

## **zooplus AG: Expanding pet supplies category further accelerates growth trajectory of leading pan-European online retailer**

- **Strong sales growth of 16% to EUR 509 m in first quarter of 2021; adjusted growth rate of 22% in Q1 2021 vs. normalized sales in Q1 2020**
- **Two-year growth trend with continuous strong momentum (Q1 2021 vs. Q1 2019: CAGR 18% and Q4 2020 vs. Q4 2018: CAGR 17%)**
- **Sales of Subscribe & Save loyalty program (+32%) and own brands business (+34%) outperform total sales growth and drive long-term earnings perspective**
- **Strong gross margins and operating leverage taking EBITDA to a level of EUR 25m (Q1 2020: EUR 8m); EBITDA margin of 4.8% (Q1 2020: 1.8%)**
- **2021 guidance confirmed with both sales and EBITDA performance currently assumed to be in the mid to upper range for the full year**
- **zooplus focuses on highly attractive category opportunities: increase in pet population, humanization of pets and premiumization of pet food and accessories**

Munich, May 12, 2021 – zooplus AG, Europe’s leading online pet platform, continues its strong growth trajectory in the first quarter of 2021. The company increased its total sales by 16% to EUR 509m in Q1 2021 (Q1 2020: EUR 440m). The adjusted growth rate for Q1 2021 stands at a level of 22% based on normalized sales in Q1 2020. Topline growth was mainly driven by increased monetization of its growing loyal, active repeat customer base, combined with a healthy new customer business. The number of active repeat customers grew by 15% year on year.

Dr. Cornelius Patt, CEO: “zooplus’ performance in the first quarter of financial year 2021 once again confirms the strong growth trajectory of our business. Fueled by the trends in our category, such as increasing pet population, premiumization and

humanization of pets, we are ideally positioned as the number one player in our vertical to continue to add loyal customers to our ecosystem. Our customer centricity ensures that we satisfy our loyal customers' needs while being highly attractive for new customers. As a result, we grow our customer base, we increase the spend per account and we develop the margin structure of our sales. This is the perfect foundation for strong, profitable growth in the future”.

### **Solid bottom-line growth and high free cashflow generation**

Strong gross margins and operating leverage generated an EBITDA of EUR 24.5m (Q1 2020: EUR 8.1m), resulting in an EBITDA margin of 4.8% (Q1 2020: 1.8%). The gross margin of 30.7% (Q1 2020: 29.4%) benefitted from increased premiumization, more high-margin sales and less promotional activities in the reporting period. This positive earnings development combined with working capital improvements drove the strong free cash flow generation of EUR 48.1m (Q1 2020: EUR 40.4m) bringing total cash on balance sheet to EUR 154m.

### **Customer centricity, focus on customer retention and increasing high-margin business pay off**

zooplus' strategy to focus on customer loyalty and recurring revenues has maintained momentum in the first quarter of 2021: zooplus saw an industry-leading revenue retention of 97% at the end of the first quarter (Q1 2020: 94%), increasing to 98% at the end of April 2021, with certain markets and cohorts already performing above 100%. The number of active repeat customers grew by 15% (Q1 2020: 14%) to 5.3 million.

The success in customer retention is also reflected in the growing significance of its flagship 'Subscribe & Save' loyalty tool, with sales growing by 32%, accounting for 54% of active repeat sales (Q1 2020: 50%). With sales of EUR 532 per account, the loyalty program generated 83% higher sales per account compared to customers who are not on the 'Subscribe & Save'. zooplus also continued to succeed in up- and cross-selling high-margin products in the first quarter of 2021. As a result, the own brands business

grew by 34% (Q1 2020: 32%), thereby accounting for 17.4% of total sales (Q1 2020: 15.1%). The share of orders with at least one own brands product increased year on year, underscoring the growing popularity of zooplus' own brands with pet parents across Europe.

### **Increase in pet population to boost category for years to come**

Pet ownership has been on the rise for the past decade, with Covid-19 and lockdowns boosting pet ownership in the year 2020 across Europe. Increasing pet population, humanization of pets and premiumization of pet food and accessories are durable trends which are fueling growth in the pet supplies category. The European pet supplies market is thus estimated to grow at a CAGR of approximately 6% through 2030 to EUR 49bn. In Europe, the online share is expected to go up to a level of EUR 18.6bn (market share of 38%) by 2030. Given its unique position as Europe's leading online pet platform in the category, zooplus expects to reach a total market share of 9% to 10% by 2025 and 11% to 13% by 2030. The attractiveness of the category is also underlined by the Company's expectation to reach an operating profitability of at least 4% EBITDA margin by 2025, paving the way to a long-term margin target of at least 6%.

### **Guidance for 2021**

Backed by these strong growth figures and market tailwinds, zooplus confirms its guidance for 2021. For the full financial year, zooplus expects sales of between EUR 2.04bn to EUR 2.14bn and an EBITDA in the range of between EUR 40 m to EUR 80 m, leading to an EBITDA margin of 2% to 4%. From today's perspective and on the basis of current business development, the Management Board currently assumes the full year sales and EBITDA guidance to result in the mid to upper range of the guidance.

## Key financial highlights:

		Q1 2021	Q1 2020	Change
<b>Sales</b>	EUR m	<b>509</b>	<b>440</b>	<b>+16%</b>
Own brands sales share	%	17.4%	15.1%	+2.4%p
Revenue Retention Rate as of 03/31	%	97%	94%	+3%p
Gross profit	EUR m	156.2	129.3	+26.9
<b>Gross margin</b>	%	<b>30.7%</b>	<b>29.4%</b>	<b>+1.3%p</b>
<b>EBITDA</b>	EUR m	<b>24.5</b>	<b>8.1</b>	<b>16.5</b>
EBITDA margin	%	4.8%	1.8%	+3.0%p
EBT	EUR m	16.2	0.7	+15.6
Consolidated net profit/loss	EUR m	10.3	-0.5	+10.8
Earnings per share (undiluted)	EUR	1.44	-0.07	+1.51
Earnings per share (diluted)	EUR	1.41	-0.07	+1.48
<b>Free cash flow</b>	EUR m	<b>48.1</b>	<b>40.4</b>	<b>+7.7</b>
Active repeat customers as of 03/31	million	5.3	4.6	+15%
Active customers as of 03/31	million	8.6	7.8	+10%

## Company profile:

zooplus AG is the leading online pet platform in Europe measured by sales. Founded as a German start-up in 1999, the company's business model has been successfully launched internationally, dedicated to the mission of creating moments of happiness between pets and pet parents across now 30 European countries. With a large and relevant product offering in the pet food and pet care & accessories range, zooplus caters to more than 8 million pet parents across Europe of which more than 5 million made more than two orders in 2020. The product range includes renowned international brands, popular local brand names as well as high-quality, exclusive own brand lines for pet food, accessories, care products, toys and much more for dogs, cats, birds, hamsters, horses and many other furry and non-furry friends. In addition, zooplus customers benefit from exclusive loyalty programs, best value for money proposition, fast and reliable delivery as well as a seamless digital shopping experience, combined with a variety of interactive content and community offerings. Sales totaled more than EUR 1.8bn in the 2020 financial year, capturing roughly 7% of the EUR 28bn to EUR 29bn (net) European pet supplies market, both offline and online combined.

For further information about zooplus, please visit [investors.zooplus.com](https://investors.zooplus.com) or our international shop site at [zooplus.com](https://zooplus.com).

**Press / Investor relations contact:**

zooplus AG  
Diana Apostol  
Sonnenstraße 15  
80331 Munich  
Phone: + 49 (0) 89 95006-210  
Fax: + 49 (0) 89 95006-503  
Email: [ir@zooplus.com](mailto:ir@zooplus.com) | [press@zooplus.com](mailto:press@zooplus.com)  
Website: <https://investors.zooplus.com>