Tiendas 3B

Third Quarter 2024
Financial Results

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This presentation includes non-IFRS financial measures, including EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin. We present non-IFRS measures when we believe that the additional information is useful and meaningful to investors. Non-IFRS financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-IFRS financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. You are cautioned not to place undue reliance on such non-IFRS financial measures.

Today's Presenters



Anthony Hatoum
Chairman and CEO



Eduardo Pizzuto
CFO

Agenda

- **3Q24 Key Highlights**
- Operational Performance
- Financial Results
- Closing Remarks
- Q&A

3Q24 - Key Highlights

Opened **131 net new stores** in 3Q24

2,634 stores and **16 distribution centers** as of 3Q24

Same Store Sales[1] growth of **11.6%**

compared to 3Q23

Revenue of **Ps. 14,834 million,** YoY growth of **29.8%**

EBITDA of **Ps. 688 million**, YoY growth of **54.0%**

9M24 Cash Flow from Operation of **Ps. 2,378 million**

Net cash[2] of **Ps. 1,269 million**; additionally, cash of **Ps. 2,964 million** in USD bank deposits





1. *We measure "Same Store Sales" using revenue from sales of merchandise from stores that were operational for at least the full preceding 12 months for the periods under consideration.*
2. *Net Cash refers to Cash and Cash Equivalents.*

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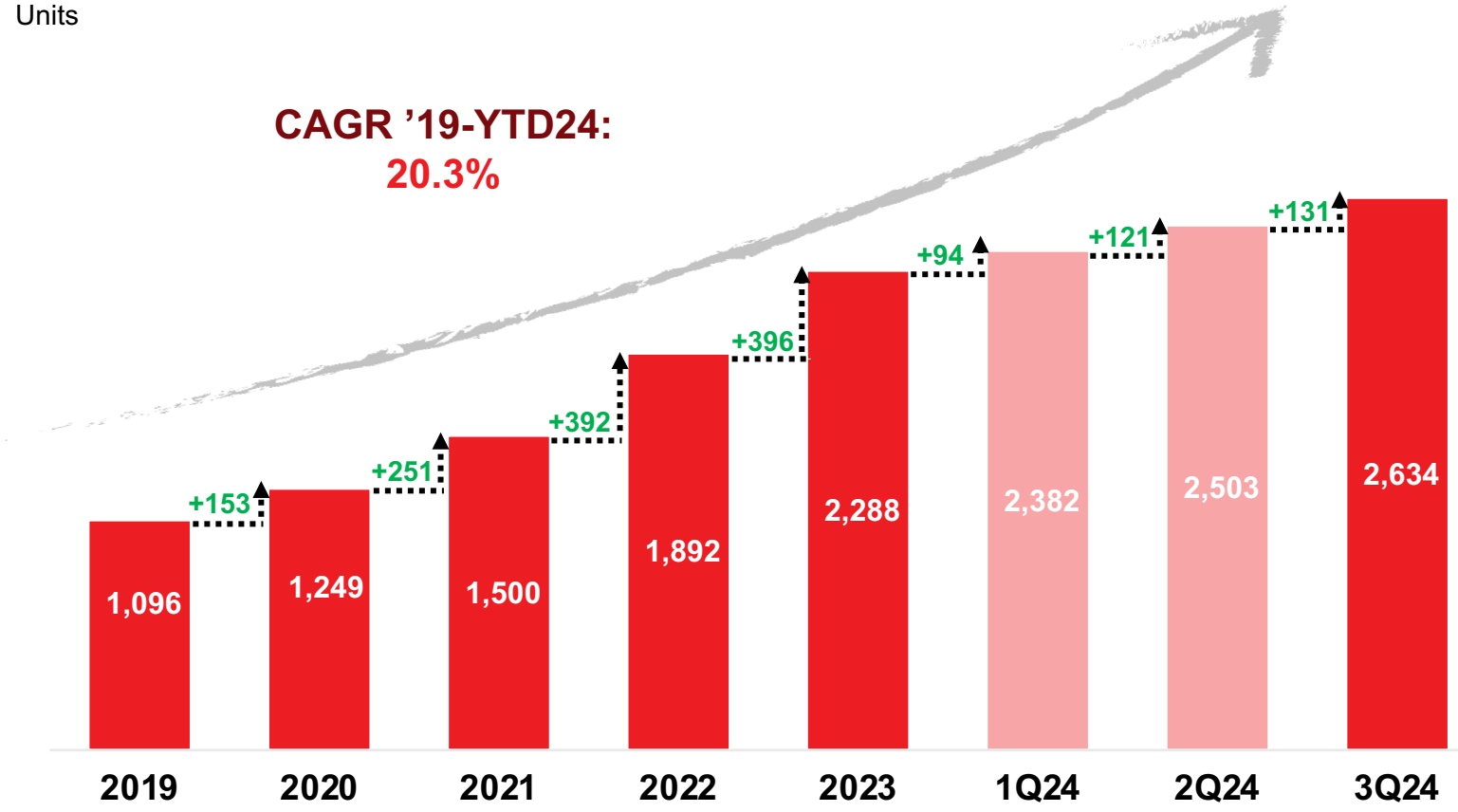
Continued Momentum in Store Openings

Opened 131 net new stores to reach 2,634 stores

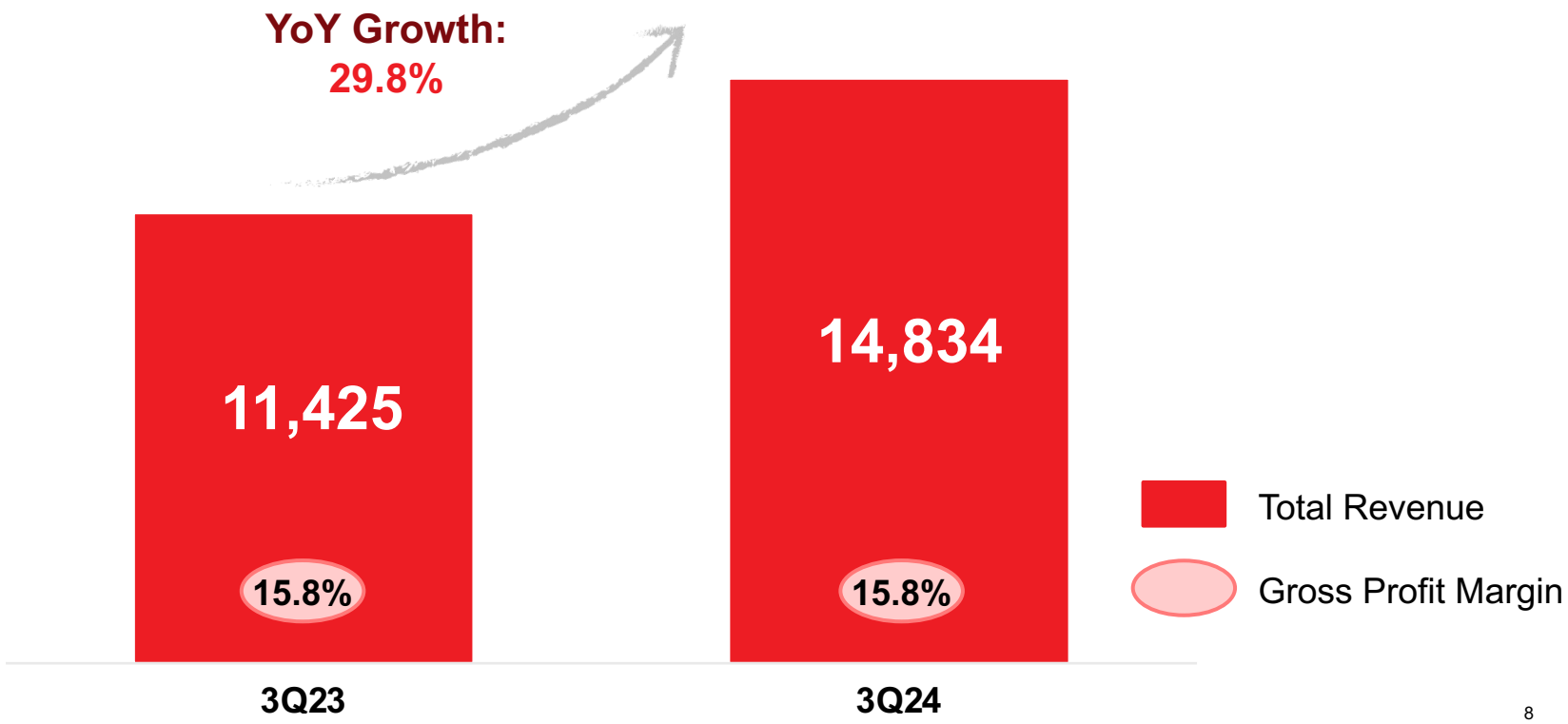
Number of Stores
Units



Rapid Revenue Growth and Increased Gross Margins

Total revenues increased by +29% year-over-year while gross margins flat

Total Revenue
Ps. MM



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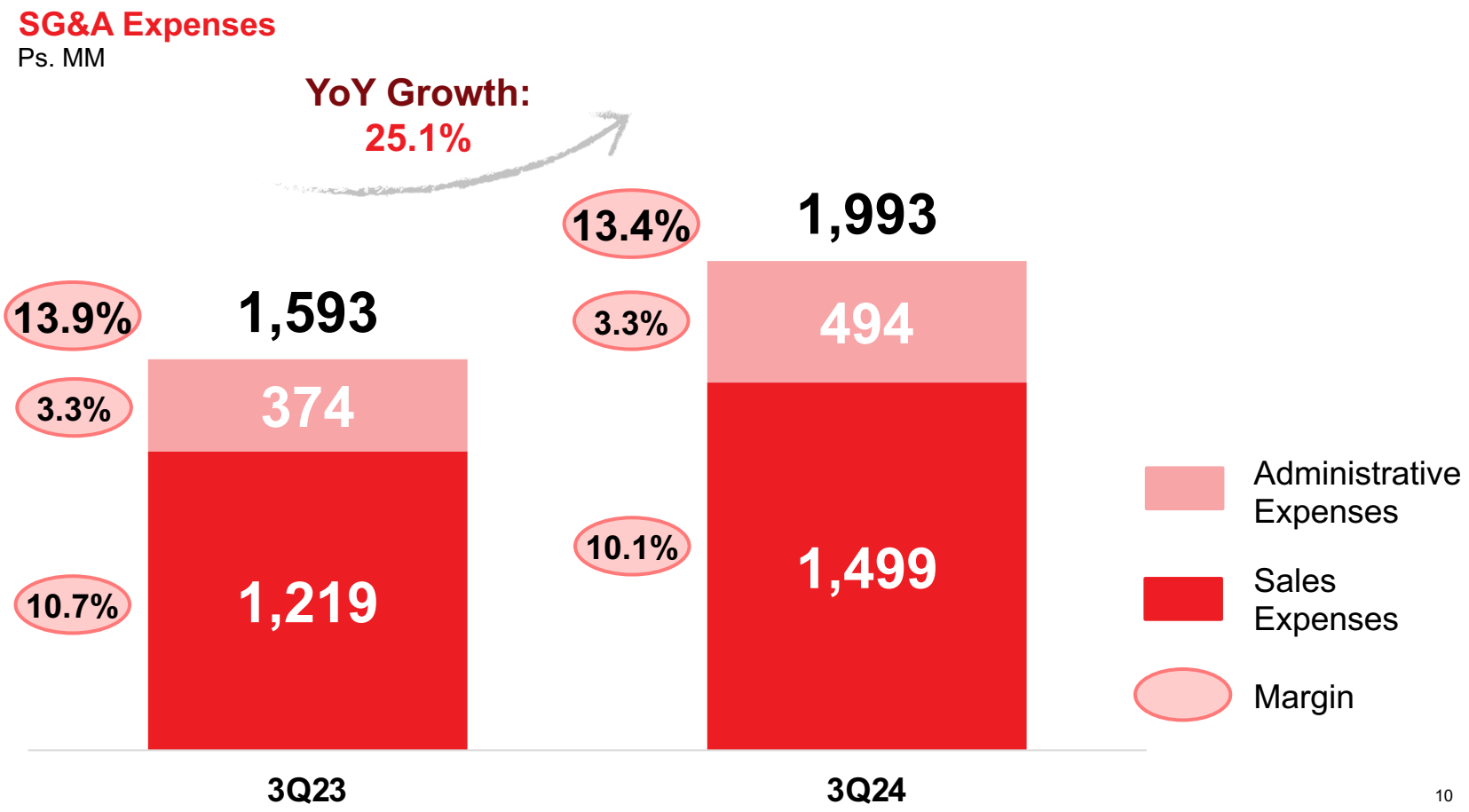
SG&A Expenses

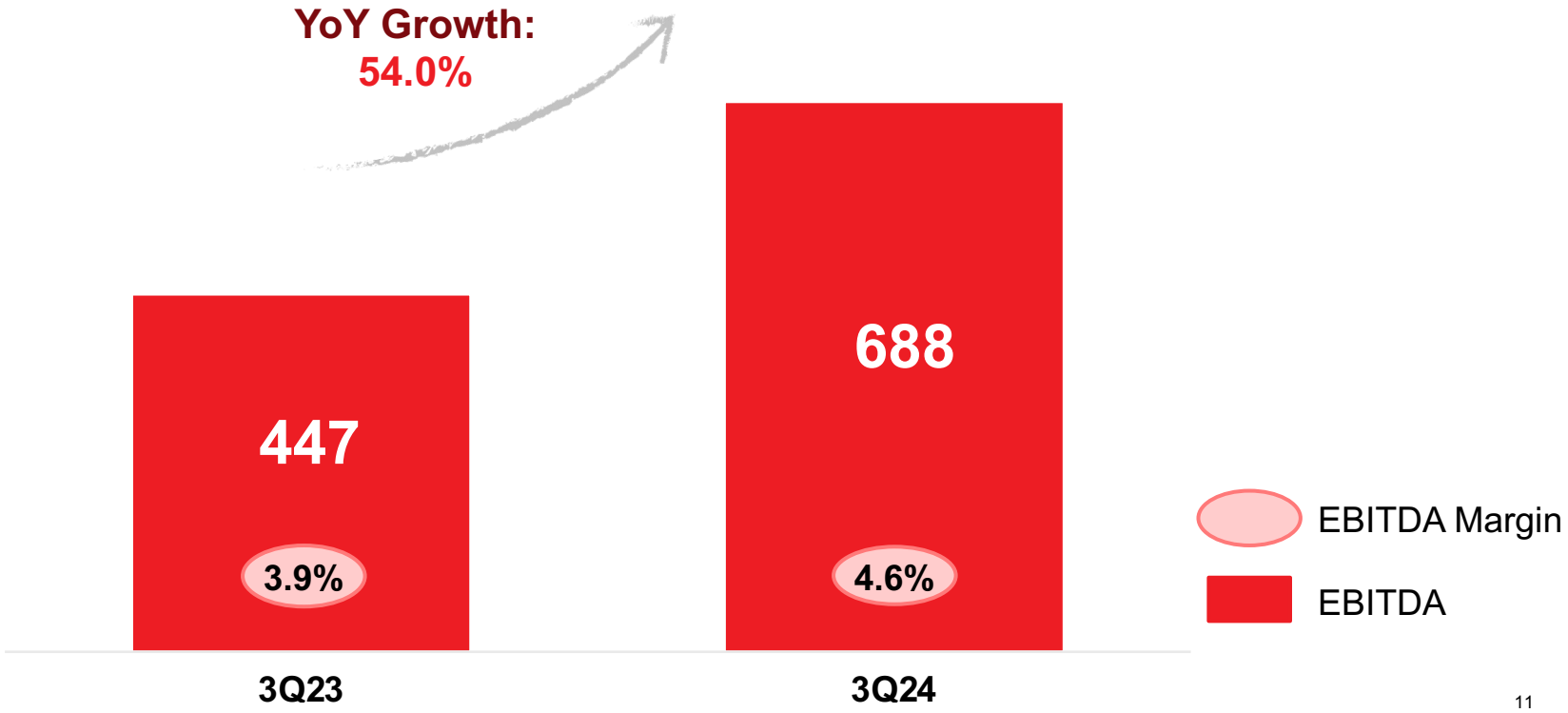
Our SG&A expenses as a percentage of revenues have decreased from 13.9% to 13.4% year-over-year



EBITDA & EBITDA Margin

Strong year-over-year increase in EBITDA and EBITDA margin

EBITDA[1]
Ps. MM



Notes:

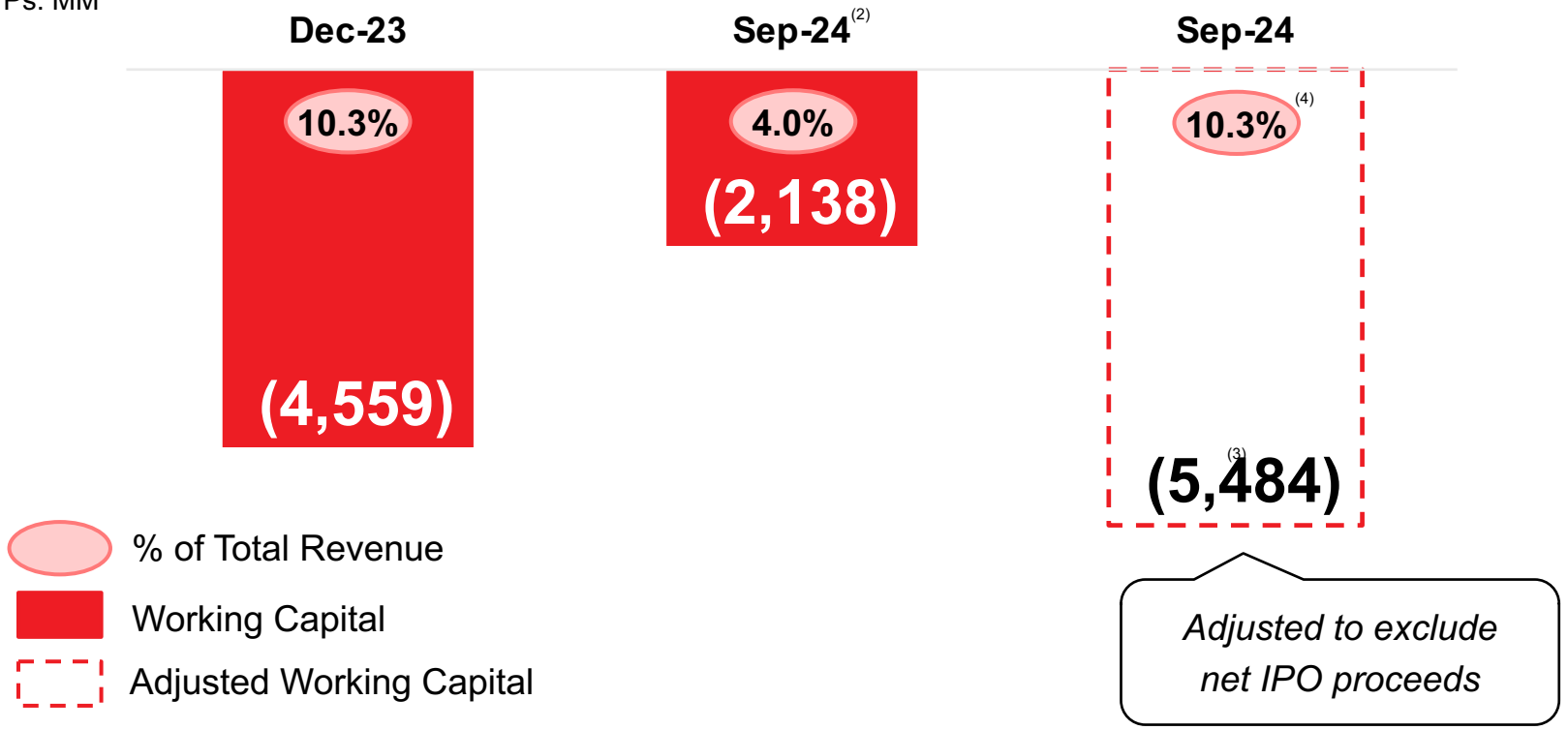
1. We calculate "EBITDA" as net income (loss) for the period, plus income tax expense, financial costs, net, and total depreciation and amortization. We calculate "EBITDA Margin" for a period by dividing EBITDA for the corresponding period by total revenue for such period. See Annex 2 for a reconciliation of net income (loss) for the period to EBITDA.

Favorable Working Capital

Our business model continues to generate significant negative working capital

Working Capital[1]

Ps. MM



Notes:

1. *We calculate Working Capital as total current assets minus total current liabilities.*
2. *Includes last twelve months.*
3. *We calculate "Adjusted Working Capital" as Working Capital minus the net proceeds from Initial Public Offering net from underwriting fees and repayment of promissory and convertible notes, assuming an exchange rate of Ps.19.629. See Annex 5 for a reconciliation of the Adjusted Working Capital.*
4. *We calculate the percentage of Working Capital to Total Revenue for a period by dividing the corresponding by the last twelve months of total revenue for the corresponding period and the percentage of Adjusted Working Capital to Total Revenue for a period by dividing the corresponding by the last twelve months of total revenue for the corresponding period.*

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Closing Remarks

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- **Q&A**



Q&A

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Appendix: Financial Statements

Annex 1 - Income Statement

In Ps. Thousands

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Revenue From Sales of Merchandise	**Ps. 14,807,698**	**Ps. 11,399,566**	*29.9%*	**Ps. 41,014,985**	**Ps. 31,694,573**	*29.4%*
Sales of Recyclables	26,108	25,609	*1.9%*	77,416	68,282	*13.4%*
Total Revenue	**14,833,806**	**11,425,175**	***29.8%***	**41,092,401**	**31,762,855**	***29.4%***
Cost of Sales	(12,490,108)	(9,618,847)	*29.9%*	(34,414,213)	(26,733,603)	*28.7%*
Gross Profit	**Ps. 2,343,698**	**Ps. 1,806,328**	***29.7%***	**Ps. 6,678,188**	**Ps. 5,029,252**	***32.8%***
Gross Profit Margin	*15.8%*	*15.8%*		*16.3%*	*15.8%*	
Sales Expenses	(1,498,500)	(1,218,570)	*23.0%*	(4,208,458)	(3,431,030)	*22.7%*
Administrative Expenses	(494,399)	(374,347)	*32.1%*	(1,426,551)	(1,033,144)	*38.1%*
Other Income (Expense) - Net	1,770	(2,865)	*n.m.*	7,066	692	*921.1%*
Operating Profit	**Ps. 352,569**	**Ps. 210,546**	***67.5%***	**Ps. 1,050,245**	**Ps. 565,770**	***85.6%***
Operating Profit Margin	*2.4%*	*1.8%*		*2.6%*	*1.8%*	
Financial Income	47,642	7,388	*544.9%*	109,501	20,510	*433.9%*
Financial Costs	(286,930)	(298,527)	*(3.9%)*	(924,055)	(1,007,868)	*(8.3%)*
Exchange Rate Fluctuation	210,191	(145,667)	*n.m.*	385,335	403,922	*(4.6%)*
Financial Cost - Net	**(29,097)**	**(436,806)**	***(93.3%)***	**(429,219)**	**(583,436)**	***(26.4%)***
Net Profit (Loss) Before Income Tax	**323,472**	**(226,260)**	***n.m.***	**621,026**	**(17,666)**	***n.m.***
Income Tax Expense	(65,872)	(112,791)	*(41.6%)*	(263,033)	(191,503)	*37.4%*
Net Profit (Loss) for the Period	**Ps. 257,600**	**(Ps. 339,051)**	***n.m.***	**Ps. 357,993**	**(Ps. 209,169)**	***n.m.***
Net Profit Margin	*1.7%*	*(3.0%)*		*0.9%*	*(0.7%)*	
Basic Earnings (Loss) per Share	**2.30**	**(28.25)**		**3.32**	**(17.43)**	
Diluted Earnings (Loss) per Share	**1.89**	**(28.25)**		**2.72**	**(17.43)**	
Weighted Average Common Shares Outstanding:						
Basic	**112,200,752**	**12,000,000**		**107,798,668**	**12,000,000**	
Diluted	**136,283,972**	**12,000,000**		**131,924,394**	**12,000,000**	

Annex 2 – EBITDA Reconciliation

In Ps. Thousands

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Net Profit (Loss) for the Period	**Ps. 257,600**	**(Ps. 339,051)**	***n.m.***	**Ps. 357,993**	**(Ps. 209,169)**	***n.m.***
Net Profit Margin	*1.7%*	*(3.0%)*		*0.9%*	*(0.7%)*	
Income Tax Expense	65,872	112,791	*(41.6%)*	263,033	191,503	*37.4%*
Financial Cost - Net	(29,097)	(436,806)	*(93.3%)*	(429,219)	(583,436)	*(26.4%)*
D&A	335,385	236,225	*42.0%*	952,086	758,046	*25.6%*
EBITDA	**Ps. 687,954**	**Ps. 446,771**	***54.0%***	**Ps. 2,002,331**	**Ps. 1,323,816**	***51.3%***
EBITDA Margin	*4.6%*	*3.9%*		*4.9%*	*4.2%*	

Annex 3 - Statement of Cash Flows

In Ps. Thousands

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Profit (loss) before income tax	**Ps. 323,472**	**(Ps.226,260)**	**Ps. 621,026**	**(Ps.17,666)**
Adjustments for:				
Depreciation of property, furniture, equipment, and lease-hold improvements	174,009	109,209	468,985	334,184
Depreciation of right-of-use assets	160,766	126,344	481,244	421,872
Amortization of intangible assets	610	672	1,857	1,990
Employee benefits	2,000	(1,936)	5,999	-
Interest payable on Promissory Notes and Convertible Notes	-	148,916	82,588	459,621
Interest expense on lease liabilities	263,415	146,859	757,618	526,566
Interest on debt and bonus payable and amortization of issuance costs	7,108	9,541	29,471	21,676
Other financial income	(44,223)	(7,388)	(102,214)	(20,510)
Gain on fair value of derivative financial instrument	(3,419)	-	(7,287)	-
Interests and commissions from credit lines	16,407	-	54,378	-
Gain on termination of lease agreements	(387)	-	(387)	-
Exchange fluctuation	(210,191)	80,559	(385,335)	(469,030)
Share-based payment expense	126,468	112,268	396,054	302,438
Increase in inventories	(150,579)	(165,326)	(167,146)	(259,525)
Increase in other current assets and guarantee deposits	(154,747)	(83,485)	(446,657)	(150,082)
Increase in suppliers (including supplier finance arrangements)	572,652	774,672	728,969	1,013,497
Increase (decrease) in other current liabilities	113,145	(55,779)	248,169	68,147
Increase (decrease) on bonus payable to related parties	-	55,246	(79,351)	11,412
Income taxes paid	(97,536)	(86,113)	(309,773)	(301,751)
Net cash flows provided by operating activities	**Ps. 1,098,970**	**Ps. 937,999**	**Ps. 2,378,208**	**Ps. 1,942,839**
Purchase of property, furniture, equipment, and lease-hold improvements	(651,199)	(229,143)	(1,642,397)	(940,202)
Sale of property and equipment	(509)	1,467	1,856	2,454
Additions to intangible assets	(563)	-	(1,880)	(799)
Short-term bank deposits	152,970	-	(2,621,393)	-
Interest earned on short-term investments	40,683	28,923	91,966	37,354
Net cash flows used in investing activities	**(Ps. 458,618)**	**(Ps. 198,753)**	**(Ps. 4,171,848)**	**(Ps. 901,193)**
Payments made on reverse factoring transactions-net of commissions received	(818,588)	(446,317)	(2,266,340)	(1,320,996)
Finance obtained through supplier finance arrangements	869,064	399,429	2,385,967	1,334,506
Proceeds (payment) from Santander and HSBC credit line	(85,086)	339,866	58,806	300,314
Payment of debt	(30,328)	(420,366)	(107,557)	(463,437)
Interest payment on debt and reverse factoring commissions	(23,515)	(8,455)	(76,691)	(18,077)
Lease payments	(396,839)	(301,386)	(1,139,828)	(859,684)
Payment of Principal amount of Promissory Notes	-	-	(1,969,602)	-
Payment of accrued Interests of Promissory Notes	-	-	(2,955,495)	-
Proceeds from initial public offering, net of underwriting fees	-	-	7,841,837	-
Initial public offering costs	-	-	(23,269)	-
Net cash flows provided by (used in) financing activities	**(Ps. 485,292)**	**(Ps. 437,229)**	**Ps. 1,747,828**	**(Ps. 1,027,374)**
Net increase (decrease) in cash and cash equivalents	**155,060**	**302,017**	**(45,812)**	**14,272**
Effect of foreign exchange movements on cash balances	(131,395)	34,626	94,243	1,835
Cash and cash equivalents at beginning of period	1,245,237	664,440	1,220,471	984,976
Cash and cash equivalent at end of period	**Ps. 1,268,902**	**Ps. 1,001,083**	**Ps. 1,268,902**	**Ps. 1,001,083**

Annex 4 - Statement of Financial Position

In Ps. Thousands

	As of September 30, 2024	As of December 31, 2023
Current assets:		
Cash and cash equivalents	Ps. 1,268,902	Ps. 1,220,471
Short-term bank deposits	2,963,511	-
Creditors	3,669	-
Derivative financial instruments	7,287	-
Sundry debtors	47,523	11,020
VAT receivable	1,061,873	731,186
Advanced payments	134,846	72,998
Inventories	2,524,631	2,357,485
Total Current Assets	**Ps. 8,012,242**	**Ps. 4,393,160**
Non-Current Assets:		
Guarantee deposits	37,949	33,174
Property, furniture, equipment, and lease-hold improvements - Net	5,849,141	4,606,300
Right-of-use assets – Net	6,487,974	5,520,596
Intangible assets – Net	6,794	6,771
Deferred income tax	494,588	403,801
Total Non-Current Assets	**Ps. 12,876,446**	**Ps. 10,570,642**
Total Assets	**Ps. 20,888,688**	**Ps. 14,963,802**

	As of September 30, 2024	As of December 31, 2023
Current liabilities:		
Suppliers	7,855,059	7,126,089
Accounts payable and accrued expenses	552,826	322,959
Income tax payable	43,350	2,326
Bonus payable to related parties	-	78,430
Short-term debt	915,377	744,137
Lease liabilities	620,019	537,515
Employees' statutory profit sharing payable	164,062	140,485
Total Current Liabilities	**Ps. 10,150,693**	**Ps. 8,951,941**
Non-Current Liabilities:		
Debt with related parties	-	4,340,452
Long-term debt	88,273	577,318
Lease liabilities	6,690,227	5,706,707
Employee benefits	28,231	22,232
Total Non-Current Liabilities	**Ps. 6,806,731**	**Ps. 10,646,709**
Total Liabilities	**Ps. 16,957,424**	**Ps. 19,598,650**
Stockholders' equity:		
Capital stock	8,283,347	471,282
Reserve for share-based payments	1,247,755	851,701
Cumulative losses	(5,599,838)	(5,957,831)
Total Stockholders' Equity	**Ps. 3,931,264**	**Ps. (4,634,848)**
Total Liabilities and Stockholders' Equity	**Ps. 20,888,688**	**Ps.14,963,802**

Annex 5 - Reconciliation of Adjusted Working Capital

In Ps. Thousands

	As of September 30, 2024	As of December 31, 2023
Current Assets	8,012,242	4,393,160
Current Liabilities	10,150,693	8,951,941
Working Capital	**(Ps. 2,138,451)**	**(Ps. 4,558,781)**
Proceeds from initial public offering, net of underwriting fees	**Ps. 3,345,954**	**-**
Adjusted Working Capital	**(Ps. 5,484,405)**	**(Ps. 4,558,781)**

1. *Considering an exchange rate of Ps. 19.629*