

# Q2 2024 Earnings call *presentation.*

● SEVENUM I 30 JULY 2024





Presenting  
live from our  
headquarters.





# Today's presenters.

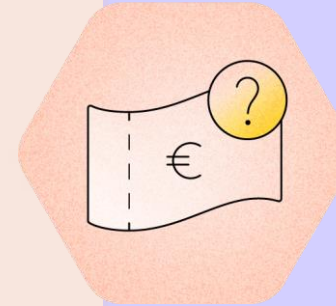
Olaf Heinrich,  
Chief Executive Officer.

Jasper Eenhorst,  
Chief Financial Officer.

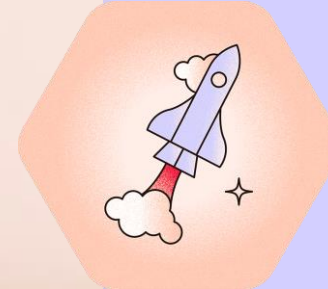


# Today's agenda.

**1** Financial performance.



**2** Strategy update 2024.



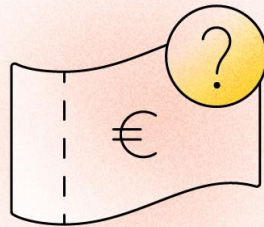
**3** Outlook and guidance.



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# Financial performance.

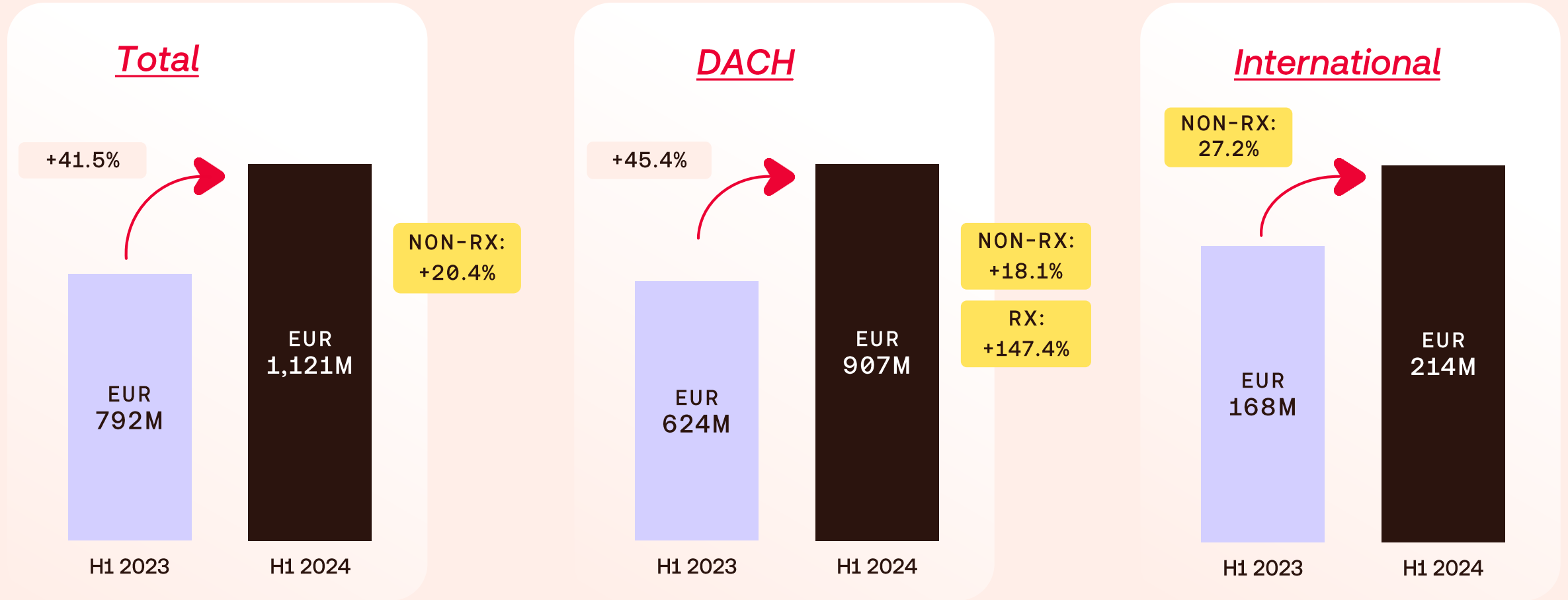


# H1 2024 financial highlights.

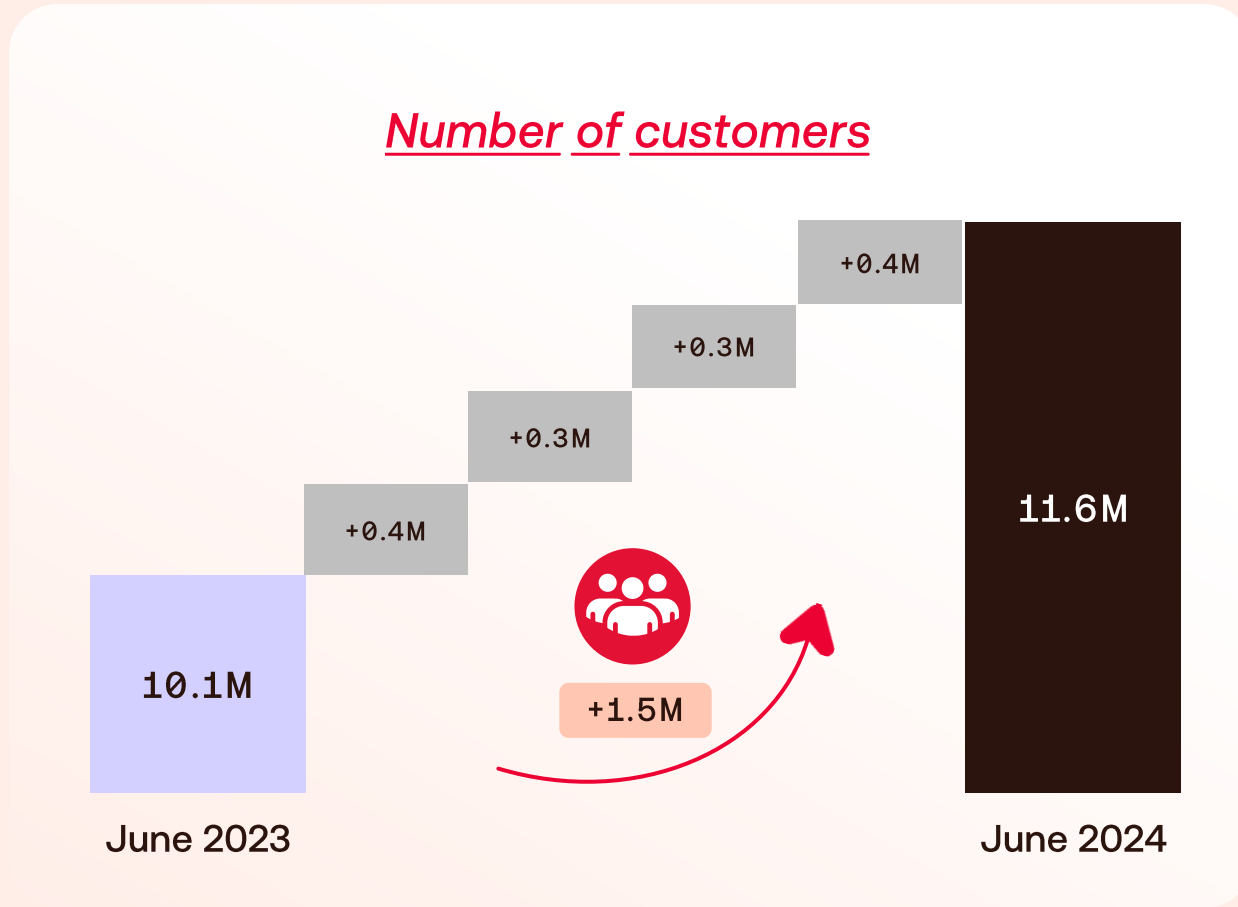
- ▶ **Continued fast growth with record sales.**  
Total sales up 42% in H1 2024, reaching EUR 1,121M. Excluding last year's acquisition of MediService, growth was 21 %.
- ▶ **Strong Rx growth in Germany.**  
Quarter average Rx growth already accelerated from 7% in Q1 to 37% in Q2.
- ▶ **Non-Rx growth of 20%.**  
+18% in the DACH Segment and +27% in the International Segment.
- ▶ **Adj. EBITDA of 2.7% in Q2 lifts YTD margin to 2.4%.**  
Margins under control.



# Fast growth in both segments continued.



# Active customers +1.5M, with high NPS.



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

**NPS** 69

Net Promoter Score  
H1 2024 (H1 2023: 71)

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

**€ 59.33**

Average shopping basket value  
H1 2024 (H1 2023: 58.41)



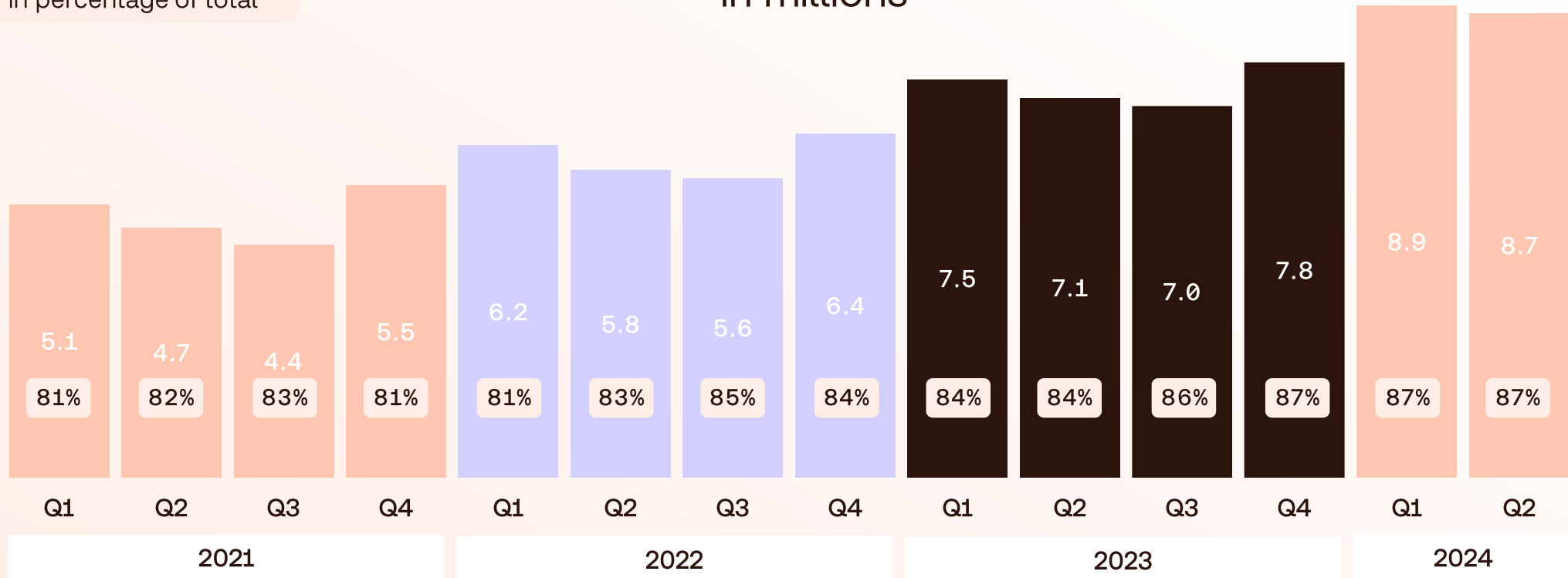


# Over 17M orders in H1, 87% from returning customers.



Share of repeat orders  
in percentage of total

Number of orders  
in millions



Source: Redcare Pharmacy

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



# H1 sales up € 329M to € 1.1 billion, adj. EBITDA € 27M.

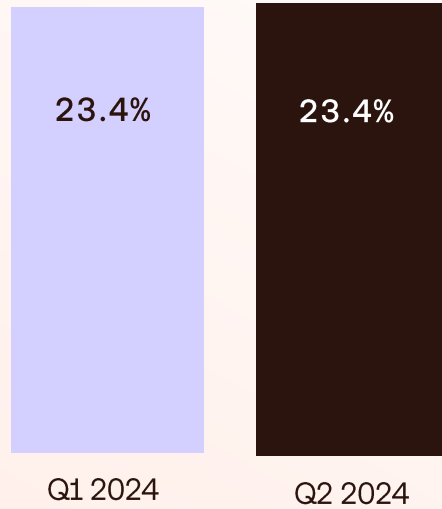
MediService included since mid-Q2 2023, leading to mix impact on gross profit and selling and distribution margins when comparing year over year.

in millions of euros, <i>adjusted numbers</i>	Year over Year			Year over Year		
	Q2 2023	Q2 2024	Better or (worse)	H1 2023	H1 2024	Better or (worse)
Sales	420	561	33.5%	792	1,121	41.5%
Gross profit margin	25.4%	23.4%	(2) pp	26.5%	23.4%	(3.1) pp
Selling & distribution margin	(19.3)%	(17.8)%	1.5 pp	(20.8)%	(18.1)%	2.7 pp
Administrative cost margin	(2.9)%	(2.9)%	0.0 pp	(2.9)%	(2.9)%	0.0 pp
Adj. EBITDA margin	3.2%	2.7%	(0.5) pp	2.8%	2.4%	(0.4) pp
Adj. EBITDA	13	15	2	22	27	5
EBITDA	11	14	3	15	25	10

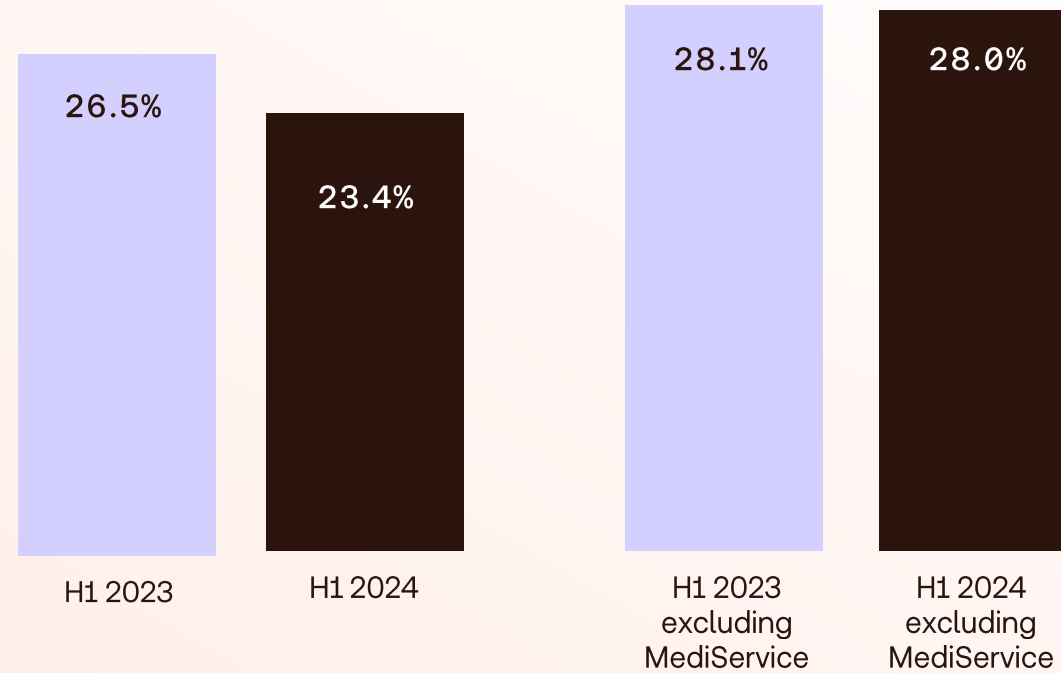


# Stable underlying gross margin vs. H1 last year.

Adjusted gross profit margin  
in percentage of sales



Adjusted gross profit margin  
in percentage of sales

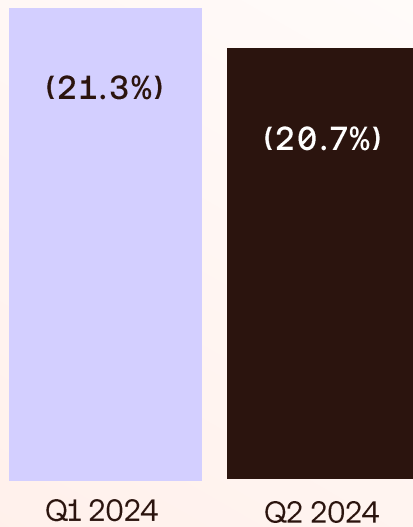


Source: Redcare Pharmacy

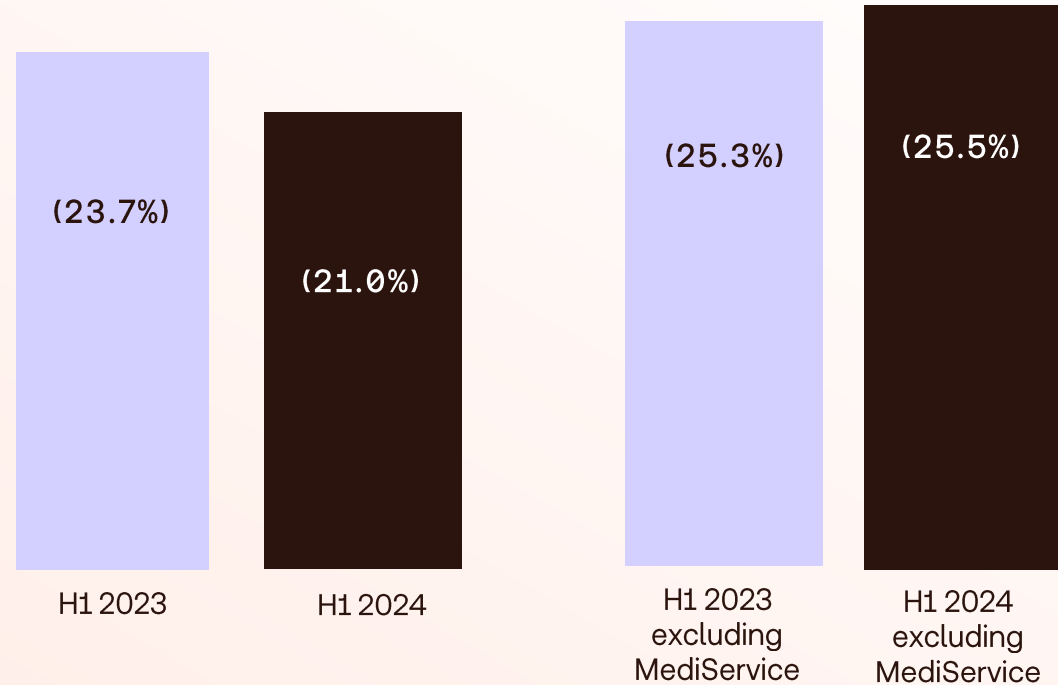


# Scale and efficiencies in the cost performance.

Adjusted SD&A costs  
in percentage of sales



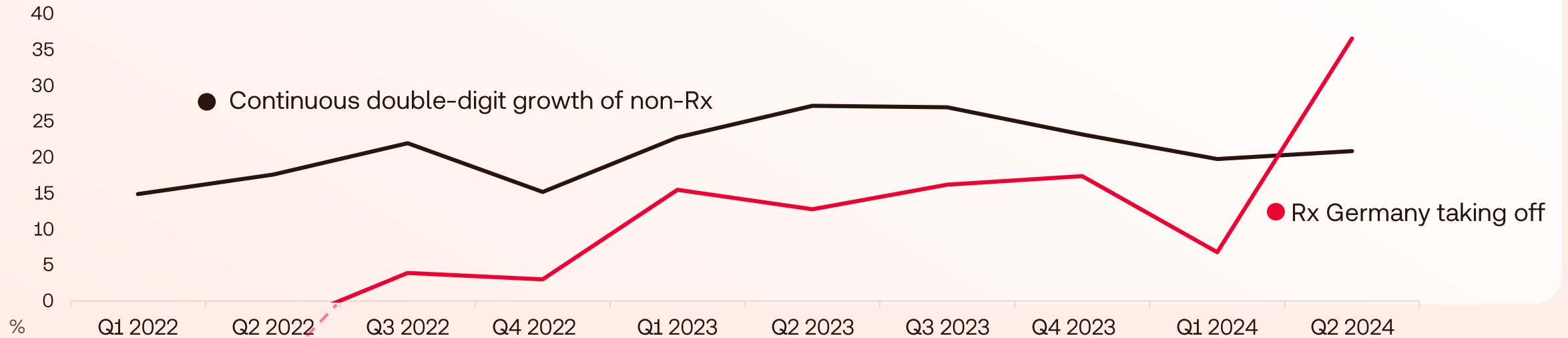
Adjusted SD&A costs  
in percentage of sales



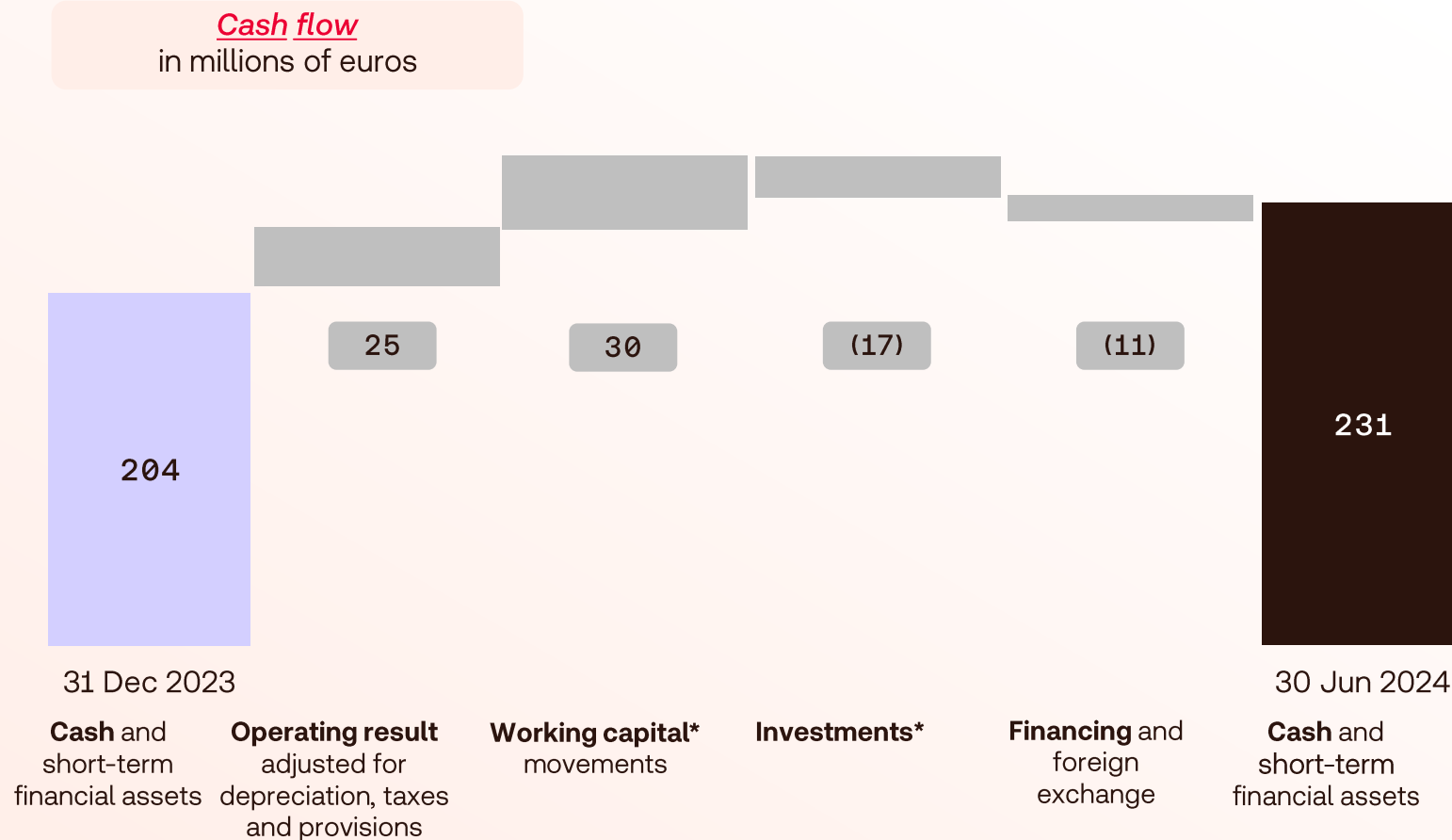
Source: Redcare Pharmacy



# Unabated fast organic growth with margins under control.



# Solid cash balances.



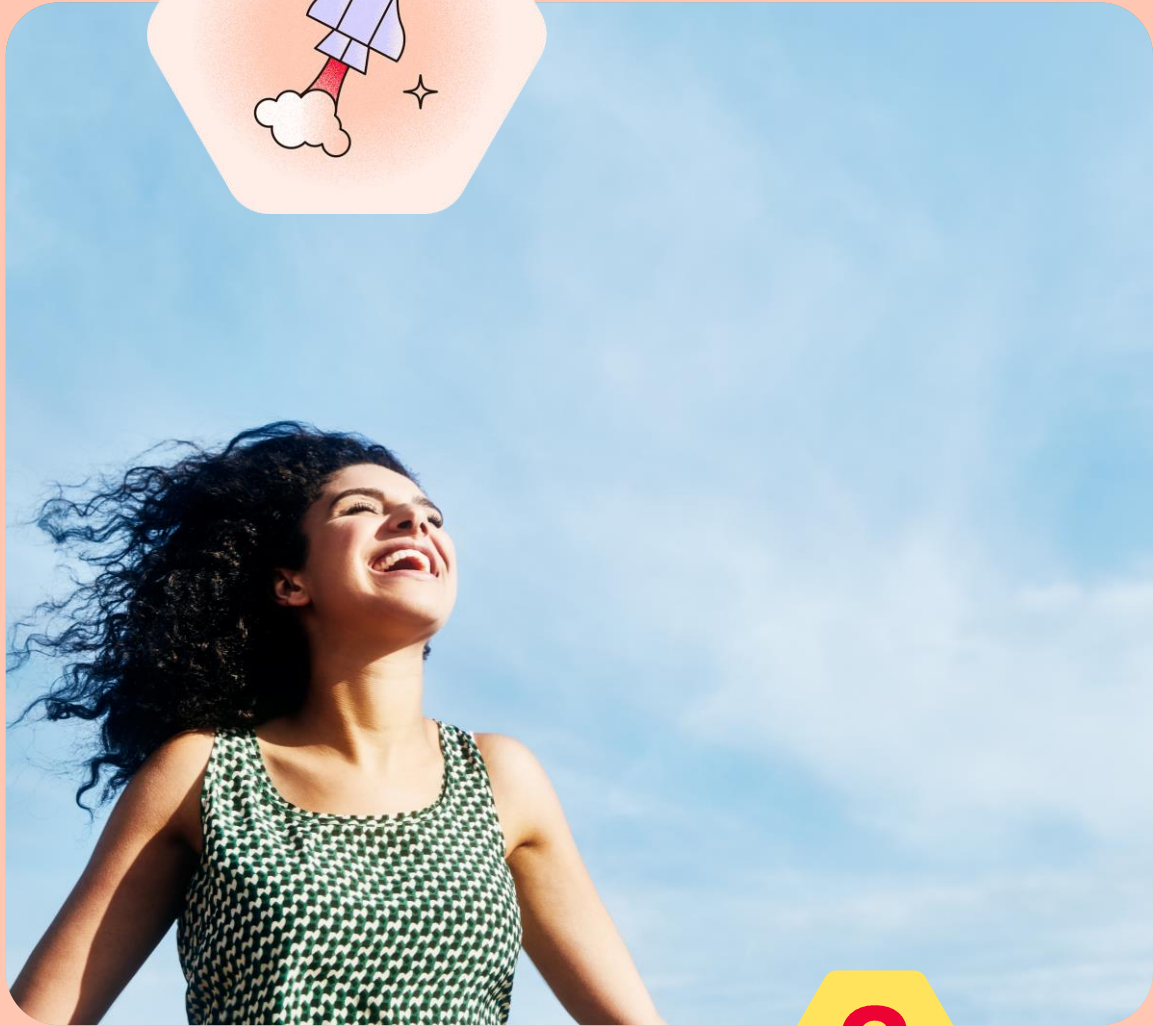
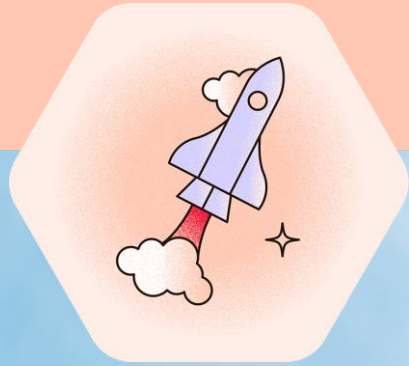
**Operating result: EUR +25 million.**  
Margin 2.4%.

**Working capital: EUR +30 million.**  
Mainly the seasonal pattern for trade payables.

**Investments: EUR -17 million.**  
Mainly IT investments and property, plant and equipment, partly offset by interest income.

**Financing: EUR -11 million.**  
Mainly costs of debt, financing and leases.





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# Strategy update 2024.

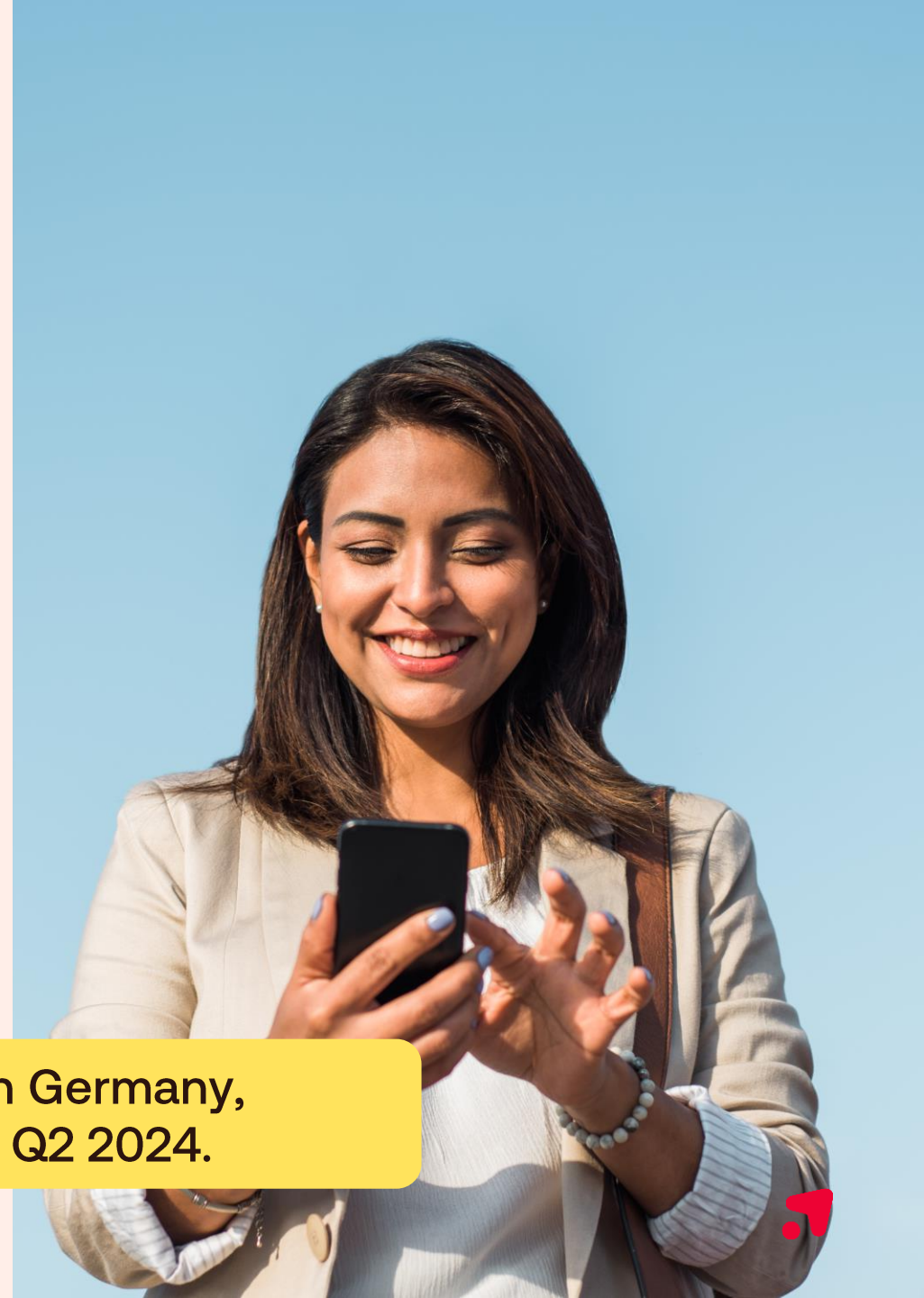


# This is just the *beginning* of a new digital era.

- ▶ Successfully launched: CardLink solution active for patients within the Shop Apotheke app since early May.
- ▶ Technologically advanced: stable, fast and easy customer journey to redeem e-scripts.
- ▶ Highly accepted: positive feedback from both existing and new customers.



Strong acceleration: e-Rx sales in Germany, from 7% growth in Q1 to 37% in Q2 2024.





# Today's redemption options.

eGK plug-in.



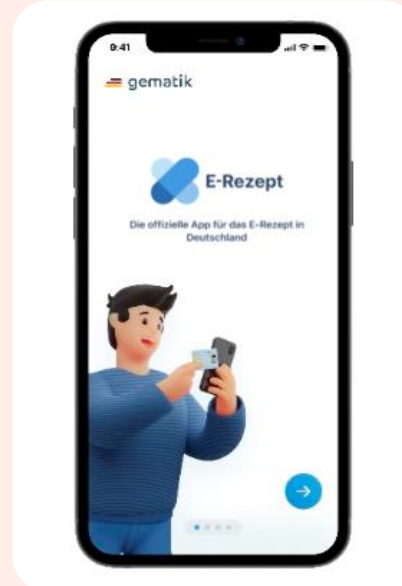
eGK without PIN

Paper print-out.



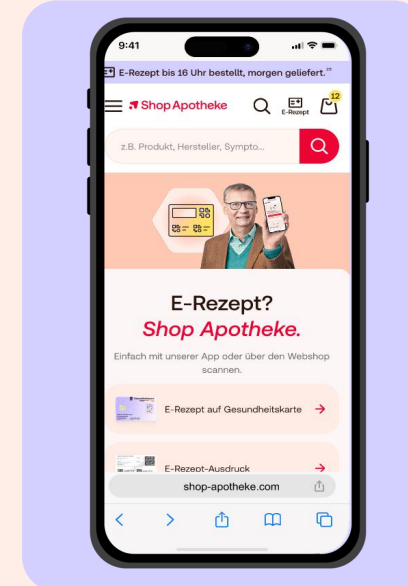
On patients' request

gematik app.



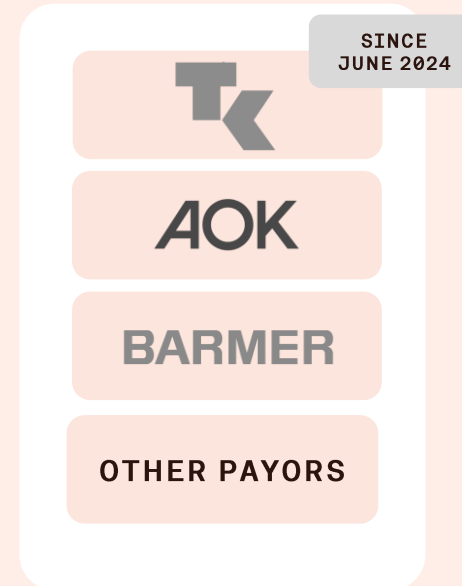
Digital ID or eGK plus PIN

CardLink.



eGK without PIN

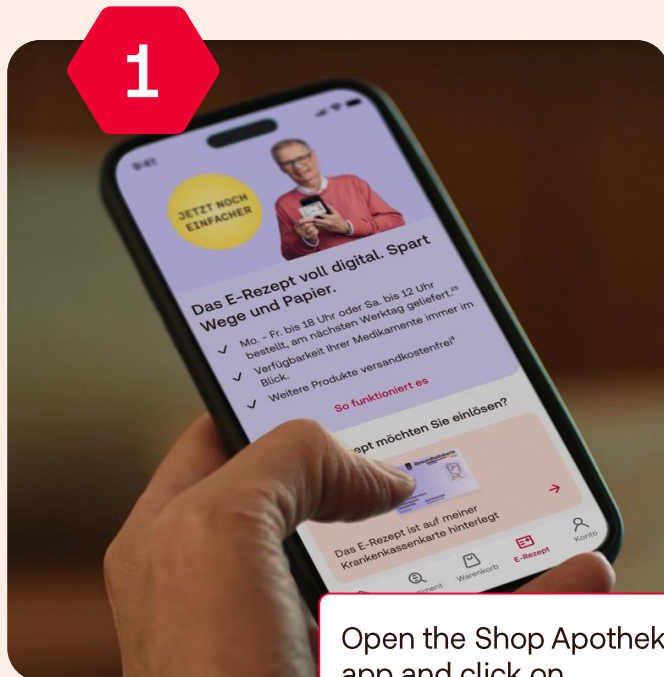
Insurance apps.



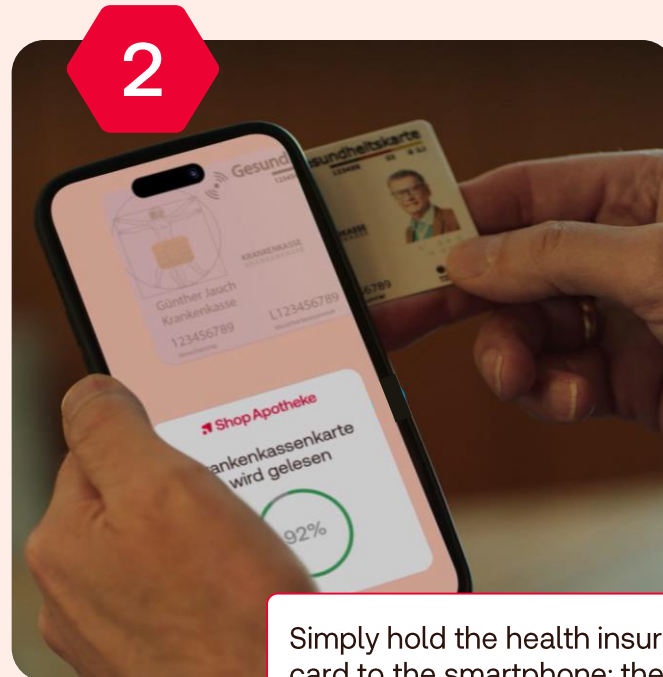
Digital ID or eGK plus PIN

Redcare Pharmacy

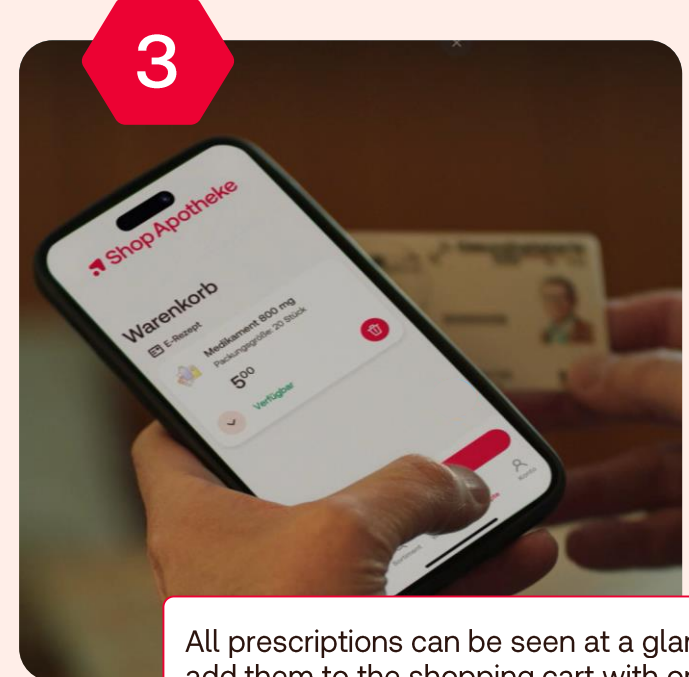
# How to CardLink: It's as simple as paying by card.



1  
Open the Shop Apotheke app and click on e-prescription on the menu.



2  
Simply hold the health insurance card to the smartphone; the e-prescriptions will be retrieved.



3  
All prescriptions can be seen at a glance, add them to the shopping cart with one click and complete the order.

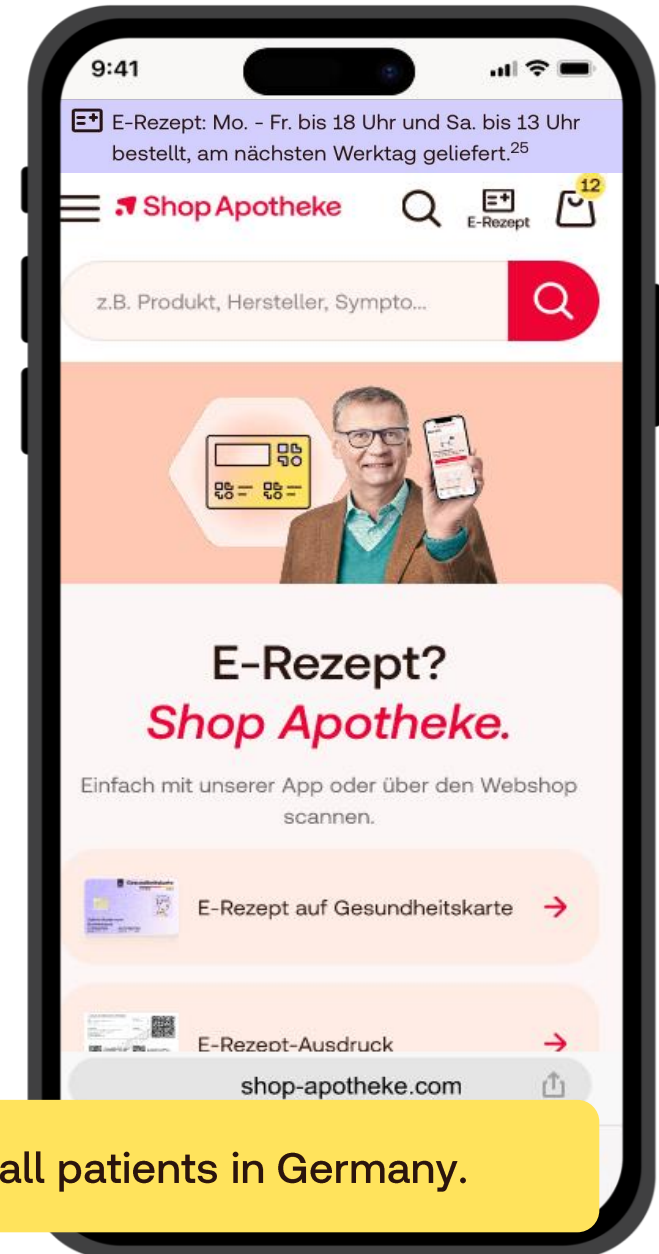


# It's all about customer centricity.

- ▶ One-time registration low-threshold access for returning customers.
- ▶ Prescriptions can be ordered 24/7 from anywhere.
- ▶ Real-time visibility of all prescribed medications and their availability. Preferred medicine choice can be made in the app based on doctors' and payors' framework.
- ▶ Orders placed by 18:00 on weekdays or 13:00 on Saturdays are delivered the next business day.
- ▶ High data security standards; approved by gematik and regulatory institutions (BSI & BfDI\*).



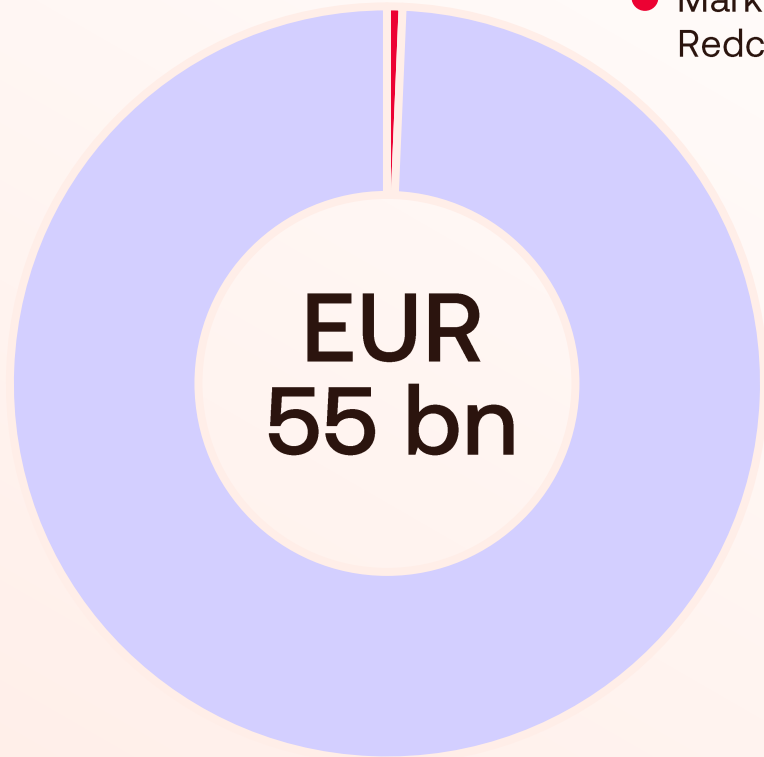
The advantageous solution for all patients in Germany.



# Redcare's Rx developments so far and future potential.

## Total Rx market Germany

2024



● Market share  
Redcare Pharmacy 0.45%

Market share gain in H1 2024.  
From 0.27% in January to 0.45%  
in June.



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

Total addressable Rx market in Germany around EUR 55 billion (Source: ABDA / Insight Health)





# Outlook and guidance.



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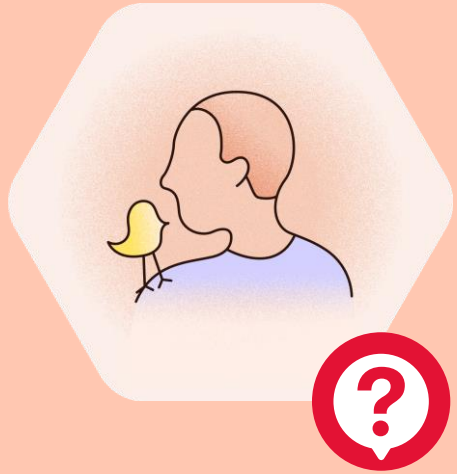


# Guidance for full-year 2024.

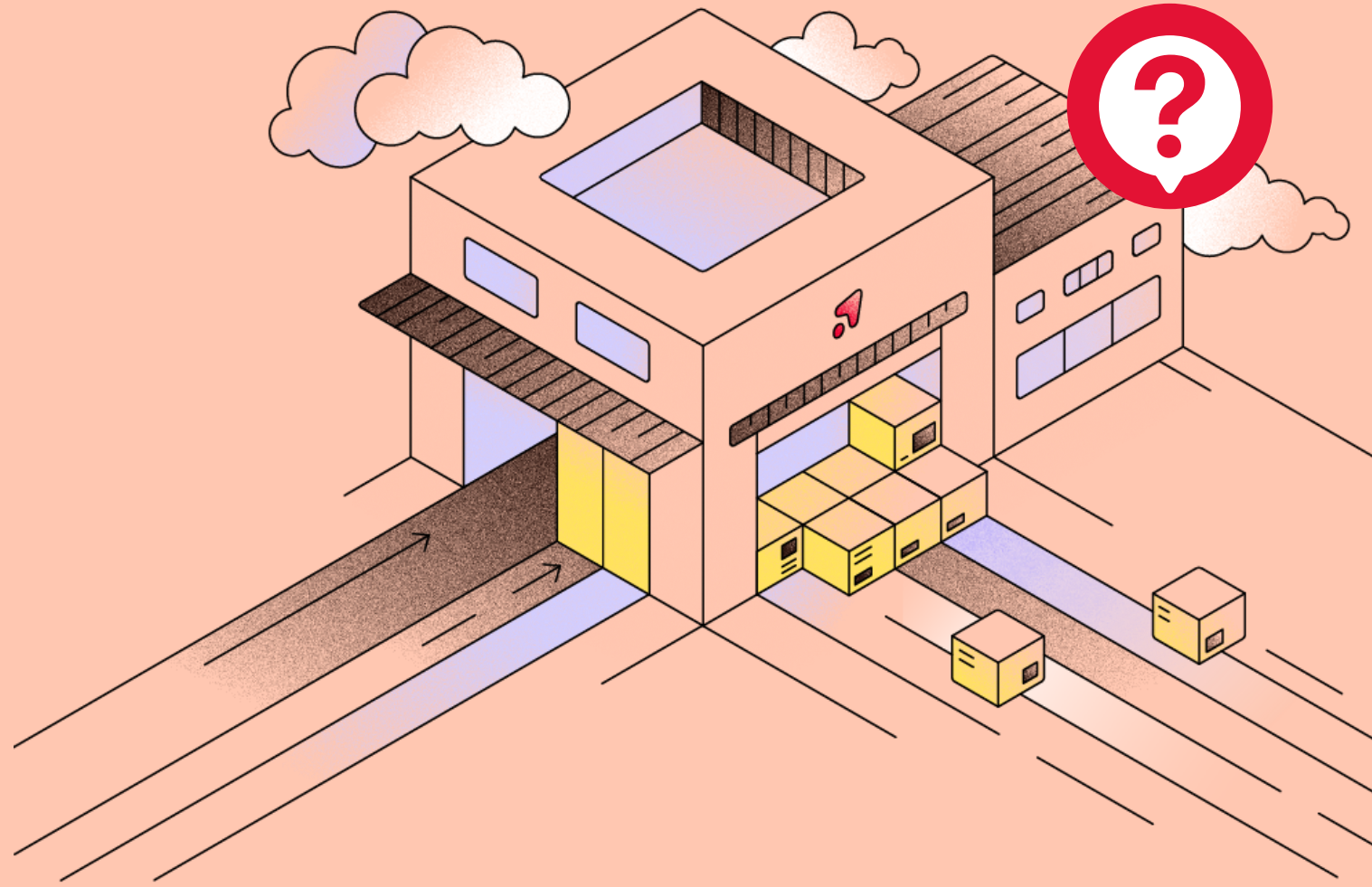
- ▶ Total sales to increase to EUR 2.3-2.5 billion, a growth of 30-40%.
- ▶ Non-Rx sales growth 15-25%.
- ▶ MediService to grow by mid-single digits.
- ▶ Adj. EBITDA margin 2% to 4%.
- ▶ Rx too dynamic to give guidance.

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





Time to  
ask questions.



# Thank you.



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 Redcare