



EARNINGS CONFERENCE CALL 3Q24

November 08, 2024



DISCLAIMER

Statements contained in this presentation that are related to business prospects and projections about operating and financial performance are internal beliefs and estimates based on the Company's administration expectation of future results. These expectations are subject to uncertainties, therefore, they may or may not occur especially when considering the effects of the domestic economy, the challenges faced by the sector, among other risk factors that could substantially influence our actual results.

The purpose of these statements is to reflect our expectations for expansion and the strategic actions that guide our decisions. So, it should not be considered as guarantees of future performance.

AGENDA – EARNINGS VIDEOCONFERENCE 3Q24

- 1 HIGHLIGHTS
- 2 OPERATING AND FINANCIALS INDICATORS
- 3 Q&A

AGENDA – EARNINGS VIDEOCONFERENCE 3Q24

1 HIGHLIGHTS

2 OPERATING AND FINANCIALS INDICATORS

3 Q&A

ALLIED'S ECOSYSTEM

Strategic positioning as a market enabler to provide flexibility to players in the segment

Digital Retail & Strategic Partnership



B&M Retail 117 POSs



Distribution Brazil and LatAm



8%
Smartphones
Market share¹



8%
Laptops
Market share¹



17%
Videogames
Market share¹

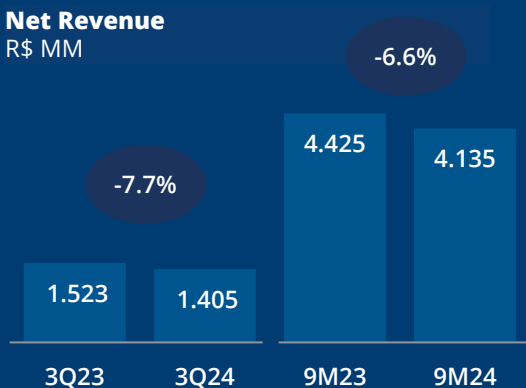
Notes: (1) Marketshare measured in volume of products sold from January to September/2024.

3Q24 HIGHLIGHTS

Strong performance of Retail channels and growth in recurring net profit YTD

Net Revenue

R\$ MM



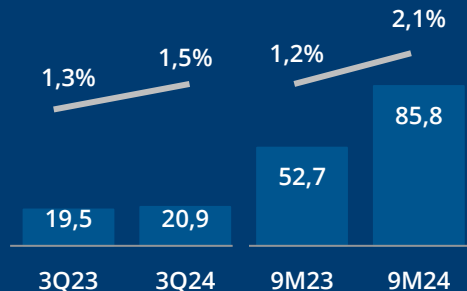
+ **18.2%** B&M Retail

+ **24.8%** Digital Retail

-**13.7%** Distribution (Brazil and International)

Net Income

R\$ MM and % Net revenue



+ **62.7%** Net Profit YTD

R\$ 122 million of Interest on Equity to our shareholders approved on 11/07/24

R\$ 312 million LTM

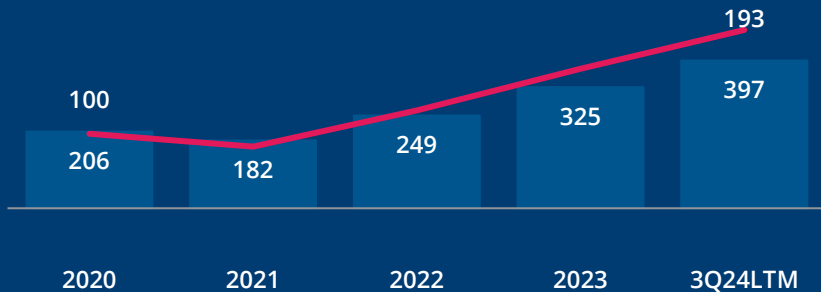
+ **43%** Dividend Yield

3Q24 HIGHLIGHTS | B&M Retail

Results of the increased profitability strategy

Monthly net revenue

R\$ thousand; POS average 2020 = 100-basis



+18.6%

Same Store Sales (3Q24 vs 3Q23)

R\$ 420M

Net revenue (9M24)

+19.5%

Net revenue (9M24 vs 9M23)

+36.4%

Average ticket (3Q24 vs 3Q23)

Highlights:

- I. Launch of the **Z Fold and Z Flip** lines of foldable smartphones;
- II. **New models** of tablets and laptops (**6.7%** and **5.2%** net revenue mix, respectively);
- III. **Wearables conversion rate** above 50% in the quarter; and
- IV. Smartphones average ticket **95.0% higher** compared to the market.

3Q24 HIGHLIGHTS | Trocafy

New partnership for purchasing used devices: Vivo B&M Stores

VIVO RENOVA

Ganhe descontos na compra do seu novo celular e ajude o meio ambiente

Com o Vivo Renova, você recebe um valor pelo seu aparelho usado e ainda contribui com a economia de energia, conservando recursos naturais e diminuindo a geração de lixo eletrônico, pois garantimos o descarte correto do seu smartphone, smartwatch ou tablet usado!

Confira como funciona o Vivo Renova

Vivo Renova na loja física:

Consulte a disponibilidade e descontos com um consultor Vivo direto na loja física.



Leve seu aparelho usado na loja física da Vivo



Solicite a avaliação do seu aparelho usado



Escolha um aparelho novo



Pronto! O desconto será aplicado na compra do aparelho novo

Trocafy and Vivo

Trocafy takes over trade-in operations in Vivo's B&M stores in 21 states

Trocafy is responsible for evaluating, purchasing, transporting, reconditioning, and selling the refurbished phones through its **multiple channels**

Trocafy net revenue YTD 2024
(vs 2023)

+ 121%

Purchase of used devices: iPhone pra Sempre, Samsung B&M stores, Fastshop and Vivo B&M stores

Sales channels: own eCommerce, marketplaces (Mercado Livre and Magalu), kiosks

3Q24 HIGHLIGHTS | Strategic Partnerships

Strong performance of strategic partnerships

R\$ 184.8 M Net Revenue (3Q24, Digital Retail)

+24.8% Net Revenue (3Q24 vs 3Q23, Digital Retail)

+35.8% Smartphones average ticket (3Q24 vs 3Q23, Digital Retail)

Highlights:

- I. **Launch of the iPhone16:** iPhone Pra Sempre and Shopping Nu
- II. **Shopping Nu, Nubank (Sep/24):**
Allied is responsible for operating the program, from purchasing and stock composition to delivering the product to the end customer.

Shopping do Nubank: como garantir condições especiais no app para adquirir os modelos iPhone 16 e iPhone 16 Pro



Os clientes das experiências Nubank Ultravioleta e Nubank + têm vantagens para adquirir, durante a pré-venda, os modelos iPhone 16 e iPhone 16 Pro à vista. Clientes do Nubank também terão condições especiais no lançamento.

Shopping do Nubank

4 milhões de likes

Por: [Nubank Nubank](#)

16 Set 2024 | Atualizado 27 Set 2024



2024 PRIORITIES



INTERNACIONAL

Geographic expansion
Portfolio expansion



trocafy

Geographic expansion
New product categories



B2B

New products and services



B2C PARTNERSHIPS

Expertise to operationalize
strategic programs

ALLIED IN BIG NUMBERS

We are the leading electronics distribution company in Brazil

Figures for the last 12 months, except if indicated otherwise

R\$6.4bi

Gross
income

R\$222mi

Adjusted
EBITDA¹

R\$156mi

Net Income

117

Points of Sale
(Sep/24)

63%

Deliveries made
within 48 hrs²

6.2mi

Products
Sold

8%

Smartphones
Market share (9M24)

8%

Laptops
Market share (9M24)

17%

Videogames
Market share (9M24)

Notes: (1) Adjusted result does not consider (i) contingencies and provisions related to discontinued operations; (ii) impact of tax credits referring to the exclusion of ICMS-ST in the PIS and COFINS calculation base from 2012 to 2023; (iii) impact with estimated credit loss resulting from the deterioration in the solvency scenario of customers in the Distribution Brazil channel. More details can be found in the "Financial Performance - Operating Expenses" section of the 2Q24 Management Report; and (2) Deliveries made to B2C customers.

AGENDA – EARNINGS VIDEOCONFERENCE 3Q24

1 HIGHLIGHTS

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EVOLUTION OF FINANCIAL INDICATORS

Relevant results with delivery of net income in another consecutive quarter



Net Revenue
(R\$ millions)



Gross Profit



Accounting EBITDA



Accounting Net Profit

3Q/2024
vs
3Q/2023

R\$ 1,404.9MM
-7.7% y/y

R\$ 151.6MM
-4.1% y/y
10.8%/NR
(+0.4 p.p y/y)

R\$ 68.7MM
+20.6% y/y
4.9%/NR
(+1,1 p.p y/y)

R\$ 20.9MM
+7.3% y/y
1.5%/NR
(+0.2 pp y/y)

YTD/2024
vs
YTD/2023

R\$ 4,134.8MM
-6.6% y/y

R\$ 480.2MM
-4.5% y/y
11.6%/NR
(+0.2 p.p y/y)

R\$ 187.6MM
-2.6% y/y
4.5%/NR
(+0.2 p.p y/y)

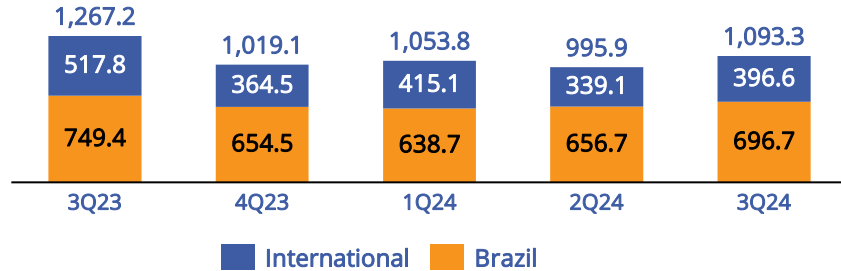
R\$ 85.9MM
+62.9% y/y
2,1%/NR
(+0.9 p.p y/y)

EVOLUTION OF FINANCIAL INDICATORS | DISTRIBUTION

Distribution has the best performance since 3Q2023

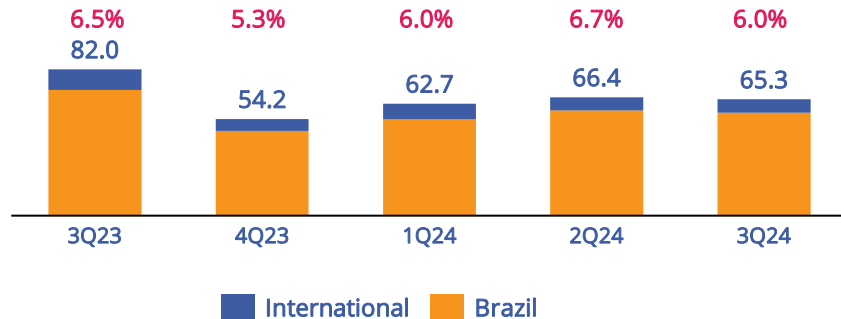
Net Revenue

(R\$ million)



Gross profit

(R\$ million and % Net Revenue)



Resilience /
Deconcentration

BRAZIL DISTRIBUTION

- Recovery of net revenue in a less concentrated way, focused on the channels with greater capillarization.

Exclusive
packages

INTERNATIONAL DISTRIBUTION

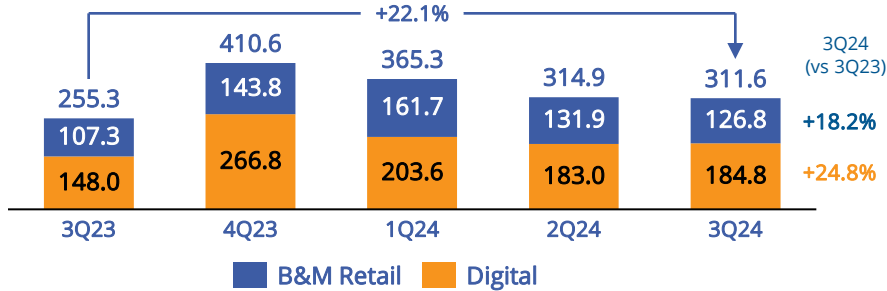
- Opportunities for exclusive bundles to clear out end-of-line products.
- Exchange rate depreciation of the real and currencies of emerging countries since the beginning of 2024 affect mobile competitiveness in the region.

EVOLUTION OF FINANCIAL INDICATORS | RETAIL

Strong growth in B&M and online retail and the beginning of a new strategic partnership

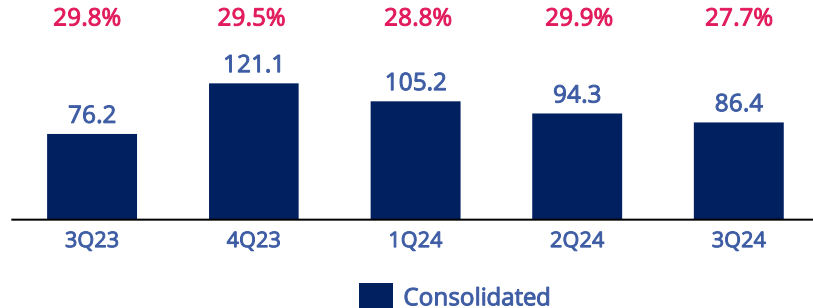
Net Revenue

(R\$ million)



Gross profit

(R\$ million and % Net Revenue)



B&M RETAIL

- Strong aggregate sales conversion of accessories, insurance and wearables
- Average net revenue per POS grows 22% between 2023 and 3Q24
- Biggest Q3 since (2019)

SSS 19%

DIGITAL RETAIL

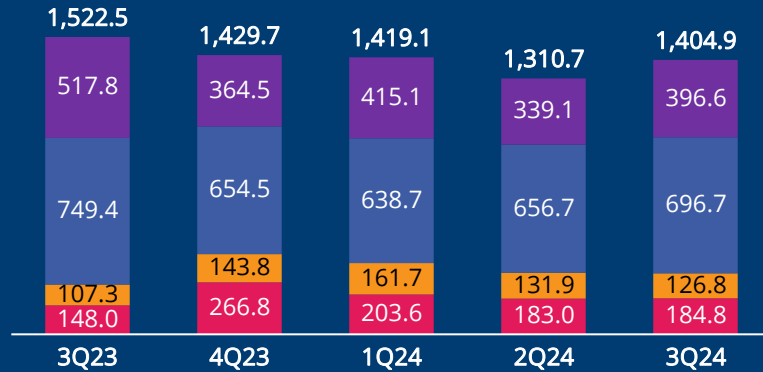
- Beginning of the new partnership between Apple and Nubank
- Growth in sales of software services
- Sales success at the launch of the Iphone 16 in the "Iphone para Sempre" program

15% GROWTH

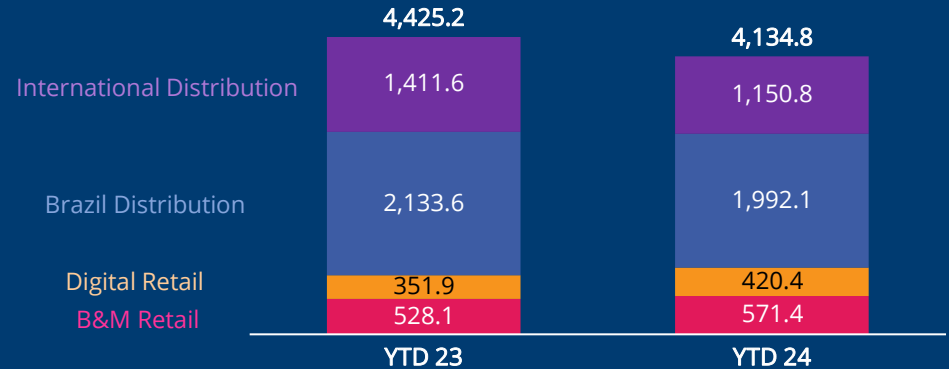
NET REVENUE AND GROSS MARGIN PER CHANNEL

Net revenue in Brazil changes -7.7% (Q3/2024 vs Q3/2023) and maintains gross profit within expectations across all channels.

Net Revenue by Quarter (R\$ million)



Year-to-date Net Revenue (R\$ million)



| Gross Margin (% Net Revenue) | 3Q23 | 4Q23 | 1Q24 | 2Q24 | 3Q24 |
|------------------------------|--------------|--------------|--------------|--------------|--------------|
| International | 2.2% | 1.9% | 2.1% | 2.2% | 1.9% |
| Brazil | 9.4% | 7.2% | 8.5% | 9.0% | 8.3% |
| Distribution - Consolidated | 6.5% | 5.3% | 6.0% | 6.7% | 6.0% |
| Retail (B&M + Digital) | 29.8% | 29.5% | 28.8% | 29.9% | 27.7% |
| Total | 10.4% | 12.3% | 11.8% | 12.3% | 10.8% |

| Gross Profit (R\$ Millions) | 3Q23 | 4Q23 | 1Q24 | 2Q24 | 3Q24 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| International | 11.6 | 6.8 | 8.7 | 7.5 | 7.5 |
| Brazil | 70.4 | 47.4 | 54.0 | 58.9 | 57.7 |
| Distribution - Consolidated | 82.0 | 54.2 | 62.7 | 66.4 | 65.3 |
| Retail (B&M + Digital) | 76.2 | 121.1 | 105.2 | 94.3 | 86.4 |
| Total | 158.2 | 175.3 | 167.9 | 160.7 | 151.6 |

OPERATING PROFITABILITY AND FINANCIAL RESULT

Constant management of expense control and gain of scale by channel

Selling Expenses

- The increase in the absolute value of sales expenses in 3Q24 vs. 3Q23 is directly related to the increase in sales in the Retail channel.

Additional entries in the accounting result:

- Estimated loss of SOUDI's total run-off: -R\$13.8MM
- Increase in estimated loss of Distribution: -R\$12.5MM
- Recognition of extemporaneous credits related to the qualification of ICMS ST in the Pis/Cofins base: +R\$49MM

General and Administrative Expenses

- Follows inflation of the period

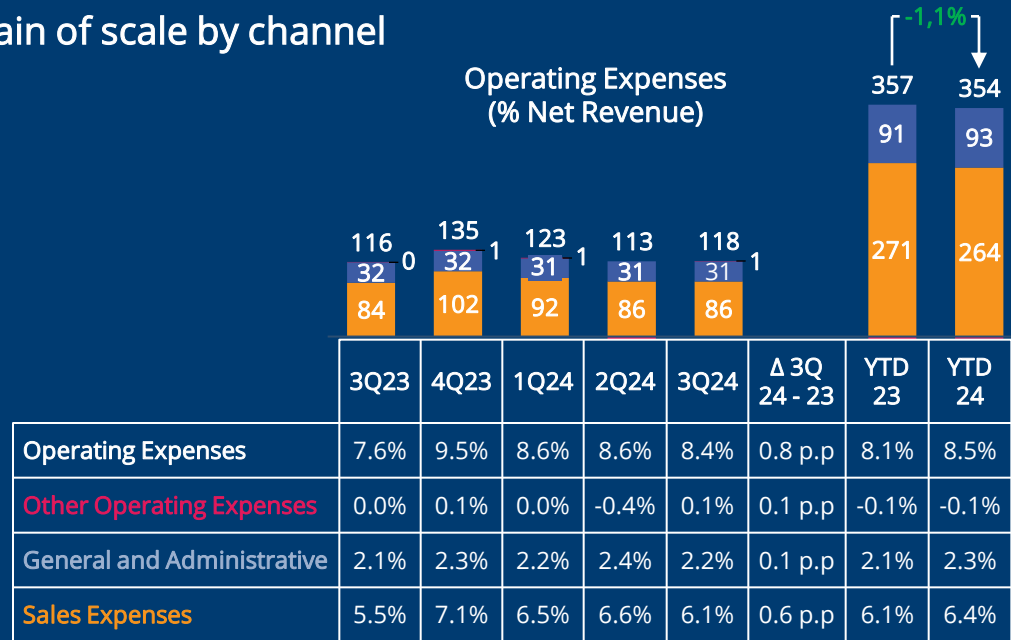
Financial Result

- **Financial expenses** remain in line in the last 5 quarters – basically contracted structural debt.
- **Financial income** on lower operating cash level, equalized through distribution to shareholders.

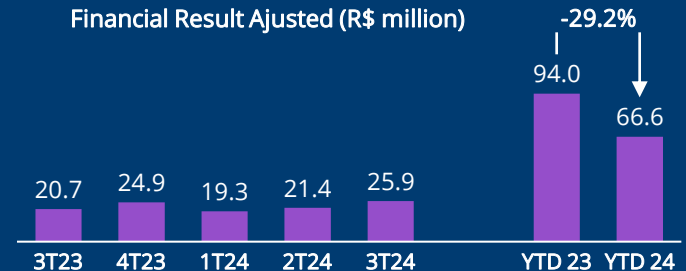
Additional entries in the accounting result:

- Monetary adjustment of tax credits: +R\$7MM

Operating Expenses
(% Net Revenue)



Financial Result Adjusted (R\$ million)

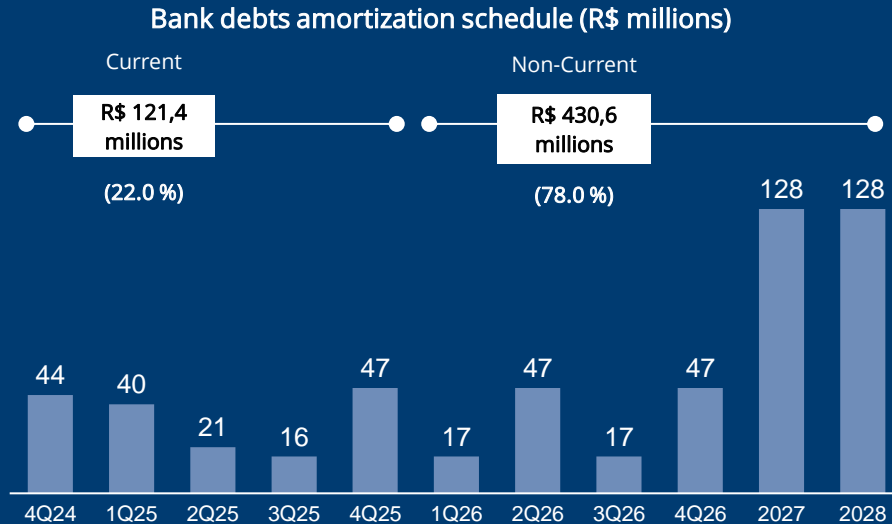


INDEBTEDNESS

Control of the Company's indebtedness from solid cash generation

- The company ended 3Q24 with low net debt [R\$240.3 million] and low leverage [1.1x]
- Settlement of the short working capital line from abroad U\$10MM.
- Refinancing of gross debt executed at the end of 2023, with principal payment starting in June 2025.
- Cost of CDI debt + 2.46%

| R\$ MILLIONS | 3Q24 | 4Q23 | Δ% |
|-----------------------------|--------------|-------------|----------------|
| Gross bank debt | 552.0 | 543.7 | 1.5% |
| Taxes paid in installments | 4.0 | 4.6 | -11.1% |
| Gross Debt | 556.1 | 548.3 | 1.4% |
| (-) Cash & Cash equivalents | -315.8 | -535.6 | -41.0% |
| (=) Net Debt | 240.3 | 12.6 | 1799.9% |
| EBITDA LTM | 221.8 | 250.5 | -11.5% |
| Net Debt/ EBITDA | 1.1x | 0.1x | 1.0x |

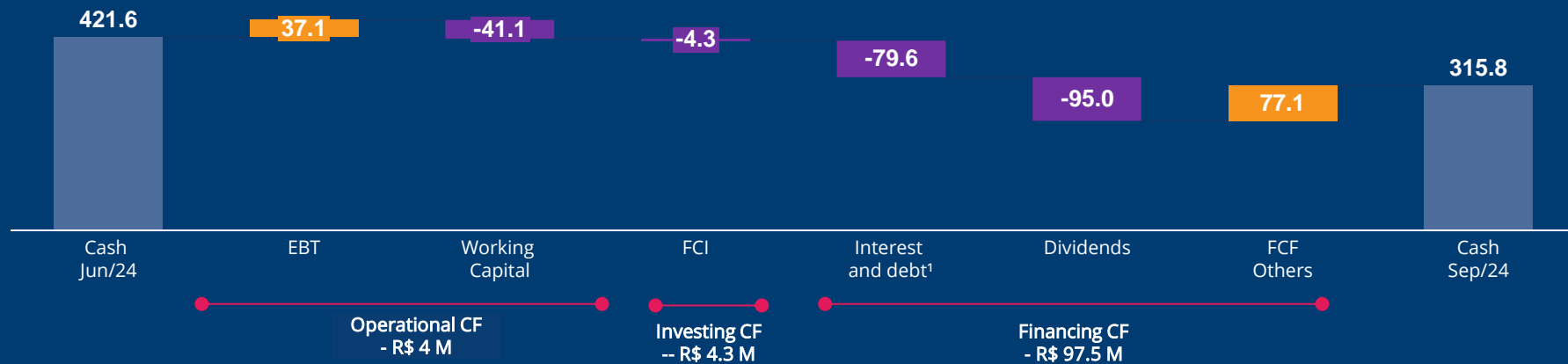


CASH FLOW EVOLUTION

Cash Flow - Managerial View

- Operational CF: operations without financial cost for Allied
- Financing CF: operations with financial cost for Allied

Cash Flow | 3Q24 = Consumption R\$ 105.8 million
(R\$ million)



Main Impacts:

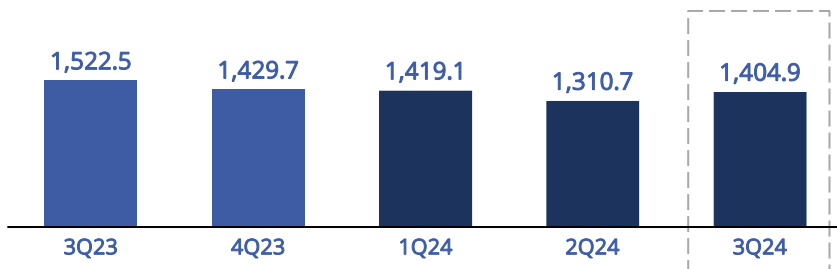
- **Working Capital** Slight operating cash consumption to support inventory growth for high seasonality and better trades
- **Financial Cash Flow:** a) payment of interest and settlement of the short working capital line abroad b) payment of JCP declared in March/2024 c) Risk drawn with one-off cost to balance the stock bet

FINANCIAL INDICATORS

Business diversification maintains robust results and constant profits

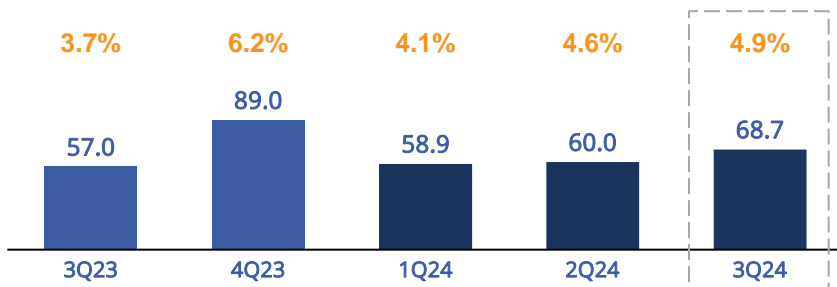
Net Revenue

(R\$ million)



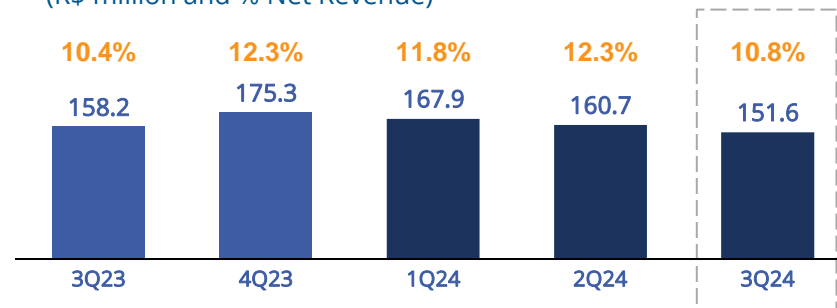
Accounting EBITDA¹

(R\$ million and % Net Revenue)



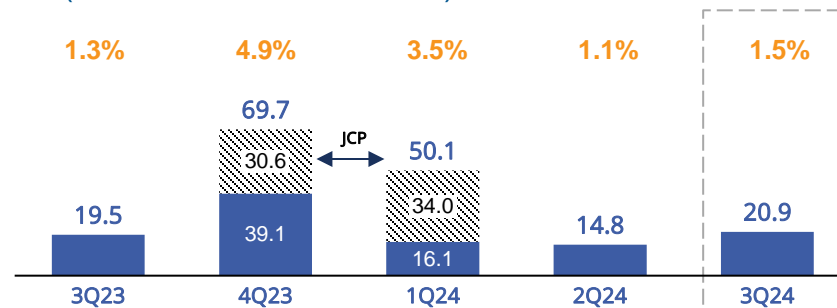
Gross profit

(R\$ million and % Net Revenue)



Net Profit Accounting¹

(R\$ million and % Net Revenue)



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THANK YOU!

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