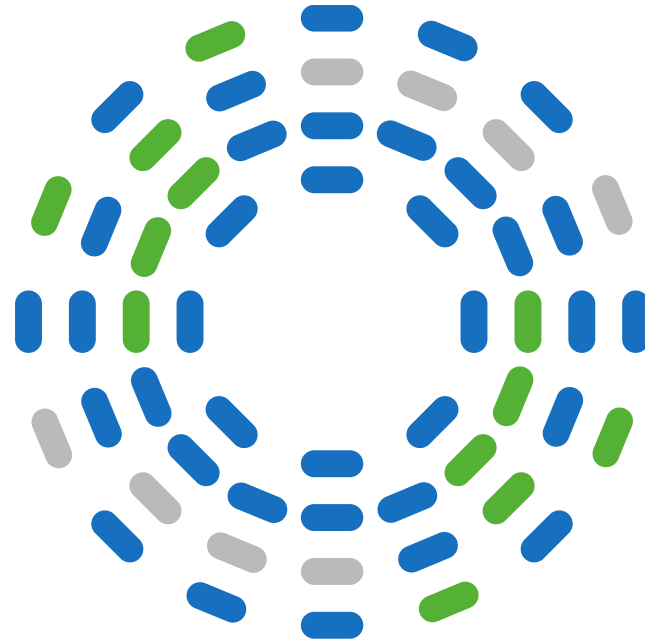


# Retail Pharmacy in Vietnam & Introduction to Pharmacy

**Alex Ryland**  
Chief Commercial Officer



KÍNH CHÀO G

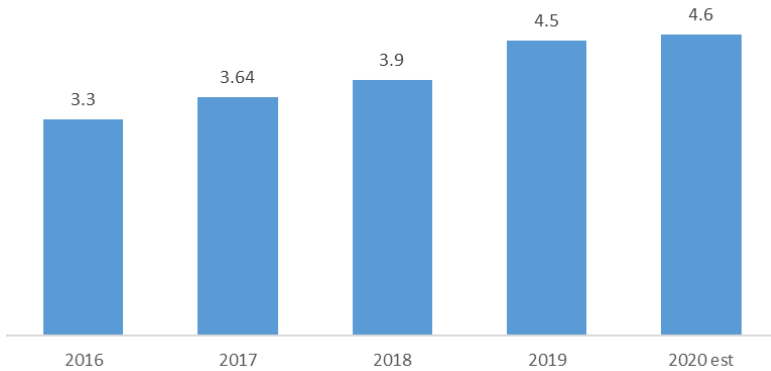


# Vietnam's Pharmaceutical Retail Industry Overview

# Mom & Pop stores dominate the \$1.2 billion Retail Pharmacy market

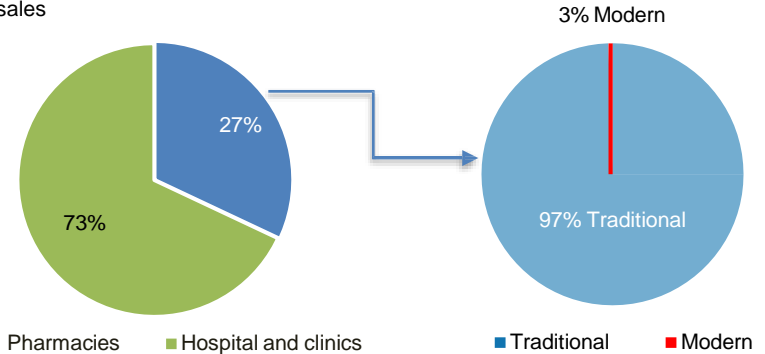
## Vietnam's pharmaceutical industry is now worth \$4.6 billion

Pharmacy sales (Retail & Hospital) 2016 – 2020 US\$ billion



## Hospitals remain an important channel, overwhelming majority of the market

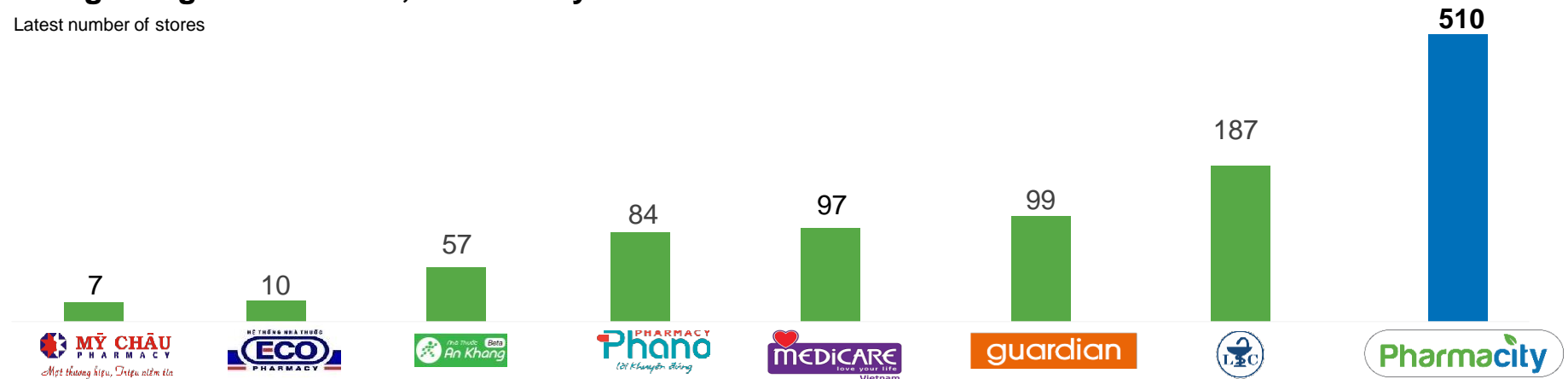
Breakdown of pharmaceutical sales, 2020  
% of sales



Source: IQVIA

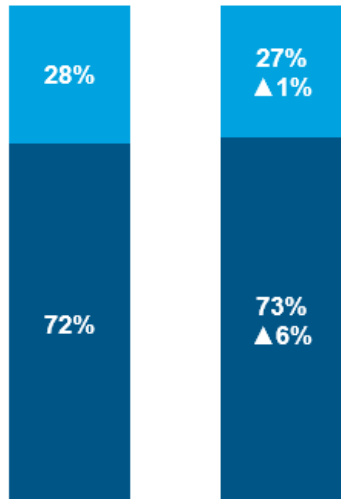
## Fast gaining market share, Pharmacy now market dominance nationwide

Latest number of stores



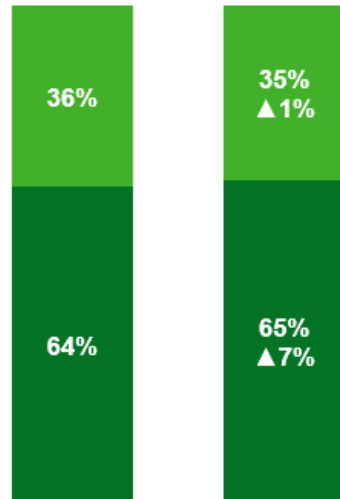
# Total Market Splits Q3 2020 *(Source IQVIA)*

**Hospital vs. Pharmacy  
Value Contribution & Growth**



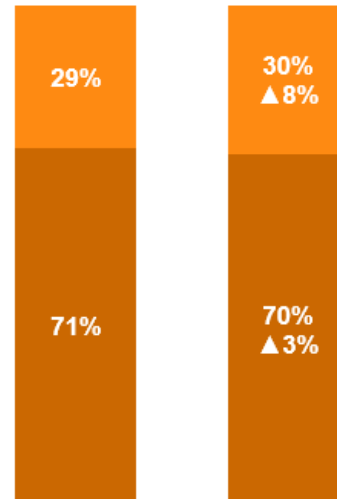
MAT LY      MAT TY  
 ■ Hospital ■ Pharmacy

**Import vs. Local  
Value Contribution & Growth**



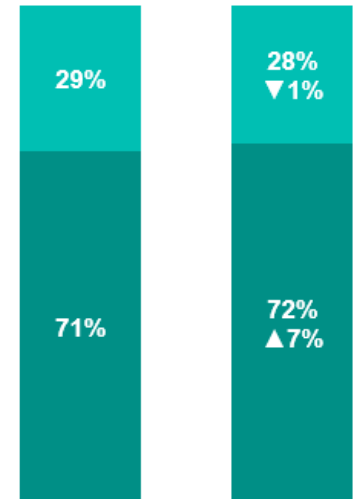
MAT LY      MAT TY  
 ■ Import ■ Local

**\*Original vs. Non-Original  
Value Contribution & Growth**



MAT LY      MAT TY  
 ■ Non-Original ■ Original

**Ethical vs. OTC  
Value Contribution & Growth**



MAT LY      MAT TY  
 ■ Ethical ■ OTC

KÍNH CHÀO G



Eugacar

MAU HẾT BỆNH  
ĐẾN Pharmacy

giờ mở cửa  
06:00 23:30  
CỬA TỰ ĐỘNG  
AUTO DOOR

Decolgen  
ĐIỀU TRỊ 3 TRIỆU CHUNG CẢM

# Pharmacy Overview

34.900đ/hộp

# A unique omni-channel pharmaceutical retailer tailored for Vietnamese consumers

## Company overview

- ✓ Established in 2011
- ✓ 510 stores as of November 2020, with stores in 19 provinces including:
  - Ho Chi Minh city
  - Southeast region (Binh Duong, Dong Nai, Vung Tau)
  - Mekong Delta (Can Tho, Long An, Tien Giang, An Giang)
  - North region (Hanoi)
  - Central region (Da Nang, Hue, Quang Ngai, Lam Dong, Nha Trang)
- ✓ Over 3,000 employees
- ✓ Over 4mn Extracare members



2,400+ pharmacists



200+ dashboards  
real-time business tracking



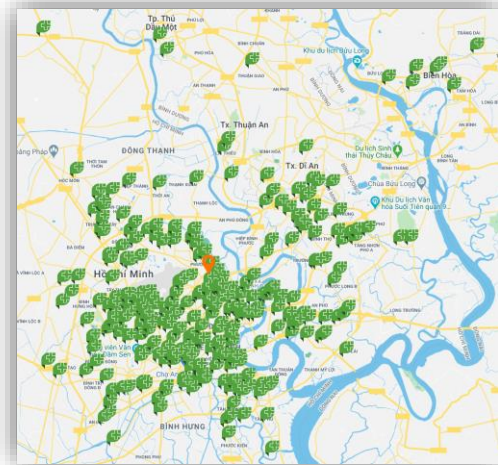
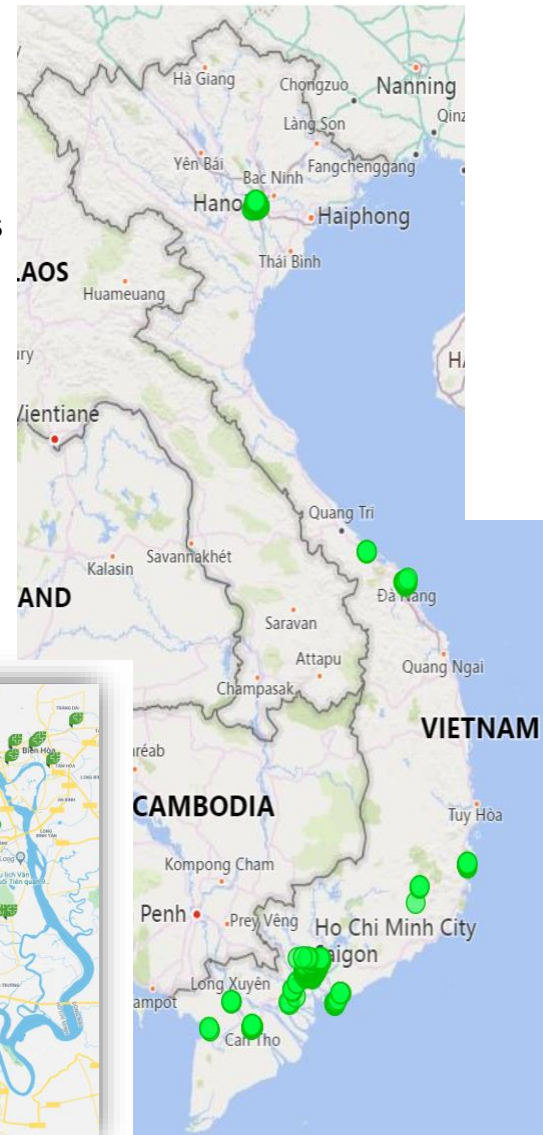
6,400+ SKUs



1 centralized warehouse



1 fully integrated logistic network



# Three types of stores to serve a range of customers

## 3 types of stores



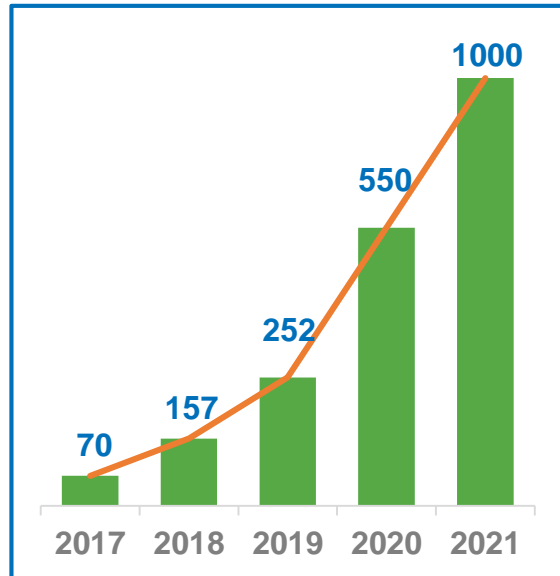
## Tailored needs

**78** Pharmacy (< 39 sqm) located in high traffic zones.

**390** Drugstore (40 – 59 sqm) positioned in key commercial, residential and traffic zones.

**42** Super drugstore (60 – 100 sqm) positioned in prominent residential or commercial locations capitalizing on high traffic and population density.

## Expansion Plan



*Top pharmacy retail chain in Vietnam by all measures*

**#1**

# Why is the Modern Retail Pharmacy model attractive for consumers?

## One stop solution approach



Offer a range of OTC and Rx drugs, health & personal care, vitamin & supplements, and others

## Quick and easy



Friendly and smart layout design enables quick and easy consultation

## Longer opening hours



Most stores open eighteen hours from 06:00 – 23:30

## Professional staff



Store staff are all qualified pharmacists

## Heading to omni model



Approaching customers by both bricks-and-mortar and e-commerce channels

## Trusted medicine



All products, typically Rx and OTC drugs, are sold with clear origins



# Most well-trained pharmacists for customer health consultancy



## Training

Focused in-house specialized training program 3 months before they start working in full admission

On going training for Senior Pharmacists



## Benefit

Full package of social, health and unemployment insurance in accordance to Government laws  
The Company also places importance on care programs like yearly health check-ups



Most stores are open from 06:00 to 23:30 for convenient and flexible access

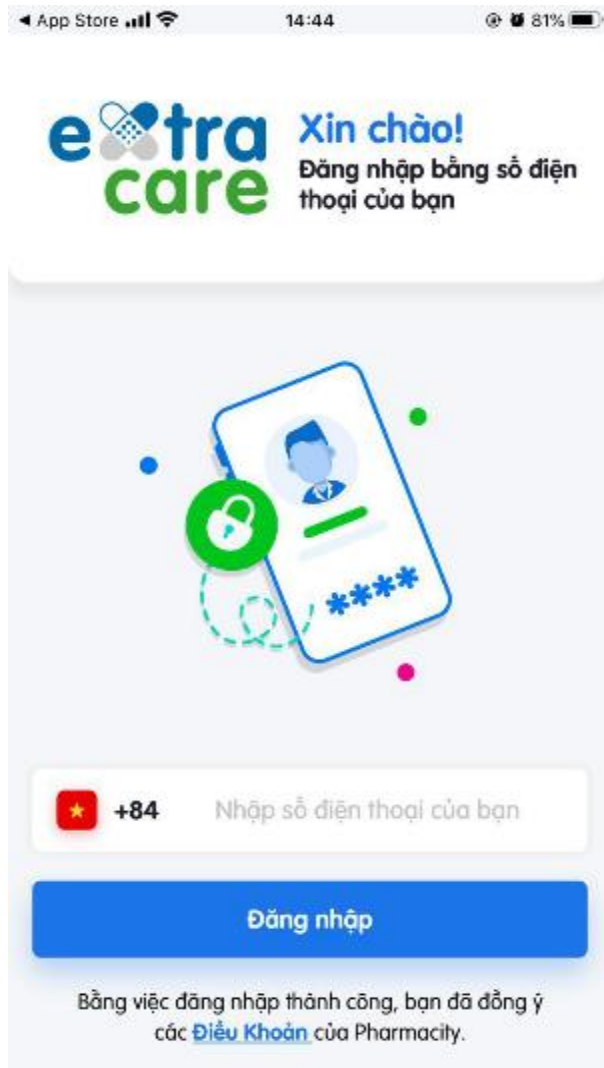


**Best in-house training program**

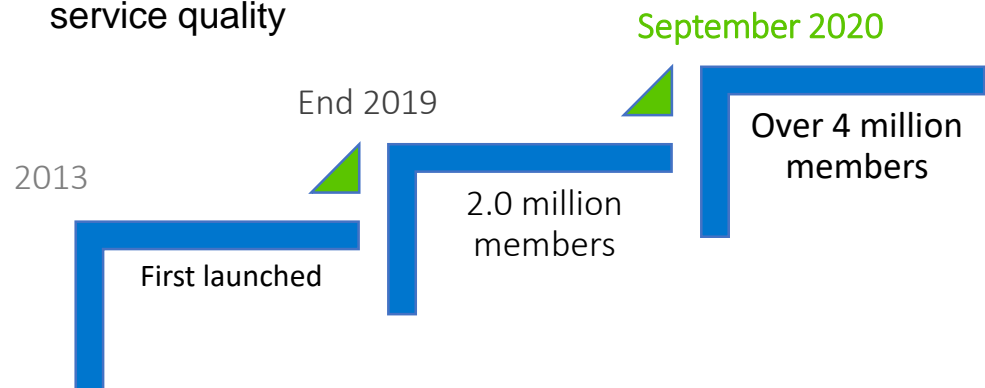


**Pharmacy aims to be the best workplace for pharmacists in Vietnam**

# Extra Care Program – Over 4.0 Million Members



- #1 Integrated Healthcare app in Vietnam.
- Comprehensive database of information on customers aimed to improve service quality and customer satisfaction levels.
- Leading to a very good understanding of all customer behavior as tracked by BI systems enabling the company to better capture customer needs and improve future service quality



# Our Consumer



45% : 55%

Age – 18- 39 More dominant

Most Loyal – SAG A&B

## Shopping behavior

**Vitamins & Supplements** is the strongest growing category, supported by more international new entries in last 2 years.

**52% of customers** take the Pharmacist recommendation on medicine brands

72% of customers buy **medicines**

Small Medicines ‘Combo kits’ still form a major part of purchasing behavior for acute sickness

# Pharmacy in Covid

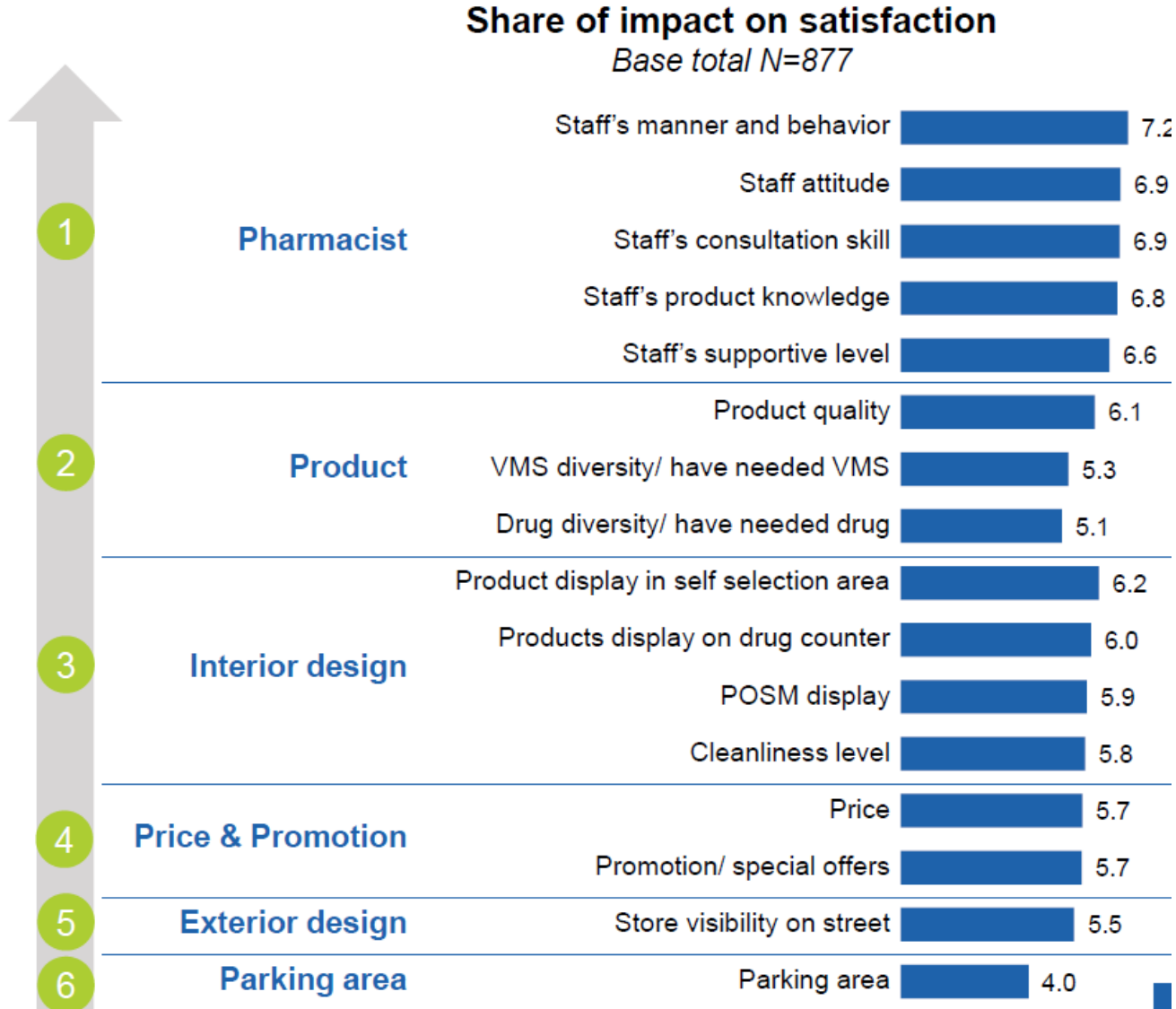
No stores were closed during this time.

In 2 months we sold 12 million face masks, and didn't increase our prices during Wave 1

In 6 months we sold 1mn Antibac hand gels

In 6 months we sold 350,000 packs of vitamin C

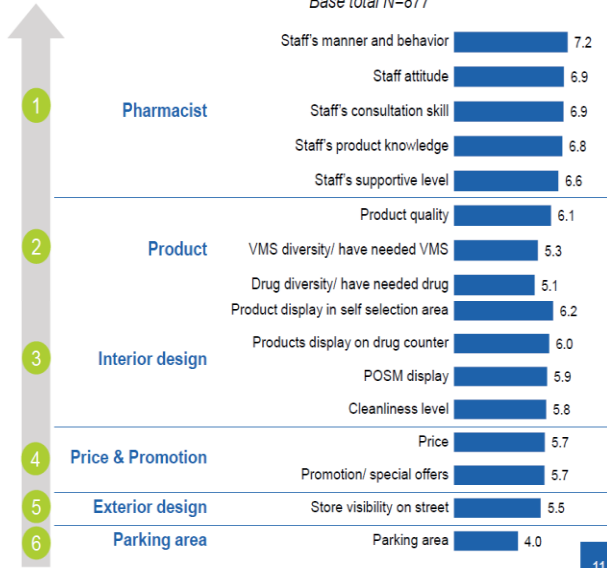
# What do retail pharmacy customers care about



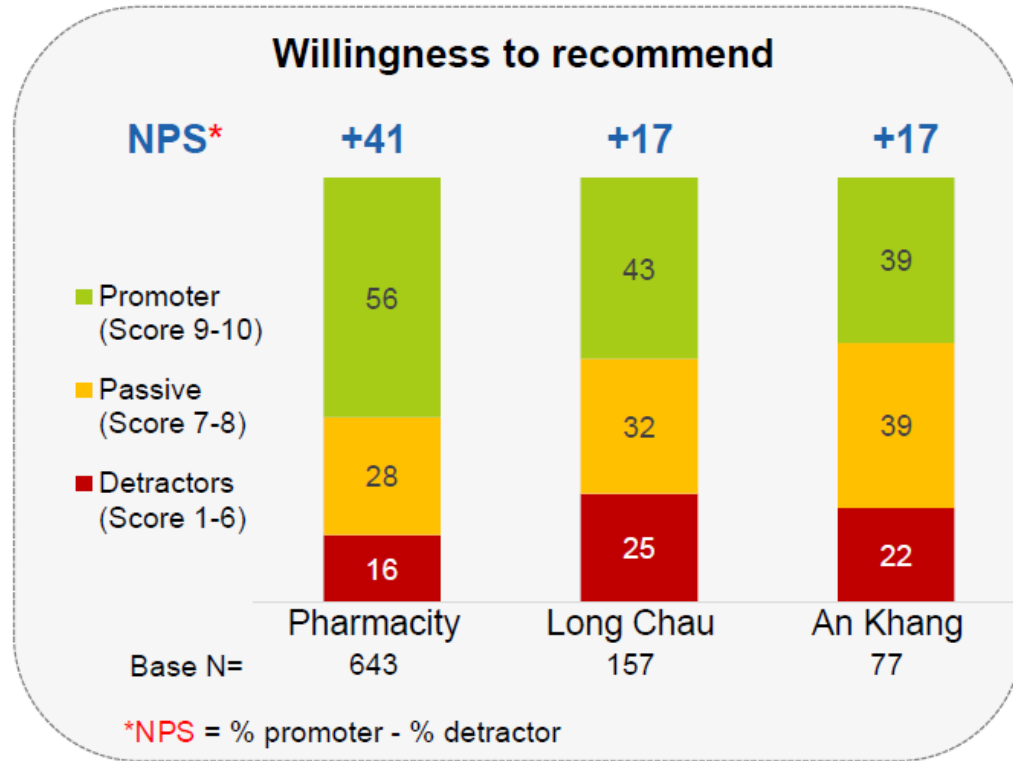
# Customer Reaction to Pharmacy

## Share of impact on satisfaction

Base total N=877



## Willingness to recommend



THANK YOU!