VELITIA POMERANIA B.V.

Amsterdam, the Netherlands (CCI No. 64741621)

ANNUAL REPORT 2023

VELITIA POMERANIA B.V.

Contents	**Page**
Financial Statements	
Balance Sheet as at December 31, 2023	1
Profit and Loss Account for the financial year ended December 31, 2023	2
Cash Flow Statement for 2023	3
Notes to the Financial Statements as at December 31, 2023	4

VELITIA POMERANIA B.V.

Balance Sheet as at December 31, 2023

(In PLN, before appropriation of results)

	Notes	2023 December 31	2022 December 31
Fixed Assets	**5**		
Financial fixed assets	5a		
Investments	I	162,106,483	162,106,483
Total Fixed Assets		162,106,483	162,106,483
Current Assets	**6**		
Receivable from shareholders	6a	55	55
Other receivables	6b	408	551
Cash and cash equivalents	6c	88,195	179,340
Total Current Assets		88,658	179,946
Current Liabilities	**7**		
Accrued expenses	7a	7,968	5,545
Total Current Liabilities		7,968	5,545
Balance of Current Assets less Short-term Liabilities		80,690	174,401
Total Assets less Current Liabilities		162,187,173	162,280,884
Long-term Liabilities	**8**		
Loans	8a	87,464,820	81,856,485
		74,722,353	80,424,399
Capital and Reserves	**9**		
Share capital		90,410,855	90,410,855
Accumulated deficit		(9,986,456)	(4,683,652)
Result for the year		(5,702,046)	(5,302,804)
		74,722,353	80,424,399

VELITIA POMERANIA B.V.

Profit and Loss Account
for the financial year ended December 31, 2023
(in PLN)

	Notes	2023 January 1 - December 31	2022 January 1 - December 31
Financial Income (Expense)	**10**		
Interest expense on loans	10a	(5,608,335)	(5,250,573)
Exchange differences		(4,680)	10,892
Bank and other interest		1,995	1,478
		(5,611,020)	(5,238,203)
Other Expenses	**11**		
General and administrative expenses	11a	91,026	64,601
		91,026	64,601
Result before taxation		(5,702,046)	(5,302,804)
Corporate income tax current year	**12**	--	--
Net result for the year		(5,702,046)	(5,302,804)

Cash Flow Statement
for 2023
(in PLN)

	2023	2022
Cash flow resulting from operating activities		
Profit (loss) before tax	(5,702,046)	(5,302,804)
Adjustments for		
Movements in receivables	143	123,500
Movements in payables	2,423	269
Accrued interest on long-term liabilities	5,608,335	5,250,573
	5,610,901	5,374,342
Increase (decrease) in cash held	(91,145)	71,538
Cash and cash equivalents, beginning of year	179,340	107,802
Cash and cash equivalents, end of year	88,195	179,340

Notes to the Financial Statements as at December 31, 2023
(in PLN)

1. GENERAL

The Management is pleased to present the annual report and accounts of the Company for the financial year ended December 31, 2023.

Velitia Pomerania B.V. is a Dutch private company with limited liability, incorporated in Amsterdam on December 11, 2015, having its office address at Amstelplein 1, 24th Floor, 1096 HA Amsterdam.

(a) Activities

The Company mainly acts as a holding and finance company.

(b) Group structure

For an overview of the group companies reference is made to the notes to the financial fixed assets.

2. GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

(a) General

The accompanying financial statements have been prepared according to the stipulations of the fourth and seventh Directive of the European Community as set forth in Title 9, Book 2 of the Dutch Civil Code.

(b) Translation of foreign currencies

All assets and liabilities denominated in currencies other than PLN have been translated at the rates of exchange prevailing on balance sheet date. All transactions in foreign currencies have been translated into PLN at rates of exchange approximating those prevailing on the dates of the transactions. Unless otherwise indicated, any resulting exchange differences are included in the Profit and Loss Account.

The exchange rates used in the annual accounts are:

		2023 December 31	2022 December 31
Equivalent of EUR 1 in:			
PLN	Polish Zloty	4.3395	4.6808

(c) Financial risk management

The company's activities are not exposed to major financial risks, as changes in debt and equity market prices, foreign currency exchange rates or interest rates. The risk would be a possible diminution of its investment in its participation.

3. PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

(a) Financial fixed assets

i. Investments

The Company acts as a 'Participatiemaatschappij' as set out in Dutch Accounting Standards. The Company's investment is valued at cost. A provision for impairment is formed against cost value if the diminution in value is considered to be of a permanent nature.

Consolidated financial statements have not been prepared, as is permitted by Article 2:407 of the Dutch Civil Code. Further to Article 407.1c of Section 9 Book 2 of the Dutch Civil Code, the Company opts for the 'consolidation exemption'. Under the consolidation exemption, the Company's investments are considered to be held for sale, to be recognised as investments under Dutch Accounting Standard 290 and not consolidated in the Company's financial statements.

ii. Loans

Loans are valued at face value after deduction of any provisions.

(b) Other assets and liabilities

Unless otherwise indicated, assets and liabilities are stated at face value.

4. PRINCIPLES FOR THE DETERMINATION OF THE RESULT

During the year under review, the Company recorded a net loss of PLN 5,702,046, details of which are set out in the Profit and Loss Account.

(a) Translation of foreign currencies

All transactions in foreign currencies have been translated into PLN at rates of exchange approximating those prevailing on the dates of the transactions. Unless otherwise indicated, any resulting differences are included in the Profit and Loss account.

(b) Financial income and expense

Financial income comprises interest income on loans, finance expense comprises interest expense on borrowings.

(c) Corporate income tax

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are solely valued insofar as their realisation is likely.

5. FIXED ASSETS

(a) Financial fixed assets

I. Investments

The company has shares in the following companies as at December 31, 2023:

Name	Domicile	Ownership	Net equity Value in PLN	Net Result in PLN	Book value
Value Pharmacy Holdings B.V	Amsterdam, The Netherlands	24.97%	--	--	162,106,483
					162,106,483

There were no movements in the shares in group companies during the current or the previous year.

6. CURRENT ASSETS

(a) Receivable from shareholders

This amount can be specified as follows:

	2023 December 31	2022 December 31
Receivable from Mr O. Semik Hütter	55	55
	55	55

(b) Other receivables

This amount can be specified as follows:

	2023 December 31	2022 December 31
Bank interest on PLN account, 4th quarter 2023 (2022)	408	551
	408	551

(c) Cash and cash equivalents

This amount can be specified as follows:

	Currency		2023 December 31	2022 December 31
ABN AMRO Bank, c/a	PLN		56,040	53,901
ABN AMRO Bank, c/a	EUR	7,410	32,155	125,439
			88,195	179,340

The funds in cash and cash equivalents are freely available to the Company.

7. CURRENT LIABILITIES

(a) Accrued expenses

This amount can be specified as follows:

	2023 December 31	2022 December 31
Management and administrative fees	7,968	5,545
	7,968	5,545

8. LONG-TERM LIABILITIES

(a) Loans

As at December 31, 2023, this item can be detailed as follows:

Lender	Maturity	Rate		PLN
Shareholder's loan				
Mr O. Semik Hütter	June 21, 2024	7.15%		82,136,488
Principal			*76,811,296*	
Shareholder's loan				
Mr R. Bledowski	June 21, 2024	7.15%		2,979,044
Principal			*2,785,902*	
Shareholder's loan				
Mr O. Semik Hütter	June 21, 2024	5.00%		1,024,222
Principal			*772,000*	
Shareholder's loan				
Mr R. Bledowski	June 21, 2024	5.00%		37,148
Principal			*28,000*	
Shareholder's loan				
Mr O. Semik Hütter	August 5, 2024	5.00%		892,030
Principal			*675,500*	
Shareholder's loan				
Mr R. Bledowski	August 5, 2024	5.00%		32,353
Principal			*24,500*	
Shareholder's loan				
Mr O. Semik Hütter	September 2, 2024	5.00%		350,811
Principal			*289,500*	
Shareholder's loan				
Mr R. Bledowski	September 2, 2024	5.00%		12,724
Principal			*10,500*	
Balance as at December 31, 2023				87,464,820

The movements in the long-term liabilities are as follows:

	2023	2022
Balance as at January 1,	81,856,485	76,605,912
Accrued interest	5,608,335	5,250,573
Balance as at December 31,	87,464,820	81,856,485

9. CAPITAL AND RESERVES

The share capital of the company consists of one or more shares, each having a par value of PLN 1.00. Upon incorporation 1,000 shares have been subscribed for. By notarial deed dated March 7, 2016, a further 145,200,000 shares have been issued, by consequence of which the issued share capital of the Company amounts to PLN 145,201,000. All shares have been fully paid up.
By notarial deed dated August 8, 2017, the Company's Articles of Association were amended. The nominal value of the shares was decreased to PLN 0.62266, hence the issued share capital now amounts to PLN 90,410,854.66. The decrease of PLN 54,790,145.34 was repaid to the shareholders by decrease of the receivable from shareholders with the same amount.
The movements in the year under review can be summarised as follows :

	Share Capital	Accumulated deficit	Result for the year	Total
Balance January 1, 2022	90,410,855	300,758	(4,984,410)	85,727,203
Profit/loss appropriation	--	(4,984,410)	4,984,410	--
Result for the year	--	--	(5,302,804)	(5,302,804)
Balance December 31, 2022	90,410,855	(4,683,652)	(5,302,804)	80,424,399
Balance January 1, 2023	90,410,855	(4,683,652)	(5,302,804)	80,424,399
Profit/loss appropriation	--	(5,302,804)	5,302,804	--
Result for the year	--	--	(5,702,046)	(5,702,046)
Balance December 31, 2023	90,410,855	(9,986,456)	(5,702,046)	74,722,353

Appropriation of result according to the Articles of Association

According to article 23.1 of the Articles of Association the result of the year is at free disposal of the General Meeting of Shareholders.

Appropriation of result for the financial year 2022

The Annual Report 2022 was adopted in the General Meeting of Shareholders held on July 12, 2023. The General Meeting of Shareholders has determined the appropriation of the result for 2022 in accordance with the proposal made in the 2022 Annual Report.

Proposed appropriation of result for the financial year 2023

The Board of Directors proposes to transfer the net loss for the year, amounting to PLN 5,702,046 to the accumulated deficit. This proposal is subject to the approval of the Annual General Meeting of Shareholders.

10. FINANCIAL INCOME (EXPENSE)

(a) Interest expense on loans

This amount can be specified as follows:

	2023 January 1 - December 31	2022 January 1 - December 31
Interest expense on loans from shareholders	5,608,335	5,250,573
	5,608,335	5,250,573

11. OTHER EXPENSES

(a) General and administrative expenses

This amount can be specified as follows:

	2023 January 1 - December 31	2022 January 1 - December 31
Management and administrative fees	63,164	42,393
Legal and tax advisory fees	17,599	11,559
Bank charges	10,263	10,649
	91,026	64,601

12. FISCAL POSITION

i. Corporate income tax (CIT)

		2023 January 1 - December 31	2022 January 1 - December 31
Result before taxation	(5,702,046)		(5,302,804)
Non-deductible interest	1,440,140		1,082,895
Fiscal result		(4,261,906)	(4,219,909)
Losses carried forward		--	--
Fiscal result (is taxable amount)		(4,261,906)	(4,219,909)

The Company did not generate taxable income during the year under review. Therefore, no tax charge for the year is recorded. At year-end the losses carry forward amount to PLN 16,981,065 which can be offset against future profits. This amount includes the taxable losses of the year under review. Deferred tax is not included in this calculation.

13. NUMBER OF EMPLOYEES AND EMPLOYMENT COSTS

Neither during the year under review nor in the previous year did the Company have any employees. Hence, it did not pay any wages and related social security contributions.

14. DIRECTORS

During the year under review, the Company had one director, who received a total remuneration of EUR 4,363 (2022: EUR 3,930). The Company has no supervisory directors.

The Board of Directors,

CJ Witlox

PraxisIFM Netherlands B.V.

Amsterdam,