

**ZWACK UNICUM PLC.**

**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

**PREPARED IN COMPLIANCE WITH  
INTERNATIONAL FINANCIAL REPORTING STANDARDS  
AS ADOPTED BY THE EUROPEAN UNION**

(This is an English translation of the financial statements for the financial year between 1 April 2025 and 31 March 2026 issued in Hungarian. The content of the English translation is consistent with the content of the financial statements prepared in xhtml format.)

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## DECLARATIONS

We, the undersigned Zwack Unicum Liqueur Industry and Trading Public Limited Company, hereby declare that the facts and statements contained in the Annual Report covering the Company's business year of 2025-2026 (1 April 2025 – 31 March 2026) are true in all respects, and that the Annual Report does not hide any fact that is of importance in assessing the situation of the Company.

Financial reports (Statement of Financial Position, Statement of Comprehensive Income, Cash Flow, Statement of Changes in Equity and Notes to the Financial Statements) presented in the Annual Report were prepared according to the applicable accountancy regulations and our best knowledge. Financial reports give real and authentic picture of the assets, liabilities, financial situation and profit of the issuing company.

Business and Management Report, which is part of the Annual Report, gives authentic picture of the situation, development and achievement of the issuing company, reciting the major risks and factors of uncertainty.

The Company has fulfilled the periodic and extraordinary duties of disclosure, as required by the Capital Market law.

The Company's audit has been provided by KPMG Hungária Kft. The Auditor of the Company did not receive other assignment than the audit of the annual report and entity's sustainability report of the Company.

Budapest, 26 May 2026



Katalin Hollósi  
Chief Accountant



Balázs Szűcs  
Investor correspondent

based on the power of attorney provided by:



Sándor Zwack  
Chairman of the Board



Csaba Belovai  
Chief Executive Officer

**ZWACK UNICUM NYRT.**  
**STATEMENT OF FINANCIAL POSITION**

	Note	31 March 2026	31 March 2025
		HUF mill	HUF mill
<b>ASSETS</b>			
<b>Non-current assets</b>			
		<b>4 098</b>	<b>4 029</b>
Property, plant and equipment	5	3 927	3 861
Intangible assets	6	80	80
Employee loans	7	5	4
Deferred tax asset	19	86	84
<b>Current assets</b>			
		<b>11 490</b>	<b>11 038</b>
Inventories	8	3 886	3 750
Trade receivables	9	3 372	3 247
Other financial receivables	9	97	90
Non-financial receivables	9	300	315
Cash and cash equivalents	10	3 835	3 636
<b>Total assets</b>		<b>15 588</b>	<b>15 067</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
		<b>9 145</b>	<b>8 955</b>
Share capital		2 000	2 000
Share premium		165	165
Retained earnings		6 969	6 790
Hedge reserve		11	0
<b>Liabilities</b>			
		<b>6 443</b>	<b>6 112</b>
<b>Non-current liabilities</b>			
		<b>600</b>	<b>678</b>
Leases	11	21	36
Long-term employee benefits	11	528	580
Deferred income	11	51	62
<b>Current liabilities</b>			
		<b>5 843</b>	<b>5 434</b>
Trade and other payables	12	2 271	2 193
Leases	12	6	8
Amount payable (due) to customers	12	655	673
Current income tax	12	46	19
Employee benefits	12	1 469	1 490
Other taxes and other non-financial liabilities	12	1 364	1 051
Provisions	13	32	0
<b>Total equity and liabilities</b>		<b>15 588</b>	<b>15 067</b>

The Financial statements were accepted  
by the Board of Directors on 26 May 2026  
and signed on their behalf by:

based on the power of attorney provided by:



Katalin Hollósi  
Chief Accountant



Balázs Szűcs  
Investor Correspondent



Sándor Zwack  
Chairman of the Board



Csaba Belovai  
Chief Executive Officer

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

	Note	2026 HUF mill	2025 HUF mill
<b>Revenue</b>	14	<b>24 432</b>	<b>24 057</b>
Material-type expenses		(8 641)	(8 805)
Employee benefits expense	15	(4 899)	(4 862)
Depreciation and amortization	5-6	(693)	(635)
Other operating expenses	16	(6 373)	(6 250)
<b>Operating expenses, excluding excise tax and DRS deposit fee related to sales</b>		<b>(20 606)</b>	<b>(20 552)</b>
Other operating income	17	72	78
<b>Profit from operations</b>		<b>3 898</b>	<b>3 583</b>
Interest and other financial income		147	180
Interest expense		(49)	(2)
<b>Net financial income (cost)</b>	18	<b>98</b>	<b>178</b>
<b>Profit before tax</b>		<b>3 996</b>	<b>3 761</b>
Income tax expense	19	(817)	(772)
<b>Profit for the year</b>		<b>3 179</b>	<b>2 989</b>
Items that are or may be reclassified subsequently to profit or loss			
Cash-flow hedges including tax effect		11	0
<b>Other comprehensive income for the period, net of tax</b>		<b>11</b>	<b>0</b>
<b>Total comprehensive income for the year</b>		<b>3 190</b>	<b>2 989</b>
<b>Basic and Diluted Earnings Per Share (HUF/Share)</b>			
See Note 1 (a)		<b>1 590</b>	<b>1 495</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

	<b>Share Capital</b>	<b>Share premium</b>	<b>Retained Earnings</b>	<b>Hedge reserve</b>	<b>Total</b>
	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill
<b>Balance at 31 March 2024</b>	<b>2 000</b>	<b>165</b>	<b>6 601</b>	<b>0</b>	<b>8 766</b>
<b>Balance at 1 April 2024</b>	2 000	165	6 601	0	8 766
Profit for the year			2 989		2 989
Other comprehensive income			0		0
Total comprehensive income for the year			2 989	0	2 989
Dividend related to financial year ended 31 March 2024 (HUF 1 400 per share)			(2 800)	0	(2 800)
Transactions with owners in their capacity as owners			(2 800)	0	(2 800)
<b>Balance at 31 March 2025</b>	<b>2 000</b>	<b>165</b>	<b>6 790</b>	<b>0</b>	<b>8 955</b>
<b>Balance at 1 April 2025</b>	2 000	165	6 790	0	8 955
Profit for the year			3 179		3 179
Other comprehensive income				11	11
Total comprehensive income for the year			3 179	11	3 190
Dividend related to financial year ended 31 March 2025 (HUF 1 500 per share)			(3 000)		(3 000)
Transactions with owners in their capacity as owners			(3 000)		(3 000)
<b>Balance at 31 March 2026</b>	<b>2 000</b>	<b>165</b>	<b>6 969</b>	<b>11</b>	<b>9 145</b>

**CASH FLOW STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

	<b>2026</b>	<b>2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
<b>Profit before tax</b>	<b>3 996</b>	<b>3 761</b>
Net financial (income)	(98)	(178)
Adjustment for depreciation and amortization	693	635
(Gain) on disposal of fixed assets	(34)	(22)
Increase/(decrease) in trade creditors and other liabilities	194	(96)
(Increase) in inventories	(136)	(64)
(Increase)/decrease in trade and other receivables	(131)	117
(Gain) on unrealized foreign exchange rate difference	(7)	(1)
Increase/(decrease) in other liabilities	32	(7)
<b>Cash generated from operations</b>	<b>4 509</b>	<b>4 145</b>
Interest paid	(49)	(2)
Income tax paid	(792)	(807)
<b>Cash flow from operating activities</b>	<b>3 668</b>	<b>3 336</b>
Purchases of property, plant and equipment	(683)	(747)
Purchases of intangible assets	(28)	(28)
Interest received	148	181
Proceeds from sale of property, plant and equipment	107	80
<b>Cash flow used in investing activities</b>	<b>(456)</b>	<b>(514)</b>
Dividends paid	(3 000)	(2 800)
Payment of lease liabilities	(13)	(8)
<b>Cash flow used in financing activities</b>	<b>(3 103)</b>	<b>(2 808)</b>
<b>Change in cash and cash equivalents</b>	<b>199</b>	<b>14</b>
Cash and cash equivalents, beginning of the year	3 636	3 622
Exchange (loss)/gain on cash and cash equivalents	0	0
<b>Cash and cash equivalents, end of the year</b>	<b>3 835</b>	<b>3 636</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**  
**PREPARED IN COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION**

**NOTE 1 – GENERAL BACKGROUND**

**(a) The Company and the nature of its operations**

The Zwack Unicum Plc. (hereafter referred to as “the Company”) is incorporated in Hungary and it is manufacturer and distributor mainly of alcoholic beverages. The Company seat is located at 26 Soroksári út, Budapest, 1095. The web site of the Company is [www.zwackunicum.hu](http://www.zwackunicum.hu).

Zwack Unicum Plc. is listed on the Budapest Stock Exchange.

Peter Zwack & Consorten HG (“PZ HG”, AT-1190 Wien, Heiligenstadter Strasse 43.) is the ultimate majority owner and parent company of Zwack Unicum Plc. holding 50% + 1 share of the issued shares (registered ordinary shares), that is not obliged to prepare and publish consolidated financial statement under the law. The ultimate owners of PZ HG are members of the Zwack and Underberg families.

Registered ordinary shares of the Company comprise:

	2026		2025	
	%	HUF mill	%	HUF mill
PZ HG	50%+1 share	1 000	50%+1 share	1 000
Diageo Holdings Netherlands B.V.	26%	520	26%	520
Public	24%-1 share	480	24%-1 share	480
Total	100%	2 000	100%	2 000

The total number of authorized ordinary shares is 2 000 000 (31 March 2025: 2 000 000) with a par value of HUF 1 000 per share (31 March 2025: HUF 1 000 per share). All shares are issued and fully paid. Each share carries the same voting rights.

Basic and diluted earnings per share have been calculated based on the profit for the year and the total number of ordinary shares in issue.

The total number of authorized redeemable liquidity preference shares is 35 000 (2025: 35 000) with a par value of HUF 1 000. All these shares were issued to senior managers under a cash settled share-based compensation plan as described under Note 20. The share capital does not include the redeemable liquidity preference shares. Dividends relating to these redeemable liquidity preference shares are recognised as part of Employee benefits and Financial expenses. For further details refer to Note 15.

**(b) Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (“EU IFRS” or “IFRS”) as adopted by the European Union and in accordance with the provisions applicable to entities preparing annual financial statements in accordance with EU IFRS of Act C of 2000 on Accounting in force in Hungary (hereinafter referred to as “Hungarian Accounting Law”).

The financial statements have been prepared in millions of Hungarian Forints (HUF) on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date:

<b>Items</b>	<b>Measurement basis</b>
derivative financial instruments and liabilities (refer to Note 2 (f) (5))	Fair value
net defined benefit liability (refer to Note 2 (p)(2))	Present value of the defined benefit obligation
liabilities for cash-settled share based payment arrangements (refer to Note 2 (p) (2)-(4))	Fair value

The financial statements of the Company were approved for issue on 26 May 2026 by the Company's Board of Directors (the Board), however, the Annual General Meeting (AGM) of the owners, authorized to accept these financials, has the right to require amendments before acceptance.

The preparation of financial statements in conformity with EU IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2 (r).

### **(c) Standards issued but not yet effective**

New amendments to standards adopted by the EU but not yet effective as at the reporting date:

- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments (issued on 30 May 2025, effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity (issued on 18 December 2024, effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)
- Annual Improvements to IFRS Standards – Volume 11 (issued on 18 July 2024, effective for annual reporting periods on or after 1 January 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied).
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2025, effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.) The Company expects that IFRS 18, when first applied, will have a material impact on the Company's financial statements. The Company continues to assess the potential effects of applying IFRS 18 on the financial statements.

The Company did not choose to adopt any of them early. These amendments except for IFRS 18, are not expected to have a material impact on these financial statements in the period in which they are first applied.

The following new standards and amendments to standards issued are not yet effective as at the reporting date, and have not yet been endorsed by the European Union:

- IFRS 19 Subsidiaries without Public Accountability Disclosures (issued on 9 May 2025), and amendments to IFRS 19 – Disclosures for subsidiaries without public accountability (issued 21 August 2025) (effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.) The Company is not within the scope of IFRS 19; therefore it does not apply.
- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Restatement to a Hyperinflationary Presentation Currency (issued 13 November 2025)  
These amendments are not expected to affect these financial statements.

## (i) IFRS 18 Presentation and Disclosure in Financial Statements

The Company plans to apply the new standard from 1 April 2027.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

### *A more structured statement of profit or loss*

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

### *MPMs – Disclosed and subject to audit*

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

### *Greater disaggregation of information*

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

### *Other changes applicable to the primary financial statements*

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

### *Transition*

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

The following new amendments to standards applied initially by the Company from 1 April 2025, but none of them has a material impact on these financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023, effective for annual periods beginning on or after 1 January 2025)

### (a) Segment reporting

The CEO of Zwack Unicum Plc., is the Company's chief operating decision maker ('CODM'), as the CEO is responsible for allocating resources to, and assessing the performance of the Company on a monthly basis. Operating results are only reviewed at the Company level by the CODM hence the Company is deemed to be one segment. The balances in the reports reviewed by the CODM are in line with those presented in these financial statements.

### (b) Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in HUF, which is the company's functional and presentation currency.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the official rates of exchange prevailing at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Transactions in foreign currencies are translated into the functional currency at the date of the transaction. All resulting foreign exchange differences are included in other operating expenses/income.

### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Depreciation is calculated on a straight line basis (or by reference to physical output) from the time the assets are deployed over their estimated useful lives.

Assets in the course of construction are stated at cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognized as an expense in profit or loss when they are incurred.

Useful lives are as follows:

Buildings	15 - 50 years
Plant and equipment	7 - 10 years
Motor vehicles	4/6 years, or 150 000/160 000 km
Other assets	2 - 7 years

Land is not depreciated.

On an annual basis, the Company reviews the useful lives and residual values.

Gains and losses on disposals are determined as the difference between the proceeds and the carrying amount of the asset. Such gains and losses are recognised in profit or loss in other operating income or expenses.

#### (d) Intangible assets

Trademarks and licences are shown at historical cost. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of 5 - 10 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 - 6 years.

#### (e) Impairment of non-financial assets

Non-financial assets other than inventories and deferred tax assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level which generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Non-financial assets for which impairment was recognized are reviewed for possible reversal of the impairment at each reporting date. Impairment losses are presented in 'Other operating expenses'.

#### (f) Financial instruments

##### (1) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Trade receivables are without a significant financing component, therefore these are initially measured at the transaction price, and do not have a contractual interest rate. This implies that the effective interest rate for these receivables is zero.

##### (2) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt instruments; FVOCI – equity instruments; or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. However, in case of derivative transactions designated in effective cash flow hedge relationships, fair value measurement of the effective portion is recognized in other comprehensive income, while any ineffective portion is recognized in profit or loss. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For the purposes of the business model assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Subsequent measurement of financial assets and gains and losses are summarized as follows:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Employee loans are classified as financial assets at amortised cost. Difference between the nominal value of the employee loans granted and the initial fair value of the employee loan is recognized as prepaid employee benefits. Interest income on the loan granted calculated by using the effective interest method is recognized as finance income, while the prepaid employee benefits are amortized to 'Employee benefits expense' evenly over the required service period that corresponds to the term of the loan.

## *Financial liabilities*

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

If a financial asset or liability account (risk type) exceeds 1% of the balance sheet total, individual items (balance with a counterparty) exceeding 10% within the risk type are considered a significant concentration in terms of credit and liquidity risk.

### (3) Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is derecognised when its contractual obligations are discharged or cancelled, or expire. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

### (4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (5) Derivative financial instruments

The Company occasionally enters into foreign currency forward contracts in order to reduce the exchange rate risk related to the foreign exchange denominated payment obligations.

The Company designates some or all of its foreign currency forward contracts related to highly probable forecast purchase contracts as cash flow hedge relationships. At inception, these are designated as hedging instruments, with underlying hedged items and their risks hedged (foreign exchange risk) are clearly assigned through the preparation of formal hedge documentation.

At the inception of the hedge relationships and throughout their duration, the Company ensures hedge effectiveness.

The effective portion of the change in the fair value (gain or loss) of the hedging instrument is recognized directly in other comprehensive income (as Hedge reserve), while the ineffective portion is recognized in profit or loss.

Amounts recognized in other comprehensive income are reclassified to profit or loss (to the same line item affected by the hedged item) when the hedged item is recognized in profit or loss, thereby reducing or offsetting its impact.

If the hedging instrument expires, is sold, terminated, or exercised, but the hedged future cash flows are still probable to occur, the amounts previously recognized in other comprehensive income remain there until the future cash flows occur. If the hedged future cash flows are no longer expected to occur, the Company reclassifies the amounts recognized in other comprehensive income to profit or loss.

Derivatives not designated as hedging instruments in an effective hedging relationships are measured at fair value, and changes therein are recognised in profit or loss.

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

## (6) Impairment of non-derivative financial assets

### *Financial instruments and contract assets*

Loss allowances for expected credit losses (ECLs) is recognised on

- financial assets measured at amortised cost,
- contract assets.

Loss allowances is measured at an amount equal to lifetime ECLs, except for debt instruments (including bank balances) for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

In this latter case, loss allowances are measured at an amount equal to 12-months ECLs.

Trade receivables and contract assets do not contain a significant financing component, therefore loss allowances for these assets are always measured at an amount equal to lifetime ECLs, using a provision matrix. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company considers a debt instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be Baa3 or higher per Moody's or BBB- or higher per S&P and Fitch.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk has not increased significantly if the financial instrument is determined to have low credit risk at the reporting date. In other cases, the Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company secures certain trade receivables with credit insurance which is also taken into account when calculating ECLs.

In case of financial assets other than trade receivables and contract assets, ECLs are discounted at the effective interest rate of the financial asset.

#### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

#### *Presentation of allowance for ECL in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### *Write-off*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### *(g) Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

#### *(h) Inventories*

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads but excludes borrowing costs. Cost of inventory includes the environmental product fee incurred in relation to the acquisition of inventory. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. Inventories of spare parts are stated at cost less a write down for obsolete and slow moving items.

#### *(i) Revenue recognition*

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of the asset (at a point in time or over time).

For goods sold and services provided under a single arrangement in a bundle, the Company accounts for individual goods and services as separate performance obligations, if they are distinct, i.e. if (a) a promise is separately identifiable from other promises in the contract, and (b) the customer can benefit from it either on its own or together with other resources that are readily available to the customer. The consideration is allocated to distinct goods and services based on their relative stand-alone selling prices determined based on the list prices at which the Company sells the goods and services in separate transactions. Any related discounts and rebates are allocated proportionately to all performance obligations in the contract unless certain criteria are met.

Revenue from contracts with customers is measured at the transaction price, which is the amount of consideration promised in the contract with customer, excluding amounts collected on behalf of third parties such as some sales taxes. The transaction price excludes value-added tax collected on behalf of the tax authorities.

The Company incurs excise tax which becomes payable when the product is removed from bonded premises, which generally occurs when the product is sold to a customer. The excise tax is not included as a separate item on the invoices; increases in excise tax may not always be passed on to the customer and if a customer fails its obligation to pay for products received the Company cannot reclaim the excise tax.

The Company incurs public health product tax which becomes payable when products are sold. The invoice shows that the Company is the subject of tax obligation. Increases in public health product tax are always passed on to the customer and where a customer fails to pay for products received the Company cannot reclaim the excise tax.

From 1 January 2024, the Company is required to pay a fee on non-recyclable products subject to the mandatory deposit fee scheme. The fee becomes payable when the product is put on the market, which generally occurs when the product is sold to a customer. The invoice shows the amount of the fee separately from the sales price of the product. Increases in the fee are always passed on to the customer and where a customer fails to pay for products received the Company cannot reclaim the fee.

The revenue presented on the face of the statement of comprehensive income excludes excise tax, public health product tax and DRS deposit fee; the Company considers these items as amounts collected on behalf of third parties. These items are disclosed in the notes. 'Revenue, gross of excise tax, public health product tax and DRS deposit fee' includes, while 'Revenue, net of excise tax, public health product tax and DRS deposit fee' excludes excise tax, public health product tax and DRS deposit fee.

Variable consideration is included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Variable consideration includes discounts, rebates and similar items.

Amounts paid to the customers (merchants) for positioning the products on eye-catching or prime shelf places, putting them in gondolas at the checkout counters, or putting ads in advertising brochures, are treated as variable consideration in determining the transaction price.

The amounts paid to the customers reduce the transaction price as incentives because they are not considered to be a distinct service from the customer.

The Company applies the practical expedient not to disclose information about unsatisfied (or partially unsatisfied) performance obligations at the reporting date on the basis that all of its performance obligations are part of contracts that have an original expected duration of one year or less.

Revenue for sales of own products and traded goods is recognised at the point in time when the Company has delivered the goods to the customer, the customer has accepted the goods and it is probable that the Company will collect the consideration.

The Company has no obligation to repossess its goods, except for the general rules and regulations (e.g.: in case of faulty products).

The Company bills the price of goods to the customer upon delivery. In addition to discounts, if any, included in the invoice the Company provides rebate to customers based on turnover. The invoice on sale of goods does not include the rebate, therefore the rebate due to customer at the reporting date is presented as ‘amounts payable (due) to customers’.

The Company may incur marketing expenses in relation to sale of goods purchased from brand owner suppliers that are reimbursed by the suppliers. Reimbursement of marketing expenses by suppliers is recognised as revenue in the period in which the related expense is recognised.

#### (j) Material-type expenses

Material-type expenses include materials used in the production of self-manufactured inventories, and other costs of materials used, services related to production which are part of the cost of inventories, as well as changes in capitalised self-manufactured inventories and cost of goods sold.

The Company may receive refunds from brand owner suppliers relating to sales of goods purchased from them such as a reimbursement of amounts paid to retailers mentioned in Note 2 (r) (3). Such refunds are recognised as reduction in the cost of goods sold, by analogy to accounting for consideration to customers.

#### (k) Other operating expenses

The value of services received that are not to be presented as material-type expenses (see Note 2 (j)) are presented as other operating expenses’.

Point of sale materials (‘POS’) which serve the main purpose to advertise the Company’s products are recognised as part of other operating expenses immediately after the Company gains the right to use these assets or upon the Company getting access to these materials. This also applies to expenses related to commercial films made available to the Company that are used for marketing purposes.

Local tax regulations require the payment of building tax for buildings located on the territory of a municipality by the owner on the first day of the year. The Company recognises the full amount of the liability as an expense on the date when the obligation arises.

The Company is required to pay extended producer’s responsibility fee (EPR) from 1 July 2023 on specified (so called circulation) products. The fee becomes payable when the product is put on the market (i.e. sold, used for own purposes or removed from bonded premises). The fee is recognized at that date and is presented in other operating expenses.

#### (l) Other operating income

The gain on the sale of Property, plant and equipment of the Company is accounted for as other operating income.

The grant related to the asset is presented gross in the financial statements – amount of the grant is deferred, and is recorded in profit or loss over the useful life of the depreciable asset and presented as Other operating income.

#### (m) Provisions

A provision for liabilities is recognised when and only when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The Company recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

(n) Lease

The Company has no contracts in which it is a lessor.

(i) The contract is, or contains a lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset (underlying asset) for a period of time in exchange for consideration.

(ii) The Company as a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments. Variable lease payments that depend on the usage of the underlying asset are excluded from the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'other liabilities' in the statement of financial position.

The useful lives of the right-of-use assets are as follows:

Right-of-use assets (tools)	2-10 years, with usage proportionate depreciation based on the individual contract.
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The Company has elected the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

In this respect, a lease is a short-term lease if, at the commencement date, it has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. The Company considers the value of the

underlying asset as a low value asset, if its value, when new, does not exceed USD 5 000, calculated using MNB's middle rate as at initial recognition.

(o) Income taxes

**(1) Current tax**

The Company treats the following taxes as income taxes: corporate income tax, local business tax, innovation contribution.

Corporate income taxes are payable to the tax authorities. The basis of the tax is the accounting profit adjusted for non-deductible and non-taxable items.

The Company calculates its corporate income tax liability based on the IFRS financial statements starting from 1 April 2017. With regards to its Property, plant and equipment, the Company has decided to calculate its corporate income tax as if IFRS has not been adopted.

Local business tax and innovation contribution is levied in Hungary based on revenue less certain expenses including the cost of materials and subcontractors, a certain portion of the cost of goods sold and recharged services, and the basis of the tax is adjusted for certain items. These taxes are deductible expenses for corporate income tax purposes.

**(2) Deferred taxes**

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using income tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is generally provided on temporary differences arising from the impairment and depreciation of property, plant and equipment and packaging materials, impairment for receivables and provisions.

The local business tax and innovation contribution have no impact on deferred tax because the Company has no transactions that would result in temporary differences for these taxes.

(p) Employee benefits

**(1) Short term employee benefits**

Short term employee benefits are recognized as a current expense in the period when employees render their services. These include wages, social security contributions, bonuses, paid holidays, meal and holiday contributions and other fringe benefits and the tax charges thereon.

**(2) Other long-term benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise. Other long-term benefits include jubilee payments and payments upon becoming entitled to old-age pension.

Employees are working at the Company –for more than 10 years are entitled to jubilee payments in every five years.

Employees who become entitled to old-age pension are entitled to additional bonuses.

The amount of such bonuses depends on the basic pay and the length of service. The Company creates a liability to cover such future payments which is taken into account in the calculation of the liability due to the employees.

The model uses the Projected Unit Credit Method (PUCM) to determine liabilities and service costs incurred, under this approach, each employee earns an additional unit of benefit in each period of service. The PUCM takes into account the total benefit entitlement that the employee can achieve at the time the benefit is paid out. The actuarial present value calculation also incorporates factors such as the probability of an employee's death, change in earning capacity (disability) or leaving the Company for various reasons.

### **(3) Pensions**

Payments to defined contribution pension plans and other welfare plans are recognized as an expense in the period in which they are earned by the employee.

### **(4) Share-based compensation**

The Company recognises the cost of services received from its employees in a share-based payment transaction as an expense when services are received. Since the services are received in a cash-settled share-based payment transaction, the Company recognises the expense against a liability that is re-measured at each reporting date. Share-based compensation also includes dividends paid in respect of preference shares granted to employees under share-based payment arrangements.

### **(5) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits are recognised as an estimated employee expense and liability.

### **(q) Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Share capital and share premium are not available for dividend distribution purposes.

### **(r) Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

It is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability affected.

### **(1) Useful lives of assets**

The determination of the useful lives of assets is based on historical experience with similar assets as well as any anticipated technological development. The appropriateness of the estimated useful lives is reviewed whenever there is an indication of significant changes in the underlying assumptions.

### **(2) Write-down of inventories**

The Company calculates write down of inventories based on estimated losses resulting from the future sale of own produced and traded goods. The basis of the estimate of the net realisable value is the ageing of inventories, obsolescence and other information relating to the position of those products on the market. These involve assumptions about future market conditions. See Note 8 for the balance of write-downs at the reporting date.

### **(3) Amounts payable (due) to customers**

The majority of these liabilities arises from amounts that are payable to customers (merchants) relating to incentives that constitute variable consideration. Such incentives include volume rebates, and amounts paid for positioning the Company's products on eye-catching or prime shelf places, putting them in gondolas at the checkout counters, or putting ads in advertising brochures.

The end of the Company's reporting period is 31 March, while incentive agreements with customers are concluded annually mainly for the calendar year. Therefore, the Company needs to estimate the volume rebates that the customer will be entitled to receive for its purchases made in the last quarter of the Company's financial year, which depends on the total purchases the customer will make in the calendar year.

When the Company has not agreed upon the annual terms and conditions of the incentives with the customer by the date the Company's financial statements are authorized for issue, but the customer has a valid expectation that the Company will pay an incentive, the consideration for the purchases made by customer in the last quarter of the Company's financial year is regarded to be variable even if otherwise the amounts payable by the Company to the customer will be a fix percentage of the consideration payable by the customer. See Note 12 for the amount recognised in the period.

### **(4) Jubilee payments and payments to employees upon reaching retirement age**

Under a long-term benefit plan, employees are entitled to jubilee payments (see Note 2 (p) (2)) and payments upon reaching retirement age. The Company uses a number of assumptions about the future in calculating the present value of the benefit obligation. Using assumptions involves an estimation uncertainty that may cause the actual amounts payable to the employees differ from the estimate. The assumptions and their effects are presented in Note 11.

## NOTE 3 – DISCLOSURES ON FINANCIAL INSTRUMENTS

31 March 2026	Measured at	Measured at fair value	Total
	amortised cost	through profit or loss	
	HUF mill	HUF mill	HUF mill
Trade receivables	3 372	0	3 372
Employee loans	7	0	7
Other financial receivables	83	12	95
Cash and cash equivalents	3 835	0	3 835
<b>Total financial assets</b>	<b>7 297</b>	<b>12</b>	<b>7 309</b>
Trade and other payables	2 271	0	2 271
Lease payable	27	0	27
Amounts payable (due) to customers	655	0	655
<b>Total financial liabilities</b>	<b>2 953</b>	<b>0</b>	<b>2 953</b>

  

31 March 2025	Measured at	Measured at fair value	Total
	amortised cost	through profit or loss	
	HUF mill	HUF mill	HUF mill
Trade receivables	3 247	0	3 247
Employee loans	5	0	5
Other financial receivables	89	0	89
Cash and cash equivalents	3 636	0	3 636
<b>Total financial assets</b>	<b>6 977</b>	<b>0</b>	<b>6 977</b>
Trade and other payables	2 193	0	2 193
Lease payable	44	0	44
Amounts payable (due) to customers	673	0	673
<b>Total financial liabilities</b>	<b>2 910</b>	<b>0</b>	<b>2 910</b>

The carrying values of financial assets and financial liabilities approximately equals to their fair value. The fair value of derivatives in the line “Other financial receivables” was measured using discounted cash flow methods based on level 2 inputs while maximizing observable market inputs as well.

See assumptions for fair value estimations in Note 4 (b).

## NOTE 4 – FINANCIAL RISK MANAGEMENT

### (a) Financial risk factors

The Company’s activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company’s financial performance. In accordance with its accounting policy, the Company may use derivative financial instruments to hedge certain risk exposures.

Sensitivity analyses include potential changes in the profit before tax. The impacts disclosed below are subject to an income tax rate of approximately 9% (31 March 2025: 9%), i.e. the impact on Profit for the year would be 91% (31 March 2025: 91%) of the impact on the before tax amount. The potential impacts disclosed (less tax) are also applicable to the Company’s equity.

#### (i) Market risk

##### *(a) Foreign exchange rate risk*

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity’s functional currency.

The Company operates internationally and is exposed to exchange rate movements on one hand due to its import and export activity on the other hand due to its bank accounts and term deposits denominated in EUR.

The following tables show the currency denomination of the Company's financial assets and liabilities.

31 March 2026	CAD	EUR	USD	HUF	Total	Current	Non-Current
	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill
Trade receivables	17	358	0	2 997	3 372	3 372	0
Employee loans	0	0	0	7	7	2	5
Other financial receivables	0	51	0	44	95	95	0
Cash and cash equivalents	1	18	1	3 815	3 835	3 835	0
<b>Total financial assets as per statement of financial position</b>	<b>18</b>	<b>427</b>	<b>1</b>	<b>6 863</b>	<b>7 309</b>	<b>7 304</b>	<b>5</b>
Trade and other payables	3	1 458	1	809	2 271	2 271	0
Lease payable	0	27	0	0	27	6	21
Amounts payable (due) to customers	0	67	0	588	655	655	0
<b>Total financial liabilities as per statement of financial position</b>	<b>3</b>	<b>1 552</b>	<b>1</b>	<b>1 397</b>	<b>2 953</b>	<b>2 932</b>	<b>21</b>
<b>Total financial assets and liabilities as per statement of financial position</b>	<b>15</b>	<b>(1 125)</b>	<b>0</b>	<b>5 466</b>	<b>4 356</b>	<b>4 372</b>	<b>(16)</b>

  

31 March 2025	CAD	EUR	USD	HUF	Total	Current	Non-Current
	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill
Trade receivables	19	550	0	2 678	3 247	3 247	0
Employee loans	0	0	0	5	5	1	4
Other financial receivables	0	43	0	46	89	89	0
Cash and cash equivalents	14	10	10	3 602	3 636	3 636	0
<b>Total financial assets as per statement of financial position</b>	<b>33</b>	<b>603</b>	<b>10</b>	<b>6 331</b>	<b>6 977</b>	<b>6 973</b>	<b>4</b>
Trade and other payables	5	1 335	0	853	2 193	2 193	0
Lease payable	0	44	0	0	44	8	36
Amounts payable (due) to customers	0	122	0	551	673	673	0
<b>Total financial liabilities as per statement of financial position</b>	<b>5</b>	<b>1 051</b>	<b>0</b>	<b>1 404</b>	<b>2 910</b>	<b>2 874</b>	<b>36</b>
<b>Total financial assets and liabilities as per statement of financial position</b>	<b>28</b>	<b>(898)</b>	<b>10</b>	<b>4 927</b>	<b>4 067</b>	<b>4 099</b>	<b>(32)</b>

The finance department continuously monitors the liabilities in foreign currency and it holds the necessary amounts on its bank accounts or as term deposits in order to mitigate the currency risk arising in connection with those liabilities. Exchange rate fluctuations therefore had no significant effect on profit or loss, or equity.

The Company occasionally enters into derivative contracts for risk reduction purposes. These foreign currency forward contracts are taken to reduce the exchange rate risk related to the foreign exchange denominated payment obligations.

The Company had a financial receivable of HUF 12 million from an open forward position on 31 March 2026, while it had no open forward position on 31 March 2025.

Compared to the spot FX rate as of 31 March 2026, a 3% weakening of HUF against EUR would cause approx. HUF 34 million loss on the net balance of financial assets and liabilities (2025: 2% weakening would have caused approx. HUF 18 million loss).

A reasonably possible 3% strengthening of HUF against EUR would cause approx. HUF 34 million gain on the net balance of financial assets and liabilities (2025: 2% strengthening would have caused HUF 18 million gain).

This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Management's estimations on the possible change of exchange rates are based on the historical time series of the Hungarian National Bank.

*(b) Other price risk*

The Company's exposure to other price risk is immaterial. The Company is not exposed to significant commodity price risk.

*(c) Interest rate risk*

The Company has interest-bearing assets with fixed interest rates (employee loans), which would expose the Company to some fair value interest rate risk. However, these assets are not measured at fair value through profit or loss and therefore, a change in interest rates at the reporting date would not affect profit or loss.

The Company does not have loans received on 31 March 2026.

*(ii) Credit risk*

Credit risk is the risk of counterparties defaulting. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The maximum exposure to credit risk is represented by the carrying amounts of the financial assets that are carried in the statement of financial position.

The Company is exposed to significant concentration of credit risk related to trade receivables with respect to customers.

Exposure to credit risk for trade receivables by geographic region was as follows:

	<u>Carrying amount at 31 March 2026</u>	<u>Carrying amount at 31 March 2025</u>
Hungary	3 016	2 706
Europe	339	522
Other	17	19
<b>Total</b>	<b>3 372</b>	<b>3 247</b>

Invoices are usually payable by customers within 30 days after delivery.

Zwack Unicum Plc., manages credit risk through insuring. Major part of trade receivables is insured by financial institutions in 95% of the individual amounts of receivables from customers. At 31 March 2026 HUF 3 027 million (HUF 2 825 million in 31 March 2025) worth of accounts receivables was insured with a financial institution which is rated "A" as per A.M.B.

The Company considers that arranging credit insurance agreements and historically the non-payment of trade receivables was low, are effective enough to mitigate credit risk.

As the Company places its most cash and cash equivalents and bank deposits with major credit institutions, which are rated at least “BBB+” as per S&P and Fitch.

The Company uses an allowance matrix to measure the ECLs of trade receivables.

The following tables give information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 March 2026 and 31 March 2025.

<b>31 March 2026</b>	<b>Weighted- average loss rate</b>	<b>Gross carrying amount</b>	<b>Loss allowance</b>	<b>Credit- impaired</b>
Not past due	0.00%	3 367	0	No
1–30 days past due	2.00%	5	0	No
31–60 days past due	15.00%	0	0	No
61–90 days past due	25.00%	0	0	No
91–120 days past due	50.00%	0	0	Yes
121–180 days past due	75.00%	0	0	Yes
More than 180 days past due	100.00%	0	0	Yes
<b>Total</b>		<b>3 372</b>	<b>0</b>	

<b>31 March 2025</b>	<b>Weighted- average loss rate</b>	<b>Gross carrying amount</b>	<b>Loss allowance</b>	<b>Credit- impaired</b>
Not past due	0.00%	3 237	0	No
1–30 days past due	2.00%	7	0	No
31–60 days past due	15.00%	3	0	No
61–90 days past due	25.00%	0	0	No
91–120 days past due	50.00%	0	0	Yes
121–180 days past due	75.00%	0	0	Yes
More than 180 days past due	100.00%	0	0	Yes
<b>Total</b>		<b>3 247</b>	<b>0</b>	

ECL amounts are based on delinquency status and actual credit loss experience over the past two years. In the calculation of ECL amount we have also taken into consideration that trade receivables are insured and insurances are integral parts of the receivables.

The Company does not require additional (other than credit insurance) collateral in respect of trade receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognised because of collateral.

Employee loans and other financial receivables are not past due and no impairment was recognised for these assets.

The opening balance, increase, decrease and closing balance of the impairment of financial assets are also HUF 0 million.

The following table summarizes the collaterals held by the Company.

<b>Guarantee received</b>			<b>31 March</b>	<b>31 March</b>	
<b>Content</b>	<b>Type</b>	<b>Guarantee</b>	<b>2026</b>	<b>2025</b>	<b>Falling due</b>
			<b>HUF mill</b>	<b>HUF mill</b>	
Guarantee of employee's housing loans	mortgage	employer	8	6	expiry of contract

The following table shows, for financial assets, the proportion of significant items (balance over 10% of the total balance) compared to the total balance of the statement of financial position line item, that represents credit risk concentration (see Note 2 (f))

<b>Significant concentration of financial assets</b>	<b>31 March</b>	<b>31 March</b>
	<b>2026</b>	<b>2025</b>
	<b>%</b>	<b>%</b>
Trade receivables	19.38	30.66
Employee loans	N/A	N/A
Other financial receivables	N/A	N/A
Cash and cash equivalents	97.34	92.59

### (iii) Liquidity risk

Liquidity risk is the risk that an entity may encounter difficulty in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash, cash equivalents and term deposits as well as available funding through adequate amount of committed credit lines. Management monitors rolling forecasts of the Company's liquidity reserve (comprises undrawn borrowing facility and cash and cash equivalents) on the basis of expected cash flow.

The Company has ongoing overdraft facilities of HUF 2 140 million as of 31 March 2026 (2025: HUF 2 140 million). The other remaining facilities represent regular bank loan facilities available to the Company.

Bank	Facility	Consists of: facility of bank overdrafts	Interest rate	Consists of: others	Maturity	31 March 2026
	HUF mill	HUF mill		HUF mill		HUF mill
Erste Bank Nyrt.	2 500	720	1 Month BUBOR+0.40%	1 780	31 December 2099	0
K&H Bank Zrt.	2 300	700	O/N* BUBOR+0.55%	1 600	31 December 2049	0
UniCredit Bank Zrt.	2 500	720	1 Month BUBOR+0.50%	1 780	30 December 2050	0
	<b>7 300</b>	<b>2 140</b>		<b>5 160</b>		<b>0</b>

Bank	Facility	Consists of: facility of bank overdrafts	Interest rate	Consists of: others	Maturity	31 March 2025
	HUF mill	HUF mill		HUF mill		HUF mill
Erste Bank Nyrt.	2 500	720	1 Month BUBOR+0.40%	1 780	31 December 2099	0
K&H Bank Zrt.	2 300	700	O/N* BUBOR+0.55%	1 600	31 December 2049	0
UniCredit Bank Zrt.	2 500	720	1 Month BUBOR+0.50%	1 780	30 December 2050	0
	<b>7 300</b>	<b>2 140</b>		<b>5 160</b>		<b>0</b>

\*O/N: Overnight, daily BUBOR

The following two tables summarize the maturity structure of the Company's financial and lease liabilities. Amounts are undiscounted and include contractual interest payments as of 31 March 2026 and as of 31 March 2025.

<b>Financial liabilities</b> <b>31 March 2026</b>	<b>Less than 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Domestic trade and other payables	1 176	0	1 176
Foreign trade and other payables	638	0	638
Related parties trade and other payables	457	0	457
Total trade and other payables	<b>2 271</b>	<b>0</b>	<b>2 271</b>
Amounts payable (due) to domestic customers	594	0	594
Amounts payable (due) to foreign customers	29	0	29
Amounts payable (due) to related parties customers	32	0	32
Total amount payable (due) to customers	<b>655</b>	<b>0</b>	<b>655</b>
Lease liabilities (with finance charges)	8	30	38
<b>Total financial liabilities</b>	<b>2 934</b>	<b>30</b>	<b>2 964</b>

<b>Financial liabilities</b> <b>31 March 2025</b>	<b>Less than 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Domestic trade and other payables	963	0	963
Foreign trade and other payables	684	0	684
Related parties trade and other payables	546	0	546
Total trade and other payables	<b>2 193</b>	<b>0</b>	<b>2 193</b>
Amounts payable (due) to domestic customers	554	0	554
Amounts payable (due) to foreign customers	84	0	84
Amounts payable (due) to related parties customers	35	0	35
Total amount payable (due) to customers	<b>673</b>	<b>0</b>	<b>673</b>
Lease liabilities (with finance charges)	10	46	56
<b>Total financial liabilities</b>	<b>2 876</b>	<b>46</b>	<b>2 922</b>

The other payables consist of primarily accruals of expenses arising from normal course of business. The Company settles cash flows from derivative liabilities, both designated and not designated in hedge relationships, on a gross basis; therefore, amounts presented in the table reflect this treatment.

The following table shows, for financial liabilities, the proportion of significant items (balance over 10% of the total balance) compared to the total balance of the statement of financial position line item as of 31 March 2025, that represents liquidity risk concentration (see Note 2 (f))

<b>Significant concentration of financial liabilities</b>	<b>31 March</b> <b>2026</b>	<b>31 March</b> <b>2025</b>
	<b>%</b>	<b>%</b>
Trade and other payables	23.93	29.54
Lease payable	N/A	N/A
Amounts payable (due) to customers	12.60	23.67

#### (b) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

Share-based payment liabilities are valued at fair value using the end of year market price (Level 1).

As of 31 March 2025, the Company did not have financial instruments measured at fair value, whereas on 31 March 2026, forward transactions entered into to hedge foreign exchange risk were measured at fair value.

For financial instruments not measured at fair value, the Company determines the fair values only for disclosure purposes with the methods described below.

The fair value of the lease liabilities is measured using discounted cash flow method. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The fair value determination of the lease liabilities is categorized as level 3 at 31 March 2026 and 31 March 2025. The fair value of the lease liabilities is HUF 27 million (2025: HUF 44 million).

Cash and cash equivalents, trade receivables, other current financial assets, trade payables and other current financial liabilities have short maturity. For this reason, their carrying amounts at the reporting date approximate the fair values.

### (c) Capital management

By managing capital structure, the goal of the Company is to keep the capacity for continuous operation, to make profit for the shareholders and its other concerned Companies, and to maintain a capital structure that is expected by the shareholders for reducing capital costs.

In order to maintain or adjust the capital structure, in accordance with the statutes the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The Company continuously monitors whether it meets the requirements of laws and regulations applicable in Hungary. The Company complied with all the relevant laws and regulations including the capital requirements imposed by the Civil Code in the financial years ended 31 March 2026 and 2025.

The capital, which the Company manages, amounted to HUF 9 145 million at 31 March 2026 (31 March 2025: HUF 8 955 million) comprising solely owner's equity and the Company does not use any long term loans or borrowings.

### (d) Hedge accounting

The Company regularly monitors its exposure arising from cash flows related to expected purchases denominated in foreign currencies in order to manage its resulting foreign exchange risk exposure. As per the Company's hedging strategy, a minimum hedge ratio of 50% must be achieved for these exposures relative to the budgeted rate, while the management of the remaining exposure is subject to individual decisions made during the ordinary course of business.

In order to implement its hedging strategy and to reflect them in its financial statements, the Company designates some or all of the FX forward transactions related to its highly probable forecast purchase contracts as cash flow hedges.

In order to assess hedge effectiveness, the Company determines the economic relationship between the hedging instrument and the hedged item by comparing the nominal value of the FX forward transactions by maturity to the forecasted cash outflows expected in the currency of the FX forward transaction for the given period.

The Company determines or rebalances the hedge ratio applied in hedge relationships by considering the lower of the nominal value of the forecast purchase transactions and the nominal value of the hedging instrument(s). Due to the application of this principle, the primary source of ineffectiveness in hedge relationships may arise from 'over-hedging'—that is, when the volume of hedging instruments exceeds the volume of forecast purchase transactions. Furthermore, as the cash flows of the hedging instruments typically occur once a month, while cash flows of the hedged items occur continuously throughout a given month, an immaterial amount of ineffectiveness also arises from the timing difference between the hedged and hedging cash flows.

Amounts related to items designated as hedging instruments were as follows:

<b>31 March 2026</b>	<b>Notional amount</b>	<b>Carrying amount Asset</b>	<b>Line item in the statement of financial position where the hedging instrument is included</b>	<b>Change in fair value considered in the calculation of hedge effectiveness</b>	<b>Fair value change recognized in other comprehensive income</b>
	<b>HUF mill</b>	<b>HUF mill</b>		<b>HUF mill</b>	<b>HUF mill</b>
FX forward transactions	1 344	12	<b>Other financial receivables</b>	12	12

In the current period, no amount was recognized in profit or loss due to hedge ineffectiveness, and no reclassifications were made from other comprehensive income to profit or loss

As of 31 March 2026, the Hedge reserve does not include any amounts related to hedge relationships for which hedge accounting is no longer applied.

As of 31 March 2026, the Company held the following hedging instruments:

EUR/HUF FX forward contracts	Maturity		
	1 to 6 months	6 to 12 months	over a year
	HUF mill	HUF mill	HUF mill
Notional	1 344	0	0
Average contract FX rate (EUR/HUF)	384	0	0

Amounts related to items designated as hedged items were as follows:

31 March 2026	Change in fair value considered in the calculation of hedge effectiveness	Hedge reserve
	HUF mill	HUF mill
Forecast cash flows from foreign currency purchases	12	12

Movements in the Hedge Reserve during the period were as follows:

Hedge reserve	31 March 2026	31 March 2025
	HUF mill	HUF mill
Opening balance at 1 April	0	0
Change in fair value	12	0
Reclassification to profit or loss	0	0
Tax effect	(1)	0
Closing balance at 31 March	11	0

## NOTE 5 – PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building	Plant and equipment	Right-of- use assets	Other assets	Total
	HUF mill	HUF mill	HUF mill	HUF mill	HUF mill
<b>Year ended 31 March 2025</b>					
Opening carrying amount	2 025	1 005	41	684	3 755
Additions	43	246	6	478	773
Disposals	(1)	(1)	0	(54)	(56)
Depreciation charge	(117)	(186)	(7)	(301)	(611)
Closing carrying amount	<b>1 950</b>	<b>1 064</b>	<b>40</b>	<b>807</b>	<b>3 861</b>
<b>At 31 March 2025</b>					
Cost	4 630	4 332	149	3 003	12 114
Accumulated depreciation	2 680	3 268	109	2 196	8 253
<b>Net carrying amount</b>	<b>1 950</b>	<b>1 064</b>	<b>40</b>	<b>807</b>	<b>3 861</b>
<b>Year ended 31 March 2026</b>					
Opening carrying amount	1 950	1 064	40	807	3 861
Additions	97	293	0	414	804
Disposals	0	(3)	(1)	(68)	(72)
Depreciation charge	(118)	(213)	(13)	(322)	(666)
Closing carrying amount	<b>1 929</b>	<b>1 141</b>	<b>26</b>	<b>831</b>	<b>3 927</b>
<b>At 31 March 2026</b>					
Cost	4 727	4 599	124	3 163	12 613
Accumulated depreciation	2 798	3 458	98	2 332	8 686
<b>Net carrying amount</b>	<b>1 929</b>	<b>1 141</b>	<b>26</b>	<b>831</b>	<b>3 927</b>

Disposals include decreases of assets at net carrying amount.

Assets in course of construction and not yet ready for use amounted to HUF 41 million (31 March 2025: HUF 35 million) and are included in the related categories (HUF 4 million in freehold land and building, HUF 1 million in plant and equipment, HUF 35 million in other assets and HUF 1 million in trademarks).

The Company does not have any borrowings and therefore no borrowing cost is capitalised as part of the cost of property, plant and equipment.

## NOTE 6 – INTANGIBLE ASSETS

	Trademarks licences and others	Intellectual property	Total
	HUF mill	HUF mill	HUF mill
<b>Year ended 31 March 2025</b>			
Opening carrying amount	52	25	77
Additions (purchases)	16	13	29
Disposals	(2)	0	(2)
Amortisation	(11)	(13)	(24)
Closing carrying amount	<u>55</u>	<u>25</u>	<u>80</u>
<b>At 31 March 2025</b>			
Cost	251	797	1 048
Accumulated depreciation	<u>196</u>	<u>772</u>	<u>968</u>
<b>Net carrying amount</b>	<b><u>55</u></b>	<b><u>25</u></b>	<b><u>80</u></b>
<b>Year ended 31 March 2026</b>			
Opening carrying amount	55	25	80
Additions (purchases)	16	12	28
Disposals	(1)	0	(1)
Amortisation	(12)	(15)	(27)
Closing carrying amount	<u>58</u>	<u>22</u>	<u>80</u>
<b>At 31 March 2026</b>			
Cost	263	809	1 072
Accumulated depreciation	<u>205</u>	<u>787</u>	<u>992</u>
<b>Net carrying amount</b>	<b><u>58</u></b>	<b><u>22</u></b>	<b><u>80</u></b>

Intellectual property includes mainly software.

The Company has no internally developed intangible assets.

## NOTE 7 – EMPLOYEE LOANS

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
<b>Employee loans</b>	<b>5</b>	<b>4</b>

The effective interest rate used in the calculation was 6.3 %.

## NOTE 8 – INVENTORIES

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Raw materials and consumables	1 139	900
Semi-finished and finished products	2 006	2 076
Purchased goods	741	774
	<b>3 886</b>	<b>3 750</b>

Inventories of HUF 8 144 million (31 March 2025: HUF 8 206 million) were recognised as an expense during the year and included in ‘Material type expenses’. Change in the value of inventories of own products recognized in ‘Material type expenses’ amounts to HUF (70) million (2025: HUF (31) million).

The carrying amount of inventories carried at net realized value at 31 March 2026 amounts to HUF 49 million (31 March 2025: HUF 61 million).

The accumulated write down for obsolete and slow-moving stock at 31 March 2026 amounts to HUF 126 million (31 March 2025: HUF 107 million). Write-down of HUF 49 million, decrease of write-down of HUF 8 million and reversal of write-down of HUF 22 million was recognised during the year and they are included in ‘Material type expenses’.

## NOTE 9 – TRADE AND OTHER FINANCIAL AND NON-FINANCIAL RECEIVABLES

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
<b>Trade receivables</b>	<b>3 372</b>	<b>3 247</b>
Employee loan	2	1
Derivative assets	12	0
Other financial receivables	83	89
<b>Total other financial receivables</b>	<b>97</b>	<b>90</b>
Prepayments	109	112
Other non-financial receivables	191	203
<b>Total non-financial receivables</b>	<b>300</b>	<b>315</b>
	<b>3 769</b>	<b>3 652</b>

Other non-financial receivables mainly include excise tax and DRS deposit fee on inventory. The impairment loss on trade and other receivables is disclosed in Note 4 (a).

Related party receivables are disclosed in Note 20.

## NOTE 10 – CASH AND CASH EQUIVALENTS

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Cash at bank and in hand	48	231
Short term bank deposit	3 787	3 405
	<b>3 835</b>	<b>3 636</b>

## NOTE 11 – NON-CURRENT FINANCIAL AND NON-FINANCIAL LIABILITIES

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Lease liabilities	21	36
<b>Financial liabilities</b>	<b>21</b>	<b>36</b>
Accrual for jubilee payments	404	436
Accrual for payment upon reaching retirement age	124	144
<b>Long-term employee benefits</b>	<b>528</b>	<b>580</b>
<b>Deferred income</b>	<b>51</b>	<b>62</b>
	<b>600</b>	<b>678</b>

The Hungarian Ministry of Foreign Affairs and Trade (KKM) awarded the Company a non-repayable grant to increase competitiveness amounting to HUF 106 million on 9 June 2020. The grant follows from the Ministry’s invitation to proposals, which was entitled “Invigorating the Economy amidst the Current COVID-19 Epidemic”. The invitation to proposals was promulgated in Decree 7/2020 (16 April) of the Ministry of Foreign Affairs and Trade.

The Decree provides that the grant to increase competitiveness shall be spent on fixed assets. The Company used it as a co-financing instrument to purchase a packaging and palletizing machine to be installed in its plant at Dunaharaszti. During the first quarter of 2021 the new machines were test-run and then put into regular operation. Amount of the grant to the project amounted to 50% of its value. The related portion of the carrying amount of the assets is shown on the deferred income line.

At 31 March 2026 the Company had contingent liabilities amounting to HUF 1 400 million in respect of bank guarantees arising from regulatory obligation (customs bond of untaxed excise products). The Company anticipates that no material liabilities will arise from this obligation.

### Lease liabilities

Lease agreements have a term of 2-10 years.

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
No later than 1 year	8	10
Later than 1 year and no later than 5 years	30	46
<b>Minimum lease payments</b>	<b>38</b>	<b>56</b>
Future finance charges	(11)	(12)
<b>Present value of lease liabilities</b>	<b>27</b>	<b>44</b>

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
No later than 1 year	6	8
Later than 1 year and no later than 5 years	21	36
	<b>27</b>	<b>44</b>

Reconciliation of movements of liabilities to cash flows arising from financing activities	2026	2025
	HUF mill	HUF mill
<b>Balance at 1 April</b>	<b>44</b>	<b>45</b>
Payment of lease liabilities	(13)	(8)
Total changes from financing cash flows	<b>(13)</b>	<b>(8)</b>
The effect of changes in foreign exchange rates	(4)	1
New leases	0	6
<b>Balance at 31 March</b>	<b>27</b>	<b>44</b>

#### Accrual for jubilee payments and payment upon reaching retirement age

	Jubilee		Pension award	
	2026	2025	2026	2025
	HUF mill	HUF mill	HUF mill	HUF mill
<b>Opening liability at 1 April</b>	<b>473</b>	<b>509</b>	<b>170</b>	<b>120</b>
Current service cost	35	33	11	10
Interest cost	29	35	10	8
Release of benefit paid	(35)	(42)	(2)	(10)
Actuarial profit/loss	9	(62)	(3)	42
<b>Closing liability at 31 March</b>	<b>511</b>	<b>473</b>	<b>186</b>	<b>170</b>

The meaning of each item is as follows:

- The current service cost is the increase of the liability due to the service rendered by the employees in the current period.
- The interest cost captures the change in the time value of money; the expected return on assets due to discounting (even if the asset side generally covers the liability side).
- The level of the provision decreases as the benefits were paid out, since the corresponding amount of the release of the provision covers the benefits at the time of payment.
- Actuarial profit/loss includes several components, the most important ones are (alongside with their effect on the provision in brackets, and the opposite effect on the P&L):
  - the effect of discount rates' change (+/-)
  - the impact of the difference between the expected and the actual salary indexation (+/-)
  - the expected reserve release based on turnover rates (+)
  - the release of reserve due to actual leaving employees (-)
  - change of turnover and/or mortality assumptions (+/-)

## NOTE 12 – TRADE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES

	31 March 2026	31 March 2025
	HUF mill	HUF mill
<b>Trade and other payables</b>	<b>2 271</b>	<b>2 193</b>
Lease liabilities	6	8
Amounts payable (due) to customers	655	673
<b>Total other financial liabilities</b>	<b>661</b>	<b>681</b>
<b>Current income tax</b>	<b>46</b>	<b>19</b>
Wage and salary	1 002	1 041
Share-based payment liabilities	467	449
<b>Employee benefits</b>	<b>1 469</b>	<b>1 490</b>
Value added and excise tax	1 125	840
Other taxes	204	192
Other non-financial liabilities	35	19
<b>Other taxes and other non-financial liabilities</b>	<b>1 364</b>	<b>1 051</b>
<b>Total trade and other financial and non-financial liabilities</b>	<b>5 811</b>	<b>5 434</b>

## NOTE 13 – PROVISIONS

	31 March 2026	31 March 2025		
	HUF mill	HUF mill		
<b>Provisions</b>	<b>32</b>	<b>0</b>		
	<b>Termination benefit</b>	<b>Liabilities</b>	<b>Total</b>	
	HUF mill	HUF mill	HUF mill	
<b>1 April 2024</b>	<b>7</b>	<b>0</b>	<b>7</b>	
Additions	0	0	0	
Used	(7)	0	(7)	
<b>31 March 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>1 April 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Additions	16	16	32	
Used	0	0	0	
<b>31 March 2026</b>	<b>16</b>	<b>16</b>	<b>32</b>	
	<b>31 March 2026</b>	<b>31 March 2025</b>		
	HUF mill	HUF mill		
Current	32	0		
	<b>32</b>	<b>0</b>		

## NOTE 14 – REVENUE

	<u>2026</u>	<u>2025</u>
	HUF mill	HUF mill
Revenue, gross of excise tax and DRS deposit fee	39 600	38 788
Excise tax	(14 609)	(14 275)
DRS deposit fee	(559)	(456)
<b>Revenue, net of excise tax and DRS deposit fee</b>	<b>24 432</b>	<b>24 057</b>
- thereof products revenue	<b>23 341</b>	<b>22 722</b>

The basis of calculation of excise tax is the alcohol content of the products multiplied by a fixed rate and its magnitude depends on the quantity sold. The excise tax rate for alcohol products was 5 890 HUF/hlf (percentage alcohol content per hectolitre) until 31.12.2025, and changed to 6 144 HUF/hlf from 01.01.2026.

Amounts paid to the customers (merchants) for positioning the products on eye-catching or prime shelf places, putting them in gondolas at the checkout counters, or putting ads in advertising brochures, are treated as variable consideration in determining the transaction price and rebates during the year amounted to HUF 5 857 million (2025: HUF 5 266 million).

### 1. Revenue from sale of products by geographical markets:

	<u>2026</u>	<u>2025</u>
	HUF mill	HUF mill
Hungary	20 941	20 192
Europe	2 300	2 414
Other	100	116
<b>Revenue</b>	<b>23 341</b>	<b>22 722</b>

### 2. Major product groups:

	<u>2026</u>	<u>2025</u>
	HUF mill	HUF mill
Own domestic produced premium products	12 258	11 479
Own domestic produced quality products	3 518	3 631
Export (own produced)	2 400	2 530
Traded products (domestic)	5 165	5 082
<b>Total products revenue</b>	<b>23 341</b>	<b>22 722</b>

The sales revenue of the traded products consists mainly of the sales revenue of the Diageo portfolio.

## NOTE 15 – EMPLOYEE BENEFITS EXPENSE

	<u>2026</u>	<u>2025</u>
The average number of persons employed	<u>259</u>	<u>255</u>

<b>The total cost of their remuneration amounted to</b>	<b>2026</b>	<b>2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Wages and salaries (including bonus payments)	4 187	4 146
Share-based payment (see Note 20)	27	134
Expenses related to jubilee payments	73	6
Expenses related to payments upon reaching retirement age	18	60
Termination benefit provision	16	0
Social security contributions	578	516
	<u><b>4 899</b></u>	<u><b>4 862</b></u>

## NOTE 16 – OTHER OPERATING EXPENSES

	2026	2025
	HUF mill	HUF mill
Advertising costs	2 777	2 885
Other taxes	697	662
Other operating expenses	516	517
Marketing costs	502	489
Transport costs	472	495
Expert fees	377	289
Warehousing costs	364	344
Maintenance costs	251	263
Security charges	170	156
Insurances	120	94
Foreign exchange losses net	66	0
Facility management costs	50	45
Rental fees	8	7
Scrap, shortage and disposal of property, plant and equipment	3	4
	<b>6 373</b>	<b>6 250</b>

Other operating expenses, include authority fees, educational expenditures and other overheads. Warehousing costs do not contain a lease.

Expenses recognized relating to short-term leases and leases of underlying assets with low value (rental fee) amounted to HUF 5 million (2025: HUF 4 million):

	2026	2025
	HUF mill	HUF mill
Short term leases	4	3
Leases of low value assets	1	1
	<b>5</b>	<b>4</b>

## NOTE 17 – OTHER OPERATING INCOME

	2026	2025
	HUF mill	HUF mill
Foreign exchange gains, net	0	35
Gain on sale of property, plant and equipment	35	24
Other operating income	37	19
	<b>72</b>	<b>78</b>

## NOTE 18 – NET FINANCIAL INCOME (COST)

	2026	2025
	HUF mill	HUF mill
Interest income	147	180
<b>Financial income</b>	<b>147</b>	<b>180</b>
Interest expenses on lease liabilities	(2)	(2)
Other financial expenses	(47)	0
<b>Financial cost</b>	<b>(49)</b>	<b>(2)</b>
<b>Net financial income</b>	<b>98</b>	<b>178</b>

The table below shows the income and expenses relating to financial instruments in the year ending on 31 March 2026.

31 March 2026	Financial assets measured at amortized costs	Lease payables	Financial liabilities measured at amortised cost	Total
	HUF mill	HUF mill	HUF mill	HUF mill
Interest income	147	0	0	147
Exchange gain	24	4	66	94
<b>Total income relating to financial instruments</b>	<b>171</b>	<b>4</b>	<b>66</b>	<b>241</b>
Interest expense	0	2	4	6
Exchange loss	137	0	23	160
Fee expenses	74	0	0	74
<b>Total expense relating to financial instruments</b>	<b>211</b>	<b>2</b>	<b>27</b>	<b>240</b>
<b>Total income and expense relating to financial instruments net</b>	<b>(40)</b>	<b>2</b>	<b>39</b>	<b>1</b>

Fee expenses include credit rating expenses, customer credit insurance and bank fees.

The table below shows the income and expenses relating to financial instruments in the year ending on 31 March 2025.

31 March 2025	Financial assets measured at amortized costs	Lease payables	Financial liabilities measured at amortised cost	Total
	HUF mill	HUF mill	HUF mill	HUF mill
Interest income	180	0	0	180
Exchange gain	95	0	43	138
<b>Total income relating to financial instruments</b>	<b>275</b>	<b>0</b>	<b>43</b>	<b>318</b>
Interest expense	0	2	0	2
Exchange loss	33	1	69	103
Fee expenses	64	0	0	64
<b>Total expense relating to financial instruments</b>	<b>97</b>	<b>3</b>	<b>69</b>	<b>169</b>
<b>Total income and expense relating to financial instruments net</b>	<b>178</b>	<b>(3)</b>	<b>(26)</b>	<b>149</b>

## NOTE 19 – INCOME TAX

	<b>2026</b>	<b>2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Current corporate income tax	325	303
Local business tax and innovation contribution	495	465
Current tax	820	768
Deferred tax	(3)	4
<b>Income tax expense</b>	<b>817</b>	<b>772</b>

The corporate income tax rate is 9% (2025: 9%), the local business tax rate is 2% regardless of the location (2025: 2%) and the innovation contribution tax rate is 0.3% (2025: 0.3%).

Reconciliation of the income tax expense calculated based on profit before tax and the income tax expense recognized:

	<b>2026</b>	<b>2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Profit before tax	3 996	3 761
Tax using the Company's domestic corporate income tax rate of 9%	360	338
Local business tax and innovation contribution	495	465
Tax exempt income	(50)	(86)
Non-deductible expenses	12	55
<b>Income tax expense</b>	<b>817</b>	<b>772</b>

The Company's deferred tax balances are as follows:

	<b>31 March 2026</b>	<b>Profit and loss effect</b>	<b>OCI effect</b>	<b>31 March 2025</b>	<b>Profit and loss effect</b>	<b>OCI effect</b>	<b>31 March 2024</b>
	<b>HUF mill</b>	<b>HUF mill</b>	<b>HUF mill</b>	<b>HUF mill</b>	<b>HUF mill</b>	<b>HUF mill</b>	<b>HUF mill</b>
Different depreciation of property, plant and equipment	14	(4)	0	18	(6)	0	24
Provisions	3	3	0	0	(1)	0	1
Cash flow hedges	(1)	0	(1)	0	0	0	0
Other (jubilee, holiday accrual)	70	4	0	66	3	0	63
<b>Total deferred tax assets</b>	<b>86</b>	<b>3</b>	<b>(1)</b>	<b>84</b>	<b>(4)</b>	<b>0</b>	<b>88</b>

Under Hungarian law, tax returns are never formally agreed by the tax authority and a system of self-assessment operates. Under this system, tax years are left open for five years from the submission of the corporate tax return for the business year and can be subject to a full audit by the tax authority after the end of the financial year. The amount recognized in profit or loss relates to the origination and reversal of temporary differences.

## NOTE 20 – RELATED PARTY TRANSACTIONS

The Company carried out the following transactions with related parties (HUF million):

<b>31 March 2026</b>	<b>Receivable from</b>	<b>Payable to</b>	<b>Revenues</b>	<b>Goods purchased</b>	<b>Services received</b>
Zwack-Underberg Group	4	165	289	19	481
Diageo Scotland Ltd.	132	0	949	(626)	0
Diageo Brands B.V.	0	315	0	3 970	0
Szecskey Ügyvédi Iroda	0	9	0	0	51
<b>Total</b>	<b>136</b>	<b>489</b>	<b>1 238</b>	<b>3 363</b>	<b>532</b>

  

<b>31 March 2025</b>	<b>Receivable from</b>	<b>Payable to</b>	<b>Revenues</b>	<b>Goods purchased</b>	<b>Services received</b>
Zwack-Underberg Group	33	140	335	23	375
Diageo Scotland Ltd.	199	0	1 209	(610)	0
Diageo Brands B.V.	0	440	0	4 477	0
Szecskey Ügyvédi Iroda	0	1	0	0	18
<b>Total</b>	<b>232</b>	<b>581</b>	<b>1 544</b>	<b>3 890</b>	<b>393</b>

Diageo Group has a 26% interest in Zwack Unicum Plc. through its fully owned subsidiary (Diageo Holdings Netherlands B.V.). Zwack Unicum Plc. is the sole distributor of Diageo spirits in Hungary and also provides marketing services to the Diageo Group.

Trading parties of Diageo:

- Marketing services related to goods purchased are provided to Diageo Scotland Ltd. from 1 July 2004.
- Spirits are purchased from Diageo Brands B.V. from 1 July 2004.

Zwack-Underberg Group consists of entities which are owned by the family members of Zwack or Underberg family. The business relations with the Zwack and Underberg Group include distribution of products, providing marketing and various expert services. Dr Hubertine Underberg-Ruder is member of the Underberg family, Chairwoman of the Supervisory Board and member of the Audit Board.

PZ HG has no business relationship with the Company.

Szecskey Iroda acts as the legal representative of the Company in all significant matters and Dr Szecskey András is a member of the Supervisory Board.

	<b>2026</b>	<b>2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
<b>Key management benefits</b>		
Short term benefits	1 010	962
Social security contribution of short term benefits	73	49

In November 2007 the Company issued 35 000 redeemable liquidity preference shares to its senior managers for a value of HUF 35 million, which shares provide the Company with a call option and the registered holders of such share with a put option as well as a liquidation preference. This is a cash-settled share-based compensation plan with an original vesting period of 10 years.

As the ten-year vesting period has elapsed for all those concerned, when assessing the program-related obligations, the relevant provisions of the Company's Memorandum and Articles of Association (Article 5.7.4 (V)) have been taken into account.

Total liabilities arising from share-based payment transactions amounted to HUF 467 million as at 31 March 2026 (31 March 2025: HUF 449 million) which includes the value of redeemable preference shares (classified as other financial liabilities) and the accumulated expenses. The fair value of the employees' services received in exchange for the grant of the options was recognised as an expense over the vesting period.

No option was exercised by 31 March 2026. At each reporting date, the Company re-measures the fair value of the liability and recognises the impact in profit or loss for the year and presents it in 'employee benefits expense' and 'financial expense'. HUF 18 million was recognised as an expense in the current financial year relating to the option plan as remeasurement (2025: HUF 85 million as an expense).

Dividends paid for redeemable liquidity preference shares granted to the Company's employees are included in short term benefits and recognised as an expense in profit or loss and presented in 'employee benefits and financial expense' HUF 53 million (2025: HUF 49 million).

## **NOTE 21 – SEGMENT REPORTING**

The Company has determined that it has no separate operating segments but rather the whole Company can be deemed as one operating segment.

The balances reviewed by the Chief Operating Decision Maker include revenue, depreciation and amortisation, interest income and expense, income tax expense and profit for the year all of which are disclosed as part of the Statement of comprehensive income.

Revenue analysed by geographical areas and product groups are disclosed in Note 14. All property, plant and equipment and intangible assets of the Company are located in Hungary, all right of use assets are located in EU.

## **NOTE 22 – SUBSEQUENT EVENTS**

The Company proposes to pay dividends for the financial year ended 31 March 2026, which is subject to approval by the forthcoming Annual General Meeting. The amount of dividend proposed by the Board of Directors amounts to HUF 3 100 million, (1 550 HUF/share).

## **NOTE 23 – ADDITIONAL PRESENTATIONS ACCORDING TO HUNGARIAN ACCOUNTING REGULATIONS**

- a.) Person responsible for supervising transactional accounting and preparation of IFRS financial statements:

Name: György Guttengeber  
Registration number: 200897

- b.) Persons responsible for signing the annual financial statements:

Katalin Hollósi (1118 Budapest, Pólv Bang-Jensen u. 2/B)  
Balázs Szűcs (2457 Adony, Rákóczi u. 10.)

based on the power of attorney provided by:

Sándor Zwack (1026 Budapest, Hidász u. 8.)  
Csaba Belovai (6766 Dóc, Petőfi Sándor utca 22.)

- c.) Auditor

These financial statements are required to be audited in accordance with the Hungarian Accounting Law.

Fees charged by the auditor for the audit of these financial statements amounts to HUF 39 million, other fees paid to the auditor during the financial year are HUF 2 million.

No other fees were charged by the auditor.

- d.) Reconciliation of equity

In accordance with paragraph 114/B of the Hungarian Accounting Law, the financial statements include a reconciliation of the equity per financial statement prepared in accordance with IFRS principles and the equity per Hungarian Accounting Law.

Equity reconciliation for differences between IFRS equity presented in these financial statements and equity per Hungarian Accounting Law:

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>HUF mill</b>	<b>HUF mill</b>
Section 114 B (4) Equity under IFRS		
Share capital	2 000	2 000
Reserves	3 966	3 966
Profit/(loss) for the year	3 179	2 989
<b>Total equity</b>	<b>9 145</b>	<b>8 955</b>
Section 114 B (4) a) Equity		
Equity under IFRS	9 145	8 955
Supplementary payments received presented as liabilities under IFRS		
Supplementary payments made presented as assets under IFRS (-)		
Amount of deferred income from cash, assets received and transferred to the capital reserve under legislation		
Amount of receivables from owners arising from capital contribution classified as equity instrument (-)		
<b>Total equity</b>	<b>9 145</b>	<b>8 955</b>
Section 114 B (4) b) Share capital under IFRS		
Share capital according to the effective articles of association if classified as an equity instrument	2 000	2 000
<b>Total share capital</b>	<b>2 000</b>	<b>2 000</b>
Section 114 B (4) c) Registered but unpaid capital		
Unpaid share capital under IFRS		
Section 114 B (4) d) Capital reserve		
Sum of all equity components that are not considered as share capital, registered but unpaid capital, retained earnings, revaluation reserve, profit/(loss) for the year or tied-up reserve	165	165
<b>Total capital reserve</b>	<b>165</b>	<b>165</b>
Section 114 B (4) e) Retained earnings		
Accumulated profits after tax of previous' years under IFRS that have not been distributed to owners yet	3 790	3 801
Amounts debited or credited directly to retained earnings under IFRS (+/-)		
Amounts transferred from share capital or capital reserve to cover losses (+)		
Any amounts transferred from other reserves, the transfer of which is required or allowed by IFRS (+)		
Supplementary payments made presented as assets under IFRS (-)		
Unused reserve for development purposes (-)		
Deferred tax on unused reserve for development purposes under IAS 12 (+)		
<b>Total retained earnings</b>	<b>3 790</b>	<b>3 801</b>
Section 114 B (4) f) Revaluation reserve		
Other comprehensive income in the statement of comprehensive income including accumulated other comprehensive income and other comprehensive income for the current year	11	0
Amount of revaluation reserve recognized before transition to IFRS		
<b>Total revaluation reserve</b>	<b>11</b>	<b>0</b>

Section 114 B (4) g) Profit for the year		
Net profit or loss after tax from continuing and discontinued operations presented in the profit or loss section of the statement of comprehensive income	3 179	2 989
Amounts recognized in profit or loss under the Hungarian Accounting Law that are recognized in equity under IFRS, especially grants, cash given or received for no consideration (+)		
<b>Total profit for the year</b>	<b>3 179</b>	<b>2 989</b>
Section 114 B (4) h) Tied-up reserve		
Supplementary payments received presented as liabilities under IFRS		
Unused reserve for development purposes (+)		
Deferred tax on unused reserve for development purposes under IAS 12 (-)		
<b>Total tied-up reserve</b>		
Section 114 B (5) a) Reconciliation of registered capital with the share capital under IFRS		
Registered share capital	2 035	2 035
Share capital under IFRS	2 000	2 000
<b>Difference (redeemable liquidity preference shares at nominal value)</b>	<b>35</b>	<b>35</b>
Section 114 B (5) b) Retained earnings available for distribution		
Retained earnings (including the net profit after tax for the last financial year closed with annual financial statements)	6 969	6 790
Accumulated, unrealized gain from the increase of fair value of investment properties under IAS 40 (-)		
Deferred tax on the accumulated, unrealized gain from the increase of fair value of investment properties under IAS 40 (+)		
<b>Retained earnings available for distribution</b>	<b>6 969</b>	<b>6 790</b>

**ZWACK UNICUM PLC**  
**BUSINESS AND MANAGEMENT REPORT**  
**on the financial year ended on 31 March 2026**

**1. Analysis of the Company's performance**

Total gross sales of the Company were HUF 39 600 million – a year-on-year increase of HUF 812 million (2.1%). Net sales (sales excluding excise duty and DRS redemption fee) were HUF 24 432 million, which is 1.6% (HUF 375 million) higher than last year.

The net sales of domestic product sales were HUF 20 941 million, which is HUF 749 million (3.7%) higher than in the previous financial year. Net sales of own-produced goods in the domestic market had a year-on-year increase of HUF 666 million (4.4%) (from HUF 15 110 million to HUF 15 776 million). Broken down in more detail, sales of premium products increased by 6.8%, while the sales of the quality products came down by 3.1%. Taking a closer look at the premium category: the sales of the Unicum product line grew. Following the gastronomy launch in autumn 2024, Unicum's newest flavour, Unicum Orange Bitter, was launched in retail in April 2025 and contributed significantly to the positive results of the Unicum brand family. In the quality category, the St. Hubertus brand achieved moderate sales growth. However, a significant decline in sales of Kalinka vodka reduced the category's overall performance. At the same time, it is encouraging to note that this brand showed significant sales growth in the fourth quarter.

Net sales of traded products increased year-on-year by 1.6%. Broken down in some detail, the revenue of the Diageo portfolio remained at the previous year's level while the revenues of the other traded products increased by 13.5%. In the latter category the revenues of mineral water and Prosecco increased.

According to the April–March 2025 market research data for the taxed retail turnover in Hungary, the spirits market increased by 6.9% in volume and increased by 11.4% in gross value. In the same period, our Company's sales of spirits in the retail category increased year-on-year by 1.4% in volume and of 4.4% in gross value. The discrepancy between Zwack's volume data and market research data can be explained largely by the ongoing practice of inventory reduction by retail chains.

The retail channel showed growth (in volume) in the first quarter of the financial year, driven by the timing of Easter promotional deliveries in April and the launch of Unicum Orange Bitter. In the second and third quarters, retail sales volumes were below the base level, mainly due to weaker performance of quality and distributed products, while the Unicum brand – including the innovation Unicum Orange Bitter – continued to outperform year-on-year.

Sales showed significant growth in the last quarter, which can be attributed to the earlier start of the Easter season compared to the previous year. (Promotional deliveries were already made in March.)

The wholesale channel's turnover in volume terms stagnated in the first quarter and then exceeded the base level in the second quarter, driven by the Unicum brand and the sales of distributed products, notably Don Papa rum, launched in July.

However, the third quarter saw a decline, mainly due to a weaker performance in the quality category, which was not fully counterbalanced by continued growth in the distributed products.

In the last quarter, turnover in volume declined again, driven by a drop in the premium category. Within this category, sales of the Unicum brand fell significantly, which can be attributed to the high base in the prior-year period, given that Unicum Orange Bitter was available exclusively through this sales channel during the same period of the previous year.

Net sales of export products amounted to HUF 2 400 million, a decrease of 5.1% (HUF 130 million) compared to last year. Among the strategically important countries, turnover grew significantly in Romania and the Duty Free, while a noticeable decline occurred in Italy, Germany, and Slovakia.

Revenue from services amounted to HUF 1 091 million, which is 18.3% (HUF 244 million) lower than in the base period. Marketing reimbursements to brand owners of distributed products decreased due to lower intensity of marketing activities.

Material-type expenses decreased by HUF 164 million (1.9%) while the net sales increased by 1.6%. The gross margin ratio was by 1.2 percentage points higher than a year before (64.6% instead of 63.4%). Favourable developments in the product mix (the ratio of higher-margin products increased) tend to explain the decrease in the per unit material costs. The moderate strengthening of the Forint against the Euro also led to a slight decline in material costs.

The employee benefit expenditure increased by HUF 37 million (0.8%). At the beginning of the business year a banded wage increase was implemented at the Company, which amounted to 8% on average. The hike was higher in the lower wage categories and lower in the higher ones. At the same time, the dividend paid on liquidation preference shares and the related liability decreased by HUF 107 million, as more directors' employment with the Company was terminated due to retirement in the first half of 2025 (see financial results below). In the base period, the Company recognised a provision of HUF 241 million for termination pay in personnel expenses.

Overall, depreciation increased by HUF 58 million (9.1%). Broken down in more detail, the depreciation of real estate, machinery and equipment showed a year-on-year increase of HUF 51 million and the immediate depreciation posted for pallets showed a year-on-year increase by HUF 7 million.

The other operating expenses increased year-on-year by HUF 123 million (2.0%). Expenditure increased considerably in the following categories: expert fees (by HUF 88 million), other taxes (by HUF 35 million) - a significant part of which can be attributed to increases in EPR and DRS fees -, insurance premiums (by HUF 26 million), warehousing (by HUF 20 million) and security costs (by HUF 13 million). Moreover, during this business year the Company had an exchange rate loss of HUF 66 million, whereas it had an exchange-rate gain in the previous business year. At the same time, the Company spent less (by HUF 12 million) on maintenance (during the previous business year there were numerous unscheduled, one-off maintenance projects), and transportation costs also decreased (by HUF 23 million). In addition, marketing costs decreased (by HUF 96 million) as a result of the decline in marketing activities related to the traded products. No noteworthy changes took place in the rest of the other operating expenses.

The other operating income decreased by HUF 6 million (7.7%). During the previous business year, the Company had interest-rate gain in the value of HUF 35 million while in this business year we have had exchange rate loss. As mentioned above, that loss was posted among the other operating expenses. At the same time, the Company's revenue from the sale of packaging materials, vehicle sales and other tangible assets exceeded the previous year's figure by HUF 29 million.

The profit from operations stood at HUF 3 898 million – higher than that a year before by HUF 315 million (8.8%).

During the period under review the Company recorded a financial result of HUF 98 million. (Last year it was HUF 178 million.) Interest income derived from the Company's fixed deposits in banks was HUF 147 million. (Last year it was HUF 180 million.)

The Annual General Assembly of 25 June 2025 adopted a decision to pay a dividend of HUF 1 500 per share. Two directors of the Company who own liquidation preference shares went into retirement as of 30 June 2025. In compliance with the IFRS – following the termination of the employment relationship – the dividend payable for liquidation preference shares and any changes in the related liabilities have to be posted as financial expenditure instead of the earlier practice of employee benefit expenditure. Those people are entitled to receive dividends who possess shares on the day when the shareholders and their holdings are verified. As the above-mentioned directors were not employed by this Company in July 2025 anymore, the liability related to the dividend for their preference shares were recorded as financial expenditure. Consequently, the net balance of financial income and expenditures was reduced by HUF 49 million.

Total taxes levied on profits grew by a total of HUF 45 million (5.8%). Corporate tax increased by HUF 22 million. The local business tax and the innovation contribution increased by HUF 30 million, while the deferred tax expenditure showed a year-on-year decrease of HUF 7 million.

The Company's profit after taxation for the business year was HUF 3 179 million, which is higher than that a year before by HUF 190 million (6.4%). The Company had planned to achieve a profit level for the current year roughly on par with that of the previous business year, but its actual performance significantly exceeded that target. The increase in profit is primarily attributable to the significant growth in sales volume of Unicum, the Company's key profit-generating brand.

There were no major changes in the balance sheet.

The Company capitalized property, plant, and equipment in the amount of HUF 849 million, of which HUF 683 million was paid during the current year. In early 2025 the Company embarked on a major retrofitting project on a bottling facility in its plant in Kecskemét. As part of this, the filling machine unit was modernized during this business year, with an investment value of HUF 209 million. In addition, in view of growing consumer demand for Unicum, the capacity of our barrels needs to be increased. In connection with this, the Company purchased new barrels for HUF 71 million. The rest of the sum was mostly spent on investments related to the maintenance of the fleet of motorcars, keeping our real estate in good repair, furthermore, projects related to IT equipment and marketing activities.

## **2. Business environment of the Company**

Zwack Unicum Plc. is the largest player in the Hungarian distilled branded spirits market. As the Hungarian domestic market accounts for nearly 90% of the Company's revenues from selling products, the domestic demand has a decisive influence on the Company's results. Domestic premium spirits consumption in Hungary expanded in the pre-COVID period, which was significantly reduced by the pandemic in 2020. Following the subsequent rebound, consumption declined significantly from autumn 2022, triggered by high inflation and the resulting decline in real wages. From 2024, consumption started to rise slightly, driven by rapid disinflation and a return to real wage growth, but weak consumer confidence meant that the rate of increase was significantly below the rate of real wage growth.

## **3. Objectives and Strategy of the Company**

The Company's primary activity is the production and sale of branded premium and quality alcoholic drinks. The principal aim of Zwack Unicum Plc. is to maintain its market-leading role in spirits in Hungary. Furthermore, we aim to strengthen export markets.

The Company is the official domestic distributor of several international brands, such as Diageo Plc.'s portfolio of distilled spirits. Thus, in addition to its own premium brands of outstanding importance in the Hungarian market (Unicum, Fűtyűlős, Kalumba, Vilmos, St. Hubertus, Kalinka), the Zwack Unicum Plc. portfolio also includes global brands such as Johnnie Walker, Baileys, Captain Morgan, Tanqueray, Smirnoff and Don Papa. With this portfolio, our company offers consumers a uniquely wide selection of branded products.

Product innovation and successful product launch are crucial means of keeping and strengthening the Hungarian market leader position. Regarding exports, we intend to increase their share in sales revenue of products from an actual 11% to 15% in the next three years. The Company's principal export markets are Italy, Germany, Romania and Slovakia.

As from autumn 2019 the Company has been exclusively using green electricity. Having completed a project to have a heat pump and solar panels installed in our plant at Dunaharaszti, the Company is planning further steps towards integrating circular economy principles into its operations. Further environmental investments are continuously being evaluated and planned (Kecskemét and Soroksári út factories). For our sustainability report for the 2025/26 financial year, please visit our website! (<https://zwackunicum.hu/en/fenntarthatosag/>)

#### **4. Main Resources and Risks of the Company's Activities**

##### **▪ Material Resources**

###### **• Production, Plant and Investments**

The Company has three production sites. The initial phase of Unicum production and barrel ageing takes place at the Unicum factory on Soroksári út in Budapest. The Dunaharaszti factory unit is responsible for the further ageing and bottling of Unicum bitter, as well as the bottling of the majority of the other products manufactured in-house. The fruit brandy and gin distillery operates in Kecskemét, where small-batch products are bottled.

The Company intends to maintain the current three-site production structure in the long term. The bulk production and bottling capacities of the plants are adequate.

We have launched a bottling modernisation programme at the Kecskemét plant, during which we are replacing the outdated machines on one of the bottling lines with new ones. As a next step, the filling machine will be replaced during this financial year.

The Company remains committed to environmental protection and will continue to place a strong emphasis on energy efficiency investments in the future.

##### **▪ Financial Position**

The Company's financial position is stable and it always fulfils its financial obligations on time. Financial transactions are conducted through UniCredit, Erste and K&H Bank from among the largest commercial banks in Hungary. The Company handles its cash flows related to export and import transactions through its euro account held at Erste Austria Bank.

##### **▪ Human Resources**

During the financial year the average statistical headcount of the Company was 259 (255 in the previous financial year). The majority of the increase in headcount is due to an increase in the blue-collar workforce, mainly in our Kecskemét factory, which is driven by the continued increase in volumes of our brands requiring significant manual labour (Unicum Riserva and Unicum Trezor XO) and small-volume products.

As indicated before, during the first quarter of the business year, personnel changes took place in the Company's Management:

As from 1 April 2025, Sándor Kocsi (the Company's former Technical Manager) replaced László Seprős in the position of Director of Production and Technology; as from 1 July 2025,

Csaba Belovai (the Company's former Commercial and Export Director) replaced Frank Odzuck in the position of Chief Executive Officer; György Guttengeber (the Company's former Head of Controlling and former Head of Logistics) replaced András Tibor Dörnyei in the position of Deputy Chief Executive Officer and Chief Financial Officer; and Amanda Farkas (the Company's former Export Manager) replaced Csaba Belovai in the position of Commercial and Export Director.

In the Hungarian spirits market Zwack Unicum Plc. has the largest workforce for sales and marketing. Indeed, the related competitive edge in brand building, distribution and innovation are among the Company's most important strengths.

- **Risk factors**

Geopolitical tensions have not eased over the past year, and the global economic environment continues to pose new challenges. The protracted Russian-Ukrainian war, the introduction of US import tariffs and the economic consequences of Middle East war are increasing uncertainty in the markets. All this may affect the purchase price of raw materials and thus the consumer price of our products. In addition, continued low consumer confidence is also making demand for domestic spirits uncertain.

Significant risk factors affecting the Company's operations include possible changes in the regulatory environment that could have a negative impact on consumption and, consequently, on sales volumes.

Company activities are exposed to various financial risks: market risks, credit risks and liquidity risks. Given the high volatility and uncertainty of the current financial market, the Company seeks to keep the possible negative implications affecting Company finances at the minimum.

Regarding its market risks, to reduce the foreign exchange risks arising from the export and import activities and from the Euro deposits, the Finance Department monitors, in line with the hedging policy, the foreign exchange liabilities, and keeps the relevant amounts of forex on its bank accounts. Occasionally the Company can enter into derivative transactions to reduce said risks. Having said that, if the exchange rate changes during the business year, that can have a major impact on the Company's comprehensive income and the Shareholders' equity.

The Company has no significant credit risks, nor related to accounts receivable, due to the diversity of its customers. Also, a significant portion of the accounts receivable is insured by a financial institution up to 95% of single liabilities. The Company applies no other credit rating methods since this credit guarantee method is deemed to be effective enough to manage credit risks.

Most of the Company's cash and cash equivalents and fixed deposits are denominated in forints. The counterparty risk is low since Zwack Unicum Plc. placed its funds with reliable financial institutions.

Liquidity management of the Company covers the necessary number of financial tools and also the necessary credit lines. The Management continuously monitors the necessary liquidity provisions based on the expected cash flow.

This report has been prepared in accordance with the relevant accounting regulations and the financial statements made on the basis of our best knowledge. It provides a true and fair view of the assets, liabilities, financial standing and profits of Zwack Unicum Plc. This report gives a reliable picture also of Zwack Unicum Plc.'s situation, development and performance.

## **5. Environment protection, energy- and quality management and food safety**

Our Integrated Policy, dated 01.05.2021, has been reviewed and amended to align with our company's newly defined values and strategic goals, as well as the relevant standards, and to be endorsed by the new CEO.

The company's management systems are robust, effective, in accordance with external and internal expectations, and together with monitoring activities, are capable of detecting errors and preventing their recurrence.

The recertification audit of our Company's quality management and food safety management systems took place in May 2025, and a surveillance audit was carried out in May 2026; while the recertification of the environmental and energy management systems is due in autumn 2026.

Beyond the operation of management systems, our company has begun developing an ESG strategy, which frames our current and future activities related to sustainability and provides a continuously developing, forward-looking background for our sustainable operations.

The above topics were and will be discussed in more detail in our annual Sustainability Report.

## **6. Ownership structure, company structure**

The ownership structure of Zwack Unicum Plc. remained unchanged. Of the ordinary shares, 50%+1 are owned by Peter Zwack & Consorten HG, and 26% by Diageo Holding Netherlands B.V. The remaining 24%-1 shares are divided among domestic and foreign institutional and private investors.

The closing price of the Company's shares at the Budapest Stock Exchange was HUF 35 000 on 31 March 2026, which is 13.6% higher than the closing price of the previous business year.

## **7. Shareholders' equity, voting rights, management declaration**

### **1. Number and value of shares issued**

<b>Number issued</b>	<b>Par value</b>	<b>Type of share</b>	<b>Currency</b>
2 000 000	1 000	ordinary shares	HUF
35 000	1 000	redeemable liquidation preference share	HUF

All of the ordinary shares carry the same rights; redeemable liquidation preference shares carry no voting rights.

Ordinary shares are shares traded on the Budapest Stock Exchange (BÉT), redeemable liquidity preference shares are shares issued in closed circles.

### **2. Amendment of the Articles of Association, appointment of senior officers, issuing shares**

The modification of the Statutes, the appointment of the senior officers and the issuance of shares is the exclusive competence of the general meeting. The General Meeting of the Company has empowered the Board of Directors for five (5) years starting on 28 June 2023, to raise the shareholders' equity in a single go or in several steps only via issuing private redeemable liquidity preference shares up to altogether 200 000 shares (including the currently issued redeemable liquidation preference shares). There were no redeemable liquidity preference shares issued in the business year of 2025-2026.

Some of the senior offices were put up for election during the Annual General Meeting (AGM) of 25 June 2025, which concluded the 2024–2025 business year. The AGM took notice of the resignation of **Mr. Frank**

**Odzuck** and **Mr. Tibor Dörnyei** from their membership in the Board of Directors and **Mr. István Salgó** in the Supervisory Board and Audit Board from 30 June, 2025. The AGM elected **Mr. Csaba Belovai** and **Mr. György Guttengeber** to the vacant positions of the Board of Directors, **Mr. Frank Odzuck** to the Supervisory Board, and **Dr. Hubertine Underberg-Ruder** to the Audit Board. Dr. Hubertine Underberg-Ruder's appointment is for a definite period of time expiring on July 31, 2026, the other appointments are also for a definite period of time expiring on July 31, 2028.

### 3. Management declaration

The Section 3:289 of the Civil Code (Ptk.) regulates the preparation, content and adoption of the Corporate Governance Report for Hungarian public incorporated companies.

The Budapest Stock Exchange issued its Corporate Governance Recommendations (“**Recommendations**”) in 2004, providing certain recommendations for corporate governance for companies listed on the Budapest Stock Exchange, taking into consideration the internationally most used principles, Hungarian experience and the particularities of the Hungarian market. The current version of the Recommendations has been approved by the Board of Directors of Budapesti Értéktőzsde Zrt. on December 8, 2020 and is effective as of January 1, 2021. The Recommendations are available at the homepage of the Budapest Stock Exchange (<https://bse.hu/Issuers/corporate-governance-recommendations/Corporate-Governance-Recommendations>).

The Company also complies with the corporate governance rules set forth in Act no. LXVII of 2019 on the promotion of long-term shareholder engagement and the modification of certain legal acts for harmonization of the law (“**ShRD Act**”). The Act is among others available in the Nation Legal Database (in Hungarian: Nemzeti Jogszabálytár; <https://njt.hu/jogszabaly/2019-67-00-00>). The Company does not apply any other regulation or practice concerning corporate governance.

In line with the above two regulations, Zwack Unicum Plc. Board of Directors pre-adopted and submitted to the General Meeting its Responsible Governance Report (the “**Report**”) for the business year of 2025-2026, which is accessible to the public on the Company website (<http://www.zwack.hu>) under ‘For Investors’ (Befektetőknek) point, on the page on Liable Company Control. The above Report provides detailed information on compliance with and possible deviations from the Recommendations as well as the reasons thereof.

The Report also presents the Board of Directors, the Supervisory Board, the Audit Committee and the Management, their composition, describes how they function, and gives details on how they divide work. The overview of the rules on the internal control and risk management systems of the Company, its policy of making information public, its policy on insider trading, the rules of exercising shareholder rights and of how to organise and complete a General Meeting, the detailed position of the Company on diversity, and the explanation for deviations from certain points of the “Recommendation” are also part of the Report. The Report also refers to the remuneration policy concerning the directors of the Company in compliance with the obligations pursuant to the ShRD Act.

As per points 12.3 and 14.3 of the Articles of Association, members of the Board of Directors and of the Supervisory Board are elected by the General Meeting for a maximum period of four years. The rules on the election and withdrawal of the members of the Board of Directors and of the Supervisory Board are included in Section 11 of the Statutes.

The stipulation and the amendment of the Articles of Association (except amendments by the Board of Directors), including raising the shareholders’ equity (except raising it by the Board of Directors) and its lowering (unless the Civil Code provides otherwise), are exclusive powers of the General Meeting (point 11.2). Detailed regulations to modify the Statutes and to repurchase own shares are provided in point 11.2 (a) and (k) as well as in the entire Section 11 of the Statutes.

The detailed rules of the powers and functioning of the Board of Directors are stipulated under point 12.4 of the Statutes and the Rules of the Board of Directors, both accessible on the Company website, under the menu For Investors.

The annual report contains the list of the shareholders of the Company having a significant shareholding in the Company.

The Company did not issue any share representing special control rights and the Statutes of the Company do not contain limitations on the exercise of the voting rights with respect to the ordinary shares of the Company. The redeemable liquidation preference shares do not provide voting rights.

## **8. Code of Conduct**

The Zwack Unicum Plc. is a family enterprise both in its traditions and ownership structure. It is committed to perpetuating its traditions and adhering to its values – to the benefit of all the shareholders.

The Company considers itself an important player of the Hungarian economy and an internationally acknowledged representative of the spirits industry. It aspires to be an active participant in the life of society with a prudent business operation and commitments well beyond its core activities. The Company has been acting in business life in compliance with its social prestige, weight in the industry and its market-leading role. It seeks to define the norms of its operation in an exemplary manner. It aspires to be a paragon of business integrity, reliability and predictability in the eyes of its partners.

Our Code of Ethics, issued on 03.02.2026, sets out all the behavioural standards and values that apply to all employees and contracted staff of the Company. The purpose of the code is to provide guidance in resolving ethical dilemmas, strengthening the company's business integrity and reliability. The document focuses on the following key areas: responsible operation and sustainability, responsible alcohol consumption, human rights and equal opportunities, transparency and business integrity, complaint management. At the same time, we have also prepared our document called the Partner Ethics Statement, which contains the ethical standards expected from our business partners, the acceptance of which will form part of the contracts in the future.

By making public its Code of Ethics, the Company enables all those interested to get an insight to a basic component of its organizational culture.

([www.zwack.hu\Investor Relations\Guidelines of Corporate Governance\Code of Conduct](http://www.zwack.hu/Investor%20Relations/Guidelines%20of%20Corporate%20Governance/Code%20of%20Conduct))

## **9. Results of the 2025-2026 business year and prospects for 2026-2027**

Despite the numerous challenges encountered during the year, Zwack Unicum Plc. closed a successful financial year. During the planning phase, the Company forecast a stable profit approaching the level of the previous financial year; however, the actual result exceeded expectations. Profit after tax rose by 6.6%, or approximately HUF 200 million, compared with the previous year.

Although a slight upturn in consumer activity was observed in the domestic market, in parallel with the easing of inflation, households continued to exhibit more cautious and cost-conscious consumer behaviour. As a result, price sensitivity increased, which was reflected in growing demand for promotions and special offers. At the same time, however, the shift towards premium products – or ‘premiumisation’ – continued to strengthen in most product categories, and the ‘less but better quality’ approach gained increasing ground. These trends fundamentally shaped the Company’s domestic sales performance in the past financial year.

The volume of distilled spirits sold domestically declined slightly overall. Within the portfolio, sales of premium products showed an increase in volume, while there was a noticeable decline in sales of quality but

lower-priced products. The full-scale market launch of Unicum Orange Bitter played a decisive role in the expansion of the premium category, proving to be the most successful product development of recent years.

Among sales channels, the importance of discounters continued to grow; in line with this, the Company treated the further strengthening of its presence in these retail chains as a priority. Last year, net sales generated here increased by 22%, and we will continue to seek new product listing and launch opportunities in the future.

In the 2025/26 financial year, a more subdued performance was observed in the volume of export sales, driven largely by a moderation in demand on international markets and the adjustment of partners' stock levels.

During 2025, the level of EPR fees changed, with higher rates being applied compared to the previous period. Given that some of the Company's packaging materials remain subject to EPR obligations, the fee increase substantially increased our costs.

As part of the production line modernisation programme launched at the Kecskemét plant in the previous financial year, the filling machine has been replaced; we expect this to result in a significant increase in capacity from the next financial year onwards. With this latest development, the modernisation of the plant's production line has been fully completed.

Thanks to the successful year, the Board of Directors proposes to the General Meeting the payment of a dividend of HUF 1 550 per share. Thus, in the financial year just ended, nearly the entire profit after tax will be paid out as a dividend.

When planning for the 2026/27 financial year, we did not factor in any volume growth. In 2026, consumer confidence in Hungary is expected to remain subdued, although a gradual, slow improvement starting from a low base is likely as inflation moderates. We expect consumer behaviour to continue to be driven by caution and uncertainty regarding the future economic outlook, which may result in moderate consumption activity.

We see a further risk in the fact that the vulnerability of supply chains, as well as the intensification of geopolitical and energy market risks, may lead to increased price volatility and potential upward pressure on prices in the market, which could also affect the Company's raw material costs.

Excise tax on distilled spirits rose by 4.3% in 2026 as a result of inflation-linked indexation. From 1 January 2026, the Company implemented an average selling price increase of 4.4% on the domestic market, as a result of which, based on the above assumptions, net sales is expected to grow by slightly more than 4% in the coming financial year. In our planning, we assumed that raw material prices would remain unchanged, while for operating costs we anticipated an increase in line with inflation. At the start of the financial year, the Company implemented an average wage increase of 6%, taking into account the change in the minimum wage. For lower income brackets, the wage increase was adjusted in line with this rise.

We have planned marketing expenditure at the previous year's level in real terms, while shifting the focus moderately towards export markets. The key priorities for the new financial year in export markets are the development and implementation of an unified international Unicum communication strategy, and the promotion of the launch of Unicum Orange Bitter in international markets.

Taking the above assumptions into account, management expects to achieve a profit after tax of approximately HUF 3.1 billion, roughly in line with the previous year. In the first half of the financial year just ended, a significant increase in profit was realised due to the launch of the Unicum Orange Bitter brand; this effect will not be repeated in the coming financial year. Consequently, a decline in profit is expected until the middle of the 2026/27 financial year, which will be approximately offset by a moderate improvement in the second half of the financial year.

## 10. Parameters and indicators of Company's performance (data in million HUF)

		2023-24	2024-25	2025-26	2026-27
		business	business	business	2026-27
		year	year	year	plan
Gross Sales	HUF mill	36 938	38 788	39 600	40 666
<b>Sales net of taxes</b>	<b>HUF mill</b>	<b>22 496</b>	<b>24 057</b>	<b>24 432</b>	<b>25 428</b>
Gross Margin	HUF mill	13 547	15 252	15 791	16 202
Profit from operations	HUF mill	3 466	3 583	3 898	3 858
Profit before tax	HUF mill	3 636	3 761	3 996	3 948
Profit for the year	HUF mill	2 906	2 989	3 179	3 104
Dividends paid / payable - ordinary	HUF mill	2 800	3 000	3 100*	
Dividends paid / payable - redeemable		49	53	54*	
Dividends paid / payable - total		2 849	3 053	3 154*	
Total assets	HUF mill	14 963	15 067	15 588	
Cash and cash equivalents, end of the year	HUF mill	3 622	3 636	3 835	
Average statistical staff number	Person	255	255	259	
Gross margin ratio	%	60.2%	63.4%	64.6%	63.7%
Profit from operations / Net sales	%	15.4%	14.9%	16.0%	15.2%
Profit for the year / Net sales	%	12.9%	12.4%	13.0%	12.2%
Dividend / Profit for the year	%	96.4%	93.7%	97.5%	
Earnings per share	HUF	1 453	1 495	1 590	1 552

\* The Company proposes to pay dividends for the financial year ended 31 March 2026, which is subject to approval by the forthcoming Annual General Meeting. The amount of dividend proposed by the Board of Directors amounts to 1 550 HUF/share).

## 11. Events after the balance sheet date

There was no event occurring after the balance sheet date that was not mentioned in the report and would significantly affect the Company's assets, finances, revenues and operations.

Budapest, 26 May 2026



Katalin Hollósi  
Chief Accountant



Balázs Szűcs  
Investor correspondent

based on the power of attorney provided by:



Sándor Zwack  
Chairman of the Board



Csaba Belovai  
Chief Executive Officer