

AREZZO &CO

INSTITUTIONAL
PRESENTATION
1Q22



AREZZO

SCHUTZ

ANACAPRI

ALEXANDRE
BIRMAN

FEVER

ALME

VANS
"OFF THE WALL"

Reserva

TROC

ZZ'MALL

mySHOES

AR&CO

Reserva

Reserva
mini

Oficina
RESERVA

ReservaGo

INK
Reserva

Baw®

CAROL BASS

COMPANY OVERVIEW

SECTION 1

COMPANY OVERVIEW



R\$ 1,042 BI
GROSS REVENUE 1Q22



5,3 THOUSAND
EMPLOYEES (1Q22)



R\$ 771 MILLIONS
DTC SELL OUT 1Q22
(FRANCHISES, OWNED STORES AND WEB)



R\$ 7 MILLIONS
ITEMS SOLD (SHOES, BAGS AND CLOTHES)



R\$ 1.8 BILLIONS
WEB SELL OUT + DIGITAL REVENUES (LTM)



+ 344%
GROWTH IN STOCK PRICE SINCE THE
IPO (2011)



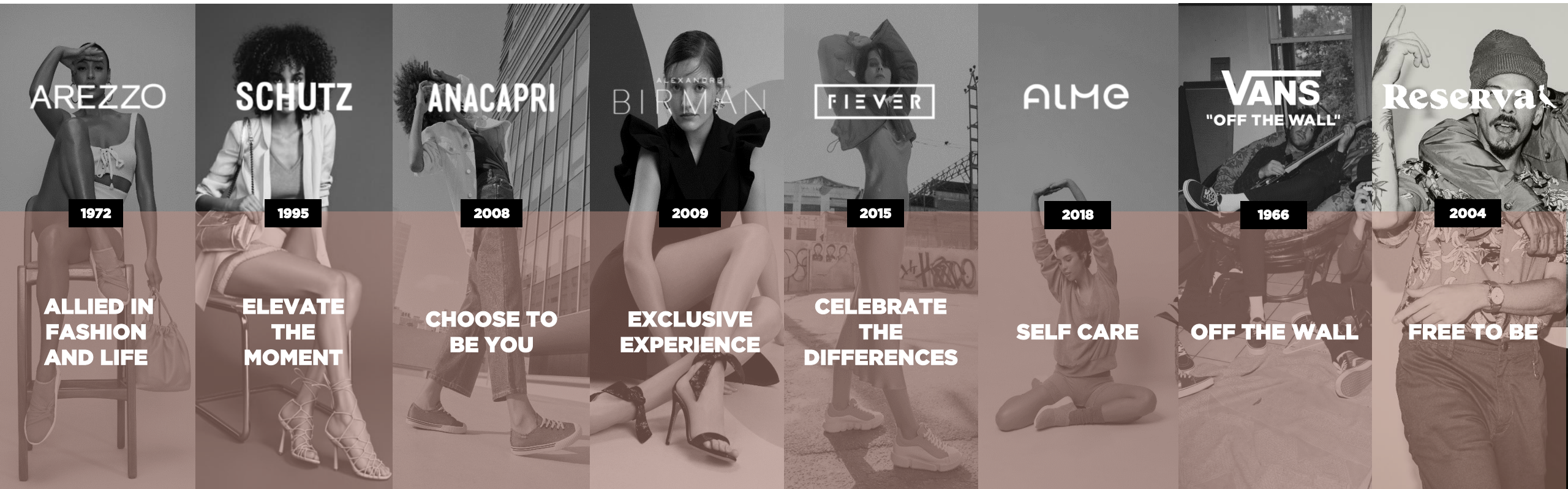
925 STORES
152 OWNED STORES AND 773 FRANCHISES
(1Q22)



R\$ 9.3 BILLIONS
MARKET CAP VALUE (05/05/2022)

STRONG PLATAFORM OF BRANDS

AREZZO&CO IS A LEADING COMPANY IN THE WOMEN'S FOOTWEAR, HANDBAGS AND ACCESSORIES SEGMENT THROUGH ITS PLATFORM OF REFERENCE BRANDS



COMPANY OVERVIEW

**AREZZO&CO IS THE REFERENCE IN THE BRAZILIAN RETAIL SECTOR AND HAS A UNIQUE POSITIONING
COMBINING GROWTH WITH CASH GENERATION**

**LEADING COMPANY IN
THE FOOTWEAR AND
ACCESSORIES
INDUSTRY WITH
PRESENCE IN ALL
BRAZILIAN STATES**

**CONTROLLING
SHAREHOLDERS ARE
REFERENCE IN THE
SECTOR**

**DEVELOPMENT OF
COLLECTIONS WITH
EFFICIENT SUPPLY
CHAIN**

***ASSET LIGHT*: HIGH
OPERATIONAL
EFFICIENCY**

**STRONG CASH
GENERATION AND HIGH
GROWTH**

**18.0 MILLION PAIRS OF SHOES
2 MILLION HANDBAGS (1)
4 MILLION CLOTHES (2)
MORE THAN 6,500 POINTS OF
SALE
~30% MARKET SHARE ON AB
CLASSES (3)**

**MORE THAN 49 YEARS OF
EXPERIENCE IN THE SECTOR
WIDE RECOGNITION**

**11,500 MODELS CREATED
PER YEAR
AVERAGE LEAD TIME OF 40
DAYS
MORE THAN 18 LAUNCHES
PER YEAR**

**87,4% OUTSOURCED
PRODUCTION IN 1Q22 (4)
ROIC OF 25.6% IN 1Q22
5,380 EMPLOYEES**

**NET REVENUES CAGR:
17% (2015 - 2021)
INCREASED OPERATING
LEVERAGE**

NOTAS:

(1) AS OF 2021

(2) AMOUNT OF PIECES OF CLOTHES SOLD BY THE BRANDS: VANS AND RESERVA GROUP (2021)

(3) REFERS TO THE BRAZILIAN WOMEN FOOTWEAR, HANDBAGS, MEN'S AND WOMEN'S SNEAKERS MARKET (SOURCE: COMPANY ESTIMATES). AS OF 2021

(4) CONSIDERS AREZZO&CO ONLY

SUCCESSFUL TRACK RECORD OF ENTREPRENEURSHIP

THE RIGHT CHANGES AT THE RIGHT TIME ACCELERATED THE COMPANY'S DEVELOPMENT

FOUNDATION AND STRUCTURING	INDUSTRIAL ERA	RETAIL ERA	CORPORATE ERA	INDUSTRY REFERENCE
<ul style="list-style-type: none"> FOUNDED IN 1972 FOCUSED ON BRAND AND PRODUCT FIRST STORE 	<ul style="list-style-type: none"> CONSOLIDATION OF INDUSTRIAL BUSINESS MODEL LOCATED IN MINAS GERAIS 1.5 MM PAIRS PER YEAR AND 2,000 EMPLOYEES 	<ul style="list-style-type: none"> FOCUS ON RETAIL R&D AND PRODUCTION OUTSOURCING ON VALE DOS SINOS - RS FRANCHISES EXPANSION COMMERCIAL OPERATIONS CENTRALIZED IN SÃO PAULO FAST FASHION CONCEPT 	<ul style="list-style-type: none"> SPECIFIC BRANDS FOR EACH SEGMENT EXPANSION OF DISTRIBUTION CHANNELS EFFICIENT SUPPLY CHAIN INITIAL PUBLIC OFFER (IPO): FEV/2011 	<ul style="list-style-type: none"> CONSOLIDATE LEADERSHIP POSITION



FIRST MALE SHOE FACTORY



LAUNCH OF THE FIRST DESIGN WITH NATIONAL SUCCESS



OPENING OF THE FLAGSHIP STORE AT OSCAR FREIRE



SCHUTZ LAUCH

MERGER

2007

AREZZO SCHUTZ

STRATEGIC PARTNERSHIP

2007

TARPON
INVESTIMENTOS

LAUNCH OF NEW BRANDS

2008

2009

ANACAPRI BIRMAN

INTERNATIONAL EXPANSION

2012

SCHUTZ BIRMAN

LAUNCH OF NEW BRANDS

2015

2018

FIEVER ALME

LICENSING AND M&A

2019

2020

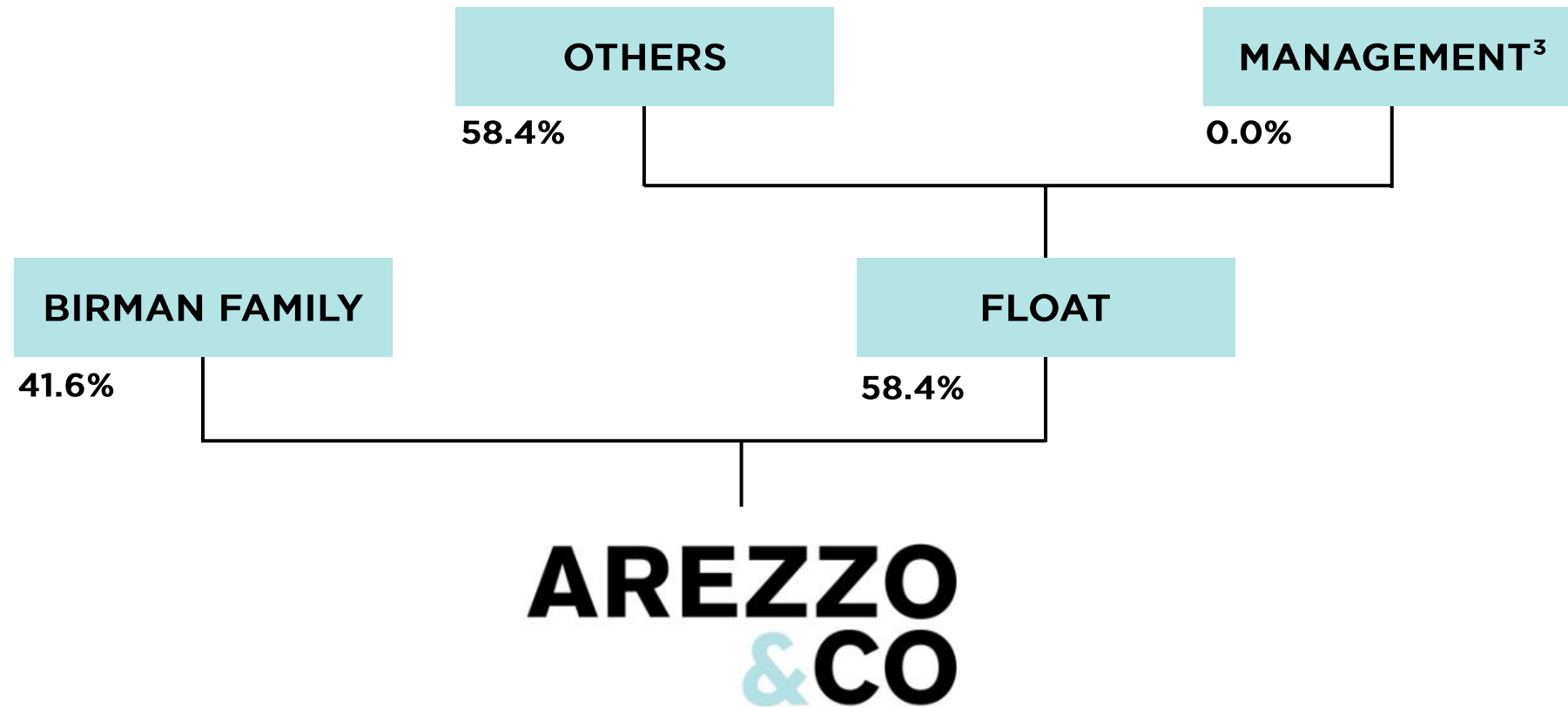
2021

VANS
"OFF THE WALL"

Reserva
TROC

Baw®
myshoes

SHAREHOLDER STRUCTURE



NOTES

1- AREZZO&CO CAPITAL STOCK IS COMPOSED OF 109.796.219 COMMON SHARES, ALL NOMINATIVE, BOOK-ENTRY SHARES WITH NO PAR VALUE

2- SHAREHOLDER STRUCTURE AS OF MARCH 31, 2022

3- INCLUDES LTI PLAN



AREZZO

— 1972 —

TRENDY
NEW
EASY TO USE
ECLETIC

16 - 60 YEARS

CHANNEL AND % REVENUE

O	F	MM	EX
#17	#431	#1.703	#43
8%	53%	14%	2%

WEB GROSS REVENUE
R\$ 266 MM (23%)

RETAIL PRICE POINT
R\$ 240.00 / PAIR

GROSS REVENUE
R\$ 1,1 BI (29%)



6 MILLIONS FOLLOWERS





SCHUTZ

— 1995 —

FASHION
UP TO DATE
BOLD
PROVOCATIVE

18 - 40 YEARS

CHANNELS AND % REVENUE

O	F	MM	EX	USA
#20	#62	#1,181	#72	#3
11%	11%	23%	3%	30%

WEB GROSS REVENUE
R\$ 205 MM (21%)

RETAIL PRICE POINT
R\$ 380.00 / PAIR

GROSS REVENUE
R\$ 990 MM (24%)



4.7 MILLIONS FOLLOWERS





Reserva

— 2004 —

**FREE TO BE
CLASSICS
SOCIAL COMFORT
MADE IN BRAZIL**

0 - 50 ANOS

CHANNELS AND % REVENUE

O	F	MM
#82	#57	#897
46%	8%	21%

WEB GROSS REVENUE
R\$ 223 MM (25%)

RETAIL PRICE POINT
R\$ 170.00 / PIECE

GROSS REVENUE
R\$ 877 MM (21%)

 **1,5 MILLION FOLLOWERS**

*ACQUIRED AT DEC/20





ANACAPRI

— 2008 —

POP
FLAT SHOES
AFFORDABLE
COLORFUL

12 - 60 YEARS

CHANNELS AND % REVENUE

O	F	MM	EX
#2	#204	#1,649	#21
3%	40%	37%	1,5%

WEB GROSS REVENUE
R\$ 53 MM (17%)

RETAIL PRICE POINT
R\$ 140.00 / PAIR

GROSS REVENUE
R\$ 312 MM (8%)



1.6 MILLION FOLLOWERS





ALEXANDRE
BIRMAN

— 2009 —

DESIGN
EXCLUSIVITY
IDENTITY
SEDUCTION

20 - 45 YEARS

CHANNEL AND % REVENUE

O	MM	USA
#8	#28	#2
30%	3%	58%

WEB GROSS REVENUE
R\$ 12 MM (7%)

RETAIL PRICE POINT
R\$ 1,500.00 / PAIR

GROSS REVENUE
R\$ 165 MM (4%)



413K FOLLOWERS





FIEVER

2015

CASUAL
YOUNG
URBAN
MODERN

15 - 30 YEARS

CHANNEL AND % REVENUE

O
#2
16%

MM
#247
44%

WEB GROSS REVENUE
R\$ 9 MM (35%)

RETAIL PRICE POINT
R\$ 320.00 / PAIR

GROSS REVENUE
R\$ 24 MM (1%)



303K FOLLOWERS



ALME

— 2018 —

CONFORT
WELLNES
BEAUTY
SELF CARE

30 - 60 YEARS

CHANNELS AND % REVENUE

O	MM
#2	#1
33%	26%

WEB GROSS REVENUE
R\$ 2.4 MM (33%)

RETAIL PRICE POINT
R\$ 230.00 / PAIR

GROSS REVENUE
R\$ 7,3 MM (0.2%)



85,6K FOLLOWERS

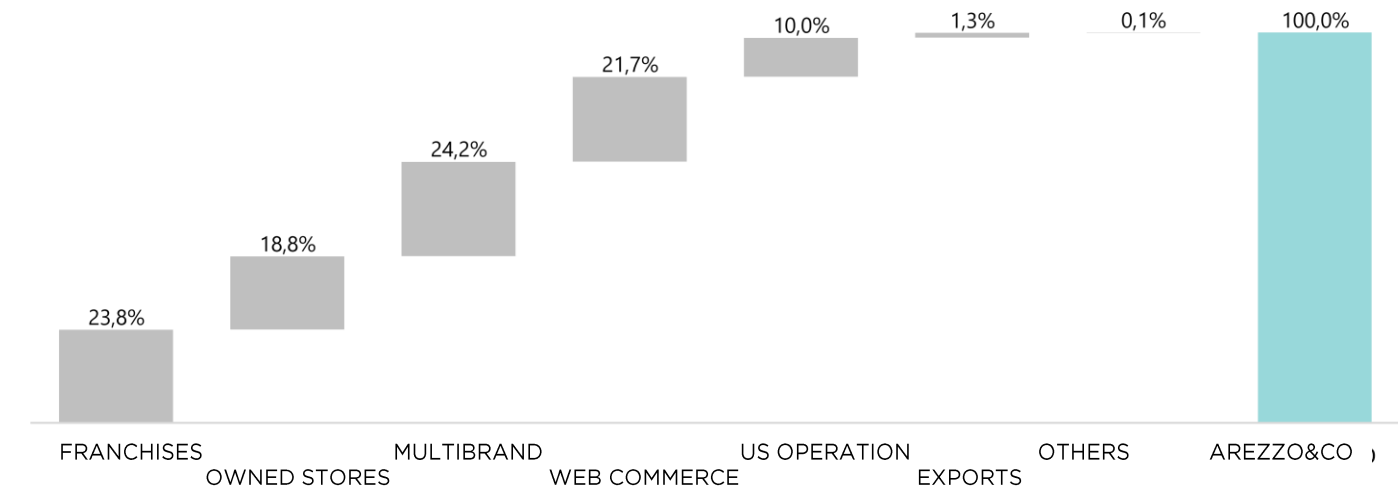


MULTIPLE DISTRIBUTION CHANNELS

FLEXIBLE PLATFORM THROUGH DIFFERENT DISTRIBUTION CHANNELS WITH DIFFERENTIATED STRATEGIES, MAXIMIZING THE RETURN TO THE COMPANY



GROSS REVENUE BREAKDOWN BY CHANNEL



1. WITHOUT STORE OVERLAP BETWEEN BRANDS (INCLUDING RESERVA GROUP)
2. LTM

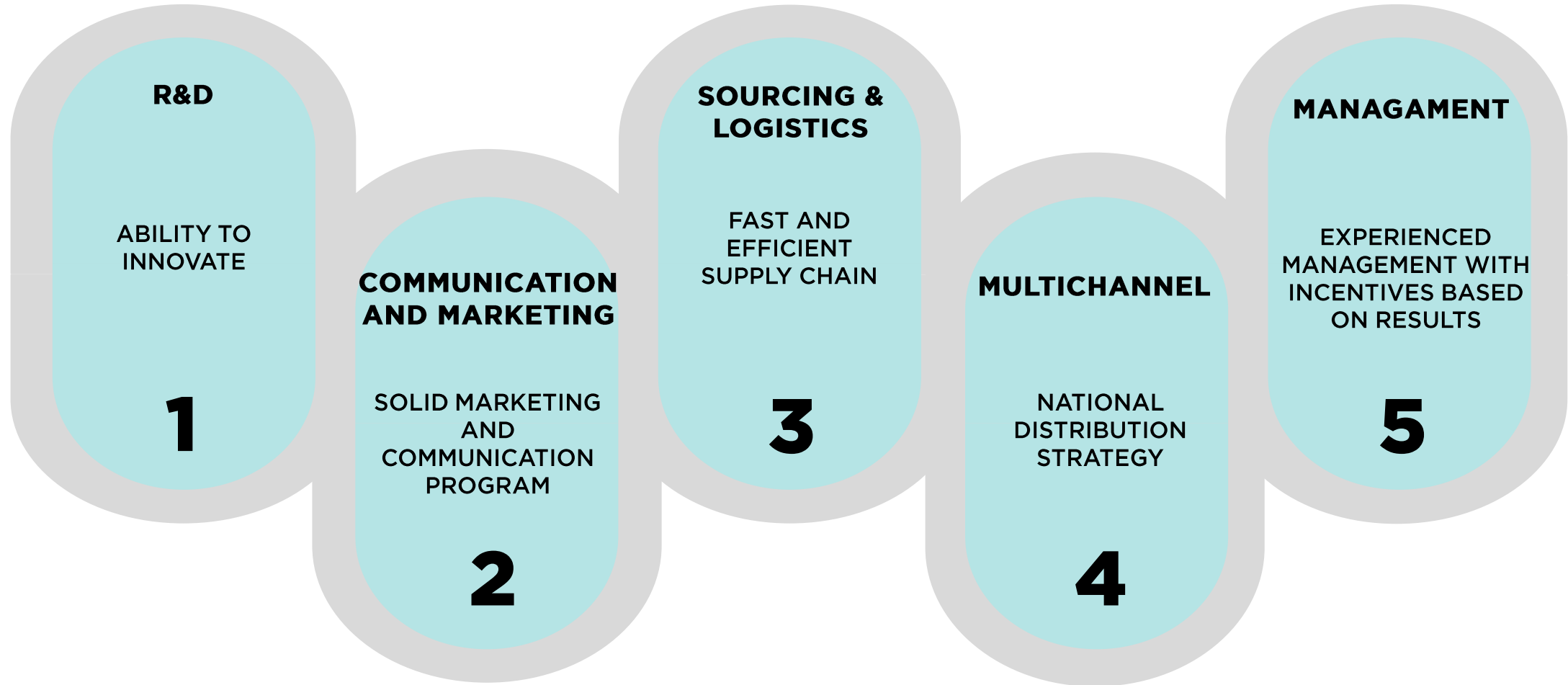
	FRANCHISES	OWNED STORES	MULTIBRAND
AREZZO	431	17	1.703
SCHUTZ	62	20	1.181
ANACAPRI	204	2	1.649
ALEXANDRE BIRMAN	-	8	28
FIEVER	-	2	247
ALME	-	2	1
VANS "OFF THE WALL"	13	12	1.481
Reserva	57	82	897
CAROL BASS	-	2	-

BUSINESS MODEL

SECTION 2

UNIQUE BUSINESS MODEL IN BRAZIL

FOCUS ON THE CUSTOMER: WE SEEK TO ANTICIPATE THE CONSUMPTION DESIRE OF BRAZILIAN WOMEN

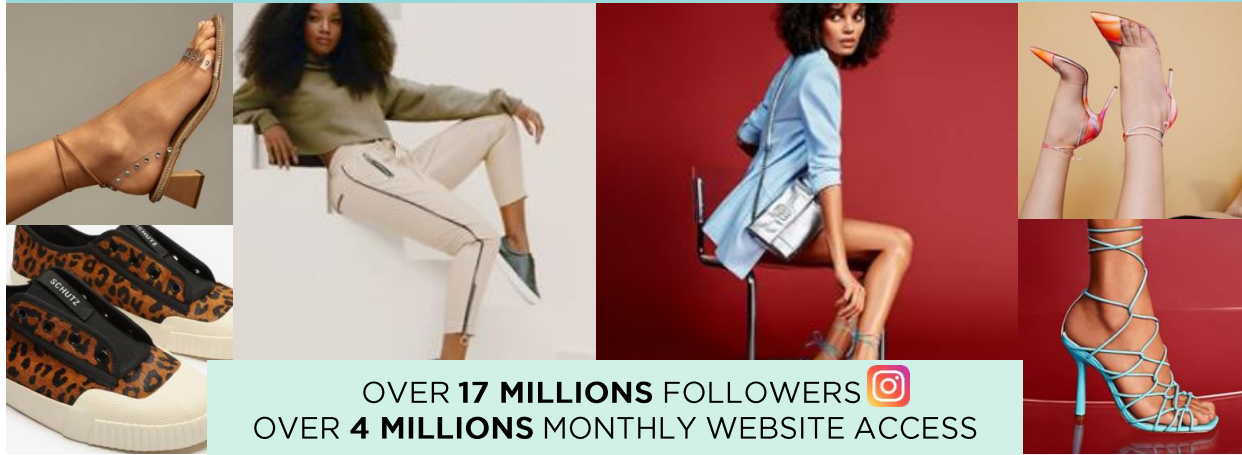


BRANDS OS REFERENCE

COMMUNICATION AND MARKETING PLAN

EACH BRAND HAS AN INTEGRATED AND EXPRESSIVE COMMUNICATION STRATEGY, FROM THE CREATION OF CAMPAIGNS TO THE POINT OF SALES

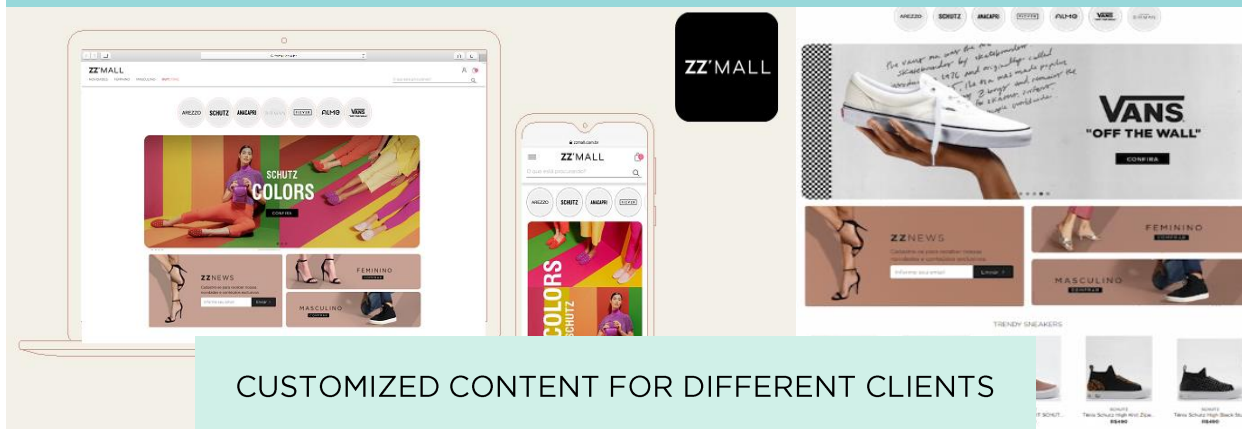
STRONG PRESENCE IN SOCIAL, DIGITAL, AND PRINT MEDIA



LIVE MARKETING AND EXPERIENCE AT POINT OF SALE



DIGITAL COMMUNICATION



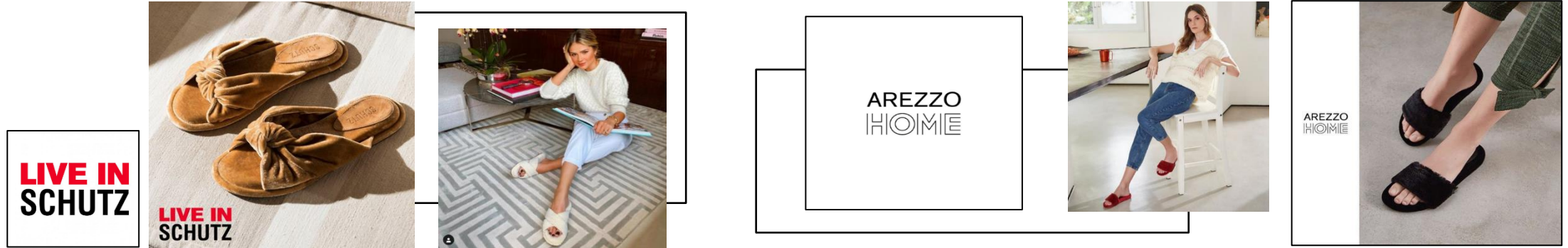
PUBLIC RELATIONS



COMMUNICATION & MARKETING REFLECTED IN EVERY ASPECT OF THE STORES

STORES ARE CONSTANTLY CHANGED TO INCORPORATE THE CONCEPT OF EACH NEW COLLECTION, RESULTING IN A HIGHER LEVEL OF DESIRE-DRIVEN PURCHASES

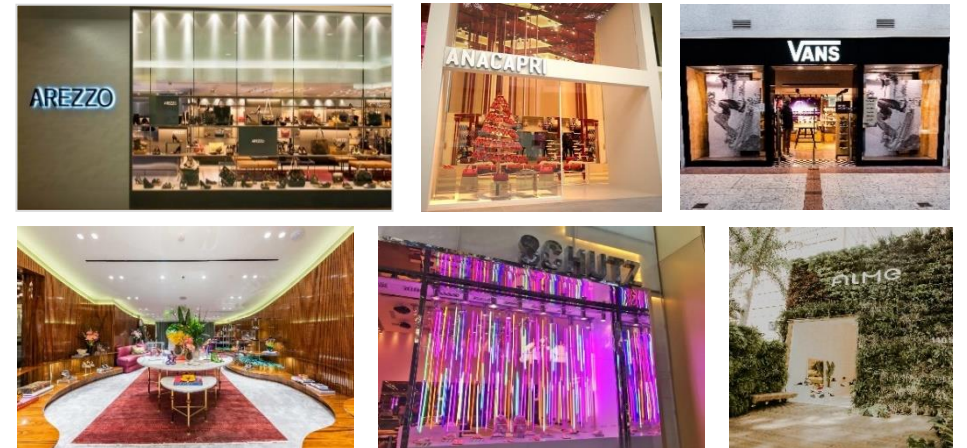
CAMPAINGS



STORES LAYOUT & VISUAL MERCHANDISING



FLAGSHIP STORES



FLEXIBLE PRODUCTION PROCESS

AGILITY, FLEXIBILITY AND SCALABILITY OF PRODUCTION ENSURE THE GROWTH EXPECTED BY AREZZO&CO

FLEXIBLE SOURCING MODEL

OWNED FACTORY WITH CAPACITY TO PRODUCE 1,1MM PAIRS PER YEAR AND A STRONG RELATIONSHIP WITH VALE DOS SINOS PRODUCTION CLUSTER - THE MAIN OUTSOURCING REGION

CERTIFICATION AND AUDITING OF SUPPLIERS

IN-HOUSE CERTIFICATION AND AUDITING ENSURE QUALITY AND PUNCTUALITY (ISO 9001 CERTIFICATION IN 2008)

NEW DISTRIBUTION CENTER - ESPIRITO SANTO STATE



GAINS OF SCALE

AREZZO'S SCALE AND STRUCTURE GIVES FLEXIBILITY TO SOURCE A LARGE NUMBER OF SKU'S FROM VARIOUS FACTORIES ON A SHORT TIME WITH COMPETITIVE PRICES



JOINT PURCHASES

COORDINATION OF RAW MATERIAL NEGOTIATION WITH SUPPLIERS

CONSOLIDATION AND SIMULTANEOUS DISTRIBUTION IN NATIONAL SCALE



OUTSOURCING: 87% OF PRODUCTION OUTSOURCED AND 13% IN AREZZO&CO FACTORIES

FLAGSHIP STORES IN KEY BRAZILIAN LOCATIONS

OWNED STORES ARE ESSENTIAL TO DEVELOP RETAIL KNOW-HOW AND INCREASE BRANDS' VISIBILITY IN REGIONS LIKE SÃO PAULO



STRUCTURE APPLIED TO RETAIL IN ORDER TO ACHIEVE BETTER SALES AND MARGIN RESULTS AS WELL AS TO INTEGRATE AND CONNECT ALL MONOBRAND STORES' BACK OFFICE



STRONG FOCUS ON FRANCHISE AND OWNED STORE PERFORMANCE

- ALL SALES TEAM (4,000+ PEOPLE) GET CONNECTED THROUGH A NATIONAL BROADCAST FOR THREE SALES CONVENTIONS PER YEAR, CREATING AN ALIGNED SALES PITCH AND A GREAT SENSE OF MOTIVATION BEFORE EACH SEASON
- LARGE SERVICE PROGRAM TO ASSIST FRANCHISEES ON SALES AND PROFITABILITY GOALS
- RECURRING TRAINING PROGRAMS IN PRODUCTS, FASHION TRENDS, SALES TECHNIQUES, STORE MANAGEMENT, IT, AMONG OTHERS
- STRONG VISUAL MERCHANDISING, TRADE MARKETING, AMBIANCE INVESTMENTS AND TRAINING

EFFICIENT MANAGEMENT OF THE FRANCHISE NETWORK

MODEL ALLOWS FAST EXPANSION WITH LOW INVESTED CAPITAL

SUCCESSFUL PARTNERSHIP: “WIN – WIN”

- INTENSE RETAIL TRAINING
- ONGOING SUPPORT: AVERAGE OF 6 STORES/ CONSULTANT AND AVERAGE OF 22 VISITS PER STORE/ YEAR
- STRONG RELATIONSHIP WITH AND ONGOING SUPPORT TO FRANCHISEE
- IT INTEGRATION WITH OUR FRANCHISES AMOUNTS TO 100%
- AS MONO-BRAND STORES, FRANCHISES REINFORCE BRANDING IN EACH CITY THEY ARE LOCATED

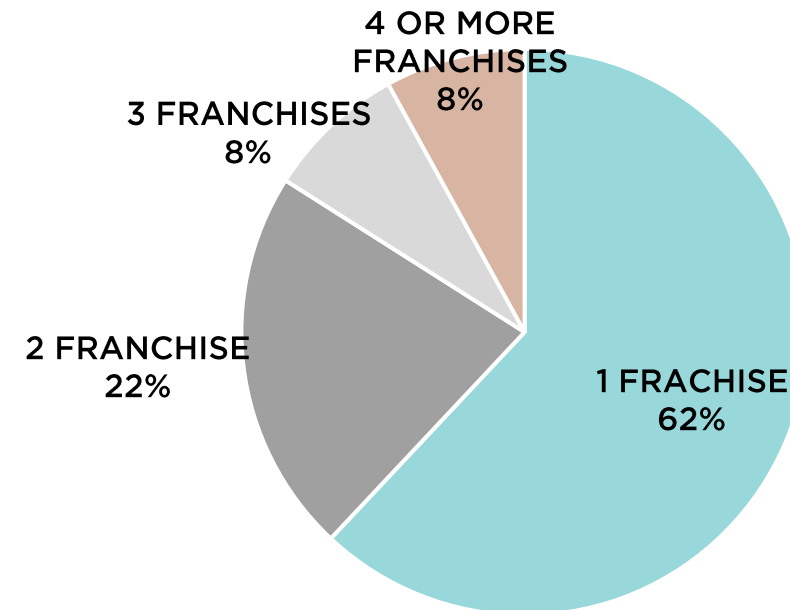
SEAL OF EXCELLENCE FROM ABF (BRAZILIAN ASSOCIATION OF FRANCHISING)

96% SATISFACTION OF FRANCHISEES (1)

5-YEAR CONTRACT AND AVERAGE PAYBACK OF 36-48 MONTHS (2)

FRANCHISE CONCENTRATION PER OPERATOR

(NUMBER OF OPERATORS PER NUMBER OF FRANCHISES HELD)



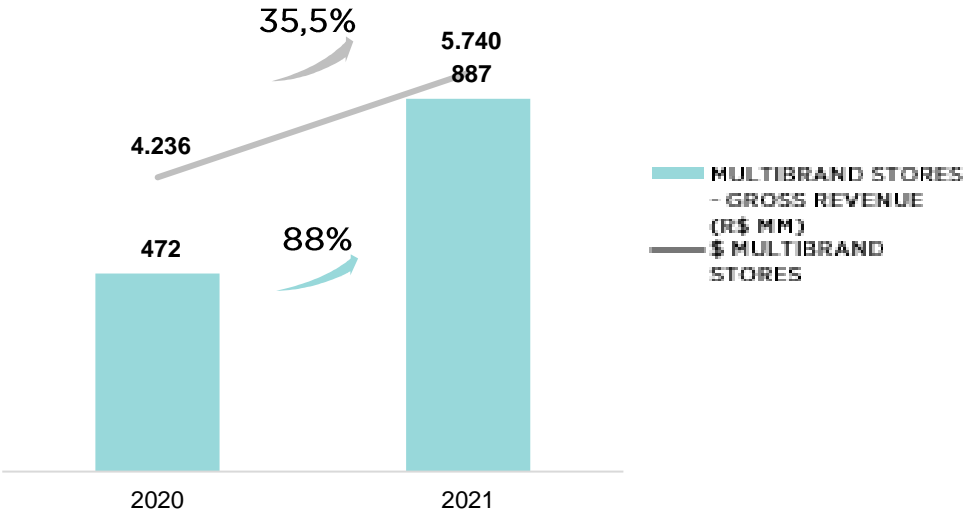
NOTES:

1. 96% OF THE CURRENT FRANCHISEES INDICATED THEY WOULD BE INTERESTED IN OPENING A FRANCHISE IF THEY DID NOT ALREADY HAVE ONE
2. FOR A REGULAR AREZZO BRAND STORE, WITH EXPECTED ANNUAL SALES OF R\$ 2,2 MILLION, THE AVERAGE INVESTMENT IS APPROXIMATELY R\$ 670 THOUSAND, INCLUDING STORE CAPEX, FRANCHISE FEE, WC AND INITIAL INVENTORY)

MULTIBRAND STORES AS TOOL FOR INCREASED CAPILARITY

MULTIBRAND STORES WIDEN THE DISTRIBUTION NETWORK AND THE BRANDS' VISIBILITY, RESULTING IN A STRONGER RETAIL FOOTPRINT

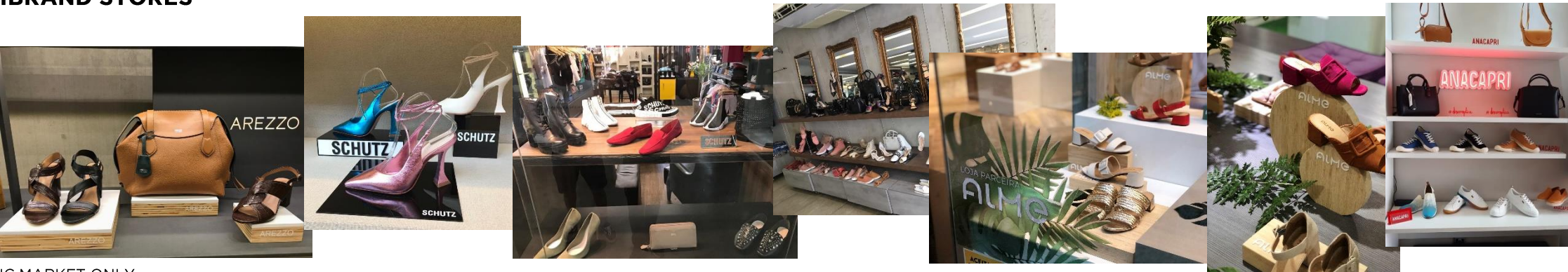
MULTIBRAND STORES' GROSS REVENUE¹ (R\$ MILLIONS)



IMPROVED DISTRIBUTION AND BRAND VISIBILITY

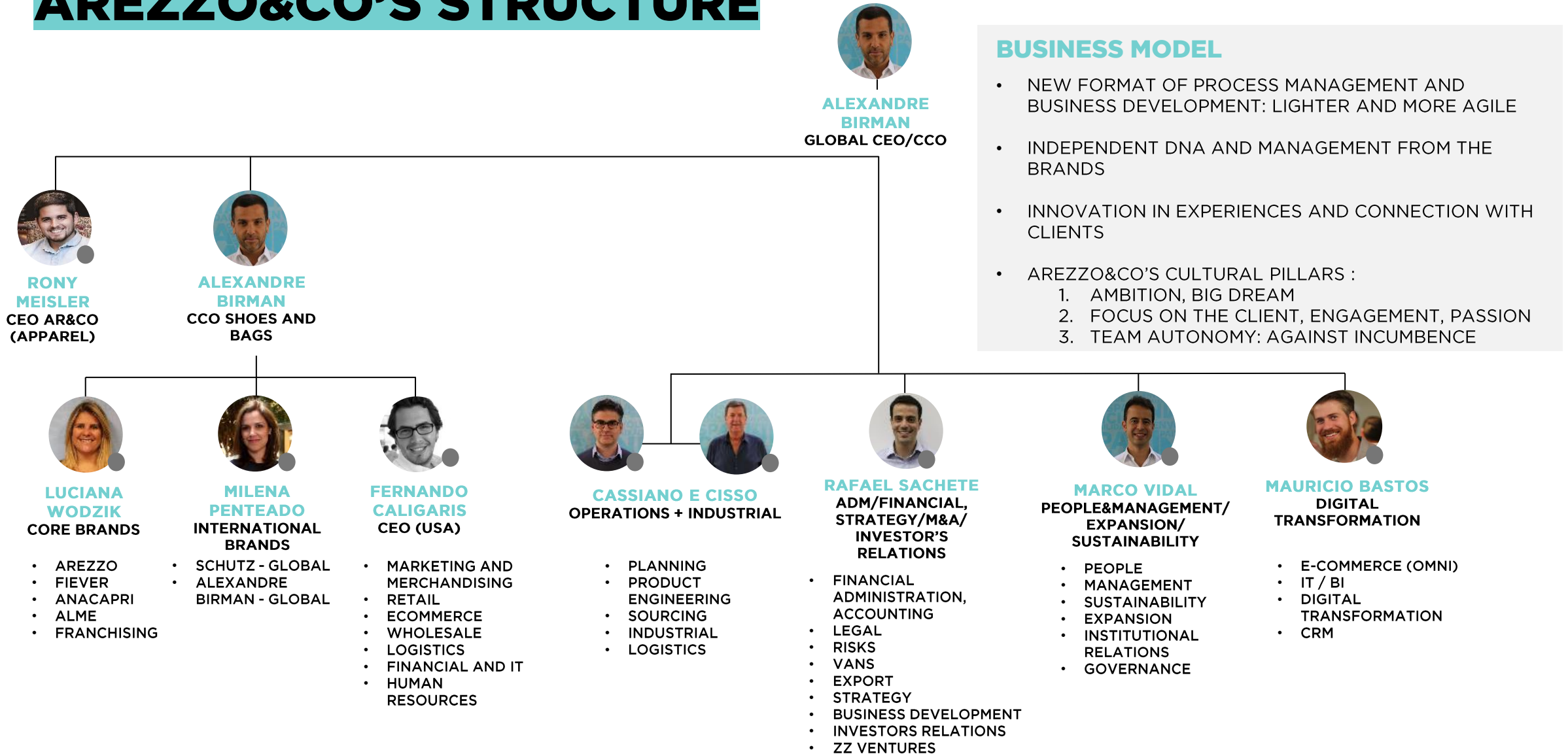
- GREATER BRAND DISTRIBUTION NETWORK
- PRESENCE IN OVER 1,700 CITIES
- FAST EXPANSION AT LOW INVESTMENT AND RISK
- MAIN FOCUS: INCREASE SHARE OF WALLET, THROUGH THE SALE OF MORE BRANDS AT THE SAME POS AND ALSO HANDBAGS AS PART OF THE MIX
- IMPORTANT SALES CHANNEL FOR SMALLER CITIES AND THE BRAZILIAN COUNTRYSIDE
- SALES TEAM OPTIMIZATION: INTERNAL TEAM AND COMMISSIONED SALES REPRESENTATIVES

MULTIBRAND STORES



NOTES:
1. DOMESTIC MARKET ONLY
2. AREZZO&CO MULTIBRANDS STORES ONLY

AREZZO&CO'S STRUCTURE



BUSINESS MODEL

- NEW FORMAT OF PROCESS MANAGEMENT AND BUSINESS DEVELOPMENT: LIGHTER AND MORE AGILE
- INDEPENDENT DNA AND MANAGEMENT FROM THE BRANDS
- INNOVATION IN EXPERIENCES AND CONNECTION WITH CLIENTS
- AREZZO&CO'S CULTURAL PILLARS :
 1. AMBITION, BIG DREAM
 2. FOCUS ON THE CLIENT, ENGAGEMENT, PASSION
 3. TEAM AUTONOMY: AGAINST INCUMBENCE

BOARD OF DIRECTORS

HIGH ENGAGEMENT WITH STRATEGIC PLANNING OF AREZZO&CO



**ALESSANDRO
CARLUCCI**

- GRADUATED FROM FGV IN BUSINESS MANAGEMENT;
- HE HEADED NATURA UNTIL 2014;
- CURRENT CHAIRMAN OF THE BOARD, MEMBER SINCE 2017.



**JOSÉ
BOLOGNA**

- GRADUATE DEGREE FROM PUC IN BUSINESS MANAGEMENT AND PSYCHOLOGY;
- FOUNDER AND CEO OF ETHOS SHAREWOODS;
- AUTHOR, CONSULTANT AND LECTURER;
- SIX TENURES AT AREZZO&CO.



**ALEXANDRE
BIRMAN**

- GRADUATED FROM FUMEC;
- CEO OF AREZZO&CO SINCE 2013;
- OVER 25 YEARS OF EXPERIENCE IN THE FOOTWEAR MARKET;
- FOUNDER OF FOUR BRANDS OF THE AREZZO7CO PORTFOLIO.



**GUILHERME
FERREIRA**

- GRADUATED FROM USP IN PRODUCTION ENGINEERING;
- MEMBER OF THE BOARD OF DIRECTORS OF B3;
- NOW AT AREZZO&CO FOR FIVE CONSECUTIVE TENURES.



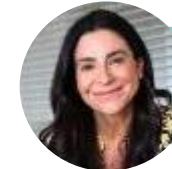
**RENATA
VICHÍ**

- GRADUATED FROM FIAM IN ADVERTISING;
- **CEO OF CRM GROUP - KOPENHAGEN, BRASIL CACAU AND KOP COFFEE;**
- EXPERIENCE IN MARKETING, COMMERCIAL AND EXPANSION AREAS.



**RONY
MEISLER**

- GRADUATED FROM PUC IN PRODUCTION ENGINEERING;
- **FOUNDER AND CEO OF GRUPO RESERVA.**



**JULIANA
BUCHAIM**

- GRADUATED FROM USP IN BUSINESS MANAGEMENT;
- PARTNER AND MANAGER OF SUMAUMA CAPITAL;
- MEMBER OF IBGC'S INNOVATION COMMISSION;
- **OVER 22 YEARS OF EXPERIENCE IN THE FINANCIAL MARKET**

STRATEGY AND DIGITALIZATION

SECTION 3

STRATEGIC MAP - PILLARS AND LEVERS

OUR 7 PILLARS OF OPERATION WILL REMAIN THE SAME AFTER THE PANDEMIC, WITH THE ADDITION OR STRENGTHENING OF SOME FRONTS



CORE GROWTH / EXPANSION OF CURRENT BRANDS

AREZZO **FIEVER**

CASUAL &
DEMOCRATIC

SCHUTZ ALEXANDRE
BIRMAN

FASHION & LUXURY

ANACAPRI ALME

COMFORT & FLATS

VANS
"OFF THE WALL"

ACTION SPORTS



TRANSFORMATION OF THE BUSINESS MODEL

MERCHANDISING AND SUPPLY EVOLUTION

SOURCING AND LOGISTICS 2.0

CUSTOMER'S OMNICHANNEL EXPERIENCE

SUSTAINABILITY AS A NORM



ENGINE 2: BUSINESS DIGITALIZATION

MARKETPLACE **ZZ'MALL**

CONTENT AND SERVICES

CIRCULAR ECONOMY **TROC**

E-COMMERCE ACCELERATION



PEOPLE AND CULTURE

GOVERNANCE

CULTURE

FRONT-LINE

EMPOWERMENT



DATA AND TECHNOLOGY

DATA AND ANALYTICS

TECHNOLOGY



NEW BRANDS BRAZIL

M&A: CONSOLIDATION OF THE FASHION MARKET (AB)

LICENSING **VANS**
"OFF THE WALL"

ZZ VENTURES: **ZZ**

NEW SEGMENTS: MY SHOES, SCHUTZ VESTUÁRIO,
BAMBINI, BRIZZA

AR&CO

INTEGRATE AND LEVERAGE THE
OPERATION

Reserva **Baw**®

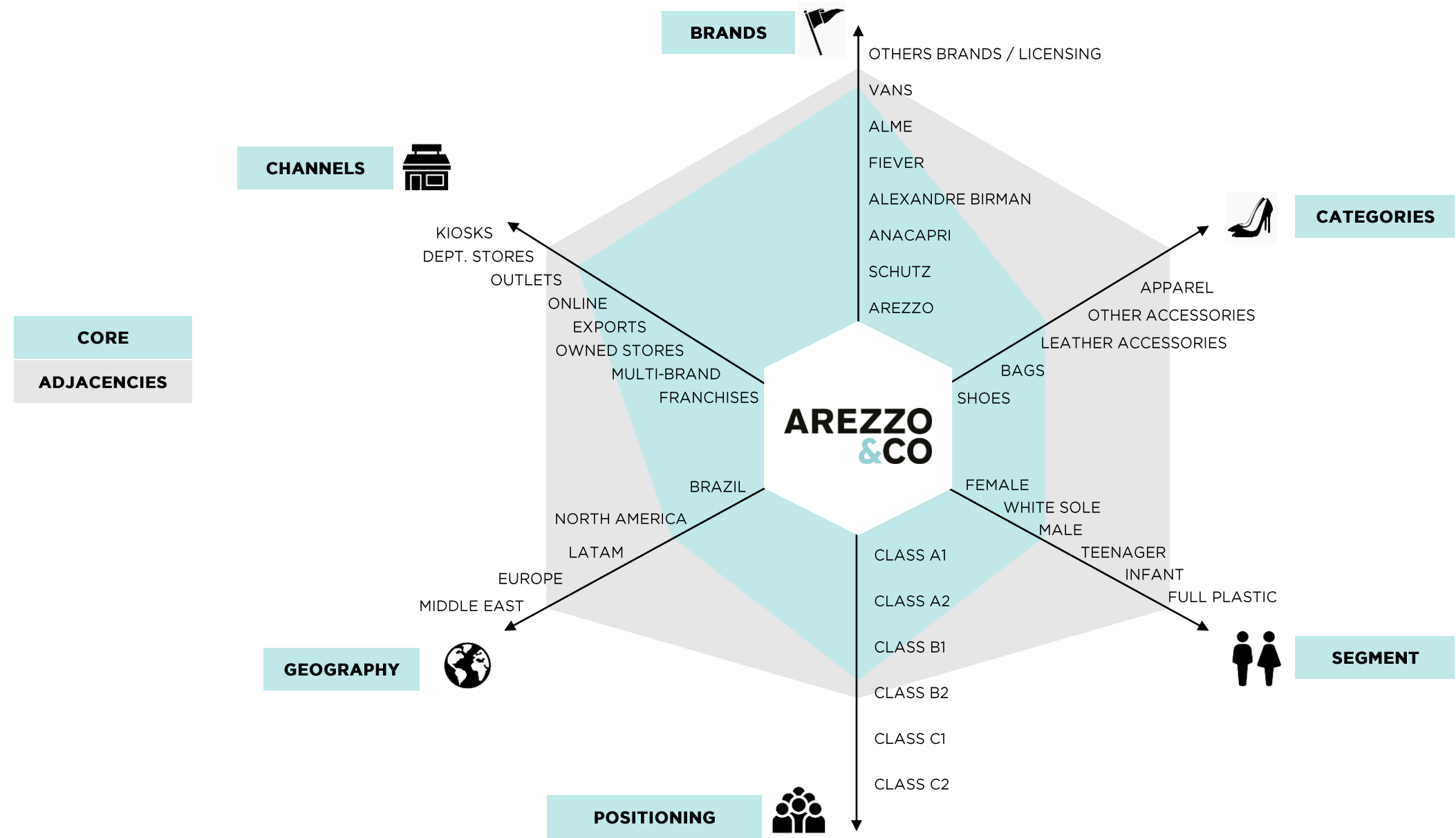
CAROL BASS



INTERNATIONAL MARKET

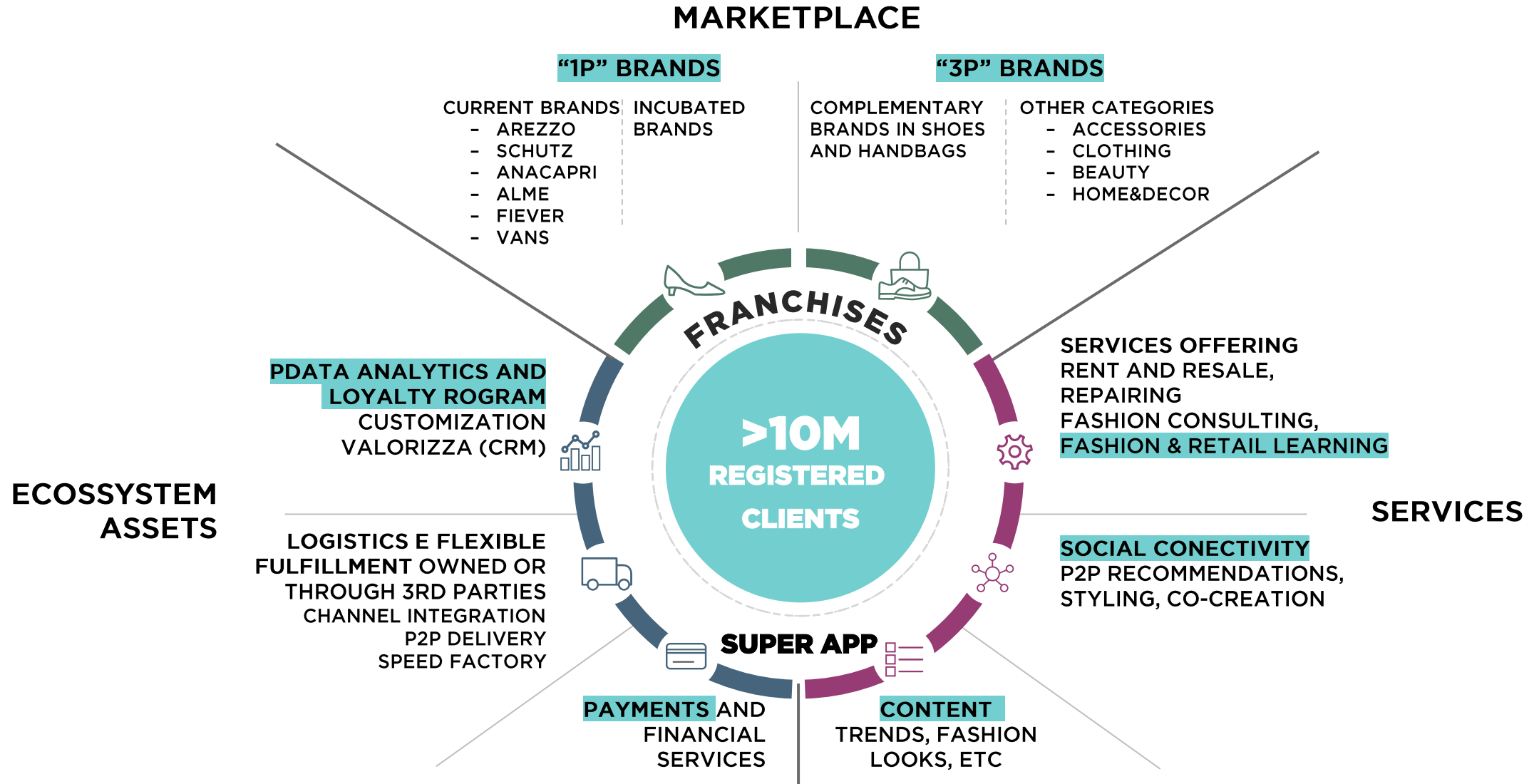
USA MARKET

BUSINESS MODEL ALLOWS MULTIPLE GROWTH OPTIONS



A TRUE FASHION BRANDS PLATFORM: AREZZO&CO

MARKETPLACE WITH THE BEST CURATORSHIP, WITH CONTENT AND SERVICES AS PART OF THE ECOSYSTEM



OMNICHANNEL HIGHLIGHTS IN 1Q22

WEB COMMERCE SALES

- REVENUES: **R\$223M** (+**41%** VS 1Q21 +439% VS 1Q19)
- TOTAL TRAFFIC: **70M** (+**42%** VS 1Q21)
- TOTAL APP DOWNLOADS: **2.1 M** (+**238%** VS 1Q21)
- % APP SHARE OF REVENUES: **28%**
- WEB COMMERCE TICKETS: +**11.5%** VS 1Q21

**THE WEB COMMERCE
CHANNEL GREW 41% VS
1Q21, EVEN ON STRONG
COMPARISON BASES**

**HAD A 24% SHARE OF TOTAL
SALES FROM 10% IN 2019**

OMNICHANNEL HIGHLIGHTS IN 1Q22

OMNICHANNEL SALES

- % DIGITAL-TO-PHYSICAL STORES SELL OUT: **42%**

- STORE PICKUP AND DELIVERY: **+91%** VS 1Q21

- **6.0 MILLION** CONTACTS MADE IN 1Q21
(INFLUENCED REVENUES)

R\$810M

WEB SELL OUT (LTM)

R\$957M

IN DIGITAL REVENUES (LTM)

R\$1.8B

WEB SELL OUT + DIGITAL
REVENUES (LTM)

US OPERATION

SECTION 4

TIMELINE US OPERATIONS

SCHUTZ



- NY STORE LAUNCH
- ATTEMPTED TO WORK WITH DEPARTMENT STORES.

- E-COMMERCE LAUNCH

- OUT FROM DEPARTMENT STORES

- RETURN TO ONLINE DEPARTMENT STORES



- LAUNCH OF THE LOS ANGELES STORE

- NEW SHOWROOM
- RETURN DEPARTMENT STORES
- INTEGRATED E-COMMERCE



- AVENTURA MALL STORE OPENING
- HOME DROPSHIP WITH WHOLESALE

- NEW PRICING STRATEGY IN THE OPERATION

2012

2013

- WHOLESALE START WITHOUT A SHOWROOM

2014

- SHOWROOM NY



2015

- LINE OPENING FOCUSED ON OWN FACTORY

2016

- DELIVERY IMPROVEMENT
- CLARITA LAUNCH



2017

- GROWTH DEPARTMENT STORES
- CLARITA BECOMES A STAR PRODUCT

2018

- OPENINGS OF MADISON AVENUE & BAL HARBOR STORES
- HOME DROPSHIP WITH WHOLESALE



2020

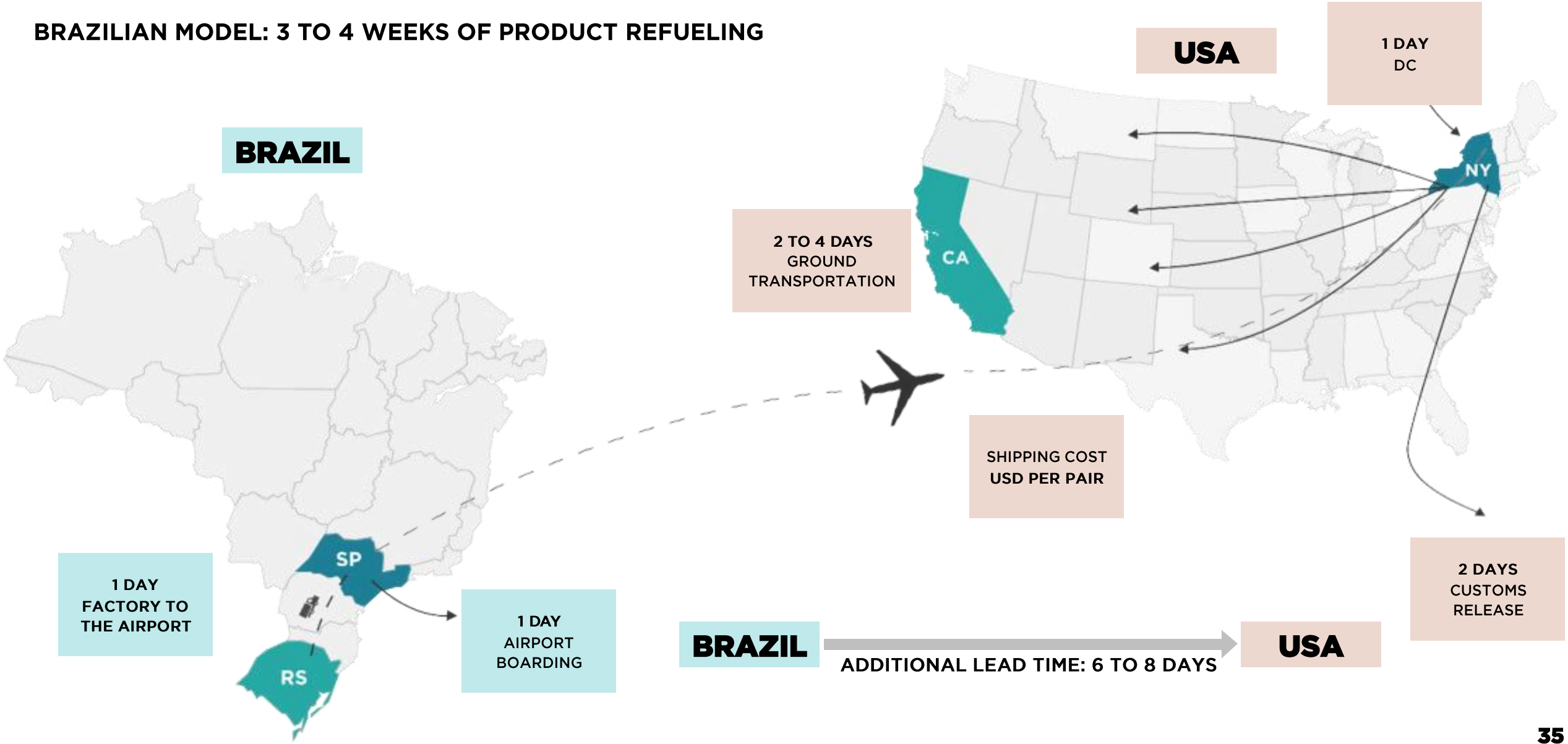
- ACHIEVEMENT OF BREAKEVEN IN 3Q20

ALEXANDRE
BIRMAN

US OPERATIONS

LEADTIME AS OUR GREATEST COMPETITIVE ADVANTAGE

BRAZILIAN MODEL: 3 TO 4 WEEKS OF PRODUCT REFUELING



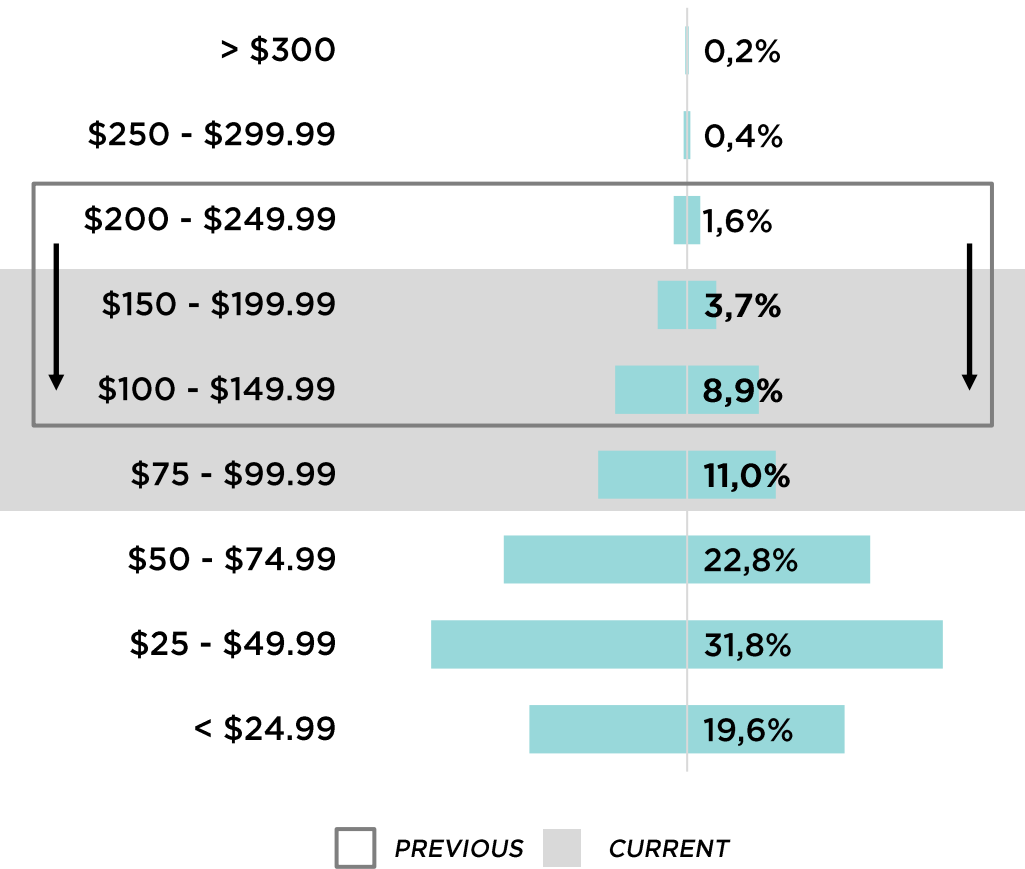
INCREASED EDGE AND EXPANSION OF ADDRESSABLE MARKET

AVERAGE PRICE



SALES VOLUME BY PRICE RANGE*

66.2% INCREASE IN ADDRESSABLE MARKET



*NPD GROUP RESEARCH

INTERNATIONAL BUSINESS

CONSOLIDATION OF THE STRONG BRANDS POSITIONING AND DISTRIBUTION CHANNELS STRATEGY, LEADING TO STRONG RESULTS

EXPRESSIVE GROWTH IN GROSS REVENUE AND MAINTENANCE OF EBITDA BREAK EVEN

1Q22 GROSS REVENUES OF **R\$ 110M**, **+104%** VS 1Q21;

GROSS REVENUES GROWTH IN USD OF **117%** VS 1Q21

POSITIVE **R\$ 4.2M** EBITDA IN 1Q22

83% GROWTH OF THE WHOLESALE CHANNEL WITH SIGNIFICANT INCREASE IN SELL-IN OF THE SPRING AND SUMMER COLLECTIONS

WEB COMMERCE

+141%

BRAZILIAN REAIS vs
1Q21

+153%

USD vs 1Q21

+85%

WEBSITE TRAFFIC

1.6%

CONVERSION RATE

+122%

NUMBER OF
ORDERS FROM
1Q21

+115%

NUMBER OF PAIRS
SOLD FROM 1Q21

41.4 THOUSAND

BUYING CUSTOMERS IN THE QUARTER,

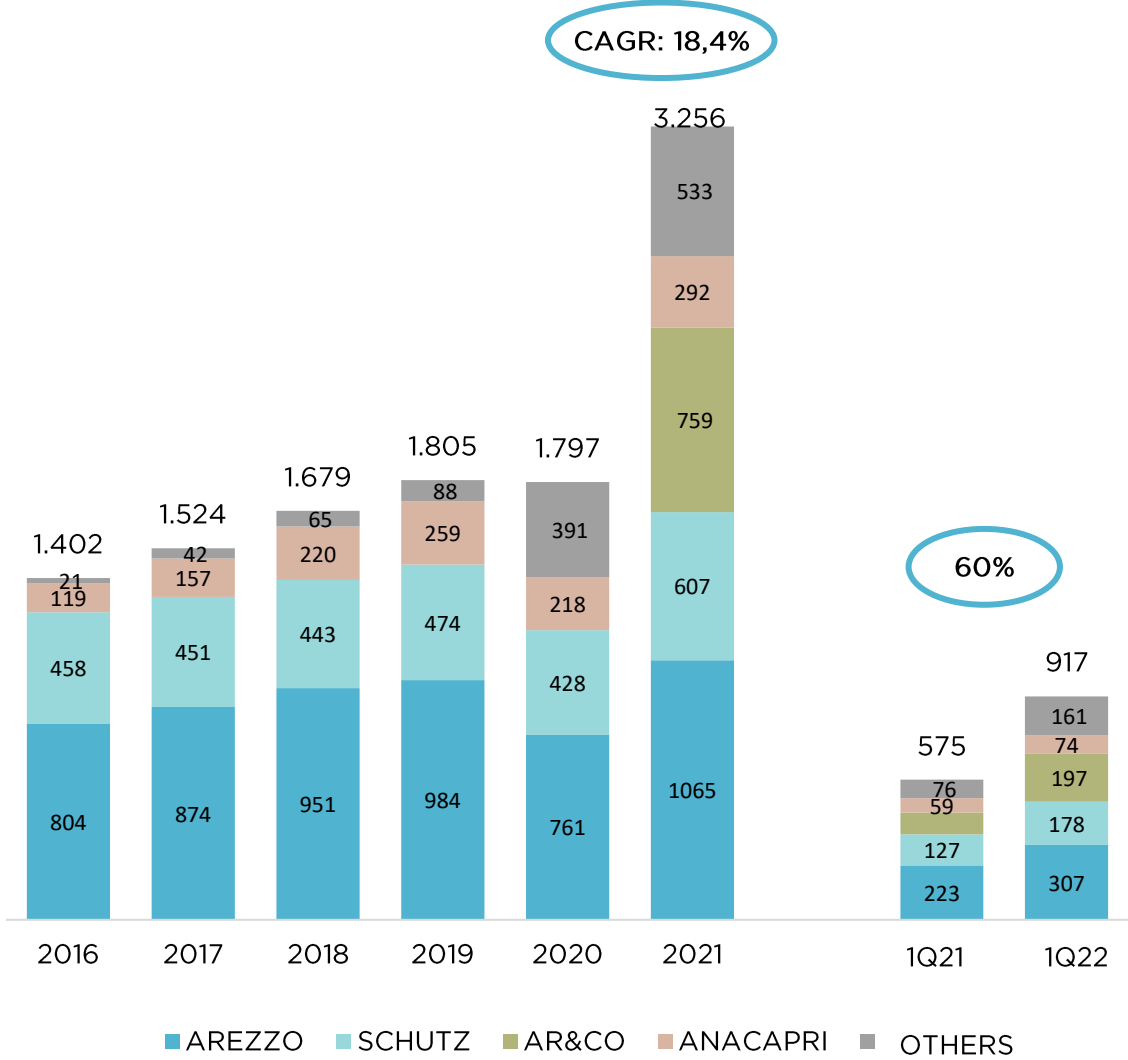
67% WERE NEW CUSTOMERS

FINANCIAL HIGHLIGHTS

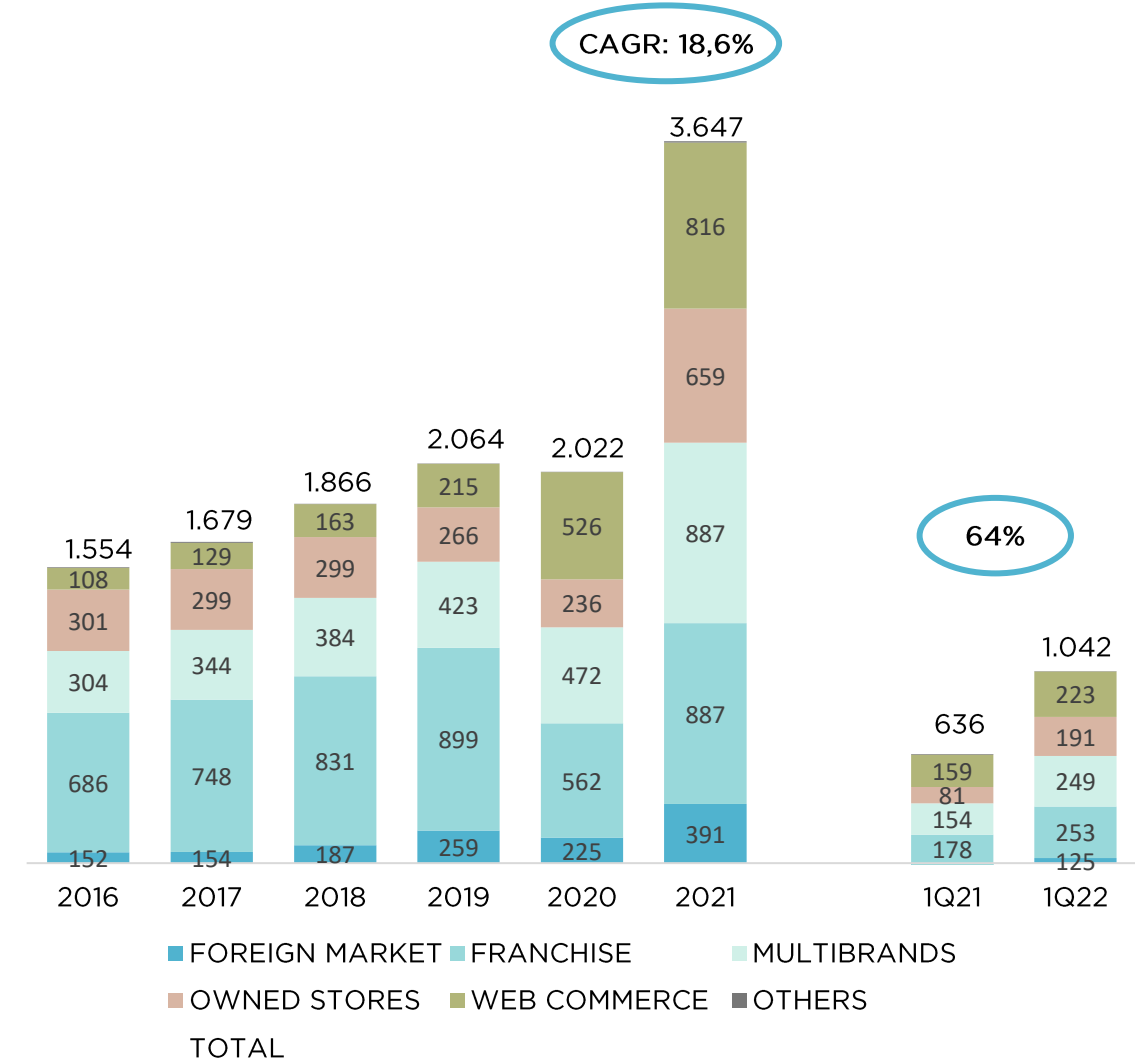
SECTION 5

FINANCIAL AND OPERATIONAL HIGHLIGHTS

GROSS REVENUE BREAKDOWN BY BRAND
DOMESTIC MARKET (R\$ MILLION)



GROSS REVENUE BREAKDOWN BY CHANNEL
DOMESTIC AND EXTERNAL MARKET (R\$ MILLION)

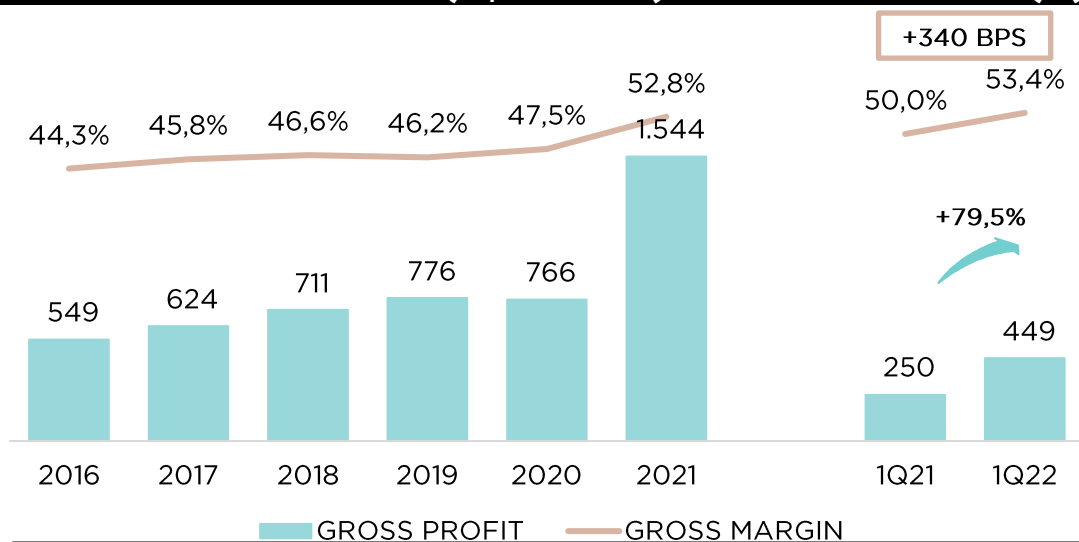


¹OTHER: INCLUDES RESERVA, A. BIRMAN, FIEVER, ALME AND VANS BRANDS ONLY IN THE INTERNAL MARKET AND OTHER NON-SPECIFIC BRAND REVENUE.

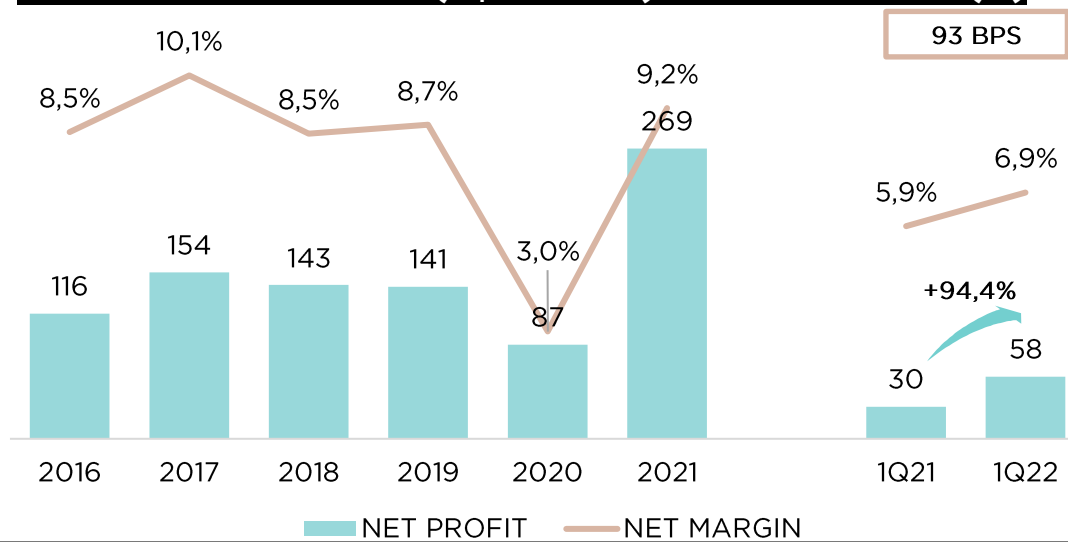
²OTHER: INCLUDES BRAND REVENUES THAT ARE NOT SPECIFIC TO DISTRIBUTION CHANNELS.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

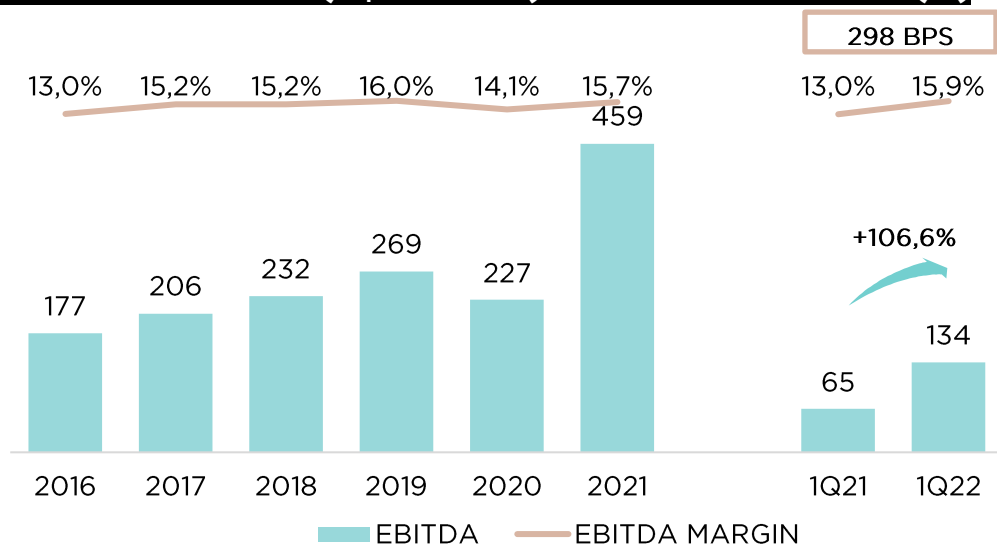
GROSS PROFIT EVOLUTION (R\$ MILLION) AND GROSS MARGIN (%)



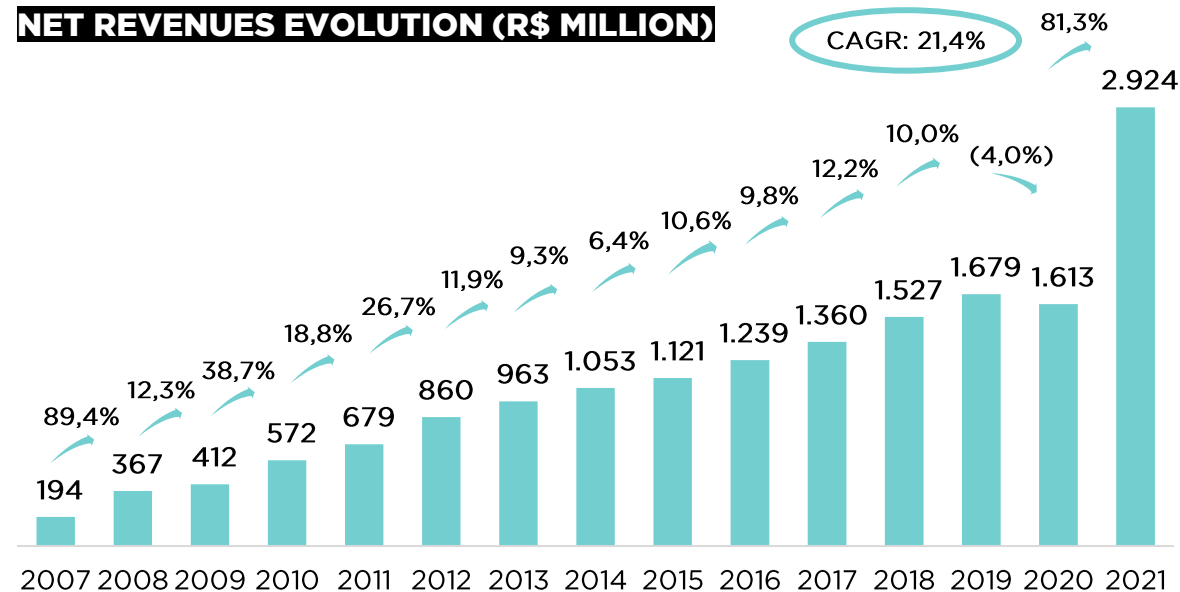
NET PROFIT EVOLUTION (R\$ MILLION) AND NET MARGIN (%)



EBITDA EVOLUTION (R\$ MILLION) AND EBITDA MARGIN (%)



NET REVENUES EVOLUTION (R\$ MILLION)



FINANCIAL AND OPERATIONAL HIGHLIGHTS

AREZZO&CO HAS A SOLID BALANCE SHEET WITH A HEALTHY NET CASH POSITION, COUPLED WITH A STRONG ABILITY TO GENERATE OPERATING CASH FLOW AND DIVIDEND PAYMENTS

CASH POSITION
(1Q22)

R\$710MM

AREZZO&CO REINFORCED
ITS CASH POSITION

NET DEBT/
EBITDA (1Q22)

+0,6X

THE COMPANY CONTINUES
WITH A STRONG BALANCE
SHEET

ROIC
(1Q22)

25,6%

GROWTH OF NOPAT AND
IMPROVEMENT OF
WORKING CAPITAL

DIVIDEND
PAYOUT (2020)

53%

CONSISTENT DISTRIBUTION
OF DIVIDENDS

OPERATING CASH
FLOW YIELD (LTM)¹

2,2%

AREZZO&CO GENERATED
R\$ 201 MM IN OPERATING
CASH FLOW (LTM)

¹OPERATING CASH FLOW YIELD = LTM OPERATING CASH FLOW / FIRM VALUE. CONSIDERED FIRM VALUE OF R\$ 8,645 MM (AS THE AVERAGE FROM 01/04/2022 TO 31/03/2022).

FINANCIAL AND OPERATIONAL HIGHLIGHTS

INDEBTEDNESS

CASH POSITION AND INDEBTEDNESS	1Q22	4Q21	1Q21
CASH AND CASH EQUIVALENTS	710.309	262.559	570.746
TOTAL DEBT	284.039	534.594	663.892
SHORT-TERM	268.463	496.861	364.786
% TOTAL DEBT	94,5%	92,9%	54,9%
LONG-TERM	15.576	37.733	299.106
% TOTAL DEBT	5,5%	7,1%	45,1%
NET DEBT	426.270	(272.035)	(93.146)
NET DEBT/EBITDA	0,6X	-0,5X	-0,6X

- **TOTAL INDEBTEDNESS OF R\$ 284 MILLION IN 1Q22 VS R\$ 633.9 MILLION IN 1Q21;**
- **0.6X NET CASH/EBITDA IN 1Q22 VS 0.6X NET DEBT IN 1Q21**

OPERATIONAL INDICATORS

OPERATING INDICATORS	1Q22	1Q21	Δ (%) 22 X 21	1Q19	Δ (%) 22 X 19
# OF PAIRS SOLD ('000)	4.717	3.363	40,3%	3.153	49,6%
PART. (%)	67,5%	75,1%	-7,6 P.P	89,3%	-21,8 P.P
# OF HANDBAGS SOLD ('000)	730	400	82,6%	376	94,1%
PART. (%)	10,5%	8,9%	1,6 P.P	10,7%	-0,2 P.P
# OF CLOTHES SOLD ('000)¹	1.540	713	115,9%	-	-
PART. (%)	22,0%	15,9%	6,1 P.P	-	-
# OF EMPLOYEES	5.380	3.730	44,2%	2.477	117,2%
# OF STORES*	925	883	42	690	235
OWNED STORES	152	134	18	52	100
FRANCHISES	773	749	24	638	135
OUTSOURCING (AS % OF TOTAL PRODUCTION)	87,4%	90,7%	-3,3 P.P	90,0%	-2,6 P.P
SSS² SELL-IN (FRANCHISES)	42,8%	4,7%	38,1 P.P	1,1%	41,7 P.P
SSS² SELL-OUT (OWNED STORES + FRANCHISES + WEB)	58,4%	-2,5%	60,9 P.P	3,8%	54,6 P.P

(1) CONSIDERS GARMENTS SOLD BY THE VANS AND GRUPO RESERVA BRANDS

(3) SSS (SAME-STORE SALES): STORES ARE INCLUDED IN COMPARABLE STORE SALES AS OF THE 13TH MONTH OF OPERATION.

* INCLUDES OVERSEAS STORES

CAPEX

SUMMARY OF INVESTMENTS	1Q22	1Q21	Δ 22 X 21 (%)
TOTAL CAPEX	40.835	12.545	225,5%
STORES - EXPANSION AND REFURBISHING	1.977	3.805	(48,0%)
CORPORATE	36.638	7.972	359,6%
OTHERS	2.220	768	189,1%

APPENDIX

SECTION 6

KEY FINANCIAL INDICATORS

MAIN FINANCIAL INDICATORS	1Q22	1Q22 ADJUSTED	1Q21 ADJUSTED	Δ (%) 22 X 21	1Q19	Δ (%) 22 X 19
GROSS REVENUES	1.042.083	1.042.083	635.802	63,9%	462.530	125,3%
NET REVENUES	839.576	839.576	499.952	67,9%	377.163	122,6%
COGS	(390.836)	(390.836)	(250.027)	56,3%	(204.687)	90,9%
DEPRECIATION AND AMORTIZATION (COST)	(978)	(978)	(746)	31,1%	(613)	59,5%
GROSS PROFIT	448.740	448.740	249.925	79,5%	172.476	160,2%
GROSS MARGIN	53,4%	53,4%	50,0%	3,4 P.P	45,7%	7,7 P.P
SG&A	(287.588)	(347.796)	(209.079)	66,3%	(135.789)	156,1%
% OF NET REVENUES	(34,3%)	(41,4%)	(41,8%)	0,4 P.P	(36,0%)	(5,4 P.P)
SELLING EXPENSES	(262.982)	(249.091)	(133.516)	86,6%	(83.372)	198,8%
OWNED STORES AND WEB COMMERCE	(87.205)	(73.968)	(47.811)	54,7%	(29.038)	154,7%
SELLING, LOGISTICS AND SUPPLY	(175.777)	(175.124)	(85.705)	104,3%	(54.334)	222,3%
GENERAL AND ADMINISTRATIVE EXPENSES	(68.055)	(66.546)	(52.396)	27,0%	(36.562)	82,0%
OTHER OPERATING REVENUES (EXPENSES)	75.309	(299)	(15)	1.891,0%	1.427	(120,9%)
DEPRECIATION AND AMORTIZATION (EXPENSES)	(31.860)	(31.860)	(23.152)	37,6%	(17.282)	84,4%
EBITDA	193.990	133.782	64.744	106,6%	54.582	145,1%
EBITDA MARGIN	23,1%	15,9%	13,0%	2,9 P.P	14,5%	1,4 P.P
NET INCOME	97.285	57.548	29.608	94,4%	23.141	148,7%
NET MARGIN	11,6%	6,9%	5,9%	1,0 P.P	6,1%	0,8 P.P

STORES HISTORY

STORE INFORMATION	1Q21	2Q21	3Q21	4Q21	1Q22
SALES AREA^{1,3} - TOTAL (M²)	56.906	58.199	59.917	64.182	64.172
SALES AREA - FRANCHISES (M²)	42.621	43.818	44.711	47.844	47.378
SALES AREA - OWNED STORES² (M²)	14.285	14.381	15.206	16.337	16.795
TOTAL NUMBER OF DOMESTIC STORES	872	879	883	930	914
# OF FRANCHISES	743	746	743	777	767
AREZZO	441	437	429	433	431
SCHUTZ	67	62	64	64	62
ANACAPRI	187	192	193	207	204
FIEVER	1	1	1	1	-
ALME	3	3	2	2	-
VANS	7	9	10	13	13
AR&CO	37	42	44	57	57
# OF OWNED STORES	129	133	140	153	147
AREZZO	15	15	18	18	17
SCHUTZ	17	20	20	20	20
ALEXANDRE BIRMAN	8	8	8	8	8
ANACAPRI	3	3	3	2	2
FIEVER	2	2	2	2	2
ALME	2	2	2	2	2
VANS	7	7	9	12	12
AR&CO	75	76	78	89	82
CAROL BASSI	-	-	-	-	2
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 FOOTAGE FROM STORES ABROAD

(2) INCLUDES ELEVEN OUTLET STORES WITH A TOTAL AREA OF 2,450 M²

(3) INCLUDES FOOTAGE FROM EXPANDED STORES

(4) INCLUDES 3 SCHUTZ STORES, BEING (I) NEW YORK AT MADISON AVENUE, (II) MIAMI AT SHOPPING AVENTURA AND (III) LOS ANGELES AT BEVERLY DRIVE. IT ALSO INCLUDES 2 ALEXANDRE BIRMAN STORES, BEING (I) NEW YORK ON MADISON AVENUE AND (II) MIAMI AT BAL HARBOR SHOPPING.

BALANCE SHEET - IFRS

ASSETS	1Q22	4Q21	1Q21
CURRENT ASSETS	2.109.403	1.646.786	1.523.157
CASH AND CASH EQUIVALENTS	106.747	33.750	222.598
FINANCIAL INVESTMENTS	603.562	228.809	348.148
TRADE ACCOUNTS RECEIVABLES	631.278	790.302	477.929
INVENTORY	556.685	450.487	348.041
TAXES RECOVERABLE	130.015	73.852	90.134
OTHER CREDITS	80.601	68.230	36.307
FINANCIAL INSTRUMENTS - DERIVATIVES	515	1.356	0
NON-CURRENT ASSETS	1.914.810	1.719.540	1.312.474
LONG-TERM RECEIVABLES	315.470	297.892	132.552
TRADE ACCOUNTS RECEIVABLES	3.589	4.276	3.855
DEFERRED INCOME AND SOCIAL CONTRIBUTION	83.870	90.225	84.364
FINANCIAL INSTRUMENTS - DERIVATIVES	0	6.427	0
JUDICIAL DEPOSITS	55.487	54.390	41.340
TAXES RECOVERABLE	158.128	127.635	0
OTHER AMOUNTS RECEIVABLE	14.396	14.939	2.993
INVESTMENTS PROPERTY	2.860	2.460	0
INVESTMENTS	0	402	2.275
PROPERTY, PLANT AND EQUIPMENT	446.326	403.868	313.409
INTANGIBLE ASSETS	1.150.154	1.014.918	864.238
TOTAL ASSETS	4.024.213	3.366.326	2.835.631

LIABILITIES	1Q22	4Q21	1Q21
CURRENT LIABILITIES	1.269.342	1.519.000	983.446
LOANS AND FINANCING	268.463	496.861	364.786
LEASE	58.229	57.017	50.749
SUPPLIERS	588.706	574.713	376.757
OTHER LIABILITIES	353.944	390.409	191.154
NON-CURRENT LIABILITIES	256.621	255.320	480.772
LOANS AND FINANCING	15.576	37.733	299.106
OTHER LIABILITIES	66.259	35.204	15.939
LEASE	168.765	174.879	161.669
OTHER AMOUNTS PAYABLE	2.057	1.813	4.058
TAX INSTALLMENT	1.008	197	0
DEFERRED TAXES	2.943	5.441	0
DEFERRED INCOME	13	53	0
SHAREHOLDER'S EQUITY	2.497.592	1.590.580	1.371.413
CAPITAL	1.645.467	811.284	808.715
CAPITAL RESERVE	163.585	196.925	208.866
PROFIT RESERVE	541.478	541.478	107.895
TAX INCENTIVES RESERVE	0	0	227.937
ADJUSTMENT OF EQUITY VALUATION	-991	-9.107	-11.776
PERIOD PROFIT	98.053	0	29.776
PROPOSED ADDITIONAL DIVIDENDS	50.000	50.000	0
TOTAL SHAREHOLDER'S EQUITY	2.498.250	1.592.006	1.371.413
NON-CONTROLLING INTEREST STAKE	658	1.426	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4.024.213	3.366.326	2.835.631

INCOME STATEMENT - IFRS

INCOME STATEMENT - IFRS	1Q22	1Q21	VAR.%
NET OPERATING REVENUE	839.576	499.952	67,9%
COST OF GOODS SOLD	(390.836)	(250.027)	56,3%
GROSS PROFIT	448.740	249.925	79,5%
OPERATING INCOME (EXPENSES):	(287.588)	(208.824)	37,7%
SELLING	(289.081)	(155.629)	85,8%
ADMINISTRATIVE AND GENERAL EXPENSES	(73.816)	(53.433)	38,1%
OTHER OPERATING INCOME, NET	75.309	238	31542,4%
INCOME BEFORE FINANCIAL RESULT	161.152	41.101	292,1%
FINANCIAL INCOME	(20.407)	(8.616)	136,9%
INCOME BEFORE INCOME TAXES	140.745	32.485	333,3%
INCOME TAX AND SOCIAL CONTRIBUTION	(43.460)	(2.709)	1504,3%
CURRENT	(39.603)	(6.441)	514,9%
DEFERRED	(3.857)	3.732	-203,3%
NET INCOME FOR PERIOD	97.285	29.776	226,7%
RESULTS ATTRIBUTED TO:			
CONTROLLING SHAREHOLDERS	98.053	29.776	229,3%
NON-CONTROLLING SHAREHOLDERS	(768)	-	-
NET INCOME FOR PERIOD	97.285	29.776	226,7%

CASH FLOW STATEMENT - IFRS

CASH FLOW	1Q22	1Q21
OPERATING ACTIVITIES		
NET INCOME	97.285	29.776
ADJUSTMENTS TO RECONCILE THE RESULTS ACCORDING TO THE CASH GENERATED BY OPERATING ACTIVITIES:	45.848	55.611
DEPRECIATION AND AMORTIZATION	33.433	24.865
INCOME FROM FINANCIAL INVESTMENTS	(10.672)	(1.559)
INTEREST AND EXCHANGE RATE	(39.504)	18.324
INCOME TAX AND SOCIAL CONTRIBUTION	51.387	2.709
OTHERS	11.204	11.272
DECREASE (INCREASE) IN ASSETS		
TRADE ACCOUNTS RECEIVABLES	157.533	117.398
INVENTORY	(106.509)	(64.383)
RECOVERABLE TAXES	(85.059)	(10.302)
CHANGE IN OTHER CURRENT ASSETS	(4.431)	(9.838)
JUDICIAL DEPOSITS	(1.097)	(10.370)
(DECREASE) INCREASE IN LIABILITIES		
SUPPLIERS	13.993	(17.206)
LABOR LIABILITIES	(30.972)	(12.469)
FISCAL AND SOCIAL LIABILITIES	(20.917)	(11.592)
VARIATION IN OTHER LIABILITIES	(40.325)	(20.252)
PAYMENT OF INCOME TAX AND SOCIAL CONTRIBUTION	(22.687)	(603)
INTEREST PAYMENT ON LOANS	(7.178)	(2.813)
NET CASH FLOW FROM OPERATING ACTIVITIES	(4.516)	42.957

CASH FLOW STATEMENT - IFRS

CASH FLOW	1Q22	1Q21
INVESTING ACTIVITIES		
SALE OF FIXED AND INTANGIBLE ASSETS	-	175
ACQUISITION OF FIXED AND INTANGIBLE ASSETS	(40.835)	(12.545)
FINANCIAL INVESTMENTS	(1.327.994)	(457.467)
REDEMPTION OF FINANCIAL INVESTMENTS	972.588	634.097
ACQUISITION OF SUBSIDIARY, NET CASH OBTAINED ON ACQUISITION	(49.983)	(11.328)
NET CASH USED FOR INVESTMENT ACTIVITIES	(446.224)	152.932
FINANCING ACTIVITIES		
LOANS AND FINANCING	26.327	65.612
PAYMENTS OF LOANS	(230.200)	(51.508)
CONSIDERATION OF LEASE	(17.914)	(21.886)
INTEREST ON EQUITY AND PROFIT DISTRIBUTION	(60.000)	-
CREDITS (DEBITS) WITH SHAREHOLDERS	-	1.000
RESOURCES FROM STOCKS ISSUE	833.794	-
EXPENSES FROM STOCKS ISSUE	(36.776)	-
RESOURCES FROM THE EXERCISE OF STOCK OPTIONS	390	-
NET CASH USED ON FINANCING ACTIVITIES	515.621	(6.782)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	64.881	189.107
CASH AND CASH EQUIVALENTS		
EFFECT OF EXCHANGE RATE VARIATION ON CASH AND CASH EQUIVALENT	8.116	(4.806)
CASH AND CASH EQUIVALENTS - INITIAL BALANCE	33.750	38.297
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	106.747	222.598
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	64.881	189.107

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