

EQUITY RESEARCH

PIÙ MEDICAL
 INITIATION OF COVERAGE
BUY**TP 8.2€**

Up/Downside: 32%

CHAIN REACTION

PiùMedical is scaling up Italy's retail pharmacy market through M&A, leveraging regulatory liberalization and demographic tailwinds. With a post-integration high double-digit revenue/margin uplifts, the model proves industrial and replicable. Aging population, rising service demand, and a fragmented landscape create a structural opportunity— and PiùMedical is positioned to lead.

The turning point came with the 2017 Competition Law, which allowed corporate ownership of pharmacies (20% cap per region, ending the restriction to individual or pharmacists). This shift has triggered consolidation and the emergence of pharmacy chains, and PEs have started entering the market, but the chains share remain low (c. 7%), with notable transactions executed at **>2.3x EV/Sales** and **>15x EV/EBITDA**. **By contrast, PiùMedical acquires pharmacies at c. 1.75x EV/Sales**, delivering high double-digit revenue uplifts and tremendously reducing the implied multiple in 18-24 months.

Italy has one of the oldest populations in Europe - 24% of residents are >65yo, expected to rise by 50% to c. 36% by 2052, and the **over-80 population is projected to grow +68% vs. current levels in Lombardy**, with per-capita pharmaceutical spending 6x higher than younger cohorts. **The region benefits from a +29% pricing premium and counts c. 3.2k pharmacies** – implying a potential consolidation pool of c. 640 pharmacies.

We believe that a growing share of healthcare spending will progressively shift from the NHS to pharmacies - Italy's public finances, even if improving, remain with a “lukewarm” fiscal outlook for the next decades. This context sets up a perfect storm: on one hand, the NHS ensures recurring revenues (we estimate c. 46% of market sales are subsidised), while budget constraints leave room for pharmacies to grow their offering. Indeed, the regulatory framework for the “Pharmacy of Services” (Law 69/2009, expanded in 2017) enabled pharmacies to provide healthcare services such as telemedicine, screening, prevention. This reform is reshaping the sector, with services becoming a key growth lever. In Lombardy, adoption rates are accelerating (telecardiology penetration at >75%). PiùMedical has just implemented a portfolio of high-value services, with margins close to 99%, to capture this shift towards service-driven pharmacies.

We view this as a clear scale-up story underpinned by solid fundamentals, operating in a “protected” yet progressively liberalized market. In 2024 on a pro-forma perimeter PiùMedical generated c. € 26mn sales and c. € 4mn adj. EBITDA (13.9% margin). By 2026E, we expect c. €41mn Sales and c. €6mn adj. EBITDA, with leverage c. 2.1x.

The risk/return profile is undoubtedly attractive at current level: **0.8x EV/sales (ex. leases) 2026E** and **c. 7x EV/EBITDA adj. 2026E**, a conservative entry point compared with recent private deals (>2x EV/Sales ex. leases) and listed peers (EV/EBITDA 2026E at 10-11x).

TP ICAP Midcap Estimates	12/24	12/25e	12/26e	12/27e	Valuation Ratio	12/25e	12/26e	12/27e
Sales (m €)	26.1	27.8	41.4	48.7	EV/Sales	1.4	1.5	1.4
Current Op Inc (m €)	2.8	3.0	4.2	5.5	EV/EBITDA	13.1	11.0	9.5
Current op. Margin (%)	10.8	10.9	10.2	11.3	EV/EBIT	13.1	15.0	12.5
EPS (€)	0.22	0.26	0.33	0.42	PE	24.2	18.8	15.0
DPS (€)	0.00	0.00	0.00	0.00	Source: TPICAP Midcap			
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	1.8	0.0	3.2	4.5				

Key data

Price (€)	6.3
Industry	Healthcare
Ticker	PMED-IT
Shares Out (m)	7.183
Market Cap (m €)	44.9
Next event	TBA

Source: FactSet

Ownership (%)

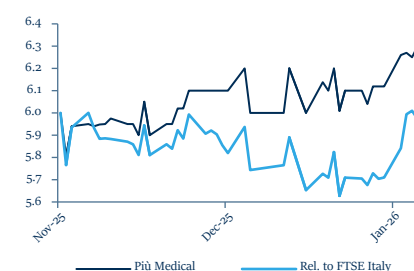
Maroni Family	40.4
V.F. Pharma	21.2
IPOC 9	20.4
Free float	18.1

Source: TPICAP Midcap estimates

EPS (€)	12/25e	12/26e	12/27e
Estimates	0.26	0.33	0.42
Change vs previous estimates (%)	na	na	na

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.8	4.2	0.8
Rel FTSE Italy	-0.2	3.8	1.2



Source: FactSet

Analyst

Michele Mombelli
 michele.mombelli@tpicap.com
 + 33 1 73 09 17 69



CHAIN REACTION	1
DESCRIPTION	3
SWOT ANALYSIS	3
1ST CHAPTER: WHO IS PIÙMEDICAL?	6
2ND CHAPTER: THE REFERENCE MARKET - LOMBARDY AND ITS PHARMACIES	9
3RD CHAPTER: COMPANY'S PHARMACIES AND THEIR OPERATING MODEL	17
4TH CHAPTER: M&A ACCORDING TO PIÙMEDICAL	26
5TH CHAPTER: FINANCIAL VALUATION	34
FINANCIAL DATA	46

Description

PiùMedical is a retail pharmacy company scaling the Italian market through disciplined M&A, leveraging the 2017 regulatory liberalization and favorable demographics. The company acquires pharmacies at c. 1.75x EV/Sales, achieving high double-digit revenue and margin uplifts within 18–24 months, compressing the effective multiple.

Operating in Lombardy (+29% pricing premium; c. 3.2k pharmacies, ~640 consolidation targets), PiùMedical benefits from an aging population in Italy (24% >65yo, per-capita pharma spending 6x higher) and a gradual shift of healthcare spending from the Italian NHS to pharmacies (we estimate c. 46% of sales subsidized). The “Pharmacy of Services” framework enables high-margin services such as telemedicine, screening, and prevention, with telecardiology penetration >75%. PiùMedical has launched a portfolio of high-value services (margins ~99%), supporting its service-driven growth model.

Management brings deep sector expertise through decades of family experience (G.S.M. and La Farmaceutica S.p.A. since 1976). The company has a proven track record, with €27mn invested across 13 pharmacies, delivering c. +55% revenue growth, +170% EBITDA growth, and margin expansion from 8% to 13.5% (+550bps). Strong cash generation (56–61% FCF conversion, 2026–2029) supports rapid deleveraging.

On a pro-forma basis, PiùMedical generated €26mn sales and €4mn adj. EBITDA (13.9% margin). By 2026E, sales are expected at €41mn, adj. EBITDA c. €6mn, with leverage <3.0x.

SWOT Analysis

Strengths

- PiùMedical combines high profitability with disciplined capital deployment. We forecast the adj. EBITDA margin to expand from 13.9% in 2025 to c. 16.8% by 2029, supported by conservative pharmacy acquisition multiples (~1.75x EV/Sales vs. 1.54x historical average).
- The management team brings extensive sector expertise, leveraging decades of family experience in the pharmaceutical industry (since 1976, through G.S.M. and La Farmaceutica S.p.A.).
- Lombardy represents a strategically strong presence: it offers the greatest economic development opportunities in the country and shows demographic resilience, with a per capita spending profile significantly above the Italian average.
- A proven M&A track record underpins execution credibility: €27mn invested across 13 pharmacies has delivered c. +55% revenue growth and +170% EBITDA growth, with average margins improving from c. 8% to 13.5% (+550bps) (Source: PiùMedical)

Weaknesses

- PiùMedical's pharmacy network remains limited (16 units) compared with larger peers.
- During the expansion phase, high interest costs will temporarily weigh on net income.
- The lack of a directly listed Italian comparable complicates relative valuation benchmarking.
- Competition: market fragmentation creates opportunities but increases pressure from large chains.

Opportunities

- Italy's aging demographics represent a powerful structural tailwind: 24% of residents are >65yo, expected to reach ~36% by 2052, while the over-80 cohort in Lombardy alone is projected to rise +68% vs. current levels. Per-capita pharmaceutical spending among seniors is 6x higher than for younger age groups.
- We believe that a growing share of healthcare spending will gradually shift from the NHS to pharmacies. Despite moderate improvement, Italy's fiscal outlook remains constrained, creating a favourable backdrop: c. 46% of market sales are NHS-subsidised, while budget limits open space for pharmacies to expand their service offer.
- Potential consolidation scenarios remain attractive, with strategic operators (Hippocrates, Lloyds-Benu, Dr. Max, Boots-Farma) having completed transactions that we estimate at up to c. 2.4x EV/Sales. Even under conservative assumptions, an exit at entry multiple would unlock meaningful value creation through synergies and top-line growth.
- the evolution of the "Pharmacy of Services" framework (Law 69/2009, extended in 2017) introduces a structural opportunity. Services such as telemedicine, screening and prevention are reshaping the sector. In Lombardy, telecardiology penetration exceeds 75%. PiùMedical recently launched a portfolio of high-value services (gross margins close to 99%) to capture this transition toward service-driven pharmacies.

Threats

- Competition in Lombardy remains intense, with potential overbidding pushing acquisition multiples higher
- A deterioration in Italy's public finances could challenge NHS (SSN) reimbursement mechanisms
- An accelerated demographic slowdown or slower-than-expected population aging would weaken structural demand drivers
- Under Most Favoured Nation rule, there could be an erosion of price margins, as the requirement to align prices with the lowest level among reference countries may significantly reduce profitability, especially in markets with higher operating costs.

1st Chapter: Who is PiùMedical?

1.1 Company Overview – ‘Piùmedical’ : From Tradition To Industrial Platform

PiùMedical S.p.A. is a group active in the retail distribution of pharmaceutical products and services through a network of pharmacies located in Lombardy, the most economically significant and populous region of Italy. The group manages owned pharmacies, mainly located in high-traffic residential areas outside major urban centers. The development plan foresees a significant expansion of the perimeter by 2029, through a structured and scalable external growth model (M&A).

In 2025, we expect pro-forma revenues (including 16 pharmacies) of c. € 27.8mn and an exp. Adj. EBITDA (after IFRS 16) of c. € 4.0mn, (implied margin of c. 14.4%), supported by a lean operating model and centralized procurement and process management. Currently, Più Medical operates approximately 16 pharmacies. **According to our business plan, the network could expand to up to 36 pharmacies by 2029E in the ‘Best Case’ scenario.** In the ‘Average’ scenario, we will use , we estimate a network of c. 32 pharmacies by 2029E.

The group is controlled by the Maroni family, active for decades in pharmaceutical distribution and para-pharmaceutical retail. PiùMedical is therefore an entrepreneurial platform with expertise in integrating pharmacies with strong growth potential.

The Italian pharmacy sector is driven by strong generational turnover: the average age of pharmacy owners is high (56), and the number of new pharmacy graduates is declining, encouraging sales due to a lack of succession. Law 124/2017 allowed joint-stock companies to own pharmacies (up to 20% per region), but chains still account for only 6–7% of the market, **leaving significant room for consolidation**, as seen in the UK, Ireland, and Sweden.

The market is resilient and growing, supported by an ageing population (24% of Italians are over 65) **and by PNRR initiatives that strengthen the role of pharmacies as local health hubs offering new services** (telemedicine, screening). Physical pharmacies still account for 85% of retail pharma sales (€27bn in 2024), and the sector remains highly fragmented. In Lombardy, a key region for PiùMedical, there are over 3,200 pharmacies, with **higher-than-average spending and prescription levels**, further enhancing the growth potential.

PiùMedical pursues a selective consolidation strategy, acquiring independent pharmacies with strategic locations and operational upside, integrating them into a centralized platform for synergies in procurement, IT, marketing, and HR. The **buy-fix-scale model** is supported by a robust 2026 pipeline and a flexible financial structure combining equity and debt.

1.2 The Origins & The Enterprise Story

The origins of the group date back to **1961** with the establishment of **La Farmaceutica S.p.A.**, a historic intermediary distributor of pharmaceutical products based in Castronno (Varese, Lombardy). The entry into retail occurred in 1986 with the founding of **G.S.M. S.r.l.**, which progressively expanded its presence in the health sector.

In **2007**, the first PiùMedical branded para-pharmacy was opened, marking the start of retail activities in the health and wellness segment. Subsequently, in **2012**, G.S.M. acquired its first pharmacy, strengthening its position in the pharmaceutical channel.

By **2018**, the network reached **6 pharmacies** and **51 para-pharmacies**. The expansion process continued, and in **2024**, the overall perimeter included **13 pharmacies**, **58 para-pharmacies**, and c. **104 retail outlets** (corners and shelves) in organized retail channels.

- **PiùMedical S.p.A. (the Company) was created through the spin-off of the pharmacy business from La Farmaceutica and G.S.M.**

PiùMedical has been listed on Euronext Growth Milan on November 20, 2025, with the goal of financing its ongoing acquisition pipeline. The Company currently operates 16 pharmacies, including the latest three acquired during 2H 2025.

To execute this project, the company relies on an experienced management team, combining expertise in the pharmaceutical sector with established managerial know-how. Below a description of the management and corporate structure.

1.3 Management and Key Figures

Image 1 - Fabrizio Maroni: Executive Chairman of PiùMedical



Source: PiùMedical

Fabrizio Maroni - Executive Chairman: one of the group's key figures, Fabrizio Maroni leads both G.S.M. S.r.l., a retail platform for para-pharmacies, and La Farmaceutica S.p.A., a historic pharmaceutical wholesaler active in Northern Italy. With >20 years of experience in the sector, he is a member of the Board of Directors of the Pharmaceutical Distributors Association (ADF). Graduated from LIUC Università Cattaneo, he is the architect of the consolidation strategy, with a strong territorial focus.

Image 2 - Stefano Maroni: Chief Executive Officer of PiùMedical



Source: PiùMedical

Stefano Maroni – CEO: Stefano Maroni has gained experience in both pharmaceutical wholesale and retail, with a proven track record in building and scaling cross-border platforms. He spent several years in the U.S. working, covering managerial positions at General Electric and subsequently in other companies. He completed an MBA at the MIT Sloan School of Management.

Image 3 - Fabio Giordano: CFO of PiùMedical



Source: PiùMedical

Fabio Giordano – CFO: he brings over 25 years of experience in financial leadership roles within listed multinationals, including Intertek and General Electric. Previously, he served as Audit Senior Manager at KPMG in the U.S. for several years. He has also completed executive education programs at Harvard Business School and he is a licensed Chartered Accountant (CPA) in Italy.

1.4 Shareholding Structure: The Links With G.S.M. And La Farmaceutica

- G.S.M. (Maroni family) holds c. 35.5%
- La Farmaceutica (Maroni family) holds c. c. 5% of the company.
- Il veicolo denominato 'V.F. Pharma' holds c. 21% of the company. La struttura di proprietà di V.F. Pharma vede First Capital al 51% e i soci fondatori di PiùMedical al 49%.
- Il veicolo denominato 'IPOC 9' holds c. 20% of the company. Il veicolo è di proprietà di 54% di IPO Club 2 (Azimut/Electa), e c. 46% Fondatori di PiùMedical. Il veicolo ha un Lock-up di 36 mesi.

Image 4 – Shareholders and Maroni Family incidence

Shareholders name	% Shareholding	o/w Maroni family & Founders	Others
G.S.M.	36%	100%	36%
La Farmaceutica	5%	100%	5%
V.F. Pharma	21%	49%	10%
IPOC 9	20%	46%	9%
Market	18%	0%	0%
Tot. Maroni Family & Founders			60%

Source: PiùMedical, TPICAP elaboration

We view the direct family link between management and shareholders as a positive point for the long-term equity story.

- **Family businesses historically outperform peers:** Credit Suisse's Family 1000 study shows **annual returns +370 bps above non-family firms**, while Carmignac reports a **10.2% CAGR since 2004 vs. 7.9% for others**. In Italy, **EY's 2025 Index notes +12% YoY revenue growth for family businesses, led by Lombardy and Piedmont**.

To better understand the target market share that PiùMedical would like to reach and the territorial development prospects, it is useful to analyze the geographic context where PiùMedical has chosen to focus its resources.

2nd Chapter: The Reference Market - Lombardy and Its Pharmacies

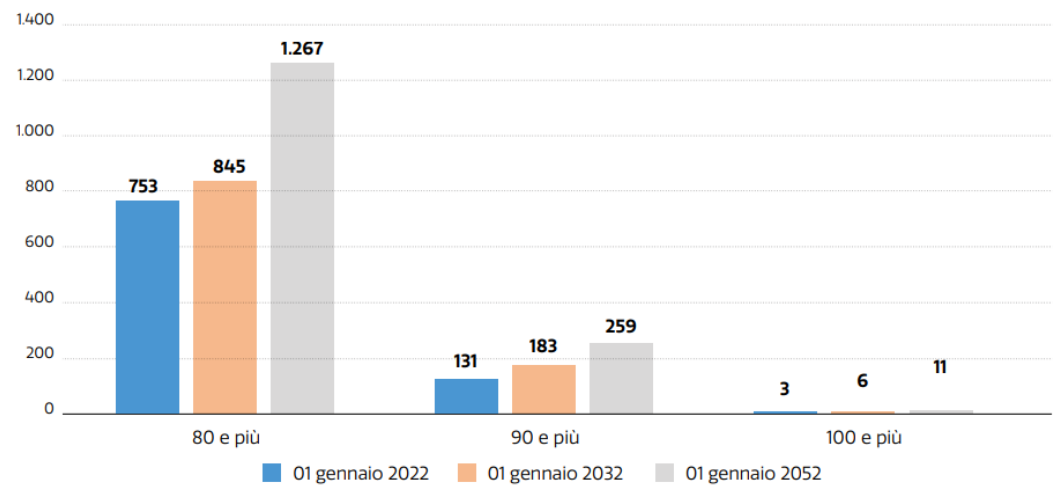
2.1 Lombardy: A Solid and Growing Reference Market

Lombardy's GDP reached € 480.6bn in 2023, ranking as the 10th largest economy in the EU—above Austria and Denmark and more than twice Greece. From 2019–2023, GDP grew +6.7%, outperforming Italy (+4.6%), Spain (+3.6%), France (+2.4%), and Germany (+0.5%). Per capita GDP rose +7.1%, while unemployment fell –28.8%. There are important trends supporting the reference markets:

- **Demographics & Pharma Spending:** With ~10mn inhabitants (17% of Italy), Lombardy shows strong healthcare demand. Age-weighted per capita pharma expenditure was €186 in 2022 (+12% vs. national average). The region leads in prescriptions (~83mn/year) and average spend per prescription (€22, +29% vs. national average).
- **Aging as a Structural Driver:** Over-65s account for ~63% of pharma spending. SSN per capita pharmacy spending averages €207, rising to €662 for ages 80–84 and €725 for 85–90. Over-65 individuals spend ~3.4x the national average. Healthcare spending for 80+ is expected to double (to 2.5% of GDP), reaching ~one-third of total expenditure.

For retail-pharma operators, this translates into resilient, expanding demand for chronic medications and value-added services (adherence, screening, telemedicine), especially in areas with high elderly concentration.

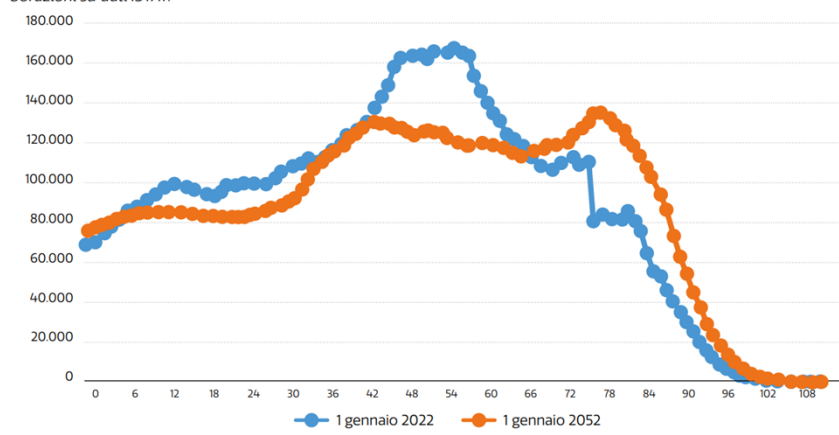
Image 5 – Estimated change in Lombardy's population by age group (2022, 2032, 2052)



Source: Polis Lombardia

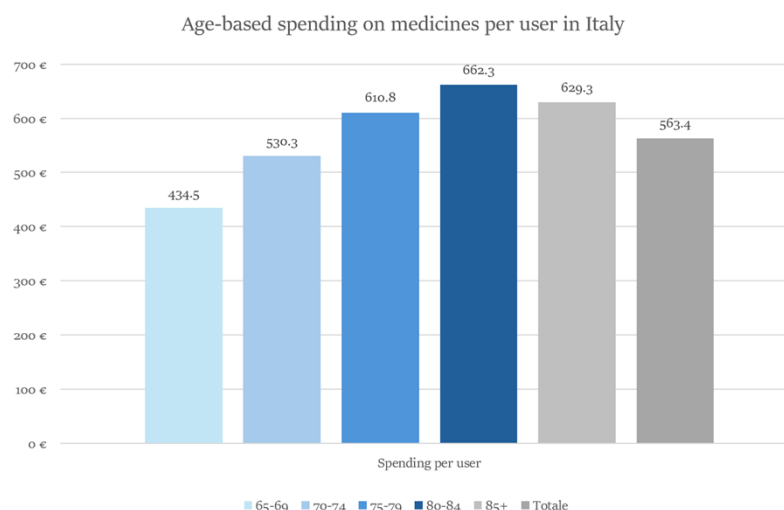
Image 6 – Resident population in Lombardy by age group: 2022 data and projections to 2062

Figura 5 Popolazione residente per classe d'età in Lombardia, anno 2022 e previsione 2062. Valori assoluti – Fonte: elaborazioni su dati ISTAT.



Source: Polis Lombardia

Image 7 – Age-based spending on medicines per user in Italy



Source: TPICAP elaboration & estimates

2.2 Demographics and Pharmacy Demand: Why Aging Matters

Before starting, we suggest the reader to get to know the following definitions:

- OTC Drugs: Over-the-counter medicines purchasable without prescription (e.g., painkillers).
- SOP Drugs: Non-prescription medicines.
- Ethical Drugs: Prescription-only medicines (Class A or C).
- SSN: Italian National Health Service.
- ASL: Local Health Authority managing public healthcare services.
- DD (Direct Distribution): Drugs delivered directly by ASLs to patients (hospital pick-up).
- DPC (Distribution on Behalf): ASLs reimburse drugs, pharmacies handle delivery for a fixed fee.
- Reimbursable Drug: Medicine fully or partially covered by SSN.
- Other acronyms: ISTAT (Statistics Institute), AIFA (Medicines Agency), OsMed (Drug Use Observatory), Federfarma (Pharmacy Owners Federation).

2.2.a) Retail Pharmacy Market & SSN Dynamics

To give an idea of the **market size**, in 2023, **Italy's pharmaceutical spending totaled ~€36.2bn (AIFA), with 68.7% reimbursed by SSN (~€25bn). Retail pharmacies account for ~€27bn sales, of which ~46% are SSN-reimbursed (c. €12-13bn).** Private out-of-pocket spending (OTC, SOP, Class C, co-payments) represents 31.3%.

PiùMedical shows ~32% reimbursability on 2024 revenues, aligned with Lombardy's lower SSN incidence—supporting margin resilience. Main trends are:

- **Growth Trends:** Retail pharmacy sales grew +2.7% YoY in 2024, driven by higher-margin categories: supplements (+5.1%), personal care (+5.5%), veterinary (+7.5%), OTC (+2.2%). Ethical drugs rose +2.4%, while para-pharmacies fell -7%. Online sales surged +16.3% YoY.
- **Profitability Drivers:** SSN-reimbursed Class A drugs face fixed margins and mandatory discounts (quota shares, pay-back mechanisms), limiting profitability. OTC/SOP/Class C offer flexible pricing and higher margins. DPC/DD channels further reduce retail profitability. Lower SSN exposure improves gross margins and reduces regulatory risk.
- **Regulatory Pressure:** Laws 662/1996, DL 158/2012, and DL 98/2011 enforce margin caps, discounts, and pay-back rules, keeping reimbursed drugs under pressure.

Our take, and our view is that while reimbursed drugs ensure stability, **long-term growth lies in non-reimbursed segments and services (diagnostics, telemedicine, patient management).** PiùMedical's strategy—enhancing customer loyalty through convenience and integrated services—positions it well for margin expansion and reduced dependence on public funding.

2.2.b) In Northern Italy, public expenditure weighs less in the mix – PiùMedical has a “light SSN” structure

The OsMed analysis highlights significant territorial differences: **generally, Northern Regions show a lower incidence of reimbursed expenditure compared to the national average**, while Central and Southern Regions are more dependent on SSN reimbursements. This also reflects a broader use of direct purchases and the DPC channel.

The case of Lombardy (Source: regional OsMed 2023):

- (a) Reimbursed prescriptions per capita: 8.0 vs. 9.6 national average, thus lower use of the SSN channel.
- (b) Reimbursed packages per capita: 16.4 vs. 17.6 national average - lower share of reimbursed retail.

The result is a mix with a higher weight of private expenditure.

In this context, PiùMedical pharmacies have benefited from a “light SSN” commercial structure: **in 2024PF the estimated SSN share (reimboursable drugs) stood at c. 32% of revenues**, a level that allowed the group to benefit from higher margins due to a more favorable revenue mix. This number doesn't have to be confused with the share of sales of 'Prescription Drugs' which represented >55% of the pharmacy sales in Italy in 2024. **Please note: not all drugs for which one needs a prescription are reimboursable.**

2.2.c) Demographic scenario and impact on average “ticket” (our model)

- Using official data (ISTAT/Europop 2023 expectations) and integrating demographic projections for Lombardy, **we estimate a CAGR for the Lombardy retail pharmaceutical market of c. 4% (3.63% precisely) for 2024-2052.**

Data used are as follows:

- *Population*: slight decline in total population (-0.2% CAGR to 2070); Lombardy expected at c. 9.5mn inhabitants in 2052 vs. current c. 10mn (Italy c. #54mn exp. in 2052 vs. c. #60mn today).
- *Aging*: average age rising to about 52 years by 2052; Share of over-65s at c. 36.3% of the population (vs. c. 24.3% current).
- *Mix effect*: over-80/90s already currently show per capita expenditure up to +15% higher than average over-65s, with greater impact on total spend.
- *Relative weight*: elderly age groups generate pharmaceutical health expenditure c. 6x that of younger groups (OsMed: over-65 = c. 63% of territorial expenditure despite being c. 1/4 of population).
- **If we take into consideration all these shifts/effects, we derive a ticket per capita increase of c. 30.6% by 2052 (due to the age-mix effect, excluding price/volume dynamics, thus a conservative assumption). If we weight the average ticket by the projected age-group distribution in 2052 (i.e., for example accounting for the higher share of over-65s in the total population), we obtain a weighted average ticket of c. €250, compared with the current weighted average of c. €195.**

Using the weighted average expenditure for retail pharmaceuticals in Italy (195€ per capita, 60mn inhabitants), we figure that the SSN share of the total addressable market (TAM) for retail pharmacies was around 43% in 2024 (out of a TAM of c. € 27bn).

2.3 Market sizing & market growth considerations

In our view, the declining weight of the SSN in retail pharmacy spending is mainly driven by three factors: (i) tighter public spending controls and reimbursement caps, (ii) faster growth of non-reimbursed segments such as OTC, supplements and services, and (iii) evolving consumer habits and demographics, with rising out-of-pocket spending on prevention and wellness.

- **We anticipate a reduction of at least 300 basis points by 2052 in the share of SSN (Italian NHS) reimbursable products within the pharmacy sales mix, with the potential for an even more pronounced decline. In our view, this trend reflects a shift in the composition of sales rather than a contraction in structurally inelastic demand.**

The estimate should be considered conservative relative to historical trends of progressive contraction in the public component, temporarily softened in the short term (2024-27) by volume shifts from DD to pharmacy and the impact of demographic aging. Over the long term, however, the landscape is expected to favor commercial channels and paid services, in line with analyses done by IQVIA, Federfarma, and Cittadinanzattiva.

In conclusion, by applying: (i) a demographic shift (average age increasing), (ii) population dynamics with flattish/decline, (iii) reduced SSN weight on Lombardy's retail pharmaceutical TAM, (iv) a premium pricing on Lombardy prescriptions (c. +29% vs. national average in 2024-25)

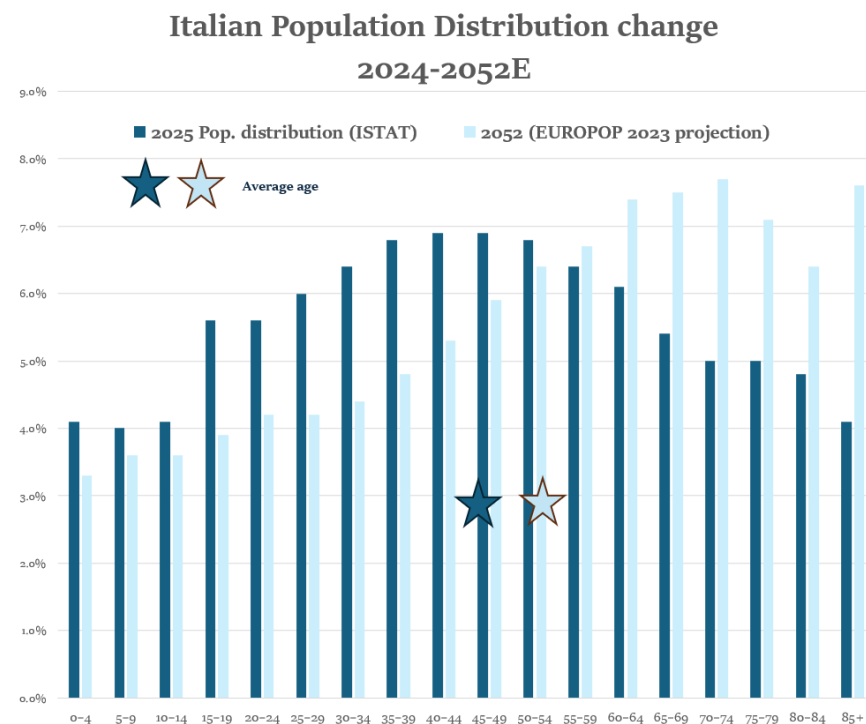
- We project that the Lombardy retail pharmacy market could grow from the current c. € 5bn to €7.8bn by 2052 (assuming constant prices, so excluding average annual inflation). When including inflation effect (base case, 2% YoY), market size would reach c. €13bn, equivalent to 2.7x today's levels, implying a CAGR c. 3.6%.

Please note: in order to have a broader picture, on top of the market growth, one should include this exp. market growth with expected margin improvements driven by the “pharmacy of services” trend and the gradual transfer of activities from the SSN to the private network, driven by fiscal pressures and public system sustainability concerns.

Considerations: demographic dynamics and the progressive aging of the Lombardy population provide long-term visibility on retail pharmaceutical market growth (CAGR c. 3.6% base case), well above the 2% terminal value growth used in reference DCF models. For an operator like PiùMedical, this translates into a structural expansion opportunity, supported both by the resilience of chronic consumption and the increasing weight of paid services.

- On top of that, one should keep in mind the potential effect of medical services always more present in pharmacies, which further enhance sales growth and have high margins.

Image 8 – Distribution of the Italian population, 2024-2052



Source: PiùMedical, TPICAP elaboration & estimates

Image 9 - Weight of age groups and average annual per-capita ticket subsidized by the SSN

Age range	Avg. ticket paid by the SSN (€ per person)	2025 Pop. distribution (ISTAT)	2052 (EUROPOP 2023 projection)
0-4	24	4.1%	3.3%
5-9	27	4.0%	3.6%
10-14	29	4.1%	3.6%
15-19	28	5.6%	3.9%
20-24	36	5.6%	4.2%
25-29	44	6.0%	4.2%
30-34	56	6.4%	4.4%
35-39	75	6.8%	4.8%
40-44	88	6.9%	5.3%
45-49	104	6.9%	5.9%
50-54	143	6.8%	6.4%
55-59	192	6.4%	6.7%
60-64	267	6.1%	7.4%
65-69	358	5.4%	7.5%
70-74	444	5.0%	7.7%
75-79	568	5.0%	7.1%
80-84	600	4.8%	6.4%
85+	642	4.1%	7.6%
Over 65		24.3%	36.3%
AVG/tot	207	100.0%	100.0%

Source: ISTAT, Europop, TPICAP elaboration & estimates

Image 10 - Average per-capita ticket: projections to 2052

Average Ticket (weighted per age) (€ per person) per year	
2024	195
2052 exp.	254
Diff.	30.6%
Average age	
2024	45
2052 exp.	52
Diff.	14.4%

Source: TPICAP elaboration & estimates

Image 11 – Retail pharmacy market in Italy and Lombardy, 2024

2024 Actual	
Italian Retail Pharmacy market (€bn)	27.2
o.w. Lombardy (3,200 pharmacy * €1.2mn avg. + 29% premium) (€bn)	5.0
Italian population 2024 (mn)	60.0
Weighted average ticket (€PerPerson) per yar	194.8
SSN exp. in retail pharmacies (€bn)	11.7
o.w. Lombardy (3,200 pharmacy * €1.2mn avg. + 29% premium) (€bn)	2.1
Public weight on tot. mkt. (2024) (%)	43.0%
Private weight on tot. mkt. (2024) (%)	57.0%
<i>Avg ticket Lombardy vs Italy (%)</i>	<i>+29%</i>

Source: TPICAP elaboration & estimates

Image 12 – TAM of the retail pharmacy market in Lombardy by 2052

2052 Expected	
Italian population exp. (mn)	54.0
Lombardy population (-0.2% CAGR) exp. (mn)	9.5
Lombardy - SSN exp. retail pharmacies (€bn)	3.1
Public weight on retail (2052) exp. in Lombardy (%)	40.0%
TAM Lombardy exp. (€bn)	7.8

Source: TPICAP elaboration & estimates

Image 13 – Market growth rates, including and excluding inflation

Lombardy (TPICAP exp.)	2024 act.	2052 exp.
TAM retail pharmacies (€bn) (excl. inflation)	4.95	7.80
TAM retail pharmacies (€bn) (incl. inflation)	4.95	13.45
Multipier TAM exp. 2052 / TAM 2024		2.7x
Mkt growth (% abs. 2024-2052 excl. inflation)		57.38%
Implied CAGR (%) 2024-2052		1.63%
Inflation CAGR (%) 2024-2052		2.00%
Market CAGR incl. inflation (% 2024-2052)		3.63%

Source: TPICAP elaboration & estimates

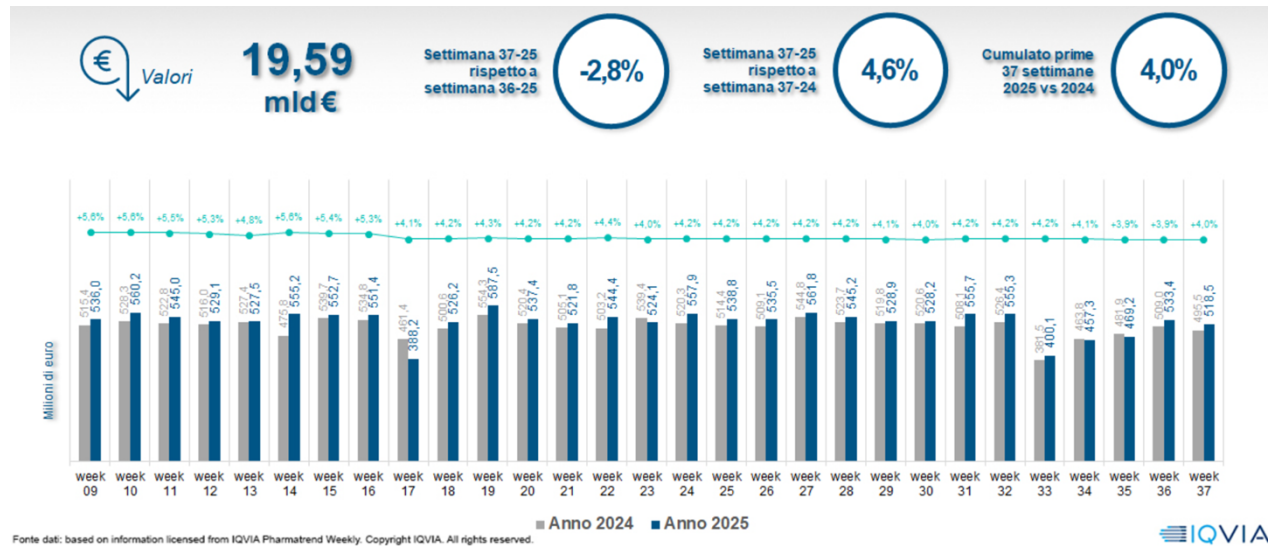
Looking at the latest available data (IQVIA), the Italian pharmaceutical market as of the 37th week of 2025 is already showing YoY growth of c. +4%, indicating a stronger-than-expected trend for the full year.



Based on the cumulative figure of €19.59bn at week 37 and projecting it across the full year (19.59/37*52), the estimated value reaches c. €28bn, which is consistent with the market growth implied by starting from a 2024 figure of ~€27bn in 2024.

In addition, the data from the 2025/2026 winter season — traditionally very supportive of medicine volumes — is expected to provide a good contribution, potentially pushing 2025 growth above initial forecasts.

Image 14 – IQVIA data, market growth 2025 vs. 2024, 37th week of 2025

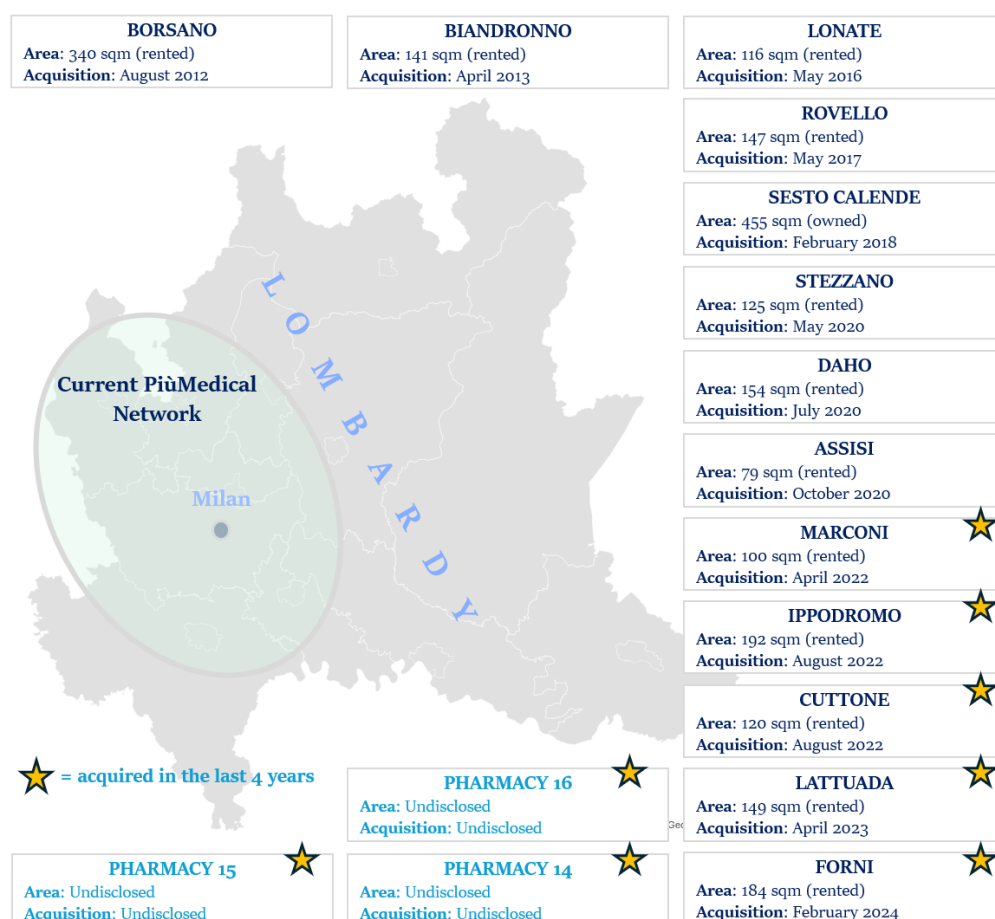


Source: IQVIA

3rd Chapter: Company's Pharmacies And Their Operating Model

Below we provide an overview of the main locations where PiùMedical is operating its pharmacies, highlighting their distinctive features and positioning. In parallel, we describe the operational model through which PiùMedical manages its pharmacy business – a standardized approach that serves as a benchmark for future openings and allows for the scalability assessment of the format.

Image 15 - Current positioning of PiùMedical pharmacies in Lombardy



Source: PiùMedical, TPICAP elaboration & estimates

In general, the company's pharmacies have the following characteristics:

- (i) Medium-high population density, although outside major urban centers;
- (ii) Above-average pharmaceutical spending (Lombardy, premium pricing c. +29%);
- (iii) Strategically positioned in high-traffic locations, ensuring strong visibility;
- (iv) Easy access – including parking availability;
- (v) Circa 4–5 staff members/pharmacy.

As illustrated in the images below, one could notice the characteristics mentioned above: high-traffic roadways (green traffic lines), not large urban hubs but highly visible points etc. **This positioning is particularly relevant in Lombardy, where the regional structure includes major industrial clusters, predominantly relying on private transport (family/personal cars).**

Indeed, from the research 'Parkings & 'Private mobility', published by Sartoretto Verna - a leading Italian firm specialized in pharmacy design, with over 2,000 projects internationally - we discover that in both Lombardy and Italy, **most daily travel occurs by car, especially outside urban centers.**

In the home-to-work travel segment outside major cities, **private vehicles remain the dominant transport**. For this reason, parking availability becomes a critical factor for PiùMedical pharmacies. Research, albeit qualitative, shows that the presence of accessible parking near the pharmacy significantly influences customer choice in non-urban areas. **The pharmaceutical retail literature confirms that parking convenience is a key factor in customer purchasing decisions. In particular, in the study, Sartoretto Verna highlights how immediate access and available parking spaces directly impact a pharmacy's ability to attract and retain customers.** In line with this evidence, PiùMedical pharmacies systematically incorporate parking availability as a strategic asset.

Image 16 - Satellite view - 'Sesto Calende' pharmacy



Source: PiùMedical, TPICAP elaboration & estimates

Image 17 - Satellite view - 'Borsano' Pharmacy



Source: PiùMedical, TPICAP elaboration & estimates

3.1 Study of Commercial Spaces

If we exclude the last 3 'pro-forma' pharmacies, and we consider just the original 13 pharmacies, this implies a total surface area of around 2,300 sqm, averaging 175–180 sqm per store. **If we include planned openings and pro-forma pharmacies, the network should reach approximately 2,800 sqm by 2025, with revenue density improving from about €9k per sqm in 2023 to nearly €9.9k by 2025. Over the medium term, we expect this ratio to stabilize around €11k per sqm, even though a temporary dip is likely during the integration phase in 2026, when several new pharmacies will be added rapidly.**

On a national level, the average pharmacy generates roughly €1.2mn annually, with expectations of €1.3mn by 2025 (Federfarma).

- PiùMedical significantly outperforms these benchmarks: revenues per pharmacy are projected at €1.6mn in 2023–24, €1.7mn in 2025, and up to €1.9mn by 2029, confirming its positioning in the high-productivity segment.

Italy counts about 20,000 pharmacies with an average size of 74 sqm, totaling roughly 1.48mn sqm. Lombardy alone hosts 3,200 pharmacies (236k sqm). **Within this context, PiùMedical's footprint—expected to reach 2,800 sqm by 2025—represents about 1.2% of Lombardy's market share, with potential to grow to 2.3% by 2029.** This combination of above-average productivity and network expansion in high-density regions underpins a compelling growth story, offering scalable returns and an attractive risk/return profile.

Image 18 – Sales and Square meter analysis

Data	exp						
	2023	2024	2025	2026	2027	2028	2029
SQM	2800	2800	2800	4550	5075	5425	5600
Sales per pharmacy (EURmn)	1.57	1.63	1.74	1.59	1.68	1.77	1.88
Change		3.77%	6.30%	-8.24%	5.45%	5.48%	5.96%

+10 pharmacies to develop enter the portfolio

Source: PiùMedical, TPICAP elaboration & estimates

Image 19 – Development of commercial surface area and market share (sqm)

Metric	Value
c. # Pharmacies in Italy est.	20,000
c. Avg. SQM per pharmacy (ITA) est.	74
c. Tot SQM in retail pharmacies (ITA) est.	1,480,000
c. # Pharmacies in Lombardy est.	3,200
c. Tot SQM in retail pharmacies (Lombardy) est.	236,800
c. Mkt. share SQM PiùMedical now est. 2024	1.2%
c. Mkt. share SQM PiùMedical 2029 est. 2029	2.30%
Potential	2x

Source: TPICAP elaboration & estimates, farmacista33, Federfarma

3.2 Pharmacy Revamping Strategy

PiùMedical specializes in acquiring and upgrading pharmacies to boost commercial performance and operational efficiency. Each store requires an estimated one-off investment of ~€180k (~€1,000/sqm), based on an average size of 175–180 sqm.

The transformation plan includes:

- **Retail layout redesign** to improve customer flow and highlight high-margin products.
- **Digital upgrades** (IT, CRM, inventory, analytics).
- **Standardization of operations** for improved scalability.
- Optimized assortment and pricing, **focusing on OTC and private label**.
- **Staff training and incentive alignment**.
- **Expansion into services** (diagnostics, telemedicine, chronic care).

Performance typically ramps up within 18–24 months, supported by the Group's track record. The model emphasizes a “self-service” layout, prioritizing OTC and private label products—categories with significantly higher margins than prescription drugs.

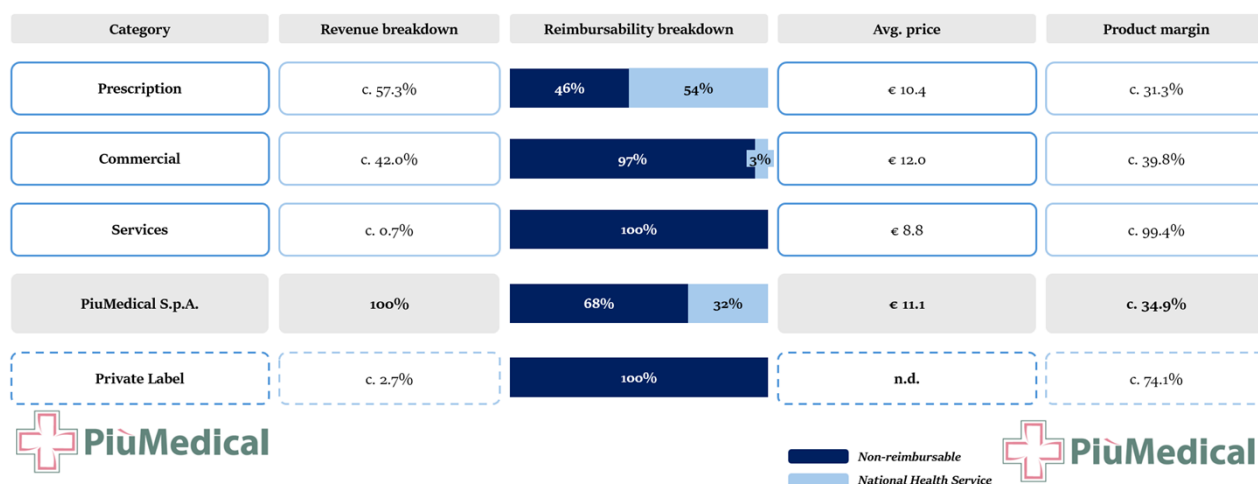
Image 20 - Internal view of the 'Sesto Calende' pharmacy



Source: PiùMedical

- **Products Actually Sold** - In the Italian pharmacy channel, c. 57% of sales are traditionally represented by prescription products, while “commercial” products account for 42.0%, and services less than 1% (IQVIA). In this mix we believe there will be a progressive increase in the weight of non-reimbursable products, supported by growing consumer focus on prevention, wellness, and dermo cosmetics.

In the case of PiùMedical, if we look at the 13 ‘beginners’ pharmacies, in FY2024, 57% of revenues were for *prescription products*, and 42% for *commercial products* perfectly in line with national average– in terms of reimbursability c. 68% of sales came from products not reimbursed by the SSN. This shift towards a portfolio with a high commercial content reflects the group's ability to offer a **value-added assortment for the patient/customer**, reducing dependence on subsidized sales and expanding the area of “free choice” purchases.

Image 21 - Macro-categories of products sold with related reimbursability and margins

Source: PiùMedical, TPICAP elaboration & estimates

Recent IQVIA data (week 37, 2025) confirms strong momentum in high-margin categories:

- Personal care: **+3.3% YoY**
- Dermo-cosmetics: **+4.2% YoY**
- Vitamins & supplements: **+4.1% YoY**
- Sun care: **+6.6% YoY**

These figures, recorded before the winter season, exceed conservative market growth assumptions (+3% vs. our +3.6% CAGR estimate), highlighting structural strength in non-reimbursable segments.

We see PiùMedical's strategy—focused on high-margin, non-reimbursed products—is fully aligned with these trends, reinforcing its positioning for sustainable growth.

3.3 Private Label Products

Private Label and Customer Loyalty - according to *Le Moniteur des Pharmacies*, French pharmacies recorded c. +13% growth in Private Label products revenues between 2023 and early 2024, with traffic held constant. This indicates that the increase was not driven by a higher number of customers visiting the pharmacy, but rather by greater penetration and average value of Private Label sales, signalling a structural and expanding trend.

Outside the pharmacy channel, private labels experienced significant acceleration in FMCG (large-scale retail) during 2024–2025.

This growth reflects increasing consumer trust in distributor brands, particularly in inflationary environments, and sets a precedent for the pharmacy channel: **while grocery Private Label share has reached high levels (over 30% value share), the gap with pharmacies remains wide**. This reinforces the thesis of further growth potential for pharmacies, both in terms of penetration and margins (Source: Mediobanca Research).

As shown in the image below, PiùMedical's private label products are diverse and largely consist of single-ingredient formulations, i.e., based on one active ingredient. By active ingredient, we mean

the pharmacologically effective substance contained in the drug or para-pharmaceutical product that produces the therapeutic effect (e.g., vitamin C in a supplement).

The choice to focus on single-ingredient products follows two main logics:

1. **Simplicity and clarity for the consumer**, who can easily recognize the product's function without the complexity of combined formulations.
2. **Greater production and commercial efficiency**, as it reduces the need for multiple stock-keeping units and simplifies shelf positioning.

This strategy allows offering (i) a tailored packaging, (ii) competitive pricing vs. more known brands, and (iii) high margins for the pharmacy.

Image 22 – PiùMedical 'private label' products – price estimates as of September 2025



Source: PiùMedical, TPICAP elaboration & estimates

- We believe consumers derive a dual benefit from the combination of loyalty programs and the savings offered by private label products. As already seen in the mass retail sector (in Italian – ‘GDO’), these products are typically positioned at an average discount of c. 26% compared to leading brands, while ensuring the same active ingredients and comparable quality levels (source: NielsenIQ, 2024).

3.4 Pharmacy Services and Their Development

The pharmacy channel is progressively evolving towards the “**pharmacy of services**” model, where the offering extends beyond drug dispensing to include value healthcare and consultancy services.

- Services represent a lever for attracting and retaining customers than an immediately significant revenue source. We expect that, at full maturity, their contribution could reach c. ~5% of the revenue mix by 2030 for PiùMedical, with an average price of c. €9 and a first margin of c. 99%.

A bit of context – the Law No. 69/2009, Article 11, introduced in Italy for the first time the possibility for pharmacies to provide new healthcare services to citizens, outlining the framework for the new model known as the “**Pharmacy of Services.**” This law delegated the Italian Government to issue legislative decrees aimed at identifying new services with strong social and

healthcare relevance to be delivered by public pharmacies. The subsequent **Legislative Decree No. 153/2009** defined the new roles and healthcare functions of pharmacies, specifying the services that pharmacies can provide within the framework of the **National Health Service (SSN)** (Source: *diritto-farmaceutico.it*). After this, the **“Lorenzin Decree” (2017)** came in, which dealt with the concept of pharmacy of services (telemedicine, screening, prevention).

As stated by then-Minister of Health Beatrice Lorenzin: **“We want to ‘use you’ as service providers, integrated within a territorial system.”** (source: *Quotidianosanita.it*). This could accelerate diffusion. PiùMedical’s service offering is already well articulated and includes:

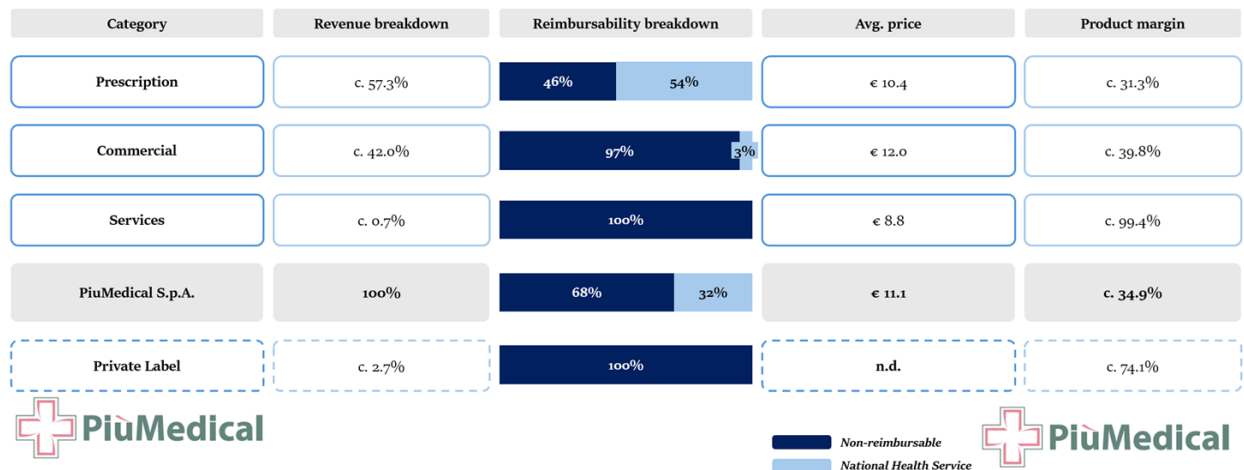
- **Telemedicine ;**
- **ECG (25-27 € per service) ;**
- **Dermatology ;**
- **Nutrition ;**
- **Blood pressure/cardiac holter ;**
- **Finger tests ;**
- **Chronic patient management and home delivery ;**
- **Therapeutical practices.**

Three strategic pillars underpin service development at the point of sale:

- (i) an organized layout integrating services as a structural part of the offering;
- (ii) dedicated personnel ;
- (iii) partnerships with external reporting companies (e.g., Active Action, Pavia) – partners which allows outsourcing reporting at a cost of c. ~15 €, on services generating revenues of c. 30-50 €, with a first gross margin (Sales-COGS) close to 100%, and an EBIT margin of c. 70% (as highlighted in the “Macro-categories of products” image).

The data says that in 2024, 8.3k pharmacies delivered a total of c. 660k telemedicine services, including: c. 430k ECGs, c. 143k cardiac holters, and c. 86 blood pressure holters (*Farmacia News, May 2025*). **Also historical analysis confirms significant progression:** (i) between 2018 and 2024, **the adoption rate of blood pressure telemonitoring rose from c. 10% to over 70%**, (ii) **telecardiology from 28% to 76.5%** and (iii) **CUP services increased from 63% to 79.1%**. (*Rapporto La farmacia italiana 2025*). The phenomenon is particularly evident in Lombardy, where in 2025 telemedicine services alone exceeded 79,000 units, supported by a regional “Pharmacy of Services” pilot program reimbursed by the SSR (*Quotidiano Sanità*). The long-term trend remains oriented towards a greater role for independent operators and a more service-oriented business model, focusing on private and high value-added services.

- **Over time, considering development dynamics consistent with the data found, we think is defensive and conservative to forecast a service weight in the revenues mix of c. 5% as a goal in the medium term.**

Image 23 – (Image 21)


Source: PiùMedical, TPICAP elaboration & estimates

The integration of medical services into the pharmacy offering represents a clear opportunity to drive cross-selling, by increasing customer engagement and expanding the potential for product acquisition during visits.

3.5 Room For Additional (Potential) Growth

3.5.1 The Online Channel

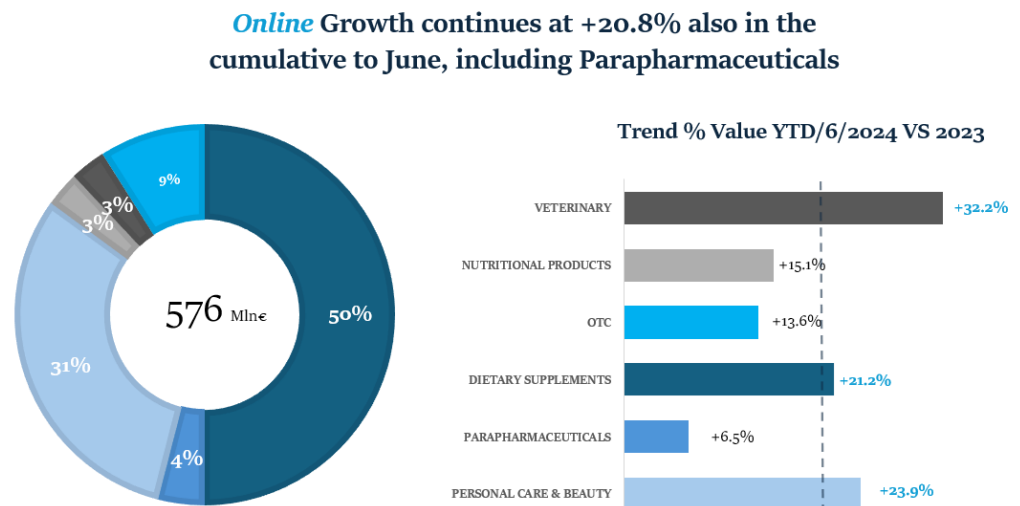
- **In 2024, e-commerce for pharmacies and parapharmacies in Italy exceeded €1.0bn for the first time (+16% YoY), with c. 89mn packages sold (+12.5%) - IQVIA data - H1 2024, online e-pharmacy +20% YoY.**

The market is driven by (i) supplements (€552m), followed by (ii) personal care (€333m) and (iii) SOP/OTC (€102m). Online sales are allowed exclusively for SOP and OTC, while prescription drugs remain excluded. **On a total Italian pharmacy market estimated between €27bn in 2024, the online share still accounts for only c. 4%, but we expect it to gain more traction in the coming years. (IQVIA, adfsalute.it)**

The regulatory framework remains strict on this subject - only pharmacies and parapharmacies with authorized physical premises registered with the Ministry of Health and marked with the European logo can operate. Regional authorization is also mandatory, with sales limited to the national territory (Italian Marketing Authorization - AIC) and prohibition on using wholesalers or third-party warehouses. In Lombardy as of June 30, 2025, there were c. **186 authorized outlets** for online sales, according to Federfarma Lombardia ‘supported by a dynamic digital ecosystem, strong demand density, and a medium-high income customer base’. This context offers fertile ground for cross-selling strategies and loyalty programs.

In a market still underpenetrated but **accelerating at double-digit growth, online sales therefore represent an additional lever** for expansion and margin enhancement. **Thanks to the digital know-how derived from management experience** (readacross - GSM, meaning parapharmacies), **PiùMedical appears well positioned** to potentially benefit from further liberalizations in the pharmacy delivery/online market in the future for pharmacies.

Image 24 - Online channel growth by product (1H24, IQVIA data)



Source: IQVIA

3.5.2 PiùMedical Data

PiùMedical sees additional value creation through data monetization: selling pharmacy data to specialized firms such as IQVIA, New Line Market Research, and Federfarma Observatory.

We estimate an average value of ~€500 per pharmacy per month (~€6k annually), which at full maturity (32 pharmacies) could generate ~€0.2mn incremental annual revenue. The growing database, enriched by loyalty card data, adds further upside potential.

While our model only partially factors in this opportunity due to limited visibility—and excludes online growth for now—we view both data monetization and digital channels as plausible future levers beyond core expectations, supporting long-term optionality.

4th Chapter: M&A According To PiùMedical

4.1 M&A Expansion: Strategy and Market Opportunity

PiùMedical pursues external growth through a disciplined acquisition model, transforming fragmented assets into a scalable platform. Selection criteria include:

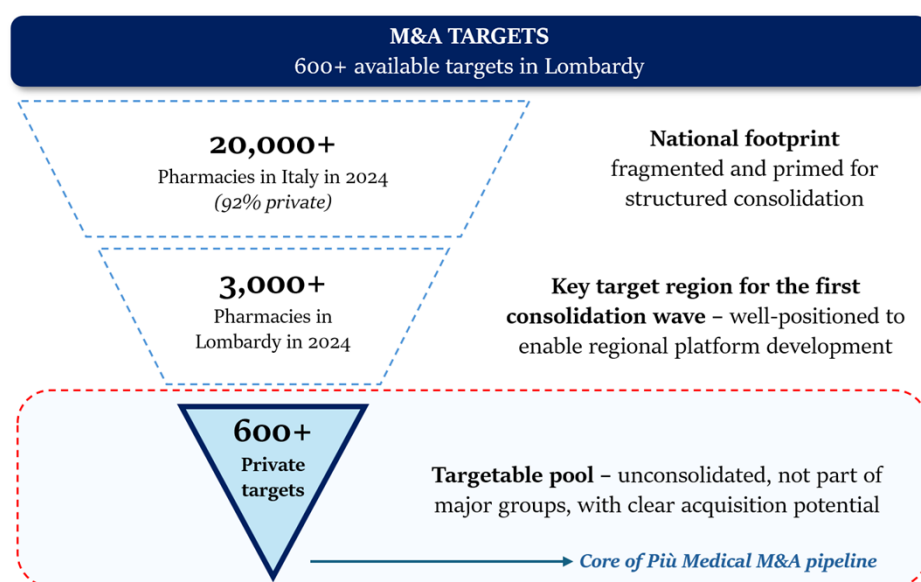
- Individually owned pharmacies managed by pharmacists
- Low operational efficiency and turnover below potential
- Assortment gaps limiting commercial optimization
- High visibility, easy access, and parking availability

Post-acquisition, PiùMedical applies a standardized integration plan across six levers:

- **Commercial:** optimize assortment, push high-margin products (OTC, dermocosmetics, supplements, private label), expand space, and implement “Pharmacy of Services”
- **Purchasing:** centralize procurement and standardize stock
- **IT & Data:** unified platform for inventory and analytics
- **Marketing:** coordinated campaigns to boost brand visibility
- **Administration:** centralize back-office functions
- **HR:** training, leadership replacement, and incentive alignment

Target Pool: Lombardy offers >600 acquirable private pharmacies within a fragmented market (>3,000 regional, ~20,000 nationally, 92% privately owned). Speed is critical to secure quality assets before competitors, ensuring first-mover advantage.

Image 25 – Potential pool of targets in Lombardy



Source: TPICAP elaboration & estimates

4.2 Track record

Looking at its track record, the quality of PiùMedical's execution clearly emerges from the acquisitions carried out over the past 7 years:

- **C. €27mn invested for 13 pharmacies** (the 'beginners', excl. Pro Forma M&A)
- **The acquired perimeter has shown revenue growth of +c. 55% and EBITDA growth of +c. 170%**, with an improvement in average margins from c. 8% to 13.5% (+550bps).

(Source: Più Medical)

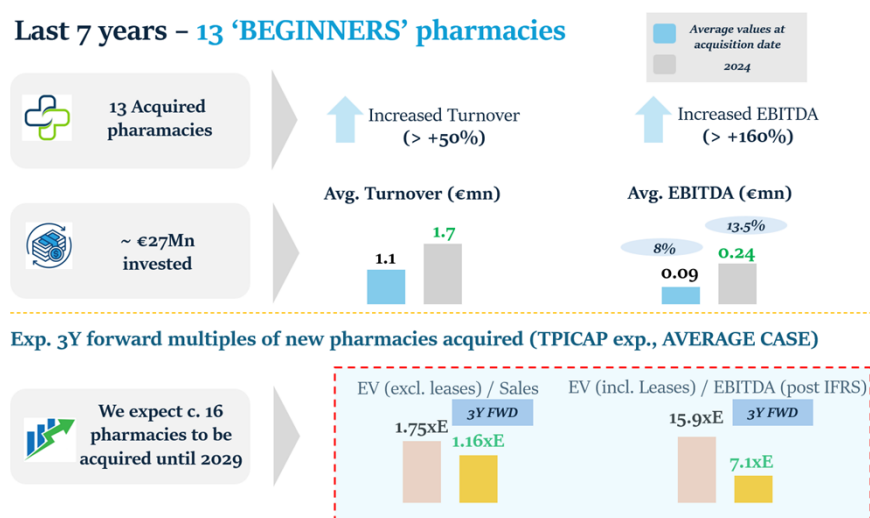
The current average entry multiple for a retail pharmacy in Lombardy - according to the company - stands at c. 1.75x EV/Sales (excl. leases).

Following acquisition, the company applies a blended valuation approach that reflects factors such as location quality, catchment area, sales mix, profitability, and growth potential. **This results in a historical average acquisition multiple of 1.54x EV/Sales, with full integration of the new-entry within the perimeter generally achieved within 18–24 months.** Post-integration, revenue growth is primarily driven by operational synergies and an expanded customer base.

There are also some exceptions: Farmacia Rovello (2017) and Farmacia Borsano (2012) were acquired at **EV/Sales multiples of 1.0x–1.1x**. After integration, and performance ramp-up – specifically for these 2 pharmacies, based on 2024 results, post-acquisition multiples have compressed to 0.56x–0.62x, **following a near doubling of turnover (+77% / +81%)**, highlighting the substantial value creation unlocked through strategic management. (Source: Più Medical)

- *Please note: we consider the EV/Sales multiple excluding leases, in line with market practice for private pharmacy transactions. The rationale is that in most cases the pharmacy owner also controls the property and signs a standard 6+6 year lease contract with the buyer, making the lease element an external factor to the transaction. Conversely, when applying the EV/EBITDA multiple, we follow IFRS 16 convention and include leases in both the numerator (EV) and the denominator (post-IFRS 16 EBITDA). This ensures consistency with listed peers, where reported EBITDA already incorporates the IFRS 16 uplift, and provides a more accurate benchmark for comparison.*

Image 26 – Track record performances & expected 3Y Fwd. M&A multiples development



Source: PiùMedical, TPICAP elaboration & estimates

Image 27 – M&A performances: acquiring at low-end multiples and boosting results

	Pre-acquisition results (1Y before)		Post-acquisition results (up to 2024)
Farmacia Rovello	Acquisition Date: 05/2017 Turnover (2016): € 1.45m Transaction Price: € 1.45m Implied EV/Sales: 1.00x	➔	Turnover Variation: +77.0% Actual EV/Sales: 0.56x
Farmacia Comunale di Sesto Calende	Acquisition Date: 02/2018 Turnover (2017): n.s. Transaction Price: € 0.35m Implied EV/Sales: n.a.	➔	Turnover Variation: € 3.3m Actual EV/Sales: 0.11x
Farmacia Borsano	Acquisition Date: 08/2012 Turnover (2011): € 1.11m Transaction Price: € 1.25m Implied EV/Sales: 1.12x	➔	Turnover Variation: +81.4% Actual EV/Sales: 0.62x

Source: PiùMedical, TPICAP elaboration & estimates

4.3 Main Italian Players Sprinting For Pharmacies Consolidation

In Italy, several players are attempting to scale the pharmacy market, although none are stand-alone listed entities. These players represent both potential competitors and, ultimately, potential bidders for pharmacies.

We are talking about: **Hippocrates Lafarmacia**, **Lloyds-Benu**, **Dr. Max**, **Boots – Farma Acquisition Holding**, **Alma Farmacie**, **Farmagorà**, **Farmacie Italiane**, **Felia Farmacie**, **Apoteca Natura**. In the table, we show the main characteristics of these players operating in the Italian market.

Image 28 – Potential Pharmacy Chains ‘Bidders’ in Italy

Chain	Estimated # Pharmacies	Geographic Focus	Notes / Strategic Updates
Hippocrates – Lafarmacia	c. 500	Central & Northern Italy	+100 pharmacies every year, c. € 800mn sales in 24/25 and c. 20% EBITDA margin (€ 160mn)
Lloyds – Benu	c. 137 owned (220 incl. para & corners)	Nationwide	Mixed network of owned and affiliated pharmacies
Dr. Max	c. 210	Nationwide	>80 refits completed in 2025; rebranding ex-Neo Apotek (3 refits in Q1 2025). Focus on omnichannel (click&collect, online prescription booking)
Boots – Farma Acquisition Holding	c. 90	Sicily, Lazio, Lombardy	Expanding footprint through targeted new openings
Alma Farmacie	65 (53 integrated, 12 in advanced pipeline)	Emilia-Romagna, Tuscany, Lazio, Marche, Puglia, Veneto	Target 70 by YE 2025. Backed by Eurizon (8% stake) and €30mn Eurazeo financing
Farmagorà	c. 50	Northern Italy & Sardinia	Target 55 pharmacies and €80mn revenues in 2025. Raised €12mn capital. Q1 revenues +7% YoY in legacy stores.
Farmacie Italiane (F2i)	44 pharmacies + 4 para	Nationwide (notably Rome, Naples)	New franchising model launched (target 30 new affiliates p.a.)
Felia Farmacie	c. 20 (+5 pipeline)	Mainly Central Italy	Target 30–35 by 2026. Q1 revenues +10.5% YoY (+13% in March). Some outlets growing +70%. Plans for polyclinics in Pistoia
Apoteca Natura (Europe)	776 (402 Spain, 151 Portugal, 66 France; 40 controlled in Italy incl. Florence municipals)	Europe	Hybrid model (network + controlled pharmacies). Expanding cross-border presence

Source: TPICAP elaboration & estimates, Pharmacy Scanner, Pharmaretail

The forward-looking statements from major pharmacy chains or micro-chains in Italy (none of which are publicly listed) point to a combined plan of c. 240 new openings/acquisitions already announced for FY2025.

In this context, PiùMedical represent a unique player in the Italian listed market, potentially benefiting from first-movers attraction by offering a model based on real, tangible assets and consolidation of the retail-pharmaceutical market.

- **We believe that the “Pharmacy Chains” market in Italy could gain c. 200bps per year in market share (from the current c. 6–7% to c. 16–17% by 2030). Considering a broadly stable demographic trend and an average threshold of c. 3,000 inhabitants per pharmacy, against a total base of c. 20,000 pharmacies, we foresee a flow of > 500 transactions per year.**

This figure is consistent with the scale of the 240 deals already announced by major chains alone (excl. PiùMedical’s expansion). The consolidation trend is confirmed by the latest figures mentioned above, with acquisition programmes continuing and sustained interest in the segment. The data therefore confirm that the **market is active and competitive**, with significant capital ready to enter the sector and international players already present. For PiùMedical, this represents a strategic opportunity: **entering now means benefitting from still relatively compressed multiples and positioning for potential re-rating in the coming years, given the increasing attention on the sector.**

Below we report, as a reference, selected financial data (source: *Orbis*) for Lafarmacia and Farmacie Italiane (including 2024), highlighting the expansion of pharmacy chains, with **double-digit YoY revenue growth and sustained margins, reaching up to 20% in the most recent times. This level is significantly above those of listed comparable (sometimes almost 5 times higher EBITDA margin), whose multiples typically include highly dilutive activities such as distribution – inflating top-line profiles while compressing profitability.**

We will explore this further in the following section.

Based on available data, we consider it reasonable to assume a target EBITDA margin for PiùMedical in the 12–20% range, with a conservative medium-term reference target point of c. 16.8% by 2029. This assumption incorporates the dilutive effect from the inclusion of newly acquired pharmacies, which typically show lower margins at the time of acquisition.

The comparison with other Italian operators supports the prudence of our assumption: for example, the holding company controlling Alma Farmacie closed 2024 with c. €70mn in revenue and 51 pharmacies (equal to c. €1.38mn per pharmacy, indicating the benefit of centralised management), reporting an EBITDA margin of 16%. This suggests that the 16.8% target by 2029 is not too optimistic and we think is not overly challenging.

Image 29 – Estimated financials of selected private Italian pharmacy chains

Sales (TPICAP est.)					
mEUR	2020	2021	2022	2023	2024
Lafarmacia (Hippocrates Holding)	155.9	258.1	480.4	624.0	800.0
Growth%		66%	86%	30%	28%
Farmacie Italiane	140.0	182.9	242.3	270.6	276.8
Growth%		31%	32%	12%	2%

EBITDA (TPICAP est.)					
mEUR	2020	2021	2022	2023	2024
Lafarmacia (Hippocrates Holding)	9.3	33.5	54.3	84.2	160.0
Margin%	6%	13%	11%	13%	20%
Growth%		260%	62%	55%	90%
Farmacie Italiane	1.4	-0.1	5.2	28.5	32.8
Margin%	1%	0%	2%	11%	12%
Growth%		-107%	n.m.	452%	15%

Source: Orbis, Factset, TPICAP elaboration & estimates

The observed growth dynamics, both in terms of revenue and profitability, help the investment case also considering that margins remain consistently within a double-digit range (high teens), while network expansion supports top-line growth. It is worth noting that profitability remains solid despite the ongoing expansion phase. We now analyse the evolution of the Italian pharmacy chain M&A market to extract useful insights.

4.4 Key Comparable Deals in Italy – Implied Estimated Multiples

To concretely estimate the value of PiùMedical's business and assess the consistency of its business plan, we analysed three relevant transactions completed in Italy over the past 5–6 years: F2i – Farmacrimi (2018), Antin – Hippocrates (2020), Dr. Max – Neo Apotek (2023).

** Some of the figures used are assumptions derived through interpolation techniques based on the numbers provided by the sources indicated in the charts and/or in the text, and they may not fully reflect actual values.*

➤ **We believe the Antin–Hippocrates deal is highly relevant and worth careful analysis.**

Although the transaction was private, the available information helps us frame a realistic positive case scenario for PiùMedical in the event of an exit - Specifically, Antin acquired Hippocrates in November 2020 at an enterprise value of c. €600mn of the company. At that time, Hippocrates had generated c. €200mn revenues in 2019 with an EBITDA margin of c. 20% (post-IFRS) - Assuming similar revenue per pharmacy and stable EBITDA margins for 2020, and extrapolating the number of pharmacies based on company guidance (towards the target of doubling the network to 400 pharmacies), **we derive a 2.4x multiple – if we exclude a general majority stake premium of 25%** (Source: Corporate Finance Institute), **the implied pure EV/Sales exit multiple is estimated to be c. 1.9x** ($1.9x * 1.25 = 2.4x$). **We think that Antin's entry valuation implicitly considered forward-looking financials**, with revenues closer to c. €250mn and EBITDA of c. €50mn at the time of the deal, rather than relying solely on historical figures – situation which could be a read-across for PiùMedical and its development plan.

Images attached below explain the construction of the implied multiples – disclaimer: the multiples includes discretionary estimations.

Image 30 - Acquisition deal: use case (ITA, 2020)

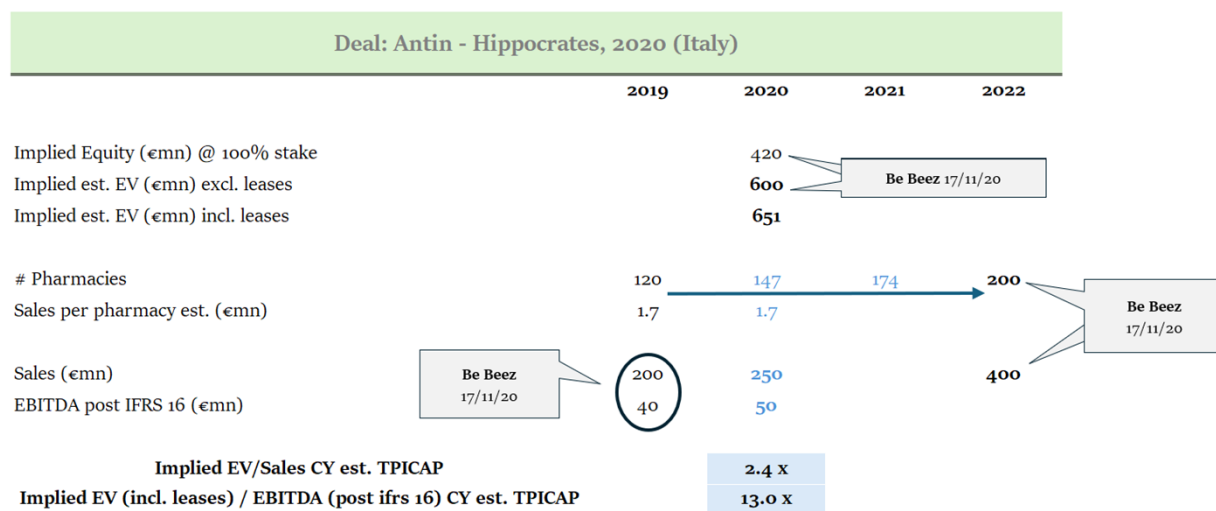
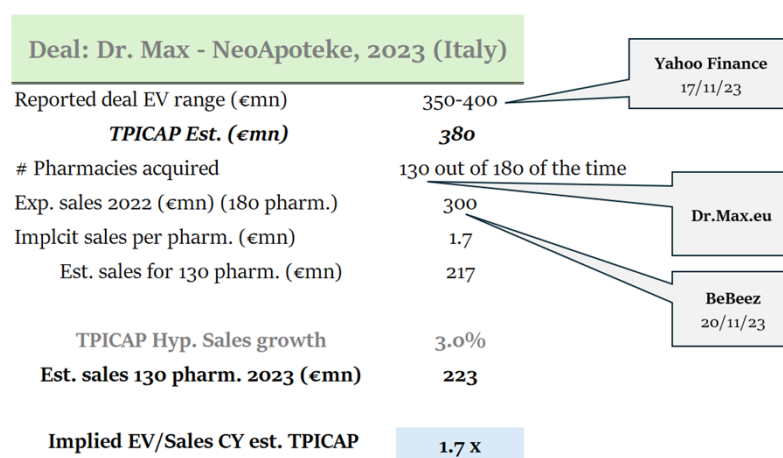


Image 31 - Acquisition deal: use case (ITA, 2023)



- **By contrast, in the F2i-Gruppo Farmacrimi deal, we believe it is consistent to see a higher EV/EBITDA multiple.** This is explained by the inclusion of para-pharmacies and a distribution company within the perimeter, both of which structurally dilute margins. Based on our estimates, approximately 56% of the acquired company's revenues did not originate from pharmacies, but rather from wholesale and parapharmacy channels. It follows that the implied multiple for the pharmacy-only segment (in terms of EV/Sales) would be higher. We estimate the following implied EV/Sales multiples: ~2.5x for pharmacy revenues (44% of total) and ~1.1x for the remaining 56%. **After adjusting for a 25% majority acquisition premium, we arrive at an overall implied EV/Sales multiple of approximately 2.0x for the pharmacies** ($2.0x \cdot 1.25 = 2.5x$).

Image 32 - Acquisition deal: use case (ITA, 2018) – incl. wholesale & parapharmacies

Deal: F2i - Gruppo Farmacrimi, 2018 (Italy)	
Segments - Farmacrimi Srl	Sales (eur mn)
#Pharmacies est. TPICAP	47.5
#ParaPharmacies est. TPICAP	5.0
#1 company wholesale distr. est. TPICAP	57.5
Sales FY 2017 (€mn)	110.0
EBITDA FY 2017 (€mn)	12.0
Hyp. CAGR revenues 2017-18	3.0%
Hyp. Sales 2018 (€mn) est. TPICAP	113
Hyp. EBITDA 2018 (€mn) est. TPICAP	12
Paid EV (€mn) 2018 excl. leases @ 62%	120
Implied EV (€mn) 2018 excl. leases @ 100%	194
Implied EV (€mn) 2018 incl. leases	211
Implied EV/Sales CY est. TPICAP	1.7 x
Implied EV (incl. leases) / EBITDA (post ifrs 16) CY est. TPICAP	17.0 x

Comunicato
F2i 29/11/18

Starmag
29/08/18

Farmacitsta33
04/09/18

Source: Starmag, F2i, TPICAP elaboration & estimates

- It clearly emerges from the analysed transactions that acquisition multiples tend to rise when deals incorporate elements of scalability, coordination, and synergies. In particular, when a company presents a strong development plan – as was the case with Dr. Max-Neo Apotek – bidders tend to factor in the future execution of the business plan, recognising higher entry multiples. We believe the same rationale could apply to PiùMedical.

It is not unrealistic to assume a “floor” EV/Sales multiple in the 1.75x range, even though such figures are partly diluted by the inclusion of para-pharmacies and wholesale activities (as in the Farmacrimi deal). If we isolate the value of pharmacies only, the implied multiple would be higher.

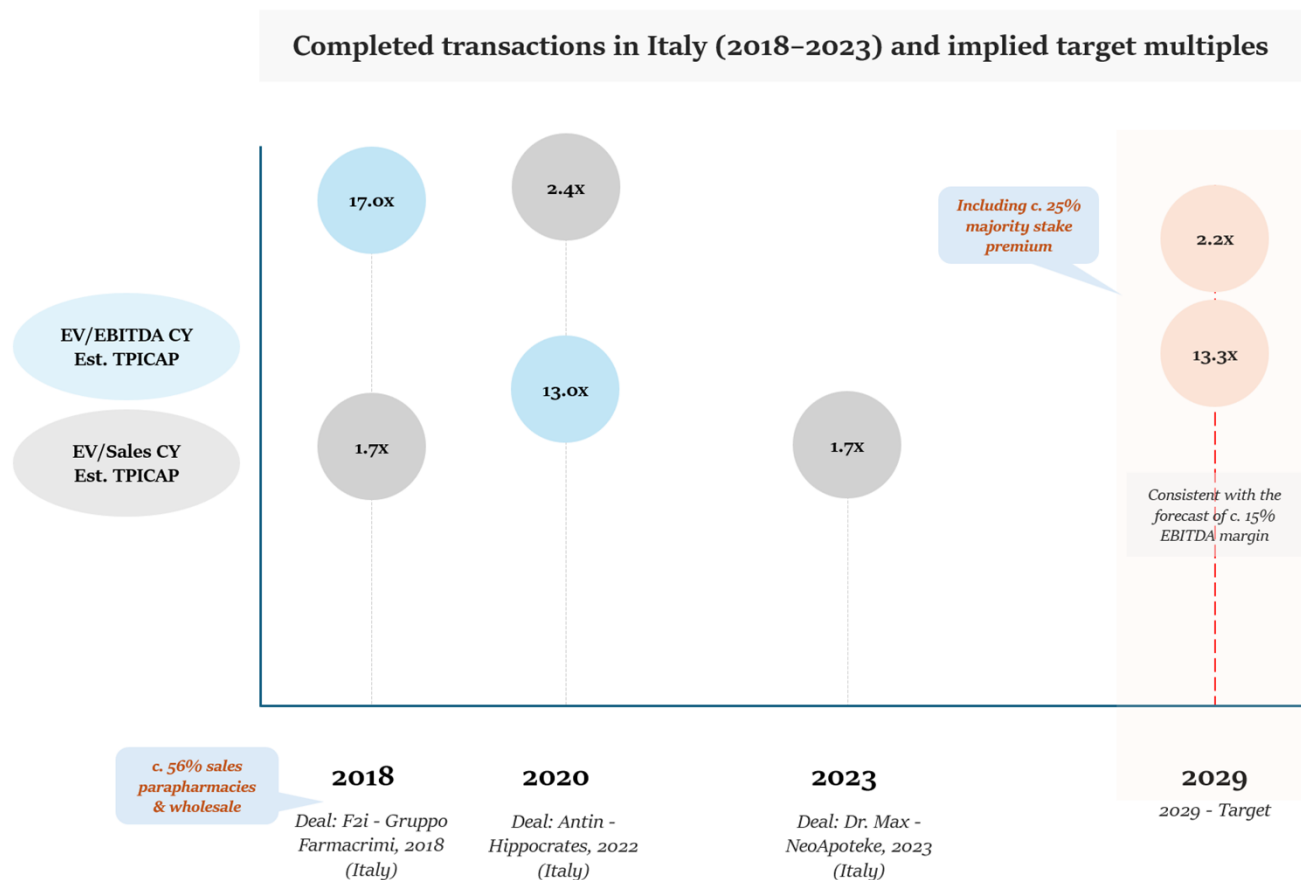
- The outcome of this benchmarking exercise supports a very conservative reasonable 2029 exit multiple of c. 2.2x if the shareholders will sell the majority. However, in our model we apply a conservative discount of -20%, with the hypothesis of 1.75x.

Combined with a gradually improving margin – supported by the integration of services, telemedicine, and private label products (which we view as structural trends in the sector) – we believe an EBITDA margin of c. 17% represents a realistic target, in line with our model. This would imply a final EV/EBITDA multiple of around 10x (= 1.75x / 17%), compared to the observed range of 9.8x-12.8x for majority-premium-excluded transactions (13.0x-17.0x for majority-premium-included deals multiples). As we can notice, exactly in the range. We are co

Financial example: since the average Italian pharmacy generates c. €1.2mn in revenues annually, if we apply the market EV/Sales acquisition multiple (excluding leases), we derive an EV of €2.0mn. By adding c. €330k of actualised lease liabilities (c. €5k per month in rent, recognized under IFRS 16 as Right of Use, for a 6 years contract) the total EV rises to c. €2.37mn. Assuming a **post-IFRS EBITDA margin of c. 17%** (as in our model), which excludes lease payments and related interest, **this implies a multiple of c. 11.6x EV/EBITDA** - compared to the observed range of 9.8x-12.8x for majority-premium-excluded transactions. Not far away from the midpoint of the estimated EV/EBITDA post IFRS 16 range.

Below is a graphical representation illustrating the evolution of multiples.

Image 33 – Completed Transactions in Italy (2018–2023) and Implied Multiples



Source: PiùMedical, TPICAP elaboration & estimates

Indeed, **excluding a theoretical 25% majority premium**, the implied market multiples would be:

1. **EV (excluding leases) / Sales = 1.75x** – since applying a 25% premium results in a multiple of 2.2x.
2. **EV (including leases) / EBITDA post-IFRS 16 = 10.6x**, based on a target margin of approximately 16.5%, which aligns with our model. Including the 25% premium, this would imply a multiple of around 13.3x

5th Chapter: Financial Valuation

5.1 Income statement analysis: past performances & future projections

Looking at the key figures, in the PF historicals considering a perimeter of 16 pharmacies, like-for-like, 2024 vs 2023, we see an acceleration in revenues of +3.8%, above our estimated market growth of c. +3.6%.

Revenues increase with the rising number of pharmacies acquired. The potential largest jump should occur between 2025 and 2026, when IPO capital would be deployed to boost the buy-fix-scale model: on average, each pharmacy contributes around €1.2mn in revenues – we assume a potential set of 10 pharmacies to be included. After 2026, growth becomes more gradual. The pro-forma adjustments refer to:

- **Volume discount:** purchase volume discounts for pharmacies, i.e. price reductions obtained through higher purchasing volumes.
- **Transport cost reimbursement:** reimbursements for transport costs, i.e. discounts/recoveries related to logistics charges from suppliers;
- **Management fees:** management or central service charges that are adjusted to properly reflect consolidated-level costs;
- **Overhead costs Piu Medical.**

EBITDA-related adjustments refer to one-off bonuses paid to management of c. €0.4mn in 2024 and c. €0.96mn in 2025 – one-off.

5.2 Financial statements analysis & forecasts

Assuming a potential per-pharmacy margin expansion up to c. 20% (we consider this a best-case scenario, albeit supported by figures and results from private Italian comparable), **we believe the 2023PF EBITDA margin of c. 14% and the 2024PF adj. EBITDA margin of 13.9% benefit from the contribution of 13 “beginner” pharmacies – likely to already have higher added value.** On the other hand, the 3 acquired pharmacies are still in the efficiency ramp-up phase and currently show lower margins, resulting in a slight dilution.

- **Overall, we believe a target EBITDA post IFRS 16 margin of c. 16.8% by 2029 is achievable, with further positive contribution expected from pharmacies added in the last years of the business plan.**

As a reminder, margin compression from 14.4% in 2025 to 13.9% in 2026 is expected and normal: the new pharmacies that we forecast will be added in 2026 will have lower margins and dilute the average. Looking at cost dynamics, we note COGS are increasing, driven by volume growth.

- **Service costs** rise to €2.8mn in 2024 vs €1.9mn in 2023, we suppose mainly due to expenses related to the acquisition of the 3 pharmacies and we estimate it for the pre-listing costs and preparatory expenses for perimeter expansion in the following years. However, we believe the scale-up will support medium-term efficiency, and therefore we consider a decline in service costs from c. 10.8% of sales in 2025 to c. 9.9% in 2029 as a reasonable assumption.
- As for **salaries**, we expect only limited cost leverage in the short term and remain conservative. Over the 2024A PF – 2029E PF period, we forecast a slight decrease in incidence from 12.9% to c. 11.9%, supported by greater use of technology and a positive

denominator effect (revenue growth). In our view, PiùMedical can leverage group synergies – the larger the scale, the more efficient the model becomes

- **EBIT Margin:** despite the expected lease dynamics – which will have a material but manageable impact on the P&L – we consider D&A (incl. IFRS 16) sustainable in the medium term. This should allow the company to reach an adj. EBIT margin of c. 10.9% in 2025 (adjusted for one-off management bonuses), increasing to c. 12.4% by 2028 under a conservative ‘average case’ scenario.
- We estimate **total IFRS 16 lease costs of c. €57k** per pharmacy per year (**including both D&A and interest expenses**), which translates into total cash lease expenses (which under IFRS 16 appear within D&A) of c. €1.3/1.5/1.6mn for the years 2026E/2027E/2028E, respectively. In addition, **we forecast c. €10k per pharmacy of annual maintenance capex for their annual D&A**, which amounts to c. € 0.2mn / € 0.3mn / € 0.3mn in 2025E/2026E/2027E.
- ***This excludes the one-off M&A capex of c. €0.18mn, which we estimate occurring per pharmacy added at the time of acquisition (just the first year, under the name of ‘revamping CapEx’)***
- **Financial expenses:** we assume (i) an initial debt facility priced at c. 3M Euribor forward + 5.75% (currently translating into a rate of c. 7.75%), (ii) refinancing at lower rates, aligned with a more normalized Euribor environment (e.g., 3M Euribor at 3% + 3% spread = c. 6% in 2027).
We estimate the end of a first debt facility totaling c. €15mn (including c. €3.6mn of pro forma financial debt carried over from 2024), followed by a 2027 refinancing + increase of c. € 5mn debt facility in 2027 to finance growth (which would potentially mean 2.8x ND/EBITDA ratio in FY28E). This explains the increase in financial expenses from c. €1.1mn to c. €1.5mn between 2026 and 2027, because there will be the ‘starting’ fee for the second debt line.
- **We assume a tax rate of 24.0%** from 2025E onwards, in line with the historical average for 2023–2024A PF. Under our assumptions, we expect the net income margin to improve from c. 6% in 2026 to c. 9% by 2029. This reflects the combined effect of: (i) improved EBITDA margins, (ii) top-line growth driven by both organic performance and external expansion and lower financial expense incidence.

See table below for full visibility and breakdown:

Image 34 - Income statement view 26E - 29E

# Pharmacies PF perimeter P&L	16 2025PF E	26 2026PF E	29 2027PF E	31 2028PF E	32 2029PF E
Net Sales	26.9	41.4	48.7	54.9	60.1
Other revenues	0.0	0.0	0.0	0.0	0.0
Total Revenues	27.8	41.4	48.7	54.9	60.1
YoY growth (%)	6.30%	49.10%	17.62%	12.76%	9.38%
Costs for goods	18.6	26.1	29.9	32.8	35.4
Service costs	3.0	4.3	5.0	5.5	6.0
Costs for the use of third-part assets	0.1	0.1	0.1	0.1	0.1
Change in inventories	0.1	0.1	0.1	0.1	0.1
Personnel expenses	3.6	5.1	5.9	6.6	7.1
Other operating expenses	0.1	0.2	0.2	0.3	0.3
Pro-forma adjustments	0.6	0.6	0.6	0.6	0.6
EBITDA	3.0	5.8	7.2	8.7	10.1
% sales	10.9%	13.9%	14.8%	15.8%	16.8%
Adjustments	1.0				
EBITDA ADJ	4.0	5.8	7.2	8.7	10.1
% sales	14.4%	13.9%	14.8%	15.8%	16.8%
D&A	1.0	1.5	1.7	1.8	1.9
EBIT	2.1	4.2	5.5	6.8	8.2
% sales	7.4%	10.2%	11.3%	12.4%	13.7%
Net financial expenses	0.6	1.1	1.5	1.0	1.0
EBT	1.5	3.2	4.0	5.8	7.2
Income taxes	0.4	0.8	1.0	1.4	1.7
Tax rate	24.0%	24.0%	24.0%	24.0%	24.0%
Net income	1.1	2.4	3.0	4.4	5.5
% sales	4.1%	5.8%	6.2%	8.1%	9.1%

Source: TPICAP elaboration & estimates

Goodwill & leases - Analysing the balance sheet assets, we note that the lion's share is represented by goodwill – as expected, c. €27mn in 2025E. This reflects the core value generated when PiùMedical acquires a pharmacy. The implied EV/Sales multiple is c. 1.75x, which defines the pharmacy valuation (excluding leases), composed mainly of goodwill, with a marginal contribution from tangible and intangible assets. Tangible assets do not include real estate. We update the lease assumptions: based on the previously mentioned annual lease payment of c. €57k per pharmacy (including c. €7k in interest), and assuming a 6-year term discounted at 3%, we book a right-of-use asset of c. €316k per pharmacy on the balance sheet.

Image 35 - Leases 'Right of use' study

Leases 'Right of Use' Study						
Actualisation (%)	3%					
Time Line t(x)	1	2	3	4	5	6
Est. IFRS 16 D&A lease payments (in k€)	50	50	50	50	50	50
Est. IFRS 16 fin. Int. payments (in k€)	7	7	7	7	7	7
Est. Absolut Yearly Payment per Pharmacy (in k€)	57	57	57	57	57	57
Est. Discounted Payment (time zero) (in k€) @ 4% annual	56	55	53	52	51	49
Time Zero Discounted RoU Value @ 3%	316					

Source: TPICAP elaboration & estimates

Here below our estimates regarding the **FCFF / EBITDA ratio (the so called ‘cash conversion’)**:

Image 36 – Cash conversion (EBITDA €mn, FCFF €mn, conversion %) 2025E - 2029E

EBITDA	3.0	5.8	7.2	8.7	10.1
FCFF pre M&A	0.0	3.2	4.5	5.2	6.2
Conversion	0%	56%	62%	60%	61%

Source: TPICAP elaboration & estimates

In a business such as a the one of retail pharmacies, it is common for inventory and receivables from the National Health Service and customers to be financed by payables to suppliers, leading to limited working capital requirements. This dynamic is comparable to a model such as PiùMedical, which does not see large discrepancies between commercial assets and liabilities.

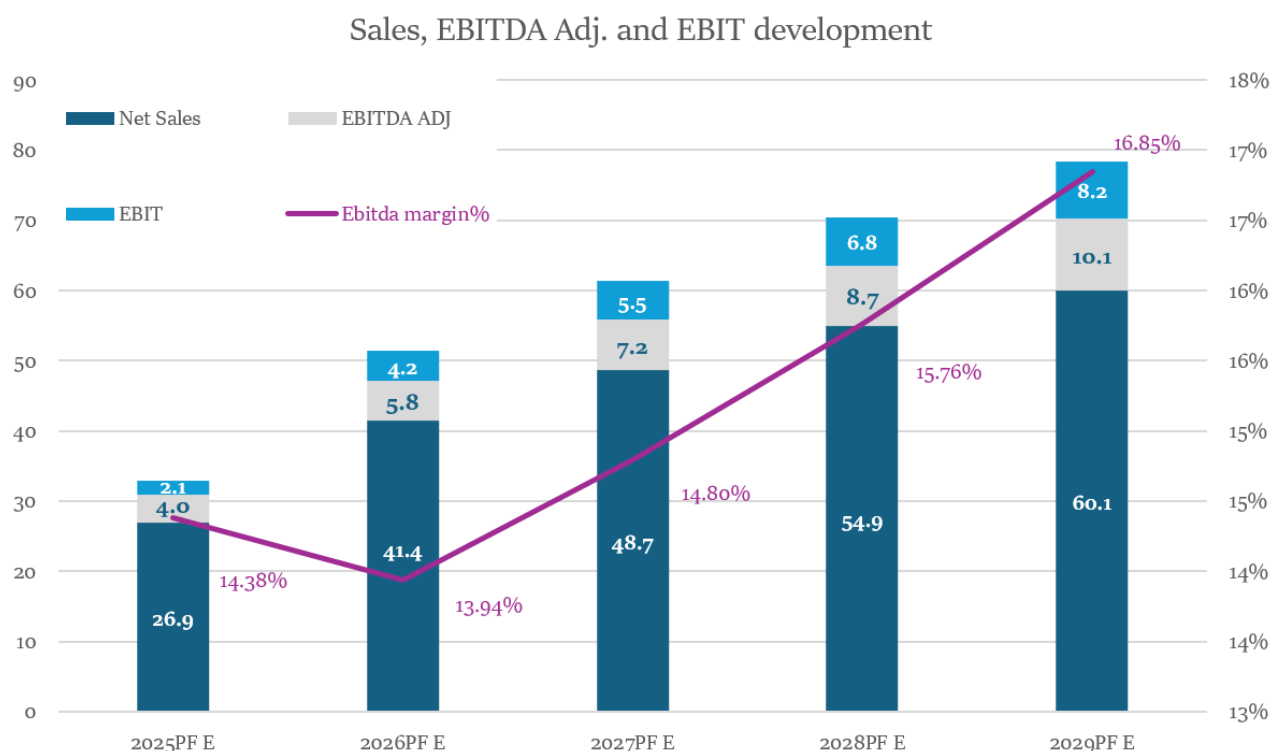
Our base-case assumption is that pharmacy additions per year will be **10 / 3 / 2 / 1** in 2026E, 2027E, 2028E, and 2029E.

Organic Growth – “Beginners”: for the 13 pharmacies we call “beginners,” we assume a cautious **~+3% YoY organic growth**. Market research suggests a growth rate of **+3.6% YoY**, and IQVIA data (week 37) shows **~+4% YoY**, pointing to potential upside

Revenue Growth – New Additions & Expansion: the 3 pharmacies added in 2025 (already in the pro forma perimeter) are expected to deliver a **CAGR of ~11%**, supported by: (i) new healthcare services (telemedicine, ECG, Holter monitoring), (ii) aging population impact, (iii) physical expansion of acquired pharmacies, (iv) growing role of pharmacies in public health services. Overall, we estimate: **+36% revenue increase** for the 3 pharmacies (2025–2029), **+51% for 2026 entries** (2026–2029) and **c. 20% growth** for those pharmacies which will be potentially acquired in 2027/2028 until 2029E.

EBITDA & Profitability: revenue growth should come with margin expansion. Drivers include higher-margin products and operational improvements (centralized procurement, IT, HR). Our expectations:

- In the first-year of integration a pharmacy shoes c. **11% EBITDA margin**
- A pharmacy at full potential reaches c. **18% EBITDA margin**, similar to beginners and 2025 acquisitions
- By 2029 PMED could reach c. **16.8% EBITDA margin**, with further upside beyond 2029 through full optimization

Image 37 – EBITDA, EBIT & Sales development


Source: TPICAP elaboration & estimates

Leverage development - we observe a progressive deleveraging trend. As for the ND (excl. leases) / EBITDA Adj. (excl. IFRS effect) from c. 2.1x to 1.3x by the end of the forecast period in 2029 – a conservative profile. **If we consider the ND (incl. leases) /EBITDA adj. (incl. IFRS effect) we expect the ratio to go from c. 3.2x in 2026E to c. 2.2x 2029E.**

5.3 Valuation methods introduction

Considering that the company will grow through a build-up phase, in a market currently dominated – and possibly for now limited – to private transactions, we believe that:

1. Valuing the company exclusively through a DCF FCFF excluding all the recurring M&A cash-out is reductive and overly optimistic (and too pessimistic with a DCF FCFF including all the M&A cash-out);
2. Valuing the company just through listed comparables – which are not Italian and operate across geographies with very different business mixes – is not optimal – still it can provide an indication of current levels in the listed market;
3. Valuing the company through exit multiples based on private transaction multiples (limited to the perimeter of retail pharmacies) is sensible – but we also believe it should be combined with the other valuation methods with similar weightings, in order to obtain a balanced and robust valuation.

For the valuation, we use 6 different methods, divided into 3 segments:

1. **Observed market EV/Sales + EV/EBITDA exit multiples;**
2. **DCF FCFF valuation, blended including & excluding M&A EV cash-outs,** based on the model's projections and forecasts, with assumptions explained below;

3. **EV/EBITDA & EV/EBIT listed peers valuation** - as opposed to the exit multiples segment, which is more focused on Italian private transactions.

5.4 Exit multiples yields 7.8€ target price

- **EV/Sales @ 1.75x 2029E PF** – excluding the control premium for such a transaction, estimated at c. 25% in line with our previous analysis. As seen before, we reach **1.75x**, which appears prudent.

This multiple is essentially the entry level, so we assume the value creation to come exclusively from higher revenues and margins, leaving further upside potential. We use 1.75x Sales (ex-leases) as an entry multiple in pharmacies in our acquisition model- this multiple excludes rental costs, which are recorded as Right of Use on top of the transaction price. Our basis is a set of Italian transactions net of the control premium – transactions include: F2i – Farmacrimi (2018), Antin – Hippocrates (2020), Dr. Max – Neo Apotek (2023). The equity value at 2029 is then discounted back at the cost of equity (c. 12%).

- **EV/EBITDA @ 10.6x 2029E PF** – excluding the control premium for such a transaction, estimated at c. 25%. This is consistent with a margin >16.5% at the end of the plan, starting from the above-mentioned EV/Sales multiple. Here the logic differs: the target EBITDA considered is post-IFRS (inflated because leases are excluded from EBITDA). Therefore, EV includes leases, and consequently Net Debt must also include leases - our basis is a set of Italian transactions net of the control premium. Transactions include: F2i – Farmacrimi (2018), Antin – Hippocrates (2020), Dr. Max – Neo Apotek (2023). The equity value at 2029 is then discounted back at the cost of equity to today (c. 12%).

The summary table is shown below – for discount assumptions please refer to the following section explaining the DCF through blended FCF pre/post M&A.

Image 38 – Exit multiples valuation

Exit multiples valuation			
Method	Weight	Equity value	Total weight
Discounted Exit EV/sales @ 1.75x 2029E	17%	59.1	33.00%
Discounted Exit EV/EBITDA @ 10.6x 2029E	17%	53.2	
Weighted share price = 7.8 € ps			

Source: TPICAP elaboration & estimates

5.5 Blended Discounted Cash Flow using the FCFF

Key assumptions for valuation - our FCFF DCF valuation assumptions are: (i) beta of c. 1x, (ii) WACC c. 10%, (iii) tax rate c. 24% in line with historical average, (iv) risk free rate c. 3.5% and (v) cost of equity of c. 12%. On top of this, we have prudently aligned the terminal growth rate to the targeted central banks inflation rate of c. 2%.

Blended Pre/Post-M&A Format

The DCF FCFF valuation of PiùMedical excludes IFRS 16 effects (equity bridge uses ND excl. leases). We apply a blended approach averaging two scenarios:

- One excluding all the CapEx for the EV of acquired pharmacies,
- The other including the M&A EV CapEx it 100%.

In practice, we treat it as a 50% cash-out, since:

- On one hand, CapEx should not be fully integrated in FCFF as they are not theoretically “recurring”;
- On the other hand, acquisitions are part of the recurring business model of the company, so excluding them entirely would be misleading.

As shown in the projections, by the end of the plan CapEx (excl. leases) and D&A (also excl. leases) converge: in 2039 D&A excl. leases stands at € 2.5–2.1mn = € 0.4mn, while capex excl. leases (and excl. M&A) is c. € 0.5mn – a steady-state scenario – consistent with steady long term hypothesis.

We reach a valuation of c. € 8.0 per share, implying an equity value of c. € 58.5mn (current market capitalisation is c. € 44mn).

Image 39 – Blended DCF with FCFF yields 8.0€ per share target price

FCFF DCF Method	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	T
EBITDA post IFRS (€mn)	4.0	5.8	7.2	8.7	10.1	10.6	11.1	11.6	12.1	12.6	13.0	13.4	13.8	14.2	14.5	-
EBIT (€mn)	2.1	4.2	5.5	6.8	8.2	8.7	9.1	9.5	9.8	10.2	10.6	10.9	11.3	11.6	11.8	-
Taxes (€mn)	0.5	1.0	1.3	1.6	2.0	2.1	2.2	2.3	2.4	2.5	2.5	2.6	2.7	2.8	2.8	-
D&A (incl. IFRS 16) (€mn)	1.0	1.5	1.7	1.8	1.9	2.0	2.0	2.1	2.2	2.2	2.3	2.4	2.4	2.5	2.5	-
Delta NWC (€mn)	0.5	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.0	-
CAPEX (excl. IFRS 16, excl. M&A) (€mn)	0.2	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	-
Principal element of lease payments (€mn)	0.8	1.3	1.5	1.6	1.6	1.6	1.7	1.7	1.8	1.8	1.9	1.9	2.0	2.0	2.1	-
Interest paid on lease liabilities (€mn)	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	-
FCFF (TPICAP) Excl. Leases, Excl. M&A	0.9	2.6	3.6	4.5	5.5	5.9	6.3	6.6	7.0	7.3	7.6	8.0	8.3	8.5	8.8	2%
Real M&A expenses	0.0	21.0	6.3	4.2	2.1	5.0	5.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
FCFF (TPICAP) Excl. Leases, Incl. M&A	0.9	-18.4	-2.7	0.3	3.4	0.9	1.3	1.6	7.0	7.3	7.6	8.0	8.3	8.5	8.8	2%
50% Excl. M&A / 50% Incl. M&A																
Blended sum of disocunted visible FCFF (€mn)	23.9															
Blended discounted terminal value (€mn)	23.5															
EV blended (€mn)	47.3															
ND excl. leases (31.12.2025) (€mn)	-11.1															
Blended equity value (€mn)	58.5															
NOSH (#mn)	7.2															
Price per share = 8.0€																

Source: TPICAP elaboration & estimates

Note on FCFF in DCF - the FCFF used for valuation purposes differs from the accounting FCF in financial statements. For DCF purposes, FCFF is adjusted to remain independent of financing choices: tax is applied on EBIT rather than actual tax expense, we also include structural capex for IT upgrades and infrastructure needed to support M&A and integration, additionally, interest on lease liabilities is deducted here (unlike in financial statements, where it is reflected in FCFE). On top of this please note that the EV Blended is weighted 50% equally between pre-and post-M&A results, since would be too positive to not take into consideration M&A cash-out which is behind most part of the growth, but would also be too strict to treat all the M&A cash out as a recurrent operating item which is never exactly foreseeable.

5.6 Relative valuation with listed peers

Below we list the selected listed comparables identified to better value PiùMedical, together with their relevant information:

a) Galenica

Based on FactSet 2026E, Galenica trades at 15.8x EV/EBITDA and 22.9x EV/EBIT. The group operates an integrated healthcare model in Switzerland, combining wholesale, retail pharmacies, and related services. It is the clear market leader with 376 pharmacies (~25% market share), far ahead of the second player (~100 pharmacies).

Business mix:

- Products & Care: 73% of EBITDA, 6% of sales; Retail B2C accounts for ~41% of sales.
- Logistics & IT: Limited contribution.

Growth focus includes e-commerce and digital health, reinforcing competitiveness. Local pharmacies posted +8% growth (2021-2024) vs. ~+1% overall, highlighting strength in core retail.

Image 40 – Galenica business (from investor presentation Galenica)

Galenica Net Sales (m CHF)	2021	2022	2023	2024	Average	2024H1	2025H2	Average
Local Pharmacies	1,261.5	1,286.9	1,306.9	1,365.1		657.6	693.1	
Pharmacies at home	458.8	519.9	78.9	77.3		37.9	38.1	
Total retail B2C	1,720.4	1,806.8	1,385.8	1,442.3		695.5	731.2	
% of total sales	45%	45%	37%	37%	41%	37%	37%	37%
Products & Brands	131.6	157.7	177.1	183.4		97.0	97.8	
Services for Pro	62.4	71.1	78.9	84.8		41.4	43.1	
Products & Care	1,914.3	2,035.6	1,641.9	1,710.5		833.9	872.1	
% of total net sales	49.9%	50.7%	43.8%	43.6%	47%	43.9%	43.7%	44%
Wholesale	2,728.4	2,820.4	2,952.7	3,105.2		1,496.5	1,579.6	
Logistics & IT Services	111.9	130.7	144.0	157.2		77.7	83.0	
Logistics & IT	2,840.3	2,951.1	3,096.7	3,262.4		1,574.2	1,662.6	
% of total net sales	74.1%	73.5%	82.7%	83.2%	78%	82.9%	83.3%	83%
TOTAL NET SALES (post elimi.)	3,834.7	4,014.3	3,746.0	3,921.1		1,900.0	1,995.4	
% of growth		4.7%	-6.7%	4.7%	1%		5.0%	5%

Source: TPICAP elaboration & estimates, financial report Galenica

The business segment we are interested in here is highlighted in light blue: the B2C retail segment, comprising 'local pharmacies' and 'home pharmacies'. This segment accounts for 41% of total sales on average, but it is not the key segment of Galenica's business. At this level, we can therefore assume that Galenica has a different business model; the 'Sales' factor is therefore not relevant to our analysis.

Image 41 – Galenica financials

Galenica EBITDA (m CHF)	2021	2022	2023	2024	Average	2024H1	2025H2	Average
EBITDA Products & Care	225.1	223.3	222.2	231.0		112.4	116.7	
% of total EBITDA	74%	73%	74%	71%	73%	72%	71%	72%
% of Products & Care sales	12%	11%	14%	14%	12%	13%	13%	13%
% of total net sales	6%	6%	6%	6%	6%	6%	6%	6%
EBITDA Logistics & IT	91.0	80.5	74.3	93.7		42.3	50.2	
% of total EBITDA	30%	27%	25%	29%	27%	27%	31%	29%
% of total net sales	2%	2%	2%	2%	2%	2%	3%	2%
TOTAL EBITDA	305.8	303.8	302.1	324.1		155.2	163.9	
% of total net sales	8%	8%	8%	8%	8%	8%	8%	8%

Source: TPICAP elaboration & estimates

Galenica has had a stable EBITDA margin averaging 8% over the last four years – highlighting the different business model vs. PiùMedical. The EBITDA margin for the Products & Care segment is 12% on average, which we believe is consistent and relevant to take into account in our analysis.

b) Uniphar

EV/Sales is not a relevant metric here; EV/EBITDA and EV/EBIT provide better insight. Uniphar trades at conservative 2026E multiples of 8.8x EV/EBITDA and 12.7x EV/EBIT. The company is a leading Irish retail-pharmacy operator with c.28% market share, complemented by wholesale distribution and global drug and med-tech intermediation. Its high-tech infrastructure supports outsourcing trends, serving 160+ countries and 200+ multinational clients across three divisions (Supply Chain & Retail, Pharma, Medtech).

Supply Chain & Retail (SC+R) is most comparable to PiùMedical, representing ~71% of group sales and >40% of gross profit, though margins are diluted by distribution. SC+R holds 54% wholesale and 28% retail share in Ireland. Pharma and Medtech divisions, both high-growth and specialized, contribute ~30% of gross profit each. While Uniphar's model is broader and geographically diversified, lower SC+R profitability is offset by stronger margins in other divisions, aligning overall EBITDA with PiùMedical's potential.

Image 42 – Uniphar financials

Uniphar Gross Profit (m€)	2021	2022	2023	2024	Average
Gross Profit Uniphar Pharma	41.3	50.2	103.2	121.6	
% of total Gross Profit	15%	16%	26%	28%	22%
% of Uniphar pharma sales	26%	24%	17%	18%	22%
% of total net sales	2%	2%	4%	4%	3%
Gross Profit Uniphar Medtech	104.4	117.6	99.9	108.9	
% of total Gross Profit	38%	38%	26%	25%	32%
% of Uniphar medtech sales	35%	38%	40%	41%	38%
% of total net sales	5%	6%	4%	4%	5%
Gross Profit Uniphar Supply & Reta	128.8	139.0	186.9	197.1	
% of total Gross Profit	47%	45%	48%	46%	47%
% of Uniphar supply & retailsales	9%	9%	11%	11%	10%
% of total net sales	7%	7%	7%	7%	7%
TOTAL GROSS PROFIT	274.5	306.7	390.0	427.6	
% of total net sales	14%	15%	15%	15%	15%

Source: TPICAP elaboration & estimates

c) Raia Drogasil

- ***Raia Drogasil could serve as a relevant comparable, as its business model is directly comparable to that of PiùMedical. The EBITDA margin for its retail pharmacy business has remained stable at c. 8% over the same period. Raia Drogasil trades at 11.3x EV/EBITDA 2026E and 16.7x EV/EBIT 2026E.***

Raia Drogasil is the largest retail pharmacy chain in Brazil, engaged in the sale of medicines, personal care products, cosmetics, and specialty medications through a vast network of stores. Its market share in Brazil reached 16.4% in H1 2025, up from 15.7% in H1 2024 (Source: 2Q25 Results Presentation, p.3). The company operates 3,371 pharmacies across 642 Brazilian cities (Source: 2Q25 Results Presentation, p.2), making it the clear market leader in Brazil. Raia Drogasil has a market capitalization of BRL 31bn and is focused on expanding both its retail footprint and service offerings within the Brazilian market. Its business model leverages an extensive physical presence and multiple brands to serve a broad customer base nationwide. It has an extensive physical network and capacity to sustain significant growth in an expanding market.

Image 43 – Raia Drogasil financial performance

RD Saude Net Sales (m R\$)	2021	2022	2023	2024	Average	2024H1	2025H2	Average
TOTAL NET SALES	24,127.0	29,067.4	33,930.7	38,871.5		18,787.7	20,882.1	
% of growth		20.5%	16.7%	14.6%	17%		11.1%	11%

RD Saude EBITDA (m R\$)	2021	2022	2023	2024	Average	2024H1	2025H2	Average
RD Saude EBITDA	1,807.2	2,262.1	2,603.2	2,992.5		1,504.2	1,529.1	
% of total net sales	7%	8%	8%	8%	8%	8%	7%	8%

Source: TPICAP elaboration & estimates

d) Sugi Holdings

- ***Multiples factset 2026E EV/EBITDA 8.7x / EV/EBIT 12.2x.***

Sugi Holdings is a prominent Japanese company operating a large chain of drugstores and providing pharmaceutical dispensing services. Its business strategy is deeply rooted in community-based healthcare, offering a wide range of products from pharmaceuticals to daily essentials, and supporting home healthcare in collaboration with local medical professionals. Sugi Pharmacy is the segment of interest here, as it is closest to Più Medical's business model. It is also the group's main activity, accounting for c. 90% of sales. Sales have grown at an average annual rate of 13%, which essentially reflects the growth of the retail segment given its weight. The retail pharmacy segment accounts for 91% of total gross margin, while other activities are negligible. This translates into a gross margin of 28% on sales, with the group achieving a consolidated gross margin of 32%. With these elements in mind, Sugi Holdings is a relevant comparable, as its business model is particularly close to that of Più Medical.

Conclusion: we focus our valuation on EV/EBITDA and EV/EBIT, which we consider the most relevant and consistent multiples for the pharmaceutical retail sector.

Average/median EV/EBITDA 2026E for comparables stands at 11/10x and average/median EV/EBIT 2026E 16/15x. We believe these ranges are appropriate. Here below the results of the valuation using 2026 average multiples.

*Image 44 - Listed Peers Multiples*

Company Name	Country	EV/EBITDA	EV/EBIT
		2026E	2026E
Galenica	Switzerland	15.8x	22.9x
Uniphar	Ireland	8.8x	12.7x
Raia Drogasil	Brazil	11.3x	16.7x
Sugi Holdings	Japan	8.7x	12.2x
<i>Average</i>		<i>11.1x</i>	<i>16.1x</i>
<i>Median</i>		<i>10.0x</i>	<i>14.7x</i>

Source: TPICAP elaboration, Factset

Image 45 - Listed peers valuation yields 8.9€ per share target price

Relative valuation			
Method	Weight	Equity value	Total weight
EV/EBITDA Multiple 2026E	17%	62.1	33.50%
EV/EBIT Multiple 2026E	17%	66.5	
Weighted share price = 8.9 € ps			

Source: TPICAP elaboration & estimates

5.7 Bottom line, 8.2€ per share target price

- **The final valuation is highly consistent across the different multiples, with support from all valuation metrics. By weighting different methods basically equally, we reach a target price of c. € 8.2 per share.** This imply an equity value of c. € 59mn and an enterprise value of c. € 54mn (considering a ND cash positive incl. leases as of 31.12.25E of c. € -5mn).

Image 46 - Target prices means c. >30% upside from current levels. TP € 8.2ps

Valuation Mix

Valuation method	Weight	TP (€ps)
EV/EBITDA Multiple 2026E	34%	8.9
EV/EBIT Multiple 2026E		
FCFF pre. M&A 2025E - Onwards	34%	8.0
FCFF after M&A 2025E - Onwards		
Discounted Exit EV/sales @ 1.75x 2029E	33%	7.8
Discounted Exit EV/EBITDA @ 10.6x 2029E		
<i>check</i>	<i>100%</i>	

Target price (€ ps)

8.2

Source: TPICAP elaboration & estimates

- **Multiples:** at a target valuation scenario the company would trade at. 1.2x / 1.0x EV (excl. leases) / sales 2026E/2027E. In terms of EV/EBITDA 2026E/2027E would trade at 9.3x / 7.4x. We think these levels will become appropriate when the company will be able to post growth through the effectiveness of their M&A roll-out and integration model.

FINANCIAL DATA

Income Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Sales	na	25.2	26.1	27.8	41.4	48.7
Changes (%)	na	na	3.8	6.3	49.1	17.6
Gross profit	na	8.6	8.9	9.2	15.3	18.8
% of Sales	na	34.1	34.2	33.2	36.9	38.6
EBITDA	na	3.5	3.2	3.0	5.8	7.2
% of Sales	na	14.0	12.4	10.9	13.9	14.8
Current operating profit	na	2.7	2.8	3.0	4.2	5.5
% of Sales	na	10.7	10.8	10.9	10.2	11.3
Non-recurring items	na	0.0	0.4	1.0	0.0	0.0
EBIT	na	2.7	2.4	2.1	4.2	5.5
Net financial result	na	0.7	0.7	0.6	1.1	1.5
Income Tax	na	0.5	0.4	0.4	0.8	0.9
Tax rate (%)	na	24.1	24.0	24.0	24.0	24.0
Net profit, group share	na	1.5	1.3	1.1	2.4	3.0
EPS	na	0.21	0.22	0.26	0.33	0.42
Financial Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Goodwill	na	26.9	26.9	26.9	45.3	50.8
Tangible and intangible assets	na	1.0	0.9	2.1	6.6	7.9
Right of Use	na	6.1	5.5	5.5	8.7	9.6
Financial assets	na	0.0	0.0	0.0	0.0	0.0
Working capital	na	-1.3	-0.8	-0.3	-0.1	0.2
Other Assets	na	1.3	1.4	1.4	1.4	1.4
Assets	na	34.0	34.0	35.7	61.9	70.0
Shareholders equity group	na	21.9	22.7	39.0	41.4	44.4
Minorities	na	0.7	0.7	0.7	0.7	0.7
LT & ST provisions and others	na	0.0	0.0	0.0	0.0	0.0
Net debt	na	10.6	9.4	-5.2	18.6	23.6
Other liabilities	na	0.8	1.2	1.2	1.2	1.2
Liabilities	0.0	34.0	34.0	35.7	61.9	70.0
Net debt excl. IFRS 16	na	4.1	3.5	-11.1	9.5	13.5
Gearing net	na	0.5	0.4	-0.1	0.4	0.5
Leverage	na	3.0	2.9	-1.7	3.2	3.3
Cash flow statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
CF after elimination of net borrowing costs and taxes	na	1.5	2.4	2.1	4.2	5.5
Δ WCR	na	0.0	0.2	0.5	0.2	0.3
Operating cash flow	na	1.5	2.7	2.5	4.5	5.8
Net capex	na	0.0	0.8	2.2	1.6	1.5
FCF	na	0.0	1.8	0.0	3.2	4.5
Acquisitions/Disposals of subsidiaries	na	0.0	0.0	0.0	22.8	6.8
Other investments	na	0.0	0.0	0.0	0.0	0.0
Change in borrowings	na	0.0	-0.6	11.4	0.0	5.0
Dividends paid	na	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	na	0.0	0.0	0.0	0.0	0.0
Equity Transaction	na	0.0	0.0	15.2	0.0	0.0
Others	na	0.0	-0.5	0.0	0.0	0.0
Change in net cash over the year	na	0.0	0.0	26.0	-20.7	1.1
ROA (%)	na	7.0%	6.4%	3.2%	5.8%	6.7%
ROE (%)	na	6.5%	5.6%	2.8%	5.7%	6.7%
ROCE (%)	na	6.2%	8.0%	6.5%	7.5%	8.6%

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Methodology

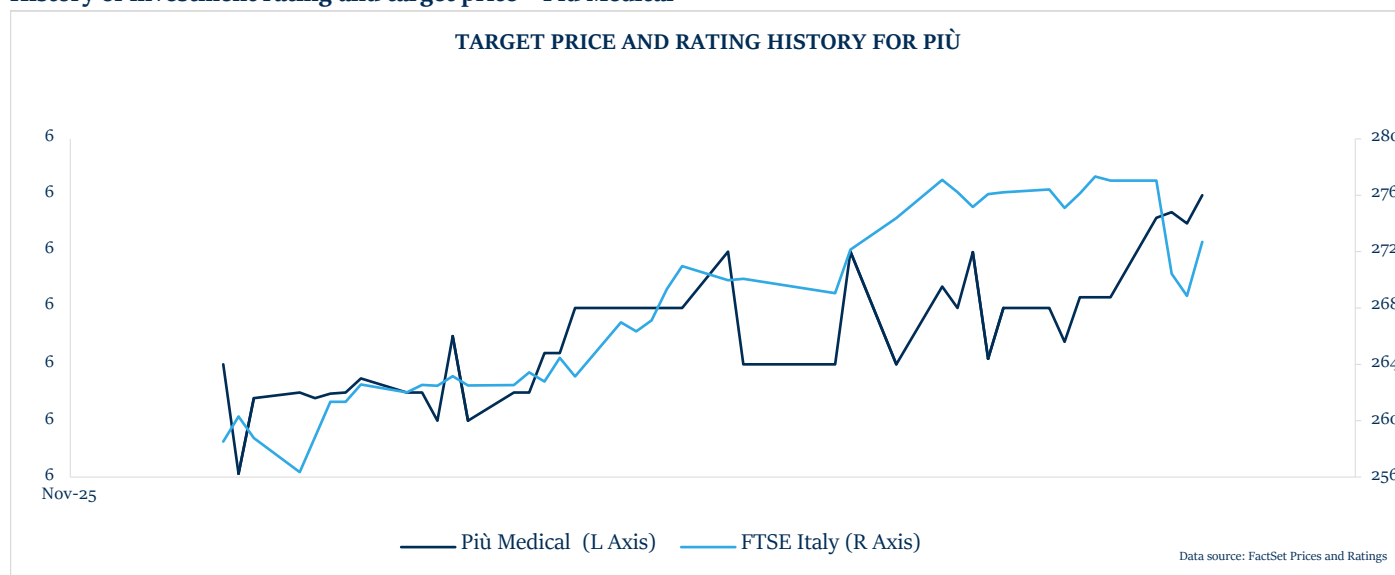
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1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and Issuer

No conflict of Interests between TP ICAP Midcap and the Issuer

History of investment rating and target price – Più Medical



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
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Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	76%	72%
Hold	17%	59%
Sell	4%	17%
Under review	3%	100%

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