

A photograph of the exterior of an Assai Atacadista store. The building has a blue corrugated metal roof. A large, 3D sign for 'ASSAI' is mounted on the roof, featuring a red and orange gradient background with a stylized sun or wave graphic above the letters. Below the 'ASSAI' sign, the word 'ATACADISTA' is written in large, white, 3D letters on the blue roof. The sky is blue with some white clouds. The image is partially obscured by a white wavy pattern on the left side.

EARNINGS RELEASE

FOURTH QUARTER 2021

February 22nd, 2022

SOLID OPERATIONAL AND FINANCIAL PERFORMANCE



Historic expansion, market share gains in the year, consistent EBITDA margin and progress on digital initiatives

4T21

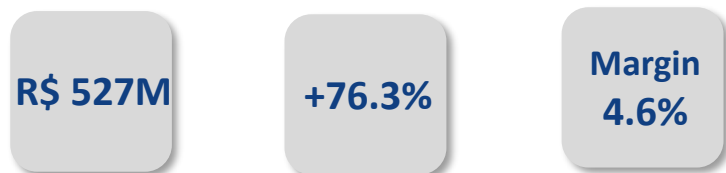
- Record gross sales: R\$ 12.6 bi
- Net sales **expansion** despite the strong comparison basis:



- Sequential gains of Adj. EBITDA margin



- Robust net income⁽¹⁾ growth and margin improvement of +1.8p.p



2021

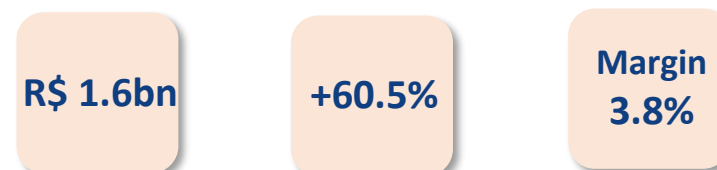
- Net sales **double-digit growth**: +16.5% | +50.7% in 2 years



- Adj. EBITDA margin **increase**: +0.4p.p.



- Strong net income⁽¹⁾ increase and margin gains of +1.0p.p



Record expansion in 2021
28 stores

Progress on digital initiatives



(1) Includes tax credits net of income tax of R\$241M in 4Q21 and R\$470M in FY21

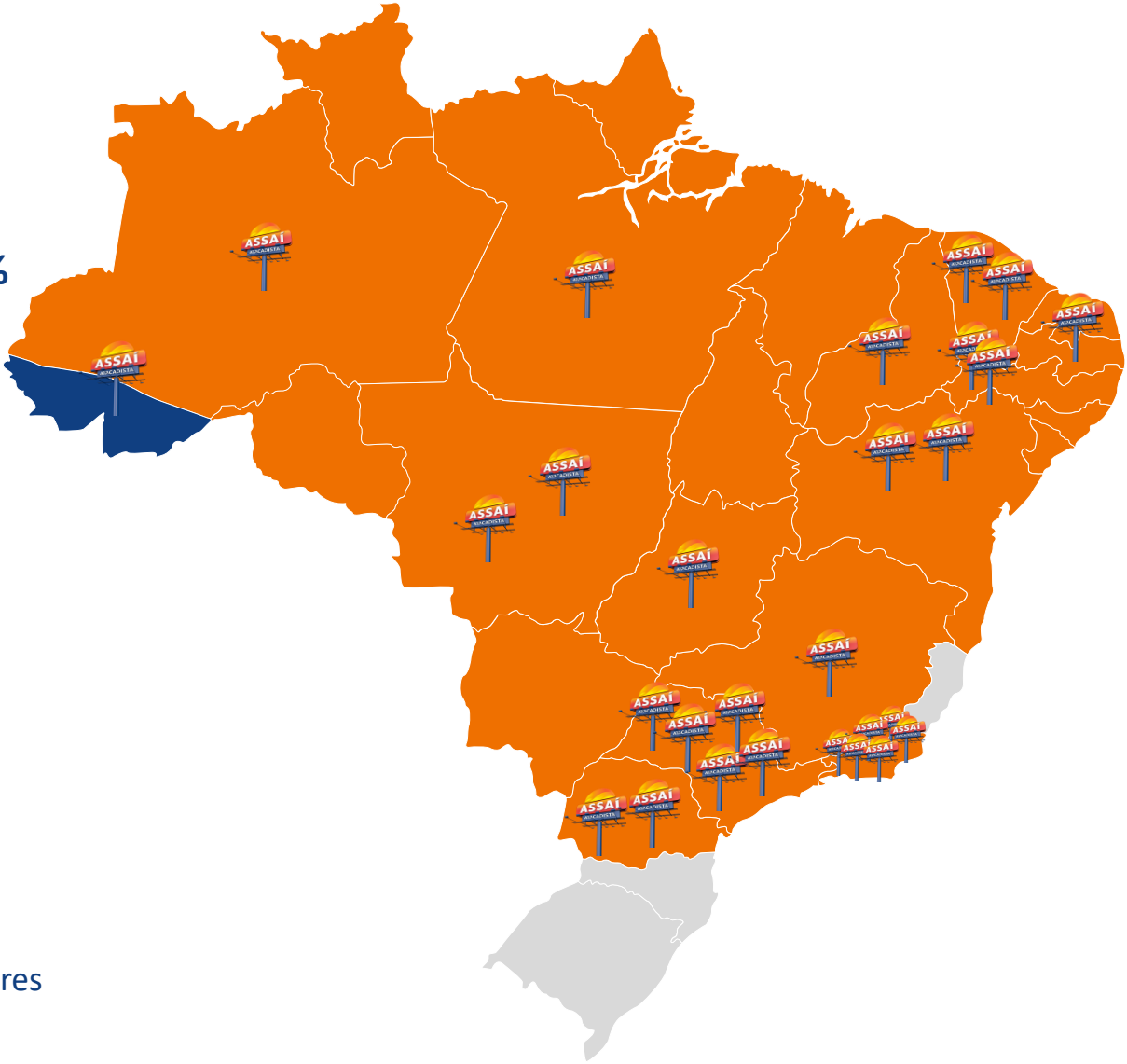
HISTORICAL EXPANSION IN 2021

24 organic stores and 4 conversions: entry into Acre and concept store at Barra da Tijuca (RJ)



 **28** new stores
212 in operation

 Sales area
964k sqm, +19%




14
stores
in North,
Northeast and
Midwest


14
stores
in South and
Southeast, 6 in
Rio de Janeiro



Barra da Tijuca (RJ)

 Openings in 2021

 States with Assaí stores

 New state

EXPANDING NATIONAL FOOTPRINT

Openings in 14 states, in all Brazilian regions



Extra
Conversion

Tancredo Neves (SP) – 08/Apr



Extra
Conversion

Cuiabá (MT) – 13/May



Caldas Novas (GO) – 30/Jun



Manaus (AM) – 24/Aug



São João do Meriti (RJ) - 31/Aug



Teresina (PI) – 28/Sep



Cabedelo (PB) – 30/Sep



Fortaleza (CE) – 08/Oct



Santo André (SP) – 19/Oct



Rondonópolis (MT) – 22/Oct



Fortaleza Kennedy (CE) – 29/Oct



Santa Bárbara D'Oeste (SP) - 09/Nov



Macaé (RJ) – 19/Nov



Belém (PA) – 26/Nov

TOP-NOTCH EXECUTION CAPACITY

14 openings in the last 30 days of 2021



Cabo de Santo Agostinho (PE) – 30/Nov



Curitiba (PR) – 02/Dec

200th
store



Feira de Santana (BA) – 03/Dec



Rio Branco (AC) – 09/Dec

New
State



Tijuca (RJ) – 10/Dec

Extra
Conversion



Piracicaba (SP) – 15/Dec



Itapevi (SP) – 16/Dec



Barra da Tijuca (RJ) - 17/Dec

Concept
Store
Extra
Conversion



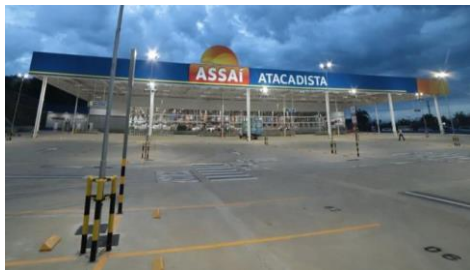
Barreiras (BA) – 18/Dec



Recife (PE) – 21/Dec



São Gonçalo (RJ) – 22/Dec



Sete Lagoas (MG) – 23/Dec



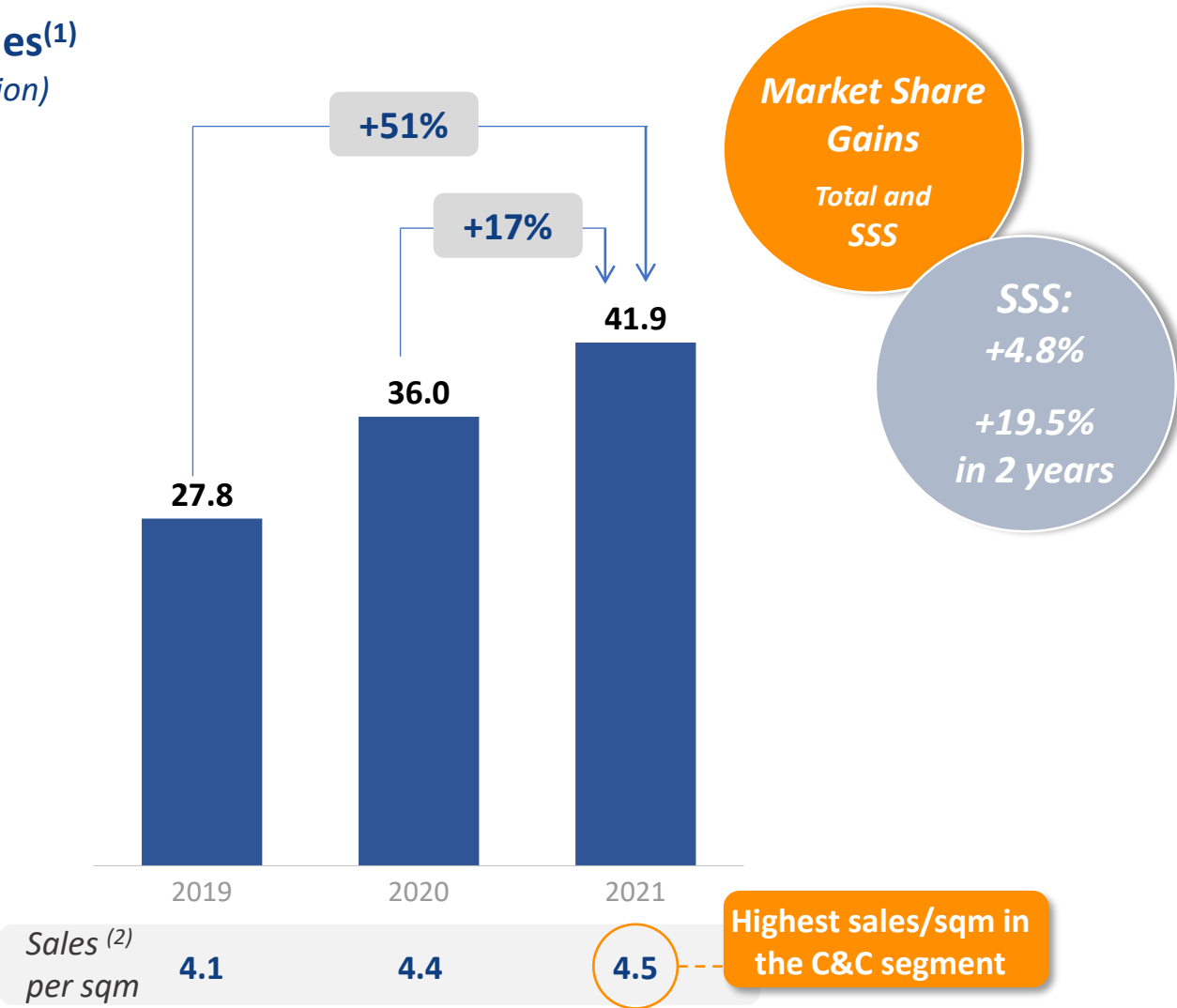
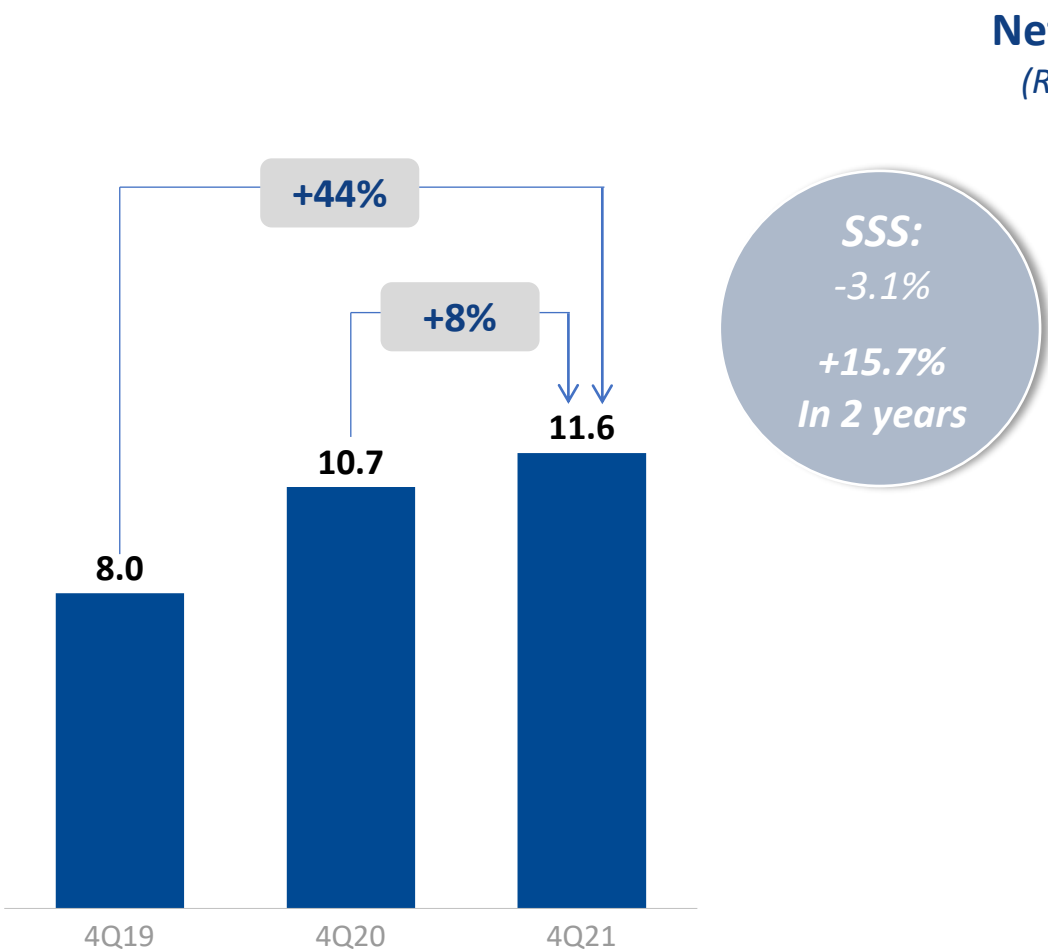
Maringá (PR) – 23/Dec



Tribobó (RJ) – 29/Dec

PROVEN ADHERENCE TO THE BUSINESS MODEL

Market share gains and the highest sales/sqm in the cash and carry segment



(1) Includes tax credits concerning ICMS exclusion from PIS/COFINS calculation base of R\$175M in 2021.

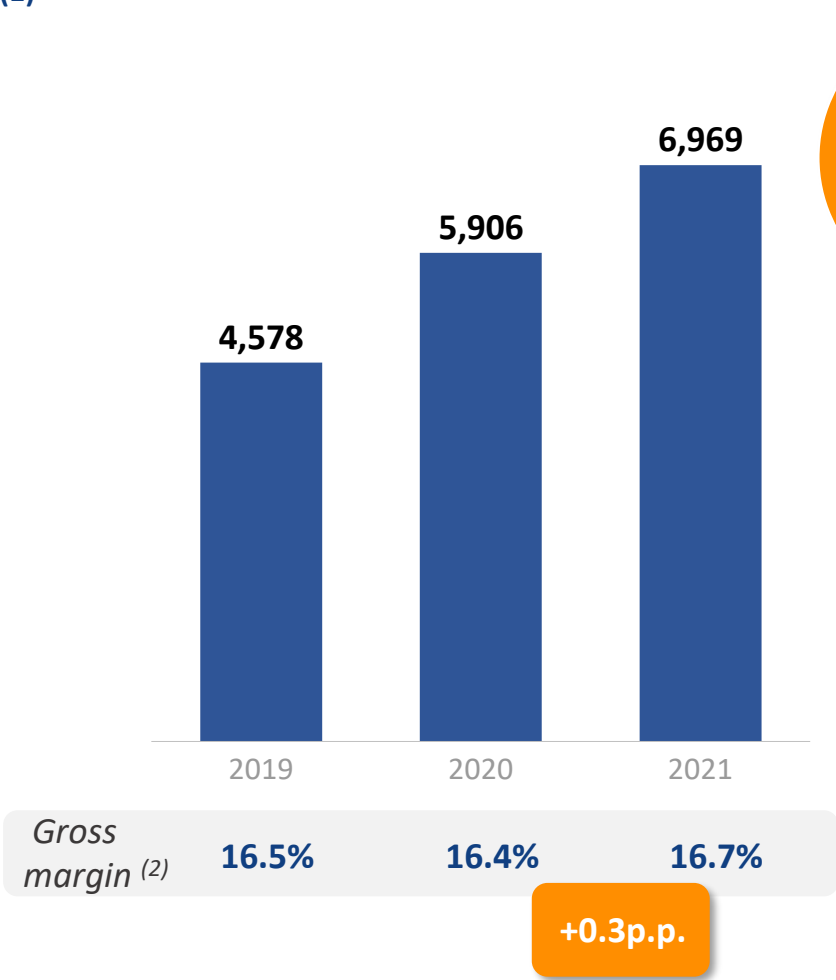
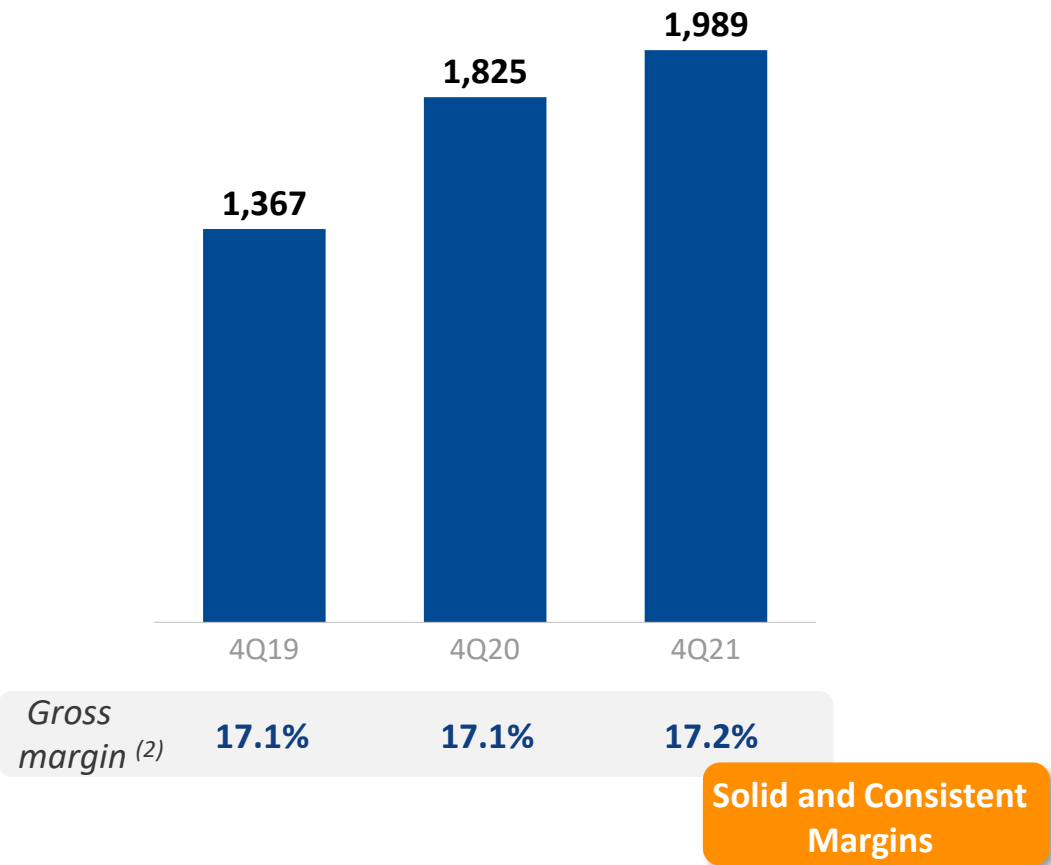
(2) Gross Sales

CONSISTENT MARGINS

Agility and effectiveness of the commercial strategy, in addition to the rapid maturation of the new stores



Gross Profit⁽¹⁾
(R\$ million)



Adequate levels of competitiveness

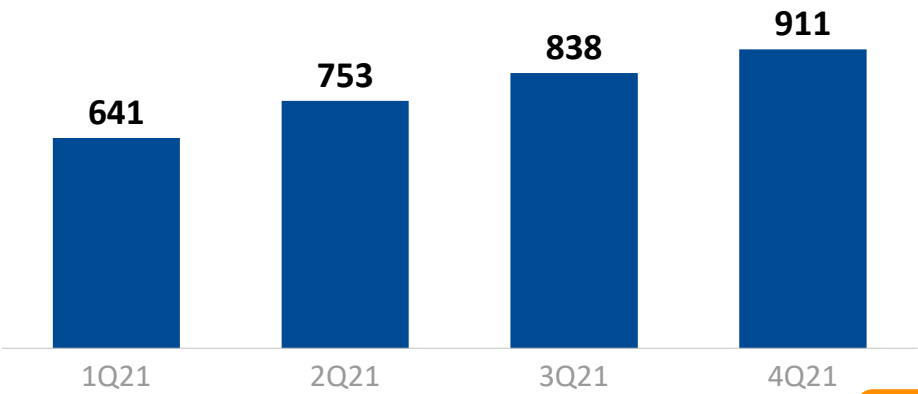
(1) Excludes tax credits concerning ICMS exclusion from PIS/COFINS calculation base of R\$175M in 2021.
(2) % Net Sales

OPERATIONAL EXCELENCIA

Solid and high level of EBITDA margin despite the stronger acceleration of expansion

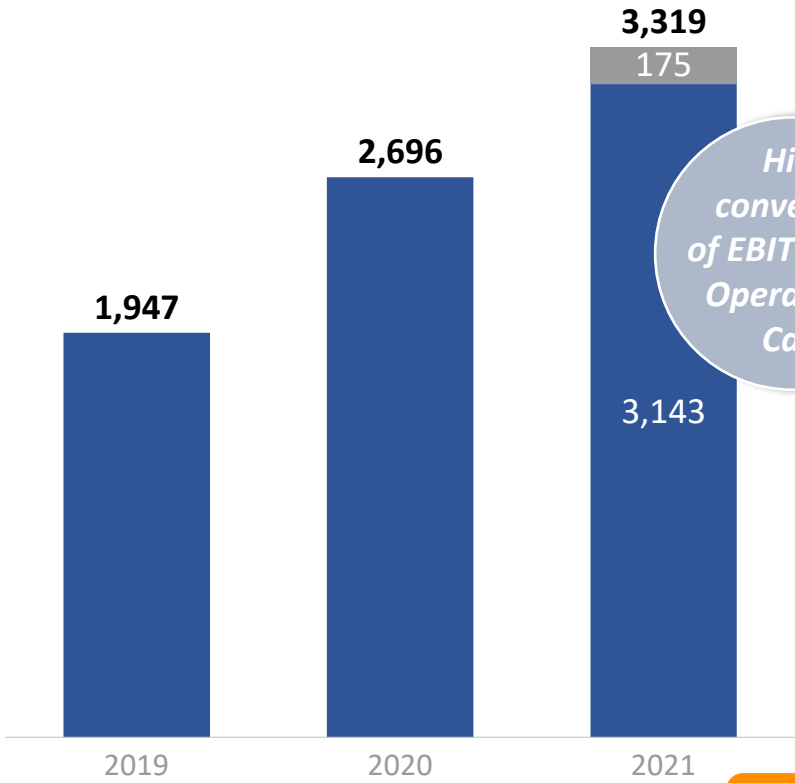


Adjusted EBITDA
(R\$ mn)



Adj. EBITDA Margin ⁽¹⁾	6.8%	7.5%	7.8%	7.9%
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Sequential gains



Adj. EBITDA Margin ⁽¹⁾	7.0%	7.5%	7.5%
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Consistent Level

High conversion of EBITDA into Operational Cash

(1) % Net Sales



REFINANCING PROCESS CONCLUSION

Debt cost reduction and average term lengthening

Refinancing plan⁽¹⁾ and new issues

Issue	Amount R\$ billion	Cost of Coupon	Issue Date
2 nd Debentures Issue	1.6	CDI + 1.80%	Jun-21
Promissory Notes	2.5	CDI + 1.50%	Sep-21
Certificate of Real Estate Receivables (CRI)	1.5	CDI + 0.86%	Oct-21
4 th Debentures Issue	2.0	CDI + 1.75%	Jan-22
1 st Issue of Book-Entry Commercial Notes	0.75	CDI + 1.70%	Feb-22
Total	8.35		

- Refinancing of **R\$ 5.6bn** in the year
 - **Cost of debt** reduces by around 1 p.p. (CDI + 1.5%)
 - **Average debt term** increases from 1.9 to 4.2 years
- New issues totalling **R\$ 2.75bn**

	Net Debt Including Credit Card Receivables	ND/Adj. EBITDA Pré-IFRS16
2020	R\$ 4.2 bi	-1.76x
Cash Generation	+R\$ 2.9 bi	
Extra stores payment	-R\$ 1.0 bi	
Investment	-R\$ 1.9 bi	
Financial Expenses	-R\$ 0.6 bi	
Taxes	-R\$ 0.4 bi	
Dividends	-R\$ 0.1 bi	
2021	R\$ 5.3 bi	-1.91x

⁽¹⁾ Related to first debentures issue.

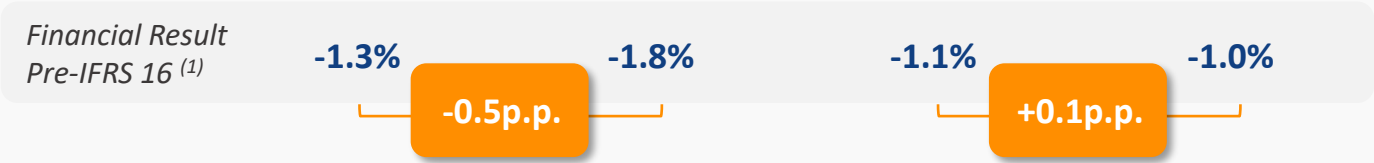
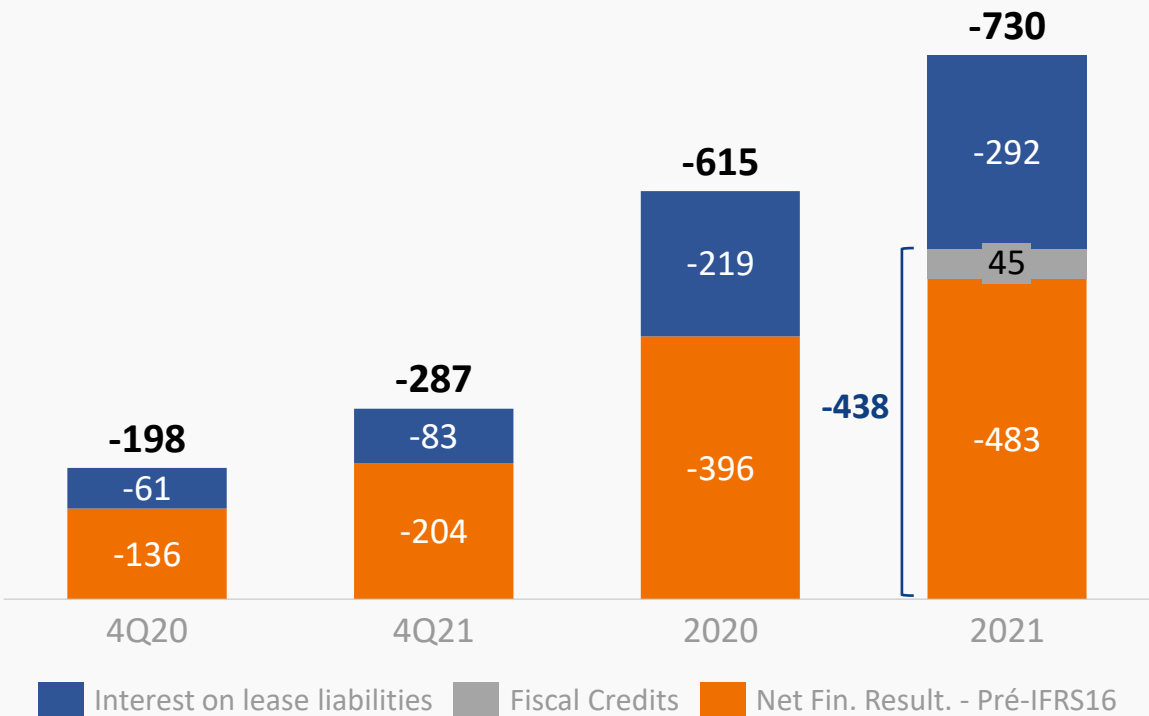
FINANCIAL EXPENSES

Debt refinancing reducing the spread, mitigating the CDI increase in the period



Financial Result

(R\$ million)



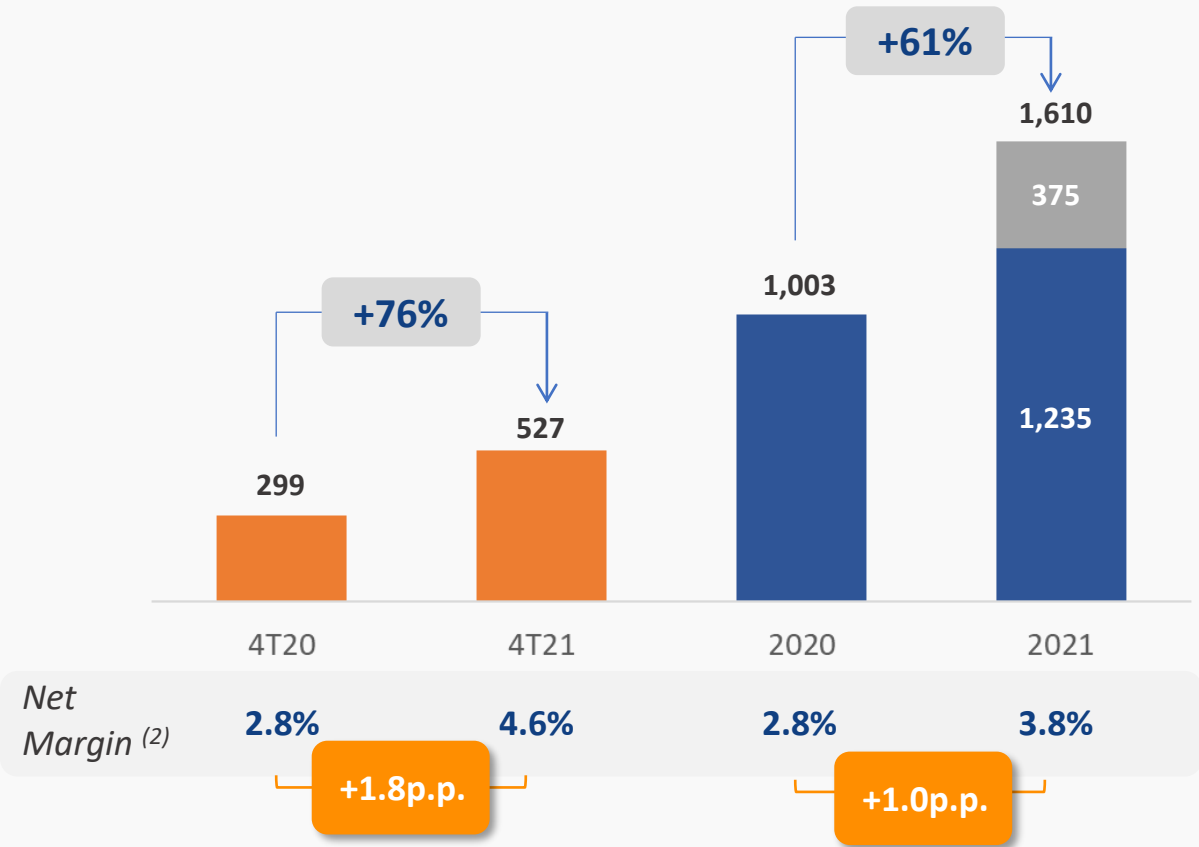
(1) % Net Sales

STRONG NET INCOME INCREASE

Attesting the operational and financial efficiency of the Company



Net Income⁽¹⁾
(R\$ million)



■ Extemporaneous Tax Credits



(1) Includes tax credits net of income tax of R\$241million in 4Q21 and R\$470million in 2021

(2) % Net Sales

ESG AS A PRINCIPLE

Progress in valuing Our People, caring for the environment and society



Combating
Climate Change

Carbon
emissions
reduction
-8.2%

Renewable sources
energy of total
consumption
92%

Stores in
Free Energy
Market
194



Valuing
our *People*

Generated
Jobs
11
thousand

Black or brown people in
workforce
65%
of total
45%
in leadership
positions
+4p.p.

Women in leadership
positions
26%
+3p.p.

Employees with
Disabilities
5.4%
of total

*Above
percentage
required
by law*



Engaging
with Society

Food Donations
1,300
tons
+27%

Assaí Bons
Negócios Academy
9,000
certificates
+4x

Creation of new
social entity
**Assaí
Institute**



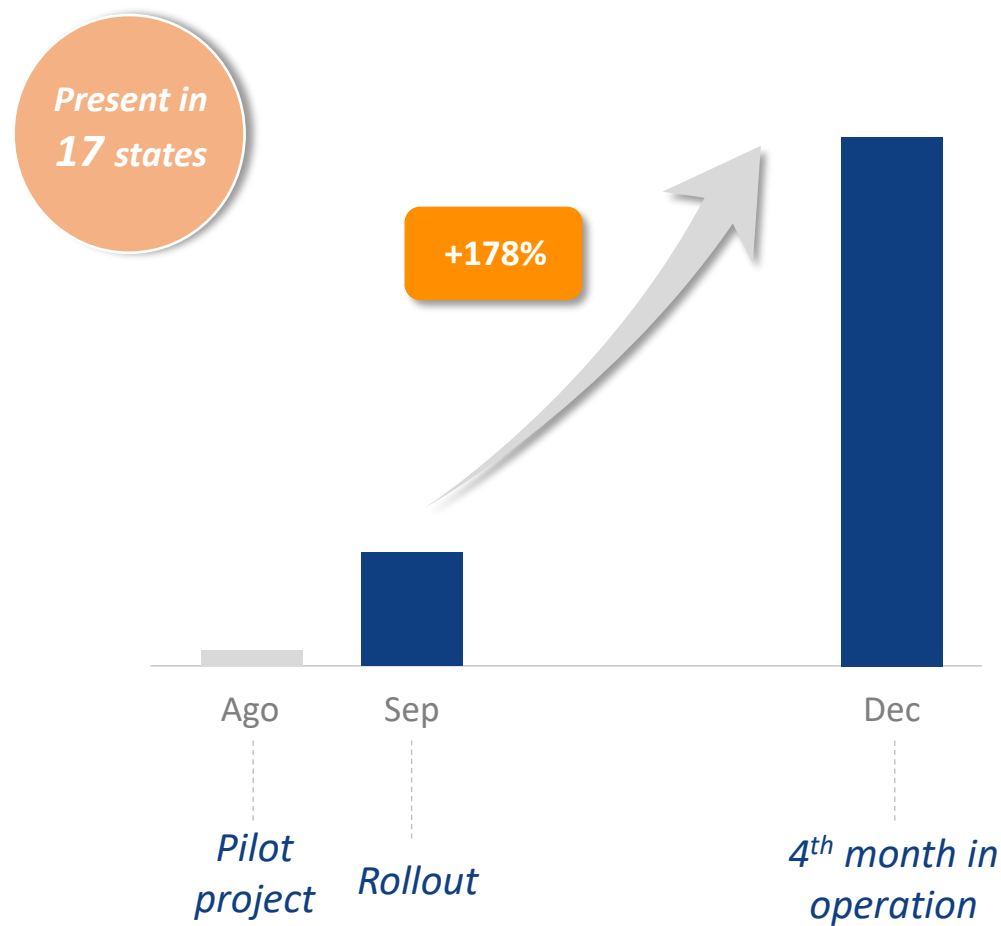
Variations on prior-year period, except where stated otherwise.

DIGITAL INITIATIVES EVOLUTION

Cornershop by Uber accelerated sales growth and new partnership with Rappi



RAPID GROWTH OF CORNERSHOP SALES



NEW PARTNERSHIP WITH RAPPI

- Beginning of project in **feb/22**
- +20** cities
- +50** stores
- Possibility of **scheduled** delivery

More convenience to customers

Expanding access to new consumers



EXPANSION ACCELERATION FOR 2022

Opening of ~50 stores via Extra Hiper conversions and new organic stores



HYPERMARKET STORES CONVERSION

HIGH CONVERSIONS POTENTIAL

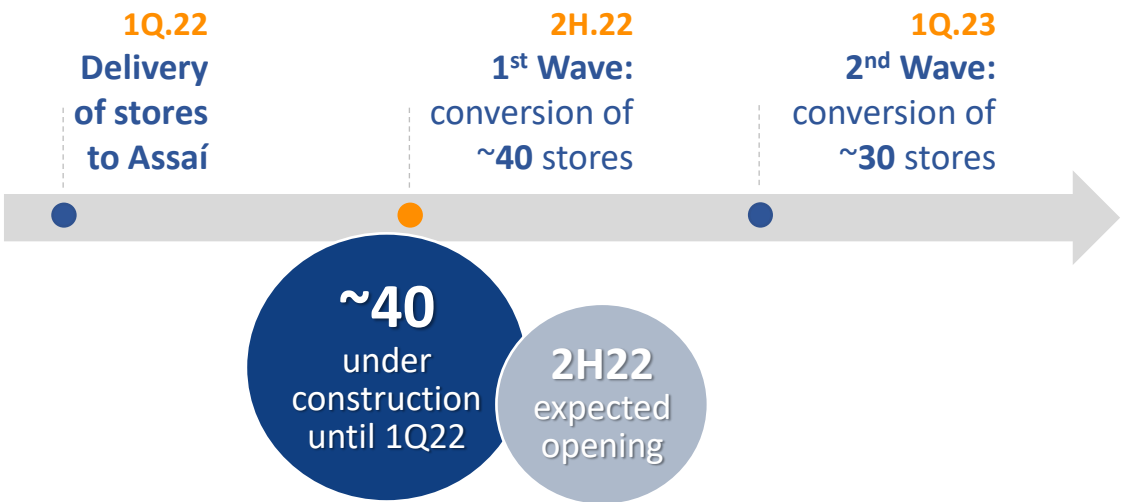
PRIME LOCATIONS

- 16 capitals
- Protected
- Mature
- Densely populated
- Close to customers (B2B and B2C)

SALES AND EBITDA MARGIN UPLIFT

- Conversions until 2020:
- **Gross sales 3x** higher than Extra
 - Adj. EBITDA mg. higher than Assaí's average **in more than 150bps**

SCHEDULE:



ORGANIC EXPANSION



Porto Velho (RO)

1st organic store
opened in 2022

+9 stores
under construction

1H22
expected opening

ONGOING PATH OF EXPANSION WITH PROFITABILITY

Aiming to reach revenues of R\$ 100 billion in 2024, with more than 300 stores in operation



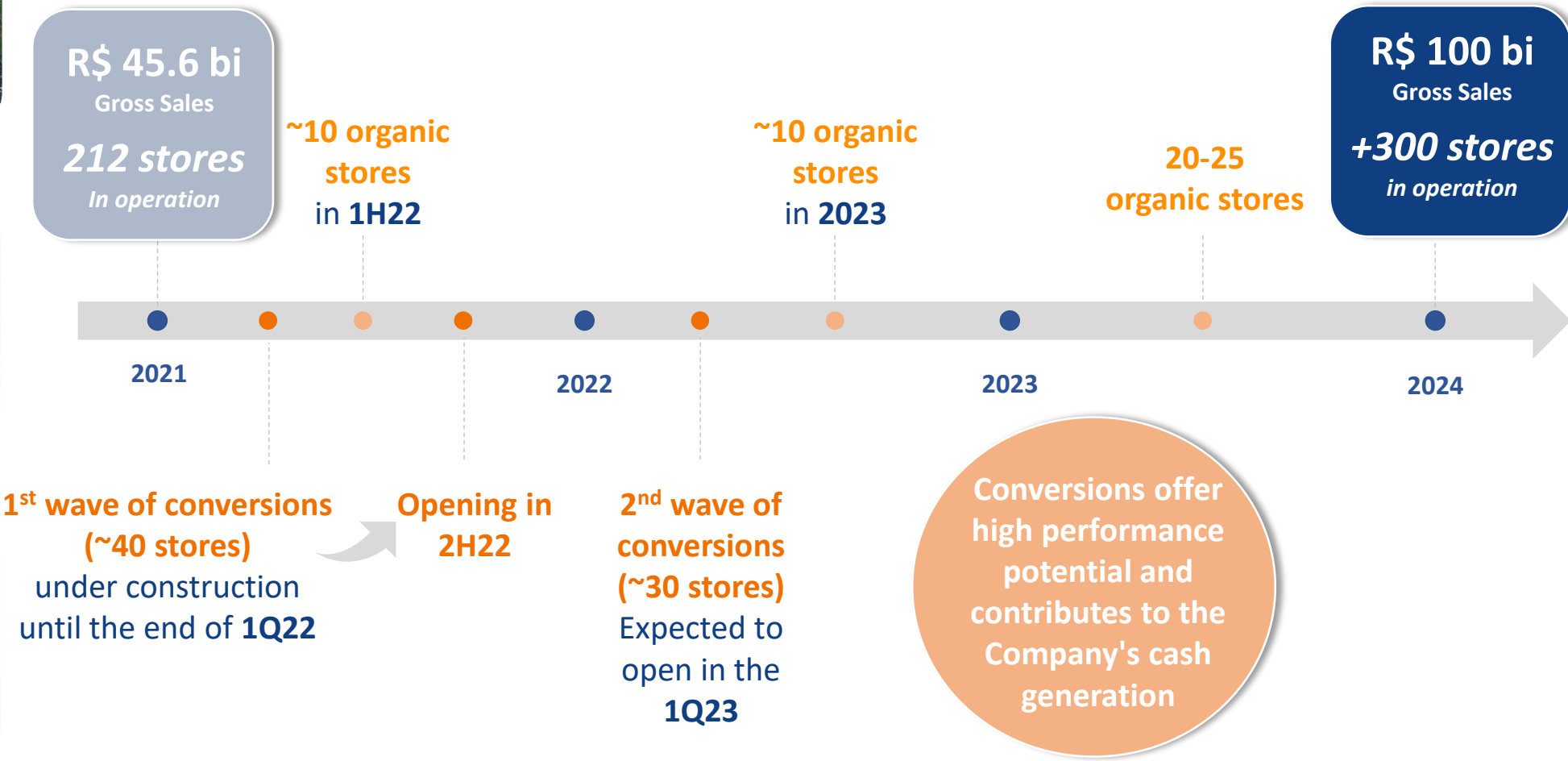
Aricanduva (SP) – Makro conversion



Jundiaí (SP) – Extra conversion



Rio Branco (AC) – Organic store



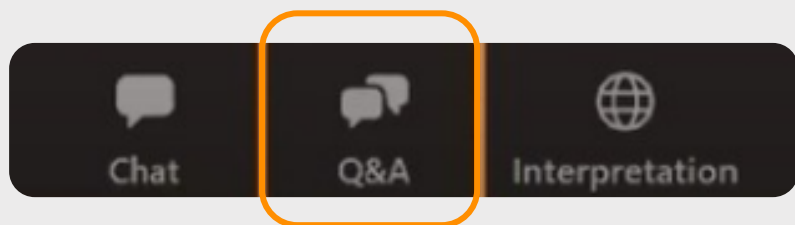
Q&A

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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