



1Q24 Results

Eurofarma, Brazilian multinational pharmaceutical company with a presence in **22 countries**, announces its results for the first quarter and of 2024.

The financial data provided in this document originates from the consolidated financial statements prepared in accordance with:

Standards

CPC Accounting Pronouncements Committee

IFRS International Financial Reporting Standards

Issued by

IASB International Accounting Standards Board

Highlights | Consolidated Financial Indicators

Highlights (R\$ million)	1Q24	1Q23	Δ%
Net Revenue	2,830.6	2,430.9	16.4%
Gross Profit	1,886.3	1,635.9	15.3%
Gross Margin	66.6%	67.3%	-0.7 p.p.
Expenses	(1,310.3)	(1,016.1)	29.0%
% Net Revenue	46.3%	41.8%	4.5 p.p.
R&D¹	153.9	114.1	34.8%
EBITDA	669.8	687.6	-2.6%
EBITDA Margin	23.7%	28.3%	-4.6 p.p.
Adjusted EBITDA²	811.9	798.2	1.7%
Adjusted EBITDA Margin	28.7%	32.8%	-4.2 p.p.
Net Income	176.7	351.0	-49.7%
Net Margin	6.2%	14.4%	-8.2 p.p.
Operating Cash Flow (OCF)	529.5	317.3	66.9%

¹Includes the amount capitalized as intangible assets

²Adjusted by R&D

Executive Summary¹



In the first quarter of 2024, Eurofarma achieved:

growth of **16%** in net revenue

totaling **R\$2.8 billion**

and Adjusted EBITDA of **R\$812 million**

with adjusted EBITDA margin of **29%**

In the first quarter of 2024, the Brazilian pharmaceutical market witnessed encouraging signs of growth, with Eurofarma maintaining its dominant position in prescription drugs, commanding a 10% market share according to the March 2024 Close-up survey. The Company's net revenue in Brazil surged by 9% compared to 1Q23, reaching an impressive R\$2.2 billion.

With an extensive presence across all Latin American countries, as well as operations in the United States and select African countries, Eurofarma made significant strides towards its ambition of global expansion. It sustained its leadership in medical prescription drugs throughout Latin America, clinching a 4.3%² market share, a testament to the firm establishment of the Eurofarma brand and the widespread recognition of the quality and innovation embodied in its product line by healthcare practitioners.

Beyond the borders of Brazil, Eurofarma experienced a 53% surge in net revenue compared to 1Q23, amounting to R\$610 million, constituting 22% of the Company's consolidated net revenue. During the period, the integration of Genfar, boasting a manufacturing facility in Colombia and a footprint in Peru and Ecuador, bolstered Eurofarma's position in the generics market across Latin America, excluding Brazil, where the Eurofarma brand is already firmly established for generic drugs.

Eurofarma remains steadfast in its long-term strategy of amplifying investments in innovation, spanning research and development initiatives, strategic partnerships, licensing agreements, novel business ventures, and digital innovations. In the first quarter of 2024 alone, the company allocated a total of R\$ 154 million to R&D endeavors, representing 5% of its net revenue for the period. Eurofarma released over 30 new products this quarter, spanning various categories such as oncology, prescription medications, hospital supplies, generic drugs, and OTC pharmaceuticals.

¹ The non-financial data presented in this report, including market share and others, constitute non-accounting metrics and have not undergone review by independent auditors.

² Close-Up Survey MAT Mar/24 (includes Brazil).

As a trailblazer in sustainability and ESG matters, Eurofarma has documented its achievements and advancements in its Sustainability Report. This report adheres to the rigorous standards set forth by the Global Reporting Initiative (GRI) and incorporates key indicators outlined by the Sustainability Accounting Standards Board (SASB) specific to the Biotechnology & Pharmaceutical sectors. Through transparent and data-driven content, the report provides a comprehensive overview of issues pertinent to society, employees, and the market.

The Company remains committed to strengthening its distinctive Eurofarma Way of Being, a framework that fosters essential transformations and propels the attainment of objectives. Central to this ethos are pillars of well-being, quality of life, professional growth, diversity, and inclusion.

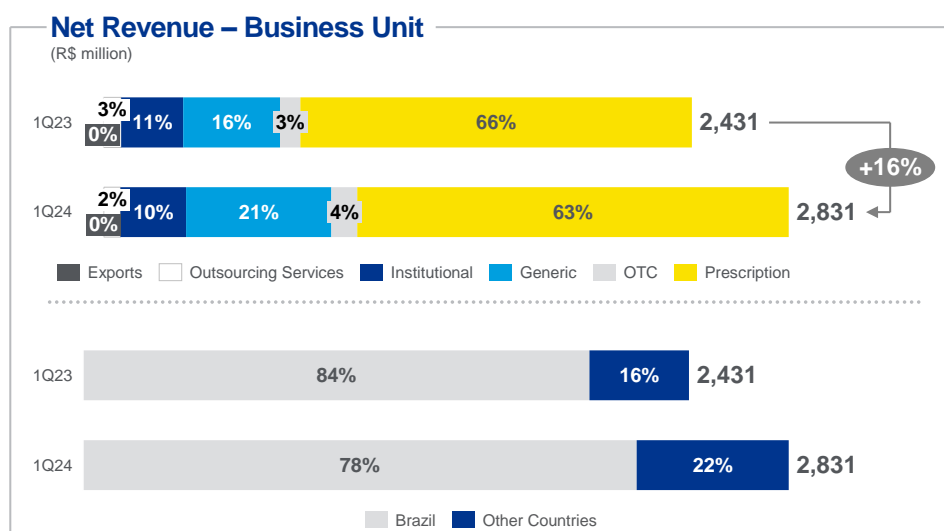
Guided by its core Values, deeply ingrained within its operations and cultural fabric, Eurofarma strides forward with confidence in its significant progress, upholding principles of transparency and ethics, maintaining its trajectory of sustainable growth while ensuring global impact.

Net revenue

In 1Q24, Eurofarma³ was the most prescribed laboratory in Latin America, with a 4.3%⁴ market share; this confirms the Eurofarma brand's solid position in the Latin American market and the recognition of the quality and innovation of its products by healthcare professionals. According to IQVIA's demand data (MAT, Mar/24), Eurofarma was the runner-up in prescription and generic drugs, with a market share of 4.2% and 9.5%, respectively.

In Brazil, the Company continues to lead the prescription segment with a 10%⁵ market share. In 1Q24, according to IQVIA's demand data (MAT, Mar/24), Eurofarma was the runner-up in prescription and generic drugs, with a market share of 6.3% and 13.2%, respectively.

In the first quarter of 2024, Eurofarma achieved consolidated net revenue totaling R\$2.8 billion, marking a notable 16% surge compared to 1Q23. This growth was primarily driven by the performance of key units including prescription medications, generics, oncology, and OTC. Additionally, the Company's operations outside Brazil made significant contributions to this revenue surge, further bolstered by the acquisition of Genfar, adding R\$215 million to Eurofarma's net revenue for the quarter.



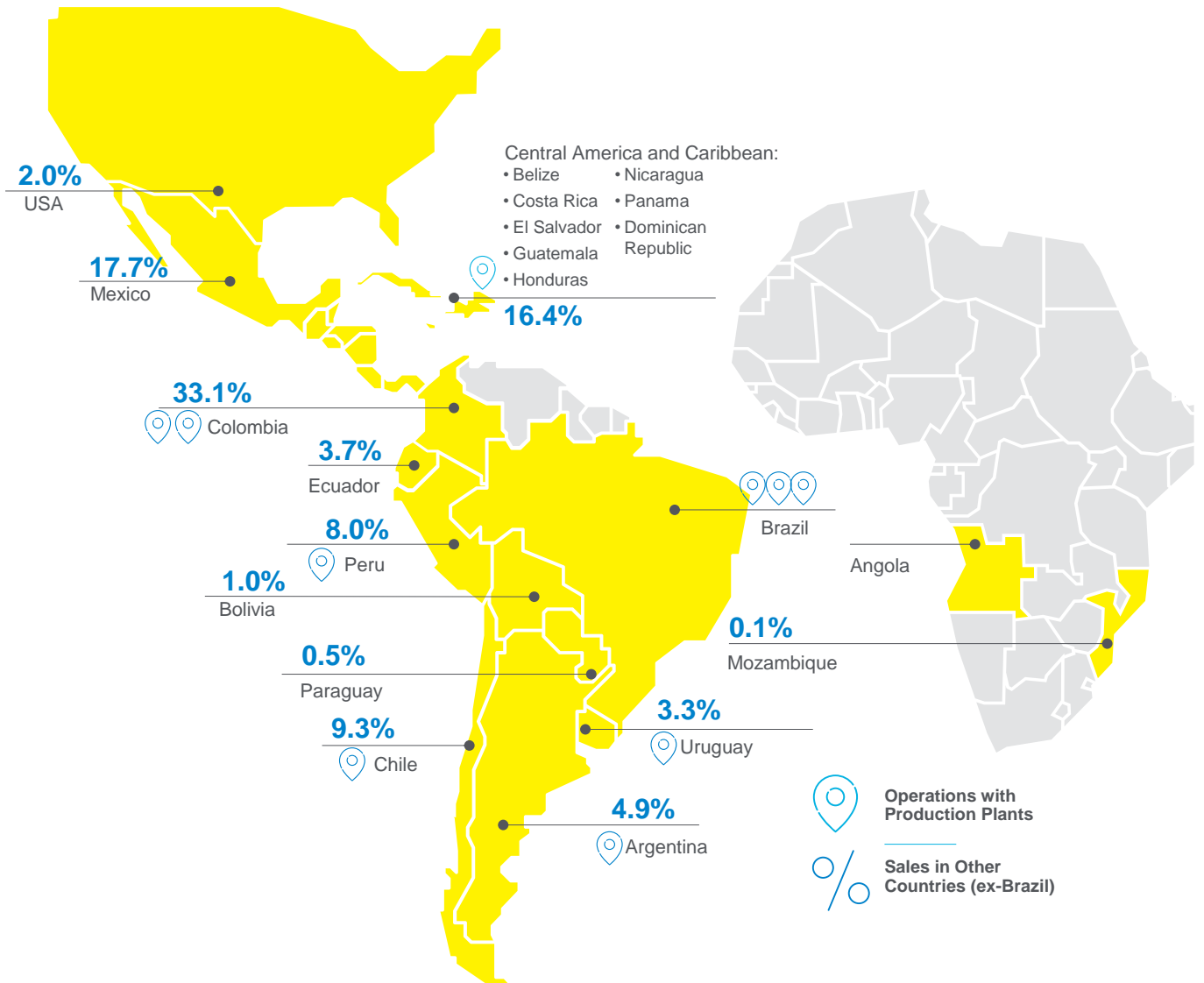
³ Eurofarma Corp (Eurofarma + Momenta + Supera + Genfar).

⁴ Close-Up Survey MAT Mar/24 (includes Brazil, Bolivia Feb/24).

⁵ Close-Up Survey MAT Mar/24

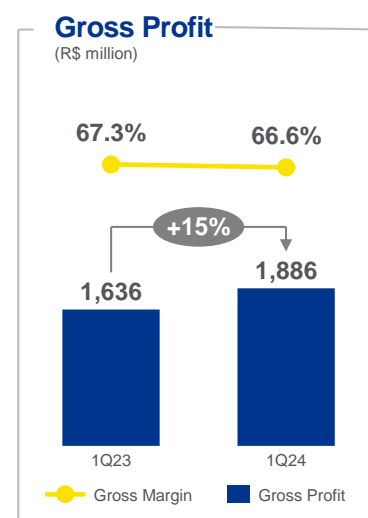
In the first quarter of 2024, Eurofarma's net revenue from Brazilian operations reached R\$2.2 billion, marking a 9% increase compared to the corresponding period in 2023. Meanwhile, net revenue from other countries operations experienced a 53% growth, reaching R\$610 million. Notably, regions such as Central America, Colombia, Peru, and Ecuador emerged as key contributors to these results. The revenue generated from operations outside Brazil accounted for 22% of Eurofarma's consolidated net revenue, reflecting an increase of 5.1 percentage points compared to 1Q23. Specifically, 35% of this revenue stemmed from Genfar's operations in Colombia, Ecuador, and Peru.

Net Revenue | Sales by Country



Gross profit

Gross profit in 1Q24 amounted to R\$1.9 billion, an increase of 15% compared to 1Q23, with a gross margin of 66.6%, mainly due to the mix of products sold, with a higher representation from the generics unit.



Operating Expenses

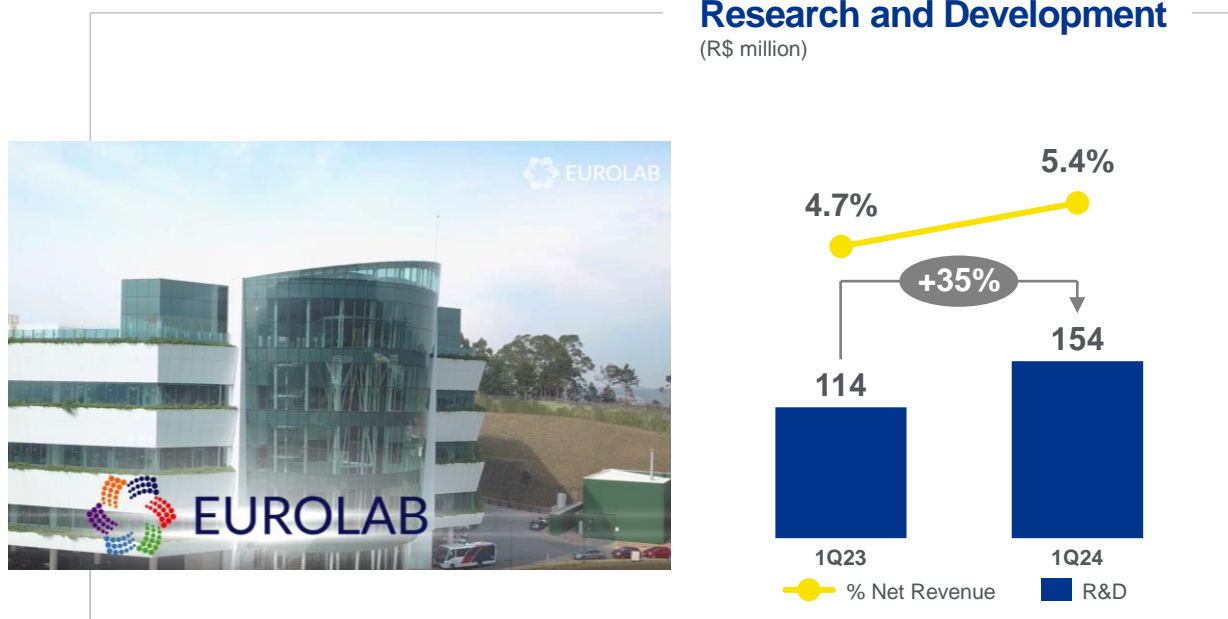
Expenses (R\$ million)	1Q24	% NR	1Q23	% NR	Δ%
Total Expenses	(1,310)	-46%	(1,016)	-42%	29.0%
Selling expenses	(918)	-32%	(731)	-30%	25.6%
Administrative expenses	(391)	-14%	(293)	-12%	33.5%
Impairment loss on accounts receivable	(8)	0%	(4)	0%	98.9%
Other revenues (expenses)	7	0%	12	0%	-43.9%

In 1Q24, operating expenses amounted to R\$1.3 billion, a 29% increase compared to 1Q23, representing 46% of the net revenue for the period. This can be attributed to the expansion of the sales force both in Brazil and internationally, an uptick in research and development expenditures and the acquisition of Genfar.

Innovation

Maintaining its pioneering spirit and the certainty that innovation is essential for growth, Eurofarma operates both in research and development and in open innovation with initiatives in (i) generics and similar products; (ii) incremental products; (iii) licenses to incorporate new products and new technologies; (iv) discovery of new molecules; and (v) Eurofarma Ventures, its own biotech fund, which operates at a very early stage of disruptive products and assets.

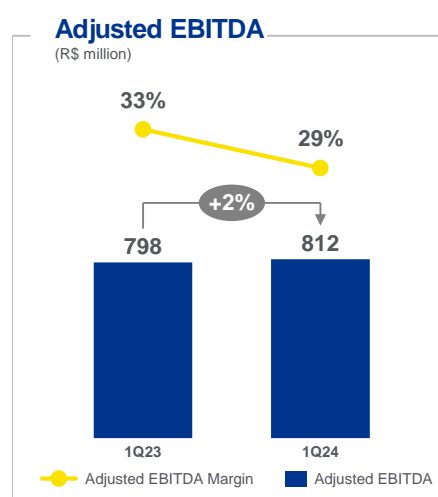
Total investments in R&D, inclusive of the amount capitalized as an intangible asset, reached R\$154 million in 1Q24. This figure marks a 35% increase compared to the corresponding period in 2023, accounting for 5% of the net revenue generated during the quarter.



In 2024, Eurofarma introduced 33 new product launches in Brazil and 36 placements across its Latin American operations, excluding Brazil.

EBITDA and Adjusted EBITDA⁶

In the 1Q24, EBITDA experienced a 3% decrease compared to the corresponding period in 2023, amounting to R\$670 million. The adjusted EBITDA, factoring out research and development expenses, stood at R\$812 million, reflecting a 2% increase, with an adjusted EBITDA margin⁷ of 29%, a decline of 4 p.p., which can be explained by the elevated level of expenses incurred during the period.



EBITDA Reconciliation (R\$ million)	1Q24	1Q23	Δ%
Net income	176.7	351.0	-49.7%
Income tax and CSSL	137.1	137.2	-0.1%
Net financial result	261.3	130.4	100.4%
Depreciation and amortization	94.7	69.0	37.2%
EBITDA	669.8	687.6	-2.6%
<i>EBITDA Margin</i>	<i>23.7%</i>	<i>28.3%</i>	<i>-4.6 p.p.</i>
R&D Expenses	142.2	110.6	28.5%
Adjusted EBITDA	811.9	798.2	1.7%
<i>Adjusted EBITDA Margin</i>	<i>28.7%</i>	<i>32.8%</i>	<i>-4.2 p.p.</i>

⁶ EBITDA and Adjusted EBITDA represent non-accounting (unrevised) metrics formulated by the Company. They comprise net income for the period, inclusive of income taxes, net financial expenses, financial income, depreciation, and amortization.

⁷ The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by net revenue (Non-GAAP), accounting for R&D expenses.

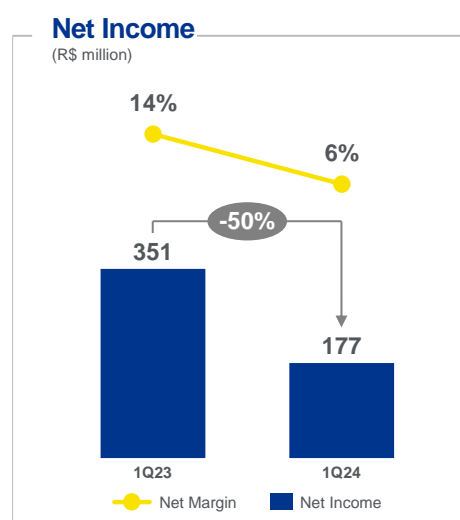
Financial Result

In 1Q24, the net financial result amounted to an expense of R\$261 million compared to the R\$130 million in 1Q23. This uptick in expenses can be attributed to higher interest costs stemming from the Company's increased indebtedness and the decision to prepay the entirety of the 2nd, 3rd, and 4th issue of debentures, which offered less favorable terms and incurred higher costs.

Financial Result (R\$ million)	1Q24	1Q23	Δ%
Net Financial Result	(261.3)	(130.4)	100.4%
Financial Revenue	59.7	53.5	11.6%
Financial Expenses	(321.0)	(183.9)	74.6%

Net income

As a result of the factors explained above, net income for 1Q24 reached R\$177 million, with a net margin of 6.2%.



Indebtedness

Indebtedness (R\$ million)	Mar-24	Dec-23	Δ%
Gross Debt	8,547.6	8,178.6	4.5%
Cash and Cash Equivalents	2,064.0	1,660.6	24.3%
Net Debt	6,483.6	6,517.9	-0.5%
EBITDA (LTM)	1,739.3	1,757.1	-1.0%
Net Debt / EBITDA (LTM)	3.73x	3.71x	0.5%

As of March 31, 2024, Eurofarma's gross debt amounted to R\$8.5 billion. This can be attributed to the issue of the 7th series of debentures, totaling R\$3 billion. The proceeds from this issuance were used for the optional early

redemption of all outstanding debentures from the Company's 2nd, 3rd, and 4th series that carried less favorable terms and incurred higher costs.

Net debt amounted to R\$6.5 billion. The Company ended the first quarter of 2024 with a leverage ratio measured by the net debt/EBITDA of 3.73x compared to 3.71x in December 2023. Considering Genfar's EBITDA for the last 12 months, leverage stood at 3.64x.

Cash Conversion Cycle

Cash Conversion Cycle (days)	1Q23	2Q23	3Q23	4Q23	1Q24
Cash Conversion Cycle	177	204	262	278	227
Receivables	61	54	72	80	72
Inventories	193	223	277	271	213
Payables	(78)	(73)	(87)	(73)	(58)
Cash Conversion Cycle (R\$ million)	1Q23	2Q23	3Q23	4Q23	1Q24
Working Capital	2,668.6	2,537.7	3,323.0	3,711.9	3,895.1
Receivables	1,648.2	1,304.9	1,764.2	2,015.9	2,267.3
Inventories	1,707.2	1,833.1	2,274.0	2,320.0	2,233.3
Payables	(686.8)	(600.3)	(715.2)	(624.1)	(605.5)
% Net Revenue (LTM)	32.3%	29.9%	38.1%	40.7%	40.9%

In 1Q24, working capital amounted to R\$3.9 billion, equivalent to 40.9% of the last 12 months' net revenue. The closing of the Genfar acquisition at the end of September 2023 added R\$415 million to working capital in 1Q24. Excluding the impact of the acquisition, working capital was R\$3.5 billion, or 38% of net revenue.

The financial cycle⁸ for the first quarter of 2024 stood at 227 days, marking an improvement of 51 days compared to 4Q23. However, when excluding the influence of the Genfar acquisition, the financial cycle was 240 days, reflecting a reduction of 18 days compared to the same basis in 4Q23. This improvement can be primarily attributed to a reduction in inventory days, which was a consequence of the higher sales volume achieved in 1Q24.

⁸ The financial cycle represents the cash conversion cycle, obtained by adding the periods of accounts receivable, inventories, and suppliers.

Annex I — Consolidated Income Statement

Consolidated Income Statement	1Q24	1Q23	Δ%
(R\$ million)			
Net revenue	2,830.6	2,430.9	16.4%
Cost of goods sold	(944.4)	(795.0)	18.8%
Gross profit	1,886.3	1,635.9	15.3%
Expenses	(1,310.3)	(1,016.1)	29.0%
Selling expenses	(918.0)	(731.1)	25.6%
Administrative expenses	(391.2)	(293.0)	33.5%
Impairment loss on accounts receivable	(7.7)	(3.9)	98.9%
Other revenues (expenses)	6.7	11.9	-43.9%
Operating income before financial result	576.0	619.9	-7.1%
Net financial result	(261.3)	(130.4)	100.4%
Financial expenses	(321.0)	(183.9)	74.6%
Financial revenue	59.7	53.5	11.6%
Results from equity-accounted investees	(0.9)	(1.3)	-29.3%
Income before income tax and social contribution	313.7	488.2	-35.7%
Income tax and social contribution	(137.1)	(137.2)	-0.1%
Net income	176.7	351.0	-49.7%

Annex II - Consolidated Balance Sheet

Consolidated Balance Sheet (R\$ million)	Mar-24	Dec-22	Δ%
Assets	16,191	15,313	5.7%
Current	6,960	6,431	8.2%
Cash and cash equivalents	2,064	1,661	24.3%
Accounts receivable	2,267	2,016	12.5%
Inventories	2,233	2,320	-3.7%
Current tax asset	102	109	-6.1%
Taxes recoverable	223	224	-0.5%
AFAC	0.01	0.01	0.0%
Other receivables	71	101	-30.3%
Non-current	9,231	8,883	3.9%
Accounts receivable	5.0	5.4	-8.7%
Marketable securities	47	40	16.1%
Current tax asset	3	3	-7.7%
Deferred tax asset	264	236	11.8%
Judicial deposits	41	39	4.7%
Other receivables	13.4	0.5	-
Investments	92	95	-2.9%
Property, plant and equipment	2,718	2,578	5.4%
Right of use of assets	712	653	8.9%
Intangible assets	5,337	5,231	2.0%
Liabilities and Shareholders' equity	16,191	15,313	5.7%
Current	4,589	6,390	-28.2%
Suppliers	804	813	-1.1%
Derivative financial instruments	98	95	2.9%
Borrowings	1,840	1,583	16.2%
Debentures	216	2,408	-
Lease	0	1	-81.9%
Right of use of assets	160	143	11.8%
Payroll and related charges	400	396	1.1%
Income tax and social contribution payable	127	37	242.5%
Taxes payable	64	39	61.0%
Profit sharing (employees)	167	186	-9.8%
Dividends	408	425	-4.1%
Dividends prepayment (subsidiaries)	0.0	0.2	-100.0%
Other payables	305	264	15.5%
Non-current	7,167	4,816	48.8%
Derivative financial instruments	11	44	-74.2%
Loans and financing	2,053	2,355	-12.8%
Debentures	4,329	1,693	155.8%
Right of use of assets	584	538	8.6%
Taxes payable	10	8	36.5%
Provision for contingencies	102	103	-1.5%
Other payables	77	76	1.6%
Shareholders' equity	4,436	4,107	8.0%
Equity	1,204	1,204	0.0%
Profit reserve	2,821	2,821	0.0%
Retained earnings	176	0	-
Currency translation adjustments	157	18	-
Capital reserve	(8.6)	(8.6)	0.0%
Non-controlling interest	87	73	18.9%

Annex III - Consolidated Cash Flow

Consolidated Cash Flow (R\$ million)	1Q24	1Q23	Δ%
Cash flow generated from operating activities	530	317	66.9%
Adjusted result	712	727	-2.1%
Changes in operating assets and liabilities	(106)	(304)	-65.0%
Income tax and social contribution paid	(76)	(106)	-28.1%
Cash flow (used) generated in investing activities	(217)	(182)	19.1%
Investment acquisition	(5)	(9)	-46.6%
Acquisition of fixed and intangible assets	(213)	(174)	22.3%
Cash flow (used) generated in financing activities	39	504	-92.3%
Net Loans and Financing	55	517	-89.4%
Dividends and interest on equity	(16)	(13)	24.8%
Exchange variation on cash of foreign subsidiaries	52	(6)	-
Increase (decrease) in cash and cash equivalents	403	633	-36.3%
Cash and cash equivalents at the beginning of the period	1,661	542	206.1%
Cash and cash equivalents at the end of the period	2,064	1,175	75.6%

Statement by the Directors

In accordance with paragraph 1 (VI) of article 27 of CVM instruction No. 80, dated March 29, 2022, the Company's Executive Board declares that it has reviewed, discussed and agreed with the Company's quarterly information and with the independent auditors' report on the Company's individual and consolidated quarterly information issued on May 15, 2024, for the quarter ended March 31, 2024.

Relationship with Auditors

Following CVM Resolution No. 162/2003, the Company hereby discloses that during the quarter ending March 31, 2024, it did not engage independent auditors for tasks unrelated to external audit purposes.

The Company's policy when contracting independent auditing services ensures that there is no conflict of interest, loss of independence or objectivity of services eventually provided by independent auditors not related to external auditing services.



Investor Relations



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