



# EARNINGS RELEASE

FIRST QUARTER 2022

May 10<sup>th</sup>, 2022

# SOLID RESULTS AND SALES ACCELERATION

Expansion progress maintaining consistent margins



**Strong increase in net revenues: +21.1%**

Expansion: **+15.4%**

LfL: **+6.7%**, *double digit growth in the accum. of Feb. and March*

**+R\$ 2.0 bi vs. 1Q21**  
**+81% in 3 years**



**Gross margin stability: 16.0%**

*Investments in competitiveness supported by the accelerated maturation of new stores*

**R\$ 1.8 billion**  
**+21% vs. 1Q21**



**Solid EBITDA margin: 6.6%**

*Despite the record expansion and conversions preoperational costs*

**EBITDA 2x higher**  
**in 3 years**



**Expansion acceleration:**

*12 new organic stores in 2022*

*32 new stores, +22% increase in sales area in the last 12 months*

**5 organic stores inaugurated**  
**+ 47 stores under construction**



**Conversions progress on schedule:**

*60 stores already in Assaí's possession*

*40 stores expected to open in the 2H22*

**High performance of converted stores**



**Strengthening of digital initiatives**

*55 cities in 17 states*

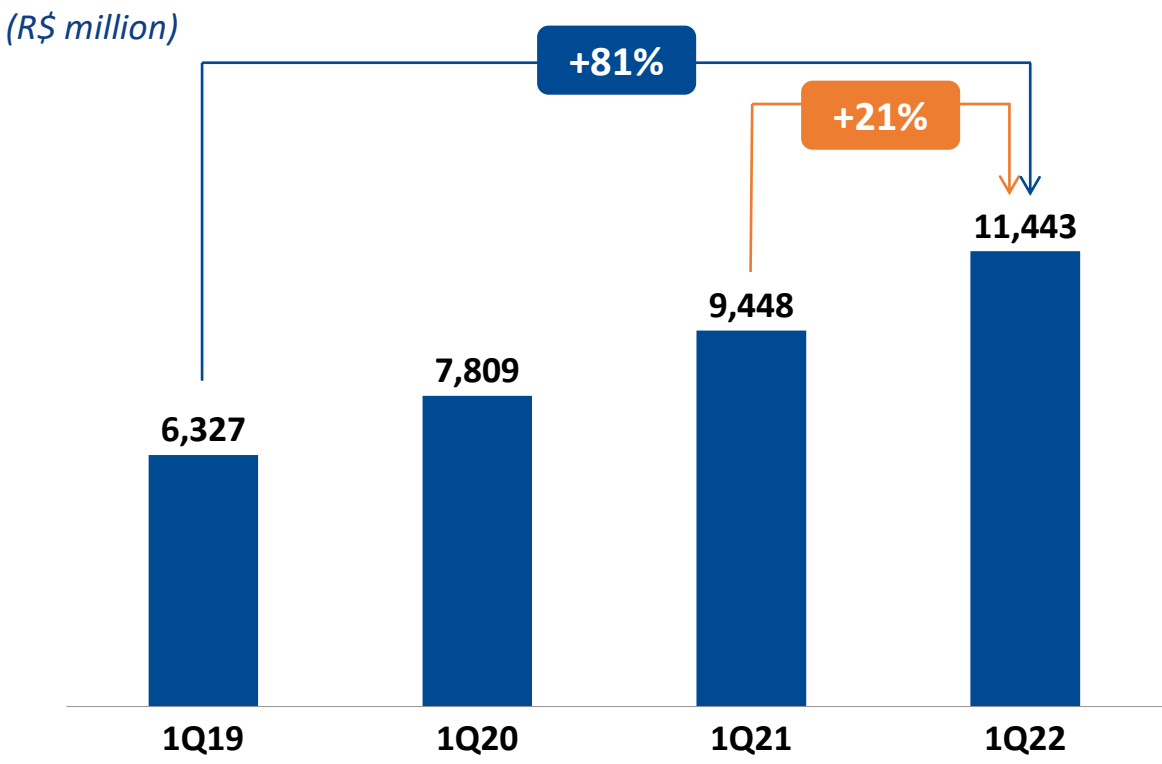
**Cornershop Sales:**  
**2x vs. 4Q21**

# STRONG LFL EVOLUTION: DOUBLE DIGIT IN FEBRUARY AND MARCH

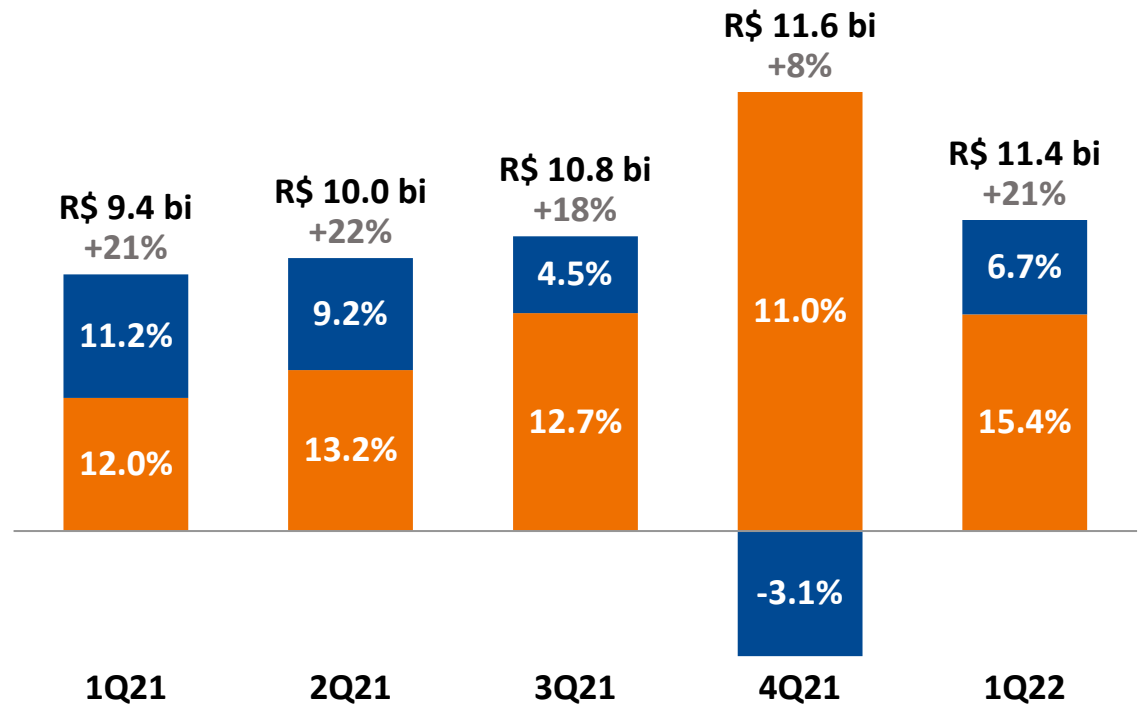
Successful commercial strategy with assortment adaptation to face the trade-down context



## Net Sales (R\$ billion)



Significant growth in the last 3 years



Expansion LfL

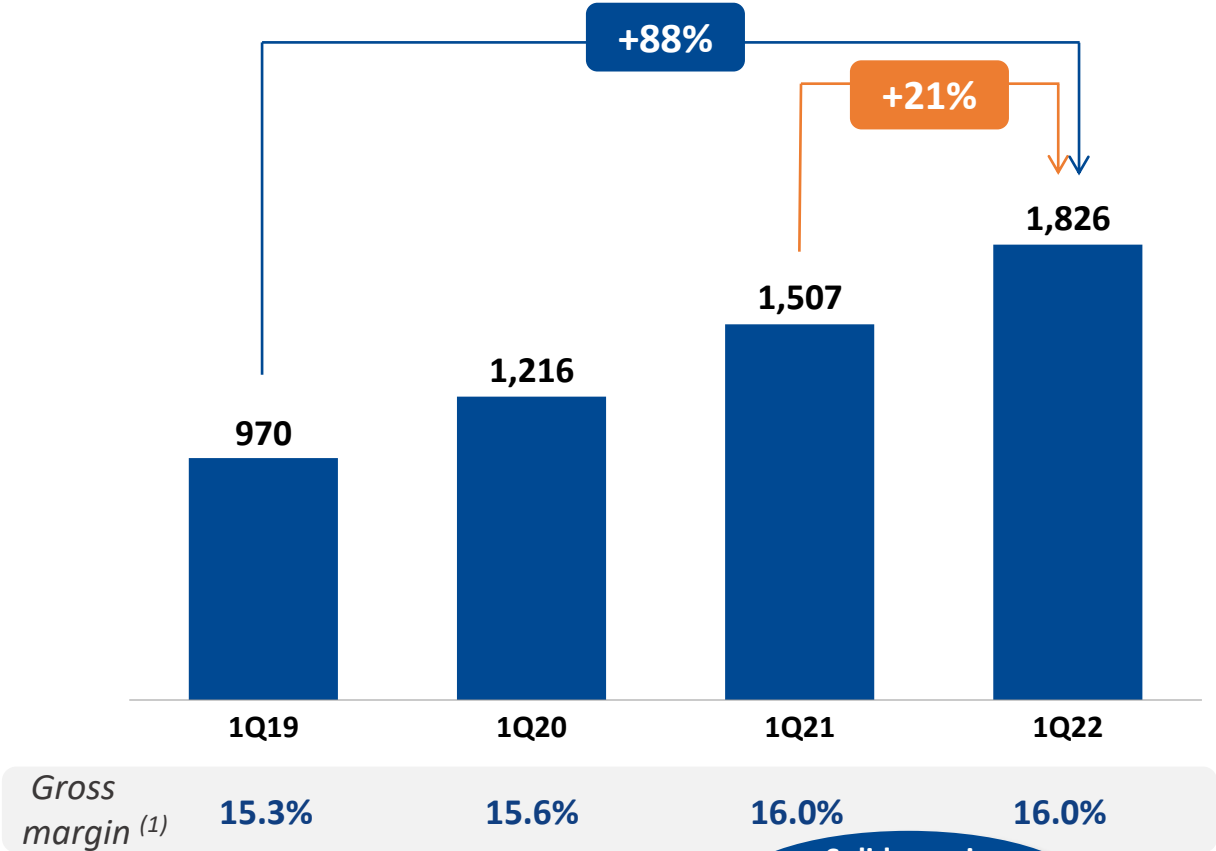


# MARGIN STABILITY WITH INVESTMENTS IN COMPETITIVENESS

Successful commercial strategy supported by fast maturation of new stores



## Gross Profit (R\$ Million)



Solid margin appropriate to competitiveness

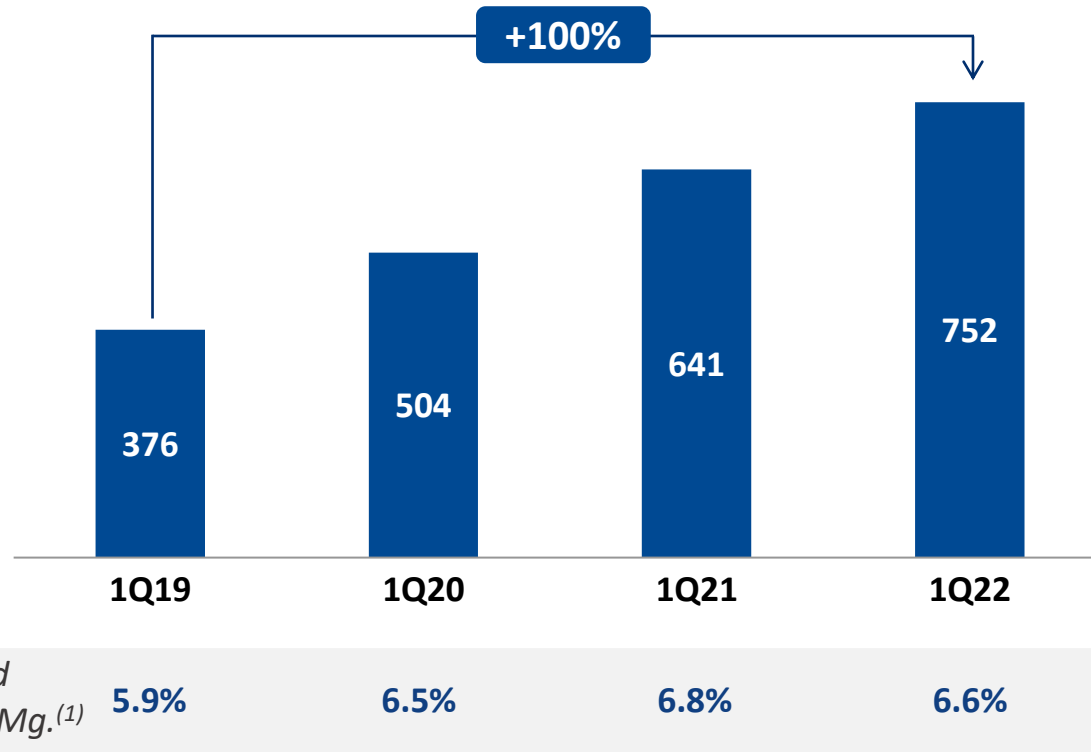
(1) % Net Sales

# EBITDA DOUBLES IN 3 YEARS AND INCREASES MORE THAN SALES

Solid EBITDA margin despite the record expansion, with 32 new stores in the last 12 months, and conversions preoperational costs



## Adjusted EBITDA (R\$ million)



Petrolina (PE)

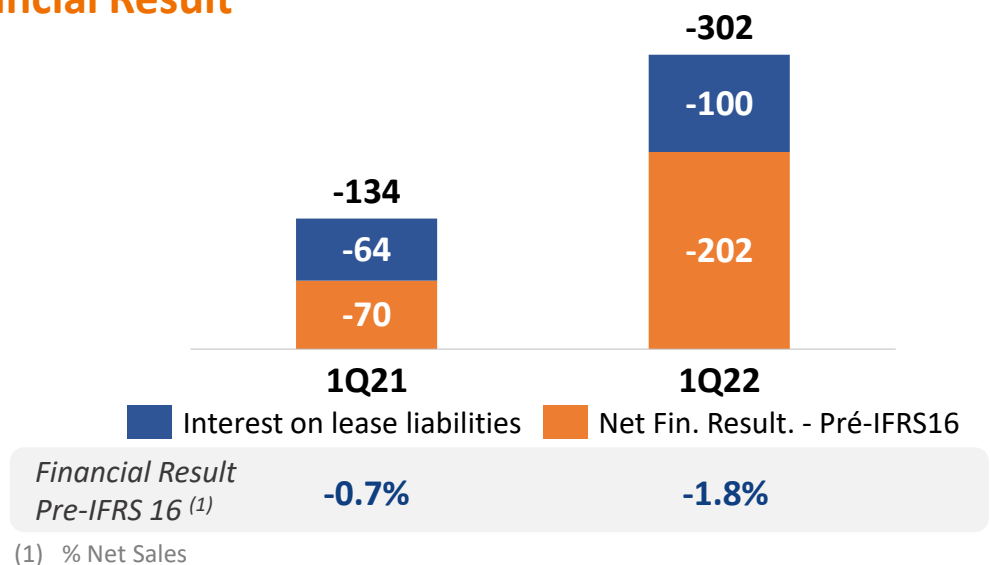
(1) % Net Sales

# REFINANCING PROCESS CARRIED OUT IN 2021 REDUCES THE EFFECTS OF INTEREST RATES INCREASE IN THE 1Q22

Increase in interest rates strongly impacts the financial result



## Financial Result



## New Debt Issues

Issue	Amount R\$ billion	Cost of Coupon	Issue Date
4 <sup>th</sup> Debentures Issue	2.0	CDI + 1.75%	Jan-22
1 <sup>st</sup> Issue of Book-Entry Commercial Notes	0.75	CDI + 1.70%	Feb-22
Certificate of Real Estate Receivables (CRI)	0.25	CDI + 0.75%	Apr-22
<b>Total</b>	<b>3.0</b>		

	Net Debt Including Credit Card Receivables	ND/Adj. EBITDA Pré-IFRS16
1Q21	<b>R\$ 4.7 bi</b>	<b>-1.93x</b>
<i>Cash Generation</i>	<b>+R\$ 3.2 bi</b>	
<i>Extra stores payment</i>	<b>-R\$ 1.9 bi</b>	
<i>Investment</i>	<b>-R\$ 2.4 bi</b>	
<i>Financial Expenses</i>	<b>-R\$ 0.5 bi</b>	
1Q22	<b>R\$ 6.3 bi</b>	<b>-2.20x</b>



# NET INCOME SURPASSED R\$ 200 MILLION

Business model resilience amid a scenario of interest rates increase

**R\$ 214 million**  
*Net Margin: 1.9%*



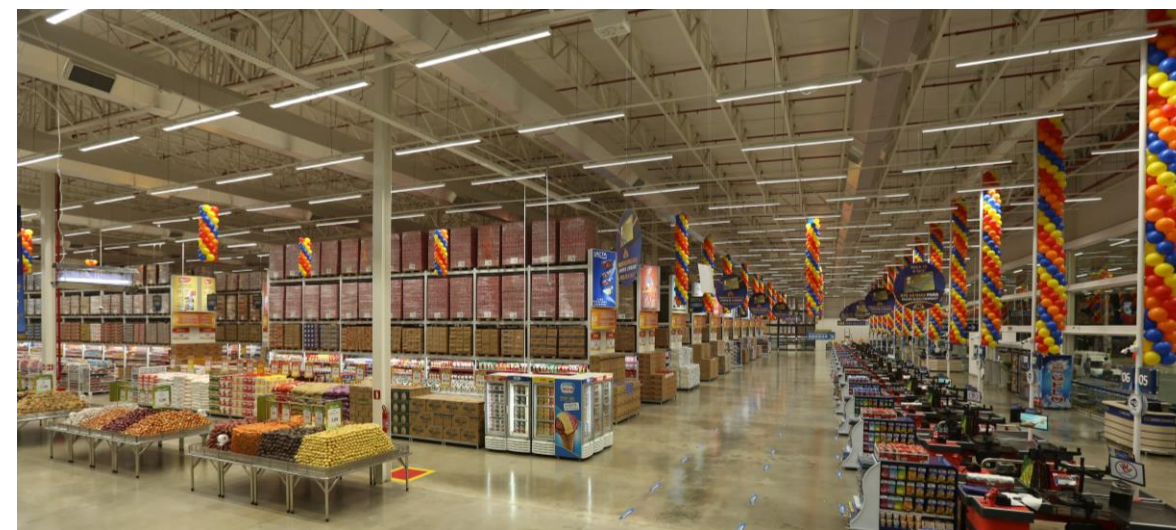
## ROBUST OPERATIONAL RESULT

- Fast maturation of new stores
- Effective commercial strategy
- Efficient expenses control



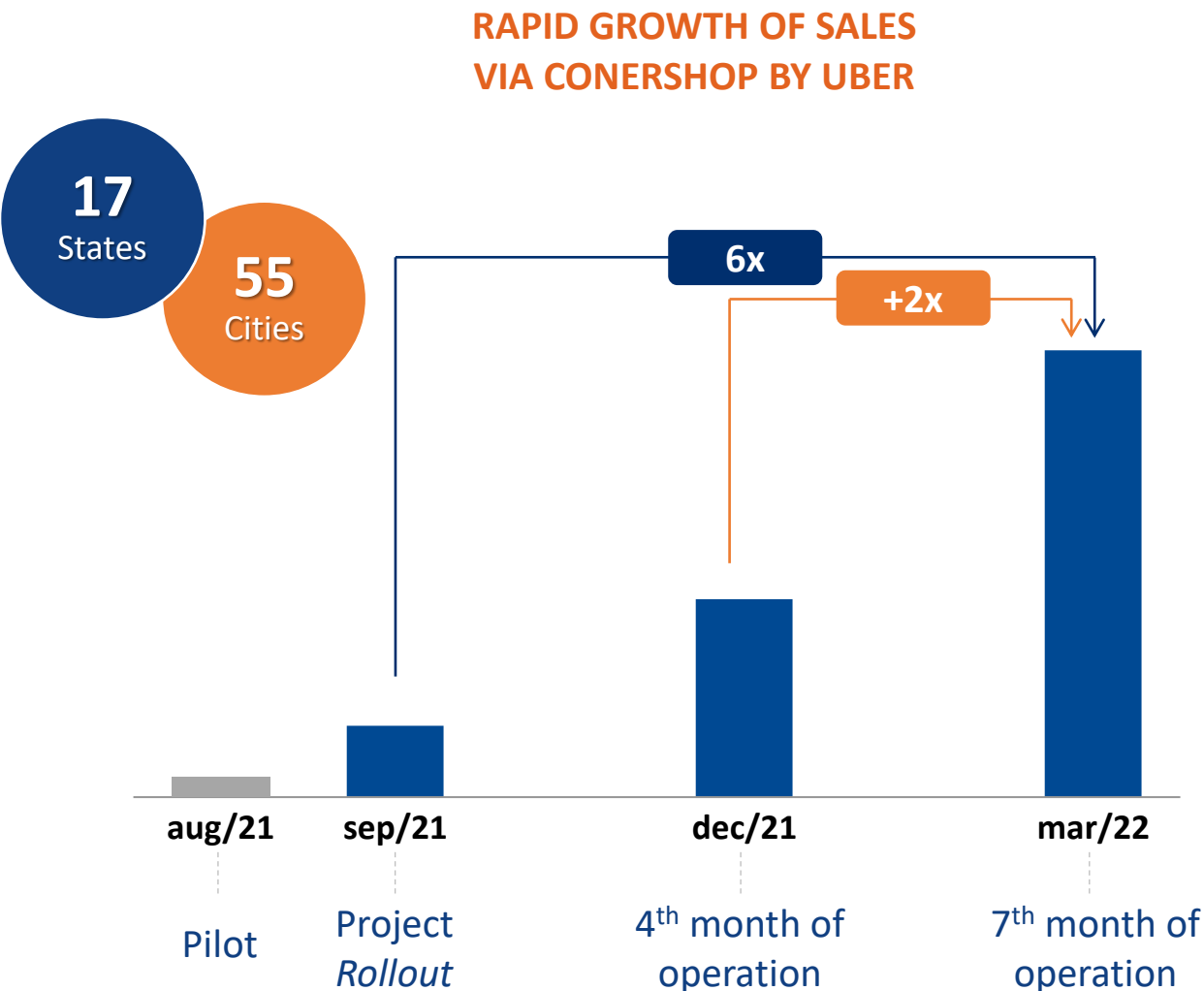
## STRONG IMPACT ON FINANCIAL RESULT

- Higher interest rates in the period



# STRENGTHENING OF DIGITAL INITIATIVES

New partnership with Rappi and sales via Cornershop more than doubled compared to 4Q21





# EXPANSION 2022: 5 ORGANIC STORES INAUGURATED AND 47 STORES UNDER CONSTRUCTION

Record expansion in the last 12 months, with 32 new stores, attests the top-notch execution capacity

## ORGANIC EXPANSION



Porto Velho (RO)



Belém (PA)



Nossa Senhora do Socorro (SE)



Petrolina (PE)



Barris (BA)



## HYPERMARKET CONVERSIONS



### FAST ADVANCE IN CONVERSION PROCESS

60 stores in Assaí's possession

40 stores under construction, expected to be opened in the 2H22



### HIGH PROFITABILITY POTENTIAL CONFIRMED BY HISTORICAL PERFORMANCE

Conversions until 2020:

Gross Sales **3x** higher than Extra in the last 12 months

Adjusted EBITDA Mg. **150bps** higher than Company's average

### Prime locations

Capitals and reference cities

Mature and densely populated areas

# ADVANCING ON ESG STRATEGY

Improve and innovate the way of doing business to build a more responsible and inclusive society



## 1Q22 HIGHLIGHTS



Launching of **Instituto Assaí**

- **5<sup>th</sup> Academia Assaí Bons Negócios award**  
+6 thousand registrations, +4x vs. 1Q21
- **110 tons of donations**
- **Decrease of -3% in carbon emission**
- **+31 stores in the free market energy**  
92% of stores consuming energy from 100% renewable sources
- **Employees with Disabilities: 5.5%**
- **Entry into the Movimento Mulheres 360º**

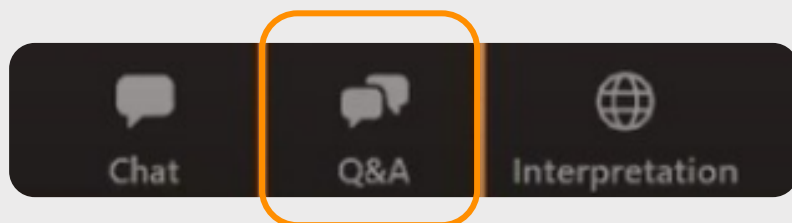
# Q&A

*To ask questions, please click on the Q&A icon at the bottom of the screen.*

*Enter your **NAME**, **COMPANY** and **LANGUAGE** of the question.*

*If announced, a request to activate your microphone will appear on your screen, after which you should enable your audio to ask your question.*

*We kindly ask that all questions be made at once.*







# THANK YOU

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