



Institutional Presentation

4Q23

Disclaimer

The material that follows is a presentation of general background information about Raia Drogasil S.A. (the “Company”) as of the date of the presentation. It is information in summary form and does not purport to be complete. It is not intended to be relied upon as advice to potential investors. This presentation is strictly confidential and may not be disclosed to any other person. No representation or warranty, express or implied, is made concerning, and no reliance should be placed on, the accuracy, fairness, or completeness of the information presented herein.

This presentation contains statements that are forward-looking within the meaning of Section 27A of the Securities Act of 1933 (the “Securities Act”) and Section 21E of the Exchange Act of 1934. Such forward-looking statements are only predictions and are not guarantees of future performance. Investors are cautioned that any such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the operations and business environments of the Company that may cause the actual results of the companies to be materially different from any future results expressed or implied in such forward-looking statements.

Although the Company believes that the expectations and assumptions reflected in the forward-looking statements are reasonable based on information currently available to the Company’s management, the Company cannot guarantee future results or events. The Company expressly disclaims a duty to update any of the forward looking-statements.

Our securities have not been and will not be registered under the Securities Act or under any state securities laws in the United States, and are being offered under exemptions from registration under the Securities Act. Securities may not be offered or sold in the United States unless they are registered or exempt from registration under the Securities Act. Any offering to be made in the United States will be made by means of an offering circular that may be obtained from the agents.

This presentation does not constitute an offer, or invitation, or solicitation of an offer, to subscribe for or purchase any securities. Neither this presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever.

RD 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



2,953

pharmacies across every Brazilian state



47.6 million

unique active customers (2023)



362 million

tickets (2023)



R\$ 36.3 billion

gross revenue (2023)
+17% Y/Y growth



R\$ 2.6 billion

adj. EBITDA (2023)
+15% 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

92

pharmacies

68

apps



475 million

digital sessions (2023)



16.1%

market share (4Q23)



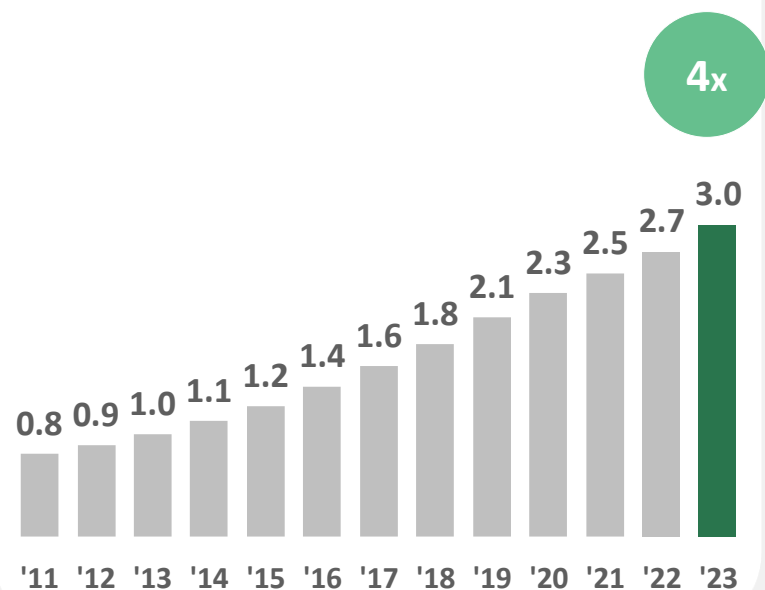
AAA(bra)

rating by Fitch

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

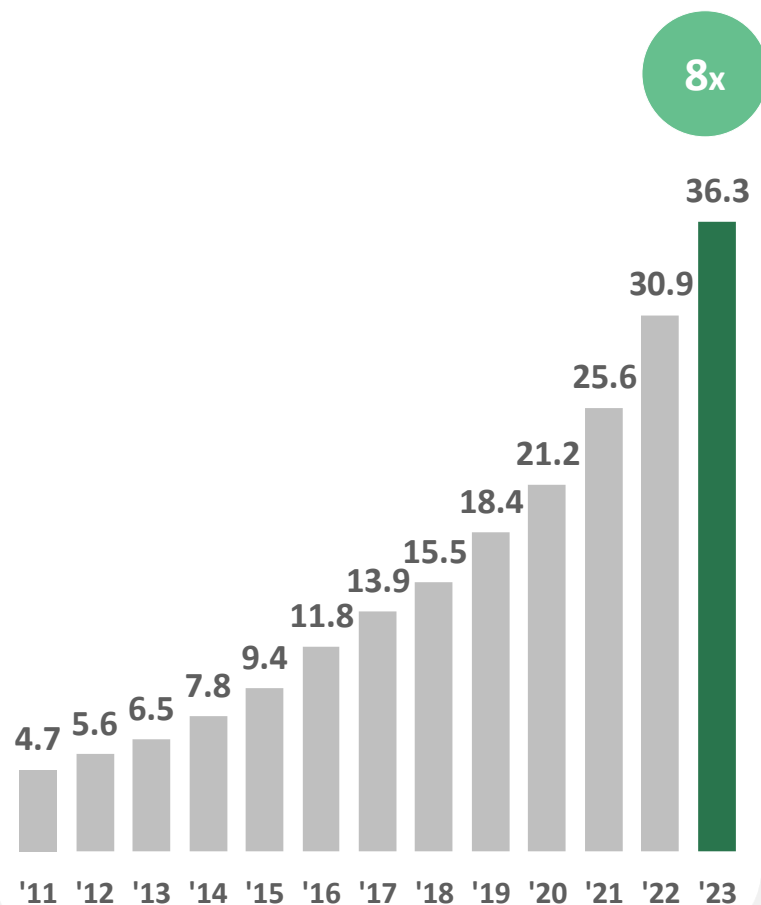
Pharmacies

(Store count, thousands)



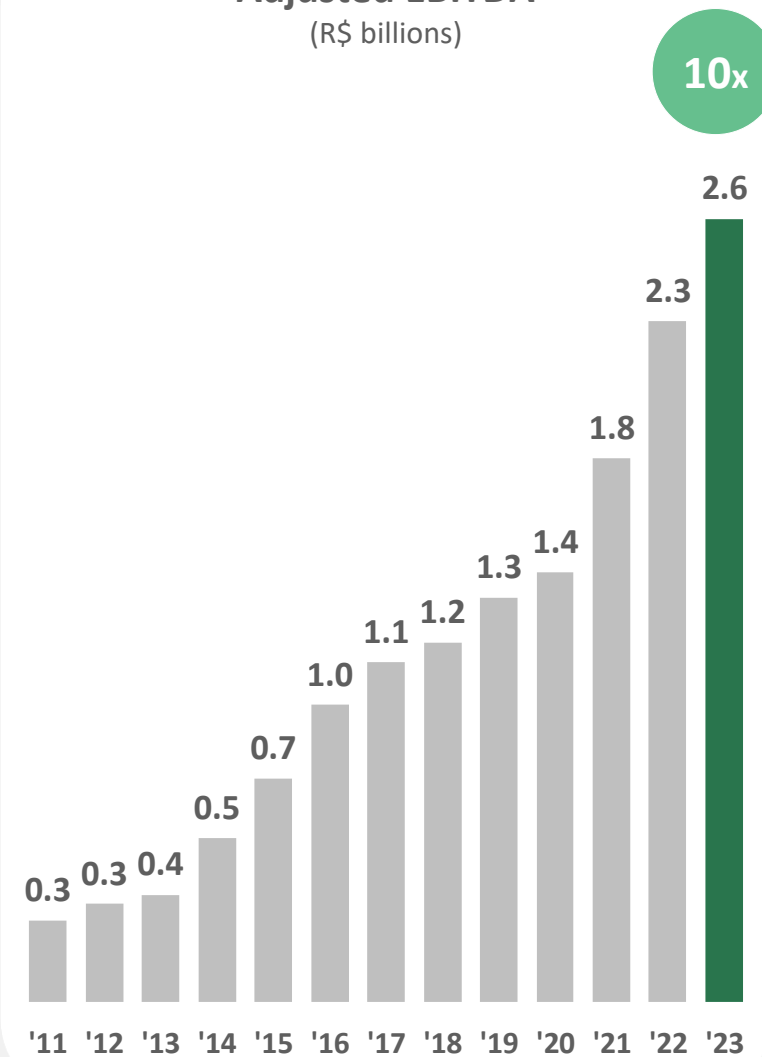
Gross Revenue

(R\$ billions)



Adjusted EBITDA

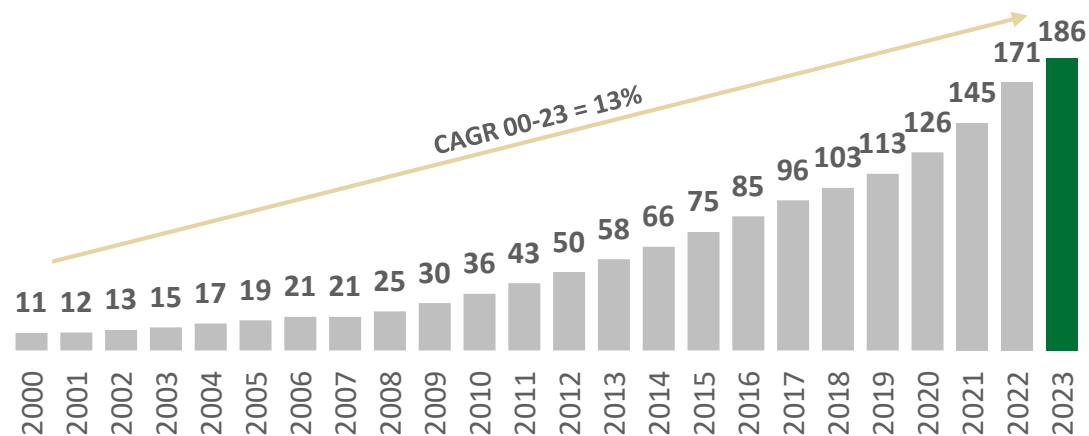
(R\$ billions)



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

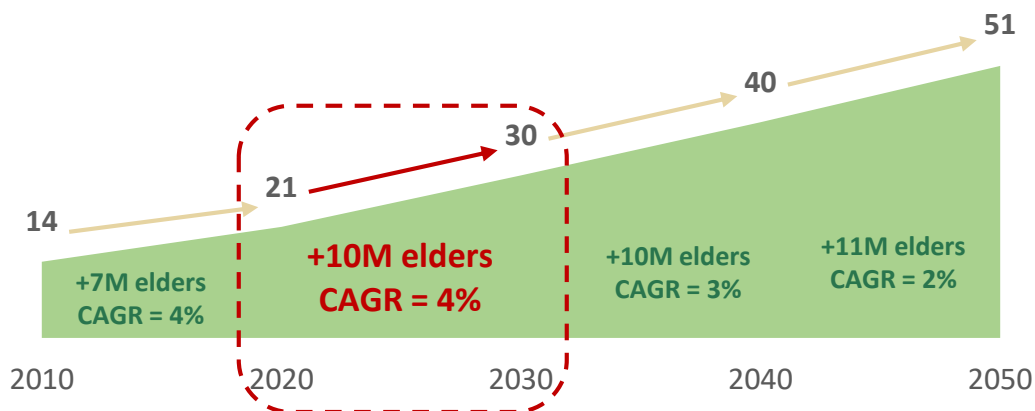
Pharma market maintains an accelerated long-term growth

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



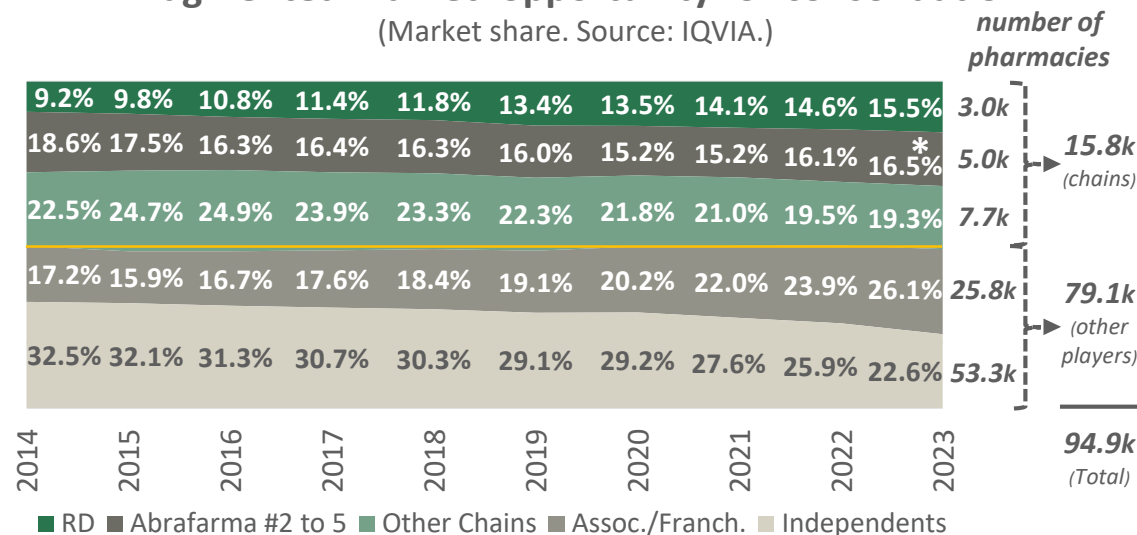
Brazilian population over 65 years of age

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



Fragmented market: opportunity for consolidation

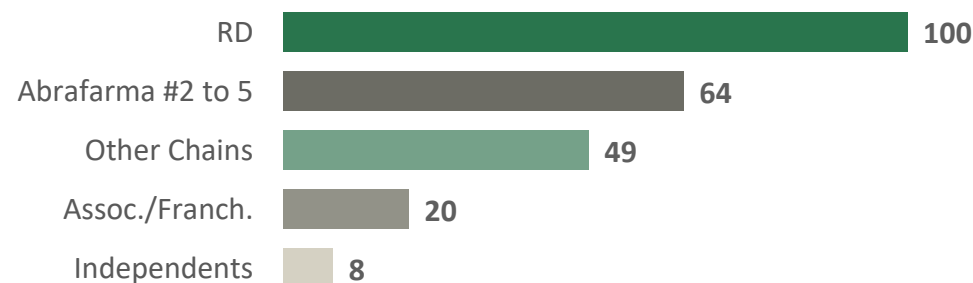
(Market share. Source: IQVIA.)



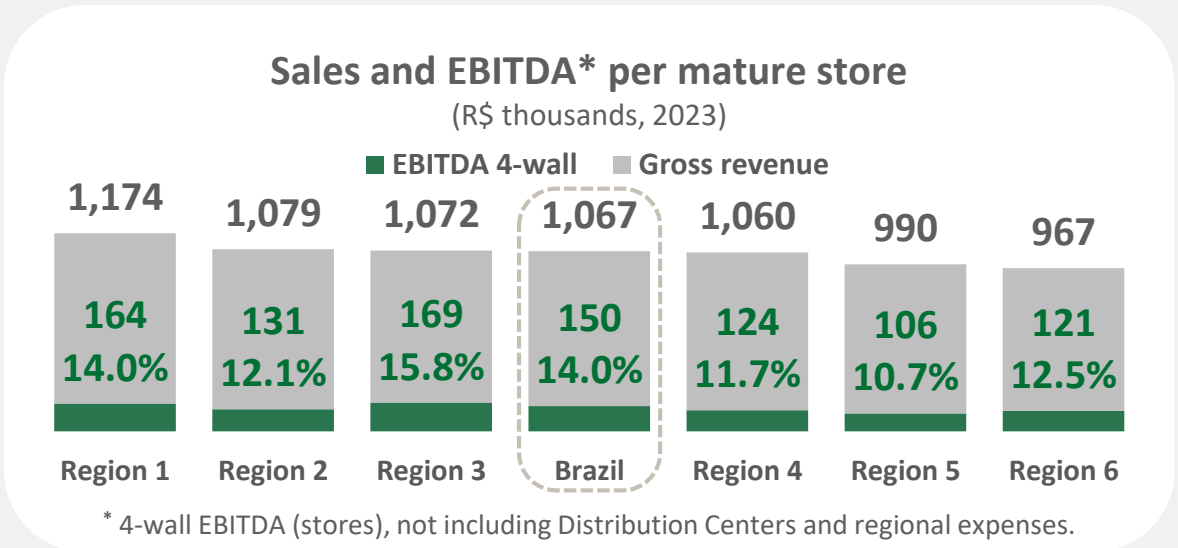
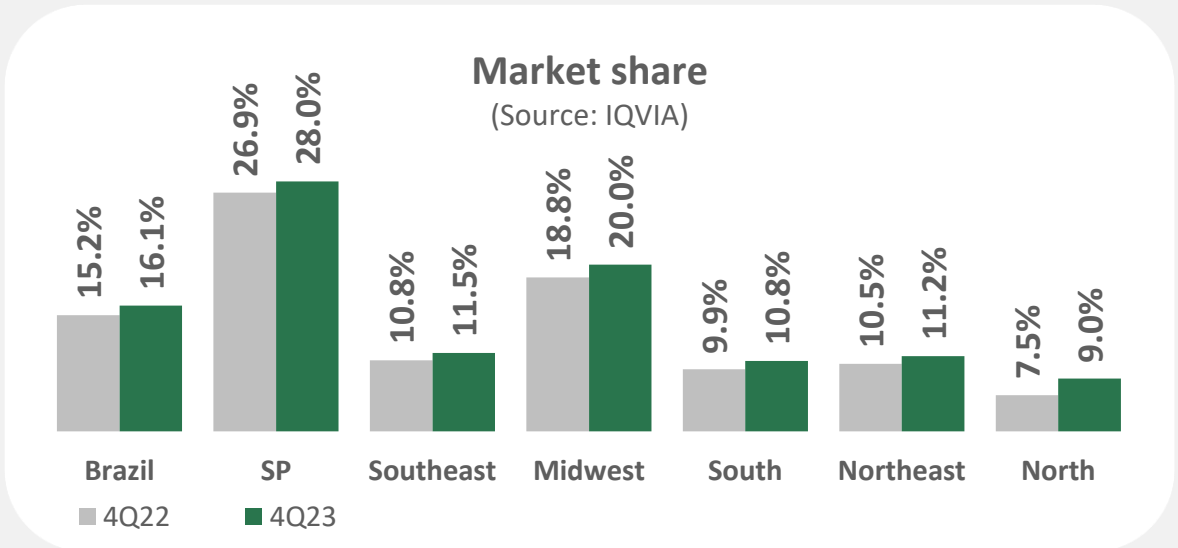
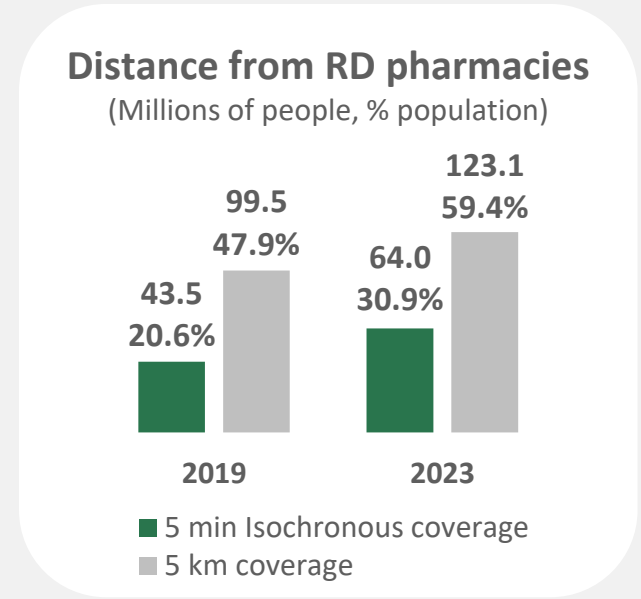
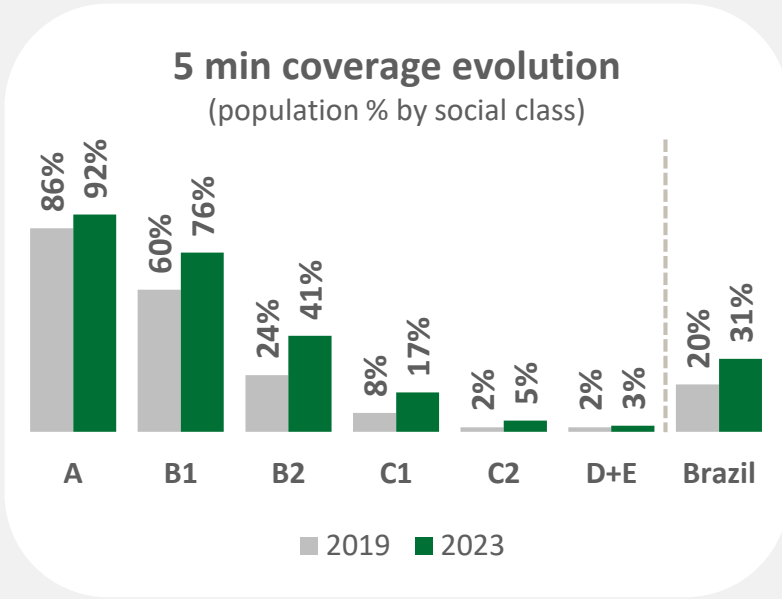
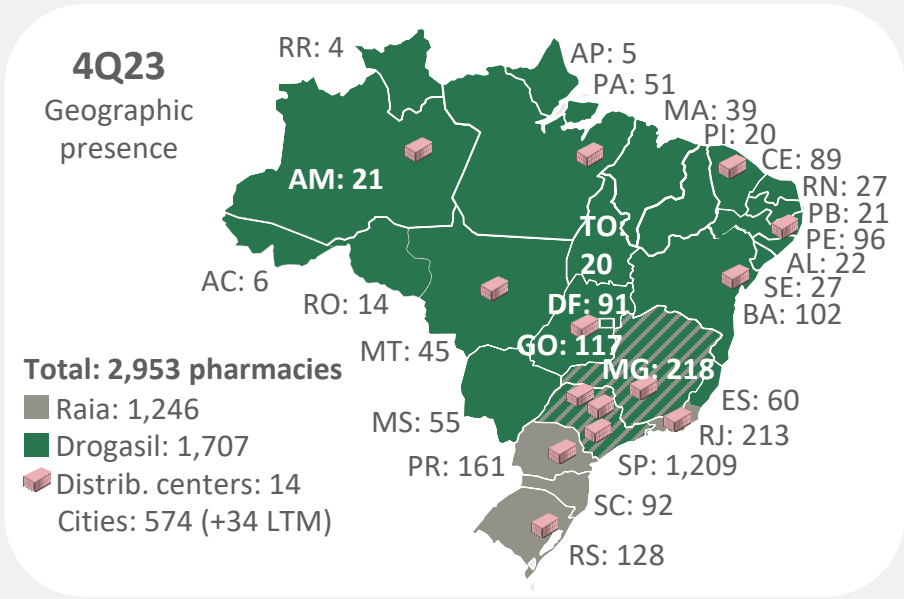
* Considers in 2022 the acquisition of Extrafarma by Pague Menos on a proforma basis for the entire year, reclassifying the company from the Other Chains group to ABRAFARMA #2 to #5.

Average annual sale per POS in 2023

(RD = 100 index. Source: IQVIA.)



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




Strategy 2025

Our Strategy is focused on increasing the **Customer Lifetime Value** by combining the **New Pharmacy**, including a **Marketplace**, and the **Health Platform**.


Together for a Healthier Society.

- Healthier People (Employees, Customers, Community);
- Healthier Businesses (Diversity, Education, Shared Value);
- Healthier Planet (Footprint, Energy, Waste).

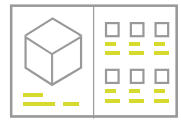




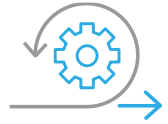
Focus on people




Customer centricity




Logistics
1P and 3P



Technology, data and agile
organization



Digital and innovative
culture



RD Ventures

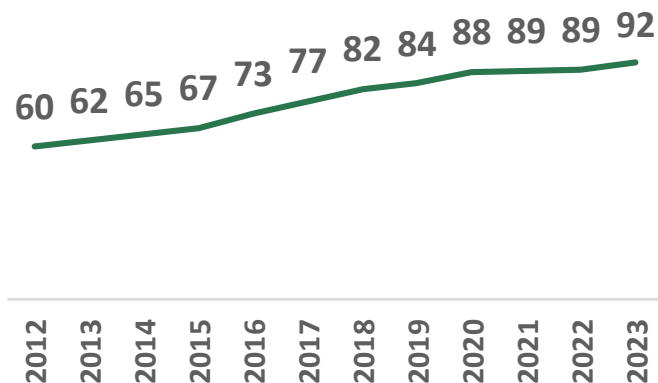
2030 Ambition: to become the group that contributes the most towards a healthier society in Brazil.

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**.

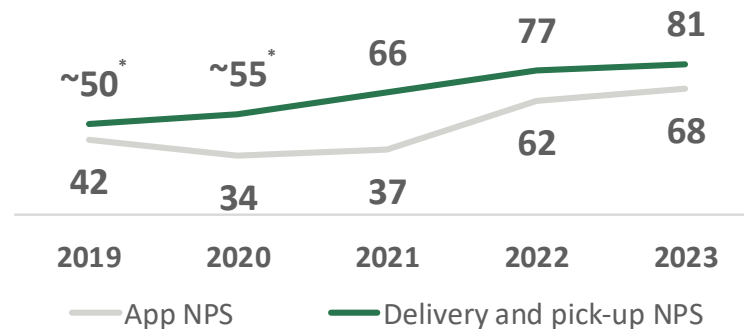
Engagement is the result of the entire customer journey



Pharmacy NPS



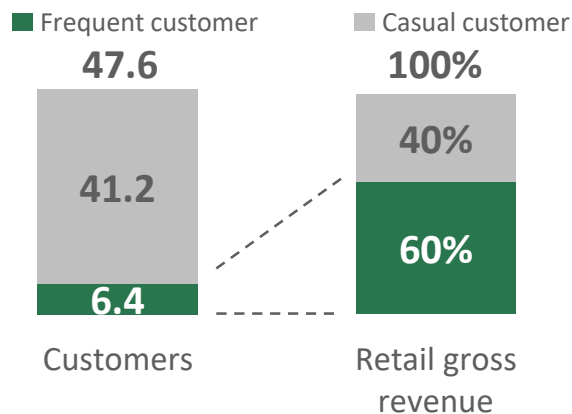
App NPS and Delivery/C&C NPS



* Estimated 2019 and 2020 criteria for current methodology.

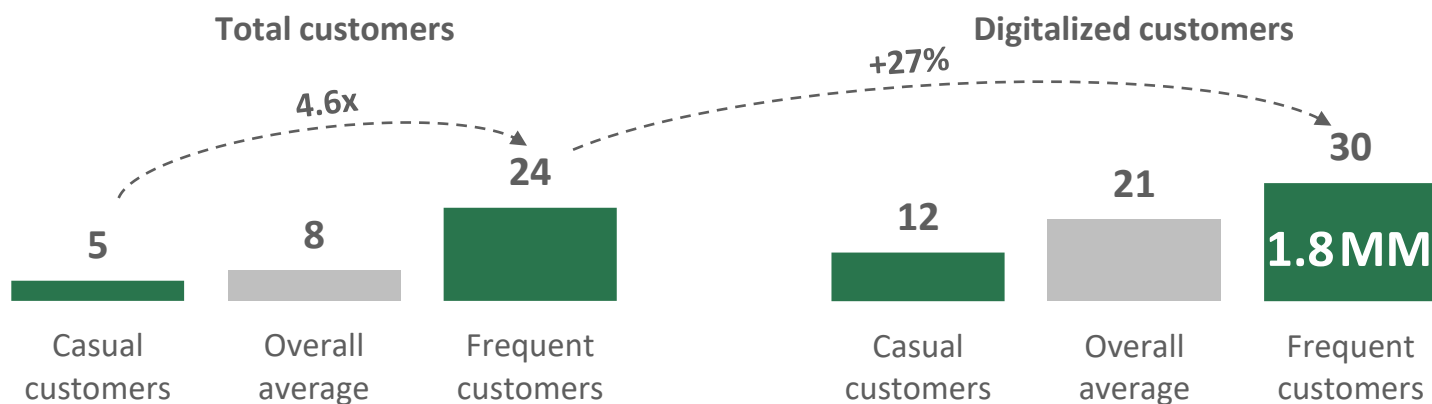
Customer segmentation

(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)

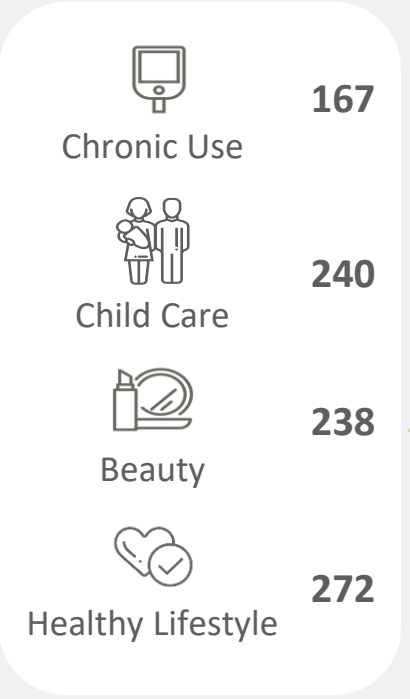


Frequent: 203

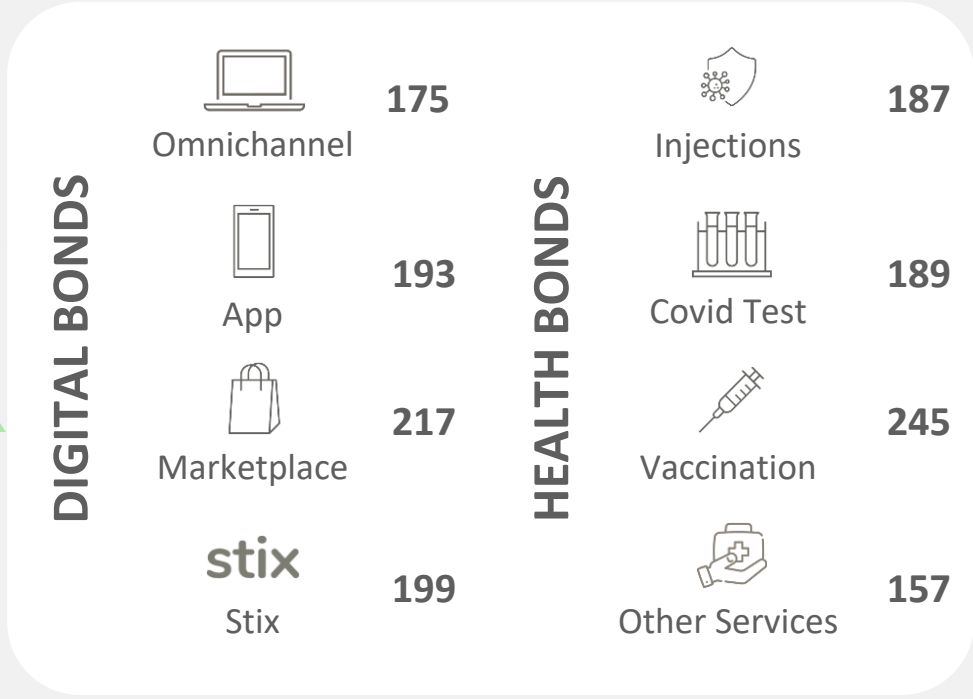


Casual: 20

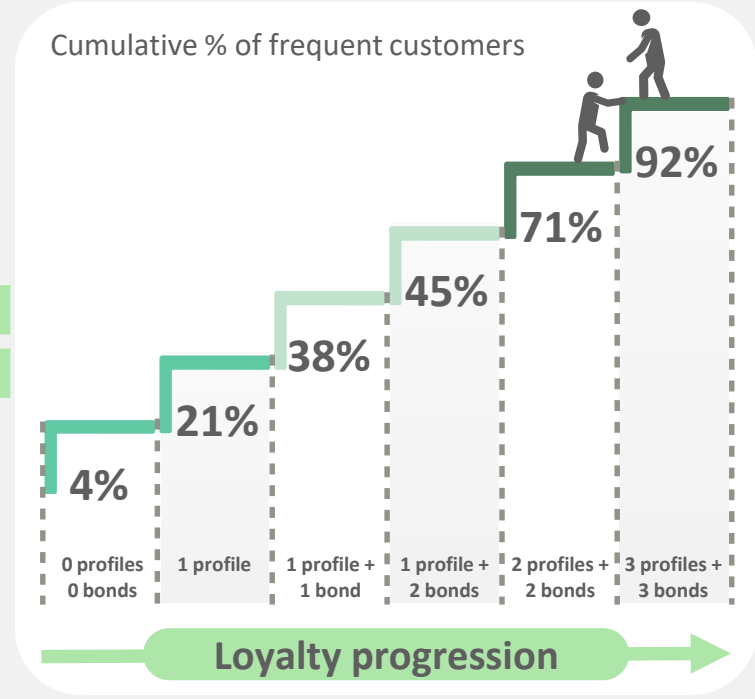
CAV by Profile



CAV by Bond (examples)



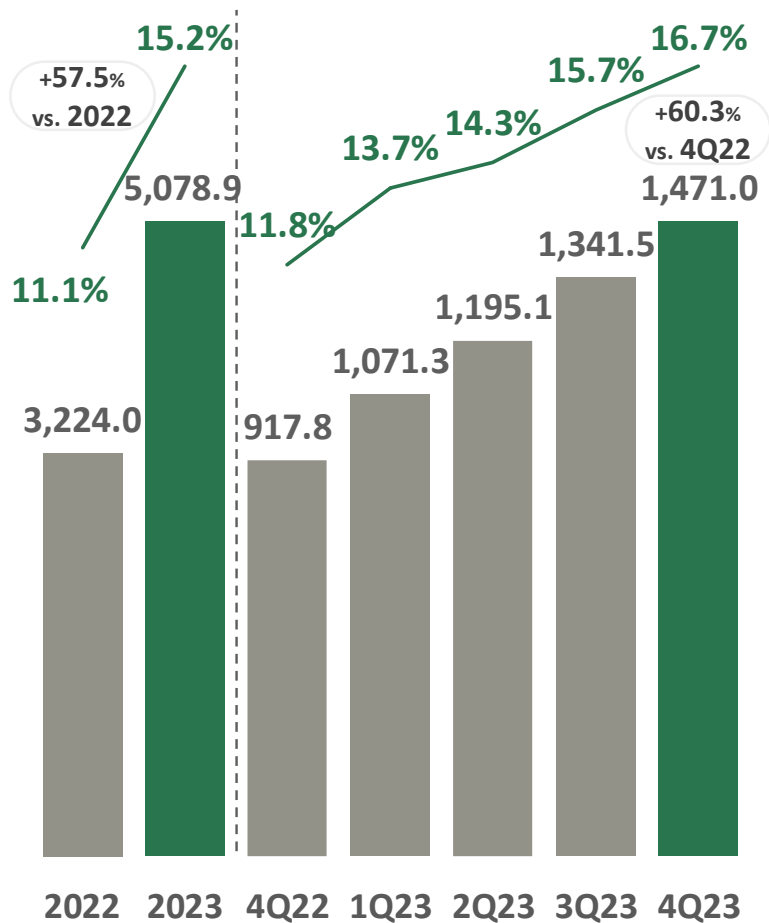
Profile and bond impact on loyalty



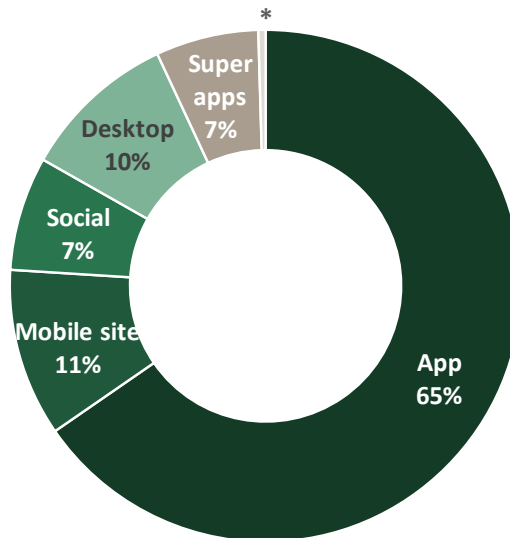
* Data for 3Q23.

Digital sales of R\$ 5.1 billion, with 57.5% of growth and 16.7% of retail penetration in the 4Q23. Focus on leveraging our apps, reducing delivery time and gaining productivity.

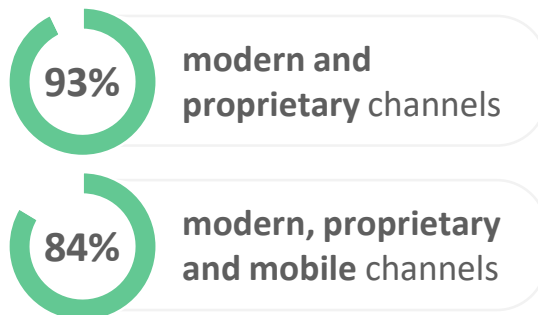
Digital sales and penetration
(R\$ millions, % of retail gross revenue)



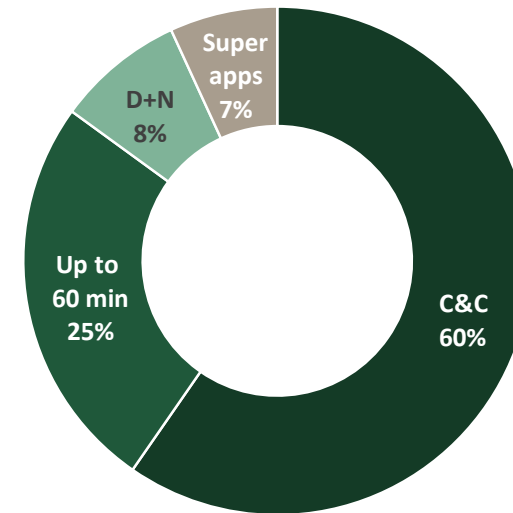
Digital channel mix
(% of digital sales)



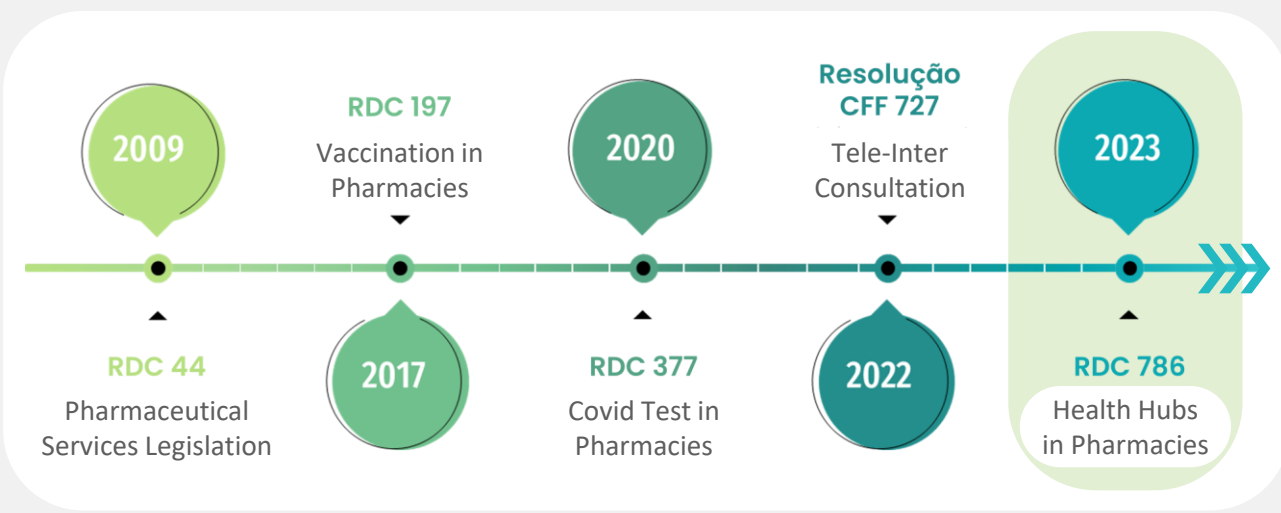
* Call Center represents < 1% of the mix.



Delivery mix
(% of digital sales)



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



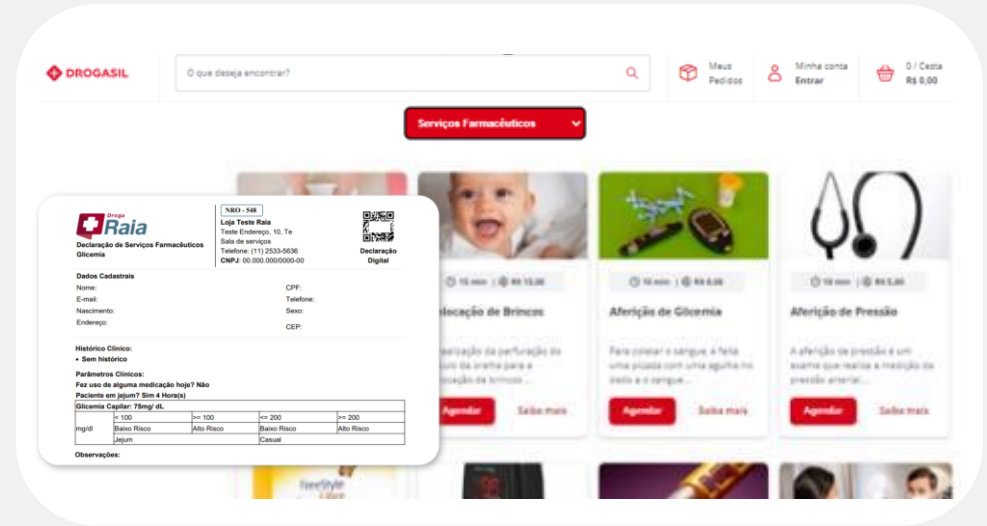
- Portfolio:**
- 40 available services;
 - 22 types of vaccines;
 - 1,900 Health Hubs;
 - 304 Vaccination rooms;
 - Online Scheduling;
 - Digital Declaration.
- Next steps:**
- Full digital Ux for Customers & Pharmacists.

2023 main achievements

Services	3,454 k
Injectables	1,684 k
Monitoring & Piercing	1,493 k
Others	277 k
Self Test	1,280 k
Vaccines	161 k
RDT (Rapid Diag. Test)	32 k

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

2.5x higher frequency



Dec/23 NPS

RD 92

Services 92

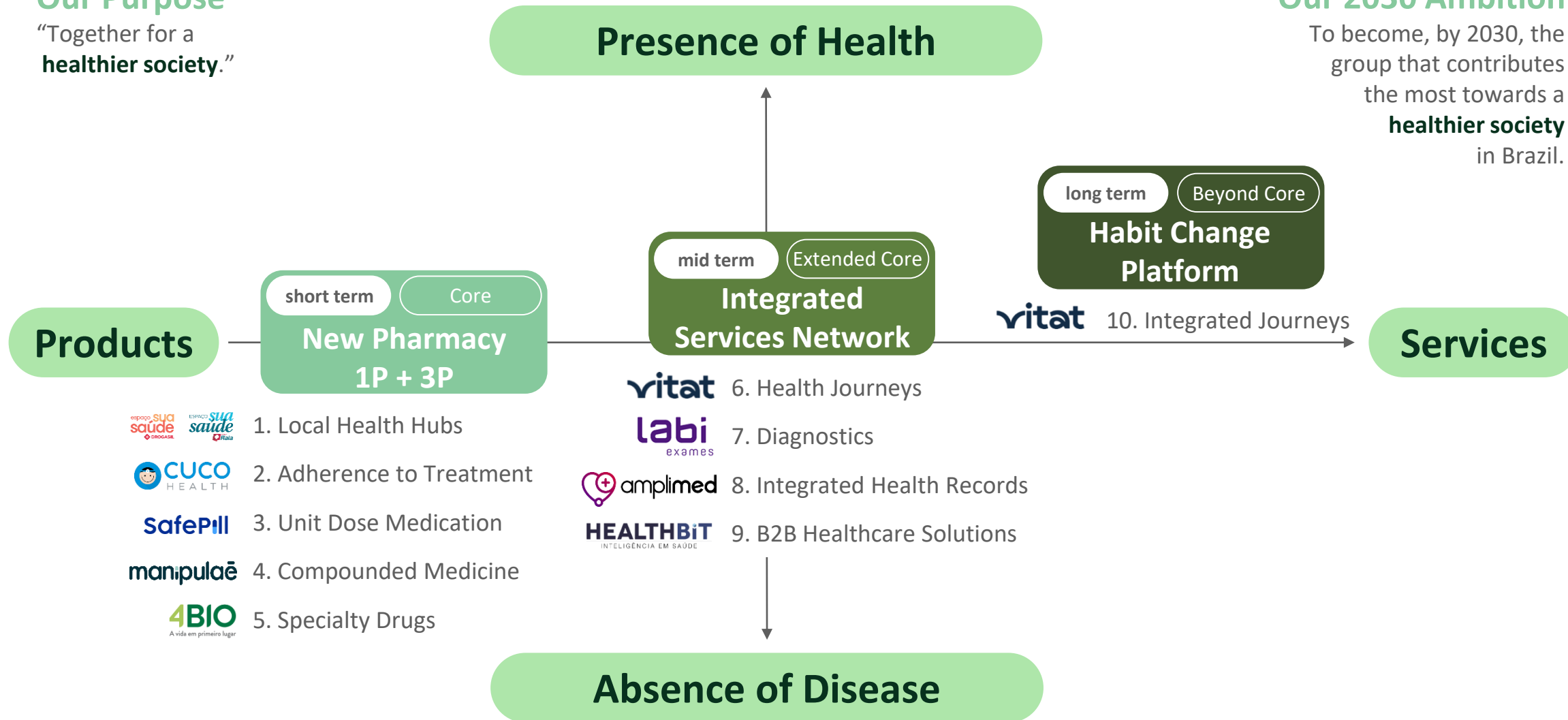
We are developing our **Health Platform**, focusing Customers, Companies and Operators, offering complete and integrated solutions, to promote health, reduce systemic costs and increase CLTV.

Our Purpose

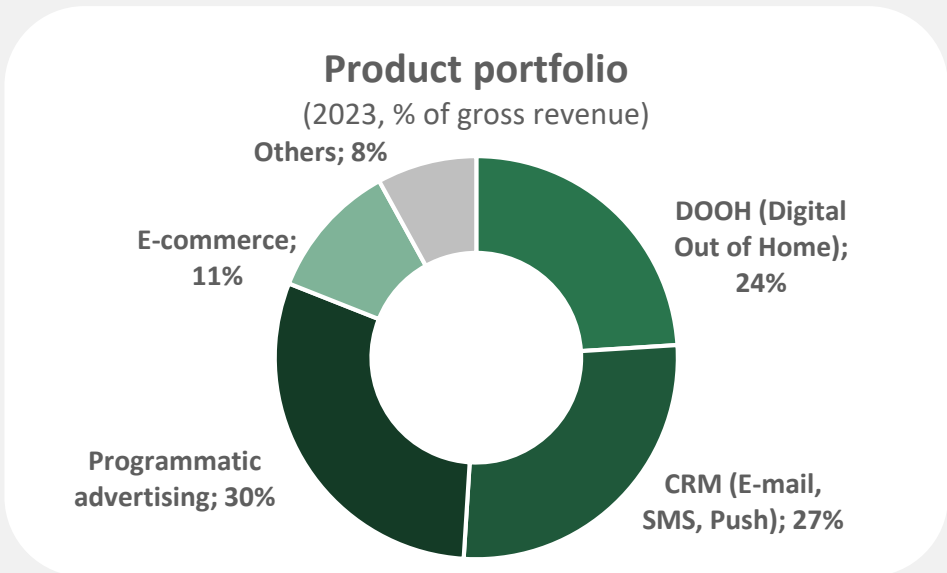
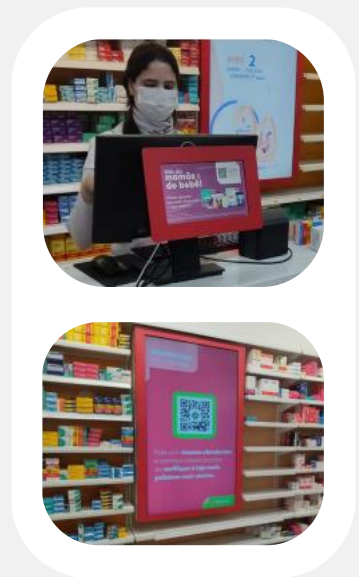
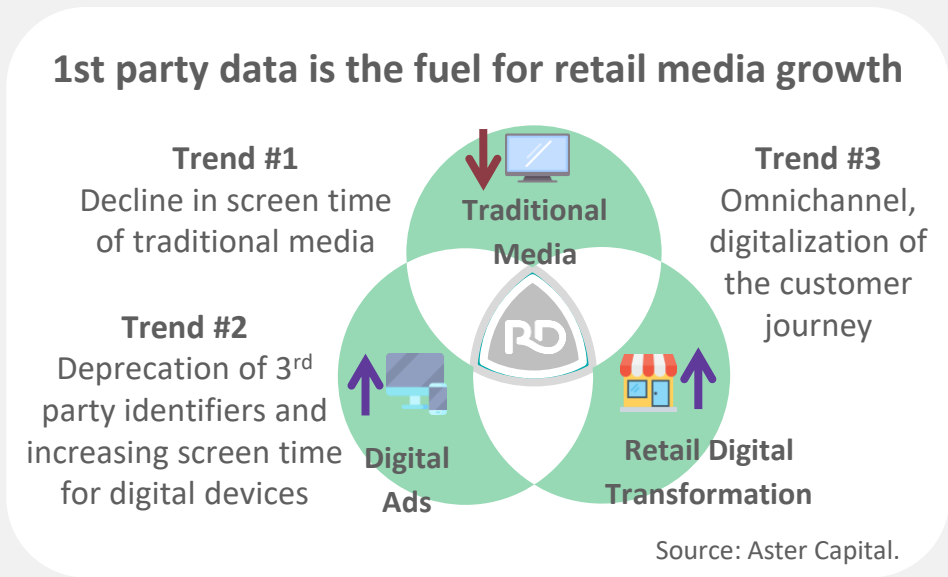
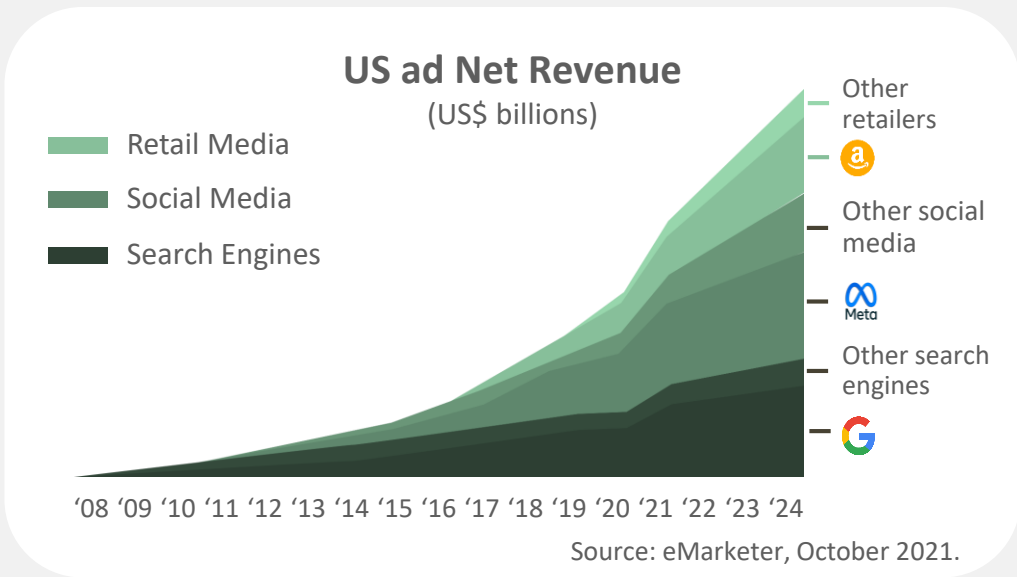
“Together for a healthier society.”

Our 2030 Ambition

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



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:
- 47.6 million customers;
 - 97% sales identification;
 - 362 million transactions.
- ### Physical and digital presence:
- 574 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

- 16.7% of retail penetration through digital channels;
- 93% of digital sales done through modern and proprietary channels;
- +25-28% increase in customer spending post-digitalization;
- Marketplace with 156 thousand SKUs from 633 sellers;
- Initial stages of the integral health platform with 266 thousand unique program users on the app.

DIGITAL CULTURE

- Investments in 10 health techs and retail techs through RD 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 8 members averaging 18 years at RD;
- 42 executive and corporate directors, of which 25 are occupied by seasoned professionals that joined RD 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

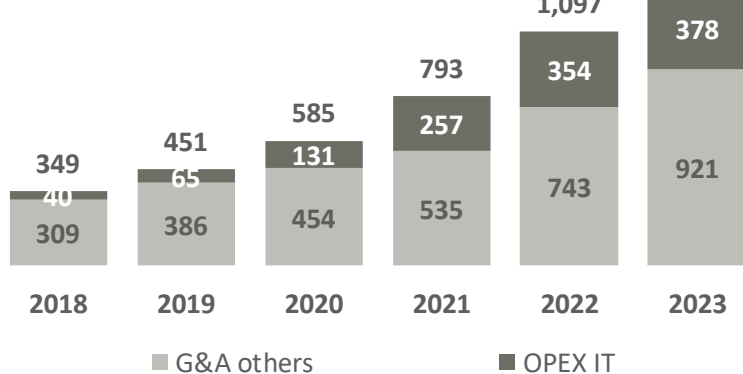
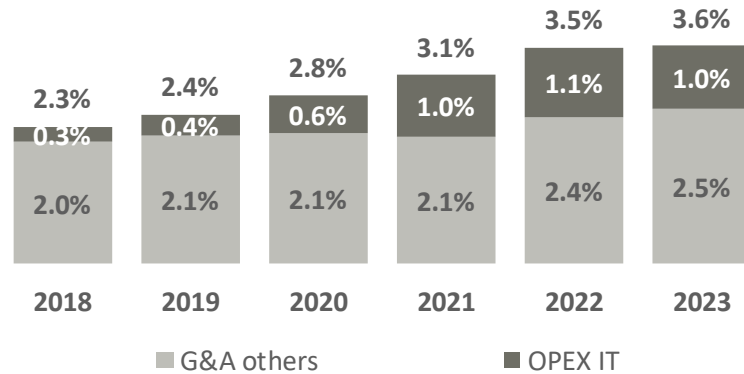
- Conversion of core systems to microservices;
- IT architecture moved from on-premise to the Cloud;
- Information security and data protection.

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

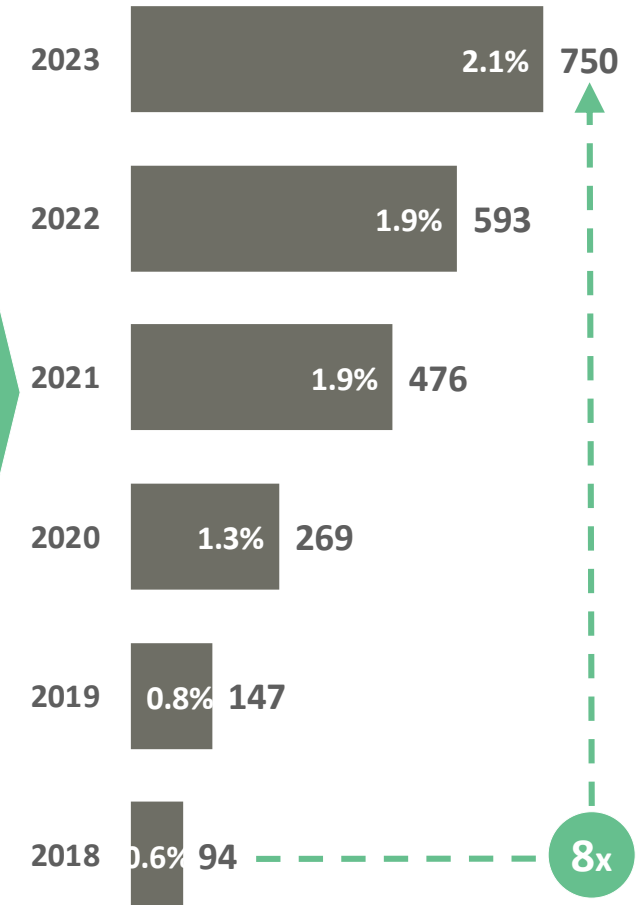
(% gross revenue)

(R\$ millions)



Technology CAPEX + OPEX

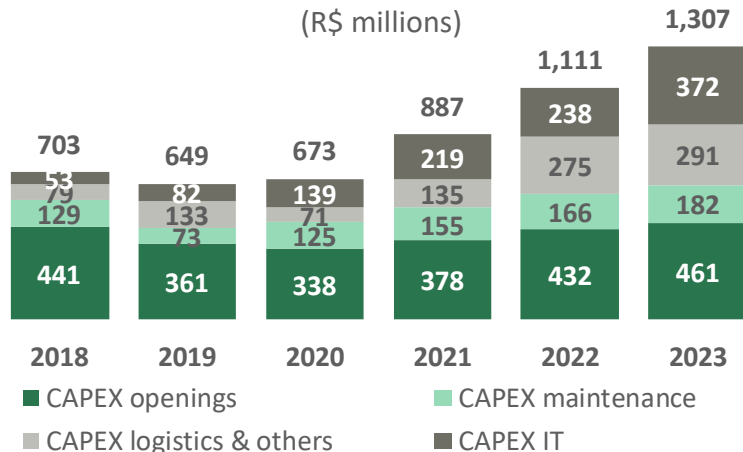
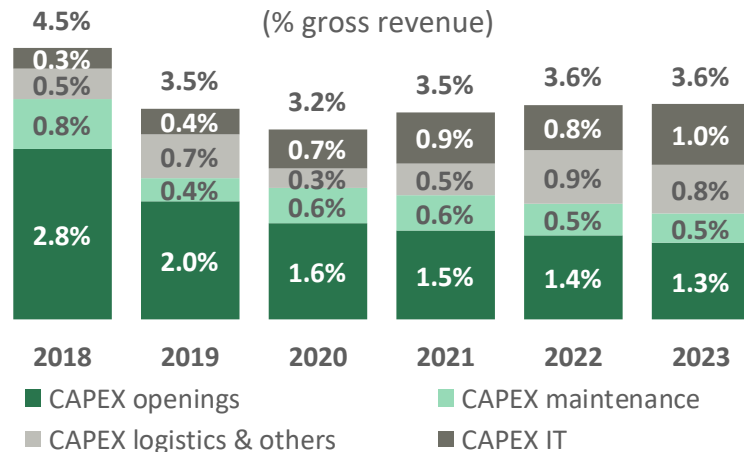
(R\$ millions, % gross revenue)



CAPEX

(% gross revenue)

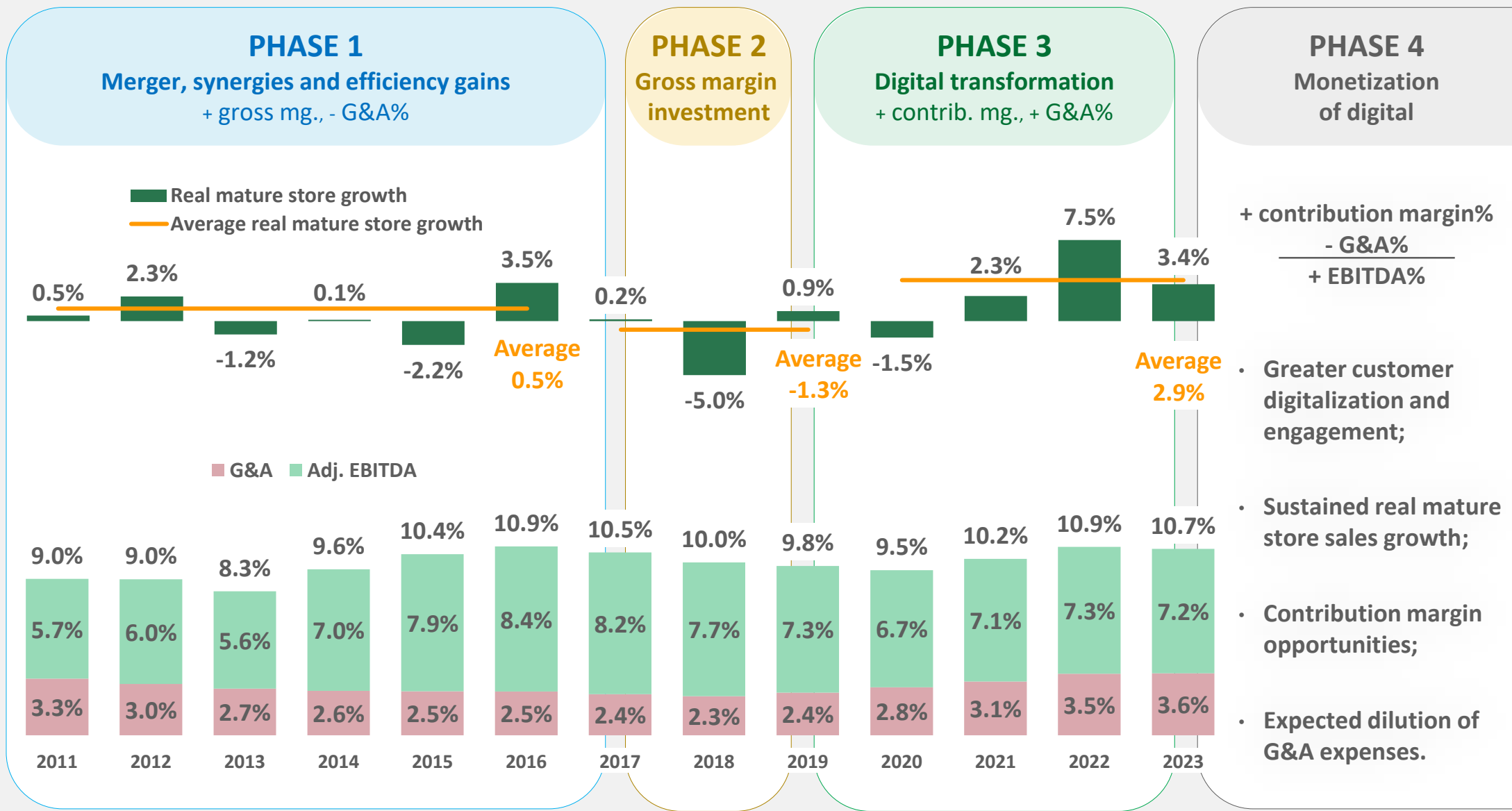
(R\$ millions)



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

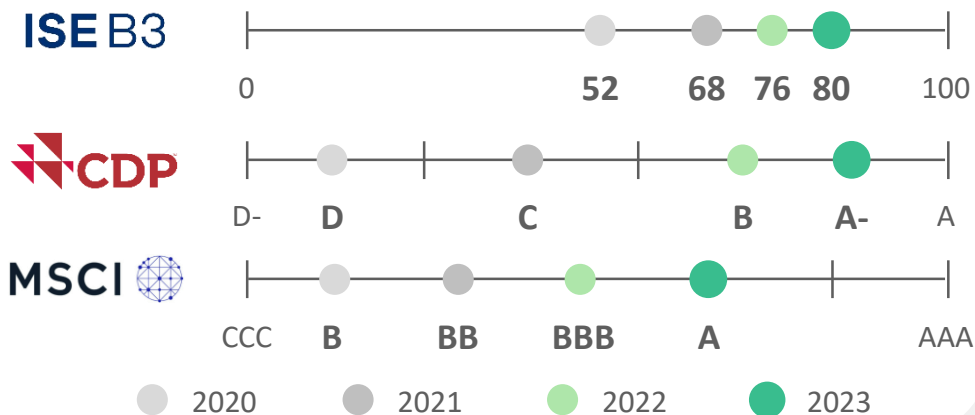
Mature stores vs. Inflation

Contribution margin (% of sales)



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 Way of Being and Doing



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