

 ***PagueMenos***

VIDEO CONFERENCE

Earnings 3Q21



Disclaimer

This document may contain certain forward-looking statements and information related to the Company that reflect the current views and/or expectations of the Company and its management with respect to its performance, business and future events. Forward-looking statements include, without limitation, any statement that has forecasts, indications or estimates and projections about future results, performance or objectives, as well as words such as "we believe," "anticipate," "expect," "estimate," "project" among other words with similar meaning. Although the Company and its management believe that such estimates and forward-looking statements are based on reasonable assumptions, they are subject to risks, uncertainties and future events and are issued considering information that is currently available. Any forward-looking statements refer only to the date on which they were issued, and the Company is not responsible for updating or reviewing them publicly after the distribution of this document due to new information, future events or other factors. Investors should be aware that several important factors cause actual results to differ materially from such plans, objectives, expectations, projections and intentions expressed in this document.

In view of the above-mentioned risks and uncertainties, the prospective circumstances and events discussed herein may not occur, and the Company's future results may differ significantly from those expressed or suggested in these forward-looking statements. Forward-looking statements involve risks and uncertainties and are not guarantees of future events. Therefore, investors should not make any investment decisions based on any forward-looking statements contained herein.

The market and competitive position information, including any market projections cited throughout this document, were obtained through internal surveys, market research, public domain information and business publications. Although we have no reason to believe that any of these reports or information is inaccurate in any material respect, we do not independently verify regardless of competitive position, market position, growth rate or any other data provided by third parties or other industry publications. The Company is not responsible for the veracity of such information.

Certain percentages and other values included in this document have been rounded to facilitate its presentation. The scales of the quarterly results and annual results charts may appear in different proportions to optimize the income statement. Thus, the numbers and graphs presented may not represent the arithmetic sum and the appropriate scale of the numbers that precede them and may differ from those presented in the financial statements.

The quarterly information was prepared in accordance with the International Financial Reporting Standards (IFRS16), in accordance with accounting practices adopted in Brazil (BR GAAP).



Results 3Q21

Luiz Novais, CFO

3Q21 Highlights

Continuous improvement in operational and financial KPIs



Increased Digital Channels Share

8.5% of total sales (+3.2p.p. vs 3Q20)



Organic Expansion Acceleration

25 store openings in the quarter



Market Share Gain in Core Regions

+0.5p.p. in Northeast and 0.6p.p. in North



Stockout rate at all-time low

45% reduction vs 3Q20



All-time high NPS

76 score (+5pts vs 3Q20)



Gross Margin Expansion

29.6% of G.R. (+100bps vs 3Q20)



Adjusted EBITDA Growth

R\$ 160.4 million (+7.4% vs 3Q20)



Sustaining high ROIC

20.9% (+0.6p.p. vs 3Q20)

Expansion

25 new stores opened during the quarter



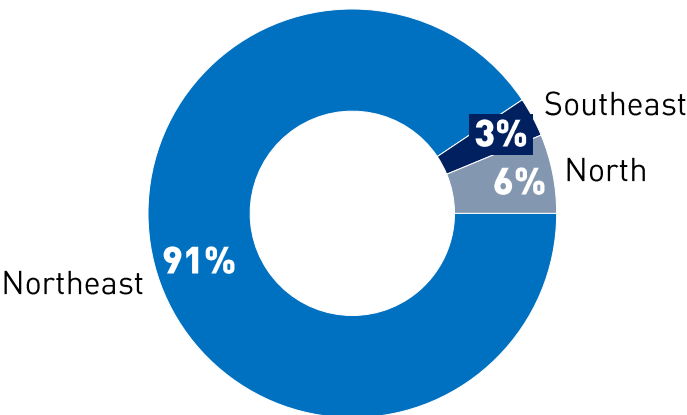
Expansion

Opening cycle starts to gain traction, with stores' profile aligned with our proposal and promising initial performance

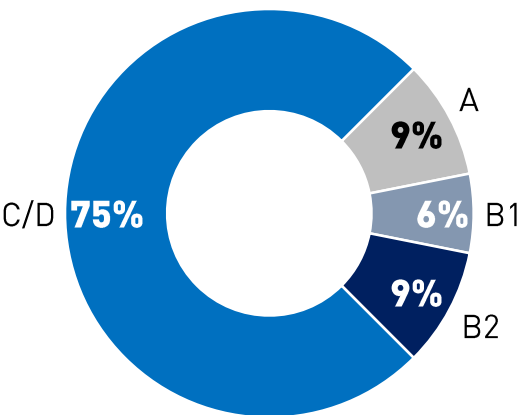
New Stores Profile

(Profile of stores opened within the year)

Per Region



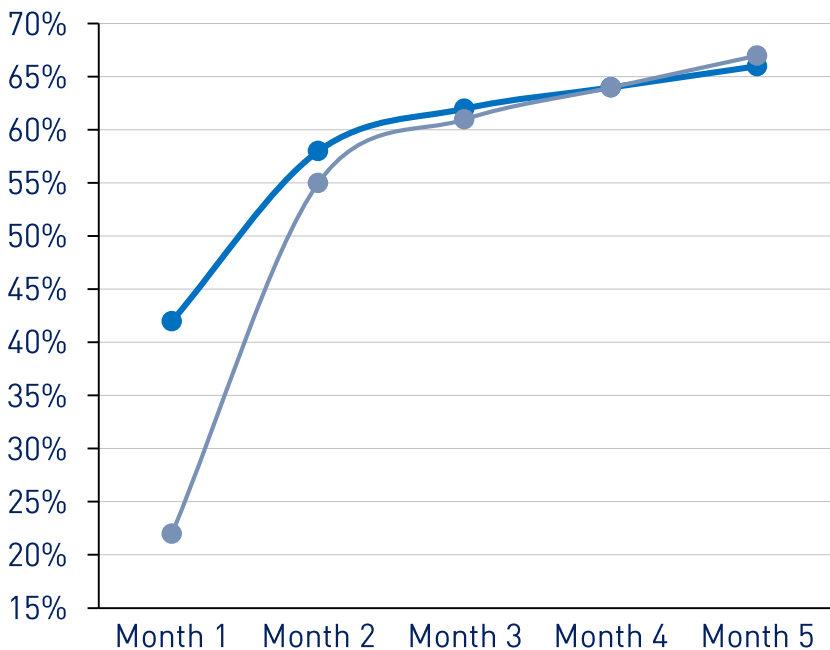
Per Social Class



Maturation Curve

(% of potential sales)

—●— Actual —●— Budget



Note: Predominant social class around each store (5 minutes isochronous). Segmentation follows IBGE criteria, where Class A comprises households with an average monthly family income of R\$ 22.7 thousand, Class B1 of R\$ 10.7 thousand, Class B2 of R\$ 5.7 thousand, and C/D of up to R\$3.0 thousand.

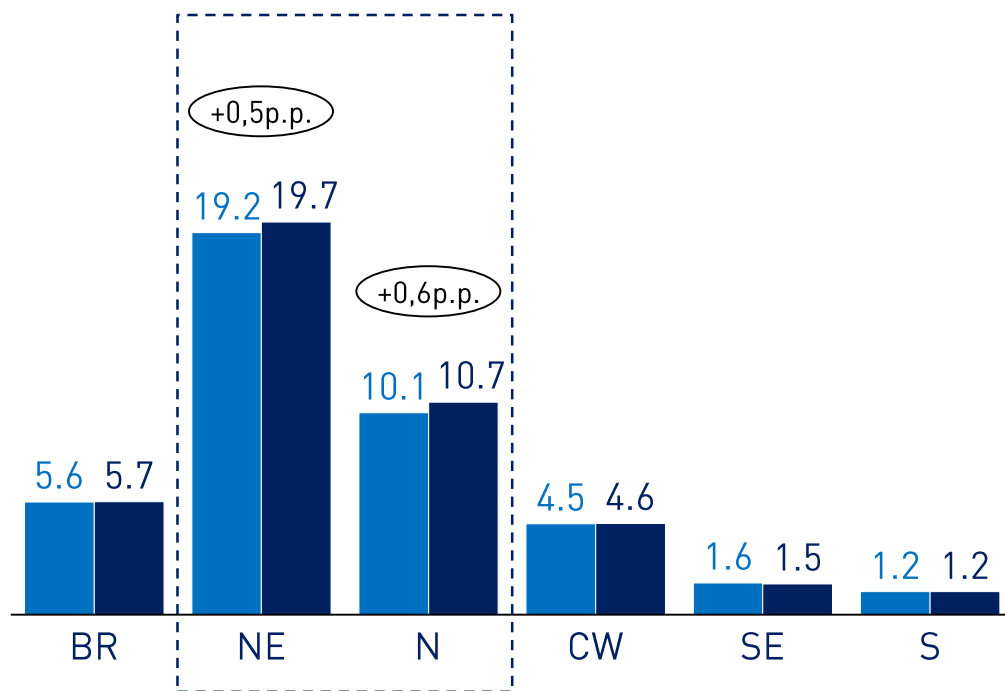
Market Share

Growth in our core regions

Market Share - Quarter

(as a %)

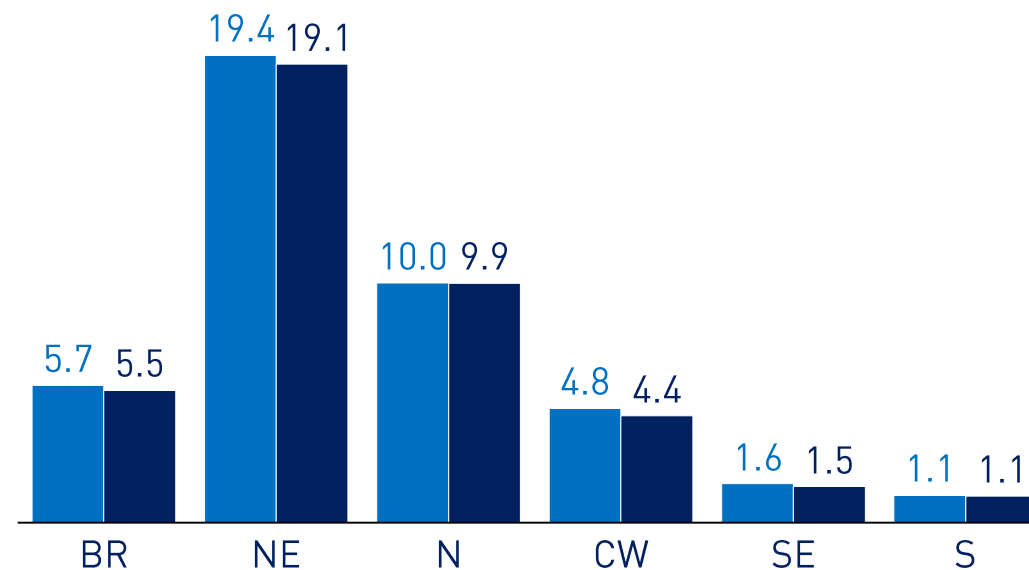
3Q20 3Q21



Market Share – Year to Date

(as a %)

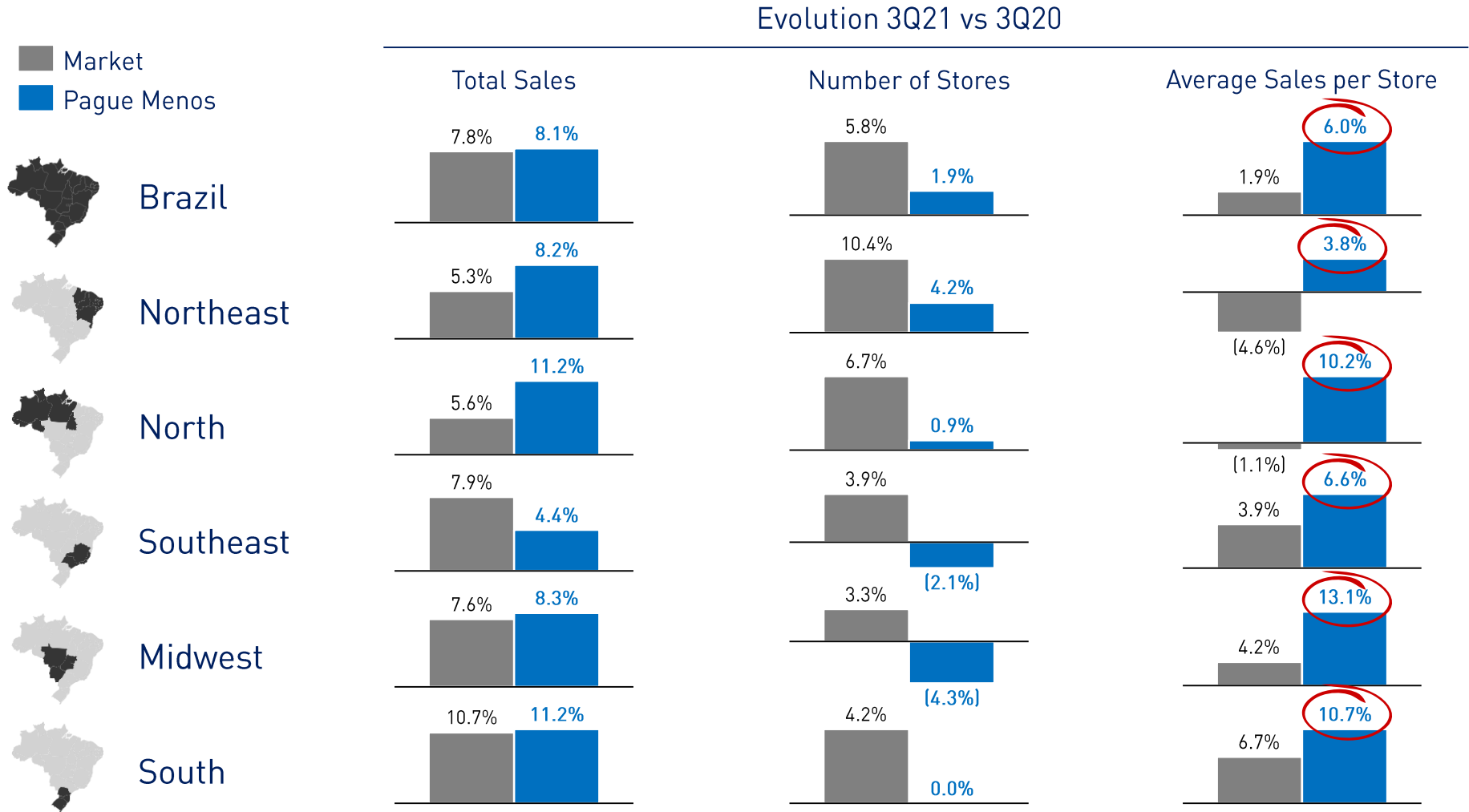
9M20 9M21



Source: IQVIA

Market Share

Growth in sales per store above market average in all regions



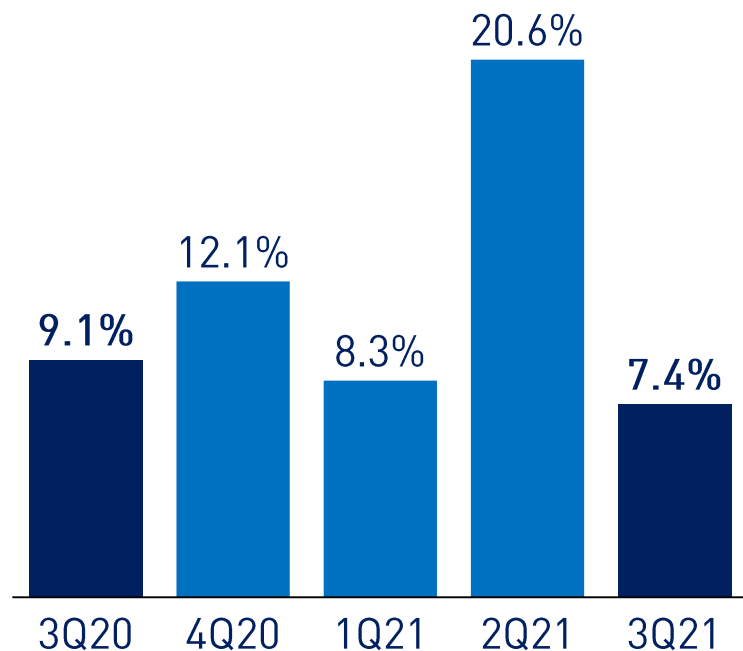
Source: IQVIA; Data reflecting variation between 3Q21 vs 3Q20
Note: IQVIA methodology estimates sales growth using reference prices (PMC), causing a difference with real growth, depending on the discounts used by different chains

Top Line Growth

Maintenance of growth at high levels

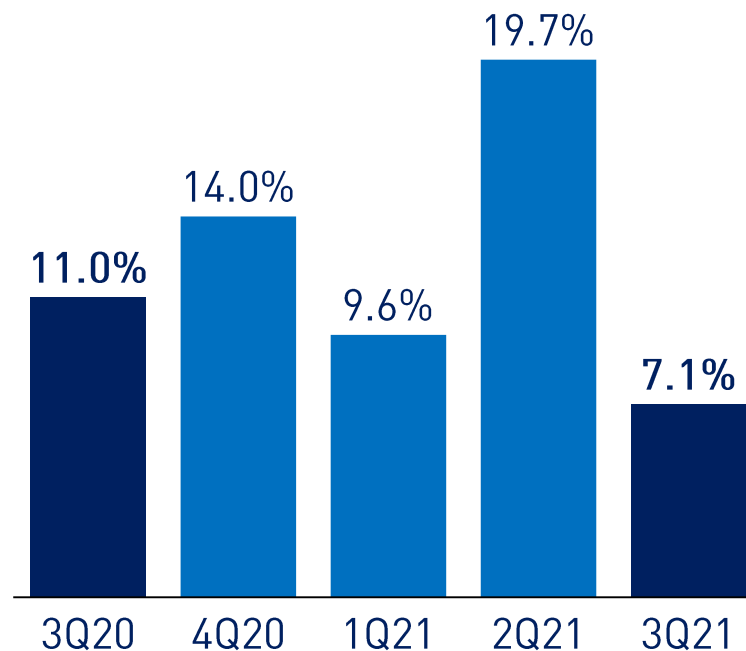
Total Growth

(% variation vs prior year)



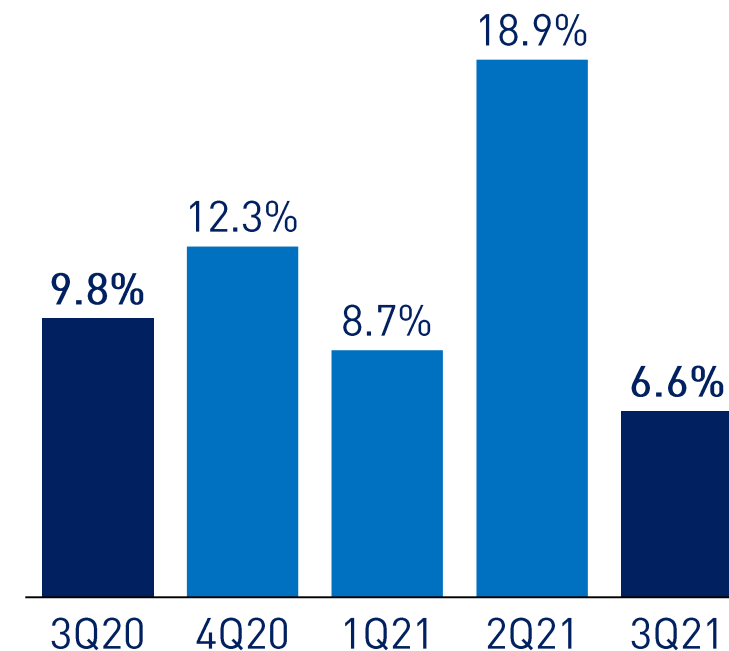
SSS

(% variation vs prior year)



MSSS

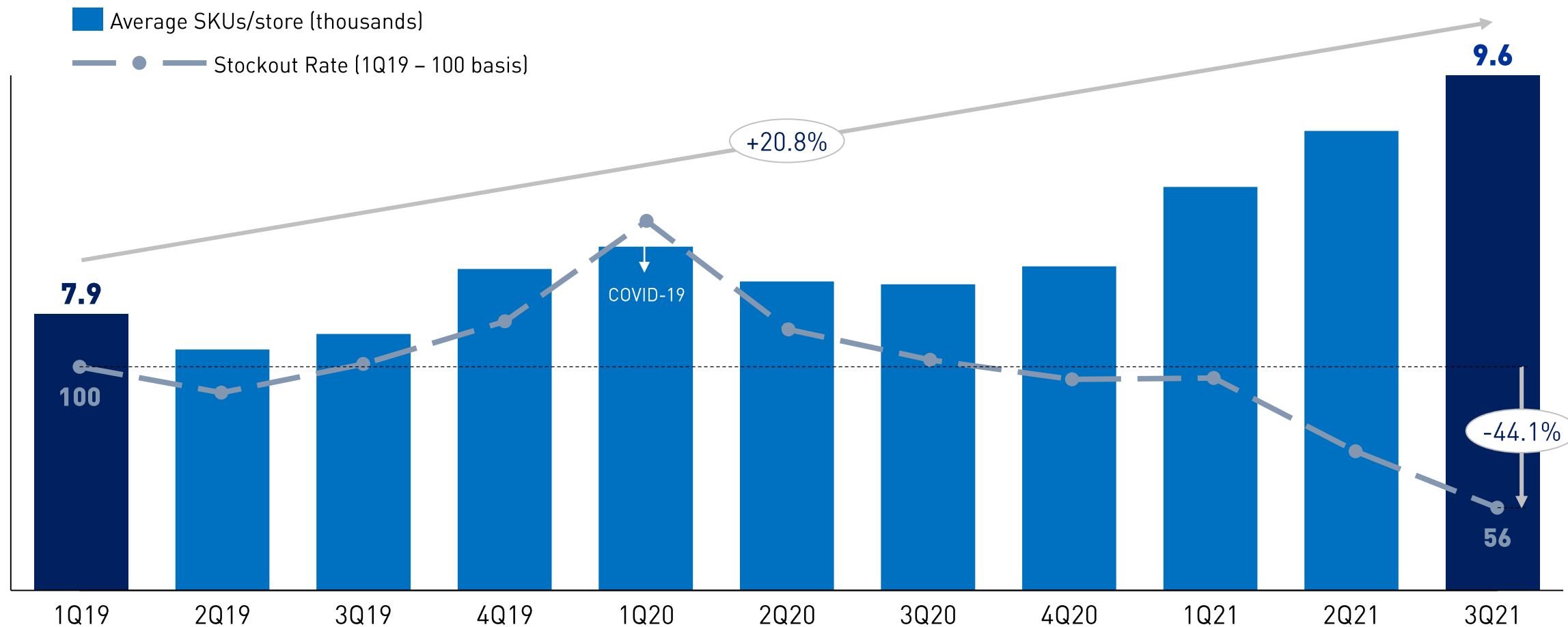
(% variation vs prior year)



Note: The same store concept does not consider stores closed temporarily, lasting more than seven calendar days. Including these temporarily closed stores in this calculation, the same store growth for 3Q20, 4Q20, 1Q21, 2Q21 and 3Q21 were 10.9%, 13.5%, 9.3%, 20.6% and 7.1%, respectively.

Assortment and Stockout

Perfect combination between increased assortment and lower stockout



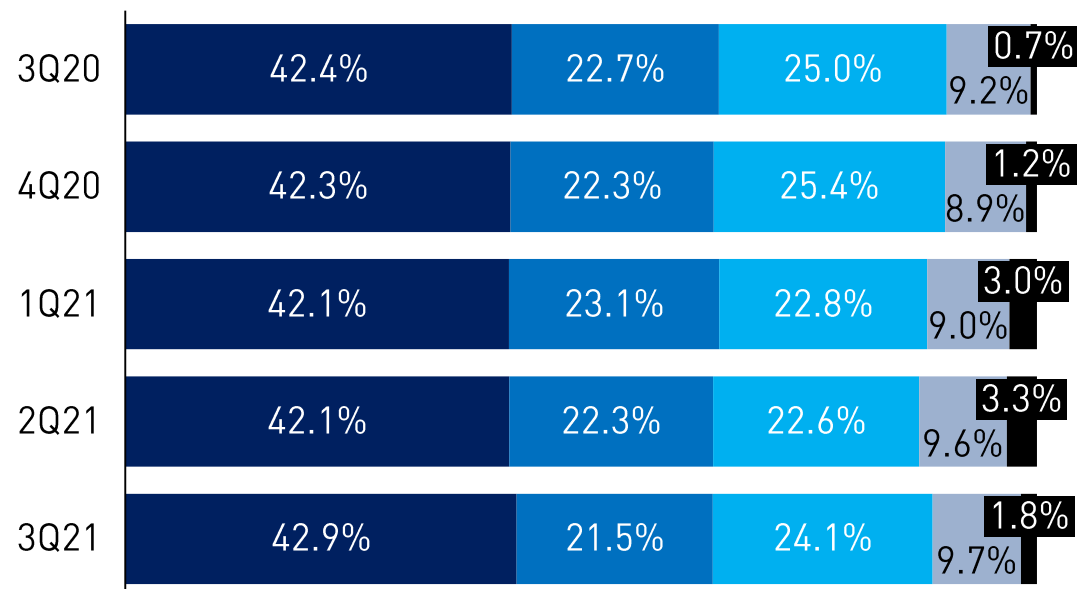
Sales Mix and Private Label

Growing share of generics and private label in the sales mix

Sales Mix

(as a % of total sales)

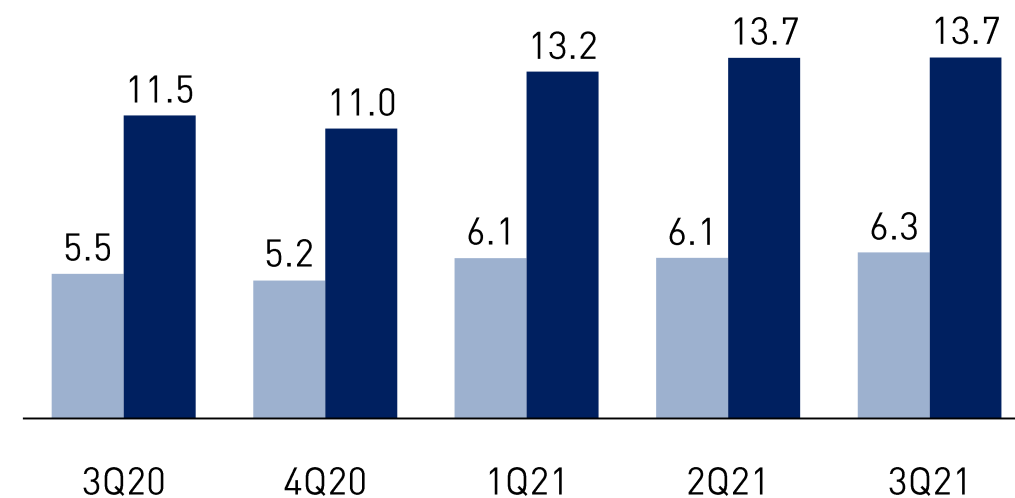
Branded OTC H&B Generics Services



Private Label Share

(as a % of sales)

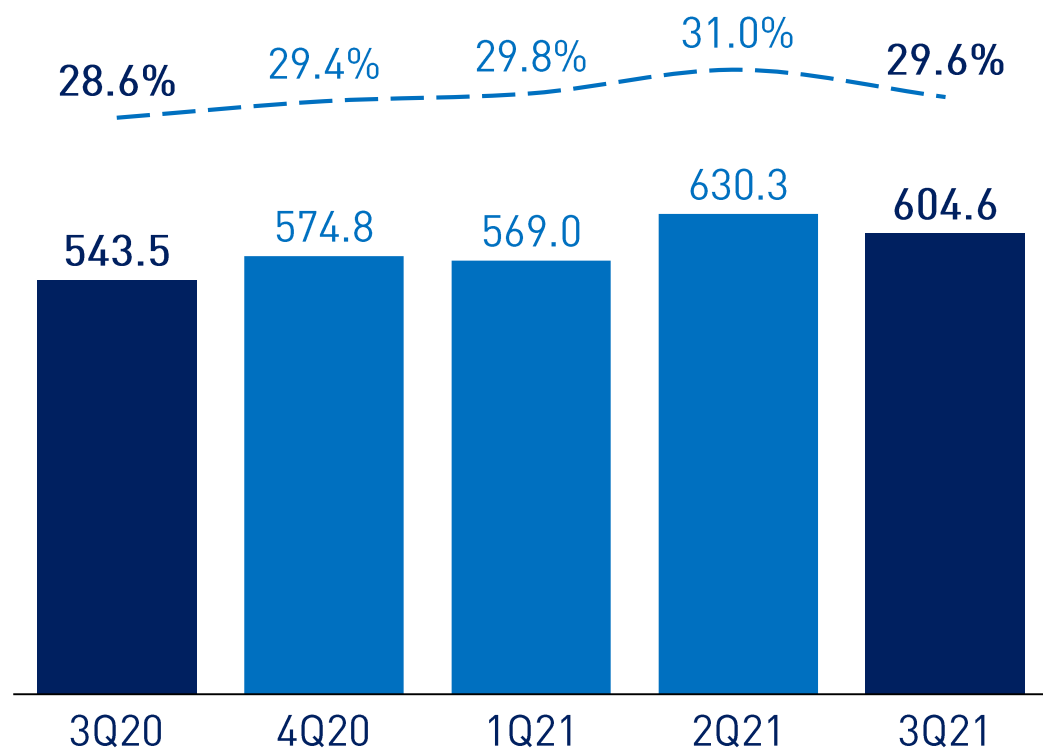
% total sales % self service



Gross Profit and Margin

Balanced sales growth and increased margins, despite negative pressures

Gross Profit and Margin
(R\$ million and % of gross revenue)



+1.0p.p. (3Q21 vs 3Q20)



Profitability projects, private label, generics and reduction in inventory rate

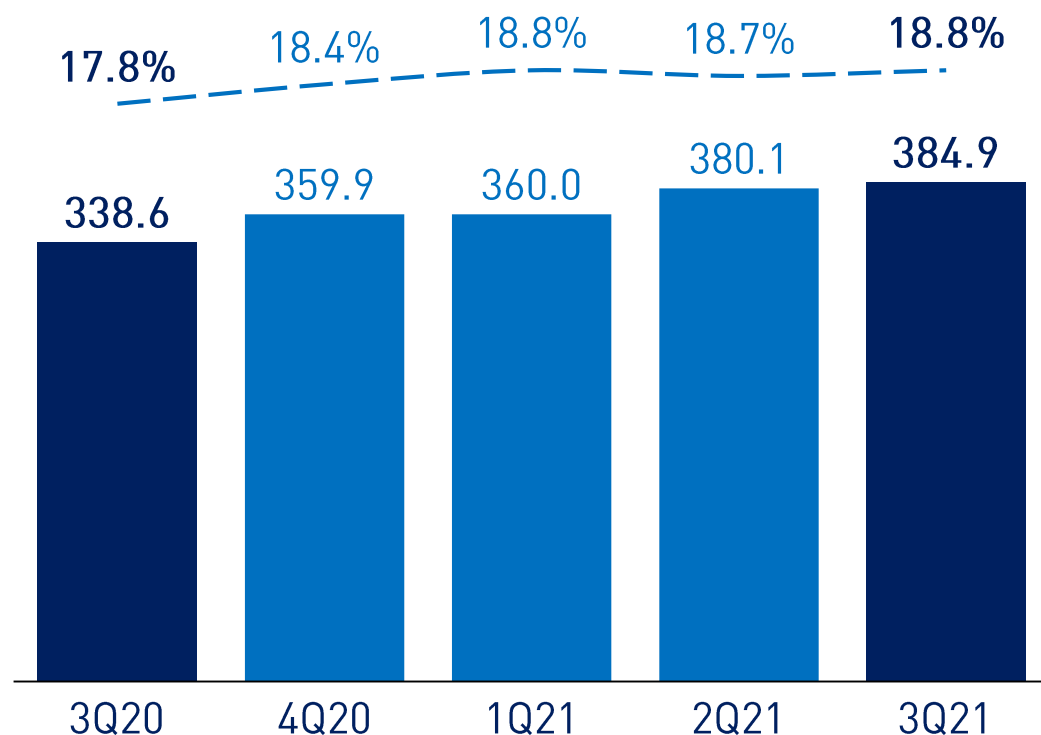


Digital channels, agreements and partnerships and AVP effect

Positive results, despite the lower comparison base impacted by lower expenses during the pandemic

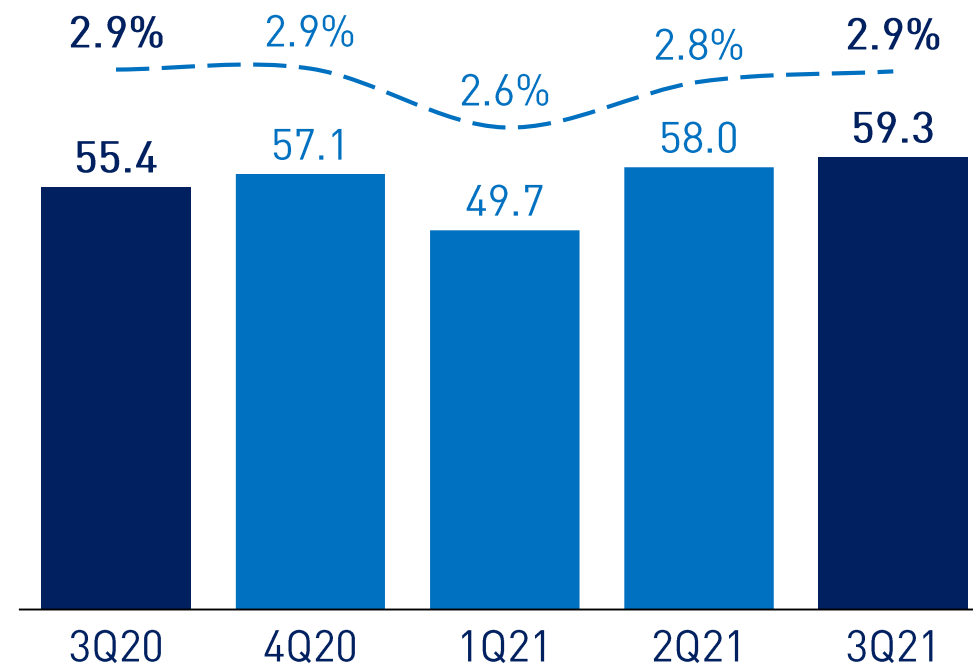
Selling Expenses

(R\$ million and as % of gross revenue)



G&A Expenses

(R\$ million and as % of gross revenue)

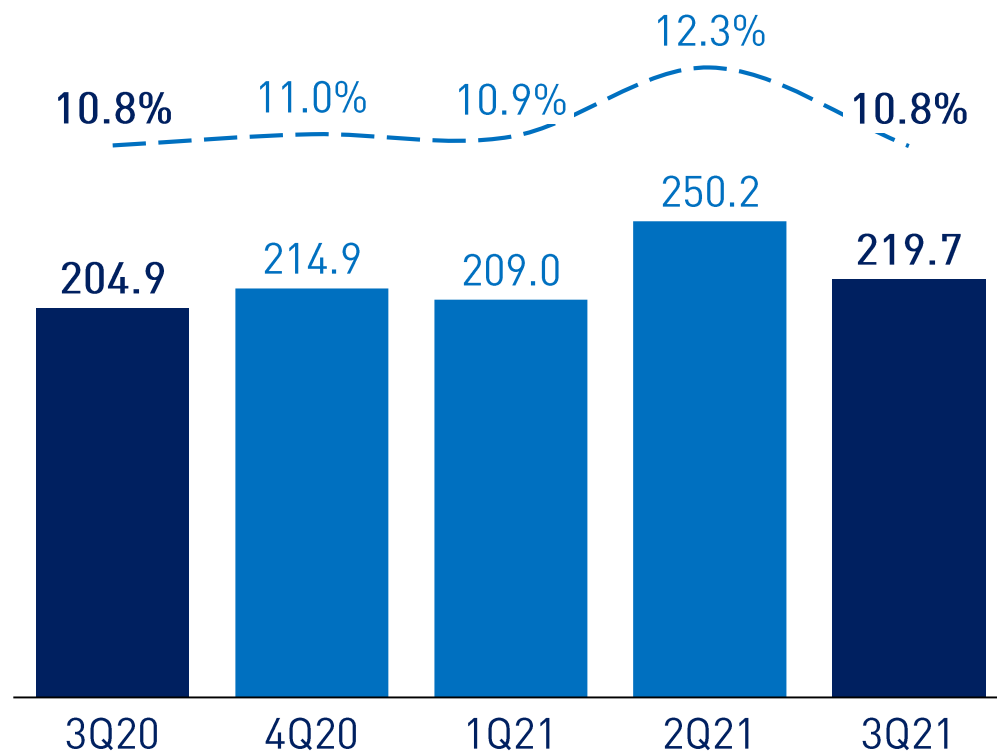


Contribution Margin and EBITDA

Stable margins, despite the expansion plan and inflationary pressures

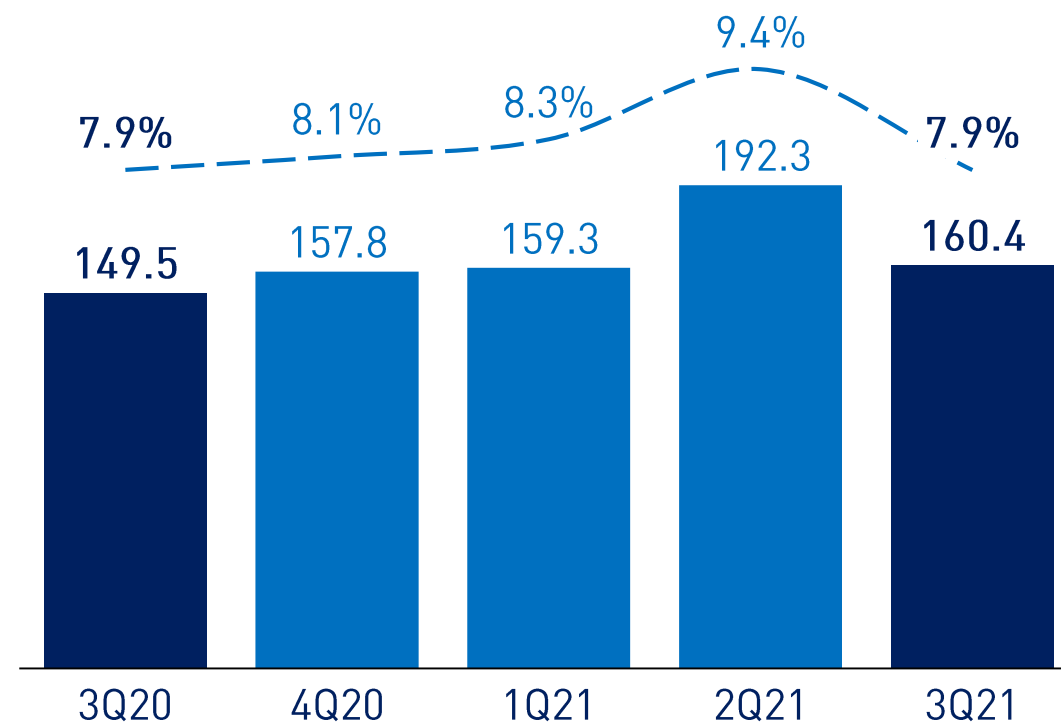
Contribution Margin

(R\$ million and as % of gross revenue)



Adjusted EBITDA

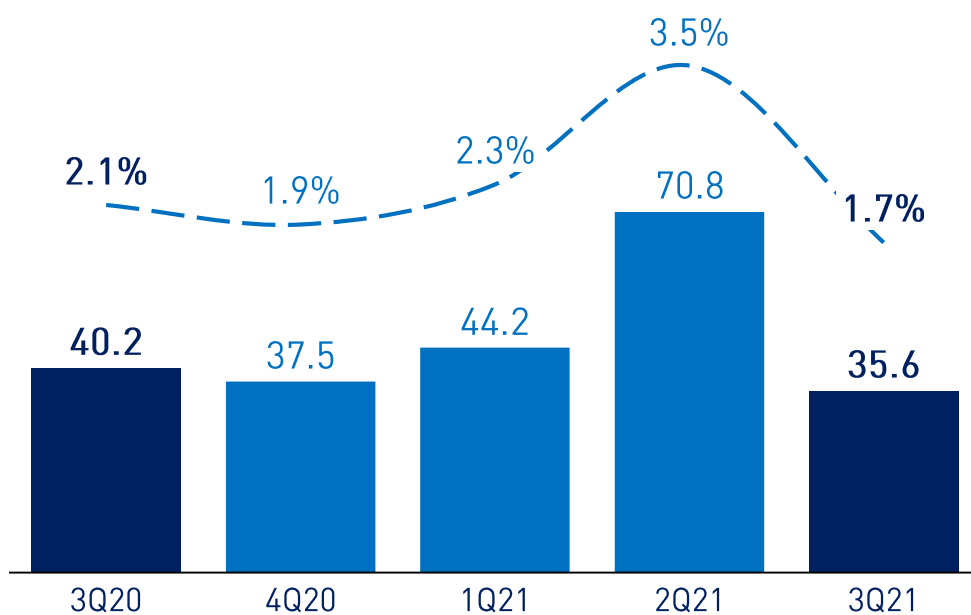
(R\$ million and as % of gross revenue)



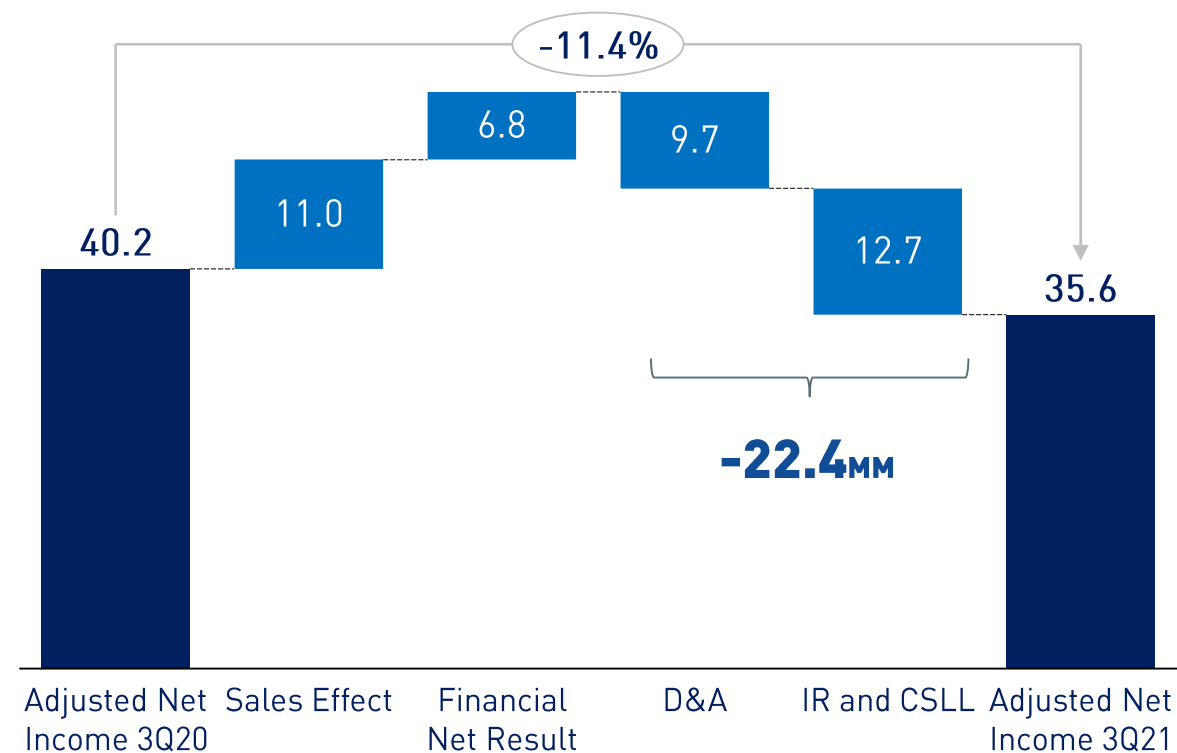
Adjusted Net Income

Net Income reduction, caused mainly by a higher incidence income taxes

Adjusted Net Income
(R\$ million and as % of gross revenue)



Components of Net Income variation
(R\$ million)



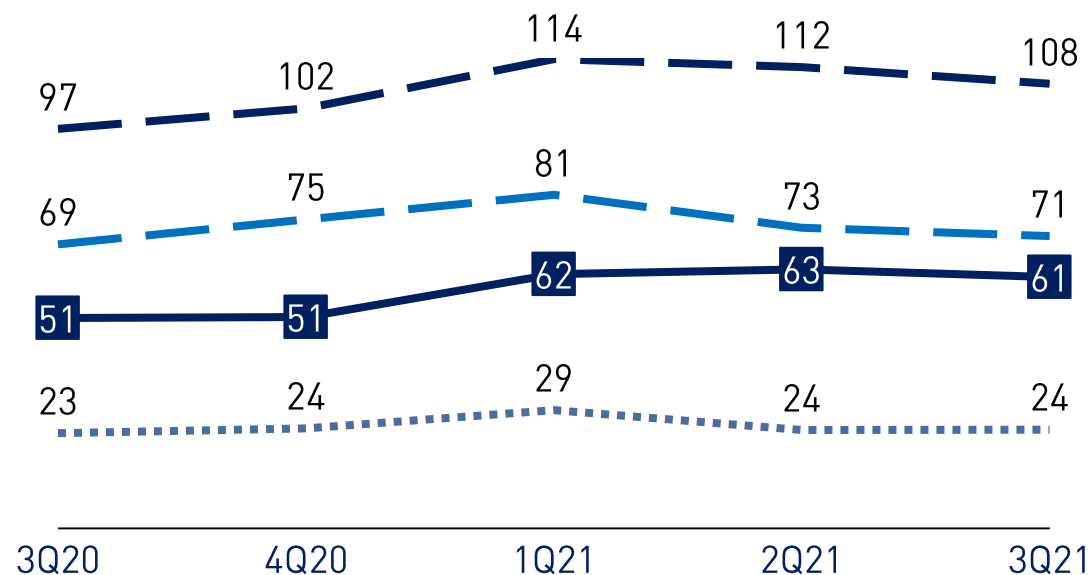
Cash Cycle and Net Debt

Normalization of cash cycle and maintenance of indebtedness level

Operating Cash Cycle

(in days of COGS and of Gross Revenue)

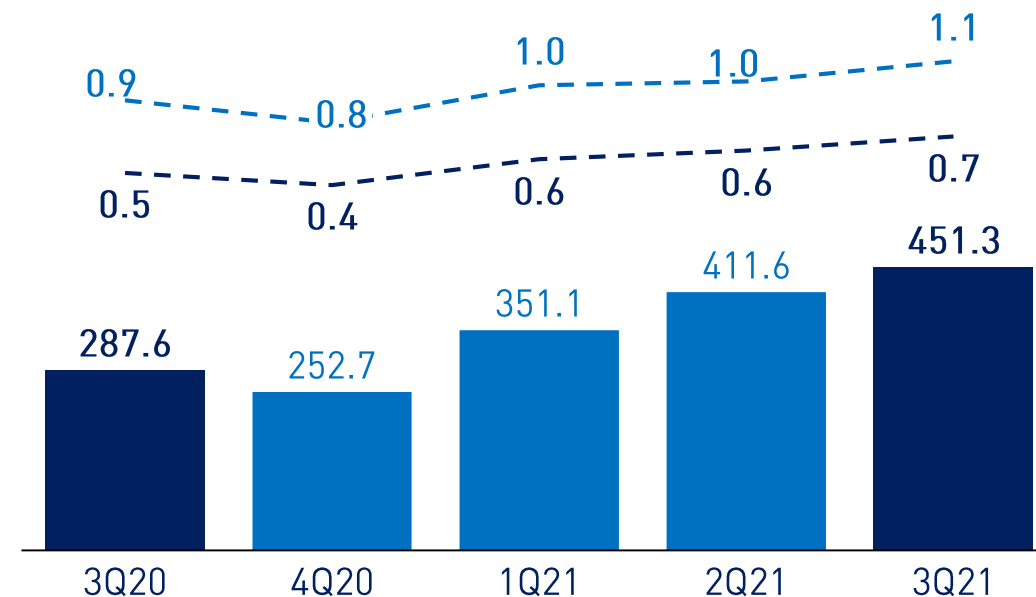
— (+) Inventory — (=) Cash Cycle
 — (-) Suppliers (+) Receivables



Net Debt

(R\$ million and multiple of EBITDA)

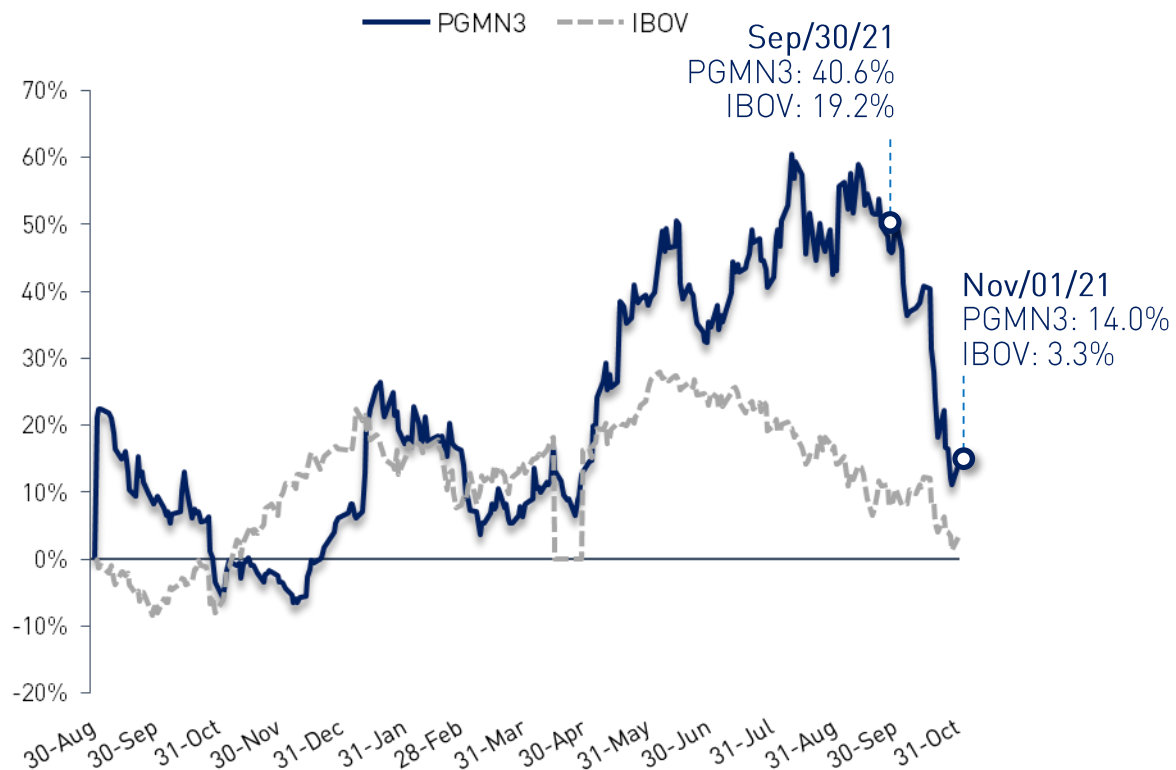
■ Net Debt - - - Net Debt / EBITDA (ex-IFRS16)
 - - - Net Debt / EBITDA



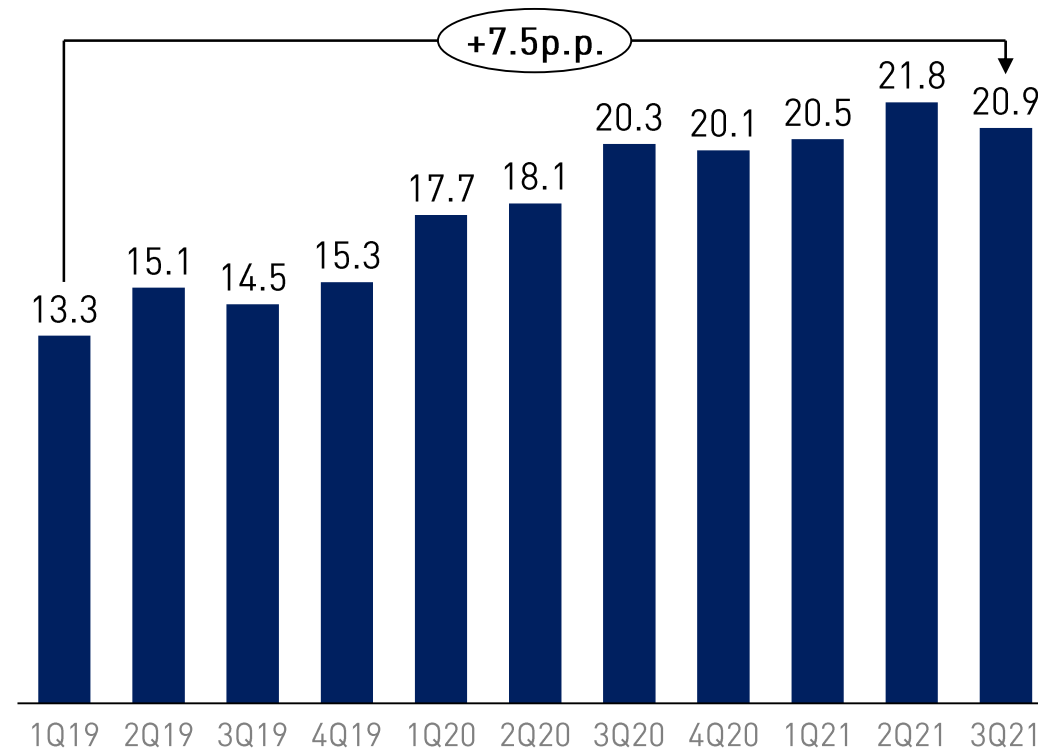
Value Generation

Maintenance of an attractive ROIC and positive alpha vs Ibovespa

Accumulated Share Appreciation (Since IPO – as a %)



ROIC¹ (in %)



¹ ROIC calculated using Contribution Margin After Taxes (ex-IFRS16), accumulated last 12 months, divided by the moving average of the last 4 quarters of invested capital, which in turn is calculated by the sum of Working Capital (Inventory + Accounts Receivable - Suppliers) and Fixed Capital (Fixed + Intangibles)

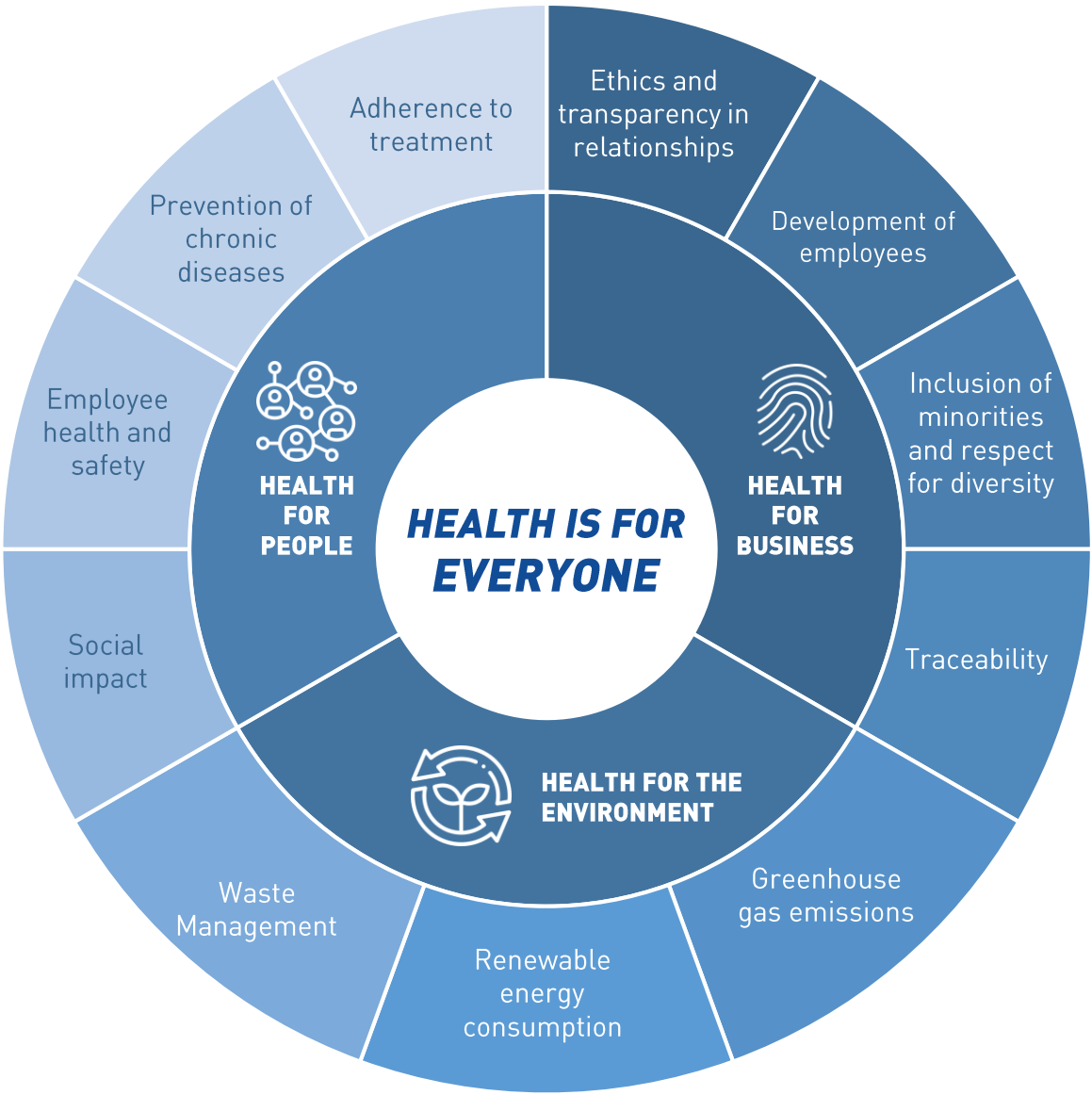
ESG Journey

Pague Menos 2030 sustainability view

HEALTH IS FOR EVERYONE

Pague Menos will be a **complete healthcare solution** that will significantly contribute to **reducing inequalities** in access to a healthy life in Brazil.

SDGs Alignment





Health Hub

Mário Queirós, CEO

We have played an important role during the Covid-19 pandemic in offering support to the population...



1st chain to offer rapid testing in national scale (April/2020)



More than 1.5 million Covid-19 tests executed



Vaccination campaigns against Covid and H1N1 in **14 municipalities**



+18 thousand kits of personal hygiene donated to charity



Commitment with **jobs maintenance** (#NãoDemita movement)



Home Care in remote locations, such as river island of Abaetetuba/PA:



... and will continue to do so as activities resume



Testing for Events



**Se tem evento,
tem teste com
desconto.**

Apresente seu convite, ingresso ou qualquer
comprovante que confirme o evento,
e ganhe seu desconto na hora.

*Válido para todo o Brasil. Apenas para quem apresentar
um comprovante de evento válido.



Vaccine antibody test



**Como saber se você tem
anticorpos pós-vacina da
COVID-19?
Agende seu teste.**



Vaccine passport



**Emissão gratuita da
Carteira de Vacinação Digital**

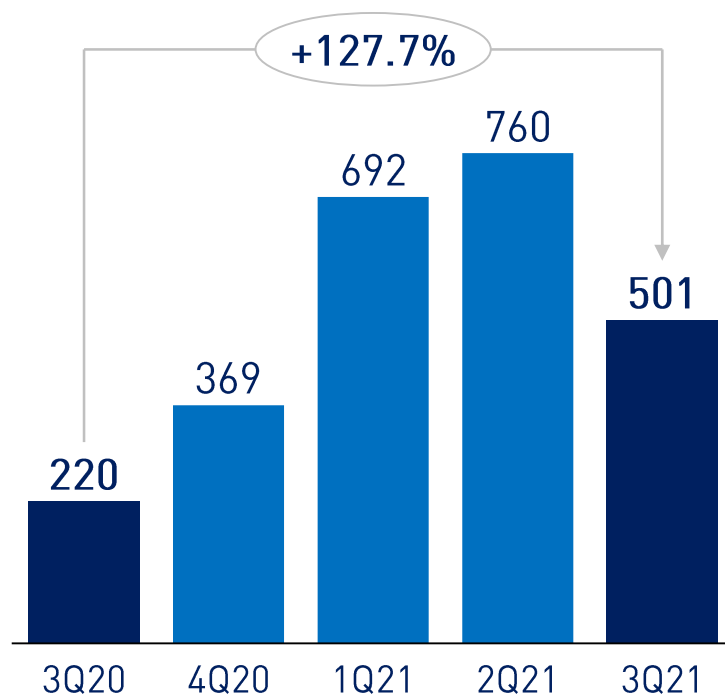


Relevant growth in the conversion rate



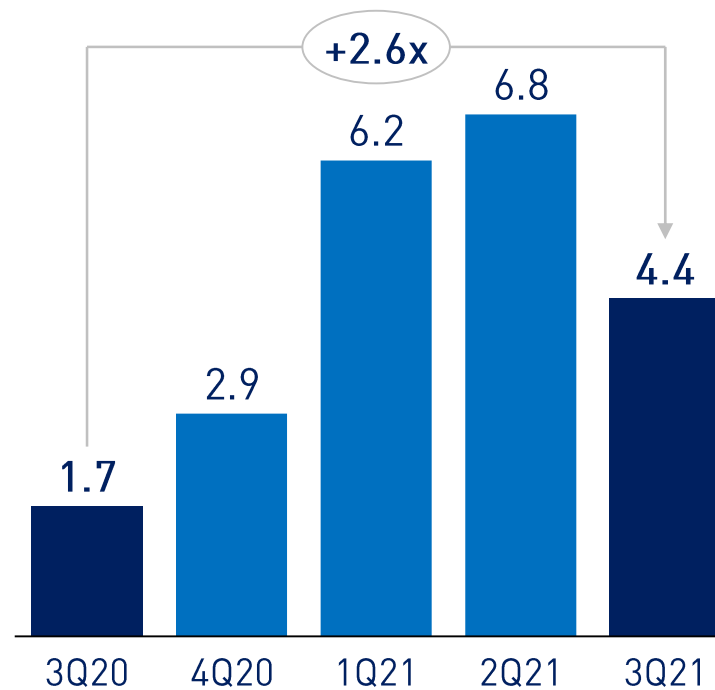
Consultations

(# thousand)



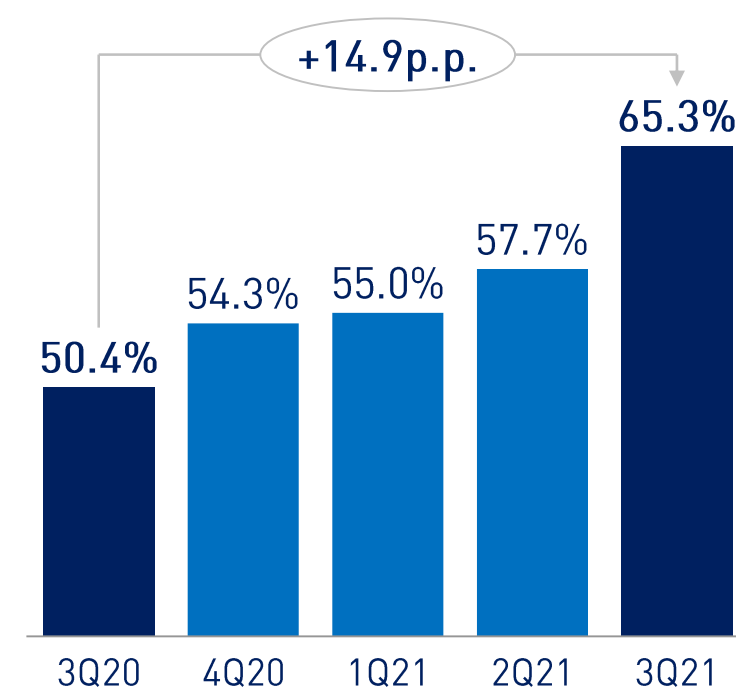
Adhesion

(% Clinic customers / total customers)



Conversion

(% of customers making purchases on same-day of consultation)

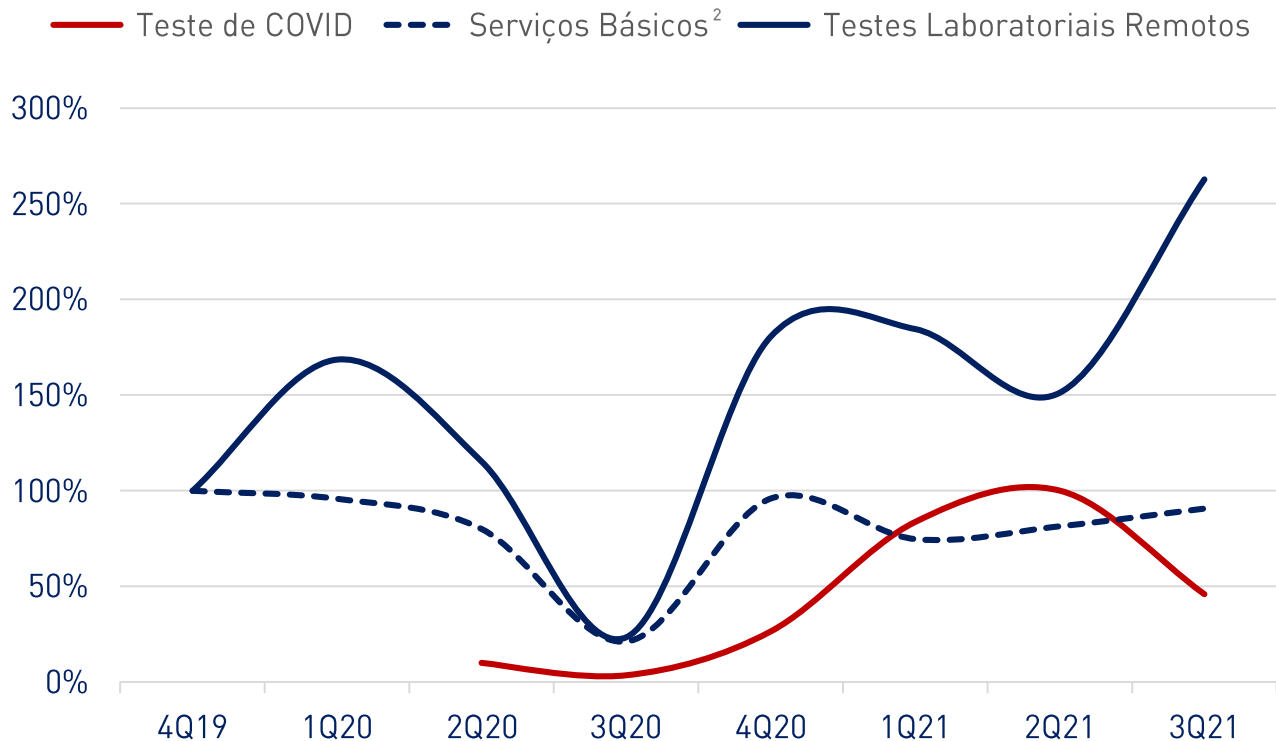


POCT (Point of Care Testing)

Covid-19 tests apart, the remote laboratory exams demand has been growing consistently

Clinic Farma Services Evolution

(basis 100 evolution¹)



Demand for remote laboratory exams is already +2x higher than the pre-pandemic levels



Exams launched in the last 12 months already account for 33% of the total



Exams in portfolio for at least 12 months grew by an average of 58% in 3Q21 vs 3Q20

¹ Considers 4Q19 as base 100 for basic services and TLRs, and 2Q21 as base 100 for Covid tests.

² Includes services such as measuring blood pressure, glycemic index, bioimpedance, injectable drugs, among others.

Pague Menos Health Hub

3Q21 reinforces that we are on track to consolidate our value proposition



+500k Clinic Farma appointments



Traction gain in **Remote Laboratory Exams**



Accelerated growth in **AME (Specialty Drugs)**



Entering in **B2B2C** health market



Agreements and Partnerships record sales



New modalities of **telemedicine**



New partnerships for **Home Care** offerings

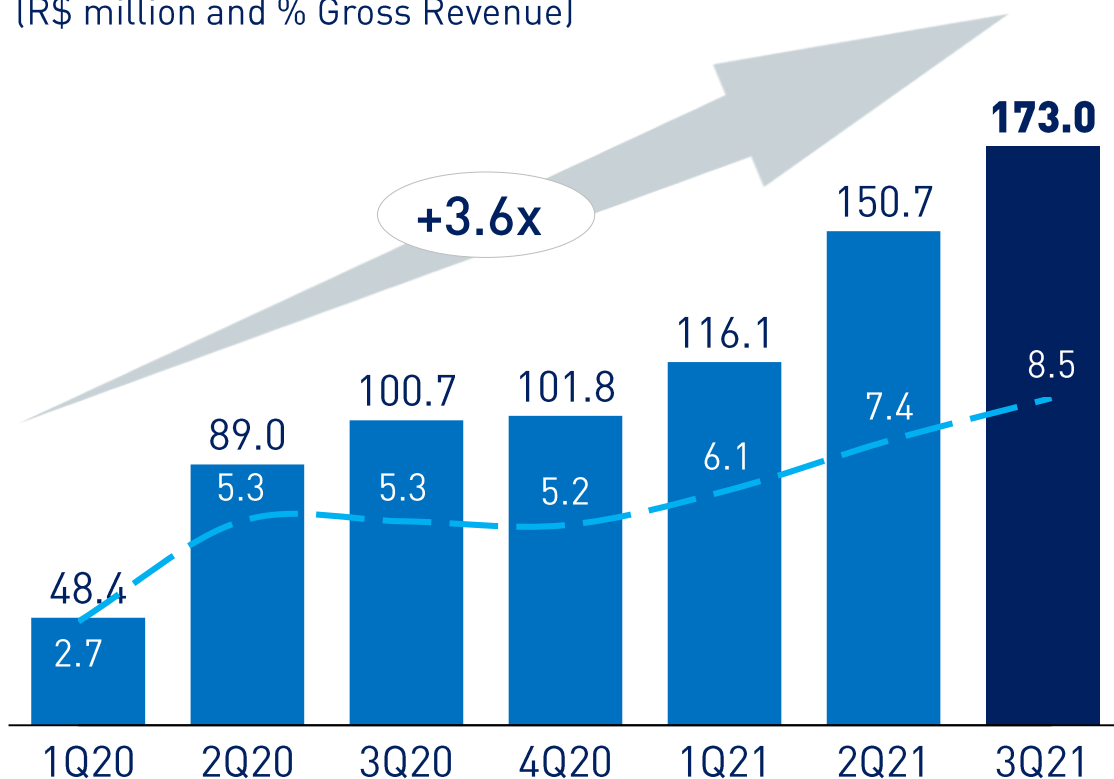


Omnichannel Platform

Another record quarter on digital channels, sustaining growth rates above the market

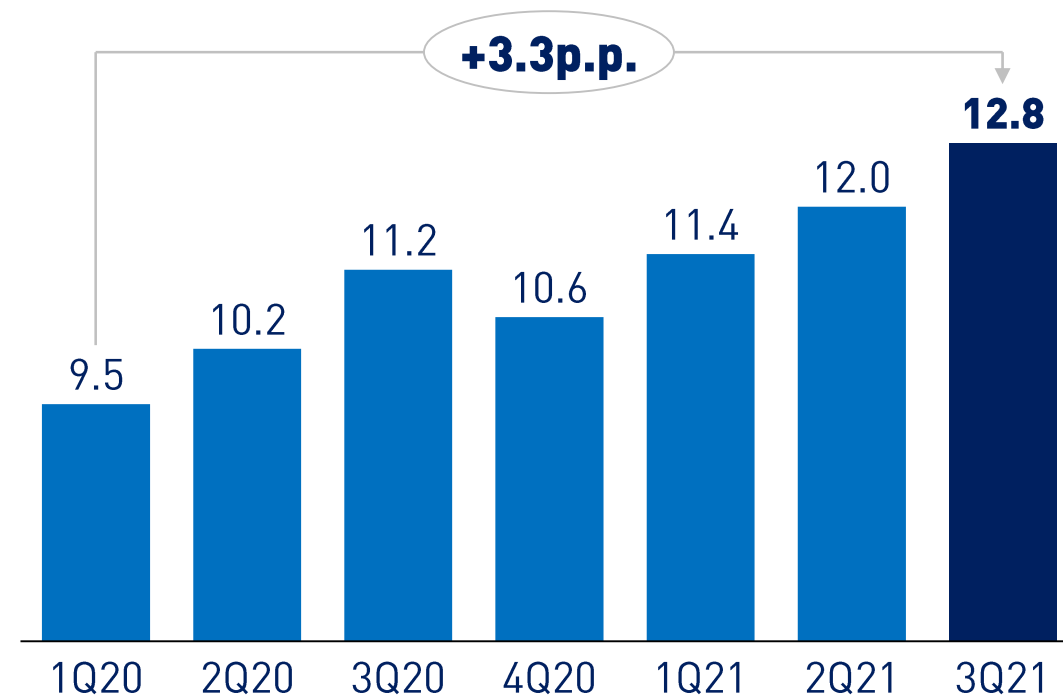
Digital Channel Sales

(R\$ million and % Gross Revenue)



Digital Channel Market Share

(Market share of pharma retail e-commerce)



Innovation Ecosystem

Accelerating innovation initiatives, evidenced by important advances and recognitions

Pmenoslab new headquarter



Awards and recognitions

STARTUP AWARDS 2021	
CORPORATE	HUB DE INOVAÇÃO
ACCENTURE	ACATE
AMBEV	ÁGORA TECH PARK
ARCELOR MITTAL	B2MAMY
BMG	CUBO ITAÚ
BRADESCO	DISTRITO
BRAIN	INOVABRA HABITAT
BRF	MINING HUB
MAGAZINE LUIZA	MTI
PAGUE MENOS	NINNA HUB
TOTVS (IDEXO)	UBERHUB

Pague Menos among the top 10 **innovative companies**

Ninna Hub among the top 10 **Innovation Hubs**

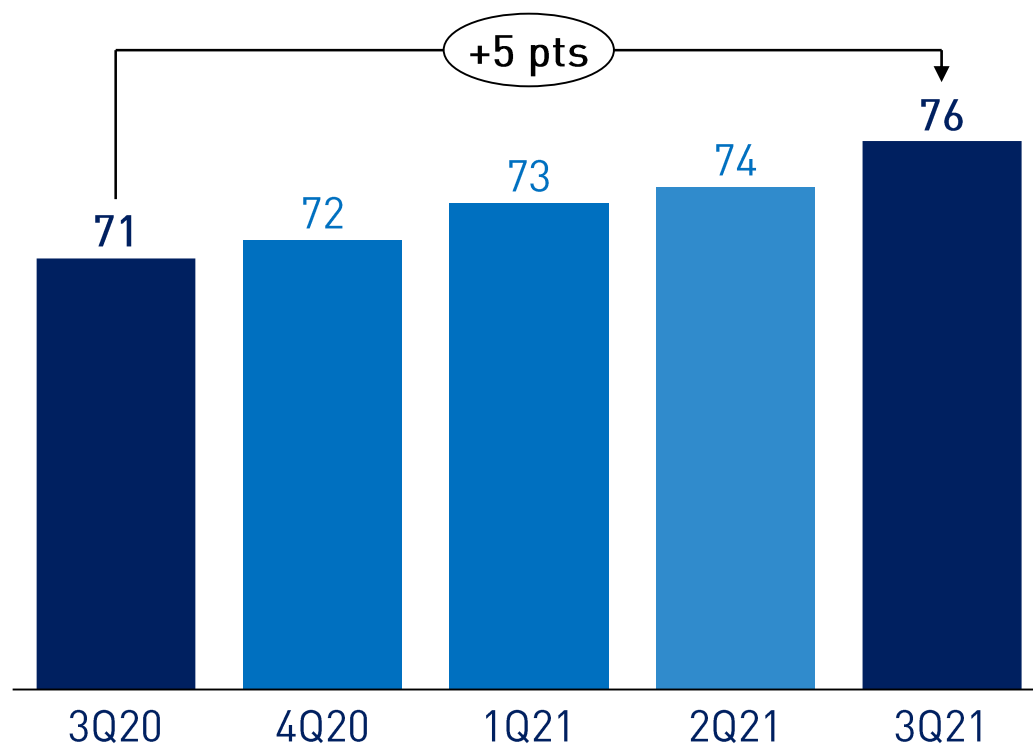
Best retail company in the category of
Quality and Innovation



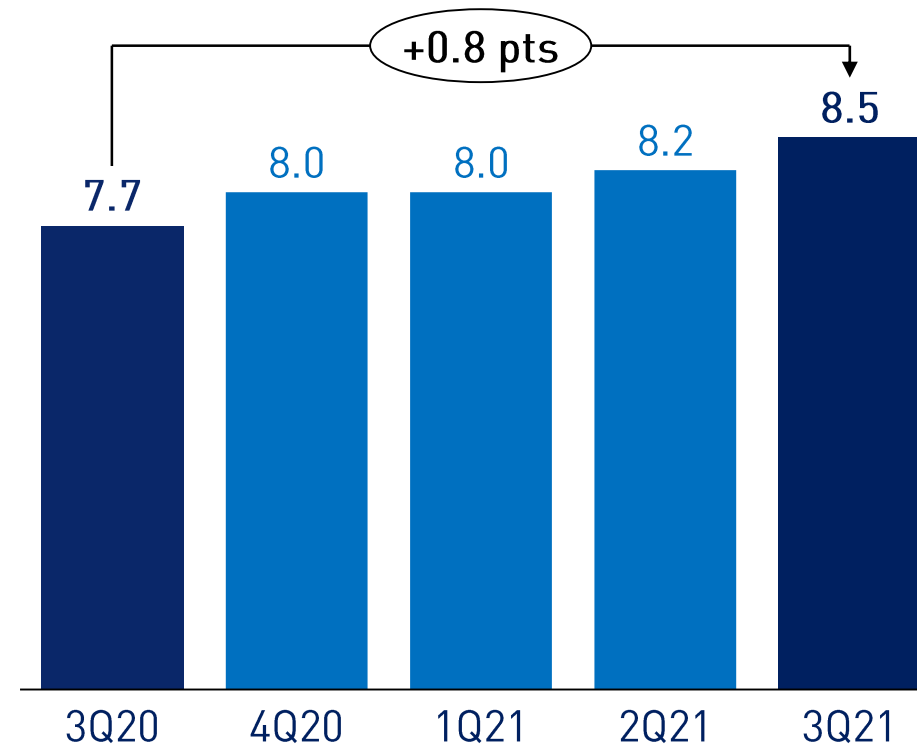
Customer Focus

Commitment to our customer reflected in key service level indicators

NPS
(Client survey¹)



Reclame Aqui Score
(6 months to date)



¹Survey sent through SMS to an average of 1,5 million of clients, with rate of response of approximately 2%



Q&A



 **PagueMenos** 40 anos

INVESTOR RELATIONS

<http://ir.paguemenos.com.br>

ri@pmenos.com.br

+55 (85) 3255-5544