



# ASSAÍ

# ATACADISTA

**EARNINGS RELEASE**

**3<sup>rd</sup> QUARTER 2022**

October 21<sup>st</sup>, 2022



# STRONG GROWTH PACE AND THE YEAR'S HIGHEST MARKET SHARE GAIN

Accelerated expansion: conclusion of 20 hypermarket stores conversions into Assaí to date

## SALES

Continued high level of growth

R\$ 15.2 bi

+R\$ 3.5 bi  
vs. 3Q21

+20 p.p  
(Expansion)



+9 p.p  
(SSS)

+R\$ 65 bi  
Annualized  
Gross Sales

## ADJUSTED EBITDA

Solid results excluding effects of pre-operating expenses from conversions

3Q22 <sup>(1)</sup>

R\$ 1.1 bi  
+26.0%

Mg 7.7%

Strong  
operational  
leverage



Strict  
expenses  
control

9M22 <sup>(1)</sup>

R\$ 2.8 bi  
+25.0%

Mg 7.3%

## NET INCOME

Operational leverage partially offset higher interest rate effects

3Q22

R\$ 281 M  
Mg 2.0%



R\$ 318 M<sup>(1)</sup>  
+4%  
Mg 2.3%

9M22

R\$ 814 M  
Mg 2.1%



R\$ 860 M<sup>(1)</sup>  
+6%  
Mg 2.2%

## EXPRESSIVE EXPANSION NUMBERS

44 new stores in the LTM

- +30% sales area

23 openings in 9M22:

- 9 organic stores
- Start of hyper conversions: 14 stores in 3Q22

+18K  
Jobs  
Created



Anhanguera Store (hypermarket conversion)

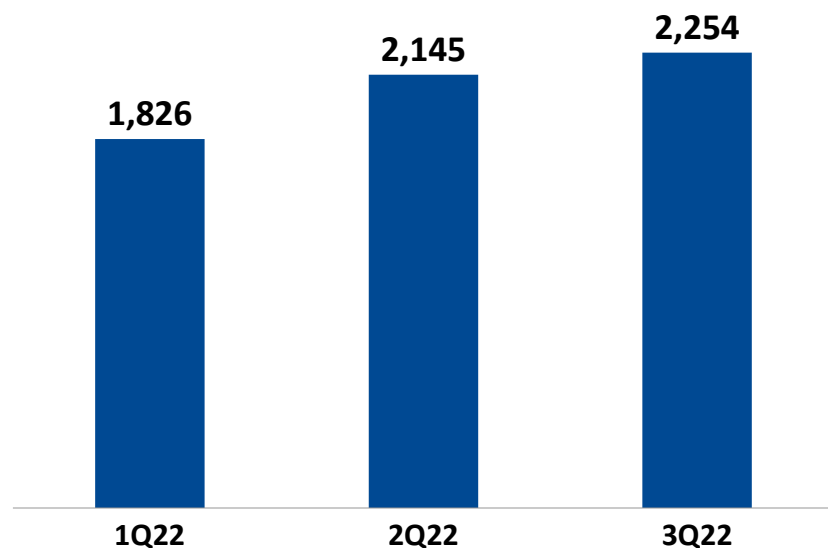
(1) Excluding pre-operating expenses in both periods and fiscal credits from 2021

# CONTINUOUS INVESTMENTS IN IMPROVEMENTS TO SHOPPING EXPERIENCE

Top-notch commercial strategy contributes to improve sales and customer traffic

## Gross Profit

(R\$ Million)



Gross margin <sup>(1)</sup>	16.0%	16.1%	16.3%

<sup>(1)</sup> % Net Sales

## SEQUENTIAL IMPROVEMENTS ON GROSS MARGIN

### Successful comercial dynamics

*Anniversary Campaign – Assaí 48 Years*

*Market Share Gains  
on total stores & same-stores basis*



### Adjustments to assortments and services



Campina Grande (PB)



Interlagos (SP)



Alto da XV (PR)

### New stores with better margin performance

- *High-density and prime locations*
- *Brand strength*
- *Business model*

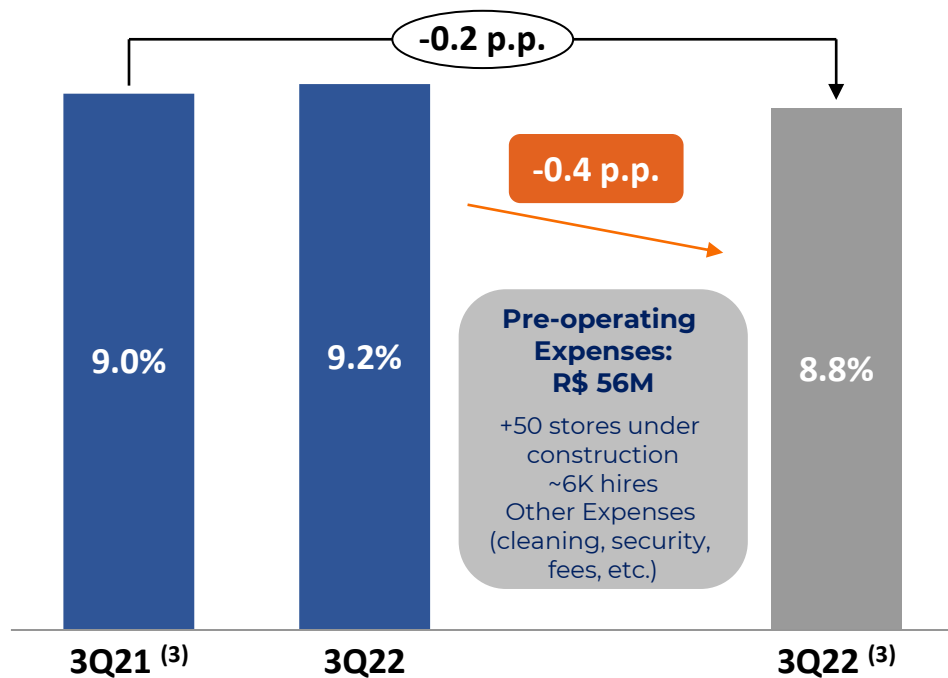


Interlagos (SP)

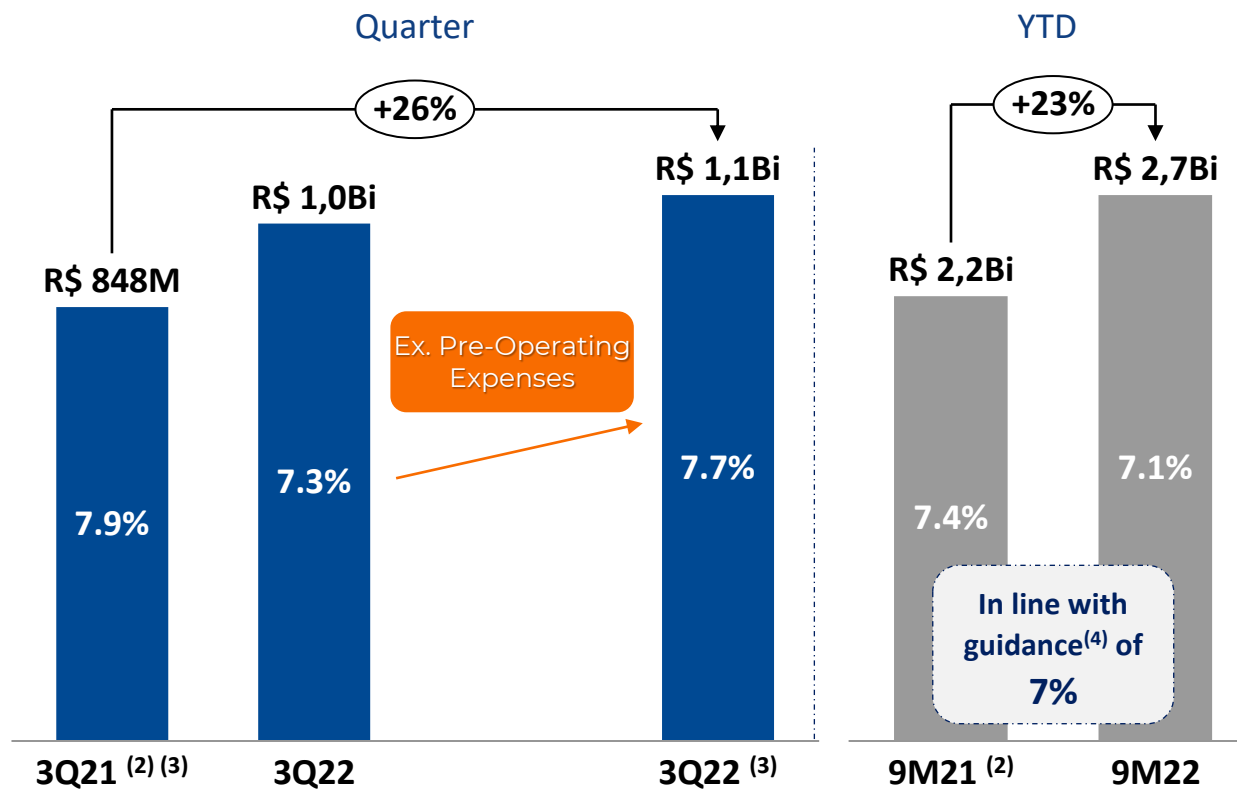
# RECORD EBITDA BOOSTED BY STRONG OPERATIONAL LEVERAGE

Expenses control and effective commercial dynamics contribute to consistent performance

## SG&A <sup>(1)</sup>



## Adjusted EBITDA Margin <sup>(1)</sup>



(1) Post-IFR16 (% Net Sales)

(2) Excluding fiscal credits

(3) Excluding pre-operating expenses

(4) Guidance for 2022, according TO Reference Form

# STRONG CASH GENERATION SUPPORTS HIGH LEVEL OF INVESTMENTS AND LEVERAGE

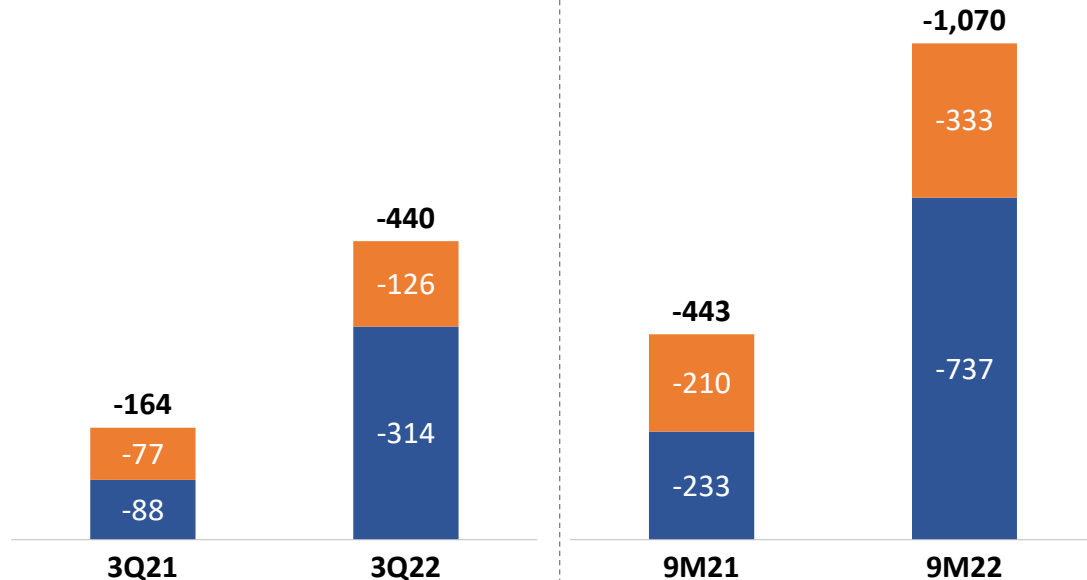
CDI 3x higher and gross debt increase, in line with expansion project

## Financial Result

(R\$ million)

Quarter

YTD



Period	Fin. Result. Pre-IFRS16 <sup>(1)</sup>
3Q21	-0.8%
3Q22	-2.3%
9M21	-0.8%
9M22	-1.9%

■ Net Financial Result - Pré-IFRS16 ■ Interest on lease liabilities

## Cash Generation

Net Debt <sup>(2)</sup>

ND/EBITDA <sup>(3)</sup>

3Q21

R\$ 5.2 bi

-1.84x

Cash Generation

**+R\$ 3.2 bi**

Investments

-R\$ 2.9 bi

Extra Stores Payment

-R\$ 1.4 bi

Financial Expenses

-R\$ 1.2 bi

3Q22

R\$ 7.5 bi

-2.68x

Indebtedness in line with estimates, given the hypermarket conversion project

(1) % Net sales  
 (2) incl. Credit Cards Receivable not discounted  
 (3) Adjusted EBITDA Pre-IFRS 16.



# NET INCOME ATTESTS TO COMPANY'S OPERATIONAL EFFICIENCY

Robust result even facing a record expansion and higher interest rates

- + Discipline on costs control
- + Strong operational leverage
- + Significant market share gains
- Strong investments on Company's growth
- High interest rates
- = Solid net income

3Q22

**R\$ 281 Million**  
Net Margin: 2.0%

**R\$ 318M<sup>(1)</sup>**  
**+4%**  
Net Mg: 2.3%

9M22

**R\$ 814 Million**  
Net Margin: 2.1%

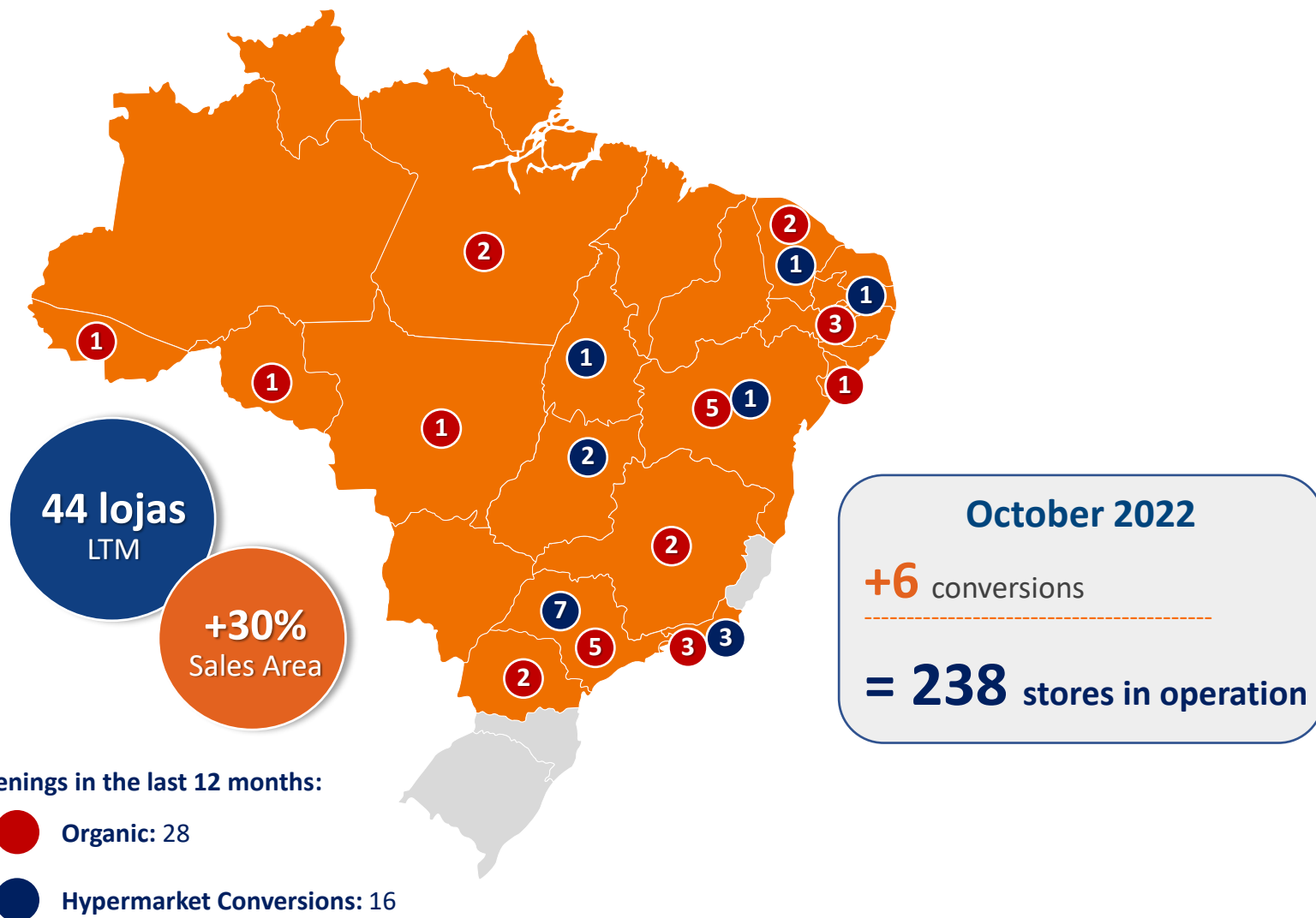
**R\$ 860M<sup>(1)</sup>**  
**+6%**  
Net Mg: 2.2%



(1) Excluding pre-operating expenses in both periods and fiscal credits from 2021

# STRONG EXECUTION CAPACITY LED TO GUIDANCE REVISION

58 stores expected for 2022: 45 conversions and 13 organic stores





# HIGHER-THAN EXPECTED SALES PERFORMANCE OF CONVERTED STORES

Conclusion of 14 conversions in 3Q22 added 80 thousand sqm to sales area

## HYPERMARKET CONVERSIONS

**Ceilândia (DF) – 3Q22**



**Campina Grande (PB) – 3Q22**



**Araraquara (SP) – 3Q22**



**Guaianases (SP) – 3Q22**



**Palmas (TO) – 3Q22**



**Anhanguera (SP) – 3Q22**



**Jóquei (CE) – 3Q22**





# STRONG CUSTOMER ATTRACTION: SUCCESSFUL BUSINESS MODEL AND BRAND PRESENCE IN PRIME LOCATIONS



Fast maturation reinforces expectations for sales and EBITDA margin

## HYPERMARKET CONVERSIONS

Taguatinga (DF) – 3Q22



Freguesia do Ó (SP) – 3Q22



São Gonçalo (RJ) – 3Q22



Vasco da Gama (BA) – 3Q22



Itatiba (SP) – 3Q22



Taboão da Serra (SP) – 3Q22



Interlagos (SP) – 3Q22





# ORGANIC EXPANSION ADVANCES: 13 STORES EXPECTED FOR 2022

Openings of 9 stores in 7 states throughout the 9M22

## ORGANIC EXPANSION



Cabula (BA) – 3Q22



Ribeirão Preto (SP) – 2Q22



Petrolina (PE) – 1Q22



Betim (MG) – 2Q22



Barris (BA) – 2Q22



Ns. Sra. do Socorro (SE) – 1Q22



Teixeira de Freitas (BA) – 2Q22



Belém (PA) – 1Q22



Porto Velho (RO) – 1Q22



# CONTINUOUS EXPANSION SUPPORTS GROWTH WITH CONSISTENT PROFITABILITY

Expansion of national footprint with advance in conversions and organic expansion

## OCTOBER 2022



Alto da XV (PR)



Carioca (RJ)



Mogilar (SP)



Raposo Tavares (SP)



Brasília Sul (DF)



Mister Hull (CE)

## FAST EXPANSION PROGRESS

Dec.22

Organic: 13 stores

Conversions: 45 stores



1H23

Conversions

conclusion: ~25 stores

Dec.23

~10 organic stores



PRIME AND STRATEGIC LOCATIONS ENHANCE PROFITABILITY



CONVERSIONS WITH ACCELERATED MATURATION + ADVANCES ON ORGANIC EXPANSION = REVENUES OF R\$ 100 BI IN 2024

# CONTINUOUS EVOLUTION IN LINE WITH ESG PRINCIPLES

Consistent growth with continuous job creation: +18 thousand jobs created



## TACKLING CLIMATE CHANGE

*to improve the environmental management of the business model*



## INTEGRATED MANAGEMENT AND TRANSPARENCY

*to consolidate social, environmental and governance practices from ethical and transparent relations with our stakeholders*



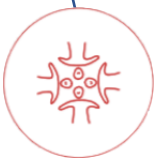
## TRANSFORMATION IN THE VALUE CHAIN

*to co-build value chains committed to the environment and people*



## ENGAGING WITH SOCIETY

*to be a mobilizing agent, promoting inclusive and fair opportunities*



## VALUING OUR PEOPLE

*to be a reference in promoting diversity, inclusion and sustainability through the Company's employees*



## Launch of Assaí Institute

**Acting on 3 fronts: Entrepreneurship, Sports and Food**

## 3Q22 Highlights

### Academia Assaí Bons Negócios

### Entrepreneurs Award 2022

1.500 awarded

30K participants:  
↑ +82% vs. 2021

### Fighting Hunger

**"Pact for the Starving 15%"**

Increase in food donations

↑ 39% (vs. 2021)

## Reduction of carbon emissions

↓ 27%

↓ 16% scope 1<sup>(1)</sup>

↓ 65% scope 2<sup>(2)</sup>

(vs. same period of 2021)

**Target:  
↓ 38%  
by 2030**



(1) Emissions coming from the company

(2) Emissions coming from electricity consumption





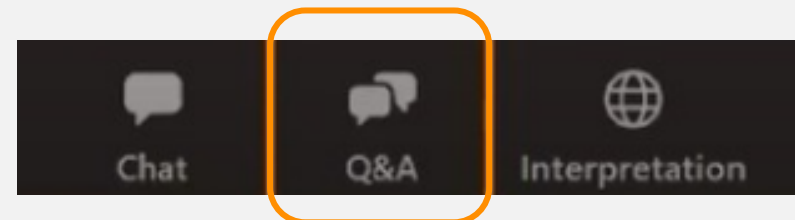
## Q&A

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

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

*If announced, a request to activate your microphone will show up on your screen, then, you should enable your audio to ask your question.*

*We kindly ask you to make all questions at once.*





# THANK YOU

Investor Relations team

[ri.assai@assai.com.br](mailto:ri.assai@assai.com.br)

[ri.assai.com.br](http://ri.assai.com.br)

