

VIDEO CONFERENCE

3Q21 RESULTS

November 9, 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

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Message from
Management

02

3Q21
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03

Ecosystem
Update

04

Q&A



MESSAGE FROM MANAGEMENT

Sergio Zimerman
Founder & CEO

Solid and consistent execution of key strategic levers



- Expansion of the store network: +150 stores in all regions of Brazil
- Development in the veterinary health strategy: 3 new "Series" hospitals until October 2021, reaching 13 units in 9 States
- Omnichannel Platform: benchmark ratio in Brazilian retail and worldwide Pet segment
- Accelerating ecosystem construction through two key transactions (CDSG¹ and Zee.Dog)
- Record Total Gross Revenue: R\$2.3 billion LTM, a growth of more than 50% y/y or approximately +R\$790 million
- Maintenance of profitability at healthy levels, despite the relevant change between channels, product mix and a scenario of higher prices

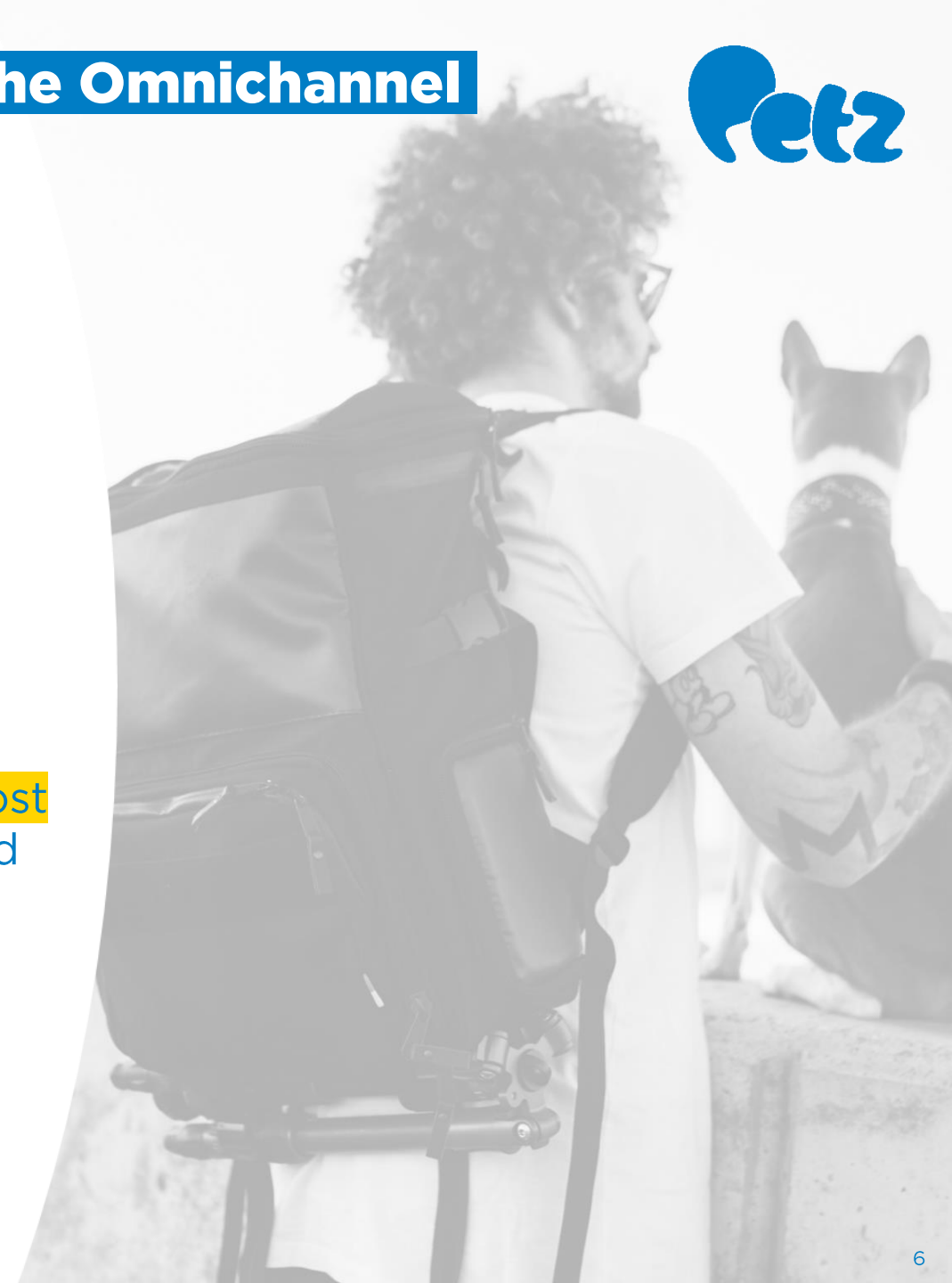


¹ Cansei De Ser Gato

Continuous operational improvements in the Omnichannel Platform



- Digital Penetration Record (+31% in 3Q21)
- Omnichannel Ratio Record (+87% in 3Q21)
- Digital's record revenue and profitability: leading, scalable platform with a differentiated and profitable service level
- New logistical initiatives = greater efficiency + lower cost of serving (ie redispach, ship from store with extended radius)
- Rupture at controlled levels, despite the challenging scenario in the global supply chain



Acceleration of the Petz Group's digitization process



- **Omni experience and interaction with customers:** providing an integrated and fluid experience between different segments and channels
- **Customizing the customer journey:** exclusive and differentiated initiatives such as the “My Offerings” (Minhas Ofertas) program
- **Digitization of services:** promoting digital experiences for customers and pets with grooming, adoption and veterinary services
- **Operational efficiency:** digitize the experience of the Petz employee, making daily life easier and increasing productivity
- **Ecosystem construction and integration:** connect the whole ecosystem and journeys through technology
- **Data Analytics:** contribute through data to generate strategic insights for the best decision making

Milestone of 150 stores in all regions of Brazil



10

openings
in 3T21

35

openings¹ in
LTM

153

stores in
18 States

42%

the stores
outside of
São Paulo

7 new stores outside São Paulo in 3Q21

Reinforcement of the spreading strategy given the consistency of the returns obtained in the different regions of the country

High level of service, NPS evolution

NPS in a zone of excellence even during accelerated expansion of the operation

Seres Veterinary Center

Opening of 2 hospitals in 3Q21 + 1 hospital in October – totaling 13 hospitals in 9 States



¹ Considers the closure of (1) Convivas units in Barra da Tijuca, Rio de Janeiro and (2) Granja Viana, in Cotia, Greater São Paulo in 2Q21.

Expansion Outside São Paulo: Manaus-AM Case Study



3rd Best Opening¹

Manaus-AM store had the third highest opening during the first month of operation of a store

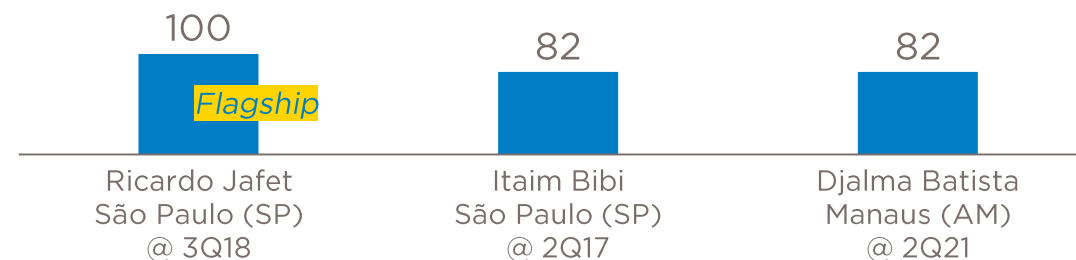
Blue Ocean from the Pet market + the advantage of being the "first mover"

Stores performing up to 3x better than initial expectations

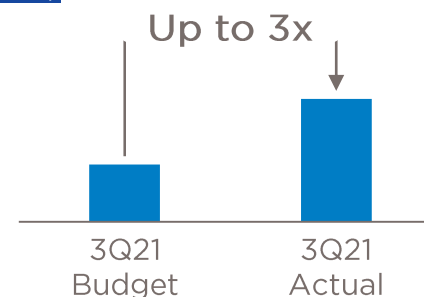
Best level of service

Petz delivers in 1 business day in economy mode, also offering express delivery (in hours)

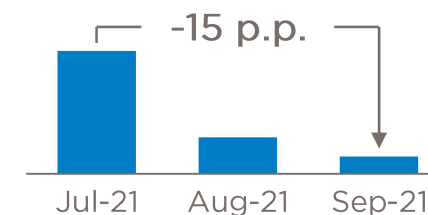
Biggest openings in the last 5 years (Revenue R\$ | 100 Base)



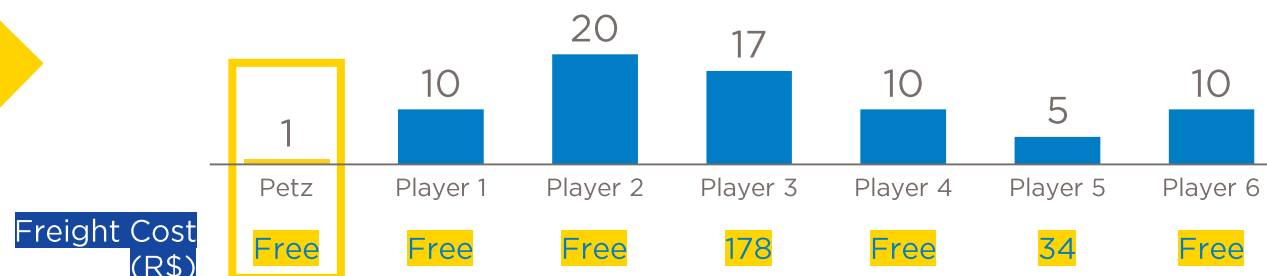
Gross Revenue of New Openings (R\$ million)



Manaus-AM Rupture (%)



Delivery time in Manaus-AM (On weekdays)



¹ Openings since 2017, considering revenues in the first 30 days of operation

2022 Store Opening Guidance

50 stores

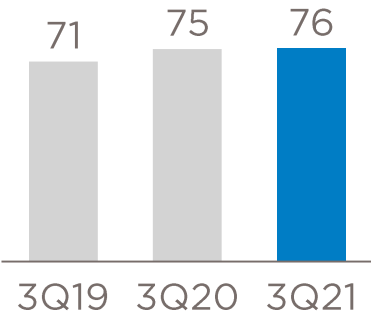
NPS at a level of excellence, with low dispersion between regions



NPS Evolution

(Average per quarter)

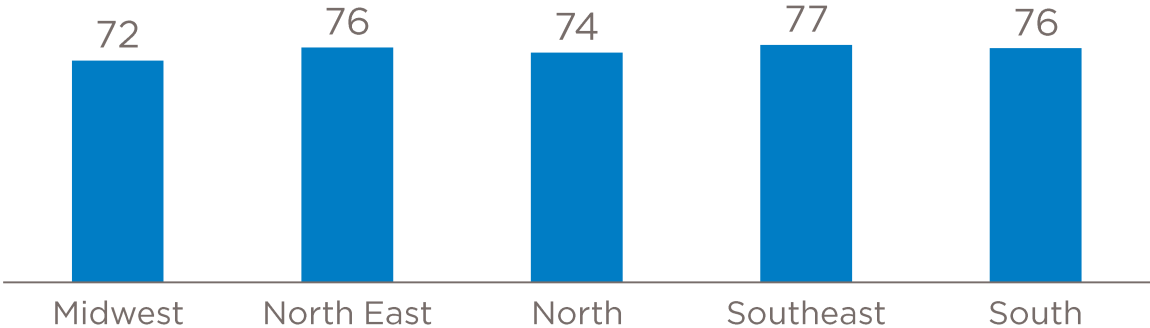
Maintaining the level of service and customer satisfaction, even in an accelerated expansion process



NPS per region

(Average per region in Sep/2021)

Low dispersion between regions reinforces the assertiveness in our strategy of spreading openings



Digital Petz: Leading, scalable platform with a differentiated service level and profitable



1st

Leadership in the Pet segment in the Digital channel - platform that gained the most share in recent months

31%

Record Digital Penetration for a quarter¹

87%

Omnichannel Ratio¹, new record

~3x

subscriber base² (+230 thousand users), representing ~23% of TGR

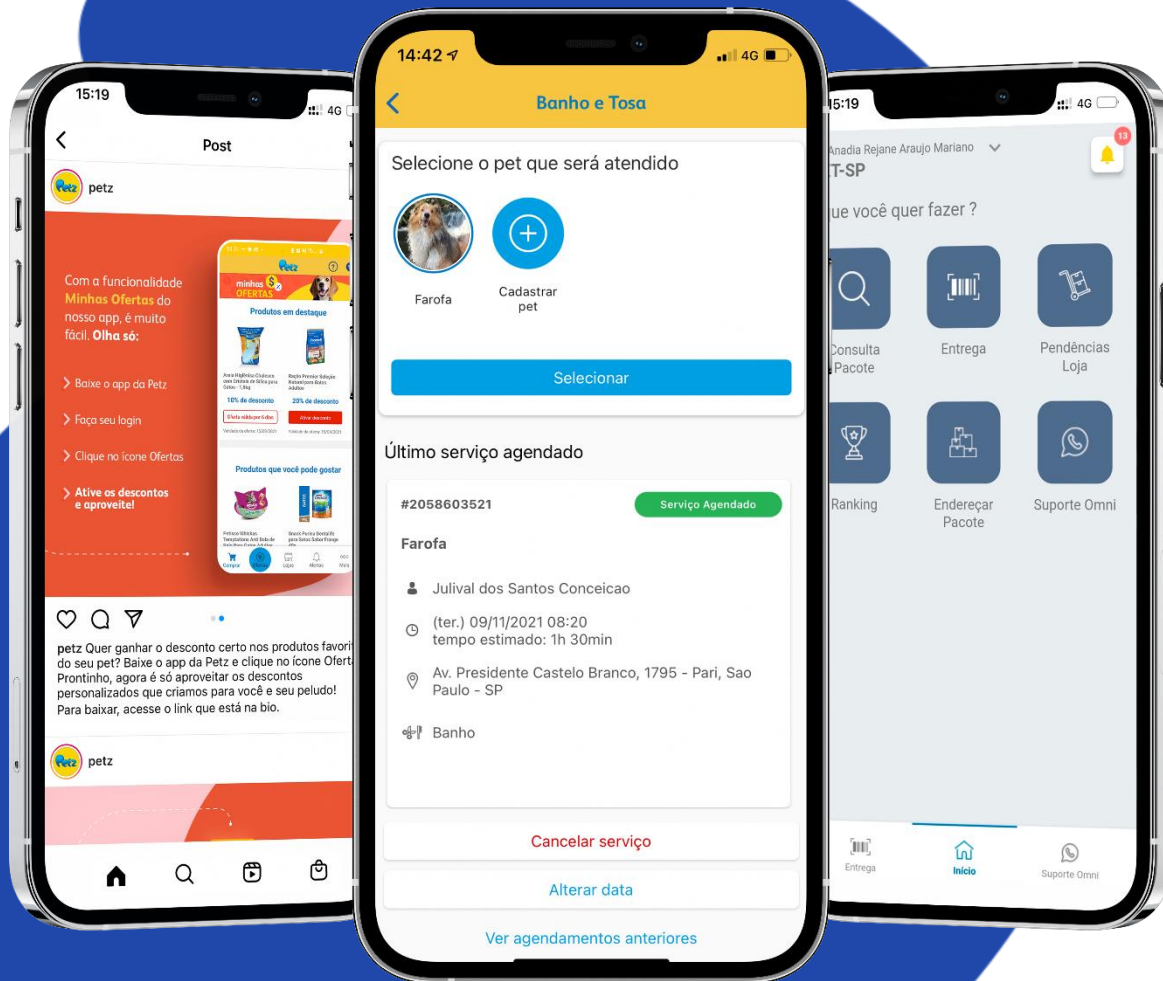
~65%

App share in digital sales¹ (growth of almost 140% y/y)

+2x

active users on the App², reaching 950 thousand users

Digitization of the Petz Group: Operational and Cultural Transformation



Digitization from Customers to Employees

01

“My Offerings” (Minhas Ofertas) Program

02

Scheduling of Grooming services through the App

03

App Jobs Petz: Operational efficiency for employees in stores

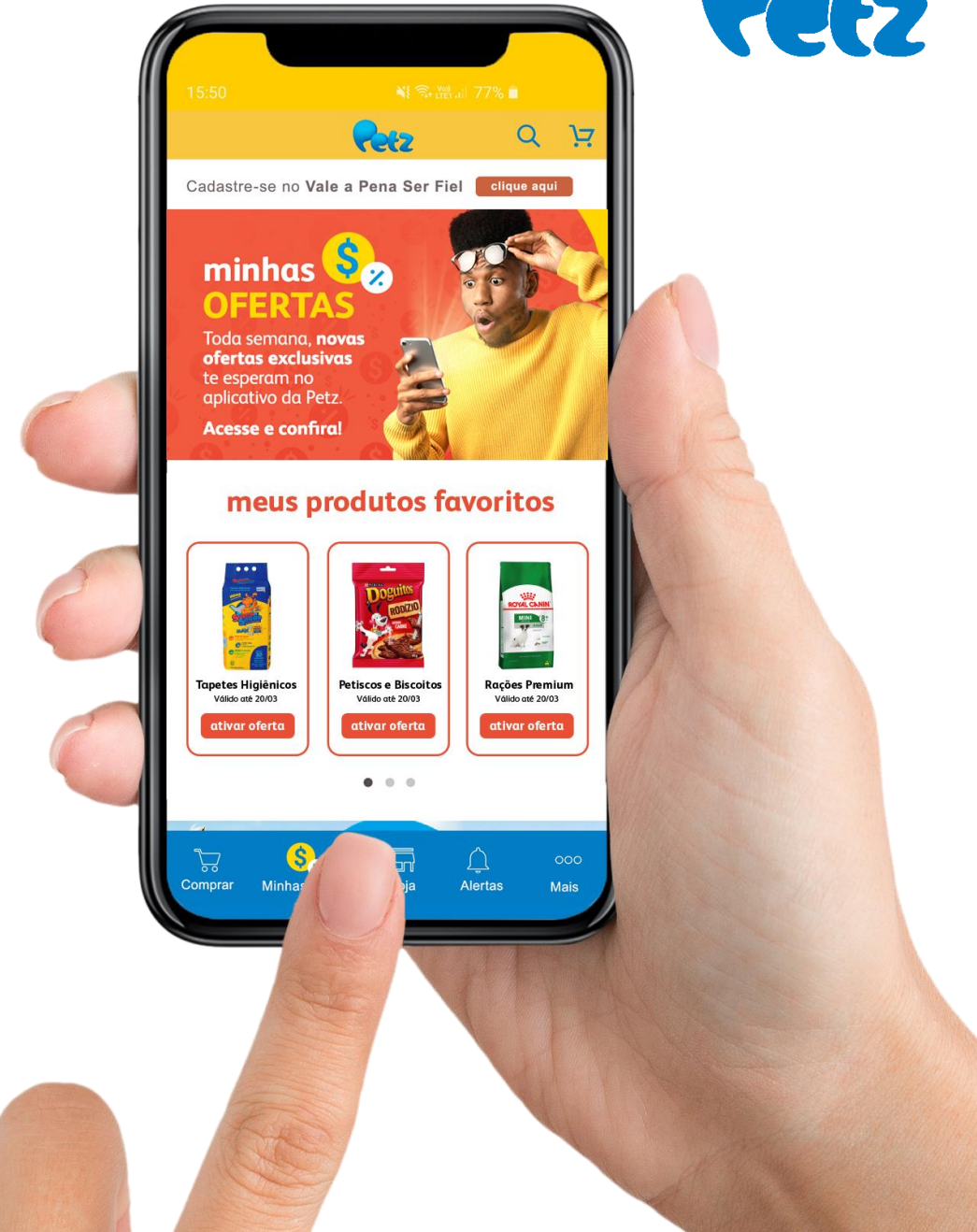
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Self check-out project

“My Offerings” (Minhas Ofertas) Program

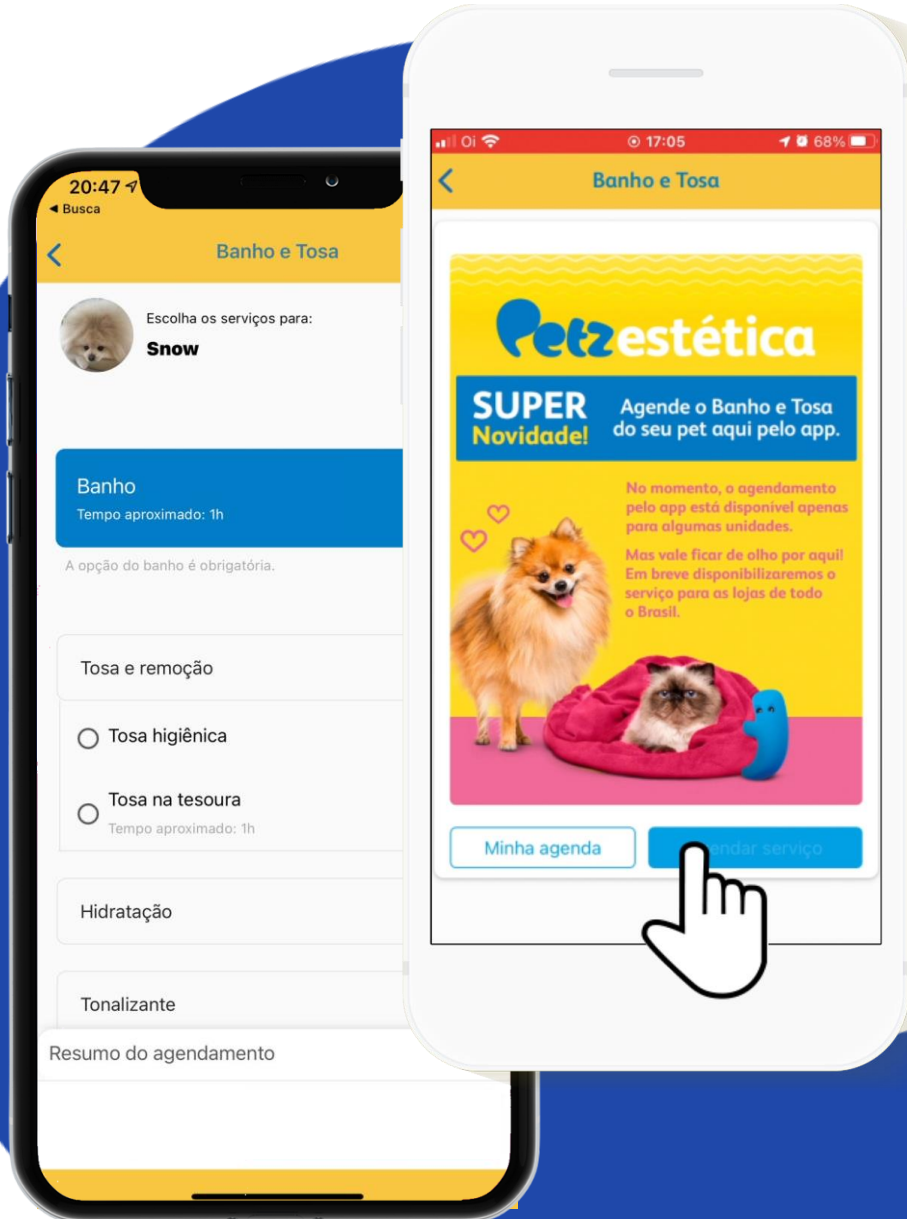


- Proprietary feature of our App that consists of customizing offers for each customer
- Greater efficiency in: (i) converting new sales; (ii) upsell, cross-sell; and (iii) repurchase
- 3x increase in customer participation with activated offers¹
- Customers who use “Minhas Ofertas” boost NPS due to a better perception of: (i) price; (ii) loyalty program; and (iii) service
- In addition, customers who use “Minhas Ofertas” have: (i) higher repurchase rates; (ii) experiment with more categories; and (iii) higher average ticket and cash margin
- Next steps: UX improvement through page redesign in the App



¹ Between June and September 2021

Scheduling of Grooming services through the App



- Launched in July
- Full roll-out – available in 100% of stores
- Already represents 15% share of all the Company's schedules, reaching ~50% in some stores
- Better user experience and greater productivity for store employees
- Next steps: Payment for the service and purchase of the grooming package through the App

- Integrated App to help our employees in the daily tasks of the store operation
- Proprietary development, operating in 100% of stores
- Supply, product replacement = greater stock accuracy + service level
- Digitalization of main information and processes of the operation, in order to increase productivity

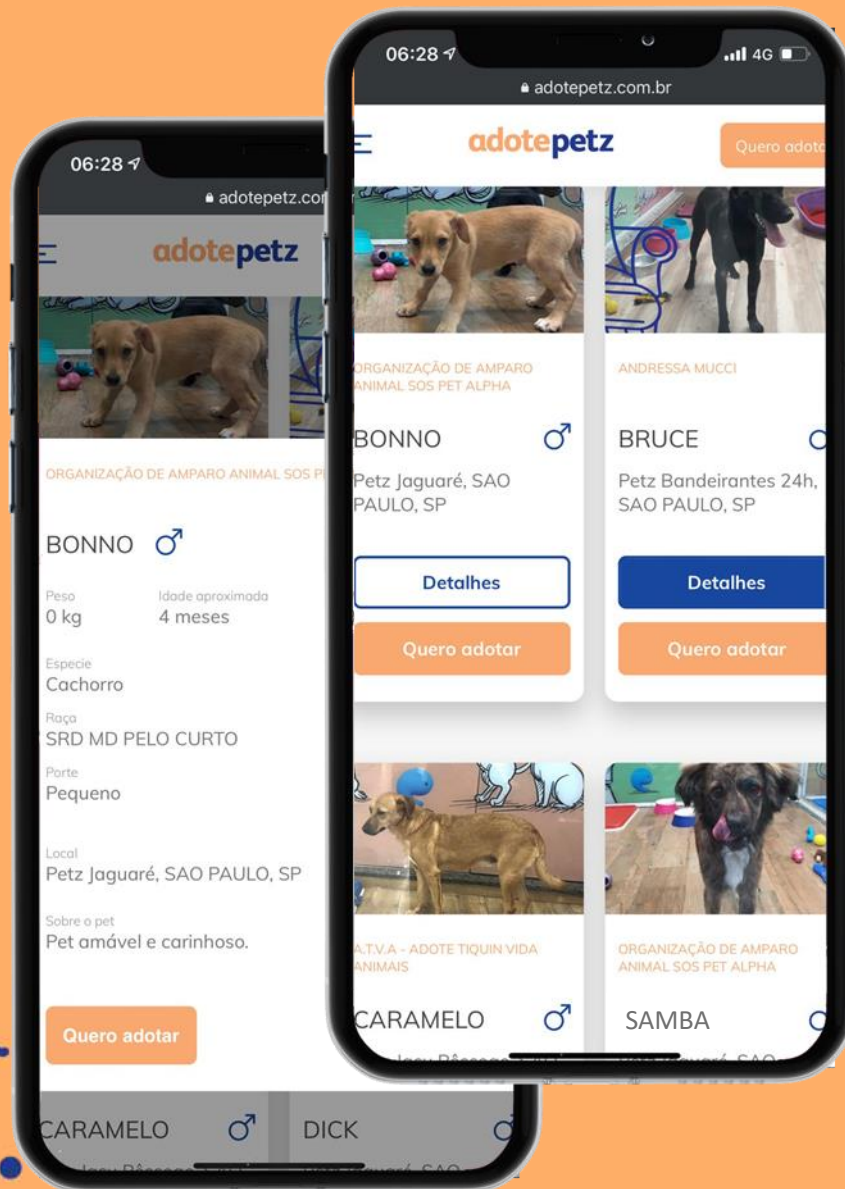


Self Check-out



- Operating in more than 30 stores
- Represents more than 40% of product coupons in physical stores
- Productivity gains in stores, especially during peak hours, considerable reduction in queues at stores and increased NPS
- Next steps: Priority roll-out in stores with high inflow

ESG: Adote Petz Website improvements + Editora MOL + Arredondar



Adote Petz

- Milestone of 55,000 adoptions
- Improvements to the Adopt Petz website: pet mapping automation, facilitating the registration of pets available at Petz stores

Editora MOL

- Another successful release - new sticker album “Bichos do Mundo”: more than 330 thousand albums sold until September, raising around R\$280 thousand
- “Ache o Bicho 3” launch at the end of 3Q21: 160 thousand copies to be sold, +90 thousand already sold in the first month

Arredondar

- 2 years of project with the Arredondar Movement
- More than R\$1 million raised since the beginning of the partnership

3Q21

RESULTS

ALINE PENNA
CFO & IRO

3Q21 Highlights



TOTAL GROSS REVENUES (TGR)

R\$641.6 MM

+42.5% vs 3Q20

+115.3% vs 3Q19

SSS +21.8% y/y 3Q21



DIGITAL

R\$198.8 MM

+73.2% vs 3Q20

+753.6% vs 3Q19

31.0% TGR



OMNICHANNEL RATIO

87.2%

of Digital Gross Revenue



GROSS PROFIT

R\$259.8 MM

+39.6% vs 3Q20

+108.8% vs 3Q19

40.5% TGR



ADJUSTED EBITDA

R\$67.2 MM

+43.4% vs 3Q20

+92.8% vs 3Q19

10.5% TGR



NET INCOME

R\$26.6 MM

+56.1% vs 3Q20

+130.3% vs 3Q19

4.2% TGR

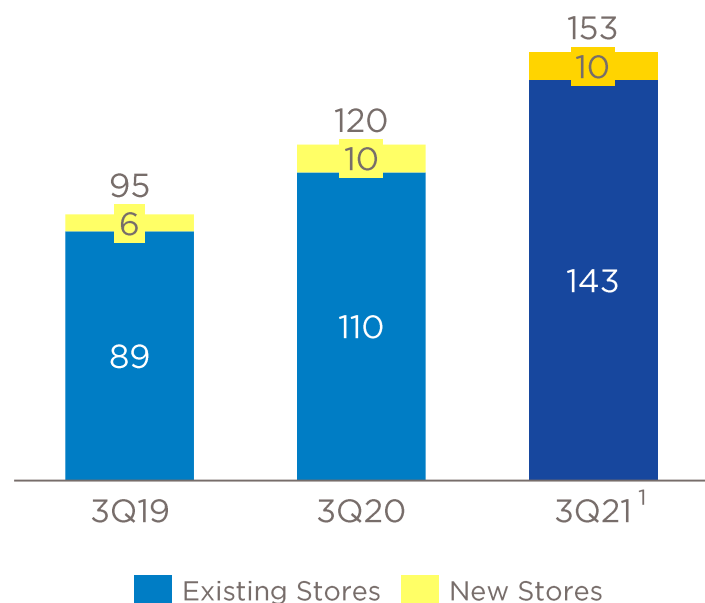
Expansion of the store network

Reaching more than 150 stores in the five regions of Brazil



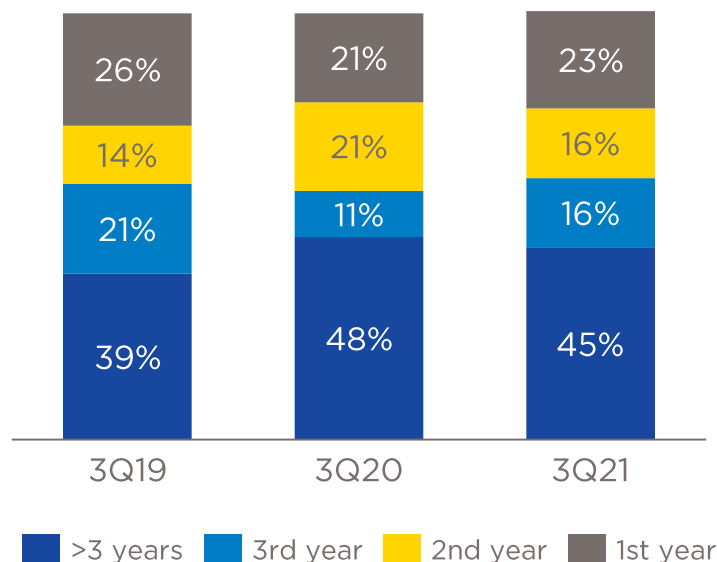
Number of Stores

Existing Stores, Openings



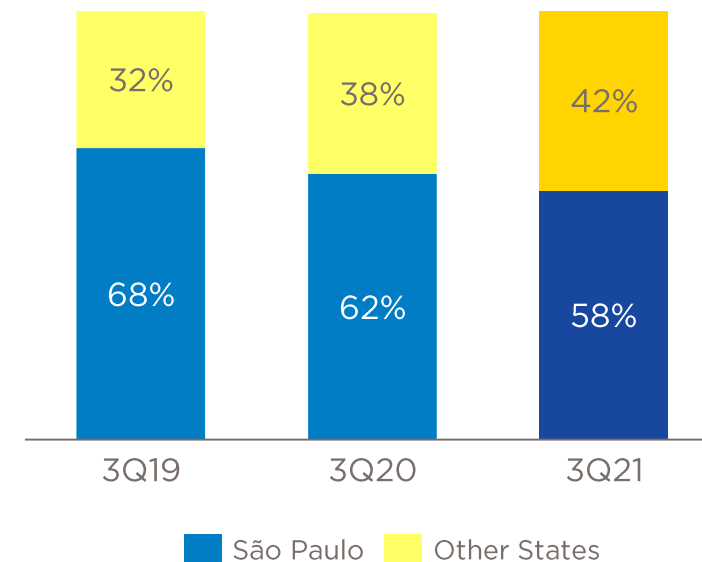
Distribution by Age

% of total stores



Store Mix in SP & Other States

% of total stores



Highlights:

- 35 new store LTM, record for the period
- 55% of stores have not completed their 3rd year of operation
- 42% of stores outside São Paulo, the highest level ever recorded

¹ Considers the closure of (1) Convivas units in Barra da Tijuca, Rio de Janeiro and (2) Granja Viana, in Cotia, Greater São Paulo in 2Q21.

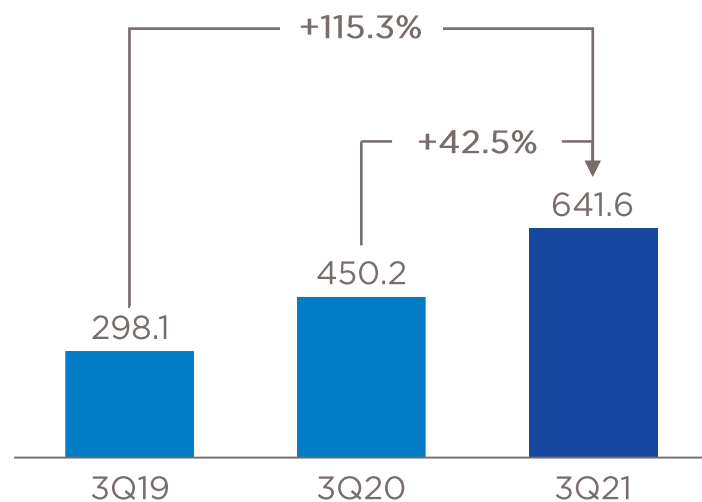
Sales Performance

Expressive growth despite tough comps



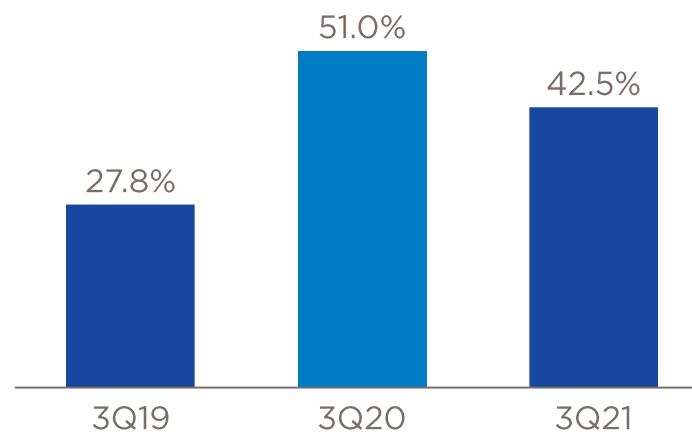
Total Gross Revenue (TGR)

R\$ million



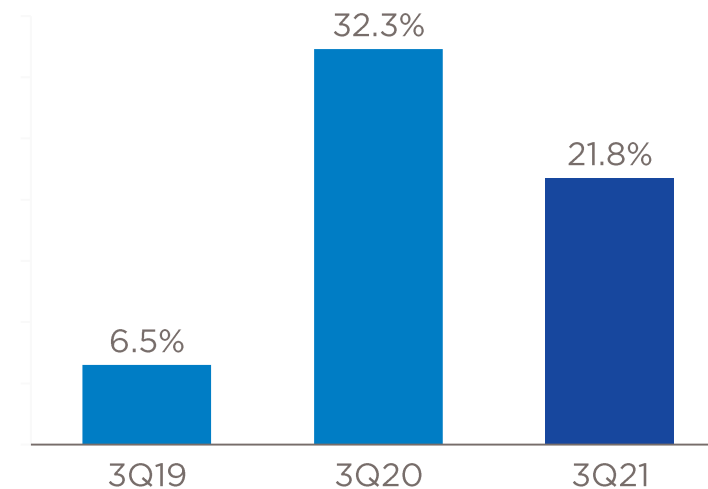
TGR Growth

% Change, yoy



Same-Store-Sales Growth

% Change, yoy



Highlights:

- Total Gross Revenue: +43% y/y, despite tough comps (+51% in 3Q20)
- Digital Products Revenue: +73% y/y Digital Products Revenue y/y in 3Q21
- Seres Vet Centers Revenue growth: +35% y/y

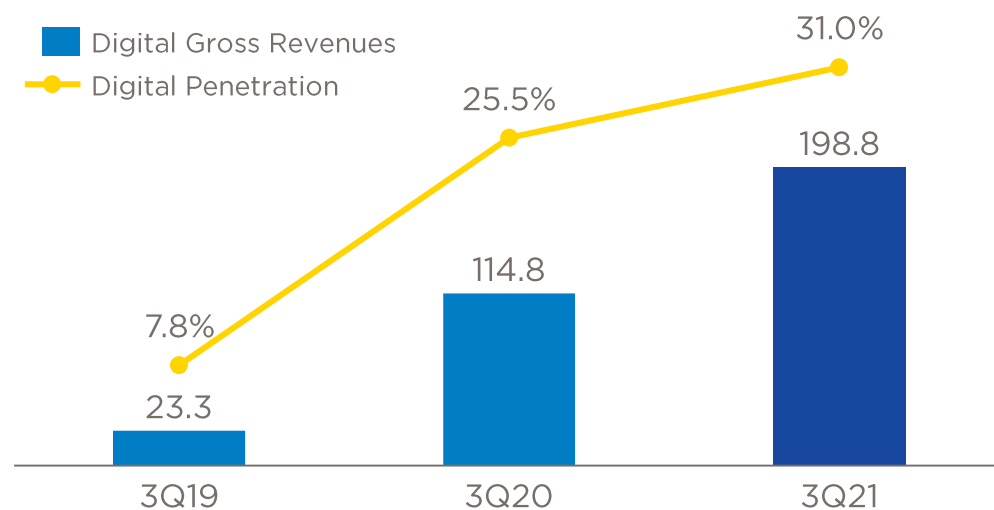
Digital Platform

Digital sales reached 31% of total sales, a new record

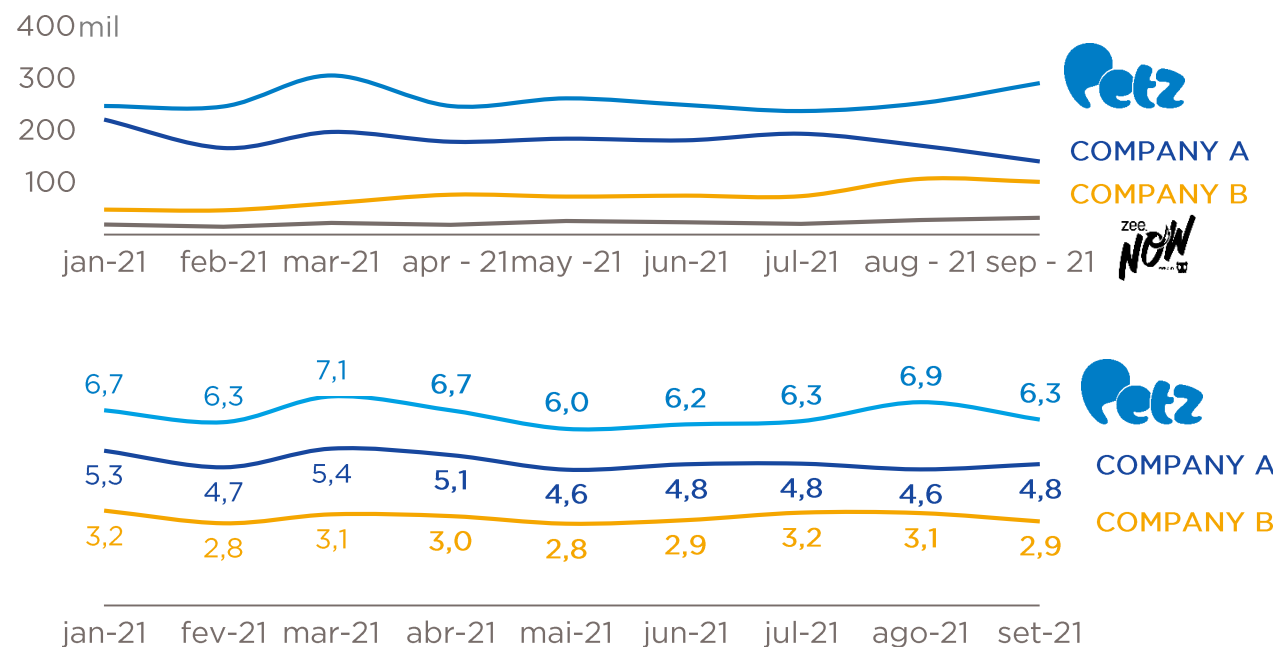


Digital Gross Revenue and Penetration

R\$ million, % Total Gross Revenue



#1 Leader in the ranking¹ of downloads and website access



Highlights:

- Record Digital Gross Revenue of almost R\$200mm in 3Q21
- Digital Penetration 31.0% Record in 3Q21, +5.5 p.p. y/y
- Leadership in the Pet sector in number of downloads and ranking in Google Play and Apple Store

¹ Source: Similar Web on October 19, 2021.

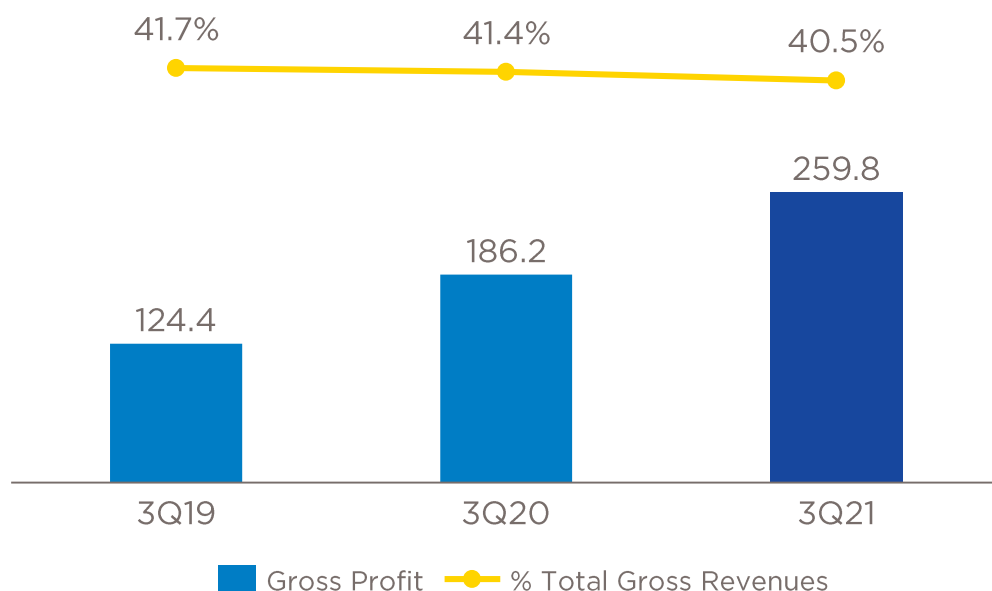
Growth with Strong Profitability

Sequential improvement in margins throughout the year, despite the acceleration of Digital Penetration



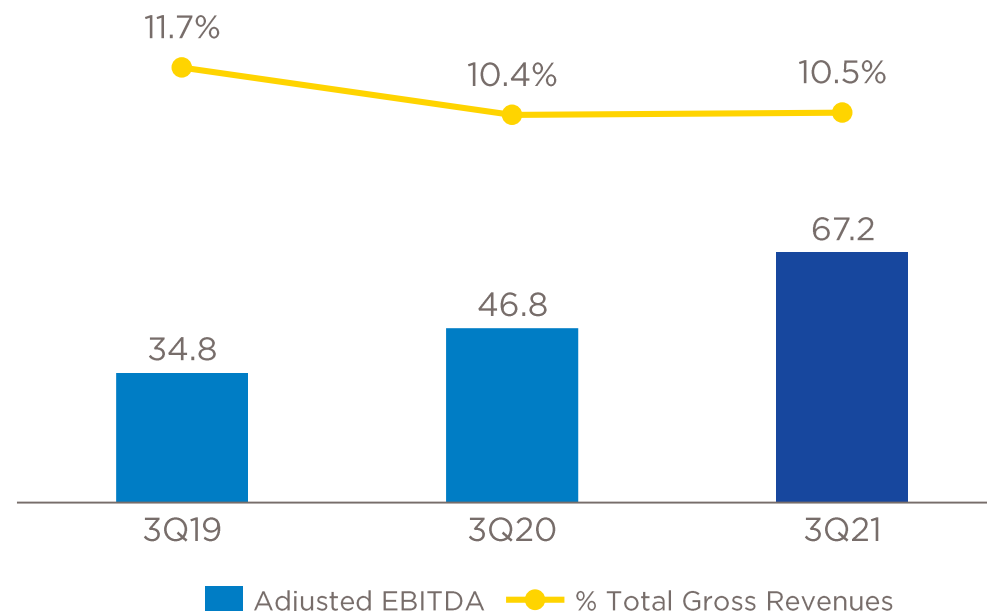
Gross Profit

R\$ million, % Total Gross Revenue



Adjusted EBITDA

R\$ million, % Total Gross Revenue



Highlights:

- 3Q21 Gross Margin: 40.5%, (vs. 41.4% in 3Q20)
- reflecting the higher Digital Penetration and Food Share in the product mix
- Adjusted EBITDA Margin: 10.5%, +0.1 p.p. y/y
due to the dilution of SG&A, offsetting the higher Digital Penetration

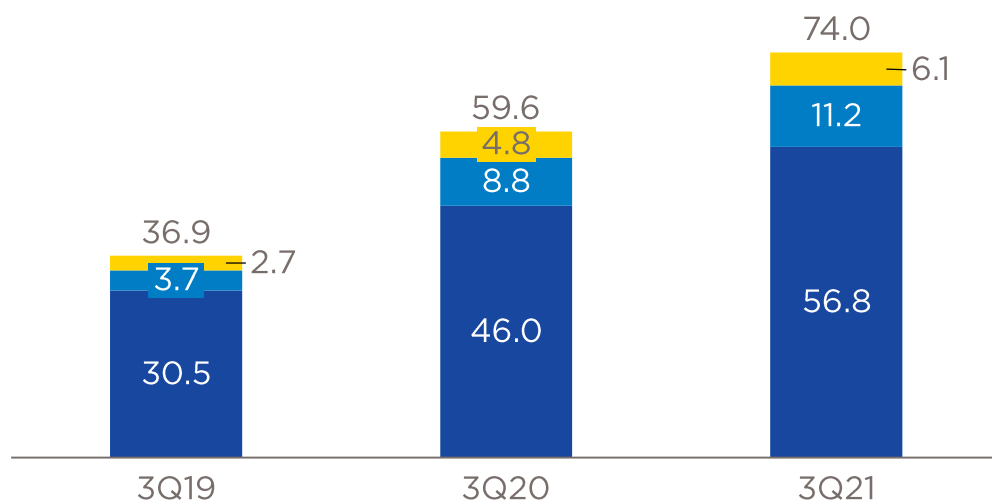
Investments and Indebtedness

Accelerating investment with controlled leverage



Investments

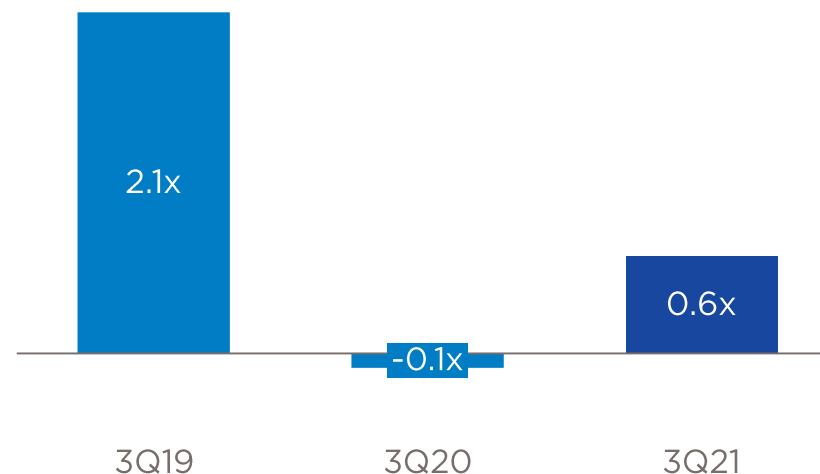
R\$ million



■ New Stores and Hospitals ■ Technology and Digital ■ Renovation, Maintenance and Others

Leverage

Net Debt/Adjusted EBITDA 12M



Highlights:

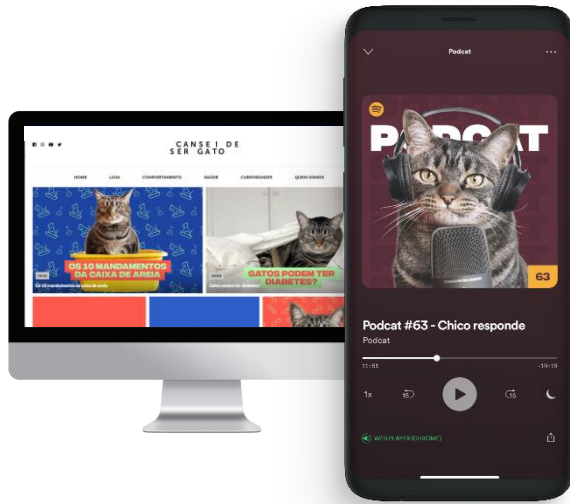
- +23.4% y/y in investments in new stores and hospitals openings
- More efficient store implementation, reducing the average area (708 sqm in 3Q21 vs. 856 sqm in 3Q20)
- +27.3% y/y in investments with Technology and Digital

ECOSYSTEM UPDATE

ALINE PENNA
CFO & IRO

Acquisition of Cansei de Ser Gato (CDSG)

CANSEI DE
SER GATO



DESENVOLVIDO
POR GATOS,
EMBALADO
POR HUMANOS.



Content production

- Development of the cat segment, whose population growth rate is ~2x vs dogs
- Humorous, differentiated, qualified and educational content
- Data gathering during “non purchasing” moments
- Interaction with the public and gaining of insights in “no purchasing” moments

Exclusive products design

- Categories for cats are trending and fastgrowing, however are still lacking in assortment
- Curation and expertise in cat products design and quality

Qualified audience

- Ability to connect brands
- Attraction of specialized content producers
- Advertising space

Update on CDSG

CANSEI DE
SER GATO

Integration

The process of integrating CDSG operations continues at an **accelerated pace**

Content

Creative and humorous posts on Instagram and “Podcat” on Spotify with lots of educational content

2022 Calendar

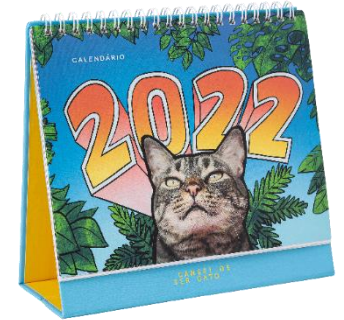
Launch of the CDSG calendar, showing the engagement of the gate public with the brand

Launch of the 1st action at Petz store with CDSG products

“The first big call of the Feline World Domination”, located on Rua Augusta in the city of São Paulo

Next Steps

We remain focused on new initiatives to **enhance the CDSG product development process and greater integration with Petz’s sales channels**



The First Big Call of Feline World Domination

CANSEI DE
SER GATO DE



- 1200 feline agents with badges issued
- Waiting hours: Peak of 4:30h
- 62.5% of sales in the cat category
- Visitors from other states



Zee.Dog Integration Highlights



Scale, customer focus and a larger integrated ecosystem



innovation, brand strength, and community effect



Zee.Now

- Leverage Petz **commercial terms** for Zee.Now
- Use the stores to **leverage Zee.Now deliveries**
- **Expand the assortment** of products offered on **Zee.Now**
- **Improve fast delivery and Petz UX** from the Zee.Now experience (dedicated delivery man)

Zee.Dog

- Expand the **assortment** of **Zee.Dog** products in Petz **stores** and **E-commerce**
- Leverage Petz's expertise in **supplying and operating mini DCs** for **efficiency and disruption reduction** for Zee.Dog
- Expand presence in the natural food market with **Zee.Dog Kitchen**

Petz Products

- Leverage Zee.Dog's **sourcing expertise for private label** and imported products **disintermediation** for Petz
- **Leverage** Zee.Dog know-how in **Mom & Pop petshops** for Petz

THE ZEE.DOG TEMPLE

 Zee.Dog Inc. São Paulo - Brasil

Zee.Dog Temple

- Opening on November 6, 2021
- First unit of the brand in the State of São Paulo
- Flagship store: 800sqm / 4 floors
- Unique sensorial experience - manifestation of the brand's creative universe
- Zee.Dog Community: Zee.Dog Park, Rooftop with bar structure, in addition to Zee.Dog, Zee.Cat and Zee.Human products



Opening of the Zee.Dog Temple

- 3,000 people attended the 7-hour event
- 2 hour queue to enter the Store
- Hundreds of dogs present
- Public from other cities
- Community effect





Seu pet center de estimação



ALEXANDRE ROSSI STRATEGIC PARTNERSHIP AND ACQUISITION OF CÃO CIDADÃO

The largest home pet training franchise in Latin America

ALEXANDRE ROSSI, “DR. PET”

Creator of the “Smart Pet Training” method



7 PUBLISHED BOOKS

Frequent participation in
lives and TV shows

Pet Market Digital
Influencer Award received
on Nov 8

A zootechnician, veterinarian and animal behavior specialist, Alexandre is a member of the Animal Welfare Council and the Association of Pet Dog Trainers (USA)



É de Casa TV Globo
Biweekly participation.
Exposure: 12 million (6-8 points on IBOPE)

SMART PET TRAINING

“Pet Training is an aid to the pet’s behavioral therapy. In addition to eliminating or minimizing unwanted behaviors, training helps improve the relationship between tutors and animals.

With training, the bond between the two will become even closer.

Pet Training also prevents behavioral problems, in addition to being a great physical and mental stimulus for animals.”

ALEXANDRE ROSSI IS THE BIGGEST PET PERSONALITY ON SOCIAL MEDIA



2.1M



3.9M



36K



249K

+ 6 MILLION FOLLOWERS¹

¹ CONSIDER THE PROFILES OF ALEXANDRE ROSSI AND HIS PETS (ESTOPINHA, BARTHÔ AND MIAH)

CÃO CIDADÃO GROUP

The largest home pet training franchise in Latin America

"Our mission is to improve the dog's integration into the family and society, through education."

FRANCHISING ADMINISTRATION

The operation of Cão Cidadão is focused on home pet training and behavior consultation, based on selection and training of franchisees who provide the service to the final customer

BIG NUMBERS

+100,000

Families helped since 1998

+5,000

Classes by month

70

Pet Trainers/
Franchisees



PARTNERS



**ALEXANDRE
ROSSI - DR. PET**

Founder of Cão Cidadão and creator of the Smart Pet Training Method



**EMERSON
DURAN**

CEO of Cão Cidadão

REDES SOCIAIS



112K



350K



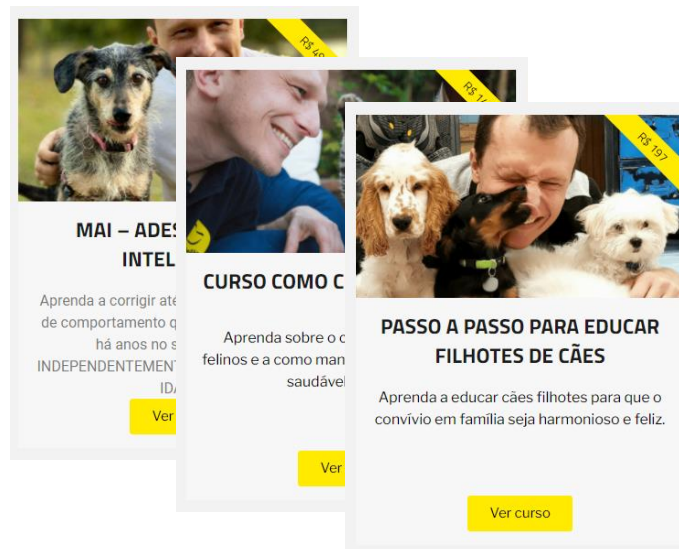
10K



9K

481K FOLLOWERS

ALEXANDRE ROSSI AND CÃO CIDADÃO STRENGTHEN THE PETZ ECOSYSTEM



1

PET TRAINING SERVICE

- Adding the Petz Ecosystem Pet Training Service
- Partnership aligned with the objective of creating strategic value within the “Petz Solution” pillar

2

CONTENT PRODUCTION

- Exclusive content as an engagement and loyalty tool
- Launch of specialized courses on the pet world and animal education - free and also by subscription

3

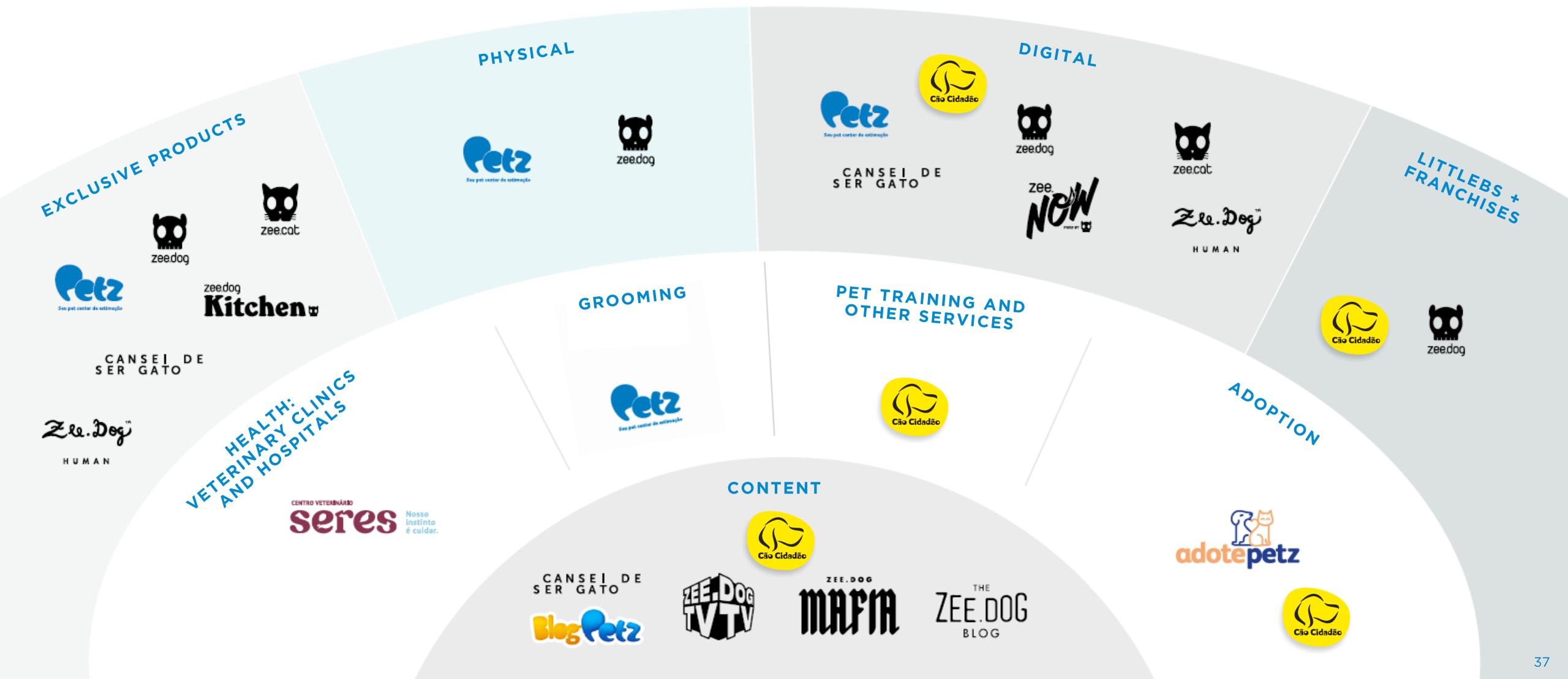
QUALIFIED AUDIENCE

- Biggest personality/influencer pet in Brazil (+ 6 million followers)
- Frequent appearances on TV shows such as Globo, Record and SBT
- Opportunity to connect with the Pet public in moments of “no purchase”

TRANSACTION ADHERENT TO PETZ'S STRATEGIC VISION AND NEW ECOSYSTEM



Petz Vision: “To be recognized worldwide as the best ecosystem in the Pet sector by 2025”



ALEXANDRE ROSSI AS PETZ SERVICE HUB AMBASSADOR

Alexandre, as the greatest expert in the pet world, will build, in partnership with Petz, processes and methodologies for the accreditation of specialized service providers.

Petz will intermediate the services through its hub, being responsible for the origin, quality and safety.

NEW PETZ SERVICE HUB WILL START THROUGH PET TRAINING

PET TRAINING

Most of the pet trainings are done at the beginning of the relationship between tutor and pet (buying a puppy or adoption)

PET TRAINING

DOG WALKER

**HOTEL/
DAY CARE**

PET SITTER

Veterinarians and pet trainers will be the main promoters/ambassadors of the services offered by Petz, due to the trust attributed to Alexandre Rossi

MAIN TRANSACTION TERMS



- Acquisition of 100% of Cão Cidadão
- Alexandre Rossi and the brands of his group now have **exclusivity with Petz** for the dissemination of products and services
- Alexandre Rossi will assume the position of specialized consultant, working in the **development and promotion of training, dog walker, hotel/day care and pet sitter services**
- Great ambassador in the **construction of processes and methodologies for the accreditation of service providers**
- Petz will intermediate the services provided – assuming responsibility for their origin, quality and safety
- Petz will be the **exclusive sales channel for all Online Courses** created, taught or coordinated by Alexandre Rossi
- Compensation linked to long-term incentives and defined **deliverables related to building the Petz ecosystem of services**; including (i) the implementation of methodologies and processes that guarantee the quality and excellence of the services provided by the professionals and establishments involved; and (ii) minimal penetration of the various services in the cities covered by the Petz operation



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Aline Penna
CFO & IRO

Matheus Nascimento
Senior IR & New Business
Manager

Mirele Aragão
IR Specialist

Natália Esteves
IR Analyst

PETZ
B3 LISTED NM

IBOVESPA B3

IBRX100 B3

IBRA B3

IGC B3

ITAG B3

IGCT B3

IGC-NM B3

ICON B3

SMLL B3