



viveo

Results

1Q24

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



1Q24 Financial Highlights

NET REVENUE

R\$ 2,958.1 million in 1Q24
(+5.7% vs 1Q23)

13.7% growth if there were no revenue forgone in 1Q24

GROSS PROFIT

R\$ 399.1 million in 1Q24
(-7.7% vs 1Q23), margin 13.5%

EBITDA Adjusted¹

R\$ 151.6 million in 1Q24
(-32.1% vs 1Q23), margin 5.1%

NET PROFIT

R\$ 3.0 million in 1Q24
(-91.8% vs 1Q23)

CASH CYCLE

70 days in 1Q24
15 days longer than 1Q23

ROIC²

8.7%



Channel

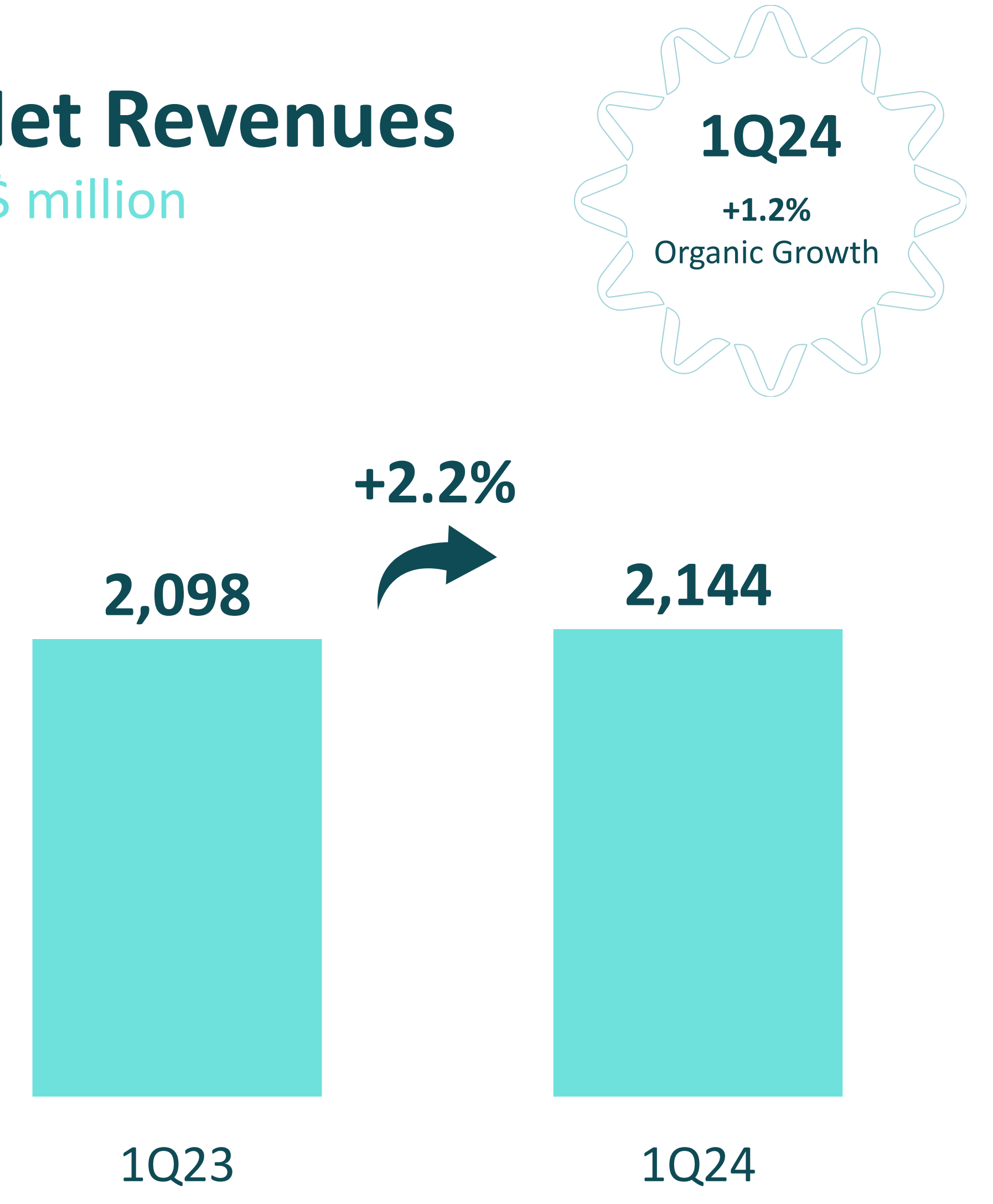
Hospitals and Clinics

HIGHLIGHTS:

- Sales forgone work being performed. Without this, net revenue growth would have been 12.9% compared to 1Q23 (11.8% organic);
- High cost growth;
- Double-digit growth in materials (new partnerships and gloves) and nutrition.
- In pharmaceuticals there was no growth despite the gain in market share in generics and similar products (including public and private), from 7.1% in 1Q23 to 8.1% in 1Q24; I
- Drop in specialty revenue and rebalancing of sales between distributors. This gap will be compensated throughout the second half of the year, with a contract already signed with the largest global player in corrective dermatology.



Net Revenues R\$ million





Channel

Laboratories and Vaccines

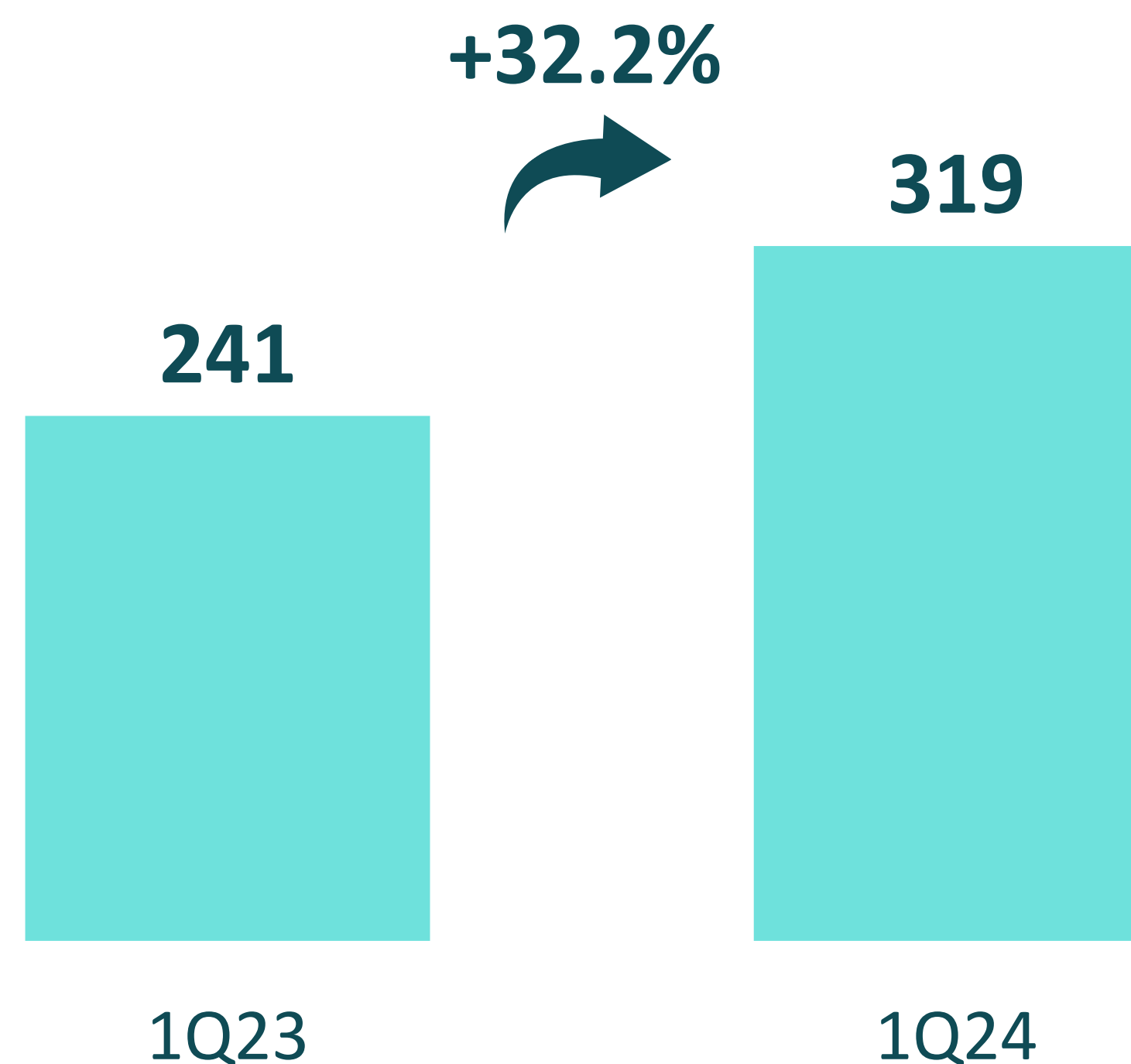
HIGHLIGHTS:

- Record vaccine sales in 1Q24, mainly with the Dengue vaccine (Qdenga), ramp-up of Pneumo 15 (Vanxneuvance), and continued growth of the herpes zoster vaccine (Shingrix);
- Pre-analytical with greater sales of rapid tests for Dengue, in addition to an increase in sales volume to new customers and average price of gloves.

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Net Revenues

R\$ million





Channel Retail

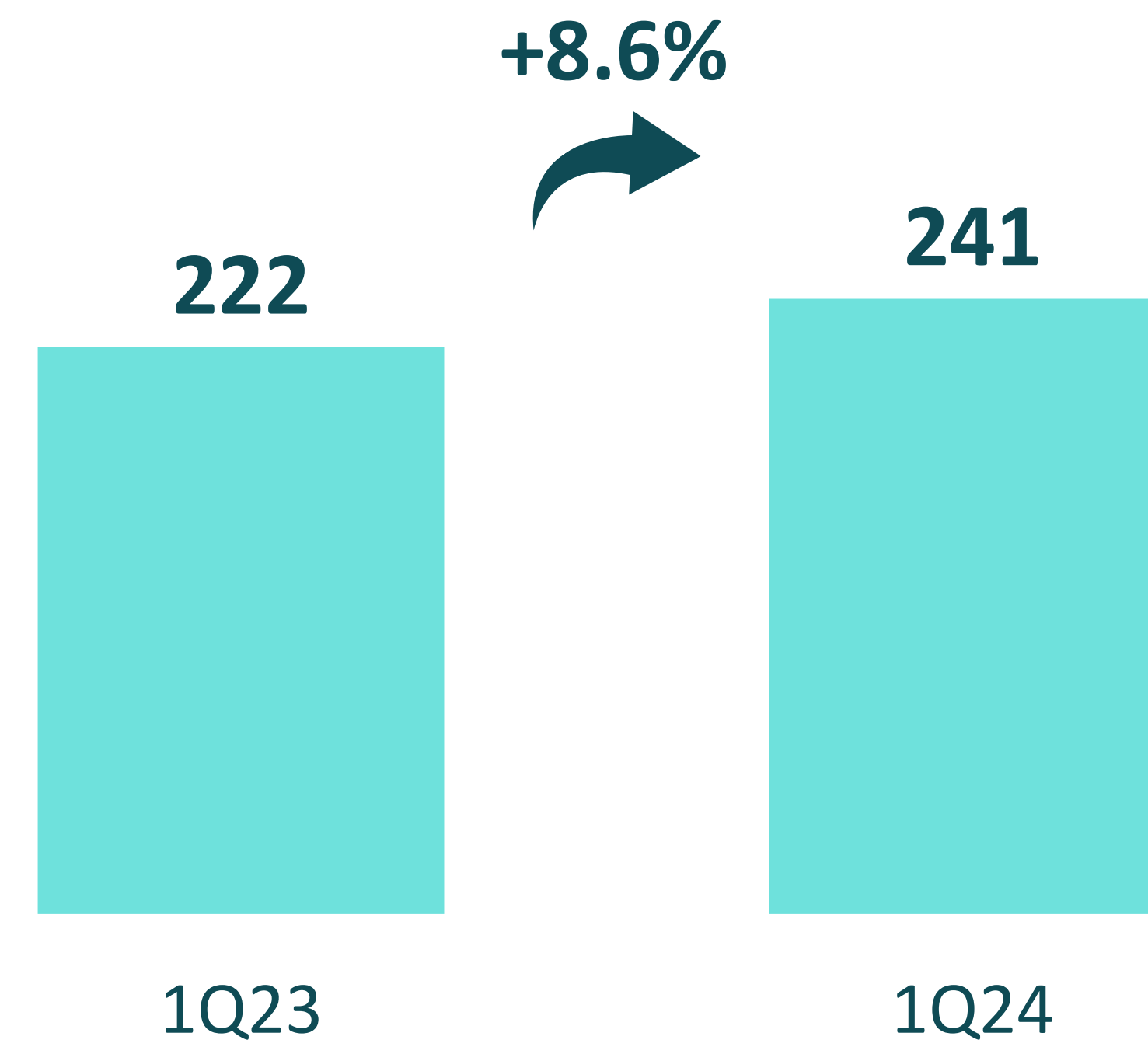
HIGHLIGHTS:

- Dressings segment in the pharmaceutical channel, maintaining the leadership position in the category;
- Increased sales of wet wipes, which is currently the leader in the food and cash and carry channel;
- Growth of the Piquitucho brand in other categories such as disposable diapers, with a presence in national and regional chains.



Net Revenues

R\$ million





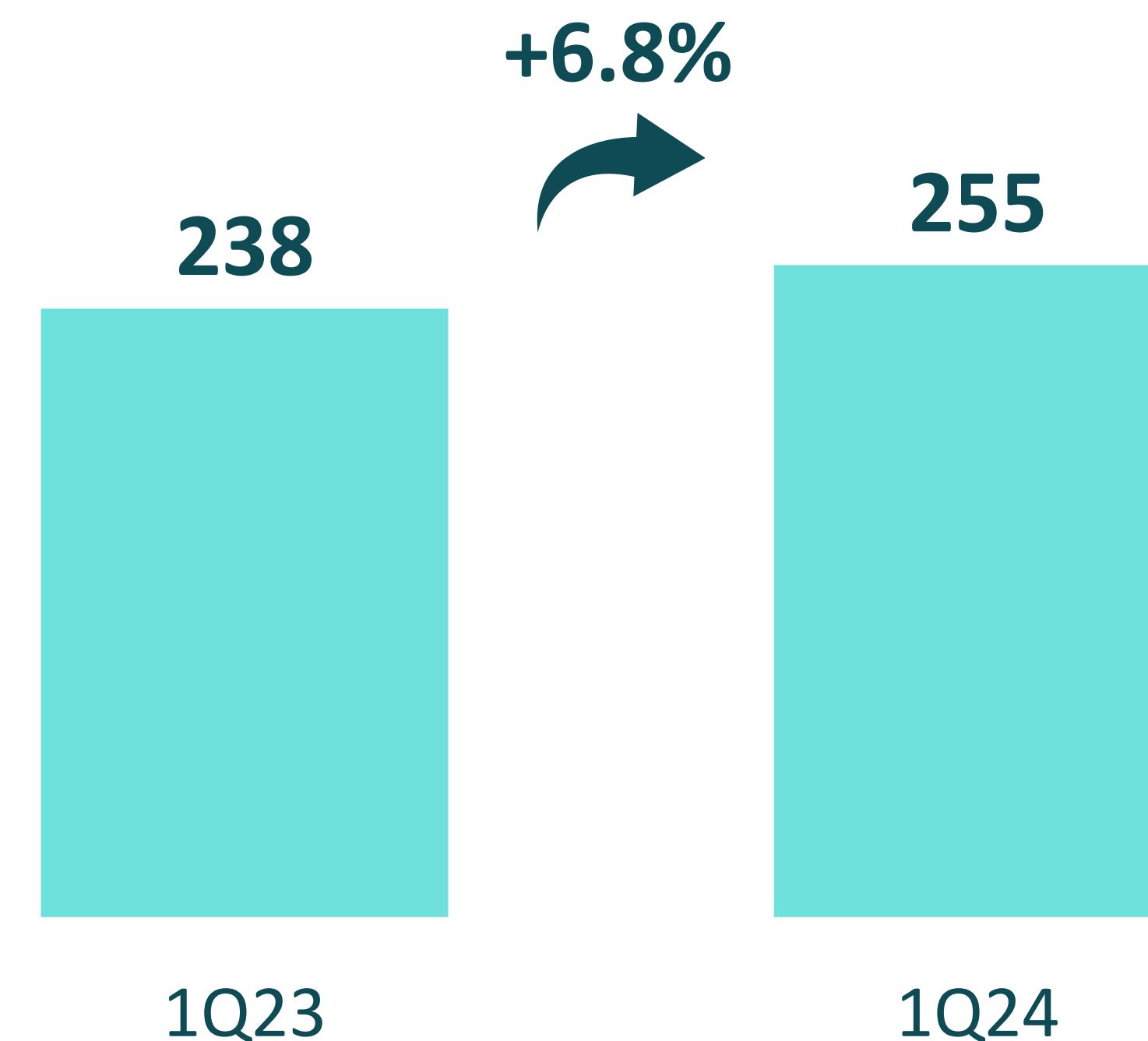
Channel Services

HIGHLIGHTS:

- Increase of 77 new manipulator customers in 1Q24 versus 1Q23;
- In 3Q23, there was the loss of a customer in sterile handling, which impacted growth in 1Q24 versus the same base in the previous year. Growth would have been 40% if this effect was excluded
- The growth in handling in 1Q24 in relation to 4Q23 was 4.2%, highlighting the ecosystem strategy with new opportunities in the customer base
- Humania had a 44% increase in net revenue in 1Q24, closing the quarter with 70 customers, most of them from the pharmaceutical industry.

Net Revenues

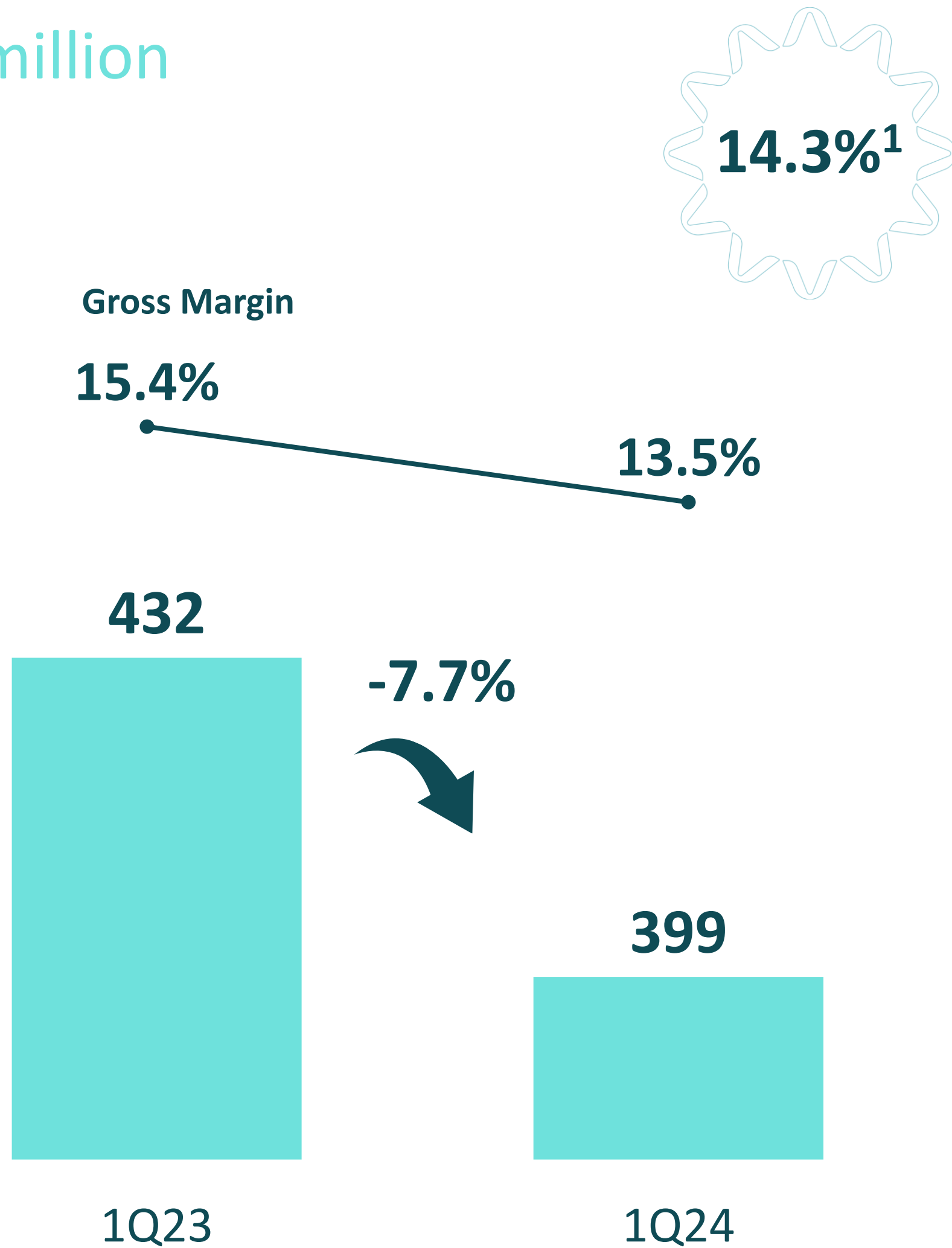
R\$ million





Gross Profit

R\$ million



14.3%¹

The decline in gross margin is explained by



Mix:

- Increased representation of high-cost medicines, vaccines and oncology grants.



Adjustments Face of Operational Challenges: Impact of R\$ 12.5 million on GP in 1Q24

- Sales of medicines with lower margins than in the past in order to optimize stock levels;
- billing of goods outside the ideal coverage CD, aiming at stock availability for the customer, but harming the optimization of gross margin.



Retail

- According to the commercial cycle, despite the growth and gain in market share, this quarter there was a retraction in the margin of this business unit. Price transfers have already been carried out from April onwards, aiming to restore the margin. Impact of approximately 0.3 p.p. on the consolidated margin.



Macro Factors:

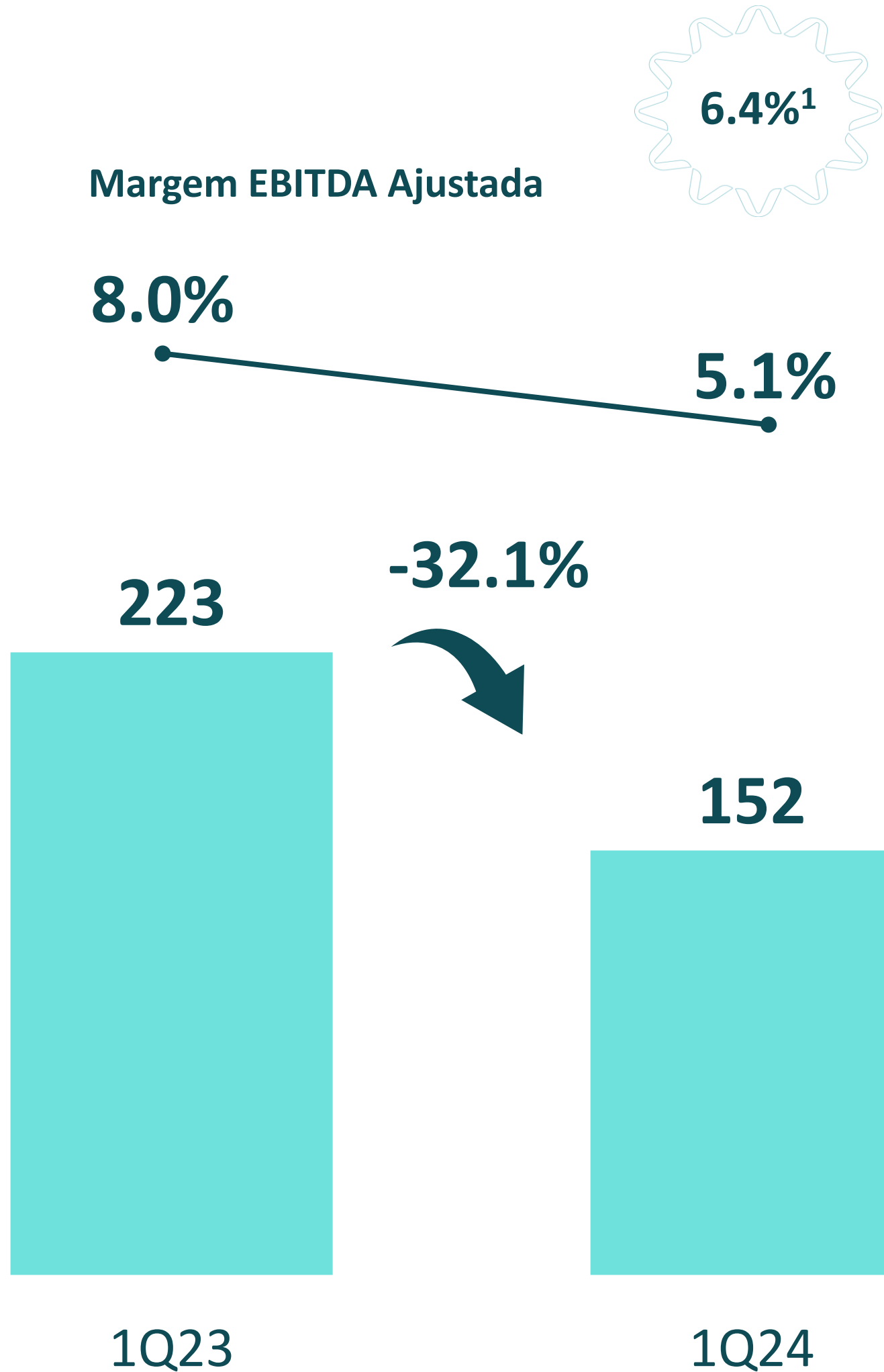
- Lower margin for pharmaceuticals, due to drug price deflation, lower (2.5% in the last 12 months), which in addition to affecting revenue, also impacted the margin, since it was necessary to readjust the cost of inventories during the period.

¹ Margin simulation considering only the elimination of intercompany freight expenses of R\$ 12.4 million (same basis as 1Q23) and adjustments to operational challenges of R\$ 12.5 million in 1Q24 (without margin adjustment by retail)



Adjusted EBITDA

R\$ million



Impacts on Ebitda arising from operational challenges:



Operational challenges: R\$32.5 million

- R\$12.5 million in Gross Profit;
- R\$20 million with higher freight expenses.



Extra expenses: R\$ 5.9 million (not adjusted for Ebitda)

- Consultancy for strategic projects worth R\$ 2.7 million;
- Adjustments to the organizational structure of R\$3.2 million.



Other impacts:

- Lower retail margin, drop in revenue in specialties (new contract in 2H), pressure on pharmaceuticals.

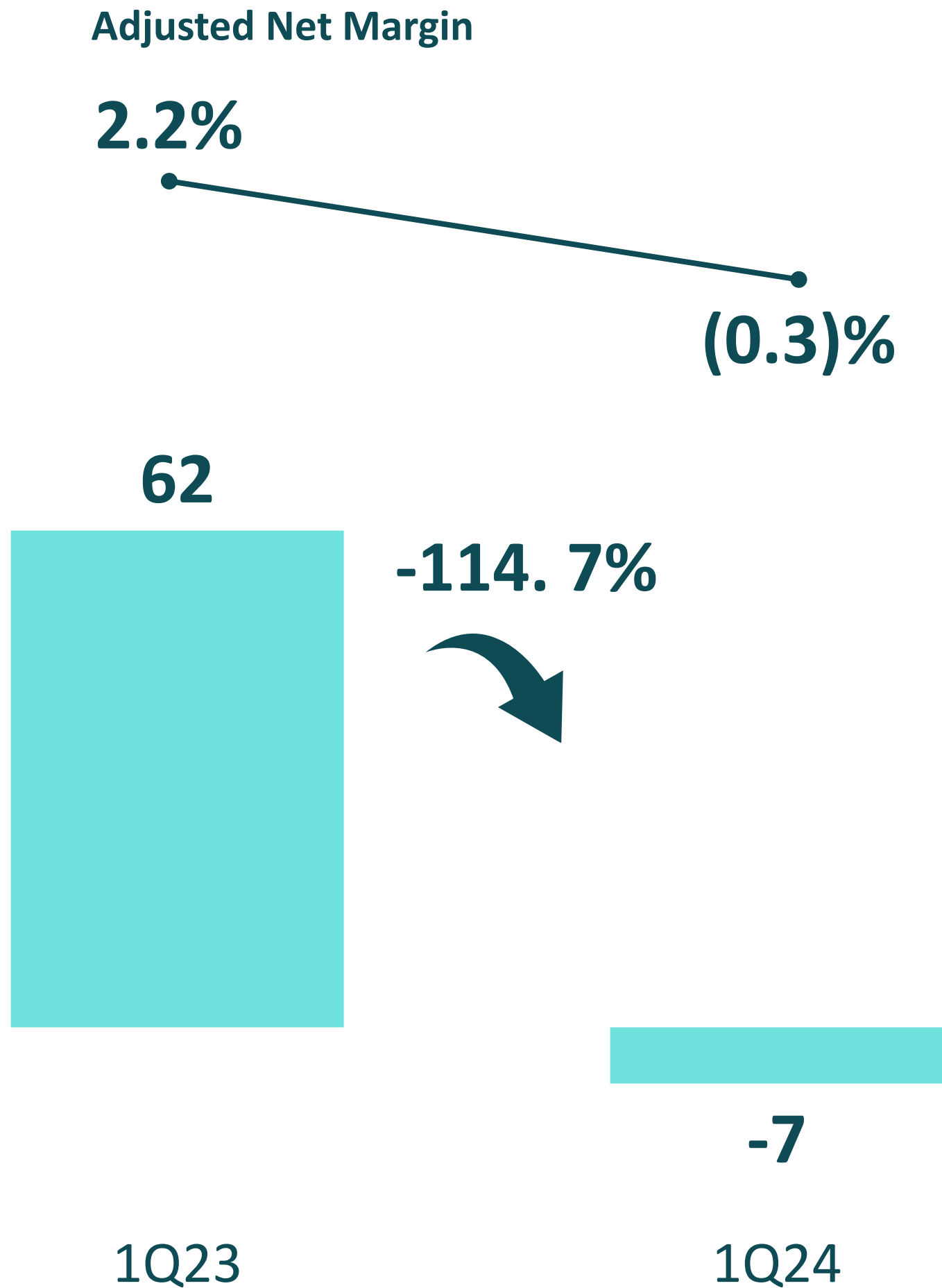
In addition to strategic projects, the Company is carrying out work to readapt the corporate structure and seek efficiencies. The expectation is to have the project completed in 4Q24.

¹ Margin simulation considering operational challenges and extra expenses



Adjusted Net Profit

R\$ million



Highlights

Financial Result

- Improvement of R\$13 million mainly due to the reduction in interest and loans

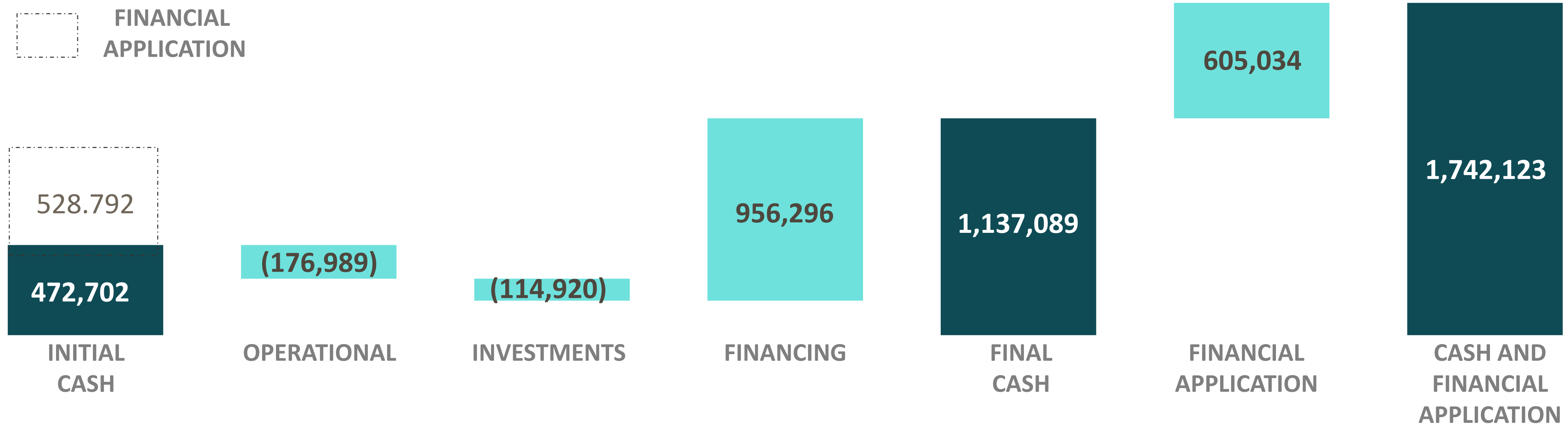
IR/CS

- Exemptions and Reductions in the ICMS Calculation Base for the last 5 years totaling R\$36.1 million (non-recurring)
- Until 4Q23, the grant for investments was being recognized on the credits granted. After the approval of Law 14,789/23, the Company filed writs of mandamus to ensure the maintenance of the benefit, however, as the processes are still ongoing, the Company chose not to recognize the benefit this quarter.

Cash Flow 1Q24

R\$ 000

 FINANCIAL APPLICATION



OPERATIONAL

- Accounts receivable: consumption R\$ 206.8 million
- Interest and loans on debentures: payment of R\$68.4 million
- Inventories: generation of R\$73.7 million
- Taxes to be recovered: generation of 13.6 million with consumption of tax credits

INVESTMENTS

- Capex: R\$ 32.7 million, lower volume compared to the last quarters of 2023. The Company brought forward part of the investments to cover the projects in 2023 and, therefore, must maintain CAPEX discipline throughout 2024.
- Financial Applications: R\$ 76.2 million

FINANCING

- Issuance of debentures (March 2024) R\$992.2 million in net resources



Cash Cycle

Days

	1Q23	2Q23	3Q23	4Q23	1Q24	1Q24 Adjusted
Accounts receivable cycle	61	58	58	66	71	68
Accounts payable cycle	65	73	72	75	68	68
Inventory days	58	71	64	72	67	67
Cash cycle	55	56	51	63	70	67

Postponement of receipt of R\$130 million due to the holiday (mar/24)

Specifically in accounts receivable, the Company is attentive to aging and working with customers to settle payments. The current view is that the risk of PDD is around R\$ 3 million.

Inventory reduction R\$83 million¹ in Apr/24 vs Mar/24

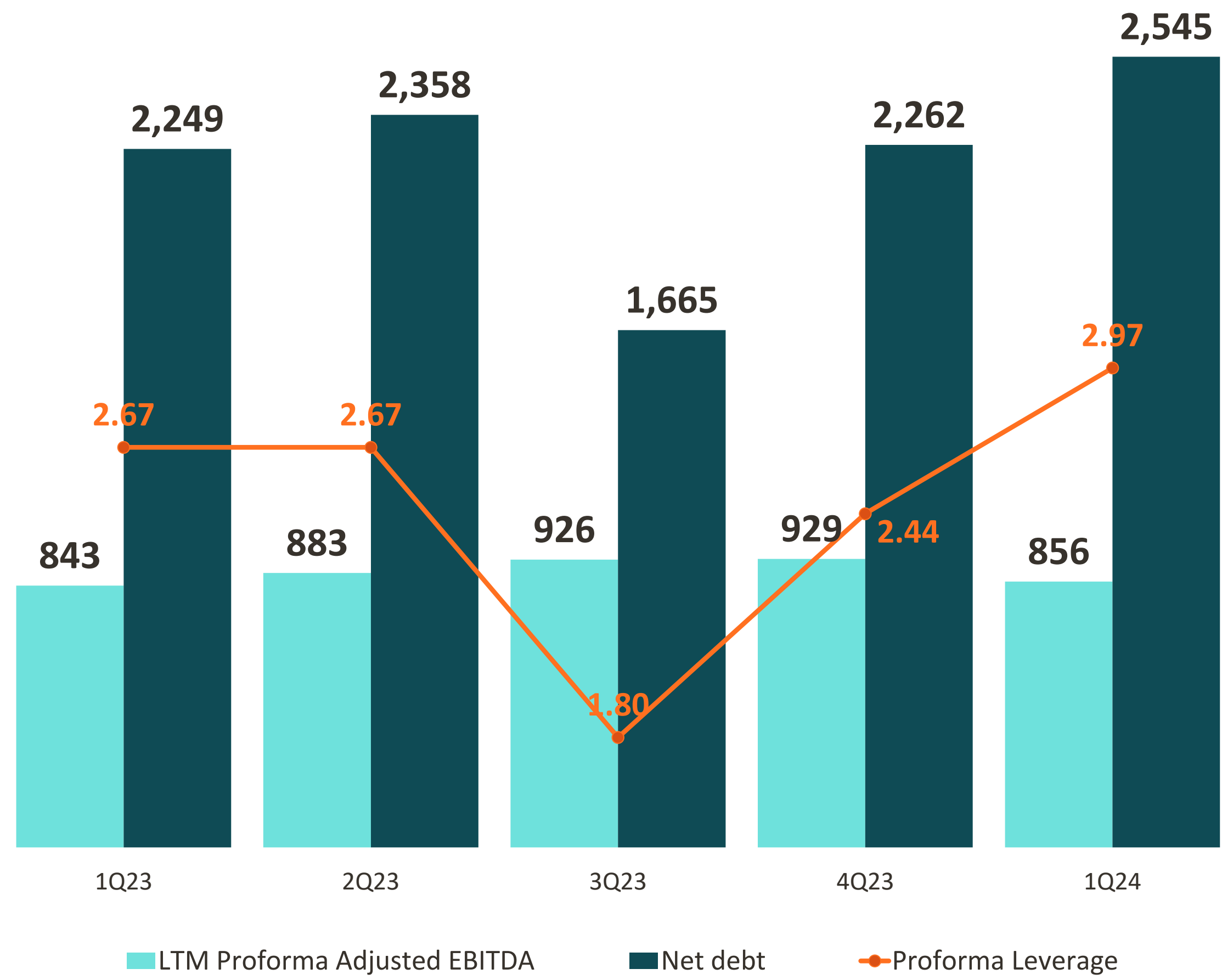
¹ preliminary number



Debt

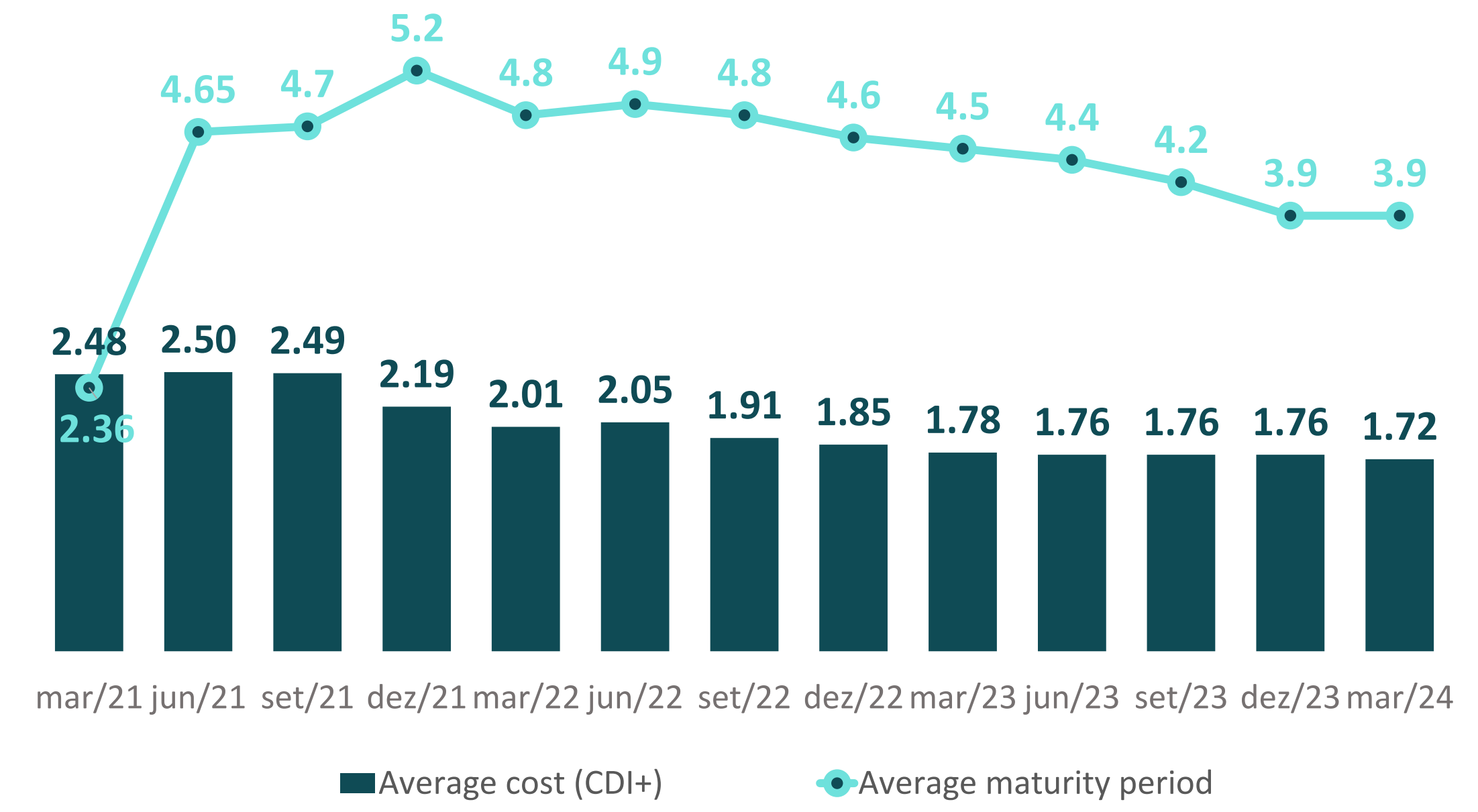
Evolution of Financial Leverage – Ex M&As

(Adjusted EBITDA LTM Proforma - R\$ Million)



Debt Indicators (03/31/2024)

- Net debt of R\$2.5 billion
- M&As payable R\$745.0 million
- Pro forma leverage considering M&As of 3.84x
- New funding: Term extension and reduction in average cost for CDI+1.62% (April/24)





Captures

7th issue of Cremer debentures

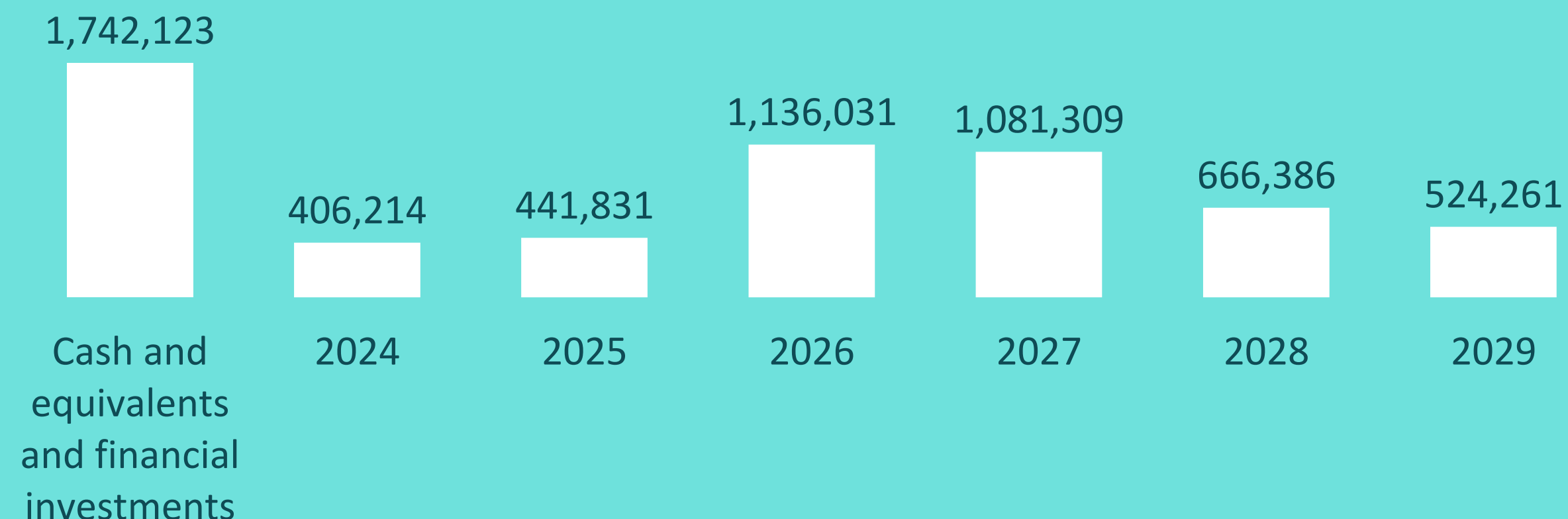
- Amount: R\$1.0 billion
- Rate: CDI +1.60%
- Term: 5 years
- The resources were used to fully prepay the 3rd Debenture Issue of CM Hospitalar in April 2024

7th issue of Viveo debentures

- R\$400 million
- Rate: CDI +1.60%
- Term: 5 years

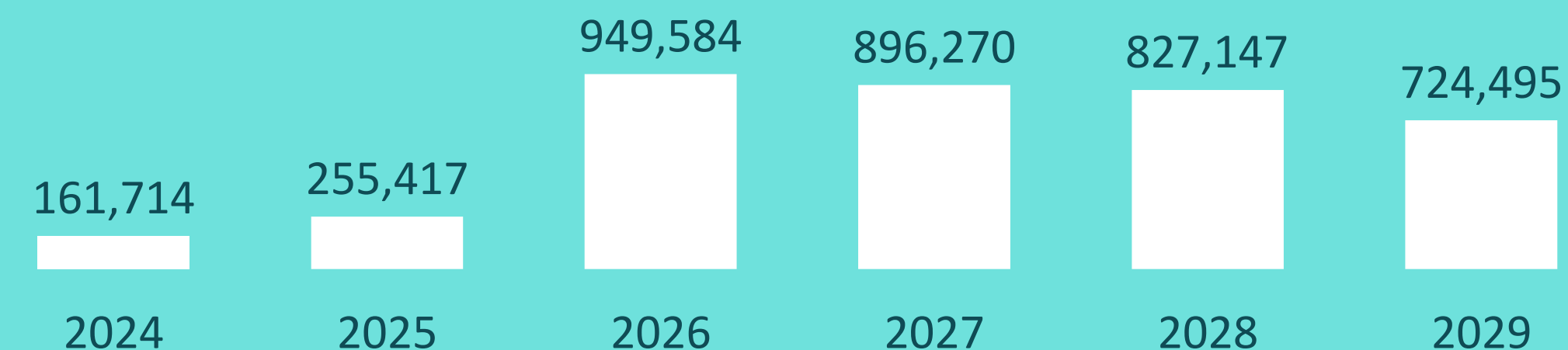
Amortization Schedule

(R\$ 000)



Amortization schedule considering the 7th issue of Cremer and the prepayment of the 3rd issue of CM Hospitalar

(R\$ 000)

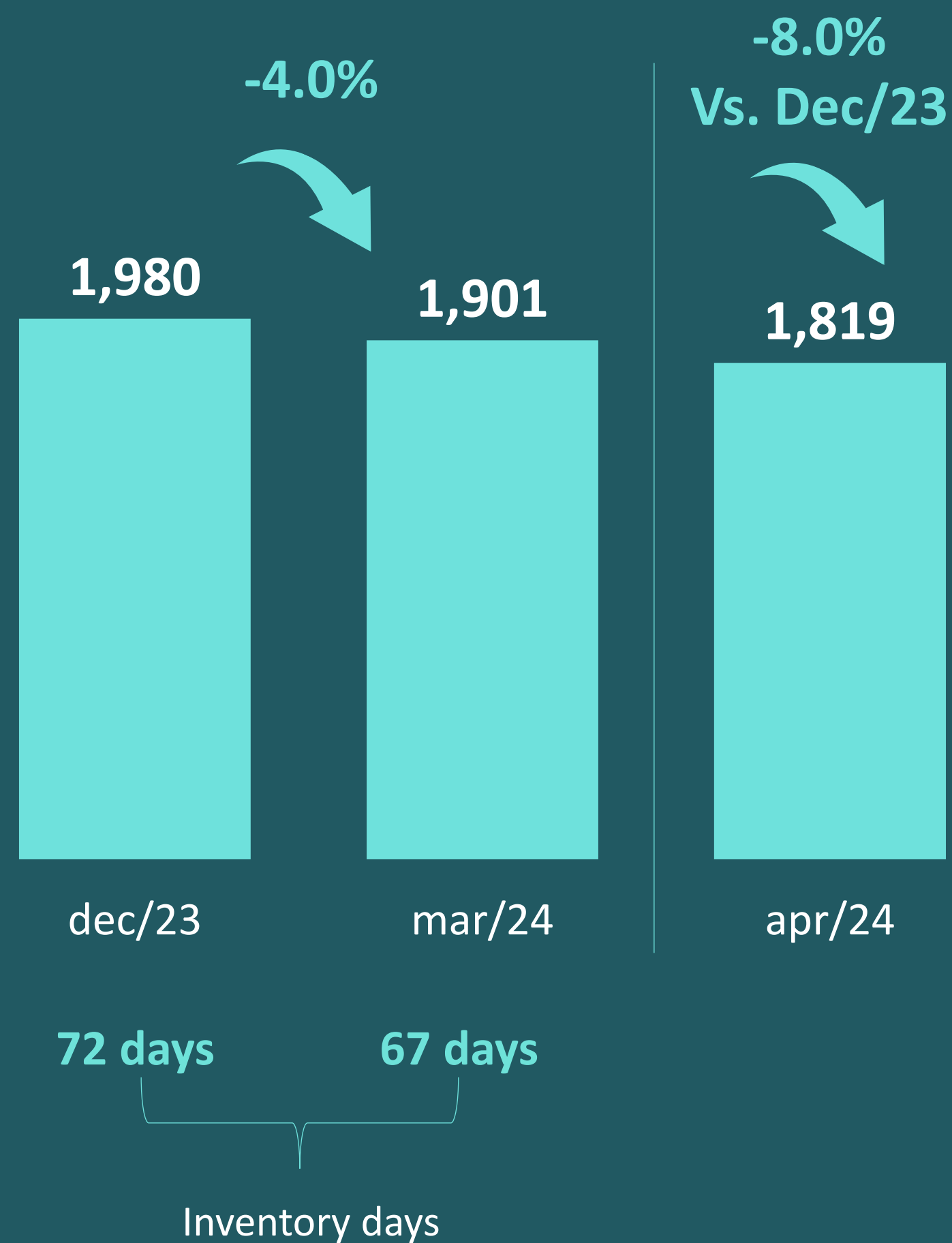




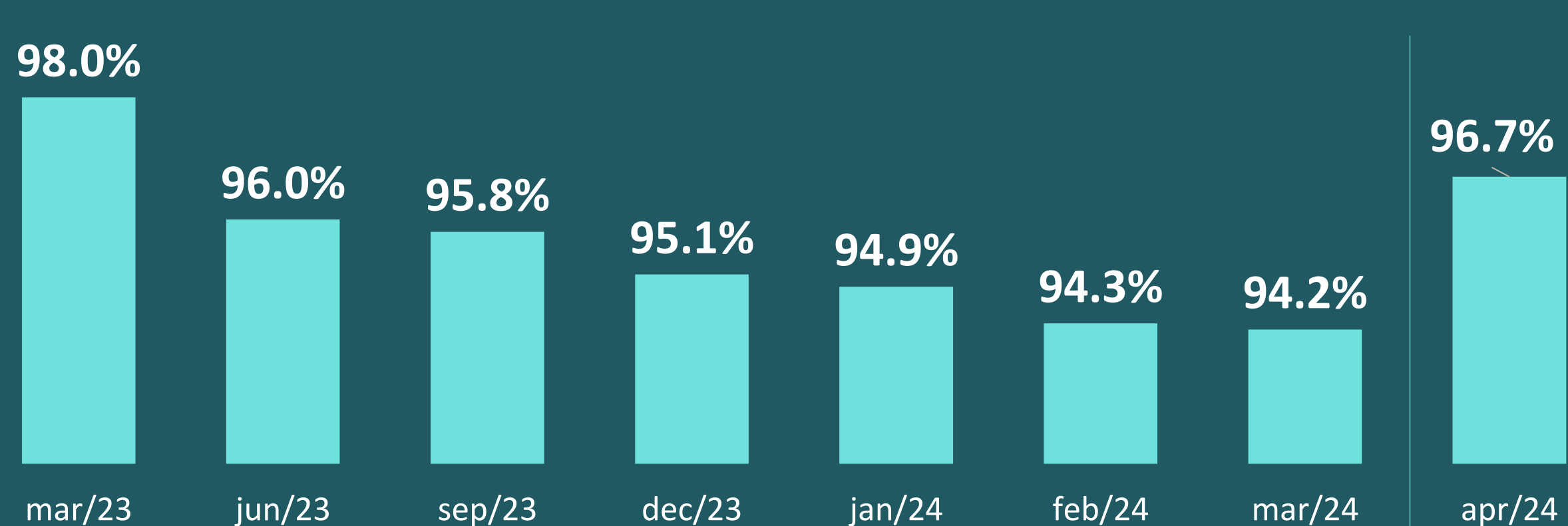
Priority Projects | Advance



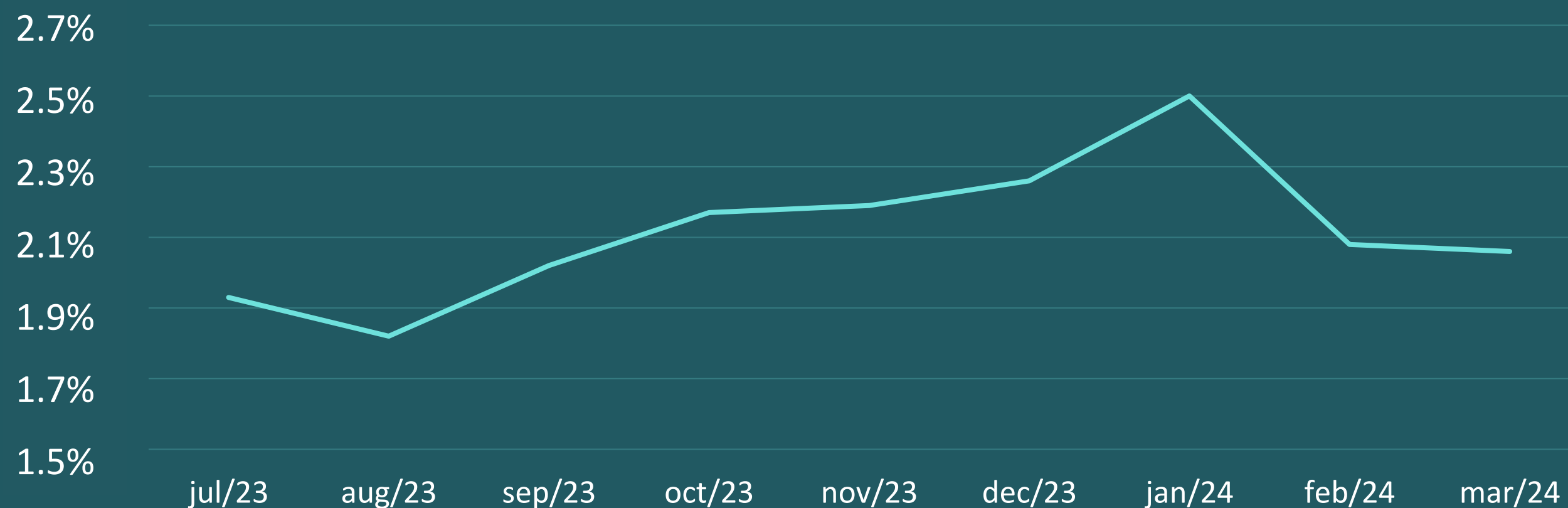
Inventory (million)



On time (Distribution delivery performance)



Frete Evolution % Gross Revenue





DIFAL

Publication of the Judgment on 05/06/2024

- Citations of votes confirm the need for States to regulate their legislation and these Laws must respect the principles of Nonagesimal and Annual Priorities.
- The Company and its advisors evaluated the state legislation of each state with the probabilities of losses for the Company.

**Estimated (principal) amount of possible loss to date is
approx. R\$150 million.**

The Company continues to discuss and evaluate all impacts.



Rio Grande do Sul (RS)

Update on operations

Viveo sympathizes with all the families affected by the rains. Our employees are all safe.

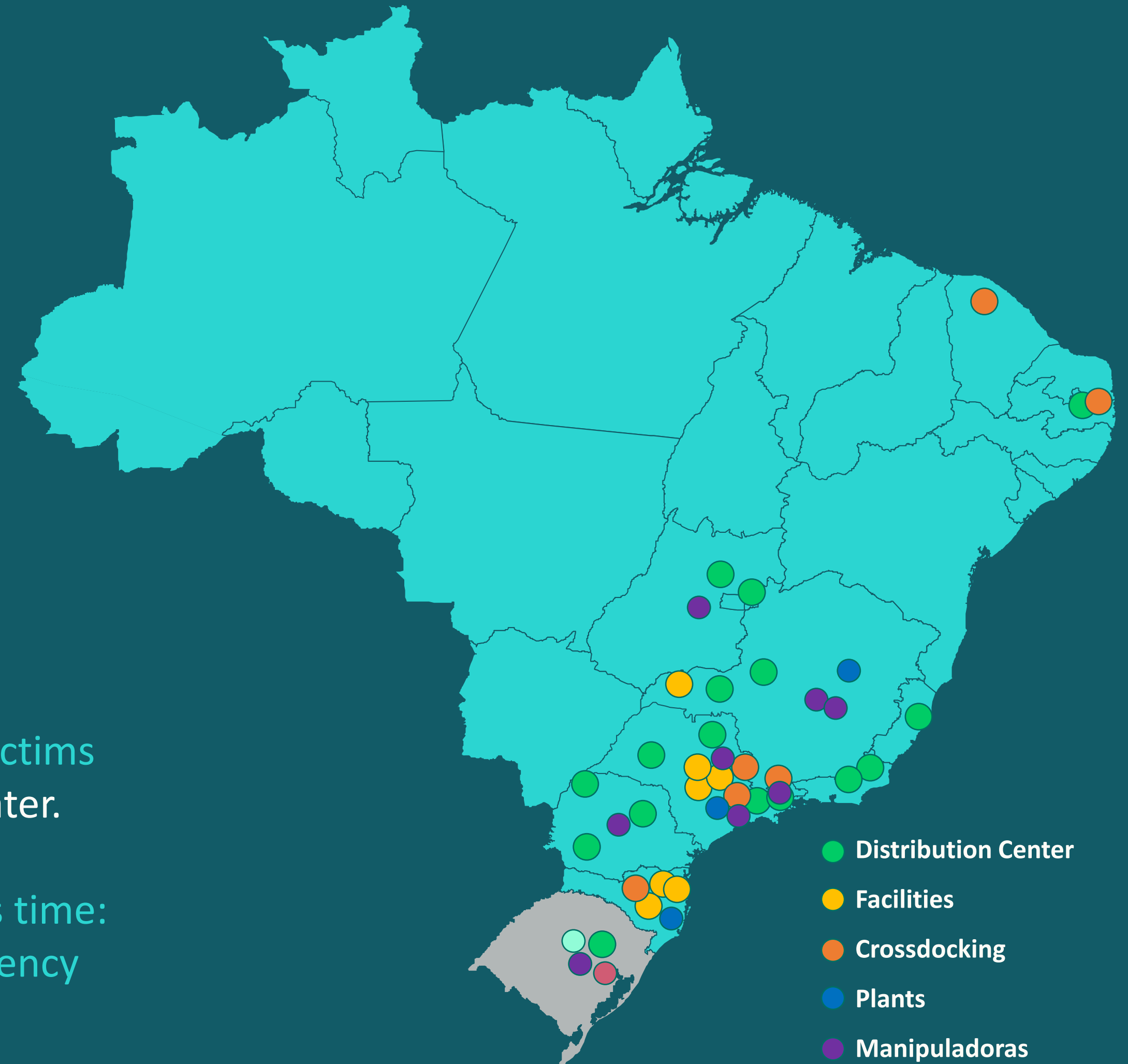
Nova Santa Rita CD, Life handler, PHD and Boxifarma are inoperative
In the NSR CD we had no loss of stock

Actions:

Donation of products and financial support for employees and flood victims +19 thousand Hygiene and First Aid items and 248 liters of drinking water.

Priority in serving our customers in terms of supply and support at this time: deliveries made through DCs and teams from other states and contingency operations carried out by other handlers in our group (ecosystem).

HealthLog, a Viveo company, joined partners in the “Querência Amada” mission and is providing space in its distribution center for temporary donations and will transport them to Rio Grande do Sul.





Corporate Structure



Leonardo Byrro
CEO



Frederico Oldani
VP Financial
Administration



André Pacheco
VP Strategy and New
Business



Vilson Schwartzman
VP Distribution and
Services



Luiz Silva
VP Operations



Rafael Mandelbaum
Dir Far.me



Renan Havelha
Dir. Retail



Cintia Pontalti
Dir HR e ESG



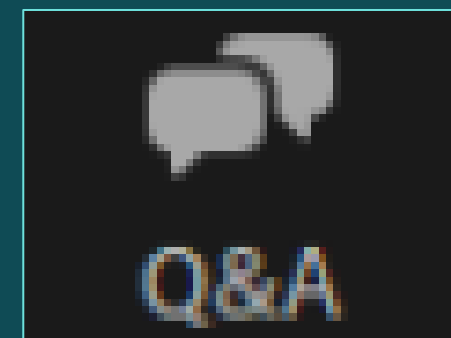
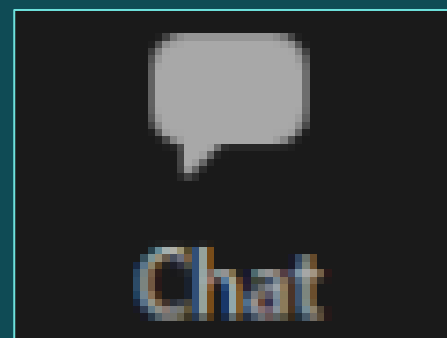
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Q&A

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

1Q24

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