



# **Walgreens Boots Alliance, Inc. (WBA)**

## **Earning Report Outlook**



# Contents

---

## **4**      **Summary**

---

## **6**      **Analysis** Fundamental Technical

---

## **8**      **Financial Statements** Balance Sheet Income Statement Cash Flow

---

## **9**      **Disclaimers**

# Summary

---

Walgreens Boots Alliance Inc. is a global pharmacy-led health and well-being company that operates a diverse portfolio of retail pharmacies, pharmaceutical wholesale and distribution services, and other healthcare-related businesses. The company was formed in December 2014 through the merger of Walgreen Co. and Alliance Boots GmbH. With its headquarters in Deerfield, Illinois, United States, Walgreens Boots Alliance has established itself as a prominent player in the healthcare industry.

The company operates under various retail brands, including Walgreens, Boots, and Duane Reade, among others. Walgreens is one of the largest drugstore chains in the United States, operating thousands of stores across the country. Boots, on the other hand, is a well-known pharmacy-led health and beauty retailer in the United Kingdom and Ireland, with a presence in several other European countries. Together, these brands provide a wide range of pharmaceutical products, healthcare services, and wellness offerings to consumers.

One of the core aspects of Walgreens Boots Alliance's business is its retail pharmacy operations. Through its extensive network of stores, the company offers prescription and over-the-counter medications, health and wellness products, personal care items, and general merchandise. These retail pharmacies serve as accessible and convenient points of care, enabling customers to fulfill their prescription needs and seek professional advice from pharmacists.

Furthermore, Walgreens Boots Alliance operates a pharmaceutical wholesale and distribution division called Walgreens Boots Alliance Wholesale Services. This segment supplies medications, healthcare products, and related services to pharmacies, hospitals, and healthcare providers globally. The company leverages its scale and infrastructure to efficiently distribute pharmaceuticals and ensure the availability of essential healthcare products across its markets.

In addition to its retail and distribution operations, Walgreens Boots Alliance has a significant presence in the specialty pharmacy and mail service business. Through its subsidiary, AllianceRx Walgreens Prime, the company provides specialty pharmacy services to individuals with complex health conditions. These services involve the dispensing of specialized medications, personalized patient support, and disease management programs, ensuring that patients receive the necessary treatments and care for their specific health needs.

Walgreens Boots Alliance is also actively involved in digital health initiatives and the development of innovative healthcare solutions. The company has invested in technology platforms and digital tools that enhance patient engagement, improve medication adherence and facilitate better health outcomes. Additionally, Walgreens Boots Alliance has partnered with various healthcare organizations and startups to explore new opportunities in telemedicine, remote patient monitoring, and digital therapeutics.

Beyond its core business activities, Walgreens Boots Alliance is committed to corporate social responsibility and community engagement. The company strives to make a positive impact on public health, sustainability, and social equity. It actively supports initiatives related to environmental sustainability, diversity and inclusion, and community health programs. For example, Walgreens Boots Alliance has launched initiatives to reduce carbon emissions, increase diversity in its workforce, and promote health education and awareness in underserved communities.

In recent years, Walgreens Boots Alliance has faced challenges stemming from the evolving healthcare landscape, including increased competition, regulatory changes, and the impact of the COVID-19 pandemic. The company has been adapting its business strategies to address these challenges and seize new opportunities. This includes optimizing its store footprint, expanding its digital capabilities, and exploring partnerships and collaborations to enhance its offerings and deliver more personalized and accessible healthcare solutions.

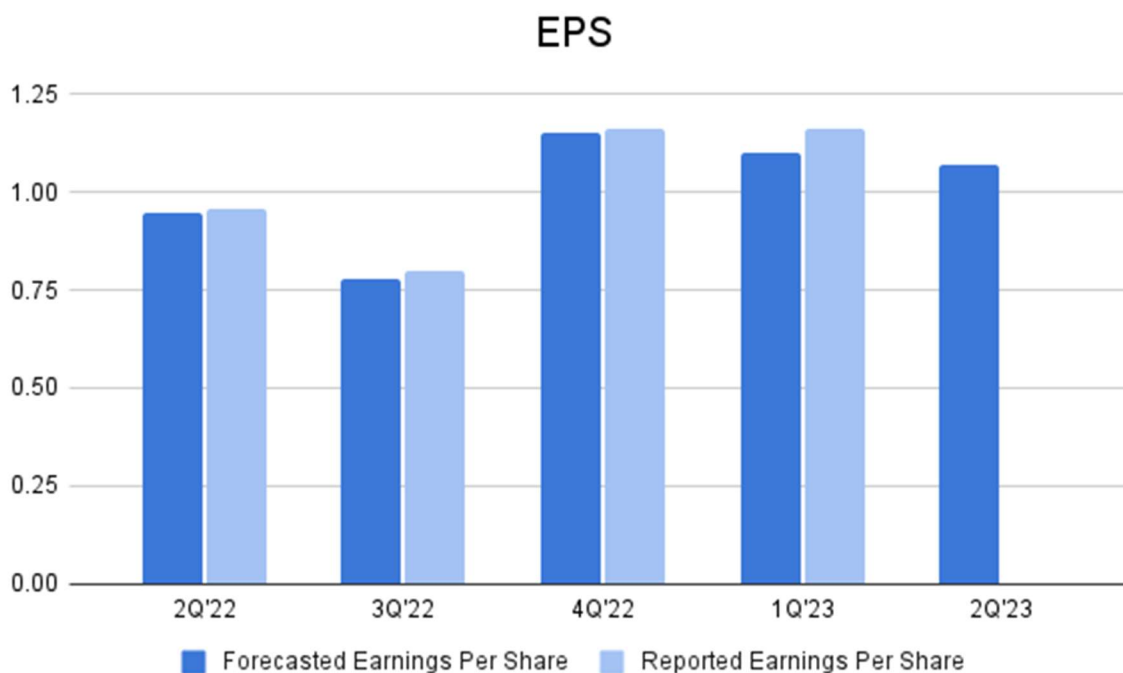
In conclusion, Walgreens Boots Alliance Inc. is a global pharmacy-led health and well-being company that operates a vast network of retail pharmacies, pharmaceutical wholesale and distribution services, and specialty pharmacy and mail service businesses. Through its retail brands, the company provides a wide range of healthcare products and services to consumers. Walgreens Boots Alliance also plays an active role in advancing digital health initiatives and engaging in corporate social responsibility efforts. As the healthcare industry continues to evolve, Walgreens Boots Alliance remains focused on delivering high-quality care, fostering innovation, and making a positive impact on the communities it serves.

---

# Analysis

---

## Fundamental



The chart above displays earnings per share (EPS) reports from the past four financial quarters starting in the second quarter of 2022. The company has been able to consistently report earnings that are just barely above forecasted predictions made by analysts. While it might appear a good sign that the company can report better-than-expected earnings, it actually would appear that it is troubling the company a little bit because they are not able to report good revenue. Retail sales have fallen year over year by 3% at the time of the first quarter report, which is largely due to the country easing off of COVID-19 tests and vaccinations. This along with poor management and disappointed investors caused the stock to drop 7.8% in morning trading the day that their earnings report was released.

Walgreens Boots Alliance stock is currently down 15.06% year-to-date (YTD) and is nearly trading at its 10-year low. This is due to multiple factors such as margin compression, and its risky investment into healthcare has taken up a lot of the company's money in hopes of becoming a profitable segment of the company. Estimates show that by 2025, the company

could begin to pull in 16 billion dollars in revenue from healthcare alone, but currently, the health segment has generated 1.6 billion dollars in the first financial quarter of this year with a gross profit of 110 million dollars.

From a technical view of the stock, it has dropped multiple times after periods of consolidation that have been present. As with the reasons mentioned before, investors are also unsure of the stock's performance due to indicators such as the Relative Strength Index (RSI) showing a close relationship with the stock's price. RSI measures a stock's volatility at a set time, so if the stock price and the RSI level have a close relationship, that could mean that the stock's price is greatly influenced by levels of volatility within the market. There are also support levels measured at the 29.5 dollar price point along with resistance levels at the 36.5 dollar price point.

Income statements show a bounce back from record low levels of profit margins and net income from 2020, along with a negative profit margin and net income in the first quarter of 2023. The balance sheet shows a massive jump in debt to assets since 2020 along with a rise in debt over the past few quarters. Cash flow shows dropping levels of investment along with increasing operating costs over the past few quarters.

## Technical

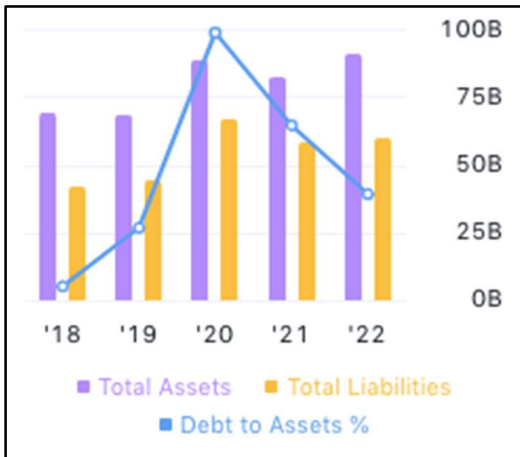




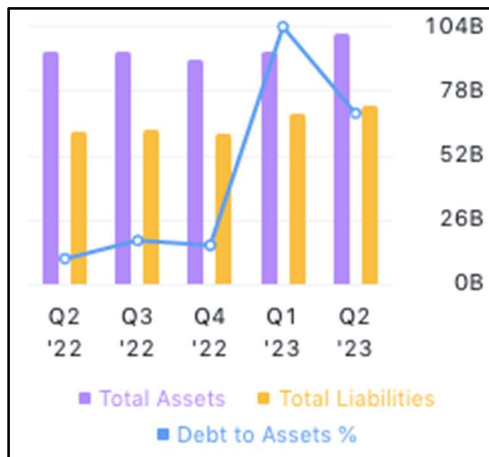
Income Statement (Annually)



Income Statement (Quarterly)



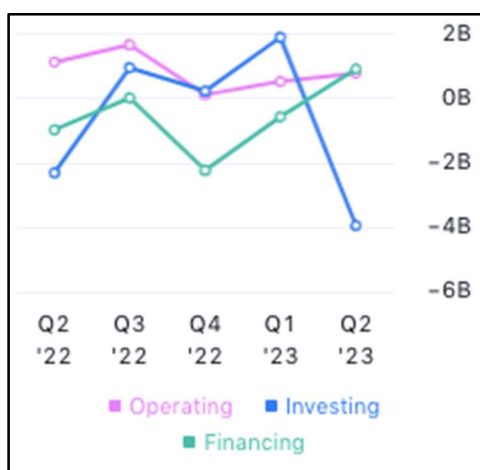
Balance Sheet (Annually)



Balance Sheet (Quarterly)



Cash Flow (Annually)



Cash Flow (Quarterly)



## Disclaimers

---

The content by Myrtle Investment Strategies is in no way a solicitation or offer to sell securities or investment advisory services. Myrtle Investment Strategies is not intended to be a source of professional advice. Our content is intended to be used and must be used for informational purposes only and this is not a place for giving or receiving financial advice, advice concerning investment decisions, or tax or legal advice. It is very important to do your analysis before making investment decisions. No Financial Advice Provided: Myrtle Investment Strategies provides general information and analysis related to investment strategies and financial markets. However, the information we provide should not be considered as personalized financial advice. We strongly recommend that you consult with a qualified financial advisor or professional before making any investment decisions. Each individual's financial situation is unique, and the content we provide may not be suitable for everyone. Accuracy of Information: While we strive to ensure the accuracy and timeliness of the information presented, Myrtle Investment Strategies does not guarantee the completeness, reliability, or accuracy of the information provided on our platform or in any other communication channels. Market conditions, economic factors, and other variables can change rapidly, and the information we provide may become outdated or inaccurate. We encourage users to verify any information before making any investment decisions. Risk and Losses: Investing in financial markets carries inherent risks, including the potential loss of capital. Myrtle Investment Strategies does not guarantee any specific investment outcomes or returns. The investment strategies we discuss or recommend may not be suitable for all individuals, and past performance is not indicative of future results. We strongly advise users to carefully consider their risk tolerance and financial goals before making any investment decisions. External Links and Third-Party Content: Myrtle Investment Strategies may provide links to external websites or include content from third parties. These external sources are beyond our control, and we do not endorse or take responsibility for the accuracy, reliability, or content of any external websites or third-party information. Users should exercise caution and conduct their due diligence when accessing external links or relying on third-party content. Legal and Regulatory Compliance: Myrtle Investment Strategies operates within the legal and regulatory framework of the jurisdictions in which it operates. However, laws and regulations related to investments and financial markets can vary. The information we provide may not apply to or comply with the laws and regulations of your specific jurisdiction. Users are responsible for understanding and complying with the relevant laws and regulations governing their investment activities. No Endorsement or Warranty: Any mention of specific investment products, services, or companies on the Myrtle Investment Strategies platform or in our communications should not be construed as an endorsement or recommendation. We do not provide any warranties or guarantees regarding the suitability, performance, or quality of any investment product, service, or company mentioned. Users should conduct their own research and due diligence before engaging with any investment products, services, or companies. By accessing or using the information provided by Myrtle Investment Strategies, you acknowledge and agree to the above disclaimers. These disclaimers are subject to change without notice. It is recommended to review them periodically for any updates.