

Earnings call *presentation:* Q4 and FY 2024.

● SEVENUM, 11 MARCH 2025

 Redcare



Presenting
live from
Sevenum.





Today's presenters.

Olaf Heinrich,
Chief Executive Officer.

Jasper Eenhorst,
Chief Financial Officer.



Today's agenda.

- 1 Highlights of 2024.
- 2 Business performance 2024.
- 3 Update on strategy.
- 4 Outlook and guidance 2025.

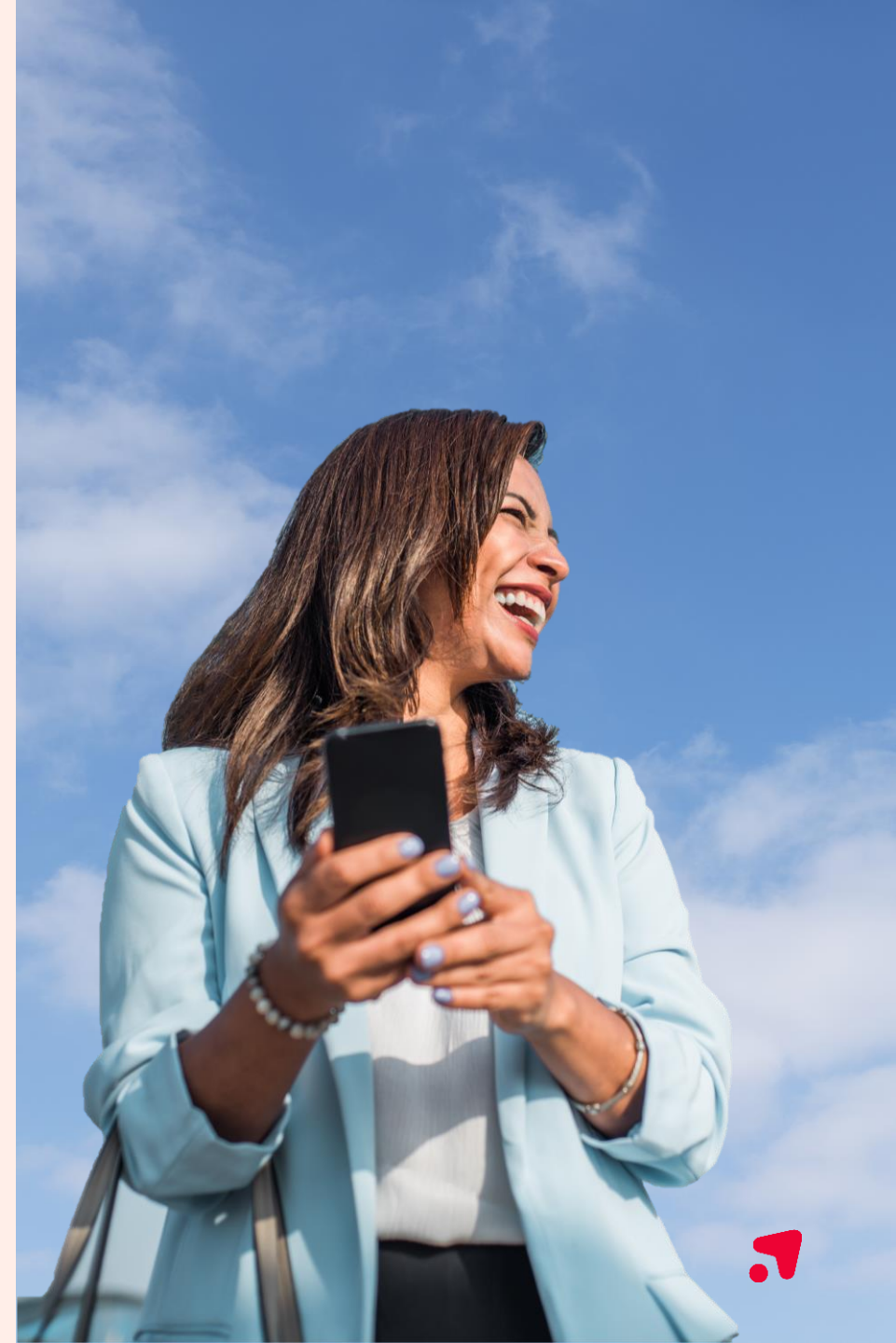




Highlights of 2024.

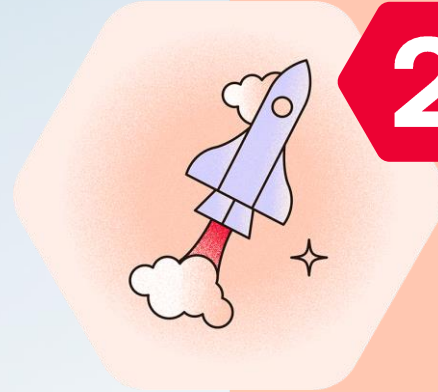
Looking back at an exceptional year 2024.

- ▶ **E-Rx** became the **nationwide standard** in Germany for all publicly insured after decades of debate.
- ▶ **Fully digital patient journey** via CardLink approved by the Ministry of Health and gematik.
- ▶ **Highly valued**, customer-centric product.
- ▶ Successful, unprecedented **e-Rx marketing campaign**.
- ▶ Rx growth accelerated from 7% in Q1 to **142% in Q4**.
- ▶ **Market leadership** in Germany now both in non-Rx and Rx.



More *achievements* in 2024.

- ▶ **Continuously high customer satisfaction** and growth across all propositions.
- ▶ Now also **market leader in Italy**, besides Germany, Austria, Belgium and Switzerland.
- ▶ **Marketplace** successfully launched in Belgium and Italy.
- ▶ Growth **managed operationally** and record efficiency in logistics.
- ▶ **Seamless leadership transition** on the managing board with internal successors Dirk Brüse and Lode Fastré.
- ▶ **First year** reporting in accordance with **CSRD**.



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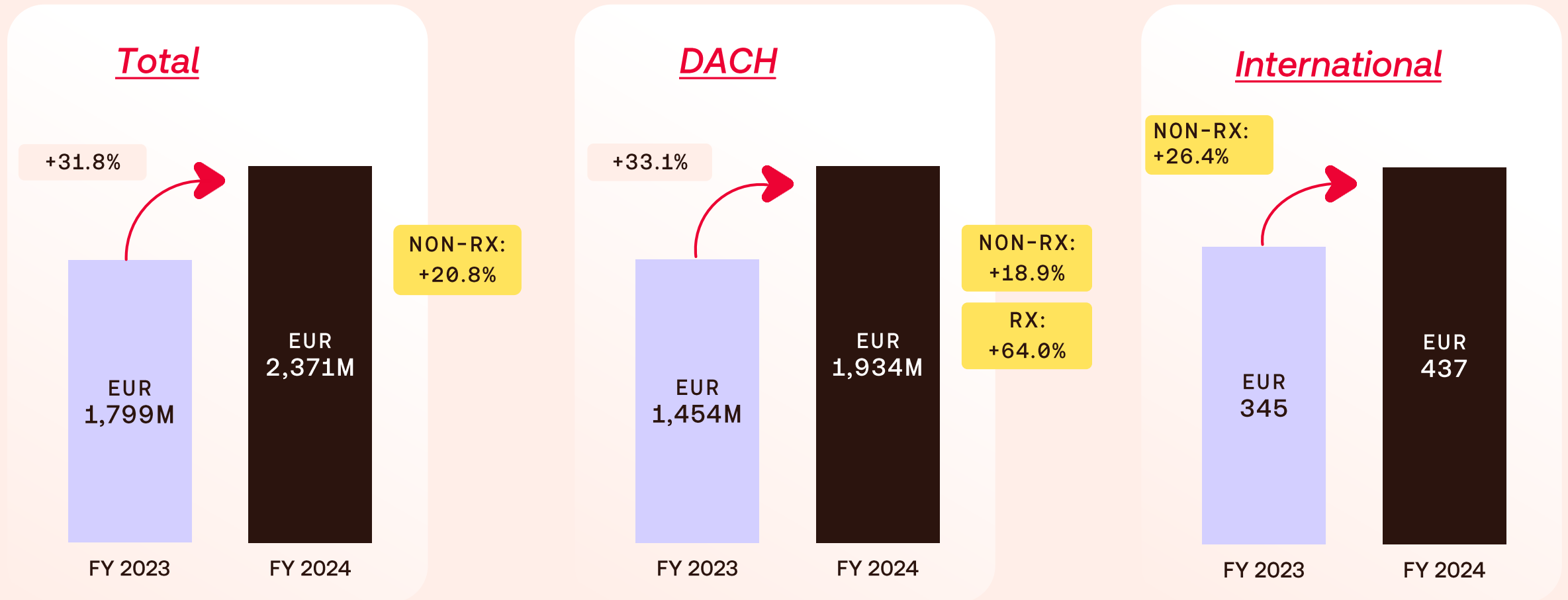
Business performance 2024.

Financial highlights 2024.

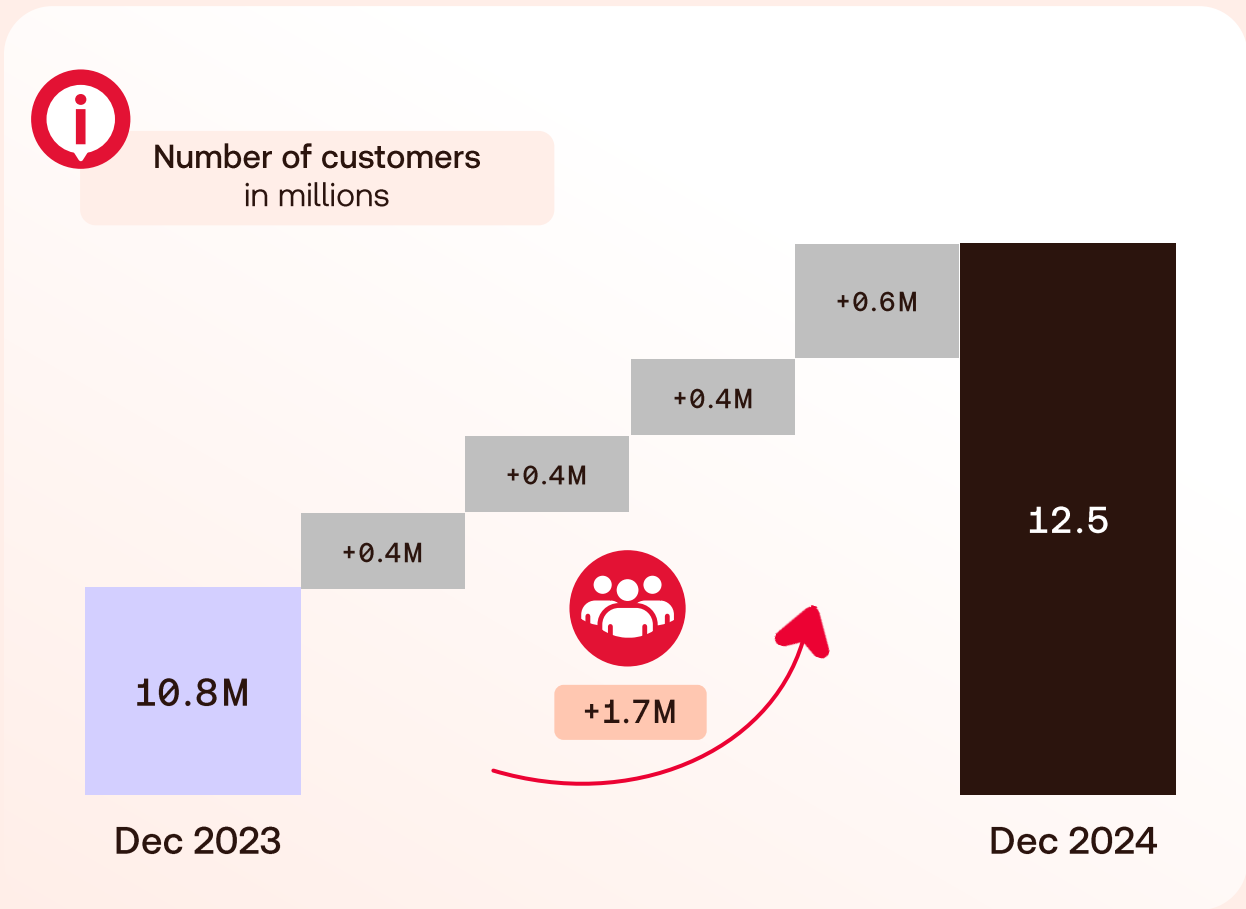
- ▶ **Full-year sales up 32% to EUR 2.4bn.**
Excluding MediService, consolidated since May 2023, fully-organic growth of 26%.
- ▶ **Non-Rx growth 21% to EUR 1.6bn.**
- ▶ **Rx growth 64% to EUR 750M.**
- ▶ **Adj. EBITDA margin 1.4% (Q4 -0.7%), with a strategic increase in e-Rx marketing in October.**
Strong underlying performance in core business throughout the year.
- ▶ **Cash flow EUR -26M.**
Operational cash generation, strategic capital allocations and continued underlying working capital improvements.



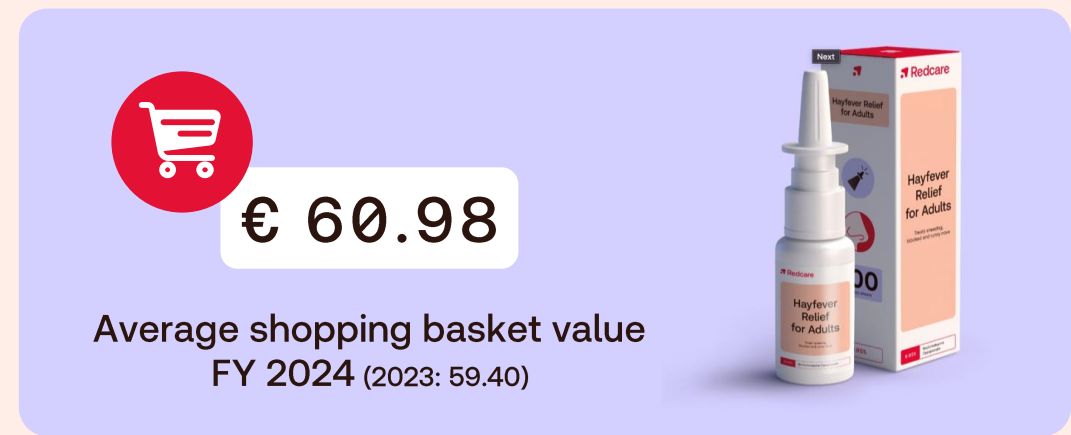
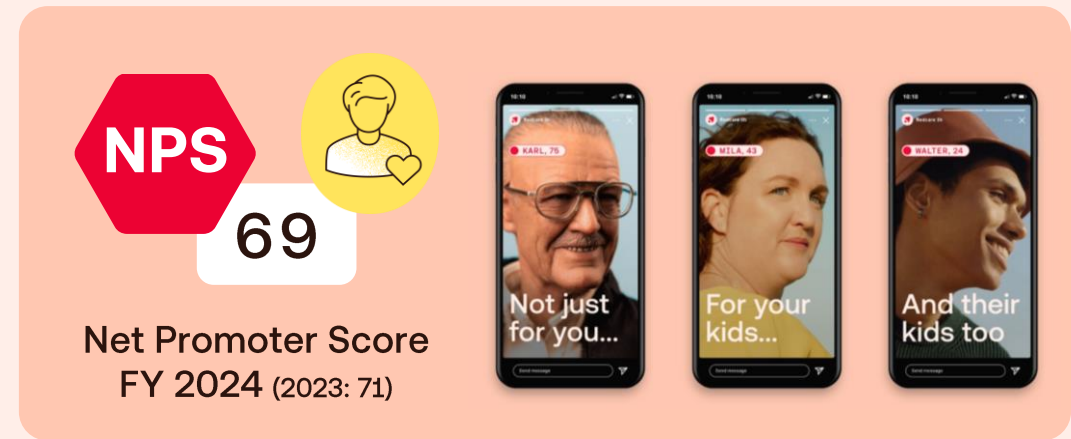
Further increased momentum: Rx sales +64%, total sales up 32%.



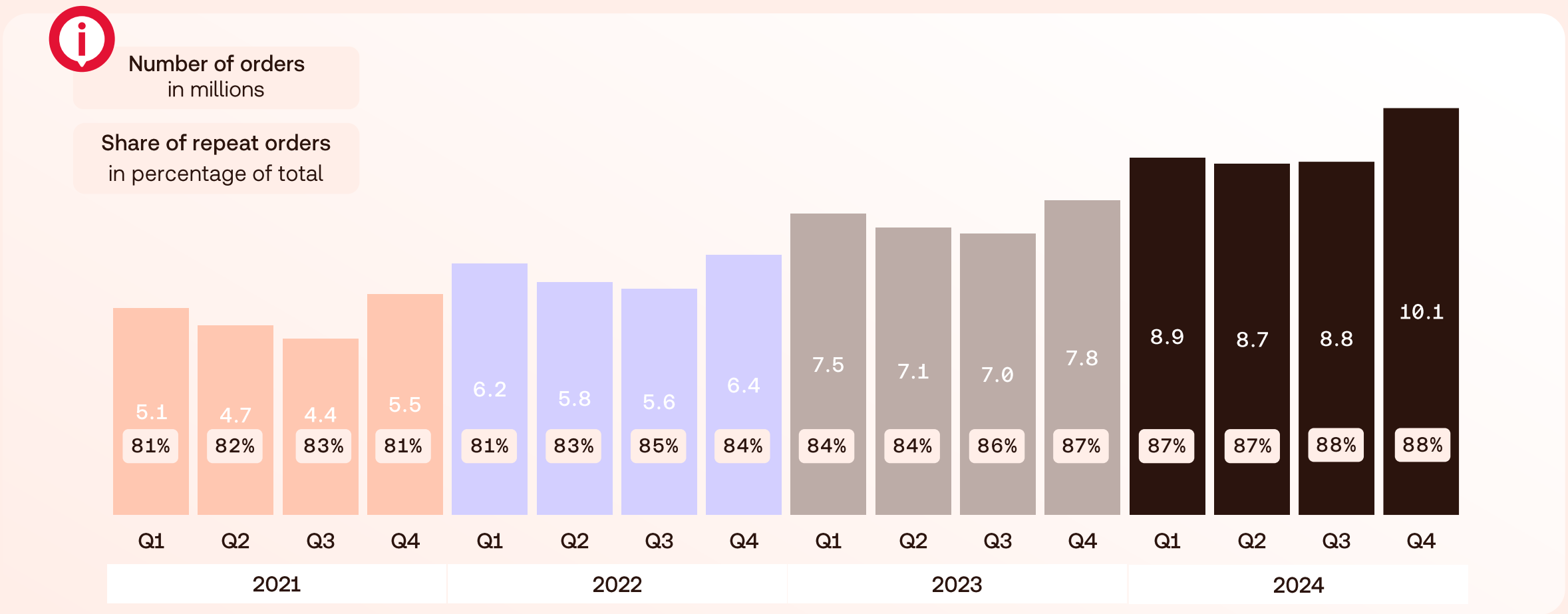
+1.7M active customers, acceleration in Q4; basket also up.



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



Impressive order increase successfully processed.



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



Sales up EUR 572M or 31.8% and margin within updated guidance.
Gross profit margin impacted by Rx (more euros, lower percentage margin).

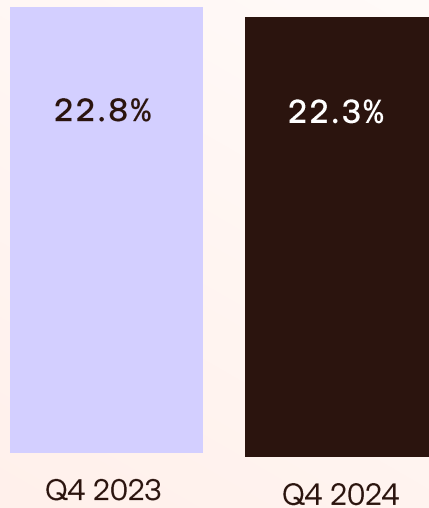
in millions of euro, adjusted numbers	Year over Year			Year over Year		
	Q4 2023	Q4 2024	Better or (worse)	FY 2023	FY 2024	Better or (worse)
Sales	531	675	27.1%	1,799	2,371	31.8%
Gross profit margin	22.8%	22.3%	(0.5) pp	24.5%	23.0%	(1.5) pp
Selling & distribution margin	(17.0)%	(20.2)%	(3.2) pp	(18.7)%	(18.7)%	0.0 pp
Administrative cost margin	(2.8)%	(2.8)%	0.0 pp	(2.9)%	(2.9)%	0.0 pp
Adj. EBITDA margin	3.1%	(0.7)%	(3.8) pp	3.0%	1.4%	(1.6) pp
Adj. EBITDA	16	(5)	(21)	53	33	(20)
EBITDA	13	(6)	(19)	40	29	(16)

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

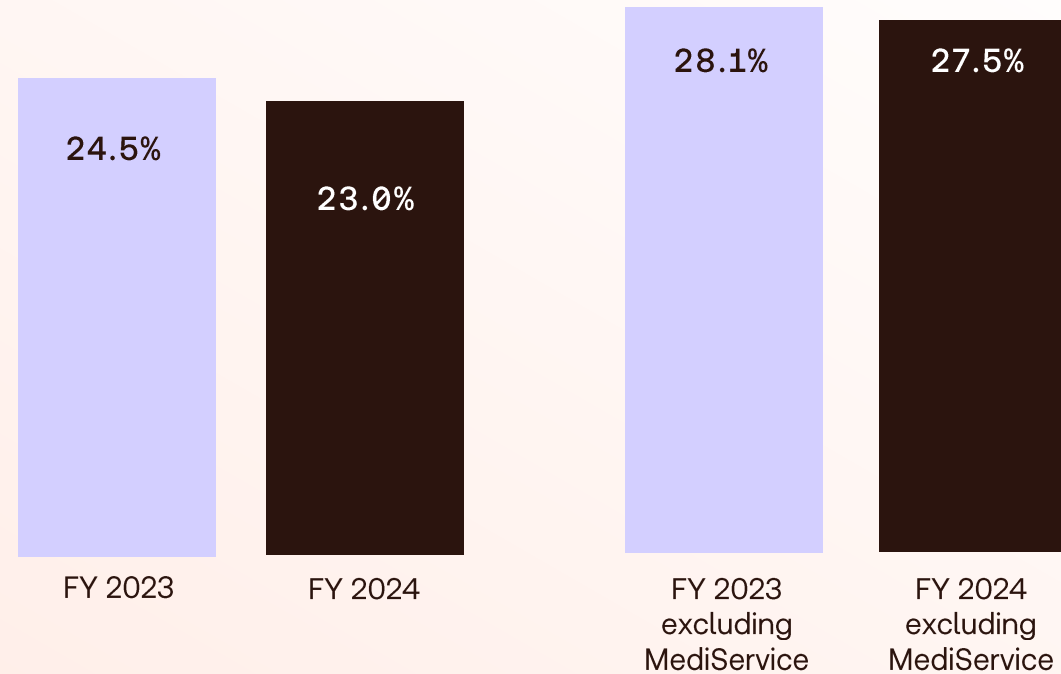


Stable gross margins before Rx / OTC mix effects.

Adjusted gross profit margin
in percentage of sales



Adjusted gross profit margin
in percentage of sales

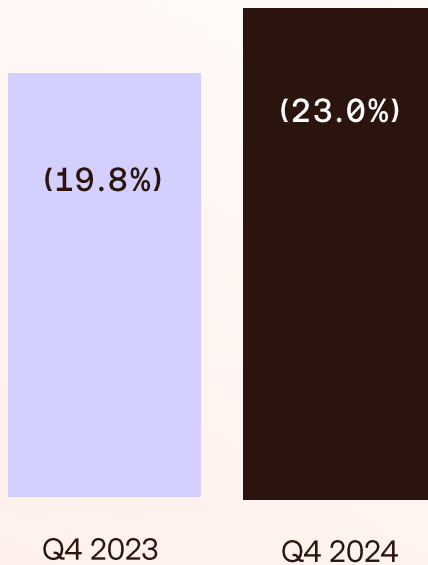


Source: Redcare Pharmacy

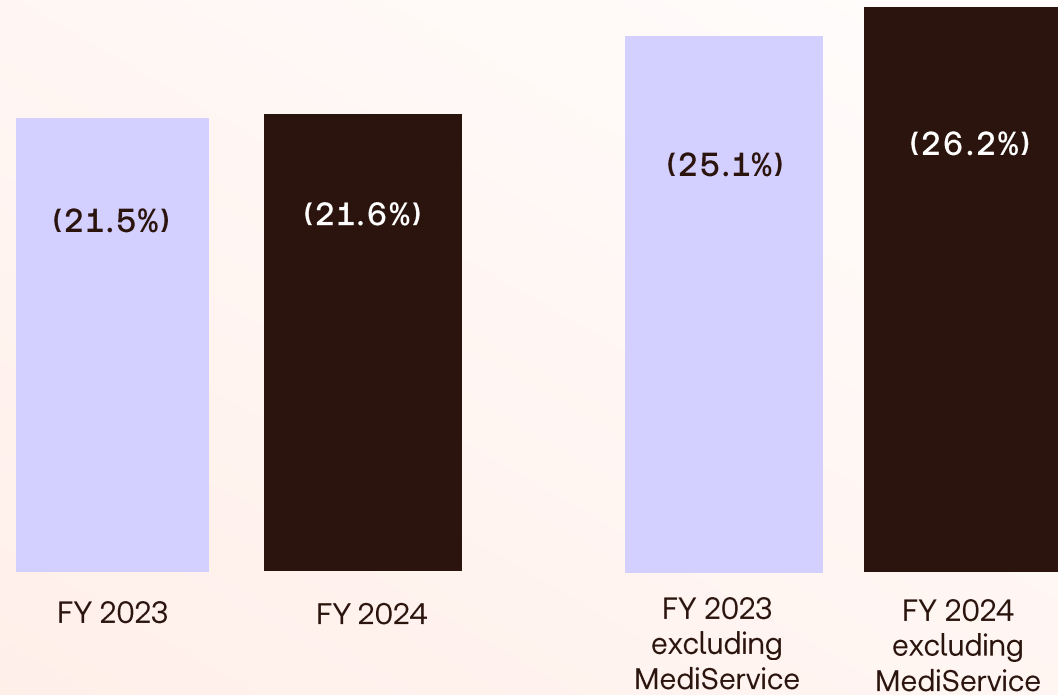


Cost discipline remains a priority.

Adjusted SD&A costs
in percentage of sales



Adjusted SD&A costs
in percentage of sales



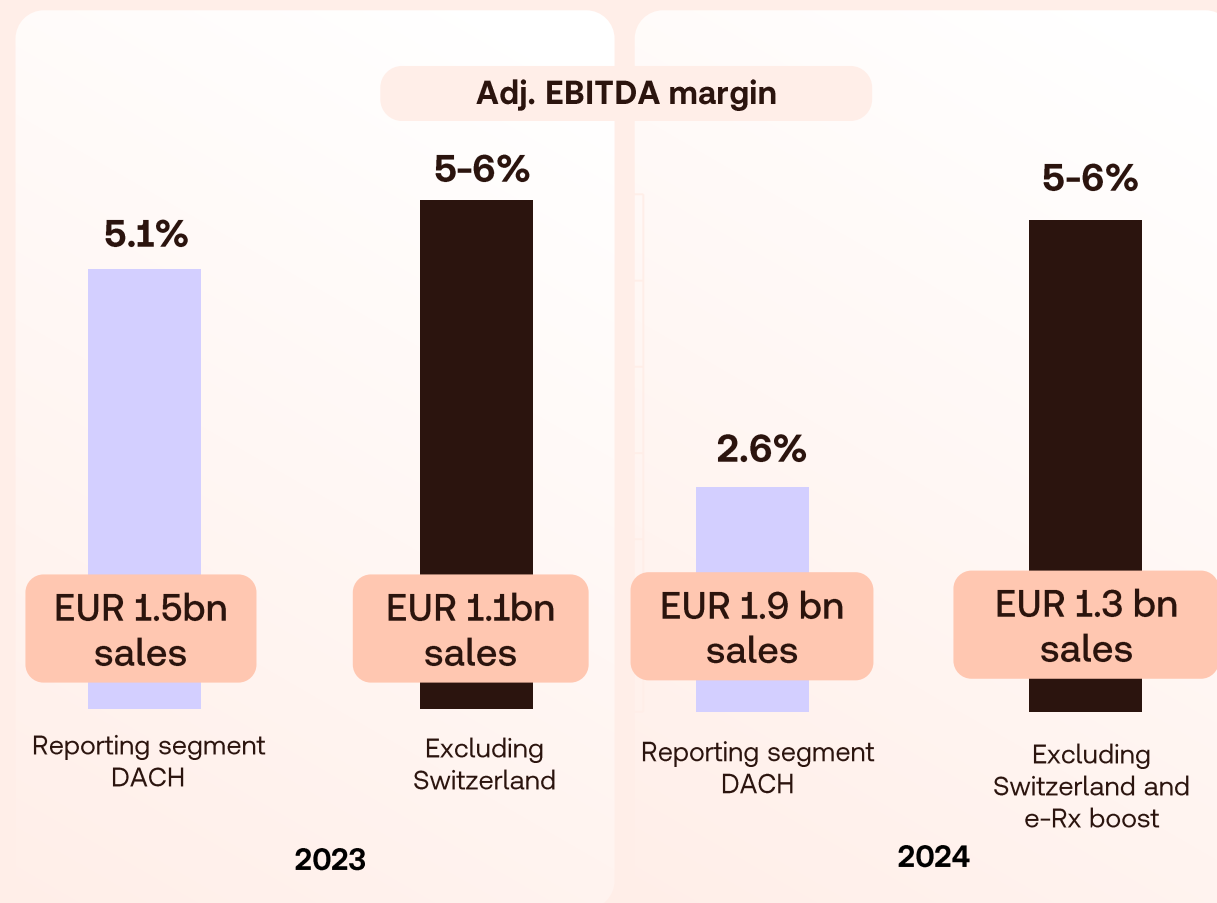
Source: Redcare Pharmacy



Our established businesses within DACH continued to grow at double-digits and with an already solid 5 to 6% fully-loaded margin.

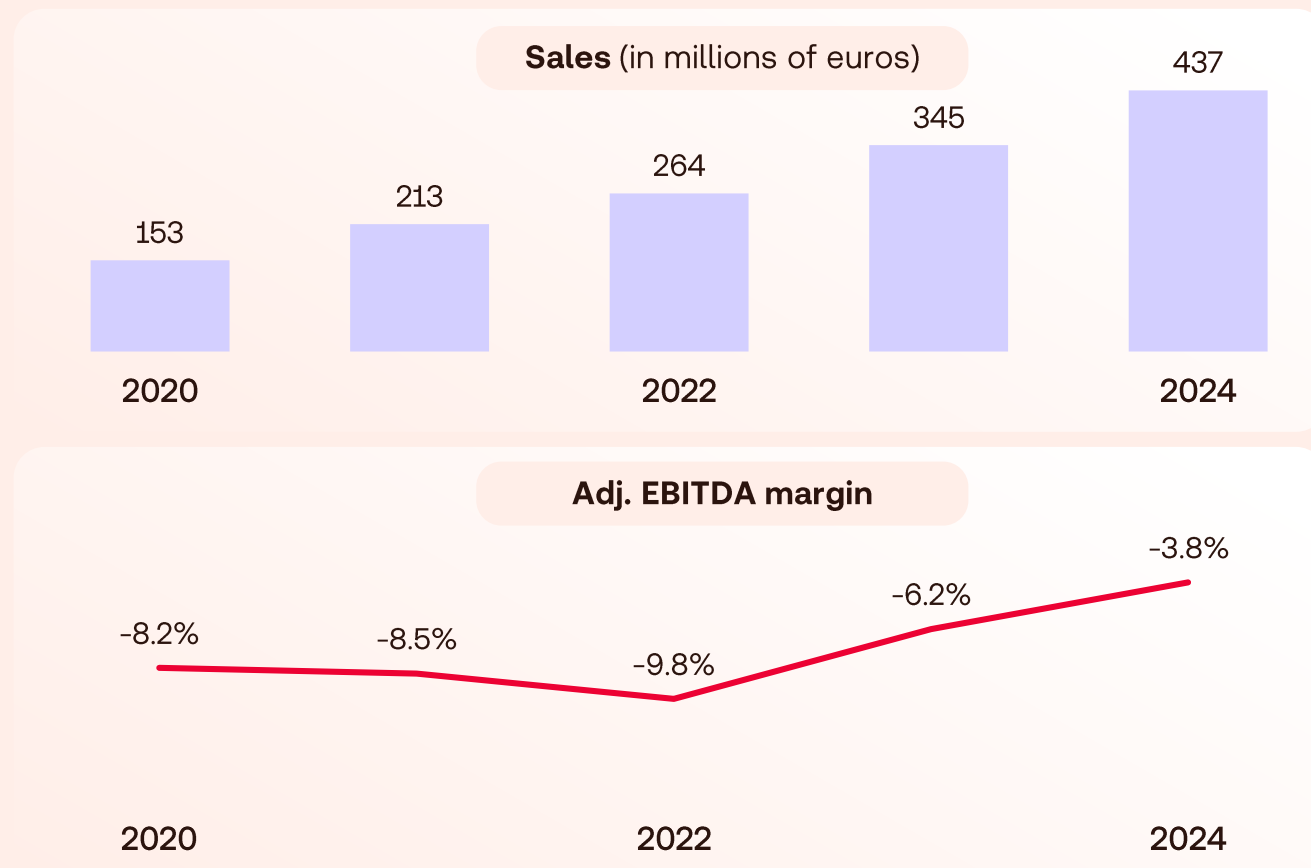
For this overview, established is defined as reporting segment DACH excluding Redcare's Swiss businesses and impact of the e-Rx boost in Germany. Here we see:

- ▶ **Unabatedly** year after year, increasing base of happy active customers.
- ▶ **Most comprehensive** propositions and **market leader** in Germany and Austria.
- ▶ **Cash generating** while fast growth continues.



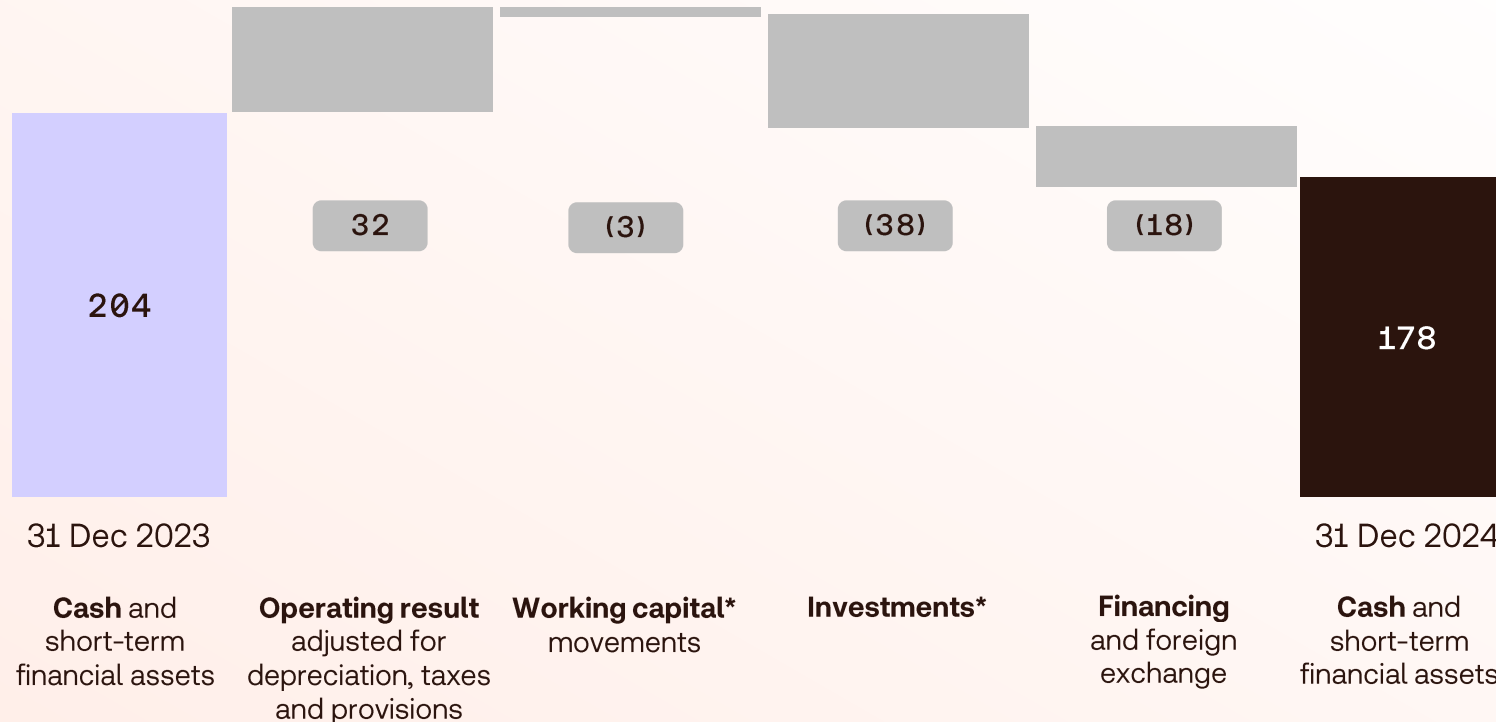
In International, sales almost tripled over four years.
Rapidly improved fully-loaded margin for the last two years.

- ▶ **Unabatedly** year after year, increasing base of happy active customers.
- ▶ Clear **market leader** in Belgium and in Italy since 2024 too. Smaller positions in the Netherlands and France.
- ▶ In 2024, achieved **positive** result before overhead of 1.3%.



Cash flow EUR -26M; continued working capital improvements.

Cash flow
(in millions of euro)



Operating result
EUR +32 million.

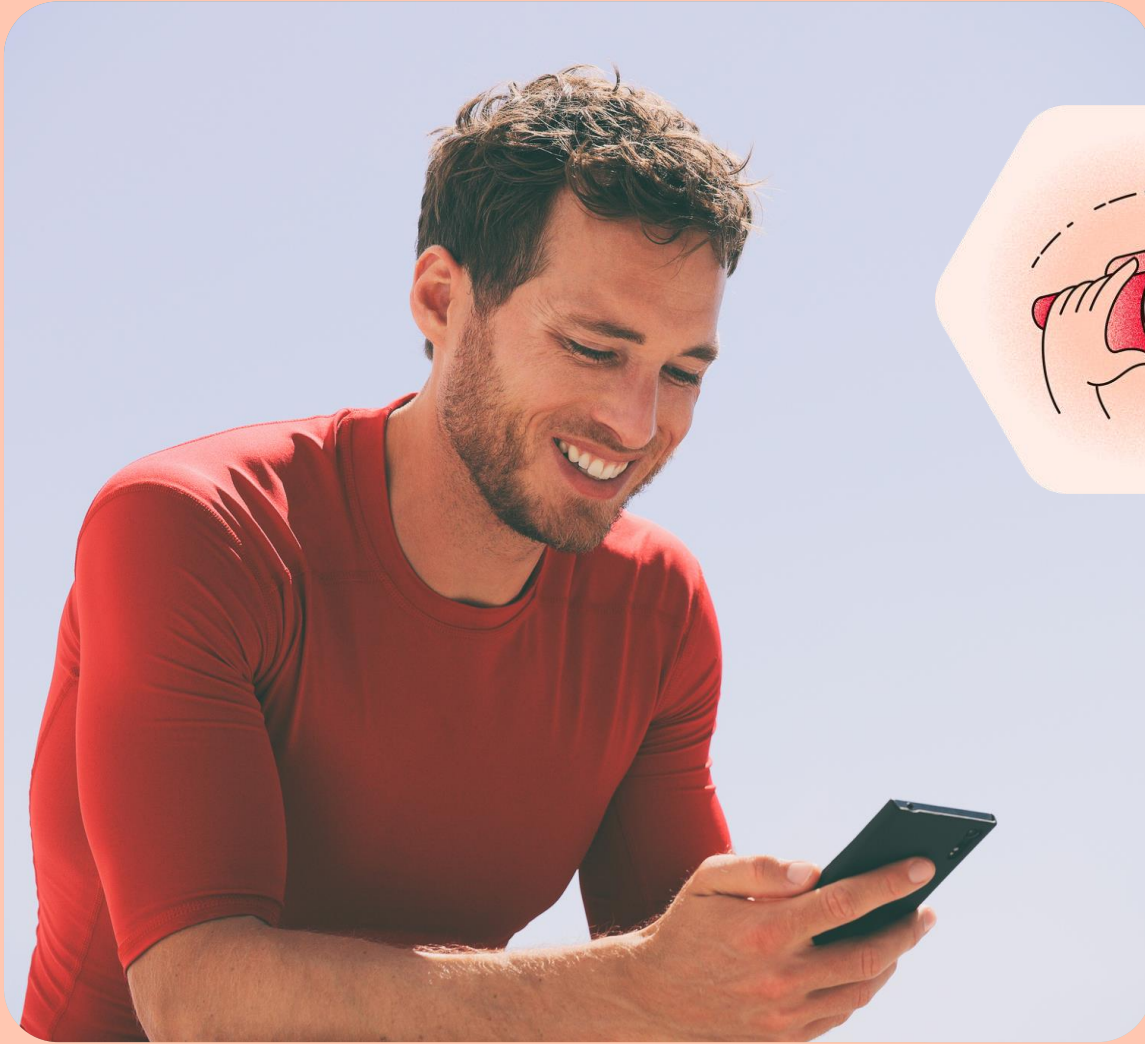
Working capital
EUR -3 million.
Underlying structural working capital improvements.

Investments
EUR -38 million.
Mainly IT and property, plant and equipment, and interest income.

Financing
EUR -18 million.
Mainly cost of leasing, debt and financing.

* 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.





Update on
strategy.

Very strong Rx KPIs confirm Redcare's strategic direction.

- ▶ Europe's leading one-stop pharmacy with a unique and broad customer value proposition.
- ▶ Best positioned as the leading pharmacy to accelerate market leadership in Germany.
- ▶ Steady gain in Rx market share, tripled within a year.
- ▶ More than one million active Rx customers in 2024.
- ▶ Rx cohorts already outperform strong non-Rx cohorts in year one by a multiple.
- ▶ Rx unit economics outperform strong non-Rx metrics, both fueling mid-term EBITDA guidance of >8%.



Europe's leading one-stop pharmacy with a unique and broad customer value proposition.

One-stop pharmacy



Pharmacy



Marketplace

Rx & OTC & BPC
(incl. unique own brands)

Additional
health-related products

Redcare Pharmacy

Now!
Pharmacy network

Seller network

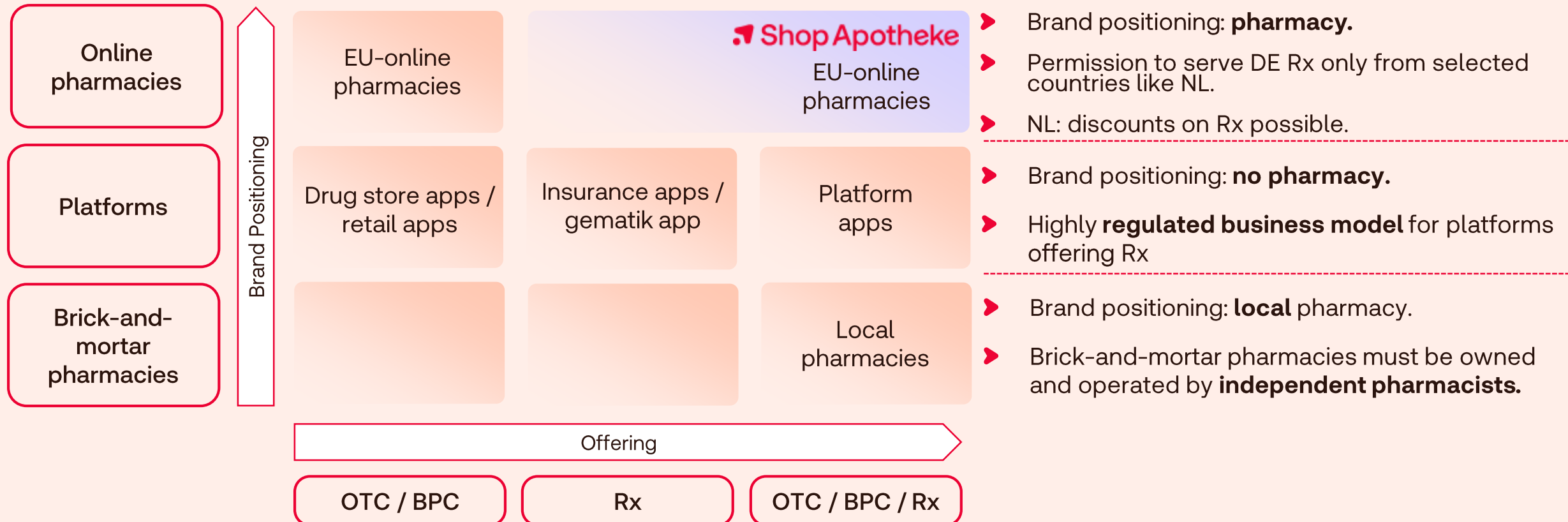


Retail Media

- Most popular and top rated **pharmacy platform**; highly trusted brand.
- **Enhanced pharmacy services** (e.g. pharmaceutical advice, interaction checks, repeat prescriptions).
- **Widest assortment** of Rx, OTC, BPC, plus additional health-related products via marketplace.
- **Same-day delivery** via Now! local pharmacy network.
- Advanced **Retail Media** offerings.



Best positioned as the leading pharmacy to accelerate market leadership in Germany.



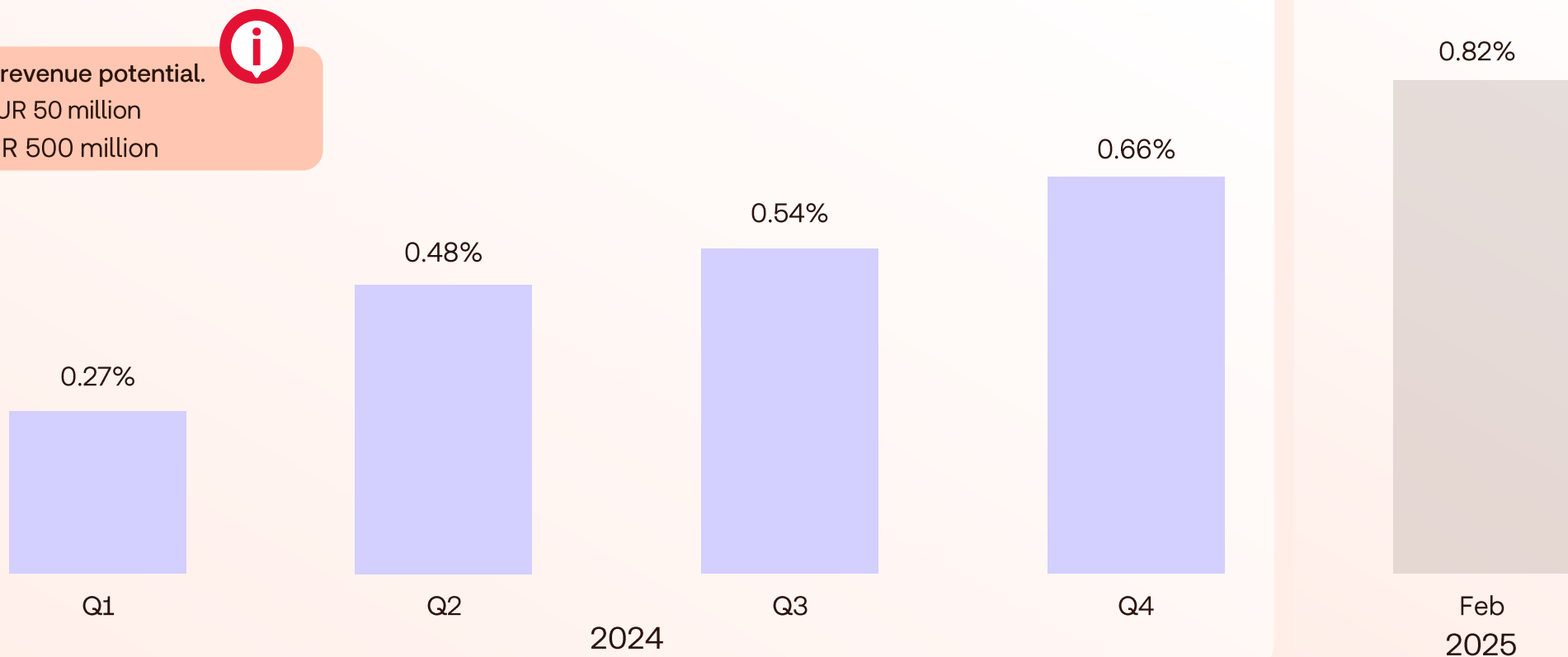
Steady gain in Rx market share, tripled within a year.

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

Annualised revenue potential.

+0.1pp = >EUR 50 million

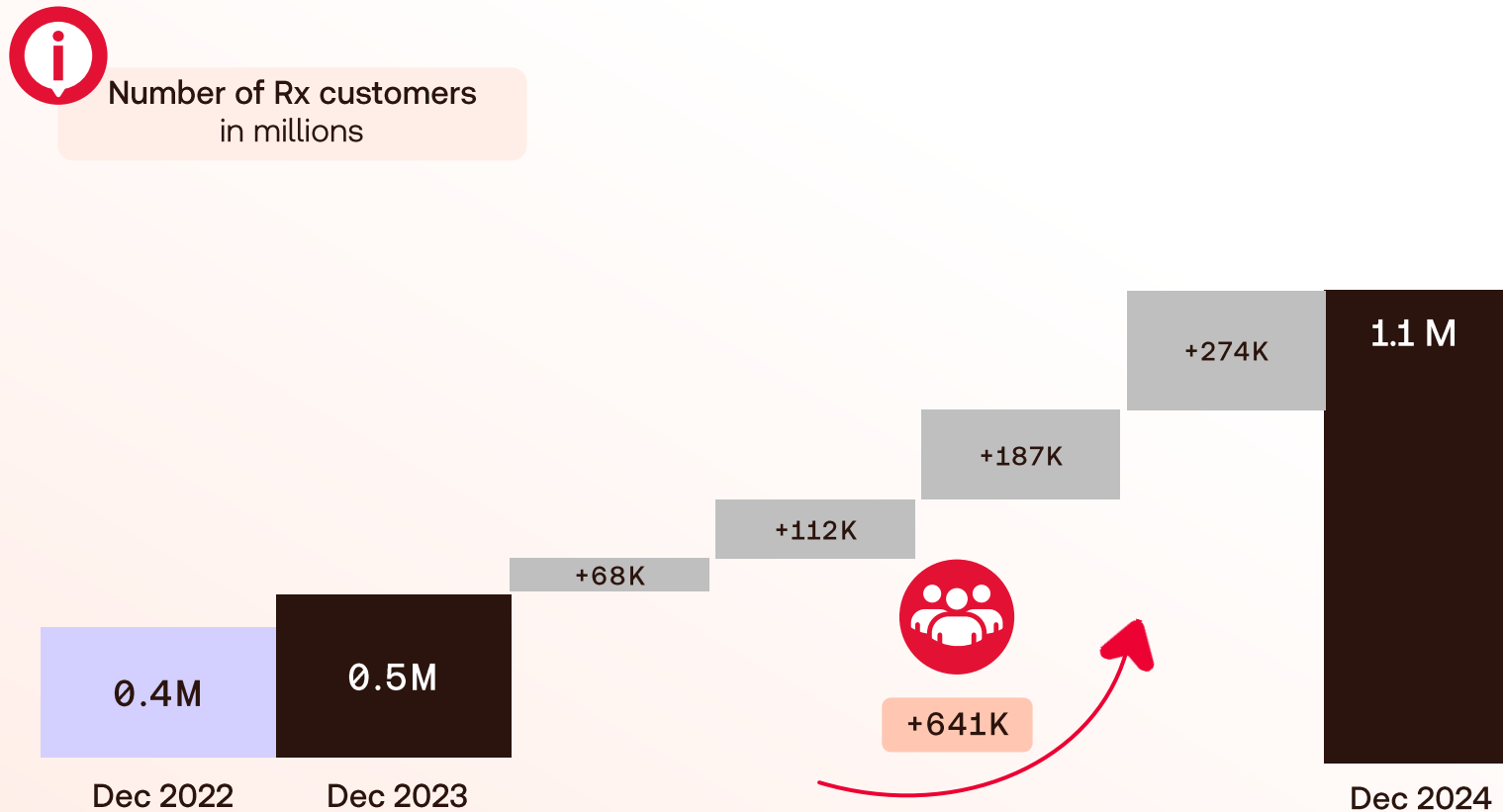
+1pp = >EUR 500 million



Source: calculated by Redcare using ABDA / Insight Health market size data of €55 billion, adjusted for 2024 seasonality, and own data.



More than one million active Rx customers in 2024.



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

- Finally a fully-digital solution available to patients across Germany.
- Fast acceptance by patients after nationwide adoption.
- Further acceleration in H2, fueled by dedicated e-Rx marketing campaigns.

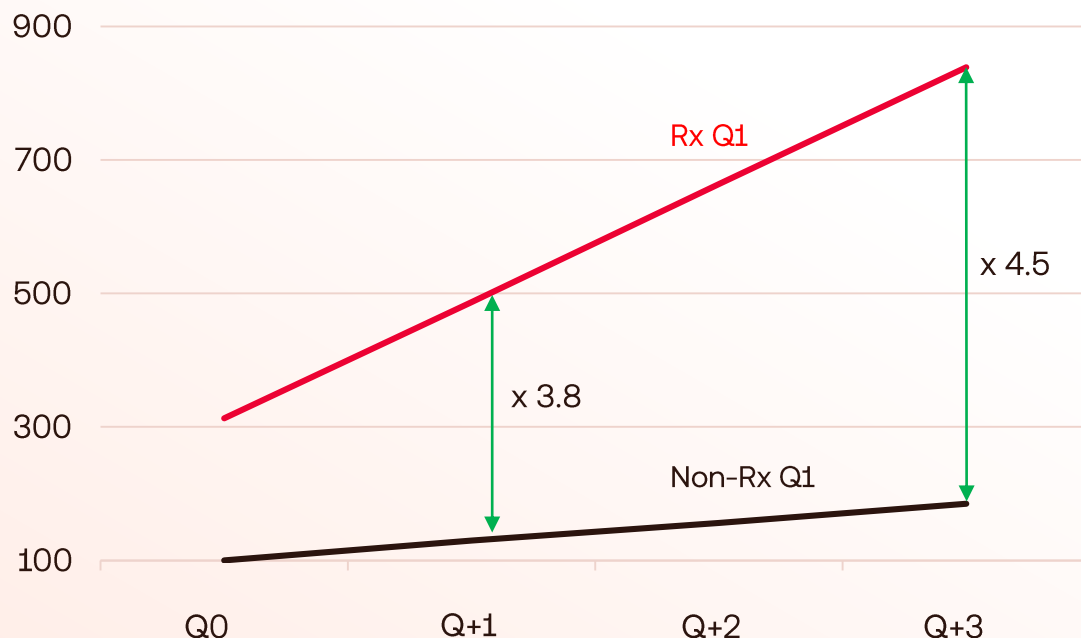
Rx cohorts already outperform strong non-Rx cohorts in year 1 by a multiple.



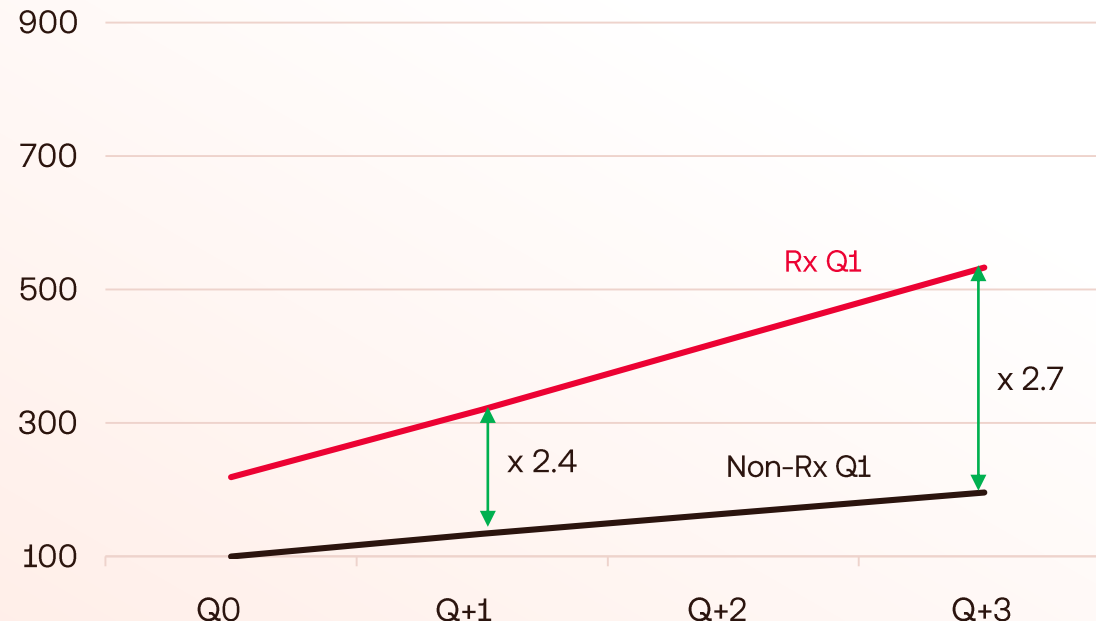
Even better pattern for Q2 and Q3 cohorts.

2024

Indexed accumulated sales per new customer (total cohort)



Indexed accumulated gross profit per new customer (total cohort)



- Main drivers for better cohort performance: active rate (share of returning customers after first order), average order value, order frequency.
- Metrics driven by high share of patients with chronic conditions.



Rx unit economics outperform strong non-Rx metrics, both fueling mid-term EBITDA guidance >8%.



	Non-Rx	E-Rx	Main differences between Rx and non-Rx.
AOV	€50	> €100	➤ Twice as high, further potential for mixed baskets.
Gross margin	~ 30%	18 – 22%	➤ Margin determined by German regulated margin system, which includes a fixed amount of euro. Future margin highly dependent on value of product.
Gross profit	€15	> €20	➤ Gross profit of Rx more than a third higher.
Variable costs			➤ Slightly more expensive in euro, but lower as a percentage.
Marketing			➤ Lower marketing cost in euro and percentage due to Enhanced Pharmacy Solution, e.g. repeat script service, medication management.
Marketplace			➤ Potential for cross-selling on both order types to further increase margin.
EBITDA	> 8%		

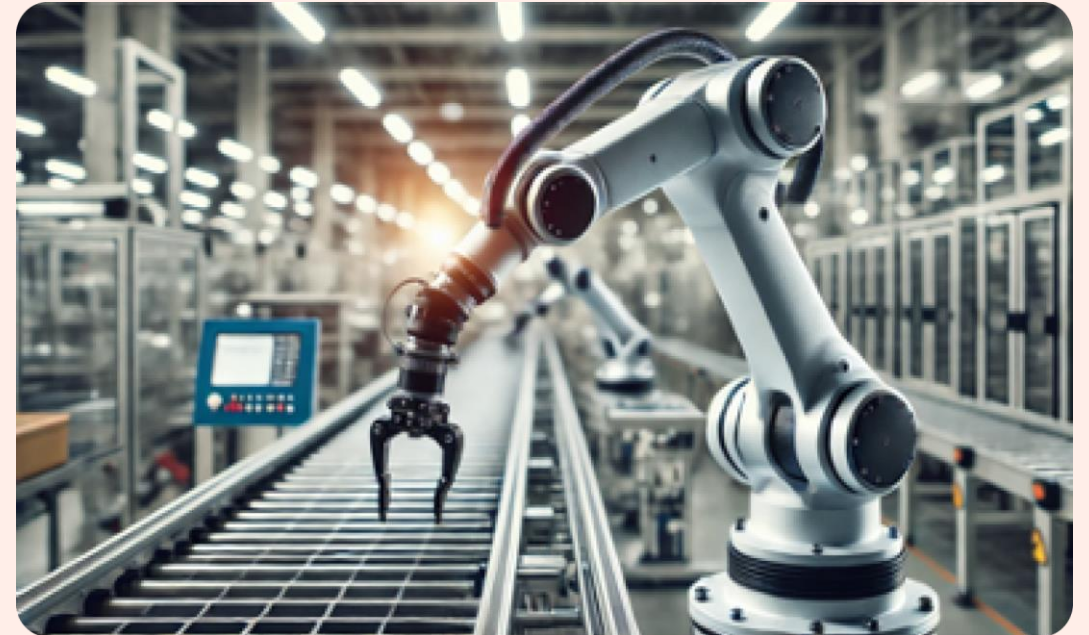




Outlook and guidance 2025.

Next generation intralogistics for Sevenum: major step-up in both efficiency and output capacity.

- ▶ Highly automated solution with proven technology, tailored towards our specific processes.
- ▶ Doubling **order capacity** at the existing Sevenum location.
- ▶ Reducing **labour per order by 70%.**
- ▶ Total investment EUR 95 to 105M in 2025, 2026, 2027, financed through existing cash balances; expected to be replaced by a lease.
- ▶ Pay-back in less than three years.
- ▶ Planned go-live early 2027.



Guidance, full-year 2025.

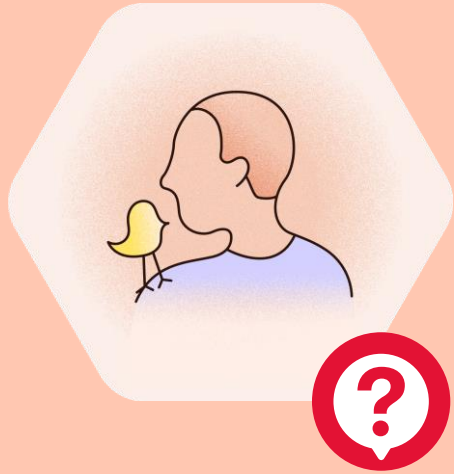
- ▶ Total sales growth in excess of 25%.
- ▶ Rx in Germany in excess of EUR 0.5 billion.
- ▶ Non-Rx total company growth in excess of 18%.
- ▶ Adj. EBITDA margin positive 2% to 2.5%.
From regular seasonality and our planning, Q1 likely to be lower.

The market and industry remain dynamic. **As always, we will optimise growth and margins, and short and longer-term value creation**, and will anticipate on results and developments.

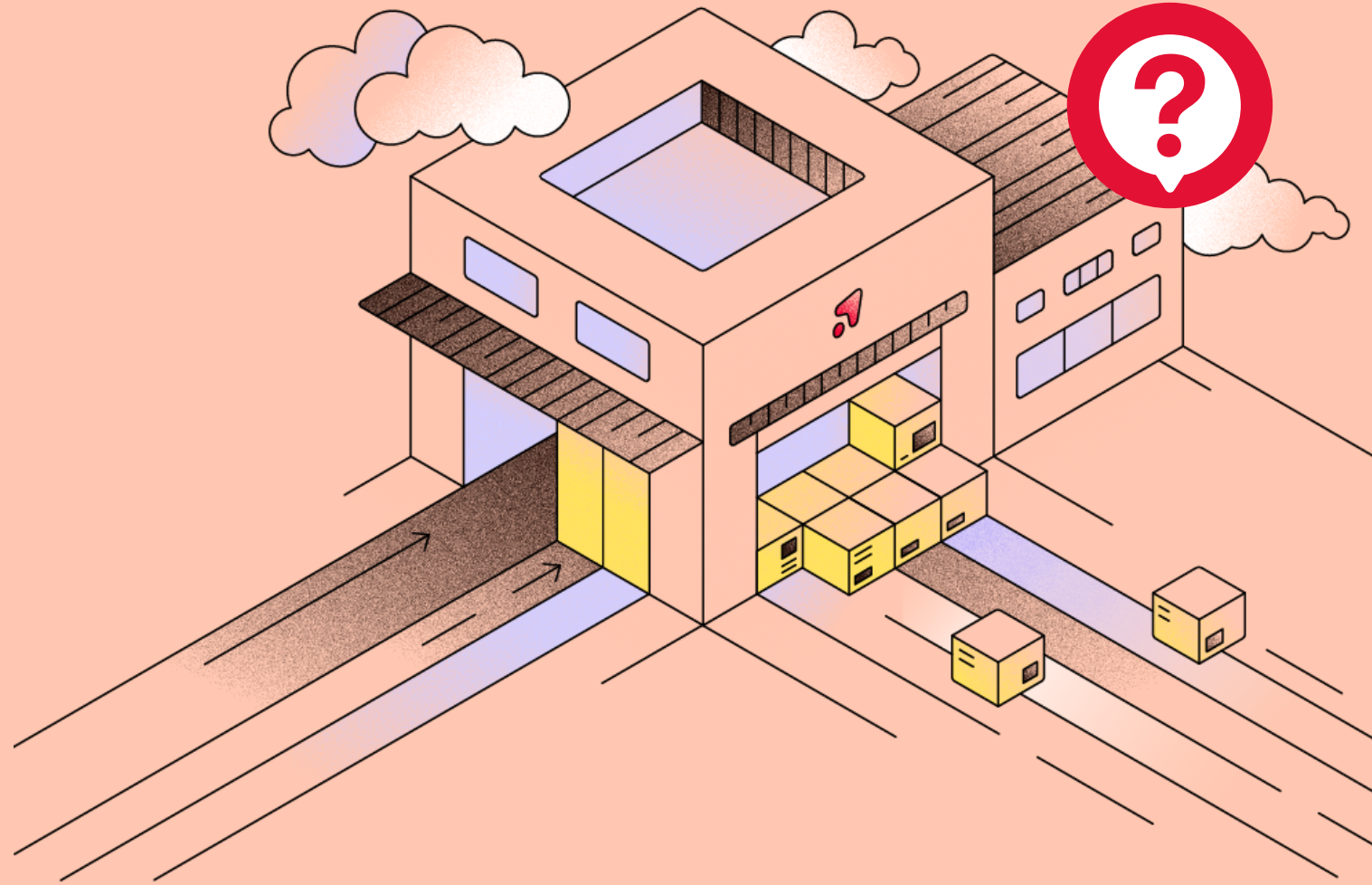


Mid- to longer-term guidance of adjusted EBITDA margin in excess of 8% unchanged.





Time to
ask questions.





Thank you.



Annual Report 2024 can be
downloaded on our website:
www.ir.redcare-pharmacy.com