

WABERER'S GROUP

M&A Presentation

April 02, 2024

” Acquisition of MDI in Serbia – Introduction & Rationale

COMPLEXITY | EXPANSION | SUSTAINABILITY | STABILITY | PEOPLE-FOCUSED



In line with its strategic goals, Waberer's has acquired 55% shares of MDI in Serbia



” In October 2023, Waberer's signed sales and purchase agreement to acquire 55% of MD International Ltd. (with an option to acquire the remaining 45% stake). The transaction has been closed on 28 March, 2024.

TRANSACTION OVERVIEW

MDI Business Overview

- The core activity of MDI is distribution and warehousing of mainly FMCG products (cosmetics, detergents, food, etc.) in Serbia
- MDI operates in a central warehouse in Belgrade and in 3 additional cross-dock warehouses in the countryside (total of 10 000 m²) and has a fleet of 140 vehicles in various sizes
- MDI owns a land close to Belgrade where new warehouse development is planned

Strategic Rationale

- MDI acquisition is in line with Waberer's defined strategy is to extend its contract logistics activity in the Central-European region
- The regional expansion could provide further growth opportunities & also provides us the ability to serve the growing demand of multinational customers to provide logistics services on regional level instead of standalone country-by-country focus

Source of Financing

- The transaction is financed from the bond issuance in H1 2022
- The agreed capital increase for the planned warehouse development, related to the transaction, is also financed from the bond issuance of Waberer's

Transaction Structure

- Waberer's, through its subsidiary WSZL Ltd., has acquired 55% of MDI, while the previous owners - two Serbian private persons - remain with the company with a share of 22.5%-22.5%
- The planned warehouse development is organized into a separate SPV, in which Waberer's will have 55% ownership through a capital increase after necessary construction permits are received
- Call option for Waberer's for the remaining 45% of MDI shares after 14 months; put option for the co-owners after 4 years (pricing based on future net income of MDI)

MD International Ltd. at a glance

Business overview

- MD International Ltd. (MDI) was founded in 1997
- HQ in Belgrade, rented **logistics centres** in Belgrade, Niš, Novi Sad and Čačak
- Service Portfolio:**
 - Distribution:** The company's main activity is warehousing, transporting and distributing household chemical products, mainly detergents, cosmetics, as well as food products
 - Due to local market specialities, **wholesaling activity** is also covered by the distribution partners of FMCG companies

Key customers



Key Figures



140
vehicles



280
employees

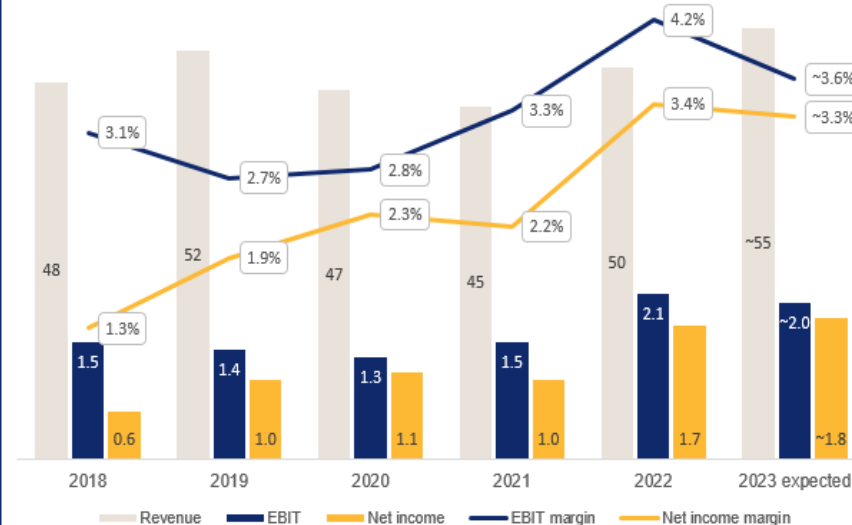


10 000 m²
warehouse capacity

Financial Performance (in million EUR)*



The chart is not to scale.



* The details of financial consolidation (equity method vs. subsidiary consolidation) of MDI to Waberer's figures is in harmonization with auditors

MDI acquisition fits into the main pillars of Waberer's Strategy 2027

Strategic Pillars  Contribution of MDI acquisition

	Infrastructure and Technology Development	New warehouse development in Serbia on the land of MDI to extend the operation
	Increasing Added Value	Adapting to international, blue-chip client needs – regional contract logistics solutions
	Diversification	Geographical diversification & new growth opportunities – regional expansion to Serbia
	Sustainability	Increase in energy efficient warehouse capacity



Utilizing synergy opportunities following the transaction

Added Value for Clients

Offering regional service for existing clients
Targeting new regional clients



Regional Expansion

MDI could serve as expansion vehicle in the region (e.g.: North-Macedonia, Montenegro, Kosovo, Albania)



Procurement

Centralized procurement processes for cost savings (vehicles, fuel, financing, etc.)



Knowledge Transfer

Warehouse development capabilities
Contract logistics knowledge transfer



Post acquisition tasks and goals



MDI becomes a part of the Contract Logistics segment of Waberer's

Warehouse development in separate SPV

Utilizing cross sale opportunities in regard of the existing client portfolio of Waberer's and MDI

Expand MDI's service & customer portfolio with automotive, food and electronics clients

Call option opens for Waberer's for the remaining 45% of MDI

Put option opens for the previous owners to sell their remaining 45% of MDI to Waberer's

Disclaimer



This presentation may contain forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue reliance placed upon them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties that are not predictable. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement that are not guaranteed by the management. Such factors are described in, among other things, the Annual Report 2022 dated 18 April 2023, which is available on our website for investors at <https://waberers.com>.

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Thank you for your attention!

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