AZZAS
2154

Results Videoconference

November, 14th, 2024

3Q24

HERING

Call schedule

1. Message from the CEO

2. Business Unit's performance

3. Financial Performance

4. Q&A

Disclaimer

Statements regarding future business prospects and projections of the Company's operating and financial results are merely estimates and projections and, as such, are subject to various risks and uncertainties, including, among others, market conditions, national and international economic performance in general and the Company's industry. These risks and uncertainties cannot be controlled or sufficiently predicted by the Company's management and could significantly affect its prospects, estimates and projections.

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Planning, Union and Execution: On the Road to 2154

FOCUS	Gross revenue of R$3.7 billion with growth of 12.3% (+R$399.2 million), even with a lot of energy invested in the merger process, shows the strength of the brands and the focus on team delivery.
DIVERSIFICATION	Three of our business units delivered growth of over 10.0%, and one of the attributes of the merger is certainly our diversification of products, positioning, brands and channels. We are a portfolio of brands!
DELIVERY	Hering, one of our priorities immediately after the merger, with growth of 13.1% vs. 3Q23, SSS of 14.9%, sell-in resuming growth (4.4%) and sell-out performing well.
SINERGY	Hering and Farm Shoes launch
EFICIENCY	Second phase of identifying value creation levers, focused on costs and expenses, almost complete; 2025 budget will reflect these opportunities.
SIMPLIFICATION	Review of the brand portfolio taking into account growth, allocated capital, ROCE and cash generation practically concluded; focus on simplification and maximization of returns.
ENTHUSIASM	A short time has passed, a lot has already been done, but we're only at the beginning and very excited about the opportunities that lie ahead.

3Q24 Highlights

Grupo AZZAS 2154, the largest fashion platform in Latin America, announces its 3Q24 results.

R$ 3.7 B
Gross Revenue
3Q24 (pro forma)
+12.2% vs. 3Q23

R$ 477 M
Recurring EBITDA
3Q24 (pro forma)
+4.2% vs. 3Q23

15.7%
Recurring EBITDA Mg.
3Q24 (pro forma)
- 120 bps. vs. 3Q23

R$ 9.9 B
Gross Revenue
9M24
+9.1% vs. 9M23

R$ 1.3 B
Recurring EBITDA
9M24 (pro forma)
+5.2%. vs. 9M23

16.1%
Recurring EBITDA Mg.
9M24 (pro forma)
- 60 bps. vs. 9M23

Footwear and Accessories

GROSS REVENUE 3Q24

R$1,3 B

- ✓ SSS +7.7% (all channels positive)
- ✓ Sell-out +14.9% E-commerce +23.2% domestic sales
- ✓ Strong growth Vans; Arezzo similar growth 2Q24
- ✓ International margin recovery Schutz turnaround more gradual than initially anticipated

AREZZO SCHUTZ ANACAPRI ALEXANDRE BIRMAN Vicenza)
ALME VANS "OFF THE WALL" PARIS TEXAS CAROL BASSI TROC

Business Unit’s Highlights

Women's Apparel

GROSS REVENUE 3Q24

R$1,2 B

- ✓ Revenue +17.1%
- ✓ Sell-out +16.0% SSS of 9.3%
- ✓ Farm Global +33.7% in the foreign market and double digit in Brazil
- ✓ Launch of footwear line (Farm Shoes)

FARM RIO ANIMALE MARIA FILÓ CRIS BARROS

nv foxton fábula OFFPREMIUM

Business Unit’s Highlights

Democratic Clothing

GROSS REVENUE 3Q24

R$ 711 M

- ✓ Revenue +13.1%
- ✓ Sell-out +28.8% SSS of 14.9% (e-commerce +51.0%)
- ✓ Sell-in +4.4% (trend reversal and growth)
- ✓ Launch of footwear line (Hering Shoes)

HERING HERINGKIDS HERINGINTIMATES

HERINGSPORTS DZARM

Business Unit's Highlights

Men's clothing

GROSS REVENUE 3Q24

R$ 468 M

- ✓ Revenue +26.1%
- ✓ Sell-out +25.5%;
- ✓ Sell-in 20.6% SSS 16.0% (e-commerce +51.0%)
- ✓ Strong growth in Reserva and Oficina Reserva
- ✓ Focus on seeking balance with profitability

Key Financial Highlights

Recurring financial indicators (pro forma) - 3Q24

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	R$ Million	3Q24	3Q24 Recurring (pro forma)	3Q23 Recurring (pro forma)	Δ (%) 24 x 23
1	**Gross Revenue**	3.673,5	3.673,5	3.274,3	12,2%
	Net revenue	3.038,2	3.038,2	2.714,7	11,9%
	COGS	(1.386,7)	(1.386,7)	(1.226,7)	13,0%
	COGS (ex D&A)	(1.376,6)	(1.376,6)	(1.217,7)	13,0%
	D&A	(10,2)	(10,2)	(9,0)	12,3%
2	**Gross profit**	1.651,4	1.651,4	1.488,0	11,0%
	Gross Mg.	54,4%	54,4%	54,8%	-0,5 p.p.
	SG&A	(1.277,2)	(1.320,5)	(1.154,8)	14,3%
	SG&A (ex D&A)	(1.130,5)	(1.184,8)	(1.039,3)	14,0%
	D&A	(146,7)	(135,7)	(115,5)	17,5%
3	**EBITDA**	531,1	476,8	457,8	4,2%
	EBITDA Mg.	17,5%	15,7%	16,9%	-1,2 p.p.
	EBITDA (pre IFRS-16)	463,7	409,4	394,3	3,8%
	EBITDA Mg. (pré IFRS-16)	15,3%	13,5%	14,5%	-1,1 p.p.
	Financial Result	(159,4)	(159,4)	(124,4)	28,1%
	Net Income	83,0	163,8	229,4	-28,6%
	Net Mg.	-4,3%	5,4%	8,5%	-3,1 p.p.
	Net Income ex. Lei 14.789/23	169,5	250,4	229,4	9,1%

1. 12.2% growth in Gross Revenue

Highlights include growth in men's clothing, with emphasis on the Reserva and Oficina brands; and women's clothing, with Farm leading growth through its operations in Brazil and abroad.

2. 11.0% growth in recurring gross profit and -50 bps in gross margin

(+) Positive impact of the channel mix, with a greater share of sell-outs

(-) PIS/COFINS provision on subsidies made in July and August

(-) Lower margins in the Men's Clothing and Women's Clothing BUs

3. 4.2% growth in recurring EBITDA and -120 bps EBITDA margin

Increase in expenses explained by:

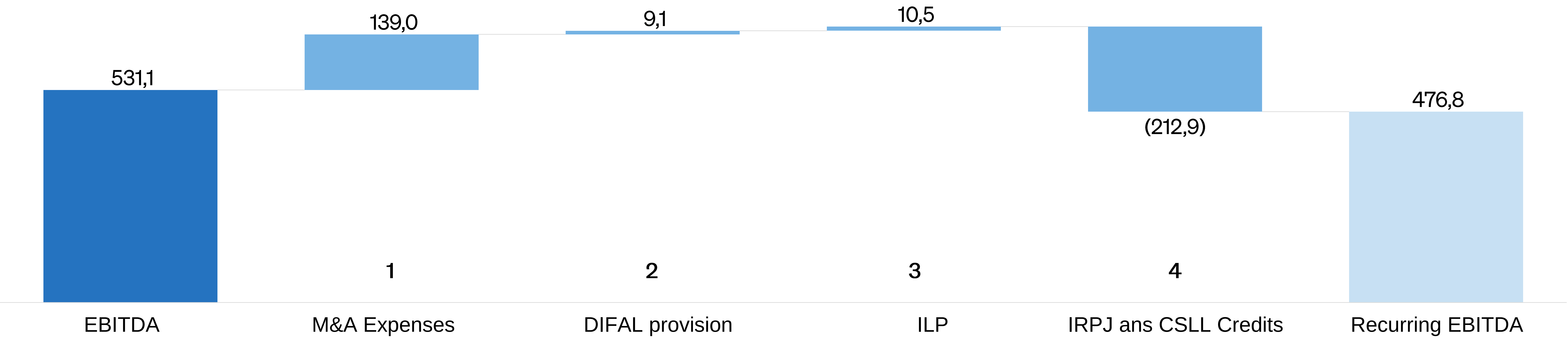
(-) opening of Soma Brands and absorption of the Soma Group stores, generating temporary inefficiency in personnel expenses

(-) implementation of the footwear lines at Hering and Farm and the corresponding personnel and showroom expenses, which have not yet been offset by revenue

(-) consultancy, personnel, area structuring and travel expenses to support the creation of the new company

Reconciliation of recurring EBITDA (pro forma) - 3Q24

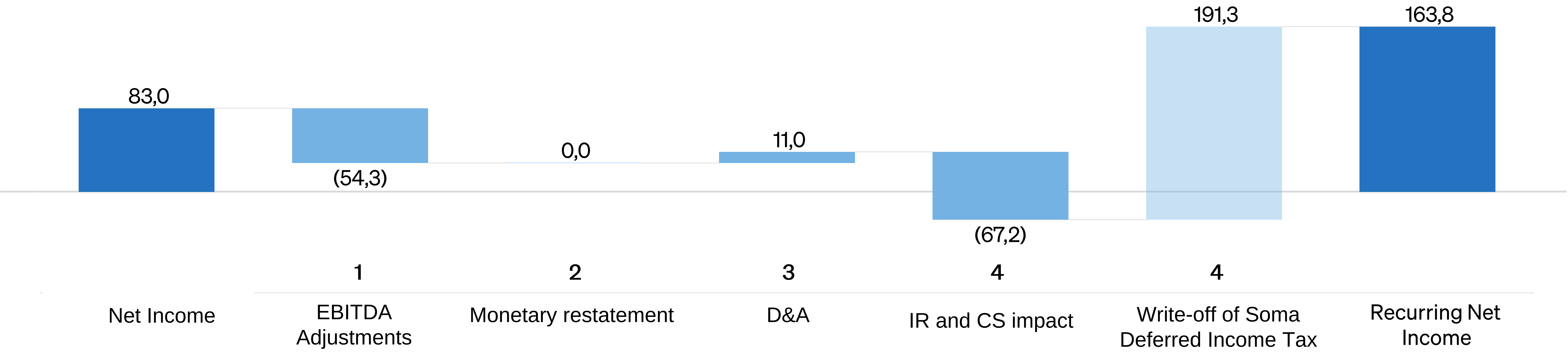
Recurring EBITDA 3Q24 (R$ M)



1. **M&A expenses:** refer to extraordinary expenses related to the merger of the Soma Group with Arezzo&Co. Expected expenses with the transaction are R$145.0 million (2024). In the quarter, we recorded R$139.0 million.
2. **DIFAL:** net effect of the constitution of a provision at Arezzo&Co and the reversal of a provision previously constituted by the Soma Group.
3. **ILP:** long-term incentive program (ILP), with no cash impact
4. **IRPJ and CSLL credits:** as part of the process of aligning accounting practices between Arezzo&Co. and the Soma Group, Arezzo&Co. adopted a change of accounting recognition criteria for ICMS benefit subsidies

Reconciliation of recurring net income (pro forma) - 3Q24

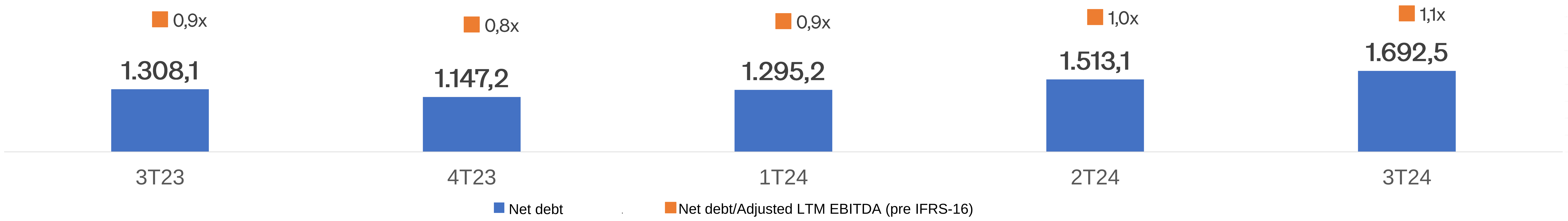
Recurring net income 3Q24 (R$ MM)



1. **EBITDA adjustments:** refers to the EBITDA adjustments presented on the previous slide
2. **Monetary restatement:** monetary restatement resulting from tax debt, with no impact on IR/CS
3. **Depreciation and Amortization:** impact of fair values CPC15/IFRS3 - business combination, referring to Hering's capital gain
4. **Write-off of Soma Deferred Income Tax:** write-off of the Soma Group's income tax credits, due to the incorporation by Azzas 2154

Net Debt and Financial Leverage

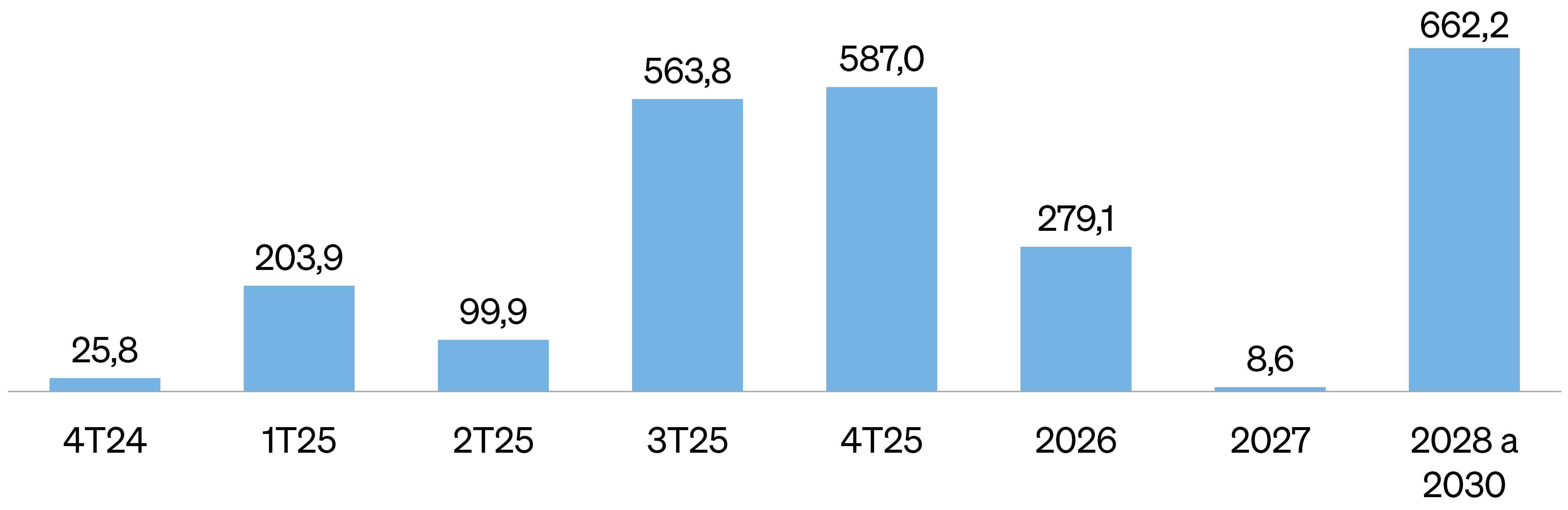
Evolution of Financial Leverage (R$ Mi)



Total Debt Composition

R$ Mi	3Q23	4Q23	1Q24	2Q24	3Q24
Cash and Cash Equivalents	819,5	1.355,5	1.363,7	1.310,8	766,4
Total debt	2.127,6	2.502,7	2.659,0	2.823,9	2.458,9
Short term debt	1.782,5	1.854,0	1.123,8	1.222,8	903,2
% total debt	83,8%	74,1%	42,3%	43,3%	36,7%
Long term debt	345,1	648,6	1.535,2	1.601,1	1.555,8
% total debt	16,2%	25,9%	57,7%	56,7%	63,3%
Net debt	1.308,1	1.147,2	1.295,2	1.513,1	1.692,5
Net debt/Adjusted LTM EBITDA (pre IFRS-16)	0,9x	0,8x	0,9x	1,0x	1,1x

Maturity Schedule (R$ Mi)



Q&A

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