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AREZZO INDÚSTRIA E COMÉRCIO S.A.

Publicly-held Company

Corporate Taxpayer ID (CNPJ) No. 16.590.234/0001-76

Company's Registry (NIRE) 31.300.025.91-8 | CVM Code No. 02234-9

NOTICE TO THE MARKET

AREZZO INDÚSTRIA E COMÉRCIO S.A. ("Company" or "Arezzo"), hereby informs its shareholders and the market in general the following.

On November 19th, 2020, **ZZAB Comércio de Calçados Ltda.** (CNPJ No. 07.900.208/0001-06) ("ZZAB"), a company controlled by the Company, executed the "Purchase and Sale, Subscription of Shares and Other Covenants Agreement" ("*Contrato de Compra e Venda, Subscrição de Ações e Outras Avenças*") by and between the Company, Luanna de Carvalho Rodrigues Toniolo Domakoski (CPF No. 059.397.589-83) ("Luanna") and Aya Holding De Participações Ltda. (CNPJ No. 33.674.459/0001-20) ("Agreement") to set forth, among other matters, the acquisition, by ZZAB, of equity in TROC.COM.BR - Atividades de Internet S.A. (CNPJ No. 24.783.757/0001-67) ("TROC" and "Transaction").

Under the terms of the Agreement, upon the implementation of the Transaction, ZZAB will acquire, by means of purchase and sale, equity of TROC held by its current shareholders, and ZZAB will make capital contributions through increasing TROC's capital stock, so that ZZAB will become TROC's controlling shareholder. With the completion of the Transaction, ZZAB and other companies controlled by the Company will hold approximately 75% of the total and voting capital stock of TROC.

TROC is a technology startup focused on circular economy, which has as one of its differentials the provision of services of curation, registration, pricing, and sale of clothes on its platform. Within the scope of TROC's activities, the seller (individual) sends the clothes through the Post Office or schedules the collection at home and, after the sale of the clothes, TROC keeps a percentage of such value ("take rate").

With the completion of the Transaction, Arezzo&Co group makes its debut in the second hand market, addressing important fronts of its strategic planning, including those of sustainability, technology, data/analytics, in addition to offering an exclusive and differentiated service to its customers.

Also on November 19th, 2020, Arezzo&Co group officially launched the ZZ Mall platform, marketplace that operates more than 30 other fashion and accessory brands, including



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Arezzo&Co group's brands. Once the Transaction is completed, TROC will also be connected to ZZ Mall platform, and consumers will be able to sell second hand clothes, monetize part of its wardrobes, and use the credits resulting of such sale on the platform to buy new products. Through TROC, a sustainable destination will be sought for clothes, footwear and accessories that consumers no longer use and, at the same time, TROC will provide access to premium brands for new consumers.

In addition to the Transaction, the Company formalizes the establishment of ZZ Ventures, the corporate venture capital segment of Arezzo&Co group, which will be responsible for seeking new startups of several segments aiming to expand the Company's operations on the technology and innovation fronts.

In the development of ZZ Ventures, Arezzo&Co group will count on the support of Endeavor, a global network formed by entrepreneurs, which assists on the mapping of startups, scale-ups and other innovative companies with potential for accelerated growth.

TROC's current shareholder Luanna will remain at operation at least until December 31st, 2023, with pre-established performance metrics, under the terms of the Agreement. It is worth to point out that Luanna will continue as TROC's CEO, reporting to ZZ Ventures' structure.

Since a controlled company of the Company will carry out the acquisition, article 256 of Law No. 6,404 of 1976 does not apply to the Transaction.

It should be noted that the completion of the Transaction is subject to the verification of certain precedent conditions, including the final approval of the Administrative Council for Economic Defense (*Conselho Administrativo de Defesa Econômica – CADE*).

The Company will keep its shareholders and the market updated on the relevant progresses related to the matters discussed herein.

São Paulo, November 20, 2020.

ALINE FERREIRA PENNA PELI
IRO, Strategy and M&A Director