



viveo

Results

2Q24

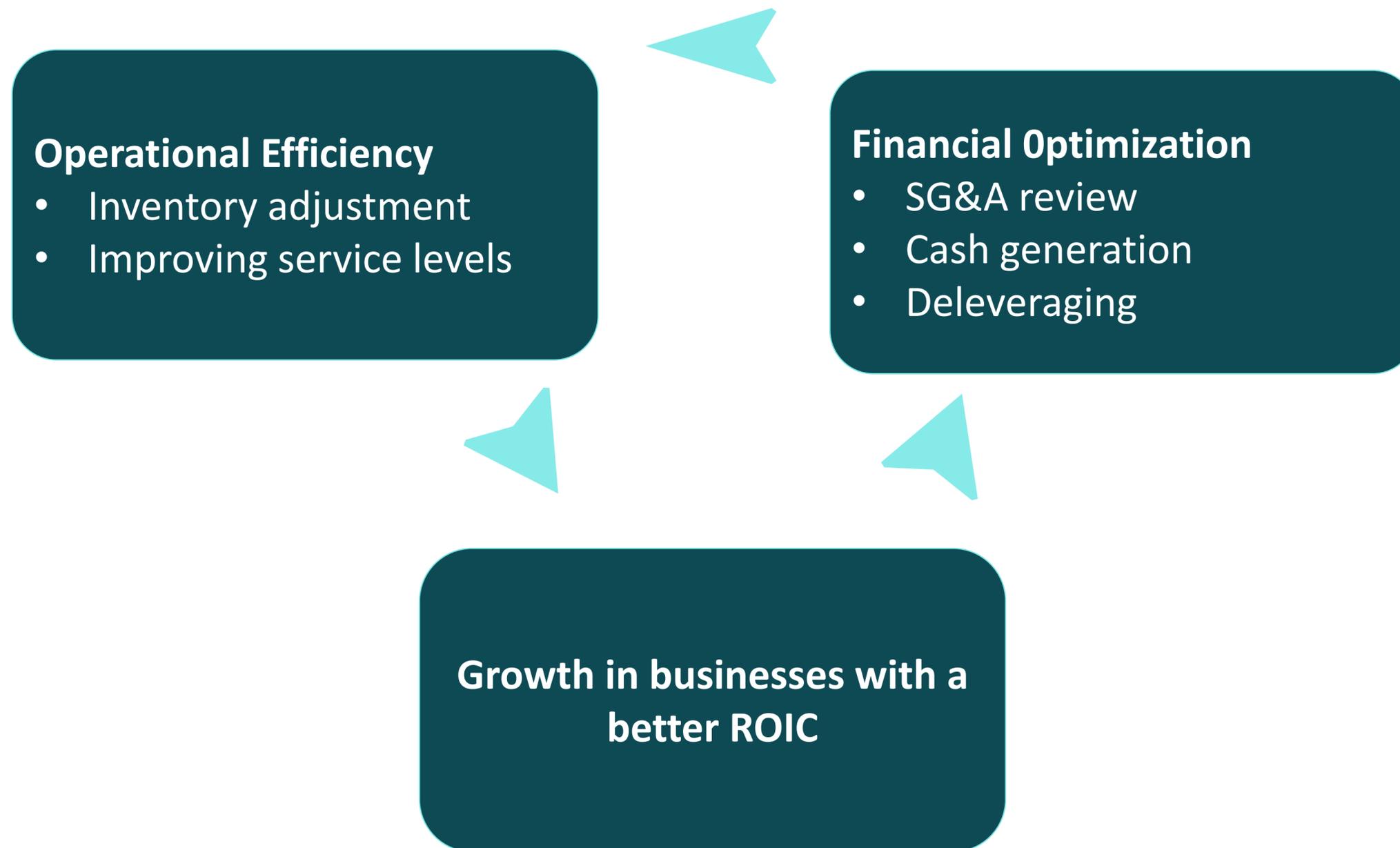
The ecosystem of solutions for the whole of Brazil's healthcare chain – born with a mission to simplify the market

Opening Remarks

CEO: Leonardo Byrro



Priorities and focus in executing the plan



Priority Projects

Supply Chain Efficiency and Excellence

- Improved service level at the end of 2Q24
- Centralization of operations in strategic DCs, especially in the sale of medicines from 3Q24 onwards
- Improvement in quality and reduction of excess inventories by 4Q24
- Cost competitiveness on the industrial platform as of 1Q25

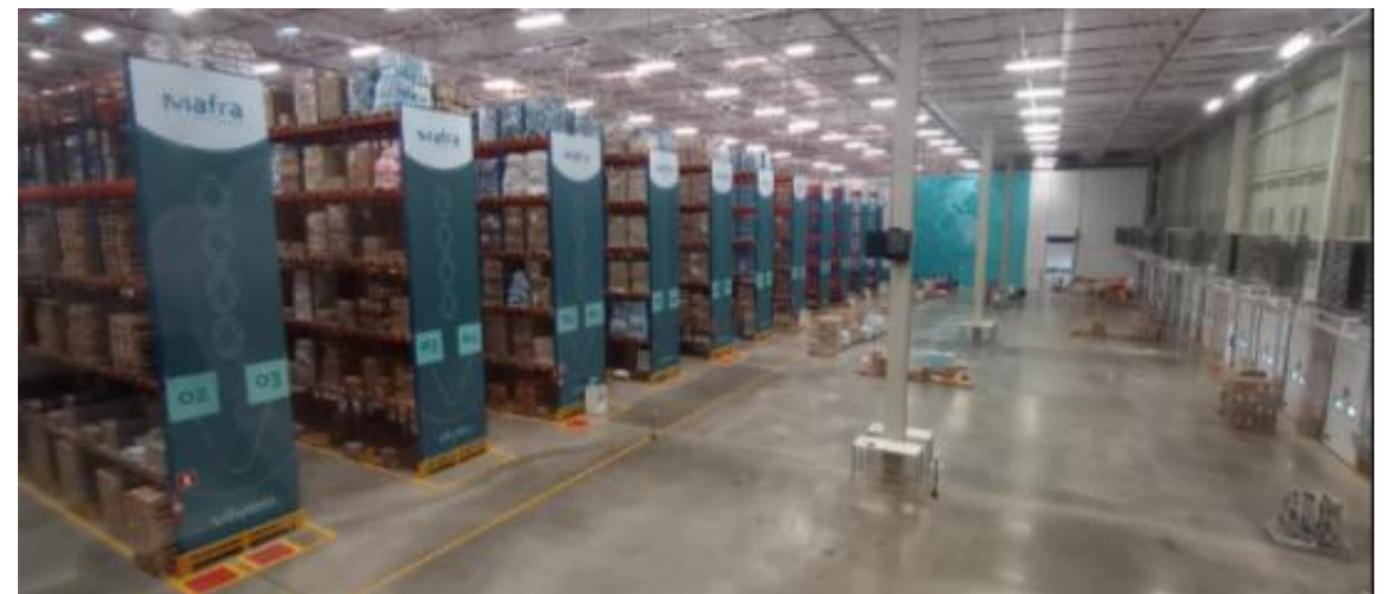
UM POR
TODOS
TODOS PELO CLIENTE

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Cajamar's new DC



Brasília's new DC



Priority Projects

Costs and Expenses reduction

- Simplification of the organizational structure as of 4Q24
- Automation and technology to reduce freight costs
- Review of cost and expense packages:
 - CSC (Shared Services Center)
 - Review of fixed contracts
 - Reduction/concentration of operating units

VISAGIO

GA
Galeazzi & Asociados

Priority Projects

Profitable growth

- Pricing and category management initiatives
- Focus on better ROIC businesses
- Focus on cash generation and working capital optimization with impacts already seen in 1H24 vs. 1H23
- Issuance of new debt, improving rates and lengthening payment terms

People and Governance

- New member of the Board of Directors
 - Half of the members independent
- Creation of the strategy committee
- Execution discipline
- Retain and leverage talent
- Reinforce Viveo's purpose and mission

2Q24 and 1H24 Financial Highlights

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Stabilization of gross margin (Ex-CMED) and cash generation

NET REVENUE

R\$ 2,753.5 million in 2Q24
(8.7% vs 2Q23)

R\$ 5,711.7 million in 1H24
(7.1% vs 1H23)

GROSS PROFIT

R\$ 397.3 million in 2Q24
(-12.6% vs 2Q23), margin 14,4%

R\$ 796.4 million in 1H24
(-10.2% vs 1H23), margin 13.9%

EBITDA

Adjusted¹

R\$ 171.3 million in 2Q24
(-31.8% vs 2Q23), margin 6.2%

R\$ 322.9 million in 1H24
(-31.9% vs 1H23), margin 5.7%

FREE CASH FLOW

R\$ 313.8 million in 2Q24
(vs R\$ 232.8 million in 2Q23)

R\$ 142.0 million in 1H24
(vs R\$ 491.6 million burn in 1H23)

CASH CYCLE

69 days in 2Q24

1 day better vs 1Q24 and 13 days longer than 2Q23

ROIC²

11,4%

Financial Performance

Financial and Administrative VP: Fred Oldani



Net Revenue

Hospitals and Clinics

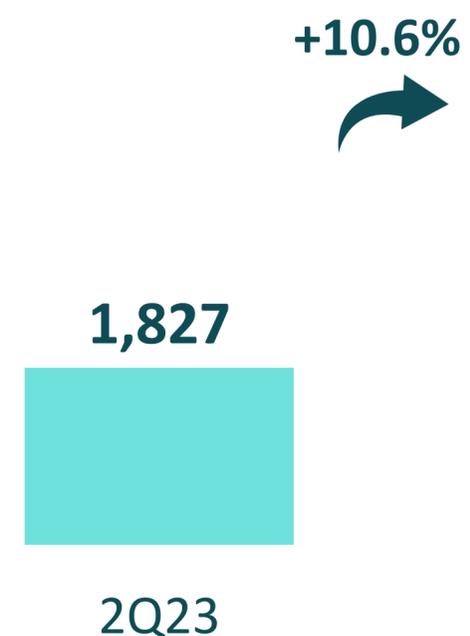
- Double-digit growth in sales of high-cost medicines in line with market growth
- Double-digit growth in materials and nutrition
- Decline in the specialties segment

Laboratories and Vaccines

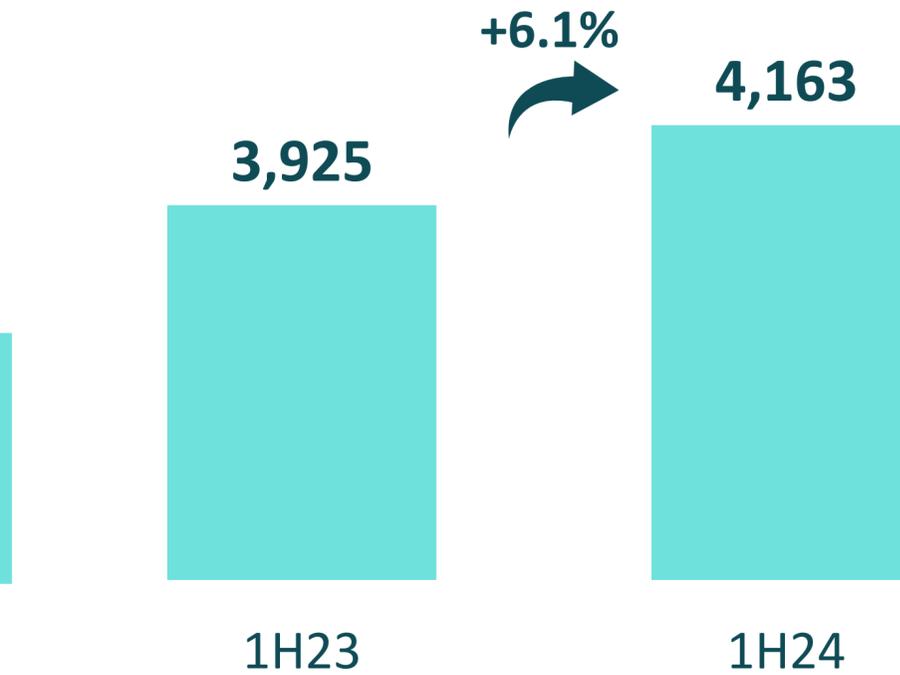
- Growth driven by higher vaccine sales
- Increased average ticket in the analytical segment

R\$ million

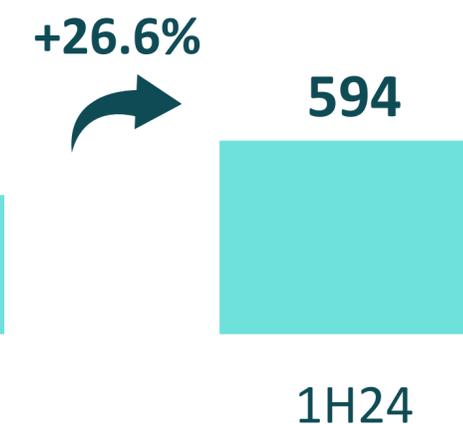
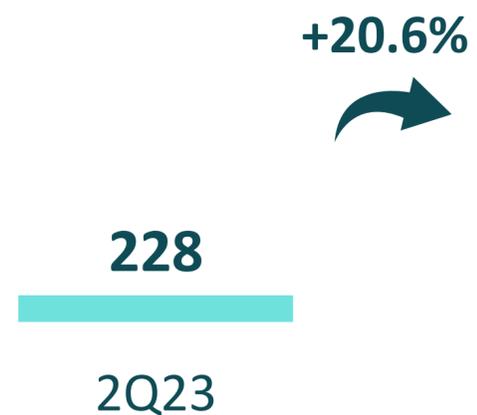
Organic Growth
+9.7%



Organic Growth
+5.2%



R\$ million

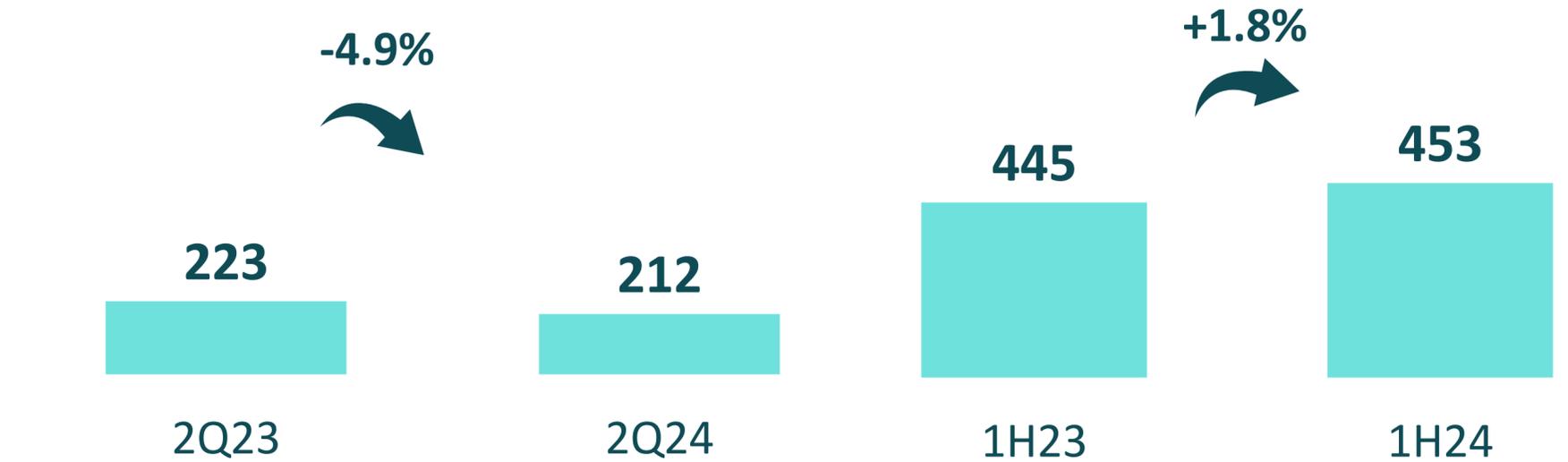


Net Revenue

Retail

- Reduced sales in some categories
- Price pass-through on items manufactured in April 2024

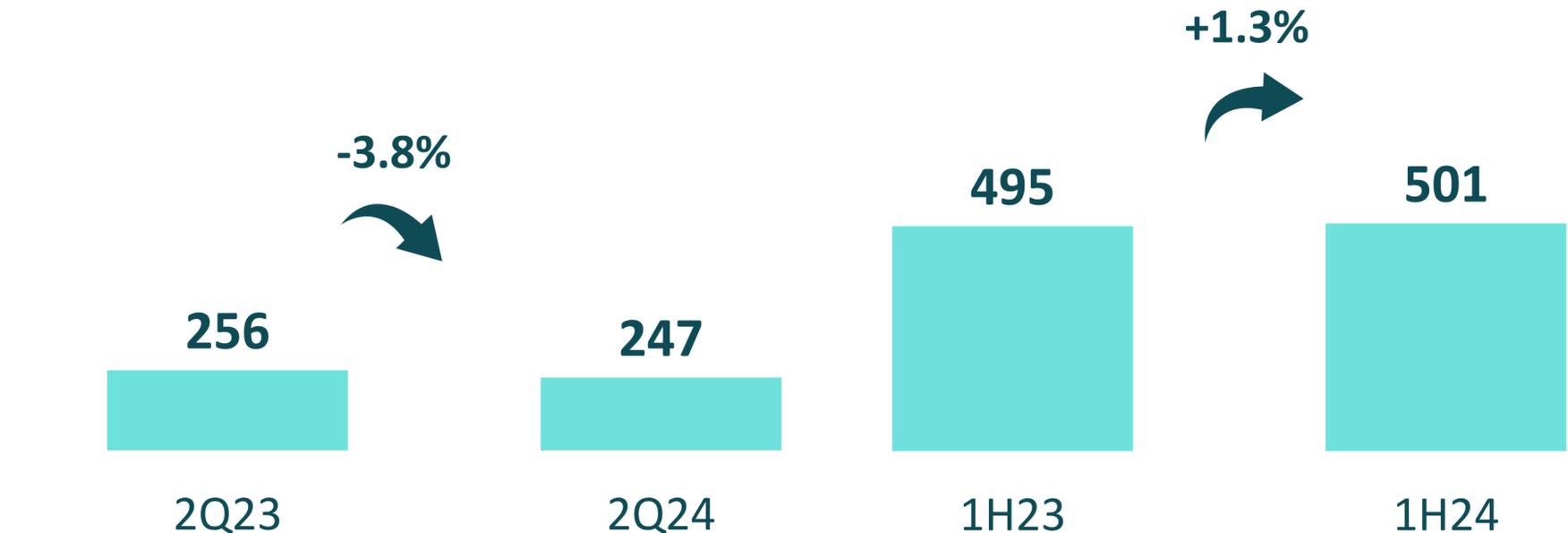
R\$ Milhões



Services

- Loss of a client in sterile handling in 3Q23
- Negative impact on revenue (approx. R\$20MM) due to the floods in Rio Grande do Sul. Excluding this effect, Net Revenue from this channel would have been stable vs. 1Q24 and 2Q23

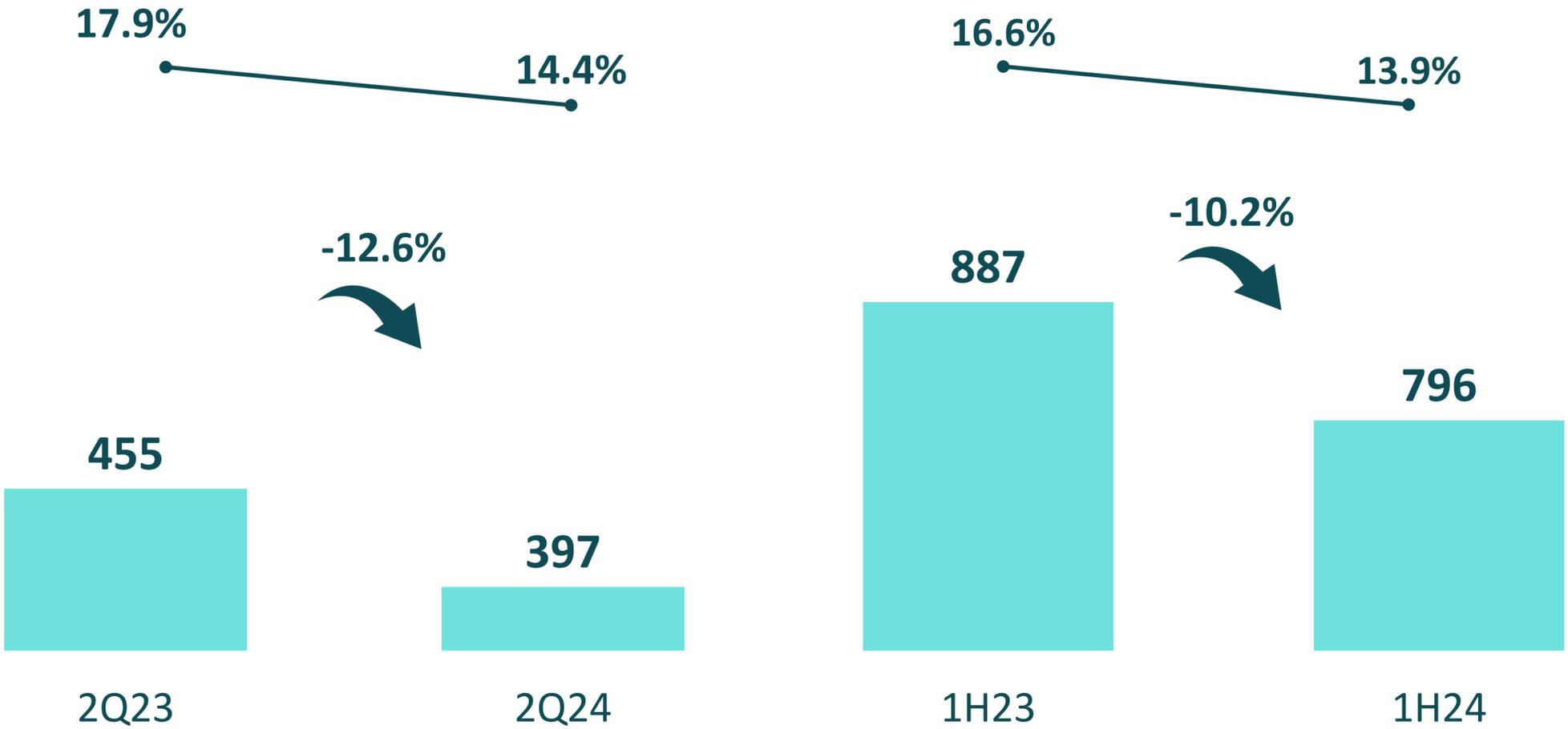
R\$ Milhões



Gross Profit

R\$ million

Gross Margin (%)



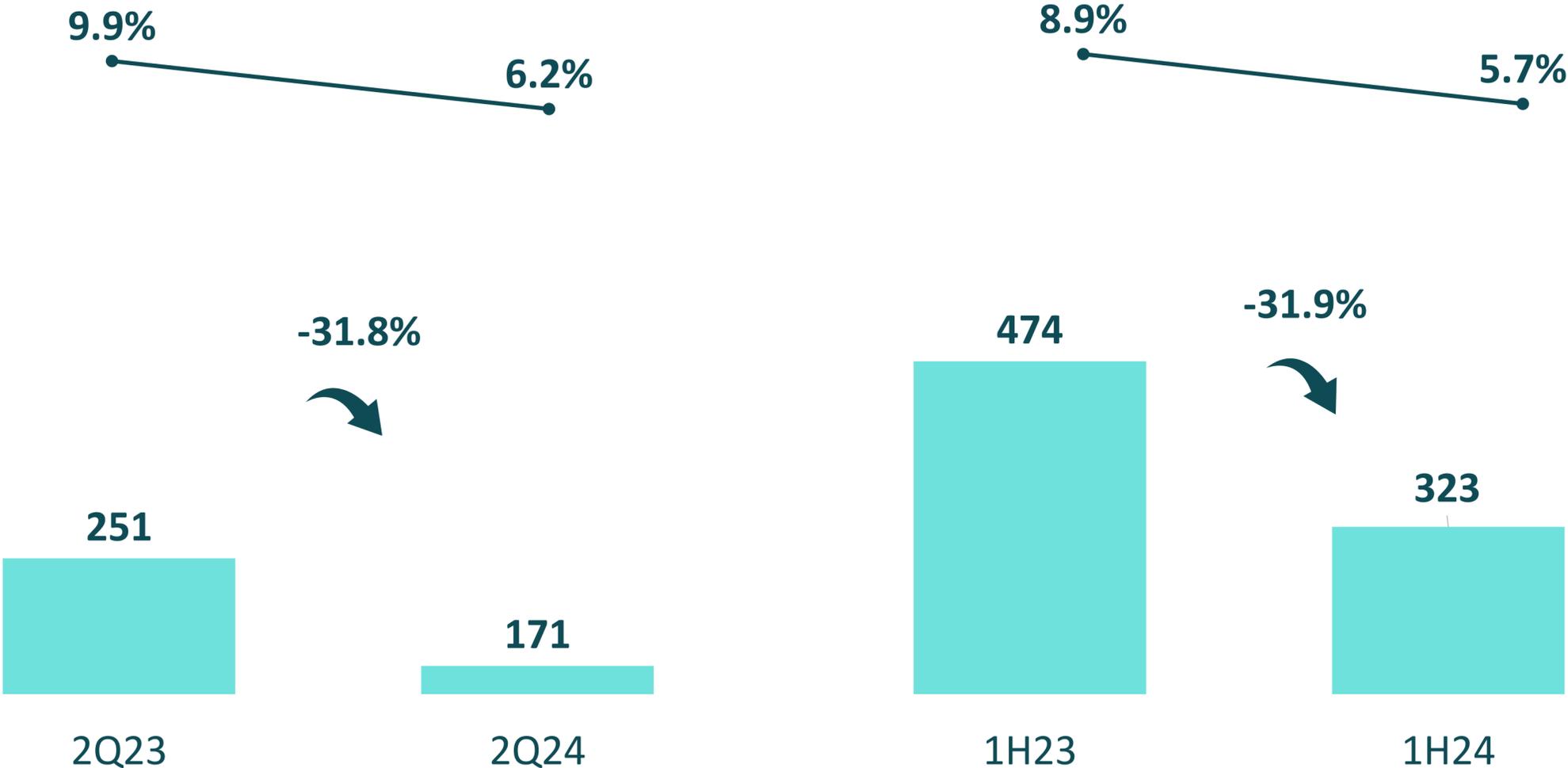
- Stabilization of gross margin (ex CMED) in 1H24
- Lower market margins in the various segments where the Company operates
- Lower price increases allowed by CMED in their annual adjustment in April (4.5% in 2024 vs 5.6% in 2023)
- Mix effects
- Impact of the floods disaster in the state of Rio Grande do Sul (R\$ 7.0 million)

Adjusted EBITDA

R\$ million

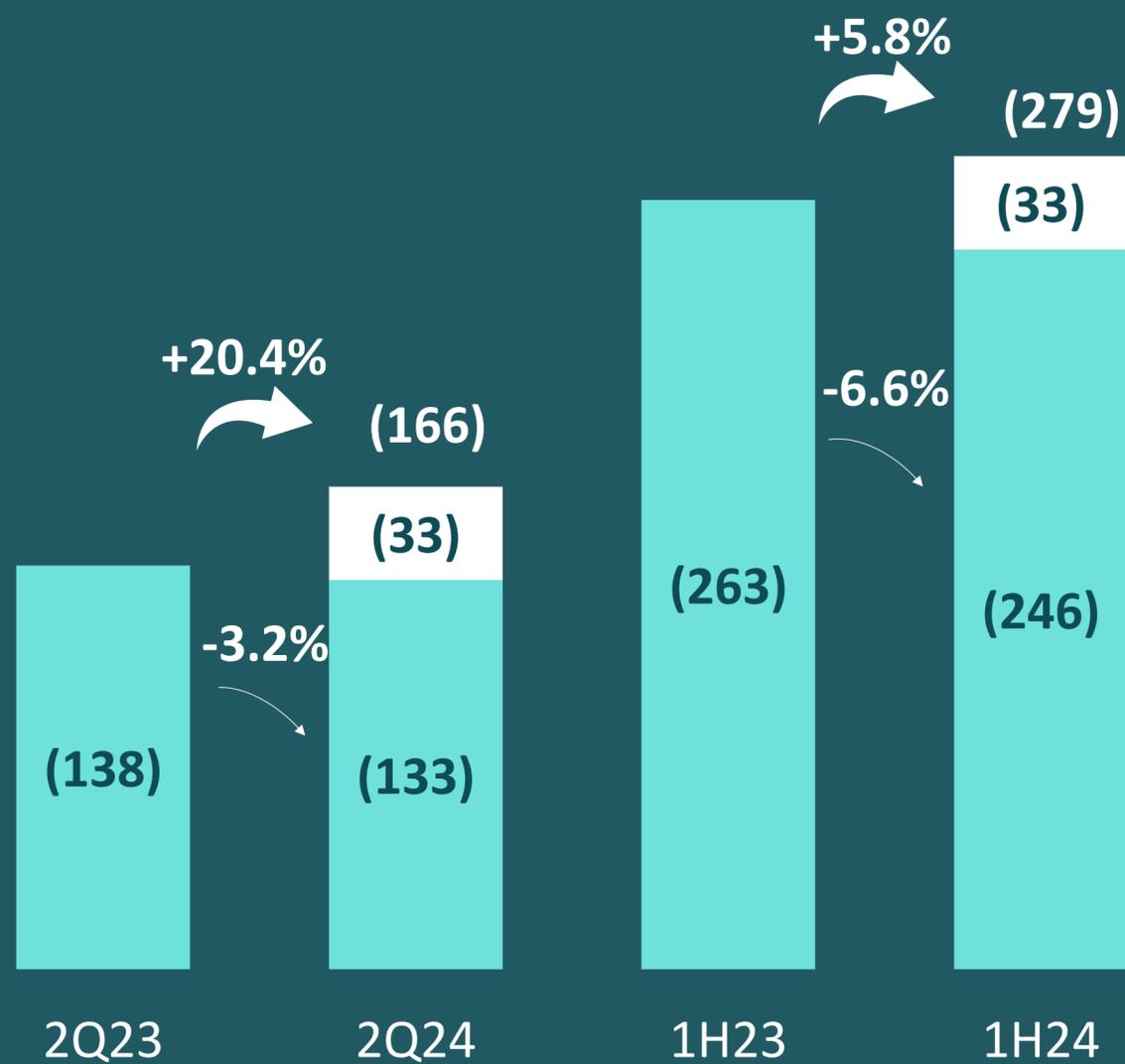
Gross margin pressure and higher operating expenses, especially freight expenses

Adjusted Ebitda Margin (%)



Financial Results

R\$ million

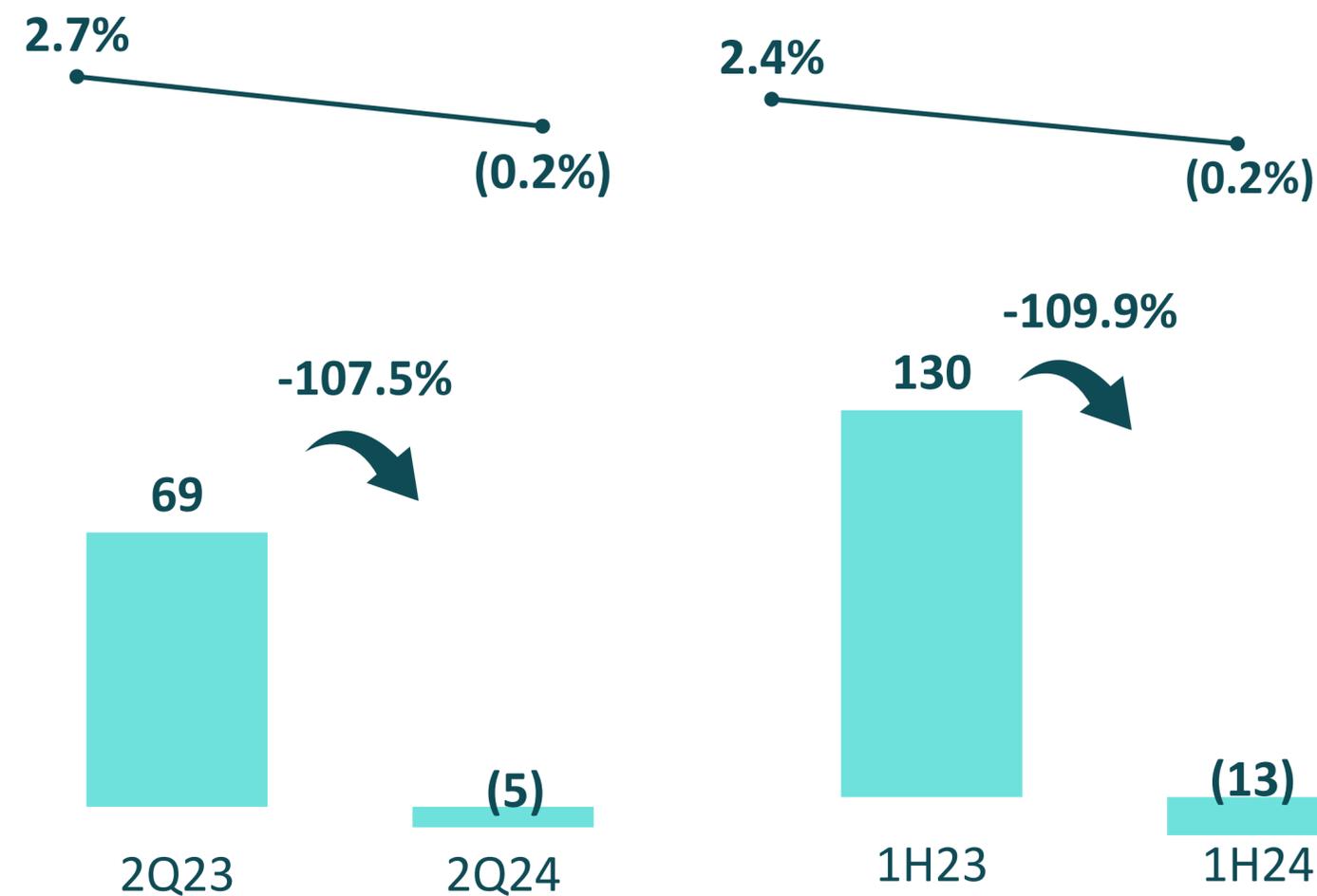


■ Non-recurring

Adjusted Net Profit

R\$ million

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Cash Flow

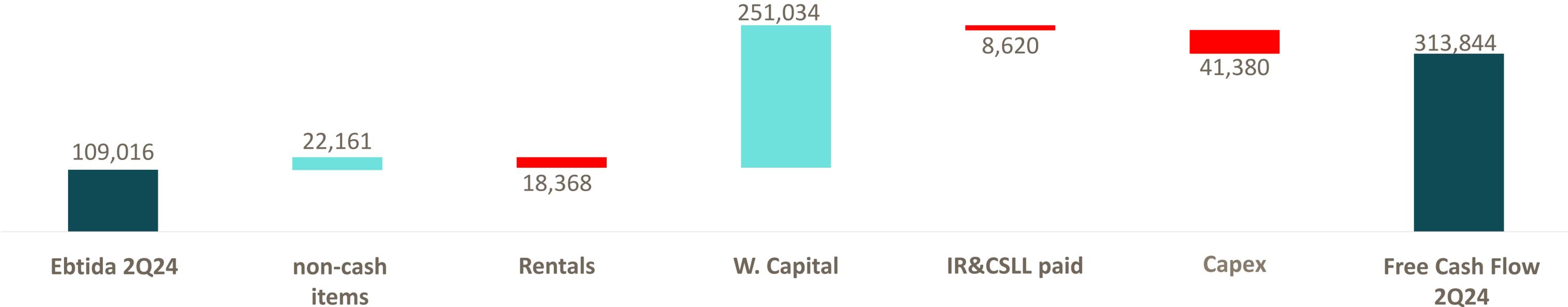
Improvement of working capital and reduction of Capex

R\$ Mil	2Q24	2Q23	1H24	1H23
Accounting Ebitda	109,016	260,787	252,456	477,220
Items without cash effect	22,161	1,255	24,134	(58,902)
IFRS 16 – Rentals	(18,368)	(16,872)	(33,715)	(30,501)
Change in working capital	251,034	64,855	(11,785)	(743,776)
Accounts receivable	301,957	259,940	107,306	151,880
Inventories	(8,835)	(110,878)	67,111	(349,430)
Suppliers	(79,102)	(9,473)	(236,057)	(432,366)
Taxes	16,138	(42,045)	30,945	(96,915)
Salaries and salary-related obligations/provisions	6,673	5,715	3,959	11,222
Other	14,203	(38,404)	14,951	(28,167)
Income tax and Soc. Contr. tax paid	(8,620)	(17,308)	(15,000)	(31,096)
Operations Cash Flow	355,224	292,717	216,090	(387,055)
Investments Cash Flow	(41,380)	(59,935)	(74,122)	(104,533)
Free Cash Flow	313,844	232,782	141,968	(491,588)
Financial	(114,088)	(149,182)	(167,290)	(183,963)
M&A	(101,977)	(215,165)	(107,913)	(261,342)
Financial Cash Flow	(730,201)	(315,311)	106,062	65,588
Change in cash + cash equivalents, net	(416,357)	(82,529)	248,030	(426,000)

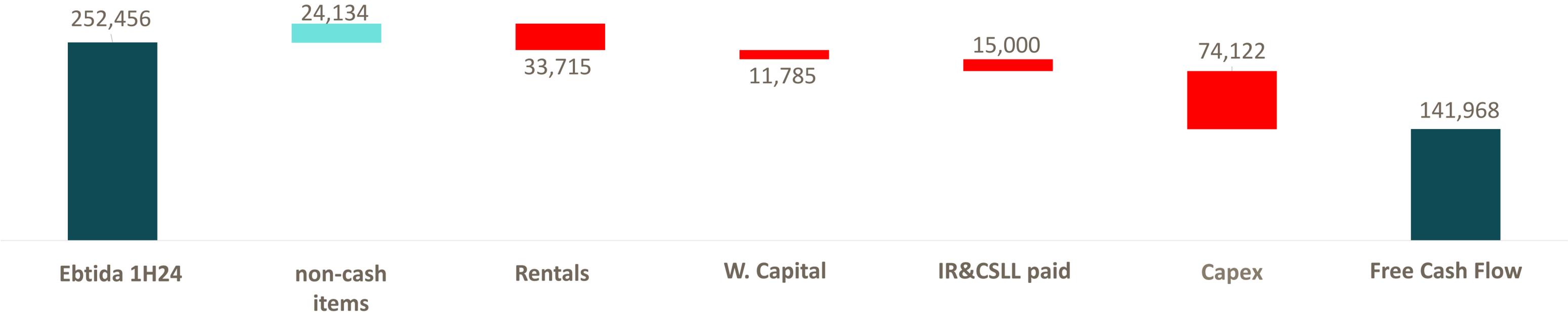
Free Cash Flow



Free Cash Flow 2Q24



Free Cash Flow 1H24



Cash Cycle

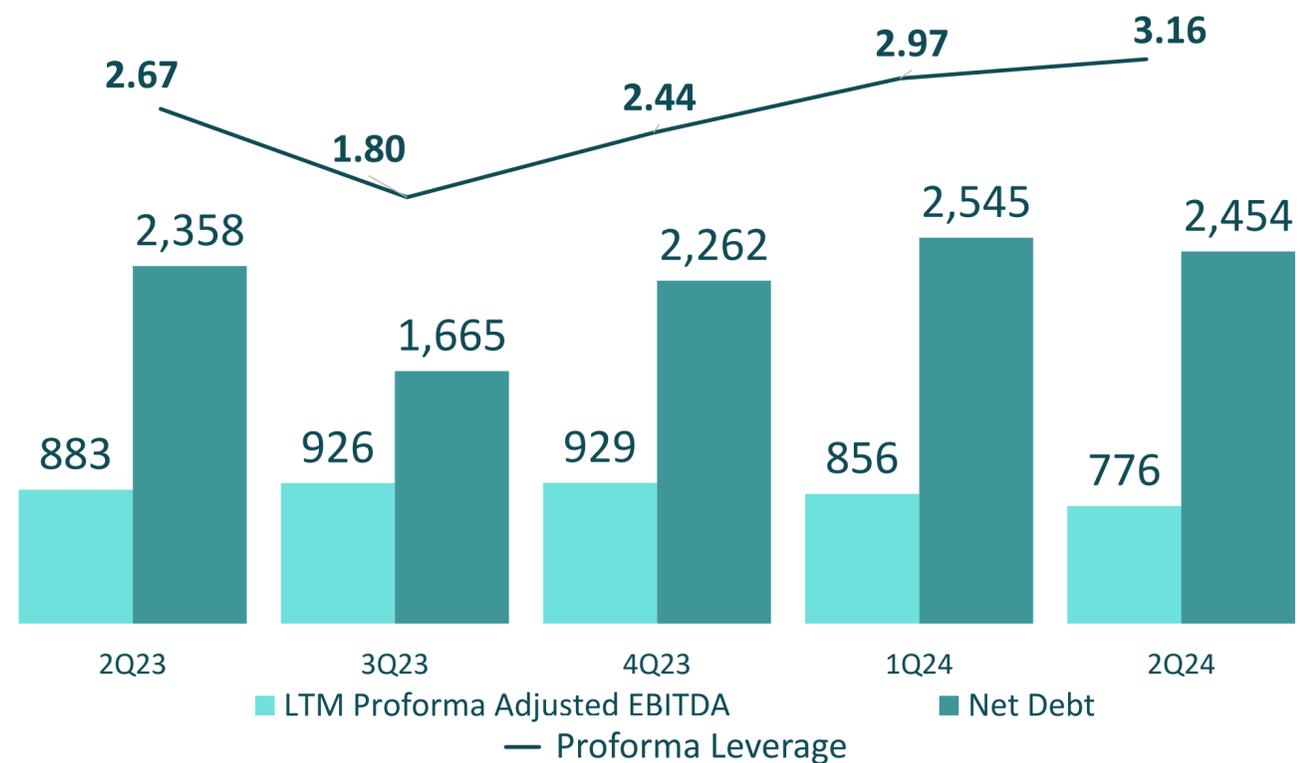
Execution of the plan to optimize inventory will be reflected in the supplier account **Premise: Inventory 100% financed**

	2Q23	3Q23	4Q23	1Q24	2Q24
Accounts receivable cycle	58	58	66	71	66
Accounts payable cycle	73	72	75	68	70
Inventory days	71	64	72	67	73
Cash cycle	56	51	63	70	69
Working Capital/Net Revenue (%)	20.0%	19.6%	25.0%	26.9%	24.2%

Debt

Evolution of Financial Leverage – Ex M&As

(Adjusted EBITDA LTM Proforma - R\$ Million)



Liability management carried out in 2Q24 with the aim of lengthening the debt and reducing the spread

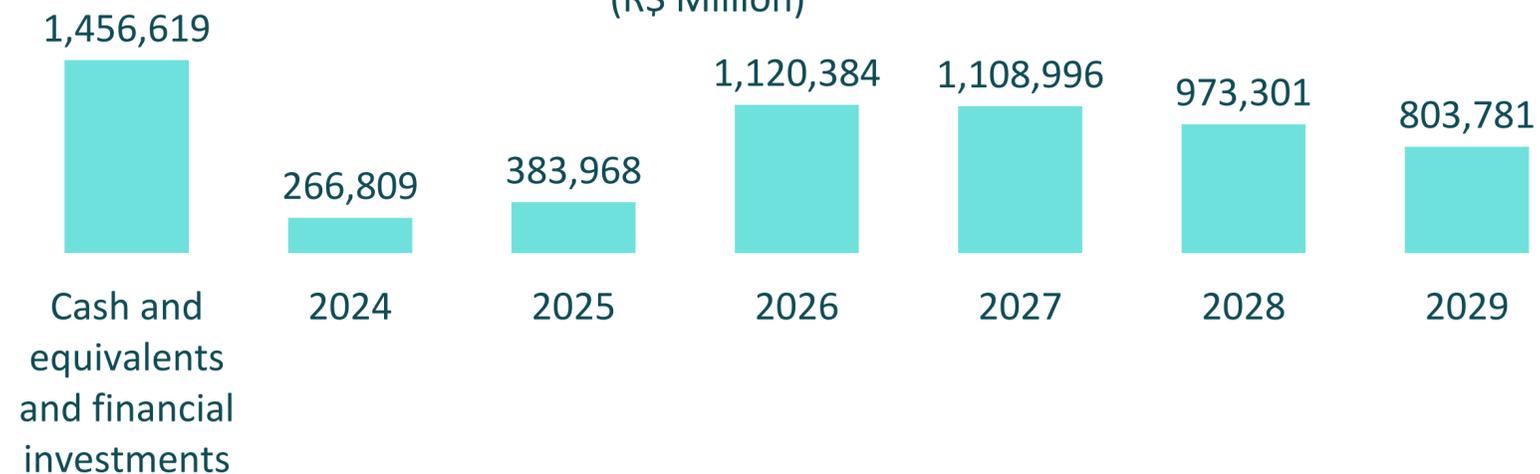
Debt Evolution (R\$million)

Loans and Financing (R\$ million)	06/30/24	12/31/23
Gross Debt¹	(3,910.5)	(3,263.1)
Cash and cash equivalents²	1,456.6	1,001.5
Net Debt	(2,453.8)	(2,261.6)
Leverage (covenants)	3.16x	2.44x
Leverage with M&As	4.13x	3.24x

Amortization Schedule

Debt and M&A

(R\$ Million)



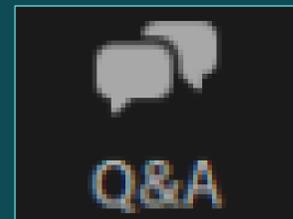
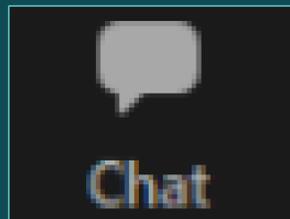
¹ Consider derivatives and ex-M&A

² Considers financial investments

Q&A

To ask questions:

Click the **Q&A** icon at the bottom of your screen and write your name and company to join the queue



When announced

A request to activate your microphone will appear on the screen and then you must activate your microphone to ask questions.



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Results

2Q24

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