EARNINGS CONFERENCE CALL 3Q 2023

AREZZO &CO

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

CALL AGENDA

1. HIGHLIGHTS
2. CHANNELS HIGHLIGHTS
3. FINANCIAL HIGHLIGHTS
4. Q&A
5. BRANDS HIGHLIGHTS

DISCLAIMER

Any Statements regarding future business prospects and any forecasts of the Company's operational and financial results are mere estimates and forecasts and, as such, are subject to various risks and uncertainties, including, without limitation, market conditions, the domestic and international economic performance in general and in the Company's industry. Such risks and uncertainties cannot be controlled or sufficiently forecast by the Company's management and may significantly affect its prospects, estimates and forecasts.

Any statements on prospects, forecasts and estimates do not represent, and shall not be construed as, performance guarantees. The herein provided operational information, as well as any information not directly obtained from the financial statements, have not been subject to audit or special review by the Company's independent auditors, and may involve assumptions and estimates adopted by management, and may be subject to change.

MESSAGE FROM MANAGEMENT

AREZZO&CO

- AREZZO&CO POSTED SOLID RESULTS, DEMONSTRATING ITS CONTINUED ABILITY TO MANAGE ITS BRANDS PORTFOLIO.
- THE OBSERVED PERFORMANCE ONCE AGAIN REINFORCES THE DIFFERENTIAL OF OUR BUSINESS MODEL, WITH TOTAL CONTROL FROM THE CREATION PROCESS TO THE SELL OUT, WITH EXCELLENT IN EXECUTION ACROSS ALL CHANNELS.
- MARK OF R$ 1.6 BILLION IN GROSS REVENUE, WITH A GROWTH OF 12.7% COMPARED TO LAST YEAR, (+47.3% VS 3Q21), EVEN IN A CHALLENGING EXTERNAL SCENARIO.
- OUR MAIN FOCUS IS TO EXPAND REVENUES BY DILUTING OUR EXPENSES. WE SHOWED GOOD LEVERAGE OF OUR FINANCIAL INDICATORS (+230 BPS EBITDA MARGIN).
- THE THIRD QUARTER IS MARKED BY THE TRANSITION FROM WINTER TO SUMMER COLLECTIONS, WHDEMONSTRATING GREAT ASSERTIVENESS, THEREBY INCREASING OUR MARKET SHARE.
- DURING JULY THERE WERE MARKDOWNS OF WINTER ITEMS AND EVEN IN A PERIOD TRADITIONALLY CHARACTERIZED BY DISCOUNT SALES, THE BRANDS MAINTAINED THEIR FULL-PRICE SALE LEVELS COMPARED TO LAST YEAR.
- IN 9M23, WE RECORDED REVENUES OF R$ 4.3 BILLION (+18.7% VS 9M22). IN THE LAST TWELVE MONTHS, AREZZO&CO POSTED RECORD-SETTING REVENUES OF R$ 5.9 BILLION.

ALEXANDRE BIRMAN | CEO AND CCO AREZZO&CO

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HIGHLIGHTS

3Q23 RESULTS

AREZZO &CO

+13%

GROWTH OF GROSS REVENUE VS 3Q22

GROSS REVENUES

R$1.6B

+12.7% VS 3Q22

IN 9M23, THE COMPANY REPORTED A **18.7%** GROWTH

NET INCOME

R$107M IN RECURRING NET INCOME. REPORTED NET INCOME WAS **R$114M**

ROIC

25.8% RECURRING ROIC IN THE PERIOD

CUSTOMER BASE

5.5M

ACTIVE CUSTOMERS

GROWTH OF **9.2%** VS 3Q22

DOMESTIC MARKET

55.0% RECURRING GROSS MARGIN IN 3Q23 (+240BPS)

19.8% RECURRING EBITDA MARGIN (+370BPS)

GROSS MARGIN

53.8% RECURRING GROSS MARGIN IN 3Q23 (+100BPS). GROSS INCOME WAS R$ 681M, GROWTH OF **13.2%**.

EBITDA

R$218M IN RECURRING EBITDA (**+27.9%** VS 3Q22), AND **17.2%** RECURRING EBITDA MARGIN, EXPANSION OF +230 BPS

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CHANNELS
HIGHLIGHTS

HIGHLIGHTS
BRANDS AND CHANNELS

AREZZO &CO

AREZZO

3Q23

- REVENUES: **R$ 419M**
- GROWTH: **+10.2%**
- WEB-TO-SELL OUT: **20.1%**
- OMNI-TO-WEB: **19.0%**

SCHUTZ

3Q23

- GLOBAL REVENUES: **R$ 301M**
- BRAZIL REVENUES: **R$ 221M**
- BRAZIL GROWTH: **-4.2%**
- WEB-TO-SELL OUT (DTC): **38.2%**
- OMNI-TO-WEB: **13.3%**

ANACAPRI

3Q23

- REVENUES: **R$ 120M**
- GROWTH: **23.9%**
- WEB-TO-SELL OUT: **20.8%**
- OMNI-TO-WEB: **10.1%**

ALEXANDRE BIRMAN

3Q23

- GLOBAL REVENUES: **R$ 53M**
- BRAZIL REVENUES: **R$ 38M**
- BRAZIL GROWTH: **+33.7%**
- WEB-TO-SELL OUT (DTC): **25.1%**
- OMNI-TO-WEB: **37.8%**

AR&CO

3Q23

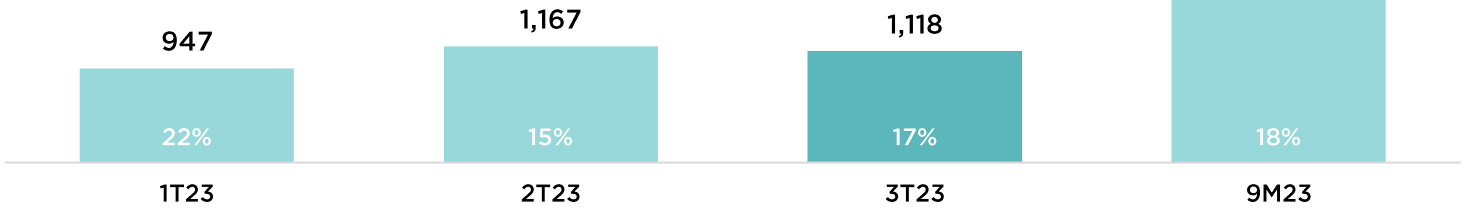
- REVENUES: **R$ 371M**
- GROWTH: **+25.0%**
- WEB-TO-SELL OUT: **34.9%**
- OMNI-TO-WEB: **65.9%**

AREZZO | SCHUTZ | ANACAPRI | ALEXANDRE BIRMAN | ALME | VANS "OFF THE WALL" | Reserva | Baw ® | TROC | CAROL BASSI | Vicenza | PARIS TEXAS

EXPRESSIVE GROWTH
OF SELL OUT
PHYSICAL STORES + WEB COMMERCE

ARREZZO &CO

+ R$ 141 MILLION IN SELL OUT VS 3Q22



+17% OVER A 35% COMPARATIVE BASE

16.6%
GROWTH IN
3Q23 VS 3Q22

R$ 1.1B
DTC SELL OUT 3Q23

+18.3%
IN 9M23

EXPRESSIVE GROWTH
ON ALL SELL OUT CHANNELS

AREZZO &CO

MONOBRAND

FRANCHISES: **R$343M** (**+7.9%** VS 3Q22) AND **R$948M** IN 9M23

OWNED STORES: **R$333M** (**+22.6%** VS 3Q22) AND **R$912M** IN 9M23

- 14.7% OF MONOBRANDS CHANNEL GROWTH IN 3Q23
- PERFORMANCE ON THE FRANCHISE CHANNEL AFFECTED BY SEASONAL FACTORS IN SELL-IN CALENDARS, BOOSTING SALES IN 2Q23, PARTICULARLY FOR THE AREZZO AND SCHUTZ BRANDS
- THE HIGHLIGHT IN THE OWNED STORES CHANNEL HAS BEEN THE PERFORMANCE OF AR&CO, THAT RECORDED A GROWTH OF 24.1%

MULTIBRANDS

R$414M (**+7.7%** VS 3Q22) AND **R$ 1.1B** IN 9M23

- ALL OF THE GROUP'S BRANDS POSTED GROWTH, EMPHASIS ON ANACAPRI (+18.0%), AREZZO (+14.1%) AND VANS (+12.3%)
- THE COMPANYS BRANDS WERE DISTRIBUTED THROUGH 7,476 POINTS OF SALES (NO OVERLAP).

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HIGHLIGHTS
OMNICHANNEL
WEB COMMERCE SALES

AREZZO &CO

TOTAL REVENUES: **R$331M** (**+18.8%** VS 3Q22)

LTM REVENUES: **R$1.3B** (**+23.6%** VS LTM 3Q22)

TOTAL TRAFFIC: **79M** (**+3.9%** VS 3Q22)

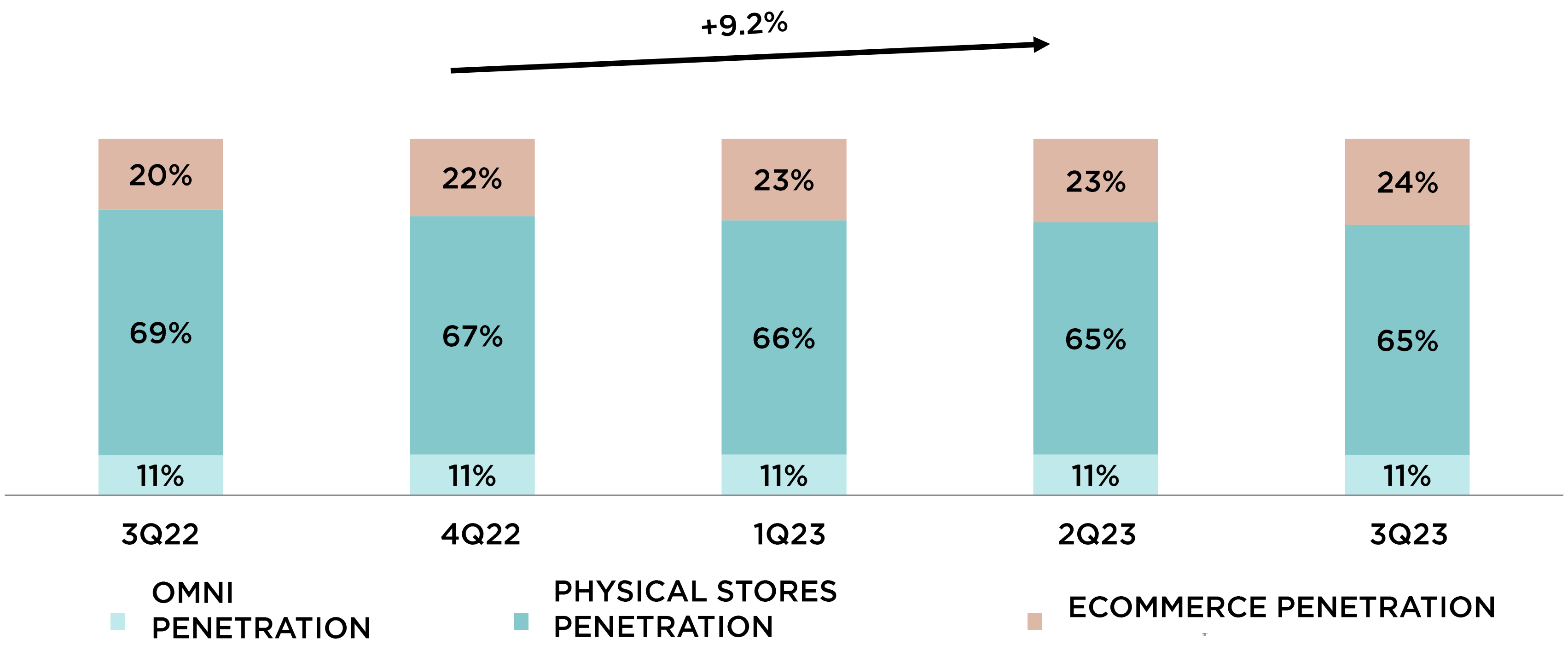
TOTAL REVENUE FROM APPS: **R$84M** (**+15.6%** VS 3Q22)

APP SHARE OF REVENUES: **25.4%**

WEB COMMERCE TICKETS: **+15.6%** VS 3Q22

CUSTOMERS

CUSTOMERS IN THE ACTIVE BASE: 5.5M



- **11.3%** OF CUSTOMERS ARE OMNICHANNEL (PURCHASES FROM PHYSICAL STORES AND ONLINE)
- **21%** OF THE ACTIVE BASE ARE NEW CUSTOMERS, **22%** ARE RETAINED CUSTOMERS AND **7%** ARE REACTIVATED CUSTOMERS
- **35.4%** OF AREZZO&CO CUSTOMERS PURCHASES ONLINE
- **+9.5%** GROWTH IN OMNI CUSTOMERS AND **+13.3%** REVENUES INCREASE

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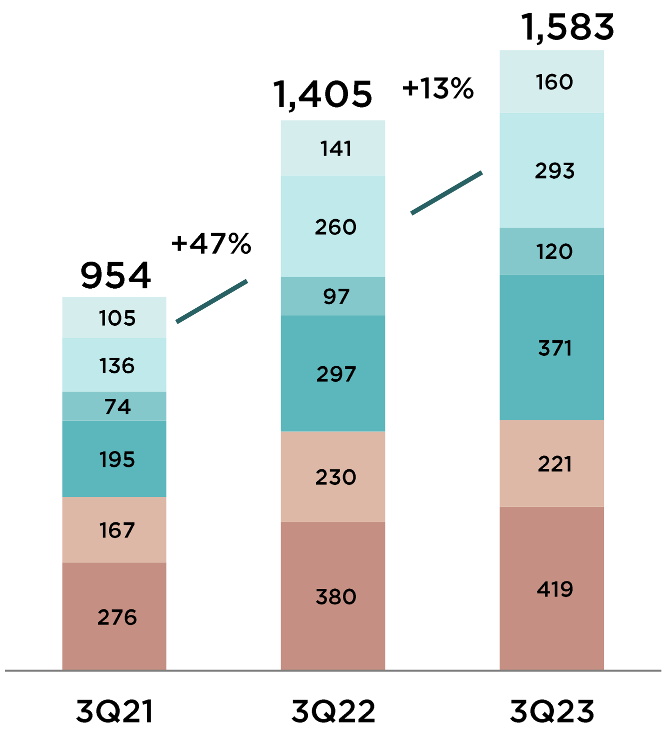
FINANCIAL HIGHLIGHTS

AREZZO | HIGH SUMMER

GROSS REVENUES | DOMESTIC MARKET

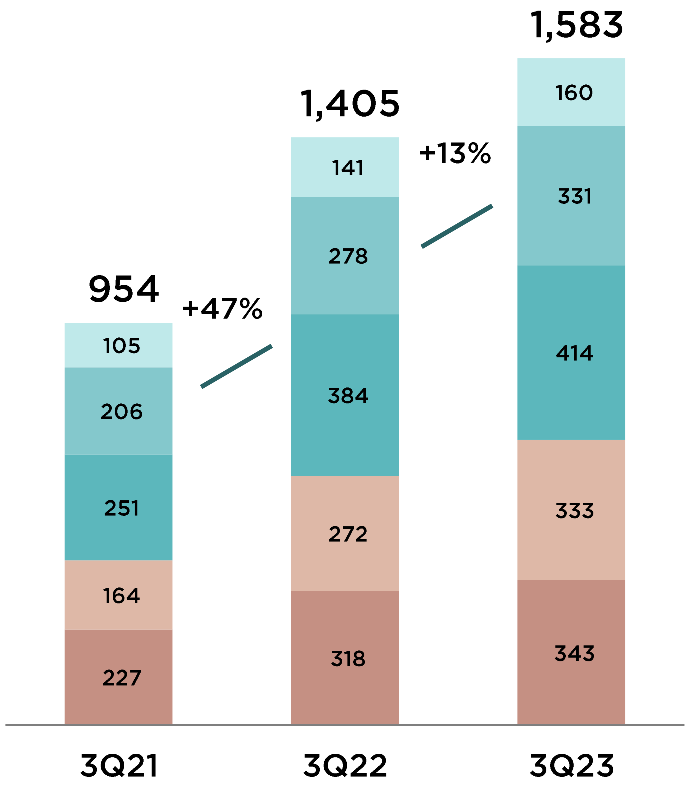
AREZZO &CO

GROSS REVENUES BY BRAND
(R$ M)

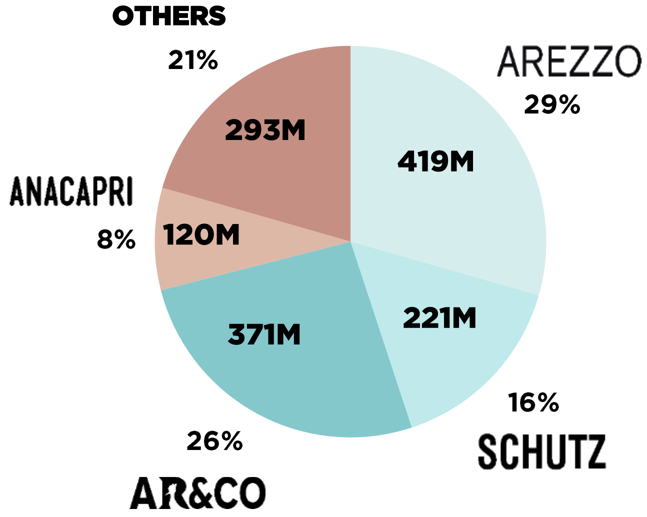


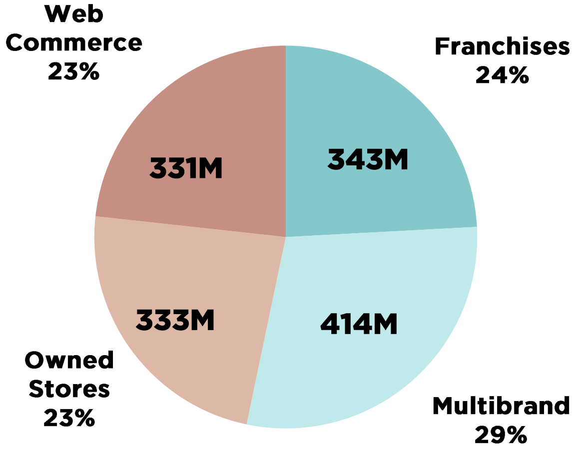
AREZZO +10.2%
SCHUTZ -4.2%
AR&CO +25.0%
ANACAPRI +23.9%
FOREIGN MARKET +13.2%

GROSS REVENUES BY CHANNEL
(R$ M)



FRANCHISES +7.9%
OWNED STORES +22.6%
MULTIBRAND +7.7%
WEB COMMERCE +18.8%
FOREIGN MARKET +13.2%





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INCOME STATEMENT

AREZZO &CO

Main Financial indicators	3Q23	3Q23 Recurring	3Q22 Recurring	∆ (%) 23 x 22
Gross Revenues	1.583.353	1.583.353	1.404.967	12,7%
Net Revenues	1.265.823	1.265.823	1.137.985	11,2%
COGS	(585.097)	(585.097)	(536.683)	9,0%
Depreciation and amortization (cost)	(1.358)	(1.358)	(1.163)	16,8%
Gross Profit	680.726	680.726	601.302	13,2%
Gross margin	*53,8%*	*53,8%*	*52,8%*	*1,0 p.p*
SG&A*	(505.521)	(516.673)	(468.099)	10,4%
% of net revenues	*(39,9%)*	*(40,8%)*	*(41,1%)*	*0,3 p.p*
Selling expenses	**(385.008)**	**(374.086)**	**(355.629)**	**5,2%**
Owned stores and web commerce	(182.916)	(180.856)	(143.201)	26,3%
Selling, logistics and supply	(202.092)	(193.230)	(212.428)	(9,0%)
General and administrative expenses	**(98.205)**	**(91.209)**	**(75.648)**	**20,6%**
Other operating revenues (expenses)	**29.811**	**740**	**(1.100)**	**167,3%**
Depreciation and amortization (expenses)	**(52.119)**	**(52.119)**	**(35.722)**	**45,9%**
EBITDA	228.683	217.531	170.088	27,9%
EBITDA Margin	*18,1%*	*17,2%*	*14,9%*	*2,3 p.p*
Financial Income	(48.113)	(48.113)	(12.480)	285,5%
Net Income	113.658	107.176	102.828	4,2%
Net Margin	*9,0%*	*8,5%*	*9,0%*	*(0,5 p.p)*

HIGHLIGHTS

- GROWTH OF 12.7%

- RECURRING GROSS MARGIN: +100BPS

- POSITIVE IMPACT FROM THE INCREASED REPRESENTATIVENESS OF THE OWN STORES CHANNEL AND HIGHER FULL-PRICE SALES
- NEGATIVE IMPACT FROM THE US OPERATION AND TAX IMPACT OF DIFAL.

- RECURRING EBITDA MARGIN : +230BPS

- POSITIVE IMPACT FROM CONSISTENT REVENUES GROWTH OF THE GROUP'S BRANDS AND CHANNELS, PLUS EFFICIENCY GAINS FROM REDUCED SG&A-TO-REVENUES

- RECURRING NET MARGIN: -50BPS

- NEGATIVE IMPACT FROM FINANCIAL RESULTS AND FOREIGN EXCHANGE RATE VARIATION IN THE PERIOD

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ROIC

Income from operations	3Q23 Reported	3Q23 Recurring	3Q22 Reported	3Q22 Recurring	△ 23 x 22 Rec. (%)
EBIT (LTM)	544.376	561.040	556.299	517.422	8,4%
+ IR and CS (LTM)	8.805	8.732	(72.372)	(65.026)	(113,4%)
NOPAT (LTM)	553.181	569.772	483.927	452.396	25,9%
Working Capital[1]	996.233	988.066	709.669	789.663	25,1%
Accounts Receivable	921.776	921.776	722.016	722.016	27,7%
Inventory	866.759	858.591	755.060	755.060	13,7%
Suppliers	(569.095)	(569.095)	(637.508)	(637.508)	(10,7%)
Others	(223.206)	(223.206)	(129.899)	(49.905)	347,3%
Permanent assets	2.409.299	1.208.746	1.837.381	863.646	40,0%
Other long-term assets[2]	359.650	359.650	209.642	209.642	71,6%
Invested capital	3.765.183	2.556.462	2.756.692	1.862.951	37,2%
Average invested capital[3]	3.260.934	2.209.707	2.349.709	1.520.895	45,3%
ROIC[4]	17,0%	25,8%	20,6%	29,7%	

(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.

- **25.8% RECURRING ROIC IN THE QUARTER;**
- ROIC WAS POSITIVELY AFFECTGED BY THE 25.9% INCREASE IN NOPAT, AND NEGATIVELY BY WORKING CAPITAL.
- IT IS WORTH EMPHASIZING THAT THE COMPANY MADE EFFORTS ON THE INVENTORIES REDUCTION FRONT THAT COULD ALREADY BE SEEN IN THE QUARTER'S RESULTS (MINUS 2 INVENTORY DAYS-TO-REVENUES).

CASH AND DEBT POSITION

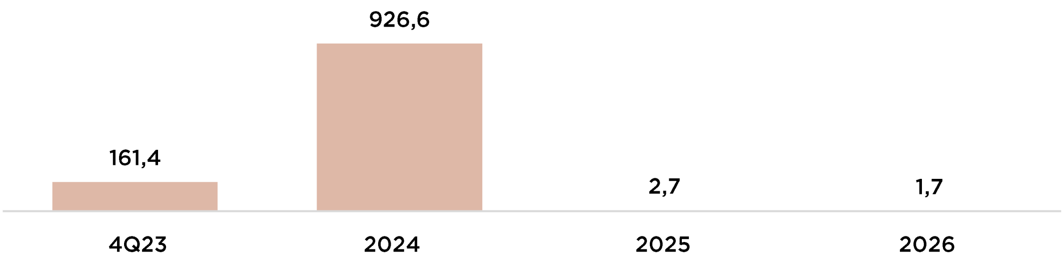
AREZZO &CO

- AT THE END OF 3Q23, THE COMPANY'S NET DEBT WAS R$ 449 MILLION AND ITS CASH POSITION WAS R$ 644 MILLION.
- GROSS CASH POSITION: R$ 644 MILLION. IN THE QUARTER, CASH WAS AFFECTED BY THE PAYMENT OF INTEREST ON SHAREHOLDERS' EQUITY IN AUGUST/23, IN THE AMOUNT OF R$94M.

Cash position and Indebtedness	3Q23	2Q23	3Q22
Cash and Cash Equivalents	643.566	682.038	546.122
Total debt	1.092.501	1.028.025	411.486
Short-term	1.087.400	642.492	401.433
% total debt	99,5%	62,5%	97,6%
Long-term	5.101	385.533	10.053
% total debt	0,5%	37,5%	2,4%
Net debt	448.935	345.987	(134.636)
Net debt/EBITDA	0,6x	0,5x	-0,2x

Maturity schedule of interest-bearing debt as of 30/Sep/2023

(R$ M)



Q&A

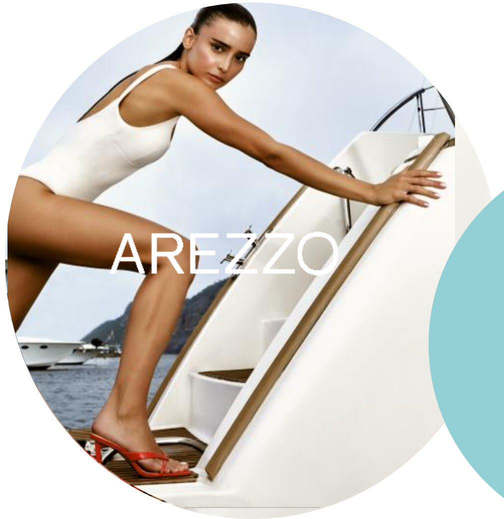
CORE
BRANDS

AREZZO
SCHUTZ
ANACAPRI
ALEXANDRE BIRMAN
ALME

SCHUTZ | HIGH SUMMER

CORE BRANDS
AREZZO AND SCHUTZ

AREZZO &CO



R$ 419M
IN 3Q23

SOLID +10.2% GROWTH VS 3Q22
VS STRONG COMPARATIVE BASELINE: +37.7%

ALL SALES CHANNELS POSTED GROWTH PARTICULAR EMPHASIS ON THE MULTIBRAND CHANNEL (+14.1%)

IN THE PERIOD, THE IGUATEMI MALL (SP) AREZZO STORE RECORDED +32% GROWTH IN SSS.

LAUNCH OF THE “DREAM ON” SUMMER CAMPAIGN FEATURING GLOBAL MODEL GISELE BUNDCHEN AND AN UNPRECEDENTED COLLAB WITH TIG

R$ 221M
IN 3Q23

-4.2% RETRACTION IN BRAZIL VS 3Q22
VS STRONG COMPARATIVE BASELINE: +37.6%

R$301M IN GLOBAL REVENUES

RENOVATION TO THE BRAND’S SOCIAL MEDIA, MOVING EVER CLOSER TO THE SCHUTZ GIRL

AS A HIGHLIGHT OF THE PERIOD, SCHUTZ LAUCHED THE ST-001 SNEAKER, A MILESTONE FOR THE BRAND – OUT OF 50 THOUSAND PARIS MADE, 28 THOUSAND ARE ALREADY SOLD ON SELL IN CHANNELS

CORE BRANDS

ANACAPRI, ALEXANDRE BIRMAN AND ALME

AREZZO &CO

R$ 120M

IN 3Q23

GROWTH OF +23.9% VS 3Q22

AS A HIGHLIGHT THE WEB COMMERCE CHANNEL GREW 42.4% VS 3Q22, AND NOW ACCOUNTS FOR 19.3% OF THE BRAND'S REVENUES

SUMMER CAMPAIGN LAUNCHED FEATURING CELEBRITY JULIETTE, AND COLLAB UNPRECEDENTED COLLAB WITH GUARANÁ ANTARCTICA.

R$ 53M

IN 3Q23

GROWTH OF +33.7% IN BRAZIL

SPOTLIGHT ON THE DIGITAL CHANNEL, WHICH REPORTED GROWTH OF 55.3% IN THE PERIOD, AND MULTIBRAND, UP 101.0%

INAGURATION OF CASA BIRMAN, IN SÃO PAULO, A NEW CREATIVE HUB AND SHOWROOM WITH UNIQUE CUSTOMER EXPERIENCES.

THE BRAND CONTINUES TO CONSOLIDATE PARTNERSHIPS AND REINFORCE ITS POSITIONING

LAUNCH OF THE "CAMP" BOOTS, WITH TURNOVER ABOVE 75.0% ON SELL OUT CHANNELS

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ACQUIRED BRANDS

Reserva

Reserva mini

Reserva Go

Oficina RESERVA

Baw

VANS

CAROL BASSI

ACQUIRED BRANDS
RESERVA AND VANS

R$ 371M
IN 3Q23

GROWTH OF +25.0% VS 3Q22
VS STRONG COMPARATIVE BASELINE: +52.4%

EXPANSION ON ALL SALES CHANNELS, WITH THE HIGHLIGHT BEING THE WEB COMMERCE CHANNEL (+68.5%)

THE DIGITAL CHANNEL NOW ACCOUNTS FOR 27.5% OF AR&CO'S SALES IN THE PERIOD.

FATHERS' DAY COLLECTION SET SALES RECORDS, UP 37.0% IN ITEMS SOLD VS 2022

+21.0%
VS 3Q22

GROWTH OF +22.9% VS 3Q22
VS STRONG COMPARATIVE BASELINE

EMPHASIS ON THE ONLINE CHANNEL THAT RECORDED A GROWTH OF 27.1% , AND THE FRANCHISE CHANNEL THAT EXPANDED +78.3%

LAUNCH OF THE BRAND'S APP THAT SEEKS TO FACILITATE AND REVOLUTIONIZE CUSTOMERS' SHOPPING EXPERIENCE

NEW ULTRARANGE NEO VR3 SNEAKERS, MADE FROM RECYCLABLE AND RENEWABLE MATERIALS, DRIVING THE BRAND TOWARDS ITS PLEDGE TO SUSTAINABILITY

AREZZO &CO

ACQUIRED BRANDS
CAROL BASSI, GO, MINI, OFICINA AND BAW

+11.5%
VS 3Q22

THE BRAND REACHED R$24M IN REVENUES IN THE QUARTER

UNVEILING OF THE BRAND'S SECOND FLAGSHIP STORE IN RIO DE JANEIRO, IN THE LEBLON MALL, WITH A NEW ARCHITECTURAL CONCEPT

RESERVA GO: RELEASE OF THE "LEATHER COLLECTION" LINE, WITH OVER 5 THOUSAND ITEMS SOLD

OFICINA: KEEPING UP THE ASSERTIVENESS OF ITS RELEASES, LAUNCHED A CAMPAIGN ON ESSENTIAL ITEMS FOR MEN'S WARDROBES, WITH 12 PIECES AND 1,200 POSSIBLE COMBINATIONS

RESERVA MINI: CHILDREN'S LINE – CHILDREN'S DAY COLLECTION IN COLLAB WITH ESTRELA, OFFERING APPAREL, ACCESSORIES AND TOYS FOR THE CELEBRATORY DATE

BAW: RECORDED GROWTH OF 158.4% IN 3Q23, GROWING ON EVERY CHANNEL, A RESULT OF COLLECTIONS THAT ACCURATELY HIT THE TARGET PUBLIC

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THANK YOU!

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