

# ÅRSREDOVISNING

för

## Swedish Pharmacy Holding AB

Org.nr. 559390-0854

Styrelsen och verkställande direktören får härmed avlämna årsredovisning för räkenskapsåret 2024-01-01 - 2024-12-31

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### FASTSTÄLLELSEINTYG TILL ÅRSREDOVISNING

Intyg om att balansräkningen och resultaträkningen har fastställts

*Certification that the balance sheet and income statement have been adopted*

Undertecknad verkställande direktör i Swedish Pharmacy Holding AB, org.nr559390-0854, intygar, dels att denna kopia av årsredovisningen stämmer överens med originalet, dels att resultaträkningen och balansräkningen har fastställts på årsstämman den 18 mars 2025. Årsstämman beslutade att godkänna styrelsens förslag till hur resultatet ska disponeras.

*The undersigned managing director of Swedish Pharmacy Holding AB, reg. no.559390-0854, hereby certifies that this copy of the annual report conforms to the original and that the income statement and balance sheet were adopted on 18 March 2025. The annual general meeting resolved to adopt the board's proposal regarding the allocation of the company's profits.*

Stockholm 2025-03-18

Tomas Rupšys



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# Swedish Pharmacy Holding AB

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## FÖRVALTNINGSBERÄTTELSE

Årsredovisningen är upprättad i svenska kronor, TSEK.

### Verksamheten

#### Verksamhetens art och inriktning

Föremålet för bolagets verksamhet är att, direkt eller indirekt, äga och förvalta fast och lös egendom, bedriva handel och försäljning av läkemedel, apoteksnära handelsvaror samt hälso- och egenvårdsprodukter, bedriva apoteksrorelse, tillhandahålla konsult- och managementtjänster avseende apoteksverksamhet, inklusive franchising av apotekskedjor och parallellimport och parallelexport av läkemedel samt därmed förenlig verksamhet.

#### Säte

Företagets säte är Stockholm.

#### Viktiga förhållanden och väsentliga händelser

Året har kännetecknats av arbetet med att samordna de två apotekskedjorna Kronans Apotek och Apoteksgruppen efter dess integration 2022. Integrationen har varit i fokus för verksamheten och medfört ett stort antal förändringar och harmoniseringar inom IT, drift, redovisning och organisation samt förberedelser för gemensamma system och konsolidering.

#### Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Den svenska öppenvårdsmarknaden fortsätter att växa och under 2024 ökade dess omsättning med cirka 10%. En del av den ökningen kommer av den höjda ersättning som apotek får för att hantera receptbelagda läkemedel som Tandvårds- och läkemedelsförmånsverket beslutade om och som infördes i mars 2024. En tydlig trend under 2024, som förväntas fortsätta är den ökade rollen för e-handel inom den svenska öppenvårdsmarknaden. Bolaget arbetar aktivt med att öka sin konkurrenskraft och att växa på apoteksmarknaden.

#### Hållbarhetsupplysning

Hållbarhetsrapporten för Swedish Pharmacy Holding AB, org nr 559390-0854 innefattar även Apoteksgruppen Detaljist AB, Apoteksgruppen i Sverige AB, Apoteksgruppen i Sverige Holding AB samt Kronans Apotek AB. Hållbarhetsrapporten finns att läsa på [www.kronansapotek.se](http://www.kronansapotek.se).

### Flerårsöversikt

	2024	2023	2022
Nettoomsättning	0	0	0
Res. efter finansiella poster	-768	738	-1 110
Balansomslutning	4 903 644	5 773 984	5 833 417
Soliditet (%)	92,00	92,34	91,33

\*Definitioner av nyckeltal, se not 11.

## Swedish Pharmacy Holding AB

Org.nr. 559390-0854

### Förändringar i eget kapital

	Aktiekapital	Fri överkursfond	Balanserat resultat	Årets resultat	Summa eget kapital
Belopp vid årets ingång	2 025	4 986 549	282 656	4 323	5 275 553
Balanseras i ny räkning			4 323	-4 323	0
Årets resultat				-764 068	-764 068
Belopp vid årets utgång	2 025	4 986 549	286 979	-764 068	4 511 485

Ingående balans av fri överkursfond har justerats med 56 686 KSEK, avseende valutakurs vid förvärv av andelar i Kronans Apotek AB och Apoteksgruppen i Sverige Holding AB.

### Resultatdisposition (kronor)

Förslag till disposition av bolagets vinst

Till årsstämman förfogande står	
balanserad vinst	286 979 528
fri överkursfond	4 986 548 900
årets förlust	<u>-764 068 187</u>
	4 509 460 241
Styrelsen föreslår att	
i ny räkning överföres	<u>4 509 460 241</u>
	4 509 460 241

Beträffande bolagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

# Swedish Pharmacy Holding AB

Org.nr. 559390-0854

## RESULTATRÄKNING

	Not	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Övriga rörelseintäkter		<u>29</u> 29	<u>0</u> 0
<b>Rörelsens kostnader</b>			
Övriga externa kostnader		-4 872	-2 586
Övriga rörelsekostnader		<u>-4</u>	<u>-15</u>
		-4 876	-2 601
<b>Rörelseresultat</b>		-4 847	-2 601
<b>Resultat från finansiella poster</b>			
Resultat från andelar i koncernföretag		-771 316	0
Övriga ränteintäkter och liknande resultatposter	2	33 946	31 914
Räntekostnader	3	<u>-26 462</u>	<u>-28 575</u>
		-763 832	3 339
<b>Resultat efter finansiella poster</b>		-768 679	738
Bokslutsdispositioner		4 840	3 585
<b>Resultat före skatt</b>		-763 839	4 323
Skatt på årets resultat		-229	0
<b>Årets resultat</b>		<u>-764 068</u>	<u>4 323</u>

2025050711768

# Swedish Pharmacy Holding AB

Org.nr. 559390-0854

## BALANSRÄKNING

### TILLGÅNGAR

#### Anläggningstillgångar

##### Finansiella anläggningstillgångar

Andelar i koncernföretag

Uppskjuten skattefordran

Not

2024-12-31

2023-12-31

4

4 500 770

5 328 773

5

0

229

4 500 770

5 329 002

Summa anläggningstillgångar

4 500 770

5 329 002

#### Omsättningstillgångar

##### Kortfristiga fordringar

Fordringar hos koncernföretag

Förutbetalda kostnader och upplupna intäkter

389 547

438 292

2 004

1 759

391 551

440 051

##### Kassa och bank

Kassa och bank

Summa kassa och bank

11 323

4 931

11 323

4 931

Summa omsättningstillgångar

402 874

444 982

SUMMA TILLGÅNGAR

4 903 644

5 773 984

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**Swedish Pharmacy Holding AB**

Org.nr. 559390-0854

**BALANSRÄKNING****EGET KAPITAL OCH SKULDER****Eget kapital****Bundet eget kapital**

Aktiekapital

2 025

2 025

2 0252 025**Fritt eget kapital**

Fri överkursfond

4 986 549

5 043 235

Balanserat resultat

286 979

282 656

Årets resultat

-764 0684 323

4 509 460

5 330 214

**Summa eget kapital**4 511 4855 332 239**Långfristiga skulder**

Skulder till kreditinstitut

6,7

337 500387 500**Summa långfristiga skulder**

337 500

387 500

**Kortfristiga skulder**

Skulder till kreditinstitut

7

50 000

50 000

Leverantörsskulder

871

825

Upplupna kostnader och förutbetalda intäkter

3 7883 420**Summa kortfristiga skulder**

54 659

54 245

**SUMMA EGET KAPITAL OCH SKULDER****4 903 644****5 773 984**

2025050711770

## NOTER

### Not 1 Redovisnings- och värderingsprinciper

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning.

#### *Intäktsredovisning*

Inkomsten redovisas till det verkliga värdet av vad som erhållits eller kommer att erhållas. Företaget redovisar därför inkomsten till nominellt värde (fakturabelopp) om ersättningen erhålls i likvida medel direkt vid leverans. Avdrag görs för lämnade rabatter.

#### *Andelar i koncernföretag, intresseföretag, gemensamt styrda företag och företag som det finns ägarintresse i*

Aktier och andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader. Eventuella kapitaltillskott och koncernbidrag läggs till anskaffningsvärdet när de lämnas. Utdelning från dotterföretag redovisas som intäkt.

#### *Finansiella instrument*

Finansiella instrument redovisas i enlighet med reglerna i K3 kapitel 11, vilket innebär att värdering sker utifrån anskaffningsvärde. Finansiella instrument som redovisas i balansräkningen inkluderar fordringar hos koncernföretag och derivatinstrument. Instrumenten redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförs och koncernen har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

#### *Fordringar hos koncernföretag*

Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader efter balansdagen, vilka klassificeras som anläggningstillgångar. Fordringar tas upp till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

#### *Derivatinstrument där kriterier för säkringsredovisning inte är uppfyllda*

Derivatinstrument med positivt värde värderas löpande i enlighet med lägsta värdets princip, derivatinstrument med negativt värde värderas till det negativa värdet. De värdeförändringar som uppkommer inom ramen för lägsta värdets princip och ändringar av negativt värde, redovisas omedelbart i resultaträkningen. Värdeförändringar på derivatinstrument som utgör kortfristiga och långfristiga skulder redovisas i olika poster i resultaträkningen beroende på syftet med innehavet av derivatinstrumentet - värdeförändring av ränteswapar redovisas i posten Räntekostnader och liknande resultatposter medan värdeförändring på valutaterminer redovisas i posten Övriga rörelsekostnader i resultaträkningen.

#### *Inkomstskatt*

Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats.

Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller på balansdagen.

Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skatt beräknas på temporära skillnader. En temporär skillnad finns när det redovisade värdet på en tillgång eller skuld skiljer sig från det skattemässiga värdet. Temporära skillnader beaktas ej i skillnader hänförliga till investeringar i dotterföretag, filialer, intresseföretag eller joint venture om företaget kan styra tidpunkten för återföring av de temporära skillnaderna och det inte är uppenbart att den temporära skillnaden kommer att återföras inom en överskådlig framtid. Skillnader som härrör från den första redovisningen av goodwill eller vid den första redovisningen av en tillgång eller skuld såvida inte den hänförliga transaktionen är ett rörelseförvärv eller påverkar skatt eller redovisat resultat utgör inte heller temporära skillnader.

Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den omfattning det är sannolikt att avdragen kan avräknas mot framtida skattemässiga överskott.

# Swedish Pharmacy Holding AB

Org.nr. 559390-0854

## NOTER

Not 2	Övriga ränteintäkter och liknande resultatposter	2024	2023
	Räntor bank	10 651	5 876
	Räntor från koncernföretag	<u>23 295</u>	<u>26 038</u>
		33 946	31 914

Not 3	Räntekostnader och liknande resultatposter	2024	2023
	Räntekostnader bank	25 876	25 378
	Övriga räntekostnader	<u>586</u>	<u>3 197</u>
		26 462	28 575

### Not 4 Andelar i koncernföretag

Företag	Antal	Eget kapital	Redovisat värde
Org.nummer	Kap.andel %	Resultat	
Säte	Kap.andel %	Resultat	värde
Säte			
Apoteksgruppen i Sverige Holding AB			
556481-5966	5 000 000	1 163 250	2 250 385
Stockholm	100,00%	-3 140	
Kronans Apotek AB			
556787-2048	1 000 000	1 325 847	2 250 385
Stockholm	100,00%	-13 187	
			<u>4 500 770</u>

	2024-12-31	2023-12-31
Ingående anskaffningsvärde	<u>5 272 087</u>	<u>5 328 773</u>
Utgående ackumulerade anskaffningsvärden	5 272 087	5 328 773
Årets nedskrivningar	<u>-771 316</u>	<u>0</u>
Utgående ackumulerade nedskrivningar	-771 316	0
Utgående redovisat värde	<u>4 500 771</u>	<u>5 328 773</u>

Ingående balans är justerad med 56 686 500 då felaktig valutakurs användes vid förvärv.

Not 5	Uppskjuten skatt	2024-12-31	2023-12-31
		Uppskjuten skattefordran	Uppskjuten skattefordran
	Outnyttjade underskottsavdrag	<u>0</u>	<u>229</u>
		0	229

Underskottsavdrag på 1110 tkr har i sin helhet beaktats vid beräkning av den uppskjutna skattefordran. Den uppskjutna skattefordran från 2022 är justerad under 2024.

# Swedish Pharmacy Holding AB

Org.nr. 559390-0854

## NOTER

Not 6	Långfristiga skulder	2024-12-31	2023-12-31
	Summa långfristiga skulder - betalas inom 2 till 5 år	<u>337 500</u>	<u>387 500</u>
		337 500	387 500

Not 7	Skulder som avser flera poster	2024-12-31	2023-12-31
	Företagets banklån om 387 500 000 kronor redovisas under följande poster i balansräkningen.		
	<i>Långfristiga skulder</i>		
	Skulder till kreditinstitut	337 500	387 500
	<i>Kortfristiga skulder</i>		
	Skulder till kreditinstitut	50 000	50 000
	Summa	<u>387 500</u>	<u>437 500</u>

Not 8	Ställda säkerheter	2024-12-31	2023-12-31
	Aktier i dotterföretag		
	Pantsatta aktier i dotterföretag	4 500 771	5 272 087
	Summa ställda säkerheter	<u>4 500 771</u>	<u>5 272 087</u>

Aktierna i dotterbolagen är pantsatta till Skandinaviska Enskilda Banken AB i enlighet med ett pantavtal daterat den 3 oktober 2022.

### Not 9 Väsentliga händelser efter räkenskapsårets slut

Det har inte varit några väsentliga händelser efter räkenskapsårets slut.

### Not 10 Koncernförhållanden

Bolaget ägs till 50% av Euroapothea Holding SWE AB, org nr 559143-4526 med säte i Stockholm, och till 50 % av Oriola-KD OYJ, org nr 502069-7875 med säte i Finland. Bolaget är moderbolag, men med stöd av ÅRL 7 kap 2 § upprättas inte någon koncernredovisning. Euroapothea Holding SWE AB har rätt att tillsätta och avsätta 3 av 5 styrelsemedlemmar. På detta sätt innehar moderföretaget möjlighet att utforma de finansiella och operativa strategierna i dotterföretaget och därmed också det bestämmande inflytandet. Då Euroapothea Holding SWE AB inte upprättar koncernredovisning, konsolideras bolaget i moderbolaget till Euroapothea Holding SWE AB, Euroapothea Holding UAB Litauen, org nr 3008854822.

### Not 11 Definition av nyckeltal

#### Soliditet

Justerat eget kapital i procent av balansomslutning (Totalt eget kapital + ((1-0,206 x obeskattade reserver) / Totala tillgångar).

# Swedish Pharmacy Holding AB

Org.nr. 559390-0854

## NOTER

### STOCKHOLM

2025-03-18

Katarina Gabrielson

2025-03-18

Vytautas Liatukas

2025-03-18

Tomas Rupsys  
Verkställande direktör

2025-03-18

Tomas Kibildis

2025-03-18

Paulius Mencas

2025-03-18

Ulrika Eriksson

Vår revisionsberättelse har lämnats den 2025-03-18  
PricewaterhouseCoopers AB

2025-03-18

Auktoriserad revisor  
Cesar Moré

# Verifikat

Transaktion 09222115557541431878

## Dokument

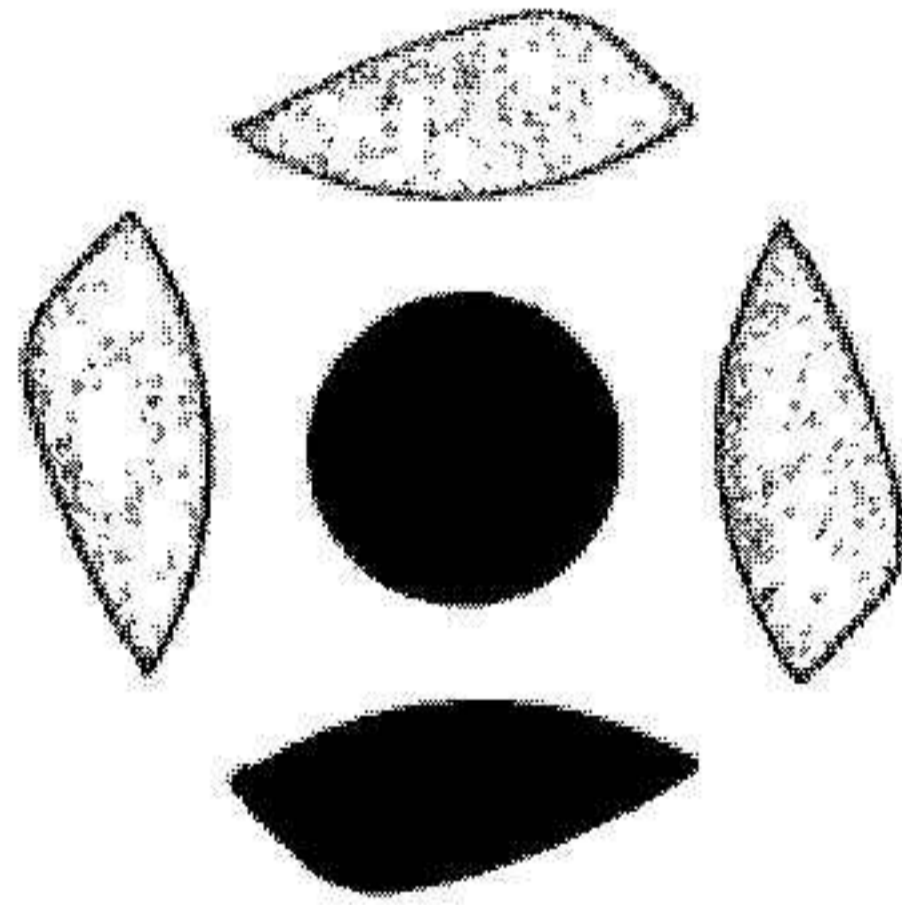
Årsredovisning 2024 Swedish Pharmacy Holding AB -  
Final  
Huvuddokument  
10 sidor  
Startades 2025-03-18 07:41:44 CET (+0100) av Ebba  
Backlund (EB)  
Färdigställt 2025-03-18 11:40:22 CET (+0100)

## Initierare

Ebba Backlund (EB)  
Kronans Apotek AB  
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+46701981737

## Signerare

Paulius Mencas (PM)  
paulius.mencas@ev.lt



Namnet som returnerades från Onfido var "PAULIUS  
MENCAS"  
Signerade 2025-03-18 10:53:30 CET (+0100)

Katarina Gabrielson (KG)  
Personnummer 196907074626  
katarina.gabrielson@oriola.com



Namnet som returnerades från svenskt BankID var  
"KATARINA GABRIELSON"  
Signerade 2025-03-18 10:15:58 CET (+0100)



## Verifikat

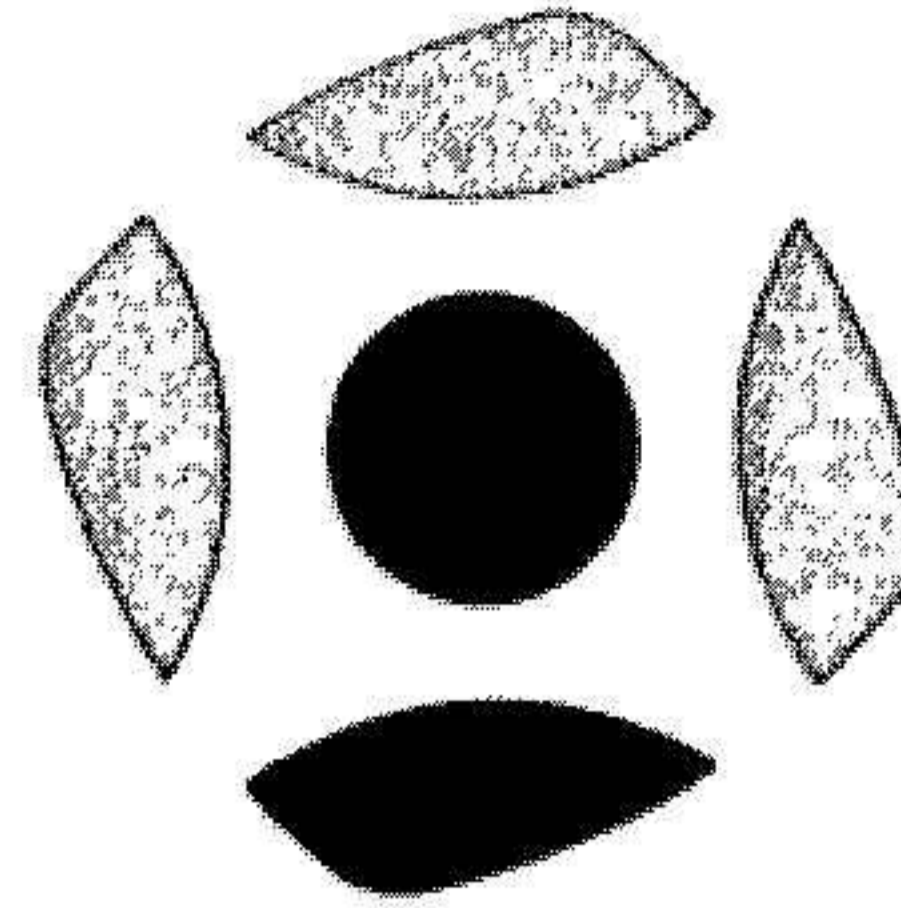
Transaktion 09222115557541431878

Ulrika Eriksson (UE)  
Personnummer 6909210384  
ulrika.h.eriksson2@telia.com



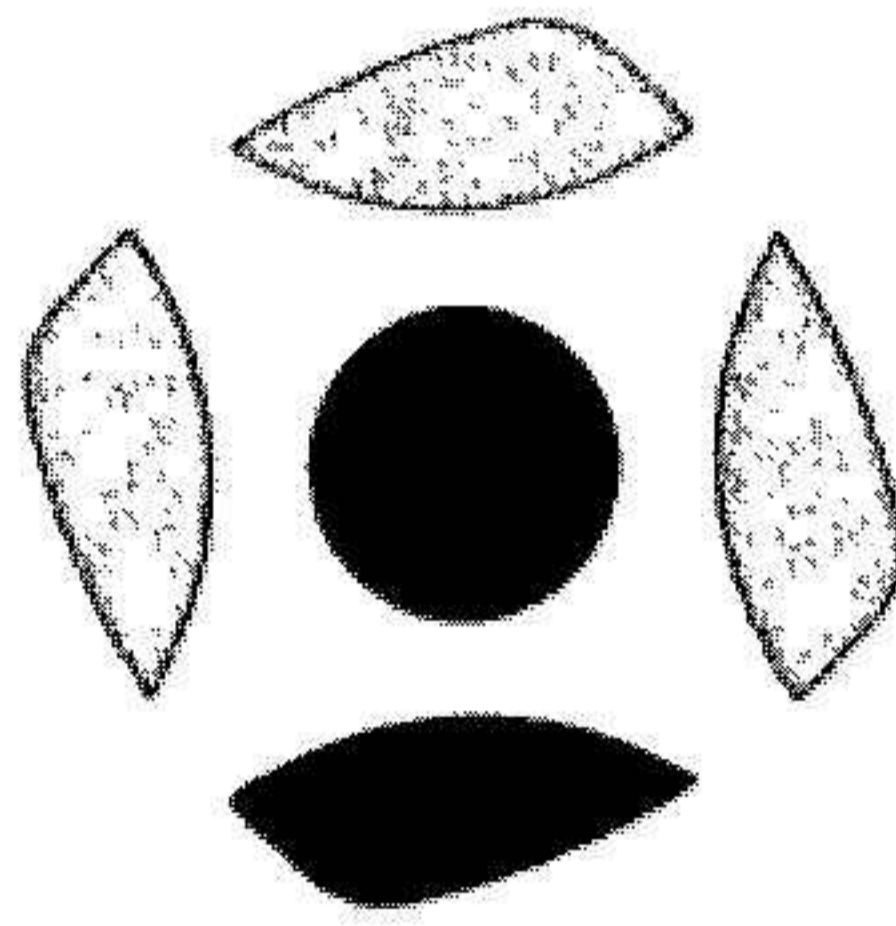
Namnet som returnerades från svenskt BankID var  
"Ulrika Helene Eriksson"  
Signerade 2025-03-18 10:07:41 CET (+0100)

Tomas Kibildis (TK)  
tomas.kibildis@evrc.lt



Namnet som returnerades från Onfido var "TOMAS  
KIBILDIS"  
Signerade 2025-03-18 10:41:50 CET (+0100)

Vytautas Liatukas (VL)  
vytautas.liatukas@ev.lt



Namnet som returnerades från Onfido var "VYTAUTAS  
LIATUKAS"  
Signerade 2025-03-18 10:44:19 CET (+0100)

Tomas Rupšys (TR)  
Personnummer 8610116470  
tomas.rupsys@kronansapotek.se



Namnet som returnerades från svenskt BankID var  
"Tomas Rupsys"  
Signerade 2025-03-18 11:34:50 CET (+0100)

Cesar Moré (CM)  
Personnummer 197409030397  
cesar.more@pwc.com



Namnet som returnerades från svenskt BankID var  
"CESAR MORÉ"  
Signerade 2025-03-18 11:40:22 CET (+0100)



# Verifikat

Transaktion 09222115557541431878

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# Revisionsberättelse

Till bolagsstämman i Swedish Pharmacy Holding AB, org.nr 559390-0854

## Rapport om årsredovisningen

### Uttalanden

Vi har utfört en revision av årsredovisningen för Swedish Pharmacy Holding AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Swedish Pharmacy Holding ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för Swedish Pharmacy Holding AB.

### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Swedish Pharmacy Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). Denna beskrivning är en del av revisionsberättelsen.

## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Swedish Pharmacy Holding AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

## Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Swedish Pharmacy Holding AB enligt god revisors sed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

## Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

## Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). Denna beskrivning är en del av revisionsberättelsen.

Stockholm den dag som framgår av vår elektroniska signatur

PricewaterhouseCoopers AB

Cesar Moré  
Auktoriserad revisor

## Deltagare

PRICEWATERHOUSECOOPERS AB 556067-4276 Sverige

*Signerat med Svenskt BankID*

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*2025-03-18 10:42:18 UTC*

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Undertecknare

Datum

Namn returnerat från Svenskt BankID: CESAR MORÉ

Cesar Moré

Auktoriserad revisor

Leveranskanal: E-post

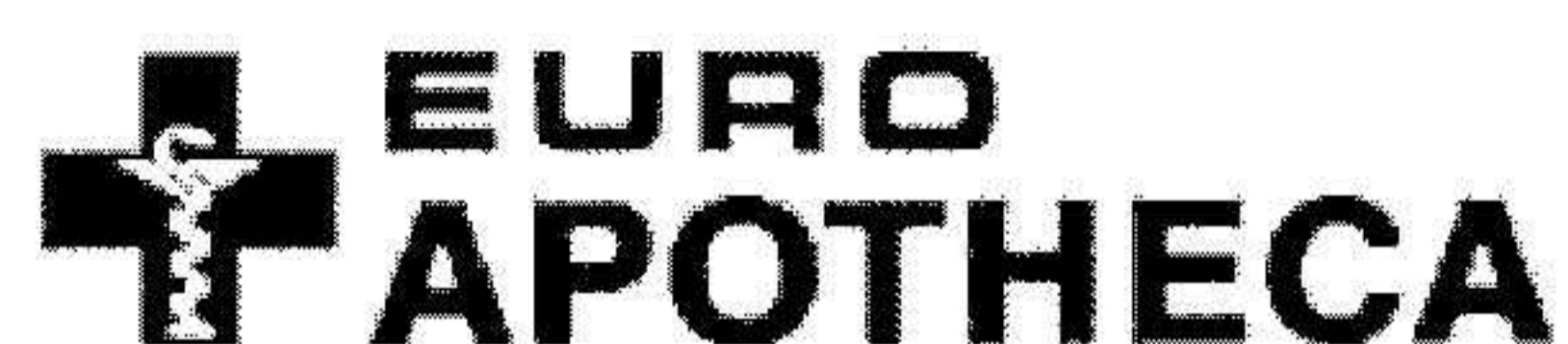
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# EUROAPOTHECA UAB

CONSOLIDATED AND THE COMPANY'S FINANCIAL STATEMENTS  
FOR THE YEAR 2024 PREPARED ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS,  
AS ADOPTED BY THE EUROPEAN UNION,  
PRESENTED TOGETHER WITH THE INDEPENDENT AUDITOR'S  
REPORT  
AND THE CONSOLIDATED MANAGEMENT REPORT



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**EUROAPOTHECA, UAB**  
Company code 300854822, Ozo g. 25, Vilnius

**MANAGEMENT REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

**CONSOLIDATED MANAGEMENT REPORT OF  
EUROAPOTHECA UAB GROUP OF COMPANIES FOR 2024**

**Objective overview of the Group's financial position, performance and development**

EUROAPOTHECA, UAB (the "Company") is a private limited liability company registered in the Register of Legal Entities of the Republic of Lithuania. The address of its registered office is Ozo g. 25, Vilnius, Lithuania, company code 300854822, VAT payer's code LT100003269817. The Company started its activities on 28 May 2007.

EUROAPOTHECA, UAB (cons.) is an international group of companies operating in the region of Northern Europe. The Company's core line of business is management and consulting activities. At the end of 2024, the Company operated the retail chains of pharmacies, the companies providing services related to trade and the companies engaged in wholesale of pharmaceuticals in Lithuania, Latvia, Estonia and Sweden.

The Company's sole shareholder holding 91,341,381 shares is a private limited liability company Vilniaus Prekyba UAB, which is a holding company through other subsidiaries controlling the retail and pharmacy chains as well as companies engaged in the development of real estate projects and lease of real estate in the Baltic countries, Poland, Bulgaria and Sweden. All the shares of the Company with a nominal value of EUR 2.90 each were fully paid as at 31 December 2024 and 2023.

**Description of the Group's exposure to key risks and contingencies**

With the activities of retail and wholesale trade of pharmaceuticals pursued by the Company's subsidiaries being more heavily regulated than other types of retail and wholesale trade, the main risk to which the Company and the Group companies are exposed to is uncertainty of the government policy and legal regulation in the field of pharmaceutical activity.

**Analysis of financial and non-financial performance of the Group**

The Group's turnover rose by 3.9% in 2024 compared to 2023 and totalled EUR 1,658 million (2023: EUR 1,596 million). The Company's sales revenue totalled EUR 8.3 million (2023: EUR 9 million).

As at 31 December 2024, the Group had 885 pharmacies: Eurovaistinė (265 own pharmacies) in Lithuania; Euroapteek (73 franchised pharmacies) in Estonia; Euroaptieka (55 own pharmacies) in Latvia; Kronans Apotek (492 pharmacies, of which 447 own and 45 franchised pharmacies) in Sweden.

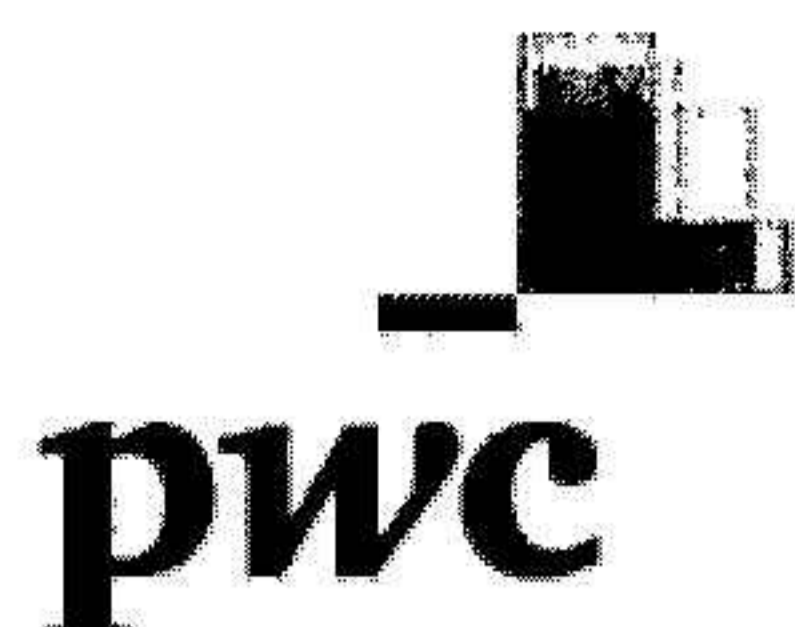
As at 31 December 2023, the Group had 905 pharmacies: Eurovaistinė (272 own pharmacies) in Lithuania; Euroapteek (73 franchised pharmacies) in Estonia; Euroaptieka (56 own pharmacies) in Latvia; Kronans Apotek (504 pharmacies, of which 456 own and 48 franchised pharmacies) in Sweden.

The Group's net loss for 2024 amounted to EUR 20.8 million (2023: net profit of EUR 25.9 million). The Company's net loss for 2024 amounted to EUR 2.6 million (2023: EUR 31.2 million). In 2024, the Group and the Company incurred net loss mainly due to impairment allowance for goodwill and investments.

*Decision of the Lithuanian Competition Council*

The fines of EUR 2,746,720, EUR 11,210, EUR 27,483,740, EUR 1,273,310 were imposed on the Group companies EVD UAB, Siromed Pharma UAB, Eurovaistinė UAB and EVRC UAB, respectively, based on the Lithuanian Competition Council's (LCC) decision of 13 December 2022 *Regarding the compliance of actions of undertakings engaged in trade in pharmaceuticals with the requirements of Article 5 of the Lithuanian Law on Competition and Article 101 of the Treaty on the Functioning of the European Union* (the "Decision"). On 13 January 2023, the above-mentioned Group companies filed an appeal against the Decision with the Vilnius Regional Administrative Court (following the reorganisation of administrative courts as from 1 January 2024, after merging the Regional Administrative Courts with the Vilnius Regional Administrative Court, the court hearing of the Company's case was transferred to Šiauliai Chamber of the Regional Administrative Court). The first court hearing was held on 21 January 2025, and the second—on 10 April 2025, during which the position statement was presented that the Company's judicial construction remained unchanged and first witness statements were heard. The legal dispute in substance relates to a highly unusual interpretation and application of the competition law rules as follows: application of the Lithuanian Competition Law (Art. 5) and the Treaty on the Functioning of the European Union (Art. 101) to the activities regulated under the Lithuanian Law on Legislative Framework. The management believes that involvement in law-making or lobbying activities is not of an economic nature and, as such, it does not cause a restriction on competition, as may be confirmed by certain foreign country practices in the application and interpretation of law. Furthermore, proposals regarding a legislation do not itself affect competition in the market since the legislative decisions are adopted by the competent authorities.

The Group companies have secured the payment of the fines with a bank guarantee provided to the LCC. The agreement on the bank guarantee was signed between these companies and the commercial bank on 7 March 2023. The bank guarantee was issued for a full amount of the fine and it expires on 13 March 2027. The Company acted as a surety to the commercial bank for a proper fulfilment of the obligations of the above-mentioned Group companies under the agreement on the bank guarantee. If the final court ruling was unfavourable for the Group companies, either:



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

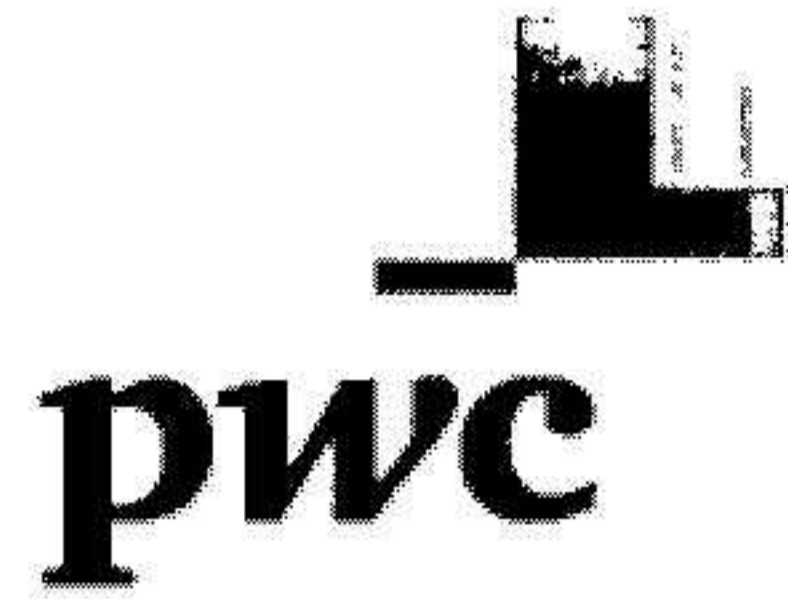
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

On behalf of PricewaterhouseCoopers UAB

Rimvydas Jogėla  
Partner  
Auditor's Certificate No.000457

Vilnius, Republic of Lithuania  
15 April 2025

The auditor's electronic signature is used herein to sign only the Independent Auditor's Report



## Independent auditor's report

To the shareholder of Euroapotheca UAB

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### Our opinion

In our opinion, the separate and consolidated financial statements give a true and fair view of the separate and consolidated financial position of Euroapotheca UAB (the "Company") and its subsidiaries (together - the "Group") as at 31 December 2024, and the Company's and the Group's separate and consolidated financial performance, and separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

### What we have audited

The Company's and the Group's separate and consolidated financial statements comprise:

- the separate and consolidated statement of financial position as at 31 December 2024;
- the separate and consolidated statements of comprehensive income for the year then ended;
- the separate and consolidated statement of changes in equity for the year then ended;
- the separate and consolidated statement of cash flows for the year then ended; and
- the notes to the separate and consolidated financial statements, comprising material accounting policy information and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

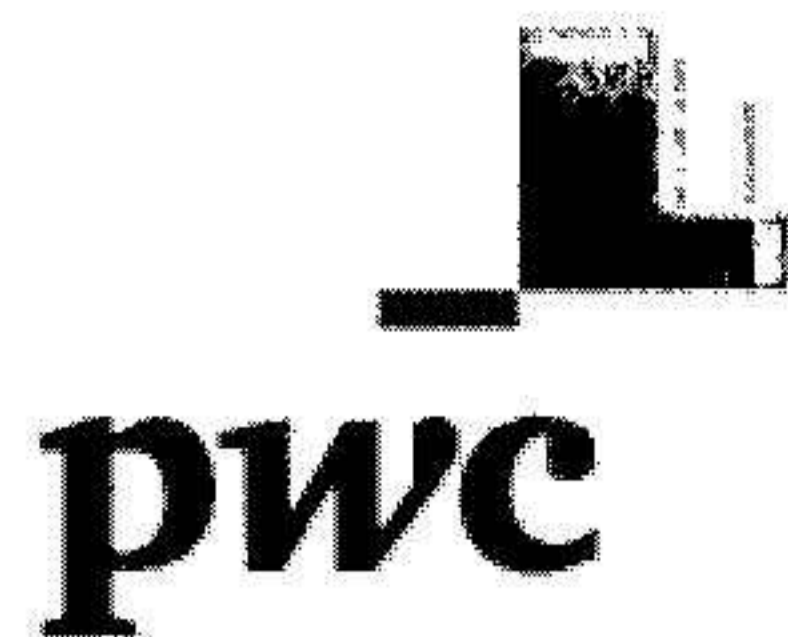
We are independent of the Company and the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services that are relevant to our audit of the separate and consolidated financial statements in the Republic of Lithuania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services.

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### Emphasis of matter

We draw attention to Note 26 to these financial statements, which describes the uncertainty related to the outcome of the legal case regarding the fines imposed on the Group companies by the Competition Council. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers UAB, J. Jasinskio g. 16B, LT-03163 Vilnius, Lithuania  
+370 (5) 239 2300, lt\_vilnius@pwc.com, www.pwc.lt



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## Reporting on other information including the consolidated management report

Management is responsible for the other information. The other information comprises the consolidated management report (but does not include the separate and consolidated financial statements and our auditor's report thereon).

Our opinion on the separate and consolidated financial statements (together "the financial statements") does not cover the other information, including the consolidated management report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the consolidated management report, we considered whether the consolidated management report includes the disclosures required by the Law of the Republic of Lithuania on Reporting by Undertakings and by Groups of Undertakings.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the consolidated management report for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the consolidated management report has been prepared in accordance with the Law of the Republic of Lithuania on Reporting by Undertakings and by Groups of Undertakings.

In addition, in light of the knowledge and understanding of the Company and the Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the consolidated management report which we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

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## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

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## Auditor's responsibilities for the audit of the financial statements

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

**MANAGEMENT REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

- the Group companies would pay the fines themselves to the LCC (accordingly the guarantee would be terminated) or
- the bank would pay the fines to the LCC and would apply to the Group companies for the settlement of the fines.

The sources of finance would depend on the financing alternatives available at the time, including cash resources of the Group companies. The course of the court process will enable the management to plan cash outflows, if any, in advance and prepare for the payment of the fine.

Management believes the final court ruling will be favourable for the Group companies, and therefore, no provision has been recognised for the fines imposed by the LCC. Such opinion of management is based on the conclusions of in-house lawyers of the Group companies and external legal experts.

**Information on environmental and personnel-related issues**

*Environmental protection and sustainability*

The main objective for the Group in the field of sustainability for the period 2024-2026 is to develop a transparent data collection and reporting process that complies with the Corporate Sustainability Reporting Directive and facilitates a well-focused achievement of the goals in the field of sustainability and monitor the progress of these initiatives.

*Personnel policy*

As at 31 December 2024, the Group companies had 6,639 employees (31 December 2023: 5,616). As at 31 December 2024, the Company had 80 employees (31 December 2023: 71). Competent employees are the key asset of the Group and the Company and one of the main elements for success. A safe working environment is a top priority aiming to avoid accidents at work and health issues. The Company and the Group companies organise training in occupational safety and medical first aid. The Company and the Group companies aim to create a comfortable working environment, ensure a fair and competitive remuneration that is consistent with the job responsibilities and competences held by the employees. Conversations with the employees are arranged regularly in order to discuss their performance and professional development and to exchange feedback. Based on the results of these conversations, changes are implemented to assist the employees with the achievement of their goals and to ensure appropriate environment for the fulfilment of their duties.

*Ethical business and corruption prevention*

An ethical business is another core value of the Group and the entire Vilnius Prekyba group, to which Euroapotheca, UAB (cons.) belongs. All employees of the Group, the Company and the Vilnius Prekyba group must follow the principles of ethical business in their activities.

Based on the best practice of business leaders the Group companies and the Company ensure the availability of reporting channels that can be used by employees, clients, business partners, suppliers and other stakeholders to report the cases of behaviour that are in breach of the principles stipulated in the Code of Business Ethics.

No cases of unethical behaviour were reported during 2024 and 2023.

In 2024, the Company and the Group companies actively developed socially responsible activities. The Group companies actively contributed to the implementation of the projects and initiatives aimed at promoting active and healthy lifestyle of the society and work with the society's most vulnerable social groups.

**References to and additional explanations of data reported in the consolidated financial statements**

Additional explanations of data reported in the consolidated financial statements are presented in the notes to the consolidated financial statements.

**Significant events after the end of the reporting financial year**

On 6 February 2025, the Group sold its shareholding in Sollo UAB to the related party.  
On 17 March 2025, the Group acquired the remaining 50% of shareholding in DABAR VŠĮ, Vestodija UAB and Vievio NT UAB.

**Operation plans and prospects of the Group**

In 2024, the Group focused on the operational efficiency of the operated businesses and integration of a joint business in Sweden, expansion of the electronic commerce functionalities and service package, improvement of services rendered and customer service quality, streamlining of the product range and development of private label products.

In 2025, the Company and the Group will continue to focus on the improvement of operational efficiency of the pharmacies and the integration of the joint business in Sweden.

**MANAGEMENT REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

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**Information on the Group's research and development activities**

The Company and the Group companies are not engaged in any research activities. The Group's business expansion is related to the above-mentioned acquisition in Sweden and the opening and acquisition of new pharmacies.

**Information on own shares held and shares of other companies**

The Group companies and the Company did not hold own shares until 2024, nor acquired, disposed of own shares during the reporting periods of 2024 and 2023.

**Information on the financial instruments used by the Group to manage credit, interest rate, liquidity and other risks**

Credit risk

Concentration of credit risk of the Company and the Group is related to trade receivables from the health insurance funds in Lithuania (and/or state institutions in other countries performing equivalent functions) for pharmaceuticals sold that are reimbursed by these funds in Lithuania (and/or state institutions in other countries performing equivalent functions) by making direct transfers of amounts reimbursed to the Group companies. As these amounts are receivable from public authorities in jurisdictions with a higher investment credit rating, this risk is limited.

Credit risk relating to cash balances at banks is also limited because the Group conducts transactions with the banks belonging to the international financial groups that have high credit ratings assigned by international credit rating agencies.

Interest rate risk

The Company's and Group's income and cash flows from operating activities are substantially independent of changes in market interest rates.

As the Company and the Group have loans received and loans granted, the Company's and the Group's cash flows from financing and investing activities are affected by fluctuations in market interest rates. However, risk is managed by maintaining a conservative level of liquid assets and unused credit lines. From 2016 the Group selectively uses derivative financial instruments to manage interest rate risk. As at 31 December 2024, 37% of the Group companies' borrowings comprised loans with an effectively fixed interest rate (i.e. a long-term bank loan of Swedish Pharmacy Holding AB as disclosed in Note 12), as at 31 December 2023, 48% of the Group companies' borrowings comprised loans with an effective fixed interest rate.

Liquidity risk

The Group's and the Company's policy is to maintain sufficient cash and cash equivalents or have available funding through credit facilities and credit lines to minimise liquidity risk and meet their commitments at a given date.

Foreign exchange risk

A major part of the Group companies' transactions in 2024 and 2023 was conducted in local currencies (euro and the Swedish krona), therefore the main foreign exchange risk to which the Group is exposed arises from fluctuations in the exchange rate of the Swedish krona.

**Control system of consolidated financial reporting**

The Group's consolidated financial statements were prepared in accordance with the International Financial reporting Standards, as adopted by the European Union. Euroapotheca UAB's CFO and the Finance Control Department supervise the Group's and the Company's consolidated financial reporting process, internal controls, management of financial risks and compliance with the regulations applicable to consolidated financial reporting. The Group complies with all the amended IFRSs. The Company assesses the potential impact on the consolidated and separate financial statements and ensures that new standards are properly followed across the Group.

The Group has an integrated management system where the processes of accounting, financial reporting and internal controls pertaining to the consolidated financial reporting are carried out in a centralized manner. The Group decides on the accounting policies and reporting procedures to be followed by the Group companies. The Company's employees analyse the Group's results of operations on a monthly basis to identify potential errors in accounting or reporting.

All Group companies use Microsoft Dynamics NAV and Microsoft Dynamics Business Central for their financial accounting and reporting. A single framework ensures consistency in the financial accounting and reporting and comparability of data. When preparing the consolidated financial statements, the standard data collection files are used in Excel format.

**MANAGEMENT REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

2025061816238

**Information on other executive positions held by the Company's Chief Executive Officer and the Board members**

**Paulius Mencas**

- The Chief Executive Officer and the Member of the Board of Vilniaus Prekyba UAB (legal entity code 302608755, registered office address: Ozo g. 25, Vilnius, Republic of Lithuania);
- The Chairman of the Board of EUROAPOTHECA UAB (legal entity code 300854822, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Member of the Board of Swedish Pharmacy Holding (legal entity code 559390-0854, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen i Sverige AB (legal entity code 556773-4156, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen i Sverige Holding AB (legal entity code 556481-5966, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen Detaljst AB (legal entity code 556773-4727, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Euroapotheca Holding SWE, AB (legal entity code 559143-4526, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Kronans Apotek AB (legal entity code 556787-2048, registered office address: BOX 30094, SE-104 25, Stockholm, the Kingdom of Sweden);
- The Member of the Board of Stichting Trivialis (legal entity code 58595988, registered office address: Parnassusweg 819, 1082 LZ Amsterdam, the Kingdom of the Netherlands);
- The Member of the Board of Stichting Novitus (legal entity code 60599499, registered office address: Parnassusweg 819, 1082 LZ Amsterdam, the Kingdom of the Netherlands).

**Tomas Kibildis**

- The Chief Executive Officer and the Chairman of the Board of EVRC, UAB (legal entity code 302563598, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Member of the Board of EUROAPOTHECA, UAB (legal entity code 300854822, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Chairman of the Board of EVD, UAB (legal entity code 30246572, registered office address: V.A. Graičiūno g. 2A, Vilnius, the Republic of Lithuania);
- The Chairman of the Board of Eurovaistinė, UAB (legal entity code 124446859, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Member of the Board of AZETA, UAB (legal entity code 303121266, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Member of the Board of Euroapotheca Holding SWE, AB (legal entity code 559143-4526, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen i Sverige Holding AB (legal entity code 556481-5966, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen Detaljst AB (legal entity code 556773-4727, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen i Sverige AB (legal entity code 556773-4156, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Kronans Apotek AB (legal entity code 556787-2048, registered office address: BOX 30094, SE-104 25, Stockholm, the Kingdom of Sweden);
- The Member of the Board of Swedish Pharmacy Holding (legal entity code 559390-0854, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Chairman of the Board of the Lithuanian Association of Pharmacies (legal entity code 126307089, registered office address: Gedimino pr. 20, Vilnius, the Republic of Lithuania);
- The Chief Executive Officer and the Member of the Board of Dabar Vši (legal entity code 125786380, registered office address: Ozo g. 25, Vilnius, Republic of Lithuania).
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**Natalja Zaharova**

- The Member of the Board of EUROAPOTHECA, UAB (legal entity code 300854822, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Chair of the Board of EUROAPTIEKA, SIA (legal entity code 40003558181, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia);
- The Chair of the Board of EUROAPTIEKA FARMACIJA, SIA (legal entity code 40103488069, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia);
- The Chair of the Board of ASJ, SIA (legal entity code 41502018898, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia);
- The Chair of the Board of RAES, SIA (legal entity code 42403006719, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia);
- The Chair of the Board of Dalma LJ, SIA (legal entity code 42403007216, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia);

**MANAGEMENT REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

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- The Chair of the Board of Kadikoga, SIA (legal entity code 40103553388, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia);
- The Chair of the Board of Ivina, SIA (legal entity code 45403005195, registered office address: Cesu g. 31 k-1, Riga, the Republic of Latvia).

**Janek Kalbin**

- The Member of the Board of EUROAPOTHECA, UAB (legal entity code 300854822, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Chairman of the Board of EUROAPTEEK, OU (legal entity code 11036389, registered office address: Akadeemia g. 45, Tallinn, the Republic of Estonia)
- The Chairman of the Board of BALTFARMA, OU (legal entity code 11387806, registered office address: Akadeemia g. 45, Tallinn, the Republic of Estonia).

**Vytautas Liatukas**

- The Chief Executive Officer and the Member of the Board of EUROAPOTHECA, UAB (legal entity code 300854822, registered office address: Ozo g. 25, Vilnius, Republic of Lithuania);
- The Member of the Board of Dabar VŠĮ (legal entity code 125786380, registered office address: Ozo g. 25, Vilnius, Republic of Lithuania);
- The Chief Executive Officer of Vestodija, UAB (legal entity code 125769089, registered office address: Ozo g. 25, Vilnius, Republic of Lithuania);
- The Chief Executive Officer of Vievio NT, UAB (legal entity code 304392555, registered office address: Ozo g. 25, Vilnius, Republic of Lithuania)
- The Member of the Board of Swedish Pharmacy Holding (legal entity code 559390-0854, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen i Sverige AB (legal entity code 556773-4156, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen i Sverige Holding AB (legal entity code 556481-5966, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Apoteksgruppen Detaljist AB (legal entity code 556773-4727, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Euroapotheca Holding SWE, AB (legal entity code 559143-4526, registered office address: BOX 7264, 103 89 Stockholm, the Kingdom of Sweden);
- The Member of the Board of Kronans Apotek AB (legal entity code 556787-2048, registered office address: BOX 30094, SE-104 25, Stockholm, the Kingdom of Sweden).

**Vykintas Juška**

- The Member of the Board of Euroapotheca, UAB (legal entity code 300854822, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania);
- The Director of Siromed Pharma, UAB (legal entity code 304039854, registered office address: Ozo g. 25, Vilnius, the Republic of Lithuania).

The following changes occurred in the Board membership and CEO position during 2024:

- As from 9 August 2024, Jurgis Gabrielius Rudgalvis left the Board.
- As from 30 September 2024, Paulius Mencas was recalled from Euroapotheca UAB's CEO position, and was replaced by Vytautas Liatukas
- As from 30 September 2024, Vytautas Liatukas joined the Board of Euroapotheca UAB.

Chief Executive Officer  
Vytautas Liatukas

15 April 2025  
Vilnius, Lithuania

**STATEMENTS OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

ASSETS	Notes	Group		Company	
		At 31 Dec 2024	At 31 Dec 2023	At 31 Dec 2024	At 31 Dec 2023
<b>Non-current assets</b>					
Goodwill	5	393,995	438,471	-	-
Intangible assets	5	110,179	132,589	336	457
Property, plant and equipment	6	30,733	29,592	723	568
Right-of-use assets	13	198,645	203,683	1,018	702
Investments in subsidiaries	4	61	65	379,360	421,058
Loans granted	7	4,158	3,001	35,250	33,298
Finance lease and other non-current amounts receivable	9	10,510	10,578	76	90
Deferred income tax assets	21	2,160	2,096	75	88
<b>Total non-current assets</b>		<b>750,441</b>	<b>820,075</b>	<b>416,838</b>	<b>456,261</b>
<b>Current assets</b>					
Inventories	8	167,281	154,180	-	-
Amounts receivable, prepayments and other current assets	9	101,836	97,619	1,825	3,468
Loans granted	7	1,182	1,628	1,043	956
Prepaid income tax		2,558	13,227	-	-
Cash and cash equivalents	10	63,721	49,293	16,854	65
<b>Total current assets</b>		<b>336,578</b>	<b>315,947</b>	<b>19,722</b>	<b>4,489</b>
<b>TOTAL ASSETS</b>		<b>1,087,019</b>	<b>1,136,022</b>	<b>436,560</b>	<b>460,750</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Authorised share capital	1	264,890	264,890	264,890	264,890
Legal reserve	11	13,546	11,988	13,546	11,988
Currency translation reserve	11	(40,313)	(30,180)	-	-
Retained earnings/(deficit)		77,849	85,409	99,527	113,733
<b>Capital attributable to owners of the parent company</b>		<b>315,972</b>	<b>332,107</b>	<b>377,963</b>	<b>390,611</b>
Non-controlling (minority) interest		202,146	234,822	-	-
<b>Total equity</b>		<b>518,118</b>	<b>566,929</b>	<b>377,963</b>	<b>390,611</b>
<b>Non-current liabilities</b>					
Borrowings	12	78,382	72,422	49,000	39,546
Lease liabilities	13	147,544	148,015	940	602
Deferred income tax liabilities	21	29,319	34,243	-	-
Long-term employee benefits		359	291	-	-
Other amounts payable		2	2	-	-
<b>Total non-current liabilities</b>		<b>255,606</b>	<b>254,973</b>	<b>49,940</b>	<b>40,148</b>
<b>Current liabilities</b>					
Borrowings	12	11,812	9,991	7,459	28,286
Lease liabilities	13	36,664	36,318	151	150
Trade payables		212,970	194,566	256	313
Income tax payable		948	4,475	23	80
Contract liabilities	15	1,349	1,244	-	-
Other amounts payable and accrued expenses	15	49,552	67,526	768	1,162
<b>Total current liabilities</b>		<b>313,295</b>	<b>314,120</b>	<b>8,657</b>	<b>29,991</b>
<b>Total liabilities</b>		<b>571,231</b>	<b>569,093</b>	<b>58,597</b>	<b>70,139</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 087 019</b>	<b>1,136,022</b>	<b>436,560</b>	<b>460,750</b>

The accompanying notes are an integral part of the financial statements.

The financial statements were approved and signed on 15 April 2025.:

Vytautas Liatukas  
Chief Executive Officer

Edgaras Klioniūnas  
Chief Financial Officer

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

	Notes	Group		Company	
		2024	2023	2024	2023
Revenue from contracts with customers	16	1,658,310	1,596,133	8,325	8,961
(Cost) of sales	17	(1,497,464)	(1,433,349)	-	-
<b>Gross profit</b>		<b>160,846</b>	<b>162,784</b>	<b>8,325</b>	<b>8,961</b>
Operating (expenses)	18	(167,299)	(125,687)	(4,885)	(7,180)
Other income	19	679	568	36,504	29,600
Other (costs)	19	(111)	(457)	(41,981)	(375)
<b>Operating profit</b>		<b>(5,885)</b>	<b>37,208</b>	<b>(2,037)</b>	<b>31,006</b>
Interest (expenses)		(11,336)	(8,232)	(3,463)	(3,194)
Interest income		2,851	3,290	3,496	3,131
Other (expenses) of financing and investing activities	20	(2,563)	(1,922)	(597)	301
<b>Profit before income tax</b>		<b>(16,933)</b>	<b>30,344</b>	<b>(2,601)</b>	<b>31,244</b>
Income tax (expenses)/benefit	21	(3,875)	(4,500)	(47)	(80)
<b>Profit for the period</b>		<b>(20,808)</b>	<b>25,844</b>	<b>(2,648)</b>	<b>31,164</b>
<b>Profit/(loss) for the period attributable to:</b>					
<b>Owners of the parent company</b>		<b>3,998</b>	<b>29,232</b>	<b>(2,648)</b>	<b>31,164</b>
<b>Non-controlling (minority) interest</b>		<b>(24,806)</b>	<b>(3,388)</b>	<b>-</b>	<b>-</b>
		<b>(20,808)</b>	<b>25,844</b>	<b>(2,648)</b>	<b>31,164</b>

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

	Notes	2024	Group 2023	2024	Company 2023
<b>Other comprehensive income that will be subsequently reclassified to profit or loss</b>					
Foreign exchange effect		(18,003)	1,679	-	-
Result of a cash flow hedge	23	-	(1,128)	-	(1,128)
Income tax	23	-	169	-	169
<b>Total other comprehensive income/(expenses) that will be subsequently reclassified to profit or loss</b>		<b>(18,003)</b>	<b>720</b>	<b>-</b>	<b>(959)</b>
<b>Other comprehensive income that will not be subsequently reclassified to profit or loss</b>					
<b>Total other comprehensive income/(expenses) that will not be subsequently reclassified to profit or loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>(38,811)</b>	<b>26,564</b>	<b>(2,648)</b>	<b>30,205</b>
<b>Comprehensive income attributable to:</b>					
<b>Owners of the parent company</b>		<b>(6,135)</b>	<b>29,497</b>	<b>(2,648)</b>	<b>30,205</b>
<b>Non-controlling (minority) interest</b>		<b>(32,676)</b>	<b>(2,933)</b>	<b>-</b>	<b>-</b>
		<b>(38,811)</b>	<b>26,564</b>	<b>(2,648)</b>	<b>30,205</b>

*The accompanying notes are an integral part of the financial statements.*

The financial statements were approved and signed on 15 April 2025:

\_\_\_\_\_  
Vytautas Liatukas  
Chief Executive Officer

\_\_\_\_\_  
Edgaras Klioniūnas  
Chief Financial Officer

STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024

(All amounts are in EUR thousands unless otherwise stated)

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY

Group	Notes	Share capital	Currency translation reserve	Legal reserve	Cash flow hedge reserve	Retained earnings / (deficit)	Total	Non-controlling (minority) interest	Total equity
<b>Balance at 1 January 2023</b>		<b>264,890</b>	<b>(31,404)</b>	<b>10,572</b>	<b>959</b>	<b>102,593</b>	<b>347,610</b>	<b>237,755</b>	<b>585,366</b>
Formation of a legal reserve	11	-	-	1,416	-	(1,416)	-	-	-
Acquisition of subsidiaries		-	-	-	-	-	-	-	-
Profit for the period		-	-	-	-	29,232	29,232	(3,388)	25 844
Other comprehensive income		-	1,224	-	(959)	-	265	455	720
Total comprehensive income		-	1,224	-	(959)	29,232	29,497	(2,933)	26 564
Dividends paid		-	-	-	-	(45,000)	(45,000)	-	(45 000)
<b>Balance at 31 December 2023</b>		<b>264,890</b>	<b>(30,180)</b>	<b>11,988</b>	<b>-</b>	<b>85,409</b>	<b>332,107</b>	<b>234,822</b>	<b>566,929</b>
Formation of a legal reserve	11	-	-	1,558	-	(1,558)	-	-	-
Acquisition of subsidiaries		-	-	-	-	-	-	-	-
Profit for the period		-	-	-	-	3,998	3,998	(24,806)	(20 808)
Other comprehensive income		-	(10,133)	-	-	-	(10,133)	(7,870)	(18 003)
Total comprehensive income		-	(10,133)	-	-	3,998	(6,135)	(32,676)	(38 811)
Dividends paid		-	-	-	-	(10,000)	(10,000)	-	(10 000)
<b>Balance at 31 December 2024</b>		<b>264,890</b>	<b>(40,313)</b>	<b>13,546</b>	<b>-</b>	<b>77,849</b>	<b>315,972</b>	<b>202,146</b>	<b>518,118</b>

**EUROAPOTHECA, UAB**  
Company code 300854822, Ozo g. 25, Vilnius

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

Company	Notes	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings/(deficit)	Total
<b>Balance at 1 January 2023</b>		<b>264,890</b>	<b>10,572</b>	<b>959</b>	<b>128,985</b>	<b>405,406</b>
Formation of a legal reserve	11	-	1,416	-	(1,416)	-
Profit for the period		-	-	-	31,164	31,164
Other comprehensive income		-	-	(959)	-	(959)
Total comprehensive income		-	-	(959)	31,164	30,205
Dividends paid		-	-	-	(45,000)	(45,000)
<b>Balance at 31 December 2023</b>		<b>264,890</b>	<b>11,988</b>	<b>-</b>	<b>113,733</b>	<b>390,611</b>
Formation of a legal reserve	11	-	1,558	-	(1,558)	-
Profit for the period		-	-	-	(2,648)	(2,648)
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	-	(2,648)	(2,648)
Dividends paid		-	-	-	(10,000)	(10,000)
<b>Balance at 31 December 2024</b>		<b>264,890</b>	<b>13,546</b>	<b>-</b>	<b>99,527</b>	<b>377,963</b>

The accompanying notes are an integral part of the financial statements.

The financial statements were approved and signed on 15 April 2025:

Vytautas Liatukas  
Chief Executive Officer

Edgaras Klioniūnas  
Chief Financial Officer

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

	Notes	Group		Company	
		2024	2023	2024	2023
<b>Cash flows from operating activities</b>					
Profit for the period		(20,808)	25,844	(2,648)	31 164
<b>Eliminations:</b>					
Income tax expenses/(benefit) recognised in profit or loss	21	3,875	4,500	47	80
Depreciation, amortisation	5,6,1 3	65,806	60,029	516	701
Impairment/(reversal of impairment) of property, plant and equipment and intangible assets		-	-	41,981	-
Loss/(gain) on disposal and write-off of property, plant and equipment		111	457	(3)	(10)
Impairment of goodwill	5	32,473	-	-	-
Loss/(gain) from disposal / liquidation of other investments		-	-	-	375
Change in write-down allowance for inventories and doubtful receivables	8, 9	(27)	(381)	(2,330)	-
Interest and other finance costs/(income) – net		8,485	4,942	(33)	63
Dividend income	19	(19)	-	(36,500)	(29 589)
Other		2,308	(250)	597	(301)
		<b>92,203</b>	<b>95,141</b>	<b>1,628</b>	<b>2 483</b>
<b>Changes and payments representing cash flows from operating activities:</b>					
Change in inventories		(15,972)	(10,328)	-	-
Change in amounts receivable and prepayments		(11,916)	(425)	2,126	(226)
Change in trade payables, other payables and accrued expenses		12,860	(874)	(451)	163
Income tax paid		(7,266)	(9,679)	(143)	-
<b>Net cash inflow/(outflow) from operating activities</b>		<b>69,908</b>	<b>73,835</b>	<b>3,159</b>	<b>2 420</b>
<b>Cash flows from investing activities</b>					
Dividends received	14	19	16	28,187	29,589
Acquisition of non-current assets	6	(11,455)	(14,746)	(439)	(840)
Disposal of non-current assets	6	6	197	5	16
Loans granted	7	(1,160)	(1,250)	(1,000)	(2,350)
Loan repayments received	7	29	2,007	201	-
(Acquisition)/disposal of subsidiaries	4	-	1,412	-	(3)
Interest received	7	2,904	2,187	1,172	1,239
Amounts received for sublease		5,575	4,143	-	-
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(4,080)</b>	<b>(6,034)</b>	<b>28,125</b>	<b>27,651</b>
<b>Cash flows from financing activities</b>					
Dividends paid		(10,000)	(45,000)	(10,000)	(45,000)
Settlement of lease liabilities		(39,195)	(39,994)	(231)	(272)
Interest paid on lease payments		(5,719)	(2,691)	(62)	(12)
Proceeds from borrowings	14	20,000	19,000	20,000	38,007
Repayments of borrowings	14	(10,853)	(29,633)	(20,776)	(24,000)
Interest paid	14	(5,632)	(5,049)	(3,427)	(2,047)
<b>Net cash (outflow) from financing activities</b>		<b>(51,400)</b>	<b>(103,367)</b>	<b>(14,496)</b>	<b>(33,324)</b>
<b>Net increase/(decrease) in cash flows</b>		<b>14,428</b>	<b>(35,566)</b>	<b>16,789</b>	<b>(3,253)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>49,293</b>	<b>84,859</b>	<b>65</b>	<b>3,318</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>63,721</b>	<b>49,293</b>	<b>16,854</b>	<b>65</b>

The accompanying notes are an integral part of the financial statements.

The financial statements were approved and signed on 15 April 2025:

Vytautas Liatukas  
Chief Executive Officer

Edgaras Klioniūnas  
Chief Financial Officer

**EUROAPOTHECA, UAB**  
Company code 300854822, Ozo g. 25, Vilnius

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**  
(All amounts are in EUR thousands unless otherwise stated)

**1. General information**

EUROAPOTHECA, UAB (the "Company") is a private limited liability company registered in the Republic of Lithuania. The Company started its operations on 28 May 2007. The address of its registered office is Ozo g. 25, Vilnius, Lithuania.

The Company's core line of business is management and consulting activities. The Company's subsidiaries manage the retail chains of pharmacies and are engaged in wholesale and retail trade in pharmaceuticals (including psychotropic medications) and other pharmaceutical goods.

Vilniaus Prekyba UAB is the sole shareholder of the Company that owns 91,341,381 shares. The ultimate controlling shareholder is METODIKA B.V. operating in the Netherlands. The ultimate controlling individual is Mr N. Numa. All the shares with a nominal value of EUR 2.90 each were fully paid as at 31 December 2024 and 2023. In 2024 and 2023, the Company's authorised share capital amounted to EUR 264,890 thousand.

In 2024 and 2023, the Company did not hold its own shares, and the subsidiaries of the Company did not hold the Company's shares.

As at 31 December 2024 and 2023, the Group consisted of EUROAPOTHECA, UAB and its subsidiaries (the "Group"):

Company name	Company domicile	Ownership interest held by the company, %		Profile of activities
		At 31 Dec 2024	At 31 Dec 2023	
EUROVAISTINĖ UAB	Lithuania	100	100	Retail trade in pharmaceuticals
EVD UAB	Lithuania	100	100	Wholesale of pharmaceuticals
EVRC UAB	Lithuania	100	100	Business consultations / Marketing services
SIROMED PHARMA UAB	Lithuania	100	100	Wholesale of pharmaceuticals
Sveikatos paramos ir labdaros fondas	Lithuania	100	100	Support
AZETA UAB	Lithuania	100	100	Business consultations / Marketing services
AZETA VAISTINĖ UAB*	Lithuania	100	100	Electronic trade in pharmaceuticals
ETOPOL UAB*	Lithuania	100	100	Under liquidation
Azeta SIA*	Latvia	100	100	Electronic trade in pharmaceuticals
EUROAPTIEKA SIA	Latvia	100	100	Wholesale of pharmaceuticals
EUROAPTIEKA FARMACIJA SIA	Latvia	100	100	Retail trade in pharmaceuticals
ASJ SIA*	Latvia	100	100	Retail trade in pharmaceuticals
Dalma LJ SIA*	Latvia	100	100	Retail trade in pharmaceuticals
Kadikoga SIA*	Latvia	100	100	Retail trade in pharmaceuticals
RAES SIA*	Latvia	100	100	Retail trade in pharmaceuticals
Ivina SIA*	Latvia	100	100	Retail trade in pharmaceuticals
EUROAPTEEK OÜ	Estonia	100	100	Franchise services
Baltfarma OÜ	Estonia	100	100	Wholesale of pharmaceuticals
EUROAPTEEK HOLDING OÜ	Estonia	100	100	Dormant
Pharma FinCo OÜ	Estonia	100	100	Dormant
Azeta OÜ*	Estonia	100	100	Marketing services
EURO SOLUTION UAB	Lithuania	100	100	Under liquidation
Vaistų Realizacijos Centras UAB	Lithuania	100	100	Under liquidation
Euroapotheca Holding SWE AB	Sweden	100	100	Holding undertaking
Kronans Apotek AB*	Sweden	50	50	Retail trade in pharmaceuticals
Swedish Pharmacy Holding AB*	Sweden	50	50	Holding undertaking
Apoteksgruppen Detaljist AB*	Sweden	50	50	Retail trade in pharmaceuticals
Apoteksgruppen i Sverige AB*	Sweden	50	50	Business consultations / Marketing services / Franchise services
Apoteksgruppen i Sverige Holding AB*	Sweden	50	50	Holding undertaking

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

**1. General information (continued)**

Azeta Pharma AB*	Sweden	100	100	Electronic commerce
Other 30 companies of Apoteksgruppen Pharma	Sweden	1	1	Retail trade in pharmaceuticals
DABAR VŠĮ	Lithuania	50	40	Support
Vestodija UAB*	Lithuania	50	40	Investment activities
Vievio NT UAB*	Lithuania	50	40	Real estate
Sollo UAB*	Lithuania	8	6	Payment institution

\* Entities indirectly controlled by the Company.

\*\* Formerly known as Vilniaus Prekybos paramos fondas DABAR until 14 April 2024

As at 31 December 2024, the Group companies had 6,639 employees (31 December 2023: 5,616 employees).

As at 31 December 2024, the Company had 80 employees (31 December 2023: 71 employees).

The Group's and the Company's management approved these financial statements on 15 April 2025. The Company's shareholder has a statutory right to approve or not to approve these financial statements and require the preparation of a new set of financial statements.

**2. Adoption of new and (or) amended IFRSs and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)**

**New standards, amendments and interpretations adopted by the Group and the Company**

**Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024).** These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. The October 2022 amendment established that loan covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Management's expectations whether they will subsequently exercise the right to defer settlement do not affect classification of liabilities. A liability is classified as current if a condition is breached at or before the reporting date even if a waiver of that condition is obtained from the lender after the end of the reporting period. Conversely, a loan is classified as non-current if a loan covenant is breached only after the reporting date. In addition, the amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. 'Settlement' is defined as the extinguishment of a liability with cash, other resources embodying economic benefits or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument. The amendments had no significant impact on the Group's and the Company's financial statements.

**Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023 and effective for annual periods beginning on or after 1 January 2024).**

In response to concerns of the users of financial statements about inadequate or misleading disclosure of financing arrangements, in May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require disclosure about entity's supplier finance arrangements (SFAs). These amendments require the disclosures of the entity's supplier finance arrangements that would enable the users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The purpose of the additional disclosure requirements is to enhance the transparency of the supplier finance arrangements. The amendments do not affect recognition or measurement principles but only disclosure requirements. The amendments had no significant impact on the Group's and the Company's financial statements.

Standards endorsed by the EU, but not yet effective and not early adopted by the Company

Other amendments to the standards and new standards that are endorsed by the EU, but not yet effective, are not relevant to the Group and the Company.

Standards not yet endorsed by the EU

Amendments to the standards and new standards not yet endorsed by the EU are not relevant to the Group and the Company.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies**

**3.1. Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (hereinafter the "EU").

**3.2. Basis of preparation and presentation of the financial statements**

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments stated at fair value.

The financial year of the Company and other Group companies coincides with the calendar year. All amounts in these financial statements are presented in the national currency of the Republic of Lithuania, the euros, which replaced the former national currency of the Republic of Lithuania – the litas, with effect from 1 January 2015.

The principal accounting policies are summarised below.

**3.3. Changes in accounting policies**

There were no changes in the accounting policies at the Group and the Company in 2024 and 2023.

**3.4. Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Company and the subsidiaries controlled by the Company. The financial statements of the Group companies are prepared for the same reporting year, using consistent accounting policies. Control is achieved when the Company has the power to control the financial and operating policies of an entity to obtain benefits from its activities. All intra-group transactions, balances, income and expenses are eliminated in full in the consolidated financial statements.

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other Group companies.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity attributed to equity holders of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 'Financial instruments: Recognition and measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

**3.5. Business combinations**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised as profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its fair value on the acquisition date. Subsequent changes in such fair values are classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss.

Amounts arising from investments in acquirees that have previously been recognised in other comprehensive income prior to the acquisition date are reclassified to profit or loss, where such treatment would be appropriate if that investments were disposed of.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies (continued)**

The acquiree's identifiable assets and liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements, which are recognised and measured in accordance with IAS 12 *Income taxes* and IAS 19 *Employee benefits* respectively;
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group evaluates provisional amounts for the item for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances, if known, that existed as at the acquisition date, and that have affected the amounts recognised as at that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as at the acquisition date and is subject to a maximum of one year.

For reorganisation of the Group companies by merger, the pooling of interest method is used. The practical application of the pooling of interest method involves the following procedures:

- assets and liabilities of entities that are being merged are stated at carrying amounts. Adjustments are made only for the purpose of achieving consistency of the accounting policies;
- no additional goodwill is recognised as a result of business combination;
- accumulated results stated at carrying amounts are included in equity.

**3.6. Goodwill**

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit pro-rata on the basis of the carrying amount of each asset of the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**3.7. Investments in subsidiaries**

Investments in subsidiaries in the Company's stand-alone financial statements are recognised at acquisition cost less impairment. Such impairment is valued and accounted for each investment separately. Dividends received from subsidiaries are accounted for as dividend income.

**3.8. Intangible assets (other than goodwill)**

Intangible assets are recognised initially at acquisition cost. Intangible assets are recognised only when it is probable that future economic benefits associated with these assets will flow to the Company and the Group and the value of assets can be measured reliably. After the initial recognition, intangible assets are measured at acquisition cost, less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised using the straight-line method over the estimated useful life.

The costs of acquisition of new software are capitalised and treated as intangible assets if these costs are not an integral part of the related hardware. Computer software is amortised over the period not longer than 5 years.

In 2018, following with acquisition of the Swedish group entities, the Group's intangible assets were supplemented with a concept and lease contracts with the amortisation periods of 25 years and 10 years, respectively. Intangible assets were supplemented with a concept and lease contracts and in 2022 following the transaction between the companies Euroapotheca Holding SWE AB and Oriola Corporation in Sweden.

Costs incurred in relation to restoration or maintenance of the expected economic benefits from operation of the existing software systems are recognised as expenses in the period when such maintenance and support works have been carried out.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies (continued)**

**3.9. Property, plant and equipment**

Property, plant and equipment is recognised at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and estimated impairment losses, if any. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that their carrying value may not be recoverable.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year in which the asset is derecognised.

Depreciation is calculated using the straight-line method over useful lives established as follows:

Buildings	20 years
Motor vehicles	3–6 years
Other property, plant and equipment	3–10 years

Items of assets with the useful life longer than one year and acquisition cost not less than EUR 300 are classified as property, plant and equipment.

The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted as appropriate, at each financial year-end. Property, plant and equipment acquired under finance leases are depreciated over their estimated useful lives on the same basis as owned assets.

Subsequent repair costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair costs are recognised as expenses in the statement of comprehensive income during the financial period in which they are incurred.

Leasehold improvement expenses related to property under rental and/or operating lease agreements which will result in economic benefits in the future, are capitalised and depreciated during the term of rental and/or operating lease agreements.

**3.10. Impairment of property, plant and equipment, intangible assets and right-of-use assets (other than goodwill)**

At each statement of financial position date, the Group and the Company review the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income under the line item of operating expenses.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. Reversal of impairment loss is recognised in the statement of comprehensive income as a reduction of operating expenses.

**3.11. Inventories**

Inventories are recognised at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion, marketing and distribution. The cost is determined under the first-in, first-out (FIFO) method. Inventories that are no longer expected to be realised are written off. When calculating the cost of goods, the Group attributes a part of discounts received to goods acquired from suppliers and not yet sold. Inventories in progress are recognised according to INCOTERMS-2000, when the related risks and benefits are transferred to the Group and Company.

**3.11. Financial instruments, assets and liabilities**

*Financial assets*

Initial recognition and measurement. On initial recognition, financial assets are classified as subsequently measured at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies (continued)**

The classification of financial assets on initial recognition depends on the contractual nature of the cash flows of the financial asset and the Group's business model for managing financial assets. Except for trade receivables and other amounts receivable that do not have a significant financing component, the Group initially recognises financial assets at fair value, plus, in case of financial assets not measured at fair value through profit or loss, transaction costs. Trade receivables and other amounts receivable that do not include a significant financing component are measured at the transaction price determined in accordance with IFRS 15.

For a financial asset to be designated and measured at amortised cost or fair value through other comprehensive income, cash flows arising from the financial asset should comprise solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is called the SPPI test and is performed for each financial instrument.

The Group's business model for managing financial assets indicates how the Group manages its financial assets to generate cash flows. The business model determines whether cash flows will be generated by collecting contractual cash flows, by selling the financial asset or by using both options.

Ordinary purchases or sales of financial assets are recognised on the trade date, i.e. the date on which the Group commits to purchase or sell the financial asset.

*Subsequent measurement*

After initial recognition, the Group measures financial assets at:

- a) amortised cost (debt financial instruments);
- b) fair value through other comprehensive income when accumulated profit or loss is transferred to profit or loss upon derecognition (debt financial instruments);
- c) fair value through other comprehensive income when accumulated profit or loss is not transferred to profit or loss upon derecognition (equity instruments);
- d) fair value through profit or loss.

*Financial assets measured at amortised cost*

The Group measures financial assets at amortised cost provided that both of the following conditions are met:

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

Financial assets measured at amortised cost are subsequently recorded using the effective interest method (EIR) less impairment losses. Gains or losses are recognised in the statement of comprehensive income when the asset is derecognised, replaced or impaired. The Group's financial assets measured at amortised cost include trade receivables, other current and non-current receivables, loans granted and assets arising from contracts with customers.

The Group's financial assets measured at amortised cost include trade receivables and other amounts receivable, cash and cash equivalents, term deposits and loans granted.

*Impairment of financial assets*

According to IFRS 9, the Group generally recognises expected credit losses (ECL) for all debt financial instruments that are not measured at fair value through profit or loss. ECL are based on the difference between the contractual cash flows receivable and cash flows expected to be received by the Group discounted at an approximate original effective interest rate. ECL are recognised in two stages. For credit exposures whose credit risk has not increased significantly since initial recognition, ECL are calculated for credit losses arising from default events that may occur within the next 12 months (12-month ECL). Credit exposures for which there has been a significant increase in credit risk since initial recognition, impairment is provided for the amount of credit losses expected to occur within the remaining life of the credit exposure, irrespective of the timing of default (lifetime ECL).

The Group calculates expected credit losses based on probability-weighted scenarios to estimate expected net cash shortfalls, which are discounted at an approximate effective interest rate. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive. The Group has not established any provision for the impairment for issued debts because, based on the probability of default in credit obligations, exposure at default and forward looking information, impairment is insignificant.

**NOTES TO THE FINANCIAL STATEMENTS  
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(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies (continued)**

The Group uses the simplified method for calculating ECL for trade receivables and assets arising from contracts with customers. Therefore, the Group does not observe changes in credit risk, but recognises impairment at each reporting date on the basis of lifetime ECL. The Group uses a matrix of expected loss rates, which is based on the historical credit loss analysis and adjusted to reflect future factors specific to debtors and economic environment. The Group considers that the debtor failed to meet his/her obligations related to financial assets when contractual payments are more than 30 days past due or when indications exist that the debtor or a group of debtors is experiencing significant financial difficulty, defaults in interest or principal payments, the probability occurs that they will enter bankruptcy or reorganisation procedures and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

*Financial liabilities*

*Initial recognition and measurement.* On initial recognition, financial liabilities are classified as financial liabilities measured at fair value through profit or loss, borrowings and amounts payable. All financial liabilities are initially recognised at fair value and, in case of borrowings and amounts payable, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, borrowings, including bank overdrafts and finance lease liabilities.

*Subsequent measurement.* The subsequent measurement of financial liabilities depends on their classification as follows:

*Financial liabilities measured at fair value through profit and loss.* Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities classified as measured at fair value through profit or loss on initial recognition.

Financial liabilities are classified as held for trading if they are incurred with a repurchase purpose in the near future. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separate embedded derivatives are also classified as held for trading unless they are classified as effective hedging instruments. Gain or loss resulting from financial liabilities held for trading is recognised in the statement of comprehensive income. As at 31 December 2024 and 2023, the Group attributed to this category derivative financial instruments used to hedge against foreign exchange risk and interest rate risk.

*Borrowings and other amounts payable.* After initial recognition, borrowings and other amounts payable are accounted for at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of comprehensive income when liabilities are derecognised, as well as through the amortisation process.

Amortised cost is calculated by reference to the discount or premium on acquisition, as well as taxes or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of comprehensive income.

*Derecognition.* A financial liability is derecognised when the obligation under the liability is settled, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in the statement of comprehensive income.

**3.13. Leases**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

The Group and the Company as the lessees

As the lessees the Group and the Company recognise a right-of-use asset, representing their right to use the underlying asset, and a lease liability, representing their obligation to make lease payments.

*Right-of-use assets*

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

*Lease liabilities*

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period when they occur.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies (continued)**

In calculating the present value of lease payments, the Group and the Company use the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a lease modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

*Short-term leases and leases of low-value assets*

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

The Group and the Company as the lessors

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term and is included in sales revenue in the statement of comprehensive income.

*Subleases*

When the Group and the Company are the intermediate lessors, they account for their interests in the head lease and the sublease separately. It assesses the classification of a sublease as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. When subleases are classified as finance leases the Group and the Company derecognise the right-of-use asset relating to the head lease that they transfer to the sublessee and present the net investment in the sublease under non-current receivables and prepayments in the statement of financial position. During the term of the sublease the Group and the Company recognise finance income on sublease based on a pattern reflecting a constant period rate of return on the net investment in the lease.

For subleases classified as operating lease, the Group and the Company recognise the lease income on a straight-line basis over the lease term and include them in revenue in the statement of comprehensive income.

**3.14. Taxes**

The Group companies are taxed individually, irrespective of the overall results of the Group. Income tax charge is based on profit for the year and considers deferred taxation. A corporate income tax is included in these financial statements based on the management's calculations prepared in accordance with the respective tax legislation applied in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia and the Kingdom of Sweden.

Income tax

Current tax charges are calculated on current year profit, as adjusted for certain non-deductible expenses/non-taxable income. Income tax expenses are estimated using the income tax rate effective as at the date of preparation of the statement of financial position.

In 2024 and 2023, the standard income tax rate in Lithuania was 15%, in Sweden – 20.6%. The income tax rate of the subsidiaries operating in Estonia and Latvia is 20%, but the taxation is postponed until the moment of profit appropriation, i.e. payment of dividends, until then a 0% income tax rate is applied. The income tax rate of 16% will be applied in Lithuania as from 2025.

Tax losses of the Group companies operating in Lithuania can be carried forward for an indefinite period of time, except for losses arising from the disposal of securities and/or derivative financial instruments. Such carrying forward is disrupted if the company changes its activities due to which these losses were incurred except when the company does not continue its activities due to reasons which do not depend on the company itself. The losses from disposal of securities and/or derivative financial instruments can be carried forward for 5 consecutive years and can only be used to reduce the taxable income earned from the transactions of the same nature.

With effect from 1 January 2014, in Lithuania deductible tax losses available for carry forward can be used to reduce taxable income of the current tax year by maximum 70%.

Deferred income tax

Deferred income tax represents a net tax effect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts reported in the financial statements. Deferred income tax assets and liabilities are measured using a tax rate that is expected to be used when deferred income tax assets are realised or deferred income tax liability is settled taking account of tax rates enacted or substantially enacted at the date of the statement of financial position.

Deferred income tax assets are recognised in the statement of financial position to the extent it is expected to utilise such assets in the near future taking into consideration forecasts of taxable profit. When it is probable that a portion of deferred tax assets will not be realised, this portion of deferred tax assets is not recognised in the financial statements.

Deferred income tax assets and liabilities are offset when they are related to income taxes levied by the same taxation authority and when the Group and the Company intend to settle the taxes payable on a net basis.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
(All amounts are in EUR thousands unless otherwise stated)

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**3. Material accounting policies (continued)**

Income tax and deferred income tax for the reporting period

Income tax and deferred income tax are recognised as an expense or income in the statement of comprehensive income within income tax expenses, except when they relate to items that are recognised outside the statement of comprehensive income (i.e. whether in other comprehensive income or directly in equity), in which case deferred income tax is also recognised in other comprehensive income or directly in equity.

**3.15. Revenue recognition**

Revenue from contracts with customers

The Group's core line of business is wholesale and retail trade in pharmaceuticals and other pharmaceutical goods.

The Group/Company recognises revenue in order to reflect the transfer of promised goods or services to buyers at an amount that reflects the consideration that the Group/Company expects to receive in exchange for those goods and services, less value added tax, discounts and returns.

Revenue for sale of goods from contracts with customers is recognised at a point in time upon the delivery of goods when their control is transferred to the customer at the amount that the Group expects to receive in exchange for those goods or services. The Group/Company determined that it controls goods or services before those goods or services are transferred to the customer, therefore the Group/Company acts as a principal in the revenue transaction. The Group/Company recognises revenue from services rendered over a period of time (Note 16). Sales revenue is accounted for net of VAT and discounts granted.

The transaction price allocated to the unsatisfied performance obligation is not disclosed in these financial statements, because the Group/Company is entitled to consideration from the customer at the amount which fairly reflects the value goods sold and services rendered to the customer before the balance sheet date.

Revenue from provision of services is recognised on an accrual basis in the statement of comprehensive income upon provision of services and their acceptance by the customer.

The Group/Company and the customer determine the transaction price according to the pricing established by the Ministry of Health. The transaction price does not comprise variable components and it is determined for each category of separately sold assets. Revenue from provision of services is recognised when services are rendered. Other unregulated revenue from the disposal of buildings, equipment and machinery or inventory is recognised at a point in time, usually upon the delivery of goods sold to the customer.

The Group's/Company's contracts with customers do not contain promises that could be regarded as separate performance obligations.

The Group/Company also takes into consideration the impact of other matters on the recognition of revenue, such as the existence of significant financing components, non-cash payment and amounts payable to the customer. The Group's/Company's contracts with customers do not contain the above-mentioned contractual terms.

The transaction price allocated to the unsatisfied performance obligation is not disclosed in these financial statements, because the Group/Company is entitled to consideration from the customer at the amount which fairly reflects the value of services rendered to and consumed by the customer before the balance sheet date.

**3.17. Customer loyalty discounts**

Sales of goods that result in award credits for customers, under the loyalty schemes, are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods sold and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value – the amount for which the award credits could be realised separately. Such consideration is not recognised as revenue at the time of the initial sale transaction but is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled.

**3.18. Expense recognition**

Expenses are recognised on an accrual basis and matching principle during the reporting period when income related to such expenses is earned, regardless of the timing of the cash payments.

The cost of goods and services sold includes all expenses attributable to sale of goods and services, including logistics and retail trade transaction expenses.

Operating expenses include all expenses, which are not directly attributable to sales of goods and services.

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**3.19. Foreign currency transactions**

The functional currencies of the consolidated Group companies are the currencies that are used in their main activities. The functional currency of the Company and its subsidiaries operating in Lithuania, Latvia, Estonia and the presentation currency of the Group's financial statements is the euro (EUR).

**3. Material accounting policies (continued)**

Foreign currency transactions are initially measured using the functional currency at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into the functional currency at the date of the statements of financial position using the exchange rate prevailing at the date of the statements of financial position.

Assets and liabilities of the foreign subsidiaries are translated into euro at the date of the financial statements using the exchange rate prevailing at the date of the statements of financial position, whereas the statements of comprehensive income of the foreign subsidiaries are translated using the average annual exchange rate. Translation differences are recognised directly in equity. On disposal of a foreign subsidiary cumulative currency translation gains and losses recognised in equity are recorded in the statement of comprehensive income.

Fair value adjustments and goodwill arising on the acquisition of a foreign subsidiary are considered as assets or liabilities of the acquired entity and are converted using the exchange rate prevailing at the date of the statement of financial position.

The main foreign exchange rates used for the preparation of the financial statements were as follows:

	<b>At 31 Dec 2024</b>	<b>Average for 2024</b>	<b>At 31 Dec 2023</b>	<b>Average for 2023</b>
EUR/SEK	0.0871	0.0875	0.0901	0.0872

**3.20. Contingencies**

Contingent liabilities are not recognised in the financial statements, except for contingent liabilities in business combinations. They are disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised in the financial statements but disclosed when an inflow of income or economic benefits is probable.

**3.21. Critical accounting estimates and estimation uncertainties**

The preparation of financial statements according to International Financial Reporting Standards as adopted by the European Union requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and contingencies. Future events may cause assumptions used in arriving at the accounting estimates to change. The effect of any changes in estimates will be recorded in the financial statements when determinable.

In applying accounting policies management is required to make estimates, judgements and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the related assumptions are based on past experience and other directly related factors. Actual results may ultimately differ from the estimates made.

The accounting estimates and underlying assumptions are reviewed on an ongoing basis. The effect of a change in an accounting estimate is recognised in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the future, are described below.

Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy for goodwill set in Note 3. The recoverable amount of a cash-generating unit is determined based on value-in-use calculations using cash flow projections based on the five-year financial forecasts in accordance with the Group's internal forecasts. Main assumptions used in value-in-use calculations are related to discount and growth rates and expected changes in margins. The management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash-generating units. The sensitivity analysis of the key assumptions used is disclosed in Note 5.

Impairment/reversal of impairment of investments

The Company annually reviews assumptions in relation to possible risk of impairment or reversal of impairment for investments in subsidiaries. The recoverable amount of a cash-generating unit is determined based on value-in-use calculations using cash flow projections based on the five-year financial forecasts in accordance with the Group's internal forecasts. Key assumptions used in value-in-use calculations are related to discount and growth rates and expected changes in margins (see Note 5 for more details). The management estimates discount rates using pre-tax rates that reflect current

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market assessments of the time value of money and the risks specific to the cash-generating units. Changes in selling prices and direct costs are based on past experience and foreseen changes in the market. Changes in selling prices and direct costs are based on past experience and foreseen changes in the market.

**3. Material accounting policies (continued)**

Impairment of property, plant and equipment, intangible assets and right-of-use assets

The Group and the Company make an assessment, at least annually, whether there are any indicators that the carrying amount of property, plant and equipment, intangible assets and right-of-use assets has been impaired. If that is the case, the Group and the Company make an impairment test in accordance with the accounting policy set out in Note 3. As at 31 December 2024 and 2023, there were no indications that the carrying amount of property, plant and equipment, intangible assets and right-of-use assets has been significantly impaired.

Impairment of trade receivables

In respect of trade receivables, impairment is recognised when there are objective indications (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group and the Company will not be able to collect all amounts as they fall due. The impairment of amounts receivable is recognised through use of the allowance account. Trade receivables are written-off when they are identified as irrecoverable.

Write-down allowance for inventories

Inventories are assessed for impairment when events and circumstances indicate that the value of assets may not be recoverable. Where the carrying amount of inventories exceeds their recoverable amount, impairment loss is accounted for in profit or loss. A reversal of an impairment loss recognised in prior periods is recorded when there is an indication that the impairment loss recognised for the asset no longer exists or has materially decreased. Reversal is accounted for in profit or loss under the same item as impairment loss.

Lease liabilities

When estimating lease liabilities the Group included future lease payments over the established non-cancellable contract term. The majority of the Group's lease contracts provides for the options on the extension and termination of the lease term. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Under such contract conditions the Group has estimated a probable extension period by making assumptions about in which cases and for which period it is probable that lease contracts could be extended. In 2024, no such revaluations were carried out by the Group companies. In 2023, the Group company Eurovaistinė UAB carried out a revaluation of the lease terms by extending the lease terms for the lease contracts of the leased property from related companies, which provided for a longer lease term in the event of additional conditions. Right-of-use assets are depreciated over this estimated lease term.

The management has conducted the sensitivity analysis test by changing the duration of the lease term extension. The management made the assumption that in case the lease extension period is prolonged for 24 months, lease liabilities would increase by EUR 72,328 thousand, and in case the lease extension period is shortened by 24 months, lease liabilities would decrease by EUR 72,328 thousand.

Estimation of the discount rate in accounting for lease liabilities

Lease liabilities were recognised based on the present value of the remaining lease payments over the estimated lease term, discounted using the incremental borrowing rate. The weighted average incremental borrowing rate applied to lease liabilities was consistent with market conditions and was within the range of 1.63% and 2.63% plus a 3-month Euribor. A single discount rate was applied to the lease portfolios having reasonably similar characteristics.

The management has also conducted the sensitivity analysis test by changing the discount rate. The management made the assumption that in case the applied discount rate is increased or decreased by 0.2 percentage points, the change in lease liabilities would be up to 1%.

Consolidation of business operations in Sweden

After the completion of the transaction between Euroapotheca Holding Sweden AB, a subsidiary of Euroapotheca UAB, and Oriola Corporation in October 2022, each party acquired a 50% ownership interest in Swedish Pharmacy Holding AB. In order to decide on the consolidation of the Swedish joint venture in the Group's financial statements, the Group's management performed the assessment regarding the retention of a larger portion of control. The assessment was performed on the basis of the criteria established by IFRS 10 on the retention of control.

Based on the conclusions of the consultants and of the assessment performed by the Group's management, it was decided that a larger portion of control is held by the Group, and therefore, the assets, liabilities and profit/loss of the Swedish joint venture are fully included in the consolidated financial statements of Euroapotheca by distinguishing the minority interest.

**3.22. Offsetting, rounding and comparative figures**

When preparing the financial statements, assets and liabilities, as well as revenue and expenses are not set off, except the cases when certain accounting standards specifically require such set-off.

Due to the rounding effects of individual amounts to the nearest thousands of euros, the tabular amounts may not add up to the total figures. These rounding errors are not material in the financial statements.

Where necessary, comparative figures were adjusted seeking to conform with the disclosures of the current reporting period.

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**4. The Company's investments in subsidiaries, acquisitions, disposals, mergers of subsidiaries**

The recoverable amount of investments as at 31 December 2024 was determined using the post-tax discount rate from 7.66% to 9.25% (from 6.8% to 8.1% as at 31 December 2023).

Investments in subsidiaries and associates as at 31 December 2024 are presented in the table below.

	<b>Acquisition cost of investments</b>	<b>Impairment of investments in subsidiaries</b>	<b>Total</b>
EUROVAISTINĖ UAB	79,869	-	79,869
EVD UAB	102,730	-	102,730
EVRC UAB	14	-	14
Siromed Pharma UAB	410	-	410
AZETA UAB	4,296	-	4,296
EUROAPTIEKA SIA	8,928	-	8,928
EUROAPTIEKA FARMACIJA SIA	2,127	-	2,127
EUROAPTEEK OU	3,675	-	3,675
Baltfarma OU	3	-	3
EURO SOLUTION UAB	30,472	(30,458)	14
Vaistų Realizacijos Centras UAB	3	-	3
Sveikatos paramos ir labdaros fondas	3	-	3
Euroapotheca Holding SWE AB	245,277	(68,000)	177,277
EUROAPTEEK HOLDING OU	8	-	8
DABAR VŠĮ*	3	-	3
	<b>477,818</b>	<b>(98,458)</b>	<b>379,360</b>

\* Former Vilniaus Prekybos paramos fondas DABAR until 14 April 2024.

\*\* The recoverable amount of the cash-generating unit was determined under the value-in-use method, where the future cash flows were estimated for a five-year period based on the internal forecast data of the Group. For more details, refer to Note 5.

Investments in the subsidiaries and the associates as at 31 December 2023 are presented in the table below.

	<b>Acquisition cost of investments</b>	<b>Impairment of investments in subsidiaries</b>	<b>Total</b>
EUROVAISTINĖ UAB	79,869	-	79,869
EVD UAB	102,730	-	102,730
EVRC UAB	14	-	14
Siromed Pharma UAB	410	-	410
AZETA UAB	4,296	-	4,296
EUROAPTIEKA SIA	8,928	-	8,928
EUROAPTIEKA FARMACIJA SIA	2,127	-	2,127
EUROAPTEEK OU	3,675	-	3,675
Baltfarma OU	3	-	3
EURO SOLUTION UAB	30,189	(28,677)	1,512
Vaistų Realizacijos Centras UAB	3	-	3
Sveikatos paramos ir labdaros fondas	3	-	3
Euroapotheca Holding SWE AB	245,277	(27,800)	217,477
EUROAPTEEK HOLDING OU	8	-	8
Vilniaus Prekybos paramos fondas	3	-	3
DABAR*	3	-	3
	<b>477,535</b>	<b>(56,477)</b>	<b>421,058</b>

\* In 2023, the Company became the shareholder of Vilniaus Prekybos paramos fondas DABAR and made the shareholder contribution of EUR 3 thousand.

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(All amounts are in EUR thousands unless otherwise stated)

**4. The Company's investments in subsidiaries, acquisitions, disposals, mergers of subsidiaries (continued)**

The evaluation is performed referring to the results of the business unit operating in the country rather than the results of each separate company because the activities of the companies overlap, they are interdependent and therefore an individual evaluation would not provide reliable results. The management also analyses aggregate data by country and makes respective decisions in view of the overall results of the country. Based on the results of the valuation of the Company's investments in 2024, impairment was recognised for subsidiary Euroapotheca Holding SWE AB. The evaluation of the investment was carried out based on the assumptions and methods described in Note 5.

There were no acquisitions and disposals during 2024.

There were no acquisitions during 2023, except for the above-mentioned contribution of EUR 3 thousand to Vilniaus Prekybos paramos fondas DABAR.

*Disposals during 2023*

On 28 July 2023, the Group disposed of 100% of shares of EVDS UAB.

	<u>EVDS UAB</u>
Cash and cash equivalents	364
Property, plant and equipment	1,398
Inventories and prepayments	12
Trade and other amounts receivable	5
<b>Proceeds from disposal</b>	<b>1,779</b>
Proceeds from disposal	1,779
Less:	
Cash and cash equivalents in subsidiaries disposed	364
<b>Increase in cash from disposal of subsidiaries</b>	<b>1,415</b>

**5. Intangible assets**

Group	<u>Goodwill</u>	<u>Other intangible assets</u>	<u>Total</u>
<b>Acquisition cost</b>			
<b>Balance at 1 January 2023</b>	<b>543,071</b>	<b>196,914</b>	<b>739,985</b>
- Additions	-	5,069	5,069
- Assets of acquired subsidiaries	-	-	-
- Disposals and write-offs	-	-	-
- Assets of subsidiaries disposed	-	(1,382)	(1,382)
- Reclassified from/to	-	-	-
- Currency exchange differences	819	518	1,337
<b>Balance at 31 December 2023</b>	<b>543,890</b>	<b>201,119</b>	<b>745,009</b>
- Additions	-	2,609	2,609
- Assets of acquired subsidiaries	-	-	-
- Disposals and write-offs	-	(28,462)	(28,462)
- Assets of subsidiaries disposed	-	-	-
- Reclassified from/to	-	-	-
- Currency exchange differences	(12,004)	(6,534)	(18,538)
<b>Balance at 31 December 2024</b>	<b>531,886</b>	<b>168,732</b>	<b>700,618</b>

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**5. Intangible assets (continued)**

**Amortisation and impairment**

<b>Balance at 1 January 2023</b>	<b>(105,419)</b>	<b>(54,756)</b>	<b>(160,174)</b>
- Amortisation charge	-	(13,506)	(13,506)
- Disposals and write-offs	-	316	316
- Amortisation of assets of acquired subsidiaries	-	-	-
- Amortisation of assets of subsidiaries disposed	-	-	-
- Impairment charge	-	-	-
- Currency exchange differences	-	(584)	(584)
<b>Balance at 31 December 2023</b>	<b>(105,419)</b>	<b>(68,530)</b>	<b>(173,949)</b>
- Amortisation charge	-	(19,842)	(19,842)
- Disposals and write-offs	-	27,582	27,582
- Amortisation of assets of acquired subsidiaries	-	-	-
- Amortisation of assets of subsidiaries disposed	-	-	-
- Impairment charge	(32,472)	-	(32,472)
- Currency exchange differences	-	2,238	2,238
<b>Balance at 31 December 2024</b>	<b>(137,891)</b>	<b>(58,553)</b>	<b>(196,443)</b>
<b>Net book amount</b>			
<b>Balance at 31 December 2023</b>	<b>438,471</b>	<b>132,589</b>	<b>571,060</b>
<b>Balance at 31 December 2024</b>	<b>393,995</b>	<b>110,179</b>	<b>504,175</b>

<b>Company</b>	<b>Other intangible assets</b>
<b>Cost</b>	
<b>Balance at 1 January 2023</b>	<b>2,954</b>
- Additions	747
- Reclassified from/to	(896)
- Disposals and write-offs	(141)
<b>Balance at 31 December 2023</b>	<b>2,663</b>
- Additions	54
- Reclassified from/to	-
- Disposals and write-offs	(17)
<b>Balance at 31 December 2024</b>	<b>2,700</b>
<b>Amortisation</b>	
<b>Balance at 1 January 2023</b>	<b>(1,969)</b>
- Amortisation charge	(380)
- Disposals and write-offs	141
<b>Balance at 31 December 2023</b>	<b>(2,206)</b>
- Amortisation charge	(175)
- Disposals and write-offs	17
<b>Balance at 31 December 2024</b>	<b>2,364</b>
<b>Net book amount</b>	
<b>At 31 December 2023</b>	<b>457</b>
<b>At 31 December 2024</b>	<b>336</b>

The Group's other intangible assets comprise software and licences for the pharmaceutical activities. In 2018 and 2022, the Swedish business concept and trademark, which were recognised in the Group's accounts after the completion of the purchase price allocation, were added to intangible assets. As at 31 December 2024, the net book amount of these assets amounted to EUR 44,978 million and EUR 53,741 million, respectively (31 December 2023: EUR 50,730 thousand and EUR 55,633 thousand, respectively).

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**5. Intangible assets (continued)**

In 2024 and 2023, the Group's and the Company's amortisation expenses were included in operating expenses. As at 31 December 2024, the acquisition cost of the Group's and the Company's fully amortised intangible assets amounted to EUR 2.6 million and EUR 2.2 million, respectively (31 December 2023: EUR 2.8 million and EUR 2.3 million, respectively)

As at 31 December 2024, the Company did not have internally created intangible assets. As at 31 December 2023, the Company did not have internally created intangible assets.

Presented below is the breakdown of the Group's goodwill by domicile of commercial divisions:

<b>Domicile of cash-generating units to which goodwill is allocated</b>	<b>Value of goodwill in 2023</b>	<b>Impairment of goodwill</b>	<b>Changes in value of goodwill resulting from changes in foreign exchange rates in 2024</b>	<b>Value of goodwill in 2024</b>
LITHUANIA	100,484	-	-	100,484
LATVIA	8,198	-	-	8,198
ESTONIA	1,509	-	-	1,509
SWEDEN	328,280	(32,472)	(12,004)	283,655
<b>Total</b>	<b>438,471</b>	<b>(32,472)</b>	<b>(12,004)</b>	<b>393,995</b>

In 2024 and 2023, when testing goodwill for impairment, goodwill was allocated to four cash-generating units: divisions related to trade in pharmaceuticals in Lithuania, Latvia, Estonia and Sweden. The recoverable amounts of these cash-generating units were calculated using the value-in-use method on the basis of future cash flow models for five years and a subsequent indefinite period that were prepared according to the management's projections. The key assumptions used in value-in-use calculations are related to discount rates, revenue growth rates and expected changes in margins. In 2024, the value-in-use was calculated using the after-tax discount rates ranging from 7.66% to 9.25% (from 6.8% to 8.1% in 2023) and the terminal value was calculated using the growth rate of 2% (2023: 2%). The management estimated the discount rates using the pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash-generating units. The growth rates were determined on the basis of projected growth rates of the economy in the long term.

Based on the management's estimates, Sweden was the most sensitive business division to impairment of goodwill. The main assumptions used for the impairment testing are presented below.

*Goodwill of the Swedish cash generating unit*

According to the Swedish business strategy, the revenue of Kronans Apotek pharmacy chain is expected to grow annually by up to 5% over the upcoming period of 5 years. The current gross profit margin is also expected to be retained or increased moderately and the ratio of operating expenses to revenue is planned to be reduced through synergies in order to achieve a higher ratio of operating profit to revenue over the upcoming period of 5 years. The discount rate of 9.25% was determined for Kronans Apotek.

Based on the Swedish business strategy and the discount rate the goodwill of the Swedish cash generating unit was impaired by EUR 32 million.

As part of the goodwill impairment testing of the Swedish cash generating unit, the sensitivity analysis was carried out in order to assess the sensitivity of the discounted value to changes in two variables. The variables were changed individually and not in combination with other assumptions:

- discount rate (weighted average cost of capital). The original discount rate was assessed. In the sensitivity analysis, the increase in this variable would result in further impairment;
- revenue growth rate. In the sensitivity analysis, the decrease in this variable would result in further impairment.

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**6. Property, plant and equipment**

Group	Land	Buildings	Motor vehicles	Constructi on in progress	Equipment and other PP&E	Total
<b>Acquisition cost</b>						
<b>Balance at 1 January 2023</b>	<b>6</b>	<b>521</b>	<b>29</b>	<b>2,155</b>	<b>134,595</b>	<b>137,305</b>
- Additions	1,398	-	-	3,366	4,914	9,678
- Assets of acquired subsidiaries	-	-	-	-	17	17
- Disposals and write-offs	-	-	-	-	(2,351)	(2,351)
- Assets of subsidiaries disposed	(1,398)	-	-	-	-	(1,398)
- Reclassified from/to	-	-	-	(1,593)	1,593	-
- Currency exchange differences	-	-	-	65	322	388
<b>Balance at 31 December 2023</b>	<b>6</b>	<b>521</b>	<b>29</b>	<b>3,993</b>	<b>139,090</b>	<b>143,639</b>
- Additions	-	3,000	-	-	5,846	8,846
- Appreciation of assets	-	-	-	-	774	774
- Disposals and write-offs	-	-	-	-	(16,703)	(16,703)
- Assets of subsidiaries disposed	-	-	-	-	-	-
- Reclassified from/to	-	-	-	(2,690)	2,690	-
- Currency exchange differences	-	-	-	(110)	(3,946)	(4,056)
<b>Balance at 31 December 2024</b>	<b>6</b>	<b>3,521</b>	<b>29</b>	<b>1,193</b>	<b>127,751</b>	<b>132,500</b>
<b>Depreciation and impairment</b>						
<b>Balance at 1 January 2023</b>	-	<b>(484)</b>	<b>(6)</b>	-	<b>(106,622)</b>	<b>(107,112)</b>
- Depreciation charge	-	(16)	(6)	-	(8,249)	(8,271)
- Depreciation of assets disposed and written off	-	-	-	-	1,718	1,718
- Depreciation of assets of acquired subsidiaries	-	-	-	-	-	-
- Depreciation of assets of subsidiaries disposed	-	-	-	-	-	-
- Impairment charge	-	-	-	-	-	-
- Currency exchange differences	-	-	-	-	(382)	(382)
<b>Balance at 31 December 2023</b>	-	<b>(500)</b>	<b>(12)</b>	-	<b>(113,535)</b>	<b>(114,047)</b>
- Depreciation charge	-	(37)	(6)	-	(7,570)	(7,613)
- Depreciation of assets disposed and written off	-	-	-	-	16,559	16,578
- Depreciation of assets of acquired subsidiaries	-	-	-	-	-	-
- Depreciation of assets of subsidiaries disposed	-	-	-	-	-	-
- Impairment charge	-	-	-	-	-	-
- Currency exchange differences	-	-	-	-	3,315	3,315
<b>Balance at 31 December 2024</b>	-	<b>(537)</b>	<b>(18)</b>	-	<b>(101,212)</b>	<b>(101,767)</b>
<b>Net book amount</b>						
<b>Balance at 31 December 2023</b>	<b>6</b>	<b>21</b>	<b>17</b>	<b>3,993</b>	<b>25,555</b>	<b>29,592</b>
<b>Balance at 31 December 2024</b>	<b>6</b>	<b>2,984</b>	<b>11</b>	<b>1,193</b>	<b>26,539</b>	<b>30,733</b>

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**6. Property, plant and equipment (continued)**

Company	Equipment and other PP&E
<b>Acquisition cost</b>	
<b>Balance at 1 January 2023</b>	<b>1,630</b>
- Additions	93
- Disposals and write-offs	(210)
<b>Balance at 31 December 2023</b>	<b>1,513</b>
- Additions	386
- Disposals and write-offs	(15)
<b>Balance at 31 December 2024</b>	<b>1,884</b>
<b>Depreciation</b>	
<b>Balance at 1 January 2023</b>	<b>(971)</b>
- Depreciation charge	(178)
- Depreciation of assets disposed and written off	204
<b>Balance at 31 December 2023</b>	<b>(945)</b>
- Depreciation charge	(229)
- Depreciation of assets disposed and written off	13
<b>Balance at 31 December 2024</b>	<b>(1,161)</b>
<b>Net book amount</b>	
<b>Balance at 31 December 2023</b>	<b>568</b>
<b>Balance at 31 December 2024</b>	<b>723</b>

In 2024, depreciation charges of the Group's property, plant and equipment amounting to EUR 7,384 thousand (2023: EUR 6,888 thousand) were included in the cost of sales and the remaining part was included in operating expenses. In 2024 and 2023, the total amount of depreciation charges of the Company's property, plant and equipment was included in operating expenses. As at 31 December 2024, the acquisition cost of the Group's and the Company's fully depreciated property, plant and equipment amounted to EUR 10.9 million and EUR 0.6 million, respectively (31 December 2023: 11.3 million and EUR 0.7 million).

**7. Loans granted**

Long-term loans granted by the Group and the Company comprised as follows as at 31 December:

	Group		Company	
	2024	2023	2024	2023
Loan granted to EUROAPOTHECA UAB group companies	-	-	35,250	33,298
Loans granted to other unrelated companies	4,158	3,001	-	-
	<b>4,158</b>	<b>3,001</b>	<b>35,250</b>	<b>33,298</b>

Short-term loans granted by the Group comprised as follows as at 31 December:

	2024	2023
Loans granted to other companies	1,141	1,171
Accrued interest on loans granted to other companies	41	457
	<b>1,182</b>	<b>1,628</b>

Short-term loans granted by the Company comprised as follows as at 31 December:

	2024	2023
Loans granted to EUROAPOTHECA UAB group companies	431	634
Accrued interest on loans granted to EUROAPOTHECA UAB group companies	611	322
	<b>1,043</b>	<b>956</b>

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All loans granted by the Group are denominated in euros, they bear variable interest rate linked to EURIBOR, plus a margin consistent with market conditions. All loans granted by the Company are denominated in euros or the Swedish krona, they bear variable interest rate linked either to EURIBOR or STIBOR, plus a margin consistent with market conditions.

**8. Inventories**

Inventories comprised as follows as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Goods for resale at acquisition cost	168,877	155,837	-	-
Less: write-down allowance	(1,596)	(1,657)	-	-
<b>Total</b>	<b>167,281</b>	<b>154,180</b>	<b>-</b>	<b>-</b>

The Group estimated write-down allowance to net realisable value in respect of all inventories. A change in write-down allowance of inventories between 31 December 2024 and 31 December 2023 amounted to EUR 61 thousand and between 31 December 2023 and 31 December 2022 amounted to EUR 361 thousand. Write-down allowance of inventories was included in operating expenses in 2024 and 2023. The acquisition cost of inventories accounted for at net realisable value amounted to EUR 167,281 thousand in 2024 (2023: EUR 154,179 thousand).

**9. Amounts receivable and prepayments**

Finance lease and other non-current amounts receivable comprised as follows as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Non-current amounts receivable for assets leased under finance leases	5,859	5,546	-	-
Non-current prepayments	573	531	76	90
Other non-current amounts receivable	4,078	4,501	-	-
<b>Total</b>	<b>10,510</b>	<b>10,578</b>	<b>76</b>	<b>90</b>

Trade and other receivables within one year and prepayments comprised as follows as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Financial assets</b>				
Amounts receivable from health insurance funds and/or similar institutions	37,528	38,373	-	-
Other trade receivables	25,482	23,975	1,395	2,456
Accrued discounts receivable	6,090	5,215	-	-
Other amounts receivable	-	319	-	-
<b>Total financial assets</b>	<b>69,100</b>	<b>67,882</b>	<b>1,395</b>	<b>2,456</b>
<b>Non-financial assets</b>				
Prepayments	13,502	10,912	343	388
VAT receivable	14,357	14,476	87	-
Other current assets	-	-	-	624
Other amounts receivable	5,491	4,929	-	-
<b>Total non-financial assets</b>	<b>33,350</b>	<b>30,317</b>	<b>430</b>	<b>1,012</b>
Less: impairment of financial assets due to doubtful amounts receivable	(614)	(580)	-	-
<b>Total</b>	<b>101,836</b>	<b>97,619</b>	<b>1,825</b>	<b>3,468</b>

As at 31 December 2024 and 2023, doubtful amounts receivable were assessed collectively for impairment. Change in impairment of amounts receivable between 31 December 2024 and 31 December 2023 amounted to EUR 34 thousand. Change in impairment of amounts receivable between 31 December 2023 and 31 December 2022 amounting to EUR 20 thousand.

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Other non-current amounts receivable and other amounts receivable (financial assets) mainly comprise amounts receivable on disposal of the pharmacies in Estonia in 2020.  
The Company's other current assets include software under development intended for sale.

**9. Amounts receivable and prepayments (continued)**

The Group's trade receivables comprised as follows as at 31 December:

**2024**

Group	Trade receivables not past due	Trade receivable past due			Total
		Less than 3 months	3 – 6 months	More than 6 months	
Before impairment	61,496	872	411	232	63,010
Impairment	(347)	-	-	(21)	(368)
After impairment	61,148	872	411	212	62,642

**2023**

Group	Trade receivables not past due	Trade receivable past due			Total
		Less than 3 months	3 – 6 months	More than 6 months	
Before impairment	60,326	1,114	275	634	62,348
Impairment	(348)	-	-	(2)	(350)
After impairment	59,978	1,114	275	632	61,998

The Company's trade receivables comprised as follows as at 31 December:

Company	Trade receivables not past due	Trade receivable past due but not impaired			Total
		Less than 3 months	3 – 6 months	More than 6 months	
<b>2024</b>	1,395	-	-	-	1,395
<b>2023</b>	2,456	-	-	-	2,456

The fair values of amounts receivable approximate their carrying amounts. Trade receivables are non-interest bearing and they are normally settled with the term of 30-90 days. No impairment was recognised for amounts receivable.

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**10. Cash and cash equivalents**

Cash and cash equivalents comprised as follows as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Cash at bank	59,785	45,037	16,854	65
Cash in transit	1,285	1,447	-	-
Cash on hand	2,651	2,809	-	-
<b>Total</b>	<b>63,721</b>	<b>49,293</b>	<b>16,854</b>	<b>65</b>

As at 31 December 2024 and 2023, the Group's cash at bank comprised the Group companies' own cash balances at bank and cash balances on the Group's cashpool account as described in Note 12.

As at 31 December 2024 and 2023, cash in transit comprised cash deposited to bank accounts and amounts paid for goods by payment cards that were deposited by the banks to the Group's accounts after the balance sheet date.

As at 31 December 2024 and 2023, cash on hand comprised cash held at the Group's pharmacies and in the central cash registers.

As disclosed in Notes 12 and 27, as at 31 December 2024, the Group and the Company pledged the Group companies' cash of EUR 18.2 million in certain bank accounts to secure the repayment of borrowings, credit lines and guarantees. As at 31 December 2023, the Group and the Company pledged cash of EUR 9.9 million to secure the repayment of borrowings and credit lines.

**11. Reserves**

Legal reserve

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of not less than 5 per cent of net profit of the current financial year are required until the reserve reaches 10 per cent of the share capital. As at 31 December 2024 and 2023, the legal reserve was not fully formed.

Currency translation reserve

Currency translation reserve is the reserve that arises from foreign exchange differences at the date of acquisition of the Group companies and preparation of financial statements.

**12. Borrowings**

The Group's and the Company's non-current borrowings comprised as follows as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Bank borrowings	78,382	72,422	49,000	37,500
Borrowings from related companies	-	-	-	2,046
	<b>78,382</b>	<b>72,422</b>	<b>49,000</b>	<b>39,546</b>

The Group's and the Company's current borrowings comprised as follows as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Borrowings from related companies	-	-	-	22,758
Accrued interest on borrowings from related companies	-	-	-	42
Current portion of non-current bank borrowings	11,801	9,905	7,448	5,399
Accrued interest on credit line	11	86	10	86
	<b>11,812</b>	<b>9,991</b>	<b>7,459</b>	<b>28,286</b>

In 2024 and 2023, all borrowings of the Company and the Group were denominated in the euros, except for the loan received by Swedish Pharmacy Holding AB in 2022 which is denominated in the Swedish krona (SEK).

At the end of 2024, the Company had no borrowings from related companies. At the end of 2023, the Company's borrowings from related companies comprised borrowings from the Group's cashpool account and borrowings from Euroapotieka Farmacija SIA and Euro Solution UAB.

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**12. Borrowings (continued)**

In 2021, the Group companies signed an arrangement on the Group's cashpool account which was opened in 2019 and combines the Euroapotheca Group companies: Euroapotheca UAB, Eurovaistinė UAB, EVRC UAB, EVD UAB, Siromed Pharma UAB, Azeta UAB and Azeta Vaistinė UAB. Under this arrangement, when there is insufficient funds on their accounts, the Company and other companies participating in the arrangement can borrow funds of other companies participating in the arrangement according to the established borrowing limits or can lend funds to other companies participating in the arrangement. Such funds lent or borrowed are classified as current loans granted to or borrowings from related companies. At the Group level, cash balances on the Group's cashpool account are classified as cash at bank (Note 10). Interest consistent with the market conditions is charged on funds borrowed.

As at 31 December 2024, all borrowings from related companies were subject to variable interest rates linked to EURIBOR plus a margin, which is consistent with the market conditions.

Non-current bank borrowings will be repaid within the period of three years from the end of 2024.

As at 31 December 2024, the Group's undrawn limit of the revolving credit facility amounted to EUR 20 million.

As at 31 December 2024, the Company and the Group complied with all the financial covenants of the banks, including those calculated according to the combined statements of profit or loss and combined balance sheets of the Group companies operating in the Baltic countries.

To secure the repayment of the Company's and the Group's non-current bank borrowings and the revolving credit facility, cash and cash equivalents on the Company's SEB bank account were pledged as at 31 December 2024. The cash balance on this account amounted to EUR 8.56 million. Cash and cash equivalents on the Company's SEB bank account were pledged as at 31 December 2023. The cash balance on this account amounted to EUR 48 thousand. 100% of shares of other companies of the Group (EVRC UAB, Eurovaistinė UAB, EVD UAB, Siromed Pharma, EUROAPTIEKA SIA, EUROAPTIEKA FARMĀCIJA) were pledged as well.

The Group's bank borrowings were secured with guarantees of the Group's subsidiaries (Note 26).

**13. Leases**

*The Group/Company as a lessee*

The Group/Company has signed the contracts for the lease of premises. The lease term normally ranges from 3 to 10 years, however it can be extended as described below. The Group's/Company's obligations under its leases are secured by the lessor's title to the leased assets. There are lease contracts that include variable lease payments and extension options, which are further discussed in Note 3.

Lease liabilities and right-of-use assets are initially estimated at the present net value. Lease payments included in the calculations were as follows:

- fixed payments;
- variable payments depending on the indexation.

The Group's variable lease payments may increase in future depending on the indexation that is not included in lease payments until it becomes effective. Upon the entry into force of the amendments to the indexation lease liabilities and right-of-use assets are recalculated.

The lessee's weighted average incremental borrowing rate applied to lease liabilities as at 31 December 2023 was 1.63% + 3-month Euribor in Lithuania, 1.75% + 3-month Euribor in Latvia, 2.63% + 3-month Euribor in Estonia, 1.63% + 3-month STIBOR in Sweden. The lessee's weighted average incremental borrowing rate applied to lease liabilities as at 31 December 2023 was 1.61% in Lithuania, 1.73% in Latvia, 2.63% in Estonia, 1.61% + 3-month STIBOR in Sweden.

The depreciation period of right-of-use assets is shorter than the useful life established for the assets as it is based on the validity period of lease contracts and the extension option assessed by the management.

The Group/Company also has certain leases with lease term of 12 months or less and leases of low-value assets. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Short-term lease expenses are included in operating expenses (Note 18).

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**13. Leases (continued)**

Right-of-use assets and lease liabilities comprised as follows:

	Group		Company	
	At 31 December 2024	At 31 December 2023	At 31 December 2024	At 31 December 2023
<b>Right-of-use assets</b>				
<b>Buildings</b>	<b>197,952</b>	<b>203,037</b>	<b>1,018</b>	<b>702</b>
- Acquisition cost	317,783	289,388	1,807	1,378
- Accumulated depreciation	(119,831)	(86,351)	(789)	(676)
<b>Motor vehicles</b>	<b>693</b>	<b>646</b>	-	-
- Acquisition cost	1,273	1,084	-	-
- Accumulated depreciation	(580)	(438)	-	-
<b>Total</b>	<b>198,645</b>	<b>203,683</b>	<b>1,018</b>	<b>702</b>
<b>Lease liabilities</b>				
Non-current liabilities	147,545	148,015	940	602
Current liabilities	36,663	36,318	151	150
<b>Total</b>	<b>184,208</b>	<b>184,333</b>	<b>1,091</b>	<b>752</b>

In 2024, additions at the Group amounted to EUR 8.8 million (2023: EUR 13 million).

Lease-related expenses accounted for in the statement of comprehensive income comprised as follows:

	Group		Company	
	2024	2023	2024	2023
<b>Depreciation charges of right-of-use assets</b>				
Buildings	37,987	38,003	113	143
Motor vehicles	333	248	-	-
	<b>38,321</b>	<b>38,251</b>	<b>113</b>	<b>143</b>
Interest expenses	5,719	2,691	62	12
Expenses of short-term lease and lease of low-value assets	981	2,665	55	61

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**13. Leases (continued)**

Depreciation charges of the Group's right-of-use assets amounting to EUR 36,425 thousand were included in the cost of sales, and depreciation charges of EUR 3,059 thousand were included in operating expenses (2023: EUR 35,597 thousand and EUR 2,879 thousand, respectively). The Company's depreciation charges of EUR 113 thousand were included in operating expenses (2023: EUR 143 thousand).

Interest expenses related to lease liabilities were included in finance costs in the statement of comprehensive income and totalled EUR 5,719 thousand (2023: EUR 2,691 thousand) at the Group and EUR 62 thousand (2023: EUR 12 thousand) at the Company).

Lease payments, including interest, are disclosed in Note 14.

Extension and termination options are included in a number of property leases across the Group/Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

A maturity analysis of the discounted lease payments is provided below:

	<b>Group</b>	
	<b>At 31 December 2024</b>	<b>At 31 December 2023</b>
Within 1 year	36,663	36,318
Between 1 and 2 years	35,207	34,364
Between 2 and 3 years	27,749	25,546
Between 3 and 4 years	17,271	18,917
Between 4 and 5 years	11,880	12,269
Later than 5 years	55,438	56,919
	<b>184,208</b>	<b>184,333</b>

	<b>Company</b>	
	<b>At 31 December 2024</b>	<b>At 31 December 2023</b>
Within 1 year	151	150
Between 1 and 2 years	143	152
Between 2 and 3 years	136	156
Between 3 and 4 years	128	156
Between 4 and 5 years	121	137
Later than 5 years	412	-
	<b>1,092</b>	<b>751</b>

*The Group/Company as a lessor*

The Group subleases retail premises to various tenants. For risk management purposes, the Group requires that tenants pay deposits for lease payments. These leases have terms of between 3 and 10 years.

Finance lease

The Group recognises net investment in lease for leases classified as finance leases. Finance income on net investment in lease amounted to EUR 362 thousand (2023: EUR 231 thousand).

A maturity analysis of the undiscounted lease receivables is provided below:

	<b>Group</b>	
	<b>At 31 December 2024</b>	<b>At 31 December 2023</b>
Within 1 year	2,871	3,477
Between 1 and 2 years	2,369	2,242
Between 2 and 3 years	1,583	1,746
Between 3 and 4 years	982	1,015
Between 4 and 5 years	514	504
Later than 5 years	538	690
	<b>8,858</b>	<b>9,674</b>

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**14. Net debt**

The Group's and the Company's net debt comprised as follows as at 31 December:

<b>Group</b>	<b>Borrowings</b>	<b>Lease liabilities</b>	<b>Cash and cash equivalents</b>	<b>Net debt</b>
<b>At 31 December 2023</b>	<b>(82,414)</b>	<b>(182,387)</b>	<b>49,293</b>	<b>(215,508)</b>
Increase/(decrease) in cash flows	-	-	14,428	14,428
Cash flow for lease payments	-	39,195	-	39,182
(Increase) in lease liabilities	-	(41,016)	-	(41,003)
Proceeds from borrowings	(20,000)	-	-	(20,000)
Repayments of borrowings	10,853	-	-	10,853
Interest charged	(5,339)	(5,719)	-	(11,058)
Interest paid	5,366	5,719	-	11,085
Disposal of subsidiaries	-	-	-	-
Non-cash transactions	-	-	-	-
Currency exchange differences	1,340	-	-	1,339
<b>At 31 December 2024</b>	<b>(90,194)</b>	<b>(184,208)</b>	<b>63,721</b>	<b>(210,681)</b>

<b>Group</b>	<b>Borrowings</b>	<b>Lease liabilities</b>	<b>Cash and cash equivalents</b>	<b>Net debt</b>
<b>At 31 December 2022</b>	<b>(93,150)</b>	<b>(158,249)</b>	<b>84,859</b>	<b>(166,540)</b>
Increase/(decrease) in cash flows	-	-	(35,566)	(35,566)
Cash flow for lease payments	-	39,994	-	39,994
(Increase) in lease liabilities	-	(64,132)	-	(64,132)
Proceeds from borrowings	(19,000)	-	-	(19,000)
Repayments of borrowings	29,633	-	-	29,633
Interest charged	(4,514)	(2,691)	-	(7,205)
Interest paid	4,723	2,691	-	7,414
Disposal of subsidiaries	-	-	-	-
Non-cash transactions	-	-	-	-
Currency exchange differences	(106)	-	-	(106)
<b>At 31 December 2023</b>	<b>(82,414)</b>	<b>(182,387)</b>	<b>49,293</b>	<b>(215,508)</b>

<b>Company</b>	<b>Borrowings</b>	<b>Lease liabilities</b>	<b>Cash and cash equivalents</b>	<b>Net debt</b>
<b>At 31 December 2023</b>	<b>(67,832)</b>	<b>(752)</b>	<b>65</b>	<b>(68,519)</b>
Increase/(decrease) in cash flows	-	-	16,789	16,789
Cash flow for lease payments	-	231	-	231
(Increase) in lease liabilities	-	(570)	-	(570)
Proceeds from borrowings	(20,000)	-	-	(20,000)
Repayments of borrowings	20,776	-	-	20,776
Interest charged	(3,401)	(62)	-	(3,463)
Interest paid	3,427	62	-	3,489
Non-cash transactions	10,571*	-	-	10,571
<b>At 31 December 2024</b>	<b>(56,459)</b>	<b>(1,091)</b>	<b>16,854</b>	<b>(40,696)</b>

\*Borrowings offset against dividends receivable

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**14. Net debt (continued)**

Company	Borrowings		Lease liabilities	Cash and cash equivalents	Net debt
	2024	2023	2024	2023	2024
<b>At 31 December 2022</b>	<b>(53,083)</b>		<b>(864)</b>	<b>3,318</b>	<b>(50,629)</b>
Increase/(decrease) in cash flows	-		-	(3,253)	(3,253)
Cash flow for lease payments	-		273	-	273
(Increase) in lease liabilities	-		(161)	-	(161)
Proceeds from borrowings	(38,370)		-	-	(38,370)
Repayments of borrowings	24,000		-	-	24,000
Interest charged	(2,427)		(12)	-	(2,439)
Interest paid	2,048		12	-	2,060
Non-cash transactions	-		-	-	-
<b>At 31 December 2023</b>	<b>(67,832)</b>		<b>(752)</b>	<b>65</b>	<b>(68,519)</b>

In 2024, the Company's non-cash transactions comprised dividends of the subsidiaries offset against borrowings from the subsidiaries. In 2023, there were no non-cash transactions.

**15. Other amounts payable and contract liabilities**

Other amounts payable and accrued expenses comprised as follows as at 31 December:

	Group		Company	
	2024	2023	2024	2023
Wages and salaries and social security contributions payable	18,666	19,702	15	63
Other accrued expenses and current liabilities	14,510	30,959	674	777
Other taxes (other than income tax)	3,260	3,467	-	196
Vacation reserve accrual	13,118	13,397	79	126
Deferred revenue	1,320	1,212	-	-
Advance amounts received	27	33	-	-
<b>Total</b>	<b>50,901</b>	<b>68,770</b>	<b>768</b>	<b>1,162</b>

Contract liabilities comprise deferred revenue and advance amounts received.

The Group has trilateral factoring arrangements with the banks and suppliers, based on which the banks agree to cover amounts owed by the Group to its suppliers, whereas the Group agrees to repay those amounts to the banks. Their settlement terms correspond to the settlement terms of trade payables. These arrangements were included in other accrued expenses and current liabilities. The supplier financing arrangements amounted to EUR 6,157 thousand as at 31 December 2024.

**15. Revenue from contracts with customers**

Revenue from contracts with customers comprised as follows:

	Group		Company	
	2024	2023	2024	2023
Revenue from sale of goods	1,642,584	1,582,164	-	-
Revenue from services rendered	15,726	13,969	8,325	8,961
<b>Total</b>	<b>1,658,310</b>	<b>1,596,133</b>	<b>8,325</b>	<b>8,961</b>

**16. Cost of sales**

The Group's cost of sales comprised as follows:

	Notes	2024	2023
Expenses related to sale of goods		1,450,977	1,387,058
Depreciation and amortisation	6, 13	42,450	42,486
Transport expenses		4,037	3,805
<b>Total</b>		<b>1,497,464</b>	<b>1,433,349</b>

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**17. Operating expenses**

Operating expenses comprised as follows:

	Notes	Group		Company	
		2024	2023	2024	2023
Wages and salaries and social security contributions		51,005	51,724	4,342	3,913
Marketing and advertising		8,394	9,216	-	-
Lease of premises and other non-current assets	13	848	2,464	55	61
Professional services		5,267	5,667	108	56
Utility services		1,573	1,241	7	7
Depreciation and amortisation	5,6,13	24,490	17,769	516	701
Transport expenses		965	916	11	12
Taxes (other than income tax)		440	564	30	80
Office supplies and stationery		3,833	4,165	57	46
Maintenance and repair of premises, equipment		20,487	16,198	11	3
Telecommunication services		965	1,000	67	71
Impairment of goodwill		32,473	-	-	-
Losses of inventory		1,242	721	-	-
Other		16,451	16,953	(319)	2,229
Result of adjustment of value of right-of-use assets	5,6,13	(1,134)	(2,911)	-	-
<b>Total</b>		<b>167,299</b>	<b>125,687</b>	<b>4,885</b>	<b>7,179</b>

**18. Other income and costs**

Other income and costs comprised as follows:

		Group		Company	
		2024	2023	2024	2023
Dividend income		19	16	36,500	29,589
Gain/(loss) from disposal of investments	4	-	-	-	-
(Impairment) of investments		-	-	(41,981)	-
Insurance income		23	18	-	-
Gain on disposal of non-current assets and investments		10	14	3	10
Other income		627	520	1	1
		679	568	(5,477)	29,600
Loss from disposal or write-off of non-current assets and investments		(111)	(457)	-	(375)
<b>Total</b>		<b>568</b>	<b>111</b>	<b>(5,477)</b>	<b>29,225</b>

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**19. Other income and expenses of financing and investing activities**

Other income and expenses of financing and investing activities comprised as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Foreign exchange gain/(loss)	62	57	-	51
Other finance income	-	250	-	250
	<u>62</u>	<u>307</u>	<u>-</u>	<u>301</u>
Foreign exchange loss	(83)	(344)	(597)	-
Other finance costs	(2,542)	(1,885)	-	-
	<u>(2,625)</u>	<u>(2,229)</u>	<u>(597)</u>	<u>-</u>
<b>Total</b>	<b><u>(2,563)</u></b>	<b><u>(1,922)</u></b>	<b><u>(597)</u></b>	<b><u>301</u></b>

**20. Income tax**

Income tax comprised as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current year income tax	(7,833)	(4,900)	(35)	-
Change in deferred income tax	3,958	400	(12)	(80)
<b>Income tax expenses</b>	<b><u>(3,875)</u></b>	<b><u>(4,500)</u></b>	<b><u>(47)</u></b>	<b><u>(80)</u></b>

Deferred income tax assets (liabilities), net comprised as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Deferred income tax assets	2,160	2,096	75	88
Deferred income tax liabilities	(29,319)	(34,243)	-	-
	<u>(27,159)</u>	<u>(32,147)</u>	<u>75</u>	<u>88</u>

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**21. Income tax (continued)**

The table below presents key components of deferred income tax assets and liabilities recognised by the Group, and their changes during the current and previous reporting periods (before offsetting):

<b>Deferred income tax assets</b>	<b>Unrealised gain</b>	<b>Employment-related accrued amounts payable</b>	<b>Lease liabilities</b>	<b>Impairment of inventories, amounts receivable</b>	<b>Other</b>	<b>Total</b>
<b>At 31 December 2022</b>	<b>813</b>	<b>656</b>	<b>11,151</b>	<b>243</b>	<b>818</b>	<b>13,681</b>
Recognised as profit/(loss) in the statement of comprehensive income	(813)	64	3,031	(44)	76	2,314
Assets/(liabilities) of acquired subsidiaries	-	-	-	-	-	-
Foreign exchange differences	-	-	-	-	(23)	(23)
<b>At 31 December 2023</b>	<b>-</b>	<b>720</b>	<b>14,182</b>	<b>199</b>	<b>871</b>	<b>15,972</b>
Recognised as profit/(loss) in the statement of comprehensive income	-	(101)	385	(9)	55	330
Foreign exchange differences	-	-	-	-	(1)	(1)
<b>At 31 December 2024</b>	<b>-</b>	<b>619</b>	<b>14,567</b>	<b>190</b>	<b>925</b>	<b>16,301</b>

<b>Deferred income tax liabilities</b>	<b>Depreciation, amortisation, impairment of non-current assets</b>	<b>Right-of-use assets</b>	<b>Other</b>	<b>Total</b>
<b>At 31 December 2022</b>	<b>(32,669)</b>	<b>(10,907)</b>	<b>(2,688)</b>	<b>(46,264)</b>
Recognised as profit/(loss) in the statement of comprehensive income	1,875	(2,969)	(820)	(1,914)
Assets/(liabilities) of acquired subsidiaries	-	-	-	-
Foreign exchange differences	35	-	24	59
<b>At 31 December 2023</b>	<b>(30,759)</b>	<b>(13,876)</b>	<b>(3,484)</b>	<b>(48,119)</b>
Recognised as profit/(loss) in the statement of comprehensive income	2,090	(265)	1,803	3,628
Foreign exchange differences	1,030	-	1	1,031
<b>At 31 December 2024</b>	<b>(27,639)</b>	<b>(14,141)</b>	<b>(1,680)</b>	<b>(43,460)</b>

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**21. Income tax (continued)**

As at 31 December 2024 and 31 December 2023, the Group had no unutilised tax losses, on which deferred income tax was not recognised or deferred income tax was not recognised because the realisation of their material part is not expected to occur in the near future.

Changes in temporary differences are included in the statement of comprehensive income. Deferred income tax was calculated using the standard income tax rates effective in each country: income tax rate of 16% in Lithuania, 20% in Latvia, 20% in Estonia, and 20.6% in Sweden.

The amount of income tax expenses reported in the statement of comprehensive income can be reconciled to the amount of income tax expenses that would result from applying income the tax rate of 15% to profit (loss) before tax as follows:

	Group		Company	
	2024	2023	2024	2023
Profit/(loss) before tax	(16,933)	30,345	(2,600)	31,243
Income tax expenses at a statutory income tax rate of 15 per cent	(2,540)	4,552	(390)	4,687
Tax effect of differences not subject to tax	6,665	298	437	(4,607)
Effect of different tax rates of foreign subsidiaries	(250)	(350)	-	-
<b>Income tax expenses/(benefit) recognised in the income statement</b>	<b>3,875</b>	<b>4,500</b>	<b>47</b>	<b>80</b>

The effective income tax rate was 23% in 2024 (15% in 2023).

In May 2023, the IASB issued narrow-scope amendments to IAS 12, 'Income Taxes'. The amendments provide a temporary exception from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules. These amendments were introduced in response to the imminent implementation of the Pillar Two model rules released in December 2021 by the Organisation for Economic Co-operation and Development's (OECD) as a result of international tax reform. The primary objective of these regulations is to guarantee that large multinational enterprises, specifically those with global revenues surpassing EUR 750 million, are subject to a minimum effective tax rate (hereinafter ETR) of 15%. These rules need to be incorporated into the national laws of the countries that choose to adopt them. In accordance with IASB effective date, the companies may apply the exception immediately, but disclosure requirements are required for annual periods commencing on or after 1 January 2023.

The Group operates in jurisdictions where the implementation of the Pillar Two model rules has either been delayed or recently enacted. Within all jurisdictions where the Group operates, only Sweden adopted a new law on 31 December 2023, implementing the Global Minimum Tax, which came into effect on 1 January 2024. During the transitional period, the Group intends to apply the Transitional Country-by-Country (CbCR) Safe Harbour (hereinafter TCSH), which allows for simplified compliance measures under the Pillar Two framework. The transitional period refers to the initial years following the implementation of these rules, during which TCSH is available to reduce the administrative burden for multinational enterprises (MNEs).

As a lower-tier parent company, the Group acknowledges the applicability of the Pillar Two rules and their associated compliance requirements. The Group submits the necessary assessments and relevant data to its ultimate parent company, which evaluates the Group's potential exposure to top-up-tax obligations for all jurisdictions, where the Group operates, respectively. The ultimate parent company is responsible for assessing the Group's ETR and, where applicable, for settling any top-up tax liabilities that may arise at the consolidated level, except for Sweden, where the top-up tax liabilities should be settled by the subsidiaries.

The ultimate parent company has performed an assessment of the potential exposure to Pillar Two income taxes based on the 2023 country-by-country reporting and 2024 financial information for the constituent entities in the MNE Group. In all jurisdictions where the Group operates either the Pillar Two effective tax rate exceeds 15% or the Routine Profits Test is met.

Consequently, no top-up-up tax liabilities or deferred tax assets or liabilities arising from the Pillar Two model rules have been recognized in the Group's consolidated financial statements.

**22. Financial assets and liabilities and risk management**

The Group and the Company are exposed to financial risks in their operations, i.e. credit risk, liquidity risk and market risk (foreign exchange risk, interest rate risk). In managing these risks the Group and the Company seek to mitigate the effect of factors which could make a negative effect on the financial performance of the Group and the Company.

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Credit risk

Credit risk was related to the following financial assets as at 31 December:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Trade receivables	62,642	61,769	1,395	2,456
Accrued discounts receivable	6,090	5,215	-	-
Loans granted	5,340	4,629	36,293	34,254
Cash and cash equivalents	63,721	49,293	16,854	65
<b>Total</b>	<b>137,793</b>	<b>120,906</b>	<b>54,542</b>	<b>36,775</b>

Concentration of credit risk of the Group is related to amounts receivable from territorial health insurance funds (and/or state institutions in other countries performing equivalent functions) for pharmaceuticals sold that are reimbursed by these funds in Lithuania (and/or state institutions in other countries performing equivalent functions) by making direct transfers of amounts reimbursed to the Group companies. As these amounts are receivable from public authorities in jurisdictions with a higher investment credit rating, this risk is limited.

Credit risk relating to cash balances at banks is also limited because the Group conducts transactions with the banks belonging to the international financial groups that have high credit ratings assigned by international credit rating agencies.

Impairment provisions were established for doubtful receivables which, in the management's opinion, might be unrecoverable (Note 9).

The Group's management believes that the risk of recovery of receivables arising from accrued receivable discounts and loans granted is minimum.

Liquidity risk

The Group's and the Company's policy is to maintain sufficient cash and cash equivalents or have available funding through credit facilities and credit lines to minimise liquidity risk and meet their commitments at a given date.

As at 31 December 2024, the current ratio (total current assets / total current liabilities) and the quick ratio ((total current assets – inventories) / total current liabilities) were 1.07 and 0.54 respectively at the Group (1.01 and 0.52 respectively at 31 December 2023) and 2.28 and 2.28 respectively at the Company (0.15 and 0.15 respectively at 31 December 2023).

The tables below summarise the contractual maturity dates of the Group's and the Company's financial liabilities. These tables have been prepared based on undiscounted cash flows of financial liabilities in view of the earliest dates on which the Group and the Company can be required to pay.

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**22. Financial assets and liabilities and risk management (continued)**

Trade payables are interest free and normally they are settled within the terms stated in the contracts.

<b>Group At 31 Dec 2024</b>	<b>Less than a year</b>	<b>Between 1–2 years</b>	<b>Between 2–5 years</b>	<b>Over 5 years</b>
Borrowings	11,801	11,353	67,029	-
Lease liabilities	40,005	38,136	63,287	61,225
Trade payables and other liabilities	227,480	-	-	-
<b>Total</b>	<b>279,286</b>	<b>49,488</b>	<b>130,316</b>	<b>61,225</b>

<b>Group At 31 Dec 2023</b>	<b>Less than a year</b>	<b>Between 1–2 years</b>	<b>Between 2–5 years</b>	<b>Over 5 years</b>
Borrowings	14,377	13,431	68,026	-
Lease liabilities	41,320	35,652	62,711	62,591
Trade payables and other liabilities	195,902	-	-	-
<b>Total</b>	<b>251,599</b>	<b>49,083</b>	<b>130,737</b>	<b>62,591</b>

<b>Company At 31 Dec 2024</b>	<b>Less than a year</b>	<b>Between 1–2 years</b>	<b>Between 2–5 years</b>	<b>Over 5 years</b>
Borrowings	7,459	7,000	42,000	-
Lease liabilities	151	143	385	412
Trade payables and other liabilities	256	-	-	-
<b>Total</b>	<b>7,866</b>	<b>7,143</b>	<b>42,385</b>	<b>412</b>

<b>Company At 31 Dec 2023</b>	<b>Less than a year</b>	<b>Between 1–2 years</b>	<b>Between 2–5 years</b>	<b>Over 5 years</b>
Borrowings	28,286	5,000	34,546	-
Lease liabilities	150	152	450	-
Trade payables and other liabilities	313	-	-	-
<b>Total</b>	<b>28,749</b>	<b>5,152</b>	<b>34,996</b>	<b>-</b>

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**22. Financial assets and liabilities and risk management (continued)**

Interest rate risk

The Company's and Group's income and cash flows from operating activities are substantially independent of changes in market interest rates.

As the Company and the Group have borrowings and loans granted, the Company's and the Group's cash flows from financing and investing activities are affected by fluctuations in market interest rates. However, risk is managed by maintaining a conservative level of liquid assets and undrawn credit lines. As from 2016, the Group selectively uses derivative financial instruments to manage interest rate risk. As at 31 December 2024, 37% of the Group companies' borrowings comprised loans with an effective fixed interest rate (i.e. a long-term bank loan of Swedish Pharmacy Holding AB as disclosed in Note 12). As at 31 December 2023, 48% of the Group companies' borrowings comprised loans with an effective fixed interest rate.

The following table demonstrates the sensitivity of the Group's profit before tax to possible changes in interest rates with all other variables held constant. There is no impact on the Group's equity, other than current year profit impact.

	<u>Increase / decrease in percentage points</u>	<u>Impact on profit before tax</u>
<b>2024</b>		
EURIBOR	+1.0%	(553)
STIBOR	+1.0%	(337)
EURIBOR	-1.0%	553
STIBOR	-1.0%	337
<b>2023</b>		
EURIBOR	+1.0%	(417)
STIBOR	+1.0%	(394)
EURIBOR	-1.0%	417
STIBOR	-1.0%	394

The following table demonstrates the sensitivity of the Company's profit before tax to possible changes in interest rates with all other variables held constant. There is no impact on the Company's equity, other than the current year profit impact.

	<u>Increase / decrease in percentage points</u>	<u>Impact on profit before tax</u>
<b>2024</b>		
EURIBOR	+1.0%	(208)
EURIBOR	-1.0%	208
<b>2023</b>		
EURIBOR	+1.0%	(317)
EURIBOR	-1.0%	317

Foreign exchange risk

The Group's transactions during 2024 and 2023 were mostly conducted in local currencies (the euros and the Swedish krona), and therefore, the Group's exposure to foreign exchange risk mainly arises from fluctuations in the exchange rate of the Swedish krona.

The Group's monetary assets and monetary liabilities were denominated in the following currencies:

	<b>Group</b>			
	<b>2024</b>		<b>2023</b>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
EUR	101,891	187,758	75,939	165,949
SEK	67,003	196,576	86,720	218,517
<b>Total</b>	<b>168,894</b>	<b>384,333</b>	<b>162,659</b>	<b>384,466</b>

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**22. Financial assets and liabilities and risk management (continued)**

The following table demonstrates the sensitivity of the Group's pre-tax profit to possible changes in foreign exchange rates with all other variables held constant (through the impact on fair value of monetary assets and liabilities). There is no impact on the Group's equity, other than current year profit impact.

	Increase / decrease in percentage points	Impact on profit before tax
<b>2024</b>		
SEK	+1.0%	(1,296)
SEK	-1.0%	1,296
<b>2023</b>		
SEK	+1.0%	(1,318)
SEK	-1.0%	1,318

The Group companies do not use any financial instruments to manage the foreign exchange risk.

Fair value of financial assets and financial liabilities

The fair value is defined as the amount for which an asset or services could be exchanged or at which a mutual liability could be set off between knowledgeable parties in an arm's length transaction willing to buy/sell an asset or to set off a mutual liability. Fair values of financial assets and financial liabilities are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

The Group's principal financial instruments not carried at fair value are trade receivables, receivables from related parties and other receivables, trade payables, payables to related parties and other payables, non-current and current borrowings.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

- a) The carrying amount of current trade and other accounts receivable, current trade payables and other accounts payable and current borrowings approximates their fair value.
- b) The fair value of non-current loans received and non-current loans granted is estimated based on the quoted market price for the same or similar loans or on the current interest rates available for debt with the same maturity profile. The fair value of non-current debt with variable interest rates approximates their carrying amounts.

Capital management

The primary objective of the Group's and the Company's capital management is to ensure that the Group and the Company have balanced cash flows for the future activities development and to create maximum value for the shareholders of the Group and the Company.

The Group and the Company manage the capital structure and make adjustments to it in the light of changes in economic conditions and the operating risks. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares. No changes were made concerning risk management objectives, policies or processes during the periods ended 31 December 2024 and 31 December 2023.

For capital management purposes, the Group and the Company define their capital (attributable to owners of the parent company) amounting to EUR 313,642 thousand and EUR 377,963 thousand, respectively, as at 31 December 2024 (31 December 2023: EUR 332,107 thousand and EUR 390,611 thousand, respectively) as the authorised share capital, share premium, legal reserve, other reserves, currency translation reserve and retained earnings.

Risk relating to legal regulation

According to the laws effective in the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia and the Kingdom of Sweden, a pharmacy and a wholesale company selling pharmaceuticals are not allowed to apply a higher trade margin than that established in the respective country. The Group's management is not aware of any circumstances that could potentially result in an application of material sanctions or any other restrictions on the operations of Group companies due to illegitimately applied trade margins.

**23. Related-party transactions**

The parties are deemed to be related when one party has a power to exercise control over the other party or make significant influence on its financial and operational decisions.

As at 31 December 2024 and 2023, the sole shareholder of the Company was Vilniaus Prekyba UAB. The ultimate controlling shareholder is METODIKA B.V. operating in the Netherlands. The ultimate controlling individual is Mr N. Numa.

For the purpose of these financial statements, the shareholders of Vilniaus Prekyba UAB, the group companies directly and indirectly controlled by Vilniaus Prekyba UAB, and other companies related to Vilniaus Prekyba UAB are treated as related parties.

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The tables below disclose transactions conducted by the Group and the Company with the related parties and balances on these transactions as at 31 December.

**23. Related-party transactions (continued)**

	<b>Group 2024</b>		<b>Company 2024</b>	
	<b>Sales of goods and services</b>	<b>Purchases of goods and services</b>	<b>Sales of goods and services</b>	<b>Purchases of goods and services</b>
Shareholder	-	115	-	115
Subsidiaries	-	-	8,287	(2)
Other related parties	430	11,607	-	182
<b>Total</b>	<b>430</b>	<b>11,722</b>	<b>8,287</b>	<b>295</b>
	<b>Group 2023</b>		<b>Company 2023</b>	
	<b>Sales of goods and services</b>	<b>Purchases of goods and services</b>	<b>Sales of goods and services</b>	<b>Purchases of goods and services</b>
Shareholder	-	125	-	125
Subsidiaries	-	-	8,868	-
Other related parties	303	11,205	-	205
<b>Total</b>	<b>303</b>	<b>11,330</b>	<b>8,868</b>	<b>327</b>
	<b>Group 2024</b>		<b>Company 2024</b>	
	<b>Interest income</b>	<b>Interest expenses</b>	<b>Interest income</b>	<b>Interest expenses</b>
Subsidiaries	-	-	3,205	411
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,205</b>	<b>411</b>
	<b>Group 2023</b>		<b>Company 2023</b>	
	<b>Interest income</b>	<b>Interest expenses</b>	<b>Interest income</b>	<b>Interest expenses</b>
Subsidiaries	-	-	2,337	472
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,337</b>	<b>472</b>
	<b>Group 2024</b>		<b>Company 2024</b>	
	<b>Amounts receivable and prepayments</b>	<b>Trade and other payables</b>	<b>Amounts receivable and prepayments</b>	<b>Trade and other payables</b>
Shareholder	3	17	3	17
Subsidiaries	-	-	412	-
Other related parties	398	430	1	2
<b>Total</b>	<b>401</b>	<b>447</b>	<b>416</b>	<b>19</b>
	<b>Group 2023</b>		<b>Company 2023</b>	
	<b>Amounts receivable and prepayments</b>	<b>Trade and other payables</b>	<b>Amounts receivable and prepayments</b>	<b>Trade and other payables</b>
Shareholder	4	15	4	15
Subsidiaries	-	-	2,446	-
Other related parties	278	365	-	2
<b>Total</b>	<b>282</b>	<b>380</b>	<b>2,450</b>	<b>17</b>

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**23. Related-party transactions (continued)**

	Group 2024		Company 2024	
	Loans granted	Borrowings	Loans granted	Borrowings
Subsidiaries	-	-	-	-
<b>Total</b>	-	-	<b>36,292</b>	-

	Group 2023		Company 2023	
	Loans granted	Borrowings	Loans granted	Borrowings
Subsidiaries	-	-	34,254	12,631
<b>Total</b>	-	-	<b>34,254</b>	<b>12,631</b>

	Group 2024		Company 2024	
	Dividends received	Dividends paid	Dividends received	Dividends paid
Shareholder	-	10,000	-	10,000
Subsidiaries	19	-	36,500	-
<b>Total</b>	<b>19</b>	<b>10,000</b>	<b>36,500</b>	<b>10,000</b>

	Group 2023		Company 2023	
	Dividends received	Dividends paid	Dividends received	Dividends paid
Shareholder	-	45,000	-	45,000
Subsidiaries	16	-	29,589	-
<b>Total</b>	<b>16</b>	<b>45,000</b>	<b>29,589</b>	<b>45,000</b>

The Group's sales of goods and services to the related parties mainly comprise goods held for resale and the Company's sales of goods and services mainly comprise consulting, information technologies and related services. The Group's and the Company's purchases of goods and services from other related parties mainly comprise purchases of premises lease services and from the shareholder – purchases of consulting and related services. The Group's and the Company's loans granted and borrowings are presented by adding accrued interest at the end of the period. Outstanding balances at the year-end are unsecured, settlements occur in cash and through non-cash offsetting. There have been no guarantees provided or received for any related party receivables or payables. Information on dividends declared and paid by the Group and the Company to the shareholder, as well as on dividend income received by the Company is disclosed in the Group's and the Company's statements of changes in equity, statements of cash flows and Note 22.

The Company's borrowings in 2024 include impairment recognised in 2019 for the loan receivable from subsidiary Etopol UAB and accrued interest receivable (EUR 2.3 million). In 2024, the impairment for the loans receivable was reversed and the loan was repaid.

**24. Remuneration of the management personnel and other benefits**

In 2024, the Group's management personnel remuneration (excluding social security contributions) totalled EUR 3,860 thousand and the Company's management personnel remuneration totalled EUR 1,063 thousand (2023: EUR 2,983 thousand and EUR 880 thousand, respectively). As at 31 December 2024, the outstanding balance of remuneration to the Group's management personnel amounted to EUR 37 thousand (31 December 2023: EUR 119 thousand). There was no outstanding balance of remuneration to the Company's management personnel as at 31 December 2024 and 31 December 2023. In 2024 and 2023, no loans, guarantees or any other benefits were paid or calculated, nor any assets were transferred to the Group and the Company's management personnel. In 2024, the average number of the Group's key management personnel was 32 (2023: 21). In 2024 the average number of the Company's key management personnel was 5 (2023: 5). In 2024, the changes were introduced in the key management personnel calculation approach.

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**25. Commitments and contingencies**

The Company and its related companies EVRC UAB, Eurovaistinė UAB, EVD UAB, Siromed Pharma UAB, Azeta UAB, Azeta Vaistinė UAB, Azeta SIA, EUROAPTIEKA SIA, EUROAPTIEKA FARMĀCIJA SIA, EUROAPTEEK OÜ, BALTFARMA OÜ provided a guarantee to SEB Bankas AB to secure a proper fulfilment of obligations of the Group company EUROAPOTHECA UAB assumed under the financing agreement signed on 25 April 2022 and its amendment signed on 29 November 2023, under which the outstanding balance amounted to EUR 56,000 thousand as at 31 December 2024.

Under the above-mentioned financing agreement and its amendment, 100% of shares of the Company and other group companies providing the guarantee (EVRC UAB, Eurovaistinė UAB, EVD UAB, Siromed Pharma UAB, EUROAPTIEKA SIA, EUROAPTIEKA FARMĀCIJA SIA) were pledged as collateral. The maximum amount of the pledge was equal to EUR 108,010,000, however, no specific amounts guaranteed by each guarantor were indicated in the agreements on financing and contractual pledge.

Based on the Company's management assessment, there were no indications as at 31 December 2024 and 2023 that these instruments would be used, therefore no related liabilities were recognised in the financial statements.

The Group and the Company also have contingent liabilities and commitments for future periods related to guarantees issued by Swedbank, which are described in Note 26.

**26. Contingent liabilities**

The fines of EUR 2,746,720, EUR 11,210, EUR 27,483,740, EUR 1,273,310 were imposed on the Group companies EVD UAB, Siromed Pharma UAB, Eurovaistinė UAB and EVRC UAB, respectively, based on the Lithuanian Competition Council's (LCC) decision of 13 December 2022 *Regarding the compliance of actions of undertakings engaged in trade in pharmaceuticals with the requirements of Article 5 of the Lithuanian Law on Competition and Article 101 of the Treaty on the Functioning of the European Union* (the "Decision"). On 13 January 2023, the above-mentioned Group companies filed an appeal against the Decision with the Vilnius Regional Administrative Court (following the reorganisation of administrative courts as from 1 January 2024, after merging the Regional Administrative Courts with the Vilnius Regional Administrative Court, the court hearing of the Company's case was transferred to Šiauliai Chamber of the Regional Administrative Court). The first court hearing was held on 21 January 2025, and the second – on 10 April 2025, during which the position statement was presented that the Company's judicial construction remained unchanged and first witness statements were heard. The legal dispute in substance relates to a highly unusual interpretation and application of the competition law rules as follows: application of the Lithuanian Competition Law (Art. 5) and the Treaty on the Functioning of the European Union (Art. 101) to the activities regulated under the Lithuanian Law on Legislative Framework. The Company's management believes that involvement in law-making or lobbying activities is not of an economic nature and, as such, it does not cause a restriction on competition, as may be confirmed by certain foreign country practices in the application and interpretation of law. Furthermore, proposals regarding legislation do not itself affect competition in the market since the legislative decisions are adopted by the competent authorities.

The Group companies have secured the payment of the fines with a bank guarantee provided to the LCC. The agreement on the bank guarantee was signed between these companies and the commercial bank on 7 March 2023. The bank guarantee was issued for a full amount of the fine and it expires on 13 March 2027. The Company acted as a surety to the commercial bank for a proper fulfilment of the obligations of the above-mentioned Group companies under the agreement on the bank guarantee. If the final court ruling was unfavourable for the Group companies, either:

- the Group companies would pay the fines themselves to the LCC (accordingly the guarantee would be terminated)
- or
- the bank would pay the fines to the LCC and would apply to the Group companies for the settlement of the fines.

The sources of finance would depend on the financing alternatives available at the time, including cash resources of the Group companies. The course of the court process will enable the management to plan cash outflows, if any, in advance and prepare for the payment of the fine.

A significant uncertainty relating to the outcome of this legal case existed at the date of approval of these financial statements. However, management believes the final court ruling will be favourable for the Group companies, and therefore, no provision has been recognised for the fines imposed by the LCC. Such opinion of management is based on the conclusions of in-house lawyers of the Group companies and external legal experts.

**27. Events after the reporting period**

On 6 February 2025, the Group sold its shareholding in Sollo UAB to related party.

On 17 March 2025, the Group acquired the remaining shareholding of 50% in DABAR VŠĮ, Vestodija UAB and Vievio NT UAB.

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