

March 8, 2021

InRetail Pharma, S.A. Commences Tender Offer and Consent Solicitation for any and all of its 5.375% Senior Notes Due 2023



LIMA, PERU — InRetail Pharma, S.A. a corporation (*sociedad anónima*) incorporated under the laws of the Republic of Peru (“InRetail Pharma”, the “Company” or “we”), today announced that it has commenced a cash tender offer, on the terms and subject to the conditions set forth in the Company’s Offer to Purchase and Consent Solicitation Statement dated March 8, 2021 (the “Statement”), for any and all of its outstanding 5.375% Senior Notes due 2023 (the “Notes”).

The Company is also soliciting consents to certain proposed amendments to the senior notes indenture governing the Notes to, among other things, eliminate substantially all of the restrictive covenants and certain events of default and reduce the minimum notice period required for optional redemptions of the Notes to three days on the terms and subject to the conditions set forth in the Statement.

The Statement more fully sets forth the terms of the tender offer and consent solicitation.

The Notes and other information relating to the tender offer and consent solicitation are listed in the table below:

<u>Notes</u>	<u>CUSIP/ISIN Numbers</u>	<u>Principal Amount Outstanding</u>	<u>Tender Offer Consideration⁽¹⁾</u>	<u>Consent Payment⁽¹⁾</u>	<u>Total Consideration⁽¹⁾⁽²⁾</u>
5.375% Senior Notes due 2023	45782MAA8 / P56237AA1 US45782MAA80 / USP56237AA16	\$400,000,000	\$1,002.03	\$30.00	\$1,032.03

(1) Per \$1,000 principal amount of Notes validly tendered and accepted.

(2) Inclusive of the Consent Payment.

Holders who validly tender and do not validly withdraw their Notes prior to 5:00 p.m., New York City time, on March 19, 2021 (the “Early Tender and Consent Date”) will be eligible to receive a total consideration of \$1,032.03 per \$1,000 principal amount of Notes tendered and accepted for purchase by the Company, which includes a consent payment of \$30.00 per \$1,000 principal amount of Notes. Holders who validly tender their Notes after the Early Tender and Consent Date and at or prior to the Expiration Time (defined below) will be eligible to receive the tender offer consideration of \$1,002.03 per \$1,000 principal amount of Notes tendered and accepted for purchase by the Company.

The tender offer is scheduled to expire at 11:59 p.m., New York City time, on April 5, 2021, unless extended or earlier terminated by the Company (the “Expiration Time”).

Tendered Notes may be withdrawn at any time on or prior to 5:00 p.m., New York City time, on March 19, 2021, unless extended by the Company (the “Withdrawal Deadline”). Any tender of the Notes prior to the Withdrawal Deadline may be validly withdrawn and consents may be validly revoked at any time prior to the Withdrawal Deadline but not thereafter except to the extent we are required by law to provide withdrawal rights.

Holders may not tender their Notes without delivering their consents to the proposed amendments to the indenture and the Notes and may not deliver their consents without tendering their Notes pursuant to the tender offer and consent solicitation. The proposed amendments will not become effective, however, until after a majority in aggregate principal amount of the outstanding Notes, whose holders have delivered consents to the proposed

amendments, have been accepted for payment and we have delivered an officer's certificate to the Trustee certifying that we have paid the consent payment as applicable. Receiving such majority in aggregate principal amount of the outstanding Notes to effect the proposed amendments is one of the conditions to the tender offer and consent solicitation.

The Company has reserved the right to (and expects to) accept for purchase all Notes then validly tendered and not validly withdrawn prior to the Early Tender and Consent Date on a date after the Early Tender and Consent Date and prior to the Expiration Time, assuming all conditions to the tender offer and consent solicitation have been satisfied at such time (the "Early Settlement Date", which would occur on or about March 23, 2021). On the Early Settlement Date, the Company will also pay accrued and unpaid interest from the last applicable interest payment date for the Notes up to, but excluding, the Early Settlement Date on the Notes accepted for purchase. The final settlement date for Notes that are validly tendered and not validly withdrawn after the Early Tender and Consent Date and at or prior to the Expiration Date will be promptly after the Expiration Time and is expected to be on or about April 6, 2021, unless the tender offer is extended by the Company in its sole discretion. If the tender offer is not consummated, no such payments will be made.

The Company's obligation to accept for purchase and to pay for Notes validly tendered and not withdrawn pursuant to the tender offer and consent solicitation is subject to the satisfaction or waiver, in the Company's discretion, of certain conditions, which are more fully described in the Statement, including the consummation of the concurrent offering of senior notes by the parent of the Company, Patrimonio en Fideicomiso D.S. 093-2002-EF-InRetail Consumer, a Peruvian trust ("InRetail Consumer"), acting through its trustee, *Internacional de Titulos Sociedad Titulizadora S.A.*, resulting in net proceeds to InRetail Consumer (for further contribution and/or loan to the Company) sufficient to fund the aggregate total consideration, with respect to the Notes validly tendered at or prior to the Early Tender and Consent Date, and the aggregate tender offer consideration, with respect to the Notes validly tendered after the Early Tender and Consent Date and at or prior to the Expiration Time.

If, following the Early Settlement Date, any Notes remain outstanding, the Company intends to promptly issue a notice of redemption to redeem such Notes in accordance with the terms of the Notes and the indenture thereof, as modified by a supplemental indenture implementing the proposed amendments, if applicable. **This press release does not constitute a notice of redemption of the Notes or an obligation to issue a notice of redemption of the Notes.**

The Company has retained Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC, and Santander Investment Securities Inc. to serve as the dealer managers and solicitation agents for the tender offer and consent solicitation. Questions regarding the tender offer and consent solicitation may be directed to Credit Suisse Securities (USA) LLC at Attn: Liability Management Group, +1 (800) 820-1653 (toll-free), +1 (212) 538-2147 (phone) and/or to J.P. Morgan Securities LLC at Attn: Latin America Debt Capital Markets, +1 (866) 846-2874 (toll-free), +1 (212) 834-7279 (collect) and/or Santander Investment Securities Inc. at Attn: Liability Management Team, +1 (855) 404-3636 (toll-free), +1 (212) 940-1442 (collect).

D.F. King & Co., Inc. is acting as the information agent (the "Information Agent") and depository (the "Depository") for the Offer. Any questions regarding procedures for tendering Notes or requests for additional copies of the Statement, the Letter of Transmittal or other materials should be directed to the Information Agent at: Attn: Michael Horthman, banks and brokers, +1 (212) 269-5550, toll-free, +1 (866) 796-1271, email, inretail@dfking.com.

None of the Company, the dealer managers and solicitation agents or the information agent make any recommendations as to whether holders should tender their Notes and deliver consents pursuant to the tender offer and consent solicitation, and no one has been authorized by any of them to make such recommendations. Holders must make their own decisions as to whether to tender their Notes and deliver consents, and, if so, the principal amount of Notes to tender.

This press release is not an offer to sell or a solicitation of an offer to buy any security. The tender offer is being made solely pursuant to the offer documents.

The tender offer does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not permitted by law or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

In any jurisdiction in which the tender offer is required to be made by a licensed broker or dealer and in which the dealer managers, or any affiliates thereof, are so licensed, the tender offer will be deemed to have been made by any such dealer managers, or such affiliates, on behalf of the Company.

The new notes offered pursuant to the concurrent offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States or to any U.S. persons, except (a) to qualified institutional buyers (“QIBs”) within the meaning of Rule 144A under the Securities Act (“Rule 144A”), in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A, and (b) outside the United States to non U.S. persons in compliance with Regulation S under the Securities Act (“Regulation S”).

Forward-Looking Statements

This press release contains forward-looking statements. Actual results may differ materially from those reflected in the forward-looking statements. We undertake no obligation to release publicly the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereof, including, without limitation, changes in our business or acquisition strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.

About InRetail Pharma

InRetail Pharma is a corporation (*sociedad anónima*) incorporated under the laws of Peru. InRetail Pharma is the leading pharmacy chain in Peru in terms of revenue and number of pharmacies and a leading pharma distribution company in the Andean region. InRetail Pharma’s distribution business also has presence in Ecuador and Bolivia. InRetail Pharma’s pharmacy retail platform includes two brands with differentiated value propositions: Inkafarma and Mifarma. Inkafarma is the largest pharmacy chain in Peru, with 2,165 pharmacies in all of Peru’s 24 departments as of December 31, 2020. Inkafarma is the largest pharmacy chain in Peru, based on revenues and number of stores, and has successfully positioned itself as an every-day-low-price player, with a high penetration of high-margin private-label products. In the Manufacturing, Distribution and Marketing segment, we have grown to become the largest pharmaceutical distribution and marketing company in Peru, in terms of revenues, and a leading distributor in the Andean region, with one of the most extensive networks in Peru and an integrated business model that provides competitive advantages.