

**Stichting Bewaarder Apple Tree Fund
Amsterdam**

2023

Nieuwegein, 7 may 2024

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ACCOUNTANTS REPORT

To the board of
Stichting Bewaarder Apple Tree Fund
Barbara Strozziilaan 310 Eurocenter I, 7th floor
1083 HN Amsterdam

Nieuwegein, 7 May 2024

Dear board,

We hereby offer you the report concerning the annual report 2023 for Stichting Bewaarder Apple Tree Fund, Amsterdam.

ACCOUNTANT'S COMPILATION REPORT

The financial statements of Stichting Bewaarder Apple Tree Fund, Amsterdam, have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2023 and the income statement for the year 2023 for the year 2020/2021 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Stichting Bewaarder Apple Tree Fund. We have not performed an audit or review procedures, which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA Dutch Code of Ethics). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

Nieuwegein, 7 May 2024

Maatschap db-adviseurs

Drs. A. Maartense-Bassie RA

GENERAL

Adoption of the annual accounts

The result for the 2022 financial year is in accordance with the decision of the Board of Stichting Bewaarder Apple Tree Fund, added to the fund assets.

Board

In the financial year, the board of the foundation was conducted by AssetCare Bewaarder Services B.V.

SUMMARY FINANCIAL INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>
	€	€	€
<i>Assets</i>			
Fixed assets			
Financial fixed assets	-57.750	-26.590	-14.670
Current assets			
Receivables	36.920	408	-
Liquid assets	<u>16.577.780</u>	<u>6.156.723</u>	<u>3.315.464</u>
Total assets	<u><u>16.556.950</u></u>	<u><u>6.130.541</u></u>	<u><u>3.300.794</u></u>
<i>Equity and liabilities</i>			
Fund assets	16.296.858	5.744.543	3.228.069
Short term debt	<u>260.092</u>	<u>385.998</u>	<u>72.725</u>
Total equity and liabilities	<u><u>16.556.950</u></u>	<u><u>6.130.541</u></u>	<u><u>3.300.794</u></u>
	<u>2023</u>	<u>2022</u>	<u>2021</u>
	€	€	€
Investment results	1.189.680	359.510	477.628
Gross margin	948.639	267.668	441.292
Total of operating results	948.639	267.668	441.292
Total of result after tax	1.070.072	222.014	418.556

MANAGEMENT BOARD'S REPORT

FUND MANAGER'S REPORT

Apple Tree Capital Partners B.V. is the Fund Manager of Apple Tree Fund and Apple Tree Orchard Fund (the 'Funds'). The Funds were established on 18 December 2020 and were open for investments by participants as per 1 February 2021. The depositary, 'Stichting Bewaarder Apple Tree Fund' is the legal owner of the Funds' capital.

The investment strategies of the Funds are identical. Both aim to generate a stable short-term and long-term net return for its Participants of 6%-10% per annum (after all fees and costs), while minimizing risks and focusing on capital preservation. The Funds insure market participants against highly improbable events in global, regulated equity markets. These risks are also referred to as tail risks. The Funds achieve this by investing worldwide in derivatives of highly liquid indices, with a focus on selling ('writing') short-term put and call options. To insure against tail risks, the Funds receive premiums from market participants who purchase the Funds' options.

After the generally speaking poor and highly volatile investment year 2022, the year 2023 was relatively calm. The fear of a new financial crisis in March 2023 was only short-lived. Even the war in Israel resulted in just a temporary decline of financial markets, after which market prices improved swiftly. On a whole, key economic indices showed upward development in 2023 and also ended the year 'bullish'.

In 2023, the Funds have primarily written put option contracts on the AEX and ESTX50 and have, despite the relative calmness, been able to benefit from the volatility in the market. The goal to provide annual net results for participants between 6% and 10% has been met and even surpassed. The investment portfolio as per end 2023 exists, besides liquidity (in euro), fully of put options on the ESTX50. For an analysis of Fund specific risk and return indicators, please refer to the month-reports, as prepared separately by the Fund Manager.

Financial markets show unprecedented calmness and low volatility in the first few months of 2024, and there are no concrete signs this will change in the short term. But we also see risks. The wars in Ukraine and Israel are, apart from the enormous human suffering, a constant source of possible contagion towards financial markets; there remains uncertainty with regards to inflation and interest rate policy; governments have built up huge debts in the last few years and are confronted with new challenges in a changing geopolitical landscape; social polarization with the risk of increasing social unrest and political instability keeps on growing; and sustainability risks manifest more and more pronounced.

Negative market developments are not necessarily detrimental for performance of the Funds. Although a negative trend and higher volatility require a tighter risk policy, which may put pressure on the returns, they also offer opportunities within the strategy. Positive equity markets provide tranquility but may reduce Fund yields due to lower volatility. At Apple Tree, we are familiar with both scenarios and will continue to operate within our risk framework. We expect that the Funds, within the strategy and the low-risk policy, will meet the target of a net yield of 6%-10% per annum again in 2024.

Because we continue to believe in equal opportunities for everyone.

Vught, 07 May 2024

M.W.M. Kerste

R.A.J.E. Hennekens

FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31 DECEMBER 2023*(After proposal distribution of profit)*

	<u>2023</u>		<u>2022</u>	
	€	€	€	€
ASSETS				
Fixed assets				
Financial fixed assets		-57.750		-26.590
Current assets				
Receivables				
Accruals and prepaid expenses		36.920		408
Liquid assets		16.577.780		6.156.723
		<u>16.556.950</u>		<u>6.130.541</u>

	2023		2022	
	€	€	€	€
EQUITY AND LIABILITIES				
Fund assets				
Net balance subscriptions and redemptions participants	14.586.216		5.103.973	
Net fund result	<u>1.710.642</u>		<u>640.570</u>	
		16.296.858		5.744.543
Short term debt				
Other liabilities and accrued expenses		260.092		385.998
		<u><u>16.556.950</u></u>		<u><u>6.130.541</u></u>

INCOME STATEMENT FOR THE YEAR 2023

	2023		2022	
	€	€	€	€
Investment results	1.189.680		359.510	
Charges related to management of the fund	<u>-241.041</u>		<u>-91.842</u>	
Gross margin		948.639		267.668
Total of operating results		948.639		267.668
Financial income and expenses		<u>121.433</u>		<u>-45.654</u>
Total result		<u><u>1.070.072</u></u>		<u><u>222.014</u></u>

CASH FLOW STATEMENT FOR THE YEAR 2023

	2023		2022	
	€	€	€	€
Total of cash flows from (used in) operating activities				
Operating result		948.639		267.668
<i>Changes in working capital</i>				
Movements accounts receivable	-36.512		-408	
Increase (decrease) in other payables	-125.906		313.273	
		-162.418		312.865
Total of cash flows from (used in) operations		786.221		580.533
Financial income and expenses		121.433		-45.654
Total of cash flows from (used in) operating activities		907.654		534.879
Total of cash flows from (used in) investment activities				
Investments	36.413		-31.496	
Unrealized results	-5.253		43.416	
Total of cash flows from (used in) investment activities		31.160		11.920
Total of cash flows from (used in) financing activities				
Net balance subscriptions and redemptions participants current financial year		9.482.243		2.294.460
Total of increase (decrease) in cash and cash equivalents		10.421.057		2.841.259

	2023	2022
	€	€
Movement in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	6.156.723	3.315.464
Increase (decrease) cash and cash equivalents	<u>10.421.057</u>	<u>2.841.259</u>
Cash and cash equivalents at the end of the period	<u><u>16.577.780</u></u>	<u><u>6.156.723</u></u>

NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of Stichting Bewaarder Apple Tree Fund is Barbara Strozilaan 310 Eurocenter I, 7th floor, 1083 HN in Amsterdam, Nederland. Stichting Bewaarder Apple Tree Fund is registered at the Chamber of Commerce under number 80501354.

General notes

The most important activities of the entity

The activities of Stichting Bewaarder Apple Tree Fund consist primarily of acting as legal owner of the assets of investment funds managed by Apple Tree Capital Partners B.V.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and 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.

Accounting principles

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

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 valued 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 and minus transaction costs. This is usually the nominal value.

Accounting principles for determining 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.

NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2023

ASSETS

Financial fixed assets

	<u>2023</u>	<u>2022</u>
	€	€
Options		
Options Apple Tree Orchard Fund	-11.550	-10.220
Options Apple Tree Fund	<u>-46.200</u>	<u>-16.370</u>
	<u><u>-57.750</u></u>	<u><u>-26.590</u></u>

Current assets

Receivables

Other receivables, prepayments and accrued income

Interest to be received Apple Tree Orchard Fund	7.473	160
Interest to be received Apple Tree Fund	<u>29.447</u>	<u>248</u>
	<u><u>36.920</u></u>	<u><u>408</u></u>

Liquid assets

ING Business Euro account Apple Tree Orchard Fund	11.159	10.020
Interactive Brokers Euro account Apple Tree Orchard Fund	3.263.809	2.284.291
ING Business Euro account Apple Tree Fund	11.741	63
Interactive Brokers Euro account Apple Tree Fund	<u>13.291.071</u>	<u>3.862.349</u>
	<u><u>16.577.780</u></u>	<u><u>6.156.723</u></u>

EQUITY AND LIABILITIES

Fund assets

The overview below illustrates the development of the fund assets:

	Net balance subscriptions and redemptions participants	Net fund result	Total
	€	€	€
Balance as at 1 January 2023	5.103.973	640.570	5.744.543
Appropriation of result	-	1.070.072	1.070.072
Mutations in year	9.482.243	-	9.482.243
Balance as at 31 December 2023	<u>14.586.216</u>	<u>1.710.642</u>	<u>16.296.858</u>

The fund assets of Apple Tree Fund amounted to € 12.269.190 before the distribution of the result. The share in the result amounts to € 767.436. The equity as at 31 December after profit distribution amounts to € 13.036.626.

The fund assets of Apple Tree Orchard Fund amounted to € 2.957.596 before distribution of the result. The share in the result amounts to € 302.635. The equity as at 31 December after profit distribution amounts to € 3.260.231.

Short term debt

	2023	2022
	€	€
<i>Other liabilities and accrued expenses</i>		
Payments received in advance Apple Tree Fund	225.000	350.000
Payments received in advance Apple Tree Orchard Fund	4.000	25.000
Service fee to be paid Apple Tree Orchard Fund	2.081	1.439
Management fee to be paid Apple Tree Orchard Fund	4.578	2.878
Service fee to be paid Apple Tree Fund	8.320	2.227
Management fee to be paid Apple Tree Fund	16.113	4.454
	<u>260.092</u>	<u>385.998</u>

NOTES TO THE INCOME STATEMENT FOR THE YEAR 2023

	<u>2023</u>	<u>2022</u>
	€	€
Investment results		
Realized results Apple Tree Orchard Fund	343.147	166.393
Unrealized results Apple Tree Orchard Fund	-10.497	-19.503
Realized results Apple Tree Fund	841.280	236.533
Unrealized results Apple Tree Fund	15.750	-23.913
	<u>1.189.680</u>	<u>359.510</u>
Charges related to management of the fund		
Service fee Apple Tree Orchard Fund	21.310	14.117
Management fee Apple Tree Orchard Fund	44.942	28.235
Service fee Apple Tree Fund	59.101	16.497
Management fee Apple Tree Fund	115.688	32.993
	<u>241.041</u>	<u>91.842</u>
Financial income (+) and expenses (-)		
Other costs broker Apple Tree Fund	-86.876	-15.269
Interest Apple Tree Fund	171.199	-9.620
Expenses reimbursed by Fund Manager Apple Tree Fund	1.068	818
Bank charges Apple Tree Fund	-196	-140
Interest Apple Tree Orchard Fund	56.593	-9.464
Other costs broker Apple Tree Orchard Fund	-20.244	-11.977
Bank charges Apple Tree Orchard Fund	-261	-152
Expenses reimbursed by Fund Manager Apple Tree Orchard Fund	150	150
	<u>121.433</u>	<u>-45.654</u>

Amsterdam, 7 May 2024

Stichting Bewaarder Apple Tree Fund

Board
Represented by:
B. Schrijver

Fund manager
M.W.M. Kerste

Fund manager
R.A.J.E.