

PHOENIX Zdravotnicke zasobovanie, a.s.

Separate Financial Statements
for the year ended 31 January 2025

in accordance with International Financial Reporting
Standards (IFRS) as adopted by the European Union (EU)

**(Translation of the statutory separate financial statements
originally prepared in Slovak language)**

Statement of comprehensive income	1
Statement of financial position	2
Statement of changes in equity	3
Statement of cash flows	4
Notes to the financial statements	5

PHOENIX Zdravotnícke zásobovanie, a.s.*Statement of comprehensive income**for the year ended 31 January 2025*

<i>(in thousands of EUR)</i>	<i>Note</i>	31 January 2025	31 January 2024
Revenue from merchandise	3	854 573	816 153
Revenue from services	3	14 261	13 879
Cost of sales of merchandise	4	-820 039	-782 443
Consumption of material	4	-840	-720
Energy consumption	4	-1 139	-1 173
Gross profit		46 816	45 696
Other operating income	7	156	295
Personnel costs	5	-17 905	-17 502
Cost of services	6	-15 967	-14 193
Depreciation and amortisation	9, 12, 13	-3 263	-3 314
Impairment losses to financial assets (trade receivables)		113	27
Other operating costs	8	-888	-572
Profit from operations		9 062	10 437
Financial income		12	19
Financial expenses		-1 974	-1 998
Finance expenses, net	10	-1 962	-1 979
Profit before tax		7 100	8 458
Income tax (expense)/income	11	-2 492	-2 171
Net profit after tax		4 608	6 287
Other comprehensive income	18	-18	9
Total comprehensive income/(loss) for the period		4 590	6 296

The notes on pages 5 to 31 are an integral part of these separate financial statements.

PHOENIX Zdravotnícke zásobovanie, a.s.*Statement of financial position**as at 31 January 2025*

<i>(In thousands of EUR)</i>	<i>Note</i>	31 January 2025	31 January 2024
Assets			
Property, plant and equipment	12	23 267	23 894
Intangible assets	13	382	483
Non-current investments	14	10	10
Total non-current assets		23 659	24 387
Inventories	15	61 113	57 769
Trade receivables short-term	16	146 818	158 585
Cash pooling receivables IC	21, 26	14 024	3 886
Other receivables		650	296
Income tax receivable		512	116
Other assets		263	266
Cash and cash equivalents		1 780	50
Total current assets		225 160	220 968
Total assets		248 819	245 355
Equity			
Share capital	17	22 883	22 883
Funds from profit	17	4 455	4 455
Retained earnings	17	37 378	34 183
Total equity		64 716	61 521
Liabilities			
Employee benefits provision	18	250	239
Long term liabilities	22	1 637	1 699
Deferred tax liability	20	608	390
Total non-current liabilities		2 495	2 328
Trade payables	19	167 930	166 595
Cash pooling liabilities IC	19	0	0
Other liabilities	22	13 641	14 872
Employee benefits provision	18	37	39
Current income tax liability		0	0
Total current liabilities		181 608	181 506
Total liabilities		184 103	183 834
Total equity and liabilities		248 819	245 355

The notes on pages 5 to 31 are an integral part of these separate financial statements.

PHOENIX Zdravotnícke zásobovanie, a.s.*Statement of changes in equity
for the year ended 31 January 2025**(In thousands of EUR)*

	Note	Share capital	Legal reserve funds	Other reserve	Result in approval	Retained earnings	Total
Balance as of 31 January 2023	17	22 883	4 577	-122	5 915	23 482	56 735
Net profit after tax for the year ended as of 31 January 2024		0	0	0	6 287	0	6 287
Other comprehensive income		0	0	0	9	0	9
Profit distribution		0	0	0	-4 405	4 405	0
Dividends		0	0	0	-1 510	0	-1 510
Balance as of 31 January 2024	17	22 883	4 577	-122	6 296	27 887	61 521
Net profit after tax for the year ended as of 31 January 2025		0	0	0	4 608	0	4 608
Other comprehensive income		0	0	0	-18	0	-18
Profit distribution		0	0	0	-4 901	4 901	0
Dividends		0	0	0	-1 395	0	-1 395
Balance as of 31 January 2025	17	22 883	4 577	-122	4 590	32 788	64 716

The notes on pages 5 to 31 are an integral part of these separate financial statements.

PHOENIX Zdravotnícke zásobovanie, a.s.*Statement of cashflows**for the year ended 31 January 2025*

<i>(in thousands of EUR)</i>		31 January 2025	31 January 2024
Profit for the period	<i>Note</i>	4 590	6 296
<i>Adjusted by non-cash operations:</i>			
Depreciation and change in impairment to non-current property, plant and equipment	<i>9, 12, 13</i>	3 263	3 314
Increase / (decrease) in Bad debt provision	<i>8</i>	-144	-27
Increase / (decrease) in provision to inventories		-10	16
Increase in provisions		9	17
Result from sale of non-current assets		-2	0
Dividends		-10	-10
Income tax expenses	<i>11</i>	2 492	2 171
Interest expenses, net	<i>10</i>	1 940	1 909
Profit from operations before changes in working capital		<u>12 128</u>	<u>13 686</u>
<i>Changes in working capital:</i>			
Increase in trade and other receivables		11 560	-27 455
(Increase) / Decrease in inventories	<i>15</i>	-3 333	-6 644
Increase / (Decrease) in payables and other liabilities		-786	16 786
Change of Cash-pooling	<i>26</i>	-10 138	11 769
Income tax returned / (paid)		-1 822	-2 364
Interest paid	<i>10</i>	-1 941	-1 899
Interest received	<i>10</i>	1	0
Net cash flow from operations		<u>5 669</u>	<u>3 879</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		-1 694	-1 606
Proceeds from sales of property, plant and equipment		2	9
Dividends received		10	10
Net cash used in investing activities		<u>-1 682</u>	<u>-1 587</u>
Cash flows from financing activities			
Leasing liabilities paid		-862	-811
Decrease in non current liabilities	<i>18, 22</i>	0	-3
Dividends paid		-1 395	-1 510
Net cash from financing activities		<u>-2 257</u>	<u>-2 324</u>
Net increase (decrease) in cash and cash equivalents		1 730	-32
Cash and cash equivalents at the beginning of the period		<u>50</u>	<u>82</u>
Cash and cash equivalents at the end of the period		<u>1 780</u>	<u>50</u>

The notes on pages 5 to 31 are an integral part of these separate financial statements.

PHOENIX Zdravotnícke zásobovanie, a.s.

*Notes to the financial statements
for the year ended 31 January 2025*

1. GENERAL INFORMATION ABOUT THE COMPANY

Entity name and registered office of the Company

PHOENIX Zdravotnícke zásobovanie, a.s.
Pribylinská 2/A
831 04 Bratislava

PHOENIX Zdravotnícke zásobovanie, a.s. (hereinafter referred to as "the Company") was established on 29 April 1996 and was registered as a joint stock Company in the Commercial Register of the Slovak Republic on 3 July 1996 (Commercial Register of Bratislava III Municipal Court in Bratislava, section Sa, part No 1300/B) under the identification number 341 429 41. The identification number for tax purposes is 2020361717.

Principal activities of the Company comprise:

- Purchase of goods (retail and wholesale) within scope of free trade license
- Intermediation activities in commerce and services
- Distribution (wholesale) of drugs, psychotropic and intoxicating substances

Average number of employees

Average number of employees of the Company during 12 months ended on 31 January 2025 was 486 (in period from 1 February 2023 to 31 January 2024 the number of employees was 490 employees). The number of employees of the Company as of 31 January 2025 was 475, including 30 managers (as of 31 January 2024 it was 506, including 30 managers).

Information on unlimited liability

The Company is not a partner with unlimited liability in other companies according to Article 56 (5) of the Commercial Code.

Legal reason for preparation of the Separate Financial statements

The Separate Financial Statements (further as Financial Statements) of the Company as at 31 January 2025 have been prepared as ordinary financial statements in accordance with Article 17a (2) of the Act No. 431/2002 Coll. on Accounting for the accounting period from 1 February 2024 to 31 January 2025.

Date of approval of the Financial Statements for the preceding accounting period

The Financial Statements of the Company as at 31 January 2024, i.e., for the preceding accounting period, prepared according to Article 17 (6) of the Act No 431/2002 Z.z on Accounting were approved by the shareholders at the Company's general meeting on 29 July 2024.

Information about the accounting entity's bodies

Board of Directors	Tomáš Slechan Ľubica Kocianová Michal Zelenka (until 31 December 2024) Zuzana Bátor Juraj Daniš (from 1 January 2025)
--------------------	---

Supervisory Board	Robert Horváth (until 2 February 2024) Sven Seidel Carsten Sauerland Denis Heleš (from 3 February 2024)
-------------------	--

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

Information about the shareholders of the accounting entity

The shareholders structure as at 31 January 2025 was as follows:

	Interest in share capital		Voting rights
	thousand of EUR	%	%
PHOENIX Slovakia Holding, s.r.o.	16 323	71,33	100,00
Total ordinary shareholders	16 323	71,33	100,00
Preference shareholders - PHOENIX Slovakia Holding, s.r.o.	5 669	24,77	0,00
Preference shareholders - other	891	3,90	0,00
Total preference shareholders	6 560	28,67	0,00
Total	22 883	100,00	100,00

The shareholders structure as at 31 January 2024 was as follows:

	Interest in share capital		Voting rights
	thousand of EUR	%	%
PHOENIX Slovakia Holding, s.r.o.	16 323	71,33	100,00
Total ordinary shareholders	16 323	71,33	100,00
Preference shareholders - PHOENIX Slovakia Holding, s.r.o.	5 668	24,77	0,00
Preference shareholders - other	892	3,90	0,00
Total preference shareholders	6 560	28,67	0,00
Total	22 883	100,00	100,00

As of 31 January 2025 the Company's equity comprised 7,000 ordinary shares, each with a nominal value of EUR 331.93 and 7,000 ordinary shares, each with a nominal value of EUR 2,000 (the preceding accounting period: 7,000 ordinary shares with nominal value of EUR 331.93 and 7,000 ordinary shares with nominal value EUR 2,000) and 3,940 preference shares, each with a nominal value of EUR 331.93 and 2,626 preference shares, each with nominal value of EUR 2,000 (the preceding accounting period: 3,940 preference shares with nominal value of EUR 331.93 and 2,626 preference shares with a nominal value EUR 2.000). Owners of the preference shares do not have voting rights.

Information about the controlling and controlled parties

The company PHOENIX Zdravotnícke zásobovanie, a.s. is part of the consolidated entity for which prepares consolidated financial statements the company PHOENIX Pharma SE, Germany. These consolidated financial statements are prepared in accordance with the European Union legislation and are audited and published in accordance with the European Union legislation. These consolidated Financial statements represent also the consolidated Financial statements for the widest consolidated group and are available at the registered office of the company: Pfingstweidstrasse 10-12, D-68199 Mannheim, Germany.

2. INFORMATION ABOUT ACCOUNTING PRINCIPLES AND ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). IFRSs include standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

The Company prepares its individual financial statements in accordance with the Accounting Act. for statutory purposes.

The Financial Statements as at 31 January 2025 were approved by the statutory body for publication at 29 July 2025.

PHOENIX Zdravotnícke zásobovanie, a.s.

*Notes to the financial statements
for the year ended 31 January 2025*

b) Basis of measurement

The financial statements were prepared on the historical cost basis, except for the following:

- Financial assets and financial liabilities are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method.

The financial statements were prepared on a going concern basis, assuming that the Company will continue in operation for the foreseeable future.

The accounting policies and accounting principles included below have been consistently applied by the Company for all periods reported in the financial statements.

c) Functional currency

Data in the financial statements are denominated in Euro (EUR) and are rounded to thousands, unless stated differently.

d) Use of estimates and assumptions

Preparation of the financial statements requires the management of the Company to make assumptions and set estimates and prerequisite that influence application of the accounting policies and amount of reported assets, liabilities, revenues and cost. Estimates and related assumptions that are based on past experience and various other factors are considered to be appropriate in the given circumstances. Actual results can vary from estimates made. Estimates and basic assumptions are regularly reassessed and corrections of accounting estimates are booked to an accounting period in which the estimate is corrected, if the correction influences only this accounting period, or booked to future accounting periods, if the correction influences the current period and also the future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 16 – Current trade receivables
- Note 18 – Provisions
- Note 24 – Financial risk management (Valuation of financial instruments)

Detailed analysis of various risks affecting the Company is disclosed in note 24 *Financial risk management*.

e) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements

for the year ended 31 January 2025

f) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Company's shareholders.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in the profit or loss as accrued.

Repurchase of share capital

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

g) Property, plant and equipment

Recognition and measurements

Property, plant and equipment are valued at their acquisition cost after deducting accumulated depreciation and impairment loss. Acquisition cost consists of the price at which an asset has been acquired plus costs related to the acquisition.

Borrowing costs directly attributable to the acquisition, construction or production of a qualified asset are capitalized as part of the cost of that asset.

Profit or loss from sale of property, plant and equipment is determined through comparison of proceeds from sale and carrying amount, and it is reported within other operating revenues or other operating costs in the income statement.

Leases

The assessment of whether or not a contract contains or represents a lease depends on the substance of the contract and requires an assessment of whether the performance of the contract depends on the use of a specific, clearly identifiable asset or whether the contract grants the right to use the asset for a period of time for equivalent. The lessee has the right to control the use of the asset and obtain significant economic benefits from its use.

The Company does not apply IFRS 16 to leases of intangible assets, short-term lease contracts (less than one year) and to leases where the underlying asset has low value.

At the date of the lease, as a lessee, the Company recognises an asset with the right of use and recognise lease liability. An asset with the right of use is initially measured at cost and recognised in the separate balance sheet line "Property, plant and equipment". An asset with the right of use is subsequently measured using the cost model. The amortization period is equal to the estimated useful life of the underlying asset or the lease term. Depreciated assets with the right of use are tested for impairment whenever the events or changes in conditions occur that could mean the carrying amount may not be recoverable, but at least as of balance sheet date.

The lease liability is initially recognised at the present value of future lease payments and is presented in the separate balance sheet line "Other liabilities" and "Long term liabilities" in relation to maturity breakdown of future lease payments. Subsequently, the lease liability is increased by the relevant interest calculated on the basis of the incremental interest rate and reduced by the lease payments. Interest is reported in the individual statement of profit or loss and other comprehensive income in the line "Financial expenses".

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements

for the year ended 31 January 2025

Leases for an indefinite period of time are limited to the earliest date on which the lease can be terminated by the lessee or the lessor (taking into account previous customs and economic reasons for those practices). The useful life of fixed-term leasing contracts corresponds to the contractual period.

Total lease payments under exceptions (leases of intangible assets, short-term lease contracts and leases where the underlying asset is of low value) are recognised as an expense on a straight-line basis over the lease term in the individual income statement and other comprehensive income.

The Company has concluded lease contracts for the rental of cars and warehouses. The leasing period for cars generally ranges from 3 to 4 years, while the rental period of the warehouses varies considerably. The most significant leasing contracts are concluded for the lease of warehouse in Košice for 10 years without extension of the contract and warehouse in Senec for 5 years without extension of the contract. The Company also has several lease contracts classified as short-term or low value leases.

Subsequent costs

Cost incurred after a non-current tangible asset is put in use is capitalized if it is probable that future economic benefits shall flow to the Company, and this cost can be measured reliably. Repair and maintenance costs are recognized as cost in the period when incurred.

Depreciation

Depreciation of non-current tangible assets is determined on the basis of estimated useful life. Land and works of art are not depreciated.

For depreciation of non-current tangible assets the Company uses the straight-line method and the estimated useful lives as described in the table below:

<u>Asset</u>	<u>Estimated useful life</u>
Structures	30 years
Machinery and equipment	2 - 12 years
Vehicles	5 years
Office equipment	6 - 12 years

Depreciation method, estimated useful lives and residual values are reassessed at each reporting date.

Impairment testing

Factors considered important, as part of an impairment testing, include the following:

- Technological advancements;
- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of the Company's use of the acquired assets or the strategy for the Company's overall business;

When the Company determines that the carrying value of non-current assets may not be recoverable based upon the existence of one or more of the above indicators of impairment. Any impairment is measured based on the Company's estimates of projected net discounted cash flows expected to result from that asset, including eventual disposition. The estimated impairment could prove insufficient if the analysis overestimated the cash flows or conditions change in the future.

h) Intangible assets

Measurement

The Company reports software within non-current intangible assets. It is valued at its acquisition cost after deducting accumulated depreciation and accumulated impairment loss.

Subsequent costs

Cost incurred after a non-current intangible asset is put in use is capitalized if it is probable that future economic benefits shall flow to the Company and this cost can be measured reliably. All other costs are recognized as cost in the period when incurred.

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements

for the year ended 31 January 2025

Amortization

Amortization of non-current intangible assets is reported in the income statement on a systematic basis during the estimated useful life, and it commences on the first day of the month following the date the non-current asset was put into use. Software is amortized over an estimated useful life of 3 to 5 years using the straight-line method.

Impairment testing

Impairment testing of intangible assets is performed in a similar manner as for property, plant and equipment described in the accounting policy g) above.

i) Non-current financial assets

As non-current financial assets, the Company recognizes securities and equity interests in other entities in which it does not have significant influence. These financial investments are measured at acquisition cost, reduced by any impairment losses.

j) Cash and cash equivalents

Cash includes cash on hand and cash in current bank accounts. Bank overdraft facilities that are repayable at request and represent a part of the Company's liquidity management are reported in the Statement of Cash Flows within cash and cash equivalents.

k) Trade receivables and other receivables

Trade and other receivables are initially measured at their fair value, and subsequently at amortized cost and decreased by write-downs for any amounts expected to be irrecoverable.

l) Inventories

Inventories are measured at the lower of cost or net realizable value. The cost includes the price at which inventory was acquired and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

The cost of purchased inventory is based on the weighted average principle.

Inventory is written down for any impairment of value.

m) Impairment of assets

Financial assets

The Company assesses its financial assets at each reporting date for any objective indication that could lead to their impairment. A financial asset is considered to be impaired if objective evidence indicates that one or more events adversely affects estimated future cash flows from use of these assets.

An impairment loss of a financial asset measured at amortized cost represents the difference between its carrying value and the present value of the estimated future cash flows discounted at the initial effective interest rate.

Individually significant items of financial assets are tested for impairment separately. Remaining items of financial assets are assessed jointly in groups of assets that share similar credit risk characteristics.

All impairment losses are reported in the income statement.

An impairment loss is reversed if the reversal can be objectively assigned to an event that occurs after reporting of the impairment loss. In the case of financial assets that are measured at amortized cost, the reversal is reported in the income statement.

Non-financial assets

The Company assesses at each reporting date the carrying amount of its non-financial assets, except for inventory and deferred tax assets, for any indication of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset.

An impairment loss is recognized when the carrying amount of an asset or cash generating unit exceeds the recoverable amount of the asset. Cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements

for the year ended 31 January 2025

An impairment loss and reversal of an impairment loss is recognized in the profit and loss account. Impairment loss recognized with respect to a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units), and then, to the other assets of the unit (or group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units).

Recoverable amount of a non-financial asset is the greater of its net realizable value or value in use. For determination of value in use the Company uses estimated future cash flows discounted to their present value at a pre-tax discount rate that reflects the present market assessment of the time value of money and risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

Impairment losses recognized in prior periods are reassessed at each reporting date for any indication that an impairment loss may have decreased or may no longer exist. Impairment loss recognized in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount.

Reversal of impairment loss does not exceed the carrying amount of an asset that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

n) Non-current assets held for sale

Non-current assets, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. The Company measures such assets at the lower of carrying amount and fair value less costs to sell. The Company ceases depreciation of such assets beginning on the date when the asset first meets the criteria as held for sale. The Company reports such assets and liabilities directly associated with assets held for sale separately and directly in the balance sheet and in the income statement.

o) Loans and borrowings

Loans and borrowings are initially measured at their fair value decreased by related transaction costs. Loans and borrowings are subsequently measured at amortized cost and the difference between their repayable amounts and their acquisition cost is recognized in the income statement using effective interest rate method over period of credit relationship.

p) Provisions

A provision is recognized when the Company has present legal or constructive obligation as a result of a past event, for which a reliable estimate can be made, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Employee benefit provision

The Company recognizes an employee benefits provision for retirement bonuses (or other long-term employee benefits). The amount of future obligation of the Company relating to these long-term benefits represents an amount of future employment benefits that belong to employees for their work in prior and current periods. The obligation is calculated using the Projected Unit Credit Method. All actuarial gains and losses are recognized in profit or loss.

q) Trade liabilities and other liabilities

Trade and other liabilities are initially recognised at fair value and subsequently are measured at their amortized costs.

r) Foreign currency

Transactions in foreign currencies are translated to the Euro currency using the exchange rate announced by the European Central Bank on a day before the transaction date. At the reporting date monetary items of assets and liabilities denominated in foreign currency are translated to the Euro currency using the exchange rate announced by the European Central Bank for this reporting date. Subsequent foreign exchange differences (both realized and unrealized) are recognized in the income statement. Non-monetary items of assets and liabilities denominated in foreign currency that are measured in historical prices are translated to the Euro currency using the exchange rate valid at the transaction date.

s) Dividends

Dividends are recognized as a liability in the accounting period when they are declared.

t) Revenue from sale of goods and services

IFRS 15 establishes a new five-step model to be applied to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, decreased by claimed and returned goods, discounts, volume rebates and the value of financial credit notes that have been provided to customers on the basis of redemption of loyalty bonuses within the Loyalty Programme provided by the Company to its customers.

Revenue from sale of goods is recognized when all significant risks and rewards of ownership of goods have been transferred to the buyer. Revenue is not recognized if significant uncertainty arises about the collectability of the amount of consideration for sale and related costs, or whether the goods shall be returned or whether managerial control shall be necessary in respect of these goods.

The Company recognizes liabilities to provide its goods or services for discounted consideration (“bonuses”) to those customers who redeem their loyalty bonuses, for entities that offer their customers a Customer Loyalty Programme. The amount of the bonus is determined individually for each customer or network of pharmacies. The amount of the remuneration is calculated on a monthly basis on the basis of the customer’s fulfillment of the amount of goods taken and the maturity of the issued invoices, taking into account the business conditions agreed with the customer as well as specific market conditions. The Company allocates a portion of the original revenue to loyalty bonuses and recognizes these items as a decrease in revenues on the line Revenue from merchandise and liabilities on the line Other liabilities.

u) Finance income and expenses

Finance expense includes interest cost from loans and borrowings, calculated using a method of effective interest rate (except of those activated in the costs of the qualified asset), changes in fair value of derivatives and foreign exchange losses.

Finance income includes interest income, dividends received, gains on sales of financial assets (gains on sale of ownership interest in subsidiaries and associates) and foreign exchange gains. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Company’s right to receive payment is established.

v) Income tax

Income tax for the current period consists of current income tax and deferred tax. Income tax is recognized in the income statement except for those items recognized directly in equity, in which case it is recognized in equity.

Current income tax is calculated from taxable income for the accounting period using the income tax rate valid at the reporting date and using potential tax liability of the prior periods.

Deferred tax is calculated using the Balance Sheet Method from temporary differences between the accounting value of assets and liabilities reported for purposes of financial reporting, and values of these assets and liabilities used for tax purposes. Deferred tax calculation uses the income tax rate that is expected to be effective for temporary differences at the time when the effects of the differences shall be settled, based on legislation or a proposal of legislation that is effective at the reporting date.

Deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Deferred tax asset is reassessed at each reporting date and is decreased by the amount that exceeds probable future taxable profits available.

w) Application of New and Revised International Financial Reporting Standards

The Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that have been endorsed for use in the European Union (hereinafter the “EU”), and that are relevant to its operations and effective for annual periods beginning on 1 January 2024.

Initial application of new standards and amendments to the existing standards and new interpretations effective for the current reporting period

The following standards and amendments to the existing standards and new interpretations issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period:

- **IAS 1 Presentation of Financial Statements:** Amendment related to Liability Classification (effective for annual periods beginning on or after 1 January 2024). This amendment does not have a significant impact on the Company's financial statements.
- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures –** Amendment related to Supplier Financing Agreement (effective for annual periods beginning on or after 1 January 2024). This amendment does not have a significant impact on the Company's financial statements.
- **IFRS 16 Leases:** Lease liability in leaseback (Supplement) (effective for annual accounting periods beginning on or after 1 January 2024). This amendment does not have a significant impact on the Company's financial statements.

The adoption of these standards and amendments to the existing standards and new interpretations has not led to any material changes in the Company's financial statements.

Standards and amendments to the existing standards and interpretations issued by IASB and adopted by the EU, but not yet effective

At the date of authorisation of these financial statements, the following new standards and amendments to existing standards and interpretations issued by IASB and adopted by the EU are not yet effective:

- **IAS 21 Effect of Changes in Foreign Currency Exchange Rates -** Amendment related to lack of currency convertibility (effective for annual accounting periods beginning on or after 1 January 2025).

The Company has elected not to adopt these new standards and amendments to the existing standards and new interpretations in advance of their effective dates. The Company anticipates that the adoption of these new standards, amendments to the existing standards and new interpretations will have no material impact on the financial statements in the period of initial application.

New standards and amendments to the existing standards issued by IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following new standards, amendments to the existing standards and new interpretations, which were not endorsed for use in the EU as at the reporting date (effective dates stated below are for IFRS in full):

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures –** Amendment related to classification and measurement of financial instruments and disclosures related to contracts referencing nature-dependent electricity (effective for annual periods beginning on or after 1 January 2026).
- **Annual Improvements to IFRS Accounting Standards: Volume 11 -** Annual improvements related to non-urgent, but necessary, clarifications and amendments to IFRS (effective for annual periods beginning on or after 1 January 2026).
- **IFRS 18 Presentation and Disclosure in Financial Statements –** Amendment related to presentation within the statement of profit or loss and disclosures of management-defined performance measures (effective for annual periods beginning on or after 1 January 2027).
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures –** Amendment related to changes in mandatory disclosure requirements related to subsidiaries without public accountability (effective for annual periods beginning on or after 1 January 2027).
- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures:** Amendment related sale or contribution of assets between an investor and its associate or joint venture (in December 2015, the IASB indefinitely postponed the effective date of these amendments until the outcome of its research project on the equity method of accounting is known.)

The effective dates above have been set in standards published by the IASB. The actual dates of adoption of these standards in the EU may differ from the dates set out in the standards and will be notified as soon as they are approved for application in the EU.

PHOENIX Zdravotnícke zásobovanie, a.s.

*Notes to the financial statements
for the year ended 31 January 2025*

The Company anticipates that the adoption of these standards and amendments to the existing standards will have no material impact on the Company's financial statements in the period of initial application.

3. REVENUE

The Company earns revenue from sale of goods and services in the following structure:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Revenue from sale of mass scale produced medicine (non-OTC*)	580 461	525 367
Revenue from sale of mass scale produced medicine (OTC*)	115 272	121 850
Revenue from sales of special medical material and accessories	158 840	168 935
Revenue from sales of merchandise	854 573	816 153
Revenue from sale of services	14 261	13 879
Revenue total	868 834	830 032

*OTC – over the counter

The Company achieved revenues from regulated activities in the amount of EUR 65,424 thousand in January 2025.

Information about geographic areas

The Company earns 99.7% of all its external revenue from customers within the geographic area of the Slovak Republic (99.9% in prior period). Revenues from outside Slovakia relate to transaction within the PHOENIX Group.

4. COST OF SALES

Cost of sales incurred by the Company in the current and the prior period is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Cost of sales of merchandise	820 039	782 443
Consumption of material	840	720
Consumption of energy	1 139	1 173
Cost of sales total	822 018	784 336

5. PERSONNEL COST

Personnel cost incurred by the Company in the current and the prior period is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Gross wages and salaries	12 637	12 239
Legal social and health insurance cost	4 938	4 900
Other social cost	330	363
Cost of sales total	17 905	17 502

In current period the top management was paid bonuses in total EUR 417 thousand (prior period: EUR 354 thousand).

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

6. COST OF SERVICES

Cost of services incurred by the Company in the current and the prior period is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Transportation cost	6 734	6 547
IT services	2 448	2 193
Services of headquarter	1 291	501
Repair and maintenance	1 112	914
Promotion and advertisement	853	894
Rental costs, Operating leases	537	364
Cleaning and waste disposal	525	485
Advisory services	517	411
Marketing costs	415	447
Entertainment costs	376	256
Security services	325	299
Other costs	308	402
Post and telecommunications	273	272
Travelling costs	94	89
Legal services	88	56
Audit	71	63
Cost of services total	15 967	14 193

An overview of the services provided by the companies in the network to which the Company's audit firm belongs is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Audit of the individual financial statements	71	63
Other assurance audit services	0	0
Tax advisory	44	37
Total	115	100

7. OTHER OPERATING INCOME

Other operating income earned by the Company in the current and the prior periods is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Discounts and rebates for price compensations	0	0
Income from contract prolongation	0	0
Gains from assigned receivables	0	9
Stock count surpluses	68	87
Gain on sale of property, plant and equipment and material	2	1
Other operating income	86	198
Other operating income total	156	295

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

8. OTHER OPERATING COSTS

Other operating cost incurred by the Company in the current and the prior period is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Other operating costs - marketing, rebates	120	116
Creation of provision for other risks	0	0
Other taxes and fees	278	212
Insurance	433	186
Other operating expenses	57	58
Other operating expenses total	888	572

9. DEPRECIATION AND AMORTIZATION

Depreciation and amortization incurred by the Company in the current and the prior period is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Depreciation and amortization	3 263	3 314
Depreciation and amortization total	3 263	3 314

10. FINANCE INCOME AND EXPENSES

The Company recognized finance cost and finance revenue in the following structure:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Interest expense	-1 883	-1 899
Interest expense - leasing	-58	-51
Foreign exchange rate losses	-2	-15
Other financial expenses	-31	-33
Financial expenses total	-1 974	-1 998
Interest income	1	0
Foreign exchange rate gains	1	9
Other financial income	10	10
Financial income total	12	19
Net finance expense	-1 962	-1 979

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

11. INCOME TAX

Income tax recognized in the Statement of comprehensive income is presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Current income tax	2 274	1 909
Deferred tax	218	262
Income tax total recognized in the Statement of comprehensive income	2 492	2 171

Reconciliation of the effective tax rate:

<i>In thousands of EUR</i>	31 January 2025	%	31 January 2024	%
Profit before tax	7 100		8 458	
Tax expense using actual tax rate	1 491	21%	1 776	21%
Effect of change in tax rate (deferred)	-76	-1%	0	0%
Deferred tax application	0	0%	0	0%
Additional tax liability*	872	12%	270	3%
Tax non-deductible expenses	205	3%	125	1%
Effective tax rate	2 492	35%	2 171	26%

*special levy on regulated activities

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

12. PROPERTY, PLANT AND EQUIPMENT

The Company reports the following movements in its non-current tangible assets:

<i>In thousands of EUR</i>	Land and structures	Machinery and equipment	Assets under construction	Right-of-use asset	Total
Acquisition cost					
1 February 2023	31 093	15 224	581	4 132	51 030
Additions	21	574	802	1 291	2 688
Transfers	1	417	-418	0	0
Disposals	0	-453	0	-38	-491
31 January 2024	31 115	15 762	965	5 385	53 227
1 February 2024	31 115	15 762	965	5 385	53 227
Additions	75	1 083	414	841	2 413
Transfers	0	867	-867	0	0
Disposals	0	-531	0	0	-531
31 January 2025	31 190	17 181	512	6 226	55 109
Accumulated depreciation					
1 February 2023	13 343	11 285	0	2 206	26 834
Depreciation for the period	948	1 230	0	811	2 989
Disposals	0	-453	0	-37	-490
31 January 2024	14 291	12 062	0	2 980	29 333
1 February 2024	14 291	12 062	0	2 980	29 333
Depreciation for the period	944	1 239	0	857	3 040
Disposals	0	-531	0	0	-531
31 January 2025	15 235	12 770	0	3 837	31 842
Carrying amount					
1 February 2023	17 750	3 939	581	1 926	24 196
31 January 2024	16 824	3 700	965	2 405	23 894
1 February 2024	16 824	3 700	965	2 405	23 894
31 January 2025	15 955	4 411	512	2 389	23 267

Non-current tangible assets are insured against natural disaster up to EUR 71,573 thousand (February 2023 – January 2024: EUR 65,968 thousand). As of 31 January 2025 and 31 January 2024 the Company's non-current tangible assets are not encumbered by any right of lien in favour of any creditor.

PHOENIX Zdravotnícke zásobovanie, a.s.*Notes to the financial statements**for the year ended 31 January 2025***12.1 LEASED ASSET**

In the table below, the Company presents the value of its right-of-use assets, including their movements, in the period February 2024 – January 2025:

<i>In thousands EUR</i>	Buildings	Cars	Total
as of 1 February 2024	1 575	830	2 405
Additions	475	366	841
Depreciation	-549	-308	-857
as of 31 January 2025	1 501	888	2 389

13. INTANGIBLE ASSETS

The Company reports the following movements in its intangible assets:

<i>In thousands of EUR</i>	Software	Valuable rights	Other intangible assets	Goodwill	Assets under construction	Total
Acquisition cost						
1 February 2023	2 728	12	0	121	53	2 914
Additions	209	0	0	0	0	209
Disposals	-42	0	0	0	0	-42
Transfer	53	0	0	0	-53	0
31 January 2024	2 948	12	0	121	0	3 081
1 February 2024	2 948	12	0	121	0	3 081
Additions	119	3	0	0	0	122
Disposals	-91	0	0	0	0	-91
Transfer	0	0	0	0	0	0
31 January 2025	2 976	15	0	121	0	3 112
Amortization						
1 February 2023	2 303	12	0	0	0	2 315
Amortization for the period	325	0	0	0	0	325
Disposals	-42	0	0	0	0	-42
31 January 2024	2 586	12	0	0	0	2 598
1 February 2024	2 586	12	0	0	0	2 598
Amortization for the period	223	0	0	0	0	223
Disposals	-91	0	0	0	0	-91
31 January 2025	2 718	12	0	0	0	2 730
Carrying amount						
1 February 2023	425	0	0	121	53	599
31 January 2024	362	0	0	121	0	483
1 February 2024	362	0	0	121	0	483
31 January 2025	258	3	0	121	0	382

PHOENIX Zdravotnícke zásobovanie, a.s.

*Notes to the financial statements
for the year ended 31 January 2025*

14. NON-CURRENT INVESTMENTS

There were no movements in non-current financial assets in current period.

15. INVENTORY

The Company reports inventory in the following structure:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Merchandise	60 014	57 229
Merchandise in transit	914	346
Material	185	194
Inventory total	61 113	57 769

As of 31 January 2025 the Company impaired inventories by EUR 191 thousand (31 January 2024: EUR 202 thousand).

Structure of movements in stock provision

<i>In thousands EUR</i>	31 January 2025	31 January 2024
Balance as of 1 February	202	186
Allowances for stock provision	0	16
Reversal of allowances	-11	0
Balance as of 31 January	191	202

As of 31 January 2025 and 31 January 2024 the Company's inventory is not encumbered by any right of lien in favour of any creditor.

Inventory is insured against natural disaster up to EUR 67,938 thousand (31 January 2024: EUR 51,750 thousand).

16. CURRENT TRADE RECEIVABLES

Structure of the Company's current trade receivables is shown in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Trade receivables due from related parties	26 327	36 916
Other trade receivables	121 736	123 059
<i>Trade receivables</i>	<i>148 064</i>	<i>159 975</i>
Bad debt provision	-1 246	-1 390
Trade receivables short-term total	146 818	158 585

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

Analysis of overdue trade and other receivables that are not impaired

As of 31 January 2025, trade and other receivables of EUR 32,842 thousand (31 January 2024: EUR 40,023 thousand) were not impaired.

Impaired trade and other receivables

Since application of IFRS 9 Company splits the financial assets into the following groups:

- a) **Stage 1** – financial assets that have a low credit risk at the reporting date and for which no impairment is made.
- b) **Stage 2** – receivables without objective evidence for impairment. Default rate is used for calculation of impairment.

Historical defaults are updated once a year, which comprise of average of last 3 years default rates. Historical default rate is calculated as ratio of the yearly defaulted customers over the overall number of customers.

- c) **Stage 3** – receivables with objective evidence for impairment. Impairment is set individually based on expected recoverability ratio.

Criteria for objective evidence for impairment:

- receivable is overdue more than 60 days,
- it is becoming probable that the debtor will file for bankruptcy or faces other financial difficulties.

As at 31 January 2025, trade and other receivables of EUR 1,246 thousand (31 January 2024: EUR 1,390 thousand) were impaired and provided for. The ageing of these receivables is as follows:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Receivables not yet due stage 2	108 090	114 188
Receivables not yet due stage 3	179	119
Receivables overdue from 1 to 60 days	4 834	3 717
Receivables overdue from 61 to 330 days	1 708	1 262
Receivables overdue more than 331 days	1 061	962
Impaired receivables total	115 872	120 248

Structure of movements in bad debt provision

<i>In thousands EUR</i>	31 January 2025	31 January 2024
Balance as of 1 February	1 390	1 417
Allowances for receivables	19	169
Reversal of allowances	-163	-196
Balance as of 31 January	1 246	1 390

During the current accounting period the Company created bad debt provision to customers in significant financial difficulties, and also due to higher number of execution and litigations in current accounting period. The Company decreased (released) the bad debt provision due to settlement of related receivables.

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements

for the year ended 31 January 2025

Company writes off receivable when they are considered irrecoverable but considers also tax deductibility. During the current accounting period the Company has not written-off any irrecoverable receivables.

Ageing structure of current trade receivables that are subject to credit risk is presented above.

As of 31 January 2025 and 31 January 2024 none of the Company's receivables are pledged.

17. EQUITY

Share capital

The parent company held as of 31 January 2025 ordinary shares representing 71.33 % interest in the total share capital of the Company (31 January 2024: 71.33 %) and preference shares representing 24.77 % interest in the total share capital (31 January 2024: 24.77 %). The remaining part 3.90 % of the preference shares is held by minority shareholders (31 January 2024: 3.90%). As of 31 January 2025 the Company had no own priority shares. (As of 31 January 2024 the Company had no own priority shares.)

In actual reporting period the company PHOENIX Slovakia Holding, s.r.o. has purchased from other shareholders 2 preference shares in individual nominal value of 331.93 EUR.

Legal reserve fund

According to provisions of the Commercial Act the Company is obliged to create a legal reserve fund in the amount of 10 % of net profit (annually) at a minimum, up to an amount of 20 % of total share capital subscribed in the Commercial Register.

This Fund is not available for drawing. According to the Commercial Act the Company is allowed to draw this fund solely to cover the Company's losses.

Own shares

During the year Company has not acquired any own shares.

The Company's result for the period from 1 February 2023 to 31 January 2024 was settled as follows:

Transfer to retained earnings	4 901
Social fund	0
Dividends	1 395
	<u>6 296</u>

The decision on the distribution of the current year's profit in the amount of EUR 4,608 thousand will be taken on the General meeting.

The Company has paid dividends for the period 2023/24 to the ordinary shareholders in the amount of EUR 995 thousand, 20.24 EUR per share with the nominal value 331.93 EUR and 121.93 EUR per share with the nominal value of 2,000 EUR.

The Company has paid dividends for the period 2023/24 to the preference shareholders in the amount of EUR 400 thousand, 20.24 EUR per share with the nominal value 331.93 EUR and 121.93 EUR per share with the nominal value of 2,000 EUR.

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

18. PROVISIONS

The Company reports its current and non-current provisions in the following structure:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Non-current provisions		
Employee benefits	250	239
Non-current provisions total	250	239
Current provisions		
Employee benefits - Short	37	39
Current provisions total	37	39

The amount of provisions is subject to several uncertainties related to the timing and the amount of the related cash flows.

Employee benefits provision

Employee benefits provision relates to one-off payments to every employee of the Company upon reaching his/her retirement age (severance payment). Amount of future obligation of the Company relating to these long-term benefits represents an amount of future employee benefits that belong to employees for their work in prior and current periods. The obligation is calculated using the Projected Unit Credit Method and is discounted to its present value at a risk-free interest rate. Reassessment (and related release or increase) of the reserve is expected to be performed at the end of the following accounting period.

The liability for the employee benefits of the Company is summarized in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Benefit		
Benefit upon first retirement	121	118
Disability retirement	8	7
Working jubilee	158	153
Total	287	278

<i>In thousands of EUR</i>	Retirement benefit	Disability retirement benefit	Work jubilee benefit 5,10,15,20	Total
Provision as of 1 February 2024	118	7	153	278
Interest cost	3	0	3	6
Past service cost	0	0	0	0
Current service cost	10	1	16	26
Benefits paid	-17	0	-24	-41
Actuarial gain(-)/loss(+) on obligation	9	-1	10	18
Provision as of 31 January 2025	122	7	158	287

Actuarial assumptions

Assumptions regarding future probability of awarding a disability pension are based on residents' health state statistics for years 2002 to 2005. (Source: "Ústav zdravotníckych informácií a štatistiky"). Assumptions regarding future mortality are based on published mortality tables valid in the Slovak Republic in the year 2009 issued by the Statistical Office of the Slovak Republic.

	2025	2024
Discount rate at 31 January	2,16 %	2,49 %
Future salary growth	4,00 %	5,00 %
Average rate of employee fluctuation used in calculation	12,00 %	12,00 %
Inflation	n/a	n/a
Retirement age	62 rokov	62 rokov

PHOENIX Zdravotnícke zásobovanie, a.s.

*Notes to the financial statements
for the year ended 31 January 2025*

Information on movements in current and non-current provisions for the year ending 31 January 2025:

<i>In thousands of EUR</i>	Carrying value as of 1 February 2024	Additions to provisions	Use (and release) of provisions	Reversal of unused provisions	Actuarial gain/loss	Carrying value as of 31 January 2025
Non-current provisions						
Employee benefits	239	32	39	0	18	250
Non-current provisions total	239	32	39	0	18	250
Current provisions total	39	0	2	0	0	37

19. TRADE PAYABLES

Structure of the Company's trade payables is shown in the table below:

<i>In thousands of EUR</i>	<i>Note</i>	31 January 2025	31 January 2024
Trade payables due to related parties	26	219	709
Other trade payables		155 505	158 726
Unbilled supplies		12 206	7 160
Cashpooling liabilities IC		0	0
Current trade payables total		167 930	166 595

The Company's exposure to liquidity risk related to trade payables is disclosed in note 24 *Financial risk management*.

Liabilities relating to unbilled supplies were recognized for those purchases by the Company of goods and services which have not been invoiced by suppliers as of 31 January 2025.

None of the trade payables are secured by a lien as of 31 January 2025 (31 January 2024: none of the Company's trade payables were secured by a lien).

Ageing structure of the Company's trade payables is as follows:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Current trade payables - due	148 526	153 062
Current trade payables - overdue	19 404	13 533
Current trade payables total	167 930	166 595

PHOENIX Zdravotnícke zásobovanie, a.s.

Notes to the financial statements
for the year ended 31 January 2025

20. DEFERRED TAX ASSET/LIABILITY

Deferred tax liability as of 31 January 2025 and 31 January 2024 relates to items presented in the table below:

<i>In thousands of EUR</i>	ASSET		LIABILITY		NET	
	31.1.2025	31.1.2024	31.1.2025	31.1.2024	31.1.2025	31.1.2024
Non-current tangible & intangible assets	0	0	-1 536	-1 210	-1 536	-1 210
Impairment of non-current tangible assets	0	0	0	0	0	0
Bad debt provision	66	103	0	0	66	103
Inventory - provision	46	42	0	0	46	42
Provisions and other liabilities	805	672	0	0	805	672
Others	11	3	0	0	11	3
Tax loss carried forward for future periods	0	0	0	0	0	0
Deferred tax assets / (liability)	928	820	-1 536	-1 210	-608	-390
Offset	-928	-820	928	820	0	0
Deferred tax, net	0	0	-608	-390	-608	-390

All movements in temporary differences were recognized in the statement of comprehensive income in the relevant periods. In the calculation of deferred tax liability and deferred tax asset a tax rate of 24 % was used as of 31 January 2025 (a rate of 21 % was applied as of 31 January 2024).

21. INTEREST-BEARING LOANS AND BORROWINGS

There are no other financial liabilities to banks, except for guarantee provided by UniCredit Bank Slovakia, a.s. for the custom office (EUR 350 thousand), other guarantees, provided to BENU (EUR 1,821 thousand), guarantee provided in relation to rent of warehouse premises in Senec (213 thousand). These guarantees are secured by the letter of comfort issued by PHOENIX Pharmahandel GmbH&CO KG, Mannheim.

PHOENIX International Holdings GmbH provided the Company with credit limit in amount of EUR 25 mil. for the period ending 31 January 2026. The credit limit relates to the loan (weekly tranches) and to the cash-pooling. Status of the Cash-pooling on 31 January 2025 is the receivable EUR 14,024 thousand (31 January 2024: receivable EUR 3,886 thousand). Cash-pooling is reported separately in the Statement of financial position in the line Cash-pooling receivables IC, respectively Cash-pooling liabilities IC.

More information on liquidity risks, interest rates and foreign currencies that could have an impact on the Company is available in a section 24 *Financial Risk Management*.

22. OTHER LIABILITIES AND ACCRUALS / DEFERRALS

The Company presents its other payables and accruals / deferrals in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Non-current liabilities		
Social fund	11	11
Long term lease liabilities	1 626	1 688
Non-current liabilities total	1 637	1 699
Other current liabilities and accruals / deferrals		
Accrued expenses	4 686	5 189
Liabilities to employees, insurance companies, etc.	2 549	2 925
VAT liability	3 117	4 054
Other current liabilities	2 407	1 863
Current lease liabilities	881	840
Deferred income	1	1
Other current liabilities and accruals / deferrals total	13 641	14 872

PHOENIX Zdravotnícke zásobovanie, a.s.*Notes to the financial statements**for the year ended 31 January 2025*

A major part of the Company's deferred income in the amount of EUR 3,709 thousand (31 January 2024: EUR 4,438 thousand) represents revenue relating to loyalty bonuses provided to the Company's customers within its Customer Loyalty Programme.

The creation and drawing from the social fund during the accounting period are presented in the table below:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Balance as at 1 February	11	8
Creation via profit&loss	52	46
Drawing	-52	-43
Balance as at 31 January	11	11

According to the Act on the Social Fund, part of the social fund must be created against expenses and part can be created from retained earnings. According to the Act, the social fund is used to satisfy social, health, recreational and other needs of employees.

Leasing liabilities

The most significant lease agreements which the Company has established are cancellable, however, they imply an obligation for the Company to pay the full amount of the lease. Consequently, the Company also considers future lease obligations to be the minimum installments arising from the existing lease contracts.

Structure of future payments relating to the Company's operating leases is presented in the table below:

<i>In thousands EUR</i>	31 January 2025	31 January 2024
<i>Lease liabilities - vehicles:</i>		
Liabilities due up to 1 year	309	272
Liabilities due within 1 - 5 years	599	570
	908	842
<i>Lease liabilities - administration premises:</i>		
Liabilities due up to 1 year	756	568
Liabilities due within 1 - 5 years	1 348	1 118
Liabilities due over 5 years	0	0
	2 104	1 686
<i>Lease liabilities total</i>	3 012	2 528

23. PROPERTY LEASED TO OTHER PARTIES

The Company leases part of the warehouse premises to third parties. As of 31 January 2025 the rental income recorded in amount of EUR 26 thousand (31 January 2024: EUR 26 thousand).

The structure of future rental income relating to the leased warehouses is presented in the table below:

<i>In thousands EUR</i>	31 January 2025	31 January 2024
<i>Leased - warehouses:</i>		
Amount due up to 1 year	4	4
	4	4

24. FINANCIAL RISK MANAGEMENT

As part of its operations, the Company is exposed to different market risks, notably the risk of changes in interest rates, exchange rates and commodity prices as well as liquidity risk and credit risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities, which are presented in note 16 *Current trade receivables (current)*. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk exposure evaluations are performed on all customers requiring credit over a certain amount. The Company does not require bank guarantees to cover its financial assets.

As of 31 January 2025 and 31 January 2024 the Company was exposed to a significant concentration of credit risks in relation to pharmacy chains.

The Company recognizes a provision to decrease the carrying amount of receivables by the amount that represents the best estimate of losses relating to trade and other receivables. A major part of this provision is represented by specific provisions concerning individually significant receivables and general provisions created as a result of applying of standard IFRS 9.

Interest rate risk

A variable interest rate (ESTR+1.11%) is applied to all intercompany loans. The Company does not have any external form of financing, refer to note 21 *Interest-bearing loans and borrowings*.

Sensitivity analysis

An increase of interest rates by 1 percentage point, if other conditions remained unchanged, would increase the Company's finance costs for the period ended 31 January 2025 by EUR 414 thousand (period ended 31 January 2024: by EUR 409 thousand). The analysis was performed on the same basis for both periods.

Currency risk

Due to the fact that effective from 1 January 2009 the Slovak Republic adopted the euro currency as its official currency there is limited currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity in order to secure sufficient disposable sources to be able to settle all its obligations due to be paid.

Prudent liquidity risk management implies maintaining sufficient cash and/or available sources of fundings through committed credit lines. Considering the dynamic nature of the underlying business, the Company's treasury management aims at maintaining flexibility by keeping committed credit lines available.

PHOENIX Zdravotnícke zásobovanie, a.s.*Notes to the financial statements**for the year ended 31 January 2025*

The structure of the Company's assets and liabilities classified according to their contractual maturity is presented in the table below:

31 January 2025

<i>In thousands of EUR</i>	< 1 month	31 - 90 days	91 days - 1 year	1 - 5 years	> 5 years	without maturity	Total
Assets							
Cash and cash equivalents	0	0	0	0	0	1 780	1 780
Trade receivables short-term	47 018	93 160	6 640	0	0	0	146 818
Other receivables	97	72	20	0	0	461	650
Cash pooling receivables IC	14 024	0	0	0	0	0	14 024
Income tax receivable	0	512	0	0	0	0	512
Other assets	94	50	64	55	0	0	263
Long-term receivables	0	0	0	0	0	0	0
Assets total	61 233	93 794	6 724	55	0	2 241	164 047
Liabilities							
Trade payables	102 520	63 044	2 366	0	0	0	167 930
Cash pooling liabilities IC	0	0	0	0	0	0	0
Employee benefits provisions	0	0	37	0	0	250	287
Other liabilities	6 576	28	7 037	0	0	0	13 641
Long term liabilities	0	0	0	1 637	0	0	1 637
Deferred tax liability	0	0	0	0	0	608	608
Tax liability	0	0	0	0	0	0	0
Liabilities total	109 096	63 072	9 440	1 637	0	858	184 103
Net position as of 31 January 2025	-47 863	30 722	-2 716	-1 582	0	1 383	-20 056

The Company has been provided by credit lines in total amount of EUR 25 million from PHOENIX International Holdings GmbH until 31 January 2026 (see note 21 *Interest-bearing loans and borrowings*).

PHOENIX Zdravotnícke zásobovanie, a.s.*Notes to the financial statements**for the year ended 31 January 2025***31 January 2024**

<i>In thousands of EUR</i>	< 1 month	31 - 90 days	91 days - 1 year	1 - 5 years	> 5 years	without maturity	Total
Assets							
Cash and cash equivalents	0	0	0	0	0	50	50
Trade receivables short-term	60 069	98 308	208	0	0	0	158 585
Other receivables	146	5	0	0	0	145	296
Cash pooling receivables IC	3 886	0	0	0	0	0	3 886
Income tax receivable	0	116	0	0	0	0	116
Other assets	82	43	124	17	0	0	266
Long-term receivables	0	0	0	0	0	0	0
Assets total	64 183	98 472	332	17	0	195	163 199
Liabilities							
Trade payables	93 959	69 656	2 980	0	0	0	166 595
Cash pooling liabilities IC	0	0	0	0	0	0	0
Employee benefits provisions	0	0	39	0	0	239	278
Other liabilities	6 393	27	8 452	0	0	0	14 872
Long term liabilities	0	0	0	1 699	0	0	1 699
Deferred tax liability	0	0	0	0	0	390	390
Tax liability	0	0	0	0	0	0	0
Liabilities total	100 352	69 683	11 471	1 699	0	629	183 834
Net position as of 31 January 2024	-36 169	28 789	-11 139	-1 682	0	-434	-20 635

Fair values

Due to short maturity dates and application of variable interest rates, the fair values of the Company's monetary and financial assets and monetary and financial liabilities approximate their carrying values recognized in the Balance Sheet.

Capital commitments

As of 31 January 2025 the Company has no capital commitments.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as net operating income divided by the shareholder's equity, excluding non-redeemable preferences shares. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company purchases its own preferences shares in order to sell them to the parent company (or is acts on behalf of the parent company in share purchase transactions).

During the period ending 31 January 2025 there were no changes in the approach of the Company to its Capital management.

The Company is not subject to externally imposed capital requirements.

PHOENIX Zdravotnícke zásobovanie, a.s.*Notes to the financial statements**for the year ended 31 January 2025***25. CONTINGENT LIABILITIES**

Many parts of Slovak tax legislation remain unproved in application, and there is uncertainty about the interpretation that the tax authorities may apply in a number of areas. The effect of this uncertainty cannot be quantified and will only be resolved as legislative precedents are set or when the official interpretations of the authorities are available.

The Company is not subject to any litigations (in the position of defendant). The Company is not aware of any other litigations which could possibly have a significant impact on the Company's financial position.

26. INFORMATION ABOUT THE COMPANY'S TRANSACTIONS WITH RELATED PARTIES**Identification of related parties**

The Company's related parties are represented by:

- PHOENIX Slovakia Holding, s.r.o. (until 31 January 2016 as entity within the Group, from 1 February 2016 as parent company),
- PHOENIX International Holdings GmbH (until 31 January 2016 as as parent company, from 1 February 2016 as entity within the Group),
- PHOENIX PIB Finance B.V.,
- members of the Company's Board of Directors and the Supervisory Board, their close relatives,
- other entities within the Group,
- shareholders.

Transactions with the key members of the Company's management

During the period ended 31 January 2025 there have not occurred any transactions with the key members of the Company's management except for settlement of salaries and bonuses.

Other transactions with related parties

The Company carried out the following transactions with the related parties identified above:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Related parties transactions		
Cash-pooling (netto) - to other entities within the Group	10 138	0
Cash-pooling (netto) - from other entities within the Group	0	-11 768
Interest expense related to IC loan other entities within the Group	666	586
Purchase of goods from other entities within the Group	5 332	3 964
Purchase of services from other entities within the Group	4 688	3 066
Sale of goods and services to the parent company	6	6
Sale of goods and services to other entities within the Group	131 516	112 206
Dividends to the parent company	1 341	1 451

The disclosed transactions were valued on the arm's length principle basis.

Balances of assets and liabilities arising from the related parties transactions are presented as follows:

<i>In thousands of EUR</i>	31 January 2025	31 January 2024
Balances of related parties transactions		
Receivables from sales of goods and services to other entities within the Group	26 327	36 916
Cash-pooling - from entities within the Group	14 024	3 886
Cash-pooling - from parent company	0	0
Total assets from related parties transactions	40 351	40 802
Liabilities from purchase of goods and services from other entities within the Group	219	709
Total liabilities from related parties transactions	219	709

PHOENIX Zdravotnícke zásobovanie, a.s.

*Notes to the financial statements
for the year ended 31 January 2025*

All trade assets and trade liabilities from related parties transactions recognized as of 31 January 2025 are of a short-term character and are not secured by any lien.

For the period ended 31 January 2025 the Company recognized no provisions to balances of receivables arising from the related parties transactions (31 January 2024: EUR 0 thousand).

More information on related parties transactions are described in notes 16. *Current trade receivables*, 17. *Equity*, 19. *Trade payables*, 21. *Interest-bearing loans and borrowings*, 24. *Financial risk management*.

27. SUBSEQUENT EVENTS

No events occurred subsequent to 31 January 2025 that might have a material effect on the fair presentation of the matters disclosed in these financial statements.

29 July 2025

.....
Date



TOMÁŠ SLECHAN

.....
Signature of the statutory body



.....**JURAJ DANIŠ**.....
Signature of the person responsible
for preparation of the financial
statements



VERONIKA BALLOVÁ

.....
Signature of the person responsible
for bookkeeping

