




C&A

Earnings Release 4Q22



Results Videoconference:

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20% increase in adjusted EBITDA in 4Q22 and +67% in full year, strong cash position enabling drop in leverage

HIGHLIGHTS

- 4.7% increase in net revenue compared to 4Q21, and +20.0% compared to FY2021
- Digital GMV up 54.7% in 4Q22 and 30% in the full year to more than R\$ 1 billion
- Gross Merchandise Margin up 2.6 percentage points to 51.2% in 4Q. In the year it was 49.1%, up 3.3 percentage points and above pre-pandemic level
- Adjusted EBITDA post-IFRS16 was R\$ 364.3 million, 20.1% above 4Q21. Y-o-y increase of 66.5% to R\$ 750.1 million
- Capex discipline, with R\$ 373 million invested in 2022 in our growth levers
- 0.9x net debt / EBITDA leverage (vs 1.3x at end-December 2021)

Indicators (R\$ million)	4Q22	4Q21	Δ	2022	2021	Δ
Net Revenue	1,948.7	1,862.1	4.7%	6,183.5	5,153.2	20.0%
Net Revenue from Merchandise	1,879.6	1,833.1	2.5%	5,904.5	4,960.6	19.0%
Same Store Sales (SSS)¹ (%)	1.0%	5.8%	-4.8p.p.	15.9%	24.7%	-8.8p.p.
Digital Gross Revenue (GMV² 1P+3P)	396.7	256.4	54.7%	1,170.7	900.7	30.0%
Total Gross Margin (%)	51.7%	48.3%	3.4p.p.	50.2%	46.5%	3.7p.p.
Gross Merchandise Margin (%)	51.2%	48.6%	2.6p.p.	49.1%	45.8%	3.3p.p.
Operating Expenses³	(497.1)	(535.0)	-7.1%	(2,131.8)	(1,749.4)	21.9%
Adjusted EBITDA (post-IFRS16)⁴	364.3	303.4	20.1%	750.1	450.4	66.5%
Adjusted EBITDA margin (post-IFRS16) (%)	18.7%	16.3%	2.4p.p.	12.1%	8.7%	3.4p.p.
Net Income	212.9	154.4	37.9%	0.8	329.0	-99.8%
Investments	110.8	347.2	-68.1%	373.4	682.1	-45.3%

(1) SSS: Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes e-commerce and all types of sales delivered (100% online, ship-from-store and click-and pick-up).

(2) GMV - Gross Merchandise Value: 1P – first-party relationship or direct sales, 3P – third-party relationship or marketplace sales

(3) Excludes depreciation and amortization, including right-of-use (lease) depreciation and net credit loss from C&A Pay to facilitate the analysis.

(4) Adjustments include: (i) other net operating revenue (expenses); (ii) trade financial revenue; e (iii) Recovery of tax credits.

**Message from Management**

C&A posted a solid fourth quarter and full-year performance in 2022 despite a challenging environment, with net sales and profitability increasing, reflecting the relevance of our strategic choices and our strong focus on efficiency and financial discipline.

C&A recorded net revenue growth of 4.7% in the fourth quarter, even though the period was marked by unusual weather conditions, the soccer World Cup that impacts traffic, notably on days on which the Brazilian national team was on the field, and an overall subdued consumption environment in election days. Gross Merchandise Margin improved by 2.6 percentage points and adjusted EBITDA was up by 20.1%, with margin improving by 2.4 percentage points.

Looking at these same metrics for the full year, the performance was even better, with net revenues up 20%, Gross Merchandise Margin improving by 3.3 percentage points and adjusted EBITDA up in strong double-digits, rising 66.5%, with a 3.4-point gain in margin.

Our sustainability initiatives received important recognition this quarter. For the 5th consecutive year C&A was the best-positioned brand (#1) in the Brazilian Fashion Transparency Index (ITM), an initiative of Fashion Revolution Brazil that measures the extent to which policies, practices, and the social and environmental impact of each value chain of the largest Brazilian retailers are disclosed. We were the only fashion retailer to achieve a score of 73%, which is 3% higher than in 2021.

These numbers and achievements are the reflection of sound execution of our strategy and our efforts to improve the profitability of our operations. For 2022, this meant focusing on growth drivers, cost efficiency and overall financial discipline. We continued our digital transformation, with GMV exceeding 1 billion Reais for the year, saw solid growth in our double-door ACE stores and further rolled out our credit offering, notably through C&A Pay, which is growing strongly. At the same time, in a difficult consumption and macro-economic environment, we showed discipline in store openings, reduced our investments by 45% over the year and lowered leverage to below 1 time through strong cash generation.

Brazil's environment in 2023 remains uncertain. In this context, our priorities remain to focus on results and protect our cash. We will strictly control investments in 2023, with limited store openings and targeted technology projects. We will closely monitor expenses and working capital, continuing to benefit from financial discipline in order to create value for our stakeholders.

The Management of C&A Modas S.A.

Growth Plan Levers

Our growth plan levers played a relevant role in the results we posted in 2022. The main highlights were the opening of 17 new stores and closure of 4. We advanced meaningfully in our WhatsApp sales, offering an assisted purchase experience to our clients that results in higher conversion and average ticket. The investment in eCommerce supply chain allowed us to figure among the best in delivery service level. And with C&A Pay, we gave access to 2.5 million card holders to buy in our stores.

New Stores and Formats

Only one new store was opened in 4Q22, a 1,477 m² unit in Shopping Boulevard Rio, in Rio de Janeiro, as a consequence of adjusting capex to protect cash. We continue to focus on our strategy to open stores in so called tier 3 cities (population around 500,000) in which we become the main fashion option to the region. From the 43 stores opened in the last 2 years, 27 are located in tier 3 cities and 11 had no competitors in the area.

In 4Q22, we focused on transforming 10 stores into a double door format to accommodate our ACE sportswear brand. So far, we have 13 stores operating in this format, and they consistently deliver solid growth in the sales – on average ACE sales on these stores increase by two times after the transformation. Annual ACE sales increased by 23%.

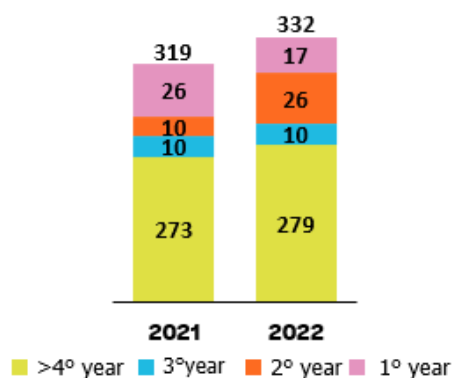
DOUBLE DOOR ACE STORES

Shopping Parque Dom Pedro – Campinas/SP
Shopping Iguatemi Fortaleza – Fortaleza/CE
Shopping Anália Franco – São Paulo, SP
Shopping Recife – Recife/PE
Shopping Iguatemi Macedo/ Maceió/AL
Midway Mall – Natal/ RN
Plaza Shopping Niterói – Niterói/RJ
Shopping Iguatemi Bahia – Salvador/BA
Amazonas Shopping – Manaus/AM
Shopping Conjunto Nacional – Brasília/DF
Park Shopping Brasília – Brasília/DF
Minas Shopping – Belo Horizonte/ MG
Shopping Aricanduva – São Paulo/ SP



At the end of 4Q22 we had 332 stores across the country, 279 (84%) of which have been in operation for over four years. Our sales area exceeds 615,000 m².

Breakdown of stores by age



	4Q22	4Q21	Δ	2022	2021	Δ
Stores	332	319	13	332	319	13
New	1	11	-10	17	26	-9
Closed	0	0	0	4	2	2
Sales area (thousand m²)	616	597	3.1%	616	597	3.1%

Digital Transformation

WhatsApp sales again boosted online revenue – our digital GMV reached over R\$ 1 billion in the year. This channel contributed to increased profitability, better gross margin, and lower delivery costs. Most WhatsApp sales are comprised of inventory available in our stores. Customers prefer to pick up their purchases, which increases store traffic, reduces shipping costs, and leads to higher tickets.

Our C&A&VC (C&A and You) Relationship Program had over 24 million registered customers, accounting for 72% of total sales. In the past 12 months, our total customer base grew 4%, while our e-Commerce (including omnichannel) customer base increased 7%. Our multichannel customers are now 10% of the total, having grown 18%, spending on average almost 2.5 times as much as other customers in the last 12 months.

Modernizing the Supply Chain

The state-of-the-art dedicated eCommerce distribution center in operation since November 2021 – equipped with OSR Shuttle from KNAPP and integrated to the Warehouse Management System by Manhattan, allowed for reduction in expenses related to the distribution center operation. Additionally, we achieved excellence in service levels regarding delivery time given the automation and error elimination with the new operation – in 2022, 51% of our orders were delivered across Brazil within two days. Considering 4Q and focusing on Southeast region, where most of our orders originate, 57% of all orders were delivered within two days.

As for the adoption of push pull distribution model of products to the stores, after important investments in the last two years to set the structure: three new sorters to handle products on a SKU level, the new warehouse management system by Manhattan, and the algorithm to

allocate products based on artificial intelligence by E2E (Accenture), in 2022 the results have started to show in our gross margin. With a more assertive distribution to stores, we have been able to reduce markdowns, which helped to improve apparel gross margins. At the end of 2022, approximately 25% of our apparel sales were covered with push pull.

Credit Offering

As we committed at the IPO, we continue to focus on increasing credit offering to our clients. Considering the partnership with Bradesco and C&A Pay, our direct offer which completed the first operational year in December, we reached pre pandemic levels regarding credit offering as a percentage of sales – 21%, an increase of 5 p.p. y-o-y.

We can celebrate the success of launching C&A Pay, despite a challenging macroeconomic environment. We have issued over 2.5 million digital cards, with our financial health and portfolio return indicators in line with what had been defined in the business plan. This operation is monitored by committees to ensure proper risk management and accountability. More detailed information is available in the Financial Services section of this report.

Financial Performance

Net Revenue

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Total Net Revenue	1,948.7	1,862.1	4.7%	6,183.5	5,153.2	20.0%
Revenue from Merchandise Sales	1,879.6	1,833.1	2.5%	5,904.5	4,960.6	19.0%
Apparel	1,647.5	1,601.8	2.9%	5,021.1	4,204.1	19.4%
Fashiontronics and Beauty	232.1	231.3	0.3%	883.4	756.6	16.8%
Financial Services	62.8	25.2	149.2%	257.4	175.0	47.1%
Other revenue	6.3	3.9	61.5%	21.7	17.6	23.3%

%	4Q22	4Q21	Δ	2022	2021	Δ
Same Store Sales (SSS)¹	1.0%	5.8%	-4.8 p.p.	15.9%	24.7%	-8.8 p.p.
Apparel	1.3%	12.5%	-11.2 p.p.	16.1%	32.7%	-16.6 p.p.
<i>Fashiontronics and Beauty</i>	-1.3%	-24.7%	23.4 p.p.	14.4%	-6.3%	20.7 p.p.

(1) SSS: Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes e-commerce and all types of sales delivered (100% online, ship-from-store and click-and pick-up).

In 4Q22 net revenue was R\$ 1,948.7 million, 4.7% higher than in 4Q21. In FY2022, total net revenue was R\$ 6,183.5 million, 20.0% over the previous year. Net revenue from merchandise in the quarter rose 2.5% to R\$ 1,879.6 million, and in the year, it was up 19.0% to R\$ 5,904.5 million. The growth observed was mainly due to the good performance of the apparel segment during the year – specially in the 2Q22, and of C&A Pay in the 4Q22.

Same-store sales increased by 1.0% in 4Q22. SSS increased by 15.9% in the year.

Apparel

Apparel revenue increased by 2.9% and same-store-sales (SSS) were up 1.3% in 4Q22. In 2022 apparel revenue was up 19.4% and SSS rose 16.1%. The apparel category was impacted by unusually cold weather in the last quarter of the year, especially in the Southeast, by election and by the FIFA World Cup games. Store traffic dropped sharply on days when Brazil was playing. Nevertheless, our products met with good customer demand, especially our bling and white collections focused on end-of-the-year holidays.

Fashiontronics and Beauty

This category is primarily comprised of cell phones and smartphones, as well as beauty goods and watches. Although C&A only introduced beauty products in late 2019, they already account for more than 15% of the category. They are available online and in 274 B&M stores.

Revenue was broadly stable compared to 4Q21, increasing 0.3%, while SSS dropped 1.3%. Demand for cell phones and smartphones was down, even during the Black Friday event, reflecting Brazil's difficult consumption environment. Fashiontronics and Beauty' sales increased 16.8% in the year, and SSS increased 14.4%.

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Total Digital Gross Revenue (GMV¹ 1P+3P)	396.7	256.4	54.7%	1,170.7	900.7	30.0%
Net Revenue from Digital	295.9	195.4	51.4%	872.4	687.0	27.0%
% Net Revenue from Digital / Total Merchandise Revenue	15.7%	10.7%	5.0 p.p.	14.8%	13.8%	1.0 p.p.

(1) GMV - Gross Merchandise Value: 1P – first-party relationship or direct sales, 3P – third-party relationship or marketplace sales

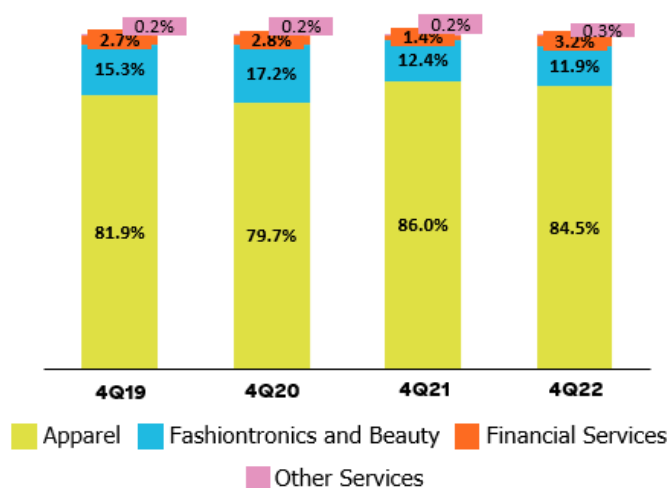
Our online Gross Merchandise Value (GMV) increased by 54.7% to R\$ 396.7 million. It includes our own and partner (seller) sales in our marketplace. In full year, sales were up 30%, exceeding R\$ 1 billion, thus setting a record.

C&A omni-sales net revenue in 4Q22 was R\$ 295.9 million, a 51.4% growth. They accounted for 15.7% of total sales. In the year, omni net revenue was R\$ 872.4 million, up 27%.

Revenue from financial services in the quarter amounted to R\$ 62.8 million, a 149.2% increase, primarily due to the growth of C&A Pay operations. Gross Revenue from Financial Services was R\$ 257.4 million in FY2022, a 47.1% increase.

Other revenue increased by 61.5% in 4Q22 - to R\$ 6.3 million. Other revenue added up to R\$ 21.7 million in the full year, a 23.3% increase.

Net Revenue by Business



In 4Q22 fashiontronics and beauty accounted for 11.9% of total revenue, a 0.5 p.p. drop compared to 4Q21, and 3.4% compared to 4Q19. The share of revenue from financial services increased to 3.2%.

Gross Profit and Margin

R\$ million, except margins	4Q22	4Q21	Δ	2022	2021	Δ
Total Gross Profit	1,008.4	898.5	12.2%	3,106.1	2,397.3	29.6%
Gross Profit from Merchandise	962.0	890.3	8.1%	2,898.8	2,270.4	27.7%
<i>Apparel</i>	911.2	839.9	8.5%	2,705.8	2,123.4	27.4%
<i>Fashiontronics and Beauty</i>	51.6	50.4	2.4%	193.9	147.0	31.9%
Gross Profit from Financial Services	62.5	23.9	161.5%	255.8	173.0	47.9%
Other Gross Profit	(16.9)	(15.6)	8.3%	(49.4)	(46.1)	7.2%
Total Gross Margin	51.7%	48.3%	3.4 p.p.	50.2%	46.5%	3.7 p.p.
Apparel Gross Margin	55.3%	52.4%	2.9 p.p.	53.9%	50.5%	3.4 p.p.
Gross Margin from <i>Fashiontronics and Beauty</i>	22.2%	21.8%	0.4 p.p.	21.9%	19.4%	2.5 p.p.
Gross Margin from Merchandise	51.2%	48.6%	2.6 p.p.	49.1%	45.8%	3.3 p.p.

In 4Q22, gross profit was R\$ 1,008.4 million, which was 12.2% higher than in 4Q21. In the year, gross profit was R\$ 3,106.1 million. Total gross margin in the quarter was 51.7%, 3.4 p.p. higher, primarily due to better margins in apparel and the increased share of financial services. Total gross margin for the year was 50.2%, 3.7% higher than in 2021, and above pre-pandemic levels.

Gross margin from merchandise was 51.2%, a 2.6 p.p. increase compared to 4Q21 driven by improved apparel margins. In 2022, gross margin from merchandise was 49.1%, 3.3 p.p. higher than in 2021.

Gross margin from apparel was 55.3%, a 2.9 p.p. increase, thanks to constantly evolving dynamic pricing and push pull in our higher turnover products. In the full year, gross margin from apparel was 53.9%, a 3.4 p.p. increase compared to 2021.

4Q22 margin from Fashiontronics and Beauty was 22.2%, a 0.4 p.p. increase. In the full year, margin was 21.9%, a 2.5 p.p. increase, primarily from the bigger share of beauty products, which increased by 15 p.p.. Their margin is higher than that of cell phones and smartphones, in a tough competitive environment, notably in the second half of the year.

Gross profit from financial services was R\$ 62.5 million, a 161.5% increase, in line with the variation in revenue. In the full year, gross profit from financial services rose 47.9% to R\$ 255.8 million.

Gross profit in the “others” line was a negative R\$ 16.9 million due to merchandise losses booked in the quarter. This amounted to a negative R\$ 49.4 million in the year.

Operating expenses

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Selling Expenses	(476.9)	(492.9)	-3.2%	(1,815.4)	(1,595.6)	13.8%
General and administrative expenses	(139.7)	(106.1)	31.7%	(485.6)	(363.2)	33.7%
Total Selling and G&A Expenses¹	(616.5)	(599.0)	2.9%	(2,301.0)	(1,958.9)	17.5%
Other operating income (expenses)	119.5	64.0	86.7%	169.3	209.5	-19.2%
Operating Expenses¹	(497.1)	(535.0)	-7.1%	(2,131.8)	(1,749.4)	21.9%
%	4Q22	4Q21	Δ	2022	2021	Δ
Selling Expenses / Total Net Revenue	24.5%	26.5%	-2.0p.p.	29.4%	31.0%	-1.6p.p.
G&A Expenses / Total Net Revenue	7.2%	5.7%	1.5p.p.	7.9%	7.0%	0.9p.p.
Selling Expenses and G&A/Total Net Revenue	31.6%	32.2%	-0.6p.p.	37.2%	38.0%	-0.8p.p.

(1) Expenses include the payment of leases, as per accounting standard IFRS16. Data that excludes this impact is available on the fundamentals spreadsheet on the C&A RI site. Expenses also exclude depreciation and amortization, including right-of-use depreciation (leases) to facilitate the analysis and net credit loss from C&A Pay.



In the fourth quarter, operating expenses, excluding depreciation and net credit loss, added up to R\$ 497.1 million, 7.1% below what they were in 4Q21, primarily due to other operating revenue. Operating expenses in 2022 totaled R\$ 2,131.8 million, 21.9% higher than in 2021.

Sales expenses were down 3.2% to R\$ 476.9 million. The main driver of this improvement was a 62.4% decrease in digital marketing expenses compared to 4Q21. We have been targeting our digital marketing efforts to leverage on our strengths – our relationship program (C&A&VC) which provides us information on customer behavior, and our credit platform (C&A Pay) which provides recurrency. Sales expenses in the year were R\$ 1,815.4 million, 13.8% higher than in 2021 due to inflation adjustments and the greater number of stores.

General and administrative expenses were 31.7% higher, adding up to R\$ 139.7 million due to a higher personnel line, partially offset by a reduction in the third-party service and material lines thanks to increased efficiency, primarily of our eCommerce distribution center from our new automated operation, and lower IT maintenance. In 2022, general and administrative expenses were 33.7% higher than in 2021, or R\$ 485.6 million.

Our operating expenses are available in the fundamentals' spreadsheet on the company's IR site – <https://ri.cea.com.br>.

Selling expenses and G&A as a percentage of net revenue was 31.6%, an 0.6 p.p. drop. In 2022 this indicator dropped 0.8 p.p., demonstrating a gradual improvement in our operating leverage.

Our Other (Operating (Expenses) and Revenue) line was revenue of R\$ 119.5 million, 86.7% over 4Q21. The main reason for this was the recognition of approximately R\$ 100 million in tax credits related mainly to the final unappealable ruling of the STJ (Supreme Court) in a case regarding the right to zero PIS and COFINS taxes on the sale of smartphones made in Brazil, as per Law 11.196/2005 (known as the “Law for Good” or “Lei do Bem”). Other Operating Revenue and Expenses amounted to R\$ 169.3 million in revenue, a 19.2% reduction compared to 2021.

Financial Services

Net revenue from financial services in the quarter was R\$ 62.8 million, up 149.2% over 4Q21. In FY 2022, it totaled R\$ 257.3 million, a 47% increase. The increase, both in the quarter and year, was thanks to the good performance of C&A Pay, which mitigated the revenue drop observed in Bradescard partnership.

Provisions for losses in the C&A Pay operation in the quarter were R\$ 30.0 million. Total expenses amounted to R\$ 66.0 million, 39.2% higher, given that in 4Q21 the C&A Pay operation was only

just getting underway. Provisions for losses in 2022 were R\$ 64.3 million, while expenses amounted to R\$ 227.0 million.

Credit offered via Bradescard and via C&A Pay accounted for 22% of sales in 4Q22. And C&A Pay is an increasingly important component of our retail sales, accounting alone for 16% in the quarter.

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Bradescard Partnership	10.7	24.5	-56.3%	123.2	174.3	-29.3%
C&A Pay (Private Label)	52.2	0.7	7357.1%	134.1	0.7	19057.1%
Net revenue from Funding and Taxes on Financial Services	62.8	25.2	149.2%	257.3	175.0	47.0%
Gross profit - Financial Services	62.5	23.9	161.5%	255.8	173.0	47.9%
(-) Losses Net of Recoveries (C&A Pay - Private Label)	(30.0)	(0.5)	5900.0%	(64.3)	(0.5)	12760.0%
(-) Total Financial Services Expenses	(66.0)	(47.4)	39.2%	(227.0)	(137.3)	65.3%
(=) Financial Services Results	(33.5)	(24.0)	39.6%	(35.5)	35.2	-200.9%

Indicators	4Q22	4Q21	Δ	2022	2021	Δ
Bradescard Partnership						
Net Average Trade Receivables (billion)	2.6	2.9	-10.3%	2.8	2.9	-3.4%
% of Sales	6%	13%	-7p.p.	8%	14%	-6p.p.
Number of new cards (thousand)	93.0	265.0	-64.9%	365.1	871.0	-58.1%
Number of active cards (million)	2.1	2.6	-19.2%	2.3	2.7	-14.8%
Losses net of recoveries over average portfolio - period, %	4.9%	3.6%	1,3p.p.	12.3%	7.6%	4.7p.p.
C&A Pay (Private Label)						
Portfolio End of period (million)	562.6	98.2	472.7%	562.6	98.2	472.7%
% of Sales	16%	4%	12p.p.	13%	2%	11p.p.
Number of new cards (thousand)	608.0	401.5	51.4%	2,165.0	401.5	439.2%
Number of cards issued (mil)	2,567.0	401.5	539.4%	2,567.0	401.5	539.4%
Losses net of recoveries over average portfolio - period %	6.3%	1.0%	5.3 p.p.	19.5%	4.0%	15.5 p.p.

In the Bradescard partnership, 93,000 new cards were issued, and Bradescard credit as a percentage of sales was 6%, down 7 p.p.

In the quarter, C&A Pay issued over 600,000 new digital cards, for a total of 2.57 million cards issued. Losses net of recovery over the average portfolio in the quarter amounted to 6.3%.

C&A Pay - Private Label (R\$ thousand)	Coming due	Past due	Balance
Up to 30 days	127,055	10,381	137,456
31 – 60 days	85,049	10,293	95,342
61 – 90 days	58,792	15,454	74,246
91 - 180 days	107,183	42,130	149,312
180 - 360 days	65,821	39,869	105,690
Longer than 361 days	605	-	-
Total	444,505	118,127	562,652

The portfolio 90 days or more past due accounted for 14.6%. We remind you that C&A Pay completed its first full year of operations in December 2022 and is still in the process of creating baskets. This percentage should increase as the business matures.

C&A Pay - Private Label (R\$ thousand)	Portfolio	Net Credit Loss	% Coverage
On-Balance-Sheet Balance	562,632	64,095	11.4%
Stage 1	445,148	3,086	0.7%
Stage 2	34,775	4,263	12.3%
Stage 3	82,709	56,746	68.6%
Off-Balance-Sheet Balance ¹	1,143,596	343	0.0%
Grand Total	1,706,228	64,438	3.8%
Coverage over credit portfolio			11.5%

(1) Refers to limits granted but not used.

Coverage over credit portfolio ended the quarter at 11.5%.

Payment methods	4Q22	4Q21	Δ	2022	2021	Δ
Cash (lump sum) payments	33%	35%	-2p.p.	31%	34%	-3p.p.
Bradescard Partnership Cards	6%	13%	-7p.p.	8%	14%	-6p.p.
<= 5 installments	4%	8%	-4p.p.	5%	8%	-3p.p.
> 5 installments	1%	2%	-1p.p.	1%	2%	-1p.p.
Other	1%	3%	-2p.p.	2%	4%	-2p.p.
C&A Pay (Private Label)	16%	4%	12p.p.	13%	2%	11p.p.
<= 5 installments	10%	3%	7p.p.	8%	1%	7p.p.
> 5 installments	1%	0%	1 p.p.	1%	0%	1 p.p.
Other	5%	1%	4p.p.	4%	1%	3p.p.
Third-Party Cards	45%	48%	-3p.p.	48%	50%	-2p.p.
<= 3 installments	29%	32%	-3p.p.	30%	31%	-1p.p.
> 3 installments	6%	8%	-2p.p.	9%	12%	-3p.p.
Other	10%	8%	2p.p.	9%	8%	1 p.p.

In payment modes we highlight the increased share of C&A Pay, to the detriment of other payment forms.

Adjusted EBITDA (post- IFRS 16)

R\$ million, except margins	4Q22	4Q21	Δ	2022	2021	Δ
Net Profit (Loss) for the Period	212.9	154.4	37.9%	0.8	329.0	-99.8%
(+) Income taxes	93.6	32.0	192.5%	(44.1)	(328.0)	-86.6%
(+/-) Net financial results	45.7	30.4	50.3%	311.5	91.8	239.3%
(+) Depreciation and Amortization	129.0	146.3	-11.8%	641.9	554.6	15.7%
(=) EBITDA (post-IFRS 16)	481.3	363.1	32.6%	910.1	647.4	40.6%
(+/-) Other net operating income (expenses)	13.4	(20.3)	-166.0%	31.1	18.9	64.6%
(+) Financial income from suppliers	2.5	4.4	-43.2%	9.2	12.4	-25.8%
(-) Tax credit recovery	(132.9)	(43.7)	204.1%	(200.4)	(228.4)	-12.3%
(=) Adjusted EBITDA (post-IFRS 16)¹	364.3	303.4	20.1%	750.1	450.4	66.5%
Adjusted EBITDA Margin (post-IFRS 16)¹ over Net Revenue	18.7%	16.3%	2.4p.p.	12.1%	8.7%	3.4p.p.
Adjusted EBITDA Margin (post-IFRS 16)¹ over Merchandise Revenue	19.4%	16.6%	2.8p.p.	12.7%	9.1%	3.6p.p.

(1) EBITDA adjusted for (i) other net operating revenue (expenses); (ii) trade financial revenue; (iii) recovery of tax credits.

Adjusted EBITDA (post- IFRS 16) in 4Q22 was R\$ 364.3 million, a 20.1% increase compared to 4Q21. Adjusted EBITDA margin (post- IFRS 16) was 18.7%. In the year, Adjusted EBITDA (post- IFRS 16) was R\$ 750.1 million, with a 12.1% margin.

In 4Q22 we completed a study of the lifetime of our assets. As a result, we reviewed our depreciation for the entire year and the impact was booked in the fourth quarter, in the amount of a reduction of approximately R\$ 41 million.

R\$ million, except margins	4Q22	4Q21	Δ	2022	2021	Δ
(=) Financial Services Results	33.5	24.0	39.6%	35.5	(35.2)	-200.9%
Adjusted EBITDA from Retail Operations (post-IFRS16)	397.9	327.4	21.5%	785.6	415.2	89.2%
Adjusted EBITDA margin from Retail Operations (post-IFRS16)	20.4%	17.6%	2.8p.p.	12.7%	8.1%	4.6p.p.

Adjusted EBITDA from Retail Operations was R\$ 397.9 million in 4Q22, with a 20.4% margin. Adjusted EBITDA from our Retail operation was R\$ 785.6 million in the year, with margin up 4.6 percentage points to 12.7%.

Financial Results

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Exchange Variation	0.3	(0.1)	-400.0%	0.3	(0.7)	-142.9%
Total Financial Expenses	(171.9)	(85.7)	100.6%	(601.3)	(267.3)	125.0%
Interest on loans	(81.4)	(31.7)	156.8%	(272.4)	(81.5)	234.2%
Interest on leases	(40.2)	(34.0)	18.2%	(156.5)	(135.4)	15.6%
Interest on taxes and contingencies	(6.1)	(4.0)	52.5%	(21.7)	(14.5)	49.7%
Other Financial expenses	(44.2)	(16.0)	176.3%	(150.7)	(36.0)	318.6%
Total Financial Income	125.9	55.4	127.3%	289.6	176.2	64.4%
Revenue from interest	84.2	35.7	135.9%	168.6	126.4	33.4%
Interest on short-term investments	39.1	15.3	155.6%	111.7	37.4	198.7%
Other Finance Income	2.5	4.4	-43.2%	9.3	12.4	-25.0%
Financial Results	(45.7)	(30.4)	50.3%	(311.5)	(91.8)	239.3%

In 4Q22 our financial results were expenses of R\$ 45.7 million, mostly due to increased financial expenses resulting from higher loans and the higher CDI rate. In addition to interest on loans, other financial expenses also went up, reflecting a higher present value adjustment of supplier purchases because of the increase in the Selic interest rate - and monetary correction on the amount owed to Bradesco for buying back the right to offer credit, which did not exist in 4Q21, amounting to R\$ 16.3 million. These were partially offset by recognizing interest on tax credits, mainly related to the right to zero PIS and COFINS taxes on the sale of smartphones made in Brazil, as per Law 11.196/2005 (known as the “Law for Good” or “Lei do Bem”), in the amount of some R\$ 40 million, among other less relevant. Our financial result for the year was an expense of R\$ 311.5 million, over three times what it was in 2021, primarily due to a larger debt and higher interest rates.

Net Income

R\$ million, except margins	4Q22	4Q21	Δ	2022	2021	Δ
Net profit (loss)	212.9	154.4	37.9%	0.8	329.0	-99.8%
Net Margin	10.9%	8.3%	2.6 p.p.	0.0%	6.4%	-6.4 p.p.

C&A's profit in 4Q22, was R\$ 212.9 million, with a net margin of 10.9%. As a reminder, in 4Q21 we booked tax credits which impacted profit shown in the table. If we exclude this non-recurring effect our profit in 4Q22 would have been approximately R\$ 80 million.

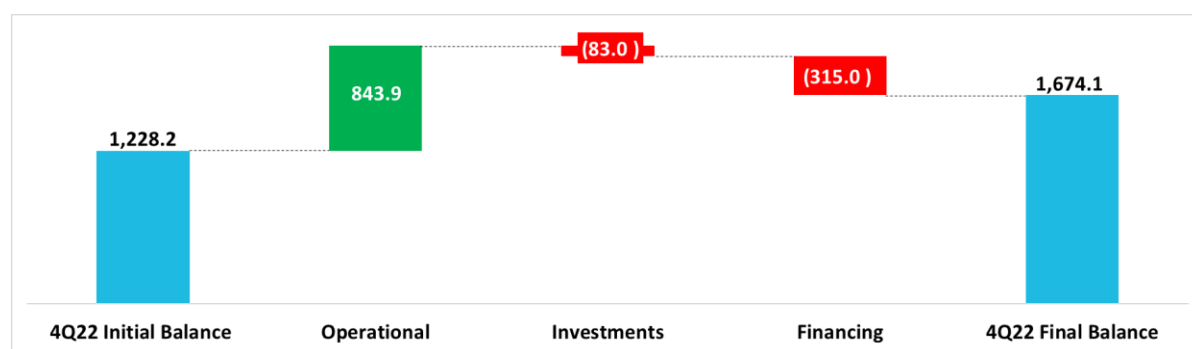
Profit for 2022 was R\$ 0.8 million. If we exclude the impact of the tax credits recognized, our loss for the year would be approximately R\$ 130 million.

Adjusted Free Cash Flow

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Pre IFRS16 income (losses) before Income Tax and Social Contribution	310.3	192.2	61.4%	10.1	44.2	-77.1%
Depreciation and amortization	47.4	68.2	-30.5%	295.1	246.3	19.8%
(+/-) Other	(8.4)	7.0	-220.0%	223.5	(134.7)	-265.9%
Adjustments with no impact on cash	38.9	75.2	-48.3%	518.5	111.9	363.4%
Income Tax and Social Contribution paid	(7.9)	0.0	-	(19.8)	(1.8)	1000.0%
Working Capital	502.6	95.7	425.2%	92.6	(112.8)	-182.1%
Trade receivables	(207.3)	(282.6)	-26.6%	(206.9)	(98.7)	109.6%
Inventory	100.1	10.1	891.1%	(65.9)	(261.0)	-74.8%
Suppliers	414.3	238.4	73.8%	145.5	133.7	8.8%
Other	195.5	129.9	50.5%	219.9	113.3	94.1%
Cash from operating activities	843.9	363.1	132.4%	601.5	41.6	1345.9%
(-) CAPEX (Investments)	(83.0)	(240.3)	-65.5%	(471.6)	(571.3)	-17.5%
(=) Adjusted Free Cash Flow	760.9	122.8	519.6%	129.9	(529.8)	-124.5%

Free cash flow in 4Q22 was R\$ 760.9 million, reflecting improvements in working capital resulting from initiatives to extend payment cycles with direct and indirect suppliers, and shorten our receivables cycle with, among other measures, minimum installments. We also reduced our investments in the quarter. Free cash flow in the year R\$ 129.9 million.

Changes in Cash Position – 4Q22



In line with specific changes in the quarter, we generated a significant amount of cash in 4Q22 – R\$ 445.9 million. Operating activities generated R\$ 843.9 million in cash; this benefited from offsetting previously unused tax credits in the amount of R\$ 27.4 million (approximately R\$ 230 million for 2022). Investments consumed R\$ 83.0 million, and financing activities another R\$ 315.0 million. It is important to mention that in 4Q22 we prepaid one of our loans, a R\$ 230 million CCB (Bank Credit Certificates) coming due in 2Q23, resulting in more significant use of cash for financial activities.

Investments

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Total Investments¹	110.8	347.2	-68.1%	373.4	682.1	-45.3%
New Stores	16.0	93.7	-82.9%	108.4	178.7	-39.3%
Revamps and Refurbishings	22.9	36.9	-37.9%	45.6	59.8	-23.7%
Supply Chain	11.6	43.7	-73.5%	37.8	144.5	-73.8%
Digital and Technology	60.3	172.9	-65.1%	181.6	299.1	-39.3%

(1) Investments for the period include investments made but not necessarily paid. The amount paid (cash outlay) is included in the cash flow statement for investment activities.

Investments in the quarter totaled R\$110.8 million, 68.1% less than in 4Q21. Of this, Digital and Technology accounted for R\$ 60.3 million. In the year a total of R\$ 373.4 million were invested, 45.3% less than in 2021, reflecting strict financial discipline.

Indebtedness

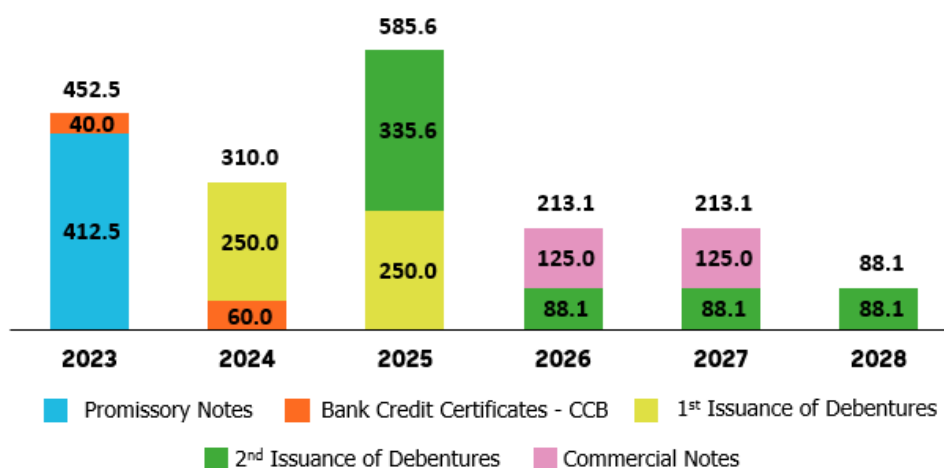
R\$ million	2022	2021	Δ
Gross Debt	2,151.2	1,375.2	56.4%
Short-Term Debt	746.4	121.6	513.8%
Long-Term Debt	1,404.8	1,253.6	12.1%
(-) Cash and Cash Equivalents and Short-Term Investments	1,682.8	1,058.0	59.1%
(=) Cash or (Net Debt)	(468.4)	(317.2)	47.7%

At the end of the fourth quarter our net debt was R\$ 468.4 million. The average maturity of our total debt was 3.7 years, and the all-in average cost was CDI +2.03%. Leverage calculated using the debt covenants was 0.9x net debt/12M EBITDA (in the amount of R\$ 501 million), a reflection of our decision to focus on protecting our cash position as of mid-2022.

R\$ million	2022	2021
EBITDA	910.1	647.4
(-) Payments Lease Liabilities	(449.9)	(396.8)
(=) EBITDA excluding IFRS16	460.1	250.6
(+/-) Gains (Losses) Sale of Assets Excluding the Impact of IFRS16 (Note 27.5)	8.6	4.6
(+/-) Impairment (Note 27.5)	(6.1)	(3.9)
(+) Financial income from suppliers (Note 28)	9.2	12.4
(-) Restructuring/Consulting costs (note 27.5)	7.1	4.3
(+/-) Provisions (Reversals) for Contingencies (Note 23.2)	22.2	(19.2)
(=) Adjusted EBITDA to covenants¹	501.1	248.9
Net Debt/EBITDA Adjusted to covenants ¹ (12 meses)	0.9x	1.3x

(1) Debt-covenant adjusted EBITDA excludes the effects of CPC 06 (R2) and International Financial Reporting Standard IFRS-16 before: (i) Income tax and social contribution on net income, (ii) PP&E depreciation (excluding tie-up), (iii) amortization expenses, (iv) financial results (except for revenue from supplier pre-payments, to be considered part of EBITDA), (v) equity, (vi) minority shareholders, and (vii) Non-Operating results. For this report "Non-Operating Income" includes: (i) asset sales, (ii) contingency provisions, reversals, (iii) impairment, (iv) occasional restructuring expenses.

Debt Amortization Schedule (R\$ million)

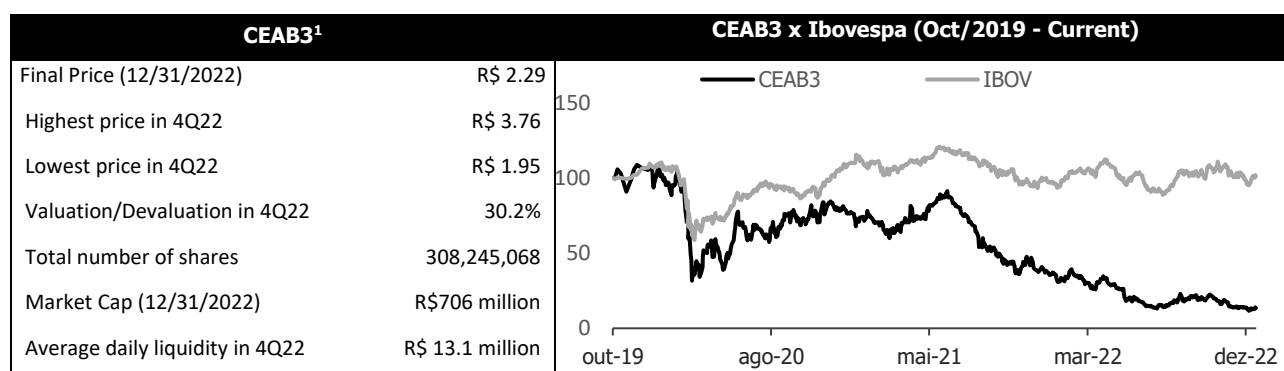


The amortization schedule refers to the principal only and excludes interest.

The debt amortization calendar, which includes only the principal, shows the impact of pre-paying a CCB (Bank Credit Bill) in the amount of R\$ 230 million, coming due in 2Q23 and which carried the highest interest rate of our entire portfolio - CDI + 2.95%. Thus, the debt for payment in 2023 dropped to R\$ 452.5 million.

Capital Market

C&A joined the B3 "Novo Mercado" on October 28, 2019 - at a starting share price of R\$ 16,50. The average daily volume traded in 4Q22 was R\$ 13.1 million, with a 30.2% increase in share value. On December 31, 2022, the Company had a market cap of R\$ 706 million.



The Company's capital stock is comprised of 308,245,068 common shares, with a 34.5% free float. The Company's free float and its main shareholders on December 31, 2022 are described below:

Shareholding	# Of common shares (ON)	% of total
Controlling shareholder	201,319,336	65.3%
Officers	805,797	0.3%
Treasury	1,969,900	0.4%
Other	104,150,035	34.0%
Total	308,245,068	100.0%

On November 12, 2021, the Board of Directors approved the buyback of Company shares to be held in treasury for use in its Long-Term Incentive Plan and to maximize value creation for shareholders, with efficient capital management. The buyback of 5,300,000 shares was authorized. As of December 31, 2022, 1,969,900 had been repurchased at an average price of R\$ 3,44. In 4Q22, 661,500 shares were repurchased at an average of R\$ 2,30. This program runs until May 2023.

Subsequent Event

On January 26, 2023, we released a notice to the market, regarding our business with Bradesco, announcing the modification of terms related to the current partnership, signed in late 2021, and a new contract.

As for the partnership, we agreed that (i) the active base of cards, cut off in January 23, will continue for 2.5 years, with no new issuance, (ii) Bradesco will have the option to acquire the active base in July 2025, and (iii) the payment for the right to offer credit directly to customers payable to Bradesco was postponed to July 2025 – and as of February 2023, the amount will be adjusted at the rate of CDI + 1.65%.

Regarding the new contract, in order to maintain a broad credit offering to our customers – a credit card that can be used in other retailers than C&A, we will continue to issue Bradesco cards and will be compensated in the form of a card-issuing commission. These cards shall not be part of the previous partnership.

The rationale for approaching Bradesco in this discussion was the deterioration of the macroeconomic environment in recent quarters. The higher indebtedness and default rates resulted in two strong arguments: an active base of Bradesco partnership cards still relevant and a more cautious view on the timing to launch C&A credit card. Offering a credit card that can be used elsewhere, different from C&A Pay, brings a risk that we are not familiar with and demands much higher funding – as to be used in various locations, it requires a higher limit.



With this new agreement, C&A will focus on growing its own private label card (for use only in C&A stores) and on increasing solutions to the client with new insurances, cash withdrawals and personal loans. Our main objective with C&A Pay is to increase retail sales and we expect the portfolio to almost double by end 2023, increasing the participation in sales to a very competitive level.

Attachments

Adjusted EBITDA

Total Adjusted EBITDA (before IFRS 16)

R\$ million	4Q22	4Q21	Δ	2022	2021	Δ
Net Income (Losses) in the period	212.9	154.4	37.9%	0.8	329.0	-99.8%
(+) Income taxes	93.6	32.0	192.5%	(44.1)	(328.0)	-86.6%
(+/-) Net financial results	45.7	30.4	50.3%	311.5	91.8	239.3%
(+) Depreciation and amortization	129.0	146.3	-11.8%	641.9	554.6	15.7%
(=) EBITDA (post-IFRS 16)	481.3	363.1	32.6%	910.1	647.4	40.6%
(+/-) Other net operating income (expenses)	13.4	(20.3)	-166.0%	31.1	18.9	64.6%
(+) Financial income from suppliers	2.5	4.4	-43.2%	9.2	12.4	-25.8%
(-) Tax credit recovery	(132.9)	(43.7)	204.1%	(200.4)	(228.4)	-12.3%
(=) Adjusted EBITDA (post- IFRS 16)	364.3	303.4	20.1%	750.1	450.4	66.5%
(-) Lease liabilities	(116.2)	(102.0)	13.9%	(445.0)	(394.8)	12.7%
(=) Adjusted EBITDA¹ (pre-IFRS16)	248.2	201.5	23.2%	305.1	55.6	448.7%
Adjusted EBITDA margin before IFRS16:	12.7%	10.8%	1.9p.p.	4.9%	1.1%	3.8p.p.

(1) Pursuant to article 4 of CVM Instruction 527, the Company opted to disclose adjusted EBITDA as per the table above, demonstrating data that best reflects gross operating cash management in its activities. Adjustments include: (i) Other Operating Income (Expenses) Net; (ii) Finance Income de Trade receivables; (iii) Recovery of tax credits; e (iv) Lease liabilities. Adjusted EBITDA (before IFRS16) excludes the effects of accounting standard IFRS16.

Covenant-adjusted EBITDA (last 12 months)

R\$ million	2022	2021
Adjusted EBITDA post- IFRS16 (last 12 months)	910.1	647.4
(-) Lease liabilities	(449.9)	(396.8)
(=) EBITDA pre -IFRS16 (last 12 meses)	460.1	250.6
(+/-) Gains (Losses) Sale of Assets Excluding the Impact of IFRS16 (Note 28.5)	8.6	4.6
(+/-) Impairment (Note 28.5)	(6.1)	(3.9)
(+) Financial income from suppliers (Note 29)	9.2	12.4
(-) Restructuring/Consulting costs (note 28.5)	7.1	4.3
(+/-) Provisions (Reversals) for Contingencies (Note 24.1)	22.2	(19.2)
Covenant-Adjusted EBITDA¹ (last 12 months) pre- IFRS16.	501.1	248.9
<i>Net Debt/EBITDA Adjusted for covenants (12 months)</i>	<i>0.9x</i>	<i>1.3x</i>

(1) Debt-covenant adjusted EBITDA excludes the effects of CPC 06 (R2) and International Financial Reporting Standard IFRS-16 before: (i) Income tax and social contribution on net income, (ii) PP&E depreciation (excluding tie-up), (iii) amortization expenses, (iv) financial results (except for revenue from supplier pre-payments, to be considered part of EBITDA), (v) equity, (vi) minority shareholders, and (vii) Non-Operating results. For this report "Non Operating Income" includes: (i) asset sales, (ii) contingency provisions, reversals, (iii) impairment, (iv) occasional restructuring expenses.

Consolidated Statement of Earnings - 4Q22 and 2022

R\$ million	4Q22	4Q21	△	2022	2021	△
Net Operating Revenue	1,948.7	1,862.1	4.7%	6,183.5	5,153.2	20.0%
Apparel	1,647.5	1,601.8	2.9%	5,021.1	4,204.1	19.4%
<i>Fashiontronics and Beauty</i>	232.1	231.3	0.3%	883.4	756.6	16.8%
Net revenue from merchandise	1,879.6	1,833.1	2.5%	5,904.5	4,960.6	19.0%
Financial Services	62.8	25.2	149.2%	257.4	175.0	47.1%
Other Revenue	6.3	3.9	61.5%	21.7	17.6	23.3%
Cost of Goods/ Services	(940.4)	(963.6)	-2.4%	(3,077.4)	(2,755.9)	11.7%
Gross Profit	1,008.4	898.5	12.2%	3,106.1	2,397.3	29.6%
Apparel	911.2	839.9	8.5%	2,705.8	2,123.4	27.4%
<i>Fashiontronics and Beauty</i>	51.6	50.4	2.4%	193.9	147.0	31.9%
Gross Profit From Merchandise	962.0	890.3	8.1%	2,898.8	2,270.4	27.7%
Gross Profit from Financial Services	62.5	23.9	161.5%	255.8	173.0	47.9%
Other Gross Profit	(16.9)	(15.6)	8.3%	(49.4)	(46.1)	7.2%
Operating (Expenses) and Revenue	(656.2)	(681.8)	-3.8%	(2,837.9)	(2,304.5)	23.1%
General and Administrative	(139.7)	(106.1)	31.7%	(485.6)	(363.2)	33.7%
Sales	(476.9)	(492.9)	-3.2%	(1,815.4)	(1,595.6)	13.8%
Depreciation and Amortization	(129.0)	(146.3)	-11.8%	(641.9)	(554.6)	15.7%
Other Revenue (Expenses)	119.5	64.0	86.7%	169.3	209.5	-19.2%
Net credit losses	(30.0)	(0.5)	-	(64.3)	(0.5)	-
Profit before Financial Revenue and Expenses	352.2	216.8	62.5%	268.2	92.8	189.0%
Finance Results	(45.7)	(30.4)	50.3%	(311.5)	(91.8)	239.3%
Exchange Variation	0.3	(0.1)	-400.0%	0.3	(0.7)	-142.9%
Total Finance expenses	(171.9)	(85.7)	100.6%	(601.3)	(267.3)	125.0%
Total Finance Income	125.9	55.4	127.3%	289.6	176.2	64.4%
Profit before taxes	306.5	186.4	64.4%	(43.3)	1.0	-4430.0%
Income taxes	(93.6)	(32.0)	192.5%	44.1	328.0	-86.6%
Net Income (Losses) in the period	212.9	154.4	37.9%	0.8	329.0	-99.8%

Consolidated Statement of Financial Position

R\$ million	31/12/2022	31/12/2021	R\$ million	31/12/2022	31/12/2021
Total Assets	9,629.6	8,672.7	Total Liabilities and Shareholder's Equity	9,629.6	8,672.7
Current Assets	4,753.2	3,929.4	Current Liabilities	3,679.7	2,415.1
Cash and cash equivalents	1,674.1	1,050.3	Lease liabilities	513.2	471.7
Financial investments	8.7	0.0	Suppliers	1,864.7	1,400.7
Trade receivables	1,278.2	1,145.3	Direct and Indirect Suppliers	1,395.3	1,400.7
Derivatives	1.4	1.5	Suppliers Buying back the right to offer credit (Bradescard)	469.3	0.0
Related parties	0.1	0.5	Loans	746.0	121.2
Inventory	852.0	849.3	Derivatives	1.8	1.9
Taxes recoverable	899.4	849.2	Labor liabilities	198.7	155.5
Other Assets	39.3	33.3	Related parties	43.6	59.0
Non-Current Assets	4,876.4	4,743.3	Taxes payable	248.0	176.1
Financial investments	0.0	7.8	Other liabilities	63.7	28.9
Taxes recoverable	937.4	839.8	Non-Current Liabilities	2,949.7	3,262.6
Deferred taxes	423.0	378.8	Lease liabilities	1,276.0	1,342.4
Judicial deposits	61.3	61.9	Suppliers	12.6	435.1
Other Assets	2.5	2.6	Direct and Indirect Suppliers	12.6	20.1
Related parties	0.1	0.1	Suppliers Buying back the right to offer credit (Bradescard)	0.0	415.0
Property and Equipment	865.5	836.3	Loans	1,404.8	1,253.6
Right-of-use lease liabilities	1,565.4	1,640.3	Labor liabilities	7.4	5.7
Intangible assets	1,021.1	975.7	Provisions for tax, civil and labor risks	182.8	169.5
			Taxes payable	15.9	16.2
			Other liabilities	50.2	40.1
			Shareholder's Equity	3,000.2	2,995.0
			Capital stock	1,847.2	1,847.2
			Shares in Treasury	(6.8)	(1.4)
			Capital reserve	37.6	27.9
			Accumulated profit (losses)	0.0	0.0
			Profit reserve	1,122.4	1,121.6
			Other comprehensive income	(0.3)	(0.2)

Consolidated Cash Flow

R\$ million	2022	2022
OPERATIONS		
Income (loss) before income tax	(43.3)	1.0
(+) Cash adjustments to reconcile profit before taxes and cash flow	1,060.8	553.6
Allowance (reversal) for expected credit losses	68.5	5.6
Adjustment to present value of accounts receivables and suppliers	(0.5)	1.5
Expenses with stock-based compensation	9.8	8.5
Provisions for inventory losses	63.1	52.8
Gains/Recognition of tax claims	(225.3)	(312.7)
Depreciation and amortization	295.1	246.7
Addition (reversal) of property and equipment, intangible and right-of-use asset impairment	(6.1)	(3.9)
Losses from the sale or disposal of property and equipment and intangible assets	8.6	4.6
Impairment (Reversal) of leases	(6.6)	(8.1)
Depreciation of right-of-use	381.5	338.3
Interest on leases	165.7	144.2
Interest on loans	272.4	82.2
Amortization of the transaction costs on loans	4.2	2.4
Provisions (reversal) for tax, civil and labor risks	42.1	(5.7)
Update of judicial deposits	(11.0)	(2.6)
Interest on financial investments	(1.0)	(0.1)
Variations in assets and liabilities:	72.9	(73.9)
Trade receivables	(206.9)	(98.7)
Related parties	(15.0)	23.7
Inventory	(65.9)	(261.0)
Taxes recoverable	77.4	63.8
Other credits	(5.9)	(10.3)
Judicial deposits	0.8	(8.9)
Suppliers	145.5	135.1
Labor liabilities	45.0	20.6
Other debits	44.4	7.0
Provisions for tax, civil and labor risks	(18.0)	(23.9)
Taxes payable	91.2	80.5
Income Tax and Social Contribution paid	(19.8)	(1.8)
(=) Cash flow originating from (applied in) operating activities	1,090.4	480.7
(+) Investment activities	(471.6)	(571.3)
Purchase of property and equipment	(193.2)	(302.8)
Purchase of intangible assets	(278.8)	(268.6)
Received from the sale of property & equipment	0.4	0.1
Cash flow used in investment activities		
(+) Investment activities	5.1	(368.3)
New loans and debentures issued	1,291.2	515.3
Loan/debenture transaction costs	(7.6)	(3.8)
Repayment of loans (principal)	(590.0)	(381.5)
Interest paid on loans	(194.3)	(51.0)
Repayments and interest paid on leases	(488.8)	(438.3)
Investments in bonds and securities	0.0	(7.7)
Share buy-back	(5.4)	(1.4)
Cash flow originating (invested in) financing activities		
(=) Reduction in the balance of cash and cash equivalents	623.8	(458.9)
Cash and Cash Equivalents at the start of the period	1,050.3	1,509.2
Cash and Cash Equivalents at the end of the period	1,674.1	1,050.3



Glossary of terms

1P: Merchandise in our own inventory marketed by our e-commerce.

3P: Third-party (seller) goods marketed by our e-commerce.

CAC: Customer Acquisition Costs

Click and Pick-up: A solution whereby customers can buy online and pick-up their goods in one of our B&M stores.

Fashiontronics: Electronics and other related goods such as smartphones, tablets, watches and accessories. This includes earphones/pods and chargers. More recently beauty items and cosmetics were added to the category.

Galeria C&A: C&A Marketplace.

GMV (Gross Merchandise Volume): The total amount in Reals (R\$) sold by our e-commerce, including 1P and 3P goods.

Lead time: This is the time it takes for raw materials or goods to be delivered to C&A from the supplier once they are ordered.

MAU (Monthly Active Users): Monthly Active Users measures how many users used our app for any action in the past 30 days.

Mindse7: Launched in November 2018, Mindse7 is a digital native project that presents weekly collections inspired on the main conversations and trends on the streets and on social networks, using a co-creation model between a multidisciplinary team comprised of C&A and its suppliers. Focusing on versatile, timeless items aligned to the desires of Brazilian women, it has already launched some 200 collections, always focusing on innovative offerings of diverse and inclusive fashion for all styles, bodies and ages.

Push and pull: A supply model that consists in replacing individual SKUs of different models, sizes and colors in our B&M stores according to demand, making service to the demand for our fashion items more efficient.

RFID (Radio-Frequency Identification): enables identifying and locating each SKU in both stores and DCs.

Seller: partner sellers who market our goods on our marketplace.

SHIP FROM STORE: transforms B&M stores into distribution centers, shipping goods purchased on our e-commerce directly to customers

SKU: Stock keeping unit

Social selling: A process whereby relationships are developed and sales made using social networks.

Sorter: Individual sorting/picking equipment.

SSS: Same store sales Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes all forms of e-commerce sales and deliveries (100% online, ship-from-store and click-and pick-up).

Supply: Supply chain

WhatsApp sales: A type of online sale where C&A associates interact with customers using WhatsApp.

WMS (Warehouse Management System): Warehouse management system, an inventory management tool



About C&A

C&A is a fashion company focused on suggesting experiences that go beyond dressing. Established in the Netherlands in 1841 by Clemens and August, C&A believes in and defends Fashion as one of the most fundamental channels for people to connect with themselves and those around them. For this reason C&A customers are the core of its strategy. C&A is one of the world's leading fashion retailers and has been in Brazil since 1976, when it opened its first store in Shopping Ibirapuera in São Paulo. On September 30, 2022 there were 332 stores in operation, with a total sales area of around 610 thousand square meters, plus our e-commerce. The Company has been listed on the Brazilian B3 exchange since October 2019, and innovates by offering digital and omnichannel services and solutions to expand customer online and offline experiences. With over 17 thousand employees all over Brazil, C&A offers young, innovative, diverse and inclusive fashion for women, men and children. It also offers a line of Fashiontronics with a wide array of cell phone and smartphones, and has just added beauty care to its range. In December 2021 we launched C&A PAY, a direct credit offer for our customers. In 2021 it committed to becoming C&A Fashion Tech, and in the coming years aims to become the digital fashion company that best understands Brazilian women, with B&M stores and a lot of emotional connection.

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