



Julius Meinl

Vienna 1862

ANNUAL REPORT 2025

JULIUS MEINL 1862 GMBH





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LETTER FROM THE CHIEF EXECUTIVE OFFICER



Marcel Löffler
CEO Julius Meinl 1862 GmbH

2025 was another milestone year for Julius Meinl. The Group delivered record coffee volumes and sales revenues despite a persistently challenging market environment shaped by geopolitical uncertainty, continued inflationary pressures and historically high green coffee prices. Against this backdrop, we also advanced one of the most significant transformation programmes in the Company's recent history, including the implementation of SAP S/4HANA, the further digitalisation and harmonisation of our commercial organisation, the continued development of our Human Capital Management software SuccessFactors, and the rollout of the first module of our Salesforce CRM system.

Sales revenues exceeded the EUR 350 million mark for the first time, an outstanding increase of 35% compared to the previous record year 2024, with strong growth in both the

HoReCa (hotel, restaurant and café) and retail segments. To offset the substantial rise in green coffee prices, significant price adjustments were implemented during the year, while we maintained our uncompromising commitment to the highest quality. Together with continued strong volume growth, this drove the marked increase in sales revenues. Despite the challenging environment and substantial ongoing investments in digital transformation, Adjusted EBITDA (excluding pre-acquisition related costs) grew by EUR 6.8 million year-on-year, while reported EBITDA increased by EUR 2.6 million, underlining the resilience and strength of the Group's business model.

Throughout the year, we continued to strengthen our existing markets while expanding additional sales channels. The retail segment was further developed to reach new customer

groups, and the sale of coffee machines was expanded as an adjacent business area. We also broadened the product portfolio to address evolving customer preferences. Julius Meinl remains firmly committed to its strategic objective of diversifying sales channels, expanding international presence and unlocking additional growth opportunities.

Sustainability remains a central pillar of our long-term strategy, and 2025 marked significant progress. Within the framework of the Responsibly Selected Coffee Initiative, we substantially increased the share of sustainably sourced green coffee at our production units in Vienna and Vicenza, achieving our year-end target of 100% sustainable coffee supply chains across all production units. The Generations Programme was expanded earlier than planned to include Honduras and India, and the installation of further catalysts in our production



facilities enabled continued progress on decarbonisation. Growing awareness among market participants, together with evolving regulatory requirements, continues to reshape the economic environment – developments Julius Meinl views as an opportunity and addresses proactively.

Following the successful SAP S/4HANA go-live in 2024 in our pilot countries – Italy, Croatia and Romania – followed by Austria, Germany and North America after the reporting period as of 1 January 2026, the onboarding of all manufacturing units onto the new ERP platform was completed. In parallel, we commenced the phased implementation of the CRM system Salesforce in 2025, including the preparation and pilot rollout of the B2B order platform in Austria. The platform is designed to enable customers to place orders 24/7, reduce internal manual effort and, through direct integration with

SAP S/4HANA, further enhance transparency and efficiency throughout the ordering process.

Our continued success rests on the strong collaboration and commitment of our stakeholders. Building on this foundation, we are now igniting an ambition to fully unleash the potential of our people in the years ahead – creating an environment that encourages entrepreneurship, accountability, innovation and personal development, and empowering every employee to contribute to the Group's transformation and long-term success. Equally important are the long-standing relationships with our customers, suppliers and business partners, which continue to form the foundation of our international growth. Together, we share the ambition of bringing Viennese coffee house culture to consumers around the world.

The ongoing support and long-term commitment of the Meinl family as shareholders remain a source of stability and continuity, providing a strong foundation for the Company's entrepreneurial and forward-looking culture – values that have guided Julius Meinl across generations and continue to shape its future.

Together with our stakeholders, we look forward to a successful future and to creating unforgettable moments for our coffee customers all over the world.

Marcel Löffler

CEO, Julius Meinl 1862 GmbH



HISTORY OF JULIUS MEINL

**1862**

Julius Meinl I. opens a spices shop in downtown Vienna, then the capital of the Austro-Hungarian Empire, where he sells green coffee beans, cocoa, tea, spices, rice and sugar.

**1877**

Julius Meinl I. revolutionizes coffee roasting by introducing gas-fired roasting, delivering a cleaner, more refined cup by eliminating flavors imparted by coal-fired roasting while preserving the coffee's natural aroma.

**1900**

Julius Meinl had become a well-established retail presence in Vienna with eleven stores across the city center. Expansion into Budapest soon followed, paving the way for growth across the Austro-Hungarian Empire and international markets.

**1912**

The company headquarters moves to today's Julius Meinl-Gasse (the street was later named after Julius Meinl II in 1954) in the 16th district of Vienna, where you can still find it today.

**1924**

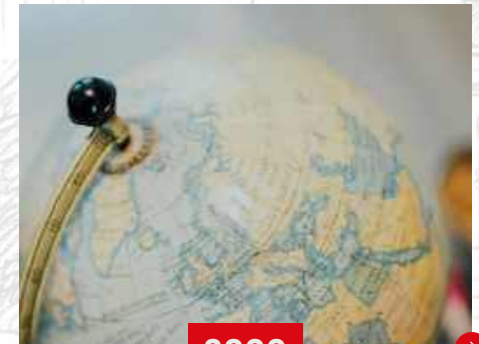
The artist Joseph Binder designs the Meinl logo, which has remained the company's trademark until today.

**1937**

Julius Meinl had expanded throughout Central Europe, with more than 600 stores across eight countries.

**1962**

On the occasion of the 100th anniversary of our company, the "Jubilee" coffee blend is introduced.

**2000**

Julius Meinl accelerates its global expansion, growing its presence across Europe and international markets.

**2004**

The Italian star designer Matteo Thun further develops the Julius Meinl logo and creates a new, trendy cup design.

**2009**

Julius Meinl's 1862 premium coffee is launched. It is characterized by its exceptional taste, its unique design and its state-of-the-art technology.

**2012**

Julius Meinl celebrates its 150 year anniversary and the Julius Meinl Tea is relaunched under the term "East meets West".

**2019**

Through its international expansion, Julius Meinl has established a presence in 54 countries worldwide. Julius Meinl also published its first Sustainability Report, highlighting the company's environmental, social, and governance initiatives.

**2020**

The new capsule concept consisting of seven variations of biodegradable capsules is introduced in retail.

**2023**

Julius Meinl introduces a new double certified line with 3 new blends for HoReCa customers: The Originals BIO Fairtrade.

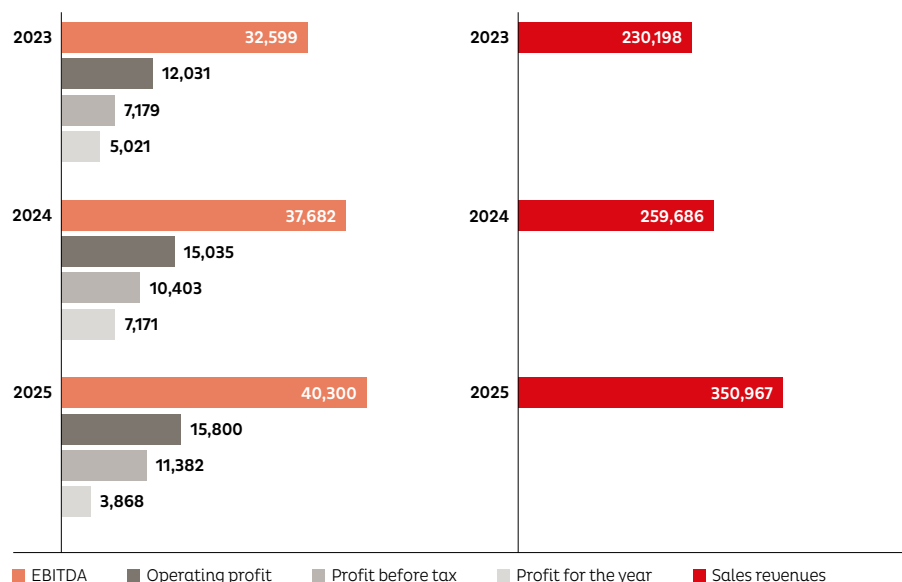
**2025**

All coffee roasted at Julius Meinl's production sites in Vienna and Vicenza is 100% "Responsibly Selected" since the end of 2025. At the same time, the company has launched its first hydrogen-powered coffee roaster.

FINANCIAL HIGHLIGHTS

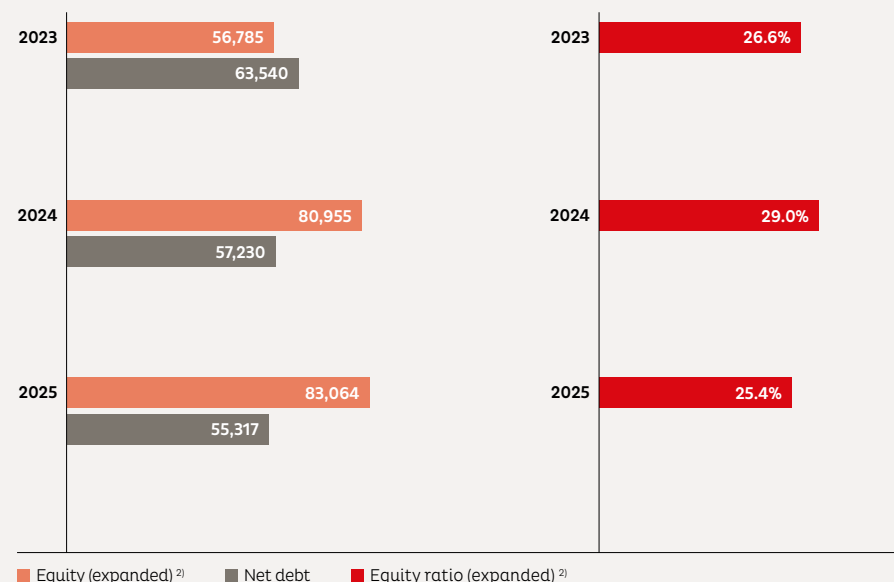
JULIUS MEINL 1862 GMBH CONSOLIDATED OPERATIONS (IN EUR 1,000)

EBITDA AND OPERATING PROFIT



SALES REVENUES AND EBITDA-MARGIN

BALANCE SHEET DATA



Earnings and cash flow data	2023	2024	2025	% changes ¹⁾
■ Sales revenues	230,198	259,686	350,967	35%
■ EBITDA	32,599	37,682	40,300	7%
■ Operating profit	12,031	15,035	15,800	5%
■ Profit before tax	7,179	10,403	11,382	9%
■ Profit for the year	5,021	7,171	3,868	-46%
Cash flow from operating activities	25,609	44,447	39,651	-11%
Payments to acquire property, plant and equipment	-22,532	-25,577	-26,450	3%
Acquisitions	-540	-1,818	-1,702	-6%
Average number of employees	1,040	1,089	1,215	12%

Balance sheet data	2023	2024	2025	% changes ¹⁾
■ Equity (expanded) ²⁾	56,785	80,955	83,064	3%
■ Net debt	63,540	57,230	55,317	-3%
Working capital	5,771	-10,129	-22,289	120%
Balance sheet total	213,857	278,840	327,309	17%
■ Equity ratio (expanded) ²⁾	26.6%	29.0%	25.4%	-4%
Net debt/EBITDA ratio ³⁾	1.95	1.52	1.37	-10%

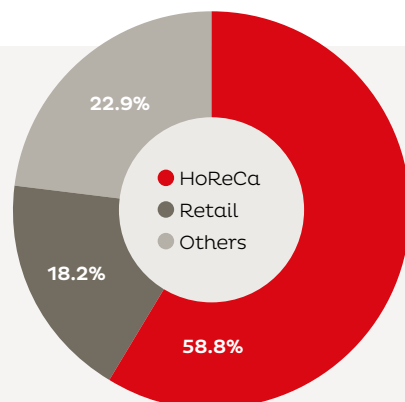
1) Percentage changes are based on unrounded amounts

2) Equity includes subordinated capital

3) Net debt/EBITDA ratio = Net debt / EBITDA

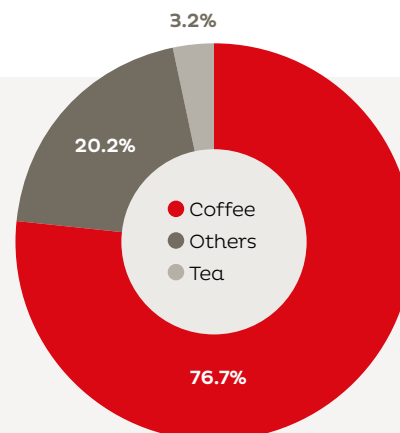


SALES REVENUES



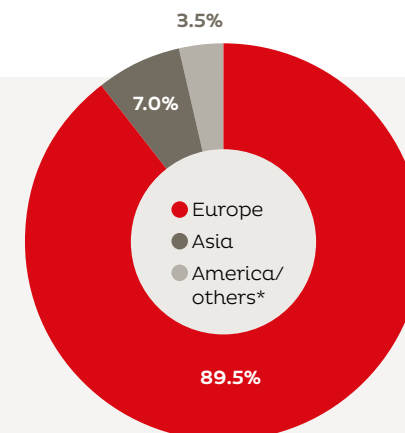
BY DISTRIBUTION CHANNELS

The breakdown of sales revenues by distribution channels shows the gradually increasing importance of the retail sector for the Group. The Horeca segment continues to dominate with 58.8% of sales, followed by retail with 18.2% and others with 22.9%. In the financial year the Horeca and retail segment recorded volume and price increases. Further growth is expected in the retail segment in the coming years as a result this division will become more and more important for the Group as part of its strategic realignment.



BY PRODUCT CATEGORIES

Coffee is the core product category and accounts for the majority of sales revenues at 76.7%. In 2025 the importance of tea for the Group stabilized at a solid level. The other segment contributes substantially with 20.2% to the total net sales revenues and grew primarily through machine sales to key accounts.



BY REGIONS

Historically, the Group was founded in Europe and has also built a strong market position here. First expansion efforts were focused on Europe and the importance of this continent for business success is evident from the 89.5% share of sales revenues. In recent years the expansion outside Europe has become more noticeable in Asia (7.0% share) and America (3.5% share).

66

2024: 56

Number of countries with distribution

351

2024: 260

Net sales revenues in million EUR

19

2024: 19

Number of operating subsidiaries

1,215

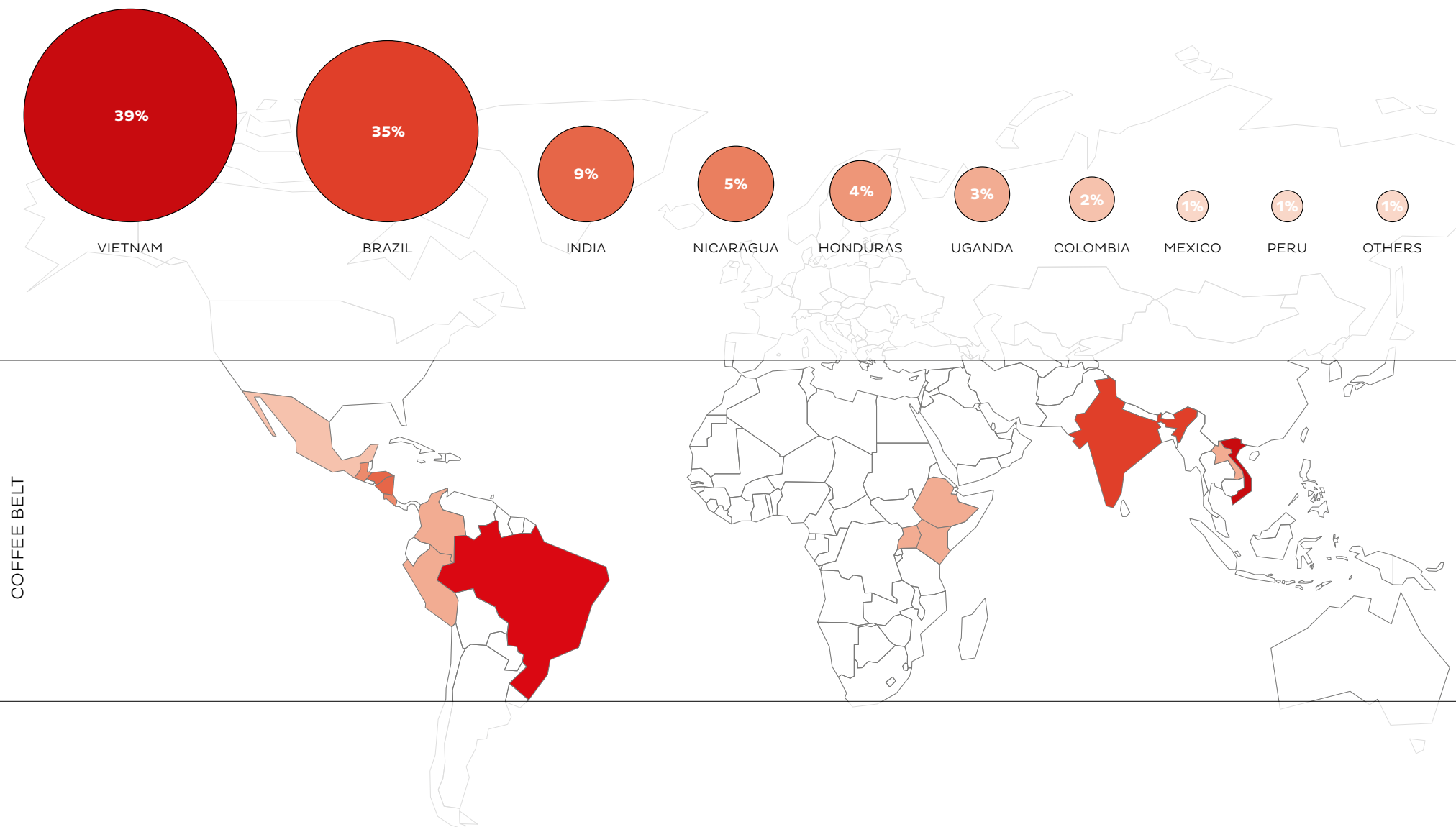
2024: 1,089

Total number of employees
(headcount by year-end)

*Australia and Africa



ORIGINS OF COFFEE





I do it
MEINL
way.

JULIUS MEINL GENERATIONS PROGRAMME

is a key initiative aimed at supporting local farmers and coffee growing communities with whom we have developed meaningful, long term relationships to encourage best practices and allow them to stay in business for the long run, but also to pass on to future generations their coffee growing and market knowledge.



OUR RESPONSIBLY SELECTED COFFEE INITIATIVE

is all about establishing sustainable coffee sourcing to make every single cup of Julius Meinl coffee more sustainable. We are committed to 100% responsibly selected coffee by the end of 2025. Together with our green coffee supply chain partners, we are carefully selecting green coffee suppliers who comply highly with responsible sustainable standards, to have a greater positive impact on coffee growing communities.

JULIUS MEINL 1862 GMBH – CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

EUR 1,000	Notes	2025	2024
Sales revenues	7)	350,967	259,686
Other income	8)	6,994	4,405
Changes in inventories of finished goods and work in progress		11,672	-1,223
Raw materials and consumables used	9)	-181,458	-103,679
Personnel expenses	10)	-70,822	-57,341
Depreciation and amortisation expenses	11)	-24,500	-22,647
Other expenses	12)	-77,053	-64,166
Operating profit		15,800	15,035
Finance income	13)	1,076	852
Finance expenses	14)	-5,494	-5,484
Financial result		-4,418	-4,632
Profit before tax		11,382	10,403
Income tax expense	15)	-7,513	-3,231
Profit for the year		3,868	7,171
Attributable to:			
Non-controlling interests		-424	10
Perpetual Bond holders		151	1,162
Owners of the Parent company		4,141	5,999
		3,868	7,171

JULIUS MEINL 1862 GMBH – CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

EUR 1,000	Notes	2025	2024
PROFIT FOR THE YEAR		3,868	7,171
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss			
Fair value gains/(losses) on cash flow hedges	25.4.	-3,822	1,650
Income tax		879	-380
		-2,943	1,270
Exchange differences on translating foreign operations			
Exchange differences arising during the year	25.7.	7,880	1,301
Exchange differences from net investments in foreign operations	25.7.	-5,406	-130
		2,474	1,171
		-469	2,441
Items not reclassified to profit or loss			
Revaluation of defined benefit obligations	25.5.	-312	-295
Revaluation of financial assets	25.6.	-10	-129
Income tax		74	98
		-248	-326
Other comprehensive income/(expense) for the year, net of income tax		-717	2,115
Total comprehensive income for the year		3,151	9,286
Attributable to:			
Non-controlling interests		-424	10
Perpetual Bond holders		151	1,162
Owners of the Company		3,424	8,114
		3,151	9,286

JULIUS MEINL 1862 GMBH – CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2025

EUR 1,000	Notes	31/12/2025	31/12/2024
ASSETS			
Non-current assets			
Intangible assets	16), 17)	57,754	52,484
Property, plant and equipment	18)	69,170	66,960
Investment property	19)	820	830
Other financial assets	20)	31,816	31,098
Other assets	23)	4,442	3,484
Contract assets	23)	338	498
Deferred tax asset	15)	9,321	9,015
Total non-current assets		173,661	164,369
Current assets			
Inventories	22)	52,663	31,029
Trade receivables	23)	40,691	32,137
Other receivables	23)	373	703
Other assets	23)	21,601	13,864
Cash and cash equivalents	24)	38,320	36,738
Total current assets		153,648	114,471
Total assets		327,309	278,840

EUR 1,000	Notes	31/12/2025	31/12/2024
EQUITY AND LIABILITIES			
Equity			
Share capital	25.1	36	36
Share premium		9,453	9,453
Other reserves	25.4 - 25.7	-8,801	-8,084
Retained earnings		82,542	79,469
Equity attributable to owners of the parent company		83,230	80,874
Non-controlling interests	25.2	-4,606	-4,536
Equity attributable to Perpetual Bond holders	25.3	1,088	1,097
Total equity		79,712	77,435
Subordinated capital			
	29.3	3,352	3,520
Non-current liabilities			
Financial liabilities	26)	36,698	41,178
Deferred tax liability	15)	231	41
Provisions	28), 29)	5,037	4,548
Other liabilities	26)	2,258	2,690
Total non-current liabilities		44,224	48,456
Current liabilities			
Financial liabilities	26)	56,939	52,790
Trade payables	26)	102,815	63,402
Current tax liabilities	26)	5,465	8,776
Other liabilities	26)	34,802	24,460
Total current liabilities		200,021	149,429
Total liabilities		247,597	201,405
Total equity and liabilities		327,309	278,840

JULIUS MEINL 1862 GMBH – CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital	Share premium	Cash flow hedging reserves	Defined benefit obligations reserve	Financial assets revaluation reserve	Foreign currency translation reserve*	Retained earnings	Total	Non-controlling interests	Perpetual Bond holders	Participation capital	Total equity
EUR 1,000												
Balance at 01/01/2024	39	9,450	648	-4,725	158	-6,280	37,708	36,998	-4,713	20,806	3	53,094
Merger with Julius Meinl Industrieholding*	-3	3					38,158	38,158		-19,712		18,446
Adjustment non-controlling interests							-396	-396	601	-1,001		-796
Profit for the year							5,999	5,999	10	1,162		7,171
Other comprehensive expense for the year			1,270	-227	-99	1,171		2,115				2,115
Total comprehensive income for the year	0	0	1,270	-227	-99	1,171	5,999	8,114	10	1,162	0	9,286
Dividends paid							-2,000	-2,000	-434	-161	0	-2,595
Balance at 31/12/2024	36	9,453	1,918	-4,952	59	-5,109	79,469	80,874	-4,536	1,094	3	77,435
Merger with Julius Meinl Industrieholding*								0				0
Adjustment non-controlling interests **							-1,068	-1,068				-1,068
Profit for the year							4,141	4,141	-424	151		3,868
Other comprehensive income for the year			-2,943	-240	-8	2,474		-717				-717
Total comprehensive income for the year	0	0	-2,943	-240	-8	2,474	4,141	3,424	-424	151	0	3,151
Dividends paid								0	354	-160		194
Balance at 31/12/2025	36	9,453	-1,025	-5,192	51	-2,635	82,542	83,230	-4,606	1,085	3	79,712
Notes	25.1		25.4	25.5	25.6	25.7			25.2	25.3		

* By merger agreement dated May 28, 2024, Julius Meinl Industrieholding GmbH was merged with Julius Meinl 1862 GmbH as the acquiring company. As a result of the merger, 25 perpetual bonds were united in the merged company and were subsequently redeemed. The corresponding accrued interest was eliminated.

** The adjustment of non-controlling interests results from the repurchase of 2,5% of the shares in Julius Meinl Croatia and the transfer of 10% minority interests in Gıda Sanayi ve Ticaret Limited Sirketi (Istanbul, Turkey).

JULIUS MEINL 1862 GMBH

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 2025

EUR 1,000	Notes	2025	2024
Profit before tax		11,382	10,403
Depreciation and amortisation of non-current assets			
Intangible assets, property, plant and equipment	11)	24,500	22,647
Financial result recognised in profit or loss	13), 14)	4,418	4,632
Result on disposal of non-current assets			
Intangible assets, property, plant and equipment	16), 18)	-652	-652
Gains or losses arising on changes in fair value of investment property	19)	-10	-20
Income taxes paid	15)	-11,776	-6,281
Change in inventories	22)	-21,634	-423
Change in trade and other receivables	23)	-16,919	-9,666
Change in contract assets	23)	160	238
Change in provisions and subordinated capital	28)	321	214
Change in trade and other payables	26)	49,323	24,133
Revaluation of defined benefit obligations	29)	-337	-295
Foreign exchange differences		875	-483
Cash flow from operating activities		39,651	44,447
Proceeds from sale of non-current assets			
Intangible assets, property, plant and equipment	16), 18)	1,130	1,747
Financial assets	20)	0	1,898
Payments to acquire non-current assets			
Intangible assets, property, plant and equipment	16), 18), 27)	-26,450	-25,577
Financial assets	20)	0	-1,231
Payments to acquire business units	6.2)	-1,702	-1,818
Interest received	13)	314	204
Cash flow from investing activities		-26,708	-24,777

EUR 1,000	Notes	2025	2024
Proceeds from non-current financial liabilities	26)	5,125	17,063
Repayment of non-current financial liabilities	26)	-4,607	-13,390
Proceeds from current financial liabilities	26)	11,210	13,596
Repayment of current financial liabilities	26)	-13,907	-10,104
Payments for the capital portion of lease liabilities	27)	-4,463	-3,229
Interest paid	14)	-4,913	-5,484
Dividends paid			
to Perpetual Bond holders	25.3	-160	-161
to shareholders of the parent company		0	-2,000
to non-controlling interests	25.2	354	-434
Cash flow from financing activities		-11,361	-4,143
Net cash flow	24)	1,582	15,527
Cash and cash equivalents at the beginning of the year	24)	36,738	21,211
Cash and cash equivalents at the end of the year	24)	38,320	36,738
Cash and cash equivalents include			
Cash in hand		132	2,598
Cheques		6	105
Cash at banks		38,182	34,035
Cash and cash equivalents at the end of the year	24)	38,320	36,738

1. JULIUS MEINL 1862 GMBH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

REPORTING IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) AS APPLICABLE IN THE EUROPEAN UNION (EU)

1 COMPANY DESCRIPTION

These consolidated financial statements comprise JULIUS MEINL 1862 GmbH, which was founded and is domiciled in Vienna, Austria, and of its subsidiaries (the "Group" or "JULIUS MEINL"). JULIUS MEINL sells coffee in 66 countries (2024: 56) through out the world through distribution entities that are situated in 19 countries (2024: 19). The production plants (roasting facilities) for coffee are located in Austria (Vienna) and Italy (Vicenza). In 2025, the Group served HORECA (hotels, restaurants, cafés) and retail customers with 1,215 (2024: 1,089) employees worldwide. The Group's product portfolio includes in particular coffee, tea, jam and cocoa. High product quality, outstanding customer service and satisfying customer needs are the declared objectives of the JULIUS MEINL Group and have consistently been implemented in over 160 years of experience. JULIUS MEINL is an Austrian cult brand: expertise with highest quality and tradition, combined with a contemporary presentation.

2 GENERAL INFORMATION

2.1 Basis of preparation

According to Article 245a of the Austrian Commercial Code (Unternehmensgesetzbuch – UGB), the consolidated financial statements of JULIUS MEINL 1862 GmbH have been prepared in accordance with the International Financial Reporting Standards

(IFRS), as applicable within the European Union (EU). JULIUS MEINL prepares and publishes its consolidated financial statements in Euros, whereby the figures are rounded to the nearest thousand, unless expressly stated otherwise. When rounded amounts are added up, the use of automated calculation tools may result in rounding differences. These consolidated annual accounts have been approved for publication by the management on 21 April 2026. These consolidated financial statements have been prepared on a going concern basis.

The statement of profit or loss has been prepared in accordance with the nature of expense method.

2.2 Basis of consolidation

These consolidated financial statements include the financial statements of JULIUS MEINL 1862 GmbH and its subsidiaries as of 31 December 2025. The Group considers all relevant facts and circumstances when assessing whether it controls an investee. It controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In particular, the Group has control over an investee if, and only if, it holds all of the following rights:

- the power of disposition over the investee (meaning that the Group has the option, based on currently existing rights, to control those activities

of the investee that have a significant influence on its returns),

- the Group has a risk arising from or rights to fluctuating returns resulting from its involvement with the investee, and
- it has the ability to exercise its power of disposition over the investee in such a way that it can influence the investee's returns.

The consolidation of a subsidiary begins on the date the Group obtains control and ceases on the date the Group loses control. Assets, liabilities, revenues and expenses of a subsidiary that has been purchased or sold during the reporting period are presented in the statement of financial position or the consolidated statement of comprehensive income as of the day on which the Group acquires control over the subsidiary to the day on which control is lost.

The profit or loss and each component of other income are allocated to shareholders in the parent company and the shares without controlling influence, even if this leads to a negative balance in shares without controlling influence. Adjustments to the annual accounts of subsidiaries are made as necessary, in order to align their accounting methods with those of the Group. All internal Group assets and liabilities, equity, income and expenses, as well as cash flows from business transactions that take place between Group companies, are fully eliminated in the consolidation process.

The consolidated financial statements include,

along with JULIUS MEINL 1862 GmbH as the parent company, a total of 28 (2024: 26) subsidiaries over which JULIUS MEINL 1862 exercises control. The reporting dates are identical for the parent company and the subsidiaries. Uniform accounting and valuation principles are applied.

A list of companies included in the consolidation may be found in Appendix 1 to the notes to the consolidated annual accounts.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Mergers and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value at the acquisition date. Acquisition-related costs are recognised as expenses when incurred and are presented within other operating expenses.

Agreed contingent consideration is recorded at the fair value prevailing at the time of acquisition. A contingent consideration classified as equity is not remeasured, and the subsequent settlement is recorded in equity. Contingent consideration in the form of a financial instrument falling within the scope of IFRS 9 Financial instruments that is classified as an asset or liability, is, in accordance with IFRS 9, recognised at fair value. Other

contingent considerations which are not within the scope of IFRS 9, are all recognised at fair value on each reporting date.

Goodwill is initially measured at cost, which is measured as the excess of the total consideration and the amount recognised for non-controlling interests, plus the previous interest held over the Group's identifiable acquired assets and assumed liabilities. If the fair value of the acquired net assets exceeds the total transferred consideration, the Group reassesses whether it has correctly identified all acquired assets and all assumed liabilities and reviews the procedures used for determining the amounts to be recognised on the acquisition date. If, after revaluation, the fair value of the acquired net assets still exceeds the total consideration transferred, the difference is recognised in the profit-and-loss account.

After initial recognition, goodwill is measured at cost, less accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in the context of a merger is allocated with effect from the time of acquisition to those cash-generating units within the Group that are expected to benefit from the merger. This applies regardless of whether other assets or liabilities from the acquired company are allocated to these cash-generating units.

3.2 Classification as short-term and long-term

The Group presents its assets and liabilities on the balance sheet divided into short-term and long-term assets and liabilities.

An asset is classified as short-term, if:

- the asset is expected to be realised within the normal business cycle, or the asset is held for sale

or consumption within this period,

- the asset is held primarily for trading,
- the asset is expected to be realised within twelve months after reporting date, or
- it is cash or cash equivalent, unless the exchange or use of the asset to settle an obligation is restricted for a period of at least twelve months after reporting date.

All other assets are categorised as long-term.

A liability is classified as short-term, if:

- the liability is expected to be settled within the normal business cycle,
- the liability is held primarily for trading,
- the liability is expected to be settled within twelve months after reporting date, or
- the company does not have an unconditional right to defer settlement of the liability by at least twelve months beyond reporting date.

All other liabilities are categorised as long-term.

Deferred tax assets and liabilities are classified as long-term assets or liabilities, respectively.

3.3 Fair value calculation

The Group measures financial instruments, for example derivatives and non-financial assets such as investment properties at fair value on each reporting date. Fair value is the price that would be paid in an orderly transaction between market participants on the assessment date for the sale of an asset or the transfer of a liability.

The fair value of an asset or liability is measured using assumptions that market participants would make in pricing the asset or liability. This is based on

the assumption that market participants act in their best economic interest.

In measuring the fair value of a non-financial asset, an account is taken of the market participant's ability to generate economic benefits by using the asset in the most efficient and economically beneficial way or selling it to another market participant, who has the most economically sensible and best use of the asset. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The use of relevant observable input factors must be as high as possible and the use of unobservable input factors must be kept as low as possible.

All assets and liabilities for which the fair value is determined or recognised in the annual accounts are categorised in accordance with the following calculation hierarchy, based on the lowest-level input factor that is significant to the fair value assessment as a whole:

- Level 1: prices quoted (unadjusted) in active markets for identical assets or liabilities
- Level 2: valuation methods for which the lowest-level input factor that is significant to the assessment at fair value as a whole, is directly or indirectly observable on the market
- Level 3: valuation methods for which the lowest-level input factor that is significant to the assessment at fair value as a whole, is not observable on the market

For assets and liabilities that are recognised in the annual accounts on a recurring basis in relation to the fair value, the Group determines whether reclassifications have occurred between the hierarchy levels, by assessing the classifications at the end of each reporting period (based on the

lowest-level input factor that is of significance to the fair value assessment as a whole).

3.4 Revenue from contracts with customers

The Group sells coffee and related products, primarily in the gastronomy and retail sector. These products are offered either separately or in conjunction with ancillary services. The ancillary services involve mainly the lending of coffee machines and the rendering of technical services.

Revenue from contracts with customers is recognised when control over the goods or services is transferred to the customer. Revenue is recognised in the amount of the consideration expected to be received by the Group, in exchange for transferring these goods or services.

Essentially, the Group has concluded that it acts as principal in its revenue transactions, because it usually has control over the goods or services before they are transferred to the customer.

The significant discretionary judgements, estimates and assumptions relating to revenues from contracts with customers are explained in Disclosure 5 in the notes to the consolidated financial statements.

3.4.1 Sale of coffee, tea, POS materials and other products

The Group sells coffee, tea, machines, POS materials and other products that are required by a F&B outlet. If these products are sold separately, these revenues are recognised when the contract has been fulfilled. Usually, this is the case when the delivery has been made and the control passes to the buyer.

3.4.2 Sale of machines

Selling machines involves mainly coffee machines, coffee grinders and, to a lesser extent, other equipment used in gastronomy outlets. Sales revenue is recognised at the time of delivery (transfer of control) and incoming payments are credited to the receivables account until the full purchase price has been paid.

3.4.3 Contracts with several performance obligations

Contracts with customers can include several performance obligations. Coffee supply agreements can also include selling machines, lending machines and the rendering of technical services. The allocation of the transaction price to the individual performance obligations is based on the relative selling price method. Revenues from selling machines and supplying coffee are recognised at the time of delivery and transfer of control to the buyer. Revenues from the rendering of technical services and revenues from lending machines are recognised over time, in accordance with the terms of the agreement.

3.4.4 Allocation of the transaction's prices to several performance obligations

As a rule, individual selling prices are used for determining transaction prices. In determining the transaction price, the Group considers the effects of variable considerations, the existence of significant financing components, non-cash considerations and any consideration payable to a customer, if any.

Selling coffee machines is valued at cost, plus a margin. This margin is derived from the list

prices, minus a discount, whilst taking the global procurement conditions into account. The margin calculated in this way is also used for determining the revenues from lending machines and is added to the depreciation of the relevant machines (cost basis).

The price of technical services is calculated on the basis of cost and is increased by an arm's length premium.

The residual value method in accordance with IFRS 15.79 c) is applied to coffee sales.

3.4.5 Time of honouring the performance obligation

In the case of the sale of goods, the performance obligation is satisfied at the time of delivery. When lending machines and rendering technical services, the performance obligation is satisfied over the service period.

3.4.6 Significant payment conditions

The transfer of goods and the rendering of services are invoiced at the time of delivery or at the end of the performance period, according to common payment terms. The usual payment term is 30 to 120 days after delivery. When selling machines in conjunction with an agreement for supplying coffee, payment in instalments over the term of the contract may be agreed for machines.

3.4.7 Customer discounts

The Group retrospectively grants certain customers volume discounts, as soon as the quantity of products

purchased in the period exceeds a contractually agreed minimum purchase quantity. Discounts are offset against the amounts payable by the customer.

3.4.8 Miscellaneous

Listing fees and volume discounts granted by the Group cannot be distinguished independently from product delivery or performance and are always shown as a reduction in sales.

In some markets, discounts are granted in advance to customers. These are amounts that customers receive at the beginning of the validity period of the agreement and are settled against the proceeds from these customers over that period. Upfront discounts are recorded as other receivables and are deducted from revenue.

3.4.9 Significant financing components

The Group makes use of the practical expedient not to adjust the amount of the promised consideration for the effects of a significant financing component.

3.4.10 Trade receivables

A receivable is the unconditional right of the Group to consideration (meaning that the due date is automatically determined by the passage of time). The accounting policies for financial assets are explained in Paragraph 3.13 Financial instruments.

3.4.11 Contract assets

A contract asset is a claim to receive consideration in exchange for goods or services that are transferred

to a customer. If the Group satisfies its contractual obligations by transferring goods or services to a customer before the customer pays consideration or before payment becomes due, a contract asset is recognised for the conditional right to consideration. In the Group, contract assets originate from selling machines in instalments.

3.5 Currency translation

The Group financial statements are drawn up in Euros, the functional currency of the parent company. For each undertaking, the Group determines the functional currency. The items included in the financial statements of the respective company are measured using this functional currency. The Group applies the direct consolidation method; upon disposal of a foreign operation, the gain or loss shown in the profit-and-loss account is the amount resulting from applying this method.

3.5.1 Foreign currency transactions and balances

Foreign currency transactions are converted by Group companies at the respective applicable spot rate into the company's functional currency, on the date on which the accounting transaction is first recognised. Monetary assets and liabilities in a foreign currency are translated to the functional currency on each reporting date at the spot rate on the respective reporting date.

Differences resulting from the settlement or translation of monetary items are recognised as an expense. Monetary items that are designated as part of a hedge of the net investment of the Group in a foreign business are excluded from this. These are recorded in other comprehensive income

until disposal of the net investment; only upon their disposal, the cumulative amount is shown in the profit-and-loss account. Taxes resulting from conversion differences of these monetary items are likewise recognised directly in other comprehensive income.

Non-monetary items that are assessed at historic acquisition or production costs in a foreign currency are translated at the exchange rate on the date of the transaction; those that are assessed at their fair value in a foreign currency are translated at the rate prevailing on the date that the fair value is calculated. The recognition of gains or losses resulting from the translation of non-monetary items measured at fair value follows the recognition of the gains or losses arising from changes in the fair value of the item (meaning that translation differences from items where gains or losses resulting from the assessment at fair value are recognised in other comprehensive income or are already recognised, are likewise recorded in other comprehensive income or recognised).

For the purpose of determining the exchange rate to be used when the related asset, expense or income (or part of it) is initially recognised when a non-monetary asset or liability arising from a consideration paid in advance is derecognised, the transaction date will be the date on which the non-monetary asset or liability arising from the advance payment is initially recognised. If there are multiple payments in advance, the Group will determine the transaction date for each advance payment.

3.5.2 Group companies

The assets and liabilities of foreign businesses are translated into euros at the spot rate prevailing

at the reporting date, as part of the consolidation process. Income and expenses are translated at average exchange rates. The translation differences resulting from this in the course of consolidation, are recorded in other comprehensive income. The amount recorded for foreign business in other comprehensive income is reclassified upon the disposal of this foreign business in the profit-and-loss account.

Any goodwill resulting from the acquisition of the foreign business and all adjustments to the book values of the assets and liabilities that are oriented toward the fair value and that result from the acquisition of this foreign business are treated as assets and liabilities of the foreign business and translated at the spot rate prevailing on the reporting date.

3.6 Intangible assets

3.6.1 Intangible assets excluding goodwill

Intangible assets that are not acquired through business combinations are initially recognised at cost. The cost of intangible assets acquired through business combinations is their fair value on the acquisition date. In subsequent periods, intangible assets are carried at cost, less accumulated amortisation and accumulated impairment losses, if any. With the exception of capitalised development costs, internally generated intangible assets are not capitalised; instead, the corresponding expenditure is recognised in the period in which it is incurred.

A distinction is made between intangible assets with a finite economically useful life and those with an economically indefinite useful life. Intangible assets with finite economically useful lives

are amortised over the economically useful lives and tested for possible impairment, whenever there is an indication that the intangible asset might be impaired. The amortisation period and the amortisation method for intangible assets with finite economically useful lives are reviewed at least at the end of every reporting period. Changes in the amortisation method or period required as a result of changes in the expected economically useful life or the expected pattern of consumption of future economic benefits embodied in the asset are treated as changes in estimates. Amortisation of intangible assets with finite economically useful lives is recognised in the profit-and-loss account under the expenditure category that corresponds to the function of the intangible asset within the company. With the exception of goodwill, intangible assets have a finite economically useful life.

The scheduled straight-line amortisation rates for intangible assets with finite economically useful lives per fiscal year are:

	%
Trademark rights, licences	6.7-10.0
Customer base	6.7-12.5
Software	12.5-33.3

An intangible asset is derecognised either upon disposal (meaning when the recipient obtains control) or when no further economic benefits are expected from the continued use or disposal of the recognised asset. Gains or losses upon derecognition of intangible assets are determined as the difference between the net disposal proceeds and the book value of the asset and are recognised in the period within which the asset is derecognised.

3.6.2 Goodwill

Goodwill resulting from business combinations is accounted for at cost less impairment, if applicable, and is presented separately on the consolidated balance sheet.

For intangible assets with indefinite economically useful lives, an impairment test is performed at least once a year for the individual asset or at the level of the cash-generating unit. These intangible assets are not subject to scheduled amortisation. The economically useful life of an intangible asset with an indefinite useful life is reviewed annually, in order to determine whether the assessment of an indefinite economically useful life continues to be justified. If this is not the case, the change in assessment from an indefinite to a finite economically useful life is made prospectively. Goodwill has an indefinite economically useful life.

For the purposes of impairment testing, the goodwill upon acquisition is divided between those cash-generating units of the Group, of which it is expected that they will be able to benefit from the synergies produced by the merger.

Impairment of goodwill is tested once a year (on 31 December). A test is likewise performed if circumstances indicate that the value might be impaired. Impairment is ascertained by determining the attainable value of the cash-generating unit (or the group of cash-generating units) to which the goodwill was allocated. If the attainable value of the cash-generating unit falls short of the book value of this unit, impairment expenditure is recognised. Impairment expenditure recognised for goodwill may not be made up for in the subsequent reporting periods.

3.7 Property, plant and equipment

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses. For internally generated assets, the manufacturing costs are comprised of direct costs plus appropriate portions of materials and production overheads. Maintenance expenses are recognised as expenses in the fiscal year in which they occur. The depreciable amount is allocated on a linear basis over the useful life of the asset.

The scheduled linear rates of depreciation for property, plant and equipment per year are:

	%
Buildings	3.0–10.0
Technical equipment and machinery	6.7–20.0
Business and operating equipment	12.5–33.3

Depreciation is recognised so as to write off the acquisition or manufacturing costs of assets (excluding assets under construction), less residual value, on a straight-line basis over their useful lives. The expected useful life, residual values and depreciation methods are reviewed on every reporting date. All necessary changes to estimations are taken into account prospectively.

The revaluation method according to IAS 21.23 is used for non-monetary assets included in business equipment that is subject to considerable value changes on account of currency fluctuations. The conversion to the procurement rate in the functional currency and the translation from the functional currency to the presentation currency on reporting date results in a revaluation, which is recognised in the foreign currency reserve. For the purpose of revaluation, the updated acquisition costs in local currency are translated using the rate on

reporting date and are compared with the updated depreciated costs in Euros. The resulting difference is recognised as a separate foreign currency reserve.

Upon disposal, property, plant and equipment is derecognised, or if no future economic benefit is expected from continued use of the asset. A profit or loss resulting from the sale or disposal of a tangible asset is determined as the difference between the proceeds from disposal and the book value of the asset and is recognised.

3.8 Impairment of property, plant and equipment with a finite useful economic life

On each reporting date, the Group reviews the book values of property, plant and equipment in order to determine whether there are any indications of impairment. If such indications are found, the recoverable amount of the asset is estimated in order to determine the impairment.

The recoverable amount is the higher of fair value less costs of disposal, or value in use. When determining the value in use, the estimated future cash flows are discounted with a pre-tax interest rate. This pre-tax interest rate considers, on the one hand, the current market assessment of the time value of money and on the other hand the risks inherent to the asset, unless these are already reflected in the estimations of the cash flows.

If the estimated recoverable amount is lower than the book value, then the book value of the asset is reduced to the recoverable amount. Impairments are recognised immediately. If the impairment is subsequently reversed, then the book value of the asset will be increased to the newly calculated recoverable amount. The increase in the book value

is limited to the value that would have resulted if no impairment had been recorded for the asset in previous years. Value recovery is recognised directly in profit or loss.

3.9 Investment properties

Land and buildings held as a capital investment or for the purpose of earning rental income are treated as investment properties. Properties held as a financial investment are initially recognised at cost, including transaction costs. They are subsequently shown on the balance sheet at fair value and are revalued annually. Changes in market value are recognised under other income or expenditure, in the period in which they occur.

Investment property is derecognised when it is disposed of, or when is permanently withdrawn from use and no further economic benefit is to be expected from its disposal. The profit or loss resulting from the disposal is determined as the difference between the net disposal proceeds and the book value of the asset and is recorded in the consolidated profit-and-loss account in the period in which the disposal took place.

3.10 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.10.1. The Group as lessor

Leases in which the Group does not transfer all the risks and rewards incidental to ownership of an

asset substantially are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.10.2. The Group as lessee

The Group applies a consistent recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	%
Buildings	5.0–92.0
Technical equipment and machinery	12.0–50.0
Business and operating equipment	14.0–92.0

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Details on the accounting policies are provided in section 3.8 Impairment of property, plant and equipment with limited useful lives.

b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of the lease payments, the Group uses its incremental borrowing rate at the inception date of the lease because the interest rate on which the lease is based cannot be readily determined. After the commencement date, the amount of the lease liabilities increases to reflect the accretion of interest and a decrease to reflect the lease payments made. In addition, the carrying amount of the lease liabilities is remeasured if there are changes in the lease agreement, changes in the lease term, changes in lease payments, e.g. changes in future lease payments resulting from a change in the index or interest rate used to determine those payments or a change in the assessment of a call option for the underlying asset.

The Group's lease liabilities are included in financial liabilities (see Note 26).

c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.11 Cash and cash equivalents

Cash and cash equivalents in the annual accounts include cash in hand, balances at banks, and short-term, highly liquid deposits that can be readily convertible into known amounts of cash and are only subject to an insignificant risk of changes in value, which is typically the case for maturities of shorter than three months. For the purposes of the cash flow statement, cash and cash equivalents include the cash and short-term deposits as described above.

3.12 Inventories

Inventories are measured at the lower of acquisition or manufacturing cost and net realisable value. The acquisition or manufacturing costs are determined by using the weighted-average cost method. The net realisable value consists of the estimated sales proceeds obtainable in the normal course of business, minus the estimated costs until completion and estimated distribution costs.

Any write-down to net realisable value is recorded as expenditure in the period in which it occurs. Any value recoveries are recorded in the profit-and-loss

account, in the period in which the value recovery occurs.

The change in inventories represents the change in finished and unfinished products. The acquisition and/or manufacturing costs are determined by means of the weighted-average price method.

Only directly attributable costs and proportionate overhead costs are included in the manufacturing costs, under the assumption of normal capacity utilisation. Interest on borrowed capital is not recognised, nor are overheads associated with administration and distribution. Appropriate adjustments are made for risks to inventories resulting from increased storage periods and from reduced usability.

3.13 Financial assets

Financial assets are recognised if a Group company is a contractual party to a financial instrument.

Initial recognition and measurement

Upon initial recognition, financial assets are classified either as carried at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss.

The classification of financial assets upon initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the Group's business model for managing its financial assets. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group measures a financial asset at its fair value and, in the case of a financial asset that is not recognised at fair value through profit or loss, including transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, are assessed at the transaction price calculated in accordance with IFRS 15.

For a financial asset to be classified and measured at amortised cost or at fair value through other comprehensive income, cash flows must consist solely of payments of principal and interest (SPPI) on the outstanding principal amount. This assessment is called the SPPI test and is carried out at the level of the individual financial instrument.

The business model of the Group for managing its financial assets reflects how an entity manages its financial assets to generate cash flows. Depending on the business model, cash flows arise from the receipt of contractual cash flows, the sale of financial assets, or both.

The purchase or sale of financial assets that anticipate the delivery of an asset within a specific period determined by regulations or conventions of the respective market (regular purchases) are recognised on the trading day, meaning on the day that the Group has assumed the obligation of buying or selling the asset.

Subsequent measurement

Financial assets are classified into four categories for subsequent measurement:

- financial assets measured at amortised cost (debt instruments)
- financial assets measured at fair value through other comprehensive income with recycling of gains or losses in profit or loss (debt instruments)
- financial assets measured at fair value through other comprehensive income without recycling of gains or losses in profit or loss (equity instruments)
- financial assets measured at fair value through profit or loss

Financial assets carried at amortised cost (debt instruments)

This category is of the greatest importance to the consolidated financial statements. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are assessed in subsequent periods by means of the effective interest method and must be tested for impairment. Gains and losses are recognised when the asset is derecognised, modified or impaired.

The financial assets of the Group that are measured at amortised cost comprise trade receivables, other receivables and other assets.

Financial assets measured at fair value through other comprehensive income (equity instruments)

On initial recognition, the Group may irrevocably elect to classify its equity instruments as measured at fair value through other comprehensive income, if they meet the definition of equity in IAS 32 Financial Instruments: Presentation and not held for trading purposes. Each instrument is classified individually.

Gains and losses from these financial assets are never reclassified to profit or loss. Dividends are recognised as other income in the profit-and-loss account, if there is a legal entitlement to payment, unless the dividends recover part of the acquisition cost of the

financial asset. In that case, the gains are captured in other comprehensive income. Equity instruments measured at fair value through other comprehensive income are not tested for impairment.

The Group has irrevocably decided to allocate other investments and shares in investment funds to this category.

Derecognition

A financial asset (respectively part of a financial asset or part of a group of similar financial assets) is mainly derecognised (meaning removed from the consolidated balance sheet), if one of the following preconditions is met:

- The contractual rights to cash flows from the financial asset have lapsed.
- The Group has ceded its contractual rights to receiving cash flows from the financial asset to third parties or has assumed a contractual obligation to pay the cash flow immediately to a third party within the framework of a so-called transfer agreement and has either (a) ceded substantially all opportunities and risks associated with ownership of the financial asset or (b) neither ceded nor retained substantially all opportunities and risks associated with ownership of the financial asset, but ceded control of the asset.

When the Group cedes its contractual rights to receiving cash flows from an asset or enters into a transfer agreement, it assesses whether and to what extent it retains the opportunities and risks of ownership. If it neither cedes nor retains substantially all the opportunities and risks associated with owning the asset nor cedes control of the asset, it continues to recognise the ceded asset to the extent of its continuing involvement. In this case, the Group

does also recognise an associated liability. The ceded asset and the associated liability are assessed in such a way that the rights and obligation that the Group has retained are taken into account.

If the continuing involvement takes the form of guaranteeing the ceded asset, the scope of the continuing involvement is the lower of the asset's original book value and the maximum amount of the received consideration that the Group might be required to pay back.

Impairment

At each balance sheet date, financial assets are tested for possible indications of impairment. Financial assets are considered to be impaired if one or more events that have occurred since initial recognition of the asset provide an objective indication that the expected future cash flows from the financial asset have changed for the worse.

Objective indicators of impairment might be the following:

- the counterparty is experiencing significant financial difficulties,
- a breach of contract, such as defaulting on or delays in payments of interest or repayments of principal,
- the disappearance of an active market for this financial asset due to financial difficulties.

Impairment leads to the direct reduction of the book value of all affected financial assets, with the exception of trade receivables, of which the book value is reduced by means of an impairment account. If an impaired item from trade receivables is believed to be irrecoverable, then its impairment is charged to the impairment account. Subsequent payments of amounts that have already been

recorded as impaired are also charged to the impairment account. Changes in the book value of the impairment account are recognised in the profit or loss.

The Group sets aside a provision for expected credit losses (ECL) on all debt instruments that are not assessed at fair value. Expected credit losses are recognised in two steps. For financial instruments of which the default risk has not increased significantly since initial recognition, a provision is set aside in the amount of the expected credit losses, based on a default event within the next twelve months (12-months ECL). For financial instruments of which the default risk has indeed increased significantly since initial recognition, a provision is set aside in the amount of the expected credit losses during the residual period, regardless of when the default event will occur (full-term ECL).

In the case of trade receivables and contractual assets, the Group applies a simplified method for calculating the expected credit losses. It therefore does not actually track changes in credit risk, but instead recognises a provision for losses on each reporting date, on the basis of the full-term ECL. The Group has drawn up a value-adjustment matrix that is based on its experience with credit losses and has adjusted it for forward-looking factors that are specific to borrowers and the economic environment.

Value-adjustment matrix	Value-adjustment
Receivables overdue more than 90 days	25%
Receivables overdue more than 365 days	100%

3.14 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially classified either as measured at fair value through profit or loss, as loans, as liabilities or as derivatives that have been designated as hedging instruments or are effective as such.

The financial liabilities of the Group comprise trade payables, liabilities to banks, lease liabilities, other financial liabilities and derivatives used in effective hedging relationships.

All financial liabilities are measured at fair value on initial recognition, and in the case of loans and liabilities directly attributable transaction costs are deducted.

Subsequent measurement

Interest-bearing loans are measured at amortised cost, using the effective-interest method. Loan arrangement fees are offset against the financial liability and amortised over the term of the loan. Derivatives used in effective hedging relationships are measured at fair value through other comprehensive income.

Derecognition

A financial liability is derecognised when the underlying obligation has been honoured, cancelled or has lapsed. If an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or if the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and recognition of a new liability. The difference between the two book values is recognised.

Netting of financial instruments

Financial assets and liabilities are netted and the net balance is recognised in the consolidated financial statements, if there is a legal right to offset the recognised amounts against each other and it is the intention to settle on a net basis or to redeem the associated liability simultaneously with the realisation of the respective asset.

3.15 Derivative financial instruments and hedge accounting

For accounting purposes, hedge relationships are classified as cash flow hedges if they hedge the risk of fluctuations in cash flows attributable to a specific risk associated with a recognised asset, liability or a transaction that is highly likely to materialise in the future, or if they can be allocated to the currency risk of an unrecognised firm commitment.

Cash flow hedges

The Group designates forward foreign exchange transactions as hedging instruments. Forward foreign exchange transactions are recorded in other comprehensive income and are presented in a separate equity category called "Revaluation of cash flow hedges".

3.16 Equity

An equity instrument is an agreement that represents a residual interest in the assets of an entity, after deducting all its related liabilities. Equity includes both amounts attributable to owners of the parent (share capital, reserves, retained earnings), and amounts not attributable to owners of the parent (including perpetual bonds and participation capital).

3.16.1 Reserves

Reserves include capital reserves, revaluation reserves, currency translation reserves, and retained earnings. Amounts are recognised as retained earnings if those amounts originated from the surplus for the current or previous financial years, including accumulated other comprehensive income. Capital reserves arise from the issuance of shares for an amount that exceeds the nominal amount and from additional payments made by shareholders in return for preference guarantee or preference for their shares or occasioned by connections under corporate law.

3.17 Provisions

3.17.1 Principles

A provision is made if the Group has a present obligation (legally or constructively) due to a past event that entails the likely outflow of resources with economic benefit to fulfil the obligation and for which a reliable estimation of the amount of the obligation is possible.

The amount recognised as a provision is the best estimate of the consideration required for settling the present obligation on the reporting date. Risks and uncertainties inherent in the obligation must also be taken into account.

3.17.2 Defined benefit obligations

For defined benefit pension plans, the cost of providing the benefits is calculated by using the method of ongoing single premiums (projected unit credit method), whilst an actuarial assessment is

performed on each reporting date. Revaluations consisting of actuarial profits and losses, changes that result from the application of an asset ceiling, and the return on plan assets (excluding interest on net debt) are recorded directly in other income and are therefore presented on the consolidated balance sheet. The revaluations recorded in other comprehensive income are part of retained earnings and are not reclassified to profit or loss.

Defined benefit costs include the following components:

- Service cost (including ongoing service cost, re-calculated service costs, as well as any profits or losses from scheme changes or reductions)
- Net interest on the net defined benefit liability or asset
- Remeasurement of the net defined benefit liability or asset

The Group recognises the first two components in the consolidated statement of profit or loss in personnel expenses and finance costs.

The defined benefit obligation recorded in the consolidated statement of financial position represents the current shortfall or surplus of the Group's defined benefit plans.

Defined benefit plans include pension, severance and service anniversary bonus obligations.

For benefits to staff due in the short term, the non-discounted amount of the benefit are recognised in the period in which the service was provided by the employee, which, in line with expectations, is paid in exchange for the service provided.

The discount rates are determined using the "Mercer

Yield Curve (MYC)" approach, which is based on bond yields in the Eurozone. From the MYC, the corresponding interest rates for the respective duration are determined by interpolation.

The salary increase assumption is derived from historical developments in the wages and salaries of beneficiaries, while also considering future expectations. In Austria, pension adjustments are based on historical empirical data. Employee fluctuation rates are determined based on empirical experience.

Expenses from current service cost and any past service cost are reported in personnel expenses, while expenses from interest on the net liability are reported in the financial result when measuring the above-mentioned obligations. Actuarial gains or losses are recognised in other comprehensive income.

Subordinated pension obligations are presented in the item "subordinated capital".

3.17.3 Share-based payment obligations

Share-based payment obligations for executives are calculated using an option pricing model. The underlying parameters of the option pricing model and the plan data are validated at each balance sheet date and if necessary the calculation is adjusted accordingly.

Obligations from share-based payments are reported under other provisions.

3.18 Income taxes

3.18.1 Current taxes

Current tax expenditure is determined on the basis of the taxable income for the year. The taxable income differs from the annual profit in the consolidated statement of profit or loss due to expenses and revenues that will be taxable or are tax-deductible in later years or not at all. The Group's liability for current taxes is calculated on the basis of applicable tax rates.

3.18.2 Deferred taxes

Deferred tax is determined for all temporary differences between the value of an asset or liability recognised in the statement of financial position and the tax balance sheet on the reporting date. Deferred tax assets are only recognised for those losses carried forward of which utilisation can be realistically expected. The carrying amount of deferred tax assets is reviewed each year on the reporting date, if it is no longer likely that sufficient taxable income is available to completely or partially realise the claim.

Deferred taxes are calculated by applying the balance sheet liability method. Local income tax rates that are applicable for the period in which the reversal of the value difference is anticipated to occur are used as the basis for this calculation. Tax rate changes are taken into account if they have already been enacted in law by the reporting date. The corporate income tax rate in Austria amounts to 23% for the 2025 financial year. For the calculation of deferred taxes as of 31 December 2025, a tax rate of 23% (2024: 23%) was used for Austria. Deferred tax assets and liabilities are netted if there is a right to offset the taxes and the taxes refer to taxable entities within the same fiscal jurisdiction.

3.19 Contingent liabilities

Contingent liabilities are possible obligations, the existence of which is only confirmed upon the occurrence or non-occurrence of one or several future events, or a present obligation for which a payment is not likely or for which the amount of the obligation cannot be estimated to a sufficiently reliable extent.

Contingent liabilities are not recognised; instead, they are disclosed in the notes if an outflow of resources is possible.

4 CHANGES TO ACCOUNTING AND VALUATION PRINCIPLES

New and amended standards and interpretations

Application of the following changes to existing and new standards is mandatory with effect from 1 January 2025:

Regulation	
IAS 21	Amendments to IAS 21: Lack of Exchangeability

The initial application of the amendments to IAS 21 Effects of Changes in Foreign Exchange Rates ("Lack of Exchangeability") had no material impact on the Group, as there were no relevant transactions or balances involving non-exchangeable currencies.

The following new or revised standards and interpretations which have already been issued but are not yet effective or have not yet been adopted by the European Union have not been applied early in the financial year 2024. They will be applied in future reporting periods when their application will be mandatory:

Regulation		Effective from ¹	Effective from ²
Diverse	Annual Improvements to IFRS (Volume 11)	01/01/2026	Not yet adopted ³
IFRS 9 and 7	Amendments to the classification and measurement for Financial Instruments	01/01/2026	Not yet adopted ³
IFRS 18	Presentation and Disclosure in Financial Statements	01/01/2027	Not yet adopted ³
IFRS 19	Subsidiaries without Public Accountability: Disclosures	01/01/2027	Not yet adopted ³

¹ Effective for reporting periods commencing on or after the stated date (as per IASB)

² Effective for reporting periods commencing on or after the stated date (as per EU endorsement)

³ The standard is not yet mandatory in the EU and has not been applied early. The date stated refers to the date of first-time application given by the IASB.

IFRS 18 requires all income and expense items in the income statement to be classified into one of five categories (operating category, investing category, financing category, income tax category and discontinued operations category).

The standard also requires the disclosure of performance measures defined by management, subtotals of income and expenses and contains new requirements for the aggregation and disaggregation of financial information and for the notes.

The Group is assessing the impact on the primary financial statements and the notes to ensure timely implementation.

Other above new or revised standards and interpretations are not expected to have a material impact on the Group financial statements.

5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Significant accounting judgements, estimates and assumptions at the end of the reporting period are stated below. The estimates and assumptions are based on experience as well as other relevant factors. The actual amounts may differ from the estimates. The assumptions underlying the estimates are subject to regular review. Changes in estimations that affect only one period are only taken into account in the period affected by the change.

- In the case of **revenue from contracts with customers**, the allocation of the transaction price for contracts with multiple performance obligations is based on estimations using market-relevant data.
- The **fair value of investment property** is determined, inter alia, by factors such as the present value of rental income that can be derived from letting or by the comparative value method. If the assessment of expected future rental income respectively if the expected yields from alternative investments change, then the fair value for the affected property also changes.

The fair value of investment properties held on 31 December 2025 amounted to EUR 820 thousand (2024: 830 thousand), after a devaluation of EUR 10 thousand (2024: EUR 10 thousand) was applied.

- For **impairment tests**, especially in the context of impairment tests in respect of goodwill, assumptions are made regarding revenue projections, determination of the discount rate and the terminal growth rate. To that end, five-year plans with revenue plans, country-specific factors, and generally practised methods are used.

A sensitivity analysis of discount rates is shown in Disclosure 17 of the Notes.

The carrying amount of goodwill on 31 December 2025 was EUR 33,166 thousand (2024: 32,017 thousand).

- The **useful lives** of non-current assets with determinable economically useful lives represent the estimated period over which the assets are expected to be used. An adjustment to a useful life can have a significant impact on the Group's assets and earnings.

- **Assessment of credit risk** is based on evaluations of the due dates of receivables and payments received. Creditworthiness is assessed on the basis of experience.

Bad debt expense for the financial year amounted to EUR 3,406 thousand (2024: EUR 1,869 thousand).

- The underlying assumption for recognition of **deferred tax assets** is that deferred tax losses carried forward can be offset against future tax profits. Actual tax profits may deviate from these assumed amounts.

Deferred tax assets amounted to EUR 9,321 thousand on 31 December 2025 (2024: EUR 9,015 thousand). Particulars about the calculation of deferred taxes may be found in Disclosure 15 of the Notes.

- The **measurement of employee benefits** (severance, pension and service-anniversary bonuses) is based on parameters such as discount rates, future salary increase rates, employee fluctuation, years of service and demographic assumptions, the adjustment of which affects the amount of the provision, personnel expenses,

finance costs and other comprehensive income.

The calculation parameters and a sensitivity analysis of them are listed in Note 29.

- The **measurement of the provision for share-based payments** involves assumptions for parameters such as the risk-free interest rate and an expected volatility. The main input for the measurement is the equity value at the end of the period, which in turn is calculated from six times EBITDA and net debt.

- The Group cannot readily determine the **interest rate implicit in the lease**, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

- When **acquiring a business**, variable components of the transferred consideration are usually agreed upon. In most cases, these are clauses that make the purchase price dependent on the future economic performance of the acquired business. The Group estimates the fair value of the variable consideration on the basis of revenue and profit

forecasts and updates these estimates, where necessary, to reflect revised expectations or actual results.

- The course of the conflict in **Ukraine** is unpredictable and gives rise to business uncertainties and risks for the Group. Business operations in Russia are subject to economic and regulatory conditions over which the Group has no influence. Therefore, the situation is being closely monitored in order to be able to react promptly to new developments.
- The global climate targets are incorporated into the Group's **climate strategy** and are quantified through specific targets. These targets are based on evaluations of the "Science-based targets initiative (SBTi)", which in turn are derived from data, calculations, scientific findings and estimates. In addition, the Group evaluates which climate-induced changes (e.g. the future development of cultivation areas) have an impact on the business model.

6 DISCLOSURES IN RELATION TO SUBSIDIARIES

6.1 Significant non-controlling interests

The following table contains details about the Group's subsidiaries with an interest below 100%, in which significant, non-controlling interests are held.

Name of the Subsidiary	Domicile	Non-controlling interests	
		31/12/2025	31/12/2024
JULIUS MEINL Bonfanti d.o.o.	Kerestinec, Croatia	4.0%	6.5%
JULIUS MEINL BH d.o.o.	Ljubuški, Bosnia	10.0%	10.0%
JULIUS MEINL Gıda Sanayi ve Ticaret Limited Şirketi	İstanbul, Turkey	0.0%	10.0%
JULIUS MEINL Middle East – FZC	Ajman, UAE	20.0%	20.0%
JULIUS MEINL General Trading LLC*	Dubai, UAE	20.0%	20.0%
JULIUS MEINL Coffee Shanghai LLC	Shanghai, China	10.0%	10.0%
JULIUS MEINL Bulgaria EOOD	Sofia, Bulgaria	20.0%	20.0%
JULIUS MEINL Polska z.o.o.	Warsaw, Poland	15.0%	15.0%
JULIUS MEINL Beograd d.o.o.*	Beograd, Serbia	4.0%	6.5%

*indirect minority interest

In July 2025 2.5% of the non-controlling interests in JULIUS MEINL Bonfanti d.o.o. were transferred to JULIUS MEINL Italia SpA for a purchase price payment of EUR 998 thousand. This also leads to a reduction in the non-controlling interest in Julius Meinl Beograd d.o.o. to 4%, as this is a subsidiary of JULIUS MEINL Bonfanti d.o.o. In addition, the interest in JULIUS MEINL Gıda Sanayi ve Ticaret Limited Şirketi (Turkey) was increased by 10%.

Name of the Subsidiary	Profit or loss attributable to non-controlling interests		Accumulated profit or loss attributable non-controlling interests	
	2025	2024	2025	2024
	in EUR 1,000	in EUR 1,000	in EUR 1,000	in EUR 1,000
JULIUS MEINL Bonfanti d.o.o.	53	185	3,900	3,847
JULIUS MEINL BH d.o.o.	170	191	1,965	1,795
JULIUS MEINL Gıda Sanayi ve Ticaret Limited Şirketi	-118	-129	-1,722	-1,604
JULIUS MEINL Middle East – FZC	-28	-3	-87	-60
JULIUS MEINL General Trading LLC	-405	-313	-5,818	-5,412
JULIUS MEINL Coffee Shanghai LLC	-207	-119	-1,030	-823
JULIUS MEINL Bulgaria EOOD	33	19	-151	-184
JULIUS MEINL Polska z.o.o.	61	142	-129	-191
JULIUS MEINL Beograd d.o.o.	17	36	319	302
Total	-424	10	-2,753	-2,329

31/12/2025	Julius Meinl Bonfanti	Julius Meinl BH	Julius Meinl Gida Sanayi	Julius Meinl Middle East	Julius Meinl General Trading	Julius Meinl Coffee Shanghai	Julius Meinl Bulgaria	Julius Meinl Polska	Julius Meinl Beograd
EUR 1,000									
Current assets	5,480	4,033	2,270	890	6,387	2,618	719	2,724	2,399
Non-current assets	10,522	7,184	481	12	1,364	1,674	536	1,598	3,636
Current liabilities	6,004	1,890	9,129	1,681	21,628	12,427	1,679	3,822	1,592
Non-current liabilities	1,074	761	0	0	0	100	54	165	692
Revenue	27,323	14,096	3,786	0	5,559	4,605	2,559	15,104	8,246
EBITDA*	6,691	4,028	-667	-88	-817	-833	405	1,088	1,915
Profit for the year	959	1,701	-1,553	-138	-2,027	-2,067	164	407	408
Total comprehensive income	959	1,701	-1,604	-45	-2,212	-1,863	163	400	406
Total comprehensive income attributable to									
Non-controlling interests	38	170	0	-9	-442	-186	33	60	16
Owners of the parent company	921	1,531	-1,604	-36	-1,770	-1,676	131	340	389
Dividends paid to non-controlling interests	162	192	0	0	0	0	0	0	0

31/12/2024	Julius Meinl Bonfanti	Julius Meinl BH	Julius Meinl Gida Sanayi	Julius Meinl Middle East	Julius Meinl General Trading	Julius Meinl Coffee Shanghai	Julius Meinl Bulgaria	Julius Meinl Polska	Julius Meinl Beograd
EUR 1,000									
Current assets	4,644	4,411	1,796	942	5,595	3,212	623	2,167	1,929
Non-current assets	10,871	6,069	725	14	1,690	2,000	525	1,520	3,107
Current liabilities	4,030	1,768	11,346	1,690	18,949	11,375	1,705	3,625	1,187
Non-current liabilities	1,031	727	0	0	0	204	85	127	503
Revenue	23,097	11,658	3,096	0	4,971	4,033	2,068	10,727	6,567
EBITDA*	7,227	4,036	-361	40	-121	37	358	1,566	1,845
Profit for the year	2,226	1,915	-1,285	-16	-1,565	-1,186	96	945	520
Total comprehensive income	2,353	1,915	-1,607	-63	-1,355	-1,037	96	938	517
Total comprehensive income attributable to									
Non-controlling interests	153	191	-161	-13	-271	-104	19	141	34
Owners of the parent company	2,200	1,723	-1,447	-50	-1,084	-934	77	797	484
Dividends paid to non-controlling interests	270	164	0	0	0	0	0	0	0

* Earnings before interest tax depreciation and amortization – Approximation of operating cash flow

6.2 Business combinations

In the financial year 2025, Julius Meinl Italia S.p.A. acquired CAFFEIACO S.r.l., headquartered in Via Poggio di Venaco 6, 00122 Rome, by way of a merger under local law. The merger was accounted for as of 1 January 2025. The transaction was undertaken to acquire the customer base, integrate business activities and realise synergies. The business combination was accounted for in accordance with IFRS 3 Business Combinations.

The total consideration transferred amounted to EUR 570,084. An amount of EUR 213,862 was not yet due at the reporting date and was settled in 2026. This amount was recognised as a liability at the acquisition date.

The identifiable assets acquired and liabilities assumed were measured at their fair values at the acquisition date. The business combination resulted in goodwill of EUR 47 thousand.

The contribution of the acquired entity to the Group's revenue and profit or loss since the acquisition date was not material in the financial year 2025.

6.3 Formation of subsidiaries

In the financial year 2025, the Group subsidiary Julius Meinl Italia S.p.A. incorporated two subsidiaries, Robo S.r.l. and Noire S.r.l., each with registered office in Viale Verona 70, 36077 Altavilla Vicentina (VI), Italy. The subsidiaries were established in preparation for the future acquisition of operating business units from external companies.

For this purpose, Robo S.r.l. and Noire S.r.l. entered into short-term lease agreements relating to the operation of such business units. The leases were concluded in view of a potential future acquisition.

As at the reporting date, Noire S.r.l. employs 37 employees directly and 19 employees indirectly, while Robo S.r.l. employs 30 employees.

Julius Meinl Italia S.p.A. and its subsidiaries Robo S.r.l. and Noire S.r.l. form a tax group under Italian tax law and are included in a single tax consolidation group in Italy.

7 REVENUE FROM CONTRACTS WITH CUSTOMERS

The companies of the JULIUS MEINL 1862 Group recorded total revenues of EUR 350,967 thousand in the reporting period 2025 (2024: EUR 259,686 thousand).

7.1 Allocation of revenue streams

EUR 1,000	2025	2024
Sales revenue coffee	225,669	182,560
Sales revenue tea	11,094	9,172
Sales revenue other goods (excluding machines)	16,397	15,142
Sales revenue coffee machines and similar devices	44,551	19,084
Revenue from machine rental	26,786	18,678
Revenue from rendering technical services	9,375	7,682
Other revenue	17,095	7,368
Total revenue from contracts with customers	350,967	259,686

7.2 Contract balances

Contract assets	2025	2024
	in EUR 1,000	in EUR 1,000
At 1 Jan	498	736
At 31 Dec	338	498
Impairment of contract assets	2025	2024
At 1 Jan	89	77
At 31 Dec	62	89

Contract assets originate from the sale of coffee machines in conjunction with a coffee supply agreement.

8 OTHER INCOME

EUR 1,000	2025	2024
Remuneration	1,010	992
Rental income	661	403
Capitalised internal development costs	2,754	0
Other income	2,569	3,010
Total	6,994	4,405

Remuneration includes marketing contributions and supplier bonuses granted on the basis of Group-wide supply contracts. The capitalised internal development costs relate to internally developed software which was recognised in personnel expenses in the prior year. Other income primarily comprises other grants.

9 RAW MATERIALS AND CONSUMABLES

EUR 1,000	2025	2024
Materialaufwand	181,458	103,679

Cost of materials primarily includes raw materials, auxiliary materials, and consumables (green coffee and packaging materials), finished products and goods.

10 PERSONNEL EXPENSE

Personnel expense comprises the following:

EUR 1,000	2025	2024	Delta
Wages and salaries	57,197	45,600	11,597
Severance expense	442	331	112
Pension scheme expense	89	75	14
Social security contributions	11,366	9,743	1,623
Contributions to company employee pension funds	736	631	104
Other social benefit expense	992	961	31
Total	70,822	57,341	13,481

During the reporting period, the average number of employees increased by 126 to 1,215 employees, comprising 250 blue-collar employees and 965 white-collar employees. In the prior year, the workforce comprised 1,089 employees (thereof 199 blue-collar and 890 white-collar employees).

Severance expense includes payments and adjustments to provisions for severance obligations. Severance expense and pension scheme expense for directors amounted to EUR 313 thousand (2024: EUR 303 thousand) and for other members of management EUR 58 thousand (2024: EUR 60 thousand). The rest is attributable to other and former employees.

11 DEPRECIATION AND IMPAIRMENT

EUR 1,000	2025	2024
Depreciation	24,412	22,647
Impairment	87	0
Total	24,500	22,647

In the financial year, impairment losses of EUR 87 thousand (2024: EUR 0 thousand) were recognised following the termination of a digitalisation project initiated in prior years.

12 OTHER EXPENSES

EUR 1,000	2025	2024
Marketing	15,124	15,418
Repair expenses	7,091	5,973
Sales commissions	6,385	4,274
Other vehicle expense	4,545	4,237
Transportation expense	4,976	4,122
Temporary staff and consultancy	3,905	3,627
Rental expenses	3,112	2,426
Legal and consultancy fees	3,321	2,396
Warehousing	2,864	2,185
Travel expense	1,759	2,019
IT expense	3,016	1,787
Energy expense	1,906	1,676
Bank charges	1,090	943
Insurance expense	814	792
Other taxes	1,150	771
Other external services	1,209	759
Impairment of receivables and bad debt expense	2,240	570
Telecommunication expense	661	555
Non-recurring expenditure losses	423	539
Losses from disposal of assets	0	0
Foreign exchange	1,261	-1
Sundry expenses	10,200	9,098
Total	77,053	64,166

13 FINANCE INCOME

EUR 1,000	2025	2024
Interest income and similar income	1,076	852

Interest income is generated from interest on arrears from customers of EUR 22 thousand (2024: 1 EUR thousand), from income from fixed-interest securities of EUR 762 thousand (2024: EUR 669 thousand) and EUR 292 thousand (2024: EUR 182 thousand) from bank interest.

14 FINANCE COSTS

EUR 1,000	2025	2024
Interest expense and similar expenses	5,494	5,484
thereof interest expense from liabilities to banks	4,917	4,978
thereof interest expense from leasing obligations	428	330
thereof interest expense from defined benefit obligations	149	176
Total	5,494	5,484

15 INCOME TAXES

Income tax expense is broken down as follows:

EUR 1,000	2025	2024
Current tax expense		
Austria	133	355
Foreign subsidiaries	6,390	3,806
Tax expense from previous periods	149	2,300
Deferred tax	842	-3,230
Total	7,513	3,231

In 2025 the effective tax rate was 66.0% (2024: 30.7%). The tax rates for foreign subsidiaries were within a range from 9% to 31%. The tax expense calculated by applying the Austrian corporate tax rate of 23% (2024: 23%) on the profit before tax can be reconciled as follows to the actual tax expense:

EUR 1,000	2025	2024
Profit/(loss) before tax	11,382	10,523
Expected tax charge at the applicable tax rate (24%)	2,618	2,420
Impact of tax rate differences	2,485	-742
Tax-exempt revenues	2,065	-2,851
Expenses not deductible for tax purposes	1,649	923
Additional taxable income	17	
Additional tax-deductible expenses	-684	453
Adjustments in respect of prior years	149	2,277
Other differences	-1,156	160
Unrecognised tax losses for the financial year		152
Withholding taxes and other taxes	370	439
Effective tax expense	7,513	3,231
Effective tax rate in %	66.0%	30.7%

In addition to the tax expense recognised in the consolidated statement of profit or loss, the tax effects relating to income and expenses recognised in other comprehensive income are also recognised directly in other comprehensive income.

Deferred tax

Deferred taxes assets and liabilities are presented as follows:

EUR 1,000	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Accelerated depreciation for tax purposes		2,746		2,364
Deferred depreciation for tax purposes	652		518	
Revaluation of investment properties		259		191
Revaluation of cash flow hedges	750			806
Revaluation of translation reserves	1,439		1,439	
Measurement of inventory	459		468	
Measurement of receivables and other assets	1,105		1,183	
Defined benefit provision	335		211	
Measurement of liabilities	351		658	
Losses available for offsetting against future taxable income	3,439		3,806	
IFRS 16 Leases		84		126
Other temporary differences	4,047	399	4,220	42
Deferred tax assets and liabilities	12,578	3,488	12,503	3,529
Offsetting of deferred tax assets and liabilities	-3,257	-3,257	-3,488	-3,488
Net deferred tax assets and liabilities	9,321	231	9,015	41

The deferred taxes in other comprehensive income are made up as follows:

EUR 1,000	2025	2024
Revaluation of cash flow hedges	879	-380
Revaluation of financial assets and property, plant and equipment	2	30
Revaluation of defined benefit obligations	72	68
Total	953	-282

Deferred tax assets that have not been recognised:

EUR 1,000	2025	2024
Tax losses carried forward	3,311	139

Deferred tax assets and deferred tax liabilities are offset if the Group has a claim to offset actual tax reimbursements claims against current tax liabilities and these are related to income taxes within the same fiscal jurisdiction that are collected by the same tax authority.

In order to test the recoverability of tax losses recorded as deferred tax assets, tax planning calculations have been prepared that support the utilisation of tax losses within the foreseeable future.

There is no time limit on the carrying forward of losses, for which deferred tax assets have been recognised.

The deferred tax assets include tax claims in the amount of EUR 3,343 thousand (2024: EUR 3,235 thousand) from the one-seventh tax amortisation deductions of financial assets that are tax-deductible under Austrian tax law in the amount of EUR 14,537 thousand (2024: EUR 14,066 thousand).

It is assumed that deferred tax liabilities and deferred tax assets originating from temporary differences in conjunction with investments in subsidiaries ("outside basis differences") are not recognised, because it is probable that these temporary differences will not materialise within the foreseeable future.

The total amount of temporary differences in conjunction with investments in subsidiaries for which deferred tax liabilities have not been recognised is EUR 60,952 thousand (2024: EUR 59,346 thousand). This compares to unrecognised deferred tax assets arising from these temporary differences amounting to EUR 57,948 thousand (2024: EUR 57,418 thousand).

16 INTANGIBLE ASSETS

EUR 1,000	Software, licences and similar rights	Goodwill from business combinations	Prepayments and Software under development	Total
Cost				
At 01/01/2024	27,766	32,131	7,477	67,374
Exchange differences	188	32	0	220
Additions	1,841	0	5,969	7,810
Disposals	-50	0	0	-50
Reclassifications	1,763	0	-2,304	-541
At 31/12/2024	31,508	32,163	11,142	74,813
Exchange differences	-2,274	1,229	0	-1,046
Additions	1,871	52	4,434	6,358
Disposals	-40	0	0	-40
At 31/12/2025	31,064	33,444	15,576	80,085
Depreciation, amortisation and impairment				
At 01/01/2024	20,917	146	0	21,063
Exchange differences	-52	0	0	-52
Depreciation for the year	1,367	0	0	1,367
Disposals	-49	0	0	-49
At 31/12/2024	22,182	146	0	22,328
Exchange differences	-1,943	115	0	-1,827
Depreciation for the year	1,852	16	0	1,868
Disposals	-40	0	0	-40
At 31/12/2025	22,052	277	0	22,329
Net book value				
At 01/01/2024	6,849	31,985	7,477	46,311
At 31/12/2024	9,325	32,017	11,142	52,484
At 31/12/2025	9,011	33,167	15,576	57,754

Additions to software under development mainly relate to external and internal costs for the implementation of S/4 Hana as a new ERP system.

Main items software, licenses and similar rights	2025	2024
Customer base		
North America – JM North America		
Carrying amount (EUR 1,000)	EUR 2,910	EUR 3,609
Remaining amortisation period (years)	6 years	7 years
Kavaimpex – JM Croatia		
Carrying amount (EUR 1,000)	EUR 115	EUR 191
Remaining amortisation period (years)	1 years	2 years
China – JM China		
Carrying amount (EUR 1,000)	EUR 84	EUR 146
Remaining amortisation period (years)	2 years	3 years
UAE – JM UAE		
Carrying amount (EUR 1,000)	EUR 21	EUR 44
Remaining amortisation period (years)	2 years	3 years

Goodwill is explained in Disclosure 17 of the Notes.

17 GOODWILL IMPAIRMENT TEST

Goodwill is tested once a year for possible impairment (impairment test). To that end, cash-generating units (CGUs) are defined, to which goodwill is allocated. A cash-generating unit is the smallest identifiable group of assets that produces cash inflows that are largely independent of the cash inflows from other assets or from other groups of assets. The CGUs are defined as business units in their respective countries.

The recoverable amount of a CGU is determined on the basis of five-year cash flow plans using the discounted cash flow method. Cash flows that extend beyond the five-year horizon have been extrapolated with an average growth rate of 1-2 % and compounded by using a discount rate that is adjusted on the basis of country-specific factors.

The calculation of the value in use was performed without applying IFRS 16: Depreciation of right-of-use assets and interest expense on lease liabilities in 2025 have been reclassified to costs and expenses that largely correspond to cash outflows. The carrying amount of the CGU does not contain any effects of the application of IFRS 16 but takes into account the effective leasing rates (cash flows).

The impairment test is initially aimed at determining the value in use. If the determined value in use should be lower than the carrying amount, the fair value without selling costs is also determined. If the recoverable amount for a specific asset cannot be determined, then the asset is included in a cash-generating unit.

The fair value less selling costs of cash-generating units carrying goodwill and from cash-generating units with trademark rights that have an indefinite useful life is derived from cash flow forecasts for the following five years on an after-tax basis. The forecast cash flows are discounted to the present value by means of the discounted cash flow method.

For the discount rate, a mixed rate is determined according to the capital asset pricing model (CAPM), using the average interest rate for debt capital and the expected interest rate for equity employed (weighted average cost of capital or WACC). On 31 December 2025, an average consolidated WACC of 8.13% was used (on 31 December 2024: 7.6%). The WACCs per cash-generating unit fall within a range from 6.2% to 15.3% (2024: 5.7% to 13.0%) and have been determined on the basis of the country- and sector-specific factors.

Externally available capital market data have been used for determining the WACCs. Cash flow forecasts are based particularly upon internal assumptions about the future expected selling prices and volumes as well as the associated costs. These internal assumptions are complemented with external market assumptions.

Revenue growth is estimated at 8.6% in 2026. Thereafter revenues are assumed to increase from 2027 until 2030 by 7.6% primarily driven by growth in the HORECA channel and supported by expanded initiatives in the retail segment.

If the recoverable amount is below the carrying amount of the asset or the cash-generating unit, the difference is recorded as an impairment loss. Impairment expenditure for cash-generating units to which goodwill is allocated, primarily reduce the book value of the goodwill. Impairment expenditure beyond this reduces the book value of the assets of the cash-generating unit.

Goodwill and essential input parameters for impairment testing are presented below:

2025 EUR 1,000	Italy	Slovenia	Croatia	Slovakia	Romania	Hungary	Russia	Bosnia	Bulgaria	Germany	Poland	China	USA	UAE	Other CGUs***
WACC after taxes	8.2%	7.6%	7.7%	7.6%	9.3%	9.5%	11.6%	13.6%	8.2%	6.3%	7.7%	6.2%	6.7%	7.0%	
WACC before taxes *	11.4%	9.7%	9.3%	9.6%	11.1%	10.5%	15.4%	15.1%	9.1%	9.2%	9.6%	8.3%	9.2%	7.7%	
Average revenue growth	4.8%	4.4%	3.6%	8.1%	9.3%	6.6%	-0.9%	3.0%	8.6%	17.4%	10.1%	13.9%	26.4%	25.3%	
Sensitivity**															
WACC +1%	-4,922	-3,168	-14,639	-2,866	-9,495	-737	231	-985	-1,690	-4,742	-8,645	-1,903	-7,142	-2,923	-71,996
WACC -1%	7,153	4,673	21,342	4,214	12,637	979	-565	1,058	2,379	7,949	12,566	3,247	11,448	4,504	111,265

2024 EUR 1,000	Italy	Slovenia	Croatia	Slovakia	Romania	Hungary	Russia	Bosnia	Bulgaria	Germany	Poland	China	USA	UAE	Other CGUs***
WACC after taxes	8.0%	7.0%	7.0%	7.0%	8.9%	9.1%	11.5%	13.0%	7.6%	5.7%	7.4%	6.3%	6.0%	6.5%	
WACC before taxes *	11.1%	9.0%	8.6%	8.9%	10.6%	10.0%	14.4%	14.5%	8.4%	8.2%	9.1%	8.4%	8.3%	7.1%	
Average revenue growth	5.1%	4.1%	5.1%	7.3%	11.0%	13.2%	4.0%	5.7%	12.8%	21.2%	9.4%	18.6%	20.0%	15.7%	
Sensitivity**															
WACC +1%	-6,330	-3,863	-9,862	-2,918	-6,001	-1,280	-5,259	-1,205	-1,714	-5,546	-4,637	-1,141	-700	-1,253	-28,912
WACC -1%	8,677	5,879	15,026	4,440	8,217	1,735	6,887	1,513	2,498	8,706	6,880	1,894	1,262	2,056	43,275

* Since impairment is calculated on an after tax basis, the WACC before tax is disclosed

** Change in Enterprise Values on increase/reduction of the WACC by 1 percentage point

*** Goodwill of production was allocated to all CGUs, including those without original goodwill

18 PROPERTY, PLANT AND EQUIPMENT

EUR 1,000	Land and buildings	Plant and machinery	Other plant and office equipment	Prepayments and assets under construction	Total
Cost					
At 01/01/2024	13,879	29,681	143,526	154	187,240
Exchange differences	-870	-71	-1,840	-247	-3,028
Additions	983	2,224	21,785	188	25,179
Disposals	-1,363	-2,058	-11,028	-265	-14,714
Reclassifications	0	0	0	541	541
At 31/12/2024	12,629	29,776	152,443	370	195,218
Exchange differences	-179	1	-3,540	-21	-3,739
Additions	873	1,321	23,485	234	25,913
Disposals	-475	-1,247	-11,123	-305	-13,150
At 31/12/2025	12,849	29,851	161,265	279	204,243
Depreciation					
At 01/01/2024	4,775	22,967	95,491	0	123,233
Exchange differences	-4,404	-70	1,838	0	-2,637
Depreciation	5,441	1,238	14,601	0	21,281
Disposals	-1,397	-2,055	-10,167	0	-13,619
At 31/12/2024	4,414	22,080	101,764	0	128,258
Exchange differences	-4,512	0	1,368	0	-3,144
Depreciation	5,626	1,337	15,668	0	22,632
Disposals	-289	-1,247	-11,136	0	-12,672
At 31/12/2025	5,240	22,171	107,663	0	135,074
Net book values					
At 01/01/2024	9,105	6,714	48,034	154	64,007
At 31/12/2024	8,215	7,696	50,679	370	66,960
At 31/12/2025	7,609	7,680	53,602	279	69,169

The cost of the fully depreciated property, plant and equipment still in use amounts to EUR 17,390 thousand (2024: EUR 15,557 thousand).

19 INVESTMENT PROPERTIES

EUR 1,000	2025	2024
At 1 Jan	830	850
Revaluation gains/(losses)	-10	-20
At 31 Dec	820	830

Investment properties include those properties that are held for the purpose of generating rental income and capital appreciation and can be disposed of separately.

The fair value is determined in accordance with generally accepted valuation methods, namely by reference to current market prices, by derivation from a price that was paid in the recent past in a transaction for similar properties, or, if sufficient market data are not available, by discounting estimated future net cash flows (the discounted cash flow method).

Investment properties are included in Level 3 of the fair value hierarchy.

Rental income from investment properties amounted to EUR 49 thousand (2024: EUR 51 thousand) in the reporting period and revaluation losses amounted to EUR 10 thousand (2024: EUR 20 thousand).

20 OTHER FINANCIAL ASSETS

EUR 1,000	2025	2024
At 1 Jan	31,098	1,810
Additions	730	31,096
Disposals	0	-1,791
Revaluation losses	-14	-17
At 31 Dec	31,814	31,098

Financial assets include securities held to cover pension obligations with a fair value of EUR 1,165 thousand (2024: EUR 1,179 thousand) as well as a loan granted to Boadicea Holding AG (now merged into Julius Meinl AG) in the amount of EUR 30,631 thousand. The loan originated from the merger of Julius Meinl Industrieholding GmbH into Julius Meinl 1862 GmbH in 2024 in the amount of EUR 29,536 thousand.

21 DERIVATIVE FINANCIAL INSTRUMENTS

The market values of derivative financial instruments are broken down as follows:

EUR 1,000	2025	2024
Derivative financial assets		
Foreign currency forward contracts	37	2,659
Total	37	2,659
Derivative financial liabilities		
Foreign currency forward contracts	1,199	0
Total	1,199	0

These derivative financial instruments are designated formally as hedging instruments and are 97% (2024: 95%) effective. Consequently, the ineffective part of derivative financial instruments recognised as hedging transactions amounted to 3% in the fiscal year (2024: 5%).

22 INVENTORIES

EUR 1,000	2025	2024
Raw materials and consumables	20,855	10,531
Unfinished products	1,960	1,885
Finished products	22,627	11,030
Goods	7,221	7,582
Prepayments	0	0
Total	52,663	31,029

Raw materials, auxiliary materials and consumables mainly include green coffee and packaging materials. Finished products and goods are primarily coffee products, retail goods, POS materials and coffee machines. The increase in green coffee prices is a key driver of the increase in inventories.

During the reporting period, inventories in the amount of EUR 169,786 thousand (2024: EUR 104,902 thousand) were recorded as an expense. Impairments of inventories were recognised in profit or loss in the amount of EUR 2,816 thousand (2024: EUR 1,242 thousand).

23 RECEIVABLES AND OTHER ASSETS

EUR 1,000	2025	2024
Trade receivables	40,691	32,137
Other receivables (short-term)	373	703
Other receivables (long-term)	4,442	3,492
Contract assets	338	489
Other receivables and assets	21,601	13,864
Total	67,445	50,686

Aging analysis of non-impaired trade receivables

	Total	Neither overdue nor impaired	Overdue, but not impaired			
EUR 1,000			< 30 days	30-90 days	91-365 days	> 365 days
31/12/2025	37,000	26,174	5,810	5,017	0	0
31/12/2024	31,409	23,944	4,663	2,107	447	247

Aging analysis of impaired trade receivables

	Summe	Not overdue and impaired	Overdue and impaired					
EUR 1,000			< 30 days	30-90 days	91-365 days	> 365 days	Impairment	Book value
31/12/2025	7,096	0	727	442	4,157	1,771	-3,406	3,691
31/12/2024	2,598	0	2	23	772	1,802	-1,869	729

To determine whether trade receivables are impaired, an account is taken of every change in creditworthiness, from the time of setting the payment deadline through to reporting date. There is no noteworthy concentration of credit risk in view of the fact that the customer base is a broad one and that there are no correlations.

If trade receivables are overdue by more than 91 days, they are considered to be impaired.

The specific bad debt allowance is deducted from trade receivables. The development of the bad debt allowance is presented below.

EUR 1,000	Bad debt allowance		Total
	due to customer risk	due to maturity structure	
Status 01/01/2024	889	1,540	2,430
Addition	174	343	518
Utilisation	-176	-413	-589
Release	-472	-18	-490
Status 31/12/2024	416	1,452	1,869
Addition	953	1,487	2,439
Utilisation	-435	-372	-807
Release	-62	-34	-96
Status 31/12/2025	873	2,533	3,406

Overdue receivables have not been impaired if recoverability has been warranted. Recoverability of overdue receivables has been warranted if they relate to active customers and securities are available. In some instances, credit terms have been renegotiated, and payment schedules have been agreed.

Transfer of financial assets

At the end of the financial year, trade receivables amounting to EUR 9,720 thousand (2024: 5,800 thousand) have been transferred to banks in exchange for cash in the amount of EUR 8,748 thousand (2024: EUR 5,220 thousand). Receivables for which significant opportunities and risks have been transferred are derecognised, meaning that both the receivable and the associated factoring liability are derecognised. Derecognised transferred receivables amount to EUR 9,720 thousand (2024: EUR 5,800 thousand).

On the reporting date, as in the previous year, there were no transferred trade receivables that have been transferred but not yet derecognised. The Group's control over the transferred receivables is limited. The receivables and liabilities exist until payment has been received from the original debtor.

24 CASH AND CASH EQUIVALENTS

EUR 1,000	2025	2024
Bank balances and cash in hand	38,320	36,738

Cash and cash equivalents are not subject to any disposal restrictions.

25 EQUITY

The changes in Group equity for the fiscal years 2025 and 2024 are shown on page 4.

25.1 Subscribed capital

The subscribed capital corresponds to the share capital of the parent company, JULIUS MEINL 1862 GmbH, in the amount of EUR 36 thousand (2024: EUR 36 thousand). In the course of the merger, the share capital was adjusted to the value of the acquiring company.

25.2 Non-controlling interests

Non-controlling interests include shares held by shareholders not affiliated with the Group in the equity of fully consolidated companies that are less than 100% directly or indirectly owned by JULIUS MEINL 1862 GmbH. As at 31 December 2025 non-controlling interests amounted to EUR -4,606 thousand (2024: EUR -4,536 thousand). Non-controlling interests in the individual companies are shown in the investment overview in the Notes.

25.3 Perpetual bonds

On 12 February 2010, JULIUS MEINL 1862 GmbH (JMIH/issuer, formerly JULIUS MEINL Industrieholding GmbH) converted liabilities in the nominal amount of EUR 26 million into subordinated perpetual bonds by way of debt restructuring, in accordance with Article 1379, ABGB (Allgemeines Bürgerliches Gesetzbuch [General Civil Code]). Altogether, 52 transferable partial certificates of subordinated perpetual bonds were issued, in nominal amounts of EUR 500 thousand each.

The bonds were issued for an unspecified term, whilst bondholders have no right to termination, the issuer has the authority to terminate the bonds. Payments for servicing the bond may only be made if JM 1862 reports a distributable net profit in its approved financial statements. With effect from 1 June 2025, the interest rate is 15.72 % p.a. (1 June 2024 – 31 May 2025 15.72 %), based on 12-month Euribor, increased by a margin of 12 percentage points. Hence the maximum margin of 12 percentage points has been reached.

If JM 1862 is not obliged to make payments for servicing the bond in the absence of a distributable profit and exercises its right of refraining from making a payment, these arrears are recorded and must subsequently be paid upon achieving a sufficiently high distributable profit.

On 1 June 2013, the issuer first obtained the right to terminate and redeem the bonds with a premium of 20 % over the nominal value. With effect from 31 May 2014, this premium increases annually by 5 percentage

points until a maximum of 150 % of the nominal amount will have been reached on 31 May 2019. In the event of termination by the issuer, all interest payments that are still due must also be paid. Additionally, the redemption premium increases by 10 percentage points for every interest period for which JMIH is in arrears with payment. Because the JULIUS MEINL 1862 Group has the possibility of avoiding payments (of interest as well as of principal) permanently on these subordinated perpetual bonds, they are classified as equity instruments. Payments made for servicing these bonds are booked directly in equity.

In 2019, 25 of the 52 bonds were redeemed with a nominal value of EUR 12,500 thousand. A redemption premium of 10 % was agreed upon for this repayment, which equalled EUR 1,250 thousand.

In the course of the merger of JULIUS MEINL Industrieholding GmbH into JULIUS MEINL 1862 GmbH in 2024, the receivable and the liability from 25 Perpetual Bonds and the related accrued interest came to be held with the same entity and eliminated in the consolidated financial statements after the certificates had been voided. As a result, only 2 Perpetual Bonds remain which are held by the shareholder of JULIUS MEINL 1862 GmbH, JULIUS MEINL AG, Switzerland at the reporting date.

Payments for servicing bonds during the financial year amounted to EUR 159 thousand (2024: EUR 161 thousand).

25.4 Cash flow hedge reserve

EUR 1,000	2025	2024
At 1 Jan	1,918	648
Revaluation gains/losses	-2,943	1,270
At 31 Dec	-1,025	1,918

25.5 Defined benefit obligation reserve

EUR 1,000	2025	2024
At 1 Jan	-4,952	-4,725
Revaluation gains/losses	-240	-227
At 31 Dec	-5,192	-4,952

25.6 Revaluation reserve for financial assets

EUR 1,000	2025	2024
At 1 Jan	59	158
Revaluation gains/losses	-8	-99
Status 31 Dec	51	59

The revaluation reserve includes changes in the value of securities.

25.7 Translation reserve

The fluctuation in the translation reserve includes foreign exchange differences in the amount of EUR -5,406 thousand (2024: EUR 1,014 thousand), which originate from net investments in subsidiaries whose functional currency is not the Euro. Thereof, EUR 435 thousand relate to JULIUS MEINL Russia (2024: EUR -193 thousand), EUR -1,532 thousand to JULIUS MEINL Gida Sanayi ve Ticaret (2024: -664 thousand), EUR -2,274 thousand to JULIUS MEINL North America (2024: EUR 1,249 thousand), EUR -1,706 thousand to JULIUS MEINL General Trading LLC (2024: 615 thousand), EUR -329 thousand to JULIUS MEINL Coffee Shanghai (2024: EUR 149 thousand) and EUR 1 thousand to JULIUS MEINL Polska (2024: EUR 7 thousand).

No changes in value due to currency fluctuations for non-monetary assets included in operating and office equipment in accordance with IAS 21.23 were recognised in the current financial year (2024: EUR -483 thousand). The remaining amount of EUR 7,880 thousand (2024: EUR 157 thousand) recognised in the other comprehensive income during the reporting year, relates to the translation of the financial statements of foreign subsidiaries into the Group's presentation currency.

26 LIABILITIES

EUR 1,000	2025	2024
Trade payables	102,815	63,402
Financial liabilities (short-term)	56,939	52,790
Financial liabilities (long-term)	36,698	41,178
Other liabilities (short-term)	40,267	33,236
Other liabilities (long-term)	2,258	2,690
Total	238,977	193,296

Trade payables

Trade payables include short-term payables that are settled in the normal course of business of the Group.

The Group has entered into supplier financing agreements with several financial service providers in order to extend payment terms for reasons of financing. Reverse factoring is mainly applied for green coffee purchases by mutual agreement with suppliers. CFLOX is an instrument that is set up bilaterally with a financial services provider in order to pre-finance future trade payables in a similar way to reverse factoring.

EUR 1,000	2025	2024
Carrying amount of trade payables covered by a supplier financing agreement	20,131	14,065
of which suppliers have already received payments	20,131	13,645

Financial liabilities

The carrying amounts of variable interest-bearing financial liabilities correspond to the fair value.

During the financial year, the Group entered into an amendment agreement relating to its existing loan of EUR 60 million. The term of the existing financing was extended to five years. The agreement extends the maturity to 10 October 2029, with two one-year extension options up to 10 October 2031. In addition, repayment instalments were reduced and margins were adjusted. The agreement also provides for an additional acquisition facility of up to EUR 20 million.

All new loan agreements stipulate compliance with certain covenants (minimum equity ratio of 20% and maximum net debt ratio of 3.5x). The loan agreement for the syndicated financing also contains ESG covenants which lead to a margin reduction if they are met.

The total financing costs for the syndicated loan agreement in 2024 and the related amendment agreement in 2025 in the amount of EUR 976 thousand (2024: EUR 858 thousand) have been deducted from bank loans. These arrangement fees have been amortised over the term of the loan. The carrying amount at the balance sheet date was EUR 810 thousand (2024: EUR 876 thousand).

In addition, financial liabilities include lease liabilities in the amount of EUR 10,110 thousand (2024: EUR 10,025 thousand).

Other liabilities

Other liabilities include customer bonuses, bonuses for employees, holiday obligations and various expenses. Customer bonuses are recognised under other liabilities, until final settlement. After final settlement, customer bonuses are deducted from trade receivables. A supplier of coffee machines grants payment terms of 48 monthly instalments. These liabilities are shown as short-term or long-term liabilities, in accordance with their maturity dates.

27 LEASES

The Group has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 4 and 6 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group has also concluded certain leases of machinery with lease terms of 12 months or less and leases of low-value office equipment. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

EUR 1,000	Land and buildings	Plant and machinery	Other plant and office equipment	Total
Cost				
At 01/01/2024	4,754	2,291	6,175	13,219
Additions	851	32	4,712	5,594
Disposals	-595	-39	-1,283	-1,917
At 31/12/2024	5,009	2,284	9,604	16,896
Additions	689	12	3,418	4,119
Disposals	-733	-65	-781	-1,578
At 31/12/2025	4,965	2,232	12,241	19,438
Depreciation				
At 01/01/2024	1,602	656	2,605	4,863
Depreciation	1,133	319	1,969	3,421
Disposals	-595	-39	-1,283	-1,917
At 31/12/2024	2,139	936	3,291	6,367
Depreciation	1,154	287	2,733	4,174
Disposals	-733	-65	-781	-1,578
At 31/12/2025	2,560	1,159	5,244	8,963
Carrying amount				
At 01/01/2024	3,152	1,635	3,569	8,357
At 31/12/2024	2,870	1,348	6,312	10,530
At 31/12/2025	2,404	1,073	6,998	10,475

The additions relate primarily to vehicles, plant and machinery in production, warehouses and an office building in Shanghai.

Set out below are the carrying amounts of lease liabilities (included in financial liabilities) and the movements during the year:

EUR 1,000	2025	2024
At 01 January	10,025	7,660
Additions	4,119	5,594
Accretion of interest	428	330
Payments	-4,463	-3,559
At 31 December	10,110	10,025
Non-current lease liabilities	6,321	6,708
Current lease liabilities	3,789	3,317

The maturity analysis of lease liabilities is disclosed in Note 31.2.2.

The following are the amounts recognised in profit or loss:

EUR 1,000	2025	2024
Depreciation expense of right-of-use assets	4,174	3,421
Interest expense on lease liabilities	428	330
Expense relating to short-term leases	86	8
Expenses relating to low-values leases	2	2
Total amount recognised in profit or loss	4,691	3,762

Group entities Noire S.r.l. and Robo S.r.l. entered into short-term leases (lease term of less than 12 months). The Group applies the exemption for short-term leases in accordance with IFRS 16 Leases and recognises the related lease payments directly in profit or loss.

Expenses for short-term leases amounted to EUR 86 thousand in 2025 of which EUR 66 thousand relates to Noire S.r.l. and EUR 6 thousand to Robo S.r.l.

The Group had total cash outflows for leases of EUR 4,463 thousand in 2025 (2024: EUR 3,559 thousand). In addition, the Group also had non-cash additions to right-of-use assets and lease liabilities of EUR 4,119 thousand in 2025 (2024: EUR 5,594 thousand).

28 PROVISIONS

Provisions are presented as follows:

EUR 1,000	As at 01.01. 2024	Additions	Utilisation	Release	As at 31.12. 2024	Additions	Utilisation	Release	Reclassification	As at 31.12.2025
Severance benefits	1,519	77	-76	0	1,520	8	-232	0	0	1,296
Service anniversary bonuses	447	47	-40	-49	405	43	-8	22	0	463
Other	2,197	518	-61	-31	2,623	603	52	0	0	3,278
Total	4,163	642	-176	-80	4,548	654	-188	22	0	5,037

Other provisions include obligations for share appreciation rights originated from share-based payments.

29 DEFINED BENEFIT OBLIGATIONS TO EMPLOYEES

29.1 Severance provisions

The Group maintains defined benefit plans in Austria, Italy and Slovenia for entitled employees, in accordance with applicable legal regulations.

The development of defined benefit obligations from severance benefits and related plan assets is presented below.

EUR 1,000	2025	2024
Defined benefit obligation as at 01/01	1,520	1,519
Current service cost	24	7
Interest cost	42	49
Payments made	-232	-76
Revaluations		
due to experience adjustments	-74	-1
due to changes in demographic assumptions	7	-9
due to changes in financial assumptions	9	31
Defined benefit obligation as at 31/12	1,296	1,520

Provisions for severance pay have been determined by applying a discount rate of 2.75 % or 2.47 % p.a., depending on duration (2024: 2.95 % or 2.80 % p.a.) including a dynamic rate for future payment increases of 4.0 % p.a. (2024:

4.0% p.a.) as well as a fluctuation rate that is adjusted according to an employee's years of service. The underlying assumption in respect of the duration is three or five years (2024: five or seven years).

Since 2018 the new calculation principles of the AVÖ (Aktuarvereinigung Österreichs [Austrian Actuary Association]) 2018-P have been issued for the actuarial valuation methods to be used for employee benefit provisions for Austria and Italy. The new calculation principles do particularly reflect the increased life expectancy (both of the entitled parties themselves and also of dependent survivors after an entitled party has passed away) and the reduced probability of the incidence of occupational disability since the previous adaptation of the calculation principles.

Contributions are paid to an employee pension fund for Austrian employees who joined the company on or after 1 January 2003. This is a defined contributed plan and therefore no provision is required in that regard. The contributions amounted to EUR 291 thousand (2024: EUR 174 thousand).

29.2 Jubilee bonus provisions

EUR 1,000	2025	2024
Defined benefit obligation as at 01/01	405	447
Current service cost	31	32
Interest cost	13	14
Payments made & compensation	-8	-40
Revaluations		
due to experience adjustments	8	-76
due to changes in demographic assumptions	18	19
due to changes in financial assumptions	-4	8
Defined benefit obligation as at 31/12	463	405

Provisions for jubilee benefits are recognised by the Group companies in Austria for compensation due on the basis of collective bargaining agreements or company agreements and dependent on length of service.

The provisions for jubilee benefits were calculated using a discount rate of 3.22% or 3.89% p.a. depending on the duration (2024: 3.13% or 3.21% p.a.) and including a dynamic rate for future salary increases of 4.0% p.a. (2024: 4.0% p.a.) as well as a fluctuation rate adjusted to the employees' years of service. The underlying duration assumption is seven and thirteen years respectively (2024: seven and fourteen years respectively).

29.3 Subordinated capital

On the basis of a declaration of subordination, pension obligations at JULIUS MEINL 1862 GmbH in the amount of EUR 3,352 thousand (2024: EUR 3,520 thousand) are presented as "Subordinated capital".

The calculations of pension provisions are based on a discount rate of 2.75% p.a. (2024: 2.95%), determined on the basis of relevant yields in the secondary market and an expected increase of future pension payments of 0.0% (2024: 0.0%). The underlying assumption in respect of duration is five years (2024: five years).

The development of subordinated capital is broken down as follows:

EUR 1,000	2025	2024
Defined benefit obligation as at 01/01	3,520	3,691
Interest cost	94	114
Payments made	-610	-610
Revaluations		
due to experience adjustments	317	259
due to changes in financial assumptions	29	66
Defined benefit obligation as at 31/12	3,352	3,520

29.4 Impact of defined benefit obligations on total comprehensive income

Total comprehensive income of defined benefit obligations is presented as follows:

EUR 1,000	2025	2024
Current service cost	55	39
Net interest cost	149	176
Defined benefit component costs recorded in the statement of profit or loss	204	216
Remeasurement of the net liability		
Actuarial result of defined benefit plans	-311	-295
Deferred tax	72	68
Defined benefit cost components recorded in other comprehensive income	-240	-227

29.5 Sensitivities of defined benefit obligations

The significant actuarial assumptions that were used to determine the defined benefit obligation are the discount rate, expected salary increases, and mortality. The sensitivity analysis presented below has been conducted on the basis of reasonable possible changes in the respective assumptions on the balance-sheet date, whilst the other assumptions have remained unchanged.

Input parameters have been varied as follows for the purpose of the sensitivity analysis:

- Fluctuation $\pm$ 0.50% (severance payment obligations)
- Residual life expectancy $\pm$ one year (pension obligation)
- Discount rate $\pm$ 0.25%
- Incremental increases for future benefits $\pm$ 0.25%

The impact on defined benefit obligations is presented below:

Severance obligations

EUR 1,000	Severance Julius Meinl Italia		Severance Julius Meinl Austria		Severance Julius Meinl 1862	
	2025	2024	2025	2024	2025	2024
Fluctuation						
Change in DBO in % (+ Delta)	-0.08%	-0.06%	-1.35%	-1.20%	n/a	n/a
Change in DBO in % (- Delta)	0.08%	0.06%	0.68%	0.66%	n/a	n/a
Discount rate						
Change in DBO in % (+ Delta)	-1.41%	-1.50%	-3.75%	-1.14%	-2.37%	-0.80%
Change in DBO in % (- Delta)	1.45%	1.54%	3.98%	1.16%	2.44%	0.80%
Incremental future salaries delta						
Change in DBO in % (+ Delta)	0.91%	0.96%	1.26%	1.13%	0.77%	0.77%
Change in DBO in % (- Delta)	-0.90%	-0.95%	-1.24%	-1.11%	-0.77%	-0.77%

Pension obligations

EUR 1,000	2025	2024
Residual life expectancy		
Change in DBO in % (+ delta)	16.47%	16.74%
Change in DBO in % (- delta)	-17.00%	-17.47%
Discount rate		
Change in DBO in % (+ delta)	-3.22%	-1.12%
Change in DBO in % (- delta)	3.44%	1.14%
Rate of increase for future pensions		
Change in DBO in % (+ delta)	1.15%	1.17%
Change in DBO in % (- delta)	-1.13%	-1.15%

The defined benefit obligations (severance and pension obligations) are subject to the following risks:

- Investment risk
- Interest rate risk
- Future increase in remuneration
- Longevity risk

Investment risk means that the development of the assets backing the benefit is subject to fluctuations. Interest rate risk arises from a possible fall in market interest rates, which causes an increase in defined benefit obligations. A future increase in emoluments also causes an increase in liabilities. This is why the calculation parameters are adjusted as needed each year, so that they always reflect the best estimation of the liabilities.

Provisions for performance-related liabilities are calculated on the basis of current mortality assessments. Extended life expectancy would lead to a higher provision.

30 CASH FLOW

The cash flow from operating activities is derived using the indirect method. The cash flow statement shows how the funds of the group have changed during the year under review, in terms of inflows and outflows. Distinctions are made between payment flows from operating, investment and financing activities. The volume of cash and cash equivalents comprises cash in hand, cheques, balances at banks and short-term securities.

Inflows and outflows of funds from income taxes are shown in the cash flow from operating activities. Outgoing payments for servicing equity are shown as part of financing activities.

Changes in liabilities from financing activities, including changes those because of cash flows and changes not related to payments, are shown in the following table.

EUR 1,000	01/01/2025	Cash Flows	Foreign exchange movement	Changes in fair values	Leases	Other	31/12/2025
Current interest-bearing liabilities	49,474	-2,697	0	0	0	5,174	51,951
Current lease liabilities	3,316	0	0	0	472	0	3,788
Non-current interest bearing liabilities	34,469	518	0	0	0	-4,610	30,377
Non-current lease liabilities	6,708	0	0	0	-387	0	6,321
Derivates and other non-interest-bearing liabilities	0	0	0	1,199	0	0	1,199
Total financial liabilities	93,967	-2,179	0	1,199	85	-4,610	93,636

EUR 1,000	01/01/2024	Cash Flows	Foreign exchange movement	Changes in fair values	Leases	Other	31/12/2024
Current interest-bearing liabilities	45,981	3,493	0	0	0	0	49,474
Current lease liabilities	2,355	0	0	0	961	0	3,316
Non-current interest bearing liabilities	30,763	3,672	0	0	0	34	34,469
Non-current lease liabilities	5,305	0	0	0	1,403	0	6,708
Derivates and other non-interest-bearing liabilities	347	0	0	-347	0	0	0
Total financial liabilities	84,751	7,165	0	-347	2,364	34	93,967

31 RISK MANAGEMENT – FINANCIAL INSTRUMENTS

31.1 Capital risk

In respect of managing capital risk, JULIUS MEINL 1862 Group is primarily oriented towards its medium-term and long-term strategic goals of sustainable growth of the company in terms of equity capital and debt capital. The objective is increasing the equity capital ratio, optimising working capital and the operational cash flow and ensuring sufficient liquidity. Reports for each company and at Group level are submitted to management every month on developments in volume, sales revenues and income, the amount of investments made, the development of stock, changes in equity, and the financial result. Furthermore, an internal audit of the Group prepares relevant figures and comparative reports at the company level for management.

EUR 1,000	2025	2024
Equity ratio (including subordinated capital)	25.4%	29.0%
Working capital	-22,289	-10,129
Cash flow from operating activities	39,651	44,447

Loan agreements provide that certain covenant (Equity ratio > 20.0% and net debt < 3.50x) have to be met.

Financial instruments are divided into primary and derivative financial instruments. Primary financial instruments include, for example, trade receivables and trade payables as well as financial assets and liabilities. Derivative financial instruments serve to hedge foreign exchange rate and interest rate risks that emanate from operational business activities. JULIUS MEINL 1862 Group uses forward foreign exchange transactions as financial derivative instruments. The market value corresponds to the amount that the company would receive or have to pay upon cancellation of the transaction on the balance-sheet date. The figures are recognised under short-term other receivables respectively under short-term financial liabilities. The volume of outstanding primary financial instruments may be gleaned from the balance sheet.

The net result from the measurement of financial assets and liabilities according to measurement categories is presented as follows:

EUR 1,000	2025	2024
Financial assets at amortised cost	-2,240	-570
Other financial liabilities at amortised cost	-6,606	-5,307
Total	-8,846	-5,877

The net result from loans and receivables relates to depreciation and revaluation of receivables. The net result from other financial liabilities relates to interest expense and exchange differences.

31.2 Financial risk

The treasury division coordinates the financial management of the Group and deals with the managing of associated risks. The objective is to ensure sufficient liquidity for all business divisions, whilst endeavouring to make use of the most suitable financing possibilities. The objective of risk management is ensuring to establish stable cash flows.

The objective of financial risk management is minimising the following financial risks:

- Credit risk
- Liquidity risk
- Market risks (foreign currency risk, interest rate risk and commodity price risk)

31.2.1 Credit risk

Credit risk entails the danger that business partners will not be able to fulfil their financial obligations, which would lead to monetary losses. On the assets side, the carrying amounts represent the maximum default risk, because generally there are no netting arrangements.

Discernible risks in customer receivables are mitigated by means of appropriate bad debt allowances. About 59% (2024: 69%) of Group revenue is generated from the gastronomy sector, where payments are mostly received upon delivery. The remaining revenue originates primarily from the retail sector. Payment terms vary from country to country, from 30 to 120 days.

Monthly dunning runs, all catering industry customer receivables are regularly checked for overdue amounts. If the payment behaviour of specific customers have deteriorated, the sales force is notified in the course of the dunning run and then contacts the customer directly. In relation to receivables from retail customers no material payment issues have occurred.

Moreover, all receivables that are included in factoring are reviewed separately by the factoring bank upon weekly submission of the receivables' ageing. If the receivables are older than allowed under the terms of the factoring bank, the factoring bank will notify the Group.

The maximum default risk from recognised financial assets amounts to EUR 67,445 thousand (2024: EUR 50,686 thousand). Appropriate allowances have been allocated (see Note 23).

Credit risk in conjunction with liquid funds and derivative instruments is minimised by avoiding risk concentrations, which is achieved by carefully selecting counterparties and spreading the risk.

31.2.2 Liquidity risk

Group-wide biweekly previews of expected operating and financial cash flows are prepared for the purpose of evaluating and managing liquidity risk. The anticipated cash flows are reviewed in conjunction with available liquid funds, credit lines and financing arrangements. Liquidity reserves and credit lines are maintained for ensuring solvency. Committed credit facilities from banks amounted to EUR 115,000 thousand (31 December 2024: EUR 115,000 thousand). Thereof, EUR 29,811 thousand had not been drawn down on 31 December 2025 (31 December 2024: EUR 36,550 thousand). Treasury Division reports every second week to the management about the liquidity situation of the past few weeks and, based on the financial status of the beginning of the week, about the outlook for forthcoming weeks. When financing agreements are concluded, special attention is paid to managing maturity dates, in order to establish a balanced maturity profile.

The financial covenants (see Note 31.1) are an integral part of the loan agreement and must be complied with in order to continue to draw on existing financing. In the event of non-compliance, the lenders have the option of terminating the agreement. Should such a situation arise, discussions with the lenders will be sought in a timely manner in order to find a solution that is acceptable to all parties involved in the agreement. The Group assumes that the financial covenants will be met as agreed.

A significant proportion of the Group's trade payables are included in supplier financing agreements (reverse factoring or CFLOX). This means that a large number of suppliers are replaced by a few financial institutions that offer an extension of the payment term. However, the Group is of the opinion that this agreement does not result in any excessive concentration risk.

The Group's financial liabilities have the following maturity dates (based on contractual, not discounted payments).

At 31/12/2025	<3 months	3-12 months	1-5 years	>5 years	Total
Bank borrowings	319	51,632	76	30,301	82,328
Lease liabilities	975	2,814	6,321	0	10,110
Derivatives	0	1,199	0	0	1,199
Total	1,294	55,645	6,397	30,301	93,637

At 31/12/2024	<3 months	3-12 months	1-5 years	>5 years	Total
Bank borrowings	921	48,553	34,469	0	83,943
Lease liabilities	861	2,456	6,708	0	10,025
Derivatives	0	0	0	0	0
Total	1,782	51,008	41,178	0	93,968

At 31/12/2025	<3 months	3-12 months	1-5 years	>5 years	Total
Currency forward contracts	0	37	0	0	37
Total	0	37	0	0	37

At 31/12/2024	<3 months	3-12 months	1-5 years	>5 years	Total
Currency forward contracts	0	2,659	0	0	2,659
Total	0	2,659	0	0	2,659

31.2.3 Foreign currency risk

Derivative financial instruments

Foreign currency risks arise in particular, wherever receivables and liabilities exist in a currency that differs from the company's functional currency. All Group companies issue invoices in their own functional currency, so that there are no foreign exchange rate risks inherent in trade receivables. Loans are only granted to debtors within the same currency.

Suitable hedging transactions offset the foreign currency risk associated with the purchase of green coffee (which is purchased in USD).

On 31 December 2025, there were outstanding currency forward contracts that were designated as hedge transactions for hedging expected future purchases of green coffee from suppliers in USD. The currency forward transactions are concluded for hedging foreign exchange rate risks associated with fixed obligations. In principle, virtually 100% of USD requirements are covered for the next three to six months. In the financial year, 100% of USD requirements were actually covered (2024: 100%). The effectiveness of these hedging relationships was 97%.

On the basis of volume planning, the foreign exchange rate risk for USD is hedged by means of derivative hedging instruments, for which currency forward contracts are used. Sensitivity analyses have been performed for changes in the foreign exchange rate for EUR/USD of +10 % and -10 % and with an increase in the foreign exchange rate for USD versus the EUR of +10%, the result was an effect of EUR -2.983 thousand (2024: EUR -3,158 thousand), whilst with a decrease in the foreign exchange rate for USD versus the EUR of -10%, the result was an effect of EUR 2,441 thousand (2024: EUR 2,584 thousand).

Derivatives with hedge relationships as at 31 December 2025 (in 1,000):

Derivatives with hedge relationship	Hedged risk	Nominal*	Fair value
Currency forward contracts	BUY USD/SELL EUR	70,812	-1,109
Currency swaps & time options	BUY USD/SELL EUR	521	-53
Total			-1,162

Derivatives with hedge relationships as at 31 December 2024 (in 1,000):

Derivatives with hedge relationship	Hedged risk	Nominal*	Fair value
Currency forward contracts	BUY USD/SELL EUR	45,173	2,552
Currency swaps & time options	BUY USD/SELL EUR	1,612	107
Total			2,659

*Nominal currency forward contracts and currency swaps in USD 1,000

The following significant foreign exchange rates have been used for the purpose of currency translation into the reporting currency (EUR):

Exchange rates of significant currencies	2025		2024	
	Closing rate	Average rate	Closing rate	Average rate
EUR/USD	1,1750	1,1293	1,0389	1,0821
EUR/RUB	92,0938	94,2135	106,1028	100,1389
EUR/RON	5,0985	5,0415	4,9743	4,9746

There were no highly likely future transactions for which hedge accounting has been applied which then did not materialise. Furthermore, no component of a hedge transaction needed to be recorded in profit or loss as being ineffective. The hedge relationships for hedging cash flows against expected future purchases until December 2025 have been found to be highly effective. Therefore, an unrealised loss from these hedge instruments in the amount of EUR -3,822 thousand (2024: EUR 1,271 thousand unrealised loss) has been recorded, after taking deferred taxes in the amount of EUR 879 thousand (2024: EUR -380 thousand) into account.

Application of IAS 29 – Hyperinflation

Turkey is considered a hyperinflationary economy in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies. Accordingly, the financial statements of the Turkish subsidiary are restated for inflation prior to translation into the Group's presentation currency.

31.2.4 Interest rate risk

Interest rate risk caused by fluctuations in market interest rates arises above all in respect of receivables and payables with maturities beyond one year. Such longer terms are not materially important from an operational point of view, but they are for long-term financial assets and liabilities.

A credit limit process and ongoing monitoring of interest rate risks serve to minimise this risk. Interest rate developments are monitored on a daily basis.

On 31 December 2025, there were no outstanding interest rate hedge instruments.

A sensitivity analysis has been conducted for financial instruments bearing variable interest rates, for a rise in rates of 0.50 %. A 0.50 % increase in interest rates would mean higher interest expenditure for the year 2025 of EUR 407 thousand (2024: EUR 404 thousand).

The interest rate structure of financial liabilities presents itself as follows:

Financial liabilities	Fixed or variable interest rate	2025	2024
Bank borrowings	variable	51,951	49,474
Finance leases	fix	3,789	3,316
Other non-interest-bearing liabilities		1,199	0
Total current financial liabilities		56,939	52,790
Non-current interest-bearing liabilities	Fixed or variable interest rate	2025	2024
Bank borrowings	variable	30,377	34,469
Finance leases	fix	6,321	6,708
Total non-current financial liabilities		36,698	41,177
Total financial liabilities		93,637	93,967

31.2.5 Categories of financial assets and financial liabilities

The financial assets and financial liabilities are classified into the following categories:

Financial assets

Financial assets at fair value through other comprehensive income	in EUR 1,000 2025	in EUR 1,000 2024	Input Factors Measurement Hierarchy
Investment fund units	1,165	1,179	Level 1
Financial assets at amortised cost	in EUR 1,000 2025	in EUR 1,000 2024	Input Factors Measurement Hierarchy
Trade receivables	41,064	32,840	Level 3
Other receivables	4,780	3,982	Level 3
Cash and cash equivalents	38,320	36,738	Level 3
Other assets	21,601	13,864	Level 3
Total financial assets	106,930	88,603	

Financial liabilities

Derivates designated as hedge instruments	in EUR 1,000 2025	in EUR 1,000 2024	Input Factors Measurement Hierarchy
Derivatives for hedging cash flows	1,199	-	Level 2
Other financial liabilities at amortised cost			
Trade payables	102,815	63,402	Level 3
Bank borrowings	82,328	83,943	Level 2
Lease liabilities	10,110	10,025	Level 2
Other financial liabilities	37,060	27,150	Level 3
Total financial liabilities	233,512	184,520	

31.2.6 Measurement at fair value

The fair values present themselves as follows:

	Carrying amount		Fair value	
	2025	2024	2025	2024
Financial assets				
Investment fund units	1,165	1,179	1,165	1,179
Trade receivables	41,064	32,840	41,064	32,840
Cash and cash equivalents	38,320	36,738	38,320	36,738
Other assets	26,381	17,846	26,381	17,846
Total	106,930	88,603	106,930	88,603
Finanzielle Verbindlichkeiten	2025	2024	2025	2024
Derivatives for hedging cash flows	1,199	0	1,199	0
Trade payables	102,815	63,402	102,815	63,402
Bank borrowings	82,328	83,943	82,328	83,943
Lease liabilities bearing fixed interest rates	10,110	10,025	10,110	10,025
Other financial liabilities	37,060	27,150	37,060	27,150
Total	233,512	184,520	233,512	184,520
Fair value of revalued Property, plant and equipment	2025	2024	2025	2024
Investment properties	820	830	820	830
Total	820	830	820	830

31.2.7 Fair value of financial assets and liabilities measured at fair value

	Fair value*				
Financial assets / Financial liabilities	31/12/2025	31/12/2024	Hierarchy	Measurement method	Significant input parameters
Investment fund units	1,165	1,179	Level 1	Prices quoted on an active market	Market rate
Foreign currency forward contracts	37 -1,199	2,659 0	Level 2	Indicative pricing method The strike rate is compared with the spot rate on the balance-sheet date. This is used to determine indicative pricing and therefore the fair value on balance-sheet date.	Strike rate Spot rate
Investment properties	820	830	Level 2	Comparative valuation method	Market value of comparable properties

* + Asset / - Liability

For all assets and liabilities not shown in the table above, the book values are considered to be a close approximation of their fair values.

During the reporting period, there have been no transfers between Levels 1 and 2.

31.2.8 Commodity price risk

Green coffee purchasing represents a market risk both by virtue of fluctuations on the coffee market and because of changes in the EUR/USD exchange rate. The foreign exchange rate risk is managed by concluding dedicated forward foreign exchange transactions. FX forwards are concluded for procurement of green coffee that ensure coverage for a period from 4 to 12 months, depending on market circumstances. Long-term cost fluctuations are passed on to customers, in order to maintain the profit margin and thereby ensure the profitability of the Group.

32 EXPENSES FOR THE GROUP AUDITOR

Expenses for the group auditor amounted to EUR 458 thousand (2024: EUR 410 thousand). Thereof, EUR 272 thousand (2024: 215 thousand) was related to annual audits, EUR 0 thousand (2024: 18 thousand) to other assurance services and EUR 186 thousand (2024: EUR 177 thousand) to other services.

33 SHARE BASED PAYMENTS

The Group has issued a share-based remuneration plan for key management personnel (so-called Long-Term Incentive Plan [LTIP]) which allots share appreciation rights based on a leverage buy-out model. No equity instruments are issued but proportional share appreciation rights (SAR's) which are valued based on the future economic development of the Group and on the initial investment of the participating members.

The share appreciation rights can be partially paid out after 5 years or fully after 10 years unless the members have left the Group previously and have thus forfeited their entitlement. Settlement is cash based. Initially and at the end of every reporting period until settlement, the SAR liability is measured at fair value of the share appreciation rights. An option pricing model considering the granting conditions of the share appreciation rights is used for valuation purposes.

As of 31 December 2025 the book value of the SAR liability amounted to EUR 2,540 thousand (31 December 2024: EUR 1,969 thousand).

As at 31 December 2025 no share appreciation rights were exercisable.

The expense recognised for employee services received during the year is shown in the following table:

EUR 1,000	2025	2024
Expense arising from cash-settled share based payment transactions	571	301
Total expense arising from share-based payment transactions	571	301

Movements during the year

EUR 1,000	2025	2024
Outstanding at 1 January	1,969	1,668
Granted during the year	571	301
Outstanding at 31 December	2,540	1,969

Input factors

EUR 1,000	2025	2024
Fair values at the measurement date (TEUR)	2,540	1,969
Dividend yield (%)	8.0	8.0
Expected volatility (%)	10.0	10.0
Risk-free interest rate (%)	1.0	1.0
Expected life of SARs (years)	4.0	5.0
Model used	Black-Scholes	Black-Scholes

The anticipated term of the SAR's is based on historical data and current expectations and does not necessarily correspond to how the rights will be actually exercised in the future. The expected volatility assumes that historical volatility can predict future trends. However, the actual volatility can be different from the assumptions made.

34 GUARANTEES, CONTINGENT ASSETS AND LIABILITIES

On the balance-sheet date, guarantees in favour of suppliers had been issued in the amount of EUR 4,920 thousand (2024: EUR 3,420 thousand). On the balance-sheet date, there were no significant contingent assets or liabilities.

The appeal against the 2014 tax assessment addressed to Julius Meinl 1862 GmbH and the group tax assessment addressed to Julius Meinl Coffee GmbH (name changed to Julius Meinl 1862 GmbH) is awaiting further processing at the Federal Finance Court. Neither an informal hearing nor a hearing in front of the tribunal has taken place yet and further procedural steps are pending. A court decision is expected during 2026.

The appeal proceedings against the assessment notices for 2015 - 2017 are already pending before the court and are being heard jointly with the 2014 case in single-judge proceedings. A judgment is expected shortly following the decision in respect of the 2014 year.

The tax audit for the years 2018 – 2021 has been substantially completed; however, final audit findings are not yet available as the tax auditor is awaiting the decisions of the Federal Finance Court in respect of the years 2014 – 2017.

In essence both pending cases relate to the deductibility of licence fees to the Swiss license holder and, regarding the 2015 – 2017 tax audit, also to the deductibility of interest expense for the Perpetual Bonds.

It is currently not possible to estimate whether and to what extent an obligation may arise from these matters. The maximum amount of the tax charge stated in the audit reports from the issues pending appeal is EUR 8,263 thousand. The topics in question would have an impact on subsequent years, but the company's rationale is the same as specified in the appeal. The company assesses its position to be favourable and due to the fact that the amount of a potential tax payment cannot be reliably measured it is considered appropriate not to record a provision in that regard.

In relation to tax matters in Russia, uncertainties exist regarding the tax base, giving rise to a contingent liability in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Based on the assessment performed an outflow of resources is not considered probable. Accordingly, no provision has been recognised. As at 31 December 2025, the exposure amounts to EUR 4,867 thousand and relates to the years 2023 to 2025.

35 RELATED PARTIES

Short-term and long-term remuneration of the six (2024: six) members of key management amounted to EUR 3,555 thousand (2024: EUR 3,951 thousand).

There was a change in the management board during the financial year. With effect from 1 September 2025, Mrs Corina Ancuta succeeded Mr Jörg Hönemann as CFO; this position is counted as one board member.

In 2025, an adjustment to the long-term variable remuneration (LTI) amounting to EUR 130 thousand was recorded, relating to prior years.

JULIUS MEINL Central's ("JM Central") rental income from JULIUS MEINL 1862 amounted to EUR 1,160 thousand (2024: EUR 888 thousand) and liabilities at year-end to JM Central were EUR 177 thousand (2024: EUR 73 thousand).

36 EVENTS AFTER THE BALANCE-SHEET DATE

Subsequent to the reporting date, a military escalation occurred in the Middle East. Given the Group's international operations potential impacts are continuously monitored. At the time of preparation of the consolidated financial statements no material adjustments to recognised amounts were identified.

Furthermore, no material events occurred after the reporting period that indicated conditions existing as of the reporting date and that would have required recognition or disclosure in the consolidated financial statements.

37 MANAGING DIRECTORS

The directors of the company during the reporting period were:

Marcel Löffler
Jörg Hönemann (until 31.08.2025)
Corina Ancuta (since 01.09.2025)

Vienna, April 21, 2026

The Managing Directors

Marcel Löffler mp
Corina Ancuta mp

This report is a translation of the original report in German, which is solely valid.

JULIUS MEINL 1862 GMBH

INVESTMENT OVERVIEW 31 DECEMBER 2025

in thousands of respective currency	Currency	Share capital	Parent	Share of parent	Profit and loss transfer	Full consolidation
JULIUS MEINL Austria GmbH, Wien	EUR	727	JM 1862	100%	yes	F
JULIUS MEINL Markenverwertungs GmbH, Wien	EUR	18	JM 1862	100%	yes	F
F.M. ZUMTOBEL Gourmet-Kaffee GmbH, Wien	EUR	727	JM 1862	100%	yes	F
JULIUS MEINL ITALIA S.p.A., Bozen, IT	EUR	1,000	JM 1862	100%	no	F
JULIUS MEINL Hungary Kft, Budapest, HU	HUF	3,000	JM 1862	100%	no	F
JULIUS MEINL Coffee Intl. a.s., Bratislava, SK	EUR	2,083	JM 1862	99.4%	no	F
S.C. JULIUS MEINL Romania s.r.l., Targu Secuiesc, RO	RON	5,782	JM 1862	100%	no	F
JULIUS MEINL Russland o.o.o., Moskau, RU	RUB	35	JM 1862	100%	no	F
JULIUS MEINL BH d.o.o., Ljubuski, BA	BAM	2	JM 1862	90%	no	F
JULIUS MEINL Clearing und Treasury GmbH, Wien	EUR	109	Austria	100%	yes	F
Gourmet Vertriebsgesellschaft m.b.H., Wien	EUR	363	Austria	100%	yes	F
Gourmet Deutschland GmbH, Düsseldorf, DE	EUR	25	Austria	100%	no	F
JULIUS MEINL Gıda Sanayi ve Ticaret Limited Şirketi, Istanbul, TR 2)	TRY	20	JM 1862	100%	no	F
JULIUS MEINL d.o.o., Sežana, SI	EUR	77	ITALIA	100%	no	F
JULIUS MEINL Croatia d.o.o., Kerestinec, HR 1)	HRK	7,378	ITALIA	96.0%	no	F
Robo S.r.l., Vicenza, IT	EUR	10	ITALIA	100%	no	F
Noire S.r.l., Vicenza, IT	EUR	10	ITALIA	100%	no	F
JULIUS MEINL Beograd d.o.o., Beograd, RS	RSD	942	Croatia	100%	no	F
JULIUS MEINL UK Ltd., London, UK	GBP	0	JM 1862	100%	no	F
JULIUS MEINL North America LLC, Wilmington, USA	USD	0	JM 1862	100%	no	F
JULIUS MEINL Deutschland GmbH, Düsseldorf, DE	EUR	1,074	JM 1862	100%	no	F
JULIUS MEINL Middle East - FZC, Ajman, UAE	AED	185	JM 1862	80%	no	F
JULIUS MEINL General Trading LLC, Dubai, UAE	AED	100	JM Middle East	100%	no	F
JULIUS MEINL Coffee Shanghai LLC, Shanghai, China	CNY	13,480	JM 1862	90%	no	F
JULIUS MEINL Bulgaria OOD, Sofia, Bulgaria	BGN	402	JM 1862	80%	no	F
JULIUS MEINL Polska z.o.o., Warsaw, Poland	PLN	6,989	JM 1862	85%	no	F
JULIUS MEINL France SAS, Lyon, France	EUR	50	JM 1862	100%	no	F
JULIUS MEINL Kazakhstan LLP, Almaty, KAZ	KZT	100	JM Russia	100%	no	F

Italia = JULIUS MEINL Italia S.p.A.
JM 1862 = JULIUS MEINL 1862 GmbH
Austria = JULIUS MEINL Austria GmbH

JM Russia = JULIUS MEINL Russland o.o.o.
JM Middle East = JULIUS MEINL Middle East - FZC
F = Full consolidation

- 1) In the financial year the shares in JM Croatia were increased by 2,5% through the purchase of minority interests.
JULIUS MEINL Bonfanti d.o.o. was renamed JULIUS MEINL Croatia d.o.o. during the financial year.
- 2) During the financial year 2025, the interest in JULIUS MEINL Gıda Sanayi ve Ticaret Limited Şirketi (Turkey) was increased by 10%.

JULIUS MEINL 1862 GMBH

DIRECTORS' REPORT 2025

1 BUSINESS AND PERFORMANCE REVIEW

1.1 Business review

The Group achieved sales revenues amounting to EUR 351 million (+ EUR 91.2 million/ +35.15% compared to the prior year) during the financial year. EBITDA showed an impressive improvement from EUR 37.7 million to EUR 40.3 million (+6.95%). 2025 was characterized by rising green coffee prices. This effect was mitigated in the past financial year by forward contracts and significant price adjustments, but the trend of rising prices continued into 2026. The increase in sales revenues resulted from these developments, higher sales volumes and the optimization of the product portfolio.

During the reporting year, efforts were concentrated on strengthening existing markets while also expanding additional sales channels. In particular, the retail segment was further strengthened in order to reach new customer groups. In addition, the sale of coffee machines was expanded as a adjacent business area. At the same time, the product offering was broadened to meet changing customer requirements and to further strengthen the company's market position. Overall, the company aims to diversify its sales channels, expand its market presence, and unlock additional growth potential.

Coffee markets in 2025 were characterized by high volatility. Key drivers included weather conditions in major growing regions, speculative activity in the futures markets and trade policy developments, particularly in connection with U.S. tariffs and the EU Deforestation Regulation (EUDR). Arabica prices rose significantly in the first half of the year due to drought conditions in Brazil and declining inventories, reaching a peak in the first quarter. As the year progressed, prices eased due to improved supply outlooks - particularly for the 2026 Brazilian harvest - along with the lifting of U.S. tariffs and the delay in the implementation of the EUDR. Robusta prices followed a similar trajectory but remained more heavily influenced by supply conditions in Southeast Asia, also declining in the second half of the year. Despite this correction, coffee prices in 2025 remained at historically high levels overall.

In the past financial year, coffee contracts were used for hedging purposes to mitigate the impact of rising prices. At the same time, several significant price increases were implemented in recent years, which also contributed to a substantial rise in revenue.

The financial year continued to be shaped by the consistent advancement of digitalization initiatives. Following the go-live of SAP S/4 Hana in the pilot countries in 2024, 2025 was focused on implementations in Austria, Germany, and North America. The go-live for these locations is scheduled for January 1, 2026, which will largely complete the rollout across the manufacturing units.

In addition, it was decided to implement the CRM system Salesforce in several phases. In 2025, implementation began with the B2B order platform in Austria as a pilot project. The platform enables customers to place orders at any time, reduces internal manual effort in order processing and - through direct integration with SAP S/4 Hana - is intended to enhance the transparency and efficiency of ordering processes.

The shift toward sustainability continued to gain momentum and 2025 was a successful year for the company. As part of the Responsibly Selected Coffee Initiative, the share of green coffee sourced through sustainable coffee supply chains for production in Vienna and Vicenza was significantly increased, enabling the Company to achieve its year-end target of transitioning to 100% sustainable coffee supply chains.

At the same time, the Generations Programme was expanded through the addition of Honduras and India, increasing the number of project regions from two to four and achieving implementation earlier than originally planned for 2026.

In addition, the installation of further catalysts in our production facilities enabled us to advance our decarbonization efforts.

Growing awareness of sustainability among market participants, along with increasing regulatory requirements, is creating new conditions for economic activity. The company views these developments as an opportunity and is proactively implementing improvements.

The developments in more detail:

- **Austria:** In the past financial year, both the HoReCa segment and the retail business recorded a decline in sales volumes, while revenues increased. The market environment was primarily influenced by sustained high inflation, consequent price increases, and generally weak demand.

Targeted countermeasures were implemented to stabilize business performance, which are expected to contribute to a sustainable improvement in revenue and earnings in the medium to long term.

- **Italy:** Italy further increased both sales volumes and revenues. The leasing of additional business units supported further growth, thereby strengthening its market position.
- **Others:** In addition to the markets mentioned above, Russia, Croatia, Bosnia and Romania accounted for the largest shares of revenue and EBITDA, as in the previous year. The export business remained largely stable. Growth markets such as the USA and Germany recorded increases compared to the previous year and are being further developed as future growth markets.

1.2 Financial performance review

1.2.1 Business result and earnings situation

The business result and earnings situation are presented as follows:

EUR MIO	2025	2024
Sales revenues	351.0	259.7
EBITDA	40.3	37.7
Operating profit	15.8	15.0
Earnings before tax	11.4	10.4
Net profit	3.9	7.2
Return on sales (RoS)	4.5%	5.8%
Return on equity (RoE)	14.3%	13.4%
Return on assets (RoA)	4.8%	5.4%

Calculation basis

Operating profit		
+ Depreciation		
= EBITDA		
	Return on sales (RoS) =	$\frac{\text{Operating profit}}{\text{Sales revenues}}$
	Return on equity (RoE) =	$\frac{\text{Earnings before tax}}{\text{Equity}}$
	Return on assets (RoA) =	$\frac{\text{Operating profit}}{\text{Total capital}}$

Sales revenues increased by 35.15% and achieved a record high in 2025, accompanied by a solid increase in EBITDA. Profitability margins declined slightly during the reporting period, mainly due to the continued high level of raw material prices.

1.2.2 Financial position

The financial situation shows the following picture:

EUR MIO	2025	2024
Cash flow from operating activities *	39.7	44.4
Working capital	-22.3	-10.1
Net debt	55.3	57.2
Net gearing	71.0%	75.8%

* see Group Cashflow

Calculation basis

Short-term assets excluding cash and cash equivalents	
- Short-term liabilities excluding short-term financial liabilities	
= Working Capital	
Interest-bearing debt	
- Cash and cash equivalents	
= net debt	

Interest-bearing debt = financial liabilities + severance provisions

$$\text{Net gearing} = \frac{\text{Net debt}}{\text{Equity}}$$

Cash flow from operating activities during the reporting period was significantly impacted by the increase in inventories and trade receivables. This development mainly results from higher raw material prices and the corresponding increase in sales prices. Net leverage was further reduced during the reporting period.

1.2.3 Financial position

EUR MIO	2025	2024
Equity ratio	24.4%	27.8%
Equity ratio (extended)	25.4%	29.0%
GROUP BALANCE SHEET		
Long-term assets	173.7	164.4
Current assets	153.6	114.4
Assets	327.3	278.8
Equity	79.7	77.4
Subordinated capital	3.4	3.5
Long-term liabilities	44.2	48.5
Short-term liabilities	200.0	149.4
Liabilities	327.3	278.8

Calculation basis

$$\text{Equity ratio} = \frac{\text{Equity}}{\text{Total capital}}$$

$$\text{Equity ratio (expanded)} = \frac{\text{Equity} + \text{subordinated capital}}{\text{Total capital}}$$

1.3 Non-financial performance review

Personnel

The Group promotes human resource development and the internal recruitment to ensure that talented employees remain with the company during several career stages. Digital transformation requires the Group to further develop its role as an attractive employer. In order to achieve this, employer branding initiatives have been launched to attract and retain skilled employees.

The average number of employees across the Group increased from 1,089 to 1,215 (+126) during the year. The increase in headcount resulted from the company's growth and from leased business units in Italy as well as a temporary expansion in connection with digitalization projects.

More than 50% of the employees work in sales and technical services. The remaining personnel are employed in management and support functions (marketing, logistics, finance, IT and HR).

Projects in the areas of corporate culture, remuneration structure and digitalisation of HR management were driven forward to support the implementation of the strategic HR goals.

Sustainability

Sustainability has been defined as a strategic priority by the owners and management, even though regulatory requirements are continuously evolving. The EU Omnibus Regulation (confirmed in early 2026) raises the thresholds for CSRD reporting obligations to more than 1,000 employees and more than €450 million in net turnover. Although Julius Meinl therefore no longer falls within the scope of the reporting obligation, the company continues to publish an annual report on a voluntary basis, aligned with the European Sustainability Reporting Standards ("ESRS"). The sustainability report is published on the company website <https://juliusmeinl.com/at/unser-nachhaltigkeitsbericht> and is available for download there. Finalization of the 2025 report is planned for the end of May 2026.

The company has defined a range of short- and medium-term initiatives that are intended to make a significant contribution to achieving climate targets as well as other sustainability objectives. Progress is, among other things, confirmed by the EcoVadis sustainability rating: at the beginning of 2026, the company was awarded the bronze medal, placing it among the top 35% of companies assessed by EcoVadis.

2 OUTLOOK AND RISK ASSESSMENT

2.1 Outlook

General conditions for further development of the company remain challenging and the highest level of discipline is required to maintain strategic focus. The priorities are implementing the retail expansion, targeted acquisitions in core markets and digital transformation. Growth is closely linked to sustainability, a principle that is becoming an integral part of economic activity.

At the same time, existing risks cannot be ignored. An end of the ongoing conflict between Russia and Ukraine is currently not foreseeable. This situation also has a significant impact on net assets, the financial position and results of operations of the Russian subsidiary. Due to the high volatility, the Group is constantly monitoring the effects in various scenarios and has developed and implemented appropriate countermeasures.

In 2026, the focus will continue to be on further developing existing markets as well as expanding additional distribution channels. In addition to the retail segment, online sales will also be further strengthened in order to reach additional customer groups and increase market coverage.

In addition to organic growth the search for suitable acquisitions targets continues. The efforts are focused on markets with growth potential and with existing market presence in order to exploit synergy effects and build on internal market expertise.

In the financial year 2025, the subsidiary Julius Meinl Italia S.p.A. established two subsidiaries, Robo S.r.l. and Noire S.r.l., each domiciled in Viale Verona 70, 36077 Altavilla Vicentina (VI), Italy. The companies were founded in preparation for the subsequent acquisition of operating businesses from external companies. For this purpose, the newly established entities each entered into short-term lease agreements for the operating businesses of external companies. The lease arrangements were concluded with a view to a possible later acquisition of these businesses. Any subsequent acquisition would be financed by the parent company.

Digital transformation forms the basis of the Group's growth trajectory. This primarily relates to the implementation and further development of the ERP system SAP S/4 Hana and the CRM system Salesforce.

Green coffee prices continue to be subject to significant volatility, which is driven in particular by harvest results in producing countries, global demand developments, political conditions and movements in international commodity markets. In the past financial year, increased hedging via coffee contracts was undertaken, with some contracts already concluded with effect for 2026, in order to mitigate price increases at an early stage and achieve greater planning certainty. Following price adjustments implemented in recent years, further price adjustments may also be required in 2026 to compensate for higher green coffee prices. Both the frequency and magnitude of necessary price adjustments currently represent a challenge for all

market participants. Against this backdrop, transparent and comprehensible communication of pricing measures to customers is of particular importance.

The Group anticipates a moderate increase in coffee sales volumes and revenues, which is expected to be reflected in an improvement in EBITDA as well as net profit for the year. Nevertheless, uncertainties in the market environment remain.

After the reporting date, a military escalation occurred in the Middle East. Due to the Group's international business activities, potential impacts are being continuously monitored. As of the date of preparation of the financial statements, this does not result in any material adjustments to the recognised values.

2.2 Significant risks and uncertainties

2.2.1 Procurement risk

The fluctuations in the green coffee market have a direct impact on the procurement costs of the JULIUS MEINL Group. In order to protect itself against these fluctuations, the Group concludes future contracts in line with green coffee needs and the market situation. The medium to long-term horizon allows the company to plan with average prices and only pass on price increases to customers in a targeted manner. Above-average price increases are currently required in order to offer coffee products with the same level of cost coverage.

2.2.2 Personnel risk and operational risks

Finding qualified employees in all sectors of the Group is becoming increasingly challenging. The Group focuses on employer branding, by offering career opportunities and development in an international environment.

The digitalisation of the financial and supply chain management systems further progresses and will lead to a comprehensive transformation of all business processes. As a result, the Group is prepared to manage future operational risks.

2.3 Financial risks

Please refer to notes 31.2.2 and 34 for the compliance with financial covenants according to the loan agreement and the assessment of the tax audit.

2.3.1 Liquidity risk

Group-wide bi-weekly forecasts of the expected operational and financial income and cash flows are prepared to assess and manage the liquidity risk. These cash flow plans are compared with existing cash positions, credit lines and financing. Liquidity reserves and credit lines are held to ensure solvency.

2.3.2 Currency risk

The volatile US dollar exchange rate poses a particular challenge for the Group. The instruments for hedging the currency risk include hedging instruments (forward exchange transactions) and US dollar bank balances to cover the US dollar demand.

The functional currencies of the distribution companies (mainly Russian Rouble, Turkish Lira and US Dollar) pose a foreign exchange risk. The risk is managed by minimizing Group's balances in foreign currencies and other hedging measures.

2.3.3 Risk of default

For explanations of default risks please refer to the disclosure note 31.2.1 in consolidated financial statements.

2.3.4. Operational risk

The general conditions for business operations in Russia are currently stable. However, it is not possible to estimate whether political influence and the tightening of sanctions will affect business operations in the future.

2.4. Research and Development

The Group continuously endeavours to innovate its products, technologies and sales channels to transform the products and operational processes in a sustainable manner. This includes the organic Fairtrade product line which combines the benefits of organic farming and fair-trade practices.

Vienna, April 21, 2026

The Managing Directors

Marcel Löffler mp
Corina Ancuta mp

This report is a translation of the original report in German, which is solely valid.

AUDITOR'S REPORT*

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Audit Opinion

We have audited the accompanying consolidated financial statements of

JULIUS MEINL 1862 GmbH, Vienna,

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2025 and its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (ISAB) as adopted by EU, and the additional requirements under section 245a UGB (Austrian Company Code).

Basis for Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISAs). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the EU, and the additional requirements under section 245a UGB (Austrian Company Code) for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Austrian Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Austrian Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

* This report is a translation of the original report in German, which is solely valid.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Vienna, April 21, 2026

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

MMag. Philipp Maier mp

Wirtschaftsprüfer / Certified Public Accountant

LIST OF ABBREVIATIONS

ABGB	Allgemeines Bürgerliches Gesetzbuch (General Civil Code)
AVÖ	Austrian Actuary Association
CAPM	Capital Asset Pricing Model
DBO	Defined Benefit Obligation
EBITDA	Earnings before interest and taxes
ECL	Expected credit losses
EIB	European Investment Bank
ERP system	Enterprise-Resource-Planning system
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
EUR	Euro
EURIBOR	Euro Interbank Offered Rate
F&B	Food and Beverage
FTE	Full Time Equivalent
GHG	Greenhouse gas
GmbH	Gesellschaft mit beschränkter Haftung (Limited liability company)
HORECA	Hotels, Restaurants, Cafés
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
JM Beograd	JULIUS MEINL Beograd d.o.o.
JM Bonfanti	JULIUS MEINL Bonfanti d.o.o.
JM Central	JULIUS MEINL Central GmbH
JM General Trading	JULIUS MEINL General Trading LLC
JMIH	JULIUS MEINL Industrieholding GmbH
LTIP	Long-Term Incentive Plan
MYC	Mercer Yield Curve
MP	Manu propria
POS	Point of Sale
SAR	Share Appreciation Rights
SBTi	Science-based targets initiative
UAE	United Arab Emirates
USD	US-Dollar





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