



# Company presentation

August 2024

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- 1. DocMorris at a glance**
2. Market trends: Digitalisation and increasing chronic care needs
3. Market size: Large untapped pharmacy markets across Europe
4. DocMorris ecosystem: The solution to healthcare challenges
5. e-Prescriptions: The key digitalisation enabler in Germany
6. Sustainability: Making our environment healthier
7. Financials: Our path towards profitability
8. Outlook: Growth at attractive margins
9. Key takeaway: Health in one click as a unique opportunity

DocMorris at a glance

# DocMorris is the #1 pharmacy in Germany

## 530m

CHF external revenue  
H1 2024<sup>1</sup>

## # 1

Online pharmacy in Germany<sup>2</sup>

## > 10m

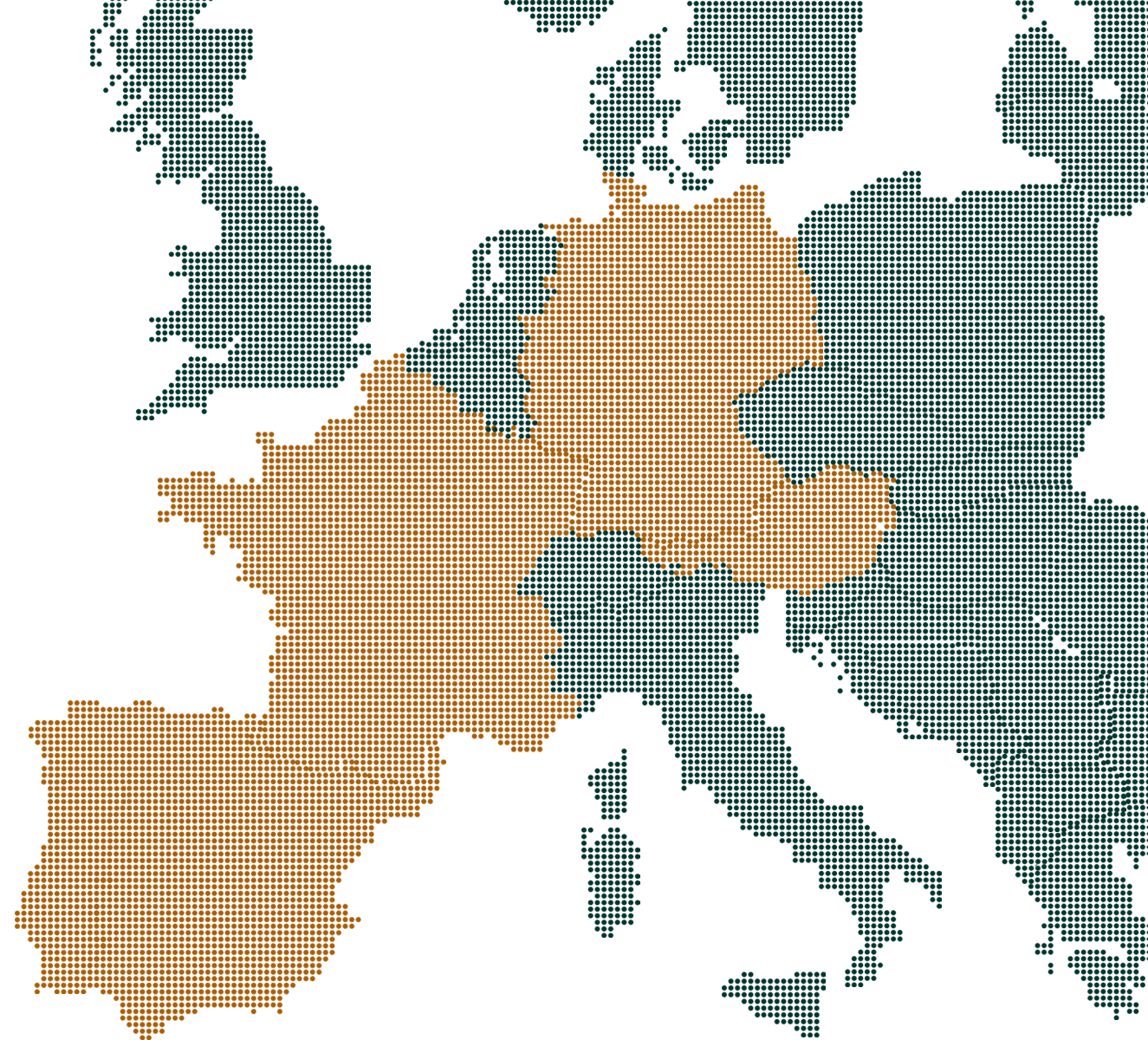
Active customers<sup>3</sup>

## > 1,600

Employees from 59 countries<sup>4</sup>

## 70%

DocMorris aided brand awareness<sup>5</sup>



<sup>1</sup> Consolidated revenue of DocMorris plus the mail order revenue of pharmacies supplied by DocMorris less the consolidated revenue for their supply | <sup>2</sup> According to aided brand awareness measured by Kantar as of June 2024 | <sup>3</sup> All mail order customers who have placed an order with DocMorris or a pharmacy supplied by DocMorris in the 12 months period ending 31 July 2024 | <sup>4</sup> As of December 2023 | <sup>5</sup> Aided brand awareness based on Kantar June 2024

# Segment Germany – online pharmacy leader in scale and quality with unique customer stickiness

~500m

CHF external revenue  
H1 2024<sup>1</sup>

1 Jan 24

eScript mandatory in Germany

#1

Online pharmacy<sup>2</sup>

75%

Repeat order rate<sup>3</sup>



<sup>1</sup> Consolidated revenue of DocMorris in Germany plus the mail order revenue of pharmacies supplied by the DocMorris in Germany less the consolidated revenue for their supply | <sup>2</sup> According to aided brand awareness measured by Kantar as of June 2024 | <sup>3</sup> Share of orders from existing customers in relation to total number of orders in H1 2024.

# Segment Europe – enabling a truly European digital health ecosystem

> 30m

CHF revenue  
H1 2024

> 250,000

# of products<sup>1</sup>

> 1,500

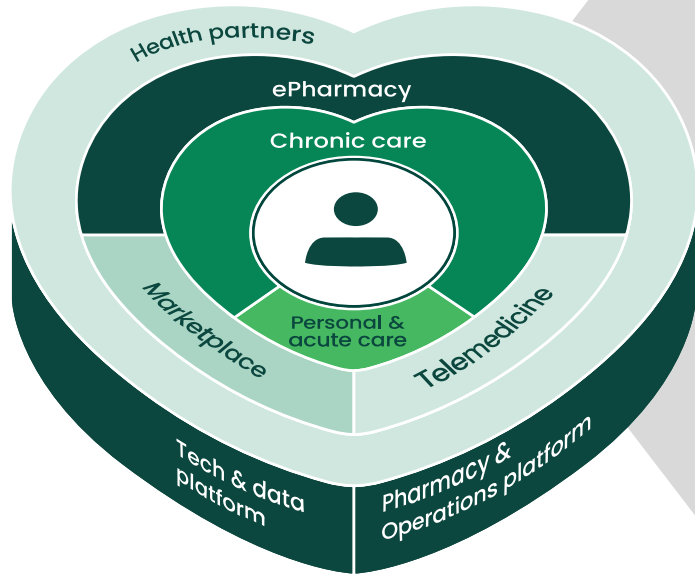
# of marketplace sellers<sup>1</sup>



<sup>1</sup> As of December 2023

# Delighting our patients and customers with health in one click

The most customer-centric, convenient and caring digital health ecosystem



Unique eRx and chronic care experience

- Digital medication services and management
- Chronic care solutions and repeat script
- eRx same day and next day delivery
- Integrated telemedicine/doctor service

Profitable OTC and BPC business

- Full product range at attractive prices
- State-of-the-art customer experience
- Continuous improvement of operational excellence

Extended Marketplace offering

- Long tail marketplace
- Same day coverage via local pharmacy partners
- Integrated DocMorris shopping experience on own technology

# Executive Board: Passionately driving our vision and strategy



**Walter Hess**  
CEO & Head Germany

**Daniel Wüest**  
CFO

**Madhu Nutakki**  
CTO

**Kaspar Niklaus**  
COO

**David Masó**  
Head Europe

Tenure: Since 2013<sup>1</sup>  
Prior experience:  
Head Switzerland

Tenure: Since 2024  
Prior experience:  
Group CFO of Arbonia

Tenure: Since 2021  
Prior experience:



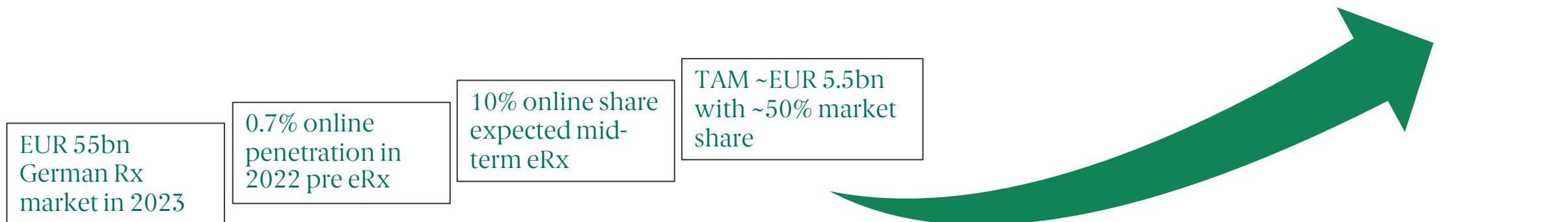
Tenure: Since 2022  
Prior experience:



Tenure: Since 2018  
Prior experience:  
Founder of PromoFarma

<sup>1</sup> Since 2008 as external advisor

# Our equity story: Best-known German brand with significant online conversion potential and European regulatory tailwinds for Rx and OTC



## ready for the future

Active customers <sup>1</sup>	10m (June 30, 2024)
Order frequency <sup>2</sup> Rx	4.1
Order frequency <sup>2</sup> OTC	2.0
AOV <sup>3</sup> Rx	102 EUR
AOV <sup>3</sup> OTC	38 EUR
Repeat order rate <sup>4</sup>	75%
Site visits last 12 months	195m
Return rate	1%
Logistics capacity	>30m parcels p.a.
Free capacity	>40%

## our path to profitability

Adj. EBITDA 2024	Break-even excl eRx / Around CHF -50m incl eRx	
External revenue 2024	>5% growth	
Capital expenditure 2024	Around CHF 30m	
2024 H1	Segment Germany	Segment Europe
<b>Gross margin</b>	21.1%	29.1%
<b>Adj. EBITDA margin</b>	(4.2%)	(2.1%)

## attractive outlook

Adj. EBITDA mid-term	~8%	
eScripts mandatory in Germany	Since 1st January 2024	
Underlying market growth (excl. eRx)	At least mid-single-digit %	
	OTC	eRx
<b>Gross margin</b>	28%	21%
<b>Contribution margin (EUR/%)</b>	6/14%	14/14%



# At the very beginning to enter and capture the EUR 55bn Rx market

**2022 – April 2024**

**April 2024+**

**>2025**

«Break-even»

**Streamlining of brands and platforms**

- Reduction of complexity and cost
- Operational excellence
- eRx readiness, stability and scalability

**EBITDA break-even, excluding eRx**

«Start digital eRx»

**Entering new eRx market with CardLink solution**

- Maximise transfer of existing to eRx customers
- Maximise acquisition and retention of new eRx customers
- Most effective invest in eRx resources and marketing

**DocMorris eRx growth**

«Profitable growth»

**Attractive unit economics**

- eRx market penetration
- Profitable OTC and EU business
- Accretive scaling of TeleClinic

**Positive EBITDA**

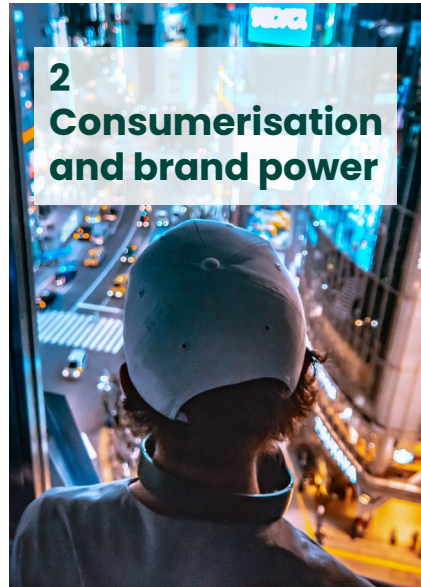
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# Structural market trends supporting our vision and strategy...



New technology enables healthcare to become more mobile and convenient



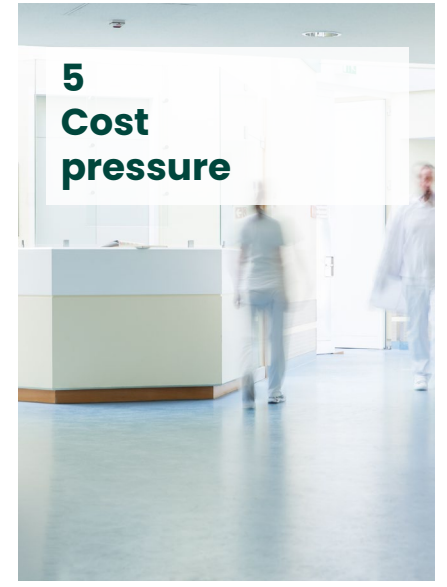
Consumer's impact and brands increasingly important



The share of the 60+ year olds will increase globally

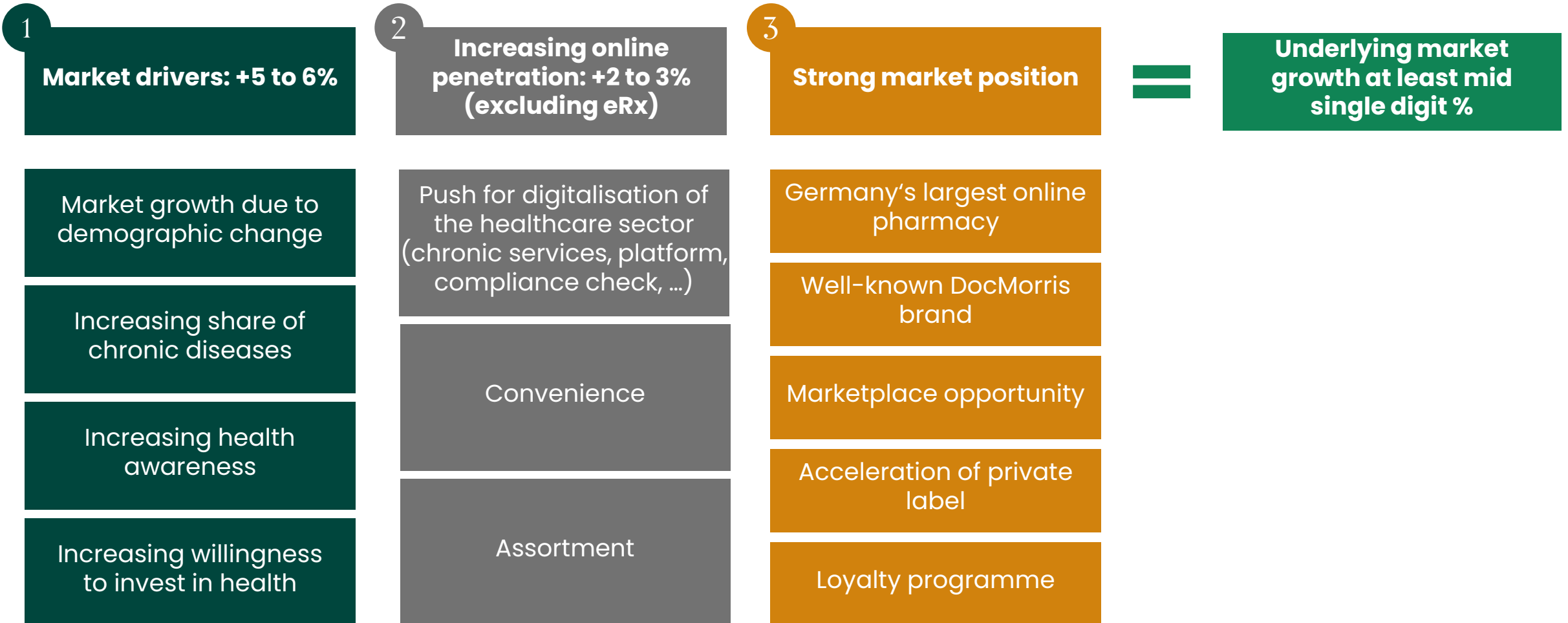


Regulatory headwinds are easing up

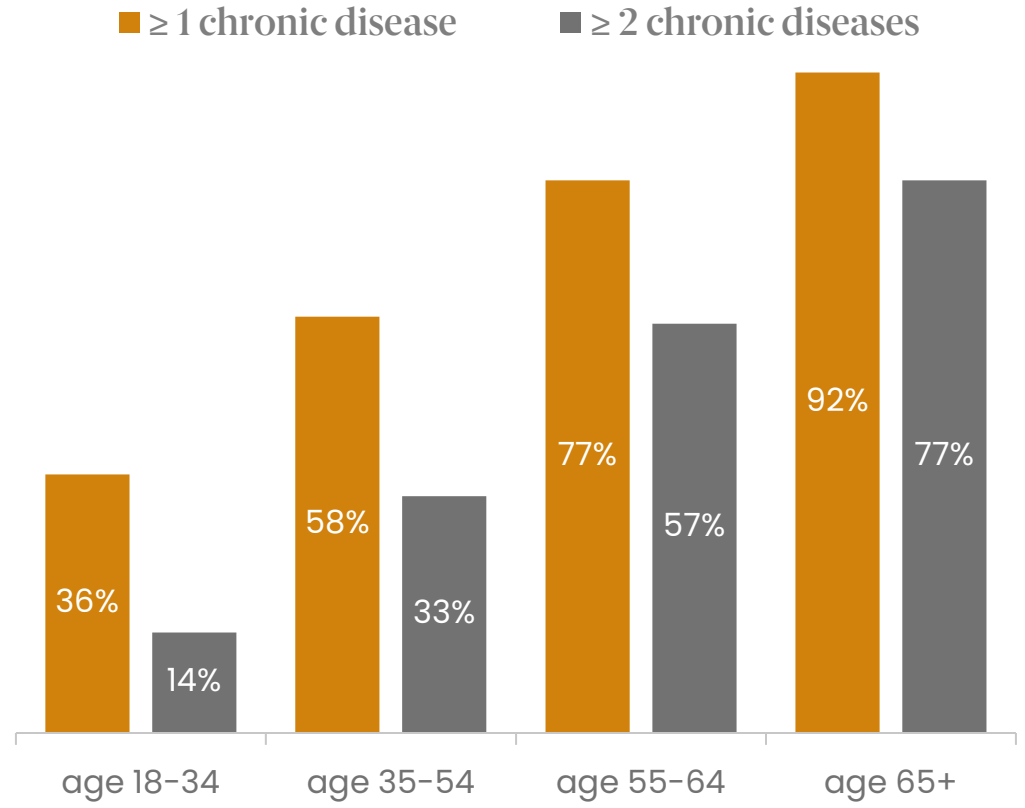
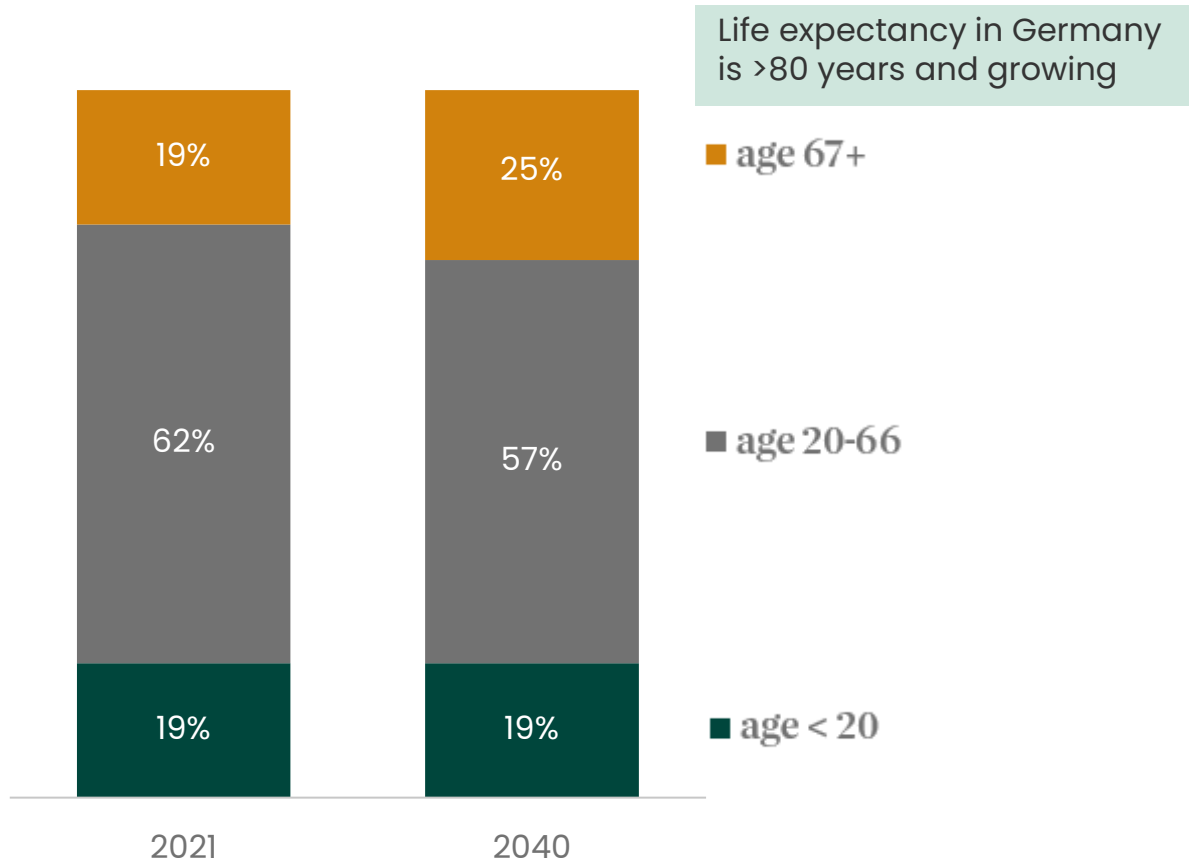


Digital services allow for superior quality, efficiency and better healthcare outcomes

# ... create an attractive core business for our leading online pharmacy in Germany in the mid-term



# Europe's older and chronically ill population is growing fast, yet...



Average DocMorris patients  
OTC: mid 50s    Rx: 60s

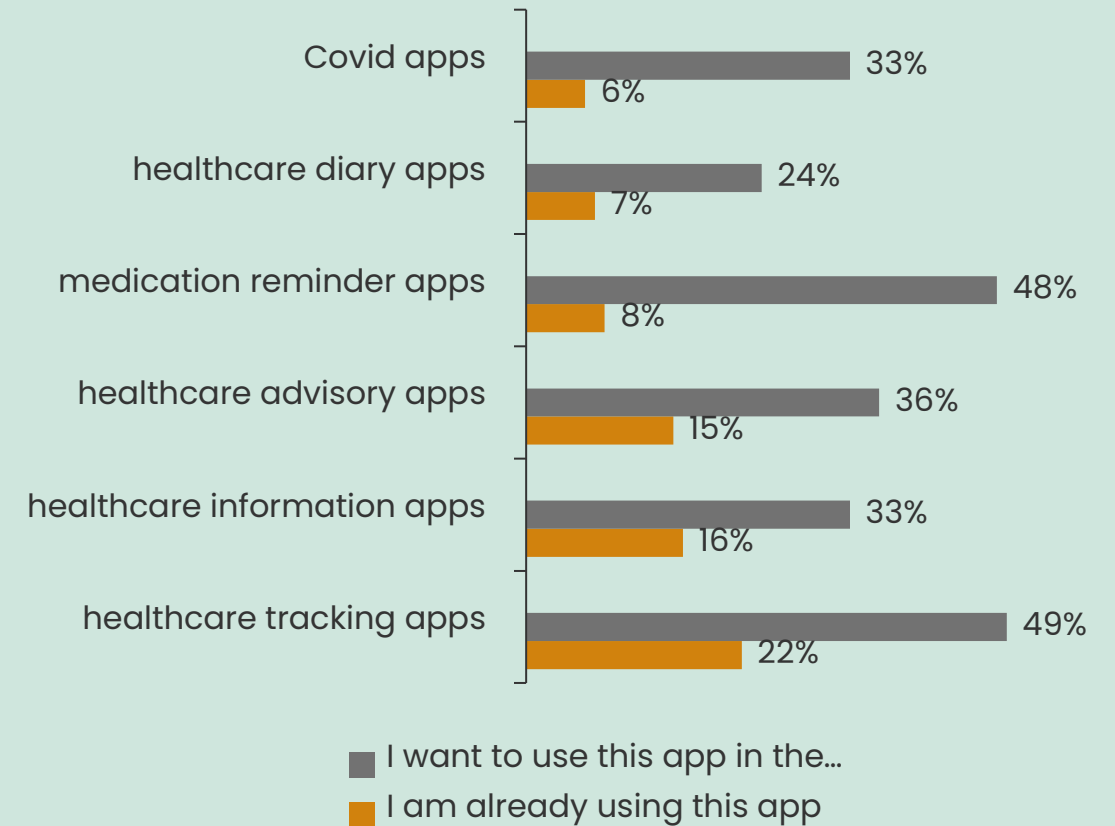
1 Demographic development Germany, Destatis 2023 | 2 Share of chronically ill patients by age group, DE 2020, WIdO

## ... the affinity to digital healthcare solutions is increasing strongly









- Digitalisation receives significant public acceptance: Demand for telemedical services increased by 21% and for online health courses by 82% in 2021<sup>1</sup>
- More than 75% of Germans think the e-prescription introduction is more than overdue<sup>2</sup>
- 57% of respondents who used online dispensing believe that online access improves their adherence<sup>3</sup>
- Since Covid-19, 38% of Germans are making use of e-commerce more frequently<sup>4</sup>
- In Norway, 27% of appointments with general practitioners took place online in 2021<sup>5</sup>
- 65% of German physicians endorse digitalisation of health system (+10% vs. 2022) and 80% see need for Germany to catch up (+10% vs. 2022) to other countries<sup>7</sup>

1 McKinsey 2022 | 2 Sempora 2023 | 3 Copenhagen Economics Report for ASOP EU states | 4 Statista 2022 | 5 SSB Statistics Norway 2022 | 6 Bitkom Research 2022 | 7 Doctolib Digital Health Report 2023

### Healthcare apps people are already using or willing to use (in %)<sup>6</sup>

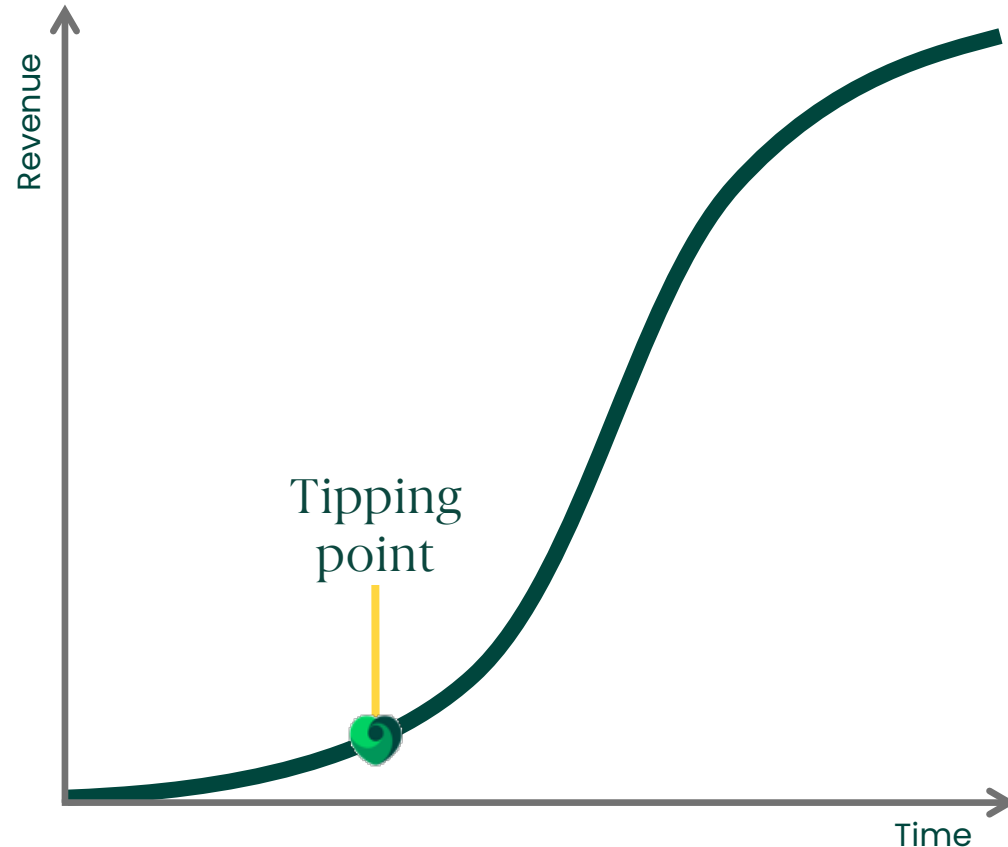


# Europe is moving towards digital health and further liberalisation

Development		eScripts	third-party ownership allowed?	Rx mail order/ online shopping and shipping allowed?	OTC mail order
EU	 European Health Data Space for cross-border infrastructure of eScripts, interoperable electronic health records and sharing of health data by 2025 <sup>1</sup>				
Sweden	 eScripts used by 99%; liberalised pharmacy market and digital pioneer <sup>2</sup>	Since 1980, with ID	yes	yes (domestically)	yes
France	 eScripts used by 35% in 2020. Access via app since 2022 <sup>3</sup>	Since 2019, with health card	no	no	yes
Spain	 eScripts used by 98% <sup>4</sup>	Since 2005, with health card	no	no	yes <sup>5</sup>
Italy	 eScripts are among the most widely used digital health services <sup>3</sup>	Since 2008-2012	yes	no	yes
Poland	 Registration for eScript via digital identity. used by 90-100% <sup>2</sup>	Mandatory since 2020, with digital identity	no	no	yes
Austria	 eScripts used by ~90%. Repeated calls for liberalisation of pharmacy market, including lowering barriers for online retailing; <sup>3</sup> Private prescriptions to be integrated shortly <sup>6</sup>	Since 2022, with health card, QR code (e.g. on the app) or entering ePrescription-ID	no	no	yes
Portugal	 eScripts used by 98% <sup>7</sup>	Since 2016, with ID, SMS, e-mail	yes	yes (domestically) <sup>8</sup>	yes

<sup>1</sup> European Commission 2024 | <sup>2</sup> Gematik 2023 | <sup>3</sup> Gematik | <sup>4</sup> Gematik 2023/ZWP online 2023 | <sup>5</sup> From adjacent country | <sup>6</sup> Pharmazeutische Zeitung (PZ) 2022 | <sup>7</sup> Gematik 2023 | <sup>8</sup> Certified local pharmacies allowed to ship OTC & Rx domestically

# Digitalisation in Germany and eRx at DocMorris taking off



## Remarkable progress in legislation:

- DigiG and GDNG in force and GVSG<sup>1</sup> promoting better chronic care
- Cross-quarterly repeat script for chronic patients planned from January 2025

## DocMorris eRx growth picks up speed:

- >500,000 eRx orders processed
- eRx market share by volume: 0.52% in July<sup>2</sup>
- Rx market share by value: 0.29% in January to 0.37% in July<sup>3</sup>

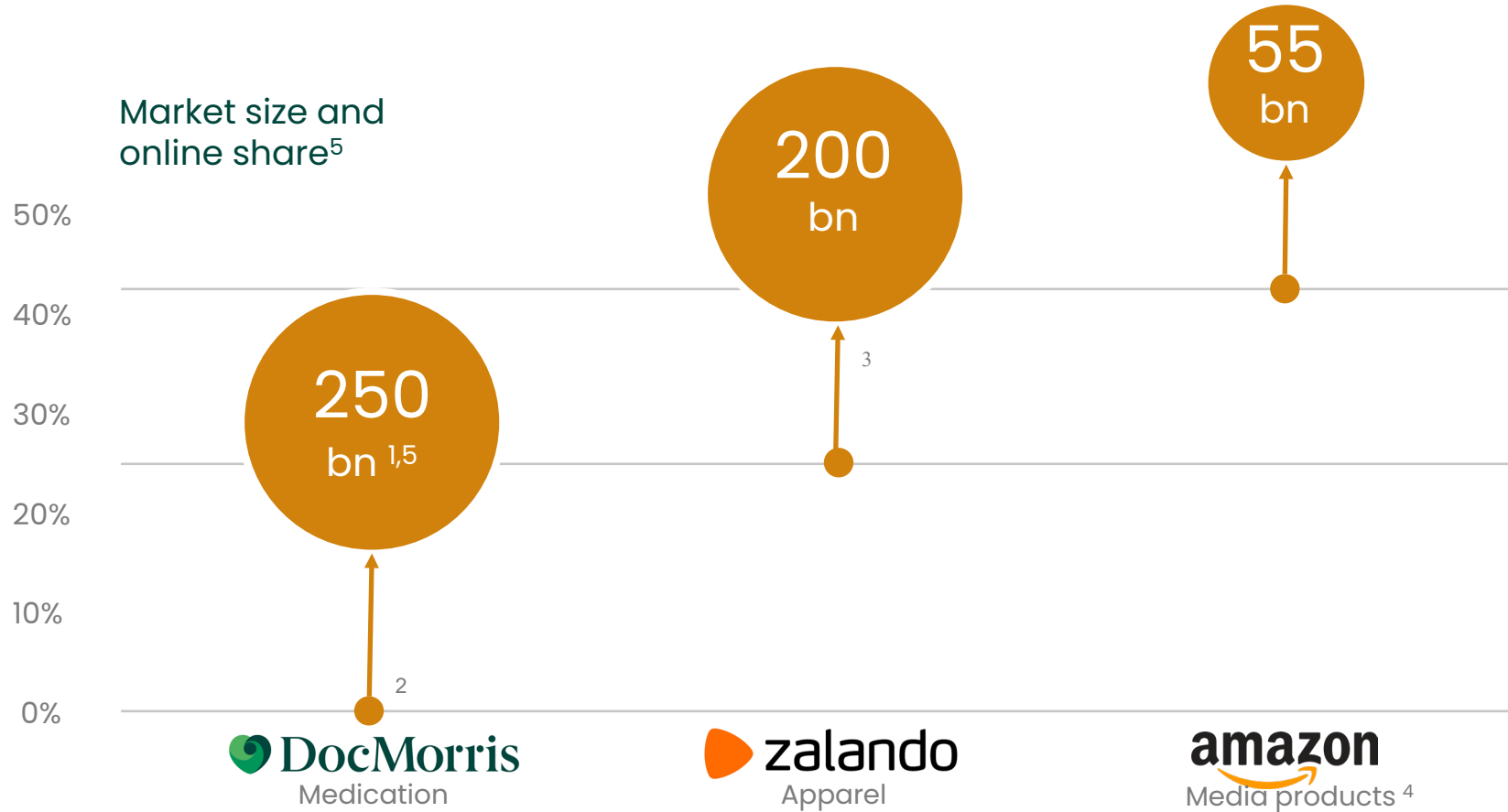
Illustrative graphic | 1 DigiG = Digital Gesetz (Digital Law), GDND = Gesundheitsdatennutzungsgesetz (Law on using health data), GVSG = Gesundheitsversorgungsstärkungsgesetz (law to strengthen care) | 2 Number of eScripts DOCM received relative to total number of eScripts redeemed in Germany, source: gematik, BMG | 3 calculated by dividing July revenue by a twelfth of EUR 55bn Rx market



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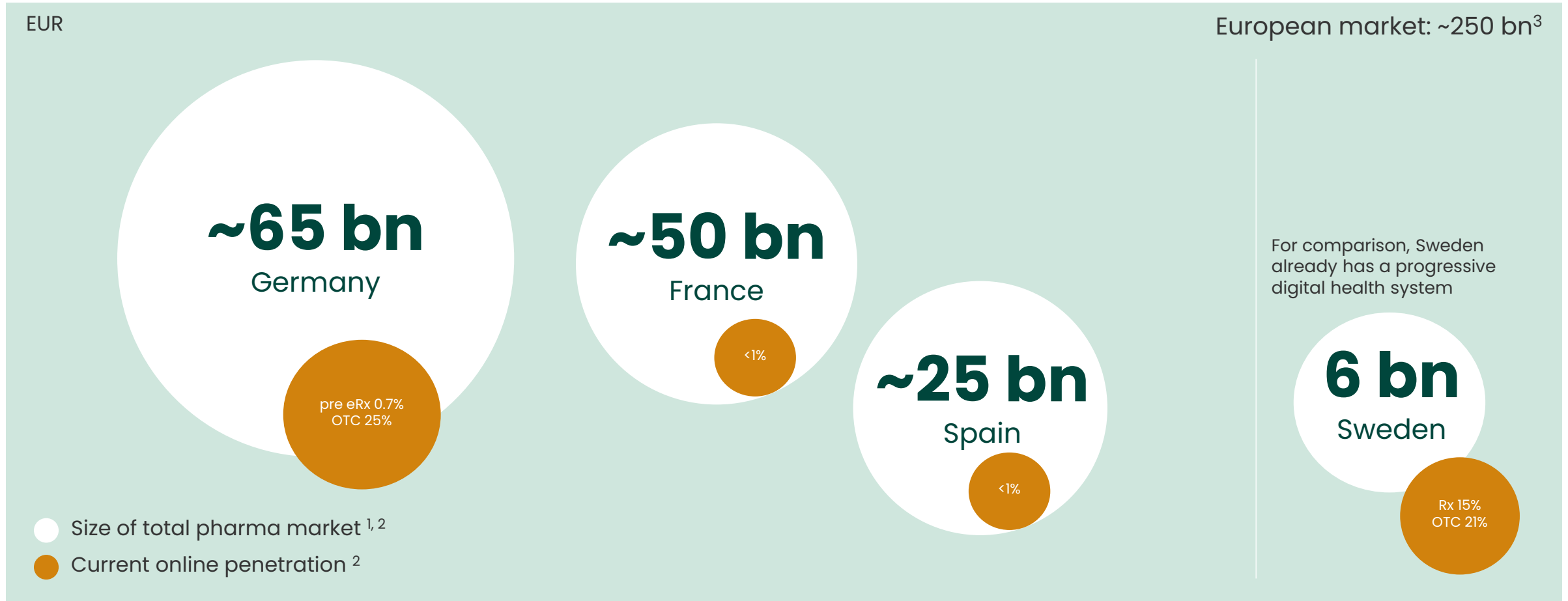
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# Significant untapped potential in the European online pharmacy market



1 Medications include Rx and OTC & BPC | 2 Online penetration for Rx in Germany | 3 Euromonitor 2021 Data for Europe excluding Russia | 4 Media products include music, films and books | 5 Grand View Research; Statista; IQVIA; EvaluatePharma

# Our addressable markets are the largest in Europe with the lowest online penetration ... before the eRx introduction



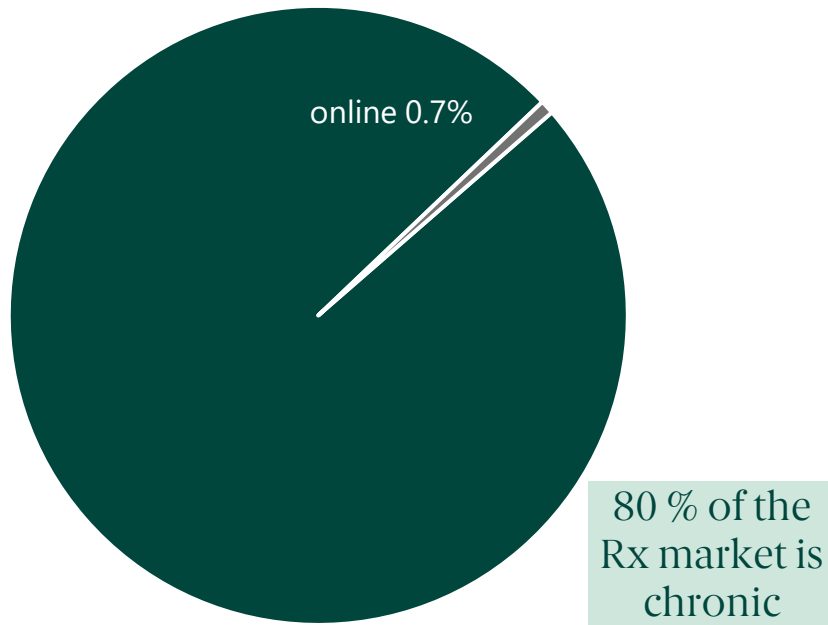
Illustrative / not true to scale, company estimates | 1 IEGUS, McKinsey, Statista 2022 for FR and ES | 2 IQVIA 2023, Sveriges Apoteksforening: Swedish pharmacy sector report 2024 | Statista, Grand View Research

# Less than 1% of the German Rx market is online, yet 80% of demand is chronic, leading to a large online conversion potential

## German Rx market size

2023

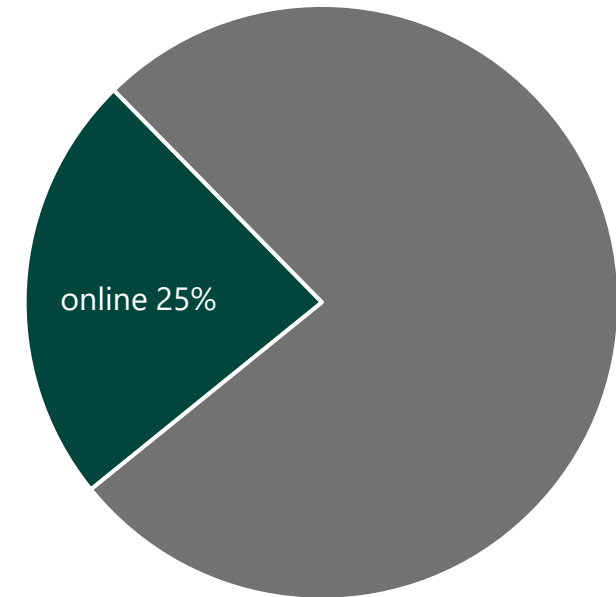
55bn EUR<sup>1</sup>



## German OTC market size

2023

9bn EUR<sup>1</sup>



<sup>1</sup> German Federal Ministry of Health (BMG), IQVIA, ABDA, IHS Health, company estimates

# Fragmented competitive landscape enabling fast market share gains

## Brick-and-mortar pharmacies



Go-to solution for walk-in customers

## Online pharmacies

Around 3,000 pharmacies with mail-order license combine for an Rx market share of

**<1%**

Market leaders:



Shop Apotheke

Removing paper hurdle is enabling convenient e-commerce experience

## Platforms

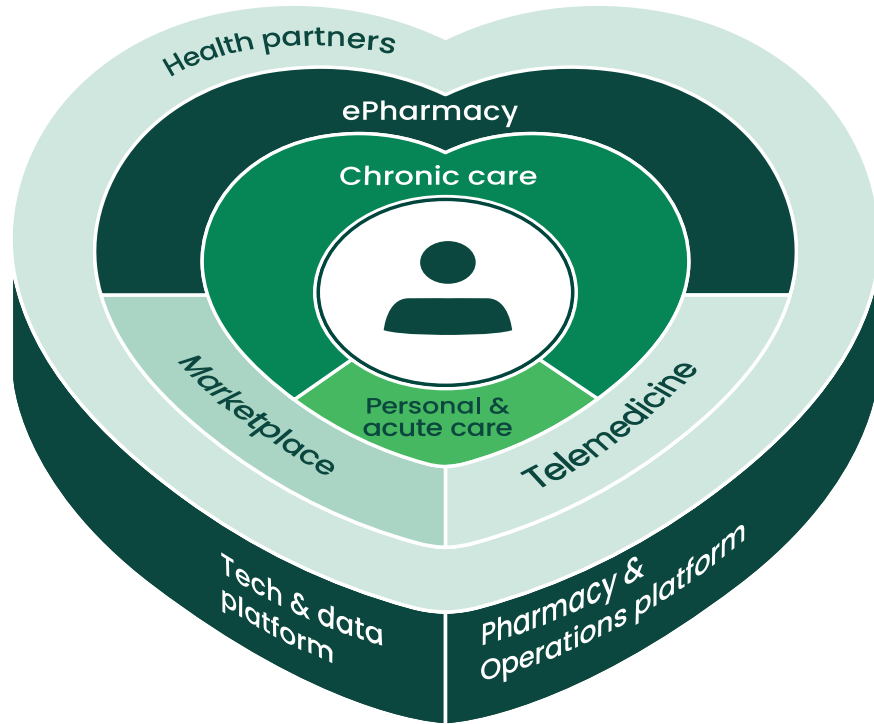


Platforms with the potential to improve user experience by combining online and offline offering

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# eScript enables an effective and efficient digital health ecosystem



## Significant financial impact

- Extended offering beyond medication
- Added value services with high margins (Telemedicine, Care, PaaS)
- Increased patient loyalty and retention
- Highly efficient, effective and scalable services and solutions
- Platform for swift international expansion

**Digital health ecosystem ready to scale and contribute to long-term profitability**

# DocMorris digital health ecosystem is the solution for multiple challenges of the German healthcare and pharmacy market

## German healthcare industry challenges

- Increasing treatment needs due to chronic diseases
- Public budget deficit >EUR 20bn in 2024
- Lack of digitalisation across healthcare landscape
- Inefficient coordination between healthcare providers

## German pharmacy market challenges

- Shortage of skilled staff leads to pharmacy closures
- No digital scalability and limited convenience
- Structural inefficiencies due to fragmented landscape

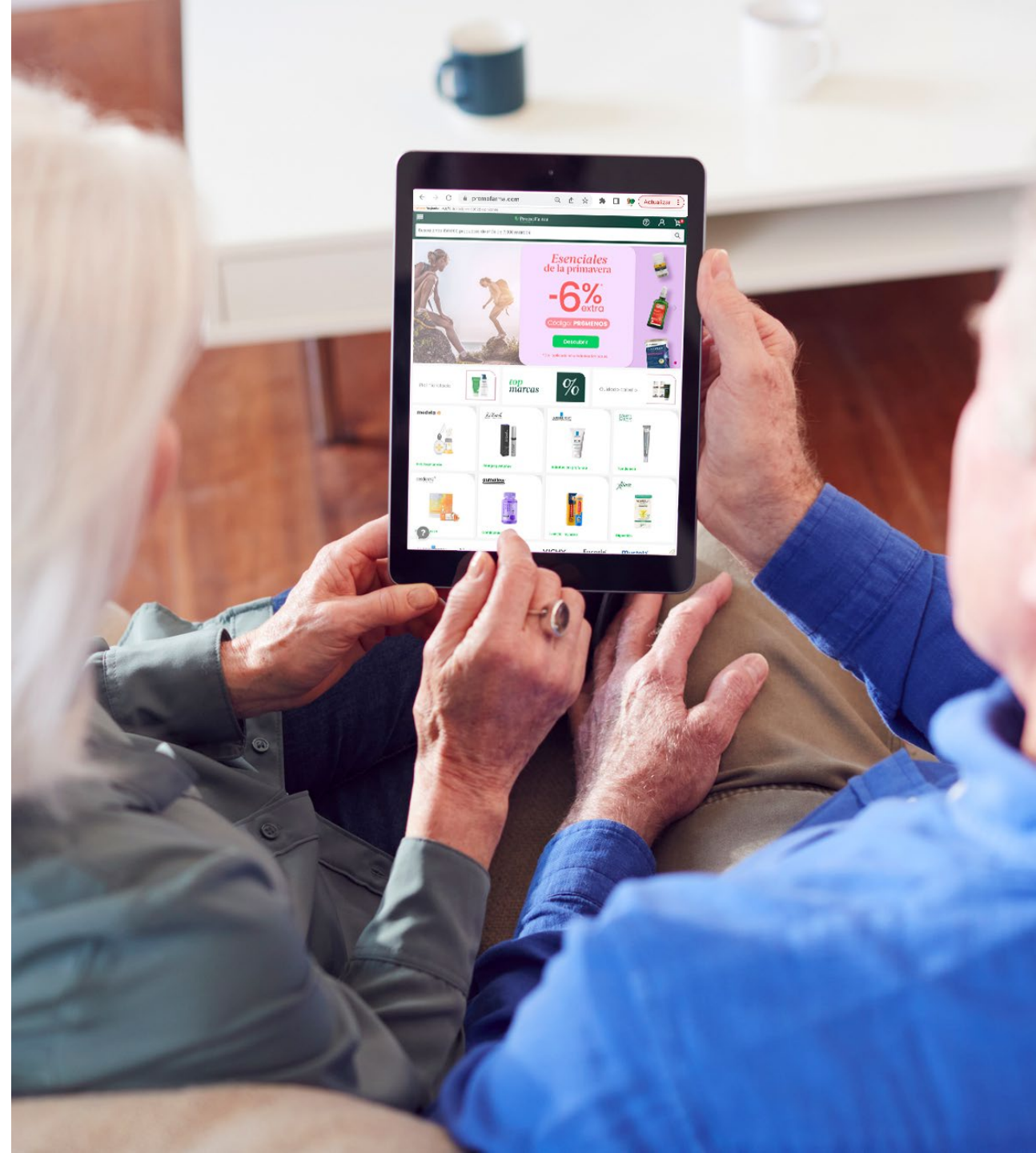




# Our digital services allow for superior quality versus brick-and-mortar

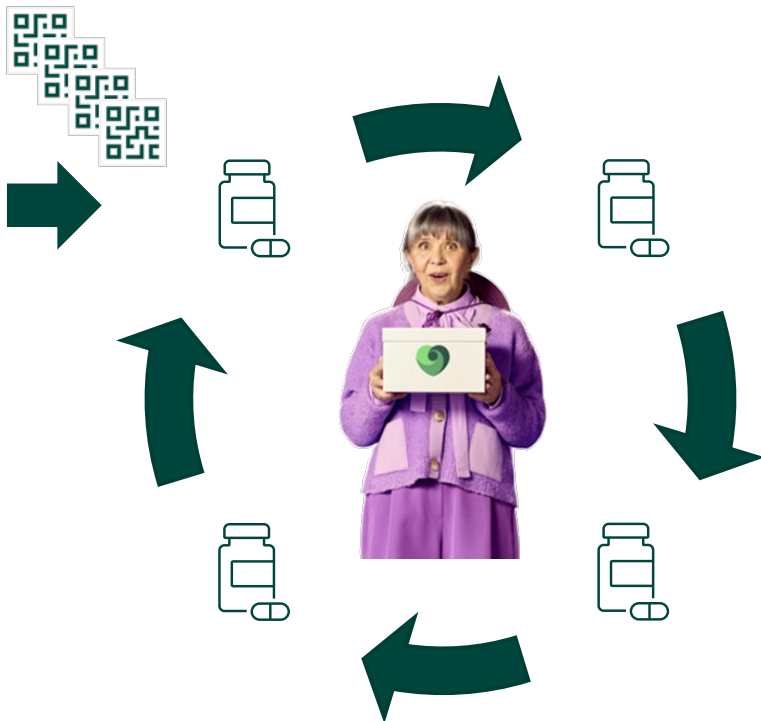
- 14 out of 15 studies show a higher adherence of patients using an e-commerce pharmacy vs. brick-and-mortar<sup>1</sup>
- Patient self-management tools and other digital instruments that increase adherence could save EUR 4.6 bn<sup>2</sup>
- Up to EUR 1.2 bn avoidable costs p.a. caused by medication errors in Germany<sup>3</sup>
- McKinsey: Digitising healthcare could save EUR 42 bn in the German healthcare system<sup>2</sup>
- Pharmaceuticals well suited for e-commerce: Small size and weight, high value and predetermined product selection via prescription with a return rate of < 1%

1 PubMed research out by Inav Institute 2019 | 2 McKinsey Digitalisation in healthcare May 2022 | 3 BMG 2021



# Rx repeat script model is live and leads to higher share of wallet and customer lifetime value

## Rx subscription model



## Beneficial for all stakeholders

### Patients

- Most convenient
- Secured continuity of supply
- Better adherence<sup>1</sup>

### Physicians

- Upfront payment for annual medication treatment<sup>2</sup>
- Freeing up time for patients
- Increased efficiency

## Multiplicator of key KPIs

### DocMorris

- Higher basket size
- Higher order frequency
- Higher retention rate
- Higher customer lifetime value
- Higher return on advertising spend

<sup>1</sup> Copenhagen Economics Report for ASOP EU states „57% of respondents who used online dispensing believe that online access helps improve their adherence.“ |

<sup>2</sup> Draft of Versorgungsstärkungsgesetz I (Law to strengthen care I) expected to be published in Q2

# The DocMorris app addresses barriers to medication adherence

1

## eRx + Rx

Many ways to redeem



convenience

2

## Medication history

All in one – place

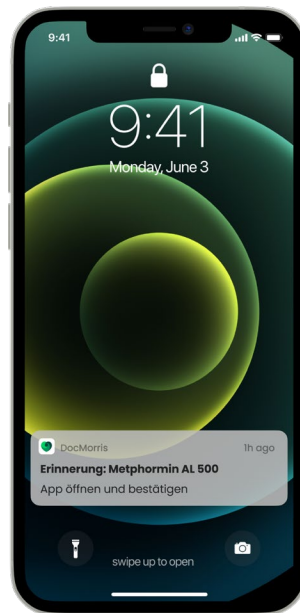


peace of mind

3

## Reminders

Smartphone enabled

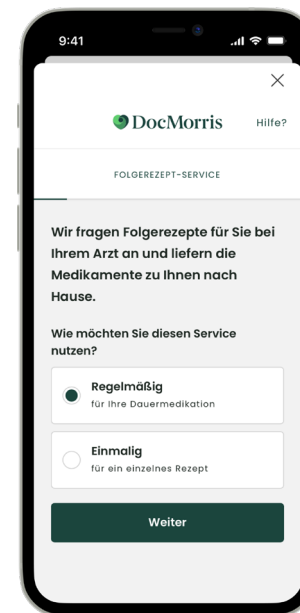


improve adherence

4

## Follow-up/Refills

We take care of it for you

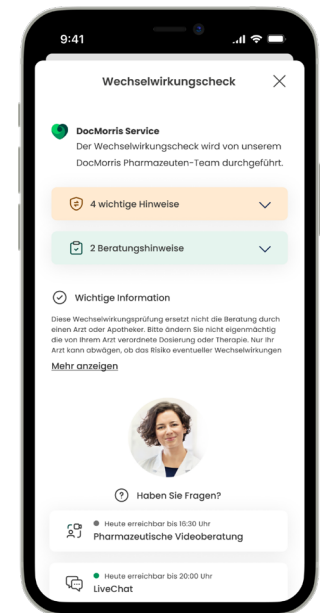


simplified process

5

## Interaction check

Pharmacist advice



medication safety

# DocMorris chronic care supports patients along their health journey and significantly increases share of wallet

1 Increase basket sizes of existing customers



2 Acquire & enable new customers



3 Increase loyalty & minimize churn



- Providing products, services and content for patients with specific chronic demand
- Leverage on eRx, repeat script and marketplace
- Care is already live for diabetes, asthma, thyroid, adipositas and erectile dysfunction

# TeleClinic breakthrough in Germany: Addressing need of lower healthcare costs with effective and convenient care

## TeleClinic telemedicine platform

- >30% market share of video consultations<sup>1</sup>
- >2,800 active doctors
- >40 insurance partnerships

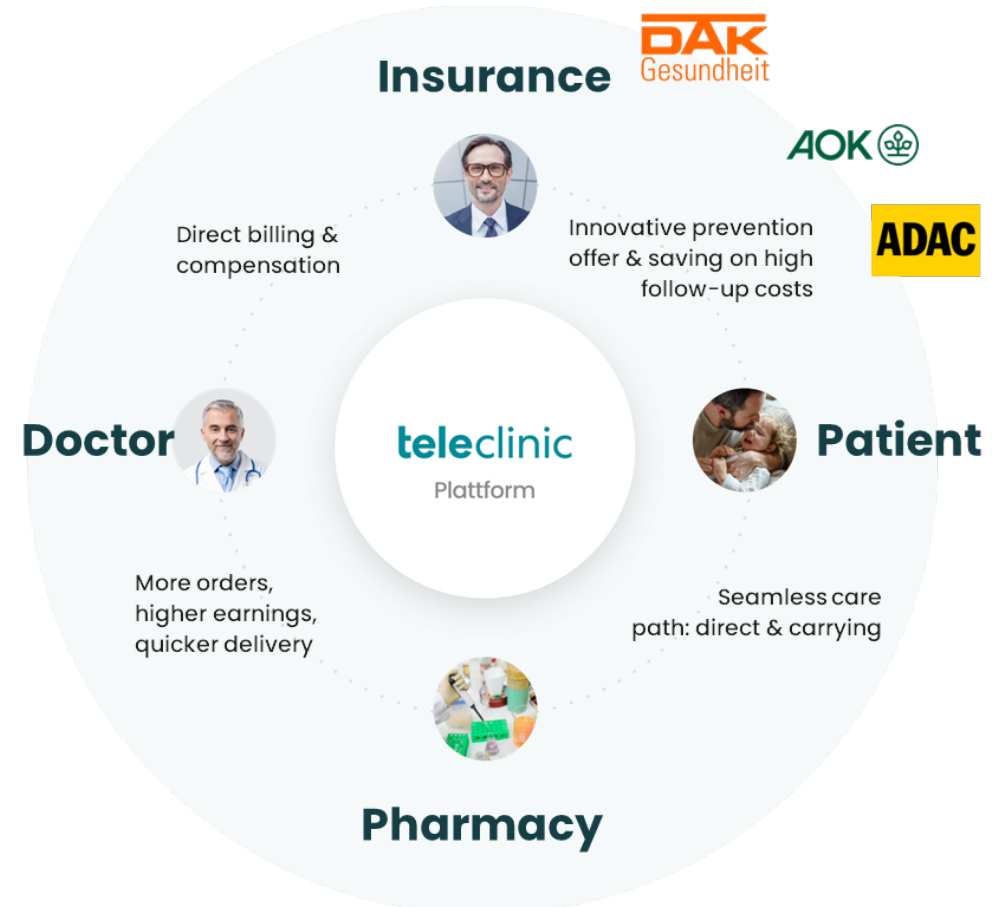
## Regulatory drivers (2024)

- Unlimited number of telemedicine treatments
- Possibility for physicians treat patients from home

## Technology drivers

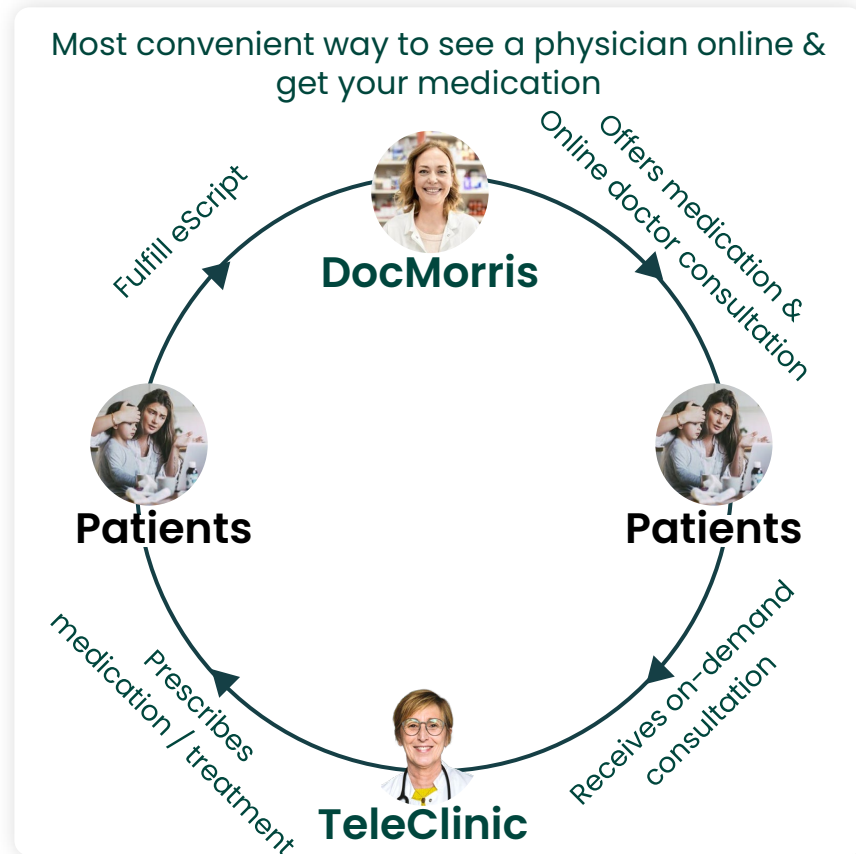
- eSick note (2023)<sup>2</sup>
- eScript (2024)
- ePatient record (2025)

<sup>1</sup> Source: Zi Zentralinstitut Kassenärztliche Versorgung 14.2.2024 | <sup>2</sup> German: elektronische Arbeitsunfähigkeitsbescheinigung (eAU). A mandatory doctors note required by employers.



TeleClinic uniquely cares for patients by bringing together established healthcare providers

# As an integral part of the DocMorris ecosystem, TeleClinic has highly attractive standalone financials that are ready to scale with the eScript



## Significant upside beginning to emerge

- Revenues doubled in 2023
- High margin take-rate business
- Positive EBITDA in 2024 expected
- Telehealth to save >4bn German healthcare costs<sup>2</sup>

<sup>1</sup> Statutory insurance payments for ambulatory care in 2022 46bn (Source: GKV Spitzenverband) & Private insurance payments of 7bn in 2022 (Source Wissenschaftliche Institut der PKV) | <sup>2</sup> McKinsey Health Monitor

# TeleClinic is expanding fast as a key pillar of the digital health ecosystem

## Large untapped market with regulatory tailwind

> EUR 50 bn<sup>1</sup> medical consultations in Germany

~30% acute

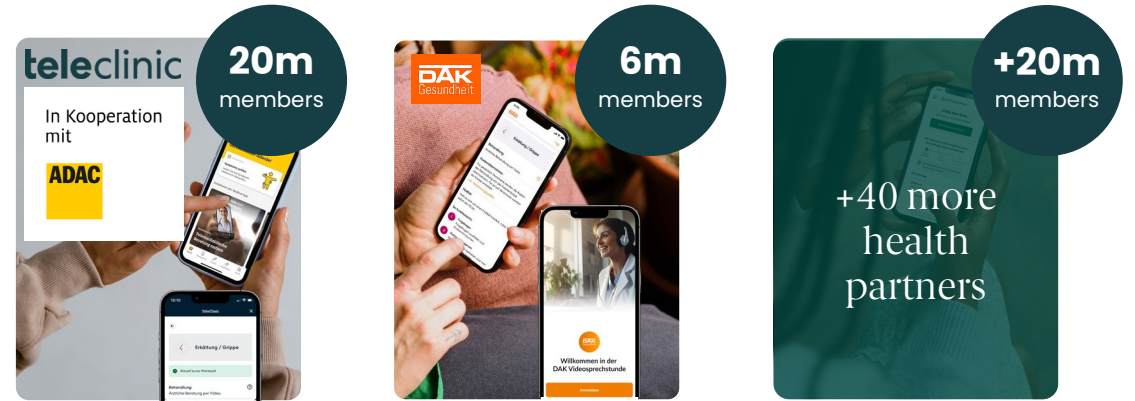
~70% chronic

> EUR 15 bn

Total addressable market (TAM)

<1% current penetration

## Numerous strategic partners won

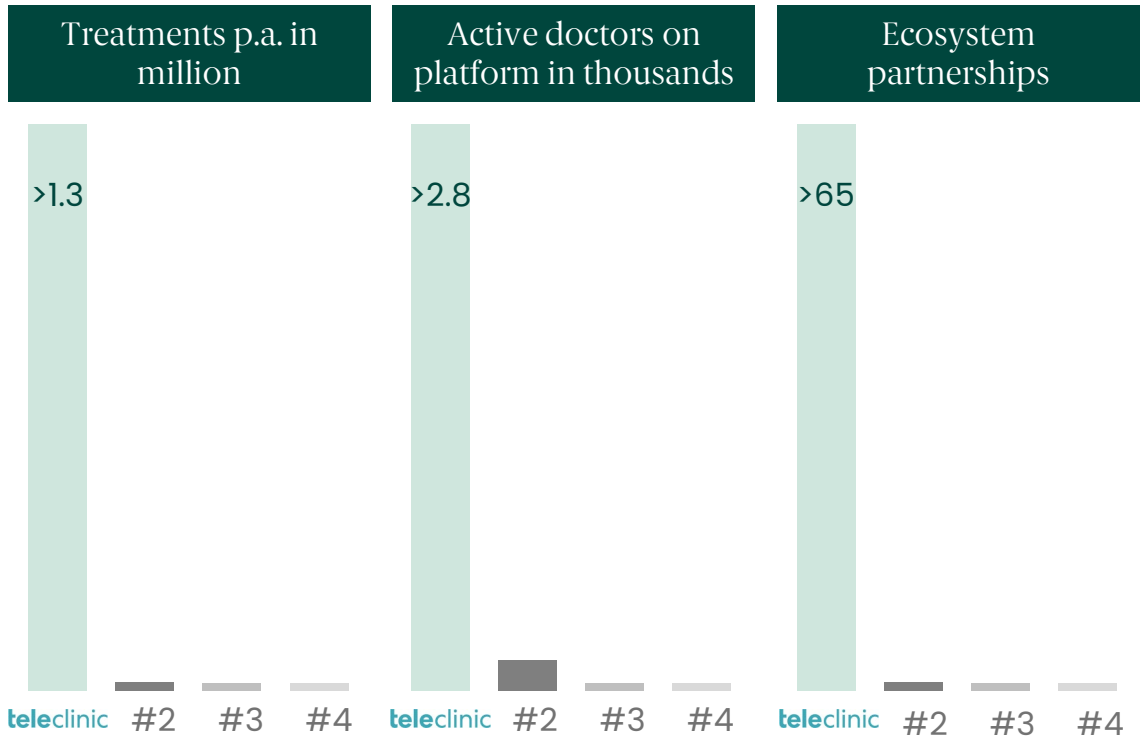


- TeleClinic revenue (take rate) to double in 2024, exceeding CHF 10m
- Highly attractive gross margin and strong EBITDA margin
- Similar growth expected 2025 and beyond

<sup>1</sup> Statutory insurance payments for ambulatory care in 2022: 46bn (Source: GKV Spitzenverband) & Private insurance payments of 7bn in 2022 (Source: Wissenschaftliche Institut der PKV)

# TeleClinic is the leading telemedicine platform in Germany

## Healthcare platforms for fully reimbursed treatments



## High entry barriers

- Requirement to be integrative part of the complex and decentralised statutory care system
- Established service with very high user satisfaction (app rating 4.8 out of 5)
- >65 ecosystem partners with >40 long-term insurance partnerships
- TeleClinic market share >30% in video consultations

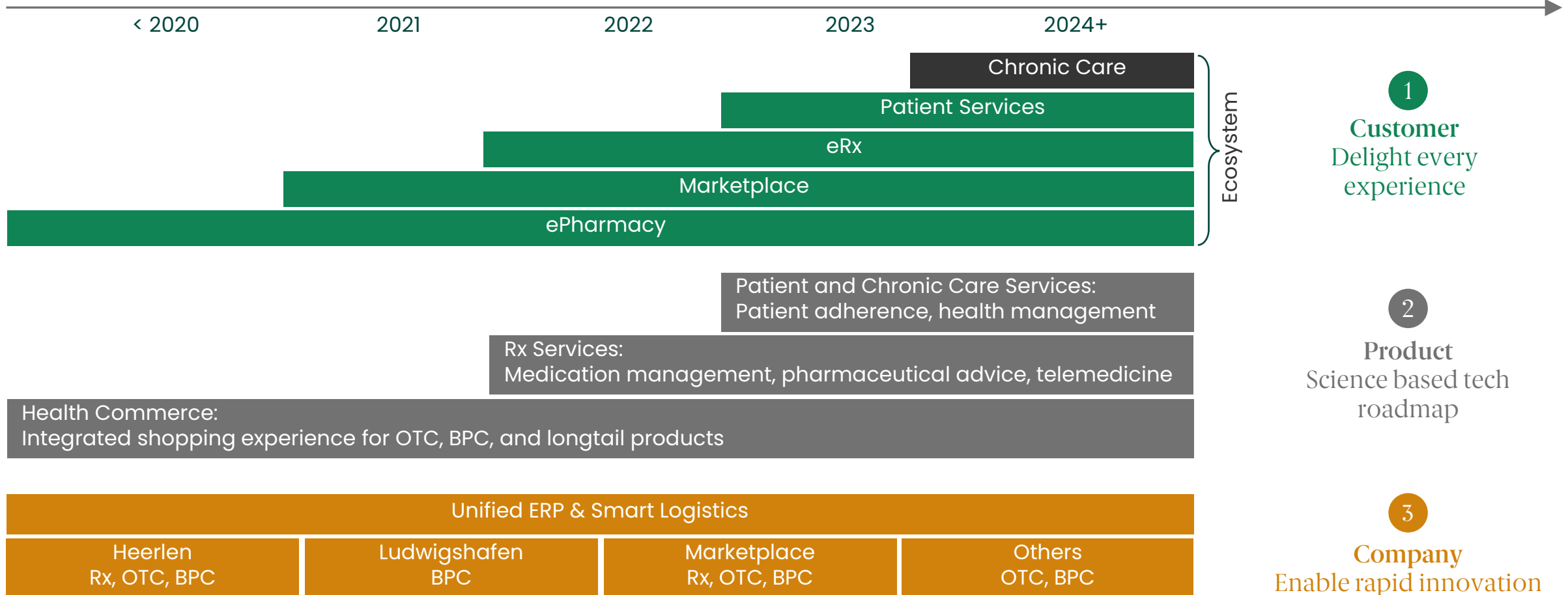
Source: Market research, competitor's websites, DocMorris internal research



# Transformation journey to the preferred digital health destination

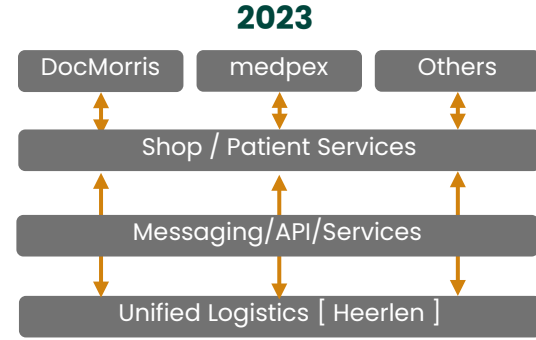
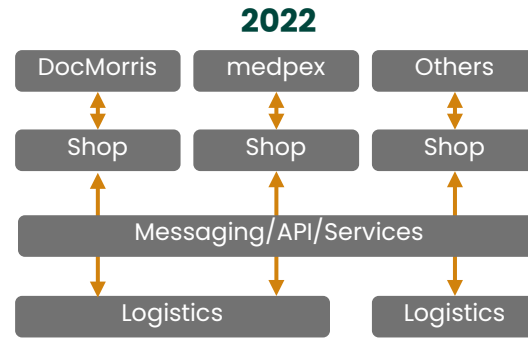
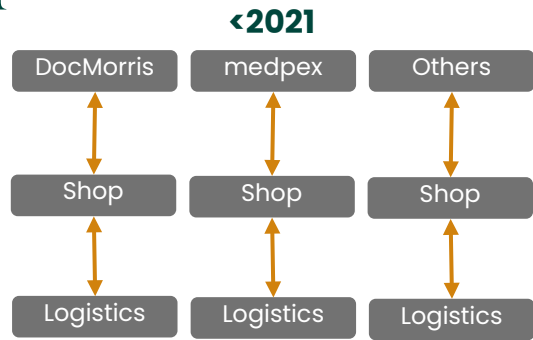
From eCommerce...

...to health in one click

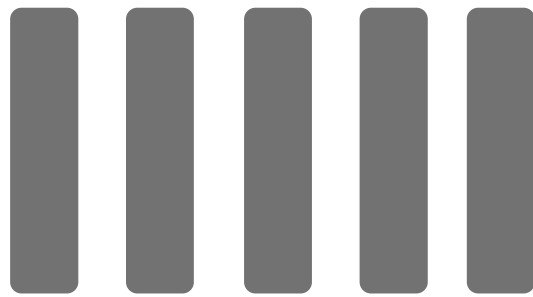


# Best customer experience delivered through digital transformation of architecture, product and culture

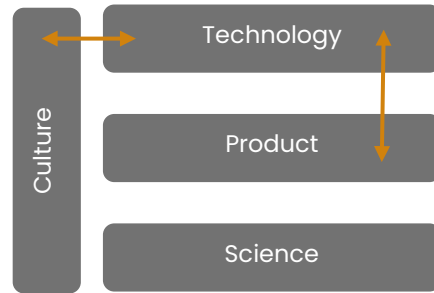
Target architecture



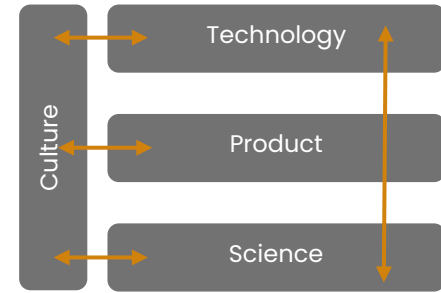
Organisation model



independent



aligned



integrated

Doc Morris transformation into a state-of-the-art technology company through product, technology and science

# Focus on science for clear, actionable signals to drive value...

## Security and privacy design for best-in-class digital trust

### behavioural. Science

Actionable customer insights to influence behaviour towards better treatments and improved adherence towards better health

### patient. Science

Optimised Rx conversion and retention by leveraging patient condition & need-based segments

### decision. Science

Influence business outcomes by acting on reliable leading indicators

### customer. Science

Increase profitability for every customer through algorithms on pricing and assortment

### product. Science

Prioritisation of the right digital features to continually grow customer digital adoption



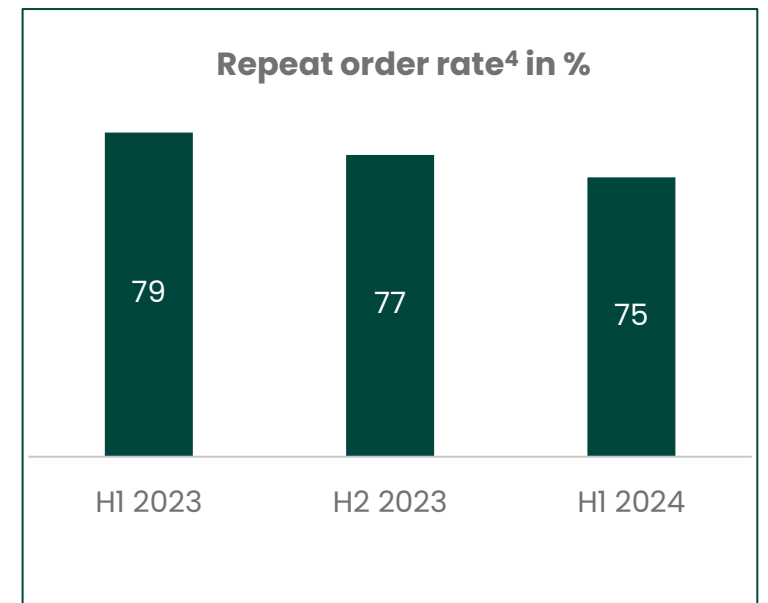
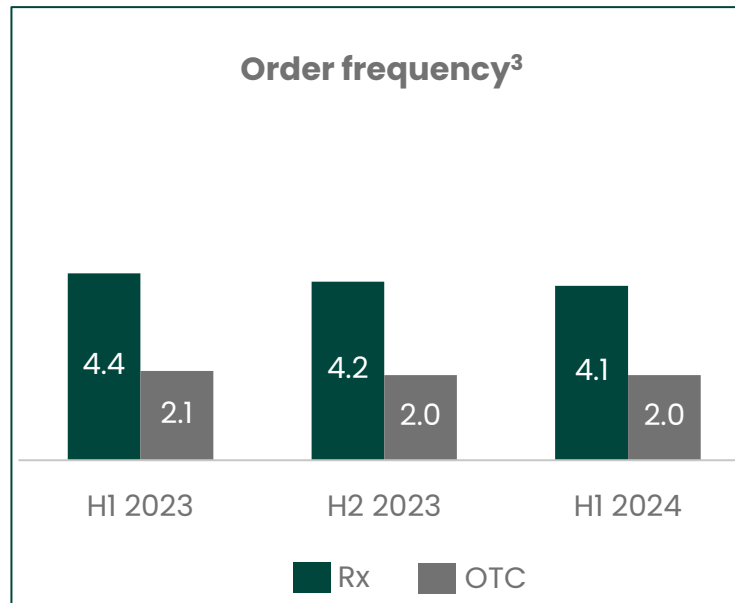
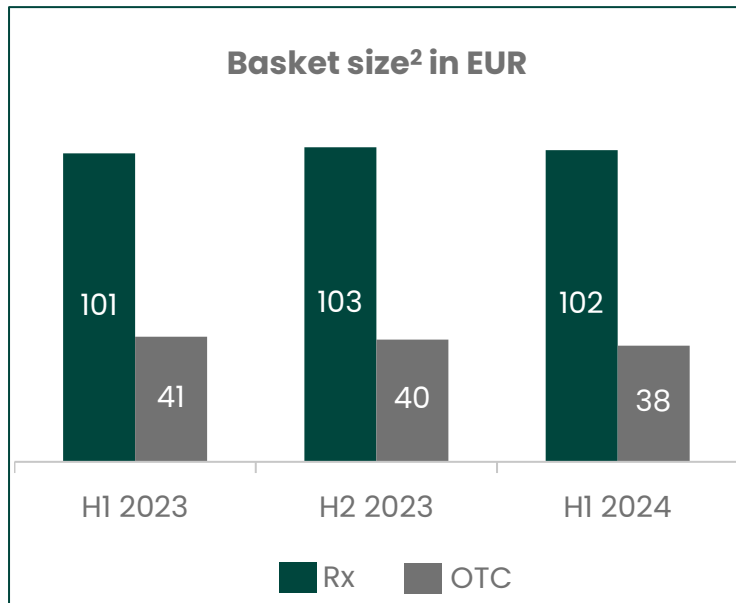
# Inflection point in active customer growth confirmed

Million active customers<sup>1</sup> last 12 months

**9.0** H1 2023    **9.1** H2 2023    **10.0** H1 2024

Million site visits in last 12 months

**195** H1 2023    **185** H2 2023    **195** H1 2024



<sup>1</sup> all mail order customers who have placed an order with DocMorris or a pharmacy supplied by DocMorris in the last 12 months | <sup>2</sup> basket size equals average value of the purchase per order | <sup>3</sup> number of orders per active customer in 12 months period | <sup>4</sup> share of orders from existing customers in relation to total number of orders | All figures reflect the B2C & marketplace business regardless of integration and consolidation progress of the acquired businesses in Germany and are restated for continuing businesses excl. CH segment

# Hybrid brand strategy for Germany with DocMorris as core brand to cater to the needs of specific customer segments



	<b>DocMorris</b>	<b>medpex</b>	<b>apotal.de</b>
Brand category	<b>Core brand</b>	<b>Sub-brand</b>	<b>Sub-brand</b>
Positioning	Digital health ecosystem	Feel good pharmacy	Discount pharmacy
Key target groups	Chronic patients 40+	Wellbeing & families 30+	Smart shoppers 30+
Products	Rx OTC / BPC Marketplace Chronic Care Services	OTC / BPC Rx Marketplace	OTC / BPC Rx

DocMorris ecosystem: The solution to healthcare challenges

# Leading brand awareness in Germany<sup>1</sup>

70%

 DocMorris

59%

 SHOP APOTHEKE  
EUROPE

25%

 Sanicare  
Apotheke

11%

*mycare.de*

11%

apotal.de  
IHRE VERSANDAPOTHEKE

9%

medpex

6%

*zur Rose*

<sup>1</sup> Kantar June 2024

 DocMorris

# Building out our marketplace capabilities towards full-scale



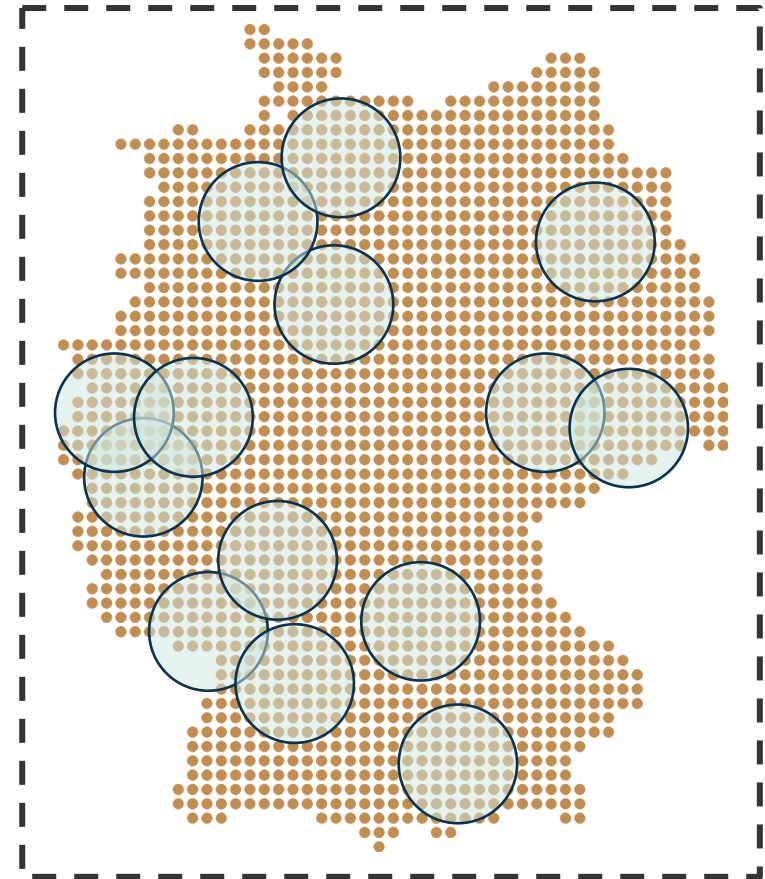
Extending our same-day express delivery coverage across all major metropolitan areas (>200 partner pharmacies)



Piloting and testing Q-commerce delivery options in selected metropolitan areas



Expanding our core mail-order assortment via 3<sup>rd</sup> party sellers, e.g. in supplements, remedies & aids and cosmetics

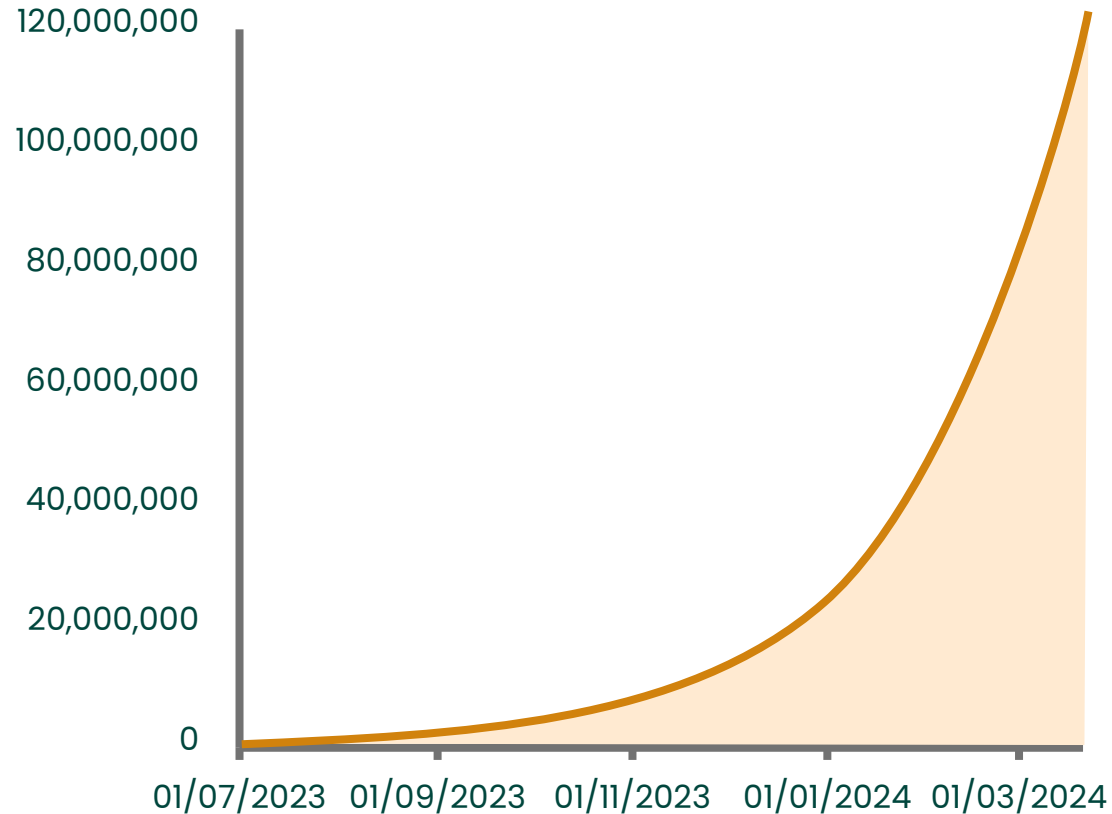


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# eScripts became the standard in Germany in only a few weeks!



- >300m eScripts redeemed in total
- >70% of scripts redeemed electronically<sup>1</sup>
- ~85% of doctors practices issued eScript<sup>1</sup>
- Encouraging eRx share in first months despite limited access to eScripts
- Full market access with go-live of fully digital redemption channel via CardLink (NFC-eGK)

Indicative curve, sources: Gematik, GAmSi, BFARM, company estimates | 1 last seven days as of 21 March 2024

# Seamless digital redemption channel opened access to the entire Rx market

## CardLink solution

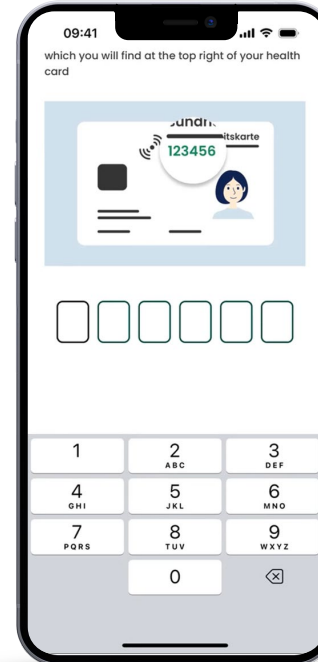
- Specifications published in agreement with data protection agencies (BSI<sup>1</sup> and BfDI<sup>2</sup>)
- Certification request handed in this week
- Approval and go-live expected within few weeks

## Best customer and patient convenience

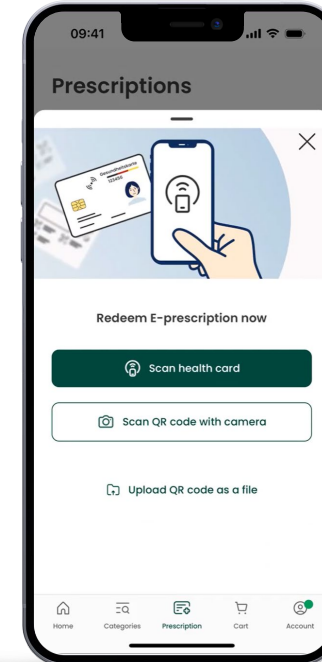
- Fast and easy eScript ordering with possibility to add OTC and BPC products
- Delivered next day with cut-off 8pm
- Most convenient repeat script service

## Three simple steps

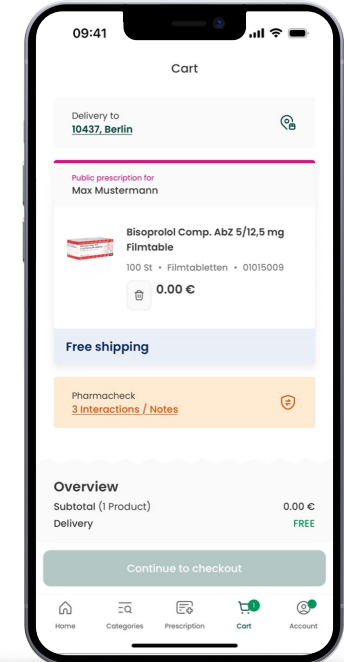
### 1. Authentication



### 2. Scan eGK<sup>3</sup>



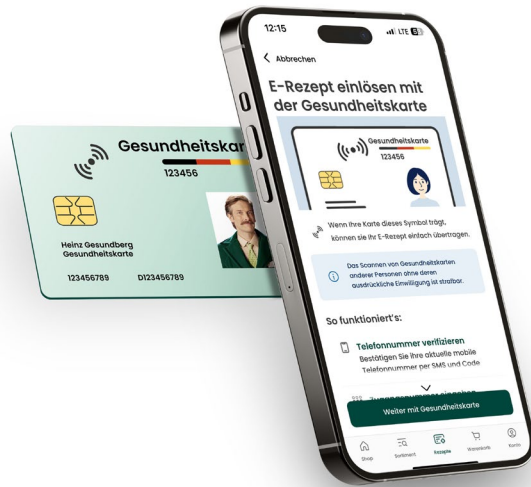
### 3. Check out



<sup>1</sup> Bundesamt für Sicherheit in der Informationstechnik (BSI) is the German Federal Office for Information Security | <sup>2</sup> Bundesbeauftragte für den Datenschutz und die Informationsfreiheit is the Federal Commissioner for Data Protection and Freedom of Information | <sup>3</sup> eGK is a mandatory digital health insurance card for every publicly insured resident in Germany

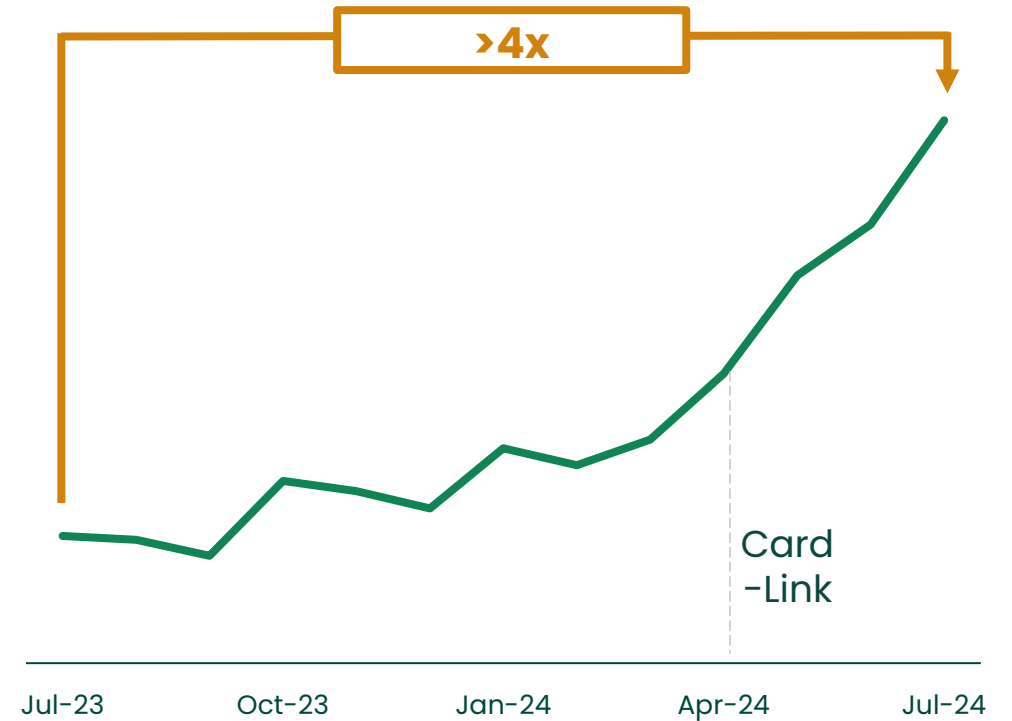
# CardLink triggers strong demand to redeem eRx with DocMorris

## Simple digital eRx redemption via CardLink

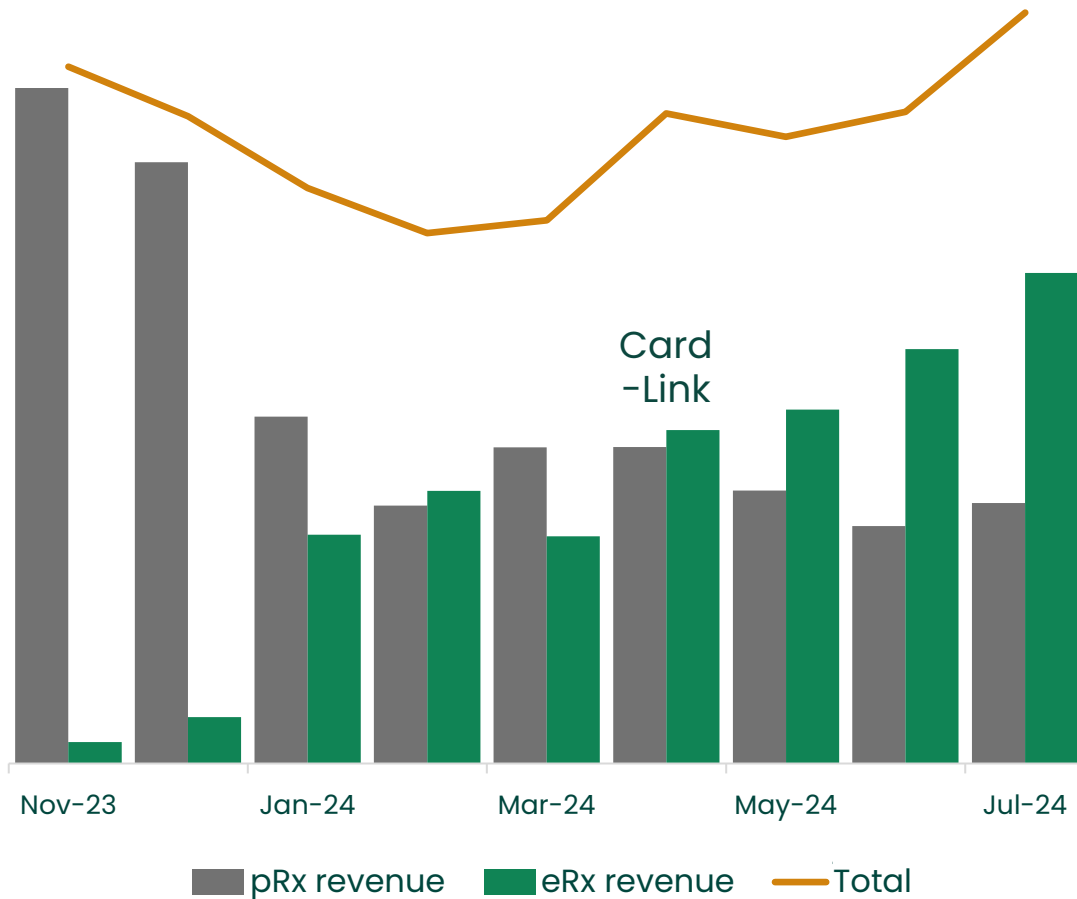


The app for the e-script  
**Scan. Redeem. Simply DocMorris.**

## Monthly new app downloads increased more than 4-fold



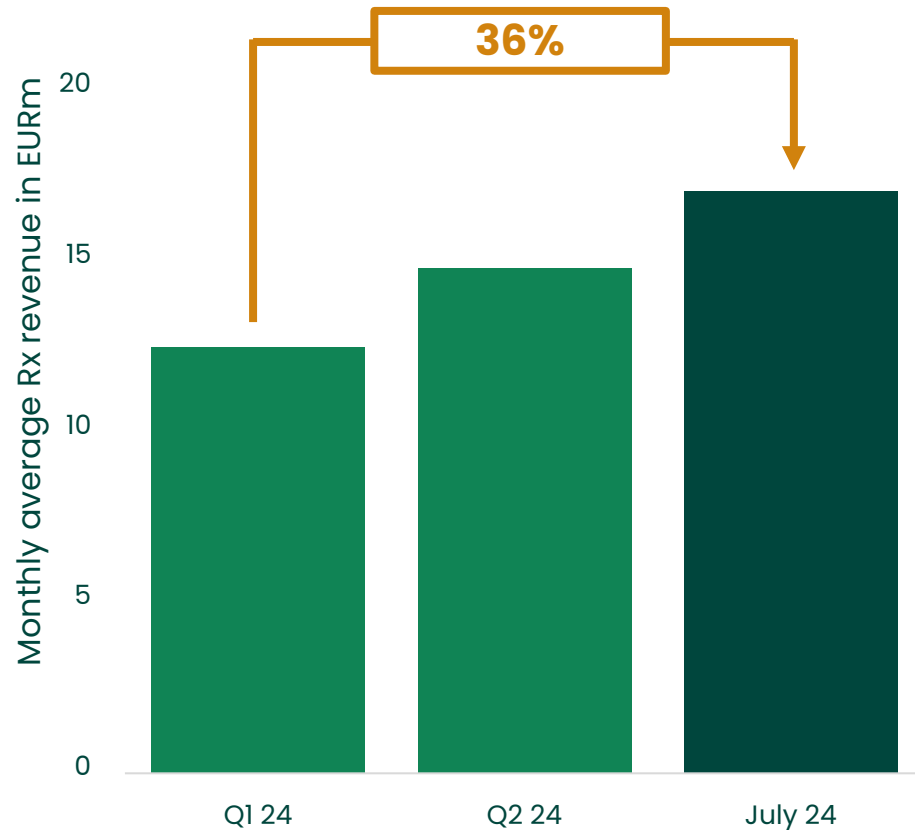
# Strong eRx growth overcompensates pRx drop since July



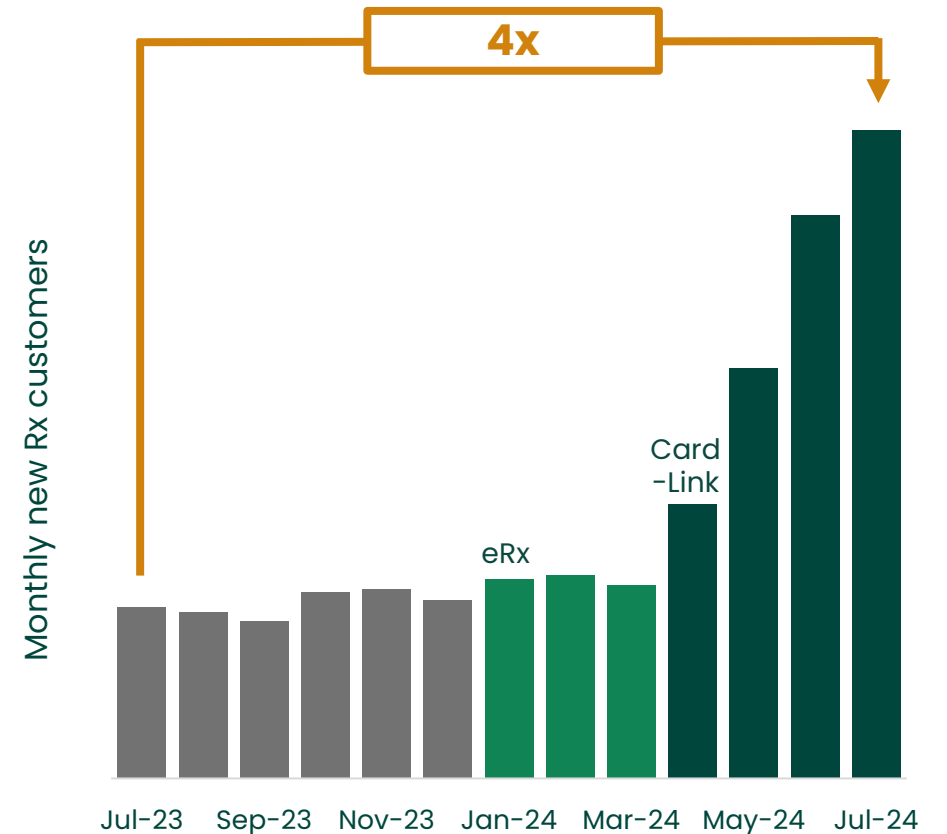
- High 2023 pRx base shows strong loyalty of DocMorris customers, even after Rx bonus ban
- Fast drop of pRx revenues due to system change to eRx and high statutory insurance share (GKV)
- >85% of former pRx customers ordered via eRx or pRx in Q2
- Continuous eRx ramp up due to very strong increase of new customers

# Continuous, encouraging eRx revenue and new customer growth

Monthly average Rx revenue grew 36% July on Q1

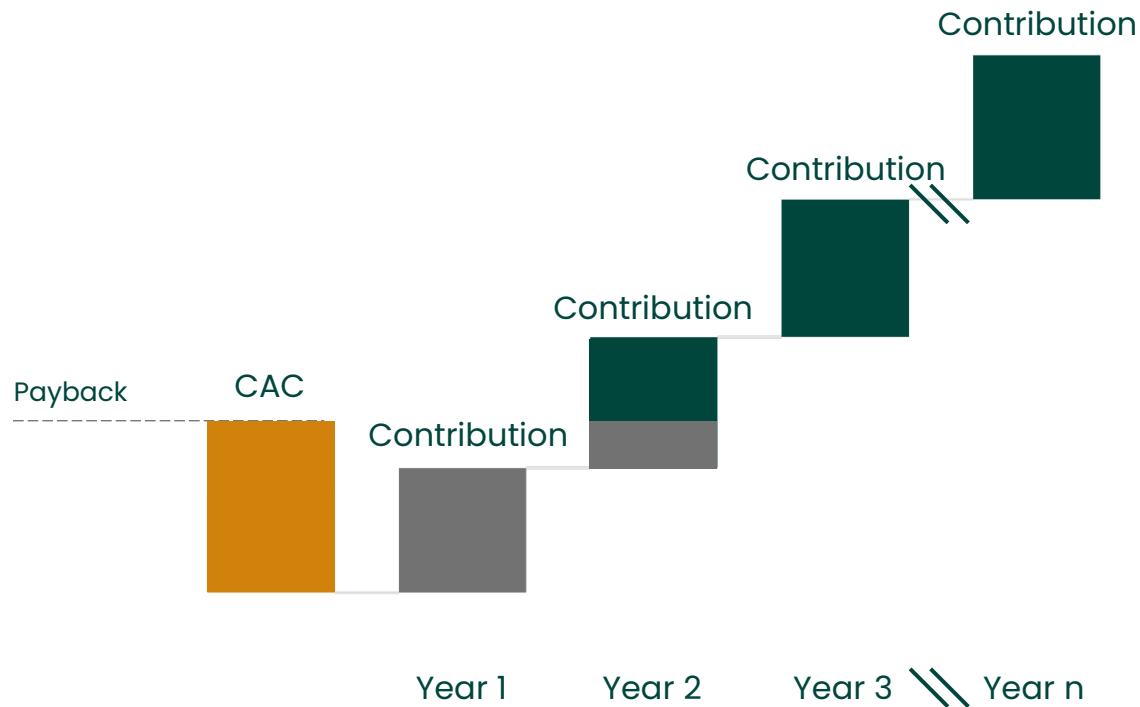


4x increase of new Rx customers yoy



# New eRx customer payback in less than 18 months, yet tend to stay for life

## Cumulative contribution margin



## Typical eRx customer steady state unit economics

- Basket size: >EUR100
- Order frequency p.a.: >4.5x
- Annual contribution: >EUR 63<sup>1</sup>
- Retention rate: >95%

eRx unit economics and key KPIs are better than expected

# Acceleration of successful Gesundbergs eRx campaign

## Strong positive response to Gesundbergs campaign

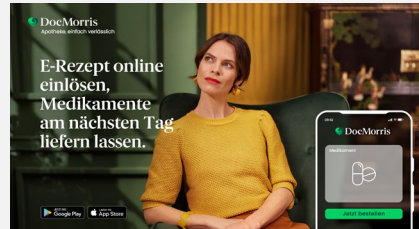
### Digital

- >900m ad impressions
- Cost per app install reduced



### TV campaign

- > 1.4 billion reach
- All main KPIs in consumer testing above benchmark



Die App für das E-Rezept  
**Einscannen. Einlösen.**  
**Einfach DocMorris**

## Marketing focus evolved in three phases

January – April 2024:  
**Create awareness**  
Switch pRx patients to eRx with QR  
print-out

April – August 2024:  
**Test and learn**  
Implement CardLink and enhance  
conversion

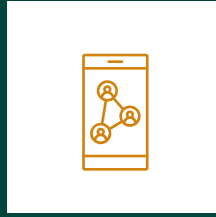
Since August 2024:  
**Optimise and grow**  
Drive eRx growth

# eRx in Germany as a once in a lifetime opportunity with attractive financials



## 1. EUR 55bn market<sup>1</sup>

- Digitalisation of ~700m scripts<sup>2</sup> per year
- 80%<sup>3</sup> chronic demand



## 2. <1% Rx online share pre eRx

- 25%<sup>2</sup> OTC online share in Germany
- 15%<sup>4</sup> Rx online share in Sweden



## 3. EUR >1bn eRx potential with existing OTC customers

- 26%<sup>5</sup> potentially chronic patients
- Revenue potential: >4x times pRx sales



## 4. 10x higher CLV than OTC<sup>6</sup>

- EUR 100 basket
- EUR 14 contribution margin vs. OTC EUR 6



## 5. DocMorris #1 brand

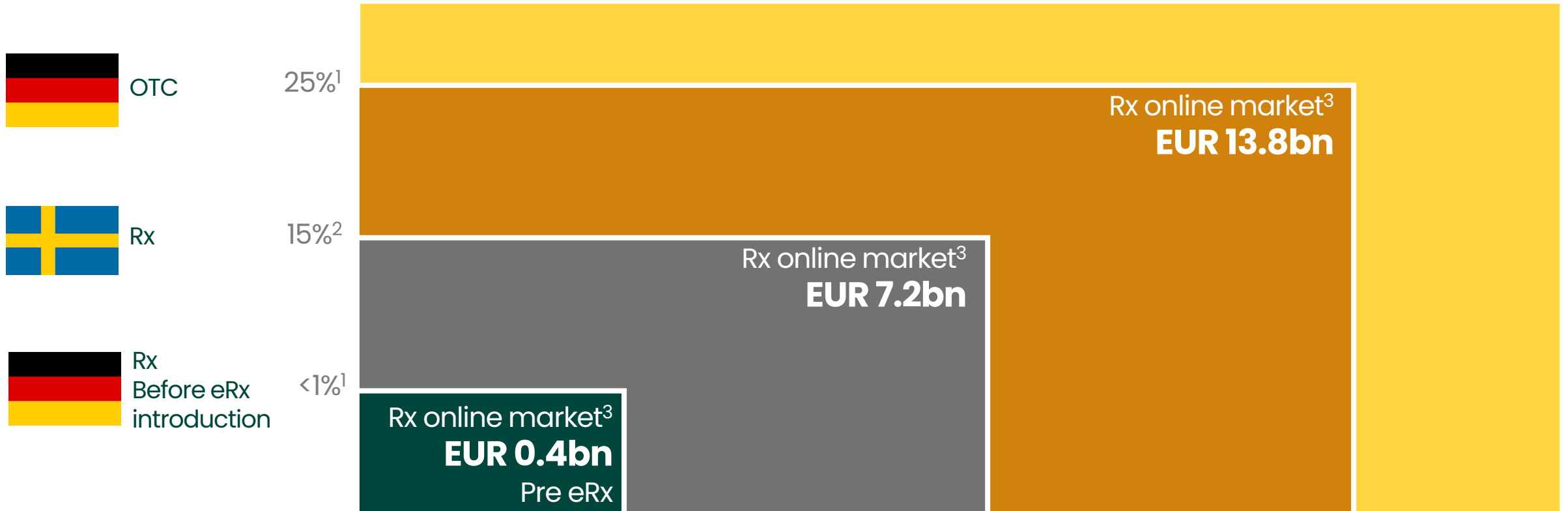
- DocMorris brand awareness: 70%<sup>7</sup>

<sup>1</sup> BMG 2023 | <sup>2</sup> BMG, company estimates 2023 | <sup>3</sup> DE 2020, WIdO | <sup>4</sup> Sveriges Apoteksforening: swedish pharmacy sector report 2024 | <sup>5</sup> wissenschaftliches Institut der AOK 2020 | <sup>6</sup> GfK 2022 | <sup>7</sup> as of June 2024; Kantarstudie 2024 (aided)



# Increasing online penetration through eRx expected, unlocking substantial potential...

## Online penetration



<sup>1</sup> BMG, company estimates 2023 | <sup>2</sup> Sveriges Apoteksforening: Swedish pharmacy sector report 2024 | Illustrative, assuming constant total market size of EUR 55bn

# Sweden: Strong case study for Rx online share growth to 10% in Germany

## Swedish (SE) Rx online market share has grown to 15% by 2023

- 0.7% in Germany (DE) before eRx roll-out

## German OTC online market share at 24%

- Strong affinity to purchase medicine online
- Cross-selling: OTC patients more likely to order Rx products online

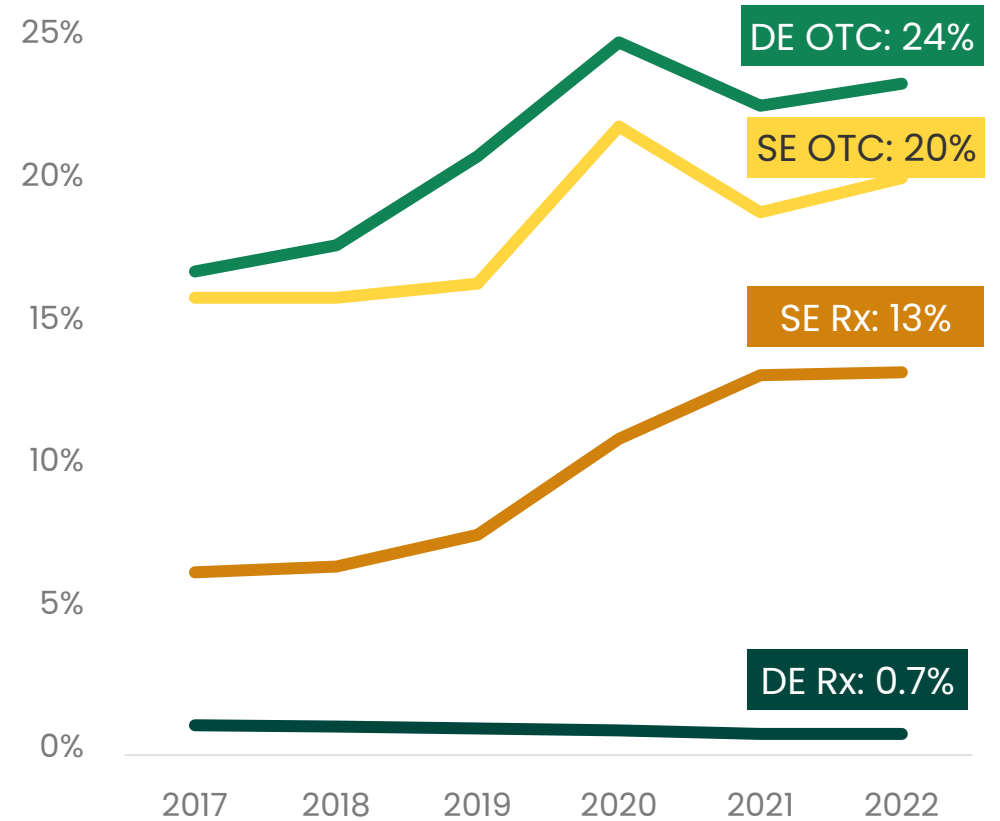
## SE is more digitized, but online purchase affinity similar in DE

- Swedish retail online share is at 15%, similar to Rx
- German retail online market share slightly lower at 12%







## Pharmacy density appears to be irrelevant for Rx online share

- Swedish Rx online share reached 13% from 0% in 2015, yet pharmacy density is unchanged
- Rx online share is higher in cities in SE; Germany is densely populated

Rx and OTC online shares in Sweden and Germany



# Achieving mid-term guidance: Newly opened eRx market in Germany offers highly attractive unit economics & strong contribution margins

Unit economics	OTC		pRx		eRx		DOCM	Mid-term development
Basket size / revenue	EUR 40		EUR 100		EUR 100		-	 Cross-selling, repeat script
Gross margin	EUR 11	28%	EUR 18	18%	EUR 21	21%	-	 Product mix, buying synergies
Fulfillment / operations	EUR 6	14%	EUR 9	9%	EUR 7	7%	-	 Scale effects
Contribution margin after fulfillment costs	EUR 6	14%	EUR 9	9%	EUR 14	14%	-	 Marketplace & ecosystem
Marketing							L-MSD%	 Scale effects
Indirect / corporate							L-MSD%	 Scale effects
<b>Adj. EBITDA margin</b>							<b>~8%</b>	Mid-term outlook

Numbers rounded to full Euros | Gross margins are as of FY23 | Operational expenses assume additional scale in mid-term due to eRx, with full readiness in costs now | Shows basket view, with c. 3 products in eRx as is observed today | EU segment has unit economics similar to OTC. The EU segment can be seen as part of this calculation to approximate the company mid-term guidance of an 8% adj. EBITDA margin

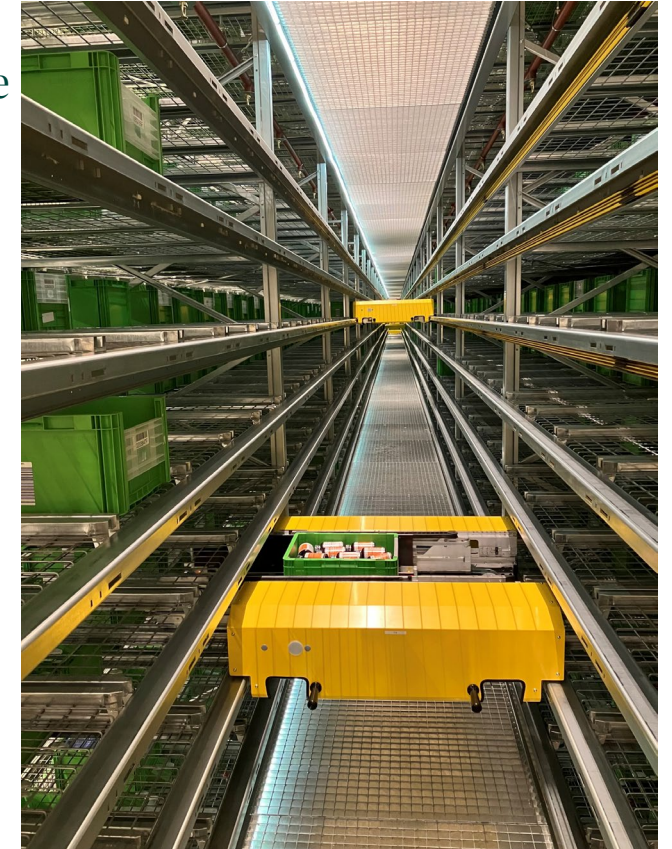
# State-of-the-art distribution centre in Heerlen enables cost-efficiency and speedy order handling for a large-scale eRx ramp-up

Ready to scale up to  
>CHF 3bn revenue

Faster order handling  
improves customer  
satisfaction

Expected to generate  
double-digit CHFm  
savings<sup>2</sup>

- Capacity to ship >30 million parcels p.a.; >50% available
- Large and highly skilled workforce & best-in-class pharmacist training
- eRx next day delivery promise<sup>1</sup>
- 40% reduced average time to shipment<sup>2</sup>
- New distribution centre with up to 80% automation
- Synergies via integration of DocMorris and Medpex
- eRx cost advantages vs. pRx due to more efficient fully digital process



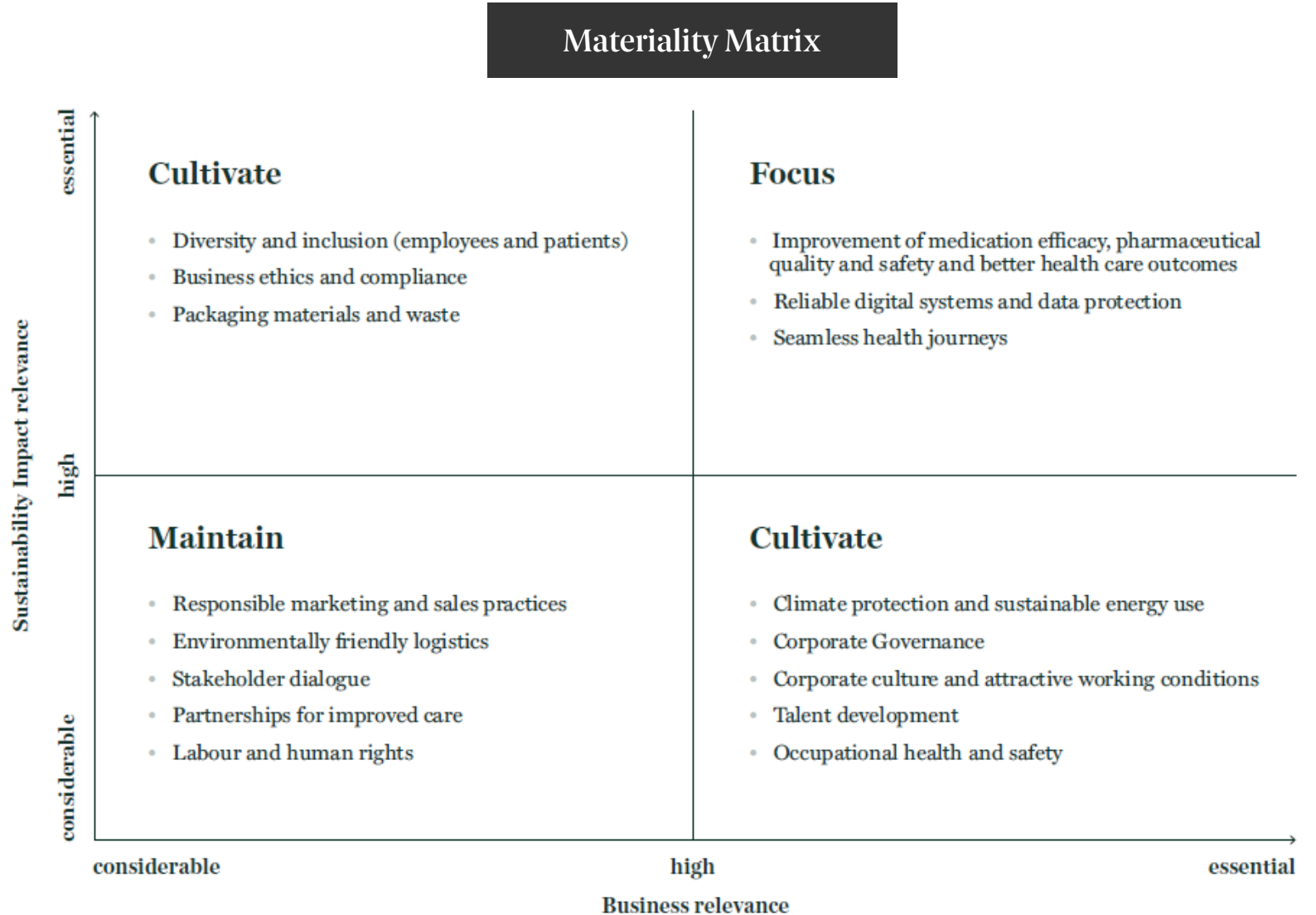
<sup>1</sup> Orders received prior to 8 pm on a workday | <sup>2</sup> 2023 compared to period in 2022 | <sup>3</sup> Compared to pro-rated shipment costs for the same number of parcels prior to Heerlen inauguration in August 2022

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# Sustainability approach aligned with Sustainable Development Goals

- Our core business is sustainable: offering access to medication in a convenient and high-quality process
- Our 4 strategic pillars are Sustainable Planet, Healthier People, Reliable Partnerships and Caring Company
- We are committed to the UN Sustainable Development Goals (SDGs) and the UN Global Compact
- Third Sustainability Report 2023 set clear targets advances the substantial efforts made so far



Sustainability: Making our environment healthier

# Sustainability targets exceeded; tremendous CO<sub>2</sub> reduction

## Healthier People

- New chronic care services: HIV & kidney health
- New clinical pharmacy services and repeat script scaling

## Sustainable Planet

- DE segment powered with renewable energy, saving ~75% scope 1 & 2 emissions

## Caring Company

- Gender pay gap remains low: Focus on equal pay for new hires and promotions
- #OurJourney (culture) for 95% of employees reached

## Reliable Partnerships

- ~30% signed Supplier Code of Conduct, above 25% target

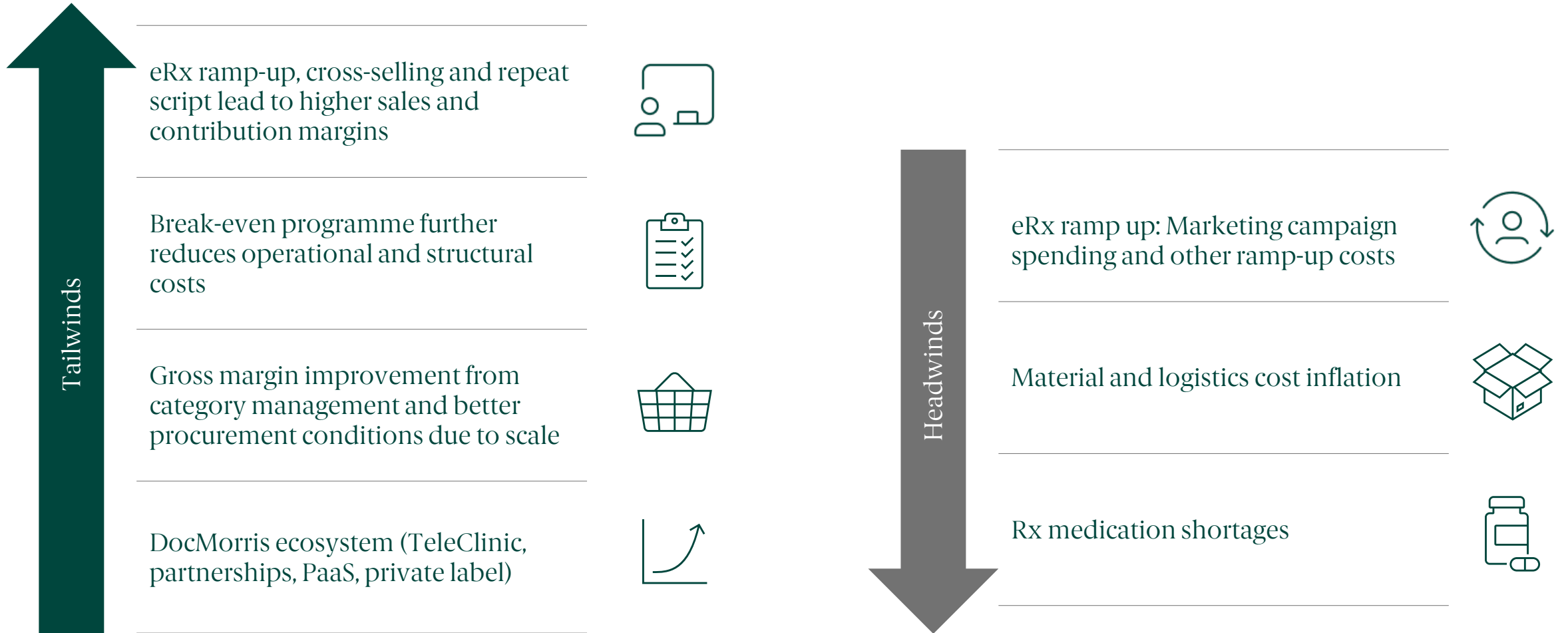


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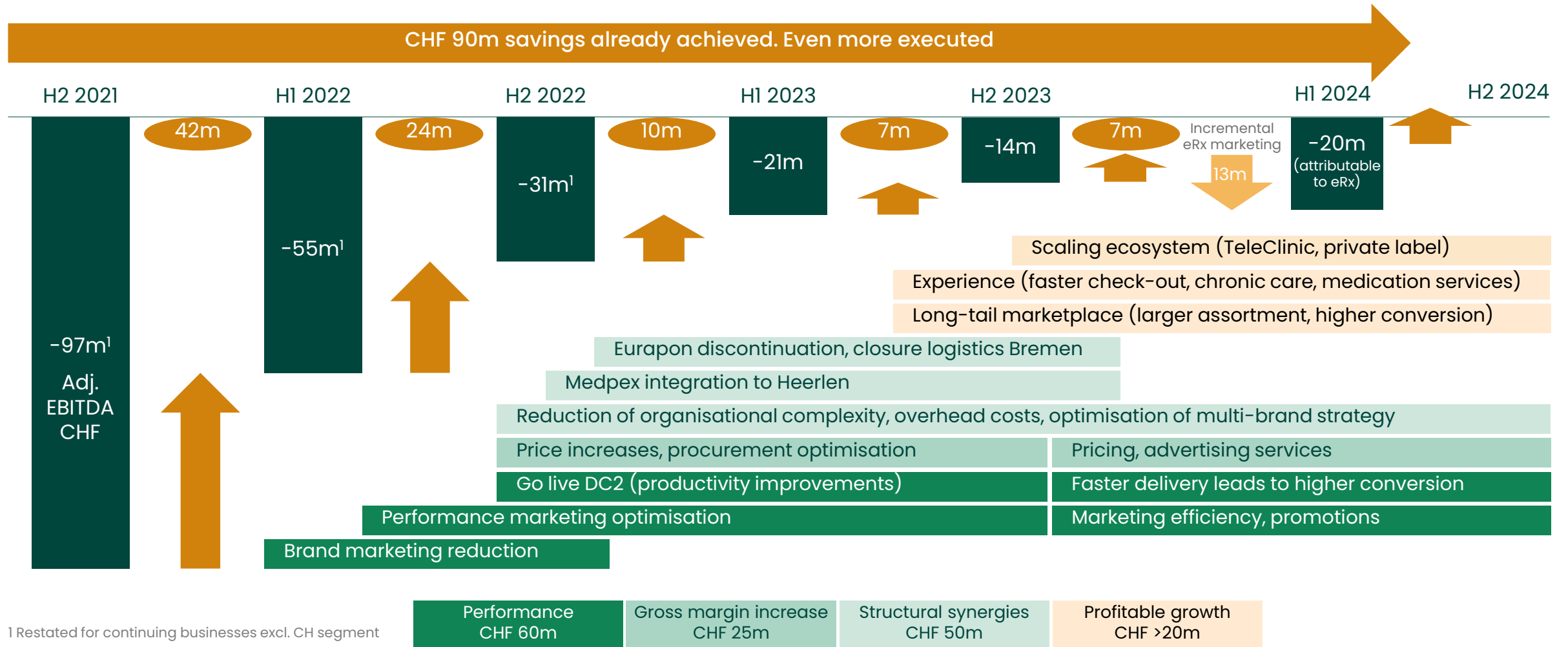
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# EBITDA drivers for H2 2024

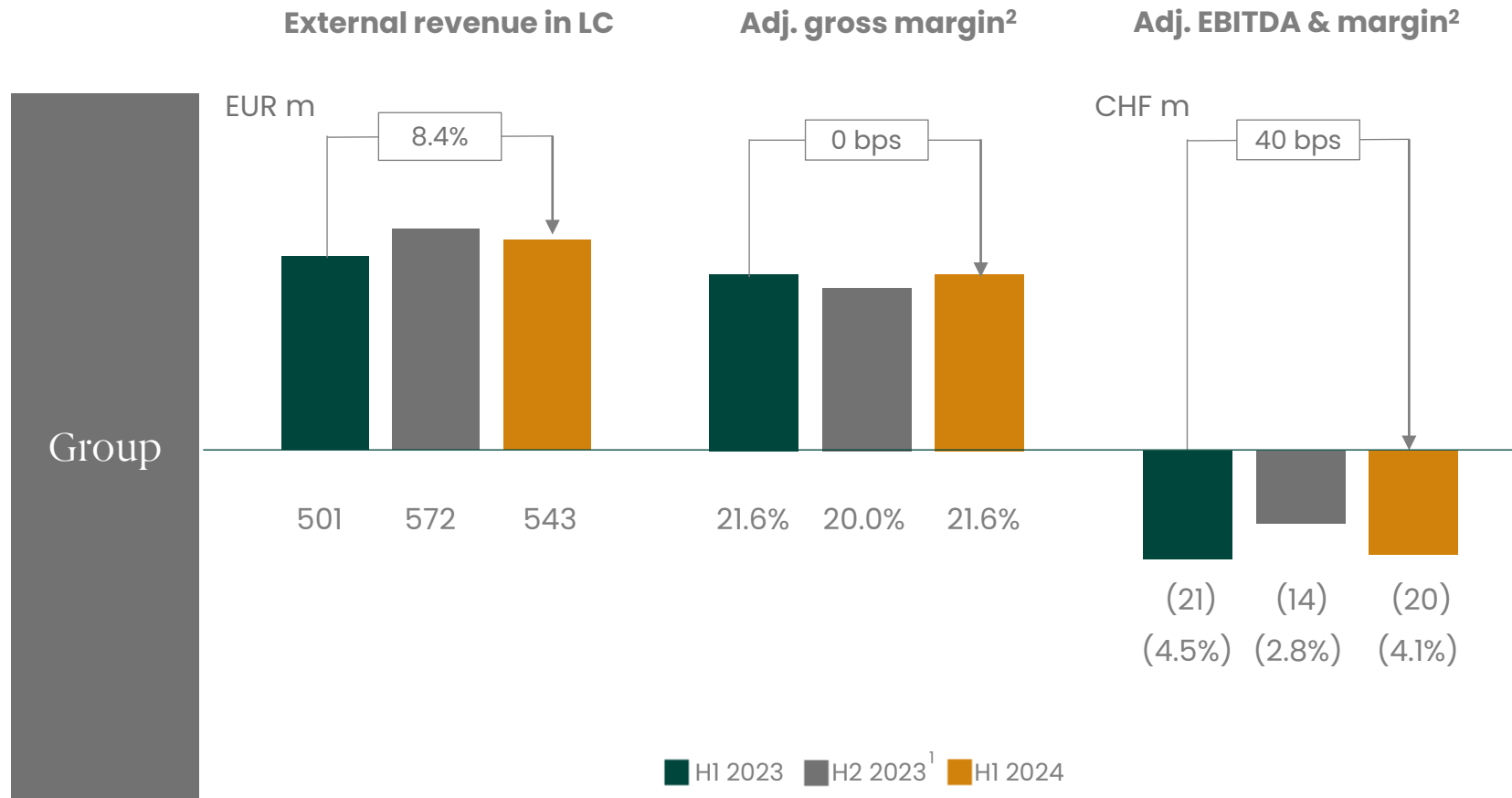


# Continuous execution of path to profitability programme led to break-even in base business



1 Restated for continuing businesses excl. CH segment

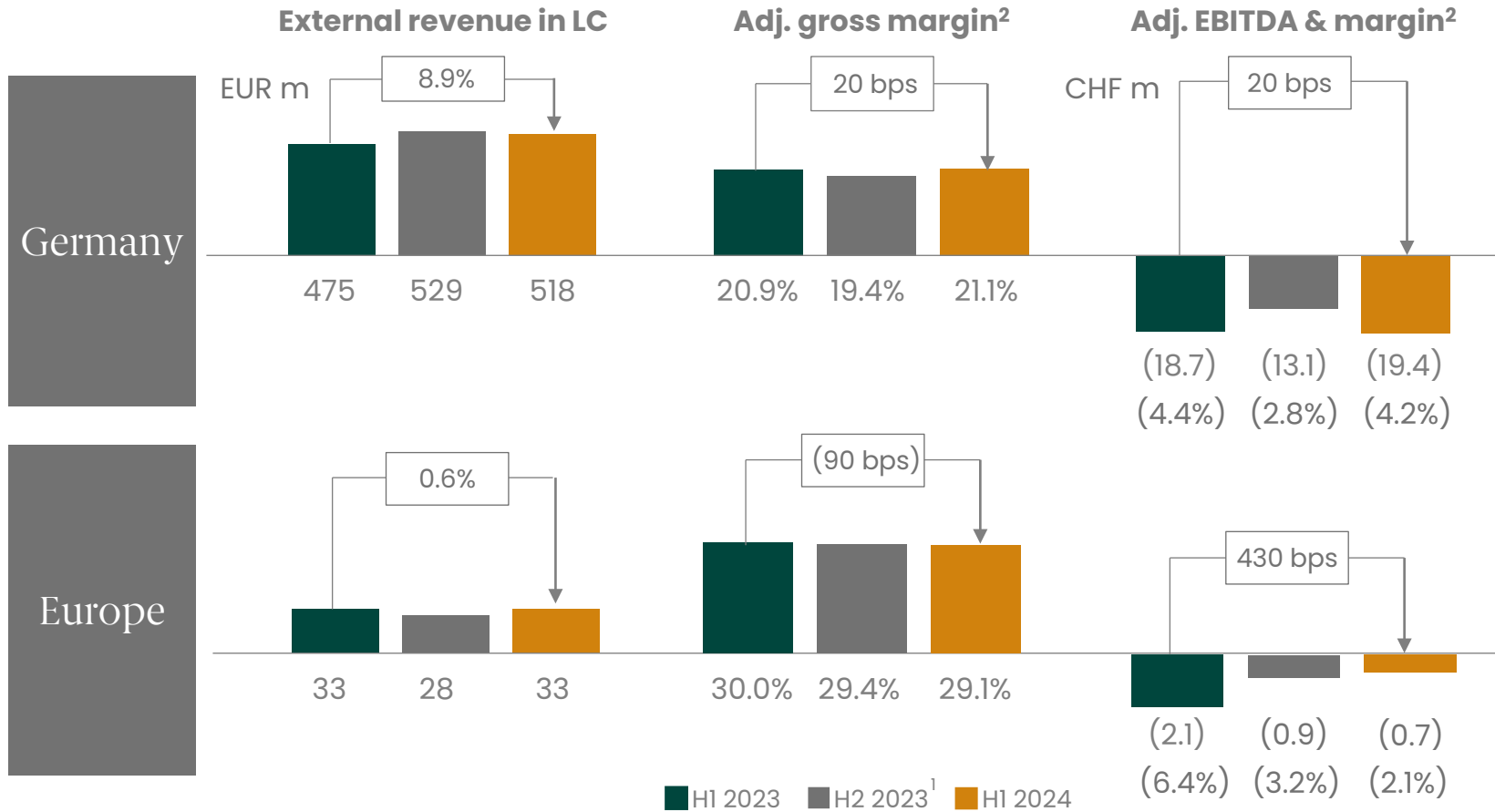
# Revenue growth and stable EBITDA despite pRx drag from Q1 and incremental eRx marketing spent



- Continuous focus on profitable customer base and efficient marketing despite eRx campaign
- Rx headwind due to pRx drag starting in Q1 and CardLink only being available since mid-end April
- External revenue up 5.7% (8.4% in LC)
- Adj. EBITDA improved CHF 14m excluding incremental marketing for eRx

<sup>1</sup> Due to positive court ruling, DocMorris received manufacturer rebates that led to a CHF 3m one-off adjustment in the German segment | <sup>2</sup> based on consolidated revenue in CHF

# Both segments, Germany and Europe, improve adj. EBITDA margins yoy



- OTC revenue grew 9.7% (12.5% in LC)
- Rx down at start of H1 as eRx shift led to patients not being able to redeem paper scripts at online pharmacies
- Adj. EBITDA margin and gross margin improved yoy
- Adj. EBITDA includes CHF 13m eRx opportunity marketing increment

- Turnaround achieved with 10.9% revenue growth H1 vs 23H2
- Continued focus on profitable customers and marketing efficiency
- Strong improvement in EBITDA margin yoy by 430 bps

<sup>1</sup> Due to positive court ruling, DocMorris received manufacturer rebates that led to a CHF 3m one-off adjustment in the German segment | <sup>2</sup> based on consolidated revenue in CHF

# H1 2024: Strong improvement of personnel expenses partially compensate for incremental eRx marketing

in CHF m	H1 2023	Margin in %	H1 2024	Margin in %
External revenue <sup>1</sup>	501.4		530.1	
External revenue <sup>1</sup> , in local currency	501.4		543.4	
<b>Consolidated revenue</b>	<b>463.0</b>		<b>496.3</b>	
Gross profit	99.9	21.6	107.2	21.6
Personnel expenses adj.	(55.1)	(11.9)	(47.3)	(9.5)
Marketing expenses	(22.2)	(4.8)	(35.4)	(7.1)
Distribution expenses	(23.1)	(5.0)	(26.4)	(5.3)
Other operating income & expenses adj.	(20.3)	(4.4)	(18.2)	(3.7)
<b>Adj. EBITDA</b>	<b>(20.8)</b>	<b>(4.5)</b>	<b>(20.1)</b>	<b>(4.1)</b>
Adjustments	(7.3)		(1.5)	
M&A	(4.7)		0.0	
Restructuring, Integration	(2.6)		(1.1)	
Other	(0.0)		(0.4)	
EBITDA	(28.1)	(6.1)	(21.7)	(4.4)
EBIT	(48.8)	(10.5)	(44.4)	(8.9)
Net income from cont. operations	(58.2)	(12.6)	(37.9)	(7.6)
Net income from disc. operations	199.8		0.0	

- Significant cost margin improvement due to path to profitability programme
  - personnel expense (+2.4 pp)
  - other operating income & expenses (+0.7 pp)
- Marketing expenses increased due to eRx launch
- Only minor adjustments in 1H24
- Financial result positively impacted by non-cash FX translation effect

<sup>1</sup> External revenue consists of the consolidated revenue of DocMorris plus mail order revenues of pharmacies supplied by DocMorris, less the consolidated revenue from supplying them

## FY 2023: Operational expenses improved noticeably

in CHF m	FY 2022 <sup>1</sup>	Margin in %	FY 2023 <sup>2</sup>	Margin in %	FY yoy in %
External revenue <sup>3</sup>	1,159.5		1,037.5		(10.5)
External revenue <sup>3</sup> , in local currency	1,159.5		1,073.1		(7.4)
<b>Consolidated revenue</b>	<b>931.0</b>		<b>966.9</b>		<b>3.9</b>
Gross profit adj.	161.4	17.3	200.8	20.8	24.4
Personnel expenses adj.	(106.2)	(11.4)	(102.1)	(10.6)	(3.8)
Marketing expenses	(52.8)	(5.7)	(48.8)	(5.0)	(7.6)
Distribution expenses	(37.0)	(4.0)	(47.8)	(4.9)	29.2
Other operating income & expenses adj.	(50.8)	(5.5)	(37.0)	(3.8)	(27.2)
<b>Adj. EBITDA</b>	<b>(85.5)</b>	<b>(9.2)</b>	<b>(34.9)</b>	<b>(3.6)</b>	<b>59.2</b>
Adjustments	(7.1)		(3.5)		51.2
M&A	14.7		(0.2)		101.6
Restructuring, Integration	(17.5)		(4.8)		72.3
Other	(4.3)		1.6		136.5
EBITDA	(92.6)	(9.9)	(38.4)	(4.0)	58.6
EBIT	(140.0)	(15.0)	(83.2)	(8.6)	40.5
Net income from cont. operations	(171.1)	(18.4)	(117.6)	(12.2)	31.3
Net income from disc. operations	0.0		199.8		

- 23H2 Adj. gross margin increased by 150 bps yoy, due to brand integration and price increases
- Brand integration of Medpex limited the reduction of personnel expenses and increased distribution expenses
- Break-even programme with positive impact on other expenses
- H2 EBITDA adjustments positive due to rebates and earn-out
- Financial result negatively impacted by non-cash FX translation

<sup>1</sup> Restated for continuing businesses excl. CH segment | <sup>2</sup> Due to positive court ruling, DocMorris received manufacturer rebates that led to a CHF 3m one-off adjustment in the German segment | <sup>3</sup> External revenue consists of the consolidated revenue of DocMorris plus mail order revenues of pharmacies supplied by DocMorris, less the consolidated revenue from supplying them

# Solid balance sheet with comfortable cash position

in CHF m	31 Dec 2023	%	30 Jun 2024	%
Cash and cash equivalents	54.0		105.1	
Current financial assets	97.0		90.0	
Receivables	79.2		82.0	
Inventories	51.8		44.3	
Property, plant & equipment	45.5		43.1	
Right-of-use assets	28.2		26.9	
Intangible assets	495.1		507.7	
Other non-current assets	15.6		15.9	
<b>Total assets</b>	<b>866.4</b>		<b>915.1</b>	
Financial liabilities	42.8		40.7	
Payables & accrued expenses	82.5		92.5	
Bonds	302.1		374.9	
Other liabilities	8.5		7.3	
Equity	430.5	49.7	399.7	43.7
<b>Total equity and liabilities</b>	<b>866.4</b>		<b>915.1</b>	

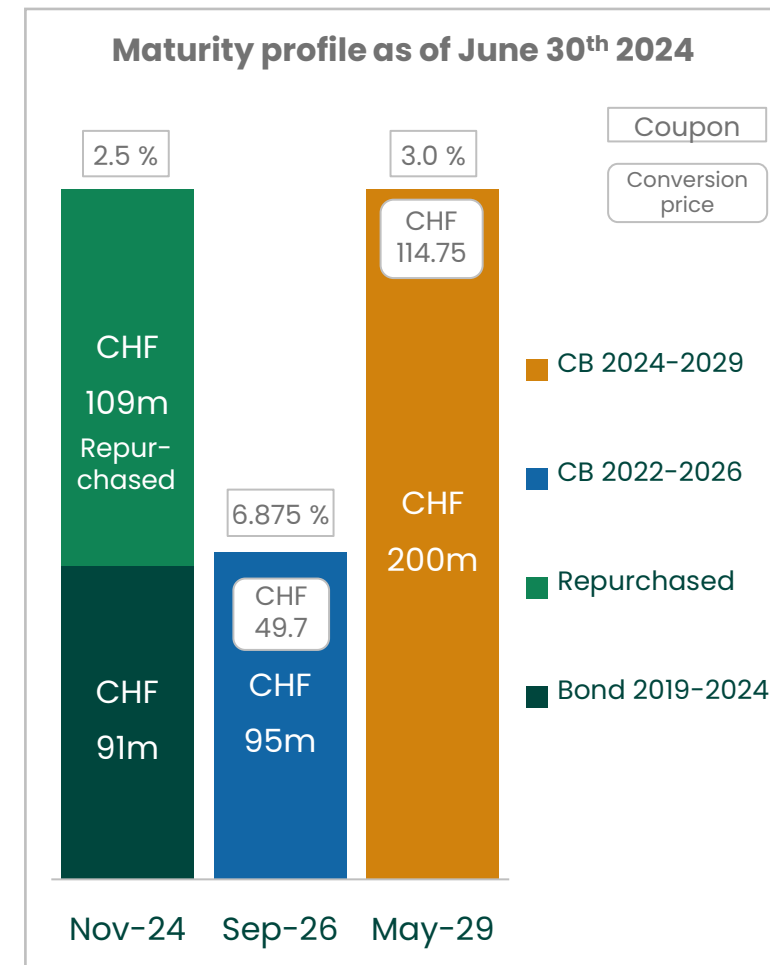
- Highly attractive asset-light business model
- Comfortable cash position of CHF 195.1m plus ~CHF 26m from sale of non-operational property in Q3 (transaction closed in August)
- Earn-out of CHF 47m for Swiss business sale received in Q2
- Convertible bond 2025 refinanced & purchased back in Q2
- Debt maturity profile with >50% outstanding in May 2029
- Net working capital normalized: Improvement by CHF 20m vs FY23 due to inventory reduction and increase of payables

# Debt maturity and cash flow overview

in CHF m	H1 2023	H2 2023	H1 2024
<b>Cash start of period</b>	<b>126.0</b>	<b>199.7</b>	<b>54.0</b>
Operating cash flow	(34.6)	(50.2)	(11.1)
Financing cash flow	(14.3)	(3.2)	191.9
Investing cash flow	(24.0)	(31.9)	(6.7)
Sale CH segment net proceeds	282.7	(7.0)	0.0
Repurchase bonds	(136.0)	(51.8)	(124.0)
Foreign currency differences	(0.1)	(1.6)	1.0
<b>= Free Cash Flow</b>	<b>73.8</b>	<b>(144.0)</b>	<b>50.1</b>
Cash end of period	199.7	54.0	105.1
<b>Cash position<sup>1</sup></b>	<b>282.1</b>	<b>151.1</b>	<b>195.1</b>

in CHF m	30 June 2023	31 Dec 2023	30 June 2024
Public Bonds	352.6	302.1	374.9
+ Lease liabilities	32.2	28.7	27.7
+ Other financial liabilities	19.8	14.1	12.9
<b>= Financial debt</b>	<b>404.6</b>	<b>344.9</b>	<b>415.6</b>
- Cash and cash equivalents	199.7	54.0	105.1
- Current financial assets	82.4	97.0	90.0
<b>= Net financial debt</b>	<b>122.5</b>	<b>193.9</b>	<b>220.5</b>

<sup>1</sup> including fixed deposit investments and other current financial assets





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4. DocMorris ecosystem: The solution to healthcare challenges
5. ePrescriptions: The key digitalisation enabler in Germany
6. Sustainability: Making our environment healthier
7. Financials: Our path towards profitability
- 8. Outlook: Growth at attractive margins**
9. Key takeaway: Health in one click as a unique opportunity

## Key takeaways

- 1** CardLink is a great success
- 2** App downloads, Rx sales and new Rx customers are growing significantly since CardLink
- 3** eRx unit economics and key KPIs are better than expected
- 4** eRx is the proven driver for profitable growth
- 5** Unique strategic opportunity to invest in valuable new eRx customers with payback less than 18 months



## Lower outlook: Investing in new eRx customer growth

External revenue <sup>1</sup> 2024 in local currency	5% to 10% growth (including eRx) previously: >10% growth (including eRx)	2023: CHF 1,038m
Adj. EBITDA 2024	Around CHF -50m (break-even excl. eRx) previously: CHF 0 to CHF -35m (including eRx)	2023: CHF -35m
Capital expenditure 2024	Around CHF 30m previously: CHF 30 to CHF 40m	2023: CHF 28m
Adj. EBITDA margin mid-term	Around 8% confirmed	

- Switching from indicative to firm outlook
- Lower revenue due to:
  - Limited market access until CardLink in April
  - pRx revenue drop
- Lower EBITDA due to:
  - Additional eRx customer growth investment
  - Lower Rx contribution

<sup>1</sup> External revenue consists of the consolidated revenue of DocMorris plus online revenues of pharmacies supplied by DocMorris, less the consolidated revenue from supplying them

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Key takeaway: Health in one click as unique opportunity

# DocMorris at the sweetspot of healthcare, technology and e-commerce to provide best-in-class patient and customer experience



Thank you



# Shareholder structure

As of August 15 2024

## 100% free float

UBS Fund Management	5.61%
Frank M. Sands, Jr.	4.93%
Psquared Asset Management	3.63%
Swisscanto Fondsleitung	3.06%
Management as per December 31, 2023	0.86%
Board of Directors as per December 31, 2023	1.39%
Other shareholders	80.52%

As of August 15 2024

Shares	14,820,639
Thereof own shares	3,020,072
Thereof share lending facility <sup>1</sup>	3,018,596
<b>Shares outstanding</b>	<b>11,800,567</b>
Convertible Bond 22-26 (outstanding/nominal CHF 95m, conversion price CHF 49.7)	1,908,541
Convertible Bond 24-29 (outstanding/nominal CHF 200m, conversion price CHF 114.75)	1,742,919
Shares outstanding (diluted)	15,452,027

<sup>1</sup> DocMorris Finance B.V. holds 3,018,596 treasury shares, which serve as a share lending facility to support the convertible bonds issued in 2022 and 2024.

# Financial calendar

Date	Event/Publication
August 20 <sup>th</sup> , 2024	H1 2024 Results (incl. conference call)
October 15 <sup>th</sup> , 2024	Q3 2024 Trading Update
January 21 <sup>st</sup> , 2025	Revenue 2024
March 13 <sup>th</sup> , 2025	2024 FY Results and Outlook 2025 (incl. conference call)
April 17 <sup>th</sup> , 2025	Q1 2025 Trading Update
May 8 <sup>th</sup> , 2025	Annual General Meeting 2025
August 19 <sup>th</sup> , 2025	H1 2025 Results (incl. conference call)
October 16 <sup>th</sup> , 2025	Q3 2025 Trading Update



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