



2022 EARNINGS CALL

LJQQ3

B3 LISTED

IBRA B3 • ICON B3 • IGCT B3 • IGPTWB3 • ITAG B3 • SMLL B3



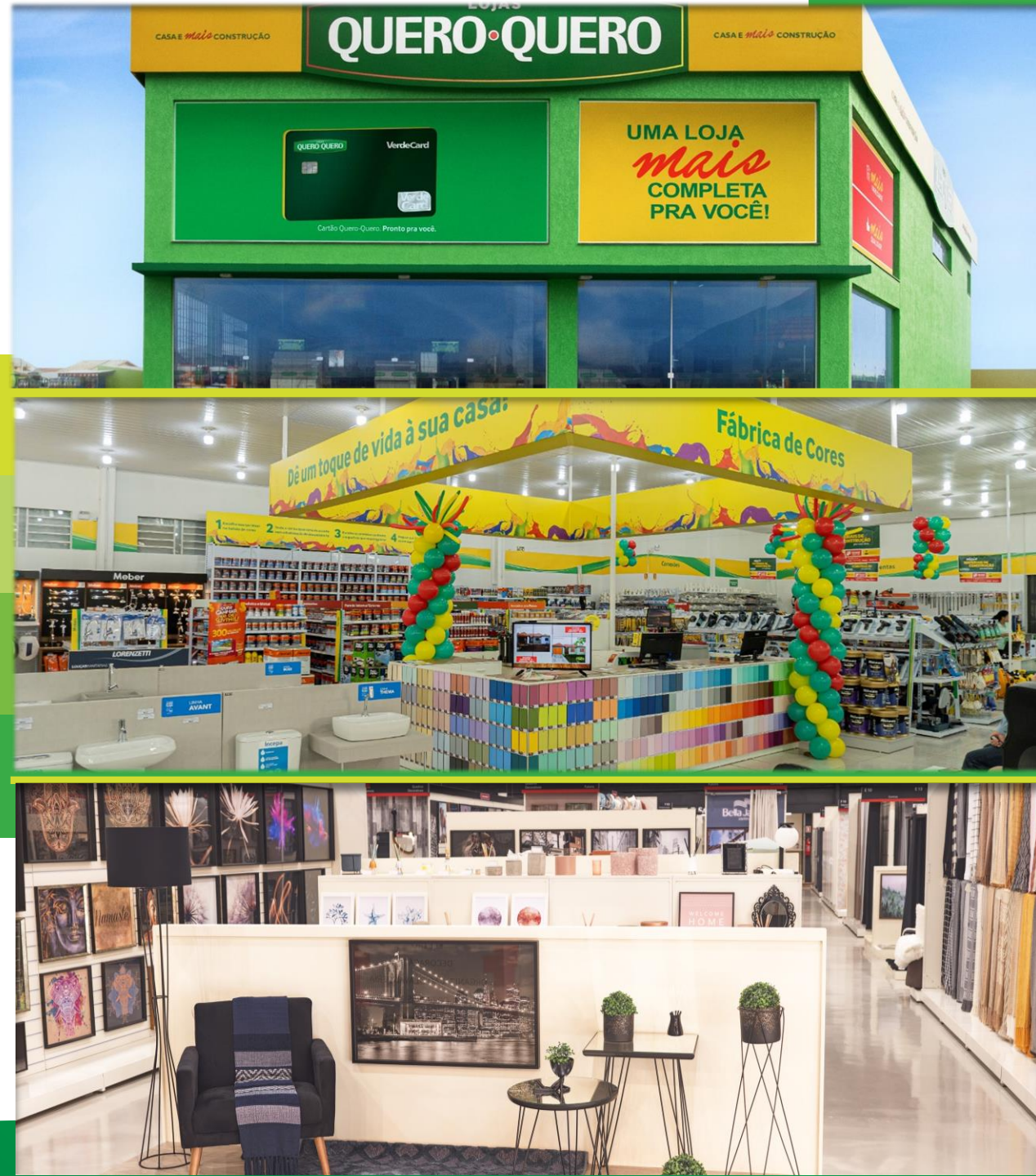
Flavio Abrantes

IRM



AGENDA

- 1 OUR PILLARS
- 2 EXPANSION AND PROJECTS
- 3 2022 RESULTS
- 4 Q&A



Peter Furukawa

CEO



OUR PILLARS



MARKET GAIN

Retail Sales Growth vs. 2021 of 0.7% full-year and (0.3)% in 4Q22 and **vs. 2019** of 59.4% full-year and 46.2% in 4Q22

Retail Sales CAGR of 16.8% in 2022 and 13.5% in 4Q22

SSS vs. 2021 of (7.0)% full-year and (7.2)% in 4Q22 **vs. 2019** of 25.0% full-year and 15.8% in 4Q22

64 new stores in 2022, totaling **20** openings in 4Q22 and **529** stores in operation.



CREDIT & COLLECTION EXCELLENCE

Overdue on the VerdeCard portfolio¹ at 10.6% at the end of the year, remained at controlled level.

Loan Portfolio growth above the retail performance, as a result of the increased VerdeCard participation in purchases inside our stores (On-us) and of the pass-through of the higher interest rates in the period.

VerdeCard Card represented 52% of Retail Sales.



DOING MORE WITH LESS

Expenses grew 8.2% vs. 2021, while the store base grew 13.8%.

Generation of operating cash flow in the quarter, which allowed for a reduction in Adjusted Net Debt of R\$118.6 million vs. 3Q22 reaching **R\$77.8 million in Dec/22**.

Adjusted Net Debt in line with 2021, despite investments and dividend distribution in the year.



PHYGITAL RETAIL

In 4Q22, all Phygital initiatives represented about **20% of sales**.

Improvement of the promotional strategies, seeking to familiarize our customers further with the format and with the new mix categories.



HIGH PERFORMANCE CULTURE

90 Store Managers trained in 2022 and **98 Managers in training** in Dec/22.

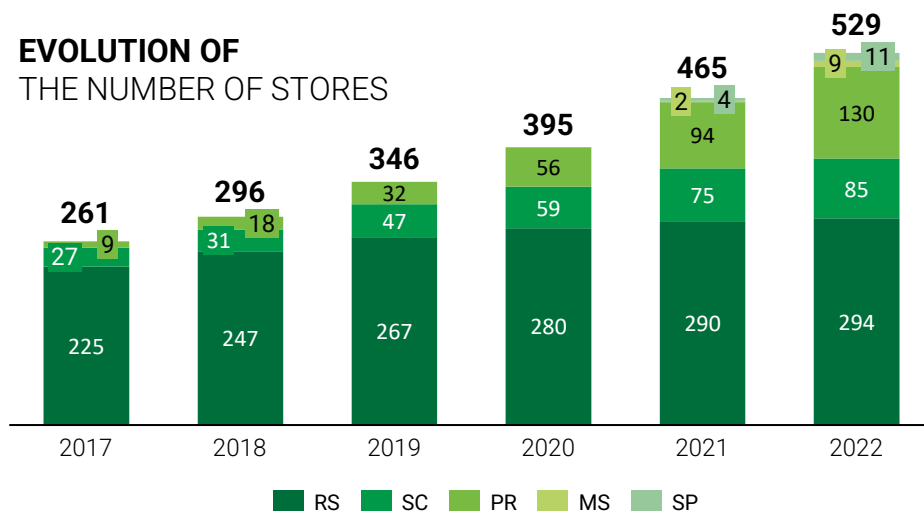
395 employees in the **Desponte (Outliers) Program** in Dec/22.

Hiring of 17 trainees through the **2023 Trainee Program**.

Two new classes started in the **QQTech Program**.

EXPANSION

EVOLUTION OF
THE NUMBER OF STORES



SALES AREA (thousand sqm)

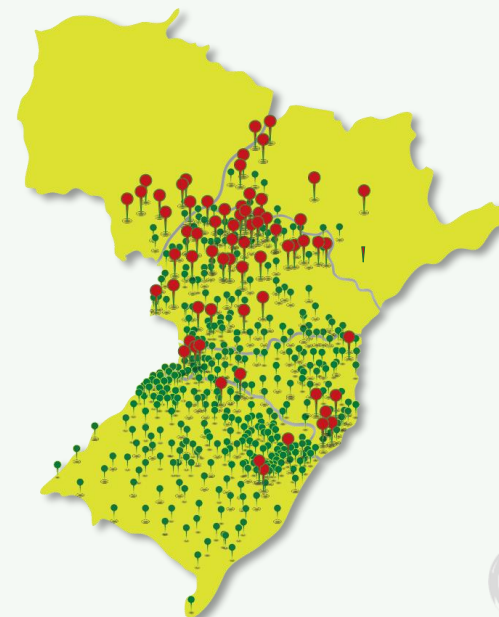


Opening of **64 new stores in 2022**, totaling **529 stores in operation** in **more than 430 cities** in the states of RS, SC, PR, MS and SP.

Transformation of 28 stores to the *Mais Construção* models phase I, II and III in 2022.

Store 500 was opened on the 55th anniversary of Lojas Quero-Quero on August 15, 2022.

STORE
OPENINGS 3Q22



RIO GRANDE DO SUL
4 NEW STORES

SANTA CATARINA
10 NEW STORES

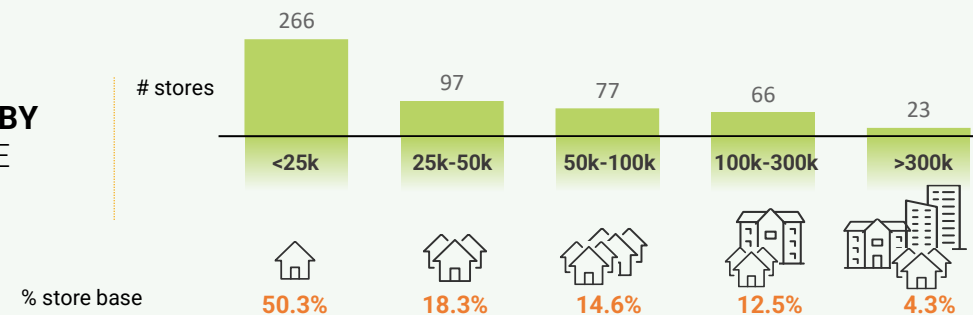
PARANÁ
36 NEW STORES

MATO GROSSO DO SUL
7 NEW STORES

SÃO PAULO
7 NEW STORES.

TOTAL: 64 NEW STORES

STORES BY
CITY SIZE



PHYGITAL | INFINITY STORE



100% completed
since feb/22



25k SKUs
vs. 8k in the conventional stores



R\$ 45 million
invested



New categories
available



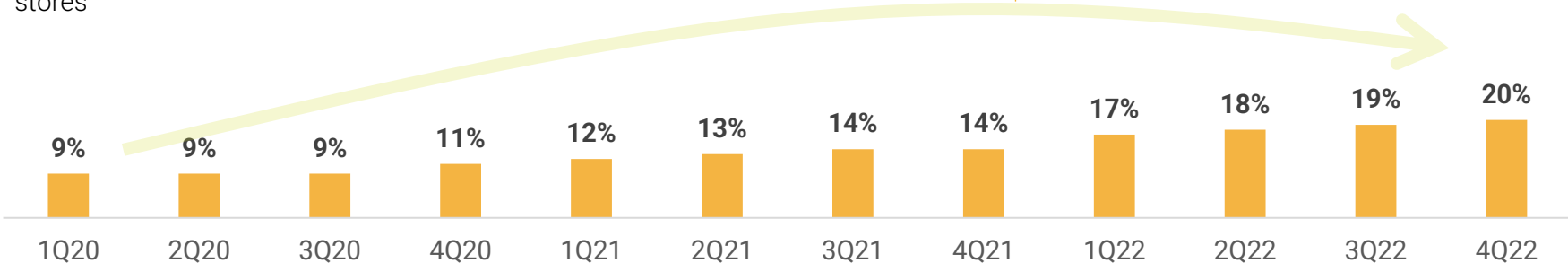
In 4Q22, Phygital represented
20% of sales



Omnichannel Strategy
leverage

Infinite store's interface

Phygital Sales Evolution



ESG | HIGHLIGHTS 2022

In 2022, we were honored to receive the following **recognitions**:

- Second consecutive year as an excellent place to work in GPTW.
 - TOP 5 large retailers to work in Brazil.
 - TOP 10 companies to work in Rio Grande do Sul.
 - TOP 100 best companies to work in Brazil.
- Top Employer Brazil 2022.
- Most Admired Company by its Employees, in the building material retailer category, by IBEVAR
- 2nd place in the Enchantment category and 6th place in Best HR that Inspires by Gupy.
- 3rd best company in the ESG, CFO and Analyst Day categories by Institutional Investor.
- Silver Stamp certification in the Brazilian GHG Protocol Program - FGV.

OUR EMPLOYEES

8,2K EMPLOYEES

1,1K INTERNAL PROMOTIONS

650 NEW OPENINGS

90 STORE MANAGERS TRAINED

50 FORMER TRAINEES IN LEADERSHIP POSITIONS

THE **VALUES AND TRUTHS OF LOJAS QUERO-QUERO** GUIDE THE ACTIONS AND BELIEFS OF THE ENTIRE TEAM ON A DAILY BASIS.



INSTITUTO PARA O NEGÓCIO



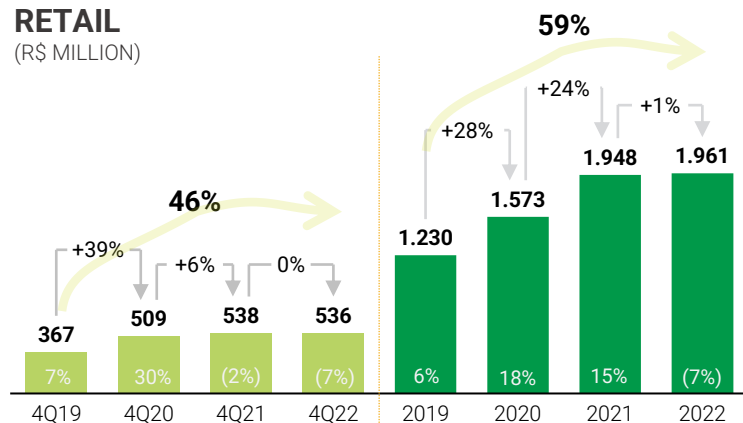
Jean Pablo de Mello

CFO

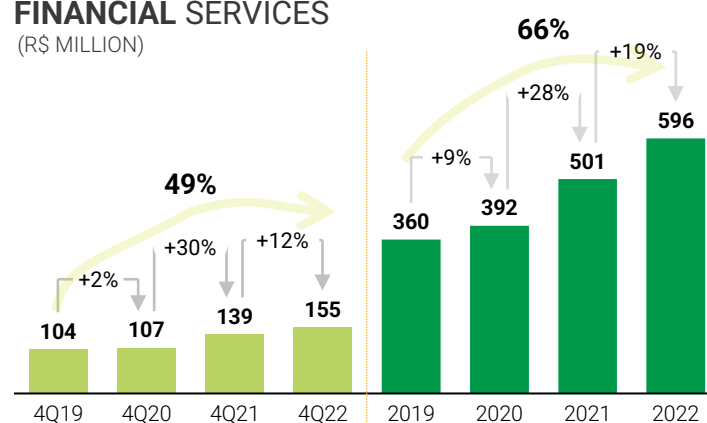


REVENUE BREAKDOWN BY BUSINESS | 2022

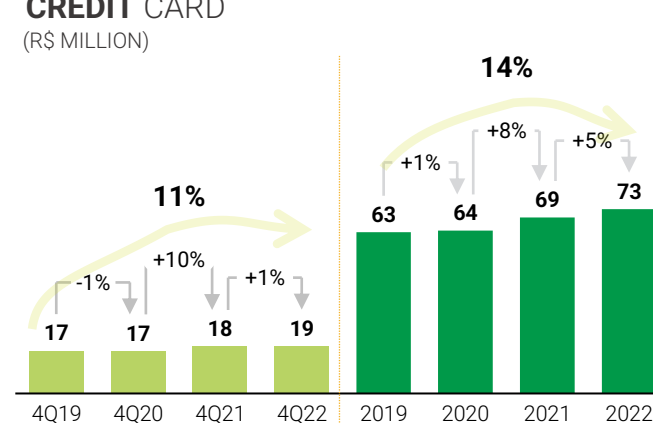
RETAIL
(R\$ MILLION)



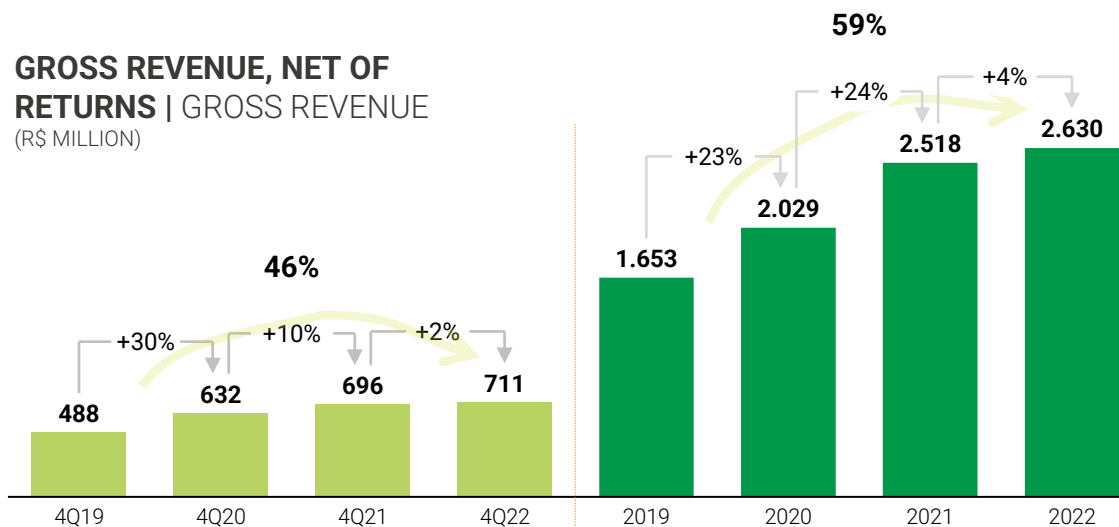
FINANCIAL SERVICES
(R\$ MILLION)



CREDIT CARD
(R\$ MILLION)



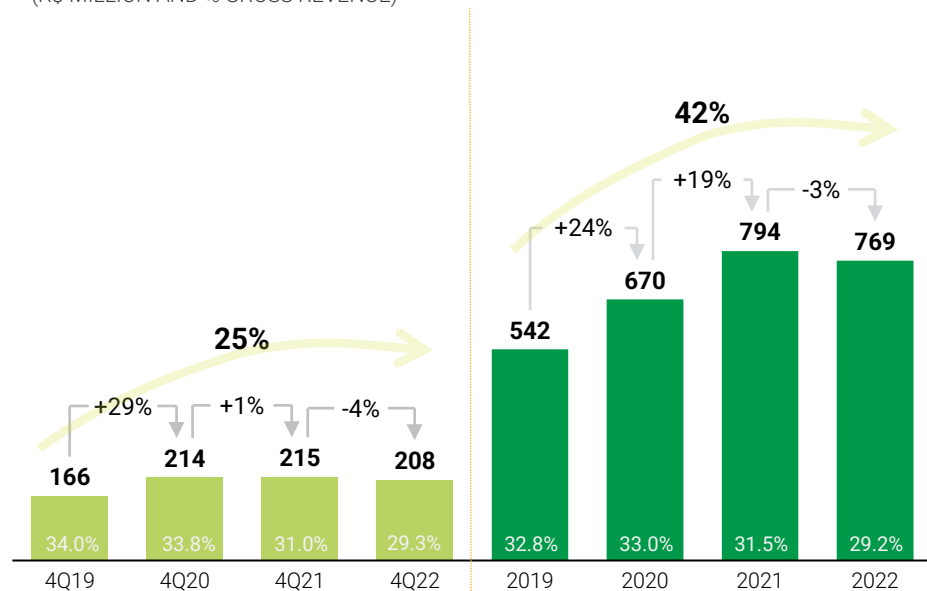
GROSS REVENUE, NET OF RETURNS | GROSS REVENUE
(R\$ MILLION)



GROSS PROFIT AND GROSS MARGIN | 2022

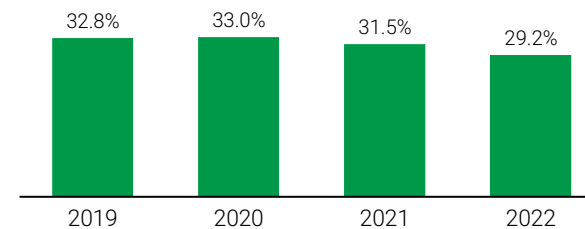
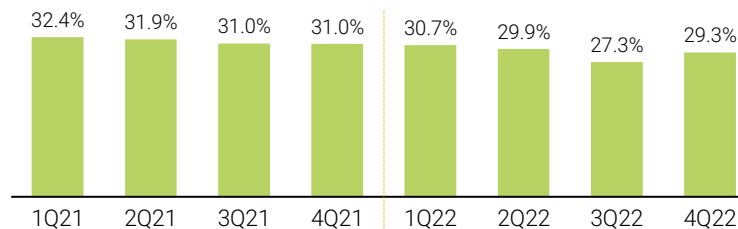
GROSS PROFIT AND GROSS MARGIN

(R\$ MILLION AND % GROSS REVENUE)



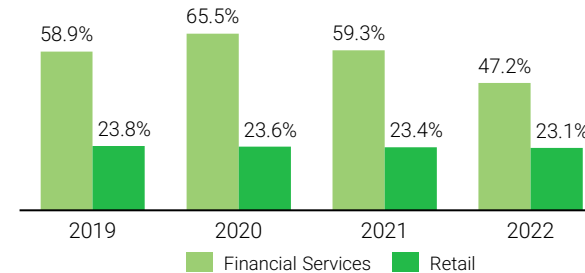
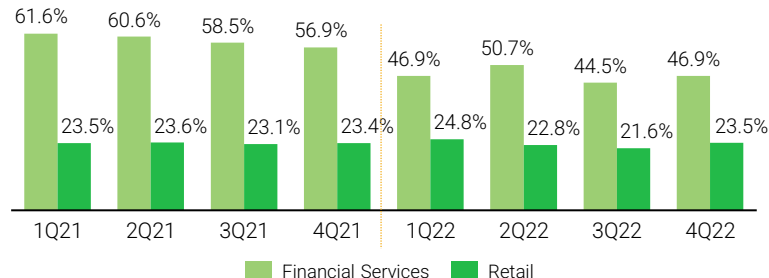
GROSS MARGIN

(% GROSS REVENUE)



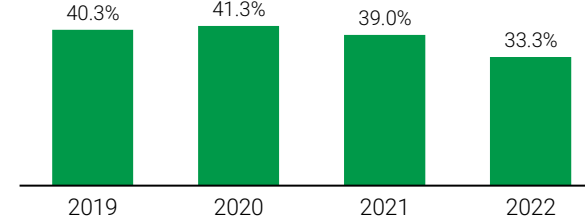
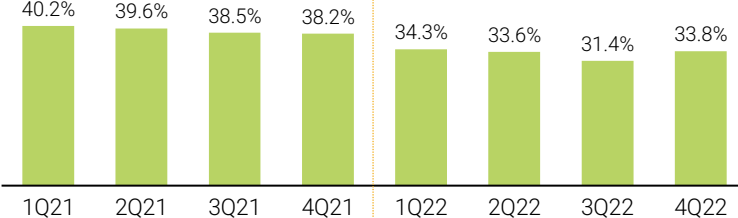
GROSS MARGIN RETAIL AND FINANCIAL SERVICES

(% GROSS REVENUE)



GROSS MARGIN

(% NET REVENUES)

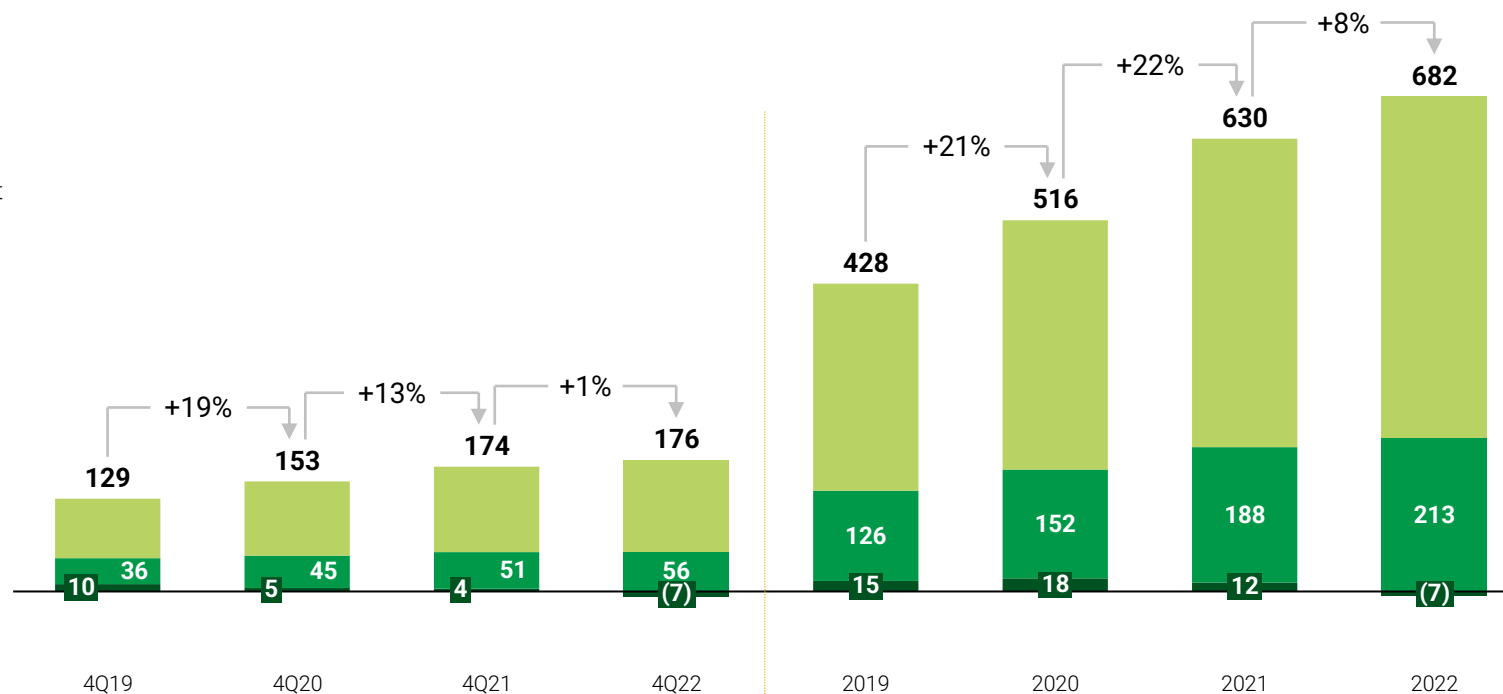


OPERATING EXPENSES | 2022

OPERATING EXPENSES

(R\$ MILLION)

- Selling Expenses
- General and Administrative Expenses
- Other Operating (Revenues) Expenses, Net

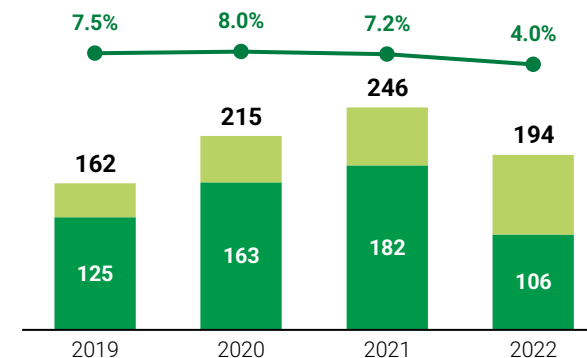
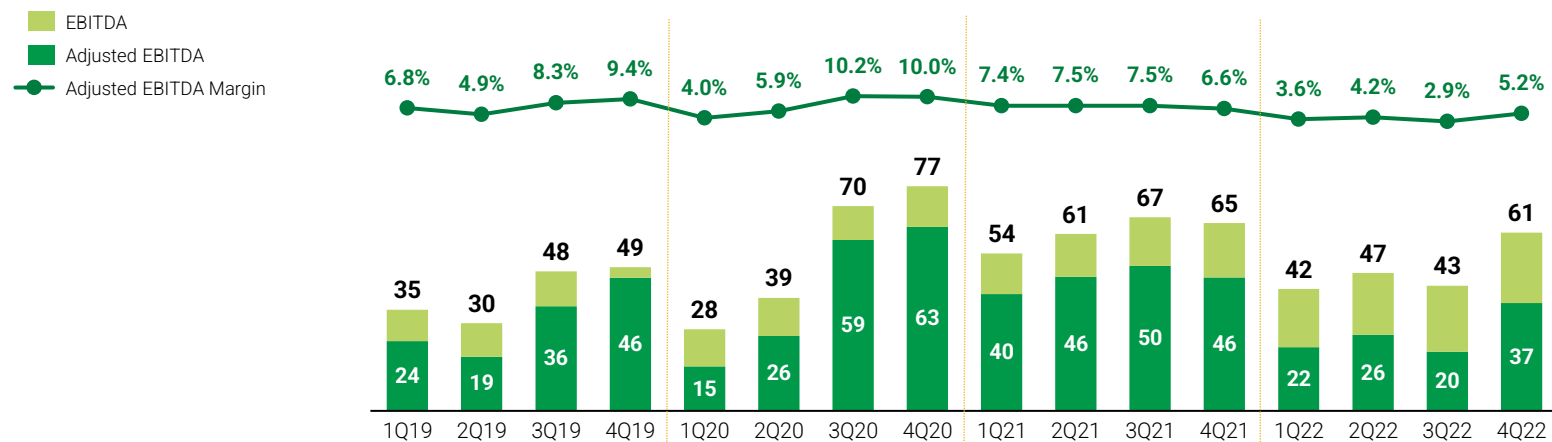


In 2022, Operating Expenses **totalled R\$681.6 million**, up 8.2%, and **R\$175.6 million in 4Q22**, up 1.2%. This performance is lower than the 13.8% increase in the store base (64 new stores compared to 4Q21) and demonstrates our **efforts to control expenses** in order to adapt its operation to the current scenario.

ADJUSTED EBITDA AND NET PROFIT EVOLUTION | 2022

EBITDA AND ADJUSTED EBITDA

(R\$ MILLION AND % GROSS REVENUE)

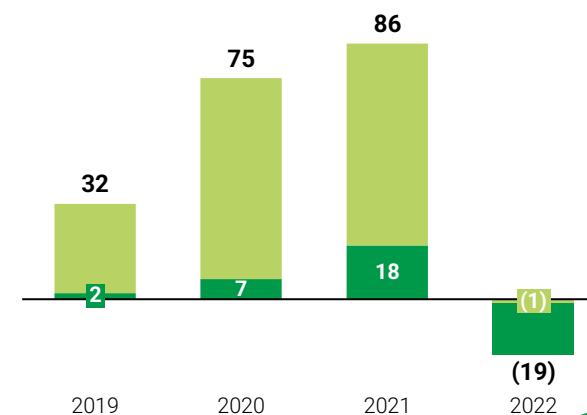
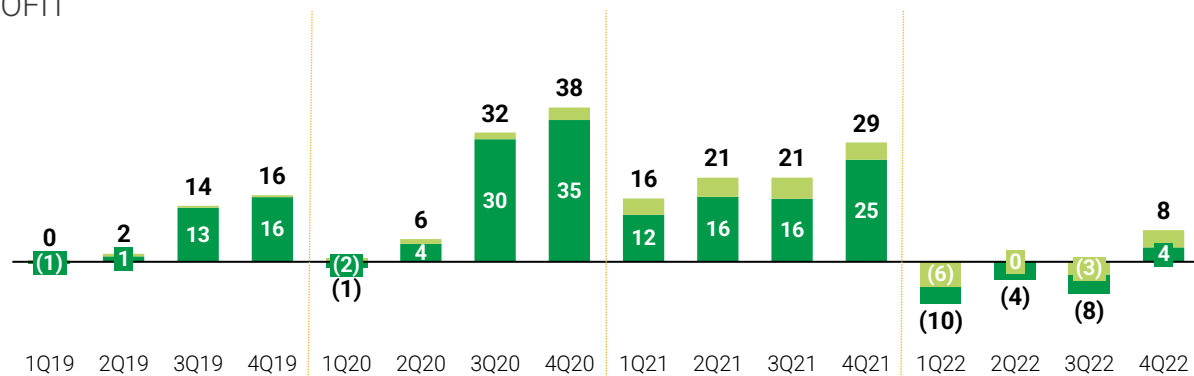


NET PROFIT

AND ADJUSTED NET PROFIT

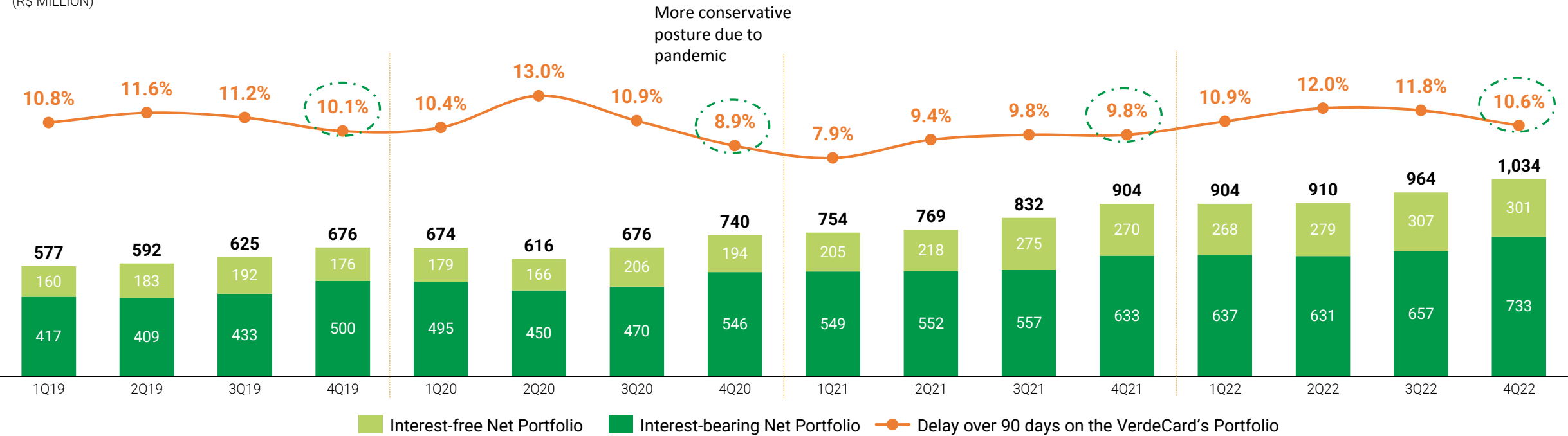
(R\$ MILLION)

Legend: Net Profit ex-SOP and ex-IFRS16 (light green), Net Profit (dark green)



CREDIT PORTFOLIO EVOLUTION | 2022

VERDCARD NET PORTFOLIO
(R\$ MILLION)



PORTFOLIO GROWTH

TOTAL
+53%

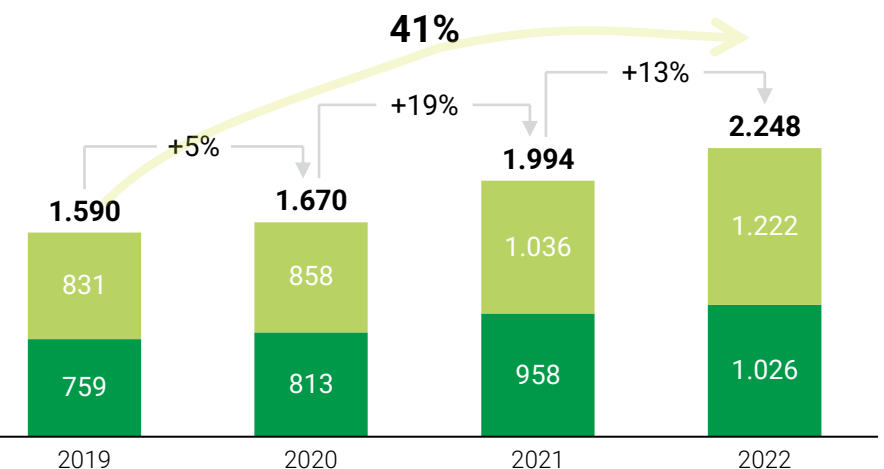
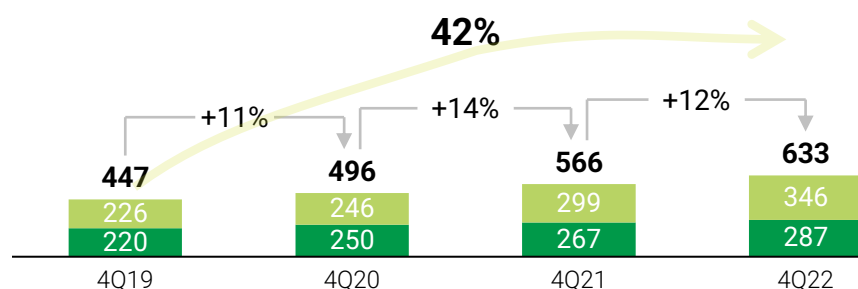
INTEREST-BEARING
+53%

vs 2019

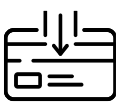
EVOLUTION OF TPV | 2022

TOTAL PAYMENT VOLUME ON VERDECARD (R\$ MILLION)

- Accredited Establishments
- Lojas Quero-Quero



TOTAL NUMBER OF CREDIT CARDS AND ACTIVE CLIENTS (2022)



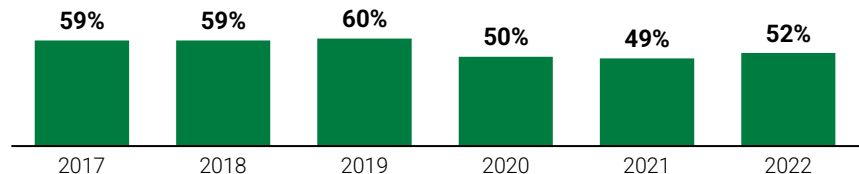
760K+
Active Credit Cards
3.6MM+
Credit Cards

TOTAL PAYMENT VOLUME (TPV) 2022



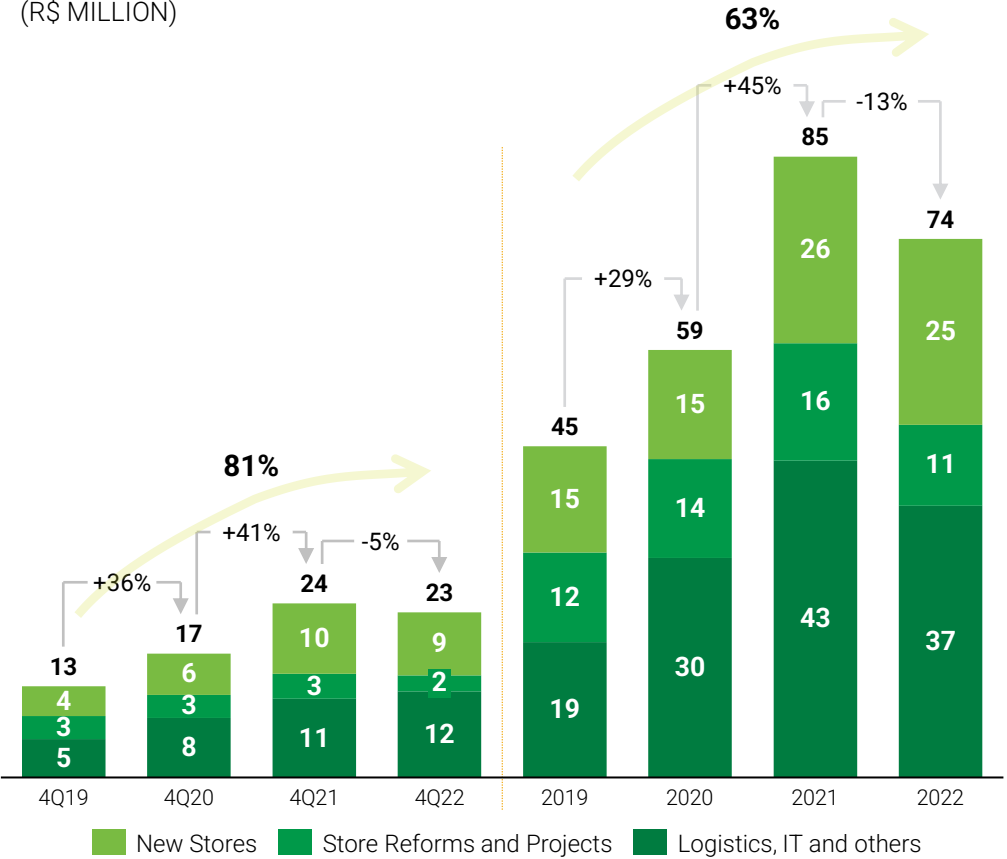
R\$ 2.2 bn
TPV

PENETRATION OF VERDECARD CARD ON-US %



CAPEX

INVESTMENTS (R\$ MILLION)



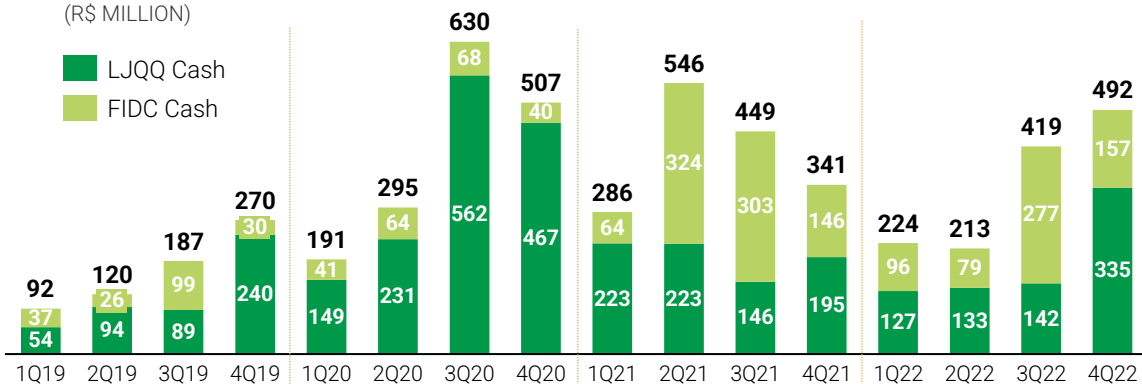
In 2022, the Company's investments **totaled R\$73.7 million**, including store openings, project implementation, investments in logistics and IT.



CASH MANAGEMENT

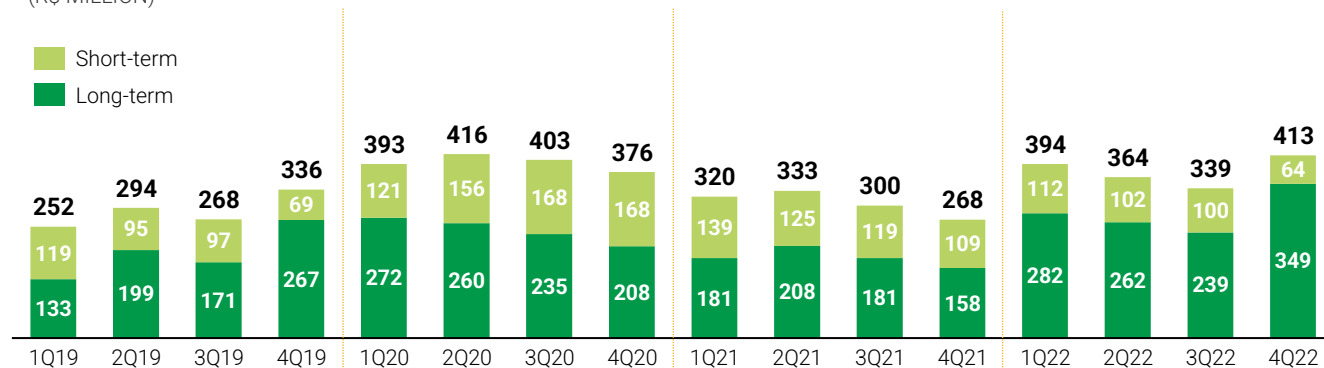
CONSOLIDATED CASH (R\$ MILLION)

LJQQ Cash
FIDC Cash

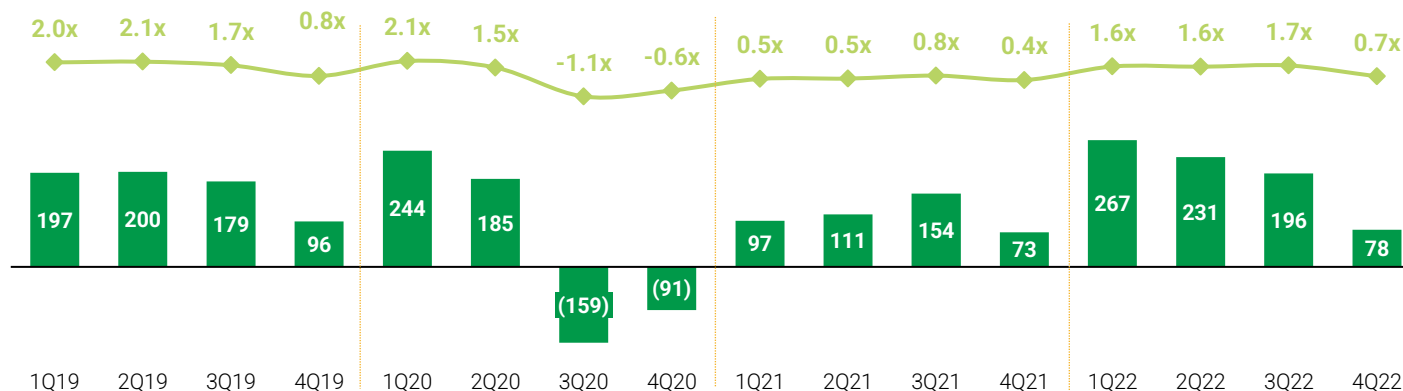


BORROWINGS AND FINANCING (R\$ MILLION)

Short-term
Long-term



ADJUSTED NET DEBT (R\$ MILLION)



Adjusted Net Debt Adjusted Net Debt / Adjusted EBITDA UDM

Reduction of R\$118.6 million in **Adjusted Net Debt** vs. 3Q22

Raising of R\$150 million with the **2nd emission of debentures**, in Jan/22, at a cost of CDI + 1.75 p.a., and of R\$100 million with the **3rd emission**, in Dec/22, at a cost of CDI + 1.95% p.a.

Raising of R\$300 million for the **FIDC VerdeCard (brAAA)** in Jul/22.

Q&A



DISCLAIMER

Any statements that may be made during this webcast regarding the Company's business prospects, projections and operating and financial targets are beliefs and assumptions of the management of Lojas Quero-Quero, as well as information currently available to the Company. Forward-looking statements are not guarantees of performance and involve risks, uncertainties and assumptions. These refer to future events and therefore depend on circumstances that may or may not occur. Investors should understand that general economic conditions, industry conditions and other operating factors may affect the Company's future results and could lead to results that differ materially from those expressed in such forward-looking statements.

The presentation of 2Q22 results includes accounting and non-accounting data such as pro-forma operating and financial data. The non-accounting data has not been reviewed by the Company's independent auditors.



BEING PART OF YOUR LIFE IS EVERYTHING TO US.

INVESTOR RELATIONS

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