



Earnings Conference Call

1Q21



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This document may contain certain forward-looking statements and information related to the Company that reflect the current views and/or expectations of the Company and its management with respect to its performance, business and future events. Forward-looking statements include, without limitation, any statement that has forecasts, indications or estimates and projections about future results, performance or objectives, as well as words such as "we believe," "anticipate," "expect," "estimate," "project" among other words with similar meaning. Although the Company and its management believe that such estimates and forward-looking statements are based on reasonable assumptions, they are subject to risks, uncertainties and future events and are issued considering information that is currently available. Any forward-looking statements refer only to the date on which they were issued, and the Company is not responsible for updating or reviewing them publicly after the distribution of this document due to new information, future events or other factors. Investors should be aware that several important factors cause actual results to differ materially from such plans, objectives, expectations, projections and intentions expressed in this document.

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The market and competitive position information, including any market projections cited throughout this document, were obtained through internal surveys, market research, public domain information and business publications. Although we have no reason to believe that any of these reports or information is inaccurate in any material respect, we do not independently verify regardless of competitive position, market position, growth rate or any other data provided by third parties or other industry publications. The Company is not responsible for the veracity of such information.

Certain percentages and other values included in this document have been rounded to facilitate its presentation. The scales of the quarterly results and annual results charts may appear in different proportions to optimize the income statement. Thus, the numbers and graphs presented may not represent the arithmetic sum and the appropriate scale of the numbers that precede them and may differ from those presented in the financial statements.

The quarterly information was prepared in accordance with the International Financial Reporting Standards (IFRS16), in accordance with accounting practices adopted in Brazil (BR GAAP).



Results 1Q21

Luiz Novais, CFO

1Q21 Highlights



Operational

NPS

73

(+6 points vs. 1Q20)

Stock Out

-30%

vs. 1Q20

Assortment

+5.5%

(distinct items sold
vs. 1Q20)

Productivity

17.4

(-0.3 employee/store
vs. 1Q20)



Financial

Same Store
Sales

9.6%

Gross
Margin

29.8%

(+1.0p.p. vs. 1Q20)

Net Results

44.2million

(+380% vs. 1Q20)

ROIC

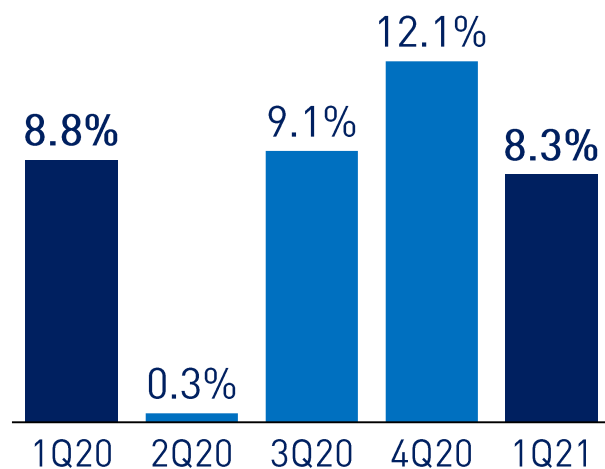
18.9%

(+2.5p.p. vs. 1Q20)

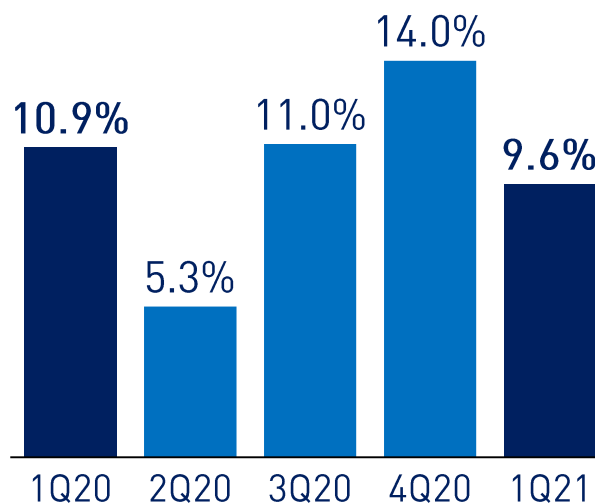
Consistent Sales Growth

Despite the high comparison base and negative effects of shopping mall stores and calendar days

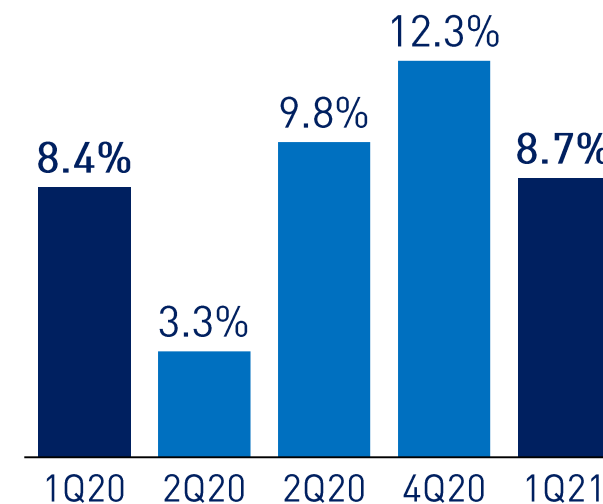
Total Growth
(vs. previous year %)



Same Store Sales
(vs. previous year %)



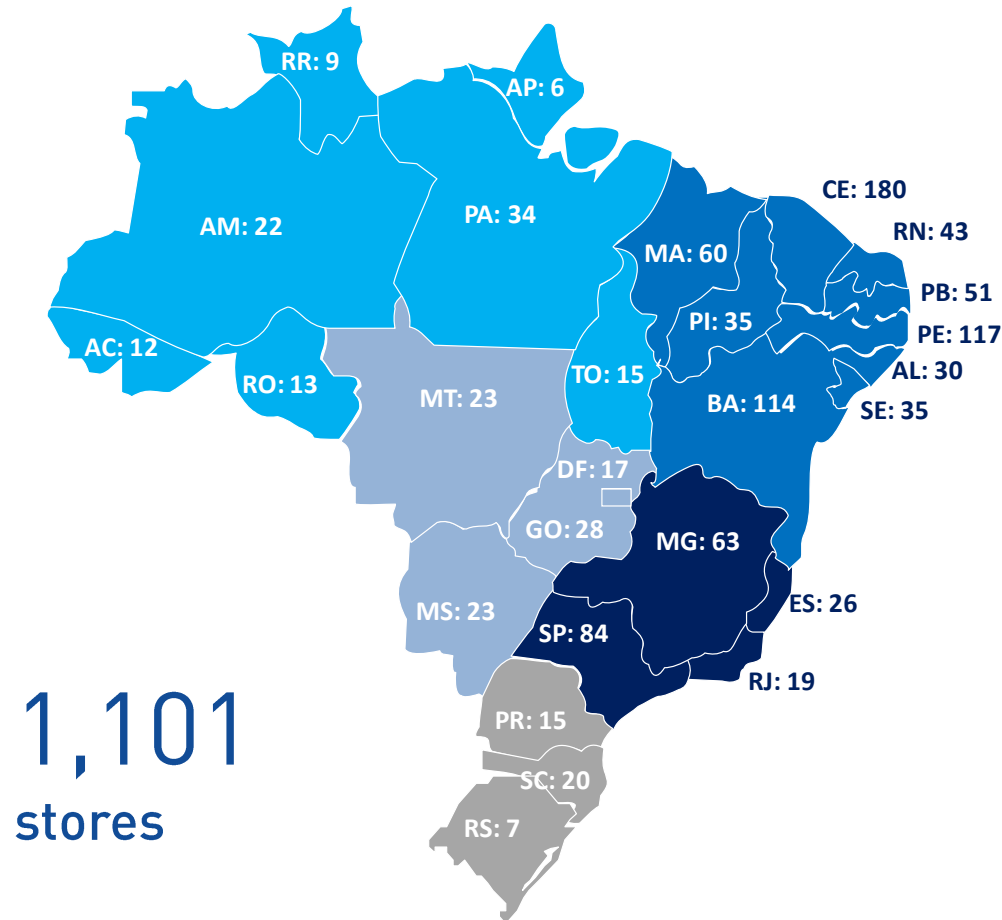
Mature Stores Growth
(vs. previous year %)



Note: The same store concept does not consider temporary store closings lasting more than seven calendar days. Including temporarily closed stores on the basis, the same store growth for 1Q20, 2Q20, 3Q20, 4Q20 and 1Q21 were 9.9%, 1.7%, 10.9%, 13.5% and 9.3%, respectively.

Store Portfolio

First successful new store opening, ahead of schedule



87

New approved locations¹

7

Stores refurbished

1

New store inaugurated



Salvador, BA

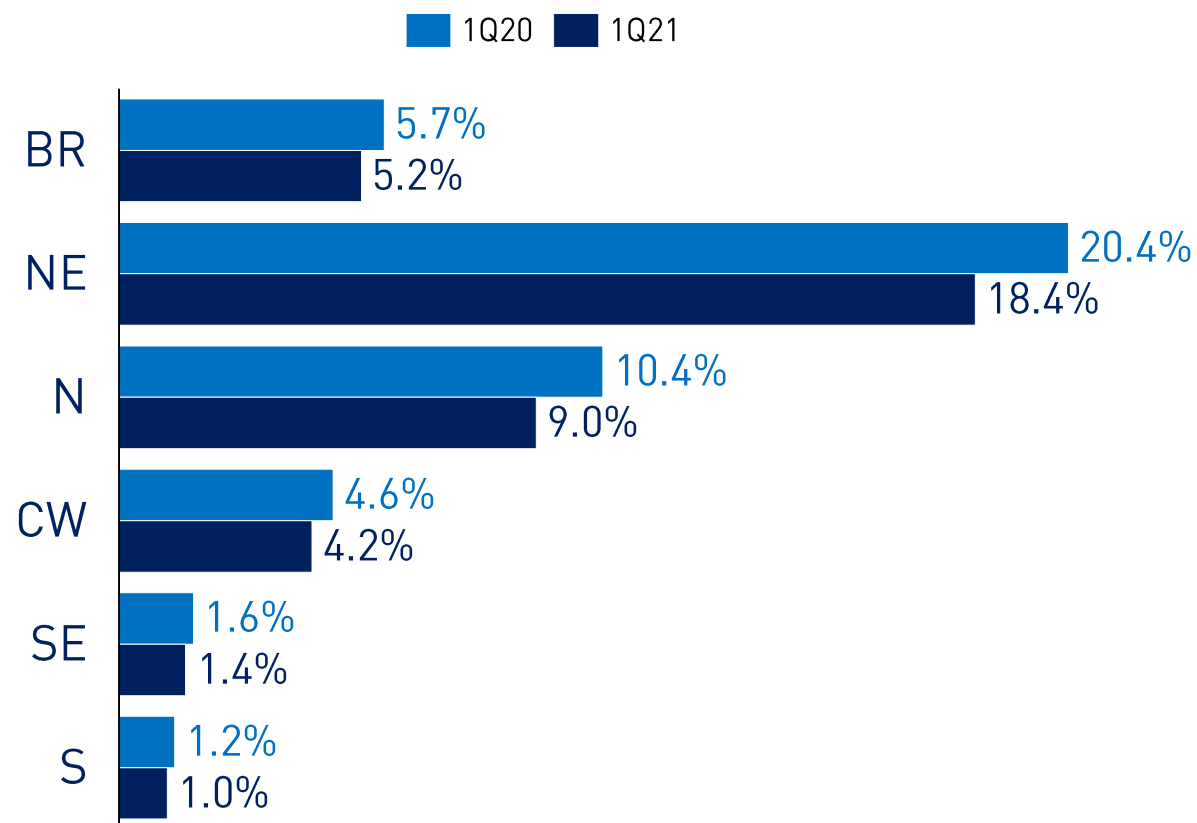


¹ Since September/20. After contracts are approved and signed, sites go through the process of obtaining regulatory licenses/authorizations and construction and may or may not become new stores

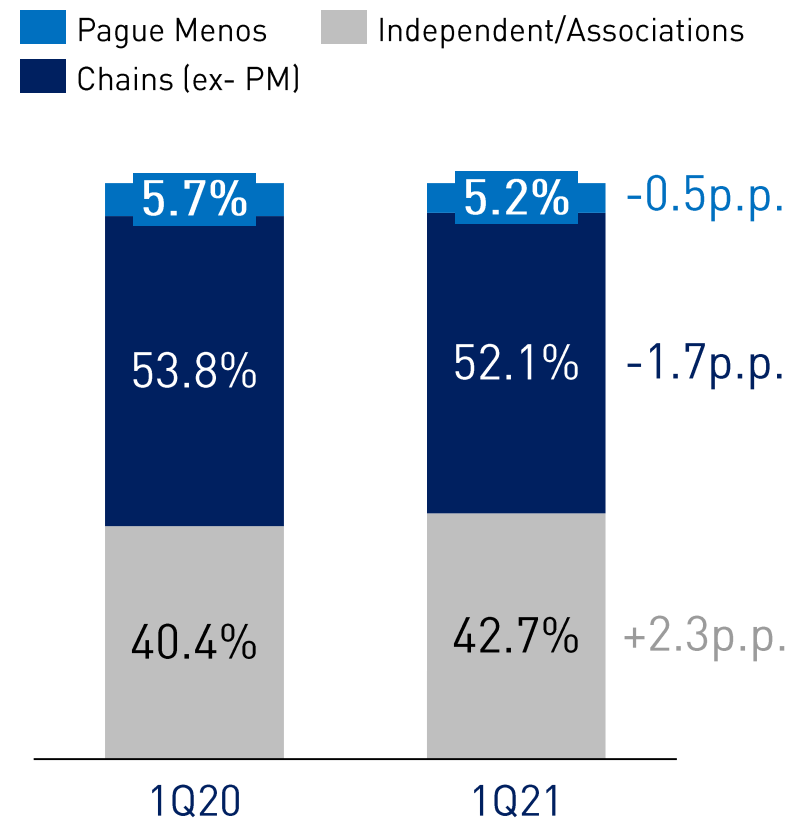
Market Share

Share loss to independent drugstores below what was reported by the other large chains

Market Share by Region (IQVIA)



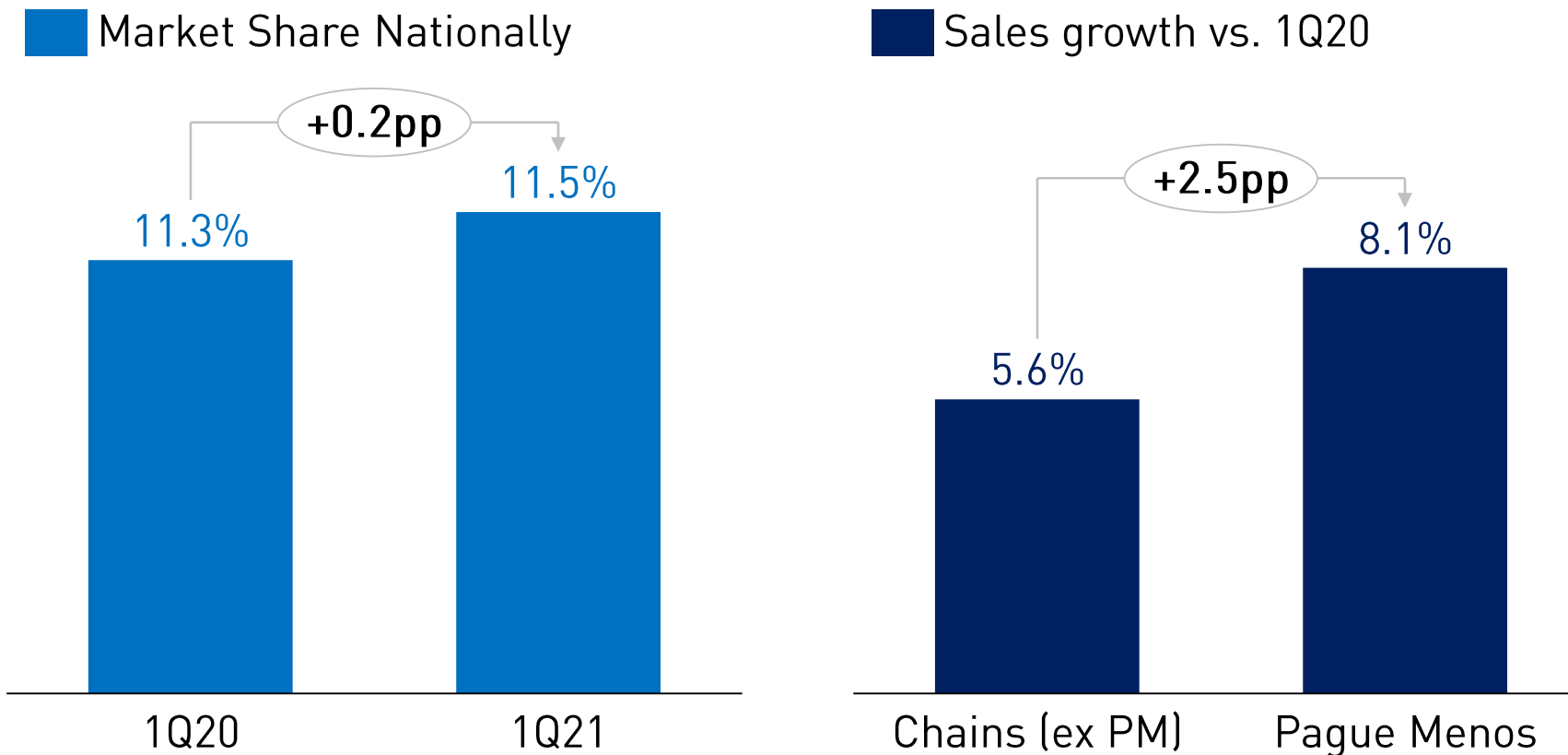
Market Share by Group (IQVIA)



Same Stores Market Share

Growth above the average of that reported by other chains, with an increase in the like-for-like market share

Market Share Same Stores (Nielsen)



¹ Like-for-like concept purges the effect of openings of new stores in market share dynamics. Nielsen audits only the market comprised of the group of the largest pharmacy chains.

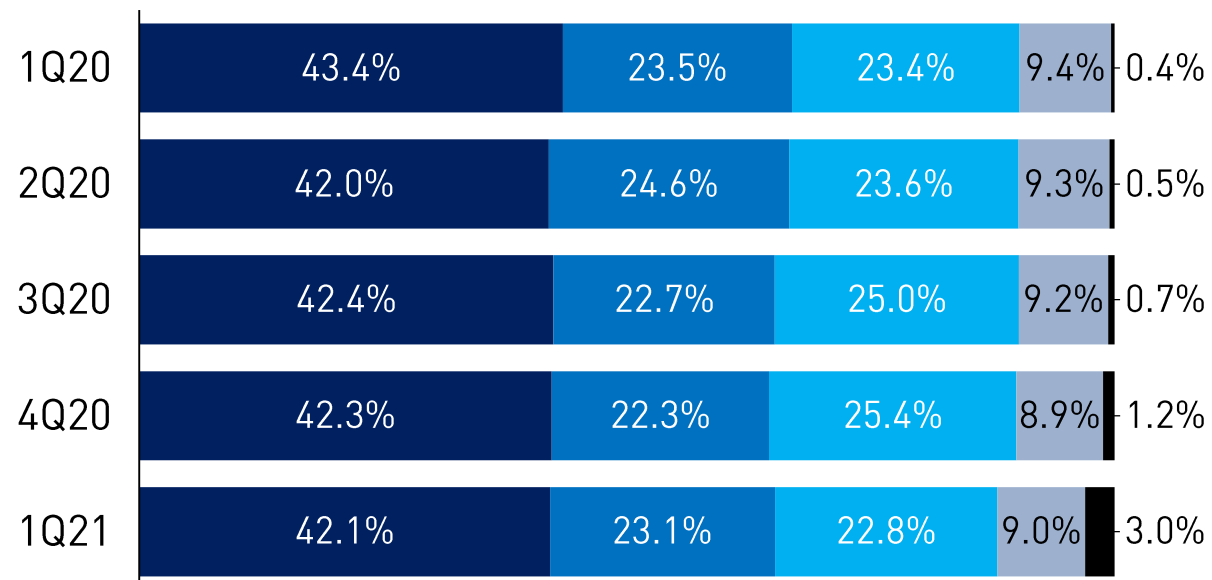
Sales Mix and Private Label

Growth in Services from Clinic Farma and good performance in Private Label

Sales Mix

(in % of total sales)

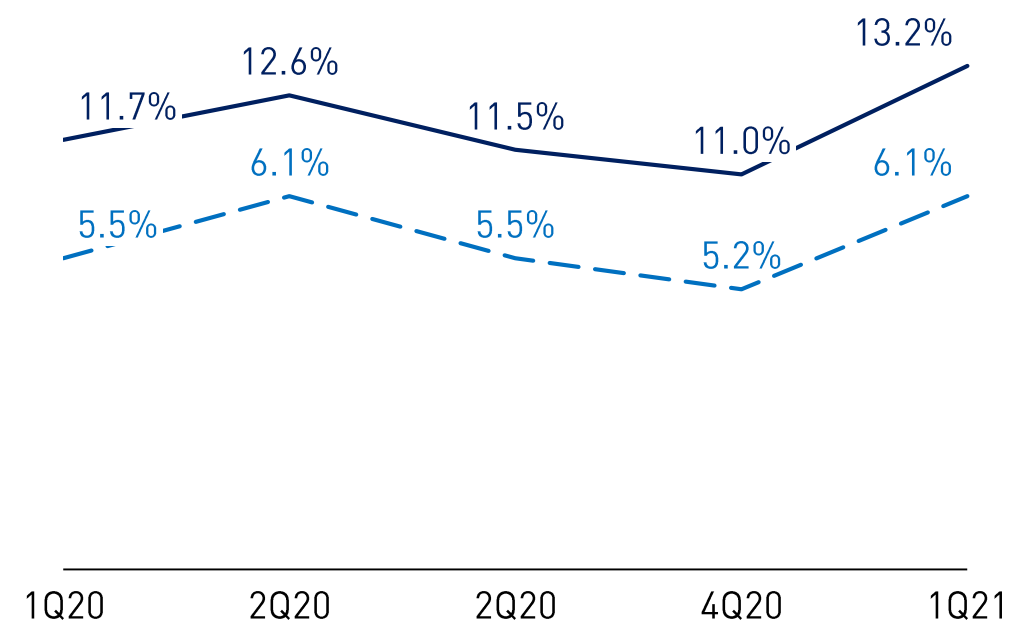
Branded OTC H&B Generics Services



Participation Private Label

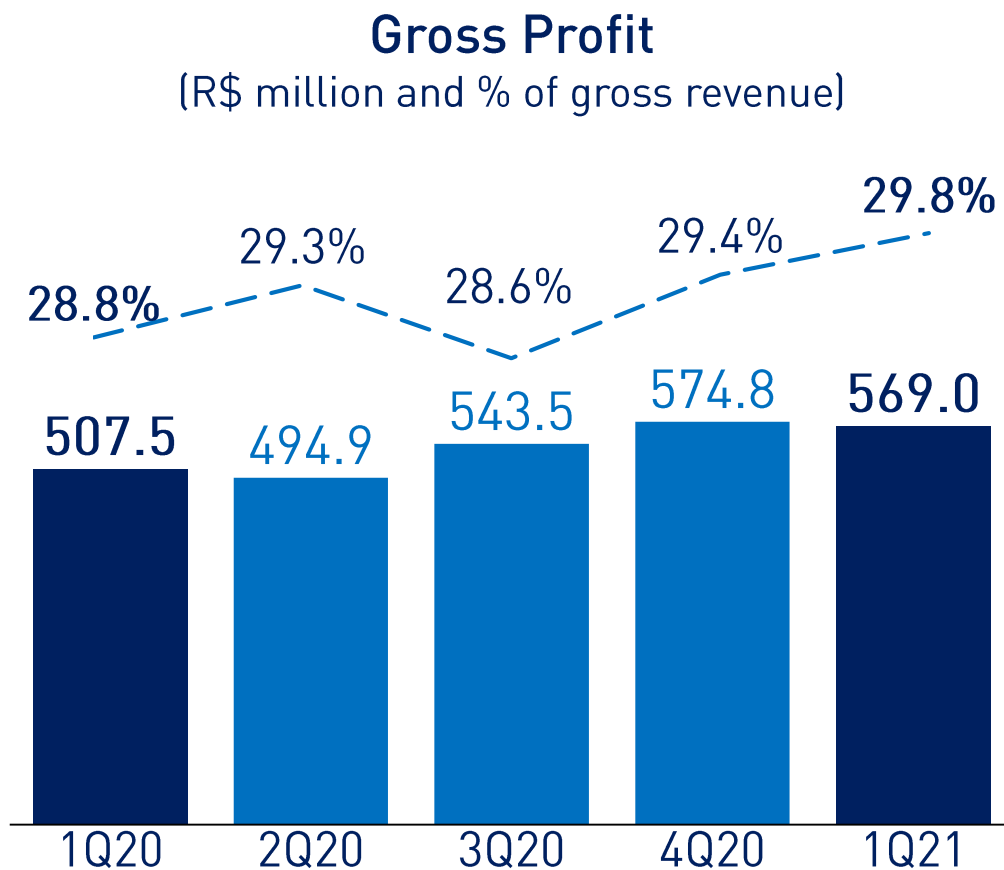
(% of sales)

% total sales % self-service



Gross Margin

Margin evolution supported by strategic projects



+1.0p.p. (1T21 vs. 1Q20)



Vendor Management Project



Pricing Project



Reduction in Inventory Losses



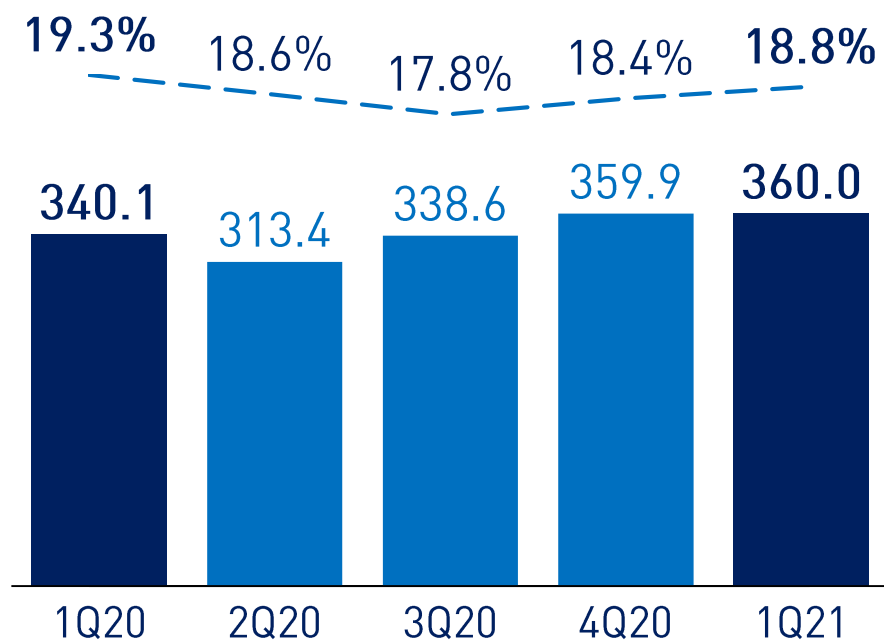
Sales Mix

Expense Dilution

Sustaining operational leverage and increased store productivity

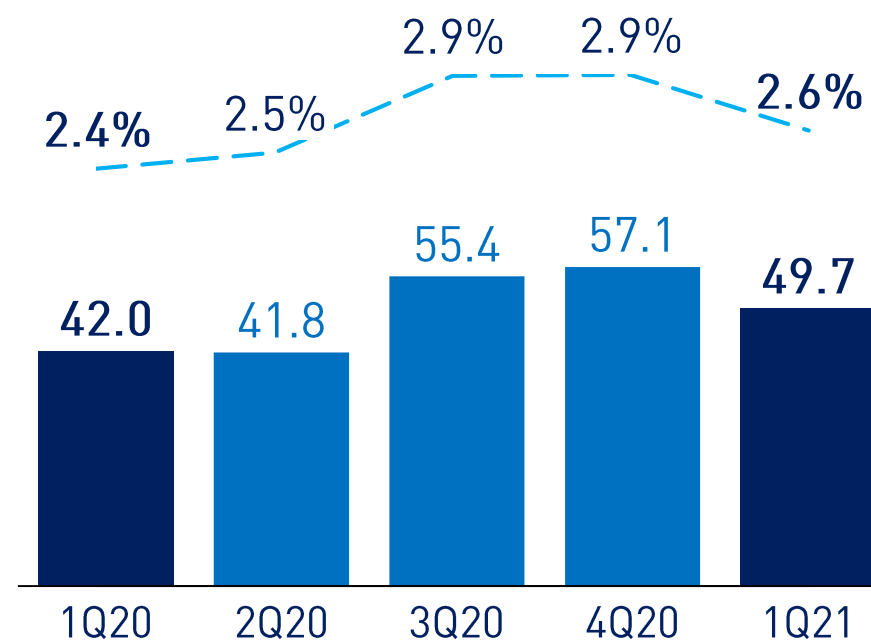
Selling Expenses

(in R\$ million and % of gross revenue)



General and Administrative Expenses

(in R\$ million and % of gross revenue)

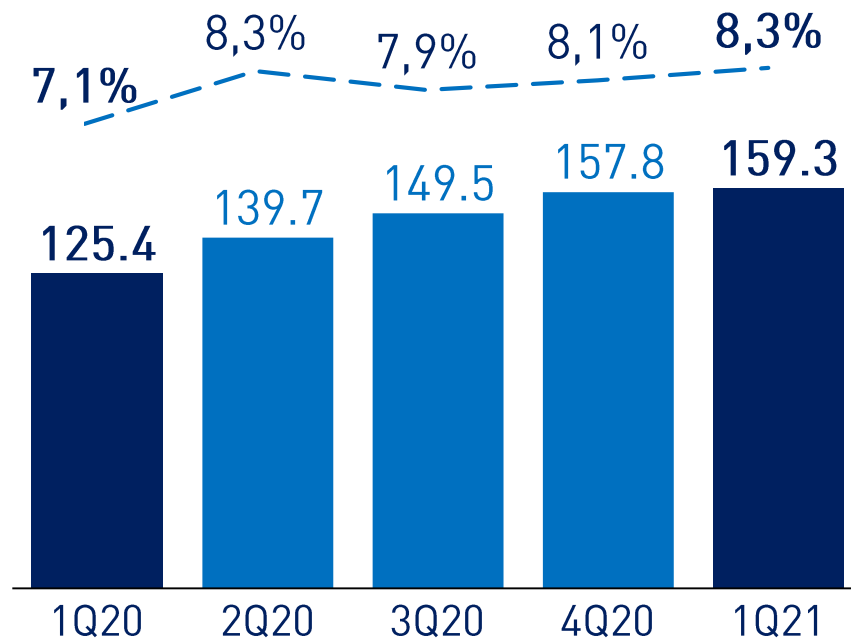


EBITDA and Net Income

Consolidation of the new level of operational excellence

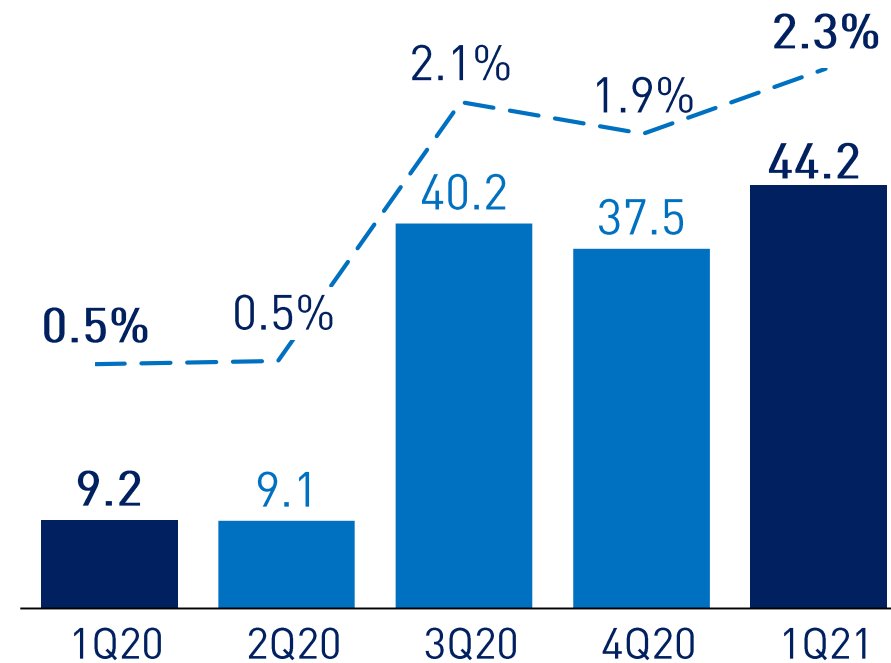
EBITDA

(in R\$ million and % of gross revenue)



Net Income

(in R\$ million and % of gross revenue)

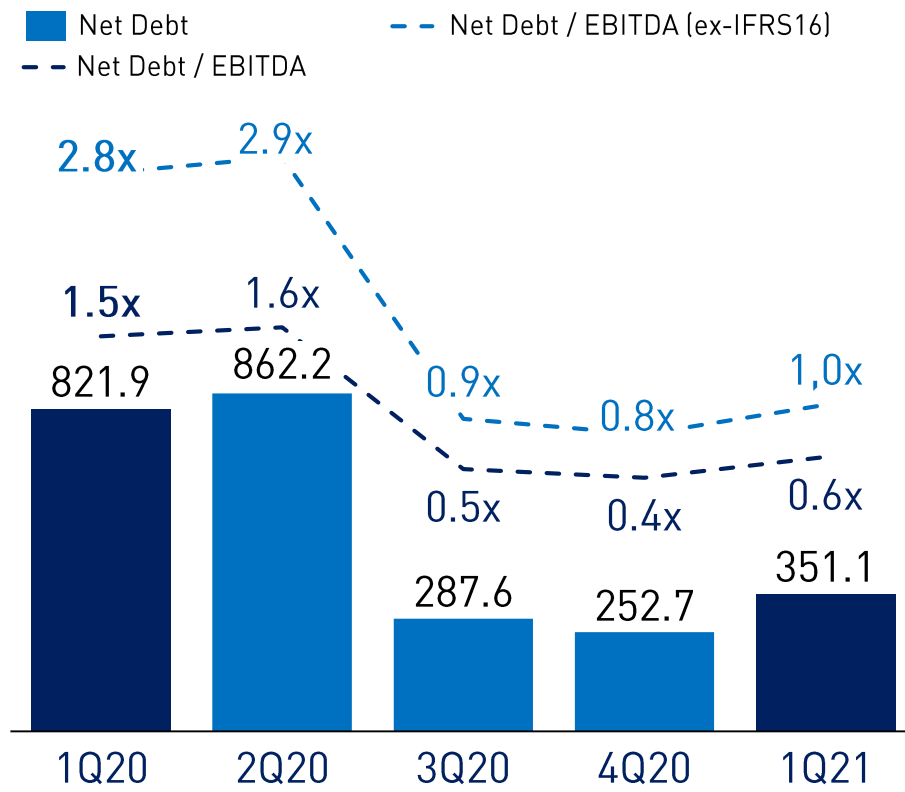


Debt and Cash Cycle

Tactical investment to increase inventory level

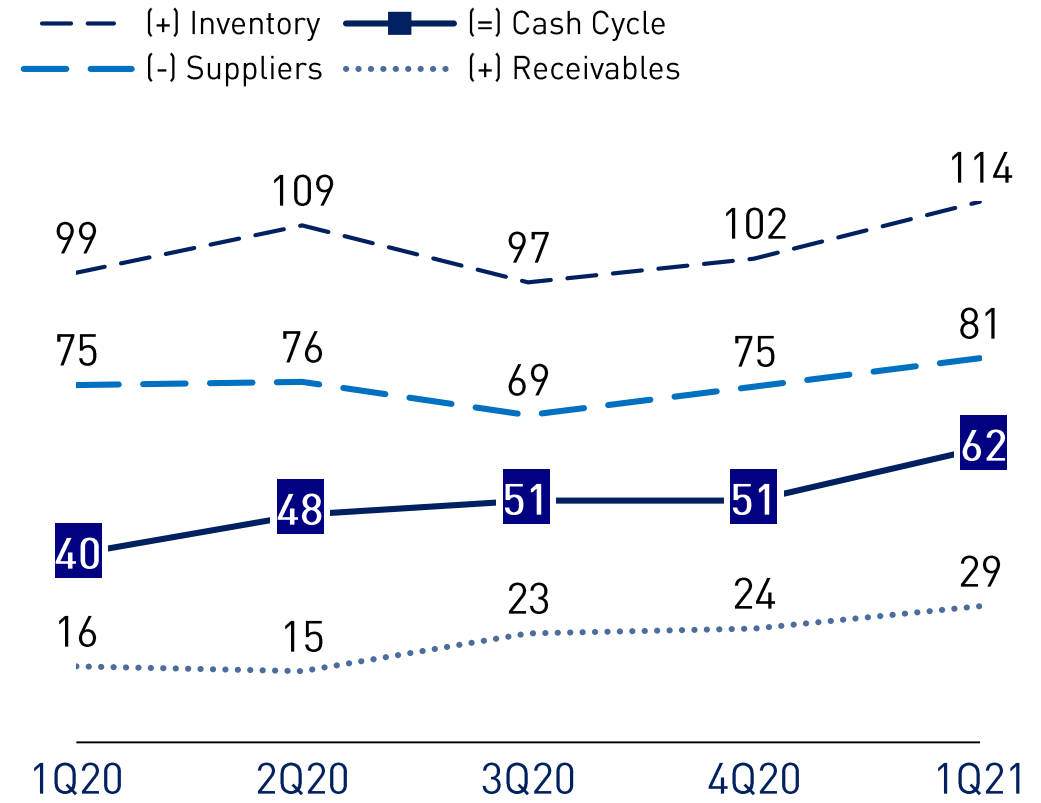
Net Debt

(in R\$ million and x LTM EBITDA)



Cash Cycle

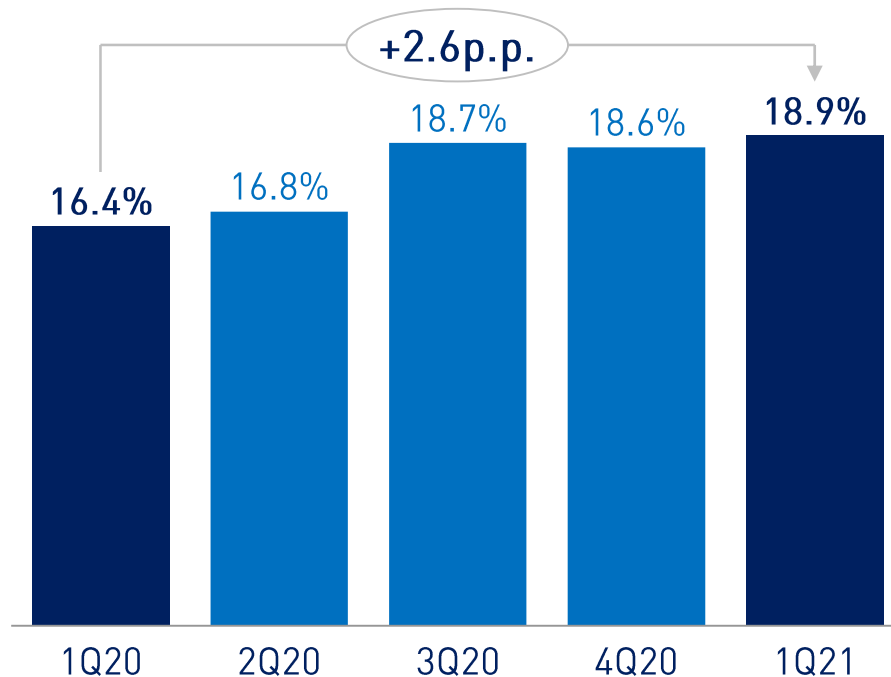
(in days)



ROIC and Share Price Performance

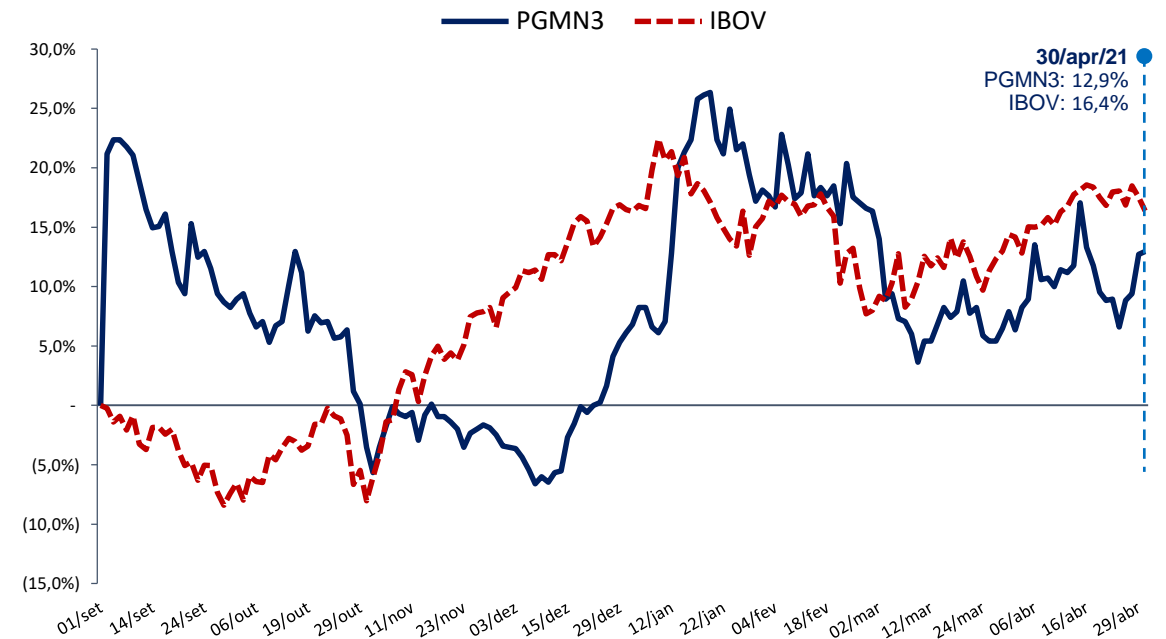
Consistent value creation

ROIC



Share Price Performance

(% appreciation since the IPO - 01/09/21)



¹ ROIC calculated by Contribution Margin After Taxes (without general and administrative expenses), accumulated last 12 months, divided by the moving average of the last 4 quarters of invested capital, which in turn is calculated by the sum of Working Capital (Inventory + Accounts Receivable - Suppliers) plus Fixed Capital (Fixed Assets + Intangibles)

² Arithmetic average of cumulative return of retail pharmacy peers listed on B3

Commitment to all stakeholders

1Q21 Developments



Expansion of the renewable energy matrix to 37% of the store base



Strategic partnership UP Farma and Kroton



New systems and routines for data protection and privacy

ESG Roadmap





Health Hub

Mário Queirós, CEO

Clinic Farma Developments

Consolidation as the principal choice for pharmaceutical clinics in Brazil



Record +690k consultations and adoption by 6.2% of customer base



+500k Covid-19 tests applied
(20% market share according to Abrafarma)



Record NPS for the channel,
93 points for march/21



Expansion of the service portfolio offering 37 protocols



Neutralizing Antibody Test (Covid-19)

Monitoring immunity of vaccines



Hematological Screening Equipment

Real-time measurement of physiological parameters in a noninvasive manner

Vaccination



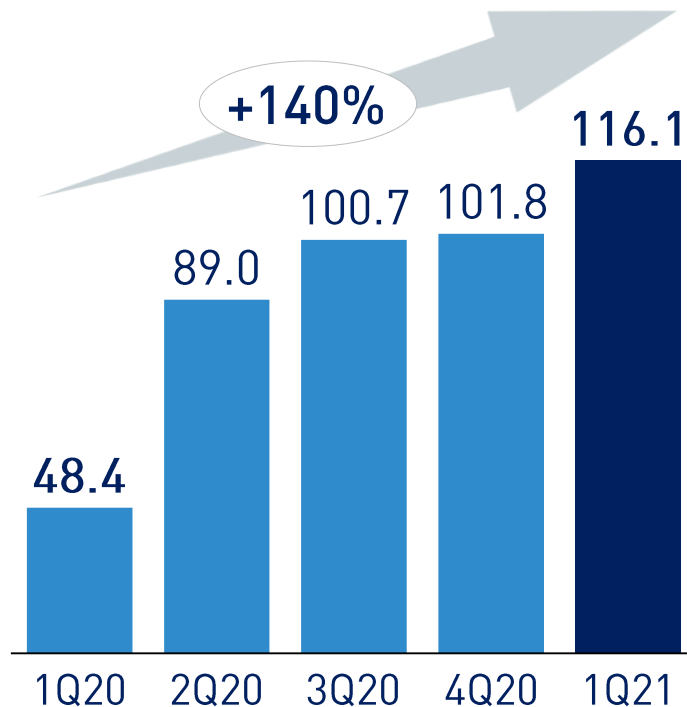
Partnerships with municipalities for Covid-19 vaccination and annual flu (H1N1) campaigns



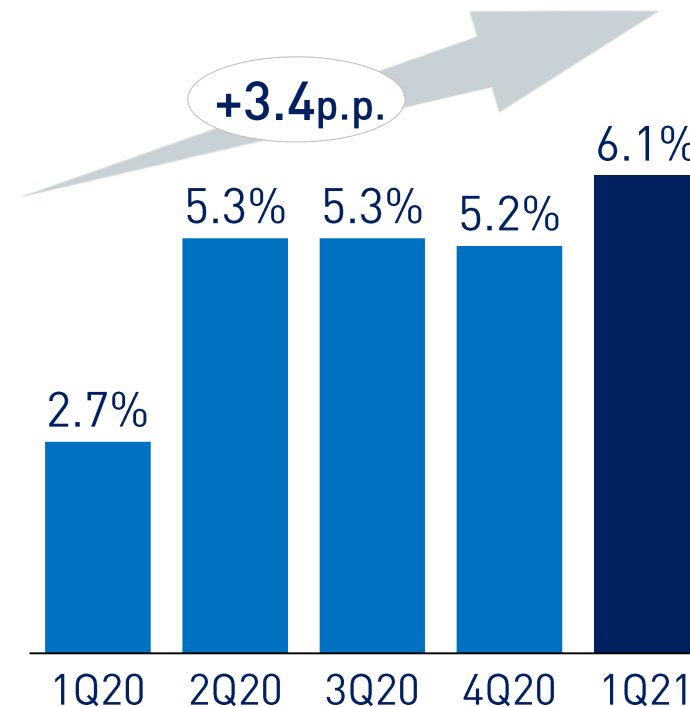
Omnichannel Plataforma

Record quarterly performance in our digital channels

Digital Channels Sales
(in R\$ millions)

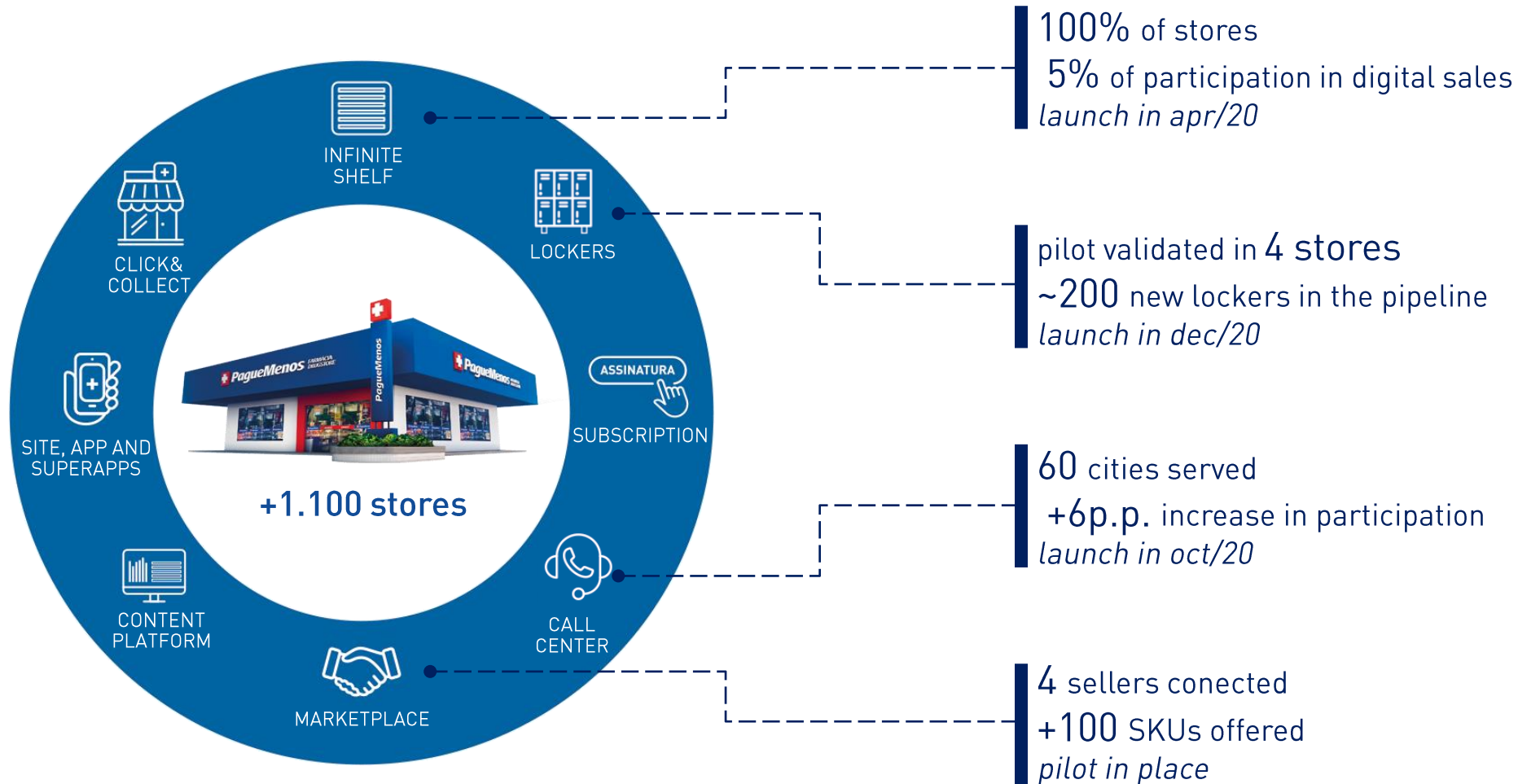


Digital Channels Participation
(in % of total sales)



Recent Innovations Gaining Traction

Consolidation of Call Center and Infinite Shelf as competitive advantages

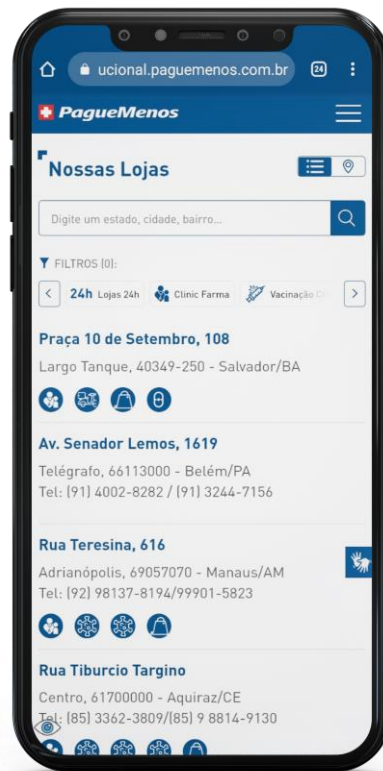


Improvements in UX

New features contributing to higher conversion rate

Robust Search

Store name, state, city
neighborhood, services portfolio

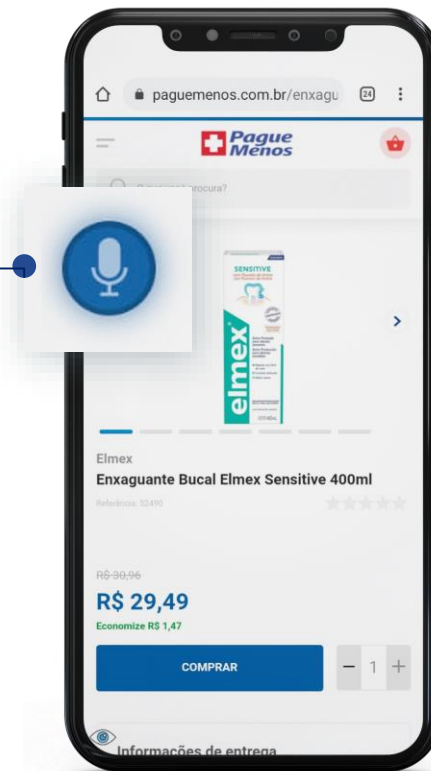


Filters

Geolocation
Map available

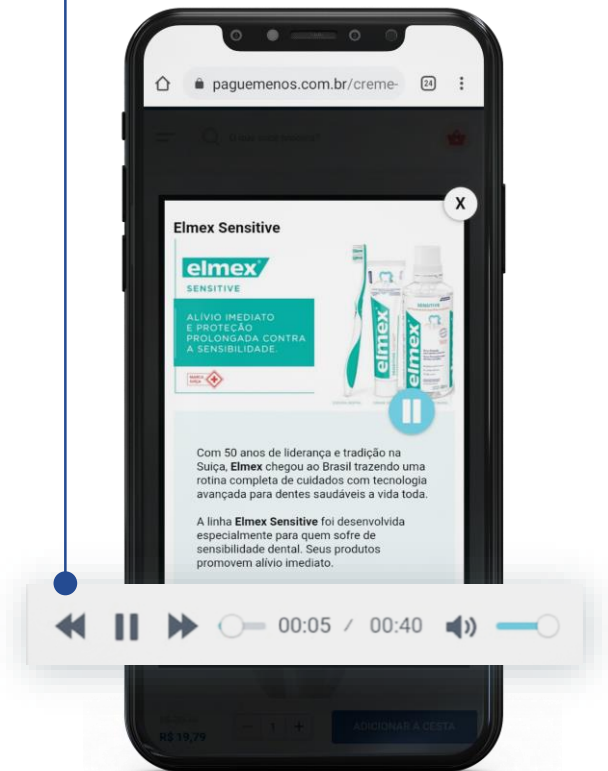
Button to listen to description

Greater digital inclusion



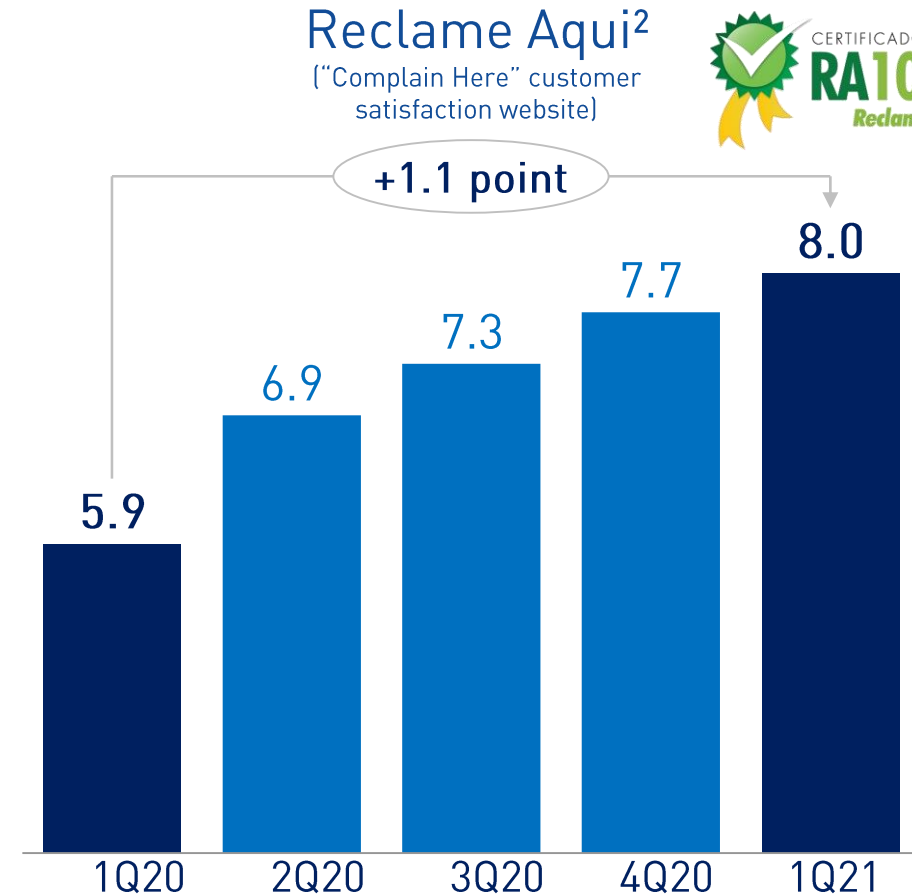
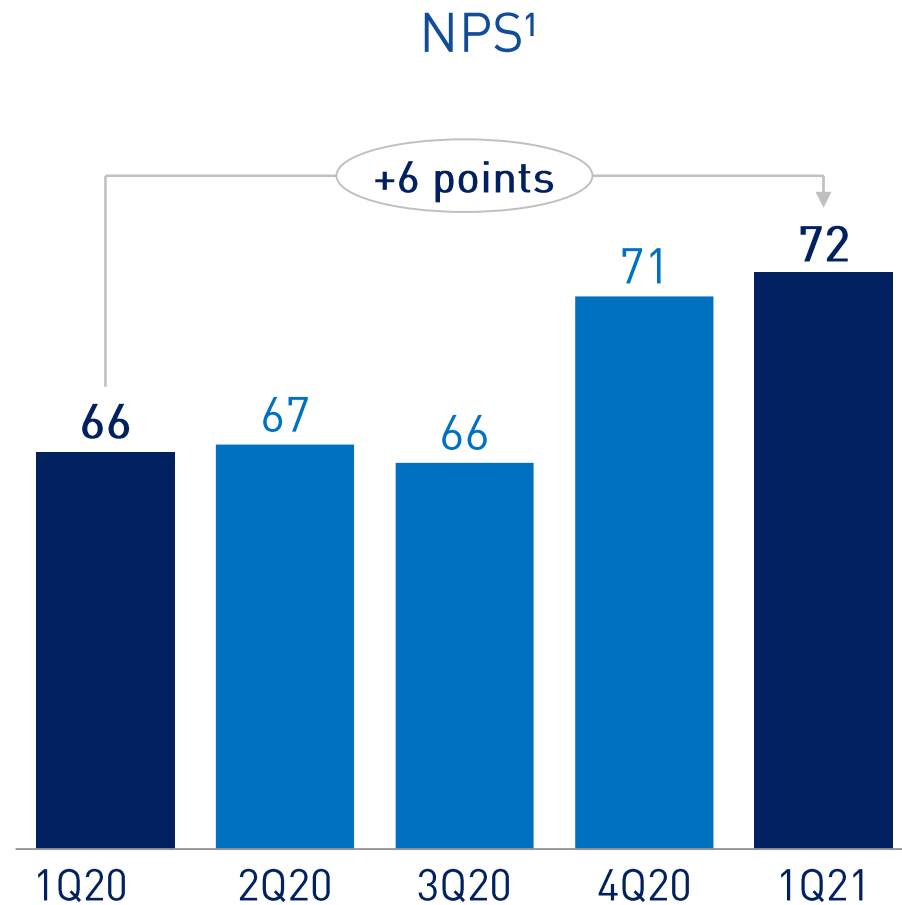
Description in text and audio

Volume control, return and pause functions



Focus on the Customer

Consistent evolution in the service level and in customer satisfaction



¹ Survey conducted via SMS using 30% of the customer base, with an average response rate of approximately 2%

² Score calculated at the end of each quarter, for previous six months. In March/21 we obtained the “RA 1000” certificate, awarded to companies that have excellent rates of service on ReclameAQUI®

Sempre Bem Club

The next step for our Health Hub

A healthcare combo that fits in the pocket, contemplating the whole health journey



Medical Assistance

Consultations and telemedicine at popular prices, in addition to free medical orientation 24h by phone



Laboratorial Assistance

Discounts in medical and dental exams, as well as free annual check-up



Pharmaceutical Assistance

Clinic Farma basic services, and medicines subsidy of up to R\$ 300 per year



Investor Relations

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