

**EARNINGS
RELEASE**

4Q

22

VULCABRAS
we live for the sports

Jundiaí, March 01st, 2022 – Vulcabras S.A. [B3: VULC3] announces today its results for the fourth quarter of 2022 [4Q22]. The Company's operational and financial information is presented based on consolidated figures and in millions of reais, prepared in accordance with accounting practices adopted in Brazil and international financial reporting standards. The data in this report refers to the performance in the fourth quarter of 2022, compared to the same period of 2021, unless specified otherwise.

HIGHLIGHTS

GROSS VOLUME

8.6 million pairs/pieces in 4Q22, a decrease of **1.7%** compared to 4Q21, and of **31.7 million pairs/pieces** in 2022, an increase of **17.0%** compared to 2021.

NET REVENUE

R\$ 738.8 million in 4Q22, an increase of **19.2%** compared to 4Q21, and of **R\$ 2,536.9 million** in 2022, an increase of **35.9%** compared to 2021.

GROSS PROFIT

R\$ 282.9 million in 4Q22, an increase of **26.4%** compared to 4Q21, and **R\$ 937.4 million** in 2022, an increase of **42.2%** compared to 2021.

GROSS MARGIN

38.3% in 4Q22, an increase of **2.2 p.p** compared to 4Q21, and **37.0%** in 2022, an increase of **1.7 p.p.** in relation to the margin in 2021.

NET INCOME FOR THE PERIOD

R\$ 214.3 million in 4Q22, an increase of **163.9%** compared to 4Q21, and **R\$ 469.9 million** in 2022, an increase of **49.7%** compared to 2021.

EBITDA AND EBITDA MARGIN

R\$ 176.6 million in 4Q22, growth of **47.4%** compared to 4Q21, with an EBITDA Margin of **23.9%** [4.6 p.p. higher than in 4Q21] and **R\$ 525.8 million** in 2022 increase of **31.8%** compared to 2021, recording **20.7%** of EBITDA Margin.

VULC3 Quote (12/31/2022)
R\$ 12,48

Number of shares
Common:
245.756.244

Market value
R\$ 3.1 billion

Investor Relations
Wagner Dantas da Silva (CFO e DRI)

Earnings Video Conference:

03/02/2023 10:00 am
(Brazilian time)

[Access in Portuguese](#)

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MESSAGE FROM MANAGEMENT

March 01st, 2023 – With a portfolio of strong and complementary brands, focused on the sporting goods segment, Vulcabras has in 2022 a year with historical results.

Gross revenue was 2.9 billion, an increase of 32.6% compared to 2021. The EBITDA (earnings before interest, taxes, depreciation and amortization) reached R\$ 525.8 million, consolidating the expansion of the brands and gains in operational efficiency in recent years. The gross margin grew 1.7 percentage points versus the consolidated for 2021.

In addition to the results above, Vulcabras also announces the complementary payment of dividends in the amount of R\$ 20.8 million, totaling a distribution of R\$ 111.7 million referring to the results for 2022.

The direct-to-consumer sales channel (E-commerce) continued to contribute to the exponential expansion. Compared to 2021, brands e-commerce grew by 119.7%, with revenue share reaching 5.4% in the year – an increase of 2.1 percentage points compared to 3.3% in 2021.

The apparel and accessories division grew 68% in revenue, an expansion above the average of the other categories, increasing its relevance in the product portfolio for the group. As a revenue share in 2022, the division represented 9.3%, 1.8% higher than the 7.5% recorded in 2021.

4Q22 Results

With revenues of R\$ 738 million increase of 19.2% compared to the 4Q21. Vulcabras announces its new revenue record in a quarter.

As with the revenue, the gross margin continues the consistent growth curve. This is the eight consecutive quarter of growth (quarter against quarter of the previous year), an increase of 2.2 percentage points compared to 4Q21. The EBITDA margin was 23.9% (R\$ 176.6 million) and the net margin was 29.0% (R\$ 214.3 million). In this quarter, tax credits were also recognized, which resulted in a positive effect on net income of R\$ 92.2 million.

Another highlight in 4Q22 was the e-commerce channel, which continues growing rapidly, recording a growth of 80.2% compared to the same period of the previous year.

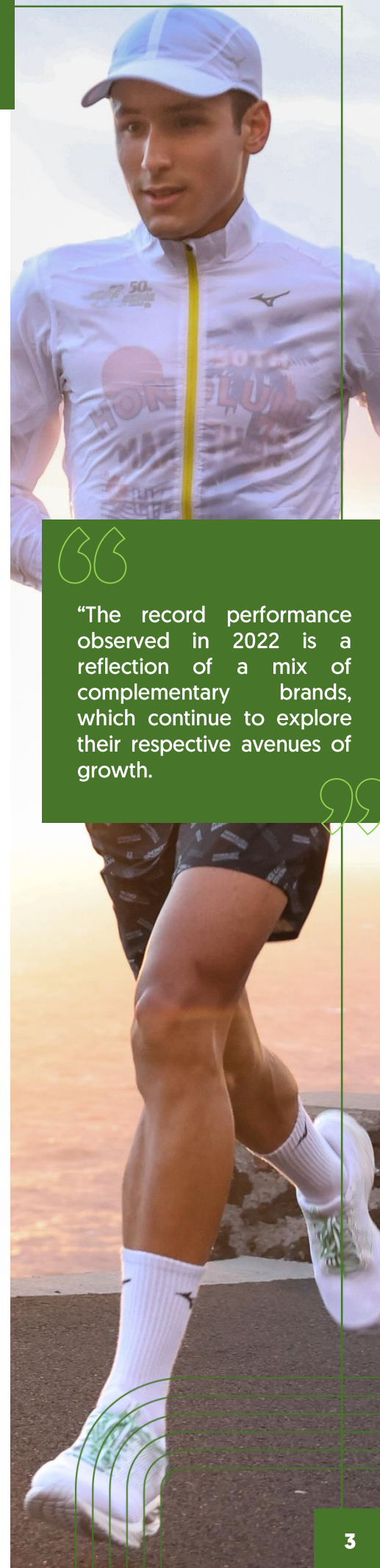
The robust growth of this channel accompanies the strong expansion in sales of the three brands, a strategy that combines: a broad product portfolio, added to a competitive level of service, resulting in a better experience for the consumer while the channel maintains positive results for business. As a share of revenue, e-commerce represented 6.4% in 4Q22, an increase of 2.2 p.p. compared to 4Q21.

The record performance observed in 2022 is a reflection of a mix of complementary brands, which continue to explore their respective avenues of growth, resulting in the best year in the history of Vulcabras in Brazil. At Olympikus, the year was marked by the expansion of the portfolio focused on performance. The launch of the first sneakers in the world with graphene plate, Corre Grafeno, added to the other products of the Running and Performance line, Corre 2 and Corre Vento, positioned the brand in the segment by democratizing access to high sports technology. Under Armour maintained its growth with a strategy of focusing on the training and basketball categories - two global strengths of the brand. Mizuno, with less than two years in the Company's portfolio, resumes its leadership in the running category and registers the best year in the history of the brand in Brazil.

We closed 2022 with the best result of our historical series. Capturing synergies through brands that remain strong, complementary, gaining market share and becoming increasingly protagonists in the sporting goods segment.

In 2023, Vulcabras will remain attentive to market demands and the behavior of consumers increasingly connected to sports, health, comfort and well-being, seeking new avenues for growth, synergies, portfolio diversification and innovation.

The orders backlog for the coming quarters already indicate that we will continue to grow sustainably, maintaining the positive evolution of our margins.



“The record performance observed in 2022 is a reflection of a mix of complementary brands, which continue to explore their respective avenues of growth.”



CONSOLIDATED PERFORMANCE

R\$ Million	4Q22	4Q21	VAR. 4Q22 vs 4Q21	2022	2021	VAR. 2022 vs 2021
Volume (million pairs and Itens)	8.6	8.8	-1.7%	31.7	27.1	17.0%
Gross Operating Revenue	858.0	730.0	17.5%	2,931.9	2,210.7	32.6%
Net Revenue	738.8	620.0	19.2%	2,536.9	1,867.2	35.9%
Domestic Market	689.5	585.8	17.7%	2,309.0	1,729.5	33.5%
Foreign Market	49.3	34.2	44.2%	227.9	137.7	65.5%
Gross profit	282.9	223.8	26.4%	937.4	659.4	42.2%
Gross margin %	38.3%	36.1%	2.2 p.p.	37.0%	35.3%	1.7 p.p.
SG&A Operation Expenses	-173.8	-126.7	37.2%	-549.4	-407.6	34.8%
Other Net Operating Income [Expenses]	43.6	1.5	2806.7%	50.2	70.8	-29.1%
EBITDA	176.6	119.8	47.4%	525.8	398.9	31.8%
EBITDA Margin	23.9%	19.3%	4.6 p.p.	20.7%	21.4%	-0.7 p.p.
EBITDA - recurring	144.7	119.8	20.8%	487.1	327.0	49.0%
EBITDA Margin recurring	19.6%	19.3%	0.3 p.p.	19.2%	17.5%	1.7 p.p.
Net Income	214.3	81.2	163.9%	469.9	313.8	49.7%
Net Income recurring	122.1	81.2	50.4%	370.9	200.3	85.2%

GROSS VOLUME

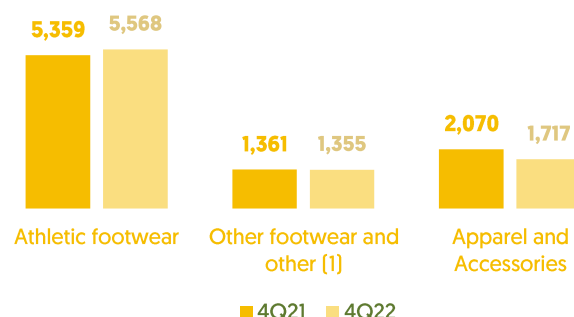
In 4Q22, gross volume billed totaled 8.6 million pairs/pieces, down 1.7% compared to the 8.8 million pairs/pieces in 4Q21.

When comparing the periods, the highlights were:

- (i) In Athletic Footwear there was growth of 3.9% in 4Q22 against the volume sold in 4Q21. The highlight in this quarter was the significant growth registered with the Mizuno brand, which continued at an accelerated pace of expansion, growth was also observed in Under Armor footwear and, in Olympikus, the volume remained stable in relation to the same period of the previous year.
- (ii) In Other Footwear and Others, there was a reduction of 0.4%, the main reason being the reduction in sales of slippers and women's shoes in the Peru branch.
- (iii) In Apparel and Accessories, there was a reduction of 17.1% due to the seasonal effect observed in sales of accessories, where in 4Q21 there was an anticipation of sales for the "back to school" period, which did not occur in 2022.

GROSS VOLUME OF PAIRS AND PIECES/THOUSAND – 4Q22 VS 4Q21

Pairs and itens (thousand)	4Q22	Share %	4Q21	Share %	Var. % 4Q22/4Q21
Athletic footwear	5,568	64.4%	5,359	61.0%	3.9%
Other footwear and other ⁽¹⁾	1,355	15.7%	1,361	15.4%	-0.4%
Apparel and Accessories	1,717	19.9%	2,070	23.6%	-17.1%
Total	8,640	100.0%	8,790	100.0%	-1.7%

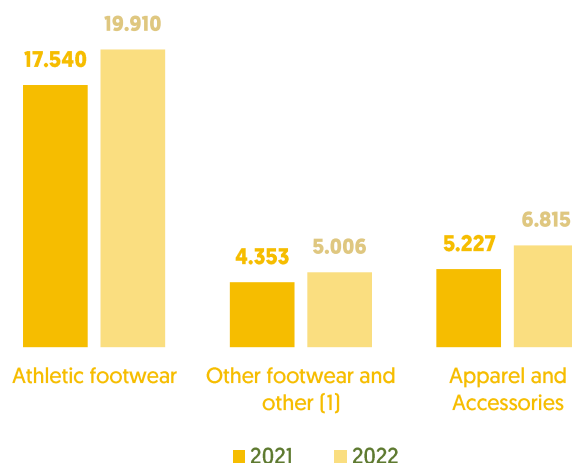


In 2022, gross volume totaled 31.7 million pairs/pieces, an increase of 17.0% compared to the total of 27.1 million pairs/pieces in 2021.

All categories performed well in 2022 and showed robust growth compared to the previous year.

GROSS VOLUME OF PAIRS AND PIECES/THOUSAND – 2022 VS 2021

Pairs and itens (thousand)	2022	Share %	2021	Share %	Var. % 2022/2021
Athletic footwear	19,910	62.7%	17,540	64.7%	13.5%
Other footwear and other ⁽¹⁾	5,006	15.8%	4,353	16.1%	15.0%
Apparel and Accessories	6,815	21.5%	5,227	19.2%	30.4%
Total	31,731	100.0%	27,120	100.0%	17.0%



¹Slippers, boots, women footwear and shoes components.

NET OPERATING REVENUE: CATEGORY

In 4Q22, net revenue was R\$ 738.8 million, an increase of 19.2% over the R\$ 620.0 million in 4Q21, the Company's new net revenue record in a single quarter.

In yet another quarter of positive performance, the Company maintained the pace of growth with all its brands being highly demanded.

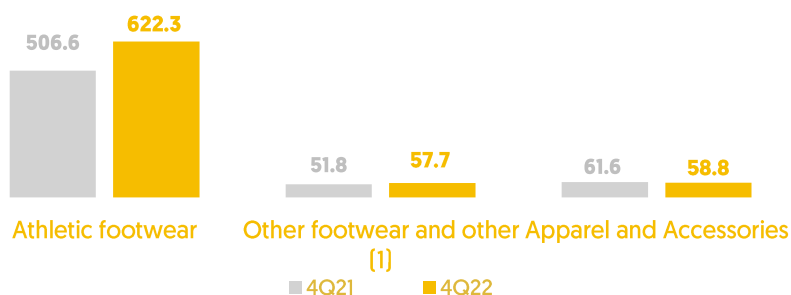
Athletic Footwear revenue increased by 22.8% in 4Q22 over the same period in 2021. The increase in revenue in 4Q22 compared to 4Q21 is due to the excellent performance of all brands, especially the Mizuno sneakers, which continued to show an accelerated pace of growth.

The Other Footwear and Others category increased by 11.4% over 4Q21. This category's revenue growth is due to the positive performance in the slippers and boots subcategories, which were overshadowed by the sales performance of women's footwear in the Peru branch.

In Apparel and Accessories, there was a reduction of 4.5% compared to 4Q21, due to the seasonal effect observed in sales of accessories, where in 4Q21 there was an anticipation of sales for the "back to school" period, which did not occur in 2022.

NET REVENUE BY CATEGORY – 4Q22 VS 4Q21

R\$ Million	4Q22	Share %	4Q21	Share %	Var. % 4Q22/4Q21
Athletic footwear	622.3	84.2%	506.6	81.7%	22.8%
Other footwear and other (1)	57.7	7.8%	51.8	8.3%	11.4%
Apparel and Accessories	58.8	8.0%	61.6	10.0%	-4.5%
Total Net Revenue	738.8	100.0%	620.0	100.0%	19.2%



¹ Slippers, boots, women footwear and shoes components.

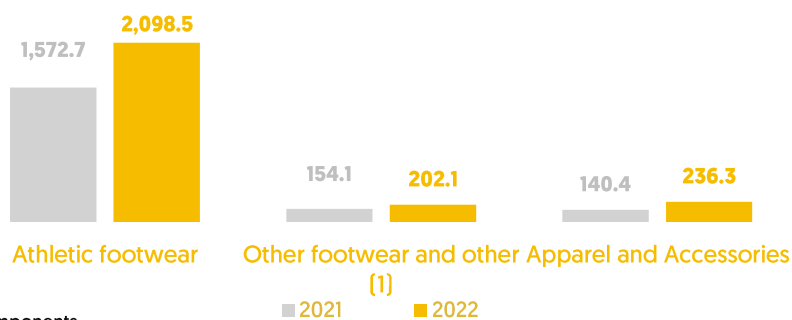
In 2022, net revenue totaled R\$ 2,536.9 million, 35.9% higher than in 2021, when it was R\$ 1,867.2 million.

In 2022, the Company recorded another year of positive performance with a strong pace of revenue growth and with all its brands being highly demanded.

The apparel and accessories category continues to show growth above the average of the other categories and, thus, gaining more relevance within the Company's product portfolio.

NET REVENUE BY CATEGORY – 2022 VS 2021

R\$ Million	2022	Share %	2021	Share %	Var. % 2022/2021
Athletic footwear	2,098.5	82.7%	1,572.7	84.2%	33.4%
Other footwear and other (1)	202.1	8.0%	154.1	8.3%	31.1%
Apparel and Accessories	236.3	9.3%	140.4	7.5%	68.3%
Total Net Revenue	2,536.9	100.0%	1,867.2	100.0%	35.9%



¹Slippers, boots, women footwear and shoes components.



NET OPERATING REVENUE: MARKETS

Net revenue in 4Q22 in the domestic market totaled R\$ 689.5 million, an increase of 17.7% compared to 4Q21, when it was R\$ 585.8 million. In the foreign market, net revenue in 4Q22 totaled R\$ 49.3 million, an increase of 44.2% compared to the R\$ 34.2 million in 4Q21.

In 4Q22, revenues in the domestic market represented 93.3% versus 94.5% in 4Q21, while in the foreign market revenues represented 6.7% in 4Q22 and 5.5% in 4Q21.

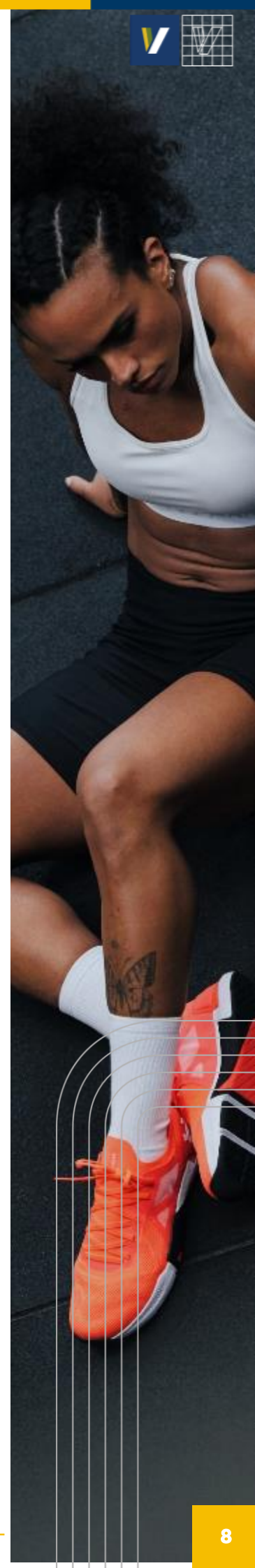
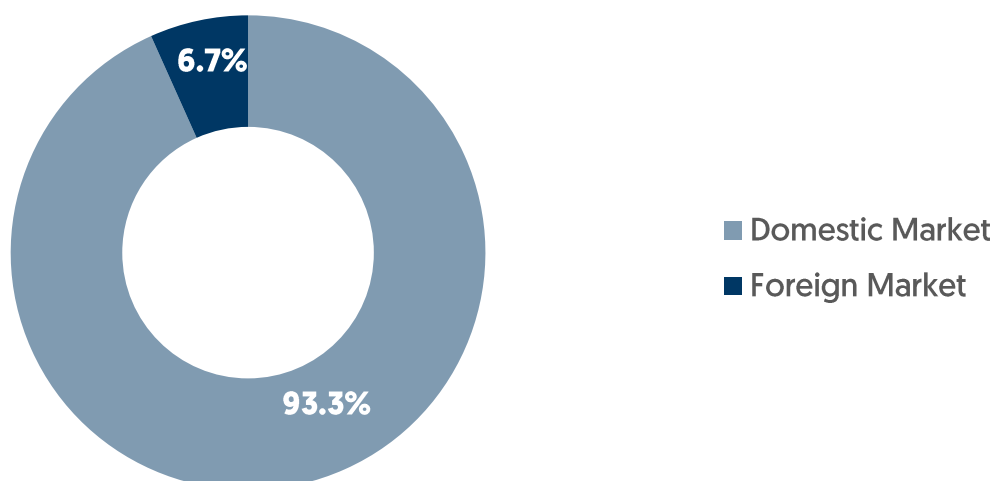
In the domestic market, when compared to 4Q21, the increase is mainly due to the increase in the sports footwear categories, highlighting once again the robust growth of the Mizuno brand.

Direct sales to the foreign market presented robust growth despite the difficulties faced in trade with Argentina, which is the main destination for the Company's exports. For other countries, shipments continue to be carried out within normal limits. Sports footwear exports driven by the Olympikus and Under Armor brands were the quarter's highlights. In the sales of the Peru branch, revenue reduction was observed in relation to the same period of the previous year. The reduction in operations in Peru is due to persistent political problems in that country, which end up affecting the economy and causing a decline in consumption.

NET REVENUE BY MARKET – 4Q22 VS 4Q21

R\$ Million	4Q22	Share %	4Q21	Share %	Var. % 4Q22/4Q21
Domestic Market	689.5	93.3%	585.8	94.5%	17.7%
Foreign Market	49.3	6.7%	34.2	5.5%	44.2%
Total Net Revenue	738.8	100.0%	620.0	100.0%	19.2%

MARKET SHARE – 4Q22



In 2022, net revenue in the domestic market totaled R\$ 2,309.0 million, an increase of 33.5% compared to 2021, when it was R\$ 1,729.5 million.

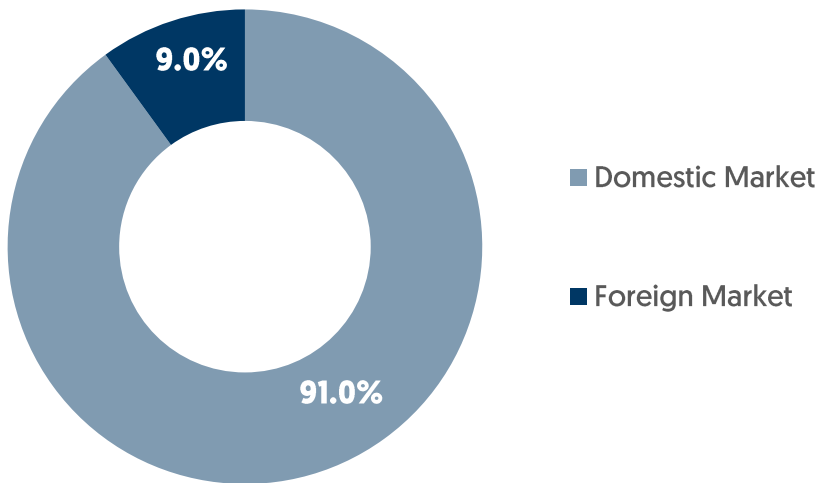
In the foreign market, net revenue in 2022 was R\$ 227.9 million, an increase of 65.5% compared to the R\$ 137.7 million in the same period of the previous year.

In 2022, revenues in the domestic market represented 91.0% versus 92.6% in 2021, while in the foreign market revenues represented 9.0% in 2022 and 7.4% in 2021.

NET REVENUE BY MARKET – 2022 VS 2021

R\$ Million	2022	Share %	2021	Share %	Var. % 2022/2021
Domestic Market	2,309.0	91.0%	1,729.5	92.6%	33.5%
Foreign Market	227.9	9.0%	137.7	7.4%	65.5%
Total Net Revenue	2,536.9	100.0%	1,867.2	100.0%	35.9%

MARKET SHARE – 2022



E-COMMERCE

In 4Q22, sales through the e-commerce of the Company's brands continued the growth trend and grew by 80.2% compared to the same period of the previous year.

The robust growth of this channel is due to the strong growth of sales of the three brands operated by the Company. As a share of revenue, e-commerce represented 6.4% in 4Q22, up 2.2 p.p. compared to 4.2% in 4Q21.

In 2022, the e-commerce channel showed growth of 119.7% compared to the previous year. As a share of revenue, it represented 5.4% in 2022, up 2.1 p.p. compared to 3.3% in 2021.

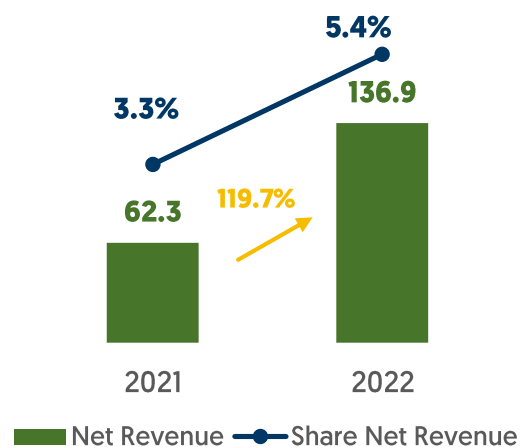
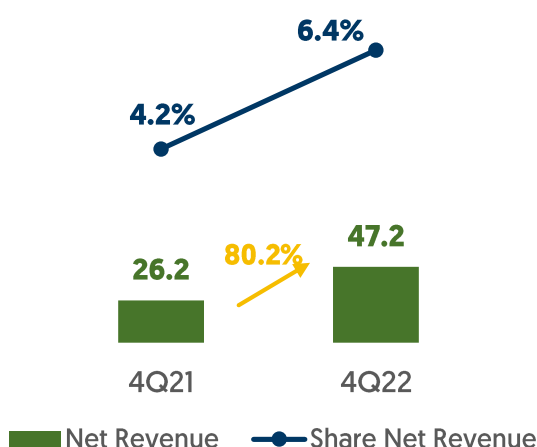


The brands' e-commerce channel grew 119.7%, maintaining a robust growth trend.



NET REVENUE AND NOR PARTICIPATION

Net Revenue	4Q22	4Q21	Var. % 4Q22/4Q21	2022	2021	Var. % 2022/2021
E-comm total Net Revenue	47.2	26.2	80.2%	136.9	62.3	119.7%
Share Net Revenue	6.4%	4.2%	2.2 p.p.	5.4%	3.3%	2.1 p.p.



COST OF GOODS SOLD (COGS)

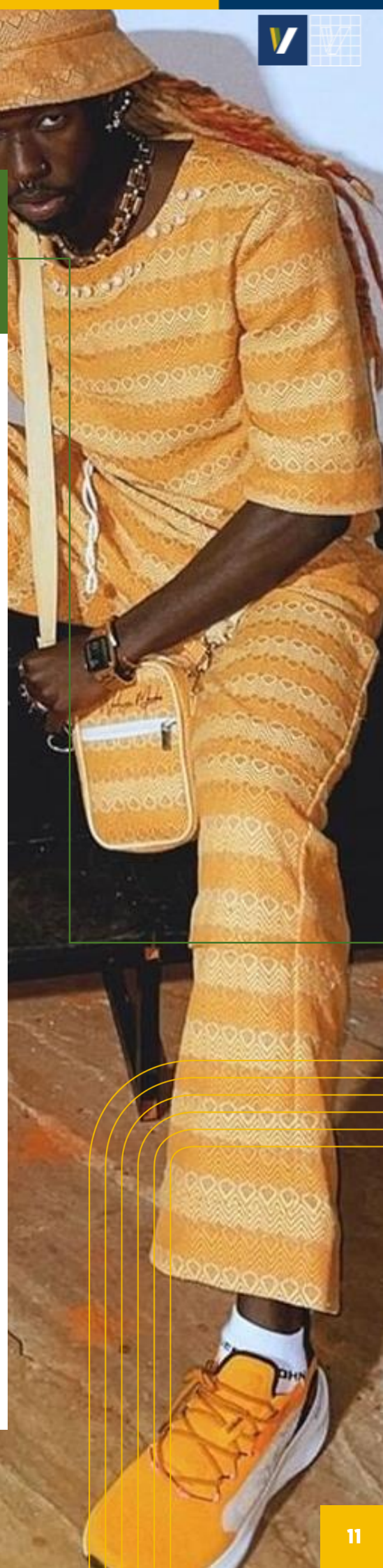
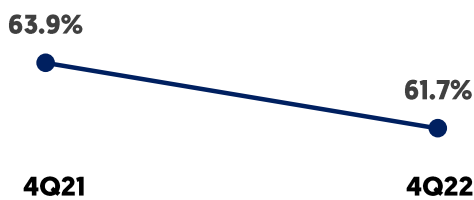
In 4Q22, as a percentage of net sales revenue, cost of goods sold represented 61.7%, compared to 63.9% in the same period in 2021.

During the 4th quarter of 2022, the Company's factories operated at full occupancy. The constitution of the order backlog for the last quarter of 2022, still during the previous quarter, brought the necessary predictability for the elaboration and execution of more assertive production plans and, combined with the high volumes produced, provided the achievement of productive efficiency within the planned levels and consequent obtaining better costs of the products produced.

In 4Q22, the costs of raw materials and inputs remained within normal limits without showing pressure, either due to a shortage of supply or higher prices, which also favored the good performance of costs. As is usually done every year, in December the factories were stopped for collective holidays, which ended up affecting the cost of products produced in that month, but without overshadowing the excellent performance obtained in October and November. Another positive point in 4Q22 was the cooling of international logistics costs, which throughout the year negatively affected the costs of imported items for resale, mainly affecting the clothing and accessories category.

In 2022, as a percentage of net sales revenue, cost of sales represented 63.0%, compared to 64.7% in the same period in 2021.

COST OF GOODS SOLD (% COGS/NOR)





GROSS PROFIT

Gross profit in 4Q22 was R\$ 282.9 million, an increase of 26.4% compared to the R\$ 223.8 million in 4Q21. Gross margin was 38.3% in 4Q22, 2.2 p.p. above the 36.1% in 4Q21.

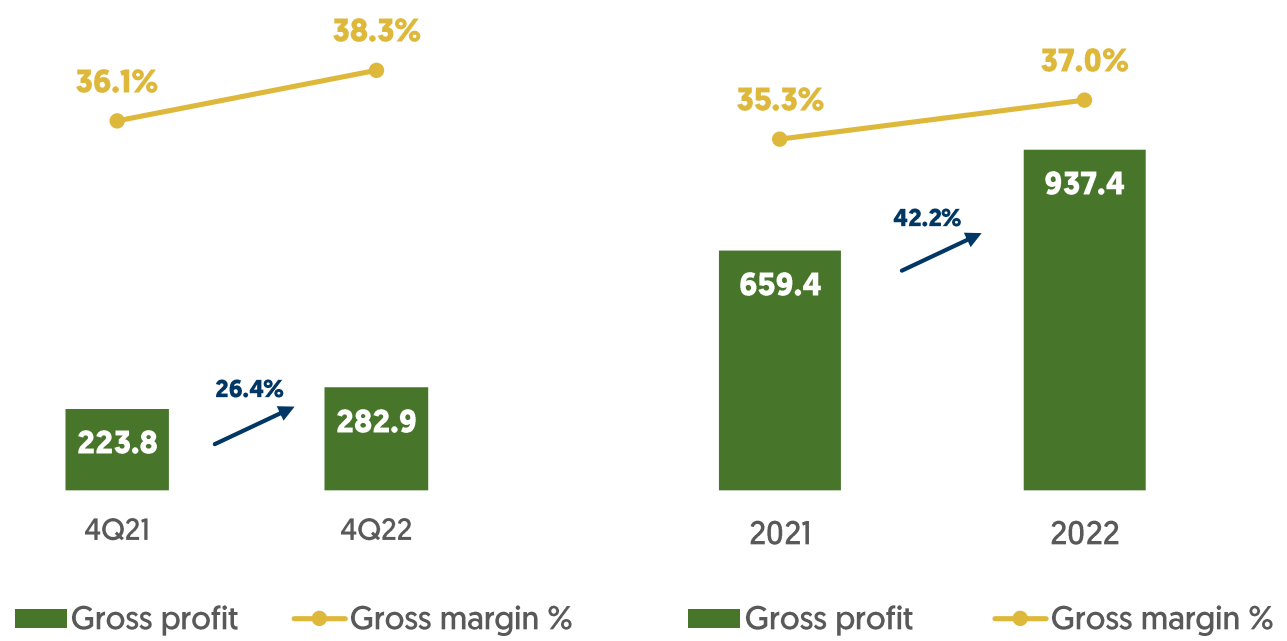
The positive impact brought to costs due to the large volume produced in 4Q22, provided gains in production efficiency and the capture of operational synergies that resulted in the improvement of the gross margin.

For the eighth consecutive quarter, the Company reports evolution in gross margin. The 2.2 p.p gain in the gross margin measured in 4Q22 compared to the margin obtained in 4Q21, demonstrates the consistency and robustness of the Company's business model.

In 2022, gross profit was R\$ 937.4 million, an increase of 42.2% compared with the R\$ 659.4 million in 2021. The margin in 2022 was 37.0%, 1.7 p.p. higher than in 2021, when it was 35.3%.

For the eighth consecutive quarter, the Company reports evolution in gross margin.

GROSS PROFIT AND GROSS MARGIN





SALES, ADVERTISING AND ESTIMATED LOSSES WITH DOUBTFUL ACCOUNT EXPENSES

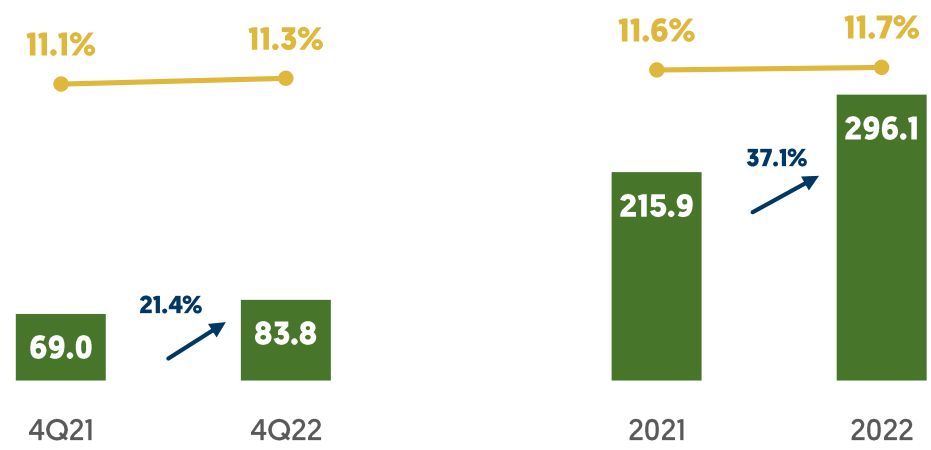
Selling, advertising and Allowance for doubtful accounts expenses in 4Q22 totaled R\$ 114.8 million, an increase of 24.4% compared to 4Q21.

Selling and Allowance for doubtful accounts expenses (excluding advertising expenses) increased by 21.4% in 4Q22, compared to expenses in 4Q21. R\$ 83.8 million were recorded in 4Q22, against R\$ 69.0 million in 4Q21. As a share of revenue, selling expenses (ex-advertising) represented 11.3% in 4Q22 compared to 11.1% in 4Q21.

The behavior of variable expenses remained within the normal range and presenting nominal growth due to the expansion of revenue.

In 2022, selling and Allowance for doubtful accounts expenses (excluding advertising expenses) were R\$ 296.1 million, an increase of 37.1% compared to the R\$ 215.9 million in 2021. The share of selling expenses over net revenue reached 11.7% in 2022 compared to 11.6% in 2021.

SELLING EXPENSES AND BAD DEBT (excluding advertising expenses)



■ Selling Expenses and Bad Debt —●— % of Net Revenue

In 4Q22, advertising and marketing expenses totaled R\$ 31.0 million, an increase of 33.6% over the R\$ 23.2 million in 4Q21. The share of advertising and marketing expenses over net revenue represented 4.2% in 4Q22, compared to 3.7% in 4Q21.

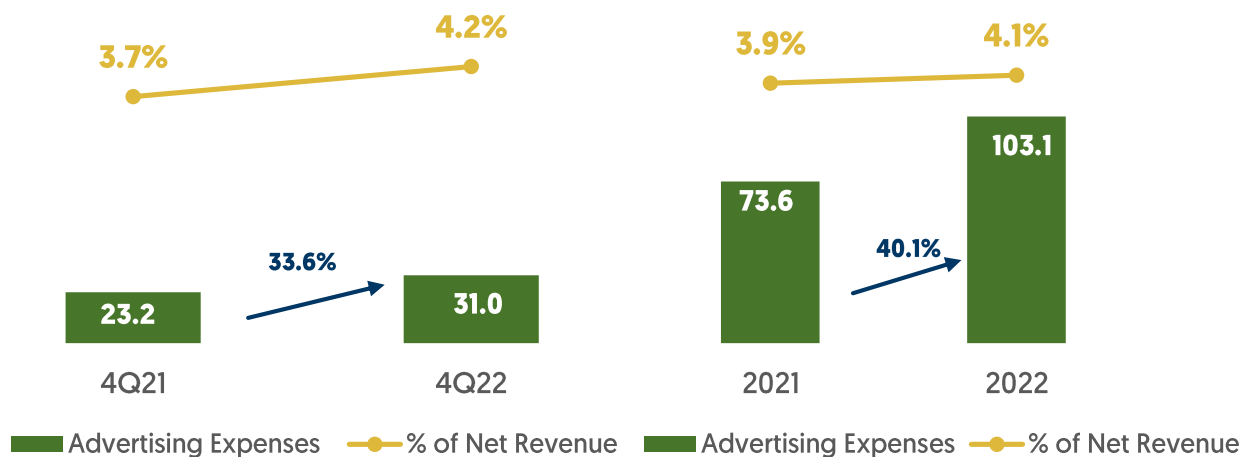
As of 4Q22, the Company began to show separately in its Financial Statements, the expenses incurred by the internal marketing structures that, until then, were presented together with commercial expenses in the personnel and other expenses headings. Thus, for a better understanding of the applications of resources, at the results presentation, these expenses are now added to the Advertising and marketing expenses of services provided by third parties.

In 4Q22, the brands present in the Vulcabras portfolio maintained the good performance of the last quarters and continued to execute their Marketing strategies.

Mizuno expanded its efforts by bringing highly qualified products for high-performance running to the Brazilian market, with exclusive brand technologies. Olympikus in October held the biggest edition of Bota Pra Correr in history. The brand's proprietary circuit, created in 2019 in support of the movement to invite athletes to discover Brazil running, this time the chosen location was the Ecological Route of Milagres, in Alagoas. Under Armour took an important step in consolidating its strategy in the training category, bringing to the market an unprecedented product, national and totally focused on performance, the Under Armour Tribase Cross Quiron.

In 2022, advertising expenses were R\$ 103.1 million, an increase of 40.1% compared to the R\$ 73.6 million in 2021. The share of advertising expenses on net revenue represented 4.1% in 2022, compared to 3.9% in 2021.

ADVERTISING AND MARKETING EXPENSES



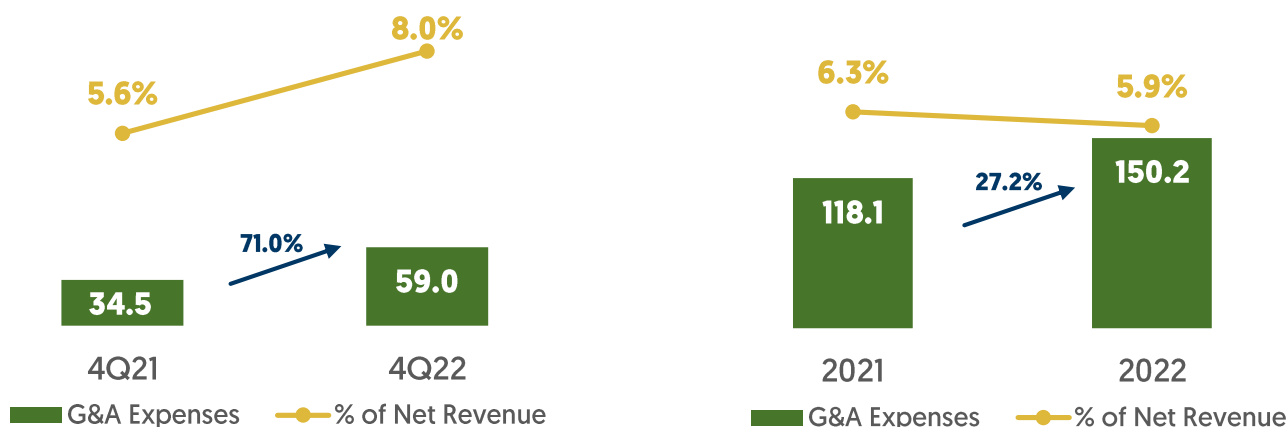
GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses totaled R\$ 59.0 million in 4Q22, an increase of 71.0% compared to 4Q21. As a percentage of net revenue, there was an increase of 2.4 p.p., from 5.6% in 4Q21 to 8.0% in 4Q22.

In 4Q22, the main offender for the significant increase in administrative expenses was the recognition of a “non-recurring” expense of legal fees in the amount of R\$ 18.1 million, due to the gain of lawsuits related to PIS/Cofins credit and corrections on judicial deposits. The amount recognized as fees is included under third-party services and was classified as a “non-recurring event” in the statements of Net Income and EBITDA. Excluding the effect of this “non-recurring” expense, the percentage related to revenue would be 5.5%, slightly lower than that presented in the same period of the previous year. The other groups remained within normal limits, showing growth due to corrections caused by the inflation pass-through.

In 2022, compared to the same period of 2021, there was an increase of 27.2% in general and administrative expenses, from R\$ 118.1 million in 2021 to R\$ 150.2 million in 2022. When comparing the percentage of net revenue, there is a decrease of 0.4 p.p. in 2022 in relation to the equivalent period of 2021. Excluding the effect of the “non-recurring” expense recognized in 4Q22, the percentage related to revenue would be 5.2%, 1.1 p.p. lower than that presented in 2021.

GENERAL AND ADMINISTRATIVE EXPENSES



OTHER NET OPERATING INCOME (EXPENSES)

In 4Q22, Other Net Operating Income (Expenses) resulted in an income of R\$ 43.6 million, compared to an income of R\$ 1.5 million in 4Q21.

We emphasize that in 4Q22 there was recognition under the heading of “Other operating income (expenses) of “non-recurring” credits, arising from lawsuits referring to PIS/Cofins credits and corrections on judicial deposits, in the net amount of R\$ 50.0 million, which ends up distorting the comparison with the same quarter of the previous year.

In 2022, compared to the same period in 2021, there was a reduction of 29.1%, resulting in income of R\$ 50.2 million in 2022, compared to income of R\$ 70.8 million in 2021.

OTHER NET OPERATING INCOME (EXPENSES)

R\$ Million	4Q22	4Q21	Var. % 4Q22/4Q21	2022	2021	Var. % 2022/2021
Other Net Operating Income (Expenses)	43.6	1.5	2,806.7%	50.2	70.8	-29.1%

NET FINANCIAL INCOME (EXPENSES)

In 4Q22, the Company reported a net financial income of R\$ 65.8 million, compared to the same period in 2021, when it reported a net financial expense of R\$ 10.5 million.

When comparing 4Q22 versus 4Q21, the main variations were observed in the increase in interest paid and in income from investments due to the increase in available funds.

We also point out that in 4Q22 there was a recognition under “Financial Income” of a “non-recurring” credit, arising from lawsuits referring to PIS/Cofins credits and corrections on judicial deposits, in the net amount of R\$ 72.4 million, which ends up distorting the comparison with the same quarter of the previous year.

Comparing the years, the financial result changed from a financial expense of R\$ 12.4 million in 2021 to a financial income of R\$ 41.3 million in 2022.

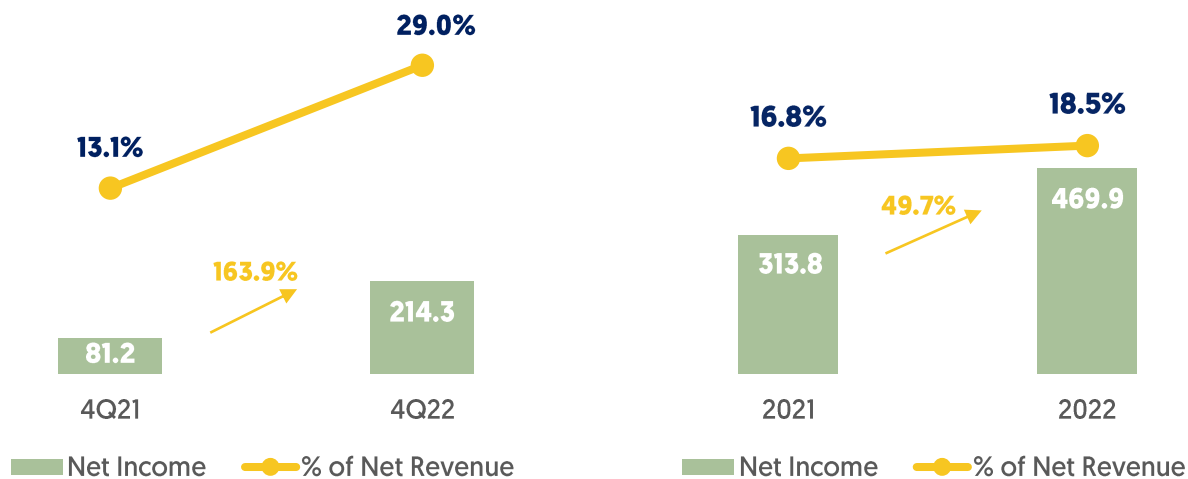
NET FINANCIAL INCOME (EXPENSES)

R\$ Million	4Q22	4Q21	Var. % 4Q22/4Q21	2022	2021	Var. % 2022/2021
Capital structure	-13.3	-10.5	26.7%	-48.2	-33.4	44.3%
Operating	-3.8	-3.1	22.6%	-12.1	-20.7	-41.5%
Exchange differences	-2.0	-2.7	-25.9%	-24.3	-21.5	13.0%
Financial Costs	-19.1	-16.3	17.2%	-84.6	-75.6	11.9%
Capital structure	7.0	1.3	438.5%	21.0	6.2	238.7%
Operating	75.6	1.9	3878.9%	84.7	67.3	25.9%
Exchange differences	2.3	2.6	-11.5%	20.2	14.5	39.3%
Financial Income	84.9	5.8	1363.8%	125.9	88.0	43.1%
Net Financial Income	65.8	-10.5	-726.7%	41.3	12.4	233.2%

NET INCOME

Net income in 4Q22 was R\$ 214.3 million, an increase of 163.9% over the income of R\$ 81.2 million in 4Q21. Net margin reached 29.0% in 4Q22, an increase of 15.9 p.p., compared to 13.1% in 4Q21.

NET INCOME AND NET MARGIN



It is worth noting that in 4Q22 and 2022 some “non-recurring” events impacted the Company's Net Income. In the comparison of recurring Net Income, the result obtained in 4Q22 of R\$ 122.1 million represented a growth of 50.4% when compared to the R\$ 81.2 million in 4Q21. Net Recurring Margin reached 16.5% in 4Q22, an increase of 3.4 p.p., compared to 13.1% in 4Q21.

For a better understanding, the amounts and respective effects of each of these events on net income for the quarter and accumulated in the period are shown below.

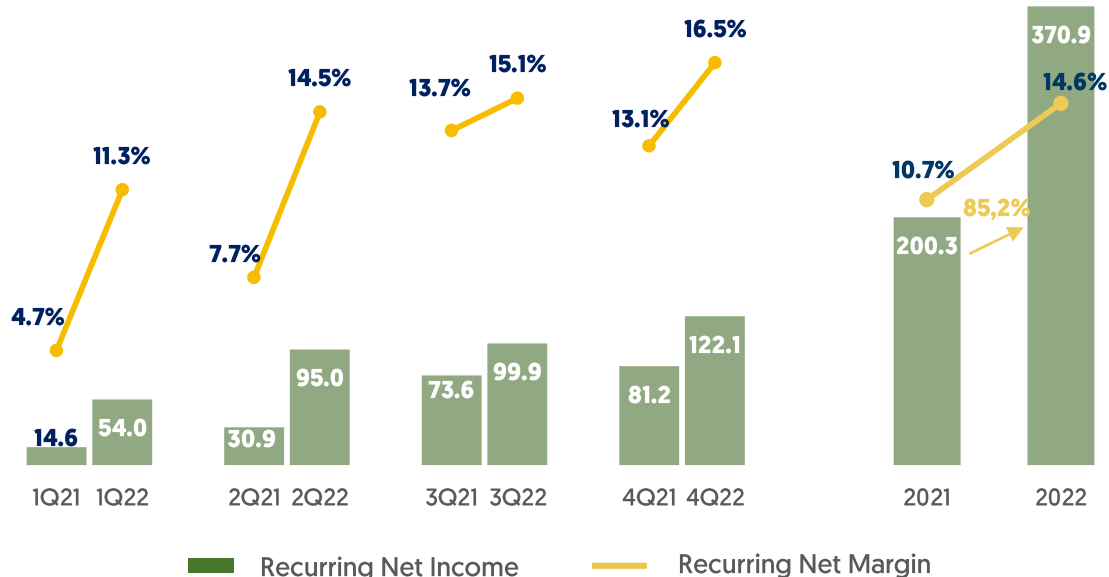
R\$ Million	4Q22	4Q21	Var. % 4Q22/4Q21	2022	2021	Var. % 2022/2021
Net Income	214.3	81.2	163.9%	469.9	313.8	49.7%
(-) Main Pis/Cofins Credit	-53.3	0.0	N/A	-53.3	-65.9	-19.1%
(-) Credit for updating main amounts	-72.4	0.0	N/A	-72.4	-57.6	25.7%
(-) Pis/Cofins on update of Pis/Cofins credits and Judicial Deposits	3.4	0.0	N/A	3.4	2.6	30.8%
(-) IRPJ / CSLL on credit update of recognized Pis/Cofins	12.1	0.0	N/A	12.1	7.4	63.5%
(-) Undue IR/CSLL on recognized tax credits	0.0	0.0	N/A	-8.8	0.0	N/A
(-) Attorney's fees on legal proceedings	18.0	0.0	N/A	18.0	0.0	N/A
(-) Spontaneous collection of ICMS from previous years	0.0	0.0	N/A	2.0	0.0	N/A
Adjusted Net Income	122.1	81.2	50.4%	370.9	200.3	85.2%
Adjusted Net Income Margin	16.5%	13.1%	3.4 p.p.	14.6%	10.7%	3.9 p.p.



Net income in 2022 was R\$ 469.9 million, an increase of 49.7% over the income in the same period of the previous year. In the comparison between 2022 against 2021 increased by 1.7 p.p., from 16.8% in 2021 to 18.5% in 2022.

In the comparison of Recurring Net Income, the income reached R\$ 370.9 million, representing a growth of 85.2% in 2022 when compared to the adjusted income obtained in 2021, which was R\$ 200.3 million. Recurring Net Margin reached 14.6% in 2022, an increase of 3.9 p.p., compared to 10.7% in 2021.

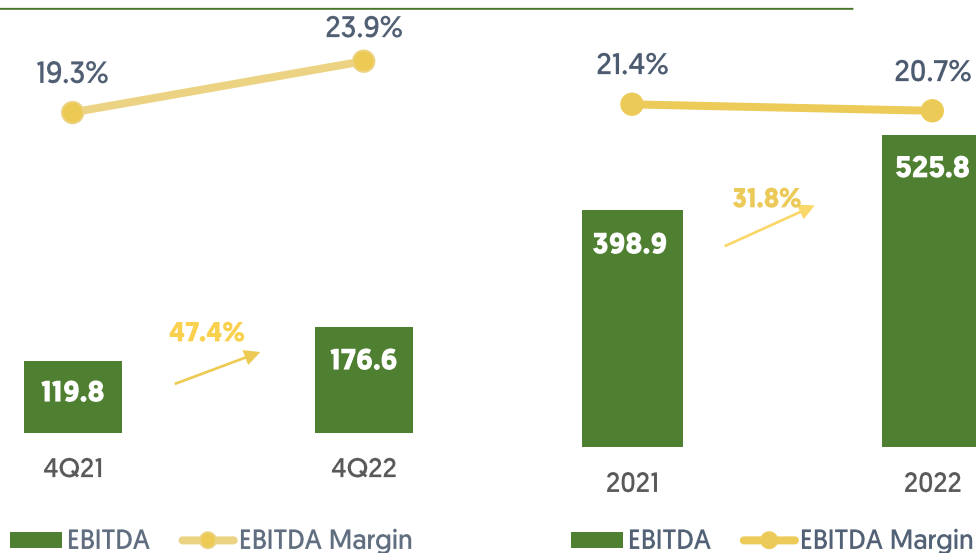
RECURRING NET INCOME AND RECURRING NET MARGIN



EBITDA

In 4Q22, EBITDA totaled R\$ 176.6 million, an increase of 47.4% against the R\$ 119.8 million in 4Q21. EBITDA margin increased by 4.6 p.p., reaching 23.9% in 4Q22 against 19.3% in 4Q21.

EBITDA AND EBITDA MARGIN



It's worth noting that in 4Q22 and in 2022 some "non-recurring" events impacted the Company's EBITDA. In the comparison of Recurring EBITDA, the result obtained in 4Q22 of R\$ 144.7 million represented a growth of 20.8% when compared to the R\$ 119.8 million in 4Q21. Net EBITDA Margin reached 19.6% in 4Q22, an increase of 0.3 p.p., compared to 19.3% in 4Q21.

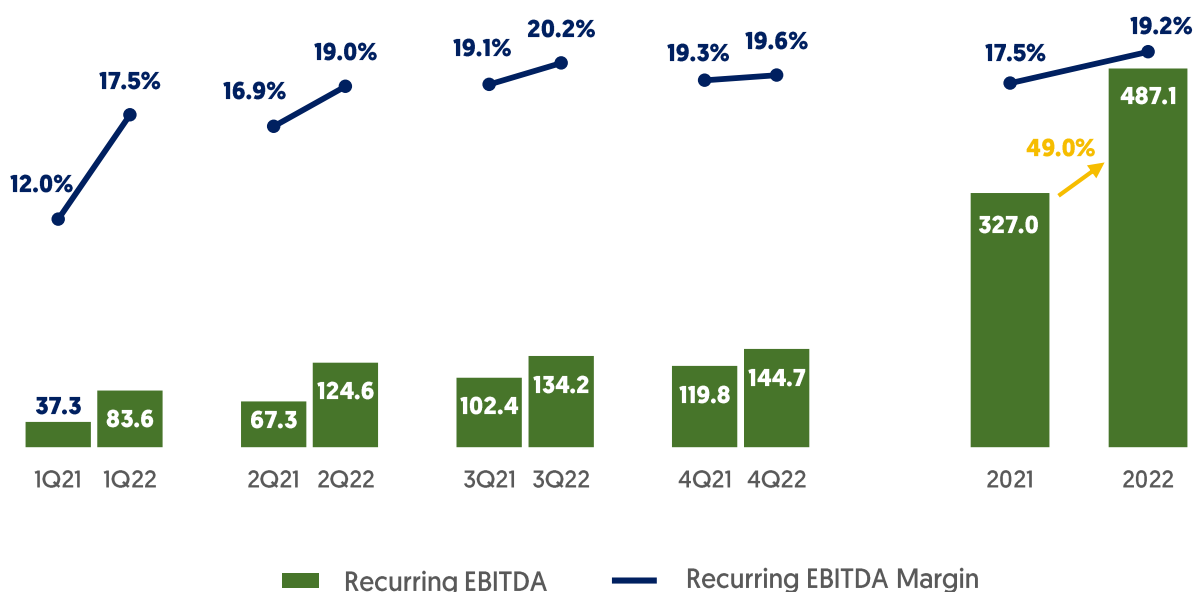
For a better understanding, the amounts and respective effects of each of these events on EBITDA for the quarter and accumulated for the period are shown below.

R\$ Million	4Q22	4Q21	Var. % 4Q22/4Q21	2022	2021	Var. % 2022/2021
EBITDA	176.6	119.8	47.4%	525.8	398.9	31.8%
(-) Main Pis/Cofins Credit	-53.3	0.0	N/A	-53.3	-65.9	-19.1%
(-) Pis/Cofins on update of Pis/Cofins credits and Judicial Deposits	3.4	0.0	N/A	3.4	2.6	30.8%
(-) PECLD Reversal	0.0	0.0	N/A	0.0	-8.6	N/A
(-) Undue IR/CSLL on recognized tax credits	0.0	0.0	N/A	-8.8	0.0	N/A
(-) Attorney's fees on legal proceedings	18.0	0.0	N/A	18.0	0.0	N/A
(-) Spontaneous collection of ICMS from previous years	0.0	0.0	N/A	2.0	0.0	N/A
Recurring EBITDA	144.7	119.8	20.8%	487.1	327.0	49.0%
Recurring EBITDA Margin	19.6%	19.3%	0.3 p.p.	19.2%	17.5%	1.7 p.p.

EBITDA in 2022 was R\$ 525.8 million, 31.8% higher than the result in the same period of the previous year. In the comparison between 2022 and 2021, EBITDA margin decreased by 0.7 p.p., from 21.4% in 2021 to 20.7% in 2022.

In the comparison of "Recurring EBITDA", the result in 2022 was of R\$ 487.1 million, a growth of 49.0% when compared to the recurring EBITDA obtained in 2021, which was R\$ 327.0 million. The Recurring EBITDA Margin in 2022 vs. 2021 increased by 1.7 p.p., from 17.5% in 2021 to 19.2% in 2022.

EBITDA AND EBITDA MARGIN RECURRING



ROIC (RETURN ON INVESTED CAPITAL)

Annualized return on invested capital – ROIC2– reached 24.1% in 4Q22-LTM (last twelve months ended 12/31/2022), an increase of 2.7 p.p. over the 21.4% obtained at 12/31/2021.

ROIC	2019	2020	2021	4Q22
Net Income for the period (LTM)	143.1	31.5	313.8	469.9
(+) Net Financial Income (LTM)	(5.1)	0.1	(12.5)	(41.3)
NOPAT	138.0	31.6	301.3	428.6
Invested Capital				
Loans and Financing	43.1	311.6	361.3	417.0
(-) Cash and cash equivalents	(62.2)	(158.6)	(114.6)	(197.2)
(-) Financial Investments	(2.8)	(90.5)	(10.3)	(8.9)
(+) Related Parties	16.9	17.6	18.0	18.4
(+) Equity	1,087.4	1,125.4	1,356.6	1,711.8
Invested Capital	1,082.4	1,205.5	1,611.0	1,941.1
Average invested capital for the period⁽¹⁾	1,014.6	1,144.0	1,408.2	1,776.0
Annualized ROIC⁽²⁾	13.6%	2.8%	21.4%	24.1%

Annualized adjusted return on invested capital [Adjusted ROIC3] reached 28.1% in 4Q22-LTM (last twelve months ended 12/31/2022), an increase of 2.1 p.p. over the 26.0% obtained at 12/31/2021.

ADJUSTED ROIC	2019	2020	2021	4Q22
Net Income for the period (LTM)	143.1	31.5	313.8	469.9
(+) Net Financial Income (LTM)	(5.1)	0.1	(12.5)	(41.3)
(-) Equity Results (LTM)	(0.3)	2.0	(3.1)	(5.3)
NOPAT (Adjusted)	137.7	33.6	298.2	423.3
Invested Capital				
Loans and Financing	43.1	311.6	361.3	417.0
(-) Cash and cash equivalents	(62.2)	(158.6)	(114.6)	(197.2)
(-) Financial Investments	(2.8)	(90.5)	(10.3)	(8.9)
(+) Related Parties	16.9	17.6	18.0	18.4
(-) Goodwill on acquisition	(198.2)	(198.2)	(198.2)	(198.2)
(-) Investment in subsidiary	(62.0)	(60.0)	(69.4)	(75.7)
(+) Equity	1,087.4	1,125.4	1,356.6	1,711.8
Total Adjusted Invested Capital	822.2	947.3	1,343.4	1,667.2
Average adjusted invested capital for the period⁽¹⁾	754.5	884.8	1,145.4	1,505.3
ROIC Ajustado anualizado⁽³⁾	18,3%	3,8%	26,0%	28.1%

ROIC: Return on invested capital. .

(1) Average invested capital at the end of this period and the end of the previous year.

(2) ROIC calculation: NOPAT for the last 12 months divided by the average invested capital.

(3) Adjusted ROIC is a non-accounting measure calculated by dividing Adjusted NOPAT (defined as net income [loss] plus net financial income less equity and the result from discontinued operations), divided by average Adjusted Invested Capital for the period. Adjusted Invested Capital is defined as the sum of own capital (equity) and Net Debt (as defined below), less goodwill recorded in intangible assets and investment in non-controlled companies.

CAPEX (CAPITAL EXPENDITURES)

In 4Q22, R\$ 43.8 million were invested in property, plant and equipment and intangible assets.

R\$ 43.1 million were invested in property, plant and equipment, a reduction of 0.5% compared to 4Q21. The investment in intangible assets in 4Q22 was R\$ 0.7 million.

In this quarter, the Company continued to invest in the expansion and modernization of its manufacturing facilities, with emphasis on the physical expansions implemented at the Ceará plant to ensure a more efficient operational flow.

In 2022, R\$ 160.7 million were invested in property, plant and equipment and intangible assets. R\$ 158.2 million were invested in property, plant and equipment, an increase of 19.5% compared to 2021.

ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

R\$ Million	4Q22	4Q21	Var. % 4Q22/4Q21	2022	2021	Var. % 2022/2021
Molds	10.7	7.1	50.7%	35.6	35.5	0.3%
Machinery and equipment	18.5	25.4	-27.2%	63.0	66.8	-5.7%
Industrial facilities	4.9	2.2	122.7%	22.1	9.5	132.6%
Others	9.0	8.6	4.7%	37.5	20.6	82.0%
Property, plant and equipment	43.1	43.3	-0.5%	158.2	132.4	19.5%
Software	0.7	0.3	133.3%	2.5	2.5	0.0%
Intangible assets	0.7	0.3	133.3%	2.5	2.5	0.0%
Total	43.8	43.6	0.5%	160.7	134.9	19.1%

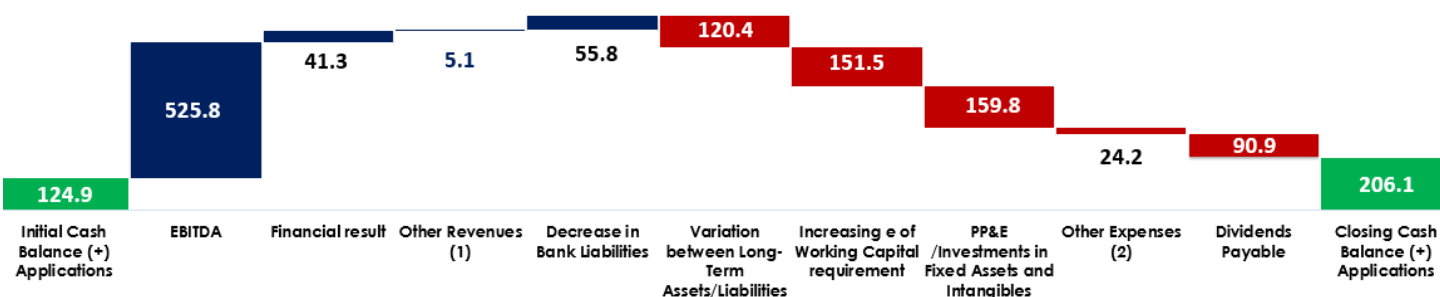


OPERATING CASH GENERATION

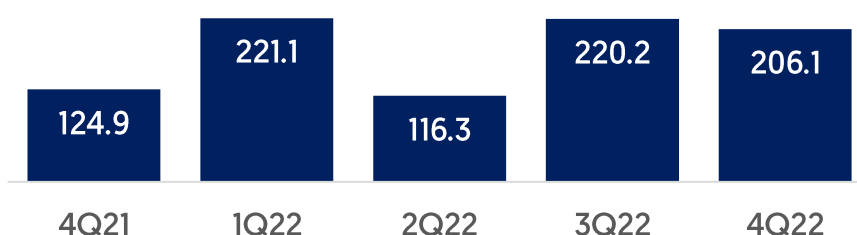
The variation in cash in 2022 was R\$ 81.2 million. The variation presented was essentially due to the following events:

- (i) EBITDA of R\$ 525.8 million;
- (ii) Decrease in bank liabilities by R\$ 55.8 million;
- (iii) Variation between Long-Term Assets/Liabilities of R\$ 120.4 million;
- (iv) Increase in the need for working capital of R\$ 151.5 million;
- (v) Investments in property, plant and equipment and intangible assets of R\$ 159.8 million;
- (vi) Early distribution of dividends in the amount of R\$ 90.9 million.

CASH FLOW – 2022



CASH FLOW – CASH



(1) Other Revenues: Sale / Write-off of Property, Plant and Equipment and Intangible Assets + Stock Options.

(2) Other Expenses: Income Tax and Social Contribution + Effect of conversion of investees abroad + Payment of finance lease liabilities.

NET DEBT

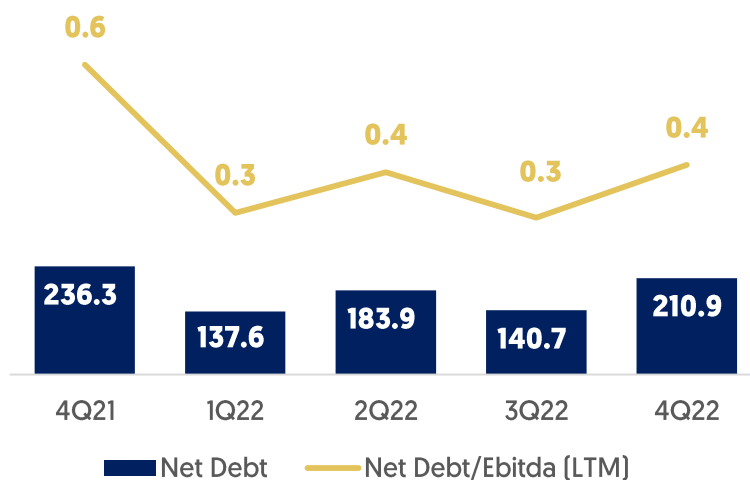
At 12/31/2022, the Company had a net debt of R\$ 210.9 million, 10.8% lower than at 12/31/2021.

The reduction in net debt is mainly due to the excellent operating cash generation due to the significant result recorded in 2022, even in the face of the expansion of working capital and the capex carried out throughout the year.

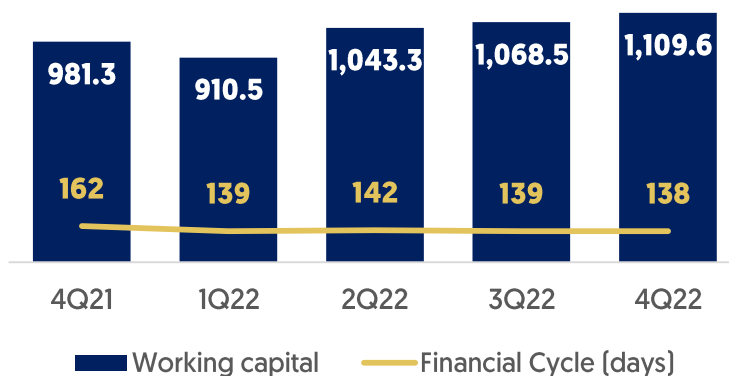
NET DEBT

R\$ Million	12/31/2020	12/31/2021	12/31/2022	Var. % 12/31/2022 vs 12/31/2021
Loans and Financing	311.6	361.3	417.0	15.4%
Cash and cash equivalents	158.6	114.6	197.2	72.1%
Financial investments	90.5	10.3	8.9	-13.6%
Net Debt	62.5	236.4	210.9	-10.8%

EVOLUTION NET DEBT AND LEVERAGE



WORKING CAPITAL AND FINANCIAL CYCLE



CAPITAL MARKET

DIVIDENDS

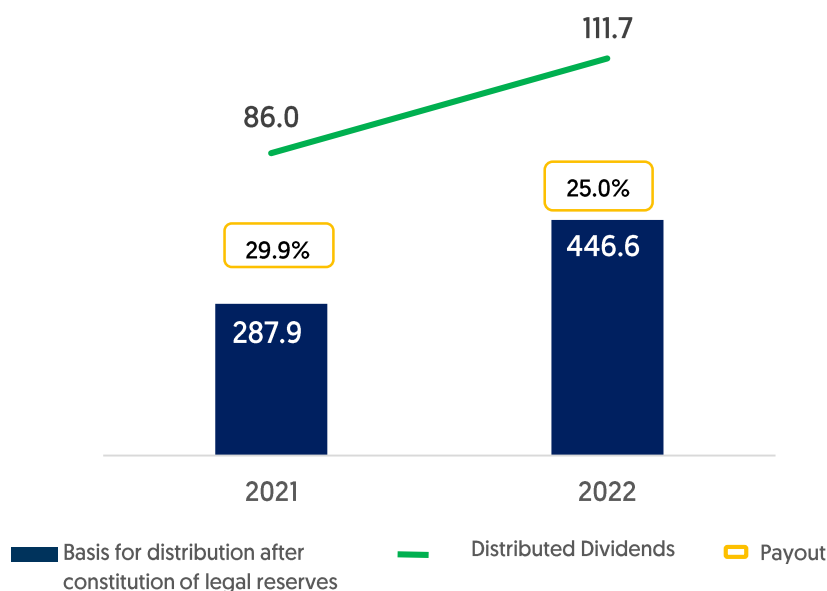
During 4Q22, the Company's Board of Directors approved the distribution of interim dividends based on the balance of retained earnings determined in the balance sheet as AT September 30, 2022, in the total amount of R\$ 90.9 million, equivalent to the total amount of R\$ 0.37 (thirty-seven cents) per common share. The Interim Dividends were paid on November 22, 2022 and the Company's shareholders were entitled to receive the Interim Dividends on the base date of November 10, 2022.

At the end of the year, was provisioned a payment supplementary dividends related to the 2022 results in the amount of R\$ 20.8 million, estimated equivalent of R\$ 0.08 per share, if we consider treasury shares in 12/31/2022.

It should be noted that as of 1Q23, as approved by the Board of Directors, the Company will start paying quarterly dividends.

Type	Total Amount	Reference Period	Amount paid per Share	Base date for distribution	Payment Date
Dividends	86.0	2021	0.35	11/3/2021	11/12/2021
Interim Dividends	90.9	9M22	0.37	11/10/2022	11/22/2022
Complementary Dividends (*)	20.8	2022	0.08	4/3/2023	04/14/2023
Total Dividends 2022	111.7	2022			

RETURN TO SHAREHOLDERS



SHARE BUYBACK PROGRAM

At the end of 4Q22, the Company held 491,600 shares in treasury. In May 2022, the Board of Directors approved the Share Buyback Program, with the aim of maximizing capital allocation and generating value for shareholders. The program is running and authorizes the repurchase of up to 5 million shares within 18 months.

During 2022, the Company repurchased 491,600 shares, with a total value of R\$ 6.1 million, which, added to the R\$ 111.7 million of distributed dividends, representing a distribution to shareholders of 26.4% of profit for the period after constitution of the legal reserve.

(*)Amount per share was calculated taking into account the current number of shares held in treasury, however, as the buyback program remains active, this price may change

SUSTAINABILITY

With the purpose of building a better country based on sport, Vulcabras seeks to expand its positive impact on the communities in which it operates, and therefore, in 2022, among the projects selected for support via the incentive law, three started their activities in 2022, all focused on education.

Check out each of the projects below

Reading Circles

Read the Text, Read the World

In Ceará, Vulcabras supported the project “Círculo de Leitura”– Ler o Texto, Ler o Mundo– whose purpose is to encourage a taste for reading and a critical sense in children and adolescents through the joint discussion of great works of Brazilian and world literature, constituting literary collections in vulnerable urban and rural communities in Northeast Brazil. The project forms literary mediators in these communities who discuss, debate and carry out various activities to deepen knowledge about the work and distributes 56,000 copies of various titles of universal literary works free of charge, in addition to reading guides. In all, 124 municipalities in the state of Ceará benefited, prioritizing schools, libraries and other institutions that bring together young people.

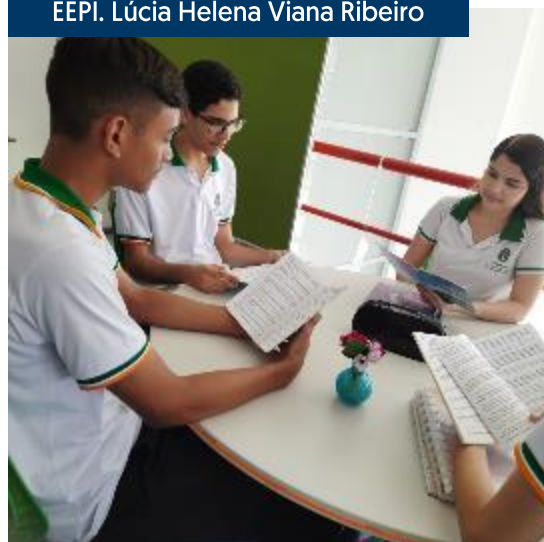
The communities receive kits containing approximately 200 volumes, including copies of each selected work and the reading scripts, and young people and adults participate in reading mediation workshops.

Among the schools benefiting from the programs, four are close to one of our production units, in Horizonte, Ceará. They are EEPI Lúcia Helena Viana Ribeiro and E.E.M Walderi Machado de Almeida, in Horizonte, and EEEP José Maria Falcão and EEM Padre Coriolano, in Pacajus.

EEM. Pe. Coriolano



EEPI. Lúcia Helena Viana Ribeiro



Salvador Children's Book Fair (FLIS)

In Bahia, the Company was one of the supporters of the Salvador Children's Book Fair (FLIS). With the theme "The Preservation of the Environment", the event had a diverse program consisting of soirées, workshops and artistic interventions, in addition to a fair selling children's books. This was the 2nd edition of FLIS, an event that seeks to value the publishing chain (authors, editors, booksellers, etc.) and unite literature with activities to encourage reading among children, bringing knowledge, stimulating creativity and awakening curiosity of the target audience.

FLIS – A preservação do Meio Ambiente



Mercosul Biennial - Educational Program

In Porto Alegre (RS), Vulcabras was one of the supporters of the Educational Program, which is part of the Mercosul Biennial, one of the most important contemporary art events in Latin America, which attracted around 800 thousand visitors in its 13th edition. During the event, the program provided various activities such as meetings with educators, chats with artists, seminars and training courses for mediators. To guarantee access to the exhibition spaces, the Program made it possible to transport young people from the public school network in Greater Porto Alegre, during the entire period of the Biennial.



By supporting education, we contribute to the education of citizens and to building a better country based on sport.



BRAND MANAGEMENT

During the fourth quarter, the Vulcabras portfolio brands continued to consolidate within their main target audiences. At Olympikus, the brand continues to build its reputation with the running community, with the launch of new colors for the Corre line, designed to democratize performance running in the country. At Mizuno, the high performance running launches, Wave Rider 26 and Wave Sky 6, rescue the brand's premium running positioning, with products designed in every detail for the athlete's sporting performance.

In Under Armour, the quarter was marked by the launch of the Tribase Cross Quiron, national footwear focused on the training category, and also by the emergence of the new UA activation platform, the SUAR, which became Under Armour's human performance training center.

MIZUNO

During the fourth quarter, Mizuno expanded its efforts by bringing highly qualified products for high-performance running to the Brazilian market, with exclusive brand technologies. In addition, it brought another edition of the Mizuno Wave Prophecy, a style icon among Brand lovers.





Wave Rider 26

In October, the iconic model of the brand, previously known only in Brazil as Mizuno Wave Prorunner, started to have the global name: Mizuno Wave Rider. The 26th version of the model arrived on the Brazilian market with a 100% renovated design, a more modern and even more technological and sustainable look.

The **Mizuno Wave Rider 26** has a new midsole structure with much more cushioning, stability and energy return, due to the use of Mizuno Enerzy and Mizuno Wave technologies in a biodegradable PEBAX plate format. Its upper is made of "one piece" Jaquard Mesh, which provides greater breathability and comfort. The model also features X10 technologies, a carbon rubber compound that offers greater durability and grip throughout your run, as well as laces and inner linings made with recycled materials. Sales price: R\$ 999.99.

Available in 10 colors, the Mizuno Wave Rider 26 also has the SSW - Smooth Stretch Woven - version, which has the difference in the construction of the upper, made of flat fabric with elastane, a factor that provides greater firmness and comfort for the feet.



point your cell phone camera at the QR code to watch the video about the **Wave Rider 26**

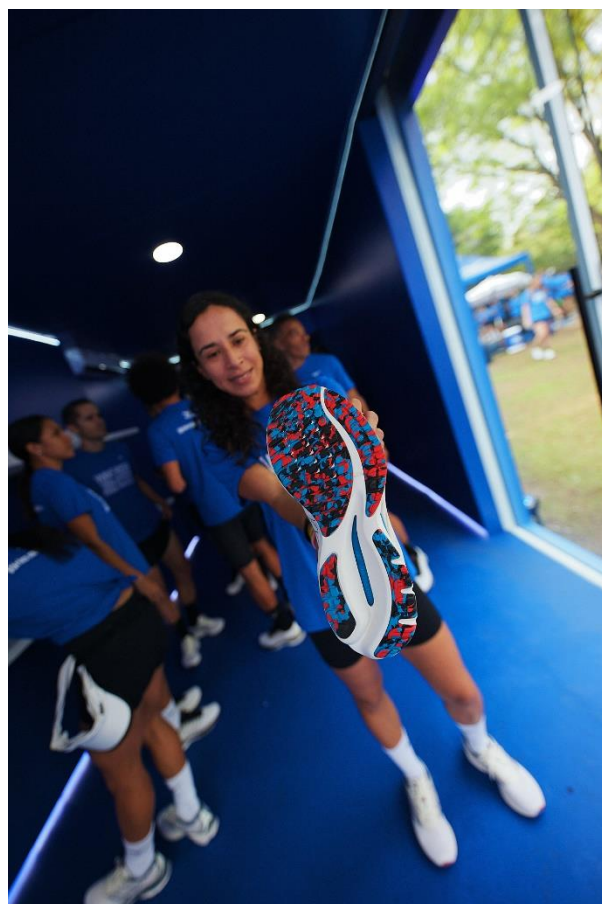


Mizuno Running Experience

The brand linked the launch of the Mizuno Wave Rider 26 to the inauguration of the Mizuno Running Experience (Mizuno REX), a space for experiences and product testing located at Raia Olimpica da USP in São Paulo (SP).

On October 8, Mizuno held an exclusive event for 150 guests, including influencers, the press and brand customers, where it officially presented the Wave Rider 26, as well as the space, and held a running training session.

The Mizuno REX was open to the public on weekends until December 10, and there other products were available for testing, such as the Mizuno Wave Sky, Mizuno Wave Aero 20 R and the Mizuno Wave Rebellion.



Special Editions

To consolidate the launch of the **Mizuno Wave Rider 26**, several special editions were released at exclusive events to expand the reach of the launch campaign.

Wave Rider 26 Amsterdam

On October 26, the Amsterdam Marathon took place, in the Netherlands, an event officially sponsored by Mizuno for 23 years. With 45,000 runners – who were divided into routes of 8km, 21km and 42km -, this year's run had a special edition of the **Mizuno Wave Rider 26 Amsterdam** inspired by the city of Amsterdam, which could not only be purchased by Marathon participants but also by the Brazilian public on the brand's website. Sales price: R\$ 999.99.



Wave Rider 26 Pink Ribbon

In support of Pink October, a worldwide campaign that aims to raise awareness and alert women and society about the importance of prevention and early diagnosis of breast cancer, Mizuno launched the Mizuno Wave Rider 26 Pink Ribbon model with special colors for the female and male public.

In Brazil, all profits raised from the sale of this special edition are donated to Oncoguia, a non-governmental organization that supports cancer patients. Sales price: R\$ 999.99.

point your cell phone's camera at the QR code and learn about the story of **Débora Aquino**, Mizuno's partner



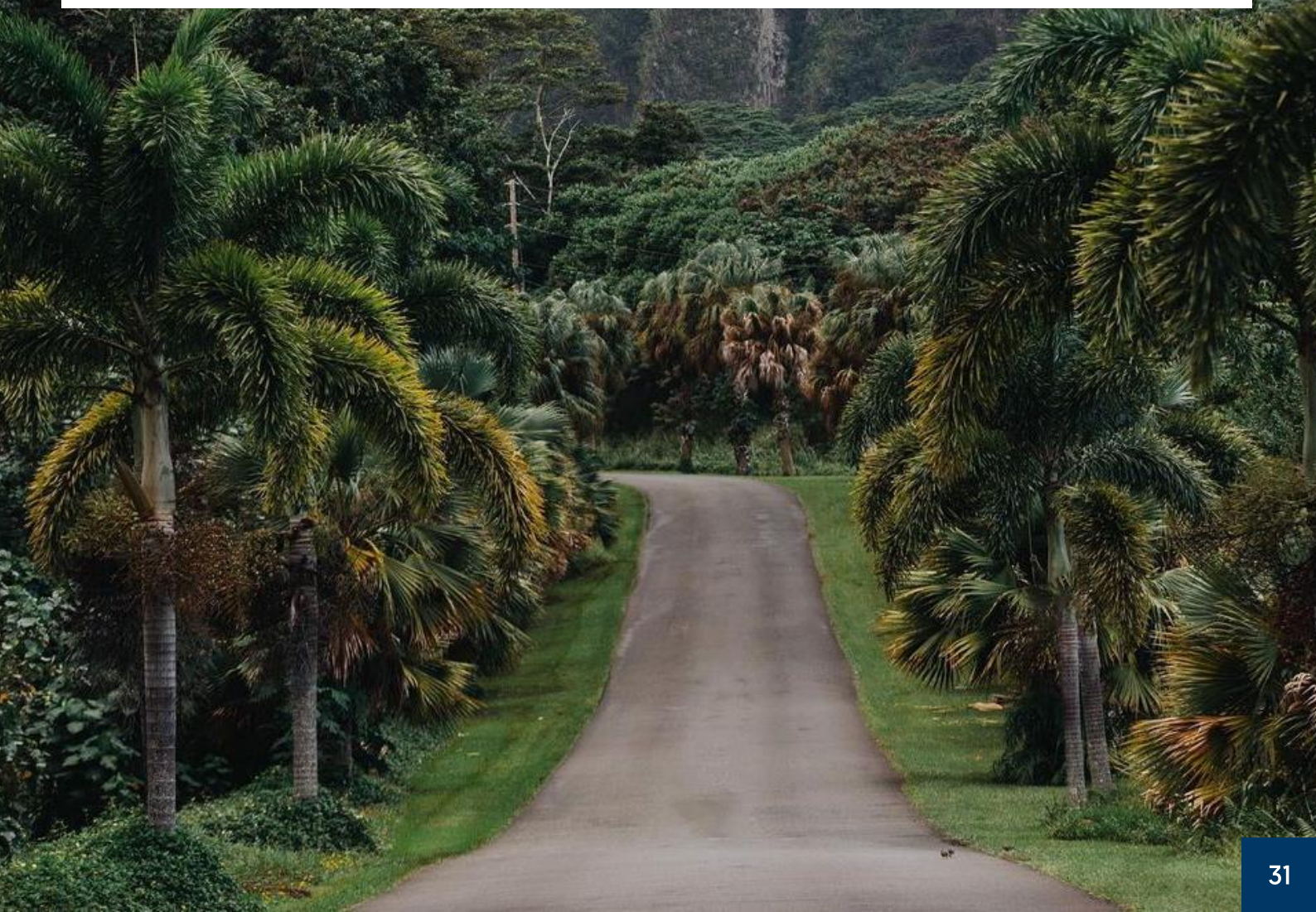
Wave Rider 26 Honolulu

On December 11, the Honolulu International Marathon took place in Hawaii. Sponsored by Mizuno, the race had the participation of 35,000 people, who divided themselves into routes of 10km or 42km. **The Mizuno Wave Rider 26 Honolulu** Special Edition (sales price: R\$ 999.99) could be purchased by marathon participants and also by the Brazilian public on the brand's website.

The brand took a team of Brazilian athletes and influencers, who, in addition to participating in the Marathon, also tested exclusively (and in secrecy) Mizuno's next major launch in the high-performance line.



point your cell phone's camera screen at the QR code and **see how the Brazilian team's experience at the Honolulu Marathon was**



Wave Sky 6

High-performance running gained another footwear option in the fourth quarter. The brand launched the **Mizuno Wave Sky 6**, which has a combo of Mizuno Energy Core, Mizuno Energy and Mizuno Wave technologies, which together allow the athlete to enjoy running at different distances with a feeling of cushioning and softness without giving up stability. Sales price: R\$ 1,099.99.



50K Insane Runners Experience



The product was launched in Brazil at the Insane Runners Experience, an ultra marathon held in Fernando de Noronha on October 30th, in which 50 athletes were invited by the brand to test the Wave Sky 6 in a 50Km run.

Mizuno Wave Prophecy 12

Inspired by sports lines, but with a touch of design, Mizuno launched the Mizuno Wave Prophecy reached its 12th edition, maintaining the premium and differentiated design that conquered thousands of sneakerheads in Brazil and the world.

The model arrived in Brazil in two versions: **Mizuno Wave Prophecy 12** (sales price: R\$ 1,799.99) and **Mizuno Wave Prophecy 12S** (sales price: R\$ 1,799.99). The main difference between the models is in the upper.

While the 12 has its monofilament Mesh construction, which provides a modern look and greater comfort, the 12S has an Air Mesh upper, which provides breathability and with a look inspired by the first editions of the model.

Wave Prophecy 12



Wave Prophecy 12S



OLYMPIKUS

In the fourth quarter, Olympikus continued its brand building with the performance running community. With the launch of the new Corre line colors: Corre 2 (co-created by Brazilian specialists in the sport, such as athlete Wellington Cipó), Corre Grafeno (first footwear in the world with a Graphene propulsion plate) and Olympikus Corre Vento (lightest running footwear in the brand's history). To mark the launch, the brand held the second stage of Bota Pra Correr, which became the biggest in the brand's history.

It also participated, along with its team of athletes and friends of the brand, in other competitions in Brazil, and reached podiums in the Jurerê Half Marathon, in the Curitiba Marathon, in the Volta da Pampulha and in São Silvestre, where in this one, of the 10 places in the podium, five were with Olympikus Corre Grafeno.



Bota pra Correr

In October, Olympikus held the biggest edition of Bota Pra Correr in history. The brand's proprietary circuit, created in 2019 in support of the movement to invite athletes to **discover Brazil running**, with passages through paradises such as Jalapão, Alter do Chão and Chapada dos Veadeiros, landed on the Ecological Route of Milagres, in Alagoas, and united approximately **800 people**, among amateur and professional runners and digital influencers. The milestone makes the stage official as a historic edition of the event, adding the largest number of participants among all the destinations already visited.

point your cell phone camera at the QR code and see how BPC Milagres went



Results in the Media

27,2 Million of media impacts.

379,0K interactions in the media of invited partners.

1,0 Million em earned midia.

10.8K new followers at Olympikus Instagram profile.

53 articles in the national press .

point your cell phone's camera at the QR code and **see a part of Iza's surprise show at BPC Milagres**



Sustainability

Bota Pra Correr, like Olympikus, has in its essence responsibility for the environment and society. All those registered for the Bota pra Correr Ecological Route of Miracles received an Olympikus Corre 2 in the registration kit, produced 100% with clean energy, and retractable silicone cups to be used at the hydration stations, reducing the production of waste and avoiding the plastic waste.

At the end of the run, the traditional recycling of waste was carried out via the local cooperative, Recicla Milagres, adding up to more than 190 kg of materials: 123kg of cardboard, 34kg of cans and 38kg of plastic.

More than 200 local residents were trained to work on the production of the event.

For the Day to Day Run

Olympikus Reverso

Another important strategy for Olympikus is to transform performance technology into comfort technology for the daily lives of Brazilians, and that is why the brand continued with its support plan for the dissemination of Eleva, an exclusive comfort technology developed by the brand. For this, during the months of October and November the brand carried out some actions with content creators using the Olympikus Reverso (a model launched in August with Eleva technology) to reinforce the comfort provided by the footwear. During the two months, the creators recorded their routines, and their “runs” with the footwear.



Awards

Effie Awards - Bronze

In November Olympikus won the Effie Awards 2022. In the award, which enshrines the effectiveness of campaigns that achieve real and tangible results in the market, the case of Olympikus Corre Grafeno, Olympikus and Vulcabras won, together with the Buena Onda agency, the Bronze trophy in the category “New Products or Services”. Created over 40 years ago, the Effie Awards are present in over 55 countries.



Tenis Certo – Popular Vote

In December, Tennis Certo (YouTube channel with more than 420,000 subscribers) awarded the best sneakers of 2022, and Olympikus won four out of 10 categories, namely:

Olympikus Corre 2:

- Best Update,
- Best Jack of All Trades
- Best Cost-Effectiveness



Olympikus Corre Grafeno

Best Newcomer



UNDER ARMOUR

In the fourth quarter of 2022 the brand took an important step in consolidating its strategy in the training category, bringing to the market an unprecedented product, national and totally focused on performance, the **Under Armour Tribase Cross Quiron**. Moreover, also in the period, the brand brought a new clothing collection to the running category, Run Anywhere, in addition to the Under Armour HOVR Machina 3.

Tribase Cross Quiron



The shoe has two main technologies, Tribase, with three points of contact in the sole, which guarantee stability to create the perfect feeling of a safer base in exercises, without hindering movements, and Micro G, which allows firmness and traction to movements in any direction with even more lightness and speed. Sale value: BRL 499.99.



Click here to watch the **official Tribase Cross Chiron campaign video**, or point your camera at the QR code on the side

Suar

In December, Under Armour launched the activation platform, aimed at the **SUAR** training community, with the aim of providing a training **experience through movement, knowledge and entertainment**



Click here to watch the video with the best moments of the **SUAR** launch, or point your cell phone camera at the QR code



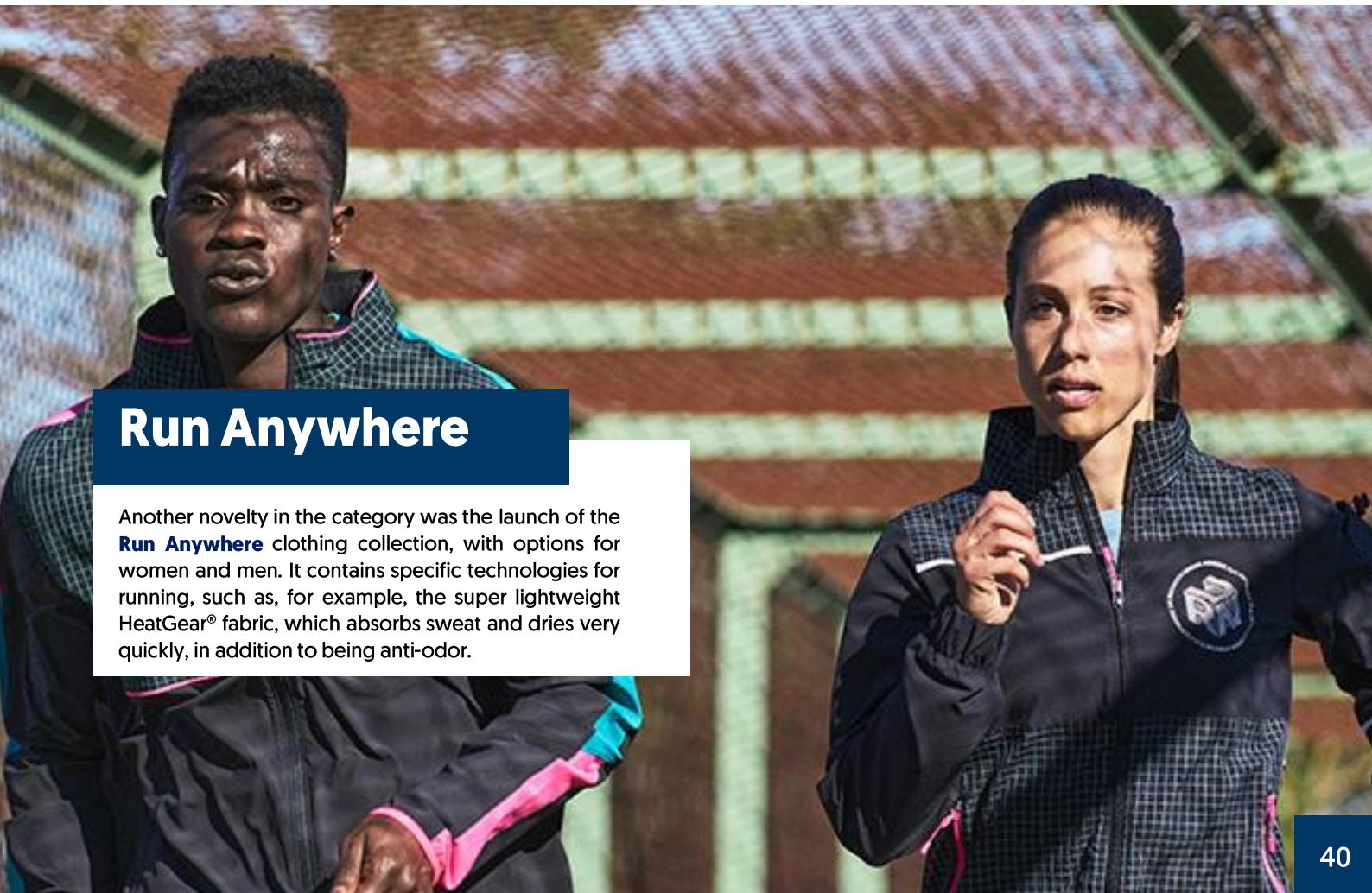
*CADA GOTTA
DE SUOR
UMA HISTÓRIA*

Running

Hovr Machina 3

For the running category, Under Armour brought to the market two new colors of the **Under Armour HOVR Machina 3**, aimed at runners looking for a balance between flexibility and cushioning. The model features UA HOVR technology, which provides the feeling of zero gravity to maintain energy return and thus minimize impact.

Sales price: R\$ 899,99.



Run Anywhere

Another novelty in the category was the launch of the **Run Anywhere** clothing collection, with options for women and men. It contains specific technologies for running, such as, for example, the super lightweight HeatGear® fabric, which absorbs sweat and dries very quickly, in addition to being anti-odor.

ATTACHMENTS

BALANCE SHEET

BALANCE SHEET (CONSOLIDATED)					
In thousand of Reals					
ASSETS	12/31/2022	12/31/2021	LIABILITIES	12/31/2022	12/31/2021
Cash and cash equivalents	197,197	114,635	Suppliers	104,925	78,006
Financial investments	4	0	Loans and financing	283,638	291,497
Trade accounts receivable	769,457	616,275	Lease liability	8,509	7,129
Inventories	567,831	493,497	Taxes payable	19,670	8,944
Recoverable taxes	18,685	46,852	Salaries and vacation payable	56,139	45,618
Income tax and social contribution	13,859	7,073	Provisions	3,102	22,488
Amounts receivable for disposal of operation	0	3,850	Deferred income tax and social contribution	0	2,576
Other accounts receivable	26,074	17,115	Commissions payable	19,538	14,305
			Dividends and earnings payable	20,734	4
			Other accounts payable	53,716	24,337
CURRENT ASSETS	1,593,107	1,299,297	CURRENT LIABILITIES	569,971	494,904
Interest earning bank deposits	8,942	10,312	Loans and financing	133,410	69,753
Trade accounts receivable	5,153	3,631	Loans with related parties	18,448	18,041
Recoverable taxes	193,504	63,099	Lease liability	12,059	12,650
Deferred income tax and social contribution	13,591	493	Provisions	54,274	37,390
Judicial deposits	22,419	16,005	Deferred taxes on revaluation of PP&E	17,079	2,272
Amounts receivable for disposal of operation	0	1,720	Other accounts payable	3,681	3,665
Assets held for sale	194	194			
Other accounts receivable	1,934	2,208			
LONG-TERM ASSETS	245,737	97,662	NON-CURRENT LIABILITIES	238,951	143,771
Investments	75,662	69,408			
Investment property	4	5			
Right to use	18,119	17,442			
Property, plant and equipment (PP&E)	379,031	302,337			
Intangible assets	209,096	209,086			
	681,912	598,278			
NON-CURRENT ASSETS	927,649	695,940	LIABILITIES	808,922	638,675
			Capital	1,106,717	1,106,717
			Revaluation reserves	4,175	4,410
			Capital reserves	4,647	4,731
			Legal reserve	39,187	15,692
			Shares in treasury	-6,119	0
			Unrealized profit reserves	0	201,927
			statutory reserve	536,907	0
			Equity valuation adjustments	25,974	22,744
			Shareholders' equity attributable to controllers	1,711,488	1,356,221
			Non-controlling interests	346	341
			SHAREHOLDERS' EQUITY	1,711,834	1,356,562
TOTAL ASSETS	2,520,756	1,995,237	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,520,756	1,995,237

The accompanying notes are an integral part of these financial statements.

INCOME STATEMENT

INCOME STATEMENT (CONSOLIDATED)	4Q22	4Q21	VAR (%)	2022	2021	VAR (%)
In thousand of Reais						
Net Revenue	738,843	620,005	19.2%	2,536,936	1,867,176	35.9%
Cost of sales	-455,991	-396,168	15.1%	-1,599,498	-1,207,761	32.4%
Gross Profit	282,852	223,837	26.4%	937,438	659,415	42.2%
Gross Margin	38.3%	36.1%	2.2 p.p.	37.0%	35.3%	1.7 p.p.
Sales expenses	-108,515	-91,656	18.4%	-384,695	-301,398	27.6%
Expected losses for loan losses	-6,347	-577	1000.0%	-14,539	11,929	-221.9%
General and Administratives expenses	-58,969	-34,477	71.0%	-150,168	-118,135	27.1%
Other net operating income (expenses)	43,597	1,494	2818.1%	50,233	70,784	-29.0%
Equity in net income of subsidiaries	1,376	1,164	18.2%	5,298	3,072	72.5%
Net Income before net financial income and taxes	153,994	99,785	54.3%	443,567	325,667	36.2%
Financial income	84,905	5,751	1376.4%	125,916	88,023	43.0%
Financial Expenses	-19,114	-16,285	17.4%	-84,618	-75,565	12.0%
Net financial Income	65,791	-10,534	-724.6%	41,298	12,458	231.5%
Net Income before taxes	219,785	89,251	146.3%	484,865	338,125	43.4%
Deferred income tax and social contribution	-5,485	-8,031	-31.7%	-14,935	-24,286	-38.5%
Net Income	214,300	81,220	163.9%	469,930	313,839	49.7%
Net Income Margin	29.0%	13.1%	15.9 p.p.	18.5%	16.8%	1.7 p.p.
Income (loss) attributable to:						
Controlling shareholders	214,288	81,201		469,900	313,831	
Non-controlling shareholders	12	19		30	8	
Net Income	214,300	81,220		469,930	313,839	
Earnings (loss) per share						
Earnings per common share - basic	0.8721	0.3304		1.9124	1.2770	
Earnings per common share - diluted	0.8690	0.3262		1.9056	1.2606	
Number of shares at end of the year						
Outstanding common shares	245,710,968	245,756,244		245,710,968	245,756,244	
Outstanding common shares with a dilution effect	246,595,701	248,956,244		246,595,701	248,956,244	

The accompanying notes are an integral part of these financial statements.



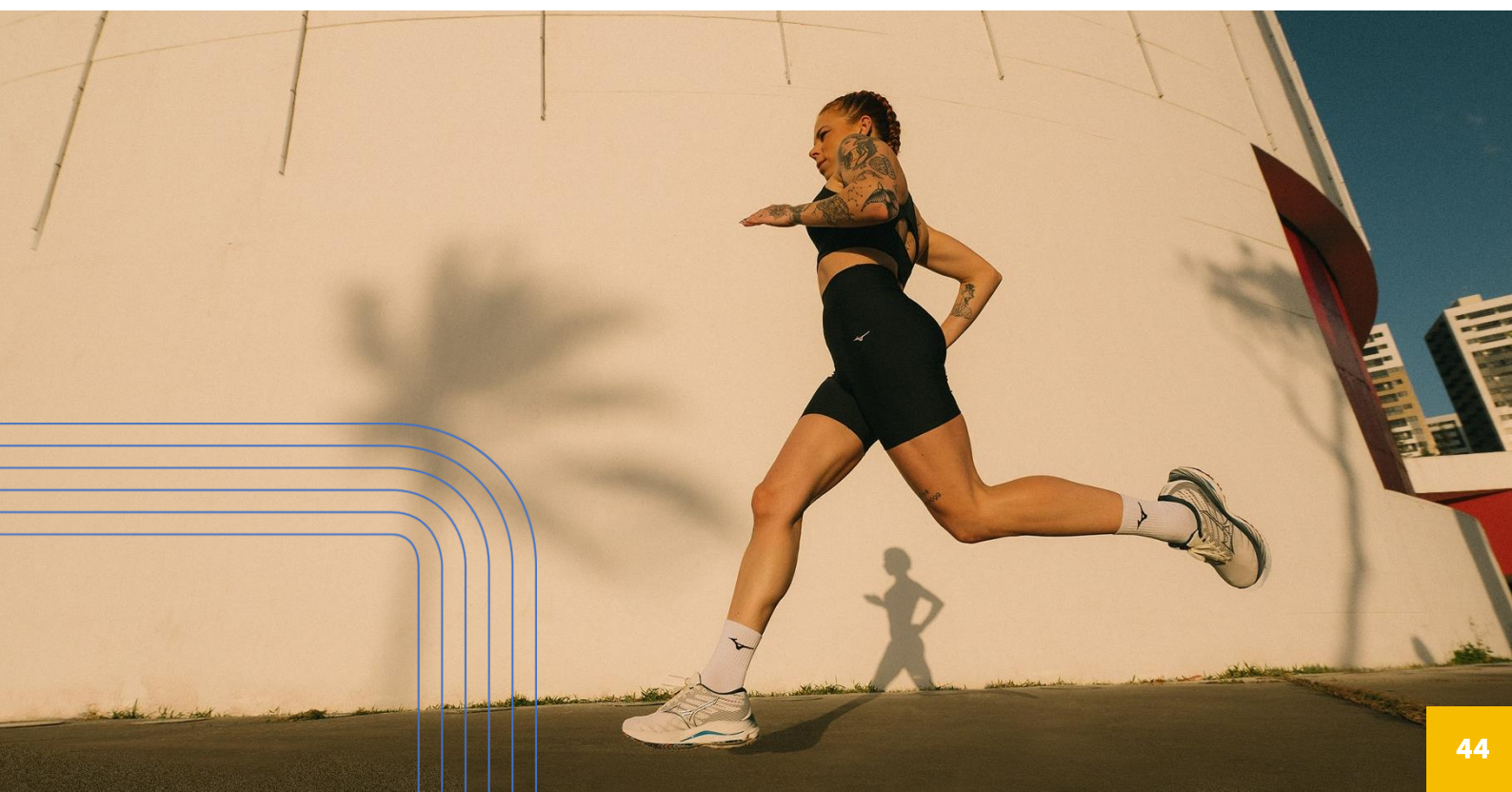
CASH FLOW STATEMENT

CASH FLOW STATEMENT (INDIRECT METHOD)		2022	2021
In thousand of Reais			
Cash flows from operating activities			
Net Income for the period		469,930	313,839
Adjustments for:			
Depreciation and amortization		82,253	73,192
Provision for impairment losses in inventory		26,372	26,456
Interest on provisioned leases		4,277	1,859
Net value of written off tangible and intangible assets		10,174	10,473
Income from financial investments		-889	-3,321
Provision for contingency losses		5,767	10,529
Equity in net income of subsidiaries		-5,298	-3,072
Transaction with share-based payments		-84	1,697
Estimated loss from allowance for doubtful accounts		14,539	-11,929
Tax overpayment - SELIC		-8,792	0
Financial charges and exchange-rate change recognized in income (loss)		42,078	29,198
Current Tax		14,935	24,286
Minority Interest		-30	-8
Gain by advantageous purchase		0	-308
Gain on settlement of pre-existing relationship		0	-13,980
Recovery of PIS and COFINS on ICMS		-126,151	-126,080
Adjusted Income for the period		529,081	332,831
Changes in assets and liabilities			
Account Receivable		-166,396	-33,403
Inventories		-100,706	-258,117
Recoverable taxes		25,919	39,281
Other accounts receivable		-8,685	-3,117
Judicial deposits		-8,497	12
Suppliers		26,882	69,151
Commissions payable		5,233	-1,816
Taxes and social contributions		20,362	-3,370
Salaries and vacations payable		10,521	15,348
Other accounts payable		29,278	-5,638
Provisions		-6,186	-8,151
Receivables for sale of operation		2,580	3,030
Changes in assets and liabilities		-169,695	-186,790
Cash provided by (used in) operating activities		359,386	146,041
Interest paid		-32,252	-25,124
Payment of lease interest		-2,306	-2,183
Taxes paid on profit		-24,203	-20,363
		-58,761	-47,670

CASH FLOW STATEMENT

CASH FLOW STATEMENT (INDIRECT METHOD)	2022	2021
In thousand of Reals		
Net Cash Flow provided by (used in) operating activities	300,625	98,371
Cash flow from investing activities		
Acquisitions of property, plant and equipment	-157,217	-130,357
Receipt of dividends	2,255	83,552
Financial Investments	0	-37,273
Resources from the disposal of fixed assets	1,057	1,387
Funds from disposal of property, plant and equipment	-2,537	-2,524
Acquisitions of intangible assets	134	0
Increased stake in investee	0	-6,337
Net Cash Flow used in investing activities	-156,308	-91,552
Cash flow from financing activities		
Loans obtained - Principal	337,630	190,098
Payment of loans obtained - Principal	-291,073	-143,617
Loans with related parties	0	409
Payment of financial lease liabilities	-6,119	0
Dividends and interest on equity paid	-90,930	-86,011
Acquisition of treasury shares	-12,397	-10,261
Net Cash Flow used in financing activities	-62,889	-49,382
Increase (decrease) in cash and cash equivalents	81,428	-42,563
Cash and cash equivalents at beginning of the period	114,635	158,552
Effect from translation of foreign investees	1,134	-1,354
Cash and cash equivalents at end of the period	197,197	114,635
Increase (decrease) in cash and cash equivalents	81,428	-42,563

The accompanying notes are an integral part of these financial statements.





INSTITUTIONAL

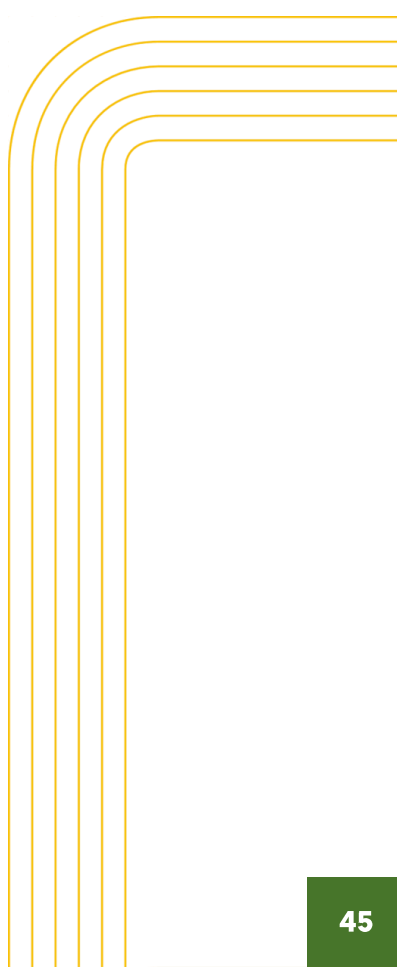
Vulcabras has been operating in the Brazilian footwear sector for 70 years and during this period it has consolidated itself as the largest sports footwear industry in the country and has become the manager of leading brands in their respective segments, such as Olympikus, national champion in tennis sales, Under Armour, one of the world's largest brands of clothing, footwear and sports accessories, and Mizuno, the performance brand that believes in the value of sport and supports the journey of everyone who gives their best, regardless of who they are, level and type of sport.

Founded in July 1952 with the incorporation of the Company Industrial Brasileira de Calçados Vulcanizados SA, in São Paulo, it manufactured leather shoes with vulcanized rubber soles, and one of its first icons was the Vulcabras 752, whose name was a reference to the month and year of the company's foundation. In 1973 we started the production of sports brands in Brazil and since then we have specialized in delivering technology in shoes for the democratization of sports performance.

The shoes produced by the company are found in stores throughout Brazil, with an extensive commercial team that serves more than 10,000 customers nationwide and in South American countries, in e-commerce and the brands' own stores. There are more than 800 new models per year, designed and developed in the largest technology and development center for sports shoes in Latin America, located in Parobé - RS.

The products are made in two modern factories located in the Northeast region, in Horizonte/CE and Itapetinga/BA. The Company's administrative center, in turn, is located in Jundiá - SP, in addition to a Logistics Distribution Center for the E-commerce Channel located in Extrema - MG. These five units in Brazil directly employ more 18,000 workers. There is also a branch with a distribution center in Peru.

The Company works with a portfolio diversification strategy, constantly seeking innovation and improvement.





INDEPENDENTE AUDIT

INDEPENDENT AUDIT

In accordance with CVM Instruction 381/03, Vulcabras S.A. informs that since 01/01/2022, it has appointed “ERNST & YOUNG Auditores Independentes S/S” to audit its individual and consolidated financial statements.

For the review services of December 31, 2022 (4Q22), fees of approximately R\$ 195.9 thousand were disbursed.

BOARD STATEMENT

Pursuant to article 25, paragraph 1, item 5 of CVM Instruction 480/09, the Board of Directors, in a meeting held on 03/01/2023, declares that it has reviewed, discussed and agreed with the accounting information of Vulcabras S.A. for the fourth quarter of 2022 and the independent auditors’ report on the individual and consolidated financial information.



MANAGEMENT

MEMBERS OF THE BOARD OF DIRECTORS

Pedro Grendene Bartelle	Chairman
André de Camargo Bartelle	1st Vice Chairman
Pedro Bartelle	2nd Vice Chairman
Paulo Sérgio da Silva	Independent Member
Octávio Ferreira de Magalhães	Independent Member

MEMBERS OF THE BOARD OF EXECUTIVE OFFICERS

Pedro Bartelle	Chief Executive Officer
Rafael Carqueijo Gouveia	Superintendent-Director
Wagner Dantas da Silva	Chief Financial and Administrative Officer and Investor Relations Officer
Evandro Saluar Kollet	Chief Product Development and Technology Officer
Márcio Kremer Callage	Chief Marketing Officer
Rodrigo Miceli Piazer	Chief Supply Officer

**EARNINGS
RELEASE**

4Q

22

VULCABRAS
we live for the sports