



EARNINGS CONFERENCE CALL 2T24

August 09, 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 2Q24

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

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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 e LatAm



8%
smartphones
Market share¹



16%
videogames
Market share¹



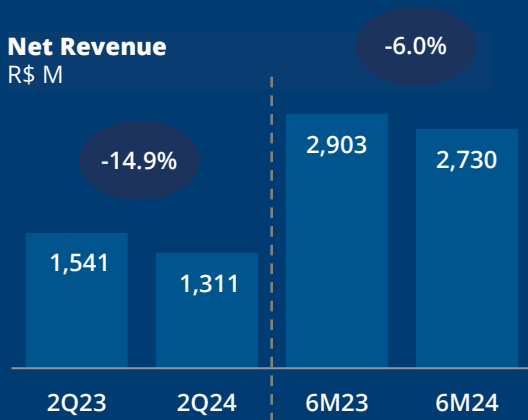
7%
notebooks
Market share¹

Notes: (1) Marketshare measured in volume of products sold. January and March 2024 period.

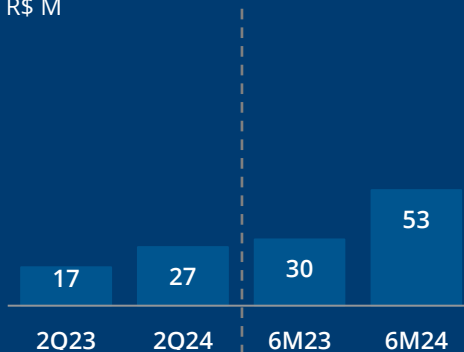
2Q24 HIGHLIGHTS

EBT: + 52.7% in 2Q24 and + 74.6% in 6M24

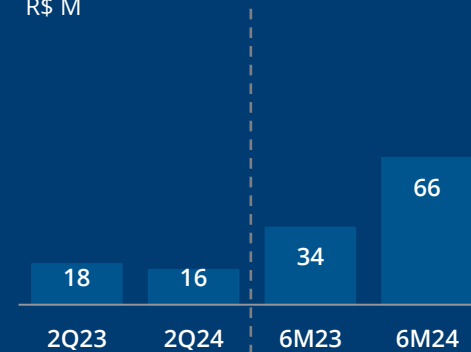
Net Revenue
R\$ M



Adjusted EBT
R\$ M



Adjusted Net Income
R\$ M



+32.0% in B&M Retail

+14.9% in Digital Retail

+9.9% in smartphones of Distribution Brazil

12.3% Gross Margin 2Q24

+52.7% (2Q24 vs 2Q23)

+74.6% (6M24 vs 6M23)

-14.2% (2Q24 vs 2Q23)

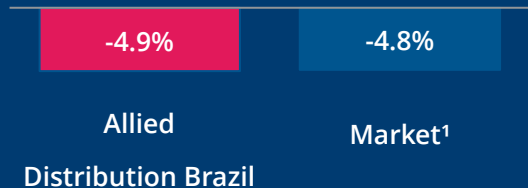
+ 90.7% (6M24 vs 6M23)

Notas: (1) Adjusted result disregards (a) In 2023: operating revenues related to compensation for losses related to agreements with public agencies; (b) Expenses with dismissal of employees to adapt the Company's operational structure; (c) In 2024: Contingencies related to discontinued operations. More details can be found in the "Financial Performance - Operating Expenses" section of the 2Q24 Management Report.

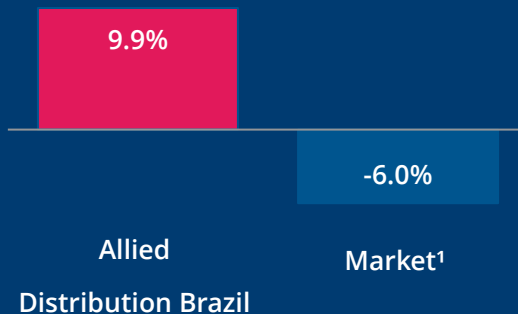
2Q24 HIGHLIGHTS | Distribution Brazil

Strong growth in smartphone sales

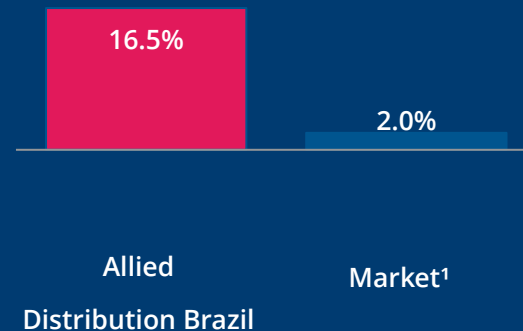
Net Revenue
Growth (2Q24 vs 2Q23)



Smartphones (R\$)
Growth (2Q24 vs 2Q23)



Smartphones (Volume)
Crescimento (2T24 vs 2T23)



Notes: (1) Considers categories: smartphones, notebooks, tablets, video games and printers

2Q24 HIGHLIGHTS | International Distribution

New partnerships to expand the operation

+8.4% in laptops sales (vs 2Q23)

+16.0% laptops in the mix of products sold (2Q24)



Microsoft: New Partnership

- I. Strengthening of the Xbox offer in Brazil through Miami.
- II. Xbox Play Anywhere: new concept to access games through computers.



Motorola: New Partnership

New partnership to **distribute smartphones and mobile accessories** to customers served in the Miami operation.



2Q24 HIGHLIGHTS | B&M Retail

+38.7% growth in SSS

+ 32.0% B&M Retail

+ 38.7% Same-store-sales

+12.5% average net revenue per POS (2Q24LTM vs 2023)

Highlights:

- I. Consistency in **Galaxy S24 sales**;
- II. Portfolio expansion: **new tablet and notebook models** (10.6% and 5.3% of share in net revenue), with **Galaxy Book 4 launch**;
- III. **Growth in B2B** customer base;
- IV. **Increased wearables** attachment rate;



Galaxy Book 4 launch

+50.0% attachment rate of smartphones insurance

+50.0% wearables conversion

5.0% B2B

2Q24 HIGHLIGHTS | Digital Retail

Strong performance of strategic partnerships

+ **14.9%** Digital retail (vs. -6.5% market¹)

+ **30.9%** iPhone pra Sempre

+ **45.3%** HP store growth (2Q24 vs 1Q24)



Highlights:

- I. **More competitive portfolio:** New models of notebooks and accessories;
- II. **Strategic partnerships:**
 - + Smartphones (iPhone pra Sempre)
 - + Laptops and printers (HP store)
- III. Efficiency of the business strategy: continuous growth of the average ticket in the last 12 months.

2Q24 HIGHLIGHTS | Trocafy

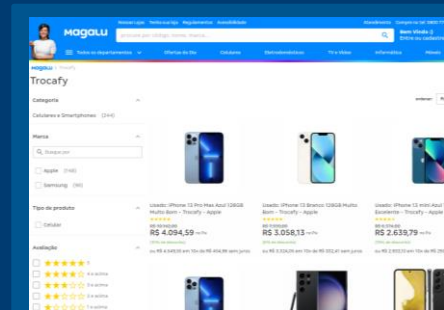
2 full years of operation and +105% revenue (2Q24 vs 2Q23)

+105% Revenue (2Q24 vs 2Q23)

Launch of online Store in **Magalu**

Highlights:

- I. Wide range of funding sources:** iPhone pra Sempre program, trade in solutions in Samsung and Fastshop B&M stores.
- II. Multichannel:** the brand's official website, marketplaces (Mercado Livre, Livelu and Magalu) and kiosks in São Paulo.



Store on Magalu's marketplace



Quiosque Shopping Eldorado - SP

Optimizing the Company's capital allocation

Context:

- I. Soudi: created by Allied in 2019 with the aim of facilitating financing in Samsung smartphones B&M operations;
- II. 2022 and 2023: optimization of the profitability of the B&M channel, with a substantial reduction in the number of POSs;
- III. Scenario: conditions for credit deteriorating.



Discontinuation of credit granting:

- Reduced exposure to nonpayment risk; and
- Reduction of dedicated structure.

Next steps:

Evaluation of the most appropriate alternatives for maximizing the return on assets:

- Technological tool that supports collection management through access to the customer's smartphone.
- Currently existing portfolio.

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\$6.5bi

Gross
income

R\$233mi

Adjusted
EBITDA¹

R\$132mi

Adjusted Net
Profit¹

117

Points of Sale
(Jun/24)

60%

Deliveries made
within 48 hrs²

6.5mi

Products
Sold

8%

Smartphones
Market share (2Q24)

16%

Videogames
Market share (2Q24)

7%

Notebooks
Market share (2Q24)

Notes: (1) Adjusted result does not consider contingencies related to discontinued operations. 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 2Q24

1 HIGHLIGHTS

2 OPERATING AND FINANCIALS INDICATORS

3 Q&A

EVOLUTION OF FINANCIAL INDICATORS

Relevant results with delivery of net income in another consecutive quarter



Net Revenue
(R\$ millions)



Gross Profit



Adjusted EBITDA



Adjusted Net Profit

2Q/2024
VS
2Q/2023

R\$ 1,310.7MM
-14.9% y/y

R\$ 160.7MM
-5.2% y/y
12.3% NR
(+1.3 p.p y/y)

R\$ 61.2MM
-13.3% y/y
4.7% NR
(+0.1 p.p y/y)

R\$ 15.5MM
-14.2% y/y
1.2% NR
(+0.0 pp y/y)

YTD/2024
VS
YTD/2023

R\$ 2,729.9MM
-6.0% y/y

R\$ 328.6MM
-4.7% y/y
12.0% NR
(+0.2 p.p y/y)

R\$ 120.1MM
-12.7% y/y
4.4% NR
(-0.3 p.p y/y)

R\$ 65.7MM
+90.7% y/y
2.4% NR
(+1.2 p.p y/y)

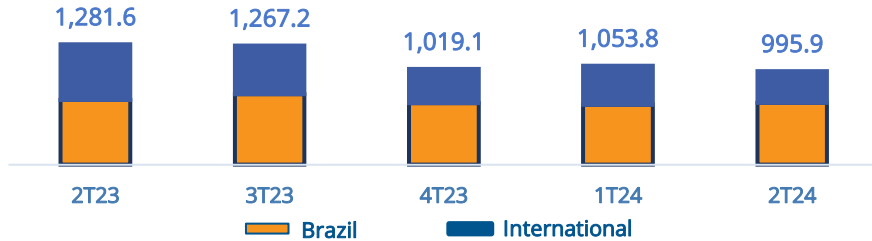
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EVOLUTION OF FINANCIAL INDICATORS | DISTRIBUTION

Brazil Distribution as a highlight for stability in face of the decreasing market

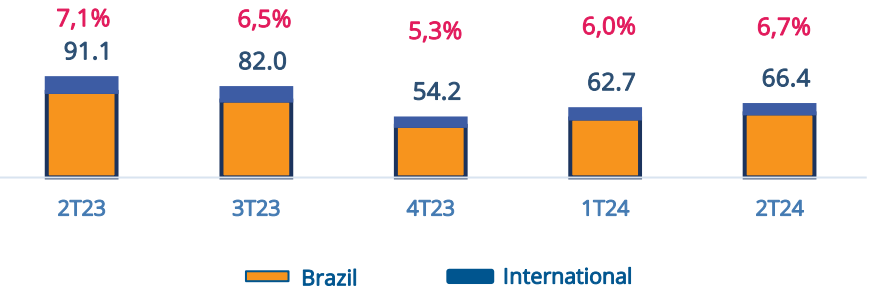
Net Revenue

(R\$ millions)



Gross Profit

(R\$ millions and % net Revenue)



Resilience

BRAZIL DISTRIBUTION

- Maintenance of Net Revenue around R\$ 650MM in recent quarters, compared to the market that decreased -4.8% for 2Q24 vs 2Q23

INTERNATIONAL DISTRIBUTION

- Growth in the sale of new categories
- Exchange rate depreciation of the real and currencies of emerging countries since the beginning of 2024 affect mobile competitiveness in the region

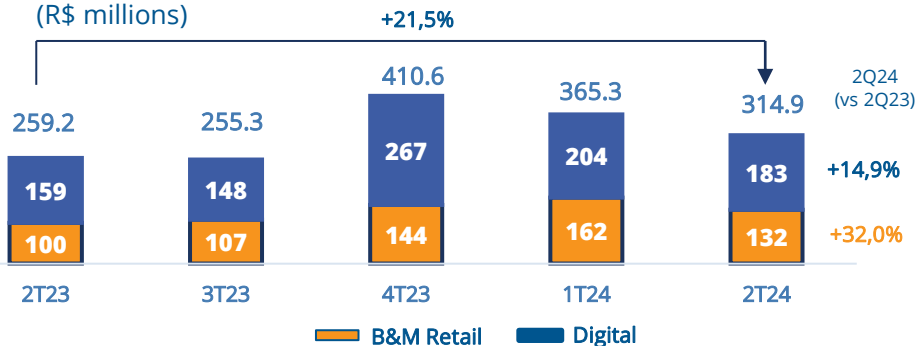
New Products

EVOLUTION OF FINANCIAL INDICATORS | RETAIL

Strong growth in B&M and Digital retail with maintenance of gross margin

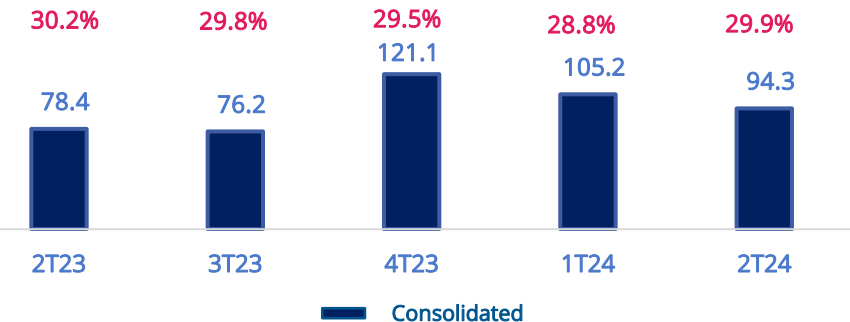
Net Revenue

(R\$ millions)



Gross Profit

(R\$ millions and % net Revenue)



B&M Retail

- Cell phone growth above inflation
- Performance resumption in notebooks and tablets
- Highest Q2 after the pandemic (2019)

SSS 39%

Digital Retail

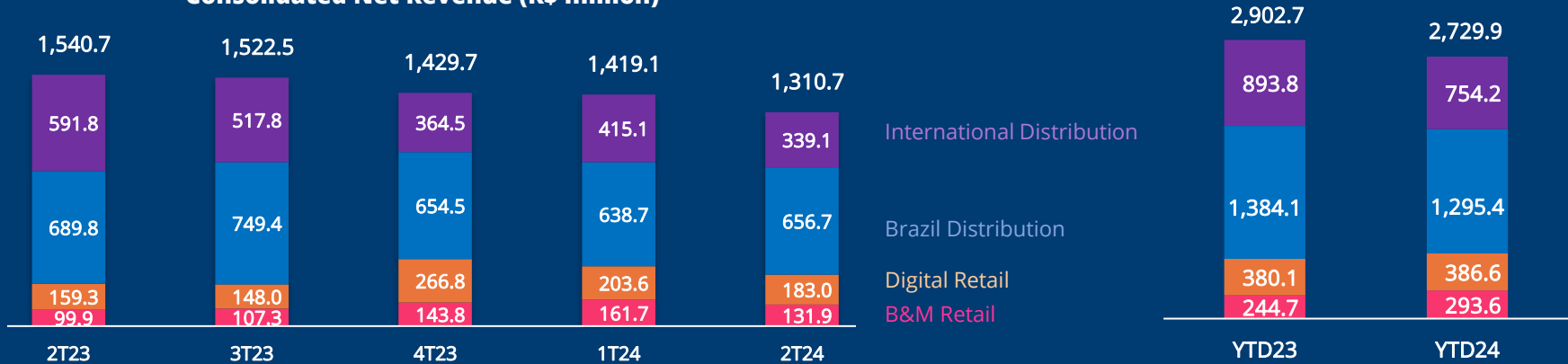
- Growth in sales of online services
- Success in increasing the range of seasonal actions of the "iPhone Para Sempre" program

15% GROWTH

NET REVENUE AND GROSS MARGIN BY CHANNEL

Net revenue Brazil grows +2.4% (Q2/2024 vs Q2/2023), even with a declining market and recovers gross margin compared to the previous two quarters

Consolidated Net Revenue (R\$ million)



Gross Margin (% Net Revenue)	2Q23	3Q23	4Q23	1Q24	2Q24
International	2,1%	2,2%	1,9%	2,1%	2,2%
Brazil	11,4%	9,4%	7,2%	8,5%	9,0%
Consolidated Distribution	7,1%	6,5%	5,3%	6,0%	6,7%
Retail (B&M + Digital)	30,2%	29,8%	29,5%	28,8%	29,9%
Total	11,0%	10,4%	12,3%	11,8%	12,3%

Gross Profit (R\$ millions)	2Q23	3Q23	4Q23	1Q24	2Q24
International	12,7	11,6	6,8	8,7	7,5
Brazil	78,4	70,4	47,4	54,0	58,9
Consolidated Distribution	91,1	82,0	54,2	62,7	66,4
Retail (B&M + Digital)	78,4	76,2	121,1	105,2	94,3
Total	169,5	158,2	175,3	167,9	160,7

OPERATING PROFITABILITY AND FINANCIAL RESULT

Constant management of expense control and gain of scale by channel.

Selling Expenses:

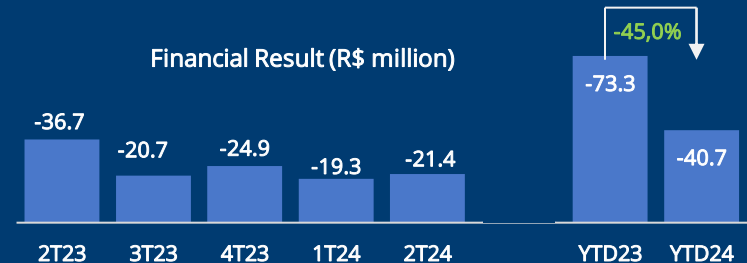
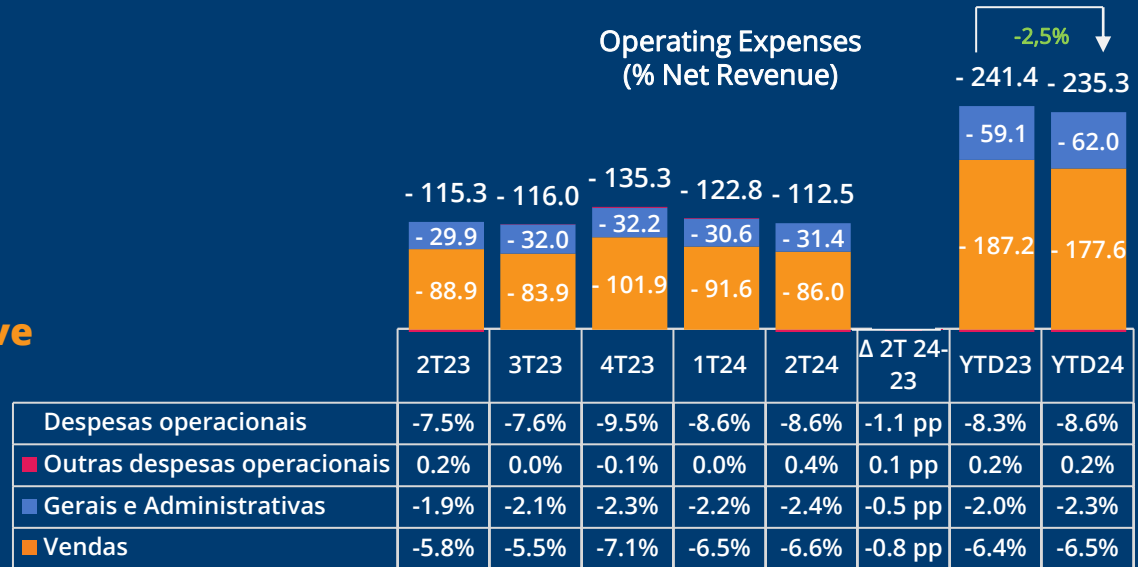
- Improvement in the efficiency of retail sales expenses, lower absolute spend even with increased revenue (Q2/2024 vs Q2/2023)

Adjusted General and Administrative Expenses

- Follows inflation of the period

Financial Result:

- Low financial expenses due to strong working capital management adopted from the second half of 2023



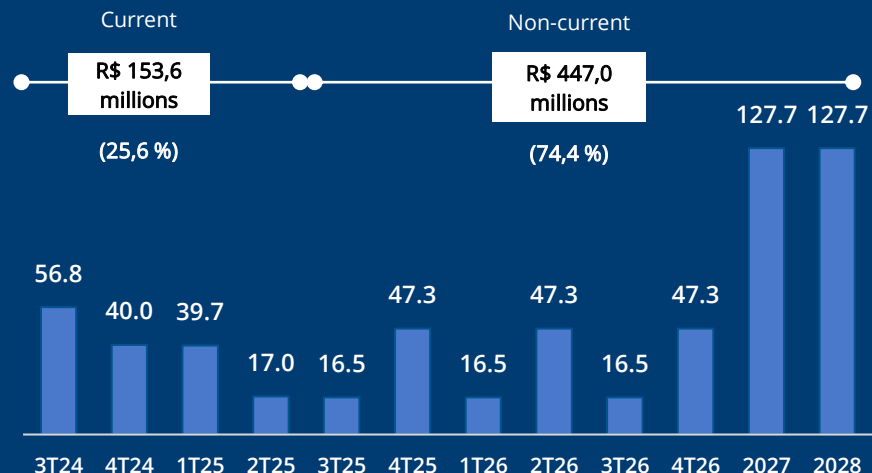
DEBTS

Control of the Company's indebtedness from solid cash generation

- The company ended 2Q24 with low net debt [R\$183.0 million] and low leverage [0.8x]
- Gross debt reprofiling executed at the end of 2023
- Cost of debt of 12.7% y.y. (+0.2 p.p. vs. 1Q24).

R\$ MILLIONS	4T23	2T24	Δ%
Gross bank debt	543,7	600,3	10,4%
Tax debt - PERT	4,6	4,4	-4,0%
Gross Debt	548,3	604,6	10,3%
(-) Cash/equivalents and marketable securities	-535,6	-421,6	-21,3%
(=) Net Debt	12,6	183,0	1347,2%
EBITDA LTM	250,5	231,9	-7,4%
Net Debt/ EBITDA	0,1x	0,8x	0,7x

Schedule for the amortization of bank debts (R\$ millions)

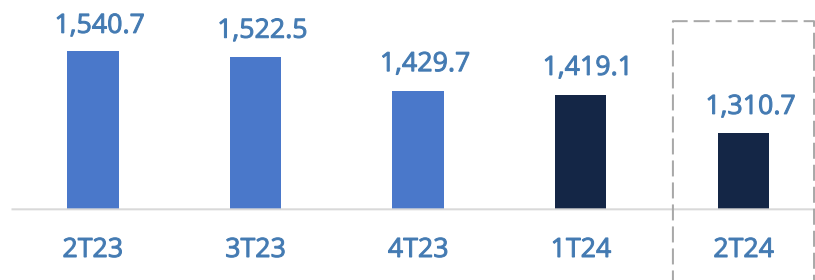


EVOLUTION OF FINANCIAL INDICATORS

Diversification of Net Revenue and profitability

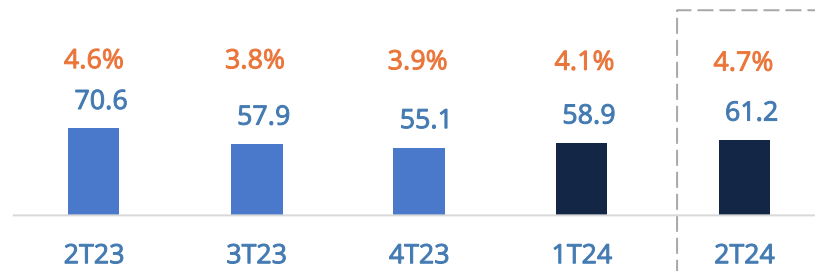
Net Revenue

(R\$ millions)



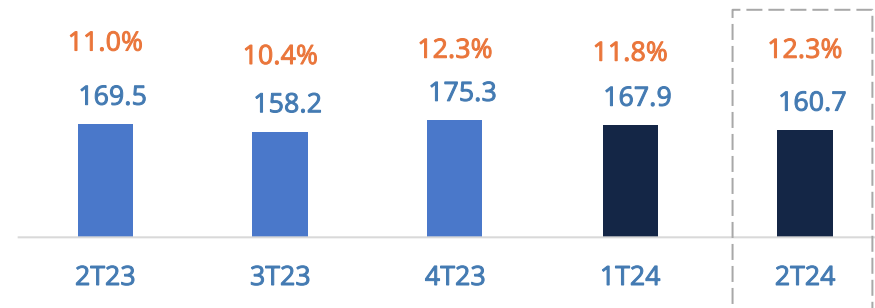
Adjusted EBITDA¹

(R\$ millions e % Net Revenue)



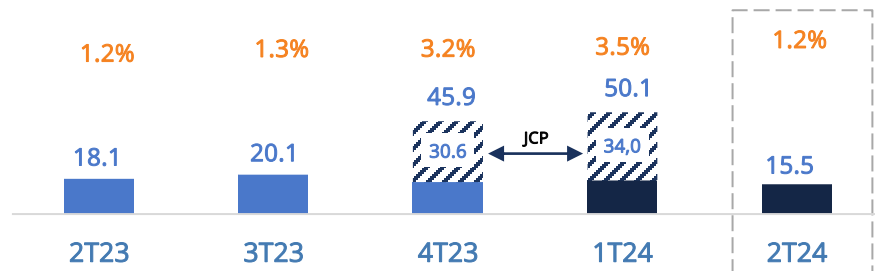
Gross Profit

(R\$ millions e % Net Revenue)



Adjusted Net Profit¹

(R\$ millions e % Net Revenue)



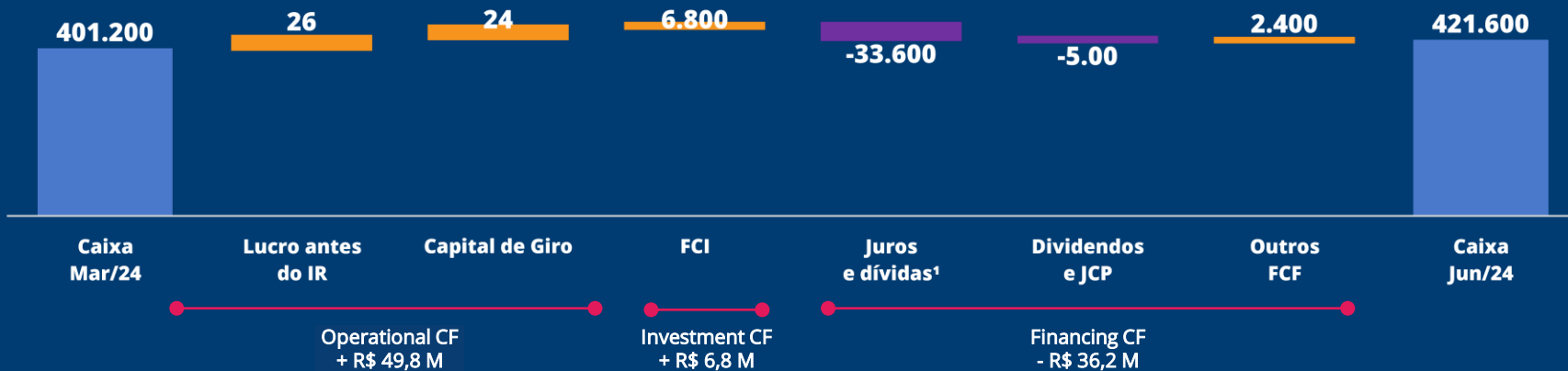
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CASH FLOW EVOLUTION

Managerial View of Drawn Risk

- Operational CF: operations at no financial cost to Allied
- Financing CF: operations with financial cost for Allied

Cash Flow | 2Q24 = Generation R\$ 20.3 million
(R\$ million)



Main Impacts:

- **Working Capital** balanced within the second quarter of 2024. The improvement in the turnover of receivables allowed the financing of the bet on inventory as a strategy to prepare for the rise in prices due to the worsening of the exchange rate.
- **Financing Cash Flow:** (i) payment of interest on bank debts; (ii) payment of income tax at source referring to the JCP of R\$100MM declared in March/2024

Notes: (1) Includes interest payment flow, amortizations, and new loan and financing commitments.

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THANK YOU!

ri@alliedbrasil.com.br