

# **DR.MAX GROUP HOLDINGS PLC**

**Consolidated Annual Report**

**For the year ended 31 December 2025**



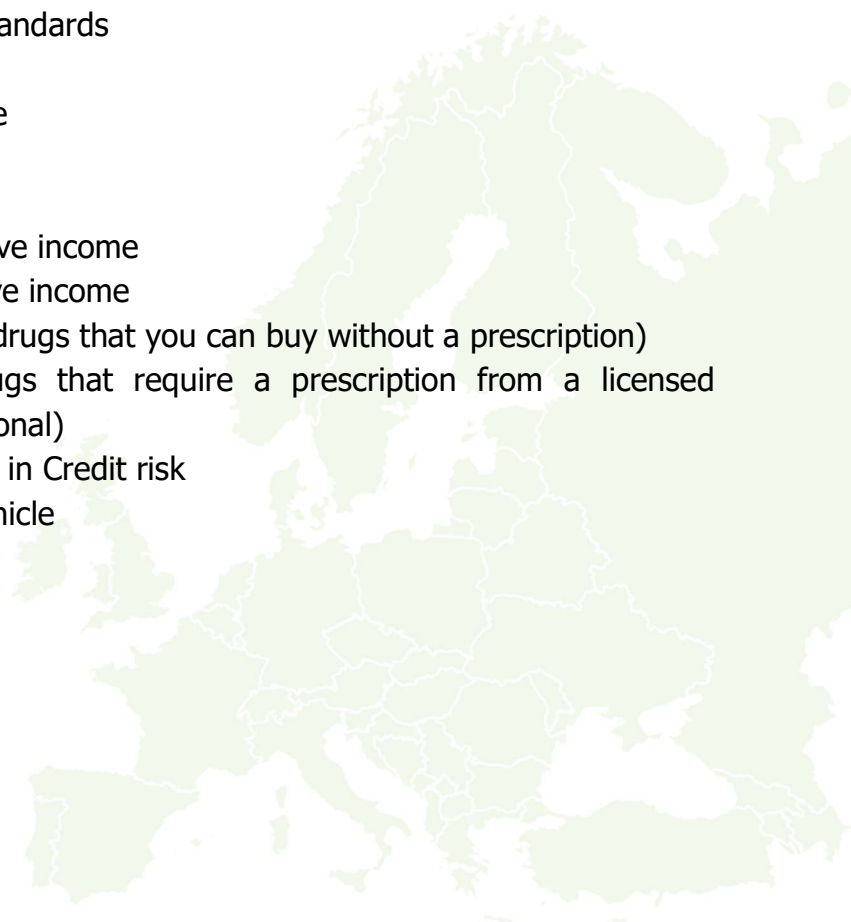
## DIRECTORS AND PROFESSIONAL ADVISERS

<b>Directors</b>	Penta Investments Cyprus Limited Chrystalla Argyridou
<b>Secretary</b>	Chanteclair Secretarial Limited Nicosia, Cyprus
<b>Registered Office</b>	212 C & I Center Building, Agias Fylaxeos & Polygnostou, 2nd Floor 3082 Limassol, Cyprus
<b>Auditors</b>	Ernst & Young Cyprus Limited Certified Public Accountants and Registered Auditors 10 Esperidon Street 1087 Nicosia PO Box 21656 1511 Nicosia, Cyprus
<b>Legal advisers</b>	AK Evan Prague, Czech Republic  Allen Overy Shearman Sterling (Czech Republic) LLP, organizacní složka Prague, Czech Republic  Alexandros Economou LLC Limassol, Cyprus

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## GLOSSARY

<b>Adjusted EBITDA</b>	Adjusted operating profit before depreciation & amortisation and impairment of non-financial assets
<b>CGU</b>	Cash generating unit
<b>COMPANY</b>	DR.MAX GROUP HOLDINGS PLC
<b>EBITDA</b>	Operating profit before depreciation & amortisation and impairment of non-financial assets
<b>ECL</b>	Expected credit loss
<b>FIFO</b>	First in, first out
<b>FTE</b>	Average number of employees
<b>FVOCI</b>	Fair value through other comprehensive income
<b>FVTPL</b>	Fair value through profit or loss
<b>FX SWAP</b>	Foreign Currency Swap
<b>GROUP</b>	Company and its subsidiaries
<b>IFRS</b>	IFRS Accounting Standards
<b>IRS</b>	Interest rate swap
<b>LTI</b>	Long-term incentive
<b>MtM</b>	Market to Market
<b>N/A</b>	Not applicable
<b>OCI</b>	Other comprehensive income
<b>CI</b>	Total comprehensive income
<b>OTC</b>	Over-the-counter (drugs that you can buy without a prescription)
<b>RX</b>	RX medicines (drugs that require a prescription from a licensed healthcare professional)
<b>SICR</b>	Significant increase in Credit risk
<b>SPV</b>	Special purpose vehicle
<b>VAT</b>	Value-added tax



# CONSOLIDATED MANAGEMENT REPORT

## General

The Board of Directors presents its report together with the audited consolidated financial statements of DR.MAX GROUP HOLDINGS PLC ("the Company") and its subsidiaries (hereafter together with the Company, "the Group") for the year ended 31 December 2025.

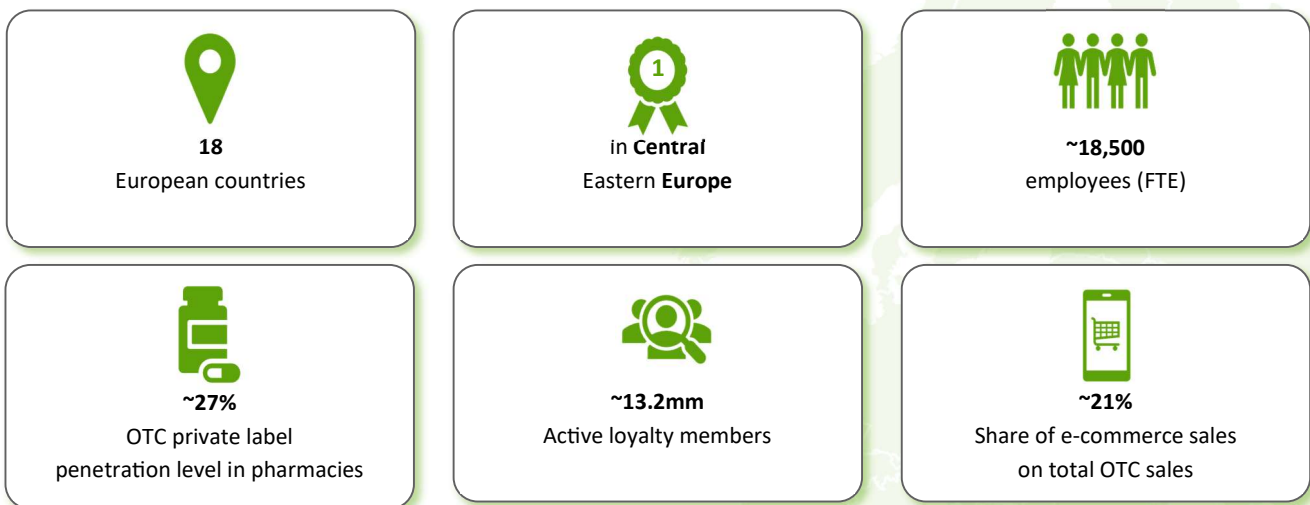
## Corporate information

The Company was incorporated in Cyprus on 21 December 2007 by Penta Investments Limited as a public limited liability company in accordance with the provisions of the Cyprus Companies Law Cap. 113. Its registered office is 212 C&I Center Building, Agias Fylaxeos & Polygnostou, 3082 Limassol, Cyprus.

## Principal activities

The principal activities of the Group which are unchanged from last year, are to invest and, through its subsidiaries, actively manage a retail chain of pharmacies, number of wholesale distribution centers, and outsource integrated services of import, distribution, market access, marketing and medical promotion and regulatory services to medicine manufacturers.

## Basic indicators

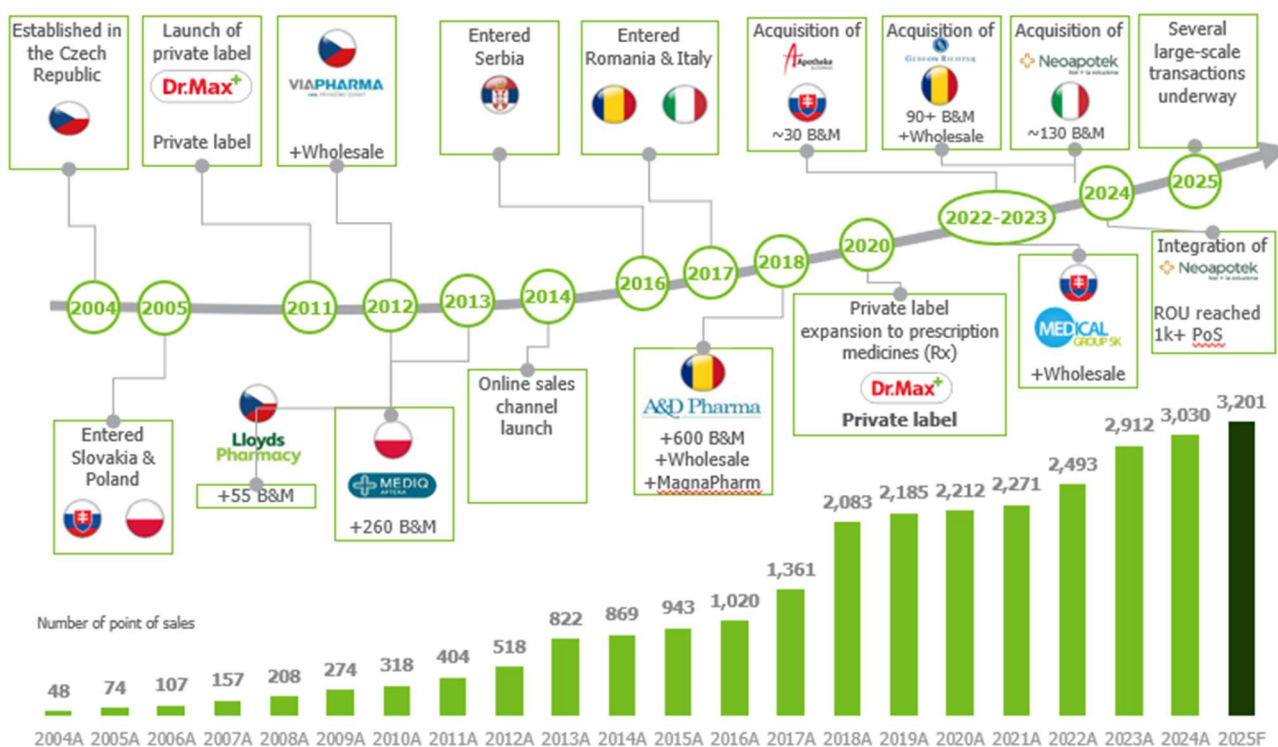


## Number of pharmacies

The year-on-year evolution of pharmacies is as follows:

Number of Pharmacies	2025	2024
Romania	1,017	978
Poland <sup>1</sup>	542	537
Czech Republic	562	530
Slovak Republic	442	420
Republic of Serbia	420	360
Italy <sup>2</sup>	218	205
<b>Total</b>	<b>3,201</b>	<b>3,030</b>

## Our history



<sup>1</sup> Including franchises.

<sup>2</sup> Including NeoApotek (pharmacies that are part of Dr.Max chain, however not consolidated on DR.MAX GROUP HOLDINGS PLC level). For more information see note **10 SUBSEQUENT EVENTS**.

## Financial information

EUR '000

Basic indicators for the year ended	2025	2024
<b>Performance highlights</b>		
Revenue from contracts with customers	5,784,655	4,897,579
Operating profit before depreciation & amortisation and impairment of non-financial assets (EBITDA)	465,702	399,660
<i>EBITDA margin (EBITDA as a % of revenue)</i>	<i>8.1%</i>	<i>8.2%</i>
Operating profit	276,122	225,356
<i>Operating profit margin (operating profit as a % of revenue)</i>	<i>4.8%</i>	<i>4.6%</i>
Profit before tax	209,078	152,439
Profit for the period	144,766	97,032
<b>Consolidated statement of financial position</b>		
Non-current assets	3,679,515	3,308,252
Current assets	2,201,935	1,853,679
Total assets	5,881,450	5,161,931
Total equity	590,372	442,706
Non-current liabilities	2,563,226	2,933,761
Current liabilities	2,727,852	1,785,464
Total liabilities	5,291,078	4,719,225
<b>Consolidated statement of cash flows</b>		
Net cash inflows from operating activities	362,866	353,528
Net cash outflows from investing activities	(430,306)	(460,676)
Net cash inflows from financing activities	25,359	119,909
Net change in cash and cash equivalents	(42,081)	12,761
<b>Other indicators</b>		
Average number of employees (FTE)	18,537	17,443

### Dividends

The Board of Directors does not recommend the payment of a dividend and the profit for the year is retained (2024: declared dividend EUR Nil).

### Review of the development, financial performance and current position of the Group

The current financial performance and position of the Group as presented in these consolidated financial statements are considered satisfactory.

### Key intangible resources

For information regarding key intangible resources and how the business model of the Group depends on such resources refer to Note **8.13 Intangible assets**.

## Risks and uncertainties

The Group's activities are subject to various risks and uncertainties associated with the pharmacy retail and wholesale business and the general and economic environment in which the Group companies operate. The operations are affected by a number of factors including but not limited to:

- Risks relating to the economic development, inflation and their impact on purchasing power of the population,
- International and national geopolitical conditions (for example invasions in Ukraine, conflict in the Middle East),
- Risk related to legislative changes in pharmacy regulation,
- Risks associated with the labour market and increase of the minimum wage,
- Risk relating to competition,
- Risk consisting of the unsuccessful implementation of business strategies or an increase in the cost of these strategies,
- Risk associated with the failure of the private label,
- Risk of employee malpractice,
- Risk of supply chain disruptions,
- Risk of losing key employees,
- Risk of unsuccessful expansion,
- Risk of failure of IT systems,
- Risk of unauthorized access to IT systems and
- Financial risks.

The Group's exposure and response is disclosed in note **9 FINANCIAL RISK MANAGEMENT** to the consolidated financial statements.

## Expected future developments of the Group

The Board of Directors does not expect major changes in the principal activities of the Group in the foreseeable future.

## Branches

The Group does not maintain any branches.

## Share Capital

There were no changes in the share capital of the Company during the year.

## Significant events after the end of the financial year

All significant events that occurred after the end of the financial year are described in note **10 SUBSEQUENT EVENTS**.

## Board of Directors

The members of the Board of Directors of the Company and key management of the Group at 31 December 2025 and at the date of this report are presented in note **1.4 Directors of the company and group board and local CEO**.

All of them were members of the Board of Directors throughout the year ended 31 December 2025.

There were no significant changes in the assignment of responsibilities or remuneration of the Board of Directors during the year.

## Acquisition of own shares

During 2025 and 2024, no own shares were acquired.

## Other information required by special legislation

The Group is not aware of any other reporting requirements under special legal regulations.

## Auditors

The independent auditors, Ernst & Young Cyprus Limited, have expressed their willingness to continue in office and a resolution authorising the Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

## By order of the Board of Directors



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**Penta Investments Cyprus Limited**

Director

Limassol, 7 May 2026

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Dr.Max Group Holdings Plc**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the consolidated financial statements of Dr.Max Group Holdings Plc (the "Company"), and its subsidiaries (the "Group"), which are presented in pages 15 to 140 and comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statements of financial performance, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Consolidated Management Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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### **Responsibilities of the Board of Directors for the Consolidated Financial Statements**

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



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#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)**

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

#### **Report on Other Legal Requirements**

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, the Consolidated Management Report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the consolidated financial statements.
- In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Consolidated Management Report. We have nothing to report in this respect.

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

A handwritten signature in blue ink, appearing to read 'Andreas Avraamides', is written over a light blue horizontal line.

Andreas Avraamides  
Certified Public Accountant and Registered Auditor  
for and on behalf of

**Ernst & Young Cyprus Limited**  
**Certified Public Accountants and Registered Auditors**

Nicosia  
7 May 2026

# **DR.MAX GROUP HOLDINGS PLC**

## Financials



**DR.MAX GROUP HOLDINGS PLC**  
Consolidated Financial Statements

**For the Year Ended 31 December 2025**



# CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER

EUR '000

	Note	2025	2024
<b>Continuing operations</b>			
Revenues from contracts with customers	8.1	5,784,655	4,897,579
Goods for resale and direct costs	8.2	(4,328,721)	(3,630,853)
<b>Gross margin</b>		<b>1,455,934</b>	<b>1,266,726</b>
Other operating income		10,803	8,078
Personnel costs	8.3	(666,445)	(583,641)
Received services and other operating expenses	5.1, 8.4	(339,113)	(292,329)
Impairment losses of trade and other receivables	8.5	(1,406)	(1,159)
Reversal and usage of provisions		1,764	517
Gains from sale of non-financial assets	5.1, 8.6	4,165	1,468
<b>Operating profit before depreciation &amp; amortisation and impairment of non-financial assets<sup>3</sup></b>		<b>465,702</b>	<b>399,660</b>
Depreciation and amortisation	8.7	(188,321)	(166,634)
Impairment losses of non-financial assets	8.8	(1,259)	(7,670)
<b>Operating profit<sup>3</sup></b>		<b>276,122</b>	<b>225,356</b>
Investing profit	8.9	95,871	78,123
<b>Profit before financing and income tax<sup>3</sup></b>		<b>371,993</b>	<b>303,479</b>
Financing loss	5.1, 8.10	(162,915)	(151,040)
<b>Profit before tax</b>		<b>209,078</b>	<b>152,439</b>
Income tax expense	8.11	(64,312)	(55,407)
<b>Profit for the period</b>		<b>144,766</b>	<b>97,032</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange gains / (losses) on translation of foreign operations		2,384	(3,156)
Losses on cash flow hedges	8.25	673	(15,044)
<b>Items that may not be reclassified subsequently to profit or loss</b>			
Remeasurement of net defined benefit (asset) /liability	8.24	(191)	14
<b>Other comprehensive income for the year, net of tax</b>		<b>2,866</b>	<b>(18,186)</b>
<b>Total comprehensive income for the year</b>		<b>147,632</b>	<b>78,846</b>

<sup>3</sup> The Group has disclosed "Operating profit before depreciation & amortization and impairment" and "Operating profit" and "Profit before financing and taxes" because the management believes that these measures are relevant to an understanding of the Group's financial performance. For more information and formulas see section 9.7 Capital risk management.


# CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER


EUR '000

	Note	2025	2024
<b>Assets</b>			
Goodwill	8.12	734,100	684,994
Intangible assets	8.13	261,993	228,446
Property, plant and equipment	8.14	252,751	235,838
Right-of-use assets	8.15	751,916	680,219
Investments in associates	5.1, 8.16	115,500	203
Loans provided	8.17	1,516,632	1,429,793
Other financial assets	5.1	13	18
Trade and other receivables	8.18	15,959	18,759
Derivative financial assets	8.25	1,603	-
Deferred tax assets	8.11	29,048	29,982
<b>Total non-current assets</b>		<b>3,679,515</b>	<b>3,308,252</b>
Loans provided	8.17	275,734	126,818
Other financial assets		16,107	16,689
Trade and other receivables	8.18	845,850	767,664
Derivative financial assets	8.25	2,491	6,005
Current tax assets		5,556	4,433
Inventories	8.19	859,352	694,597
Cash and cash equivalents	8.20	196,845	237,286
Assets held for sale		-	187
<b>Total current assets</b>		<b>2,201,935</b>	<b>1,853,679</b>
<b>TOTAL ASSETS</b>		<b>5,881,450</b>	<b>5,161,931</b>

EUR '000			
	Note	2025	2024
<b>EQUITY AND LIABILITIES</b>			
Share capital	8.21	30	30
Share premium	8.21	540,110	540,110
Reserves		(63,771)	(66,637)
Retained earnings / (Accumulated losses)		114,003	(30,797)
<b>Equity attributable to owners of the Company</b>		<b>590,372</b>	<b>442,706</b>
<b>Total equity</b>		<b>590,372</b>	<b>442,706</b>
Interest bearing loans and borrowings	8.22	1,847,408	2,293,260
Provisions	8.23	586	453
Employee benefit obligations	8.24	19,051	16,020
Deferred tax liabilities	8.11	6,722	12,355
Other financial liabilities		7,226	6,390
Derivative financial liabilities	8.25	1,272	6,664
Lease liabilities	8.26	667,318	597,778
Creditors and accruals	8.27	13,643	841
<b>Total non-current liabilities</b>		<b>2,563,226</b>	<b>2,933,761</b>
Interest bearing loans and borrowings	8.22	864,289	136,693
Provisions	8.23	2,135	4,223
Employee benefit obligations	8.24	117,778	99,091
Derivative financial liabilities	8.25	1,160	885
Current tax liabilities		19,476	19,256
Lease liabilities	8.26	99,866	88,560
Creditors and accruals	8.27	1,623,148	1,436,756
<b>Total current liabilities</b>		<b>2,727,852</b>	<b>1,785,464</b>
<b>Total liabilities</b>		<b>5,291,078</b>	<b>4,719,225</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,881,450</b>	<b>5,161,931</b>

The consolidated financial statements were approved by the Board of Directors on 7 May 2026 and signed on its behalf by:

  
 -----  
**Penta Investment Cyprus Limited**  
 Director

  
 -----  
**Chrystalla Argyridou**  
 Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER

EUR '000

	Note	Reserves					Retained earnings / (Accumulated losses)	Total equity
		Share capital	Share premium	Translation reserve	Hedging reserve	Other reserves		
<b>At 31 December 2024</b>		<b>30</b>	<b>540,110</b>	<b>(61,818)</b>	<b>(877)</b>	<b>(3,942)</b>	<b>(30,797)</b>	<b>442,706</b>
<b>Profit for the period</b>		-	-	-	-	-	<b>144,766</b>	<b>144,766</b>
Exchange gains on translation of foreign operations		-	-	2,384	-	-	-	2,384
Gains on cash flow hedges	8.25	-	-	-	673	-	-	673
Remeasurement of net defined benefit liability / (asset)	8.24	-	-	-	-	(191)	-	(191)
<b>Other comprehensive income</b>		-	-	<b>2,384</b>	<b>673</b>	<b>(191)</b>	-	<b>2,866</b>
<b>Total comprehensive income</b>		-	-	<b>2,384</b>	<b>673</b>	<b>(191)</b>	<b>144,766</b>	<b>147,632</b>
Other movements		-	-	-	-	-	34	<b>34</b>
<b>Total capital contributions and distributions</b>		-	-	-	-	-	<b>34</b>	<b>34</b>
<b>At 31 December 2025</b>		<b>30</b>	<b>540,110</b>	<b>(59,434)</b>	<b>(204)</b>	<b>(4,133)</b>	<b>114,003</b>	<b>590,372</b>

EUR '000

	Note	Reserves					Accumulated losses	Total equity
		Share capital	Share premium	Translation reserve	Hedging reserve	Other reserves		
<b>At 31 December 2023</b>		<b>30</b>	<b>540,110</b>	<b>(58,662)</b>	<b>14,167</b>	<b>(3,956)</b>	<b>(125,745)</b>	<b>365,944</b>
<b>Profit for the period</b>		-	-	-	-	-	<b>97,032</b>	<b>97,032</b>
Exchange losses on translation of foreign operations		-	-	(3,156)	-	-	-	<b>(3,156)</b>
Losses on cash flow hedges	8.25	-	-	-	(15,044)	-	-	<b>(15,044)</b>
Remeasurement of net defined benefit liability / (asset)	8.24	-	-	-	-	14	-	<b>14</b>
<b>Other comprehensive income</b>		-	-	<b>(3,156)</b>	<b>(15,044)</b>	<b>14</b>	-	<b>(18,186)</b>
<b>Total comprehensive income</b>		-	-	<b>(3,156)</b>	<b>(15,044)</b>	<b>14</b>	<b>97,032</b>	<b>78,846</b>
Effect of transactions under common control	7.2	-	-	-	-	-	(2,069)	<b>(2,069)</b>
Other movements		-	-	-	-	-	(15)	<b>(15)</b>
<b>Total capital contributions and distributions</b>		-	-	-	-	-	<b>(2,084)</b>	<b>(2,084)</b>
<b>At 31 December 2024</b>		<b>30</b>	<b>540,110</b>	<b>(61,818)</b>	<b>(877)</b>	<b>(3,942)</b>	<b>(30,797)</b>	<b>442,706</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

EUR '000

	Note	2025	2024
<b>Operating activities</b>			
<b>Operating profit</b>	<b>5.3</b>	<b>276,122</b>	<b>225,356</b>
Adjustments for:			
Depreciation and amortisation	8.7	188,321	166,634
Impairment losses of non-financial fixed assets	8.8	1,259	7,670
Impairment losses and write-off of trade and other receivables	8.5	1,406	1,159
Impairment losses and write-off of inventory	8.2	18,923	20,649
Gain on disposal of assets	8.6	(2,949)	(1,187)
Gain on disposal of inventory	8.6	(130)	(201)
Decrease in provisions		(1,764)	(517)
Foreign exchange gains		(964)	(9,433)
Other movements		(42)	5,541
<b>Operating cash flows before working capital changes</b>		<b>480,182</b>	<b>415,671</b>
Increase in inventories		(174,898)	(138,657)
Increase in trade and other receivables		(71,995)	(25,666)
Increase in creditors, accruals and employee benefit obligations	5.3	198,822	151,755
<b>Cash generated from operations</b>		<b>432,111</b>	<b>403,103</b>
Net tax paid		(69,245)	(49,575)
<b>Net cash inflows from operating activities</b>		<b>362,866</b>	<b>353,528</b>

EUR '000

	Note	2025	2024
<b>Investing activities</b>			
Purchase of property, plant and equipment		(62,887)	(83,653)
Proceeds from sale of property, plant and equipment		5,015	4,846
Purchase of intangible assets		(52,797)	(46,094)
Proceeds from sale of intangible assets		179	459
Prepayments related to right-of-use assets		(6,647)	(2,145)
Payments to acquire subsidiaries, net of cash acquired	7.1, 7.2, 7.3	(59,774)	(50,006)
Payments to acquire associates	8.16	(102,319)	-
Dividends received from associates		385	-
Proceeds from sale of assets held for sale		-	323
Payments for acquisition of non-consolidated financial investments		(9,131)	(13,239)
Loans provided		(1,295,248)	(903,560)
Repayment of loans provided		1,078,865	553,033
Interest income received		74,053	79,360
<b>Net cash outflows from investing activities</b>		<b>(430,306)</b>	<b>(460,676)</b>
<b>Financing activities</b>			
Proceeds from borrowings and other financial liabilities	8.30	431,090	473,178
Proceeds from corporate bonds	8.30	188,281	154,101
Repayment of borrowings and other financial liabilities	8.30	(310,340)	(204,175)
Repayment of corporate bonds	8.30	(45,611)	(92,496)
Interest expense paid	8.30	(118,353)	(108,309)
Net proceeds from settlement of derivatives	8.30	12,537	14,093
Repayments of lease liability	8.30	(96,404)	(84,744)
Lease interest expense paid	8.30	(35,841)	(31,739)
<b>Net cash inflows from financing activities</b>		<b>25,359</b>	<b>119,909</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(42,081)</b>	<b>12,761</b>
Effect of exchange rate changes on cash and cash equivalents		1,640	(2,408)
<b>Cash and cash equivalents at beginning of the year</b>		<b>237,286</b>	<b>226,933</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>196,845</b>	<b>237,286</b>

# **DR.MAX GROUP HOLDINGS PLC**

## Notes to the Consolidated Financial Statements

**For the Year Ended 31 December 2025**



## 1 GENERAL INFORMATION

### 1.1 Corporate information

DR.MAX GROUP HOLDINGS PLC (hereinafter the "Company") was incorporated in Cyprus on 21 December 2007 by Penta Investments Limited as a public limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap.113. Its registered office is at Agias Fylaxeos & Polygnostou, 212 C&I Center Building, 3082 Limassol, Cyprus.

The Company is 100% controlled by Penta Investments Limited (hereinafter immediate parent company), which is 100% controlled by Penta Investments Group Limited (the ultimate parent entity). Penta Investments Group Limited is a company operating and existing under the laws of Cyprus in accordance with the provisions of the Cyprus Companies Law, Cap.113. Its registered office is 212 C&I Center Building, Agias Fylaxeos & Polygnostou, 3082 Limassol, Cyprus. Penta Investments Group Limited is owned by a number of individuals, none of whom has a controlling interest.

The parent company, Penta Investments Limited, also prepares consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union. The consolidated financial statements can be obtained from the registered office of the parent company.

The consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2025 were authorized for issue in accordance with a resolution of the directors on 7 May 2026.



## 1.2 Investment in subsidiaries and associates

These consolidated financial statements comprise the Company, its subsidiaries and equity-accounted associates.

The following table presents an overview of fully consolidated subsidiaries and subgroups held directly by the Company and equity-accounted associates as at 31 December 2025 and as at 31 December 2024.

Entity	Nature of business	Country of business operations	Effective ownership percentage	
			2025	2024
<b>Consolidated subsidiaries and subgroups</b>				
PHARMAX HOLDINGS LIMITED	Internal services	Cyprus	100.0%	100.0%
Dr. Max Funding, s.r.o.	Financing entity - Bonds	Slovak Republic	100.0%	100.0%
Dr. Max Funding CR, s.r.o.	Financing entity - Bonds	Czech Republic	100.0%	100.0%
ČESKÁ LÉKÁRNA HOLDING, a.s. Group	Health care – Own & operate retail Pharmacies	Czech Republic	100.0%	100.0%
Dr. Max BDC, s.r.o.	Intragroup services SPV	Czech Republic	100.0%	100.0%
Dr. Max Holding SK, a.s. Group	Health care – Own & operate retail Pharmacies	Slovak Republic	100.0%	100.0%
BRL Center – Polska Sp. z o.o. Group	Health care – Own & operate retail Pharmacies	Poland	100.0%	100.0%
Dr. Max Sp. z o.o.	Internal services	Poland	100.0%	100.0%
Baramoore International s.r.o.	Finance SPV	Czech Republic	100.0%	100.0%
AsterFarm d.o.o. Beograd Group	Health care – Own & operate retail Pharmacies	Republic of Serbia	100.0%	100.0%
Dr. Max Romania Group	Health care – Own & operate retail Pharmacies, Wholesale	Romania	100.0%	100.0%
MagnaPharm Holdings Limited Group	Health care – Marketing and Sales	Europe	100.0%	100.0%
Lidea SpA Group	Health care – Own & Operate retail Pharmacies	Italy	100.0%	100.0%
ViaPharma s.r.o.	Health care - Wholesale	Czech Republic	100.0%	100.0%
Dr. Max Pharma s.r.o.	Health care – Production and distribution of pharmaceutical products	Czech Republic	100.0%	100.0%
Altofarm s.r.o.	Holding entity	Czech Republic	100.0%	100.0%
Gemax Pharma s.r.o.	License provider	Czech Republic	100.0%	100.0%
MEDREG s.r.o.	Health care – Distribution of pharmaceutical products, License provider	Czech Republic	100.0%	100.0%
<b>Equity-accounted associates</b>				
VALUE PHARMACY B.V.	Pharmacy business	Poland	25.0%	-
Zdrowit S.A.	Pharmacy business	Poland	26.2%	-

For more information see notes **7 CHANGE IN GROUP'S STRUCTURE** and **8.16 Investments in associates**.

## 1.3 Description of business activities

The principal activities of the Group which are unchanged from last year, are to invest and, through its subsidiaries, actively manage a retail chain of pharmacies, number of wholesale distribution centers, and outsource integrated services of import, distribution, market access, marketing and medical promotion and regulatory services to medicine manufacturers.

## 1.4 Directors of the company and group board and local CEO

As of 31 December 2025, the composition of the Board of Directors was as follows:

Name	Position in the Company Board		
Penta Investments Cyprus Limited		 <b>Marek Petercak</b> Chairman of the Board	 <b>Michal Vrzgula</b> Member of the Board
<i>represented by:</i>			
Marek Petercak	Chairman		
Michal Vrzgula	Member		
Chrystalla Argyridou	Member		

As of 31 December 2025, the composition of the Management Board and Local Chief Executive Officer was as follows:



**Leonardo Ferrandino**  
President & CEO

**Thomas Bornemann**  
Group CFO

**Branislav Chmela**  
Group Chief Retail Operation & HR Officer

**Luca Demarchi**  
Group Chief IT Officer

**Miguel Martins da Silva**  
Chief Supply Chain Officer

**Luboř Korbelař**  
Chief Commercial Officer

**Ivo Šenkyřik**  
Head of Group M&A

**Dimitrios Tritaris**  
Chief Marketing & Customer Officer

**Jiří Navrátil**  
Chief Product Officer

**Jan Žák**  
Dr. Max CZE Regional CEO

**Marián Jánoš**  
Dr. Max SVK

**Filip Dziurnikowski**  
Dr. Max POL

**Cezar Zaharia**  
Dr. Max ROU Regional CEO

**Alessandro Urbani**  
Dr. Max ITA

**Milos Jaukovic**  
Dr. Max SRB

**Karol Michalák**  
MagnaPharm Regional CEO

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

The consolidated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS") as adopted by the EU and the requirements of the Cyprus Companies Law, Cap.113.

The following material accounting policies were adopted by the Group and applied consistently and are those that are considered significant or material for the financial results and for the presentation of the consolidated financial statements.

### 2.2 Accounting convention

The consolidated financial statements have been prepared on going concern basis and under the historical cost basis, except for assets and liabilities that have been measured at FVTPL or FVOCI, as explained in the accounting policies below.

These consolidated financial statements are presented in EURO, rounded to the nearest thousand (**EUR '000**). The functional currency of each consolidated entity is in line with national currencies.

### 2.3 Financial reporting period

These consolidated financial statements cover the year 2025, which ended at the balance sheet date of 31 December 2025. The year 2024 ending 31 December 2024 presented in these consolidated financial statements represents a comparative period.

### 2.4 Group restructuring and basis of consolidation

Transactions that occur between entities under common control are commonly referred to as 'common control transactions'. IFRS 3 Business Combinations (revised 2008) specifically scopes out common control transactions and is therefore not prescriptive as to what method should be used in business combinations between entities under common control. Accordingly, an entity may choose the pooling of interest or purchase method in accounting for business combinations involving entities under common control.

#### 2.4.1 Group restructuring in 2024

In 2024, High - Tech Systems & Software S.R.L. and MagnaPharm Trading Slovakia, s.r.o. were acquired from related party (which are owned by the same ultimate parent company) in September and October with the effect processed in Retained earnings / Accumulated losses.

## 3 MATERIAL ACCOUNTING POLICIES

### 3.1 Basis of consolidation

#### 3.1.1 Consolidation scope

All consolidated entities prepared their annual financial statements as at 31 December 2025. The entities are listed in note **1.2 Investment in subsidiaries and associates**.

#### 3.1.2 Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as at 31 December 2025. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the Consolidated statement of financial performance from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group.

#### 3.1.3 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized gains / (losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

#### 3.1.4 Changes in the Group's ownership interests in existing subsidiaries

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

#### 3.1.5 Loss of control

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted

for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity. For more information about translation reserve see sections **3.4 Foreign currencies** and **3.17 Equity**, especially Foreign operations translation reserve.

### 3.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method except those that occur between entities under common control (for more information see section **2.4 Group restructuring and basis of consolidation**). The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted

retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability that is a financial instrument and within the scope of IFRS 9, is remeasured at fair value within the changes in fair value recognized in the Consolidated statement of financial performance in accordance with IFRS 9 and presented as part of Operating profit / (loss). Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in the Consolidated statement of financial performances as part of Operating profit / (loss).

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e., the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

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

### 3.3 Associates

An **associate** is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate is initially recognised in the Consolidated statement of financial position at cost. Any difference between the cost of the investment and the Group's share of the net fair value of the identifiable assets

of an associate is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets of an associate over the cost of the investment is recognised immediately in Statement of financial performance in the period in which the associate is acquired. Such gain is presented as part of Investing profit / (loss).

At the end of each reporting period, the carrying amount of the investment in an associate is adjusted to recognise the Group's share of the changes in the net assets of the associate during the period. The Group's share of profit or loss of associates accounted for using the equity method is recognised in the consolidated statement of financial performance as part of Investing profit / (loss).

Changes in other comprehensive income of associates attributable to the Group are recognised in the Group's other comprehensive income. If changes are recognised directly in the equity of an associate, the Group recognises its share of such changes directly in its equity, if applicable.

When the group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

If there is objective evidence that the group's net investment in an associate is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases. Impairment losses and reversals of impairment losses are presented within Investing profit / (loss) in the Consolidated statement of financial performance.

The group discontinues the use of the equity method from the date when the investment ceases to be an associate. When the group retains an interest in the former associate and the retained interest is a financial asset, the group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest

and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate is disposed of.

When the group reduces its ownership interest in an associate but the group continues to use the equity method, the group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

### 3.4 Foreign currencies

The separate financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the financial statements of each entity are expressed in Euro, which is the presentation currency of the consolidated financial statements.

On consolidation, the assets and liabilities of the Group's foreign operations are translated in Euro at the rates of exchange prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that period, in which case the exchange rates prevailing at the dates of the transactions are used. Any resulting exchange differences arising are recognised in other comprehensive income and accumulated in equity. When a foreign operation is disposed exchange differences that were recorded in equity are recognised in the Consolidated statement of financial performance as part of gain or loss on disposal.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in other comprehensive income. For all other partial disposals, the proportionate share of the accumulated exchange difference is reclassified to other comprehensive income.

Goodwill arising on the acquisition of a foreign operation is treated as asset of the foreign operation and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

Foreign exchange differences recognised in profit or loss are classified in the same category as the income or expenses giving rise to those exchange differences. Exchange differences on trade receivables and trade payables arising from the sale and purchase of goods are presented within the Operating profit / (loss), whereas exchange differences on cash

and cash equivalents are presented within the Investing profit / (loss). Where classification of foreign exchange differences in accordance with the above would involve undue cost or effort, the Group presents such exchange differences within the Operating profit / (loss).

Gains and losses on financial instruments designated as hedging instruments in accordance with IFRS 9 are classified in the same category as the income and expenses affected by the risks that those instruments are used to manage. Where classification based on the underlying item would result in the separate gross presentation of economically linked gains and losses, the Group presents such gains and losses within the Operating profit / (loss) to reflect their economic substance. The same classification approach is applied to gains and losses on financial instruments that are not designated as hedging instruments but are used to manage identified risks.

In preparing these consolidated financial statements, the following official exchange rates were used:

Currency	31 December 2025		31 December 2024	
	Average exchange rate	Spot exchange rate	Average exchange rate	Spot exchange rate
CZK / EUR	24.69	24.24	25.12	25.19
PLN / EUR	4.24	4.22	4.31	4.28
RON / EUR	5.04	5.10	4.97	4.97
RSD / EUR	117.20	117.28	117.08	117.01

### 3.5 Revenues from contracts with customers

#### 3.5.1 Recognition and measurement

Revenue represents the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Group includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Group's experience with similar contracts and forecasted sales to the customer.

The Group recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Group can identify each party's rights and the payment terms for the services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Group's future cash flows is expected to change as a result of the contract), it is probable that the Group will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the customer and when specific criteria have been met for each of the Group's contracts with customers.

The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Group considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the Consolidated statement of financial performance in the period in which the circumstances that give rise to the revision become known by management.

The revenue is recognised when the Group satisfies all performance obligations by transferring the promised goods or services to the customer.

### 3.5.2 Identification of performance obligations

The Group assesses whether contracts that involve the provision of a range of services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified based on its stand-alone selling price. A service that is promised to a customer is distinct if the customer can benefit from the service, either on its own or together with other resources that are readily available to the customer (that is the service is capable of being distinct) and the Group's promise to transfer the service to the customer is separately identifiable from other promises in the contract (that is, the service is distinct within the context of the contract).

### 3.5.3 Type of revenues

Revenues earned by the Group are recognized on the following bases:

- Sales of products to retail customers

The Group sells pharmacy products through retail shops and recognize revenue at a point in time when control of the asset is transferred to customer, generally when the goods are handed over to customers.

Customers usually pay in cash (except health insurance companies where an average credit term is 30 days).

- Sales of pharmacies to wholesale market

For sale of pharmacies to the wholesale market, revenue is recognized when control of the goods has been transferred to clients, being when the goods are delivered to client premises or at the point when the client accepts the asset and obtain physical possession of the goods. Variable consideration such as volume rebates and generally rebates to customers are assessed at contract inception and revaluated at each period end, and included in the transaction price to the extent it is highly probable that there will not be a significant reversal in the recognized revenue. Rebates are offset against amounts payable by the customers and are estimated by using the expected value method. Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period.

Sales are made with an average credit term of 30 to 90 days (in Romania 30 to 120 days), or the consideration is paid in advance.

- Logistics, distribution and marketing services

The Group recognizes revenues from logistics, distribution and marketing services over time as customer consumes the benefits of the service that is being provided. Marketing services are recognised at a point in time for performance obligations where the control of a service is transferred at a point in time.

The Group uses an input method in measuring progress of the provided services because there is a direct relationship between the Group's effort (i.e., based on the labour hours incurred) and the transfer of service to the customer.

- Franchise fees

The Group recognize licensing fees (revenue) by providing to a customer a right to access the intellectual property in relation to use of trademark and business practices over a period of time. Revenue is recognized over time with the consideration to be in the form of a sale-based royalty as and when the sales occur.

Invoices for logistics, distribution and marketing services are issued according to contractual terms and are usually payable within 14 to 60 days.

### 3.5.4 Significant elements

No significant element of financing is deemed present as the sales are made with the credit term mentioned above, which is consistent with market practice.

### 3.6 Borrowing costs and financial expenses

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Financial expenses comprise of net interest expenses and other financial expenses. These costs, together with related foreign exchange gains and losses, are presented in the Consolidated statement of financial performance as part of Financing profit / (loss).

### 3.7 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit, pro rata based on the carrying amount

of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the Consolidated statement of financial performance. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain and presented in Operating profit / (loss).

## 3.8 Intangible assets

### 3.8.1 Intangible assets internally developed

Internally generated intangible assets include IT infrastructure, software and business applications. They are initially recognised at cost.

The recognition criteria are met, i.e. the development costs are capitalised from the day when the Group can demonstrate:

- Intention, technical feasibility and practical ability (availability of resources) to complete the intangible asset.
- that future economic benefits will be generated, i.e. usefulness of the intangible asset,
- the intangible asset can be measured reliably.

Once the recognition criteria are met, the cost of an internally generated intangible asset equals the sum of all directly attributable costs incurred to create, produce and prepare the asset so that it is capable of operating in the manner intended by the management. Directly attributable costs mostly include the cost of employee benefits, that arise directly from the generation of the asset. They do not include training costs. If both, the definition of and the criteria for recognition as an intangible asset is not met, expenditures are recognised as expenses when incurred. After initial recognition, internally generated intangible assets are carried at cost less accumulated amortisation and impairment losses. Internally generated intangible assets are amortised on a straight-line basis over their useful life, that is 3 years.

### 3.8.2 Intangible assets acquired separately

These mainly consist of software and other patents and licenses. Intangible assets are stated at cost less accumulated amortization and impairment losses. Amortization is charged

to the Consolidated statement of financial performance over the estimated useful lives of the intangibles using the straight-line method as described below.

The period of estimated useful life of intangibles is as follows:

Intangible assets	Number of years
Software	2 - 5 years
Other patents and licenses	2 - 15 years

### 3.8.3 Intangible assets acquired in a business combination

These mainly consist of brand names, pharmacy licenses and customer relationship.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset. The cost of such intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses.

Intangible assets assessed as having an indefinite useful life are not amortised and are examined for impairment annually or more frequently where there is an indication of impairment. Such intangibles are part of the pharmacy licenses and brand names.

Where the carrying amount of an intangible asset is greater than the amount that is estimated to be recoverable, it is written down to its recoverable amount.

Amortisation is charged to the Consolidated statement of financial performance over the remaining useful lives of the assets using the straight-line basis as described below.

The period of estimated useful life of intangibles is as follows:

Intangible assets	Number of years
Product licenses	Over the lease period
Remaining pharmacy licenses	Indefinite useful life
Brand name - Mediplus	Indefinite useful life
Customer relationship	5 – 9 years

Assessment of indefinite useful life is reviewed annually to determine whether the indefinite useful life continues to be supportable. If not, change in useful life from indefinite to finite is made on a prospective basis.

### 3.9 Property, plant and equipment

Property plant and equipment are initially recognised at cost (or at fair value on acquisition through business combination) and subsequently are carried at cost less accumulated depreciation and impairment.

Acquisition cost includes the purchase price plus other costs related to acquisition, such as freight, postage, duties, commissions and capitalised borrowing costs (no borrowing costs capitalized in 2025 and 2024).

The costs of expansion, modernisation, or improvements leading to increased productivity, capacity or efficiency are capitalised. Maintenance and repair expenses are expensed as incurred.

At each balance sheet date, the Group reviews if events indicating impairment of property, plant and equipment occurred. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). If the asset is not a separate cash-generating unit, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the carrying amount of an asset is greater than the amount that is estimated to be recoverable, it is written down to its recoverable amount and an impairment loss is recognized immediately in profit or loss.

The Group depreciates its Property plant and equipment on a straight-line basis in order to write off the cost of each asset less the estimated residual value over its estimated useful life as follows:

Property, Plant and Equipment	Number of years
Buildings	10 – 40 years
Leasehold improvements	3 – 20 years (lower of estimated useful life and remaining lease terms)
Fixture, fittings and equipment	2 – 10 years
Land	not depreciated

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

### 3.10 Impairment of tangible and intangible assets (other than goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 3.11 Right-of-use assets

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee.

The Group applies the short-term lease recognition exemption to its short-term leases (leases with a lease term of 12 months or less from the commencement date and that do not contain a purchase option). A recognition exemption is also applied to leases of low-value assets EUR 5 thousand (2024: EUR 4,2 thousand) (or equivalent of this currency, i.e., approx. CZK 100 thousand, RON 20 thousand, RSD 500 thousand). The Group anticipates that low-value underlying assets will typically include tablets, personal computers, furniture and telephones.

Lease payments on short-term leases and leases of low-value assets are recognized as an expense as incurred.

The period of estimated useful life of right-of-use asset ranges between 2 to 25 years and equals to the lower of assets remaining useful life and lease term.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the note **3.10 Impairment of tangible and intangible assets (other than goodwill)** policy.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and plus initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use assets are presented as a separate line in the Consolidated statement of financial position.

## 3.12 Financial instruments

### 3.12.1 Financial assets – Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on:

- (i) the Group's business model for managing the related assets portfolio and
- (ii) the cash flow characteristics of the asset.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All other financial assets are classified as measured at FVTPL. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

Financial assets measured at amortised cost comprise cash and cash equivalents, trade receivables and loans provided. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Financial asset measured at FVTPL comprise derivative financial instruments.

### 3.12.2 Financial assets - Recognition and derecognition

Trade receivables are initially recognised when they are originated. All other financial assets are recognised when the Group becomes a party to the contractual rights and obligations in the contract on this financial instrument.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Group commits to deliver a financial instrument. All other purchases and sales are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

### 3.12.3 Financial assets – Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

### 3.12.4 Financial assets – Subsequent measurement

**Financial assets at amortised costs** are subsequently measured at amortised cost using the effective interest method, less loss allowance. Impairment losses are presented as separate line item in the Consolidated statement of financial performance. Interest income from these financial assets is included in Investing profit / (loss). Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in Investing profit / (loss) together with foreign exchange gains and losses.

**Financial assets at FVTPL** are subsequently measured at fair value. The remeasurement of the fair value is presented in Financing profit / (loss).

### 3.12.5 Financial assets – loss allowance for ECL

The Group recognises loss allowance for ECL on financial assets measured at amortised cost. Their gross carrying amount is reduced through an allowance account, and the amount of the loss allowance is recognised in the Consolidated statement of financial performance.

Expected losses are recognized and measured according to one of two approaches: general approach or simplified approach.

For trade receivables and lease receivables the Group applies the simplified approach permitted by IFRS 9, which uses lifetime expected losses to be recognised from initial recognition of the financial assets. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss

experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial assets that are subject to impairment under IFRS 9 (i.e. loans provided and cash and cash equivalents), the Group applies general approach three stage model for impairment. The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12-month ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL is recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance).

The Group assesses the ECL on a forward-looking basis. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The Group measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects:

- (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes,
- (ii) time value of money and
- (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

### **3.12.6 Financial liabilities - Measurement categories**

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for financial liabilities at FVTPL. Financial liabilities at FVTPL comprise of derivatives, contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition.

### **3.12.7 Derivative financial instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting

period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

When a derivative is designated as a hedging instrument in an effective cash flow hedging relationship, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised in profit or loss and presented as part of Financing profit / (loss).

When a hedge no longer meets the criteria for hedge accounting or a hedging instrument is sold, terminated, or expires, hedge accounting is discontinued. When hedge accounting for cash flow hedges is discontinued, the amounts that have been accumulated in the hedging reserve remains in equity until future cash flows occurs. When a hedged future cash flows are no longer expected to occur, the cumulative gain or loss are reclassified to profit or loss and presented as part of Financing profit / (loss).

Changes in fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss and presented as part of Financing profit / (loss).

### **3.12.8 Offsetting financial instruments**

Financial assets and financial liabilities are offset, and the net amount reported in the Consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the Consolidated statement of financial position.

Derivative contracts are not offset into a single net payable or receivables. Each derivative contract is settled individually at maturity date.

### **3.13 Trade and other receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. Subsequently they are measured at amortised cost using the effective interest method, less loss allowance.

The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Group applies the IFRS 9 simplified approach in measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note **9.4 Credit risk**.

### 3.14 Inventories

Inventories mainly represent goods for resale. The cost of goods for resale is determined on a FIFO basis.

Inventories are valued at the lower of cost or net realisable value. Net realisable value is an estimate of the selling price in the ordinary course of business, less direct selling expenses.

### 3.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the Consolidated statement of financial position.

### 3.16 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is recognised as met, only when the sale is highly probable and the asset (or disposal Group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interests in its former subsidiary after the sale.

Non-current assets (and Disposal Group) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group (cash generating unit) that has either been disposed of, or classified as held for sale, and

- represents a separate major line of business or geographical area of operation;
- is a subsidiary acquired exclusively with a view to re-sale; and
- is part of a single coordinated plan to dispose of a major line of business or geographical area of operation.

Results of discontinued operations for the current year and comparatives are separately disclosed in order to evaluate the financial effects of discontinued operations.

## 3.17 Equity

### 3.17.1 Share capital

Ordinary shares issued are classified as equity as they are entitled to a residual interest in the assets of the Company after deducting its liabilities. They are recognised at the proceeds received net of direct issue costs. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

### 3.17.2 Share premium

Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

### 3.17.3 Redeemable preference shares

The Company's redeemable preference shares carry voting rights and the same dividend rights as the ordinary shares. On a winding up, the assets of the Company available to the shareholders are applied in priority to the holders of the preference shares up to the nominal amount and share premium amount paid. The preference shareholders have no further right to participate in the distribution of all or any other assets. The redeemable preference shares are redeemable only at the option of the Company and the holders have no right to put the instrument back.

### 3.17.4 Dividend distribution

Proposed dividends are recognised as a liability in the consolidated financial statements in the period in which they are approved by the shareholders.

Any interim dividends approved for distribution by the Board of Directors are recognised within equity in the period in which the decision is made.

### 3.17.5 Other reserves

Other reserves mainly consist of:

- foreign operations translation reserve;
- cash flow hedge reserve.

#### **Foreign operations translation reserve**

Exchange differences arising on translation of the foreign controlled entities are recognized in other comprehensive income and accumulated in a separate reserve within equity.

## Cash flow hedge reserve

The effective portion of changes in the fair value of the derivative designated as a hedging instrument in an effective cash flow hedging relationship, is recognised in OCI and accumulated in the hedging reserve. For more information on derivative financial instruments refer to note **3.12 Financial instruments**.

## 3.18 Borrowings

Borrowings are initially recognised at fair value, being the consideration received, net of transaction costs. Subsequent to initial recognition, borrowings are carried at amortised cost by using the effective interest rate method with the interest expense recognised on an effective yield basis.

Borrowings are classified as current liabilities unless the Group has the right to defer settlement of the liability at least 12 months after the reporting date.

## 3.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the obligation can be reliably estimated.

Provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The increase in the provision due to the passage of time is recognized in profit or loss and presented as part of Financing profit / (loss).

### 3.19.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

### 3.19.2 Contingent liabilities

If the risk is assessed as low (possible but not insignificant), the Group discloses other information on litigation risks as part of contingent liabilities.

## 3.20 Current and deferred tax

### 3.20.1 Tax expense

Income tax represents the sum of the tax currently payable and deferred tax.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting

for a business combination, the tax effect is included in the accounting for the business combination.

### 3.20.2 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated statement of financial performance because it excludes terms of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates taxable income.

Current tax is accounted for in accordance with the local tax regulations of subsidiaries. The corporate income tax rate is determined as follows:

Country	2025	2024
Bulgaria	10.0%	10.0%
Cyprus	12.5%	12.5%
Czech Republic	21.0%	21.0%
Italy <sup>4</sup>	27.9%	27.9%
Poland	19.0%	19.0%
Romania	16.0%	16.0%
Serbia	15.0%	15.0%
Slovakia	21.0%	21.0%

### 3.20.3 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise

<sup>4</sup> The rate differs based on the amount of taxable income.

the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3.21 Value-added tax / sales tax

Revenues and expenses are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the acquisition cost of the asset or as part of the expenses item, as applicable.

Receivables and payables are stated with the amount of the sale tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authorities are included as part of receivables or payables in the Consolidated statement of financial position.

### 3.22 Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Interest expense on lease liabilities is presented as part of Financing profit / (loss).

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Rental expense" in the Consolidated statement of financial performance.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The lease liability is presented as a separate line in the Consolidated statement of financial position.

### 3.23 Employee benefits

The subsidiaries of the Group and their employees contribute to certain Government Social Insurance funds based on employee's salary. The contributions are expensed as incurred and are included in "salaries and other employee benefits".

#### 3.23.1 Long term incentive bonus plans

The Group provides a long-term incentive bonus plan to key management personnel for their services rendered to the Group. The liability for employee benefits is recognised in provisions and is payable to key management following the satisfaction of various vesting conditions contained within the bonus scheme and dependant on attaining financial performance over a period of time. The provisions recognised in respect of the bonus scheme are determined using the projected unit credit method aiming to allocate the expected bonus pro-rata to the services rendered and to be rendered by key employees, and measured as the present value of the estimated future cash outflows (using a discount rate based on the high quality corporate bonds) expected to be made by the Group in respect of services rendered by employees up to the reporting date. The cost of providing these benefits is recognised as an expense in the Consolidated statement of financial performance as the employees render the services.

Net interest expense on a net defined benefit liability is presented as a part of Financing profit / (loss) in Consolidated statement of financial performance.

### 3.24 Trade payables and accruals

Trade payables are initially measured at fair value, being the invoiced amount and subsequently measured at amortised cost using the effective interest method.

Liabilities are recognised for amounts to be paid in the future for goods and services received regardless of whether or not they have been invoiced by the supplier.

### 3.25 Factoring

#### 3.25.1 Reverse factoring

The Group uses non-recourse reverse factoring over selected trade payables. Respective liabilities towards banks are presented within consolidated financial statement line Creditors and accruals. For more information refer to note **8.27 Creditors and accruals**. Correspondingly, payments for the reverse factoring liabilities are presented in cash flow from operations.

#### 3.25.2 Factoring

The selected trade receivables are subject to a factoring arrangement with the credit risk being transferred to the factor. The amount repayable under the factoring agreement is presented in consolidated financial statements within Trade and other receivables as Other receivables from third-party. The cash inflows received from the factor are presented as

operating cash inflows. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

### 3.26 Determination of fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices of similar instruments) or indirectly (i.e. derived from such prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### 3.26.1 Property, plant and equipment

The fair value of property, plant and equipment recognized as a result of a business combination is based on market values or the income approach method. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The income approach method determines the value of property based on its ability to generate desired economic benefit for the owners. The key objective of the income-based method is to determine the property value as a function of the economic benefit.

#### 3.26.2 Intangible assets

The fair value of intangible assets recognized as a result of a business combination is based on the discounted cash flows expected to be derived from the use or eventual sale of the assets.

#### 3.26.3 Inventories

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

#### 3.26.4 Non-derivate financial assets

The fair value of financial assets at fair value through profit or loss, debt and equity instruments at FVOCI and financial assets at amortized cost is based on their quoted market price at the reporting date without any deduction for transaction costs.

If a quoted market price is not available, the fair value of the instrument is estimated by management using pricing models or discounted cash flows techniques. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best

estimates and the discount rate is a market related rate at the reporting date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market-related measures at the reporting date.

The fair value of trade and other receivables and of financial assets at amortized cost is determined for disclosure purposes only.

### **3.26.5 Non-derivate financial liabilities**

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

### **3.26.6 Derivates**

Financial derivatives are measured at fair value. Their valuation is determined based on the market valuation therefore they fall into level 2.

### **3.26.7 Investment property**

The fair value of investment property is determined by an independent registered valuer.

## **3.27 Operating profit / (loss)**

Group classifies income and expenses from its main business activities in the operating category of the Consolidated statement of financial performance. Operating profit or loss includes also all income and expenses that are not classified by the Group in the other categories of the Consolidated statement of financial performance (i.e. investing profit, financing profit or loss or income tax expense), including such income or expenses that are volatile or non-recurring.

Operating profit or loss also includes remeasurements of the fair value of liability for contingent consideration in a business combination (recognised applying IFRS 3) or subsequent changes in the carrying amount of the financial liability that result from the remeasurement of the present value of the amount payable upon exercise of the put option over the non-controlling interest (recognised applying IFRS 9).

## **3.28 Investing profit / (loss)**

Investing profit or loss includes income and expenses from assets that generate a return individually and largely independently of other resources held by the Group. This includes specifically income and expenses from cash and cash equivalents, interest income from financial assets, rental income, dividends, income and expenses from investments in associates.

## **3.29 Financing profit / (loss)**

Financing profit or loss includes all income and expenses from liabilities that involve only the raising of finance and interest expense and effects of changes in interest rates from other liabilities.

Liabilities arising from transactions that involve only the raising of finance include debt instruments that are settled in cash, such as loans, borrowings and bonds where the Group receives cash and returns cash in exchange. Examples of income and expenses from such liabilities include interest expenses, fair value gains and losses and income and expenses from the derecognition of the liability.

As for the other liabilities and related expenses classified within financing profit or loss, these include interest expenses on the lease liabilities applying IFRS 16, net interest income / (expense) on a net defined benefit asset or liability applying IAS 19, or the increase in the discounted amount of a provision arising from the passage of time and the effect of any change in the discount rate on provisions, applying IAS 37.



## 4 APPLICATION OF NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new and amended standards effective as of 1 January 2025.

### 4.1 New currently effective requirements

The new standards and amendments mentioned below are effective for annual periods beginning on or after 1 January 2025.

#### 4.1.1 IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

**The amendments had no impact on the Group's annual consolidated financial statements.**



## 4.2 The standards/amendments that are not yet effective, but have been endorsed by the European Union

### 4.2.1 IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments)

In May 2024, the IASB issued amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures and they become effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

**The Group does not expect these amendments to have a material impact on its operations or consolidated financial statements.**

### 4.2.2 IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity (Amendments)

In December 2024, the IASB issued targeted amendments for a better reflection of Contracts Referencing Nature-dependent Electricity, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures and they become effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

**The Group does not expect these amendments to have a material impact on its operations or consolidated financial statements.**

### 4.2.3 Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

**The Group does not expect these amendments to have a material impact on its operations or consolidated financial statements.**

### 4.3 The standards/amendments that are not yet effective and have not yet been endorsed by the European Union

#### 4.3.1 IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the IFRS 18 - Presentation and Disclosure in Financial Statements which replaces IAS 1 - Presentation of Financial Statements and it becomes effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted.

**The Group is currently assessing the impact of adopting IFRS 18 and does not expect it to have a material impact on the consolidated financial statements.**

#### 4.3.2 IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued the IFRS 19 - Subsidiaries without Public Accountability: Disclosures, and it becomes effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted.

**The Group does not anticipate that the standard and subsequent amendments will have a material effect on the Group's consolidated financial statements.**

#### 4.3.3 IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments)

In November 2025, the IASB issued amendments to Translation to a Hyperinflationary Presentation Currency which amend IAS 21 The Effects of Changes in Foreign Exchange Rates, and they become effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted.

**The Group does not expect these amendments to have a material impact on its operations or consolidated financial statements.**

#### 4.3.4 Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

**The Group does not expect these amendments to have a material impact on its operations or consolidated financial statements.**

## 5 CHANGES IN MATERIAL ACCOUNTING POLICIES, PRESENTATION AND RESTATEMENTS

There are no changes in accounting policies nor restatements in consolidated financial statements as at 31 December 2025. The description of new presentation is described below.

### 5.1 Consolidated statement of financial performance

As the Group believes that such presentation provides more relevant information to the users of its consolidated financial statements, the Group reclassified, with effect from 31 December 2025, the following items within the Consolidated statement of financial performance:

(i) Fair value gain and (loss) on derivative financial instruments that do not qualify for hedge accounting and fair value gain and (loss) on financial assets and financial liabilities measured at FVTPL are presented within "Financing loss", instead of being classified within "Gains / (losses) from sale of non-financial assets"<sup>5</sup>.

(ii) Bank charges, primarily comprising credit card payment fees, which arise from the Group's ordinary operating activities and do not relate to financing activities, are presented within "Received services and other operating expenses" instead of within "Financing loss".



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<sup>5</sup> In addition, the line item "Other losses" has been renamed to "Gains / (losses) from sale of non-financial assets" to more appropriately describe the nature of the transactions included therein.

Below table provides detailed overview of impact on Consolidated statement of financial performance for the year ended 31 December 2024.

EUR '000

Consolidated statement of financial performance For the year ended 31 December 2024	Before new presentation implemented (audited figures)	Impact of new presentation		After new presentation implemented
		(i) Fair value gains and losses	(ii) Credit card payment fee	
<b>Continuing operations</b>				
Revenue from contracts with customers	4,897,579			4,897,579
Goods for resale and direct costs	(3,630,853)			(3,630,853)
<b>Gross margin</b>	<b>1,266,726</b>			<b>1,266,726</b>
Other operating income	8,078			8,078
Personnel costs	(583,641)			(583,641)
Received services and other operating expenses	(284,524)		(7,805)	(292,329)
Impairment losses of financial assets	(1,159)			(1,159)
(Addition), reversal of provisions	517			517
Gains / (losses) from sale of non-financial assets <sup>5</sup>	(4,584)	6,052		1,468
<b>Operating profit before depreciation &amp; amortisation and impairment of non-financial assets</b>	<b>401,413</b>	<b>6,052</b>	<b>(7,805)</b>	<b>399,660</b>
Depreciation and amortisation	(166,634)			(166,634)
Impairment losses of non-financial assets	(7,670)			(7,670)
<b>Operating profit</b>	<b>227,109</b>	<b>6,052</b>	<b>(7,805)</b>	<b>225,356</b>
Investing profit	78,123			78,123
<b>Profit before financing and taxes</b>	<b>305,232</b>	<b>6,052</b>	<b>(7,805)</b>	<b>303,479</b>
Financing loss	(152,793)	(6,052)	7,805	(151,040)
<b>Profit before tax</b>	<b>152,439</b>			<b>152,439</b>
Income tax expense	(55,407)			(55,407)
<b>Profit for the period</b>	<b>97,032</b>			<b>97,032</b>

The table below presents the impact of the reclassification on Gains / (losses) from sale of non-financial assets.

EUR '000

Gains / (losses) from sale of non-financial assets For the year ended 31 December 2024	Before new presentation implemented (audited figures)	Impact of new presentation	After new presentation implemented
Gain on disposal of Property, plant and equipment	1,316	-	1,316
Loss on disposal of Intangible assets	(435)	-	(435)
Gain on disposal of Right-of-use assets	306	-	306
Gain on disposal of Inventory	201	-	201
Fair value loss - Financial assets / liabilities at FVTPL	(3,162)	3,162	-
Fair value gain of derivative financial instruments not designated as a hedge - unrealised	2,236	(2,236)	-
Fair value loss of derivative financial instruments not designated as a hedge - realised	(5,126)	5,126	-
Other gains	80	-	80
<b>Total gains / (losses) from sale of non-financial assets</b>	<b>(4,584)</b>	<b>6,052</b>	<b>1,468</b>

## 5.2 Consolidated statement of financial position

As at 31 December 2025, investments in associates are presented as a separate line item in the Consolidated statement of financial position. The presentation has been changed in order to provide more relevant information to the users of the consolidated financial statements.

The table below provides a detailed overview of the impact on the Consolidated statement of financial position for the year ended 31 December 2024.

EUR '000

Consolidated statement of financial position For the year ended 31 December 2024	Before new presentation implemented (audited figures)	Impact of new presentation	After new presentation implemented
<b>Assets</b>			
Investments in associates	-	203	203
Other financial assets	221	(203)	18

## 5.3 Consolidated statement of cash flows

The table below summarises the impact of the above reclassifications on the Consolidated statement of cash flows for the year ended 31 December 2024.

EUR '000

Consolidated statement of cash flows for the year ended 31 December 2024	Before new presentation implemented (audited figures)	Impact of new presentation	After new presentation implemented
<b>Net cash inflows from operating activities</b>			
Operating profit	227,109	(1,753)	225,356
Change in fair value of financial liabilities at FVTPL	6,052	(6,052)	-
Increase in creditors, accruals and employee benefit obligations	143,950	7,805	151,755

## 6 CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered relevant. Actual results might differ from these estimates.

The following are the critical judgements made by management in the process of applying accounting policies as well as the key sources of estimation uncertainty that have significant risk of causing material adjustment to the carrying amounts of the assets and liabilities.

### 6.1 Impairment of goodwill and intangibles not amortised

The Group determines at least on an annual basis whether indefinite life intangible assets and goodwill are impaired. This requires an estimate of an asset's recoverable amount which is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use and it is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

For more details refer to note **8.12 Goodwill** and **8.13 Intangible assets**.

### 6.2 Impairment losses on trade receivables and loans provided

In accordance with IFRS 9 "Financial Instruments", the Group has performed an exercise to estimate future expected credit losses (ECL) based on prospective view.

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

For more details refer to note **8.17 Loans provided** and **8.18 Trade and other receivables**.

### 6.3 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management

judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable profits together with future tax planning strategies.

For more details refer to note **8.11 Income tax expense**.

## 6.4 Provisions

Provisions take into account an expected expense, showing it as a liability on the Consolidated statement of financial position. Created provisions represent the management's best estimate of the future outflow of the economic benefits.

For more details refer to note **8.23 Provisions**.

## 6.5 Fair value measurement on business combinations and associates

The Group made acquisitions both in 2025 and 2024 and based on IFRS 3, recognised the underlying assets and liabilities and consideration given at fair value. The fair value has been determined by adopting a variety of techniques that are appropriate for the respective assets and liabilities and are normally assessed by market valuation practitioner. For some of the 2025 and 2024 acquisitions the fair value of the assets acquired, and liabilities assumed were measured on a provisional basis. The fair value estimates and techniques used, requires significant judgement to be exercised by management.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

For more details refer to note **7.1 Acquisition of subsidiaries – Business combinations** and **8.16 Investment in associates**.

## 6.6 Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

For more details refer to note **8.11 Income tax expense**.

## 6.7 Lease incremental borrowing rate

To determine the incremental borrowing rate, the Group:

- uses a build-up approach by adding to the risk-free interest rate for each country the credit risk for leases held by the Group; and
- makes adjustments specific to the lease, such as term, country, currency and security.

The incremental borrowing rate applied to the lease liabilities was determined as the rate of interest that the Group would have to pay to borrow over a similar term the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The average maturity of lease agreements for commercial spaces is generally 8 years, while for motor vehicles and other equipment, 4 years.

For more details refer to note **8.15 Right-of-use-assets** and **8.26 Lease liabilities**.

## 6.8 Lease termination and extension options

In the determination of lease term, the Group includes extension options that are reasonably certain to be exercised and periods for which termination options will not be exercised.

The Group exercises significant judgement to assess whether the extension/termination options are reasonably certain to be exercised. The Group assesses whether there is an economic incentive for the Group to exercise, or not exercise the extension or termination options. Most relevant factors are prevailing market prices, location and importance of the underlying asset, exclusivity of the asset, termination cost and leasehold improvements.

The Group, using hindsight has applied individual estimates when determining the lease term when the contracts contain options to extend or terminate the lease.

Most extension options relate to pharmacies and are included in the lease liability, because the Group cannot replace the asset without significant business disruption. Location of pharmacies are strategic to the business and pharmacies are relocated only due to special circumstances.

For more details refer to note **8.15 Right-of-use-assets** and **8.26 Lease liabilities**.

## 7 CHANGE IN GROUP'S STRUCTURE

### 7.1 Acquisition of subsidiaries – Business combinations

In 2025, the Group acquired pharmacies to increase its market share in local markets. The Group also expects to achieve cost savings through economies of scale. The subsidiaries acquired during the year ended 31 December 2025 are presented in the table below.

Name	Consolidated subsidiary or subgroup name	Nature of business	Country of business operations	Acquisition date	Effective ownership percentage
Viva Pharm	AsterFarm d.o.o. Beograd Group	Pharmacy business	Serbia	2 January 2025	100%
Zalfija	AsterFarm d.o.o. Beograd Group	Pharmacy business	Serbia	1 July 2025	100%
AU Markovic	AsterFarm d.o.o. Beograd Group	Pharmacy business	Serbia	1 November 2025	100%
U Radnice Rousínov s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 June 2025	100%
Lékárna Broumov, s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 August 2025	100%
DRM Lékárna PP s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 August 2025	100%
Lékárna U soudu, s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 August 2025	100%
Lékárna Věkoše, s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 August 2025	100%
Pilulka Lékárny a.s.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 September 2025	100%
Liptovské rádiodiagnostické centrum, spol. s r.o., VITALIS spol. s r.o.	Dr. Max Holding SK, a.s. Group	Pharmacy business	Slovakia	1 March 2025	100%
FARMDIS, spol. s r.o.	Dr. Max Holding SK, a.s. Group	Pharmacy business	Slovakia	5 December 2025	100%
Dr.Max 248 s. r. o.	Dr. Max Holding SK, a.s. Group	Pharmacy business	Slovakia	19 December 2025	100%
Nettuno San Giacomo	Lidea SpA Group	Pharmacy business	Italy	31 March 2025	100%
Fontana - Gorgonzola	Lidea SpA Group	Pharmacy business	Italy	31 March 2025	100%
Ai Gemelli D'oro (Mogliano - Matteotti)	Lidea SpA Group	Pharmacy business	Italy	30 September 2025	100%
Turris Angeli (Roma- Torrenova)	Lidea SpA Group	Pharmacy business	Italy	30 September 2025	100%
Della Ferrovia (Ancona - Marconi)	Lidea SpA Group	Pharmacy business	Italy	31 December 2025	100%
Dalla Montà (S.Demetrio - Nazionale)	Lidea SpA Group	Pharmacy business	Italy	31 December 2025	100%
Nuova Farmacia Amica (Brindisi - Martiri)	Lidea SpA Group	Pharmacy business	Italy	31 December 2025	100%
Farmacia 4.0 (Margherita - Canusium)	Lidea SpA Group	Pharmacy business	Italy	31 December 2025	100%
Farmacia Morgex (Morgex - Mont Blanc)	Lidea SpA Group	Pharmacy business	Italy	31 December 2025	100%
Bagnolo del Piemonte (Bagnolo - Rossi)	Lidea SpA Group	Pharmacy business	Italy	31 December 2025	100%
38 individual pharmacies licences	Dr. Max Romania Group	Pharmacy business	Romania	31 December 2025	100%

The details of the subsidiaries acquired during the year ended 31 December 2024 are presented in the following table.

Name	Consolidated subsidiary or subgroup name	Nature of business	Country of business operations	Acquisition date	Effective ownership percentage
Miletic	AsterFarm d.o.o. Beograd Group	Pharmacy business	Serbia	30 June 2024	100%
Pet-Sar	AsterFarm d.o.o. Beograd Group	Pharmacy business	Serbia	31 March 2024	100%
Katofarm Sp. z o.o.; Katofarm Sp. z.o.o. Sp.J.	BRL Center Polska Sp. z o.o. Group	Pharmacy business	Poland	31 May 2024	100%
LÉKÁRNY BALTIC 2024 s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 February 2024	100%
ASPERULA spol. s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 April 2024	100%
Lékárna u Lucie s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 May 2024	100%
U Zlatého Orla	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 August 2024	100%
Hornikova Brno	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 September 2024	100%
OSANA-lékárna s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 October 2024	100%
Lékárna Čech s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 December 2024	100%
Teta drogerie a lékárny ČR s.r.o.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 November 2024	100%
Pilulka Lékárny a.s.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 November 2024	100%
Pilulka Lékárny a.s.	Česká Lékárna Holding, a.s. Group	Pharmacy business	Czech Republic	1 October 2024	100%
DR. Max OnLine Sp. z o.o.	DR. MAX Sp. z o.o. Group	Pharmacy business	Poland	12 April 2024	100%
Individual acquisition of 48 pharmacies licences	Dr. Max SRL Group	Pharmacy business	Romania	31 December 2024	100%
Europa - Cassino (FR)	Lidea SpA Group	Pharmacy business	Italy	1 January 2024	100%
Falchera - Torino (TO)	Lidea SpA Group	Pharmacy business	Italy	1 January 2024	100%
Volturno - Cesate (MI)	Lidea SpA Group	Pharmacy business	Italy	1 March 2024	100%

The table below provides details of subsidiaries acquired during the year ended 31 December 2024 for which the acquisition accounting was provisional in the prior period and finalised in current period before the reporting date.

Name	Consolidated subsidiary or subgroup name	Nature of business	Country of business operations	Acquisition date	Effective ownership percentage
Ivancic i sin farmacija	AsterFarm d.o.o. Beograd Group	Pharmacy business	Serbia	31 December 2024	100%
Baliva - Celano (AQ)	Lidea SpA Group	Pharmacy business	Italy	1 September 2024	100%

### 7.1.1 Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of all assets acquired, and liabilities assumed at the date of acquisition.

EUR '000

Fair value	2025	2024
<b>ASSETS</b>		
Intangible assets	14,350	8,986
Property, plant and equipment	754	407
Right-of-use assets	9,980	3,435
Trade and other receivables	4,797	2,295
Other financial assets	43	3
Current tax assets	370	129
Inventories	8,650	3,049
Cash and cash equivalents	3,450	2,757
<b>TOTAL ASSETS</b>	<b>42,394</b>	<b>21,061</b>
<b>LIABILITIES</b>		
Interest bearing loans and borrowings	1,251	604
Provisions	153	5
Employee benefit obligations	927	502
Deferred tax liabilities	8	-
Lease liabilities	9,980	3,435
Creditors and accruals	10,641	3,189
Current tax liabilities	318	169
<b>TOTAL LIABILITIES</b>	<b>23,278</b>	<b>7,904</b>
<b>NET IDENTIFIABLE ASSETS ACQUIRED</b>	<b>19,116</b>	<b>13,157</b>
<b>Add: Goodwill</b>	<b>48,024</b>	<b>25,710</b>
<b>NET ASSETS ACQUIRED</b>	<b>67,140</b>	<b>38,867</b>

Out of the total amounts of all assets acquired, and liabilities assumed presented in the above table, the provisionally determined fair values of the assets and liabilities as at the date of the acquisition are as follows:

EUR '000

Fair value	2025	2024
<b>ASSETS</b>		
Property, plant and equipment	-	48
Right-of-use assets	-	43
Trade and other receivables	-	474
Current tax assets	-	7
Inventories	-	314
Cash and cash equivalents	-	192
<b>TOTAL ASSETS</b>	<b>-</b>	<b>1,078</b>
<b>LIABILITIES</b>		
Employee benefit obligations	-	58
Lease liabilities	-	43
Creditors and accruals	-	1,043
Current tax liabilities	-	4
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>1,148</b>
	-	-
<b>NET IDENTIFIABLE ASSETS ACQUIRED</b>	<b>-</b>	<b>(70)</b>
Add: Goodwill	-	2,709
<b>NET ASSETS ACQUIRED</b>	<b>-</b>	<b>2,639</b>

The fair values of the assets acquired, and liabilities assumed during the year ended 31 December 2024 that were determined provisionally as at the date of the acquisition do not materially differ from the revised ones. Therefore, no adjustment of fair values of the assets acquired and liabilities assumed during the year ended 31 December 2024 was recognised in the consolidated financial statements for the year ended 31 December 2025.

The goodwill is attributable to the workforce and the high profitability of the acquired business.

It will not be deductible for tax purposes.

## 7.1.2 Purchase consideration

EUR '000

Purchase consideration	2025	2024
Cash consideration paid <sup>6</sup>	63,961	36,893
Contingent consideration	-	200
Deferred consideration	2,889	1,774
Transfer of fixed assets	290	-
<b>Total purchase consideration</b>	<b>67,140</b>	<b>38,867</b>

Outstanding consideration payable (deferred and contingent) is recognised within consolidated financial statements line Creditors and accruals (see note **8.27 Creditors and accruals**).

## 7.1.3 Net cash flow on acquisitions

EUR '000

Net cash outflow on acquisitions	2025	2024
Cash consideration paid	63,961	36,893
Less: Balances acquired		
- Cash and cash equivalents	3,450	2,757
<b>Net cash outflow on acquisitions completed during the current period</b>	<b>60,511</b>	<b>34,136</b>

<sup>6</sup> Cash consideration paid: The balance as of 31 December 2025 (2024) consists of advances paid during 2024 (2023) in the amount of EUR 15,513 thousand (2024: EUR 1,165 thousand).

## 7.1.4 Additional information on Acquired subsidiaries

EUR '000

Additional information on Acquired subsidiaries	2025	2024
<b>Acquired receivables</b>		
Gross contractual amount for trade and other receivables	4,797	2,300
Best estimate of contractual cash flows not expected to be collected	-	(4)
<b>Fair value of the acquired trade receivables</b>	<b>4,797</b>	<b>2,296</b>
<b>Contribution of the acquired subsidiaries to Group results from the date of acquisition to the end of the reporting period</b>		
Contribution to Revenue from contracts with customers	45,794	26,382
Contribution to Profit for the period <sup>7</sup>	(1,079)	1,018
Out of which contribution of subsidiaries for which provisional accounting was used amounts to:		
Revenue from contracts with customers	-	734
Profit for the period	-	(43)
<b>If the acquisitions had occurred on 1 January</b>		
Revenue from contracts with customers would have been	70,152	42,155
Profit for the period would have been <sup>7</sup>	(3,453)	1,031
<b>Acquisition-related costs<sup>8</sup></b>	<b>(586)</b>	<b>(369)</b>

<sup>7</sup> There was no impact to Other comprehensive income, therefore Profit from the period is equal to Comprehensive income.

<sup>8</sup> Presented in consolidated financial statements within note **8.4 Received services and other operating expenses** as a part of the line Professional fees (accounting, tax, legal advisory, etc.).

## 7.2 Acquisition of subsidiaries – Transactions under common control

### 7.2.1 Summary of acquisition

During 2025 no such transaction occurred.

For the acquisition during 2024 see the table below.

Name	Consolidated subsidiary or subgroup name	Nature of business	Country of business operations	Acquisition date	Effective ownership percentage
High - Tech Systems & Software S.R.L.	Dr. Max SRL Group	IT services and software solutions	Romania	1 October 2024	100%
MagnaPharm Trading Slovakia, s.r.o.	Magnapharm Group	Health care - Sales	Cyprus	30 September 2024	100%

In accordance with IFRS 3, these transactions were treated as common control transaction; hence no fair value exercise was performed.

Instead, the pre-existing carrying amount of underlying assets and liabilities used in direct parent consolidation were taken over. The differences between total consideration payables and net assets acquired were recognised within consolidated financial statements line Accumulated losses.

### 7.2.2 Assets acquired and liabilities assumed

The carrying amount of assets and liabilities of acquired operations were as follows:

EUR '000

Fair value	2024
<b>ASSETS</b>	
Intangible assets	1,482
Property, plant and equipment	209
Cash and cash equivalents	25
<b>TOTAL ASSETS</b>	<b>1,716</b>
<b>LIABILITIES</b>	
Employee benefit obligations	97
Lease liabilities	135
<b>TOTAL LIABILITIES</b>	<b>232</b>
<b>NET ASSETS ACQUIRED</b>	<b>1,484</b>
<b>Effect of transactions under common control recognised within Equity</b>	<b>(2,069)</b>

### 7.2.3 Purchase consideration

EUR '000

Purchase consideration	2024
Cash consideration paid	3,553
<b>Total purchase consideration</b>	<b>3,553</b>

### 7.2.4 Net cash flow on acquisition

EUR '000

Net cash flow on acquisition	2024
Cash consideration paid	3,553
Less: Balances acquired	
- Cash and cash equivalents	25
<b>Net outflow of cash – investing activities</b>	<b>3,528</b>

### 7.2.5 Additional information on Acquired subsidiaries

EUR '000

Additional information on Acquired subsidiaries	2024
<b>Contribution of the acquired subsidiaries to Group results from the date of acquisition to the end of the reporting period</b>	
Contribution to Revenue from contracts with customers	-
Contribution to Profit for the period <sup>9</sup>	38
<b>If the acquisitions had occurred on 1 January</b>	
Revenue from contracts with customers would have been	-
Profit for the period would have been <sup>9</sup>	59

### 7.2.6 Acquisition-related costs

No acquisition related cost occurred in 2024.

<sup>9</sup> There was no impact to Other comprehensive income, therefore Profit from the period is equal to Comprehensive income.

### 7.3 Net cash outflow on business combinations and transactions under common control

The table below provides information on reconciliation between net cash outflow on total current year acquisitions, i.e. business combinations and transactions under common control.

EUR '000

Reconciliation to consolidated statement of cash flow	2025	2024
Net cash outflow on business combinations completed during the current period	60,511	34,136
Net cash outflow on transactions under common control completed during the current period	-	3,528
Less: prepayments relating to current-period business combinations paid in previous period	(15,513)	(1,165)
Add: prepayments paid in current period for future business combinations	4,437	-
Add: deferred consideration paid	10,339	13,507
<b>Payments to acquire subsidiaries, net of cash acquired</b>	<b>59,774</b>	<b>50,006</b>

### 7.4 Other changes in the Group's structure

No subsidiary was established nor disposed by the Group during the reporting period 2025 and 2024.



## 8 OTHER INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 8.1 Revenues from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

EUR '000

Type of revenues	2025	2024
Revenues from pharmaceuticals products	5,724,206	4,846,918
thereof Retail (RX and OTC)	4,312,711	3,636,043
thereof Wholesale	1,408,991	1,202,066
thereof Other	2,504	8,809
Revenues from promotional and related marketing services	26,447	20,542
Revenues from franchise fee	26,402	24,346
Revenues from logistics services	7,600	5,773
<b>Total</b>	<b>5,784,655</b>	<b>4,897,579</b>

EUR '000

Timing of revenues recognition	2025	2024
At a point in time	5,725,641	4,847,498
Over time	59,014	50,081
<b>Total</b>	<b>5,784,655</b>	<b>4,897,579</b>

EUR '000

Geographical regions	2025	2024
Romania	2,503,057	2,179,189
Czech Republic	1,368,475	1,240,519
Slovakia	804,617	712,944
Poland	475,570	297,959
Italy	279,547	214,501
Serbia	273,222	193,893
Bulgaria	30,776	28,442
Hungary	30,095	17,803
Other region	19,296	12,329
<b>Total</b>	<b>5,784,655</b>	<b>4,897,579</b>

## 8.2 Goods for resale and direct costs

EUR '000

Goods for resale and direct costs	2025	2024
Cost of sales and direct costs	(4,309,798)	(3,610,204)
Write-off of inventory	(16,282)	(15,818)
Impairment losses of inventory	(2,641)	(4,831)
<b>Total</b>	<b>(4,328,721)</b>	<b>(3,630,853)</b>

## 8.3 Personnel costs

EUR '000

Personnel costs	2025	2024
Wages and salaries	(563,241)	(492,843)
Social security costs and other employee benefits	(103,204)	(90,798)
<b>Total</b>	<b>(666,445)</b>	<b>(583,641)</b>
<b>Average number of employees</b>	<b>18,537</b>	<b>17,443</b>

## 8.4 Received services and other operating expenses

EUR '000

Received services and other operating expenses	Note	2025	2024
Marketing and advertising		(73,872)	(66,509)
Rental expenses and utilities		(51,594)	(47,156)
Transportation and packaging		(48,759)	(35,175)
Administrative and operations expenses (telecommunication, travelling, entertainment, office supplies, repairs and maintenance)		(38,445)	(36,131)
IT services		(33,876)	(32,238)
Professional fees (accounting, tax, legal advisory, etc.)		(25,108)	(23,100)
Taxes, fees and insurance		(16,789)	(12,210)
Agency workers		(11,506)	(7,355)
Credit card payment fee	5.1	(9,102)	(7,805)
Auditors' remuneration		(1,621)	(1,328)
Other operating expense		(28,441)	(23,322)
<b>Total</b>		<b>(339,113)</b>	<b>(292,329)</b>

## 8.5 Impairment losses of trade and other receivables

EUR '000

Impairment losses of trade and other receivables	Note	2025	2024
Impairment gains / (losses) of receivables	8.18	1,631 <sup>10</sup>	(318)
Write-off of trade receivables		(3,037)	(841)
<b>Total</b>		<b>(1,406)</b>	<b>(1,159)</b>

<sup>10</sup> The balance comprises net impairment gains / (losses) on trade receivables and other receivables of EUR 517 thousand (2024: EUR (318) thousand), and net impairment gains / (losses) on paid advances of EUR 1,114 thousand (2024: EUR 0 thousand).

## 8.6 Gains from sale of non-financial assets

EUR '000

Gains from sale of non-financial assets	2025	2024
Gain on disposal of property, plant and equipment	2,352	1,316
Gain / (loss) on disposal of intangible assets	58	(435)
Gain on disposal of right-of-use assets	539	306
Gain on disposal of inventory	130	201
Net foreign exchange gain from operating activities	964	-
Other gains	122	80
<b>Total</b>	<b>4,165</b>	<b>1,468</b>

Changes of 2024 (comparatives) are described in the note **5 CHANGES IN MATERIAL ACCOUNTING POLICIES, PRESENTATION AND RESTATEMENTS**.

## 8.7 Depreciation and amortisation

EUR '000

Depreciation and amortisation	Note	2025	2024
Intangible assets	8.13	(32,185)	(25,499)
Property, plant, and equipment	8.14	(45,139)	(40,544)
Right-of-use assets	8.15	(110,997)	(100,591)
<b>Total</b>		<b>(188,321)</b>	<b>(166,634)</b>

## 8.8 Impairment losses of non-financial assets

EUR '000

Impairment losses of non-financial assets	Note	2025	2024
Intangible assets	8.13	(218)	(7,415)
Property, plant and equipment	8.14	(551)	(255)
Right-of-use assets	8.15	(490)	-
<b>Total</b>		<b>(1,259)</b>	<b>(7,670)</b>

## 8.9 Investing profit

EUR '000

Investing profit	Note	2025	2024
Interest income from loans provided to related parties	8.29	81,583	78,690
Net foreign exchange gain / (loss) from investing activities		12,622	(3,885)
Other interest income		1,666	3,318
<b>Total</b>		<b>95,871</b>	<b>78,123</b>

## 8.10 Financing loss

EUR '000

Finance loss	Note	2025	2024
Interest expense on bank and other borrowings	8.30	(47,460)	(68,250)
Interest expense on loans provided by related parties	8.29, 8.30	(29,475)	(24,774)
Interest expense on bonds	8.30	(43,344)	(39,342)
Interest expense on lease liabilities	8.26, 8.30	(35,756)	(31,715)
<b>Subtotal Interest expense</b>		<b>(156,035)</b>	<b>(164,081)</b>
Amounts reclassified from OCI in relation to cash-flow hedges	8.25	4,921	20,806
Bank charges		(990)	(1,611)
Net foreign exchange gain / (loss) from financing activities		(13,663)	2,666
Fair value loss of financial assets and liabilities at FVTPL	5.1, 8.30	(680)	(3,162)
Fair value gain / (loss) of derivative financial instruments not designated as a hedge	5.1, 8.25	9,902	(2,890)
Unwinding of discount	8.23, 8.24	(711)	(469)
Net other finance expense		(5,659)	(2,299)
<b>Subtotal Other finance income / (expense)</b>		<b>(6,880)</b>	<b>13,041</b>
<b>Total</b>		<b>(162,915)</b>	<b>(151,040)</b>

## 8.11 Income tax expense

The income tax expense comprises:

EUR '000

Income tax expense	2025	2024
Current tax expense	(57,654)	(48,155)
Deferred tax benefit	4,329	5,843
Other tax expense	(10,987)	(13,095)
<b>Total</b>	<b>(64,312)</b>	<b>(55,407)</b>

Other tax expense primarily consists of effect of hybrid tax in Romania<sup>11</sup>.

The current tax expense comprises:

EUR '000

Current tax expense	2025	2024
Current tax on profits for the year	(57,841)	(47,464)
Adjustments for current tax of prior periods	187	(691)
<b>Total</b>	<b>(57,654)</b>	<b>(48,155)</b>

<sup>11</sup> The fiscal provision of the Romanian Fiscal Law stipulates that taxpayers with a turnover of over EUR 50,000 thousand and the corporate income tax lower than the minimum turnover tax are obliged to pay corporate income tax at the level of the minimum turnover tax. The Romanian Ministry of Finance has proposed reducing the minimum turnover tax (IMCA) from 1% to 0.5% starting from fiscal year 2026 and completely eliminated from the 2027 fiscal year.

The below reconciliation of the effective tax rate is prepared as aggregation of separate reconciliations prepared under the domestic tax rate in each individual jurisdiction.

EUR '000

Income tax reconciliation	2025	2024
Profit subject to corporate income tax 10.0% (Bulgaria)	2,081	29
Loss subject to corporate income tax 12.5% (Cyprus)	2,560	(7,543)
Loss subject to corporate income tax 15.0% (Serbia)	(2,052)	(2,741)
Profit subject to corporate income tax 16.0% (Romania)	48,938	31,592
Loss subject to corporate income tax 19.0% (Poland)	(17,059)	(11,590)
Profit subject to corporate income tax 21.0% (Slovakia, Czech Republic)	174,860	162,752
Profit / (loss) subject to corporate income tax 24.0% (Slovakia, Italy)	14,674	(527)
Loss subject to corporate income tax 27.9% (Italy)	(14,924)	(19,533)
<b>Profit before tax</b>	<b>209,078</b>	<b>152,439</b>
Income tax at the applicable tax rates	41,151	29,968
Non-deductible expenses	20,051	19,596
Tax-exempt income	(11,601)	(10,090)
Tax losses for which no deferred tax asset is recognised	3,222	3,004
Adjusted by amount related to tax calculated based on non-profit measure (e.g. turnover tax)	10,987	13,095
Surrendering of tax losses to other group companies	773	(2,473)
Recognition of previously unrecognised tax losses	(152)	2,351
Other permanent differences	(306)	647
<b>Income tax expense for the year</b>	<b>64,125</b>	<b>56,098</b>
Adjustments for current tax of prior periods	187	(691)
<b>Total income tax expense</b>	<b>64,312</b>	<b>55,407</b>
<b>Effective tax rate</b>	<b>30.8%</b>	<b>36.4%</b>

### 8.11.1 Deferred tax assets and liabilities

EUR '000

Deferred tax assets and (liabilities)	Note	Property, plant and equipment and intangibles	Right-of-use assets	Trade receivables and inventories	Derivate financial instruments	Provisions	Employee benefits	Lease liabilities	Other timing differences	Total net deferred tax assets /(liabilities)
<b>Balance as at 1 January 2024</b>		<b>(12,374)</b>	<b>(111,195)</b>	<b>5,285</b>	<b>(3,890)</b>	<b>2,805</b>	<b>7,609</b>	<b>116,415</b>	<b>3,161</b>	<b>7,816</b>
Tax (charged) / credited to the profit or loss		(1,296)	(8,523)	4,873	-	(23)	(1,528)	10,468	1,872	5,843
Tax credited to the other comprehensive income	8.25	-	-	-	4,050	-	-	-	-	4,050
Transfers		(477)	473	-	-	-	(18)	(473)	495	-
Other movement		-	-	-	-	-	14	-	-	14
Exchange difference		(42)	833	21	49	(37)	(69)	(861)	10	(96)
<b>Balance as at 31 December 2024</b>		<b>(14,189)</b>	<b>(118,412)</b>	<b>10,179</b>	<b>209</b>	<b>2,745</b>	<b>6,008</b>	<b>125,549</b>	<b>5,538</b>	<b>17,627</b>
- thereof deferred tax assets										29,982
- thereof deferred tax liabilities										(12,355)
<b>Balance as at 31 December 2024</b>		<b>(14,189)</b>	<b>(118,412)</b>	<b>10,179</b>	<b>209</b>	<b>2,745</b>	<b>6,008</b>	<b>125,549</b>	<b>5,538</b>	<b>17,627</b>
Tax (charged) / credited to the profit or loss		(620)	(9,117)	(1,445)	-	232	432	10,947	3,900	<b>4,329</b>
Tax credited to the other comprehensive income	8.25	-	-	-	(225)	-	-	-	-	<b>(225)</b>
Tax charged acquisition of subsidiaries		(8)	-	-	-	-	-	-	-	<b>(8)</b>
Transfers		-	-	(1,547)	-	-	-	-	1,547	-
Exchange difference		450	(1,476)	56	(3)	96	173	1,543	(236)	<b>603</b>
<b>Balance as at 31 December 2025</b>		<b>(14,367)</b>	<b>(129,005)</b>	<b>7,243</b>	<b>(19)</b>	<b>3,073</b>	<b>6,613</b>	<b>138,039</b>	<b>10,749</b>	<b>22,326</b>
- thereof deferred tax assets										29,048
- thereof deferred tax liabilities										(6,722)

The Group has not recognized deferred tax asset of EUR 14,266 thousand (2024: EUR 10,467 thousand) from tax losses carried forward as it is not probable that taxable profits will be available against which it can be utilised. Tax losses for which no deferred tax asset was recognised expire as follows:

EUR '000

Expiry date	2025	2024
Within one year	4,046	824
Within two years	5,280	4,680
Within three years	6,222	6,128
Within four years	2,504	4,716
Within five and more years	1,689	3,071
Never expire	40,014	27,652

### 8.11.2 OECD Pillar Two models rules

The group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Cyprus, the jurisdiction in which Company is incorporated.

The Income Inclusion Rule ("IIR") requires a parent entity of a Multinational Enterprise ("MNE") group or a large-scale domestic group to pay a top-up tax on its low-taxed income and the low-taxed income of its subsidiaries to ensure that the group's overall income is taxed at a minimum rate of 15%. The IIR has been effective for financial years beginning on or after 31 December 2023.

The Undertaxed Profits Rule ("UTPR") serves as a backstop to the IIR and applies to MNE groups that have low-tax income in jurisdictions where a top-up tax has not been collected through a Qualified IIR. It effectively allocates the top-up tax to other jurisdictions based on a formulaic approach, ensuring the group's overall tax burden meets the minimum effective tax rate of 15%. The UTPR has been effective for financial years beginning on or after 31 December 2024.

The Group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. The Group has effective tax rates that exceed 15% in all jurisdictions in which it operates, except for jurisdiction Bulgaria, where one of its subsidiaries operates.

For 2025 (2024), the average effective tax rate of the entity operating in Bulgarian jurisdiction is:

EUR '000

Average effective tax rate	Bulgaria 2025	Bulgaria 2024
Expected tax expense for year ending 31 December	247	180
Average effective tax rate	10.0%	10.0%
Pillar II rate	15.0%	15.0%
<b>Top-up tax</b>	<b>124</b>	<b>90</b>

This assessment, as shown in the table above, indicates that, for the subsidiary operating in jurisdiction Bulgaria the average effective tax rate based on accounting profit is 10.0% for the annual reporting period ending 31 December 2025 (31 December 2024). This is not part of the Group's current tax expense as of 31 December 2025 (31 December 2024) due to immateriality.

The Group has assessed its exposure to Pillar Two income taxes based on the legislation enacted in the jurisdictions in which it operates. However, although the average effective tax rate is below 15%, the group's exposure to paying Pillar Two income taxes might not be for the full difference in tax rates in relation to jurisdiction Bulgaria. This is due to the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12.

Based on the current assessment there is no material impact from exposure to Pillar Two legislation on the going concern assessment or on any asset impairment.



## 8.12 Goodwill

EUR '000

Goodwill	Note	Total
<b>COSTS</b>		
<b>Balance as at 1 January 2024</b>		<b>679,560</b>
Acquisition of a subsidiary	7.1	25,710
Exchange difference		(1,351)
<b>Balance as at 31 December 2024</b>		<b>703,919</b>
Acquisition of a subsidiary	7.1	48,024
Exchange difference		1,099
<b>Balance as at 31 December 2025</b>		<b>753,042</b>
<b>ACCUMULATED IMPAIRMENT</b>		
<b>Balance as at 1 January 2024</b>		<b>(18,933)</b>
Exchange difference		8
<b>Balance as at 31 December 2024</b>		<b>(18,925)</b>
Exchange difference		(17)
<b>Balance as at 31 December 2025</b>		<b>(18,942)</b>
<b>NET BOOK VALUE</b>		
<b>Balance as at 31 December 2024</b>		<b>684,994</b>
<b>Balance as at 31 December 2025</b>		<b>734,100</b>

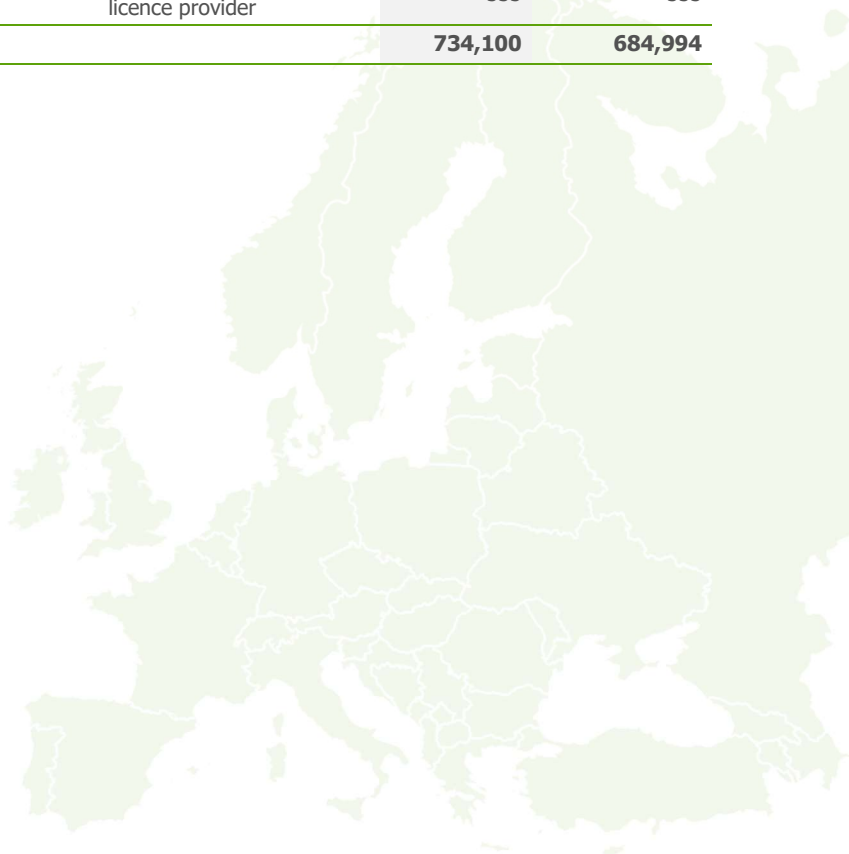
Goodwill arising on business combinations is allocated at acquisition to each of the Group's cash generated units (CGUs) that are expected to benefit from the synergies of the business combination. If the Group reorganises its reporting structure in a way that changes the composition of one or more CGUs to which goodwill has been initially allocated, the goodwill is reallocated to the units affected.

### 8.12.1 Goodwill allocation

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows.

EUR '000

Entity / Cash Generating Unit	Activities in Health care	Carrying Value	
		2025	2024
Lidea SpA Group	Own & Operate retail Pharmacies in Italy	266,700	246,118
ČESKÁ LÉKÁRNA HOLDING, a.s. Group	Own & Operate retail Pharmacies in Czech Republic	125,168	115,760
Dr. Max Romania Group - Retail CGU	Own & Operate retail Pharmacies in Romania	97,163	97,352
Dr. Max Romania Group - Wholesale CGU	Operation of wholesale in Romania	53,852	55,261
Dr. Max Holding SK, a.s. Group	Own & Operate retail Pharmacies in the Slovak Republic	75,085	71,096
AsterFarm d.o.o. Beograd Group	Own & Operate retail Pharmacies in Serbia	58,186	41,942
Dr.Max Sp. z o.o., BRL Center-Polska Sp. z o.o. Group	Own & Operate retail Pharmacies in Poland	34,342	33,861
MagnaPharm Holdings Limited Group - Marketing and sales CGU	Provision of marketing and sales services	23,271	23,271
MEDREG s.r.o.	Distribution of medicine and licence provider	333	333
<b>Total</b>		<b>734,100</b>	<b>684,994</b>



### 8.12.2 General information for impairment testing

The Group tests goodwill for impairment annually (as at 31 December 2025) or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the CGUs are determined by using value in use calculations and fair values of the related CGUs. In case of goodwill belonging to held-for-sale business and where expected sales prices are available from proposed bids, then the proposed bids are used for impairment testing.

The Group used fair values and discounted cash flow as the basis for determining recoverable amounts for the year 2025.

In determining fair values of CGUs, the management used similar market transactions comparable EBITDA/sales multiple, which were applied to maintainable variable EBITDA/sales of each respective CGU.

With respect to impairment testing of CGUs' belonging to Lidea SpA Group, ČESKÁ LÉKÁRNA HOLDING, a.s. Group, Dr. Max Romania Group, Dr. Max Holding SK, a.s. Group, MagnaPharm Holdings Limited and AsterFarm d.o.o. Beograd Group, the Group has used the DCF model to calculate the Value in use derived from long-term budgets (five-year period). These budgets are approved by the management and are up to date as at the impairment testing date. The budgets are based on both actual numbers and future expected business trends. The future cash flows are extrapolated based on respective growth rate. The growth rates are based on assumptions e.g., expected GDP growth, interest rates and analysis of regulatory and market environment. For more information see below.

Once an impairment loss has been recognised for goodwill, it is not reversed in a subsequent period.



### 8.12.3 Key assumptions used to calculate value in use<sup>12</sup>

EUR '000

Entity / Cash Generating Unit	Impairment assumptions and methods used
Lidea SpA Group	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 15.3%; EBITDA margin: 6.1%; Discount rate: 8.2%; Terminal growth rate: 2.0%)</p> <p><b>2024:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 16.4%; EBITDA margin: 4.6%; Discount rate: 8.4%; Terminal growth rate: 2.0%)</p>
ČESKÁ LÉKÁRNA HOLDING, a.s. Group	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 4.6%; EBITDA margin: 6.4%; Discount rate: 8.4% / Terminal growth rate: 2.0%)</p> <p><b>2024:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 5.9%; EBITDA margin: 6.5%; Discount rate: 8.4% / Terminal growth rate: 2.0%)</p>
Dr. Max Romania Group - Retail CGU	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 7.8%; EBITDA margin: 5.2%; Discount rate: 12.3%; Terminal growth rate: 2.0%)</p> <p><b>2024:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 7.5%; EBITDA margin: 4.4%; Discount rate: 12.5%; Terminal growth rate: 2.0%)</p>
Dr. Max Romania Group - Wholesale CGU	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 4.2%; EBITDA margin: 2.0%; Discount rate: 12.3%; Terminal growth rate: 2.0%)</p> <p><b>2024:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 5.1%; EBITDA margin: 2.2%; Discount rate: 12.5%; Terminal growth rate: 2.0%)</p>
Dr. Max Holding SK, a.s. Group	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 5.0%; EBITDA margin: 7.0%; Discount rate: 8.1% / Terminal growth rate: 2.0%)</p> <p><b>2024:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 5.2%; EBITDA margin: 7.1%; Discount rate: 8.0% / Terminal growth rate: 2.0%)</p>
AsterFarm d.o.o. Beograd Group <sup>13</sup>	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 8.5%; EBITDA margin: 2.5%; Discount rate: 10.4%; Terminal growth rate: 3.0%)</p> <p><b>2024:</b> Fair value/ Benchmark market multiple (EV/Revenue multiple: 0.4, Revenue: EUR 191,098 thousand)</p>
Dr.Max Sp. z o.o., BRL Center-Polska Sp. z o.o. Group	<p><b>2025:</b> Fair value/ Benchmark market multiple (EV/Revenue multiple: 0.4, Revenue: EUR 459,635 thousand)</p> <p><b>2024:</b> Fair value/ Benchmark market multiple (EV/Revenue multiple: 0.4, Revenue: EUR 270,285 thousand)</p>
MagnaPharm Holdings Limited Group - Marketing and sales CGU	<p><b>2025:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 10.9%; EBITDA margin: 6.2%; Discount rate: 12.0%; Terminal growth rate: 2.0%)</p> <p><b>2024:</b> DCF based on long term budgets (Growth rate of revenue for 5 years: 14.7%; EBITDA margin: 5.6%; Discount rate: 11.0%; Terminal growth rate: 2.0%)</p>

<sup>12</sup> The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

<sup>13</sup> Due to the increase in the number of pharmacies and the saturation of the Serbian market, the Group has decided to revise its approach to calculating Value in Use. Starting from 2025, the Group applies a DCF model for the impairment testing of CGUs belonging to the AsterFarm d.o.o. Beograd Group to determine Value in Use, ensuring compliance with the calculation approach used for other developed markets.

#### 8.12.4 Impairment testing for goodwill

Based on the calculation, the estimated recoverable amount exceeds the carrying amount and therefore the Group identified no impairment of goodwill as at 31 December 2025 (31 December 2024).

Based on impairment test of goodwill carried out as at 31 December 2025 (31 December 2024), key inputs mentioned below were identified that would need to change significantly for the carrying amount to exceed the recoverable amount.



The following table shows the amount by which these inputs would have to change for the estimated recoverable amount to equal the carrying amount:

2025	From	To
<b>Discounted Cashflow method</b>		
<b>Lidea SpA Group</b>		
Pre-tax discount rate	8.2%	14.0%
Growth rate in perpetuity	2.0%	(6.7%)
EBITDA margin	6.1%	4.5% <sup>14</sup>
<b>ČESKÁ LÉKÁRNA HOLDING, a.s. Group</b>		
Pre-tax discount rate	8.4%	1561%
Growth rate in perpetuity	2.0%	less than (10%)
EBITDA margin	6.4%	1.6%
<b>Dr. Max Romania Group - Wholesale CGU</b>		
Pre-tax discount rate	12.3%	21.2%
Growth rate in perpetuity	2.0%	(22%)
EBITDA margin	2.0%	1.5%
<b>Dr. Max Romania Group - Retail CGU</b>		
Pre-tax discount rate	12.3%	20.4%
Growth rate in perpetuity	2.0%	(15.7%)
EBITDA margin	5.2%	3.8%
<b>Dr. Max Holding SK, a.s. Group</b>		
Pre-tax discount rate	8.1%	36.6%
Growth rate in perpetuity	2.0%	less than (10%)
EBITDA margin	7.0%	3.5%
<b>MagnaPharm Holdings Limited Group - Marketing and sales CGU</b>		
Pre-tax discount rate	12%	38.6%
Growth rate in perpetuity	2.0%	(279%)
EBITDA margin	6.2%	3.5%
<b>AsterFarm d.o.o. Beograd Group</b>		
Pre-tax discount rate	10.4%	16.1%
Growth rate in perpetuity	3.0%	(5.6%)
EBITDA margin	2.5%	2.1%
<b>Multiples method</b>		
<b>Dr.Max Sp. z o.o., BRL Center-Polska Sp. z o.o. Group</b>		
EV/Sales	0.4	0.2
Sales	459,635	195,578

<sup>14</sup> EBITDA margin is calculated as average budgeted EBITDA growth rate of next five years. For Lidea Spa Group the budgeted EBITDA growth rate in the last year of impairment calculation is higher than average EBITDA margin used in sensitivity analysis.

2024	From	To
<b>Discounted Cashflow method</b>		
<b>Lidea SpA Group</b>		
Pre-tax discount rate	8.4%	9.1%
Growth rate in perpetuity	2.0%	1.1%
EBITDA margin	4.6%	5.9% <sup>15</sup>
<b>ČESKÁ LÉKÁRNA HOLDING, a.s. Group</b>		
Pre-tax discount rate	8.4%	18.939%
Growth rate in perpetuity	2.0%	less than (10%)
EBITDA margin	6.5%	1.3%
<b>Dr. Max Romania Group - Wholesale CGU</b>		
Pre-tax discount rate	12.5%	16.5%
Growth rate in perpetuity	2.0%	(5.3%)
EBITDA margin	2.2%	1.8%
<b>Dr. Max Romania Group - Retail CGU</b>		
Pre-tax discount rate	12.5%	16.4%
Growth rate in perpetuity	2.0%	(4.8%)
EBITDA margin	4.4%	3.8%
<b>Dr. Max Holding SK, a.s. Group</b>		
Pre-tax discount rate	8.1%	42.7%
Growth rate in perpetuity	2.0%	less than (10%)
EBITDA margin	7.1%	3.6%
<b>MagnaPharm Holdings Limited Group - Marketing and sales CGU</b>		
Pre-tax discount rate	11.0%	28.6%
Growth rate in perpetuity	2.0%	(59.0%)
EBITDA margin	5.6%	3.9%
<b>Multiples method</b>		
<b>AsterFarm d.o.o. Beograd Group</b>		
EV/Sales	0.4	0.3
Sales	191,098	128,438
<b>Dr. Max Sp. z o.o., BRL Center-Polska Sp. z o.o. Group</b>		
EV/Sales	0.4	0.2
Sales	270,285	153,827

<sup>15</sup> EBITDA margin is calculated as average budgeted EBITDA growth rate of next five years. For Lidea Spa Group the budgeted EBITDA growth rate in the last year of impairment calculation is higher than average EBITDA margin used in sensitivity analysis.

## 8.13 Intangible assets

EUR '000

Intangible assets	Note	Software	Brand name	Customer relationships	Other patents and licenses	Other intangible assets	Intangible assets under construction and prepayments	Total
<b>COSTS</b>								
<b>Balance as at 1 January 2024</b>		<b>117,729</b>	<b>22,967</b>	<b>30,753</b>	<b>140,243</b>	<b>5,015</b>	<b>30,970</b>	<b>347,677</b>
Additions		18,859	-	-	2,537	1,278	12,789	35,463
Internally developed		3,349	-	-	-	-	709	4,058
Acquisitions of subsidiaries and transactions under common control	7.1, 7.2	1,491	-	-	8,977	135	-	10,603
Transfers		10,739	(1)	-	7,330	9	(18,077)	-
Transfers from other asset categories		-	-	-	118	-	-	118
Disposals		(595)	(505)	-	(655)	(12)	(7,411)	(9,178)
Exchange difference		(947)	12	37	19	(29)	(203)	(1,111)
<b>Balance as at 31 December 2024</b>		<b>150,625</b>	<b>22,473</b>	<b>30,790</b>	<b>158,569</b>	<b>6,396</b>	<b>18,777</b>	<b>387,630</b>
Additions		21,980	-	-	2,499	1,365	24,633	50,477
Internally developed		4,456	-	-	-	-	34	4,490
Acquisitions of subsidiaries	7.1	34	-	-	14,262	191	-	14,487
Transfers		7,475	29	-	7,696	47	(15,247)	-
Transfers from other asset categories		36	-	-	-	-	-	36
Disposals		(66)	-	-	(959)	(664)	-	(1,689)
Exchange difference		2,039	(549)	(785)	(3,579)	67	(38)	(2,845)
<b>Balance as at 31 December 2025</b>		<b>186,579</b>	<b>21,953</b>	<b>30,005</b>	<b>178,488</b>	<b>7,402</b>	<b>28,159</b>	<b>452,586</b>

EUR '000

Intangible assets	Note	Software	Brand name	Customer relationships	Other patents and licenses	Other intangible assets	Intangible assets under construction and prepayments	Total
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>								
<b>Balance as at 1 January 2024</b>		<b>(89,596)</b>	<b>(16,507)</b>	<b>(19,284)</b>	<b>(5,537)</b>	<b>(3,994)</b>	-	<b>(134,918)</b>
Amortisation	8.7	(19,970)	(32)	(3,358)	(1,087)	(1,052)	-	(25,499)
Acquisitions of subsidiaries and transactions under common control	7.1, 7.2	(7)	-	-	-	(128)	-	(135)
Transfers		(2)	(5)	-	7	-	-	-
Transfers from other asset categories		-	-	-	(118)	-	-	(118)
Impairment		(124)	-	-	-	-	(7,291)	(7,415)
Disposals		449	356	-	149	10	7,291	8,255
Other movements		-	-	-	-	(46)	-	(46)
Exchange difference		652	(11)	(23)	54	20	-	692
<b>Balance as at 31 December 2024</b>		<b>(108,598)</b>	<b>(16,199)</b>	<b>(22,665)</b>	<b>(6,532)</b>	<b>(5,190)</b>	-	<b>(159,184)</b>
Amortisation	8.7	(26,913)	(34)	(3,311)	(973)	(954)	-	(32,185)
Acquisitions of subsidiaries	7.1	(20)	-	-	-	(117)	-	(137)
Transfers from other asset categories		(18)	-	-	-	-	-	(18)
Impairments		(96)	-	-	(115)	-	(7)	(218)
Disposals		30	-	-	831	664	-	1,525
Other movements		54	-	-	-	(99)	-	(45)
Exchange difference		(1,128)	397	617	(164)	(53)	-	(331)
<b>Balance as at 31 December 2025</b>		<b>(136,689)</b>	<b>(15,836)</b>	<b>(25,359)</b>	<b>(6,953)</b>	<b>(5,749)</b>	<b>(7)</b>	<b>(190,593)</b>

EUR '000

Intangible assets	Software	Brand name	Customer relationships	Other patents and licenses	Other intangible assets	Intangible assets under construction and prepayments	Total
<b>NET BOOK VALUE</b>							
Balance as at 31 December 2024	42,027	6,274	8,125	152,037	1,206	18,777	228,446
Balance as at 31 December 2025	49,890	6,117	4,646	171,535	1,653	28,152	261,993

EUR '000

Intangible assets	Software	Brand name	Customer relationships	Other patents and licenses	Other intangible assets	Intangible assets under construction and prepayments	Total
Costs	186,579	21,953	30,005	178,488	7,402	28,159	452,586
Accumulated amortisation and impairment	(136,689)	(15,836)	(25,359)	(6,953)	(5,749)	(7)	(190,593)
<b>Net book value as at 31 December 2025</b>	<b>49,890</b>	<b>6,117</b>	<b>4,646</b>	<b>171,535</b>	<b>1,653</b>	<b>28,152</b>	<b>261,993</b>

### 8.13.1 Other information

The software portfolio comprises mainly of integrated retail and wholesale management system, financial reporting platform, pharmacy sales and dispensing solution, and the e-commerce platform and mobile application. Additions to the software portfolio as well as outstanding balance of assets under construction consist mainly of capitalized expenditures associated with the continued development, enhancement, and transformation of these systems.

Out of the total balance of Other patents and licenses of EUR 171,535 thousand (2024: EUR 152,037 thousand), EUR 164,865 thousand (2024: EUR 147,067 thousand) relate to pharmacy licenses with indefinite useful life. An analysis of market and competitive trends indicates that these licences are expected to generate net cash inflows for the Group for an indefinite period. Accordingly, the licences are carried at cost and are not amortised but are tested annually for impairment. The remaining licences relate to exceptional licences, which are amortised over their remaining useful economic lives.

Customer relationships of EUR 4,646 thousand (2024: EUR 8,125 thousand) comprise of existing customer relationship with wholesale business and have useful lives of 10 years.

Out of the total balance of Brand name and trademarks of EUR 6,117 thousand (2024: EUR 6,274 thousand), EUR 5,988 thousand (2024: EUR 6,144 thousand) relate to Mediplus brand (for more information see below).

During 2025 (2024) the Group did not capitalize any borrowing costs and there were no government grants for the purchase of intangible assets.

### 8.13.2 Brand name

EUR '000

Brands with indefinite useful life	2025	2024
Mediplus	5,988	6,144
<b>Balance as at 31 December</b>	<b>5,988</b>	<b>6,144</b>

An analysis of product life cycle studies and market and competitive trends provides evidence that the product will generate net cash inflows for the Group for an indefinite period. Therefore, the brands are carried at cost without amortisation, but are tested for impairment.

Mediplus brand is tested for impairment as part of impairment test of Dr. Max Romania Group Wholesale CGU. No impairment charge of Mediplus brand arose in the current reporting period.

### 8.13.3 Impairment of other intangible assets

The Group performed impairment testing on all intangible assets showing impairment indicators which mainly relates to software. As a result of the impairment testing, no impairments (2024: EUR 0 thousand) have been recognised except impairment mentioned below.

During 2025 the Company decided to write off the software in the amount of EUR 7 thousand (2024: EUR 7,291 thousand). The balance written of in 2024 mainly related to project WisePharm. WisePharm was a strategically significant initiative that commenced in 2020, aimed at transforming the Point-of-Sale (POS) systems for the Group. The immediate goal was to enhance the operational efficiency of company's pharmacies. This project was expected to deliver a substantial competitive edge and future-proof our POS infrastructure. Upon implementation of the WisePharm POS system in the first pharmacies, significant functionality shortfalls became apparent. These issues raised serious concerns about the system's suitability and effectiveness in meeting our operational needs. Given the extent of the identified issues and the risk of further complications, the Company made the strategic decision to halt the project. The key factors influencing this decision included: cost considerations and risk management.

Impairment testing of pharmacy licenses and customer relationships has been performed together with the impairment testing of Goodwill relating to Romania business and no impairment was recognised. Assumptions used for impairment testing are described in note **3.7 Goodwill**.



## 8.14 Property, plant and equipment

EUR '000

Property, plant and equipment	Note	Land, buildings and leasehold improvement <sup>16</sup>	Fixtures, fittings, tools, equipment and vehicles	Tangible assets under construction and prepayments	Total
<b>COSTS</b>					
<b>Balance as at 1 January 2024</b>		<b>152,704</b>	<b>210,813</b>	<b>30,189</b>	<b>393,706</b>
Additions		13,861	47,418	23,427	84,706
Acquisitions of subsidiaries and transactions under common control	7.1, 7.2	392	1,347	11	1,750
Transfers		7,567	12,639	(20,206)	-
Transfers from other asset categories		-	(334)	(5,713)	(6,047)
Disposals		(17,564)	(13,053)	-	(30,617)
Other movements		-	75	(27)	48
Exchange difference		(470)	(823)	(90)	(1,383)
<b>Balance as at 31 December 2024</b>		<b>156,490</b>	<b>258,082</b>	<b>27,591</b>	<b>442,163</b>
Additions		11,703	34,819	18,230	64,752
Acquisitions of subsidiaries	7.1	282	2,121	34	2,437
Transfers		3,531	19,682	(23,213)	-
Transfers from other asset categories		(1,205)	(36)	-	(1,241)
Disposals		(2,813)	(8,017)	(5)	(10,835)
Other movements		-	(62)		(62)
Exchange difference		640	1,040	12	1,692
<b>Balance as at 31 December 2025</b>		<b>168,628</b>	<b>307,629</b>	<b>22,649</b>	<b>498,906</b>

<sup>16</sup> Out of the total balance the amount of EUR 26,222 thousand (2024: EUR 22,707 thousand) relates to leasehold improvements.

EUR '000

Property, plant and equipment	Note	Land, buildings and leasehold improvement <sup>17</sup>	Fixtures, fittings, tools, equipment and vehicles	Tangible assets under construction and prepayments	Total
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>					
<b>Balance as at 1 January 2024</b>		<b>(67,790)</b>	<b>(123,613)</b>	<b>-</b>	<b>(191,403)</b>
Depreciation	8.7	(10,844)	(29,700)	-	(40,544)
Acquisitions of subsidiaries and transactions under common control	7.1, 7.2	(154)	(980)	-	(1,134)
Impairment	8.8	(134)	(121)	-	(255)
Transfers from other asset categories		-	326	-	326
Disposals		14,807	11,229	-	26,036
Other movements		-	(168)	-	(168)
Exchange difference		215	602	-	817
<b>Balance as at 31 December 2024</b>		<b>(63,900)</b>	<b>(142,425)</b>	<b>-</b>	<b>(206,325)</b>
Depreciation	8.7	(8,048)	(37,091)	-	(45,139)
Acquisitions of subsidiaries	7.1	(77)	(1,606)	-	(1,683)
Impairment	8.8	(267)	(253)	(31)	(551)
Transfers		(958)	958	-	-
Transfers from other asset categories		-	18	-	18
Disposals		985	7,458	-	8,443
Other movements		(6)	364	-	358
Exchange difference		(483)	(793)	-	(1,276)
<b>Balance as at 31 December 2025</b>		<b>(72,754)</b>	<b>(173,370)</b>	<b>(31)</b>	<b>(246,155)</b>

<sup>17</sup> Out of the total balance the amount of EUR (11,284) thousand (2024: EUR (8,754) thousand) relates to leasehold improvements.

EUR '000

Property, plant and equipment	Land, buildings and leasehold improvement	Fixtures, fittings, tools, equipment and vehicles	Tangible assets under construction and prepayments	Total
<b>NET BOOK VALUE</b>				
Balance as at 31 December 2024	92,590	115,657	27,591	235,838
Balance as at 31 December 2025	95,874	134,259	22,618	252,751

EUR '000

Property, plant and equipment	Land, buildings and leasehold improvement	Fixtures, fittings, tools, equipment and vehicles	Tangible assets under construction and prepayments	Total
Costs	168,628	307,629	22,649	498,906
Accumulated depreciation and impairment	(72,754)	(173,370)	(31)	(246,155)
Net book value as at 31 December 2025	95,874	134,259	22,618	252,751

### 8.14.1 Impairment of property plant, equipment

The Group performed impairment testing on all assets showing impairment indicators which mainly relates to fixed assets of loss-making pharmacies. As a result of the impairment testing performed, additional impairments of EUR 1,200 thousand (2024: EUR 1,744 thousand) have been recognised. In 2025, the Group recognised a reversal of impairment of EUR 649 thousand (2024: EUR 1,489 thousand).

### 8.14.2 Property, plant and equipment pledged as security

The details of property, plant and equipment pledged as security for bank borrowings are disclosed in note **8.22 Interest-bearing loans and borrowings**.

### 8.14.3 Other information

During 2025 (2024) the Group did not capitalize any borrowing costs and there were no government grants for the purchase of property, plant and equipment. As at 31 December 2025, no property, plant and equipment were temporary idle.



## 8.15 Right-of-use assets

The Group has lease contracts for rent of commercial spaces, motor vehicles and other equipment used in its operations. Leases of commercial spaces generally have average lease terms of 8 years, while motor vehicles and other equipment generally have average lease terms of 4 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension options and variable lease payments, which are further discussed below.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

EUR '000

Right-of-use assets	Note	Leasehold improvements and land and buildings	Fixtures, fittings, tools, equipment and vehicles	Total
<b>Balance as at 1 January 2024</b>		<b>582,880</b>	<b>54,489</b>	<b>637,369</b>
Additions, modifications and reassessments		123,076	24,202	147,278
Acquisition of subsidiaries and transactions under common control	7.1	3,435	-	3,435
Depreciation	8.7	(88,032)	(12,559)	(100,591)
Transfers		39	(39)	-
Transfers from other asset categories		-	5,720	5,720
Disposals		(9,458)	(820)	(10,278)
Other movement		1,327	(55)	1,272
Exchange difference		(3,617)	(369)	(3,986)
<b>Balance as at 31 December 2024</b>		<b>609,650</b>	<b>70,570</b>	<b>680,219</b>
Additions, modifications and reassessments		170,356	13,808	184,164
Acquisition of subsidiaries	7.1	9,980	-	9,980
Depreciation	8.7	(97,774)	(13,223)	(110,997)
Impairments	8.8	-	(490)	(490)
Transfer		1,540	(1,540)	-
Transfers from other asset categories <sup>18</sup>		1,390	-	1,390
Disposals		(15,616)	(2,535)	(18,151)
Other movement		-	(5)	(5)
Exchange difference		5,357	448	5,806
<b>Balance as at 31 December 2025</b>		<b>684,883</b>	<b>67,033</b>	<b>751,916</b>

<sup>18</sup> Transfer was from following categories: Property, plant and equipment (EUR 1,205 thousand) and Assets held for sale (EUR 185 thousand).

## 8.16 Investments in associates

EUR '000

Investments in associates	Note	2025	2024
<b>Investments in associates</b>			
VALUE PHARMACY B.V., Zdrowit S.A.		106,515	-
Other non-material associates	5.2	205	197
<b>Subtotal</b>		<b>106,720</b>	<b>197</b>
<b>Prepayments for investments in associates</b>			
Zdrowit S.A.		8,010	-
Other non-material associates		770	6
<b>Subtotal</b>		<b>8,780</b>	<b>6</b>
<b>Total</b>		<b>115,500</b>	<b>203</b>

In December 2025, the Group acquired interests in associates listed in the table below. The table provides details of these associates, including their nature of business, country of business operations, acquisition date and the Group's effective ownership interest. The country of incorporation or registration is also the principal place of business of each entity, and the proportion of ownership interest held by the Group is the same as the proportion of voting rights.

Name	Nature of business	Country of business operations	Acquisition date	Effective ownership percentage
VALUE PHARMACY B.V. <sup>19</sup>	Pharmacy business	Poland	18 December 2025	25.0%
Zdrowit S.A. <sup>19</sup>	Pharmacy business	Poland	30 December 2025	26.2%

In addition to the associates presented above, the Group also holds interests in individually immaterial associates that are accounted for using the equity method.

### 8.16.1 Significant judgements in determining the classification of associates

The Group assessed the nature of its interests in VALUE PHARMACY B.V. and Zdrowit S.A., including the governance structure and contractual arrangements of these entities. The Group holds 25.0% and 26.2% of the voting rights, respectively, and concluded that it has significant influence over the entities.

The Group also concluded that it does not control or jointly control these entities, as it does not have the power to direct the relevant activities, does not hold a majority of voting rights or the ability to appoint a majority of the members of the governing bodies, and cannot make decisions about relevant activities unilaterally.

Accordingly, the investments are classified as associates and are accounted for using the equity method as set out in the group's accounting policies in note **3.3 Associates**.

<sup>19</sup> The company is not publicly listed.

The Group's exposure to risks arising from its interests in associates is limited to the carrying amount of its investments.

### 8.16.2 Summarised financial information for associates

The table below presents summarised financial information for the Group's material associates. At the time when the consolidated financial statements were authorised for issue, the Group had not yet completed the accounting for the acquisition of interests in associates. Amounts disclosed in the below table have only been determined provisionally.

The information is based on the preliminary financial statements of the associates as at 31 December 2025. Preliminary financial statements of the associates are prepared in accordance with IFRS (with the exception of the IFRS 16 adjustment at Zdrowit S.A., which is currently being assessed and has not yet been finalised).

The table also includes a reconciliation of the summarised financial information to the carrying amount of the investments in associates recognised in the consolidated financial statements, reflecting the Group's share of the net assets of those associates.

EUR '000

Summarised financial information for associates	VALUE PHARMACY B.V., Zdrowit S.A.
<b>ASSETS</b>	
Non-current assets	427,786
Current asset	314,999
<b>TOTAL ASSETS</b>	<b>742,785</b>
<b>LIABILITIES</b>	
Non-current liabilities	208,839
Current liabilities	329,669
<b>TOTAL LIABILITIES</b>	<b>538,508</b>
<b>NET ASSETS</b>	<b>204,277</b>
<b>GROUP'S SHARE OF NET ASSETS</b>	<b>51,420</b>
<b>GOODWILL</b>	<b>55,095</b>
<b>CARRYING AMOUNT OF INTEREST IN ASSOCIATES</b>	<b>106,515</b>

Although associates had operations during the year, the Group acquired its interests in December 2025. As a result, no share of profit or loss of the associates was recognised in the consolidated financial statements for the period and summarised financial information relating to profit or loss is therefore not presented.

No dividends received after the acquisition date.

The Group has no material commitments or contingent liabilities relating to its interests in associates.

The liabilities of VALUE PHARMACY B.V. and Zdrowit S.A. include a bank loans that are subject to financial covenants. These covenants may restrict the ability of associates to distribute dividends, shareholder loans or other forms of distributions to shareholders if the conditions

set out in the bank loan agreement are not met (including but not limited to compliance with leverage and debt service ratios).

### 8.16.3 Purchase consideration

EUR '000

Purchase consideration	VALUE PHARMACY B.V., Zdrowit S.A.
Cash consideration paid	93,539
Contingent consideration	12,976
<b>Total purchase consideration</b>	<b>106,515</b>

### 8.16.4 Contingent consideration

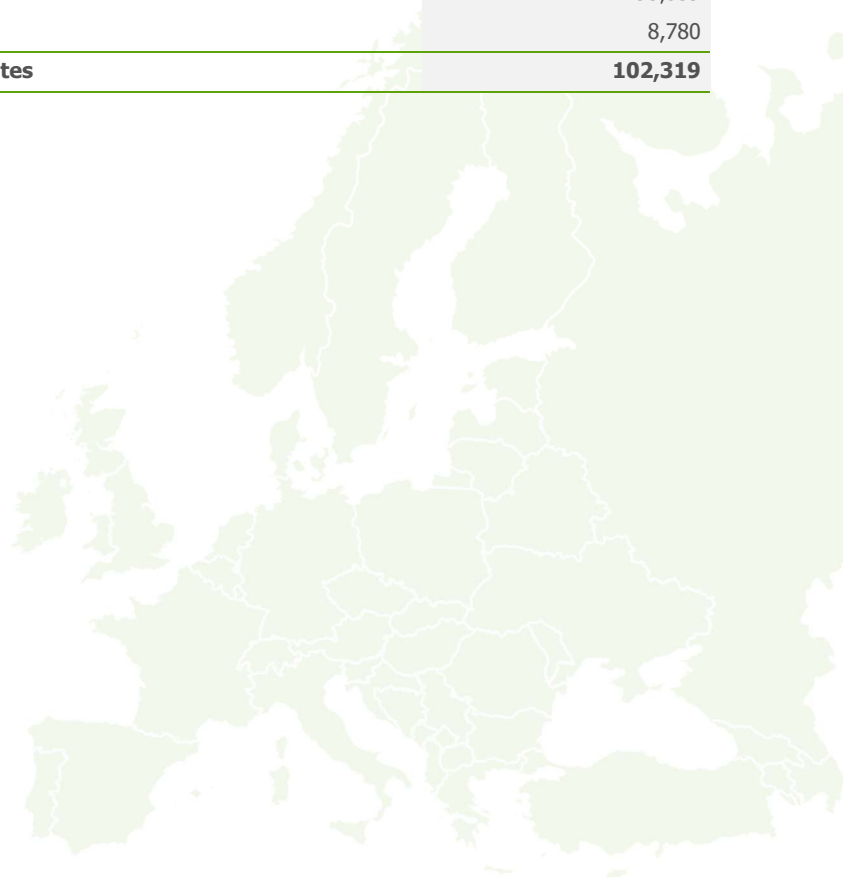
The Group has entered into an agreement to pay additional consideration to the selling shareholders, contingent upon the acquiree satisfying specified contractual financial conditions in the future. The contingent consideration is measured at fair value, which is determined based on management's assessment of the probability that the acquiree will meet these contractual conditions.

Fair value of contingent consideration in the amount of EUR 12,976 thousand is presented within Consolidated statement of financial position line Creditors and accruals.

### 8.16.5 Net cash flow on acquisition of interests in associates

EUR '000

Net cash outflow on acquisition of interests in associates	2025
Cash consideration paid on current period acquisitions	93,539
Prepayments paid in current period for future acquisitions	8,780
<b>Net cash outflow on acquisition of interests in associates</b>	<b>102,319</b>



## 8.17 Loans provided

EUR '000

Loans provided	Note	2025	2024
<b>Non-current assets</b>			
Loans provided to related parties	8.29	1,516,632	1,429,793
<b>Subtotal</b>		<b>1,516,632</b>	<b>1,429,793</b>
<b>Current assets</b>			
Loans provided to related parties	8.29	275,734	126,818
<b>Subtotal</b>		<b>275,734</b>	<b>126,818</b>
<b>Total</b>		<b>1,792,366</b>	<b>1,556,611</b>

Loans provided to related parties basic terms are as follows:

EUR '000

Nature	Currency	Interest rate type	Interest rate	Maturity date	2025
Loans provided to immediate parent company	EUR	Variable	2.37% - 4.52%	30 June 2029	767,677
Loans provided to immediate parent company	EUR	Fixed	2.96% - 8.18%	2026	245,551
Loans provided to immediate parent company	CZK	Fixed	5.44% - 8.90%	2026	17,644
Loans provided to immediate parent company	CZK	Fixed	6.55% - 8.92%	2027 - 2029	358,691
Loans provided to immediate parent company	EUR	Fixed	4.66% - 9.42%	2027 - 2031	206,970
Loans provided to other related party	EUR	Fixed	3.49%	17 June 2029	180,484
Loans provided to other related party	EUR	Fixed	8.50%	28 December 2026	12,502
Loans provided to other related party	CZK	Fixed	2.45%	2026-2030	202
Other immaterial loans provided to other related party	EUR	Fixed	various	31 December 2028	2,645
<b>Loans provided to related parties</b>					<b>1,792,366</b>

EUR '000

Nature	Currency	Interest rate type	Interest rate	Maturity date	2024
Loans provided to immediate parent company	EUR	Variable	3.0 – 4.8 %	30 June 2029	868,893
Loans provided to immediate parent company	EUR	Fixed	2.9 – 9.4%	2025 - 2030	308,585
Loans provided to immediate parent company	CZK	Fixed	5.4% - 8.9%	2026 - 2029	290,225
Loans provided to immediate parent company	CZK	Fixed	5.1%	27 February 2025	5,898
Loans provided to other related party	EUR	Fixed	3.2%	29 December 2025	82,785
Loans provided to other related party	CZK	Fixed	2.5%	31 December 2030	225
<b>Loans provided to related parties</b>					<b>1,556,611</b>

### 8.17.1 Fair values

For information on fair values of loans provided as at the Consolidated statement of financial position date refer to note **9.6 Fair values**.

### 8.17.2 Loans provided pledged as security

The details of loans pledged as security for bank borrowings are disclosed in note **8.22 Interest-bearing loans and borrowings**.

### 8.18 Trade and other receivables

EUR '000

Trade and other receivables	Note	2025	2024
<b>Non-current assets</b>			
Other receivables and prepayments from third parties <sup>20</sup>		15,959	18,759
<b>Subtotal</b>		<b>15,959</b>	<b>18,759</b>
<b>Current assets</b>			
Trade receivables from third parties		702,047	626,693
Trade receivables from related parties	8.29	21,408	12,384
Supplier bonuses accruals		61,706	54,437
Factoring		11,826	19,102
VAT and other taxes receivables		16,867	21,110
Other receivables and prepayments from third parties <sup>20</sup>		43,111	45,505
Allowance for expected credit losses		(11,115)	(11,567)
<b>Subtotal</b>		<b>845,850</b>	<b>767,664</b>
<b>Total</b>		<b>861,809</b>	<b>786,423</b>

The carrying amount of trade and other receivables approximate their fair values as at the Consolidated statement of financial position date.

The details of trade and other receivables pledged as security for bank borrowings are disclosed in the note **8.22 Interest-bearing loans and borrowings**.

#### 8.18.1 Ageing and impairments of non-current and current trade receivables

EUR '000

2025	Weighted-average loss rate	Carrying amount gross	Allowance for expected credit losses	Carrying amount net
Due	0.28%	659,926	(1,859)	658,067
Overdue up to 3 months	0.28%	48,122	(137)	47,985
Overdue 3-6 months	23.41%	3,456	(809)	2,647
Overdue 6-12 months	24.20%	4,389	(1,062)	3,327
Overdue more than 12 months	95.85% <sup>21</sup>	7,562	(7,248)	314
<b>Total</b>		<b>723,455</b>	<b>(11,115)</b>	<b>712,340</b>

<sup>20</sup> The balance mainly consists of rent deposits in the amount of EUR 10,010 thousand (2024: EUR 8,216 thousand).

<sup>21</sup> Reflecting also counterparty specific ECL.

EUR '000

2024	Weighted-average loss rate	Carrying amount gross	Allowance for expected credit losses	Carrying amount net
Due	0.38%	560,073	(2,104)	557,969
Overdue up to 3 months	0.40%	61,800	(247)	61,553
Overdue 3-6 months	29.52% <sup>22</sup>	4,908	(1,449)	3,459
Overdue 6-12 months	26.43%	6,156	(1,627)	4,529
Overdue more than 12 months	100.00%	6,140	(6,140)	-
<b>Total</b>		<b>639,077</b>	<b>(11,567)</b>	<b>627,510</b>

## 8.18.2 Movement in the allowance for expected credit losses

EUR '000

Movement in the allowance for expected credit losses	Note	2025	2024
<b>Opening balance</b>		<b>(11,567)</b>	<b>(11,211)</b>
Expected credit losses	8.5	(1,322)	(318)
Write-off	8.5	1,839	-
Acquisition of subsidiaries	7.1	(202)	(4)
Exchange difference		137	(34)
<b>Closing balance</b>		<b>(11,115)</b>	<b>(11,567)</b>

## 8.19 Inventories

EUR '000

Inventories	2025	2024
Raw materials	18,774	17,155
Work in progress	774	161
Finished products and merchandise stock	864,708	699,389
<b>Inventories at cost</b>	<b>884,256</b>	<b>716,705</b>
<b>Impairment</b>	<b>(24,904)</b>	<b>(22,108)</b>
<b>Total inventories at the lower of cost and net realisable value</b>	<b>859,352</b>	<b>694,597</b>

The details of inventory pledged as security for bank borrowings are disclosed in note **8.22 Interest-bearing loans and borrowings**.

<sup>22</sup> Reflecting also counterparty specific ECL.

## 8.20 Cash and cash equivalents

Cash and cash equivalents included in the Consolidated statement of cash flows comprise the following amounts:

EUR '000

Cash and cash equivalents	2025	2024
Cash in hand	10,680	8,113
Cash at bank	186,165	229,173
<b>Total</b>	<b>196,845</b>	<b>237,286</b>

### 8.20.1 Reconciliation of cash flow statement

EUR '000

Reconciliation of cash flow statement	2025	2024
Balances as above	196,845	237,286
Balances per Consolidated statement of cash flows	196,845	237,286
<b>Difference</b>	<b>-</b>	<b>-</b>

### 8.20.2 Fair values

The fair value of cash and cash equivalents equal their carrying amounts as at year-end.

### 8.20.3 Cash and cash equivalents pledged as security

The details of cash and cash equivalents pledged as security for bank borrowings are disclosed in note **8.22 Interest-bearing loans and borrowings**.



## 8.21 Equity

### 8.21.1 Share capital, share premium

Authorised capital	2025		2024	
	Number of shares	Shares value	Number of shares	Shares value
Ordinary shares of EUR 1,00 each	26,000	26	26,000	26
Redeemable preference shares of EUR 0,1 each	50,000	5	50,000	5
<b>Total</b>	<b>76,000</b>	<b>31</b>	<b>76,000</b>	<b>31</b>

Issued, called up and fully paid share capital	2025		2024	
	Number of shares	Shares value	Number of shares	Shares value
Ordinary shares of EUR 1,00 each	25,631	26	25,631	26
Redeemable preference shares of EUR 0,1 each	46,000	4	46,000	4
<b>Total</b>	<b>71,631</b>	<b>30</b>	<b>71,631</b>	<b>30</b>

EUR '000

	Number of shares	Share capital	Share premium
Balances as at 31 December 2025	71,631	30	540,110
Balances as at 31 December 2024	71,631	30	540,110

### 8.21.2 Transactions under common control

Impact of historical transactions under common control is recognised within Consolidated statement of financial position line Accumulated losses.

For more information on impact refer to note **9.7 Capital risk management**.

### 8.21.3 Dividend

There were no dividends recognized as distributions to owners during the current and previous period.

### 8.21.4 Non-controlling interests

There was no non-controlling interest in 2025 nor in 2024.

## 8.22 Interest-bearing loans and borrowings

EUR '000

Interest-bearing loans and borrowings	Note	2025	2024
<b>Non-current liabilities</b>			
Bank borrowings	8.30	914,466	1,012,527
Loans from related parties	8.29, 8.30	367,619	752,638
Corporate bonds and other debt securities	8.30	565,323	528,095
<b>Subtotal</b>		<b>1,847,408</b>	<b>2,293,260</b>
<b>Current liabilities</b>			
Bank borrowings	8.30	98,515	87,323
Revolving facility	8.30	10	3
Loans from related parties	8.29, 8.30	594,009	-
Corporate bonds and other debt securities	8.30	171,755	49,363
Other borrowings	8.30	-	4
<b>Subtotal</b>		<b>864,289</b>	<b>136,693</b>
<b>Total</b>		<b>2,711,697</b>	<b>2,429,953</b>

### 8.22.1 Bank borrowings, overdraft and issued bonds

During the period ended 30 June 2024, Senior Term and Revolving Facility Agreement was signed to extend the available financing for the Group by increasing the facility's total amount and the term of the existing loan.

Club bank loan was provided on 28th June 2024 as additional top-up in the amount of EUR 250,000 thousand.



Basic terms and outstanding balances of bank borrowings, overdrafts and issued bonds as at 31 December 2025 (31 December 2024) are as follows:

EUR '000

Nature	Currency	Interest rate type	Interest rate	Maturity date	2025
Long term facility <sup>23</sup>	EUR	Fixed	3M EURIBOR + 2.1%	30 June 2029	155,208
Long term facility <sup>23</sup>	EUR	Fixed	3M EURIBOR + 1.85%	30 June 2029	504,597
Long term facility <sup>23</sup>	EUR	Fixed	3M EURIBOR + 1.85%	30 June 2029	129,492
Long term facility <sup>23</sup>	EUR	Fixed	3M EURIBOR + 1.85%	30 June 2029	223,684
Other bank overdrafts	EUR	Fixed	Various	31 December 2026	10
Issued bonds	CZK	Fixed	5.15%-8.50%	2026-2027	61,483
Issued bonds	CZK	Fixed	8.50%	21 December 2028	206,796
Issued bonds	CZK	Fixed	6.75%-7.50%	2029	78,845
Issued bonds	CZK	Fixed	6.20%	3 November 2030	50,120
Issued bonds	CZK	Fixed	6.40%	2031	14,027
Issued bonds	EUR	Fixed	4.20%-9.00%	2026-2031	325,807
<b>Total interest-bearing loans and borrowings from third parties</b>					<b>1,750,069</b>
Loans provided by other related parties	CZK	Fixed	2.69%	9 January 2026	20,436
Loans provided by other related parties	CZK	Fixed	5.05%	21 March 2026	163,839
Loans provided by other related parties	EUR	Fixed	4.39%	18 June 2026	397,231
Loans provided by other related parties	EUR	Fixed	8.15%	28 December 2026	12,503
Loans provided by other related parties	CZK	Fixed	8.50%	31 December 2027	1,598
Loans provided by other related parties	EUR	Fixed	5.88%	2 November 2028	146
Loans provided by other related parties	EUR	Fixed	3.86%	27 December 2028	11,936
Loans provided by other related parties	CZK	Fixed	4.73%	31 December 2028	28,574
Loans provided by other related parties	EUR	Fixed	3.24%	31 December 2029	279,114
Loans provided by other related parties	EUR	Fixed	4.35%	11 May 2030	46,251
<b>Total interest-bearing loans and borrowings from related parties</b>					<b>961,628</b>
<b>Total</b>					<b>2,711,697</b>

<sup>23</sup> Borrowing is hedged against interest-rate exposure, therefore interest rate type presented as fixed. For more information see note **8.25 Derivative financial instruments**.

EUR '000

Nature	Currency	Interest rate type	Interest rate	Maturity date	2024
Long term facility <sup>24</sup>	EUR	Fixed	3M EURIBOR + 2,1%	30 June 2029	549,988
Long term facility <sup>24</sup>	EUR	Fixed	3M EURIBOR + 2,1%	30 June 2029	240,757
Long term facility <sup>24</sup>	EUR	Fixed	3M EURIBOR + 2,1%	30 June 2029	169,288
Long term facility <sup>24</sup>	EUR	Fixed	3M EURIBOR + 2,1%	30 June 2029	139,817
Other borrowings	RSD	Variable	1M BELIBOR + 4.2%	16 June 2025	4
Bank overdrafts	EUR	Fixed	0.5%	31 December 2025	3
Issued bonds	CZK	Fixed	4.9%	27 February 2025	5,852
Issued bonds <sup>25</sup>	CZK	Fixed	5.2%-8.5%	2025 - 2026	45,576
Issued bonds	CZK	Fixed	8,5%	21 December 2028	199,007
Issued bonds	CZK	Fixed	5.2%-8.5%	2026 - 2029	39,505
Issued bonds	CZK	Fixed	6,8%	15 November 2029	50,060
Issued bonds	EUR	Fixed	3.8%-9.0%	2025 - 2030	237,458
<b>Total interest-bearing loans and borrowings from third parties</b>					<b>1,677,315</b>
Loans provided by other related parties	EUR	Fixed	5.0%	21 March 2026	213,384
Loans provided by other related parties	EUR	Fixed	4.4%	18 June 2026	217,967
Loans provided by other related parties	CZK	Fixed	8.2%	20 December 2026	54
Loans provided by other related parties	CZK	Fixed	8.5%	31 December 2027	1,433
Loans provided by other related parties	EUR	Fixed	5.9%	2 November 2028	124
Loans provided by other related parties	EUR	Fixed	3.9%	27 December 2028	11,423
Loans provided by other related parties	CZK	Fixed	5.8%	31 December 2028	15,795
Loans provided by other related parties	CZK	Fixed	5.8%	31 December 2028	12,268
Loans provided by other related parties	EUR	Fixed	3.4%	31 December 2029	14,688
Loans provided by other related parties	EUR	Fixed	3.4%	31 December 2029	36,584
Loans provided by other related parties	EUR	Fixed	3.4%	31 December 2029	184,277
Loans provided by other related parties	EUR	Fixed	4.4%	11 May 2030	44,641
<b>Total interest-bearing loans and borrowings from related parties</b>					<b>752,638</b>
<b>Total</b>					<b>2,429,953</b>

<sup>24</sup> Borrowing is hedged against interest-rate exposure, therefore interest rate type presented as fixed. For more information see note **8.25 Derivative financial instruments**.

<sup>25</sup> Issued bonds denominated in CZK are hedged against currency risk exposure, therefore no currency risk expected. For more information see note **8.25 Derivative financial instruments**.

As of 31 December 2025, the undrawn borrowing facilities amounted to EUR 118,984 thousand (2024: EUR 62,178 thousand).

For more information on remaining contractual maturity of interest-bearing loans, borrowings and issued bonds refer to note **9.5 Liquidity risk**.

For information on fair values of interest-bearing loans and borrowings and issued bonds with fixed interest rate as at the Consolidated statement of financial position date refer to note **9.6 Fair values**.

Long-term facilities are subject to bank covenants. For more information refer to note **9.7 Capital risk management**.



### 8.22.2 Assets pledged

Bank borrowings and bank overdrafts in the outstanding carrying amount as at 31 December 2025 of EUR 1,012,981 thousand (2024: EUR 1,099,850 thousand) have been provided by UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Bank S.A., Komerční Banka a.s., BRD – GROUPE SOCIETE GENERALE S.A., Bank of China (Central and Eastern Europe) Limited, ING Bank N.V., Prague Branch, ING Bank N.V., pobočka zahraničnej banky, PKO Bank Polski S.A., Česká spořitelna, a.s., Slovenská sporiteľňa, a.s., Industrial and Commercial Bank of China Limited, Prague Branch, odštěpný závod, Tatra banka, a.s., Raiffeisenbank a.s., Československá obchodní banka, a.s. and Santander Bank Polska S.A. ("Lending parties") to the subsidiary companies ČESKÁ LÉKÁRNA HOLDING, a.s. and Baramoore International s.r.o.

The above bank borrowings are secured by:

- shares or ownership interests,
- other assets except shares or ownership interests (mainly working capital) and
- enterprise of companies incorporated in Czech Republic.

For more information and breakdowns about pledges see tables below.

EUR '000

Pledges	2025	2024
<b>Shares or ownership interests</b>		
<b>Held by Dr.Max Group Holdings Plc</b>		
Pharmax Holdings Limited	100%	100%
<b>Held by Pharmax Holdings Limited</b>		
ČESKÁ LÉKÁRNA HOLDING, a.s. Group	100%	100%
Dr. Max BDC, s.r.o.	100%	100%
Dr. Max Holding SK, a.s. Group	100%	100%
BRL Center – Polska Sp. z o.o. Group	100%	100%
Dr. Max Sp. z o.o. Group	100%	100%
Baramoore International s.r.o.	100%	100%
Dr. Max Romania Group	100%	100%
MagnaPharm Holdings Limited Group	100%	100%
Lidea SpA Group	100%	100%
ViaPharma s.r.o.	100%	100%

EUR '000

Pledges Other items except shares or ownership interests	2025	2024
Trademark <sup>26</sup>	146,834	158,986
Loans provided	834,381	868,614
Trade and other receivables	732,144	683,105
Inventories	574,502	463,668
Cash and cash equivalents	167,667	214,102
<b>Total</b>	<b>2,455,528</b>	<b>2,388,475</b>

EUR '000

Pledges Enterprises incorporated in Czech Republic	2025	2024
Net assets <sup>27</sup>	424,120	200,522
<b>Total</b>	<b>424,120</b>	<b>200,522</b>

For more information about financial covenants see note **9.7 Capital risk management**.

<sup>26</sup> Pledge over the trademark owned by Dr. Max BDC, s.r.o., registered as international trademark is not recognised in the Consolidated statement of financial position under IFRS. It is recognised in separate financial statement of Dr. Max BDC, s.r.o., under CZ GAAP.

<sup>27</sup> Net assets of ČESKÁ LÉKÁRNA HOLDING, a.s., Baramoore International s.r.o., Dr. Max Pharma s.r.o. and ViaPharma s.r.o.

## 8.23 Provisions

Set out below are the movements in each class of provision that occurred during the year:

EUR '000

Provisions	Note	Provision for legal claims	Other provisions	Total
<b>Balance as at 1 January 2024</b>		<b>2,143</b>	<b>3,213</b>	<b>5,356</b>
Provisions made during the year		211	1,893	<b>2,104</b>
Acquisition of subsidiaries	7.1, 7.2	-	5	<b>5</b>
Provision used during the year		(5)	(267)	<b>(272)</b>
Provision reversed during the year		(59)	(2,511)	<b>(2,570)</b>
Unwinding of discount	8.10	-	8	<b>8</b>
Other movements		26	-	<b>26</b>
Exchange difference		3	16	<b>19</b>
<b>Balance as at 31 December 2024</b>		<b>2,319</b>	<b>2,357</b>	<b>4,676</b>
Provisions made during the year		42	1,390	<b>1,432</b>
Acquisition of subsidiaries	7.1	-	153	<b>153</b>
Provision used during the year		-	(446)	<b>(446)</b>
Provision reversed during the year		(2,041)	(1,088)	<b>(3,129)</b>
Unwinding of discount	8.10	-	11	<b>11</b>
Exchange difference		(22)	46	<b>24</b>
<b>Balance as at 31 December 2025</b>		<b>298</b>	<b>2,423</b>	<b>2,721</b>

The outstanding balance of Other provision consists mainly of provision for onerous contracts in the amount of EUR 1,136 thousand (2024: EUR 1,624 thousand) related to rental agreements.



## 8.24 Employee benefit obligations

EUR '000

Employee benefit obligations	2025	2024
<b>Non-current liabilities</b>		
Long term incentive	11,561	9,399
Employee bonuses	245	-
Other employee benefits	7,245	6,621
<b>Subtotal</b>	<b>19,051</b>	<b>16,020</b>
<b>Current liabilities</b>		
Long term incentive	6,282	5,459
Employee bonuses and unused vacation	30,535	28,312
Other employee benefits	239	184
<b>Subtotal</b>	<b>37,056</b>	<b>33,955</b>
<b>Total employee benefits</b>	<b>56,107</b>	<b>49,975</b>
Wages and salaries including social and health insurance	80,722	65,136
<b>Total employee benefit obligations</b>	<b>136,829</b>	<b>115,111</b>

The provision for long term incentive ("LTI") represents the fair value of future expected cash outflows relating to benefit entitlement of top management for their services provided, discounted at a rate between 4.0% - 8.1% attributable for the period where services have already been provided. A LTI scheme was introduced for selected members of top management of Group companies in 2014 and further updated during 2019.

The LTI scheme is tied mainly to the financial performance of the Group or respective country, evaluated based on indicator Operating cash flow, and is payable to the members of top management. The rights are granted after three years from the grant date. The long-term incentive scheme is concluded every year for 3-year vesting period and the pay-out relating to the oldest vesting period will be settled in the next 12 months.



Set out below are the movements in employee benefit balances that occurred during the year:

EUR '000

Employee benefit obligations excluding wages and salaries	Note	Employee benefits
<b>Balance as at 1 January 2024</b>		<b>49,722</b>
Provisions made during the year		31,210
Acquisition of subsidiaries and transactions under common control	7.1, 7.2	169
Provision used during the year		(26,585)
Provision reversed during the year		(4,874)
Changes through OCI		14
Unwinding of discount	8.10	461
Other movements		297
Exchange difference		(439)
<b>Balance as at 31 December 2024</b>		<b>49,975</b>
Provisions made during the year		36,992
Acquisition of subsidiaries <sup>28</sup>	7.1	304
Provision used during the year		(28,094)
Provision reversed during the year		(4,615)
Changes through OCI		191
Unwinding of discount	8.10	700
Other movements		(295)
Exchange difference		949
<b>Balance as at 31 December 2025</b>		<b>56,107</b>

<sup>28</sup> Excluding acquired liabilities relating to wages, salaries, health insurance and social security in the amount of EUR 623 thousand (2024: EUR 431 thousand).

## 8.25 Derivative financial instruments

The Group has the following derivative financial assets and liabilities presented in the Consolidated statement of financial position within lines Derivative financial instruments:

EUR '000

Derivate financial assets	2025	2024
<b>Hedging derivatives</b>		
- thereof non-current	1,603	-
- thereof current	845	5,999
<b>Derivatives for trading</b>		
- thereof current	1,646	6
<b>Total</b>	<b>4,094</b>	<b>6,005</b>

EUR '000

Derivate financial liabilities	2025	2024
<b>Hedging derivatives</b>		
- thereof non-current	1,272	6,664
- thereof current	1,007	12
<b>Derivatives for trading</b>		
- thereof current	153	873
<b>Total</b>	<b>2,432</b>	<b>7,549</b>

In 2025 (2024), some derivatives do not meet the hedge accounting criteria, therefore, they are classified as "held for trading" for accounting purposes and are accounted for at fair value through profit or loss. Some derivatives meet the hedge accounting criteria, therefore, they are classified as "hedging derivatives" for accounting purpose and are accounted for at fair value through equity.

### 8.25.1 Hedged item and hedging instrument

On 30th June 2022, the Group entered into a Senior Term and Revolving Facilities Agreement with financing banks to extend the available financing for the Group by increasing the facility's total amount and the term of the existing loan. During financial year 2022, 2023 and 2024 the Group concluded interest rate swaps with ING bank, KB Bank and Unicredit bank on top of already existing derivatives to hedge its outstanding interest rate exposure.

The Group decided not to hedge Revolving facility due to its flexible characteristics and possibility to repay and redraw the funds as and when required, according to Group's needs. For more information on Senior Term and Revolving Facilities see note **8.22 Interest-bearing loans and borrowings**.

### 8.25.2 Economic relationship

The Group determines the existence of an economic relationship between the hedging instrument and the hedged item based on the interest rate, amount, and timing of their respective cash flows. The Group assesses whether the derivatives designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item.



### 8.25.3 Sources of ineffectiveness

As parameters (i) timing of repayment of bank facilities and settlement of IRS, (ii) interest rate of bank facility with relevant rate per IRS (i.e. 3M EURIBOR) and (iii) the notional amounts match, there are no known sources of ineffectiveness.

For the change in fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness and the balance in the cash flow hedge reserve see the movement table for Hedging reserve of interest rate swaps.

The notional amount, maturity, hedge ratio and the related currency for the derivate financial instruments presented as the hedging derivatives are included in the tables below:

EUR '000

Derivate financial instruments (Notional amount)	Currency	Maturity date	Underlying	Hedge ratio	Notional amount as at 31 December 2025	Fair value as at 31 December 2025
Interest rate swap [1]	EUR	29 June 2029	3M EURIBOR	100%	229,347	663
Interest rate swap [2]	EUR	29 June 2029	3M EURIBOR	100%	129,777	(1,347)
Interest rate swap [3]	EUR	30 June 2029	3M EURIBOR	100%	100,021	356
Interest rate swap [4]	EUR	31 March 2029	3M EURIBOR	100%	100,021	(248)
Interest rate swap [5]	EUR	29 June 2029	3M EURIBOR	100%	200,041	718
Interest rate swap [6]	EUR	29 March 2029	3M EURIBOR	100%	100,021	(516)
Interest rate swap [7]	EUR	29 June 2029	3M EURIBOR	100%	31,093	184
Interest rate swap [8]	EUR	30 June 2029	3M EURIBOR	100%	124,371	425
<b>Total</b>					<b>1,014,692</b>	<b>235</b>

EUR '000

Derivate financial instruments (Notional amount)	Currency	Maturity date	Underlying	Hedge ratio	Notional amount as at 31 December 2024	Fair value as at 31 December 2024
Interest rate swap [1] <sup>29</sup>	EUR	31 December 2025	3M EURIBOR	100%	105,260	1,898
Interest rate swap [2] <sup>29</sup>	EUR	31 December 2025	3M EURIBOR	100%	128,000	2,232
Interest rate swap [3]	EUR	31 March 2029	3M EURIBOR	100%	100,000	(655)
Interest rate swap [4]	EUR	29 June 2029	3M EURIBOR	100%	140,400	(2,359)
Interest rate swap [5]	EUR	29 June 2029	3M EURIBOR	100%	259,940	(113)
Interest rate swap [6]	EUR	29 June 2029	3M EURIBOR	100%	200,000	(170)
Interest rate swap [7]	EUR	29 June 2029	3M EURIBOR	100%	33,920	129
Interest rate swap [8]	EUR	29 June 2029	3M EURIBOR	100%	135,680	76
<b>Subtotal</b>					<b>1,103,200</b>	<b>1,038</b>
Interest rate swap [9] <sup>29</sup>	EUR	31 March 2029	3M EURIBOR	100%	100,000	(107)
Interest rate swap [10] <sup>29</sup>	EUR	30 June 2029	3M EURIBOR	100%	100,000	(394)
<b>Subtotal</b>					<b>200,000</b>	<b>(501)</b>
<b>Total</b>					<b>1,303,200</b>	<b>537</b>

<sup>29</sup> IRS [1] and IRS [2] cover future cash flows on the interest payments till 31 December 2025 and are followed by IRS [9] and IRS [10] entered into during reporting period to cover the rest of the cashflows till the maturity date of the related bank borrowings.

The Group has the following Cross Currency Swaps as of 31 December 2025 (31 December 2024):

EUR '000

Derivate financial instrument	Currencies C1 / C2	Maturity	Interest	Notional amount as at 31 December 2025	Fair value as at 31 December 2025
Cross currency swap	CZK / EUR	27 March 2026	2.56%	6,155	96
Cross currency swap	CZK / EUR	18 March 2026	7.00%	9,528	5
<b>Subtotal</b>					<b>101</b>
Cross currency swap	CZK / EUR	18 March 2026	6.89%	2,247	(83)
Cross currency swap	CZK / EUR	24 July 2026	7.87%	8,182	(15)
Cross currency swap	CZK / EUR	14 August 2026	7.75%	71	(1)
Cross currency swap	CZK / EUR	24 July 2026	7.82%	3,211	(29)
Cross currency swap	CZK / EUR	14 August 2026	7.76%	4,719	(39)
<b>Subtotal</b>					<b>(167)</b>
<b>Total</b>					<b>(66)</b>

EUR '000

Derivate financial instrument	Currencies C1 / C2	Maturity	Interest	Notional amount as at 31 December 2024	Fair value as at 31 December 2024
Cross currency swap	CZK / EUR	25 April 2025	2.6%	9,236	196
<b>Subtotal</b>					<b>196</b>
Cross currency swap	CZK / EUR	27 March 2026	2.6%	5,971	(58)
Cross currency swap	CZK / EUR	25 April 2025	2.5%	995	(10)
Cross currency swap	CZK / EUR	25 April 2025	1.9%	1,896	(2)
Cross currency swap	CZK / EUR	18 March 2026	7.0%	9,188	(343)
Cross currency swap	CZK / EUR	18 March 2026	6.9%	2,086	(164)
Cross currency swap	CZK / EUR	24 July 2026	7.9%	7,894	(397)
Cross currency swap	CZK / EUR	14 August 2026	7.8%	3,077	(178)
Cross currency swap	CZK / EUR	24 July 2026	7.8%	68	(4)
Cross currency swap	CZK / EUR	14 August 2026	7.8%	4,524	(254)
<b>Subtotal</b>					<b>(1,410)</b>
<b>Total</b>				<b>44,935</b>	<b>(1,214)</b>

The Group has the following FX Swap as of 31 December 2025, 31 December 2024 respectively:

EUR '000

Derivate financial instruments	Currency 1	Notional in thousand C1	Currency 2	Notional in thousand C2	Maturity date	MtM in thousand EUR
FX Swap	EUR	178,500	CZK	4,346,311	January 2026	1,198
FX Swap	EUR	101,000	CZK	2,454,021	February 2026	252
FX Swap	EUR	55,000	CZK	1,332,780	February 2026	(108)
FX Swap	EUR	2,000	HUF	782,614	January 2026	36
FX Swap	PLN	260,000	CZK	1,491,944	January 2026	160
FX Swap	PLN	40,000	CZK	228,702	January 2026	(11)
FX Swap	RON	140,000	EUR	27,420	January 2026	(34)
<b>Total</b>						<b>1,491</b>

EUR '000

Derivate financial instruments	Currency 1	Notional in thousand C1	Currency 2	Notional in thousand C2	Maturity date	MtM in thousand EUR
FX Swap	CZK	24,400	HUF	400,000	January 2025	2
FX Swap	EUR	43,000	CZK	3,647,830	January 2025	(685)
FX Swap	PLN	215,000	CZK	1,261,932	January 2025	(171)
FX Swap	RON	37,500	CZK	619,973	January 2025	4
FX Swap	RON	122,500	EUR	19,000	January 2025	(17)
<b>Total</b>						<b>(867)</b>

Changes in the fair value of financial derivatives meet the conditions for level 2 according to IFRS 13 (they are derived from market quotations of currency forward rates, and interest yield curves, but are not directly tradable in active financial markets).

EUR '000

Hedging reserve	2025	2024
<b>Balance as at 1 January</b>	<b>(877)</b>	<b>14,167</b>
Add: Change in fair value of hedging instrument recognised in OCI	5,819	1,712
Less: Amounts reclassified from OCI to profit or loss <sup>30</sup>	(4,921)	(20,806)
Less: Deferred tax	(225)	4,050
<b>Balance as at 31 December</b>	<b>(204)</b>	<b>(877)</b>

In addition to the amounts disclosed in the reconciliation of hedging reserves above, the following amounts were recognised in profit or loss in relation to derivatives:

EUR '000

Amounts recognized in profit or loss	Note	2025	2024
Fair value gain - Derivatives not designated as a hedge - unrealized		2,350	2,236
Fair value gain / (loss) - Derivatives not designated as a hedge - realized		7,552	(5,126)
<b>Total</b>	8.10	<b>9,902</b>	<b>(2,890)</b>

<sup>30</sup> Reclassification adjustment presented in Consolidated statement of financial performance within Finance expenses.

## 8.26 Lease liabilities

EUR '000

Lease liabilities	2025	2024
Lease liabilities – non-current	667,318	597,778
Lease liabilities – current	99,866	88,560
<b>Total</b>	<b>767,184</b>	<b>686,338</b>

There were no lease liabilities to related parties in 2025 or 2024.

The Consolidated statement of financial performance presents the following amounts relating to leases:

EUR '000

Amounts recognised in profit or loss		2025	2024
Depreciation expense of right-of-use assets	8.7	(110,997)	(100,591)
Impairment losses of right-of-use assets	8.8	(490)	-
Interest expense on lease liabilities	8.10	(35,756)	(31,715)
Variable lease payments <sup>31, 32</sup>	8.4	(10,604)	(8,412)
Expense relating to short-term leases <sup>32</sup>	8.4	(1,258)	(504)
Expense relating to leases of low-value assets <sup>32</sup>	8.4	(172)	(390)
Gain on disposal of right-of-use assets	8.6	539	306
Income from sublease of Right-of-use assets		507	524
<b>Total</b>		<b>(158,231)</b>	<b>(140,782)</b>

The Group had total cash outflows for lease liabilities of EUR 132,245 thousand (2024: EUR 116,483 thousand).

Group also had non-cash additions to lease liabilities of EUR 160,343 thousand (2024: EUR 137,616 thousand). For more information on cash and non-cash movements refer to note **8.30 Reconciliation of liabilities arising from financing activities**.

The Group has several lease contracts that include extension options. These options are negotiated by management to provide commercial spaces for pharmacies in long-term view. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see note **6.8 Lease termination and extension options**).

<sup>31</sup> Variable rent calculated based on the turnover of the commercial space.

<sup>32</sup> Presented as a part of the category "Received services and other operating expenses".

## 8.27 Creditors and accruals

EUR '000

Creditors and accruals	Note	2025	2024
<b>Non-current liabilities</b>			
Deferred and contingent purchase consideration from business combinations and associates	8.16	12,976	232
Other payables and accruals		667	609
<b>Subtotal</b>		<b>13,643</b>	<b>841</b>
<b>Current liabilities</b>			
Trade payables to third parties		1,547,071	1,357,047
Trade payables to related parties	8.29	3,467	7,590
VAT and other tax payables		30,339	30,540
Deferred and contingent purchase consideration from business combinations and associates		7,118	12,793
Other payables and liabilities <sup>33</sup>		35,153	28,786
<b>Subtotal</b>		<b>1,623,148</b>	<b>1,436,756</b>
<b>Total</b>		<b>1,636,791</b>	<b>1,437,597</b>

### 8.27.1 Fair values

The fair value of trade and other payables reasonably approximates their carrying amounts.

<sup>33</sup> The balance of the line „Other payables and liabilities“ contains also supplier finance arrangements.

## 8.28 Contingencies and Commitments

### 8.28.1 Letter of credit and bank guarantees

For the overview of letter of credit and bank guarantees see the table below.

EUR '000

Entity name	Type of agreement	2025	2024
Dr. Max Romania Group	Rental agreement, supplier guaranties and other business-related letters of credit	54,863	38,498
AsterFarm d.o.o. Beograd Group	Supplier guaranties	2,000	2,000
ČESKÁ LÉKÁRNA HOLDING, a.s. Group	Rental agreements	4,685	4,008
Dr. Max Pharma s.r.o.	Rental agreements	66	-
Lidea SpA – Group	Rental agreement, supplier guaranties and other business-related letters of credit	875	1,452
MagnaPharm Holdings Limited Group	Rental agreement, supplier guaranties and other business-related letters of credit	14,058	1,877
Dr. Max Holding SK, a.s. Group	Rental agreements	568	-
Dr. Max Sp. z o.o.	Rental agreement, supplier guaranties and other business-related letters of credit	8,103	4,559
ViaPharma s.r.o.	Rental agreements	148	43
<b>Total</b>		<b>85,366</b>	<b>52,437</b>

### 8.28.2 Commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

EUR '000

Capital commitments	2025	2024
Intangible assets	3,115	2,475
Right-of-use assets	-	3,386
<b>Total</b>	<b>3,115</b>	<b>5,861</b>

## 8.29 Related party balances and transactions

Set out below is the overview of transactions with related parties made during the current and previous reporting period and outstanding balances as at 31 December 2025 and 31 December 2024 accordingly. All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

### 8.29.1 Transaction with key management personnel

Key management personnel are defined as follows:

- Management board,
- CEOs of consolidated direct subsidiaries and subgroups<sup>34</sup> and their immediate subordinates.

For more information see note **1.4 Directors of the company and group board and local CEO**.

Key management personnel compensation comprised the following:

EUR '000

Compensation of key management personnel	2025	2024
Short-term employee benefits	21,842	20,939
Post-employment benefits	-	40
Other long-term benefits	10,047	8,404
Termination benefits	544	253
<b>Total</b>	<b>32,433</b>	<b>29,636</b>

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Outstanding balances to key management personnel presented in Consolidated statement of financial position within Other financial liabilities was in the amount of EUR 7,226 thousand (2024: EUR 6,390 thousand). For more information refer to note **8.30 Reconciliation of liabilities arising from financing activities**.

<sup>34</sup> For more information on overview of consolidated subsidiaries and subgroups refer to note **1.2 Investment in subsidiaries and associates**.

## 8.29.2 Transactions with Immediate parent company and other related parties

EUR '000

Transactions with related parties as at 31 December	Note	2025			2024		
		Immediate parent company	Other related parties	Total	Immediate parent company	Other related parties	Total
Long-term loans provided	8.17	1,333,338	183,294	<b>1,516,632</b>	1,429,604	189	<b>1,429,793</b>
Short-term loans provided	8.17	263,195	12,539	<b>275,734</b>	43,997	82,821	<b>126,818</b>
Trade and other receivables <sup>35</sup>	8.18	1,072	20,336	<b>21,408</b>	394	11,990	<b>12,384</b>
<b>Total assets</b>		<b>1,597,605</b>	<b>216,169</b>	<b>1,813,774</b>	<b>1,473,995</b>	<b>95,000</b>	<b>1,568,995</b>
Long-term interest-bearing loans and borrowings <sup>36</sup>	8.22	-	367,619	<b>367,619</b>	-	752,638	<b>752,638</b>
Short-term interest-bearing loans and borrowings <sup>36</sup>	8.22	-	594,009	<b>594,009</b>	-	-	<b>-</b>
Short-term trade and other payables	8.27	3	3,464	<b>3,467</b>	5,121	2,469	<b>7,590</b>
<b>Total liabilities</b>		<b>3</b>	<b>965,092</b>	<b>965,095</b>	<b>5,121</b>	<b>755,107</b>	<b>760,228</b>

For more information on related parties balances pledged as security by the Group refer to note **8.30 Reconciliation of liabilities arising from financing activities**.

<sup>35</sup> No loss allowance for expected credit losses has been recognised in the current year or prior year in respect of outstanding balances from related parties.

<sup>36</sup> Subordinated loans in compliance with Senior Term and Revolving Facility Agreement, refer to note **8.22 Interest-bearing loans and borrowings** for more information.

EUR '000

Transactions with related parties for the period from 1 January to 31 December	Note	2025			2024		
		Immediate parent company	Other related parties	Total	Immediate parent company	Other related parties	Total
<b>Operating income and expenses</b>							
Income		-	158,105	<b>158,105</b>	-	141,322	<b>141,322</b>
Expenses		(34)	(4,806)	<b>(4,840)</b>	(24)	(7,318)	<b>(7,342)</b>
<b>Total net income / (expense)</b>		<b>(34)</b>	<b>153,299</b>	<b>153,265</b>	<b>(24)</b>	<b>134,004</b>	<b>133,980</b>
<b>Interest income and expense</b>							
Income	8.9	77,703	3,880	<b>81,583</b>	76,437	2,253	<b>78,690</b>
Expenses	8.10	-	(29,475)	<b>(29,475)</b>	-	(24,774)	<b>(24,774)</b>
<b>Total net income / (expense)</b>		<b>77,703</b>	<b>(25,595)</b>	<b>52,108</b>	<b>76,437</b>	<b>(22,521)</b>	<b>53,916</b>
<b>Purchase of tangible and intangible asset</b>		-	<b>448</b>	<b>448</b>	-	<b>5,913</b>	<b>5,913</b>

### 8.30 Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's Consolidated statement of cash flows as cash flows from financing activities.

EUR '000

Reconciliation of liabilities / (assets) arising from financing activities	Note	Interest bearing loans and borrowings	Corporate bonds	Lease liabilities	Derivate financial instrument	Other financial liabilities	Total
<b>Balance as at 1 January 2025</b>		<b>1,852,495</b>	<b>577,458</b>	<b>686,338</b>	<b>1,544</b>	<b>6,390</b>	<b>3,124,225</b>
<b>Changes from financing cash flows:</b>							
Proceeds		431,090	188,281	-	16,118	-	635,489
Repayments		(310,259)	(45,611)	(96,404)	(3,581)	(81)	(455,936)
Interest paid		(77,907)	(40,446)	(35,841)	-	-	(154,194)
<b>Total changes from financing activities</b>		<b>42,924</b>	<b>102,224</b>	<b>(132,245)</b>	<b>12,537</b>	<b>(81)</b>	<b>25,359</b>
<b>Changes arising from acquisitions:</b>	<b>7.1.1</b>	<b>1,251</b>	<b>-</b>	<b>9,980</b>	<b>-</b>	<b>-</b>	<b>11,231</b>
<b>Other changes:</b>							
Changes in fair value		-	-	-	(15,721)	606 <sup>37</sup>	(15,115)
New leases, modifications and reassessments		-	-	160,343	-	-	160,343
Interest expense	8.10, 8.26	76,935	43,344	35,756	-	-	156,035
Other non-cash movements		6	(122)	(21)	-	149	12
Exchange difference		1,008	14,174	7,033	(22)	162	22,355
<b>Non-cash changes from financing activities</b>		<b>77,949</b>	<b>57,396</b>	<b>203,111</b>	<b>(15,743)</b>	<b>917</b>	<b>323,630</b>
<b>Balance as at 31 December 2025</b>		<b>1,974,619</b>	<b>737,078</b>	<b>767,184</b>	<b>(1,662)</b>	<b>7,226</b>	<b>3,484,445</b>

<sup>37</sup> Fair value loss related to financial liabilities measured at FVTPL, presented within consolidated financial statement line 8.10 Financing loss, includes the remeasurement of the fair value of the put option over the non-controlling interest in the amount of EUR (74) thousand as at the date of exercise of the option. The liability was presented in the consolidated financial statement line Creditors and accruals and was not included in the above reconciliation table. The liability was settled during the year 2025.

EUR '000

Reconciliation of liabilities / (assets) arising from financing activities	Note	Interest bearing loans and borrowings	Corporate bonds	Lease liabilities	Derivate financial instrument	Other financial liabilities	Total
<b>Balance as at 1 January 2024</b>		<b>1,561,037</b>	<b>519,231</b>	<b>633,437</b>	<b>(13,978)</b>	<b>7,009</b>	<b>2,706,736</b>
<b>Changes from financing cash flows:</b>							
Proceeds		473,178	154,101	-	14,093	-	<b>641,372</b>
Repayments		(202,640)	(92,496)	(84,744)	-	(1,535)	<b>(381,415)</b>
Interest paid		(71,195)	(37,114)	(31,739)	-	-	<b>(140,048)</b>
<b>Total changes from financing activities</b>		<b>199,343</b>	<b>24,491</b>	<b>(116,483)</b>	<b>14,093</b>	<b>(1,535)</b>	<b>119,909</b>
<b>Changes arising from acquisitions:</b>	<b>7.1.1</b>	<b>604</b>	<b>-</b>	<b>3,570</b>	<b>-</b>	<b>-</b>	<b>4,174</b>
<b>Other changes:</b>							
Changes in fair value		-	-	-	1,178	1,002	<b>2,180</b>
New leases, modifications and reassessments		-	-	137,616	-	-	<b>137,616</b>
Interest expense	8.10, 8.26	93,024	39,342	31,715	-	-	<b>164,081</b>
Other non-cash movements		(1,131)	-	(794)	37	-	<b>(1,888)</b>
Exchange difference		(382)	(5,606)	(2,723)	214	(86)	<b>(8,583)</b>
<b>Non-cash changes from financing activities</b>		<b>91,511</b>	<b>33,736</b>	<b>165,814</b>	<b>1,429</b>	<b>916</b>	<b>293,406</b>
<b>Balance as at 31 December 2024</b>		<b>1,852,495</b>	<b>577,458</b>	<b>686,338</b>	<b>1,544</b>	<b>6,390</b>	<b>3,124,225</b>

For more information on balances in the above table refer to note **8.22 Interest-bearing loans and borrowings**, **8.25 Derivative financial instruments** and **8.26 Lease liabilities**.

## 9 FINANCIAL RISK MANAGEMENT

### 9.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

### 9.2 Market risk - Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments will vary due to changes in foreign exchange rates. Foreign exchange risk arises from recognised assets and liabilities and future commercial transactions of each Group entity which are denominated in a currency that is not the entity's functional currency. The Group operates mainly in the Czech Republic, Slovak Republic, Italy, Poland, Serbia, Romania, Bulgaria and Hungary and its subsidiaries are not significantly exposed to foreign exchange risk arising from currency exposures, since the majority of the transactions are denominated in the functional currency of the subsidiaries of the Group.

The below table summarises quantitative data about Group's exposure to currency risk and sensitivity analysis. Sensitivity analysis depicts possible impact of strengthening or weakening of foreign currencies on the Profit before taxation and Equity of the Group while all other variables held constant.

EUR '000

Financial assets and (liabilities) denominated in foreign currencies as at 31 December 2025	CZK	EUR	PLN	RON
Loans provided to related parties	376,335	-	-	-
Trade and other receivables	805	5,066	-	3,752
Derivative financial assets	-	3,833	160	-
Cash and cash equivalents	23,048	19,094	3,678	21,877
<b>Total financial assets</b>	<b>400,188</b>	<b>27,993</b>	<b>3,838</b>	<b>25,629</b>
Interest bearing loans and borrowings from related parties	(214,447)	-	-	-
Interest bearing loans and borrowings from third parties	(102,449)	(1,012,981)	-	-
Other financial liabilities	-	-	-	-
Derivative financial liabilities	-	(2,219)	(11)	(36)
Lease liabilities	(20,785)	(286,664)	-	-
Creditors and accruals	(54)	(65,462)	(13,402)	(373)
<b>Total financial liabilities</b>	<b>(337,735)</b>	<b>(1,367,326)</b>	<b>(13,413)</b>	<b>(409)</b>
<b>Net statement of financial position exposure</b>	<b>62,453</b>	<b>(1,339,333)</b>	<b>(9,575)</b>	<b>25,220</b>
<b>Change in FX rate of 1% resulting into positive / (negative) impact on Profit before taxation and Equity in the amount of:</b>				
Strengthening of FX rate	(625)	13,393	96	(252)
Weakening of FX rate	625	(13,393)	(96)	252

EUR '000

<b>Financial assets and (liabilities) denominated in foreign currencies as at 31 December 2024</b>	<b>CZK</b>	<b>EUR</b>	<b>PLN</b>	<b>RON</b>
Loans provided to related parties	296,122	-	-	-
Trade and other receivables	394	8,832	24	7,072
Derivative financial assets	-	5,803	-	4
Cash and cash equivalents	293	80,570	9,104	9,537
<b>Total financial assets</b>	<b>296,809</b>	<b>95,205</b>	<b>9,128</b>	<b>16,613</b>
Interest bearing loans and borrowings from related parties	(29,550)	-	-	-
Interest bearing loans and borrowings from third parties	(45,357)	(1,099,850)	-	-
Other financial liabilities	-	-	-	-
Derivative financial liabilities	-	(5,952)	(171)	(17)
Lease liabilities	-	(294,128)	-	-
Creditors and accruals	(5,121)	(59,706)	(118)	-
<b>Total financial liabilities</b>	<b>(80,028)</b>	<b>(1,459,636)</b>	<b>(289)</b>	<b>(17)</b>
<b>Net statement of financial position exposure</b>	<b>216,781</b>	<b>(1,364,431)</b>	<b>8,839</b>	<b>16,596</b>
<b>Change in FX rate of 1% resulting into positive / (negative) impact on Profit before taxation and Equity in the amount of:</b>				
Strengthening of FX rate	(2,168)	13,644	(88)	(166)
Weakening of FX rate	2,168	(13,644)	88	166

### 9.3 Market risk - Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Variable interest-bearing instruments expose the Group to cash flow interest rate risk. Fixed interest-bearing instruments expose the Group to fair value interest rate risk.

The Group is exposed to cash flow risk due to its bank borrowings obtained at variable interest rate. The Group monitors monthly interest rates and acts accordingly. The Group obtains fixed interest-bearing loans from the parent company and aims to maintain a balance of variable and fixed interest-bearing borrowings.

The Group is exposed to fair value risk due to its loans granted to and received from related companies at fixed interest rates. The Group ensures that loans to and from related parties are granted and obtained at competitive market rates and hence reduce fair value risk.

#### 9.3.1 Interest profile of assets and liabilities

At the reporting date the interest rate profile of interest-bearing financial instruments of the Group was as follows:

EUR '000

Interest profile	2025		2024	
	Variable rate instruments <sup>38</sup>	Fixed rate instruments	Variable rate instruments	Fixed rate instruments
Loans provided to related parties	767,677	1,024,689	868,893	687,718
Cash and cash equivalents	110,487	86,358	140,837	96,449
<b>Total financial assets</b>	<b>878,164</b>	<b>1,111,047</b>	<b>1,009,730</b>	<b>784,167</b>
Interest bearing loans and borrowings from related parties	-	(961,628)	-	(752,638)
Interest bearing loans and borrowings from third parties <sup>39</sup>	-	(1,750,069)	(4)	(1,677,311)
Lease liabilities	-	(767,184)	-	(686,338)
<b>Total financial liabilities</b>	<b>-</b>	<b>(3,478,881)</b>	<b>(4)</b>	<b>(3,116,287)</b>
<b>Net interest rate risk position</b>	<b>878,164</b>	<b>(2,367,834)</b>	<b>1,009,726</b>	<b>(2,332,120)</b>

<sup>38</sup> Presented without variable-interest bearing borrowings hedged against interest rate exposure as no interest rate risk arose in relation to these borrowings. For more information see note **8.25 Derivative financial instruments**.

<sup>39</sup> The Group is hedging Interest rate risk for the EUR tranches of Bank borrowings with notional amount of EUR thousand 1,014,692 (2024: 1,103,200 EUR thousand). Hedging relationship was assessed as effective and therefore changes in fair value of the hedging instrument is presented directly in the Consolidated statement of changes of equity. For more information see **8.25 Derivative financial instruments**.

### 9.3.2 Sensitivity analysis

The tables below show the change in the net profit and equity of the Group due to possible change in interest rates of the major currencies. The analysis assumes that all other variables, including foreign currency rates, remain constant.

EUR '000

Sensitivity analysis: Impact of change in interest rate of 1% on Profit before taxation and Equity	2025		2024	
	Increase	Decrease	Increase	Decrease
Positive / (negative) impact for variable rate instruments excluding cash and cash equivalents	7,677	(7,677)	8,689	(8,689)
Positive / (negative) impact for all variable rate instruments	8,782	(8,782)	10,097	(10,097)

### 9.4 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents, trade receivables and loans as reflected in these consolidated financial statements.

The credit risk on cash and cash equivalents is mitigated by placing cash and deposits with high credit-quality financial institutions.

With respect to trade receivables, the Group has a policy to ensure that sales of products and services are made to customers with an appropriate history and dealing with creditworthy clients. The credit risk of trade debtors is continuously monitored through review of ageing profile of receivables and in certain cases credit limits are established for each debtor.

#### 9.4.1 Concentration of credit risk

Concentration of credit risk arises from financial instruments that have similar characteristics and are affected similarly by changes in economic conditions. The Group considers receivables belonging to the same business sector and/or account for more than 5% of the total receivables giving rise to credit risk concentration.

The Group has significant concentration of credit risk due to the fact that a significant amount of trade receivables is due from limited number of health insurance companies in the Czech Republic, Slovakia and Romania. The pharmaceutical industry is regulated by state; therefore, the Group has not developed any specific strategies for mitigating this risk. In addition, the Group has a concentration of credit risk from loans granted to related parties.

The following tables provide detail of concentration of credit risk.

EUR '000

Concentration of credit risk through exposure to individual counterparties	Number of parties	2025	2024
Loans receivable from related parties	4 (2024:2)	1,789,721	1,556,386
Trade receivables from health insurance and other companies with significant balances	3 (2024:3)	85,464	89,783
<b>Total</b>		<b>1,875,185</b>	<b>1,646,169</b>

## 9.4.2 Analysis of Expected Credit Losses (ECL)

### Trade receivables

The Group applies the IFRS 9 simplified approach in measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (including those with a significant financing component, lease contracts and contract assets).

An impairment analysis is performed at each reporting date using a provision matrix produced by using historic default and loss rates benchmarked to industry averages, made available by rating agencies in order to measure expected credit losses. The loss rates are established by considering current conditions and future economic conditions. To measure the expected credit losses, trade receivables are grouped together based on shared credit risk characteristics and the days past due.

The expected credit loss rates applied to the trade receivables and contract assets are close to zero, which represents the historical default rates experienced by the Group, adjusted to reflect forward-looking information on macroeconomic factors and industry default rates and loss rates affecting the ability of the clients to settle the receivables.

### Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the assessed risk is assessed as low since the Group deals generally with high credit quality financial institutions. The Group monitors credit quality and assess expected credit loss by reference to the banks' external credit ratings and relevant published default and loss rates. As the Group's deposits are held in banks with high credit quality ratings with generally investment grade, the credit loss is low resulting in an immaterial ECL.

## 9.4.3 Significant Increase in Credit Risk (SICR)

In applying the general model, the Group assesses at each reporting date whether there has been a significant increase of credit risk. The Group compares the risk of default occurring on balance sheet date as compared to risk of default occurring on origination of the financial asset. In order to make such assessment, the Group uses qualitative and quantitative information and internal scoring about the borrower. Counterparties graded as investment grade or based on quantitative and qualitative information possess the ability to repay their debts in full under stress scenarios are considered as having low credit risk, for which 12-month ECL are determined. Borrowers experiencing significant downgrading of grading (i.e. two notches) or moving category below investment grade are considered as possessing significant increase in credit risk. Factors to consider also include significant deterioration of KPI's, deterioration of debt service ratios and other covenants and negative business or economic outlook.

### Especially the following indicators are incorporated:

- Internal credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's / counterparty's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the counterparty; and
- Significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of the counterparty within the Group, and changes in the operating results of the borrower.

### Default and Impaired

- The Group uses various factors to determine whether a financial asset is in default and being impaired including:
  - Concessions provided due to financial difficulties;
  - 90 days past due;
  - Significant deterioration of financial results and position, financial covenants, business and economic outlook and KPIs resulting in the inability of the borrower to repay its debts; and
  - Grading below investment grade.

### Loans provided

The Group assesses, on an individual basis, its exposure to credit risk arising from loans and other receivables. This assessment takes into account, amongst others, history of defaults in the past adjusted for forward looking information, qualitative and quantitative information of the borrower, future economic outlook and performance of borrower and internal ratings calculated as explained above.

The following table contains an analysis of the credit risk exposure for loans receivable and other receivables on the basis of the Group's internal credit risk rating grades. The gross carrying amount below represents the Group's maximum exposure to credit risk on these assets as at 31 December 2024.

EUR '000

Internal Credit Risk rating grade	Group definition of category	Gross carrying amount	
		2025	2024
Performing	Stage 1 Counterparty has a low risk of default and a strong capacity to meet contractual cash flows	1,792,366	1,556,611
Under Performing	Stage 2 Counterparty with a significant increase in credit risk	-	-
Non-Performing	Stage 3 90 days past due / concession provided / deterioration of credit standing / unlikely to pay in full	-	-

The Group performs ECL calculations on an individual basis by using probability of default (“PD”) (calculated through the internal rating system) being applied on multiple economic scenarios, expected cash flows and shortfalls of repayment. This results in a probability – weighted amount that is determined by evaluation a range of possible outcomes. The stage 1 credit exposures bear low PD and possess strong capacity to repay in full. Hence, the calculated ECL is deemed immaterial and therefore not recognized



## 9.5 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. The responsibility for liquidity risk management rests with the Board of Directors which has built an appropriate liquidity risk management framework and monitors rolling cash flow forecasts of the Group's funding and liquidity management requirements. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining adequate reserves, borrowing facilities, sufficient cash and highly liquid assets.

The following tables provide a summary of the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

EUR '000

2025	Less than 3 months or on demand	Between 4 months and 1 year	Between 1 - 2 years	Between 3 - 5 years	More than 5 years	Total contractual cash flows	Future interest cash flow	Total Net
Interest bearing loans and borrowings from related parties	185,897	418,709	1,816	410,111	-	1,016,533	(54,905)	961,628
Interest bearing loans and borrowings from third parties	114,188	232,233	254,931	1,357,991	43,034	2,002,377	(252,308)	1,750,069
Other financial liabilities	-	-	4,492	2,734	-	7,226	-	7,226
Lease liabilities	34,634	99,878	126,973	315,046	378,927	955,458	(188,274)	767,184
Creditors and accruals	1,282,684	301,407	4,556	8,420	17	1,597,084	-	1,597,084
<b>Total</b>	<b>1,617,403</b>	<b>1,052,227</b>	<b>392,768</b>	<b>2,094,302</b>	<b>421,978</b>	<b>5,578,678</b>	<b>(495,487)</b>	<b>5,083,191</b>

EUR '000

2024	Less than 3 months or on demand	Between 4 months and 1 year	Between 1 - 2 years	Between 3 - 5 years	More than 5 years	Total contractual cash flows	Future interest cash flow	Total Net
Interest bearing loans and borrowings from related parties	-	-	456,284	320,213	53,271	829,768	(77,130)	752,638
Interest bearing loans and borrowings from third parties	46,533	174,907	334,725	1,436,704	5,126	1,997,995	(320,680)	1,677,315
Other financial liabilities	-	-	3,942	2,448	-	6,390	-	6,390
Lease liabilities	29,637	89,225	113,495	280,516	336,947	849,820	(163,482)	686,338
Creditors and accruals	1,142,646	257,484	232	-	-	1,400,362	-	1,400,362
<b>Total</b>	<b>1,218,816</b>	<b>521,616</b>	<b>908,678</b>	<b>2,039,881</b>	<b>395,344</b>	<b>5,084,335</b>	<b>(561,292)</b>	<b>4,523,043</b>

## 9.6 Fair values

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities that the Group can access at the measurement date. There are no financial instruments in Level 1.
- Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 is represented by derivatives financial instruments.
- Level 3: Inputs are unobservable inputs for the asset and liability. Relates to all other items not included in Level 1 or 2 and is represented mainly by financial instruments that are not measured at fair values (but fair value disclosure is required).

### Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The Group`s management considers that:

- the carrying amounts of short-term financial assets and financial liabilities (cash, trade and other receivables, derivatives, lease liabilities) reasonably approximate their fair values largely due to the short-term maturities of these instruments,
- fair value of the variable-interest rate long-term interest-bearing loans and borrowings and loans provided reasonably approximate their fair values due to their link to market rates.

The table below provides information on fair value of fixed-interest rate long-term interest-bearing loans and borrowings and loans provided.

EUR '000

Fair value	Fair value hierarchy	2025		2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Fixed-interest rate Loans provided	Level 3	1,024,689	1,059,487	687,718	720,812
<b>Financial assets</b>		<b>1,024,689</b>	<b>1,059,487</b>	<b>687,718</b>	<b>720,812</b>
Fixed-interest rate Interest-bearing loans and borrowings	Level 3	1,698,706	1,731,327	1,330,099	1,354,602
<b>Financial liabilities</b>		<b>1,698,706</b>	<b>1,731,327</b>	<b>1,330,099</b>	<b>1,354,602</b>

### Methods of determining fair values of financial instruments as at 31 December 2025 and 31 December 2024

The fair value of interest-bearing loans and borrowings or loans provided is calculated as present value of their future contractual cash-flows. Future cash-flows are discounted using discount rate derived from the euro area yield curve based on AAA-rated government bonds, which is regularly produced by the ECB, adjusted by credit risk of the Group.

There were no transfers between Level 1, Level 2 and Level 3 during 2025 (2024).

## 9.7 Capital risk management

### 9.7.1 Objective of capital risk management and definition of capital

For the purposes of the Group's capital management, capital includes total equity, i.e.

- issued capital,
- share premium,
- all other equity reserves attributable to the equity holders of the Company,
- retained earnings or accumulated losses and
- interest bearing loans and borrowings from and loans provided to equity holders of the Company and other related parties.

The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and adjusts it in the light of changes in the economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group's capital management aims to ensure that Group meets financial covenants. Breaches in meeting the financial covenants would permit the bank to immediately call interest bearing loans and borrowings. Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants as of 31<sup>st</sup> December 2025:

- leverage ratio which is Net debt to Adjusted EBITDA must not be more than 3.5
- debt service cover ratio, which is Cashflow<sup>40</sup> to Debt Service<sup>41</sup> must be more than 1.1.

Under the terms of the bonds issuance, the Group's leverage ratio (i.e. Net debt to Adjusted EBITDA) must be lower than 5.95 as of 31 December 2025 (5.95 as of 31 December 2024).

For more information on definition of Net debt and Adjusted EBITDA refer to note **9.7.3 Management-defined performance measures**.

The Group has complied with these covenants at 31<sup>st</sup> December 2025 as well as throughout the reporting period. No changes were made in the policies or processes for managing capital during the years ended 31<sup>st</sup> December 2025 nor 31<sup>st</sup> December 2024.

<sup>40</sup> Cashflow means EBITDA plus several adjustment (for example: changes in working capital, provisions, movement regarding dividends or other profit distribution, capital expenditures, income tax paid, etc.).

<sup>41</sup> Debt service mainly consists of finance charges, all repayment of borrowings and part of lease's repayment (according to contract with bank).

### 9.7.2 Performance measures

Management uses for business performance analysis, strategic planning, financial reporting and decision-making following measures reported to and reviewed by management on monthly basis:

- Revenues,
- Operating profit before depreciation & amortization and impairment of non-financial assets ("EBITDA"),
- Operating profit,

and following measures reported to and reviewed by management on quarterly basis:

- Adjusted operating profit before depreciation & amortisation and impairment of non-financial assets ("Adjusted EBITDA") and
- Net debt.

EBITDA represents the principal metric for assessing the performance of the Group's operations, play key role in the preparation of budgets, and evaluating actual results against the budgeted ones.

Adjusted EBITDA along with net debt are measures defined by banks for financial covenant calculations with leverage ratio being calculated as net debt to Adjusted EBITDA.

Adjusted EBITDA is management-defined performance measure. For more information on definition and calculation of Adjusted EBITDA refer to chapter **9.7.3 Management-defined performance measures**.

Net debt is defined as sum of interest-bearing borrowings and lease liabilities measured in accordance with previous standard IAS 17<sup>42</sup>, less cash and cash equivalents. Net debt is a useful measure of the progress in generating cash and strengthening of the Group's balance sheet position.

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<sup>42</sup> Therefore net debt cannot be reconciled to the Consolidated statement of financial position lines.

### 9.7.3 Management-defined performance measures

The management-defined performance measures provide management's view of an aspect of the financial performance of the Group as a whole and are not necessarily comparable with measures sharing similar labels or descriptions provided by other Groups.

Reconciliation of Adjusted EBITDA to the most comparable subtotal from the Consolidated statement of financial performance, i.e. EBITDA is presented below.

EUR '000

Adjusted EBITDA reconciliation for the year ended 31 December	2025		2024		Impacting Consolidated statement of financial performance on line
	Gross amount	Income tax impact <sup>43</sup>	Gross amount	Income tax impact <sup>43</sup>	
<b>Operating profit before depreciation &amp; amortisation and impairment of non-financial assets (EBITDA)</b>	<b>465,702</b>		<b>399,660</b>		
Conversion of IFRS 16 to IAS 17	(129,144)	25,807	(116,315)	(1,944)	Received services and other operating expenses
Excluding net creation of accrual for long-term employee incentives	9,434	-	7,862	-	Personnel costs
Excluding gain / (loss) on disposal of fixed assets	(2,370)	(421)	(881)	144	Gains / (losses) from sale of non-financial assets
Excluding other exceptional, non-recurring expenses <sup>44</sup>	2,859	(173)	4,497	(750)	Received services and other operating expenses
<b>Operating profit before depreciation &amp; amortisation and impairment of non-financial assets (Adjusted EBITDA)</b>	<b>346,481</b>		<b>294,823</b>		

Main impact relates to conversion from IFRS 16 to IAS 17. Measurement and presentation in accordance with IFRS 16 are excluded from Consolidated statement of financial performance, and income and expenses related to finance lease liabilities as defined under the previous standard IAS 17 are added back.

Exceptional, non-recurring expenses mainly includes the reorganisation or restructuring, including reversals of any provisions for the cost of reorganisation or restructuring and severance payment to the prior management.

<sup>43</sup> At the statutory tax rates applicable to the transactions in the respective tax jurisdictions.

<sup>44</sup> For example acquisition related costs.

## 10 SUBSEQUENT EVENTS

### 10.1 Significant acquisitions

The following table provides details of the material subsidiary and associate acquired after the end of the reporting period to increase its market share in local markets and achieve cost savings through economies of scale.

Name	Name	Nature of business	Country of business operations	Acquisition date	Effective ownership percentage acquired
NEO APOTEK S.P.A.	Lidea SpA Group	Pharmacy business	Italy	1 January 2026	100%
Zdrowit S.A.	Pharmax Holdings Limited	Pharmacy business	Poland	5 January 2026 18 February 2026	11%

During January and February 2026, the Group acquired an additional 11% ownership interest in Zdrowit S.A., increasing its total shareholding from 26.2% to 37.2%. Further information on the Group's existing 26.2% interest in Zdrowit S.A. is disclosed in note **8.16 Investments in associates**.

#### 10.1.1 Identifiable assets acquired and liabilities assumed

The provisionally determined fair values of the assets acquired, and liabilities assumed as at the date of the acquisition are as follows:

EUR '000

Fair value	NEO APOTEK S.P.A.
<b>ASSETS</b>	
Non-current assets <sup>45</sup>	47,800
Current asset <sup>46</sup>	45,231
<b>TOTAL ASSETS</b>	<b>93,031</b>
<b>LIABILITIES</b>	
Non-current liabilities <sup>47</sup>	39,136
Current liabilities <sup>48</sup>	41,619
<b>TOTAL LIABILITIES</b>	<b>80,755</b>
<b>NET IDENTIFIABLE ASSETS ACQUIRED</b>	<b>12,276</b>
<b>Add: Goodwill</b>	<b>348,974</b>
<b>NET ASSETS ACQUIRED</b>	<b>361,250</b>

<sup>45</sup> Non-current assets predominantly comprise right-of-use of assets and property, plant and equipment.

<sup>46</sup> The balance of current assets mainly consists of trade and other receivables and inventories.

<sup>47</sup> Non-current liabilities are mainly represented by lease liabilities and employee benefits obligations.

<sup>48</sup> Current liabilities are primarily composed of creditors and accruals and employee benefits obligations.

### 10.1.2 Purchase consideration

EUR '000

Purchase consideration	NEO APOTEK S.P.A.
Cash consideration paid	359,860
Deferred consideration	1,390
<b>Total purchase consideration</b>	<b>361,250</b>

### 10.1.3 Net cash flow on acquisition

EUR '000

Net cash outflow on acquisition	NEO APOTEK S.P.A.
Cash consideration paid	359,860
Less: Balances acquired	
- Cash and cash equivalents	6,602
<b>Net cash outflow on acquisitions completed during the current period</b>	<b>353,258</b>

### 10.1.4 Additional information on Acquired subsidiaries

EUR '000

Additional information on Acquired subsidiaries	NEO APOTEK S.P.A.
<b>Acquired receivables</b>	
Gross contractual amount for trade and other receivable	19,063
Best estimate of contractual cash flows not expected to be collected	(1,808)
<b>Fair value of the acquired trade receivables</b>	<b>17,255</b>

## 10.2 Management Board change

On 9 February 2026 and subsequently on 17 April 2026, it was resolved to change the composition of the Management Board and the Local Chief Executive Officer.

With effect from 16 March 2026, Filip Jičínský was appointed as Group Chief Retail Operations & HR Officer, replacing Branislav Chmela. As of the same date, Branislav Chmela was appointed as Local Chief Executive Officer of Poland.

With effect from 30 April 2026, Luboš Korbelař ceased to hold the position of Group Chief Commercial Officer.

With effect from 27 April 2026, Stephan Zoll was appointed as Group Chief Operating Officer.

## 10.3 Other

There have been no other events subsequent to period end which require adjustment of or disclosure in the consolidated financial statements or notes thereto.