



First Quarter 2026 Financial Highlights

June 3, 2026



Safe Harbor and Non-GAAP Measures

This Presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are not statements of historical fact, including, but not limited to, statements regarding our Q2 and full year 2026 outlook, operational reset of our business, our competitive positioning, profitability, cash generation through our economic model, expense leverage, operating margin expansion, cost action plans and associated cost-savings, our path to sustainable, profitable growth and our expectations regarding tariffs and associated impacts. Such forward-looking statements can generally be identified by the use of forward-looking terms such as “believes,” “expects,” “may,” “intends,” “will,” “shall,” “should,” “anticipates,” “opportunity,” “illustrative,” “estimates,” “projects”, “forecasts or the negative thereof or other variations thereon or comparable terminology. These statements are only predictions based on our current expectations and projections about future events and reflect our beliefs regarding such future events and do not represent historical facts or statements of current conditions. Although Petco believes that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct or that any forward-looking results will occur or be realized. Nothing contained in this earnings release is, or should be relied upon as, a promise or representation or warranty as to any future matter, including any matter in respect of the operations or business or financial condition of Petco. All forward-looking statements are based on current expectations and assumptions about future events that may or may not be correct or necessarily take place and that are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of Petco. Forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results or events to differ materially from the potential results or events discussed in the forward-looking statements, including, without limitation, those identified in this earnings release as well as the following: (i) increased competition (including from multi-channel retailers, mass and grocery retailers, and e-Commerce providers); (ii) reduced consumer demand for our products and/or services; (iii) our reliance on key vendors; (iv) our ability to attract and retain qualified employees; (v) risks arising from statutory, regulatory and/or legal developments; (vi) macroeconomic pressures in the markets in which we operate, including inflation, prevailing interest rates and the impact of tariffs; (vii) failure to effectively manage our costs; (viii) our reliance on our information technology systems; (ix) our ability to prevent or effectively respond to a data privacy or security breach; (x) our ability to effectively manage or integrate strategic ventures, alliances or acquisitions and realize the anticipated benefits of such transactions; (xi) economic or regulatory developments that might affect our ability to provide attractive promotional financing; (xii) business interruptions and other supply chain issues; (xiii) catastrophic events, political tensions, conflicts and wars (such as the ongoing conflicts in Ukraine and the Middle East), government shutdowns, health crises, and pandemics; (xiv) our ability to maintain positive brand perception and recognition; (xv) product safety and quality concerns; (xvi) changes to labor or employment laws or regulations; (xvii) our ability to effectively manage our real estate portfolio; (xviii) constraints in the capital markets or our vendor credit terms; (xix) changes in our credit ratings; (xx) impairments of the carrying value of our goodwill and other intangible assets; (xxi) our ability to successfully implement our operational adjustments, achieve the expected benefits of our cost action plans and drive improved profitability; (xxii) our ability to deliver sustainable, profitable growth and (xxiii) the other risks, uncertainties and other factors identified under “Risk Factors” in our most recent Annual Report on Form 10-K and elsewhere in Petco’s Securities and Exchange Commission filings. The occurrence of any such factors could significantly alter the results set forth in these statements.

Petco cautions that the foregoing list of risks, uncertainties and other factors is not complete, and forward-looking statements speak only as of the date they are made. Petco undertakes no duty to update publicly any such forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law, regulation or other competent legal authority.

Included in this Presentation are certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”) that are designed to supplement, and not substitute, Petco’s financial information presented in accordance with GAAP, including, but not limited to, Adjusted EBITDA and Free Cash Flow. The non-GAAP measures as defined by Petco may not be comparable to similar non-GAAP measures presented by other companies. The presentation of such measures, which may include adjustments to exclude non-recurring items, should not be construed as an inference that Petco’s future results, cash flows, or leverage will be unaffected by other nonrecurring items. Refer to information about the non-GAAP measures contained in this Presentation.

First Quarter 2026

Financial Highlights

Continued Execution in Q1, Exceeding Outlook:

- Solid start to 2026, including return to positive comparable sales growth
- Net sales increased 0.2%, with comparable sales growth of 0.7%
- Operating income increased 50.5% to \$24.6M and operating margin expanded 55 bps
- Adjusted EBITDA¹ of \$97.3 million versus \$89.4 million
- Inventory declined 1.9% YOY compared to net sales growth of 0.2%

Unlocking Value through Innovation, Discipline and Execution

- Return to positive comparable sales growth validates Phase 3 'Reach for the Sky' strategy, with improvement in merchandise performance
- Delivering on economic model with gross margin rate expanding 21 bps to 38.4% and expenses leveraging 34 bps, driving operating income growth in excess of top line

Reaffirming Full-Year Net Sales Growth With a Positive Comp and Full-Year Adjusted EBITDA

- Assumes positive comparable sales growth in Q2 and for the full-year



Pivoting to Growth in 2026:

Reach for the Sky

Reach for the Sky in 2026 is About Looking Up and Driving Forward

- Vision: To leverage our differentiated omni-channel model to bolster competitive positioning, increase relevance and drive sales growth

Offer Product Newness and Differentiation:

- Innovating across categories; expanding fresh food, launching new national brands, focusing on owned-brands in food and supplies
- Increasing product frequency

Growing Wholly Owned Services Business:

- Committed to vet business: optimizing productivity
- Unique opportunity to capitalize on retail traffic and cross-selling across services (grooming, training, vet hospitals and clinics) and merchandise

Strengthening Community: In-Store Experiences & Integrated Omni Model

- Planned loyalty program relaunch
- Leveraging omni-channel for BOPUS & repeat delivery



We Continued to Make Progress within our Four Growth Pillars in Q1

Compelling Product



- Strength in cat contributed to improvement in consumables
- Continue to lead in fresh/frozen, and added significant freezer capacity to support momentum in this category
- Leaned into seasonal, with strength in Flea & Tick as well as successful “Gardening with your Pet” launch

Trusted Stores Experience



- Gave groomers access to customer food purchasing data to allow for more cross shopping, while encouraging personalized and informed conversations with customers
- Hosted in-store events including Easter Bunny pictures in Q1, with weekly events held in May/Q2 for National Pet Month

Services at Scale



- Launched in-app care reminders for grooming business
- On track to optimize about 25 significantly underutilized hospitals
- Remain employer of choice for veterinarians and vet techs

Integrated Omni-Channel

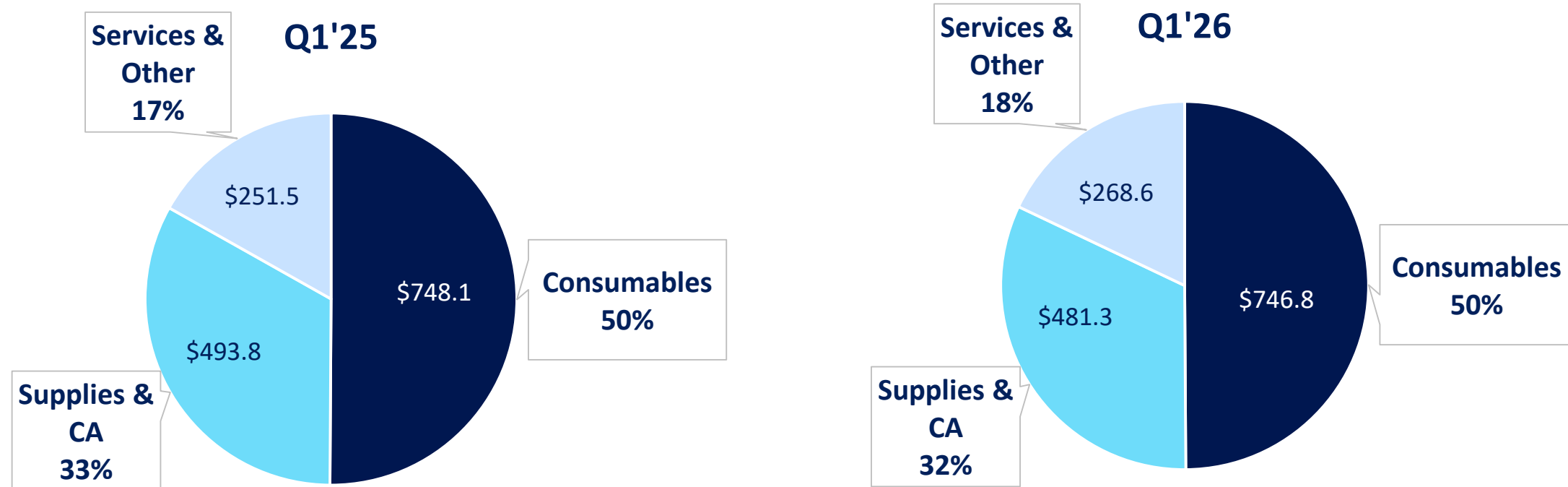


- Removed friction in the online checkout process, resulting in a better customer experience
- Strengthened BOPUS, expanding the opportunity to serve our customers more holistically
- Concluded the pilot of our loyalty program and are relaunching our Petco Perks program in Q2

Q1 2026 Net Sales & Comp

PERCENT OF SALES BY CATEGORY

(\$ in millions)



	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26
Revenue growth	(2.3%)	(2.3%)	(3.1%)	(2.4%)	0.2%
1-year comp growth	(1.3%)	(1.4%)	(2.2%)	(1.6%)	0.7%
2-year comp growth	(2.5%)	(1.1%)	(0.4%)	(1.1%)	(0.6)%

Q1 2026: Improving Profitability and Liquidity

OPERATING INCOME

(\$ in millions)



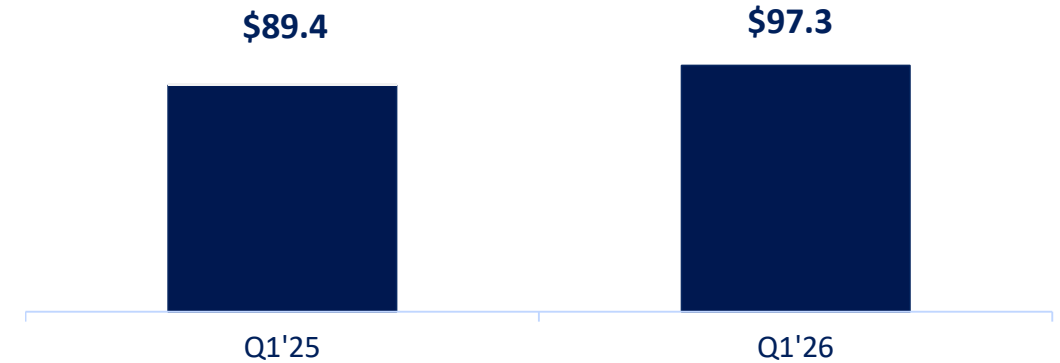
Operating Margin

1.1%

1.6%

ADJUSTED EBITDA¹

(\$ in millions)



Adj. EBITDA Margin¹

6.0%

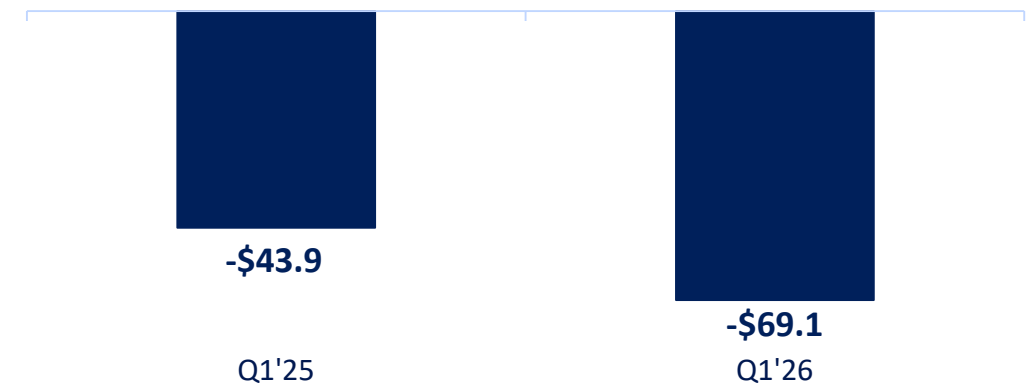
6.5%

NET DEBT¹ & LIQUIDITY²

	Q1'25	Q1'26	YoY % Change
Net Debt ¹	\$1.46B	\$1.32B	(10)%
Liquidity ²	\$648M	\$654M	1%

FREE CASH FLOW¹

(\$ in millions)



Reaffirms Full Year 2026 Outlook

Full Year 2026 Outlook	
Net Sales	Flat to 1.5%
Adjusted EBITDA ¹	\$415M to \$430M
Net Interest Expense	~\$125M
Capital Expenditures	~\$140M
Depreciation and Amortization	~\$200M
Net Store Closures	15 to 20

Full Year Outlook Considerations

- **Economic Conditions & Tariff Costs:** Assumptions in the outlook include that economic conditions, currency rates and the tax and regulatory landscape remain generally consistent, and that current or planned tariffs on imports into the U.S. from China and other countries as of June 3, 2026 will remain at current levels.
- **Tariff Refunds:** The outlook assumes the benefit of a partial IEEPA tariff refund received in May 2026, with no additional refunds assumed for the balance of the year.
- **Fuel Prices:** The outlook assumes that fuel prices remain elevated at approximately those experienced in the first quarter, compared to the prior outlook which assumed higher fuel prices for the first quarter only.

1. Adjusted EBITDA is non-GAAP financial measure and has not been reconciled to the most comparable GAAP outlook because it is not possible to do so without unreasonable efforts due to the uncertainty and potential variability of reconciling items, which are dependent on future events and often outside of management's control and which could be significant. Because such items cannot be reasonably predicted with the level of precision required, we are unable to provide outlook for the comparable GAAP measure. Forward-looking estimates of Adjusted EBITDA are made in a manner consistent with the relevant definitions and assumptions noted herein and in our filings with the Securities and Exchange Commission.

Q2 2026 Outlook

Net Sales ¹

Up about 0.3% year over year,
in line with consensus

Adjusted EBITDA ²

\$110M to \$112M

Q2 Outlook Considerations

- **Economic Conditions & Tariff Costs:** Assumptions in the outlook include that economic conditions, currency rates and the tax and regulatory landscape remain generally consistent, and that current or planned tariffs on imports into the U.S. from China and other countries as of June 3, 2026 will remain at current levels.
- **Tariff Refunds & Fuel Costs:** The outlook assumes the benefit of the partial IEEPA tariff refund received in May 2026 is expected to be approximately offset by incremental tariffs and higher fuel costs anticipated in the period.
- **Prior Year Comparison:** The prior-year second quarter included an approximately \$9 million SG&A benefit from a favorable semi-annual actuarial true-up related to employee optimization work, which the Company does not expect to recur in the second quarter of 2026. Excluding the \$9 million SG&A benefit from the Q2 2025 Adjusted EBITDA, the Q2 2026 Adjusted EBITDA outlook provided above represents year-over-year growth of approximately 6% at the midpoint.

1. As of May 29, 2026, the current Factset consensus of 10 sell-side analyst expectations for Q2 2026 net sales implies a year-over-year growth rate of 0.3%.

2. Adjusted EBITDA is a non-GAAP financial measure and has not been reconciled to the most comparable GAAP outlook because it is not possible to do so without unreasonable efforts due to the uncertainty and potential variability of reconciling items, which are dependent on future events and often outside of management's control and which could be significant. Because such items cannot be reasonably predicted with the level of precision required, we are unable to provide outlook for the comparable GAAP measures. Forward-looking estimates of Adjusted EBITDA are made in a manner consistent with the relevant definitions and assumptions noted herein and in our filings with the Securities and Exchange Commission.

Non-GAAP Measure and Other Definitions

Non-GAAP Measures and Other Definitions

The following information provides definitions and reconciliations of the non-GAAP financial measures presented in this Presentation to the most directly comparable financial measures calculated and presented in accordance with U.S. generally accepted accounting principles (GAAP). The company has provided this non-GAAP financial information, which is not calculated or presented in accordance with GAAP, as information supplemental and in addition to the financial measures presented in this Presentation that are calculated and presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for or alternative to, and should be considered in conjunction with, the GAAP financial measures presented in this Presentation. The non-GAAP financial measures in this Presentation may differ from similarly-titled measures used by other companies.

Adjusted EBITDA: Adjusted EBITDA is considered a non-GAAP financial measure under the Securities and Exchange Commission's (SEC) rules because it excludes certain amounts included in net income calculated in accordance with GAAP. Management believes that Adjusted EBITDA is a meaningful measure to share with investors because it facilitates comparison of the current period performance with that of the comparable prior period. In addition, Adjusted EBITDA affords investors a view of what management considers to be Petco's core operating performance as well as the ability to make a more informed assessment of such operating performance as compared with that of the prior period. Please see the company's Annual Report on Form 10-K filed on March 31, 2025 with the SEC for additional information on Adjusted EBITDA.

Free Cash Flow: Free Cash Flow is a non-GAAP financial measure that is calculated as net cash provided by operating activities less cash paid for fixed assets. Management believes that Free Cash Flow, which measures the ability to generate additional cash from business operations, is an important financial measure for use in evaluating the company's financial performance.

Net Debt: Net Debt is a non-GAAP financial measure that is calculated as the sum of current and non-current debt, less cash and cash equivalents. Management considers this adjustment useful because it reduces the volatility of total debt caused by fluctuations between cash paid against the company's revolving credit facility and cash held on hand in cash and cash equivalents.

Leverage Ratio: Leverage Ratio is a non-GAAP financial measure calculated by Net Debt divided by Adjusted EBITDA.

Note: Management generally rounds amounts to millions but calculates all percentages and per-share data from underlying whole-dollar amounts. As a result, certain amounts may not foot, cross-foot, or recalculate based on reported numbers due to rounding.

Non-GAAP Measures: Adjusted EBITDA*

(dollars in thousands)	13 Weeks Ended	
	May 2, 2026	May 3, 2025
Reconciliation of Net Loss Attributable to Class A and B-1 Common Stockholders to Adjusted EBITDA		
Net loss attributable to Class A and B-1 common stockholders	\$ (15,146)	\$ (11,661)
Add (deduct):		
Interest expense, net	31,288	32,135
Income tax expense	2,199	495
Depreciation and amortization	49,041	49,811
Income from equity method investees	(5,555)	(4,610)
Loss on extinguishment and modification of debt	11,840	—
Equity-based compensation	9,451	9,420
Mexico joint venture EBITDA (1)	12,916	10,198
Other costs (2)	1,297	3,661
Adjusted EBITDA	\$ 97,331	\$ 89,449
Net sales	\$ 1,496,732	\$ 1,493,399
Net margin (3)	(1.0%)	(0.8%)
Adjusted EBITDA Margin	6.5%	6.0%

Non-GAAP Measures: Free Cash Flow

(in thousands)

	13 Weeks Ended	
	May 2, 2026	May 3, 2025
Net cash used in operating activities	\$ (30,969)	\$ (15,454)
Cash paid for fixed assets	(38,153)	(28,412)
Free Cash Flow	\$ (69,122)	\$ (43,866)

*Change in free cash flow outflow driven by planned increases in capital expenditures and inventory investments

Non-GAAP Measures: Net Debt

(dollars in thousands)	May 2, 2026	January 31, 2026	May 3, 2025
Total debt:			
Senior secured credit facilities, net, including current portion	\$ 883,116	\$ 1,488,527	\$ 1,579,338
Senior notes, net	590,146	—	—
Finance leases, including current portion	8,886	9,683	13,203
Total debt	1,482,148	1,498,210	1,592,541
Less: cash and cash equivalents	(166,804)	(256,736)	(133,343)
Net Debt	\$ 1,315,344	\$ 1,241,474	\$ 1,459,198

Non-GAAP Financial Measures' Footnotes

- (1) Mexico Joint Venture EBITDA represents 50 percent of the entity's operating results for all periods, as adjusted to reflect the results on a basis comparable to Adjusted EBITDA. In the financial statements, this joint venture is accounted for as an equity method investment and reported net of depreciation and income taxes. Because such a presentation would not reflect the adjustments made in the calculation of Adjusted EBITDA, we include the 50 percent interest in the company's Mexico joint venture on an Adjusted EBITDA basis to ensure consistency. Refer to earnings releases, quarterly and annual reports posted to our website for reconciliations of Mexico joint venture net income to Mexico joint venture EBITDA.
- (2) Other costs include, as incurred: restructuring costs and restructuring-related severance costs; legal reserves associated with significant, non-ordinary course legal or regulatory matters; and costs related to certain significant strategic transactions.
- (3) We define net margin as net loss attributable to Class A and B-1 common stockholders divided by net sales and Adjusted EBITDA margin as Adjusted EBITDA divided by net sales.

Thank You

