Basis of preparation

These unaudited interim condensed consolidated financial statements for the six months ended 30 June 2025, have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ as adopted by the European Union.

The Group financial statements have been prepared on a going concern basis. A key condition for the continuation of the Company’s credit facility is the compliance with prescribed financial covenants. If the company fails to meet these prescribed covenants and is unable to timely negotiate a waiver, the lending banks may exercise their right to cancel the facility and request full repayment of the outstanding debt.

The company has obtained a waiver for Q2 2025. The Management Board is currently in constructive discussions with the syndicate lenders to agree on revised terms for the financial covenants going forward. The objective is to align the debt facility and its covenants to reflect the current financial realities and business growth plans. These discussions are expected to be completed before the end of August.

While management remains confident in the Group’s ability to implement appropriate measures to address these challenges, a material uncertainty remains on the continuation of the credit facility which may cast doubt on the Company’s ability to continue as a going concern. For further information on the company’s Loan agreements refer to note 6.

The consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments, as derivatives, Special Shares liabilities, as well as share-based payments and warrants, which are measured at fair value.

These condensed consolidated interim financial statements are based on the annual financial statements of Cabka N.V., for the year ended 31 December 2024, and shall be read with this.

3. Summary of significant accounting policies

Cabka N.V. applied accounting standards consistently for all annual periods as described in detail in the 2024 Annual Report financial section.

The interim condensed consolidated financial statements comprise the interim financial figures of the Company and its subsidiaries as of 30 June 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated, applying the equity method, from the date on which control is transferred to the Group.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

There is no change in the ownership interest of the subsidiaries in the first six months of 2025.

The Group's interim condensed financial statements are presented in Euros, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

There are no material changes or amendments compared to the accounting policies presented in the 2024 Annual Report.

4. Significant judgements and estimates

In preparing these interim condensed consolidated financial statements, management has made a number of judgements, estimates, and assumptions about recognition and measurement of assets, liabilities, income, and expenses. The actual results may differ from these judgements. There are no material changes of judgements compared to the accounting policies presented in the 2024 Annual Report.

Critical judgement on Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

In the first half-year 2025 no additional deferred tax assets were recognized, which are expected to be utilized in the coming periods.

Further, there are no significant changes in management's estimates compared to the financial statements in 2024.

5. Seasonal fluctuations

There are no seasonal fluctuations besides the mentioned ones that are considered to have material impact during the first six months of 2025.

6. Significant events and transactions

Loan agreements reclassification

In the half-year report for 2024, as at 30 June 2024 (**H1 2024**, page 8), a portion of the syndicated bank loan was initially classified as non-current. After the reporting period closed, Cabka followed standard procedures to assess compliance with all financial covenants under the Facilities Agreement with its syndicate lenders. Preliminary calculations indicated that certain ratios would not meet the thresholds agreed in the Facilities Agreement. Consequently, Cabka entered into discussions with the syndicate lenders to request a waiver in accordance with the Facilities Agreement. Prior to publication of the H1 2024, the majority of the syndicate lenders confirmed the requested waiver and adjustment of the covenant levels, which was subsequently confirmed in writing later that month. The Management Board was therefore confident that, at the time of publication of the H1 2024, a waiver would be granted. Considering the waiver would be granted, the Management Board considered the non-current classification appropriate.

Following an internal reassessment of the relevant IFRS accounting standards, the Management Board reconsidered the interpretation of the syndicated bank loan in the H1 2024. It was concluded that, under the applicable accounting standards, a liability may only be classified as non-current if the right to defer repayment is unconditional as at the reporting date. Even though the company anticipated a potential breach of covenants and we successfully obtained a waiver in August 2024, under IFRS, the company is still required to classify the syndicated bank loan as current in the H1 2024. The Management Board therefore acknowledges that, in hindsight, the classification applied in the H1 2024 report did not fully align with the accounting standards. Compliance and transparent market communication are of great importance to Cabka. At the time, the Management Board believed it was acting prudently, also taking into account the relevant disclosures in the explanatory notes to the H1 2024.

The financial covenants under the Facilities Agreement are tested quarterly to confirm compliance. As part of the adjusted waiver granted by the syndicate lenders, no dividend may be declared as long as any of the covenant thresholds are not met.

As at 30 June 2025, the syndicated bank loan is classified as current, as Cabka has not met certain covenants as at 30 June 2025. However, the company has successfully obtained a waiver for this reporting period from its lender syndicate.

Discussions with the lender syndicate on to adjust the levels of the covenants for a period of at least the next 12 months are ongoing. We aim to complete these discussions by the end of August.

Financial Instruments

The Company entered into derivative financial instruments (derivatives) in order to manage interest and currency fluctuation. The company as a result started to apply Hedge accounting as per 1 July 2024, which allows derivatives to be designated as a hedge of another (nonderivative) financial instrument, to mitigate the impact of potential volatility in the income statement of changes in the fair value of the derivative instruments.

7. Risk Management

Throughout the first half of 2025, we maintained a strong focus on our comprehensive risk management framework. In July, the Risk Committee conducted its scheduled half-year review of the 16 principal risks previously identified and disclosed in our 2024 annual report. This review was carried out in close collaboration with key functional department heads, who provided insights into internal and external developments affecting the risks under their responsibility.

The outcome of the review confirmed that Cabka's overall risk profile remains materially consistent with the full-year 2024 assessment. The only notable adjustment concerns the risk associated with loss of key customers. Previously classified as a high-priority risk (1. priority) in the 2024 annual report, this has now been adjusted towards the low- priority quadrant (3. priority). This downgrade reflects the effectiveness of Cabka's mitigation strategies, which has successfully reduced exposure and impact in this risk area. In

addition, the likelihood of occurrence has been reassessed and lowered, further supporting the revised risk classification.

In line with the risk management process, the Risk committee will update the risk assessment towards the end of the year.

8. Revenue from contracts with customers and segment reporting

Set out below is the disaggregation of the Group's revenue from contracts with customers split to different segments and ECO-products.

Revenues by Product Segment			
<i>In Euro million</i>	H1 2025	H1 2024	Change
RTP Europe	57.7	62.8	-8%
Portfolio	34.4	40.5	-15%
Customized Solutions	15.7	15.9	-2%
Contract Manufacturing	7.6	6.3	20%
RTP US	12.0	11.1	9%
Portfolio	10.0	10.3	-2%
Customized Solutions	1.6	0.8	97%
Contract Manufacturing	0.4	-	100%
Eco Products	7.5	6.3	20%
Recycling Fees	6.6	7.0	-5%
Others	6.1	5.1	18%
Non-Strategic Products	3.5	2.6	35%
Material Sales & Freight	2.6	2.6	1%
Total	90.0	92.3	-2%

To ensure consistency and comparability with the revenue segmentation as presented in the 2024 Annual Report, the segmentation for the first half of 2024 has been restated. In the Annual Report, freight income is reported separately, whereas in previously published half-year reports, it was included within the respective revenue segments.

Additionally, revenue from PVC sales, which was historically included under Material Sales in half-year reporting, has been reclassified to Non-Strategic Product Sales in line with the Annual Report presentation. These changes align the half-year reporting with the full-year segmentation and provide a more transparent view of the underlying performance of each segment.

The restatement does not impact the total revenue reported for the prior year but does affect the allocation across segments. As a result:

- Revenue previously reported under Portfolio Europe decreased by €1.8 million, while Material Sales & Freight increased by the same amount.
- Revenue previously included in Material Sales relating to PVC product sales, decreased by €0.5 million, with a corresponding increase in Non-Strategic Product Sales.

Segment Performance Half Year 2025			
<i>In Euro million</i>	Europe	North America	Total
Revenue	77.8	12.3	90.0
Change in inventories of finished goods and work in progress	-5.8	-0.2	-6.0
Other operating income	2.5	-	2.5
Total Operating income	74.4	12.1	86.5
Material expenses / expenses for purchased services	-35.4	-6.4	-41.8
Gross profit	39.1	5.7	44.7
Personnel expenses			-22.0
Amortization/depreciation and impairment of intangible and tangible fixed assets			-9.7
Other operating expenses			-14.2
EBIT			-1.2
Finance income			4.3
Finance expense			-7.2
Financial Result			-2.9
Result before taxes			-4.1
Income tax expense			-0.6
Net result for the period			-4.7
Attributable to:			
Equity holders of CABKA N.V.			-4.7

Segment Performance Half Year 2024			
<i>In Euro million</i>	Europe	North America	Total
Revenue	81.1	11.2	92.3
Change in inventories of finished goods and work in progress	-0.6	0.3	-0.3
Other operating income	2.0	0.1	2.1
Total Operating income	82.4	11.6	94.0
Material expenses / expenses for purchased services	-41.2	-6.3	-47.5
Gross profit	41.3	5.3	46.6
Personnel expenses			-22.9
Amortization/depreciation and impairment of intangible and tangible fixed assets			-9.7
Other operating expenses			-13.9
EBIT			-
Finance income			1.2
Finance costs			-2.5
Financial Result			-1.4
Result before taxes			-1.3
Income tax expense			-0.5
Net result for the period			-1.9
Attributable to:			
Equity holders of CABKA N.V.			-1.9

Assets and liabilities are not monitored by segment and therefore not presented per segment.

9. Non-operational and exceptional items excluded from net income from operations

To ensure a better understanding of our true operational performance, certain items are excluded from net income from operations due to their materiality, nature and/or one-off occurrence. In the first half of 2025, total non-operational and exceptional items including tax amounted to a cost of €0.5 million (H1 2024: nil).

These costs primarily related to employee severance expenses following the redundancy of specific roles within the organization. These changes are expected to contribute to improved operational efficiency going forward. Prior year included a similar amount in severance expenses.

In addition a fair value gain of €14.7 thousand (H1 2024: €0.7 million) was recognized in relation to the revaluation of the Special Shares and warrants. The valuation was performed using a modified Black-Scholes-Merton option pricing model, taking into account the market conditions.

No further costs were incurred in 2025 related to the small fire that occurred at our operating plant in Weira (H1 2024: approximately € 0.2 million in estimated damages).

Taxes related to non-operational and exceptional items amounted to nil (H1 2024: € 0.1 million).

10. Fair value measurement

The Group's best estimate is that the book value of the following financial assets and liabilities is considered a reasonable approximation of their fair value

- trade and other receivables;
- cash and cash equivalents;
- bank loans; lease liabilities and liabilities to other financial institutions
- trade and other payables.

Derivative financial instruments such as interest rate swaps are measured at fair value and are recorded as financial asset or financial liability depending on their fair value (positive or negative). Such fair value measurements are classified as level 2 of the fair value hierarchy of IFRS 13.

Special Shares liabilities are measured at fair value based on estimations at each reporting date using a modified Black-Scholes-Merton option pricing model, taking into account the market conditions. Further details on the valuation and terms are disclosed in Note 6 and 11. Such fair value measurements are classified as level 3 of the fair value hierarchy of IFRS 13.

There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments. Such transfers may occur where directly observable prices may become available or where market data from independent sources may no longer be available.

11. Share Capital and share premium

An overview of the issued share capital of Cabka N.V. can be specified as follows:

Cabka share capital	Shares		ISIN
	30.06.2025	31.12.2024	
Ordinary Shares issued	24,710,600	24,710,600	CABKA / NL00150000S7
Ordinary Shares in treasury	15,994,378	15,994,378	DSC2S / NL 00150002R5
Total Ordinary Shares	40,704,978	40,704,978	
Special Shares	97,778	97,778	
Total shares	40,802,756	40,802,756	

A number of warrants, special shares and “performance shares” are still outstanding and may be converted to ordinary shares based on the share price performance. Significant dilution for the existing shareholders may result when these instruments are converted into shares. Potential dilution of the total number of issued ordinary shares can be triggered at the following thresholds.

- € 11 share price: maximum of 190,471 shares resulting from PSU current performance share program management of which 69,643 are already granted.
- € 12 share price: maximum of 190,471 shares resulting from PSU of which 69,643 are already granted; DSCW2 warrants conversion into maximum of 880,000 shares; and conversion of remaining 1/3rd of Special Shares converting into 684,446 shares⁵:
- € 13 share price: maximum of 190,471 shares resulting from PSU of which 69,643 are already granted; and DSCW3-warrants conversion into maximum of 1,320,000 shares.
- € 16 share price: 600,000 shares from Performance Shares.
- € 18 share price: 600,000 shares from Performance Shares.
- € 20 share price: 600,000 shares from Performance Shares.

Cabka share capital (including fully diluted)	Shares
	30.06.25
Ordinary Shares issued	24,710,600
Special Shares	97,778
Potential dilution from	
– Warrants	2,200,000
– Special shares	586,668
– Performance Shares	1,800,000
– PSU's	208,928
– RSU's	87,105
Total Shares fully diluted	29,691,079

Dividends payable in relation to the financial year 2024

As communicated in our full-year 2024 results, the company decided not to pay a dividend for the financial year 2024. This decision, made in response to the challenging market environment and in consultation with the Supervisory Board and key shareholders, reflects our continued focus on financial stability and long-term value creation.

12. Earnings Per Share

Based on 24,710,600 shares issued entitled to dividend, the Net Income per ordinary share for H1 2025 amounts to € -0.19 per share compared to € -0.06 from the same period in 2024.

13. Related party balances and transactions/disclosures

There are no material related party transactions other than those also presented in the 2024 Annual Report.

On 1 November 2017, Cabka Group GmbH entered into a rental agreement for the office in Berlin with Ram.on real estate GmbH for a period of 10 years, where total fees are amounting to € 378,000 in 2025. In addition to that Cabka Spain S.L.U. entered into a rental agreement with Ram.on real estate GmbH for the office building in Valencia commencing 5 June 2022 for 10 years as well, with total fees in the fiscal year of € 200,000.

In addition to the above-mentioned agreements there is a consultancy agreement between Cabka N.V. (NL) and Ram.ON finance GmbH with effective starting date 1 March 2022 for four years, covering

⁵ If Specials Shares DSCT have not vested by 1 March 2027 they will vest at a conversion rate of 1 (i.e., 1 ordinary share per special share) into 97,778 ordinary shares. See shareholder circular for full details.

services for high level strategic consulting with regard to the future corporate strategy and positioning of Cabka in the market using the special know-how of the consultant. The fees amount to €539,000 per year.

An additional leasing agreement with Oceansix GmbH on extruders was entered in 2023 with a total expense of €300,000 recorded in the current financial year.

In addition to the related party transactions as disclosed above, the Group has issued several equity instruments to shareholders and key management employees.

14. Events after the reporting date

There were no significant events that occurred after the reporting date.

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