



Dr. Max Funding CR, s.r.o.

Base Prospectus of the CZK 20,000,000,000 Bond Programme established in 2025

This document constitutes a base prospectus (the **Base Prospectus**) for bonds issued under the bond programme, which has been drawn up in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended (the **Prospectus Regulation**).

In accordance with Section 11(1) of Act No. 190/2004 Coll., on Bonds, as amended (the **Bonds Act**), the bonds will be issued under the bond programme (the **Bond Programme** or the **Programme**) established in 2025 by Dr. Max Funding CR, s.r.o., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic, ID No.: 197 17 890, LEI: 315700WQ3QAGA2CBZR72, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 390578 (the **Issuer**). Under the Bond Programme, the Issuer is authorised to issue individual bond issues in accordance with the law (**Bond Issue, Issue or Bonds**). The aggregate nominal value of all issued and outstanding Bonds issued under the Bond Programme may not exceed CZK 20,000,000,000.

The Bonds will constitute direct, general, unconditional, and unsubordinated liabilities of the Issuer secured by a financial guarantee governed by the Czech law issued by DR.MAX GROUP HOLDINGS PLC (formerly GLEBI HOLDINGS PLC), with its registered office at 3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2nd floor, the Republic of Cyprus, reg. No.: HE 217028, LEI: 315700ZM1C465TPEZB82 (the **Guarantor**).

The Bonds constitute direct, general, unconditional and unsubordinated liabilities of the Issuer secured under the Security Documents (as defined in Condition 3.2(b) of the Joint Terms and Conditions (as defined below)) which rank *pari passu* among themselves and at least *pari passu* with any present and future unsubordinated liabilities of the Issuer, with the exception of liabilities treated preferentially under applicable mandatory laws.

The Bonds issued under the Bond Programme shall be placed on the market by the Joint Lead Managers (as set out below) or by any other person authorised by the Issuer to carry out such activity for a specific Issue (the Joint Lead Managers or such other person, the **Manager** or the **Managers**).

For each Bond Issue under the Bond Programme, the Issuer will prepare a supplement to the joint terms and conditions of the Bond Programme (the **Pricing Supplement**). The Pricing Supplement will specify, in particular, the nominal amount and the number of Bonds constituting the Issue, the issue date of the Bonds and the manner in which the Bonds shall be issued, the yield of the Bonds and their issue price, the dates of payment of the yield from the Bonds and the date or dates of repayment of their nominal, or other value, as well as other specific terms of the Bonds of the given Issue. If the Issuer decides on a public offering of the Bonds or on the admission of the Bond Issue to trading on a regulated market, the Issuer will prepare a separate document constituting the “Final Terms of the Offer” within the meaning of Article 8(4) of the Prospectus Regulation (the **Final Terms**), which will contain the Pricing Supplement. If the Issuer decides to make a public offering of the Bonds or to admit the Bond Issue to trading on a regulated market after the relevant issue date, the Issuer shall execute the Final Terms without undue delay after it decides on such form of placement of the Bonds or such admission of the Bond Issue to trading on a regulated market.

If, after the approval of the Base Prospectus and before the closing of the offer period of the Bonds or the admission of the Bonds to trading on a regulated market, any significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus which may affect the assessment of the Bonds arises or is noted, the Issuer shall amend the Base Prospectus by way of supplements to the Base Prospectus. Each such supplement shall be approved by the Czech National Bank (the **CNB**) and published so that each Issue to be offered to the public or admitted to trading on a regulated market will be offered or admitted on the basis of the current Base Prospectus.

If the Final Terms specify that the Bonds of the relevant Issue are to be securities admitted to trading on a regulated market, it is the intention of the Issuer to apply for their admission to trading on the Prague Stock Exchange

(the **PSE**), or to another regulated market that would replace the PSE. The specific PSE market on which the Bonds may be admitted to trading will be specified in the Final Terms of the relevant Issue. The Final Terms may also specify that the Bonds will be traded on another regulated market.

The wording of the joint terms and conditions, which are the same for each Bond Issue issued under the Bond Programme, are set out in the chapter “*Joint Terms and Conditions of the Bonds*” in this Base Prospectus (the **Joint Terms and Conditions**).

This Base Prospectus, which includes the wording of the Joint Terms and Conditions, was drawn up on 15 July 2025 and approved by the CNB in its decision ref. No. 2025/087705/CNB/650, file No. S-Sp-2025/00214/CNB/653 dated 22 July 2025, which became final and effective on 22 July 2025.

For the purposes of the offer of the Bonds to the public and the admission of the Bonds to trading on the regulated market, this Base Prospectus will be valid for twelve (12) months from the date on which its approval by the CNB became final and effective. The validity of the Base Prospectus will expire on 22 July 2026. The obligation to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Base Prospectus is no longer valid or conditions set out in Article 23 of the Prospectus Regulation are not met.

The CNB has approved the Base Prospectus in its capacity as the competent authority under the Prospectus Regulation and only to the extent that the Base Prospectus meets the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving the Base Prospectus, the CNB certifies that the Base Prospectus contains all information required by law necessary for the investor to take an investment decision. The CNB assesses neither the financial results nor the financial situation of the Issuer and the Guarantor and by approving the Base Prospectus it does not guarantee the quality of the security or the Issuer’s and the Guarantor’s future profitability or its ability to pay the interest on, and the principal of, the Bonds. Potential investors should make their own assessment as to the suitability of investing in the Bonds. This Base Prospectus will be published on the website www.drmaxfundingcr.cz in the section “Bonds” for a period of ten (10) years from the date on which the approval of the Base Prospectus by the CNB became final and effective.

An investment in the Bonds involves risks. For a discussion of certain of these risks see “*Risk Factors*”.

Arrangers

Komerční banka, a.s.

UniCredit Bank Czech Republic and Slovakia, a.s.

Joint Lead Managers

Česká spořitelna, a.s.

Komerční banka, a.s.

UniCredit Bank Czech Republic
and Slovakia, a.s.

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IMPORTANT INFORMATION

*This document is a base prospectus within the meaning of Article 8 of the Prospectus Regulation and Article 25 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (the **Commission Delegated Regulation**). This Base Prospectus was prepared in accordance with Annexes 6, 14 and 21 of the Commission Delegated Regulation.*

*The distribution of this Base Prospectus and the offer, sale or purchase of the Bonds are restricted by law in some countries, and similarly their offer may not be permitted (except in the Czech Republic). In particular, the Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any state of the United States (the **US**) or other jurisdiction of the US. The Bonds are being offered outside the US by the Joint Lead Managers in accordance with Regulation S under the Securities Act (**Regulation S**), and may not be offered, sold or delivered within the US or to, or for the account or benefit of, US persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*

*The Issuer further advises that the Bonds may not be offered or sold in the United Kingdom of Great Britain and Northern Ireland (the **UK**) by means of the dissemination of any material or announcement, except for an offer to sell to persons authorised to deal in securities in the UK on their own or for the account of others, or in circumstances which do not constitute a public offer of securities within the meaning of the Companies Act 1985, as amended. Any legal acts regarding to the Bonds performed in, from, or otherwise in connection with, the UK must also be performed in accordance with the Financial Services and Markets Act 2000 (FSMA 2000), as amended, the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, and the Prospectus Regulation, as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018, and as amended and supplemented by legislation adopted in connection with the withdrawal of the UK from the European Union (the **EU**), effective from 1 January 2021, and in particular by the Official Listing of Securities (EU Exit) Regulations 2019, the Prospectus (EU Exit) Regulations 2019, and the Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020.*

Persons in possession of this Base Prospectus or any Final Terms are responsible for complying with the restrictions that apply in each country to the offer, purchase or sale of the Bonds or the possession and distribution of any materials relating to the Bonds.

Potential investors in the Bonds must determine the appropriateness of such an investment based on their own circumstances. Each potential investor should above all (i) have sufficient knowledge and experience to properly value the Bonds, the benefits and risks of investing in the Bonds, and evaluate the information contained in this Base Prospectus (including any supplements), (ii) have knowledge of adequate analytical tools for valuation and access to them, always in the context of their specific financial situation, investment in the Bonds and its impact on your overall investment portfolio, (iii) have sufficient funds and liquidity to be prepared to bear all the risks of investing in the Bonds, (iv) fully understand the terms of the Bonds (primarily the Joint Terms and Conditions, the Final Terms and this Base Prospectus, including any supplements thereto) and be familiar with the behaviour or development of any relevant indicator or financial market and (v) be able to evaluate (either by yourself or with the help of a financial advisor) possible scenarios further developments in the economy, interest rates or other factors that may affect his investment and his ability to bear possible risks.

Potential investors in the Bonds must make their investment decisions on the basis of the information provided in this Base Prospectus and in any supplement to the Base Prospectus. In the event of a conflict between the information provided in this Base Prospectus and its supplements, the most recently published information always applies. Any decision to subscribe to the offered Bonds must be based solely on the information contained in these documents as a whole and on the terms of the offer, including a separate evaluation of the risks involved in an investment in the Bonds by each of the potential investors.

Neither the Issuer nor the Guarantor has approved any statement or information about the Issuer, the Guarantor or the Bonds other than that contained in this Base Prospectus and its supplements. No such other statements or information shall be relied upon as statements or information approved by the Issuer or the Guarantor. Unless otherwise stated, all information in this Base Prospectus is as of the date of issue of this Base Prospectus. The provision of a Base Prospectus at any time after the date of issue does not imply that the information contained

therein is correct at any time after the date of issue of this Base Prospectus. In addition, this information can be further changed or supplemented through individual supplements to the Base Prospectus.

Neither the Joint Lead Managers nor their affiliates have independently reviewed the information contained in this Base Prospectus, including information incorporated into this Base Prospectus by reference, nor have they approved this Base Prospectus or any part thereof. Accordingly, neither the Joint Lead Managers nor their affiliates make any representations, warranties, undertake and assume no responsibility, whether express or implied, in relation to the accuracy and completeness of the information contained in this Base Prospectus, including information incorporated into this Base Prospectus by reference or in relation to the accuracy and completeness of other information provided by the Issuer or the Guarantor in connection with the issue and offer of the Bonds or in relation to the actions or omissions of the Issuer, the Guarantor or other persons in connection with the issue and offer of the Bonds. Neither the Joint Lead Managers nor their related persons assume responsibility in relation to the information contained in this Base Prospectus, including information incorporated into this Base Prospectus by reference, or other information provided by the Issuer, the Guarantor or any other person in connection with the issue and offer of the Bonds.

The information contained in the chapters “Taxation and Foreign Exchange Regulation” and “Enforcement of Civil Liabilities Against the Issuer and the Guarantor” are provided only as general and not exhaustive information based on the state as of the date of this Base Prospectus and were obtained from publicly accessible sources that have not been processed or independently verified by the Issuer. Prospective investors in the Bonds should rely solely on their own analysis of the factors set forth in these sections and on their own legal, tax and other professional advisors. Potential foreign acquirers of the Bonds are advised to consult with their legal and other advisors the provisions of the relevant legal regulations, in particular the foreign exchange and tax regulations of the Czech Republic, the countries of which they are residents, and other possibly relevant states, as well as all relevant international agreements and their impact on specific investment decisions.

The Bondholders, including any potential foreign investors, are encouraged to keep themselves informed of all laws, regulations and rules governing the holding of the Bonds, as well as the sale of the Bonds abroad or the purchase of the Bonds from abroad, as well as any other transactions with the Bonds, and to comply with these laws, regulations and rules.

The Issuer will publish reports on its business results and its financial situation and fulfil information obligations to the extent set by the laws and regulations of the individual regulated securities markets on which the Bonds will be accepted for trading (if relevant).

This Base Prospectus, its possible supplements, annual and other reports of the Issuer published after the date of preparation of this Base Prospectus, as well as all documents referred to in this Base Prospectus by way of reference, will be available in electronic form on the website www.drmaxfundingcr.cz in the sections “Bonds” and “Financial Reports”.

Unless otherwise stated, all financial data of the Issuer and the Guarantor is based on the IFRS Accounting Standards, as adopted by the European Union, which are consistently applied (the **IFRS**). Some values shown in this Base Prospectus have been adjusted by rounding. This means, among other things, that the values given for the same line item may differ slightly in different places, and the values representing sums of some values may not be the arithmetic sum of the values on which they are based.

This Base Prospectus contains various forward-looking statements that relate to, among other things, events and trends that are subject to risks and uncertainties that could cause the future business activities, results and financial condition of the Issuer, the Guarantor and the Group to differ materially from the information contained herein. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “estimate”, “projection”, “intend”, “assume”, “believe”, “expect”, “should” and similar expressions that refer to the Issuer, the Guarantor and the Group and their management. The Issuer warns investors not to rely on these forward-looking statements, which only describe the situation as of the date of this Base Prospectus. The Issuer undertakes no obligation to publish the results of any revisions to these forward-looking statements to reflect events or circumstances after the date of this Base Prospectus or to reflect the occurrence of unexpected events.

When relying on forward-looking statements, investors should carefully consider the following risks and uncertainties and other events, particularly with regard to the political, economic, social and legal environment in which the Issuer, the Guarantor and the Group operate. Factors that could affect such forward-looking statements include, but are not limited to, overall business and government regulatory conditions, changes in

customs and tax requirements (including changes in tax rates, new tax laws and revised interpretations of tax laws), fluctuations in interest rates and other conditions in the capital market, including fluctuations in foreign currency exchange rates, economic and political conditions in the countries where the Issuer, the Guarantor and the Group operate and in other markets and the timing, impact and other uncertainties of future actions, see also “Risk Factors”. The issuer makes no representation, warranty or prediction that the facts anticipated by these forward-looking statements will occur, and these forward-looking statements in any event represent only one of many possible scenarios and should not be considered the most likely or standard scenario.

If this Base Prospectus is translated into another language, in the event of a conflict of interpretation between the text of the Base Prospectus in English language and the text of the Base Prospectus translated into another language, the English language version of the Base Prospectus will prevail.

The information contained under hyperlinks in this Base Prospectus, with the exception of such information according to the chapter Information incorporated by reference, is not part of the Base Prospectus and therefore has not been verified or approved by the CNB.

Some of the information provided in the Base Prospectus comes from third parties. Such information has been accurately reproduced and, to the best of the Issuer’s knowledge and to the extent it is able to ascertain from the information published by the relevant third party, no facts have been omitted which would make the reproduced information inaccurate or misleading.

In this Base Prospectus, all references to:

Czech Koruna and **CZK** refer to Czech Koruna, the currency of the Czech Republic;

EUR and **euro** refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;

Polish Zloty and **PLN** refer to the Polish Zloty, the currency of Poland; and

Romanian Leu and **RON** refer to the Romanian leu, the currency of Romania.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the conditions of any particular Bond Issue, the applicable Final Terms. Words and expressions defined in the Joint Terms and Conditions and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this overview.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of the Commission Delegated Regulation.

Words and expressions defined in the Joint Terms and Conditions and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this overview.

Issuer:	Dr. Max Funding CR, s.r.o.
Issuer Legal Entity Identifier (LEI):	315700WQ3QAGA2CBZR72
Guarantor:	DR.MAX GROUP HOLDINGS PLC
Guarantor Legal Entity Identifier (LEI):	315700ZM1C465TPEZB82
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Bonds issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Bonds issued under the Programme. These risk factors are set out under "Risk Factors" and include: (a) risks related to the Issuer and the Guarantor; (b) risks related to the existence of the Security Agent; (c) risks related to the Bonds; and (d) risks related to the Financial Guarantee and Subordination Agreement 3.
Description:	CZK 20,000,000,000 Bond Programme established in 2025 allowing the issuance of Bonds.
Arrangers:	Komerční banka, a.s. and UniCredit Bank Czech Republic and Slovakia, a.s.
Managers:	Joint Lead Managers or any person that the Issuer entrusts with the performance of such activity for a particular Bond Issue.
Security Agent:	UniCredit Bank Czech Republic and Slovakia, a.s., or any person appointed as the New Security Agent pursuant to Condition 3.5 of the Joint Terms and Conditions.
Fiscal and Paying Agent:	Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.1(b), Komerční banka, a.s. will be the Fiscal and Paying Agent.
Calculation Agent:	Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.2(b), Komerční banka, a.s. will be the Calculation Agent.

Listing Agent:	Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.3(b), Komerční banka, a.s. will be the Listing Agent.
Certain Restrictions:	Each issue of Bonds denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.
Programme Size:	The maximum aggregate nominal amount of all Bonds from time to time outstanding under the Programme shall not exceed CZK 20,000,000,000.
Distribution:	The Issuer may decide on the public offering of the Bonds or on the admission of a particular Bond Issue for trading on a regulated market and specify this information in the Pricing Supplement of the particular Bond Issue.
Currencies:	Bonds may be denominated in CZK or EUR or other currency, as specified in the Pricing Supplement of the particular Bond Issue.
Maturities:	The Bonds will have such maturities as specified in the Pricing Supplement of the particular Bond Issue.
Issue Price:	The issue price of the Bonds will be specified in the Pricing Supplement of the particular Bond Issue.
Additional Subscription Period:	With the consent of the Arrangers and Managers, the Issuer may issue Bonds in the anticipated or higher total nominal value even after the expiration of the Subscription Period. In such a case, the Issuer will determine an Additional Subscription Period which will end no later than the Record Date for Nominal Amount Repayment and will make it available in the manner stated in Condition 14 of the Joint Terms and Conditions without unnecessary delay.
Form of the Bonds:	The Bonds may be issued as book-entry Bonds (<i>zaknihované dluhopisy</i>).
Fixed Rate Bonds:	The Bonds designated in the relevant Pricing Supplement as Fixed Rate Bonds will bear interest at the fixed interest rate specified in the relevant Pricing Supplement, or fixed interest rates specified for individual Interest Periods in the relevant Pricing Supplement.
Floating Rate Bonds:	The Bonds designated in the relevant Pricing Supplement as Floating Rate Bonds will bear interest at a floating interest rate corresponding to the sum of the relevant Reference Rate and the relevant Margin (if applicable). The Reference Rate can be PRIBOR or EURIBOR.
Purchase of the Bonds:	The Issuer or any of the Issuer's Affiliates or any member of the Group are authorised to purchase the Bonds on the market or otherwise at any price.

Early Redemption of the Bonds at the option of the Issuer:	If specified in the Pricing Supplement, the Issuer will have the right to redeem all or part of the nominal value of all Bonds of the given Issue.
Buyback at the option of the Bondholders:	Unless otherwise specified in the Pricing Supplement, if a Change of Control occurs, the Bondholders will have the right to request the Issuer to purchase their Bonds before the Final Maturity Date.
Denomination of the Bonds:	The denomination of the Bonds will be specified in the applicable Pricing Supplement.
Taxation:	Bondholders should be aware that the tax laws of the Czech Republic as the country of the Issuer's registered office, as well as the tax legislation of their country of tax residence, may affect the income from the Bonds. The Issuer is not responsible for any tax (including its levy or payment) in connection with the Bonds (including any tax related to the acquisition, ownership, transfer or exercise of rights arising under the Bonds) except in cases where the income from the Bonds paid by the Issuer is subject to any form of tax deduction (including tax security deduction) in accordance with applicable law, in which case the Issuer is responsible in its capacity as the tax payor (<i>plátce daně</i>). Repayment of the Payment Amount and payments of interest in respect of the Bonds by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Czech Republic or any authority therein or thereof having power to tax, unless such withholding or deduction is required by applicable law. In such case, the Issuer will not be obliged to pay to the Bondholders any additional amounts as a compensation of the withholding or deduction of any taxes, duties, assessments or governmental charges of whatever nature, unless the relevant Pricing Supplement stipulates otherwise. For more information on the taxation regime of the Bonds please see chapter "Taxation and Foreign Exchange Regulation" of the Base Prospectus.
Approval, Listing and Admission to Trading:	If the Final Terms specify that the Bonds of the relevant Issue are to be securities admitted to trading on a regulated market, it is the intention of the Issuer to apply for their admission to trading on the PSE, or to another regulated market that would replace the PSE. The specific PSE market on which the Bonds may be admitted to trading will be specified in the Final Terms of the relevant Issue. The Final Terms may also specify that the Bonds will be traded on another regulated market or, except with respect to the first Bond Issue under the Programme, that they will not be traded on any such market.
Governing Law:	Any rights and obligations under the Bonds will be governed by, and interpreted and construed in accordance with, the laws of the Czech Republic.

Any disputes between the Issuer and the Bondholders that may arise based on, or in connection with, the issue of the Bonds, including any disputes with respect to the Joint Terms and Conditions, will be settled with final effect by the Municipal Court in Prague.

The court competent to resolve any disputes between the Issuer and the Bondholders in relation to the Bonds (including disputes relating to non-contractual obligations arising therefrom and disputes concerning their existence and validity) is solely the Municipal Court in Prague unless the agreement on the choice of territorial jurisdiction is not possible in a particular case and the law provides for another locally competent court.

RISK FACTORS

Investors considering the purchase of the Bonds should carefully familiarise themselves with the risk factors that threaten the future business activity of the Issuer and its ability to meet its debts arising under the Bonds. In particular, an investor should familiarise themselves with this Base Prospectus (and any supplement), in which the Issuer, to the best of its knowledge, presents a list of the most serious risk factors that may significantly negatively affect the business activities of the Issuer or the Guarantor and all its subsidiaries.

The subscription, purchase, possession and possible resale of the Bonds represent an activity which is by its very nature associated with a number of risks. The above-mentioned risks threaten the Issuer as the counterparty of the Bonds subscription/purchase transaction and thereby threaten the financial position of the Bondholder. The list of risks is not complete and the description is not exhaustive. It does not represent professional analysis or constitute an investment recommendation. It does not limit the rights or obligations arising from the Joint Terms and Conditions and the Final Terms. The decision to purchase the Bonds should be made only after considering the profitability, the risks involved, any liquidity requirements and the time horizon of the investment. The decision should be preceded by a thorough study of the information provided in this document, as well as a supporting analysis by legal or tax advisors.

By stating the risk factors in the text of the Base Prospectus, the Issuer aims to provide the widest possible range of information regarding the investment and to prevent unfounded claims related to the subscription, purchase, possession or possible resale of the Bonds.

In each subsequent section, the risk factor that is considered the most significant in the respective section is always listed first, according to the Issuer's assessment, taking into account the negative impact on the Issuer and/or the Guarantor and the probability of occurrence of these risks.

Words and expressions defined in the Joint Terms and Conditions and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this chapter "Risk Factors".

1. RISKS RELATED TO THE ISSUER AND THE GUARANTOR

Risks associated with the Issuer's ability to fulfil its obligations under the Bonds and the Guarantor's ability to fulfil its obligations under the financial guarantee

Risks associated with the Issuer being a special purpose vehicle

The Issuer is a special purpose vehicle that was established for the purpose of issuing bonds and subsequently providing intra-group financing. The Issuer previously issued (i) bonds named Dr. Max 8,50/28, with a fixed interest rate of 8.50% p. a. in the total nominal value of CZK 5,000,000,000, due in 2028, ISIN CZ0003556177 (the **2028 Bonds**), and (ii) bonds named Dr. Max 6,75/29, with a fixed interest rate of 6.75% p.a. in the total nominal value of CZK 1,250,000,000, due in 2029, ISIN CZ0003566234 (the **2029 Bonds** and together with 2028 Bonds, the **Previously Issued Bonds**); the net proceeds from Previously Issued Bonds were provided to the Guarantor and its subsidiaries (these companies forming a consolidated group with the Guarantor, the **Group**) in the form of intra-group loans. Further information about the intra-group loans is provided in chapter Information about the Issuer, section 5. Material Contracts below. The Issuer does not carry out any other business activity and therefore cannot generate resources to repay the debts arising under the Bonds from other activities. The Issuer's cash flows and its ability to meet its debt obligations, including under the Bonds, will depend primarily on the operating results and financial situation of the Group and on whether the Issuer receives funds from the Group in the form of repayments of intra-group loans or borrowings and related interest, or otherwise. The Issuer's ability to finance any payments therefore depends on the continued activity and solvency of the Group.

Risk of the Guarantor being a holding company

The Guarantor is a holding company that holds 100% of the share capital of and voting rights in Pharmax Holdings Limited, with its registered office at 3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2nd floor, the Republic of Cyprus, reg. No. HE 295375 (**Pharmax Holdings**). The Guarantor does not carry out other business activity and is dependent on the success of Pharmax Holdings and its subsidiaries which carry out the business activities of the Group, in particular operating pharmacies and online stores under the Dr. Max brand, operating wholesale trade in pharmaceuticals or providing professional services to companies operating in the pharmaceutical market.

In addition to the sale of its own assets, in particular shares in its subsidiaries, the Guarantor cannot generate resources from its own business activities to repay its obligations to the Issuer, i.e. to enable the Issuer to repay its obligations arising under the Bonds, or to repay its obligations arising under the financial guarantee issued by the Guarantor, which is contained in the annex to the Joint Terms and Conditions (the **Financial Guarantee**). If Pharmax Holdings and its subsidiaries do not achieve sufficient economic results or their ability to make payments to the Guarantor, for example in the form of dividends, interest or in another form, is limited for other reasons (for example, the unavailability of free resources, legal or tax regulation or as a result of contractual arrangements), it would have a significant adverse effect on the Guarantor's income and its ability to repay the obligations arising under the Financial Guarantee and to provide the Issuer with the funds to repay the debts arising under the Bonds.

The Guarantor is thus exposed to the risk of secondary dependency related to Pharmax Holdings and its subsidiaries and the risks of the market in which these companies operate, some of which are described below. Due to the Guarantor's dependence on Pharmax Holdings, all related risk factors described below may adversely affect the Guarantor's ability to repay its obligations under the Financial Guarantee and its ability to provide the Issuer with funds to repay the debts arising under the Bonds.

Pharmax Holdings is a party to a facilities agreement of up to EUR 1,340 million dated 24 June 2022, as amended by Amendment No. 1 dated 14 November 2023 and Amendment No. 2 dated 20 June 2024, between, inter alia, Pharmax Holdings as parent company, its selected subsidiaries as original borrowers and the original guarantors, UniCredit Bank Czech Republic and Slovakia, a.s., Komerční banka, a.s., and BRD – GROUPE SOCIÉTÉ GÉNÉRALE S.A. as mandated lead arrangers, UniCredit Bank Czech Republic and Slovakia, a.s., and Komerční Banka, a.s., as bookrunners and UniCredit Bank Czech Republic and Slovakia, a.s., as original lender, agent and as security agent and the financial institutions referred to therein as lenders (the **Pharmax Holdings Facilities Agreement**). The debts arising under or in connection with the Pharmax Holdings Facilities Agreement are secured by pledges over selected assets of the Group. These pledges include, inter alia, pledge of the Guarantor's interest in Pharmax Holdings, Pharmax Holdings' interests in selected companies of the Group, the enterprises of selected Czech companies of the Group, selected trademarks and other assets, including, inter alia, receivables from selected bank accounts.

The tables below provide a summary of pledges of the secured assets of the Group under or in connection with the Pharmax Holdings Facilities Agreement as at 31 December 2024:

Pledges of shares or ownership interests held by the Guarantor	as at 31 December 2024
Pharmax Holdings Limited	100%
Pledges of shares or ownership interests held by Pharmax Holdings	
ČESKÁ LÉKÁRNA HOLDING, a.s.	100%
Dr. Max Holding SK, a.s.	100%
Dr. Max BDC, s.r.o.	100%
BRL Center – Polska Sp.z.o.o.....	100%
Baramoore International s.r.o.	100%
Dr. Max SRL	100%
MagnaPharm Holdings Limited.....	100%
Lidea SpA	100%
ViaPharma s.r.o.	100%
Dr. Max sp. z o.o.	100%
Pledges of assets other than shares or ownership interests	<i>(in EUR thousands)</i>
Trademark	158,986
Loans provided	868,614
Trade and other receivables	683,105
Inventories	463,668
Cash and cash equivalents	214,102
Total	2,388,475
Pledges of enterprises incorporated in the Czech Republic	<i>(in EUR thousands)</i>
Net assets (of ČESKÁ LÉKÁRNA HOLDING, a.s., Baramoore International s.r.o. and ViaPharma s.r.o.)	200,522

Total	200,522
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If the enforcement of the security based on the pledges over selected assets of the Group was to occur, it would result in the Guarantor effectively losing its most significant subsidiary, including the companies operating the principal activities of the Group, which would have a material adverse effect on the Guarantor's income and its ability to repay the obligations under the Financial Guarantee and its ability to provide the Issuer with funds to repay the debts under the Bonds.

Risks associated with the possible provision of proceeds from the issue of the Bonds

The Issuer intends to use the net proceeds from each Issue to further develop the business activities of the Group, however the Guarantor has not decided as at the date of this Base Prospectus how the proceeds of the Bonds of each particular Issue will be used and therefore the Guarantor may also provide proceeds to the Guarantor's shareholders. To this end, the Issuer will provide the amount of the net proceeds to the Guarantor by way of an intra-group loan or credit facility and the Guarantor, if it does in fact provide the funds so raised to the Guarantor's shareholders by way of an intra-group loan or credit facility, will be exposed to the risk that the intra-group loan or credit facility so provided will not be repaid, which could have a material impact on the Guarantor's ability to repay the intra-group financing provided by the Issuer and, therefore, the Issuer's ability to repay the debt under the Bonds. As at 31 December 2024, the amount of financing provided to the shareholders of the Guarantor, other Penta Group companies and other related parties amounted to EUR 1,556,611 thousand.

Risks related to the Group and its business

Risk arising from economic developments, inflation and their impact on the purchasing power of the population

The results of operations and financial performance of the Group may be adversely affected by factors relating to economic developments in the countries in which the Group operates which cannot be objectively predicted and which are beyond the control of the Group, in particular political, economic and social factors, such as the economic policies of the countries in which the Group operates, the growth or decline in gross domestic product, inflation trends, monetary and tax policies, exchange rates, interest rates, unemployment, the purchasing power of the population and the general level of investment in the countries in which the Group operates.

The share of the Group's revenue by market is as follows:

Revenue from contracts with customers by geographical regions (in %)	For the year ended 31 December	
	2024	2023
Romania	44.5	43.0
Czech Republic	25.3	28.6
Slovakia	14.6	14.5
Poland	6.1	5.7
Italy	4.4	3.6
Serbia	4.0	3.3
Bulgaria	0.6	0.6
Other*	0.5	0.7
Total	100	100

**Including, inter alia, Croatia, Hungary and Slovenia.*

Due to potential slower growth of the economy and high inflation in the countries where the Group operates, and the related decline in real household incomes, there may be a decrease in demand for certain product categories offered by the Group, particularly dietary supplements and other over-the-counter medicinal products.

For example, the Ministry of Finance of the Czech Republic expects an average inflation rate of 2.4% for year 2025, which would represent an equal inflation rate compared to the average inflation rate in 2024.¹ According to data published by the EU's statistical office (Eurostat), year-on-year inflation in April 2025 was 4.9% in Romania (6.2% in April 2024), 3.9% in Slovakia (2.4% in April 2024), 3.7% in Poland (3.0% in April 2024), 2.0% in Italy

¹Source: Macroeconomic forecast of the Ministry of Finance of the Czech Republic for April 2025, available here: <https://www.mfcr.cz/cs/rozpocetova-politika/makroekonomika/makroekonomicka-predikce/2025/makroekonomicka-predikce-duben-2025-59451>, p. 44.

(0.9% in April 2024), and 4.1% in Serbia (5.0% in April 2024).² However, the Group cannot guarantee that the inflation rate will remain constant or decrease in the future or, on the contrary, that it will not increase, which could lead to stagnation or a decline in demand for the aforementioned products.

The Group generated approximately 40% of its revenues from government-reimbursed products as at 31 December 2024. The pricing of products so reimbursed by the government is regulated and price adjustments typically come with a time lag due to the regulatory pricing processes in place. As a result, the Group, like all of its competitors, has limited ability to respond to economic developments by adjusting the prices of its products compared to markets where there is no price regulation.

A deterioration in economic trends and the purchasing power of the population could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk related to legislative changes

The sale of pharmaceuticals, as an activity directly related to healthcare, is substantially regulated in all countries where the Group operates. The Group is therefore subject to not only the risk of changes in the regulation of the distribution and sale of medicinal products and dietary supplements in particular, but also to the risk of changes in legislation affecting the overall economy more generally, which risks are among the biggest risks of the Group's business.

Prohibiting advertising and promotion of medicines or pharmacies or prohibiting the provision of loyalty discounts and bonuses to registered customers may reduce the effectiveness of building brand awareness, customer retention and competition for market share. A ban on advertising and promotion is legislated in Poland. If legislation is similarly tightened in other markets in which the Group operates, such restrictions may have a negative impact on the Group's results of operations.

The introduction of new restrictions on the ownership structure of pharmacies, such as the obligation for pharmacies to be owned exclusively by persons with formal pharmaceutical training or the limitation of the maximum size of the market share of a single entity, increases the cost of efficient corporate governance. Restrictions on pharmacy ownership are in place in Poland and more modest restrictions on pharmacy ownership are also effective in Slovakia. On 28 September 2023, an amendment to the Polish Pharmaceutical Law Act came into effect. This amendment, among other things, introduces restrictions on the expansion of pharmacy franchise chains (a franchise strategy is also used by the Group in Poland) or on the sale of existing pharmacies, effectively preventing the Group from further expansion in the Polish market. If the ownership structure or the possibility of expansion is restricted in this way in other markets where the Group operates, such restrictions may have a negative impact on the economic results of the Group.

If regulatory changes having the potential to affect the level of public support for the healthcare system were to occur, these changes may impact the overall profitability of the Group as demand for products that are not covered by public health insurance, or are only partially covered by public health insurance, could be weakened.

Changes in the contractual terms between the pharmacy operator and the health insurer may have a negative impact on the level of assets if the due date for reimbursement of prescription medicinal products is extended and therefore the liquidity of pharmacy operators deteriorates. Such a change has occurred in the past, for example in Romania, and may occur in other countries in which the Group operates.

Changes in the regulation of prescription drug prices may have a significant negative impact on all pharmacy operators in a given market, and an extreme case is the introduction of central purchasing of medicinal products by a health insurance company, where pharmacies only distribute medicinal products for a fixed fee and generate virtually all of their business margin by selling over-the-counter products.

Another potential risk is the separation of the sale of prescription medicinal products from the sale of over-the-counter products, as some customers will purchase over-the-counter products at a higher margin during their visit to the pharmacy to pick up their prescription medicinal products.

²Source: Eurostat data, available here:
https://ec.europa.eu/eurostat/databrowser/view/PRC_HICP_MANR__custom_118059/bookmark/table?lang=en&bookmarkId=45a0a8c6-966f-43c6-9d30-9edb61e4f3b

Materialisation of these risks could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Labour market risk

Personnel costs amount to a substantial share of the Group's revenue, positioning them as the largest operational expense. The percentage of the Group's payroll costs to the Group's total operating expenses and the Group's total expenses is detailed in the table below.

Share of personnel costs in the Group costs (in EUR thousands unless stated otherwise)	For the year ended 31 December	
	2024	2023
Personnel costs.....	(583,641)	(508,643)
Total operating expenses of the Group.....	(4,678,548)	(4,045,001) ³
Total expenses of the Group	(4,886,748)	(4,182,327) ⁴
Share of personnel costs in the Group's operating expenses (%).....	12.5	12.6
Share of personnel costs in total costs of the Group (%)	12.0	12.2

Depending on the applicable legislation, the salaries of pharmacists and laboratory technicians may be based on the minimum wage in the economy and therefore the increase in the Group's wage costs is directly related to the increase in the minimum wage. Within the countries in which the Group operates, the minimum wage has been legislated in the Czech Republic, Slovakia, Romania, Poland and Serbia. The minimum wage is not legislated in Italy. For example, in the Czech Republic, in this context, in 2024 the Group introduced a guaranteed starting gross salary of CZK 40 thousand for pharmacists and CZK 26 thousand for pharmacy graduates. In the event of a shortage of skilled labour in individual labour markets or in the event of an increase in the minimum wage, the rate of growth in labour costs may exceed the rate of growth in profitability, thereby reducing the Group's overall profitability.

For the Group, this risk is proportional to the actual number of employees, with the highest labour costs for the Group in the Czech Republic, Romania, Slovakia, Poland, Italy and Serbia.⁵

This risk is significant in relation to employees with pharmaceutical training, which are essential to the operation of the pharmacies operated by the Group and whose number is limited in the market due to formal training requirements. This risk is also significant in relation to the skilled workforce in the e-commerce sector, as there is a long-term shortage of IT specialists in the labour market.

As a result of the sharp increase in inflation during 2022 and 2023, the Group has been facing increasing pressure to increase its average payroll costs. If the level of inflation rises again in the future, there is a risk that the Group's profitability will decline due to further cost increases (please also see "*Risk arising from economic developments, inflation and their impact on the purchasing power of the population*" above).

Materialisation of these labour market risks could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of competitive environment

The Group competes with rival undertakings in all geographical markets. In the event of aggressive campaigns and competitive efforts to increase market share, the Group must respond by lowering average sales prices, thus reducing profitability. Otherwise, there is a risk of customer attrition and a loss of market share to competitors.

The Group has a strong position in the Slovak and Czech markets, which implies a medium risk of costly competition. In Poland, the possibility of concentration of competitors is significantly limited by the current legislation which defines the maximum market share size, therefore, the risk of competitive struggle for the Group is limited there. In contrast, in the Romanian market, the Group is exposed to a higher risk of loss of market share

³ Adjusted figure. The original figure amounted to EUR 4,044,876 thousand (for more information see consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

⁴ Adjusted figure. The original figure amounted to EUR 4,191,301 thousand (for more information see consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

⁵ The ranking of countries is directly related to the level of costs in each country.

and decline in margins, whereas the Romanian market represented 44.5% of the Group's total revenues as at 31 December 2024, and is thus significant in terms of volume for the Group. The position of the Group in the Italian market is relatively small compared to other markets in which the Group operates, with a market share of approximately 1.1% in the Italian market, and this market therefore represents a significant risk to the Group in the event of unsuccessful attempts to increase market share.

A loss of market share of the Group could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of failure to implement the Group's business strategies or increase in the cost of such strategies

The Group continuously invests in the development and deployment of new technologies, IT systems and logistics solutions. The Group's total investments in assets amounted to EUR 129,747 thousand as at 31 December 2024 (EUR 113,441 thousand as at 31 December 2023), with the majority of these investments being made in the above-mentioned projects.

For the Group, these investments represent a significant expense that may require a longer investment than originally intended, and it cannot be excluded that the Group will have insufficient funds, know-how or other resources to make such investments or that the investments made will not have the intended positive impact on the business of the Group. In such an event, the Group may not be able to respond adequately to the competitive environment and customer demands, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Default risk consisting in the failure of the Group's private label

For the Group, the sale of private label products represents a significant source of revenue since, as at 31 December 2024, revenues for private label products represented approximately 24% of revenues for all over-the-counter medicines (31 December 2023: approximately 25%). For the Group, private label development is therefore one of the main strategies for increasing its profitability as it is able to offer them at a higher margin compared to other brands. If customer interest in the Dr. Max private label were to decrease for any reason, this would have a significant negative impact on the Group's trading margin.

The Group cannot guarantee the product preferences of its customers and therefore that its private label will not lose market share to other third-party brands, whether due to lower price, better quality or more effective marketing.

Failure of the Group's private label could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of workforce errors

The Group dispenses prescription and over-the-counter medicines in the course of its business and is therefore exposed to the risk that customers could be harmed by errors on the part of the Group's employees, such as dispensing the wrong medicine or prescribing the wrong dosage of a dispensed medicine.

Such misconduct may give rise to litigation and related claims for damages and may also damage the reputation of the Group or the Dr. Max brand and reduce the confidence of the Group's customers in the Group's products, which may ultimately result in a reduction in the Group's market share in the relevant market and a reduction in the Group's revenues. The materialisation of any of the impacts described above following misconduct by the Group's employees could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of disruption to supply chains

The Group provides an integrated logistics system for the supply of medicines to its more than 3,000 pharmacies, with most products and their supply dependent on a small number of suppliers, who are also often competitors of the Group. However, this logistics system may be disrupted by a failure on the part of the Group's suppliers for various reasons such as geopolitical situations, war, strikes, riots, natural disasters or other unforeseeable events beyond the control of the Group. Disruptions in the supply chain may reduce the availability of certain products and therefore cause a decrease in revenues and, in extreme cases, a switch of customers to competing operators.

As a result of the continuous innovation of logistics channels by both the Group and its suppliers, there is a risk of supply chain disruption due to failure to implement technical innovations or their delayed implementation. This may, in the extreme case, cause a partial exodus of the Group's customers.

Despite the current problems with drug shortages, the Group has not seen a significant impact on its revenues as it has always been able to replace any shortages with an alternative product. However, any material disruption to the logistics chains used by the Group could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of losing key employees

The Group has separate local management for each market responsible for meeting strategic objectives in that country and one central management responsible for making country-specific and group-wide strategic decisions. The simultaneous departure of several members of the Group's central management, comprising:

- Chief Executive Officer of the Group;
- Chief Financial Officer of the Group;
- Chief Operating and Human Resources Officer of the Group;
- Chief Information Technology Officer of the Group;
- Chief Supply Chain Officer of the Group;
- Chief Commercial Officer of the Group;
- Director of Mergers and Acquisitions of the Group;
- Chief Marketing and Customer Officer of the Group; and
- Chief Product Officer of the Group,

as well as the local CEOs for the country in which the Group operates may temporarily adversely affect the performance of the affected markets. If such a departure were to occur, it could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of failed expansion

As a result of increasing market saturation, the Group is exposed to the risk of a reduction in the supply of attractive premises suitable for the expansion of the Group's pharmacy network or a gradual decline in the number of market players that could be suitable candidates for acquisition by the Group. If the Group makes an acquisition or commences operations in new premises, these developments may not have the intended positive impact on the business of the Group. Failure to make successful acquisitions or successfully expand the pharmacy network through organic growth could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of IT systems failure

Information and communication technologies play a significant role in the Group's business. The Group operates sophisticated information systems that support key aspects of its business, warehousing, planning and logistics that are essential to its day-to-day operations and business. This requires ongoing investment in these systems in order to review, update and upgrade them. Failure, damage, obsolescence, unauthorised access by third parties or malfunctioning of any of these systems could cause disruption to the Group's operations and significant loss of revenue, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risk of unauthorised access to IT systems

The companies of the Group are subject to regulation related to the use of customers' personal data, as they handle their customers' personal data (e.g. name, address, medicines and other food supplements purchased by the customer or bank details). The relevant business activities are set up in accordance with national and EU data protection rules. The companies of the Group are also dependent on contractual relationships with third parties and their employees who manage databases of customers' personal data. Although the Group companies are aware of the risks arising from the possibility of loss of such data and closely monitor compliance with data protection rules, failures in the protection of customer personal data cannot be excluded. If customer personal data were leak due to human error by any of the employees or suppliers handling the selected customer personal data or for other reasons, individual companies of the Group would be subject to fines of up to 4% of the total turnover of the affected companies of the Group and other companies pursuant to Article 83 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR), which would have unified control at the time of the breach and would be considered an undertaking under Article 101 TFEU and the associated risk of civil claims by individual customers affected by the data breach. If misconduct by any of the Group's companies and the subsequent imposition of fines and/or civil claims or damage to the Group's reputation with customers were to occur, it could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Healthcare financing risk

In response to adverse events, such as the war in Ukraine, the governments of the countries in which the Group operates have introduced costly public support programmes, such as energy subsidies. Such strains on state budgets may cause temporary underfunding of state health care systems, including state health insurance companies. As a result, the Group, like all of its competitors, could face a situation in which state-reimbursed drug sales (approximately 40% of the total sales made by the Group as at 31 December 2024) are reimbursed by state health insurers on a delayed basis, which could adversely affect the Group's cash flows, business, financial condition, results of operations and prospects.

Financial Risks

Risk arising from interest rate fluctuations

The financing of the Group through bank loans involves, among other things, the risk arising from a variable interest rate that is linked to EURIBOR or other reference rates and a contractually determined interest margin. A potential increase in the EURIBOR or other reference rates would therefore represent an increase in the Group's interest expense.

The table below summarises the interest rate profile of the Group as at 31 December 2024 and 31 December 2023.

	2024		2023	
	Floating rate instruments	Fixed rate instruments	Floating rate instruments	Fixed rate instruments
	(in EUR thousands)			
Loans provided to related parties	868,893	687,718	590,557	616,765
Loans provided to third parties.....	-	-	-	-
Cash and cash equivalents.....	140,837	96,449	102,780	69,241
Total financial assets.....	1,009,730	784,167	693,337	686,006
Interest-bearing loans and borrowings from related parties	-	(752,638)	-	(585,858)
Interest-bearing loans and borrowings from third parties*	(4)	(1,677,311)	(200,439)	(1,293,971)
Lease liabilities.....	-	(686,338)	-	(633,437)
Total financial liabilities	(4)	(3,116,287)	(200,439)	(2,513,266)
Net interest rate risk position.....	1,009,726	(2,332,120)	492,898	(1,827,260)

*The Group is hedging Interest rate risk for the EUR tranches of Bank borrowings with notional amount of EUR 1,103,200 thousand (2023: EUR 758,740 thousand). Hedging relationship was assessed as effective and therefore changes in fair value of the hedging instrument is presented directly in the Statement of changes of equity.

In the event of an increase of interest rates by 1%, the net profit of the Group would (retrospectively) decrease by EUR 10,097 thousand for the year 2024 and by EUR 4,929 thousand for the year 2023.

The materialisation of this risk could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risks arising from currency fluctuations

The Group is exposed to the impact of movements in current foreign exchange rates on its financial position and cash flows. The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in currencies other than the functional currencies of the Group entities.

The below table summarises quantitative data about the Group's exposure to currency risk and sensitivity analysis as at 31 December 2024 and 31 December 2023. The 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.

Change in FX rate of 1% resulting in positive / (negative) impact on Profit before taxation and Equity in the amount of (in EUR thousands):									
	As at 31 December								
	2024					2023			
	CZK	EUR	PLN	RON	-	CZK	EUR	PLN	RON
Strengthening of FX rate	(2,168)	13,644	(88)	(166)	-	(1,770)	12,166	(82)	(461)
Weakening of FX rate	2,168	(13,644)	88	166	-	1,770	(12,166)	82	461

Notwithstanding the measures taken, losses due to adverse movements in foreign exchange rates cannot be ruled out, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Liquidity risk

The Group is exposed to the risk of insufficient liquidity to meet its debt, working capital and capital expenditure commitments. The Group's liquidity management aims to ensure that resources are available at all times to ensure that debts are paid as they fall due.

The following table provides a summary of the Group's remaining contractual maturity for its financial liabilities as at 31 December 2024.

2024 (in EUR thousands)	Less than 3 months or on demand	Less than 1 year	1 - 2 years	3 - 5 years	More than 5 years
Interest bearing loans and borrowings from related parties	-	-	456,284	320,213	53,271
Interest bearing loans and borrowings from third parties	46,533	174,907	334,725	1,436,704	5,126
Other financial liabilities	-	-	3,942	2,448	-
Lease liabilities	29,637	89,225	113,495	280,516	336,947
Creditors and accruals.....	1,142,646	257,484	232	-	-
Total	1,218,816	521,616	908,678	2,039,881	395,344

The following table provides a summary of the Group's remaining contractual maturity for its financial liabilities as at 31 December 2023.

2023 (in EUR thousands)	Less than 3 months or on demand	Less than 1 year	1 - 2 years	3 - 5 years	More than 5 years
Interest bearing loans and borrowings from related parties	-	260,942	10,315	316,644	53,271
Interest bearing loans and borrowings from third parties	38,424	238,774	191,265	862,714	534,308
Other financial liabilities	-	4,750	-	2,259	-
Lease liabilities	26,452	78,296	99,288	255,034	325,477
Creditors and accruals.....	1,030,276	245,006	7,901	236	-
Total	1,095,152	827,768	308,769	1,436,887	913,056

The Group has set up a system of tracking income and expenses several months in advance in relation to purchase orders issued and invoices received, as well as in relation to orders received and confirmed and invoices issued and other contracts concluded (leases, insurance, loans), whereas the expected wage and other expenditure is regulated so that there are always funds on the account in advance to cover debts to the state, health insurance companies, wages and debts to banks in one or two (2) months' time.

Despite all measures, it cannot be excluded that the companies of the Group will face liquidity shortages due to a failure to manage liquidity risk or to be able to pay their debts as they fall due, which may lead to disruption of customer relationships, deterioration of commercial conditions and insolvency proceedings. These events may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Credit risk

The Group is exposed to credit risk, which is the risk of loss to which the Group is exposed in the event that the Group's customers fail to pay their financial or commercial obligations to the Group when due. In particular, the Group is exposed to credit risk from contractual relationships with a large number of its customers. In addition, credit risk arises from financing activities including deposits with banks and financial institutions. Materialisation of this risk could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group has a significant concentration of credit risk due to the fact that a significant volume of trade receivables is due from a limited number of health insurance companies in the Czech Republic and Romania. In addition, the Group has a concentration of credit risk from loans to related parties.

The following table provides detail of concentration of credit risk as at 31 December 2024 and 31 December 2023.

Concentration of credit risk through exposure to individual counterparties	Number of parties	2024	2023
		<i>(in EUR thousands)</i>	
Loans receivable from related parties	2 (2023:2)	1,556,386	1,207,062
Trade receivables from health insurance and other companies with significant balances	3 (2023:4)	89,783	89,754
Total		1,646,169	1,296,816

The total value of the Group's written-off receivables was EUR 841 thousand as at 31 December 2024, compared to EUR 1,233 thousand as at 31 December 2023.

2. RISKS RELATED TO THE EXISTENCE OF THE SECURITY AGENT

Subordination Agreement 3 will be entered into, and the Financial Guarantee will be issued, for the benefit of the Bondholders and the Security Agent, but their rights thereunder will be asserted and exercised by the Security Agent in its own name

Subordination Agreement 3 (as defined below) will be entered into on or about the date of this Base Prospectus and the Financial Guarantee issued by the Guarantor has been issued for the benefit of the Bondholders and the Security Agent, with the Security Agent exercising in its own name the rights of the Bondholders under Subordination Agreement 3 or the Financial Guarantee pursuant to the statutory fiction contained in the Bonds Act. In addition to the Guarantor and Penta Investments Cyprus Limited, the Security Agent will therefore be the only party to Subordination Agreement 3 and the only party to the Financial Guarantee. To the extent that rights under the Financial Guarantee and Subordination Agreement 3 are exercised by the Security Agent, such rights cannot be exercised independently by any Bondholder. If the Security Agent is in delay in exercising rights under the Financial Guarantee or from Subordination Agreement 3, the Bondholders may suffer damage associated with this delay, without the Bondholders having the opportunity to independently exercise such rights. The Security Agent shall use any proceeds from the exercise of rights under the Financial Guarantee and Subordination Agreement 3 first to cover the payments due to the Security Agent (including its remuneration up to 3% of the proceeds and the payment of the pro rata amount of compensation paid to the Security Agent). The above may lead to the Bondholders receiving less performance (*plnění*) from the proceeds of the exercise of the rights under the Financial Guarantee or Subordination Agreement 3.

The legal institution of the security agent was introduced into the Bonds Act in 2019 by an amendment to the Bonds Act. As this is the first legal regulation of this institute in the Czech legal system, there is no court decision-making practice or generally accepted legal interpretation for the institute yet. The absence of relevant jurisprudence and the lack of established practice in relation to the new security agent institute and the resulting legal uncertainty may have a negative effect on the fulfilment of debts arising under the Bonds, especially if the competent court decides that some provision of the Bonds Act should be interpreted differently than is currently reflected and detailed in the relevant Conditions of the Joint Terms and Conditions.

Risks relating to the appointment or replacement of the Security Agent

The Issuer cannot ensure that, when the Security Agent is appointed or replaced, a security agent will be available who will have sufficient experience in performing the duties of a security agent or a similar role, although the Issuer will act in good faith and with due care in selecting a security agent. The above-mentioned risk arises due to the lack of judicial review or established market practice for the institution of the security agent. According to the Issuer's experience in dealing with financial institutions on the financial markets, this may lead to a situation where institutions that typically perform this role on the international capital market may not be willing to accept the role of the Security Agent.

In the event that it is not possible to select a security agent with sufficient experience, there is a risk that its potential inability to exercise the rights under Subordination Agreement 3 in a timely manner or other delays in its activities caused by its lack of expertise or experience may have a negative impact on the satisfaction of the Bondholders under Subordination Agreement 3. Such delays or inability to exercise its rights may ultimately lead to the Bondholders receiving less performance (*plnění*) from the proceeds of the exercise of the rights under the Subordination Agreement.

3. RISKS RELATED TO THE BONDS

Risk of acceptance of further debt financing by the Issuer or Guarantor

In connection with the possible acceptance of future debt financing by the Guarantor, unless otherwise specified in the Pricing Supplement of a particular Issue, the Joint Terms and Conditions of the Bonds provide for the Group to maintain a ratio of the Group's net adjusted financial indebtedness to the Group's adjusted EBITDA of less than 5.95 for the period up to and including 31 December 2026 and thereafter of less than 5.5 (see "*Joint Terms and Conditions – Financial Covenants – Obligation to maintain Financial Covenants*"). The Joint Terms and Conditions contain restrictions regarding the volume and conditions of further unsubordinated debt financing of the Issuer or the Guarantor, but various exceptions to these restrictions are set out to enable the acceptance of further debt financing. The acceptance of any additional debt financing may ultimately mean that, in the event of insolvency proceedings, the claims of the Bondholders on the Bonds will be satisfied to a lesser extent than if such debt financing had not been accepted. With the increase in debt financing of the Issuer or the Guarantor, the risk that the Issuer may default on its debts arising under the Bonds or the ability of the Guarantor to meet its obligations under the Financial Guarantee may be threatened.

Risk associated with the structural seniority of Pharmax Holdings' debt

A substantial portion of the Group's debts are at the level of Pharmax Holdings and are therefore structurally senior (i.e. in order of satisfaction) to the Issuer's obligations under the Bonds and the Guarantor's obligations under the Financial Guarantee, respectively. This means that in the event that a liquidation order is made in respect of Pharmax Holdings, its bankruptcy is declared, an insolvency petition is adjudicated, granted, a moratorium is declared or a reorganisation or bankruptcy petition is granted, Bondholders will only be entitled to satisfaction out of the assets of Pharmax Holdings after all creditors of Pharmax Holdings, including creditors under loan agreements and trade creditors, have been satisfied and a portion of the remaining assets have been distributed to the Guarantors as shareholders of Pharmax Holdings. The value of the senior debts described above at the Pharmax Holdings level amounted to EUR 1,099,850 thousand as at 31 December 2024.

Liquidity risk

If the Final Terms specify that the Bonds of the relevant Issue are to be securities admitted to trading on a regulated market, it is the intention of the Issuer to apply for their admission to trading on the PSE. The specific PSE market on which the Bonds may be admitted to trading will be specified in the Final Terms of the relevant Issue. The Final Terms may also specify that the Bonds will be traded on another regulated market or, except with respect to the first Bond Issue under the Programme, that they will not be traded on any such market or facility.

Notwithstanding the intention to admit the Bonds to trading on a regulated market, there can be no assurance that the Bonds will in fact be admitted to trading, that a sufficiently liquid secondary market will develop or, if one does develop, that such secondary market will be sustained. The fact that Bonds may be admitted to trading on a regulated market will not necessarily result in greater liquidity for such Bonds than for Bonds not admitted to trading on a regulated market. Conversely, in the case of Bonds not admitted to trading on a regulated market, it may be difficult to price such Bonds, which may adversely affect their liquidity. In a potentially illiquid market, an investor may not be able to sell the Bonds at all if necessary or may not be able to sell them at an adequate market price, i.e., at the price at which it could sell them if a liquid market for the Bonds existed.

Risk of order reduction

The prospective buyers of the Bonds should be aware that the Joint Lead Managers may, at their own discretion, reduce the investor's order, and the overpayment, if any, will be without delay disbursed to the investor's account. If the order is reduced, the prospective investor will not be able to invest in the originally contemplated volume or at all. Thus, reducing the order can adversely affect the value of the investment in the Bonds.

Investment may be adversely affected by fees

The overall return on the investment in the Bonds may be affected by the level of fees which are charged by the securities trader or another intermediary of the purchase or sale of the Bonds and/or charged by the Central Depository or other relevant clearing system used by the investor. Such a person or institution may charge fees for opening and maintaining the investment account, transfers of securities, services associated with the custody of securities, etc. The Issuer therefore recommends the future investors in the Bonds to become familiar with the

documents on the basis of which fees will be charged in connection with the Bonds. This may result in an adverse impact on the value of the Bonds. No costs or fees will be charged to investors by the Issuer.

In connection with the acquisition of the Bonds through Komerční banka, a.s. (**Komerční banka**) in the Czech Republic, the investor in the Bonds will be charged a fee of 0.25% of the nominal value of the Bonds being acquired. Each investor who purchases the Bonds from Komerční banka will be subject to Komerční banka's normal securities maintenance fees in accordance with the current price list available on the website www.kb.cz, in the section "*Ceny a sazby, Sazebníky KB, Občané*". As at the date of the Base Prospectus, the cost of maintaining the Securities is 0.02% per annum of the total nominal value of the Bonds in such account (plus VAT, if any), but not less than CZK 15 per month.

In connection with the purchase of Bonds through UniCredit Bank Czech Republic and Slovakia, a.s., (**UniCredit**) investors will be charged a fee of 0.25% of the nominal value of the Bonds purchased, according to the instruction to purchase securities. Each investor who purchases the Bonds through UniCredit will be subject to the bank's standard securities account maintenance fees in accordance with the current price list available on the website www.unicreditbank.cz, in the section Price lists – Price list for individuals, Part 10. These costs amount to 0.20% per annum of the total nominal value of the Bonds as at the date of this Base Prospectus, at least CZK 300, plus VAT.

Each investor who purchases Bonds through Česká spořitelna, a.s. (**Česká spořitelna**) will be charged a fee of 0.25% of the nominal value of the Bonds purchased, according to the instruction to purchase securities. In addition, fees may be charged for record keeping in the property account according to the current price list at www.csas.cz/en, link: Price Lists in the section Documents to download - Price list for Investment. Such costs will not exceed 0.04% per annum of the aggregate nominal value of the Bonds in such account as at the date of this Prospectus, subject to a minimum of CZK 25 per calendar quarter.

The applicable fees may, however, differ for each Issue as will be described in the relevant Final Terms for the respective Issue.

Risk of non-payment

Like any other monetary debt, the Bonds are exposed to the risk of non-payment. Under certain circumstances, the Issuer may be unable to pay interest on the Bonds, and the value for the Bondholders upon redemption may be lower than their initial investment. The Guarantor may be unable to fully meet its obligations arising from the Financial Guarantee. Consequently, the value of the Bonds for Bondholders, either upon repayment or when sold on the market, may be lower than the amount of their original investment, and under certain conditions, the Bonds could even be worthless.

The Bonds may be subject to buyback or early redemption risk

The Final Terms will specify whether the Issuer has the right to redeem the Bonds of the relevant Issue before their maturity date or to purchase them on the basis of an option of the Bondholder. If the Issuer redeems or repurchases any Bonds of any Issue prior to their maturity date, the Bondholder will be exposed to the risk of a lower-than-expected yield by reason of such early redemption or repurchase. For example, the Issuer may exercise its option right if the yield of comparable bonds in the capital markets declines, which means that an investor may only be able to reinvest the redeemed proceeds in bonds with a lower yield. In addition, the possibility of early redemption may limit the market price of the Bonds for as long as such early redemption is possible or in the period preceding such possible early redemption.

The Bonds are subject to inflation risk

Prospective purchasers or sellers of the Bonds should be aware that the fair value of an investment in the Bonds may decline as inflation reduces the value of the currency. Inflation also causes the real yield on the Bonds to decline. According to the latest CNB forecast⁶ published on 7 May 2025, annual headline inflation is expected to be 2.5% in 2025, decreasing to 2.2% in 2026. While this is comparable with inflation in 2024 (2.4%), there is no guarantee that the forecast will not be reviewed and that inflation will not increase.

⁶ Source: CNB forecast published on 7 May 2025, available at: <https://www.cnb.cz/en/monetary-policy/forecast/>.

Return on investment in the Bonds may be affected by the interest rate

Investment in Bonds which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The holder of a Bond with a fixed interest rate is exposed to the risk of a decrease in the price of such a Bond as a result of changes in the market interest rates – the CNB has been continuously lowering the two-week repo rate to the current 3.50% applicable from 9 May 2025. While the nominal interest rate is fixed for the term of the existence of the Bonds, the current interest rate on the capital market (**Market Interest Rate**) usually changes daily. As the Market Interest Rate changes, the price of the fixed-rate Bond changes too, but it does so inversely. If the Market Interest Rate increases, the price of the fixed-rate Bond usually drops to a level where the yield of such a Bond roughly equals the Market Interest Rate. On the contrary, if the Market Interest Rate decreases, the price of the fixed rate Bond usually rises to a level where the yield of such a Bond roughly equals the Market Interest Rate. This may result in an adverse impact on the value and development of the investment in the Bonds.

If a Bondholder owns Bonds denominated in a currency other than its home currency, it is exposed to currency exchange rate movements and possible currency restrictions that may adversely affect the value of such Bondholder's Bonds

The Issuer will pay principal and interest on the Bonds in the currency to be specified in the Pricing Supplement (**Bond Currency**). This presents certain currency exchange risks if the financial activities of the Bondholder are predominantly denominated in another currency (**Investor Currency**) than the Bond Currency. These include the risk of significant changes in currency exchange rates (including changes caused by devaluation of the Bond Currency or revaluation of the Investor Currency) and the risk that authorities with jurisdiction over the Investor Currency and/or the Bond Currency may impose or modify currency restrictions. For example, between 2013 and 2017, the CNB conducted currency interventions so as to maintain the CZK/EUR exchange rate at a specified level. An increase in the value of the Investor Currency relative to the Bond Currency may lead to a decrease in (i) the yield on the Bond; (ii) the nominal amount of the Bond; and (iii) the market value of the Bond from the perspective of the Bondholder. Governmental and financial authorities, including the CNB, may impose (as some have done in the past) currency restrictions which may adversely affect the applicable exchange rate or the ability of the Issuer to make distributions in respect of the Bonds. This may result in Bondholders receiving less interest or principal than they expected, or no interest or principal, or in the value of the Bonds declining from their perspective.

The Bonds are not covered by any (statutory or voluntary) deposit guarantee scheme

Claims of the Bondholders under the Bonds are not covered by the statutory deposit protection (*pojištění pohledávek z vkladů*). Such Bondholders' claims may only be satisfied in the ranking described in the Joint Terms and Conditions. Therefore, in such case and upon the insolvency of the Issuer, Bondholders could be subject to the risk of a significant loss of their investment in the Bonds.

The Joint Terms and Conditions of the Bonds contain provisions which may permit their modification without the consent of all Bondholders

The Joint Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including the Bondholders who did not attend and vote at the relevant meeting and the Bondholders who voted in a manner contrary to the majority.

The Joint Terms and Conditions contain provisions which deviate from the Bonds Act

The Joint Terms and Conditions contain provisions which deviate from the Bonds Act. Specifically, under the Joint Terms and Conditions:

- (a) By way of derogation from Section 23(5) and (7), the amounts the repayment of which the Applicant is entitled to under Condition 12.4(a) will become due and payable on the last Business Day of the month following the month in which the Application Period expires, not thirty (30) days following the Application; and
- (b) By way of derogation from Section 23(5), a Person Authorised to Attend the Meeting who, according to the minutes of such Meeting, voted against a resolution approving a Material Change adopted by the Meeting or who did not attend such Meeting may not request a buyback of the Bonds.

These deviations may adversely affect the value and development of the investment in the Bonds. In addition, Section 23(9) of the Bonds Act, which anticipates possible deviations from the provisions of the Bonds Act relating to bondholders' meetings, became effective only on 1 January 2024 and is untested in practice. Accordingly, there is a risk that the competent courts may take a conservative view that some or all of the above deviations from the default provisions of the Bonds Act are not permitted. Any uncertainty regarding the possibility to deviate from the provisions of the Bonds Act may adversely affect the value of the Bonds or the ability of the Bondholders to sell the Bonds.

4. RISKS RELATED TO THE FINANCIAL GUARANTEE AND SUBORDINATION AGREEMENT 3

Risk of default

As at the date of this Base Prospectus, the Guarantor also provides a guarantee or financial guarantee in respect of (i) the 2028 Bonds for a guarantee limit of CZK 7,500,000,000, (ii) the 2029 Bonds for a guarantee limit of CZK 1,875,000,000 and (iii) issuances of bonds by Dr. Max Funding, s.r.o. for an aggregate guarantee limit of EUR 366,648,737. The Guarantor may also provide guarantees in the context of potential acquisitions within the Group, i.e. to guarantee the repayment of the purchase price between the signing of the relevant documentation and the settlement of the transaction (as at the date of this Base Prospectus, the Guarantor has not provided any such guarantees). In addition, the Guarantor directly provides security for debts incurred under or in connection with the Pharmax Holdings Facilities Agreement, specifically by way of a pledge of the Guarantor's interest in Pharmax Holdings. If in the future the Guarantor were to be required to meet its obligations under the aforementioned guarantees or security, this could limit its ability to have sufficient funds to pay its debts to the Bondholders under the Financial Guarantee.

Cross-border enforcement

Prospective purchasers or sellers of the Bonds should be aware that proceedings on claims under the Financial Guarantee will take place in the courts of the Czech Republic, but the Guarantor's assets are also located outside the Czech Republic. Therefore, any recognition of a Czech Republic court decision and its subsequent enforcement in a third country would take place under the laws of that country, which could affect the success of the enforcement of the claim in question.

Limitation on the amount of secured debts

The Guarantor's liability under the Financial Guarantee is initially limited to CZK 7,500,000,000 (or an equivalent amount in the relevant currency of the Bonds), whereas the Issuer is under an obligation to ensure that such limit will not be less than a 1.5 multiple of the total nominal amount of the Bonds outstanding under the Programme at any time. Potential investors in the Bonds should therefore be aware that this limitation or any such increased limitation could have an adverse impact on the Bondholder's satisfaction under the Financial Guarantee if the Issuer is unable to fulfil its obligations under the Bonds.

Risk of ineffectiveness of the Financial Guarantee

The Insolvency Act establishes certain conditions under which a debtor's legal actions may be ineffective towards third parties, especially towards the debtor's creditors. Generally, legal actions without adequate counter-performance, legal actions favouring a creditor or legal actions intentionally impairing a creditor are ineffective. By issuing the Financial Guarantee, the Guarantor undertook to fulfil the Issuer's debts, whereas the Issuer is a person controlled by the Guarantor, and the Issuer and the Guarantor form a consolidated entity. Although the Issuer considers that there are no reasons for the ineffectiveness of the Financial Guarantee, as the proceeds from the issue of the Bonds are intended, among other things, to provide financing to the Guarantor, and the Issuer provides remuneration for the issuance of the Financial Guarantee, it may not however be ruled out that in the event of a commencement of insolvency proceedings regarding the Guarantor the effectiveness of the Financial Guarantee may be challenged. If an insolvency court decides that the Guarantee fulfils any of the above-mentioned criteria and is ineffective, the debts arising under the Bonds would become unsecured by the Financial Guarantee and the performance already provided by the Guarantor under the Financial Guarantee would have to be returned to the insolvency estate by the Security Agent to satisfy other debts of the Guarantor. According to Section 589 *et seq.* of the Civil Code, if the debtor's legal action is aimed to impair a creditor's enforceable claim, the creditor has the right to demand that the court determine that the debtor's legal action is not legally effective against such creditor. Under the Civil Code, voidability establishes a creditor's right to also demand satisfaction of its

receivables from what has evaded the debtor's insolvency estate due to an ineffective legal action, i.e., performance under the Financial Guarantee. In the event of a materialisation of the above-described situation, the Bondholders may not recover any amount under the Financial Guarantee.

Risk related to Subordination Agreement 3

The Guarantor has entered into the following facilities agreements with Penta Investments Cyprus Limited pursuant to which Penta Investments Cyprus Limited has agreed to provide the Guarantor with the loans specified below (the **Facilities Agreements**):

Date of agreement	Currency	Credit framework	Principal and interest as at 31 December 2024	Maturity
		<i>(in the facility currency)</i>	<i>(in EUR thousands)</i>	
12 January 2015	EUR	120,000,000	-	31 December 2025
14 June 2022	EUR	181,226,085	213,384	21 March 2026
14 June 2022	EUR	47,470,187	14,688	31 December 2029
14 June 2022	EUR	33,753,117	36,584	31 December 2029
14 June 2022	CZK	31,828,906	1,433*	31 December 2027
14 June 2022	CZK	417,306,603	15,795*	31 December 2028
14 June 2022	EUR	40,531,564	44,641	11 May 2030
14 June 2022	EUR	159,395,517	-	18 June 2026
22 December 2022	CZK	600,000,000	12,268*	31 December 2028
28 June 2022	EUR	400,000,000	217,967	18 June 2026
28 June 2022	EUR	200,000,000	184,277	31 December 2029
27 July 2023	EUR	30,000,000	11,423	27 December 2028
2 November 2023	EUR	600,000	124	2 November 2028
21 December 2023	CZK	2,000,000	54*	20 December 2026
8 January 2024	CZK	100,000,000	-	8 January 2028
Total – related party loans			752,638	

**Converted using the exchange rate of EUR 1 = CZK 25.190 issued by the European Central Bank on 31 December 2024*

The Guarantor is a party to a subordination agreement dated 19 November 2023 between the Guarantor as guarantor, Penta Investments Cyprus Limited as subordinated creditor, and the Security Agent as senior creditor (**Subordination Agreement 1**) in connection with the issuance of the 2028 Bonds. Under Subordination Agreement 1 the receivables of Penta Investments Cyprus Limited from the Facilities Agreements are subordinated to senior receivables, which include, among others, claims for the payment of the nominal value of the 2028 Bonds, interest on the 2028 Bonds, and any payments under the financial guarantee issued in connection with the 2028 Bonds.

Furthermore, the Guarantor is a party to a subordination agreement dated 8 October 2024 between the Guarantor as guarantor, Penta Investments Cyprus Limited as subordinated creditor, and the Security Agent as senior creditor (**Subordination Agreement 2**) in connection with the issuance of the 2029 Bonds. Under Subordination Agreement 2 the receivables of Penta Investments Cyprus Limited from the Facilities Agreements are subordinated to senior receivables, which include, among others, claims for the payment of the nominal value of the 2029 Bonds, interest on the 2029 Bonds, and any payments under the financial guarantee issued in connection with the 2029 Bonds.

In connection with the Bonds, a new subordination agreement will be entered into on or about the date of this Base Prospectus between the Guarantor as guarantor, Penta Investments Cyprus Limited as subordinated creditor, and the Security Agent as senior creditor (**Subordination Agreement 3**). Under Subordination Agreement 3 the receivables of Penta Investments Cyprus Limited from the Facilities Agreements will be subordinated to senior receivables, which include, among others, claims for the payment of the nominal value of the Bonds, interest on the Bonds, and any payments under the Financial Guarantee.

Subordination Agreement 3 contains, among others, provisions on the transfer of payments, which require that any payments, set-offs, or proceeds received in violation of the restrictions set out in Subordination Agreement 3 or the Joint Terms and Conditions by the subordinated creditors in connection with the subordinated receivables, be transferred to the senior creditor to satisfy the senior receivables. However, these provisions on the transfer of payments are suspended until such time as any equivalent obligations that remain unfulfilled under any agreement entered into prior to the date of Subordination Agreement 3 as a condition for the issuance of bonds by the Issuer, and which affect the execution of such transfer of payments, are fulfilled. This arrangement may, in the event of a breach of obligations under Subordination Agreement 3, disadvantage the position of the Bondholders in relation to the holders of other bonds issued by the Issuer.

The Insolvency Act recognises the concept of subordinated claims against all third parties. However, it does not provide for the exact elements of a contractual subordination agreement negotiated only between selected creditors in relation to certain claims, such as a subordination agreement. This concept remains untested in the Cypriot legal system, although it is used in practice, and the risk that a court could rule that a subordination agreement is ineffective or invalid in the event of a dispute cannot be entirely excluded. In such a case, the claims of Penta Investments Cyprus Limited under the Facilities Agreements would not be satisfied as subordinated. This may have a material adverse effect on the value and return on investment in the Notes.

INFORMATION INCORPORATED BY REFERENCE

On the website www.drmaxfundingcr.cz, section “Financial Reports” you can find the following information included in this Base Prospectus by reference:

Information	Document	pp. or part
Financial statements of the Issuer for the financial year ending 31 December 2024	Annual financial report for the year 2024	Annex 2 (Příloha 2)
Independent auditor’s report on the financial statements of the Issuer for the financial year ending 31 December 2024	Annual financial report for the year 2024	16-20
Financial statements of the Issuer for the financial year ending 31 December 2023	Annual financial report for the year 2023	Annex 3 (Příloha 3)
Independent auditor’s report on the financial statements of the Issuer for the financial year ending 31 December 2023	Annual financial report for the year 2023	Annex 2 (Příloha 2)
Consolidated financial statements of the Guarantor for the financial year ending 31 December 2024	Guarantor’s consolidated financial statements for the financial year ending 31 December 2024	13-102
Independent auditor’s report on the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024	Guarantor’s consolidated financial statements for the financial year ending 31 December 2024	9-11
Consolidated financial statements of the Guarantor for the financial year ending 31 December 2023	Guarantor’s consolidated financial statements for the financial year ending 31 December 2023	15-98
Independent auditor’s report on the consolidated financial statements of the Guarantor for the financial year ending 31 December 2023	Guarantor’s consolidated financial statements for the financial year ending 31 December 2023	10-12

Financial statements of the Issuer for the financial year ending 31 December 2024 can be found at: <https://www.drmaxfundingcr.cz/download/getFile?name=Dr.%20Max%20Funding%20CR,%20s.r.o.%20-%20315700WQ3QAGA2CBZR72%20-%202024.xhtml>

Financial statements of the Issuer for the financial year ending 31 December 2023 can be found at: <https://www.drmaxfundingcr.cz/download/getFile?name=Dr.%20Max%20Funding%20CR,%20s.r.o.%20-%20315700WQ3QAGA2CBZR72%20-%202023.xhtml>

Consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, including the auditor’s report, can be found at: https://www.drmaxfundingcr.cz/download/getFile?name=Glebi_12M%202024.pdf.

Consolidated financial statements of the Guarantor for the financial year ending 31 December 2023, including the auditor’s report, can be found at: https://www.drmaxfundingcr.cz/download/getFile?name=Glebi%20Conso_Financial%20statement_31.12.2023_Fully%20signed%20FINAL%20for%20PUBLISHING_29.04.2024-conso.pdf.

The parts of the above-mentioned documents that are not included in this Base Prospectus by reference are not considered to be significant by the Issuer or are mentioned elsewhere in this document.

In addition to the above, the following documents shall be incorporated in, and form part of, this Base Prospectus as and when it is published on <https://www.drmaxfundingcr.cz/financial-reports-guarantor.html> (in case of (a) and (b) below relating to the Guarantor) or <https://www.drmaxfundingcr.cz/financial-reports-issuer.html#detail> (in case of (c) and (d) below relating to the Issuer):

- (a) The information set out in the following sections of any interim consolidated financial reports published by the Guarantor after the date of this Base Prospectus and during its validity, including the interim unaudited consolidated financial statements of the Guarantor:

Unaudited Interim Consolidated Statement of Financial Performance
Unaudited Interim Consolidated Statement of Financial Position
Unaudited Interim Consolidated Statement of Changes in Equity
Unaudited Interim Consolidated Statement of Cash Flows
Notes to the Unaudited Interim Consolidated Financial Statements

- (b) The information set out in the following sections of any consolidated annual financial reports published by the Guarantor after the date of this Base Prospectus and during its validity, including the audited consolidated financial statements of the Guarantor:

Independent Auditor's Report
Audited Consolidated Statement of Financial Performance
Audited Consolidated Statement of Financial Position
Audited Consolidated Statement of Changes in Equity
Audited Consolidated Statement of Cash Flows
Notes to the Audited Consolidated Financial Statements

- (c) The information set out in the following sections of any standalone annual financial reports published by the Issuer after the date of this Base Prospectus and during its validity, including the audited standalone financial statements of the Issuer:

Independent Auditor's Report (*Zpráva nezávislého auditora*)
Audited Statement of Comprehensive Income (*Výkaz úplného výsledku hospodaření*)
Audited Statement of Financial Position (*Výkaz o finanční pozici*)
Audited Statement of Changes in Equity (*Výkaz změn vlastního kapitálu*)
Audited Statement of Cash Flows (*Výkaz o peněžních tocích*)
Notes to the Audited Financial Statements, including Significant Information on Accounting Policies (*Příloha účetní závěrky včetně významných (materiálních) informací o použitých účetních metodách*)

- (d) The information set out in the following sections of any standalone interim financial reports published by the Issuer after the date of this Base Prospectus and during its validity, including the unaudited standalone financial statements of the Issuer:

Unaudited Interim Statement of Comprehensive Income (*Výkaz úplného výsledku hospodaření*)
Unaudited Interim Statement of Financial Position (*Výkaz o finanční pozici*)
Unaudited Interim Statement of Changes in Equity (*Výkaz změn vlastního kapitálu*)
Unaudited Interim Statement of Cash Flows (*Výkaz o peněžních tocích*)
Notes to the Unaudited Financial Statements, including Significant Information on Accounting Policies (*Příloha účetní závěrky včetně významných (materiálních) informací o použitých účetních metodách*)

Information incorporated by reference pursuant to (a) and (d) above shall be published no later than the end of September of the respective year. Information incorporated by reference pursuant to (b) shall be published no later than the end of June of the respective year and information incorporated by reference pursuant to (c) above shall be published no later than the end of April of the respective year. Information incorporated by reference pursuant to (a) to (d) above shall, to the extent applicable, be deemed to supplement statements contained in this Base Prospectus.

Information incorporated by reference pursuant to (a) to (d) above has not been reviewed or approved by the CNB in the process of approving this Base Prospectus and will not be subject to review or approval by the CNB when it is incorporated into the Base Prospectus.

All the above-mentioned documents are and will be (as the case may be) also available for inspection during the standard working hours at the Issuer's headquarters Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic.

JOINT TERMS AND CONDITIONS OF THE BONDS

Bonds (the **Bonds**) issued under this bond programme (the **Programme**) will be issued pursuant to Act No. 190/2004 Coll., on Bonds, as amended (the **Bonds Act**), by Dr. Max Funding CR, s.r.o., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic, ID No.: 197 17 890, LEI: 315700WQ3QAGA2CBZR72, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 390578 (the **Issuer**) in the maximum aggregate nominal value of the outstanding Bonds as set out in the Base Prospectus (as defined below).

These joint terms and conditions (the **Joint Terms and Conditions**) serve as the identical basis for all Bonds issued under the Programme. For each specific issue of Bonds (the **Issue**), the Joint Terms and Conditions will always be specified or supplemented by the relevant supplement to the Joint Terms and Conditions (the **Pricing Supplement**). In cases where an individual Issue pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published in the event of a public offering or admission of securities to trading on a regulated market, as amended (the **Prospectus Regulation**) requires drafting and publishing the prospectus of the security, the final terms (the **Final Terms**) are to be drafted for the particular Issue pursuant to Article 8(4) of the Prospectus Regulation and will contain the Pricing Supplement. The terms and conditions of a specific Issue (the **Terms and Conditions**) will therefore consist of these Joint Terms and Conditions and the relevant Pricing Supplement.

Any provision of these Joint Terms and Conditions may be further specified or supplemented by the Pricing Supplement in relation to any Issue.

The liabilities arising under the Bonds will be unconditionally and irrevocably guaranteed under a Czech-law governed Financial Guarantee (as defined below) issued by DR.MAX GROUP HOLDINGS PLC (formerly GLEBI HOLDINGS PLC), with its registered office at 3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2nd floor, the Republic of Cyprus, reg. No.: HE 217028, LEI: 315700ZM1C465TPEZB82 (the **Guarantor**) which is available on the Issuer's Website and forms part of the Base Prospectus (each as defined below).

The Bonds will be assigned a separate ISIN code by the Central Depository or another authorised person. Information on the assigned ISIN codes or other identifying information in relation to the Bonds will be set out in the relevant Pricing Supplement or Final Terms, as the case may be. The Final Terms will also state whether the Issuer will apply to any regulated market organiser for the admission of the relevant Issue to trading on a Regulated Market, i.e., whether it will take all steps necessary for the Bonds of such Issue to be admitted to trading on a Regulated Market. The Final Terms may also state that they will not be traded on any such market or facility. The Final Terms will also state whether or not the relevant Issue will be offered by way of a public offer. For the avoidance of doubt, the terms "regulated market" and "public offer" will have the meanings ascribed to them in the Prospectus Regulation.

Unless otherwise provided in the Pricing Supplement and unless another person becomes a fiscal and paying agent in accordance with Condition 11.1(b), Komerční banka, a.s., Identification No.: 453 17 054, with its registered office at Na Příkopě 33 čp. 969, 114 07 Prague 1, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 1360 (**KB**) will act as a fiscal and paying agent in charge of the settlement and administration of payments in connection with the Bonds (KB or any such other person as the **Fiscal and Paying Agent**), based on an agreement concluded between the Issuer and the Fiscal and Paying Agent (the **Agency Agreement**). A copy of the Agency Agreement will be available for inspection to the Bondholders during usual business hours at the specified office of the Fiscal and Paying Agent (the **Specified Office**), as stipulated in Condition 11.1(a). Bondholders are advised to familiarise themselves thoroughly with the Agency Agreement.

UniCredit Bank Czech Republic and Slovakia, a.s., Identification No.: 649 48 242, with its registered office at Želetavská 1525/1, 140 92 Prague 4, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 3608 will act as a security agent (*agent pro zajištění*) (the **Security Agent**) within the meaning of Section 20(1) of the Bonds Act in respect of each Issue and based on an agreement between the Issuer and the Security Agent (the **Security Agency Agreement**), unless another person becomes a security agent in accordance with Condition 3.5.

A copy of the Security Agency Agreement will be available for inspection to the Bondholders during usual business hours at the Specified Office, as stipulated in Condition 3.3. Bondholders are advised to familiarise themselves thoroughly with the Security Agency Agreement.

Unless otherwise provided in the relevant Pricing Supplement and unless another person becomes the calculation agent in accordance with Condition 11.2(b), KB will perform the activities of the calculation agent associated with performing certain calculations in relation to individual Issues (KB or any such other person as the **Calculation Agent**).

Unless the relevant Pricing Supplement provides otherwise and unless another person becomes the listing agent in accordance with Condition 11.3(b), KB will perform the activities of the listing agent associated with listing of the Issue on the relevant regulated market (KB or any such other person as the **Listing Agent**).

Certain terms used in these Joint Terms and Conditions are defined in Condition 16. A reference to a provision of any law, regulation or other legal act in the Joint Terms and Conditions means a reference to the provision of the relevant law, regulation or other legal act effective as of the date of the Joint Terms and Conditions and includes any future provisions of the law, regulation or other legal act that may amend or replace the provisions of the law, regulation or other legal act effective as of the date of the Joint Terms and Conditions. References in these Joint Terms and Conditions to **Conditions** or a numbered **Condition** are, unless the context requires otherwise, to the numbered paragraphs of these Joint Terms and Conditions below.

In these Joint Terms and Conditions, should the Issuer undertake to ensure that a third party, especially the Guarantor, the Subordinated Creditor or a Significant Subsidiary (each as defined below), fulfils an obligation, the Issuer thereby commits itself, within the meaning of Section 1769, second sentence of Act No. 89/2012 Coll., the Civil Code, as amended (the **Civil Code**), to ensure that the third party fulfils such obligation and to compensate for the damage suffered by the Bondholders if the third party fails to fulfil the obligation. The first sentence of Section 1769 of the Civil Code will not apply in such cases.

The Czech National Bank will supervise the Issuer and any Issues under the Programme in the event of a public offering of such Issue and/or in the event of the admission of such Issue to trading on a regulated market (such supervision includes, in particular, the approval of the base prospectus of the Bonds, including any supplements thereto, and the supervision of the Issuer's fulfilment of its information obligations throughout the duration of the public offering or the admission of the relevant Issue to trading on a regulated market).

During the approval process of the base prospectus of the securities, the Czech National Bank assesses neither the financial results nor the financial situation of the Issuer and the Guarantor and the base prospectus of the securities is assessed only with regard to the completeness of the information contained therein. By approving the base prospectus of the securities, the Czech National Bank does not guarantee the quality of the security or the Issuer's and the Guarantor's future profitability or its ability to pay the interest on, and the principal of, the Bonds.

1. General Characteristics of the Bonds

1.1 Form, Nominal Value and other Characteristics of the Bonds

The Bonds (*dluhopisy*) issued under this Programme may be issued as book-entry securities (*zaknihované dluhopisy*).

The Bonds will be issued each having the nominal value (*jmenovitá hodnota*) and with the aggregate anticipated nominal value of the Issue, in the quantity and numbering (if applicable), as specified in the relevant Pricing Supplement.

The Pricing Supplement will also specify the name of the Issue and the currency of the Bonds and, if applicable, rating of the Bonds.

1.2 Pre-emption and Exchange Rights, Separation of Rights, Transferability of the Bonds, Bondholders

(a) Separation of Rights to Interest on the Bonds, Pre-emption and Exchange Rights

There will be no separation of the right to receive interest payable on the Bonds through an issue of coupons as separate securities. No pre-emption or exchange rights will be attached to the Bonds.

(b) Transferability of the Bonds

The transferability of the Bonds is not restricted.

(c) Holders and Transfers of the Bonds

- (i) The bondholder is the person on whose owner's securities account (*účet vlastníka*) with the Central Depository or in follow-up records (*navazující evidence*) linked to the Central Depository the Bond is recorded (the **Bondholder**). Unless it has been sufficiently proven to the Issuer and the Fiscal and Paying Agent at least five (5) Business Days prior to a Payment Date that any record on the owner's securities account in the Central Depository or the entry in the follow-up records linked to the Central Depository does not correspond to reality and that there is another person on whose owner's securities account in the Central Depository or in the follow-up records linked to the Central Depository the Bond should be registered, the Issuer and the Fiscal and Paying Agent will consider each Bondholder as the authorised bondholder in all respects and make payments to that Bondholder in accordance with the Terms and Conditions. Persons whose Bonds are not, for any reason, registered on their owner's securities accounts in the Central Depository or in the follow-up records linked to the Central Depository, even though such persons should be recorded as the Bondholders, are obliged to immediately inform the Issuer and the Fiscal and Paying Agent of this fact and of their claimed ownership title of the Bonds and prove these facts to them in a sufficient manner. The list of Bondholders will consist of the records of the Central Depository or the person keeping the follow-up records linked to the Central Depository.
- (ii) The transfer of the Bonds will be effective upon the crediting thereof to the owner's securities account with the Central Depository in accordance with the rules and regulations of the Central Depository and applicable law. In the event that the Bonds are recorded in a client's securities account in the Central Depository, the transfer of the Bonds will be effective (A) upon crediting of the transferred Bond to the client's securities account in accordance with the rules and regulations of the Central Depository and applicable law, whereas the owner of the client's securities account is obliged to promptly register such transfer in the owner's securities account as of the moment of registration thereof in the client's securities account; or (B) in the event of any transfer between the Bondholders within a single client's securities account, upon the registration of such transfer in the owner's securities account in the follow-up records linked to the Central Depository.

2. **Issue Date, Subscription Period, Additional Subscription Period**

The Issue Date of each Issue and the subscription period during which the Bonds of the specific Issue may be subscribed for (the **Subscription Period**) will be specified in the Pricing Supplement.

If the Issuer does not issue all the Bonds constituting the relevant Issue on the Issue Date, the remaining Bonds may be issued from time to time during the entire Subscription Period or within an additional subscription period determined by the Issuer after the expiry of the Subscription Period (the **Additional Subscription Period**), unless any of these rights are excluded by the Pricing Supplement. In any event, the Additional Subscription Period will expire no later than on the relevant Record Date for Nominal Amount Repayment of the relevant Issue. The Issuer may thus issue the Bonds gradually (in tranches) within the Subscription Period and Additional Subscription Period, unless otherwise specified in the relevant Pricing Supplement.

Within the Subscription Period, the Issuer may issue Bonds (i) with a lower total nominal amount of the Issue than the anticipated total nominal amount of the Issue if the anticipated total nominal amount of the Issue is not subscribed; or (ii) with a higher total nominal amount of the Issue than the anticipated total nominal amount of the Issue, unless the Pricing Supplement excludes this right of the Issuer. The Issuer will notify the decision to issue the Bonds in the manner stipulated in the previous sentence in accordance with Condition 14.1.

The Issuer is entitled to determine the Additional Subscription Period to issue the Bonds within this period (i) up to the anticipated total nominal amount of the relevant Issue and/or (ii) with a higher total nominal amount of the Issue than the anticipated total nominal amount of the relevant Issue, unless any of these rights are excluded by the Pricing Supplement. The Issuer will notify the decision on the determination

of the Additional Subscription Period and the decision to issue the Bonds in the manner stipulated in the previous sentence in accordance with Condition 14.1.

If the Issuer decides to issue the Bonds with a higher total nominal amount than the anticipated total nominal amount of the Issue, the highest possible amount of any such increase will be specified in the Pricing Supplement.

Without undue delay after the expiry of the Subscription Period or the Additional Subscription Period or after all the Bonds of a particular Issue are subscribed (prior to the expiry of the Subscription Period or the Additional Subscription Period), the Issuer will, in accordance with Condition 14.1, notify the Bondholders of the total nominal amount of all Bonds constituting the relevant Issue, yet only if any such total nominal amount of all Bonds of the relevant Issue is lower or higher than the anticipated total nominal amount of the relevant Issue.

3. Status of the Bonds

3.1 Ranking

The Bonds constitute direct, general, unconditional and unsubordinated liabilities of the Issuer secured under the Security Documents (as defined in Condition 3.2(b)) which rank *pari passu* among themselves and at least *pari passu* with any present and future unsubordinated liabilities of the Issuer, with the exception of liabilities treated preferentially under applicable mandatory laws.

Under the same conditions, the Issuer must treat all Bondholders equally.

3.2 Establishment and Maintenance of the Security

The liabilities of the Issuer arising under the Bonds will be secured by virtue of:

- (a) a financial guarantee within the meaning of Section 2029 *et seq.* of the Civil Code issued by the Guarantor (the **Financial Guarantee**). Under the Financial Guarantee, the Guarantor, irrevocably guarantees on the terms and subject to the conditions set out in the Financial Guarantee that, in the event that the Issuer fails to duly and in a timely manner discharge any of its payment obligations or other obligations in relation to any Bond of a particular Issue, including any potential liability of the Issuer owed to a Bondholder arising out of the potential invalidity (*neplatnost*), ineffectiveness (*neúčinnost*), nullity (*zánlivost*) or unenforceability (*nevymahatelnost*) of the obligations arising under the Bonds, the Guarantor will, based on a notice of the Security Agent delivered in accordance with the Joint Terms and Conditions and meeting the requirements set out in the Financial Guarantee, pay to the Security Agent such amount in full and in the relevant currency within fifteen (15) Business Days of the delivery of the notice by the Security Agent to the Guarantor. The liability of the Guarantor under the Financial Guarantee is initially limited to CZK 7,500,000,000 (or an equivalent amount in the relevant currency of the Bonds), whereas the Issuer undertakes to ensure that the Guarantor will effect such amendments of the Financial Guarantee to increase such limit so that it will not be less than a 1.5 multiple of the total nominal amount of the Bonds outstanding under the Programme at any time. The Financial Guarantee is incorporated in the Base Prospectus. The exercise of the rights arising under the Financial Guarantee is independent of the Security Agent's exercise of the rights arising under Subordination Agreement 3 (as defined below); and
- (b) a subordination agreement to be entered between the Guarantor as borrower, the Subordinated Creditor as subordinated creditor and the Security Agent as senior creditor (**Subordination Agreement 3** and, together with the Financial Guarantee, the **Security Documents** and each a **Security Document**).

3.3 Security Agent

The Security Agent exercises the rights of the creditor or the recipient of other security, including the rights arising from or related to the Security Documents (as defined in Condition 3.2(b)), in its own name for the benefit of the Bondholders, including in the event of insolvency proceedings, enforcement of a decision or distraintment (*exekuce*) concerning the Issuer, the Guarantor or a Subordinated Creditor. The relationship between the Issuer and the Security Agent is governed by the Security Agency Agreement.

Under the Security Agency Agreement, the Security Agent is:

- (a) obliged, in particular:
 - (i) to carry out all activities of the Security Agent in accordance with the Terms and Conditions and the instructions of the Meeting;
 - (ii) on the basis of the decision of the Meeting and in accordance with such a decision, to exercise, as a beneficiary of the Financial Guarantee, the rights from the Financial Guarantee or, as a senior creditor, the rights arising under Subordination Agreement 3; and
 - (iii) to inform the Bondholders without delay by posting on the Security Agent's website www.unicreditbank.cz (under 'Information for investors, Information for investors in securities of UniCredit Bank's clients, Information concerning the selected issues of bonds' section, tab 'Information concerning the selected issues of bonds', information regarding the procedure for exercising rights arising under the Security Documents and on the content of each significant notice or document that it makes or receives as the Security Agent from the Issuer, Guarantor, a Subordinated Creditor or other person in connection with the Security Documents; and
- (b) entitled, in particular, to:
 - (i) act as a beneficiary under the Financial Guarantee or as a senior creditor under Subordination Agreement 3, and to exercise all rights, powers and decision-making rights related thereto in its own name and for the benefit of the Bondholders; and
 - (ii) assess the compliance of the Issuer with the Terms and Conditions, especially if the Terms and Conditions provide that a certain obligation is to be complied with in a manner satisfactory to the Security Agent.

Under the Security Agency Agreement, the Security Agent is also entitled to use, at the expense of the Issuer, the services of professional advisers and experts in the performance of its duties. The Security Agent is entitled to contractual remuneration for, and reimbursement of costs associated with, its performance of the function of the Security Agent. The performance (*plnění*) obtained as a result of the exercise of the rights arising under the Security Documents belongs to the Bondholders (proportionately according to the number of Bonds they own) and the Security Agent, as provided for in these Joint Terms and Conditions, whereas in accordance with Section 20(2) of the Bonds Act, such funds are considered to be the customer's property under the Capital Market Act. In exercising the rights under the Security Documents, the Security Agency Agreement and the Terms and Conditions and other rights under the Bonds Act relating to the Security Documents, the Security Agent is considered to be the creditor of each secured receivable in accordance with Section 20a(6) of the Bonds Act. To the extent that such rights (including those referred to in Section 20a(5) of the Bonds Act) are exercised by the Security Agent, no Bondholder is entitled to exercise such rights separately. If the Security Agent is delayed in the exercise of the applicable rights or the performance of its duties for more than thirty (30) Business days, it may be dismissed under the Security Agency Agreement, whereas the Issuer is, in such circumstances, obliged to convene a Meeting under Condition 12.1(b).

Copies of the Security Documents and the Security Agency Agreement will be available for inspection to the Bondholders or investors in the Bonds prior to subscription for or purchase of the Bonds during usual business hours at the Specified Office, as set out in Condition 11.1(a), and at the Issuer's website www.drmaxfundingcr.cz, in the section "Bonds".

By subscribing for or purchasing the Bonds, each Bondholder agrees to the appointment of the Security Agent as a security agent under Section 20 *et seq.* of the Bonds Act. Each Bondholder further agrees that the Security Agent may, in its name and on behalf of the Bondholders, exercise all rights of a creditor, or recipient of any other security arising under the Security Documents, the Terms and Conditions, the Security Agency Agreement and the Bonds Act or other applicable legislation under the terms and conditions set forth therein.

The Security Agent agrees to its appointment as a security agent and other authorisations under the Terms and Conditions and Section 20 *et seq.* of the Bonds Act in connection with the Bonds contained in the Security Agency Agreement and the Security Documents. The Security Agency Agreement and the Security Documents may include additional details regarding the rights and obligations of the Security Agent, including, where applicable, the enforcement of rights arising under the Security Documents.

3.4 Execution and maintenance of Subordination Agreement 3 and the Financial Guarantee

The Financial Guarantee is to be issued, and Subordination Agreement 3 concluded, on or around the date of the Base Prospectus. The Issuer will ensure that the Guarantor and the Subordinated Creditor will comply with their respective obligations under the Security Documents, in each case until the discharge of all the debts arising under the Bonds issued under the Programme.

The Security Agent will not be liable to the Bondholders for any damages arising as a result of the Security Documents being invalid or ineffective, or as a result of the Security Agent having carried out, or failing to carry out, any act in connection with any Security Document, unless such action or omission, as relevant, resulted from the Security Agent's gross negligence or wilful misconduct.

3.5 Position of the Security Agent

The Security Agent is obliged to act with due care and, in particular, to act in a qualified, honest and fair manner and in the best interests of the Bondholders. The Security Agent is always bound by the instructions validly given by the Meeting. The Security Agent exercises the rights and obligations contained in these Joint Terms and Conditions, the Security Documents, the Security Agency Agreement and Section 20 *et seq.* of the Bonds Act. In accordance with Section 20a(8) of the Bonds Act, the provisions of the Civil Code on the management of another's assets will not apply to the activities of the Security Agent. The Security Agent is not obliged to review the accuracy of any documents or any calculations made by the Issuer or the Fiscal and Paying Agent under these Joint Terms and Conditions.

If there are any reasons for the termination of the activities of the Security Agent under the Security Agency Agreement or any other reasons under Section 21(1)(b) of the Bonds Act (i.e., reasons due to which the activities of the Security Agent were or can be terminated under the Security Agency Agreement) or Section 21(1)(c) of the Bonds Act (i.e., request for a change in the identity of the Security Agent by Bondholders whose Bonds' nominal amount represents at least 5% of the total nominal amount of the Bonds), the Issuer is obliged to convene a Meeting without undue delay in accordance with Condition 12.1(b) in order to decide on the appointment of a new security agent, whereas only a licensed credit institution authorised to provide banking services in the Czech Republic may be appointed as the new security agent (the **New Security Agent**).

In the event the Issuer does not convene such a Meeting, the Security Agent is obliged to convene the Meeting without undue delay and at the Issuer's expense in accordance with Condition 12.1(a). If the Meeting is not convened by either the Issuer or the Security Agent, any Bondholder is authorised to convene the Meeting in accordance with Condition 12.1(a).

The rights and obligations arising under the Security Documents, these Joint Terms and Conditions and the Security Agency Agreement pursuant to Section 20(6) of the Bonds Act will automatically be transferred to the New Security Agent with effect as of the date on which the Meeting adopted the decision to appoint the New Security Agent, unless a later date is specified in the Meeting's decision. The procedure for changing the Security Agent is further specified in the Security Agency Agreement. However, the transfer of rights and obligations to the New Security Agent will not take place before the New Security Agent has consented to its appointment as a security agent in respect of the Bonds. No obligations of the Security Agent arising from a breach of its obligations as a security agent or any liabilities related to the office of the Security Agent that originated before the effective date of appointment of the New Security Agent will be transferred to the New Security Agent. The Issuer will notify the Bondholders and the Fiscal and Paying Agent of the appointment of the New Security Agent in the manner specified in Condition 14.1 of these Joint Terms and Conditions. If a new Security Agency Agreement is entered into between the Issuer and the New Security Agent, a copy of such a new Security Agency Agreement will be available for inspection to the Bondholders during usual business hours at the Specified Office, as stipulated in Condition 3.3.

3.6 Actions of the Security Agent

- (a) The Security Agent
- (i) is obliged, subject to paragraphs (d) and (e) below, to exercise any right or refrain from exercising any right which it has as the Security Agent, in accordance with any instruction approved by the Meeting by a Simple Majority (the **Meeting Instruction**); and
 - (ii) is not responsible for any action (or omission) if it acts (or refrains from acting) in accordance with the Meeting Instruction.
- (b) Instruction clarification
- The Security Agent is entitled to request:
- (i) convening a Meeting to issue a Meeting Instruction or to specify the decisions under previous Meeting Instruction; or
 - (ii) if the statutory conditions for making a decision on matters that were not included in the proposed agenda of the Meeting are fulfilled, a Meeting Instruction or specifying the Meeting Instruction directly during the Meeting,
- as to whether and how it should exercise any right or refrain from exercising any right or authority, and the Security Agent may refrain from acting until it receives such a Meeting Instruction or specification. This is without prejudice to the right, and not the obligation, of the Security Agent to exercise any right or refrain from exercising any right or authority if the delay, in the opinion of the Security Agent, could cause serious damage to the Bondholders.
- (c) Binding nature of instructions
- Any Meeting Instruction will be binding on all Bondholders.
- (d) In the exercise of any right of the Security Agent under the Security Documents or any related right, including the exercise of creditor's rights under Section 20a(5) of the Bonds Act, where:
- (i) the Security Agent has not received any instruction regarding the exercise of that right; or
 - (ii) in the opinion of the Security Agent, the Meeting Instruction is in violation of law or contrary to good morals,
- the Security Agent will act at its discretion, taking into account the interests of all Bondholders.
- (e) The Security Agent is not obliged to act in accordance with the Meeting Instruction unless it is also provided with sufficient security or promised indemnification by the Bondholders (and approved by a Meeting) or the Issuer (in the opinion of the Security Agent to a sufficient extent) in the event of any material damage (*škoda*) or non-material harm (*nemajetková újma*).

Without prejudice to the provisions of Conditions 3.7 and 3.8 or other provisions of this Condition 3.6, in the absence of any Meeting Instructions, the Security Agent may act (or refrain from acting) as it deems appropriate, but always in the best interest of the Bondholders.

3.7 Acceleration

If an Event of Default (as defined in Condition 9.1) under Conditions 9.1(a), 9.1(f) or 9.1(g) occurs and is continuing, the Security Agent may, if it is in its opinion necessary to protect the rights from the Security Documents, decide that all liabilities arising under the Bonds, including any unpaid accrued interest or other yield on these Bonds in accordance with Conditions 5.1 or 5.2, become due and payable (the **Acceleration**), or convene a Meeting to obtain a Meeting Instruction for Acceleration.

The Security Agent must always decide on Acceleration if so decided by a Simple Majority, whereas any Event of Default may form the basis for such a decision of the Meeting. The decision on Acceleration will state as a result of which occurred and continuing Event of Default it was adopted by the Security Agent and will be effective upon its delivery to the Issuer and publication on the website of the Security Agent www.unicreditbank.cz (under 'Information for investors, Information for investors in securities of UniCredit Bank's clients, Information concerning the selected issues of bonds' section, tab 'Information concerning the selected issues of bonds').

If the decision on Acceleration is made, all amounts payable by the Issuer to the Bondholders will become payable (unless they have become payable earlier) on the last Business Day of the month following the month in which the Security Agent decided on the Acceleration (the **Early Redemption Date**) and the decision became effective in accordance with the preceding paragraph. At one Meeting, both a decision on Acceleration and an Enforcement Decision (as defined in Condition 3.9) can be adopted, provided, however, that the decision on Acceleration is adopted first and the Enforcement Decision is made subsequently, whereas each such decision must be made by the requisite majority of the Bondholders.

3.8 Enforcement of the Security and Other Decisions

Pursuant to Section 20a(7) of the Bonds Act, the Bondholders will not have any direct rights under the Security Documents and will not be able to exercise any separate authorisation, right or remedy regarding any Security Document or grant consent or waive the right arising under the Security Documents or make any direct use of any Security Document if such rights arising thereunder are exercised by the Security Agent. None of the Bondholders will be entitled to ask the Security Agent independently to act in any way in relation to the Security Documents.

If Acceleration occurs, the Security Agent will determine, acting in good faith and exercising due care, the appropriate manner of enforcement or other appropriate actions according to applicable law relating to, and in accordance with the terms of, the Security Documents.

Before the Security Agent commences the enforcement of the rights under the Security Documents, the Security Agent must convene a Meeting at the Issuer's expense in accordance with Condition 12.1(a) of these Joint Terms and Conditions. The Meeting will decide whether the Security Agent is to commence the enforcement of the Security or take other steps in relation to the Security Documents (the **Enforcement Decision**). The Enforcement Decision must be approved by a Simple Majority and must contain the manner of enforcement of the Security in accordance with the Security Documents and applicable law. The Enforcement Decision is binding on the Security Agent and all Bondholders. The Enforcement Decision can only be made if Acceleration has already occurred.

The Security Agent will proceed in accordance with the Enforcement Decision without undue delay after the Enforcement Decision has been delivered to it by the Fiscal and Paying Agent, the Issuer or any Bondholder.

If the Security Agent made a decision on Acceleration without seeking a Meeting Instruction in accordance with Condition 3.7, the Security Agent may, if it is in its opinion necessary to protect the rights and interests of the Bondholders without any delay, decide to initiate enforcement of the rights under the Security Documents or to take any steps in relation thereto, including prior to the Enforcement Decision being made in accordance with the preceding paragraph.

The Security Agent will inform the Bondholders about the status of the enforcement of the Security Documents by way of publications on its website www.unicreditbank.cz (under 'Information for investors, Information for investors in securities of UniCredit Bank's clients, Information concerning the selected issues of bonds' section, tab 'Information concerning the selected issues of bonds'). Documents related to the enforcement of the Security will be available for inspection by the Bondholders during usual business hours at the Specified Office, as set out in Condition 11.1(a).

3.9 Use of Proceeds

The Security Agent will, and is obliged to under the Security Agency Agreement, use any proceeds from the enforcement of the rights under the Security Documents that it receives as follows:

- (a) first, to cover all payments due to the Security Agent in connection with the performance of its office (excluding the Security Agent's remuneration), including any costs and expenses related to the enforcement of the rights arising under the Security Documents, unless such payments have been made otherwise;
- (b) second, to pay the Security Agent's remuneration of 3% of the proceeds from the enforcement of the rights under the Security Documents;
- (c) third, to pay the proportionate amount of any indemnification or advance on enforcement costs paid to the Security Agent by the Bondholders;
- (d) fourth, to pay the proportionate amount of any due and outstanding principal of, and due and outstanding interest on, the Bonds to the Bondholders; and
- (e) fifth, to refund any surplus to the Guarantor or the Subordinated Creditor.

The principal and interest accrued on the Bonds under the preceding paragraph will be paid by the Security Agent through the Fiscal and Paying Agent. The Security Agent will inform the Bondholders of the distribution of these proceeds among the Bondholders by publishing it on its website www.unicreditbank.cz (under 'Information for investors, Information for investors in securities of UniCredit Bank's clients, Information concerning the selected issues of bonds' section, tab 'Information concerning the selected issues of bonds'). In the case of enforcement of the Security Documents as part of the insolvency proceedings of the Issuer, the Guarantor or the Subordinated Creditor, the rules for the distribution of the proceeds from the realisation of the rights arising under the Security Documents will be adjusted in accordance with the statutory conditions.

4. Obligations of the Issuer and the Guarantor

The Pricing Supplement may specify that any or all provisions of this Condition 4 do not apply in respect of the Bonds of a particular Issue.

4.1 Negative Pledge

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that neither the Guarantor nor any Significant Subsidiary will, establish or allow the establishment of any Security to secure any Financial Indebtedness that would fully or partially limit the rights of the Issuer, the Guarantor or any Significant Subsidiary to their current or future assets or income.

4.2 Negative Pledge Exceptions – Equivalent Security, Decision of the Meeting

The restrictions under Condition 4.1 do not apply if, before or at the time of the establishment of such Security, the Issuer ensures that:

- (a) its debts arising under the Bonds are secured in at least an equivalent manner under applicable law of the relevant jurisdiction to the Financial Indebtedness so secured or secured in another manner approved by a resolution of the Meeting by a Simple Majority; or
- (b) the establishment of such Security is approved by a resolution of the Meeting adopted by a Simple Majority in accordance with Condition 12.

4.3 Negative Pledge Exceptions – Miscellaneous

The restrictions under Condition 4.1 do not apply to any Security (present or future) if:

- (a) except in cases under paragraphs (b)(i), (b)(ii) (provided that the Security is in relation to the property or income of the Guarantor or a Significant Subsidiary) and (b)(iii) below, which are independent exceptions to the obligation to refrain from creating Security:
 - (i) there is no Event of Default immediately before or at the time of the establishment of such Security; and

- (ii) no Event of Default or Potential Event of Default occurs as a result of the establishment of such Security,
- (b) such Security:
 - (i) exists on the Issue Date of the initial Issue under this Programme;
 - (ii) was created or arises to secure indebtedness under the Pharmax Holdings Facilities Agreement and related finance documents, or created or arising to secure the early or proper repayment or refinancing or limit increase of such indebtedness or any other indebtedness incurred in connection with a prior repayment under this paragraph (ii);
 - (iii) encumbers, or arises in relation to, the property of the Issuer, the Guarantor or any Significant Subsidiary in connection with the issuance of bonds or the conclusion of contractual or similar arrangements by the Issuer, the Guarantor or any Subsidiary of the Guarantor, in each case for the purposes of early or due repayment of the debts arising under all the outstanding Bonds and in connection with hedging derivatives entered into by the Issuer in relation to such arrangements, if such repayment occurs within ninety (90) days of the date of establishment of such Security;
 - (iv) arises under statute (*zákon*) or on the basis of a judicial or administrative decision if:
 - (A) the Issuer, the Guarantor or the relevant Significant Subsidiary in good faith and in the prescribed manner defends the claim in connection with which this Security was or is to be established; or
 - (B) such Security lasts for the period during which appeal proceedings (*řízení o řádném opravném prostředku*) are being conducted with respect to such a decision on the basis of which this Security was or is to be established;
 - (v) encumbers, or arises in relation to, the property of:
 - (A) a Significant Subsidiary in the ordinary course of business of such person (including Security established in connection with usual banking operations);
 - (B) the Issuer or the Guarantor in connection with usual banking operations on the basis of an account agreement (*smlouva o vedení účtu*), general terms and conditions or a similar document of the relevant bank; or
 - (C) a Significant Subsidiary as a result of existing or future debt financing of a member of the Group, in particular in the form of loans, borrowings, leases, letters of credit, guarantees, promises of compensation, or other forms of debt financing (excluding financing in connection with the issuance of bonds, promissory notes or other securities) for which the Security was or will be established;
 - (vi) arises under the rules and regulations of any clearing system or stock exchange and relates to shares or other securities held in that clearing system or stock exchange;
 - (vii) arises in the context of, and relates to property that is the subject of, a Disposal made in accordance with Condition 4.6, if such:
 - (A) property ceases to be owned by a Group member within ninety (90) days of the establishment of such Security; or
 - (B) the Security expires within ninety (90) days of its establishment;
 - (viii) relates to or affects any property acquired by the Issuer, the Guarantor or any Significant Subsidiary, if:
 - (A) such Security was not established in connection with the acquisition of such property by a member of the Group;

- (B) the secured principal amount is not increased after, or in connection with the acquisition of such property; and
 - (C) this Security was removed or fulfilled within nine (9) months from the date of the acquisition of such property; and
- (ix) relates to or affects any property of any company acquired by the Issuer, the Guarantor or any Significant Subsidiary, or affecting such property, if such Security was established before the date on which such company was acquired, if:
 - (A) such Security was not established in connection with the acquisition of such company;
 - (B) the secured principal amount is not increased in connection with the acquisition of such company; and
 - (C) this Security was removed or fulfilled within nine (9) months from the date of the acquisition of such company,
- (c) always provided that such Security does not secure:
 - (i) the Issuer's receivables against the Guarantor or any Affiliate (as defined in Condition 4.8); or
 - (ii) the Guarantor's receivables against any Affiliate.

4.4 Transactions with Ultimate Controlling Persons and their Subsidiaries

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that the Guarantor or any Significant Subsidiary will not enter into an agreement or conduct a transaction with any:

- (a) Subsidiary of any Ultimate Controlling Person (other than the Guarantor or any member of the Group); or
- (b) Ultimate Controlling Person,

other than on an arm's length basis (*za podmínek obvyklých v obchodním styku*) or under conditions that are more advantageous for the Issuer, the Guarantor or a Significant Subsidiary than if the agreement was entered, or the transaction conducted, on an arm's length basis.

The limitations under this Condition 4.4 do not apply to any transactions between members of the Group.

4.5 Net Debt Ratio

- (a) Obligation to maintain Net Debt Ratio

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes that the Net Debt Ratio will not reach or exceed the Permitted Value.

- (b) Testing

Testing of the Net Debt Ratio under this Condition 4.5 will always take place retroactively on the basis of the relevant consolidated financial statements of the Guarantor, and as of the balance sheet date thereof, whereas the Issuer is obliged to publish such financial statements in accordance with Condition 4.10.

If these Joint Terms and Conditions provide that any obligation under this Condition 4.5 is to be tested on a *pro forma* basis, this means testing that takes into account the relevant transaction (and that takes into account any other transactions already carried out after the end of the last relevant accounting period in relation to which testing on a *pro forma* basis is to be carried out according to these Joint Terms and Conditions) or a step on a *pro forma* basis, such consideration

will be carried out in good faith by the financial director or another relevant employee of the Guarantor, as if this event took place on the first day of the relevant accounting period.

(c) Information obligations

The Issuer is obliged, immediately after learning that the Net Debt Ratio calculated on the basis of the relevant financial statements of the Guarantor exceeded the Permitted Value, notify the Fiscal and Paying Agent, the Security Agent and the Bondholders thereof in the manner specified in Condition 14.1.

(d) Equity Cure

Within thirty (30) Business Days after the Issuer duly made, or should have made, the notification under Condition 4.5(c), any Ultimate Controlling Person or any of their Subsidiaries may carry out or ensure the rectification of the Net Debt Ratio by increasing the Guarantor's registered share capital, providing a contribution outside of the Guarantor's share capital (*příspěvek mimo základní kapitál*), providing a loan or a borrowing, provided that such loan or borrowing is subordinated to the Bonds and the debts arising under the Financial Guarantee or in another form (the **Rectification**, and Cash or Cash Equivalents provided in the course of the Rectification, the **Rectification Amounts**). Following each Rectification according to the previous paragraph, the Issuer is obliged without undue delay, and no later than thirty (30) Business Days from the date the Issuer became aware of the breach and notified it to the Fiscal and Paying Agent and the Security Agent, to inform the Fiscal and Paying Agent and the Security Agent regarding the implementation of the Rectification (including the Rectification method chosen) and to publish the same in the manner specified in Condition 14.1, together with a confirmation issued by persons authorised to act on behalf of the Issuer that the Net Debt Ratio after the Rectification did not reach or exceed the Permitted Value, whereas the Issuer will take into account the Rectification when determining the Net Debt Ratio by reflecting the obtained Rectification Amounts in the Net Indebtedness.

After carrying out the Rectification under the preceding paragraph, the Rectification Amounts may be released back to the Ultimate Controlling Person or its Subsidiary (in any of the aforementioned forms, including prepayment or repayment of a subordinated loan or borrowing), which is no longer necessary to ensure that the Net Debt Ratio does not reach or exceed the value of 5.5. The Net Debt Ratio for the purposes of releasing the Rectification Amounts may be tested no earlier than 3 months from the date on which the last financial statements of the Guarantor, published in accordance with Condition 4.10, were prepared, based on the audited consolidated annual financial statements of the Guarantor.

The information obligations set out in Condition 4.10(b)(ii) will apply *mutatis mutandis*. The Issuer shall inform the Bondholders of this release in the manner specified in Condition 14.1.

If the Rectification Amounts to be released exceed EUR 10,000,000 (or its equivalent in other currencies), the Issuer is obliged to notify the Fiscal and Paying Agent and the Security Agent within ten (10) Business Days and publish a notice in accordance with Condition 14.1, together with a confirmation issued by the Chosen Auditor or the Chosen Expert that the Net Debt Ratio has not reached or exceeded the value of 5.5.

4.6 Restrictions on Disposals of Property

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that the Guarantor and any Significant Subsidiary will not, sell, invest in the share capital or other capital of another company, lease, transfer or otherwise dispose of assets in one or a series of transactions, or carry out any other transaction that has the business effect of a disposal of property (collectively, a **Disposal**), whereas related Disposals, especially if they occur as part of a single transaction, are considered to be one Disposal for the purposes of the limits set forth below.

The restrictions under the preceding paragraph do not apply to any Disposal if:

(a)

- (i) it is carried out on an arm's length basis;
- (ii) the counter-performance received for such Disposal is determined in money or, if the counter-performance is not determined in money and if the total value of such Disposal (or several such Disposals in aggregate during the course of a financial year) reaches at least EUR 100,000,000 (or its equivalent in any other currency), the Issuer, no later than within thirty (30) Business Days from the day on which it carries out a Disposal in excess of this limit, publishes and makes available to the Bondholders in the manner specified in Condition 14.1, a declaration by the persons authorised to act on behalf of the Issuer and the Guarantor that such Disposal was made (a) taking into account an opinion prepared by the Chosen Expert or the Chosen Auditor who determined the value of the performance and counter-performance within such Disposals, whereas the Fiscal and Paying Agent and the Security Agent shall be granted access on a non-reliance and confidential basis to such opinion; and (b) on an arm's length basis;
- (iii) immediately before the implementation of such Disposal, the Net Debt Ratio shall not exceed the Permitted Value; and
- (iv) as a result of such Disposal, no Event of Default occurs and no Event of Default or a Potential Event of Default continues,

and, at the same time, if the total value of a single Disposal (or several such Disposals in aggregate during the course of a financial year) reaches at least EUR 100,000,000 (or its equivalent in any other currency), the Issuer is obliged to, within ten (10) Business Days from the day on which it carries out a Disposal in excess of this limit, publish and make available a notification in the manner specified in Condition 14.1, together with a confirmation issued by persons authorised to act on behalf of the Issuer that the conditions under paragraph (iii) above are met, and to also send this declaration to the Fiscal and Paying Agent and the Security Agent; for the method of processing and issuing a confirmation that this obligation has not been breached, Condition 4.8 will apply *mutatis mutandis*,

- (b) such Disposal exists as of the Issue Date of the initial Issue under this Programme in relation to which the relevant agreement was concluded before the Issue Date of the initial Issue under this Programme;
- (c) such Disposal is carried out between members of the Group; or
- (d) such Disposal is carried out in respect of shares in Lidea, its Subsidiaries, and in the Pharmacy Businesses established in Italy, with an enterprise or part of an enterprise or with other assets of these entities, but only provided that such Disposal takes place in favour of any Affiliate (as this term is defined in Condition 4.8 below).

4.7 Restrictions on Financial Indebtedness

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to incur or increase its Financial Indebtedness, and will ensure that the Guarantor and any Significant Subsidiary will not incur or increase their Financial Indebtedness.

The restrictions under the preceding paragraph do not apply:

- (a) if:
 - (i) immediately before the incurrence or increase of such Financial Indebtedness and taking it into account (with consideration of all other Relevant Transactions already carried out after the end of the last Relevant Period) on a *pro forma* basis for the Group, the Net Debt Ratio will not reach or exceed the Permitted Value; and
 - (ii) no Event of Default will occur as a result of such Financial Indebtedness and no Event of Default or Potential Event of Default continues; or
- (b) to any Financial Indebtedness:

- (i) arising under the Bonds;
- (ii) incurred by operation of law or on the basis of a judicial or administrative decision against the Issuer, the Guarantor or a Significant Subsidiary, if the Issuer, the Guarantor or the relevant Significant Subsidiary acted actively in the proceedings leading up to the judicial or administrative decision and protected their interests in good faith;
- (iii) incurred for the purposes of early or due repayment of the debts arising under all the outstanding Bonds by the Issuer and payment of related costs and fees;
- (iv) of the Issuer, the Guarantor or a Significant Subsidiary in the form of a loan or a borrowing subordinated under Subordination Agreement 3 to debts arising under the Bonds (in the case of the Issuer), or the Financial Guarantee (in the case of the Guarantor) and received from any Subsidiary of an Ultimate Controlling Person or from an Ultimate Controlling Person (who are not members of the Group); and
- (v) incurred between the Issuer, the Guarantor or a Significant Subsidiary and other members of the Group;

If, from the date on which the last financial statements of the Guarantor, published in accordance with Condition 4.10, were prepared, either of the Issuer, the Guarantor, or any Significant Subsidiary incurs or increase its Financial Indebtedness by an amount exceeding in aggregate EUR 100,000,000 (or its equivalent in other currencies) (except for such incurrence or increase in Financial Indebtedness permitted under paragraphs (b)(ii)-(b)(v) above), the Issuer is obliged to notify the Fiscal and Paying Agent and the Security Agent within ten (10) Business Days and publish a notice in accordance with Condition 14.1, together with a confirmation issued by persons authorised to act on behalf of the Issuer, that the conditions under paragraph (a)(ii) are met. For the method of processing and issuing the confirmation that there has been no breach of this obligation, Condition 4.8 will apply *mutatis mutandis*.

4.8 Restrictions on Distributions

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes and will ensure that the Guarantor or any other member of the Group will not:

- (a) make any payment, directly or indirectly, in favour of any Ultimate Controlling Person or any Subsidiary of the Ultimate Controlling Person which is not a member of the Group (each an **Affiliate**) in order to repay their debts that are subordinated under Subordination Agreement 3 or debts that are to be subordinated in accordance with the terms of Subordination Agreement 3 (including any payment of interest);
- (b) propose a payment resolution or distribute or pay any dividend, other profit share, share in equity or share capital, other payment in connection with its capital, interest on unpaid dividends, other payment or similar amount (e.g., advance on dividends or interest on unpaid dividends); or
- (c) provide a loan or borrowing in favour of any Affiliate, will not repay the debt of an Affiliate, nor will it provide any *in personam* (as opposed to *in rem*) security or confirmation of the debt of an Affiliate (each of the situations under paragraphs (a) to (c) immediately above, a **Distribution**),

if, immediately before, or as a result of, such Distribution,

- (a) the Net Debt Ratio reaches or exceeds the value of 5.5; or
- (b) there is, or there occurs, an Event of Default.

The Issuer shall also ensure that any member of the Group (other than the Guarantor) does not make any payment of dividends, other profit shares, shares in the registered or own capital, or any other payment in connection with its capital, unless such payment is made on a proportional basis among all shareholders based on their share in the capital of the respective company. This restriction does not apply to a Distribution in connection with preference shares in the Guarantor and Pharmax Holdings existing as of the Issue Date of the initial Issue under this Programme made in favour of the Guarantor (in the case of shares in Pharmax Holdings) or the shareholders of the Guarantor (in the case of shares in the Guarantor).

For the purposes of paragraph (a) of the second sub-paragraph of this Condition 4.8, exclusively in relation to the payments of net proceeds of each Issue, regardless of whether they are proceeds from Bonds subscribed on the Issue Date or on another settlement date, the value of the Net Debt Ratio of 5.95 shall apply.

The restrictions on Distribution arising from this Condition 4.8 shall not apply to any *in personam* security given in respect an Affiliate 's debt, or to any confirmation of such debt, provided that the amount of such secured or collateralised debt of the Affiliate, in aggregate with other similarly secured or collateralised debts of Affiliates, does not exceed EUR 50,000,000 (or its equivalent in other currencies).

4.9 Restrictions on Transformations

The Issuer undertakes not to, and will ensure that the Guarantor or a Significant Subsidiary will not:

- (a) participate in a merger, division, transfer of assets to a shareholder or other transformation;
- (b) change its legal form; or
- (c) sell, or contribute to the registered capital of another company, or in any way transfer, pledge or lease its enterprise (*závod*) or a substantial part of its enterprise representing a separate organisational unit of the enterprise (each a **Transformation**).

The restrictions under this Condition 4.9 will not apply to any:

- (a) Transformation if (i) only members of the Group participate in such Transformation; (ii) no distribution or transfer of assets outside the Group occurs in the course of such Transformation; and (iii) no Change of Control or Event of Default occurs, and neither is there a threat of such events occurring, as a result of such Transformation; and
- (b) transfer of the seat of the Guarantor to another jurisdiction (*redomiciliation*) within the European Union and related corporate changes if there is no liquidation of the Guarantor and no new legal entity is created.

4.10 Information Obligations of the Issuer and the Guarantor

The Issuer will inform the Fiscal and Paying Agent and the Security Agent in writing, and will notify the Bondholders, of any Event of Default no later than five (5) Business Days from the date on which the Issuer became aware of such an Event of Default.

The Issuer will publish and make available to the Bondholders the following documents and information in English or Czech in the manner specified in Condition 14.1 and within the periods or deadlines specified below:

- (a) by 30 April of each year, annual reports and annual standalone financial statements of the Issuer prepared in accordance with IFRS and audited by the Chosen Auditor, starting with the annual report and financial statements prepared as of the last day of the accounting period ending on 31 December 2025;
- (b) by 30 June of each year:
 - (i) annual consolidated financial statements of the Guarantor prepared in accordance with IFRS and audited by the Chosen Auditor, starting with the financial statements prepared as of the last day of the accounting period ending on 31 December 2025;
 - (ii) information regarding the values of the Net Debt Ratio based on the Guarantor's latest annual consolidated financial statements prepared in accordance with IFRS and audited by the Chosen Auditor, together with the Chosen Auditor's confirmation as to whether the Net Debt Ratio exceeds or does not exceed not the Permitted Value as of the balance sheet date the relevant financial statements, and a statement of the persons authorised to act on behalf of the Issuer to the same effect; and
- (c) by 30 September of each year:

- (i) half-year reports and half-year unaudited standalone financial statements of the Issuer prepared at least in accordance with IAS 34 or otherwise in accordance with IFRS as of 30 June of each year, starting with the half-year report and half-year unaudited standalone financial statements prepared for the half-year ending 30 June 2025;
- (ii) half-year unaudited consolidated financial statements of the Guarantor prepared at least in accordance with IAS 34 or otherwise in accordance with IFRS as of 30 June of each year, starting with the half-year unaudited consolidated financial statements prepared for the half-year ending 30 June 2025; and
- (iii) information regarding the values of the Net Debt Ratio based on the half-year unaudited consolidated financial statements of the Guarantor prepared at least in accordance with IAS 34 or otherwise in accordance with IFRS, starting with the half-year unaudited consolidated financial statements drawn up for the half-year ending on 30 June 2025, together with a statement of the persons authorised to act on behalf of the Issuer as to whether the Net Debt Ratio exceeds or does not exceed the Permitted Value.

The above-mentioned information and documents will be available to the Bondholders for inspection at their expense during usual business hours at the Specified Office.

4.11 Definitions

Acceptable Country means an EEA member country, Albania, Bosnia and Herzegovina, Montenegro, Kosovo, North Macedonia, the United Kingdom or Serbia.

Adjusted EBITDA is a financial measure of a company's profitability that shows operating performance excluding the impact of finance costs and income, taxes, depreciation and amortisation. Adjusted EBITDA is calculated from data based on the Guarantor's consolidated statement of comprehensive income and notes to the consolidated financial statements and for the Relevant Period is calculated as:

- (a) the operating profit of the Group before taxation (excluding results from discontinued operations);
- (b) **before deducting** any interest, commission, fees, discounts, prepayments fees, premiums or charges and other finance payments whether paid or payable or capitalised by any member of the Group (calculated on a consolidated basis) for such Relevant Period;
- (c) **after adding back** any amount attributable to amortisation, depreciation or impairment of the assets of the members of the Group (and without taking into account the reversal of any previous impairment charge made in that Relevant Period);
- (d) **before taking into account** Exceptional Items;
- (e) **after adding back** the creation of Long-Term Incentives (or after deducting any release of Long-Term Incentives);
- (f) **after deducting** the amount of any profit (or after adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (g) **plus or minus** the Group's share of the profits or losses (after finance costs and tax) of Non-Group Entities;
- (h) **before taking into account** unrealised gains or losses on derivative instrument;
- (i) **before taking into account** any gain or loss arising from the upward or downward revaluation of any other assets at any time after the latest annual financial statements submitted pursuant to Condition 4.10;
- (j) **including**, for the avoidance of doubt, any bonuses received for the early settlement of invoices before their maturity date;

- (k) **before taking into account** any severance payments or bonuses payable to the departing management of any member of the Group after the Group has acquired it as a result of the Group ceasing to deal with such management (until actually paid to the relevant beneficiaries);
- (l) **before taking into account** the results of any Joint Venture that is not a Committed Pharmax Party; and
- (m) **excluding** any consideration paid by any member of the Group in respect of any Business Acquisition or costs incurred by any member of the Group in respect of any Business Acquisition and the amount of investment in Joint Ventures if funded from New Shareholder Injection, the Rectification or a Distribution permitted under Condition 4.8,

in each case to the extent added to, deducted from or taken into account for the purposes of determining the operating profit of the Group before taxation, and shall be adjusted by:

- (i) including the operating profit before interest, taxation, depreciation, amortisation and impairment charges (calculated on the same basis as above) of a member of the Group (or attributable to its business or property) acquired during the Relevant Period for the part of the Relevant Period before it became a member of the Group or (as the case may be) before it acquired the business or property; and
- (ii) excluding any operating profit before interest, taxation, depreciation, amortisation and impairment charges (calculated on the same basis as above) attributable to any member of the Group (or any business or property) disposed of during the Relevant Period for that part of the Relevant Period.

If there is a change in the financial reporting of the relevant person that would impact the determination of Adjusted EBITDA, the new items will be interpreted in accordance with the meaning of the items used to determine Adjusted EBITDA at the Issue Date of the initial Issue under this Programme.

In doing so, if any acquisition, divestiture, increase or decrease in equity interests or similar event is effected in a member of the Group, by the Guarantor or any other company in which the Guarantor has a direct or indirect equity interest, which occurs after the first day of the Relevant Period, shall, for the purposes of calculating Adjusted EBITDA, have a provisional (*pro forma*) effect as determined in good faith by the Chief Financial Officer (CFO) of the Group or other authorised representative of the Guarantor as if such event had occurred on the first day of the Relevant Period.

If any item is to be included in more than one category used for the purposes of calculating the Adjusted EBITDA, such item shall only be included once.

Business Acquisition means an acquisition of a company or any shares or securities or business or enterprise (or in any case any interest in any of them) or a company establishment.

Cash means funds in cash and deposits credited to a Group member's account maintained by an Acceptable Bank to which the Group member alone or with another Group member has ultimate entitlement as long as:

- (a) such cash is payable on demand or within thirty (30) days for the relevant calculation date;
- (b) the repayment of such cash is not conditional on the prior repayment of other indebtedness of any member of the Group or any other person or the fulfilment of another condition;
- (c) no Security has been established in relation to such cash with the exception of the Security created in connection with the Pharmax Holdings Facilities Agreement; and
- (d) such cash is freely (except as provided in paragraph (a) immediately above) and immediately available for the repayment or prepayment of the debts arising under the Bonds.

Cash Equivalent means at any time:

- (a) certificates of deposit maturing within one (1) year of the applicable calculation date and issued by senior creditor of Pharmax Holdings or other acceptable bank or financial institution that has

a rating on its long-term unsecured debt and non-credit enhanced debt obligations of A- or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A- or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised rating agency (an **Acceptable Bank**);

- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area, or any member state of the European Union that has the euro as its fiat currency in accordance with European Union legislation relating to the economic and monetary union (a **Participating Member State**) (but excluding any country with a sovereign debt rating below A by Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 by Moody's Investor Services Limited) or an instrument or agency of any of them with an equivalent credit rating, due within one (1) year after the relevant calculation date and non-exchangeable for another security;
- (c) commercial papers that are not exchangeable for another security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State (but excluding any state whose sovereign debt rating is below A by Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 by Moody's Investor Services Limited);
 - (iii) which matures within one (1) year after the relevant date of calculation; and
 - (iv) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (d) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);
- (e) any investments in money market funds that:
 - (i) have a credit rating of A-1 or higher from Standard & Poor's Rating Services or F1 or higher from Fitch Ratings Ltd. or P-1 or higher by Moody's Investors Service Limited; and
 - (ii) invest substantially all of their assets in securities of the types described in paragraphs (a) through (d) above in this definition,

if these investments can be converted into cash with a notice period of no more than thirty (30) days,

to which any member of the Group alone (or jointly with another member of the Group) has ultimate entitlement at any given time and which are not issued or guaranteed by any member of the Group or subject to any Security (other than security established in connection with Pharmax Holdings Facilities Agreement).

Chosen Auditor means a reputable audit firm providing auditor services in accordance with the law of the relevant jurisdiction.

Chosen Expert means a reputable expert firm, expert or institute providing expert services in accordance with the law of the relevant jurisdiction and belonging to BDO, MAZARS, PricewaterhouseCoopers, KPMG, Deloitte or E&Y group or their successors, or a reputable investment bank providing services in the Czech Republic.

Committed Pharmax Parties means ČESKÁ LÉKÁRNA HOLDING, a.s., Baramoore International s.r.o., MAGNAPHARM MARKETING&SALES ROMANIA S.R.L., DR. Max SRL, Dr. Max BDC, s.r.o., ViaPharma s.r.o., Dr.Max Holding SK, a.s. and all Subsidiaries of Dr. Max Holding SK, a.s.

(excluding Medical Group and any Non-Active Subsidiaries), Medical Group, MagnaPharm Holdings Limited, Lidea S.p.A., BRL Center – Polska, Sp. z o.o., Dr. Max Sp. z o.o. and each of them individually the **Committed Pharmax Party**.

Exceptional Items means any extraordinary, non-recurring, non-repetitive or special items that represent gains or losses, including but not limited to those arising as a result of:

- (a) the reorganisation or restructuring (including, for the avoidance of doubt, any reorganisation permitted or not restricted by these Joint Terms and Conditions) of the activities of the entity and the reversal of any provision for the costs of the reorganisation or restructuring;
- (b) the disposal, revaluation, impairment or depreciation of fixed assets or the reversal of any depreciation or impairment;
- (c) the revaluation of inventories of any member of the Group as a result of the revaluation of inventories to fair value under IFRS 3.18 as a result of a business combination (as defined in IFRS 3) of any acquired company (for the avoidance of doubt, the value of inventories shall remain at the carrying amount at the date of acquisition);
- (d) the disposal of assets associated with discontinued operations; and
- (e) any rebranding of the Group's business.

Finance Lease means any lease agreement or hire purchase agreement that would be considered a finance or capital lease in accordance with accounting standards (for the avoidance of doubt, a capitalised operating lease under IFRS 16 does not constitute a finance lease for the purposes of these Joint Terms and Conditions).

Financial Indebtedness means the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum fees payable on prepayment or repayment) and any appurtenances (*příslušenství*, whereas appurtenances will not be taken into account for the purposes of calculating the Net Debt Ratio) of any indebtedness of a member of the Group for or in connection with:

- (a) accepted loan or borrowing and debit balances at banks or other financial institutions;
- (b) acceptance under any acceptance credit or bill discounting facility (or their dematerialised equivalent);
- (c) note purchase facility or an issue of bonds (including the Bonds), notes, debentures, loan stock or any other similar instrument (with an exception of Trading Instruments);
- (d) the amount obtained on the basis of the issue of redeemable shares (i.e., shares associated with the right to redeem them, other than on the basis of the option of the company that issued them) before the Final Maturity Date of any Bonds (with the exception of the amount obtained on the issue of such shares existing on the Issue Date) or which are otherwise considered as financial indebtedness according to IFRS or other relevant accounting standards;
- (e) factoring or any other assignment of claims (against payment) in relation to which there may occur the re-assignment of the claims to the assignor or a recourse in the extent of the potential payment or monetary compensation for the re-assignment or recourse (except for claims sold without recourse if there have been met the requirements of elimination from the balance sheet (de-recognition) under IFRS or other applicable accounting standards);
- (f) the amount of any liability in respect of Finance Lease;
- (g) any derivative transaction concluded in connection with protection against rate or price fluctuations (whereas (i) for the purposes of calculating the amount of Financial Indebtedness, the mark-to-market value of the derivative transaction will be used; and (ii) a positive value of the derivative transaction, on the contrary, reduces the Financial Indebtedness);
- (h) any counter-indemnity obligation to a third party that met an underlying debt of a debtor that is not a member of the Group, which debt would otherwise fall within another paragraph of this

definition (including a recourse claim), arising under a guarantee, indemnity, bond, stand-by letter of credit, documentary letter of credit, or any other instrument issued by a bank or a financial institution (with the exception of Trading Instruments);

- (i) the amount of any debt arising from a pre-contracted or deferred purchase contract if (i) one of the main reasons for entering into the contract is to raise funds or finance the acquisition or construction of the relevant asset (property) or service; or (ii) the contract relates to the delivery of assets (property) or services and payment is due more than one hundred twenty (120) days after the date of delivery;
- (j) an amount received on the basis of another transaction (including any future sale or purchase, sale and resale or sale and leaseback agreement) that has the commercial effect of a loan or credit or is otherwise treated as financial indebtedness under applicable accounting standards;
- (k) the amount of any debt resulting from an accelerated guarantee, indemnity or similar obligation constituting security against monetary loss in the transactions referred to in paragraphs (a) to (j) above,
- (l) the amount of any debt resulting from a guarantee, indemnity or similar obligation that has not been accelerated constituting security against monetary loss in the transactions referred to in paragraphs (a) to (j) above, in the amount by which the total debts under this paragraph (l) exceed EUR 50,000,000 (or its equivalent in other currencies), provided that debts arising from guarantee, indemnity, or similar obligations that has not been accelerated for the Financial Indebtedness of a member of the Group are not included in such an amount of EUR 50,000,000.

however, if any indebtedness qualifies as Financial Indebtedness under more than one point set out above in this definition, then such indebtedness will only be counted once for the purposes of calculating the amount of Financial Indebtedness. When assessing whether such indebtedness constitutes Financial Indebtedness, accounting standards will be applied consistently with the IFRS used for the Guarantor's consolidated financial statements, unless these Joint Terms and Conditions provide otherwise.

The following are not included in the calculation of Financial Indebtedness and are not considered Financial Indebtedness for the purposes of these Joint Terms and Conditions:

- (a) the amount of any debt arising from a guarantee, indemnity, or similar obligation that has not been accelerated entered into in connection with the ordinary course of business of a member of the Group, particularly in favour of suppliers, for the purchase or performance of work, for the purchase of goods or lease (whereas this amount is not be included in the limit of EUR 50,000,000 as per paragraph (l) above);
- (b) the amount of any debt under Section 172 of the Insolvency Act, or debt contractually subordinated to the obligations under the Bonds or the obligations under the Financial Guarantee (including debts subordinated under Subordination Agreement 3); and
- (c) the amount of any debt arising under Bonds owned by the Issuer, the Guarantor or another member of the Group.

IFRS means the IFRS Accounting Standards (interpretation of IFRS and IFRIC) as amended and as adopted by the European Union legislation that is consistently applied, whereas exclusively for the purposes of calculating the financial covenant under Condition 4.5, it will not be taken into account that IAS 17 was replaced by IFRS 16 as of 1 January 2019, and IAS 17 will apply for the purposes of calculating the financial covenant under Condition 4.5.

Joint Venture means any joint venture entity, whether a corporation, unincorporated business, enterprise, association, joint venture or partnership or any other entity.

Lidea means Lidea S.p.A., with its registered office at Casalecchio di Reno (BO), Via Isonzo 69, CAP 40033, Italy, registered at the Registro delle Imprese di Bologna under REA number BO-531185.

Long-Term Incentives means provision for the long-term incentive scheme introduced for selected members of top management of Group entities. The incentive is tied mainly to the financial performance of group enterprises and payable over the vesting period of several years.

Net Debt Ratio means, as of the relevant date, the ratio of Net Indebtedness to Adjusted EBITDA for the most recently completed Relevant Period for which the Guarantor's financial statements are available and, if the Net Debt Ratio is determined as of a date other than 30 June or 31 December then (a) the Net Indebtedness determined as of a date not more than sixty (60) days prior to the relevant date, and (b) Adjusted EBITDA determined for the most recently completed Relevant Period for which financial statements are available, shall be used to determine such Net Debt Ratio, provided that if such financial statements are prepared as of a date that is more than six (6) months prior to the reference date, the Adjusted EBITDA shall include the next complete fiscal quarter, whether or not such entity prepares quarterly financial statements. For the avoidance of doubt, if transactions with a preliminary (*pro forma*) effect are reflected in Adjusted EBITDA in calculating the Net Debt Ratio, the Financial Indebtedness related to those transactions must also be reflected in the Net Indebtedness.

Net Indebtedness means the Financial Indebtedness of the Guarantor on a consolidated basis:

- (a) after deducting the total amount of the Guarantor's Cash and Cash Equivalents (other than Unutilised Shareholder Cash) on a consolidated basis;
- (b) after deducting Financial Indebtedness incurred as a result of the Rectification or the New Shareholder Injection;
- (c) in the case of Finance Lease, after taking into account the capitalised value; and
- (d) after deducting any counter-indemnity obligation that has discharged a debt of a member of the Group (including a recourse claim) by way of a guarantee, indemnity, bond, standby letter of credit, documentary credit or other instrument issued by a bank or financial institution, being Trading Instruments in nature (for the avoidance of doubt, any guarantee in favour of suppliers, for the purchase or performance of work in the ordinary course of business shall be disregarded for the purposes of calculating Net Indebtedness).

If any item is to be included in more than one category used for the purposes of calculating the Net Indebtedness, such item shall be included only once.

New Shareholder Injection means any amount subscribed by the Guarantor or any other person (other than a member of the Group) for ordinary shares (or other equity instrument) in Pharmax Holdings (without triggering a Change of Control) or by way of a subordinated loan or borrowing.

Non-Active Subsidiary means a member of the Group that does not engage in business (either on its own behalf or as an agent for any person) and does not own, legally or beneficially, assets (including, without limitation, debts owed to it) with an aggregate value of EUR 500,000 or more or the equivalent of that amount in other currencies.

Non-Group Entity means any investment or entity (which is not itself a member of the Group (including affiliates and Joint Ventures)) in which any member of the Group has an ownership interest.

Permitted Joint Venture means any investment in any Joint Venture (the **Joint Venture Investment**) if:

- (a) the Joint Venture is incorporated, or established, and carries on its principal business, in any Acceptable Country;
- (b) the Joint Venture is a Pharmacy Business and is formed by entities incorporated in the same jurisdiction;
- (c) the financial year of the Joint Venture is the same as the financial year of the Guarantor; and
- (d) in any financial year of the Guarantor, the aggregate of (A) all amounts of shares subscribed for loaned to or invested in all such Joint Ventures by any member of the Group; (B) the contingent liabilities of any member of the Group in respect of any guarantee given in respect of the

liabilities of any such Joint Venture; and (C) the book value of any assets transferred by any member of the Group to any such Joint Venture does not exceed EUR 15,000,000 (or its equivalent in other currencies)

Permitted Value means:

- (a) as of a date prior to 1 January 2027, 5.95; and
- (b) as of a date falling on or after 1 January 2027, 5.5.

Pharmacy Business means a company or enterprise (other than a holding company) whose main business is the operation of pharmacies, including retail and wholesale pharmacy activities and marketing and sales activities (i.e. offering a comprehensive solution to pharmaceutical manufacturers for accessing, promoting and distributing products and offers in local markets without having to set up their own organisation).

Pharmax Holdings Facilities Agreement means EUR 1,340 million facilities agreement dated 24 June 2022, as amended and restated on 14 November 2023 and 20 June 2024, among, inter alia, Pharmax Holdings as parent company, its selected subsidiaries as original borrowers and the original guarantors, UniCredit Bank Czech Republic and Slovakia, a.s., Komerční banka, a.s. and BRD – GROUPE SOCIÉTÉ GÉNÉRALE S.A. as arrangers, UniCredit Bank Czech Republic and Slovakia, a.s. as agent and security agent, UniCredit Bank Czech Republic and Slovakia, a.s. and Komerční banka, a.s. as lead underwriters and the financial institutions referred to therein as lenders, as amended, modified, restated and adjusted from time to time (including any potential future increase of the credit facility) (the **Original Pharmax Facilities Agreement**) or any other loan agreement or agreement with a similar economic effect, the purpose of which is, inter alia, the refinancing of debts under the Original Pharmax Facilities Agreement and related finance documents.

Relevant Period means each twelve (12)-month period ending on 30 June or 31 December, with the first Relevant Period ending on 31 December 2025.

Relevant Transaction means any transaction that is subject to assessment on a *pro forma* basis after the end of the Relevant Period pursuant to Condition 4.7.

Security means any pledge, transfer by way of security, right of retention, or any other form of security, including (but not limited to) any similar institute under the law of any jurisdiction.

Trading Instruments means any performance guarantees, advance payment obligations or documentary letters of credit issued in connection with the obligations of any member of the Group arising in the ordinary course of business of that member of the Group.

Unutilised Shareholder Cash means, for the Relevant Period, any cash proceeds from New Shareholder Injection held in the account that the Group received during the Relevant Period which have not been applied for the purposes for which the relevant New Shareholder Injection was made.

In relation to the calculation of all indicators mentioned in this Condition 4.11, it applies that if a certain value exhibits characteristics of multiple categories of values for the calculation of the given indicator coefficient, it will be counted only once.

5. Interest

5.1 Fixed Rate Bonds

- (a) Bonds designated in the relevant Pricing Supplement as Fixed Rate Bonds will bear interest at the fixed interest rate specified in the relevant Pricing Supplement, or fixed interest rates specified for individual Interest Periods in the relevant Pricing Supplement.
- (b) The interest will accrue evenly from the first day of each Interest Period to the last day included in such Interest Period, at the interest rate pursuant to Condition 5.1(a) above.
- (c) The interest for each Interest Period will be payable in arrears on the relevant Interest Payment Date.

- (d) The Bonds will cease to bear interest on the Final Maturity Date, the Early Redemption Date or the Buyback Date (excluding this day), unless, following the satisfaction of all conditions and requirements, the Issuer wrongfully retains the amount due or declines to pay the same. In such case, the interest will continue to accrue at the interest rate specified in Conditions 5.1(a) to 5.1(b) above until the earlier of (i) the day when any and all amounts due as of that day are paid to the Bondholders or (ii) the day when the Fiscal and Paying Agent notifies the Bondholders that it has received all amounts due in connection with the Bonds of the relevant Issue, unless a further wrongful retention or refusal of payment occurs following such notification.
- (e) The amount of interest accrued per Bond for each period of one current year will be determined as the multiple of the nominal value of any such Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment) and the relevant interest rate (expressed as a decimal number) (unless the relevant Pricing Supplement states that the relevant Day Count Fraction is also applied to calculate the amount of interest for the period of one current year). The amount of interest accrued on a Bond over any period of less than one current year, or over a period of one current year, if specified in the Pricing Supplement, will be calculated as the multiple of the nominal amount of the Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment), the relevant interest rate (expressed as a decimal number) and the relevant Day Count Fraction, whereas the resulting sum will be rounded based on mathematical rules to two decimal places according to the 3rd decimal place. The Pricing Supplement may specify the use of different Day Count Fractions for different Interest Periods.

5.2 Floating Rate Bonds

- (a) Bonds designated in the relevant Pricing Supplement as Floating Rate Bonds will bear interest at a floating interest rate corresponding to the sum of the relevant Reference Rate and the relevant Margin (if applicable) In calculating the interest rate pursuant to this paragraph, the Issuer will use the following formula:

$$X = R + M,$$

where the variables used in the formula have the following meanings:

X the rate for the relevant Interest Period (in % p.a.);

R the Reference Rate for the relevant Interest Period (the Reference Rate may be limited to a maximum and/or a minimum value for the purpose of determining the interest rate), provided, however, that in the event the Reference Rate for the relevant Interest Period is less than zero, it will be deemed to be zero;

M the Margin for the relevant Interest Period.

- (b) The interest will accrue from the first day of each Interest Period to the last day included in such Interest Period, at the interest rate applicable to any such Interest Period.
- (c) The value of the Reference Rate applicable to each Interest Period will be determined by the Calculation Agent on the Reference Rate Determination Date and at the time customary for the relevant currency. If applicable, the Interest Rate for each Interest Period will be rounded by the Calculation Agent based on mathematical rules to two decimal places according to the 3rd decimal place.
- (d) The Calculation Agent will communicate the interest rate for each Interest Period immediately after its determination to the Fiscal and Paying Agent, which will notify it to the Bondholders without undue delay in accordance with Condition 14.1.
- (e) The interest for each Interest Period is payable in arrears on the Interest Payment Date.
- (f) The Bonds will cease to bear interest on the Final Maturity Date, the Early Redemption Date or the Buyback Date (excluding this day), unless following the satisfaction of all conditions and requirements, the Issuer wrongfully retains the amount due or declines to pay the same withheld or refused to repay the amount due upon satisfaction of all the conditions and requirements. In

such case, the interest will continue to accrue at the interest rate specified in Conditions 5.2(a) to 5.2(c) above until the earlier of (i) the day when any and all amounts due as of that day are paid to the Bondholders or (ii) the day when the Fiscal and Paying Agent notifies the Bondholders that it has received all amounts due in connection with the Bonds of the relevant Issue, unless a further wrongful retention or refusal of payment occurs following such notification.

- (g) The amount of interest accrued per Bond for the period of one (1) current year will be determined as the multiple of the nominal value of any such Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment) and the relevant interest rate (expressed as a decimal number) (unless the relevant Pricing Supplement states that the relevant Day Count Fraction is also applied to calculate the amount of interest for the period of one (1) current year). The amount of interest accrued on a Bond over any period of less than one (1) standard year, or over a period of one (1) standard year, if specified in the Pricing Supplement, will be calculated as the multiple of the nominal amount of the Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment), the relevant interest rate (expressed as a decimal number) and the relevant Day Count Fraction, whereas the resulting sum will be rounded based on mathematical rules to two (2) decimal places according to the 3rd decimal place. The Pricing Supplement may specify use of different Day Count Fractions for different Interest Periods.

6. Redemption of the Bonds, Buyback

6.1 Final Maturity

Unless previously redeemed or purchased by the Issuer and cancelled, as specified below, each Bond will be redeemed by the Issuer at its outstanding nominal amount in a single payment on the Final Maturity Date applicable to the Bonds.

6.2 Purchase of the Bonds

The Issuer or any of the Issuer's Affiliates or any member of the Group are authorised to purchase the Bonds on the market or otherwise at any price.

6.3 Cancellation of the Bonds

Bonds purchased by the Issuer are not cancelled unless the Issuer decides otherwise. If the Issuer does not decide to cancel the Bonds it purchased, it may transfer such Bonds at its discretion. The rights and obligations arising under the Bonds owned by the Issuer will be extinguished on the Final Maturity Date, unless such Bonds are cancelled prior to such a date based on the decision of the Issuer.

6.4 Early Redemption at the Option of the Issuer

If specified in the Pricing Supplement, the Issuer will have the right to redeem all the outstanding Bonds (in part or in full) of that Issue prior to the Final Maturity Date. If specified in the Pricing Supplement, the Issuer will only be entitled to redeem outstanding Bonds of a specified minimum nominal value (the **Minimum Prepayment Amount**) and/or a specified maximum nominal value (the **Maximum Prepayment Amount**).

The Issuer may only exercise this right if it notifies (the **Early Redemption Notice**) the Bondholders in accordance with Condition 14.1 in the period prior to the relevant early redemption date (the **Early Redemption Date**) specified in the Pricing Supplement.

The Early Redemption Notice under this Condition 6.4 is irrevocable and obliges the Issuer to redeem the Bonds early in accordance with the provisions of this Condition 6.4.

The Issuer must pay the extraordinary interest income, if any, on an Early Redemption Date that is an Interest Payment Date. Otherwise, the provisions of Condition 7 apply to the early redemption of the Bonds under this Condition 6.4, as appropriate.

Early partial redemption of the Bonds does not restrict the Issuer from making any further early redemption of the Bonds in accordance with this Condition 6.4.

6.5 Buyback at the Option of the Bondholders

Unless otherwise specified in the Pricing Supplement for a particular Issue, any Bondholder may, at its discretion and no later than thirty (30) calendar days after the publication of the Change of Control Notice, request the Issuer to purchase its Bonds before the Final Maturity Date of the Bonds, which they own and which they will not transfer from that moment, by a written notice addressed to the Issuer and delivered to the Fiscal and Paying Agent to the address of the Specified Office (the **Buyback Notice**).

Unless otherwise specified in the Pricing Supplement for a particular Issue, the Issuer will purchase such Bondholder's Bonds for 101% of their outstanding nominal amount on the Buyback Date (as defined below) increased by interest accrued and due as of the Buyback Date (as defined below).

The Issuer must purchase the Bonds of such a Bondholder, whereas the amounts payable by the Issuer in respect of such Bonds will become due no later than on the day falling thirty (30) days after the end of the calendar month during which the Bondholder delivered the Buyback Notice to the Fiscal and Paying Agent (the **Buyback Date**).

The Buyback Notice must contain information regarding (i) the number of Bonds that are subject to the Buyback Notice; (ii) the securities account (*majetkový účet*) of the Bondholder; (iii) the type of the securities account; and (iv) the dealer with whom the securities account is maintained, including the code of the participant.

The Buyback Notice must be signed by the relevant Bondholder or a person authorised to act on behalf of the Bondholder, whereas the any signatures on the Buyback Notice must be notarised or otherwise verified by an authorised employee of the Fiscal and Paying Agent.

The Buyback Notice may be revoked in writing by a Bondholder in relation to that Bondholder's Bonds. Such a revocation must be addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office in accordance with Condition 11.1(a). The revocation of a Buyback Notice by a Bondholder does not affect any Buyback Notice of any other Bondholder.

The provisions of Condition 7 will apply to the buyback of the Bonds pursuant to this Condition 6.5, as appropriate.

6.6 Presumption of Redemption

For the purposes of Condition 4, all the Issuer's liabilities arising under the Bonds will be considered fully satisfied on the day when the Issuer pays to the Fiscal and Paying Agent all the amounts of the nominal amount of the Bonds and accrued interest (where relevant) payable under Conditions 5, 6, 9, 12.4(a) and 12.4(b).

7. Payment Terms

The Issuer undertakes to pay the interest on and to repay the Payment Amount to the Bondholders under the terms and conditions set forth in the Terms and Conditions and in accordance with any tax, foreign exchange and other relevant legislation of the Czech Republic.

7.1 Currency of Payments

The Issuer undertakes to pay the interest (if relevant) and the Payment Amount exclusively in the currency in which the nominal value of the Bonds of the given Issue is denominated as specified in the Pricing Supplement.

In the case that any currency or the national currency unit in which the Bonds are denominated and/or in which the payments relating to the Bonds should be made in accordance with the relevant Pricing Supplement ceases to exist and is replaced by EUR, (i) the denomination of such Bonds will be changed to EUR in accordance with the applicable laws, and (ii) all the sums payable under such Bonds will automatically and without any further notice to the Bondholders be payable in EUR, with the official rate (i.e., the fixed conversion ratio) being in accordance with the applicable law being used as the exchange rate between the relevant currency or the national currency unit and EUR. Such replacement of the relevant currency or national currency unit (A) will not, in any respect, affect the existence or

enforceability of the Issuer's obligations arising under the Bonds, and (B) for the avoidance of doubt, will not constitute any change to these Joint Terms and Conditions or an event of default or other breach of the Issuer's obligations.

7.2 Payment Date

Payment of interest and the repayment of the Payment Amount will be made by the Issuer through the Fiscal and Paying Agent on the dates specified in the Terms and Conditions (each such date, depending on the context, as the **Interest Payment Date**, the **Final Maturity Date**, the **Early Redemption Date** or the **Buyback Date** and each such date together as the **Payment Date**),

7.3 Business Day Convention

If the relevant Pricing Supplement provides that all or some of the Payment Dates should be adjusted in accordance with a business day convention (the **Business Day Convention**), then in the event that a Payment Date would fall on a day that is not a Business Day, such Payment Date will instead fall on the next following Business Day and the Issuer will not be obliged to pay any interest or any other additional amounts for any time delay resulting from the application of the Business Day Convention.

7.4 Determination of the Right to Receive Payments under the Bonds

Unless these Joint Terms and Conditions provide otherwise, the authorised persons to whom the Issuer will pay the interest on the Bonds will be the persons in whose owner's accounts in the Central Depository or in the follow-up records linked to the Central Depository the Bonds are recorded as at the end of the relevant Record Date for Interest Payment.

In the event that there is a pledge over the Bonds recorded in the owner's accounts in the Central Depository or in follow-up records linked to the Central Depository as at the end of the relevant Record Date for Interest Payment, the authorised person to whom the Issuer will pay the interest will be the relevant pledgee, unless (i) it follows from the extract from the owner's accounts in the Central Depository or in a follow-up records linked to the Central Depository in which the Bonds are recorded that payment of interest should be made to the person in whose owner's accounts the Bonds are recorded or (ii) satisfactory evidence is provided to the Fiscal and Paying Agent that the person in whose owner's accounts in the Central Depository or in a follow-up records linked to the Central Depository the Bonds are recorded is entitled to the payment under an agreement with the pledgee.

For the purposes of determining the recipient of interest, neither the Issuer nor the Fiscal and Paying Agent will take into account transfers of any Bonds made from the day immediately following the Record Date for Interest Payment.

Unless these Joint Terms and Conditions provide otherwise, the Authorised Persons to whom the Issuer will repay the Payment Amount in respect of the Bonds will be the persons in whose owner's accounts in the Central Depository or in the follow-up records linked to the Central Depository the Bonds are recorded as at the end of the relevant Record Date for Nominal Amount Repayment.

In the event that there is a pledge over the Bonds recorded in the owner's accounts in the Central Depository or in follow-up records linked to the Central Depository as at the end of the relevant Record Date for Nominal Amount Repayment, the Authorised Person to whom the Issuer will repay the Payment Amount in respect of the Bonds will be the relevant pledgee, unless (i) it follows from the extract from the owner's accounts in the Central Depository or in a follow-up records linked to the Central Depository in which the Bonds are recorded that repayment of Payment Amount should be made to the person in whose owner's accounts the Bonds are recorded or (ii) satisfactory evidence is provided to the Fiscal and Paying Agent that the person in whose owner's accounts in the Central Depository or in the follow-up records linked to the Central Depository the Bonds are recorded is entitled to the repayment under an agreement with the pledgee.

For the purposes of determining the recipient of the nominal value, neither the Issuer nor the Fiscal and Paying Agent will take into account transfers of any Bonds made from the day immediately following the Record Date for Nominal Amount Repayment. If it is not contrary to applicable legislation, transfers of the Bonds may be suspended on the day immediately following the relevant Record Date for Nominal Amount Repayment until the relevant Payment Date.

However, if the Issuer or the Fiscal and Paying Agent have been provided with conclusive evidence no later than five (5) Business Days following the relevant Payment Record Date that the entry in the owner's account in the Central Depository or the follow-up records linked to the Central Depository does not correspond to reality and that there is another person or persons in whose owner's account in the Central Depository or the follow-up records linked to the Central Depository the Bonds were supposed to be recorded at the end of the relevant Payment Record Date, then the Issuer will pay the interest on the Bonds or will repay the Payment Amount to any such person or persons unless the relevant payment has already been made.

If an Authorised Person requests payment through an agent, the Fiscal and Paying Agent will make the payment only upon submission of the original or a notarized copy of the power of attorney, with the signature of the Authorised Person on the power of attorney being notarised, unless generally binding legal regulations stipulate otherwise. Documents issued abroad must be superlegalised or provided with an apostille, unless an applicable international treaty binding on the Czech Republic stipulates otherwise.

Any documents submitted by Authorised Persons and the Issuer to the Fiscal and Paying Agent in connection with payments to Authorised Persons must be in Czech or English or translated into Czech by a court translator, unless otherwise stipulated in the Joint Terms and Conditions or agreed otherwise with the consent of the Fiscal and Paying Agent.

7.5 Payments by Wire Transfer

- (a) The Fiscal and Paying Agent will make payments in connection with the Bonds to the Authorised Persons by means of wire transfer to their accounts kept with a bank with its registered office in a member state of the European Union or other state that is a member of the European Economic Area, according to an instruction communicated by the Authorised Person to the Fiscal and Paying Agent to the address of the Specified Office in a verifiable manner no less than five (5) Business Days prior to the Payment Date.

Such instruction will be in the form of a written statement with an officially verified signature or signatures or a signature verified by an authorised employee of the Fiscal and Paying Agent, and will contain sufficient details of such bank account to allow the Fiscal and Paying Agent to make the payment, and, if the Authorised Person is a legal entity, it will be accompanied by an original or an officially certified copy of an extract from the Commercial Register or other respective register in which the Authorised Person is registered not older than three (3) months and the authorised employee of the Fiscal and Paying Agent will verify the validity of the information contained in such extract from the Commercial Register or other respective register (such instruction, excerpt from the Commercial Register or other respective register and certificate of tax domicile, and other required appendices, if any, the **Instruction**).

- (b) In the case of original foreign official documents or official verification abroad, legalisation of the documents or an apostille according to the Hague Apostille Convention (as applicable) is required. The Instruction must be in form and substance that meet the specific requirements of the Fiscal and Paying Agent, whereas the Fiscal and Paying Agent is entitled to require sufficiently satisfactory evidence that the person who signed the Instruction is authorised to sign such Instruction on behalf of the Authorised Person. Such evidence must be delivered to the Fiscal and Paying Agent together with the Instruction.
- (c) The Instruction must be in accordance with the specific requirements of the Fiscal and Paying Agent in terms of content, form and confirmation of the authorisation to sign the Instruction on behalf of the Authorised Person. The Fiscal and Paying Agent is entitled to request, for example:
 - (i) submission of a power of attorney including an officially certified translation into Czech; or
 - (ii) additional confirmation of the Instruction from the Authorised Person.

Notwithstanding the foregoing, neither the Fiscal and Paying Agent nor the Issuer will be obliged to examine the correctness, completeness or authenticity of any such Instruction in any manner whatsoever and neither of them will be liable for any damage incurred in connection with any delay in the delivery of such Instruction by the Authorised Person or with the delivery of an

incorrect or otherwise defective Instruction. The Instruction will be deemed properly made if it contains all the items required by this Condition 7.5 and is delivered to the Fiscal and Paying Agent in accordance with this Condition 7.5.

- (d) The Instruction will be considered duly delivered if it has been delivered to the Fiscal and Paying Agent at least five (5) Business Days before the Payment Date.
- (e) Any Authorised Person claiming a tax benefit in accordance with any applicable laws, including an international double taxation treaty by which the Czech Republic is bound and which covers the relevant payment, is obliged to deliver to the Fiscal and Paying Agent, together with the Instruction and as an integral part of the Instruction, current proof of its tax domicile issued by the relevant tax authority, a declaration of the beneficial ownership of the income, information regarding the existence or non-existence of a permanent establishment in the Czech Republic and whether the Bonds form part of its property, as well as other documents that the Fiscal and Paying Agent and the relevant tax authorities may request (the **Instruction Attachments**). Notwithstanding this authorisation, neither the Issuer nor the Fiscal and Paying Agent will verify the accuracy and completeness of such Instructions and will not be liable for any damage or other harm caused by a delay of the Authorised Person in delivering the Instruction, its inaccuracy or other defect in such an Instruction.
- (f) If the Instruction Attachments are not delivered to the Fiscal and Paying Agent in the stipulated time period, the Fiscal and Paying Agent will, having regard to the burden of proof and the Issuer's responsibility in the management of taxes collected by way of withholding, act as if it has not received the documents. The Authorised Person may, if it does not claim a tax benefit with the relevant tax authority (for example, in connection with tax security deduction), subsequently deliver to the Fiscal and Paying Agent the Instruction Attachments proving entitlement to a tax benefit and request the Issuer through the Fiscal and Paying Agent to refund the withholding tax. If the Issuer determines that it may initiate the relevant proceeding in compliance with applicable law (having regard to, e.g., applicable limitation periods excluding or limiting its ability to proceed with such a claim), it has the right to require the Authorised Person to pay, in respect of each such delayed, incomplete or otherwise flawed refund application, a fee calculated as the sum of (a) a fixed amount of EUR 1,000 or CZK 25,000 as compensation for time spent on administering such delayed, incomplete or otherwise flawed refund applications; and (b) any administrative fees, penalties, interest or similar costs that the Issuer may incur in connection with such application. In such a case, the Issuer will only pay the amount corresponding to the refunded withholding tax to the relevant Authorised Person after (i) that Authorised Person has reimbursed the Issuer for additional costs according to this paragraph (if the Issuer has not waived its right to such reimbursement) and at the same time (ii) the Issuer has already received the relevant amount from the relevant tax authority. The Issuer is not obliged to take any further steps or make any further submissions in this matter, to participate in any negotiations, or to enforce or assist in the enforcement of any claim in addition to the initiation of proceedings regarding the refund of withholding tax or its part.
- (g) The Issuer's obligation to pay any amount due in connection with the Bonds will be deemed discharged in a due and timely manner (*řádně a včas*) if the relevant amount has been remitted to the Authorised Person in compliance with a proper Instruction pursuant to this Condition 7.5 and if such amount is credited to the bank account of such Authorised Person at the clearing centre of the Czech National Bank by the due date, in the case of a payment in CZK or a payment in a currency that replaces the CZK (if clearing is carried out in that currency through the clearing centre of the Czech National Bank). In the event that the settlement of payments in a currency that may potentially replace the CZK in the future is not carried out through the clearing centre of the Czech National Bank, the obligation to pay the interest yield or to repay the nominal value of the Bond shall be deemed to have been duly and timely fulfilled if the relevant amount is remitted to the Authorised Person in accordance with a proper Instruction pursuant to this Condition 7.5 and if it is debited from the Fiscal and Paying Agent's account no later than on the relevant due date of such amount.
- (h) Neither the Issuer nor the Fiscal and Paying Agent will be liable for any delay in the payment of any amount due caused by any Authorised Person, e.g., by its failure to deliver a proper

Instruction in a timely manner. If any Authorised Person fails to deliver the Instruction to the Fiscal and Paying Agent in a proper and timely manner pursuant to this Condition 7.5, the Issuer's obligation to pay any due amount will be considered met duly and in time if such amount has been remitted to the Authorised Person in accordance with a subsequently delivered proper Instruction pursuant to this Condition 7.5 and if, no later than ten (10) Business Days following the day on which the Fiscal and Paying Agent received the proper Instruction, such amount has been credited to the bank account of such an Authorised Person in the clearing centre of the Czech National Bank, in the case of a payment in CZK, or debited from the account of the Fiscal and Paying Agent, in the case of a payment in a currency other than CZK (as applicable), provided that such an Authorised Person shall not be entitled to any interest, yield, or other compensation for such a delay in payment. In such an event, the Authorised Person will not have the right to any interest or any yield or additional payment for the time of delay caused by the delay in sending the Instruction.

- (i) Neither the Issuer nor the Fiscal and Paying Agent will be liable for any damage incurred by (i) the failure to deliver, in a proper and timely manner, the Instruction or any other documents or information required to be delivered under this Condition 7.5; (ii) such Instruction or any related document or information being incorrect, incomplete or untrue; or (iii) circumstances beyond the control of the Issuer or the Fiscal and Paying Agent. In such an event, the Authorised Person will not have the right to any additional payment, compensation or interest for the time of delay caused by the delay in sending of the Instruction.

7.6 Change in the Payment Method

The Issuer and the Fiscal and Paying Agent are jointly entitled to elect to change the payment procedure. However, such change may not adversely affect the position and interests of the Bondholders. This decision will be notified to Bondholders in accordance with the provisions of Condition 14. If such change would adversely affect the position and interests of the Bondholders, then the change will require prior approval by the Meeting in accordance with Condition 14.

8. Taxation

Bondholders should be aware that the tax laws of the Czech Republic as the country of the Issuer's registered office, as well as the tax legislation of their country of tax residence, may affect the income from the Bonds. The Issuer is not responsible for any tax (including its levy or payment) in connection with the Bonds (including any tax related to the acquisition, ownership, transfer or exercise of rights arising under the Bonds) except in cases where the income from the Bonds paid by the Issuer is subject to any form of tax deduction (including tax security deduction) in accordance with applicable law, in which case the Issuer is responsible in its capacity as the tax payer (*plátce daně*).

Repayment of the Payment Amount and payments of interest in respect of the Bonds by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Czech Republic or any authority therein or thereof having power to tax, unless such withholding or deduction is required by applicable law. In such case, the Issuer will not be obliged to pay to the Bondholders any additional amounts as a compensation of the withholding or deduction of any taxes, duties, assessments or governmental charges of whatever nature, unless the relevant Pricing Supplement stipulates otherwise.

For more information on the taxation regime of the Bonds please see chapter "*Taxation and Foreign Exchange Regulation*" of the Base Prospectus.

9. Events of Default

9.1 Events of Default

If any one or more of the following events (each an **Event of Default**) occurs and is continuing (i.e., has not been remedied):

(a) Non-payment

any payment in respect of the Bonds is not made on the due date thereof and such default remains unremedied for more than ten (10) Business Days from the date on which the Issuer is notified of such default by any Bondholder in writing by a letter addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office; or

(b) Breach of other obligations

the Issuer defaults in the performance or observance of any of its other significant obligations (other than under paragraph (a) above or paragraphs (c) through (i) below) in connection with the Bonds or the Terms and Conditions of the Bonds and such default remains unremedied for more than thirty (30) Business Days from the date on which the Issuer is notified of such default by any Bondholder in writing by a letter addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office, whereas, in the case of Condition 4.5, an Event of Default will occur if the Event of Default is not rectified in accordance with the terms stated in Condition 4.5; or

(c) Cross-default

any Financial Indebtedness of the Issuer in an aggregate amount exceeding CZK 50,000,000 (fifty million Czech crowns) or any Financial Indebtedness of the Guarantor or a Significant Subsidiary in an aggregate amount exceeding CZK 250,000,000 (two hundred and fifty million Czech crowns) or the equivalent of these amounts in any other currency (in all cases other than debt contractually subordinated (including subordinated under Subordination Agreement 3) or subordinated to the obligations under the Bonds pursuant to Section 172 of the Insolvency Act) is not paid by the relevant debtor at the time it becomes due and remains unpaid after the expiration of any applicable grace period originally set for performance, but in any case for a period of more than 5 (five) Business Days from the due date, unless such Financial Indebtedness ceases to exist in the meantime, or is declared due and payable prior to its original due date otherwise than by a decision of the debtor or (provided that no event of default, as interpreted in the relevant debt documentation and however designated, has occurred) by a decision of the creditor and remains unpaid for a period of more than 5 (five) Business Days from the due date, unless such Financial Indebtedness ceases to exist in the meantime; or

(d) Judicial and Other Decisions

the Issuer, the Guarantor or a Significant Subsidiary fails to comply with a payment obligation finally imposed by a court, tribunal or administrative body which, individually or in aggregate, exceeds in the case of (i) the Issuer, CZK 50,000,000 (fifty million Czech crowns); or (ii) the Guarantor or a Significant Subsidiary, CZK 250,000,000 (two hundred and fifty million Czech crowns) or the equivalent of these amounts in another currency within the period specified in the relevant decision or within thirty (30) days of receipt of that decision by the Issuer, the Guarantor or a Significant Subsidiary, as relevant, whichever comes later; or

(e) Illegality

(A) any material obligations arising under the Bonds, the Financial Guarantee or Subordination Agreement 3 cease to be fully or partially legally enforceable or start being in breach of applicable laws; or (B) it becomes illegal for (i) the Issuer to meet any of its material obligations under the Terms and Conditions of the Bonds or in connection with the Bonds; (ii) the Guarantor to meet any of its material obligations under, or in connection with, the Financial Guarantee; or (iii) a Subordinated Creditor or the Guarantor to meet any of its material obligations under, or in connection with, Subordination Agreement 3, and in each case such a state is not remedied within (and including) ten (10) Business Days of the day the obligor learns of such a fact; or

(f) Insolvency etc.

(A) the Issuer, the Guarantor or a Significant Subsidiary is insolvent or proposes to a court to initiate insolvency proceedings, declare bankruptcy of its assets, permit reorganisation or debt relief or similar proceedings in respect of itself (the **Insolvency Petition**); (B) an Insolvency

Petition that is not obviously baseless (*zjevně bezdůvodný*) is filed in respect of the Issuer, the Guarantor or a Significant Subsidiary; (C) the assets of the Issuer, the Guarantor or a Significant Subsidiary are declared bankrupt by a court or other competent authority, a reorganisation or debt relief is allowed or any other similar proceedings are initiated; (D) the Insolvency Petition is rejected by the competent authority on the grounds that the Issuer's, the Guarantor's or a Significant Subsidiary's assets would not be sufficient to cover the costs and expenses of the proceedings; or (E) the Issuer, the Guarantor or a Significant Subsidiary proposes or enters into an agreement to postpone, set a schedule or otherwise adjust all of its debts on the grounds that it is unable to settle them at maturity; or

(g) Liquidation

a final decision of an authority of the relevant jurisdiction or a decision of the relevant body of the Issuer, the Guarantor or a Significant Subsidiary is adopted on dissolution with liquidation; other than (A) liquidation of a Significant Subsidiary on a solvent basis; or (B) any Transformation permitted under Condition 4.9;

(h) De-listing of the Bonds

if the relevant Pricing Supplement specifies that the Bonds of a particular Issue are to be admitted to trading, such Bonds cease to be admitted to trading on the Regulated Market of the PSE (except as a result of early redemption or buyback, as applicable, in accordance with Conditions 6.4 or 6.5) or any other regulated market that replaces the Regulated Market of the PSE; or

(i) Cessation or change of business

the Issuer, the Guarantor or a Significant Subsidiary discontinues business operations or ceases to carry out its business, or ceases to hold a valid licence or permit to pursue its business (the **Cessation of Business**), if such Cessation of Business would result in a reduction of the Adjusted EBITDA indicator for the relevant Relevant Period by at least 30% compared to the immediately preceding Relevant Period,

then any Bondholder, at its discretion, by a written notice addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office (the **Acceleration Notice**), may require early redemption of the nominal value of the Bonds owned by such Bondholder (which Bonds may not then be sold by such Bondholder), and any accrued and unpaid interest in accordance with Conditions 5.1(e) or 5.2(g), as of the Early Redemption Date (as defined below), upon which the Issuer will redeem such Bonds (together with accrued and unpaid interest) in accordance with Condition 9.2.

The Pricing Supplement of a particular Issue will specify which Events of Default will apply in respect of that Issue.

9.2 Maturity of the Accelerated Bonds

Any and all amounts payable by the Issuer to any Bondholder under Condition 9.1 will become due and payable as of the last Business Day of the month following the month in which the Bondholder delivered to the Fiscal and Paying Agent the relevant Acceleration Notice, addressed to the Issuer, to the address of the Specified Office (the **Early Redemption Date**), unless the relevant Event of Default is remedied before the delivery of the Acceleration Notice or the Acceleration Notice is withdrawn in accordance with Condition 9.3.

If such amounts are not paid by the Issuer at the time the Security Agent decides to Accelerate all the Bonds in accordance with Conditions 3.7, either on its own or on the basis of the Meeting Instruction, any Bondholder that originally delivered the Acceleration Notice in accordance with Condition 9.2 will be able to benefit from the enforcement of the rights under the Security Documents as set out in Condition 3.8 and will be entitled to receive the relevant proceeds from the enforcement of the rights under the Security Documents in accordance with Condition 3.9.

9.3 Withdrawal of the Acceleration Notice

A Bondholder may withdraw the Acceleration Notice in writing, but only in relation to the Bonds owned by such Bondholder and only if such withdrawal is addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office no later than eight (8) Business Days before the relevant amounts become payable in accordance with Condition 9.2. Such revocation will not affect any Acceleration Notice of any other Bondholders.

9.4 Other Conditions for Early Redemption of the Bonds

The provisions of Condition 7 will apply to the early redemption of the Bonds under this Condition 9, as appropriate.

10. Statute of Limitation

All rights connected with the Bonds will become statute-barred upon the expiration of ten (10) years from the day when such rights could be exercised for the first time.

11. Fiscal and Paying Agent, Calculation Agent and Listing Agent

11.1 Fiscal and Paying Agent

(a) Fiscal and Paying Agent and the Specified Office

Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.1(b), KB will be the Fiscal and Paying Agent and the Specified Office will be as follows:

Komerční banka, a.s.
Václavské náměstí 42
114 07 Prague 1
Czech Republic

(b) Change of the Fiscal and Paying Agent and Specified Office

At any time, and always in respect of every Issue under the Programme, the Issuer may appoint a different Fiscal and Paying Agent and designate another or an additional Specified Office of the Fiscal and Paying Agent.

The Issuer will notify the Bondholders of any such change of the Specified Office or the Fiscal and Paying Agent in the manner in which the Terms and Conditions of the affected Issue(s) were published and any such change will become effective on the expiry of a period of fifteen (15) calendar days from the date of such notice unless a later effective date is specified in any such notice.

In any event, any such change that would otherwise become effective less than thirty (30) calendar days before or after the Payment Date of any amount under the Bonds will become effective on the 30th calendar day after such Payment Date.

If such change in the Fiscal and Paying Agent or Specified Office adversely affects the position or interests of the Bondholders, it will be decided upon by the Meeting in accordance with Condition 12.

(c) Relationship between the Fiscal and Paying Agent and the Bondholders

Unless otherwise provided by the Agency Agreement or by law, the Fiscal and Paying Agent will act as an agent of the Issuer when performing its duties under the Agency Agreement, provides no guarantee or security for the Issuer's liabilities under the Bonds, and will not be in any legal relationship with the Bondholders.

(d) Amendments and Waivers

The Issuer and the Fiscal and Paying Agent may, without the consent of the Bondholders, agree to (i) any amendment to any provision of the Agency Agreement if the amendment is solely of a formal, ancillary or technical nature or is made to correct a manifest error or required by changes in law; and (ii) any other amendment and waiver of any breach of any provision of the Agency Agreement that, in the reasonable opinion of the Issuer and the Fiscal and Paying Agent, will not adversely affect the Bondholders.

For the avoidance of doubt, if an amendment to the Agency Agreement or waiver of any breach of any of the provisions of the Agency Agreement under the previous sentence leads to an amendment to the Terms and Conditions for which approval of the Meeting is required by the Bonds Act, such amendment to the Terms and Conditions may occur only with the consent of the Meeting.

11.2 Calculation Agent

(a) Calculation Agent

Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition and unless the Calculation Agent changes in accordance with Condition 11.2(b), KB will be the Calculation Agent.

(b) Change of the Calculation Agent

The Issuer may appoint a different Calculation Agent in respect of any Issue under the Programme. The Issuer will notify the Bondholders of any such change of the Calculation Agent in the manner in which the Terms and Conditions of the specific Issue were published, and any such change will become effective on the expiry of fifteen (15) calendar days following the day of such notice unless a later effective date is specified in such notice.

In any event, any change that would otherwise become effective less than fifteen (15) calendar days before or after the date when the Calculation Agent is required to make any calculation in connection with the Bonds will become effective on the 15th calendar day of such date when the Calculation Agent was required to make such calculation.

If such change in the Calculation Agent adversely affects the position or interests of the Bondholders, it will be decided upon by the Meeting in accordance with Condition 12.

(c) Relationship between the Calculation Agent and the Bondholders

In relation to the performance of obligations under the agreement with the Calculation Agent concluded between the Issuer and the Calculation Agent, the Calculation Agent will act as the Issuer's agent and will not be in any legal relationship with the Bondholders.

11.3 Listing Agent

(a) Listing Agent

Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.3(b), KB will be the Listing Agent.

(b) Change of the Listing Agent

The Issuer may appoint a different Listing Agent in respect of any Issue under the Programme.

(c) Relationship between the Listing Agent and the Bondholders

In relation to the performance of obligations under the agreement with the Listing Agent concluded between the Issuer and the Listing Agent, the Listing Agent will act as the Issuer's agent and will not be in any legal relationship with the Bondholders.

12. Meetings and Changes to the Terms and Conditions and Replacement of the Bonds

12.1 Authority and Convocation of the Meeting

(a) Right to Convene the Meeting

Any Bondholder(s) may only convene a meeting of the Bondholders (the **Meeting**):

- (i) in accordance with these Joint Terms and Conditions and applicable laws if so required to decide on common interests of the Bondholders;
- (ii) if the Issuer failed to convene the Meeting when obliged to do so under Condition 12.1(b); or
- (iii) if the convening of the Meeting is envisaged under Conditions 3.6 or 3.7.

The Security Agent must convene the Meeting without undue delay and at the expense of the Issuer if:

- (i) the Issuer failed to convene the Meeting when obliged to do so under Condition 12.1(b)(i)-(iii); or
- (ii) the convening of the Meeting is envisaged under Conditions 3.5 or 3.8

The Security Agent may (but is not obliged to) convene the Meeting at the expense of the Issuer if an Event of Default occurred.

If the Meeting is convened by a person other than the Issuer, the Issuer is obliged to provide such a person all necessary co-operation.

If the Meeting is convened by the Security Agent or any Bondholder(s), such person(s) must, no later than on the day of publication of the notice of the Meeting under Condition 12.1(c):

- (i) deliver to the Fiscal and Paying Agent a request for procuring evidence of the number of all Bonds within the Issue entitling the holder(s) to attend the Meeting convened by a Bondholder or the Bondholders, i.e., an extract from the register of the Issue (*výpis emise*) maintained by the Central Depository; and
- (ii) pay to the Fiscal and Paying Agent an advance to cover the costs associated with its services in relation to the Meeting, except where the Issuer was obliged, but failed, to convene the Meeting under Condition 12.1(b)(i) to (iii). In such a case, the Issuer shall instead pay to the Fiscal and Paying Agent an advance to cover the costs associated with its services in relation to the Meeting.

The due and timely delivery of the request under item (i) above and the payment of the advance for the costs referred to in item (ii) above are conditions for the valid convening of the Meeting.

If there is more than one Issue under the Programme and if a decision is to be made regarding the common interests of all Bondholders, including a change in the identity of the Security Agent or a common representative of the Bondholders, if any, or a decision regarding the Security Documents, a joint Meeting of all Bondholders must be convened in accordance with these Joint Terms and Conditions and applicable law. If such a joint Meeting is convened by the Security Agent or any Bondholder(s), the Issuer is obliged to provide the Security Agent or such Bondholder(s), as the case may be, with any necessary assistance.

(b) Meeting Convened by the Issuer

The Issuer must promptly convene the Meeting and request the Bondholders to provide their opinion on:

- (i) the Issuer's proposal for any amendment to the Terms and Conditions that requires the Bondholders' consent under applicable laws;

- (ii) termination of the activities of the Security Agent under the Security Agency Agreement; or
- (iii) request for a change in the identity of the Security Agent by Bondholders whose Bonds' nominal amount represents at least 5% of the total nominal amount of the Bonds,

whereas each of the above constitutes a material change within the meaning of Section 21(1) of the Bonds Act (each a **Material Change**).

The Issuer must promptly convene the Meeting and request the Bondholders to provide their opinion if the convening and holding of the Meeting by the Issuer is required under Condition 3.3, whereas such a situation is not considered to be a Material Change, or if an Event of Default occurs and is continuing.

The Issuer may convene the Meeting when it considers it, in its absolute discretion, necessary, including to propose collective action if it has knowledge that an Event of Default may occur.

The Issuer is not obliged to convene a Meeting in other cases.

(c) Notice of the Meeting

The Issuer is obliged to give notice of the Meeting in the manner set out in Condition 14.1 no later than fifteen (15) calendar days prior to the date of the Meeting. If the Meeting is convened by any Bondholder(s) or the Security Agent, such person(s) will deliver a notice of the Meeting (containing all statutory elements) sufficiently in advance (at least twenty (20) calendar days prior to the proposed date of the Meeting) to the Issuer at the address of the Specified Office.

The Issuer will promptly ensure that such notice of the Meeting is published in the manner and within the time limit specified in the first sentence of this Condition 12.1(c). However, the Issuer is not responsible for the content of such notice or any delay or default in complying with any statutory time limits by the person who convened the Meeting.

The notice of the Meeting must contain at least:

- (i) the business name, identification number and registered office of the Issuer;
- (ii) the identification of the Bonds, including at least the Bond title, the Issue Date and the ISIN (or other Bond identifiers if no ISIN is available), and in the event of a joint Meeting, such identification in respect of all issued and outstanding Issues;
- (iii) the venue, date and time of the Meeting, provided that the Meeting may only take place on a day that is a Business Day and the Meeting time may not be before 11 a.m.;
- (iv) the agenda of the Meeting and, in the case of any proposed amendment(s) to the Terms and Conditions within the meaning of Condition 12.1(b), the specification of the proposed amendment(s) and their justification; and
- (v) the day that is the record date for the attendance at the Meeting.

The Meeting will be authorised to decide on proposed resolutions that were not contained in the notice of the Meeting only in the presence of and with the consent of all Bondholders.

If the reason to convene the Meeting is not continuing, the person who convened the Meeting will revoke the convocation of the Meeting in the same manner as convened.

The costs of organising, convening and holding the Meeting will be paid by the person convening the Meeting, unless it is a case where the Issuer has violated its obligation to convene the Meeting or if an Event of Default has occurred and is continuing, in which case the costs of organising, convening and holding the Meeting will be covered by the Issuer. The costs associated with the participation in the Meeting are covered by each participant themselves.

12.2 Persons Authorised to Attend and Vote at the Meeting

(a) Persons Authorised to Attend the Meeting

Unless otherwise specified in the Pricing Supplement, a person will only be entitled to attend and vote at the Meeting if they are (i) a Bondholder recorded as a Bondholder in the register of the Issue maintained by the Central Depository and in an extract from such Issue register at the close of the day falling seven (7) calendar days prior to the date of the relevant Meeting (the **Meeting Attendance Record Date**); or (ii) a person who provides to the Issuer and Fiscal and Paying Agent a certificate of the custodian in whose owner's securities account with the Central Depository the relevant number of the Bonds was recorded as of the Meeting Attendance Record Date certifying that such person is a Bondholder and that the Bonds held by such person are registered in the securities account of the custodian by reason of their custodianship (the **Person Authorised to Attend the Meeting**). If required by the Fiscal and Paying Agent, the certificate according to the preceding paragraph must be in writing (with notarised signatures) and otherwise satisfactory in form and substance to the Fiscal and Paying Agent. In the case of the custodian being a legal entity, the Fiscal and Paying Agent may, at its own discretion, require such certificate to be accompanied by an original or an officially certified copy of an extract from the commercial register or other respective register in respect of the custodian not older than three (3) months prior to the date of the relevant Meeting.

No transfers of the Bonds made after the Meeting Attendance Record Date will be taken into account.

(b) Voting Rights

Each Person Authorised to Attend the Meeting will have such number of votes out of the total number of votes that corresponds to the ratio between the outstanding nominal value of the Bonds held by such person as of the Meeting Attendance Record Date to the total outstanding nominal value of the Issue as of the Meeting Attendance Record Date. No voting right will be attached to any Bonds held by the Issuer or members of the Group as of the Meeting Attendance Record Date that have not been cancelled by the Issuer under Condition 6.3, and no such Bonds will be taken into account when determining the presence of a quorum at the Meeting. If the Meeting decides on recalling a common representative, the common representative (if they are a Person Authorised to Attend the Meeting) may not exercise their voting right at such a Meeting.

(c) Attendance of the Meeting by Other Persons

The Issuer is obliged to attend the Meeting, either in person or by proxy. Other persons entitled to attend the Meeting are Bondholders, proxies of the Bondholders, proxies of the Fiscal and Paying Agent, a common representative (unless they are a Person Authorised to Attend the Meeting) and any guests invited by the Issuer and/or the Fiscal and Paying Agent.

If required by the Fiscal and Paying Agent, a power of attorney granted by a Bondholder to any proxy must be in writing with a notarised signature of the Bondholder. In the case of a Bondholder being a legal entity, the Fiscal and Paying Agent may, at its own discretion, require from an individual entitled to represent such Bondholder at the Meeting on the basis of a power of attorney or otherwise an original or an officially certified copy of an extract from the commercial register or other respective register in respect of such Bondholder not older than three (3) months prior to the date of the relevant Meeting.

12.3 Course of the Meeting; Decision-making

(a) Quorum

The Meeting will constitute a quorum if attended by the Persons Authorised to Attend the Meeting, who were, as of the Meeting Attendance Record Date, owners of the Bonds the nominal amount of which represents more than 30% of the aggregate nominal amount of the issued and outstanding Bonds of the particular Issue. If the Meeting decides on recalling a common representative, any votes belonging to the common representative (if they are a Person Authorised to Attend the Meeting) will not be included in the total number of votes. Before

opening the Meeting, the person convening the Meeting will inform the Meeting about the number of all the Bonds in respect of which the Persons Authorised to Attend the Meeting are entitled to vote at the Meeting in accordance with the Terms and Conditions.

(b) Chairman of the Meeting

The Meeting convened by the Issuer will be chaired by a chairman appointed by the Issuer. The Meeting convened by the Security Agent or any Bondholder(s) will be chaired by a chairman elected by a Simple Majority of votes. Until the chairman is elected, the Meeting will be chaired by a person appointed by the person convening the Meeting, whereas the election of the chairman must be the first item on the agenda of any Meeting not convened by the Issuer.

(c) Common Representative

The Meeting may by resolution decide on a change in the person of the common representative of Bondholders. The common representative is authorised under applicable law (i) to enforce, on behalf of all of the Bondholders, any rights associated with the Bonds to the extent specified in a resolution adopted by the Meeting; (ii) to supervise the compliance with the Terms and Conditions by the Issuer; and (iii) to execute, on behalf of all of the Bondholders, any other acts or protect the Bondholders' interests in the manner and to the extent specified in a resolution adopted by the Meeting. The Meeting may recall the common representative in the same way in which the common representative was elected or replace him with a new common representative. The agreement on the appointment of a common representative will be available to the public on the Issuer's Website.

(d) Decision-making at the Meeting

The Meeting will decide on any issues on its agenda in the form of resolutions. Any resolution that (i) approves a proposal on any amendment to these joint Terms and Conditions that requires the Bondholders' consent under applicable law; or (ii) appoints or recalls a common representative, will require the affirmative vote of at least three-quarters of the attending Persons Authorised to Attend the Meeting. Unless provided otherwise by law, any other resolutions will require a Simple Majority of votes in order to be passed.

(e) Adjournment of a Meeting and a substitute Meeting

If within one (1) hour after the scheduled opening of the Meeting a quorum is not present, then such Meeting will be automatically dissolved without further notice.

If the Meeting convened by the Issuer which is to decide on amendments to the Terms and Conditions under Condition 12.1(b)(i) does not have a quorum within one (1) hour after the scheduled opening of the Meeting, the Issuer will convene, if necessary, a substitute Meeting to be held no later than six (6) weeks after the scheduled date of the original Meeting. The holding of a substitute Meeting with the unchanged agenda will be notified to the Bondholders no later than five (5) calendar days after the scheduled date of the original Meeting.

No quorum requirements will apply to the substitute Meeting convened by the Issuer deciding on amendments to the Terms and Conditions under Condition 12.1(b)(i) irrespective of the conditions for quorum set out in Condition 12.3(a). The Issuer is obliged to give notice of the substitute Meeting in the manner set out in Condition 14 no later than five (5) Business Days prior to the date of the substitute Meeting.

The Issuer is entitled to convene the substitute Meeting simultaneously with the convening of the original Meeting or at any time before the holding of the regular Meeting so that it takes place at least five (5) Business Days from the date on which the original Meeting was convened. The Issuer will, no later than the day following the day of the original Meeting, notify the Bondholders in the manner set out in Condition 14 that the original Meeting was not capable of forming a quorum.

12.4 Certain Additional Rights of the Bondholders

(a) Consequence of Voting against Certain Resolutions of the Meeting

If the Meeting approved a Material Change in the Terms and Conditions under paragraphs (i), (ii) and (iii) of Condition 12.1(b), the Person Authorised to Attend the Meeting who, according to the minutes of such Meeting, voted against the resolution adopted by the Meeting or did not attend the Meeting (the **Applicant**), has a right to request the repayment of the at the time outstanding nominal amount of the Bonds which such Bondholder held as of the Meeting Attendance Record Date, together with the pro-rata interest accrued on such Bonds, if the Bonds are not subsequently transferred after the Meeting (in the event of a transfer, this right ceases to exist).

This right must be exercised by the Applicant within thirty (30) days of the publication date of such Meeting resolution according to Condition 12.5 (the **Application Period**) by a written application (the **Application**) addressed to the Issuer and delivered to the Fiscal and Paying Agent to the address of the Specified Office, failing which the right will cease to exist. The amounts referred to above will become due and payable on the last Business Day of the month following the month in which the Application Period expires (the **Early Redemption Date**), unless the Bonds become due and payable earlier under the Terms and Conditions or a mandatory provision of the law (in which case, the relevant provision of the Terms and Conditions or the law must be followed). The Issuer may repay the Bonds to each Bondholder who has delivered the Application within the Application Period before the Early Redemption Date.

(b) Resolution on Early Redemption of the Bonds upon Bondholders' request

If the Meeting did not approve a Material Change (except a Material Change under Condition 12.1(b)(i)), the Meeting may, even beyond the scope of the agenda, decide that if the Issuer proceeds in conflict with the resolution of the Meeting that disagreed with such a Material Change, any Bondholder(s) may request the repayment of the nominal amount of the Bonds which they held as of the Meeting Attendance Record Date, which Bonds the relevant Bondholder(s) will not be entitled to transfer following such a request, and any pro-rata interest accrued thereon (if relevant) to any Bondholder who requests such early repayment (the **Applicant**).

This right must be exercised by the Applicant within thirty (30) days of the minutes being available in accordance with Condition 12.5 by a written notice (the **Application**) addressed to the Issuer and delivered to the Specified Office of the Fiscal and Paying Agent, otherwise the right ceases to exist. The amounts referred to above will become due and payable on the day falling thirty (30) days from the day the Application was delivered to the Fiscal and Paying Agent (the **Early Redemption Date**). The Issuer may repay the Bonds to each Bondholder who has delivered the Application within the Application Period before the Early Redemption Date.

(c) Requirements as to the Application

The Application must specify the number of Bonds the early redemption of which is requested, the securities account, the type of the securities account and the identity of the dealer with whom the securities account is maintained. The Application must be in writing and signed by persons authorised to act on behalf of the Applicant, whereas the authenticity of such signatures must be officially verified or otherwise verified by an authorised employee of the Fiscal and Paying Agent. Within the same time limit, the Applicant is also obliged to deliver to the Specified Office of the Fiscal and Paying Agent all the documents required for making the payment under Condition 7.

12.5 Minutes of the Meeting

Minutes of the business discussed and resolved at the Meeting will be taken by the person who convened the Meeting or by a person authorised by such person within thirty (30) calendar days after the date of the Meeting.

If the Meeting is convened by the Security Agent or any Bondholder(s), the minutes of such Meeting must also be delivered to the Issuer at the Specified Office address no later than thirty (30) calendar days after the date of the Meeting. The Issuer is obliged to keep the minutes of the Meeting until the rights under the Bonds expire under the statute of limitations. The minutes of the Meeting will be available for inspection by the Bondholders during the usual business hours at the Specified Office. The Issuer (either by itself or through an authorised agent, in particular, the Fiscal and Paying Agent) will publish all resolutions of the Meeting in the manner specified in Condition 14.1. If the Meeting made a decision regarding a Material Change under Condition 12.1(b)(i), the minutes of the Meeting must be prepared in the form of a notarial deed (*notářský zápis*). If the resolution of such a Meeting is adopted, the notarial deed will include the names of the Persons Authorised to Attend the Meeting that validly voted for the adoption of such a resolution and the number of Bonds that such persons owned as of the Meeting Attendance Record Date.

12.6 Decision-Making outside of the Meeting

(a) Notification of the Decision Proposal

Decisions may be adopted outside of the Meeting (*per rollam*) in accordance with these Joint Terms and Conditions. In such case, the person authorised to convene the Meeting will notify all Bondholders of the decision proposal in the manner set out in Condition 14.1.

The decision proposal will include at least:

- (i) the business name, identification number and registered office of the Issuer;
- (ii) the identification of the Bonds, including at least the Bonds title, the Issue Date and the ISIN;
- (iii) the wording of the proposed decision and its justification;
- (iv) the period for delivery of the Bondholder's statement, which will be at least fifteen (15) calendar days from the date of the notification of the decision proposal;
- (v) the Per Rollam Record Date (as defined in Condition 12.6(b) below);
- (vi) any documents required for the adoption of the decision; and
- (vii) other information and data at the discretion of the notifying person.

(b) Persons Authorised to Participate in the Decisions-Making outside of the Meeting

A person entitled to participate in the decision-making outside of the Meeting will only be (i) the Bondholder recorded as a Bondholder in the register of the Issue maintained by the Central Depository and in an extract from such Issue register at the close of the day falling seven (7) calendar days prior to the date of the notice of the decision proposal pursuant to Condition 12.6(a) (the **Per Rollam Record Date**); or (ii) a person who provides to the Issuer and the Fiscal and Paying Agent a certificate of the custodian in whose owner's securities account with the Central Depository the relevant number of the Bonds was recorded as of the Per Rollam Record Date certifying that such person was a Bondholder as at the Per Rollam Record Date and that the Bonds held by such person are registered in the securities account of the custodian by reason of their custodianship. If requested by the Fiscal and Paying Agent, the certificate according to the preceding sentence must be in writing (with notarised signatures) and otherwise in form and substance satisfactory to the Fiscal and Paying Agent. In the case of the custodian being a legal entity, the Fiscal and Paying Agent may, at its own discretion, require such certificate to be accompanied by an original or an officially certified copy of an extract from the commercial register or other respective register in respect of the custodian not older than three (3) months prior to the date of the notice of the decision proposal. No transfers of the Bonds made after the Per Rollam Record Date will be taken into account.

(c) Adoption of the Decision

A decision will be adopted on the earlier of (i) the date on which the last Bondholder's statement on the proposal is delivered; or (ii) the expiry of the last day of the period for delivery of the Bondholders' statement specified in the notice of the decision proposal pursuant to Condition 12.6(a), in both cases if the number of votes required for the adoption of the decision has been reached. In the case of a proposal on matters constituting a Material Change, a notarised signature or a vote made by means of a data box (*datová schránka*) is required in order for the vote to be validly counted. If a Bondholder does not deliver its statement within the period for delivery of the Bondholders' statement specified in the notice of the decision proposal pursuant to Condition 12.6(a), it shall be deemed that the Bondholder does not agree with the proposal.

(d) Other Provisions

The provisions of Conditions 12.1 to 12.5 will apply to decision-making outside of the Meeting, as appropriate. The date of the Meeting will be deemed to be the last day of the period for delivery of the Bondholders' statement specified in the notice of the decision proposal under Condition 12.6(a). Section 80gd(2) of Act No. 35/1992 Coll., the Notarial Code, as amended (the **Notarial Code**) will apply to the content of the notarial deed, as appropriate, except that instead of the information identifying the notarial deed of the decision proposal, the content of the decision proposal will be included and the statement referred to in Section 80gd(2)(j) of the Notarial Code will not be included.

12.7 Notice

In accordance with Section 23(9) of the Bonds Act, the Issuer hereby calls attention to the fact that these Joint Terms and Conditions deviate from the provisions of Section 23(5) and (7) of the Bonds Act in the following respect:

- (a) By way of derogation from Section 23(5) and (7), the amounts the repayment of which the Applicant is entitled to under Condition 12.4(a) will become due and payable on the last Business Day of the month following the month in which the Application Period expires, not thirty (30) days following the Application; and
- (b) By way of derogation from Section 23(5), a Person Authorised to Attend the Meeting who, according to the minutes of such Meeting, voted against a resolution approving a Material Change adopted by the Meeting or who did not attend such Meeting may not request a buyback of the Bonds.

Also see *"Risk Factors – Risks related to the Bonds – The Joint Terms and Conditions contain provisions which deviate from the Bonds Act"*.

13. Changes in the Joint Terms and Conditions

If required under applicable law, the Terms and Conditions can only be amended with the consent of the Meeting. Any amendment of the Terms and Conditions, however, always requires the consent of the Issuer.

14. Notices

14.1 Notices to the Bondholders by the Issuer

Any notice to the Bondholder by the Issuer will be valid and effective if published in Czech, English or both languages on the Issuer's Website. If mandatory provisions of applicable laws or these Joint Terms and Conditions determine any other method for publishing any of the notices given hereunder, such notice will be deemed to be validly published upon its publication in the manner prescribed by the relevant legislation. If a notice is published in more than one manner, the date of the first publication will be considered as the date of the notice.

14.2 Notices to the Bondholders by the Security Agent

Any notice to the Bondholder by the Security Agent will be valid and effective if published in English or Czech language or both on www.unicreditbank.cz or on the website of the New Security Agent, if another

person becomes a security agent in accordance with Condition 3.4. If mandatory provisions of applicable laws or these Joint Terms and Conditions determine any other method for publishing any of the notices given hereunder, such notice will be deemed to be validly published upon its publication in the manner prescribed by the relevant legislation. If a notice is published in more than one manner, the date of the first publication will be considered as the date of the notice.

14.3 Notices to the Issuer

Any notice to the Issuer will be valid and effective upon its delivery by registered post (or in a similar way) or courier.

For the purposes of a due notification, any such notice will contain the ISIN of the Bonds.

15. Governing Law, Language and Dispute Resolution

Any rights and obligations under the Bonds will be governed by, and interpreted and construed in accordance with, the laws of the Czech Republic. These Joint Terms and Conditions may be translated into other languages. In the event of any inconsistencies between the various language versions of the Joint Terms and Conditions, the English language version will prevail.

Any disputes between the Issuer and the Bondholders that may arise based on, or in connection with, an Issue of the Bonds, including any disputes with respect to these Joint Terms and Conditions, will be settled with final effect by the Municipal Court in Prague.

The court competent to resolve any disputes between the Issuer and the Bondholders in relation to the Bonds (including disputes relating to non-contractual obligations arising therefrom and disputes concerning their existence and validity) is solely the Municipal Court in Prague, unless the agreement on the choice of territorial jurisdiction (*prorogační doložka*) is not possible in a particular case and the law provides for another locally competent court.

16. Definitions

In these Joint Terms and Conditions, the following terms will have the following meaning:

Acceleration has the meaning as set out in Condition 3.7.

Acceleration Notice has the meaning as set out in Condition 9.1.

Additional Subscription Period has the meaning as set out in Condition 2.

Agency Agreement has the meaning as set out under the heading of these Joint Terms and Conditions.

Applicant has the meaning as set out in Conditions 12.4(a).

Application has the meaning as set out in Conditions 12.4(a).

Application Period has the meaning as set out in Condition 12.4(a).

Arrangers mean:

- (a) Komerční banka, a.s., with its registered office at Na Příkopě 33 čp. 969, 114 07 Prague 1, the Czech Republic, ID No.: 453 17 054, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 1360; and
- (b) UniCredit Bank Czech Republic and Slovakia, a.s., with its registered office at Želetavská 1525/1, 140 92 Prague 4 – Michle, the Czech Republic, ID No.: 152 72 028, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 649.

Authorised Persons or **Authorised Person** mean the persons or person entitled to the payment of interest on the Bonds and repayment of the Payment Amount, determined according to the rules specified for individual cases in Condition 7.4, unless otherwise stipulated by applicable law.

Bondholder has the meaning as set out in Condition 1.2(c)(i).

Bonds has the meaning as set out under the heading of these Joint Terms and Conditions.

Bonds Act means Act No. 190/2004 Coll., on Bonds, as amended.

Business Day means (a) for Bonds denominated in CZK, any day on which banks in the Czech Republic are open and interbank transactions are settled in CZK; (b) for Bonds denominated in EUR, any day on which banks are open in the Czech Republic and foreign exchange settlement is carried out and on which T2 is also open for the settlement of trades; and (c) for Bonds denominated in a currency other than CZK or EUR, any day on which banks are open and foreign exchange settlement is carried out in the Czech Republic and in the principal Financial Centre for the currency in which the Bonds are denominated.

Business Day Convention has the meaning as set out in Condition 7.3.

Buyback Date has the meaning as set out in Condition 6.5.

Buyback Notice has the meaning as set out in Condition 6.5.

Calculation Agent has the meaning as set out under the heading of these Joint Terms and Conditions.

Capital Market Act means Act No. 256/2004 Coll., on Business on the Capital Market, as amended.

Central Depository means Centrální depozitář cenných papírů, a.s., with its registered office at Rybná 682/14, 110 00 Prague 1, ID No.: 250 81 489, registered in the Commercial Register under file No. B 4308 maintained by the Municipal Court in Prague.

Change of Control means a situation where:

- (a) the Ultimate Controlling Persons cease (other than for the benefit of their descendants or heirs), directly or indirectly and severally or jointly, to:
 - (ii) have the power (whether by virtue of ownership, power of attorney, contract or otherwise):
 - (A) to vote or control voting with respect to more than 50% of the maximum number of votes that could be cast at Penta's general meeting; or
 - (B) to appoint or dismiss all or most of the members of the statutory body or other equivalent representatives of Penta or members of the supervisory board or other similar supervisory body of Penta (if it was established); or
 - (C) issue instructions regarding the operational and financial policy of Penta, which the members of the statutory body or other equivalent representatives of Penta are obliged to comply with; or
 - (iii) hold more than 50% of the subscribed share capital of Penta (excluding any part of the share capital with which no other right is attached than the right to participate in a specified amount in the distribution of profits or share capital); or
- (b) Penta ceases, directly or indirectly, to:
 - (i) have the power (whether by virtue of ownership, power of attorney, contract or otherwise):
 - (A) to vote or control the voting with respect to 50% of the maximum number of votes that could be cast at the Issuer's or the Guarantor's general meeting; or
 - (B) appoint or dismiss all or most of the members of the statutory body or other equivalent representatives of the Issuer or the Guarantor or members of the supervisory board or other similar supervisory body of the Issuer or the Guarantor (if it was established); or

- (C) issue instructions regarding the operational and financial policy of the Issuer or the Guarantor, which the members of the statutory body or other equivalent representatives of the Issuer or the Guarantor are obliged to comply with; or
 - (ii) hold 50% of the subscribed share capital of the Issuer or the Guarantor (excluding any part of the share capital to which no right is attached other than the right to participate in a specified amount in the distribution of profit or share capital), or
- (c) Pharmax Holdings ceases to directly or indirectly hold 95% of the subscribed share capital of any Significant Subsidiary (except for (i) any part of the share capital that does not carry any right other than the right to participate in a specified amount in the distribution of profit or share capital, (ii) Significant Subsidiaries where, as part of a Business Acquisition after the Issue Date of the initial Issue under the Programme, Pharmax Holdings acquired directly or indirectly less than 100% of the subscribed share capital; in the case of such Significant Subsidiaries, a Change of Control is considered to occur when Pharmax Holdings ceases to directly or indirectly hold 95% of the share capital acquired as of the Business Acquisition date; and (iii) Lidea, its Subsidiaries, and Pharmacy Businesses established in Italy).

For the avoidance of doubt, any investment shares (*investiční akcie*) and equity rights (*majetková práva*) attached to them issued by any SICAV fund or other entity incorporated for investment purposes under Act No. 240/2013 Coll. on Investment Companies and Investment Funds, as amended, shall be disregarded for the purposes of definition of Change of Control or for assessing whether or not a Change of Control occurred (excluding investment shares which in accordance with articles of association carry voting rights similar to those attached to the founder shares (*zakladatelské akcie*)).

Change of Control Notice means a notice that the Issuer must deliver to the Fiscal and Paying Agent, the Security Agent and the Bondholders in the manner specified in Condition 14 informing them of the existence of a Change of Control. The Issuer must deliver such a notice without undue delay of, and in any case no later than thirty (30) days after, learning that a Change of Control has occurred.

Civil Code has the meaning as set out under the heading of these Joint Terms and Conditions.

Conditions or **Condition** has the meaning as set out under the heading of these Joint Terms and Conditions.

Czech National Bank means the Czech National Bank, which performs supervision of the capital market in accordance with Act No. 15/1998 Coll. on Supervision in the Capital Market Area, as amended, or another subject which may have the competence of the Czech National Bank in the future.

CZK means the Czech crown, the lawful currency of the Czech Republic.

Day Count Fraction means, for the purposes of calculating interest on, or other yield of, the Bonds:

- (a) if the relevant Pricing Supplement quotes the terms “Actual/365”, or “Act/365” as the Day Count Fraction, the actual number of days in the period for which interest is calculated divided by 365;
- (b) if the relevant Pricing Supplement quotes the terms “Actual/360”, or “Act/360” as the Day Count Fraction, the actual number of days in the period for which interest or other yield is calculated divided by 360;
- (c) if the relevant Pricing Supplement quotes the terms “30E/360”, or “BCK Standard 30E/360” as the Day Count Fraction, the number of days in the period for which interest or other yield is calculated divided by 360 (where the number of days is set out on the basis of a year of three hundred sixty (360) days divided into twelve (12) months of thirty (30) days each).

Early Redemption Date has the meaning as set out in Conditions 3.7, 6.4, 9.2, 12.4(a) and 12.4(b), as applicable.

Early Redemption Notice has the meaning as set out in Condition 6.4.

Enforcement Decision has the meaning as set out in Condition 3.8.

ESMA means the European Securities and Markets Authority.

EUR or euro means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

EURIBOR means:

- (a) the interest rate in per cent p.a. offered for EUR which is displayed in the REFINITIV EIKON information system on the EURIBOR page (or any successor page, if any, or other Reference Rate Source specified in the Pricing Supplement) for such period corresponding to the relevant Interest Period as determined by European Markets Institute, as an administrator registered with the ESMA and which is in effect on the date on which the EURIBOR rate is determined. If the Interest Period is a period for which the EURIBOR rate is not determinable in this manner, then the EURIBOR rate will be determined by the Calculation Agent by calculating a linear interpolation between the EURIBOR rate for the next immediately longer period for which the EURIBOR rate is determinable in this manner and the EURIBOR rate for the next immediately shorter period for which the EURIBOR rate is determinable in this manner. If the EURIBOR rate cannot be determined in the manner described in this paragraph (a), paragraph (b) below will apply.
- (b) If on any day the EURIBOR rate cannot be determined in accordance with paragraph (a) above, the EURIBOR rate on such day will be determined by the Calculation Agent as the arithmetic average of the quoted rate of interest on sales of EUR interbank deposits for such period corresponding to the relevant Interest Period obtained on such day after 11:00 a.m. Brussel time from at least 3 banks (of the Calculation Agent's choice) operating on the relevant interbank market. In the event that the EURIBOR rate cannot be determined even by this procedure, the annual interest rate will be equal to:
 - (i) the EURIBOR rate determined in accordance with paragraph (a) above on the nearest preceding Reference Rate Determination Date on which the EURIBOR rate was so determinable or, if there was no such date,
 - (ii) the interest rate applicable in respect of the Bonds on the immediately preceding Interest Period, (x) decreased by the Margin determined for the Interest Period, for which the EURIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the sum of the Reference Rate and the Margin, or (y) increased by the Margin determined for the Interest Period for which the EURIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the difference between the Reference Rate and the Margin.

Event of Default has the meaning as set out in Condition 9.1.

Final Maturity Date means each day designated as the Final Maturity Date in the Pricing Supplement, in accordance with Condition 7.2.

Final Terms has the meaning as set out under the heading of these Joint Terms and Conditions.

Financial Centre for a specific currency means the location specified in the relevant Pricing Supplement where the Reference Rates for such currency are predominantly quoted and where interbank payments in such currency are settled.

Financial Guarantee has the meaning as set out in Condition 3.2(a).

Fiscal and Paying Agent has the meaning as set out under the heading of these Joint Terms and Conditions.

Group means the Issuer, the Guarantor and the Subsidiaries of the Issuer or the Guarantor, as well as other persons belonging to the consolidation group of the Guarantor for other reasons, whereas the structure of the Group may change from time to time as a result of acquisitions and divestments.

Guarantor has the meaning as set out under the heading of these Joint Terms and Conditions.

Insolvency Act means Act No. 182/2006 Coll., on Insolvency and Methods of its Resolution (Insolvency Act), as amended.

Insolvency Petition has the meaning set out in Condition 9.1(f).

Instruction has the meaning as set out in Condition 7.5(a).

Interest Payment Date means each day denoted as the Interest Payment Date in the Pricing Supplement, in accordance with Condition 7.2.

Interest Period means the period beginning on the Issue Date (inclusive) and ending on the first subsequent Interest Payment Date (excluding), and then each consecutive period starting on the Interest Payment Date (inclusive) and ending on the next successive Interest Payment Date (excluding) until the Final Maturity Date (exclusive), as applicable, provided that, unless the Pricing Supplement stipulates otherwise, then for the purposes of determining the start of an Interest Period the Interest Payment Date will not be adjusted pursuant to the Business Day Convention.

Issue has the meaning as set out under the heading of these Joint Terms and Conditions.

Issue Date means the first day when the Bonds of a particular Issue may be issued to the first bondholder as specified in the relevant Pricing Supplement.

Issue Price means the issue price of the Bonds of a particular Issue specified in the relevant Pricing Supplement.

Issuer has the meaning as set out under the heading of these Joint Terms and Conditions.

Issuer's Website means the website as specified in the Final Terms.

Joint Terms and Conditions has the meaning as set out under the heading of these Joint Terms and Conditions.

Listing Agent has the meaning as set out under the heading of these Joint Terms and Conditions.

Margin means the margin over the Reference Rate expressed in per cent p.a. specified in the relevant Pricing Supplement.

Material Change has the meaning as set out in Condition 12.1(b).

Maturity Date means the Final Maturity Date, the Early Redemption Date and the Buyback Date.

Maximum Prepayment Amount has the meaning as set out in Condition 6.4.

Meeting has the meaning as set out in Condition 12.1(a).

Meeting Attendance Record Date has the meaning as set out in Condition 12.2(a).

Meeting Instruction has the meaning as set out in Condition 3.6(a)(i).

Minimum Prepayment Amount has the meaning as set out in Condition 6.4.

New Security Agent has the meaning as set out in Condition 3.5.

Notarial Code has the meaning as set out in Condition 12.6(d).

Payment Amount means the nominal value of the Bonds (or part thereof in the case of a partial early redemption of the Bonds) to be paid by the Issuer to the Bondholders upon maturity or early redemption of the Bonds.

Payment Date means each Interest Payment Date and Maturity Date.

Payment Record Date means the Record Date for an Interest Payment and/or the Record Date for a Nominal Amount Repayment.

Penta means Penta Investments Limited, with its registered office at 3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2nd floor, the Republic of Cyprus, reg. No. HE 428480.

Penta Group means Penta and its Subsidiaries.

Per Rollam Record Date has the meaning as set out in Condition 12.6(b).

Person Authorised to Attend the Meeting has the meaning as set out in Condition 12.2(a).

Pharmax Holdings means Pharmax Holdings Limited, with its registered office at 3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2nd floor, the Republic of Cyprus, reg. No. HE 295375.

Potential Event of Default means a situation that may become an Event of Default due to passage of time, making of a decision, notification or their combination, whereas a Potential Event of Default is “continuing” as long as it is not remedied.

Prague Stock Exchange means Burza cenných papírů Praha, a.s., with its registered office at Rybná 14/682, 110 00 Prague 1, the Czech Republic, ID No.: 471 15 629, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 1773.

PRIBOR means:

- (a) the interest rate in per cent p.a. which is displayed in the REFINITIV EIKON information system on the PRIBOR page (or any successor page, if any, or other Reference Rate Source specified in the Pricing Supplement) as the fixing value of the interest rate on sales on the Prague CZK interbank deposit market for such period corresponding to the relevant Interest Period as determined by Czech Financial Benchmark Facility s.r.o., as an administrator registered with ESMA and which is in effect on the date on which the PRIBOR rate is determined. If the Interest Period is a period for which the PRIBOR rate is not determinable in this manner, then the PRIBOR rate will be determined by the Calculation Agent by calculating a linear interpolation between the PRIBOR rate for the next immediately longer period for which the PRIBOR rate is determinable in this manner and the PRIBOR rate for the next immediately shorter period for which the PRIBOR rate is determinable in this manner. If the PRIBOR rate cannot be determined in the manner described in this paragraph (a), paragraph (b) below will apply.
- (b) If on any day the PRIBOR rate cannot be determined in accordance with paragraph (a) above, the PRIBOR rate on such day will be determined by the Calculation Agent as the arithmetic average of the quoted rate of interest on sales of CZK interbank deposits for such period corresponding to the relevant Interest Period obtained on such day after 11:00 a.m. Prague time from at least 3 banks (of the Calculation Agent’s choice) operating on the Prague interbank market. In the event that the PRIBOR rate cannot be determined even by this procedure, the annual interest rate will be equal to:
 - (i) the PRIBOR rate determined in accordance with paragraph (a) above on the nearest preceding Reference Rate Determination Date on which the PRIBOR rate was so determinable or, if there was no such date;
 - (ii) the interest rate applicable in respect of the Bonds on the immediately preceding Interest Period, (x) decreased by the Margin determined for the Interest Period, for which the PRIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the sum of the Reference Rate and the Margin, or (y) increased by the Margin determined for the Interest Period for which the PRIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the difference between the Reference Rate and the Margin.

For the avoidance of doubt, if, as a result of the Czech Republic's accession to the European Union, the PRIBOR rate ceases to exist or to be generally used in the interbank deposit market, the rate normally used in the interbank deposit market in the Czech Republic will be used instead of the PRIBOR rate.

Pricing Supplement has the meaning as set out under the heading of these Joint Terms and Conditions.

Programme has the meaning as set out under the heading of these Joint Terms and Conditions.

Prospectus Regulation means Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published in the event of a public offering or admission of securities to trading on a regulated market, as amended.

Record Date for Interest Payment means, unless otherwise specified in the Pricing Supplement, the day that precedes by thirty (30) days the relevant Interest Payment Date, provided, however, that for the purposes of determining the Record Date for Interest Payment, such Interest Payment Date will not be adjusted pursuant to the Business Day Convention.

Record Date for Nominal Amount Repayment means, unless otherwise specified in the Pricing Supplement, the day that precedes by thirty (30) days the relevant Maturity Date, provided, however, that for the purposes of determining the Record Date for Nominal Amount Repayment, such Maturity Date will not be adjusted pursuant to the Business Day Convention.

Reference Rate means the rate specified as such in the relevant Pricing Supplement. The Reference Rate can be PRIBOR or EURIBOR.

Reference Rate Determination Date means the date on which the Reference Rate for the relevant Interest Period is determined and specified as such in the relevant Pricing Supplement. Unless otherwise provided in the Terms and Conditions, the Reference Rate Determination Date for the relevant Interest Period will be the second Business Day prior to the first day of such Interest Period.

Reference Rate Source means the source specified in the Joint Terms and Conditions or the Pricing Supplement from which the Calculation Agent determines the Reference Rate.

Regulated Market of the PSE means the regulated market of the Prague Stock Exchange.

Security Agency Agreement has the meaning as set out under the heading of these Joint Terms and Conditions.

Security Agent has the meaning as set out under the heading of these Joint Terms and Conditions.

Security Document has the meaning as set out in Condition 3.2(b).

Significant Subsidiary means any Subsidiary of the Guarantor whose (a) operating performance, which does not include the impact of financial costs and revenues, taxes, depreciation, and amortisation and which is calculated in the same manner as Adjusted EBITDA (as defined in Condition 4.11), represents 5% or more of Adjusted EBITDA or (b) whose revenues represent 5% or more of the revenues of the Guarantor, in both cases assessed according to the latest available audited consolidated financial statements of the Guarantor.

Simple Majority means simple majority of votes of the attending Persons Authorised to Attend the Meeting.

Specified Currency means the currency in which the Bonds are denominated or, alternatively, other currency so specified in the Pricing Supplement.

Specified Office has the meaning as set out under the heading of these Joint Terms and Conditions.

Subordination Agreement 3 has the meaning as set out in Condition 3.2(b).

Subordinated Creditor means Penta Investments Cyprus Limited, with its registered office at 3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2nd floor, the Republic of Cyprus, reg. No.: HE 324471.

Subscription Period has the meaning as set out in Condition 2.

Subsidiary means a company over which a person has direct or indirect control or in which that person owns, directly or indirectly, at least 50% of the subscribed share capital with voting or similar ownership rights, whereas control means the power (whether by virtue of an ownership interest, power of attorney, contract or otherwise):

- (a) to vote or control voting with respect to more than 50% of the maximum number of votes that could be cast at the relevant entity's general meeting; or
- (b) to appoint or dismiss all or most of the members of the statutory body or other equivalent representatives of the relevant entity; or
- (c) issue instructions regarding the operational and financial policy of the relevant entity, which the members of the statutory body or other equivalent representatives of the relevant entity are obliged to comply with,

whereas, for the avoidance of doubt, it is stipulated that the interpretation of the definition of "Subsidiary" and the term "control", which is used in this definition, might not correspond to the meaning of these terms in the relevant accounting standards.

T2 means the real time gross settlement system operated by the Eurosystem or any successor system.

Terms and Conditions has the meaning as set out under the heading of these Joint Terms and Conditions.

Ultimate Controlling Person means Mrs. Valeria Haščáková, Mr. Jaroslav Haščák or Mr. Marek Dospiva (or their heirs or descendants) or any trust or trust fund controlled or established by Mrs. Valeria Haščáková, Mr. Jaroslav Haščák or Mr. Marek Dospiva (or their heirs or descendants) and of which Mrs. Valeria Haščáková, Mr. Jaroslav Haščák or Mr. Marek Dospiva (or their heirs or descendants) are the exclusive beneficiaries.

FORM OF FINAL TERMS

Set out below is the form of the Final Terms which will be prepared for each individual Issue issued under this Programme for which the Issuer will be required to publish a prospectus. The Final Terms will include a summary of the relevant Issue, if relevant.

The Final Terms will be filed with the Czech National Bank in accordance with the law and published in the same manner as the Base Prospectus, i.e., on the Issuer's website.

In cases where it is not necessary to prepare a prospectus for a given Issue, the Issuer may (by analogy with the Bonds Act) only prepare a Pricing Supplement for a given Issue, which the Issuer will (again by analogy with the Bonds Act) make available.

Important notice: *The following text constitutes the form of the Final Terms (excluding the cover page which each Final Terms will contain) containing the final terms of the offer of the relevant Issue, i.e. those terms which will be specific to the relevant Issue. Where one or more particulars are set out in square brackets, one of those particulars will be used for the particular Issue. If the symbol “●” is also shown in square brackets, the information shown is the most likely variant, which may not, however, be used for a particular Issue. If the symbol “●” is shown in square brackets, the missing data will be completed in the relevant Final Terms. The modification applied in the relevant Final Terms will always prevail.*

FINAL TERMS

[if relevant, insert marketing title of the Issue]

These final terms (the **Final Terms**) constitute the final terms within the meaning of Article 8(4) of Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the **Prospectus Regulation**) and contain a bond programme supplement relating to the issue of the below specified bonds (the **Bonds**). The complete prospectus consists of (i) these Final Terms; and (ii) the base prospectus of Dr. Max Funding CR, s.r.o., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic, ID No.: 197 17 890, LEI: 315700WQ3QAGA2CBZR72, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 390578 (the **Issuer**), approved by the decision of the Czech National Bank (the **CNB**) ref. No. 2025/087705/CNB/650, file No. S-Sp-2025/00214/CNB/653 dated 22 July 2025, which became final and effective on 22 July 2025, [as supplemented by the supplement no. [●] approved by the decision of the CNB ref. No. [●], file No. [●] dated [●], which became final and effective on [●]] (the **Base Prospectus**). Full information on the Issuer, the Guarantor, the Bonds and the offer of the Bonds described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published and is available in electronic form on the Issuer's website [www.drmaxfundingcr.cz, section *Dluhopisy*] (the **Issuer's Website**).

The Base Prospectus is valid until [●].

[The public offering of the Bonds may continue after the expiry of the Base Prospectus if a subsequent Base Prospectus is approved and published no later than on the last day of the validity of the Base Prospectus. The Issuer's subsequent Base Prospectus will be published on the Issuer's Website. In accordance with Article 8(11) of the Prospectus Regulation, a right of withdrawal pursuant to Article 23(2) shall also apply to investors who have agreed to purchase or subscribe for the securities during the validity period of the previous base prospectus, unless the securities have already been delivered to them.]

These Final Terms have been prepared for the purposes of Article 8(4) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus and any supplements thereto.

In accordance with Article 8(5) of the Prospectus Regulation, these Final Terms have been published on the Issuer's Website and have been filed with the CNB in accordance with applicable law.

The Bonds are issued as a [insert order] issue under the bond programme of the Issuer with the maximum aggregate nominal value of the outstanding Bonds of CZK [●] (the **Programme**). The wording of the joint terms and conditions, which are the same for each Issue issued under the Programme commencing on [●], is set out in the chapter “*Joint Terms and Conditions of the Bonds*” in the Base Prospectus approved by the CNB and published by the Issuer (the **Joint Terms and Conditions**).

Capitalised terms not defined in these Final Terms shall have the meanings ascribed to them in the Base Prospectus unless the context of their use in these Final Terms indicates otherwise.

Investors should consider the risk factors associated with an investment in the Bonds. These risk factors are set out in the section of the Base Prospectus entitled “*Risk Factors*”.

These Final Terms were drawn up on [insert date] and the information contained herein is current only as of that date. The Issuer publishes information about itself and the results of its business activities on a regular basis in connection with the fulfilment of its information obligations under the applicable legislation. After the date of these Final Terms, prospective purchasers of the Bonds should base their investment decisions not only on these Final Terms and the Base Prospectus, but also on other information that may have been published by the Issuer after the date of these Final Terms or other publicly available information. This is without prejudice to the obligation of the Issuer to update the Base Prospectus by way of supplements within the meaning of Article 23(1) of the Prospectus Regulation.

The distribution of these Final Terms and the Base Prospectus and the offer, sale or purchase of the Bonds are restricted by law in certain countries. The Issuer has not applied and does not intend to apply for recognition of the Base Prospectus and the Final Terms in any other jurisdiction and the Bonds will not be registered, authorised or approved by any administrative or other authority of any jurisdiction except for the approval of the Base Prospectus by the CNB.

[The Bonds will be placed on the market by the Issuer through [●] (the **Manager(s)**).]

[The Bonds are linked to a benchmark within the meaning of the Benchmark Regulation. As at the date of these Final Terms, the [[*Benchmark Administrator*], the administrator of the [*name of the benchmark*], is] / [[*Benchmark Administrator*], the administrator of the [*name of the benchmark*], is not] included in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. [To the Issuer’s knowledge, [*name of the benchmark*] does not fall within the scope of the Benchmark Regulation pursuant to Article 2 of the Benchmark Regulation]].

[MiFID II PRODUCT GOVERNANCE] / [PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET] [AND] [RETAIL INVESTORS TARGET MARKET]

– Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties[,] [and] professional clients [and retail clients], each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Bonds are appropriate [including investment advice, portfolio management, non-advised sales and pure execution services]. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable]. [*Insert further details on target market, client categories etc.*]

[IF RELEVANT TO THE ISSUE BASED ON THE NOMINAL VALUE OF EACH BOND, A SUMMARY PREPARED FOR THAT PARTICULAR ISSUE WILL BE ADDED]

1. RESPONSIBILITY STATEMENT

Persons responsible for the information contained in the Final Terms

The person responsible for the accuracy and completeness of the information contained in these Final Terms is the Issuer, Dr. Max Funding CR, s.r.o., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic, ID No.: 197 17 890, LEI: 315700WQ3QAGA2CBZR72, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 390578.

Declaration of the Issuer

The Issuer declares that, to the best of its knowledge, the information contained in these Final Terms is in accordance with the facts and that these Final Terms make no omission likely to affect their import.

In [●] on [●]

[●]

Name: [●]

Position: [●]

Name: [●]

Position: [●]

2. BOND PROGRAMME SUPPLEMENT

This bond programme supplement dated [●] and prepared in relation to the Bonds (the **Pricing Supplement**) constitutes a supplement to the Joint Terms and Conditions as the joint terms and conditions of the Programme within the meaning of Section 11(3) of the Bonds Act.

This Pricing Supplement and the Joint Terms and Conditions together form the complete Terms and Conditions of the below specified issue of Bonds under the Programme.

The Pricing Supplement and the Joint Terms and Conditions have to be read and interpreted altogether. In case of any discrepancy between the Joint Terms and Conditions and this Pricing Supplement, the provisions of this Pricing Supplement will prevail; however, this does not affect the Joint Terms and Conditions in relation to any other Issue under the Programme.

The following parameters of the Bonds specify and supplement, in connection with this Issue, the Joint Terms and Conditions published earlier in the manner described above. The terms and conditions indicated in the table below as “not applicable” do not apply to the Bonds.

The capitalised terms used in this Pricing Supplement have the same meaning as ascribed to them in the Joint Terms and Conditions, unless otherwise defined in this Pricing Supplement.

The Bonds are issued under Czech law, in particular pursuant to the Bonds Act.

Important notice: The following table contains a form of the Pricing Supplement for a given Issue, i.e., a form for that part of the terms and conditions of that Issue which will be specific to that Issue. Where one or more particulars are set out in square brackets, one of those particulars will be used for the particular Issue. If the symbol “●” is also shown in square brackets, the data shown is the most likely variant, but may not be used for a particular Issue. If the symbol “●” is shown in square brackets, the missing data will be completed in the relevant Final Terms. The text set out in italics below does not form part of the Pricing Supplement and is for guidance only.

- | | | |
|----|--|--|
| 1. | ISIN of the Bonds: | [●] |
| 2. | CFI of the Bonds: | [●] |
| 3. | FISN of the Issue: | [●] |
| 4. | Condition 4 of the Joint Terms and Conditions: | [applicable] / [not applicable] / [●]
<i>Specify whether Condition 4 is applicable or not. If only particular provisions of Condition 4 (i.e., any of Condition 4.1 to Condition 4.10) do not apply, specify which.</i> |
| 5. | Nominal value of each Bond: | [●] |
| 6. | Aggregate anticipated nominal value of the Issue: | [●] |
| 7. | Issuer's right to increase the total nominal value of the Issue and conditions of such increase: | [yes; the Issuer has the right to increase, with the consent of the Arrangers and the Joint Lead Managers, the total nominal value of the Issue; the amount of such increase will not exceed [●] / [[●]%] |

- of the aggregate anticipated nominal value of the Issue] / [no; the Issuer is not entitled to issue Bonds with a higher total nominal amount of the Issue than the aggregate anticipated nominal value of the Issue]
8. Quantity of Bonds: [●]
 9. Currency of the Bonds: [CZK] / [EUR] / [●]
 10. Specified Currency (if different than the currency of Bonds set out in paragraph 7 above): [●] / [not applicable]
 11. Issue Method: [The Bonds will be issued at once on the Issue Date.] / [The Bonds will be issued at once on the Issue Date, but if the aggregate nominal value of the Bond Issue is not issued on the Issue Date, they may also be issued in tranches after the Issue Date during the Subscription Period [or during the Additional Subscription Period].] / [The Bonds will be issued in tranches during the Subscription Period [or during the Additional Subscription Period].] / [The Bonds will be issued on a gradual basis (in tranches) during the Subscription Period [or during the Additional Subscription Period].] / [●]
 12. Name of the Bond Issue: [●]
 13. Issue Date: [●]
 14. Final Maturity Date: [●]
 15. Subscription period: [●]
 16. Issue Price of the Bonds issued on the Issue Date: [[●]% of the nominal value of the Bonds]/ With the consent of the Arrangers and Joint Lead Managers, the Issuer may issue Bonds in the anticipated or higher total nominal value even after the expiration of the Subscription Period. In such a case, the Issuer will determine an Additional Subscription Period which will end no later than the Record Date for Nominal Amount Repayment and will make it available in the manner stated in Condition 14 without unnecessary delay.]
 17. Day Count Fraction: [[Actual/365] / [Actual/360] / [BCK Standard 30E/360] / [●]] / *description of the use of different Day Count Fractions for different Interest Periods (if applicable)*
[The Day Count Fraction also applies in respect of the calculation of interest on the Bonds accrued for the period of one current year.]
 18. **Fixed Rate Bonds:** [applicable] / [not applicable]
If not applicable, delete the remaining subparagraphs.
 - 18.1 Interest rate: [● % p.a. / *description of interest rates for different Interest Periods in % p.a. (if applicable)*]
 - 18.2 Interest Payment Dates: [For the purposes of determining the start of any Interest Period, the Interest Payment Date will be

- adjusted pursuant to the Business Day Convention.] / [●]
19. **Floating Rate Bonds:** [applicable] / [not applicable]
- If not applicable, delete the remaining subparagraphs.*
- 19.1. Reference Rate: [PRIBOR] / [EURIBOR]
- 19.2. Reference Rate Source: [●] / [as per Condition 16]
- 19.3. Margin: [[●]% p.a.] / [description of the Margin for different Interest Periods in % p.a.] / [not applicable]
- 19.4. Reference Rate Determination Date: [Reference Rate Determination Date for the relevant Interest Period shall be the [●] [Business Day] / [●] prior to the first day of such Interest Period] / [●] [as per Condition 16]
- 19.5. Determination of the rate of interest for individual Interest Periods: [Reference Rate [plus Margin] [the formula for calculating the interest rate for the relevant Interest Periods within the meaning of Condition 5.2(a), supplemented by the missing variables]
- 19.6. Interest Payment Dates: [[●] [and [●]] in each year] / [the Final Maturity Date]] replicate for different Interest Periods (if applicable)] / [●]
- [For the purposes of determining the start of [any Interest Period] / [●]] the Interest Payment Date will be adjusted pursuant to the Business Day Convention.] / [●]
- 19.7. Place where information on the past and future development of the Reference Rate and its volatility can be obtained: [●] [Information can be obtained free of charge.] / [Information on this site cannot be obtained free of charge.]
- 19.8. Description of the Reference Rate: [●]
20. Other value the that the Issuer will pay to the Bondholders at final maturity: [●] / [not applicable]
21. Record Date for Interest Payment: [as per Condition 16] / [●]
22. Record Date for Nominal Amount Repayment: [as per Condition 16] / [●]
23. Early redemption at the option of the Issuer under Condition 6.4: [applicable] / [not applicable]
- If not applicable, delete the remaining subparagraphs.*
- 23.1. The Issuer is entitled to redeem early the nominal value of the Bonds partially: [applicable] / [not applicable]
- 23.2. Minimum Prepayment Amount: [●] / [not applicable]
- 23.3. Maximum Prepayment Amount: [●] / [not applicable]
- 23.4. Dates on which the Issuer may redeem the Bonds early upon decision of the Issuer: [●] / [on the [●] year anniversary of the Issue Date.] Specify relevant dates.

23.5.	Period for notification of the early redemption at the option of the Issuer to the Bondholders:	[The Issuer must notify the Bondholders no later than [●] days prior to the Early Redemption Date.] / [●]
23.6.	Early redemption Payment Amount in respect of each Bond:	[[100]/[●] % of the outstanding nominal amount of the Bond][, the relevant interest income accruing on the amount of the early repaid nominal amount of such Bond as of the Early Redemption Date] [and the extraordinary interest income determined as the interest income that would have accrued on the Bonds since the Early Redemption Date (exclusive) until [the penultimate Interest Payment Date (exclusive)] but for the early redemption of the Bonds]] / [●]
24.	Bondholder Buyback under Condition 6.5: <i>If not applicable, delete the remaining subparagraphs.</i>	[applicable] / [not applicable]
24.1.	Period for the delivery of the Buyback Notice to the Issuer:	[as per Condition 6.5] / [●]
24.2.	Buyback amount in respect of each Bond:	[as per Condition 6.5] / [100% of the nominal value of each Bond] / [●]
25.	Business Day Convention for determination of Payment Dates (other than Interest Payment Day):	[applicable] / [not applicable] / [●]
26.	Obligation of the Issuer to pay to the Bondholders any additional amounts as a compensation of the withholding or deduction of any taxes, duties, assessments or governmental charges of whatever nature over nominal amount and interest in respect of the Bonds:	[as per Condition 8] / [●]
27.	Condition 9.1:	[yes] / [the following Event(s) of Default shall apply: [●]] <i>Specify whether all Events of Default under Condition 9.1 apply. If only certain Events of Default apply, list these Events of Default.</i>
28.	Fiscal and Paying Agent:	[as set out under the heading of the Joint Terms and Conditions] / [●]
29.	Specified Office:	[as set out in Condition 11.1(a)] / [●]
30.	Calculation Agent:	[as set out under the heading of the Joint Terms and Conditions] / [●]
31.	Listing Agent:	[as set out under the heading of the Joint Terms and Conditions] [●]
32.	Other Agents:	[●] / [not applicable]
33.	Financial Centre	[●] / [not applicable]
34.	Persons Authorised to Attend the Meeting:	[as set out in Condition 12.2(a)] / [●]
35.	Internal approval of the Issue and the Guarantee:	[●] / [the Issue and the Guarantee do not require internal approval] <i>[Specify relevant corporate approval, if relevant.]</i>

- | | | |
|-----|---|--|
| 36. | Details of the persons involved in the arrangement of the issuance of the Bonds: | [The issuance of Bonds will be arranged by the Issuer / [●]] / [●].] |
| 37. | Advisors | The names, functions and addresses of the Advisors are set out on the last page of these Final Terms. |
| 38. | Information sourced from third parties included in the Final Terms / source of information: | [not applicable] / [Some of the information in the Final Terms is sourced from third parties. Such information has been accurately reproduced and, to the best of the Issue's knowledge and to the extent it is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Issuer shall not be liable for the inaccuracy of information from third parties if such inaccuracy could not have been discovered by the Issuer in the exercise of the aforementioned care. [add source of information]] / [●] |
| 39. | Post-issuance information: | [●] / [not applicable] |

3. SUPPLEMENTAL INFORMATION

This part of the Final Terms contains other supplemental information (**Supplemental Information**) which is required under applicable laws to form a part of a prospectus drawn up for the purposes of a public offering of the Bonds or the admission of the Bonds to trading on a regulated market.

The Supplemental Information set out below supplements the information contained above in these Final Terms for the purposes of the public offering of the Bonds and the admission of the Bonds to trading on a regulated market. The Supplemental Information, together with the Pricing Supplement, form the Final Terms of the relevant Issue.

The terms and conditions indicated in the table below as “not applicable” do not apply to the Bonds.

The capitalised terms used in this part of the Final Terms have the same meaning as ascribed to them in the Joint Terms and Conditions.

Important notice: *The following table contains a form of the Supplemental Information for a given Issue, i.e., a form for the part of the Final Terms which will be specific to that Issue. Where one or more particulars are set out in square brackets, one of those particulars will be used for the particular Issue. If the symbol “●” is also shown in square brackets, the data shown is the most likely variant, but may not be used for a particular Issue. If the symbol “●” is shown in square brackets, the missing data will be completed in the relevant Final Terms. The text set out in italics below does not form part of the Final Terms and is for guidance only.*

- | | | |
|------|---|--|
| 1. | Public offering:

<i>If not applicable, delete the remaining subparagraphs.</i> | [[Not applicable; The Bonds will not be offered to the public in accordance with the applicable legislation] / [Not applicable; The Bonds will be offered to the public on the basis of one or more exemptions from the obligation to publish a prospectus pursuant to the Prospectus Regulation] / [The Bonds will be distributed by way of a public offering.]] [The Issuer will offer the Bonds up to [the volume of [●] / [the total nominal amount of the Issue] to [domestic] / [foreign] [domestic and foreign] [qualified] / [non-qualified (mainly retail)] / [qualified and non-qualified (mainly retail)] investors]. / [●] |
| 1.1. | Conditions of the public offering: | [●] |

[Conditions of the public offering: *[including a description of the procedure for ordering the Bonds]*]

[Minimum order amount: [●]]

[Maximum order amount: [●]]

[The maximum aggregate nominal amount of Bonds requested by an individual investor in an order is limited to the aggregate nominal amount of the Bonds offered.]

[Placement of the Issue will be made through [●], LEI: ●, (Manager)]. / [Placement of the Issue will be made by the Issuer itself.] / [Placement of the Issue will be made through [●], and at the same time the Issuer may place the Issue itself.]

[[The Issuer / ●] shall be entitled to reduce investors' bids at its sole discretion (if the investor has already paid [the Issuer] the full price for the Bonds originally requested in the order, [the Issuer]/[●] shall send back any overpayment without undue delay to the account communicated to [the Issuer / ●] by the investor).]

[The final nominal value of the Bonds allocated to each investor will be indicated in the confirmation of acceptance of the offer which will be sent by the [Issuer / ●] to each investor (in particular by means of remote communication)]. / ●]]

[The period during which the public offer will be open is from [●] to [●]].

[Methods and time limits for paying up the Bonds and delivery of the Bonds: [●]]

[Selected investors will be approached by the [Issuer / ●] (in particular using means of remote communication) [under the contractual relationships with the [Issuer / ●] (in particular under the commission agreements concluded with the [Issuer / ●])] and invited to place an order to purchase the Bonds.]

[Application procedure: [●] *including any documents required for the application*].

[In a public offering made by the Issuer, the price for the Bonds offered will [be equal to [●]% of the nominal value of the Bonds being purchased [for a period of [●] and thereafter determined at all times on the basis of current market conditions and will be published periodically on the [Issuer's] website [●], in the section [●]] [and on the Manager's website [●], in the section [●] / determined at all times based on current market conditions and will be published from time to time on the Issuer's website [●], in the section [●] [and on the Manager's website [●], in the section [●]]].

- 1.2. Indication whether dealing may begin [●]
before notification is made:

- 1.3. Manner and date in which results of the offer are to be made public: [The results of the offering will be published without undue delay after the closing of the offering, no later than on [●], on the Issuer's website in the section [●.] / [●] / [not applicable]]
- 1.4. Method and time limits for paying up the Bonds and for delivery of the Bonds: [●]
- 1.5. The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised: [●]
- 1.6. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche: [●]
- 1.7. Amount of expenses charged to the subscriber / purchaser: [●]
- 1.8. Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place: [●]
- 1.9. Placing of the Issue through the Manager on a firm or non-firm Commitment basis / Entering into the Subscription Agreement and its material features / underwriting and placement commissions: [●]
2. Interest of natural and legal persons participating in the Issue/offering: [To the Issuer's knowledge, no person or entity participating in the Issue or offering of the Bonds has an interest in such Issue or offering that is material to such Issue or offering of the Bonds.] [[●] also serves as [Manager] / [Fiscal and Paying Agent] / [Security Agent] / [Calculation Agent] / [Listing Agent] for the Issue]]. / [●]
3. Reasons for the offer and use of proceeds from the Bonds: [The costs of preparing the Issue will be approximately [●] CZK [and in the event of an increase in the total nominal amount of the Issue up to the maximum amount, such costs will be approximately [●]]. The net proceeds of the Issue obtained by the Issuer (if the expected total nominal amount of the Issue is issued) will be approximately CZK [●] [and if the total nominal amount of the Issue is increased up to the total maximum amount, the net proceeds of the Issue will be approximately CZK [●].] [The net proceeds from the issue of the Bonds will be applied by the Issuer to further develop the Group's business activities and for this purpose, the Issuer expects to provide the amount of the net proceeds to the Guarantor through intra-group loan or credit, whereas such amounts may be provided to the Guarantor's shareholders.]]] / [●]

- | | | |
|----|--|--|
| 4. | Admission of the Bonds to the relevant regulated market: | [The Issuer has applied for admission of the Bonds to trading on the [Regulated Market of the PSE] / [●]]. / [Since [●], the Bonds have been admitted to trading on the [Regulated Market of the PSE] / [●]]. / [Neither the Issuer nor any other person with its consent or knowledge has applied for admission of the Bonds to trading on a regulated or other securities market, either in the Czech Republic or abroad.] |
| 5. | Admission of securities of the same class as the Bonds to trading on regulated markets, third country markets, the SME Growth Market or a multilateral trading facility: | [● / To the Issuer's knowledge, no securities issued by the Issuer of the same class as the Bonds are admitted to trading on any regulated market, third country market, SME Growth Market or multilateral trading facility.] |
| 6. | Secondary trading intermediary (market maker): | [● / No person has accepted the obligation to act as an intermediary in secondary trading (market maker).] |
| 7. | Further restrictions on the sale of the Bonds: | [●] / [not applicable] |

FINANCIAL GUARANTEE

14 July 2025

Financial Guarantee

by

DR.MAX GROUP HOLDINGS PLC
as Guarantor

in favour of

UniCredit Bank Czech Republic and Slovakia, a.s.
as Security Agent

This Financial Guarantee (the **Financial Guarantee**) is issued on 14 July 2025:

By: **DR.MAX GROUP HOLDINGS PLC** (formerly GLEBI HOLDINGS PLC) a company incorporated and existing under Cypriot law, with its registered office at Agias Fylaxeos & Polygnostou, 212 C&I CENTER BUILDING, 2nd Floor, 3082 Limassol, Cyprus, Reg. No. HE 217028 (the **Guarantor**);

In favour of: **UniCredit Bank Czech Republic and Slovakia, a.s.**, with its registered office at Želetavská 1525/1, Michle, 140 92 Prague 4, Czech Republic, Identification No. 64948242, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B 3608 (the **Security Agent**),

(the Guarantor and the Security Agent each a **Party**, and together the **Parties**).

Whereas:

- (A) Dr. Max Funding CR, s.r.o., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, Identification No. 197 17 890, registered in the Commercial Register maintained by Municipal court in Prague, Section C 390578 (the **Issuer**) intends to issue bonds (the **Bonds**) under a CZK 20,000,000,000 Czech law governed bond programme (the **Programme**).
- (B) In connection with the establishment of the Programme, the Issuer has drawn up a base prospectus within the meaning of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 dated on or around the date of this Financial Guarantee (the **Base Prospectus**).
- (C) One of the conditions of the Joint Terms and Conditions (as defined below) is that the Guarantor issues this Financial Guarantee in favour of the Security Agent to secure the due payment of the Secured Obligations (as defined below).
- (D) The Security Agent has been appointed as a security agent pursuant to Section 20 *et seq.* of Act No. 190/2004 Coll., on Bonds, as amended (the **Bonds Act**) and as such is entitled to require the Issuer or the Guarantor to pay any sum that the Issuer or the Guarantor is obliged to pay to any Bondholder under the Terms and Conditions (each as defined below) or this Financial Guarantee.

The Guarantor hereby issues the financial guarantee in favour of the Security Agent pursuant to Section 2029 *et seq.* of the Civil Code (as defined below):

1. Definitions and interpretation

1.1 Definitions

In this Financial Guarantee, the following capitalised terms shall have the following meaning:

Bondholders means Bondholders as defined in the Joint Terms and Conditions.

Central Depository means Centrální depozitář cenných papírů, a.s., with its registered office at Rybná 682/14, 110 00 Prague 1, ID No.: 250 81 489, registered in the Commercial Register under file No. B 4308 maintained by the Municipal Court in Prague.

Civil Code means Act No. 89/2012 Coll., the Civil Code, as amended.

Discharge Date means the first date on which all Secured Obligations have been fully discharged and at the same time the deadline for subscription of the Bonds under each relevant Issue has ended and the Issuer is no longer entitled to issue any further Bonds under the Programme.

Insolvency Act means Act No. 182/2006 Coll., on Insolvency and Methods of its Resolution, as amended.

Issue means Issue, as defined under the Joint Terms and Conditions.

Joint Terms and Conditions means the joint terms and conditions of the Bonds, as set out in the Base Prospectus, and as amended from time to time.

Maximum Secured Amount means EUR 300,000,000 (or an equivalent amount in the relevant currency of the Bonds).

Notice means a written notice for the payment of any amount under this Financial Guarantee in the form and content as set out in Schedule 1 (Template of the Notice) of this Financial Guarantee.

Obligations means any and all monetary obligations, whether present or future, actual or contingent, owed by the Issuer (whether owed by the Issuer as an individual debtor or as a joint and several debtor or whether owed by the Issuer as principal or surety or in any other capacity) to the Bondholders (and the Security Agent as the person exercising the rights of a creditor on its own behalf for the benefit of the Bondholders) for the full payment when due of any:

- (a) nominal value of the Bonds;
- (b) interest income accrued on any amounts under and in connection with the Bonds, including any extraordinary interest income or other similar payments;
- (c) default interest accrued in respect of the amounts due but unpaid under and in connection with the Bonds;
- (d) contractual penalties and any other penalty payments agreed under and in connection with, the Bonds;
- (e) costs and expenses incurred by the Security Agent under or in connection with the Bonds, including in connection with the exercise or enforcement of any rights arising under the Terms and Conditions of the Bonds or under applicable laws governing the legal relations arising under the Terms and Conditions of the Bonds (including the costs of arbitration or court proceedings and of enforcement of decisions rendered in such proceedings or enforcement of rights in any insolvency or similar proceedings);
- (f) return of unjust enrichment (*vydání bezdůvodného obohacení*) obtained in connection with the Bonds, including return of unjust enrichment obtained by virtue of, or in connection with, any Bond being invalid, ineffective, unenforceable, void or cancelled (*z titulu neplatnosti, neúčinnosti, nevymahatelnosti, zdánlivosti nebo zrušení*) or compensation for any damage (*škody nebo újmy*) arising in connection therewith.

Secured Obligations means the Obligations arising in the time period between the issuance of this Financial Guarantee until the day falling on the 10th anniversary of the maturity of the Bonds with, at any time, the longest maturity of any Bonds issued under the Programme, owed by the Issuer to the Bondholders or the Security Agent under the Bonds, including in particular the following Obligations:

- (a) Obligations arising under the Bonds for the repayment of the principal amount, together with appurtenances; and
- (b) any other Obligations due but unpaid by the Issuer pursuant to or in connection with the Terms and Conditions, or the Bonds.

Security Agency Agreement means the security agency agreement entered into on or around the date of this Financial Guarantee between, among others, the Security Agent and the Issuer.

Terms and Conditions means the Terms and Conditions, as defined in the Joint Terms and Conditions.

Third Party Right means any (i) pledge (*zástavní právo*), (ii) sub-pledge (*podzástavní právo*), (iii) right of retention (*zadržovací právo*), (iv) encumbrance (*věcné břemeno*), (v) security by way of a conditional or unconditional assignment of a receivable or transfer of a right, (vi) security by way of title retention, negative pledge, prohibition on disposal or similar restrictions in favour of a third party in the form of a right in rem or registered in the relevant registry or public record (*veřejný seznam*); (vii) right to use or retain any funds in bank or other accounts to satisfy any receivable (including the right of set-off against such funds); or (viii) any contractual agreement or other legal act creating a right to preferential satisfaction in bankruptcy, insolvency or similar proceedings or in the enforcement of a judgment.

1.2 Interpretation

- (a) Unless otherwise stated in this Financial Guarantee, any reference to a clause shall be deemed to be a reference to a clause of this Financial Guarantee.

- (b) The headings of clauses and paragraphs are for convenience only and do not affect the interpretation of this Financial Guarantee.
- (c) Unless otherwise stated in this Financial Guarantee, a term that is defined in the Joint Terms and Conditions (or stated therein to be subject to a specific interpretation) has the same meaning (or is subject to the same interpretation) in this Financial Guarantee.

2. Financial Guarantee

2.1 Financial Guarantee

- (a) The Guarantor hereby provides a financial guarantee within the meaning of Section 2029 *et seq.* of the Civil Code in favour of the Security Agent and unconditionally and irrevocably undertakes to pay the Security Agent any amount specified in any Notice. The performance of the Guarantor under this Financial Guarantee is limited to the Maximum Secured Amount.
- (b) The Security Agent may deliver the Notice only if the conditions set out under Conditions 3.7 and 3.8 of the Joint Terms and Conditions are met and upon duly completing the Notice pursuant to paragraph (d) of this Clause 2.1.
- (c) The Security Agent may deliver any number of Notices provided that:
 - (i) the aggregate amount paid by the Guarantor to the Security Agent under all Notices does not exceed the Maximum Secured Amount; and
 - (ii) the amount requested by the Security Agent under the Notice does not exceed the amount of the Secured Obligations due and payable at the time the Security Agent makes the relevant Notice.
- (d) The Notice must meet all the requirements of, and contain all the details listed in, the form of Notice in Schedule 1 (Template of the Notice). A duly completed Notice delivered to the Guarantor before the Discharge Date is sufficient proof of the Security Agent's right to receive performance (*plnění*) under this Financial Guarantee.
- (e) The Guarantor is not entitled to demand the delivery of any other documents or evidence regarding the amount of the Secured Obligations.
- (f) If, in the future, the Security Agent is required to return any performance provided under this Financial Guarantee by which the total amount of this Financial Guarantee has been reduced under paragraphs (a) to (b) of this Clause 2.1 (*Financial Guarantee*), whether in connection with insolvency, the objectionability (*odporovatelnost*) of such performance or otherwise, the Guarantor's obligation to perform under this Financial Guarantee shall continue to exist to the extent as if no reduction had occurred.

2.2 Acceptance of the Financial Guarantee

The Security Agent hereby accepts this Financial Guarantee.

2.3 Immediate recourse

The Security Agent is not, prior to delivering the Notice, obliged to call upon the Issuer or the Guarantor to discharge the Secured Obligations, to provide the Issuer or the Guarantor with any additional period for their discharge, or to enforce any security securing the discharge of the Secured Obligations, or to do any other actions or make any legal acts against the Issuer or the Guarantor.

2.4 Time of performance

The Guarantor is obliged to pay all amounts required in the Notice to the account and in the currency specified by the Security Agent in the Notice within 15 (fifteen) Business Days after receipt of such Notice.

2.5 Irrevocable and independent Financial Guarantee

- (a) This Financial Guarantee is irrevocable and the Guarantor's obligations under this Financial Guarantee may not be modified or cancelled by the Guarantor without the prior written consent of the Security Agent.

- (b) The Guarantor further declares that it is aware that its obligations arising under this Financial Guarantee are absolute and unconditional obligations and their validity, existence or enforceability are not affected by any of the following:
 - (i) the right or ability of the Guarantor to receive compensation for the performance under this Financial Guarantee from the Issuer or any third party;
 - (ii) any rights or obligations of the Guarantor towards the Issuer under any agreement or law;
 - (iii) the Guarantor's knowledge with respect to a breach of the Joint Terms and Conditions;
 - (iv) amendments or supplements to the Base Prospectus, especially the Joint Terms and Conditions;
 - (v) facts affecting the existence, maturity, currency, amount or any other change of the Secured Obligations;
 - (vi) changes in laws relevant to the Joint Terms and Conditions, the Bonds, this Financial Guarantee or the performance and discharge of rights and obligations, respectively, arising thereunder;
 - (vii) other facts that could constitute objections by the Issuer or the Guarantor against the performance of the Secured Obligations; or
 - (viii) the fact that no Third Party Right has been created or released.

2.6 Exercise of objections

- (a) The release, reduction or discharge of the obligations of the Guarantor or the Issuer arising under any other guarantee or security shall not result in the release, reduction or discharge of the obligations of the Guarantor arising from this Financial Guarantee.
- (b) The Guarantor shall not be entitled to raise or assert any objection, exception, right or obligation of any nature against the Security Agent to delay, deny, impair, question or avoid the unconditional and prompt (*bezodkladně*) performance of any of its obligations arising under this Financial Guarantee.
- (c) In particular, the Guarantor is not entitled to raise any objection against the Security Agent that the Issuer could raise against any Bondholder. In particular, the Guarantor shall not be entitled to condition the discharge of this Financial Guarantee on the review of the validity, existence or enforceability of the obligation in question arising under the Bonds, or to require the Security Agent to call upon the Issuer to discharge the Secured Obligations prior to the delivery of the Notice.
- (d) The Guarantor's obligations arising under this Financial Guarantee shall not be affected by any act, omission, situation or circumstance which, but for this Clause 2.6 (*Exercise of Objections*), would result in the release, reduction or other change of the Guarantor's obligations arising under this Financial Guarantee, regardless of whether they are known to the Guarantor or the Security Agent.

2.7 Guarantor recourse right

If the Guarantor acquires any right against the Issuer as a result of the Guarantor's performance under this Financial Guarantee (for the purposes of this Clause, a **Recourse Right**), the Guarantor agrees that the satisfaction of any such Recourse Right shall be subordinated to the full satisfaction of the Secured Obligations and such Recourse Right shall only be satisfied after the Discharge Date and the Guarantor must not until the Discharge Date without the prior written consent of the Security Agent:

- (a) demand or receive any payment from the Issuer for satisfaction of such Recourse Right;
- (b) demand or accept from the Issuer or otherwise allow the existence of any Third Party Right over the assets of the Issuer or any other security the purpose of which is to secure the satisfaction of such Recourse Right;

- (c) assign or otherwise transfer its Recourse Right or any part thereof to a third party and shall not create any Third Party Right over its Recourse Right nor shall otherwise dispose of or encumber such Recourse Right;
- (d) exercise any right of set-off in relation to Recourse Right or any part thereof nor shall set-off (or allow the set-off of) its receivables corresponding to the Recourse Right or any part thereof; and
- (e) take, or permit to be taken, any action or step to commence or continue any proceedings against any the Issuer, or join any such proceedings initiated by another creditor, the purpose of which is to enforce the Recourse Right.

The Guarantor is, however, entitled to exercise its Recourse Rights by way of an application (*příhláška*) in any insolvency proceedings, liquidation or any other similar proceedings of the Issuer, which entitlement does not affect the Guarantor's obligation to disburse any consideration received in the course of such proceedings until the Discharge Date to the Security Agent in accordance with the following paragraph.

The Guarantor shall disburse any performance received from the Issuer by way of Recourse Right in breach of this Clause 2.7 (*Guarantor recourse right*) within 10 (ten) Business Days of receipt thereof to the account specified by the Security Agent.

3. Representations and warranties

The Guarantor makes the representations and warranties set out in this Clause 3 (*Representations and warranties*) to the Security Agent and acknowledges that the Security Agent has accepted this Financial Guarantee in full reliance on those representations and warranties being complete, true and accurate.

3.1 Joint Terms and Conditions and the Security Agency Agreement

The Guarantor is fully aware of the content of the Joint Terms and Conditions, the form of Final Terms and the Security Agency Agreement.

3.2 Status

- (a) The Guarantor is a legal entity duly organised, incorporated and validly existing in accordance with the law of the Republic of Cyprus.
- (b) The Guarantor has all the power and authority to acquire rights and obligations by its own actions or by the actions of its representatives, as is required under applicable laws to issue this Financial Guarantee and perform all obligations arising hereunder.

3.3 Authority

- (a) The Guarantor:
 - (i) is entitled to issue this Financial Guarantee and perform its obligations arising hereunder; and
 - (ii) has obtained all authorisations and consents of the relevant bodies of the Guarantor or third parties to enable it to lawfully issue, and perform its obligations under, this Financial Guarantee and all such authorisations and consents are in full force and effect.
- (b) The relevant bodies of the Guarantor have been duly and timely notified of the intention of the Guarantor to issue this Financial Guarantee (if required by applicable laws or corporate documents of the Guarantor) and no corporate body of the Guarantor has forbidden or restricted the issuance of this Financial Guarantee.

3.4 No conflict

The issuance of this Financial Guarantee, acceptance of the obligations hereunder and their performance by the Guarantor is not in conflict with:

- (a) any law or regulations or any decision of administrative or judicial authorities or other public authority which is binding on it;
- (b) its constitutional or other corporate documents; or

- (c) any agreement, arrangement or other instrument which is binding on it.

3.5 Validity and ranking

This Financial Guarantee constitutes valid obligations of the Guarantor enforceable in accordance with its terms and has been properly executed by a person or persons authorised to act on behalf of the Guarantor or by a duly authorised representative or representatives of the Guarantor.

3.6 Insolvency

- (a) No petition has been filed for its insolvency and it does not intend to file or initiate filing of any such petition.
- (b) No court has declared it to be insolvent or bankrupt nor has resolved on other insolvency petition in respect of it; no reorganisation has been approved or moratorium declared in respect of it.
- (c) It has not commenced any negotiations on any reorganisation, restructuring or other similar plan, it has not prepared any such plan nor has requested any such plan to be prepared or negotiated on its behalf by a third party.
- (d) No bankruptcy or insolvency petition relating to it has been rejected on the grounds of insufficient funds.
- (e) It is not insolvent or in threat of insolvency and does not fulfil the conditions for declaration of insolvency or threatening insolvency within the meaning of Section 3 of the Insolvency Act.
- (f) Neither its general meeting nor any court made a resolution on winding up of the Guarantor with or without liquidation.
- (g) It has not been summoned to make a declaration on its assets nor is aware of any petition to make a declaration on its assets.
- (h) There is no threat of any of the events set out in paragraphs (a) to (g) above.
- (i) No event exists under any law other than the Czech law which would be similar to any event set out in paragraphs (a) to (h) above.

3.7 Choice of law and prorogation

- (a) The choice of Czech law as the law applicable to the relations arising from this Financial Guarantee shall be recognised and enforced in the state to the legal system of which the Guarantor is subject to as of the date of signing this Financial Guarantee.
- (b) Any judgment rendered in connection with this Financial Guarantee shall be recognised and enforceable in the state to whose laws the Guarantor is subject on the date of signing this Financial Guarantee.

3.8 Times when representations are made

- (a) All the representations and warranties in this Clause 3 (*Representations and warranties*) are made by the Guarantor on the date of the issuance of this Financial Guarantee and on each subsequent day until the Discharge Date.
- (b) Each representation or warranty in this Clause 3 (*Representations and warranties*) made after the date of the issuance of this Financial Guarantee shall be made by reference to the facts and circumstances existing at the date such representation or warranty is made.

4. Undertakings of the Guarantor

4.1 Information undertakings

- (a) The Guarantor shall provide the Security Agent without undue delay with all information pertaining to this Financial Guarantee or which is otherwise relevant for the relationship between the Guarantor and the Security Agent under the Terms and Conditions of the Bonds, and in particular shall inform the Security Agent without undue delay of:

- (i) any event due to which the existence of the Financial Guarantee and/or the Security Agent's rights hereunder came or could come under threat or which would or could restrict or prevent the enforcement of the Financial Guarantee; and
 - (ii) any representation set out in Clause 3 (*Representations and warranties*) being untrue, incomplete or misleading.
- (b) The Guarantor shall provide the Security Agent, upon a request by the Security Agent, without undue delay, however not later than 3 (three) Business Days after receiving such a request, all information and documents relating to the Guarantor and/or other matters which are relevant to the relationship between the Guarantor and the Security Agent under this Financial Guarantee as may be required by the Security Agent.
- (c) The Guarantor undertakes to ensure that the Issuer shall provide to the Security Agent the documents and information that the Security Agent may reasonably require to fulfil its obligations under Clause 9.6(b), namely a confirmation duly signed by an authorised signatory of the Issuer (i) evidencing the total nominal amount of the Bonds outstanding under the Programme at the time the Security Agent should enter into an amendment or amendment and restatement of the Financial Guarantee under Clause 9.6(b) and (ii) containing information on the proposed maximum nominal amount of the Issue following the entry into that amendment or amendment and restatement of the Financial Guarantee by the Security Agent.
- (d) The Guarantor undertakes to ensure that the Issuer shall provide to the Security Agent at its own expense and without undue delay following the settlement of the Issue referred to in Clause 4.1(c) with an extract from the register of such Issue (*výpis emise*) maintained by the Central Depository (which may, in the case of an Issue in respect of which the Security Agent does not act as the fiscal and paying agent, be anonymised as to not show the identity of the respective holders of the Bonds forming such Issue).

4.2 Assistance

- (a) The Guarantor shall provide the Security Agent with all the assistance necessary for the creation, existence, maintenance, and enforcement of this Financial Guarantee.
- (b) The Guarantor shall refrain from anything that might be detrimental to the Financial Guarantee or the Security Agent's rights hereunder, and shall not take or permit other person to take any action that could endanger the existence or enforceability of the Financial Guarantee.

5. Payments

5.1 Payments to Security Agent

On each date on which the Guarantor is required to make a payment under this Financial Guarantee, the Guarantor shall make the same available to the Security Agent for value on the due date to the account (or accounts) specified for such purposes by the Security Agent.

5.2 Set-off

The Guarantor must not set-off any of its receivables against any receivable of the Security Agent hereunder. All payments to be made by the Guarantor under this Financial Guarantee shall be calculated and be made without (and free and clear of any deduction for) set off or counterclaim. The Guarantor shall not be entitled to claim against the Security Agent any objection which could be otherwise claimed against the Security Agent by the Issuer.

5.3 Gross-up

All payments to be made by the Guarantor under this Financial Guarantee shall be calculated and be made free and clear of any deduction. If a deduction is required by law or otherwise to be made by the Guarantor from any payment hereunder, the amount of that payment due from the Guarantor hereunder shall be increased to an amount which (after making any deduction) leaves an amount equal to the payment which would have been due if no deduction had been required.

5.4 Use of proceeds

All proceeds received by the Security Agent hereunder shall be used in accordance with the relevant provisions of the Terms and Conditions, the Security Agency Agreement and the Bonds Act.

6. Further assurance

The Guarantor shall from time to time and at its own expense, give such assurances and do all such things as the Security Agent may at its discretion require or consider desirable to enable the perfection, preservation and/or protection of the Financial Guarantee or exercise of any of the rights conferred on the Security Agent by this Financial Guarantee or applicable laws (including cases when the Security Agent considers such actions or legal acts appropriate due to changes in the relevant laws or their interpretation).

7. Force and effect

This Financial Guarantee shall enter into force and effect upon its execution by both Parties and, unless herein provided otherwise, shall remain in full force and effect until the Discharge Date.

8. Indemnity, expenses and reimbursement

8.1 Indemnity

The Guarantor shall indemnify the Security Agent from and against any and all damages, liabilities, costs, claims, losses and expenses (including legal fees) which may be incurred by the Security Agent as a result of this Financial Guarantee or as a consequence of anything done or omitted in the exercise or purported exercise of the powers of the Guarantor contained in this Financial Guarantee. To the fullest extent permitted by law, the indemnity provided in this Clause 8.1 (*Indemnity*) shall survive the termination of this Financial Guarantee.

8.2 Costs and expenses

The Guarantor shall pay to, and eventually reimburse, the Security Agent all expenses, costs and other amounts arising in connection with the establishment, creation, effectiveness and/or enforcement of the Financial Guarantee, or in connection with the execution and maintaining in force and effect of this Financial Guarantee.

9. Miscellaneous

9.1 Security Agent may perform

If the Guarantor fails to perform any of its obligations under this Financial Guarantee, the Security Agent may, but shall not be obliged to, perform to the fullest extent permitted by applicable law, or cause the performance of, such obligations, and the expenses of the Security Agent incurred in connection therewith shall be borne by the Guarantor.

9.2 Waiver of immunity

If in any jurisdiction the Guarantor may claim immunity for itself or its property in any litigation, execution or sequestration proceeding or other legal process (whether as an initial stage of execution prior to judgment or otherwise) in respect of its obligations under this Financial Guarantee or if such immunity may be granted to it or its property in any jurisdiction (whether or not claimed), the Guarantor irrevocably agrees not to claim such immunity and, to the fullest extent permissible by law, waives such immunity.

9.3 Causing third party to perform

If under this Financial Guarantee the Guarantor is obliged to “cause” a third party to provide performance to the Security Agent (or similarly is obliged to “procure” or “ensure” that a third party shall perform or shall refrain from any action), such arrangement shall be interpreted to mean that based on same, the Guarantor undertakes that the third party shall fulfil whatever was agreed within the meaning of the second sentence of Section 1769 of the Civil Code, and the Guarantor shall compensate the Security Agent for any damage incurred by it in the absence of fulfilment.

9.4 Severability

If at any time any provision of this Financial Guarantee is or becomes void, illegal, invalid, ineffective or unenforceable in any respect, it shall not affect the validity, effectiveness and enforceability of the remaining provisions of this Financial Guarantee. The Parties agree that in such a case the Guarantor shall, upon request of the Security Agent and within 30 (thirty) Business Days after receipt of such request, enter into an amendment to this Financial Guarantee (in the form and substance satisfactory to the Security Agent), upon which such void, illegal, invalid, ineffective or unenforceable provision of this Financial Guarantee shall be replaced by incorporation of a provision which best achieves the commercial effect that the Parties intended thereby, and is valid, effective and enforceable.

9.5 No waiver

No failure to exercise, or any delay in exercising, on the part of the Security Agent, any right under this Financial Guarantee shall operate as a waiver, nor shall any single or partial exercise of any right prevent any further or other exercise or the exercise of any other right.

9.6 Amendments

- (a) This Financial Guarantee may only be amended by means of written amendments.
- (b) The Security Agent shall, in accordance with the Security Agency Agreement, provide the Guarantor with any assistance it requires to increase the Maximum Secured Amount and shall, to that effect, within seven (7) Business Days of receiving the Guarantor's request, enter into any amendment or amendment and restatement of this Financial Guarantee reasonably required by the Guarantor, provided that the Guarantor's request shall contain a draft of such amendment or amendment and restatement and the documents and information set out in Clause 4.1(c) and that such amendment or amendment and restatement has the effect of increasing the Maximum Secured Amount in accordance with the Terms and Conditions.

9.7 Continuing security

The Parties expressly confirm that they intend that the existence of the Financial Guarantee shall not be affected by any amendment, variation, extension or addition of or to any of the Base Prospectus, the Terms and Conditions of the Bonds or any other related document and the Financial Guarantee shall secure any and all Secured Obligations arising under the Bonds as so amended, varied, extended or supplemented.

9.8 Cumulative rights

The Security Agent's rights hereunder shall be cumulative with respect to any and all further security provided to secure the Secured Obligations or any of them. The Security Agent may resort to any security, whether existing now or in the future, in order to satisfy such obligations in such ratios and order, as the Security Agent upon its discretion may deem appropriate. The provisions hereof shall not be prejudicial to the Security Agent's right to seek additional security, or the Guarantor's obligations to provide additional security, under applicable laws. The rights and obligations of the Security Agent under this Financial Guarantee can be enforced cumulatively and are not prejudicial to any other rights and remedies given to the Security Agent under applicable laws.

9.9 Exclusion of certain provisions of Civil Code

- (a) The Parties agree that (to the fullest extent permitted by the laws of the Czech Republic) the following Sections of the Civil Code shall be excluded for the purposes of this Financial Guarantee: 558(2) (to the extent to which it stipulates that business practice prevails over non-mandatory provision of law), 1740(3), 1747, 1748, 1799, 1800, 1936(1), 1950, 1951, 1952(2), 1978(2), 1980, 1987(2), 1995(2) and 2015(1).
- (b) The Guarantor shall bear the risk of a change of circumstances within the meaning of Section 1765(2) of the Civil Code.
- (c) The Guarantor is not entitled to terminate this Financial Guarantee pursuant to Section 2000(1) of the Civil Code.

10. Notices

10.1 Communications in writing

Any communication between the Parties to be made under or in connection with this Financial Guarantee shall be made in writing and, unless otherwise stated, may be made by e-mail or letter.

10.2 Addresses

The address and e-mail addresses (and the department or officer, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Financial Guarantee is that identified with its name below or any substitute address, e-mail address (and the department or officer for whose attention the communication is to be made) as that Party may notify to the Party by not less than 5 (five) Business Days in advance.

- (a) If to the Guarantor:

Dr.Max Group Holdings PLC

Address: C & I Center Building, 2nd Floor, Agias Fylaxeos & Polygnostou,
212 C&I CENTER BUILDING, 3082 Limassol, the Republic of Cyprus

Attention: Michal Vrzgula, Marek Peterčák

E-mail: vrzgula@pentainvestments.com, petercak@pentainvestments.com

- (b) If to the Security Agent:

UniCredit Bank Czech Republic and Slovakia, a.s.

Address: Želetavská 1525/1, Michle, 140 92 Prague 4, the Czech Republic

K Attention: Roman Šťastný, Vilém Antas

E-mail: dcm@unicreditgroup.cz

10.3 Delivery

- (a) Any communication or document made or delivered by one Party to another under or in connection with this Financial Guarantee will only be considered as delivered:
- (i) if delivered by email, at the time of confirmation of delivery of the relevant email message to the recipient's server and receipt of such email by the recipient in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address.
- (b) Any communication or document to be delivered to the Security Agent will be considered as delivered only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's name in Clause 10.2 (*Addresses*) (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document to be made or delivered to the Guarantor will also be deemed delivered as of the third Business Day after it has been sent using provider of postal services.

10.4 Language

- (a) Any notice given under or in connection with this Financial Guarantee must be in English.
- (b) All other documents provided under or in connection with this Financial Guarantee must be:
- (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified Czech or English translation and, in this case, the Czech or English translation shall prevail unless that document has been made in another language under the mandatory provisions of the relevant laws.

11. Transfer and assignment

11.1 No transfer and assignment by Guarantor

The Guarantor may not assign or transfer this Financial Guarantee, or any part thereof or any individual obligations or any individual rights arising therefrom.

11.2 Transfer and assignment by Security Agent

- (a) If a change of a security agent occurs in accordance with the Joint Terms and Conditions, all rights and obligations of the Security Agent as a security agent (the **Existing Security Agent**) shall pass in full to the new security agent (the **Transferee**) which has replaced the Existing Security Agent as a security agent, unless the Security Agency Agreement provides otherwise.
- (b) As of the moment change according to paragraph (a) above becomes effective, the Existing Security Agent shall be fully relieved from its obligations under this Financial Guarantee to the extent such obligations were assigned or transferred to, or assumed by, the Transferee, or from its obligations which arise from this Financial Guarantee or its part so assigned to the Transferee, and the Existing Security Agent shall not guarantee nor be otherwise responsible for the fulfilment of those obligations, nor be liable for their potential infringement. Section 1899 of Civil Code shall not apply for such assignment or transfer.

12. Counterparts

This Financial Guarantee has been executed in 2 (two) counterparts. Each Party shall obtain 1 (one) counterpart. The Parties acknowledge that a copy of this Financial Guarantee shall be inserted into the Base Prospectus and shall be available for inspection under the conditions set out in the Base Prospectus.

13. Governing law and enforcement

13.1 Governing law

This Financial Guarantee and any non-contractual obligations arising hereunder are governed by the laws of the Czech Republic.

13.2 Jurisdiction of Czech courts

The courts of Prague 1 in the Czech Republic have local jurisdiction to settle any dispute arising under or in connection with this Financial Guarantee (including a dispute relating to the existence, validity or termination of this Financial Guarantee or any non-contractual obligation arising hereunder) unless the mandatory rules of the applicable laws provide otherwise.

<signature page follows>

In witness whereof, the Parties have executed this Financial Guarantee as of the day and year first above written.

Dr.Max Group Holdings PLC

As Guarantor

By: _____

Name:

Title:

Penta Investments Cyprus Limited
Director
represented by Michal Vrzgula
Director

UniCredit Bank Czech Republic and Slovakia, a.s.
as Security Agent

By: _____

Name:

Roman Šťastný

Title:

Debt Capital Markets

By: _____

Name:

Vilém Antas
Debt Capital Markets

Title:

Schedule 1
Template of the Notice

To: **Dr.Max Group Holdings PLC** (formerly Glebi Holdings PLC) a company incorporated and existing under Cypriot law, with its registered office at Agias Fylaxeos & Polygnostou, 212 C&I CENTER BUILDING, 2nd Floor, 3082 Limassol, Cyprus, Reg. No. HE 217028 (the **Guarantor**)

From: **UniCredit Bank Czech Republic and Slovakia, a.s.**, with its registered office at Želetavská 1525/1, Michle, 140 92 Prague 4, Czech Republic, Identification No. 64948242, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B 3608 (the **Security Agent**)

We refer to the financial guarantee issued by you on _____ 2025 in our favour (the **Financial Guarantee**). This document represents the Notice as defined in the Financial Guarantee.

Unless otherwise specified herein, a term that is defined in the Financial Guarantee (or that is stated therein to be subject to special interpretation) shall have the same meaning (or be subject to the same interpretation) in this Notice.

In accordance with Condition 3.7 (*Acceleration*) of the Joint Terms and Conditions, the Security Agent has decided that all liabilities arising under the Bonds, including any unpaid accrued interest or other yield on these become due and payable as a result of [the occurrence of an Event of Default under Condition [____] of the Joint Terms and Conditions]/[a decision of the Meeting to that effect].

In accordance with Condition 3.8 (*Enforcement of the Security and Other Decisions*) of the Joint Terms and Conditions, [the Security Agent decided on [____] on the enforcement of the rights arising under the Financial Guarantee]/[the Meeting of the Bondholders held on [____] in [____] decided on the enforcement of the rights arising under the Financial Guarantee].

In accordance with Clause 2.1 (*Financial Guarantee*) of the Financial Guarantee, you are hereby required to pay the sum of [CZK] [____].

Please pay the amount within 15 (fifteen) Business Days to the account specified below:

- Account No.: [____]
- IBAN: [____]
- SWIFT: [____]
- Bank: [____]
- Account owner: [____]

Yours sincerely,

UniCredit Bank Czech Republic and Slovakia, a.s.

as Security Agent

By: _____

Name:

Title:

By: _____

Name:

Title:

USE OF PROCEEDS

Unless otherwise specified in the relevant Pricing Supplement, the Issuer plans to use the net proceeds from the Issues under this Programme to further develop the Group's business activities. For this purpose, the Issuer expects to provide the amount of the net proceeds to the Guarantor through intra-group loan or borrowing, whereas such amounts may be provided to the Guarantor's shareholders.

RESPONSIBILITY STATEMENT

The person responsible for the accuracy and completeness of the information contained in the Base Prospectus is the Issuer, Dr. Max Funding CR, s.r.o., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic, ID No.: 197 17 890, LEI: 315700WQ3QAGA2CBZR72, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 390578. The Issuer declares that, to the best of its knowledge, the information contained in the Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

In Prague as of the date of this Base Prospectus

Signature: 
Name: DANA KLUCĀKOVÁ
Position: Executive Director

Signature: 
Name: ZADISLAV TURANÝ
Position: Executive Director

SELECTED FINANCIAL INFORMATION

Unless otherwise stated, the following data sets out selected financial information relating to the Issuer for the years ended 31 December 2024 and 31 December 2023, taken from the financial statements of the Issuer, and relating to the Group for the years ended 31 December 2024 and 31 December 2023, taken from the consolidated financial statements of the Guarantor. The information below should be read in conjunction with the information contained in the relevant financial statements incorporated by reference in this Base Prospectus.

Statement of comprehensive income of the Issuer

	For the year ending 31 December	
	2024	2023
	(in CZK thousands)	
Service costs.....	(1,714)	(400)
Other operating expenses	(56)	(11)
Operating loss	(1,770)	(411)
Finance income	445,092	13,253
Finance expenses.....	(436,508)	(13,003)
Other net finance expenses.....	(151)	(76)
Net finance income	8,433	174
Profit / (loss) for the period before tax.	6,663	(237)
Income tax (expense) / income	(1,453)	-
Profit / (loss) for the period after tax	5,210	(237)
Total comprehensive income for the period	5,210	(237)
Total comprehensive income attributable to:		
Owners of the parent company		
<i>profit / (loss) for the period from continuing</i>		
<i>operations</i>	5,210	(237)
Non-controlling interests		
<i>profit / (loss) for the period from continuing</i>		
<i>operations</i>	-	-

Statement of financial position of the Issuer

	31 December	
	2024	2023
	(in CZK thousands)	
ASSETS		
Non-current assets		
Financial instruments and other financial assets	6,250,000	5,000,000
<i>of which principal of loan to the parent company</i>	6,250,000	5,000,000
<i>of which other receivables</i>	-	-
Total non-current assets	6,250,000	5,000,000
Current assets		
Cash and cash equivalents.....	1,079	4,254
Financial instruments and other financial assets	24,595	13,253
<i>interest of loan to the parent company</i>	24,595	13,253

	31 December	
	2024	2023
	<i>(in CZK thousands)</i>	
Trade and other receivables	14,411	129,100
of which receivables from the parent company.....	14,290	128,675
of which other receivables	121	425
Total current assets	40,085	146,607
TOTAL ASSETS.....	6,290,085	5,146,607
EQUITY AND LIABILITIES		
Equity		
Share capital.....	20	20
Retained earnings (loss) and total comprehensive income (loss) for the period	4,973	(237)
Total equity.....	4,993	(217)
Non-current liabilities		
Financial instruments and other financial liabilities...	6,250,059	5,005,996
of which issued bonds	6,246,928	5,000,000
of which liabilities to the parent company	3,131	5,996
Total non-current liabilities	6,250,059	5,005,996
Current liabilities		
Financial instruments and other financial liabilities...	23,189	12,986
of which issued bonds	23,189	12,986
of which liabilities to the parent company	-	-
Trade and other liabilities.....	10,391	127,842
Tax liabilities	1,453	-
Total current liabilities	35,033	140,828
Total liabilities	6,285,092	5,146,824
Total equity and liabilities	6,290,085	5,146,607

Statement of cash flows of the Issuer

	For the year ending 31 December	
	2024	2023
	(in CZK thousands)	
Cash flows from operating activities		
<i>Profit / (loss) for the period after tax</i>	5,210	(237)
<i>Income tax expense / (income)</i>	1,453	-
<i>Finance (income) and expenses</i>	(8,584)	(250)
Operating cash outflows before working capital changes	(1,921)	(487)
<i>(Increase) / decrease in trade and other receivables</i>	114,689	(129,100)
<i>(Increase) / decrease in trade and other liabilities</i>	(121,336)	127,842
Net cash outflows from operating activities	(8,568)	(1,745)
Cash flows from investing activities		
<i>Loans provided to the parent company</i>	(1,250,000)	(5,000,000)
<i>Received interest from a loan provided to the parent company</i>	433,750	-
Net cash outflows from investing activities	(816,250)	(5,000,000)
Cash flows from financing activities		
<i>Proceeds from bonds issue</i>	1,250,000	5,000,000
<i>Paid interest on bonds</i>	(425,000)	-
<i>Repayment of a loan provided by the parent company .</i>	(3,357)	-
<i>Loans provided by the parent company</i>	-	5,979
Net cash inflows from financing activities	821,643	5,005,979
Net increase/ (decrease) in cash and cash equivalents	(3,175)	4,234
Cash and cash equivalents at beginning of the period	4,254	20
Cash and cash equivalents at end of the period	1,079	4,254

Consolidated statement of profit or loss and other comprehensive income of the Guarantor

	For the year ending 31 December	
	2024	2023 (adjusted)*
	(in EUR thousands)	
Continuing operations		
Revenues from contracts with customers.....	4,897,579	4,216,827 ⁷
Goods for resale and direct costs	(3,630,853)	(3,131,375)
Gross margin	1,266,726	1,085,452
Other operating income.....	8,078	8,379 ⁸
Personnel costs.....	(583,641)	(508,643)
Received services and other operating expenses.....	(284,524)	(255,702)
Impairment losses of financial assets	(1,159)	(1,838)
Reversal, (addition) and usage of provisions	517	(1,156)
Other losses	(4,584)	(3,606) ⁹
Operating profit before depreciation & amortisation and impairment (“EBITDA”)**	401,413	323,886
Depreciation and amortisation	(166,634)	(142,196)
Impairment losses of non-financial assets.....	(7,670)	(485)
Operating profit*	227,109	180,205
Investing profit.....	78,123	47,364 ¹⁰
Profit before financing and taxes*	305,232	227,569
Financing loss	(152,793)	(109,430) ¹¹
Profit before tax	152,439	118,139
Income tax expense.....	(55,407)	(27,896)
Profit after tax	97,032	90,243
Profit for the period	97,032	90,243
Attributable to:		
Owners of the parent Company.....	97,032	90,243
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign exchange translation losses	(3,156)	(11,728)
Losses on cash flow hedges	(15,044)	(26,606)

⁷ Adjusted figure. The original figure amounted to EUR 4,225,206 thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

⁸ Newly added line item. Originally part of the line item “Revenues from contracts with customers” (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

⁹ Adjusted figure. The original figure amounted to EUR (3,481) thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

¹⁰ Newly added line item. Originally part of the line items “Finance income” and “Other losses” (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

¹¹ Adjusted figure. The original figure amounted to EUR (62,191) thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

For the year ending 31 December		
	2024	2023 (adjusted)*
	(in EUR thousands)	
<i>Items that may not be reclassified subsequently to profit or loss</i>		
Remeasurement of defined benefit obligation.....	14	(10)
Other comprehensive expense for the year, net of tax	(18,186)	(38,344)
Total comprehensive income for the year	78,846	51,899
Attributable to:		
Owners of the parent Company.....	78,846	51,899

* The data presented for the year ending 31 December 2023 are taken as comparatives from the consolidated financial statements of the Guarantor for the year ending 31 December 2024. New financial statement lines “Other operating income” and “Investing profit / (loss)” are presented as at 31 December 2024 as the Group believes that it provides more relevant information to the users of its consolidated financial statements.

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 and joint ventures.

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. For more information, please see footnotes in relation to each relevant line item and the consolidated financial statements of the Guarantor for the year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements.

** The Group has disclosed Operating profit before depreciation & amortisation and impairment (EBITDA), “Operating profit” and “Profit before financing and taxes” because management believes that these measures are relevant to an understanding of the Group’s financial performance.

Consolidated statement of financial position of the Guarantor

	31 December	
	2024	2023
	(in EUR thousands)	
ASSETS		
Goodwill	684,994	660,627
Intangible assets	228,446	212,759
Property, plant and equipment	235,838	202,303
Right-of-use assets	680,219	637,369
Loans provided.....	1,429,793	1,137,132
Other financial assets	221	4,726
Trade and other receivables	18,759	13,182
Derivative financial assets.....	-	3,503
Deferred tax assets	29,982	25,315
Total non-current assets	3,308,252	2,896,916
Loans provided.....	126,818	70,190
Other financial assets	16,689	200
Trade and other receivables	767,664	746,443
Derivative financial assets.....	6,005	15,207
Current tax assets	4,433	6,056
Inventories.....	694,597	573,339
Cash and cash equivalents.....	237,286	226,933
Assets held for sale	187	510
Total current assets	1,853,679	1,638,878
TOTAL ASSETS.....	5,161,931	4,535,794
EQUITY AND LIABILITIES		
Share capital.....	30	30
Share premium	540,110	540,110
Reserves	(66,637)	(48,451)
Accumulated losses.....	(30,797)	(125,745)
Equity attributable to owners of the Company	442,706	365,944
Total equity.....	442,706	365,944
Interest bearing loans and borrowings	2,293,260	1,639,556
Provisions.....	453	385
Employee benefit obligations.....	16,020	16,275
Deferred tax liabilities.....	12,355	17,499
Other financial liabilities	6,390	2,259
Derivative financial liabilities	6,664	814
Lease liabilities	597,778	556,097
Creditors and accruals.....	841	8,505
Total non-current liabilities	2,933,761	2,241,390

	31 December	
	2024	2023
	<i>(in EUR thousands)</i>	
Interest bearing loans and borrowings	136,693	440,712
Provisions.....	4,223	4,971
Employee benefit obligations.....	99,091	84,199
Other financial liabilities.....	-	4,750
Derivative financial liabilities	885	3,918
Current tax liabilities.....	19,256	9,796
Lease liabilities	88,560	77,340
Creditors and accruals	1,436,756	1,302,774
Total current liabilities	1,785,464	1,928,460
Total liabilities	4,719,225	4,169,850
Total equity and liabilities	5,161,931	4,535,794

Consolidated statement of cash flows of the Guarantor

	For the year ending 31 December	
	2024	2023 (adjusted)*
	<i>(in EUR thousands)</i>	
Operating profit ¹²	227,109	180,205
<i>Adjustments for:</i>		
Depreciation and amortisation	166,634	142,196
Impairment losses of non-financial fixed assets.....	7,670	485
Impairment losses of financial assets	1,159	1,838
Impairment losses of inventory	4,831	2,362
Profit on disposal of fixed assets.....	(1,187)	(605)
Gain on disposal of inventory	(201)	(369)
Change in fair value of financial liabilities at FVTPL ..	6,052	4,660
Increase / (decrease) in provisions	(517)	1,156
Foreign exchange gains.....	(9,433)	(12,664) ¹³
Other movements	5,541	(2,836) ¹⁴
Operating cash flows before working capital changes	407,658	316,428
Increase in inventories	(122,839)	(73,821)
(Increase) / decrease in trade and other receivables	(25,666)	14,885
Increase in creditors, accruals and employee benefit obligations.....	143,950	95,125
Cash generated from operations	403,103	352,617
Tax paid	(49,575)	(32,709)
Net cash inflows from operating activities	353,528	319,908
<i>Investing activities</i>		
Purchase of property, plant and equipment.....	(83,653)	(77,253)
Proceeds from sale of property plant and equipment	4,846	3,361
Purchase of intangible assets.....	(46,094)	(36,188)
Proceeds from sale of intangible assets.....	459	95
Prepayments related to right-of-use assets	(2,145)	(10,942)
Payments to acquire subsidiaries, net of cash acquired.	(50,006)	(121,778)
Proceeds from sale of assets held for sale	323	1,366
Payments for acquisition of financial investments.....	(13,239)	(4,508)
Loans provided.....	(903,560)	(424,193)
Repayment of loans provided.....	553,033	325,837
Interest income received	79,360	43,193
Net cash outflows from investing activities	(460,676)	(301,010)

¹² Based on the new presentation in the consolidated financial statement for the year ended 31 December 2024, the Guarantor decided to set Operating profit as the starting point for the consolidated statement of cash flows (for more information refer to note 5 of the Guarantor's consolidated financial statements for the financial year ending 31 December 2024).

¹³ Adjusted figure. The original figure amounted to EUR (17,510) thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

¹⁴ Adjusted figure. The original figure amounted to EUR (2,961) thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

For the year ending 31 December		
	2024	2023 (adjusted)*
	(in EUR thousands)	
Financing activities		
Proceeds from borrowings and other financial liabilities.....	473,178	361,114
Proceeds from corporate bonds.....	154,101	265,000
Repayment of borrowings and other financial liabilities.....	(204,175)	(338,893)
Repayment of corporate bonds.....	(92,496)	(84,553)
Interest expense paid.....	(108,309)	(77,701)
Net proceeds from settlement of derivatives.....	14,093	16,105
Repayments of lease liability.....	(84,744)	(75,694)
Lease interest expense paid.....	(31,739)	(26,322)
Net cash inflows/ (outflows) from financing activities	119,909	39,056
Net increase in cash and cash equivalents.....	12,761	57,954
Effect of exchange rate changes on cash and cash equivalents	(2,408)	(3,118)
Cash and cash equivalents at beginning of the year.	226,933	172,097
Cash and cash equivalents at the end of the year	237,286	226,933

* The data presented for the year ending 31 December 2023 are taken as comparatives from the consolidated financial statements of the Guarantor for the year ending 31 December 2024. Based on new presentation in consolidated statement of profit or loss and other comprehensive income, the Group took the decision to set the operating profit as starting point of consolidated statement of cash flows. Operating profit is used as starting point as the Group believes that it increases understandability and provides more relevant information to the users of consolidated financial statements. Instead of starting from profit before tax and adjusting it by investing profit and financing loss, these non-cash items are now excluded from consolidated statement of cash flows with the starting point being the operating profit.

Accordingly, the new presentations in consolidated statement of profit or loss and other comprehensive income described above resulted in following changes in new presentation of the Consolidated statement of cash flows: Other movements were increased by investing income in the amount of EUR 125 thousand, and foreign exchange losses in the amount of EUR 1,159 thousand not related to operating activities were excluded from Consolidated statement of cash flows.

For more information, please see footnotes in relation to each relevant line item and the consolidated financial statements of the Guarantor for the year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements.

Alternative performance measures

This Base Prospectus contains selected financial data and indicators that are not calculated in accordance with IFRS and are considered alternative performance measures as defined in the “ESMA General Guidelines – Alternative Performance Measures” issued by the European Securities and Markets Authority and valid from 5 October 2015. Specifically, these are the following measures: EBITDA, EBITDA Margin, CAPEX, Financial Indebtedness, Net Indebtedness, Adjusted EBITDA and Net Debt Ratio (each as defined below) (collectively referred to as **Alternative Performance Measures**).

Alternative Performance Measures are sometimes used by investors to evaluate the efficiency of a company’s operations and its ability to use its earnings to repay debt, cover capital expenditures and satisfy working capital

requirements. Alternative Performance Measures have their limitations as analytical tools, whereas investors should not consider them in isolation or use them as a substitute for analysis of the results presented in the Guarantor's financial statements. Investors should not place undue reliance on Alternative Performance Measures.

EBITDA and EBITDA Margin

EBITDA represents profit (loss) for the period before income tax, finance income (expenses), depreciation and amortisation and impairment reversal and (losses) of non-financial assets (**EBITDA**).

EBITDA Margin represents revenue from contracts with customers divided by EBITDA (as defined above and reconciled below) (**EBITDA Margin**).

The Guarantor presents EBITDA and EBITDA margin because they provide investors with relevant information about how the management of the Group consistently assesses the operating performance of the Group over time.

The following table provides a reconciliation of the Group's EBITDA and EBITDA margin for the years ended 31 December 2024 and 31 December 2023.

	Year ended 31 December	
	2024	2023 (adjusted)*
	<i>(in EUR thousands)</i>	
Profit for the period	97,032	90,243
<i>plus income tax expense</i>	(55,407)	(27,896)
<i>plus financing loss</i>	(152,793)	(109,430) ¹⁵
<i>less investing profit</i>	78,123	47,364 ¹⁶
<i>plus impairment losses of non-financial assets</i>	(7,670)	(485)
<i>plus depreciation and amortisation</i>	(166,634)	(142,196)
EBITDA	401,413	322,886¹⁷
 Revenues from contracts with customers	 4,897,579	 4,216,827 ¹⁸
EBITDA	401,413	322,886¹⁷
EBITDA margin	8.2%	7.7%

* The data presented for the year ending 31 December 2023 are taken as comparatives from the consolidated financial statements of the Guarantor for the year ending 31 December 2024. New financial statement lines "Other operating income" and "Investing profit / (loss)" are presented as at 31 December 2024 as the Group believes that it provides more relevant information to the users of its consolidated financial statements.

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 and joint ventures.

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)

¹⁵ Adjusted figure. The original figure amounted to EUR (62,191) thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

¹⁶ Newly added line item. Originally a part of the line items "Finance income" and "Other losses" (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

¹⁷ Adjusted figure. The original figure amounted to EUR 323,011 thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

¹⁸ Adjusted figure. The original figure amounted to EUR 4,225,206 thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

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. For more information, please see footnotes in relation to each relevant line item and the consolidated financial statements of the Guarantor for the year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements.

CAPEX

The Group's capital expenditures (CAPEX) represent expenditures for the purchase of property, plant and equipment, for the purchase of intangible assets, for payments to acquire subsidiaries, net of cash acquired, and for payments for acquisition of financial investments as reported in the consolidated statement of cash flows in the Guarantor's financial statements (CAPEX).

The Guarantor presents CAPEX because it provides investors with relevant information about the capital expenditure of the Group.

The following table provides a reconciliation of the CAPEX of the Group for the years ended 31 December 2024 and 31 December 2023.

	Year ending 31 December	
	2024	2023
	(in EUR thousands)	
Purchase of property, plant and equipment	(83,653)	(77,253)
Purchase of intangible assets	(46,094)	(36,188)
Subtotal	(129,747)	(113,441)
Payments to acquire subsidiaries, net of cash acquired	(50,006)	(121,778)
Payments for acquisition of financial investments	(13,239)	(4,508)
Subtotal	(63,245)	(126,286)
CAPEX	(192,992)	(239,727)

Financial Indebtedness, Net Indebtedness, Adjusted EBITDA and Net Debt Ratio

The Guarantor presents the Alternative Performance Measures Financial Indebtedness, Net Indebtedness, Adjusted EBITDA and Net Debt Ratio (as such terms are defined in the Joint Terms and Conditions) as they provide investors with relevant historical information about the calculations of the financial covenants contained in the Joint Terms and Conditions.

As the calculations of these Alternative Performance Measures are very specifically set in relation to the fulfilment of the financial covenants set out in the Joint Terms and Conditions, it is not possible to reconcile all the data contained in the calculations of these Alternative Performance Measures to the items set out in the Guarantor's financial statements, as they have been drawn from the Guarantor's accounting records. These items are marked with an asterisk in the calculations below. Items listed in the Guarantor's financial statements that do not enter into the calculation of these Alternative Performance Measures are then underlined in the calculations below.

The following table presents the calculation and reconciliation of the Financial Indebtedness, Net Indebtedness, Adjusted EBITDA and Net Debt Ratio for the years ended 31 December 2024 and 31 December 2023.

	Year ending 31 December	
	2024	2023
	(in EUR thousands)	
<u>Interest-bearing loans and borrowings (non-current, current)</u>	2,429,953	2,080,268
- of which loans from related parties (1)	752,638	585,858
- of which loans from banks or other financial institutions (2)	1,099,857	975,179
- of which bond issues (2)	577,458	519,231
Promissory notes* (2)	-	-

	Year ending 31 December	
	2024	2023
Redeemable shares (2)	5	5
Regression factoring* (2)	-	-
<u>Lease liabilities (non-current, current)*</u>	686,338	633,437
- of which financial leasing (according to IAS 17)* (2)	23,096	21,049
- of which other leasing liabilities*	663,242	612,388
Derivatives (2)	677	(17,133)
Guarantees, stand-by letters of credit, documentary letters of credit* (2)	-	-
Deferred contracts* (2)	-	-
Leaseback* (2)	-	-
Other debt* (2)	-	-
Financial Indebtedness	1,701,093	1,498,331
less Cash and cash equivalents	237,286	226,933
Net Indebtedness	1,463,807	1,271,398

⁽¹⁾ These are subordinated loans

⁽²⁾ This item is used in the calculation of Financial Indebtedness

The following table presents the calculation and reconciliation of Adjusted EBITDA for the years ended 31 December 2024 and 31 December 2023.

	Year ending 31 December	
	2024	2023
		(adjusted)**
	<i>(in EUR thousands)</i>	
Operating profit	227,109	180,205
less Conversion from IFRS 16 to IAS 17*	(22,123)	(18,012) ¹⁹
plus Depreciation, amortisation or impairment of assets*	80,112	60,035
less Exceptional items	3,616	726 ²⁰
Increased / (decrease) by creation (release) of Long-term incentives*	7,862	6,348
less Profit / (loss) attributable to minority interests	-	-
less Profit / (loss) of entities outside the group*	-	-
less Unrealised gains / (losses) on derivative instruments*	(2,236)	3,250
less Overvaluation / (undervaluation) of assets*	3,162	-
plus Severance payment or bonuses to departing management	-	-
less Joint Venture results*	-	-
less Other*	-	-
Adjusted EBITDA	297,502	232,552²¹

** The data presented for the year ending 31 December 2023 are taken as comparatives from the consolidated financial statements of the Guarantor for the year ending 31 December 2024. New financial statement lines "Other operating income" and "Investing profit / (loss)" are presented as at 31 December 2024 as the Group believes that it provides more relevant information to the users of its consolidated financial statements.

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 and joint ventures.

¹⁹ Adjusted figure. The original figure amounted to EUR (17,756) thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

²⁰ Adjusted figure. The original figure amounted to EUR 597 thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

²¹ Adjusted figure. The original figure amounted to EUR 232,679 thousand (for more information see the consolidated financial statements of the Guarantor for the financial year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements).

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. For more information, please see footnotes in relation to each relevant line item and the consolidated financial statements of the Guarantor for the year ending 31 December 2024, especially chapter 5 Changes in material accounting policies, presentation and restatements.

The following table presents the calculation of the Net Debt Ratio for the years ended 31 December 2024 and 31 December 2023.

	Year ending 31 December	
	2024	2023
	(in EUR thousands)	
Net Indebtedness	1,463,807	1,271,398
Divided by		
Adjusted EBITDA	297,502	232,552 ²¹
Net Debt Ratio	4,9	5,5

INFORMATION ABOUT THE ISSUER

1. BASIC INFORMATION

Business name of the Issuer:	Dr. Max Funding CR, s.r.o.
Registered office:	Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic
ID No.:	197 17 890
LEI:	315700WQ3QAGA2CBZR72
Website:	www.drmaxfundingcr.cz Information on the website is not part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.
Phone:	+421 257 788 174
E-mail:	info@drmaxfundingcr.cz
Date of incorporation of the Issuer:	13 September 2023
Duration of the Issuer:	indefinite
Legal form of the Issuer:	limited liability company (<i>společnost s ručením omezeným</i>)
Governing law:	In its activities, the Issuer is governed by Czech law, in particular the Civil Code and Act No. 90/2012 Coll., on business corporations and cooperatives, as amended (the Business Corporations Act).
Registration court:	Municipal Court in Prague
Registration with the registration court:	13 September 2023
Share capital:	As of the date of this Base Prospectus, it is CZK 20,000 and is fully paid up.

2. ORGANISATIONAL STRUCTURE

Sole shareholder of the Issuer

The Issuer has a single shareholder, namely the Guarantor, who directly owns 100% of the Issuer's share capital. Therefore, the Issuer is directly controlled by the Guarantor based on the ownership of 100% of the share capital and 100% share of the voting rights. The Issuer does not follow special principles that would prevent the Guarantor from abusing control over the Issuer. The Issuer follows the rules and measures established by the applicable laws and believes that they are sufficient. The Issuer is not aware of any arrangements that could lead to a change of control over the Issuer at a later date.

Dependence of the Issuer on the Guarantor

The Issuer is dependent on the Guarantor as its parent company.

The Issuer was established by the Guarantor for the purpose of obtaining funds and their further provision to the Guarantor in the form of a loan or other form of financing. The Issuer's ability to fulfil its obligations under the Bonds will be entirely dependent on the Guarantor's ability to fulfil its obligations to the Issuer. This fact establishes the dependence of the Issuer's source of income on the Guarantor and its financial results. More detailed information is provided in the section "*Risk factors – Risks related to the Issuer and the Guarantor – Risks*".

associated with the Issuer's ability to fulfil its obligations under the Bonds and the Guarantor's ability to fulfil its obligations under the financial guarantee – Risks associated with the Issuer being a special purpose vehicle”.

The Issuer previously issued (i) bonds named Dr. Max 8,50/28, with a fixed interest rate of 8.50% p. a. in the total nominal value of CZK 5,000,000,000, due in 2028, ISIN CZ0003556177 (the **2028 Bonds**), and (ii) bonds named Dr. Max 6,75/29, with a fixed interest rate of 6.75% p.a. in the total nominal value of CZK 1,250,000,000, due in 2029, ISIN CZ0003566234 (the **2029 Bonds** and together with 2028 Bonds, the **Previously Issued Bonds**), whereas the net proceeds from such Previously Issued Bonds were provided to the Guarantor (and consequently, the Group) in the form of intra-group loans. Further information about the intra-group loans is provided in section 5. Material Contracts below. As of the date of this Base Prospectus, the Issuer has not provided any other loans, or other forms of financing.

3. OVERVIEW OF THE ISSUER'S BUSINESS

Principal activities of the Issuer

The Issuer is a special purpose vehicle established for the purpose of issuing bonds. The principal activity of the Issuer is the provision of funds obtained through the issuance of bonds in the form of loans or other forms of financing to the Guarantor. The Issuer does not currently carry out any other business activity. The subject of the Issuer's business is regulated under Article 2 of its founding deed.

Principal markets; competitive position of the Issuer

Due to its principal activity, the Issuer does not compete in any market as such and does not have any relevant market shares and positions.

Recent events relevant to the evaluation of the Issuer's solvency

The Issuer repays all its debts in a due and timely manner. The Issuer previously issued the Previously Issued Bonds, and the net proceeds from Previously Issued Bonds were provided to the Group in the form of intra-group loans (as further described in section 2. Organisational Structure, sub-section Dependence of the Issuer on the Guarantor above).

The Issuer is not aware of any other recent event specific to the Issuer that is material in assessing the Issuer's solvency.

Credit ratings

As at the date of this Base Prospectus, the Issuer has not been assigned a credit rating by any company registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council nor by any other company.

Structure of loans and borrowings

The Issuer expects that on or around each Issue Date of the Bonds under the Programme, it will enter into a loan agreement or other similar agreements with the Guarantor on the basis of which the Issuer will provide the Guarantor with a loan up to the amount of the net proceeds of the Issuance of such Bonds under the Programme. Apart from the Previously Issued Bonds (and the intra-group loan agreements concluded in connection with them) and the aforementioned intention to provide the Guarantor with a loan, the Issuer, since its incorporation, is not aware of any significant changes in the structure of its financing.

Description of the expected financing of the Issuer's activities

The Issuer was established for the purpose of issuing the Bonds and expects that its only source of funding will be bonds issued by it (i.e., the Previously Issued Bonds, the Bonds, or potentially any other bonds to be issued by the Issuer). The Issuer intends to provide the proceeds of the Bonds to the Guarantor in the form of an intra-group loan or credit facility and, accordingly, the operations of the Issuer will also be financed by the interest received on such financing. Save as disclosed above, the Issuer is not aware of, and does not anticipate the need for, any further financing of its own activities as it is not carrying on any business.

4. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

In accordance with the Business Corporations Act and the Issuer's founding deed, the Issuer's governing body are its Executive Directors. The Issuer has not established a supervisory board.

None of the Issuer's Executive Directors has been convicted of a financial crime in the past.

General Meeting

The General Meeting is the Issuer's supreme body. The scope of competence of the General Meeting is determined by Czech law and the Issuer's founding deed. Furthermore, the General Meeting can reserve decision-making in cases which, according to the law, fall under the competence of another body of the company. The General Meeting is held at least once a year, no later than six (6) months after the last day of the previous accounting period. The General Meeting has a quorum if the shareholders who have a majority of the votes of all shareholders are present. A decision of the General Meeting is adopted if the majority of votes of the shareholders present were cast for it, unless the law or the founding deed provide otherwise. The sole shareholder of the Issuer exercises powers within the competence of the General Meeting.

Executive Directors

The Executive Directors constitute the governing body that manages the activities of the Issuer, acts on its behalf, and decides on all matters of the Issuer, unless a matter is reserved to the competence of the General Meeting by law or the Issuer's founding deed. The Issuer has three Executive Directors. Two Executive Directors always act jointly on behalf of the Issuer, and neither of the Executive Directors is subject to the prohibition of competition to the extent stipulated in Section 199 of the Business Corporations Act. The Executive Directors are elected and dismissed by the General Meeting and re-election of Executive Directors is possible.

The Issuer's Executive Directors as of the date of this Base Prospectus are:

Dana Klučková

Date of appointment: 13 September 2023

Membership in the bodies of companies other than the Issuer or ownership of shares in companies other than the Issuer, if such membership or ownership is material to the Issuer:

- Executive Director of Dr. Max Funding s.r.o., registered office Einsteinova 25, 851 01 Bratislava, the Slovak Republic, ID No.: 44 654 685.

Peter Matula

Date of appointment: 13 September 2023

Membership in the bodies of companies other than the Issuer or ownership of shares in companies other than the Issuer, if such membership or ownership is material to the Issuer:

- Executive Director of Dr. Max Funding s.r.o., registered office Einsteinova 25, 851 01 Bratislava, the Slovak Republic, ID No.: 44 654 685.

Ladislav Turányi

Date of appointment: 13 September 2023

Membership in the bodies of companies other than the Issuer or ownership of shares in companies other than the Issuer, if such membership or ownership is material to the Issuer:

- Executive Director of Dr. Max Funding s.r.o., registered office Einsteinova 25, 851 01 Bratislava, the Slovak Republic, ID No.: 44 654 685.

The business address of the Executive Directors is Digital Park II, Einsteinova 25, 851 01 Bratislava, the Slovak Republic.

Conflict of interests at the level of administrative, management and supervisory bodies

As stated above, the Issuer's Executive Directors are also members of the Guarantor's subsidiary, Dr. Max Funding s.r.o. Due to the fact that the Issuer expects to provide proceeds from each Issue of the Bonds under the Programme to the Guarantor in the form of an intra-group loan, these persons may have a conflict of interest due to the different interests of the Issuer and the Guarantor as lender and borrower under such loans. The Issuer is not aware of any other possible conflicts of interest between the obligations of the members of the governing bodies of the Issuer and their private interests or other obligations to the Issuer.

5. MATERIAL CONTRACTS

The Issuer has not entered into any agreements that could lead to the creation of debts or claims of any member of the Group that would be material to the Issuer's ability to fulfil its debts to the holders of securities based on the issued securities. The material contracts entered into between the Issuer, on the one hand, and the borrowers/lenders, on the other hand, in the ordinary course of its business and existing as at the date of this Base Prospectus are the loan or credit agreements summarised in the table below, including the aggregate principal amount, including accrued interest, payable to the relevant lender as at the date set out below:

Nature of the loan granted	Currency	Interest rate		Maturity	Amount at 31 December 2024 (in EUR thousands)
		Floating + Margin	Fixed		
Loans provided to immediate parent company	CZK	-	8.68%	21 December 2028	199,018*
Loans provided to immediate parent company	CZK	-	6.95%	15 November 2029	50,073*
Total – Loans provided to immediate parent company					249,091

**Converted using the exchange rate of EUR 1 = CZK 25.190 issued by the European Central Bank on 31 December 2024*

INFORMATION ABOUT THE GUARANTOR

1. BASIC INFORMATION

Business name of the Guarantor:	DR.MAX GROUP HOLDINGS PLC
Registered office:	3082 Limassol, Agias Fylaxeos & Polygnostou, 212, C&I CENTER, 2 nd floor, the Republic of Cyprus
Reg. No.:	HE 217028
LEI:	315700ZM1C465TPEZB82
Website:	www.drmaxfundingcr.cz Information on the website is not part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.
Phone:	+357 25 733 104
E-mail:	limassol@pentainvestments.com
Date of incorporation of the Guarantor:	21 December 2007
Duration of the Guarantor:	indefinite
Legal form of the Guarantor:	public company limited by shares (PLC) pursuant to Cypriot law
Governing law:	In its activities, the Guarantor is governed by Cypriot law, in particular Cyprus Companies Act, Chapter 113. The most significant legislation governing the activities of each subsidiary is set out in the “Regulatory environment” section below.
Nominal amount of share capital:	EUR 31,000 and is divided into 26,000 ordinary shares with a nominal value of EUR 1 per share and 50,000 exchangeable preference shares with a nominal value of EUR 0.1 per share.
Issued share capital:	As at the date of this Base Prospectus, it amounts to EUR 30,231 divided into 25,631 ordinary shares with a nominal value of EUR 1 per share and 46,000 exchangeable preference shares with a nominal value of EUR 0.1 per share.

2. ORGANISATIONAL STRUCTURE

Shareholders of the Guarantor

As at the date of this Base Prospectus, the Guarantor has the following shareholders:

Shareholder with direct share	Shares owned
Penta Investments Limited	25,625 ordinary shares with a nominal value of EUR 1 per share and 46,000 exchangeable preference shares with a nominal value of EUR 0.1 per share
Penta Investments Group Limited	1 ordinary share with a nominal value of EUR 1 per share
Tvali Investments Limited	1 ordinary share with a nominal value of EUR 1 per share
Media SK Holdings Limited	1 ordinary share with a nominal value of EUR 1 per share
Penta Real Estate Holding Limited	1 ordinary share with a nominal value of EUR 1 per share
Penta Hospitals Holdings Limited	1 ordinary share with a nominal value of EUR 1 per share
ZSNP Holdings Limited	1 ordinary share with a nominal value of EUR 1 per share

Shareholders with an indirect share:

Penta Investments Group Limited (controlling person of Penta Investments Limited)

Penta Investments Group Limited is not further controlled by any person who could exercise control over the company, but its ownership structure is fragmented, with the Guarantor's, or the Group's, beneficial owners within the meaning of Act No. 37/2021 Coll., on the registration of beneficial owners, being (i) JUDr. Marek Dospiva, indirectly owning 45.93% share in the profit, 45.63% of the voting rights and 44.20% of the share capital of Penta Investments Group Limited, (ii) Mgr. Jaroslav Haščák, directly holding 35.69% of the voting rights and 33.63% of the share capital of Penta Investments Group Limited (Mgr. Jaroslav Haščák does not own any share in the profit of Penta Investments Group Limited), (iii) JUDr. Valeria Haščáková and her descendants, indirectly owning 45.16% share in the profit, 9.94% share in the voting rights and 9.84% share in the share capital of Penta Investments Group Limited, (iv) Mr. Michal Vrzgula due to membership in the bodies of Penta Investments Group Limited and (v) Mr. Marek Peterčák due to membership in the bodies of Penta Investments Group Limited.

All shareholders of the Guarantor are a part of the Penta Group and the Guarantor is thus controlled by the Penta Group. Penta Group is a Central European investment group founded in 1994. It currently focuses on long-term investments in healthcare, financial services, manufacturing, retail, media and real estate development. It does this mainly through selective acquisitions of companies with long-term potential. Penta is one of the largest employers in the region, employing more than 40,000 people. The Penta Group operates in more than ten European countries and has offices in Prague, Bratislava and Warsaw.

The Penta Group focuses on investments in the Central and Eastern Europe (CEE) region. In 2024, the Group continued to expand its presence in existing markets, but also placed a greater emphasis on its expansion in markets outside the CEE region, particularly in Southern Europe, as well as seeking business opportunities in the Baltic States.

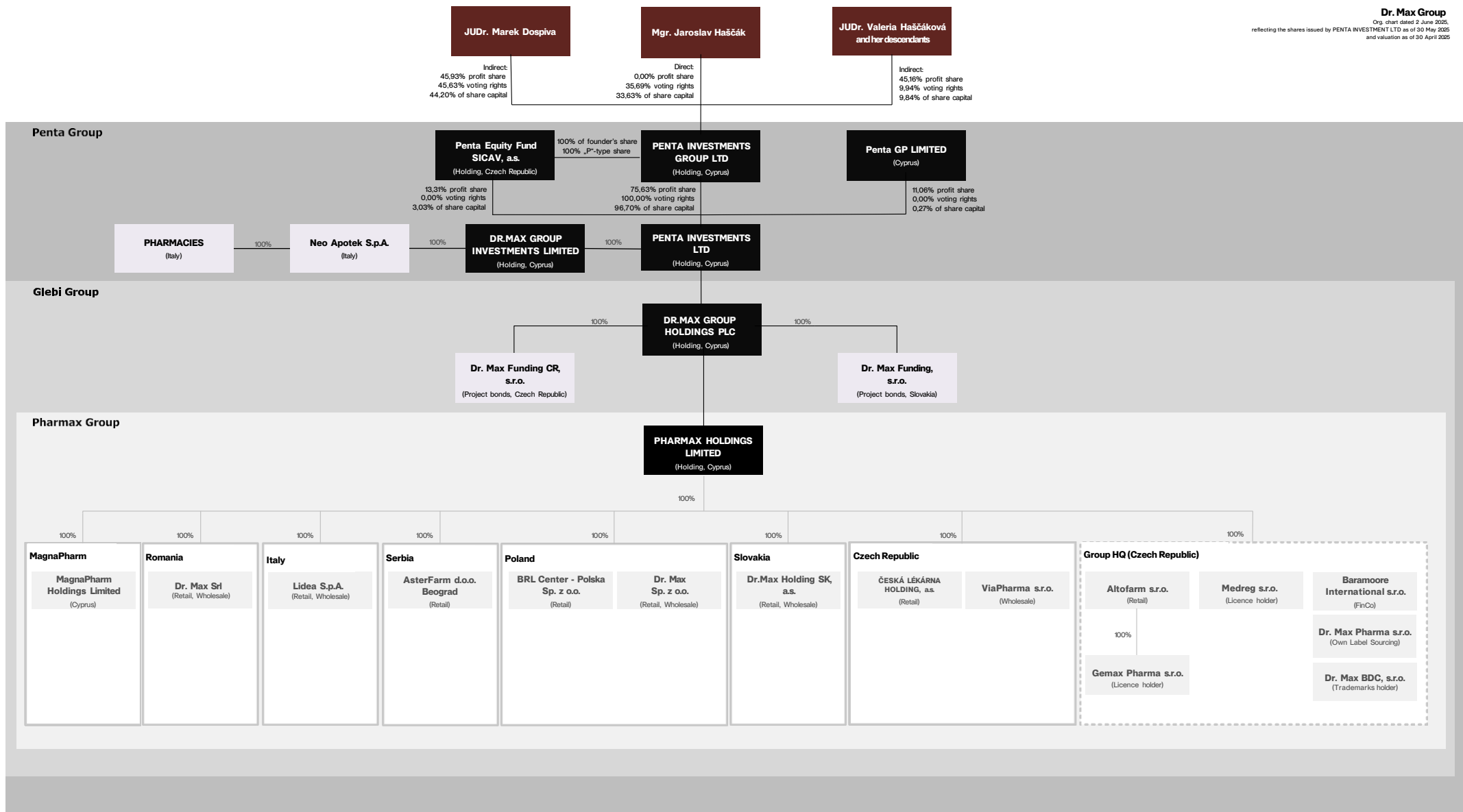
Penta Equity Fund

As at 2 June 2025, 13.31% of the profit share, 3.03% share in the share capital and 0% of the voting rights of Penta Investments Limited is held by Penta Equity Fund SICAV, a.s., with its registered office at Na Florenci 2139/2, Nové Město, 110 00 Prague 1, the Czech Republic, ID No.: 221 73 714, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 29161 (the **Penta Equity Fund**). Penta Fund is a qualified investors' fund within the meaning of Section 95(1)(a) of Act No. 240/2013 Coll., on Investment Companies and Investment Funds, as amended (**ICIF**) incorporated on 18 October 2024 and was registered in the

list of investment funds maintained by the CNB on 7 October 2024 as per Section 597(a) of ICIF. The manager and administrator of the Penta Equity Fund is CODYA investiční společnost, a.s. The Penta Equity Fund established a sub-fund, Penta Equity Sub-Fund which primarily invests in ownership interests in Penta Investments Limited.

The Group Structure

The following page sets out a diagram of the structure of the Group as at the date of this Base Prospectus showing the major companies comprising the Group, together with an indication of the shareholding and voting rights of each company in the Group.



Subsidiaries of the Guarantor

As of the date of this Base Prospectus, the Guarantor has direct and indirect 100% interest in the following major companies:

Company name	Subject of business	Country of business
Pharmax Holdings Limited	Holding entity that holds shares in companies engaged in the pharmaceutical business under the Dr. Max brand	Cyprus
Dr. Max Funding, s.r.o.	A company established for the purpose of issuing bonds and subsequently providing intra-group financing	Slovakia
Dr. Max Funding CR, s.r.o.	A company established for the purpose of issuing bonds and subsequently providing intra-group financing	Czech Republic
ČESKÁ LÉKÁRNA HOLDING, a.s.	Health care – Owns & operates retail pharmacies	Czech Republic
Dr. Max BDC, s.r.o.	Intra-group service company	Czech Republic
Dr.Max Holding SK, a.s.	Health care – Owns & operates retail pharmacies	Slovakia
BRL Center - Polska Sp.z.o.o.	Health care – Owns & operates retail pharmacies	Poland
Dr. Max Sp. z o.o.	Intra-group service company	Poland
Baramoore International s.r.o.	Intra-group finance SPV	Czech Republic
AsterFarm d.o.o. Beograd	Health care – Owns & operates retail pharmacies	Serbia
Dr. Max Srl	Health care – Owns & operates retail pharmacies, wholesale	Romania
MagnaPharm Holdings Limited Group	Health care – Marketing and sales	Europe
Lidea S.p.A.	Health care – Owns & operates retail pharmacies	Italy
ViaPharma s.r.o.	Health care – wholesale	Czech Republic
Dr. Max Pharma s.r.o.	Health care – Production and distribution of pharmaceutical products	Czech Republic
Altofarm s.r.o.	Holding entity	Czech Republic
MEDREG s.r.o.	Health care – Distribution of pharmaceutical products, License provide	Czech Republic
Gemax Pharma s.r.o.	License provider	Czech Republic

Dependence of the Guarantor on other persons

The Guarantor is a holding company and its economic results are dependent on the business of its subsidiary Pharmax Holdings and its subsidiaries which carry on the business of the Group, principally under the Dr. Max brand. For a further description of the Group's business, see "*Overview of the Guarantor's business*" below.

3. OVERVIEW OF THE GUARANTOR'S BUSINESS

Regulatory environment

Laws and regulations affecting the activities of the Group

The companies that are a part of the Group are governed by a number of laws and regulations relating to the manufacture and distribution of pharmaceuticals and the operation of pharmacy business.

In the Czech Republic, these are mainly Act No. 378/2007 Coll., on Medicinal Products, as amended (*zákon o léčivech*), Act No. 372/2011 Coll., on Health Services, as amended (*zákon o zdravotních službách*), Act No. 526/1990 Coll., on Prices, as amended (*zákon o cenách*), Act No. 167/1998 Coll., on Addictive Substances, as amended (*zákon o návykových látkách*), and also Act No. 40/1995 Coll., on the Regulation of Advertising, as amended (*zákon o regulaci reklamy*), or Act No. 231/2001 Coll., on the Operation of Radio and Television Broadcasting, as amended (*zákon o provozování rozhlasového a televizního vysílání a o změně dalších zákonů*), with regard to the promotion of medicinal products. Regulation also occurs through a number of implementing regulations, such as Decree No. 229/2008 Coll., on the Manufacture and Distribution of Pharmaceuticals, as amended (*vyhláška o výrobě a distribuci léčiv*), Decree No. 228/2008 Coll., on the Registration of Medicinal Products, as amended (*vyhláška o registraci léčivých přípravků*), or Decree No. 84/2008 Coll., on Good Pharmacy Practice, the specific conditions for handling pharmaceuticals in pharmacies, healthcare facilities, and other operators and facilities issuing medicinal products, as amended (*vyhláška o správné lékařské praxi, bližších podmínkách zacházení s léčivý v lékárnách, zdravotnických zařízeních a u dalších provozovatelů a zařízení vydávajících léčivé přípravky*).

In the Slovak Republic, the main law governing the activities of the Group is Act No. 362/2011 Coll. on Medicinal Products and Medical Devices (*zákon o liekoch a zdravotníckych pomôckach*), as amended.

In Romania, the main law governing the activities of the Group is Act No. 95/2006 of 14 April 2006 on Health Care Reform (*LEGE nr.95 din 14 aprilie 2006 privind reforma în domeniul sănătății*).

In Italy, the main law governing the activities of the Group is Legislative Decree No. 219 of 24 April 2006 implementing Directive 2001/83/EC on the Community code relating to medicinal products for human use (*DECRETO LEGISLATIVO 24 aprile 2006, n. 219 Attuazione della direttiva 2001/83/CE (e successive direttive di modifica) relativa ad un codice comunitario concernente i medicinali per uso umano, nonché della direttiva 2003/94/CE*).

In Serbia, the main law governing the activities of the Group is the Act on Medicines and Medical Devices (*Zakon o izmeni i dopuni Zakona o lekovima i medicinskim sredstvima*), published in the Official Gazette of the Republic of Serbia No. 30/2010.

In Poland, the main law governing the activities of the Group is the Pharmaceutical Law Act of 6 September 2001 (*Ustawa z dnia 6 września 2001 r. Prawo farmaceutyczne*).

In Bulgaria, the main law governing the activities of the Group is the Act of April 13, 2007, on Medicinal Products for Human Use, as amended (*ЗАКОН за лекарствените продукти в хуманната медицина*).²²

Overview of obligations arising from legal regulations affecting the activities of the Group

The obligations of the Group arising under laws affecting the Group's operations can be summarised in the following categories.

Basic obligations:

- to comply with the conditions set out in individual laws, regulations, decrees and recommendations in the field of pharmaceuticals, medical devices, food and food supplements;
- to provide cooperation to the various authorities and comply with their decisions and instructions on the handling of products;
- not to jeopardise the quality of individual products, not to distribute damaged or expired products or products which have been declared unfit by the appropriate authority;

²² The titles of the above-mentioned acts are stated in English language approximate translations reflecting the substance of the act in question. The official title of the relevant act in the language concerned is stated in brackets.

- to have and maintain a quality management system describing the necessary processes and situations to meet the obligations arising under good distribution and storage practices and the requirements of the critical points system (HACCP);
- in order to fulfil its tasks in the field of pharmacovigilance/vigilance (the monitoring of the safety of medicinal products, medical devices or food and food supplements after their placement on the market), to operate a pharmacovigilance system corresponding to the pharmacovigilance system of the Czech Republic, through which it collects information on the risks of medicinal products for which it holds a marketing authorisation, evaluates the information, including adverse effects or reactions, and considers options for risk reduction and prevention, and takes appropriate measures where necessary;
- to properly label each product category in accordance with laws and regulations and national requirements and to provide full and truthful information on the packaging or package leaflet on the handling, dosage and composition of the product; and
- to follow the rules on advertising for each type of product and to avoid misleading or false advertising.

Specific obligations in the role of the marketing authorisation holder:

- to ensure that the medicinal product is appropriately registered in the territory in accordance with national or EU legislation;
- to ensure that the characteristics of the authorised medicinal product and its current documentation, including the summary of product characteristics, package leaflet, labelling and documentation relating to its classification for dispensing, correspond to the current data and documentation on the basis of which the marketing authorisation was granted;
- to make any changes necessary to enable the medicinal product to be manufactured and controlled by generally accepted scientific methods. Such changes shall be subject to notification to or approval by the competent authorities;
- to ensure that product information is updated to reflect current scientific knowledge, including the conclusions of evaluations and recommendations published under the directly applicable EU regulation laying down community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency (Regulation (EC) No 726/2004 of the European Parliament and of the Council);
- to provide medicinal products with safety features pursuant to Commission Delegated Regulation (EU) 2016/161;
- to have, for each batch of the medicinal product, documentation of quality control tests carried out pursuant to the registration documentation and to ensure that records are duly maintained;
- to ensure that, after the medicinal product has been placed on the market, the medicinal product is supplied in appropriate quantities and at appropriate intervals to meet the needs of patients in the territory. Notify the appropriate authorities of the launch;
- to notify without delay the national authorities of any action it has taken to suspend the marketing of the medicinal product, to withdraw the medicinal product from the market, to apply for cancellation of the marketing authorisation, or to not apply for renewal of the marketing authorisation, together with the reasons for that action;
- to be liable for damage caused by the effects of the medicinal product not mentioned in the summary of product characteristics, and may not be exempted from such liability; the marketing authorisation holder is liable for damage caused by the effects of the medicinal product mentioned in the summary of product characteristics only if it is proved that the marketing authorisation holder was at fault for the damage;

- to have a qualified person responsible for pharmacovigilance available at all times and to inform the competent authority immediately of any changes of such person;
- to record and make available in a single location in the EU all reports of suspected adverse reactions to its authorised medicinal products for human use that occur both in the EU and in third countries of which it becomes aware, regardless of the form and method of transmission; and
- to send information on any suspected adverse reactions electronically to the database and the data processing network referred to in the directly applicable EU regulation laying down community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency (Regulation (EC) No 726/2004 of the European Parliament and of the Council).

Specific duties as a distributor of medicinal products and medical devices

- to obtain the relevant certification issued by the State Institute for Drug Control (*Státní ústav pro kontrolu léčiv*) (the **Institute**) for establishments in the Czech Republic for the purpose of distribution of medicinal products for human use;
- to permit the handling of medicinal products only by persons over eighteen (18) years of age who are legally competent, of good character, medically and professionally qualified for the specific type of activity;
- to report to the Institute via the Medical Device Information System (*Informační systém zdravotnických prostředků*) their activity as a distributor of medical devices;
- when handling medicinal products, to use the procedures and comply with the requirements of the European and Czech Pharmacopoeia, comply with the Community monographs of medicinal plants, the Commission and European Medicines Agency instructions and the instructions of the marketing authorisation holder;
- to ensure the control of persons entering or leaving the premises where the preparation, manufacture or distribution of medicinal products takes place, including the inspection of their belongings and vehicles entering or exiting the premises;
- to ensure the services of a qualified person in charge of the handling of narcotic medicinal products and psychotropic substances who is responsible for ensuring that medicinal products are distributed in compliance with the law;
- to carry out regular internal control of the quality management system and inventory of goods to the required extent;
- to source medicinal products only from another distributor or from a manufacturer, namely those that the manufacturer produces or imports, returned by a pharmacy to which the distributor had supplied them, or those returned by a physician to whom the distributor had supplied them for vaccination purposes;
- to verify that the distributor or manufacturer from whom the product is sourced follows good distribution practices and has a valid manufacturing authorisation;
- the distributor is obliged to distribute medicinal products only to persons listed in Act No. 378/2007 Coll., on Medicinal Products, as amended;
- to only place on the market registered medicinal products and properly labelled and notified medical devices and food supplements;
- for medicinal products for human use, to verify the safety features in accordance with Commission Delegated Regulation (EU) 2016/161 and report any suspicion of counterfeiting to the competent authority;
- to comply with the rules of good distribution practices and good storage practices, including requirements for the provision of the services of a qualified person for staff, premises, technical equipment, documentation and the system for the withdrawal of medicinal products/medical devices from circulation, and follow the Commission and European Medicines Agency guidelines; to follow the clarifying instructions of the Institute and the State Veterinary Administration (*Státní veterinární správa*) when distributing; to keep records which must be available to the competent authorities for inspection purposes for 5 years; and
- to ensure the supply of medicinal products for human use to operators authorised to dispense medicinal products in quantities and at intervals appropriate to the needs of patients.

Specific duties as a manufacturer of food supplements

- to ensure the registration or notification of products with the relevant authority of each country, where the Group conducts its operations. This registration or notification includes information about the product, such as its composition and dosage, and is carried out prior to its first market introduction by submitting the product label text;
- to notify the State Agricultural and Food Inspection Authority (*Státní zemědělská a potravinářská inspekce*) at least twenty-four (24) hours before the delivery of dietary supplements arrives at the destination from another EU country or a third country; and
- to ensure product safety (i.e., dietary supplements) and to comply with legal requirements for their labelling under Article 14 of Regulation (EC) No. 178/2002 of the European Parliament and of the Council, as amended.

Specific duties as a manufacturer of cosmetic products

- to ensure that the composition of cosmetic products complies with the requirements of Regulation (EC) No. 1223/2009 of the European Parliament and the Council;
- to conduct a safety assessment of the cosmetic product and prepare a safety report;
- to notify cosmetic products being placed on the European Union market via the European Cosmetic Products Notification Portal (ECPNP); and
- to report adverse effects of cosmetic products to the relevant authorities.

Principal activities of the Guarantor

The Guarantor's activities and operations include, in particular, the acquisition and holding of shares and securities; their management and disposal; construction and reconstruction of the Guarantor's real estate and dealings therewith; providing financing; consulting and acquisition and provision of know-how; and other activities described in Article 3 of the Guarantor's Articles of Association.

The Guarantor is a holding company, and its subsidiary Pharmax Holdings is a holding company that holds interests in companies that are engaged in the pharmaceutical business under the Dr. Max brand. The Group mainly operates a network of pharmacies in the Czech Republic, Slovakia, Poland, Romania, Serbia and Italy. The Group also operates online sales of medicines and other products in the Czech Republic, Slovakia, Poland, Romania and Italy. In the Czech Republic, Slovakia and Romania, the Group is also active in wholesale of pharmaceuticals. The Group also provides support services under the MagnaPharm brand to pharmaceutical companies and other companies active in the pharmaceutical industry. The Group also manufactures and sells pharmaceuticals and other products under its Dr. Max private label. These private-label Dr. Max products are supplied by the Group to central warehouses in 5 countries, namely the Czech Republic, Slovakia, Poland, Romania and Italy. The Dr. Max private-label products portfolio includes nearly 1,300 products, covering the diverse needs of clients. The largest part of this portfolio consists of dietary supplements, over-the-counter medicinal products, medical devices, cosmetic products and prescription medicinal products.

The Dr. Max pharmacy network of approximately 3,000 pharmacies operated by the Group as at 31 December 2024 was the second largest pharmacy network in Europe and the largest pharmacy network in Central and Eastern Europe in terms of the number of pharmacies operated. In the Czech Republic and Slovakia, the Dr. Max network was the largest pharmacy network in terms of the number of pharmacies in operation as of the same date, and the second largest in Poland and Romania. In terms of online sales, it was the largest online retailer of medicines in the Czech Republic, Slovakia and Romania at the same date.²³

Owing to its integrated business model including the production of medicines and other goods under its private label, wholesale, pharmacy operations and online sales with a wide range of possible delivery methods, the Group is able to offer its customers a comprehensive range of services across sales channels. In 2024, the Group sold approximately 1.6 million items per day to customers and its loyalty program was actively used by 12.5 million customers. At the same time, the Group's market position and its strong bargaining power allow it to achieve significant economies of scale. The vertically integrated business model, including wholesale and a wide range of sales channels, enables the Group to manage its business efficiently and creates the right conditions for further expansion of the Group.

²³ Source: the Guarantor's own analysis.

For the years ended 31 December 2024 and 31 December 2023, the Guarantor reported consolidated revenues of EUR 4,9 million and EUR 4,2 million, respectively, of which 44.5% and 43.0%, respectively, were generated in Romania, 25.3% and 28.6%, respectively, were generated in the Czech Republic and 14.6% and 14.5%, respectively, were generated in Slovakia.

The share of the Group's revenue by market is as follows:

Revenue from contracts with customers by geographical regions (in %)	For the year ended 31 December	
	2024	2023
Romania.....	44.5	43.0
Czech Republic.....	25.3	28.6
Slovakia.....	14.6	14.5
Poland.....	6.1	5.7
Italy.....	4.4	3.6
Serbia.....	4.0	3.3
Bulgaria.....	0.6	0.6
Other*.....	0.5	0.7
Total.....	100	100

*Including, inter alia, Croatia, Hungary and Slovenia.

The Guarantor's consolidated profit attributable to owners of the parent company was EUR 97.0 million and EUR 90.2 million for the years ended 31 December 2024 and 31 December 2023, respectively. The Group had an average of 17,443 employees at the end of 2024.

Historical development of the Guarantor's business activities

The table below provides an overview of the most significant events in the history of the Group:

2004	Entry into the Czech market through the acquisition of a 50% stake in Česká lékárna, a.s.
2005	Entry of the Group into the Slovak and Polish markets.
2008	The Group opened its 100th pharmacy through the Dr. Max brand.
2011	The Group establishes the private label Dr. Max Pharma.
2012	The Group acquires ViaPharma s.r.o. in the Czech market.
2012	The Group implements the acquisition of Lloyds Pharmacy in the Czech market.
2013	Česká lékárna, a.s. and Lloyds Pharmacy merged into ČESKÁ LÉKÁRNA HOLDING, a.s. The Group acquires Mediq Apteka on the Polish market.
2014	The Group enters the e-commerce segment.
2015	For better structuring, the Group establishes Dr. Max BDC as a parent company to the local subsidiaries.
2016	The Group enters the Serbian market.
2017	The Group enters the Romanian and Italian markets.
2018	The Group undertakes the largest acquisition in the history of the Group so far, namely A&D Pharma in Romania.

2020	The Group expands its Dr. Max private label offering to include generic prescription medicinal products.
2021	The Group becomes the 3 rd largest pharmacy group in Europe in terms of the number of pharmacies operated.
2022	The Group acquires Medical Group SK and Apotheke Slovakia in the Slovak market.
2022	The Group acquires Gedeon Richter in the Romanian market.
2023	The Group becomes the 2 nd largest pharmacy group in Europe in terms of the number of pharmacies operated.
2023	The Group acquires Neo Apotek pharmacy network in the Italian market.
2024	The Group acquires Ivancic i Sin pharmacy network and VIVA Pharm pharmacy network in the Serbian market.
2025	On 7 January 2025, the name of the Guarantor was changed from “GLEBI HOLDINGS PLC” to “DR.MAX GROUP HOLDINGS PLC”

Strategy

Expanding network and market share

The Group has extensive positive experience in expanding its business through both organic growth and acquisitions. As a result, the Group has been able to expand its network of operating pharmacies from approximately 318 in 2010 to approximately 1,020 in 2016 and to approximately 3,030 as at 31 December 2024. As part of its network expansion, the Group has been able to successfully complete acquisitions of other pharmacy operators or other businesses and subsequently integrate these into its structure. The most significant acquisitions include the purchase of A&D Pharma in 2018, which operated approximately 600 pharmacies in Romania, Mediq Apteka in 2013, which operated approximately 260 pharmacies in Poland, and Gedeon Richter in 2022, which operated approximately 80 pharmacies in Romania. Similarly, the Group was able to make acquisitions of companies operating in the wholesale market, such as A&D Pharma or Gedeon Richter. A significant acquisition in 2023 was the purchase of Neo Apotek SpA, which operated approximately 130 pharmacies in Italy. In 2024, the Group acquired the Ivancic i Sin pharmacy network (9 pharmacies) and the VIVA Pharm pharmacy network (20 pharmacies) in Serbia.

The Group intends to build on these successes and to continue to expand and extend its pharmacy network, particularly in the countries in which it already operates, with the goal of further increasing its market share through either acquisitions or organic growth.

Increasing efficiency

The Group focuses on further streamlining its operations. The main objective of these optimisations is to streamline the supply chain, including maintaining separate warehouses for wholesale and pharmacies on one hand, and for digital sales channels on the other. Similarly, the Group is planning further investments in internal inventory management tools aimed at ensuring efficient and partially automated planning of purchases and deliveries of goods to individual pharmacies.

Expanding private label offer

In 2011, the Group started selling products under its Dr. Max private label. In 2020, the range of private-label products was expanded to include generic prescription medicinal products. In 2024, the product categories offered under the Dr. Max brand included dietary supplements, medical products (e.g. thermometers, pregnancy tests, patches, etc.), over-the-counter medicines and generic prescription medicines. These are sold exclusively through Dr. Max pharmacies and online stores operated by the Group. By the end of 2024, the Group was the largest private-label pharmaceutical manufacturer in Central and Eastern Europe.²⁴

²⁴ Source: the Guarantor’s own analysis.

The Group intends to continue expanding its private-label product offering, which it is able to offer at a more attractive margin compared to products sold under third-party brands. While in 2016 it offered 381 products under its private label, in 2019 it was 766 and in 2024 it was 1,300. During the year ended 31 December 2024, revenues for private-label products represented approximately 24% of revenues for all over-the-counter medicinal products. For this reason, the Group sees further room for growth in private labels' share of revenue, particularly in the generic pharmaceuticals business.

Strengthening digitalisation

The Group considers further digitalisation of its business activities as one of its key strategies. The use of digital tools enables the Group to better understand its customers' purchasing behaviour and to further adjust its strategy based on the information gained. Using the data obtained in this way, the Group is able to create more effective customer offers, including personalised offers addressed to specific customers based on their purchase history, thus building a relationship with its customers and strengthening their loyalty to the Dr. Max brand.

Similarly, the Group considers further investment in the development of digital sales channels and downstream distribution methods to make purchasing as convenient as possible for customers, regardless of their chosen purchase method. At the same time, the Group plans to build its digital infrastructure to be as scalable as possible, allowing for further expansion of its pharmacy network as well as increasing order volumes through digital sales channels.

Comparative advantages

Stable and non-cyclical economic sector

The pharmaceutical market is generally stable and is not materially exposed to the risk of a downturn in the event of a deterioration in the economic situation, with the exception of dietary supplements and other complementary products, where customers may be more sensitive in the event of an economic downturn (dietary supplements and other complementary products accounted for approximately 20% of the Group's total revenues as at 31 December 2024). In the long term, demographic changes, particularly those manifested by the gradual increase in the average age of the population and the associated increasing demand for pharmaceutical products, may be beneficial to the Group's business development. The pharmacy sector is subject to stable sectoral regulation in the countries where the Group operates, which is characterised by gradual liberalisation, such as the lifting of restrictions on the ownership of pharmacies in Italy in 2017. Liberalisation trends are associated with a gradual increase in the share of large pharmacy chains and an increase in the level of market concentration. These facts therefore create a suitable market environment for the further development of the Group's business and the expansion of its market share.

Leadership in key markets

The network of pharmacies operating under the Dr. Max brand is the largest network in Central and Eastern Europe with approximately 3,030 pharmacies as of 31 December 2024, based on the number of pharmacies operated. In the Czech Republic and Slovakia, the Dr. Max network was the largest pharmacy network in terms of the number of pharmacies operated on the same date, and the second largest in Poland and Romania. In terms of online sales, it was the largest online retailer of medicines in the Czech Republic, Slovakia and Romania at the same date.²⁵ Due to its leading position in key markets, the Group has a favourable negotiating position when dealing with suppliers of goods or services, which enables it to achieve significantly more favourable terms. The economies of scale thus obtained enable the Group to provide certain products with more attractive prices compared to its competitors and thus be more attractive to customers.

Attractive offer for customers

The Group aims to provide its customers with the most attractive mix of goods and services. This is achieved primarily through a dense network of pharmacies, which are located both in attractive locations with high footfall (e.g. shopping centres, polyclinics or streets in city centres) and in other locations to make them as accessible as possible to customers. In addition to its network of pharmacies, the Group offers customers the option of online shopping and, in order to provide the greatest customer convenience, provides a wide range of possible delivery methods for orders, including delivery directly to the pharmacy or to self-service boxes.

The Group also successfully operates a loyalty programme, which is actively used by approximately 12.5 million customers. Based on the data collected under the loyalty programme, the Group is able to provide its customers

²⁵ Source: the Guarantor's own analysis.

with personalised offers based on their previous purchases, thereby contributing to increased customer satisfaction and loyalty.

Experienced management, employees and shareholder supporting growth

The Group has an experienced management team with extensive experience in the European pharmaceutical market and other healthcare-related industries. The Group's business is led by Mr. Leonardo Ferrandino, who has served as President and Chief Executive Officer (CEO) since 2016. Mr. Ferrandino has more than twenty (20) years of experience in the healthcare industry and previously worked for twelve (12) years at Admenta Italia, part of the Celesia Group, an Italian company active in the pharmaceutical market. Furthermore, the Group has a separate local management team for each market, responsible for executing strategic objectives within that country, as well as a central management team responsible for making strategic decisions for each country and for the entire Group.

The Group employs nearly 18,000 people, of whom approximately 50% have a master's degree. Employees working in pharmacies are regularly trained in specialist areas as well as in communication skills so that they are able to provide customers with quality service, gain their trust and strengthen their loyalty to the brand.

The Group is overseen by the Central European investment group Penta, which has been active in the market since 1994 and has long-term investments in healthcare, financial services, manufacturing, retail, media and real estate development. As a result of its successful investments, the Penta Group has a broad knowledge of a number of economic sectors and markets in the CEE region, which may be useful for the further development of the Group's business.

Uncertainties in the Group's business

Financing healthcare

In response to adverse events, such as the war in Ukraine, the governments of the countries in which the Guarantor's Group operates have introduced costly public support programmes, such as energy subsidies. Such strains on state budgets may cause temporary underfunding of state health care systems, including state health insurance companies. As a result, the Group, like all of its competitors, could face a situation in which state-reimbursed drug sales (approximately 40% of the total sales made by the Group as at 31 December 2024) are reimbursed by state health insurers on a delayed basis. However, the Group, with its extensive portfolio in various countries and segments and with its financing diversification strategy, is better able to compensate for such a transitional impact compared to purely local competitors in the relevant market.

Limited ability to respond to inflation in a regulated environment

As at 31 December 2024, the Group generated approximately 40% of its revenues from government-reimbursed products. The pricing of products so reimbursed by the government is regulated and price adjustments typically come with a time lag due to the regulatory pricing processes in place. As a result, the Group, like all of its competitors, has limited ability to respond to inflation by adjusting the prices of its products compared to markets where there is no price regulation.

General overview of the pharmaceutical market

The non-channel pharmacy market is supported by several megatrends that are shaping the healthcare and pharmaceutical landscape. Aging population is increasing the demand for healthcare services and medicinal products, which is leading to the growth of pharmacy customer base. Moreover, rising prevalence of chronic diseases and emphasis on preventive healthcare have expanded the need for pharmaceutical products and services. Technological advancements and e-health solutions are increasing accessibility and convenience for patients, while increased focus on personalised medicine is encouraging innovation and customised treatment options. Overall, these megatrends underscore the continued growth and importance of the pharmaceutical market in providing essential healthcare to individuals and communities.

The following factors are driving demand for medical and pharmaceutical services and ensuring that the pharmacy market remains a resilient and reliable industry in both good and difficult economic times:

- **Basic services:** pharmacies provide basic health services and products. Even in times of economic downturn or crisis, people need medicines, over-the-counter medicinal products and health advice. This steady demand helps pharmacies maintain stability. In addition, the shortage of doctors combined with the increasing behaviour of patients towards self-medication strengthens the role of pharmacies in primary care.

- **Demographic factors:** ageing populations, particularly in many developed countries, are increasing the need for health services and prescription medicinal products. The healthcare needs of older adults create a steady customer base for pharmacies.
- **Healthcare priority:** Health and well-being are top priorities for individuals and governments. Investing in health care, including medicines, is therefore a constant focus. This commitment ensures stability for the pharmaceutical sector.
- **Government support:** many governments recognise the vital role of pharmacies in health care delivery. They are putting in place regulations and policies to ensure stability, which may include prescription drug reimbursement and other support measures.
- **Innovation:** advances in healthcare, pharmaceuticals and technology continue to drive growth and diversification in the pharmacy market. Services such as pharmacy-based vaccinations, combination therapy, smoking cessation support and other programs are contributing to resilience.
- **Diverse revenue sources:** many pharmacies have diversified their revenue sources by offering a range of services, including retail sales, prescription medicinal products, compounded medicinal products, clinical services, and more. This diversification helps them withstand economic fluctuations.
- **Community focus:** Pharmacies often have strong links to local communities. This local presence fosters customer loyalty and trust, which can be especially beneficial in difficult times.
- **Regulatory protection:** strict regulations in the pharmaceutical industry create barriers to entry and protect established pharmacies from competition. These regulations also help maintain the quality and safety of pharmaceutical products.
- **Consumer behaviour:** people tend to prioritise their health and wellbeing, which means they are willing to continue spending on healthcare and pharmacy services, even in economically challenging times.
- **Global health issues:** Recent global health events, such as the COVID-19 pandemic, have highlighted the importance of pharmacies as key healthcare providers. This recognition has further strengthened the resilience of the sector.

Operation of pharmacies

As at 31 December 2024, the Group operated a network of approximately 3,030 pharmacies under the Dr. Max brand in the Czech, Slovak, Polish, Romanian, Italian and Serbian markets. Since 2011, the Group has been offering pharmacy and food supplements to customers in its pharmacies under its Dr. Max private label.

Czech Republic

The Group has been operating Dr. Max pharmacies on the Czech market since 2004. In 2012, the Group expanded its pharmacy network by 55 pharmacies following the acquisition of Lloyds Pharmacy. By the end of 2024, the Group operated 530 pharmacies in the Dr. Max network (2023: 498), an increase of 32 new pharmacies compared to the end of 2023. In the Czech Republic, the Group employed a total of 4,595 employees within its pharmacy network as at 31 December 2024 (4,397 employees as at 31 December 2023).

The Group achieved revenues of EUR 1,152.7 million in the Czech market through its Dr. Max pharmacy network (including the e-commerce segment) for the year ended 31 December 2024, compared to EUR 1,108.9 million for the year ended 31 December 2023.

The Czech pharmacy market is characterised by a relatively large share of virtual pharmacy chains, which comprise approximately 38% of pharmacies. These virtual chains (e.g. Magistra or Alphega) mainly bring together independent pharmacies and provide them with certain shared support services. In the Czech Republic, pharmacy chains (excluding virtual chains) account for approximately 57% of revenues from prescription medicinal products and 43% of revenues from over-the-counter medicinal products. In the Czech Republic, there is one pharmacy per approximately 4,115 inhabitants.²⁶

²⁶ Source: the Guarantor's own analysis.

According to its own analysis, the Group is the largest operator of pharmacies in the Czech Republic with a market share of approximately 33.7% as at 31 December 2024. The main competitors in the brick-and-mortar sector are, according to the Guarantor's own analysis, the multinational chain Benu owned by the Phoenix Group (**Benu**), with a market share of approximately 16.3%, and the local chain Sanovia, with a market share of approximately 1.6%, both as at 31 December 2024.

The Net Promoter Score (NPS)²⁷ of the Group in the Czech market was 84.7% as at 31 December 2024.

Slovakia

The Group has been operating Dr. Max pharmacies on the Slovak market since 2005. As at the end of 2024, the Group operated 420 pharmacies, an increase of 14 new pharmacies compared to the end of 2023. In Slovakia, the Group employed a total of 2,880 employees within its pharmacy network as at 31 December 2024 (2,720 employees as at 31 December 2023).

The Group's revenues in the Slovak market through its Dr. Max pharmacy network (including the e-commerce segment) for the year ended 31 December 2024 amounted to EUR 662 million, compared to EUR 564 million for the year ended 31 December 2023.

The Slovak pharmacy market is characterised by a high degree of fragmentation, with the five largest pharmacy chains owning approximately 31% of pharmacies, while the rest, i.e. approximately 69% of pharmacies, are operated mainly through virtual chains and associations managed by wholesale companies. In Slovakia, there is one pharmacy per approximately 2,572 inhabitants.²⁸

According to its own analysis, the Group is the largest pharmacy operator in Slovakia with a 27.3% market share as at 31 December 2024. The main competitors, according to the Guarantor's own analysis, are Benu with an 8.1% market share and the Farmakol chain with a 2.1% market share, both as at 31 December 2024.

The value of the Group's NPS in the Slovak market was 84.7% as at 31 December 2024.

Poland

The Group has been operating Dr. Max pharmacies on the Polish market since 2005. In 2013, it significantly expanded its pharmacy portfolio by 260 branches through the acquisition of the Mediq Apteka network. As at the end of 2024, 537 pharmacies were operating under the Dr. Max brand on the Polish market. Some of the pharmacies are directly owned by the Group and some of the pharmacies are operated through the Group's franchise strategy. As at 31 December 2024, the number of pharmacies directly owned by the Group was 164 and the number of franchised pharmacies was 373. As at the end of 2024, the Group employed 1,383 employees in Poland through its pharmacy network (1,238 employees as at 31 December 2023).

The Group's revenues in the Polish market through its directly owned Dr. Max pharmacy network (including the e-commerce segment) for the year ended 31 December 2024 amounted to EUR 218 million, compared to EUR 206.9 million for the year ended 31 December 2023.

The Polish market is characterised by a relatively high level of competition, with 49% of the 12.7 thousand pharmacies owned by operators with at least 5 or more pharmacies, while 40.5% of pharmacies are owned by one of the 17 largest operators with at least 50 pharmacies. In Poland, one pharmacy is operated per approximately 3,000 inhabitants. Furthermore, the Polish market is characterised by a significantly higher level of regulation of the pharmacy sector compared to other markets where the Group operates.²⁹

In Poland, according to the Group's own analysis, pharmacies operating under the Dr. Max brand had a market share of 5.6% as at 31 December 2024. The Group's biggest competitors include the DOZ Apteka chain, which had a 8% market share, and the Apteka Sloneczna chain, which had a 3% market share, both at 31 December 2024.

The value of the Group's NPS in the Polish market was 89.1% as at 31 December 2024.

Romania

The Group has been operating Dr. Max pharmacies in Romania since 2017. In 2018, it significantly expanded its Romanian pharmacy network with the acquisition of A&D Pharma by approximately 600 pharmacies. In 2022,

²⁷ The NPS calculation is based on a marketing survey in which respondents are asked "How likely are you to recommend (company/product/service) to a friend or colleague?" and answer on a scale of 0 (not at all likely) to 10 (quite likely). The percentage of those who answered 0 to 6 (disloyal) is subtracted from the percentage of those who answered 9 or 10 (loyal clients). The resulting difference is the NPS. For example, if 20% of clients are disloyal and 60% are loyal, the NPS is 60 - 20 = +40. The calculation of NPS in relation to the Group in each market was calculated based on 149,000 responses.

²⁸ Source: the Guarantor's own analysis.

²⁹ Source: the Guarantor's own analysis.

the Group made the acquisition of Gedeon Richter, through which it expanded its network by approximately 80 pharmacies. As at the end of 2024, the Group operated a total of 978 pharmacies in Romania and through these pharmacies the Group employed 6,031 employees (5,790 employees as at 31 December 2023). As at 31 December 2023, the Group operated 941 pharmacies in Romania.

The Group's revenues in the Romanian market through its Dr. Max pharmacy network (including the e-commerce segment) for the year ended 31 December 2024 amounted to EUR 1,044.4 million, compared to EUR 990 million for the year ended 31 December 2023.

The Romanian market is so far largely unconsolidated, which represents a higher potential for future acquisitions by the Group. Approximately 60% of the pharmacies in the Romanian market are operated by other than the five largest operators. There are approximately 2,500 inhabitants per pharmacy in Romania.³⁰

According to its own analysis, the Group is the second largest pharmacy operator in Romania with a market share of 14% as at 31 December 2024. The largest competitors include the local Catena chain with a 23% market share and the Help Net pharmacy chain operated by the international Phoenix Group with a 5.6% market share, both at 31 December 2024.³¹

The value of the Group's NPS in the Romanian market was 84.0% as at 31 December 2024.

Italy

The Group has been operating Dr. Max pharmacies in Italy since 2017. At the end of 2024, the Group operated a total of 205 pharmacies in Italy, an increase of 2 new pharmacies compared to the end of 2023. Through this network of pharmacies, the Group employed 659 employees at the end of 2024 (597 employees as at 31 December 2023).

The Group achieved revenues of EUR 211.3 million in the Italian market through its Dr. Max pharmacy network (including the e-commerce segment) for the year ended 31 December 2024, compared to EUR 147.6 million for the year ended 31 December 2023.

The Italian pharmaceuticals market is the third largest in Europe with a volume of EUR 26.1 billion in 2024. There are approximately 2,938 inhabitants per pharmacy in Italy. In 2017, the restriction whereby a pharmacist could only own one pharmacy was lifted, creating room for market consolidation. The Italian market is highly fragmented, as approximately 97.5% of pharmacies are privately owned and only 2.5% of pharmacies are part of pharmacy chains.³²

The Group is one of the small pharmacy operators on the Italian market with a market share of approximately 1.1% as at 31 December 2024. The main competitors of the Group on the Italian market include the Hippocrates Holding pharmacy chain with a market share of 2.6% and the Benu pharmacy chain with a market share of 1.1%, both as at 31 December 2024.³³

The value of the Group's NPS in the Italian market was 69.5% as at 31 December 2024.

Serbia

The Group has been operating Dr. Max pharmacies in Serbia since 2016. By the end of 2024, the Group operated 360 pharmacies in Serbia, an increase of 42 new pharmacies compared to the end of 2023. Through these pharmacies, the Group employed 1,959 employees at the end of 2024 (1,717 employees as at 31 December 2023).

The Group achieved revenues of EUR 191.1 million in the Serbian market through its Dr. Max pharmacy network (including the e-commerce segment) for the year ended 31 December 2024, compared to EUR 133.5 million for the year ended 31 December 2023.

The Serbian market is one of the more fragmented markets, with approximately 34% of the market share held by the five largest pharmacy chains. The Serbian market is characterised by a high density of pharmacies, with approximately 1,700 inhabitants per pharmacy. The high density of pharmacies, combined with a significant level of emigration abroad, also results in a relative shortage of qualified pharmacists on the Serbian market.³⁴

³⁰ Source: the Guarantor's own analysis.

³¹ Source: the Guarantor's own analysis.

³² Source: the Guarantor's own analysis.

³³ Source: the Guarantor's own analysis.

³⁴ Source: the Guarantor's own analysis.

According to its own analysis, the Group is the second largest operator of pharmacies in Serbia with a market share of 11.8%. The main competitors of the Group include the Benu pharmacy chain with 17% market share and the local Lilly Drogerie pharmacy chain with 10% market share, both as at 31 December 2024.³⁵

The value of the Group's NPS in the Serbian market was 86.9% as at 31 December 2024.

Wholesale

The Group operates under various brands in five countries, namely the Czech Republic, Slovakia, Romania, Poland and Italy.

Czech Republic

The Group has been operating wholesale distribution under the Via Pharma brand since 2013, when it took over the Gehe distribution network from the Celesio Group. The Group operates 4 warehouses for the purpose of wholesale distribution in the Czech market.

The Group, through its wholesale distribution network in the Czech market under the Via Pharma brand, generated external revenues of EUR 70.8 million for the year ended 31 December 2024, compared to EUR 80 million for the year ended 31 December 2023. External revenues generated through distribution to the hospital pharmacies outside the Group represent approximately 9% of the total wholesale revenues. Revenues from the distribution to the Group's own pharmacies amounted to EUR 681.8 million as at 31 December 2024 (approximately 91% of the total wholesale revenues).

According to its own analysis, the Group is the third largest operator of a wholesale distribution network in the Czech Republic with a 17.4% market share as at 31 December 2024, exclusively distributing to Dr. Max pharmacies and selected hospitals. The Czech market has a high level of concentration in this segment, with 95% of the market divided between the 4 largest wholesale distributors. Among its competitors, the Group includes Phoenix Wholesale Distributor operated by the international Phoenix Group with a 33.8% market share, Alliance Healthcare operated by Walgreens Boots Alliance and AmerisourceBergen Corporation with a 28.5% market share, and the local Pharmos network with a 15.4% market share, all as at 31 December 2024.³⁶

Slovakia

The Group has been operating wholesale distribution on the Slovak market under the Via Pharma brand since 2022, when it acquired MEDICAL GROUP SK a.s. The Group operates 2 warehouses for the purpose of operating wholesale distribution on the Slovak market.

The Group, through its wholesale distribution network under the Via Pharma brand in the Slovak market, generated external revenues of EUR 50.5 million for the year ended 31 December 2024 (which represents 24% of the total wholesale revenues), compared to EUR 47.6 million for the year ending 31 December 2023. Revenues from the distribution to the Group's own pharmacies amounted to EUR 157.1 million as at 31 December 2024 (approximately 76% of the total wholesale revenues), compared to EUR 98.3 million for the year ending 31 December 2023.

Due to its recent entry into the Slovak market, the Group ranks among the smaller wholesale distributors with a market share of 9% as at 31 December 2024 and a limited range of products distributed. Its largest competitors include the distributor PHOENIX Zdravotnícke zásobovanie operated by the international Phoenix Group with a 37% market share, as well as local wholesale distributors operating under the UNIPHARMA brand with a 28% market share and Med-ART with a 24% market share, all as at 31 December 2024.³⁷

Romania

The Group has been operating wholesale distribution on the Romanian market under the MEDIPLUS brand since 2017. The Group operates 10 warehouses for the purpose of operating wholesale distribution on the Romanian market.

The Group, through its wholesale distribution network under the MEDIPLUS brand in the Romanian market, generated external revenues of EUR 1,062.5 million for the year ending 31 December 2024 (which represent 60% of total wholesale revenues), compared to EUR 936.5 million for the year ending 31 December 2023. Revenues

³⁵ Source: the Guarantor's own analysis.

³⁶ Source: the Guarantor's own analysis.

³⁷ Source: the Guarantor's own analysis.

from the distribution to the Group's own pharmacies amount to EUR 696.3 million as at 31 December 2024 (approximately 40% of the total wholesale revenues).

According to its own analysis, the Group is one of the largest wholesale distributors of pharmaceuticals in the Romanian market with a 23.7% market share as at 31 December 2024, while the Romanian market is relatively concentrated but with the possibility of further consolidation, with the 5 largest wholesale distributors of pharmaceuticals controlling approximately 75% of the market. The Group counts among its largest competitors the local distribution network Fildas with a 21.4% market share, followed by Farmexpert owned by the AmerisourceBergen group with a 15.1% market share, Farmexim owned by the international Phoenix group with a 12.8% market share and Dona Logistica owned by the Dona group with a 4.1% market share, all as at 31 December 2023.³⁸

E-commerce

The Group started its activities in the e-commerce segment in 2014, mainly through online sales under the Dr. Max brand. This move significantly expanded the reach of its sales channels and increased the potential of the Dr. Max group's pharmacy loyalty program. The Group offers customers shopping through the online store a wide range of order delivery methods, including the option of pick-up at a pharmacy, delivery to a specific address or delivery box, or to a dispensing point operated by a third party. Due to regulatory restrictions, the Group does not operate an online store in Serbia.

Czech Republic

According to its own analysis, the Group is the largest online retailer of pharmaceuticals and dietary supplements on the Czech market, with a 34% market share as at 31 December 2024 and approximately 75.4 million visitors to its online store in the year 2024. The Group has a relatively wide range of products on its online store, which consists of approximately 42.6 thousand products with mostly immediate availability due to approximately 95% stock availability of these products.

According to its own analysis, the Group counts among its largest competitors the online stores operated by the Benu chain owned by the global Phoenix Group, with a market share of 19% as at 31 December 2024 and approximately 34.53 million visitors to the online store in the year 2024 and local retailer Pilulka.cz, a publicly traded company primarily focused on the e-commerce segment with a market share of 8% as at 31 December 2024 and approximately 18.77 million visitors to the online store in the year 2024.³⁹

Slovakia

According to its own analysis, the Group is the largest online retailer of pharmaceuticals and dietary supplements in the Slovak market, with a 43.9% market share as at 31 December 2024 and approximately 37.1 million visitors to its online store in the year 2024. The Group has a relatively wide range of products on its online store, which consists of approximately 40.3 thousand products with mostly immediate availability due to approximately 75% stock availability of these products.

The Group's largest competitors include online stores operated by Pilulka.sk, a publicly traded company focusing on e-commerce, with a market share of 12.1% as at 31 December 2024 and 8.1 million online store visitors in the year 2024, and the Benu chain owned by the global Phoenix Group with a market share of 18.0% as at 31 December 2024 and 12.2 million online store visitors in the year 2024.⁴⁰

Poland

According to its own analysis, the Group is the fifth largest online retailer in the Polish market for pharmaceuticals and dietary supplements, with a 5.8% market share as at 31 December 2024 and approximately 29.3 million visitors to its online store in the year 2024. The Group has a relatively wide range of products on its online store, which consists of approximately 35.1 thousand products with mostly immediate availability due to approximately 83% stock availability of these products.

Among its biggest competitors on the Polish market, the Group counts local online store operators Doz Apteka with a market share of 25% as at 31 December 2024 and 52 million online store visitors in the year 2024, Apteka Gemini.pl with a market share of 45% as at 31 December 2024 and 137 million online store visitors in the year

³⁸ Source: the Guarantor's own analysis. The data as at 31 December 2024 were not available as of the date of this Base Prospectus.

³⁹ Source: the Guarantor's own analysis.

⁴⁰ Source: the Guarantor's own analysis.

2024 and Apteka-melissa.pl with a market share of 10% as at 31 December 2024 and 23 million online store visitors in the year 2024.⁴¹

Romania

According to its own analysis, the Group is the largest online retailer in the Romanian market in the field of pharmaceuticals and food supplements, based on a 38.6% market share as at 31 December 2024 and approximately 111.2 million visitors to its online store in the year 2024. The Group has a relatively wide range of products on its online store, which consists of approximately 40.1 thousand products with mostly immediate availability due to approximately 71% stock availability of these products.

The Group counts among its largest competitors in the Romanian market the local online store operators Farmacia Tei with a market share of 28% as at 31 December 2024 and 95 million online store visitors in the year 2024 and Spring Farmacia with a market share of 7% as at 31 December 2024 and 22 million online store visitors in the year 2024.⁴²

Italy

The Group is one of the smaller retailers in the Italian market for pharmaceuticals and food supplements, with a 6.5% market share as at 31 December 2024 and approximately 31.38 million visitors to its online store in the year 2024. The Group has a relatively wide range of products on its online store, which consists of approximately 40.9 thousand products with mostly immediate availability due to approximately 74% stock availability of these products.

The Group's largest competitors in the Italian market include local online pharmaceutical and dietary supplement retailer Redcare Pharmacy with a market share of 11% as at 31 December 2024 and 48.96 million online store visitors in the year 2024 and Atida with a market share of 7% as at 31 December 2024 and 27.25 million online store visitors in the year 2024.⁴³

MagnaPharm

The Group provides a full portfolio of services in 14 countries in Central and Eastern Europe within the MagnaPharm segment, including import of goods, local distribution, marketing and technical support and regulatory obligations. Key customers are international pharmaceutical companies that do not operate their own offices in these countries and outsource to the Group certain activities necessary for successful operations in the markets concerned. The Group has been operating in the MagnaPharm segment since 2018, when it made the acquisition of A&D Pharma, which, among other things, had been providing this type of service since 1994.

The Group generated revenue of EUR 179.1 million in the MagnaPharm segment for the year ended 31 December 2024, compared to EUR 155.8 million for the year ended 31 December 2023. The MagnaPharm segment employed 467 people as at 31 December 2024 (508 employees as at 31 December 2023).

ESG principles

The Group makes every effort to optimise its operations with respect to ESG (Environmental, Social and Governance) principles. In particular, it seeks to achieve this by maximising the use of resources with respect for the environment and minimising the waste produced. At the same time, the vast majority of new buildings used for the Group's operations have been BREEAM (*Building Research Establishment Environmental Assessment Method*) certified since 2021. Furthermore, in order to minimise its carbon footprint and environmental impact, the Group maintains an optimal number and location of its warehouses for the distribution of orders from the e-commerce segment. The Group has also completely replaced the plastic bags dispensed at pharmacies with recycled plastic or paper bags.

The Group has introduced several programmes to support its employees. These include the provision of financial support in the form of meal vouchers, joining bonuses or pension and life insurance contributions. The Group also provides support in the form of hardship allowances as well as support for employee development. Women on maternity leave are targeted with a special programme to enable them to partially join the workforce or financial support for the placement of children in nurseries. The Group also adheres to an internally set code of ethics.

The Group is also involved in various charitable initiatives such as Taxík Maxík, which is a service provided in selected parts of the Czech Republic to transport the elderly, disabled or physically disadvantaged, especially to

⁴¹ Source: the Guarantor's own analysis.

⁴² Source: the Guarantor's own analysis.

⁴³ Source: the Guarantor's own analysis.

health and social facilities and offices, the Sensiblu Foundation, which supports victims of domestic violence in Romania, and the Biela Pastelka public collection to support the blind and visually impaired in Slovakia.

Recent events relevant to the evaluation of the Guarantor's solvency

The Guarantor repays all its debts in a due and timely manner. The Guarantor is not aware of any recent event specific to the Guarantor that is material in assessing the Guarantor's solvency.

Credit ratings

As at the date of this Base Prospectus, the Guarantor has not been assigned a credit rating by any company registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council or by any other company.

Structure of loans and borrowings

The Group's external financing is through borrowings from banking institutions and intra-group loans and borrowings (including the planned intra-group financing from the Bonds). Further details of the borrowings and indebtedness of the Group are set out in the section headed "*Material Contracts*" below. The Guarantor is not aware of any material changes to its funding structure since 31 December 2024.

Description of the expected financing of the Guarantor's activities

The Guarantor expects that its business activities will be financed primarily internally, i.e. through profits from the business activities of the Group. In addition to this funding from its business activities, the Guarantor expects to be simultaneously funded through intra-group loans and borrowings (including the planned intra-group funding from the Bonds).

4. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Guarantor is a public limited company incorporated under the laws of the Republic of Cyprus. The management body of the Guarantor are the Directors.

There is also a central management within the Group responsible for making strategic decisions for individual countries and for making decisions across the Group, but which is not a governing body of the Guarantor (and whose members are not employees of the Guarantor) and which consists of:

- Chief Executive Officer of the Group,
- Chief Financial Officer of the Group,
- Chief Operating and Human Resources Officer of the Group,
- Chief Information Technology Officer of the Group,
- Chief Supply Chain Officer of the Group,
- Chief Commercial Officer of the Group,
- Director of Mergers and Acquisitions of the Group,
- Chief Marketing and Customer Officer of the Group
- Chief Product Officer of the Group

The Guarantor does not have a supervisory board and the law does not require an establishment of one.

General Meeting

The General Meeting is the Guarantor's supreme body. The competence of the General Meeting includes deciding on matters that are included in the competence of the General Meeting by law or the Guarantor's Articles of Association. The General Meeting is held at least once a year and no more than fifteen (15) months may elapse between the date of an annual General Meeting of the Company and the date of the next General Meeting. A quorum is present if at least four shareholders holding shares with a nominal value exceeding 20% of the

company's share capital are present, unless the Articles of Association provide otherwise. Resolutions of the General Meeting (ordinary resolutions) are adopted if a majority of the votes of the company's shareholders present vote in favour thereof, unless otherwise provided by law or the Articles of Association.

Directors

The Directors are the governing body that manages the activities of the Guarantor and acts on its behalf, deciding on all matters of the Guarantor, unless reserved by law or the Guarantor's Articles of Association to the competence of the General Meeting. There may be no fewer than two and no more than ten Directors. The Directors are elected and removed by the General Meeting. Each Director acts independently. Re-election of the Director is possible.

The composition of the Guarantor's Directors as of the date of the Base Prospectus is as follows:

Penta Investments Cyprus Limited

Penta Investments Cyprus Limited is a wholly owned subsidiary of Penta Investments Limited.

Membership in the bodies of other companies or ownership of shares in other companies outside the Guarantor, if such membership or ownership is material to the Guarantor:

- Penta Investments Cyprus Limited is the Director of Pharmax Holdings.
- Penta Investments Cyprus Limited is the Director of Tvali Investments Limited.
- Penta Investments Cyprus Limited is the Director of Media SK Holdings Limited.
- Penta Investments Cyprus Limited is the Director of Penta Real Estate Holding Limited
- Penta Investments Cyprus Limited is the Director of Penta Hospitals Holdings Limited.
- Penta Investments Cyprus Limited is the Director of ZSNP Holdings Limited.

Penta Investments Cyprus Limited is the Director of other Penta Group companies that the Guarantor does not consider material.

Marek Peterčák and Michal Vrzgula act for Penta Investments Cyprus Limited, each acting individually.

- Messrs Marek Peterčák and Michal Vrzgula are also Directors of Penta Investments Limited.
- Messrs Marek Peterčák and Michal Vrzgula are also Directors of Penta Investments Group Limited.

Marek Peterčák and Michal Vrzgula are Directors of other Penta Group companies that the Guarantor does not consider significant.

Chrystalla Argyridou

Membership in the bodies of other companies or ownership of shares in other companies outside the Guarantor, if such membership or ownership is material to the Guarantor:

- None.

Ms. Chrystalla Argyridou is a Director of other companies that the Guarantor does not consider material.

The business address of the Directors is Agias Fylaxeos & Polygnostou, 212 C&I CENTER BUILDING, 2nd floor, 3082 Limassol, the Republic of Cyprus.

Supervisory Board

The Guarantor does not have a supervisory board and, given its legal form, is not obliged to have a supervisory board under Cypriot law.

Conflict of interests at the level of administrative, management and supervisory bodies

As mentioned above, the Guarantor's Director is also a member of the bodies of another company in the Group, namely the Guarantor's subsidiary (Pharmax Holdings). Penta Investments Cyprus Limited and its Directors, Mr. Vrzgula and Mr. Peterčák, are also members of the bodies of other companies in the Penta Group. Ms. Chrystalla Argyridou is also a member of the boards of other Penta Group companies and other companies outside the Penta Group. Given that the Issuer will provide the proceeds of the Issue of the Bonds to the Guarantor by way of an intra-group loan or credit, these persons may have a conflict of interest due to the different interests of the Issuer and the Guarantor as lender and borrower under the subject loan. There are no other potential conflicts of interest

between the duties of the members of the governing bodies to the Guarantor and their private interests or other duties to the Guarantor.

5. MATERIAL CONTRACTS

As of the date of this Base Prospectus, the Guarantor has not entered into any material contract outside the ordinary course of its business which could give rise to liabilities or claims of any member of the Group which would be material to the ability of the Guarantor to meet its obligations under the Financial Guarantee. The material contracts entered into between the Guarantor, on the one hand, and the borrowers/lenders, on the other hand, in the ordinary course of its business and existing as at the date of this Base Prospectus are the loan or credit agreements summarised in the table below, including the aggregate principal amount, including accrued interest, payable to the relevant lender as at the date set out below:

Loans provided

The table below provides a summary of loans provided by the Guarantor to its related parties as at 31 December 2024:

Nature of the loan granted	Currency	Interest rate		Maturity	Amount (in EUR thousands)
		Floating + Margin	Fixed		
Loans provided to immediate parent company	EUR	3.0 – 4.8 %	-	30 June 2029	868,893
Loans provided to immediate parent company*	EUR	-	2.9 – 9.4%	2025 - 2030	308,585
Loans provided to immediate parent company*	CZK	-	5.4 - 8.9%	2026 - 2029	290,225
Loans provided to immediate parent company	CZK	-	5.10%	27 February 2025	5,898
Subtotal - Loans provided to immediate parent company					1,473,601
Loans provided to other related parties	EUR	-	3.2%	29 December 2025	82,785
Loans provided to other related parties	CZK	-	2.5%	31 December 2030	225
Subtotal - Loans provided to other related parties					83,010
Total – Loans provided to related parties					1,556,611

*The interest rate of each tranche provided is calculated based on a specific date, currency and amount. For the period of 1 January 2024 to 31 December 2024, the total interest income was EUR 78,690 thousand (thereof towards immediate parent company EUR 76,437 thousand, towards other related parties EUR 2,253 thousand).

Interest-bearing loans and borrowings

The table below provides a summary of the Group's interest-bearing loans and borrowings from third parties as at 31 December 2024:

Nature of interest-bearing loans and borrowings	Currency	Interest rate		Maturity	Amount (in EUR thousands)
		Floating + Margin	Fixed		
Long-term loan	EUR	3M EURIBOR + 2.1%	-	30 June 2029	549,988
Long-term loan	EUR	3M EURIBOR + 2.1%	-	30 June 2029	240,757
Long-term loan	EUR	3M EURIBOR + 2.1%	-	30 June 2029	169,288
Long-term loan	EUR	3M EURIBOR + 2.1%	-	30 June 2029	139,817
Bank overdrafts	EUR	-	0.5%	31 December 2025	3
Total – Interest-bearing loans and borrowings from banking institutions					1,099,853
Other borrowings					4

Nature of interest-bearing loans and borrowings	Currency	Interest rate		Maturity	Amount (in EUR thousands)
		Floating + Margin	Fixed		
Total – Interest-bearing loans and borrowings from other parties					4
Total					1,099,857

The table below provides a summary of the Group's interest-bearing loans and borrowings from related parties as at 31 December 2024:

Nature of the loan granted	Currency	Interest rate		Maturity	Amount (in EUR thousands)
		Floating + Margin	Fixed		
Loan granted by other related party	EUR	-	5.05%	21 March 2026	213,384
Loan granted by other related party	EUR	-	4.39%	18 June 2026	217,967
Loan granted by other related party	CZK	-	8.17%	20 December 2026	54
Loan granted by other related party	CZK	-	8.50%	31 December 2027	1,433
Loan granted by other related party	EUR	-	5.88%	2 November 2028	124
Loan granted by other related party	EUR	-	3.86%	27 December 2028	11,423
Loan granted by other related party	CZK	-	5.80%	31 December 2028	15,795
Loan granted by other related party	CZK	-	5.80%	31 December 2028	12,268
Loan granted by other related party	EUR	-	3.37%	31 December 2029	14,688
Loan granted by other related party	EUR	-	3.37%	31 December 2029	36,584
Loan granted by other related party	EUR	-	3.37%	31 December 2029	184,277
Loan granted by other related party	EUR	-	4.35%	11 May 2030	44,641
Total – loans granted by other related party					752,638

The table below provides a summary of the Group's indebtedness under bonds (issued by Dr. Max Funding, s.r.o., the Issuer and the Guarantor) as at 31 December 2024:

Nature of the bond issued	Currency	Interest rate		Maturity	Amount (in EUR thousands)
		Floating + Margin	Fixed		
Issued bonds	CZK	-	8.5%	21 December 2028	199,007
Issued bonds	CZK	-	6.75%	15 November 2029	50,060
Issued bonds	CZK	-	4.9 – 8.5%	2025–2029	90,933
Issued bonds	EUR	-	3.8 – 9.0%	2025–2030	237,458
Total – loans granted by other related party					577,458

Pharmax Holdings Facilities Agreement

Pharmax Holdings is a party to the Pharmax Holdings Facilities Agreement. Debts incurred under or in connection with the Pharmax Holdings Facilities Agreement are secured by pledges of selected assets of the Group. These pledges include, but are not limited to, pledges of the interest in Pharmax Holdings, Pharmax Holdings' interests in selected companies in the Group, the business establishments of selected Czech companies in the Group, selected trademarks and other assets, including, but not limited to, receivables from selected bank accounts. The

value of debts at the level of Pharmax Holdings amounted to EUR 1,099,850 thousand as at 31 December 2024 (including the revolving credit facility).

The tables below provide a summary of pledges of the secured assets of the Group under or in connection with the Pharmax Holdings Facilities Agreement as at 31 December 2024:

Pledges of shares or ownership interests held by the Guarantor	as at 31 December 2024
Pharmax Holdings	100%
Pledges of shares or ownership interests held by Pharmax Holdings	
ČESKÁ LÉKÁRNA HOLDING, a.s.	100%
Dr. Max Holding SK, a.s.	100%
Dr. Max BDC, s.r.o.	100%
BRL Center – Polska Sp.z.o.o.	100%
Baramoore International s.r.o.	100%
Dr. Max SRL	100%
MagnaPharm Holdings Limited.....	100%
Lidea SpA	100%
ViaPharma s.r.o.	100%
Dr. Max sp. z o.o.	100%
Pledges of assets other than shares or ownership interests	<i>(in EUR thousands)</i>
Trademark	158,986
Loans provided	868,614
Trade and other receivables	683,105
Inventories	463,668
Cash and cash equivalents	214,102
Total	2,388,475
Pledges of enterprises incorporated in the Czech Republic	<i>(in EUR thousands)</i>
Net assets (of ČESKÁ LÉKÁRNA HOLDING, a.s., Baramoore International s.r.o. and ViaPharma s.r.o.)	200,522
Total	200,522

Subordination Agreement 1

The Guarantor is a party to a subordination agreement dated 19 November 2023 between the Guarantor as guarantor, Penta Investments Cyprus Limited as subordinated creditor, and the Security Agent as senior creditor (**Subordination Agreement 1**) in connection with the issuance of the 2028 Bonds.

Subordination Agreement 1 regulates the order of satisfaction of subordinated receivables, which are the receivables of Penta Investments Cyprus Limited against the Guarantor from any loan or credit agreements between Penta Investments Cyprus Limited (as creditor) and the Guarantor (as debtor), including the Facilities Agreements and any contracts or arrangements between Penta Investments Cyprus Limited and the Guarantor, the subject of which is monetary performance to the Guarantor, and any receivables of other acceding subordinated creditors (**Subordinated Receivables 1**). Subordination Agreement 1 stipulates that these Subordinated Receivables 1 are subordinated to senior receivables, which include, among other things, claims for the payment of the nominal value of the 2028 Bonds, interest on the 2028 Bonds, and any payments under the financial guarantee issued in connection with the 2028 Bonds (**Senior Receivables 1**).

Under Subordination Agreement 1, the Guarantor has specifically undertaken not to repay or otherwise fulfil Subordinated Receivables 1 or any part thereof, nor to seek or permit the fulfilment or other extinction of Subordinated Receivables 1 or any part thereof, unless such action is permitted by the terms and conditions of the 2028 Bonds. Under Subordination Agreement 1, Penta Investments Cyprus Limited has specifically undertaken not to demand, take, or accept any payment from the Guarantor in relation to the Subordinated Receivables 1 or any part thereof, provided that such action would fulfil the restriction set out in Article 4.6 of the terms and conditions of the 2028 Bonds. Penta Investments Cyprus Limited has also, among others, undertaken that if it receives or enforces any payment in breach of the terms of Subordination Agreement 1 in respect of Subordinated Receivables 1 or any part thereof, it will accept such payment for the benefit of the Security Agent and will transfer it to the Security Agent without undue delay upon receipt for the satisfaction of Senior Receivables 1.

Subordination Agreement 2

The Guarantor is a party to a subordination agreement dated 10 October 2024 between the Guarantor as guarantor, Penta Investments Cyprus Limited as subordinated creditor, and the Security Agent as senior creditor (**Subordination Agreement 2**) in connection with the issuance of the 2029 Bonds.

Subordination Agreement 2 regulates the order of satisfaction of subordinated receivables, which are the receivables of Penta Investments Cyprus Limited against the Guarantor from any loan or credit agreements between Penta Investments Cyprus Limited (as creditor) and the Guarantor (as debtor), including the Facilities Agreements and any contracts or arrangements between Penta Investments Cyprus Limited and the Guarantor, the subject of which is monetary performance to the Guarantor, and any receivables of other acceding subordinated creditors (**Subordinated Receivables 2**). Subordination Agreement 2 stipulates that these Subordinated Receivables 2 are subordinated to senior receivables, which include, among others, claims for the payment of the nominal value of the 2029 Bonds, interest on the 2029 Bonds, and any payments under the financial guarantee issued in connection with the 2028 Bonds (**Senior Receivables 2**).

Under Subordination Agreement 2, the Guarantor has specifically undertaken not to repay or otherwise fulfil the Subordinated Receivables 2 or any part thereof, nor to seek or permit the fulfilment or other extinction of Subordinated Receivables 2 or any part thereof, unless such action is permitted by the terms and conditions of the 2029 Bonds. Under Subordination Agreement 2, Penta Investments Cyprus Limited has specifically undertaken not to demand, take, or accept any payment from the Guarantor in relation to Subordinated Receivables 2 or any part thereof, provided that such action would fulfil the restriction set out in Article 4.6 of the terms and conditions of the 2029 Bonds. Penta Investments Cyprus Limited has also, among other things, undertaken that if it receives or enforces any payment in breach of the terms of Subordination Agreement 2 in respect of Subordinated Receivables 2 or any part thereof, it will accept such payment for the benefit of the Security Agent and will transfer it to the Security Agent without undue delay upon receipt for the satisfaction of Senior Receivables 2.

Subordination Agreement 3

In connection with the Bonds, a new subordination agreement will be entered into on or about the date of this Base Prospectus between the Guarantor as guarantor, Penta Investments Cyprus Limited as subordinated creditor, and the Security Agent as senior creditor (**Subordination Agreement 3**).

Subordination Agreement 3 regulates the order of satisfaction of subordinated receivables, which are the receivables of Penta Investments Cyprus Limited against the Guarantor from any loan or credit agreements between Penta Investments Cyprus Limited (as creditor) and the Guarantor (as debtor), including the Facilities Agreements and any contracts or arrangements between Penta Investments Cyprus Limited and the Guarantor, the subject of which is monetary performance to the Guarantor, and any receivables of other acceding subordinated creditors (**Subordinated Receivables 3**). Subordination Agreement 3 stipulates that these Subordinated Receivables 3 are subordinated to senior receivables, which include, among others, claims for the payment of the nominal value of the Bonds, interest on the Bonds, and any payments under the Financial Guarantee (**Senior Receivables 3**).

Under Subordination Agreement 3, the Guarantor has specifically undertaken not to repay or otherwise fulfil Subordinated Receivables 3 or any part thereof, nor to seek or permit the fulfilment or other extinction of Subordinated Receivables 3 or any part thereof, unless such action is permitted by the terms and conditions of the Bonds. Under Subordination Agreement 3, Penta Investments Cyprus Limited has specifically undertaken not to demand, take, or accept any payment from the Guarantor in relation to Subordinated Receivables 3 or any part thereof, provided that such action would fulfil the restriction set out in Condition 4.8 of the Joint Terms and Conditions. Penta Investments Cyprus Limited also, among other things, undertakes that if it receives or enforces any payment in breach of the terms of Subordination Agreement 3 in respect of Subordinated Receivables 3 or any part thereof, it will accept such payment for the benefit of the Security Agent and will transfer it to the Security Agent without undue delay upon receipt for the satisfaction of Senior Receivables 3.

TAXATION AND FOREIGN EXCHANGE REGULATION

The following is a general discussion of certain Czech tax consequences of the acquisition, ownership and disposition of Bonds. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Bonds. As each Tranche of Bonds may be subject to a different tax treatment due to the specific terms of such Tranche of Bonds as set out in the respective Final Terms, the following section only provides some very general information on the possible tax treatment. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This overview is based on the laws of the Czech Republic currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect. The information contained within this section are limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Bonds.

*The description below represents a brief summary of selected material tax aspects of the purchase, holding and disposal of the Bonds in the Czech Republic. The summary is mainly based on Act No. 586/1992 Coll., on Income Taxes, as amended (the **Income Taxes Act**), and on other related laws which are effective as of the date of this Base Prospectus as well as on the administrative practice or the prevailing interpretations of these laws and other regulations as applied by Czech tax, administrative and other authorities and bodies and as these are known to the Issuer at the date of this Base Prospectus. The information contained herein is neither intended to be nor should be construed as legal or tax advice. The description below is solely of a general nature (i.e. it does not take into account, for example, specific tax treatment of certain taxpayers such as investment, mutual or pension funds) and may change in the future depending on changes in the relevant laws that may occur after this date, or in the interpretation of these laws which may be applied after that date. In this respect, please note that the below description of Czech tax treatment of the Bonds has been significantly affected by Act No. 609/2020 Coll., which amends some acts in the field of taxes and some other acts (**2021 ITA Amendment**). The 2021 ITA Amendment has significantly changed the tax regime of Bonds issued after 31 December 2020. The new rules are quite controversial. Therefore, the tax regime of bonds (including the Bonds) is currently associated with many ambiguities. In the Issuer's opinion, the summary below represents a rational interpretation of the relevant provisions of the Income Taxes Act in relation to bonds.*

The following summary assumes that the person to whom any income is paid in connection with the Bonds is a beneficial owner of such income (within the OECD Model Tax Convention on Income and on Capital meaning of this term), i.e. it does not act, for example, as a proxy, agent, depositary or in any other similar position in which any such payments would be received on account of another person or entity.

For the purposes of this section (*Taxation*), the following terms have the following meaning:

Beneficial Owner means a holder of a Bond if such holder is also a beneficial owner (within the OECD Model Tax Convention on Income and on Capital meaning of this term) in respect of income paid on or in connection with such Bond or a recipient of such income who qualifies as a beneficial owner within the above meaning, in each case under the Income Taxes Act as well as for the purposes of a relevant Tax Treaty (if any).

Coupon means any bond yield other than a bond yield that is determined by reference to the difference between the nominal value of a bond and its issue price (i.e. yield determined as the Discount). For the avoidance of doubt, the Coupon also includes the Early Redemption Premium.

Coupon Bond means a bond whose issue price is equal to its nominal value. For the avoidance of doubt, the Coupon Bond is not a bond with a yield that is determined by reference to the combination of the Discount and the Coupon.

Czech Permanent Establishment means a permanent establishment in the Czech Republic under the Income Taxes Act as well as under a relevant Tax Treaty, if any.

Czech Tax Non-Resident means a taxpayer who is not a tax resident of the Czech Republic under the Income Taxes Acts or under any Tax Treaty.

Czech Tax Resident means a taxpayer who is a tax resident of the Czech Republic under the Income Taxes Acts as well as under a relevant Tax Treaty, if any.

Discount means a positive difference between the nominal value of a bond and its lower issue price.

Discounted Bond means a bond whose issue price is lower than the nominal value. For the avoidance of doubt, the Discounted Bond is also a bond with a yield that is determined by the combination of the Discount and the Coupon.

Early Redemption Premium means any extraordinary yield paid by an issuer in the event of early redemption of a bond.

Legal Entity means a taxpayer other than an individual (i.e. a taxpayer which is subject to corporate income tax but who may not necessarily have a legal personality).

Tax Security means a special amount collected by means of a deduction at source made by the Withholding Agent (for example by the issuer of a bond or by the buyer of a bond) upon payment of taxable income which serves essentially as an advance with respect to tax that is to be self-assessed by the recipient of the relevant income (i.e. unlike the Withholding Tax, the amount so withheld does not generally represent a final tax liability).

Tax Treaty means a valid and effective tax treaty concluded between the Czech Republic and another country under which the Czech Tax Non-Resident is treated as a tax resident of the latter country. In the case of Taiwan, the Tax Treaty is Act No. 45/2020 Coll., on the elimination of double taxation in relation to Taiwan, as amended.

Withholding Agent means a payer of (taxable) income who is responsible for making the deduction of (i) the Withholding tax or (ii) the Tax Security, as applicable, and their remittance to the tax authorities.

Withholding Tax means a tax collected by means of a deduction at source made by the Withholding Agent (for example by the issuer of the bond) upon payment of taxable income. Save in certain limited circumstances, such tax is generally considered as final.

Interest Income

Czech Tax Residents

(a) Individuals

The yield in the form of the Coupon paid to an individual is subject to the Withholding Tax at a rate of 15%. This tax represents final taxation of the Coupon in the Czech Republic.

The yield in the form of the Discount paid to an individual is not subject to the Withholding tax or Tax Security. Instead, it is included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is thirty-six (36) times the average wage amounting to CZK 1,676,052 in 2025). However, the general tax base does not include the amount of the Discount, but rather the (positive) difference between the nominal value of the Bond paid by the Issuer (or the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any) and the price for which the individual acquired the Bond. If an individual holds the Bond, which is the Coupon Bond, until its maturity (or early redemption) and this individual acquired such Bond on a secondary market at an amount below the nominal value of the Bond (or below the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any), such (positive) difference is also included in the individual's general tax base.

(b) Legal Entities

The yield (whether in the form of the Discount or the Coupon) paid to a Legal Entity is not subject to the Withholding Tax, but it is rather included in the general tax base, which is subject to corporate income tax at a flat rate of 21%. The Legal Entity which is an accounting unit is generally required to recognise the yield in its profit and loss statement on an accrual basis.

Czech Tax Non-Residents

(a) Individuals

The yield in the form of the Coupon paid to an individual is subject to the Withholding Tax at a rate of 15% or 35%. The 35% rate applies to recipients, which do not have Czech Permanent Establishment to which the Bonds are attributable and, at the same time, are tax residents of neither (i) an EU/EEA member state nor (ii) a country with which the Czech Republic has an effective Tax Treaty or an effective bilateral (or multilateral) treaty on the

exchange of information. The 15% rate applies to all other recipients. This tax generally represents a final taxation of the Coupon in the Czech Republic. However, an individual who is a tax resident of an EU/EEA member state may decide to include the Coupon in his/her tax return filed in the Czech Republic for the relevant tax year. In such a case, the above Withholding Tax represents an advance payment which is credited against the final Czech tax liability as declared in the tax return.

The yield in the form of the Discount paid to an individual is not subject to the Withholding Tax. Instead, it is included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is thirty-six (36) times the average wage amounting to CZK 1,676,052 in 2025). However, the general tax base does not include the amount of the Discount, but rather the (positive) difference between the nominal value of the Bond paid by the Issuer (or the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any) and the price for which the individual acquired the Bond. However, if the Bonds are not attributable to the individual's Czech Permanent Establishment, the taxable amount cannot exceed the Discount (i.e. if such difference is higher, the amount of the Discount will be included in the general tax base). Furthermore, if an individual is not a tax resident of an EU/EEA member state, the Issuer will withhold the Tax Security at the rate of 1% applicable to a gross amount paid (i.e. the nominal value of the Bond upon the maturity or the amount paid by the Issuer upon an early redemption of the Bond, but excluding the Early Redemption Premium, if any). This Tax Security is creditable against the final tax liability as declared in the Czech tax return for the relevant tax year (any Tax Security over withholding is generally refundable). If (i) an individual holds the Bond, which is the Coupon Bond, until its maturity (or its early redemption), (ii) this individual acquired such Bond on a secondary market for an amount below its nominal value (or below the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any) and (iii) such Bond is attributable to that individual's Czech Permanent Establishment, such (positive) difference is also included in the individual's general tax base.

(b) Legal Entities

The yield in the form of the Coupon paid to a Legal Entity, where the Bond is not attributable to its Czech Permanent Establishment, is subject to the Withholding Tax at a rate of 15% or 35%. The 35% rate applies to recipients, which are tax residents of neither (i) an EU/EEA member state nor (ii) a country with which the Czech Republic has an effective Tax Treaty or an effective bilateral (or multilateral) treaty on the exchange of information. The 15% rate applies to all other recipients. This tax generally represents final taxation of the Coupon in the Czech Republic. However, the Legal Entity who is a tax resident of an EU/EEA member state may decide to include the Coupon in its tax return filed in the Czech Republic for the relevant tax year. In such a case, the above Withholding Tax represents an advance payment which is credited against the final self-assessed tax liability as declared in the tax return. The yield in the form of the Coupon paid to a Legal Entity, where the Bond is attributable to its Czech Permanent Establishment, is not subject to the Withholding Tax. Instead, it is included in the general tax base, which is subject to corporate income tax at a rate of 21%. Furthermore, if the Legal Entity is not a tax resident of an EU/EEA member state, the Issuer will withhold a Tax Security at the rate of 10% applicable to the amount of the Coupon (on a gross basis). This Tax Security is creditable against the final tax liability as declared in a Czech tax return for the relevant tax year (any Tax Security over withholding is generally refundable).

The yield in the form of the Discount paid to the Legal Entity is not subject to the Withholding tax. Instead, it is included in the general tax base, which is subject to corporate income tax at a rate of 21%. However, the general tax base does not include the amount of the Discount, but rather the (positive) difference between the nominal value of the Bond paid by the Issuer (or the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium) and the price at which the Legal Entity acquired the Bond. However, if the Bonds are not attributable to Legal Entity's Permanent Establishment, the taxable amount cannot exceed the Discount (i.e. if such difference is higher, the amount of the Discount will be included in the general tax base). Furthermore, if the Legal Entity is not a tax resident of an EU/EEA member state, the Issuer will withhold the Tax Security at the rate of 1% applicable to gross amount (i.e. the nominal value of the Bond at maturity or the amount paid by the Issuer upon an early redemption of the Bond, but excluding the Early Redemption Premium). This Tax Security is creditable against the final tax liability as declared in the Czech tax return for the relevant tax year (any Tax Security over withholding is generally refundable). If (i) a Legal Entity holds the Bond, which is the Coupon Bond, until its maturity (or its early redemption), (ii) this Legal Entity acquired such Bond on a secondary market for an amount below the nominal value of the Bond (or below the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium) and (iii) such Bond is attributable to that Legal Entity's Czech Permanent Establishment, such (positive) difference is also included in its general tax base.

A Legal Entity which is an accounting unit and where the Bonds are attributable to its Czech Permanent Establishment, is generally required to recognise the yield (whether in the form of the Discount or the Coupon) in its profit and loss statement on an accrual basis.

Capital gains/losses

Czech Tax Residents

(a) Individuals

Capital gains from the sale of the Bonds that have not formed part of business assets of an individual are generally exempt from personal income tax if:

- total annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds) does not exceed the amount of CZK 100,000, or
- such gains are derived from the sales of the Bonds which the individual has held for more than three (3) years prior to their sale (however, income from a future sale of the Bonds where a purchase agreement is concluded after three (3) years but where income arises within three (3) years from their acquisition is not tax-exempt); as of 2025 this exemption is limited only up to total amount of CZK 40,000,000 of annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds), participations in companies and crypto-assets.

If the Bonds formed part of business assets of an individual, the exemption upon their sale may still apply but only if the Bonds are sold no earlier than three (3) years after the termination of that individual's business activities.

Taxable gains from the sale of the Bonds realised by an individual are included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is thirty-six (36) times the average wage amounting to CZK 1,676,052 in 2025). If an individual has held the Bonds in connection with his/her business activities, such gains are also subject to social security and health insurance contributions. Losses from the sale of the Bonds realised by an individual are generally tax non-deductible, except where such losses are compensated by taxable gains on the sales of other securities in the same year and the income from the sale of the Bonds is not tax-exempt.

(b) Legal Entities

Capital gains from the sale of the Bonds are included in the general tax base, which is subject to corporate income tax at a rate of 21%. Losses from the sale of the Bonds realised by Legal Entities are generally tax deductible.

Czech Tax Non-Residents

Capital gains from the sale of the Bonds realised by a Czech Tax Non-Resident are subject to taxation in the Czech Republic provided that:

- the Bonds are attributable to a Czech Permanent Establishment of the Czech Tax Non-Resident selling these Bonds, or
- the Bonds are acquired by (i) a Czech Tax Resident or (ii) a Czech Tax Non-Resident acquiring the Bonds through his/her/its Czech Permanent Establishment.

Therefore, capital gains realised by a Czech Tax Non-Resident where the Bonds are sold to another Czech Tax Non-Resident and where such Bonds are attributable to neither (i) a Czech Permanent Establishment of the seller nor (ii) a Czech Permanent Establishment of the buyer, are out of scope of Czech taxation.

(a) Individuals

Capital gains from the sale of the Bonds that have not formed part of business assets of an individual are generally exempt from personal income tax if:

- total annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds) does not exceed the amount of CZK 100,000, or

- such gains are derived from the sales of the Bonds which the individual has held for more than three (3) years prior to their sale (however, income from a future sale of the Bonds where a purchase agreement is concluded after three (3) years but where income arises within three (3) years from their acquisition is not tax-exempt); as of 2025 this exemption is limited only up to total amount of CZK 40,000,000 of annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds), participations in companies and crypto-assets.

If the Bonds formed part of business assets of an individual, the exemption upon their sale may still apply but only if the Bonds are sold no earlier than three (3) years after the termination of that individual's business activities.

Taxable gains (as defined above) from the sale of the Bonds realised by an individual are included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is thirty-six (36) times the average wage amounting to CZK 1,676,052 in 2025). If an individual has held the Bonds in connection with his/her business activities, such gains may also be subject to social security and health insurance contributions. Losses from the sale of the Bonds realised by an individual are generally tax non-deductible, except where such losses are compensated by taxable gains on the sales of other securities in the same year and the income from the sale of the Bonds is not tax-exempt.

Furthermore, if the Bonds are sold by an individual who is not a tax resident of an EU/EEA member state, a buyer acting as a Withholding Agent may be required to withhold a Tax Security amounting to 1% of the gross purchase price. The buyer will be acting as a Withholding Agent if he/she/it is:

- a Czech Tax Resident, or
- a Czech Tax Non-Resident and the acquired Bonds are attributable to his/her/its Czech Permanent Establishment.

Any Tax Security withheld is creditable against the final tax liability as declared by the Czech Tax Non-Resident selling the Bonds in a Czech tax return for the relevant tax year (any Tax Security over withholding is generally refundable).

(b) Legal Entities

Capital gains from the sale of the Bonds, which are subject to Czech taxation (as discussed above), are included in the general tax base, which is subject to corporate income tax at a rate of 21%. Losses from the sale of the Bonds realised by the Legal Entities are generally tax deductible. However, according to certain interpretations, such losses are not tax deductible for a Czech Tax Non-Resident who does not keep its accounting books under the Czech accounting rules.

Furthermore, if the Bonds are sold by a Legal Entity which is not a tax resident of an EU/EEA member state, a buyer acting as the Withholding Agent may be required to withhold a Tax Security amounting to 1% of the gross purchase price. The buyer will be acting as a Withholding Agent if he/she/it is:

- a Czech Tax Resident, or
- a Czech Tax Non-Resident and the acquired Bonds are attributable to his/her/its Czech Permanent Establishment.

Any Tax Security withheld is creditable against the final tax liability as declared by the Czech Tax Non-Resident selling the Bonds in a Czech tax return for the relevant tax year (any Tax Security over withholding is generally refundable).

Benefits under Tax Treaties

A Tax Treaty may reduce or even fully eliminate Czech taxation of interest income from the Bonds or capital gains from their sale (including a Tax Security withholding, if applicable). Such Tax Treaty relief is usually applicable on the condition that the income recipient who is a Czech Tax Non-Resident does not hold the Bonds through his/her/its Czech Permanent Establishment. Furthermore, the entitlement to particular Tax Treaty benefits is generally conditional on presenting documents proving that the income recipient qualifies for the Tax Treaty benefits including, in particular (i) a tax residency certificate issued by the relevant tax authorities and (ii)

a beneficial ownership declaration of the income recipient. Entitlement to particular Tax Treaty benefits may also be conditional on meeting further specific criteria under that Tax Treaty.

Reporting Obligation

An individual holding the Bonds (whether a Czech Tax Resident or a Czech Tax Non-Resident) is obliged to report to the Czech tax authorities any income earned in connection with the Bonds if such income is exempt from taxation in the Czech Republic and exceeds, in each individual case, CZK 5,000,000. The reporting must be fulfilled within the deadline for filing a personal income tax return. A non-compliance with this reporting obligation is penalised by a sanction of up to 15% of a gross amount of the unreported income.

A Withholding Agent (including the Issuer) is obliged to file a formal notification to the relevant Czech tax authorities upon making a payment that (i) is subject to the Withholding Tax, (ii) would be subject to the Withholding Tax, but is not because the income is tax-exempt or a Tax Treaty prevents taxation of that income in the Czech Republic, subject to certain exemptions, or (iii) is subject to withholding of the Tax Security.

Value Added Tax

There is no Czech value added tax payable in respect of payments in consideration for the issue of the Bonds, or in respect of the payment of interest or principal under the Bonds, or in respect of the transfer of the Bonds.

Other Taxes or Duties

No registration tax, capital tax, customs duty, transfer tax, stamp duty or any other similar tax or duty is payable in the Czech Republic by a Czech Tax Resident or a Czech Tax Non-Resident in respect of or in connection with the purchase, holding or disposition of the Bonds, save for disposition in certain cases upon donation or inheritance.

ENFORCEMENT OF CIVIL LIABILITIES AGAINST THE ISSUER AND THE GUARANTOR

This chapter contains only general information and relies on information obtained from publicly available sources. The Issuer and Guarantor or their advisers make no representation as to the accuracy or completeness of the information included herein. Any prospective purchasers of the Bonds should therefore not rely upon the information included herein and are recommended to contact their legal advisers for consultation about the enforcement of claims in respect of the Issuer's private law liabilities within any relevant jurisdiction.

The Joint Terms and Conditions provide, among other things, that the courts of the Czech Republic shall have jurisdiction to settle any disputes, which may arise out of or in connection with the Bonds (including a dispute relating to any non-contractual obligations arising out of or in connection with the Bonds).

The recognition and enforcement of foreign judgments in civil and commercial matters in the Czech Republic is governed by EU law, public international treaties and Czech law. EU Regulation 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (**Regulation 1215/2012**) is directly applicable in the Czech Republic. Based on this regulation, court rulings issued by any court authority in the EU member states with regard to civil and commercial matters are enforceable in the Czech Republic, subject to the rules set forth in the Regulation 1215/2012 and, conversely, court rulings issued by court authorities in the Czech Republic with regard to civil and commercial matters are reciprocally enforceable in the EU member states.

The Issuer and the Guarantor have not agreed on the jurisdiction of any foreign court in connection with any legal proceedings initiated based on the acquisition of any Bonds or in connection with the Financial Guarantee, nor have they appointed any representative for proceedings in any country. Therefore, it may be impossible for investors in any Bonds to initiate any proceedings against the Issuer or the Guarantor or to seek foreign court judgments against the Issuer or the Guarantor or to enforce judgments issued by such courts based on provisions of foreign law.

In cases where the Czech Republic concluded an international treaty with a specific country on the recognition and enforcement of court rulings, the recognition and enforcement of court rulings issued in such country is processed in accordance with the provisions of the applicable international treaty.

If no international treaty on the recognition and enforcement of court rulings exists, then the rulings of foreign courts shall be recognised and enforced in the Czech Republic in accordance with Act No. 91/2012 Coll., on private international law, as amended (the **Private International Law Act**) and other relevant legislation. In the event of a foreign ruling against a Czech individual or legal entity, such a foreign ruling shall be recognised and enforced if, among other things, actual reciprocity has been established regarding the recognition and enforcement of judgments rendered by Czech courts in the relevant country.

The Czech Ministry of Justice may, upon agreement with the Czech Ministry of Foreign Affairs and other ministries, declare that reciprocity has been established with respect to a particular foreign country. Such declaration is binding on the Czech courts and other state authorities. If such declaration of reciprocity has not been issued with regard to a particular country, however, this does not automatically mean that reciprocity cannot be established in a given case. In such cases, the recognition of reciprocity would be assessed as part of the proceedings by the Czech court based on the actual situation in a given country with regard to the recognition of judgments of Czech authorities.

On the other hand, even if reciprocity has been established and declared by the Ministry of Justice with respect to judgments issued by judicial bodies of a particular foreign country, such judgments may not be recognised and enforced under applicable provisions of Czech law if, for example: (i) the matter falls within the exclusive jurisdiction of the courts of the Czech Republic, or in the event that the proceedings could not have been conducted by any authority of a foreign state, should the provisions on the jurisdiction of Czech courts be applied for considering the jurisdiction of the foreign authority (unless the party against whom the decision was issued voluntarily submitted to the authority of the foreign body); (ii) proceedings are underway before a Czech court with regard to the same legal relations and if said proceedings commenced prior to the proceedings abroad, in which the judgement whose recognition has been proposed was issued; (iii) a Czech court has issued or recognised a final judgment in the same matter, or proceedings regarding the same matter are pending before a Czech court; (iv) the foreign authority deprived the party to the proceedings against whom the judgment was made of the opportunity to properly participate in the proceedings (i.e., in particular, if such party had not been

duly served for the purposes of the initiation of the proceedings); or (v) the recognition of a foreign judgment would be contrary to the public order in the Czech Republic.

Foreign exchange regulation

The issue and acquisition of the Bonds is not subject to any foreign exchange regulation in the Czech Republic. Under Czech Constitutional Act No. 110/1998 Coll., on security of the Czech Republic, the Czech Government or its Prime Minister may declare an emergency (*nouzový stav*). If the Czech Government declares an emergency, payments in foreign currency or abroad generally, interbank transfers of monies from abroad to the Czech Republic and/or sale of securities (including the Bonds) abroad may be suspended in accordance with Act No. 240/2000 Coll., on crisis management and amendment to certain acts, as amended, for the duration of such emergency. Such an emergency may be declared for a maximum period of thirty (30) days unless prolonged by the approval of the Chamber of Deputies of the Parliament of the Czech Republic.

SUBSCRIPTION AND SALE

The Issuer is entitled to issue individual Bond Issues under the Bond Programme on an ongoing basis, with the total nominal value of all outstanding Bonds issued under the Bond Programme not exceeding CZK 20,000,000,000. Individual Bond Issues issued under the Bond Programme will be offered for subscription and purchase in the Czech Republic, or, if applicable, and subject to compliance with the relevant legislative conditions for such offering, in other markets as described in the applicable Final Terms. The Final Terms will determine whether the Manager may offer the Bonds to interested domestic or foreign investors, both qualified and non-qualified (in particular retail) investors, in the primary and/or secondary market.

The Bonds will be offered by the Issuer through the Joint Lead Managers or any person that the Issuer entrusts with the performance of such activity for a particular Bond Issue.

The method and place of subscription of the Bonds, the method and time limit for handing over the Bonds (or their crediting to the Bondholder's account) and the method of payment of the Issue Price of the Bonds of the individual Issue, including the information on persons involved in the arrangement of the Issue, will be specified in the relevant Pricing Supplement.

This Base Prospectus has been approved by the CNB. This approval, together with any supplements to the Base Prospectus approved by the CNB and together with the Final Terms of each Issue duly filed with the CNB and made available, authorises the Issuer to offer the Bonds to the public in the Czech Republic in accordance with the laws and regulations in force in the Czech Republic on the date of the relevant offering. The foregoing is one of the prerequisites for the admission of any Bonds issued under this Bond Programme to trading on a regulated market in the Czech Republic. If it is stated in the relevant Final Terms that the Issuer has applied or will apply for admission of the Bonds to trading on a particular segment of the regulated market of the PSE or another regulated market, as the case may be, and the Bonds are in fact admitted to trading on such regulated market upon fulfilment of all statutory requirements, they will become securities admitted to trading on a regulated market.

The distribution of this Base Prospectus and the offer, sale or purchase of Bonds of each Issue are restricted by law in certain countries. Persons into whose possession this Base Prospectus comes are responsible for compliance with the restrictions applicable in each country on the offer, purchase or sale of the Bonds or the possession and distribution of any materials relating to the Bonds.

A public offering of the Bonds issued under this Bond Programme may be made in the Czech Republic only if, at the latest at the commencement of such public offering, this Base Prospectus (including any amendments thereto) has been approved by the CNB and published and the Final Terms of the relevant Issue have been filed with the CNB and subsequently published. Public offerings of Bonds in other countries may be restricted by the laws of such countries and may require the approval, recognition or translation of the Base Prospectus or any part thereof or other documents thereof by the competent authority.

In addition to the foregoing, the Issuer requests the underwriters of each Issue and the purchasers of the Bonds to comply with the provisions of all applicable laws in each country (including the Czech Republic) where they will purchase, offer, sell or deliver Bonds issued by the Issuer under this Bond Programme or where they will distribute, make available or otherwise circulate this Base Prospectus, including any supplements thereto, individual Final Terms or other offering or promotional material or information relating to the Bonds, in each case at their own expense and regardless of whether this Base Prospectus or any supplements thereto, individual Final Terms or other offering or promotional material or information relating to the Bonds is reproduced in printed form or in electronic or other intangible form only.

Prior to the approval of the Base Prospectus or any supplement thereto or the due publication of the Final Terms, the Issuer, the underwriters of each Issue and all other persons to whom this Base Prospectus is made available are required to comply with the above restrictions on public offerings and, if they offer the Bonds in the Czech Republic, must do so only in a manner that is not a public offering. In such a case, they should inform the persons to whom they are offering the Bonds of the fact that the Base Prospectus or any supplement thereto has not yet been approved by the CNB and published or that the Final Terms of the relevant Issue have not yet been filed with the CNB and published, and that such offering may not be a public offering and, if the offering is made in a manner that is not considered to be a public offering under the provisions of the Prospectus Regulation, inform such persons also of the related restrictions.

Any person acquiring any Bonds issued under this Bond Programme will be deemed to have represented and agreed that (i) such person understands all applicable restrictions on the offer and sale of Bonds in particular in the Czech Republic applicable to him and the relevant method of offer or sale, and (ii) such person will not offer for sale or resell the Bonds, without complying with all applicable restrictions that apply to such person and the relevant method of offer and sale and (iii) prior to offering or reselling the Bonds, such person will inform potential purchasers that further offers or sales of the Bonds may be subject to legal restrictions in various states that must be complied with.

The Issuer informs the prospective Bondholders that the Bonds are not and will not be registered in accordance with the Securities Act or by any securities commission or another regulatory body of any state of the U.S. and therefore cannot be offered, sold or transferred in the territory of the U.S. or to U.S. residents (as these terms are defined in Regulation S) other than on the basis of an exemption from the registration obligation according to the Securities Act or as a part of a transaction that is not subject to mandatory registration according to the Securities Act.

The Issuer also advises that the Bonds may not be offered or sold in the UK by disseminating any material or notice, except for sale to persons authorised to deal in securities in the UK on their own account or on behalf of others or under circumstances which do not constitute a public offering of securities within the meaning of the Companies Act 1985, as amended. Any legal acts regarding bonds performed in, from, or otherwise in connection with the UK must also be performed in accordance with the Financial Services and Markets Act 2000 (FSMA 2000), as amended, the Financial Services and Markets Act 2000 (Financial Promotion Order 2005), as amended, and the Prospectus Regulation, as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018.

The Issuer has not granted consent for the use of the Base Prospectus for the subsequent resale or final placement of the Bonds by financial intermediaries.

GENERAL INFORMATION

1. Internal approval

The establishment of the Programme was approved by the decision of the Issuer's sole shareholder dated 10 July 2025 and by the decision of the Issuer's Executive Directors dated 10 July 2025. The issuance of the Financial Guarantee was approved by the decision of the Guarantor's Directors dated 10 July 2025.

2. Legislation governing the establishment of Programme issuance of Bonds

The establishment of the Programme and the issuance of Bonds under the Programme is governed by applicable and effective laws, in particular the Bonds Act, the Prospectus Regulation, the Commission Delegated Regulation and the regulations of the respective regulated securities market on which the Bonds of the relevant Issue may be admitted to trading.

3. Approval of the Base Prospectus by the Czech National Bank

This Base Prospectus, which includes the wording of the Joint Terms and Conditions, was approved by the CNB in its decision ref. no. 2025/087705/CNB/650, file no. S-Sp-2025/00214/CNB/653 dated 22 July 2025, which became final and effective on 22 July 2025. The CNB has approved the Base Prospectus in its capacity as the competent authority under the Prospectus Regulation and only to the extent that the Base Prospectus meets the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving the Base Prospectus, the CNB certifies that the Base Prospectus contains all information required by law necessary for the investor to take an investment decision. The CNB assesses neither the financial results nor the financial situation of the Issuer and the Guarantor and by approving the Base Prospectus it does not guarantee the quality of the security or the Issuer's and the Guarantor's future profitability or its ability to pay the interest on, and the principal of, the Bonds.

4. Independent Auditor of the Issuer

The financial statements of the Issuer as of 31 December 2024 and 2023 and for the years then ended, incorporated by reference in this Base Prospectus, have been audited by Ernst & Young Audit, s.r.o., independent auditor (the **Independent Auditor of the Issuer**), as stated in their reports incorporated by reference herein. The reports of the Independent Auditor of the Issuer were signed by Eva Seifertová Schmidtová, holding auditor's certificate No. 2440, and by Tomáš Němec, proxy.

The reports of the Independent Auditor of the Issuer were unqualified.

The Independent Auditor of the Issuer, with its registered office at Na Florenci 2116/15, 110 Prague 1, is a member of the Chamber of Auditors of the Czech Republic with identification number 267 04 153, certificate number 401, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 88504.

The Independent Auditor of the Issuer does not, to the best of the Issuer's knowledge, have any significant interest in the Issuer and the Group. For the purposes of this statement, the Issuer has considered, among others, any (i) ownership of shares in companies forming a concern with the Issuer, or any options to acquire or subscribe for such shares; (ii) employment with the Issuer or any compensation from the Issuer; (iii) membership in the Issuer's corporate bodies; and (iv) acceptance of the Bonds to trading on the Prague Stock Exchange or any other relevant securities market.

5. Independent Auditor of the Guarantor

The consolidated financial statements of the Guarantor as of 31 December 2024 and 2023 and for the years then ended, incorporated by reference in this Base Prospectus, have been audited by Ernst & Young Cyprus Limited, (the **Independent Auditor of the Guarantor**), as stated in their reports incorporated by reference herein. The reports of the Independent Auditor of the Guarantor were signed by Andreas Avraamides, holding auditor's certificate No. 1106/A/2013.

The reports of the Independent Auditor of the Guarantor were unqualified.

The Independent Auditor of the Guarantor, with registered office at 10 Esperidon Street, 1087 Nicosia, Cyprus, is a member of the Institute of Certified Public Accountants of Cyprus with registration number HE 222520, certificate number E146/A/2013.

The Independent Auditor of the Guarantor does not, to the best of the Issuer's knowledge, have any significant interest in the Guarantor. For the purposes of this statement, the Issuer has considered, among others, any (i) ownership of shares issued by the Guarantor or shares of companies forming a concern with the Guarantor, or any options to acquire or subscribe for such shares; (ii) employment with the Guarantor or any compensation from the Guarantor; (iii) membership in the Guarantor's corporate bodies; and (iv) acceptance of the Bonds to trading on the Prague Stock Exchange or any other relevant securities market.

6. Litigation and Arbitration

To the best knowledge of the Issuer, no judicial, administrative or arbitration proceedings that could have or have recently had a significant impact on the Issuer's financial situation or profitability are ongoing or threatened, nor have they been ongoing in the previous twelve (12) months.

To the best of the Issuer's knowledge, no judicial, administrative or arbitration proceedings that could have or have recently had a significant impact on the financial situation or profitability of the Guarantor or the Group are ongoing or threatened, nor have they been ongoing in the previous twelve (12) months.

7. Significant change in financial position

From the date of the Issuer's last published audited financial statements, i.e. 31 December 2024, to the date of this Base Prospectus, there have been no significant negative changes in the Issuer's prospects, nor any significant changes in the Group's financial performance.

From the date of the Guarantor's last published audited financial statements, i.e. 31 December 2024, to the date of this Base Prospectus, there have been no significant changes in the financial position of the Guarantor or the Group.

8. Available documents

The full text of the Issuer's founding deed is available on the website www.justice.cz – Public Register (*veřejný rejstřík*) – by searching for the Issuer – Collection of documents (*sbírka listin*) and also on the Issuer's website www.drmaxfundingcr.cz in the section “Financial Reports, Issuer”.

The full text of the Guarantor's articles of association is available on the Issuer's website www.drmaxfundingcr.cz, in the section “Financial Reports, Guarantor”.

Copies of the Security Documents and the Security Agency Agreement will be available for inspection to the Bondholders or investors in the Bonds prior to subscription for or purchase of the Bonds during usual business hours at the Specified Office, as set out in Condition 11.1(a), and at the Issuer's website www.drmaxfundingcr.cz, in the section “Bonds”. All documents set out in this section will be available for inspection at the Issuer's headquarters for the period of validity of this Base Prospectus during standard business hours on each business day.

9. Information about trends

Given that the Group operates in the pharmaceutical market, there are a number of factors and trends that may affect the Group (and therefore the Guarantor and the Issuer). These trends are described in more detail in the section “*Information about the Guarantor - Overview of the Guarantor's Business*” of this Base Prospectus, and specifically include:

- the major trends affecting the pharmaceutical industry set out in the section “*Information about the Guarantor - Overview of the Guarantor's Business - General overview of the pharmaceutical market*” of this Base Prospectus
- the strategic intentions of the Group set out in the section “*Information about the Guarantor - Overview of the Guarantor's Business – Strategy*” of this Base Prospectus,
- the information on the situation in the pharmaceutical market set out in the section “*Information about the Guarantor - Overview of the Guarantor's Business - Stable and non-cyclical economic sector*” of this Base Prospectus; and
- the characteristics of each geographic market in which the Group operates, as detailed in relation to each country and each segment in the section “*Information about the Guarantor - Overview of the Guarantor's Business*” of this Base Prospectus.

Beyond these trends, there are also uncertainties that may affect the Group (and therefore the Guarantor and the Issuer). These uncertainties are described in more detail in the section “*Information about the Guarantor - Overview of the Guarantor’s Business - Uncertainties in the Group’s Business*” of this Base Prospectus.

With the exception of the above, the Issuer is not aware of any trends, uncertainties, demands, obligations or events affecting the current financial year.

The Issuer declares that from the date of the Guarantor’s last published audited financial statements to the date of the Base Prospectus, there has been no significant negative change in the prospects of the Guarantor or the Group, nor any significant change in the financial performance of the Guarantor or the Group.

10. Profit forecasts or estimates

Neither the Issuer nor the Guarantor has made a profit forecast or estimate.

ADDRESSES

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