Dr.Max

A leading omnichannel pharmacy retailer in Europe

October 2024

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Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (**MiFID II**); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the **MiFID II Product Governance Requirements**), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Bonds have been subject to a product approval process, which has determined that the Bonds are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the **Target Market Assessment**).

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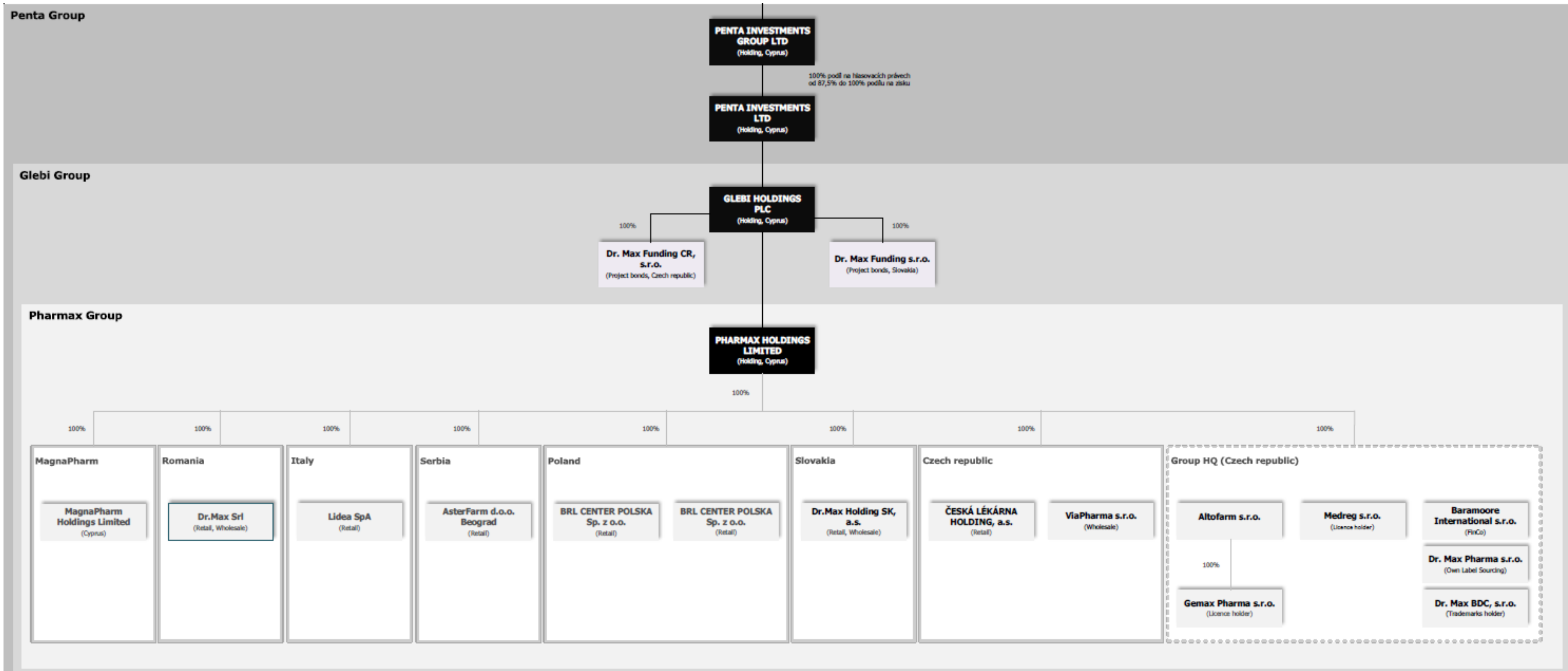
Agenda

Penta Group corporate structure



Source: Company information
Note: Status as of 30 September 2024. Chart presents only material entities.

Penta Group - introduction

„We aim to be leaders in the areas we are active in. We build on entrepreneurship and professionalism and want to have a positive impact on society as a result of our business.“

PENTA

Investment platforms in 2023

RETAIL	HEALTHCARE	FINANCIAL SERVICES	MEDIA	REAL ESTATE
Dr. Max	Penta Hospitals	Prima banka	NMH	Bratislava
Fortuna	Dôvera HIC	Privatbanka	Vltava Labe Media	Prague
Empik			United Classifieds	
			MDS	
Enterprise Value **€4.8 billion**	Enterprise Value **€758 million**	Equity Value **€573 million**	Enterprise Value **€186 million**	Asset Value **€1.7 billion**
EBITDA **€386 million**	EBITDA **€87 million**	Net Income **€68 million**	EBITDA **€18 million**	

Note: Figures are based on audited financial statements of PIL Cyprus and preliminary results of investee companies. Overview does not contain insignificant assets outside of investment platforms and values are not adjusted for minority interests.

Financial results

Group has achieved solid results in 2023

	FY 2022	FY 2023
Portfolio Return	**15.0** %	**15.9** %
Portfolio Fair Value	**€3.6** billion	**€4.4** billion
Value of Equity	**€3.4** billion	**€3.8** billion
Net Income	**€483** million	**€504** million
ROE / cash adjusted *(1)*	**15.9** % / **16.5** %	**15.0** % / **17.2** %
LP Return / cash adjusted *(1)*	**14.2** % / **14.7** %	**14.2** % / **16.3** %

(1) Figures adjusted for non-operating cash balance in beginning of period Equity

Nota Bene: Total Equity and Total Net Income is proportionally attributable to the Limited Partners (LPs) and holders of Carried Interest.
LP Return is adjusted for Net Income and Equity attributable to the holders of Carried Interest.

Agenda

1 Penta Group introduction

2 Dr.Max business overview

3 Market overview

4 Dr.Max financial performance

Executive summary

Dr. Max 2023 in nutshell

17 **CEE** countries
founded 2004 in Czech Republic

> 11,500,000
active members in loyalty program

~ 1,300,000
sold items/day

almost
3,000
Pharmacies*

1
in Central Eastern Europe

2
in Europe
(in number of pharmacies)

> 19,000
Employees

4.6 bn EUR
Revenues **

EBITDA **

+15% in 2023
+17% in 2022
+16% in 2021
+7% in 2020

* incl. unconsolidated NeoApotek business, Italy; acquired 28.12.2023 outside of existing Glebi/Pharmax perimeter
** managerial, not IFRS figures, include proforma figures for Poland Franchise. The IFRS revenues were in the amount of 4,2 bn EUR. For more information see slide 21 -22.

Well-established footprint across Europe

Covering multi-levels of pharmacy sector

MagnaPharm only

Dr. Max presence only

Both, Dr. Max and MagnaPharm presence

Online presence

Wholesale operations

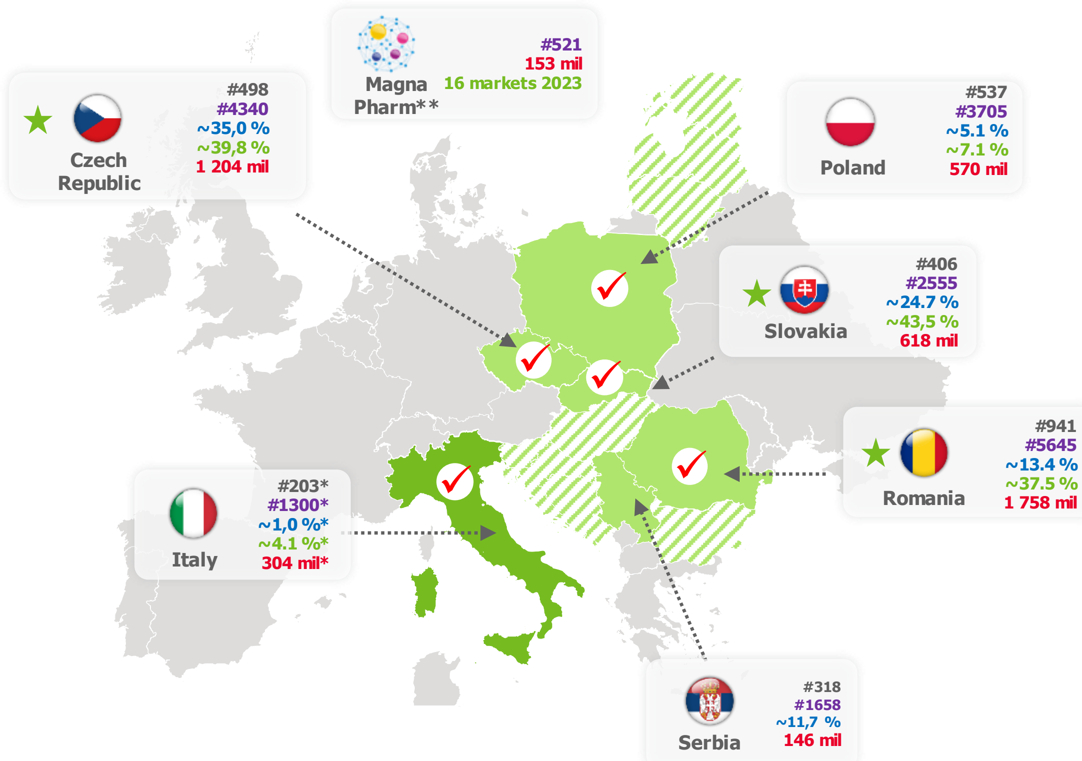
 # pharmacies 2023

#FTEs 2023 - Total FTEs (incl. contracted)

Pharmacy market share 2023

E-com market share 2023

EUR revenue 2023



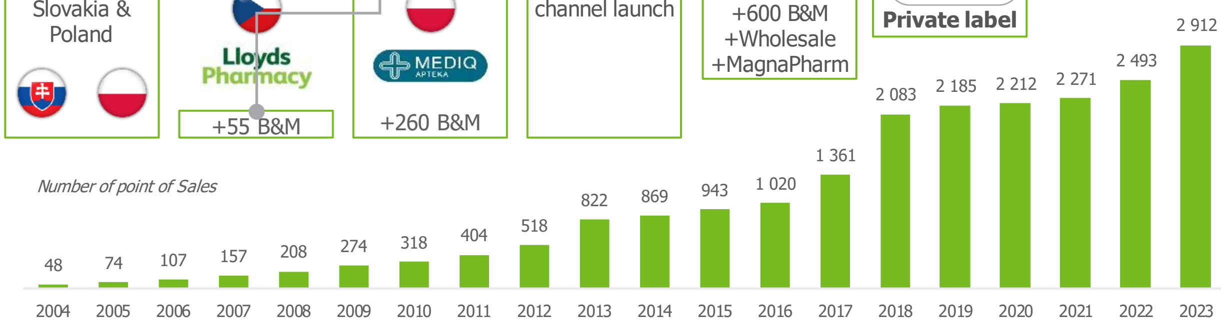
Managerial, not IFRS figures – include proforma figures for Poland Franchise
* Including non-consolidated NeoApotek business
** The company/group „MagnaPharm" primarily operates in the following countries: Romania, Czech Republic, Poland, Hungary, Bulgaria, Slovakia, Baltics

Continuing our transformational journey to become leading pharmacy retailer in Europe

Dr.Max

Dr.Max has proven to be THE consolidator in the European market

- **2004** – Established in Czech Republic
- **2005** – Entered Slovakia & Poland
- **2011** – Launch of private label: Dr.Max – Private label
- **2012** – VIAPHARMA +Wholesale; Lloyds Pharmacy +55 B&M
- **2013** – MEDIQ APTEKA +260 B&M
- **2014** – Online sales channel launch
- **2016** – Entered Serbia
- **2017** – Entered Romania & Italy
- **2018** – A&D Pharma +600 B&M +Wholesale +MagnaPharm
- **2020** – Private label expansion to prescription medicines (Rx) – Dr.Max Private label
- **2022-2023** – Acquisition of Apotheke Slovakia ~30 B&M; Acquisition of Gedeon Richter 90+ B&M +Wholesale; Acquisition of Neoapotek ~130 B&M; MEDICAL GROUP SK +Wholesale



Key figures '17-'23

+1,551 Increment of new pharmacies through M&A and new openings

+3 countries

Expansion in 2023

1. Accelerated expansion in our current markets
2. Opportunistic approach towards any new markets
3. **362 PoS** *measured by signed deals*
4. **~EUR 0.4bn** *Estimated 2024 net sales of newly added business in 2023*

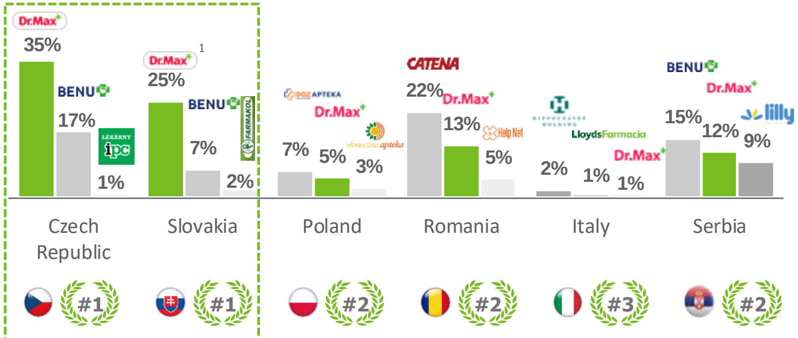
Source: Company information

Undisputed leadership position in core markets

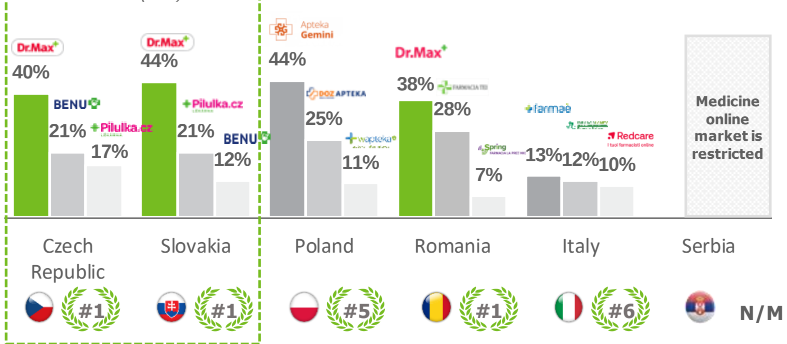
..supporting competitive advantage

Multi country coverage with leading market positions…

Market share brick & mortar (2023)



Market share online (2023)



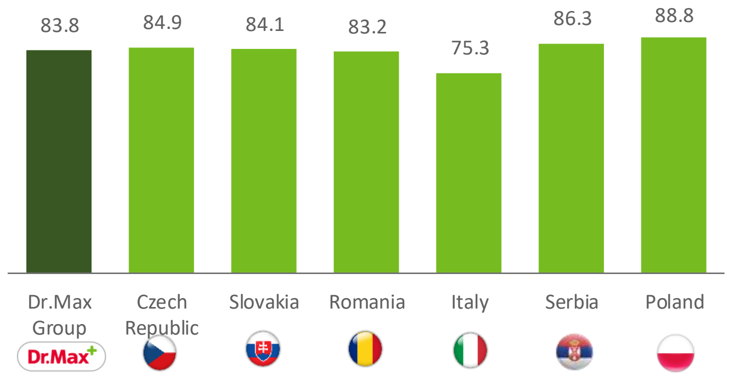
Source: Market share is based on respective brick&mortar/E-commerce sellout data (revenues) provided by IQVIA

Data including Polish Franchise pharmacies and unconsolidated Neoapotek business

…driving bargaining power with suppliers and then lower prices

- Dr. Max is able to **negotiate superior purchase conditions with suppliers** due to:
  - **Multi country coverage** and significant **local market share**
  - **Excellent operational capabilities** through highly trained and financially motivated staff at POS allowing to **push or pull given products**
- This allows Dr. Max to reinvest part of its profitability towards **competitive price positioning** which, alongside extended product range, OTC offering, and loyalty programme are driving superior NPS scores

NPS score by market (YE 2023); 477k responses



Customer value proposition is structured around 4 pillars

Pillar	Description
Affordability	• Price perception via **smart and dynamic pricing** • Significant **promotional activities** (TV campaign, leaflet etc.) • **Immediate personalized** offers for LP members based on their previous purchase behaviour
Accessibility	• **Well developed network of pharmacies** to cover different locations in both affluent and rural areas (such as shopping centers, street and policlinics) • All market used ways of delivery, with favourable ratio of **Click & Collect** (64% of deliveries[1])
Trust	• **Well trained professionals** with great communication skills • **Internal training programs** to support professional and communication skills focusing on **complex care** (upsell, crossell, generic substitution)
Relationship	• **Loyalty schemes** as a key success factor to **increase customer loyalty and increase overall sales baskets** • New launches of private label within all markets to answer customer needs in all segments (OTC, non RX, beauty, medical devices, Gx)



Differentiated customer value proposition with robust omnichannel capabilities…

Dynamic and affordable pricing ("personalized affordability")

Product assortment beyond standard pharmacy

Attractive private label offering

Personalized customer communication

Wide retail footprint

Accessible online through e-commerce and m-commerce

Classic & individualized promotions

Professional advisory to best meet customer needs

19m[1] Avg Monthly visits on website	**> 300k**[2] Mobile App installations	**> 11.5m**[3] Active loyalty members
62%[4] Orders picked up in brick & mortar stores	**1.7m** RX and OTC reservations	**65%** Revenues from loyalty members

Source: Company information, VDD
Note: [1] 2023 FY avg, monthly figure fluctuates based on seasonality & ongoing growth – in 12/2023 was 20m. [2] Gross installations from the date of going live; [3] Active within the last 24 months, [4] C&C and Reservations' share on transactions - average for all markets; share on value 59%,

Agenda

1 Penta Group introduction

2 Dr.Max business overview

3 **Market overview**

4 Dr.Max financial performance

Pharmacy retail market is driven by strong tailwinds in the region…

Dr.Max+

Positive momentum powered by global mega-trends…

- **Long-term growth driven by demographics**
- **Ongoing chainification and vertical integration**
- **Sales moving to online**
- **Expanding formats for retail pharmacies & sales care**

…which are also present at country level

Czech Republic

- Self administered medicine replacing professional administration
- E-prescription shifting portion of customers from hospital pharmacies to busy areas
- Short term stagnating growth of Generics as innovative medicine is being pushed forward

Slovakia

- State-led procurement via public insurer in an effort to decrease prescription medicine (Rx) expenditure
- Increased price pressure on prescription medicine
- Diminishing role of physicians in medication selection resulting in rise of private label alternatives

Poland

- Growth of private labels
- Increased price pressure mainly on prescription products
- Decrease in overall pharmacy outlets driven by independent pharmacy exits

Romania

- Expanded scope of pharmacy services (vaccination point, testing, consultations)
- Rapid growth of online OTC sales
- Long reimbursement cycle posing cash flow pressure mainly on small players

Italy

- Expanded scope of pharmacy services (vaccination point, testing, consultations)
- Increased price pressure mainly on prescription products
- Aging population resulting increased demand for high value medicine

Serbia

- Market consolidation
- Harmonization of regulation towards EU standards
- Continued public healthcare underfunding

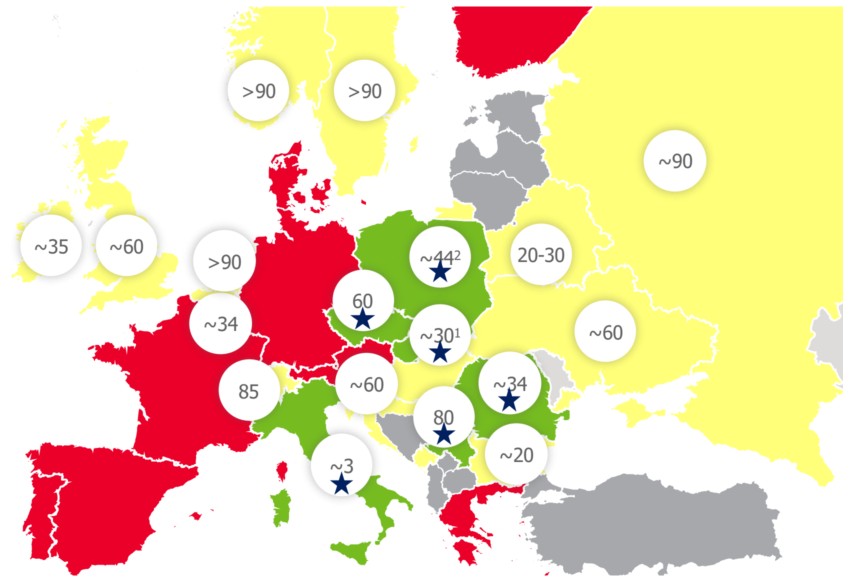
Dr.Max is present in liberalized markets with favorable regulation

Regulation is heading towards more liberal policies

Gradual liberalization

Ownership deregulation	OTC Sales deregulation	Online Rx deregulation
Gradual deregulation of pharmacy ownership across Europe, but independent pharma lobby slowing down the process at national levels	Deregulation of requirements for selling select OTC medicines outside of pharmacies ongoing or expected in Dr.Max geographies, cannibalizing margins, especially for white label products	Ongoing efforts to allow online sales of Rx in multiple EU countries but time horizon varies significantly between countries
Impact on Dr.Max: New opportunities to capitalize on Dr.Max successful model in other geographies	**Impact on Dr.Max:** Minor impact on Dr.Max revenue as cannibalized categories have small impact on overall Dr.Max results	**Impact on Dr.Max:** Benefitting players with online presence and streamlined delivery process

Key market regulations



x **Consolidation:** Pharmacy chains revenues / market size (%, 2019) ★ Countries with Dr.Max presence

Liberalized markets (Dr.Max countries) | Liberalized markets (other countries) | Non-Liberalized markets | Not assessed

Source: Company information, VDD
Note: Liberalized markets are those markets in which multiple pharmacies can be owned by non state owned companies and/or investors;
[1] In Slovakia, private chains represent c. 30% of total pharmacies (c. 2k), while lion share is pharmacy alliances, i.e. independent pharmacies partnering with distributors (e.g. Phoenix);
[2] Partially liberalized

Dr.Max is present in liberalized markets with favorable regulation

Main pillars	Key questions	Countries with Dr.Max presence						Reference	
		Czech Republic	Slovakia	Poland	Romania	Italy	Serbia	France	Spain
Ownership	Is ownership unrestricted?	✓	✓	New law restrict expansion for corporations	✓	✓ Max 20% market share in a given region	✓	✗ Multiple ownership not allowed	✗ Multiple ownership not allowed
# Pharmacies	Is # of pharmacies per # of people unregulated?	✓	✓	✗ 3,000 inhabitants	✗ Varying limits dependent on city/rural area	✗ 3,300 inhabitants	✓	✗ 2,500 inhabitants for the 1st 4,500 inhabitants for any additional pharmacy	✗ 2,800 inhabitants
Advertisement	Pharmacies can promote their brand?	✓	✓	– Strong limits on advertising, Loyalty program not allowed, claims about low prices not allowed	✓	✓	✓	– n/a (no chains present)	– n/a (no chains present)
	Pharmacies can promote products?	✓	✓	– Prices promo not allowed; product promotion limited but feasible	✓	✓	✓	– n/a (no chains present)	– Can offer discounts only up to 10% of retail price
Online	Online pharmacies can sell Rx drugs?	✗	✗	✗	✗	✗	✗	✗	✗
	Online pharmacies can sell OTC drugs?	✓	✓	✓	✓	✓	✗	✓	✗

Source: Company information, VDD

Dr.Max key financial highlights

Reliable growth profile
- Dr.Max is experiencing strong growth by levering on its leading position in the market
- Significant growth upside due to their continuously successful expansion plans and focused investments into technological development
- Dr.Max is present in relatively liberalized markets with small or no boundaries to grow as a pharmacy chain

Attractive cost positioning
- Governments are intensifying efforts to decrease drug prices, while Dr.Max is well positioned to cope with the price pressure
- Stable growth, rise in online sales and expanding format create beneficial environment for Dr.Max
- Optimized procurement & employee compensations keeping costs stable with the ability to pass on price increases to customers

Proven and long-standing profitability
- Dr.Max has grown its revenues and maintained profitability, while investing into future growth
- Proven ability to be a profitable company, having maintained a strong growth trajectory through various economic cycles
- Ability to capitalize and benefit from current and future pharmacy trends and nimble agility to develop product offerings based on consumer needs

Substantial operating leverage
- Successfully managed to expand margins by levering on the existing cost structure
- Significant EBITDA margin expansion in recent years

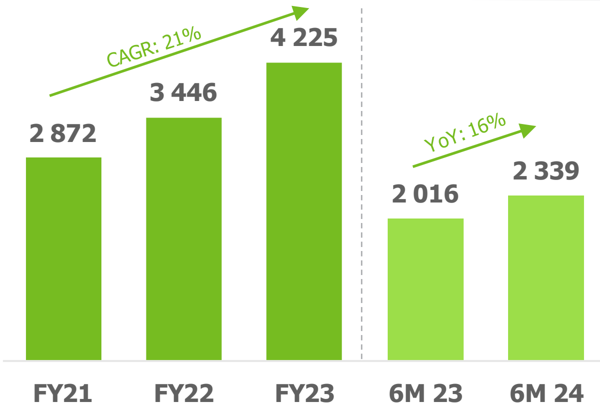
Attractive free cash flow profile
- Moderate maintenance capex to sustain operations
- Ability to take on financial leverage supported by its diversified regional model and access to competitive financing

Source: Company information

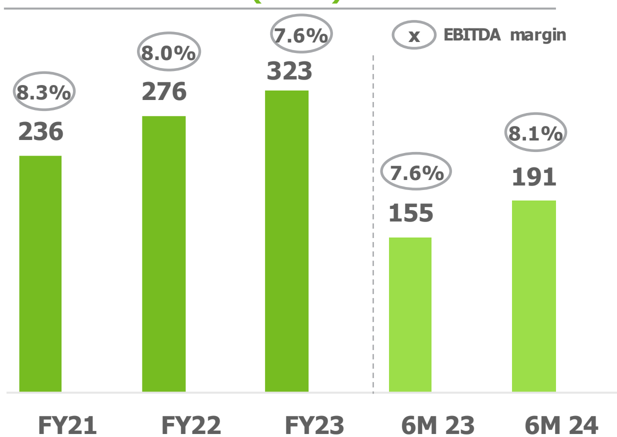
Agenda

Resilient financial performance with superior growth profile

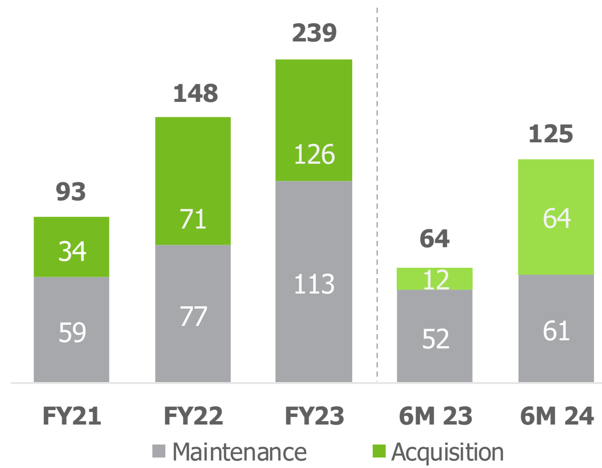
Revenue evolution (€mm)



EBITDA evolution (€mm)



Capex evolution (€mm)



Key financial KPIs

~8%
FY23 Like-for-like[1] sales growth

~47%
FY23 OTC[2] share on retail sales

~68%
Revenues from loyalty members

~6%
FY23 share of e-commerce as % OTC sales

~37%
FY23 e-commerce sales growth

~21%
FY23 OTC private label penetration

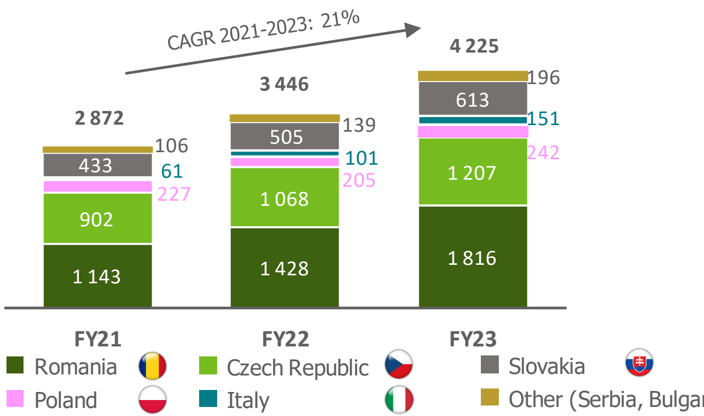
Source: Company information

Note: 1. Like-for-like sales growth provides comparison of the same pharmacies' portfolio, with a trading history of minimum 2 years; 2. OTC stands for over-the-counter/non-prescription products

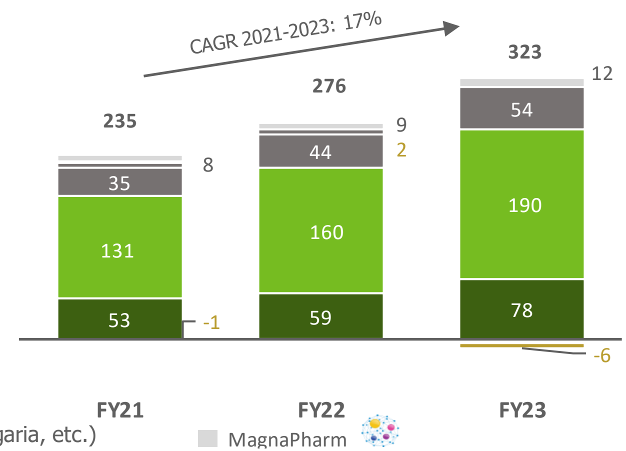
Dr.Max revenue and EBITDA breakdown

Dr.Max+

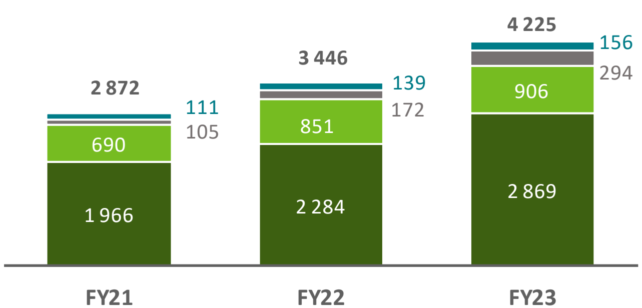
Revenue by country (€mm)



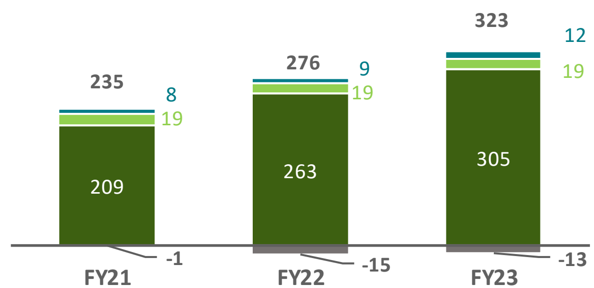
EBITDA by country (€mm)



Revenue by segment (€mm)



EBITDA by segment (€mm)



Pharmacy Wholesale MagnaPharm E-shop (excl. reservations)

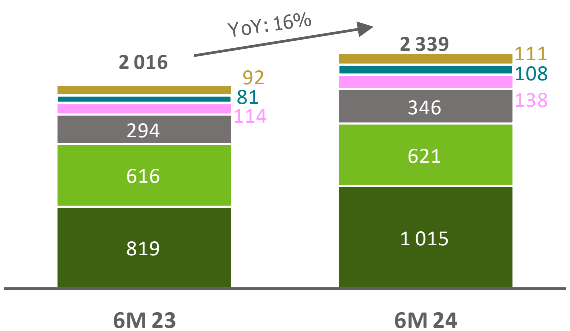
Commentary

- Dr.Max experienced consistent **top-line and bottom-line growth** with revenues and EBITDA increasing across countries.
- Revenue growth was primarily driven by **organic growth** supported by an ever-evolving customer value proposition**, store expansion, and overall e-commerce development.**
- **Moderate cost growth** due to productivity increase and strict cost management in an inflationary environment supported a positive EBITDA trend.
- **EBITDA** benefited in addition from increased **procurement economies of scale**, increasing **private label penetration** and **store operations focusing on customer service**.

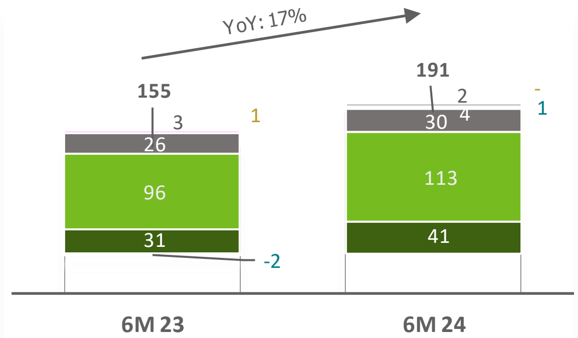
Note: HQ financials are excluded from the breakdown in the charts above but included in the totals / consolidated figures

Dr.Max revenue and EBITDA breakdown 6M 2024 vs 6M 2023

Revenue by country (€mm)

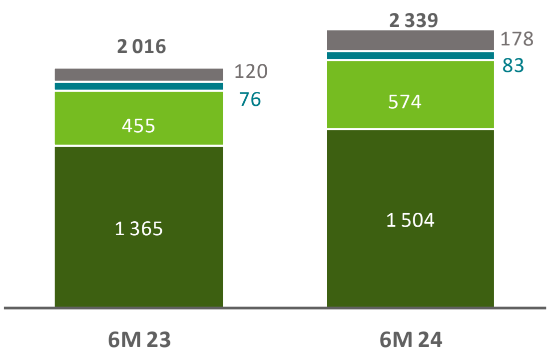


EBITDA by country (€mm)

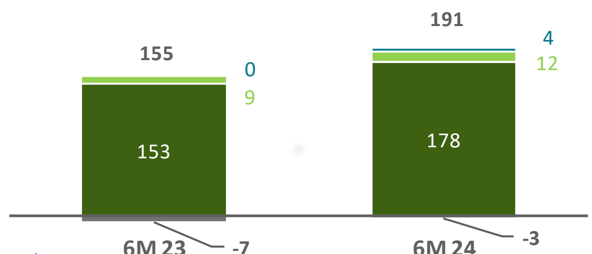


Romania | Czech Republic | Slovakia
Poland | Italy | Other (Serbia, Bulgaria, etc.)

Revenue by segment (€mm)



EBITDA by segment (€mm)



Pharmacy | Wholesale | MagnaPharm | E-shop (excl. reservations)

Commentary

- Consistent **strategy focused on improving customer value proposition** and **superior operational implementation** support financial development in H1.2023 consistent with success of past years.
- Consistent **top and bottom-line growth** of revenues and EBITDA across all geographies.
- **Organic revenue growth** continues to be supported by **store portfolio expansion**, and **strong e-commerce development**.
- **Inflationary cost pressures are mitigated** by a focus on productivity and strict cost management utilizing increasing economies of scale.
- **EBITDA** continues to benefit from increased **procurement economies of scale**, increasing **private label penetration** and **store operations focusing on customer service**.

Note: HQ financials are excluded from the breakdown in the charts above but included in the totals / consolidated figures

Dr.Max financial performance

P&L overview

(€mm)	Link	FY21	FY22	FY23
Revenue from contracts with customers	1	**2,872**	**3,446**	**4,225**
Goods for resale and direct costs		(2,112)	(2,513)	(3,131)
Gross margin	2	**760**	**933**	**1,094**
Personnel costs		(356)	(413)	(509)
Received services and other operating expenses		(168)	(238)	(256)
Depreciation and amortisation		(105)	(132)	(142)
Other operating income / expenses		0	(6)	(7)
Operating profit		**131**	**144**	**180**
EBITDA	3	**236**	**276**	**323**
Financing loss	4	**(30)**	**(45)**	**(62)**
Profit before tax from continuing operations		**101**	**99**	**118**
Income tax expense		**(16)**	**(19)**	**(28)**
Profit after tax from continuing operations		**85**	**79**	**90**

(€mm)	Link	6M 23	6M 24
Revenue from contracts with customers	1	**2,016**	**2,339**
Goods for resale and direct costs		(1,495)	(1,736)
Gross margin	2	**522**	**603**
Personnel costs		(241)	(286)
Received services and other operating expenses		(131)	(130)
Depreciation and amortization		(66)	(79)
Other operating income / expenses		5	4
Operating profit		**89**	**111**
EBITDA	3	**155**	**191**
Financing loss	4	**(25)**	**(36)**
Profit before tax from continuing operations		**64**	**75**
Income tax expense		**(13)**	**(28)**
Profit after tax from continuing operations		**50**	**46**

P&L analysis

1. **Revenues** increased between FY21 and FY23 with a CAGR of 21,3%
   - FY 2022 was supported by strong organic market growth post-COVID due to fully lifted COVID restrictions, strong seasonal diseases, and price increases in the OTC segments.
   - FY 2023 continued to be supported by strong organic market growth rates across all markets. Thereby customer and indication-driven volume demand had been endorsed by price inflation tendencies.
   - Additionally, Dr.Max outperformed general market growth in the retail and e-commerce segment due to continuous improvements in our Customer Value Proposition and investments in e-commerce.
   - Lastly, in 2022 (post-COVID) Dr.Max restarted its expansion activities and added >500 pharmacies to the portfolio in 2022 and 2023.
   - The same factors have supported revenue growth in 6M 2024.
2. **Gross margin** increase since FY21 and FY23 is primarily a function of top-line growth. Thereby the %-age margin is slightly impacted by a different segment mix with a glide towards e-commerce sales and higher wholesale revenues with below-average margins. Positive contributors are rising private label sales and better purchasing conditions.
3. Dr.Max's effective cost management and incentive system focused on productivity manages inflationary pressures and allows a healthy operating profit and **EBITDA** growth. Slightly decreasing EBITDA margin mirrors a relative glide towards lower margin business segments (e-commerce and wholesale) and investments into e-commerce.
4. **Financing loss** increase since FY21 was due to higher interest rates and increase of outstanding balance of bank loans (top-ups in 2022, 2023 and 2024).

Source: Company information

Notes: Other operating expenses include Impairment gains / (losses) of financial and non-financial assets, Other gains / (losses), Addition / reversal / usage of provision

Dr.Max Balance sheet

Dr.Max

Balance sheet overview

(€mm)	Link	FY21	FY22	FY23	6M 24
Goodwill	1	426	505	661	668
Intangible assets, Property, plant and equipment	2	278	300	415	441
Right-of-use assets	2	453	548	637	657
Loans provided towards third parties		0	3	0	0
Loans provided towards related parties		740	1,103	1,207	1,333
Trade and other receivables	3	516	745	810	761
Other assets		12	18	5	11
Inventories	4	370	468	573	617
Cash and cash equivalents	5	120	172	227	321
TOTAL ASSETS		**2,915**	**3,862**	**4,535**	**4,809**
Share capital, share premium		540	540	540	540
Reserves		-51	-10	-48	-47
Retained earnings / (accumulated losses)		-295	-216	-126	-79
Total equity		**194**	**314**	**366**	**414**
Borrowings from third parties		764	1,222	1,494	1,693
Borrowings from related parties		658	604	586	635
Provisions		9	4	5	5
Employee benefit obligations		73	89	100	104
Other payables	9	27	34	39	46
Lease liabilities	7	451	546	633	660
Creditors and accruals	8	739	1,049	1,311	1,252
Total liabilities		**2,721**	**3,548**	**4,170**	**4,395**
EQUITY AND LIABILITIES		**2,915**	**3,862**	**4,536**	**4,809**

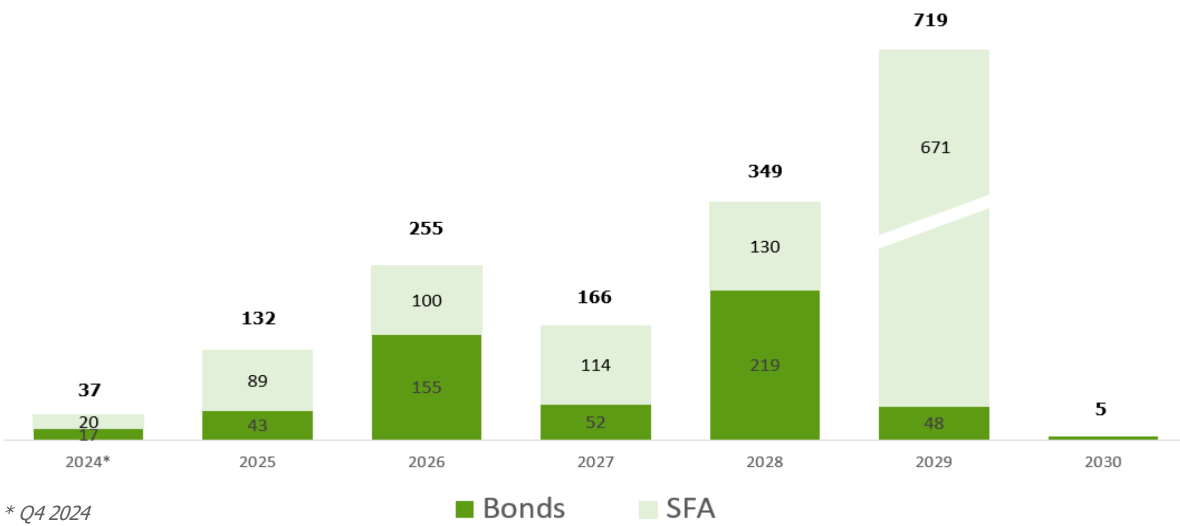
Source: Company information

Balance sheet analysis

1. **Goodwill** mainly stems from historical acquisitions, trademarks, licenses and software.
2. Movements of **fixed assets (IA, PPE, ROU)** were driven by changes in investments in subsidiaries following expansion activities.
3. **Receivables** predominantly comprise receivables from health insurance companies, pharma companies related to supplier bonuses, other items associated with various non-trade invoices, receivables from wholesale customers and accruals for unbilled supplier bonuses.
4. **Inventories** mainly include goods for resale - RX medication, OTC branded, and OTC private label products for resale.
5. **Cash** mainly cash in bank accounts denominated in CZK, EUR, RON, PLN and RSD currencies.
6. **Borrowings from related parties** represent shareholder loans, which will be subordinated to the issued bonds.
7. **Lease liabilities** represent mainly the future payables for rented premises, predominantly pharmacies and wholesale warehouses.
8. **Creditors and accruals** consist of invoiced payables for goods for resale and accruals related to services and unbilled goods.
9. **Other payables** include deferred and other tax payables, partly offset by fair value of hedges through Interest Rate Swaps and other financial liabilities.

Dr.Max debt financing overview

Dr.Max debt by maturity (€mm)



** Q4 2024*

Summary

In June 2022, Dr.Max entered into a new senior term and revolving facility agreement, led by UniCredit Bank as the agent, with total credit of up to €940 million. This facility was designed to fully refinance existing senior facilities and to take advantage of the company's full spare debt capacity. The management sought to secure a larger amount of funding at a reasonable interest rate, in anticipation of future rate hikes, and to position Dr.Max for continued growth through acquisitions.

In November 2023 and June 2024, Dr.Max further increased its indebtedness by securing top-up loans of €150 million and €250 million, respectively.
As of June 30, the main SFA revolving credit facility (RCF) in the amount of €50 million has been fully repaid and remained undrawn throughout Q3 2024.

All senior facility agreement loans are fully hedged with interest rate swaps.

Covenants (€mm)

Leverage **	period ending			
	30 June 2024	31 Dec 2023	30 June 2023	31 Dec 2022
Net debt	1,369	1,271	964	1,024
Adjusted EBITDA	259	233	210	201
Leverage	**5.3**	**5.5**	**4.6**	**5.1**

*** Calculated according to T&C in the Prospectus*

Source: Company information
Note: Dr.Max debt by maturity chart includes regular amortization