

Earnings Presentation

4Q24





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 **RDsaúde**
for a healthier society.



2024 Highlights

(IAS 17)

OPERATIONAL

- ✦ **PHARMACIES:** 3,230 units in operation (300 openings and 23 closures);
- ✦ **TICKETS & NPS:** 404.4 MM tickets in the year with an NPS of 91;
- ✦ **CUSTOMERS :** 49.1 MM LTM active customers in the last 12 months.

MARKET

- ✦ **GROSS REVENUE:** R\$ 41.8 B, +15.1% vs. 2023, with MSSS growth of 6.5% (+2.0 pp vs. CMED); (13.9% in the 4Q24);
- ✦ **MARKET SHARE:** 16.5% national market share in the 4Q24, a 0.3 pp increase;
- ✦ **DIGITAL:** R\$ 7.1 B, +41.7% vs. 2023 and a (20.2% retail penetration in the 4Q24) ;
- ✦ **HEALTH SERVICES:** 6.3 MM services performed and 2.4 thousand health hubs.

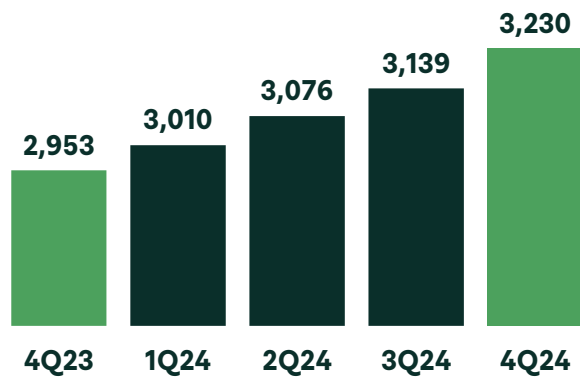
FINANCIALS

- ✦ **ADJUSTED EBITDA:** R\$ 3.0 B, an increase of 15.0% and margin of 7.2% (margin of 6.2% in the 4Q24);
- ✦ **ADJUSTED NET INCOME¹:** R\$ 1.3 B, an increase of 16.6% and a margin of 3.1% (margin of 3.5% in the 4Q24);
- ✦ **FREE CASH FLOW:** R\$ 188.5 MM, R\$ 651.4 MM total consumption.

1. Includes the effects of the taxation of investment subsidies, in accordance to Law No. 14,789/2023.

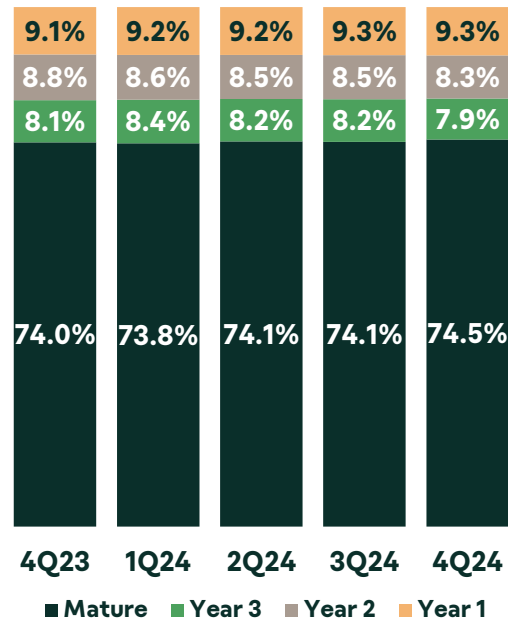
We reached 3,230 pharmacies with 300 openings (+10.2% LTM) and 23 closures (-0.8% LTM). We reiterate our guidance of 330-350 openings in 2025.

Pharmacy count



	4Q23	1Q24	2Q24	3Q24	4Q24	LTM
Gross openings	+87	+62	+70	+72	+96	+300
Closures	-2	-5	-4	-9	-5	-23
- Maturing	-	-2	-1	-2	-	-5
- Mature	-2	-3	-3	-7	-5	-18
Net openings	+85	+57	+66	+63	+91	+277

Pharmacy portfolio



GUIDANCE

330-350 gross openings for 2025.

ASSERTIVENESS

98% LTM*

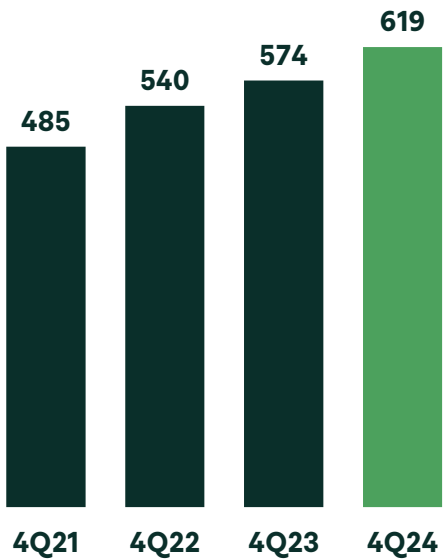
RAMP-UP

Store maturation after three full years.

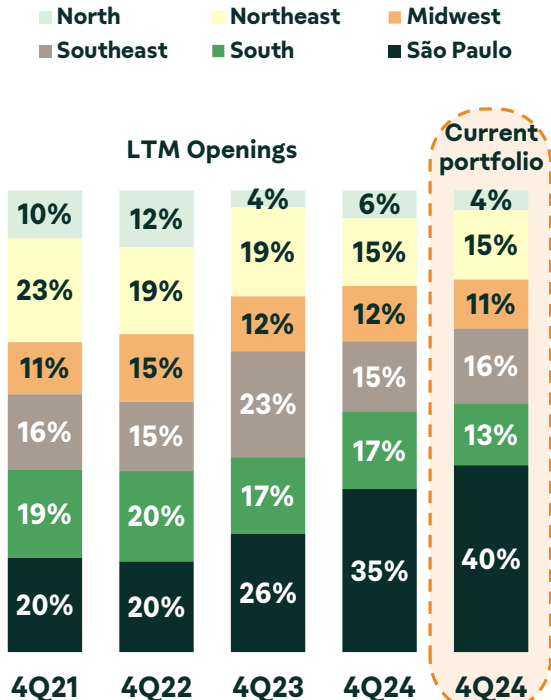
* Considers the % of store closures within the maturation process, which correspond to expansion mistakes, divided by the LTM openings.

We increased our capillarity to 619 cities with geographic and demographic diversification. Acceleration in SP underscores nationwide opportunities.

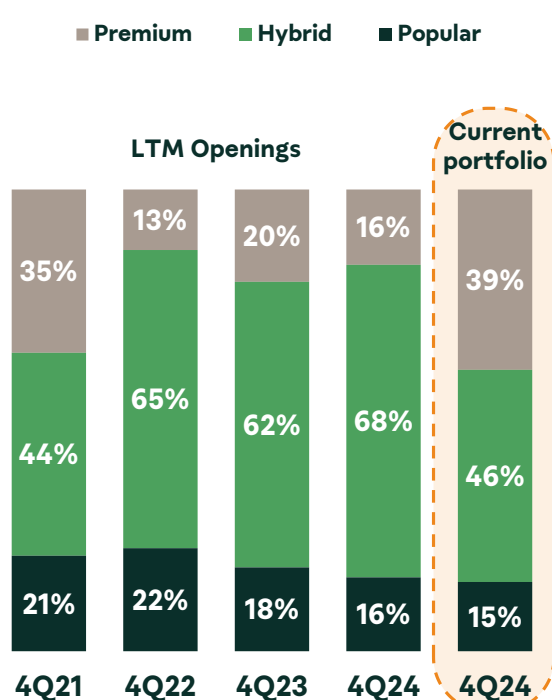
Number of cities with pharmacies



Pharmacies by region

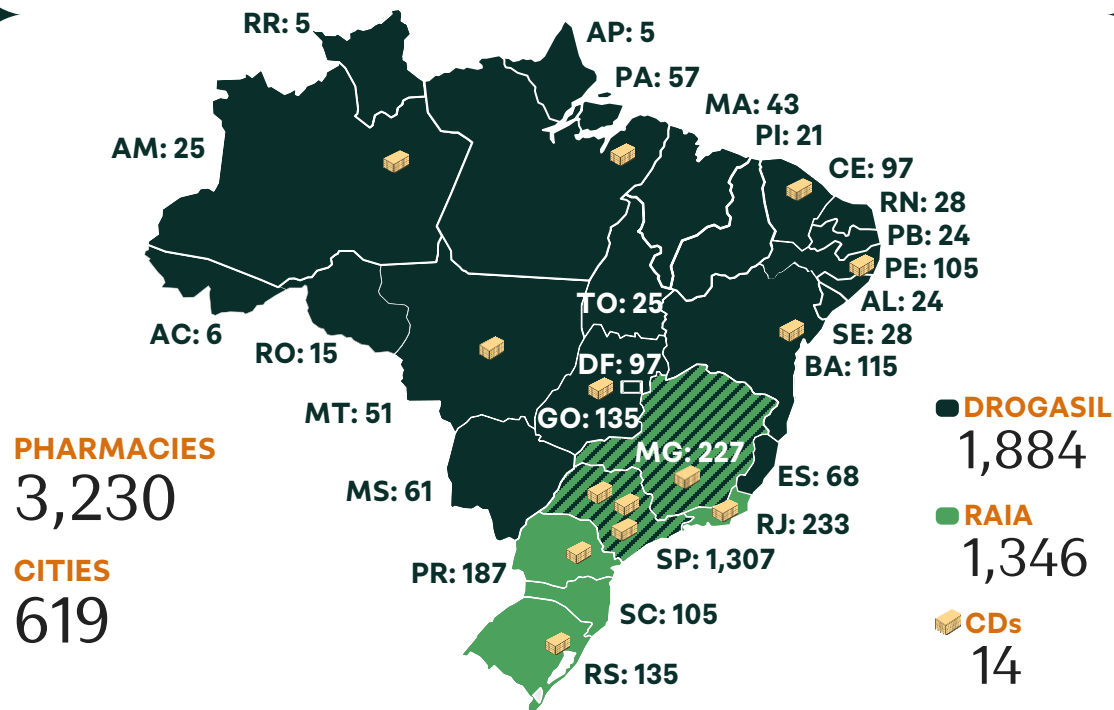


Pharmacies by format



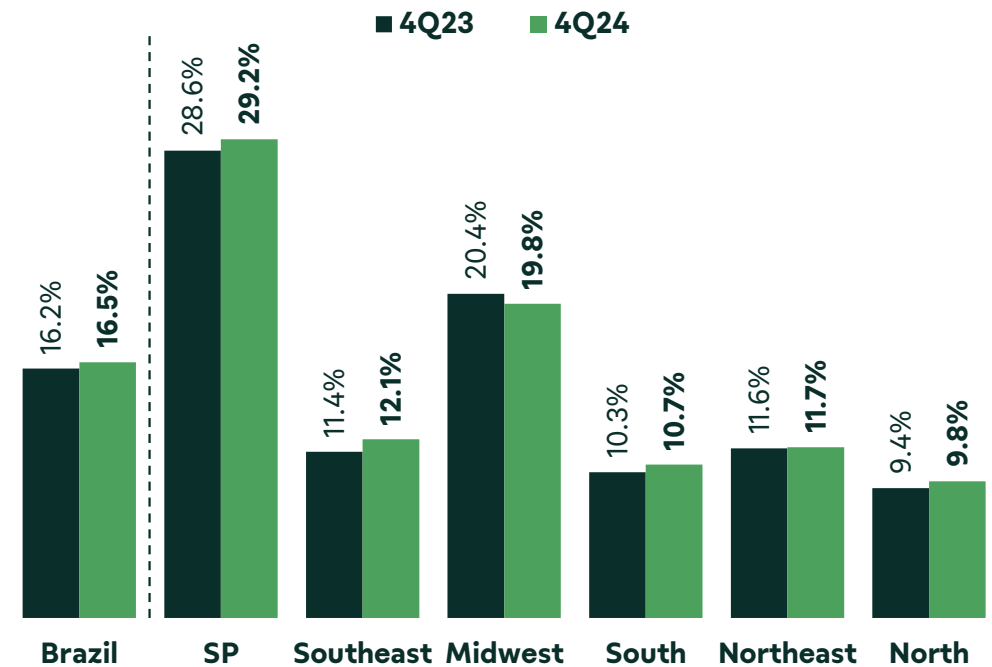
We are present in every Brazilian state, with a national market share of 16.5%, a 0.3 pp increase.

Geographic presence



Market share

Quarterly retail share at Factory Prices, sell-in + sell-out.

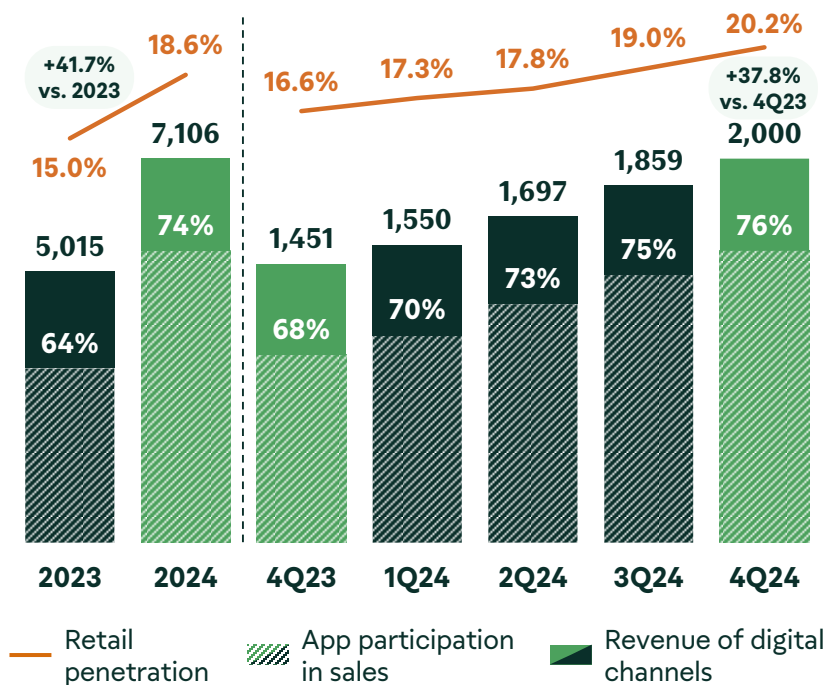


Source: IQVIA. Southeast excludes SP.

Digital grew 41.7% to R\$ 7.1 billion in 2024. Penetration of 20.2% in the 4Q24, with 75% via apps and 96% delivered or collected within 60 minutes.

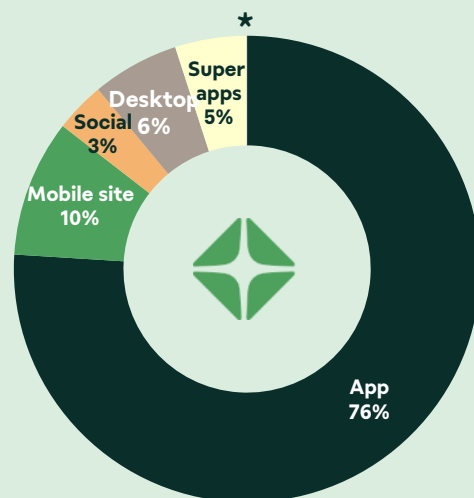
Digital sales

R\$ million, % of retail gross revenue



Digital channel mix

% of digital sales, 4Q24

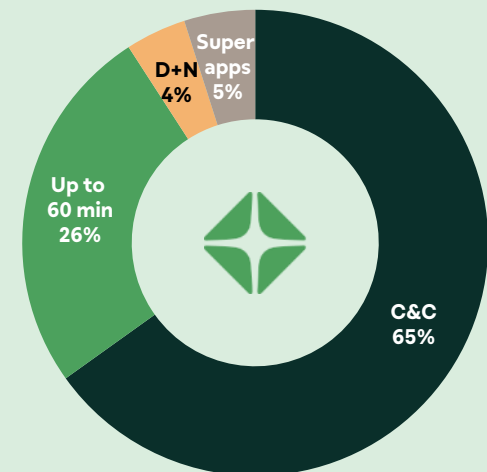


95%
modern and proprietary channels

89%
proprietary channels through mobile devices

Delivery mix

% of digital sales, 4Q24



98%
fulfilled by pharmacies (incl. D+N)

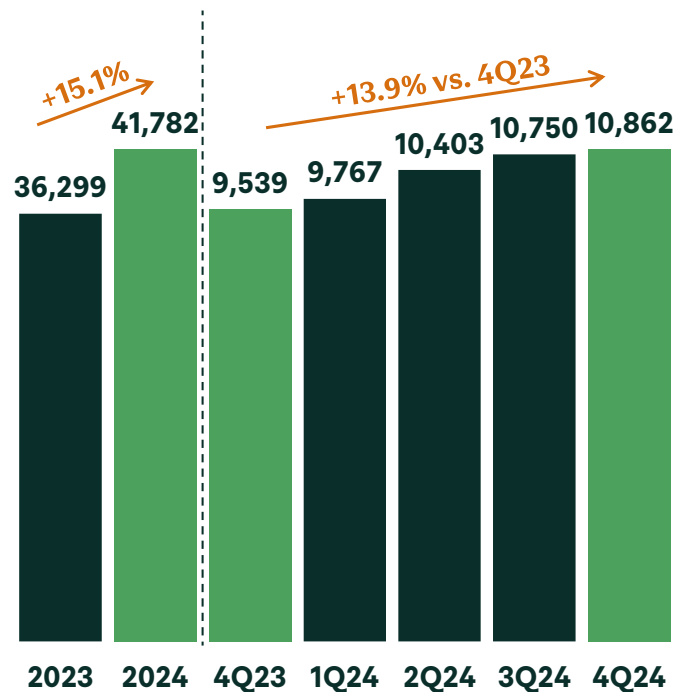
96%
delivered in up to 60 minutes

* Call center represents < 1% of digital channels.

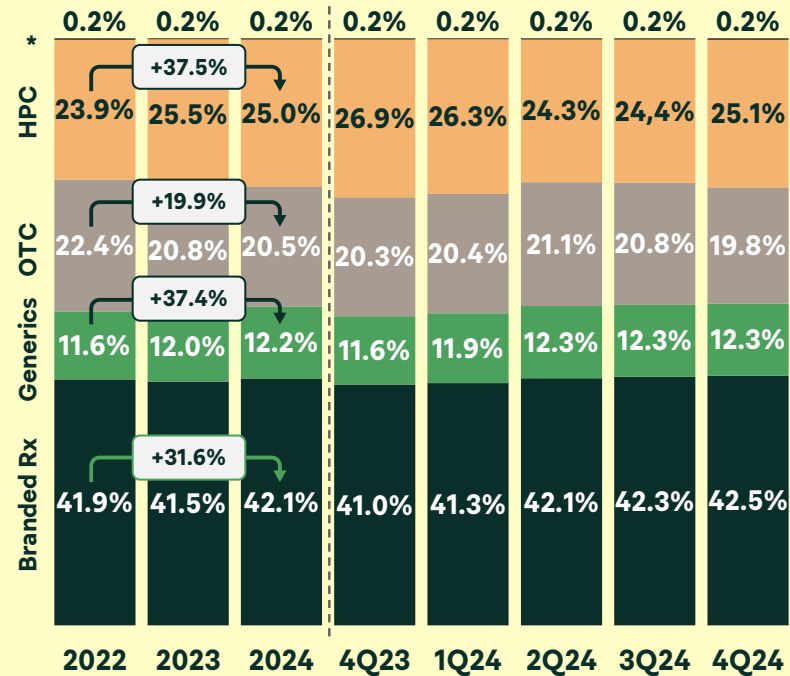
Revenue growth of 15.1% (+ R\$ 5.5 B) to R\$ 41.8 B in 2024, and 13.9% to R\$ 10.9 B in the 4Q24. Sales mix normalizing as the pandemic fades.

Consolidated gross revenues

R\$ millions



Retail sales mix



Annual variation

2024 vs. 2023

Yr: +12.0%
4Q: +5.6%

Yr: +12.4%
4Q: +10.6%

Yr: +16.4%
4Q: +19.4%

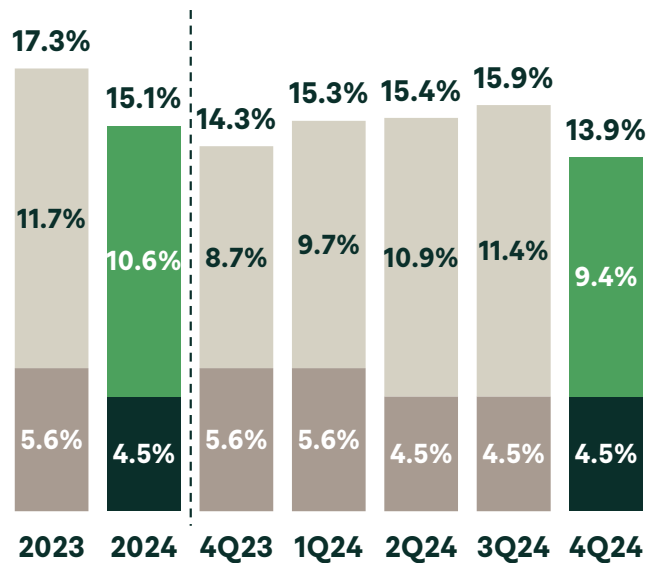
Yr: +15.6%
4Q: +17.1%



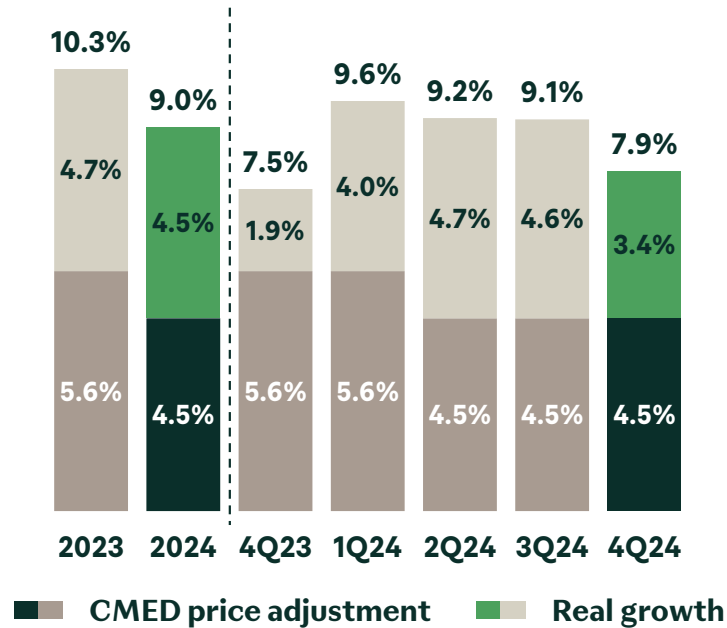
* Services

Same store sales avg. growth of 9.0%, with 6.5% for mature stores (5.6% in the 4Q24), 2.0 pp above the CMED price increase of 4.5% (1.1 pp in the 4Q24).

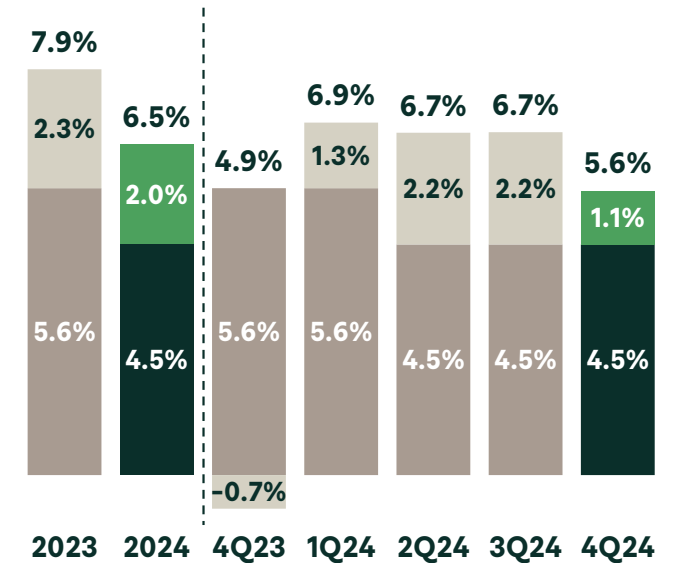
Consolidated revenue growth



Same-Store sales growth – Retail



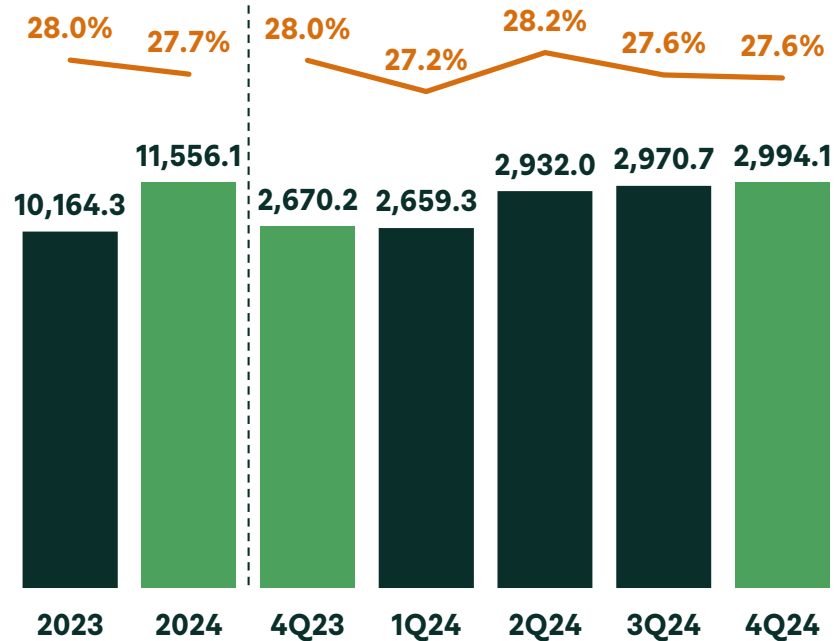
Mature-Store sales growth – Retail



Gross margin of 27.7% in the year, including a -0.2 pp mix effect from the strong growth of 4Bio, -0.1 pp of PIS/COFINS. Stable cash cycle, +1.0 day vs. 2023.

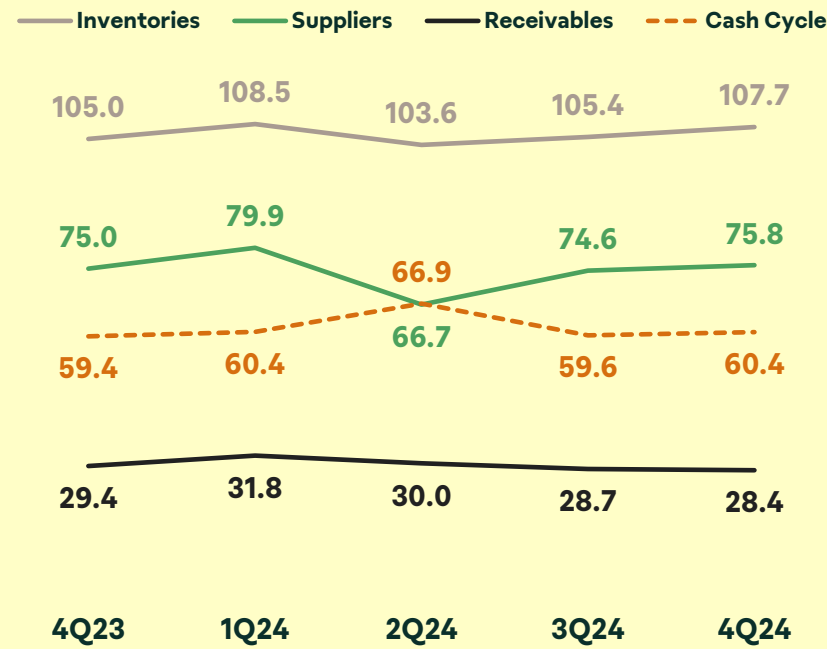
Gross profit

R\$ millions, % of gross revenue



Cash cycle

COGS days, Gross revenue days



Reflects the incidence of PIS/COFINS over tax subsidies on investments, in accordance to Law No. 14,789/2023.

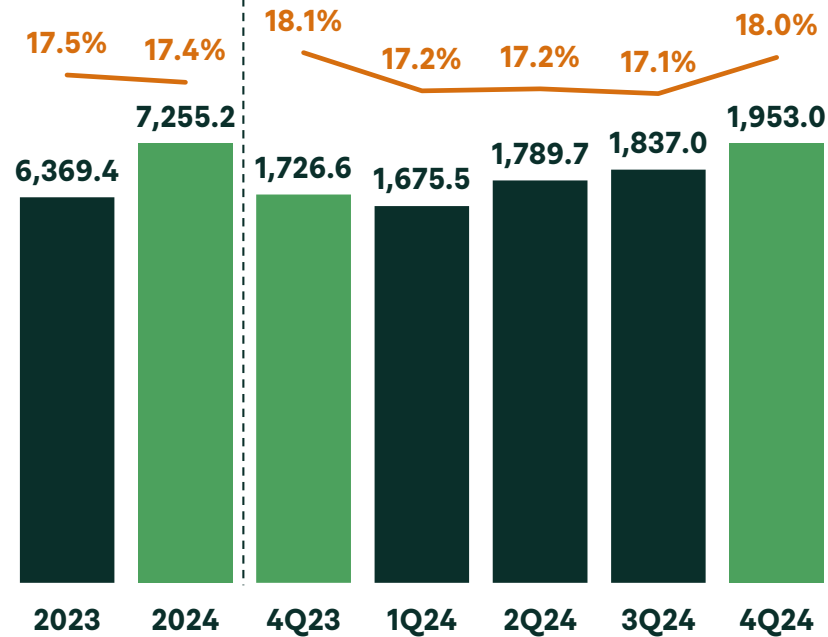
Adjusted for discounted receivables and advanced payments to suppliers.

Selling expenses of 17.4%, a 0.1 pp dilution vs. 2023. Contribution margin of 10.3% (-0.2 pp vs. 2023).



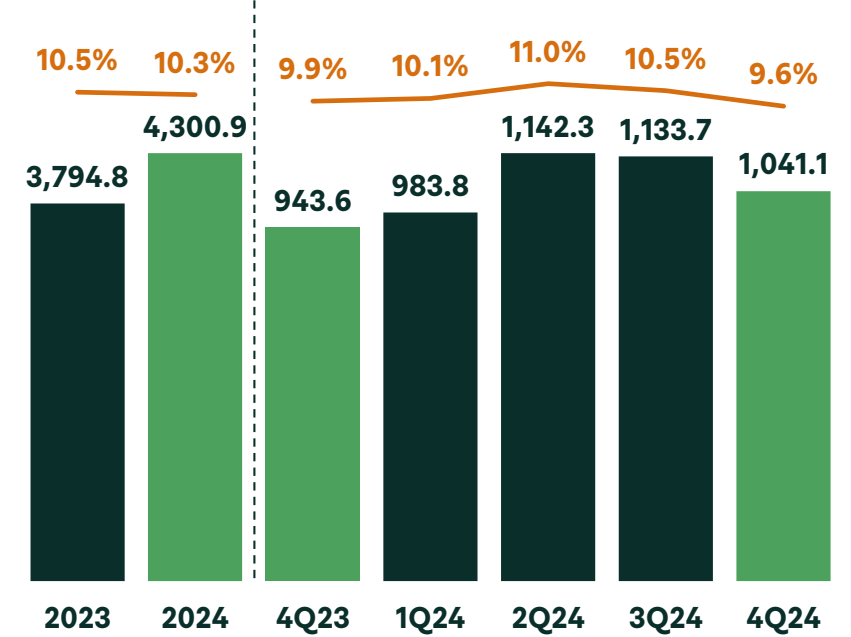
Selling expenses

R\$ millions, % of gross revenue



Contribution margin

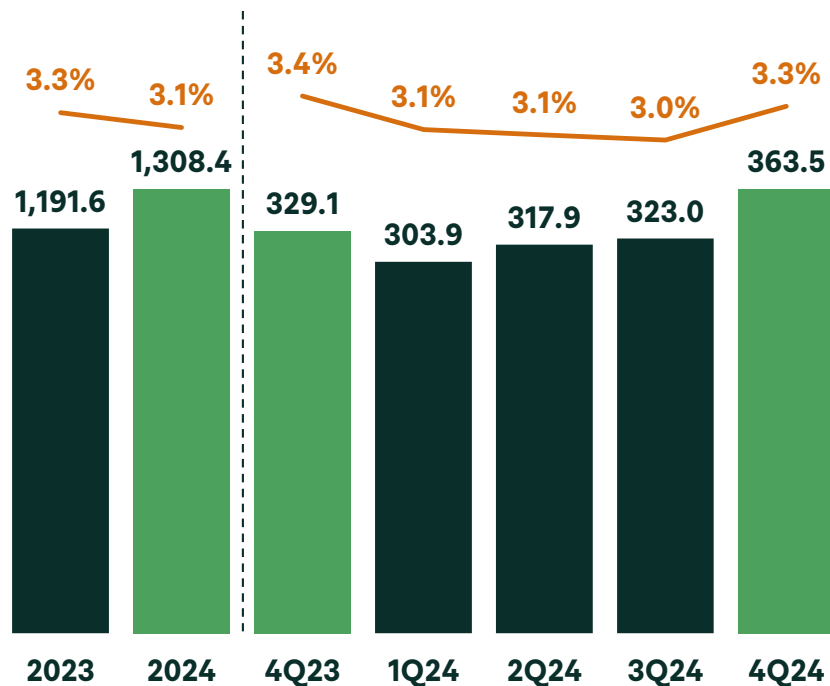
R\$ millions, % of gross revenue



G&A of 3.1% with a 0.2 pp dilution vs. 2023. Adjusted EBITDA of R\$ 3.0 billion, a growth of +15.0% and a margin of 7.2%.

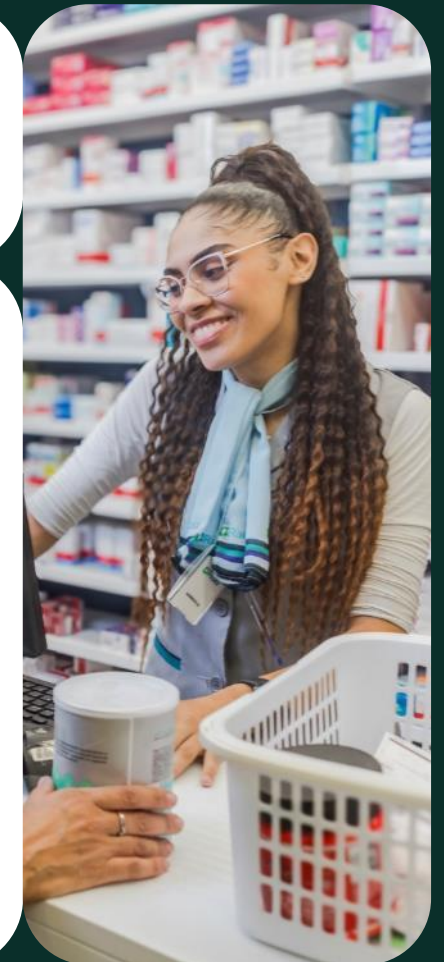
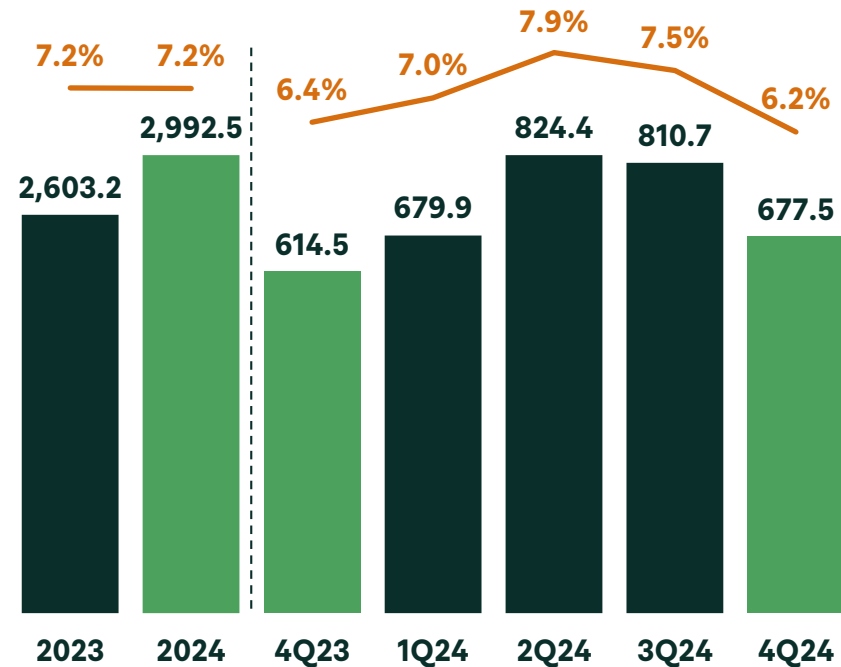
General and administrative expenses

R\$ millions, % of gross revenue



Adjusted EBITDA

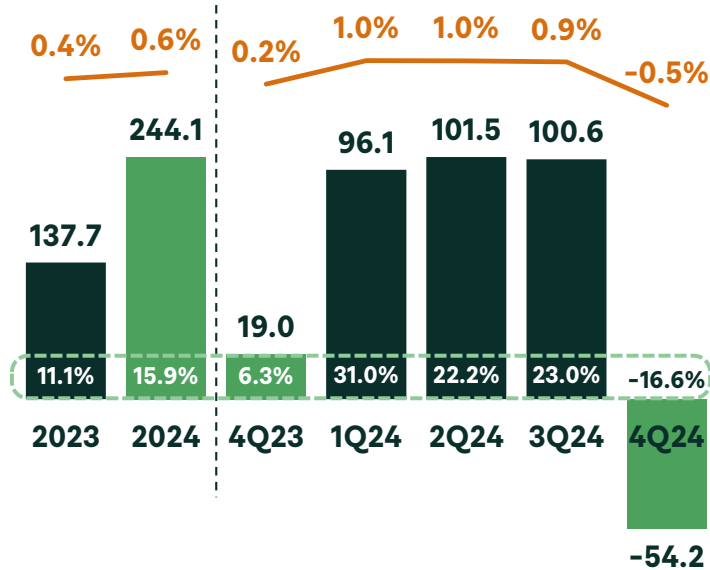
R\$ millions, % of gross revenue



Net income increased 16.6% to R\$ 1.3 billion and net margin of 3.1% (+0.1 pp), despite +77.3% of income tax. Normalized effective tax rate of 21.8% in 2024.

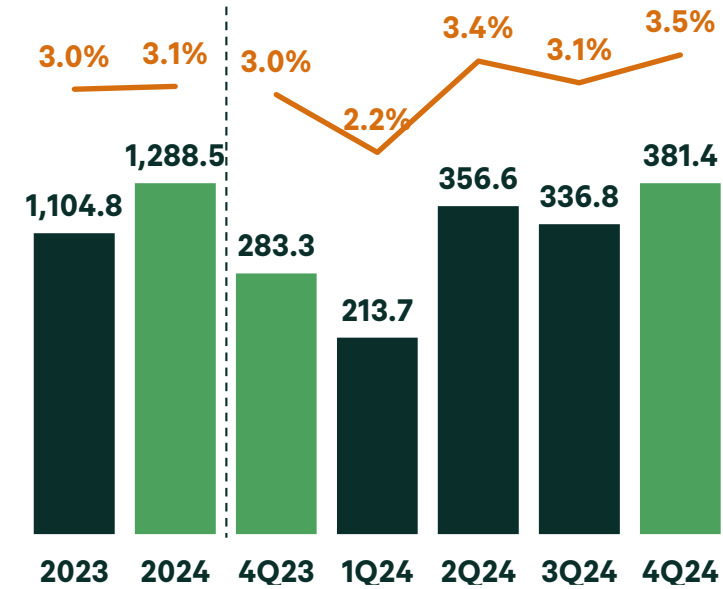
Effective tax rates*

R\$ millions, % of gross revenue
 Effective tax rate



Adjusted net income*

R\$ millions, % of gross revenue



* Includes the effects of the taxation on subsidies, in accordance to Law No. 14,789/2023.

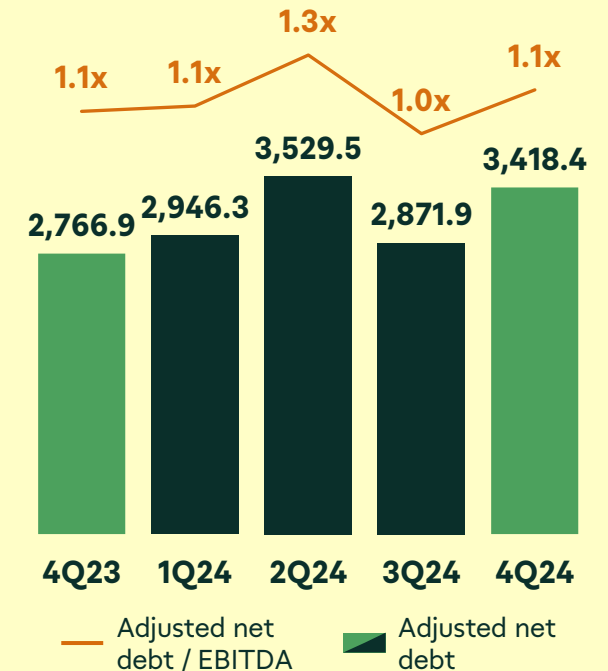
R\$ 188.5 MM in positive free cash flow, and R\$ 651.4 MM total cash consumption. Maintenance of financial leverage at 1.1x EBITDA.



Cash flow (R\$ millions)	2024	2023	4Q24	4Q23
Adjusted EBIT	2,082.6	1,803.6	439.2	402.3
NPV adjustment	(185.0)	(185.9)	(57.5)	(49.1)
Non-recurring expenses	(20.5)	69.7	(45.4)	2.0
Income tax (34%)	(638.2)	(573.7)	(114.4)	(120.8)
Depreciation	912.0	797.7	240.9	209.5
Others	85.0	381.4	226.6	421.0
Resources from operations	2,235.8	2,292.7	689.5	865.0
Cash cycle*	(669.3)	(1,019.5)	12.1	(54.8)
Other assets (liabilities)**	(96.8)	(79.9)	(458.6)	(292.2)
Operating cash flow	1,469.7	1,193.3	242.9	518.0
Investments	(1,281.3)	(1,234.4)	(447.1)	(367.0)
Free cash flow	188.5	(41.1)	(204.2)	150.9
M&A and other investments	(131.7)	(72.7)	-	(31.4)
Interest on equity and dividends	(474.6)	(465.9)	(235.9)	(239.1)
Income tax paid over interest on equity	(54.3)	(27.9)	(33.1)	-
Net financial expenses***	(361.4)	(358.0)	(63.9)	(49.6)
Share buyback	(73.3)	-	(73.3)	-
Tax benefit (fin. exp., loE, dividends)	255.3	244.2	63.9	46.5
Total Cash Flow	(651.4)	(721.3)	(546.5)	(122.7)

Net debt and financial leverage

R\$ millions, as a ratio of LTM adjusted EBITDA



* Includes adjustments to discounted receivables.

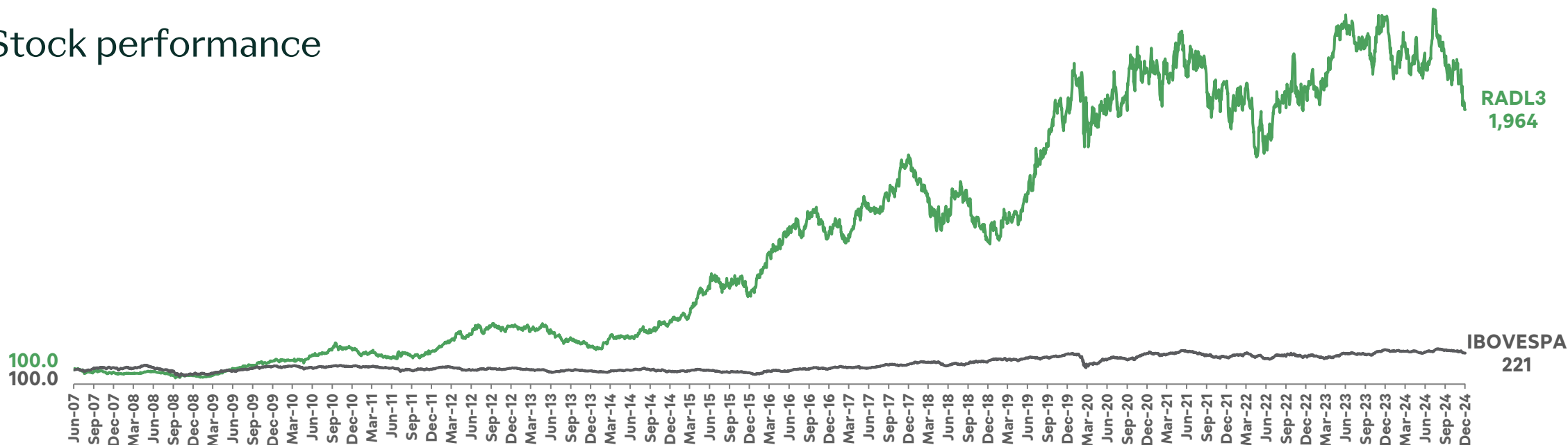
** Includes NPV adjustments.

*** Excludes NPV adjustments.



In 2024, our share price decreased by -25.2% while the IBOVESPA decreased by -10.4%. Average daily trading volume (ADTV) of R\$ 188 MM in the quarter.

Stock performance



RADL3
2024

IBOVESPA
2024

ALPHA
2024

RADL3 ADTV
4Q24

Average TSR since
the Drogasil IPO

Average TSR since
the Raia IPO

Average TSR since
the merger 12/31/11

-25.2%

-10.4%

-14.8pp

R\$188MM

19.4%

16.5%

19.0%

Perspectives



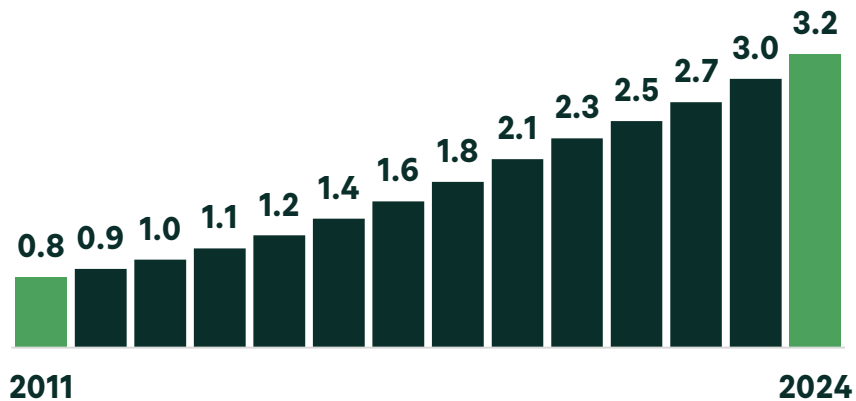


Consistent long-term growth with productivity and value generation.

Number of pharmacies

Quantity, in thousands

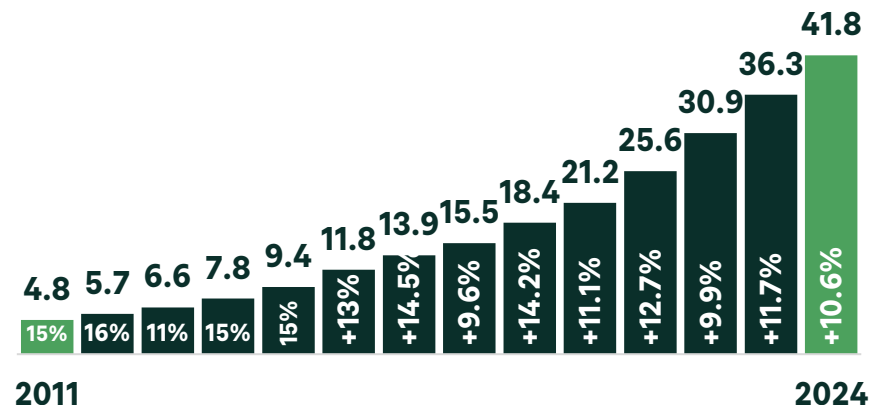
4x



Cons. gross rev. & real growth

In R\$ billions, YoY growth ex-CMED

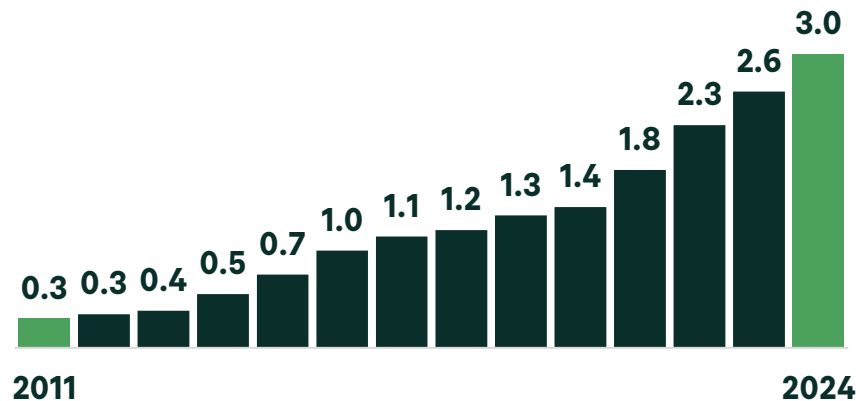
9x



Consolidated adjusted EBITDA

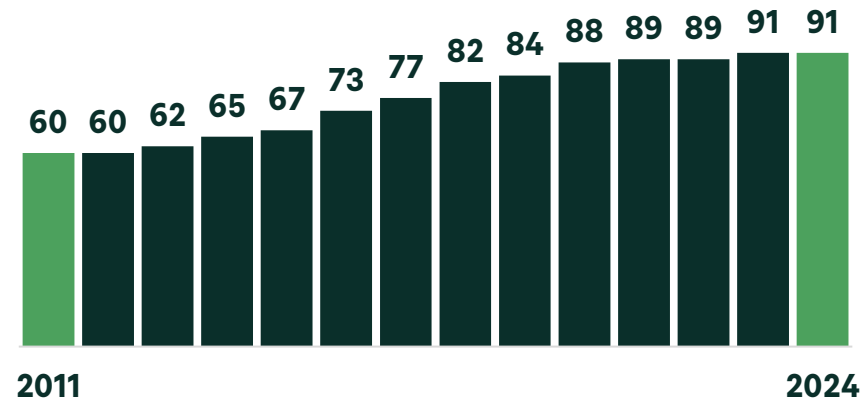
R\$ billions

10x



Pharmacy NPS

+31





We will continue to pursue accelerated long-term growth, focusing on customer satisfaction & engagement, on omnichannel and seeking efficiency gains.

❖ **Organic expansion and market share gains**

Open 330-350 pharmacies in 2025, with a marginal IRR, net of cannibalization, above 20% and with a gain in market share in a market that will continue to grow for decades

❖ **Obsession for customer centricity and evolving towards the best physical & digital experiences**

Make the company even more focused on customer satisfaction and increasing LTV. Evolve in the value proposition in pharmacies and digitally. Improve prescription and front-store journeys across all channels

❖ **Focus on Primary Healthcare, leveraging our capillarity and the role of pharmacists**

Focus efforts on Promotion, Protection, Prevention and Primary Care, where we have the right to win; Create value by increasing customer LTV and providing services to companies and operators

❖ **Use of Artificial Intelligence**

Accelerate the dissemination of AI in the company, seeking to gain productivity (Go Wide) and capture efficiencies and service improvements in critical business processes (Go Deep)

❖ **Culture and Sustainability**

Caring for People, Executing with Focus and Building the Future to become the group that contributes most towards a healthier society in Brazil

❖ **Pursuit of efficiency and increased profitability**



Despite challenges, we will seek to maintain or expand consolidated margin in a macro environment that favors us due to our financial and operational strengths.

◆ Sales

Sustain Mature Store growth above inflation, even with a CMED increase below inflation
Seek price adjustments in line with inflation, reviewing discounts, according to market expectations

◆ Gross Margin

Lower inflationary gains on inventories in the 2Q25, but with a diluted impact throughout the year
Limit 4Bio's mix pressure through margin and ROIC prioritization

◆ G&A

Increased staff in stores (already implemented), seeking to improve service level and team engagement
Reduction in G&A expenses over the next few quarters, eliminating non-priority initiatives

◆ Investees

Reduce the 0.5 pp difference between the Cons. EBITDA margin (7.2%) and the Parent Company/Retail (7.7%)
Integrate Vitat into RD Saúde at the end of 2024 with a contracted reduction in expenses
Accelerate the growth of Impulso (RD Ads' new identity), which operates with a high margin
Reevaluate, Integrate and/or Rationalize other investments with low visibility of value creation

Earnings
Presentation

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Questions
& Answers



Thank you!