

**Appeninn Asset Management Holding Public Limited Company**

**CONSOLIDATED**

**2025 Annual Report and Management Report and**

**Statement of Responsibility**



**Appeninn**  
 **Holding**

the annual report prepared in accordance with International Financial Reporting Standards (IFRS) and the annual report required by Act C of 2000 on Accounting and the management report prepared in accordance with Annex 1 of Ministry of Finance Decree No. 24/2008 (VIII.15.), presented in a consolidated format

Budapest, 1 April 2026

Appeninn Asset Management Holding Public limited company (1022 Budapest, Bég str. 3-5, cg: 01-10-046538 - hereinafter referred to as Appeninn Plc. or the Company) prepares consolidated financial statements for the year 2025 in accordance with International Financial Reporting Standards (IFRS). Appeninn Plc. prepares and publishes the annual report required by Act C of 2000 on Accounting (hereinafter referred to as the "Act") (Section 95 of the Act) and the management report, which is described and prepared in accordance with the contents indicated in Annex 1 of Ministry of Finance Decree No. 24/2008 (VIII.15.) (hereinafter referred to as the "Decree"), in a consolidated form in this document.

The purpose of the report is to present the Group's assets, liabilities, financial position and profit or loss, and the results of its operations, together with the principal risks and uncertainties associated with its activities, in a manner that gives a true and fair view of the actual position of the Group, based on historical and expected future data (Section 95 (1) of the Accounting Act). The annual report shall contain a comprehensive analysis of the development, performance and position of the Group's business, in accordance with the size and complexity of the Group (Section 95 (2) of the Accounting Act).

The Group presents below, for convenience, all financial and, where appropriate, all key non-financial performance indicators that are relevant to the business, to the extent necessary to understand the development, performance or position of the Group's activities.

## I. 2025 Annual Report and Management Report

### Highlights and history of the Group

Founded in 2009, Appeninn Plc. is a leading player in the Hungarian real estate market and a real estate investment and asset management company listed in the Premium category of the Budapest Stock Exchange for more than 10 years since 2013.

Its main activities are: sale of own property, property management, property rental and operation of property.

The share capital of Appeninn Plc consists of 4,737,141,900 HUF, each of which is made up of dematerialized ordinary shares with a nominal value of 100,- HUF. Each share carries one voting right. The issued and outstanding Appeninn shares are freely tradable, there are no rights based on the Articles of Association restricting the distribution. The shares belong to a series, the members of the share series being Appeninn ordinary shares with the same rights.

Holders of more than 5% of the Company's shares on 31 December 2025:

- Avellino Zrt.	24.00%
- Sequor Holding Zrt.	23.84%
- OTP Real Estate Investment Fund	5.09%
- Shareholders holding less than 5% of the shares:	47.07%

The real estate portfolio of the Company and its consolidated subsidiaries (hereinafter referred to as the "Appeninn Group" or the "Group") consists of office buildings, retail and logistics properties in Hungary and an office complex consisting of 4 buildings in Warsaw.

In 2019, the Company issued HUF 20 billion of bonds under the Bond Funding for Growth Scheme (BFGS) to refinance its bank loans on more favourable terms, reduce the collateralisation of its real estate assets and expand its real estate portfolio with high quality and higher income generating assets. The maintenance of the bond financing is conditional on the rating of the bond being at least "B+" by a credit rating agency accepted by the Central Bank.

**In February 2022, the Company revised its strategy** ([https://appeninholding.com/app/uploads/2022/02/20220210\\_Az-Appenin-Holding-Nyrt-strategiaja.pdf](https://appeninholding.com/app/uploads/2022/02/20220210_Az-Appenin-Holding-Nyrt-strategiaja.pdf)), setting the following key objectives:

- the sale of tourism project companies and lower yielding portfolio elements,
- acquisition of higher income producing properties in SEE and CEE regions
- ensuring a minimum B+ rating for the BFGS bond,
- obtaining registration as a regulated real estate investment company (SZIT),
- focus on ESG, energy efficiency and cost-effective operations in longer-term decisions and day-to-day operations.

### **Implementation of the strategy:**

#### **I. Real estate portfolio**

On 30 January 2023, with the sale of Solum-Invest Ingatlanfejlesztő és Üzemeltető Kft., the Group's exposure to tourism real estate development ceased.

In the spring of 2023, the Group expanded its real estate portfolio with highly profitable Hungarian retail assets and Polish office properties, acquiring Tidaholm Properties Kft., owner of the Zone Shopping Parks in Székesfehérvár and Zalaegerszeg, Kantrum Property Kft., owner of the Kanizsa Centrum Shopping Centre in Nagykanizsa, and 100% of the shares issued by Dounby Sp. z o.o., owner of office buildings C, D, E and F of Wiśniowy Business Park in Warsaw (hereinafter: WBP).

On 4 March 2024, the Company offered the following properties owned by its subsidiaries for sale:

- 24 Felhévizi utca, Budapest II. district – office premises and related underground parking spaces;
- 3 Schweidel József utca / 146 Attila utca, Budapest IV. district – industrial building and related plot;
- 8 Páva utca / 11 Liliom utca, Budapest IX. district – office and service building;
- 20 Bánya utca, Budapest X. district – business, industrial and commercial property complex;
- 19 Frangepán utca, Budapest XIII. district – office building;
- 4 Egyenes utca, Budapest XIV. district – industrial building and related plot;
- 12-14 Várna utca, Budapest XIV. district – office, commercial and warehouse buildings.

During 2025, the Company continued to implement its strategy aimed at optimising the long-term income-generating capacity of its portfolio:

- developed the sale structure for properties classified as held for sale, and negotiated and prepared the relevant transaction,
- continuously monitored the profitability of its real estate portfolio and of each individual asset, while assessing the market position and divestment opportunities of weaker-performing assets or assets used in a non-optimal function,
- identified, reviewed and evaluated potential acquisition targets,
- adjusted its organisational structure to support the optimal execution of selected transaction objectives, including the establishment of a Hungarian SZIT project company and a Polish subsidiary for the purpose of carrying out disposals and acquisitions,
- signed a framework agreement (the "Master Agreement") with DEKADA S.A. and its subsidiaries for the conclusion of individual sale and purchase agreements regarding the acquisition of 11 retail properties in 11 cities in Poland. The 11 properties comprise a total leasable area of 52,895 sqm. Completion of the transaction is subject to the fulfilment of several conditions precedent, including classification of the transaction as an asset acquisition by the Polish tax authority and the securing of the related bank financing.

## **II. BFGS bond and Scope Rating**

On 2 April 2025, Scope affirmed the Issuer's "B+/Stable" credit rating and the bond's "B+" rating. The affirmation was supported by improving profitability resulting from the successful integration of the properties acquired in 2023, a stable strategy implemented alongside moderate leverage, the simplified group structure, the achievement of SZIT status and the strengthening of internal functions. Scope's rating review is available in English on the Scope Ratings website. (<https://scoperatings.com/ratings-and-research/rating/EN/178618>)

## **III. Registration as a Regulated Real Estate Investment Company**

Following compliance with the conditions set out in the SZIT Act, the Company was registered by the Company Court of the Metropolitan Court of Budapest as a regulated real estate investment pre-company (SZIE) with effect from 1 January 2024, and as a regulated real estate investment company (SZIT) with effect from 1 July 2024.

## **IV. ESG, energy efficiency, cost efficiency and changes in the operating model**

From 2022 onwards, the Group's operating model was transformed and the Company simplified its organisational structure, placing emphasis on compliance with the SZIT Act, transparency and cost efficiency.

Since 2023, the Group's ESG performance and the steps taken to improve energy efficiency have been presented in a separate ESG report published together with the annual report.

## Major events after the reporting date

- On 20 February 2026, through Appeninn Project-TRNW sp. z o.o., the Group acquired exclusive ownership of the Goodyear logistics centre located in Tarnów, Poland. The Property is a logistics facility developed in three phases, with a total net leasable area of 56,343 sqm, and its sole long-term tenant is Goodyear Dunlop Tires Operations S.A.
- On 26 February 2026, Leverton doo Beograd (registered office: Novi Beograd, Bulevar Milutina Milankovića 9Đ, 11070 Novi Beograd) and Imanpa doo Beograd (registered office: Novi Beograd, Bulevar Milutina Milankovića 9Đ, 11070 Novi Beograd), both wholly owned by the Group, were deregistered.
- On 27 February 2026, Appeninn Plc. entered into a sale and purchase agreement for the sale of a 49.9% interest in Appeninn Project-BSV Limited Liability Company, a wholly owned subsidiary, and of its receivable arising from the shareholder loan agreement concluded with the project company, with which the project company financed the acquisition price of the properties located at:
  - o 12-14 Várna utca, Budapest XIV. district
  - o 4 Egyenes utca, Budapest XIV. district
  - o 20 Bánya utca, Budapest X. district

Closing of the transaction is expected to take place by the end of April 2026. Upon closing, a new deed of association will be signed, following which the risks, costs and benefits related to the properties will be borne by the Buyer.

- On 27 February 2026, Appeninn Property Zrt. entered into a preliminary real estate sale and purchase agreement concerning the sale of the properties located at
  - o 19 Frangepán utca, Budapest XIII. district
  - o 3 Schweidel József utca / 146 Attila utca, Budapest IV. district

The final sale and purchase agreement and the closing of the transaction are expected to take place by the end of June 2026.

- On 27 February 2026, Appeninn E-Office Zrt. signed a preliminary real estate sale and purchase agreement concerning the sale of the property located at
  - o 8 Páva utca / 11 Liliom utca, Budapest IX. district

The final sale and purchase agreement and the closing of the transaction are expected to take place by the end of June 2026.

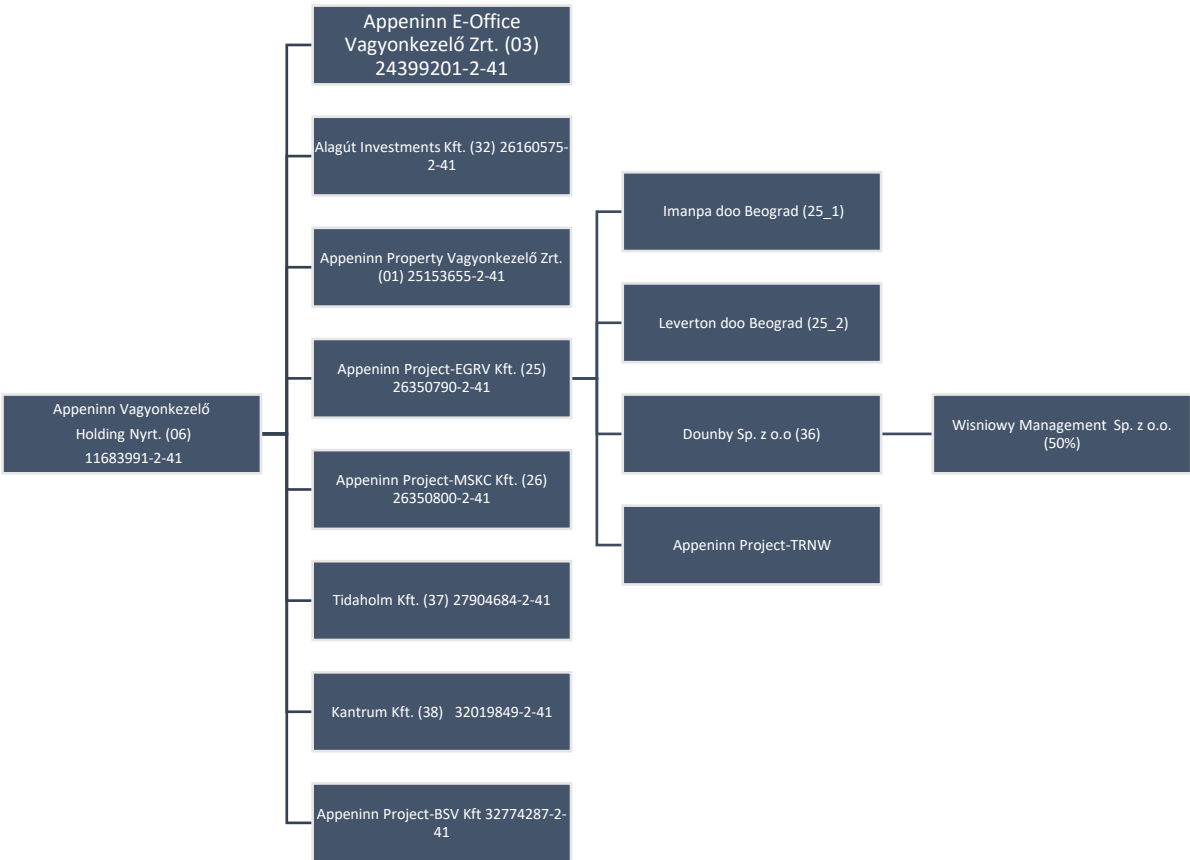
## Future prospects

The expected changes in the economic environment, and depending on internal decisions, the future outlook and plans will continue to be based on the strategy revised in February 2022, in which the target segments for dynamic growth are office buildings, industrial and retail properties in Hungary and the CEE region, which offer favourable returns by international standards.

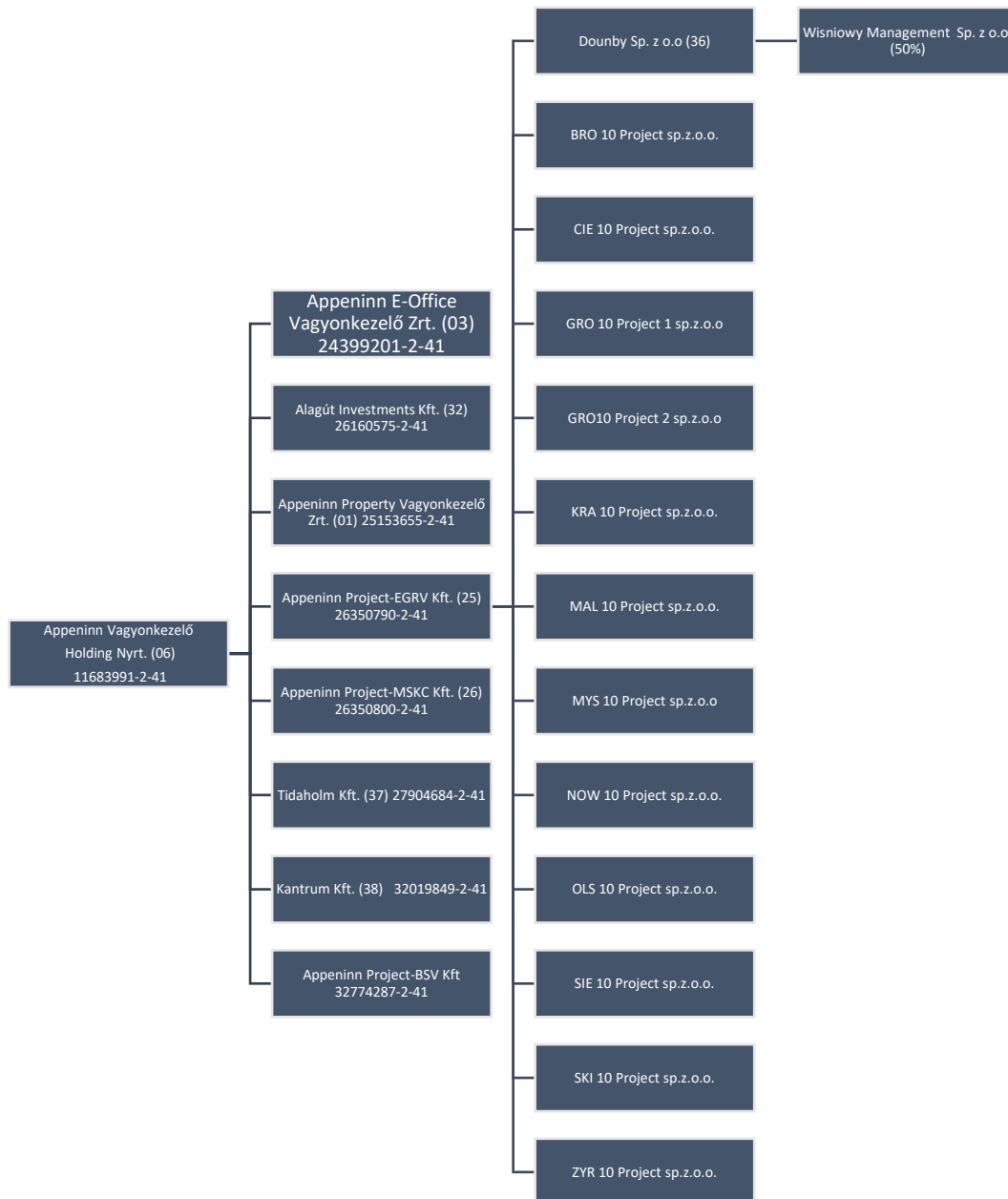
The main objectives for implementing the strategy in the coming years are:

- maintaining the favourable risk profile of the Group and the BFGS bond, ensuring compliance with the related requirements and continuously monitoring the level of the relevant indicators,
- maintaining SZIT status and ensuring continued compliance with the applicable requirements,
- active portfolio management:
  - reviewing existing less profitable portfolio assets and, where possible, divesting them: the Pauler Street office may also be sold in the first half of 2026, and the potential sale of other properties is also under consideration.
  - identifying, evaluating and, where appropriate, pursuing above-average yielding acquisition opportunities, primarily in Hungary and Poland, under conservative financing conditions.
- increasing occupancy in the office portfolio and maintaining high occupancy levels in the retail portfolio,
- high-quality operation and ensuring an appropriate level of service for our tenants,
- in the case of the property in Poland, continuous monitoring of operations and increasing occupancy,
- progressive mainstreaming of ESG and energy and cost efficiency considerations.

**Group structure as at 31.12.2025:**



**Group structure at the date of publication of the Annual Report:**



## Assets and profitability situation

<b>Statement of comprehensive income</b>	<b>2025.12.31</b>	<b>2024.12.31</b>
	EUR	EUR
From continuing operations		
Revenue from property rental	22 928 709	23 126 689
Direct costs of property rental	(7 671 302)	(7 225 507)
<b>Gross margin</b>	<b>15 257 407</b>	<b>15 901 182</b>
Administrative costs	(874 782)	(479 967)
Staff costs	(267 488)	(287 879)
Other income/(expenses)	741 870	(3 740)
Fair value result on income-generating investment property	(7 311 021)	1 882 390
<b>Result of fair value measurement of investment property</b>	<b>7 545 986</b>	<b>17 011 986</b>
Depreciation and amortisation	(7 321)	(9 280)
Other (expenses)/income from financial transactions	(600 961)	1 365 702
Net interest income and (expenses)	(2 531 640)	(2 444 488)
Lease interest	(59)	(5 206)
<b>Profit before tax</b>	<b>4 406 005</b>	<b>15 918 714</b>
Income taxes	(583 131)	(340 239)
<b>Profit after tax from continuing operations</b>	<b>3 822 874</b>	<b>15 578 475</b>
<b>Profit after tax from discontinued operations</b>		
<b>Total profit after tax</b>	<b>3 822 874</b>	<b>15 578 475</b>
<b>Other comprehensive income</b>		
Exchange rate differences arising on the translation of operations	6 089 072	(8 090 066)
<b>Other comprehensive income for the year, net of tax</b>	<b>6 089 072</b>	<b>(8 090 066)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>9 911 946</b>	<b>7 488 409</b>

In 2025, revenue from the rental of the Group's properties decreased slightly, mainly due to the departure in spring of one of the Group's significant tenants in Poland and the resulting decline in occupancy. As building taxes were EUR 184 thousand higher and the owner's share of Polish operating costs also increased, the gross margin ratio decreased from 68.76% to 66.54%.

The higher level of administrative costs mainly resulted from a change in the presentation of the Polish cost structure; the one-off increase included EUR 27 thousand related to the renewal of the BREEAM certification and EUR 25 thousand related to the capital increase of Dounby Sp. z o.o. by Appeninn Project-EGRV Kft.

The appraised value of income-generating investment properties increased by EUR 2.8 million, but due to capex expenditure, tenant incentives and the foreign exchange effect arising from the strengthening of the forint (EUR -7.413 million), the overall result from property revaluation amounted to EUR -7.3 million. The tables below present profitability indicators both including the effect of property revaluation and excluding it. In the latter case, the figures represent the relevant reported earnings indicator adjusted by eliminating the result of the revaluation of income-generating investment properties.

EBITDA including the revaluation effect decreased significantly; excluding this effect, however, the decrease was substantially lower, at 1.8%.

The change in the Group's financial result was also primarily caused by foreign exchange movements, with the effect of the strengthening of the forint on the value of the euro-denominated loans of Appeninn Project-EGRV Kft. and Kantrum Kft., as well as on cash deposits, being the dominant factor. The net balance of interest income and expense changed only slightly, given the fixed-rate nature of the bond debt and most of the loans, as well as lower deposit rates compared with last year.

The significant amount of total comprehensive income is attributable to the effect of exchange rate movements on property values and on loan and deposit balances.

<b>Profitability indicators:</b>	<b>EUR</b>		<b>as a percentage of revenue</b>	
	2025	2024	2025	2024
Gross operating profit (EBITDA)	7 545 986	17 011 986	33%	74%
Profit before tax	4 406 005	15 918 714	19%	69%
Profit after tax	3 822 874	15 578 475	17%	67%

<b>Profitability indicators excluding the effect of property revaluation:</b>	<b>EUR</b>		<b>as a percentage of revenue</b>	
	2025	2024	2025	2024
Gross operating profit (EBITDA)	14 857 007	15 129 596	65%	65%
Profit before tax	11 717 026	14 036 324	51%	61%
Profit after tax	11 133 895	13 696 085	49%	59%

Statement of financial position	2025.12.31	2024.12.31
Assets	EUR	EUR
Investment properties	170 600 000	167 922 000
Tangible assets	20 077	24 556
Interest in a joint venture	7 807	7 979
Receivables due after one year	1 845 477	1 838 384
<b>Total long term assets</b>	<b>172 473 361</b>	<b>169 792 919</b>
Trade receivables	1 556 117	2 218 174
Other current receivables	269 479	1 014 648
Prepayments	1 547 075	1 274 215
Income tax receivables	98 295	8 257
Assets held for sale	10 542 294	10 370 000
Cash and cash equivalents	56 236 847	47 004 605
<b>Total current assets</b>	<b>70 250 107</b>	<b>61 889 899</b>
<b>Total assets</b>	<b>242 723 468</b>	<b>231 682 818</b>
<b>Equity and liabilities</b>	<b>EUR</b>	<b>EUR</b>
Share capital	15 217 006	15 217 006
Treasury shares	-1 171	-1 171
Capital reserve	25 645 230	25 645 230
Translation reserve	-14 530 407	-20 619 479
Accumulated profit	102 130 584	98 307 710
<b>Equity attributable to the Company's shareholders</b>	<b>128 461 242</b>	<b>118 549 296</b>
Non-controlling interests	0	0
<b>Total equity and reserves</b>	<b>128 461 242</b>	<b>118 549 296</b>
Long-term bank loans and lease liabilities	48 982 650	50 966 239
Deferred income	2 501 536	2 864 388
Bond liabilities	52 175 687	49 048 518
Deposits paid by tenants	2 263 383	1 855 736
<b>Total long-term liabilities</b>	<b>105 923 256</b>	<b>104 734 881</b>
Short-term bank loans and lease liabilities	3 609 975	3 086 707
Other current liabilities	1 139 816	1 906 078
Current liabilities to related parties	105 579	-
Liabilities to suppliers	612 509	823 607
Tax and duty obligations	360 479	302 347
Income tax liabilities	1 136	178 180
Accrued liabilities	2 509 476	2 101 722
<b>Total current liabilities</b>	<b>8 338 970</b>	<b>8 398 641</b>
<b>Total liabilities</b>	<b>114 262 226</b>	<b>113 133 522</b>
<b>Total equity and liabilities</b>	<b>242 723 468</b>	<b>231 682 818</b>

The Group's properties were valued by CBRE Ltd. in accordance with the RICS Valuation Standards.

Property values were determined using the income-based "Hardcore and Top Slice" method, which is a variation of the income capitalisation method: it divides the annual income generated by a property into two or more groups based on the assumed risks associated with each group. It distinguishes between the part of the income that is sustainable over the long term in line with market

rents (“hardcore”) and the part above that which is unlikely to be sustainable over the long term (“top slice” or “froth”). The “hardcore” part of the income is capitalised at an all-risk yield, while the parts above this are capitalised until the end of their term at a higher yield reflecting greater risk. Potential rent increases and inflation risk are taken into account implicitly through the all-risk yield. The gross capital value is therefore the sum of the capitalised hardcore and top-slice income. After deduction of transaction costs and any investment costs incurred in relation to the property, the resulting net capital value is also the Market Value of the Property. The Market Value and the related key indicators, such as Net Initial Yield (“NIY”), can be compared to other transactions in the real estate market and thereby verified.

The valuation was prepared in accordance with the RICS rules, namely the RICS Global Standards and the RICS Valuation Standards (the “Red Book”), which also incorporate the International Valuation Standards (“IVS”).

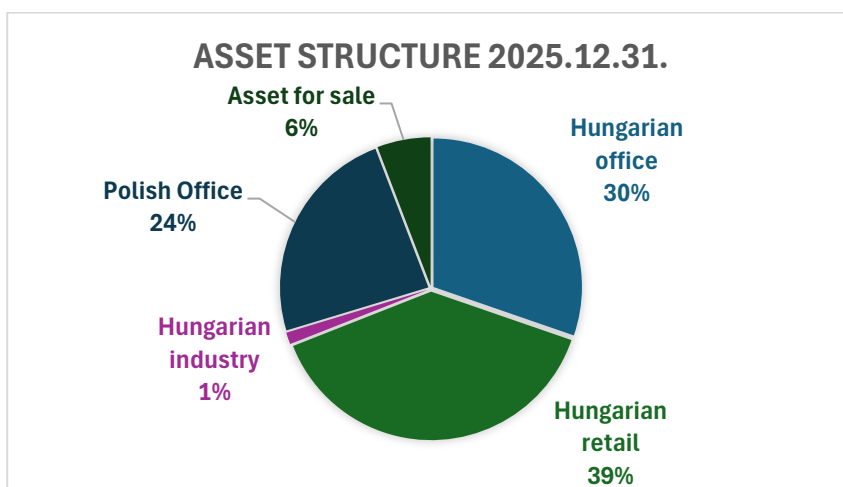
The market value of the real estate portfolio is EUR 181,142,294, of which EUR 170,600,000 is presented under non-current assets and EUR 10,542,294 under current assets as properties held for sale.

The composition of the real estate portfolio

- 56% office buildings (13 properties, 95,732 sqm), excluding properties held for sale: 9 properties, 85,413 sqm,
- 34% retail properties (20 properties, 58,398 sqm),
- 10% other properties (4 properties, 18,100 sqm), excluding properties held for sale: 1 property, 5,903 sqm

based on leasable area.

Properties held for sale comprise 7 properties with a total area of 22,526 sqm.



### Properties owned by the Appeninn Group as at 31.12.2025

- 1082 Budapest, Üllői út 48. (office)
- 6000 Kecskemét, Kiskőrös út 30. (logistics property)
- 1023 Budapest, Bég u. 3-5. (office)
- 1022 Budapest, Bég u. 4. (Törökvész u. 30.) (office)
- 1149 Budapest, Várna u. 12-14. (office)
- 1047 Budapest, Schweidel utca 3. (logistics / warehouse property)
- 1094 Budapest, Páva u. 8. (office)
- 1015 Budapest, Hattyú utca 14. (office)
- 1118 Budapest, Kelenhegyi út 43. (office)
- 1133 Budapest, Visegrádi u. 110-112. (office)
- 1147 Budapest, Egyenes u. 4. (logistics / warehouse property)
- 1105 Budapest, Bánya utca 20. (industrial / warehouse property)
- 1023 Budapest, Felhévizi u. 24. (office)
- 1139 Budapest, Frangepán u. 19. (office)
- 1013 Budapest, Pauler u. 2. (office)
- 3525 Miskolc, Szűcs Sámuel u. 5. (casino / commercial property)
- 2660 Balassagyarmat, Rákóczi fejedelem út 56. (retail property)
- 8630 Balatonboglár, Dózsa György utca 53-59. (retail property)
- 5600 Békéscsaba, Szarvasi út 15-17. (retail property)
- 1043 Budapest, Tél utca 26. (retail property)
- 2234 Maglód, Jászberényi út. (retail property)
- 7632 Pécs, Malomi út 3. (retail property)
- 2310 Szigetszentmiklós, Gyártelep (retail property)
- 2800 Tatabánya, Szent Borbála út 22. (retail property)
- 8200 Veszprém, hrsz. 4278/3. (retail property)
- 2400 Dunaújváros, Magyar út 11. (retail property)
- 7000 Sárbogárd, Ady Endre utca 212. (retail property)
- 4220 Hajdúböszörmény, Bánság tér 1/A. (retail property)
- 7300 Komló, Berek utca 10/A. (retail property)
- 4150 Püspökladány, Rákóczi utca 5. (retail property)
- 6320 Solt, belterület 2805/9. hrsz. (retail property)
- 5200 Törökszentmiklós, Kossuth Lajos utca 140. (retail property)
- 6723 Szeged, District II, Római körút 21. (retail property)
- 8800 Nagykanizsa, Táborhely utca 4. (shopping centre)
- 8000 Székesfehérvár, Szent Flórián krt. 13. (retail park)
- 8900 Zalaegerszeg, Balatoni út 5-7. (retail park)
- Ul. Ilzecka 26, Warsaw, Mazowieckie (four-building office complex)

At the date of publication of the Annual Report, including the Tarnów logistics centre (56,343 sqm), the properties owned by the Group total 228,584 sqm, with a WAULT of 4.2 years.



The Group's long term debt financing obligations at the reporting date consisted of the BFGS bond issued by the Company, the euro loan granted by MFB Bank to Appeninn E-Office Zrt., the euro loan granted by K&H Bank to Kantrum Property Kft., the euro loan granted by MBH Bank to Appeninn Project-EGRV Kft., and the NHP forint loan of Tidaholm Properties Kft.

In relation to long-term bank loans, the Group repaid a total of EUR 3.064 million of principal in 2025 and complied with the bank covenants (LTV, DSCR) as at 31 December 2025.

### Financial instruments, risk management

The Appeninn Group seeks to mitigate the financial risks arising in the course of its activities by all available means, coordinates its participation in the financial markets in line with its long-term business interests, and conducts its treasury activities in accordance with conservative risk management principles.

The risk related to bank deposits and financial investments is managed in line with the Appeninn Group's conservative investment policy. In order to reduce credit risk, financial reserves are held in cash or bank deposits with financial institutions favourably rated by appropriate international credit rating agencies.

For the portfolio assets owned by the Group, lease agreements are generally concluded for several years. As the tenants are screened before contract conclusion and monitored on the basis of their payment behaviour, the Group considers the level of credit risk to be low. Contractual tenant security and effective receivables management ensure a low level of overdue receivables and the reliable collection of any tenant debts.

Current rental rates are in line with the characteristics, location and quality of the properties. When setting its operating charges, the Group seeks to ensure that the relevant costs are covered and recoverable. Annual indexation is based on the currency in which the rent is denominated.

At the reporting date, the Group's long-term funding consisted of the fixed-rate (3.5%) HUF BFGS bond, the Appeninn E-Office euro loan fixed at a favourable rate (2.9%) until 2029, the fixed-rate (2.5%) HUF NHP loan of Tidaholm Properties Kft., the low-interest (3%) euro loan of Appeninn Project-EGRV Kft., and the loan of Kantrum Property Kft., 70% of which is covered by an IRS transaction while 30% remains floating and linked to EURIBOR; therefore, the risk of rising interest rates is low for the Company. A further significant decrease in interest rates would mainly represent an exposure on the deposit side, but through the implementation and timing of the acquisition transactions set out in its strategy, and through operating cash flow, credit and liquidity management optimised for the Group as a whole, the Company seeks to optimise the resulting risk and return at group level.

The Group's operations show adequate coverage relative to revenue; its revenues cover operating and financing costs and debt service obligations with significant reserves, and it meets the coverage and debt service ratios required under its loan agreements with substantial headroom. Accordingly, its liquidity risk is low.

Most of the Group's revenues and loans are linked to the euro, but a significant part of its operating resources is realised in forints and zlotys, therefore the Group is moderately exposed to changes in foreign exchange rates. In order to reduce this exposure, the majority of its reserves are held in euro deposits. The Group continuously monitors its other risks and manages them through money-market operations.

**The registered office, premises and branches of the Company preparing the consolidated financial statements:**

1022 Budapest, Bég u. 3-5. (property owned by Appeninn E-Office Zrt.)

The sites and branches of all subsidiaries are presented among the other real estate properties owned by the Group.

**Places of publication**

The Company publishes its disclosures and annual report on the following websites:

- <https://appeninholding.com>
- <https://kozzetetelek.mnb.hu>
- <https://www.bet.hu>
- <https://e-beszamolo.im.gov.hu/oldal/kezdolap>

## Employment policy

The Company does not operate an employee share scheme.

Evolution of the number of employees employed by the Group

	2025	2024
Average statistical number:	5.5	8
Closing number:	5.5	8

## Corporate governance statement

Appeninn Asset Management Holding Public Limited Company (registered office: 1022 Budapest, Bégtúca 3-5.; company registration number: 01-10-046538; hereinafter referred to as the “Company”) hereby reports on its corporate governance practices in the financial year 2025. The Company applies the principles of corporate governance also to its subsidiaries.

### 1. A brief description of the functioning of the Board of Directors, the responsibilities and division of tasks between the Board of Directors and the management

#### 1.1. Brief description of the functioning of the Board of Directors

The management body of the Company, instead of the Board of Directors and the Supervisory Board, is the Board of Directors, which implements a unified management system and is composed of at least 5 and no more than 9 natural persons. The members of the Board of Directors shall be elected or removed from office by the General Meeting for an indefinite term. The Chairman of the Board of Directors shall be elected by the Board of Directors from among its members.

The Board of Directors exercises its powers and duties as a body. The basic rules applicable to the Board of Directors are laid down in the Company’s Articles of Association and the rules of procedure adopted by the Board of Directors and the organisational and operational rules which are consistent with them. The rules of procedure of the Board of Directors shall set out in detail the

- (i) status of its members,
- (ii) tasks falling within the competence of the Board of Directors,
- (iii) the order of business,
- (iv) the rules governing the representation of the Company and the exercise of employer’s rights.

The main rules of procedure of the Board of Directors are set out below:

- (i) The Board of Directors meets as often as necessary, but at least every 3 months. The Board of Directors shall meet on the date set at its previous meeting, failing which it shall be convened within 3 months of the date of the previous meeting.
- (ii) The Board of Directors is convened by the Chairman. The Board of Directors may be convened jointly by two members of the Board of Directors in place of the Chairman. The place of the meeting of the Board of Directors shall be indicated in the invitation and may be a place other than the registered office of the Company.
- (iii) The meeting shall be convened at least 5 days before the beginning of the meeting, with a written invitation to the members of the Board of Directors indicating the agenda, the place and the time, by post, fax or e-mail. In case of urgent need, the meeting may be convened within 5 days by fax or e-mail. The agenda shall be accompanied by detailed written submissions and proposals for decisions relating to each item on the agenda, enabling a decision to be taken.
- (iv) Any member of the Board of Directors may request a meeting of the Board of Directors in writing, stating the reason and the purpose. In such a case, the Chairman shall convene a meeting of the Board of Directors within 8 days of the written request. If the Chairman fails to comply with such a request within 5 days of its receipt, the meeting may be convened directly by any member of the Board of Directors.
- (v) A meeting of the Board of Directors may be held without a duly convened meeting if all members of the Board of Directors are present.
- (vi) The Chairman of the Board of Directors or an invited person proposed by two members of the Board of Directors may attend a meeting of the Board of Directors with the right to be present, provided that the majority of the Board of Directors approves the attendance of the invited person at the beginning of the meeting.
- (vii) All members of the Board of Directors have the right to make proposals on an item on the agenda.
- (viii) Only items on the agenda delivered with the invitation may be discussed at meetings of the Board of Directors, except in the case referred to in subpoint (v) above. Items not included in the agenda as circulated shall be discussed by the Board of Directors only if all members are present at the meeting and unanimously so decide. Items scheduled for a Board meeting but not discussed due to lack of quorum or time constraints shall be placed on the agenda for the next meeting, unless they have become irrelevant due to the passage of time.
- (ix) All matters within the competence of the Board of Directors that require a decision may be included as an agenda item for the Board of Directors' meetings. For matters not requiring a decision, written information may be submitted to the Board of Directors on any matter other than those appearing on the agenda, or oral information may be given to the Board of Directors. The Chairman of the Board of Directors shall inform the Board of Directors at its next ordinary meeting of the major events that have taken place since the previous meeting and of

the status of implementation of the decisions adopted at the previous meeting of the Board of Directors.

- (x) The quorum for a meeting of the Board of Directors is at least 3 of its members.
- (xi) Decisions of the Board of Directors shall be taken by a simple majority of votes cast, with the Chairman having a casting vote in the event of a tie.
- (xii) A member of the Board of Directors may not vote on any matter concerning him or her personally. If any member of the Board of Directors considers himself or herself to be interested in a particular matter, he or she shall declare such conflict of interest and shall not take part in the discussion or decision prior to its adoption. The declaration shall be recorded separately in the minutes.
- (xiii) Anyone who is not entitled to vote shall be disregarded for the purposes of quorum.
- (xiv) At meetings of the Board of Directors, decisions are taken by open ballot. On a motion by a majority of the members present at a meeting, the Chairman presiding over the meeting may order a secret ballot on a particular question, which shall be recorded in the minutes.
- (xv) Members of the Board of Directors may attend meetings of the Board of Directors in their absence by using a voice electronic communication service (telephone) or a voice or voice-and-video data transmission service (video call) instead of attending in person.
- (xvi) The Chairman of the Board of Directors may convene a conference meeting. In this case, no Board member is required to attend a Board meeting in person, and all Board members participate in the Board meeting only by using voice electronic communication services (telephone) or voice or voice-and-video data transmission services (video call).
- (xvii) The Chairman of the Board of Directors may, if he or she does not consider it necessary to hold a meeting, invite the members to take a decision without holding a meeting by sending the draft decision at the same time (decision-making without a meeting). The Chairman may be replaced by two Board members acting jointly. The draft resolution may also be sent to the members of the Board of Directors by another person acting in the name and on behalf of the Chairman or the two members (for example, an employee of the Company).
- (xviii) If not all the votes of the members are received within the time limit laid down in the proposal, the quorum shall be established in accordance with the general rules for determining the validity of the vote.
- (xix) If the proposed decision or, in the case of a proposed decision containing alternatives, none of the alternatives obtains the required number of votes in favour, the matter shall be placed on the agenda of the next following meeting of the body, unless there is no need to decide on it.

- (xx) The Chairman of the Board of Directors or any other person acting on his or her behalf shall notify the members of the Board of Directors of the result of the decision taken without a meeting within 3 working days of the expiry of the voting period.

## **1.2. Description of the responsibilities and division of tasks between the Board of Directors and management**

### **1.2.1. Based on the Articles of Association, the Rules of Procedure of the Board of Directors and the other internal regulations of the Company, the Board of Directors is responsible for the following tasks:**

- (i) the definition of the Company's business policy principles;
- (ii) the convening of a general meeting, except in the cases provided for in the Civil Code;
- (iii) preparing the Company's accounts under the Accounting Act and the proposal for the distribution of profits and submitting them to the General Meeting;
- (iv) approving the Company's organisational and operational rules and regulations;
- (v) establishing the rules of its operation and adopting its rules of procedure;
- (vi) preparing, at least once a year, a report for the General Meeting on the Company's management, assets and business policy, and every 3 (three) months a report for the Audit Committee on the Company's management, equity position and business policy;
- (vii) ensuring the proper maintenance of the Company's business records;
- (viii) keeping a share register;
- (ix) ensuring the filing of the minutes or extracts of the general meeting with the Companies Registry, together with a certified copy of the relevant attendance sheet, any amendments to the Articles of Association, and the rights, facts and particulars contained in the company documents and any changes thereto;
- (x) monitoring the Company's operations and business management, deciding on the Company's business and development concepts and strategic plan, and deciding on the adoption of the annual business plan and, as part of this, the approval of the annual credit line;
- (xi) arranging for the publication and filing of the Company's balance sheet in accordance with the rules on disclosure;
- (xii) the appointment of the CEO; the exercise of employer's rights over the CEO and senior employees of the Company;

- (xiii) changes to the Company's name, registered office, premises, branches and activities other than its principal activity, and amendments to the Articles of Association in connection therewith (in all other cases, amendments to the Articles of Association fall within the competence of the General Meeting);
- (xiv) with the companies in which the Company participates, the exercise of all functions provided for by law, including decisions on authorisations to participate in meetings of the highest body of those companies, except for decisions relating to the registered office, premises, branches and scope of activities of those companies, which fall within the competence of the CEO;
- (xv) approval of the interim balance sheet forming the basis for the payment of interim dividends;
- (xvi) in the case of authorisation by the General Meeting, a decision to dispose of the Company's own shares acquired in any form or by any means, or to acquire own shares;
- (xvii) deciding, unless otherwise provided for in the Civil Code, on the increase of the share capital within the limits of the authorisation of the Articles of Association and the General Meeting;
- (xviii) approving contracts and commitments which do not fall within the powers of the CEO;
- (xix) deciding on all matters which do not fall within the exclusive competence of the General Meeting or which the Board of Directors withdraws from the CEO into its own competence;
- (xx) following the registration of the Company as a SZIT, the prior approval of the acquisition of assets with a value exceeding 10% of the balance sheet total, provided that such prior approval shall be deemed to have been granted only if the majority of the independent members of the Board of Directors within the meaning of Section 3:287 of the Civil Code have also voted in favour of the acquisition.

1.2.2. Under the Articles of Association and the internal rules of the Company, the functions of the Chief Executive Officer are as follows

The Company's General Meeting of 14 October 2019 decided, in order to facilitate the efficient operation of the Company, to create the office of a Chief Executive Officer with independent power of representation and registration to manage the day-to-day operations of the Company. Since 30 September 2020, the Chief Executive Officer of the Company has been elected by the Board of Directors. The Chief Executive Officer performs his or her duties in an employment relationship.

The Chief Executive Officer is responsible for deciding on matters which do not fall within the exclusive competence of the General Meeting or the Board of Directors, including

- (i) as the primary manager of the Company, being responsible for carrying out the duties assigned to the Company by the applicable laws and the Company's Articles of Association and other internal rules. In this context, the CEO ensures the proper preparation, regular review and operation of the Company's regulations, their personnel and material conditions, and the implementation of the resolutions of the General Meeting and the Board of Directors;

- (ii) establishing the Company's internal work organisation and work processes, and directing and controlling the Company's activities;
- (iii) preparing the Company's proposals for the development of business plans and organising the implementation of business plans;
- (iv) ensuring the proper maintenance of the Company's books and the preparation of the balance sheet, the statement of profit or loss and the cash flow statement;
- (v) taking operational decisions in accordance with the Company's strategy approved by the Board of Directors and the annual business plan in force, excluding the conclusion of contracts for the sale and purchase of real estate or business quotas and financing agreements, the approval of which falls within the exclusive competence of the Board of Directors;
- (vi) reporting regularly to the Board of Directors on the activities of the Company;
- (vii) representing the Company vis-à-vis third parties, especially in business relations and marketing communications, and having the power of independent decision in respect of contracts or statements representing the Company with a gross commitment not exceeding HUF 50,000,000, including one-off contracts and contracts involving continuous payment obligations where the payment obligation does not exceed the above limit over a period of up to 12 months;
- (viii) coordinating the Company's international relations;
- (ix) exercising employer's rights over the employees of the Company, except for managerial employees;
- (x) deciding on the registered office, premises, branches and scope of activities of the companies in which the Company participates.

2. **Introduction to the members of the Board of Directors and management (including, in the case of board members, the independence status of each member), description of the structure of the committees**

**2.1. The Board of Directors**

The five-member Board of Directors is the Company's executive body. Its powers and duties are set out in the Articles of Association, the Rules of Procedure of the Board of Directors and the other internal regulations of the Company. The independent members of the Board of Directors do not take part in the day-to-day activities of the Company's work organisation. The Chairman of the Company's Board of Directors is elected by the Board of Directors for an indefinite term in accordance with the Rules of Procedure.

During the period covered by this report, the Board of Directors consisted of the following members:

- (i) Ms Györgyi Magdolna Szűcs Szathmáriné has been a non-independent member of the Board of Directors since 29 April 2022 (she has also been the CEO of the Company since 1 August 2022 and replaced Mr Zsolt László Kertai as Chairman from 30 January 2024);
- (ii) Dr Endre Tibor Illés has been a non-independent member of the Board of Directors since 29 April 2022;
- (iii) Zoltán Jombik has been an independent member of the Board of Directors since 16 November 2022;
- (iv) Dr István Hüse has been an independent member of the Board of Directors since 30 January 2024;
- (v) Dr János Dezső Jákó has been an independent member of the Board of Directors since 30 January 2024.

The members of the Board of Directors were elected by the General Meeting for an indefinite term.

## **2.2. The Audit Committee**

According to the Company's Articles of Association, the Company has a three-member Audit Committee, whose members are elected by the General Meeting from among the independent members of the Board of Directors for the same term as their membership of the Board of Directors. The Audit Committee shall elect its Chairman from among its members and shall take its decisions by simple majority.

During the period covered by this report, the Audit Committee consisted of the following members:

- (i) Zoltán Jombik since 16 November 2022 (also Chairman of the Audit Committee since 1 June 2023);
- (ii) Dr István Hüse since 30 January 2024;
- (iii) Dr János Dezső Jákó since 30 January 2024.

Zoltán Jombik, who is the Chairman of the Audit Committee, has the statutory qualifications required for the operation of the Audit Committee.

The Audit Committee is responsible for:

- (i) providing opinions on the accounts under the Accounting Act and monitoring the audit;
- (ii) proposing the appointment and remuneration of the auditor;
- (iii) preparing the contract with the auditor;
- (iv) monitoring the enforcement of the professional requirements and the conflict of interest and independence requirements for the auditor, performing duties related to cooperation with the auditor, monitoring the services provided by the auditor to the Company other than the audit of the accounts under the Accounting Act, and, if necessary, proposing measures to be taken by the Board of Directors;

- (v) assessing the functioning of the financial reporting system and proposing the necessary measures;
- (vi) assisting the work of the Board of Directors to ensure proper control of the financial reporting system;
- (vii) monitoring the effectiveness of the internal control and risk management system.

The rules applicable to the meetings and functioning of the Board of Directors shall apply mutatis mutandis to the meetings and functioning of the Audit Committee, with the proviso that the Audit Committee is quorate if at least 2 (two) of its members are present.

### **2.3. Performing management tasks**

The day-to-day managerial and operational management of the Company is carried out solely by the Chief Executive Officer.

Since 1 August 2022, the CEO of the Company has been Ms Györgyi Magdolna Szűcs Szathmáriné, who is also a member of the Board of Directors (and, since 30 January 2024, its Chair).

In view of the size of the organisation, the management tasks appropriate to the Company's activities are not distributed, but are the sole responsibility of the CEO, who is assisted by employees not holding managerial positions.

## **3. Number of meetings of the Board of Directors and committees held during the period, with attendance rates**

### **3.1. Meetings of the Board of Directors**

In 2025, the Board of Directors met 1 (one) time with the participation of all Board members, and on a further 16 (sixteen) occasions adopted its position and resolutions by written voting without holding a meeting. In the case of decisions adopted without a meeting, all members entitled to vote on the matter cast a vote, except in 6 (six) cases involving 1 (one) vote each, of which in four cases 1 (one) vote was received after the voting deadline, while in two cases one Board member did not vote.

### **3.2. Audit Committee meetings**

In 2025, the Audit Committee met 1 (one) time with the participation of all members, and on a further 6 (six) occasions adopted its position and resolutions by written voting without holding a meeting. In the case of decisions adopted without a meeting, all members entitled to vote on the matter cast a vote, except in 2 (two) cases involving 1 (one) vote each, of which in one case 1 (one) vote was received after the voting deadline and in the other case one Audit Committee member did not vote.

4. **A presentation of the work of the Board of Directors, the management and the criteria used to evaluate each member. An indication of whether the evaluation carried out during the period resulted in any changes**

**4.1. Evaluation of the work of the Board of Directors**

The Board of Directors performs the management and control functions of the Company in a unified management system in compliance with the applicable laws, the Articles of Association of the Company, the Rules of Procedure of the Board of Directors and the organisational and operational rules of the Company. The Company does not evaluate the work of each Board member individually.

The General Meeting of the Company shall decide on the discharge of the members of the Board of Directors at the same time as it adopts the annual accounts for the relevant financial year.

**4.2. Evaluation of the work of management**

The Chief Executive Officer, elected by the Board of Directors of the Company, performs his or her duties as the operational manager of the Company on an employment basis. The Board of Directors exercises employer's rights over the CEO and is responsible for determining the CEO's remuneration.

The Board of Directors shall have the power to set the bonus conditions in the context of the evaluation of the CEO's performance, subject to which the CEO may receive a bonus. The bonus conditions should preferably be determined at the same time as the adoption of the business plan, but no later than two months after the adoption of the business plan. The target setting must contain the maximum amount of the bonus, the tasks to be performed and the date of evaluation. The evaluation of the tasks and settlement shall take place upon adoption of the annual accounts for the financial year, but no later than two months thereafter. If the predetermined tasks and objectives are not achieved in full, the Board of Directors may decide on the proportional payment of the bonus.

In view of the size of the organisation, the management tasks appropriate to the Company's activities are not distributed, but are the sole responsibility of the CEO, who is assisted by employees not holding managerial positions.

Since 14 October 2019, the evaluation of the work of employees has fallen within the powers of the CEO. In accordance with the remuneration policy adopted by the General Meeting, the Company seeks to ensure that remuneration rewards reasonable and genuine performance, promotes the achievement of economic objectives and encourages efficient work. As a variable element of remuneration, the Company may establish or grant bonuses or awards to employees subject to predetermined conditions and individual assessment. The Company reviews employee remuneration and certain elements thereof by 31 January of the year following the financial year under review and, if changes are made, those changes take effect from 31 January unless otherwise specified. The changes are influenced by the pay data of similar-sized companies in the Premium category of the Budapest Stock Exchange, competitors, the Company's general remuneration policy, as well as the expansion or reduction of levels of responsibility and the quality of work performed in the areas of responsibility. In setting remuneration levels, the Company takes into account the principles of equal treatment, transparency, proportionality and non-discrimination.

In 2025, certain employees of the Company received, in addition to their fixed remuneration, an award related to their performance based on individual assessment.

5. **A report on the functioning of each committee, including the profiles of committee members, the number of meetings held and attendance rates, as well as the main issues discussed at meetings and the general functioning of the committee**

The Company has no committee other than the Audit Committee, and the Board of Directors has not delegated any tasks to any committee.

The functioning of the Audit Committee and the term for which its members were elected are described in sections 2.2 and 3.2. There have been no cases where the Board of Directors has taken a decision contrary to the Audit Committee's position on any issue.

6. **Presentation of the system of internal controls, evaluation of the activity during the period. Report on the effectiveness and efficiency of risk management procedures. (Information on where shareholders can access the report of the Board of Directors on the functioning of internal controls)**

The decision-making powers of the General Meeting, the Board of Directors and the Audit Committee are defined by the Company's Articles of Association, the rules of procedure of the Board of Directors and the Audit Committee, and the Company's organisational and operational rules, within the limits of the applicable legal provisions. The decision-making powers of the employees are determined by the employer on the basis of their job descriptions.

The Board of Directors draws up rules as part of its governance activities. It takes its decisions in the form of resolutions.

Audit Committee members elected from among the members of the Board of Directors perform the internal audit function.

Given the size of the organisation, there are no specific policies on internal control mechanisms, and the Board of Directors does not prepare a separate report on the functioning of internal controls. Anything that does not fall within the remit of the Board of Directors is the sole responsibility of the CEO, and there are no lower-level management positions. The CEO is responsible for organising the work, directing and instructing the other employees, and supervising the implementation of tasks.

The Chief Executive Officer is a member of the Board of Directors, works in close cooperation with the Board of Directors, and regularly informs the members of the Board of Directors about the Company's operations and activities. The Board of Directors evaluates the work of the CEO at the meeting where the annual accounts are discussed.

From 2025, the Company has engaged an independent internal auditor to review processes, examine compliance with internal regulations and the proper functioning of control mechanisms within the organisation, and assess operational risks. The internal auditor made the review report available to the Audit Committee.

The supervision and direction of the Company's risk management are exercised by the Board of Directors, taking into account the risk management guidelines published on the Company's website.

The Company considers as a risk any element, event or circumstance inherent in its activities or management which, if it occurs, would adversely affect or could adversely affect the Company's operations. The extent of the risk is determined by the Company as the probability of the threat occurring multiplied by the amount of damage caused.

When evaluating potential risks, the Company classifies risk factors into high, medium and low categories, taking into account the probability of their materialisation, and on this basis determines which risk factors may be considered significant, which control measures may mitigate the given risk, and whether additional controls or a particular type of monitoring are necessary.

**7. Information on whether the auditor has performed any non-audit work**

The auditor engaged by the Company also provided non-audit services in the 2025 financial year. The services rendered were assessed and approved by the auditor and the Audit Committee from the perspective of independence prior to their commencement.

**8. Overview of the Company's disclosure policy and insider trading policy**

According to the Company's Articles of Association, the Board of Directors or the person authorised by it is entitled to make statements on behalf of the Company and to inform investors.

In its disclosures, the Company acts in accordance with the applicable European Union and national legislation, the stock exchange rules and its own internal regulations. The Company reports on its financial management in the form of half-yearly and annual reports with the content required by law, and publishes extraordinary disclosures in the cases specified by law and stock exchange rules. As a general principle, all information that may have an impact on the price of the Company's shares is disclosed as part of extraordinary disclosure. Under the new insider trading policy effective from 1 April 2025, such information is classified jointly by the CEO and the Board member designated for this purpose, and they decide whether to disclose it or, within the limits of the applicable legislation, to delay disclosure. In the absence of consensus, the Board of Directors decides on the classification and on whether disclosure should be made or delayed.

At the same time as the 2025 report, the Board of Directors reviewed the effectiveness of the disclosure processes and considered them to be appropriate and adequate for the current structure and size of the organisation.

The Company publishes its disclosures in Hungarian and English on its website, on [www.bet.hu](http://www.bet.hu) and on [www.kozzetetelek.hu](http://www.kozzetetelek.hu), and sends the regulated information to the editorial staff of an online media outlet.

In addition to the above, the Company and its subsidiaries also pay attention to informing the Company's shareholders and the participants of the money and capital markets about their activities

or events through other forums as well, in the form of paid publications or statements supplied to the press, in addition to the information published at the official places of disclosure.

The Company publishes its calendar of corporate events in the year preceding the relevant financial year, informing investors of the main events expected in the following year.

In matters relating to insider dealing, the Company shall at all times act in accordance with the applicable laws and stock exchange rules, and its internal rules are aligned accordingly. The Company keeps an insider list and specifically draws the attention of the persons concerned to their obligations under the law and stock exchange rules and to the sanctions applicable in the event of breach.

## 9. Overview of how to exercise shareholder rights

The Company's share capital consists of 47,371,419 ordinary shares with a nominal value of HUF 100 each, i.e. forty-seven million three hundred and seventy-one thousand four hundred and nineteen registered dematerialised ordinary shares. Each ordinary share with a nominal value of HUF 100 carries one voting right, provided that treasury shares shall be disregarded for the purpose of determining the quorum of the General Meeting and for the exercise of subscription (takeover) pre-emption rights.

The rights and obligations attached to the shares are set out in Chapters III, IV and V of the Company's Articles of Association.

A shareholder is entitled to exercise his or her shareholder rights upon possession of the ownership certificate specified in the relevant legal provisions and after registration in the share register. The share register of the Company is kept by the Board of Directors. In the event of a change of ownership at the initiative of the Company, the keeper of the share register shall delete all data in the share register valid at the time of the ownership reconciliation and at the same time enter the data corresponding to the result of that reconciliation. Shareholders may inspect the share register.

Shareholders may also exercise their shareholder rights by proxy. Members of the Board of Directors and the auditor may not act as proxies. The proxy must be submitted to the Company in the form of a public document or a private document with full probative value.

A shareholder may appoint a proxy to exercise shareholder rights vis-à-vis the Company, who, after registration in the share register, shall exercise the shareholder's rights vis-à-vis the Company in his or her own name for the benefit of the shareholder.

A shareholder is entitled to attend the general meeting, request information, make comments and proposals, and vote if he or she holds shares carrying voting rights.

Pursuant to Section 3:261 (1) of the Civil Code, the shareholder is entitled to a proportionate share of the profit of the Company that may be distributed and is ordered to be distributed by the General Meeting, in proportion to the nominal value of his or her shares (dividend).

The detailed rules on minority shareholder rights (in particular the right to add items to the agenda, the right to convene a general meeting, and the right to request an audit) are set out in Chapter V of the Articles of Association, which is available on the Company's website.

#### 10. **Brief description of the rules for the conduct of the general meeting**

The rules for convening and conducting the General Meeting are laid down in the Civil Code and the Articles of Association.

The General Meeting shall be convened at least once a year, by 30 April of the given year (ordinary general meeting).

The General Meeting shall be convened by the Board of Directors unless otherwise provided by the Civil Code. The General Meeting may also be held at a place other than the registered office of the Company; the place of the General Meeting is determined by the Board of Directors. The General Meeting shall be convened by invitation published in accordance with the rules applicable to Company notices at least 30 (thirty) days before the date on which it is to begin.

The essential particulars of the accounts under the Accounting Act and the report of the Board of Directors and the Audit Committee, the aggregate number of shares and voting rights existing at the time of convening, the proposals and draft resolutions relating to the matters on the agenda, as well as the form to be used for voting by proxy, shall be made public at least 21 (twenty-one) days before the General Meeting in accordance with the rules on company notices.

A record of the attendance of shareholders at the General Meeting must be made.

The General Meeting has a quorum if shareholders representing more than half of the votes embodied in shares carrying voting rights are present. If the General Meeting does not have a quorum, the reconvened General Meeting shall have a quorum with respect to the business on the original agenda regardless of the number of those present. At least 3 (three) days must elapse between the General Meeting without a quorum and the reconvened General Meeting, but this period may not exceed 21 (twenty-one) days.

The General Meeting is chaired by the person elected as chair of that General Meeting.

At the General Meeting, decisions shall be taken by open ballot by displaying or handing in ballot papers prepared by the Board of Directors, by voting machine, by show of hands or by any other method determined on the spot. The General Meeting shall adopt its resolutions by the voting ratio required by the Civil Code.

The members of the Board of Directors, the members of the Audit Committee and the auditor have the right to participate in the General Meeting with the right to speak, to comment on the agenda and to make motions.

The General Meeting may be suspended for a maximum period of 30 (thirty) days by resolution of the General Meeting.

The Articles of Association provide for the possibility of holding a conference General Meeting.

Further detailed rules relating to the General Meeting are set out in Chapter VI of the Articles of Association, which is available on the Company's website.

11. **A description of how the issuer complies with the requirements of Chapter IV of Act LXVII of 2019 on the promotion of long-term shareholder engagement and the amendment of certain acts for the purpose of legal harmonisation.**

In light of the provisions of Chapter IV of Act LXVII of 2019 on the promotion of long-term shareholder engagement and the amendment of certain acts for the purpose of legal harmonisation, the Company adopted its remuneration policy effective from 26 April 2024 on 26 April 2024 following the advisory vote of the General Meeting.

The remuneration policy sets out the specific guidelines, incentive system and remuneration elements for the remuneration of the members of the Board of Directors and the Chief Executive Officer, and also addresses the principles for determining the remuneration of the Company's other employees.

In accordance with the rules laid down in the referred Act and the remuneration policy, the Company prepares an annual remuneration report on compliance with the remuneration policy and submits it to the General Meeting for an advisory vote. The purpose of the report is to provide a comprehensive overview of all remuneration awarded to or due to each member of the Board of Directors and the Chief Executive Officer on the basis of the results of the financial year, and to show the extent to which the remuneration practices applied in the year under review complied with the provisions of the remuneration policy for that period.

12. **CG Report on compliance with the Corporate Governance Recommendations**

As part of its Corporate Governance Report, the Company declares, by completing the table below, the extent to which it has applied in its own corporate governance practice the recommendations and suggestions set out in the Corporate Governance Recommendations issued by Budapest Stock Exchange Ltd.

The Company indicates whether it has applied the relevant recommendation or not and, in the case of a negative answer, briefly states the reasons why it has not applied the given recommendation. If an event did not occur at the Company during the period under review, but the Company would have acted in accordance with the recommendations had such an event occurred, the Company answers "yes" to the relevant recommendation or suggestion with an indication to that effect.

12.1. **Level of compliance with the recommendations**

1. **Shareholders' rights and the General Meeting**

1.1. **General principles**

**1.1.1. The Company has an organisational unit dealing with investor relations, or a designated person performs these tasks.**

Yes.

**1.1.2. The Company's Articles of Association are available on the Company's website.**

Yes.

**1.1.4. Where the Company's Articles of Association allow shareholders to exercise their rights in absentia, the Company has published on its website the methods and conditions thereof, including the necessary documents.**

Yes.

## **1.2. Convening the General Meeting**

**1.2.1. The Company has published on its website, in a summary document, the rules applicable to the conduct of general meetings and to the exercise of shareholders' voting rights.**

No.

Explanation: In every case, the notice convening the General Meeting, which is also available on the website, contained the above information; no separate document was prepared for this purpose. At the same time, the Company's Articles of Association were also uploaded to the website and they, too, contain the necessary information.

**1.2.2. The Company published, with the exact date indicated, the record date for determining the persons entitled to participate in the relevant corporate event and the date on which the shares conferring entitlement to participate in that event were last traded.**

Yes.

**1.2.3. The Company held its general meetings in a manner that enabled the participation of as many shareholders as possible.**

Yes.

**1.2.6. The Company did not restrict shareholders from appointing a separate proxy for each securities account for any General Meeting.**

Yes.

**1.2.7. In the case of submissions prepared for agenda items, in addition to the draft resolutions of the Board of Directors, the opinion of the Supervisory Board was also available to shareholders.**

No.

Explanation: The Company operates under a unified management system; instead of a board of directors and supervisory board, the Company's management body is the Board of Directors, and there is no Supervisory Board.

### **1.3. Conduct of the General Meeting**

**1.3.3. The Company did not restrict the rights of shareholders attending the General Meeting to request information, make comments and submit proposals, and imposed no preconditions on the exercise of these rights other than measures necessary for the proper and orderly conduct of the General Meeting.**

Yes.

**1.3.4. By responding to questions raised at the General Meeting, the Company ensured compliance with the principles of information and disclosure set out in the law and stock exchange requirements.**

Yes.

**1.3.5. Within three working days after the General Meeting, the Company published on its website its responses to questions that the attending representatives of the Company's bodies or its auditor were unable to answer satisfactorily at the General Meeting, or published information on the reasons for refraining from answering.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

**1.3.7. The chair of the General Meeting ordered a break or proposed the suspension of the General Meeting if a motion or proposal was submitted in relation to agenda items which shareholders could not have become aware of prior to the General Meeting.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

**1.3.8.**

**1.3.8.1. The chair of the General Meeting did not apply a bundled voting procedure when deciding on the election or removal of executive officers and members of the Supervisory Board.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

**1.3.8.2. Where executive officers and members of the Supervisory Board were nominated with shareholder support, the Company provided information on the identity of the supporting shareholder(s).**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

**1.3.9. Before discussing agenda items concerning amendments to the Articles of Association, the General Meeting adopted a separate resolution on whether to decide on the individual points of amendment separately or by combined resolutions, including combinations according to certain aspects.**

No.

Explanation: In 2025, only the alignment of the Company's scope of activities with TEÁOR '25 classification was implemented in the Articles of Association (i.e. no amendment to the Articles of Association took place). In all other respects, it is the usual practice that the chair of the General Meeting informs shareholders that all unrelated amendments are decided by separate resolutions, while amendments relating to the same subject matter but affecting several points are decided in one resolution.

**1.3.10. Within 30 days after the General Meeting, the Company published the resolutions and the minutes of the General Meeting containing the presentation of the draft resolutions as well as the material questions and answers relating thereto.**

Yes.

Note: The Company published the draft resolutions and the resolutions, but not the minutes separately.

**1.6. Transparency and disclosure**

**1.6.1.**

**1.6.1.1. The Company's disclosure guidelines cover the procedures of electronic and internet disclosure.**

Yes.

**1.6.1.2. The Company designs its website with due regard to disclosure considerations and investor information.**

Yes.

**1.6.2.**

**1.6.2.1. The Company has internal regulations on disclosure which cover the handling of the information listed in point 1.6.2 of the Recommendations.**

Yes.

**1.6.2.2. The Company's internal regulations cover the classification of events significant from the perspective of disclosure.**

Yes.

**1.6.2.3. The Board of Directors assessed the effectiveness of the disclosure processes.**

Yes.

**1.6.2.4. The Company published the results of the review of the disclosure processes.**

Yes.

**1.6.3. The Company published its annual corporate events calendar.**

Yes.

**1.6.4. The Company disclosed its strategy, business ethics and policies relating to other stakeholders.**

No.

Explanation: The Company published its new strategy. The Company does not have policies relating to other stakeholders.

**1.6.5. In the annual report or on its website, the Company disclosed information on the professional career of the members of the Board of Directors / Board, the Supervisory Board and the management.**

Yes.

Note: The professional biographies of the members of the Board of Directors are available on the Company's website.

**1.6.6. The Company disclosed the appropriate information on the work of the Board of Directors / Board, the Supervisory Board and the management, their evaluation and the changes during the year.**

Yes.

**1.6.8. The Company published its risk management guidelines and information on the system of internal controls, the principal risks and the principles for their management.**

Yes.

Note: Given the size of the organisation, there are no separate individual policies on internal control mechanisms, but the Company has an independent internal auditor.

1.6.9.

**1.6.9.1. The Company disclosed its policies regarding insider trading by persons with inside information in relation to the Company's securities.**

Yes.

**1.6.9.2. The Company disclosed, in the annual report or otherwise, the holdings of the members of the Board of Directors / Board, the Supervisory Board and the management in the Company's securities.**

Yes.

**1.6.10. The Company disclosed any relationship of the members of the Board of Directors / Board, the Supervisory Board and the management with any third party that may influence the Company's operations.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

## **2. Management, control and risk bearing**

## **2.1. Division of responsibilities and powers within the Company**

### **2.1.1. The Company's Articles of Association contain clear provisions on the tasks and powers of the General Meeting and the Board of Directors / Board.**

Yes.

## **2.2. Board of Directors / Board**

### **2.2.1. The Board of Directors / Board has rules of procedure which set out the tasks relating to the preparation and conduct of meetings, the resolutions adopted, and other matters affecting the functioning of the Board of Directors / Board.**

Yes.

### **2.2.2. The Company discloses the procedure for nominating members of the Board of Directors / Board.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

## **2.3. The Supervisory Board**

### **2.3.1. The Supervisory Board details in its rules of procedure and work plan its operation, powers and duties, as well as the procedural rules and processes according to which it acts.**

No.

Explanation: The Company operates under a unified management system; instead of a board of directors and supervisory board, the Company's management body is the Board of Directors, and there is no Supervisory Board.

## **2.4. Meetings of the Board of Directors / Board and the Supervisory Board**

### **2.4.1.**

#### **2.4.1.1. The Board of Directors / Board and the Supervisory Board held meetings at a regular frequency determined in advance.**

Yes.

#### **2.4.1.2. The rules of procedure of the Board of Directors / Board and the Supervisory Board provide for the conduct of unplanned meetings and for decision-making by means of electronic communication.**

Yes.

**2.4.2.**

**2.4.2.1. The members of the bodies had access to the submissions for a given meeting at least five working days before that meeting.**

No.

Explanation: In cases requiring urgent decision-making, the deadline could not be met in every case, but this did not prevent the Board of Directors from taking decisions on any occasion.

**2.4.2.2. The Company ensured the proper conduct of the meetings and the taking of minutes, as well as the management of the documentation and resolutions of the Board of Directors / Board and the Supervisory Board.**

Yes.

**2.4.3. The rules of procedure regulate the regular or occasional participation of persons who are not members of the body in the meetings of the body.**

Yes.

**2.5. Members of the Board of Directors / Board and the Supervisory Board**

**2.5.1. The nomination and election of the members of the Board of Directors / Board and the Supervisory Board were carried out in a transparent manner, and information on the candidates was made public in due time before the General Meeting.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

**2.5.2. The composition and number of the bodies comply with the principles set out in point 2.5.2 of the Recommendations.**

Yes.

**2.5.3. The Company ensured that newly elected body members could become familiar with the structure and operation of the Company and with the tasks to be performed by them as body members.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

## **2.6. Independence of the members of the Board of Directors / Supervisory Board**

**2.6.1. At regular intervals (in connection with the preparation of the annual corporate governance report), the Board of Directors / Supervisory Board requested confirmation of independence from those members regarded as independent.**

Yes.

**2.6.2. The Company provides information on the means that ensure that the Board of Directors / Board evaluates management objectively.**

No.

Explanation: Given the size of the organisation, there is no need to establish a separate evaluation mechanism.

**2.6.3. The Company published on its website its guidelines relating to the independence of the Board of Directors / Supervisory Board and the independence criteria applied.**

Yes.

**2.6.4. The Supervisory Board of the Company has no member who held office in the Board of Directors or management of the Company in the five years prior to nomination, excluding cases of employee participation.**

No.

Explanation: The Company operates under a unified management system; instead of a board of directors and supervisory board, the Company's management body is the Board of Directors, and there is no Supervisory Board.

## **2.7. Conflicts of interest of members of the Board of Directors / Board and the Supervisory Board – insider dealing**

**2.7.1. A member of the Board of Directors / Board informed the Board of Directors / Board (Supervisory Board / Audit Committee) if he or she (or persons having a business relationship with him or her or close relatives) had a material personal interest in any transaction of the Company (or any of its subsidiaries) which affected his or her independence.**

Yes.

**2.7.2. Transactions and engagements between members of the bodies and management (and persons closely related to them) and the Company (or its subsidiaries) were carried out and**

approved in accordance with the Company's general business practice but subject to stricter transparency rules than those applicable in the ordinary course of business.

Yes.

**2.7.3. A member of a body informed the Supervisory Board / Audit Committee (Nomination Committee) if he or she received an invitation to serve as a body member or in a management position at a company outside the group.**

Yes.

**2.7.4. The Board of Directors / Board established the Company's guidelines on the flow of information within the Company and the handling of inside information, and supervises compliance with these guidelines.**

Yes.

## **2.8. Internal control systems and risk management**

**2.8.1. The Company has established an independent internal audit function which reports to the Audit Committee / Supervisory Board.**

Yes.

**2.8.2. The internal audit function has unrestricted access to all information necessary for its reviews.**

Yes.

**2.8.3. Shareholders received information on the functioning of the internal control system.**

Yes.

**2.8.4. The Company has a compliance function.**

No.

Explanation: Given the size of the organisation, there is no separate organisational unit for this purpose.

**2.8.5.**

**2.8.5.1. The Board of Directors / Board, or a committee operated by it, is responsible for supervising and directing the Company's overall risk management.**

Yes.

**2.8.5.2. The appropriate body of the Company and the General Meeting were informed of the effectiveness of the risk management procedures.**

Yes.

**2.8.6. The Board of Directors / Board, with the involvement of the relevant areas, developed risk management principles appropriate to the characteristics of the sector and of the Company.**

Yes.

**2.8.7. The Board of Directors / Board formulated principles relating to the system of internal controls that ensure the management and control of risks affecting the Company's activities and the achievement of the Company's performance and profit objectives.**

No.

Explanation: Given the size of the organisation, there are no separately laid down principles.

**2.8.8. The functions of the internal control systems reported at least once to the competent body on the functioning of the internal control mechanisms and the corporate governance functions.**

Yes.

**2.9. External adviser, auditor**

**2.9.2. The Board of Directors / Board invited the Company's auditor with consultative rights to the meetings discussing the financial statements.**

Yes.

**12.2. Level of compliance with the suggestions**

**1. Shareholders' rights and the General Meeting**

**1.1. General principles**

**1.1.3. The Company's Articles of Association allow shareholders to exercise their voting rights in absentia.**

Yes.

Note: With limitations.

**1.2. Convening the General Meeting**

**1.2.3. The Company determined the place and date of a general meeting initiated by shareholders with due regard to the proposal of the initiating shareholders.**

Yes.

**Note: No such event occurred, but the Company would have acted in accordance with the recommendation.**

**1.2.5. The voting procedure applied by the Company ensures that the result of the vote can be determined clearly, transparently and quickly and, in the case of electronic voting, that it is authentic and reliable.**

Yes.

### **1.3. Conduct of the General Meeting**

#### **1.3.1.**

**1.3.1.1. The Board of Directors / Board and the Supervisory Board were represented at the General Meeting.**

Yes.

**1.3.1.2. If the Board of Directors / Board and the Supervisory Board were absent, the chair of the General Meeting gave appropriate information before the substantive discussion of the agenda items.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

#### **1.3.2.**

**1.3.2.1. The Company's Articles of Association do not restrict that, at the initiative of the chairman of the Board of Directors / Board, any person may be invited to the Company's General Meeting with the right to speak and express an opinion if it is presumed that such person's presence and opinion are necessary or facilitate informing shareholders and the adoption of resolutions by the General Meeting.**

Yes.

**1.3.2.2. The Company's Articles of Association do not restrict that, at the initiative of shareholders requesting the addition of agenda items, any person may be invited to the Company's General Meeting with the right to speak and express an opinion.**

Yes.

**1.3.6. The Company's annual accounts under the Accounting Act contain, for shareholders, a concise, comprehensible and illustrative summary of the material information relating to the Company's annual operation.**

Yes.

#### **1.4. Matters affecting the General Meeting**

**1.4.1. In accordance with point 1.4.1, the Company paid dividends within 10 working days to those shareholders who had provided all information and documents necessary for such payment.**

Yes.

Note: No such event occurred, but the Company would have acted in accordance with the recommendation.

#### **1.6. Matters affecting the General Meeting**

**1.6.11. The Company also published its disclosures in English in accordance with point 1.6.11.**

Yes.

**1.6.12. The Company informed its investors regularly, but at least quarterly, of its operations and financial and asset position.**

No.

Explanation: The Company informs its investors of its operations and financial and asset position semi-annually.

## **2. Management, control, risk management**

**2.9.1. The Company has internal procedures to be followed when using external advisers and their outsourced services.**

No.

Explanation: The size of the organisation does not justify the establishment of a separate internal procedure; external advisers are accountable to the CEO for their work.

**1. A description of how the issuer complies with the requirements of Chapter IV of Act LXVII of 2019 on the promotion of long-term shareholder engagement and the amendment of certain acts for the purpose of legal harmonisation.**

In light of the provisions of Chapter IV of Act LXVII of 2019 on the promotion of long-term shareholder engagement and the amendment of certain acts for the purpose of legal

harmonisation, the Company adopted its remuneration policy effective from 26 April 2024 on 26 April 2024 following the advisory vote of the General Meeting.

The remuneration policy sets out the specific guidelines, incentive system and remuneration elements for the remuneration of the members of the Board of Directors and the Chief Executive Officer, and also addresses the principles for determining the remuneration of the Company's other employees.

In accordance with the rules laid down in the referred Act and the remuneration policy, the Company prepares an annual remuneration report on compliance with the remuneration policy and submits it to the General Meeting for an advisory vote. The purpose of the report is to provide a comprehensive overview of all remuneration awarded to or due to each member of the Board of Directors and the Chief Executive Officer on the basis of the results of the financial year, and to show the extent to which the remuneration practices applied in the year under review complied with the provisions of the remuneration policy for that period.

Given its size, the Company has not adopted a diversity policy (required by Section 95/b (1) (h) of the Accounting Act) for its administrative, management and supervisory bodies.

**Appeninn Plc., together with this Annual Report, publishes its IFRS consolidated financial statements, its corporate governance, remuneration and ESG reports.**

(<https://appeninnholding.com/kozlemenyek>)

## II. Statement of Responsibility

Statements required by Annex 1 of PM Decree 24/2008 (VIII.15.) on the consolidated parent company's 2025 IFRS (International Financial Reporting Standards as published in the Official Journal of the European Union) financial statements and reports of Appeninn Plc.

The undersigned declares that, to the best of our knowledge, the consolidated financial statements of Appeninn Plc. (the Issuer) for the year 2025, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group, and that the management report for the year 2025 gives a true and fair view of the Group's position, development and performance, together with a description of the principal risks and uncertainties.

Budapest, 1 April 2026

Mrs Györgyi Magdolna Szathmáriné Szűcs  
**Appeninn Asset Management Holding Public Limited Company**