

4Q20 RESULTS

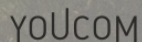
February 11, 2021

B3: LREN3; USOTC: LRENY

LOJAS RENNER S.A.

 **RENNER**

 **CINCO ANOS**

 **youcom**

 **realize**

VIDEO CONFERENCE

February 12, 2021

1:00 p.m. (Brazil)

11:00 a.m. (US-EST)

[Webcast in English](#)

[Webcast in Portuguese](#)

The Video Conference will be held via webcast in Portuguese with simultaneous translation in English.

For the best viewing experience, it is recommended the use of Google Chrome or Firefox browsers.

Digital Transformation

DIGITAL SALES

- Sales through the Digital Channels continued to report a particularly strong performance despite the normalization of off-line operations. In 4Q20, digital **sales increased 123.2%** representing **9.4% of the total**.
- Over the course of the last quarter of 2020, fresh improvements were made in the customer shopping experience such as the launching of the **Virtual Fitting Room**, bringing with it more autonomy, flexibility as well as improvements in customization of browsing. Additional ways of finalizing the purchasing process were introduced with the approval of PIX and other alternatives for instantaneous payments.
- All these initiatives were reflected in **increased traffic** across the digital platforms, greater frequency of purchases as well as an increase in the numbers of active and new customers. In addition, the Renner app continued to be outstanding, once more being the most downloaded among the online fashion players in the period.
- In recognition of the foregoing, Renner was the recipient of the "EBIT Most Loved Store Award – Fashion and Accessories", "Real Black Friday", among others.
 - **Traffic**: growth of 153% in 4Q20, approximately half via the app;
 - **New customers**: increase of +110% in 4Q20, representing around 80% of the total customer base and 60% of the sales;
 - **App Downloads**: 180% greater in the quarter, setting a new installation record in November, and responsible for 55% of digital sales.

STRUCTURAL PROJECTS

- In the quarter, the Omni Transformation continued to develop mainly in relation to the use of store inventory for deliveries with a significant increase in the **assortment** of exclusive store items available also for online purchase.
 - **Digital sales**: about 30 thousand orders executed since the beginning of the year;
 - **Self checkout (self-service cash desk)**: participation of 12% of sales at units where the service is available;
 - **Self checkout (Digital Payments – via the customer's mobile phone)**: available at all stores with +200 thousand operations;
 - **Sales via Whatsapp**: available in more than 80 stores with a 150 thousand customers attended;
 - **Social sales (Minha Sacola)**: +17 thousand affiliated participants with +95 thousand items sold;
 - **Ship from Store**: enabled in all stores, concentrating shipping from +180 units and during Black Friday, about 40 of them operated round the clock to attend online orders;
 - **Infinite Aisle**: exclusive store items in 40% of online orders;
 - **Fashion Delivery**: pilot operation at Renner and Ashua stores using analytics for defining the target public and sending a selection of items to the residence of the chosen customer, with a high level of conversion;
 - **Fashion Machine**: pilot vending machine at a subway station in the city of São Paulo;
 - **New Omni DC**: construction work on the new DC in SP proceeds according to plan.
- In the context of the Use of Data in the Product Life Cycle project, in addition to the **17% of the products allocated to the stores without human intervention at Renner**, a progress was made with the pilot at **Youcom** for all stores, replicating the same distribution model with artificial intelligence to about **6%** of products, **pilot operations** were also begun at **Camicado**. In addition, a similar project was launched using Artificial Intelligence in the purchase of products for resale with decision on volumes oriented solely by data.
- Finally, with respect to the Customer's Single View, we continued to ramp up the use of analysis and transformation of integrated data to obtain better information on the client and offer of personalized experiences. As a result, the percentage of the active customer base continued to climb as well as the portion of sales already identified, now standing at 80%. There were also developments in the omni campaigns manager through the launch of **new personalized and automated campaigns**, generating greater purchasing frequency and higher average ticket and number of items per shopping bag. New sources for capturing customer data were also integrated as well as adjustments in the prioritization of contacts, generating **greater assertiveness in communication**.

REALIZE CFI

- The development of financial products and services reported constant evolution at Realize with improvements in the customer experience for transforming the payment process and making it more digital, fluid, faster and secure.
- On the renovation of the product portfolio and a greater offer of solutions and experiences that impact the lives of clients, in the quarter, the cashback program was expanded, launched not only during the Brazil Week campaign, but also during Black Friday and Children's Day. The "All in My Style" campaign was run in a new edition to include more than 200 thousand participants and awards made to thousands of Renner card customers with gift cards, as well as personalized experiences.
- Improvements were made to the digitization of the payment process in services offered in the app as well as through the launch of campaigns for communicating these initiatives. The clients now have more autonomy in such functionalities as limit increases, reanalysis of credit and password via token in the Renner cards. Additionally, Meu Cartão holders can now simulate, contract and transfer the value drawn under the Saque Rápido facility to current account. In addition, the Meu Cartão partners platform was launched in the app with discounts of up to 50% on more than 200 brands. The initiative already has more than 60 thousand registered clients, half of them interacting through the app. In addition, a partnership was made with third party portals, expanding the reach and capacity of negotiations through digital channels.

Highlights in the Period

February 11, 2021 – LOJAS RENNER S.A. (B3: LREN3; USOTC: LRENY), the largest fashion retailer in Brazil, announces its results for the fourth quarter (4Q20) and the year 2020. As per the current rule in force, from January 2019, lease expenses, depreciation and interest reflect the effect of IFRS 16.

Consolidated Information (R\$ MM)	4Q20	4Q19	Var.	2020	2019	Var.
Net Revenue from Merchandise Sales	2,919.6	2,873.1	1.6%	6,660.6	8,474.7	-21.4%
Growth in Same Store Sales	-0.8%	6.2%	-	-23.9%	8.7%	-
Gross Profit from Merchandise Sales	1,570.3	1,666.0	-5.7%	3,459.3	4,767.4	-27.4%
Gross Margin from Retailing Operation	53.8%	58.0%	-4.2p.p.	51.9%	56.3%	-4.4p.p.
Operating Expenses (SG&A) ¹	(868.2)	(771.7)	12.5%	(2,608.9)	(2,736.8)	-4.7%
SG&A as a % of Net Revenue from Merchandise Sales	29.7%	26.9%	2.8p.p.	39.2%	32.3%	6.9p.p.
Adjusted EBITDA from Retailing Operation	557.1	757.9	-26.5%	1,108.5	1,561.8	-29.0%
Adjusted EBITDA Margin from Retailing Operation	19.1%	26.4%	-7.3p.p.	16.6%	18.4%	-1.8p.p.
Financial Products Result	59.6	99.4	-40.0%	81.9	391.4	-79.1%
Adjusted Total EBITDA (Retail + Financial Products) - Includes Leasing ²	616.7	857.3	-28.1%	1,190.4	1,953.2	-39.1%
Adjusted Total EBITDA Margin - Includes Leasing ²	21.1%	29.8%	-8.7p.p.	17.9%	23.0%	-5.1p.p.
Adjusted Total EBITDA (Retail + Financial Products) - Excludes Leasing ³	737.1	964.6	-23.6%	1,661.2	2,388.8	-30.5%
Adjusted Total EBITDA Margin - Excludes Leasing ³	25.2%	33.6%	-8.3p.p.	24.9%	28.2%	-3.2p.p.
Net Income	354.0	512.8	-31.0%	1,096.3	1,086.2	0.9%
Net Margin	12.1%	17.8%	-5.7p.p.	16.5%	12.8%	3.7p.p.
ROIC LTM	15.9%	21.3%	-5.4p.p.	15.9%	21.3%	-5.4p.p.

¹ To facilitate analysis, Depreciation and Amortization expenses including Lease Depreciation have been excluded from the above table.

² Total Adjusted EBITDA with the impact of Depreciation and Lease Financial Expenses. For the purposes of comparability with preceding periods, the Company is now reporting EBITDA also adjusted for Depreciation and Financial Expenses relative to the adoption of IFRS 16, given the similarity with cash flows in the leasing agreements.

³ Total Adjusted EBITDA without the impact of Depreciation and Lease Financial Expenses with respect to the adoption of IFRS 16.

* The Company was successful in its legal action to exclude ICMS from the PIS and Cofins calculation base. As a result, a tax credit of R\$ 784.6 million (R\$ 742.5 million net of lawyers' fees) was booked to Other Operating Income with respect to the principal amount as well as a further R\$ 587.7 million (R\$ 560.4 million net of taxes) with respect to interest on this amount and booked to the Financial Result. The updated total amount was R\$ 1,372.3 million with a net effect of R\$ 1,059.7 million on Net Income. Details in note 10.

** The Company amended the method of calculating the discount rate of lease assets pursuant to explanatory note number 3.6.1.1 and with this, the amounts of lease depreciation and interest were amended for 2019 and 2020, without significant impact.

Operating Highlights – 4Q20

SSS -0.8%

Digital Sales +123.2%

- Continuation of gradual recovery in sales
- Impact of new restrictions on operations, mainly in December
- Strong growth in digital sales maintained

**Gross Margin
-4.2 p.p.**

- Ready acceptance of the new collection
- Better balanced inventories continued to drive steady improvement in margin
- Promotional environment above normal for the period

**Operating Expenses
+12.5%**

- Temporary closures and restrictions on operations impacted the dilution of expenses
- Expenses related to digital initiatives still ongoing

**Retail EBITDA Margin
19.1%**

- Lower Gross Profit
- Operational deleveraging

**Financial Products
Result
R\$ 59.6 MM**

- Gradual recovery in revenue although with lower transacted volumes
- Greater recoveries and lower portfolio volumes reducing the need for provisioning

**Net Income
R\$ 354.0 MM**

- Reduction in retail EBITDA
- Lower Financial Products Result

Capex R\$ 124.7 MM

- Investments in new DC and in technology

Breakdown by Businesses

RENNER

Businesses Breakdown	4Q20	4Q19	Var.	2020	2019	Var.
Number of Stores	393	388	5	393	388	5
Inaugurations	2	20	-	7	34	-
Selling Area (thousand m²)	709.9	683.7	3.8%	709.9	683.7	3.8%
Net Revenue (R\$ MM)	2,622.0	2,609.6	0.5%	5,974.5	7,728.4	-22.7%
Gross Margin	54.2%	58.3%	-4.1p.p.	51.9%	56.4%	-4.5p.p.

CAMICADO

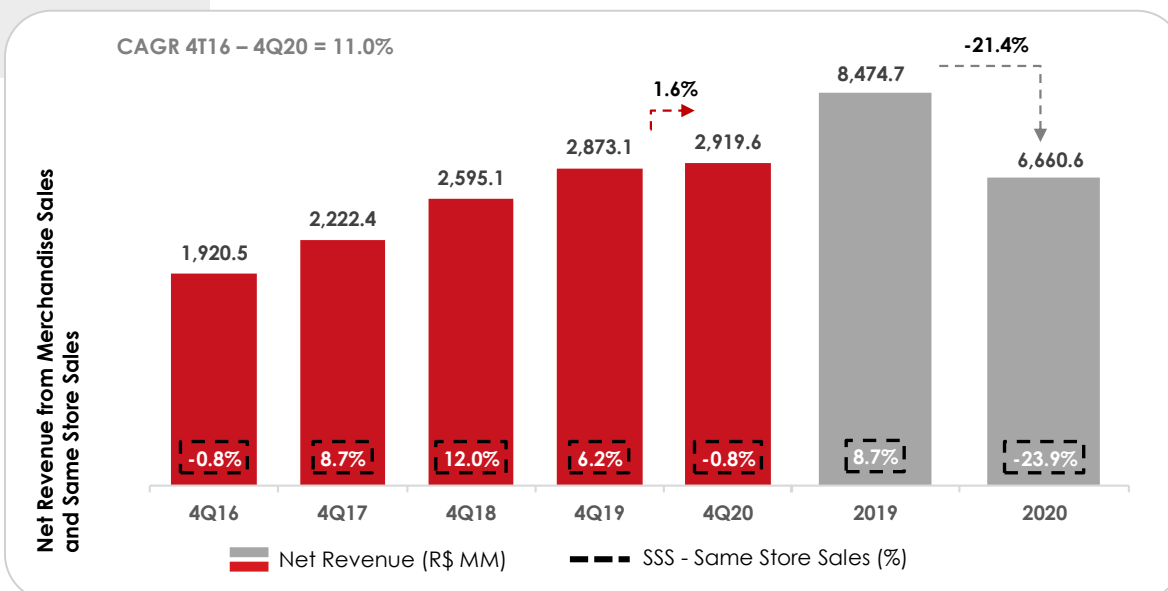
Number of Stores	113	114	-1	113	114	-1
Inaugurations	0	1	-	2	9	-
Selling Area (thousand m²)	48.3	48.7	-0.9%	48.3	48.7	-0.9%
Net Revenue (R\$ MM)	203.2	177.7	14.4%	506.9	525.0	-3.5%
Gross Margin	48.9%	49.5%	-0.6p.p.	50.9%	51.5%	-0.6p.p.

YOUCOM

Number of Stores	100	101	-1	100	101	-1
Inaugurations	0	5	-	2	9	-
Selling Area (thousand m²)	16.9	16.7	1.1%	16.9	16.7	1.1%
Net Revenue (R\$ MM)	91.2	85.7	6.4%	172.7	221.3	-22.0%
Gross Margin	58.5%	62.6%	-4.1p.p.	56.2%	61.3%	-5.1p.p.

Ashua and the stores in Uruguay and Argentina are included under the Renner name.
In 4Q20, 1 Renner store was closed, while in 2020, closures were Renner 2, Camicado 3 and Youcom 3.
In 4Q19, there were no closures, while for the year 2019, store closures were Camicado 3 and Youcom 2.

Net Revenue from Merchandise Sales

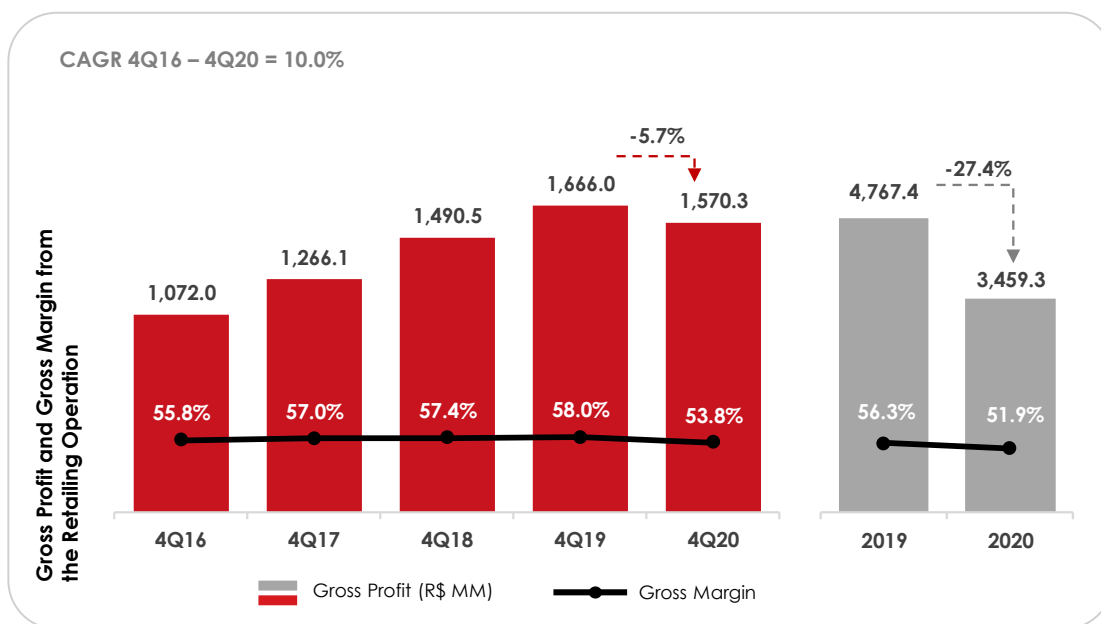


- The 4Q20 began with the **continued growth** of the preceding quarter. At the outset of the quarter all Company units were operating with traffic gradually normalizing as restrictions were lifted at the different locations. This more positive scenario together with the well received collection contributed to important improvements in several regions in October.
- In November, **Black Friday** was notable for a longer period than usual, both on digital channels and physical stores, with a **good performance** in line with company forecasts.

- At the end of November with the increasing number of Covid-19 cases, social distancing protocols once again became the order of the day in different regions and new restrictions on operations made mandatory. Consequently, customers resumed a more cautious posture in frequenting mall environments and consequently impacting footfall in December. More specifically during Christmas week, while customer traffic was down for the period, conversion rates and number of items per shopping bag were up and with this there was a year-on-year increase in sales for the period both in terms of the physical stores as well as online movement.
- In addition, during December, stores were closed temporarily in certain regions, such as São Paulo, which significantly impacted performance, mainly from the Christmas and forward, a period historically important for sales. Consequently, Net Revenue from Merchandise Sales reported **growth of 1.6%, with a slight reduction of 0.8% in Same Store Sales**, a better performance than the Federal Government's Statistics Office's (IBGE) Monthly Retailing Survey Index published with data up to the end of November.
- Sales at Youcom, in turn, reported an increase of 6.4%, reflecting the operation's good execution. Camicado continued to turn in a superior performance, registering an increase of 14.4% in Net Income on the back of improvements in assortment and store operations. Higher demand for Home Decor items also benefited this performance in tandem with the tendency for people to spend more time at home.
- Sales through the digital channels continued to report an **elevated growth of 123.2%**, this despite the normalization of off-line operations. This growth reflects significant increases in traffic, new customers and the enhanced relevance of the app. Camicado's online operations remained with an outstanding performance in the light of improved customer relationships and omni offering.



Gross Profit from the Retailing Operation



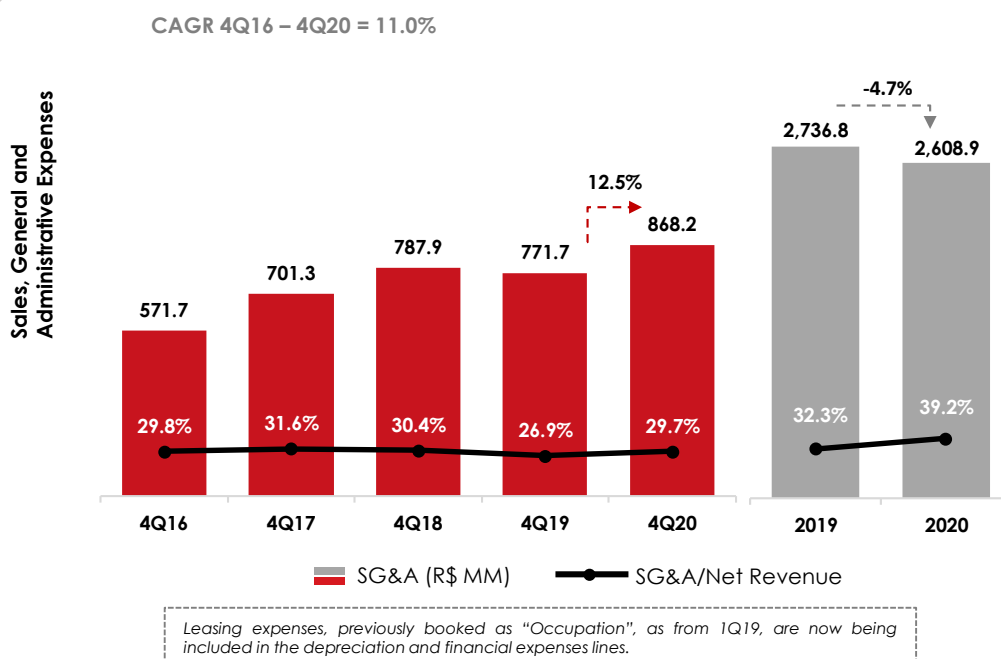
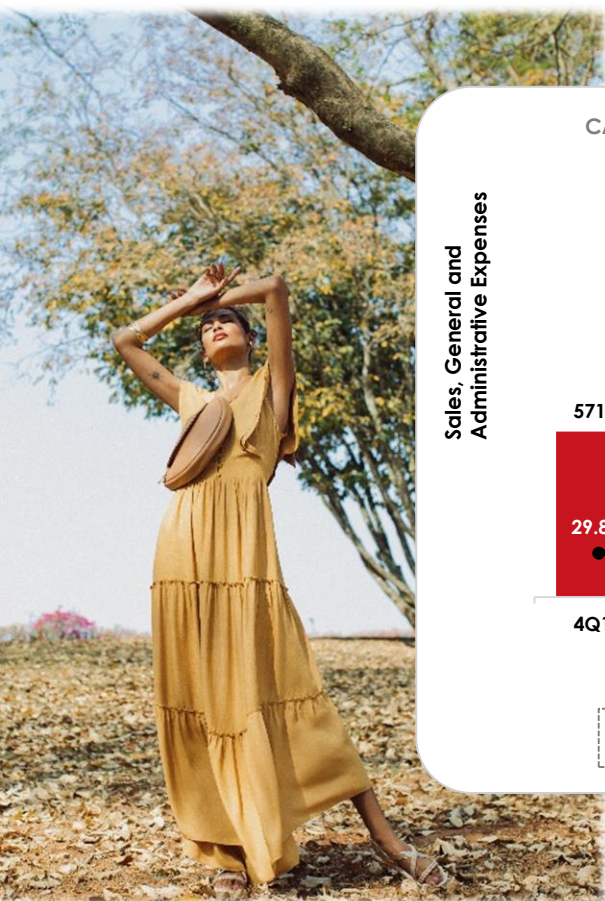
- Following a more intense process of inventory adjustment in preceding quarters, 4Q20 initiated with a more balanced and good quality store inventory. In addition, customer reaction to the new collection launched in September was most positive, also contributing to the steady improvement in Gross Margin, notwithstanding a market environment where promotional activity continued more intense than usual. Consequently, the Gross Margin recorded a **reduction in relation to 4Q19 of 4.2 p.p.**, although representing a smaller decrease than reported in 3Q20.
- Renner and Youcom posted a reduction of **4.1 p.p** in Gross Margin versus 4Q19. However, at Camicado, there was a reduction of just 0.6 p.p. in margin, reflecting good execution and inventory adjustments and in spite of the currency exchange translation effect on imported products in the period and the more promotional environment in general.

Operating Expenses

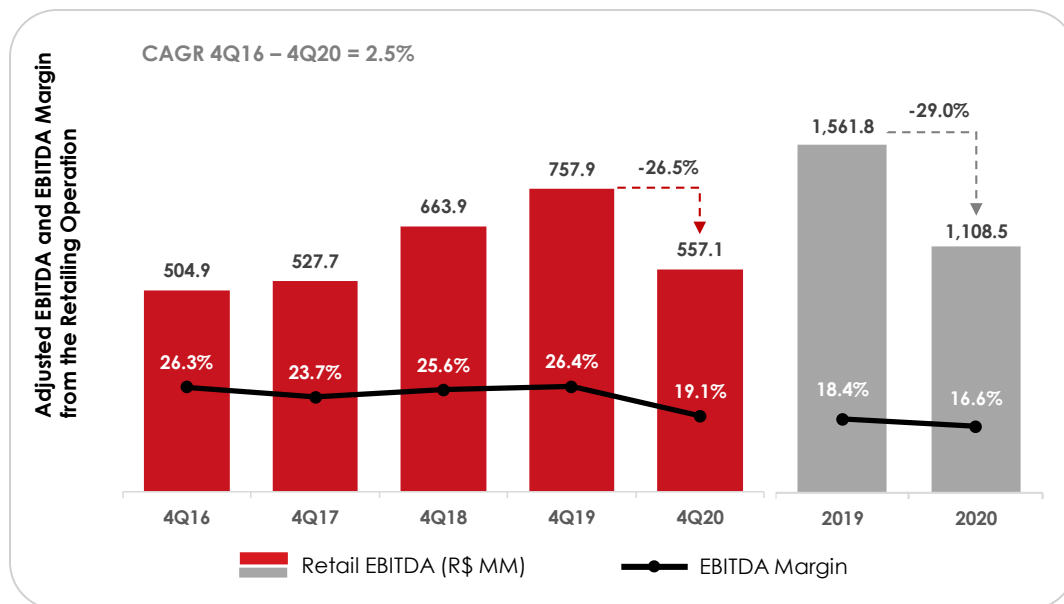
Operating Expenses (R\$ MM)	4Q20	4Q19	Var.	2020	2019	Var.
Operating Expenses (SG&A) ¹	(868.2)	(771.7)	12.5%	(2,608.9)	(2,736.8)	-4.7%
% Over Net Revenue from Merchandise Sales	29.7%	26.9%	2.8p.p.	39.2%	32.3%	6.9p.p.
Selling Expenses	(661.3)	(559.4)	18.2%	(1,885.6)	(1,975.7)	-4.6%
% Over Net Revenue from Merchandise Sales	22.6%	19.5%	3.1p.p.	28.3%	23.3%	5.0p.p.
General and Administrative Expenses	(206.9)	(212.3)	-2.6%	(723.3)	(761.0)	-5.0%
% Over Net Revenue from Merchandise Sales	7.1%	7.4%	-0.3p.p.	10.9%	9.0%	1.9p.p.
Other Operating Results	(25.2)	(29.5)	14.6%	726.6	(35.2)	NA
Profit Sharing Program	(23.9)	(50.8)	-52.9%	(22.5)	(96.8)	-76.7%
Recovery of Tax Credits	5.1	39.9	-87.3%	815.1	87.4	832.8%
Other Operating Revenues/ (Expenses)	(6.4)	(18.6)	-65.7%	(66.0)	(25.8)	155.5%
Total Operating Expenses	(893.4)	(801.2)	11.5%	(1,882.3)	(2,772.0)	-32.1%

¹ Depreciation and Amortization expenses have been excluded from the table to facilitate analysis.

- Operating Expenses (SG&A) reported **increases of 12.5%** when compared to the same quarter in 2019. Selling Expenses **increased 3.1 p.p.** in relation to Net Revenues from Retailing and reflecting reduced dilution of expenses with the temporary closure of stores in December and implementation of digital initiatives with work in progress. However, Selling, General And Administrative Expenses rose less than sales due to cost cutting measures.
- The Other Operating Results were higher, mainly due to the lower Recovery of Tax Credits in 4Q20, given the review of social security charges due to court decisions in 4Q19, and the lower level of provisioning in the Profit Sharing Program, due to the performance obtained in the period.

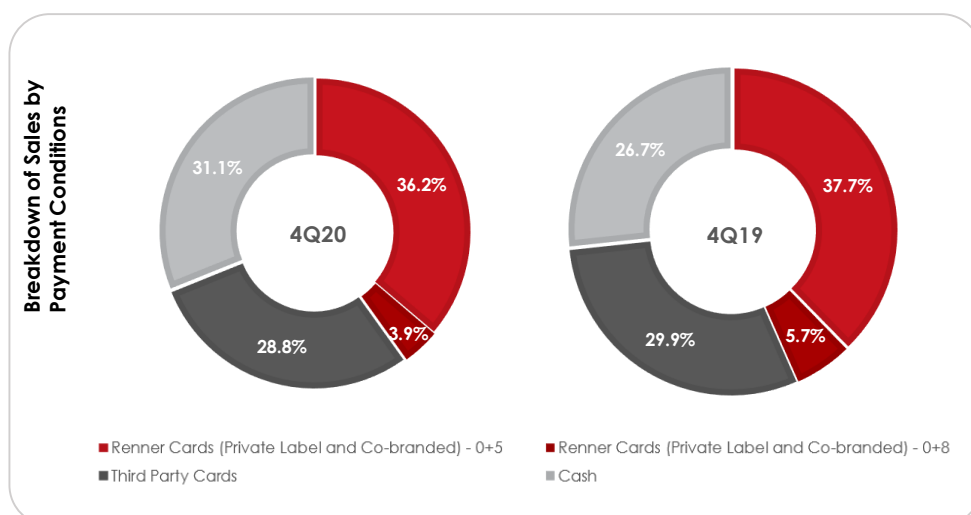


Adjusted EBITDA from the Retailing Operation



- In 4Q20, Adjusted EBITDA from the Retailing Operation recorded a **reduction of 26.5%** compared with 4Q19 with a **Margin of 19.1%**. This reduction reflects the lower Gross Margin in the period as well as operational deleveraging largely due to temporary store closures.
- For the sake of comparability with preceding periods, the Company now shows EBITDA adjusted also for Depreciation and Financial Expenses following the adoption of IFRS 16 and given the similarity with cash flows generated under rental agreements.

Payment Conditions

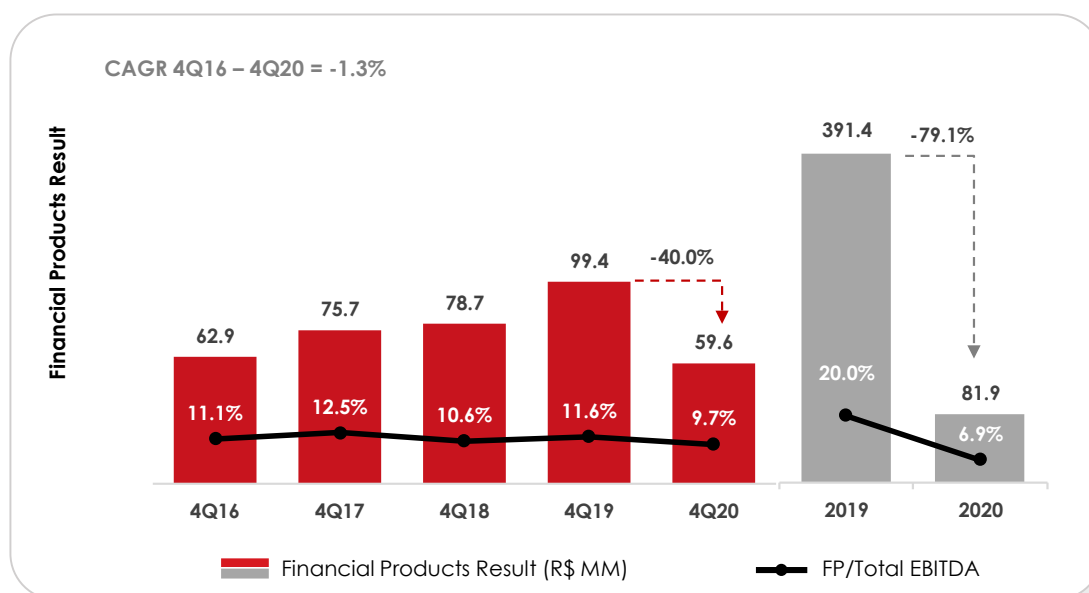


- In 4Q20, the Company recorded a total issue of 33.8 million cards, accounting for 40.1% of merchandise sales, 3.3 p.p. less than the same period in 2019. The reduction in the participation of the Renner cards reflects consumer behavior in the light of the current scenario, with a greater inclination for cash settlements.

Financial Products Result

Financial Products Result (R\$ MM)	4Q20	4Q19	Var.	2020	2019	Var.
Revenues, Net of Funding and Taxes	151.7	300.8	-49.6%	854.3	1,090.5	-21.7%
Renner Card (Private Label)	29.6	106.9	-72.3%	246.9	414.7	-40.5%
Co-branded Card Meu Cartão	122.0	193.9	-37.1%	607.5	675.8	-10.1%
Credit Losses, Net of Recoveries	12.0	(108.7)	NA	(412.6)	(381.0)	8.3%
Renner Card (Private Label)	30.8	(54.5)	NA	(107.2)	(168.5)	-36.4%
Co-branded Card Meu Cartão	(18.9)	(54.2)	-65.2%	(305.5)	(212.5)	43.7%
Operating Expenses	(104.0)	(92.7)	12.2%	(359.8)	(318.1)	13.1%
Financial Products Result	59.6	99.4	-40.0%	81.9	391.4	-79.1%
% of Company's Total Adjusted EBITDA	9.7%	11.6%	-1.9p.p.	6.9%	20.0%	-13.1p.p.

As from 1Q20, Saque Rápido Revenues and Losses were incorporated under the Private Label
Credit Losses, Net of Recoveries include write-offs, provisioning complements/reversions and recovery of write-offs in the period.



- The Financial Products Result in 4Q20 amounted to **R\$ 59.6 million**, an important **quarter-on-quarter improvement**, largely due to replenished portfolios. Nevertheless, compared with 4Q19, there was a reduction due to lower Revenues generated in the period.
- **The reduction in Revenues** was largely the outcome of lower portfolio volumes arising from the period of greater operational restrictions and a decline in the use of credit cards in general. Discounts conceded to clients were also greater in the period, feeding through to lower revenue. Revenues from the Private Label also recorded a decrease of 72.3%, reflecting the reduction in this portfolio by virtue of lower sales volume following the most critical period of operating restrictions. Meu Cartão revenues, in turn, fell 37.1% due to lower growth rates in this portfolio, the result of lower consumer spending during the pandemic. Important to point out here that as portfolio volume recovers, there is a **gradual effect on the generation of Revenues** carried through to subsequent periods, a trend already apparent in 4Q20 relative to 3Q20.
- In the context of **Net Losses, results were positive at R\$ 12.0 million**, due to lower portfolio volume, improved credit quality as well as higher levels of recovery.
- Operating Expenses rose by 12.2%, reflecting redoubled collection activity as well as expenses related to the **digital initiatives at Realize**.

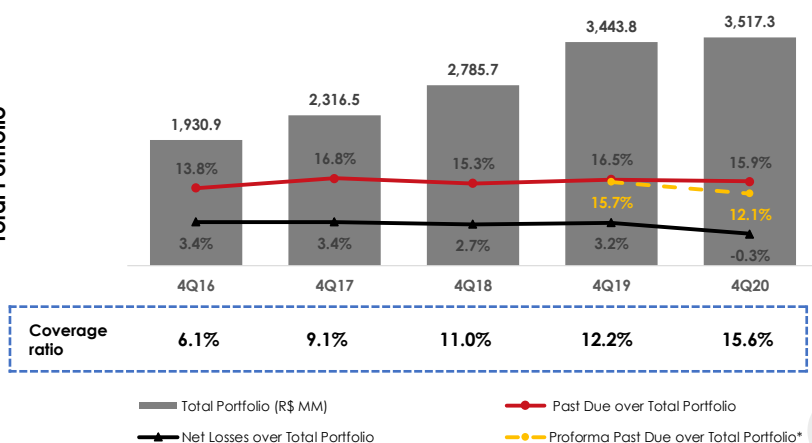
Customer Accounts Receivable

Customer Accounts Receivable (R\$ MM)	Dec.20	Dec.19	Var.
Renner Card (Private Label) - Net Portfolio	960.9	1,240.4	-22.5%
Renner Card (Private Label) - Total Portfolio	1,179.9	1,394.8	-15.4%
Estimated Credit Losses	(206.7)	(132.8)	55.7%
Present Value Adjustment	(12.3)	(21.6)	-43.2%
Co-branded (Meu Cartão) - Net Portfolio	2,008.3	1,782.7	12.7%
Meu Cartão (Co-Branded) - Total Portfolio	2,355.9	2,078.4	13.4%
Estimated Credit Losses	(341.4)	(287.9)	18.6%
Present Value Adjustment	(6.3)	(7.8)	-19.9%
Total Third-Party Credit Card Companies	833.3	797.1	4.5%
Other Accounts Receivable	9.2	5.8	58.5%
Total Credit Portfolio	3,811.7	3,826.0	-0.4%

- In December 2020, Accounts Receivable amounted to R\$ 3,811.7 million, a slight fall of 0.4% compared with December 2019. Of this total, the Private Label registered a decrease of 22.5%, while there was an increase of 12.7% for Meu Cartão. Also incorporating these variations, portfolios fed from transactions with Third-Party Credit Card Companies and Other Accounts Receivable registered increases in relation to 2019.

Delinquency

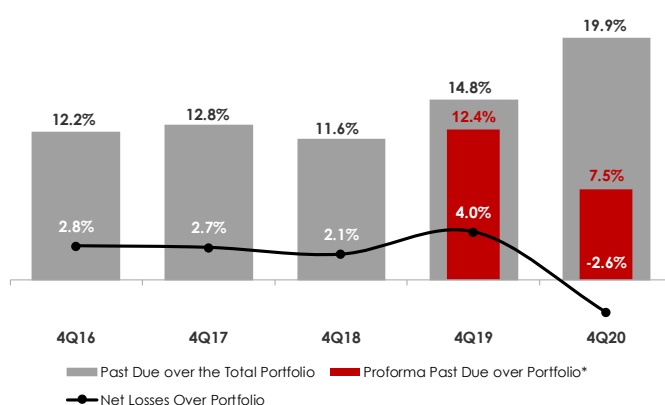
Total Portfolio



Total Portfolio:

- The total Financial Products portfolio (Renner Card and Meu Cartão) recorded a slight **growth of 2.1%** in 4Q20, versus 4Q19, mainly reflecting a reduction in the Private Label portfolio, due to lower sales volume in preceding months. Meu Cartão portfolio reported an increase compared to 4Q19, although to a lesser degree than habitual, and compensating the decline in Private Label.
- The **improvement**, both in the **percentage of net losses**, and in **overdues** was due to the **lower portfolio volumes** and **credit quality**, as well as higher levels of **recoveries**.

Renner Card

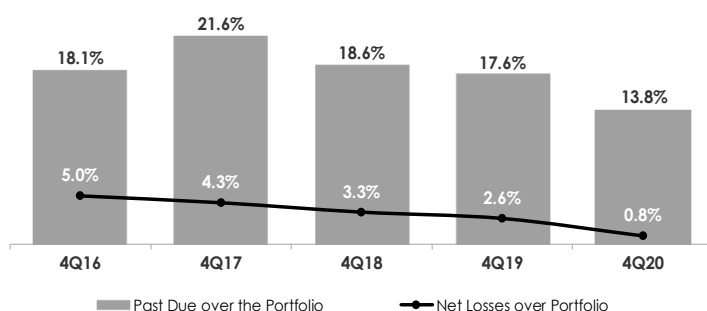


* For the purposes of comparability, the proforma data relates to the receivables' portfolio up to 180 days.

Private Label (Renner Card):

- The **increase in the percentage of overdues in 5.1 p.p.** is mainly due to the lower proportion of new credits, a function of reduced sales volumes as well as the practice of writing off assets over 360 day as opposed to 180 days as previously.
- The **6.6. p.p.** improvement in losses, net of recoveries is due mainly to the improvement in portfolio quality and to higher recovery levels of written off credits, the result of a more vigorous collection process. Lower portfolio levels also contributed to this performance.

Meu Cartão



Co-branded Card (Meu Cartão):

- The decline in losses and overdues reflects improved **recoveries of credit** as well as the **better quality** of the portfolio.

Total Adjusted EBITDA

EBITDA Reconciliation (R\$ MM)	4Q20	4Q19	Var.	2020	2019	Var.
Net Income	354.0	512.8	-31.0%	1,096.3	1,086.2	0.9%
(+) Income and Social Contribution Taxes	134.4	206.8	-35.0%	104.5	405.8	-74.2%
(+) Financial Result, Net	42.6	45.1	-5.5%	(343.9)	184.4	NA
(+) Depreciation and Amortization (*)	196.8	167.3	17.6%	759.6	661.8	14.8%
Total EBITDA	727.7	931.9	-21.9%	1,616.5	2,338.1	-30.9%
(+) Stock Option Plan	7.0	5.9	19.7%	22.8	21.1	8.3%
(+) Statutory Participation	1.9	5.9	-67.9%	1.4	5.9	-76.7%
(+) Result on Write-Off and Provision for Impairment of Fixed Assets	0.6	21.1	-97.4%	20.5	23.8	-13.6%
Total Adjusted EBITDA - excludes Leasing¹	737.1	964.6	-23.6%	1,661.2	2,388.8	-30.5%
(-) Depreciation for Leasing (IFRS16) (*)	(86.2)	(75.0)	15.0%	(335.0)	(300.8)	11.4%
(-) Financial Expenses for Leasing (IFRS16) (**)	(34.2)	(32.4)	5.8%	(135.8)	(134.8)	0.7%
Total Adjusted EBITDA - includes Leasing²	616.7	857.3	-28.1%	1,190.4	1,953.2	-39.1%
Total Adjusted EBITDA Margin - includes Leasing ²	21.1%	29.8%	-8.7p.p.	17.9%	23.0%	-5.1p.p.

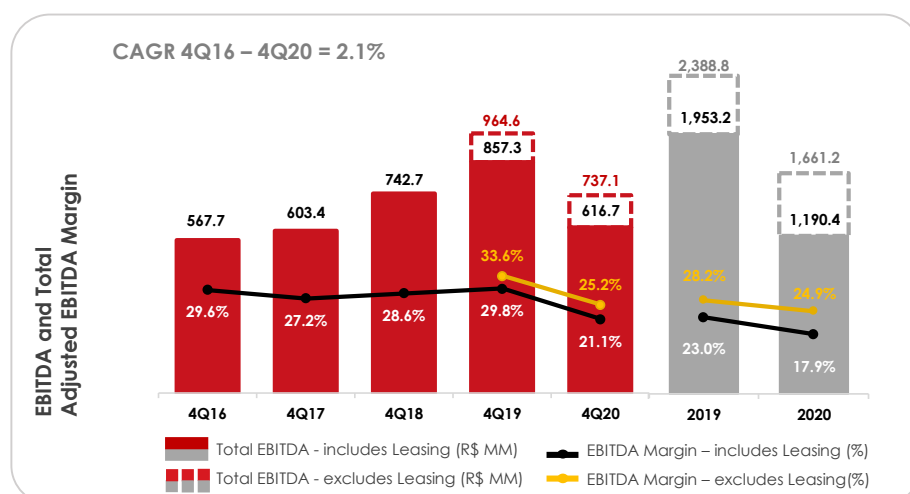
Pursuant to Article. 4, CVM Instruction 527, the Company has chosen to show the Adjusted EBITDA as in the above table in order to provide information which best reflects gross operational cash generation from its activities.

¹ Total Adjusted EBITDA without the impact of Depreciation and Lease Financial Expenses with respect to the adoption of IFRS 16.

² Total Adjusted EBITDA with the impact of Depreciation and Lease Financial Expenses. For the purposes of comparability with preceding periods, the Company is now reporting EBITDA also adjusted for Depreciation and Financial Expenses relative to the adoption of IFRS 16, given the similarity with cash flows in the rental agreements.

* Depreciation for Leasing (IFRS16) is presented net of PIS/COFINS effects, whose amounts are R\$ 8.2MM in 4Q20, R\$ 31.4MM in 12M20, R\$ 11.2MM in 4Q19 and R\$ 33.0MM in 12M19.

** Interest on Lease is presented net of PIS/COFINS (R\$ 2.1MM in 4Q20, R\$ 12.3MM in 12M20, R\$ 1.8MM in 4Q19 and R\$ 6.1MM in 12M19). The values of Interest on Lease, shown in Cash Flow Statement, in the line "Interest and expense on loans and lease", totaled R\$ 24.5MM in 4Q20, R\$ 90.8MM in 12M20, R\$ 13.4MM in 4Q19 and R\$ 67.5MM in 12M19.



- Total Adjusted EBITDA for 4Q20 amounted to **R\$ 616.7 million**, 28.1% less than 4Q19, equivalent to a **Margin of 21.1%**. This performance is the consequence of the lower operational result from retailing as well as a lower Financial Products Result.
- For the purposes of comparability, the Company now reports EBITDA also adjusted for Depreciation and Financial Expenses relative to the adoption of IFRS 16 since the cash flows originating from the rental agreements are similar. Excluding this adjustment, Total EBITDA would have totaled **R\$ 737.1 million**, equivalent to a **Margin of 25.2%**.

Financial Result, Net

Financial Result, Net (R\$ MM)	4Q20	4Q19	Var.	2020	2019	Var.
Financial Revenue	11.4	6.9	65.7%	598.6	33.3	NA
Gains on Cash Equivalents	7.0	6.1	15.7%	35.3	31.2	13.0%
Other financial revenue	4.4	0.8	448.7%	563.4	2.1	NA
Financial Expenses	(61.8)	(49.8)	24.1%	(238.9)	(216.0)	10.6%
Interest on Loans, Borrowings and Swap	(23.0)	(13.3)	73.0%	(87.5)	(67.3)	30.1%
Other Financial Expenses	(4.6)	(4.2)	10.4%	(15.6)	(13.9)	12.1%
Financial Expenses for Leasing	(34.2)	(32.4)	5.8%	(135.8)	(134.8)	0.7%
Foreing Exchange, Net	7.8	(2.2)	NA	(15.8)	(1.8)	805.6%
Financial Result, Net	(42.6)	(45.1)	-5.5%	343.9	(184.4)	NA

- The Net Financial Result was negative at **R\$ 42.6 million** versus R\$ 45.1 million in 4Q19, mainly due to the increase in Interest on Loans, Borrowings and Swap due to higher levels of debt.

Free Cash Flow

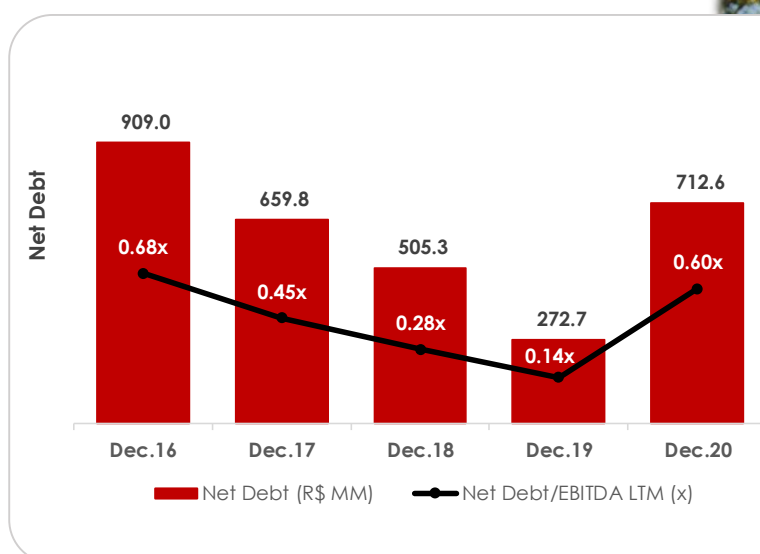
Cash Flow (R\$ MM)	4Q20	4Q19	Var.	2020	2019	Var.
Total Adjusted EBITDA	616.7	857.3	(240.6)	1,190.4	1,953.2	(762.8)
(+/-) Income and Social Contribution Taxes/Others	13.7	(56.0)	69.8	222.7	(396.2)	618.9
Operating Cash Flow	630.4	801.3	(170.9)	1,413.1	1,557.0	(143.9)
(+/-) Changes in Working Capital	(90.7)	(161.9)	71.2	(875.6)	(213.0)	(662.6)
Accounts Receivable	(1,132.8)	(934.2)	(198.6)	14.3	(657.2)	671.4
Inventories	141.6	121.9	19.7	(257.2)	(14.2)	(243.0)
Suppliers	426.4	238.2	188.2	418.6	55.9	362.7
Taxes	249.7	185.7	64.0	(1,313.3)	(15.5)	(1,297.8)
Other Accounts Receivable/Payable	224.4	226.5	(2.1)	261.9	417.9	(156.0)
(-) Capex	(124.7)	(248.9)	124.2	(544.0)	(751.5)	207.6
(=) Free Cash Flow	414.9	390.5	24.5	(6.5)	592.5	(599.0)

- The increased Free Cash Flow in the period was a reflection of the lower levels of Capex due to adjustments made to the investment program in the light of the pandemic.
- Reduced requirements for working capital also benefited this result. Particularly positive was the Suppliers, a result of the resumption of operations, with higher volumes of purchases.

Net Debt

Net Debt (R\$ MM)	Dec.20	Dec.19
Borrowings and Financing	(2,623.0)	(1,153.7)
Current	(1,077.1)	(709.0)
Noncurrent	(1,545.9)	(444.6)
Credit Operations to Customers Financing	(762.0)	(491.4)
Current	(341.4)	(185.0)
Noncurrent	(420.6)	(306.4)
Gross Debt	(3,385.0)	(1,645.0)
Cash and Cash Equivalents and Financial Investments	2,672.4	1,372.3
Net Debt	(712.6)	(272.7)
Net Debt / Total Adjusted EBITDA (LTM)	0.60x	0.14x

- As of December 31, 2020, the Company's Net Debt stood at **R\$ 712.6 million**, an increase of 161.3% in relation to the closing position for the preceding year, especially due to the lower operating cash generation in the period.



Operating Finance Credit to the Client is used for financing the Financial Products portfolios and its variation is a reflection of the financial volumes of these products. Debt servicing charges related to capital management are booked to the Financial Result, Net. Operating Financing relative to Financial Products is reflected in the Operating Result.

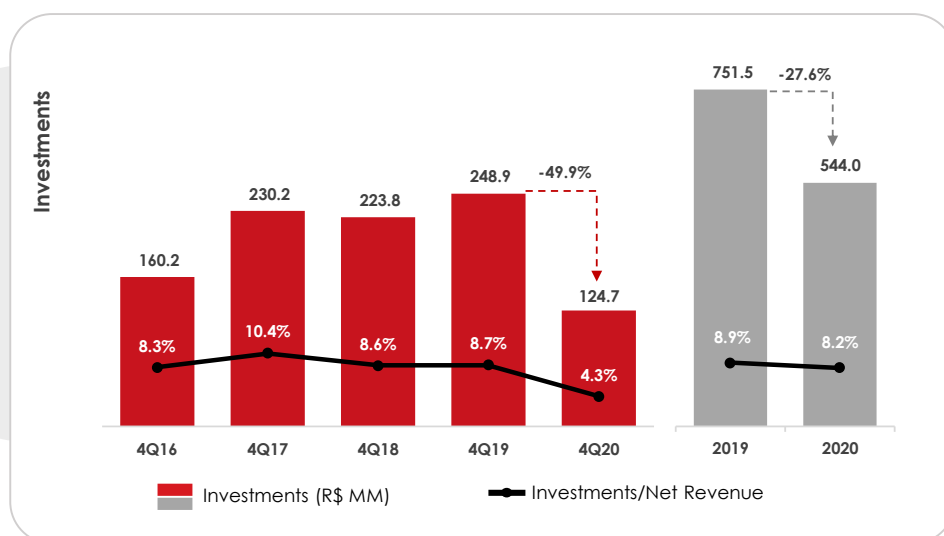
Investments

CAPEX Summary (R\$ MM)	4Q20	4Q19	2020	2019
New Stores	14.8	103.2	96.3	262.4
Remodeling of Installations	17.5	21.2	45.5	94.7
IT Equipament & Systems	66.5	100.4	265.7	247.0
Distribution Centers	25.1	23.8	134.9	145.0
Others	0.9	0.3	1.6	2.3
Total Capex	124.7	248.9	544.0	751.5

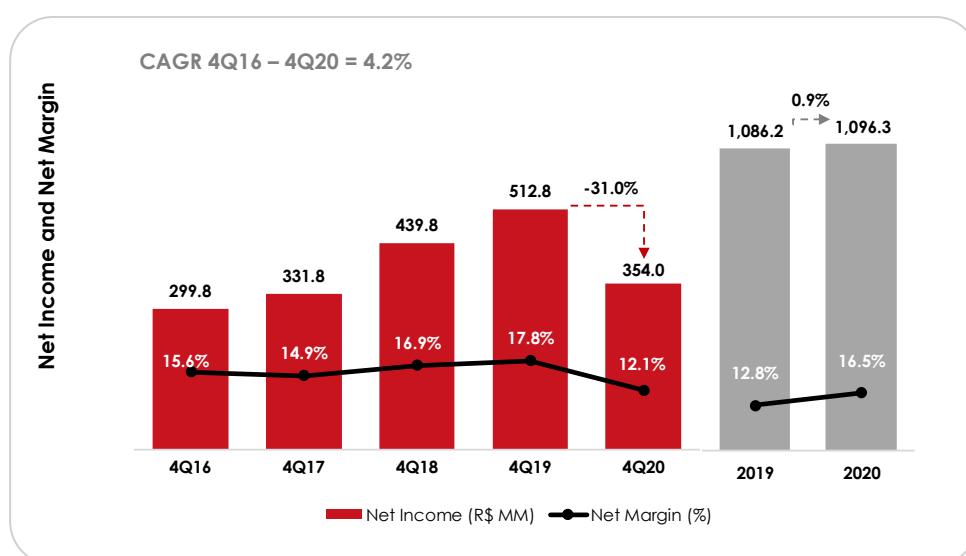
▪ Of the total amount invested in the quarter, 53.4% was dedicated to IT Systems and Equipment, 20.1% invested in Distribution Centers and 25.9% in the roll-out of New Stores and Modernization.

▪ In the quarter, Renner unveiled 2 stores to make a total of **393** units in operation including 8 in Uruguay, 4 in Argentina and 8 under the Ashua banner with a total sales area of 709.9 thousand m². Camicado continues with **113** stores with a sales area of 48.3 m². In turn Youcom, had **100** stores at the end of the quarter with a sales area of 16.9 thousand m².

▪ Depreciation and Amortization expenses were **R\$ 110.5 million** in 4Q20, 19.7% higher than 4Q19, mainly due to the store expansion plan and the increase in assets relative to IT systems given the Company's investments in digital initiatives.



Net Income and Dividends



▪ Net Income was positive at **R\$ 354.0 million** in 4Q20, compared with R\$ 512.8 million in 4Q19. This result is due to the lower Total EBITDA recorded in the quarter as well as the growth of expenses with depreciation, reflecting the Company's fixed assets and investments made in previous periods.

▪ In 4Q20, Lojas Renner credited shareholders with dividends in the form of Interest on Shareholders' Equity in the amount of **R\$ 60.5 million**, corresponding to **R\$ 0.076261 per share** based on a quantity of 793,011,525 common shares excluding those shares held as treasury stock.

Consolidated Income Statement

In R\$ thousands

Income Statement	4Q20	4Q19	Var	2020	2019	Var
Net Operating Revenues	3,074,874	3,178,561	-3.3%	7,537,180	9,588,437	-21.4%
Net Revenues from Sales of Goods	2,919,558	2,873,058	1.6%	6,660,571	8,474,693	-21.4%
Net Revenue from Financial Products	155,316	305,503	-49.2%	876,609	1,113,744	-21.3%
Costs of Sales and Services	(1,352,892)	(1,211,801)	11.6%	(3,223,570)	(3,730,521)	-13.6%
Cost of Goods	(1,349,235)	(1,207,106)	11.8%	(3,201,309)	(3,707,306)	-13.6%
Cost of Financial Products	(3,657)	(4,695)	-22.1%	(22,261)	(23,215)	-4.1%
Gross Profit	1,721,982	1,966,760	-12.4%	4,313,610	5,857,916	-26.4%
Operating Expenses ¹	(1,191,081)	(1,202,166)	-0.9%	(3,456,731)	(4,181,539)	-17.3%
Selling	(661,278)	(559,371)	18.2%	(1,885,628)	(1,975,720)	-4.6%
General and Administrative	(206,902)	(212,317)	-2.6%	(723,283)	(761,036)	-5.0%
Depreciation and Amortization	(196,768)	(167,262)	17.6%	(759,641)	(661,753)	14.8%
Losses on Receivables, Net	11,954	(108,707)	-111.0%	(412,636)	(381,049)	8.3%
Other Operating Results	(138,087)	(154,509)	-10.6%	324,457	(401,981)	-180.7%
Financial Products Expenses	(103,393)	(92,194)	12.1%	(357,414)	(316,084)	13.1%
Other Operating Results	(34,694)	(62,315)	-44.3%	681,871	(85,897)	NA
Operating (loss) profit before Financial Results	530,901	764,594	-30.6%	856,879	1,676,377	-48.9%
Total Financial Result, Net	(42,570)	(45,057)	-5.5%	343,882	(184,395)	NA
Financial Revenue	55,783	26,936	107.1%	712,925	74,422	857.9%
Financial Expense	(98,353)	(71,993)	36.6%	(369,043)	(258,817)	42.6%
(Loss) Profit Before Income and Social Contribution Taxes	488,331	719,537	-32.1%	1,200,761	1,491,982	-19.5%
Income and Social Contribution Taxes	(134,377)	(206,784)	-35.0%	(104,492)	(405,781)	-74.2%
(Loss) Profit for the Period	353,954	512,753	-31.0%	1,096,269	1,086,201	0.9%
Earnings per Share - Basic R\$	0.4467	0.6463	-30.9%	1.3828	1.4142	-2.2%
Earnings per Share - Diluted R\$	0.4456	0.6444	-30.9%	1.3795	1.4079	-2.0%
Number of shares outstanding at End of the Period (in thousands)	796,170	795,558	-	796,170	795,558	-

¹ To improve analysis, Depreciation and Amortization expenses are shown separately in the above table.

Consolidated Balance Sheet

In R\$ thousands

Balance Sheet	Dec.20	Dec.19	Balance Sheet	Dec.20	Dec.19
Assets			Liabilities and Shareholders' Equity		
TOTAL ASSETS	14,642,583	11,552,902	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	14,642,583	11,552,902
Current Assets	8,896,766	6,656,209	Current Liabilities	5,633,411	4,765,317
Cash and Cash Equivalents	2,066,781	980,954	Borrowings, Financing and Debentures	1,077,081	709,022
Financial Investments	605,572	391,348	Financing - Financial Services Operations	341,390	184,996
Trade Accounts Receivable	3,811,668	3,825,961	Finance Leases	496,583	447,685
Inventories	1,381,662	1,124,506	Suppliers	1,404,852	1,081,785
Recoverable Taxes	961,997	258,396	Obligations with Credit Card Administrators	1,193,168	985,298
Derivative Financial Instruments	5,435	4,382	Taxes and Contributions Payable	402,930	636,723
Other Assets	63,651	70,662	Social and Labor Obligations	226,816	306,882
Non-current Assets	5,745,817	4,896,693	Statutory obligations	246,269	243,114
Long Term Assets			Provisions for Risks	67,059	67,635
Recoverable Taxes	661,111	73,345	Derivative Financial Instruments	31,428	7,764
Deferred Income Tax and Social Contribution	276,925	214,505	Other Obligations	145,835	94,413
Other Assets	12,847	16,208	Non-current Liabilities	3,507,856	2,096,566
Fixed assets	2,154,260	2,173,710	Borrowings, Financing and Debentures	1,545,933	444,641
Rigth of Use	1,700,038	1,634,690	Financing - Financial Services Operations	420,575	306,370
Intangible	940,636	784,235	Finance Lease	1,365,804	1,291,676
			Suppliers	95,503	-
			Deferred income and social contribution taxes	-	5,287
			Provisions for Risks	55,237	24,481
			Other Obligations	24,804	24,111
			Shareholders' Equity	5,501,316	4,691,019
			Capital Stock	3,805,326	3,795,634
			Treasury Stocks	(119,461)	(35,549)
			Capital Reserves	94,031	74,227
			Profit Reserves	1,694,515	869,896
			Other Comprehensive Income	26,905	(13,189)

Cash Flow Statement

In R\$ thousands

Statement of Cash Flows - Indirect Method	4Q20	4Q19	2020	2019
Cash Flows from Operating Activities				
(Loss) Profit for the Period	353,954	512,753	1,096,269	1,086,201
Adjustment to Reconcile Net Income to Cash and Cash Equivalents				
Provided by Operating Activities				
Depreciation and amortization	204,926	178,507	791,036	694,712
Interest expense on loans and lease	60,787	47,521	238,548	208,449
Interest expense of Financing of Operational Services	5,745	-	29,708	-
Interest on profit/loss of subsidiaries	-	-	-	-
Income and Social Contribution Taxes	134,377	206,784	104,492	405,781
Estimated losses on assets, net	(79,226)	54,183	151,796	91,705
Exclusion of the ICMS of the calculation base for the PIS and Cofins	-	-	(1,363,029)	-
Discounts - Payable Leasing	(13,716)	-	(128,927)	-
Other Adjustments on Net Income	26,041	43,865	61,135	65,847
Adjusted Net Income	692,888	1,043,613	981,028	2,552,695
Changes in Assets and Liabilities				
Trade Accounts Receivable	(1,055,918)	(990,704)	(95,712)	(783,799)
Inventories	130,199	126,733	(265,461)	28,993
Recoverable taxes	44,309	(23,044)	75,502	(44,574)
Other Assets	532	4,749	(1,287)	(26,814)
Suppliers	438,370	238,264	419,457	59,255
Financing - Financial Services Operations	-	(252,982)	-	(360,220)
Obligations with Card Administrators	219,965	165,014	207,870	291,302
Fiscal Obligations	160,250	197,489	(124,919)	(83,629)
Other Obligations	(32,699)	29,705	(18,251)	86,741
Income and Social Contribution Taxes Payment	44,212	(43,287)	(296,099)	(302,474)
Interest of Borrowing, Financing and Debentures paid	(21,726)	(15,177)	(49,224)	(43,675)
Interest of Financing of Operational Services paid	-	-	(10,301)	-
Net Cash Used (applied) in Operating Activities, Before Financial Investments	620,382	480,373	822,603	1,373,801
Financial Investments	22,399	50,019	(214,224)	207,886
Net Cash Used (applied) in Operating Activities	642,781	530,392	608,379	1,581,687
Cash Flow from Investing Activities				
Purchases of Fixed Assets	(124,706)	(248,858)	(543,976)	(751,428)
Proceeds from Disposal of Fixed Assets	116	226	147	1,155
Capital paid-up in subsidiaries	-	-	-	-
Net Cash used from Investing Activities	(124,590)	(248,632)	(543,829)	(750,273)
Cash Flow from Financing Activities				
Capital increase	8,165	5,006	9,692	46,111
Buyback Shares	-	-	(96,964)	4
Borrowings Obtained	527,243	245,118	3,467,279	724,681
Borrowings Amortization	(184,684)	(42,998)	(1,787,961)	(632,928)
Instalment Lease Financing	(103,548)	(105,709)	(334,911)	(376,500)
Interest on equity and dividends paid	-	(7,147)	(243,835)	(409,081)
Net Cash Generated by Financing Activities	247,176	94,270	1,013,300	(647,713)
Effect of exchange rate changes on cash and cash equivalents	(1,963)	8,065	7,977	12,123
Changes in Cash and Cash Equivalents	763,404	384,095	1,085,827	195,824
Cash and Cash Equivalents at the Beginning of the Period	1,303,377	596,859	980,954	785,130
Cash and Cash Equivalents at the End of the Period	2,066,781	980,954	2,066,781	980,954

About Lojas Renner S.A.

The Company was incorporated in 1965 and has been listed since 1967. A pure, widely-held company since 2005 with a 100% free float, Lojas Renner was deemed the first Brazilian corporation. Renner's equities are traded on B3 under the LREN3 symbol, on the Novo Mercado, the highest level of corporate governance, and through an ADR program on the US OTC market under the LRENY symbol. On December 30, 2020, the closing price of the LREN3 share was R\$ 43.54, the Company reporting a market capitalization of R\$ 34.7 billion.

Lojas Renner is the largest fashion retailer in Brazil with 393 Renner stores (including 8 stores in Uruguay, 4 in Argentina and 8 stores under the Ashua name), 113 Camicado and 100 Youcom units in addition to their online platforms.

Renner designs and sells quality apparel, footwear and underwear for women, men and children under 18 private labels of which 8 represent the Lifestyle concept, each one reflecting a style of being and dressing. Renner also sells accessories and cosmetics under two proprietary brands as well as offering specific items bearing third party labels.

In May 2011, Renner acquired Camicado, a company in the home decor segment and in 2013, launched Youcom, a new store model focused on the younger generation. The Company also owns Realize CFI, a financial institution which supports Renner's retail business through the management of the financial products offered.

The target customers of Renner and Camicado are women between the ages of 18 and 39 who are in the medium-high consumption groups in Brazil. Conversely, Youcom caters for the average income consumer but between the ages of 18 and 35.

Lojas Renner offers its customers fashion products in various styles with quality and competitive prices in a practical and agreeable shopping environment.

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Legal Notice

This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of Lojas Renner S.A. and are merely projections and, as such, are based exclusively on the expectations of the Company's management concerning the future of the business. Such forward-looking statements depend substantially on changes in market conditions, the performance of the Brazilian economy, the sector and the international markets and are therefore subject to change without prior notice.

All variations as well as roundings presented herein are calculated on the basis of numbers in thousands of Reais. Variations greater than 1000% are shown as N/A in the tables.

Figures related to the performance of subsequent periods to the quarter have not been audited.

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