

NAVSTONE SE
Amsterdam

Annual report 2022

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FINANCIAL REPORT

DIRECTOR'S REPORT

To our Shareholders

We are delighted to present NAVSTONE's Annual Report.

The real estate portfolio in Dublin has been expanded according to plan in the last months. The total value of the real estate portfolio as of December 31, 2022 was approximately EUR 15.1 million compared to EUR 6.4 million as of December 31, 2021. The real estate portfolio consists of 9 apartment buildings with 69 residential units, of which 8 buildings are fully rented. One building is currently undergoing refurbishment and is expected to be rented out in the 2nd half of 2023. In total, the portfolio will grow to almost EUR 16 million with approximately EUR 1.4 million of annualized rental income after completion of the renovation work. For the 2023 financial year, management expects rental income of more than EUR 1.2 million.

Property prices in Dublin have increased by 5% in 2022. The year can be divided into two halves. A first half with strongly rising real estate prices and a stagnating second half. Local real estate research houses expect a very resilient real estate market in 2023. The imbalance between supply and demand in the Dublin rental market is seen to continue over the next few years, so that rents are expected to increase by up to 4% in 2023. Irish net migration and population growth continue to point to increasing housing demand.

Management has achieved its goal of fully investing the Company's equity in the real estate market by the end of fiscal 2022. To date, the significant increase in financing costs in recent months has not had a recognizable impact on property price levels in Dublin. Management has therefore decided to slow down refinancing efforts and expansion plans for the time being. Instead management will focus to optimize the existing portfolio in 2023.

Even though NAVSTONE has implemented strict policies and procedures for the collection of receivables from debtors, a major investment of EUR 2 million was made in 2022 to finance a real estate project in Germany. This investment was made due to the attractive risk-reward profile of the project. However, this investment was not repaid on time. Nevertheless, the management assumes that a repayment will be made in the course of the financial year 2023.

Furthermore, NAVSTONE holds approximately 12% of the shares of net digital AG, a publicly quoted payment service provider. net digital AG has recently reported preliminary unaudited figures for fiscal year 2022 in accordance with the German Commercial Code (HGB): Revenues grew by around 28 percent to EUR 10.7 million, compared to EUR 8.3 million in 2021. net digital thus met its own growth expectations of 25 percent for the year. The past financial year was characterized by significant expenditures for customer acquisition and for the further development of the net digital platform. The company is thus laying the foundation for sustainable growth in the coming years. Nevertheless, EBITDA also increased by a noticeable double-digit percentage and amounted to a good EUR 0.8 million in 2022 according to preliminary figures, compared to EUR 0.7 million previously. net digital expects to continue its growth course in 2023. Further information on net digital AG can be found at www.net-digital.com.

For the fiscal year 2022 NAVSTONE SE has paid a total dividend of EUR 0.10 per share. An interim dividend of EUR 0.05 for fiscal year 2022 was paid out in November 2021 and the final dividend of EUR 0.05 in July 2022 after approval by the Annual Shareholders Meeting. Management and Supervisory Board aim to let shareholders participate in the success of the business and expect that the business model will allow an attractive dividend policy also in the future. Onwards, it is planned to pay out the dividend in two tranches, a first interim tranche in Q4 and a final dividend at the time of Annual Shareholders Meeting for the respective financial year.

As a Board we continuously scrutinize our progress against our strategy and evaluate all aspects of our business to ensure we have the right organization and structure in place to achieve our vision. We now report on progress during 2022 against those goals. By focusing on the delivery of consistent and dependable performance from year to year we aim to deliver returns for shareholders which will reach over the longer term. We have strong foundations in place upon which we are building businesses that will consistently compete with the best in their sector. We remain committed to improve the processes we use across the business to drive enhancements to the shareholder, both by increasing revenue and reducing costs.

NAVSTONE SE is listed on the Munich stock exchange in the quality segment m:access. In future NAVSTONE SE will be managed with a focus on the Net Asset Value (NAV). The current net value of the assets held by the company is approximately euro 16.0m. With currently 4,401,235 shares outstanding, the company's NAV is accordingly approximately EUR 3.64 per share. The

current discount to the share price is around 50%. Management of NAVSTONE SE believes that this discrepancy between the share price and the net asset value of the company should be closed.

We are very proud that, after the very successful year 2020 and 2021, we have also managed to achieve a net profit of 0.1m euro in 2022.

For the financial year 2023, management expects a net profit of more than € 0.3 million.

With the strength of the group's balance sheet and strong cash generation, we have every reason to be confident of further progress for the group thereafter.

Before closing, and on behalf of the Board, we want to thank the employees and partners of Elgin Road Properties Holding Ltd. and net digital AG. We and our fellow Supervisory Directors remain strongly convinced of the potential for your company. Looking back, it has been a year of steady progress and achievement. We now look to 2023 with confidence based on the existing programs in which we are engaged.

Eindhoven, July 20, 2023

Signed by management:

Robert Käß
Managing Director

Dr. Michael Hasenstab
Managing Director

Fiscal year 2022 at a glance

Total Revenues

2022	€ 0.6m
2021	€ 0.4m

Operating result

2022	€ -0.5m
2021	€ -0.6m

Result after tax

2022	€ 0.1m
2021	€ 2.3m

Total assets

2022	€ 18.7m
2021	€ 18.3m

The Company

NAVSTONE SE is committing funds to both majority and minority investments of different size and at different stages of the company life cycle - including start-ups, real estates and special situation businesses.

Through its operating subsidiaries NAVSTONE SE is currently active in several different industries, including Financial Services, IT Services and Real Estate. Additionally, NAVSTONE SE holds a number of minority investments in both publicly listed and privately held companies.

Currently, NAVSTONE SE has operating activities in two industries.

The Financial Services business is comprised in The ACON Group SE and its subsidiary ACON Research and Services GmbH.

Investments in the real estate sector are made by the subsidiary Elgin Road Property Holdings Ltd, Dublin.

Several Investments are made by NAVSTONE SE.

Management

NAVSTONE SE is organised as a Dutch limited liability company with a two-tier board structure. The company's management consists of a Management Board ("Raad van Bestuur") and a Supervisory Board ("Raad van Commissarissen").

- Board of Directors

Robert Käß

Robert Kaess joined the Management Board of NAVSTONE SE in November 2008. As a member of the Executive Board he was responsible for conducting numerous M&A transactions and managing the portfolio companies. He was board member of several listed portfolio companies where he was responsible for restructuring topics, process optimization as well as business development projects. Robert Kaess studied Business Administration in Munich, Germany.

Dr. Michael Hasenstab

Dr. Hasenstab has extensive experience as a Board Member of publicly quoted companies in a wide variety of sectors. During his 10 year term as a CEO of a regulated bank in Germany he was involved in numerous real estate transactions such as IPOs and debt and equity financings. Mr. Hasenstab holds a PHD in International Management from the University of Jena and a Master of Economics from the Ludwig-Maximilians University (LMU) of Munich.

- Supervisory Board

Dr. Jens Bodenkamp

Dr Bodenkamp is currently active as a Business Angel. Previously he was Managing Director of the ETF Group Deutschland GmbH, a wholly-owned subsidiary of the globally active venture capital firm ETF Group based in Lugano, Switzerland, responsible for the German language market segment. Previously Dr Bodenkamp directed Intel Corporation's broadband programme in Europe, responsible for strategy, strategic alliances, marketing and targeted investments in the broadband space.

Erich Hoffmann

Mr. Erich Richard Hoffmann is the Founder of ContTect GmbH. He currently serves as a Consulting Engineer and has also successfully supported a number of start-up companies since 2000. In the past Mr. Hoffmann designed test equipment for several applications and introduced inspection systems for CD, CD-R, MO, LD, LCD and MD formats plus physical optical disc checkers.

Shareholder structure

By the end of the fiscal year 2022, the number of own shares held by NAVSTONE SE. amounted to 2,154,210. The number of shares outstanding was 4,401,235

Annual Shareholders' Meeting

The Annual General Meeting of NAVSTONE SE for the fiscal year 2022 took place in Waalre, the Netherlands, on July 19, 2022. In total 30,19 % of the share capital was represented at the meeting. All items of the agenda were approved unanimously.

Development of Earnings, Asset and Financial Situation

The consolidated financial statement have been prepared in accordance with Title 9 Book 2 of the Netherlands Civil Code.

Earnings situation

Earnings situation

Revenue Development

In the fiscal year 2022, NAVSTONE's Group generated total (net) revenues of 0.6m euros (2021: 0.4m euros).

Earnings Development

In the fiscal year 2022, NAVSTONE's Group generated an operating result of -0.5m euros (2021: -0.6m euros).

Result after tax amounted to 0.1m euros (2021: 2.3 euros).

Asset Situation

Balance Sheet

As of December 31, 2022, the NAVSTONE Group balance sheet total amounted to 18.7m euros (December 31, 2021: 18.3m euros).

The group's total fixed assets were increasing to 15.1m euros (2021: 6.4m euros). Current assets decreased from 11.8m euros at the end of 2021 to 3.5m euros.

Total equity amounts to 16.0m euros (2021: 16.1m euros). Current liabilities increased from 2.2m euros to 2.7m euros, consisting of finance company debit amounting to 1.51m euros (2021: 1.55m euros), trade payables amounting to 0.14m euros (2021: 0.01m euros), other liabilities of 1.0m euros (2021: 0.62m euros) and current tax liability of 0.01m euros (2021: 0.00m euros).

The equity ratio has decreased from 88.0% in 2021 to 85.7% in 2022. The equity-to-fixed-assets ratio amounted to 106% (2021: 248%), indicating a proper long-term financing of the fixed assets. Therefore, long-term assets are still more than sufficiently financed through long-term capital.

Research and Development

NAVSTONE SE is an investment firm with investments in primarily IT, Financial Services and Real Estate. NAVSTONE SE does not have significant Research & Development activities.

Employees

Our workforce is our greatest asset - our aim is to be an employer of choice. Our values of respect, honesty and courage, customer focus, results and execution underpin the way in which we do business. As of December 31, 2022, the number of employees at NAVSTONE's Group amounted to 1 (2021: 1).

Board Remuneration

The Board of Directors and management of the operating companies received a competitive remuneration in 2022. Total remuneration amounted to 0.6 euros (2021: 0.7m euros).

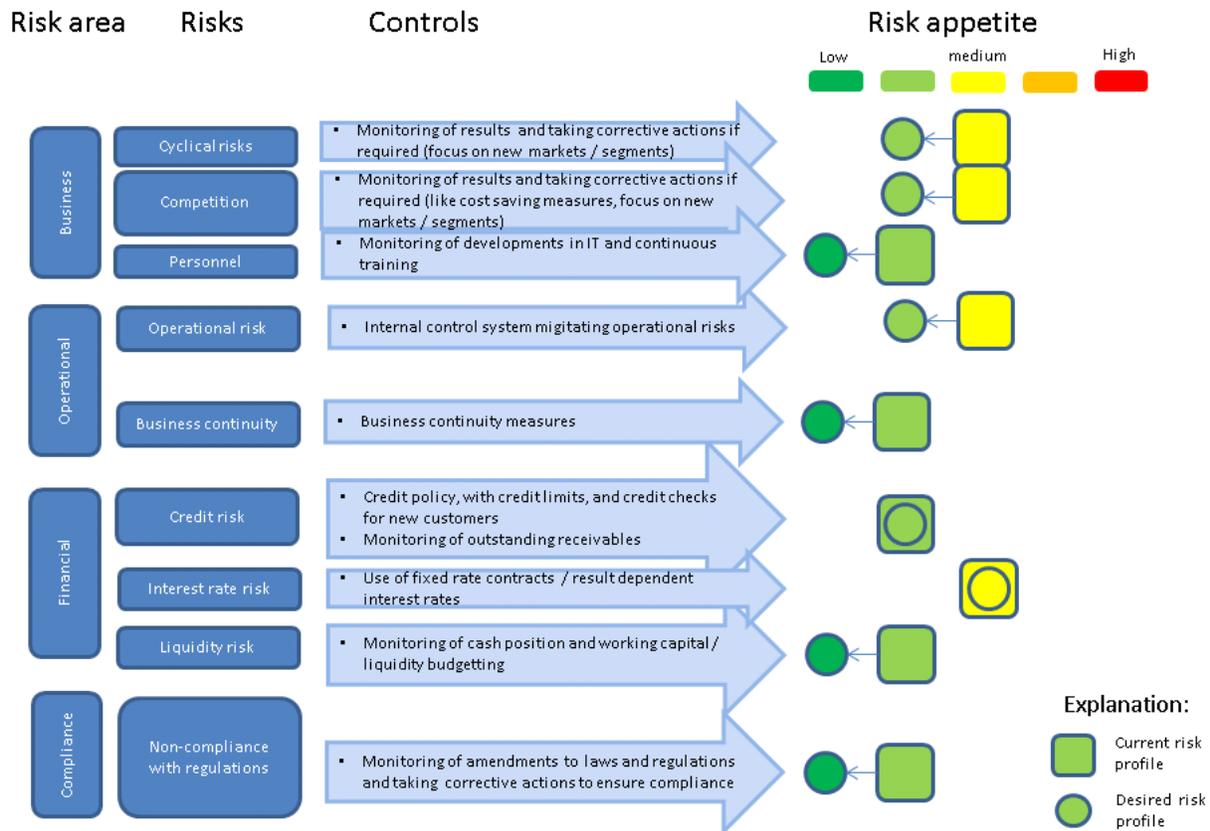
Risk management system

NAVSTONE SE future business development will always be influenced by both elements of chance and risk. Our risk management system serves to recognise, observe and communicate both chance and risk. This ensures the punctual delivery of information to the relevant decision makers so that the development of suitable measures to both utilise chance and contain risk can be implemented.

NAVSTONE SE strives for a balance between returns and risks, and continuously assesses where the identified risks also offer opportunities. Managing business risks is a continuous process that is conducted by the Board of Directors and local management. Risks are considered against the backdrop of the adopted strategy. The risk management process is designed to identify potential events that impact the business and the business results and to control risks to ensure that they remain within pre-defined margins. The internal control system offers a reasonable degree of certainty that the business objectives will be realized, is deemed to be in line with the size of the business and is regularly reviewed for improvement and corrective actions.

Risk appetite for significant risks identified

The Board of Directors determines the Company's current risk profile in periodical risk assessments, which is evaluated and compared to its desired risk profile. If the current risk profile exceeds the desired risk profile, action plans are prepared to reduce risk exposure. The table below shows the Company's risk appetite for the significant risks identified.



Cyclical Risks

The economic development of participations is linked to the general development of the economic situation in Germany, the EU and worldwide as well as the market development of individual industries which may also have an adverse effect on the state of investments.

Risks of Selling and Pricing

The ability to sell participations depends on numerous factors including the development of the economic situation in general and the industry in particular.

Legal Risks

Amendments to laws and/or regulations may have a positive or a negative effect on a company's market activities.

Pre-investment Analysis Risks

NAVSTONE SE focuses on enterprises with above average growth and profit potential as well as undervalued companies. Therefore, prior to making an investment decision, NAVSTONE SE is carrying out a detailed analysis of the potential Investee to determine whether it meets these investment criteria or not. Despite of all analyses, the business development of the acquired companies is hardly predictable.

Reorganisation Risks

As soon as we have acquired interests in a company, we directly and actively support the operational business until a sustained turnaround can be achieved. However, a reorganization may also fail due to a variety of factors.

Management Risks

NAVSTONE SE usually acquires participations in enterprises in special situations which can in many cases be acquired at favourable prices and often show attractive appreciation potential. The selection, reorganisation and management of the Investees are carried out by a Best Practice Team, a team that is equipped with its own staff either employed or permanently associated with NAVSTONE SE. Therefore, the company depends to a large extent on the expertise and skills of these people.

Operational risks

All internal processes and systems are covered by our internal procedures. Business continuity measures are in place. We expect no financial loss due to failing of these processes.

Financial risks and the use of financial instruments

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, interest rate risk and liquidity risk. The Company's risk management focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Exposure to credit, interest rate and liquidity risk arises in the normal course of the Company's business:

- Credit risk: The Company has strict policies and procedures in place regarding collecting receivables from debtors.
- Interest rate risk: Interest risk represents the risk of fluctuations in the amounts of interest-bearing loans resulting from changes in the market interest rates. The Company reduces its interest rate risk by entering into fixed rate contracts.
- Liquidity risk: Looking at the current liquidity position, cash flows, 2017 budget, and business plans for the coming years, management believes that the cash generated will be adequate to secure the continuity of the company's operations. Following the financial statements, the Company's financing structure is healthy. Liquidity and cash flow risks are low.

Compliance risks

Amendments to laws and/or regulations may have a positive or a negative effect on the Company's market activities. The Company monitors amendments to laws and regulations and takes corrective actions to ensure continuous compliance.

Quantification of risks on result and financial position

As the risks identified are difficult to quantify, we were not able to determine the impact of these risks on result and financial position, were the risks to materialize.

Risks and uncertainties which materialized the financial year 2022.

There were no significant risks or uncertainties that materialized during 2022.

Improvements to the risk management system

The risk management methodology meets the requirements of the Board of Directors. During the financial year 2022 no changes were made to the risk management system.

Corporate social responsibility

The Company complies to all labor laws and regulations.

Outlook 2023

For the financial year 2023, management expects a net profit of more than € 0.3 million.

The current situation due to the Ukraine war also has an impact on NAVSTONE's performance in 2023. This concerns both the current development on the capital markets and the impact on the real estate market in Dublin. Management is currently monitoring the developments very closely in order to minimize the impact of the Ukraine war and the energy crises.

Internal Control and Management Statement

With due observance of the limitations that are inevitably inherent in any risk management and internal control system, our internal risk management and control systems provide reasonable assurance that our financial reports are free of material misstatement.

The phrase "reasonable assurance" is taken to mean the level of assurance that would be provided by a director acting with due care under the given circumstances. The set of procedures involving the internal risk management and control systems, and the related findings, recommendations and measures have been discussed with the Supervisory Board and the independent external auditor.

In addition, we declare, based on Article 5.25c Wet op het financieel toezicht (Wft), that to the best of our knowledge and in accordance with the applicable reporting principles:

- the consolidated financial statements of 2022 give a true and fair view of the assets, liabilities, the financial position and the profit and loss of NAVSTONE SE and its consolidated operations; and
- the management report includes a true and fair review of the position as per 31 December 2022 and of the development and performance during 2022 of NAVSTONE SE and its related participations of which the data have been included in the financial statements, together with a description of the relevant risks of which the NAVSTONE SE is being confronted.

Eindhoven, July 20, 2023

Signed by management:

R. Käß

Dr. M. Hasenstab

FINANCIAL STATEMENTS

2 CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR 2022

		2022		2021	
		€	€	€	€
Net turnover	(8)		625,764		419,393
Employee expenses	(9)	611,587		710,489	
Amortisation and depreciation	(10)	176,529		69,208	
Other operating expenses		298,647		253,252	
			1,086,763		1,032,949
Operating result			-460,999		-613,556
Income of non-current receivables and of securities		707,778		2,631,196	
Interest and similar income		61,053		376,277	
Result on sale of shares of participating interests	(11)	-		53,463	
Interest and similar expenses		-188,232		-147,346	
Financial income and expenses			580,599		2,913,590
Result from normal operations before tax			119,600		2,300,034
Taxation on result of ordinary activities	(12)		-5,554		21,486
Result from normal operations after tax			114,046		2,321,520
Share of minority interest in result	(13)		-4		-14
Result after tax			114,042		2,321,506

3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL

Activities

NAVSTONE SE (CoC file 17170160) is a société européenne domiciled in The Netherlands. On 23rd of March 2021 the name of the company was changed from Navigator Equity Solutions SE to NAVSTONE SE. The address of the company's registered office is Laan van Diepenvoorde 3, 5582 LA Waalre. The company is a publicly listed investment company with an investment focus on majority and minority participations in European service companies. Through its subsidiaries, the group is active in real estate in Ireland and financial services.

Change in accounting policies

Until 1 January 2022, investment properties were valued at market value. Investment properties are primarily held to generate long term rental revenue rather than being sold. To prevent the company from significant changes in market value due to unforeseen interest rate movements Management and Supervisory Board decided to change the accounting policy of investment properties to acquisition cost less accumulated depreciation. This change in accounting policy has negatively affected equity as at 1 January 2022 for an amount of € 128,673. The profit and loss account for 2021 included for comparison has been adjusted in connection with the aforementioned change in accounting policy. As a result, the presented net result for 2021 is € 43,620 lower than appears from the 2021 financial statements.

Group structure

NAVSTONE SE in Amsterdam is the head of a group of legal entities.

In the financial statements of NAVSTONE SE the financial information is consolidated of NAVSTONE SE and the following group companies:

LIST OF PARTICIPATING INTERESTS

Name, statutory registered office	Share in issued capital	Included in consolidation
	%	
The Acon Group SE München	99.99	Yes
Acon Research und Services GmbH München	99.99	Yes
Elgin Road Property Holdings Ltd. Dublin	100.00	Yes

Estimates

In applying the principles and policies for drawing up the financial statements, the directors of NAVSTONE SE make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. Estimates have been made in the valuation of the investment properties and impairment of assets. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Consolidation

The consolidation includes the financial information of NAVSTONE SE, its group companies and other entities in which it exercises control or whose central management it conducts. Group companies are entities in which NAVSTONE SE exercises direct or indirect control based on a shareholding of more than one half of the voting rights, or of which it has the authority to govern otherwise their financial and operating policies. Potential voting rights that can be exercised directly as per balance sheet date are also taken into account.

Group companies and other entities in which NAVSTONE SE exercises control or whose central management it conducts are consolidated in full. Participating interests in group equity and group result are disclosed separately. Participating interests over which no control can be exercised (associates) are not included in the consolidation.

Intercompany transactions, profits and balances among group companies and other consolidated entities are eliminated, unless these results are realised through transactions with third parties. Unrealised losses on intercompany transactions are also eliminated, unless such a loss qualifies as an impairment. The accounting policies of group companies and other consolidated entities have been changed where necessary, in order to align them to the prevailing group accounting policies.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, income statement and the cash flow statement, references are made to the notes.

Income and expenses are allocated to the year to which they relate. Profits are only included insofar as they have been realized on the balance sheet date. Liabilities and possible losses that originate before the end of the reporting year are taken into account if they have become known before the preparation of the annual accounts.

Functional currency

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The consolidated financial statements are presented in euros, which is the functional and presentation currency of NAVSTONE SE.

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date. Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the income statement. Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Financial instruments

Securities included in fixed and current assets are stated at fair value, if these are related to securities held for trading or if they relate to equity instruments not held for trading, as well as derivatives of which the underlying object is listed on a stock exchange. All other on-balance financial instruments are carried at (amortised) cost.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and/or option pricing models, making allowance for entity-specific inputs.

ACCOUNTING PRINCIPLES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Intangible fixed assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset (or of the cash-generating unit to which the asset belongs) is higher than its recoverable amount. With regard to the determination as to whether an intangible fixed asset is subject to an impairment, please refer to the relevant section.

The formation costs and the share issue costs only include amounts to be paid to third parties. The share issue costs are directly debited at the share premium or if and when the share premium is not sufficient, against the other reserves.

Tangible fixed assets

Investment properties are properties held to generate rental income, to achieve capital appreciation or both. Investment properties, including investment properties under construction, are valued at acquisition cost less accumulated depreciation and, if applicable, less impairments in value.

Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Land is not depreciated.

Depreciation rates

Asset	%
Investment properties	2 - 12,5

Financial fixed assets

Participations

Participations (associates), over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of an associate based on the net asset value is negative, it will be stated at € 1. If and insofar as NAVSTONE SE can be held fully or partially liable for the debts of the associate, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this. Newly acquired associates are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the associate has changed since the previous financial statements as a result of the net result achieved by the associate is recognised in the income statement.

Participations (associates), over which no significant influence can be exercised, are valued at fair value, with unrealized gains recognized in a revaluation reserve. The revaluation reserve is released to profit or loss upon realization.

Receivables recognised under financial fixed assets are initially valued at the fair value less transaction cost (if material). These receivables are subsequently valued at amortised cost. For determining the value, any impairments are taken into account.

Deferred income tax assets relate to unutilised tax losses are valued ad nominal value if deemed realisable.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax claims

Deferred income taxes are recognised at nominal value.

Impairment of fixed assets

On each balance sheet date, the company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the realisable value of the asset is determined. If it is not possible to determine the realisable value of the individual asset, the realisable value of the cash-generating unit to which the asset belongs is determined.

An impairment occurs when the carrying amount of an asset is higher than the realisable value; the realisable value is the higher of the realisable value and the value in use. An impairment loss is directly recognised in the income statement while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted, based on a market-based discount rate.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement.

The amount of an impairment loss incurred on financial assets stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised through profit or loss.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Securities

Securities are recognised initially at fair value. Securities which are held for trading are carried at fair value after initial recognition. Changes in the fair value are recognised directly in the income statement.

The equity instruments included under securities (not listed), which are not held for trading, are carried at cost. If the fair value of an individual security should drop below its cost price, the impairment is recognised in the income statement.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

ACCOUNTING PRINCIPLES FOR THE DETERMINATION OF THE RESULT

Revenue recognition

Determination of the result

The result is the difference between the realisable value of the services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Net turnover

Revenues from services are recognised in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated in the same period.

Employee benefits

General

Salaries, wages and social security contributions are charged to the income statement based on the terms of employment, where they are due to employees and the tax authorities respectively.

Amortisation and depreciation

Intangible fixed assets and investment properties assets are amortised and depreciated from the date of when they are available for use, based on the estimated economic life / expected future useful life of the asset.

Financial income and expenses

Interest income and interest expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate.

Changes in the value of financial instruments recognised at fair value (securities) are recorded in the profit and loss account.

Taxes

Tax on the result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Result from participations

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to NAVSTONE SE.

4 NOTES TO THE CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2022

Fixed assets

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
1. <i>Intangible fixed assets</i>		
Client lists and other intangible fixed assets	<u>502</u>	<u>502</u>
		Client lists and other intangible fixed assets
		€
<i>Carrying amount as of January 1, 2022</i>		
Purchase price		1,981
Cumulative amortisation		<u>-1,479</u>
		<u>502</u>
<i>Carrying amount as of December 31, 2022</i>		
Purchase price		1,981
Cumulative amortisation		<u>-1,479</u>
		<u>502</u>
<i>Amortisation rates</i>		%
Client lists and other intangible fixed assets		25

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>2. Tangible fixed assets</i>		
Investment properties	<u>15,057,349</u>	<u>6,426,238</u>
		<u>Investment properties</u>
		€
<i>Carrying amount as of January 1, 2022</i>		
Purchase price		6,622,391
Cumulative depreciation and impairment		<u>-196,153</u>
		<u>6,426,238</u>
<i>Movement</i>		
Investments		8,807,640
Depreciation		<u>-176,529</u>
		<u>8,631,111</u>
<i>Carrying amount as of December 31, 2022</i>		
Purchase price		15,430,031
Cumulative depreciation		<u>-372,682</u>
Carrying amount as of December 31, 2022		<u>15,057,349</u>

The following amounts relating to investment properties are accounted for in the income statement:

	<u>2022</u>	<u>2021</u>
	€	€
Rental income	540,694	198,355
Operating expenses for assets generating rental income	<u>-145,016</u>	<u>-64,885</u>
	<u>395,678</u>	<u>133,470</u>
	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>3. Financial fixed assets</i>		
Deferred tax assets	<u>109,618</u>	<u>63,377</u>

The deferred tax is calculated at the applicable tax rate.

Current assets

4. Receivables, prepayments and accrued income

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Other receivables, deferred assets and prepayments</i>		
Other receivables	<u>2,156,372</u>	<u>639,386</u>

Under the other receivables is an investment of € 2,000,000 in Fides Gal GmbH & Co. KG. via trust company Linus Truehand GmbH & Co KG. The investment has an base interest rate of 15%. Due to uncertainty of the collectability of this loan, a provision has been accounted for of € 240,000.

The loan is secured by a personal guarantee from the sponsor of the loan.

5. Securities

Net Digital AG	1,042,229	1,611,482
Other listed securities	33,628	7,704,615
Total securities	<u>1,075,857</u>	<u>9,316,097</u>

Net Digital AG is considered a related party.

All securities are held for trading and are recognised at fair value (listed value).

Equity and liabilities

6. Group capital

Group equity

Please refer to the notes to the non-consolidated balance sheet on page 35 of this report for an explanation of the equity.

	<u>2022</u>	<u>2021</u>
	€	€
<i>Minority share in group equity</i>		
Carrying amount as of January 1	125	111
Share in result	<u>4</u>	<u>14</u>
Carrying amount as of December 31	<u><u>129</u></u>	<u><u>125</u></u>

7. Current liabilities

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Mortgage loan</i>		
Mortgage loans	<u><u>1,507,500</u></u>	<u><u>1,552,500</u></u>

A mortgage loan was facilitated for an amount of € 1,710,000 with a term of 5 years.

The full amount will be repaid in 2023.

The interest rate amounts to EURIBOR + 3.1%.

The following securities were provided for the loan:

- A debenture over Elgin Road property Holdings Limited;
- First legal charge over the Property;
- An assignment from of all of its rights, title, and interest in the lease in relation to the Property and all rental income payable to the Borrower pursuant to the Lease;
- Lien/charge to be taken over deposits totaling € 50,000 which represents capital and interest repayments for six months;

The following loan covenants are applicable:

- Loan to value to be less than 70% for the duration of the facility;
- Interest Cover Ratio to be greater than 2.0.

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	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Trade creditors</i>		
Creditors	<u>140,371</u>	<u>9,601</u>
<i>Other debts</i>		
Payables to management	<u>401,754</u>	<u>-</u>
An interest rate of 5% is applicable, repayment is due June 30, 2023.		
<i>Accruals and deferred income</i>		
Management and supervisory board remuneration accrual	440,000	540,000
Other accruals and deferred income	<u>124,236</u>	<u>84,912</u>
	<u>564,236</u>	<u>624,912</u>

5 NOTES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR 2022

8. Net turnover

The revenues increased in 2022 compared to 2021 with 49.2 %.

	2022	2021
	€	€
9. Employee expenses		
Wages and salaries	602,000	701,100
Social security charges	9,587	9,389
	<u>611,587</u>	<u>710,489</u>

Staff

During the 2022 financial year, the average number of employees in the Group, converted into full time equivalents, amounted to 1 (2021: 1). All employees are employed outside of The Netherlands.

Management's total remuneration approximated € 560,000 in 2022 (2021: € 660,000). Of this amount € 520,000 relates to remuneration of the board of directors and € 40,000 for the supervisory board.

10. Amortisation and depreciation

Tangible fixed assets	<u>176,529</u>	<u>69,208</u>
<i>Depreciation of tangible fixed assets</i>		
Investment properties	<u>176,529</u>	<u>69,208</u>

Financial income and expenses

11. Result on sale of shares of participating interests

Result on sale of shares	<u>-</u>	<u>53,463</u>
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12. Taxation on result of ordinary activities

Corporate income tax	-51,795	1
Movement of deferred tax assets	<u>46,241</u>	<u>21,485</u>
	<u>-5,554</u>	<u>21,486</u>

13. Share of minority interest in result

Minority interests The Acon Group SE	<u>-4</u>	<u>-14</u>
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7 COMPANY PROFIT AND LOSS ACCOUNT OVER 2022

		2022		2021	
		€	€	€	€
Net turnover	(20)		10,000		10,000
Employee expenses		560,000		660,000	
Other operating expenses		<u>93,148</u>		<u>122,830</u>	
			653,148		782,830
Operating result			<u>-643,148</u>		<u>-772,830</u>
Financial income and expenses	(22)		<u>1,055,438</u>		<u>3,145,229</u>
Result before tax			412,290		2,372,399
Taxation on result of ordinary activities			-51,795		-
Result from participations	(23)		<u>-232,423</u>		<u>-36,609</u>
Result after tax			<u><u>128,072</u></u>		<u><u>2,335,790</u></u>

8 NOTES TO THE COMPANY BALANCE SHEET AS OF DECEMBER 31, 2022

Fixed assets

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>14. Financial fixed assets</i>		
Participations in group companies	1,713,567	1,660,609
Receivables from group companies and other investments	12,757,890	4,690,603
	<u>14,471,457</u>	<u>6,351,212</u>
<i>Participations in group companies</i>		
The Acon Group SE	1,713,566	1,660,608
Elgin Road Property Holdings Ltd.	<u>1</u>	<u>1</u>
	<u>1,713,567</u>	<u>1,660,609</u>
	<u>2022</u>	<u>2021</u>
	€	€
<i>The Acon Group SE</i>		
Carrying amount as of January 1	1,660,608	1,503,437
Share in result	52,958	157,171
Carrying amount as of December 31	<u>1,713,566</u>	<u>1,660,608</u>
<i>Elgin Road Property Holdings Ltd.</i>		
Carrying amount as of January 1	-559,596	-365,817
Share in result	-285,381	-193,779
Provision loan	-844,977	-559,596
	844,978	559,597
Carrying amount as of December 31	<u>1</u>	<u>1</u>

For the negative equity of Elgin Road property Holdings Ltd, amounting to € 844,977 (2021: € 559,596), an amount of € 844,978 is deducted from the outstanding loan to the subsidiary. The subsidiary is not valued less than € 1. The share in the result of Elgin Road Property Holdings Ltd. amounts to € -285,381.

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	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Receivables from group companies and other investments</i>		
The Acon Group SE	100,000	100,000
Elgin Road Property Holdings Ltd.	<u>12,657,890</u>	<u>4,590,603</u>
	<u>12,757,890</u>	<u>4,690,603</u>

	<u>2022</u>	<u>2021</u>
	€	€
<i>The Acon Group SE</i>		
Carrying amount as of January 1	100,000	-
Issued loan	-	<u>100,000</u>
Carrying amount as of December 31	<u>100,000</u>	<u>100,000</u>

The interest charge on the receivables from The Acon Group SE is and 3%. Repayment is due before March 31, 2026.

Elgin Road Property Holdings Ltd.

Carrying amount as of January 1	5,150,199	3,150,199
Issued loans	10,080,000	2,000,000
Repayment	<u>-1,727,331</u>	<u>-</u>
	13,502,868	5,150,199
Provision loan due to negative equity	<u>-844,978</u>	<u>-559,596</u>
Carrying amount as of December 31	<u>12,657,890</u>	<u>4,590,603</u>

The interest charge on the receivables from Elgin Road Property Holdings Ltd. is between 5% and 6%. Repayment is due within 5 years.

Current assets

15. *Receivables, prepayments and accrued income*

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Receivables from group companies and other investments</i>		
Elgin Road Property Holdings Ltd	1,112,796	645,719
The Acon Group SE	5,467	2,425
	<u>1,118,263</u>	<u>648,144</u>
<i>Other receivables, deferred assets and prepayments</i>		
Other receivables	<u>2,000,000</u>	<u>528,000</u>

Under the other receivables is an investment of € 2,000,000 in Fides Gal GmbH & Co. KG. via trust company Linus Truehand GmbH & Co KG. The investment has an base interest rate of 15%. Due to uncertainty of the collectability of this loan, a provision has been accounted for of € 240,000.

The loan is secured by a personal guarantee from the sponsor of the loan.

16. *Securities*

Net Digital AG	1,042,229	1,611,482
Other listed securities	30,050	7,685,438
Total securities	<u>1,072,279</u>	<u>9,296,920</u>

Net Digital AG is considered a related party.

All securities are held for trading and are recognised at fair value (listed value).

17. **Equity**

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Issued share capital</i>		
Subscribed and paid up 6,555,445 ordinary shares at par value € 0.20	<u>1,311,089</u>	<u>1,311,089</u>
	<u>2022</u>	<u>2021</u>
	€	€
<i>Share premium reserve</i>		
Carrying amount as of January 1	<u>20,198,673</u>	<u>20,198,673</u>
Carrying amount as of December 31	<u>20,198,673</u>	<u>20,198,673</u>
<i>Other reserves</i>		
Carrying amount as of January 1	-4,877,652	-6,020,663
Impact change accounting policy investment properties	<u>-128,673</u>	<u>-85,053</u>
Equity as at 1 January 2022 and 2021 respectively	-5,006,325	-6,105,716
Allocation of financial year net result	128,072	2,335,790
Dividend	-448,158	-654,806
Own shares sold (acquired)	<u>272,798</u>	<u>-581,593</u>
Carrying amount as of December 31	<u>-5,053,613</u>	<u>-5,006,325</u>

To reduce the difference between the share price and NAV per share, the company acquired 8,800 own shares during 2022 with a nominal value of € 0,20 each for an total amount of € 21,202. This represents 0,1% of the total issued share capital.
Furthermore Navstone has sold 140,000 shares to management for a total amount of € 294,000. This represents 2,1% of the total issued share capital.

At December 31, 2022 the number of own shares held by NAVSTONE SE amounted to 2,154,210 which have a nominal value of € 430,842 and a listed share value of € 3,554,447. This represents 32,9% of the total issued capital.

The difference between the 2022 consolidated equity and the company only equity amounts to € 430,682.

The difference is caused by the negative equity of Acon Research und Services GmbH of € 430,682 which is valued in the company only financial statements at € 1.

The difference between the 2022 consolidated result and the company only result amounts to € 14,030.

The difference is caused by the negative result of Acon Research und Services GmbH of € 14,030, which due to the negative equity is not included in the company only result as the participation is valued at € 1.

18. **Non-current liabilities**

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Debt to group companies</i>		
Loan The Acon Group SE	1,157,765	1,000,000
Loan Acon Research und Services GmbH	20,189	-
	<u>1,177,954</u>	<u>1,000,000</u>
	<u>2022</u>	<u>2021</u>
	€	€
<i>Loan The Acon Group SE</i>		
Carrying amount as of January 1	1,000,000	1,000,000
Issued loans	450,000	-
Repayments	-300,000	-
Interest	7,765	-
Long-term part as at December 31	<u>1,157,765</u>	<u>1,000,000</u>

An interest rate between 3,6% and 5% has been calculated. The loan matures between December 31, 2025 and November 30, 2027.

Loan Acon Research und Services GmbH

Carrying amount as of January 1	-	-
Issued loans	20,000	-
Interest	189	-
Long-term part as at December 31	<u>20,189</u>	<u>-</u>

An interest rate of 5 % has been calculated. The loan matures November 30, 2027.

19. **Current liabilities**

	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Amounts due to participants and to companies in which participation takes place</i>		
Cumulative interest on loan The Acon Group SE	<u>126,108</u>	<u>96,730</u>
<i>Other debts</i>		
Payables to management	<u>401,754</u>	<u>-</u>

An interest rate of 5% is applicable, repayment is due June 30, 2023.

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	<u>12/31/2022</u>	<u>12/31/2021</u>
	€	€
<i>Accruals and deferred income</i>		
Management and supervisory board remuneration accrual	440,000	540,000
Other accruals and deferred income	28,000	30,153
	<u>468,000</u>	<u>570,153</u>

9 NOTES TO THE COMPANY PROFIT AND LOSS ACCOUNT 2022

	2022	2021
	€	€
20. Net turnover		
Management fees charged to Elgin Road Property Holdings Ltd.	10,000	-
Other turnover	-	10,000
	<u>10,000</u>	<u>10,000</u>

Staff

During the 2022 financial year the company had no employees.

Management's total remuneration approximated € 560,000 in 2022 (2021: € 660,000). Of this amount € 520,000 relates to remuneration of the board of directors and € 40,000 for the supervisory board.

Other operating expenses

21. General expenses

Other general expenses	93,148	122,830
	<u>93,148</u>	<u>122,830</u>

22. Financial income and expenses

Income of non-current receivables and of securities	707,778	2,631,196
Interest and similar income	522,139	593,194
Result on sale of shares of participating interests	-	53,463
Interest and similar expenses	-174,479	-132,624
	<u>1,055,438</u>	<u>3,145,229</u>

Interest and similar income

Other interests and income	271,051	310,332
Interest receivable group companies	481,631	231,229
Currency differences	9,457	51,633
Changes in receivables attributable to fixed assets and from investments	-240,000	-
	<u>522,139</u>	<u>593,194</u>

Interest and similar expenses

Other interest and expenses	-137,147	-96,124
Interest payable group companies	-37,332	-36,500
	<u>-174,479</u>	<u>-132,624</u>

23. **Result from participations**

	<u>2022</u>	<u>2021</u>
	€	€
Share in result of participating interests	<u>-232,423</u>	<u>-36,609</u>

OTHER DISCLOSURE

Appropriation of the result for the 2021 financial year

The Annual General Meeting of NAVSTONE SE for the fiscal year 2021 took place in Waalre, the Netherlands, on July 19, 2022. In total 30.19 % of the share capital was represented at the meeting. All items of the agenda were approved unanimously.

Appropriation of the profit for 2022

The board of directors proposes to add the company only profit for 2022 of € 128,072 to the other reserves and proposes to add the consolidated result of € 114,042 to the other reserves. This proposal has been processed in the annual accounts in advance of the adoption by the General Meeting.

Signing of the financial statements

Waalre, July 20, 2023

Signed by management:

Management board

R. Käß

M. Hasenstab

Supervisory Board

E.R. Hoffman

J. Bodenkamp

OTHER INFORMATION

1 STATUTORY APPROPRIATION OF PROFIT

Based on article 17 of the statutes the result is at disposal of the General Shareholders Meeting which can allocate the profit wholly or partly to the general or specific reserve funds.

The company can only make payments to the shareholders and other parties entitled to the distributable profit for the amount the shareholders' equity is greater than the paid-up and called-up part of the capital plus the legally required reserves.

Article 17 of the company's Articles of Association:

1. Following the prior approval of the supervisory board, the management board is authorised to reserve such a portion of the profit as it deems necessary, with due observance of the obligation to retain statutory reserves, or any reserves prescribed by these articles.

2. Any profit remaining following the reserves retained to in the foregoing paragraph is placed at the disposal of the general meeting. A resolution to distribute profits in cash shall be adopted by the general meeting of shareholders by more than half of the votes cast. A resolution to distribute profits in kind shall be adopted by the general meeting of shareholders with a majority of at least ninety-five percent (95%) of the votes cast, provided that at least fifty percent (50%) of the issued share capital is represented at the general meeting of shareholders.

3. Other than by adoption of the annual accounts, the general meeting is authorised to cancel the reserves, either wholly or in part, at the proposal of the management board, which proposal is approved by the supervisory board. A deficit may only be offset against the reserves prescribed by law to the extent that this is allowed by law.

4. The company may only pay out to shareholders and other entitled parties any profit subject to distribution to the extent that its equity capital exceeds the amount of the paid and called-up portion of the capital plus the reserves that must be retained by law or in accordance with the articles of association.

5. In calculation the profit distribution, shares that the company holds in its own capital do not count and no profit is distributed in respect of them except if and to the extent that the shares in question are encumbered with a right of usufruct established by the company at the time they were acquired. These shares do not confer any right to a share in the balance left after winding-up either.

INDEPENDENT AUDITOR'S REPORT

To: The shareholders of NAVSTONE SE

A. Report on the audit of the financial statements 2022 included in the annual report

Our disclaimer of opinion

We were engaged to audit the financial statements 2022 of NAVSTONE SE based in Amsterdam.

We do not express an opinion on the accompanying financial statements of NAVSTONE SE. Due to the significance of the matter described in the 'Basis for our disclaimer of opinion' section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements as a whole.

The financial statements comprise:

1. the consolidated and company balance sheet as at 31 December 2022;
2. the consolidated and company profit and loss account for 2022;
3. the consolidated cash flow statement 2022; and
4. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our disclaimer of opinion

The 2022 financial statements include a loan granted, with an initial face value of € 2,000,000 and additional interest of € 240,000. Based on the information available, uncertainty remains regarding the collectability of the loan and interest. Despite a provision of € 240,000 has been accounted for, we consider this uncertainty regarding the valuation of these receivables to have a profound effect on the presentation of the financial statements.

We are independent of NAVSTONE SE in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

B. Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Due to the significance of the matter described in the 'Basis for our disclaimer of opinion' section, we have not been able to consider in accordance with Part 9 of Book 2 of the Dutch Civil Code as to whether or not the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the directors' report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We were engaged to read the other information and, based on our knowledge and understanding to be obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing. However, due to the matter described in the 'Basis for our disclaimer of opinion' section, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

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

Was signed,

Tilburg, 21 July 2023

Van Boekel accountants en adviseurs

Drs. Paul P.J. Mouwen RA