



EARNINGS
RELEASE

2022

VULCABRAS
vivemos para o esporte

Jundiaí, May 3, 2022 – Vulcabras S.A. (B3: VULC3) announces today its results for the first quarter of 2022 (1Q22). 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 IAS 34). The data in this report refers to the performance in the first quarter of 2022, compared to the same period of 2021, unless specified otherwise.

HIGHLIGHTS

- **GROSS VOLUME**
6.4 million pairs/pieces in 1Q22, an increase of 26.5% compared to 1Q21.
- **GROSS MARGIN**
35.2% in 1Q22, increase of 1.2 p.p. compared to 1Q21.
- **NET REVENUE**
R\$ 477.7 million in 1Q22, increase of 53.2% from 1Q21.
- **NET INCOME**
R\$ 54.0 million in 1Q22, increase of 269.9% compared to R\$ 14.6 million in 1Q21.
- **GROSS PROFIT**
R\$ 168.1 million in 1Q22, increase of 58.4% compared to 1Q21.
- **EBITDA**
R\$ 83.6 million in 1Q22, growth of 124.1% compared to R\$ 37.3 million in 1Q21.

VULC3 Quote (3/31/2022)
R\$ 9,98

Number of shares
Common:
245.756.244

Market value
R\$ 2,5 billion

Investor Relations
Wagner Dantas da
Silva (CFO and DRI)

Earnings Videoconference:
5/04/2022 at 10 am
(Brasilia)

[Access in Português](#)

Vulcabras IR website
<http://vulcabrasri.com>
E-mail RI
dri@vulcabras.com

IR telephone:
+55 (11) 4532-1000



MESSAGE FROM MANAGEMENT

Maintaining the upward trend of the last seven quarters, Vulcabras' 1Q22 results set a new record. Net revenue grew 53% compared to the same period in 2021, reaching revenue of R\$ 477 million and net income of R\$ 54 million an increase of 270%. It was the best first quarter in the Company's history. EBITDA (earnings before interest, taxes, depreciation and amortization) reached R\$ 84 million, 124% higher than in the previous year.

The company's financial performance in 1Q22 was supported by the structured growth of the three sports brands that make up Vulcabras' portfolio and which are today the Company's main business lever: Olympikus, market leader in sales volume; Under Armour, reference brand in training, and Mizuno, with 25 years in Brazil and now with the national products collection 100% developed by the Company since January 2022. The arrival of Mizuno to the portfolio in 2021 expanded the mix of brands for the sports market, consolidating the strategic transformation process with a focus on the sports market started by the organization three years ago.

In order to support growth and offer the Company's brands the best sports technologies and greater industrial capacity, Vulcabras inaugurated in March this year the expansion of the factory in Horizonte (CE), which, after an investment of R\$ 105 million, gained over 7,000 m², increasing to 120,000 m² dedicated to footwear production.

In addition to the 51% growth in the footwear division, the Company also advanced in the direct sales channel. E-commerce net revenue jumped from R\$ 6.6 million in 1Q21 to R\$ 22.8 million, an increase of more than 245%. In 2021, the company opened an 11,500 m² Distribution Center in Extrema (MG). Before, e-commerce operation was outsourced and the change allowed Vulcabras to have complete control of the logistics operation – which reduced the average delivery time from 5 to 2.4 days.

Another highlight in 1Q22 was sales to the foreign market, mainly to Argentina, which grew 110% - from R\$ 31.4 million to R\$ 66.0 million representing 13.8% of the quarter's revenue -, while sales of sports apparel and accessories grew 144% – which made the apparel division go from 6.4% to 10.2% in the representation of the company's revenue, when comparing 1Q21 to 1Q22.

The composition of the Company's brands, whether in the footwear or apparel division, offers solutions for all consumer profiles, which gives the Company the flexibility to seek the best results, regardless of the economic scenario. Moreover, the differential of being a vertical organization and having an “in-house” industry, through an agile and flexible business model, confers adaptability and agility in responding to market changes.

Vulcabras' brand portfolio allows it to deliver a great solution for the consumer, whether in a positive or adverse scenario. And even facing production challenges due to the Omicron variant, the right decisions made in recent years have allowed us to grow sustainably and build solid foundations to continue growing.

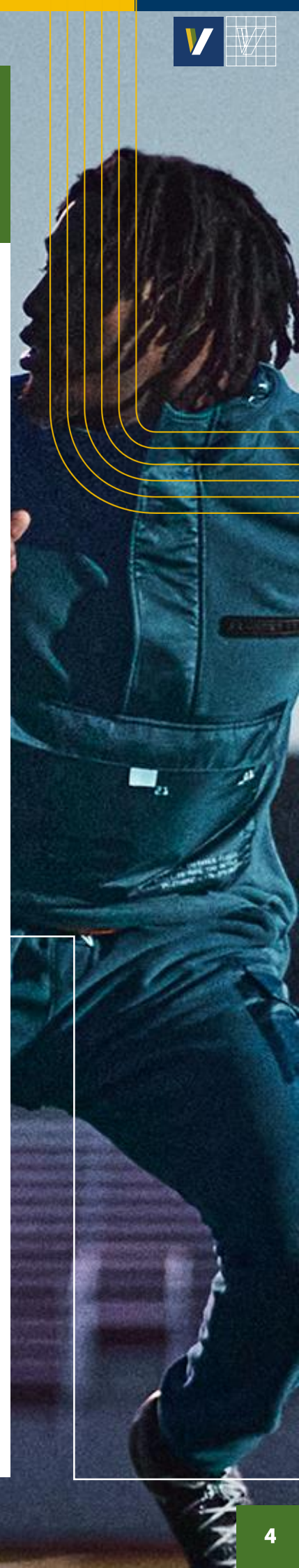


Maintaining the upward trend of the last seven quarters, Vulcabras' 1Q22 results set a new record.



CONSOLIDATED PERFORMANCE

R\$ Million	1Q22	1Q21	VAR. 1Q22 vs 1Q21
Volume (million pairs and pieces)	6.4	5.1	26.5%
Gross Operating Revenue	549.4	371.6	47.8%
Net Revenue	477.7	311.9	53.2%
Domestic Market	411.7	280.5	46.8%
Foreign Market	66.0	31.4	110.2%
Gross profit	168.1	106.1	58.4%
Gross margin %	35.2%	34.0%	1.2 p.p.
Operation Expenses	105.7	82.7	27.8%
EBITDA	83.6	37.3	124.1%
EBITDA Margin	17.5%	12.0%	5.5 p.p.
EBITDA - recurring	83.6	37.3	124.1%
EBITDA Margin Adjusted	17.5%	12.0%	5.5 p.p.
Net Income	54.0	14.6	269.9%
Net Income - adjusted	54.0	14.6	269.9%



GROSS VOLUME

In 1Q22 gross volume billed totaled 6.4 million pairs/pieces, an increase of 26.5% compared to the 5.1 million pairs/pieces in 1Q21.

The Sports footwear and apparel categories continued to show excellent performance in 1Q22 and presented robust growth compared to the same period of the previous year. When comparing the periods, the highlights were the following;

(i) In Athletic Footwear there was growth of 25.7% with the three brands presenting increases. The highlights were the expressive growth of the Mizuno and Under Armour brands, which continue at an accelerated pace of expansion.

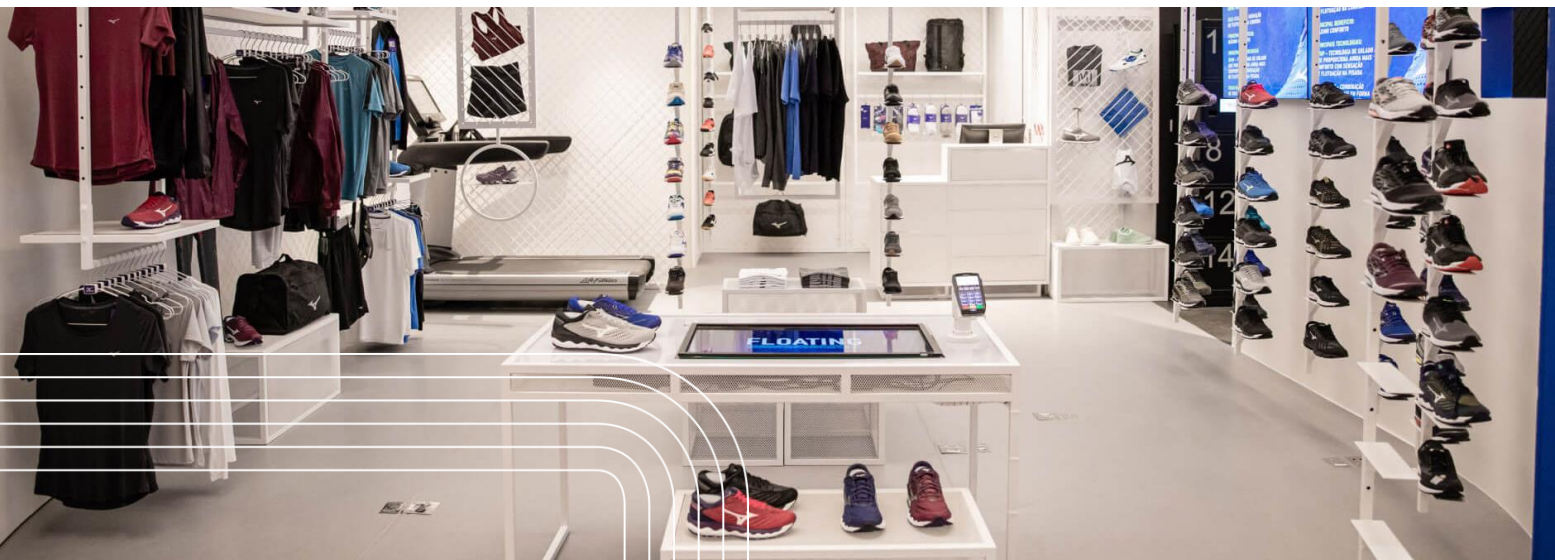
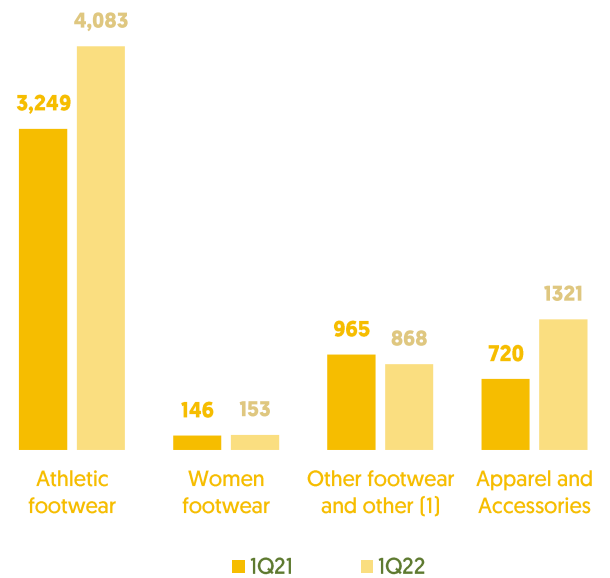
(ii) Increase in Women's Footwear of 4.8% although the sale of these footwear has been discontinued in the domestic market. The volume sold refers to the products sold by the subsidiary in Peru, which continues to sell these footwear, being supplied through the current licensee of the Azaleia brand;

(iii) Reduction of 10.1% in Other Footwear and Other, mainly due to the reduction in the sale of professional boots due to the reduced demand for this type of item at the beginning of the year;

(iv) 83.5% increase in Apparel and Accessories, due to the strong expansion observed in the three brands, with special emphasis on the segment of accessories, chiefly due to the resumption of face-to-face classes.

GROSS VOLUME OF PAIRS AND PIECES/THOUSAND - 1Q22 VS 1Q21

Pairs and pieces (thousand)	1Q22	Share %	1Q21	Share %	Var. % 1Q22/1Q21
Athletic footwear	4,083	63.6%	3,249	64.0%	25.7%
Women footwear	153	2.4%	146	2.8%	4.8%
Other footwear and other ⁽¹⁾	868	13.4%	965	19.0%	-10.1%
Apparel and Accessories	1,321	20.6%	720	14.2%	83.5%
Total	6,425	100.0%	5,080	100.0%	26.5%



NET OPERATING REVENUE: CATEGORY

In 1Q22, net revenue was R\$ 477.7 million, an increase of 53.2% over the R\$ 311.9 million in 1Q21.

In the 1st quarter of 2022, the Company maintained the strong pace of growth observed in previous quarters. All brands continued to be highly demanded, despite the slower pace of retail consumption. The order backlog for the period was quickly built up since the presentation of the new product collections intended for sale in the 1st half of the year, which took place at the end of October 2021.

Athletic Footwear revenue increased by 51.1% in 1Q22 over the same period in 2021. The increase in revenue in 1Q22 compared to 1Q21 is due to the robust growth in all brands, especially the Mizuno sneakers, which were present this year since the beginning of the quarter with the sale of the 1st collection fully developed by the Company.

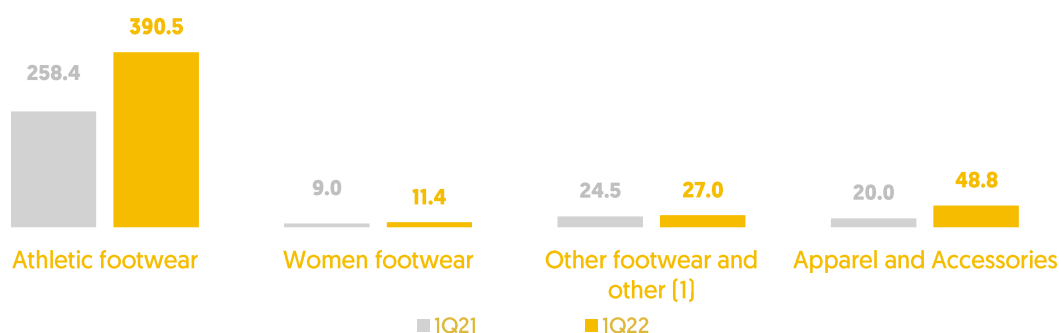
The Women Footwear category increased by 26.7% compared to the same period in 2021. The increase in revenue in this category is due to the increase in sales in the subsidiary in Peru, which continues to sell such footwear, being supplied through the current licensee of the Azaleia brand;

The Apparel and Accessories category increased by 144.0% over 1Q21. All brands showed significant growth in this quarter. The apparel and accessories category represents an important avenue of growth and has been receiving investments in the expansion of commercial structures and development to support this potential growth.

The Other Footwear and Other category increased by 10.2% over 1Q21. The revenue growth in this category is due to the positive performance of the Olympikus and Under Armour slippers, although they were overshadowed by the retraction in professional boots sales.

NET REVENUE BY CATEGORY – 1Q22 VS 1Q21

R\$ Million	1Q22	Share %	1Q21	Share %	Var. % 1Q22/1Q21
Athletic footwear	390.5	81.7%	258.4	82.8%	51.1%
Women footwear	11.4	2.4%	9.0	2.9%	26.7%
Other footwear and other ⁽¹⁾	27.0	5.7%	24.5	7.9%	10.2%
Apparel and Accessories	48.8	10.2%	20.0	6.4%	144.0%
Total Net Revenue	477.7	100.0%	311.9	100.0%	53.2%



¹ Slippers, boots and shoe components.

NET OPERATING REVENUE: MARKETS

Net revenue in 1Q22 in the domestic market totaled R\$ 411.7 million, an increase of 46.8% compared to 1Q21, when it was R\$ 280.5 million. In the foreign market, net revenue in 1Q22 totaled R\$ 66.0 million, an increase of 110.2% compared to the R\$ 31.4 million in 1Q21.

In the domestic market, when compared to 1Q21, the increase is chiefly due to the increase in the categories of Athletic footwear, apparel and accessories and that were negatively impacted by the reduction in the other footwear and other category.

Direct sales to the foreign market presented significant growth when compared to 1Q21. The Olympikus footwear and slippers categories were responsible for the robust sales growth compared to 1Q21 revenue.

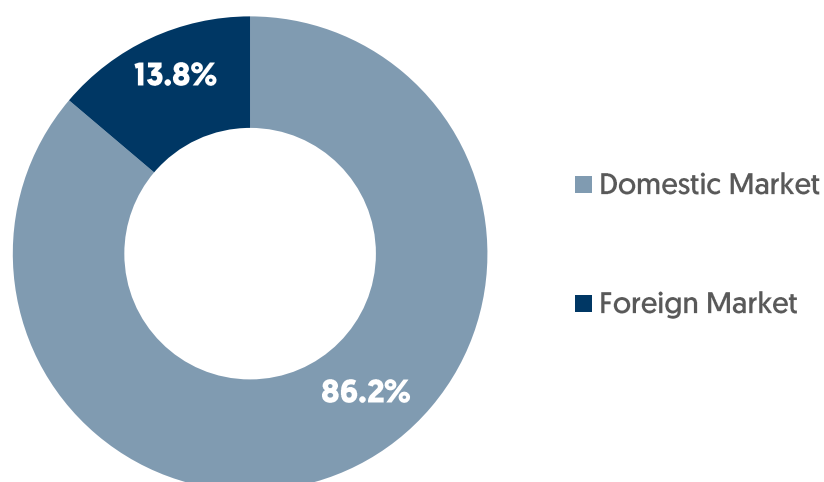
In the sales of the Peru branch, revenue growth was observed in relation to the same period of the previous year. It should be noted that sales in 1Q21 were strongly impacted by the restrictive measures to combat Covid19, in 1Q22 there were no interruptions and retail operations flowed normally in that Country.

“It was the best first quarter in the Company's history.”

NET REVENUE BY MARKET – 1Q22 VS 1Q21

R\$ Million	1Q22	Share %	1Q21	Share %	Var. % 1Q22/1Q21
Domestic Market	411.7	86.2%	280.5	89.9%	46.8%
Foreign Market	66.0	13.8%	31.4	10.1%	110.2%
Total Net Revenue	477.7	100.0%	311.9	100.0%	53.2%

MARKET SHARE – 1Q22





E-commerce

In 1Q22, e-commerce with the Company's brands continued the growth trend and grew by 245.5% 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 Olympikus and Under Armour brands and the increase in revenue with the Mizuno brand.

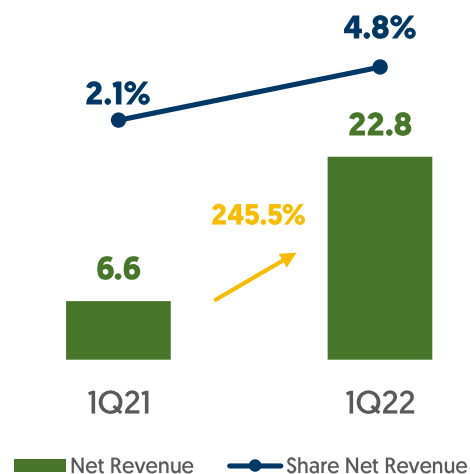
Online sales of the Mizuno brand became part of the company's portfolio as of March 2021. The constant growth in this channel corroborates the assertiveness of the investments made in the implementation of the new exclusive distribution center to support the operations of this channel in order to support its growth.

As a share of revenue, e-commerce represented 4.8% in 1Q22, up 2.7 pp. compared to 2.1% in 1Q21.

E-commerce net revenue jumped from R\$ 6.6 million in 1Q21 to R\$ 22.8 million, an increase of more than 245%.

NET REVENUE AND NOR PARTICIPATION

R\$ Million	1Q22	1Q21	Share % 1Q22/1Q21
Total Net Revenue	22.8	6.6	245.5%
NOR Share %	4.8%	2.1%	2.7 p.p



COST OF GOODS SOLD (COGS)

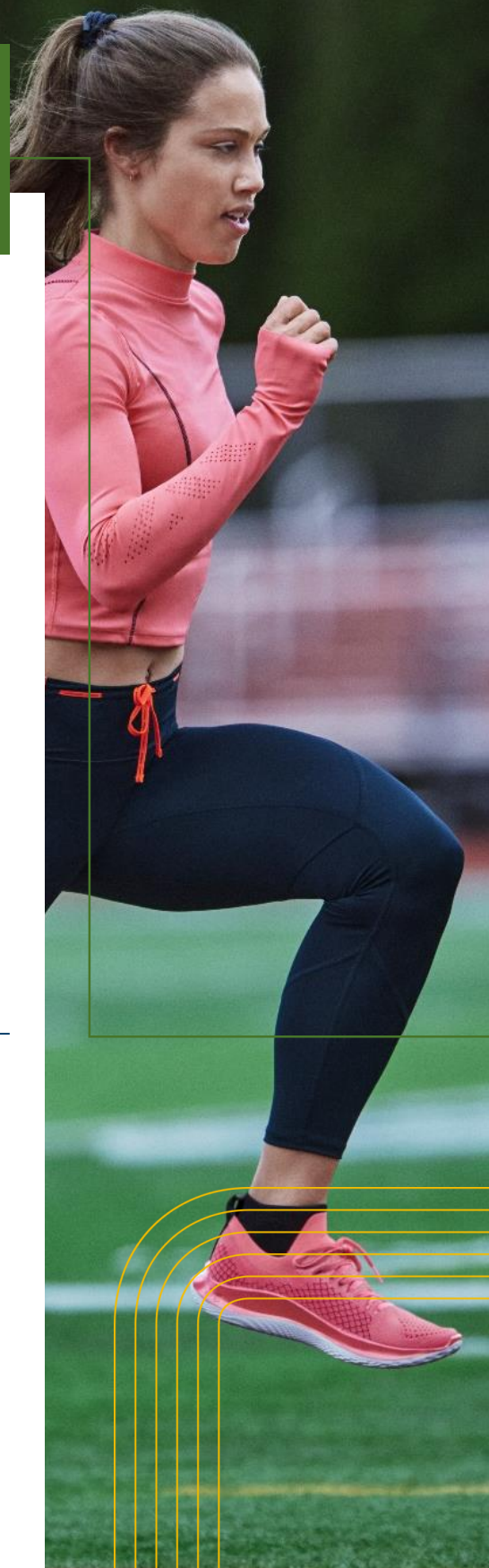
In 1Q22, as a percentage of net sales revenue, cost of goods sold represented 64.8%, compared to 66.0% in the same period in 2021.

During the first quarter of 2022, the Company's factories operated at full occupancy. This quarter saw the start of production of the 1st Mizuno footwear collection, fully developed by the Company and broadly adapted to its production processes.

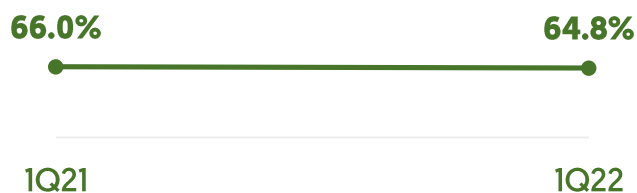
The predictability of production plans due to the robust order backlog helped to maintain production efficiency at planned levels despite the high absenteeism rates in January and February due to the arrival of the Omicron variant in Brazil.

Continuing pressure on costs due to the impact of higher prices for some raw materials was still observed in the 1st quarter of 2022. The increase in international logistics costs also affected the costs of imported items for resale, affecting mainly the clothing and accessories category.

This quarter there was the inauguration of a new industrial pavilion in the Ceará complex, with more than 7 thousand m² of built area and fully air-conditioned, which will house the expansion of the factory park of rectilinear machines intended for the production of uppers using the "knit" technology.



COST OF GOODS SOLD (% COGS/NOR)





GROSS PROFIT

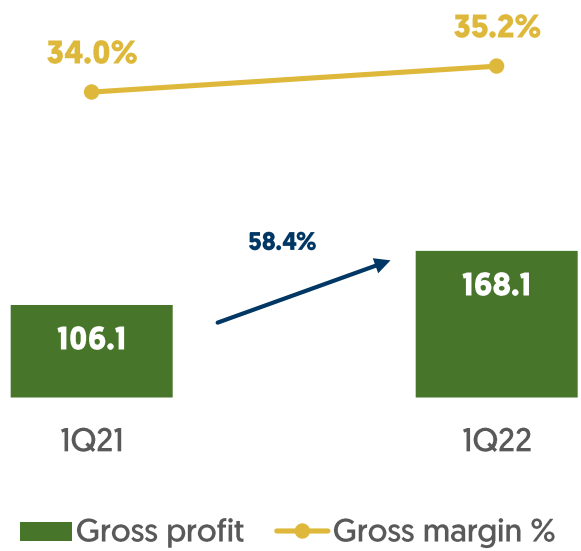
Gross profit in 1Q22 was R\$ 168.1 million, an increase of 58.4% compared to the R\$ 106.1 million in 1Q21. Gross margin was 35.2% in 1Q22, 1.2 p.p. above the 34.0% in 1Q21.

The positive impact on costs due to the large volume produced and sold in 1Q22 led to an improvement in the gross margin, despite the negative impact in costs due to the increase in the absenteeism rates and also the price of some raw materials and products for resale.

The 1.2 p.p. growth in gross margin measured in 1Q22 compared to the same gross margin obtained in 1Q21, despite the difficulties imposed by the challenging scenario of this 1st quarter of the year, demonstrates the consistency and robustness of the Company's business model.

The composition of the Company's brands, offers solutions for all consumer profiles.

GROSS PROFIT AND GROSS MARGIN



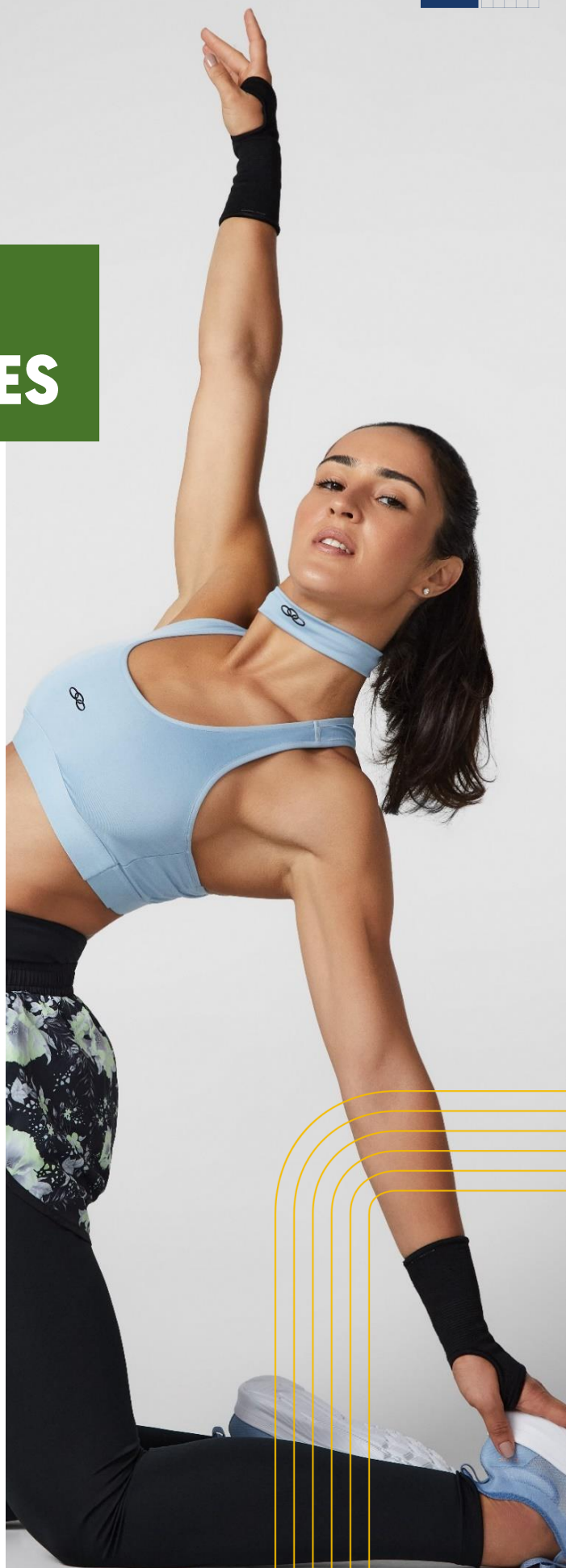
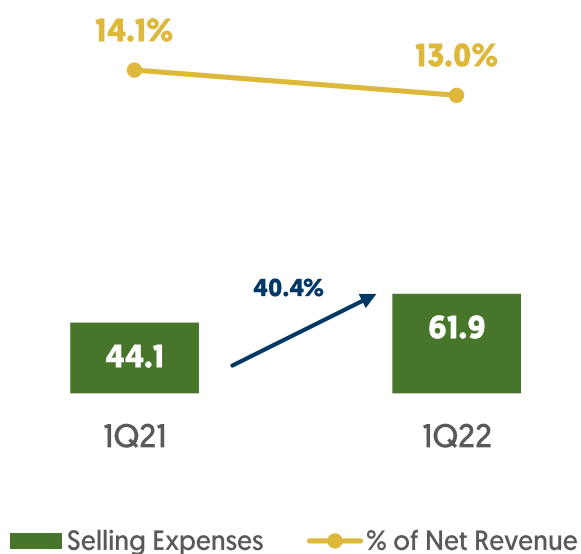
SELLING AND ADVERTISING EXPENSES

Selling and advertising expenses in 1Q22 totaled R\$ 79.1 million, an increase of 41.8% compared to 1Q21.

Selling expenses (excluding advertising expenses) increased by 40.4% in 1Q22, compared to selling expenses in 1Q21. R\$ 61.9 million were recorded in 1Q22, against R\$ 44.1 million in 1Q21. As a share of revenue, selling expenses (excluding advertising expenses) accounted for 13.0% in 1Q22, compared to 14.1% in 1Q21, a decrease of 1.1 p.p. compared to the previous year.

The behavior of variable expenses remained within the normal range, presenting nominal growth due to the expansion of revenue, the only exception being the royalties item, which presented relative growth due to the increase in the share of licensed brands in total revenue. In fixed selling expenses, despite the nominal increase, there was a reduction in the relative share due to the capture of synergies with the growth of all brands.

SELLING EXPENSES (excluding advertising expenses)

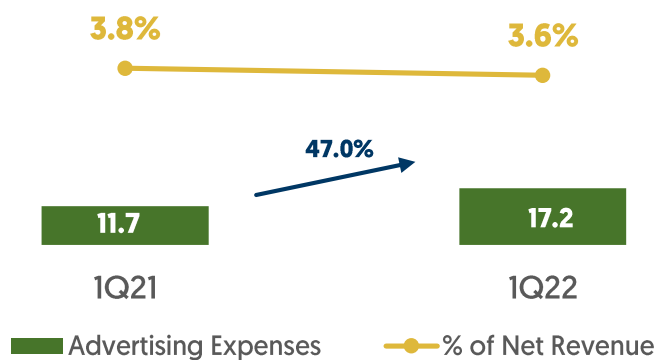




In 1Q22, advertising and marketing expenses totaled R\$ 17.2 million, an increase of 47.0% over the R\$ 11.7 million in 1Q21.

The share of advertising and marketing expenses over net revenue represented 3.6% in 1Q22, compared to 3.8% in 1Q21. In 1Q22, the company continued to intensify field actions that focused on reinforcing point-of-sale materials for better product exposure and also promoting events such as the official launch of Olympikus Corre Grafeno, which had 100 guests, including customers, press and influencers, to test the Corre Grafeno running on an airport runway, at Campo de Marte, in São Paulo (SP).

ADVERTISING AND MARKETING EXPENSES

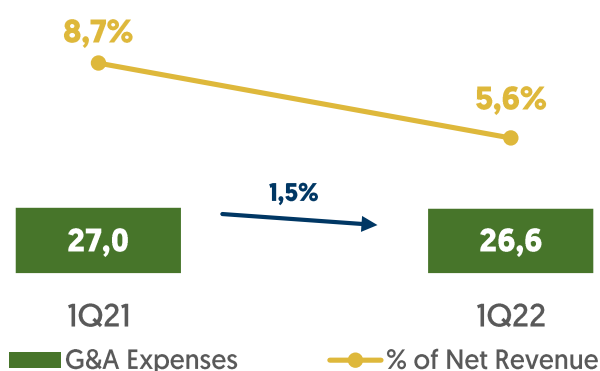


GENERAL AND ADMINISTRATIVE EXPENSES

Administrative expenses totaled R\$ 26.6 million in 1Q22, a decrease of 1.5% compared to 1Q21. As a percentage of net revenue, there was a reduction of 3.1 pp, from 8.7% in 1Q21 to 5.6% in 1Q22.

In the quarter, the balance of administrative expenses was observed. Personnel and third-party services expenses decreased, which were partially offset by the increase in IT/telecommunications expenses.

GENERAL AND ADMINISTRATIVE EXPENSES



OTHER NET OPERATING INCOME (EXPENSES)

In 1Q22, Other Net Operating Income (Expenses) resulted in an income of R\$ 2.0 million, compared to an expense of R\$ 1.0 million in 1Q21.

OTHER NET OPERATING INCOME (EXPENSES)

R\$ Million	1Q22	1Q21	Var. % 1Q22/1Q21
Other Net Operating Income (Expenses)	2.0	-1.0	-300.0%

NET FINANCIAL INCOME (EXPENSES)

In 1Q22, the Company reported a net financial expense of R\$ 9.7 million, compared to the same period in 2021, when the net financial expense amounted to R\$ 5.7 million. Comparing 1Q22 versus 1Q21, the main variations were observed in the increase in interest paid, due to the increase in interest rates over the last few months, and in the foreign exchange loss due to the appreciation of the Real during this quarter.

NET FINANCIAL INCOME (EXPENSES)

R\$ Million	1Q22	1Q21	Var. % 1Q22/1Q21
Capital structure	-10.4	-6.7	55.2%
Operating	-2.1	-1.7	23.5%
Exchange differences	-8.8	-5.6	57.1%
Financial Costs	-21.3	-14.0	52.1%
Capital structure	4.0	1.2	233.3%
Operating	3.2	2.1	52.4%
Exchange differences	4.4	5.0	-12.0%
Financial Income	11.6	8.3	39.8%
Net Financial Income	-9.7	-5.7	70.2%

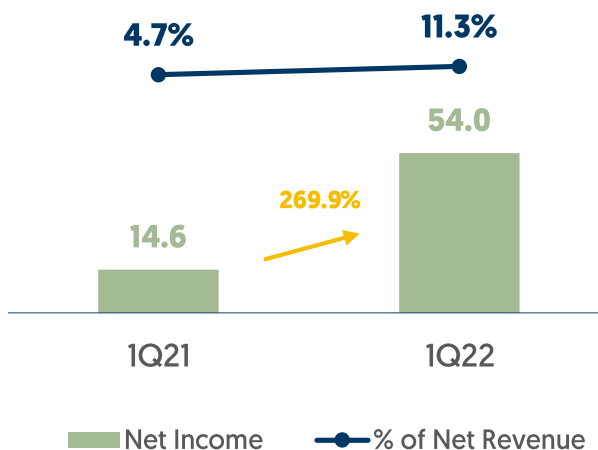
NET INCOME



Net income in 1Q22 was R\$ 54.0 million, an increase of 269.9% over the income of R\$ 14.6 million in 1Q21. The net margin reached 11.3% in 1Q22, a 6.6 pp. growth compared to 4.7% in 1Q21.

The improvement in the net margin is mainly due to the gain in gross profit due to the better operating performance and also to the greater dilution of fixed operating expenses due to the significant growth in revenues, which were partially offset by the increase in financial expenses.

NET INCOME AND NET MARGIN

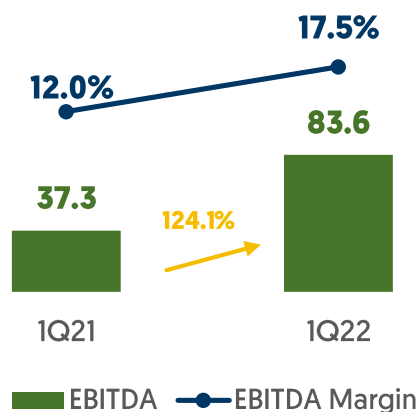


EBITDA

In 1Q22, EBITDA was R\$ 83.6 million, an increase of 124.1% against the R\$ 37.3 million obtained in 1Q21. EBITDA margin increased by 5.5 pp., reaching 17.5% in 1Q22 against 12.0% in 1Q21.

The robust increase in sales, combined with the improvement in operating margins and the strict control over fixed expenses, resulted in a significant increase in Ebitda.

EBITDA 1Q2 vs. 1Q21



ROIC (RETURN ON INVESTED CAPITAL)

Annualized return on invested capital – ROIC¹– reached 21.7% in 1Q22 - LTM (last twelve months ended 03/31/2022), an increase of 0.3 pp. over the 21.4% obtained at 12/31/2021.

ROIC	2019	2020	2021	1Q22
Net Income for the period (LTM)	143.1	31.6	313.8	353.2
(+) Net Financial Income (LTM)	(5.1)	0.1	(12.5)	(8.5)
NOPAT	138.0	31.7	301.3	344.7
Invested Capital				
Loans and Financing	43.1	311.6	361.3	358.7
(-) Cash and cash equivalents	(62.2)	(158.6)	(114.6)	(210.6)
(-) Financial Investments	(2.8)	(90.5)	(10.3)	(10.5)
(+) Related Parties	16.9	17.6	18.0	18.1
(+) Equity	1,087.4	1,125.4	1,356.6	1,405.6
Invested Capital	1,082.4	1,205.5	1,611.0	1,561.3
Average invested capital for the period⁽¹⁾	1,014.5	1,144.0	1,408.2	1,586.1
Annualized ROIC⁽²⁾	13.6%	2.8%	21.4%	21.7%

Annualized adjusted return on invested capital (Adjusted ROIC³) was 25.8% in 1Q22 - LTM (last twelve months ended 03/31/2022), a decrease of 0.2 pp compared to 26.0% at 12/31/2021.

ADJUSTED ROIC	2019	2020	2021	1Q22
Net Income for the period (LTM)	143.1	31.6	313.8	353.2
(+) Net Financial Income (LTM)	(5.1)	0.1	(12.5)	(8.5)
(-) Equity Results (LTM)	(0.3)	2.0	(3.1)	(4.2)
NOPAT (Adjusted)	137.7	33.7	298.2	340.5
Invested Capital				
Loans and Financing	43.1	311.6	361.3	358.7
(-) Cash and cash equivalents	(62.2)	(158.6)	(114.6)	(210.6)
(-) Financial Investments	(2.8)	(90.5)	(10.3)	(10.5)
(+) Related Parties	16.9	17.6	18.0	18.1
(-) Goodwill on acquisition	(198.2)	(198.2)	(198.2)	(198.2)
(-) Investment in subsidiary	(62.0)	(60.0)	(69.4)	(70.0)
(+) Equity	1,087.4	1,125.4	1,356.6	1,405.6
Total Adjusted Invested Capital	822.2	947.3	1,343.4	1,293.1
Average adjusted invested capital for the period⁽¹⁾	754.3	884.8	1,145.4	1,318.3
Adjusted Annualized ROIC³	18.2%	3.8%	26.0%	25.8%

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. 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.



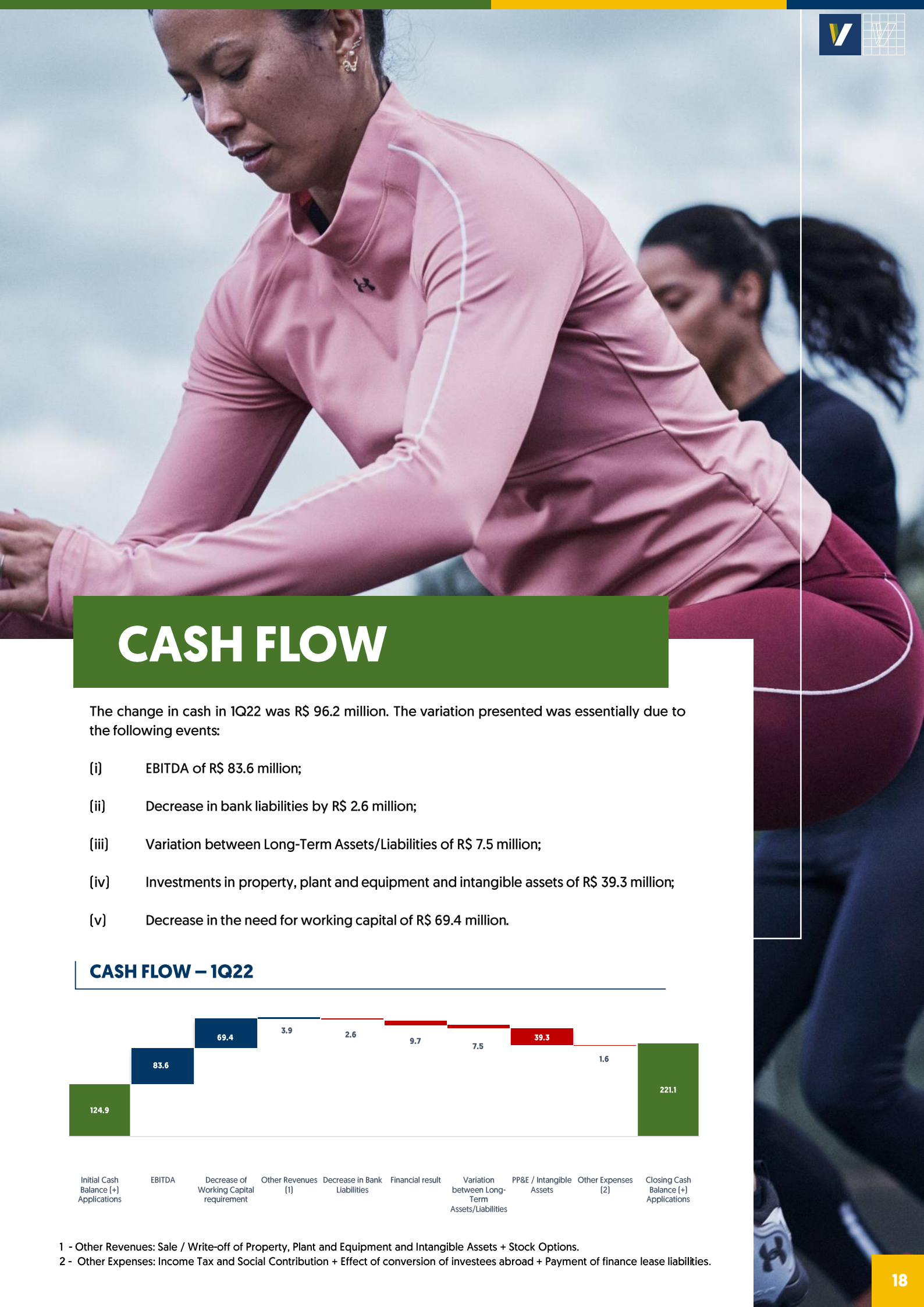


CAPEX (CAPITAL EXPENDITURES)

In 1Q22, R\$ 40.6 million were invested in property, plant and equipment and intangible assets. R\$ 39.8 million were invested in property, plant and equipment, a reduction of 15.3% compared to 1Q21. The investment in intangible assets in 1Q22 was R\$ 0.8 million. The investments made in this quarter are mainly due to the physical expansion of the industrial park in Ceará, with the construction of a new pavilion with more than 7 thousand m² to accommodate the increase in the park of rectilinear looms for the production of Knit uppers.

ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

R\$ Million	1Q22	1Q21	Var. % 1Q22/1Q21
Molds	7.0	13.0	-46.2%
Machinery and equipment	14.7	24.8	-40.7%
Industrial facilities	1.7	3.1	-45.2%
Others	16.4	6.1	168.9%
Property, plant and equipment	39.8	47.0	-15.3%
Software	0.8	1.2	-33.3%
Assignment of right	0.0	0.0	0.0%
Others	0.0	0.0	0.0%
Intangible assets	0.8	1.2	-33.3%
Total	40.6	48.2	-15.8%

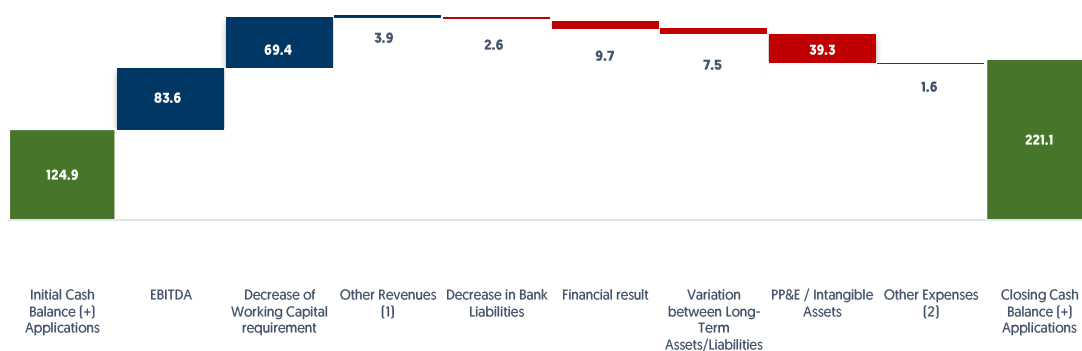


CASH FLOW

The change in cash in 1Q22 was R\$ 96.2 million. The variation presented was essentially due to the following events:

- (i) EBITDA of R\$ 83.6 million;
- (ii) Decrease in bank liabilities by R\$ 2.6 million;
- (iii) Variation between Long-Term Assets/Liabilities of R\$ 7.5 million;
- (iv) Investments in property, plant and equipment and intangible assets of R\$ 39.3 million;
- (v) Decrease in the need for working capital of R\$ 69.4 million.

CASH FLOW – 1Q22



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

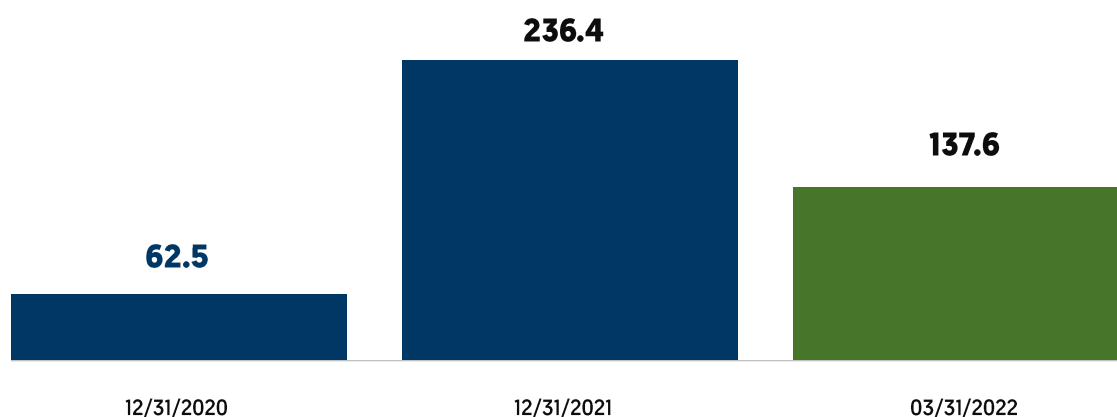
At 03/31/2022, the Company had a net debt of R\$ 137.6 million, 41.8% lower than at 12/31/2021.

The decrease in debt was due to cash generation due to the reduction in working capital provided by the reduction in trade receivables and the increase in trade payables, which had as a counterpoint the increase in inventories due mainly to the accounting recognition of goods that had already been billed and shipped at the end of the quarter, but had not yet been delivered to the respective customers.

NET DEBT

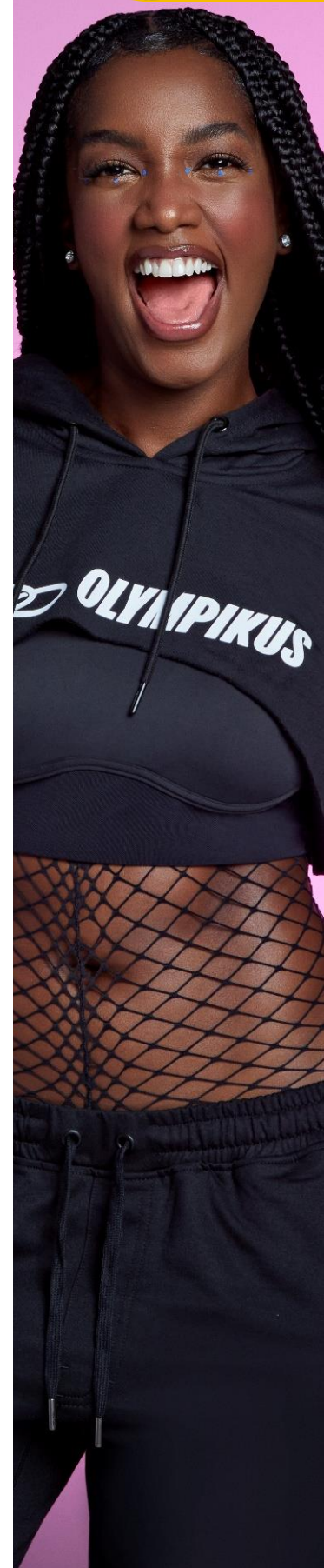
R\$ Million	12/31/2020	12/31/2021	03/31/2022	Var. % 03/31/2022 / 12/31/2021
Loans and Financing	311.6	361.3	358.7	-0.7%
Cash and cash equivalents	158.6	114.6	210.6	83.8%
Financial investments	90.5	10.3	10.5	1.9%
Net Debt	62.5	236.4	137.6	-41.8%

NET DEBT EVOLUTION



GROSS DEBT PER CURRENCY

R\$ Million	12/31/2021	03/31/2022	Var. % 03/31/2022 / 12/31/2021
Local currency	353.2	348.9	-1.2%
Foreign currency	8.1	9.8	21.0%
Total Loans and Financing	361.3	358.7	-0.7%



BRAND MANAGEMENT

In 2021, Vulcabras started to focus on the sporting goods market, and with the inclusion of Mizuno in the company's brand portfolio, which already had Olympikus and Under Armour, it became the largest sports brands manager in Brazil.

As a result, the company has been presenting historical results in recent quarters with growth of all its brands in all channels, with each brand following its positioning strategy in the national market, focusing on complementary consumers offering an assortment mix that meets all athlete profiles.

In this first quarter, Mizuno brought to the national market the first collection of products created and developed by Vulcabras, with emphasis on the Mizuno Wave Mirai 4 and the Mizuno Cool Ride. Moreover, it also launched two models of the 11th edition of the Mizuno Wave Prophecy, the brand's most iconic sneaker.

Olympikus has definitively established its consolidation and authority in the running market in the country by launching the first running shoe in the world with a graphene plate, the Olympikus Corre Grafeno. With an unprecedented feat in the market, the sneaker board is made based on the mineral graphene, used in several industries and considered the raw material of the future. The launch of Corre Grafeno reinforced Olympikus' positioning as a Brazilian brand that produces, launches and democratizes access to sports and technology made in Brazil.

Under Armour was present in several sports. The basketball community was able to access yet another new color of the exclusive collaboration with player Stephen Curry, while training and running also had great novelties - UA HOVR Apex 3 and UA Flow Velociti SE, respectively.



1 year of home

In February 2022 Mizuno completed 1 year of Vulcabras. Having all Vulcabras' know-how at its disposal, the brand carried out some strategic actions in the period, such as bringing two versions of Mizuno's iconic model to the Brazilian market, the Mizuno Wave Prophecy 11 and Mizuno Wave Prophecy 11, in addition to working more actively on the brand's social networks. The collection of national products developed and produced by Vulcabras, featured the Mizuno Wave Mirai 4 and Mizuno Cool Ride.

MIZUNO

National production

The **Mizuno Wave Mirai 4** is a running shoe that provides a great balance between cushioning and stability due to the Mizuno Wave technology located on the back of the midsole that absorbs and disperses the shock of each step. In this new version, the upper is made in Knit, which improves the feeling of comfort during your light run, walk or at the gym. Mizuno Wave: WAVE plate in TPU that provides greater stability and impact absorption. Sales price: R\$ 399.99



The **Mizuno Cool Ride**, also aimed at running, has an upper fabric made of KNIT, in a SockFit format for greater comfort and fit when wearing it. Rubberized logo with matte metallic finish. Rear pull strap for easy fit. Soft, padded inner lining. Eva midsole, with painting in the upper region providing more comfort. Rubber sole applied to the toe and heel regions, ensuring grip and durability when entering and exiting the footstep. Sales price: R\$ 329.99.



Well-established design

It was also in the first half of 2022 that Mizuno brought to the Brazilian market one of the most beloved models by the brand's admirers, the **Mizuno Wave Prophecy**, which reaches its 11th edition maintaining its exclusive design and which has conquered thousands of fans. The sneakers rely on the brand's unique technologies and seek to get even closer to the demanding public that seeks, in addition to comfort, a product that delivers high quality and resistance for various occasions. The main novelty is the lighter and softer upper, making the legacy of the **Mizuno Wave Prophecy 11** more enduring. The **INFINITY WAVE** plate along the entire length of the sole is another differential that offers both stability and long durability.

The **Mizuno Wave Prophecy** arrived in Brazil with several color options designed exclusively for the Brazilian public and in two versions: **Wave Prophecy 11** (sales price: R\$ 1,599.99) and **Wave Prophecy 11S** (sales price: R\$ 1,599.99). The main difference between the models is in the upper. While the 11 has its monofilament Mesh construction, which provides a modern look and greater comfort, the 11S has an Air Mesh upper, with a look inspired by the first editions of the model, thus ensuring more breathability and durability.



OLYMPIKUS



The first quarter of 2022 was historic for Olympikus as it consolidated its relevance in the running category by launching the **Olympikus Corre Grafeno**, the world's first running shoe with graphene plate. In addition to the Corre Grafeno that impressed the running community, the brand launched the Olympikus Corre Vento, the brand's lightest running shoe, and the Olympikus Corre 2.

As for the day-to-day running, Olympikus also made history. With the singer Iza as the faithful protagonist, the brand launched the **Olympikus Ultraleve** that guarantees lightness for all times.

World's first graphene plate sneaker

With the objective of democratizing access to high-tech products, Vulcabras brought to the market the **Corre Grafeno, by Olympikus – the first Brazilian footwear for high-performance runners developed with graphene**, a material that has been revolutionizing technology. An unprecedented model in the world with a graphene-based propulsion plate, the launch proves Vulcabras' innovation DNA and was developed at the company's Sports Footwear Research and Development Center, the largest in Latin America, in Parobé (RS).

Corre Grafeno has arrived to revolutionize the footwear market. It took **18 months** of research to provide Brazilians with high-performance sports footwear with a propulsion plate at a democratic price. Throughout the process, several materials were tested, but it was the use of graphene that brought the desired differential. The addition of graphene makes the footwear lighter, requiring less effort from the athlete. It also improves propulsion, because when it receives the impact of the stride, it transforms this energy into impulse, reducing the time of the run.



in more than **1,000 kilometers** of running in different terrains and weather conditions, at R\$ 699 – unlike international brands, which offer products with a carbon propulsion plate for prices that reach R\$ 2,199.99

In addition to the application on the propulsion plate, graphene is also applied on the internal EVA, bringing greater cushioning and return to each step; and in the rubber of the sole, reducing abrasion and increasing the durability of the footwear.

With the largest Research and Development Center for sports footwear in Latin America, Vulcabras has the dynamism and technology to create innovative solutions. Pedro Bartelle, CEO of Vulcabras, highlights that the company is bringing to the national market a high-tech, value-added, yet democratic product, tested by the brand's runners



“The knowledge of the Research and Development team was fundamental to bring innovation to the process and high technology at a more affordable cost. We were looking for a solution that would make our product with a plate viable and, after contacting the University of Caxias do Sul, one of our research partners, we arrived at the possibility of using graphene in the plate’s composition. Between the initial contact and the first sample of the footwear in our laboratories, it took only 40 days, showing all the agility and competence of our team, says **Pedro Bartelle.**”

Launch events

As it is the first running shoe in the world with a graphene plate, Olympikus prepared a plan prior to the launch of Corre Grafeno, which included the running community. Thus, in February (one month before the official launch of the product) the ten main running channels in Brazil on YouTube visited the Vulcabras Research and Development Center, in Parobé (RS), also called Oly Lab, to meet all Corre Grafeno development processes.

Influencers were able to experience the entire process of creating a footwear and ended the day with first-hand knowledge of Olympikus' great launches for the running category. The idea was, from that visit, to make such influencers genuine amplifiers of the brand.

And to officially launch the Olympikus Corre Grafeno, the brand held an event worthy of the footwear's importance: it took **100 guests**, including customers, the press and influencers, to test the Corre Grafeno running on an airport runway, at Campo de Marte, in Sao Paulo-SP).



Lightness for the run

At the end of the first quarter, Olympikus brought yet another great launch to the running category, the **Olympikus Corre Vento**. With only **173g** (for size 40), this is the lightest sneaker in the category, with an anatomical and minimalist shape. The combinations of new technologies resulted in an extremely light product, with a balance between responsiveness and comfort, being ideal for those looking for high performance in daily runs, long training sessions or marathons.

The sole was designed with inspiration in lines that refer to lightness and speed. The midsole was developed with the new **Eleva** technology, which exploits the expansion limit of EVA to achieve maximum response while maintaining comfort and durability. This EVA is light and low density, ensuring less deformation. It also provides greater resilience and more boost. It has front and rear rubber with **Gripper** technology, non-slip, high abrasion resistance and with a translucent look, which make up the soft and minimalist aesthetic of the set. Its biggest benefit is the grip to the ground, giving more security to the strides. The upper is developed in a straight vamp with the new **Oxitec** technology, which has a monofilament structure with elastane. This combination provides lightness, breathability and greater thermal comfort for running. In addition, it does not absorb water, reducing the weight gain of shoes on rainy days and in contact with sweat.



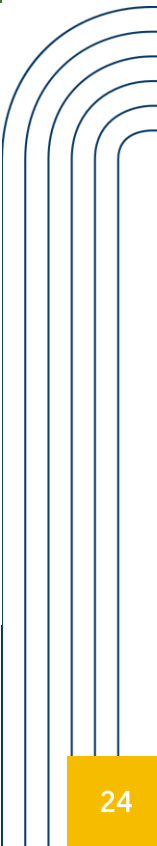
Internally, it has a structure that helps in stability and that becomes visible through the transparency of the upper **Oxitec** fabric. It has application of laminated translucent TPU fused in the arch area and toe cap for support and structuring. The application of the evident lateral logo intensifies the collective identity of the Corre line. It also has a polyester fabric lining with foam, a lace (used to close and tighten the pieces of footwear, adjusting them to the user's foot) in textured polyester and a ribbon puller on the back to help with the fit. Sales price: R\$ 399.99.



Made of movement

In addition to all this important revolution in running, Olympikus launched the **“Feito de Movimento”** campaign, which starts a long-term construction of the category that most represents Olympikus, that of the daily run, and which will therefore have the full focus of the brand in the coming months. To mark this moment and with the singer **Iza** as the protagonist, Olympikus launched the **Olympikus Ultraleve**, weighing only **155g** (the weight varies according to the number).

It is the ideal footwear for those looking for lightness in daily activities. Its upper is inspired by the graphic patterns of bird feathers, has two-tone knit fabric with **Hypersox** technology, which provides better elasticity, breathability, comfort and lightness. The sole is inspired by light birds, with references in the fluid lines of the wings, the **Evasense** technology that provides greater lightness, softness and flexibility in the footsteps. Sales price: R\$ 229.99.





UNDER ARMOUR

In the first quarter of 2022, Under Armour – a global brand, a reference in innovation and creation of sports-oriented apparel, footwear and accessories – brought to the basketball community another new color of the exclusive collaboration with player Stephen Curry, while training and running also have big novelties - UA HOVR Apex 3 and UA Flow Velociti SE, respectively.

Basketball

In early January, Under Armour brought the second color of **Curry Flow 9** to the Brazilian market, a collaboration made between the **Curry Brand** - a line by basketball star **Stephen Curry** - and the classic show **Sesame Street**. Continuing with the strategy already adopted at launch, the brand used the **Drop Clock** as a great teaser, a timer that was available both digitally and physically inside partner stores with a countdown until the new color was revealed.

[Clique aqui e veja o video](#)

The second drop was launched exclusively on the brand's official website and on Sunikã, with positive Trade Marketing on site. The launch was also intensively worked on social media with sneakerhead influencer **Fellipe Escudero**, who went to the Sunikan store to follow the dropclock change (<https://www.instagram.com/p/CZXwyaluui/>), in addition to sending the product to strategic names for the brand. Sales price: R\$ 1,099.99



Training

Also in January, the brand launched the third version of the **UA HOVR Apex 3** on the market, a training footwear that provides stability and ideal energy return for impact training. It features the union of two great technologies: the UA TriBase, which maximizes ground contact, promotes natural movement and provides flexibility during lifts, and the UA HOVR, which provides 'zero gravity sensation' to maintain the return of energy that helps to eliminate the impact. Sales price: R\$ 899.99.



Running

In the running category, Under launched the **UA Flow Velociti SE** in the period, which has the differential of being even lighter since it discards the heaviest part of running shoes, the rubber. The footwear's upper is fully knitted for a breathable, compression-like fit that offers light directional strength, plus the midsole offers responsive, long-lasting cushioning. Sales price: R\$ 999.99.



Clothing collections

Also in the quarter, three capsule apparel collections were launched, reinforcing the positioning and superiority of Under Armour's product in the segment. They were: **Run Weird, Evolution Pack and Fashion Woven**.

The Run Wierd was made especially for those looking to bring style and performance to their run, thus, in addition to technological and resistant materials, an exclusive print. The Evolution Pack and Fashion Woven collections were developed for the training category, thus focusing on comfortable and resistant pieces.



ATTACHMENTS



BALANCE SHEET CONSOLIDATED

BALANCE SHEET (CONSOLIDATED)

In thousands of Reais

ASSETS	03/31/2022	12/31/2021	LIABILITIES	03/31/2022	12/31/2021
Cash and cash equivalents	210,598	114,635	Suppliers	95,844	78,006
Financial Investments	0	0	Loans and financing	296,410	291,497
Trade accounts receivable	507,272	616,275	Taxes payable	10,636	8,944
Inventories	551,845	493,497	Salaries and vacation payable	45,013	45,618
Recoverable taxes	42,684	46,852	Provisions	20,975	22,488
Income tax and social contribution	8,400	7,073	Lease liability	7,100	7,129
Amounts receivable for disposal of operation	2,990	3,850	Commissions payable	15,217	14,305
Other accounts receivable	21,108	17,115	Other accounts payable	26,431	24,337
			Dividends payable	4	4
			Deferred income tax and social contribution	2,576	2,576
CURRENT ASSETS	1,344,897	1,299,297	CURRENT LIABILITIES	520,206	494,904
Interest earning bank deposits	10,511	10,312	Loans and financing	62,260	69,753
Trade accounts receivable	7,047	3,631	Loans with related parties	18,141	18,041
Recoverable taxes	62,997	63,099	Provisions	38,019	37,390
Deferred income tax and social contribution	446	493	Deferred taxes on revaluation of PP&E	2,241	2,272
Judicial deposits	16,358	16,005	Lease liability	11,398	12,650
Amounts receivable for disposal of operation	1,720	1,720	Other accounts payable	3,488	3,665
Other accounts receivable	2,225	2,208			
Assets held for sale	194	194	NON-CURRENT LIABILITIES	135,547	143,771
LONG-TERM ASSETS	101,498	97,662			
Investments	70,014	69,408			
Investment property	4	5			
Right to use	16,770	17,442			
Property, plant and equipment (PP&E)	319,049	302,337			
Intangible assets	209,118	209,086			
	614,955	598,278			
NON-CURRENT ASSETS	716,453	695,940	LIABILITIES	655,753	638,675
			Capital	1,106,717	1,106,717
			Revaluation reserves	4,349	4,410
			Capital reserves	3,537	4,731
			Legal reserve	15,692	15,692
			Unrealized profit reserves	201,927	201,927
			Equity valuation adjustments	19,036	22,744
			Accumulated profits (losses)	54,040	0
			Shareholders' equity attributable to controllers	1,405,298	1,356,221
			Non-controlling interests	299	341
			SHAREHOLDERS' EQUITY	1,405,597	1,356,562
TOTAL ASSETS	2,061,350	1,995,237	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,061,350	1,995,237

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

INCOME STATEMENT CONSOLIDATED

INCOME STATEMENT CONSOLIDATED	1Q22	1Q21	VAR (%)
In thousands of Reais			
Net Revenue	477,750	311,886	53.2%
Cost of sales	-309,609	-205,754	50.5%
Gross Profit	168,141	106,132	58.4%
Gross Margin	35.2%	34.0%	1.2 p.p.
Sales expenses	-76,939	-54,275	41.8%
Expected losses for loan losses	-2,193	-1,479	48.3%
General and Administratives expenses	-26,610	-27,000	-1.4%
Other net operating income (expenses)	1,959	-1,023	-291.5%
Equity in net income of subsidiaries	0	-1,137	-100.0%
Net Income before net financial income and taxes	64,358	21,218	203.3%
Financial income	11,644	8,337	39.7%
Financial Expenses	-21,318	-14,040	51.8%
Net financial Income	-9,674	-5,703	69.6%
Net Income before taxes	54,684	15,515	252.5%
Deferred income tax and social contribution	-703	-913	-23.0%
Net Income	53,981	14,602	269.7%
Net Income Margin	11.3%	4.7%	6.6 p.p.
Income (loss) attributable to:			
Controlling shareholders	53,979	14,608	
Non-controlling shareholders	2	-6	
Net Income	53,981	14,602	
Earnings (loss) per share			
Earnings per common share - basic	0.2196	0.0594	
Earnings per common share - diluted	0.2174	0.0589	
Number of shares at end of the year			
Outstanding common shares	245,756,244	245,756,346	
Outstanding common shares with a dilution effect	248,321,244	248,016,346	

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



CASH FLOW STATEMENT

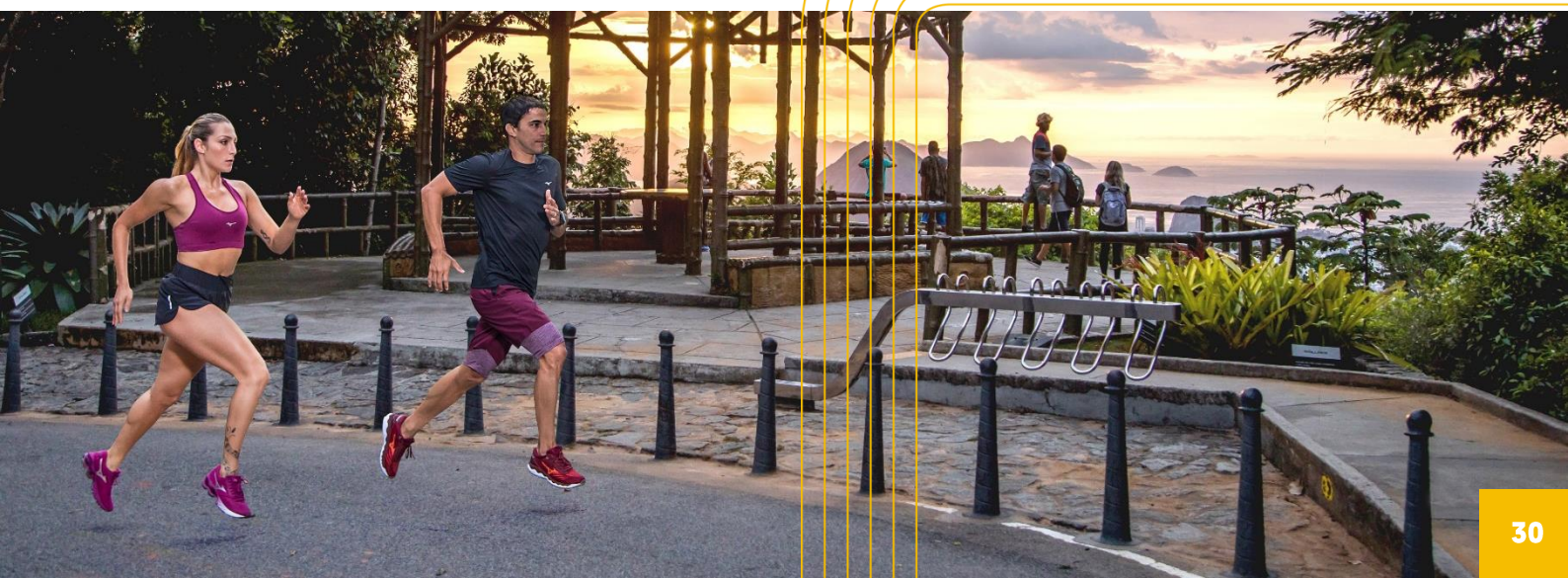
CASH FLOW STATEMENT (INDIRECT METHOD)	1Q22	1Q21
In thousands of Reais		
Cash flows from operating activities		
Net Income for the period	53,981	14,602
Adjustments for:		
Depreciation and amortization	19,223	16,081
Provision for impairment losses in inventory	-3,209	1,604
Interest on provisioned leases	1,243	464
Net value of written off tangible and intangible assets	4,708	3,000
Income from financial investments	-235	-33
Provision for contingency losses	254	2,478
Equity in net income of subsidiaries	0	1,137
Transaction with share-based payments	-1,194	405
Estimated loss from allowance for doubtful accounts	2,193	1,479
Financial charges and exchange-rate change recognized in income (loss)	3,906	10,660
Current Tax	703	913
Deferred taxes	0	-116
Minority Interest	-2	6
Recovery of PIS and COFINS without ICMS	-1,180	0
Gain on settlement of pre-existing relationship	0	-3
Ajusted Income for the period	80,391	52,677
Changes in assets and liabilities		
Account Receivable	102,077	94,976
Inventories	-55,139	-181,385
Recoverable taxes	4,123	-6,813
Other accounts receivable	-4,010	3,429
Judicial deposits	-596	1,636
Suppliers	18,158	23,291
Commissions payable	912	-1,930
Taxes and social contributions	4,137	-11,595
Salaries and vacations payable	-605	9,345
Other accounts payable	1,875	3,459
Provisions	-895	-2,377
Receivables for sale of operation	860	0
Deferred taxes	16	0
	70,913	-67,964
Interest paid	-4,240	-4,544
Payment of lease interest	-544	-327
Taxes paid on profit	-2,963	-83
	-7,747	-4,954



CASH FLOW STATEMENT

CASH FLOW STATEMENT (INDIRECT METHOD)		1Q22	1Q21
In thousands of Reals			
Net Cash Flow provided by (used in) operating activities		143,557	-20,241
Cash flow from investing activities			
Acquisitions of property, plant and equipment		-38,496	-45,939
Financial Investments		36	1,192
Funds from disposal of property, plant and equipment		429	848
Acquisitions of intangible assets		-769	-1,221
Net Cash Flow used in investing activities		-38,800	-45,120
Cash flow from financing activities			
Loans obtained - Principal		3,831	0
Payment of loans obtained - Principal		-10,875	-21,047
Loans with related parties		0	85
Payment of financial lease liabilities		-2,642	-2,231
Net Cash Flow used in financing activities		-9,686	-23,193
Increase (decrease) in cash and cash equivalents		95,071	-88,554
Cash and cash equivalents at beginning of the period		114,635	158,552
Effect from translation of foreign investees		892	-3,009
Cash and cash equivalents at end of the period		210,598	66,989
Increase (decrease) in cash and cash equivalents		95,071	-88,554

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



INSTITUTIONAL

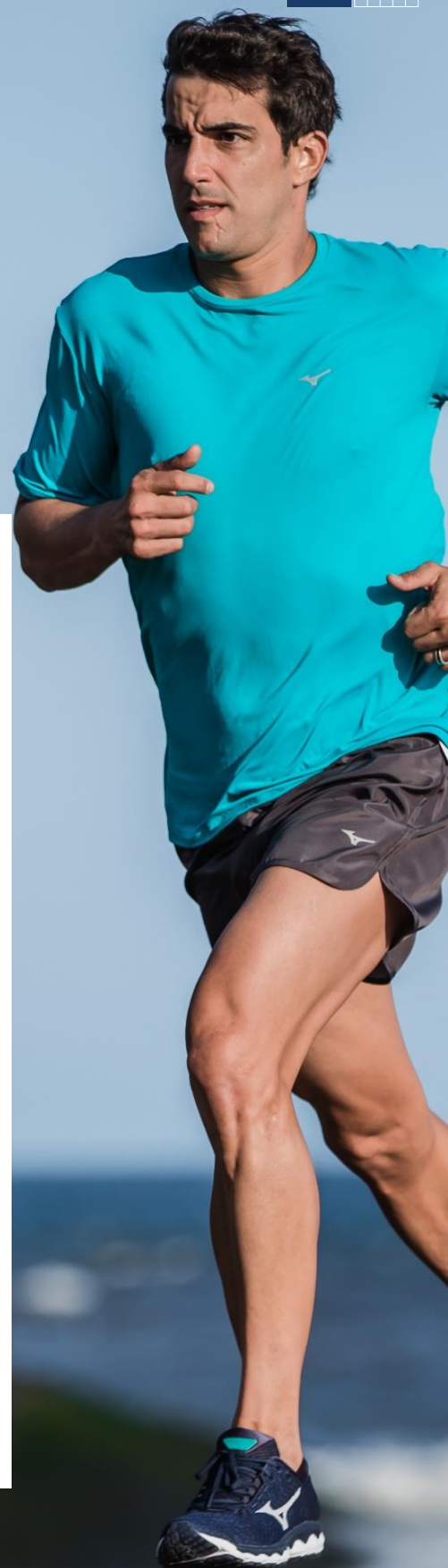
Vulcabras has been operating in the Brazilian footwear sector for 70 years and during this period it has consolidated itself as the largest sports footwear industry in the country and has become the manager of leading brands in their respective segments, such as Olympikus, national champion in tennis 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-commerces 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 Jundiaí - 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 than 16,200 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.

The approximate fees for services related to the review of March 31, 2022 (1Q22) are R\$164.0 thousand.

BOARD STATEMENT

Pursuant to article 25, paragraph 1, item 5 of CVM Instruction 480/09, the Board of Directors, in a meeting held on 05/03/2022, declares that it has reviewed, discussed and agreed with the accounting information for the first quarter of 2022 of Vulcabras S.A. 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

COMPOSIÇÃO DA DIRETORIA

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



EARNINGS
RELEASE

2022

VULCABRAS
vivemos para o esporte