



Q3 2024 Earnings call presentation.

● SEVENUM | 5 NOVEMBER 2024





Presenting
live from
Sevenum.





Today's presenters.

Olaf Heinrich,
Chief Executive Officer.

Jasper Eenhorst,
Chief Financial Officer.





Greetings
from *Pilsen.*



Today's agenda.

1 Financial performance.



2 E-Rx update.



3 Outlook and guidance.



1



Financial
performance.

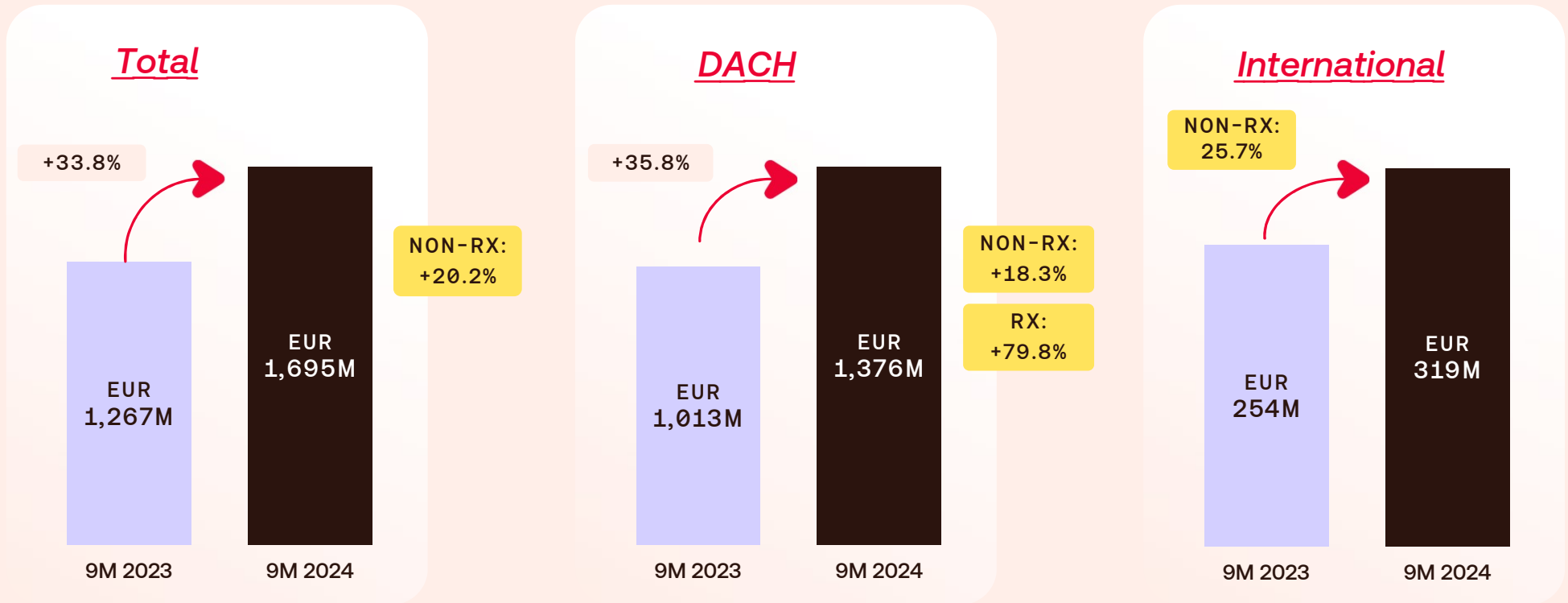


9M 2024 financial highlights.

- ▶ **Fast growth with record sales continued.**
Group sales up 34% in 9M 2024, reaching EUR 1.7bn. Excluding MediService (consolidated since May 2023), growth was 23%.
- ▶ **Non-Rx growth of 20% to EUR 1.2bn.**
+18% in the DACH Segment and +26% in the International Segment.
- ▶ **Exceptional Rx momentum in Germany.**
7% in Q1, -> 37% in Q2, -> 81% in Q3 of which 108% in September.
- ▶ **Adj. EBITDA 2% in Q3, 2.3% YTD.**
Continued solid performance across the Group, with more Rx marketing in Germany throughout the year.
- ▶ **Full-year guidance updated on 3 October; decision to accelerate based on very convincing e-Rx metrics.**

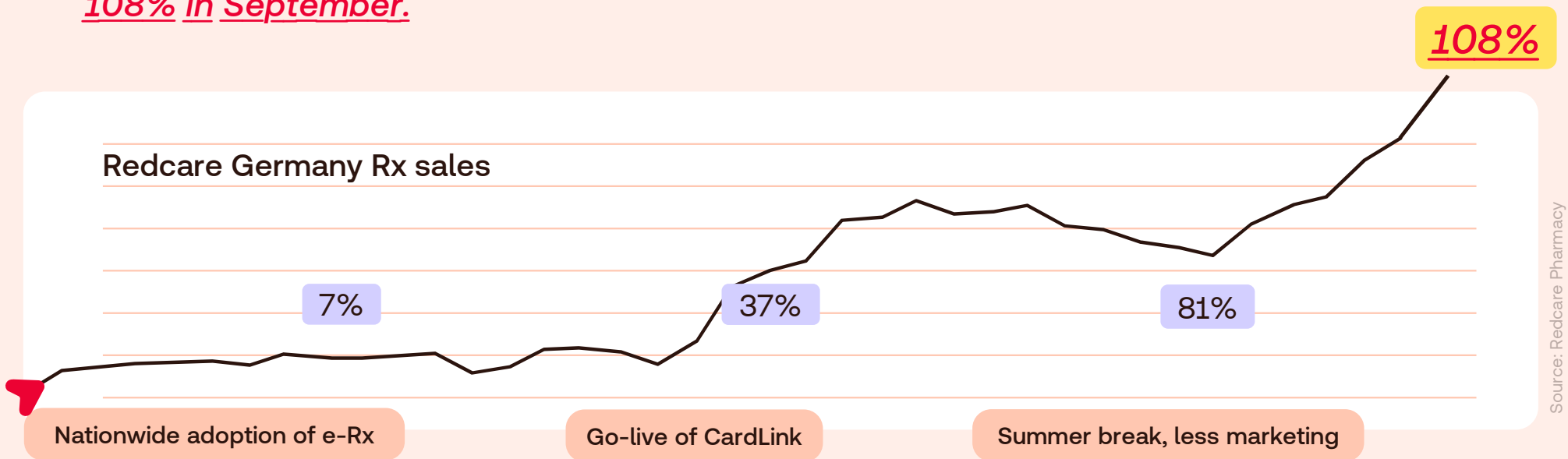


Double-digit growth continues.



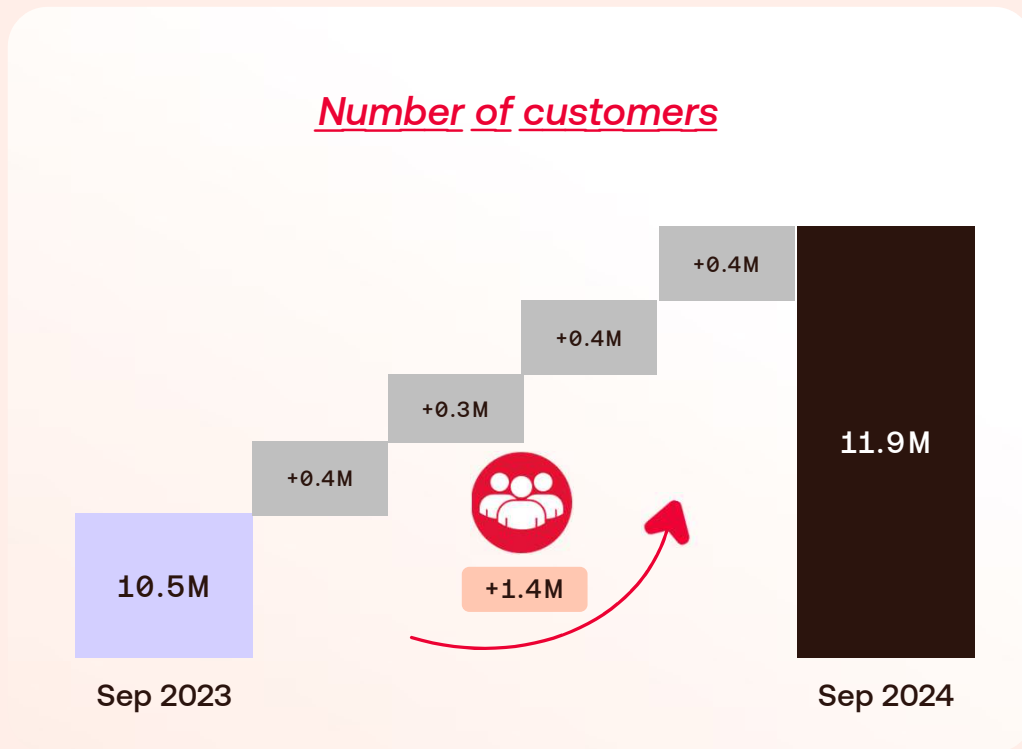
Exceptional growth, dynamic acceleration of our Rx sales in Germany.

- ▶ Rx growth from 7% in Q1, to 37% in Q2, to 81% in Q3 and accelerating to 108% in September.




● NON-FINANCIAL KPIs

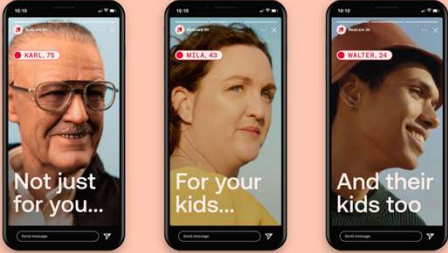
Approaching 12M active customers, basket value up.



Note: due to rounding, total may differ from sum of quarters.

NPS 
69

Net Promoter Score
Q3 2024 (Q3 2023: 74)



Not just for you...
For your kids...
And their kids too


€ 61.86

Average shopping basket value
Q3 2024 (Q3 2023: € 60.21)

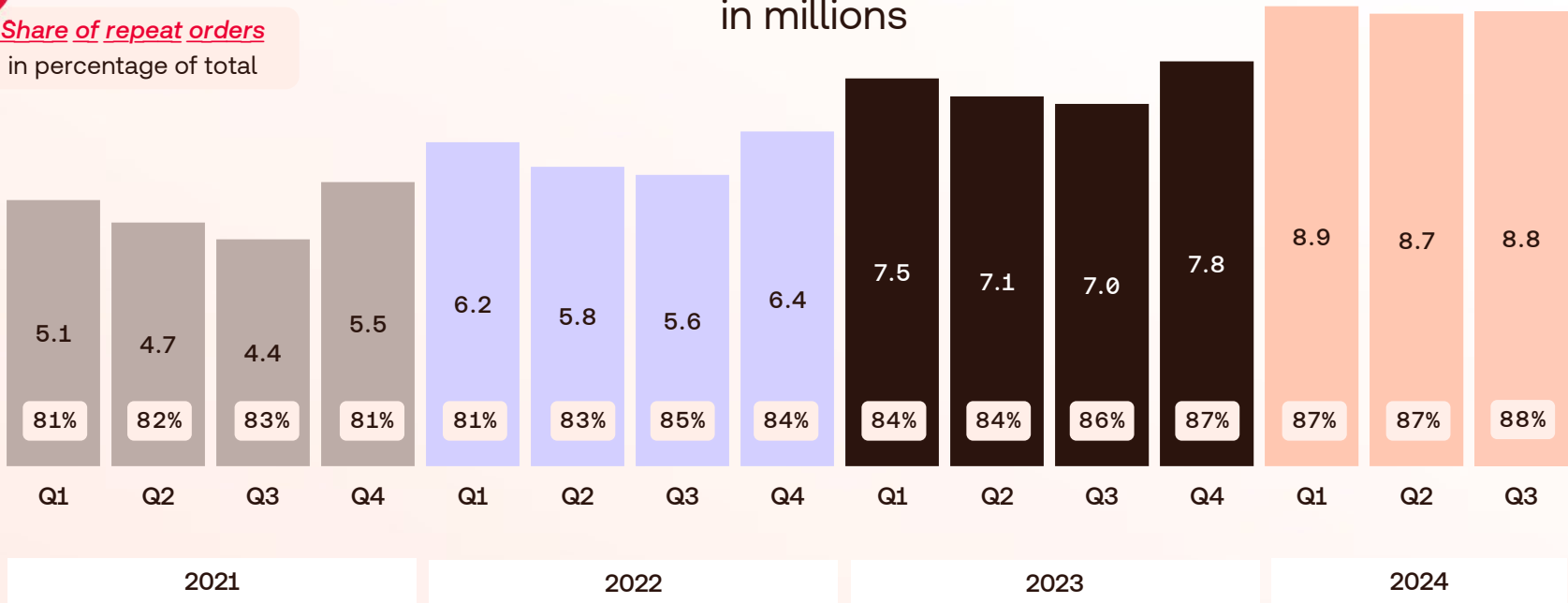


For the first time, more orders in Q3 than in Q2.



Share of repeat orders
in percentage of total

Number of orders
in millions



Orders: sales to end-customers / patients (B2C) both own-stock and platform business.
Repeat orders: exclude platform-only customers.



9M sales up EUR 428M to EUR 1.7bn, adj. EBITDA EUR 38M.

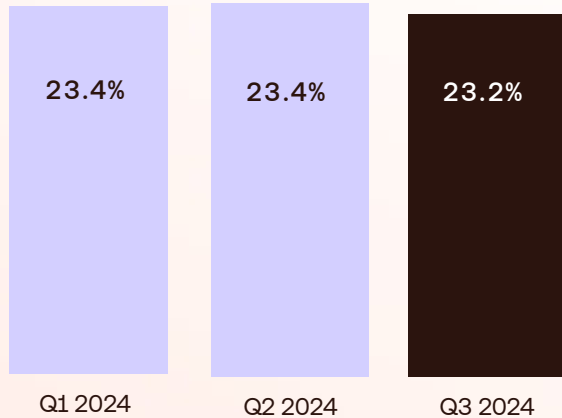
MediService included since mid-May 2023, leading to mix impact on gross profit and selling and distribution margins when comparing year over year.

in millions of euros, <i>adjusted numbers</i>	year over year			year over year		
	Q3 2023	Q3 2024	Better or (worse)	9M 2023	9M 2024	Better or (worse)
Sales	476	575	20.8%	1,267	1,695	33.8%
Gross profit margin	23.0%	23.2%	0.2 pp	25.2%	23.3%	(1.9) pp
Selling & distribution margin	(17.0)%	(18.3)%	(1.3) pp	(19.4)%	(18.2)%	1.2 pp
Administrative cost margin	(2.9)%	(3.0)%	(0.1) pp	(2.9)%	(2.9)%	0.0 pp
Adj. EBITDA margin	3.2%	2.0%	(1.2) pp	2.9%	2.3%	(0.6) pp
Adj. EBITDA	15	11	(4)	37	38	1
EBITDA	12	10	(2)	27	35	8

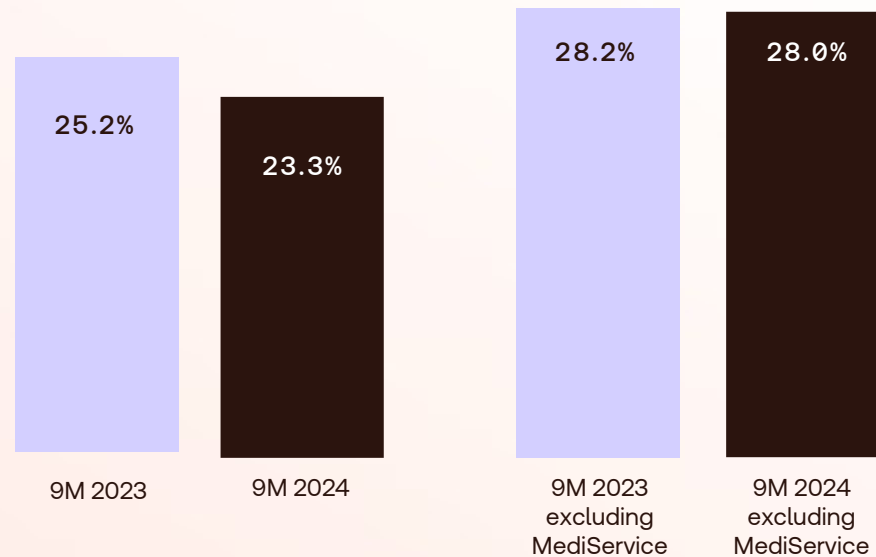


Strong growth achieved with stable gross profit margins before impact of mix.

Adjusted gross profit margin
in percentage of sales



Adjusted gross profit margin
in percentage of sales

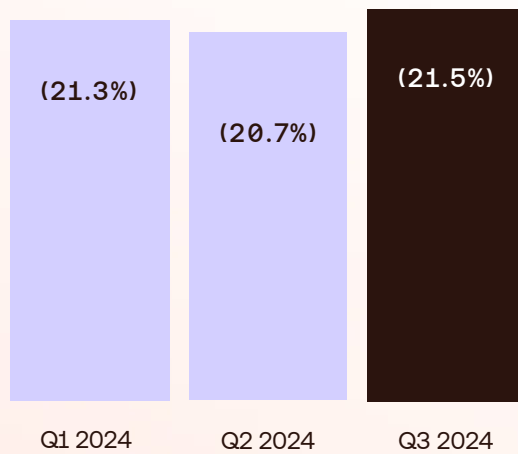


Source: Redcare Pharmacy

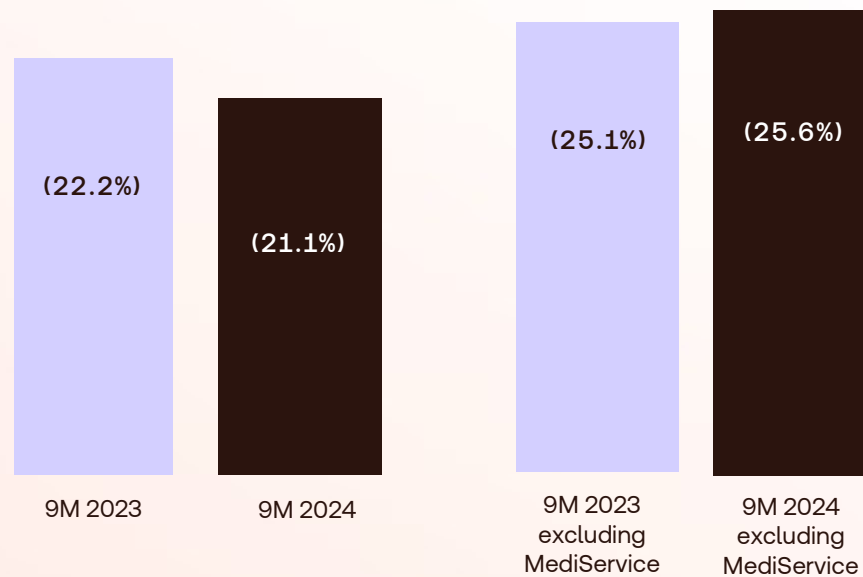


Cost performance continues to be in focus while increasing Rx marketing.

Adjusted SD&A costs
in percentage of sales



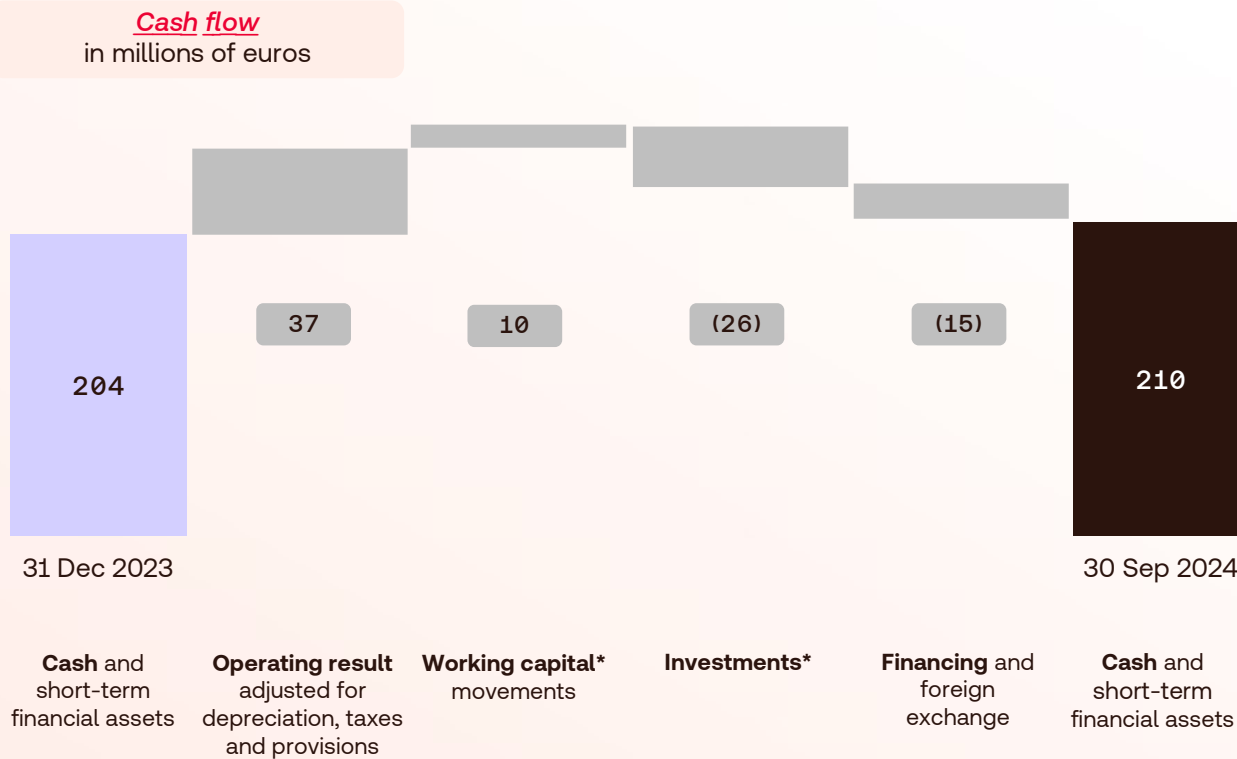
Adjusted SD&A costs
in percentage of sales



Source: Redcare Pharmacy



Cash balance remains solid.



Operating result cash flow: EUR +37 million. Adj. EBITDA margin 2.3%.

Working capital: EUR +10 million. Seasonal pattern partly offset by higher inventory value.

Investments: EUR -26 million. Mainly IT investments and property, plant and equipment.

Financing: EUR -15 million. Mainly costs of debt, financing and leases.

15 * For comparison, in this bridge, EUR 7M is re-classified from Working Capital to Investments, where the IFRS cash flow statement EUR 7M related to 2021 business acquisitions distorts the visibility on the underlying trend. The re-classification does not impact total cash flow.





E-Rx update.

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German e-Rx momentum further accelerating strongly.

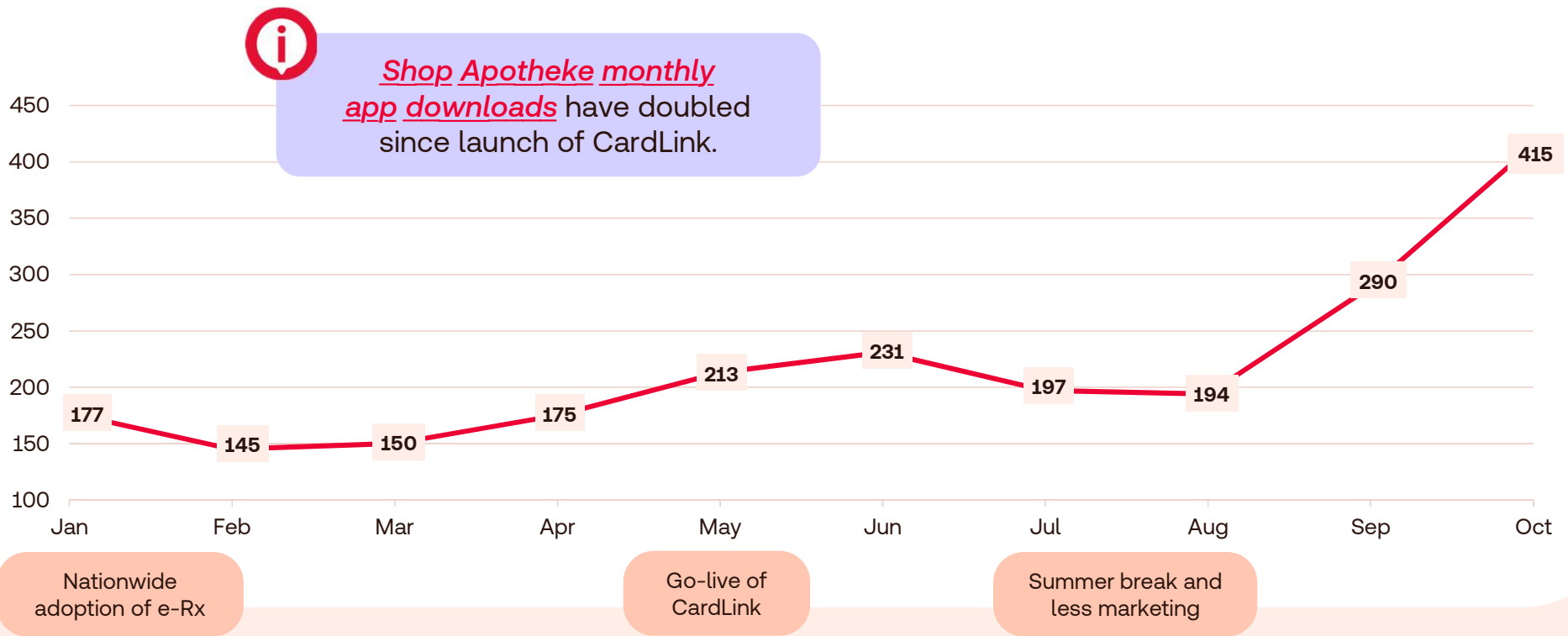
- ▶ Fast increase in app downloads.
- ▶ E-Rx rapidly turning into an app business; already 90% of our e-Rx prescriptions submitted via app.
- ▶ Total Rx growth of 81% in Q3, further **acceleration to over 130% in October**.
- ▶ Strong market share gain: from 0.27% in January, to 0.45% at end of Q2, to 0.55% at end of Q3 and increasing further to 0.66% in October.



Pole-position for once-in-a-lifetime opportunity.

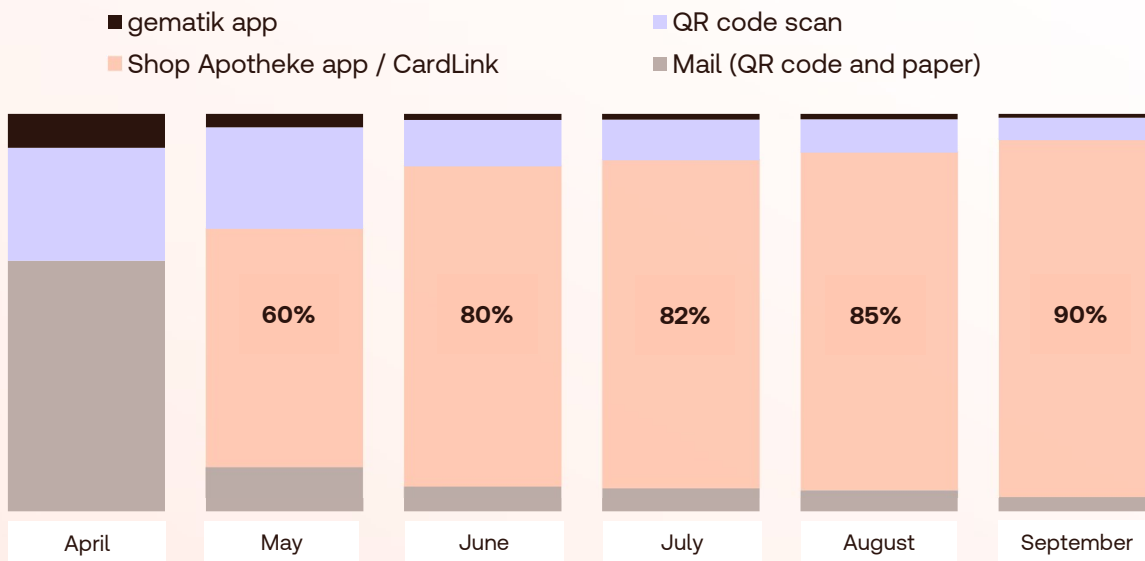


Acceleration of app downloads.



Rapid transformation into an app business.

Share of Redcare Rx prescriptions by channel received*.



Source: Redcare Pharmacy

Customers

- ▶ One-stop pharmacy on smartphone: *a pharmacy at your finger-tip.*
- ▶ Fully digital journey.
- ▶ Convenient personalised 1/1 communication.

Redcare

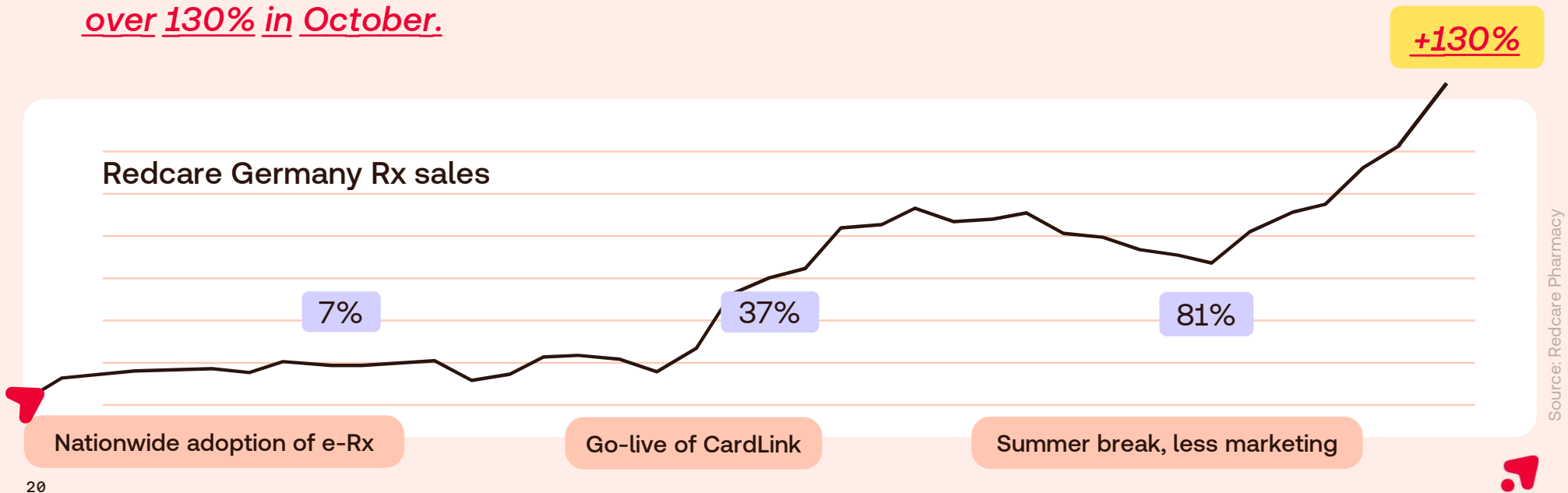
- ▶ Higher customer loyalty.
- ▶ Reduced marketing cost after app installment.
- ▶ Higher agility to build best product.

*Comprising of only Rx prescriptions from patients on Statutory Health Insurance (SHI / GKV).



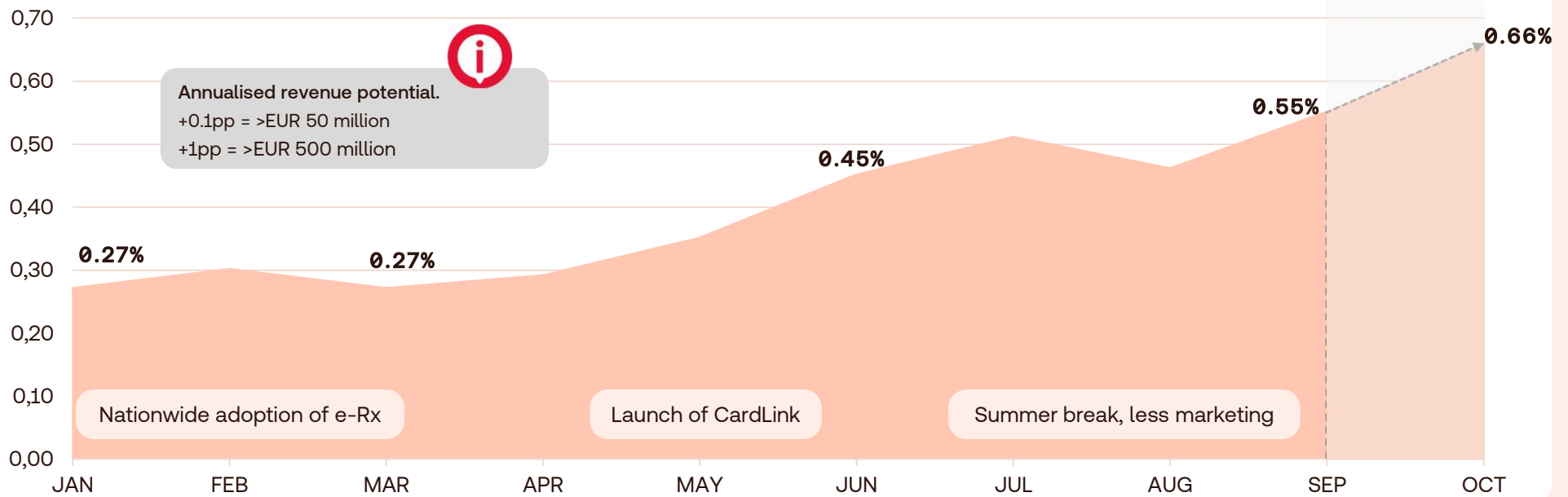
Exceptional growth, dynamic acceleration of our Rx sales in Germany.

- ▶ Rx growth from 7% in Q1, to 37% in Q2, to 81% in Q3 and accelerating to over 130% in October.




Market share doubled from January to end of Q3, acceleration continued into Q4.

Redcare's market share of Rx sales in Germany, assuming a EUR 55 billion addressable market.



Germany's addressable Rx market.

● Total online penetration ~1%.

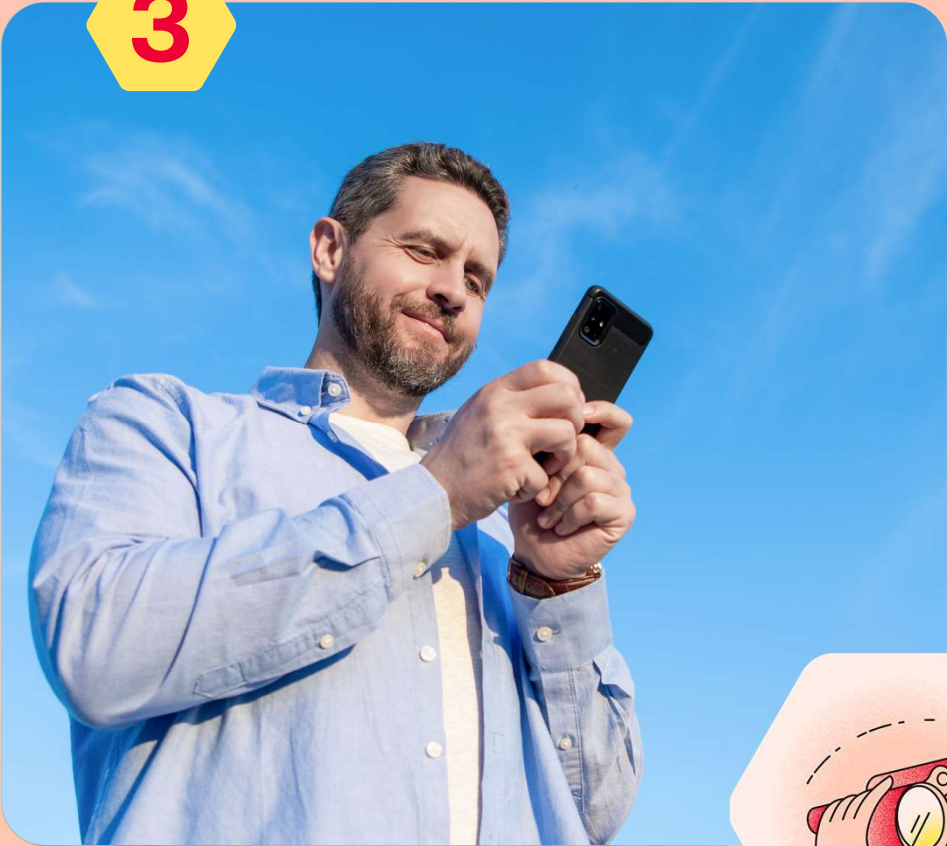


Market share gain in 2024.
From 0.27% in January to 0.55% in September and 0.66% in October.

Annualised revenue potential.
+0.1pp = >EUR 50 million
+1pp = >EUR 500 million



3



Outlook and guidance.



E-Rx step up: 2024 guidance updated on 3 October.

Initial guidance:

- ▶ Total sales EUR 2.3-2.5 billion.
- ▶ Non-Rx sales growth 15-25%.
- ▶ MediService to grow by mid-single digits.
- ▶ Adj. EBITDA margin 2% to 4%.
- ▶ Rx too dynamic to give guidance.

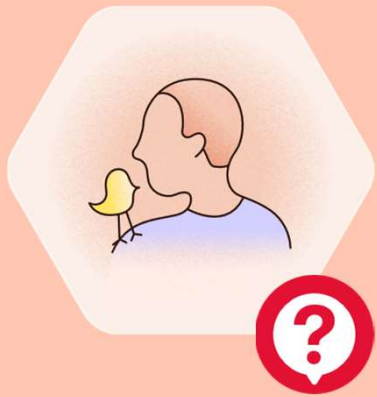
Guidance since 3 October:



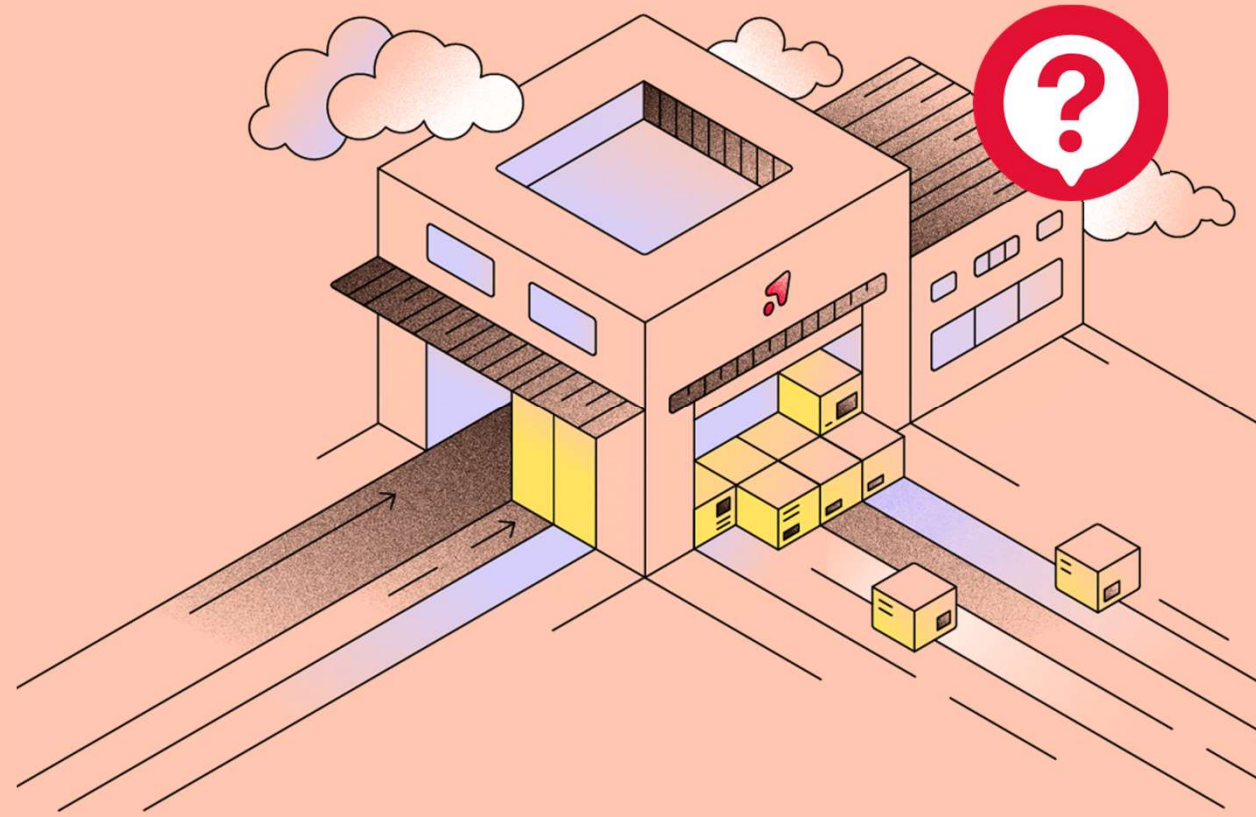
- ▶ Total sales **EUR 2.35-2.5 billion.**
- ▶ Non-Rx sales growth **20-25%.**
- ▶ MediService to grow by **lower half** of single digits.
- ▶ Adj. EBITDA margin **1.2% to 2.2%.**
- ▶ Rx too dynamic to give guidance.

Redcare's underlying business performance robust and fully in line with annual plan.





Time to
ask questions.



Thank you.



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 Redcare