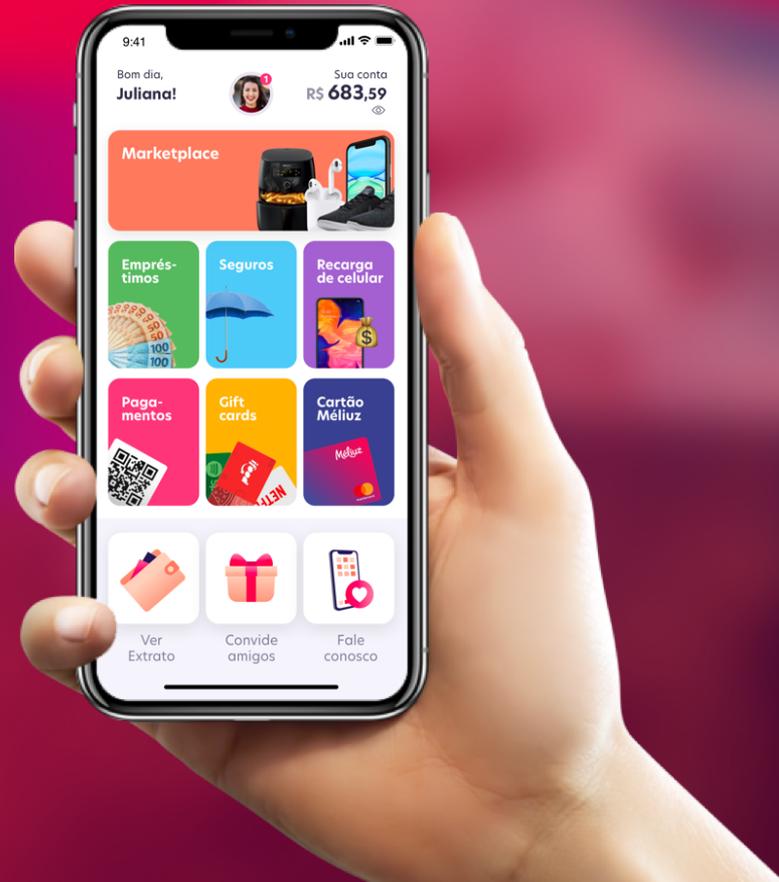


# Méliuz

## M&A Announcement

Méliuz' International Expansion

FEBRUARY 2021



Every day a new start.  
A new day one.

Méliuz



# Our internationalization plan goes back to 2017 and we have been preparing ourselves since then



## Financial Services Brazil



■ Launched in 2019 after planning and negotiations along 2018; +3m cards solicitations until Dec/20

■ Planned



**Back in 2017** we dedicated one year evaluating and studying two different growth avenues to diversified our current marketplace core business and revenue streams

## International Expansion

- Between **2H17 and 1H18** we have conducted several studies to evaluate how to **expand our marketplace business to other countries**
- This strategic move would be important to:
  - 1. Diversify our revenue streams** in other geographies, currencies and merchants;
  - 2. Open new growth avenues** to explore both organically and inorganically
- In the next following slides, we are going to show **all the ingredients necessary to make this acquisition successful.**

# We conducted many studies to evaluate and decide **the best way to start our internationalization plan**



- What's the market volume today and how will it grow?
- What's each market unit economics (CAC/LTV)?
- How hard is it to compete and acquire users?

- What is the ideal business model for each market?
- Where to enter and invest?
- Where to enter and grow organically?

- Start a new company from the beginning and grow the traffic and user base from zero?
- Follow a M&A path with an existing player with traffic and users?

- Among other themes, we have evaluated:
  - **57 countries** representing 90% of total household consumption and number of internet users worldwide (14 were filtered out because we did not have enough data)
  - We deep-dived into **27 selected countries** and regions after the first analyses
  - **124 potential targets** and/or future competitors
  - **115 e-commerce merchants** (global and local companies)

After a deep study, we found out a unique target that had most of the **capabilities and advantages** that we were looking for a successful international expansion.

# | We learned how to acquire customers sustainably **and monetize them over the years**



## The Méliuz 10 years playbook

1

- Find and develop **qualified customer acquisition channels** with low CAC

2

- Develop relationship with online merchants and **monetize the traffic and the customer base** with affiliate links

3

- Use **technology and data** to **increase the purchase frequency and retain customers** over the years

4

- Partner with local financial institutions to test and **launch financial products**

# By acquiring an international player instead of building it ourselves **we reduce our risk dramatically, saving time and resources**



## The Méliuz 10 years playbook

1

- Find and develop **qualified customer acquisition channels** with low CAC

- **Big barrier of entry.** Very competitive space, with good local players dominating the low CAC acquisition channels.

2

- Develop relationship with online merchants and **monetize the traffic and the customer base** with affiliate links

- **It takes time and a big user base** (or traffic) to build good relationship with merchants and unlock better commission (take-rates)

3

- Use **technology and data** to **increase the purchase frequency and retain customers** over the years

- We have the core technology; however, **it takes time to build a world class and international operational team, and to build a good and scalable multi-language product.**

4

- Partner with local financial institutions to test and **launch financial products**

- Once you have a big user base and local knowledge, it is **easier to connect to the best institutions** and launch products

# That's how we found Picodi.com, a unique opportunity with all the necessary ingredients



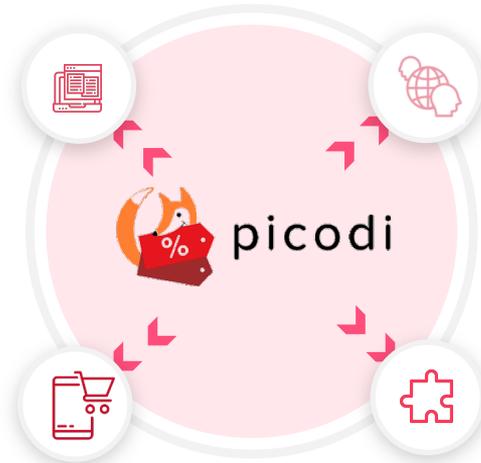
## Strong presence in low CAC marketing channels in over 44 countries

+ 68mm visits per year

71% is organic/free traffic of qualified users

## Solid relationship with online merchants worldwide

+12,000 active merchants integrated



## Talented and experienced team

The management team was responsible to lead the company and building a **scalable technology, currently active in 44 countries and 19 languages**. The team has strong know-how on operating an international platform.

Picodi has centralized operations in Krakow which is a **key academic center in Poland**. The city has been chosen by several global IT solution providers, investment banks, and engineering companies providing access to a **robust pipeline of qualified people**.

## Scalable and robust Technology

### Product available in 19 different languages

Picodi develops its own self-built **scalable technology**. Made it possible to be present in **over 40 countries and 19 different languages** attracting relevant traffic in an efficient way for both their **own brand and through white-label solutions** that Picodi also provides.

# By unlocking a US\$ 1.5T Addressable Market, we become global pickaxe sellers in the e-commerce gold rush

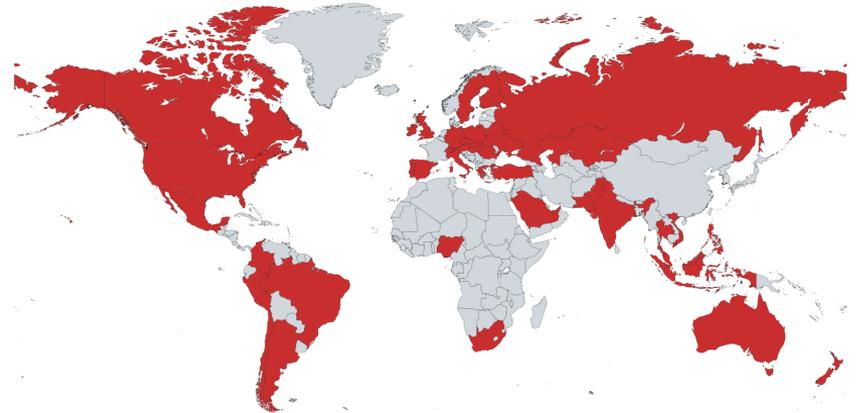


Current e-commerce market size where Méliuz plays with its present business (Brazil)



E-commerce market size in geographies where Picodi already has revenue streams (44 countries)

- |              |                |               |             |          |
|--------------|----------------|---------------|-------------|----------|
| Argentina    | Australia      | Belarus       | Brazil      | Chile    |
| Colombia     | Czech Republic | Mexico        | Poland      | Russia   |
| Singapore    | Slovakia       | Spain         | Turkey      | Ukraine  |
| RSA          | Malaysia       | Nigeria       | Philippines | Pakistan |
| Vietnam      | Indonesia      | Greece        | Thailand    | Finland  |
| Germany      | Italy          | Hong Kong     | UK          | Peru     |
| Portugal     | UAE            | Hungary       | Kazakhstan  | Romania  |
| Saudi Arabia | Austria        | Switzerland   | Sweden      | Ireland  |
| India        | New Zealand    | United States | Canada      |          |



# Together we are able to run and grow a **successful and proven business model** in other geographies as we did in Brazil



The ingredients: Méliuz 10-years-know-how alongside Picodi's international presence and technology.



$$1 + 1 > 2$$

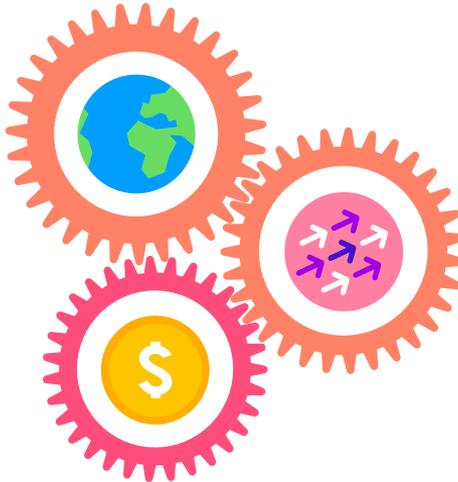


## High Retention Rate & Engagement

Healthy unit economics and higher traffic conversion rate will allow to extract higher value from Picodi's users

## Strong Cashback Product Know-how

10 years of experience growing the company and leading the market in Brazil at Méliuz' core business model



## Worldwide Presence

Internationalization know-how with presence in more than **40 countries**

## Strong Organic Traffic

Ability to acquire new users with low cost (+68 visitors yearly)

## Diversified Partner Base

Picodi holds partnership with +12k different merchants around the world

# Roadmap after closing: **Follow our playbook by the book**



Méliuz 10-years-know-how alongside Picodi's international presence and technology make it possible to run and grow a **successful and proved business model** in other geographies as we did in Brazil



**Picodi current business**  
(Today)

- Coupon-codes platform using organic/low CAC traffic to generate sales for online merchants

**Cashback Marketplace**  
(Next 2-4 years)

- Cashback Marketplace converting visitors into recurring users

**Optionality**  
(4+ years)

- Add financial services and other services to monetize the recurring user base

# How to execute the internationalization plan keeping the focus on Brazil operation



- 1 Helping Picodi to execute the plan by adding just 2 employees of our actual team to Picodi's Operation; **both already partners of Méliuz**



**André Amaral**  
Strategy Director

André works in Méliuz since 2017 and is currently Strategy Director. He has more than 8 years of experience in strategic planning, finance, corporate planning, financial modeling, business intelligence, and growth. He has helped transforming Méliuz in a deeply data-driven company, improving the strategic planning processes, data analysis and problem-solving mindset throughout the company.

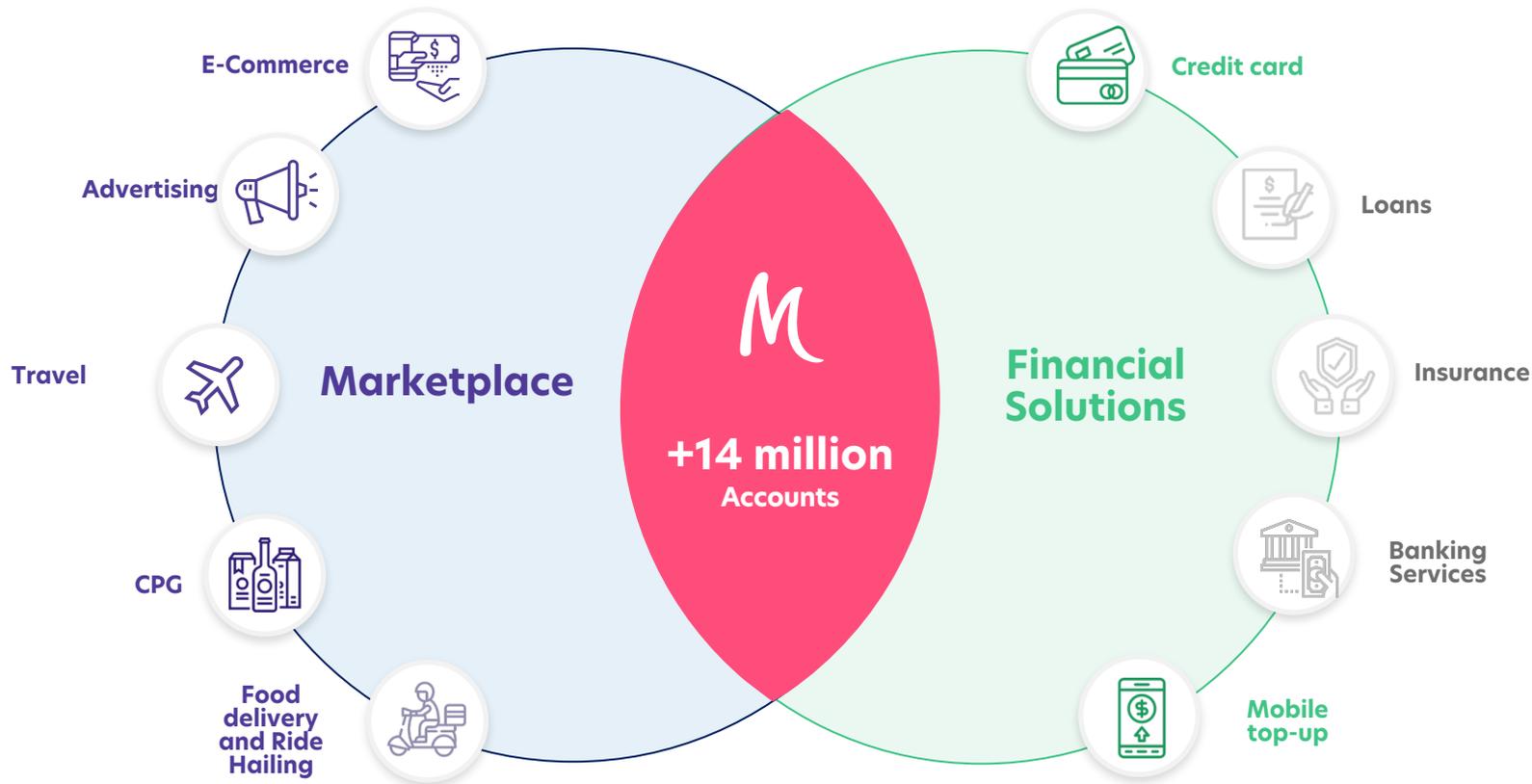


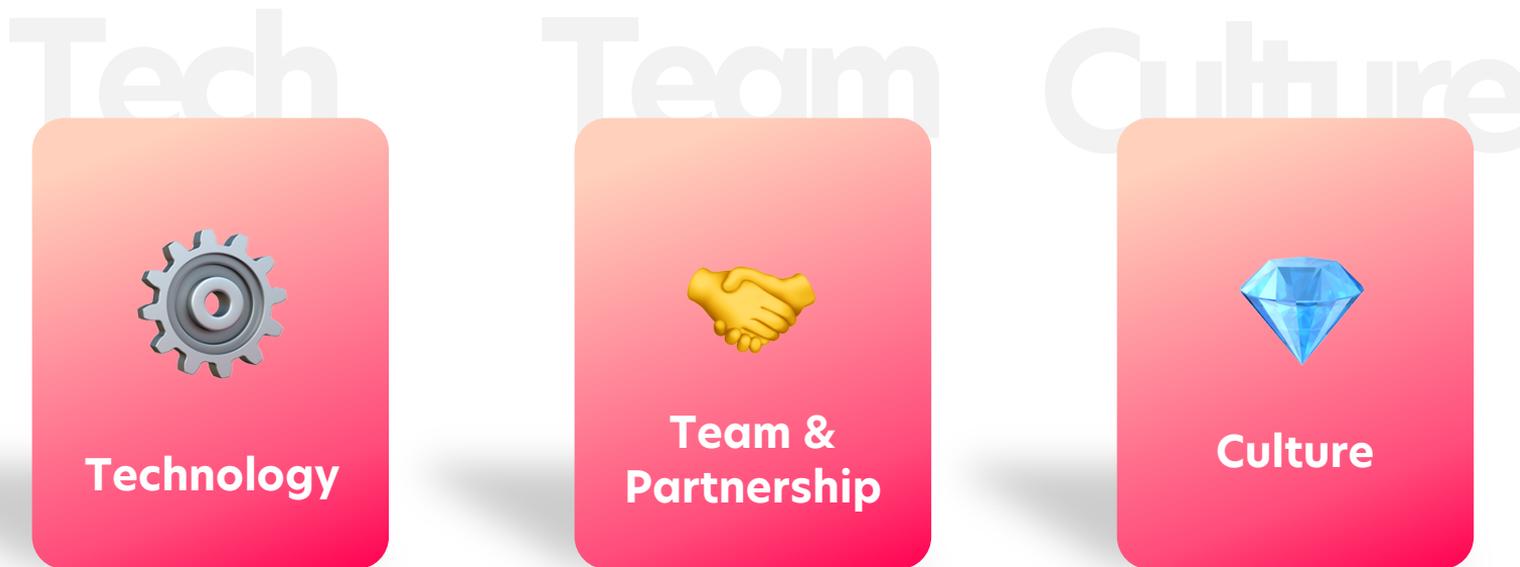
**Ana Cunha**  
Product Manager

Ana works in Méliuz since 2014 and has multiple experiences in several areas while working for the company. She has performed on the Commercial team, led Operation teams, and now has a role as Product Manager at Product team. Ana has extensive experience in problem-solving, product development, continuous improvement processes, and affiliate marketing.

- 2 Conduct periodic committees to share knowledge, experiences and explore synergies

# Méliuz **brazilian strategy and plan remains unchanged**





| We are not just keeping the two brands running separately **but we are also keeping our focus**



# CASH 3



## **Brazilian Brand**

- ✓ Keep accelerating the marketplace and credit card growth
- ✓ Keep testing and launching new financial services such as loans, insurance, investment and others



## **Global Brand**

- ✓ Continues with the current CEO and CTO in the operation
- ✓ The goal: expand our state-of-art cashback model (our marketplace) to other geographies leveraging Picodi's huge and qualified traffic, its know-how on internationalization, its technology, and its qualified team

**44 countries**

Picodi helps people save money shopping online

**R\$ 31mm**

**in net revenues<sup>1</sup>**  
From Dec/19 to Nov/20

**+12,000**

**Merchants**  
on Picodi platform

**+4mm**

**Users** saving with  
Picodi every month

**94**

**Team members**

## Structure

- **Acquisition of 51% of the company** (Picodi.com S.A.) by Méliuz S.A.
- The remaining **49%** to be acquired and paid in accordance with the achievement of operational goals agreed between the companies (3 OR 4 years *earn-out*).
- **Méliuz has the control** of the target in the moment in which the deal is closed.
- **Governance:**
  - **Supervisory Board:** up to 5 seats being 2 of them indicated by the sellers and 3 of them by Méliuz.
  - **Management Board:** 2 seats being 1 indicated by the sellers and 1 by Méliuz.

## Management alignment

- Picodi's management team incentives aligned with our international goal for the next years:
  - Expand our state-of-art cashback model to other geographies leveraging Picodi's huge qualified traffic, its know-how on internationalization, its technology and its qualified team



picodi

ALL DISCOUNTS IN ONE PLACE



#DayOne

# Méliuz

## M&A Announcement

Méliuz' International Expansion

FEBRUARY 2021

