

4Q 2021 EARNINGS RELEASE

AREZZO &CO



AREZZO
&CO

AREZZO

SCHUTZ

ANACAPRI

BIRMAN

FEVER

ALME

VANS
"OFF THE WALL"

ZZ'MALL

myshoes

AR&CO

Reserva

Reserva
mini

Oficina
RESERVA

ReservaGo

INK
Reserva

Baw®

TROC

CAROL BASSI

4Q21 EARNINGS RELEASE



São Paulo, March 10, 2022. Arezzo&Co (B3 - Brasil, Bolsa e Balcão: ARZZ3), leader in the Brazilian women's footwear, handbags and accessories sector, announces its 4Q21 results.

Arezzo&Co posted an EBITDA of R\$ 185.3 million - higher than the previous quarter's record. The gross revenue showed solid growth, an increase of 69%, reaching R\$ 1.4 billion in the quarter and R\$ 3.6 billion in 2021. These results reflect the consolidation of Arezzo&Co's strategy as one of Brazil's largest "houses of brands".

FINANCIAL / OPERATIONAL HIGHLIGHTS

- 1- **R\$1.4B** in Gross Revenue (+69% vs. 4Q20 and +136% vs. 4Q19);
- 2- **R\$1.2B** in DTC Sell Out (Franchises, Web Commerce and Owned Stores) (+41% vs. 4Q20 and +34% vs. 4Q19);
- 3- **40%** organic brands growth in Brazil vs. 4Q19 (28% vs. 4Q20);
- 4- **+490bps** Adjusted Gross Margin growth 4Q20 (730bps vs. 4Q19);
- 5- **R\$185MM** Adjusted EBITDA, +52% vs. 4Q20 (+144% vs. 4Q19);
- 6- **R\$343MM** AR&CO Gross Revenue (+87% vs. 4Q20 and 109% vs. 4Q19);
- 7- **R\$126MM** record Revenue of the US Operation (+82% vs. 4Q20 and +117% vs. 4Q19);
- 8 - **34%** Sell Out growth in the quarter (vs 2019), at 20% in October, 37% in November and 40% in December,

EARNINGS VIDEOCONFERENCE

March 11, 2022
11:00 a.m. (Brasília) / 09:00 a.m. (New York)

Videoconference in Portuguese with simultaneous translation into English



SHARE PRICE AND MARKET CAP

March 10, 2022
Share Price: BRL 77.49
Market Cap: BRL 8.5 billion

INVESTOR RELATIONS

Rafael Sachete - CFO and IRO
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Maria Lucia Remigio - IR Specialist

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PRESS RELATIONS| INDEX

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MESSAGE FROM MANAGEMENT

We started 2021 with confidence, but highly prepared for the year's challenges and uncertainties. As we present our results for the period, we have confidence that we are in more solid and consistent position than ever before:

- After the challenges faced at the most critical period of the pandemic, Arezzo&Co stood out for its achievements in both 2022 and 2021, closing the year with record-setting numbers without precedent throughout the company's history;
- The year 2021 was the first 12-month cycle with AR&CO integrated with the group;
- We sold more than 18.4 million pairs of shoes, 4.6 million apparel items, and 2.2 million handbags, reaching a total of more than 25 million products sold;
- Our verticalized management product and value-chain, which enabled great agility, were key in overcoming the obstacles faced last year;
- Arezzo&Co's organic brands grew 44% vs 2020, with emphasis on Schutz that grew 52%;
- The results for the inorganic brands exceeded expectations - the Reserva Group reached R\$ 731 million in revenue;
- The digital channel reached a new sales level, with R\$816 million in revenue at 2021, representing 25% of our sales;
- The US operation posted record-setting revenue of R\$347 million, with a positive EBITDA margin;
- Gross margin was up 510bps, reaching 53%, and we had a record-setting of R\$572 million EBITDA in the year;
- We exceeded our internal goals, leading to maximum bonus payments;
- In 11 years as a publicly-traded company, we released 44 quarters results, with revenue growth in 40 of them, and EBITDA growth in 35;
- Since the IPO, our shares have increased 306% vs IBOV's 81%;
- We went from R\$863 million in Gross Revenue in 2011 to over R\$3.6 billion in 2021 - a 4.2X growth rate;
- We have extremely well-structured strategic planning, and a business model that is 100% customer-oriented;
- Our passionate and hard-working team was essential to the Company's evolution in recent years, particularly during the pandemic;

MESSAGE FROM MANAGEMENT

- Regarding ESG, we aspire to become a benchmark in terms of sustainability for the Brazilian fashion industry. We took important steps ahead in 2021: entering B3's ISE (Business Sustainability Index) portfolio, building our Diversity and Inclusiveness strategy, repositioning Alme as our sustainable brand, and neutralizing scope 1 and 2 emissions;
- In 2022, we will focus on the: (i) organic brand growth through new product categories, (ii) expanding the owned stores network, (iii) the constant development of digital fronts, logistics and sourcing to leverage the business, and (iv) continued strong growth in the US market; and (v) diligent inorganic growth through new M&As and licensing agreements;
- As the first landmark of 2022, close to the date of the 11th anniversary of our IPO, Arezzo&Co had its first follow-on public offering, marking the beginning of a new era. Amid volatile and uncertain market conditions, we raised more than R\$830 million through a primary offering, with a hot issue that was fully exercised given the high demand from foreign and local investors;
- In addition, we will take an important and unprecedented step ahead towards a market of approximately R\$ 15 billion that Arezzo&Co has not yet penetrated – women's apparel. With Carol Bassi – a recent acquisition in the luxury segment – and the launch of the Schutz and Reserva apparel line, we intend to make this segment a relevant share of our sales;
- Even with a strong comparison base, the first quarter of 2022 is already above expectations. We posted DTC sell out growth of 38% in January and 57% in February vs 2021 – and had the best Carnival period of the past 4 years.

We believe that, independently of the macroeconomic adversity expected in 2022, our Company is highly prepared to solidify its market share in fashion and guarantee products and experiences, with quality and sustainability, at the right time, within an international fashion platform.

We would like to thank all of our investors, analysts and stakeholders for their confidence on us over these years – it's just the beginning.

On towards 2154!

The Management

4Q21 OMNICHANNEL HIGHLIGHTS

1 - E-COMMERCE SALES

- TOTAL REVENUES: **R\$ 276M** (+70% VS. 4Q20 +306% VS. 4Q19)
- TOTAL TRAFFIC: **68 MILLION** (+18% VS 4Q20)
- TOTAL APP DOWNLOADS: **1.3 M** (+118% VS. 4Q20)
- TOTAL SHARE OF APPS IN REVENUES: **22%** (+530BPS VS 4Q20)
- CONVERSION RATE: **1.3%**

2 - OMNICHANNEL SALES

- SHARE OF DIGITAL IN PHYSICAL STORES' SELL OUT: **35%**
- REVENUES FROM CLICK N COLLECT AND STORE SHIPPING: **+43%** VS 3Q21
- **8.7 MILLION** CONTACTS MADE IN 4Q20 (INFLUENCED REVENUE)

3 - CRM* (AREZZO&CO)

- AREZZO&CO ACTIVE CUSTOMER BASE (RECORD-SETTING): **3.6 MILLION**
- REACTIVATED CUSTOMERS: **+35%** VS. 2020
- HEAVY-USER PURCHASES REVENUES: **+37%** VS. 2020
- CAPTURED CUSTOMER (NEW CUSTOMERS): **+24%** VS. 2020

*EX- AR&CO DATA

R\$230MM

INFLUENCED SALES

+43%

INCREASE IN CLICK N COLLECT AND STORE SHIPPING REVENUES

+639K

CUSTOMERS IN THE ACTIVE BASE

4Q21 BRAND HIGHLIGHTS

AREZZO &CO

AREZZO

- Brazil Revenues: **R\$ 375.4M**
- Growth: **+33.0%** vs. 4Q19
- Web Revenues: **R\$ 72.1M**
- Web % of Sellout (DTC): **13.4%**
- OMNI Sales: **R\$ 15.6M**
- OMNI-to-Web Ratio: **21.6%**

SCHUTZ

- Global Revenues: **R\$ 300.3M**
- Growth: **+79.6%** vs. 4Q19
- Brazil Revenues: **R\$ 194.2M**
- Web Revenues: **R\$ 55.5M**
- Web % of Sellout (DTC): **32.9%**
- OMNI Sales: **R\$ 8.0M**
- OMNI-to-Web Ratio: **14.5%**

AR&CO

- Brazil Revenues: **R\$ 342.7M**
- Growth: **+109.2%** vs. 4Q19
- Web Revenues: **R\$ 91.7M**
- Web % of Sellout (DTC): **31.0%**
- OMNI Sales: **R\$ 28.4M**
- OMNI-to-Web Ratio: **45.0%**

ANACAPRI

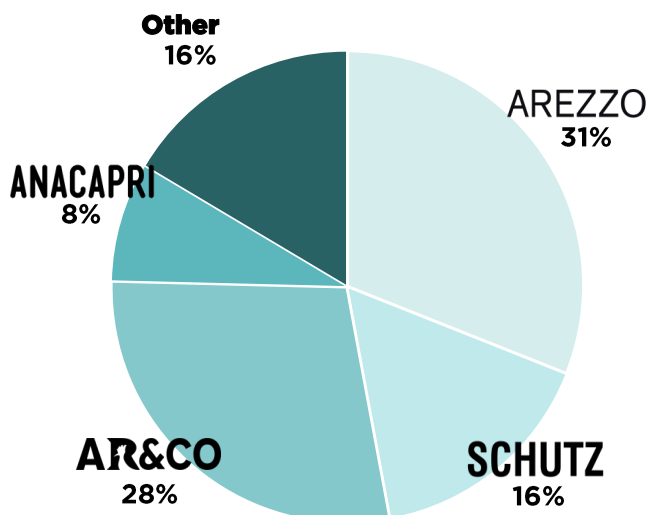
- Brazil Revenues: **R\$ 98.6M**
- Growth: **+29.5%** vs. 4Q19
- Web Revenues: **R\$ 15.1M**
- Web % of Sellout (DTC): **13.0%**
- OMNI Sales: **R\$ 2.8M**
- OMNI-to-Web Ratio: **18.3%**

ALEXANDRE BIRMAN

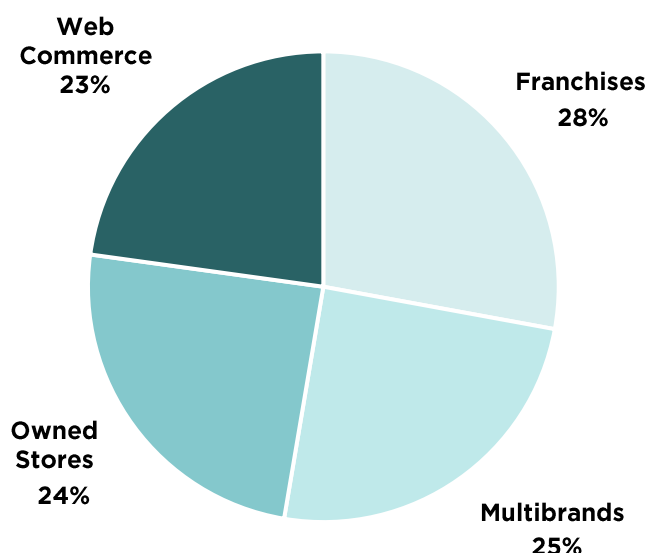
- Global Revenues: **R\$ 50.0M**
- Growth: **+66.8%** vs. 4Q19
- Brazil Revenues: **R\$ 24.1M**
- Web Revenues: **R\$ 3.8M**
- Web % of Sellout (DTC): **19.0%**
- OMNI-to-Web Ratio: **39.9%**

*In November, WEB to Sell Out (DTC) ratio of the brands Arezzo and Anacapri was 20,5% and 23,8% respectively. In December, this indicator tend to be lower due to the acceleration of physical stores sell out.

GROSS REVENUE - DOMESTIC MARKET



GROSS REVENUE - CHANNELS



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KEY INDICATORS

AREZZO | PRE-FALL 2022

4Q21 GROSS REVENUES

Gross Revenue	4Q21	Part%	4Q20	Part%	Δ (%) 21 x 20	4Q19	Part%	Δ (%) 21 x 19
Total Gross Revenue	1.352.404		802.283		68,6%	573.729		135,7%
Foreign Market	142.417	10,5%	76.785	9,6%	85,5%	66.258	11,5%	114,9%
Exports	16.808	11,8%	7.902	10,3%	112,7%	8.420	12,7%	99,6%
US Operation	125.609	88,2%	68.883	89,7%	82,4%	57.838	87,3%	117,2%
Domestic Market	1.209.987	89,5%	725.498	90,4%	66,8%	507.471	88,5%	138,4%
By Brand								
Arezzo	375.406	31,0%	295.969	40,8%	26,8%	282.268	55,6%	33,0%
Schutz¹	194.187	16,0%	152.388	21,0%	27,4%	121.950	24,0%	59,2%
AR&CO²	342.677	28,3%	90.333	12,5%	86,9%	-	-	109,2%
Anacapri	98.642	8,2%	83.801	11,6%	17,7%	76.186	15,0%	29,5%
Others³	199.075	16,5%	103.007	14,2%	93,3%	27.067	5,3%	635,5%
By Channel								
Franchises	337.108	27,9%	251.038	34,6%	34,3%	270.267	53,3%	24,7%
Multibrand	299.577	24,8%	179.246	24,7%	67,1%	92.158	18,2%	225,1%
Owned Stores	296.435	24,5%	132.715	18,3%	123,4%	76.982	15,2%	285,1%
Web Commerce	275.728	22,8%	162.400	22,4%	69,8%	67.948	13,4%	305,8%
Others⁴	1.139	0,1%	99	0,0%	1.050,8%	116	0,0%	882,1%

(1) Ex- revenues from international operations.

(2) AR&CO brands include: Reserva, Reserva Mini, Oficina Reserva, Reserva Go, EVA, INK, and BAW Clothing.

(3) Includes the brands Vans, A. Birman, Fiever, Alme, TROC, and My Shoes for the domestic market only and other unspecified brand.

(4) Includes domestic market revenues not specific to the distribution channels.

4Q21 OPERATING INDICATORS

Operating Indicators	4Q21	4Q20	Δ (%) 21 x 20	4Q19	Δ (%) 21 x 19
# of pairs sold ('000)	6.780	5.497	23,3%	4.352	55,8%
Part. (%)	71,9%	82,5%	-10,6 p.p	89,5%	-17,6 p.p
# of handbags sold ('000)	950	535	77,6%	509	86,7%
Part. (%)	10,1%	8,0%	2,1 p.p	10,5%	-0,4 p.p
# of clothes sold ('000)	1.705	633	169,3%	-	-
Part. (%)	18,1%	9,5%	8,6 p.p	-	-
# of employees	5.276	2.260	133,5%	2.465	114,0%
# of stores*	941	891	50	752	189
Owned Stores	158	132	26	53	105
Franchises	783	759	24	699	84
Outsourcing (as % of total production)	92,2%	92,1%	0,1 p.p	91,0%	1,2 p.p
SSS² Sell in (franchises)	21,7%	-3,4%	25,1 p.p	2,8%	18,9 p.p
SSS² Sell out (owned stores + franchises + web)	34,8%	-10,6%	45,4 p.p	5,7%	29,1 p.p

(1) Includes clothing items sold by Vans and AR&CO

(2) SSS (same-store sales): stores are included in comparable store sales from the 13th month of operations.

Results include AR&CO.

* Includes overseas stores

2021 GROSS REVENUES

Gross Revenue	2021	Part%	2020	Part%	Δ (%) 21 x 20	2019	Part%	Δ (%) 21 x 19
Total Gross Revenue	3.647.442		2.021.609		80,4%	2.063.928		76,7%
Foreign Market	391.319	10,7%	224.767	11,1%	74,1%	258.982	12,5%	51,1%
Exports	43.799	11,2%	23.714	10,6%	84,7%	54.509	21,0%	(19,6%)
US Operation	347.520	88,8%	201.053	89,4%	72,8%	204.474	79,0%	70,0%
Domestic Market	3.256.123	89,3%	1.796.841	88,9%	81,2%	1.804.946	87,5%	80,4%
By Brand								
Arezzo	1.065.330	32,7%	760.648	42,3%	40,1%	983.757	54,5%	8,3%
Schutz¹	607.365	18,7%	427.641	23,8%	42,0%	474.295	26,3%	28,1%
AR&CO²	758.828	23,3%	90.333	5,0%	94,4%	-	-	75,0%
Anacapri	292.071	9,0%	217.745	12,1%	34,1%	259.116	14,4%	12,7%
Others³	532.529	16,4%	300.474	16,7%	77,2%	87.779	4,9%	506,7%
By Channel								
Franchises	886.834	27,2%	562.266	31,3%	57,7%	899.399	49,8%	(1,4%)
Multibrand	886.700	27,2%	471.554	26,2%	88,0%	423.008	23,4%	109,6%
Owned Stores	659.195	20,2%	235.946	13,1%	179,4%	266.310	14,8%	147,5%
Web Commerce	816.285	25,1%	526.382	29,3%	55,1%	214.580	11,9%	280,4%
Others⁴	7.109	0,2%	693	0,0%	925,8%	1.649	0,1%	331,1%

(1) Ex- revenues from international operations.

(2) AR&CO brands include: Reserva, Reserva Mini, Oficina Reserva, Reserva Go, EVA, INK, and BAW Clothing.

(3) Includes the brands Vans, A. Birman, Fievel, Alme, TROC, and My Shoes for the domestic market only and other unspecified brand.

(4) Includes domestic market revenues not specific to the distribution channels.

2021 OPERATING INDICATORS

Operating Indicators	2021	2020	Δ (%) 21 x 20	2019	Δ (%) 21 x 19
# of pairs sold ('000)	18.434	13.032	41,5%	14.533	26,8%
Part. (%)	73,0%	85,0%	-12,0 p.p	89,1%	-16,1 p.p
# of handbags sold ('000)	2.197	1.374	60,0%	1.771	24,1%
Part. (%)	8,7%	9,0%	-0,3 p.p	10,9%	-2,2 p.p
# of clothes sold ('000)	4.604	935	392,7%	-	-
Part. (%)	18,2%	6,1%	12,1 p.p	-	-
# of employees	5.276	2.260	133,5%	2.465	114,0%
# of stores*	941	891	50	752	189
Owned Stores	158	132	26	53	105
Franchises	783	759	24	699	84
Outsourcing (as % of total production)	90,4%	90,6%	-0,2 p.p	90,7%	-0,3 p.p
SSS² Sell in (franchises)	42,6%	-25,2%	67,8 p.p	1,7%	40,9 p.p
SSS² Sell out (owned stores + franchises + web)	34,2%	-23,8%	58,0 p.p	3,9%	30,3 p.p

(1) Includes clothing items sold by Vans and AR&CO

(2) SSS (same-store sales): stores are included in comparable store sales from the 13th month of operations.

Results include AR&CO.

* Includes overseas stores

4Q21 KEY FINANCIAL INDICATORS

Main Financial indicators	4Q21	4Q21 Adjusted	4Q20 Adjusted	Δ (%) 21 x 20	4T19 Adjusted	Δ (%) 21 x 19
Gross Revenues	1.352.404	1.352.404	802.283	68,6%	573.729	135,7%
Net Revenues	1.092.950	1.092.950	644.615	69,6%	467.652	133,7%
COGS	(502.252)	(502.252)	(328.421)	52,9%	(249.435)	101,4%
Depreciation and amortization (cost)	(876)	(876)	(821)	6,7%	(664)	31,9%
Gross Profit	590.698	590.698	316.194	86,8%	218.217	170,7%
Gross margin	54,0%	54,0%	49,1%	4,9 p.p	46,7%	7,3 p.p
SG&A	(445.647)	(435.640)	(212.057)	105,4%	(160.138)	172,0%
% of net revenues	(40,8%)	(39,9%)	(32,9%)	(7,0 p.p)	(34,2%)	(5,7 p.p)
Selling expenses	(304.773)	(302.930)	(145.598)	108,1%	(108.582)	179,0%
Owned stores and web commerce	(160.501)	(160.501)	(61.317)	161,8%	(33.064)	385,4%
Selling, logistics and supply	(144.272)	(142.429)	(84.281)	69,0%	(75.518)	88,6%
General and administrative expenses	(108.405)	(100.241)	(49.037)	104,4%	(35.462)	182,7%
Other operating revenues (expenses)	(3.128)	(3.128)	(131)	2.294,8%	1.034	(402,5%)
Depreciation and amortization (expens	(29.341)	(29.341)	(17.291)	69,7%	(17.128)	71,3%
EBITDA	175.268	185.275	122.249	51,6%	75.871	144,2%
EBITDA Margin	16,0%	17,0%	19,0%	(2,0 p.p)	16,2%	0,8 p.p
Net Income	103.918	110.523	83.208	32,8%	46.803	136,1%
Net Margin	9,5%	10,1%	12,9%	(2,8 p.p)	10,0%	0,1 p.p

*Breakdown of non-recurring adjustments relevant to the "Adjustments" line can be seen in the table below – 4Q21 Non-Recurring Adjustments.

4Q21 NON-RECURRING ADJUSTMENTS

	4Q21	4Q20	4Q19
Consolidated EBITDA	175.268	112.915	93.829
Non-Recurring Items			
Extemporaneos Credits ¹	-	2.906	20.705
Legal Expenses	(8.164)	(195)	(2.747)
M&A Expenses	(1.843)	(12.045)	-
Net Effect of Non-Recurring Items	(10.007)	(9.334)	17.958
Adjusted Consolidated EBITDA	185.275	122.249	75.871
Adjusted Gross Profit	590.698	316.194	218.217

(1) Adjustment for recognition of one-time tax credits (ICMS as part of the PIS/COFINS taxable base declared unconstitutional) in 4Q21.

2021 KEY FINANCIAL INDICATORS

Main Financial indicators	2021	2021 Adjusted	2020 Adjusted	Δ (%) 21 x 20	2019 Adjusted	Δ (%) 21 x 19
Gross Revenues	3.647.442	3.647.442	2.026.280	80,0%	2.063.928	76,7%
Net Revenues	2.923.827	2.923.827	1.612.539	81,3%	1.679.235	74,1%
COGS	(1.385.147)	(1.379.516)	(846.175)	63,0%	(903.541)	52,7%
Depreciation and amortization (cost)	(3.138)	(3.138)	(3.249)	(3,4%)	(2.768)	13,4%
Gross Profit	1.538.680	1.544.311	766.364	101,5%	775.694	99,1%
Gross margin	52,6%	52,8%	47,5%	5,3 p.p	46,2%	6,6 p.p
SG&A	(1.070.156)	(1.188.559)	(615.568)	93,1%	(584.697)	103,3%
% of net revenues	(36,6%)	(40,7%)	(38,2%)	(2,5 p.p)	(34,8%)	(5,9 p.p)
Selling expenses	(800.602)	(796.814)	(404.532)	97,0%	(368.017)	116,5%
Owned stores and web commerce	(358.477)	(358.474)	(153.494)	133,5%	(119.124)	200,9%
Selling, logistics and supply	(442.125)	(438.341)	(251.038)	74,6%	(248.893)	76,1%
General and administrative expenses	(299.683)	(284.375)	(134.879)	110,8%	(144.963)	96,2%
Other operating revenues (expenses)	130.472	(7.027)	(3.274)	114,6%	3.358	(309,2%)
Depreciation and amortization (expens)	(100.343)	(100.343)	(72.882)	37,7%	(75.075)	33,7%
EBITDA	572.005	459.233	226.927	102,4%	268.840	70,8%
EBITDA Margin	19,6%	15,7%	14,1%	1,6 p.p	16,0%	(0,3 p.p)
Net Income	343.720	269.290	87.317	208,4%	140.950	91,1%
Net Margin	11,8%	9,2%	5,4%	3,8 p.p	8,4%	0,8 p.p

*Breakdown of non-recurring adjustments relevant to the "Adjustments" line can be seen in the table below – 2021 Non-Recurring Adjustments.

2021 NON-RECURRING ADJUSTMENTS

	2021	2020	2019
Consolidated EBITDA	572.005	168.240	300.945
Non-Recurring Items			
Surplus Value (Impact on Gross Profit)¹	(5.631)	-	-
Extemporaneous Credits²	137.499	51.985	39.960
Legal Expenses	(15.312)	(4.488)	(7.855)
Non-Recurring Items (COVID-19)	-	(94.139)	-
M&A Expenses	(3.784)	(12.045)	-
Net Effect of Non-Recurring Items	112.772	(58.687)	32.105
Adjusted Consolidated EBITDA	459.233	226.927	268.840
Adjusted Gross Profit	1.544.311	766.364	775.694

- (1) Added value - impact on gross income from amortization of added value on Reserva Group Inventory.
(2) Adjustment for recognition of previous periods' tax credits (ICMS as part of the PIS/COFINS taxable base declared unconstitutional).

**AREZZO
&CO**

BRANDS PERFORMANCE



RESERVA + NETFLIX COLLAB

BRANDS PERFORMANCE

The fourth quarter is traditionally characterized by relevant dates on Arezzo&Co's sales calendar, such as Christmas, Holidays, and Summer Vacations. The main event, Christmas-sales, exceeded expectations. December was the period's best performing month, proving the strength of the brands as excellent choice for gifts.

The quarter was also marked by the launch of the high summer collections, which showed excellent performance in every channel, with high level of sell through both in physical stores and in the web commerce. This is the result of the collections' assertiveness and the brands' strong position, featuring a high level of engagement with customers.

As for results, the performance in 4Q21 was historical, at R\$1.4 billion in sales – growth of 69% vs. 4Q20 and 136% vs. 4Q19. Considering only organic brands (ex AR&CO and Vans brand), Arezzo&Co posted the strong growth of 36%, evidencing the solidity of the organic performance.

AREZZO posted R\$375.4 million in revenues, growth of 27% from 4Q20 and 33% vs. 4Q19. The brand highlight for the quarter was the significant improvement on the franchises channel, which has a high representation on its revenues. In addition, the multibrand channel showed strong performance, up 41% vs. 4Q20 and 86% vs. 4Q19.

In this period, Arezzo launched important collections that generated engagement with its target public. In October, the brand launched the "Generations" collection, which addressed the differences between the Y and Z generations and featured influencers who represents the different styles among the customers. Given the topic's popularity, mainly on social media, the collection's performance exceeded expectations and sales volume was three times above average in the first fifteen days after launch.

In December, for one of the most important dates of the year, Arezzo launched special collections emphasizing its position as an excellent choice for gifts, through specific actions like in-store product displays focusing on giftable items. The main collection was "Gemstones", featuring Holiday-themed products, and showing a sell through of 65% in just two weeks.

In addition, the BriZZa line of injected footwear and handbags posted excellent revenues for the quarter increasing its representativeness of Arezzo brand results to 8% - with emphasis on the excellent Christmas and Holidays sales performance. BriZZa has drafted relevant strategies for 2022, including hiring singer-businesswoman Anitta as this year's star. The partnership began in February – in time for Carnival – and has already showed high consumer adherence, leading to a excellent sell out increase in the period. Right after the launch, BriZZa products increase average sales at Arezzo's physical stores by 30%. The campaign was widely disseminated on social media and strategically located venues, and a presence on open-access TV, such as during "Big Brother Brasil 2022" commercial breaks. The actions led to excellent engagement results – number of followers, web commerce and Instagram hits, etc.

BRANDS PERFORMANCE

The **SCHUTZ** brand was the quarter's highlight, posting the best performance out of all Arezzo&Co group organic brands. The brand posted global revenues of R\$300.3 million, growth of 43% from 4Q20 and 80% vs. 4Q19. Domestically, the brand posted R\$194.2 million, up 27% vs. 4Q20 and 59% vs. 4Q19.

In the period, Schutz recorded growth in all the channels - *sell in* and *sell out*. It is worth emphasizing the web commerce and multibrand channels, which grew 30% and 13%, respectively, vs. 4Q20. It is also important to note the strong comparison base of Schutz results, given the brand's outstanding 4Q20 performance.

For its high summer campaign, Schutz maintained the successful partnership with the celebrity Marina Ruy Barbosa and launched the *Schutz High Summer* campaign, inspired by the tropical summer and shot by *paparazzi* on São Conrado beach, Rio de Janeiro. For the Holidays, the brand launched the "*Time to Shine*" collection, featuring shoes - mostly heels - with high fashion content, translating its position as a fashionable brand. The collections that emphasize the strong Schutz DNA tend to perform above expectations.

In the second quarter this year, Schutz will take an important step ahead towards becoming a real lifestyle brand. As announced on Investor Day 2021, its women's apparel line is under development and set for release in April. The line will be sold on some physical stores and on the brand's web commerce channel.

AR&CO posted R\$342.7 million in revenues in 4Q21, growth of 72% from 4Q20 and 92% vs 4Q19. The Reserva Group (ex- BAW Clothing) maintained its strong results trend of the past quarters, with excellent performance in all the channels, especially the digital, which grew 49% vs. 4Q20 (despite the strong comparison base), representing 20% of the sales.

For the Reserva Group, the quarter's starting line was the Children's Day. With clothing items for the entire family, the brand formed a partnership with Woody Woodpecker®, adding humor by substituting him for the brand's regular mascot. To celebrate the collection's success, its sales supported the donation of glasses to children who are beneficiaries of the *Ver Magia* project, which acts in support of the main cause of school non-attendance in Brazil: untreated sight issues.

The November spotlight was on Black Friday actions - which the brand renamed "Best Freeday". Together with NGO "Asas e Amigos", the brand took advantage of the important sales period to revert a portion of its sales to animal-protection projects. Through the "for freer beings" action, 500 animals that were victims of traffic and abuse were returned to nature. Reserva has made a strong social and sustainable commitment and constantly tries to align consumer goods with a greater purpose.

BRANDS PERFORMANCE

To celebrate the end of the year, Reserva joined forces with the global brand Netflix to create an unprecedented and innovative collection of comfortable products that encourage consumers to relax “in bed, on the grass, on the beach, or in the couch”. The collab had strong results both on the brand’s digital channels and its physical stores, including a thematic pop-up store in Rio de Janeiro. The sales of the collection’s items exceeded R\$1 million in its early months.

It is worth emphasizing that the Reserva’s collabs pillar has a key role in increasing conversion rates and generating consumer desire. In addition to the actions above, the performance of other collections in the period – such as Christmas and Holidays – also were above expectations, leading to a sell out growth of 64% vs. 4Q20 and 89% vs. 4Q19.

Aside from Reserva Group brands, BAW Clothing is also recognized in the results of AR&Co, having posted approximately R\$40 million in sales since the acquisition.

The results for the Company’s latest acquisition, Carol Bassi, will be recognized in the first quarter of 2022. The closing of the operation took place on January 25, 2022, as announced to the market. The brand’s physical store performance was excellent in the early months of the year, and a footwear line was launched to test the new category.

The **VANS** brand posted strong revenues growth, especially on the multibrand and online channels. As for physical stores, the focus was on maintaining the expansion plan, with six new store openings (3 franchises and 3 own). Most of them are in the Southeast region of Brazil, which is deemed strategic for the brand’s long-term expansion.

The Vans physical stores have been showing excellent performance since opening – exceeding the Company’s expectations. The Paulista avenue store, for example, is still on a path of strong growth, with monthly sales above of R\$1 million. In December – an important month for retailers – the store sold more than R\$2 million.

The **ANACAPRI** brand had revenues of R\$98.6 million, growth of 18% from 4Q20 and 30% vs. 4Q19, with emphasis on the multibrand channel, which grew 10% vs. 4Q20 and 75% vs. 4Q19. It is also worth noting the brand’s improved performance compared with the third quarter, due to recovery of sell-in channels and acceleration of sell-out channels.

The quarter was marked by the celebration of the brand’s 13th anniversary and a net 18 store openings in the year and 13 in the quarter, in line with the brand’s expansion strategy. In addition, the brand launched its high summer collection – New Connections – with a focus on practical products for travel and vacations.

BRANDS PERFORMANCE

The ALEXANDRE **BIRMAN** brand posted global revenues of R\$50.0 million, growth of 81% vs. 4Q20 and 67% above 4Q19. In Brazil, the brand's revenues were R\$24.1 million, up 85% vs 2020 and 98% vs 2019.

For the period's highlight, the brand was at one of the most important fashion segment's awards ceremonies, the CFDA *Fashion Awards* 2021. The brand's presence at one of the world's top fashion events reinforces Alexandre Birman's positioning as a global luxury brand, fostering increased awareness and customer engagement.

mySHOES brand performed in line with the Company's expectations in the fourth quarter. For the period's highlight, in addition to posting strong sales results, the multibrand channel contributed for the number of Arezzo&Co number of clients, opening more than 700 new doors, mainly in the Southeast, South and Northeast regions of Brazil. These results reinforce the brand's new strategy to gain capillarity.

Another key indicator for the quarter was the increase in the number of followers on MyShoes's social media, which grew +27% on Instagram, an important communication platform for the group's brands.

FIEVER and **ALME** posted strong online channel revenues compared with the same period in 2019.

In November, Alme launched its new sustainable positioning, with a strong socio-environmental commitment. Its main pillars will be materials with lower environmental impact, 100% supply-chain traceability, 100% carbon emissions offsetting through Amazon Rainforest preservation projects, and promotion of reverse logistics, through smart partnerships that include TROC to walk the post-consumption path with consumers. Results in the early months of sales were encouraging. The footwear made from recycled cotton answered for 40% of the brand's sell out in the period, and those in neutral colors achieved 85% store sell through, above the average of the brand's previous collections.

INTERNATIONAL BUSINESS

In the fourth quarter, the US operation had unprecedented results.

Gross revenue were R\$125.6 million, 82% above 4Q20 and 117% above 4Q19 (in dollars, it was 73% higher than 4Q20 and 54% vs. 4Q19) – the highest sales level in its history.

Sales success is mainly due to the strategic decisions made in 2020, as follows: price repositioning, organizational structure adjustments, increased wholesale doors, and boosting the digital channel.

The online channel continued to post the strong growth seen in previous quarters, and even broke the previous record, which had been set in 3Q21. Sales reached R\$47.4 million, up 173% vs. 4Q20 and 324% vs. 4Q19. The growth in dollars was 164% and 213%, respectively. As a highlight, some of the important indicators that boosted sales were: (i) 1.7 of conversion rate, (ii) 75% website traffic growth, (iii) 147% increase in the number of orders, and (iv) 155% increase in the number of pairs sold compared with 4Q20.

In the fourth quarter, the wholesale channel answered for 53% of the operation's sales. The revenues were up 36% vs. 4Q20 and 82% vs. 4Q19. The channel saw a 42% increase in doors – number of department stores – and gained share among stores that were already part of its base. The sell-through also presented strong results, boosted by marketing actions, in addition to assertive collections and “dropship” – tool that makes own-inventory items available on the websites of department stores.

The US operation's solid and sustainable results enabled breakeven stability in terms of EBITDA: BRL 8.8 million in 4Q21 with an 8.7% margin.

The exports of footwear to the rest of the world (ex- United States) reported growth of 113% vs. 4Q20. The sales evolution reflects the recovery of the global exports market as activities normalize due to the flexibilization of COVID-19 pandemic-related restrictions.

**AREZZO
&CO**

CHANNELS PERFORMANCE

ALEXANDRE BIRMAN | SPRING SUMMER 2022

CHANNELS

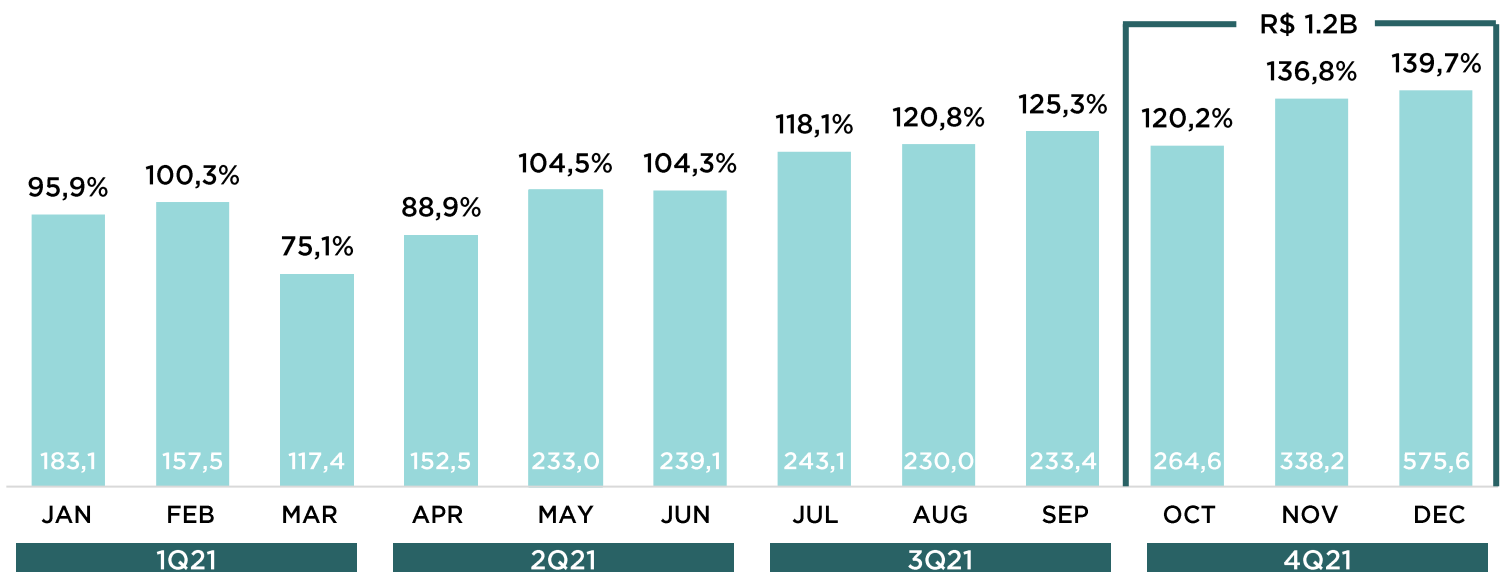
Sell Out – Franchises, Owned Stores and Web Commerce

The DTC sell out (Owned Stores + Franchises + Web Commerce) amounted R\$1.2 billion in 4Q21, up 41% vs. 4Q20 and 34% vs. 4Q19 – considering comparable bases. The sales performance grew consecutively month after month comparing to 2019. In October, the sell out grew 20%. In November and December, it grew 37% and 40%, respectively.

The period was marked by excellent results for all the Arezzo&Co brands. The Arezzo brand grew 29% vs. 4Q20 and 11% vs. 4Q19, and Schutz was up 43% comparing to the same period of 2019, and AR&CO was up 90%. Anacapri also grew in the period, 20% vs. 4Q20 and 8% vs. 4Q19.

In the beginning of 2022 – January and February – sales performance remained at high growth levels comparing to 2021, of 38% and 57%, respectively. It is worth emphasizing that the Carnival period was the best in the past 4 years.

Arezzo&Co + AR&CO Sell Out Performance (Franchises, Owned Stores and Web Commerce) – vs. 2019



*Months affected by brick-and-mortar store closures due to the COVID-19 pandemic

+34%
SELL OUT GROWTH IN 4Q21

R\$ 1.2B
OF DTC SELL OUT IN 4Q21

CHANNELS

Single brand – Franchises and Owned Stores

The fourth quarter of 2021 was marked by retail's return to normal activities and, as a reflection of this, Arezzo&Co posted strong growth on all of its sell in and sell out channels – its performance stood out above other market players due to the assertive and adherent collections offered to consumers.

The sell in sales on the franchises channel were R\$337.1 million, up 34% vs. 4Q20 and 25% vs. 4Q19. The sell out from owned stores also grew in the quarter – 123% vs. 4Q20 and 285% vs. 4Q19. Excluding AR&CO, the revenues of the franchises channel would have been up 27% vs. 4Q20 and 16% vs. 4Q19, and the own stores channel would have been up 81% vs. 4Q20 and 67% vs. 4Q19.

Multibrand

In 4Q21, the sales on the multibrand channel were 67% up from 4Q20 e 225% from 4Q19. Excluding AR&CO and the Vans brand, the channel would have been up 30% vs. 4Q20 and 87% vs. 4Q19.

All of the organic brands posted strong growth on this channel, with particular emphasis on Arezzo – up 41% year over year – due to share of wallet gains and new customers additions. The Reserva and Vans brands also contributed materially to the channel, showing continued expansion.

The Arezzo&Co and AR&CO brands are distributed across 5,740 points of sale, a growth of 36% against 4Q20. It is worth emphasizing that the MyShoes brand represented 13% of the group's total number of clients, most of which were new clients.

E-commerce

The online sales reached a new level in 2020 and maintained the trend in 2021, despite the normalization of sales on the physical channel.

The channel posted R\$275.7 million in gross revenues in 4Q21, up 70% vs. 4Q20 and 306% vs. 4Q19. The channel registered a share of 23% vs 13% in 2019. Excluding AR&CO, the channel would have been up 27% vs. 4Q20.

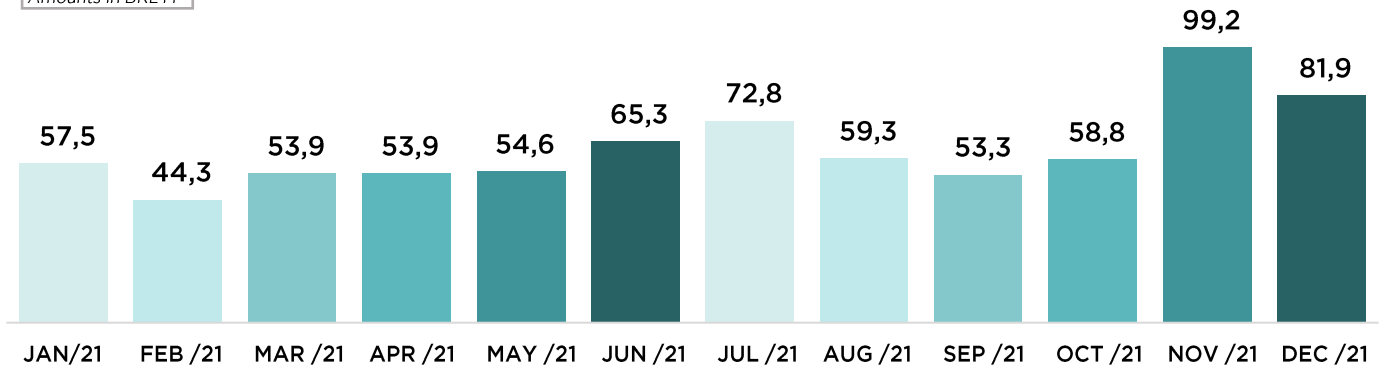
Arezzo&Co brands' APPs are constantly expanding digital sales and reached 22% representativeness – up 530bps vs. 4Q20. The number of APP downloads also showed strong evolution in the period – 118%.

CHANNELS

Web Commerce Sell Out Evolution

Arezzo&CO and AR&CO

Amounts in BRL M



Digital Transformation

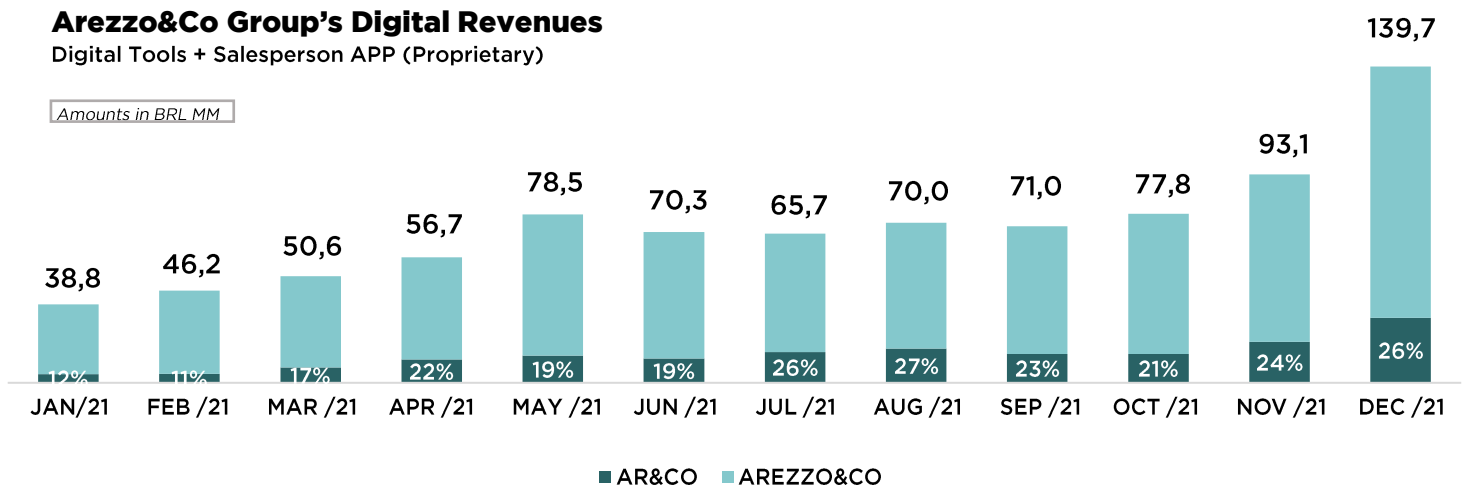
The digital sales tools are continually evolving and have been showing consistent results in the past quarters. Most of Arezzo&Co's physical stores make frequent use of online selling methods, and the Salesperson APP has become the main supporting tool for the sales team to leverage results.

The digital influenced sales' representativeness in the fourth quarter were 35% of physical stores' sell out revenues. The main tools used are Click n' Collect, Store Shipping, Sale by Link, Infinite Shelf/Seller Voucher, and *Malinha* ("Reserved"), aside from the Salesperson APP.

Arezzo&Co Group's Digital Revenues

Digital Tools + Salesperson APP (Proprietary)

Amounts in BRL MM



R\$755M

WEB COMMERCE SELL OUT (LTM)

R\$858M

DIGITAL REVENUES (LTM)

R\$1.6 B

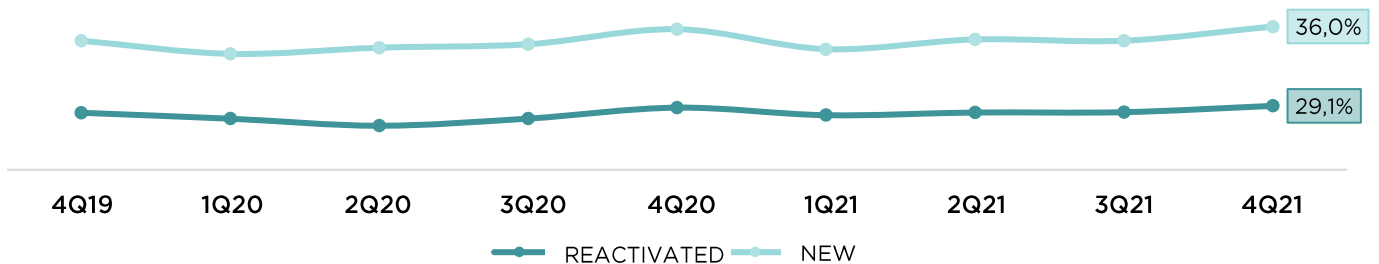
WEB + DIGITAL TOOLS SELL OUT (LTM)

CHANNELS

Digital Transformation

Customer Capture and Retention*

- The OMNI customers' purchase frequency was **138%** higher than the customer who only buy from web commerce channel and **77%** higher than the customers that only buy at physical stores;
- 35%** of the customer base were reactivated in 2021 from 2020;
- 21%** increase in the heavy-user customer base, representing **37%** revenues growth vs 2020;
- Purchase frequency of influenced sales through salesperson contact is **23%** higher than that of non-influenced sales.



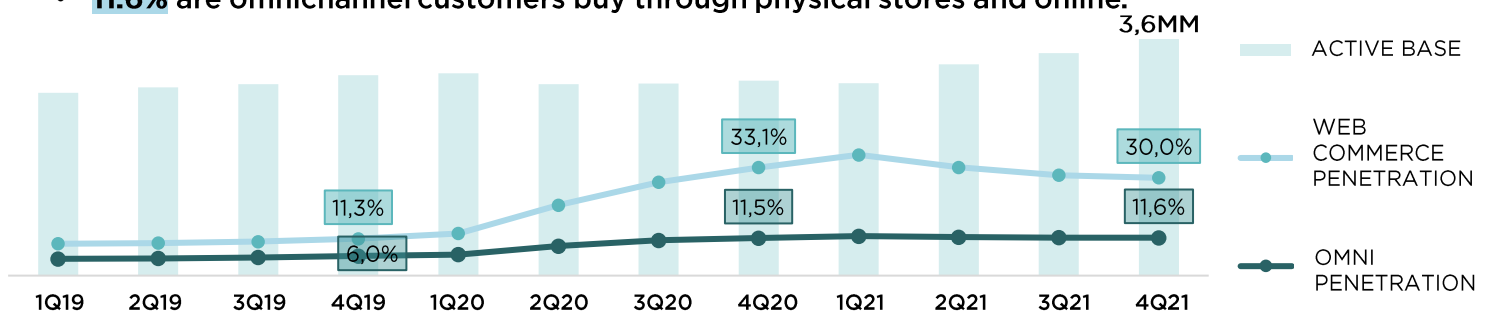
*Ex- AR&CO data



*2021 vs. 2020 data

Online Channel Penetration*

- Accelerated growth of the active base of Arezzo&Co online customers - record-setting number;
- 30.0%** of Arezzo&Co customers buy through online channel;
- 11.6%** are omnichannel customers buy through physical stores and online.



*Ex- AR&CO data

SINGLE-BRAND CHAIN

The Company closed the quarter with 941 stores, 930 in Brazil and 11 abroad, considering all of the group's brands.

In the period the net balance of net openings was 50 stores. There were net openings for the Reserva (34), Anacapri (18) and Vans (11) brands. On the other hand, closings included 12 pop-up stores of the Arezzo brand's BriZZa line operating under temporary contracts (kiosks) and one Alme brand store – a strategy drawn under the brand repositioning plan.

Store Information	4Q20	1Q21	2Q21	3Q21	4Q21
Sales area^{1, 3} - Total (m²)	56.461	56.906	58.199	59.917	64.182
Sales area - franchises (m²)	42.176	42.621	43.818	44.711	47.844
Sales area - owned stores² (m²)	14.285	14.285	14.381	15.206	16.337
Total number of domestic stores	880	872	879	883	930
# of franchises	753	743	746	743	777
Arezzo	451	441	437	429	433
Schutz	68	67	62	64	64
Anacapri	186	187	192	193	207
Fiever	1	1	1	1	1
Alme	3	3	3	2	2
Vans	7	7	9	10	13
AR&CO	37	37	42	44	57
# of owned stores	127	129	133	140	153
Arezzo	12	15	15	18	18
Schutz	16	17	20	20	20
Alexandre Birman	8	8	8	8	8
Anacapri	5	3	3	3	2
Fiever	2	2	2	2	2
Alme	2	2	2	2	2
Vans	7	7	7	9	12
AR&CO	75	75	76	78	89
Total number of international stores	11	11	11	11	11
# of franchises	6	6	6	6	6
# of owned stores⁴	5	5	5	5	5

(1) Includes overseas stores' floor area

(2) Includes eleven Outlet-type stores with total floor area of 2,450 m²

(3) Includes floor area of expanded stores

(4) Includes 3 Schutz brand stores, as follows: (i) New York, Madison Avenue, (ii) Miami, in the Aventura Mall, and (iii) Los Angeles, Beverly Drive. Also includes 2 Alexandre Birman stores, as follows: (i) New York, Madison Avenue and (ii) Miami, Bal Harbour Mall.

**AREZZO
&CO**

FINANCIAL INDICATORS

VANS

GROSS PROFIT AND GROSS MARGIN

In 4Q21, Arezzo&Co posted R\$ 590.7 million in gross profit with a 54% margin, improvement of 490 bps vs the same period in 2020 and 730bps from 4Q19.

Among the positive factors responsible for the gross margin growth were: (i) the increased owned stores share of total revenues, which relates directly to AR&CO, (ii) improvement in the margin for US operation, and (iii) greater share of web commerce in the channels mix, in addition to better margins for the channel, also under the influence of AR&CO.

ADJUSTED OPERATING EXPENSES

Arezzo&Co posted strong results for the period. To drive this growth, the Company's investments were diligently allocated and in line with its strategic planning. The fronts of greatest representation in expenses growth are related to (i) the development of the organic and inorganic brands, (ii) international expansion, with unprecedented revenues levels, and (iii) the continuous growth of the digital.

In addition to investments in sales growth and new brands, the Company remains diligent with fixed and operating costs, with the continuous objective of leveraging its EBITDA margin.

Selling Expenses

The main growth factor for selling expenses was the addition of AR&CO to the business, which is more exposed to sell out channels. In addition, the expansion of the web commerce revenues and the growth of the number of owned stores – a movement concentrated on certain brands – also contribute to higher investment needs.

In 4Q21, Arezzo&Co's selling expenses grew 44% from 4Q20, reaching R\$ 209.1 million. Considering AR&CO, selling expenses were 108% above 4Q20.

- i. Owned Stores and Web Commerce expenses (sell out channels) of Arezzo&Co were R\$ 70.9 million – up 16% from 4Q20. The expansion in owned stores – mainly in the Vans, Schutz and Arezzo brands – explains the growth of expenses in this channel, which concentrate on people, occupancy, and marketing costs. The digital, which shows continuous revenues growth, also contributed to the increase in investments in this line, with variable expenses (logistics and digital marketing) being the most relevant. Considering AR&CO, expenses increased 162%.

ADJUSTED OPERATING EXPENSES

- ii. Selling, Logistics and Supplies expenses amounted to R\$ 138.2 million in the period - growth of 64% vs 4Q20. Among the main factors affecting this increase were: (i) The Vans brand expenses directly associated with revenues (sales commissions, royalties, and marketing investments) and (ii) investments in marketing of new brands and projects, mainly BriZZa Arezzo. Considering the addition of AR&CO, expenses grew by 69%.

Selling, Logistics and Supplies expenses in the United States totaled R\$ 37.2 million in 4Q21, growth of 130% vs. 4Q20. The operation showed strong revenue performance in the period, and continued its growth strategy, aiming to increase its presence in the country. The growth in expenses is mainly explained by investments in the web commerce channel, in the logistics and digital marketing fronts, which vary according to revenues.

General and Administrative Expenses

In 4Q21, Arezzo&Co general and administrative expenses amount to R\$ 59.1 million, growth of 21% vs 4Q20, due to the provision for the payment of the company's profit sharing, given the improvement in results compared to previous period and the IT investments associated with software and applications maintenance. Considering AR&CO, expenses grew 104.4% totaling R\$ 100.2 million.

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

The Company reported adjusted EBITDA of R\$ 185.3 million in 4Q21, growth of 52% vs 4Q20 and 144% vs 4Q19. Key factors driving this results being:

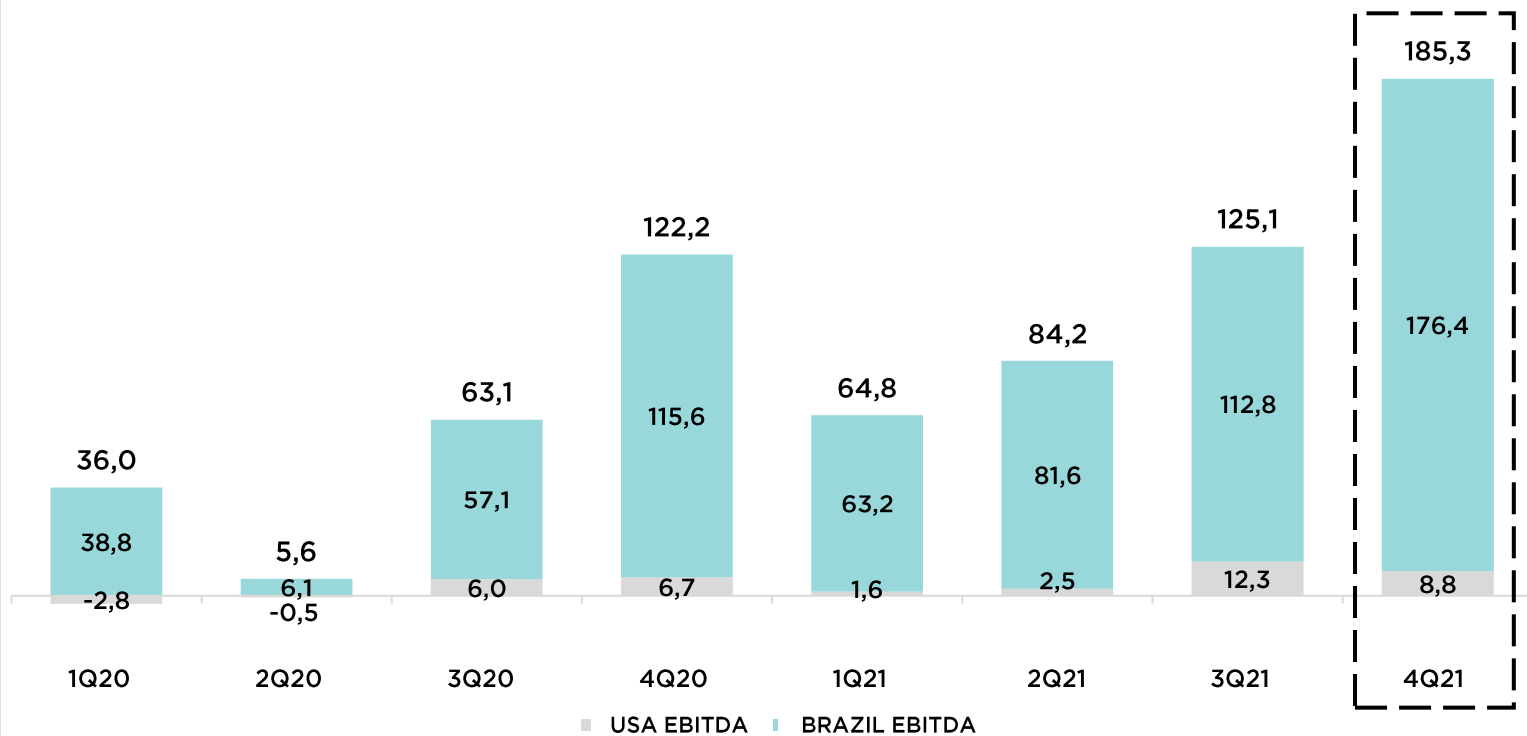
- The strong sales performance for all of the group's brands in the period;
- Acceleration in physical channel sales, in both sell out and sell in;
- Expansion of gross margin, as previously discussed;
- Maintenance of positive EBITDA in the US Operation;
- Adjusted EBITDA margin up 100 bps from 4Q19.

	4Q21 EBITDA			4Q20 EBITDA			4Q19 EBITDA		
	&Co	Brazil	USA	&Co	Brazil	USA	&Co	Brazil	USA
Net Revenues	1.093,0	992,1	100,8	644,6	587,1	57,5	467,7	419,1	48,5
EBITDA	185,3	176,5	8,8	122,2	115,6	6,7	75,9	75,9	(0,1)
EBITDA Mg.	17,0%	17,8%	8,7%	19,0%	19,7%	11,6%	16,2%	18,1%	-

Amounts in BRL M.// Amounts in line with the adoption of IFRS 16 / CPC 06 (R2)

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

AREZZO&CO BREAKDOWN OF ADJUSTED EBITDA



Adjusted results: One-off impacts and credits from previous fiscal years recognized in each quarter not included.

NET INCOME AND ADJUSTED NET MARGIN

The Company's adjusted net income in the period was R\$ 110.5 million, growth of 33% vs 2020 and 136% vs 2019, with net margin of 10%, growth of 10 bps vs 2019.

The net income was positively impacted by the strong operational performance of Arezzo&Co in the period and the incorporation of AR&CO, and negatively by the increase in financial expenses resulting from greater leverage and higher expenses with credit card fees which grew in the same proportion as the increase in sales.

ROIC – RETURN ON INVESTED CAPITAL

Adjusted return on invested capital (ROIC) – that is, excluding the inorganic movements in 2020 and 2021, as well as extemporary credits reached 30.1%, vs. 7.3% in 2020.

The reported ROIC reached the level of 22.9% in 4Q21. The factors responsible for this performance include the 374% increase in NOPAT compared to 4Q20. On the other hand, it is worth emphasizing the increase in the working capital lines (inventories, suppliers and accounts receivable), which were affected by the integration of AR&CO, carried out in December 2020.

In relation to the incorporation, it is also worth mentioning the significant increase in PP&A associated with the investment, including elements such as intangible and goodwill – to be amortized over the coming years.

Income from operations	4Q21 Reported	4Q21 Adjusted	4Q20	4Q19	Δ 21 x 20 (%)	Δ 21 x 19 (%)
EBIT (LTM)	468.524	357.243	92.109	223.102	287,8%	60,1%
+ IR and CS (LTM)	(60.134)	(45.851)	(5.974)	(42.787)	667,5%	7,2%
NOPAT (LTM)	408.390	311.392	86.135	180.315	261,5%	72,7%
Working Capital¹	416.694	416.694	331.768	419.220	25,6%	(0,6%)
Accounts Receivable	790.302	790.302	598.824	413.412	32,0%	91,2%
Inventory	450.487	450.487	290.896	179.499	54,9%	151,0%
Suppliers	(574.713)	(574.713)	(399.189)	(134.967)	44,0%	325,8%
Others	(249.382)	(249.382)	(158.763)	(38.724)	57,1%	544,0%
Permanent assets	1.421.648	657.760	1.149.183	382.146	(42,8%)	72,1%
Other long-term assets²	207.667	207.667	37.862	34.756	448,5%	497,5%
Invested capital	2.046.009	1.282.121	1.518.813	836.122	(15,6%)	53,3%
Average invested capital³	1.782.411	1.034.186	1.177.468		(12,2%)	
ROIC⁴	22,9%	30,1%	7,3%			

(1) Working Capital: Current Assets minus Cash and cash equivalents, deducted from Current Liabilities minus Banks and Dividends Payable.

(2) Minus deferred Income tax and Social Contribution.

(3) Average capital employed in the period and in the same period in the previous fiscal year.

(4) ROIC: NOPAT of the past 12 months divided by average capital employed.

INVESTMENT - CAPEX

In 4Q21, Arezzo&Co invested R\$ 64.0 million in CAPEX, notably to:

- **AR&CO**
 - Opening of new stores;
 - Store renovations to adapt to the new architectural model;
 - Infrastructure and IT projects.
- **Corporate**
 - Projects related to digital transformation.
- **Stores**
 - Opening of new owned stores (Vans brand);
 - Alme store renovations - adaption to the brand's new positioning;

Summary of Investments	4Q21	4Q20	Δ 21 x 20 (%)	2021	2020	Δ 21 x 20 (%)
Total CAPEX	64.044	15.389	316,2%	168.881	46.185	265,7%
Stores - expansion and refurb	42.063	6.253	572,7%	88.007	12.115	626,4%
Corporate	16.513	8.721	89,3%	65.474	29.147	124,6%
Other	5.468	415	1.217,6%	15.400	4.923	212,8%

CASH AND DEBT

The company reported a net debt of R\$ 272.0 million at the end of 4Q21. Highlights for the period include:

- **A cash position of R\$ 262.6 million;**
- Total debt of R\$ 534.6 million, compared with R\$ 568.3 million in 3Q21;
- Worthy of mention is that the company debt levels were modified in 1Q20 due to preventive raising of credit lines;
- Net Debt/EBITDA ratio of 0.5x.

Cash position and Indebtedness	4Q21	3Q21	4Q20
Cash	262.559	297.205	561.165
Total debt	534.594	568.258	634.269
Short-term	496.861	271.040	239.483
% total debt	92,9%	47,7%	37,8%
Long-term	37.733	297.218	394.786
% total debt	7,1%	52,3%	62,2%
Net debt	272.035	271.053	73.104
Net Debt/EBITDA	0,5x	0,5x	0,4x

BALANCE SHEET

Assets	4Q21	3Q21	4Q20
Current assets	1.646.786	1.495.473	1.564.868
Cash and Banks	33.750	49.047	38.297
Financial Investments	228.809	248.158	522.868
Trade accounts receivables	790.302	605.881	598.824
Inventory	450.487	448.212	290.896
Taxes recoverable	73.852	87.897	86.034
Other credits	68.230	54.654	27.949
Financial Instruments - Derivatives	1.356	1.624	0
Non-current assets	1.719.540	1.629.771	1.268.520
Long-term receivables	297.892	283.932	119.337
Trade accounts receivables	4.276	5.200	2.564
Deferred income and social contribution	90.225	83.797	81.475
Financial Instruments - Derivatives	6.427	0	0
Other credits	196.964	194.935	35.298
Investments property	2.460	4.780	2.116
Investments	402	2.298	900
Property, plant and equipment	403.868	348.244	316.300
Intangible assets	1.014.918	990.517	829.867
Total Assets	3.366.326	3.125.244	2.833.388

Liabilities	4Q21	3Q21	4Q20
Current liabilities	1.519.000	1.070.932	911.418
Loans and financing	496.861	271.040	239.483
Lease	57.017	52.351	52.890
Suppliers	574.713	457.912	399.189
Other liabilities	390.409	289.629	219.856
Non-current liabilities	255.320	506.137	573.373
Loans and financing	37.733	297.218	394.786
Other liabilities	35.454	17.758	17.274
Lease	174.879	155.314	160.470
Other amounts payable	1.813	30.597	0
Deferred tax	5.441	5.250	843
Shareholder's Equity	1.590.580	1.546.535	1.348.597
Capital	811.284	808.715	967.924
Capital reserve	196.925	198.491	49.229
Profit reserves	541.478	335.832	335.832
Adjustment of Equity Valuation	-9.107	-8.183	-6.970
Accumulated Profit	0	211.512	0
Proposed additional dividends	50.000	0	2.582
Comprehensive income	0	168	0
Total Shareholder's Equity	1.592.006	1.548.175	1.348.597
Non-controlling interest stake	1.426	1.640	0
Total liabilities and shareholders' equity	3.366.326	3.125.244	2.833.388

INCOME STATEMENT

Income Statement - IFRS	4Q21	4Q20	Var.%	2021	2020	Var.%
Net operating revenue	1.092.950	644.615	69,6%	2.923.827	1.590.992	83,8%
Cost of goods sold	(502.252)	(328.421)	52,9%	(1.385.147)	(835.779)	65,7%
Gross profit	590.698	316.194	86,8%	1.538.680	755.213	103,7%
Operating income (expenses):	(445.647)	(221.391)	101,3%	(1.070.155)	(663.104)	61,4%
Selling	(329.971)	(172.091)	91,7%	(884.411)	(529.953)	66,9%
Administrative and general expenses	(112.548)	(52.075)	116,1%	(316.217)	(162.234)	94,9%
Other operating income, net	(3.128)	2.775	-212,7%	130.473	29.083	348,6%
Income before financial result	145.051	94.803	53,0%	468.525	92.109	408,7%
Financial income	(24.513)	(20.870)	17,5%	(64.671)	(37.551)	72,2%
Income before income taxes	120.538	73.933	63,0%	403.854	54.558	640,2%
Income tax and social contribution	(16.620)	3.115	-633,5%	(60.134)	(5.974)	906,6%
Current	(22.857)	(9.076)	151,8%	(64.286)	(46.596)	38,0%
Deferred	6.237	12.191	-48,8%	4.152	40.622	-89,8%
Net income for period	103.918	77.048	34,9%	343.720	48.584	607,5%
Results Attributed to:						
Controlling shareholders	104.133	77.048	35,2%	345.234	48.584	610,6%
Non-controlling shareholders	(215)	-	-	(1.514)	-	-
Net income for period	103.918	77.048	34,9%	343.720	48.584	607,5%

CASH FLOW STATEMENT

Cash Flow	4Q21	4Q20	2021	2020
Operating activities				
Net Income	103.918	77.048	343.720	48.584
Adjustments to reconcile the results according to the cash generated by operating activities:	56.404	1.572	203.607	149.850
Depreciation and amortization	30.869	21.307	105.748	81.103
Income from financial investments	(3.470)	(2.844)	(13.127)	(11.650)
Interest and exchange rate	11.309	(4.511)	34.056	34.612
Income tax and social contribution	16.622	(3.115)	60.134	5.973
Others	1.074	(9.265)	16.796	39.812
Decrease (increase) in assets				
Trade accounts receivables	(182.762)	(107.285)	(197.157)	(108.797)
Inventory	(3.528)	31.114	(166.683)	(38.655)
Recoverable taxes	(4.635)	16.965	(152.525)	(15.140)
Change in other current assets	(22.814)	13.176	(59.360)	(25.357)
Judicial deposits	(3.180)	(4.590)	(23.420)	(9.108)
(Decrease) increase in liabilities				
Suppliers	118.587	142.598	183.093	234.575
Labor liabilities	23.246	5.957	47.242	(8.610)
Fiscal and social liabilities	37.615	4.257	31.101	5.313
Variation in other liabilities	27.908	342	62.393	16.152
Payment of income tax and social contribution	(7.313)	(2.941)	(11.549)	(19.437)
Interest payment on loans	(6.573)	(2.579)	(18.524)	(9.054)
Net cash flow from operating activities	136.873	175.634	241.938	220.316
Investing activities				
Sale of fixed and intangible assets	1.037	932	1.472	1.277
Acquisition of fixed and intangible assets	(64.044)	(15.389)	(168.881)	(46.185)
Financial Investments	(606.549)	(743.175)	(2.214.275)	(2.027.529)
Redemption of financial investments	627.705	835.354	2.517.233	1.838.505
Acquisition of subsidiary, net cash obtained on acquisition	(50.000)	(163.404)	(146.321)	(163.404)
Payment of Capital in Subsidiaries	-	100.000	-	100.000
Receipt of Dividends	-	54	-	54
Net cash used for investment activities	(91.851)	14.372	(10.772)	(297.282)
Financing activities				
Loans and financing	-	97.610	128.180	552.851
Payments of loans	(38.400)	(92.454)	(243.386)	(213.882)
Consideration of Lease	(20.491)	(21.054)	(75.529)	(60.352)
Interest on Equity and Investment Activities	-	(148.317)	(32.172)	(170.992)
Credits (debits) with Shareholders	-	(1.000)	1.000	(2.502)
Resources from the Exercise of Stock Options	2.569	-	2.569	-
Repurchase of Shares	(3.009)	-	(14.175)	(3.672)
Net Cash used on Financing Activities	(59.331)	(165.215)	(233.513)	101.451
Increase (decrease) in cash and cash equivalents	(14.309)	24.791	(2.347)	24.485
Disponibilidades				
Effect of Exchange Rate Variation on Cash and Cash Equivalent	(988)	4	(2.200)	4
Cash and cash equivalents - Initial balance	49.047	13.502	38.297	13.808
Cash and cash equivalents - Closing balance	33.750	38.297	33.750	38.297
Increase (decrease) in cash and cash equivalents	(14.309)	24.791	(2.347)	24.485

4Q 2021

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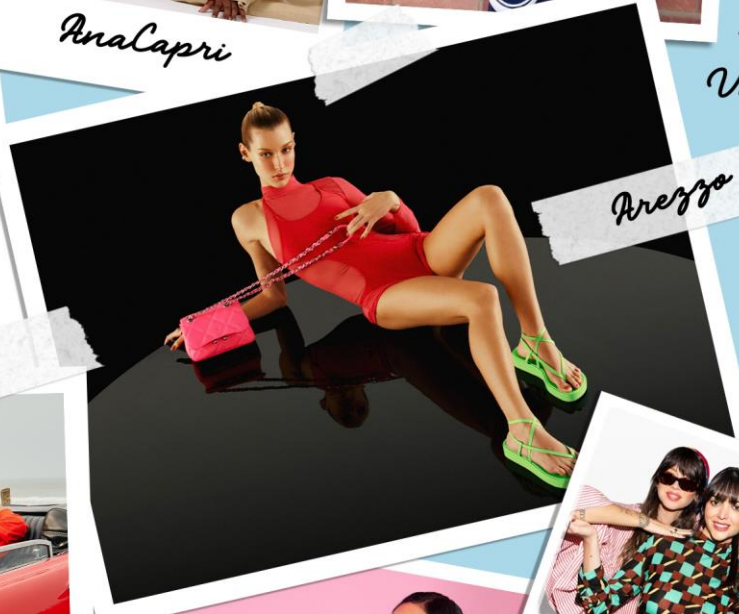
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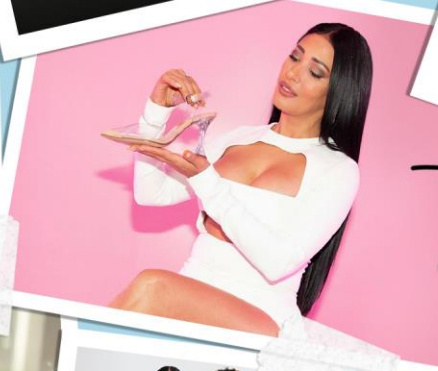
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