



# ASSAÍ

# ATACADISTA

**EARNINGS RELEASE**

**4<sup>th</sup> QUARTER 2022**

February 16<sup>th</sup>, 2023

# SOLID OPERATIONAL PERFORMANCE WITH RESULTS ABOVE EXPECTATIONS

Higher-than-expected profitability and significant market share gains

**RECORD EXPANSION: 60 new stores in 2022**

*(above initial guidance of 52 stores)*

*263 stores in operation  
+36% of sales areas*

**R\$ 4.5 bi**  
Investments

**16 thousand**  
Jobs  
Created



**Conversion**  
Santos (SP)



**GROSS SALES: ~R\$ 60 billion in 2022**

*Robust growth: +31%*

*Strong performance of converted stores and solid SSS*



**ADJUSTED EBITDA: ~R\$ 4 bi in 2022**

*Successful commercial strategy*

*Operational leverage*

*Great performance of conversions*

Margin of  
**7.2%**

*Above  
expectations*



**NET INCOME: R\$ 1.2 bi in 2022**

*Solid level even facing a robust expansion and higher interest rates*



**CASH GENERATION: R\$ 4.2 bi in 2022**

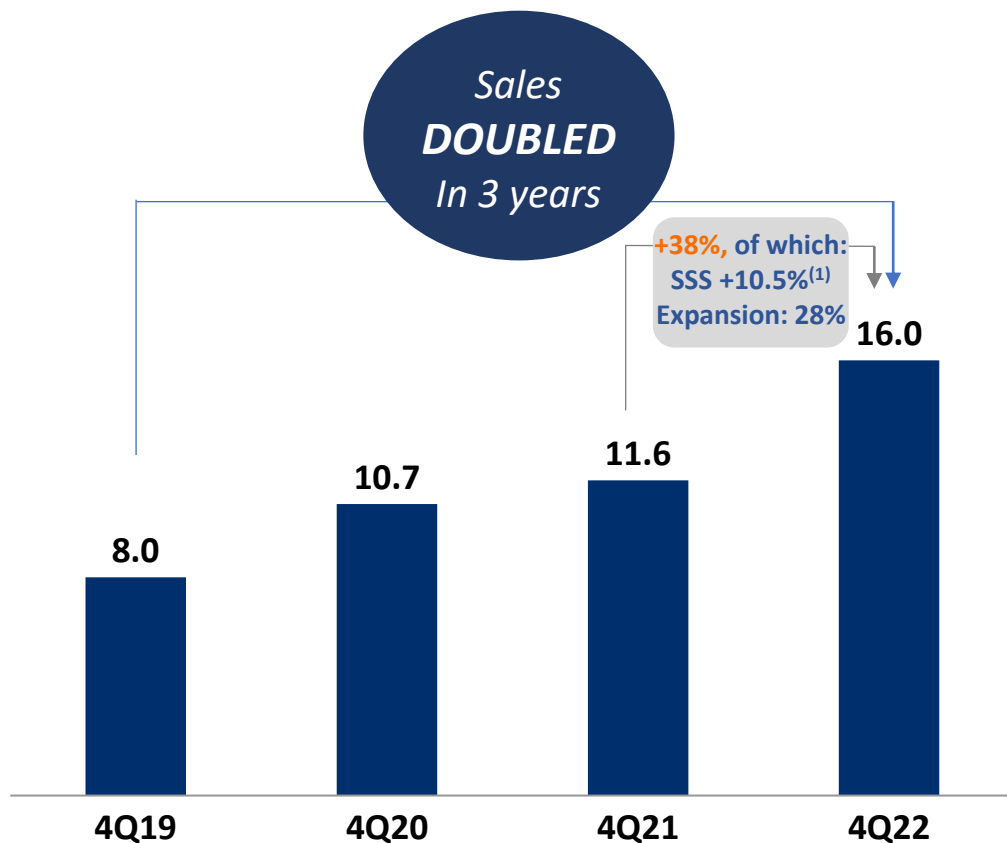
*Company's strong growth and efficient working capital management*

# ROBUST SALES GROWTH

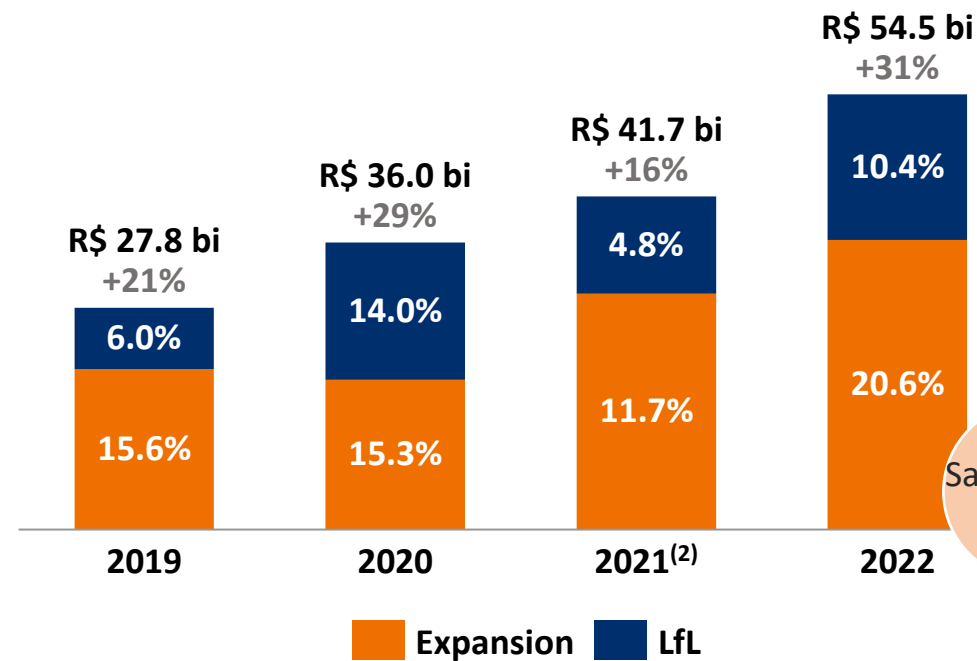
Great contribution of expansion, strong performance of existing stores and market share gains

## Net Sales

(R\$ billion)



*Conversions Sales Uplift:*  
**2x – 2.5x**



(1) Excluding calendar effect of -0,3%

(2) Excluding fiscal credits

(3) Gross Sales

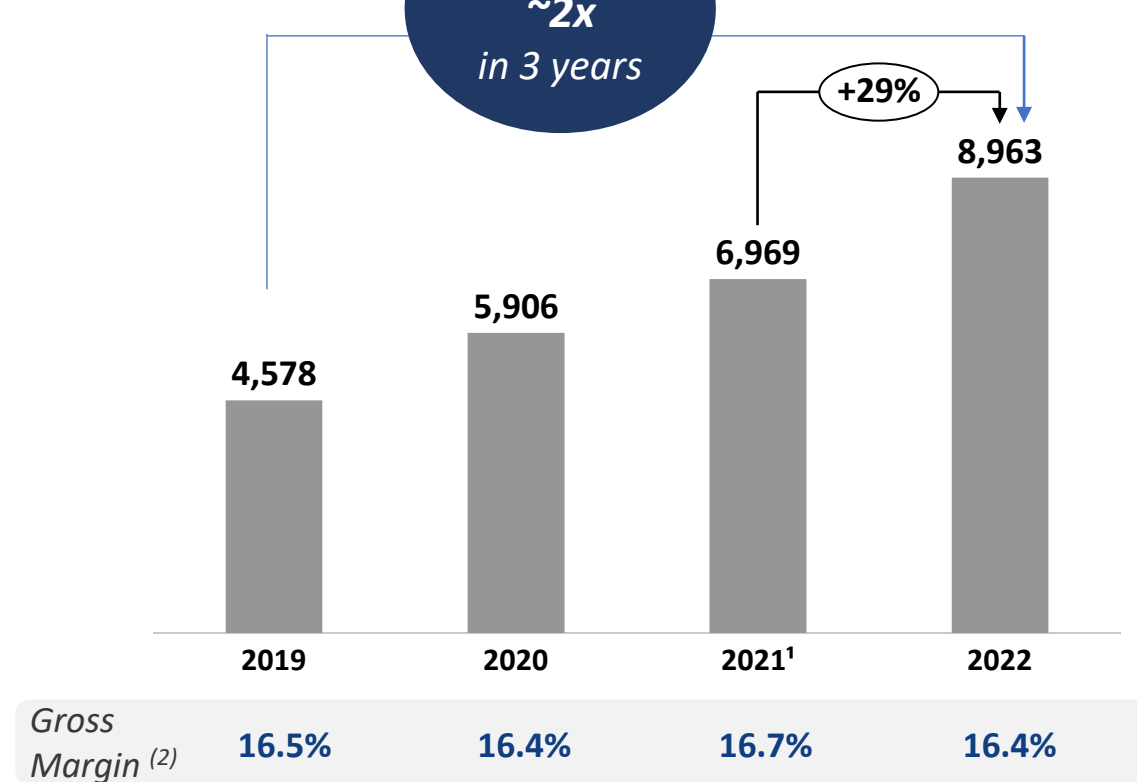
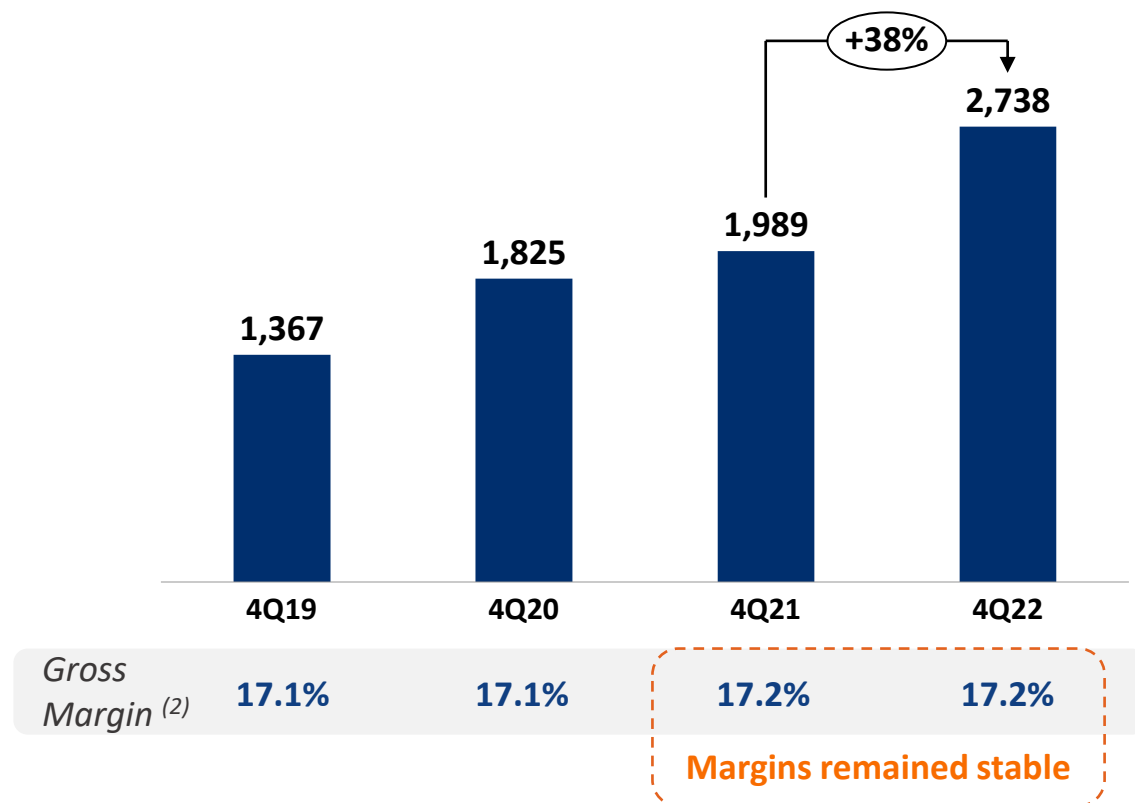
# STRONG MARKET SHARE GAINS WITH MARGINS IN LINE WITH COMPETITIVENESS

Successful commercial strategy and solid initial performance of newly converted stores boosted results

## Gross Profit

(R\$ Million)

Gross Profit  
~2x  
in 3 years

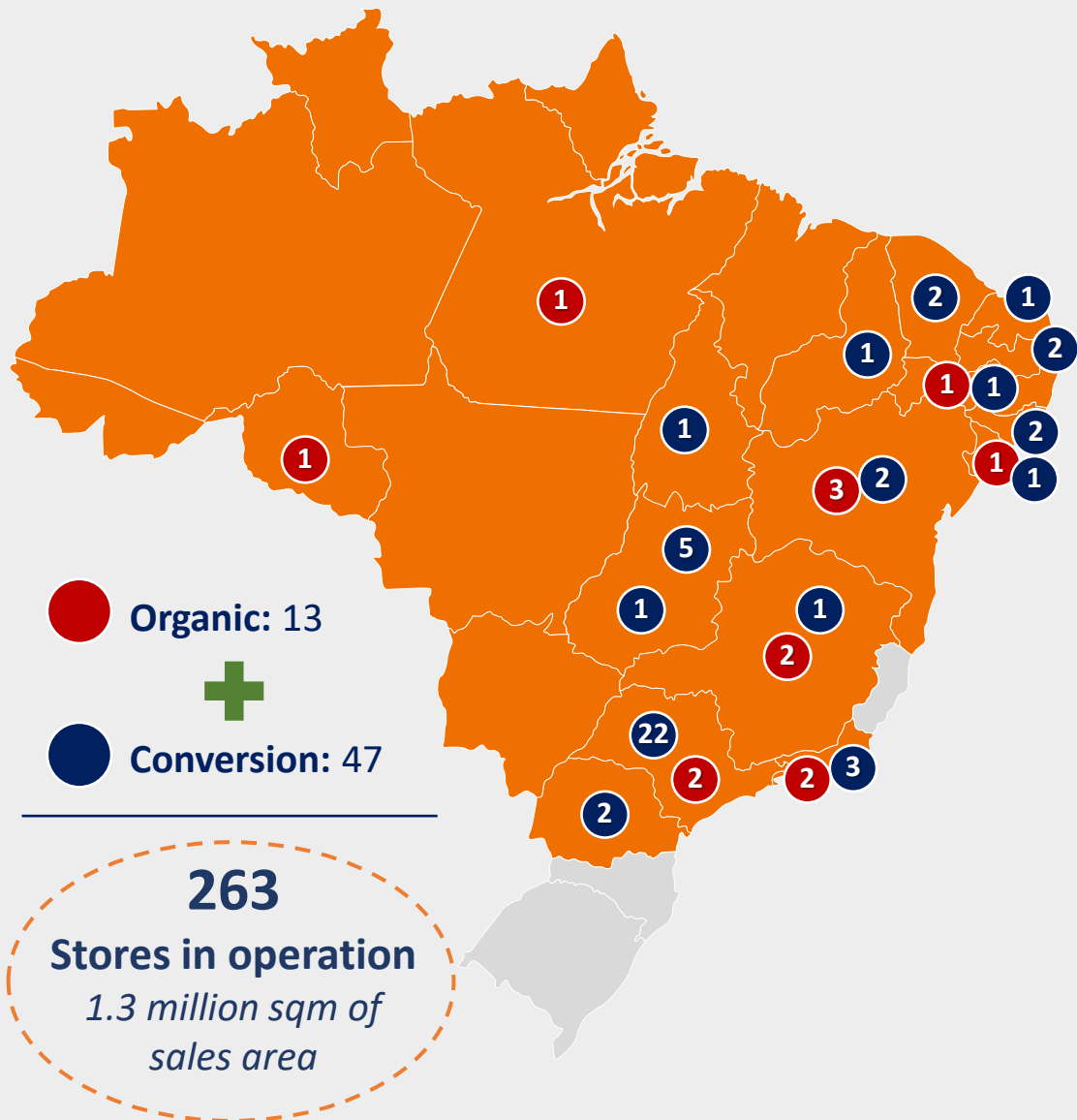


<sup>(1)</sup> % Excluding fiscal credits

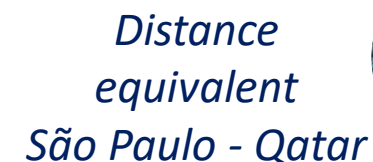
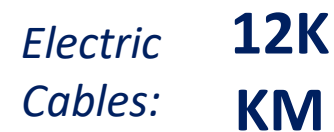
<sup>(2)</sup> % Net Sales

# SURPASSED GUIDANCE ATTESTS TO COMPANY'S STRONG EXECUTION CAPACITY

60 news stores in 2022, an expansion record in the national retail and wholesale distribution segment



## + 1 million sqm of built-up area:



## +30 thousand parking spaces:

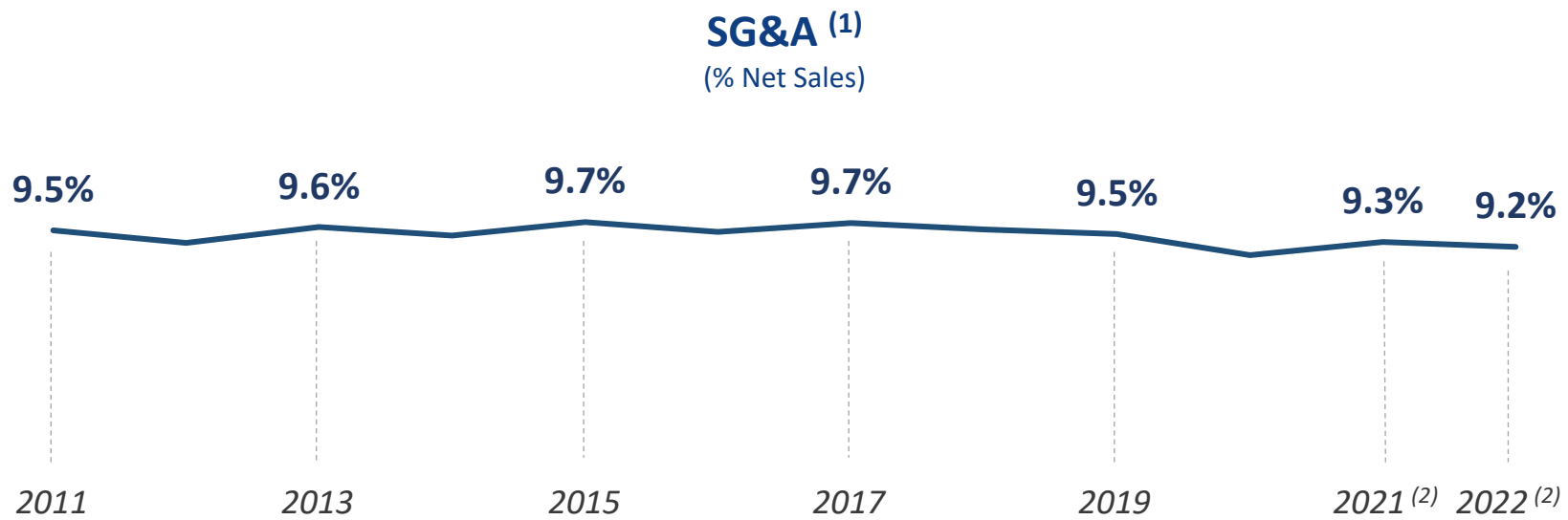
**3x**

# Magic Kingdom parking spaces  
(Orlando, FL, EUA)



# ASSAÍ STORES MODEL EVOLUTION WITH LOW COST

Innovation and enhancements to the customers shopping experience, with strict expenses control



## Modern Equipments



## Services Implementation



Butchery



Cold Cuts Emporium

## Assortment Adaptation



Wine Cellar



Automotive Products

(1) Post-IFRS16

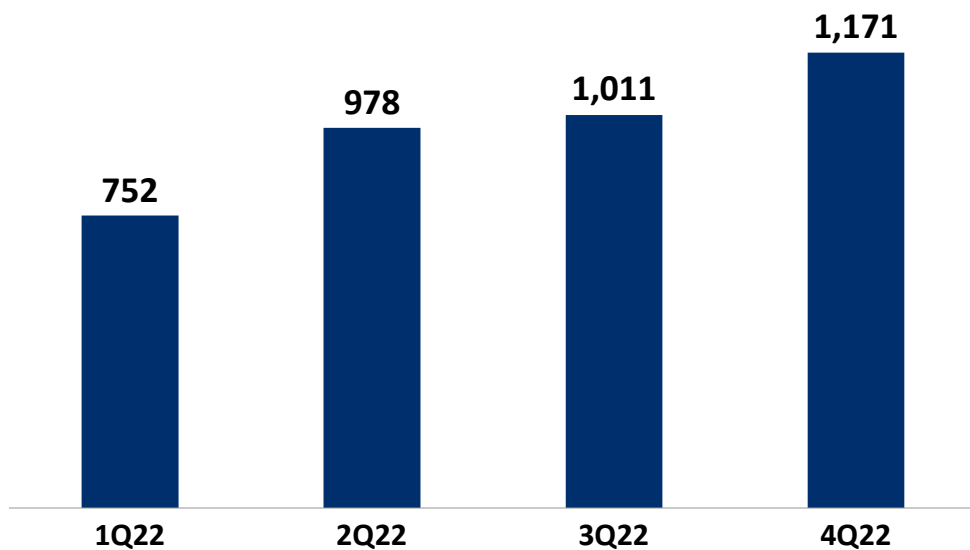
(2) Excluding pre-operating expenses

# SURPRISING PROFITABILITY DURING HISTORICAL EXPANSION

Operational leverage and resilient stores portfolio, with fast maturation, led to margins above expectations

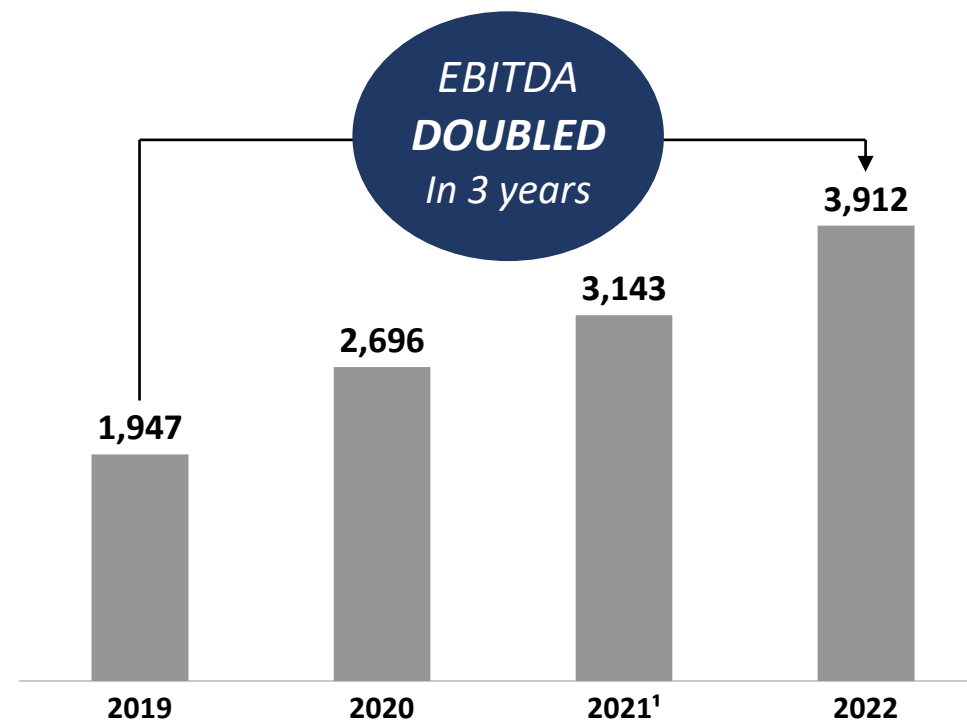
## Adjusted EBITDA

(R\$ Million)



Quarter	EBITDA Margin <sup>(2)</sup>
1Q22	6.6%
2Q22	7.4%
3Q22	7.3%
4Q22	7.3%

**Consistent results even facing a historical expansion: 56 stores in the period, of which 47 conversions**



Year	EBITDA Margin <sup>(2)</sup>
2019	7.0%
2020	7.5%
2021 <sup>1</sup>	7.5%
2022	7.2%

**0.2 p.p. above expectations Similar to 2021 when excluding conversion expenses**

<sup>(1)</sup> % Excluding fiscal credits

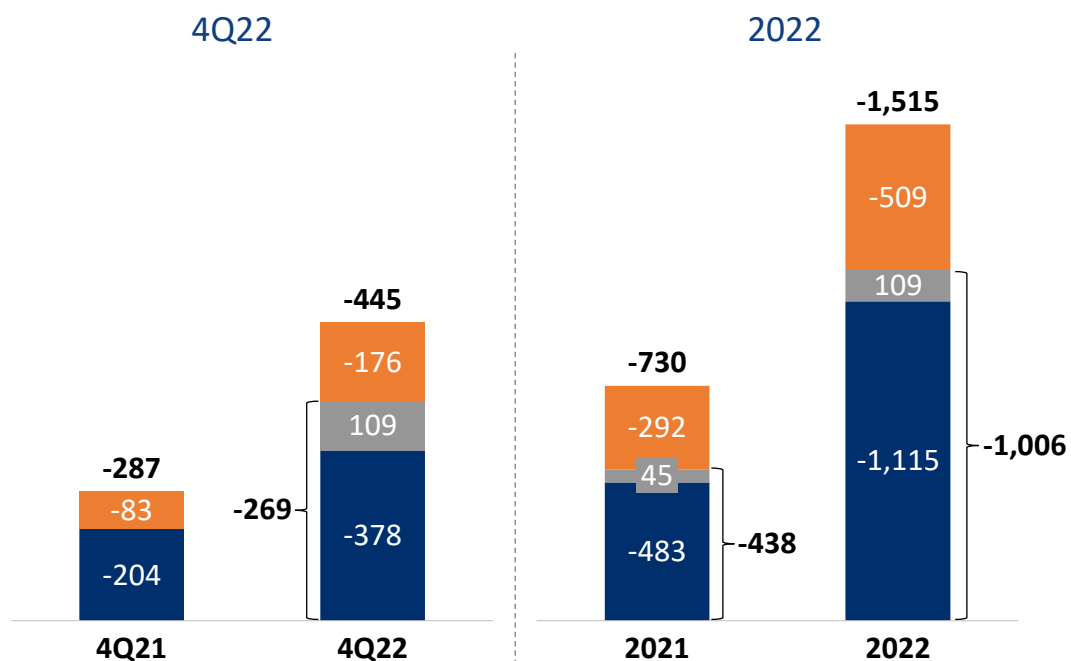
<sup>(2)</sup> % Net Sales

# RECORD CASH GENERATION BOOSTED BY COMPANY'S EXPANSION AND EFFICIENT WORKING CAPITAL MANAGEMENT: +R\$ 1.8 BILLION vs. 2021

Financial Result impacted by high interest rates, with CDI ~2x higher than 2021

## Financial Result

(R\$ million)



Fin. Result. Pre-IFRS16 <sup>(1)</sup>

Period	4Q21	4Q22	2021	2022
Result	-1.8%	-1.7%	-1.0%	-1.8%

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

## Cash Generation

	Net Debt <sup>(2)</sup>	ND/EBITDA <sup>(3)</sup>
4Q21	-R\$ 5.4 bi	-1.91x
<b>Cash Generation</b>	<b>+R\$ 4.2 bi</b>	
Investments	-R\$ 3.3 bi	
Extra Stores Payment	-R\$ 0.3 bi	
Financial Expenses	-R\$ 1.5 bi	
4Q22	-R\$ 6.3 bi	-2.19x

(1) % Net sales

(2) Incl. Credit Cards Receivable not discounted

(3) Adjusted EBITDA Pre-IFRS 16.



# SOLID NET INCOME CONFIRMS BUSINESS MODEL RESILIENCE

Consistent net income even facing a historic expansion and higher interest rates

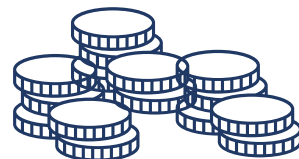
4Q22



**R\$ 406 Million**  
*Net Margin: 2.5%*



2022



**R\$ 1.2 Billion**  
*Net Margin: 2.2%*



Conversion  
Jóquei (CE)



## STRONG OPERATIONAL LEVERAGE

- Fast maturation of new stores
- Successful commercial strategy
- Expenses Control



## IMPACTS ON RESULTS

- Implementation of the hypermarket conversion project
- Rise in interest rate



Conversion  
Raposo  
Tavares (SP)

# COMPANY'S GROWTH ACCOMPANIED BY STRONG ADVANCES IN ESG

Entry into important market indices confirms the success of ESG strategy



## TACKLING CLIMATE CHANGE



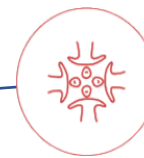
## INTEGRATED MANAGEMENT AND TRANSPARENCY



## TRANSFORMATION IN THE VALUE CHAIN



## ENGAGING WITH SOCIETY



## VALUING OUR PEOPLE



Inclusion of Assaí in **ISE B3**, **ICO2 B3** and **IGPTW B3** and improvement in **CDP** evaluation



Christmas campaign "Food we Share" raised **378 tons of food** (+31% vs.2021)



**+44%** of fresh produce donated through "Destino Certo" program (vs. 2021)

**-12%** in scope 1 and 2 emissions (vs. 2021)



**+45%** of blacks in executive positions (vs. 2021)



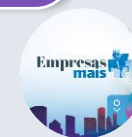
## OTHER ACCOMPLISHMENTS



Among 10 Best Retail Companies in the 'Giant' Category



*Melhores de São Paulo Award Folha de S.Paulo*  
Best C&C in SP



*Estadão Empresas Mais*  
1<sup>st</sup> place in the Sustainability and Governance rankings in the Cash & Carry category.

# 2023: CONTINUITY OF EXPANSION, CONVERSIONS MATURATION AND DELEVERAGING PROCESS



Opening of around 40 stores and continuous cash generation



## Maintenance of Investments

*19 conversions and  
~20 organic stores*



*Fast maturation of  
converted stores contributes  
to cash generation and  
deleverage*

*Net Debt/EBITDA  
~2x in 2023  
~1.5x in 2024*



*Continuous improvements in  
Governance*

**Organic**  
*Marginal*  
*Tietê (SP)*





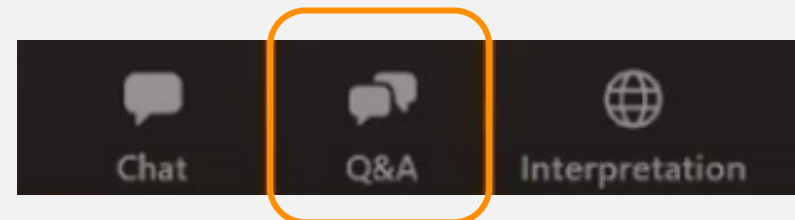
## Q&A

*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

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