

**EARNINGS  
RELEASE**

**1 Q**

**23**

**VULCABRAS**  
we live for the sports



Jundiaí, May 2, 2023 – Vulcabras S.A. [B3: VULC3] announces today its results for the first quarter of 2023 (1Q23). 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 (CPC 21 and ISA 34). The data in this report refers to the performance in the first quarter of 2023, compared to the same period of 2022, unless specified otherwise.

# HIGHLIGHTS

## GROSS VOLUME

**6.7 million pairs/pieces in 1Q23**, an increase of **3.7%** compared to 1Q22.

## GROSS MARGIN

**39.5% in 1Q23**, increase of **4.3 p.p.** compared to 1Q22.

## NET REVENUE

**R\$ 571.1 million in 1Q23**, an increase of **19.6%** compared to 1Q22.

## NET INCOME AND NET MARGIN IN THE PERIOD

**R\$ 83.6 million in 1Q23**, an increase of **54.8%** compared to 1Q22, with a **Net Margin of 14.6%**, **3.3 p.p.** higher than 1Q22.

## GROSS PROFIT

**R\$ 225.3 million in 1Q23**, an increase of **34.0%** compared to 1Q22.

## EBITDA AND EBITDA MARGIN

**R\$ 116.9 million in 1Q23**, growth of **39.8%** compared to 1Q22, presenting **20.5% of EBITDA Margin** (3.0 p.p. higher than 1Q22).

**VULC3 Quote (03/31/2023)**

**R\$ 12.08**

**Number of shares**

**Common**  
**245.916.244**

**Market value**

**R\$ 3.0 bilhões**

**Investor Relations**

**Wagner Dantas da Silva (CFO e DRI)**

**Earnings Video Conference**

**05/03/2023 às 10h00**  
**(Brazilian time)**

[Access in Portuguese](#)

**Vulcabras IR website**

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# MESSAGE FROM MANAGEMENT

Vulcabras continues with strong growth and announces another new sales record in 1Q23. Even in an unstable macroeconomic scenario and a challenging retail environment, gross operating revenue grew 19.6% compared to the same period in 2022, reaching revenues of R\$ 571.1 million. The gross margin evolved from 35.2% to 39.5%, an increase of 4.3 percentage points. Ebitda (earnings before interest, taxes, depreciation and amortization) grew 39.8%, reaching the mark of 116.9 million, with an Ebitda margin of 20.5%. Net profit increased 54.8%, reaching R\$83.6 million, with a net margin of 14.6%, 3.3 p.p. higher than 1Q22.

The evolution of the gross margin for the ninth consecutive quarter demonstrates the consistency and robustness of the Company's business model. This growth is linked to the entry of new product models with greater added value and technological attributes, which increased profitability and also to synergies in the production processes, as a result of the strategy of focusing on the sports market.

In 1Q23, the footwear division grew 18%, with Under Armour and Mizuno revenues expanding at a rapid pace. The American brand maintains its expansion based on a strategy of focusing on the training and basketball categories, global strengths of the brand. Mizuno, with just over two years in the portfolio, continues to grow at an accelerated pace, regaining its strong presence in the running market.

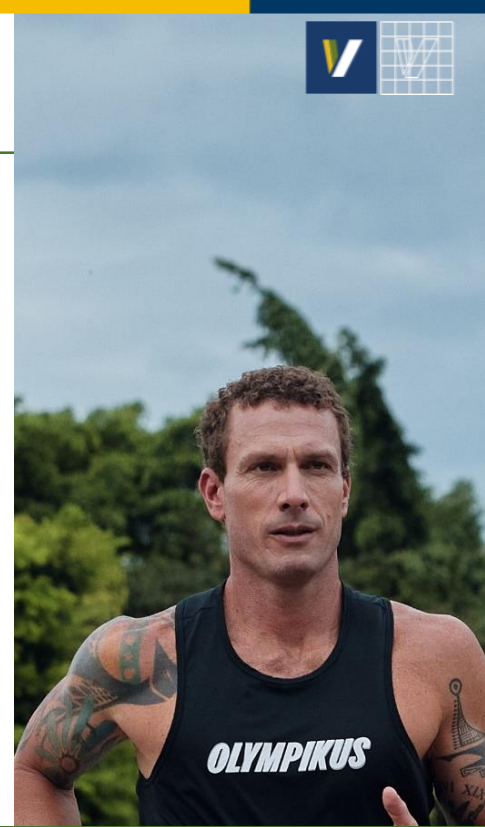
Olympikus, our own brand, is gaining more and more prominence, expanding its presence in running with the proposal to democratize access to high-performance technology through the launch of products with greater added value. In this sense, the brand took a leap last year, with the Corre Grafeno, the world's first graphene-based propulsion plate sneakers. And, this year, it innovates again with the launch of Corre 3, the most versatile shoe of the Corre Family, in yet another co-creation with runners and performance running specialists, having been tested and approved by the USP biomechanics laboratory (reference on the subject).

Another highlight of 1Q23 was the expansion of e-commerce, which recorded new growth of 120.4% in 1Q23, jumping from R\$ 23 million in 1Q22 to R\$ 50.7 million, representing 8.9% of total revenue. The result comes from the strong expansion in sales of the three brands, with a strategy that combines: the strength of the brands and a broad product portfolio.

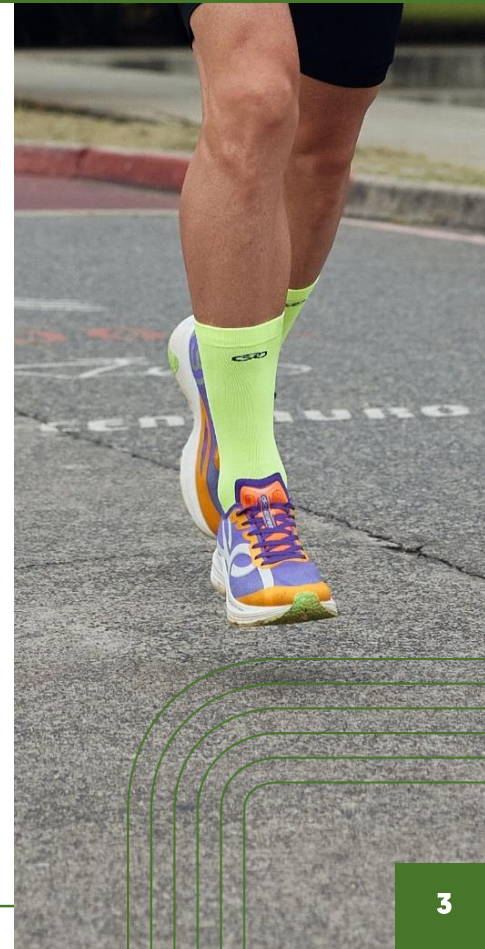
Vulcabras continues to advance in the apparel and accessories division, which grew 37.7% over the same period in 2022. Revenue in this category rose from R\$ 48.8 million to R\$ 67.2 million, compared to 1Q22, corresponding to an 11.8% share of total revenue. The performance reinforces the division's potential, increasing its relevance in the Company's product portfolio.

In addition to the results above, Vulcabras also announces the payment of interim dividends in the amount of R\$ 0.15 per share, maintaining the quarterly payment as previously announced by the Company.

Quarter after quarter, the constant evolution of results is the result of the execution of a strategy built through investments and focus on the sports segment that maximized the capture of synergies and efficiencies. The scenario for the future remains positive, with confirmed portfolios for the second quarter pointing to a sustainable growth trend.



With a new revenue record, Vulcabras records the best first quarter in history





# CONSOLIDATED PERFORMANCE

R\$ Million	1Q23	1Q22	VAR. 1Q23 vs 1Q22
<b>Volume (million pairs and Itens )</b>	<b>6.7</b>	<b>6.4</b>	<b>3.7%</b>
Gross Operating Revenue	<b>668,6</b>	<b>549,4</b>	21,7%
<b>Net Revenue</b>	<b>571.1</b>	<b>477.7</b>	<b>19.6%</b>
Domestic Market	524,9	411.7	27.5%
Foreign Market	46.2	66,0	-30.0%
<b>Gross profit</b>	<b>225.3</b>	<b>168.1</b>	<b>34.0%</b>
Gross margin %	39.5%	35.2%	4.3 p.p.
SG&A Operation Expenses	<b>-135.4</b>	<b>-105.7</b>	<b>28.1%</b>
Other Net Operating Income (Expenses)	1.7	2.0	-15.0%
<b>EBITDA</b>	<b>116.9</b>	<b>83.6</b>	<b>39.8%</b>
EBITDA Margin	20.5%	17.5%	3.0 p.p.
<b>Net Income</b>	<b>83.6</b>	<b>54.0</b>	<b>54.8%</b>
Net Margin	14.6%	11.3%	3.3 p.p.







# GROSS VOLUME

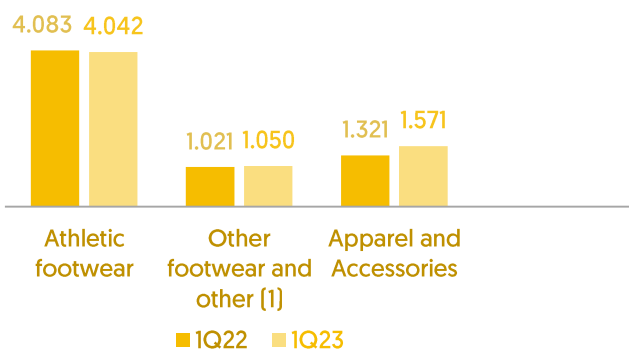
In 1Q23, gross volume billed totaled 6.7 million pairs/pieces, an increase of 3.7% compared to the 6.4 million pairs/pieces in 1Q22.

When comparing the periods, the highlights were:

- (i) **Athletic Footwear** there was reduction of 1.0% in 1Q23 against the volume sold in 1Q22. The loss of volume in this quarter is exclusively due to the drop in revenue from the foreign market, which overshadowed the register growth in the domestic market. The highlights in this quarter were the expressive growth of the Under Armour and Mizuno brands, which continue at an accelerated pace of expansion. In Olympikus footwear, volume remained stable in the domestic market, but the drop registered in the foreign market meant that the brand's consolidated volume in 1Q23 was below the volume obtained in the same period of the previous year.
- (ii) **Other Footwear and Others** an increase of 2.8% was recorded due to the growth recorded in the professional boots category, which was overshadowed by the drop in the volume of slippers due to the difficulties faced in sales to the foreign market.
- (iii) **Apparel & Accessories** there was an increase of 18.9% in 1Q23 when compared to the volume measured in 1Q22. In this quarter, the Company's three brands presented a positive performance, with special emphasis on Apparel and Accessories Mizuno, which, like Athletic footwear, also continues at an accelerated pace of expansion.

## GROSS VOLUME OF PAIRS AND PIECES/THOUSAND - 1Q23 VS 1Q22

Pairs and items (thousand)	1Q23	Share %	1Q22	Share %	Var. % 1Q23/1Q22
<b>Athletic footwear</b>	4,042	60.7%	4,083	63.6%	-1.0%
<b>Other footwear and other (1)</b>	1,050	15.7%	1,021	15.8%	2.8%
<b>Apparel and Accessories</b>	1,571	23.6%	1,321	20.6%	18.9%
<b>Total</b>	<b>6,663</b>	<b>100.0%</b>	<b>6,425</b>	<b>100.0%</b>	<b>3.7%</b>



(1) Slippers, boots, women footwear and shoe components

# NET OPERATING REVENUE: CATEGORY

In 1Q23, the Company maintained the consistency of growth observed over the last quarters and recorded net revenue of R\$ 571.1 million, an increase of 19.6% over the R\$ 477.7 million in 1Q22.

In yet another quarter of revenue growth above the average retail performance, the Company maintained its strong pace of sales expansion, showing a positive performance in all its brands.

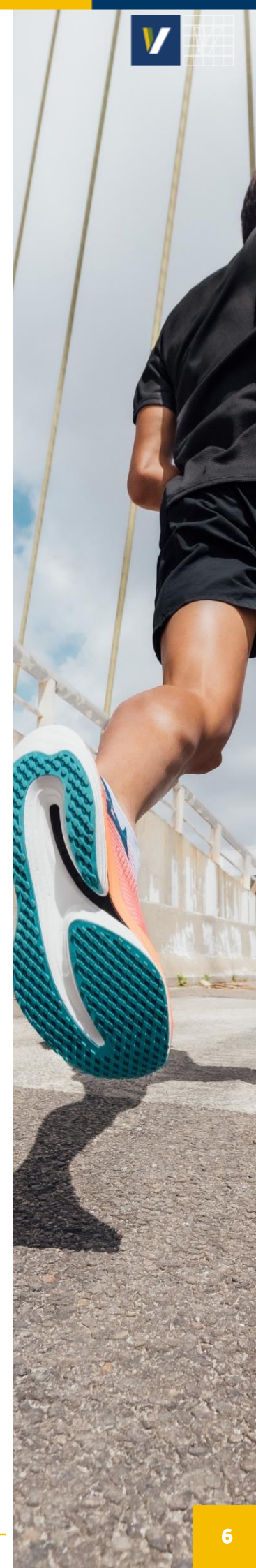
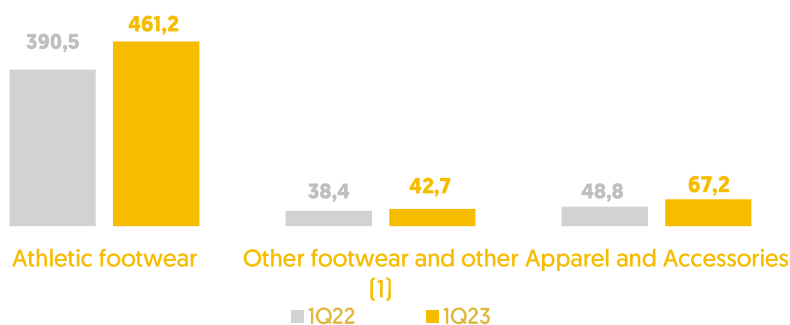
Athletic Footwear revenue increased by 18.1% in 1Q23 over the same period of 2022. The increase in revenue in 1Q23 compared to 1Q22 is due to the growth observed in all its brands, despite the drop registered in the foreign market. The highlights in this quarter were the significant growth recorded in Mizuno and Under Armour sneakers, which demonstrate the great growth potential still to be explored with these brands.

The Other Footwear and Others category increased by 11.2% over 1Q22. This category's revenue growth is due to the positive performance in the professional boots subcategory, which was overshadowed by the sales performance of slippers due to the poor performance in the foreign market.

The Apparel and Accessories category increased by 37.7% compared to 1Q22, robust growth in all brands. The excellent results presented in Apparel and Accessories reinforce the potential of the category in its addressable market and it has been gaining more and more relevance within the Company's product portfolio.

## NET REVENUE BY CATEGORY – 1Q23 VS 1Q22

R\$ Million	1Q23	Share %	1Q22	Share %	Var. % 1Q23/1Q22
<b>Athletic footwear</b>	461.2	80.8%	390.5	81.7%	18.1%
<b>Other footwear and Other (1)</b>	42.7	7.4%	38.4	8.1%	11.2%
<b>Apparel and Accessories</b>	67.2	11.8%	48.8	10.2%	37.7%
<b>Total Net Revenue</b>	<b>571.1</b>	<b>100.0%</b>	<b>477.7</b>	<b>100.0%</b>	<b>19.6%</b>





# NET OPERATING REVENUE: MARKETS

Net revenue in 1Q23 in the domestic market totaled R\$ 524.9 million, an increase of 27.5% compared to 1Q22, when it was R\$ 411.7 million. In the foreign market, net revenue in 1Q23 totaled R\$ 46.2 million, a reduction of 30.0% compared to the R\$ 66.0 million in 1Q22.

In 1Q23, in relation to the total consolidated revenue, revenues from the foreign market represented 8.1% against 13.8% in 1Q22. Revenues measured in the domestic market represented 91.9% versus 86.2% in 1Q22.

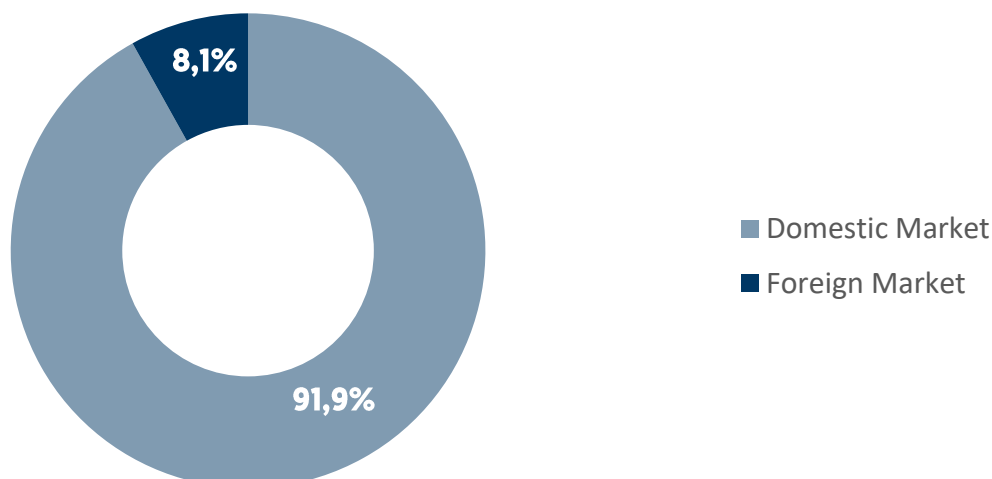
In the domestic market, when compared to 1Q22, all brands and categories grew. The highlights of the quarter were once again the robust growth of the Mizuno's brand footwear and also the performance of the Apparel and Accessories category, which continues to increase its relevance within the Company's portfolio.

Direct sales to the foreign market showed a sharp decline due to macroeconomic factors in the countries to which the products are exported. In Argentina, which is the main destination for the Company's exports, the difficulties faced by local distributors to obtain the approval of import licenses and the creation of credit guarantees, practically stopped business throughout this quarter. For other destinations, especially Latin American countries, the economic problems faced with high inflation have led to a reduction in consumption and affected the volume of local distributors. In the sales of the Peru branch, revenue reduction was observed in relation to the same period of the previous year. The reduction in the operation in Peru is due to persistent political problems in that country and, also, the occurrence of an unusual weather phenomenon that affected several cities and caused the temporary closure of commerce in some of them.

## NET REVENUE BY MARKET – 1Q23 VS 1Q22

R\$ Million	1Q23	Share %	1Q22	Share %	Var. % 1Q23/1Q22
<b>Domestic Market</b>	524.9	91.9%	411.7	86.2%	27.5%
<b>Foreign Market</b>	46.2	8.1%	66.0	13.8%	-30.0%
<b>Total Net Revenue</b>	<b>571.1</b>	<b>100.0%</b>	<b>477.7</b>	<b>100.0%</b>	<b>19.6%</b>

## MARKET SHARE – 1Q23



# E-COMMERCE

The Company's e-commerce channel recorded net revenue of R\$ 50.7 million in 1Q23, maintaining the expansion trend, showing growth of 120.4% compared to the same period of the previous year.

The growth of the digital channel continues to be driven by the positive sales performance of the Company's three brands and 8.9% of consolidated net operating revenue in 1Q23, an increase of 4.1 p.p. compared to 4.8% in 1Q22.

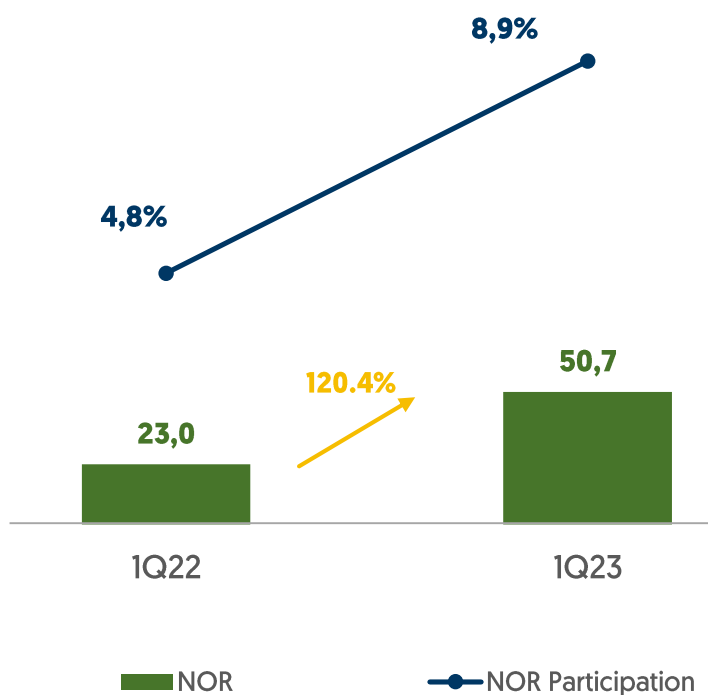


At an accelerated pace of growth, the sales channel recorded exponential growth of 120.4%



## NET REVENUE AND NOR PARTICIPATION

Net Revenue	1Q23	1Q22	Var. % 1Q23/1Q22
<b>E-comm total Net Revenue</b>	50.7	23.0	120.4%
<b>Share Net Revenue</b>	8.9%	4.8%	4.1 p.p.





# COST OF GOODS SOLD (COGS)

In 1Q23, as a percentage of net sales revenue, cost of goods sold represented 60.5%, compared to 64.8% in the same period in 2022.

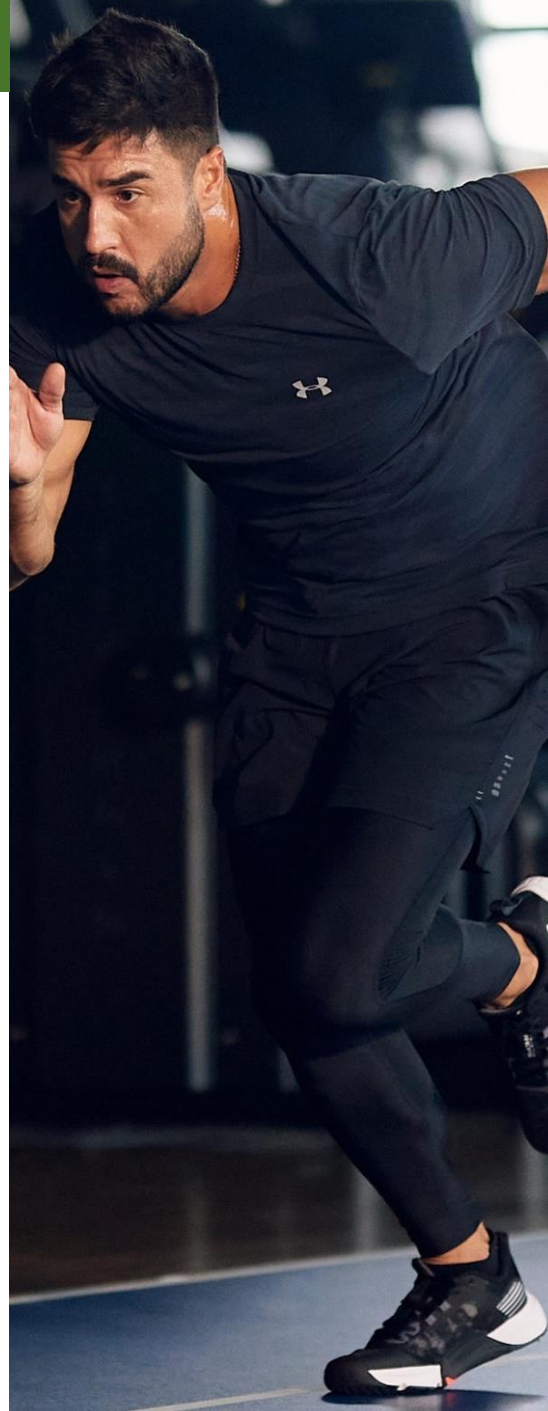
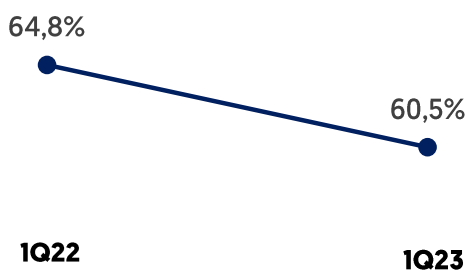
The positive performance of operational factors combined with more favorable conditions for inflation, exchange rate and logistical costs led to an improvement in the cost of goods sold throughout 1Q23.

**The main factors that positively influenced the performance of the products produced were:**

- i) Predictability of production given the advance in the constitution of the order backlog, thus providing greater synchronism between production and billing;
- ii) Economy of scale due to the higher volume produced in all months of this quarter;
- iii) Better synchronism in changing collections, which led to a faster arrival of new models at retail points of sale;
- IV) Less pressure on raw material costs with deflation in some items and,
- v) Achieving productive efficiency within planned levels.

There was also a noticeable improvement in the cost of purchased goods. This is due to the definition of a portfolio with greater added value, which, together with the reduction in international logistics costs, led to better costs.

## COST OF GOODS SOLD (% COGS/NOR)



# GROSS PROFIT

Gross profit in 1Q23 was R\$ 225.3 million, an increase of 34.0% compared to the R\$ 168.1 million in 1Q22. Gross margin was 39.5% in 1Q23, 4.3 p.p. above the 35.2% in 1Q22.

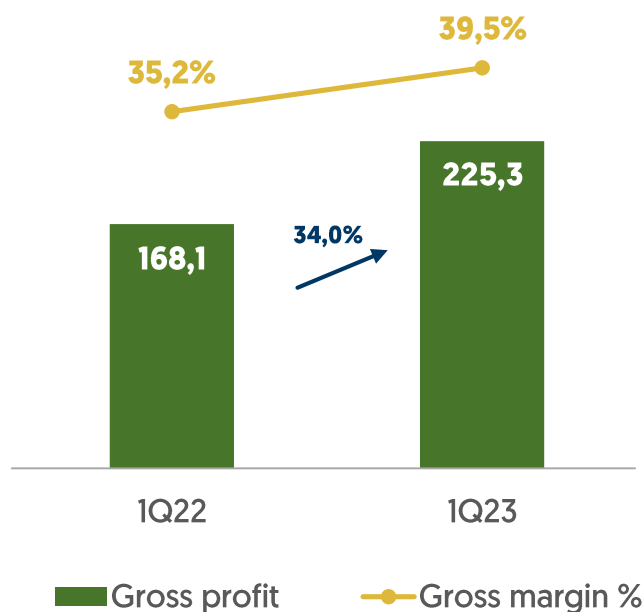
For the ninth consecutive quarter, the Company reports evolution in gross margin. The 4.3 p.p gain in the gross margin achieved in 1Q23 compared to the margin obtained in 1Q22, demonstrates the consistency and reach the Company's business model.

Gross margin grows 4.3 p.p. and continues to evolve for the ninth consecutive quarter

## The main factors leading to this gross margin gain were::

- i) Expansion of the product portfolio in all brands, reaching new categories;
- ii) Launch of new product models with higher added value;
- iii) Capturing synergies and economies of scale as a result of production growth;
- iv) Cooling of the international logistics cost and;
- v) Growth in the share of DTC sales where, due to the nature of the channel, margins are higher than the Company's overall average.

## GROSS PROFIT AND GROSS MARGIN





# SELLING, ADVERTISING AND ALLOWANCE FOR DOUBTFUL ACCOUNTS EXPENSES

Selling, advertising and allowance for doubtful accounts expenses in 1Q23 totaled R\$ 103.1 million, an increase of 30.5% compared to 1Q22.

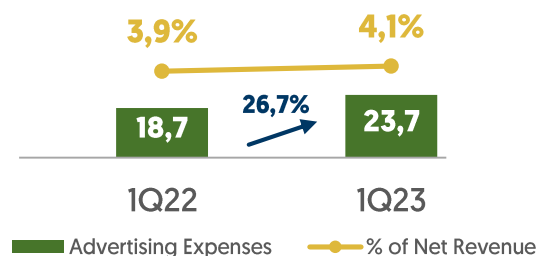
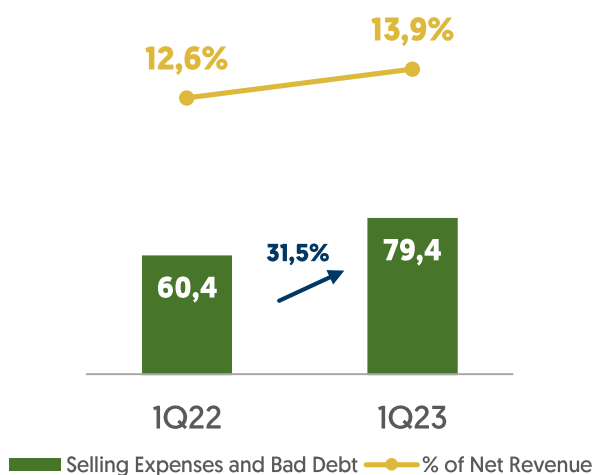
Selling and Allowance for Doubtful Accounts expenses (excluding advertising expenses) increased by 31.5% % in 1Q23, compared to expenses in 1Q22. R\$ 79.4 million was recorded in 1Q23, against R\$ 60.4 million in 1Q22. As a share of revenue, selling expenses (ex-advertising) represented 13.9% in 1Q23 compared to 12.6% in 1Q22.

In 1Q23, some variable sales expenses increased in terms of revenue due to changes in the participation of brands and channels. The faster growth of revenues with the Mizuno and Under Armour licensed brands resulted, consequently, in a higher volume of expenses with royalties. Likewise, the increase in the share of sales made through Ecommerce, a considerable part of these sales being made through marketplaces, led to an increase in commissions.

Advertising and marketing expenses totaled R\$ 23.7 million, an increase of 26.7% over the R\$ 18.7 million in 1Q22. The share of advertising and marketing expenses over net revenue represented 4.1% in 1Q23, compared to 3.9% in 1Q22. In order to support the accelerated pace of growth of the three brands, investments in marketing were increased through presence in major sporting events and a greater number of trade marketing actions.

## SELLING AND ALLOWANCE FOR DOUBTFUL ACCOUNTS EXPENSES (excluding advertising )

## ADVERTISING AND MARKETING EXPENSES

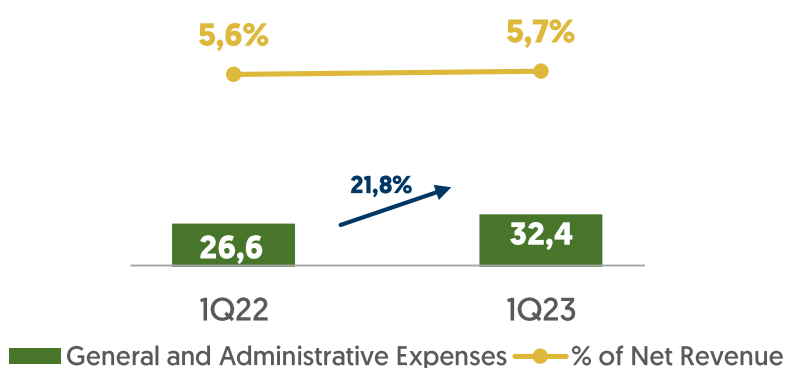


# GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses totaled R\$ 32.4 million in 1Q23, an increase of 21.8% compared to 1Q22. As a percentage of net revenue, there was an increase of 0.1 p.p., from 5.6% in 1Q22 to 5.7% in 1Q23.

In 1Q23, the increase in administrative expenses is mainly due to the increase in personnel expenses due to one-off reinforcements in the administrative teams and the transfer to salaries of increases negotiated in collective agreements. In third-party services, the increase is due to the expansion of services related to DTC's (Direct-to-Consumer) BackOffice.

## GENERAL AND ADMINISTRATIVE EXPENSES





# OTHER NET OPERATING INCOME (EXPENSES)

In 1Q23, Other Net Operating Income (Expenses) resulted in an income of R\$ 1.7 million, compared to an income of R\$ 2.0 million in 1Q22.

## OTHER NET OPERATING INCOME (EXPENSES)

R\$ Million	1Q23	1Q22	Var. % 1Q23/1Q22
<b>Other Net Operating Income (Expenses)</b>	1.7	2.0	-15.0%

# NET FINANCIAL INCOME (EXPENSES)

In 1Q23, the Company reported a net financial expense of R\$ 2.1 million, compared to the same period in 2022, when it reported a net financial expense of R\$ 9.7 million.

Comparing 1Q23 versus 1Q22, the main variations were observed in the increase in financial income due to the increase in cash, the correction of PIS/Cofins credits to be recovered mostly in December/22 and, also, the net variation between revenues and foreign exchange expenses between the two periods.

## NET FINANCIAL INCOME (EXPENSES)

R\$ Million	1Q23	1Q22	Var. % 1Q23/1Q22
Capital structure	-15.3	-10.4	47.1%
Operating	-2.2	-2.1	4.8%
Exchange differences	-5.2	-8.8	-40.9%
<b>Financial Costs</b>	<b>-22.7</b>	<b>-21.3</b>	<b>6.6%</b>
Capital structure	9.2	4.0	130.0%
Operating	5.5	3.2	71.9%
Exchange differences	5.9	4.4	34.1%
<b>Financial Income</b>	<b>20.6</b>	<b>11.6</b>	<b>77.6%</b>
<b>Net Financial Income</b>	<b>-2.1</b>	<b>-9.7</b>	<b>-78.4%</b>

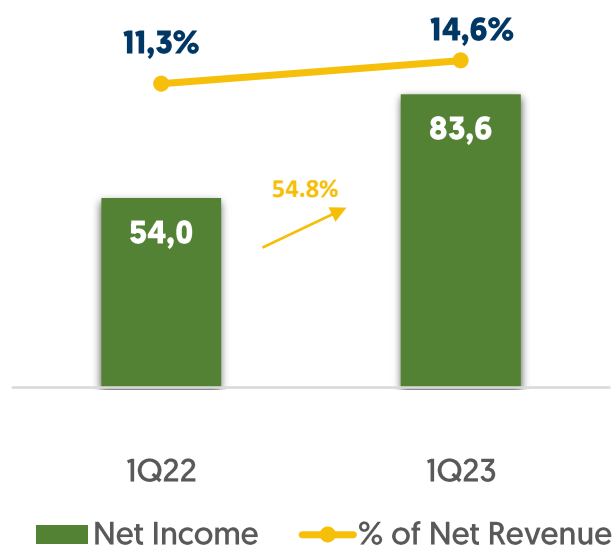
# NET INCOME

Net income in 1Q23 was R\$ 83.6 million, an increase of 54.8% over the income of R\$ 54.0 million in 1Q22. Net margin reached 14.6% in 1Q23, an increase of 3.3 p.p., compared to 11.3% in 1Q22.

The significant growth in net income is mainly due to:

- i) Excellent operating performance, which resulted in a gross margin increase of 4.3 p.p.;
- ii) Capture of synergies in SG&A expenses; and
- iii) Better cash management performance that resulted in improved financial results.

## NET INCOME AND NET MARGIN





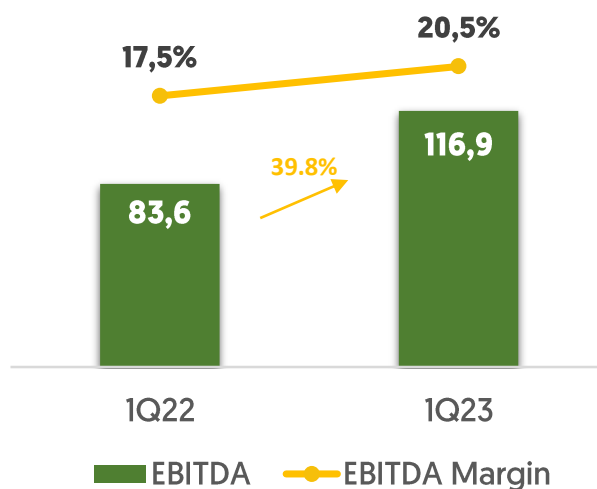


# EBITDA

In 1Q23, EBITDA totaled R\$ 116.9 million, an increase of 39.8%, against the R\$ 83.6 million in 1Q22. EBITDA margin increased by 3.0 p.p., reaching 20.5% in 1Q23 against 17.5% in 1Q22.

The expressive growth of the EBITDA Margin is mainly due to the excellent operating performance, which resulted in a 4.3 p.p. increase in the gross margin.

## EBITDA AND EBITDA MARGIN



# ROIC (RETURN ON INVESTED CAPITAL)

Annualized return on invested capital – ROIC<sup>2</sup>– reached 23.5% in 1Q23-LTM (last twelve months ended 3/31/2023), a reduction of 0.6 p.p. over the 24.1% obtained at 12/31/2022.

ROIC	2020	2021	2022	1Q23
Net Income for the period (LTM)	31.5	313.8	469.9	499.6
(+) Net Financial Income (LTM)	0.1	(12.4)	(41.3)	(48.8)
<b>NOPAT</b>	<b>31.6</b>	<b>301.4</b>	<b>428.6</b>	<b>450.8</b>
<b>Invested Capital</b>				
Loans and Financing	311.6	361.3	417.0	473.9
(-) Cash and cash equivalents	(158.6)	(114.6)	(197.2)	(374.2)
(-) Financial Investments	(90.5)	(10.3)	(8.9)	(9.2)
(+) Related Parties	17.6	18.0	18.4	18.6
(+) Equity	1,125.4	1,356.6	1,711.8	1,794.0
<b>Invested Capital</b>	<b>1,205.5</b>	<b>1,611.0</b>	<b>1,941.1</b>	<b>1,903.1</b>
<b>Average invested capital for the period<sup>(1)</sup></b>	<b>1,144.0</b>	<b>1,408.2</b>	<b>1,776.0</b>	<b>1,922.1</b>
<b>Annualized ROIC<sup>(2)</sup></b>	<b>2.8%</b>	<b>21.4%</b>	<b>24.1%</b>	<b>23.5%</b>

Annualized adjusted return on invested capital (Adjusted ROIC<sup>3</sup>) reached 26.9% in 1Q23-LTM (last twelve months ended 3/31/2023), a reduction of 1.2 p.p. over the 28.1% obtained at 12/31/2022.

ADJUSTED ROIC	2020	2021	2022	1Q23
Net Income for the period (LTM)	31.5	313.8	469.9	499.6
(+) Net Financial Income (LTM)	0.1	(12.5)	(41.3)	(48.8)
(-) Equity Results (LTM)	2.0	(3.1)	(5.3)	(6.9)
<b>NOPAT (Adjusted)</b>	<b>33.6</b>	<b>298.2</b>	<b>423.3</b>	<b>443.9</b>
<b>Invested Capital</b>				
Loans and Financing	311.6	361.3	417.0	473.9
(-) Cash and cash equivalents	(158.6)	(114.6)	(197.2)	(374.2)
(-) Financial Investments	(90.5)	(10.3)	(8.9)	(9.2)
(+) Related Parties	17.6	18.0	18.4	18.6
(-) Goodwill on acquisition	(198.2)	(198.2)	(198.2)	(198.2)
(-) Investment in subsidiary	(60.0)	(69.4)	(75.7)	(77.6)
(+) Equity	1,125.4	1,356.6	1,711.8	1,794.0
<b>Total Adjusted Invested Capital</b>	<b>947.3</b>	<b>1,343.4</b>	<b>1,667.2</b>	<b>1,627.3</b>
<b>Average adjusted invested capital for the period<sup>(1)</sup></b>	<b>884.8</b>	<b>1,145.4</b>	<b>1,505.3</b>	<b>1,647.3</b>
<b>ROIC Ajustado anualizado<sup>(3)</sup></b>	<b>3.8%</b>	<b>26.0%</b>	<b>28.1%</b>	<b>26.9%</b>

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 the average capital invested in 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 (CAPITA EXPENDITURES)

In 1Q23, R\$ 33.4 million were invested in fixed and intangible assets, a reduction of 17.7% compared to the amount invested in 1Q22.

In this quarter, the Company continued to invest in the expansion and modernization of its industrial park, with emphasis on the expansion of the industrial park pavilion in Bahia and the layout adequacy at the Ceará plant.

## ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

R\$ Million	1Q23	1Q22	Var. % 1Q23/1Q22
Molds	9.6	7.0	37.1%
Machinery and equipment	10.7	14.7	-27.2%
Industrial facilities	4.6	1.7	170.6%
Others	8.5	16.4	-48.2%
<b>Property, plant and equipment</b>	<b>33.4</b>	<b>39.8</b>	<b>-16.1%</b>
Software	0.0	0.8	-100.0%
<b>Intangible assets</b>	<b>0.0</b>	<b>0.8</b>	<b>-100.0%</b>
<b>Total</b>	<b>33.4</b>	<b>40.6</b>	<b>-17.7%</b>

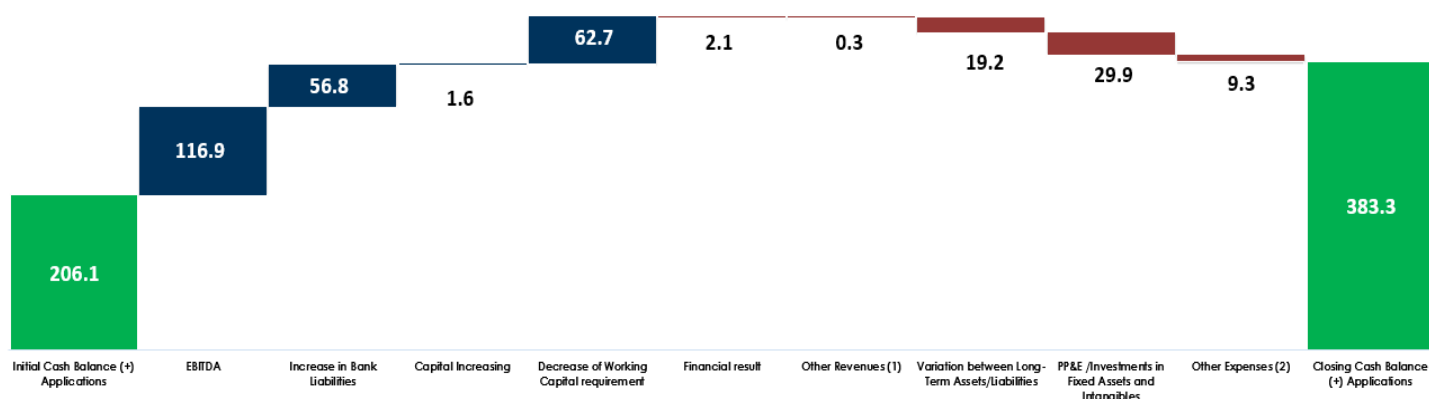


# OPERATING CASH GENERATION

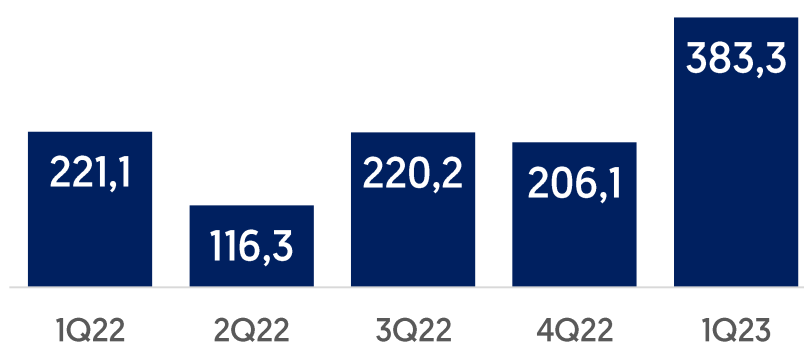
The variation in cash in 1Q23 was R\$ 177.2 million, essentially due to the following events:

- (i) EBITDA of R\$ 116.9 million;
- (ii) Increase in bank liabilities by R\$ 56.8 million;
- (iii) Decrease in the need for working capital of R\$ 62.7 million;
- (iv) Variation between Long-Term Assets/Liabilities of R\$ 19.2 million,
- (v) Investments in property, plant and equipment and intangible assets of R\$ 29.9 million,

## CASH FLOW – 1Q23



## CASH FLOW – CASH



(1) Other Income: Sale/write-off of fixed assets and intangible assets + Stock Options.

(2) Other Expenses: IR and CSLL + Effect of conversion of investees abroad + Payment of finance lease liabilities.



# NET DEBT

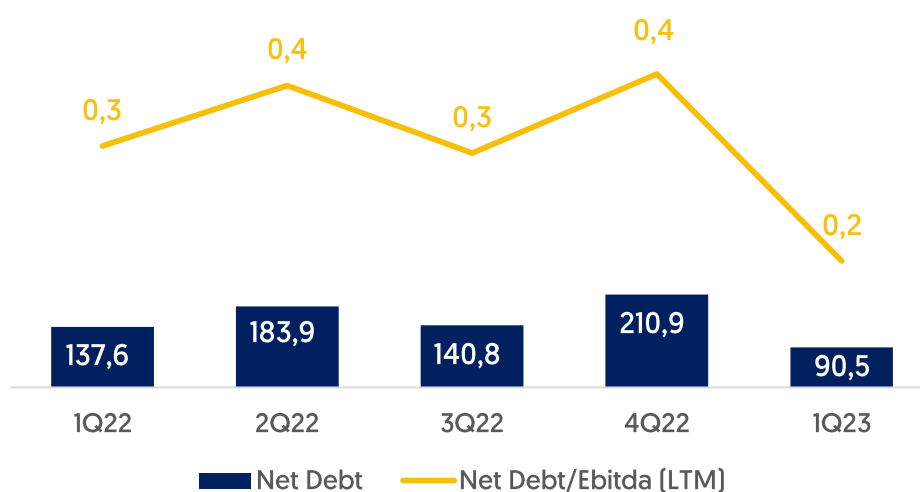
At 3/31/2023, the Company had a net debt of R\$ 90.5 million, 57.1% lower than at 12/31/2022.

The reduction in debt is due to the significant result recorded in 1Q23 and also due to the release of working capital, mainly due to the realization of trade receivables from customers during this quarter.

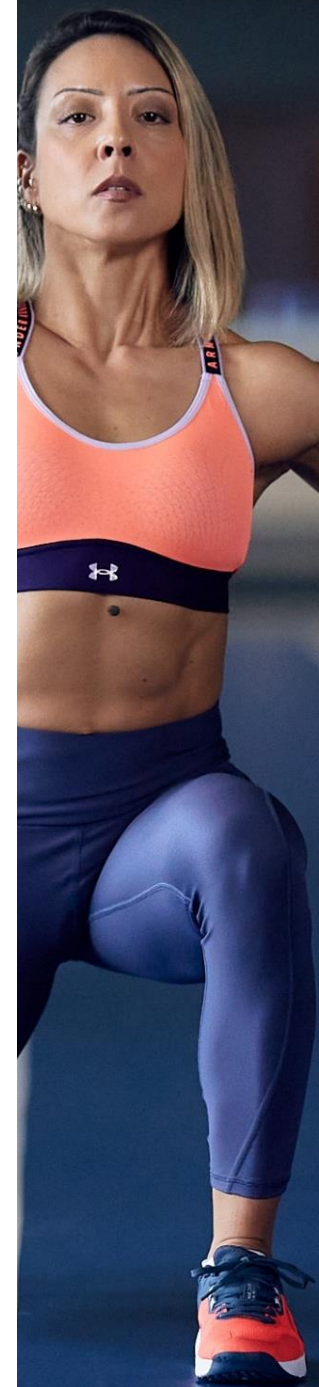
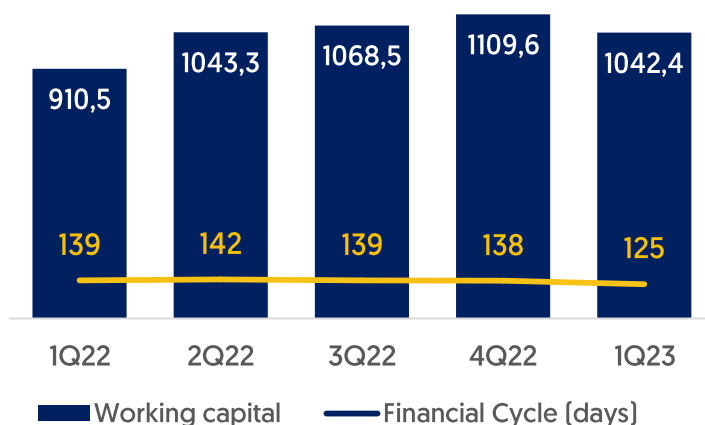
## NET DEBT

R\$ Million	12/31/2021	12/31/2022	03/31/2023	Var. % 03/31/2023 vs 12/31/2022
<b>Loans and Financing</b>	361.3	417.0	473.9	13.6%
<b>Cash and cash equivalents</b>	114.6	197.2	374.2	89.8%
<b>Financial investments</b>	10.3	8.9	9.2	3.4%
<b>Net Debt</b>	<b>236.4</b>	<b>210.9</b>	<b>90.5</b>	<b>-57.1%</b>

## EVOLUTION NET DEBT AND LEVERAGE



## WORKING CAPITAL AND FINANCIAL CYCLE



# CAPITAL MARKET

## DIVIDENDS

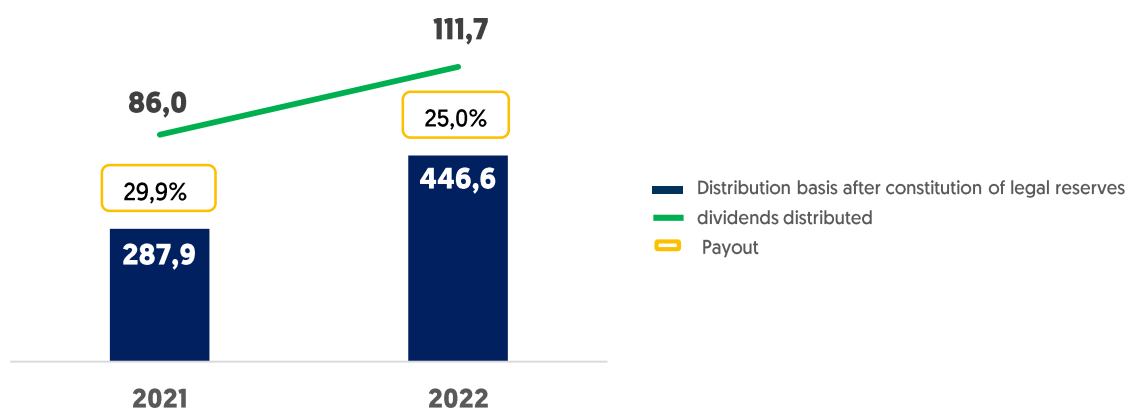
On April 14th, 2023, the payment of R\$ 20.8 million corresponding to the interim dividends related to 4Q22 was made, as approved by the Board of Directors on March 1st, 2023.

On May 2, 2023, the Board of Directors approved the early distribution of dividends in the amount of R\$ 0.15 (fifteen cents) per share, totaling R\$ 36.8 million, on this date, an amount subject to change due to the Company's share buyback program that is in effect.

We point out that as of this quarter, as approved by the Board of Directors, the Company will start paying quarterly dividends.

## RETURN TO SHAREHOLDERS

Type	Total Amount	Reference Period	Amount paid per Share	Bse date for distribution	Payment Date
Dividends	86,0	2021	0,35	11/3/2021	11/12/2021
<b>Total Dividends 2021</b>	<b>86,0</b>	2021			
Interim Dividends	90,9	9M22	0,37	11/10/2022	11/22/2022
Complementary Dividends (*)	20,8	2022	0,08	4/3/2023	4/14/2023
<b>Total Dividends 2022</b>	<b>111,7</b>	2022			
Interim Dividends	36,8	1Q23	0,15	05/22/2023	06/06/2023
<b>Total Dividends 2023</b>	<b>36,8</b>	<b>2023</b>			



## SHARE BUYBACK PROGRAM

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.

At the end of 1Q23, the Company held 567.2 thousand treasury shares.

During 1Q23, the Company repurchased 75.6 thousand shares, with a total value of R\$ 0.9 million.

Type	12/31/2022	1Q23	03/31/2023
Treasury Shares Quantity	491.6	75.6	567.2
Treasury Shares BRL	6.1	0.9	7.0

(\*) The unit price was calculated taking into account the current number of shares held in treasury, however, as the buyback program remains active, this price may change.

(\*) in thousands of reais



# SUSTAINABILITY

Vulcabras' essence is to develop technology and innovation for its products, always putting sustainability at the center of its business and directing its actions to all brands in the portfolio. In this way, it has assumed a prominent role when it comes to social and environmental responsibility.



In line with our commitment to the circular economy, in 2021 we began offsetting our paper and plastic packaging, reaching, in 2022, the milestone of

**990.6 tons of environmental compensation - 478.29 tons of paper and 49.09 tons of plastic.**

With this, we reached the percentage of 22.5% of recycled material, that is, 100% the goal established between the company and the project developed with eureciclo - the largest reverse logistics certifier in the country, which has a platform for tracking the recycling chain that proves the equivalence between the quantity sold and recycled. As a result, we won the special eureciclo seal, reinforcing Vulcabras' position in promoting actions that preserve the environment in which we live, also promoting the recycling chain in the country.

In addition to the eureciclo project, Vulcabras maintains the 5R policy (Reduce, Rethink, Reuse, Recycle and Refuse) seeking efficiency in the use of inputs from product design to production. All of the Company's manufacturing units have a recycling plant that makes it possible to reuse up to 100% of production waste and reinsert it into the production process or forward it to other partners for use in their production processes. Furthermore, the Horizonte unit has an effluent treatment and reuse system that reuses 95% of the unit's water for irrigation of gardens, cleaning of common areas and bathrooms. The company is also concerned with the economic and social impact on communities and, therefore, develops important social projects in the regions where it operates, impacting more than 17,000 families daily through our ecosystem.

One of them is the Young Apprentices program in partnership with Senai, aimed at training young people for the job market.

**In the first quarter of 2023, we trained, 2.299 young apprentices, with 1,055 women and 1,244 men enrolled in the program.**

One of the courses offered is the National Service for Learning and Industry (Senai) Footwear Manufacturer course, aimed at qualifying professionals at a basic or technical level, comprising 960 hours of workload and lasting approximately seven months. At the end of the training, up to 98% of these young people are hired to work at Vulcabras.

These initiatives, added to others already developed, reinforce Vulcabras' commitment to a positive impact and its purpose of building a better country based on sport. Learn more in our sustainability report. [\[link\]](#).

# BRAND MANAGEMENT

With a mix of strong and complementary brands that offer the best in sports technology for every athlete profile, via an assortment that includes apparel, accessories and footwear, Vulcabras continues to explore the main growth avenues of its brands, with each of them following their respective positioning strategies in the domestic market, within their target audiences.

In this first quarter, Mizuno continues to quickly resume its leadership in the running performance category, with the launch of **Mizuno Wave Rebellion Pro**, the first super shoes of the brand, which raises the bar of the category featuring not only a combination of carbon plate with a super foam, but also a great differential, its newest Smooth Speed Assist technology, revolutionary sole geometry that helps the runner to step with the forefoot in a more natural way, providing less muscle fatigue over long distances with maximum speed. And expanding its performance in running, the brand also launched three models in the trail running category: **Mizuno Wave Mujin 9**, **Mizuno Wave Daichi 7** also available in **GTX (Gore-tex waterproofing) version** and **Mizuno Wave Ibuki 4**. All models in the collection guarantee, in addition to maximum performance, protection and comfort.

Olympikus, reinforcing the brand's purpose of democratizing access to high sports technology, brought together athletes, customers and influencers at Horizonte [CE] to present the new launches of the Corre Family, the brand's line of running shoes. Corre 3, Grafeno 2, Corre Vento 2 and the most recent member Corre Trilha are developed in Brazil, by Brazilians and with national technology.

Under Armour, brought to the market **Charged Quicker**, developed and manufactured entirely in Brazil, equipped with the **New Charged Cushioning** technology, which maintains comfort and durability during performance. The brand also renewed its agreement with basketball star Stephen Curry, this time for life. With this new agreement, the brand hopes to further increase its presence in the sports market.

# MIZUNO





# Wave Rebellion Pro

The **Mizuno Wave Rebellion Pro** is aimed at experienced runners looking for a model with maximum cushioning, energy return and propulsion for running days. The highlight of the model goes to the Smooth Speed Assist technology, revolutionary sole geometry inspired by track shoes and improved for street racing, which helps runners to step more with the forefoot in a more natural way, providing less muscle fatigue in long distances with maximum speed.

Mizuno Wave technology, in the form of an infused carbon plate, provides a faster run, increasing the level of cushioning and stability, characteristics of the brand's performance shoes.

The Wave Rebellion Pro also features Mizuno Energy Lite+ technology, super foam applied to the upper part of the sole, which provides a soft feeling with an excellent level of cushioning and responsiveness. In the lower part of the sole, the model has Mizuno Energy Lite technology, lighter and with high energy return. In the sole, the G3 technology reduces the weight of the shoe and its design increases the level of traction in the forefoot, softening the impact of the midfoot. Sales price: R\$ 1,999.99.



[Click on the link and see more details of Wave Rebellion Pro:](#)





# OSAKA MARATON

As part of the launch strategy of the brand's first carbon plate super shoes, in February, Mizuno took a team of Brazilian influencers and athletes to participate in the Osaka Marathon, in Japan, sponsored by Mizuno Japan. All guests were able to run the 42km and put the Wave Rebellion Pro to the test and generate content from their travel experience in the Land of the Rising Sun.

As part of the launch strategy of the brand's first carbon plate super shoes, in February, Mizuno took a team of Brazilian influencers and athletes to participate in the Osaka Marathon, in Japan, sponsored by Mizuno Japan. All guests were able to run the 42km and put the Wave Rebellion Pro to the test and generate content from their travel experience in the Land of the Rising Sun.

Campaign's Link : [Osaka Marathon](#)





# Trail Running

Expanding its operations beyond asphalt running, Mizuno has launched three products from the trail running collection already available in Brazil: **Mizuno Wave Mujin 9**, **Mizuno Wave Daichi 7** also available in **GTX (Gore-tex waterproofing) version** and **Mizuno Wave Ibuki 4**. Developed for different levels of runners and types of terrain, all models in the collection guarantee, in addition to cushioning and stability, protection and comfort.

## Wave Mujin 9

Of the four models, **Wave Mujin 9** It is the most technical shoe, being the ideal choice for long distances, harder terrain and challenging trails, where greater protection, safety and studs that guarantee maximum traction are required.

Built from Mizuno Wave technology, its midsole ensures a better level of cushioning and stability with two pieces of foam, one of them with Mizuno Energy technology, which increases the level of softness and energy return. Sales price: R\$ 999.99.

[Learn more about the products by clicking here](#)



## Wave Daichi 7

Versatile model for different types of terrain, Wave Daichi 7 features an ideal balance of cushioning and stability, with an upper designed to hug your foot, keeping it locked in throughout the run. Sales price: R\$ 899.99.

In addition to it, Mizuno also makes available **Wave Daichi 7 GTX**, version that has the same technical characteristics plus a great differential: the Gore-Tex technology, which makes the shoe waterproof. Sales price: R\$ 1,099.99.







## Wave Ibuki 4

For those looking to start Trail Running or looking for practical shoes for day-to-day training, the **Wave Ibuki 4** it is the right choice. Developed for more beaten and flat terrain, its midsole has smaller studs for greater comfort during the run. Mizuno Wave technology, applied to the back of the sole, combined with Mizuno Energy technology, guarantees a ride with cushioning, stability and softness with each step. Sales price: R\$749.99.

## Indomit Ultrarail

Seeking even closer proximity to athletes in the trail segment, Mizuno sponsored the Indomit Ultratrail trail racing circuit - one of the most traditional runs in the country. The first stage took place on March 9, 10 and 11, at Pedra do Baú, in São Bento do Sapucaí, in the countryside of São Paulo, when more than 40 athletes and influencers received the new models for testing.







# OLYMPIKUS

## Corre Show

Focused on the performance running category, where the brand gains more and more protagonism, Olympikus brought together athletes, customers, influencers and employees at the Horizonte (CE) unit in February, at the Corre Show, an event in which it presented the main novelties of the brand's running calendar for the year, with emphasis on the launches of the Corre Family.

The brand's line of running shoes, the new Corre Family generation was exclusively presented and, in addition to the launches of Corre 3, Corre Grafeno 2 and Corre Vento 2, it gained a new and important member, Corre Trilha, aimed at a of the segments that have grown the most in recent years. All are developed in Brazil, with national technology, reinforcing the brand's mission to democratize access to high sports technology.

On the occasion, the new destinations of Bota pra Correr were also presented, the brand's proprietary running project that invites runners to unveil and discover Brazil through running, plus a great novelty: in addition to the asphalt routes, a trail route was included. in both editions. This year, the brand will explore two new destinations: Costa do Conde, on the Northeast coast, in September; and Vale dos Vinhedos, in Serra Gaúcha, in November.



Click on the link and see how the Corre Show was

## 2nd Casa do Corre edition

In March, the capital of São Paulo hosted the inauguration of the 2nd edition of Casa do Corre, at Parque Villa-Lobos. A meeting point for the running community with an intense program of training, product testing, events, talk, recovery space, exhibition of products from the Corre Family and running apparel, guide shop and product launches.





# Olympikus Corre 3

Within Casa do Corre, Olympikus, Vulcabras' own brand, launched **Corre 3**, the evolution of one of the best running shoes the brand has ever made. With an even more modern design and more color options, the model again relied on a team of specialists and the support of the Biomechanics Laboratory of the University of São Paulo (USP) for testing.

The sole has an 8mm drop and features Eleva Pro cushioning technology, developed at the Vulcabras research laboratories, which guarantees maximum response while maintaining comfort and durability. It also has the Gripper and Gripper Plus technology, a non-slip rubber with high resistance to abrasion, which provides grip to the ground, giving more security to the steps. The upper is developed with two-tone Oxitec 2.0 technology with a new yarn composition in its structure, making it even lighter, breathable and with greater thermal comfort.



Reflective Transfer on the back pull ensures safety on the night run. Sales price: R\$ 499.99.



The Brand has been building a co-creation relationship with the running community in Brazil, bringing innovation, technology and market knowledge to Brazilian athletes and to performance running.

[Click on the link and see more details about Olympikus Corre 3](#)



# UNDER ARMOUR

## Under Armour TriBase Reps

Reference in training and basketball, Under Armour launched in the first quarter of the year the Tribase Reps, 100% national sneakers developed for the training category. The vamp (upper part of the shoe) is divided into two functions: support and resistance. In the heel region, a closed mesh provides support, in the forefoot region, an overlapping mesh is in charge of delivering all the necessary resistance for the activity.



TriBase™ technology rubber maximizes contact with the ground and promotes a more natural stride. Sales price: R\$ 449.99.





# Under Armour Charged Quicker

The running category gained another important product to compose the brand's entry portfolio, Charged Quicker, developed and manufactured entirely on Brazilian soil with New Charged Cushioning technology, which maintains comfort and durability during performance.

The knit fabric upper ensures lightness and breathability. The extremely light and low-density injected EVA midsole has greater memory for having less permanent deformation due to heat (DPC). The sole features high abrasion rubber, offering great traction and more security in transactions. Sales price: R\$ 399.99.



## Dagger

The brand also renewed its agreement with Stephen Curry for life, and launched Dagger, its newest basketball shoe, on the Brazilian market. Made in Brazil, the shoes were designed to provide more stability with great comfort for those who practice the sport. The novelty was born from the community, from the call of players who make up his basketball first team and represent the national basketball culture. It has a mesh upper offering more comfort and comes with two technologies in the rubber sole: the UA Micro G, which offers cushioning and comfort for better performance and impact absorption, and the UA Anatomix, which delivers maximum traction and control, in addition to a perfect fit and grip to the floor with stability of the feet during changes of direction. Sales price: R\$ 499.99.



[Click and see more about this model](#)



# ATTACHMENTS

## BALANCE SHEET

### BALANCE SHEET (CONSOLIDATED)

In thousand of Reais

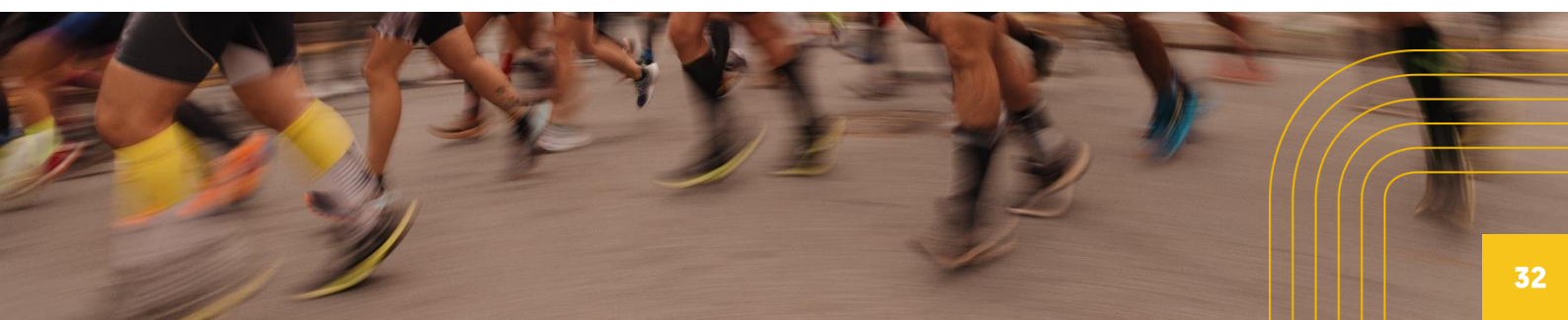
ASSETS	03/31/2023	03/31/2022	LIABILITIES	03/31/2023	03/31/2022
Cash and cash equivalents	374,186	197,197	Suppliers	173,443	104,925
Trade accounts receivable	4	4	Loans and financing	269,341	283,638
Inventories	620,404	769,457	Lease liability	9,470	8,509
Recoverable taxes	715,002	567,831	Taxes payable	24,597	19,670
Income tax and social contribution	14,656	18,685	Salaries and vacation payable	53,415	56,139
Amounts receivable for disposal of operation	16,303	13,859	Provisions	4,046	3,102
Other accounts receivable	20,465	26,074	Commissions payable	20,198	19,538
			Dividends payable	20,734	20,734
			Other accounts payable	38,524	53,716
<b>CURRENT ASSETS</b>	<b>1,761,020</b>	<b>1,593,107</b>	<b>CURRENT LIABILITIES</b>	<b>613,768</b>	<b>569,971</b>
Interest earning bank deposits	9,158	8,942	Loans and financing	204,553	133,410
Trade accounts receivable	9,977	5,153	Loans with related parties	18,550	18,448
Recoverable taxes	200,780	193,504	Lease liability	11,857	12,059
Deferred income tax and social contribution	13,692	13,591	Provisions	52,474	54,274
Judicial deposits	24,450	22,419	Deferred income tax and social contribution	17,037	17,079
Amounts receivable for disposal of operation	194	194	Other accounts payable	3,470	3,681
Others Account to receive	1,845	1,934			
<b>LONG-TERM ASSETS</b>	<b>260,096</b>	<b>245,737</b>	<b>NON-CURRENT LIABILITIES</b>	<b>307,941</b>	<b>238,951</b>
Investments	77,567	75,662			
Investment property	3	4			
Right to use	18,323	18,119			
Property, plant and equipment (PP&E)	390,215	379,031			
Intangible assets	208,437	209,096			
	<b>694.545</b>	<b>681.912</b>			
<b>NON-CURRENT ASSETS</b>	<b>954,641</b>	<b>927,649</b>	<b>SHAREHOLDERS' EQUITY</b>		
			Capital	1,108,354	1,106,717
			Capital reserves	-3,413	-1,472
			Revaluation reserves	4,136	4,175
			Equity valuation adjustments	24,779	25,974
			Profit Reserve	576,094	576,094
			Accumulated profits	83,679	0
			<b>Shareholders' equity attributable to controllers</b>	<b>1,793,629</b>	<b>1,711,488</b>
			<b>Non-controlling interests</b>	<b>323</b>	<b>346</b>
			<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>1,793,952</b>	<b>1,711,834</b>
			<b>TOTAL LIABILITIES</b>	<b>921,709</b>	<b>808,922</b>
<b>TOTAL ASSETS</b>	<b>2.715.661</b>	<b>2.520.756</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,715,661</b>	<b>2,520,756</b>

The accompanying notes are an integral part the interim financial information.

## INCOME STATEMENT

INCOME STATEMENT (CONSOLIDATED)	1Q23	1Q22	VAR (%)
<b>In thousand of Reais</b>			
<b>Net Revenue</b>	<b>571,118</b>	<b>477,750</b>	<b>19.5%</b>
Cost of sales	-345,759	-309,609	11.7%
<b>Gross Profit</b>	<b>225,359</b>	<b>168,141</b>	<b>34.0%</b>
<b>Gross Margin</b>	<b>39.5%</b>	<b>35.2%</b>	<b>4.3 p.p.</b>
Sales expenses	-99,872	-76,939	29.8%
Expected losses for loan losses	-3,184	-2,193	45.2%
General and Administratives expenses	-32,385	-26,610	21.7%
Other net operating income (expenses)	1,695	1,959	-13.5%
Equity in net income of subsidiaries	1,612	0	n/a
<b>Net Income before net financial income and taxes</b>	<b>93,225</b>	<b>64,358</b>	<b>44.9%</b>
Financial income	20,575	11,644	76.7%
Financial Expenses	-22,723	-21,318	6.6%
<b>Net financial Income</b>	<b>-2,148</b>	<b>-9,674</b>	<b>-77.8%</b>
<b>Net Income before taxes</b>	<b>91,077</b>	<b>54,684</b>	<b>66.6%</b>
Deferred income tax and social contribution	-7,447	-703	959.3%
<b>Net Income</b>	<b>83,630</b>	<b>53,981</b>	<b>54.9%</b>
<b>Net Income Margin</b>	<b>14.6%</b>	<b>11.3%</b>	<b>3.3 p.p.</b>
<b>Income (loss) attributable to:</b>			
Controlling shareholders	83,640	53,979	
Non-controlling shareholders	-10	2	
<b>Net Income</b>	<b>83,630</b>	<b>53,981</b>	
<b>Earnings (loss) per share</b>			
Earnings per common share - basic	0.3409	0.2196	
Earnings per common share - diluted	0.3397	0.2174	
<b>Number of shares at end of the year</b>			
Outstanding common shares	245,373,694	245,756,244	
Outstanding common shares with a dilution effect	246,248,120	248,321,244	

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





## CASH FLOW STATEMENT

CASH FLOW STATEMENT (INDIRECT METHOD)	1Q23	1Q22
<b>In thousand of Reais</b>		
<b>Cash flows from operating activities</b>		
Net Income for the period	<b>83,630</b>	<b>53,981</b>
<b>Adjustments for:</b>		
Depreciation and amortization	23,726	19,223
Provision for impairment losses in inventory	5,572	-3,209
Interest on provisioned leases	1,230	1,243
Net value of written off tangible and intangible assets	1,623	4,708
Income from financial investments	-258	-235
Provision for contingency losses	1,807	254
Equity in net income of subsidiaries	-1,612	0
Transaction with share-based payments	-1,052	-1,194
Estimated loss from allowance for doubtful accounts	3,184	2,193
Financial charges and exchange variation recognized in profit or loss	11,293	3,906
Current and deferred income tax and social contribution	7,447	703
Minority Interest	10	-2
Extemporaneous PIS and COFINS credits - ICMS exclusion	-3,288	0
Recovery of PIS and COFINS on ICMS	0	-1,180
<b>Adjusted Income for the period</b>	<b>133,312</b>	<b>80,391</b>
<b>Changes in assets and liabilities</b>		
Account Receivable	140,101	102,077
Inventories	-152,743	-55,139
Recoverable taxes	-2,403	4,123
Other accounts receivable	5,698	-4,010
Judicial deposits	-2,241	-596
Suppliers	66,507	18,158
Commissions payable	660	912
Taxes to pay	4,664	0
Taxes and social contributions	0	4,137
Salaries and vacations payable	-2,724	-605
Other accounts payable	-15,426	1,875
Provisions	-2,453	-895
Receivables for sale of operation	0	860
Deferred taxes	0	16
<b>Changes in assets and liabilities</b>	<b>39,640</b>	<b>70,913</b>
<b>Cash provided by (used in) operating activities</b>	<b>172,952</b>	<b>151,304</b>
Interest paid	-5,615	-4,240
Payment of lease interest	-557	-544
Taxes paid on profit	-6,963	-2,963
	<b>-13,135</b>	<b>-7,747</b>

## CASH FLOW STATEMENT

### CASH FLOW STATEMENT (INDIRECT METHOD)

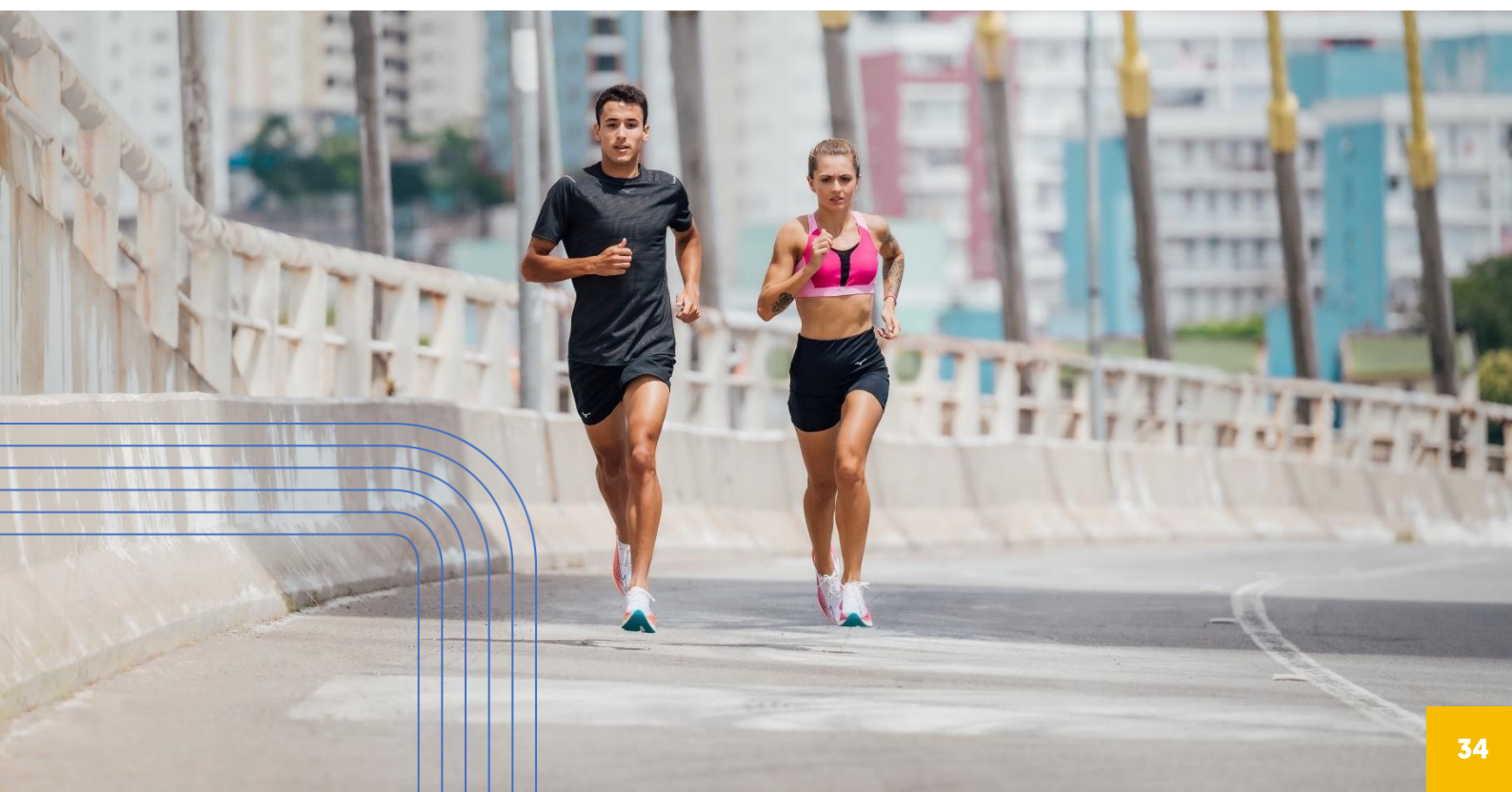
1Q23

1Q22

In thousand of Reais

<b>Net Cash Flow provided by (used in) operating activities</b>	<b>159,817</b>	<b>143,557</b>
<b>Cash flow from investing activities</b>		
Acquisitions of property, plant and equipment	-29,861	-38,496
Redemption (application) of financial investments	42	36
Resources from the disposal of fixed assets	118	429
Acquisition of intangible assets	-20	-769
<b>Net Cash Flow used in investing activities</b>	<b>-29,721</b>	<b>-38,800</b>
<b>Cash flow from financing activities</b>		
Loans obtained - Principal	77,262	3,831
Payment of loans obtained - Principal	-28,433	-10,875
Capital Increase	1,637	0
Acquisition of treasury shares	-889	0
Payment of lease liabilities	-3,182	-2,642
<b>Net Cash Flow used in financing activities</b>	<b>46,395</b>	<b>-9,686</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>176,491</b>	<b>95,071</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>197,197</b>	<b>114,635</b>
Effect from translation of foreign investees	498	892
<b>Cash and cash equivalents at end of the period</b>	<b>374,186</b>	<b>210,598</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>176,491</b>	<b>95,071</b>

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 March 31, 2023 (1Q23), 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 02/05/2023, declares that it has reviewed, discussed and agreed with the accounting information of Vulcabras S.A. for the first quarter of 2023 and the independent auditors’ report on the individual and consolidated financial information.



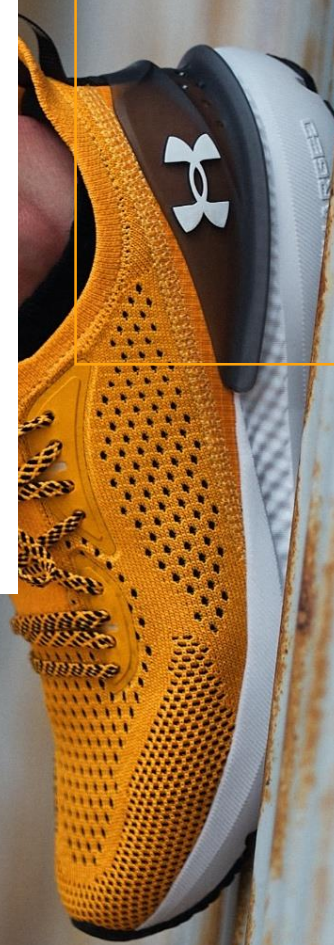
# MANAGEMENT

## 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
Rafael Ferraz Dias de Moraes	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**

**1 Q**

**23**

**VULCABRAS**  
we live for the sports