



To our shareholders and investors:

The last twelve months reshaped Koykan and the last six were the most defining stretch so far. We moved from a company preparing to expand into one that is expanding across borders, and in June 2026 we opened our first restaurant in Germany - the Koykan location in the PEP mall in Munich - which by its second week of trading recorded the highest daily revenue of any restaurant in the group. We now operate nine restaurants across four European markets (Croatia, Germany, Czechia and Slovakia), each generating between EUR 500,000 and EUR 1.25 million of annual revenue with an average EBITDA contribution above EUR 90,000.

This is mostly not about how many restaurants we have opened so far, but about the deeper change around our business model which works. We have built a franchise framework, standardized our processes, strengthened our supply chain through long-term supplier contracts that cut food costs by around 30 percent, and digitized the operating backbone of the company. Our dedicated Operating Company can now deliver between 12 and 15 new locations per year. Over 2025 we invested close to EUR 3 million to build eight restaurants and to lay these foundations. Koykan is no longer a single-market experiment - it is a system that has proven it can work across very different countries and operating environments.

Our company has been carried this far by a broad base of investors. More than 500 small and mid-sized investors have backed Koykan with over EUR 3 million, supported by a multi-year record of regular coupon payments. To all of you, the message of this letter is simple: the operating model works, and what now must evolve is how we finance and scale it. On 9 May 2026 we brought the whole strategy into the open at the Koykan Capital and Investors Forum in Zagreb. In the coming days that strategy will get a public home of its own, our first retail-oriented capital website. This letter is a private summary of it, shared first with you.

Why capital is the next step

For the last few years, we grew the way an ambitious young company has to grow - on debt, combining bank financing and bonds to prove the concept quickly. That was the right

choice for that stage. It will not be the only engine for what comes next. The current picture of Europe is that the problem is rarely a shortage of capital. It is that the capital which exists does not quite fit this moment - the moment where the model is proven, where expansion still needs money up front and where some execution risk is still real. Bank lending is careful and tied to collateral. Private equity tends to arrive once the scale is already there. In between sits a gap and filling that gap is what we have decided to build.

We had two realistic options.

We could sell a large piece of the company to a private equity fund today, at today's size, or we could build our own capital platform now and bring private equity in later, from a position of real strength and a higher valuation.

We chose to build. We are putting together the Koykan Capital and Expansion Platform and over the next 18 to 36 months we will prepare for a larger private equity round as the step that follows this one. In parallel we are raising EUR 3 to 5 million Series A at the platform level, which we aim to close in the fourth quarter of 2026. The principle underneath all of this is simple: the platform and the restaurants it helps build should not sit on the same balance sheet.

The Koykan Capital platform - now public

The platform stands on three parts.

The first is the brand company, Planets Group, which holds the brand, the recipes, the manuals, the technology and the standards that make a Koykan restaurant the same in Zagreb, Munich or Prague, and licenses them to each restaurant against a royalty on revenue. The second is our operating partners, the operators who take on a defined area and run it on the ground, brought in under three arrangements - a self-funding Area Franchise Partner, a capital-assisted Area Operation Partner who earns ownership through performance and a Master Franchise Partner where local convention calls for it. The third part is the capital platform itself, built around four channels, each shaped for a different investor profile and each operating within the regulatory frame that fits that profile.

The four channels, as we now present them publicly, are:

- Channel 01 - Equity. Ownership in Planets Group, the company behind the brand. Strategic and institutional investors participate directly; others through convertible bonds. The Series A runs now, with larger rounds to follow, and the platform valuation is being finalized as we speak.
- Channel 02 - Growth. Capital that finances the building of new restaurants in defined batches. The current wave targets approximately EUR 8 million to develop 20 locations across Europe with operating partners, anchored by the Xela Group rollout of ten locations in Germany. Entry is through a convertible bond carrying around 9 percent per year that steps down as the wave fills, with entry thresholds from EUR 5,000 for retail and EUR 100,000 for qualified investors. The illustrative development return presented publicly is 25 to 40 percent per year.

- Channel 03 - Yield. A share in our existing, stabilized restaurants. The first yield offer is approximately 30 percent of our stabilized seed portfolio of five restaurants - four in Croatia together with the Munich location - with an indicated dividend of 8 to 12 percent per year, a minimum ticket of EUR 5,000 and dividend rights from 1 January 2027.
- Channel 04 - Bonds. The most accessible entry: a fixed 7.5 percent per year over three years, from as little as EUR 1,000, in a EUR 2 million public issue subscribed through SKDD, with an option to move into co-ownership from EUR 5,000.

These channels are designed to turn together. Capital goes into growth, where value is created by building a restaurant and getting it to stand on its own. Once a location is stable it moves to the yield side at a pre-agreed, formula-based price, which returns capital and gains to the growth investors and frees that capital to start the next batch. Each turn takes a little risk out of the system and makes the next phase easier to finance. The ambition this serves is concrete: over the ten years from 2027 to 2036 we are working toward roughly 500+ locations focused on Europe and the Middle East space. We intend to reach it without loading new debt onto the core company to open our own restaurants, keeping the balance sheet healthier and dilution under control.

Franchise, franchise, franchise

If you have read these letters before, you know how central franchising is to us. It has been the long game from the beginning, and it is the part of the model that makes the economics work at real scale. Every other channel raises money and pushes it into restaurants. Franchising runs the other way: a partner brings their own capital as they build, and we earn from their growth through a fee at signing and a royalty on revenue, without putting our own capital into each restaurant they open. The income is steady and the network grows without us spending in step with it. We will not pretend the partner side is easy. The operator we would most like to sign - an experienced multi-unit operator with the capital to commit to a multi-year build - usually attaches to brands with decades of history. Our answer is the Area Operation Partner: the same calibre of operator, except our capital stands alongside theirs and they earn ownership by performing rather than by paying on day one. That single choice widens the pool of operators we can work with several times over.

Xela Group is our first Area Operation Partner and the live test of this idea. Instead of waiting for a rare operator who could fund a whole area alone, we matched an experienced multi-unit operator with our own capital: Xela commits to building out their area, roughly ten locations in Germany, our Capital Engine invests alongside them, and they earn their ownership as the area performs, with a path toward full ownership over time. The first restaurant, in the PEP mall in Munich, has held that position since it opened. That is a single data point rather than a trend, but it is exactly the kind of start that tells us the model can work on the ground, not only on a slide.

Xela is meant to be the first of several, not the exception. We are now in active conversations with a small number of operators of the same calibre, each able to take on an area of their own, from other parts of the German-speaking market to Western Europe, including early talks with partners in Austria and the United Kingdom. The structure is deliberately built this way: one partner to an area, several areas to a region, and many areas building in parallel, so the network grows through people who bring their own execution and much of their own capital while we supply the brand, the systems and the capital alongside them. If we sign even a handful of these over the coming year, franchising stops being a promise in these letters and starts becoming the main way Koykan grows.

For those who backed us early

A word for the people who believed in Koykan early, and above all for our early stage investors and bondholders - more than 500 of you - who put money behind this company while it was still proving itself. As your bonds mature over the next 12 to 24 months, you will not face a single take-it-or-leave-it option. You will be able to refinance into a new bond at the platform level on cash-neutral terms, convert into the part of the platform you believe in most - the platform itself, the growth side or the stabilized yield side - or take your money back in cash. For anyone who would rather stay exactly where they are, the existing bond program keeps running alongside everything new. This relationship does not end here. It grows into the platform we are building around it, on terms that let each of you choose your own balance of risk and reward.

The next weeks: what to expect from us

In the days and weeks ahead you will hear from us directly. Rather than leave the choices in front of you sitting in a letter, we will walk each of you through them one by one: what your options are as your bonds mature, how the equity, growth, yield and bond channels differ, and where each of them might fit what you are looking for. Our hope is simple - that once the picture is clear, many of you will choose not just to stay, but to widen your place in the Koykan story.

These conversations come at a deliberate moment. Over the coming months Koykan goes through the biggest structural change in its history. We are converting the company into a joint-stock company, and alongside it we are establishing a dedicated capital-management company to run the platform you have read about in this letter. This is what turns the strategy on these pages into real, working structure - and it is the groundwork that lets you move with us, on terms built to be clear and fair.

One more thing worth your attention. As Koykan grows across markets and instruments, keeping you properly and regularly informed becomes a discipline of its own. That is why

we are establishing Investor Relations as a dedicated function at Koykan - a permanent part of how this company operates, with one clear task: making sure the flow of information to you keeps pace with what we are building. In this first phase, I will carry the role together with our Investor relations manager, and as the company grows, so will the team behind it. You will hear from us regularly, in a structured way and always with substance.

The next nine months

So what happens now. Three things are moving at once.

- Activating our first growth cycle. A first EUR 500,000 has gone into our opening restaurant in southern Germany, and we are laying the groundwork for the approximately EUR 8 million Growth wave to build 20 locations across Europe.
- Forming our first yield position. Five stabilized restaurants - four in Croatia together with the Munich location - seed the yield layer with real, cash-producing assets, and the first yield offer opens on approximately 30 percent of that portfolio.
- Closing the Series A and signing the next partner. We are in active conversations with venture investors, family offices and early-stage private equity to anchor the EUR 3 to 5 million round, and we are working to sign at least several more operating partners.

Behind these sit the pieces we are building now: the investor package for the Series A, the digital investor portal and onboarding that make our retail channel work properly and the legal and fund setup for the Growth wave. In parallel, through Gastronomy 4.0, we are developing an AI-driven automated food-preparation line together with three technology partners and with the EU support of 1.5 M EUR grant. A larger private equity round remains the natural next step once the platform is truly working and we are aiming for it within the next 18 to 36 months - from a position of strength, not of need.

Challenges

None of this is without risk, and we would rather name the hard parts than pretend they are not there.

- Our team. Our leadership is still young for the scale we are chasing. Bringing in senior people - a Chief Revenue Officer to drive sales and marketing and stronger finance leadership on the way to a full CFO function - is one of my own priorities this year.
- Our brand outside Croatia. Away from home the name is still young, budgets are small and locations are few, so recognition has to be won city by city. Some of our restaurants are not yet where we want them on revenue.

- The franchise ramp. Inbound interest is strong, but turning it into signed, well-supported partners is slow, hands-on work.
- The capital structure. What we are building is genuinely complex, spanning a regulated fund, cross-border holding companies, retail vehicles and bond programs, and it depends on getting the detail right with our advisors. We are working closely with BDO, outside legal counsel and our fund partners.
- Timing we do not fully control. Parts of the plan depend on regulation, in particular the retail-offering rules expected across the EU space in the third quarter of 2026, and we are sequencing the rollout to be ready as each window opens.

Towards tomorrow

We know the road ahead will not run in a straight line. There will be hard days, difficult calls and moments where we rebuild part of the plan while we are still walking it. But we know what we are building and what it asks of us, and if we stay disciplined, keep raising our own standards and keep executing with clarity, we will get there step by step - not through shortcuts, but through the kind of steady, deliberate progress that adds up over the years.

On a personal note: much of this has been, and often still is, a lonely job. Many of the calls that shape Koykan still come down to my own best judgment, made with incomplete information and carrying real weight for the people who trust us. What has changed over the past year is that I am no longer making them entirely on my own. I have a team around me that now carries a growing share of that load, and I am deeply grateful to them for it. I am also clear-eyed about what has to come next: this team must become more senior, and we need to bring in experienced leaders whose role will be, above all, to challenge the decisions I have too often made alone. I do not say that with reluctance. I have led this company so far not only with commitment but with real joy, and I am walking into the next chapter at full strength, ready for the transformation it will ask of me just as much as of the company. My intention is to come out the other side a better leader than I am today.

It comes down, as it has from the start, to short-term execution while we hold on to the long-term vision of building a restaurant chain that serves millions of customers and leaves them hungry for more. We remain a young company, in many ways still a fragile one, with a great deal left to learn - but we are far stronger than we were a year ago, and we trust that Koykan remains the type of company you want to be invested in.

Boro
Koykan CEO