

# grupo panvel

3Q23

Earnings Presentation



#TodoCuidadoAoCuidar

**TUDO 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



grupo panvel

PanVel DIMED LIFAR

## HIGHLIGHTS

# 3Q23



**Group Gross Revenue**  
BRL 1,216M (+11.8% vs 3Q22)



**Retail Gross Revenue**  
BRL 1,102M (+10.7% vs 3Q22)



**Adjusted EBITDA**  
BRL 56.6M (+16.8% vs 3Q22)  
4.7% Margin



**Indebtedness**  
low leverage of  
0.8x EBITDA



**Group Net Income**  
27.2M (+15.1% vs 3Q22)



**Digital**  
Retail sales participation  
record: 20.7%



**Market Share**  
+0.1 p.p. in Southern Region  
vs 3Q22

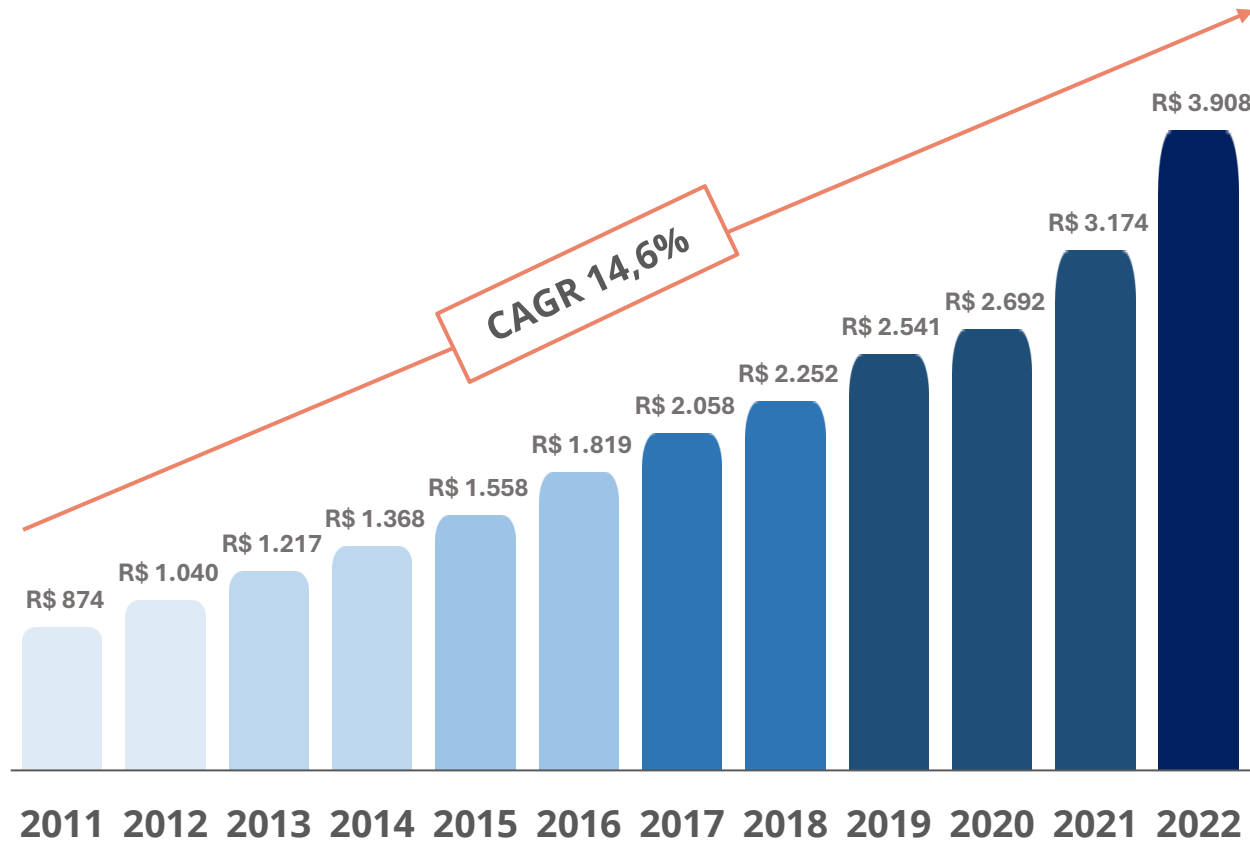


**Ciclo de Caixa**  
7 days of improvement  
vs 3Q22

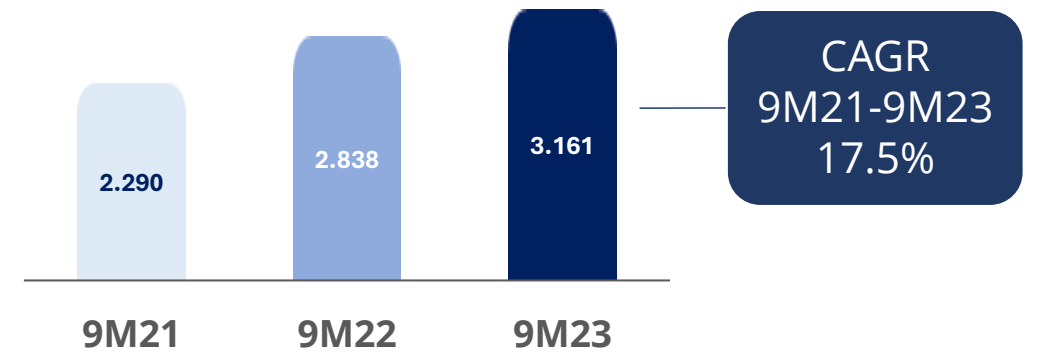


# CONSISTENT GROWTH

## Evolution – Retail Gross Revenue

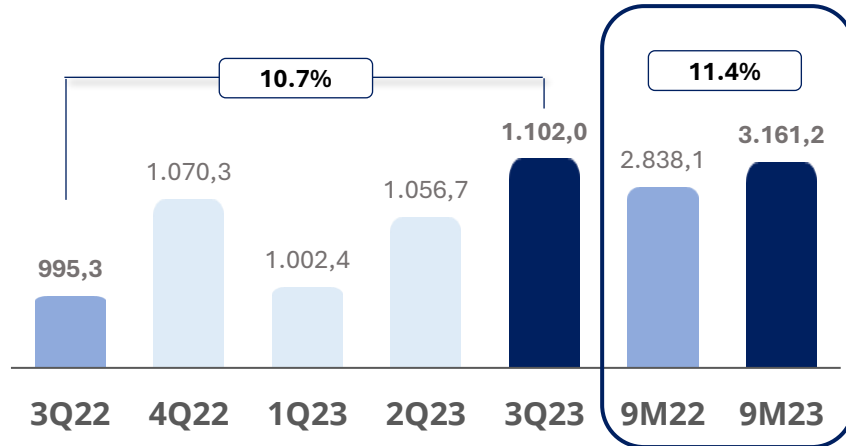


## Retail Gross Revenue (BRL million)

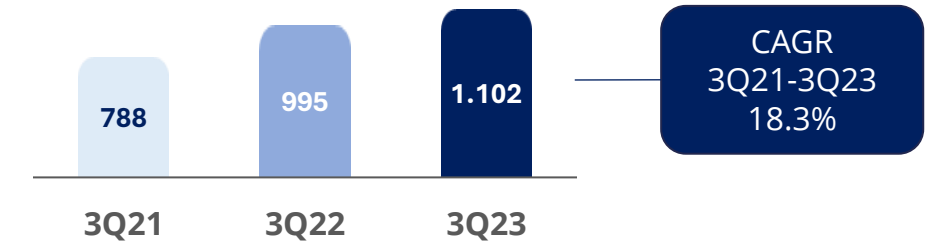


# WITH A HARD COMPS, PANVEL HAS SALES GROWTH OF 10.7% VS 3Q22, WITH A CAGR OF 18.3% BETWEEN 3Q21 AND 3Q23

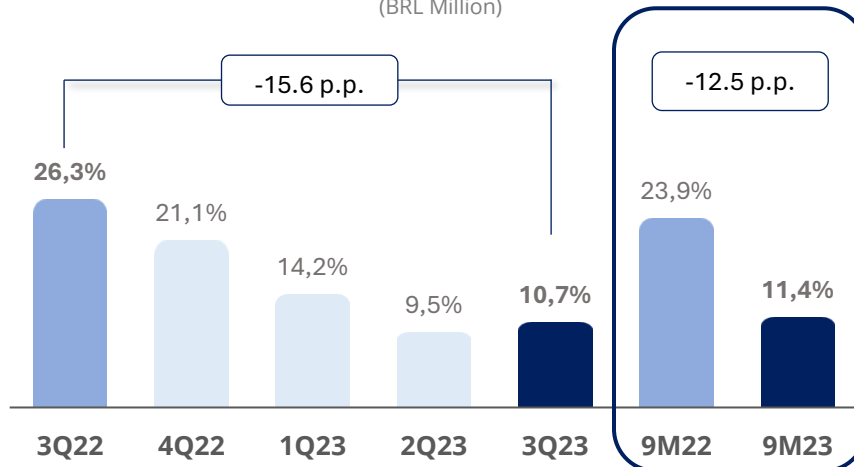
### Retail Gross Revenue (BRL Million)



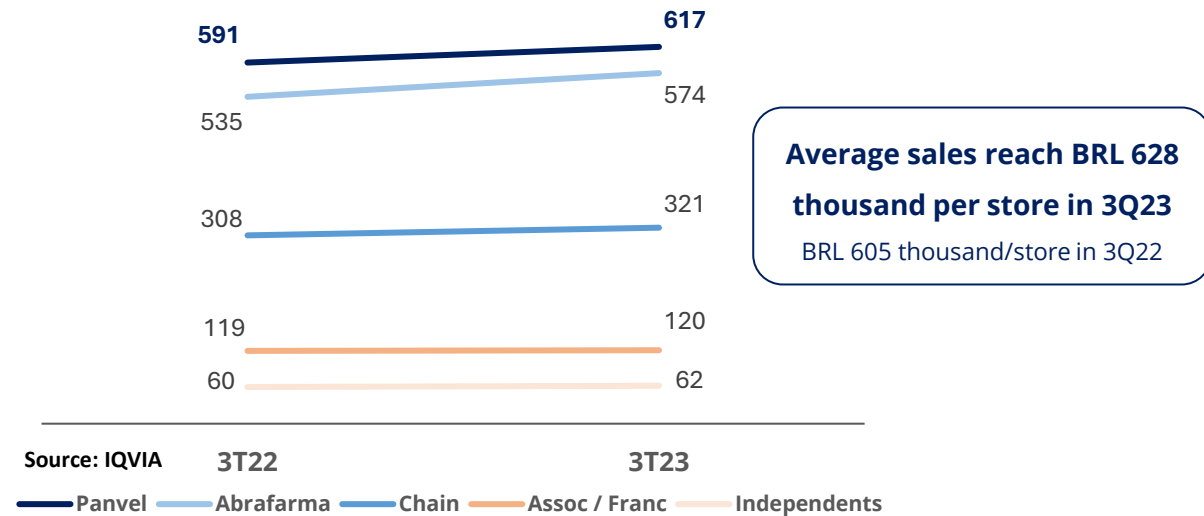
### Retail Gross Revenue (BRL million)



### Retail Sales Growth (BRL Million)

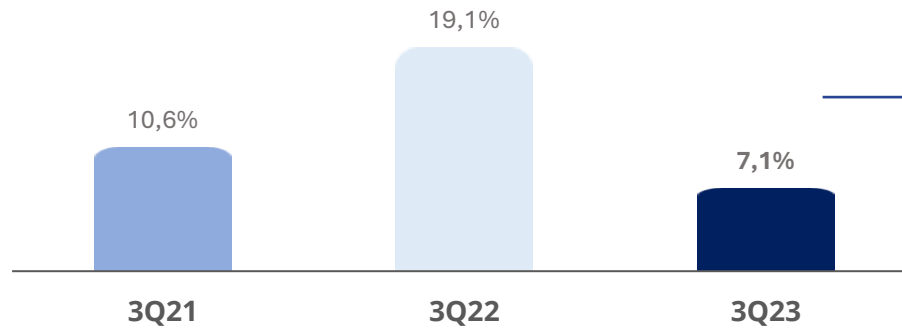


### Average Sales Evolution per Store in the South Region (BRL CPP)



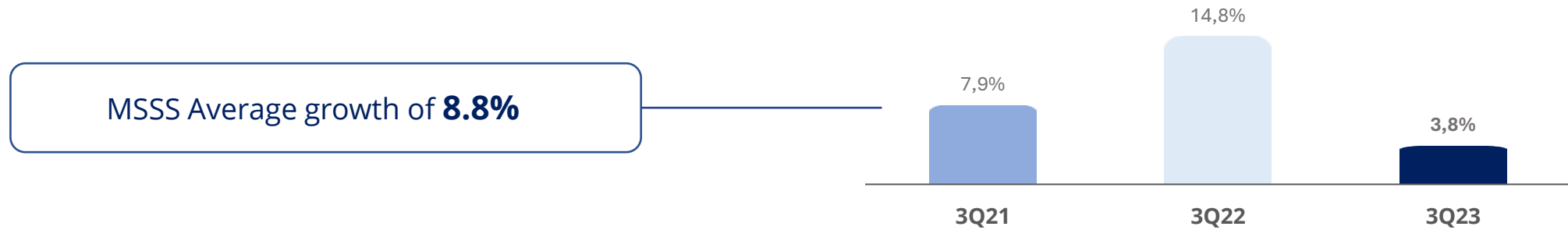
# SSS AND MSSS PERFORMANCE IN 3Q23 IMPACTED BY STRONG BASIS OF COMPARISON

## Same Store Sales Growth



SSS Average growth of **12.3%**

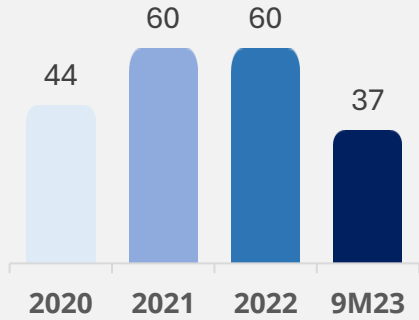
## Mature Store Sales Growth



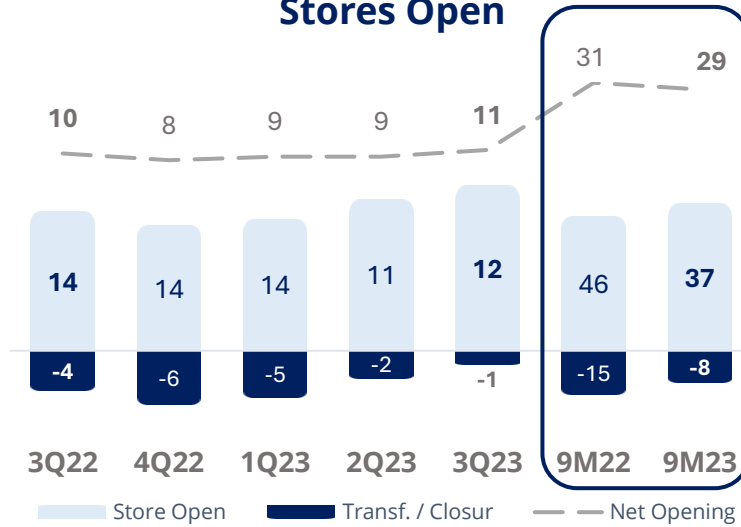
MSSS Average growth of **8.8%**

# CONSISTENCY AND EXECUTION CAPACITY: PANVEL OPENS 12 STORES IN 3Q23, WITH 11 NET OPENING

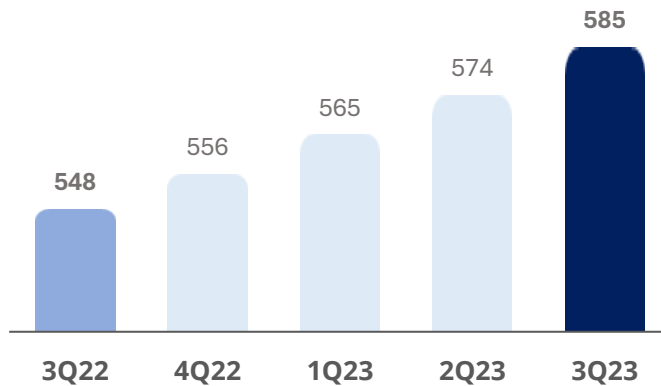
## 201 Openings since the Re-IPO



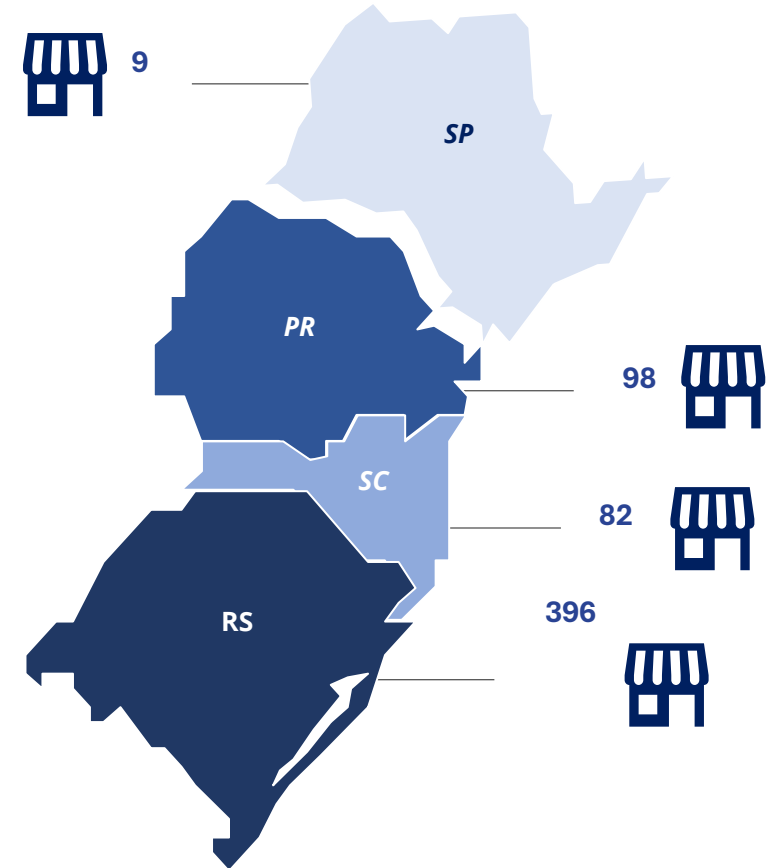
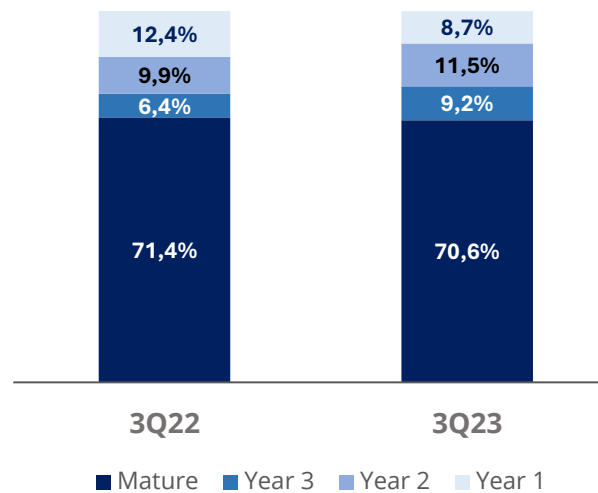
## Stores Open



## Number of Stores



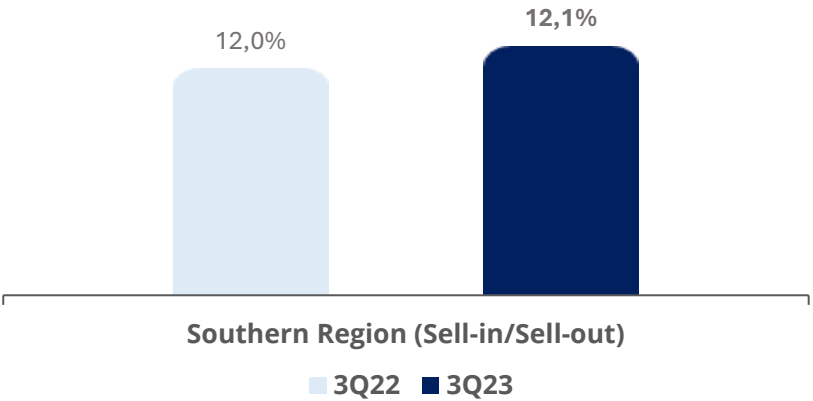
## Store Portfolio by Maturity



# PANVEL CONTINUES TO SHOW CONSECUTIVE MARKET SHARE GAINS, INCREASING +0.1 P.P THIS QUARTER

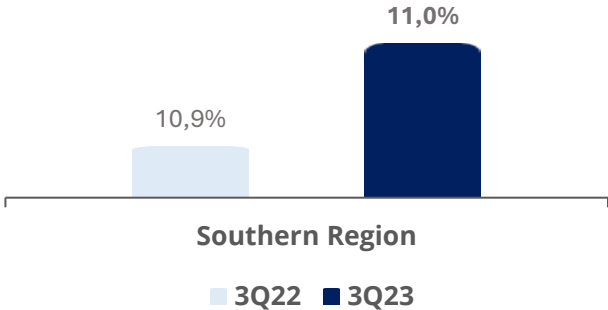
## Gain of 0.1 p.p. in Market Share

Market Share

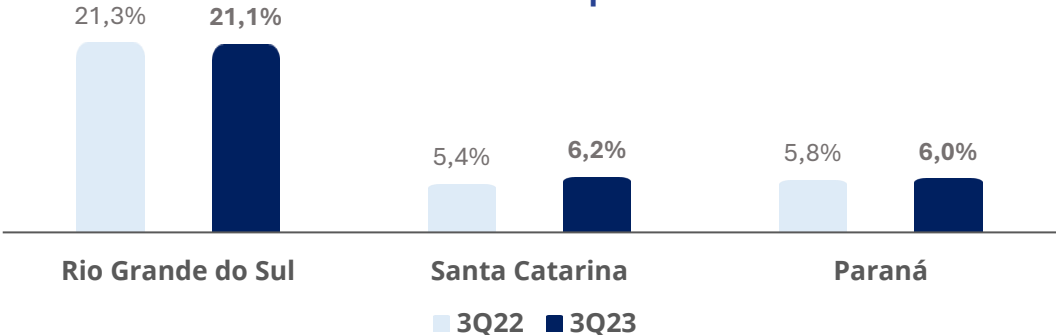


Market Share - Medications

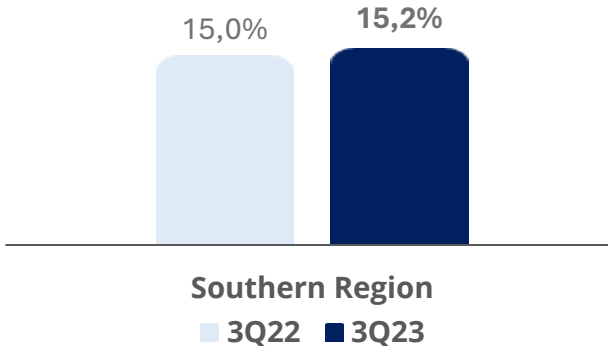
\*IQVIA's total prescription drug data



Market Share por UF



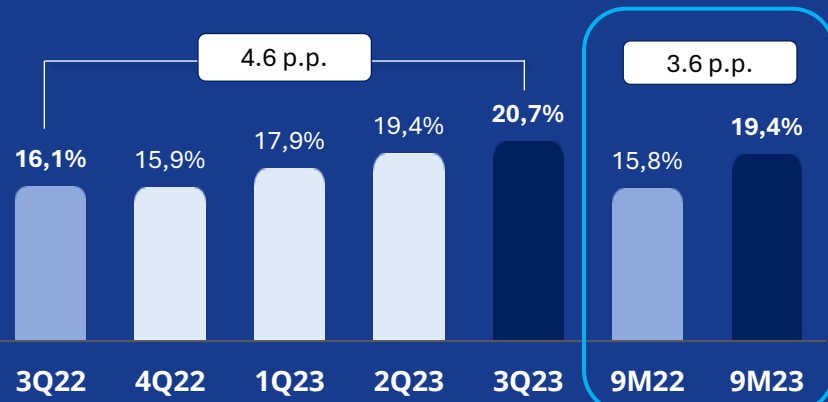
Market Share - "Non-Medications"





# IN ANOTHER QUARTER OF STRONG DIGITAL PERFORMANCE, PANVEL ACHIEVES A RECORD SHARE AND MAINTAINS ITS POSITION AS A BENCHMARK OF PHARMA MARKET

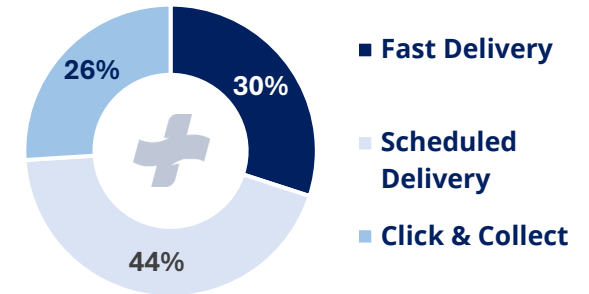
## Digital Channels Share grows by 43.0% vs 3Q22



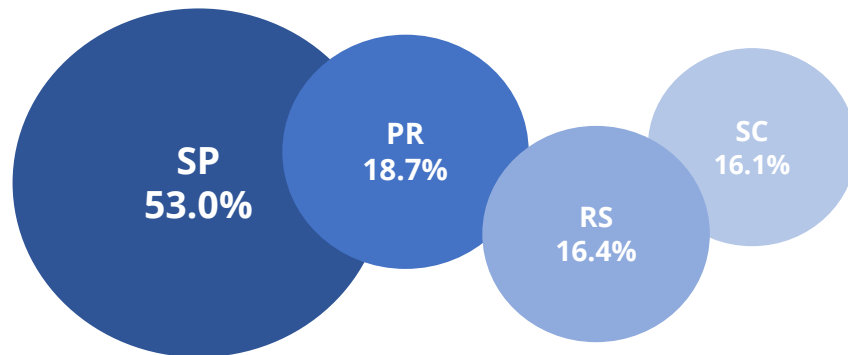
## Participation in digital channels



## Deliveries by modality



## % Digital Sales per State - 3Q23



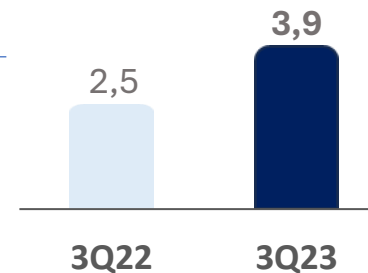
**1,6 mm**

(+62,6% vs 3Q22)  
Of Active User

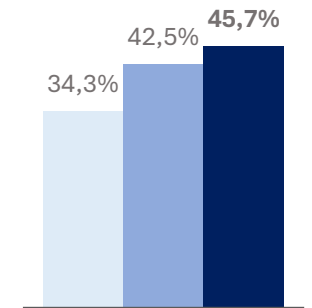
MAU de 43,9%  
(+ 6,1 p.p. vs 3Q22)



**3.9mm**  
App download  
(+56.0% vs 3Q22)



## % of Deliveries in 60 minutes



Set

2021 2022 2023

\* Not include Click & Collect data



Click & Collect  
585 lojas



3Q23 Deliveries  
+540,000



Mini DC/Darkstore 9



Service Level  
97% (3Q23)



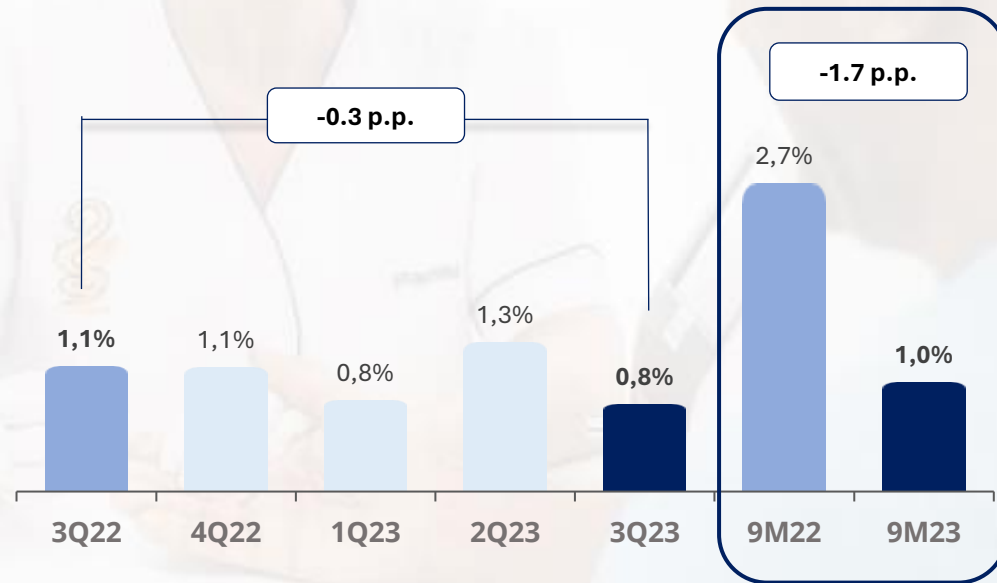
Delivery Stores  
161



Fast Delivery  
up to 1h

grupo panvel

Services (Share in Retail Gross Revenue)



**Leadership** in services in the Southern Region (3Q23)

**21.6% of Market Share**



**Leadership** in vaccination in the Southern Region (3Q23)

**49.9% of Market Share**

Fonte: IQVIA

**359** Clinic Stores (+12 rooms vs 3Q22)

**91** Vaccination Rooms (+5 rooms vs 3Q22)

**50** Rooms for realization rapid exams

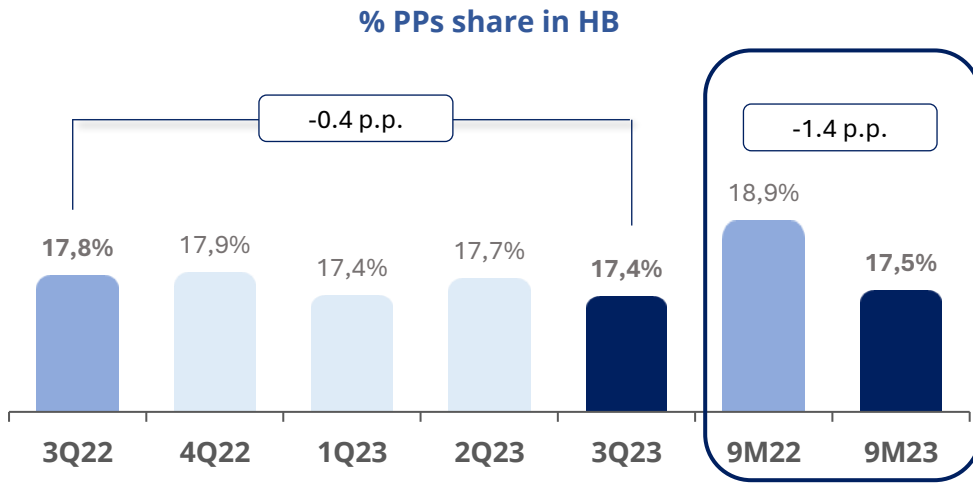
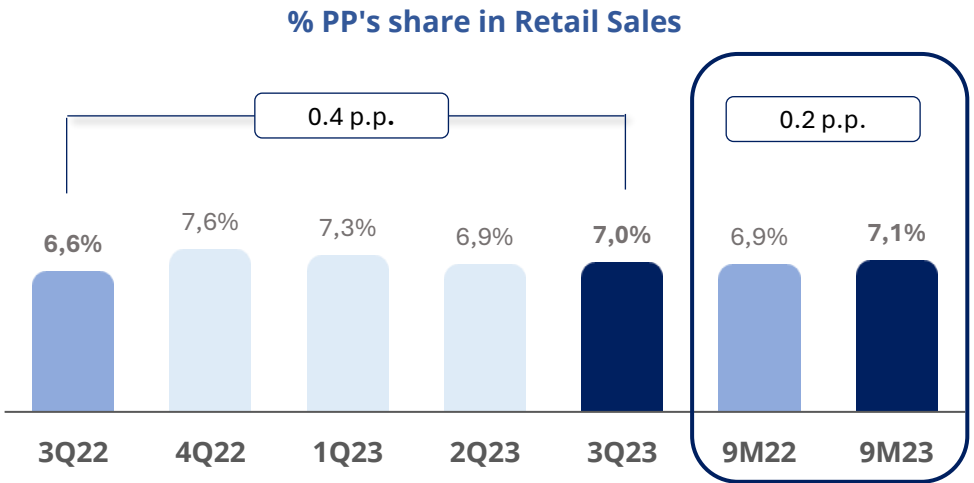
# PANVEL PRODUCTS REPRESENTS 45.2% OF THE PRIVATE LABEL PHARMA MARKET (1.1 P.P. VS 3Q22)

- ✓ +1,000 Active SKU's
- ✓ Higher gross margin
- ✓ Leader in 40% of the network's categories

7.0% OF TOTAL PANVEL SALES

17.4% SHARE OF TOTAL SALES IN HB

LTM LAUNCHES ACCOUNT FOR 27.0% OF PANVEL PRODUCT SALES IN RETAIL SALES IN 3Q23







# PANVEL OFFERS THE BEST EXPERIENCE FOR THE COSTUMER




**NPS  
Panvel**

**82**



**NPS Site  
85**



**NPS App  
84**



**NPS Alô  
91**




**NPS Store  
82**



**NPS Dark Stores  
78**




**NPS Clinic  
87**




**Reclame  
Aqui  
9.1**




**E-bit  
95%**




**App Store  
4.8**



**Play Store  
4.8**

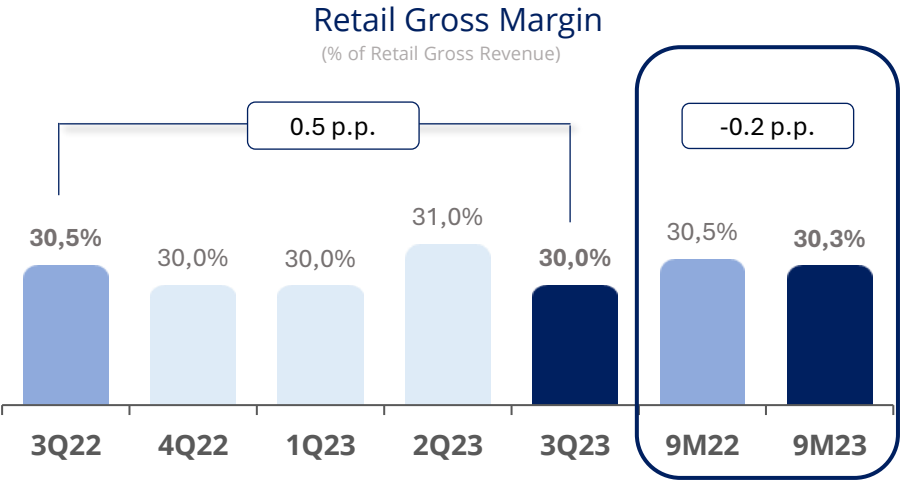
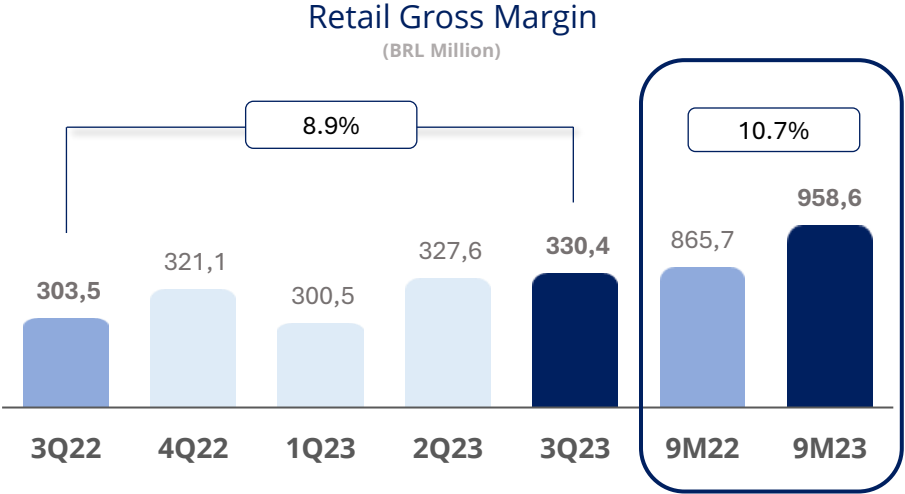


**NS Alô  
91%**



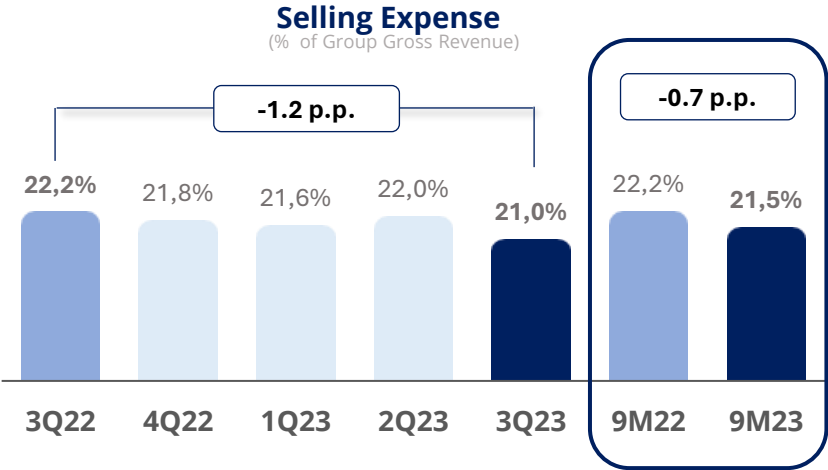
**NS Sac  
93%**

# RETAIL GROSS MARGIN REMAINS HEALTHY DESPITE SEASONAL PRESSURE



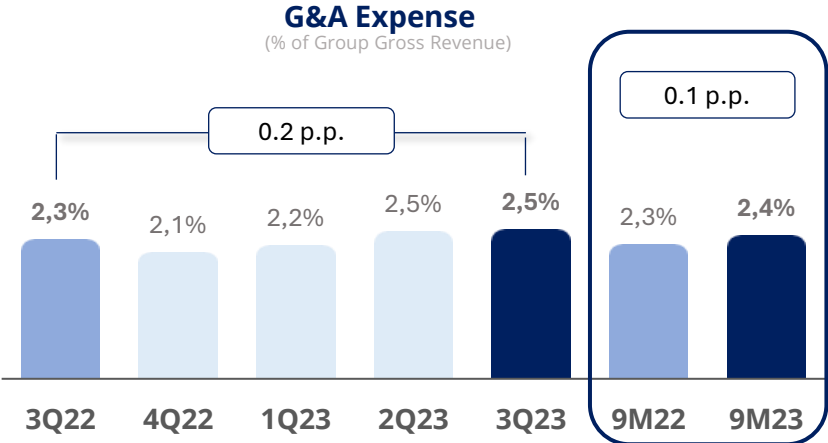
- ✓ Retail Gross Margin reaches BRL 330,4 Million in 3Q23, a growth of 8.9% vs 3Q22;
- ✓ Seasonal pressure is directly related to the comparison base, primarily due to lower medication price adjustments and underperformance of OTC products;
- ✓ Acceleration in the sales of key categories within H&B that have lower margins, such as the Children’s line.

# PANVEL MAINTAINS A STRONG TREND OF EXPENSE DILUTION IN SALES AND CONTROL OF GENERAL AND ADMINISTRATIVE EXPENSE



✓ Selling expense represents 21.0% of Group Gross Revenue, a result of the productivity gains harvesting process.

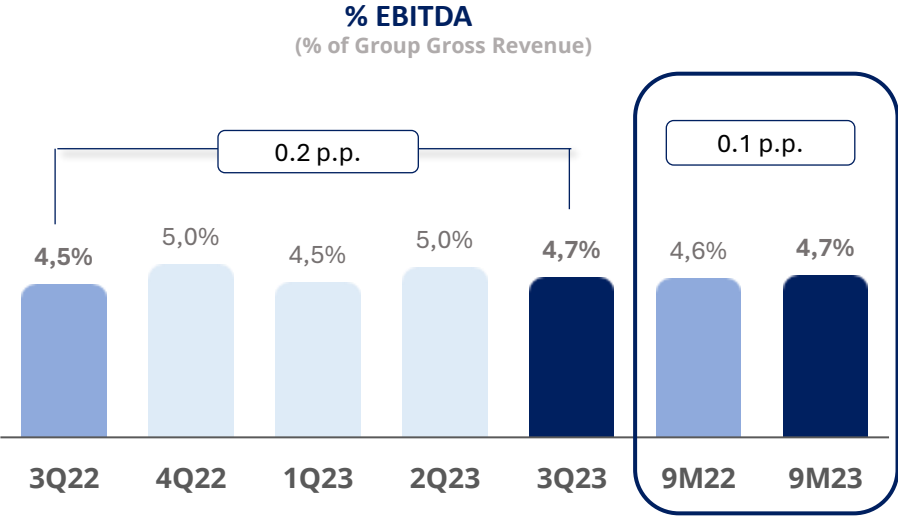
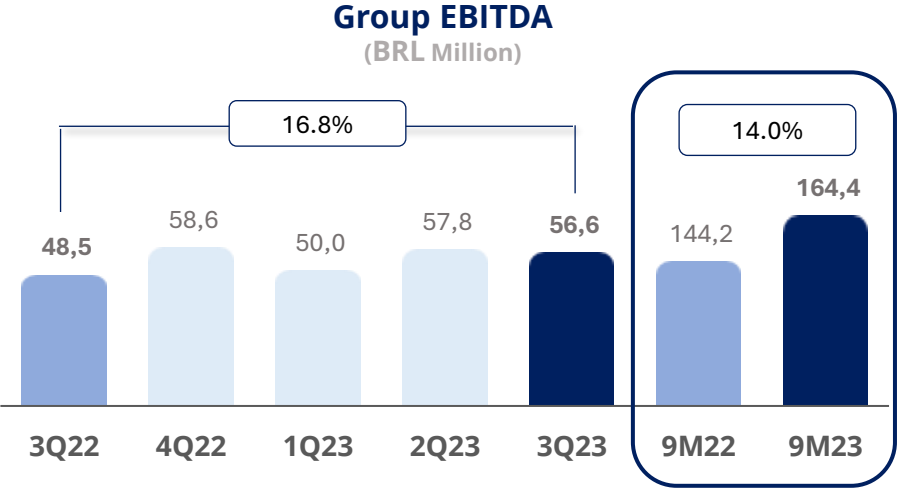
✓ A 1.2 p.p. dilution of selling expense more than offset the seasonal pressure on the gross margin.



✓ Panvel continues to maintain the lowest level of administrative expense, representing 2.5% of Group Gross Revenue.

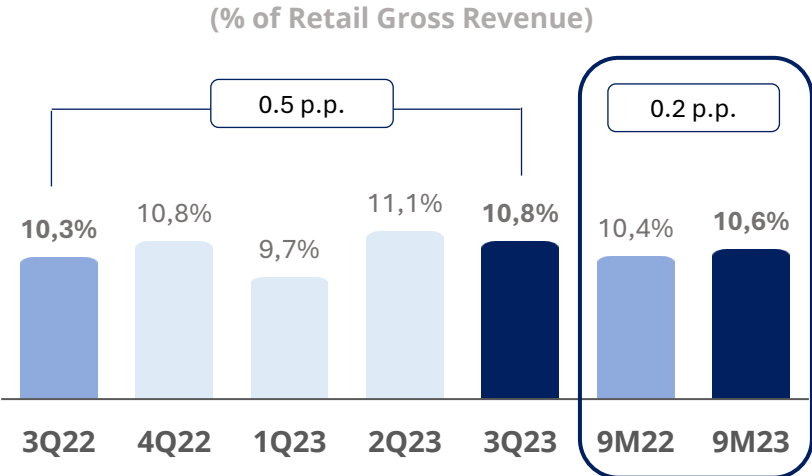
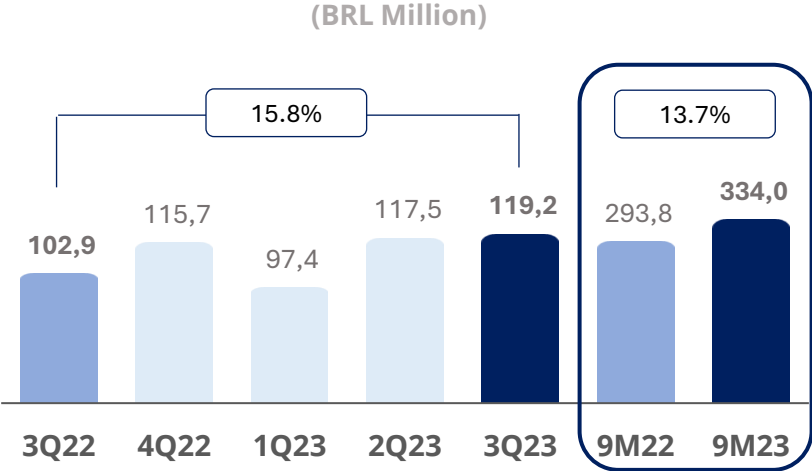
**ADJUSTED EBITDA OF THE GROUP INCREASED BY 16.8% AND EXPANDS +0.2 p.p., REACHING 4.7% OF GROSS REVENUE**

- ✓ Efficient execution in selling expense mitigated the seasonal pressure on the group gross margin in 3Q23;
- ✓ The YTD EBITDA shows an expansion of 0.1 p.p. compared to 9M22;
- ✓ The company will continue to capture productivity gains and expects a favorable inflationary environment in the coming quarters.





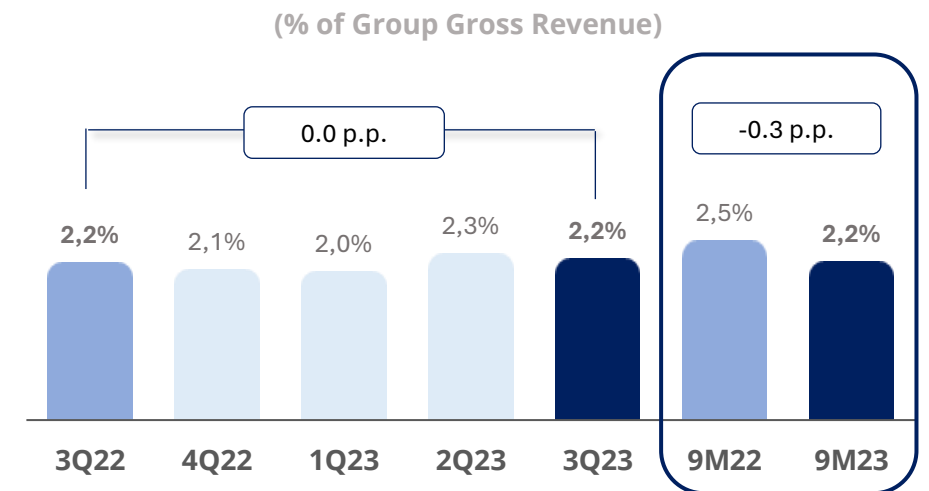
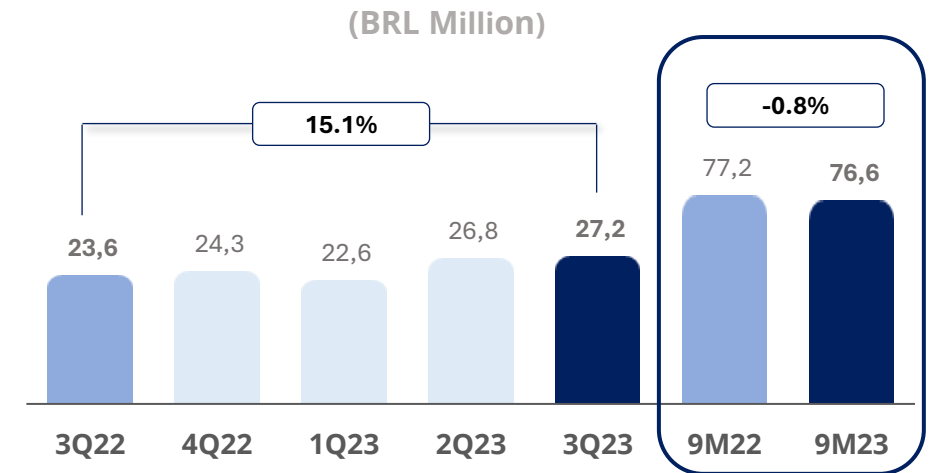
# RETAIL EBITDA REACHES BRL 119.2 MILLION, EQUIVALENT TO 10.8% OF RETAIL GROSS REVENUE



- ✓ A gain of 0.5 p.p. in the quarterly comparison and 0.2 p.p. in the YTD/Sep comparison;
- ✓ Result of the good work in the dilution of expenses and store-level productivity;
- ✓ Achieved results against a strong comparison base and during a period of heavy rainfall in the Southern Region.

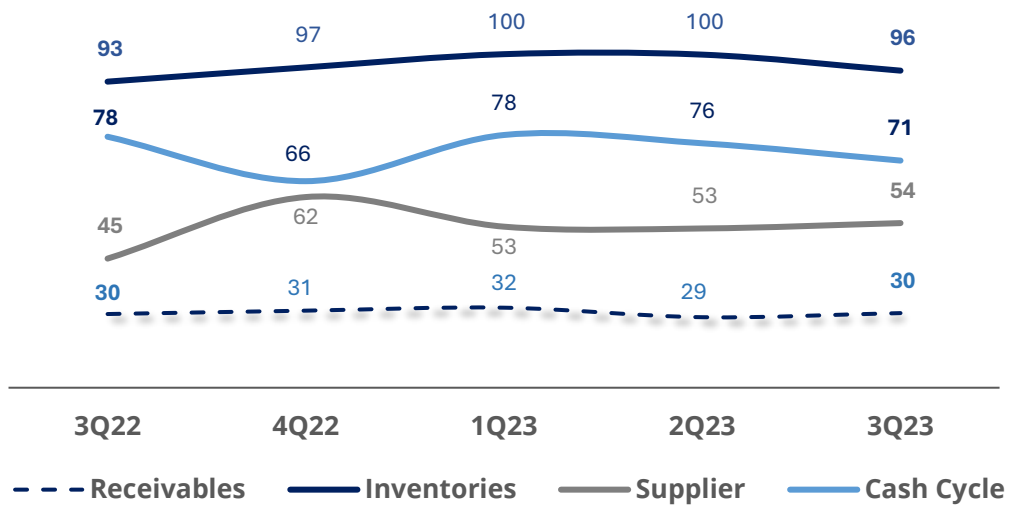
# ADJUSTED NET PROFIT REACHES BRL 27.2 MILLION (+ 15.1%), REPRESENTING 2.2% OF GROSS REVENUE

- ✓ Net Margin remains stable compared to the same period last year;
- ✓ The result is directly related to strong operational performance and the cessation of additional financial expense (efficient cash management).



# PANVEL IMPROVES ITS CASH CYCLE BY 7 DAYS, WITH ONE OF THE LOWEST LEVELS OF LEVERAGE IN RETAIL

## Cash Cycle



Net Debt (BRL mm)	3Q22	4Q22	1Q23	2Q23	3Q23
Short-Term Debt	97.9	118.4	302.3	293.7	128.9
Long-Term Debt	172.9	116.4	116.4	60.0	310.0
<b>Gross Debt</b>	<b>270.7</b>	<b>234.8</b>	<b>418.8</b>	<b>353.7</b>	<b>438.9</b>
(-) Cash and Cash Equivalents	164.3	157.4	257.6	193.2	265.0
<b>Net Debt / Net Cash</b>	<b>106.5</b>	<b>77.5</b>	<b>161.1</b>	<b>160.5</b>	<b>173.9</b>
<b>Net Debt/ EBITDA LTM</b>	<b>0.5x</b>	<b>0.4x</b>	<b>0.8x</b>	<b>0.9x</b>	<b>0.8x</b>

- ✓ Extension of supplier payment terms;
- ✓ Maintenance of a balanced and consistent inventory.

- ✓ Low leverage in challenging macroeconomic scenario.

# STRATEGIC PILLARS

EXPANSION



DIGITAL



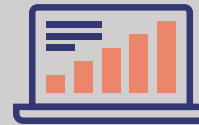
LOGISTICS



PRIVATE LABEL



CRM & ANALYTICS



ECOSYSTEM HEALTH CARE



ESG



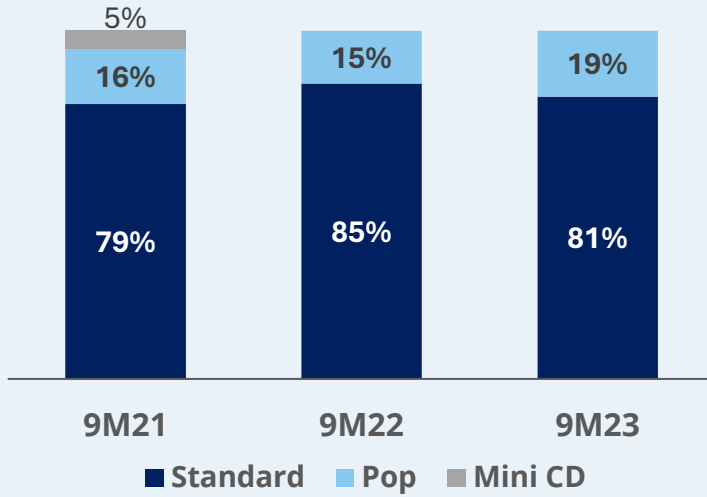
INNOVATION & TECHNOLOGY

PEOPLE & CULTURE

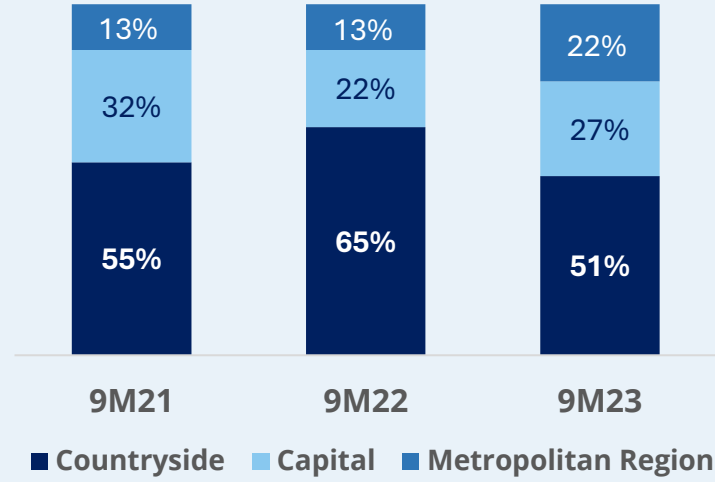


# STRATEGIC EXPANSION

### Openings by Type of Store

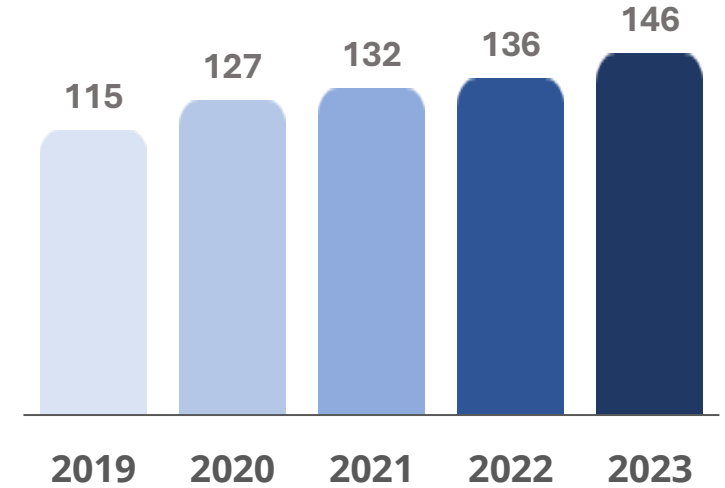


### Openings by Type of City



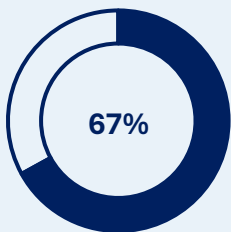
## Cities with Panvel Stores

Estimated +10 new cities in 2023



## Prospecting Points

2024



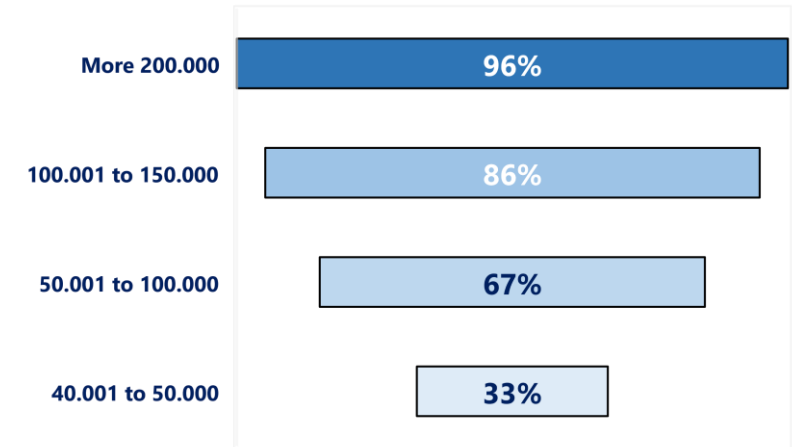
■ Prospected  
□ In prospecting



**Focus on the Southern Region**

**Countryside**

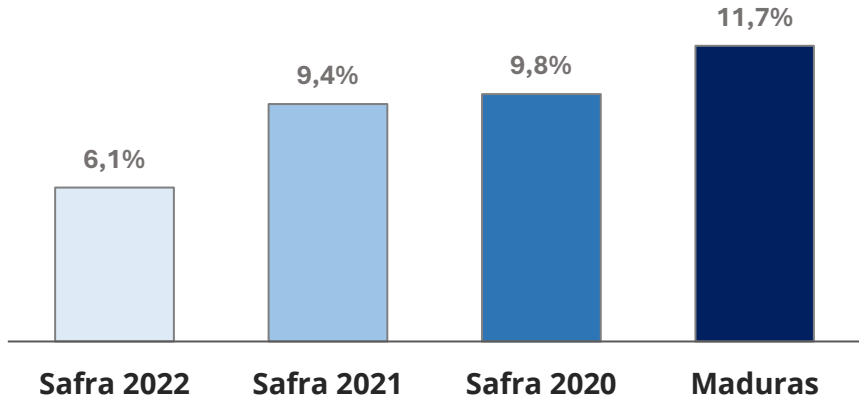
**Pop and Standard Models**



# STRATEGIC EXPANSION – RETAIL EBITDA AND ROIC

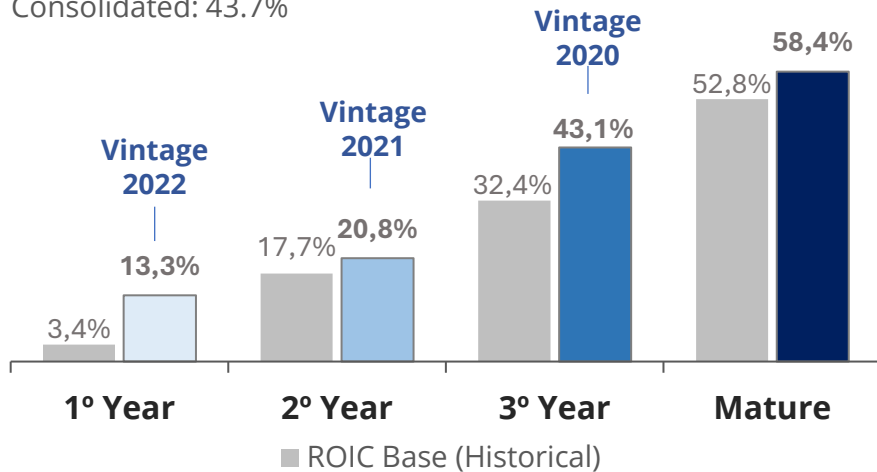
## Retail EBITDA by Vintage

Consolidated 2023: 10.8%



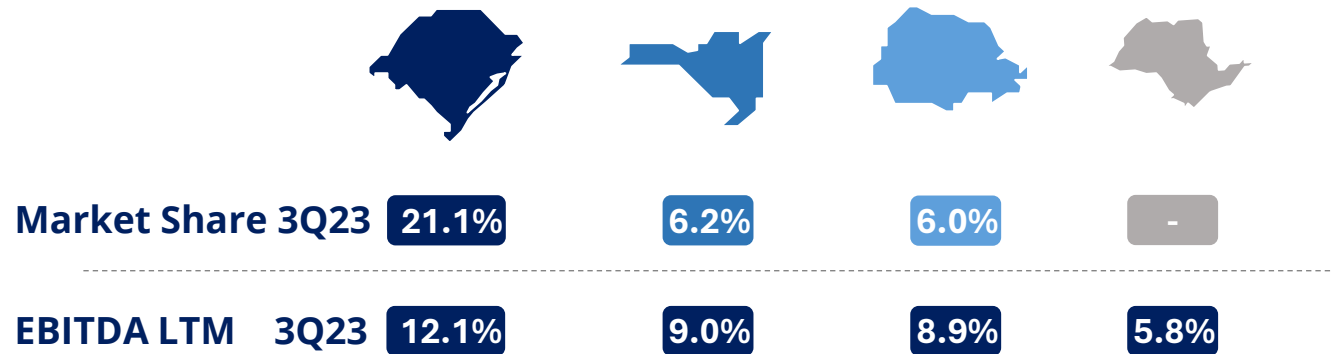
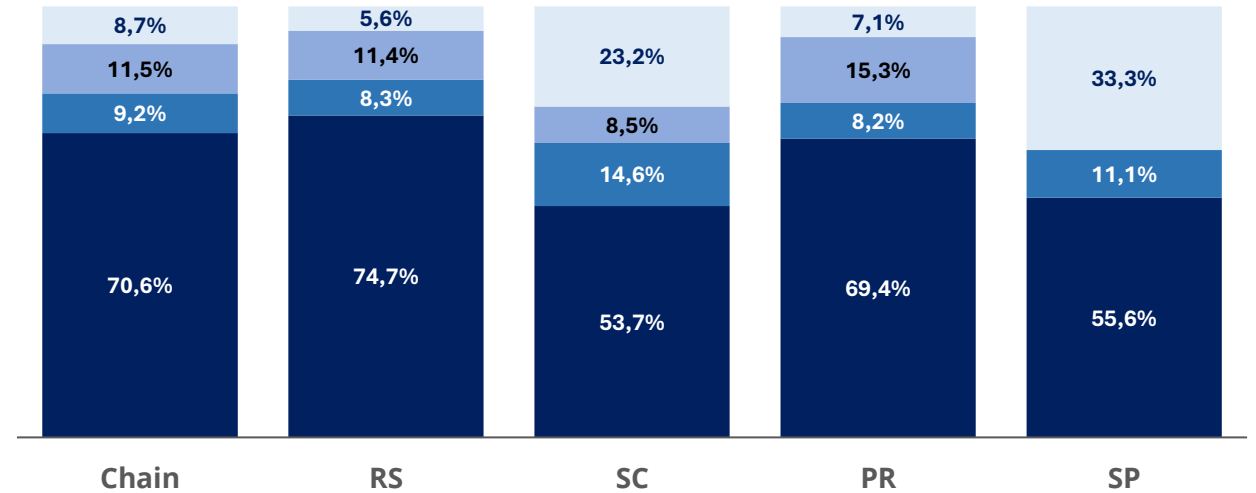
## ROIC Vintage/Year

Consolidated: 43.7%



## Maturity by State

■ Mature ■ Year 3 ■ Year 2 ■ Year 1

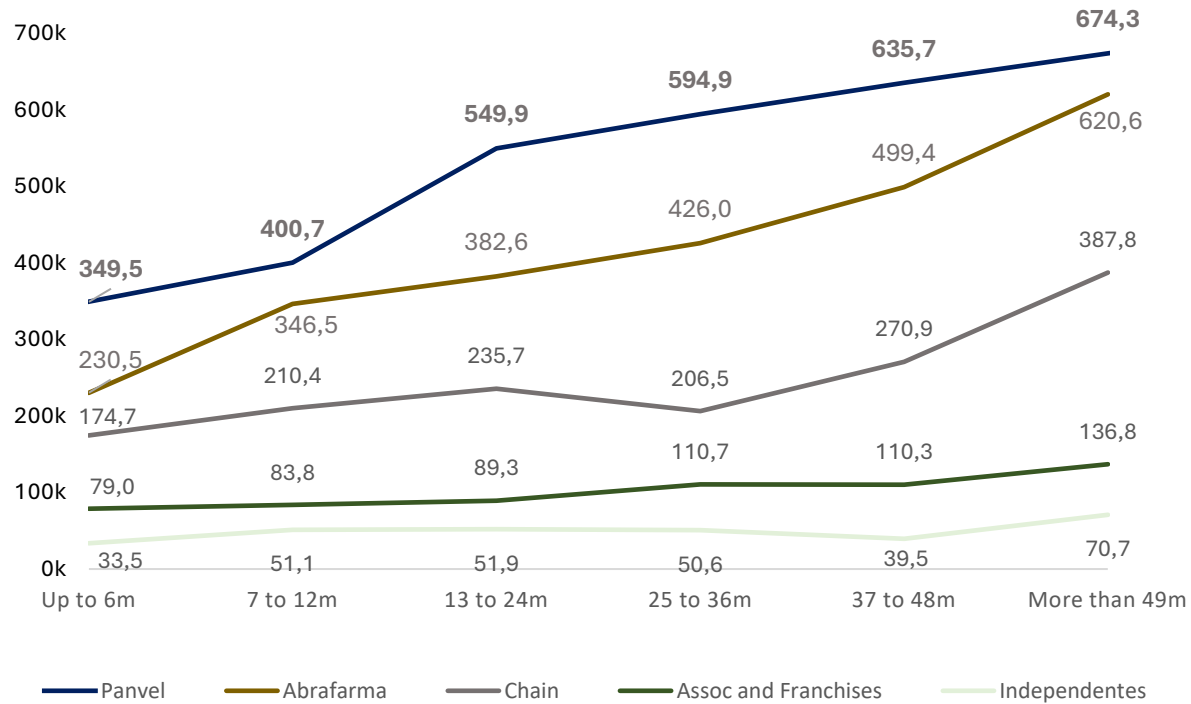


LTM = last 12 months

Pública

# STRATEGIC EXPANSION – ACCELERATED STORE MATURATION RAMP-UP

Average Monthly Sales per Store – R\$ CCP (YTD basis of 08/2023)



- ✓ Highest average sale in the Southern Region;
- ✓ Above-average sales throughout the store maturation process;
- ✓ Efficient expansion as a growth level.

# CRM & CUSTOMERS – CUSTOMER BASE HAS A RECORD GROWTH OF 46.1%

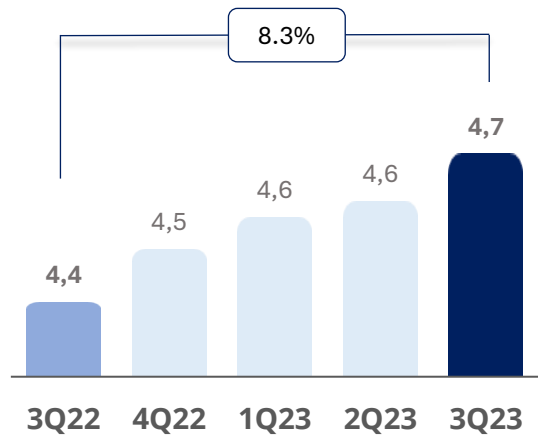
**Customer Evolution Bem Panvel**



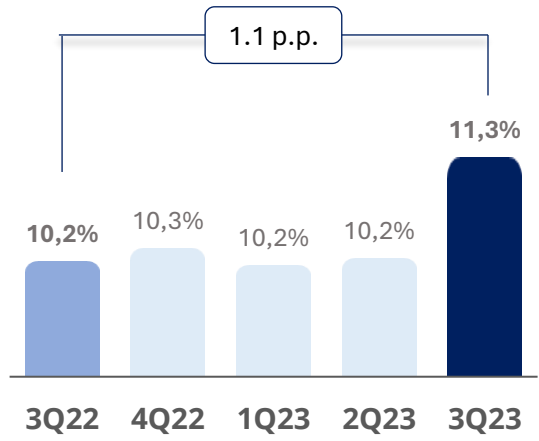
**+21 Milhões de Clientes**

- ✓ Customer Base Growth
- ✓ Record of Customer Digitalization
- ✓ Increase in Loyalty and recurrence

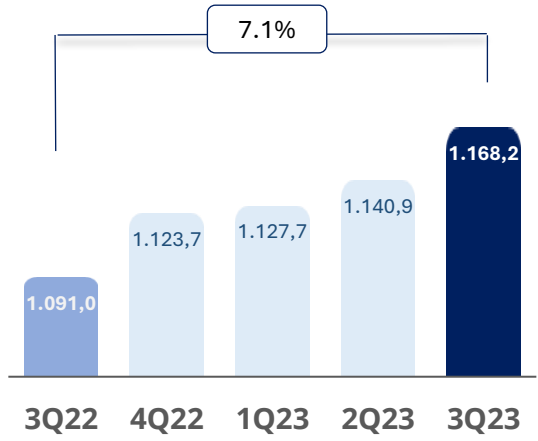
**Active Customer Evolution (in million)**



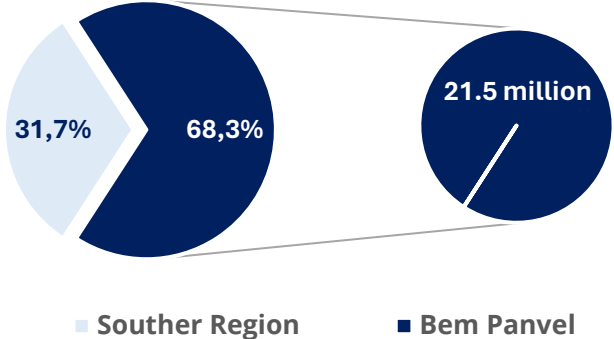
**Omni Customers Evolution**



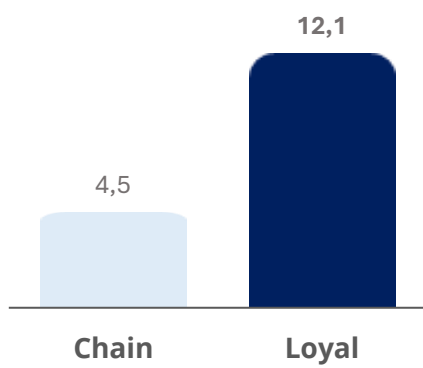
**Loyal Customers (Thousand)**



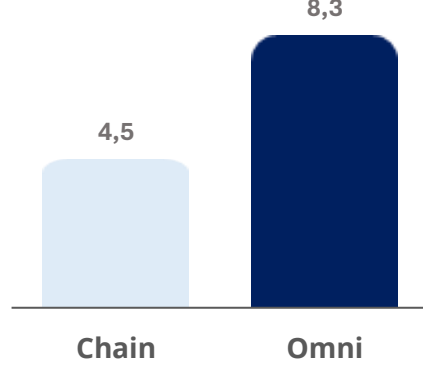
**Bem Panvel - Population in the Southern Region (IBGE 2022)**



**Semestral Attendance (Loyal Customer)**



**Semestral Attendance (Omni Customer)**



\*Active Customer = made at least one purchase in 6 months; Loyal Customer = Customer who frequents/consumes Every 15 days.



# Customization



## Customization Shop Window

Shop Windows according to search profile and Purchase history

## Digital Manager

- + 400 stores
- + 90 thousand posts
- + 61 millions of impressions
- + 50 % of traffic on social media

## Turbo Delivery

30 minute delivery option, available in Porto Alegre and in testing phase in other capitals of the Southern Region.



Advertiser hires directly through the platform

Revenue Growth level for 2024

Plataforma ESG Grupo  
Panvel  
**Todos bem**  
Cuidar de todos é cuidar de cada um.



**Publication of the Company's 1st Sustainability Report (2022)**

[Click Here](#)



**SOS Vale do Taquari**

**BRL +1 Million in just 40 days**

**Over 17,000 items donated**  
(medicines and hygiene products)

**Aid to the hospitals in the cities of Roca Sales/RS and Muçum/RS**

# Results

3Q23

Main messages



## Revenue Growth ✓

- Maintenance of the expansion pace, with the highest net store level of the year;
- New stores with accelerated ramp-up;
- Mature stores now have a comparison base less affected by seasonality;
- Robust growth in the customer base and a record level of omni customers.



## Gross Income ✓

- Maintaining Gross Margin at healthy levels, considering the comparison base effect of the Mix, especially OTC.

## Expenses ✓



- Dilution in selling expenses more than offset the gross margin pressure of the period;
- Store productivity and logistical efficiency gains as the main drivers of expense reduction in sales;
- Consistent administrative expense with better industry standards;
- Favorable inflationary by base began contributing in the second Half to the dilution of expenses.



## Retail EBITDA ✓

- Absorption of expansion effects;
- Store portfolio with accelerated maturation curve.

## Indebtedness ✓



- Dillution of the debt level throughout the year;
- Lower leverage level in the sector;
- Cash structure as a competitive Advantage.

# Outlook 2024



## Revenue Growth ✓

- Maintaining the expansion pace with a focus on the interior of the Southern Region;
- New stores with accelerated ramp-up;
- Mature stores growing above inflation;
- Robust growth in the customer base and a record level of omni customers.
  - Digital
  - Customization



## Gross Income ✓

- Maintaining Gross Margin levels;
- Generics, OTC and HB as growth drivers, with a comparison base free from seasonality.



## Expenses ✓

- Maintenance of harvesting scale gains operational leverage;
- Logistics efficiency and in-store productivity gains;
- Administrative expenses at historical and healthy levels.



## EBITDA ✓

- EBITDA margin expansion;

# grupo panvel

## Q&A

### Investor Relations

**Antônio Carlos Tocchetto Napp**

CFO and IRO

**Ismael Rohrig**

IR Coordinator

**Lucas Martini**

IR Analyst

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