

March 2024

# #ESPA3 4Q23 Results



# Disclaimer

This is a presentation of general information about MPM Corpóreos S.A (“Espaçolaser” or “Company”). These are summarized information without the intention of being complete, which should not be considered by potential investors as a recommendation. We make no representations or warranties as to the correctness, adequacy or scope of the information presented here, which should not be used as a basis for investment decisions.

This presentation contains forward-looking statements and information under Clause 27A of the Securities Act of 1933 and Clause 21E of the Securities Exchange Act of 1934. Forward-looking statements include, without limitation, any statement that has a forecast, indication or estimates and projections about future results, performance or objectives, as well as words like "we believe", "we anticipate", "we hope", "we estimate", "we project", among other words with similar meaning. Such forward-looking statements are subject to risks, uncertainties and future events, and therefore are only forecasts and are not guarantees of future performance. We warn investors that said forward-looking statements and information are and will be, as the case may be, subject to risks, uncertainties and factors relating to the operations and business environments of Espaçolaser and its subsidiaries, as a result of which the actual results of such companies may differ materially from future results expressed or implied in the forward-looking statements and information.

Although Espaçolaser believes that the expectations and assumptions contained in the forward-looking statements and information are reasonable and based on data currently available to its management, Espaçolaser cannot guarantee future results or events. Espaçolaser expressly exempts itself from the duty to update any of the forward-looking statements and information. In no event will neither the Company, nor its subsidiaries, directors, officers, agents or employees be liable to third parties (including investors) for any investment decision made based on the information and statements contained in this presentation, or for any damage resulting therefrom, corresponding or specific.

The market and competitive position information, including market projections cited throughout this presentation, were obtained through internal research, market research, information in the public domain and business publications. Although we have no reason to believe that any of this information or reports is inaccurate in any material respect, we do not independently verify competitive position, market position, growth rate or any other data provided by third parties or other industry publications. The Company is not responsible for the accuracy of such information. This presentation and its content are proprietary information of the Company and cannot be reproduced or circulated, partially or totally, without the prior written consent of the Company.

This presentation does not constitute an offer, invitation or request for an offer to subscribe or purchase any securities. This presentation and its contents do not form the basis of a contract or commitment of any kind.

#ESPA3

# Quarter Highlights

# 2023 Highlights



- **System-wide-sales: R\$ 500.5 million in 4Q23 and R\$ 1.6 billion in 2023, with growth of 7.0% in the period**
- **Opening of 50 stores in 2023, totaling 850 stores in the Group**



- **Growth of 29.8% in adjusted EBITDA<sup>1</sup> in 4Q23 and 39.0% in the year, with margin of 21.2% (+4.7 p.p.) in 2023**
- **Adjusted net profit totaling R\$ 6.6 million in 2023, reversing a loss of R\$ 47.0 million in 2022**



- **EBITDA to operating cash conversion of 79% in the quarter and 93% in 2023**



- **Leverage at 2.36x at the end of 2023, compared to 3.1x in 4Q22**
- **Subsequent event: 3rd issuance of Debentures worth R\$733 million**



- **No-show and session cancellation initiatives improve user experience**
- **Optimization of store presence<sup>2</sup>: 10 more people per day per store**



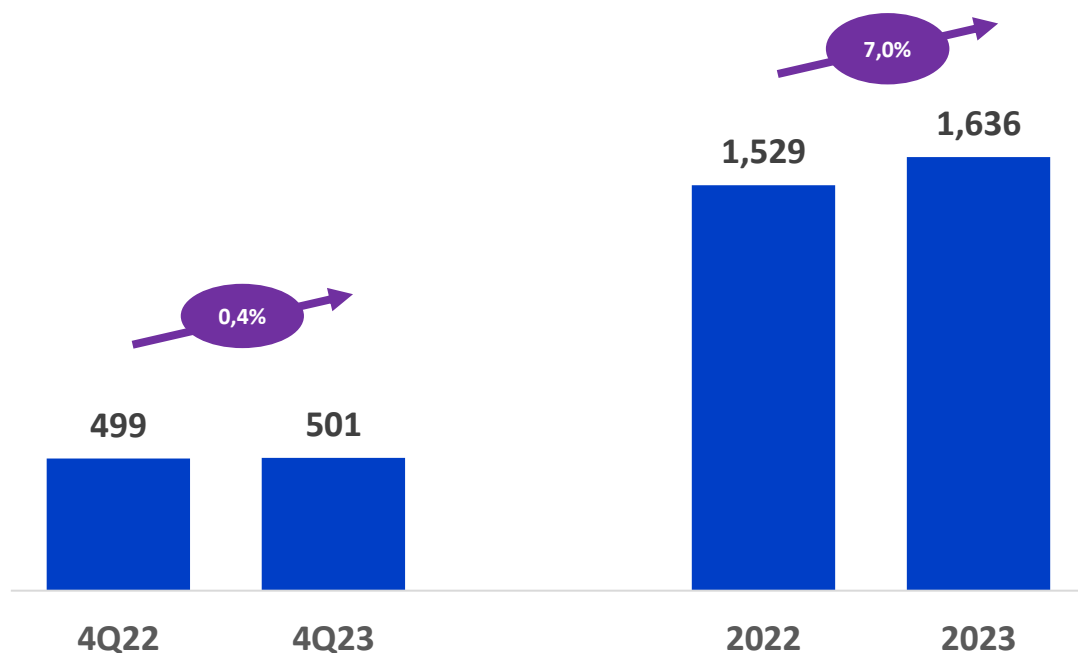
- **NPS in continuous evolution, reaching 87 points in 2023**
- **Reclame Aqui recording a score of 8.7 (Excellent), maintaining the RA1000 seal**

<sup>1</sup> EBITDA adjusted by: (i) consolidation of the numbers of merged JVs and franchises in 4Q22 and 2022; (ii) elimination of non-recurring costs and expenses; and (iii) elimination of effects related to IFRS 16.

<sup>2</sup> Base date: comparison between february 2022 until December 2023

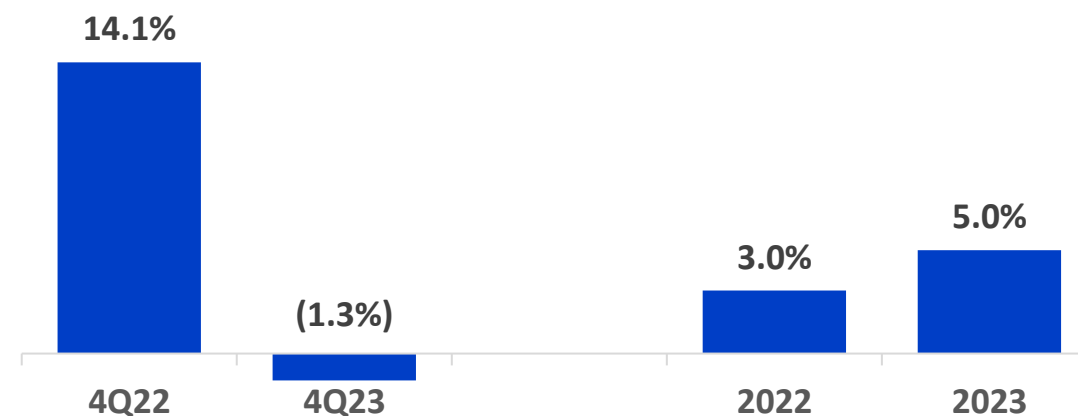
# Strong growth in both SWS and SSS in 2023

System-wide-sales EL Brazil<sup>1</sup> (In R\$ MM)



- The chain's gross sales<sup>1</sup> reached **R\$500.5 million** in 4Q23, **growth** of 0.4% compared to the same quarter of the previous year and accumulated, an **increase** of **7.0%** compared to 2022.

Same-store sales EL Brazil (% YoY)

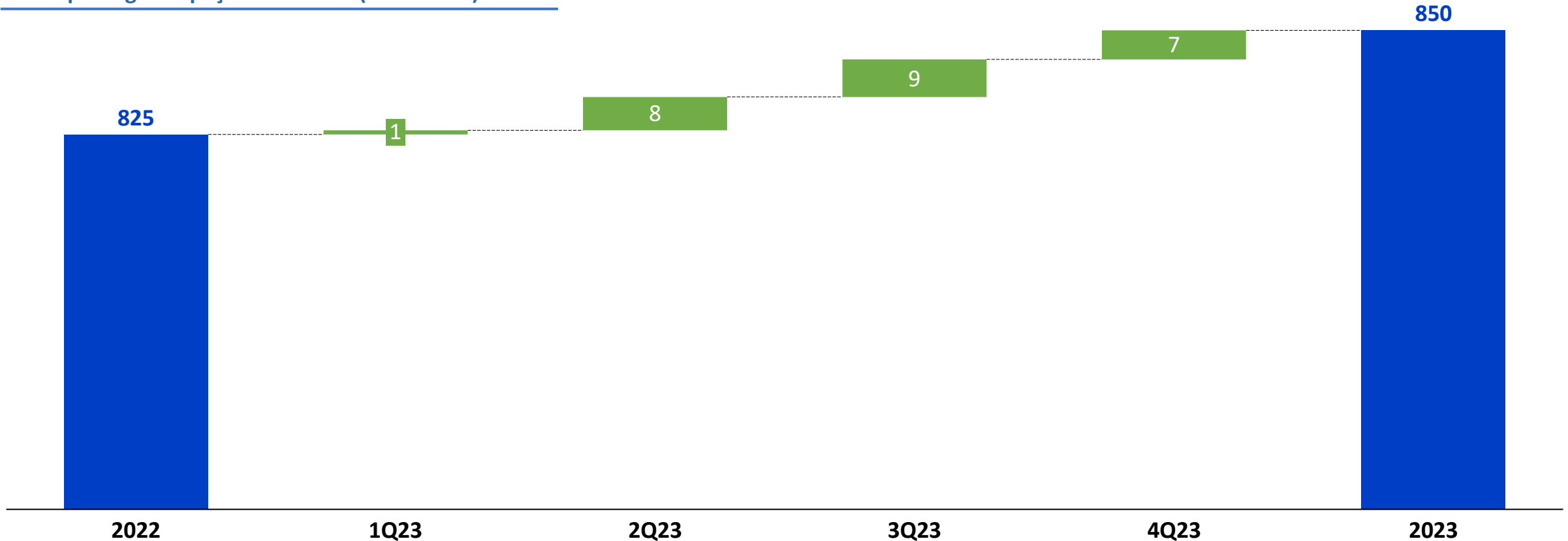


- Same-store sales** with a slight reduction of 1.3% in the quarter, reflecting the greater balance between volume and price, with the average ticket showing **growth of ~6%** in 2H23 vs. 1S23.
- In 2023, **same-store sales** grew by **5.0%** compared to 2022.

<sup>1</sup>System-wide sales corresponds to the total gross sales (sell-out) of Espa olaser units (company owned and franchise)

# Acceleration of the expansion plan in 2023...

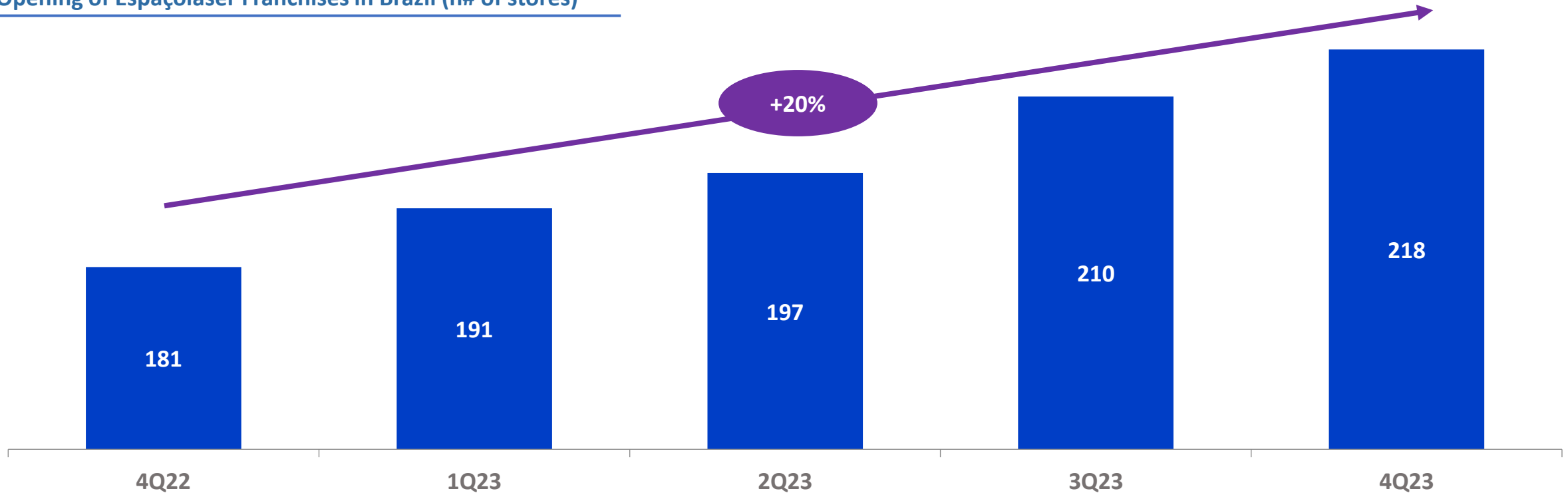
Net Opening of Espaçolaser stores (# of stores)



- We ended 2023 with **850 Espaçolaser stores**, maintaining the **acceleration of the operation** with the (gross) opening of **50 stores** when compared to 2022.
- Colombia: **strategic partnership** with F3L to **boost the expansion** plan and **strengthen Espaçolaser's presence**.

# ...Reflecting the focus on opening franchises

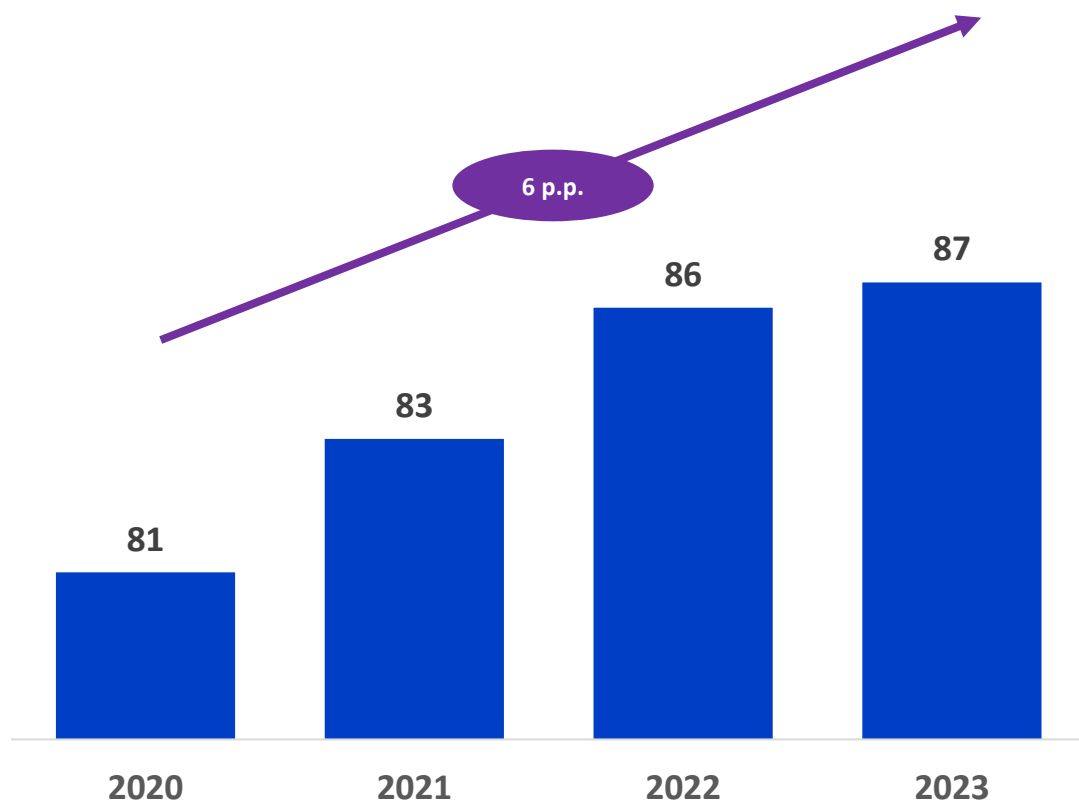
Opening of Espaçolaser Franchises in Brazil (n# of stores)



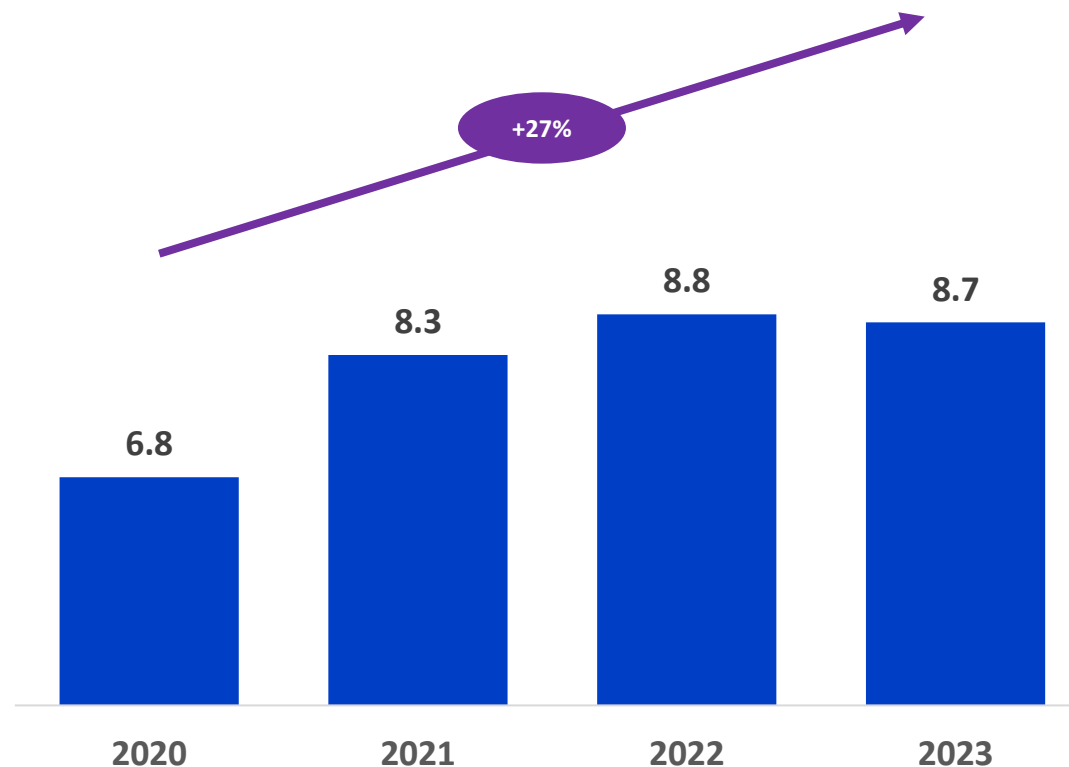
- We ended 2023 with **789 Espaçolaser stores in Brazil**, maintaining the **acceleration of operations** with the **opening of 8 franchises** in the quarter and **39 stores (gross)** when compared to 2022.

# Another year with strong recognition from our customers

Net Promoter Score (NPS)



Reclame Aqui (0 to 10)



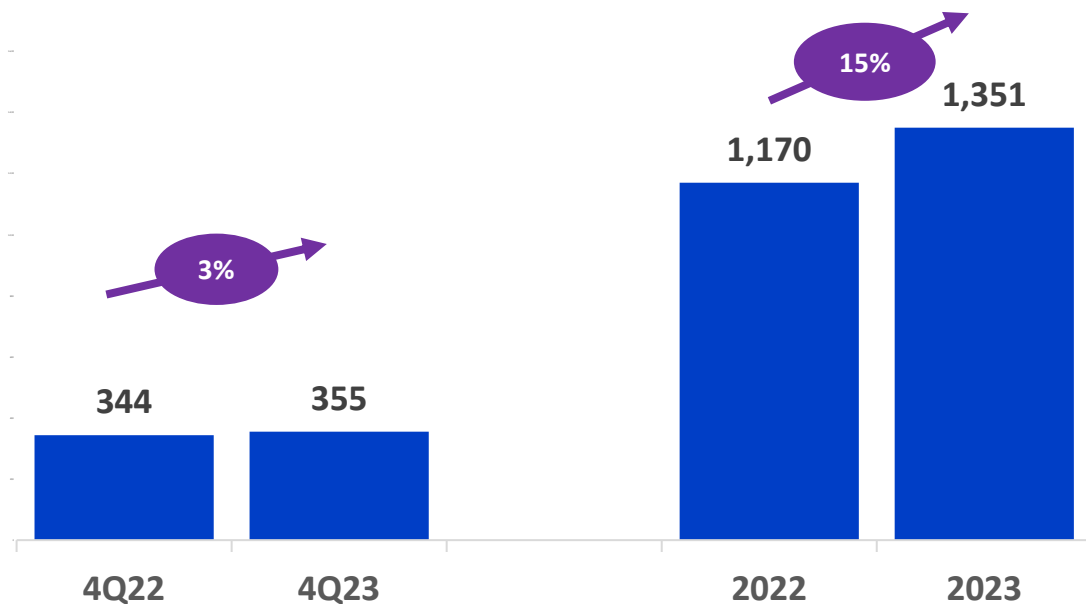


#ESPA3

# Financial Performance

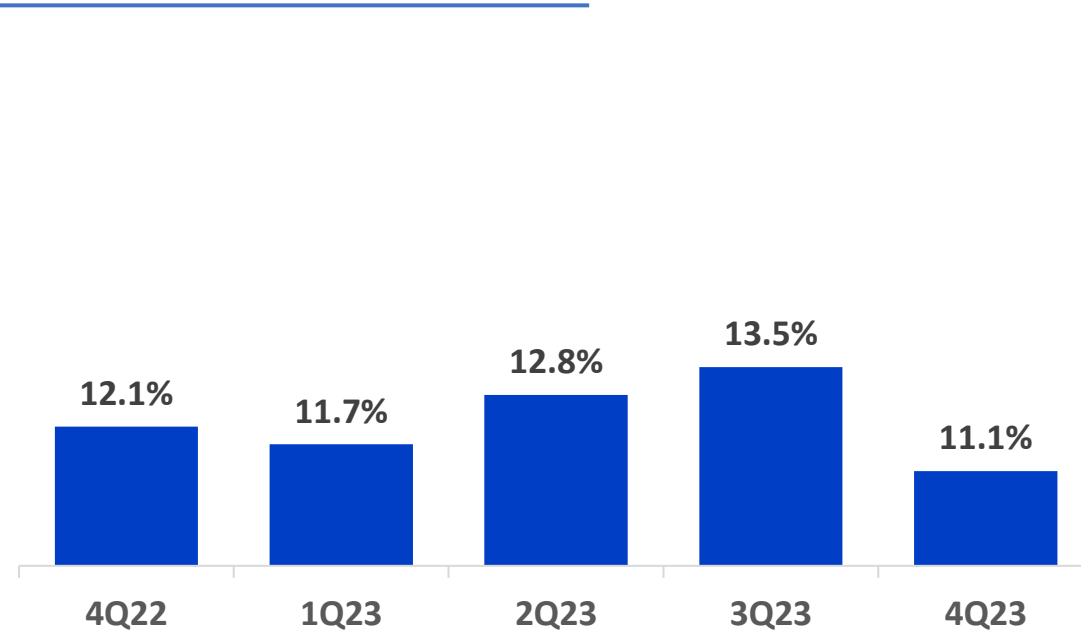
# Relevant growth in gross revenue, with a reduction in the level of cancellations

Gross Revenue (In R\$ MM)



- **3.2%** increase in gross revenue for the quarter, reaching R\$355 million;
- In 2023, strong growth of **15.4%**, totaling **R\$1.4 billion**.

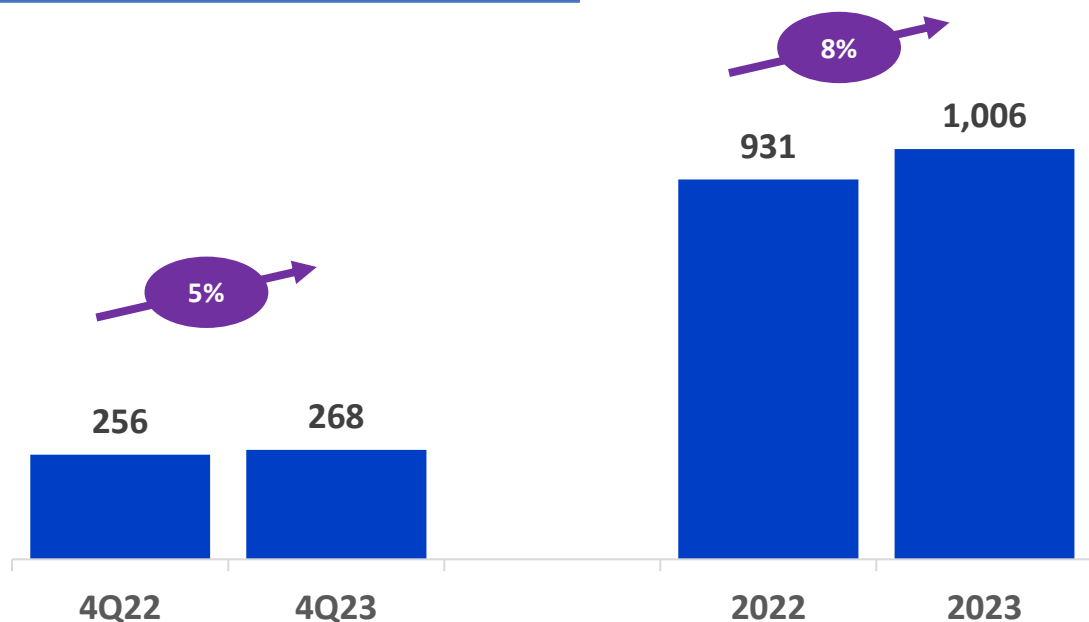
Cancellations (%)



- The percentage of **cancellations** fell by **1.0 p.p.** compared to 4Q22, and follows a sequential downward trend of **2.4 p.p.** when compared to the immediately previous quarter, representing the **lowest level of cancellations in the last 5 quarters**.

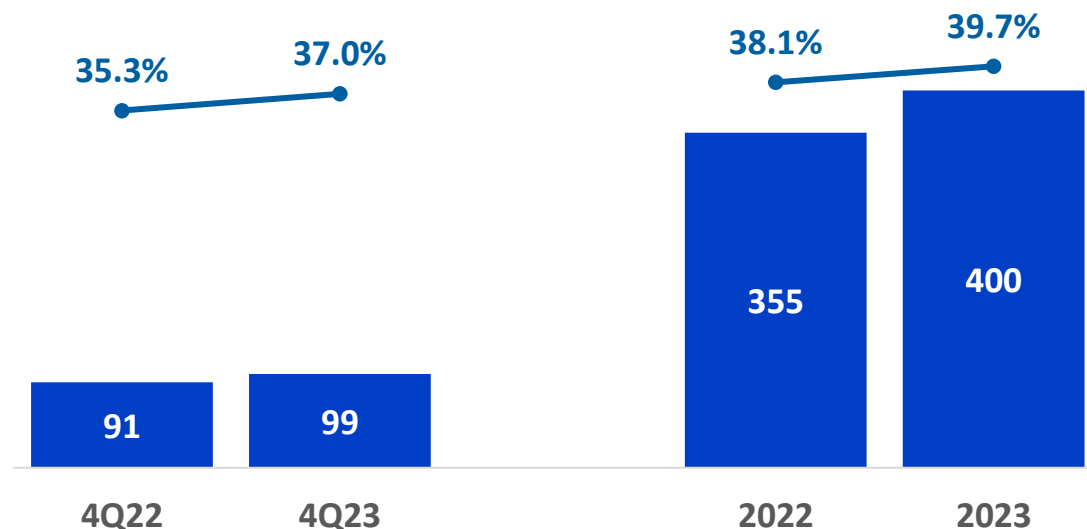
# Expansion of net revenue and greater cost efficiency

Net Revenues<sup>1</sup> (In R\$ MM)



- **Increase** of **4.8%** in net revenue for the quarter, and **8.1%** in 2023, reaching a **record level** of **R\$1.0 billion** for the year.

Gross Profit<sup>2</sup> (In R\$ MM)



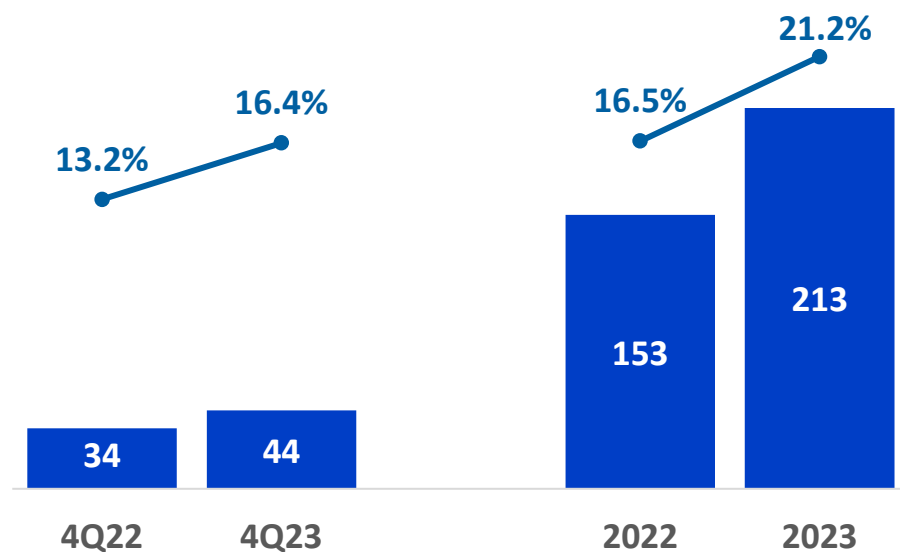
- **Gross profit R\$99.4 million** in the quarter, with a gross margin of 37.0%. In the year, gross profit reached **R\$400.0 million**, with **growth** of **12.5%** when compared to 2022, and gross margin of **39.7%**, with **gains** of **1.6 p.p**;
- Optimization of **headcount per store** in the year to date and **successful rental negotiations**, increasing **productivity per store**.

<sup>1</sup> 2022 revenue adjusted by consolidation of the numbers of merged JVs and franchises.

<sup>2</sup> Gross Profit adjusted by: (i) consolidation of the numbers of merged JVs and franchises in 4Q22 and 2022; (ii) elimination of non-recurring costs; and (iii) elimination of effects related to IFRS 16.

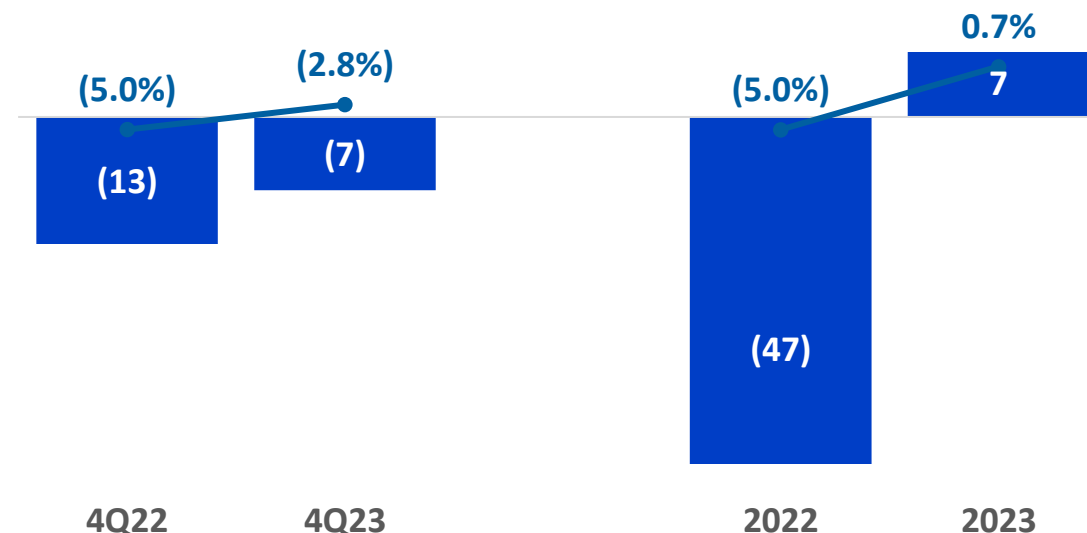
# Strong growth in EBITDA and loss reversal in 2023

Adjusted EBITDA<sup>1</sup> (In R\$ MM)



- **Solid results** in the quarter, with an Adjusted EBITDA of **R\$43.9 million**, growth of **29.8%** compared to 4Q22, and an adjusted EBITDA margin of **16.4%**, with **gains of 3.2 p.p.**;
- In 2023, EBITDA showed **robust growth** of **39.0%** compared to 2022, and with an adjusted EBITDA margin of **21.2%**, representing a **gain of 4.7 p.p.** and reflecting ongoing efforts to boost operational performance.

Adjusted Net Income<sup>2</sup> (In R\$ MM)



- Net loss of R\$7.4 million in the quarter, with a **margin gain of 2.3 p.p.**;
- Year-to-date, we recorded an **adjusted net profit of R\$6.6 million**, compared to a loss of R\$47.0 million recorded in 2022, and with a **gain of 5.7 p.p. in net margin**.

<sup>1</sup> EBITDA adjusted by: (i) consolidation of the numbers of merged JVs and franchises in 2022; (ii) elimination of non-recurring costs and expenses; and (iii) elimination of effects related to IFRS 16.

<sup>2</sup> Net income adjusted by: (i) consolidation of numbers from JVs and franchises incorporated in 2022; (ii) exclusion of non-recurring costs and expenses; and (iii) exclusion of effects related to IFRS-16

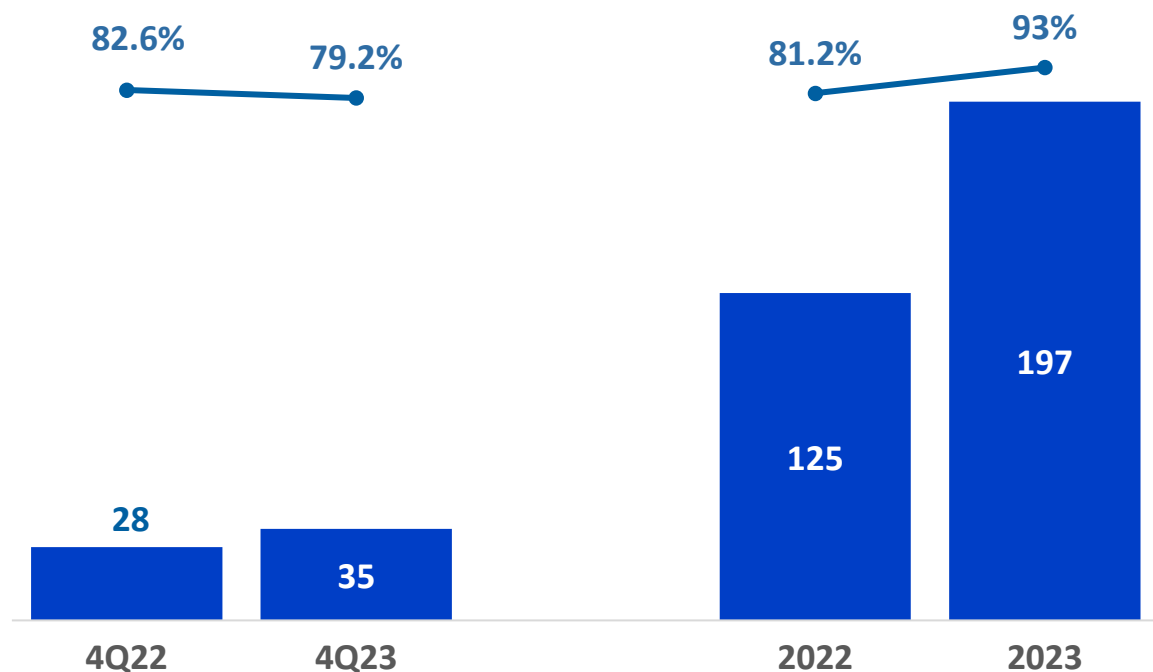


#ESPA3

# Cash Generation and Debt

# Relevant operating cash generation, with strong EBITDA conversion

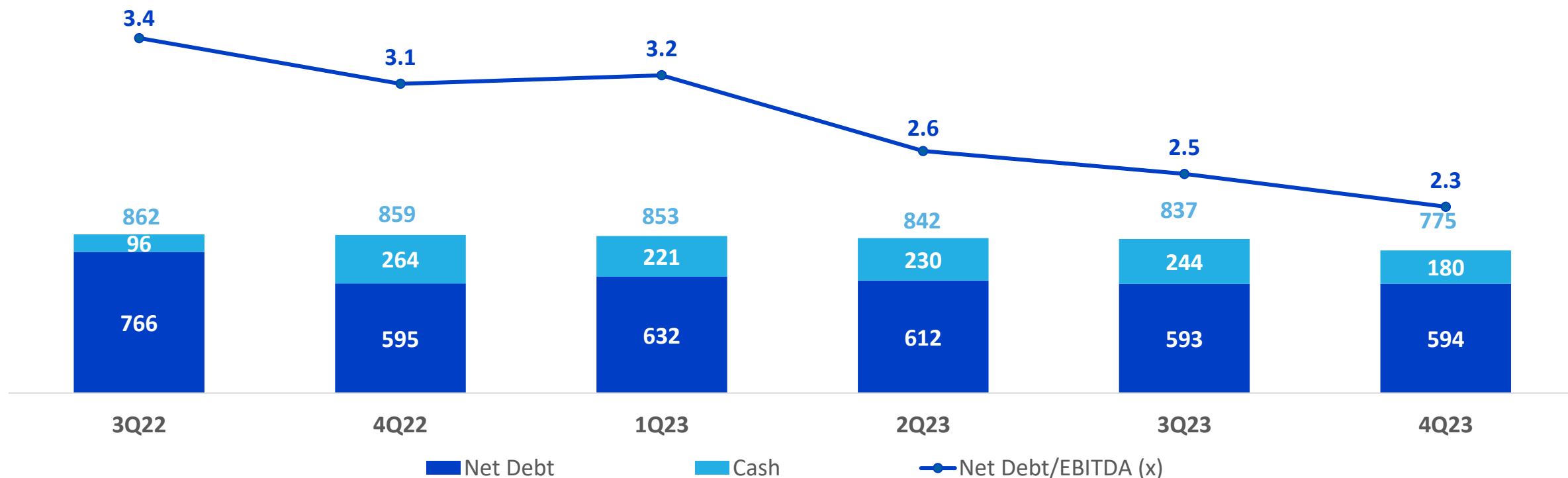
Adjusted Operational Cash Generation<sup>1</sup> (In R\$ MM)



- **Robust operating cash generation of R\$34.8 million** in 4Q23, an **increase of 24.5%** compared to 4Q22, representing an **EBITDA-to-cash conversion of 79.2%** in the quarter;
- In the year, we recorded **R\$197.2 million** in operating cash generation, representing a **conversion of EBITDA** into cash of **92.5%**, benefiting from cash management initiatives;
- Focus on expansion via franchises, **preserving cash**.

# Sequential leverage reduction

Indebtedness<sup>1</sup> (In R\$ MM)

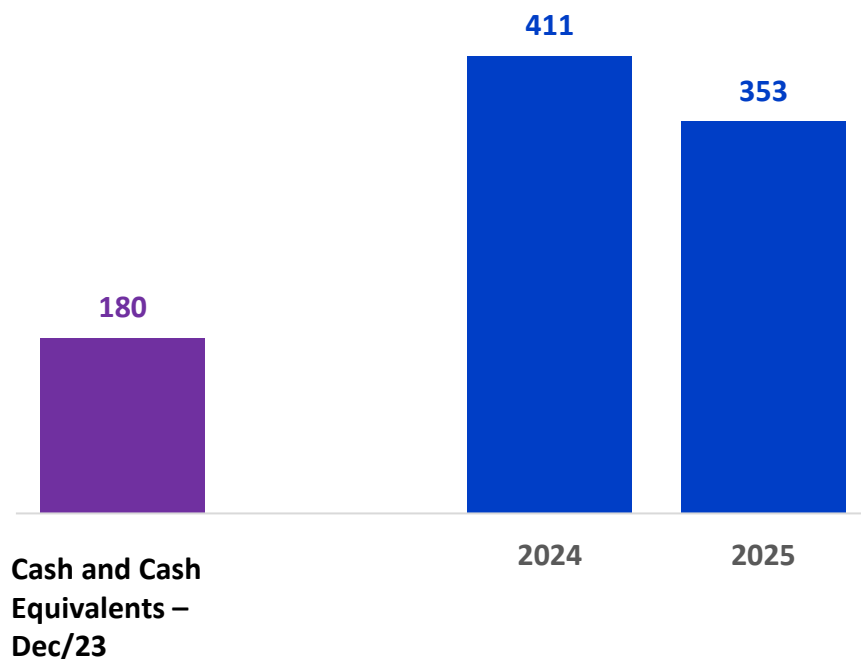


- **Reduction of net debt**, following initiatives aimed at optimizing the Company's capital structure, with reduction of leverage.
- Leverage level of **2.36x**, a reduction of 0.7 p.p. compared to 4Q22 and **below the covenants** agreed in the 2nd issuance, of 3.0x.

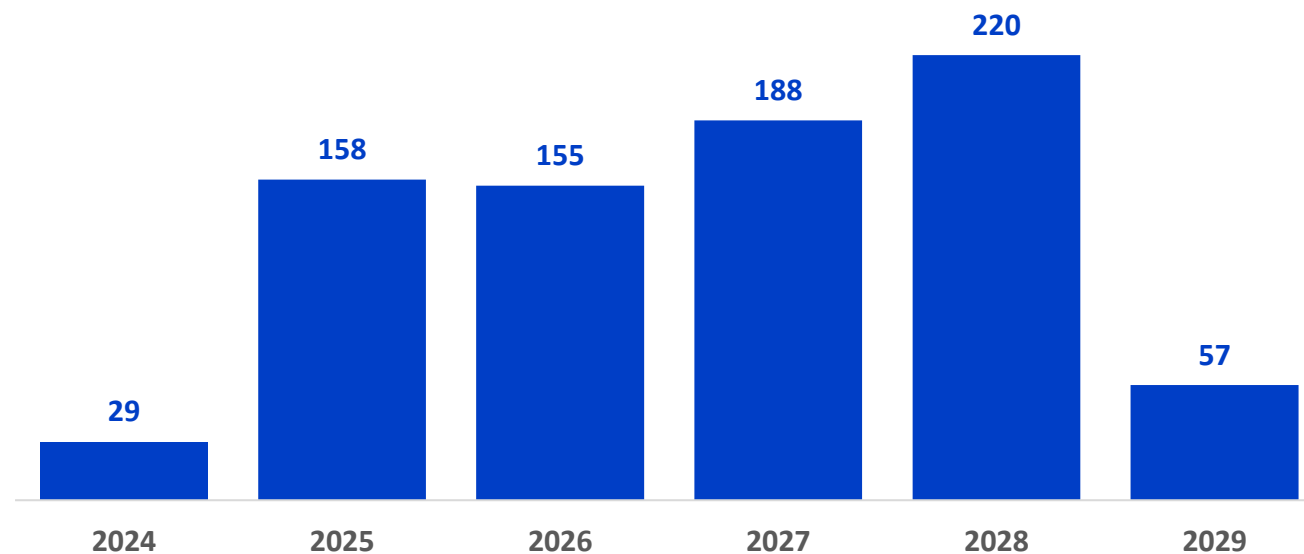
# Subsequent event - New capital structure

- **Approval**, in February, of two **debenture issuances** totaling **R\$733 million**;
- **5-year term** with principal amortization after 1 year;
- **Cost**: CDI + 4.50% p.a.;
- **Tax Shield**: **New structure** between MPM and Corporeos with **greater tax efficiency**.

Indebtedness (In R\$ MM) – Previous Structure schedule



Indebtedness (In R\$ MM) – Current Structure schedule





#ESPA3

Q&A

#ESPA3

# Final Remarks

## Investor Relations

 [ir.espacolaser.com.br](http://ir.espacolaser.com.br)

 [dri@espacolaser.com.br](mailto:dri@espacolaser.com.br)

