

Seu pet center de estimação

VIDEO CONFERENCE 4Q20 RESULTS

MARCH 9TH, 2021



DISCLAIMER

The statements contained in this document regarding outlooks for the business, forecasts of operations, financial results, and growth outlooks for Petz are mere projections. They are solely based on the expectations of management regarding the future of the business. These expectations substantially depend on market conditions, performance of Brazilian economy, the industry, and international markets. Therefore expectations are subject to change without prior notice. All changes presented herein are calculated based on figures in thousands of reais, as well as rounded numbers.

This performance report includes accounting and non-accounting data, such as operational, pro-forma financial data, and forecasts based on management's expectations. Non-accounting data was not reviewed by the company's independent auditors.



AGENDA

01

Message from
Management

02

4Q20 and 2020
Results

03

Q&A



Message from Management

Sergio Zimmerman
Founder & CEO



HOW DID WE GET HERE?



Leader in the Pet sector in Brazil:

- **R\$1.7bn** revenues in 2020
(+46.6% yoy or +R\$540mm)
- **133 stores** portfolio
(28 openings in 2020)
- Presence in **16 States**
(3 new States in 2020)



NEW PETZ VISION

**“To be recognized worldwide
as the best ecosystem in the
Pet sector by 2025 ”**





1. Expansion of Store Portfolio and “Seres” Brand

Entry in new markets and regions across Brazil and leverage to Omnichannel strategy



2020 ACHIEVEMENTS

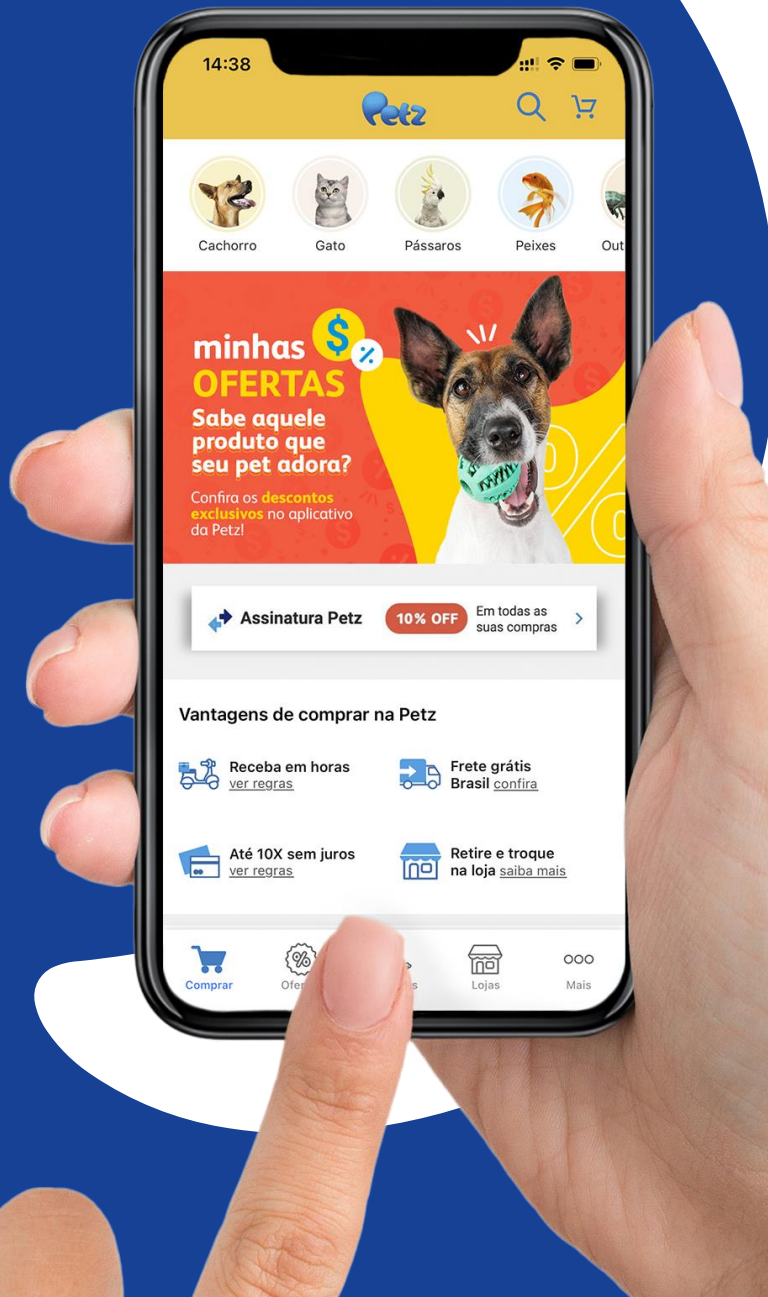
- Annual record for store openings (28 units), with 4Q20 reaching a new quarterly record (13 units)
- Entry into 3 new states
- 133 stores in 16 States
- 3 new Seres Hospitals
- 114 Veterinary Centers Seres / 10 Hospitals in 8 UFs



AGENDA 2021

- Acceleration of the pace of store openings
- Expansion to new states and regions
- Expansion of Seres hospital network in the capitals and cities across the country





2. Digital Platform

The platform that gained the highest market share in Brazil's Pet sector in 2020



2020 ACHIEVEMENTS

- ~R\$400mm revenues (+342% yoy or +R\$300 mm)
- 27% Market share, more than 2x vs. 2019
- 23% share of Total Revenues, with new record of 26% in 4Q20
- Omnichannel Ratio of 80% in 2020, with new record of 84% in 4Q20
- Petz App: +50% from digital sales
- Subscriber base 5x larger yoy, representing 15% of total revenues in Dec/20 (vs. ~10% in 3T20)



AGENDA 2021

- Investments in UX and data analytics
- Digitalization not only in products, but also in services
- Initiatives for efficiency gains and service level improvement in logistics



3. Customer Experience and Petz Solution

Increase in product and services offering through Omnichannel platform



2020 ACHIEVEMENTS

- Triple Crown - Reclame Aqui Award 2020
- New building of “Alô Petz”
- Detailed tracking of startups
- Weekly forums with top management about Petz Solution



AGENDA 2021

- Integration of new solutions into the ecosystem
- Greater integration across segments and channels
- Implementation of new tools to ensure better service agility and efficiency

4. Exclusive Products & “Petz” Brand

Important profitability and customer loyalty leverage



2020 ACHIEVEMENTS

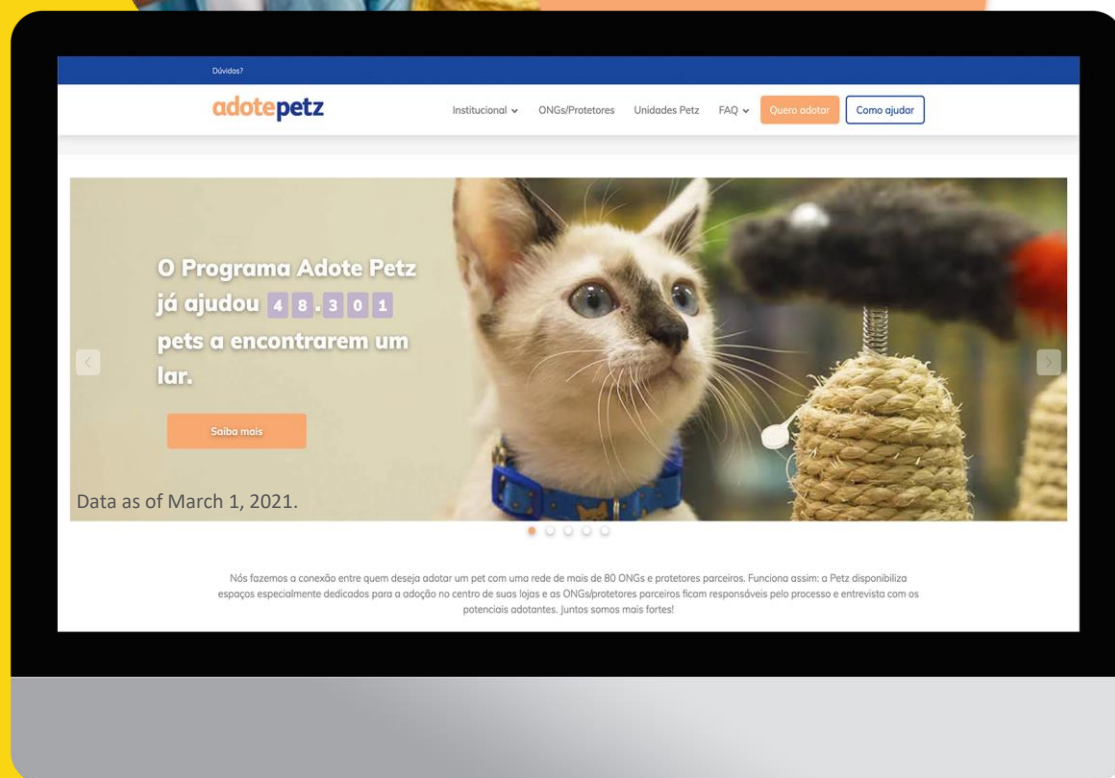
- Successful launches in 2020: treats, bentonite cat litter and activated carbon pad
- Around 300 SKUs in ~25 categories, in which we are leader or vice-leader in most of them
- “Petz” Brand penetration in products sales 2x higher yoy in 4Q20
- Digital Long Tail: ~15k SKUs available on our website, leadership in the Pet sector



2021 AGENDA

- Robust pipeline of launches under “Petz” brand
- Monthly addition of hundreds of SKUs in the Digital Platform





5. People, Culture and ESG

Petz DNA



2020 ACHIEVEMENTS

- Commitment not to lay off due to the pandemic scenario
- Creation of 1.3k new jobs, representing a headcount increase of 35% yoy
- +40% of leadership positions occupied by women
- +45k cats and dogs adopted
- +R\$2mm donation in cash and product to NGOs in partnership with Editora Mol and Arredondar Institute
- R\$1mm donation to COVID-19
- Launch of “Adote Petz” digital platform



2021 AGENDA

- Culture of excellence through employee training, development and career path
- Expansion of renewable energy sources in our stores

4Q20 and 2020 Results

Diogo Bassi
CFO & IRO



4Q20 and 2020 Highlights (1/2)



STORE PORTFOLIO AND SERES

133 stores in 16 States

13 openings in 4Q20

28 openings in 2020

114 Vet Centers

10 hospitals

3 openings in 4Q20



TOTAL GROSS REVENUES (TGR)

R\$525.0 M in 4Q20

+58.9% yoy

SSS +36.8%

R\$1.7 bn in 2020

+46.6% yoy

SSS +26.5%



DIGITAL

R\$136.6 M in 4Q20

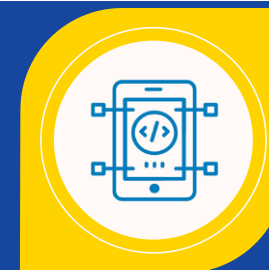
+312.9% yoy

26.0% TGR

R\$395.6 M in 2020

+341.8% yoy

23.2% TGR



OMNICHANNEL RATIO

83.8% in 4Q20

79.8% in 2020

4Q20 and 2020 Highlights (2/2)



GROSS PROFIT

R\$213.1 M in 4Q20

+50.0% yoy

40.6% TGR

R\$693.5 M in 2020

+45.6% yoy

40.6% TGR



ADJUSTED EBITDA

R\$47.0 M in 4Q20

+18.9% yoy

9.0% TGR

R\$160.7 M in 2020

+39.7% yoy

9.4% TGR



NET INCOME

R\$27.4 M in 4Q20

+65.1% yoy

5.2% TGR

R\$74.2 M in 2020

+98.3% yoy

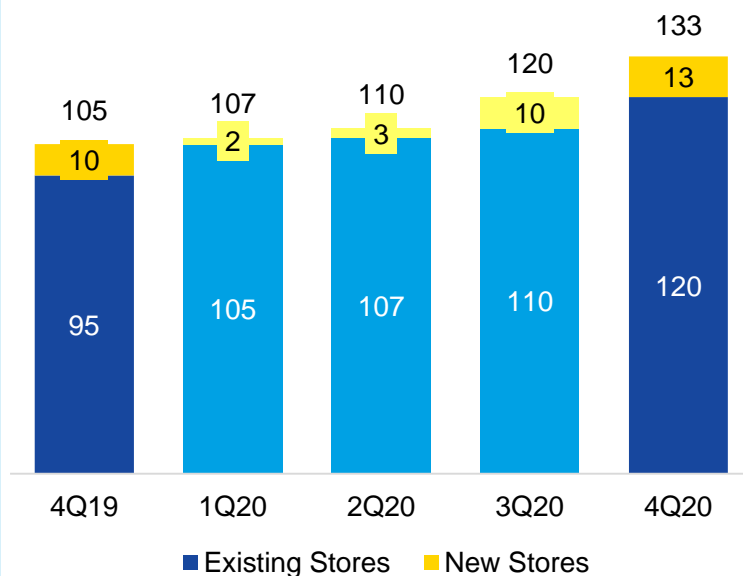
4.3% TGR

Store Portfolio

Store opening record with 28 new units in 2020, strictly in line with expectations

Number of Stores

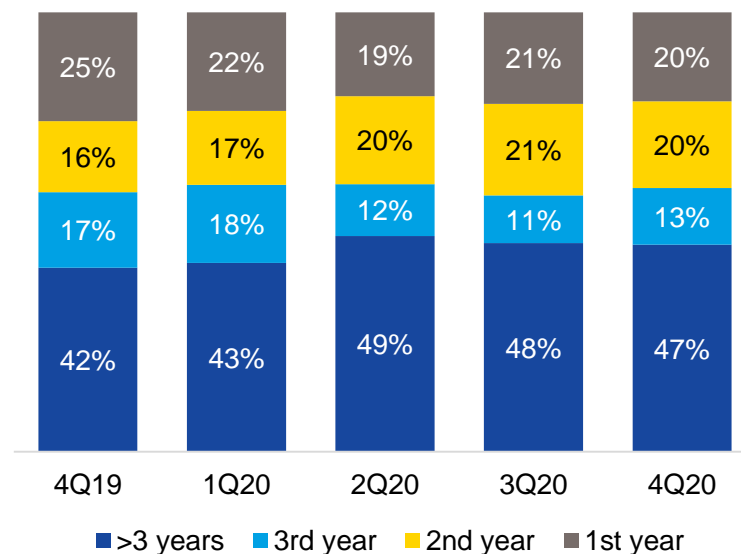
Existing Stores, Openings



13 Store openings in 4Q20, new quarterly record

Distribution by Age

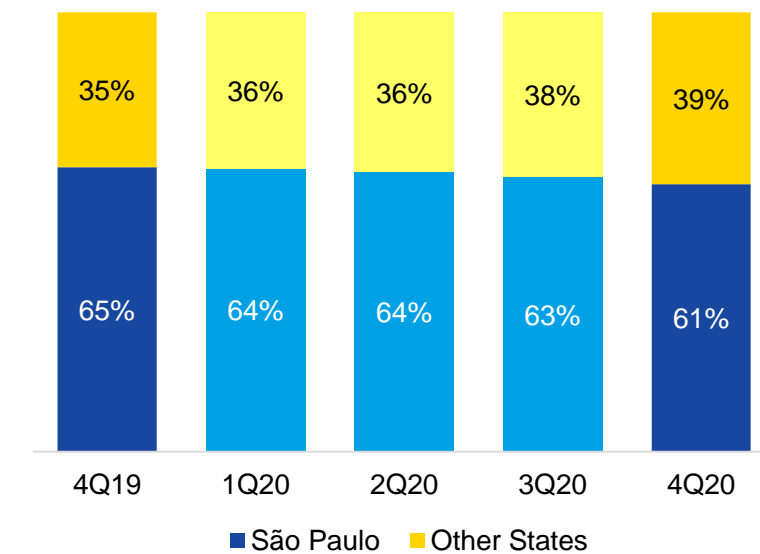
% of total stores



53% of the stores have yet to complete 3 years in operation

Store Mix in São Paulo & Other States

% of total stores



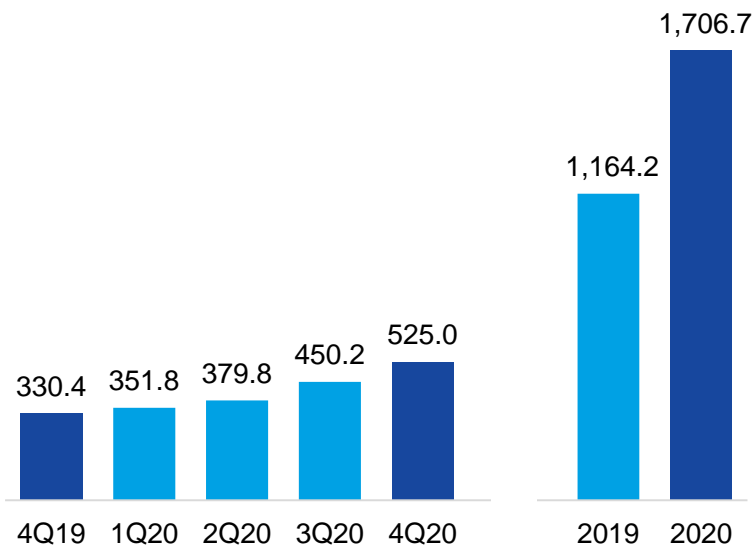
39% of the stores located outside São Paulo

Sales Performance

Digital sales boosting Total Gross Revenues

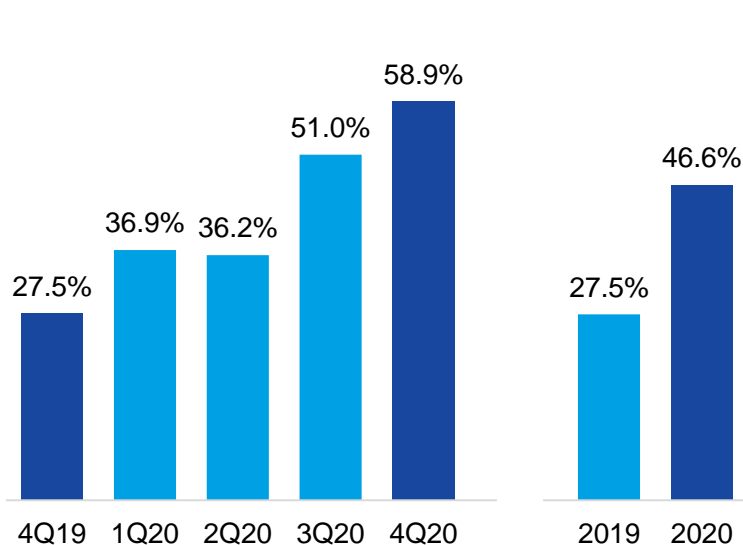
Total Gross Revenue

R\$ million



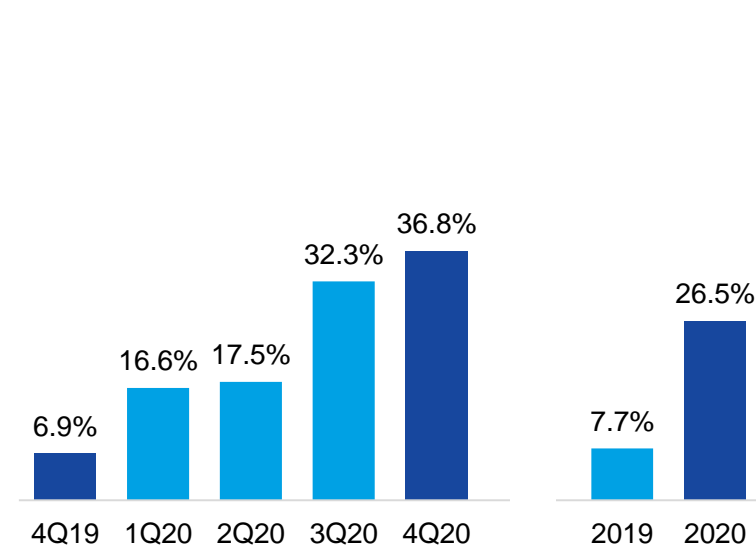
Total Gross Revenue Growth

% Change, yoy



Same-Store-Sales Growth

% Change, yoy



+64%

Product Gross Revenue yoy growth in 4Q20

(+51% in 2020)

+313%

Digital sales yoy growth in 4Q20

(+342% in 2020)

+34%

Product Gross Revenue from B&M yoy growth in 4Q20

(+25% in 2020)

+37%

Vet Services' Revenue yoy growth in 4Q20

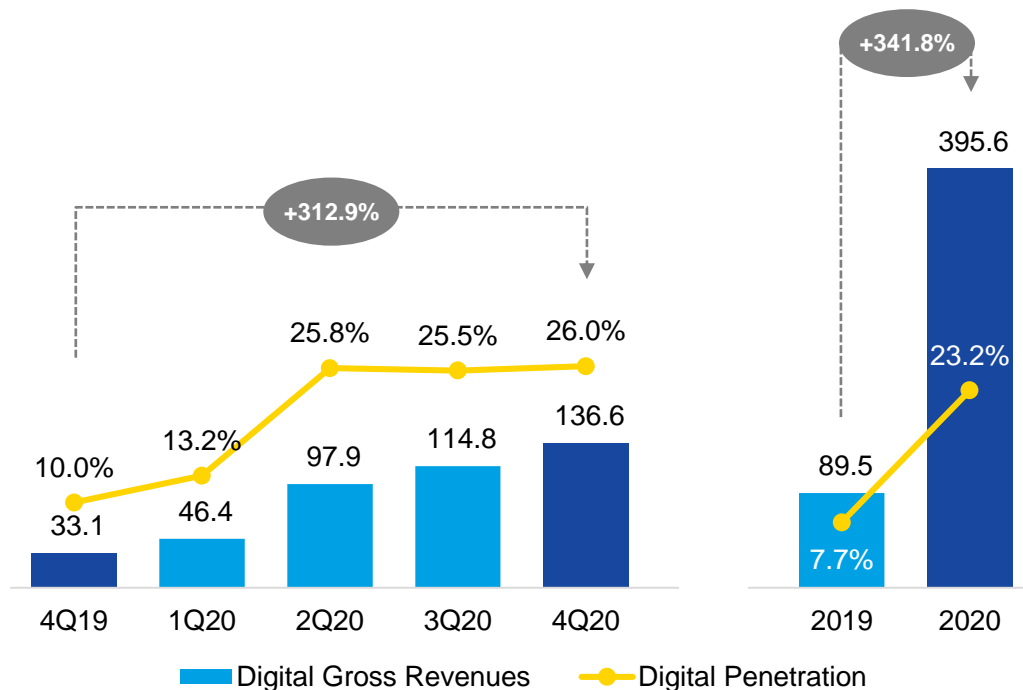
(+43% in 2020)

Digital Platform

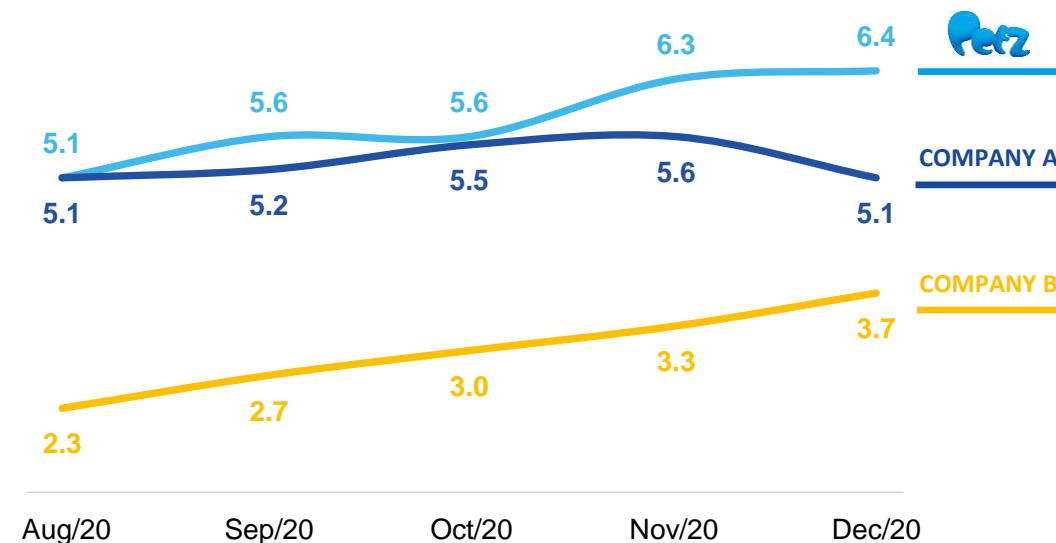
Digital sales accounting for 26,0% in 4Q20, highest historical level

Digital Gross Revenue and Penetration

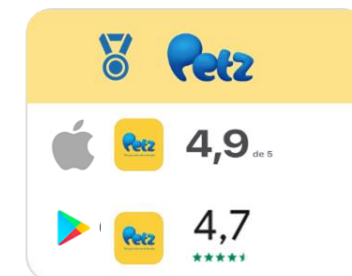
R\$ million; % Total Gross Revenue



#1 Leader in website access¹



#1 Leader of apps of the pet sector on Google Play and Apple Store²

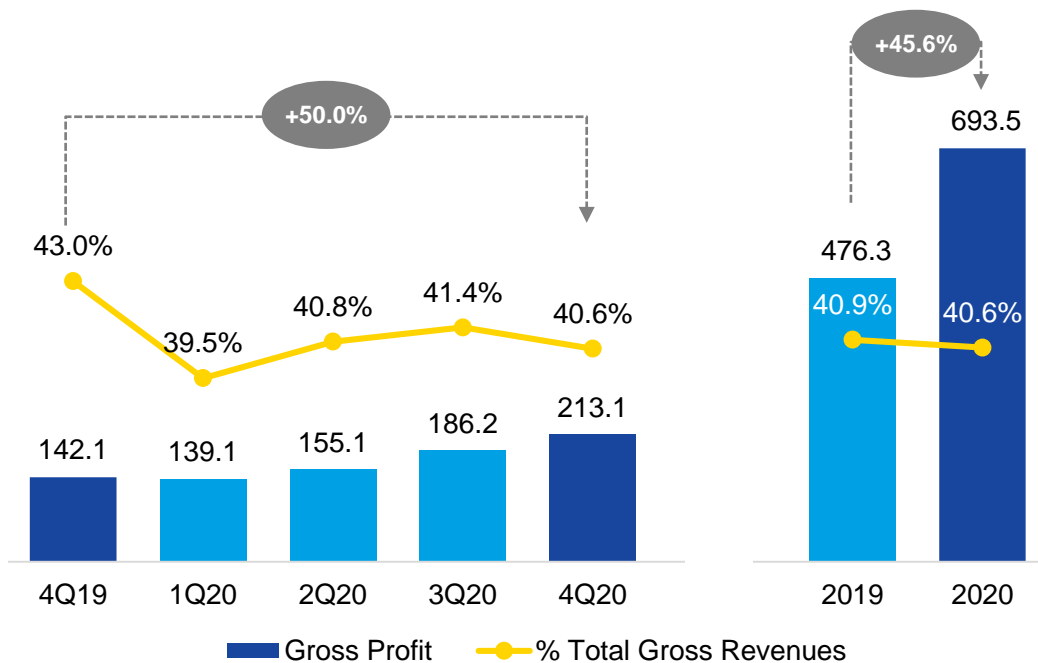


Accelerated Growth with Strong Profitability

Gross Margin in 2020 flat yoy, excluding tax credits, even with substantial increase in Digital Penetration

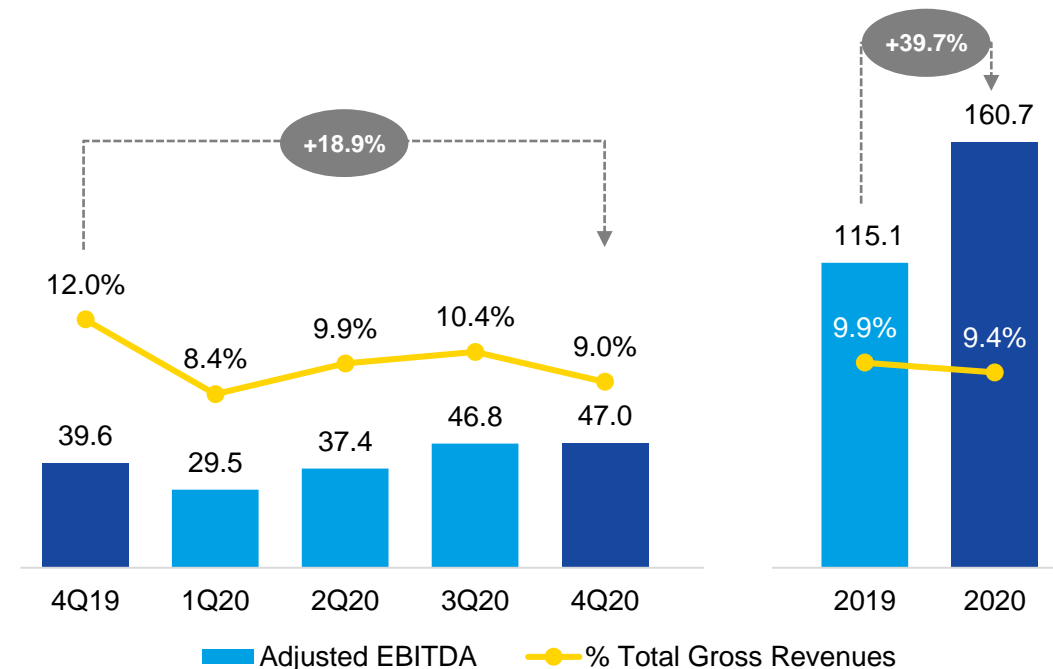
Gross Profit

R\$ million, % Total Gross Revenue



Adjusted EBITDA

R\$ million, % Total Gross Revenue

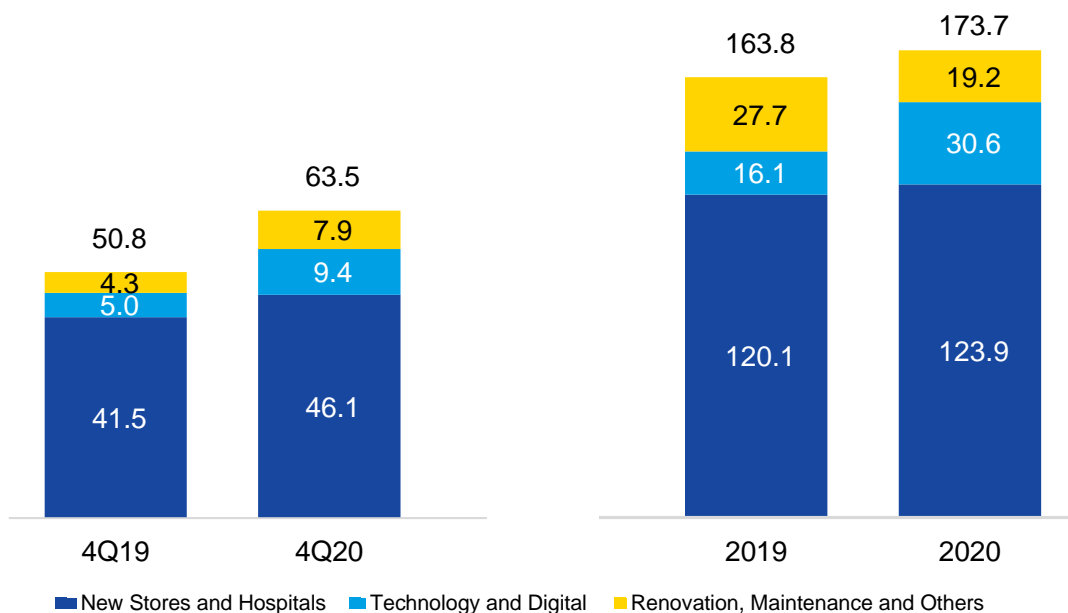


Investments and Indebtedness

Accelerating investments with comfortable leverage

Investments

R\$ million



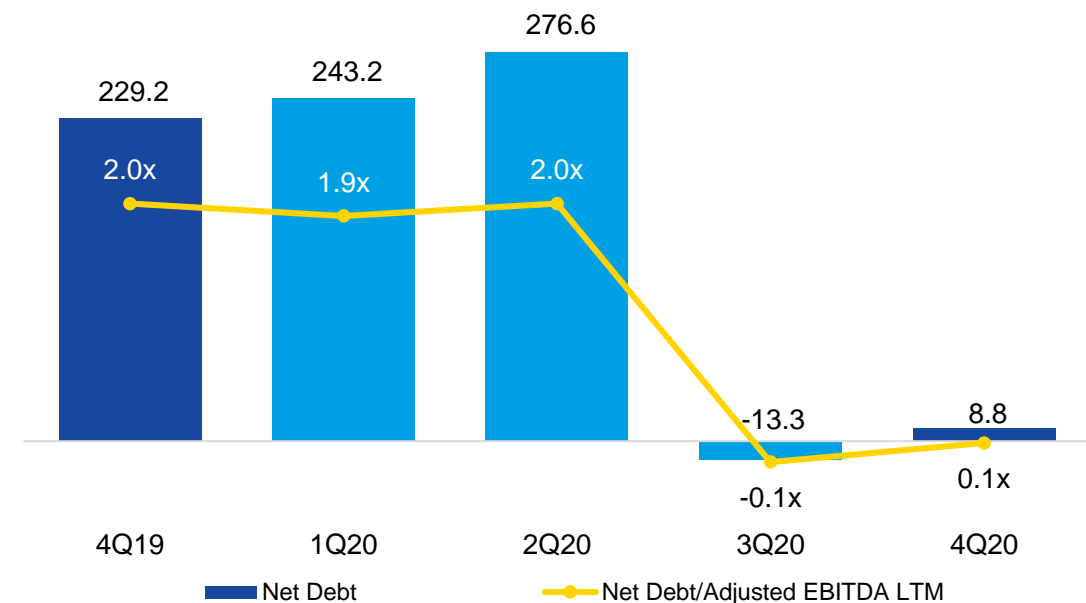
73% In New Stores and Hospitals in 4Q20

+87%

growth in Investments related to Technology and Digital

Net Debt (Cash) & Leverage

R\$ million, x





Seu pet center de estimação

PETZ
B3 LISTED NM

THANK YOU!



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