

Earnings Presentation 2T24



#TodoCuidadoAoCuidar

TODO O
CUIDADO
AO CUIDAR.

MISSION

Provide health and well-being to people.
That's caring.

VISION

To be the best in health and wellness products and services in a sustainable and innovative way.
This is taken care of.

VALUES

The way we put everything into practice.
That's how we take care of it.

OUR VALUES



Highlights | 2Q24

grupo panvel



Group Gross Revenue

R\$ 1.224M (+4,9% vs 2Q23)

Reduction in Wholesale Sales (-59.6%)



Retail Gross Revenue

R\$ 1.178M (+11,5% vs 2Q23)



Adjusted EBITDA

4,0% of Margin

R\$ 40,9M



Group Net Income

1,6% Margin

R\$ 20,1M



MSSS / SSS

5,1% / 8,0%

(Inflation LTM 4,22%)



Indebtedness

Low leverage of
0,89x EBITDA



Market Share

+0,1 p.p in the South Region
vs 2Q23



Digital

19,1% share of Retail sales

Panvel always caring for the people of Rio Grande do Sul

Even in the face of these adversities, our commitment to the people of Rio Grande do Sul remained unwavering. From the first day of the tragedy, Panvel's management mobilized to promote relief actions for Rio Grande do Sul.

Our People

- ➔ **Provision of Health Kits, basic food baskets, and mattress vouchers** for affected employees
- ➔ **Advance payment of the 13th salary** and financial support for employees in Rio Grande do Sul
- ➔ Discounts on **all hygiene and first aid items** from the Panvel brand
- ➔ Distribution of **over 1,000 cleaning kits** in partnership with Ypê
- ➔ **Distribution of vouchers** to be used at Panvel pharmacies
- ➔ **Donation channel for employees** who suffered losses

Our Community

- ➔ Donation of **3,000 boxes of medications, first aid items, and hygiene products.**
- ➔ Troco Amigo SOS RS Project, **raising a total of R\$ 2 million in cash.**
- ➔ "Escuta que faz bem" Project, **providing psychological support** to the victims of the tragedy.
- ➔ **Provision of helicopters with humanitarian aid** for the most affected population in Eldorado do Sul.
- ➔ **Immediate discount** on hygiene items and **price freezing** in all Panvel pharmacies in Rio Grande do Sul.

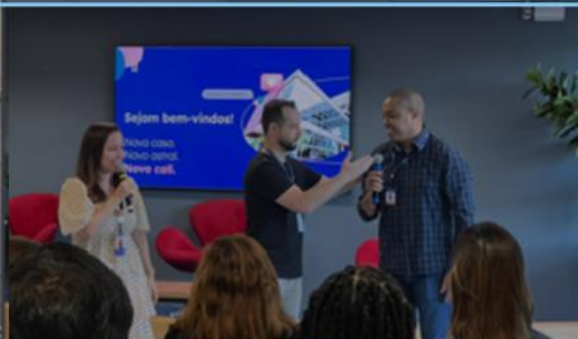


Trabalhamos para que este cenário...





... se transformasse nesse.



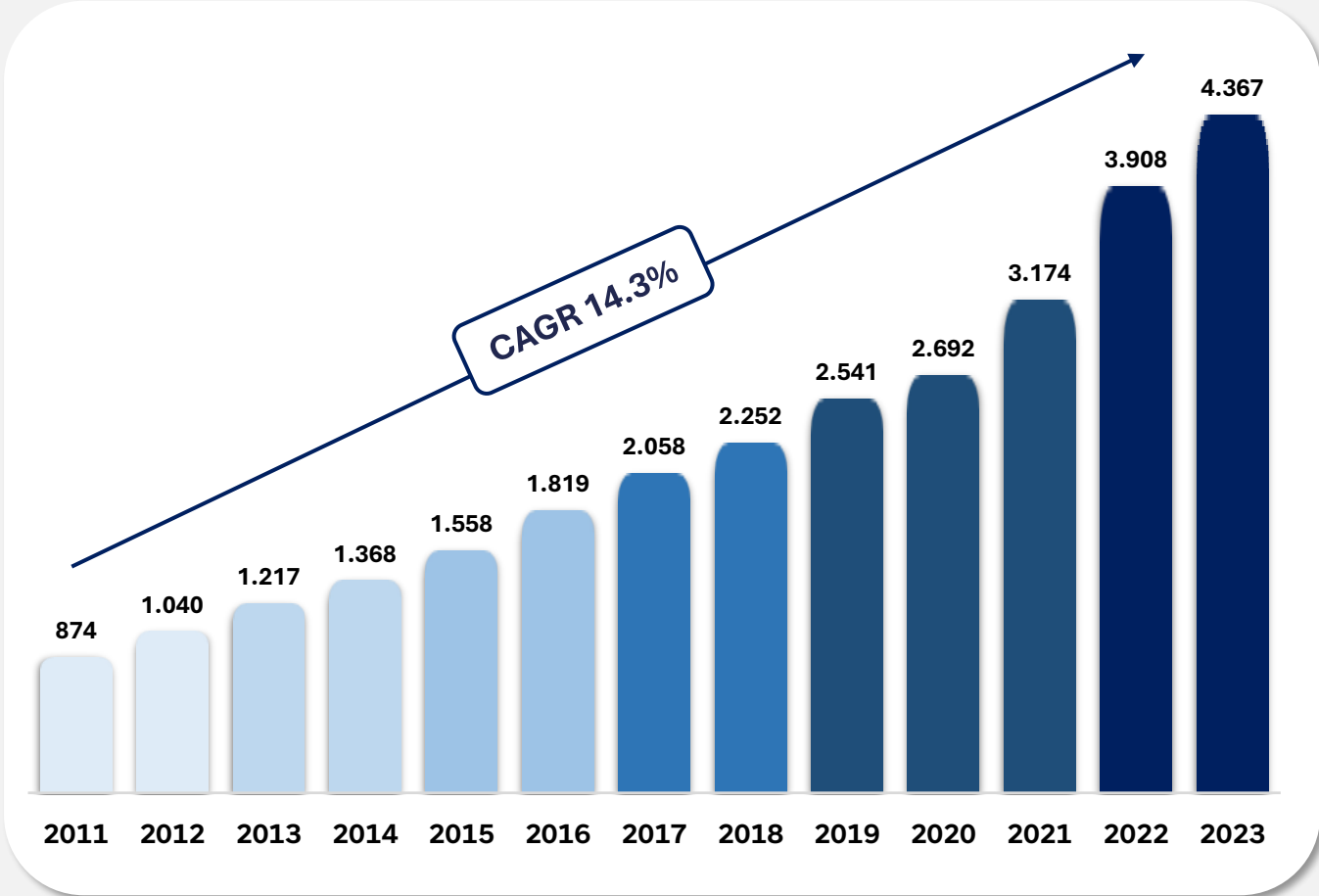
21 dias

40 dias

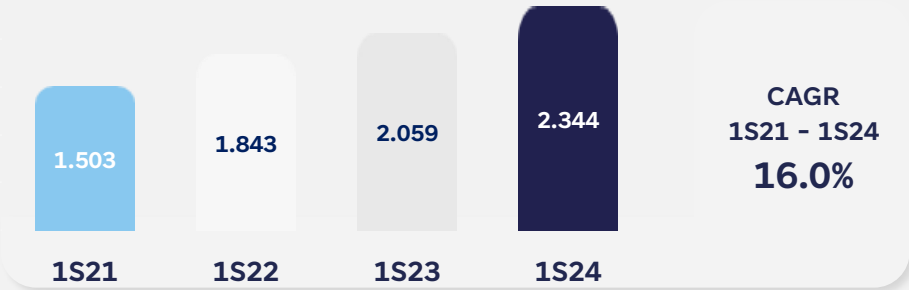
60 dias

70 dias

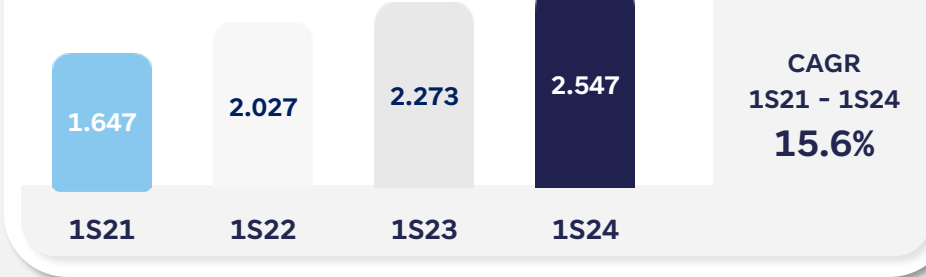
Historical Evolution - Retail Gross Revenue



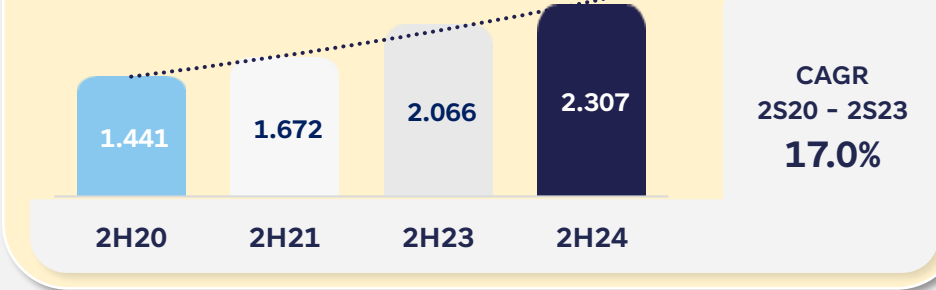
Retail Gross Revenue
R\$ Million



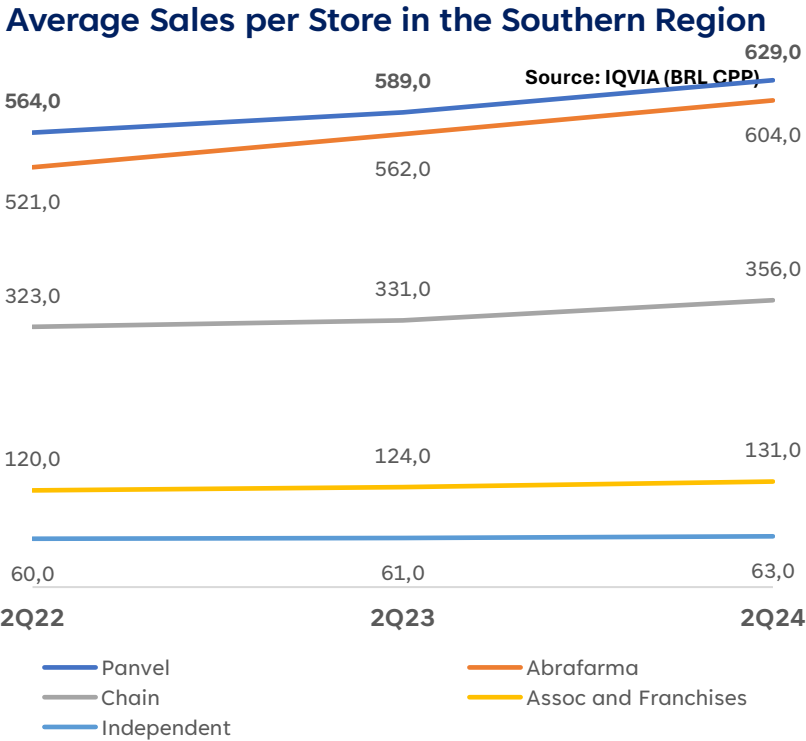
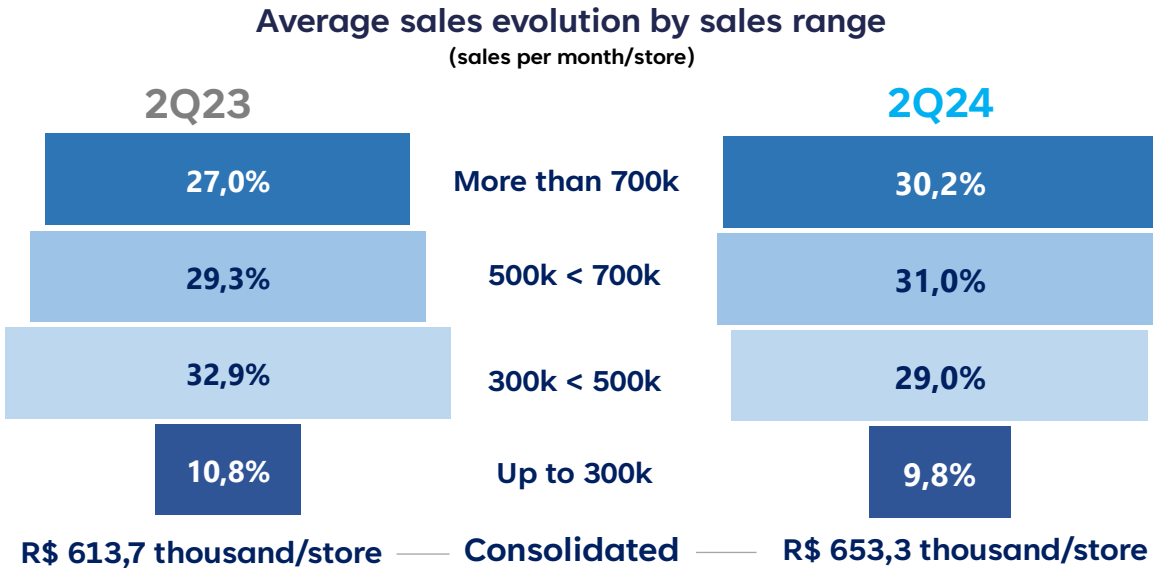
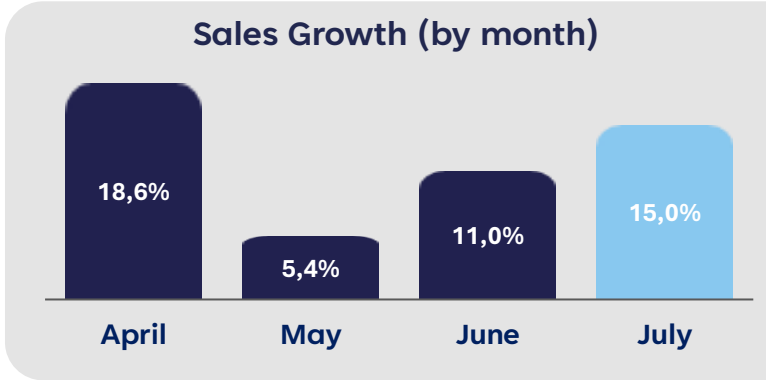
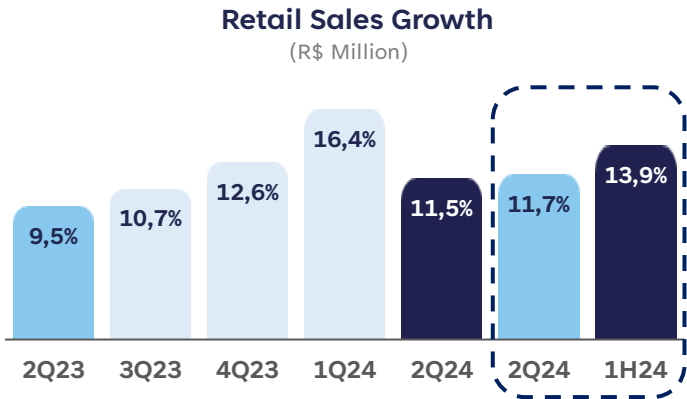
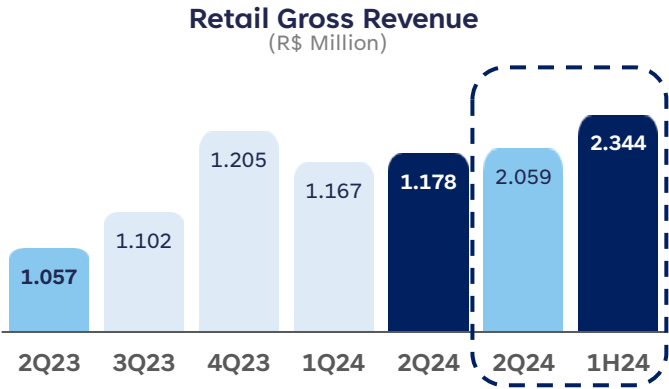
Group Gross Revenue
R\$ Million



Retail Gross Revenue
R\$ Million

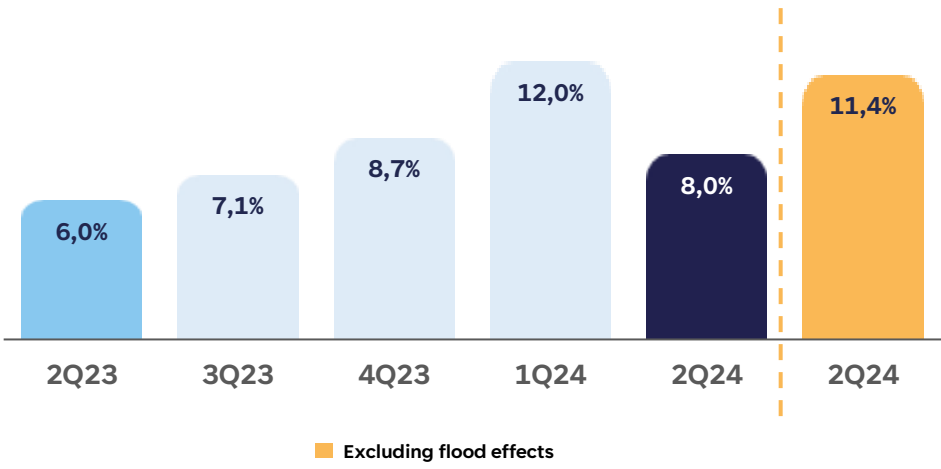


PANVEL REPORTS 11.5% SALES GROWTH VS. 2Q23 IN A QUARTER AFFECTED BY THE STATE OF RIO GRANDE DO SUL'S WORST TRAGEDY



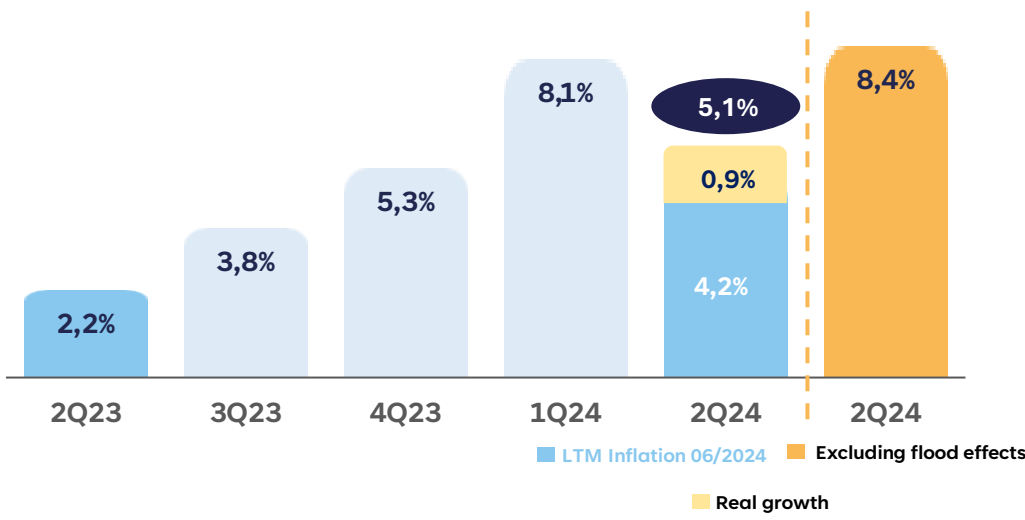
Average sales per store **exceed R\$ 700,000** in July 2024
10.0% over July/23.

Same Stores Growth
(R\$ Million)



- Overcoming the effects of flooding, MSSS growth exceeds inflation, with a real gain of 0.9 p.p.;

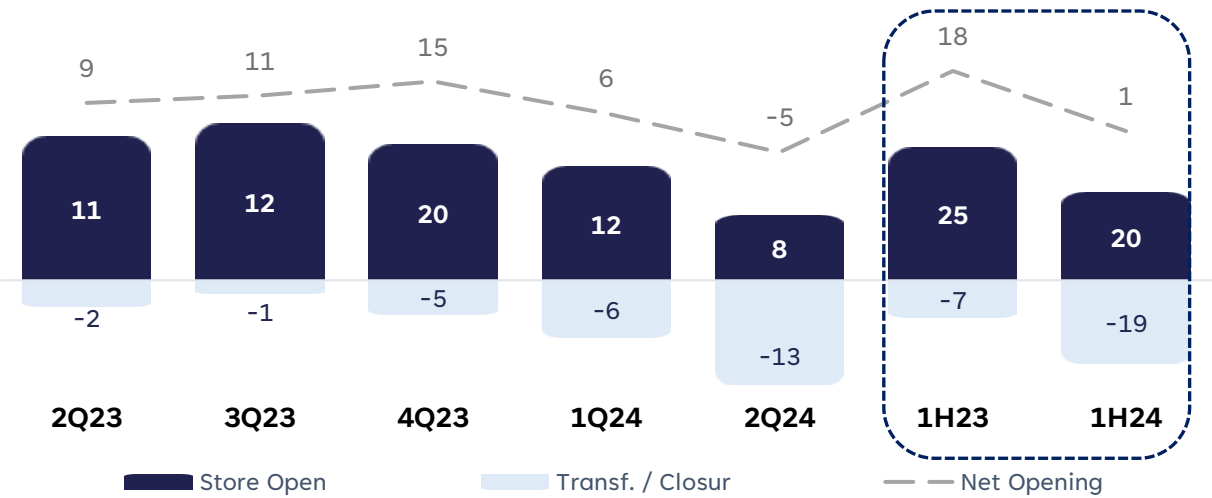
Mature Same Store Growth
(R\$ Million)



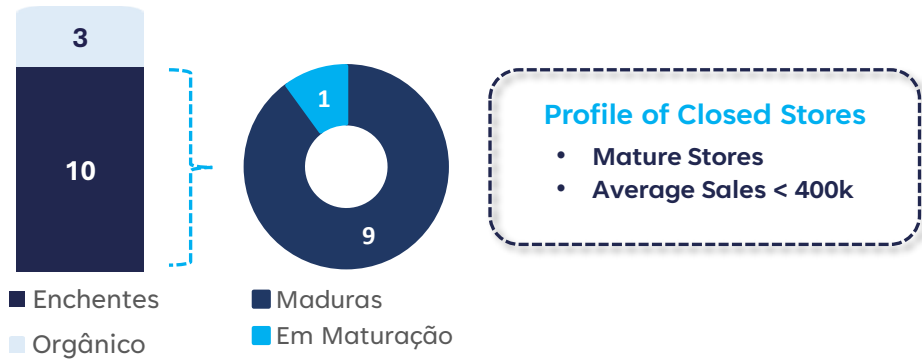
- SSS and MSSS indicators in 2Q24 represent 11.4% and 8.4%, respectively, excluding stores indirectly affected by the floods

THE FLOODS CAUSED DELAYS IN THE EXPANSION SCHEDULE OF MORE THAN 45 DAYS, RESULTING IN THE OPENING OF ONLY 8 STORES IN THE SECOND QUARTER

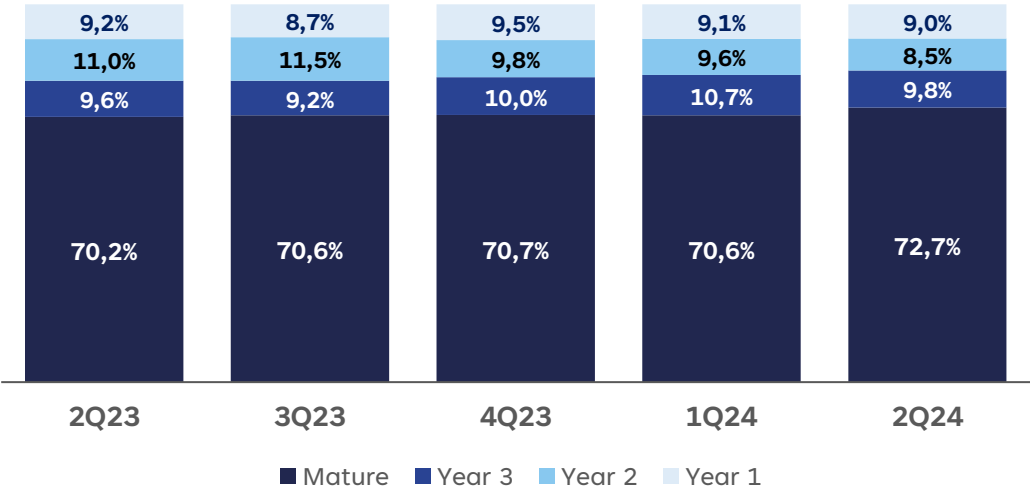
Store Openings and Closures



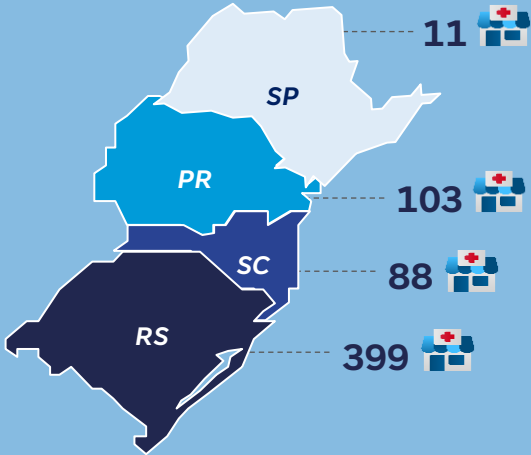
Reconciliation – Store Closures



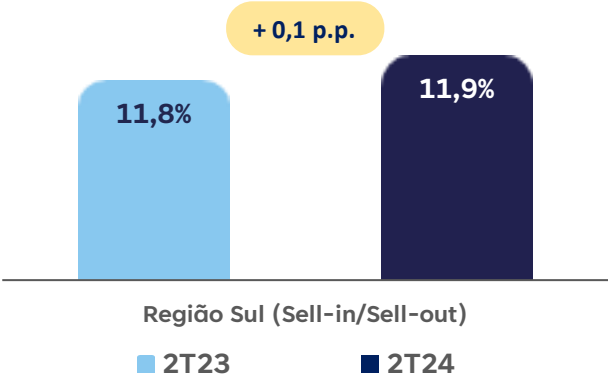
Store Portfolio by Maturity



Store Portfolio

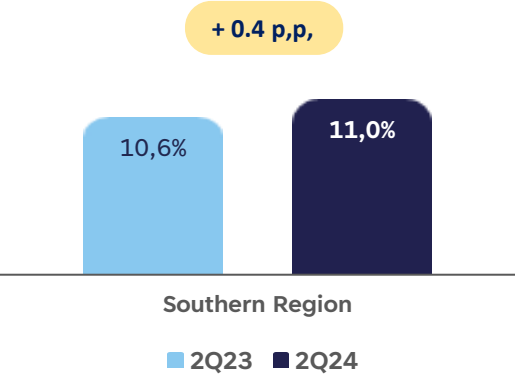


Gain of 0.1 p.p. in Market Share in the Southern Region

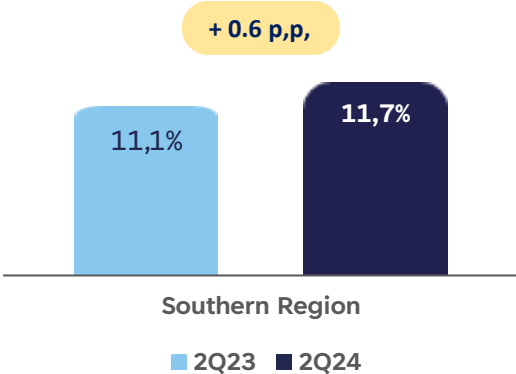


- ✓ Share Maintenance in Rio Grande do Sul
- ✓ Expansion of 0.8 p,p, in Santa Catarina
- ✓ Expansion of 0.4 p,p, in Paraná

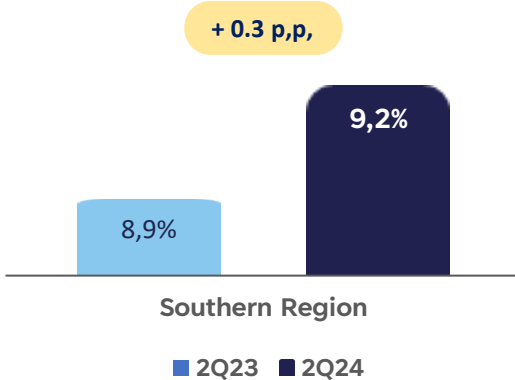
Market Share - Medications



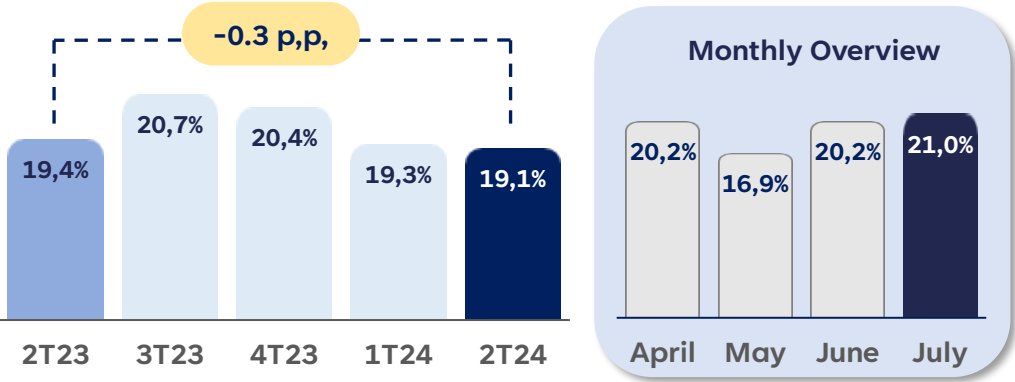
Market Share – Brand Medications



Market Share - Generic



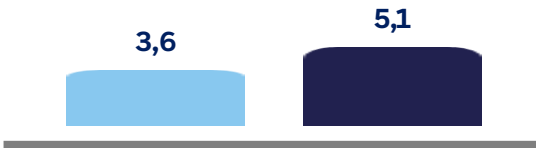
Digital Channels Participation



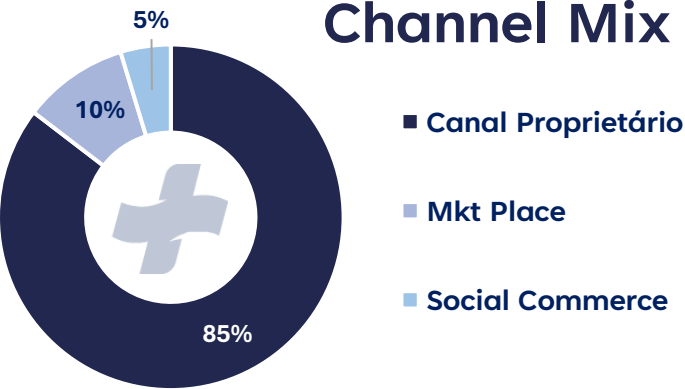
Largest Active Customer Base

MAU de 43,15%

Download App
5,1mm
(+41,7% vs 2Q23)



Channel Mix



Fastest Delivery in
Brazil

% Deliveries in 60 min

49%

* Not included Click and Collect data



**Turbo
Delivery**

Order, arrives in **up to
30 min.**



**Ordered,
arrived.**

Delivery **within 1
hour.**



Click & Collect
601 lojas



2Q24 Deliveries
570.000



Mini DC/
Darkstore 9



Service level
96% (2Q24)



Delivery Stores
194

Panvel remains a benchmark in healthcare services in the shouther region.



LIDERSHIP

In services in the Southern Region (2Q24)
20.6% Market Share



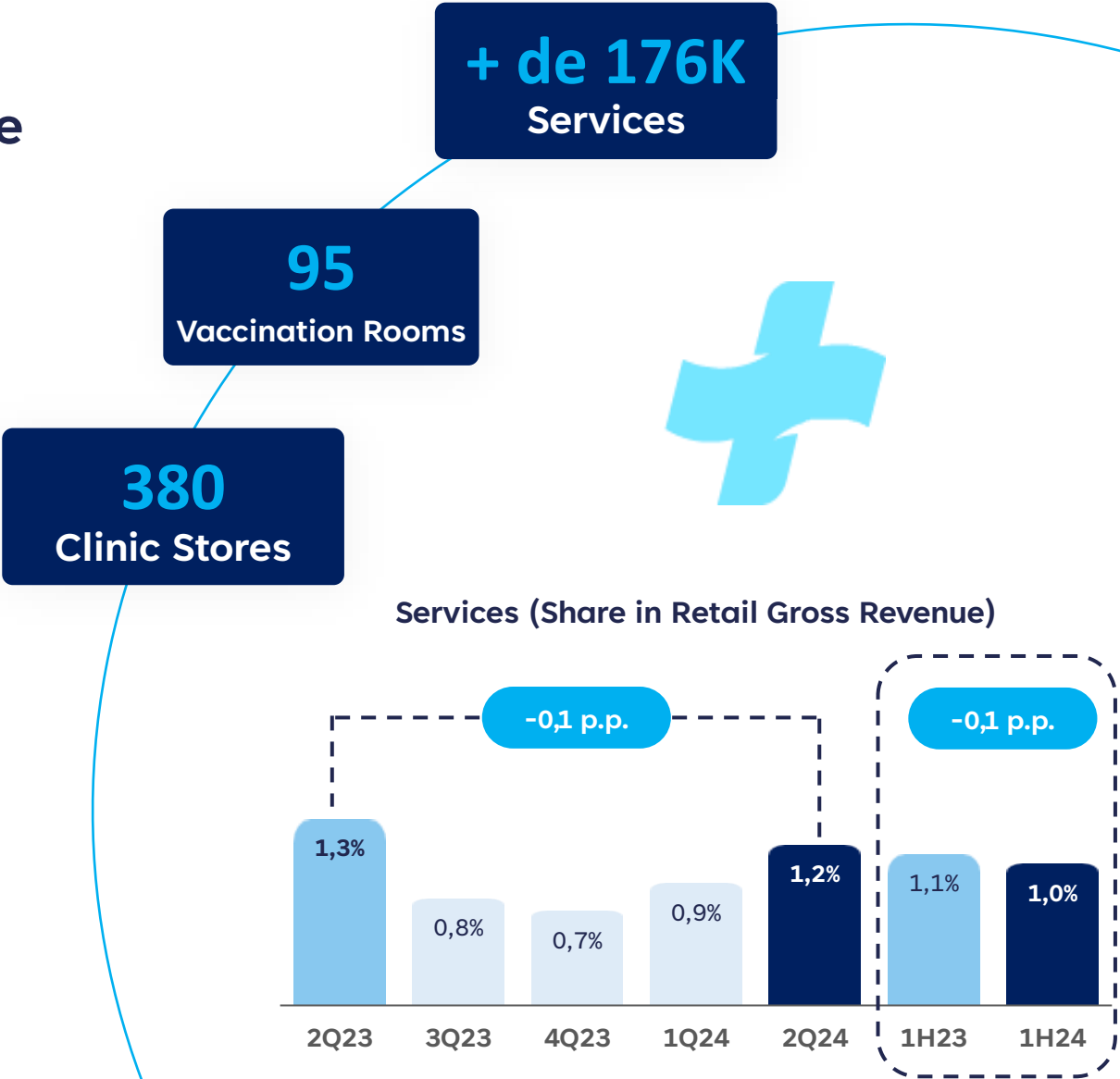
LEADER

In vaccination in the Southern region (2Q24)
38.2% Market Share
Fonte: IQVIA



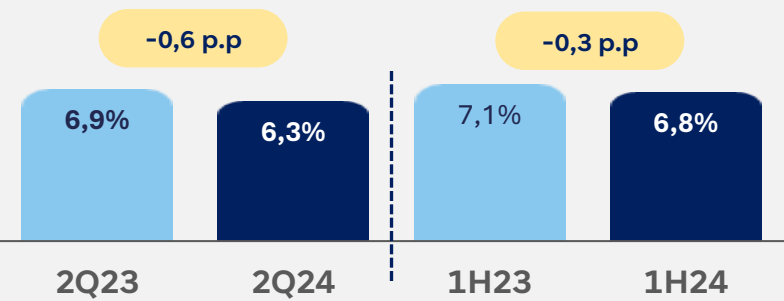
RECURRENCE

Clinic customers have na average ticket
13% higher, with a frequency 3x greater

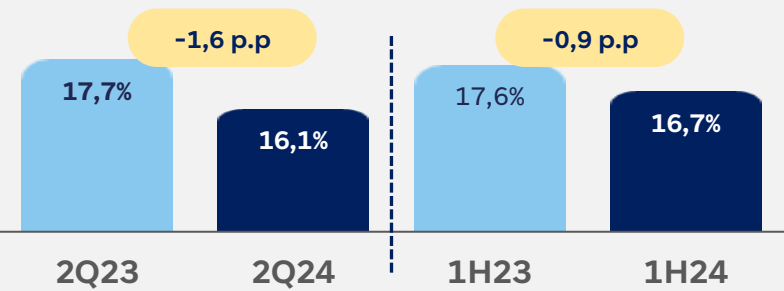


PRODUTO PANVEL

% PP's share in Retail Sales



% PPs share in HB



Leader in 40% of the network's categories

Panvel Product represents 34.3% of the Private Label market in the Southern Region

PRODUTOS PANVEL AND EXCLUSIVE BRANDS REPRESENT 6,9% OF PANVEL'S SALES

Upper gross margin

+1.000 actives SKU's







NPS
Panvel

Metodology
Bain & Company



NPS Site
84



NPS App
80



NPS Store
80



Panvel Clinic

NPS Clinic
86



Reclame Aqui
8,7



E-bit
95%

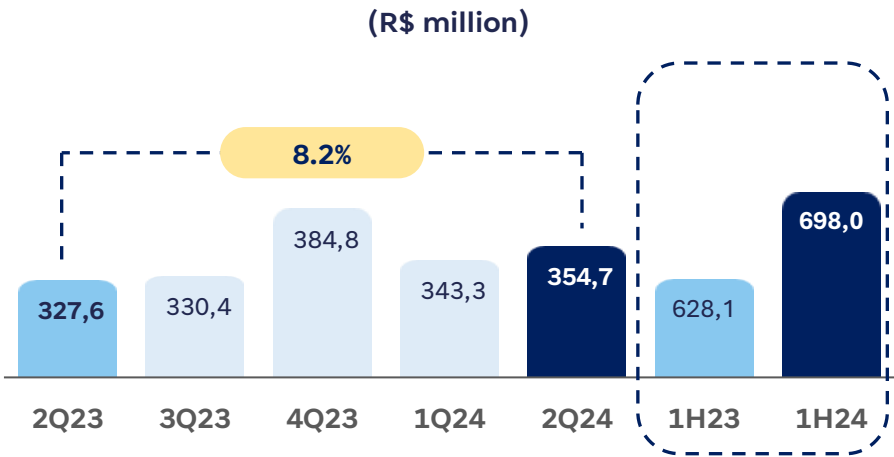


App Store
4,8



Play Store
4,8

RETAIL GROSS MARGIN REMAINS AT A HEALTHY LEVEL, WITH PRESSURE CAUSED BY SEASONAL EFFECTS

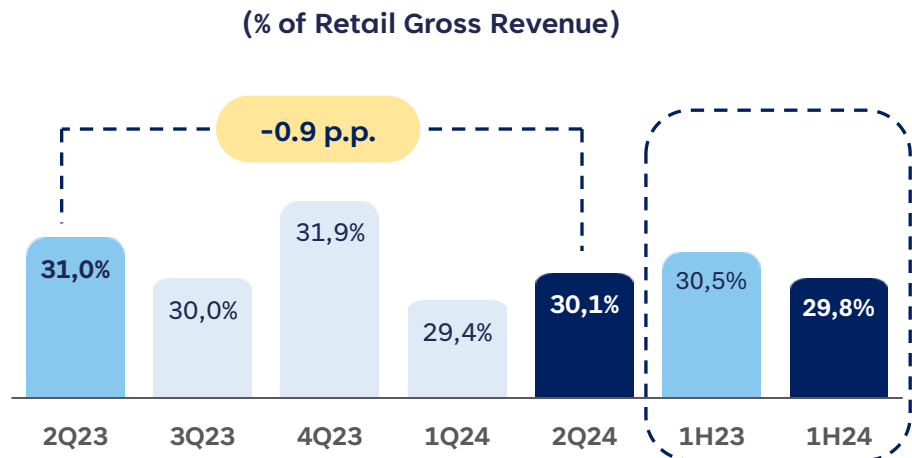


Retail Gross Margin reaches R\$ 354,7 million in 2Q24, growing 8,3% in the quarter and with pressure of 0.9 p.p., because of:

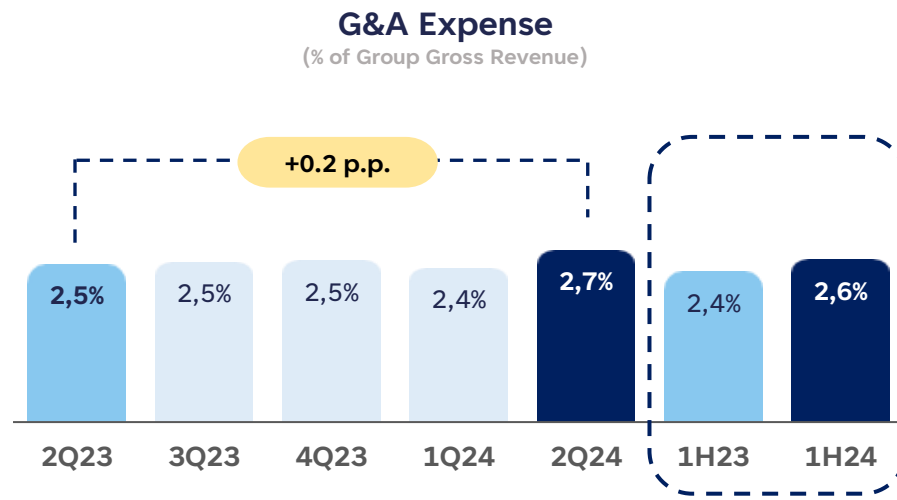
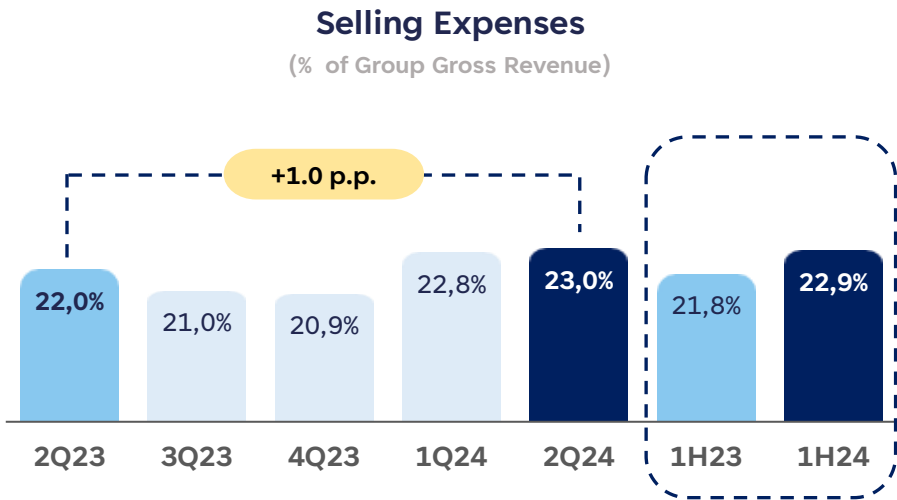
Lower price adjustment for medicines (5,6% in 2023 > 4,5% in 2024)

Margin pressure due to granting of more aggressive discounts on products to support the population of Rio Grande do Sul;

Pressure on CMV due to the higher volume of purchases from Distribuidores, due to the floods in Rio Grande do Sul.



SELLING AND ADMINISTRATIVE EXPENSES PRESSURED BY LOWER OPERATIONAL LEVERAGE DUE TO REDUCED RETAIL AND WHOLESALE SALES IN MAY AND JUNE

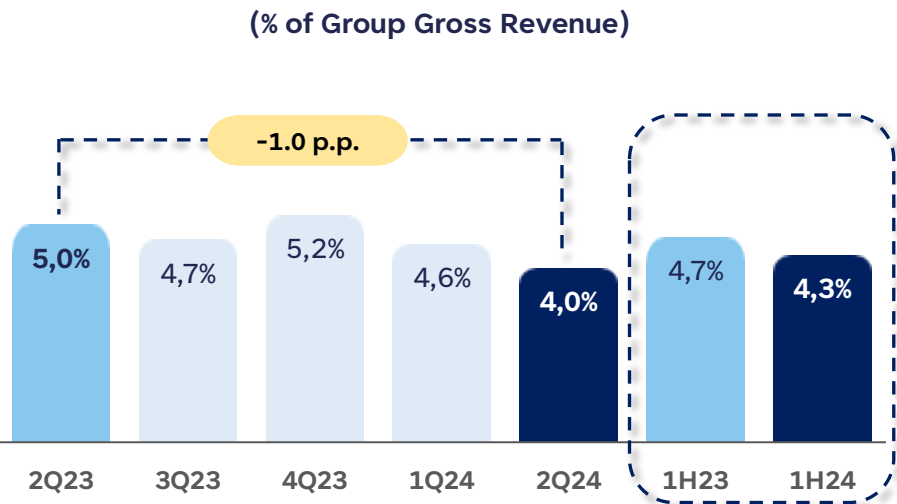
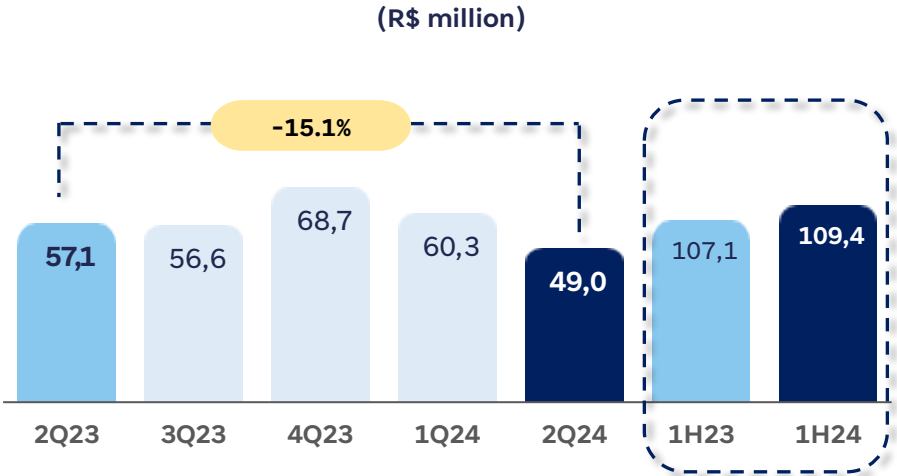


Lowest nominal expenses of the year



Panvel remains the benchmark in administrative expenses.

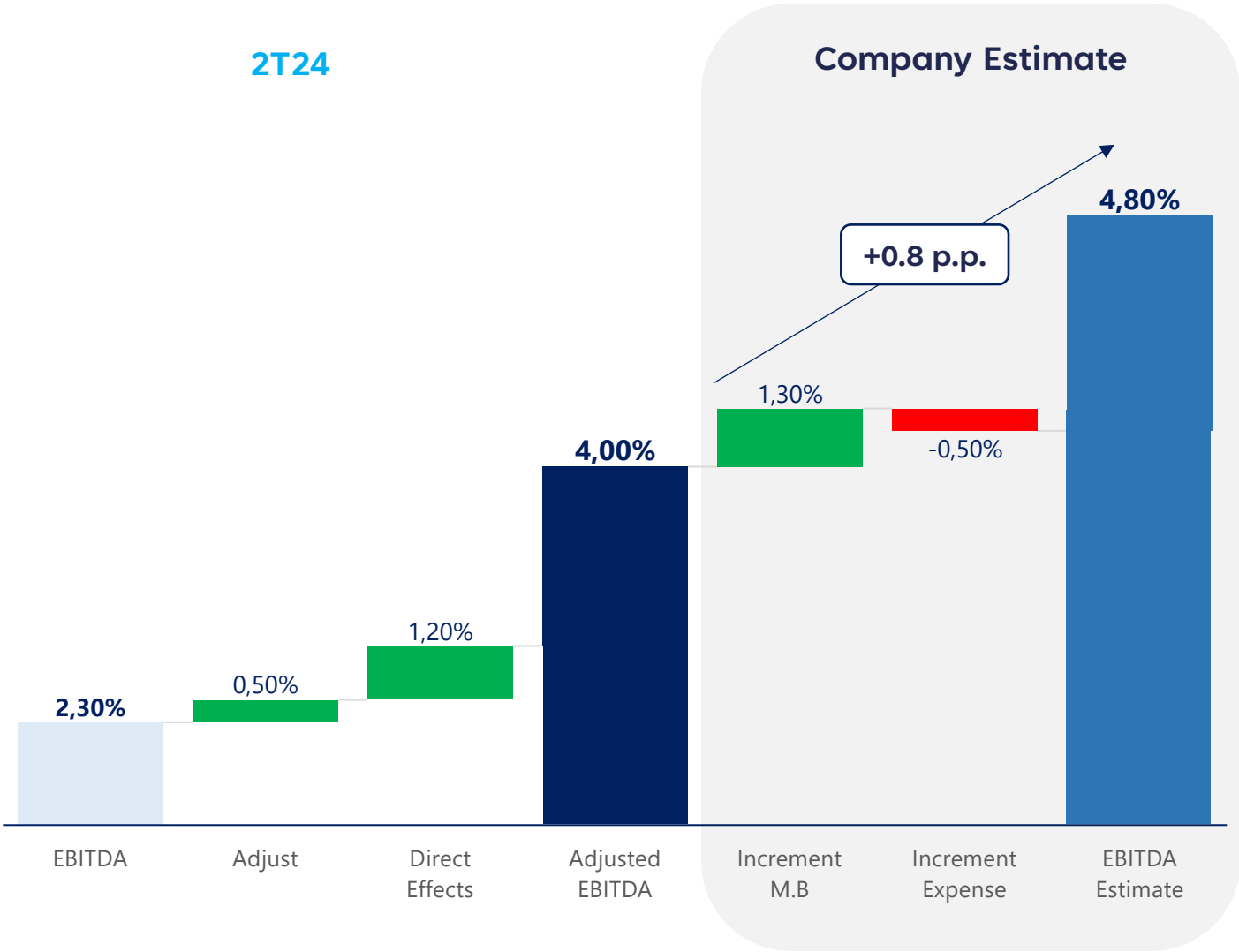
GROUP ADJUSTED EBITDA REACHES R\$ 49.0 MILLION IN 2Q24, EQUIVALENT TO 4.0% OF THE GROUP GROSS REVENUE



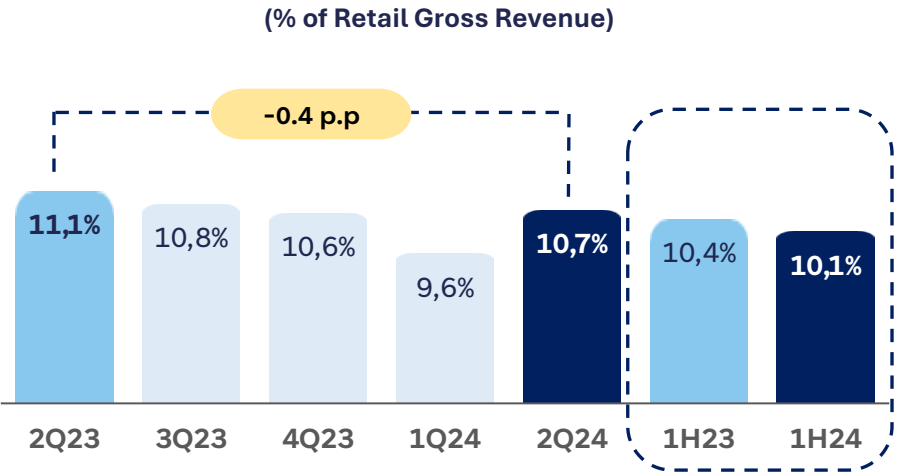
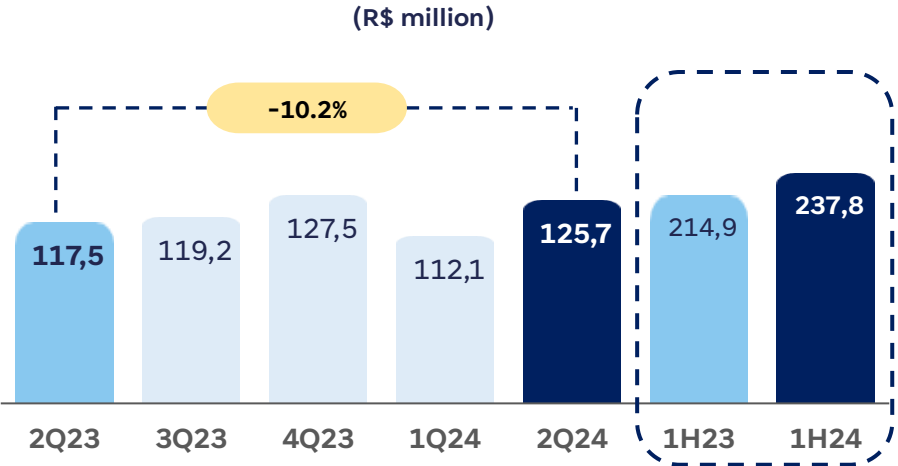
Quarter Reconciliation	2Q23	2Q24	Var. %
(R\$ millions)			
Net Income	24.5	4.3	(82.6%)
(+) Income Tax	0.6	(0.3)	(157.4%)
(+) Financial Result	7.0	4.4	(36.6%)
EBIT	32.1	8.4	(73.9%)
(+) Depreciation and Amortization	16.6	19.4	16.8%
EBITDA	48.7	27.7	(43.0%)
Participations/Distributions	6.8	5.5	(19.3%)
Asset Write-downs / Provision for Write-downs	0.6	0.3	(49.0%)
Other Adjustments	1.0	0.3	(67.5%)
Flood Effect	0.0	15.2	-
Asset Write-down	0.0	3.9	-
Inventory Write-down	0.0	6.8	-
Extraordinary Expenses / Social Actions	0.0	3.9	-
Provision for Write-downs CD and Lifar	0.0	0.6	-
Adjusted EBITDA	57.1	49.0	(14.1%)
Adjusted EBITDA Margin	5.0%	4.0%	-1.0 p.p.

	REALIZED		Company Estimate		
	2Q24	YoY	Indirect Impacts	2Q24 Proj	YoY
(em milhares)					
Group Gross Revenue	1,223,685	4.9%	113,992	1,337,677	14.6%
Retail Gross Revenue	1,177,913	11.5%	37,070	1,214,983	15.0%
Wholesale Gross Revenue	43,374	(59.6%)	76,922	120,295	12.0%
Group Gross Margin	363,411	5.6%	20,019	383,430	11.6%
Retail Gross Margin	30.1%		11,173		
Wholesale Gross Margin	11.5%		8,846		
SG&A	(335,683)	17.4%	9,838	(325,831)	13.9%
Retail Expenses			(2,239)		-
Wholesale Expenses			(3,123)		-
Direct financial impact			15,200		
EBITDA	27,728	(43.0%)		57,599	16.6%
Adjustments	6,116			6,116	-
Direct financial impact	15,200			-	-
Adjusted EBITDA	49,044	(14.1%)		63,715	10.2%
EBITDA Margin	4.0%	-1.0 p.p.		4,8%	

2T24

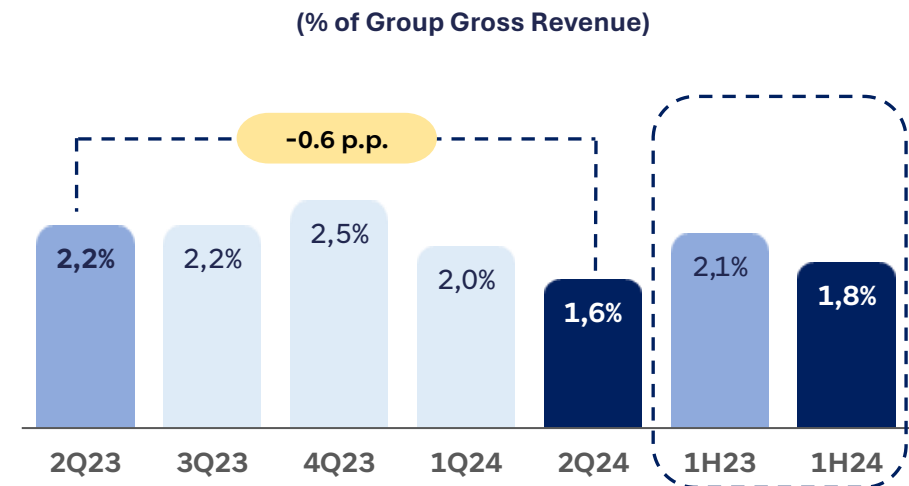
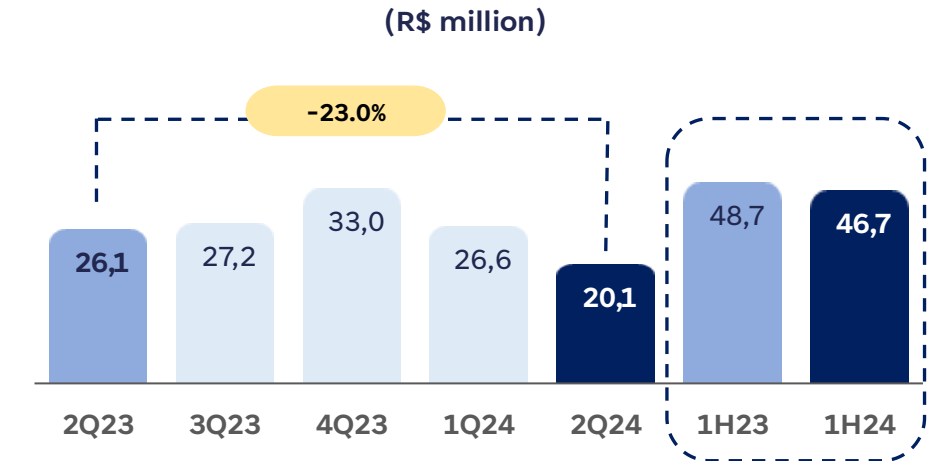


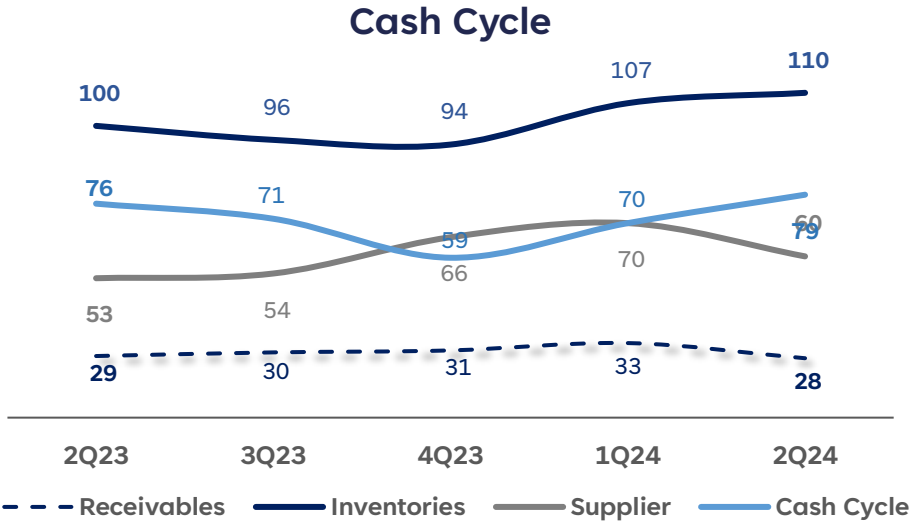
EBITDA REACHES 10.7% OF GROSS REVENUE, MITIGATING THE FALL IN GROSS MARGIN THROUGH PRODUCTIVITY GAINS IN STORES



- ✓ Growth of 7.0% with a pressure of 0.4 p.p.;
- ✓ Reduction of seasonal impacts in the months of May and June through productivity gains in the store base

- ✓ Positive result for stakeholders, even with the recording of all relevant effects caused by the floods.
- ✓ Margin expansion expectations for the second Half of the year remain unchanged, with sales returning to their levels as of July/24.





Cash Cycle affected by seasonal effects of the quarter.

- Receivables:** significant improvement due to lower participation from wholesale.
- Inventory:** line impacted due to lower sales volume, combined with the period without movement of goods at the Eldorado do Sul/RS DC.
- Suppliers:** 7 day improvement in supplier deadlines, through great negotiation action with industry partners.

Indebtedness					
Net Debt (R\$ mm)	2Q23	3Q23	4Q23	1Q24	2Q24
Short-Term Debt	293.7	128.9	102.5	188.9	227.4
Long-Term Debt	60.0	310.0	280.0	280.0	250.0
Gross Debt	353.7	438.9	382.5	468.9	477.4
(-) Cash and Equivalents	193.2	265.0	245.4	262.3	270.6
Net Debt / Net Cash	160.4	173.8	137.1	206.6	206.8
Net Debt / EBITDA LTM	0.75x	0.78x	0.59x	0.86x	0.89x

✔ Debt level remains the lowest in the sector.

STRATEGIC PILLARS

EXPANSION



DIGITAL



LOGISTICS



PRIVATE
LABEL



CRM &
ANALYTICS



ECOSYSTEM
HEALTH CARE



ESG



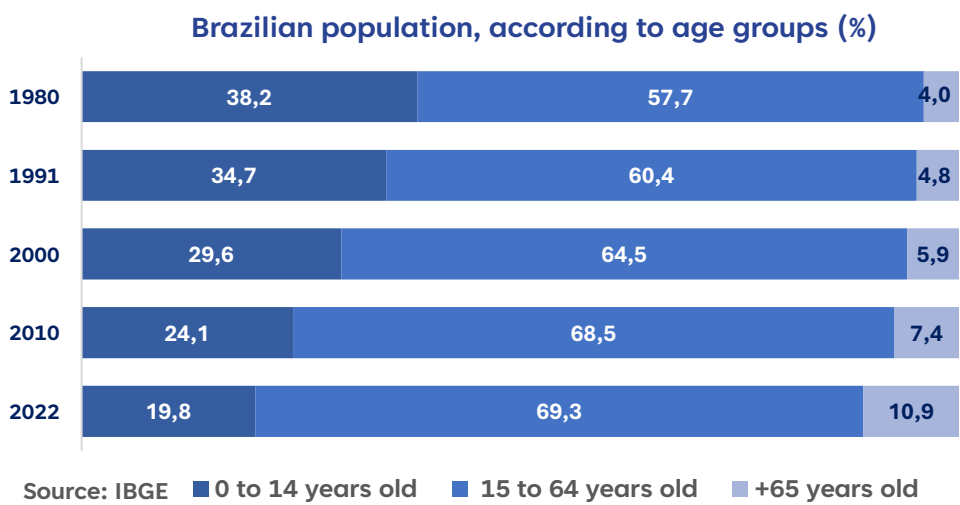
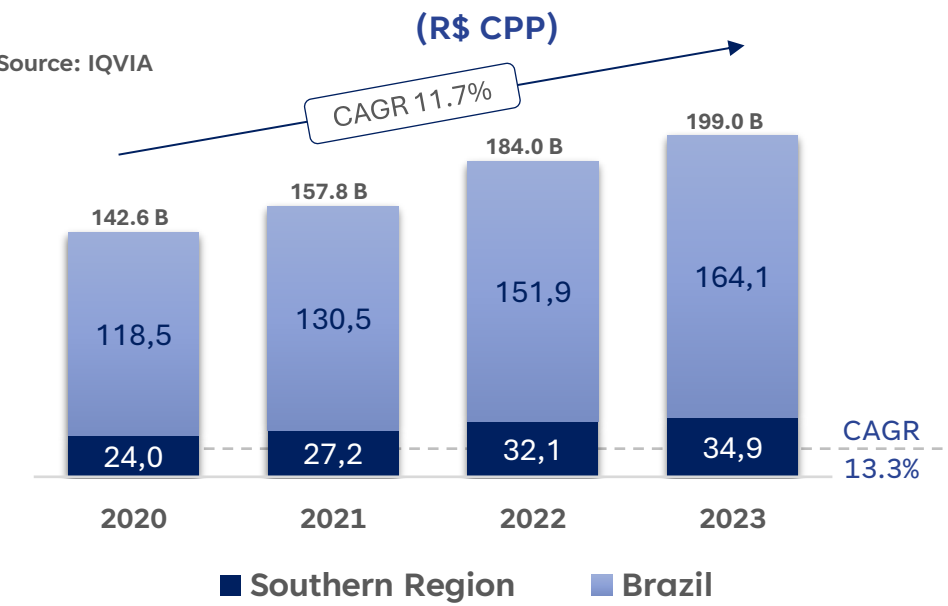
INNOVATION & TECHNOLOGY

PEOPLE & CULTURE





Evolution of Pharmaceutical Retail - Brazil/Southern Region



South Region market with room for consolidation

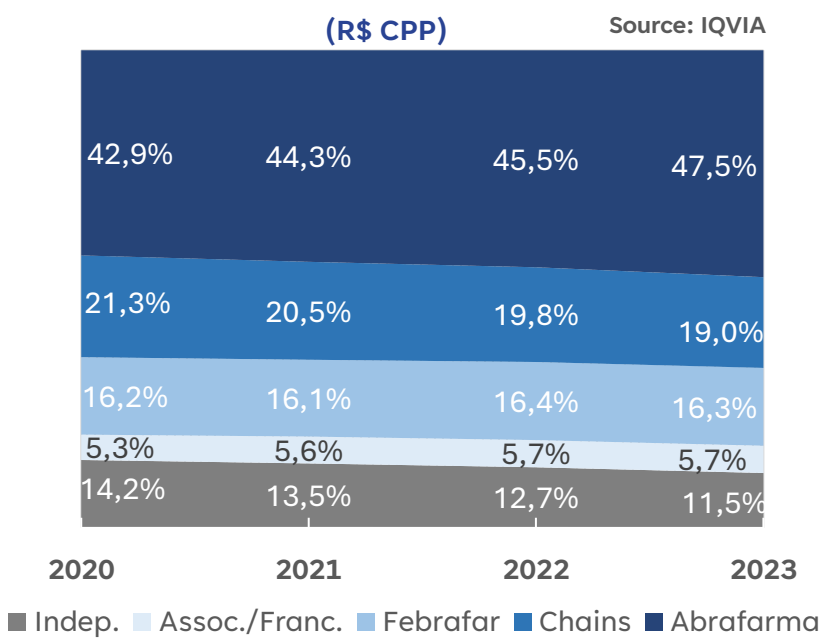
South Region Market grows more than The Brazil market

Panvel Grows Above the Market in the same period (Panvel CAGR = 17.5%)

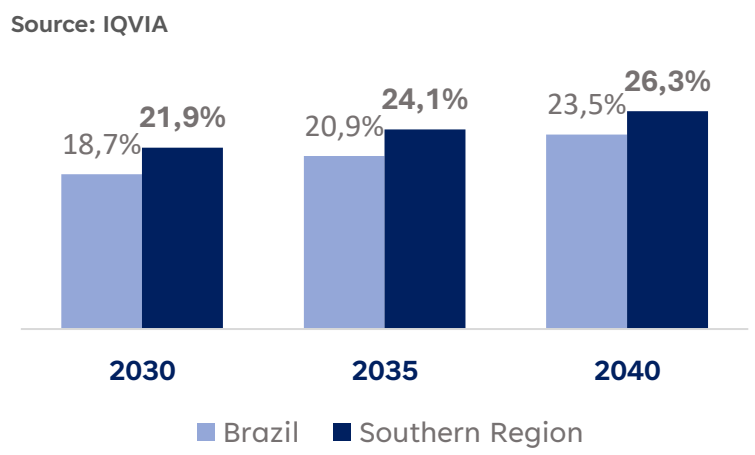
Brazilian Population with Accelerated Aging

South Region has higher aging projection

Evolution of Pharmaceutical Retail – Southern Region

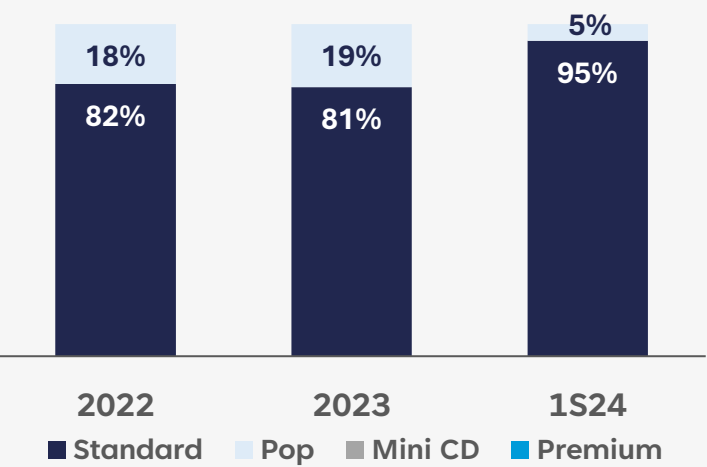


Population Projection 60+ (Brazil/Southern Region)

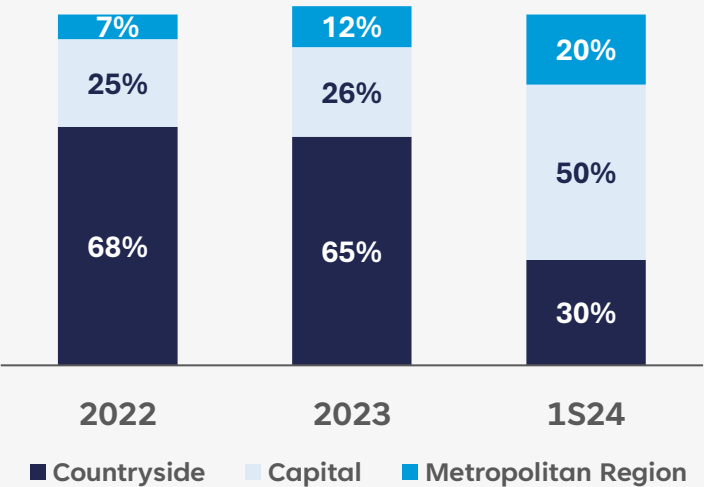




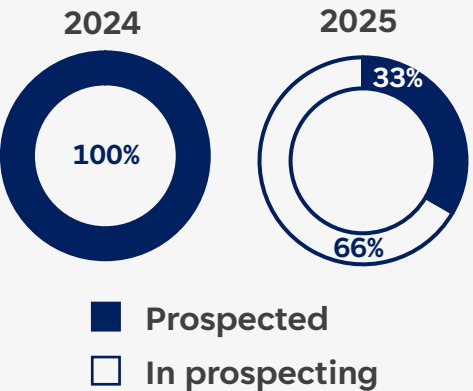
Openings by Store Tipe



Openings by City Type



Prospecting Points 2024/2025

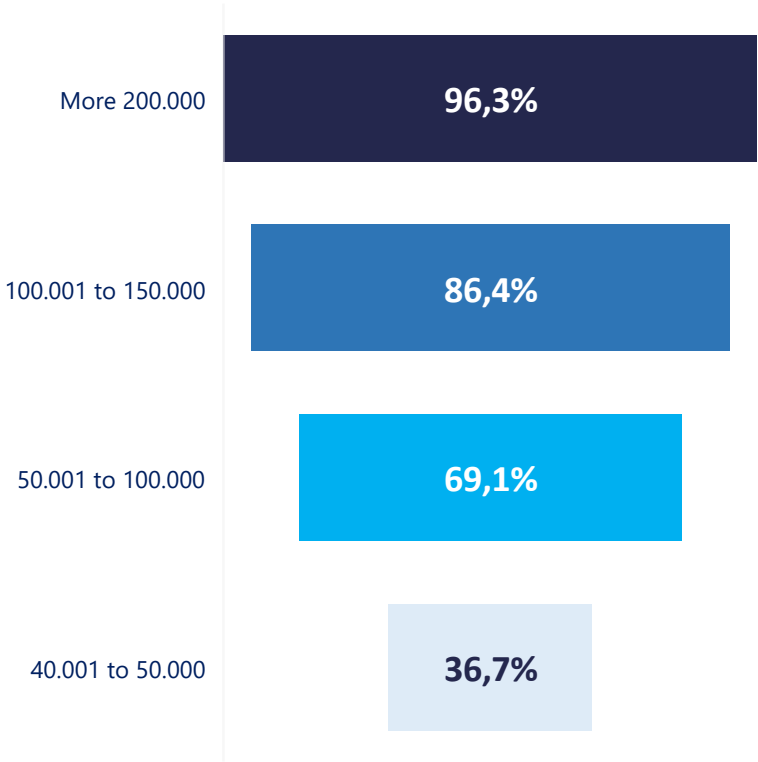


Focus on the South Region

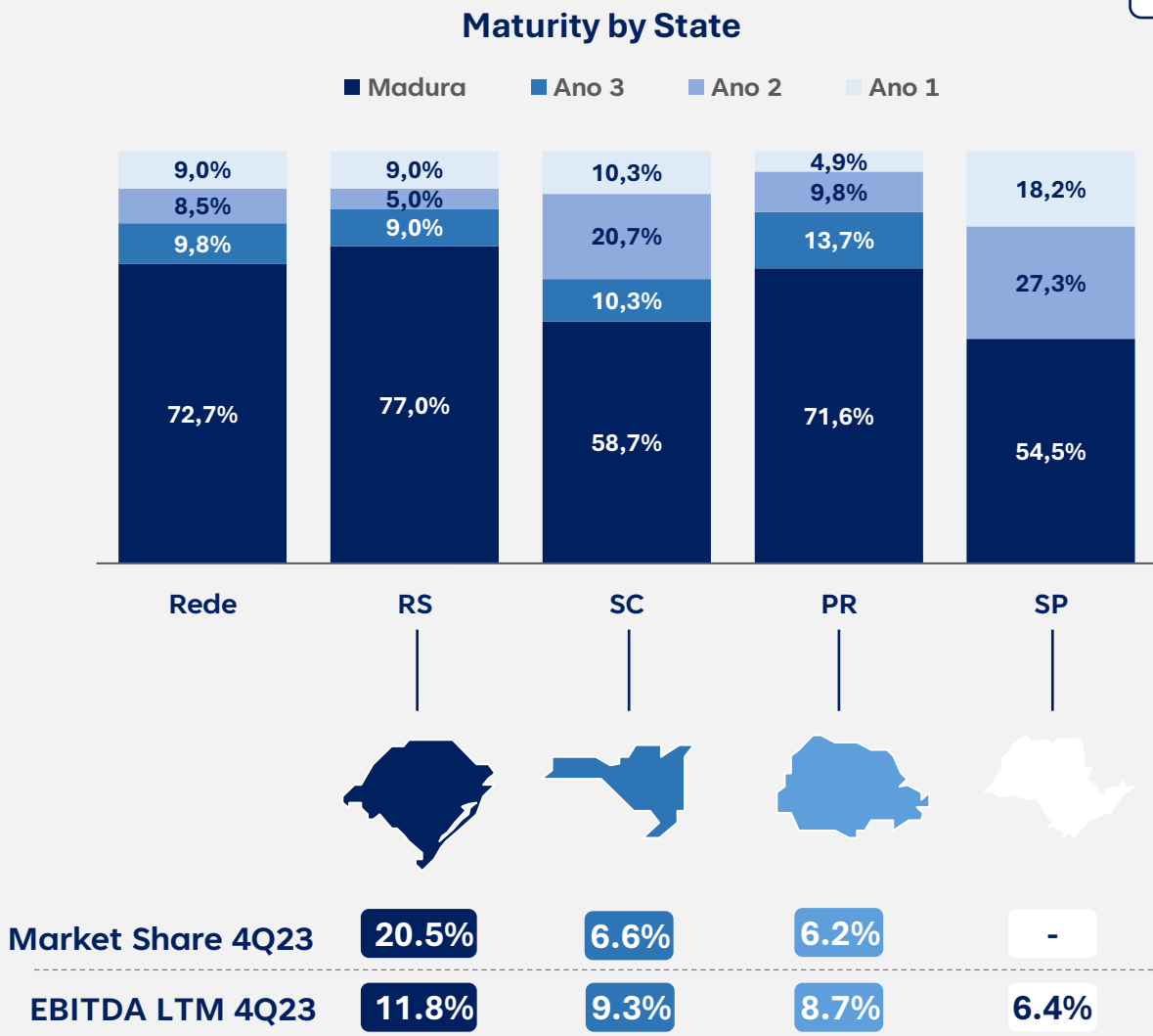
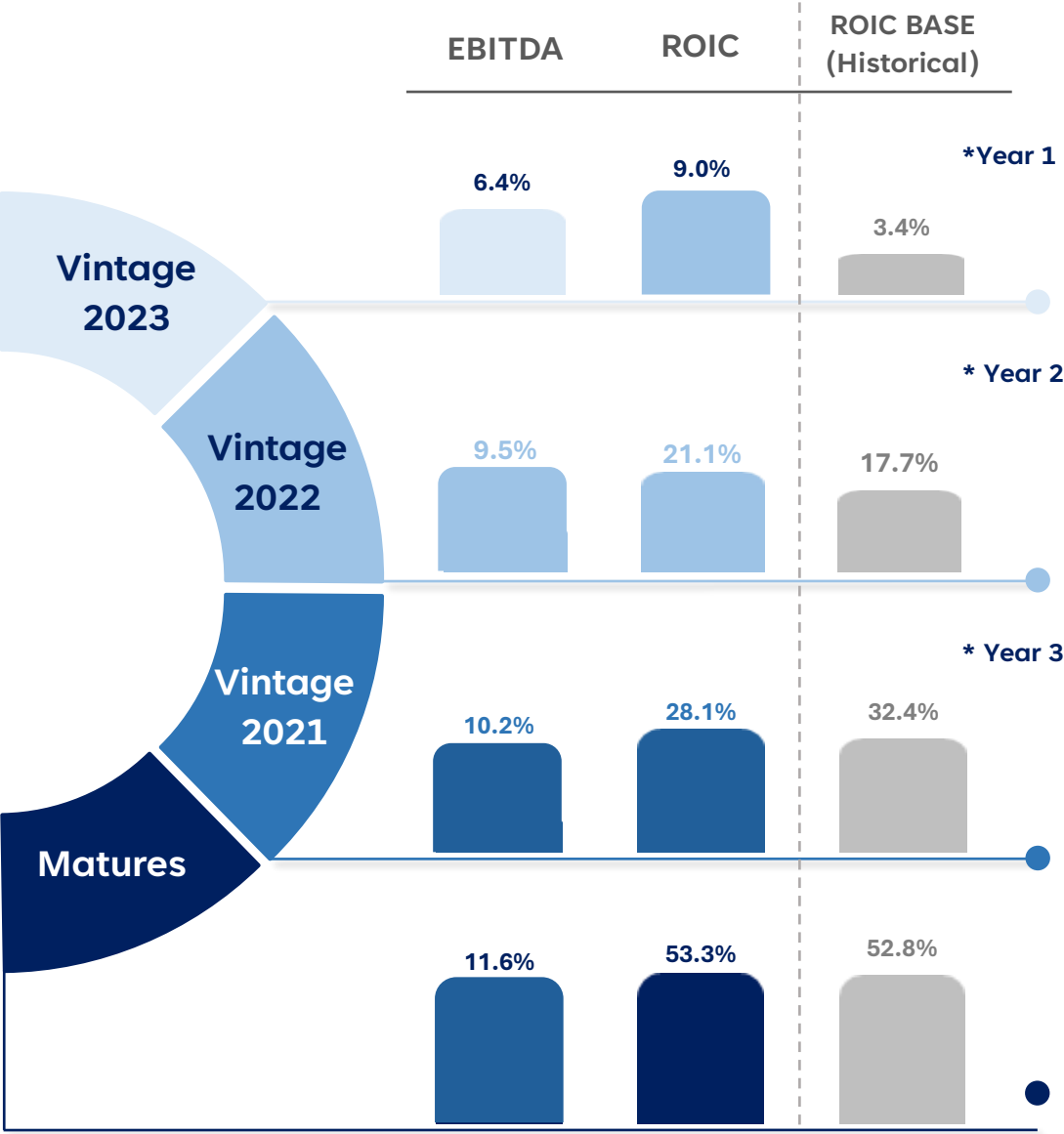
Countryside

Standard and Pop Models

Cities with Panvel Stores
(by housing range)



STRATEGIC EXPANSION – RETAIL EBITDA AND ROIC



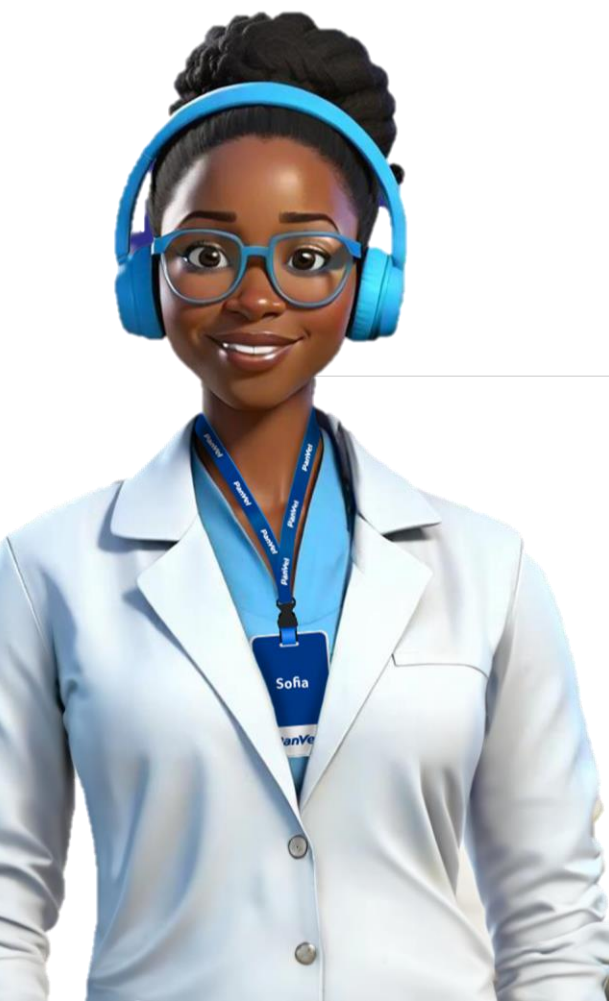
LTM = last 12 months

Innovation remains intrinsic to Panvel business strategy;



Serviço de **O**rientação **F**armacêutica com **I**nteligência **A**rtificial
(**P**harmaceutical **G**uidance **S**ervice with **A**rtificial **I**ntelligence)

In-house developed Generative AI tool to improve customer experience.



Hello! I'm Sofia, the Pharmaceutical assistant at Panvel!

I'm here to guide employees on **care routines**, informations on **drugs interactions** and even **ANVISA guidelines**.

grupo panvel

SUSTAINABILITY REPORT

2023

Acess
here:

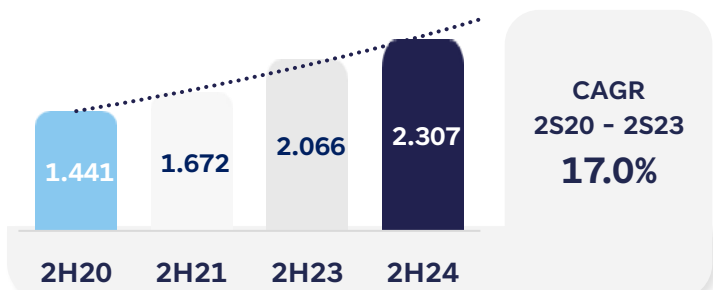


Perspectives 2nd Semester 2024

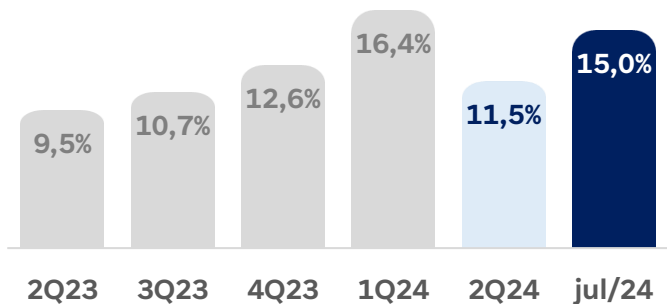




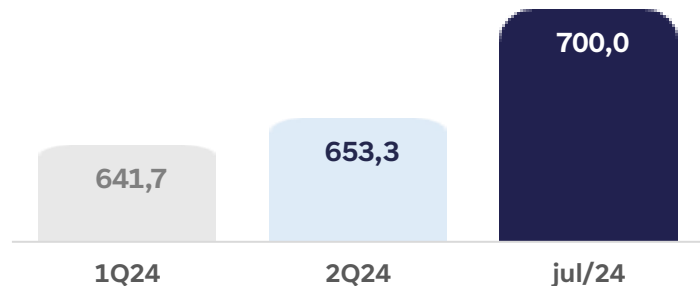
Retail Gross Revenue



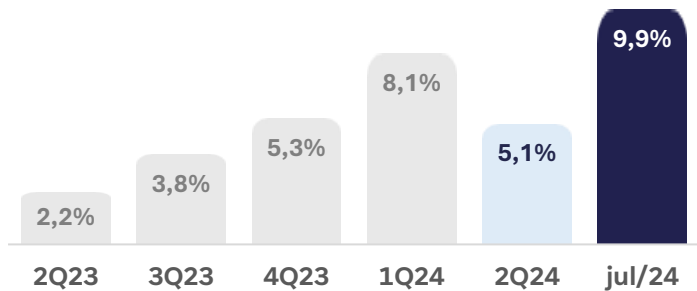
Sales Growth - Retail



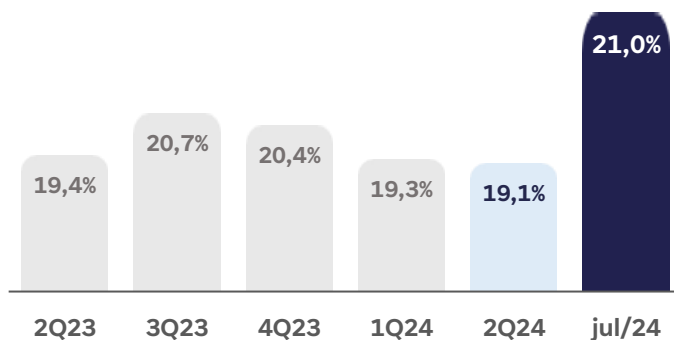
Average Sale
R\$ millions



Mature Same Store Growth



Digital (% Retail Gross Revenue)



Panvel Outlook for 2024 Remains Unchanged

We maintain our positive outlook for 2024 after experiencing above-market growth in the first Half of the year, despite the impact of the floods.

Revenue Growth

- We plan to maintain the expansion pace for 2024, with guidance of 60 new stores for the year, 40 in 2S24.
- New stores are showing accelerated ramp-up;
- Mature stores are growing above inflation;

Gross Profit

- We expect to maintain the Gross Margin (with a growth in branded medications offsetting the growth in generic and OTC)

Expenses

- Resumption of the trend in sales expenses dilution through scale gains and operational leverage;
- Logistics efficiency improvements and increased store productivity;
- Administrative expenses remain at healthy levels;

EBITDA

- EBITDA Margin expansion

Indebtedness

- Dilution of leverage level, with the capital structure serving as a competitive advantage;

New Wholesale Model

- Wholesale operations adopting a new model, with lower sales volume but greater efficiency in logistics expenses;
- Trend of reduced share in the consolidated gross revenue mix, positively impacting the Group Margin.

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Q&A

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