



# Institutional Presentation

1Q24

 **RDsaúde**  
for a healthier society.

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# RD Saúde snapshot: Leading the pharma retailing industry in Brazil.



## Our Purpose:

Together for a **healthier society.**

## Our Ambition:

To become, by 2030, the group that contributes the most towards a **healthier society** in Brazil.



**+200 years**

of combined history of Raia and Drogasil, merged in 2011



**3,010**

pharmacies across every Brazilian state



**48.2 million**

unique active customers (1Q24)



**373 million**

tickets (1Q24 LTM)



**R\$ 37.6 billion**

gross revenue (1Q24 LTM)  
+16% Y/Y growth



**R\$ 2.7 billion**

adj. EBITDA (1Q24 LTM)  
+12% Y/Y growth



**#1 pharmacy**

chain in Brazil in both revenue and pharmacy count



**280-300**

new pharmacies per year in 2024-2025 (guidance)



**NPS**

*net promoter score*

**90** pharmacies

**68** apps



**132 million**

digital sessions (1Q24)



**16.2%**

market share (1Q24)



**AAA(bra)**

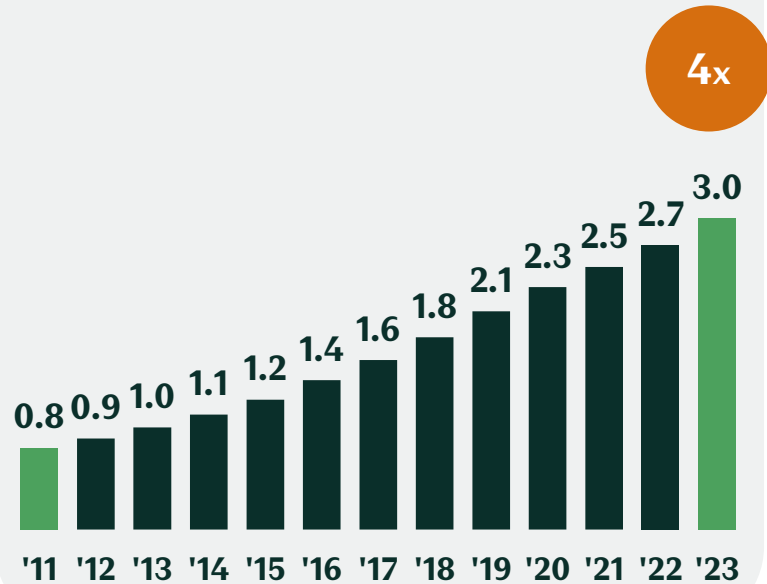
rating by Fitch



# A decade of consistent high growth in pharmacy count, gross revenue and adj. EBITDA.

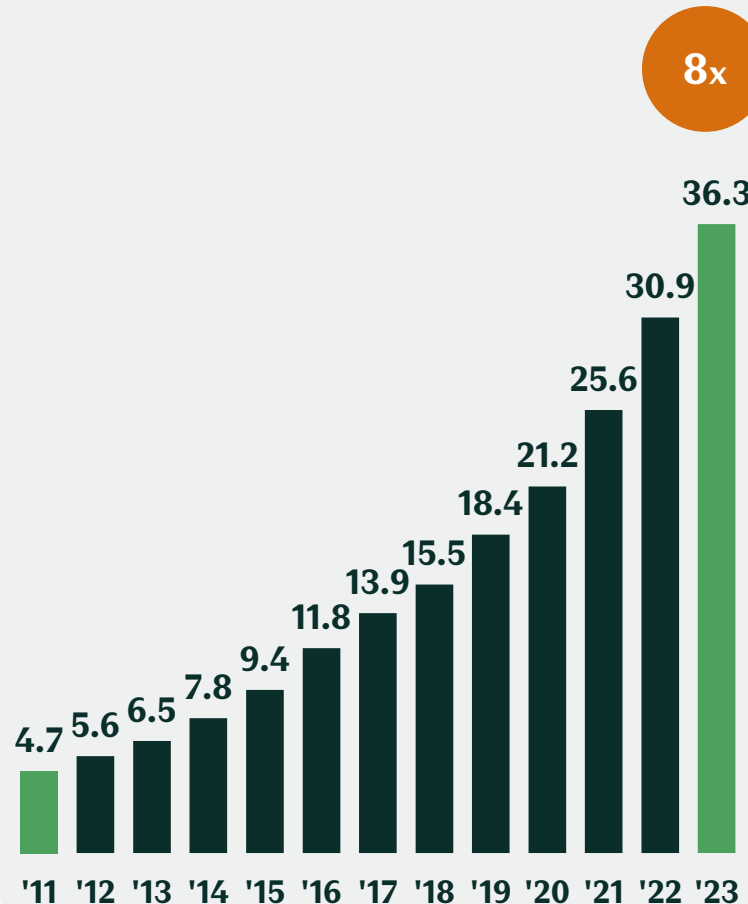
### Pharmacies

(Store count, thousands)



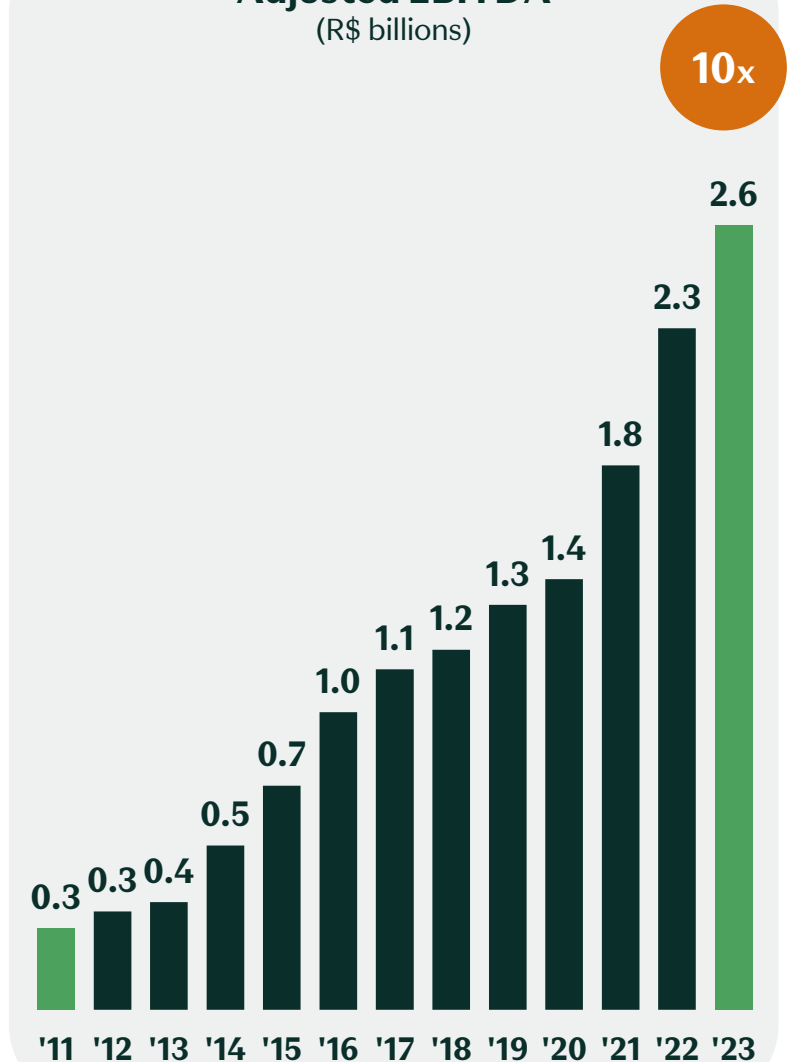
### Gross Revenue

(R\$ billions)



### Adjusted EBITDA

(R\$ billions)

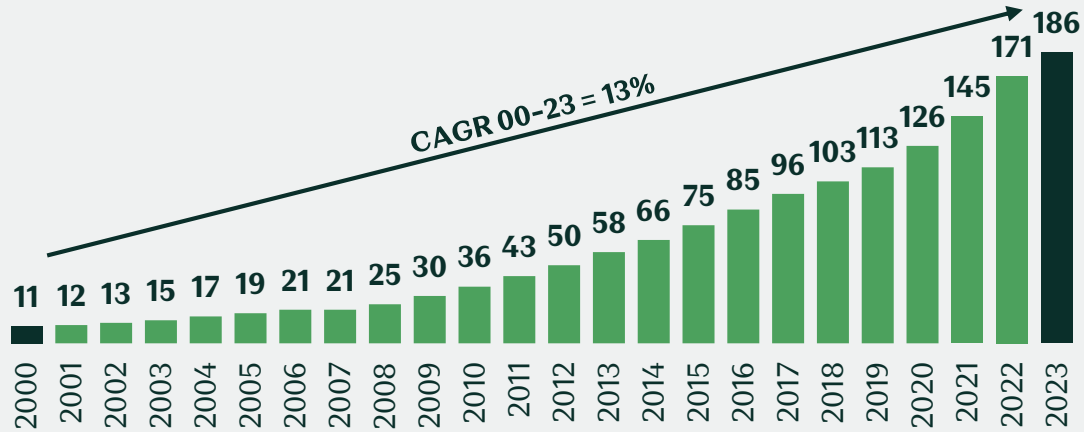




# Demand growth due to the ageing of the population. Fragmented market offers ample opportunity for consolidation.

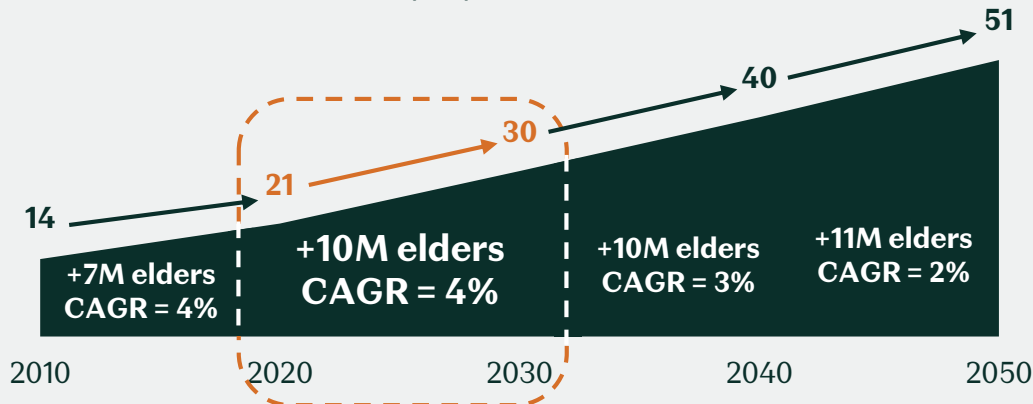
## Pharma market maintains an accelerated long-term growth

(Brazilian pharmaceutical market. R\$ billions. Source: IQVIA.)



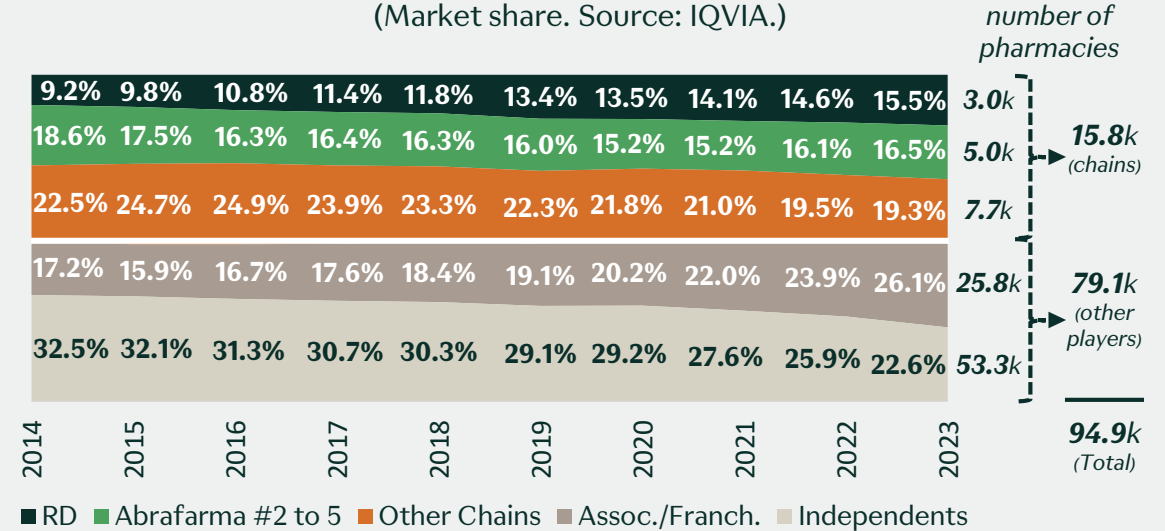
## Brazilian population over 65 years of age

(Millions of people. Source: IBGE, 2018.)



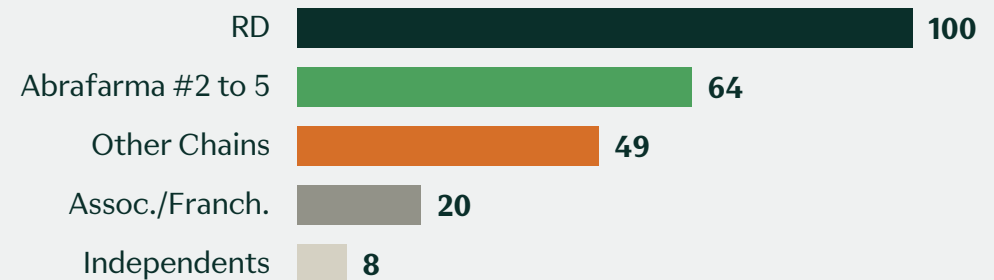
## Fragmented market: opportunity for consolidation

(Market share. Source: IQVIA.)



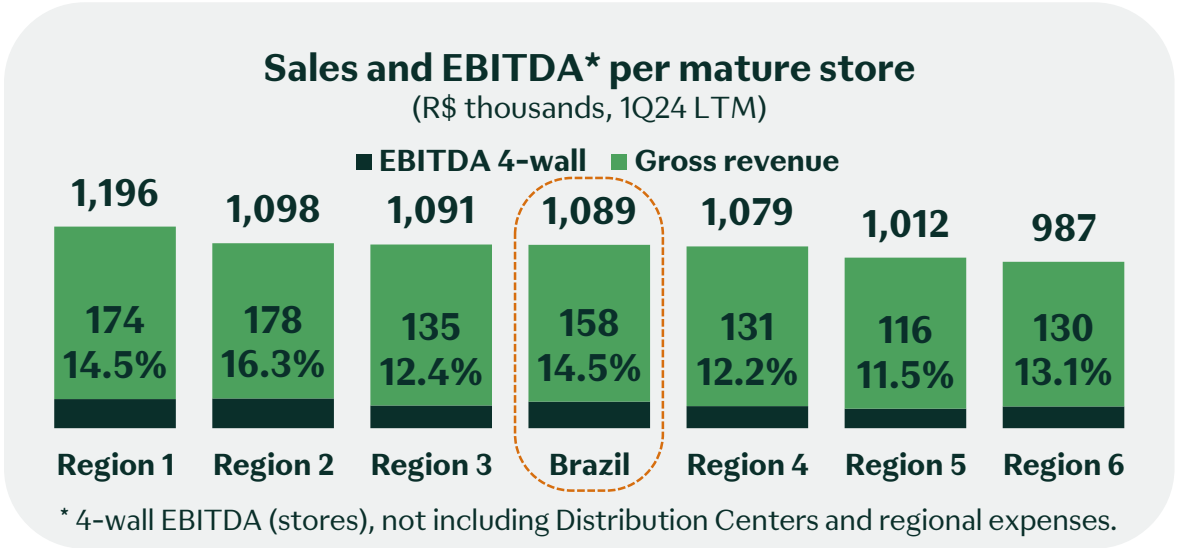
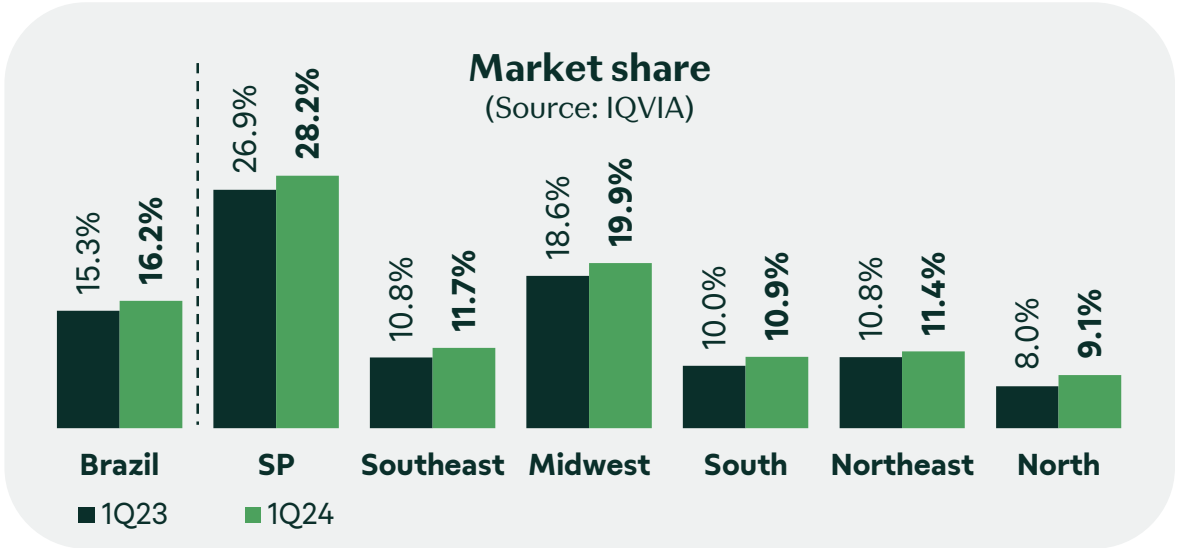
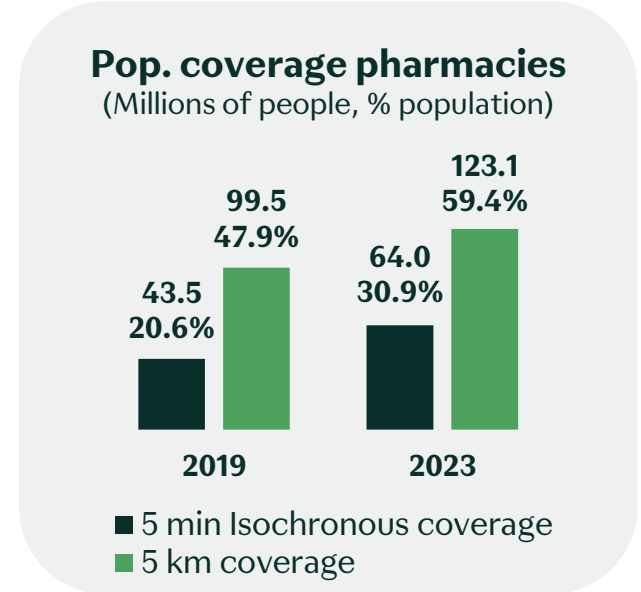
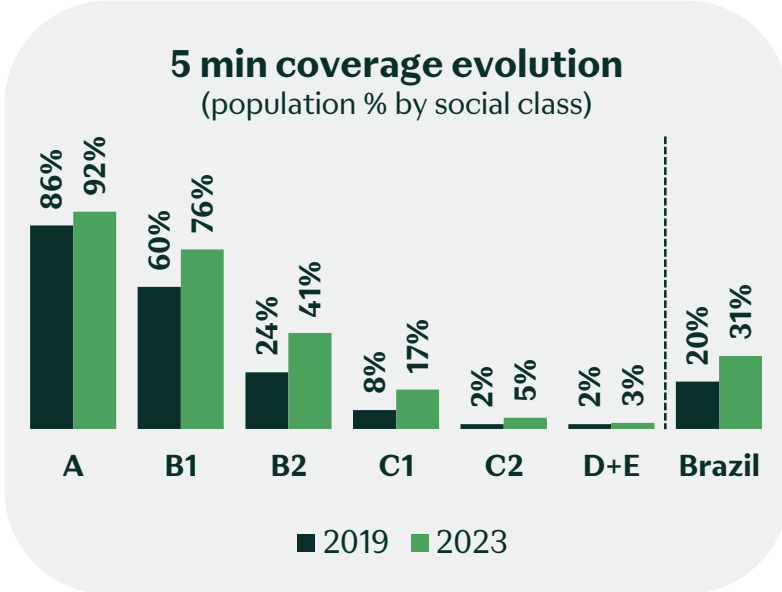
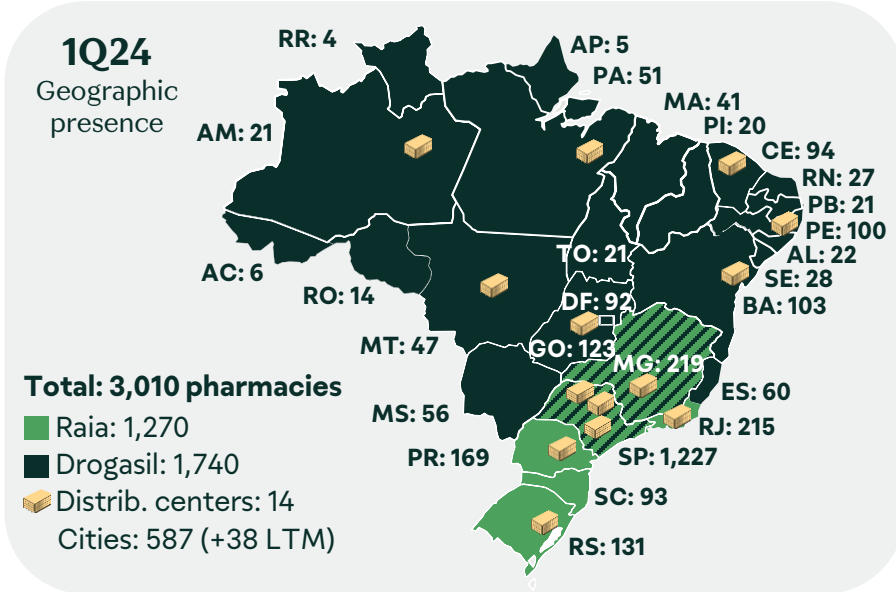
## Average annual sale per POS in 2023

(RD Saúde = 100 index. Source: IQVIA.)





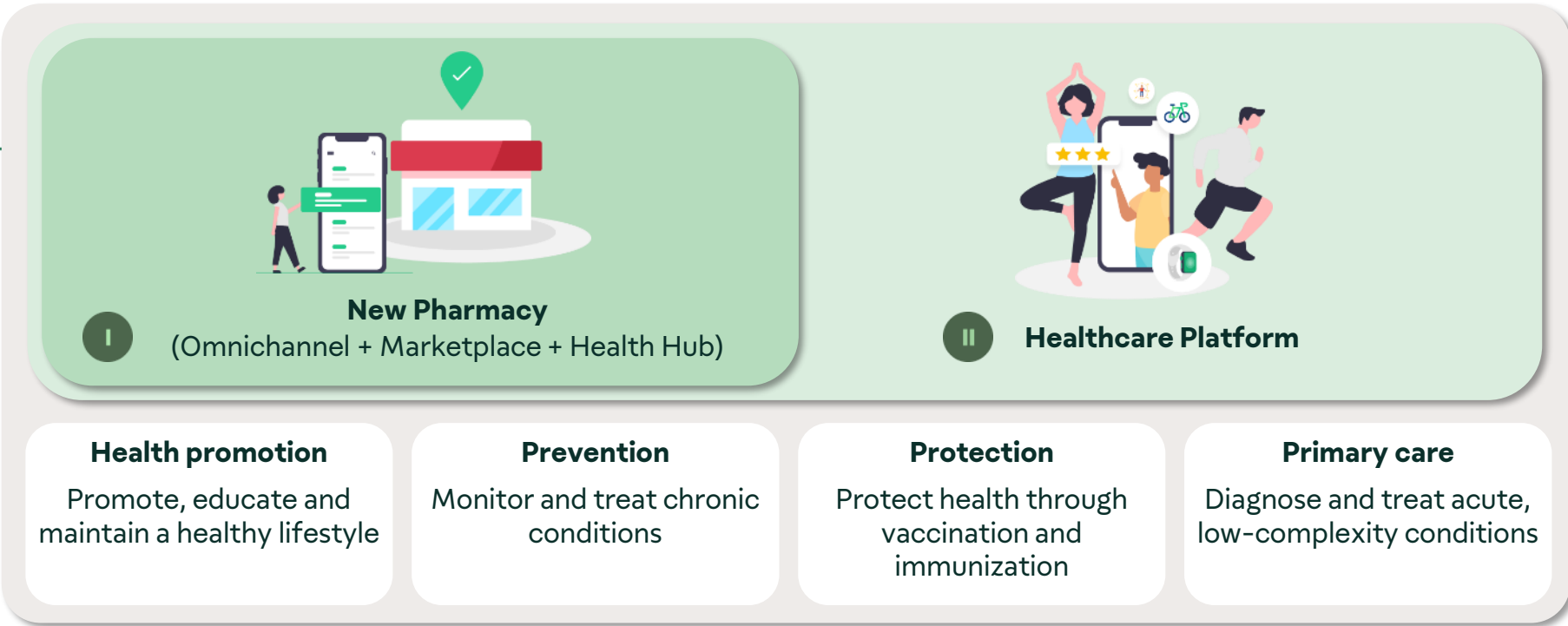
# We continue to expand nationwide with **unique pace and diversification** while sustaining real IRRs above 20% net of cannibalization.





Our Health and Wellness strategy is focused on the **Customer journey**, offering a pharmacy connected to a service platform, positioned in primary care.

  
Pharmaceutical  
Retail















  
Integral  
Health

**Together for a healthier society:**

**Healthier People**  
(Employees, Customers, Community);

**Healthier Businesses**  
(Diversity, Education, Shared Value);

**Healthier Planet**  
(Emissions, Energy, Waste).

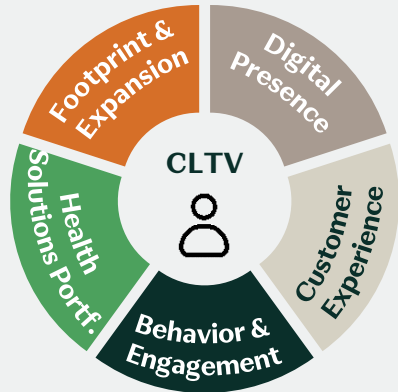
Value Proposals	Nutrition	Adherence	Vaccination and Immunization	Telehealth
Participants	 	    	  	   



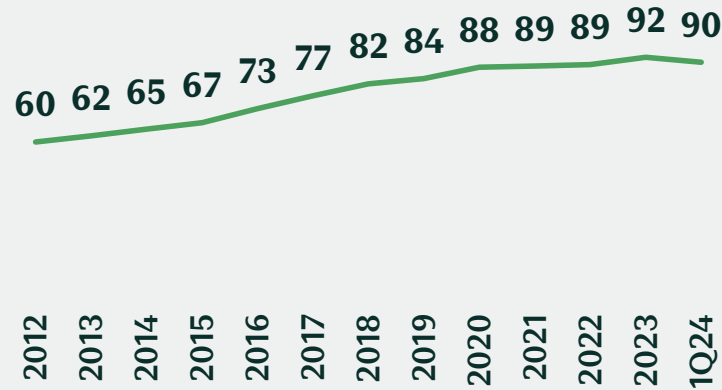


**Our customers are our greatest asset. In-store experience has increased customer engagement while digitalization has driven more loyalty and frequency, resulting in an **increased CLTV**.**

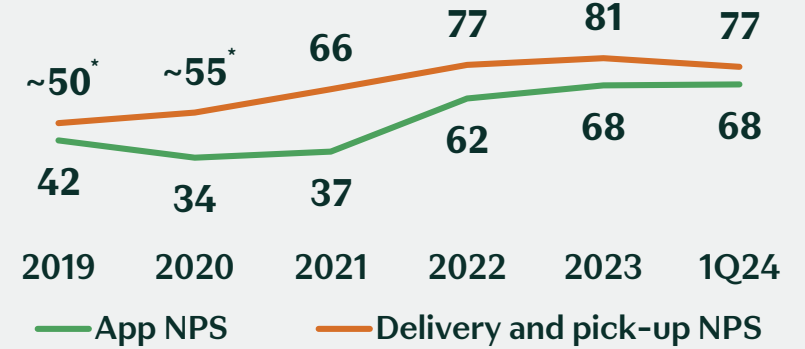
Engagement is the result of the entire customer journey



### Pharmacy NPS



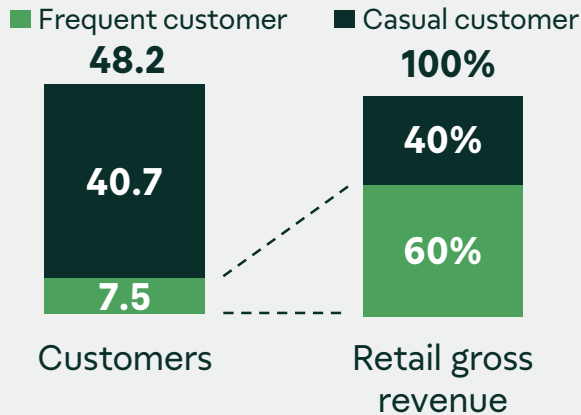
### App NPS and Delivery/C&C NPS



\* Estimated 2019 and 2020 criteria for current methodology.

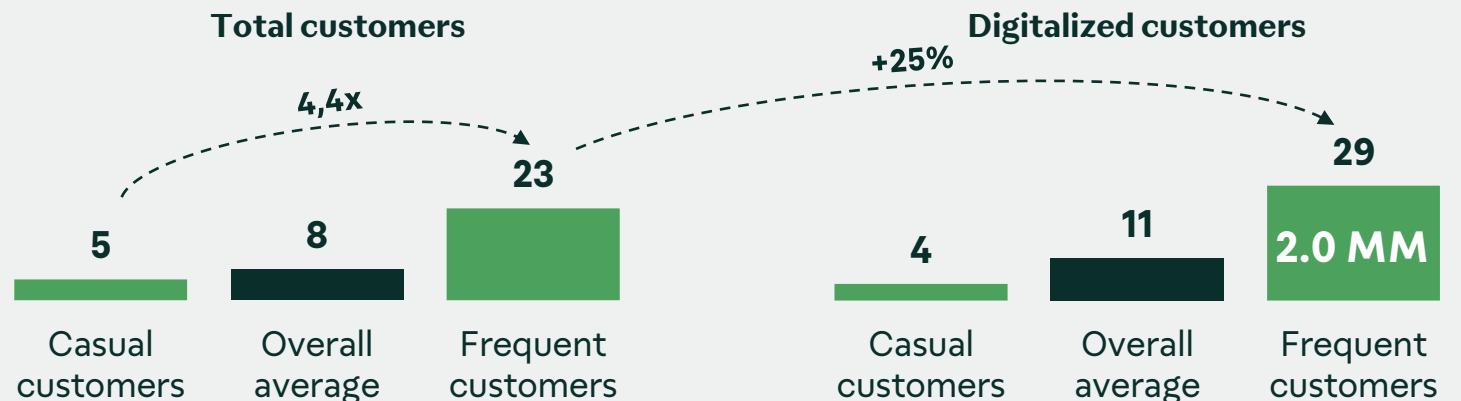
### Customer segmentation

(Millions, % LTM retail gross revenue LTM)



### Customer frequency

(Purchases per year)







Our digital and health strategy aims to **build bonds with each customer** to enhance Customer Annual Value (CAV) according to their profile.

**CAV = Customer Annual Value**  
Annual R\$ Gross Margin per Customer

**Average CAV per Customer**

**100\***  
(Index)



**Frequent: 277**



**Casual: 27**

### CAV by Profile

	<b>179</b>
Chronic Use	
	<b>296</b>
Child Care	
	<b>254</b>
Beauty	
	<b>328</b>
Healthy Lifestyle	

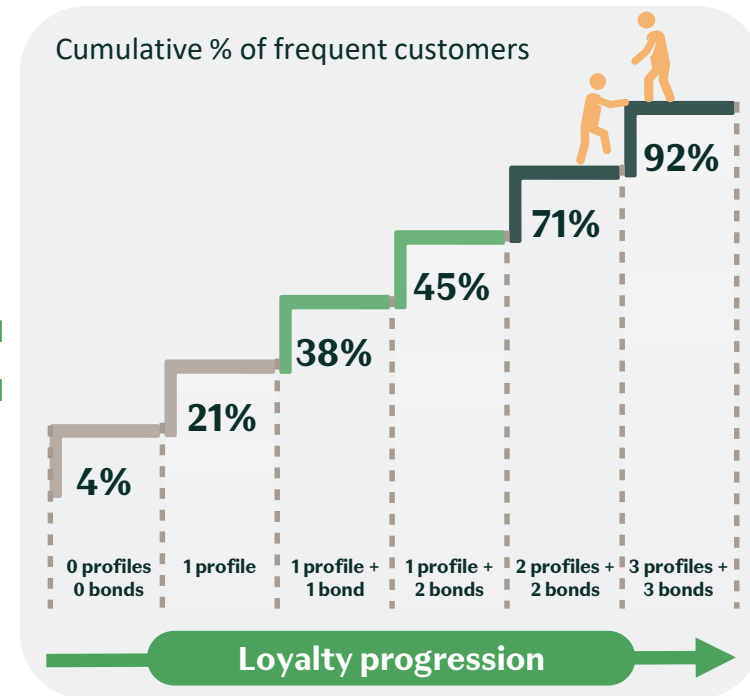


### CAV by Bond (examples)

<b>DIGITAL BONDS</b>		<b>201</b>	<b>HEALTH BONDS</b>		<b>315</b>
	Omnichannel			Injections	
		<b>206</b>			<b>173</b>
	App			Private Label	
	<b>245</b>			<b>527</b>	
Marketplace			Vaccination		
	<b>213</b>			<b>318</b>	
Stix			Other Services		



### Profile and bond impact on loyalty



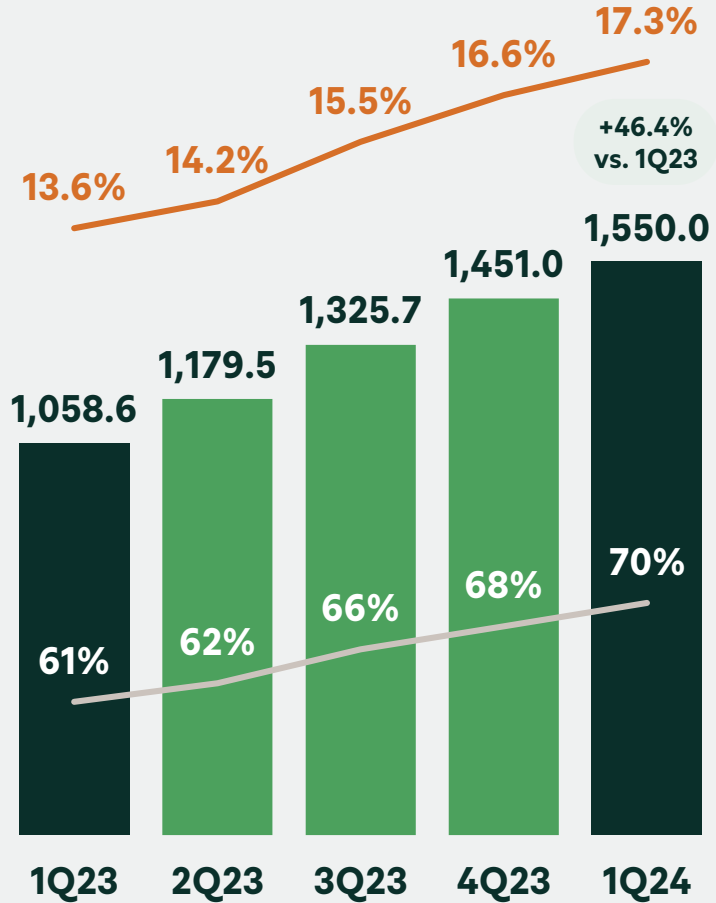
\* Data for 1Q24.



Digital sales of R\$ 1.5 bi in the 1Q24, with 46.4% of growth and 17.3% of retail penetration. 70% via apps and 92% delivered or collected within 60 minutes.

### Digital sales and penetration

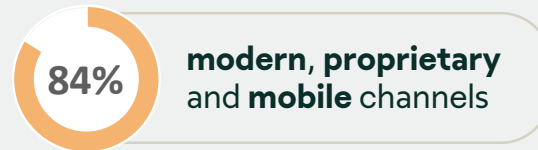
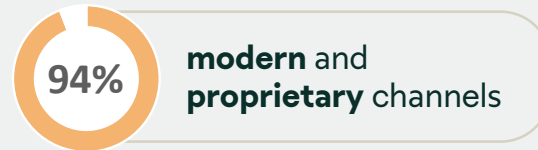
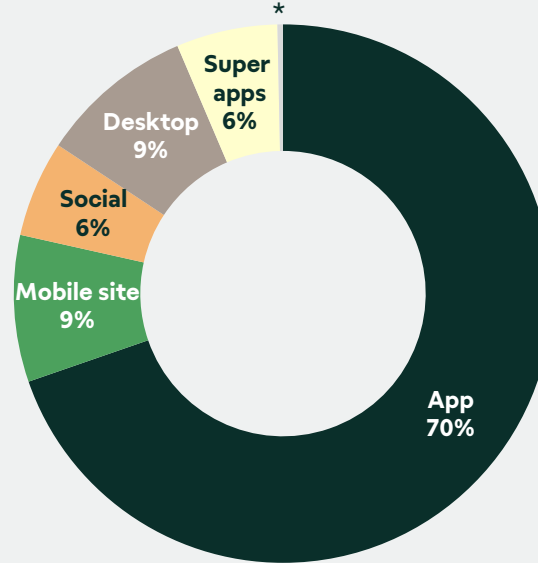
(R\$ millions, % of retail gross revenue)



Revenue of digital channels    Retail penetration  
App participation in sales

### Digital channel mix

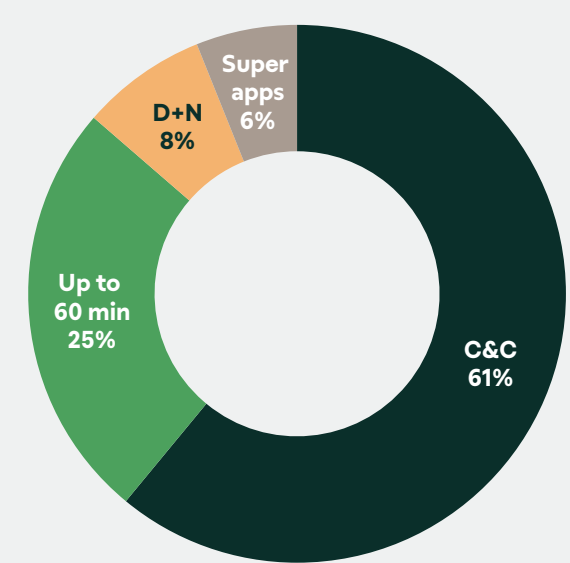
(% of digital sales)



\* Call center represents < 1% of the mix.

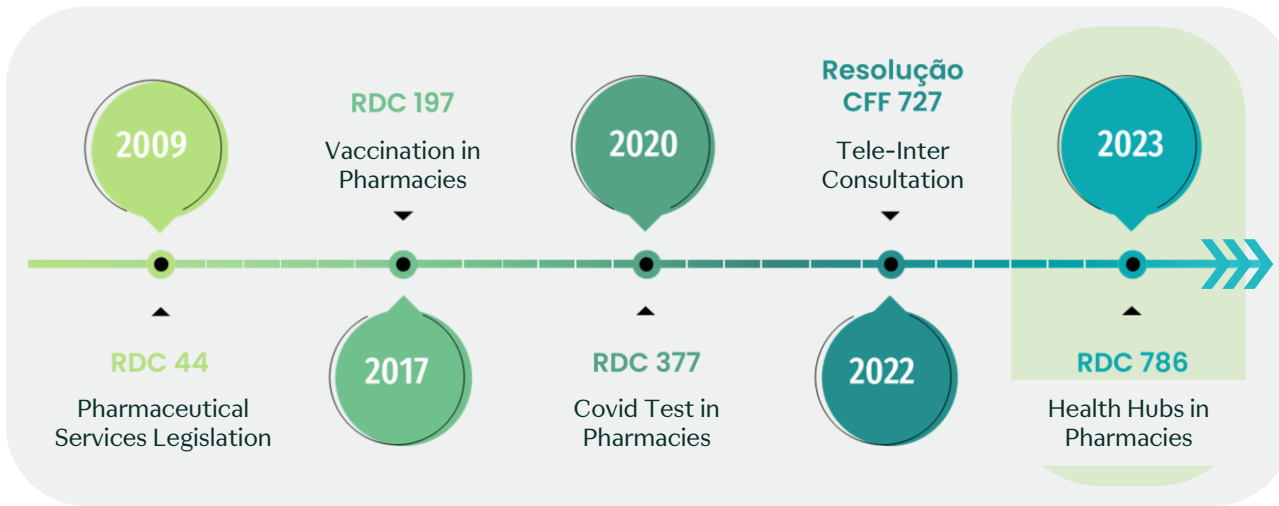
### Delivery mix

(% of digital sales)





# Our Health Hubs are improving engagement and customer frequency driving a higher CLTV.



## Portfolio:

- 40 available services;
- 22 types of vaccines;
- ~2,000 Health Hubs;
- 317 vaccination rooms;
- Online Scheduling;
- Digital Declaration.

## Next steps:

- Full digital Ux for Customers & Pharmacists.

## 1Q24 main achievements

**Services 1,058 k**

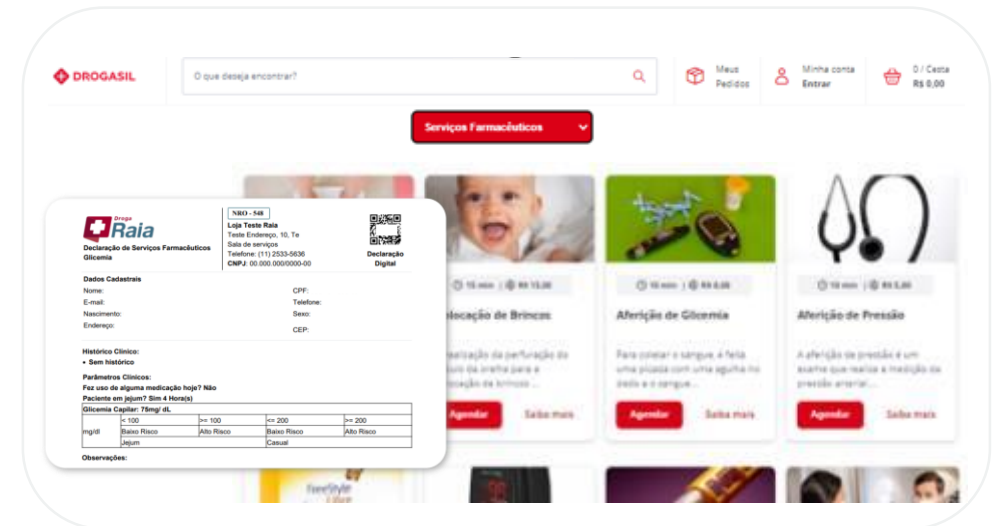
Injectables 472 k  
 Measurement and other services 586 k

**COVID Tests 615 k**

**Vaccines 48 k**

**RDT (Rapid Diag. Test) 97 k**

**service customers have 2.5x higher average spending and 2.5x higher frequency**



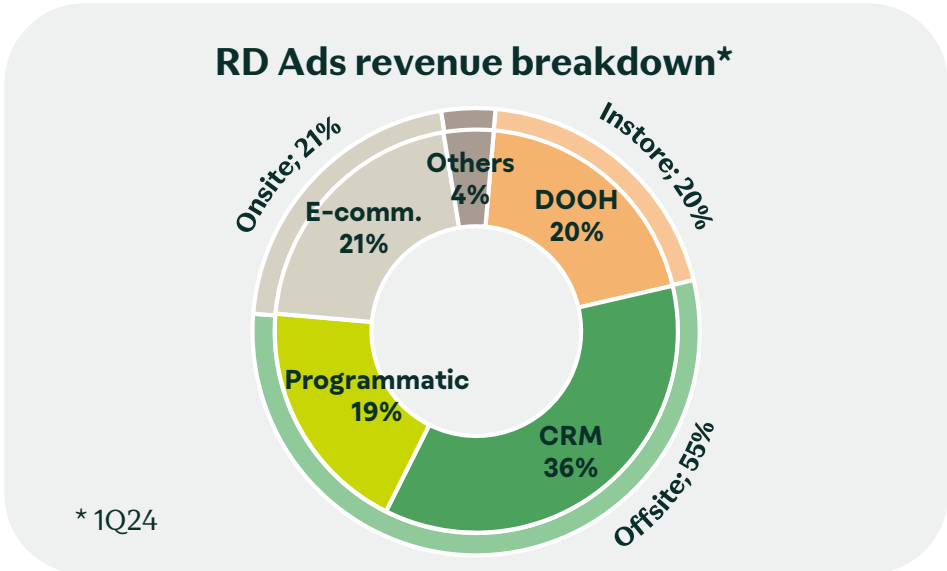
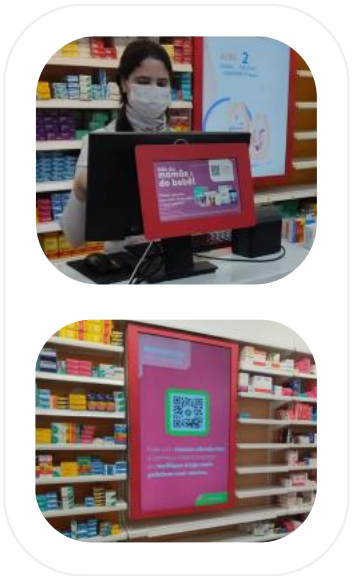
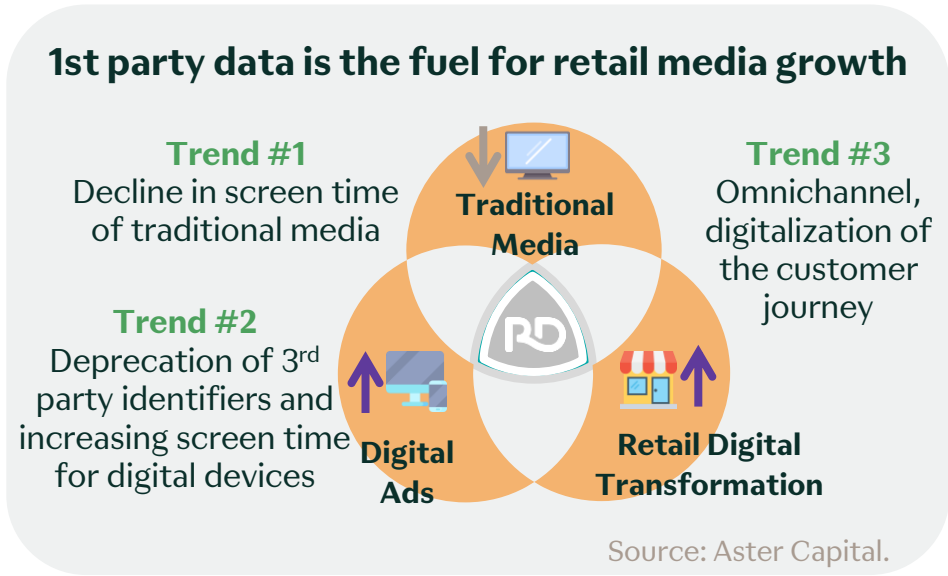
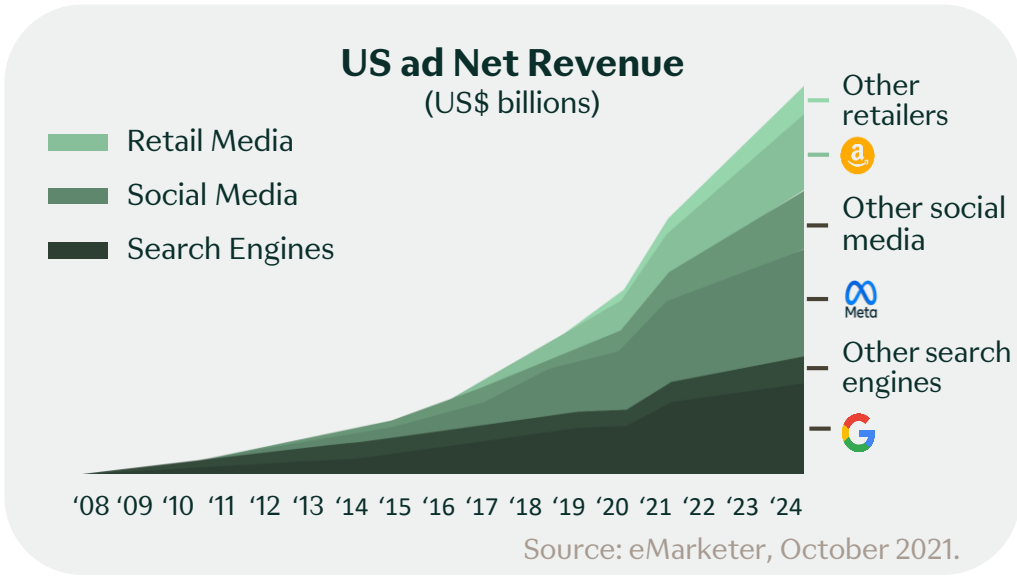
**1Q24 NPS**

**Pharmacies 90**

**Services 93**



RD Ads is a **benchmark in Consumer Health Media**, positively impacting customers' health, well being and purchasing power, boosting engagement and monetization and LTV.



- ### The best customers and experience:
- **48.2 million** customers;
  - **97%** sales identification;
  - **373 million** transactions.
- ### Physical and digital presence:
- **587** cities;
  - **3.0 thousand** pharmacies;
  - **1.5km** distant from 93% of the A-class pop.;
  - **5km** away from 59% of the population;
  - **Top 10** digital channel (retail audience in Brazil).
- ### Increased relevance with partners:
- **~500** 1P suppliers;
  - **25** of the Top 50 advertisers in Brazil;
  - Domain of Category Management and purchase behavior.



**Our digital transformation is the result of a profound change in culture, governance, management, operations and in our IT infrastructure.**

### **DIGITALIZATION OF THE CUSTOMER RELATIONSHIP**

- 17.3% of retail penetration through digital channels;
- 94% of digital sales done through modern and proprietary channels;
- +25-28% increase in customer spending post-digitalization;
- Marketplace with 168 thousand SKUs from 736 sellers.

### **DIGITAL CULTURE**

- Investments in 10 health techs and retail techs through RD Saúde Ventures;
- Digital and agile mindset.

### **GOVERNANCE & MANAGEMENT**

- Board with complementary skills: founding families, 5 independents (45%) and 3 women (27%), expertise in pharmaceutical retail, digital transformation, platforms, healthcare and advertising;
- Seasoned C-Level with 7 members averaging 18 years at RD Saúde;
- 42 executive and corporate directors, of which 25 are occupied by seasoned professionals that joined RD Saúde over the last 5 years, including 20 new positions created during this period.

### **DIGITAL PRODUCTS & SOLUTIONS**

- Creation of 34 squads and 10 performance desks to support digital products with focus on CI/CX/UX;
- Steady increase in weekly app releases (4x);
- Creation of a unified data lake and a Data Science area.

### **IT INFRASTRUCTURE**

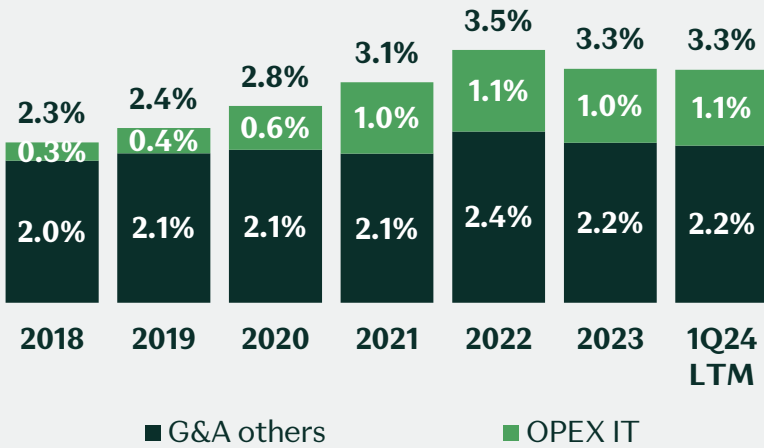
- Conversion of core systems to microservices;
- IT architecture moved from on-premise to the Cloud;
- Information security and data protection.



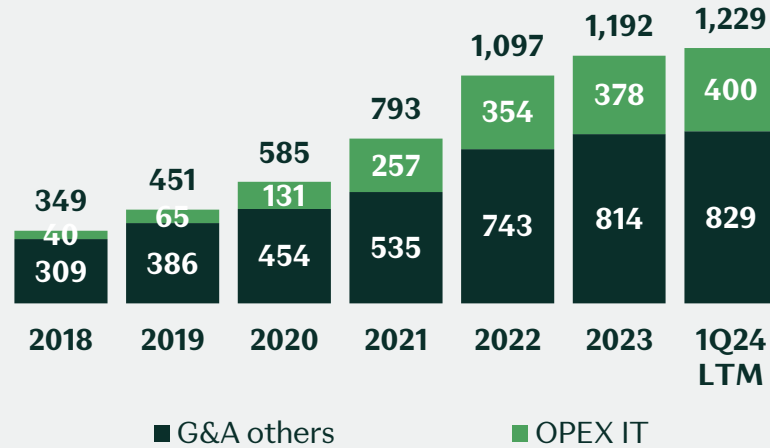
Our leading position in the industry allowed us to **boost our IT investments by 8x in 5 years** to support our Digital Transformation.

### G&A expenses

(% gross revenue)

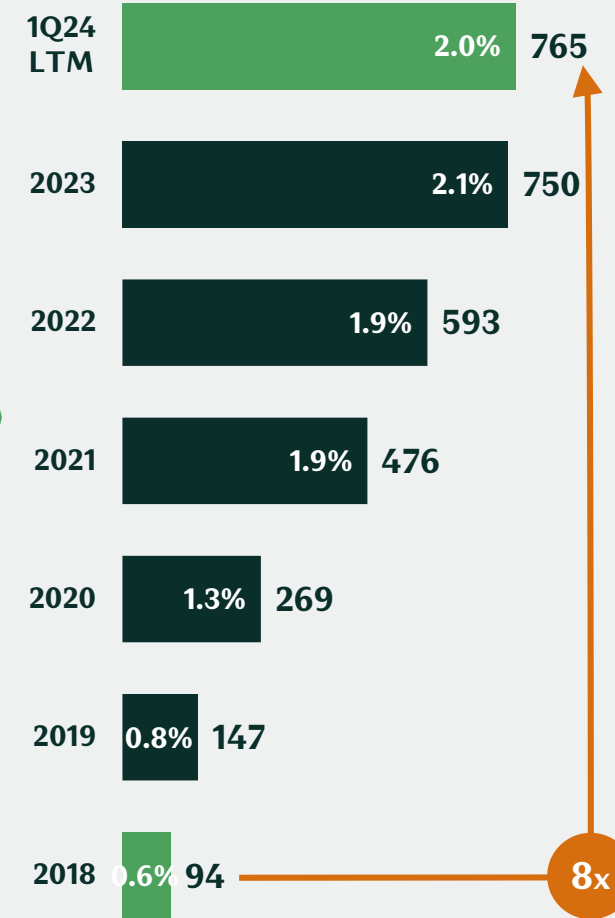


(R\$ millions)



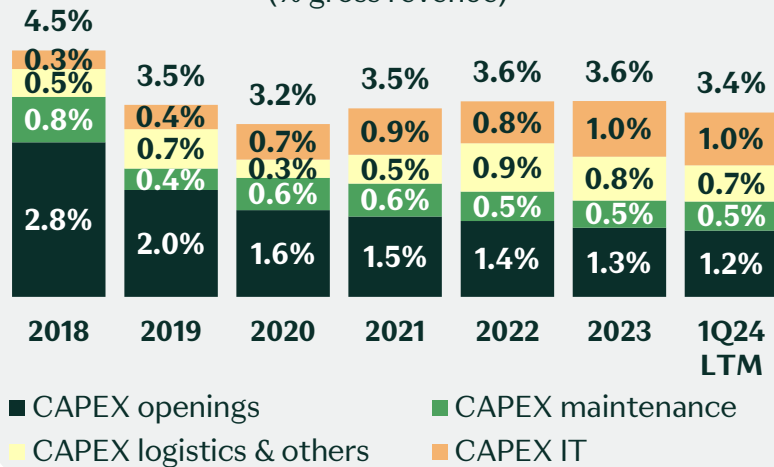
### Technology CAPEX + OPEX

(R\$ millions, % gross revenue)

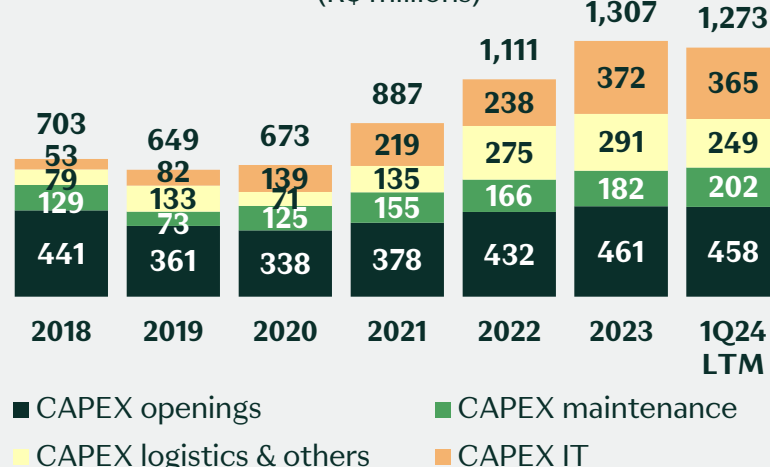


### CAPEX

(% gross revenue)

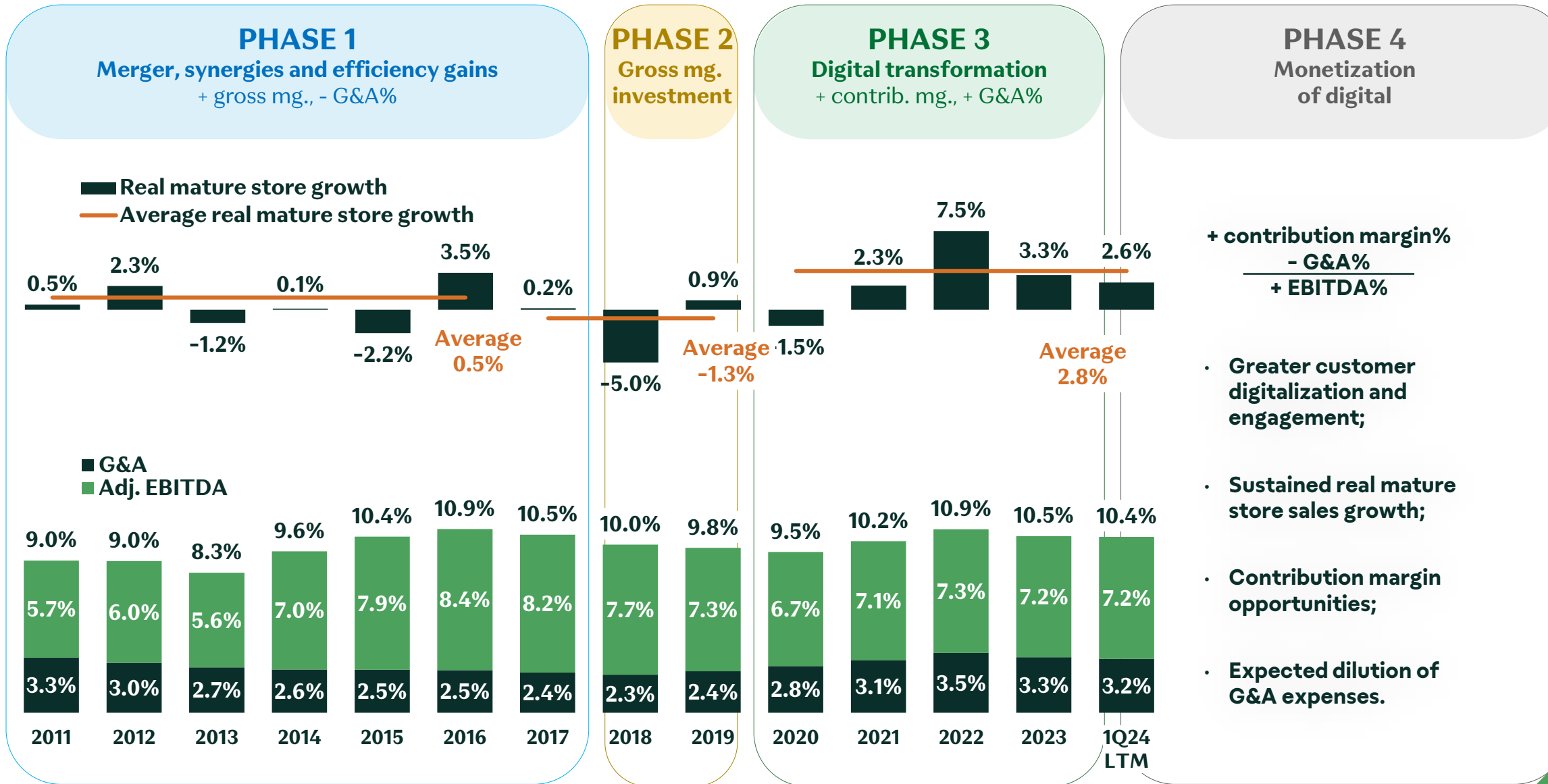


(R\$ millions)





# The digitalization of the company delivered an increase in our mature store growth and contribution margin, financing the required G&A investments.

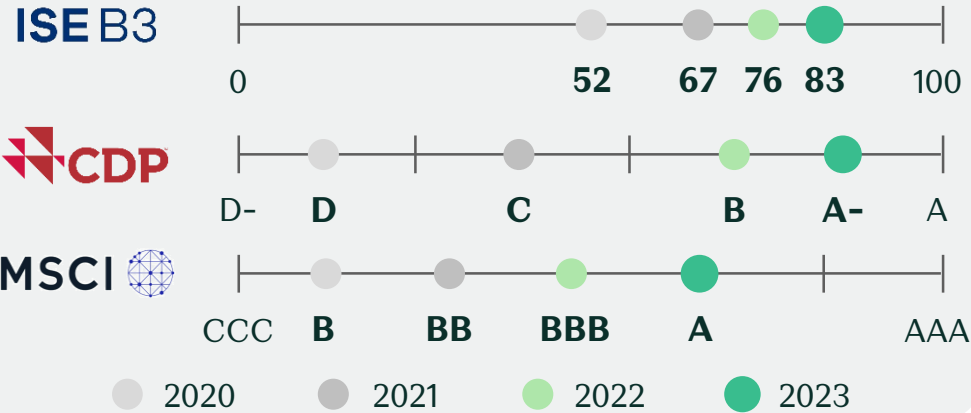






Together with our Business Strategy comes our **Sustainability journey** towards the goals established for 2030.

### Improving recognition of our ESG efforts



- Part of **IDIVERSA B3**;
- Ranked Top 3 out of 75 companies;
- Launched in Aug/23, highlighting companies that stand out in terms of diversity.



- GPTW® certification;
- Sample survey by GPTW® with 5k employees.

### Our RD Saúde Way of Being and Doing



- **ISO/IEC 27001:2022** Certification (BSI);
- Information Security Certification on Digital Channels (App and Website) and Univers PBM.