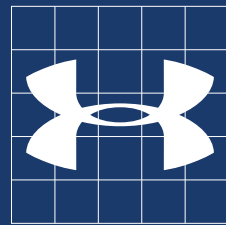
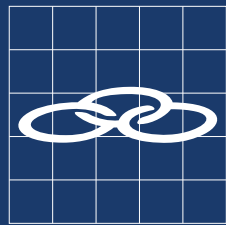
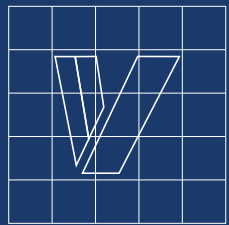


**VULCABRAS**

earnings  
presentation  
**4Q20**



ESP  
RTE





# Disclaimer



This presentation contains statements that can represent expectations about future events or results. These statements are based on certain suppositions and analyses made by the company in accordance with its experience, with the economic environment and market conditions, and expected future developments, many of which are beyond the company's control. Important factors could lead to significant differences between real results and the statements on expectations about future events or results, including the company's business strategy, Brazilian and international economic conditions, technology, financial strategy, developments in the footwear industry, conditions of the financial market, and uncertainty on the company's future results from operations, plans, objectives, expectations and intentions – among other factors. In view of these aspects, the company's results could differ significantly from those indicated or implicit in any statements of expectations about future events or results.

# Participants

## **Pedro Bartelle**

Chief Executive Officer

## **Wagner Dantas da Silva**

Chief Administrative and Financial Officer and Investor Relations Officer

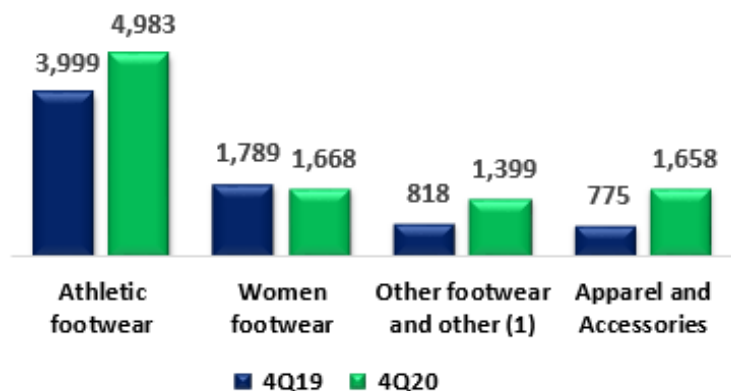
# Highlights

- **Gross Volume:** 9.7 million pairs/pieces in 4Q20, growth of 31.5% compared to 4Q19 , and 25.1 million pairs/pieces in 2020, down of 7.6% compared to 2019.
- **Net Revenue:** R\$ 459.1 million in 4Q20, growth of 22.8% compared to 4Q19 and R\$ 1.179,2 million in 2020, down of 13.3% compared to 2019.
- **Gross Profit:** R\$ 150.3 million to 4Q20, growth of 12.4% compared to 4Q19, and R\$ 348.2 million in 2020, down of 26.2% compared to 2019.
- **Gross Margin:** 32.7% in 4Q20, down of 3.1 p.p in relation to 4Q19, and 29.5% to 2020 down 5.2 p.p. compared to 2019.
- **Net Income:** R\$ 54.6 million to 4Q20, growth of 21.1% compared to 4Q19 and , and R\$ 31.5 million to 2020 down of R\$ 111.6 million in relation of R\$ 143.1 to 2019.
- **EBITDA:** R\$ 73.9 million to 4Q20, growth of 22.8 % compared of R\$ 60.2 million in 4Q19 and R\$ 112.2 million to 2020, down of 49.6% compared to 2019

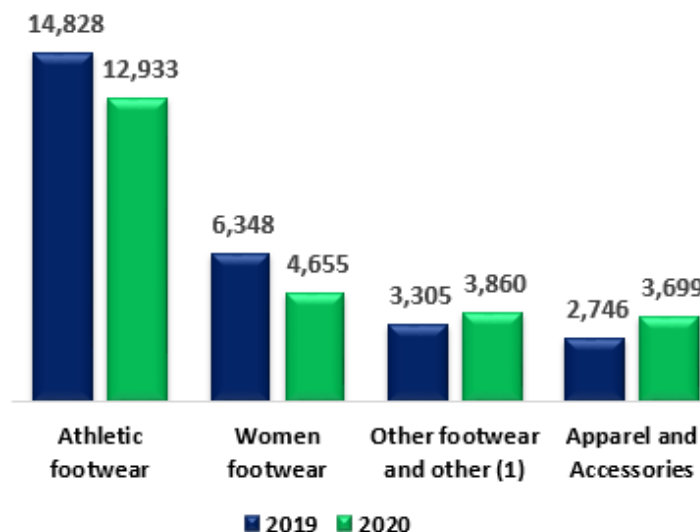
# Gross Volume

Gross Volume: Pairs and Clothing itens/ thousand

QUARTER : 4Q20 vs 4Q19



YEAR: 2020 vs 2019



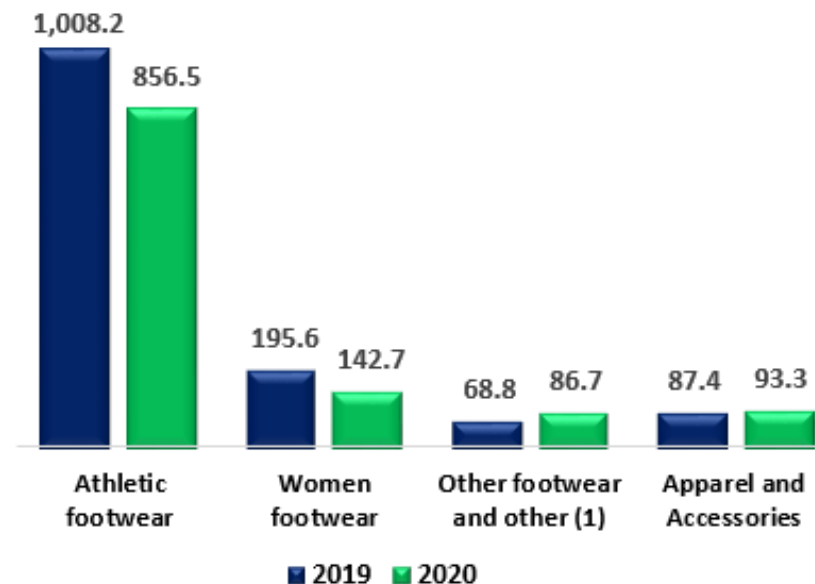
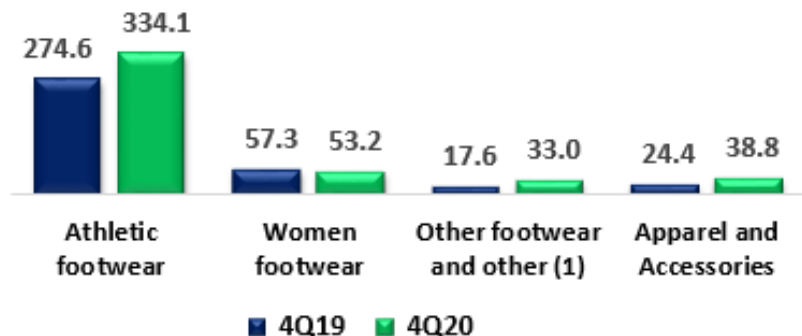
Pairs and itens (thousand)	4Q20			4Q19			2020			2019		
	4Q20	Share %	Var. % 4Q20/4Q19	4Q19	Share %	2020	Share %	2019	Share %	Var. % 2020/2019		
Athletic footwear	4,983	51.3%	24.6%	3,999	54.2%	12,933	51.4%	14,828	54.5%	-12.8%		
Women footwear	1,668	17.2%	-6.8%	1,789	24.2%	4,655	18.5%	6,348	23.3%	-26.7%		
Other footwear and other <sup>(1)</sup>	1,399	14.4%	71.0%	818	11.1%	3,860	15.3%	3,305	12.1%	16.8%		
Apparel and Accessories	1,658	17.1%	113.9%	775	10.5%	3,699	14.8%	2,746	10.1%	34.7%		
<b>Total</b>	<b>9,708</b>	<b>100.0%</b>	<b>31.5%</b>	<b>7,381</b>	<b>100.0%</b>	<b>25,147</b>	<b>100.0%</b>	<b>27,227</b>	<b>100.0%</b>	<b>-7.6%</b>		

[1] Slippers, boots and Footwear components

# Net Operation Revenue: Category

QUARTER: 4Q20 vs 4Q19

YEAR: 2020 vs 2019



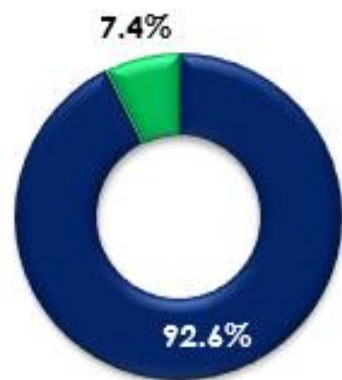
RS Million	4Q20 vs 4Q19			2020 vs 2019						
	4Q20	Share %	4Q19	Share %	Var. % 4Q20/4Q19	2020	Share %	2019	Share %	Var. % 2020/2019
Athletic footwear	334.1	72.8%	274.6	73.4%	22%	856.5	72.6%	1,008.2	74.1%	-15%
Women footwear	53.2	11.5%	57.3	15.3%	-7%	142.7	12.1%	195.6	14.4%	-27%
Other footwear and other <sup>(1)</sup>	33.0	7.2%	17.6	4.7%	88%	86.7	7.4%	68.8	5.1%	26%
Apparel and Accessories	38.8	8.5%	24.4	6.6%	59%	93.3	7.9%	87.4	6.4%	7%
<b>Total Net Revenue</b>	<b>459.1</b>	<b>100.0%</b>	<b>373.9</b>	<b>100.0%</b>	<b>22.8%</b>	<b>1,179.2</b>	<b>100%</b>	<b>1,360.0</b>	<b>100.0%</b>	<b>-13.3%</b>

[1] Slippers, boats and Footwear components

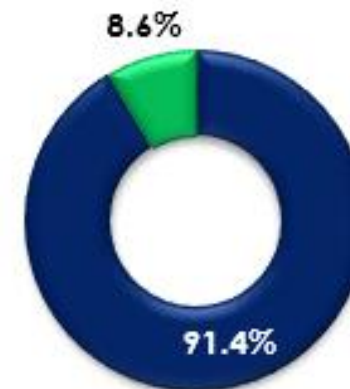
# Net Operation Revenue: Markets

QUARTER: 4Q20 vs 4Q19

YEAR: 2020 vs 2019



■ Domestic Market ■ Foreign Market



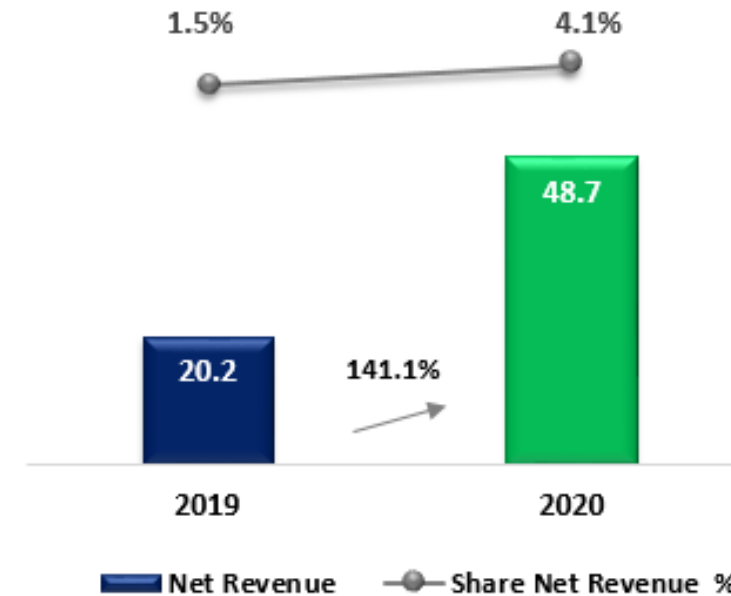
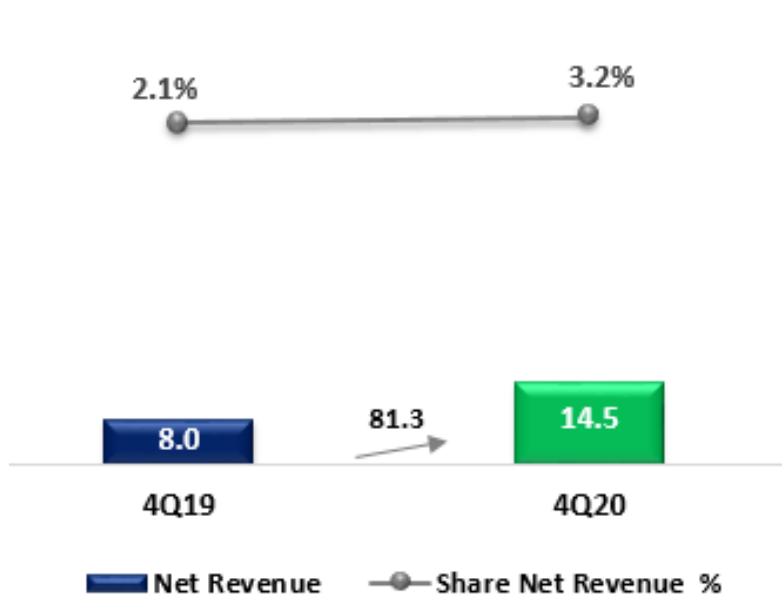
■ Domestic Market ■ Foreign Market

RS Million	4Q20	Share %	4Q19	Share %	Var. % 4Q20/4Q19	2020	Share %	2019	Share %	Var. % 2020/2019
Domestic Market	425.3	92.6%	342.2	91.5%	24%	1,078.1	91.4%	1,251.3	92.0%	-14%
Foreign Market	33.8	7.4%	31.7	8.5%	7%	101.1	8.6%	108.7	8.0%	-7%
<b>Total Net Revenue</b>	<b>459.1</b>	<b>100.0%</b>	<b>373.9</b>	<b>100.0%</b>	<b>22.8%</b>	<b>1,179.2</b>	<b>100.0%</b>	<b>1,360.0</b>	<b>100.0%</b>	<b>-13.3%</b>

# Net Operation Revenue: E-commerce

NET OPERATION REVENUE - 4Q20 vs 4Q19 e 2020 vs 2019

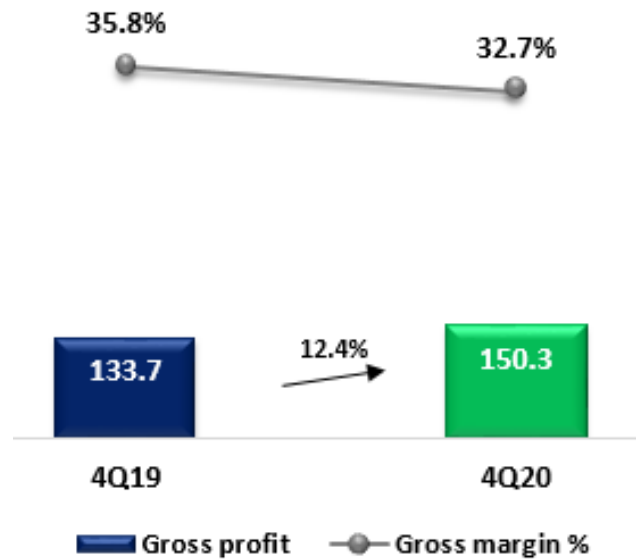
Total Net Revenue	4Q20	4Q19	Var. % 4Q20/4Q19	2020	2019	Var. % 2020/2019
Total Net Revenue	14.5	8.0	81.3%	48.7	20.2	141.1%
Share Net Revenue %	3.2%	2.1%	1.1 p.p.	4.1%	1.5%	2.6 p.p.



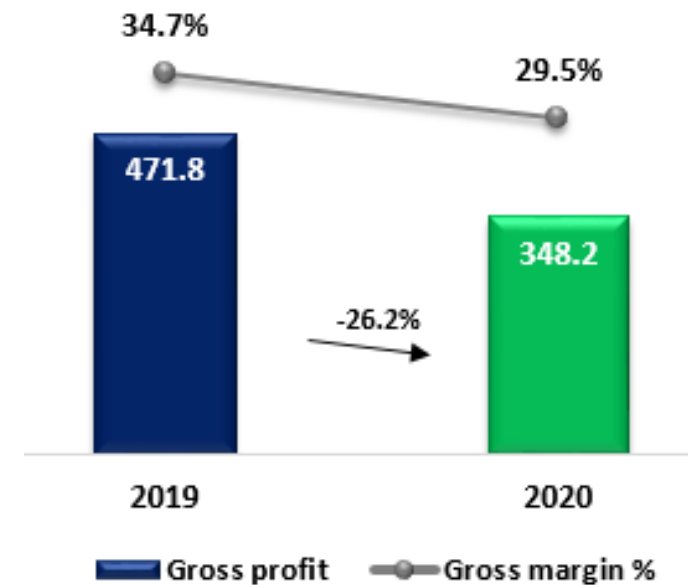


# Gross Profit

4Q20 vs 4Q19

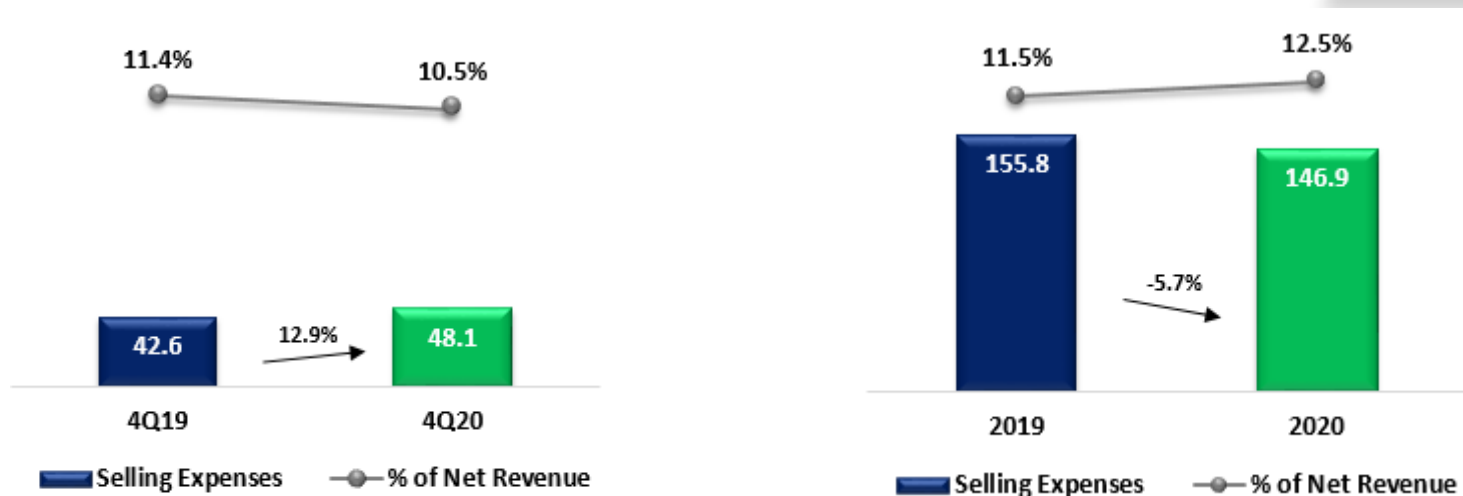


2020 vs 2019

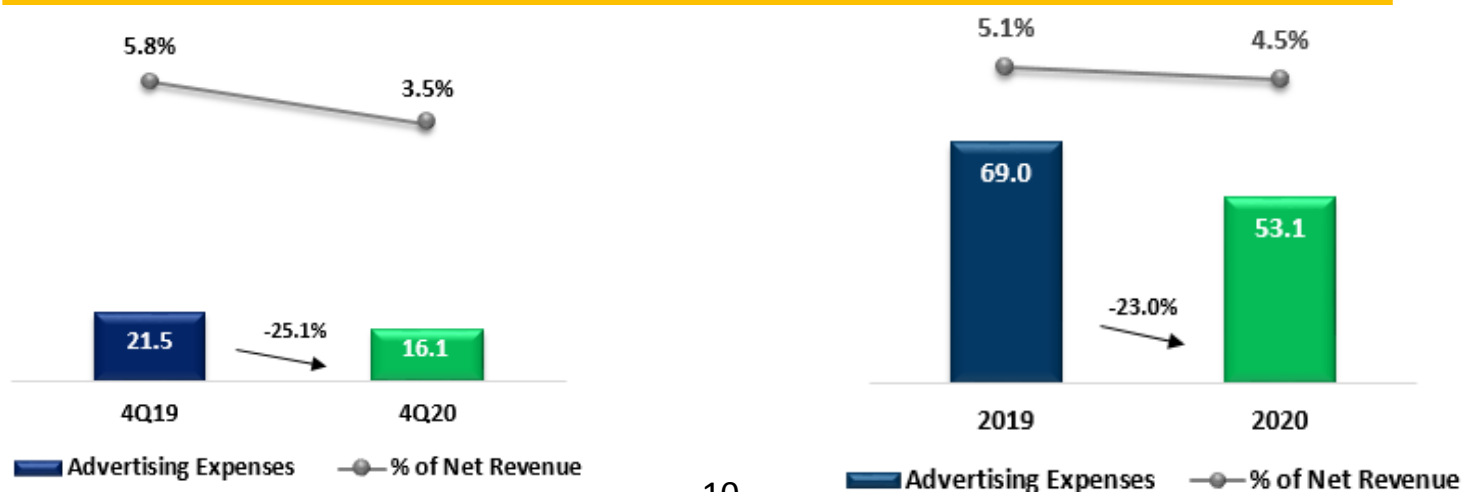


# Selling and Advertising Expenses

SELLING EXPENSES<sup>1</sup> : 4Q20 vs 4Q19 e 2020 vs 2019



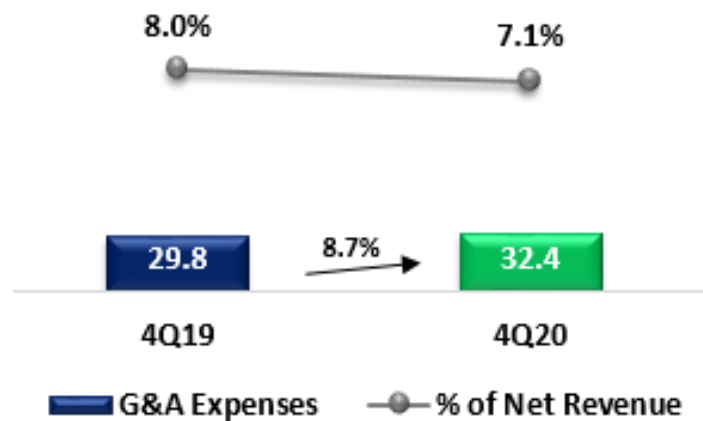
ADVERTISING AND MARKETING EXPENSES: 4Q20 vs 4Q19 e 2020 vs 2019



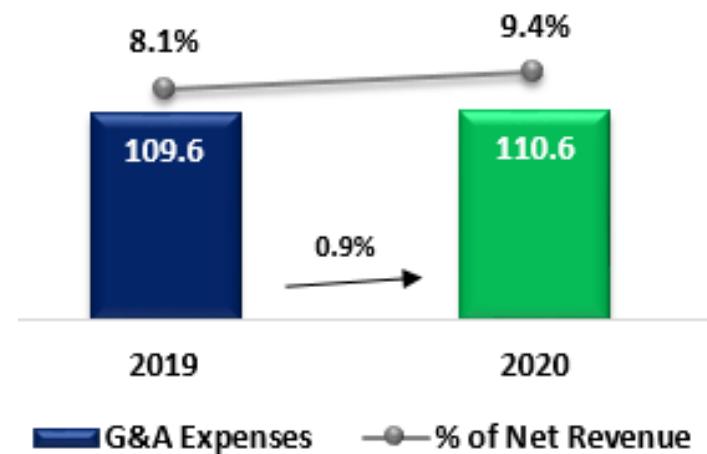
[1] Selling Expenses ex-advertising and marketing

# General and Administrative Expenses

4Q20 vs 4Q19



2020 vs 2019

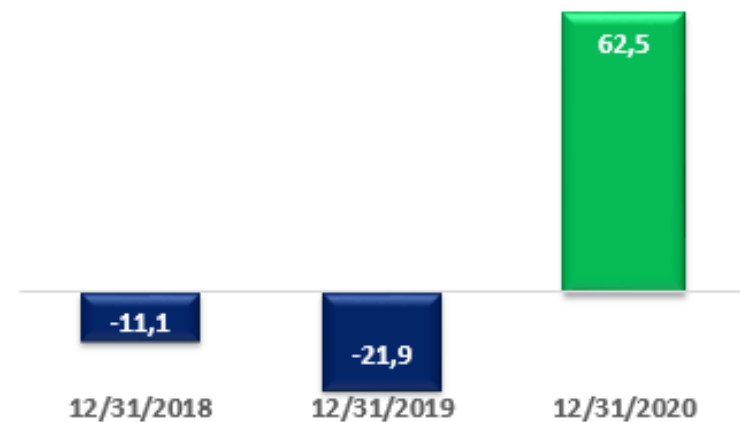


# Net Financial Income and Net Debt

## NET FINANCIAL INCOME

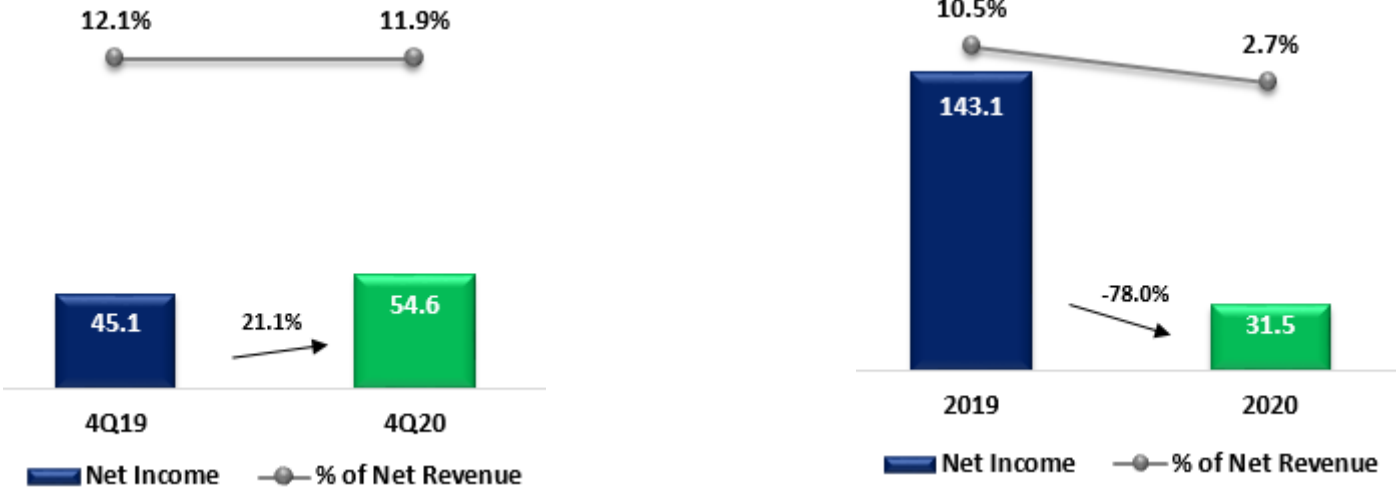
R\$ Million	4Q20	4Q19	Var. % 4Q20/4Q19	2020	2019	Var. % 2020/2019
Capital structure	-4,9	-1,9	157,9%	-16,8	-5,4	211,1%
Operating	-4,3	-2,8	53,6%	-8,7	-11,3	-23,0%
Exchange differences	-4,7	-3,0	56,7%	-20,9	-11,7	78,6%
<b>Financial Costs</b>	<b>-13,9</b>	<b>-7,7</b>	<b>80,5%</b>	<b>-46,4</b>	<b>-28,4</b>	<b>63,4%</b>
Capital structure	1,1	0,6	83,3%	4,9	4,1	19,5%
Operating	8,3	11,4	-27,2%	13,0	16,9	-23,1%
Exchange differences	4,9	3,2	53,1%	28,4	12,5	127,2%
<b>Financial Income</b>	<b>14,3</b>	<b>15,2</b>	<b>-5,9%</b>	<b>46,3</b>	<b>33,5</b>	<b>38,2%</b>
<b>Net Financial Income</b>	<b>0,4</b>	<b>7,5</b>	<b>-94,7%</b>	<b>-0,1</b>	<b>5,1</b>	<b>-102,0%</b>

## NET DEBT EVOLUTION

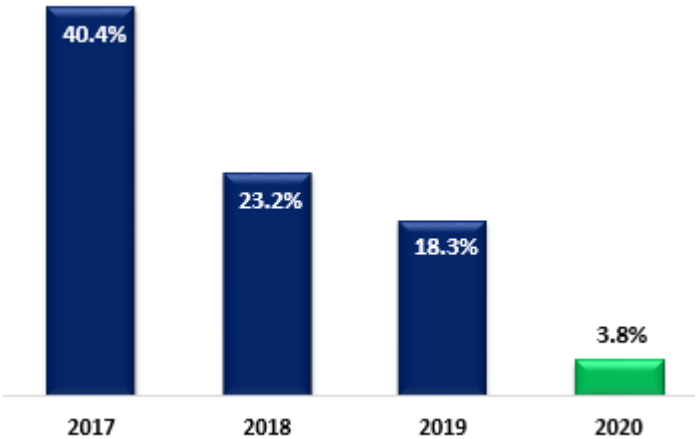


# Net Income and ROIC

NET INCOME : 4Q20 vs 4Q19 e 2020 vs 2019

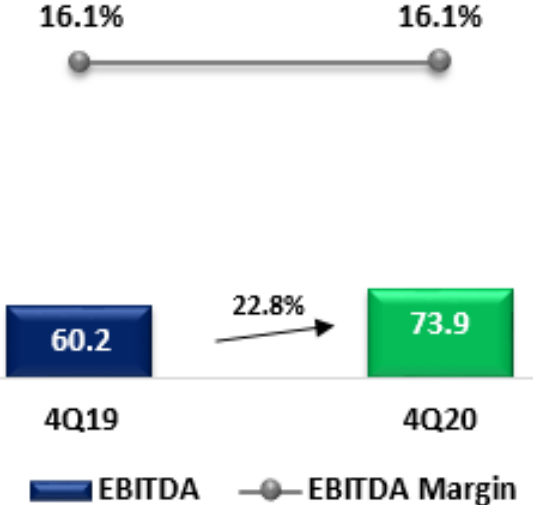


ADJUSTED ROIC

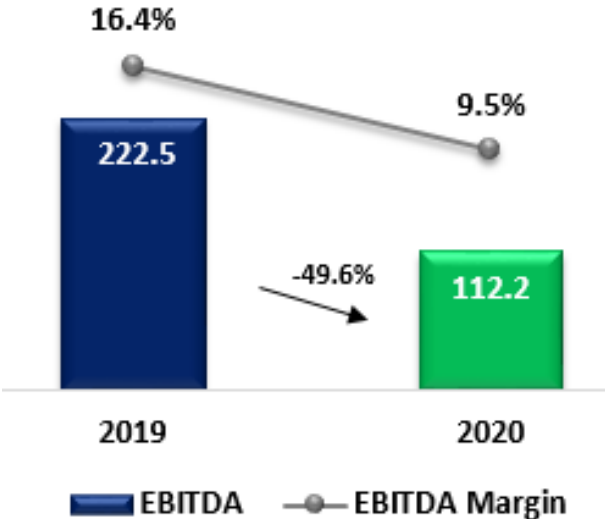


# Ebitda Margin

4Q20 vs 4Q19



2020 vs 2019



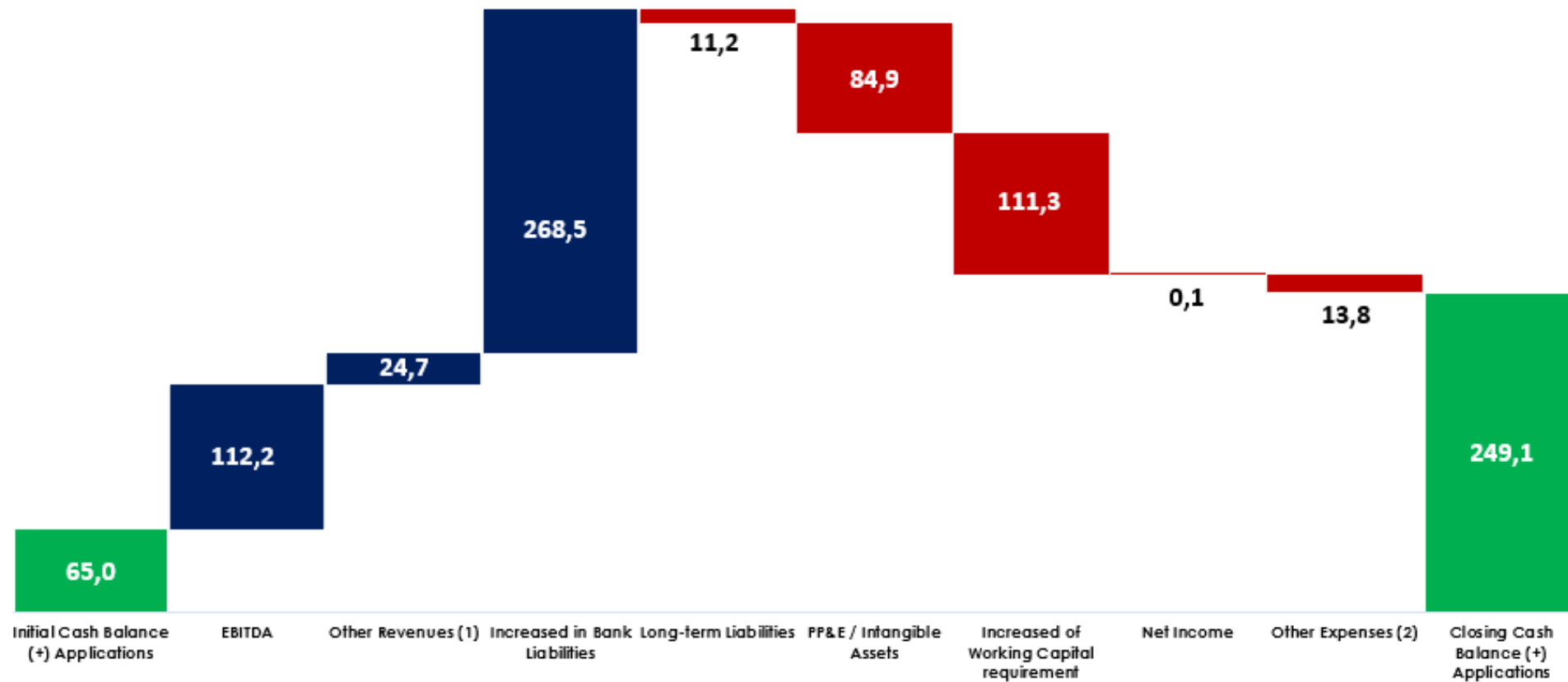
## ADDITIONS TO PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

R\$ Million	4Q20	4Q19	Var. % 4Q20/4Q19	2020	2019	Var. % 2020/2019
Molds	6.8	11.4	-40.4%	23.5	47.3	-50.3%
Machinery and equipment	9.8	3.1	216.1%	35.0	35.2	-0.6%
Industrial facilities	4.8	5.7	-15.8%	18.1	26.1	-30.7%
Others	6.2	2.4	158.3%	8.5	7.3	16.4%
<b>Property, plant and equipment</b>	<b>27.6</b>	<b>22.6</b>	<b>22.1%</b>	<b>85.1</b>	<b>115.9</b>	<b>-26.6%</b>
Software	0.8	0.9	-11.1%	2.6	3.4	-23.5%
Assignment of right	0.0	0.1	-100.0%	0.0	0.1	-100.0%
Others	0.0	0.0	0.0%	0.0	0.0	0.0%
<b>Intangible assets</b>	<b>0.8</b>	<b>1.0</b>	<b>-20.0%</b>	<b>2.6</b>	<b>3.5</b>	<b>-25.7%</b>
<b>Subtotal</b>	<b>28.4</b>	<b>23.6</b>	<b>20.3%</b>	<b>87.7</b>	<b>119.4</b>	<b>-26.5%</b>



# Cash Flow

## CASH FLOW 2020



PP&E - Property, plant and equipment

[1] Other Revenues: Sale/Write-off of fixed and intangible assets + Stock Options.

[2] Other Expenses: Income Taxes + Effect from translation of foreign investees' accounts + Payment of finance lease liabilities.



# Investor Relations



## Wagner Dantas da Silva

Chief Administrative and Financial Officer and Investor Relations Officer

Phone : (11) 5225-9500

E-mail: [dri@vulcabras.com.br](mailto:dri@vulcabras.com.br)

Site: <http://vulcabrasazaleiari.com.br>