



1-800  
**PetMeds**<sup>TM</sup>  
America's Most Trusted Pet Pharmacy



NASDAQ:  
**PETS**

The Most Trusted  
Destination for Pet  
Health and Wellness!

[www.petmeds.com](http://www.petmeds.com)

# Cautionary Statement Regarding Forward-Looking Information

Certain information that is included in this investor presentation may include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 or the Securities and Exchange Commission that may involve a number of risks and uncertainties. These statements are based on our beliefs, as well as assumptions we have used based upon information currently available to us. Because these statements reflect our current views concerning future events, these statements involve risks, uncertainties and assumptions. Actual future results may vary significantly based on a number of factors that may cause the actual results or events to be materially different from future results, performance or achievements expressed or implied by these statements. We have identified various risk factors associated with our operations in our most recent annual report and other filings with the Securities and Exchange Commission.

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# Company Highlights

- The leading pure play online pet pharmacy, marketing the most popular prescription and non-prescription medications, and other health products for dogs, cats, and horses direct to the consumer.
- With 2.2 million unique customers who purchased in the last 2 years.
- Exceptional and trusted / expert service with the best guarantee in the market – Net Promoter Score of 83%.
- licensed pharmacy to dispense in all 50 states.
- Operational expertise and efficiency from 25 years of pharmacy experience – sales per employee \$1.5 million.
- Healthy Balance Sheet and Robust Cash Flows.

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# Our Vision & Mission

- **The Most Trusted Destination for Pet Health and Wellness!**
- **Best in Class**
- **Best in Service**
- **Fast, Easy, Helpful Service with Great Savings**

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# Fast, Easy, Helpful Service With Great Savings



- Consumers generally save money from veterinarians' prices.
- Consumers enjoy the convenience of rapid home or office delivery.
- Exceptional customer care and support is our top priority.

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# Exceptional Service

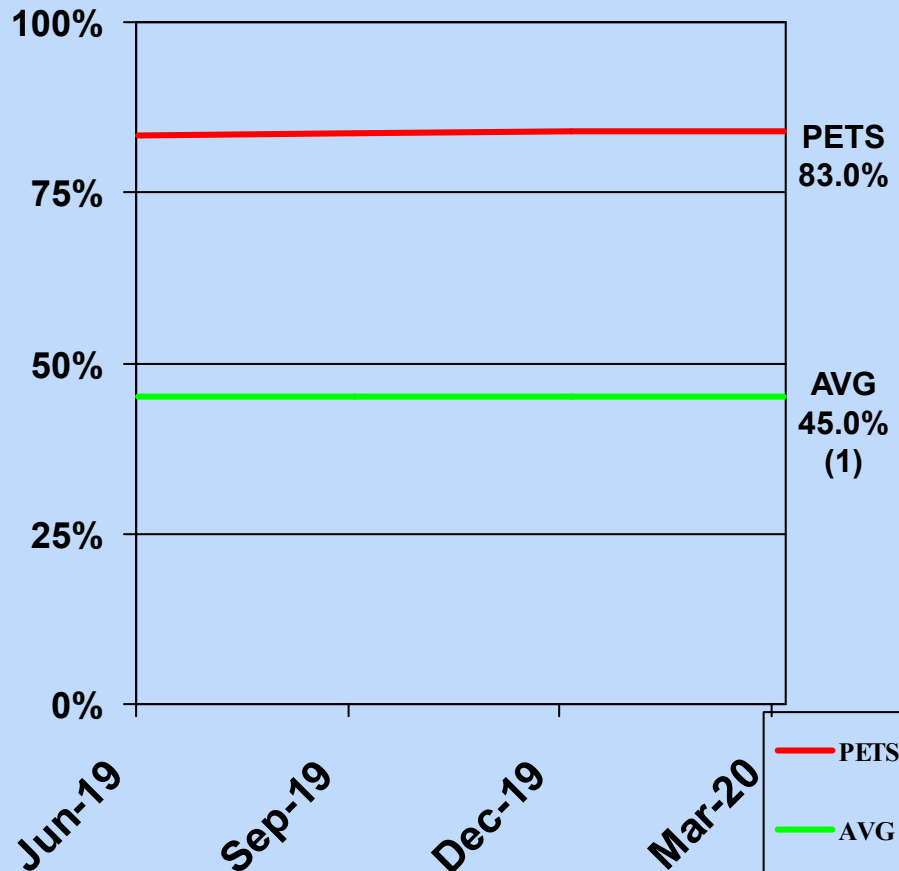
- **100% Satisfaction Guaranteed or Your Money Back...no questions asked...Front line fully empowered to make the customer happy**
- **Answer the phone / live chat fast by a live person...no machines - average answer time less than 10 seconds**
- **E-mail average response time is less than 10 minutes**
- **Fast prescription authorization by contacting the vet on customers' behalf...E-prescription through a Web Portal, Fax, Phone**
- **Keep the customer informed when there are delays in prescription verification with multiple communications**

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# Exceptional Customer Service

## Net Promoter Score



- **Net Promoter Score = 83.0% in the top 2% of companies**
- **Google Seller Rating = 4.8/5.0**
- **Average email response time is less than 10 minutes vs 24 hours**

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(1)NPS Benchmark Study, December 2020,  
[www.netpromoter.com](http://www.netpromoter.com) average for online shopping.





# Pet Medications



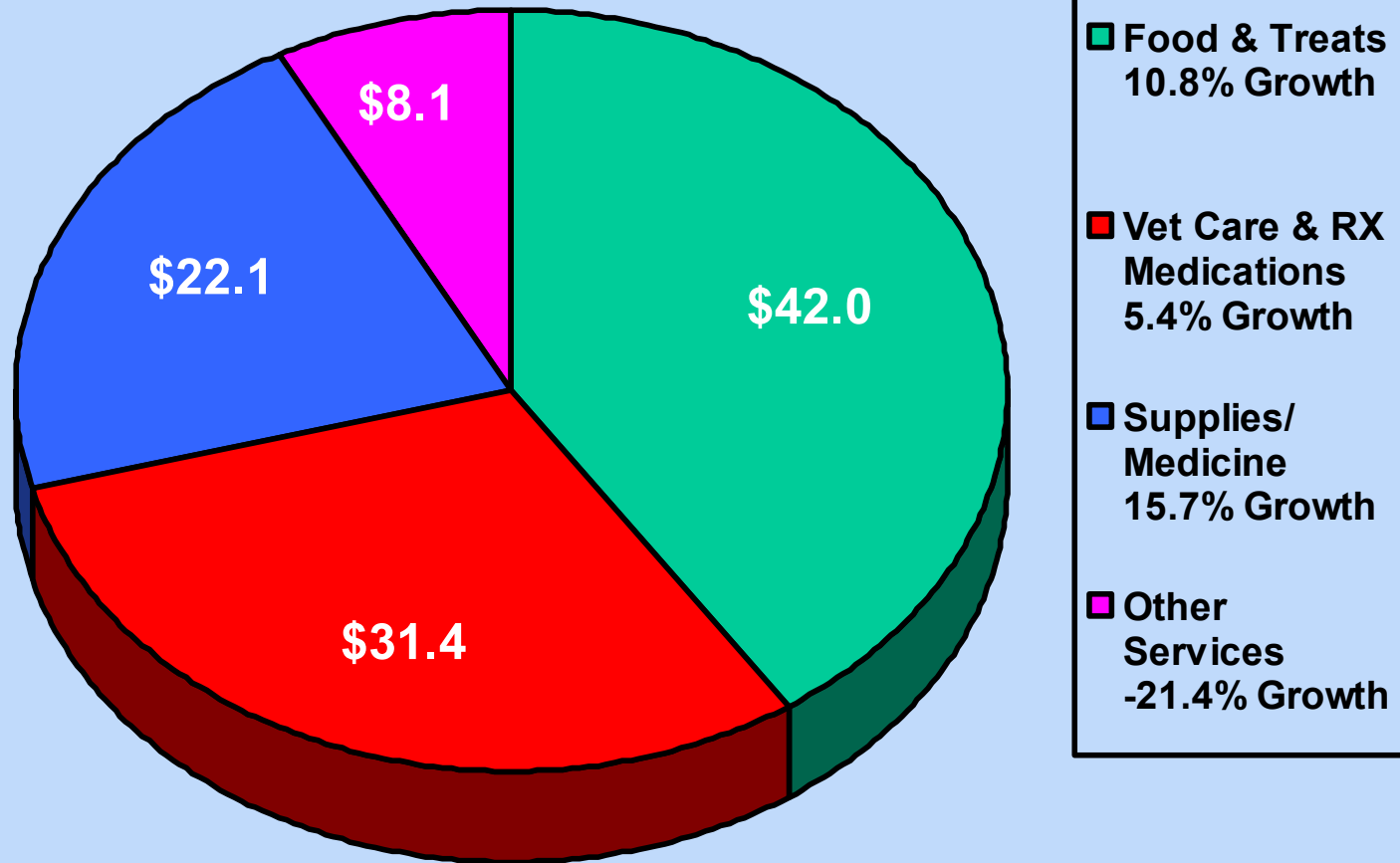
- Flea & Tick Preventatives
- Heartworm Preventives
- Arthritis, Thyroid, Heart, Blood Pressure
- Skin, Dental, Ear, Eye Care
- Vitamins & Nutritional Supplements

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# \$103.6 Billion Pet Market in the U.S. - 3.6% Growth in 2020



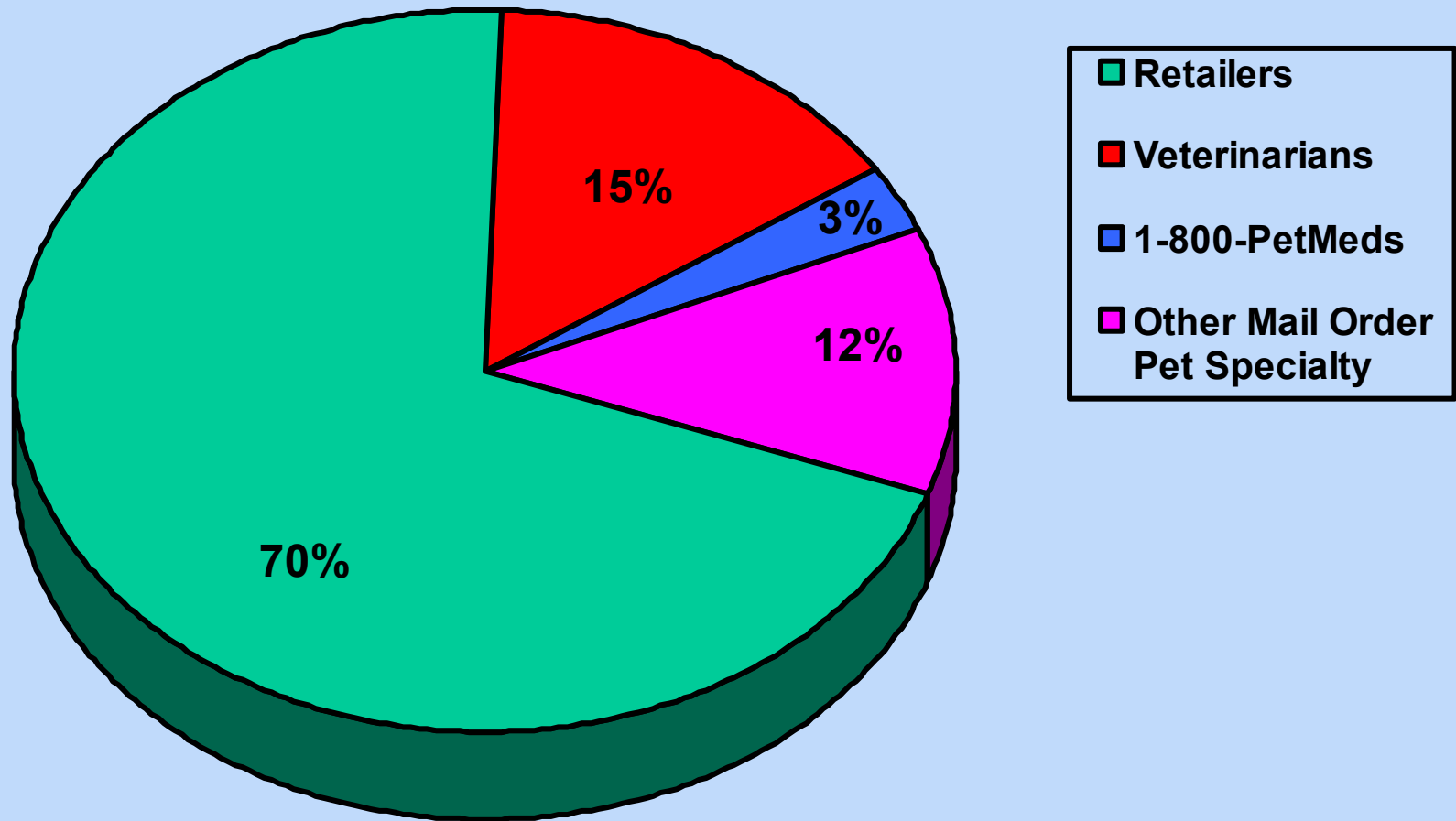
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According to American Pet Products Association (APPA).

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# OTC Pet Medications Market Share

## \$2.0 Billion (Estimated)



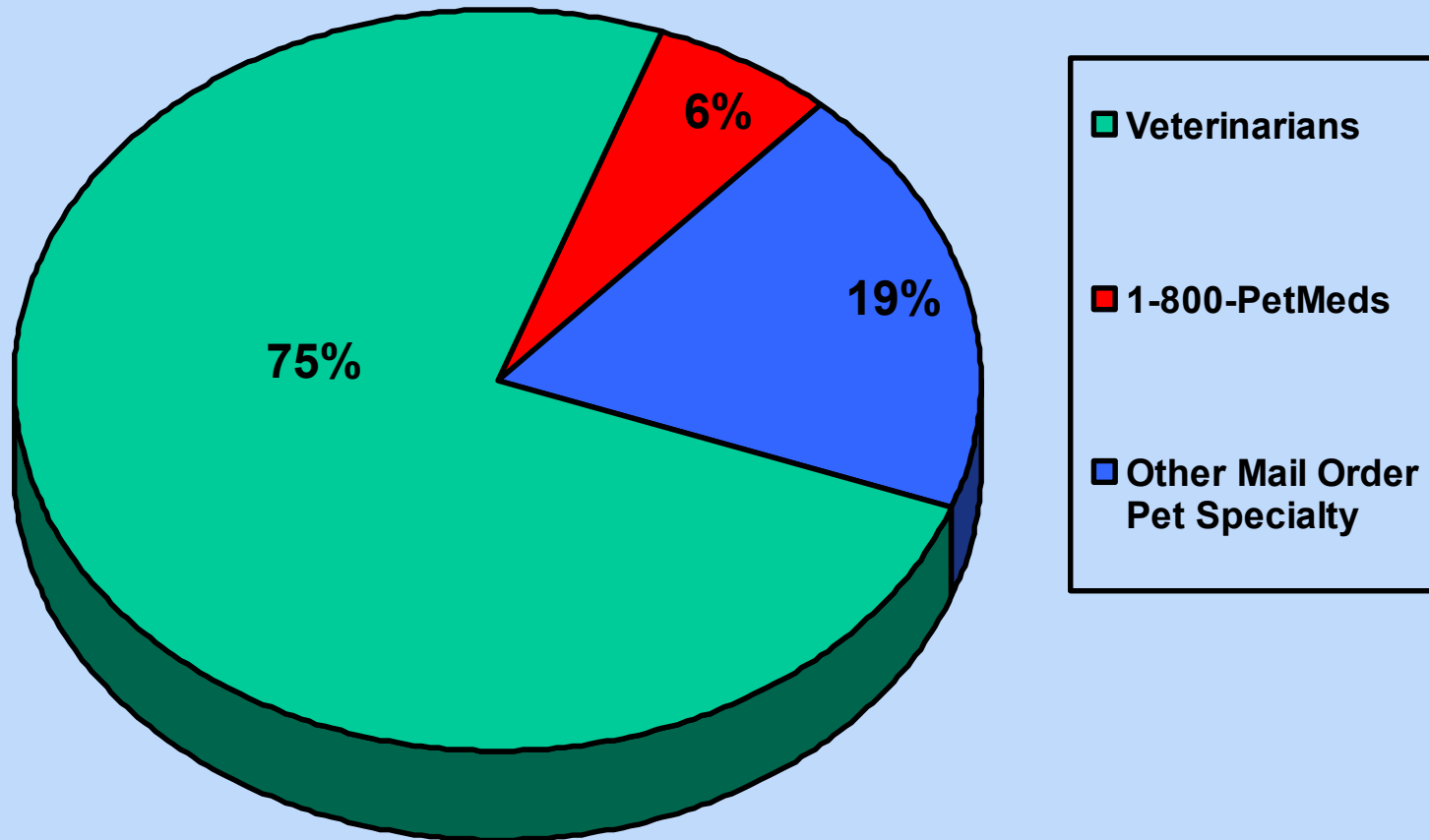
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Source: Manufacturers / Distributors



# RX Pet Medications Market Share

## \$4.0 Billion (Estimated)



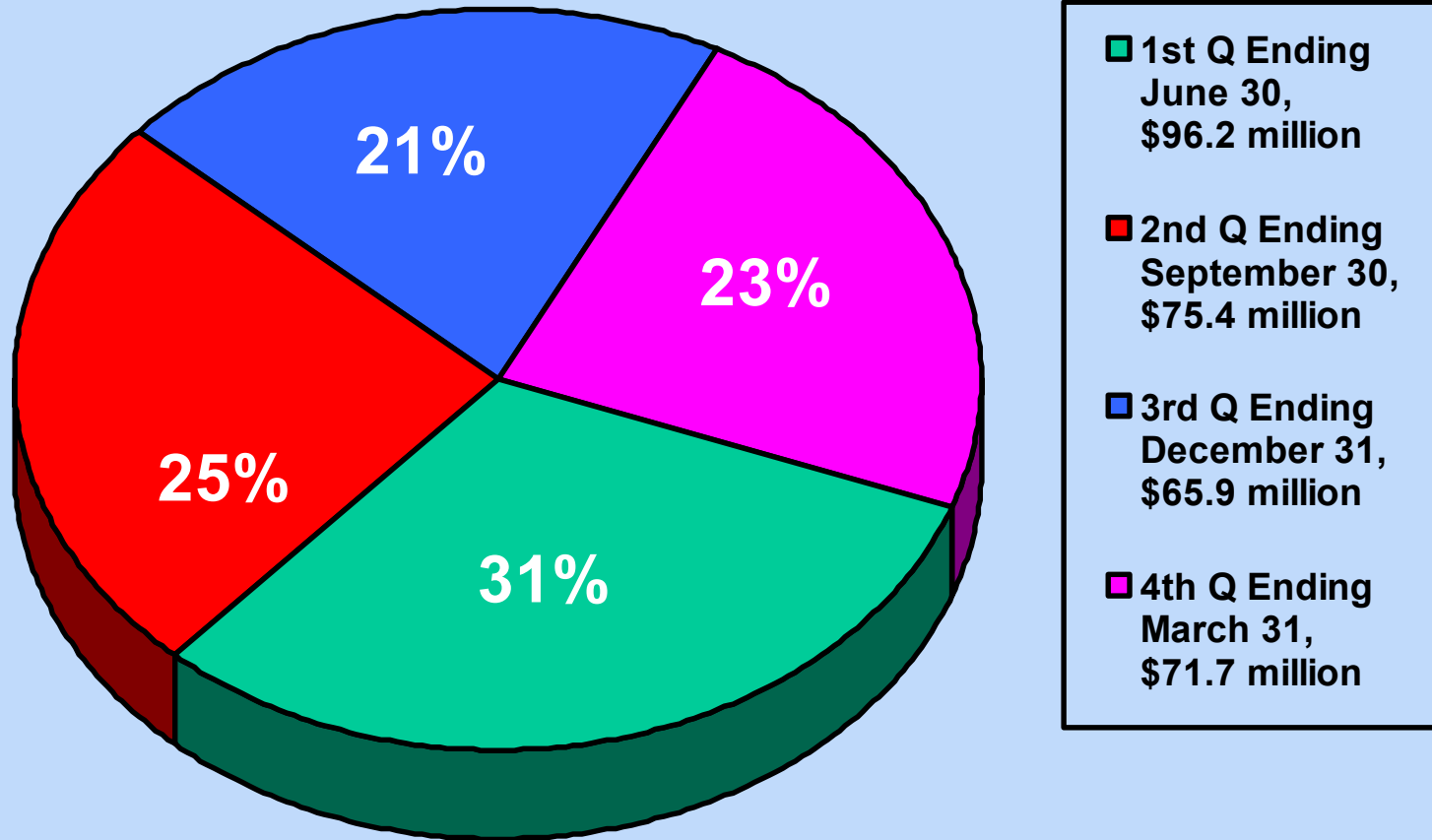
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Source: Manufacturers – Rx Pet Medication Market Grew ~5% in 2020



# Sales Seasonality Trends

## Fiscal Year Ended March 31, 2021



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**FREE STANDARD SHIPPING**  
When You Spend \$49+



**SAVE AN EXTRA 40%**  
Use code NC40 in cart (up to \$20 discount)



**OUR GUARANTEE**  
100% Satisfied or Your Money Back

## Explore our new arrivals & products

Shop the latest items by trusted brands and get them shipped directly to you for less.

[Learn more](#)



New Arrivals

### Shop By Pet

4.3 ★★★★★  
Google  
Customer Reviews

Dog



Cat



Horse



## How Online Prescriptions Work

In 3 easy steps you can have your pet's Rx filled and delivered right to your doorstep



**Step 1: Add to Cart**  
Find what your pet needs on our site and add it to your cart.

[Learn more >](#)



## PetMeds® Rewards Program

[Learn More >](#)



## Easy Refill

How Easy Refill Works

[Learn More >](#)



# Competitive Strengths

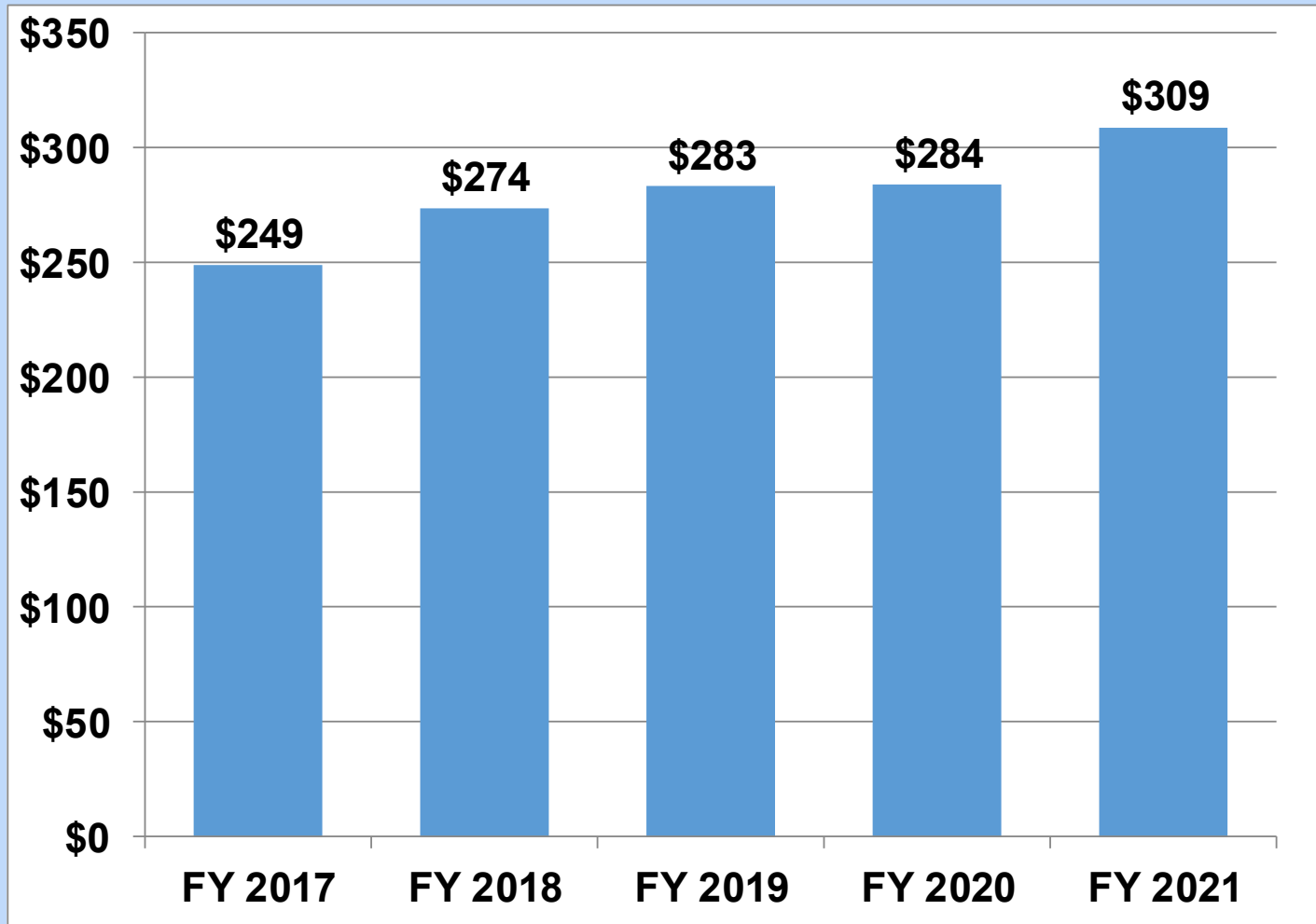
- **Online pure play channel leader – 25% of the RX online market.**
- **“1-800-PetMeds” brand name – 25 years of experience. Consumer knows us as the trusted pet medication experts.**
- **Licensed pharmacy to do business in 50 states – .Pharmacy verified website.**
- **Exceptional and trusted / expert service with the best guarantee in the market – Net Promoter Score of 83%.**
- **Operational expertise and efficiency: Sales per employee is \$1.5 million, more than twice that of the competitors in the e-commerce space.**

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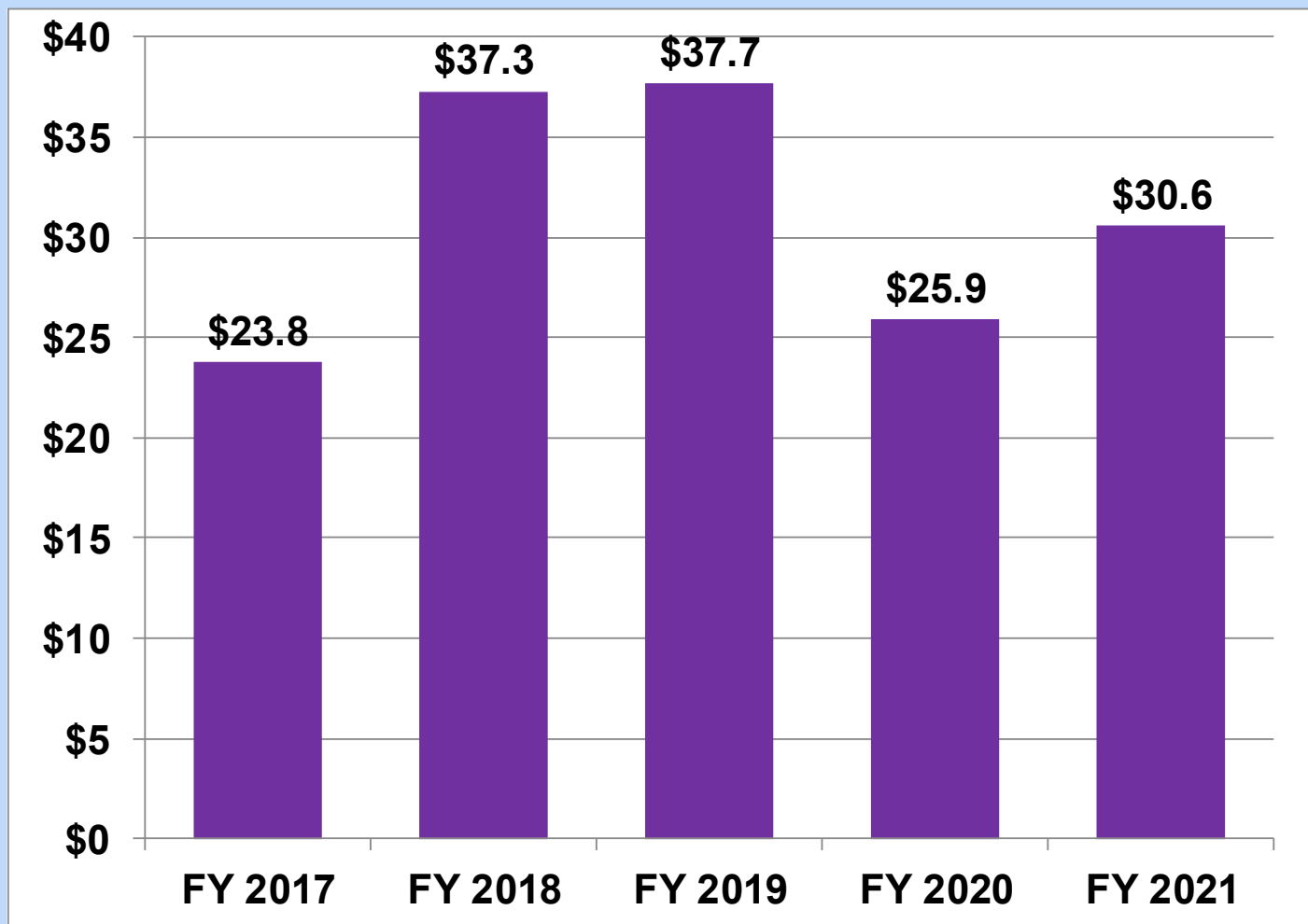
# Annual Sales (In millions)



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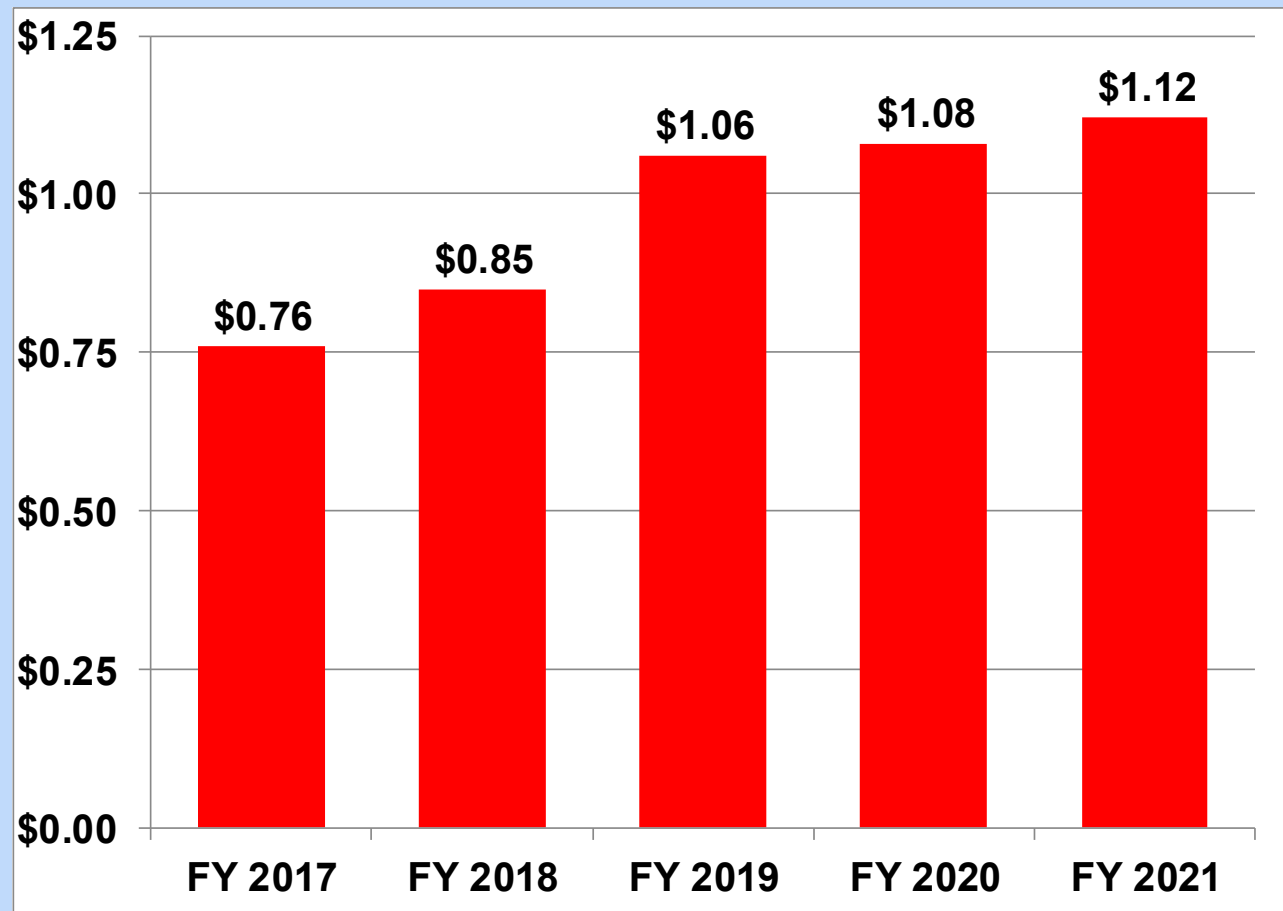
# Annual Net Income (In millions)



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# Annual Dividends Paid

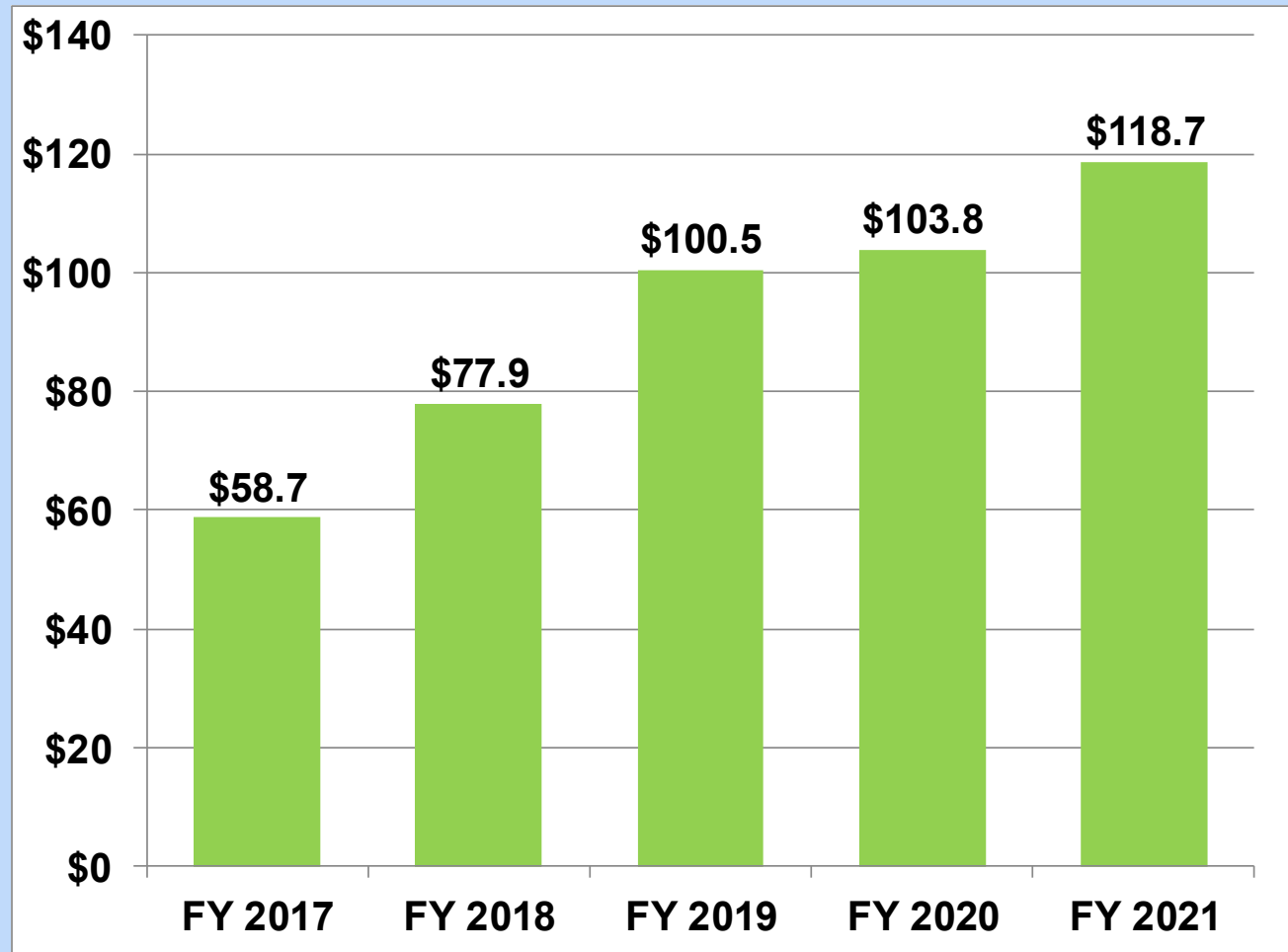


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Quarterly Dividend was increased  
from \$0.28 to \$0.30 in May 2021.



# Annual Cash Position (In millions)



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Cash from operations increased from \$38.8 to \$40.1 million at 3/31/21.



# FY 2021 Highlights

- **As an essential business, we have been open during normal hours since the onset of the COVID-19 pandemic.**
- **Due to COVID-19, consumer demand has increased for the e-commerce channel, with pet owners shifting their purchases to online.**
- **Consumer behavior post pandemic is somewhat difficult to predict.**

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# Opportunity for 1-800-PetMeds

- Prescription market share shift from vets to online and other channels...currently only the online channel does the work for the consumer to obtain prescription authorization.
- \$1 billion (20% to 30% of the market) up for grabs...speed of the shift will depend on prescription availability.
- Full Service Pharmacy – continue to expand our extensive line of pet medications.
- Redesigning our website and mobile app to continue to optimize our customers' digital experience.
- Explore Fulfillment & Service Offering Partnerships in 2021

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# **5 Compelling Reasons To invest in 1-800-PetMeds**

- 1. Leader in its channel in an estimated \$6 billion industry**
- 2. 1-800-PetMeds brand name**
- 3. Licensed pharmacy to conduct business in 50 states**
- 4. Exceptional customer service and support**
- 5. Healthy balance sheet and robust cash flows**

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## Summary Financial Data (In millions)

	<b>FY 2021</b>			<b>FY 2020</b>	
New Order Revenue	\$	36.6	11.8%	\$ 35.5	12.5%
Reorder Revenue	\$	272.6	88.2%	\$ 248.6	87.5%
Total Net Revenue	\$	309.2		\$ 284.1	
Gross Profit	\$	89.9	29.1%	\$ 81.2	28.6%
G&A Expenses	\$	28.3	9.1%	\$ 25.3	8.9%
Advertising Expenses	\$	21.6	7.0%	\$ 22.7	8.0%
Depreciation Expenses	\$	2.4	0.8%	\$ 2.3	0.8%
Operating Income	\$	37.6	12.2%	\$ 31.0	10.9%
Net Income	\$	30.6	9.9%	\$ 25.9	9.1%
EPS - Diluted	\$	1.52		\$ 1.29	
Dividends Declared	\$	1.12		\$ 1.08	

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