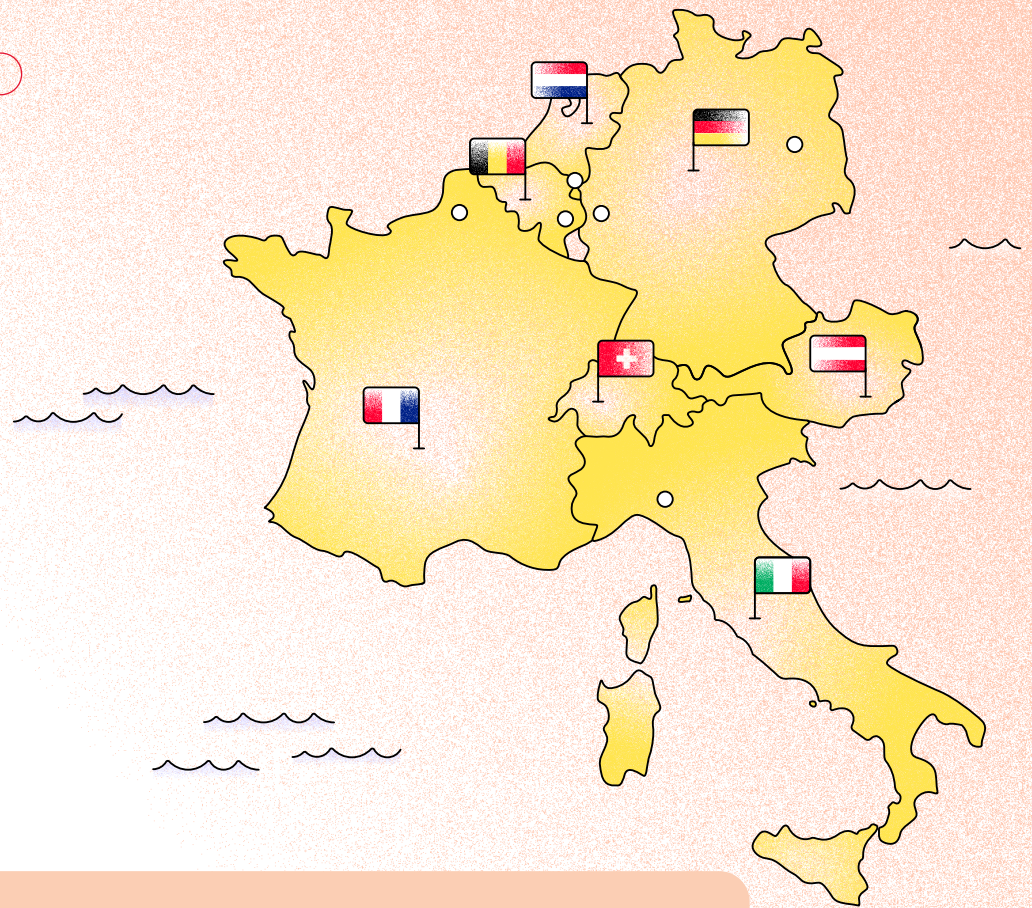


# Interim report

30 September 2024



## About Redcare Pharmacy.

Originally founded in 2001, Redcare Pharmacy (formerly known as SHOP APOTHEKE EUROPE) today is the leading e-pharmacy in Europe, currently active in seven countries: Germany, Austria, France, Belgium, Italy, the Netherlands and Switzerland.

Headquartered in Sevenum, close to the Dutch city of Venlo and in the heart of Europe, the company has locations in Cologne, Berlin, Munich, Tongeren, Warsaw, Milan, Lille and Eindhoven.

As the one-stop pharmacy of the future, Redcare Pharmacy offers about 12 million active customers a wide range of more than 150,000 products at attractive and fair prices. Besides OTC, nutritional supplements, beauty and personal care products as well as an extensive assortment of health-related products in all markets, the company also provides prescription drugs for customers in Germany, Switzerland and the Netherlands.

Pharmaceutical safety is of top priority. Being a pharmacy at its core, Redcare stands for comprehensive pharmaceutical consultation service. Since care is at the heart of everything Redcare does, the company provides services for all stages of life and health. This ranges from its marketplaces to unique delivery options and medication management.

Redcare Pharmacy N.V. has been listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard) since 2016.

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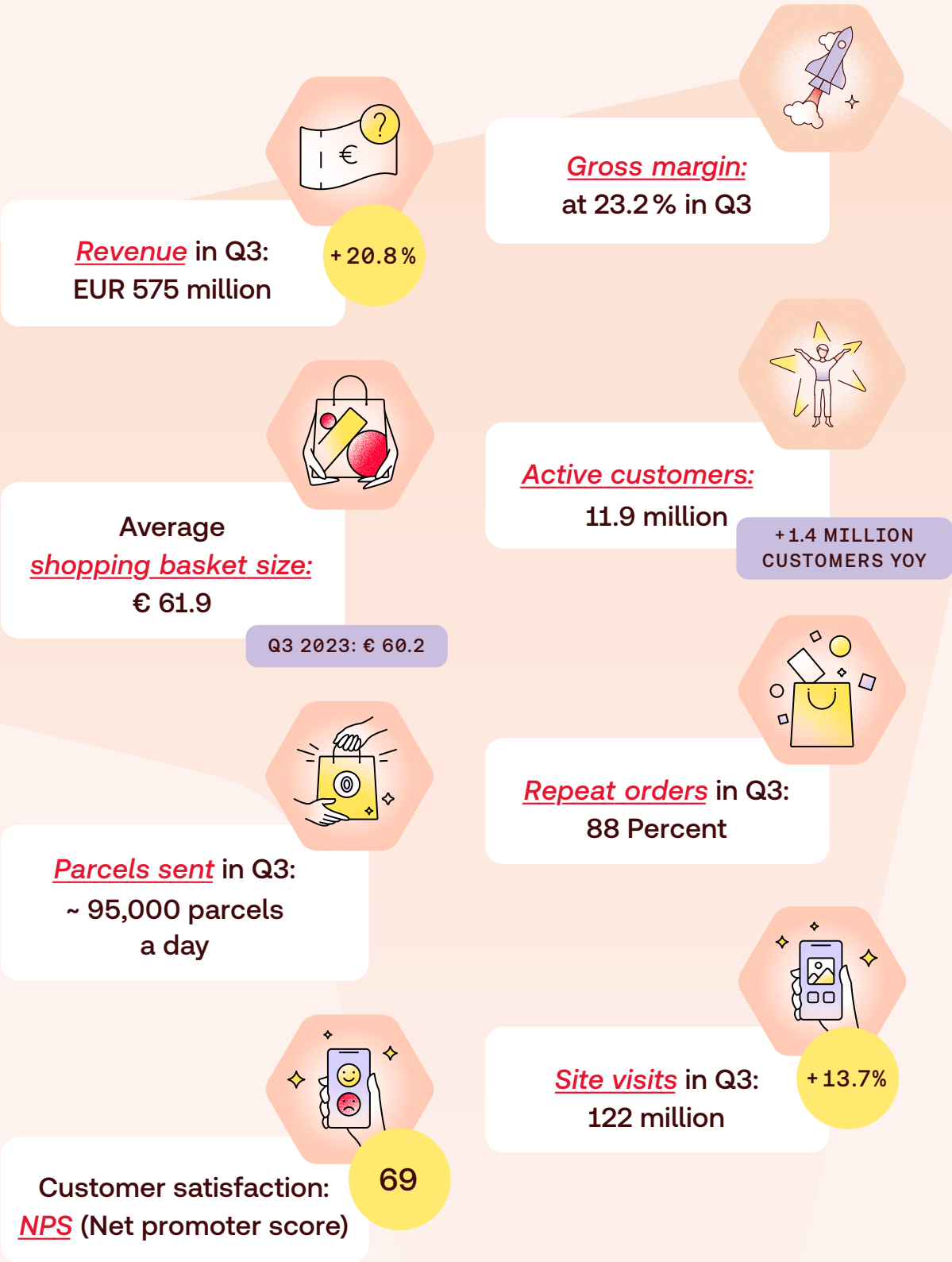
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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by Redcare Pharmacy N.V. during the interim reporting period.

# Key figures.

► Continuing to build on our strong growth across Europe.



## ► Business model, group structure and corporate governance.

The statements made in the 2023 Annual Report regarding the business model, the group structure, the management system and the corporate governance practices still apply at the time of publication of this interim report.

## ► Business development.

### Consolidated revenues and results of operations.

Sales of prescription and non-prescription pharmaceuticals and pharmacy-related beauty and personal care products are subject to seasonal fluctuations, with demand for pharmaceuticals especially high during the first and fourth quarters of the year.

In the third quarter of 2024, Redcare Pharmacy sustained its revenue growth trajectory. Group revenue increased by 20.8 % to EUR 574.6 million in Q3 2024 (Q3 2023: EUR 475.5 million). Group revenue for the first nine months of 2024 grew by 33.8 % to reach EUR 1.7 billion (9M 2023: EUR 1.3 billion).

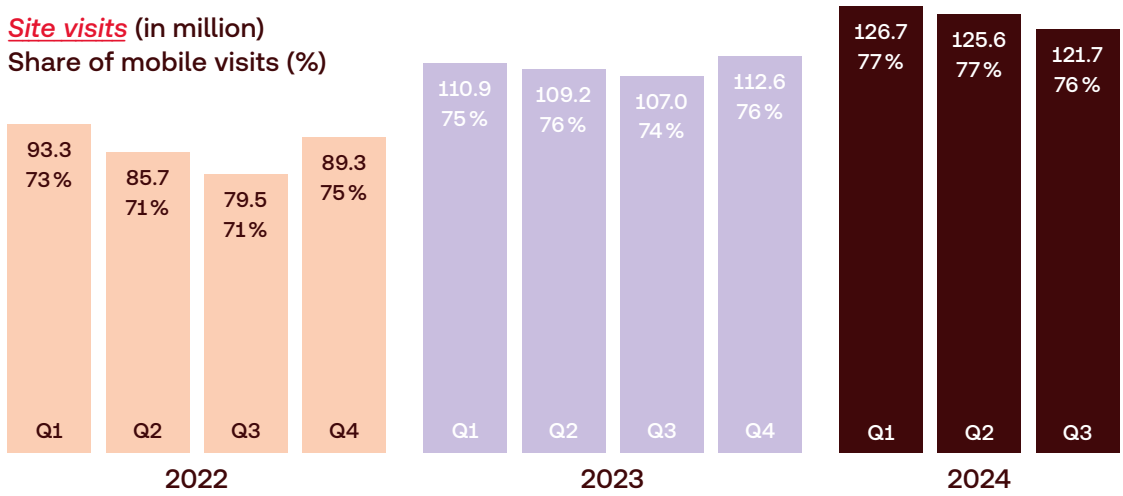
The number of active customers also increased significantly, building on a record of consecutive years of growth. Redcare Pharmacy saw a net addition of 1.4 million active customers compared to 30 September 2023 and 0.4 million during Q3, bringing the total number of active customers to 11.9 million. Since the beginning of 2024, the active customer base has grown by 1.1 million.

The number of orders reached 8.8 million in Q3, with the size of the average shopping basket value, excluding MediService and platform, increasing to EUR 61.9 (Q3 2023: EUR 60.2). The share of repeat orders was 88 % in Q3, 2 percentage points above the previous year's level of 86 %, while the return rate remained minimal at less than 1 %.

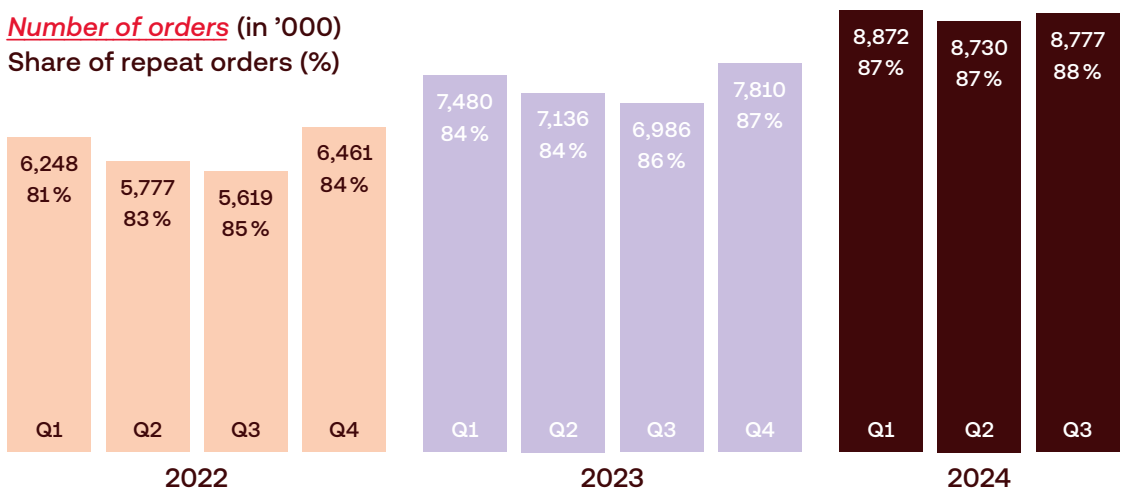
	2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Page visits (million)	93.3	85.7	79.5	89.3	110.9	109.2	107.0	112.6	126.7	125.6	121.7
Mobile page visits (million)	67.7	60.6	56.3	67.1	83.1	82.5	79.4	85.1	98.1	96.7	92.3
Ratio mobile (in %)	73	71	71	75	75	76	74	76	77	77	76
Orders (million)	6.2	5.8	5.6	6.5	7.5	7.1	7.0	7.8	8.9	8.7	8.8
Orders by existing clients (in %)	81	83	85	84	84	84	86	87	87	87	88
Return rate (in %)	0.7	0.8	0.8	0.7	0.7	0.7	0.8	0.8	0.8	0.7	0.8
Active customers (million)	8.3	8.6	8.9	9.3	9.7	10.1	10.5	10.8	11.2	11.5	11.9
Average shopping cart (in €)	56.8	57.9	59.8	58.8	57.9	58.9	60.2	60.6	58.9	59.7	61.9



**Site visits** (in million)  
Share of mobile visits (%)



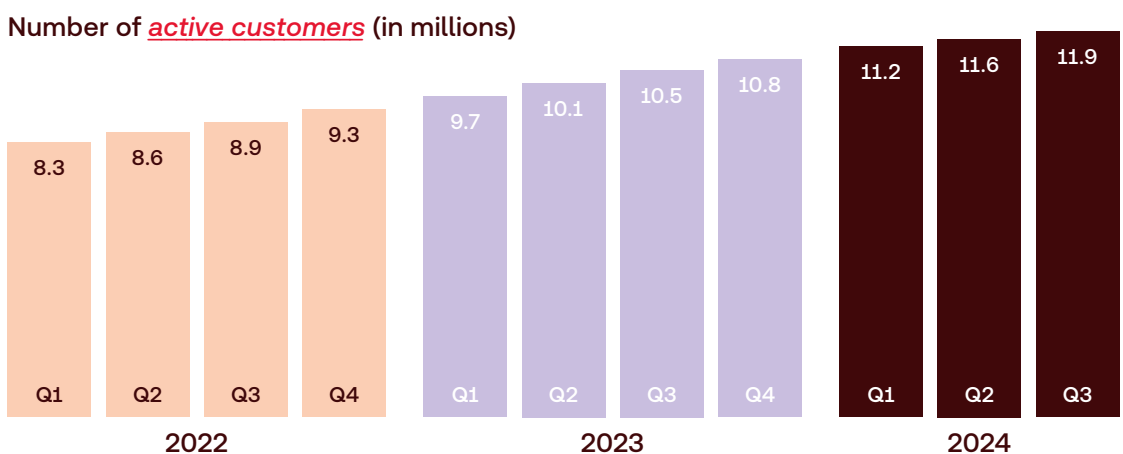
**Number of orders** (in '000)  
Share of repeat orders (%)



Redcare Pharmacy's continuously growing active customer base.



Number of **active customers** (in millions)



Gross profit at Group level increased from EUR 109.4 million to EUR 133.3 million in the third quarter, a growth rate of 21.9% compared to the same period last year. The consolidated gross margin stands at 23.2% (Q3 2023: 23.0%). While the lower share of MediService AG in total sales had an upward impact on the gross margin, the higher share of Rx sales in Germany as well as a different Country-mix had the opposite effect at a Redcare Pharmacy level.

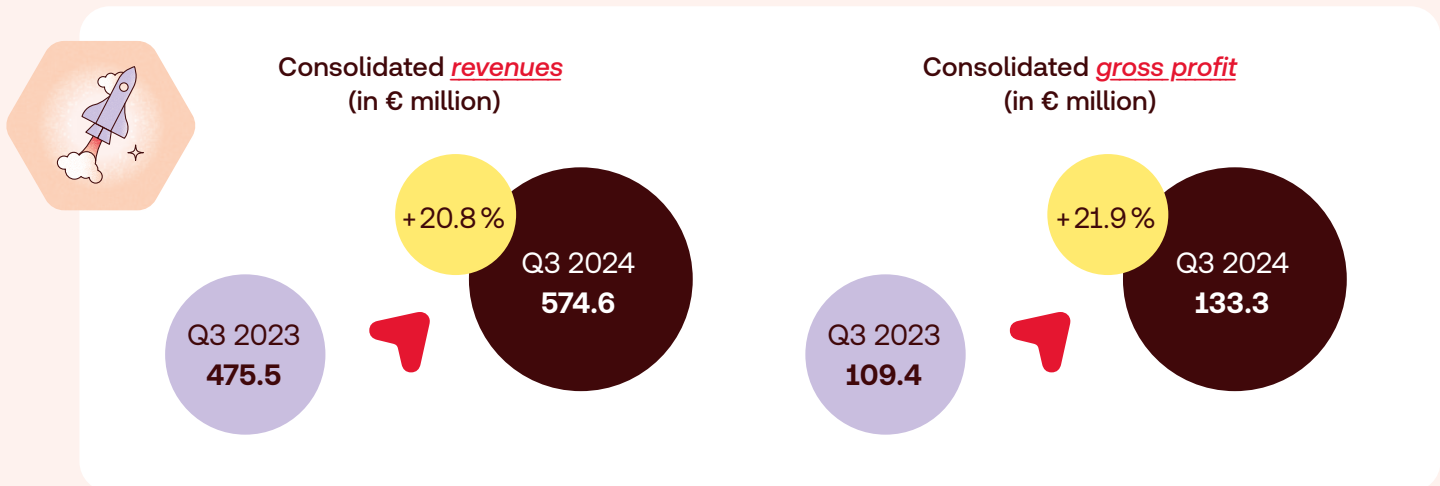
Adjusted Selling and Distribution (S&D) expenses for the total business were EUR 105 million in Q3 (Q3 2023: EUR 80.7 million), or 18.3% of sales (Q3 2023: 17.0%). The main reasons for the increase were inflationary related cost increases and intentionally higher marketing expenditure, especially starting in September, to further boost the fast-growing e-Rx business in Germany.

Adjusted Administrative costs amounted to EUR 17.2 million in Q3 (Q3 2023: EUR 13.6 million). Adjusted administrative costs as a percentage of sales were 3.0% in the third quarter, roughly the same level as in the prior-year quarter (2.9%).

Redcare Pharmacy’s adjusted EBITDA stood at EUR 11.4 million (margin 2.0%) in Q3 2024. Last year, it was EUR 15.3 million (margin 3.2%).

With depreciation expenses of EUR 17.1 million (Q3 2023: EUR 13.7 million), which are reflective of this year’s higher investment level, EBIT was EUR –6.7 million for Q3 2024 (Q3 2023: EUR –2.0 million).

Net financial costs and income taxes amounted to EUR –0.5 million compared to EUR +11.1 million in Q3 2023. The previous year’s quarter included a non-cash release (gain) of EUR 12.9 million due to a fair value adjustment of the contingent consideration liability related to the acquisition of First A, later renamed GoPuls.



## ► Segment performance.

### DACH segment.

In Q3 2024, DACH - Redcare Pharmacy's largest segment in terms of revenue, covering operations in Germany, Austria and Switzerland – grew by 20.4% year on year. In euro terms, revenues increased to EUR 469.3 million from EUR 389.7 million in Q3 2023. Segment revenues for the first nine months totalled EUR 1,376 million, compared to EUR 1,013 million in the same period last year. Prescription (Rx) sales in Germany showed the strongest growth in the third quarter at 80.6% year on year, while non-Rx sales also grew at double-digit rates in all three countries, with an average growth rate of 19%.

Compared to last year, gross profit grew by 20.7% to EUR 106.6 million with a gross margin of 22.7% (Q3 2023: EUR 88.3 million, 22.6%). Adjusted EBITDA for Q3 2024 was EUR 14.4 million compared to EUR 19.8 million in Q3 2023, representing a margin of 3.1% compared to 5.1% last year.

### International segment.

Redcare Pharmacy's International segment (Belgium, France, Italy and the Netherlands) increased revenues by 22.7% to EUR 105.3 million in the third quarter (Q3 2023: EUR 85.8 million) and by 25.7% to EUR 319.4 million in the first nine months. The segment's gross profit rose by 26.6%, from EUR 21.1 million to EUR 26.8 million. The gross margin was 25.4%, up 0.8 percentage points from 24.6% last year, mainly benefiting from pricing and product mix. Also driven by a further reduction in S&D costs as a percentage of sales, the adjusted EBITDA margin improved from –5.3% in the third quarter of 2023 to –2.9%; in euro terms, from –4.5 million in the third quarter of 2023 to –3.0 million in the third quarter of 2024.



**Q3 2024** Segment development

in EUR 1,000	DACH	International	Consolidated
Revenues	469,278	105,270	574,548
Gross Profit	106,550	26,764	133,314
EBITDA	13,846	-3,403	10,443
Adjusted EBITDA	14,420	-3,038	11,382

**Q3 2023** Segment development

in EUR 1,000	DACH	International	Consolidated
Revenues	389,734	85,766	475,500
Gross Profit	88,262	21,138	109,400
EBITDA	17,500	-5,771	11,723
Adjusted EBITDA	19,762	-4,504	15,252

**9M 2024** Segment development

in EUR 1,000	DACH	International	Consolidated
Revenues	1,376,008	319,430	1,695,438
Gross Profit	315,524	79,803	395,327
EBITDA	47,786	-12,670	35,116
Adjusted EBITDA	49,657	-11,484	38,173

**9M 2023** Segment development

in EUR 1,000	DACH	International	Consolidated
Revenues	1,013,299	254,141	1,267,440
Gross Profit	256,288	62,772	319,060
EBITDA	45,864	-18,985	26,873
Adjusted EBITDA	52,392	-15,121	37,265

## ► Assets, liabilities and financial position.

### Assets and liabilities.

At the balance sheet date, total assets amounted to EUR 1.0 billion, unchanged compared to the year-end 2023. Total non-current assets decreased by EUR 19.2 million, driven by movements in intangible assets of EUR 13.9 million resulting from depreciation and amortisation.

Current assets increased by EUR 16.6 million from EUR 499.5 million to EUR 516.1 million. Inventories rose from EUR 135.8 million to EUR 142.4 million reflecting the overall higher business volume. Cash and cash equivalents increased from EUR 84.2 million to EUR 99.4 million. Cash and cash equivalents exclude marketable securities and fixed-term deposits; these short-term financial assets amounted to EUR 110.5 million at the end of the reporting period (EUR 127.1 million at the beginning of the year). The total of cash and cash equivalents and current financial assets amounted to EUR 209.9 million at the balance sheet date, up from EUR 204.2 million since the start of the year.

Loans and borrowings within non-current liabilities were slightly down by EUR 1.3 million at EUR 234.7 million. An increase of EUR 23.7 million in trade and other payables from EUR 157.6 million to EUR 181.2 million was mainly related to seasonal effects, the general expansion of the business volume and further improvements. The equity ratio was 52.5 % at the reporting date.

### Liquidity situation.

Operational cash flow was a positive EUR 39.1 million compared to EUR 69.6 million during the same period of fiscal year 2023. This development was largely driven by the more favourable timing of movements in working capital in the previous year's period.

Net cash used in investing activities was EUR –9.3 million in the first nine months of 2024 (previous year: EUR –3.5 million). In the prior year, the acquisition of MediService was included and the impact of the negative cash balance at the acquisition date was EUR –23.4 million. Investments in intangible assets and property, plant and equipment amounted to EUR –29.8 million (previous year: EUR –26.4 million). The remaining differences are mainly due to the opening and closing balances of marketable securities and fixed term deposits.

Cash flow from financing activities shows an outflow of EUR 14.9 million, compared to an inflow of EUR 19.0 million last year. The previous year's performance was mainly influenced by a capital increase in May 2023, linked to the MediService transaction with Galenica AG, which resulted in a net cash inflow of EUR 29.4 million.

Overall, cash and cash equivalents increased by EUR 15.2 million during the reporting period, reaching EUR 99.4 million as of the balance sheet date. To benefit from interest rates, EUR 110.5 million was invested in short-term securities (fixed deposits) during the reporting period, and this is reflected in other financial assets. As of the end of Q3, cash and cash equivalents, including short-term fixed deposits, amounted to EUR 209.9 million (compared to EUR 204.2 million as of 31 December 2023).

## ► Risks and opportunities.

The Group's risk categories and risk factors that could have material impact on its financial position and results are described in Redcare's Annual Report 2023 (page 100 to 105). Those risk categories and factors are deemed incorporated and repeated in this report by this reference.

The risk described in the 2023 Annual Report as "Discrimination of online pharmacies" in connection with the redemption of e-prescriptions has been reduced to a certain extent, following the approval and subsequent launch of the eHealth-CardLink solution during the first six months of 2024. This solution provides an additional way to redeem e-prescriptions. Beyond this, there were no changes to the company's risk assessment.

## ► Important events during the reporting period.

During the reporting period, there were no significant or noteworthy events that affected overall operations, activities, or key milestones, aside from those mentioned in previous quarterly reports. The organisation continued to operate as expected, with all processes and procedures running smoothly.

## ► Events after the balance sheet date.

The Board of Redcare Pharmacy decided to increase marketing investment in its e-Rx business in Germany in Q4 based on strong initial e-Rx customer metrics, in particular repeat order rates and average basket size. This decision was based on the firm belief that making the right investments now will lead to further profitable growth and an expansion of Redcare Pharmacy's market leadership.

The Board of Redcare Pharmacy updated the full year guidance for 2024 on 3 October 2024 (further details below).

## ► Forecast.

For the full year 2024, the Management Board of Redcare Pharmacy has updated the guidance as follows:

- Total Group sales of EUR 2.35 to EUR 2.5 billion (previously, EUR 2.3 to EUR 2.5 billion).
- Non-Rx sales growth of 20 – 25 % (previously 15 – 25 %).
- MediService sales to grow by lower half of single digits (previously mid-single digits).
- Adjusted EBITDA margin of 1.2 – 2.2 % (previously 2 – 4 %).
- Rx too dynamic to give guidance (unchanged).

# Unaudited consolidated statement of profit and loss.

EUR 1,000	Period ended 30. 9. 2024	Period ended 30. 9. 2023
Revenue	1,695,438	1,267,440
Cost of sales	-1,300,111	- 948,380
<b>Gross profit</b>	<b>395,327</b>	<b>319,060</b>
Other income	435	161
Selling and distribution	- 350,823	- 279,060
Administrative expenses	- 60,314	- 51,990
<b>Operating result</b>	<b>- 15,375</b>	<b>- 11,829</b>
Finance income	6,032	16,663
Finance expenses	- 12,115	- 11,320
Share of profit of associates and joint ventures	122	190
<b>Result before tax</b>	<b>- 21,337</b>	<b>- 6,296</b>
Income tax	1,259	1,119
<b>Result after tax</b>	<b>- 20,078</b>	<b>- 5,177</b>
<b>Attributable to:</b>		
Owners of Redcare Pharmacy N.V.	- 18,983	- 6,460
Non-controlling interests	- 1,095	1,283
	<b>- 20,078</b>	<b>- 5,177</b>

# Unaudited consolidated statement of financial position.

EUR 1,000	30.9.2024	31.12.2023
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	50,326	52,193
Right of use assets	30,370	34,714
Intangible assets	414,179	428,107
Deferred tax assets	1,662	2,296
Other financial assets	5,000	3,456
Investments in joint ventures	1,297	1,297
Investments in associates	5	5
Investments in equity-instruments	10	10
	<b>502,848</b>	<b>522,078</b>
<b>Current assets</b>		
Inventories	142,399	135,786
Trade and other receivables	104,677	103,134
Prepayments and other current assets	59,124	49,380
Other financial assets	110,500	127,058
Cash and cash equivalents	99,396	84,160
	<b>516,096</b>	<b>499,518</b>
<b>Total assets</b>	<b>1,018,944</b>	<b>1,021,596</b>
<b>Equity and liabilities</b>		
<b>Shareholders' equity</b>		
Issued capital and share premium	752,811	733,424
Reserves/accumulated losses	-247,499	-211,230
Equity attributable to owners of the Company	505,312	522,194
Non-controlling interests	29,235	29,838
<b>Total equity</b>	<b>534,547</b>	<b>552,032</b>
<b>Non-current liabilities</b>		
Loans and Borrowings	234,731	236,068
Employee benefit liabilities	1,273	3,454
Deferred tax liability	4,447	6,318
	<b>240,451</b>	<b>245,840</b>
<b>Current liabilities</b>		
Trade and other payables	181,231	157,591
Loans and Borrowings	8,994	8,770
Other liabilities	53,721	57,363
	<b>243,946</b>	<b>223,724</b>
<b>Total equity and liabilities</b>	<b>1,018,944</b>	<b>1,021,596</b>

# Unaudited interim consolidated statement of cash flows.

EUR 1,000	Period ended 30.9.2024	Period ended 30.9.2023
<b>Cash flow from operating activities</b>		
<b>Operating result</b>	<b>-15,375</b>	<b>-11,829</b>
Adjustments for:		
- Depreciation and amortisation of non-current assets	50,491	38,695
- Net foreign exchange differences	611	29
- Share-based payment charge for the period	2,548	6,780
Corporate income tax paid	-1,335	688
<b>Operating result adjusted for depreciation and amortisation and taxes</b>	<b>36,940</b>	<b>34,362</b>
Movements in		
- (Increase)/decrease in trade and other receivables	-2,947	-23,169
- (Increase)/decrease in inventory	-6,872	-9,932
- Increase/(decrease) in trade and other payables	24,770	63,747
- Increase/(decrease) in other net current assets	-12,761	4,575
<b>Total change in working capital</b>	<b>2,190</b>	<b>35,221</b>
<b>Net cash (used in)/generated by operating activities</b>	<b>39,130</b>	<b>69,583</b>
<b>Cash flow from investing activities</b>		
Investment for property, plant and equipment	-6,336	-4,200
Investment for intangible assets	-23,430	-22,245
Investment in other financial assets	-2,044	-118
Disposal of other financial assets	10,000	38,747
Disposal from escrow account	7,058	4,235
Acquisition of subsidiary, net of cash acquired	0	-23,441
Dividend received from associates	122	190
Interest received	5,421	3,285
<b>Net cash (used in)/generated by investing activities</b>	<b>-9,209</b>	<b>-3,546</b>
<b>Cash flow from financing activities</b>		
Interest paid	-6,517	-5,700
Capital increase	0	29,415
Capital increase exercised options	2,145	1,558
Payment of dividend to minority shareholder	-3,058	0
Repayment of other long-term loans	-1,431	-1,028
Cash-out lease payments	-5,967	-5,300
<b>Net cash (used in)/generated by financing activities</b>	<b>-14,827</b>	<b>18,945</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>15,094</b>	<b>84,982</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>84,160</b>	<b>66,777</b>
Effect of movements in exchange rates on cash held	142	-25
<b>Cash and cash equivalents at the end of the period</b>	<b>99,396</b>	<b>151,734</b>

## Segment information.

Our operating segments are reported in a manner consistent with the internal reporting provided to the key operating decision-makers. The key operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the statutory directors of the Group and make strategic decisions.

Within the context of IFRS 8, we consider two business segments for external reporting purposes: our “DACH” segment which includes medications and pharmacy related BPC products sold to customers in Germany, Austria and Switzerland, and our “International” segment which includes medications and pharmacy-related BPC products only, sold to customers in Belgium, The Netherlands, France and Italy.

The Group’s assets and liabilities are not disclosed by segment as they are not included in the segment information used by the chief operating decision-makers.

The accounting policies of the operating segments are the same as the Group’s accounting policies described in Note 2 in the Annual Report 2023.

The Group allocates all costs (excluding net finance cost and income tax) to the segments. The result by segment is shown in the line EBITDA including all costs directly related to the revenue of the segments (marketing, operations) and administrative expenses. EBITDA means earnings before tax, interest, depreciation and amortisation.

## Results per segment 9M 2024.

### Segment information 30 September 2024 – non adjusted and adjusted

EUR 1,000	DACH	International	Total
<b>Revenue</b>	<b>1,376,008</b>	<b>319,430</b>	<b>1,695,438</b>
Cost of sales	-1,060,484	-239,627	-1,300,111
<i>Adjusted cost of sales</i>	-1,060,484	-239,627	-1,300,111
<b>Gross profit</b>	<b>315,524</b>	<b>79,803</b>	<b>395,327</b>
<i>Adjusted gross profit</i>	315,524	79,803	395,327
% of revenue	22.9%	25.0%	23.3%
Other income	425	10	435
<i>Adjusted other income</i>	425	10	435
Selling & Distribution	-232,689	-75,216	-307,905
<i>Adjusted S&amp;D</i>	-232,680	-75,204	-307,884
Administrative expense	-35,474	-17,267	-52,741
<i>Adjusted AE</i>	-33,612	-16,093	-49,705
<b>EBITDA</b>	<b>47,786</b>	<b>-12,670</b>	<b>35,116</b>
<i>Adjusted EBITDA</i>	49,657	-11,484	38,173
Depreciation	-32,731	-17,760	-50,491
<i>Adjusted depreciation</i>	-32,731	-17,760	-50,491
<b>EBIT</b>	<b>15,055</b>	<b>-30,430</b>	<b>-15,375</b>
<i>Adjusted EBIT</i>	16,926	-29,244	-12,318
Net finance cost and income tax			-4,703
<i>Adjusted net finance cost</i>			-4,703
<b>Net loss</b>			<b>-20,078</b>
<i>Adjusted net loss</i>			-17,021



## Results per segment 9M 2023.

### Segment information 30 September 2023 – non adjusted and adjusted

EUR 1,000	DACH	International	Total
<b>Revenue</b>	<b>1,013,299</b>	<b>254,141</b>	<b>1,267,440</b>
Cost of sales	-757,011	-191,369	-948,380
<i>Adjusted cost of sales</i>	-757,011	-191,369	-948,380
<b>Gross profit</b>	<b>256,288</b>	<b>62,772</b>	<b>319,060</b>
<i>Adjusted gross profit</i>	256,288	62,772	319,060
% of revenue	25,3%	24,7%	25,2%
Other income	146	16	162
<i>Adjusted other income</i>	146	16	162
Selling & Distribution	-180,525	-65,639	-246,164
<i>Adjusted S&amp;D</i>	-180,046	-65,481	-245,527
Administrative expenses	-30,045	-16,134	-46,185
<i>Adjusted AE</i>	-23,992	-12,433	-36,431
<b>EBITDA</b>	<b>45,864</b>	<b>-18,985</b>	<b>26,873</b>
<i>Adjusted EBITDA</i>	52,396	-15,126	37,264
Depreciation	-24,934	-13,768	-38,702
<i>Adjusted depreciation</i>	-24,934	-13,768	-38,702
<b>EBIT</b>	<b>20,930</b>	<b>-32,753</b>	<b>-11,829</b>
<i>Adjusted EBIT</i>	27,462	-28,894	-1,438
Net finance cost and income tax			6,652
<i>Adjusted net finance cost</i>			-6,221
<b>Net loss</b>			<b>-5,177</b>
<i>Adjusted net loss</i>			-7,659

For better orientation, we also provide adjusted figures, which reflect extraordinary items (the non-cash IFRS specific expenses on accounting of the business acquisitions, the non-cash IFRS expenses related to the Employee Stock Ownership Plan, and one-of costs related business projects).

A detailed reconciliation of adjustments can be found in the following table:

### Reconciliation of adjustments in EBITDA overview

	Adjustments 2024					Adjustments 2023				
	Non-adjusted	1.	2.	3.	Adjusted	Non-adjusted	1.	2.	3.	Adjusted
Revenue	1,695,438	-	-	-	1,695,438	1,267,440	-	-	-	1,267,440
Cost of sales	-1,300,111	-	-	-	-1,300,111	-948,380	-	-	-	-948,380
Gross profit	395,327	-	-	-	395,327	319,060	-	-	-	319,060
Other income	435	-	-	-	435	162	-	-	-	162
Selling & Distribution	-307,905	-	21	-	-307,884	-246,164	-	637	-	-245,527
Segment EBITDA	87,857	-	21	-	87,878	73,058	-	637	-	73,695
Administrative expenses	-52,741	2,548	488	-	-49,705	-46,185	2,683	971	6,100	-36,431
EBITDA	35,116	2,548	509	-	38,173	26,873	2,683	1,608	6,100	37,264
Depreciation	-50,491	-	-	-	-50,491	-38,702	-	-	-	-38,702
EBIT	-15,375	2,548	509	-	-12,318	-11,829	2,683	1,608	6,100	-1,438
Net finance cost and income tax	-4,703	-	-	-	-4,703	6,652	-	-	-12,873	-6,221
Net loss	-20,078	2,548	509	-	-17,021	-5,177	2,683	1,608	-6,773	-7,659

#### Description of adjustment:

1. IFRS expenses of the employee stock option plans. These expenses are non-cash for Redcare Pharmacy.
- 2a. One-off external project expenses related to other projects. This mainly concerns external advisory costs.
3. Other major non-recurring one-offs. Comprises of two elements: (1) In 2023, this concerned the impact of contingent considerations to former owners of the acquired companies smartpatient and MedApp. In the light of these acquisitions of 100 % of the shares of smartpatient and MedApp, the total purchase price for the shares which Redcare Pharmacy agreed upon with the selling shareholders amounts EUR 70.6 million and EUR 8 million respectively. Along with the acquisitions, contingent considerations are provided to the former owners which contain a service condition. Payments in the form of cash and shares under this contingent consideration forfeit if employment is terminated. The total contingent consideration amounts to EUR 47.8 million. On the basis of an IFRIC decision on IFRS 3.B55 Business Combinations – the contingent part of this purchase price should be accounted for as consideration for post-combination services – employee expenses during the vesting period. The total impact of the recognition of the cash component and share component of the contingent considerations of both business combinations in the result of the first nine months of the year 2023 amounts to EUR 6.1 million. These costs are included in the employment expenses presented in the profit and loss statement under “administrative expenses”. The P&L impact of this accounting method distorts the view on our underlying financial result of our business for management reporting purposes, which is the reason we adjust for it in the presented adjusted EBITDA. Reference is made to note 27 to the consolidated financial statements of the financial year 2023 for detailed explanation. (2) Last year’s Q3 included a release (gain) with no cash impact of EUR 12.9 million due to a fair value adjustment of the contingent consideration liability related to the acquisition of First A later renamed to goPuls.

# Glossary.

## Active Customers

Unique customers who have placed at least one order in the 12 preceding months, predominantly via our online shops, for both our own-stock and platform business. Business-to-business (B2B) orders are excluded to not distort visibility on relevant trends. Platform-only customers are not yet included.

## Administrative Expenses

Cost of corporate overhead of which examples are IT services, Finance, HR, Facility, Legal and Executive Management.

## Adjusted EBITDA

Earnings Before Interest, Tax, Depreciation and Amortization excluding Adjustments. We use this metric as we find it an important indicator of our underlying operational financial performance.

## Adjustments

Items we adjust to get from EBITDA to Adjusted EBITDA. There are three categories: (a) Expenses of the employee stock option programs, (b) Non-recurring or extraordinary expenses related to projects, (c) Any other major non-recurring (one-off) items of which we would release what it concerns in case we record it as specifically mentioned.

## (Adjusted) EBITDA margin

(Adjusted) EBITDA as a percentage of sales.

## Average shopping basket

The average gross value of received orders from end-customers and patients (B2C), predominantly via our online shops for our own-stock business, divided by the total related number of orders placed in a given time period. Current prescription medication sales (Rx) in Switzerland and the Netherlands are not included because we believe current non-comparable customer types would distort visibility on relevant trends in this metric. Business-to-business (B2B) orders are excluded for the same reason. The average shopping basket includes value-added tax (VAT).

## BPC products

Beauty and personal care products.

## CAGR

Compound annual growth rate

## DACH Segment

Segment reporting provides financial information about the individual units of the company. Redcare uses a regional approach. The DACH Segment comprises its business activities in Germany, Austria and Switzerland.

## EBIT

Earnings Before Interest and Tax.

## e-RX/eScript

Computer-based electronic generation, transmission, and filling of a medical prescription.

## Group

Redcare Pharmacy N.V., Sevenum, the Netherlands, together with its consolidated subsidiaries.

## International Segment

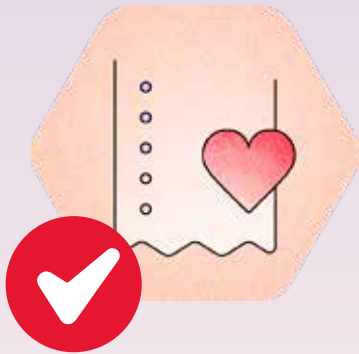
Segment reporting provides financial information about the individual units of the company. Redcare uses a regional approach. The International Segment comprises its business activities in France, Italy, Belgium and the Netherlands.

## Mobile visits

Site visits to our online shops originating from computers, tablets and smartphones as well as other computer-based means.

## Net working capital

The difference between the company's current assets (including: trade and other receivables and inventories) and its current liabilities (including: trade and other payables, short-term loans and borrowing and short-term other liabilities).



**NPS**

Net promoter score of our B2C own stock and platform business for a given period of time. NPS does not yet include MedApp, GoPuls and MediService. We track NPS as an indicator for customer satisfaction.

**Number of orders**

Number of end-customer and patient (B2C) orders, predominantly placed via our online shops for both our own-stock and platform business, containing at least one product, placed during the measurement period.

**OTC products or medications**

Products or medicines sold to a customer without a prescription from a healthcare professional, as compared to prescription- only medicines, which may be sold only to customers possessing a valid prescription.

**Pharmacy-related products**

Products that are almost exclusively distributed through pharmacies.

**Private labels or own brands**

By private labels (or own brands) we mean the brands of products owned by Redcare Pharmacy or its subsidiaries.

**Return Rate**

Percentage of billed B2C orders for our own stock business that incorporated a return or reclamation of total billed orders in a given time period. Current prescription medication sales (Rx) in Switzerland and the Netherlands are not included because we believe the current non-comparable customer types would distort visibility on relevant trends in this metric. Business-to-business (B2B) orders are excluded for the same reason.

**Rx products or medications**

Prescription-only medicines, which are only allowed to be sold to customers possessing a valid prescription.

**Rx revenues**

Sales related to prescriptions of our own stock business in the DACH Segment.

**Sales**

Gross revenues minus value added taxes and discounts.

**Selling & Distribution expenses**

Expenses related to marketing, shipping, packaging, payments and operational labor to support our Sales.

**Share of mobile visits**

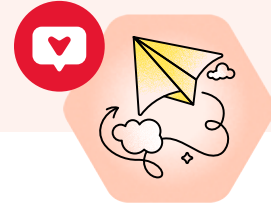
Mobile visits as a percentage of site visits.

**Share of repeat orders**

Percentage of total orders, predominantly related to our online shops for both our own-stock and platform business, that is billed during the measurement period that is not the initial order bill to the customer. Business-to-business (B2B) orders are excluded to not distort visibility on relevant trends; with this definition we aim to provide the most relevant insight as to the development of this metric. The share of repeat orders related to platform-only customers is not yet included.

**Website Visits (Web Traffic)**

Unique interactions of a visitor on our website (online shops); a visit is considered terminated when the visitor leaves the browser instance or has not interacted with the page for more than 30 minutes.



## Contact.

For the latest full year report, please refer to the Annual Report 2023, which you will find on Redcare Pharmacy [Corporate Website](https://ir.redcare-pharmacy.com/en) <https://ir.redcare-pharmacy.com/en> in the Investor Relations section.

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