

Institutional Presentation|

November 2021



DISCLAIMER

This presentation may include declarations about Springs Global's expectations regarding future events or results. All declarations based upon future expectations, rather than historical facts, are subject to various risks and uncertainties.

These risks and uncertainties include factors related to the following: the Company's business strategy, the international and the Brazilian economies, technology, financial strategy, developments in the textile and retail sectors, market conditions, among others. To obtain further information on factors that may give rise to results different from those forecasted by Springs Global, please consult the reports filed with the Brazilian Comissão de Valores Mobiliários (CVM, equivalent to U.S. "SEC").

AGENDA

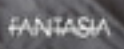
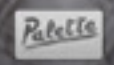
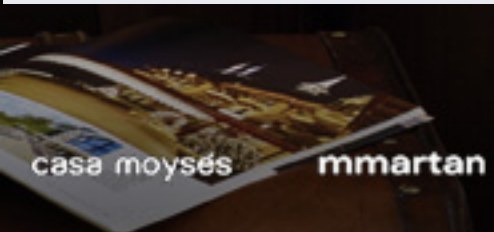
COMPANY OVERVIEW

OUR BUSINESS

COMPETITIVE ADVANTAGES

OPPORTUNITIES

FINANCIALS



EXECUTIVE SUMMARY

- ✓ Leading company in the home textile market, operating in Brazil and Argentina
- ✓ Traditional and leading brands that embrace different market segments
- ✓ The Company is reference in the textile sector, with 40 years of experience
- ✓ Integrated supply chain
- ✓ Retail operations in Brazil, with a national presence
- ✓ Established and recognized franchise model
- ✓ Opportunity to asset light growth, through franchise expansion, online sales and operational leverage
- ✓ Listed in the B3 highest standard for Corporate Governance, “Novo Mercado”: SGPS3



STRATEGIC OBJECTIVES

Make the most of shareholders' investment

- Make the capital invested by shareholders profitable, guaranteeing the economic success of the business

Grow revenue

- Explore the growth opportunities in the portfolio of brands, product categories and distribution channels, to continue to lead the market

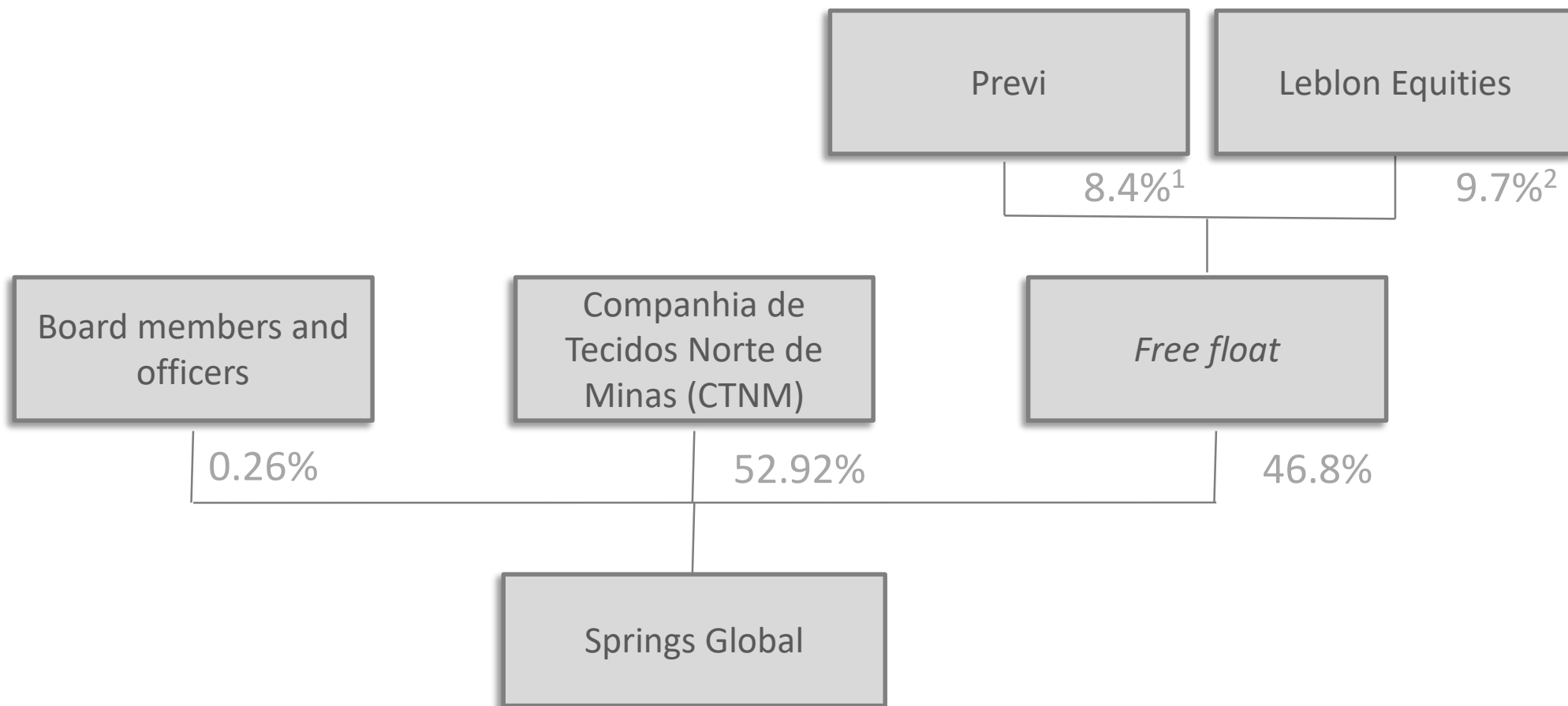
Be a customer-centric company

- Valuing and developing experiences, solutions and keeping proximity with our customers to guarantee our commitment to work with them and for them

Value our culture

- Explore our "personality", by valuing our history and the values that connect us, strengthening belonging and improving the employee's experience

SHAREHOLDER STRUCTURE



Position as of 09/30/2021

¹ Position as of October 31 2019, according to letter received by the Company informing significant ownership

² Position as of April 30,2021, according to letter received by the Company informing significant ownership

HISTORY

1967	Foundation of Companhia de Tecidos Norte de Minas - Coteminas
1975	Start of operations of the first textile plant in Montes Claros, MG
1990's	Entering the consumer products segment, through the acquisition the Santista and Artex brands
1994-2005	Strong sales growth, including exports
2006	Creation of Springs Global as a result of a joint venture between Coteminas, with operations in South America, and Springs Industries, with operations in North America
2009	Entering the retail market in Brazil, through the acquisition of MMartan store chain
2009-2011	Expansion of MMartan stores, from 57 to 168
2011	Launch of a second retail chain under the brand name Artex, with only owned stores
2015	Start of Artex franchises
2018	Start of digital franchise
2019	Combination of North American operations with Keeco

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casa moysés

mmartan

ARTEX

SANTISTA

SPRINGMAID

WABASSO



TEXMADE

Palatella



FANTASIA

BRANDS

ARTEX
EUQUEROEUPOSSO

 **SANTISTA**[®]
Acessórios para Cama

casa moysés
desde 1930

mmartan
a moda que veste a sua casa

WE HAVE A PORTFOLIO OF BRANDS WITH VALUE PROPOSITION FOR DIFFERENT MARKET SEGMENTS

casa moysés

desde 1930

Premium brand of bedding and bath textile products aimed at consumers who seek the highest standard of quality. It is a reference brand in the high-end luxury market, with presence and tradition since 1930.

mmartan

a moda que veste a sua casa

Desired brand in the bedding, tabletop and bath category. It is synonymous with quality, sophisticated and contemporary products, representing a major brand in the domestic bedding, tabletop and bath market.

ARTEX
EUQUEROEUPOSSO

Quality products under the concept of affordable luxury, updated with the latest fashion trends. Each collection includes textures, shapes and unique colors, all integrated in four different Home Life Styles: Actual, Relax, Trend, and Elegance.

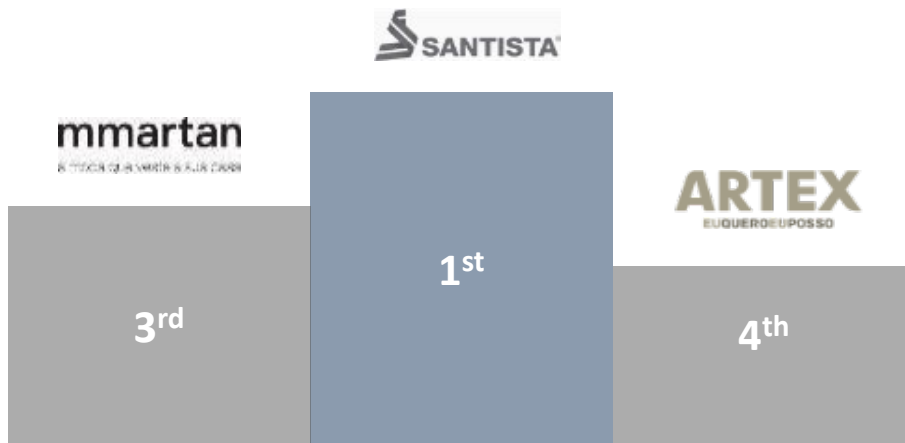
 **SANTISTA**

Traditional brand of bedding, tabletop and bath products and bedding accessories. It features contemporary styles and designs, and focuses on different tastes and trends, with significant penetration in the "budget consumer" and institutional markets.

CONSUMERS' RECOGNITION AND LOYALTY

Santista has been the winner for the past seven years on Reclame AQUÍ AWARD in the Bedding, Tabletop and Bath category

2020 Classification



**SPONTANEOUS
BRAND RECALL OF
OUR BRANDS**

26%

PLAYERS IN THE BRAZILIAN BEDDING, TABLETOP AND BATH MARKET

MANUFACTURERS



DEPARTMENT STORES AND HYPERMARKETS

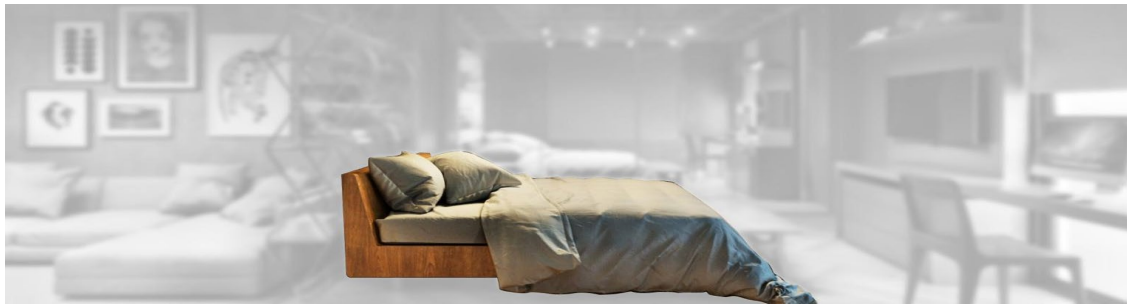


ESPECIALIZED RETAILER



POTENTIAL MARKET

According to IBOPE, the addressable Brazilian bedding, bath and tabletop market (“BBTM”) is R\$ 12 billion



Expansion of the addressable market to R\$ 86 billion, entering into new product categories



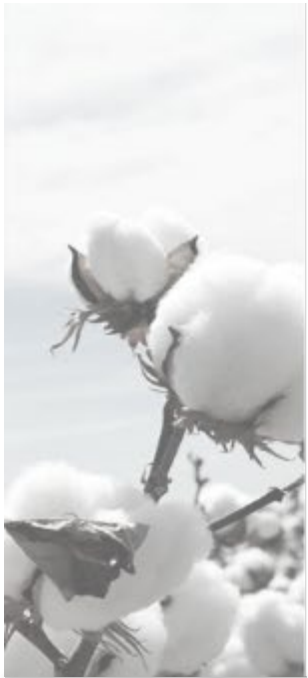
BBTM
R\$ **12bi**



7x

Home & Decoration
R\$ **86bi**

INTEGRATED SUPPLY CHAIN



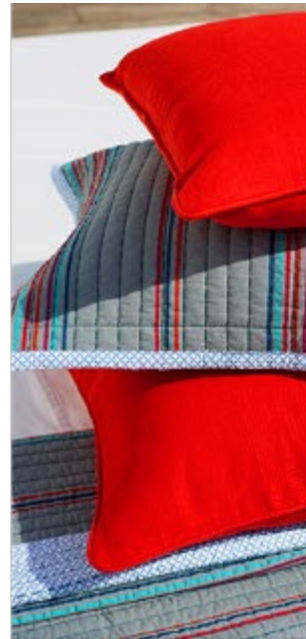
RAW MATERIAL



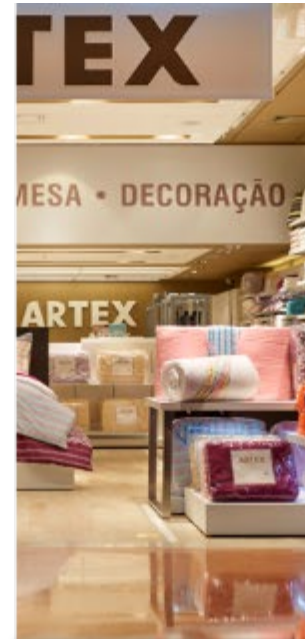
SPINNING



WEAVING



FINISHING AND
SEWING



DISTRIBUTION
CHANNELS



CONSUMER

OPERATIONAL STRUCTURE

We operate eight plants located in Brazil and one plant in Argentina.



DISTRIBUTION CHANNELS

The Company distributes its products through the wholesale channel, in all its markets, and in its own brand retail stores, in Brazil.

Wholesale

- The Company's products are sold to multi-brand clients in Brazil and Argentina, through a portfolio of traditional and well-regarded brands. The main customers in this segment are department stores, mass retailers, as well as small and medium sized shops
- Coteminas currently serves more than 10,000 active clients, ensuring it a national commercial footprint and access to many of the increasingly important smaller size cities in the country. The multi-brand segment represents Coteminas' main distribution channel and the main channel for servicing consumers of more price sensitive market segments.
- Santista and Artex brands in Brazil and all brands in Argentina are sold in the wholesale market

Retail

- The Company operates stores and / or manages a franchise system under the MMartan and Artex "flags" in Brazil, with a national presence.
- Each of the Company's single brand systems/flags rely on a specific and well-defined operational format, which includes a portfolio of proprietary products and a set of marketing and merchandising strategies aimed at serving different consumer groups.
- Casas Moyses and MMartan brands are sold at MMartan stores and Artex brand is sold at Artex stores.
- We have an online store for each brand - Casa Moyses, Mmartan, Artex and Santista, through a proprietary e-commerce platform

DISTRIBUTION CHANNELS: WHOLESALE

- ✓ Santista and Artex brands are sold in the Wholesale market
- ✓ More than 10,000 multi-brand customers
- ✓ More than 30,000 points of sale in Brazil
- ✓ Supply chain efficiency
- ✓ Excellence of service at the POS
- ✓ Training focused on product, collections, sales, decoration / display
- ✓ Team of shelf stockers in the main specialized department stores and self-services chains
- ✓ The main customers in this segment are. department stores, mass retailers, as well as small and medium sized shops



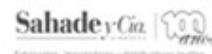












DISTRIBUTION CHANNELS: RETAIL

- ✓ The Company operates stores and / or manages a franchise system under the MMartan and Artex "flags"
- ✓ Casas Moyses and MMartan brands are sold at MMartan stores and Artex brand is sold at Artex stores
- ✓ We have an online store for each brand - Casa Moyses, MMartan, Artex and Santista, through a proprietary e-commerce platform
- ✓ National presence, with 234 stores
- ✓ More than 4.5 million clients served on our physical stores



mmartan



149 stores

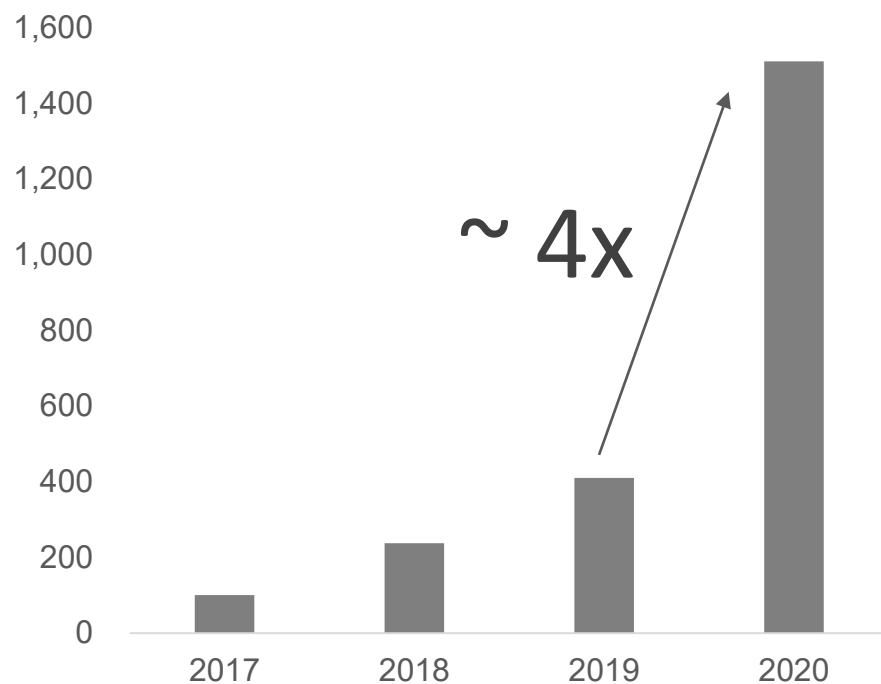
ARTEX



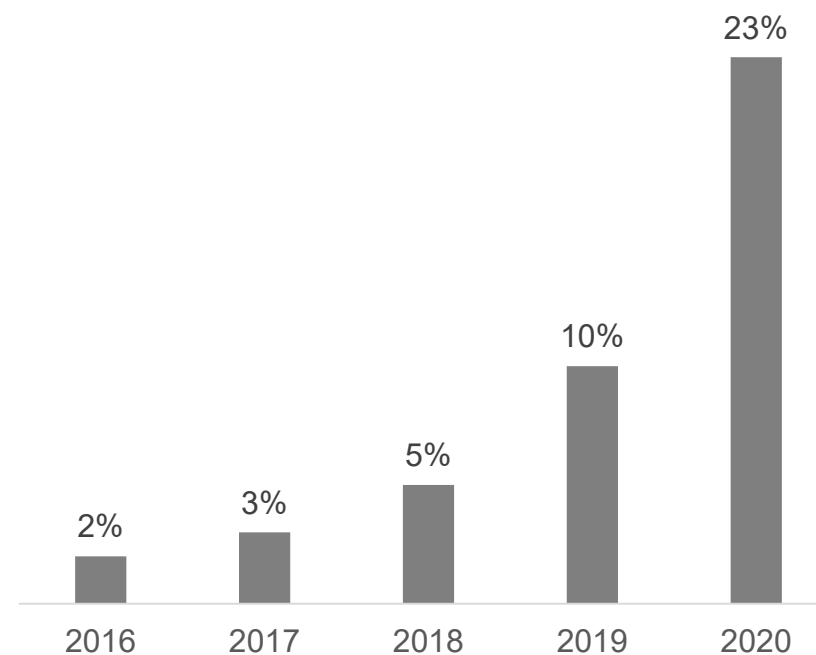
85 stores

EVOLUTION OF ONLINE SALES

Sell-out revenue online sales
2017 = 100 base



Estimated market share of our e-commerce

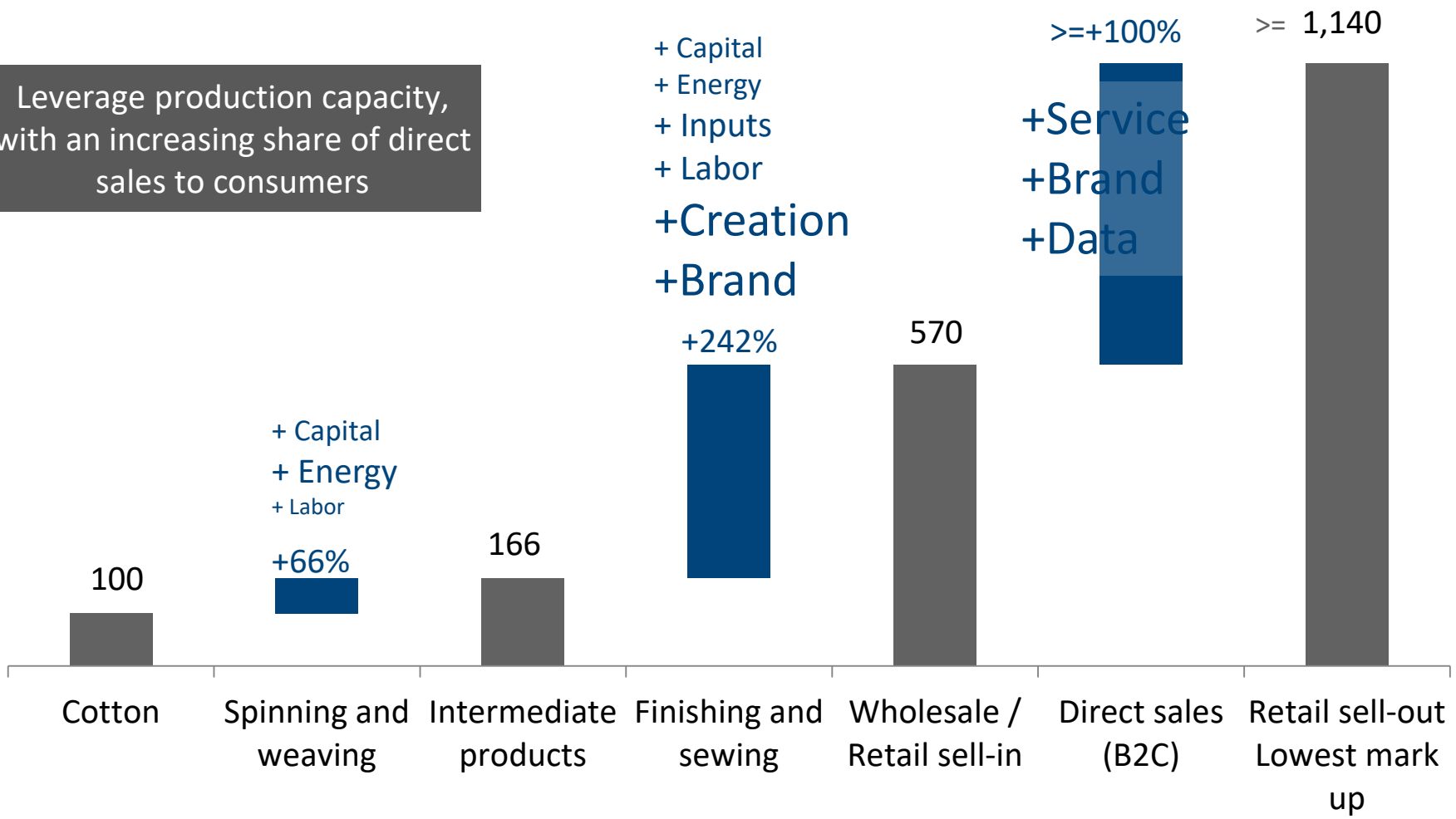


Source: Company
Webshopper (E-bit) 39th edition, and IBOPE 2018

VALUE ADDED ALONG THE SUPPLY CHAIN

Average prices(R\$/kg) in 2020
 100 Base = Cotton price
 Illustrative value for Retail sell-out

Leverage production capacity,
 with an increasing share of direct
 sales to consumers



PORTFOLIO OF PRODUCTS BUILT FROM CONSUMER' PERSPECTIVE

Assortment Plan:

- Definition of the collection structure:
 - ✓ Variety of products per category
 - ✓ Main attributes for each product
 - ✓ Pricing
- Analysis of historic sales:
 - ✓ Creative direction targeting for better commercial results
 - ✓ Definition of the quantity of SKUs
- More frequent collections



PRODUCT DEVELOPMENT: INSPIRATION

TRENDS RESEARCH *(definition of themes)*

Research Bureau



Business fairs and trips



CREATIVE PATH VALIDATION/ ASSORTMENT PLAN



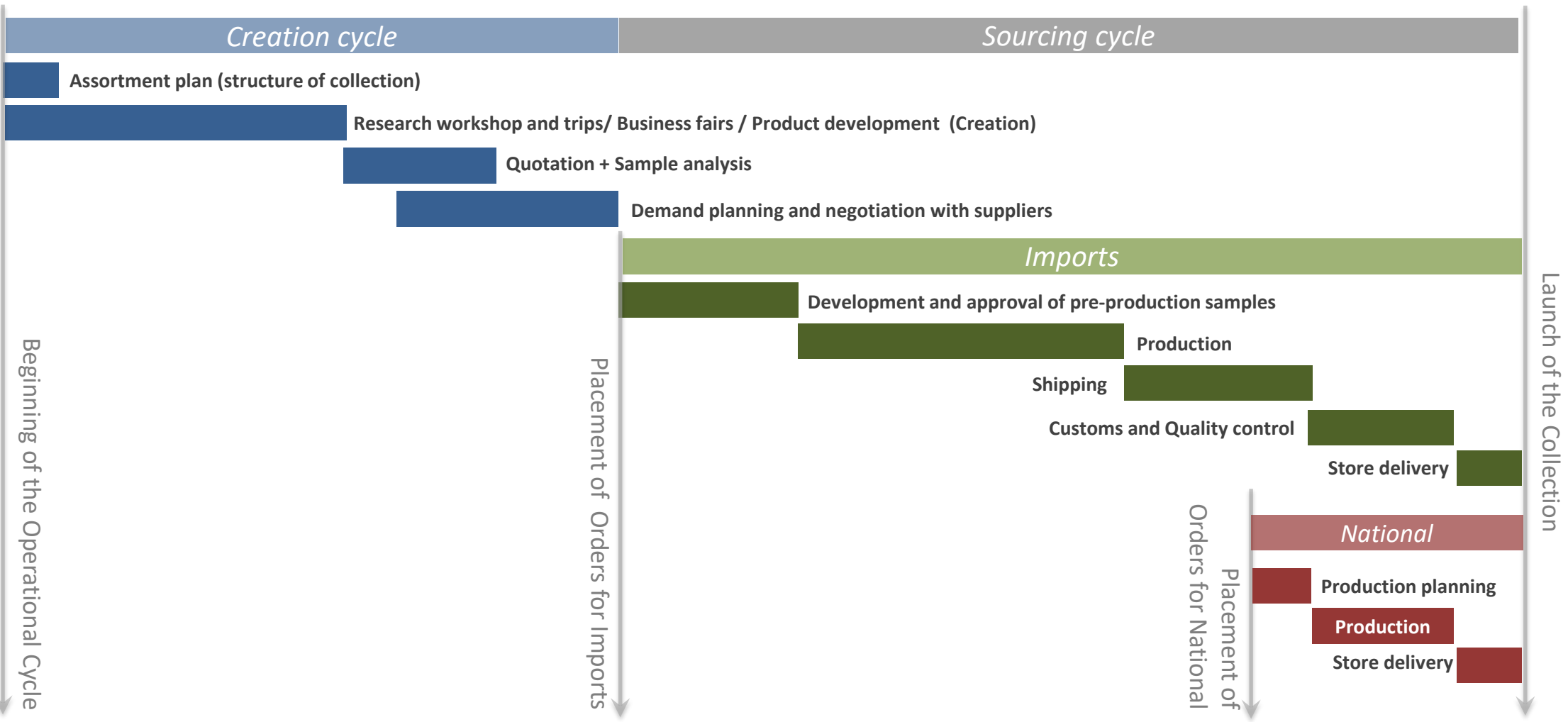
COLLECTION DEVELOPMENT

Equipe de criação



COLLECTION CYCLE

The substitution of imported products with domestic ones is a good opportunity to reduce the operational cycle, finished goods inventories and exchange rate risk.



AGENDA

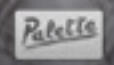
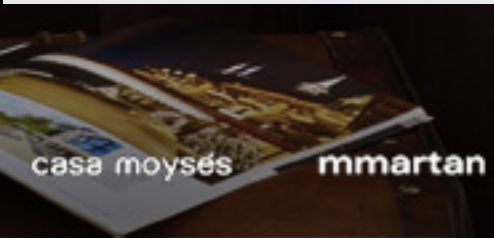
COMPANY OVERVIEW

OUR BUSINESS

COMPETITIVE ADVANTAGES

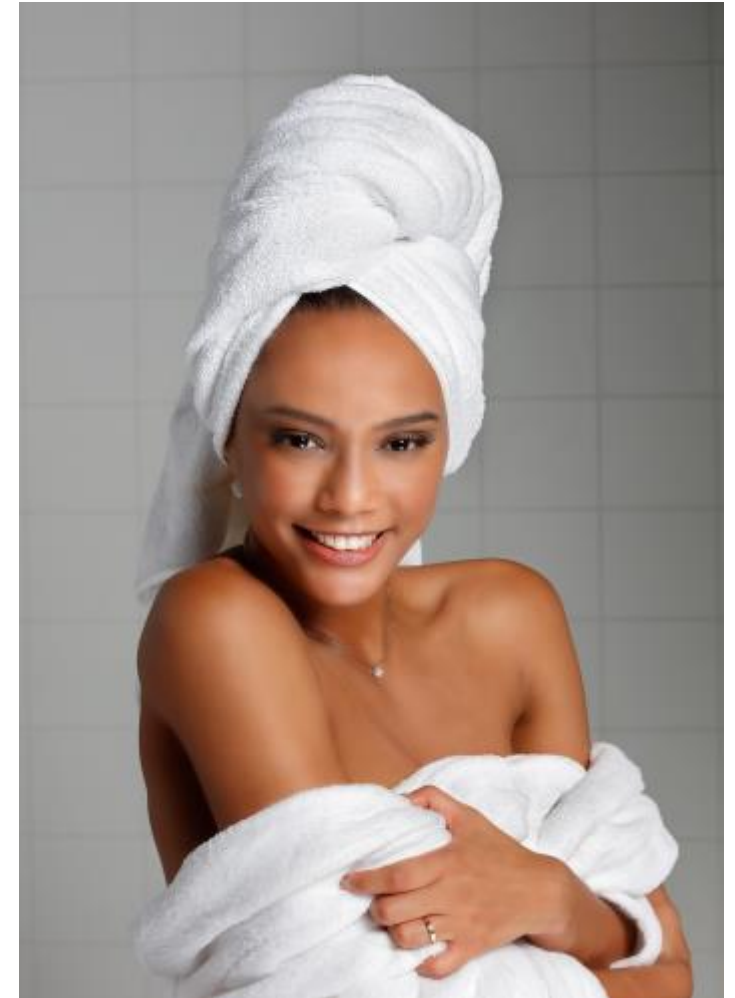
OPPORTUNITIES

FINANCIALS



EXPERIENCE: COMPETITIVE ADVANTAGES

- ✓ Loyalty from end user to our brands
- ✓ Retail presence enables more proximity to end users
 - Greater assertiveness in the collection planning
 - Lower mark down
- ✓ Assisted consultancy to multi-brand clients
- ✓ Franchise network
- ✓ Established franchise model of excellence
- ✓ National presence
- ✓ Expertise in design and bedding, bath and tabletop products



SUPPLY: COMPETITIVE ADVANTAGES

- ✓ **Fully integrated:** more efficient, lower conversion cost
- ✓ **Market leader** – economy of scale
- ✓ **Installed capacity:** able to grow production significantly, with low capex
- ✓ **Technology:**
 - ✓ plants with high automatization and flexibility levels
 - ✓ Proprietary technology on solutions for retail sales
- ✓ **Management:** experienced personnel, controlling system at all stages of production, franchise management system and CRM
- ✓ Competitive energy cost



AGENDA

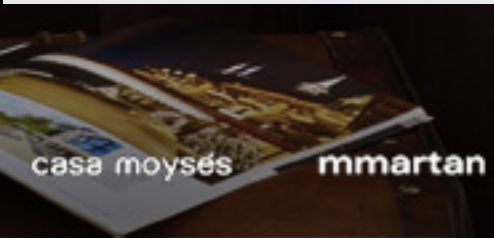
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casa moysés

mmartan

ARTEX
MANUFACTURING

SANTISTA

SPRINGMAID

WABASSO


TEXMADE
RECYCLED COTTON

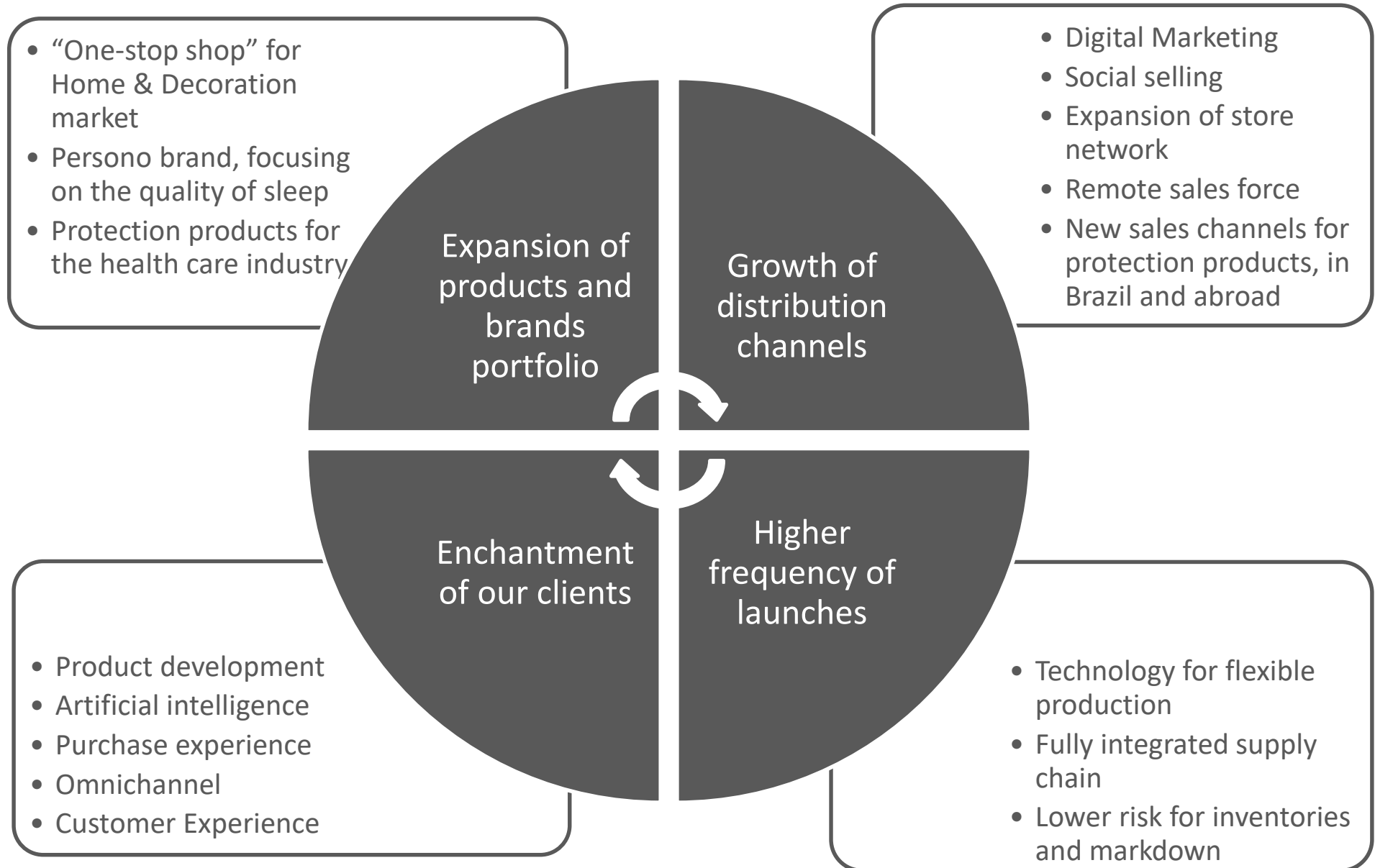
Palatella



FANTASIA

the largest,
the best, and
the most digital vertically
integrated company
in the Home & Decoration
segment
in the Americas

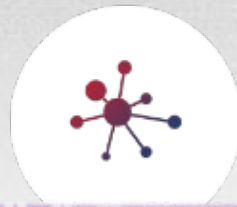
DRIVERS FOR GROWTH AND VALUE GENERATION...



... SUPPORTED BY OUR COMPETITIVE ADVANTAGES



Traditional and leading brands, with high awareness



Integrated supply chain



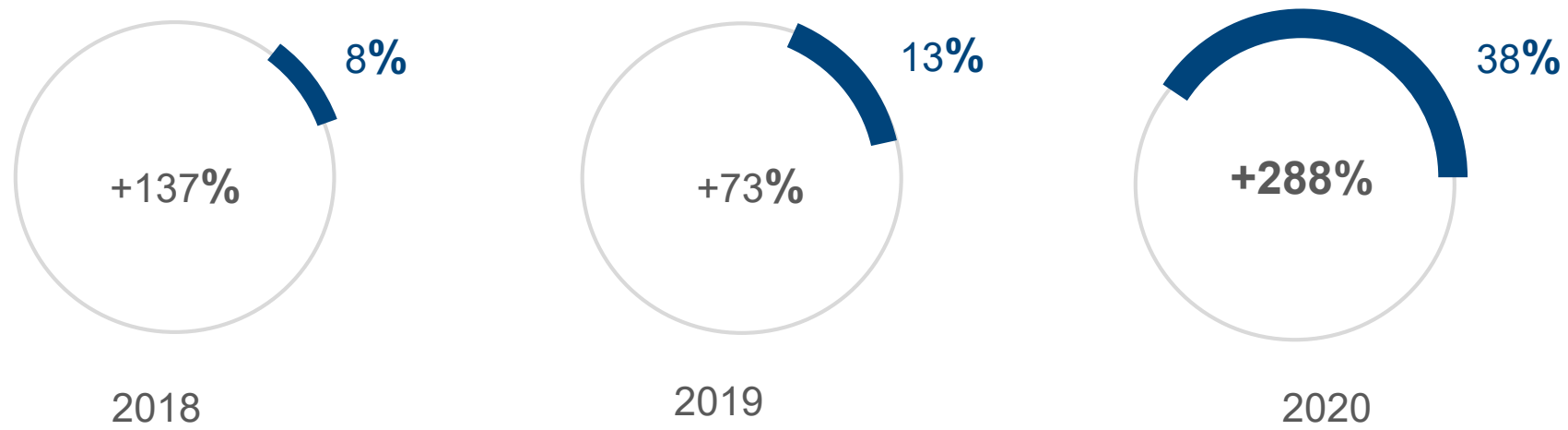
Retail presence, with direct sales to consumers



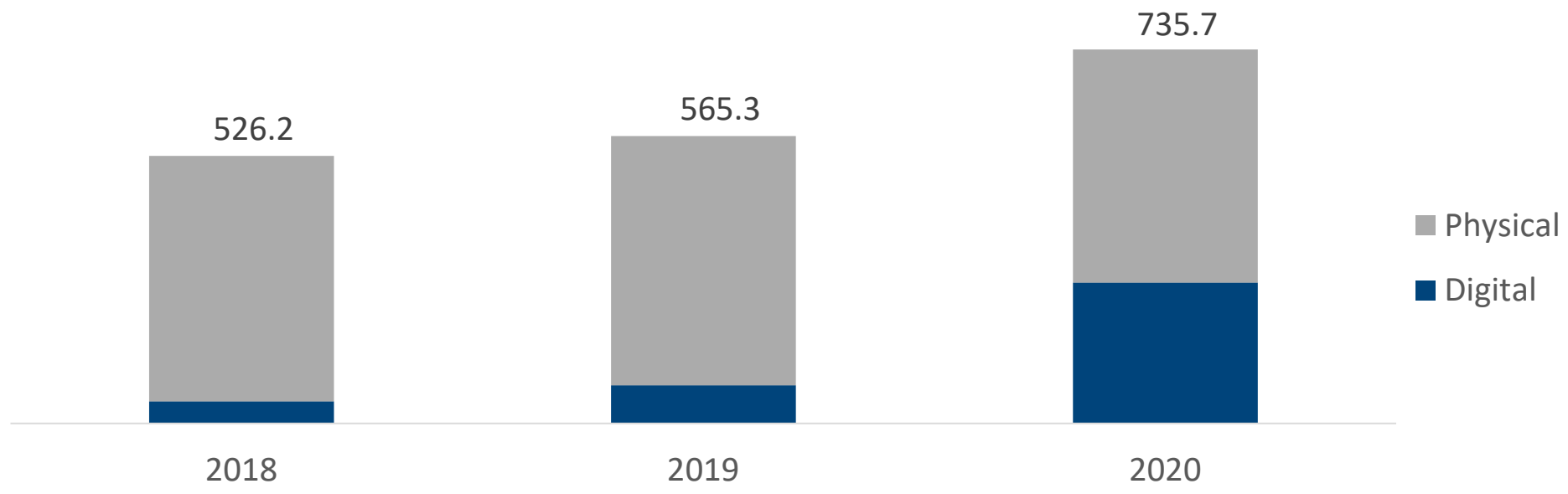
Digital and industrial proprietary technology

GROWTH DRIVERS: DIGITAL CHANNELS

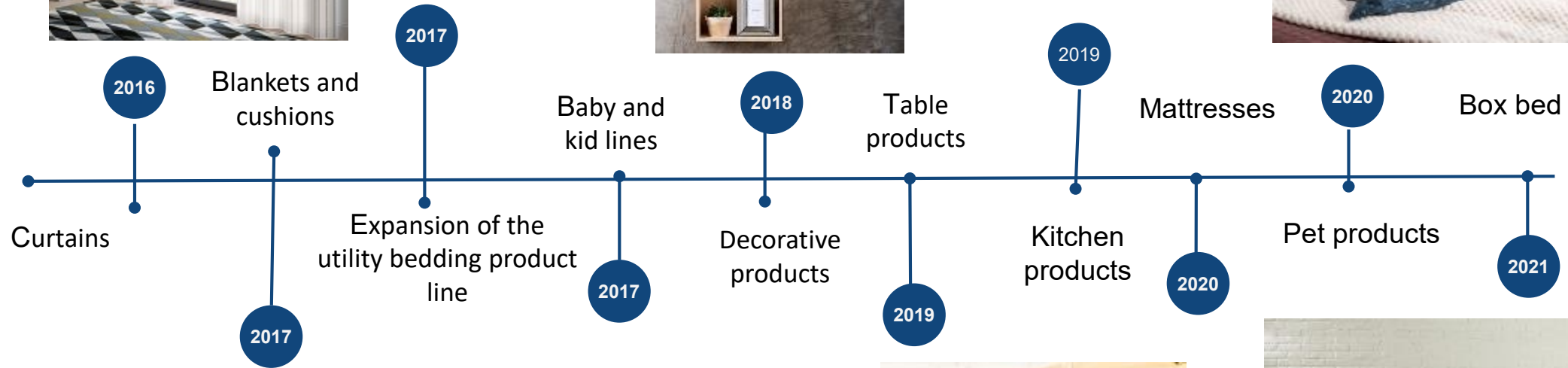
Share of digital channel and growth of orders at online stores yoy



Sell-out Revenue

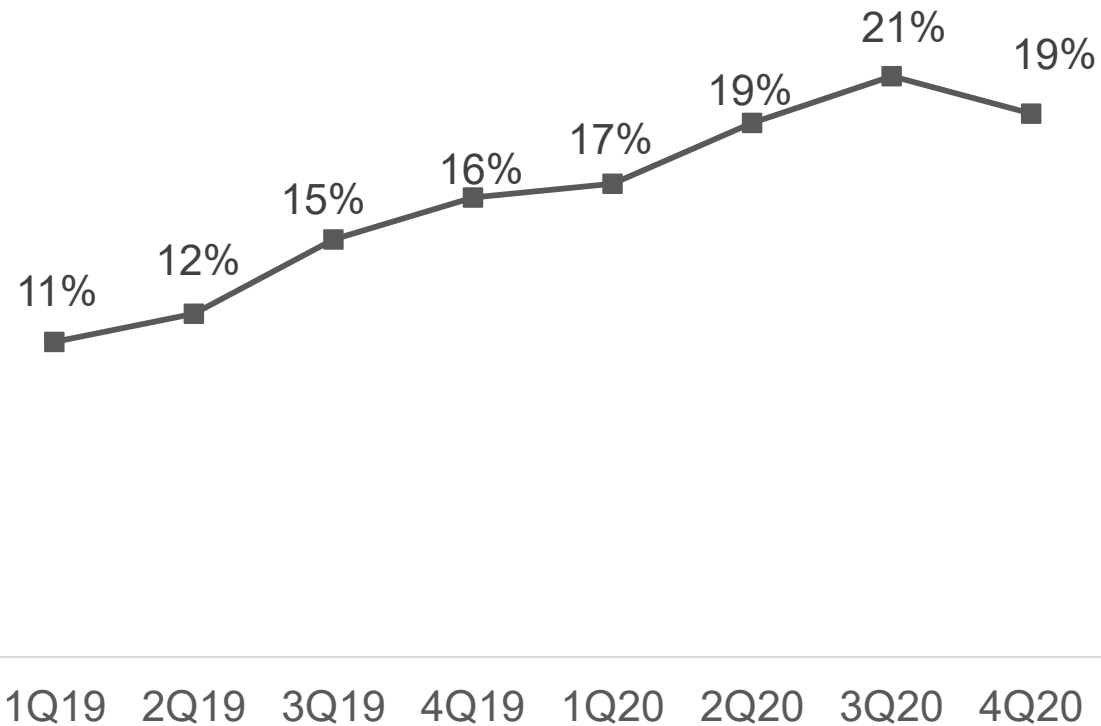


GROWTH DRIVERS: EXPANSION OF PRODUCT CATEGORIES



We want to be the best “one-stop shop” in the Home & Decoration segment in Brazil

Products ex-bedding, tabletop and bath
% # SKUs¹ total



We will offer products that:

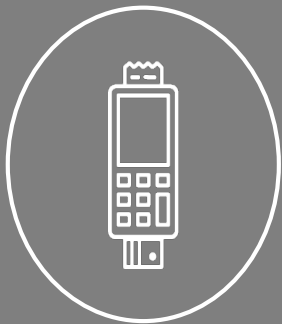
- ✓ are aligned with the positioning of our brands, and, therefore, with curated products for each brand;
- ✓ stand out and differentiate us in the Home & Decoration market;
- ✓ generate cross-selling within our main products; and
- ✓ increase the recurrence of purchases.

¹ # Stock Keeping Unit, indicates the quantity of stock items with distinct characteristics

Leveraging our proprietary technology



OMNICHANNEL
ECOSYSTEM



PIX PoS

Sales tool for physical store



PIX E-comm

Online sales portal



PIX Pro

Sales catalog of products for multibrand clients



PIX BackOffice

Management cockpit of all PIX suite platforms

Pix PoS

- Mobile technology and 100% in the cloud
- Quick and integrated check-out
- Infinite shelf
- Prices, promotions, products, and unified client registration
- Fulfillment of orders placed on the website
- Personalized out-of-store sales via 3G / 4G / Wi-Fi
- Connected to the main acquiring networks

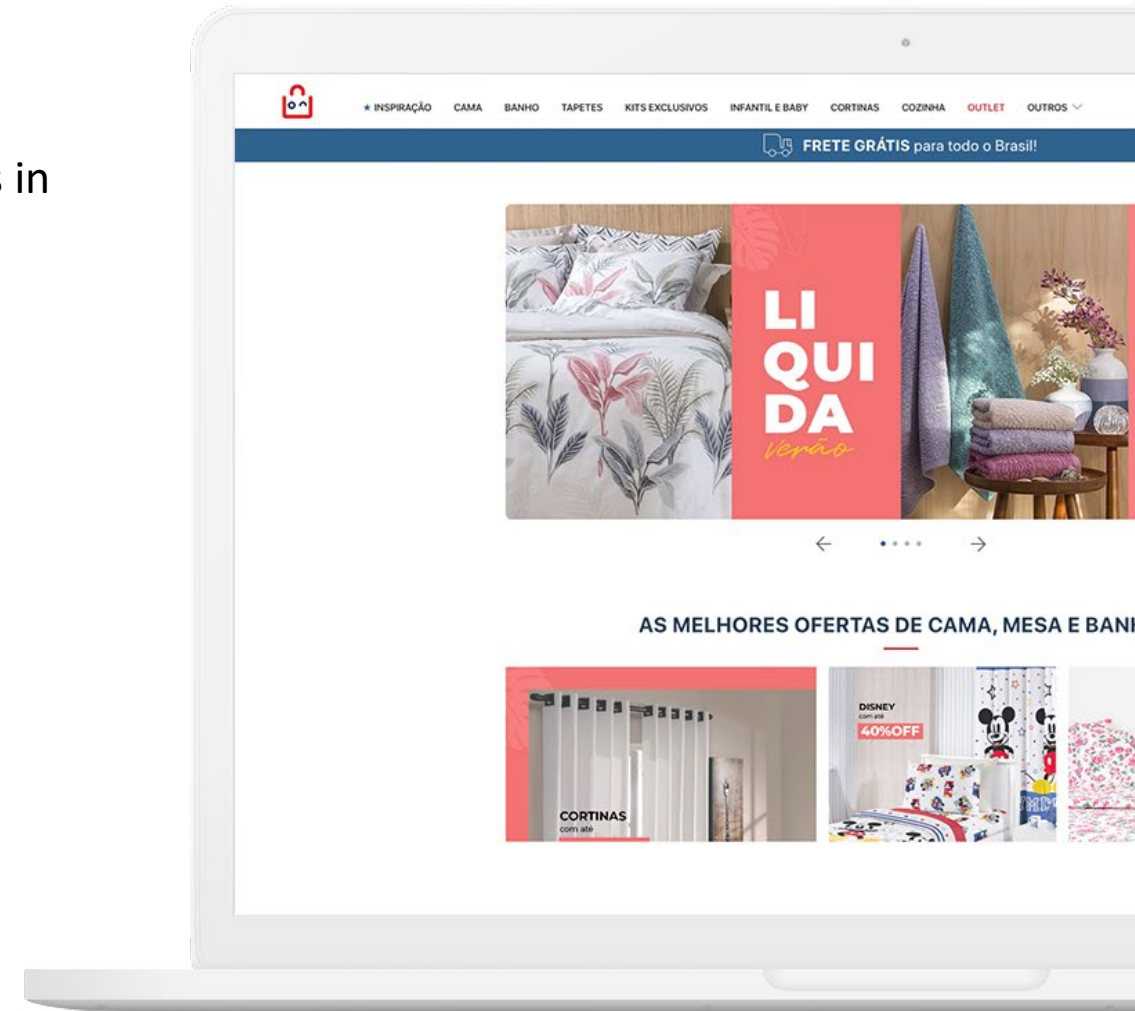


Pix E-Commerce

- Online and offline stores 100% connected
- Management of prices, offers and campaigns in one place
- Responsive layout
- Simplified management of pages and VMs
- Connected to sales and digital marketing management tools

Pick up in
store

Deliver from
store



Pix Pro: totally remote sales force, in partnership with Fintech for granting credit, focusing on small and medium retailers and institutional customers

Key features



Work
Offline



Geolocation



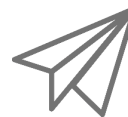
Add
Prospect



Products
Catalog



Smart
recommendations



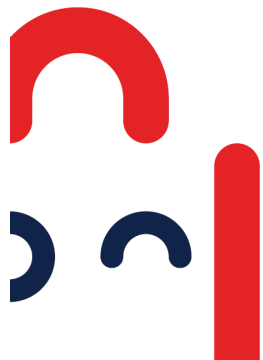
Budget
submission



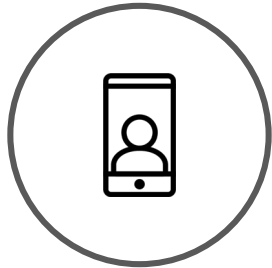
Strategic
customer view



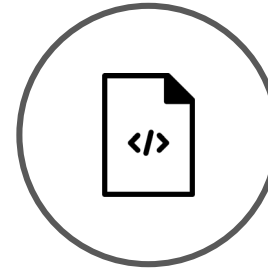
Consultant
management area



Pix Back Office



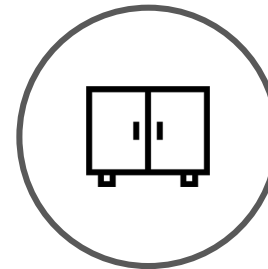
Mobile with simple and intuitive interface : reduction of training costs.



Open API: connects easily to other tools.



Data in the cloud:
Inventories, prices, and campaigns always updated.



Infinite shelf: do not lose sales due to lack of products in the store.



Autonomy to salespeople :
Attending from the beginning to the end with the help of A.I.



Stores as DCs:
logistics optimization and revenue increase for physical stores.

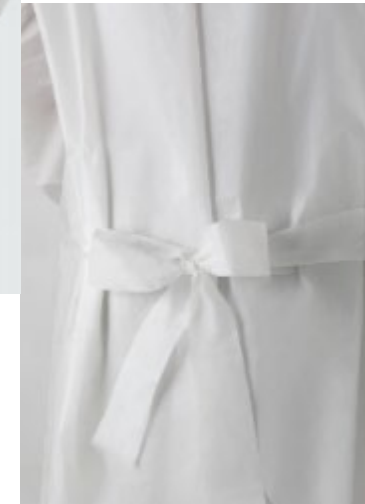
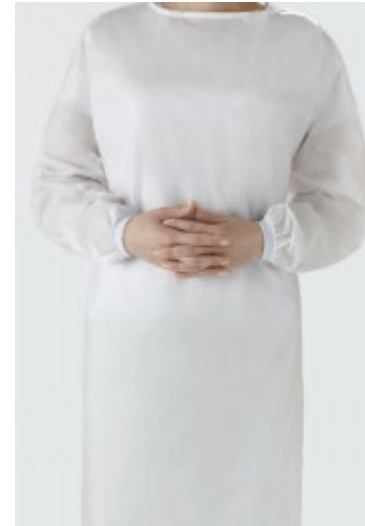
NEW MARKET SEGMENTS: PRODUCTS FOR THE HEALTH SECTOR

Springs Global is establishing new sales channels for these products, with differentiated models to serve the healthcare industry and the general population.

Disposable masks
(made of non-woven fabric)



Procedural aprons



In line with our mission, we have developed new products, new services and new brands

Persono

Sleeping well is the best thing you can do to have a long and healthy life.

Therefore, our purpose is to improve the quality of life through sleep.

How?

Content

Production, curation and distribution of quality content, with scientific basis, impacting the largest number of people, in the sense of raising awareness of the importance of sleep.

Relevant data

Development of non-invasive technology to help people discipline their sleep routine based on constant monitoring.

Products and services

Creation of a specialized marketplace, providing the most diverse solutions for sleep improvement, on a platform open to product manufacturers, service providers and customers.

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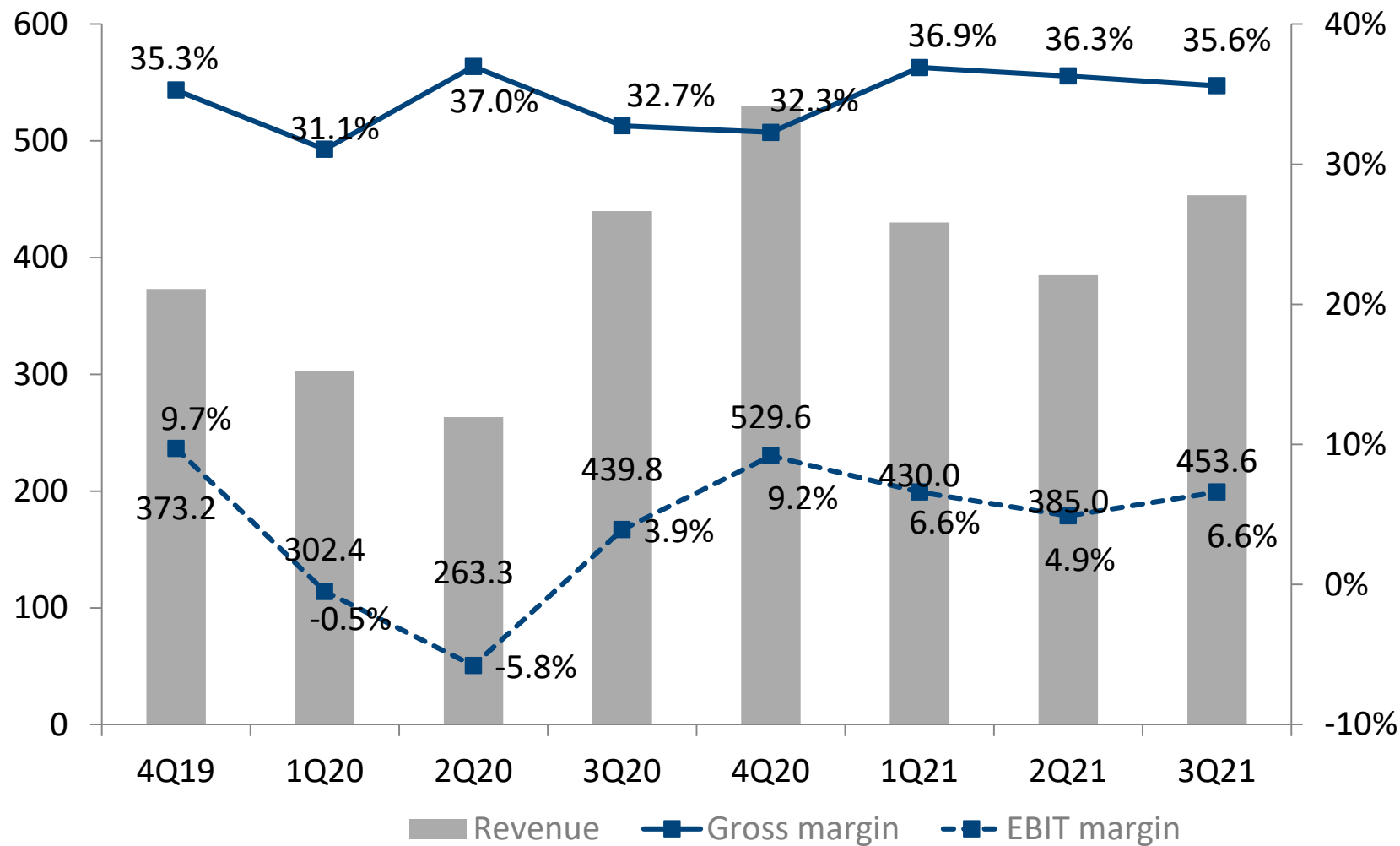
TEXMADE

Palette

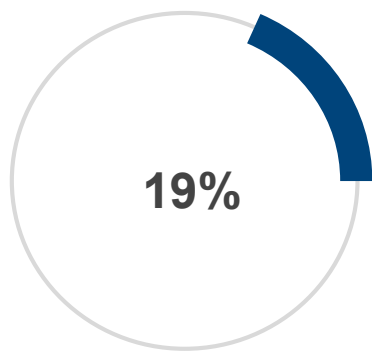


FANTASIA

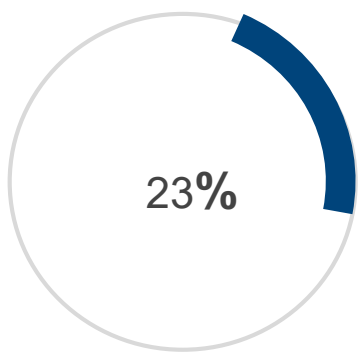
Return of the operational profitability to pre-pandemic level



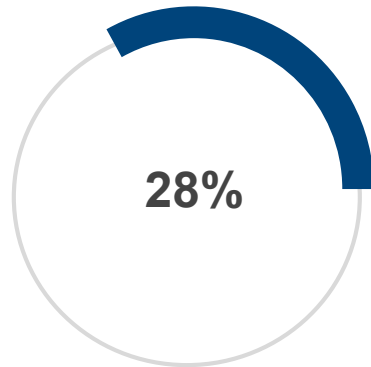
Growth of the retail share in our revenue



2018



2019

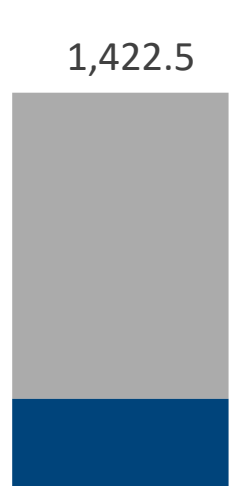


2020

Net revenue



2018



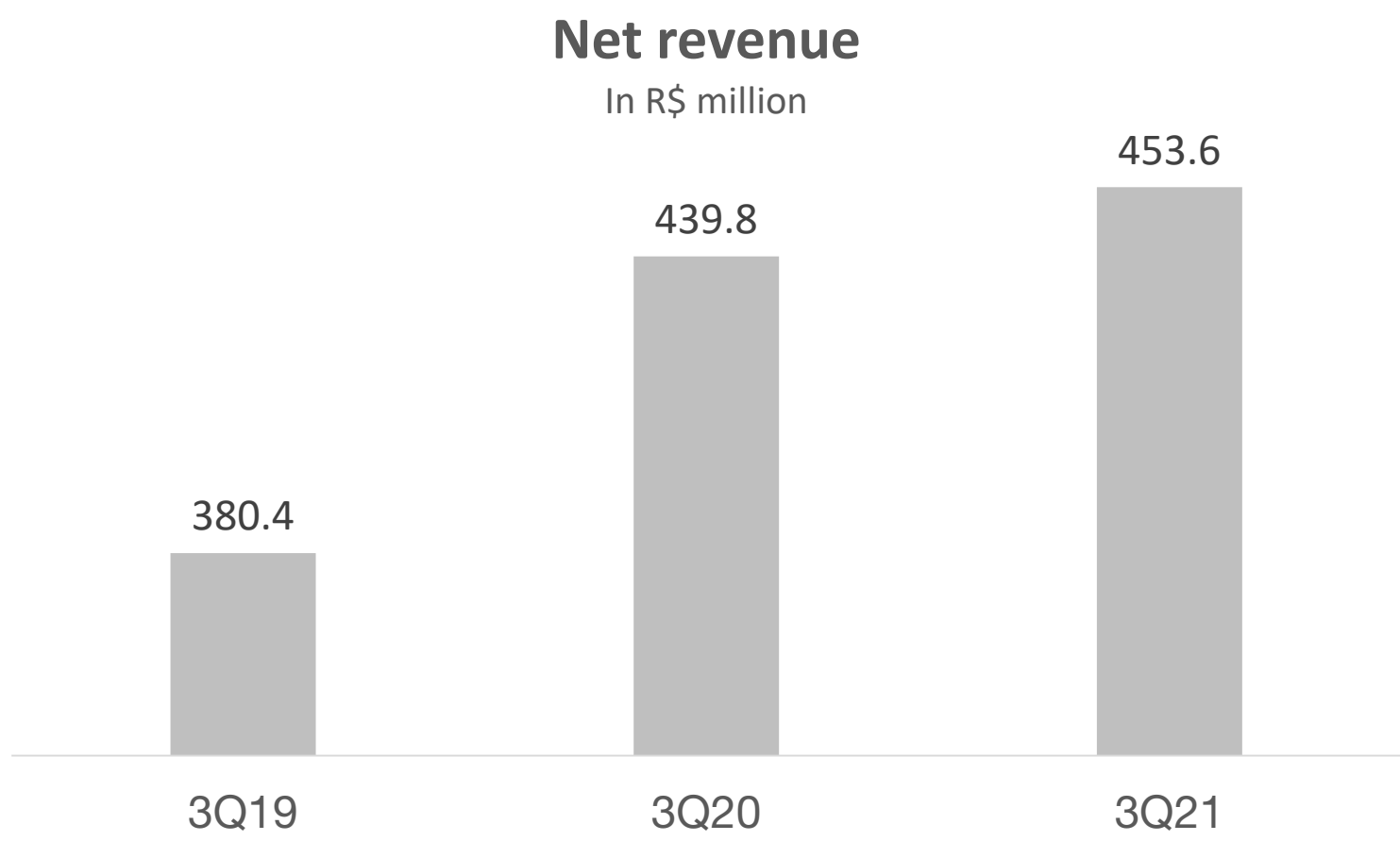
2019



2020

■ Wholesale
■ Retail

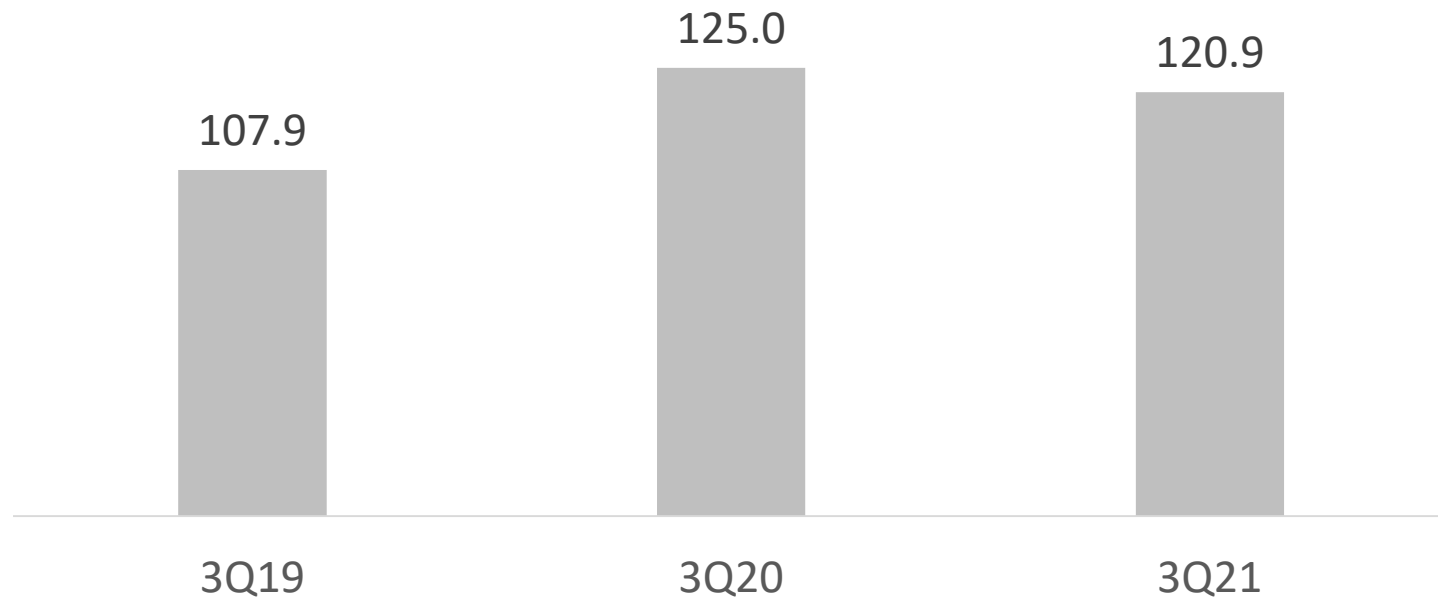
Net revenue was 3.1% and 19.2% higher than 3Q20 and 3Q19



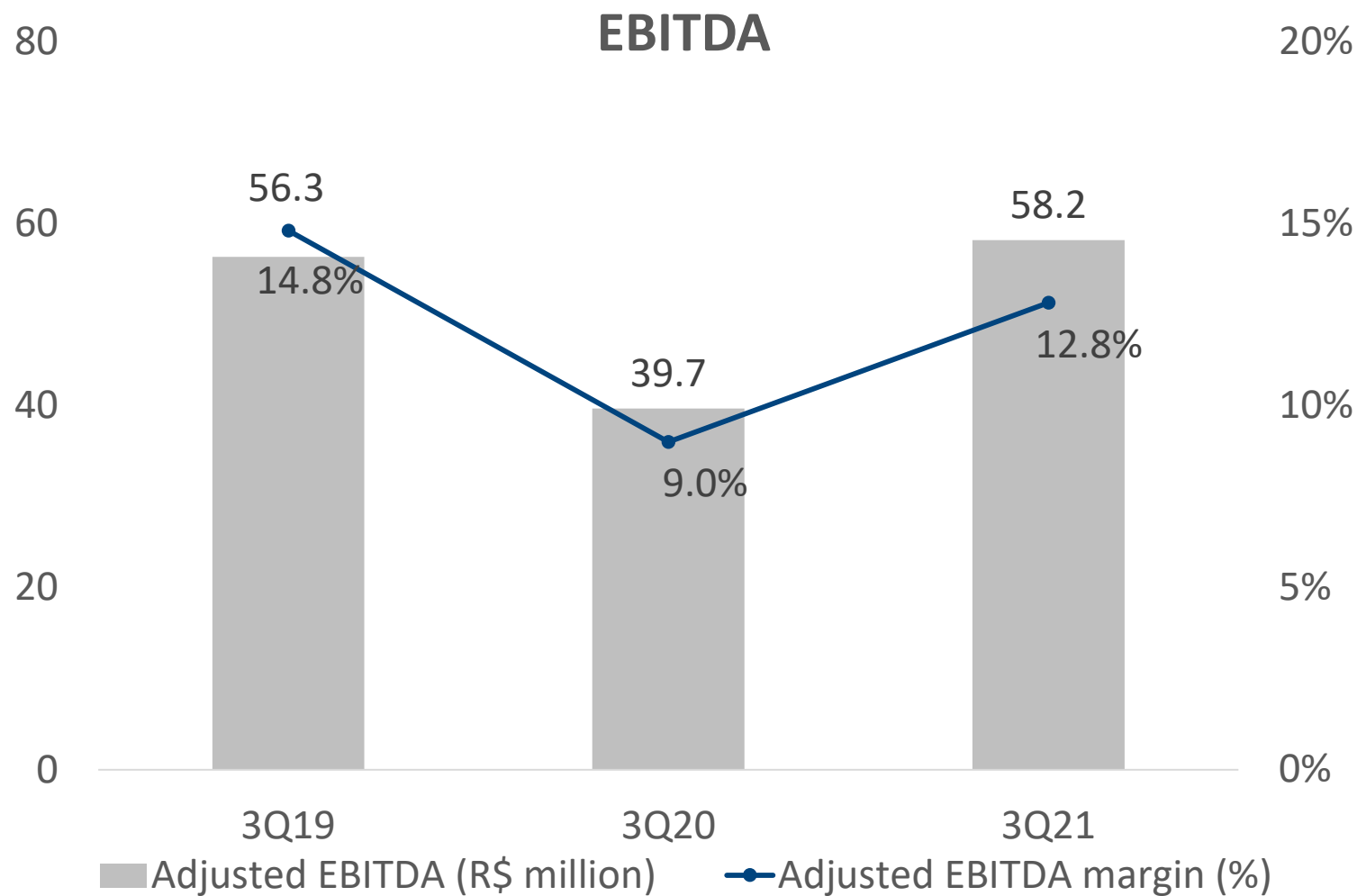
Higher productivity in 3Q21 was offset by higher costs for energy and other utilities

Conversion cost

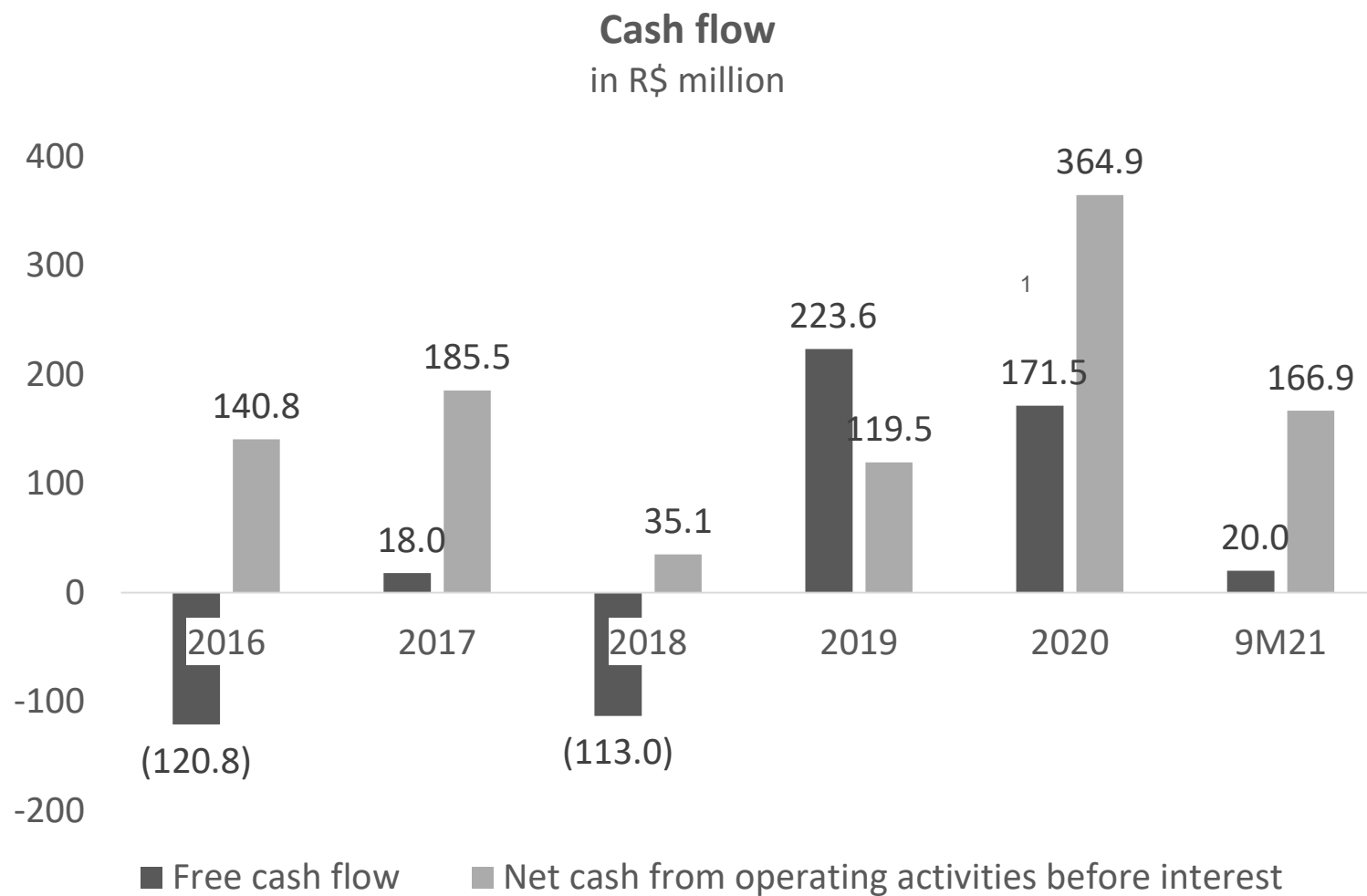
In R\$ million



Adjusted EBITDA reached R\$ 58.2 million in 3Q21, with adjusted EBITDA margin of 12.8%



Free cash flow of R\$ 172 million in 2020

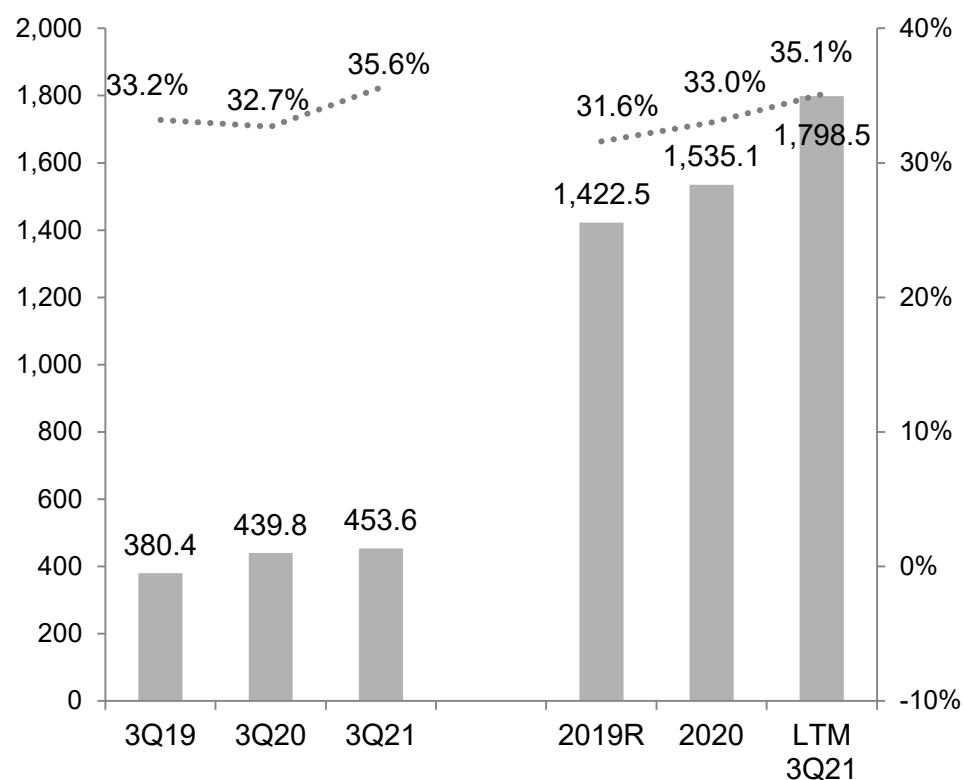


¹Receipt of R\$ 329 million for the sale of the North American operation in 2019

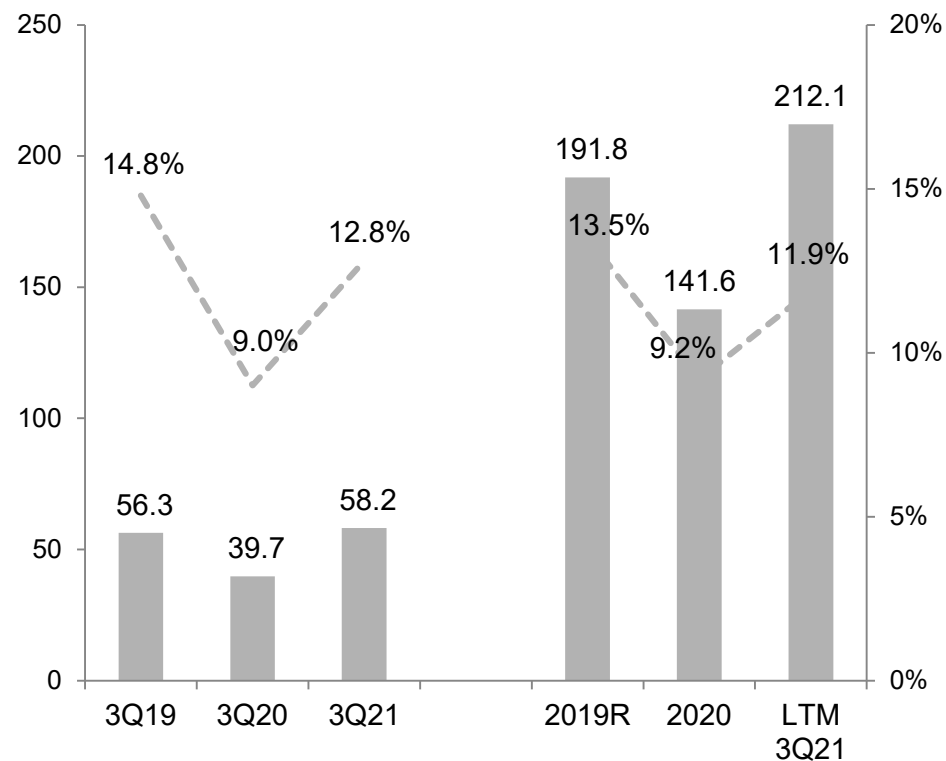
FINANCIAL PERFORMANCE- CONSOLIDADED

In R\$ million

Revenue and Gross margin (%)



EBITDA and EBITDA margin (%)



	Revenue	Gross margin	EBITDA	EBITDA margin
2020/2019R	+ 7.9%	+ 1.3 pp	- 26.2%	- 4.3 pp
2019R/2018R	+ 3.8%	+ 0.6 pp	+ 48.6%	+ 4.1 pp

R – Reclassified, excluding discontinued operations in 2018, and 2019, tax recovery in 2018, and asset sale in 2019 and 2020



SPRINGS GLOBAL

B3: SGPS3

**www.springs.com/ri
ri@springs.com**

