Indian IT wins half of top deals since 2020

The Economic Times

July 27, 2022 Wednesday

Section: ITES

Length: 358 words

Byline: Shilpa Phadnis

Body

BENGALURU: Indian IT firms have been among the biggest beneficiaries of the IT deal consolidations in the last two years. At least half of the top global deals were snagged by Indian IT players.HfS Research's data shows that Infosys won a $3.2 billion deal from Daimler and a $1.5 billion deal from Vanguard. TCS bagged a $1.5 billion deal from US retail and wholesale pharmacy major **Walgreens Boots Alliance** (WBA), and more recently a $2.3 billion deal from US consumer research firm Nielsen.

Wipro won a $700 million contract from German wholesaler Metro. Phil Fersht, CEO of HfS Research, said consolidation deals are usually contract renewals where services are consolidated under a smaller number of providers. Many customers are moving away from a long tail of service providers to sharpen service offerings and accountability, besides trusting IT partners who can take out dollars from the run-the-business side, and pour the cost savings to new digital initiatives. Mega deals are often margin dilutive initially, but Indian IT firms have cost optimisation and operational levers to make it margin accretive over the long tenure of the deal.TCS is said to have recently further consolidated its business in MetLife, winning a larger pie from other IT players, including some part of the business from Cognizant. When TOI contacted Cognizant, it said, "MetLife continues to be a valued, long-standing Cognizant client."TCS CEO Rajesh Gopinathan in the June quarter commentary said it had won two $400 million deals in the quarter and both the deals resulted from a massive consolidation exercise. Both deals have a very strong transformation component, and an equally strong optimisation component. The latter is feeding the investment required for the former, Gopinathan told TOI in a recent interview.TCS's **Walgreens** deal is spread over ten years. The company is implementing a new IT operating model that will enable the US retailer to accelerate its digitisation programme. Wipro's five-year Metro deal was CEO Thierry Delaporte's largest, and analysts believe it has the potential to go up to $1 billion. For Reprint Rights: timescontent.com

Load-Date: July 26, 2022

Durbin, Duckworth ask Walgreens to reconsider policy that lets workers deny birth control

Chicago Daily Herald

July 30, 2022 Saturday

eBlast EditionCLFM EditionMC1 EditionMC3 EditionMD1 EditionMF12 EditionML2 EditionNC EditionNC1 EditionNC14 EditionNC14C EditionNC2 EditionNC3 EditionNC4 EditionNL1 EditionNM1 Edition

Section: BUSINESS WIRE_; Pg. 7

Length: 431 words

Byline: By KATHERINE DAVIS Crain's Chicago Business

Body

U.S. Sens. Dick Durbin and Tammy Duckworth are putting pressure on **Walgreens Boots Alliance** to revise a policy that lets employees refuse to sell contraceptives to customers based on workers' religious or moral beliefs. The Democratic lawmakers sent a letter to **Walgreens** CEO Roz Brewer inquiring about the policy and asking for a meeting.

The letter follows reports that customers have been denied contraceptives at **Walgreens** locations, including a recent episode in Wisconsin. Durbin, of Springfield, and Duckworth, of Hoffman Estates, asked Brewer to revisit the nationwide policy to ensure all customers' privacy is respected and to provide more transparent direction and notice about which **Walgreens** stores offer full access to contraceptives. As the policy stands now, **Walgreens** allows employees to refuse to sell contraceptives to customers if it conflicts with their personal beliefs. However, employees are required to refer customers to another worker who can complete the transaction, according to **Walgreens** spokesman Fraser Engerman. Employees who need a religious accommodation must seek approval through a formal process with the company. Engerman says the policy abides by the U.S. Civil Right Act of 1964, which in part prohibits employment discrimination based on religion. Archrival CVS Pharmacy reportedly has a similar policy. The controversy comes a month after the Supreme Court overturned Roe v. Wade, the landmark decision guaranteeing the right to abortion, which many states have since moved to limit or ban. Durbin and Duckworth argue in their letter that some states also have moved to limit access to various forms of contraception. "Such limitations are compounded by **Walgreens**' policy, which can come at the expense of your customers' right to privacy, as the employee who refuses to complete a transaction involving contraceptives must communicate her objection to a fellow employee," they wrote. "Furthermore, despite your policy's requirement that a customer's needs be met in a ‘timely manner,' even if a pharmacist has a moral objection, your policy reportedly has delayed timely access to medication." Durbin and Duckworth are asking **Walgreens** to require that its stores post signs that clearly indicate if a particular location's pharmacists and cashiers may refuse to sell birth control. The senators also ask that **Walgreens** notify customers via their app and website, and provide additional training and education to employees. Engerman told Crain's in a statement Friday morning that **Walgreens** will be "responding fully" to the senators' letter.

Load-Date: August 1, 2022

For $3490 million, Amazon gets deep into the healthcare business

CE Noticias Financieras English

July 21, 2022 Thursday

Length: 346 words

Body

Amazon.com Inc said on Thursday it would buy primary health care provider One Medical for $3.49 billion in an all-cash transaction, sending the online retailer's shares up about 1 percent in premarket trading.

The deal heralds a dramatic expansion of Amazon's push into health care, as it conducted virtual care visits for Amazon employees in Seattle in 2019 before offering such services to other employers and in other cities under the Amazon Care brand.

"We believe healthcare is high on the list of experiences that need to be reinvented," said Neil Lindsay, senior vice president of Amazon Health Services.

The e-commerce giant agreed to pay $18 per One Medical share, representing a 76.8% premium to the health care firm's closing price on Wednesday.

The news knocked shares of telehealth leader Teladoc Health Inc down 6% in premarket trading. Shares of pharmacy retailers CVS Health and Walgreens Boots Alliance fell more than 2% before the bell.

In One Medical, Amazon is aiming to acquire a company with brand-name customers such as Airbnb Inc and Alphabet Inc's Google, according to its website.

Amazon Care itself snapped up Hilton Worldwide Holdings Inc in a deal announced last year. So far, the retail giant has partnered with a different company called Care Medical, focused on serving Amazon Care users, to enable house calls in places like the Washington-Baltimore metro area.

The deal is subject to approval by One Medical shareholders, as well as regulators. It was not immediately clear whether the deal raises antitrust concerns.

In addition, Jeff Bezos has been secretly investing in a "startup" that is also reportedly related to the sector: a scientific business.

This is **Altos Labs**, a U.S. startup funded by Bezos along with other billionaires like Yuri Milner whose main objective is to promote technologies to live longer and healthier.

Specifically, we are talking about **biological reprogramming,** a way of rejuvenating the body's cells that some scientists believe could be used to delay the biological clock of entire organisms and thus prolong human life.

Load-Date: August 17, 2022

Amazon acquires primary care network One Medical for $3.9b in latest healthcare push

The Independent (United Kingdom)

July 21, 2022 Thursday 7:00 PM GMT

Section: AMERICAS,WORLD; Version:1

Length: 460 words

Byline: Abe Asher
Highlight: Amazon's acquisition of One Medical signals its ambition in the healthcare arena

Body

Amazon announced on Thursday that it has reached a deal to acquire One Medical, a San Francisco -based network of primary care clinics, in a deal totaling $3.9 billion.

The deal marks another major Amazon incursion into the healthcare market in new chief executive Andy Jassy's first major acquisition since taking the reigns from founder Jeff Bezos last year.

"We think health care is high on the list of experiences that need reinvention," Neil Lindsay, senior vice president of Amazon Health Services said in a company statement announcing the deal. "Booking an appointment, waiting weeks or even months to be seen... we see lots of opportunity to both improve the quality of the experience and give people back valuable time in their days."

Amazon has been making aggressive plays in healthcare for a number of years. In 2018, the company struck a $753 million deal to acquire the perscription drug start-up PillPack. A year later, it launched Amazon Care — a primary and urgent care service to treat Amazon employees. Amazon Care is mainly based on virtual and home visits with providers rather than visits to a physical offices, though the service has recently been increasing its brick and mortar presence.

Amazon has attempted in the intervening years to get other employers to adopt Amazon Care as well, but with little success. One Medical, which went public two years ago, works in a similar space: it provides virtual and in-person visits with providers, contracting both with employers and individual people.

One Medical currently has some 8,500 employers signed up to go along with individual customers. Its chief executive, Amir Dan Rubin, will continue with the company following the completion of the acquisition.

"The opportunity to transform health care and improve outcomes by combining One Medical's human-centered and technology-powered model and exceptional team with Amazon's customer obsession, history of invention, and willingness to invest in the long-term is so exciting," Mr Rubin said in the Amazon statement. "There is an immense opportunity to make the health care experience more accessible, affordable, and even enjoyable for patients, providers, and payers."

Amazon acquires primary care network One Medical for $3.9b in latest healthcare push

Amazon is paying $18 per share of One Medical, which comes out to nearly $4 billion. The multinational’s incursion into the healthcare industry may threaten established brands like **Walgreens Boots Alliance** and CVS Health, which saw the price of their shares drop slightly on Tuesday.

If Amazon does continue to build its presence in healthcare, the result could be lucrative for a company that already made nearly $500 billion last year. The US spends more money per capita on healthcare than any other developed nation despite seeing some of the worst outcomes.

Load-Date: July 21, 2022

BUSINESS; Amazon to buy medical provider; Company deepens its push into healthcare with a $3.49-billion plan to purchase a primary care chain.

Los Angeles Times

July 22, 2022 Friday

Final Edition

Section: MAIN NEWS; Business Desk; Part A; Pg. 1

Length: 506 words

Byline: Matt Day, John Tozzi, Day and Tozzi write for Bloomberg.

Body

Amazon.com Inc. announced it would buy primary care company One Medical for $18 a share, the latest move by the e-commerce giant to muscle into the healthcare market.

The all-cash transaction has an equity value of $3.49 billion.

One Medical, whose parent is 1Life Healthcare Inc., operates 182 medical offices in 25 markets in the U.S. Customers pay a subscription fee for access to its physicians and around-the-clock digital health services.

"We think healthcare is high on the list of experiences that need reinvention," said Neil Lindsay, the senior vice president leading Amazon's healthcare push.

Amazon in recent years has launched an online drugstore, following its purchase of mail-order pharmacy PillPack Inc., and started a primary care clinic for its workers and other companies, among other health-focused initiatives.

The One Medical deal would be Amazon's third-biggest acquisition, trailing only its purchases of Whole Foods Market and film studio Metro-Goldwyn-Mayer.

One of the least-profitable areas in medicine, primary care has been attracting investment from retailers, health insurers and drugstore chains.

Shares of **Walgreens Boots Alliance** Inc. and CVS Health Corp., which are both adding primary care services to their stores, fell on the news. **Walgreens**, which last year agreed to pay $5.2 billion for a controlling stake in clinic chain VillageMD, fell 1.2% and CVS lost 1.5%. Meanwhile, virtual-care company Teladoc Health Inc. rose about 1%.

Amazon shares rose 1.5% and 1Life Healthcare increased 69.5%.

One Medical began as an early attempt to revamp primary care services with sleek clinics in urban centers that patients or employers paid a premium to join.

For an annual fee, the company promised easier access to appointments and virtual consultations as well as a higher level of customer service than typical medical practices. It struck deals with large health networks such as Mount Sinai Health System in New York to refer patients for specialty care.

But unlike other investor-backed clinic chains such as Oak Street Health Inc., One Medical has historically focused on fee-for-service medical care, rather than new payment models that much of the industry is moving to.

That changed last year with the company's $1.4-billion acquisition of Medicare-focused chain Iora Health Inc., known for trying to reinvent senior care by improving quality while managing costs.

Despite billions of dollars invested in companies trying to reinvent primary care, clinic operators have struggled on the public markets, and valuations have sunk in recent months. Before the deal was announced, One Medical was trading below the price of its 2020 initial public offering.

Bloomberg reported this month that One Medical was weighing its options after attracting takeover interest, including from CVS.

Completion of the transaction is subject to customary closing conditions, including approval by One Medical's shareholders and regulatory approval. On completion, Chief Executive Amir Dan Rubin will continue to run One Medical.

Load-Date: July 22, 2022

U.S. Stocks Close Weak On Growth Concerns, Geopolitical Tensions

CE Noticias Financieras English

August 2, 2022 Tuesday

Length: 532 words

Body

U.S. stocks closed on a weak note on Tuesday as rising tensions between the U.S. and China, and signs of slowing global growth weighed on sentiment.

Hawkish comments from a couple of Federal Reserve officials weighed as well.

The major averages all ended in negative territory although the S&P 500 and the Nasdaq managed to spend some time above the flat line.

In addition to digesting the latest batch of earnings updates and economic data, investors looked ahead to the non-farm payroll data for the month of July, due later in the week.

The Dow ended with a loss of 402.23 points or 1.23 percent at 32,396.17, slightly off the session's low. The S&P 500, which advanced to 4,140.47, settled with a loss of 27.44 points or 0.67 percent at 4,091.19, while the Nasdaq, which rebounded to 12,503.34, rising nearly 250 points from an early lower, ended with a loss of 20.22 points or 0.16 percent at 12,348.76.

Tensions between the U.S. and China have risen due to U.S. House Speaker Nancy Pelosi's visit to Taiwan.

It is feared that Pelosi's trip to Taiwan would raise tensions between the two economic superpowers. Chinese foreign ministry spokesman Zhao Lijian said that Pelosi's visit would lead to "very serious developments and consequences". The White House has warned China against turning her visit into a crisis.

Caterpillar ended nearly 6 percent down, after reporting lower than expected revenues in the latest quarter. The company reported second-quarter earnings of $1.67 billion, or $3.13 per share compared to $1.41 billion, or $2.56 per share a year ago. Revenue for the quarter rose 10.6 percent to $14.25 billion from $12.89 billion last year.

Dupont drifted down 2.7 percent, weighed down by a downward revision in the company's full-year outlook.

Uber Technologies shares soared nearly 19 percent after the company said that gross bookings reached an all-time high of $29.1 billion in the second quarter this year, up 33 percent over the corresponding quarter last year. The company reported a net loss of $2.6 billion for the second quarter. For the third quarter of this financial year, Uber expects gross bookings of $29 billion to $30 billion.

Pinterest zoomed 12.25 percent, buoyed by news about Elliott Investment Management becoming the largest shareholder of the company.

Boeing, Visa, Intel, Nike, **Walgreens Boots Alliance**, Verizon, JP Morgan, Home Depot, Coca-Cola, Goldman Sachs and Microsoft all ended notably lower.

Data from the Labor Department showed the number of job openings in the US fell by 605,000 from a month earlier to 10.7 million in June of 2022, the lowest in nine months and below market expectations of 11 million.

Other Markets

In overseas trading, Asian stocks fell on Tuesday as worrying manufacturing data from across the globe raised concerns over a potential recession. Chinese, Hong Kong and Taiwanese stocks led losses ahead of a possible trip by U.S. House Speaker Nancy Pelosi to Taipei as part of her Asian tour.

European stocks closed on a weak note on Tuesday as traders weighed near term prospects for the market amid concerns about slowing growth and rising rates, and largely refrained from creating fresh positions.

Load-Date: September 7, 2022

Walgreens' abandoned lease reflects changing landscape Landscape: Some office space filling up

Chicago Daily Herald

July 21, 2022 Thursday

eBlast EditionCLFM EditionMC1 EditionMC3 EditionMD1 EditionMF12 EditionML2 EditionNC EditionNC1 EditionNC14 EditionNC14C EditionNC2 EditionNC3 EditionNC4 EditionNL1 EditionNM1 Edition

Section: NEWS; Pg. 5

Length: 794 words

Byline: By Danny Ecker Crain's Chicago Business

Body

A now-vacant office campus that **Walgreens Boots Alliance** has leased for almost a decade near its Deerfield headquarters is on the market, setting up another potential large-scale redevelopment of an outmoded suburban office property. Phoenix, Ariz.-based real estate investment trust Orion Office REIT has hired brokerage CBRE to sell the **Walgreens** office campus along the south side of Lake-Cook Road, according to a marketing flyer for the property. The 37.5-acre site at 1411-1435 Lake-Cook Road includes five empty office buildings totaling 575,000 square feet and surrounding surface parking lots just north of the Edens Spur Tollway. The property is separate from the company's main headquarters buildings north of Lake Cook.

There is no asking price listed for the property, which **Walgreens** leases through August 2023 but no longer occupies, according to the flyer. The drugstore giant sold it to San Diego-based Realty Income — which spun off Orion last year — for $85 million in a 2013 sale-leaseback deal. Now the property is expected to fetch a fraction of that with just more than a year's worth of income tied to it from the **Walgreens** lease. But it's far from clear what it may become next. Investors familiar with the offering projected bids could come in between $20 million and $30 million if someone were to purchase the entire property, depending on their intended use and what the Village of Deerfield would allow. CBRE is framing it as a possible mixed-use development site, suggesting uses including apartments, medical offices, senior housing, last-mile industrial warehouses or even an adaptive reuse of the existing buildings. The property adds to the list of dated suburban office properties poised to be transformed into something entirely different with the rise of remote work weakening demand for workspace. Companies cutting back on office space have pushed suburban office vacancy to a record high during the COVID-19 pandemic, prompting some office property owners to sell to investors hunting for redevelopment opportunities. In the highest-profile local example, Allstate is selling its longtime Northbrook corporate campus to a Nevada industrial developer that plans to raze it and build highly coveted warehouses on the site. **Walgreens** itself joined the office sell-off party recently when it unloaded a 284,000-square-foot office building at 4000 Commercial Avenue in Northbrook to a venture of Boston-based TA Realty for just under $21 million, Cook County property records show. TA plans to redevelop the site with a $40 million warehouse project. Orion is looking to follow suit with its site, though it's not even the largest potential redevelopment property in Deerfield. Medical products company Baxter International recently put its 101-acre headquarters campus in the suburb up for sale while it hunts for a new, likely smaller headquarters in the area. **Walgreens** initially bought the Lake-Cook Road properties in 2004 to expand from its headquarters on nearby Wilmot Road. The company said in 2013 it would upgrade the Lake Cook buildings as it relocated its information technology group to the building from suburban Lincolnshire. But **Walgreens** in 2017 signaled a bigger commitment to downtown than the suburbs when it doubled the size of its office on State Street. The company said at the time it would add 300 new jobs in the Loop and begin trying to sublease unneeded space in Deerfield, including at the

Lake-Cook Road buildings. The moves were part of a broader focus — and a prescient one, it would turn out — on the "Workplace for Tomorrow" in which offices had more space for group meetings and employees could work from home up to two days a week. Then in 2018, **Walgreens** signed on as the first major tenant at the redeveloped Old Post Office and said it would move another 1,300 jobs downtown, while keeping roughly 3,200 jobs in Deerfield. Orion's buildings were constructed in stages from 1976 to 1984, according to the CBRE flyer. The properties, which are among the few Deerfield properties located in Cook County, are zoned today for office, research and restricted industrial uses, according to the brokerage. Other vacated suburban office properties have found new life as modern offices. A New Jersey developer transformed the abandoned AT&T campus in Hoffman Estates into Bell Works Chicagoland and has had recent success luring office tenants, while a Chicago developer revamped and nearly leased up the former OfficeMax headquarters building in Naperville, now known as the Shuman. More recently, Ace Hardware signed a lease to relocate its headquarters to the former McDonald's corporate campus in Oak Brook, a major victory for the California investor that bought the property three years ago.

Load-Date: July 21, 2022

Farmacias Ahumada's seven lean years

CE Noticias Financieras English

July 16, 2022 Saturday

Length: 1327 words

Body

Never, since it indirectly took control, has the pharmaceutical retail giant **Walgreens** made a profit in its Chilean arm, the Farmacias Ahumada chain. Its history in the country is a story of losses and losses.

Created in 1969 by businessman José Codner, Farmacias Ahumada is one of the three major players that have competed in the market alongside Cruz Verde and SalcoBrand. In 2010, Codner sold the company to Mexico's Saba and four years later, in August 2014, it was acquired by England's **Alliance Boots**. At the end of that year, **Boots** was absorbed by U.S.-based **Walgreens**, a merger that created a giant that last year had a turnover of more than US$ 130 billion. This new giant, renamed **Walgreens Boots Alliance**, recently tried to get rid of English **Boots**, but froze the operation due to unsatisfactory offers. The Chilean business is also for sale, according to local investment banks that have been directly involved in the business offered by Goldman Sachs. A business that, to date, has only left red numbers.

That, at least, reflects the financial statements of Farmacias Ahumada from 2015 to date. The Chilean company, once acquired by **Walgreens**, was removed from the regulatory perimeter of the Financial Market Commission (CMF) in 2015, after the abrupt decrease of minority shareholders, who sold to the U.S. company. Ahumada left the public records and its balance sheets were never known again. The last one, which it delivered to the then Superintendency of Securities and Insurance (SVS), reported losses of $ 11,698 million for the 2014 fiscal year. Thus, 2013 was the last year with profits. The company then included in its balance sheets the operation of the Mexican Farmacias Benavides, controlled by Ahumada since 2002, during the time of José Codner. The new owner, **Walgreens**, decided to directly assume operational and financial control of Benavides, so Ahumada deconsolidated its figures as of 2015. The figures, since then, show only losses. Seven years of bad business.

The lean cows

In 2015, the firm's first full year under **Walgreens** management, Farmacias Ahumada lost $ 29,071 million. Its revenues had totaled $ 418.815 million that year. In 2015 dollars, its turnover amounted to $ 592 million. It was a sales powerhouse, with a network of 449 stores throughout Chile.

The balance sheets for the subsequent six years, from 2016 to 2021, comprise the annual periods from September to August of the following year, following the fiscal year of its parent company abroad. All those years, Farmacias Ahumada's figures have been audited by Deloitte.

In the four-year period 2015-2018, Ahumada ended every fiscal year, as of August, in the red. It lost $35,849 million in 2017 and $35,849 million the following year. At the close of those balance sheets, the company's management informed its auditor that it had initiated "a restructuring process for the closure of pharmacies in Chile and the contractual relationship of employees of the parent company and pharmacies."

That first major adjustment was made in the latter part of 2018. The company argued that in recent years it had faced a sharp drop in its market share, losses in revenues and results and a decrease in customer traffic and sales in all its locations. If in July 2015 it had a 28.7% market share, three years later it had dropped to 21.3%, according to a report by Asesorías Iqvia. Between November 2018 and March 2019, Ahumada laid off 530 workers and 31 pharmaceutical chemists. According to its official balance sheets, in twelve months it closed 84 stores, to end 2019 with a network of 341 locations.

During this adjustment, there was also a change in the management of the Chilean company and the Italian Michele Ingravallo arrived, who is still in charge today. But the company did not recover and closed the fiscal year ended in August 2019 with a loss of $ 41,427 million. And then came the explosion. Between October and November 2019, Ahumada then argued in a new round of layoffs, more than 104 stores were attacked by unknown persons. By August 2021 the network had already dwindled to 301, nearly 150 locations fewer than when the Americans took over.

The outbreak, and then the pandemic, the company claims, forced further staff reductions. If in March 2020 it had 2,939 workers, in March of this year it was down to 2,588 people. At the end of 2014, it had 3,749 workers in Chile. More than 1,000 workers less.

The year of the pandemic was the worst of **Walgreens**' management period and the balance sheets as of August 2020 also include the turbulent last four months of 2019. In those twelve months, Farmacias Ahumada lost $ 53.065 million, as reviewed a year later by auditors Deloitte.

The latest balance sheets for 2021 show accumulated losses of a whopping $ 268,469 million (about US$ 350 million). Until 2014, the company had accumulated profits of $ 35 billion.

An accounting clarification: since 2015, Ahumada has deconsolidated from its balance sheets the business, assets and liabilities of Farmacias Benavides, a giant with 1,109 stores in Mexico, since it is financially and operationally controlled by the parent company. But Ahumada owns 95.62% of Benavides and its balance sheets do include the losses in Mexico, which are also substantial. From 2015 to 2021, the loss of associated companies, where Benavides is the big weight, amounted to exactly $ 100 billion and are equivalent to 44.6% of the losses of $ 230 billion recorded in the period 2015-2021 by Fasa. With this, the Chilean business actually left losses of $ 130 billion. And in no year did it make a profit.

Bad figures are not an exception in the industry, at least during the difficult 2019 and 2020. First there was the outbreak and then the pandemic, when they had to keep their premises open, as instructed by the authority, despite the sharp drop in sales. But some recovered. The income statement of SalcoBrand, controlled by the Yarur family, proves it. Its income statement as of December 2021 reflects profits of Ch$ 14,488 million and revenues from the sale of goods of Ch$ 639,374 million (about US$ 860 million) for those twelve months. The Yarur firm, however, was coming from two years of losses of almost Ch$ 10 billion each year.

In comparison, SalcoBrand invoiced twice what Ahumada sold in the 12 months ended August. Total revenues for those twelve months amount to a total of Ch$ 329,630 million, some US$ 423 million. And although the detail of sales is not provided, its stock of merchandise illustrates its business. Of an inventory of $ 38 billion, 70% corresponds to medicines, 24% to pharmaceuticals and personal hygiene products and 1% to food, beverages and tobacco.

More capital and a devalued brand

Walgreens Boots' efforts have been enormous. The parent made a $24 billion capital raise in May 2020 and according to financial reports, **Alliance Boots** Holding loaned the company $151.001 million, interest on which is paid annually. "Currently, the board of directors is analyzing the capitalization of part of this debt, capitalization that would be concluded during the period 2022″, says the latest results presentation accessed by Pulso. The company declined to answer questions for this report or to clarify whether this capitalization was carried out. At least in the public records of commerce, Farmacias Ahumada has not reported changes in its capital for two years.

Ahumada's working capital was negative as of August 2021, but it had cash of more than $6 billion. "Historically, the company has relied on borrowings from its principal shareholder and related companies to provide working capital as needed," the balance sheets say.

Even the brand has deteriorated sharply. The value assigned on the balance sheets to the Farmacias Ahumada trademark, the firm's most valuable intangible, has declined year after year. In 2014 it stood at Ch$ 31,341 million. In the August balance sheet it was reduced to one fifth of that figure: Ch$ 5,914 million.

Load-Date: August 16, 2022

Pharmacies 'heal' their revenues: 40% increase reported

CE Noticias Financieras English

August 9, 2022 Tuesday

Length: 781 words

Body

In the first half of the year, Médica Sur, Farmacias Guadalajara, Benavides, Genomma Lab and the YZA, Farmacon and Moderna pharmacies of Fomento Económico Mexicano (FEMSA) reported a joint increase of 40 percent in their revenues, reaching 102 thousand 88 million pesos, or 29.419 billion pesos more than the 73.469 billion pesos reported in the first half of 2019, before the coronavirus health emergency, according to what was reported by the companies on the Mexican Stock Exchange (BMV).

Additionally, its share price rose 19 percent in the first half of this year, compared to the same period of 2019 and its EBITDA increased 105 percent in the same period, encouraged by the infection of more than 6.8 million Mexicans who have reported having the coronavirus in the country.
At the close of the first half of 2022, the Médica Sur hospital chain, led by Juan Carlos Griera, increased its share value in the stock market by 130 percent, going from trading at 23.50 pesos per paper in 2019 to 54.15 pesos.
The company accumulated revenues of 1,951.6 million pesos in the first half of the year, 5 percent more than in the same period of 2019, that is, prior to COVID-19.
The firm reported that in the first six months of the year it has recovered other services such as Gamma Knife radiosurgery that had 75 percent more procedures, the Oncology Center that performed 26 percent more chemotherapies compared to 2021 and 11 percent more MRIs, to highlight a few.
For its part, Farmacias Guadalajara, presided by Javier Arroyo, saw its share value take off 24 percent between the first half of 2019 and this 2022, going from 254.99 to 315 pesos per share.
In the first half of the year, in revenues the chain reported a 54 percent annual increase, reaching 47 billion 243 million pesos, this supported by the opening of new branches.
"The expansion plan continues to incorporate a new store every three days on average," stated the company in its financial report, where it detailed that in the first half of 2022 it integrated 84 new units, to reach 2,485 'SuperFarmacias'.
Meanwhile, Genomma Lab, the pharmaceutical company presided by Rodrigo Alonso Herrera, raised its share value from 17.79 to 20.22 pesos between the first half of 2019 and 2022, an increase of 14 percent.
While its revenues totaled 8,338 million pesos, 30 percent more than in the first half of 2019, and 12 percent more than in 2021.
"Explained by a greater number of points of sales coupled with better results in the categories of anti-flu, cough syrups and gastro. And the good performance of the isotonic beverages category in the United States," detailed a Banorte analysis.
For the company, the figures reflect the good performance of the OTC (over-the-counter) category; however, disruptions in supply chains could continue to impact profitability, particularly in Mexico.

The infected, despite demand

Farmacias Benavides, chaired and directed by Luis Guillermo Demis, reported a 47 percent drop in the value of its stock in the first half of 2022, this against 2019, going from 17 to 9.02 pesos.
In February 2020, the issuer began its delisting plan from the Mexican Stock Exchange (BMV) for the third time, the previous ones were in 2014 and 2018.

As of the closing of this text, the company still has shares outstanding, 50 million Series A and 358.8 Series B shares.

Its income in the first semester accumulated 7,855 million pesos, 14 percent more than in 2019 and 9 percent more than in 2021, it detailed that supported by a higher sales volume and the implementation of more efficient processes such as e-commerce in Monterrey and its metropolitan area, which during the second semester will be expanded to other cities, advanced the company that belongs to the **Walgreens Boots Alliance** group.

Meanwhile, FEMSA's health division, which integrates YZA, Farmacon and Moderna pharmacies in Mexico, in addition to other brands in Latin America, accumulated revenues of Ps. 37.5 billion in the first half of 2022, which was 34 percent more than in 2019 and 4 percent more than in 2021.

This increase in sales, supported by the performance of Mexico, Chile and Colombia, was not reflected in FEMSA's shares, which showed a 25 percent drop between the first half of 2019 and 2022, going from Ps. 185.45 to Ps. 138.83.

"If you look at the technological ecosystem of pharmacies in Mexico, we will play a big role there, the average ticket is looking at shipping to homes, and the loyalty program, especially for chronic diseases, is something that is key in the digital solution, and I think we complement very well to what is being required," Daniel Alberto Rodríguez, CEO of Fomento Económico Mexicano, said in conference.

Load-Date: September 7, 2022

Walgreens changes Farmacias Ahumada's bylaws amid sale process of Chilean firm

CE Noticias Financieras English

July 18, 2022 Monday

Length: 158 words

Body

The U.S.-based **Walgreens Boots Alliance** has been selling its subsidiary Farmacias Ahumada since at least April of this year. On May 24, at an extraordinary shareholders' meeting of the Chilean chain, it was agreed to incorporate in the company's bylaws "a right for the majority shareholder (**Walgreens**) to purchase shares from minority shareholders, under the terms of article 435 of the Code of Commerce".

According to this document, the bylaws of a corporation may provide that under certain circumstances the sale of shares may be required from all or part of the shareholders, whether in favor of another shareholder, the corporation or third parties. "If such rules exist, the bylaws must contain provisions regulating the effects and establishing the obligations and rights arising for the shareholders. In the absence thereof, such stipulations shall also be considered as unwritten", states the aforementioned article of the Code of Commerce.

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