

INSTITUTIONAL PRESENTATION

October 2021





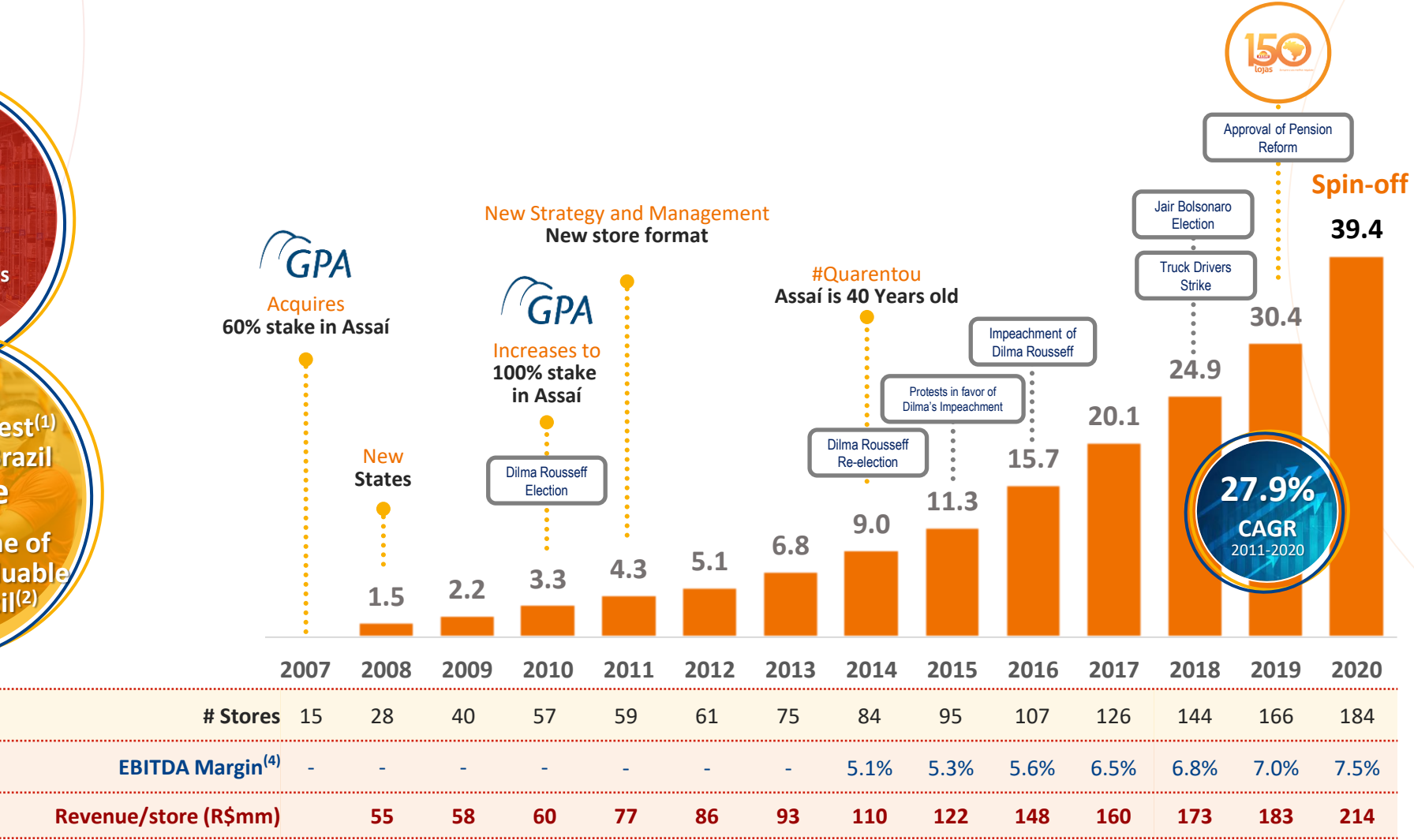
Retail Leadership
2nd largest
retailer in Brazil

+8pp
of market share
in the last 6 years

National Footprint
189
Stores
23 states⁽³⁾

One of the Largest⁽¹⁾
Companies in Brazil
17th Place

The brand is one of
the 20th most valuable
brands in Brazil⁽²⁾



Notes: (1) Considering sales in 2019, according to Exame; (2) 2020 Interbrand Ranking; (3) In August 2021; (4) Adjusted EBITDA – after IRFS 16

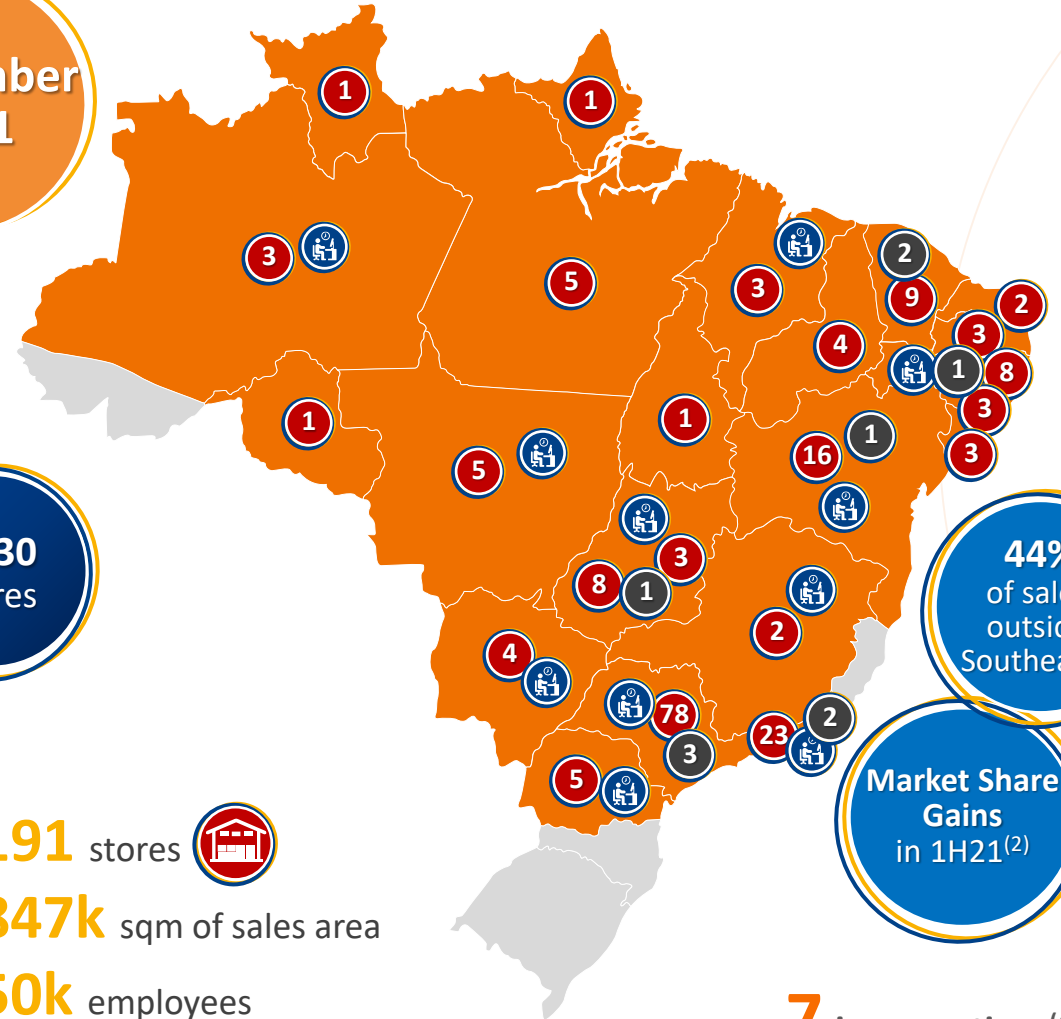


2012



61 stores
182k sqm of sales área
10k employees
6 states

September
2021



+17
states

+130
stores

+8pp
Market share ⁽¹⁾

191 stores 
847k sqm of sales area
50k employees
23 states
10 distribution centers 
11 regional offices with autonomy 

44%
of sales
outside
Southeast⁽³⁾

**Market Share
Gains
in 1H21⁽²⁾**

7 inaugurations⁽⁴⁾

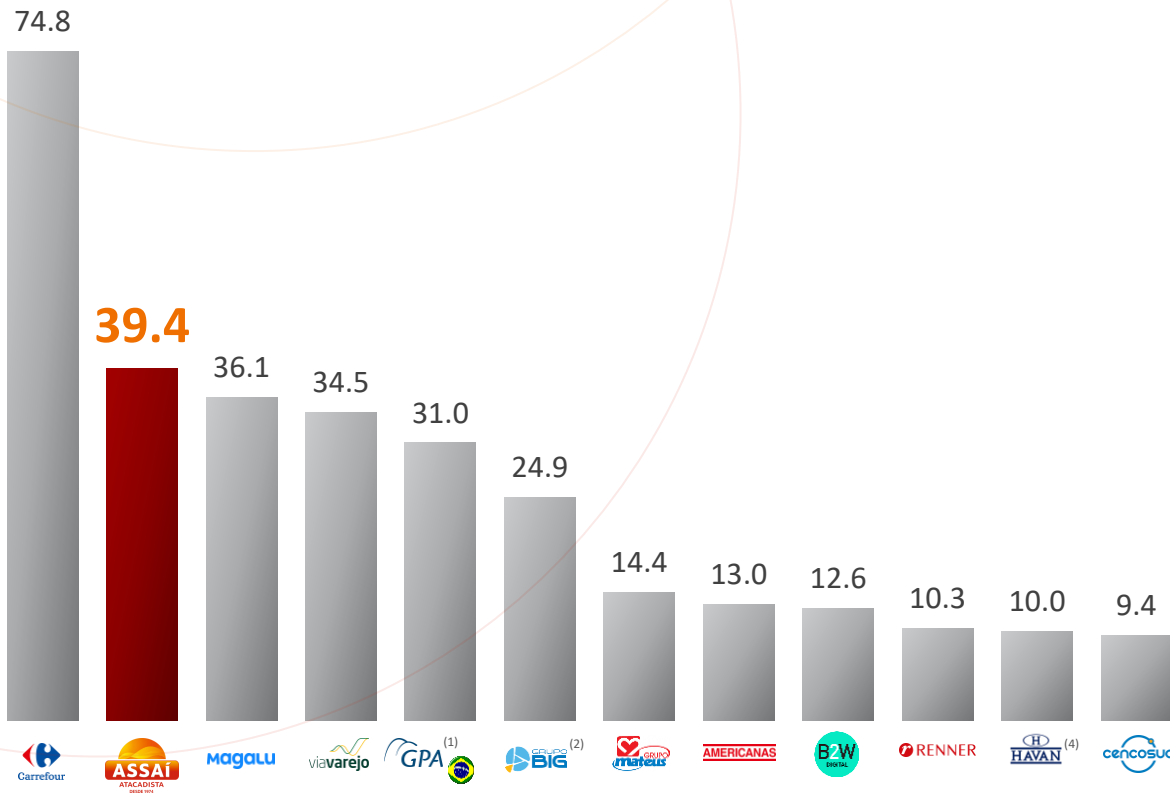
+

21 stores under
construction



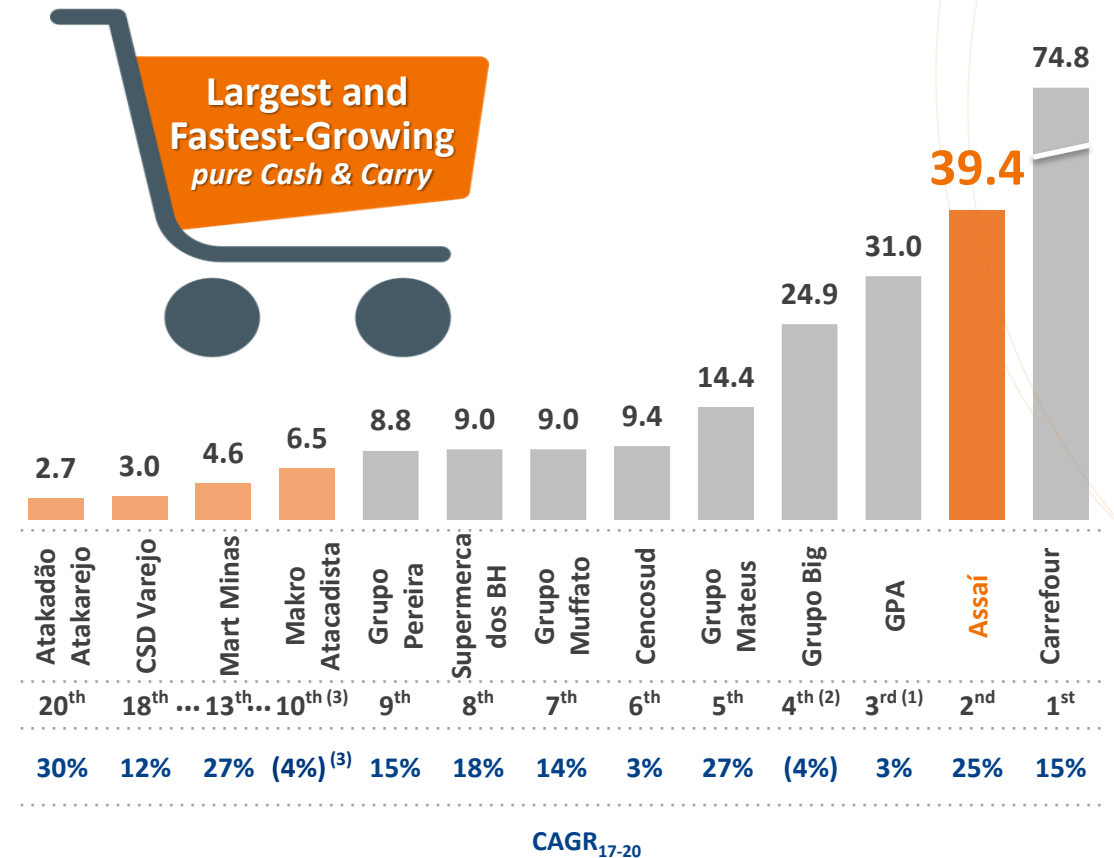
Retail Ranking

Gross Revenues (2020) - R\$ bn



Food Retail Ranking

Gross Revenues (2020) - R\$ bn




Largest segment...



CASH & CARRY SEGMENT INCREASES RELEVANCE WHEN COMPARED TO FOOD RETAIL

... share ...



C&C increased
26.7%
in 2020
(vs. 13% Super/Hyper)


+611
C&C stores in the
last 4 years
(vs. 314 in the last
15 years)

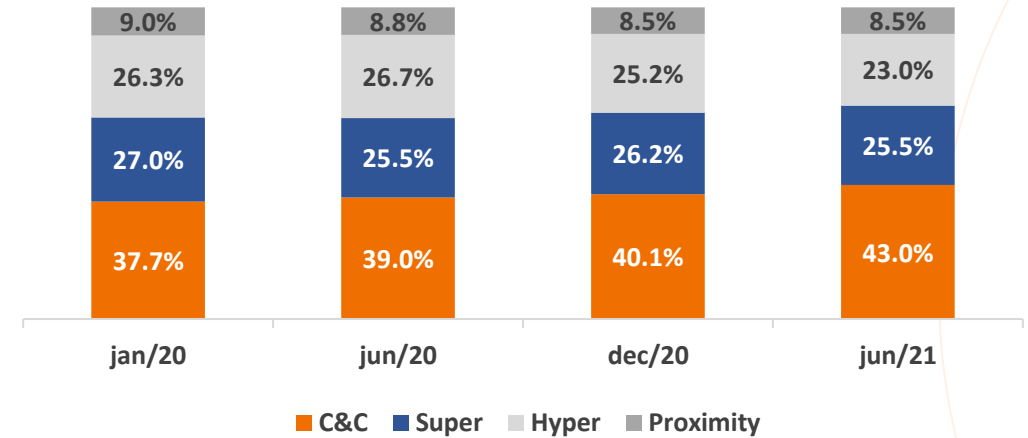
... preference...


65%
of Brazilian
households
shop in C&C

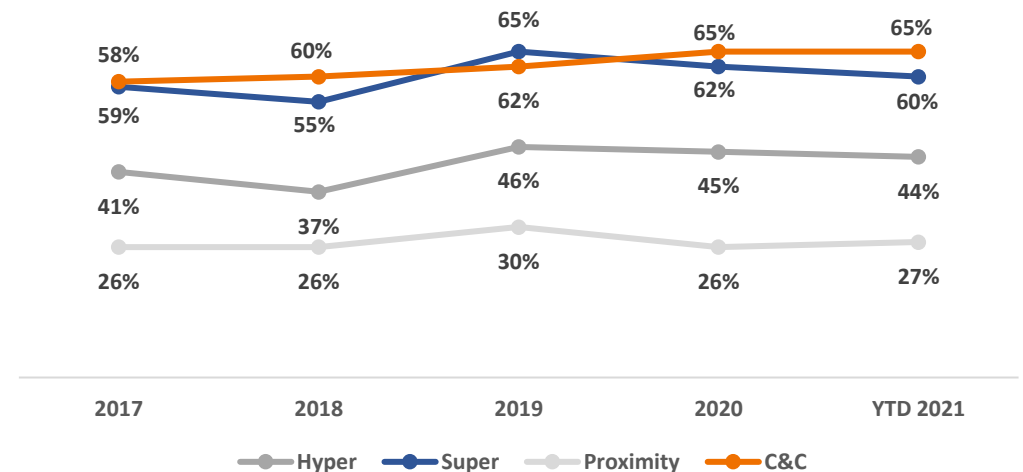
... growth


Assaí improved
30%
in 2020

Cash & Carry Relevance in Food Retail



Penetration by Channel in Brazilian Homes





Store: Hortolândia (SP)



Store: Petrópolis (RJ)



End Customers



Groceries



Schools



Hotels



Restaurants



Coffee Shop



Bars and Pubs



Pizzeria



Hot Dog Stand



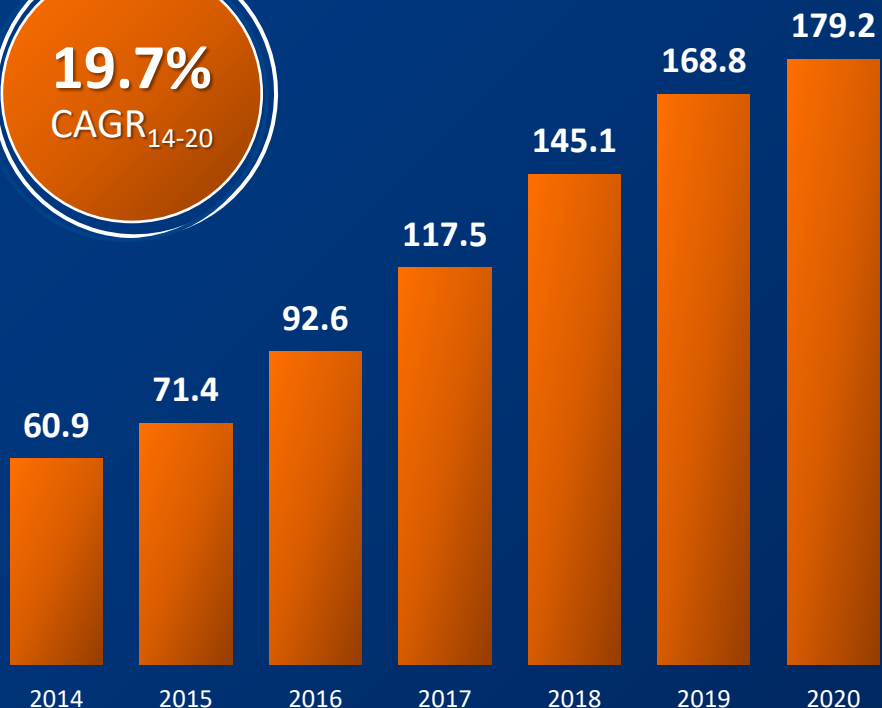
Bakeries

Assaí's Total Number of Tickets

(# million tickets)

30mm
Unique clients⁽¹⁾

19.7%
CAGR₁₄₋₂₀

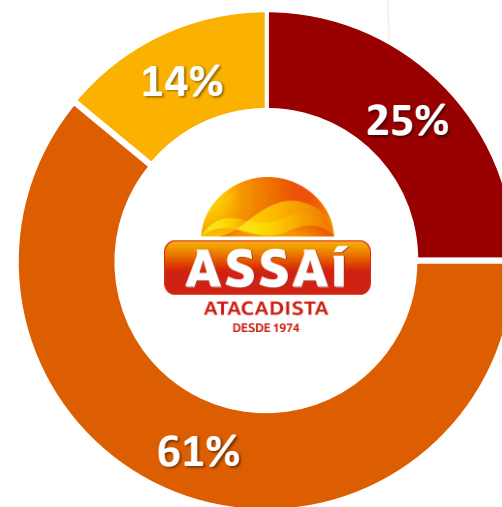
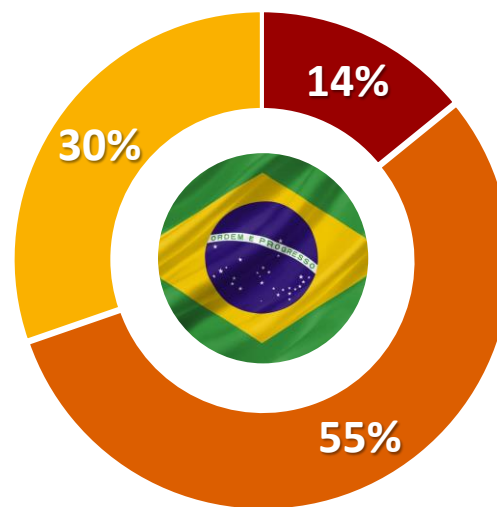


WIDE REACH ACROSS BRAZILIAN DEMOGRAPHIC

Our Stores are built for all Brazilians!

According to FGV Social and company, as of 2018

Assaí's Clients per Social Class vs Brazilian Average (%)



Class A e B



Class C



Class D and E



FLEXIBLE MODEL

Suitability for different regions and publics



REGIONALIZATION

Business accommodation to local practices and customs



DECENTRALIZED LOGISTICS

Stock received in the stores



EFFICIENCY AND PRODUCTIVITY

Low-cost structure



FINANCIAL SERVICES

More than 1.4 million Passaí cards issued ⁽²⁾
Represents ~5% of gross sales



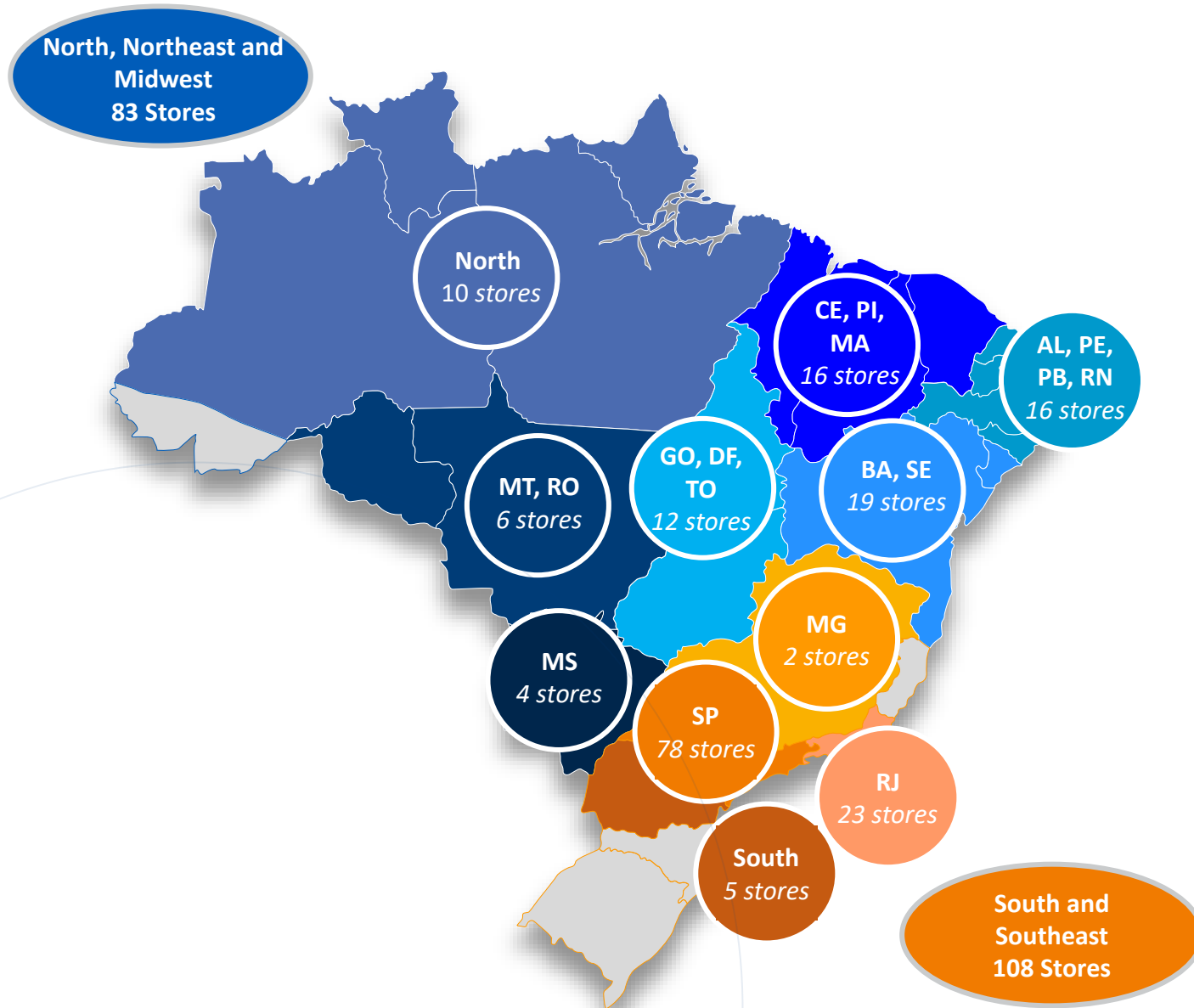
Number of Stores⁽¹⁾



11 Regional Offices managed by Experienced Leaders



LOCAL KNOW-HOW



Regional Management

Local leaders have freedom for decision making in all local units



Unique Regional Assortment

Stores are adapted to offer services and products suitable to each region



Tailored Communication Strategy

Regional marketing strategy and execution to approach local audiences



Excellent Locations

Located near urban spaces to enable commuting



CREATING A SEAMLESS SHOPPING EXPERIENCE

Efficient Lighting

Coffee Shop

Wi-Fi in every store



+8.000 SKUs
Best Shopping Experience

Fruits and Vegetables

Butchery ⁽¹⁾



Notes: (1) Implemented in 20 stores – until jun/21



Store: Petrópolis (RJ)



Store: Petrópolis (RJ)

Cashiers
attending
B2C and
B2B

Special
Attention
to the
Customer

Extended
Parking



Store: Santa Cruz (RJ)

Automatization

Fast-pass

App
Promotions



Store: Mussurunga (BA)

EXPONENTIAL GROWTH IN RECENT YEARS

Assaí
25.1%
CAGR
2017 - 2020

Regional
Food Retail ⁽¹⁾
14.9%
CAGR
2017 - 2020

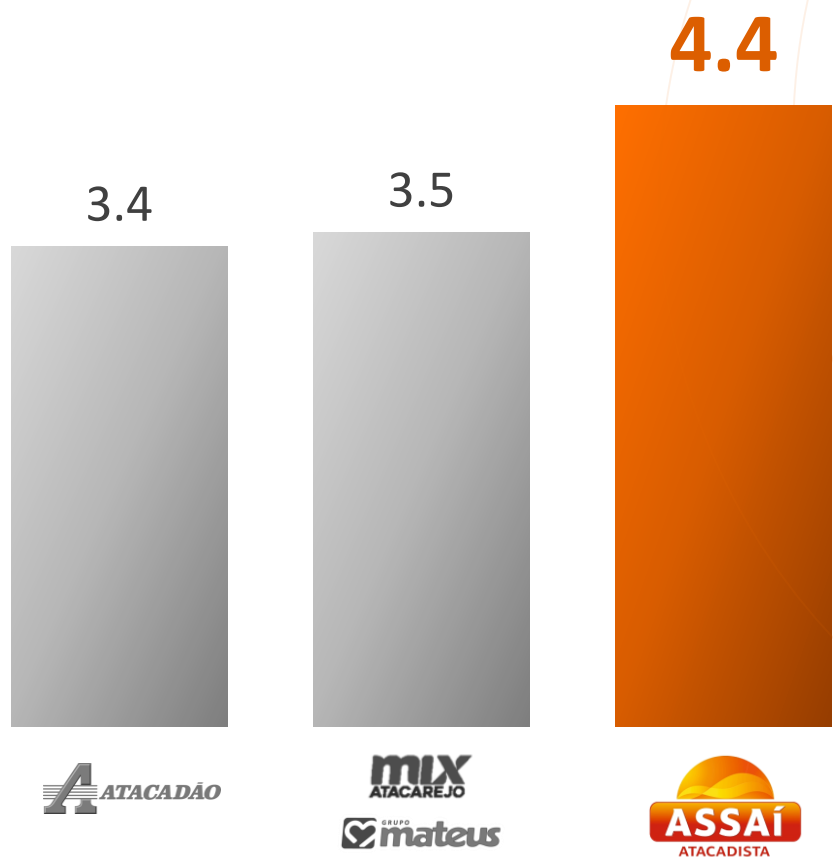
National
Food Retail ⁽²⁾
11.2%
CAGR
2017 - 2020

Sector
Average ⁽³⁾
13.8%
CAGR
2017 - 2020



BEST PRODUCTIVITY AMONG CASH & CARRY PLAYERS

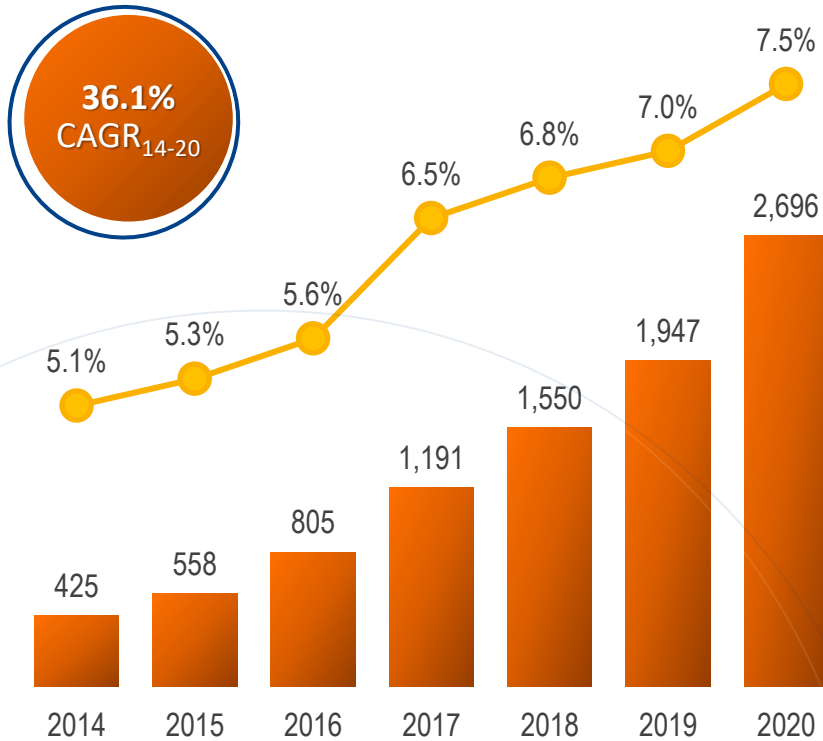
Average Sales / sqm in 2020⁽⁴⁾
(R\$ '000s / m²)



Notes: (1) Considers Atacadão Atacadista, Mart Minas, CSD Varejo, Grupo Mateus, Grupo Muffato Grupo Pereira, Supermercados BH, Companhia Zaffari, EPA, Sonda, Savegnago Supermercados Líder, Angeloni and Supermercados Bahama; (2) Considers Assaí Atacadista, Atacadão, GPA, Cencosud, Grupo BIG and Carrefour; (3) Considers Carrefour, GPA, Grupo Mateus, Cencosud Makro, Atacadão, Super Muffato Grupo Pereira, Supermercados BH, Grupo Zaffari, Epa Supermercados, Sonda Supermercados, Mart Minas, Savegnago Supermercados, Supermercados Líder, Angeloni, Bahamas Supermercados and Companhia Sulamericana de Distribuição (4) Calculated as the average monthly revenue divided by the total area in 2020.

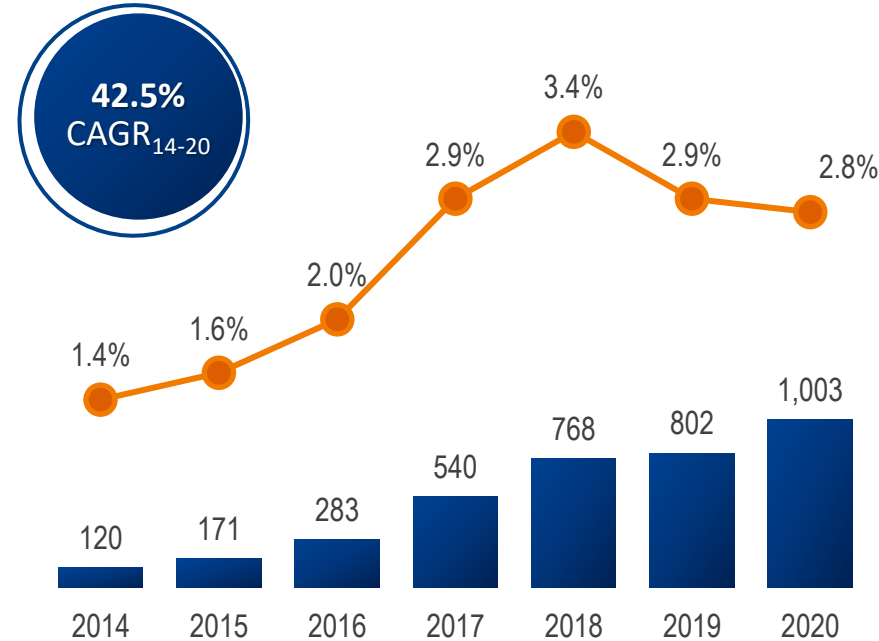
Adjusted EBITDA & EBITDA Margin⁽¹⁾

(R\$ mi, %)



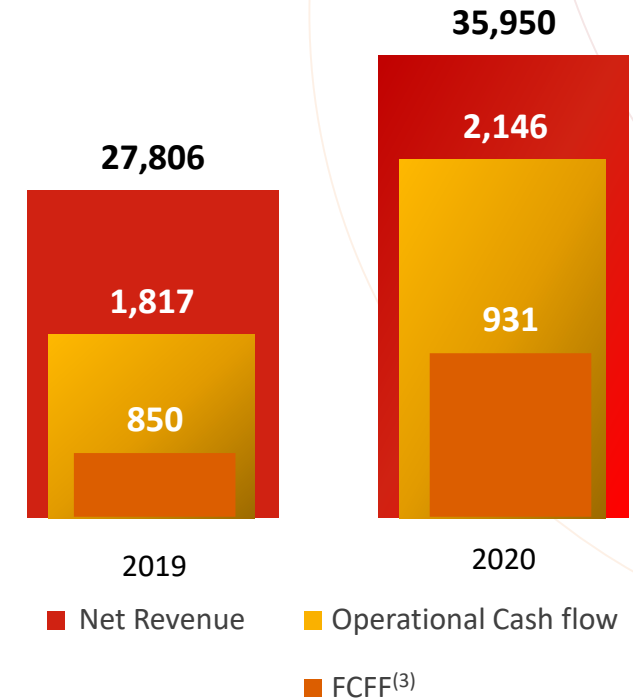
Net Income & Net Margin⁽²⁾

(R\$ mi, %)



Cash Flow Generation

(R\$ mi)



Valuing our people

Be a reference in promoting diversity, ethics and sustainability through our employees and brands.
65.0% of our employees declare themselves as black or brown

Conscious consumption and supply

Expand the offer and raise awareness among consumers in choosing more sustainable products and behavior. **Reverse logistics programs** all over Brazil: more than **460 tons** of customer waste were collected and sent for recycling

Transformation in the value chain

Co-build value chains committed to the environment, people and animal welfare.
Fighting deforestation and conserving biomes: tracking and monitoring traded beef



Environmental impact management

Combat climate change, innovating and improving the environmental management of our businesses; Rate of recyclable items increased to **41%** and solid waste sent to landfills decreased **-2p.p.** vs 2Q20

Engagement with society

Be a mobilizing agent to promote more inclusive opportunities for all: **220 tons** of food donated in the first semester, benefiting 23 thousand families and resumption of the Solidarity Campaign: collection of **+240 tons** of first-need items

Integrated management and transparency

Consolidate social, environmental and governance practices in our business model and ensure ethical and transparent relations with our stakeholders: Partnership with the **"Instituto Ethos de Empresas e Responsabilidade Social"**

+78

New Stores
2021-2023

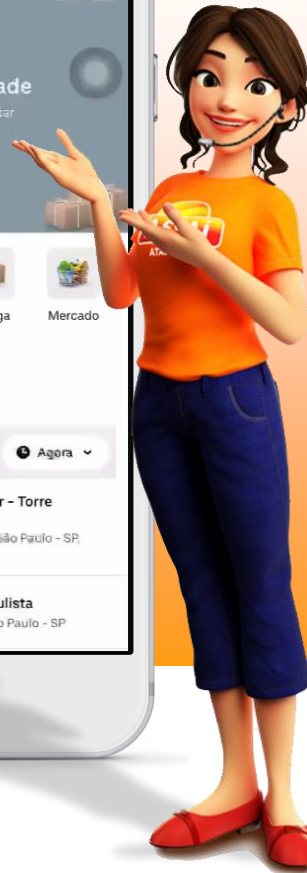
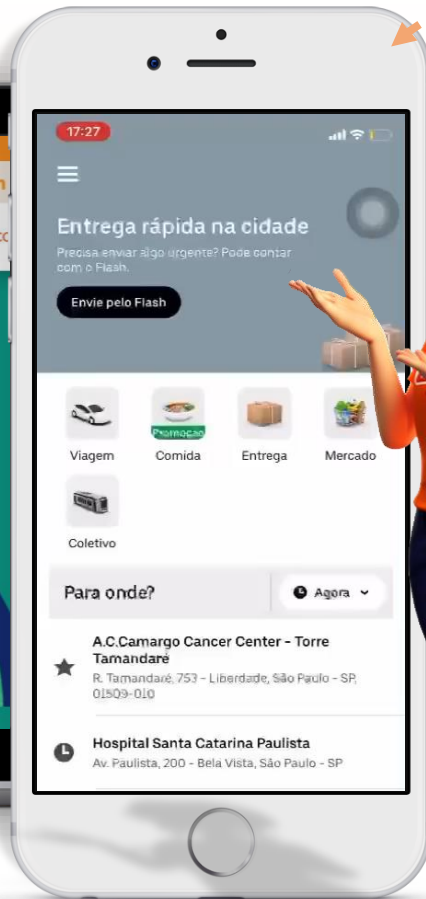
+45

New Stores
2024-2026



MAIN CONSIDERATIONS

- **~5 years** ramp-up until revenue growth stabilizes and converges to inflation
- Long-term **gross margin** of **~16-17%**
- **CAPEX Per Store** : **~R\$ 65mm** and **~R\$ 1mm/year** for maintenance CAPEX
- IRR payback between **6-7 years**
- Long-term **IRR of 15-20%** and **ROIC above 25%**



Last mile delivery

1st partnership: **Cornershop**



New virtual assistant: **Sol**



Leaflets promotions received via **WhatsApp**



Exclusive services at **Assaí Clientes app**



Academia Assaí: Certified courses, podcasts, etc

EXPANSION PLAN



WELL MAPPED GROWTH AVENUES AND UPSIDES

Upsides...

Plan in execution



Continued accelerated expansion in new stores across the country

Continuous cost control in the store, in line with a notable historical expansion



Enhancement of a digital distribution channel, creating a fully operational omnichannel platform

Partnership with companies already present in the digital ecosystem



Using the unique structure expertise in Cash & Carry to maximize presence in distribution wholesale



Financial services

Expansion of service offerings within stores

New categories of products and services

