



4Q25 Earnings Call Transcript

Grupo Petz Cobasi

March 27th, 2026

Paulo Nassar (CEO):

Good morning, everyone, and welcome. Welcome to our fourth quarter results call for Petz Cobasi. Once again, before we start, I'd like to remind you that throughout the year of 2025, Petz and Cobasi were operating independently, still waiting for the CADE decision, and the approval came at the end of the year. The approval happened on December 10, 2025.

Starting our call with great news. Throughout the year of 2025, the company's results showed a consistent growth with expansion of margin and cash generation. We had a first quarter of 2025 with a tough scenario in the Brazilian retail as a whole, and for the pet retail, the story was no different. And despite the challenging macroeconomic scenario in Brazil with extremely high interest rates, both companies were able to sustain discipline in expense management and keep a great focus in increasing productivity and a special attention in working capital. With a robust execution that resulted in a financial position that is strong and a high conversion into cash. I consider 4Q25 to be the best quarter of the year, significantly better than the previous quarters, with a strong recovery of sales and great results both from Cobasi and Petz Cobasi.

So, those are some big highlights from 4Q25 and also consolidated results for the year. So, the main takeaways from this slide. So, on the Cobasi side, on 4Q25, we saw a strong growth of our total gross revenue with an increase of 9.3% y/y, a gross margin of 45.9% in the fourth quarter, an adjusted EBITDA margin of 8.8%, and an adjusted net profit of R\$ 41 million, representing an 80.1% growth y/y. On Petz side, 4Q25 was characterized by a growth of 8.7% of gross revenue y/y, a strong net cash generation of more than R\$ 47.6 million, with an adjusted EBITDA margin of 9.3%, and a relatively high share of private labels reaching 13.5% of sales.

For the year's results on the Cobasi side, I would like to highlight a strong net cash generation of R\$ 210.9 million, and an EBITDA margin, which is almost a double digit. We ended the year of 2025 with 9.8% of adjusted EBITDA margin. On Petz side, in 2025, we ended the year with a strong net cash generation of R\$ 203.5 million, which gave us an adjusted EBITDA margin of 8.7%, growing 12.4% y/y.

And again, these are extremely relevant results, very robust results, that speak for themselves. They represent a significant improvement in both companies, Petz and Cobasi.

Now, for this slide, I just wanted to highlight what I said in the beginning, the important milestone that we achieved in December 10th, 2025, with the CADE approval. And throughout 2025, 15 new stores were opened. So we ended the year with a total of 521 stores in operation, 265 from Petz, and 256 stores from Cobasi.

On same store sales in 2025, plus 6.2% for Petz, and a growth of more than 7.4% Cobasi y/y. The digital sales share reached an amazing level of 42.8% for Petz and 38.6% for Cobasi. And the Omnichannel penetration reached 98% for Cobasi, 93% for Petz. And just to clarify, these rates of 98% and 93% represent digital sales that were built directly by physical stores, both on Petz and Cobasi sites. And it's important to highlight that our stores play an essential and important role in our digital sales strategy, whether it is on the Pick Up Store mode or Ship From Store mode. So these omnichannel numbers above 90% in both companies as global benchmarks when it comes to the pet retail market.

When it comes to share of private labels, I would like to once again highlight the significant growth and the penetration of private labels in 4Q25, 13.5% for Petz, and 7.6% for Cobasi, with a growth of share quarter after quarter throughout the year of 2025. Private labels focus again in high quality products with a good pricing for consumers. All private label products that are being sold are important highlights in their own categories. And for the majority of them, the private label products are already number one in sales for their respective categories.

Speaking on services now, we also observed a robust growth y/y, both for Petz with a 12% growth and Cobasi with a growth of 62%. Again, this is the share of services. Both companies ended the year with a strong cash generation position, R\$ 414 million when added together. Petz ended the year with a net cash of R\$160 million and Cobasi R\$454 million. Adding both companies, we ended the year of 2025 with a net cash position of R\$615 million. And again, I would like to reinforce that there are few companies in retail in Brazil today that are recurring cash generators. And rare companies also have a strong net cash position, just like Petz and Cobasi.

And again, in January 2026, Cobasi paid R\$320 million for the closing of the merging deal. Again, let's talk about the beginning of 2026 now.

Well, in the beginning of 2026, we started a new moment for both companies. As a single company, the Petz Cobasi Group, bringing together two innovative companies with reference shareholders, both top-of-mind brands and leaders in the largest pet market in Latin America. The closing happened in January 2nd this year. We effectively started the integration process of the company in January 20th. I would like to use this opportunity to say that, without a doubt, we will try to make this the best case of a merger in the Brazilian retail story. I want to highlight that once again, we are extremely driven, working closely together, and developing or starting the execution of the plans in

a very robust way with a lot of traction. This year of 2026 is the year of full focus on integration and execution with absolute discipline, transparent, and search for planned results. Now, with the integration, we will be able to provide a complete ecosystem of products and services and an omnichannel platform that's fully integrated, creating a unique opportunity to generate value, both to our customers, our employees, and also our shareholders. So I consider that the success of this integration depends on three main factors, people and governance, planning and clear goals to be delivered, and the support and the continuous follow-up from our board of directors. The merge itself will unlock in the next five years significant synergies, and 80% of the mapped synergies are concentrated in three main fronts. Number one, commercial optimization. Number two, rationalization of operational expenses and number 3, store footprint. Not to mention other fronts that represent 20% of synergies, meaning digital, omnichannel strategy, and the service ecosystem. And lastly, I would like to give you an update that in the beginning of the year, we have already made progress in the integration that had been extensively planned throughout the year of 2025, with important definitions on people, with defined leadership roles, talent retention, and the integration between the teams which is already ongoing. We also mapped operational opportunities, implementing best practices. And we already started contract negotiations with our suppliers, focusing on long-term agreements that are being celebrated a week after week.

I would like to remind you that the synergy estimate for the next 5 years varies between R\$200 and R\$260 million a year. And for this year, 2026, the capture interval will be between 0% and 10% of that amount. Net of the disinvestment of the 26 stores as determined by the CADE. And lastly, I would like to say that this is a transformational moment for the company and for the group, now the Petz Cobasi Group, with absolute focus on promoting not only operational excellence, but on the service we provide to our customers, whether it is in our retail or our service portfolio, such as grooming, health services, and veterinary clinics, and our veterinarian hospitals. Now I will hand the floor to Rafael Siqueira, our CFO.

Rafael Siqueira (CFO & IRO):

Thank you very much. Thank you, Paulo, and good morning.

Very happy to be here in our first earning call for the Petz Cobasi Group. As Paulo mentioned it quite well, we are still looking at the results from the independent companies, but starting on the first quarter, we'll be presenting, of course, the consolidated results.

Well, on Petz side, we had a very important quarter for the first time in the story of this company above R\$1.1 billion in revenue, with an 8.1% growth. We saw a strong acceleration on same store sales, highlighting sales with a 6.3% growth, with a very strong comparison base. Physical stores grew more than 10% in the previous year. The

digital channel grew 12% y/y. And again, at this quarter at Petz, the comparison base was not as strong. So again, this growth is pretty much just a following of the previous trend. In the year, Petz ended the year above R\$4.3 billion in revenue, which represents a 7.9% growth.

Now on the Cobasi side, R\$947 million in revenue in the quarter, with 9.3% growth, a strong growth in our digital channel, with 15.4% growth. And just like Petz, with an acceleration of same store sales growing 6.2% y/y. And in the quarter, an important highlight for services, with a strong sales from our franchisee model. In the year, we achieved R\$3.5 billion in sale revenue, with a 9.9% growth.

Now, if you will look at the consolidated numbers, the group had over R\$2 billion in the quarter, with an 8.6% growth. And for the whole year, R\$7,9 million with an 8.8% growth. The main highlights are the same store sales for Cobasi growing 7.4% and Petz 6.2% growth, which again reinforces our growth expectation from now on, with the mature store base from both companies growing above inflation.

Our gross profit from both companies at very significant levels. For the Petz, a gross profit of 46.9% over net sales. And again, we understand that this is a very healthy level and the small retraction when compared to 2024 is partially explained by a more significant growth in our digital channel. But the comparison base in 2024 also had more or stronger margins. The company worked with a great deal of discipline focusing on specific categories and prioritizing cash margin with a good growth of private labels, with a 26% growth in the system. For the year, the margins remained stable at 47% over net sales, representing again, a good health level in the mix between digital and physical online and offline sales.

For Cobasi, the news are also very important. We see a big growth in margin in the year, which also happens in a more moderate way in that specific quarter. In the quarter, the Cobasi margin achieved 45.9%, a 0.4 percentage points improvement y/y. But for the year, the growth was quite significant, achieving 46.5% of margin. And the big news here or the explanation behind this improvement is connected to investments that the company made to centralize our logistics efforts. We had two DCs that were consolidated into one in the second half of 2025. And that, of course, led to significant improvements, both in negotiations with suppliers, as well as the logistics to stores.

And just like Petz, in Cobasi, we saw significant growth in private labels with a 37% growth. If we look at the consolidated results, the group shows 46.4% of margin over net sales in that quarter. And in the year, a margin of 46.8% with a significant growth when compared to the previous year.

Now, on operational expenses, both companies, as Paulo highlighted in the beginning, did an important exercise in cost reduction, especially expenses connected to sales. Petz had 37.5% of expenses, an improvement of 0.5 percentage points in the quarter.

Despite the improvement in results and a PRL that was above expected, we had a significant reduction in expenses in all the other lines that led to an operational average in the business. In the year, Petz expenses ended the year at 38.3% of net sales, also an improvement of 0.3 percentage points. Looking at Cobasi, the improvement was a little bit bigger, with a 0.8 percentage point improvement in the quarter achieving 37.1% of net sales. And in the year, expenses represented 36.7% of net sales. So if you look at the consolidated results, the company improved the expenses profile, 37.6% of net sales in 2025, with a 0.4 percentage points improvement when compared to 2024.

That, of course, leads to an improvement in the results of our adjusted EBITDA, both for Petz and Cobasi. We saw an expansion of margins in the year, in Petz achieving R\$312 million in EBITDA, an 8.7% margin over net sales. And in Cobasi, in the quarter, we saw a good expansion of margin leading to 8.8% over net sales. And in the year, an EBITDA of R\$295 million representing 9.8% of net sales, which in the consolidated results give us an EBITDA above R\$600 million, 9.2% of net sales, with a consistent growth when compared to the year of 2024. And again, this only reinforces the discipline of this company of growing both channels in a balanced way, making adjustments in expenses, both in stores as well as in the back office, to support the growth of margins in this challenging environment for retailers.

And I think the main news from the group is the expansion of our net profit, both for Petz and Cobasi. We saw significant growth in both companies. From the R\$607 million EBITDA, R\$241 million of net profit was delivered, a more than 50% growth y/y, which once again reinforces the message from the next slide, the great ability to generate cash from both businesses, both companies generating a lot of cash and converting a lot of the EBITDA into operational cash.

Regarding investments, we saw a reduction in our Capex, both in Petz as well as Cobasi. The first movement was to open fewer stores from both brands. Petz opened 5 stores in the year of 2025. Cobasi opened 10 stores in the same year. So what we see here is an optimization on the average expense per store on both companies, the average expense reduced, also a reduction in volume, the volume of new stores. And if you look at Cobasi, these investments, considering the unification of our DC, put a little bit of pressure on our Capex, but this is not a recurrent effect. We had R\$31 million in Capex from Cobasi, connected to this investment, which is within this number that we report of R\$118 million of Capex for the business. And if we remove that, the Capex reduction would be even greater. And in a consolidated fashion, both companies moved from almost R\$300 million of Capex to R\$242 million, which reinforces that our operational cash generation was more than enough to fully cover all the investments that were made. And now both companies are at net cash levels that are quite important to make investments and generate more value to shareholders. became net cash starting in the third quarter of 2025 and that movement only grew in the fourth quarter. Cobasi because it was a net free company we have always been net cash and today we have a

consolidated company with R\$615 million in net cash with a positive variation of R\$460 million BRL from 2025 when compared to 2024.

And to close this part of the presentation, the cash flow from both companies were very positive with a significant conversion of profits to cash happening both at Petz and Cobasi. Petz with a scenario of reduction of the need for working capital especially with stock optimization which represents an improvement in the operational working capital. Petz ends 2025 with R\$562 million in cash and Cobasi ends 2025 with R\$455 million in cash.

If we add those we have over R\$1 billion of gross cash and a net cash above R\$414 million with a strong generation of more than R\$414 million. As Paulo mentioned before this movement was important for both companies to face their short-term needs especially with the amount Cobasi needed to pay for the deal of over R\$220 million and now both companies together are at a very healthy cash position to address possible needs that might come from the merging or the need for growth.

So this is the end of our presentation and we are now open for questions.

Operator:

We will now start our Q&A session.

Laryssa Sumer (XP Investimentos):

Good morning Paulo, Rafael. Congratulations on the results and thank you for taking our questions. I have two quick questions. First regarding growth. We saw that both companies reported very healthy same store sales levels but looking at the previous quarter we see sort of an inverted trend between them. Cobasi with a deceleration and Petz accelerating in the fourth quarter. So we were wondering about the data and we would like to hear from you. What is your diagnosis on that? Do you believe that the performances could be correlated? Is there a relevant level of cannibalization between brands? Can you assess that in some way? What is your perception after these few months of integration? And the second question is about gross margin. First I want to understand the Petz pressure on gross margin but, more than that, looking at Cobasi it seems like the year was an important year in terms of profitability gain especially gross margin. I understand that for the first half of the year we have the issue with the unification of the DC but if you could tell us a little bit of how much has been captured and if there is any more room for operational gains for Cobasi standalone that would be great. Thank you.

Rafael Siqueira (CFO & IRO):

Laryssa, thank you for asking. Well, your reading on same store sales is adequate. We have a difference in comparison basis both for Petz and Cobasi. They presented

different trends in the year of 2024. So when we look at 2025, you have this impression that Petz is accelerating and Cobasi is decelerating. But if you look at the 2-year period, we see Petz accelerating and Cobasi keeping a stable pace, similar to what Petz delivers in the end of the fourth quarter. So Petz suffered a little bit more in 2024 and Cobasi was a little bit more consistent in 2024. And the growth in 2025 that Cobasi presented is being compared to a more stable base and the 2025 growth in Petz is being compared to a more difficult base or a challenging base in 2024. So for that reason, we do not see cannibalization between both companies because again, now that we're closer, we have the two businesses together, we don't see a lot of overlap between customers, which for us is, of course, very important. And here, when we look at the future, we see this in a very constructive way, both companies being able to create their growth pathways and address customers with different profiles, because the value proposition of both companies is perceived by customers in a different way, in a way that many times is complementary.

So, we do not have this view on cannibalization. Now addressing your second question, and Paulo, please feel free to jump in. Speaking of margins now, the pressure on Petz comes from a slightly stronger digital channel growing 12%, as I mentioned, but again, the 12% growth on digital is against a 2024 base that was a little bit weaker. Petz grew about 5% in 4Q24 on digital. So the 12% are not that representative or significant. In the 3Q25 in Petz, the margin was exceptionally high. And that of course is connected to the commercial dynamic that might have anticipated a little bit of the margins of 4Q25. So if you look at the second half of 2025 for Petz, versus the second semester of 2024, we see a slight growth in margins. So this is not something that worries us from the competitiveness perspective. And looking ahead, we start to see 1Q26 with a more clear understanding of pricing when we have a more rational pricing strategy, especially in the digital channels, which makes us very comfortable in maintenance and expansion of margin for both companies. Now looking specifically at Cobasi, Cobasi made this important movement of margin recovery throughout the year of 2025. This was a relevant growth. There is still a base in 2025, especially in the first quarter, that is weaker than what we had in the end of the year. So it is natural to expect a margin expansion versus 2025 because of the difference in comparison base. And for future margin expansions, as Paulo mentioned, will be very much connected to our commercial strategy and with the synergies to be captured. Because here we are pretty certain that there is room both for Petz and Cobasi to expand results from now on.

Vitor Fuziharo (Santander):

Hi. Good morning, Paulo, Rafael. I have two questions on my side. The first one has to do with sales migration to the digital channel and the stronger performance in that channel. If you could tell us a little bit, how are you perceiving that considering the profitability of the company as a whole? And besides that, if you could comment a little bit on the competitive landscape in the digital world, that would be very interesting. And

my second question is connected to capital. I understand that your focus should be on the capture of synergy for the next few years, but I would like to understand more about your expansion plan and regarding the assets that the company already owns, if there is a possibility of removing some overlaps in the current infrastructure. Thank you.

Paulo Nassar (CEO):

Thank you, Vitor. Thank you for your question. I will start by taking your second one. Capital allocation in 2026 will be very much in line with what we did in 2025, especially when it comes to the expansion for new stores, very similar to what happened last year. Capital allocation starting this year will be very much rationalized, focusing on technology investments that will unlock a number of opportunities and synergies, perhaps giving you a little bit more details.

It's about unifying ERP systems and other satellite systems as well that over the next 12 to 20 months will be taking place. So our capital structure is pretty balanced for the year of 2026. And we are very comfortable with that position right now. And from a possible overlap between Petz and Cobasi, we are conducting a few studies internally. The amount of overlap is not significant. And the studies will be concluded in the near future. So then we can understand what are the opportunities that we have to rationalize in our stores, even though it might be small. And now I think Rafael can answer your first question.

Rafael Siqueira (CFO & IRO):

Thank you, Paulo. And thank you, Vitor, for the question. Both companies are not really worried about this migration from sales in the digital channel to the stores because we see a balanced growth. And looking ahead, I think your question is about optimizing our stores. Perhaps one of the biggest benefits that the group will bring is actually connected to the optimization of our expansion plan because now both companies can prioritize the markets where they achieve the best returns for each brand. And they won't be competing for locations that could impact the profitability of mature stores. And this is a very important component for improving profitability because the mature stores grow above inflation rate and they deliver a growing profitability, which in part explains a good amount of the expansion in profitability of both companies while the expansion in the number of stores was more rationalized, so to say. Now, looking at the digital channel itself, both for Petz and Cobasi, both companies have been making efforts for the past 2 years to improve profitability in this channel. Despite the contribution margins are still below what we get in the offline channel, the gap has been consistently being reduced. And this is important news. Both companies grow in the digital channel, most in the Pick Up Store modality, which represents a healthier margin and an important benefit when the customers come pick up their product. Eventually they shop in the stores, then sales being delivered from our distribution center because the associated costs to that

modality are higher. And Vitor, there is also an important expense, rationalization on both companies to ensure that possible pressure on margins can be supported by the operational leverage of the business. Now, speaking of the competitive landscape, we still don't have a lot of data because we're just ending the first quarter, but we already see a scenario that's slightly more positive when compared to previous borders with a greater rationalization on the digital channel, which not only helps us grow this channel, but also raise margins, which in itself reduces the possible pressure on the company's profitability. So having said that, we see both channels as being complimentary to each other and we understand that the company is well prepared for having a stronger growth in digital and at the same time support our margins and even grow them.

Isabella Lamas (UBS):

Good morning. Good morning, Paulo. Good morning, Rafael. Thank you for the opportunity. I would like to go back to the integration process. Starting on the commercial front. How are you perceiving the evolution in negotiations with suppliers now that you have a much greater scale? Have you already been able to capture any benefits, perhaps a lower pricing list or terms? If you could give us some color on what's happening in the beginning of the year. On the other hand, regarding integration costs, it is reasonable to expect potential expenses related to consulting, operations, and also to understand what risks you foresee, perhaps in system migration, systems integration, or potential changes in logistics processes. Additionally, how should we think about the evolution of these factors and their potential quarterly impact? Thank you.

Paulo Nassar (CEO):

Thank you, Isabela, for your questions. Let me address integration and the commercial front. The Group has already initiated negotiations to secure improved commercial terms, whether in cost tables with our suppliers or in payment terms. We are still at an early stage in these discussions, but we already see potential for meaningful gains in this area. The commercial team, including senior management, is highly engaged in these negotiations. Synergy gains in COGS are relevant and were previously disclosed in our merger release and in the earnings call held in February. Regarding integration costs, both Cobasi and Petz engaged a leading consulting firm in 2024 to design, plan, and establish the Integration Management Office (IMO). These costs have already been incurred. The execution and rollout of the integration process, which is being led by the IMO and the Group's internal teams, have already been absorbed. We are currently executing more than 3,000 mapped initiatives, structured on a monthly, semiannual, and multi-year basis over the next five years. There is still a significant amount of work ahead.

And regarding your question on systems, the technology component has already been mapped as well. We understand where we're heading and how we're going to get there.

And the good news is that we have selected an existing ERP from Petz as the future ERP system for the company and on its own, this represents incredible savings and also a pace of adoption of an ERP system that's already working in one of the two companies. It's already customized and adapted to two operations that are quite similar. When you think about the relationship between the DC and stores or digital sales that happened through the Ship From Store and the Pick Up Store modalities with a great deal of fluency on system integration that are around the ERP system. So we are quite comfortable with the migration about to happen and it will certainly lock because everything is about technology. So that is one component of the integration that will unlock significant synergies in the next months.

Gabriela Leme (Goldman Sachs):

Good morning, Paulo, Rafael. Thank you for taking my question. I would like to discuss private label products. This has been a significant factor for improving margin for Petz in 2025. And Petz has a significant greater share than Cobasi. So how do you think about the potential of share for the combined company? Do you have any initiatives for increasing share of private label products at Cobasi? And if we could talk about expenses for a moment, both companies had a good operational leverage on sales expenses, especially because of the restructuring of the staff in Cobasi. But what's your outlook for the combined company for that line and how the restructuring of the store staff actually impacts the structure store in Petz? If you plan on doing a similar movement for Petz or if you have any other initiative plan.

Paulo Nassar (CEO):

Thank you, Gabriela. That's an excellent point to discuss private labels right now. This is certainly a strength from both companies at different levels of share in the total sales, both for Petz and Cobasi. Both companies started developing their private label products a couple of years ago and now combining them together, yes, we are discussing cross-selling opportunities, whether it's Cobasi private label products that eventually could be sold at Petz stores and vice versa. This is an essential synergy for us and this has already been implemented, by the way. The Super Secão brand, which is the leading dog pad in the market, which is produced by Petix, a company that used to belong to the Petz Group and now it belongs to the Petz Cobasi Group. And the Super Secão brands are already being sold in Cobasi stores with a gain of market share and that will certainly unlock the percentage of private label products being sold in our stores. Another product line is the Zee.Dog brand, of course, that now is slowly being implemented in some Cobasi stores. We started with some stores in the São Paulo metropolitan area and now we're expanding for the whole state. And as availability to provide a proper supply, we will expand this furthermore to cover the whole of Cobasi stores that now will be offering Zee.Dog products. With that, we expect to see in the end of 2026, even more relevant share of private label products in the group. And again, private label products are

composed by really well-known brands by both groups of customers, Cobasi and Petz, they represent a gain in gross margin that vary between 5 and 10 percentage points, which certainly improves the profitability of both companies. It helps improve loyalty from our customers and it is the way to go. Increasing the share of private label products, cross-selling them between brands the moment that makes sense and evolving for a greater share of our private label products in our product portfolio in the categories that both stores offer. Now, regarding your second question, Gabriela, on operational expenses, I will hand that over to Rafael. Thank you.

Rafael Siqueira (CFO & IRO):

Thank you, Paulo. And thank you, Gabriela. Well, regarding reduction of expenses, this is a very dear topic for both Petz and Cobasi. Both companies have an extremely high focus on expense reduction. This is a movement that has been happening over the past two or three years and one that was certainly intensified in the year of 2025. So we see improvement in expenses from sales in Cobasi was an effort of 2 or 3 years and we are reaping the results right now. For Petz, this was already an ongoing process as well. And now what we're gonna do is to bring the best of both models together, understand what Petz has to contribute in terms of expense management and the Cobasi as well.

And not only expense management, Paulo talked about the integration and the integration of course brings costs associated to a Capex and of course this will be considered in the analysis so we can find expense reductions that perhaps have not been mapped in our initial plan of synergies. So little by little be searching for the best practices to try to bring expenses to a level that both companies believe to be reasonable.

Andrew Ruben (Morgan Stanley):

Hi, thanks very much for the question. Two areas to follow up, please. The first, um, it was helpful that you gave the synergy capture target for the year, 0% to 10%. But I realized that's net of the divestitures. So I'm curious if you would give a sense of how much of a negative impact these divestitures have or really what a gross figure would be. I think that would be helpful to get a sense of how the synergies are progressing. And then, you mentioned, store capex should be similar versus last year. I'm curious if that implies we should think of similar new stores and any sense of how that could be split between the Petz and Cobasi banners. Thanks very much.

Paulo Nassar (CEO):

When it comes to the interval for capturing synergies in the year of 2026 being between 0% and 10%, we did a very conservative calculation of that because some of these synergies are more immediate. I would highlight, for example, the renegotiation of contracts with the provider of services and the providers or the suppliers of products for

sales. Of course, the next few quarters are extremely important for that sense. The first half of 2026 is the first moment we will be seeing these negotiations take place. And that will certainly unlock a significant amount in terms of synergies. Now, regarding the Capex related to the expansion of new stores, as I mentioned before, we expect to deliver a similar number of new stores, just like in 2025. Regarding which brand we will open, whether Petz or Cobasi, this is still being discussed in the company. And in order to make that decision, we have to consider not only the states, but also the cities, the neighborhood, and especially microregions. That's the type of analysis we're doing. The fact is both companies will continue to co-exist, both brands, with experiences in stores and digital experiences that are different. And it's important to remain like that because consumers choose naturally and spontaneously to go either to a Cobasi store or a Petz store. That's where they build their loyalty to. And both stores have experiences that are quite unique. And that's the way we will carry that forward with a lot of caution and attention. So what is working today is protected, focusing on what's happened in the past. And again, we expect to maintain that same rationale for the future.

Operator:

The Q&A session is now over. Now we will hand the floor to Mr. Paulo Nassar for the company's final remarks. Once again, thank you for joining us.

Paulo Nassar (CEO):

Thank you to Laryssa, Vitor, Isabella, Gabriela, and Andrew for their excellent questions. I think they gave us the opportunity to discuss all the topics raised. We are celebrating the results from 4Q25 as a milestone for both companies. And they certainly show an important direction on what's to come in the group and in the combined companies. We have a lot of work ahead of us. And we are certainly driven and excited about this new company, which certainly will be a success story in the Brazilian retail history. And of course, with the help of our executives and employees and their engagement, we will make that happen the best possible way. Once again, thank you for your time and see you soon.

Operator:

The earnings call from Petz Cobasi is finished. The investor relations department is available through the email you see on your screen to take any further questions. Thank you again for joining us and have a great day.
