
earnings
3Q22
C&A
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Post-IPO Trajectory

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fashion tech C&A

Maintain the growth strategy
and generate value across all levers

- New stores and formats;
- Digital;
- Modernize Supply
- Credit offering

Pandemic / Macro-economic scenario

Cash, formerly used to fund levers, consumed

Measures to address short-term issues
and extract returns from investments made:

- **Increased gross margin**: Impact of push and pull and dynamic pricing
- **Increased productivity:** improve sales / sq. meter of store floor space, and continue to grow in digital
- **Cost and expense efficiency:** reorganize structures focusing on the priority projects
- **Improved working capital:** initiatives to extend payment terms and reduce the receivables cycles
- **Investments adjustment** to around half the 2021 value

More robust cash position to fund
future growth

3Q22 Highlights

Evolving profitability and cash generation

49.3%
Total Gross Margin
+4.6 p.p. vs 3Q21
+2.0 p.p. vs 3Q19

47.8 %
Gross Margin From Merchandise
+3.5 p.p. vs 3Q21
+2.2 p.p. vs 3Q19

R$ 140 Mn
Adjusted EBITDA[1] (post-IFRS16)
+61% vs 3Q21

R$ 115 Mn
Cash generation

1- Adjusted EBITDA aims to show the information that best reflects gross operating cash generation from our activities. EBITDA considers the impact of the payment of leases, as per accounting standard IFRS16, and is adjusted for: (i) for other net operating revenue (expenses); (ii) supplier financial revenue; and (iii) recovered tax credits

Awards and Recognitions

Proud of the achievements and recognitions of C&A Fashion Tech

- <u>In the Circular Economy (ESG 2030 Objectives)</u>: Amcham Award for the Circular Denim Collection. Two tons of denim items donated by customers and collected in the Movimento ReCiclo [ReCycle Movement] boxes in our stores, together with scraps from our denim suppliers resulted in 20 thousand "circular items" in the form of 13 different denim models.
- <u>Progress in using more sustainable materials (ESG 2030 Objectives)</u>: Eco ACE™ is a sustainable line manufactured entirely of recycled polyethylene from recycled PET bottles, and an innovative partnership with Ambev to manufacture mannequins entirely of recycle polyethylene from discarded crates.

- <u>The combination of Instituto C&A fostering entrepreneurism and our business</u>: Identities collab, a partnership with Brazilian designers to demonstrate the plurality of the Brazilian people and the social causes within the context of each of these identities.

- <u>Improved customer service</u>: recipient of the Consumer Respect award from *Consumidor Moderno* for quality service, the Data Marketing award from ABEMD, and the Smart Customer award for the best experience with the *Mundo Bita* case.

C&A &VC, a valuable asset

The first relationship program with a fashion retailer - Created in 2018 to increase customer engagement with C&A and maximize spending frequency

CRM

Stores

WhatsApp Sales

Site

C&A&VC

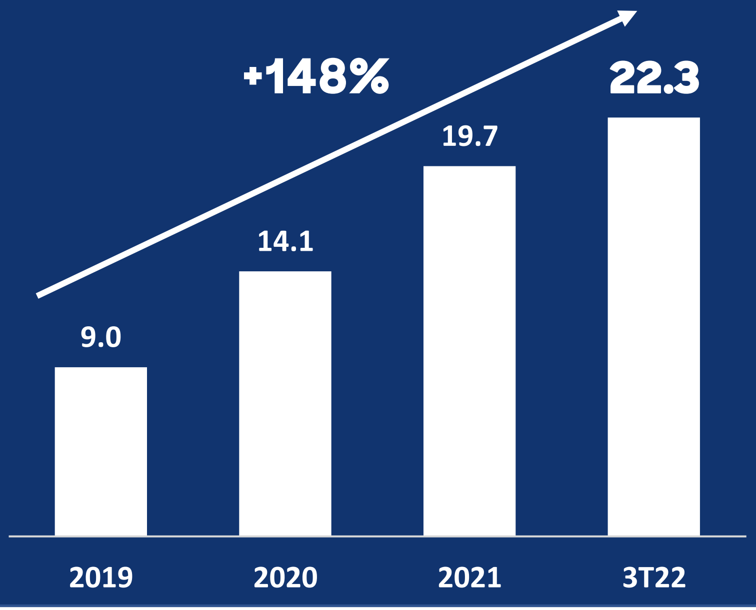
App

C&A Pay

Minha C&A
(My C&A)

Growth in the number of C&A&VC customers

(million)



+22 MM members of our relationship program

Growth Levers - 3Q22

Investments in levers start to impact the business

New stores and formats:

- **4 new stores** open in 3T22, and **2** closed
- A total of **331** stores at the end of 3Q22
- Plans to open **10 new double-door ACE stores** in 2022

Digital Transformation:

- **Focus on increasing profitability: :**
  - ✓ Fully competent in **WhatsApp sales**
  - ✓ **More efficient CAC** and lower shipping costs

Modernized Supply Chain operating model:

Store Distribution

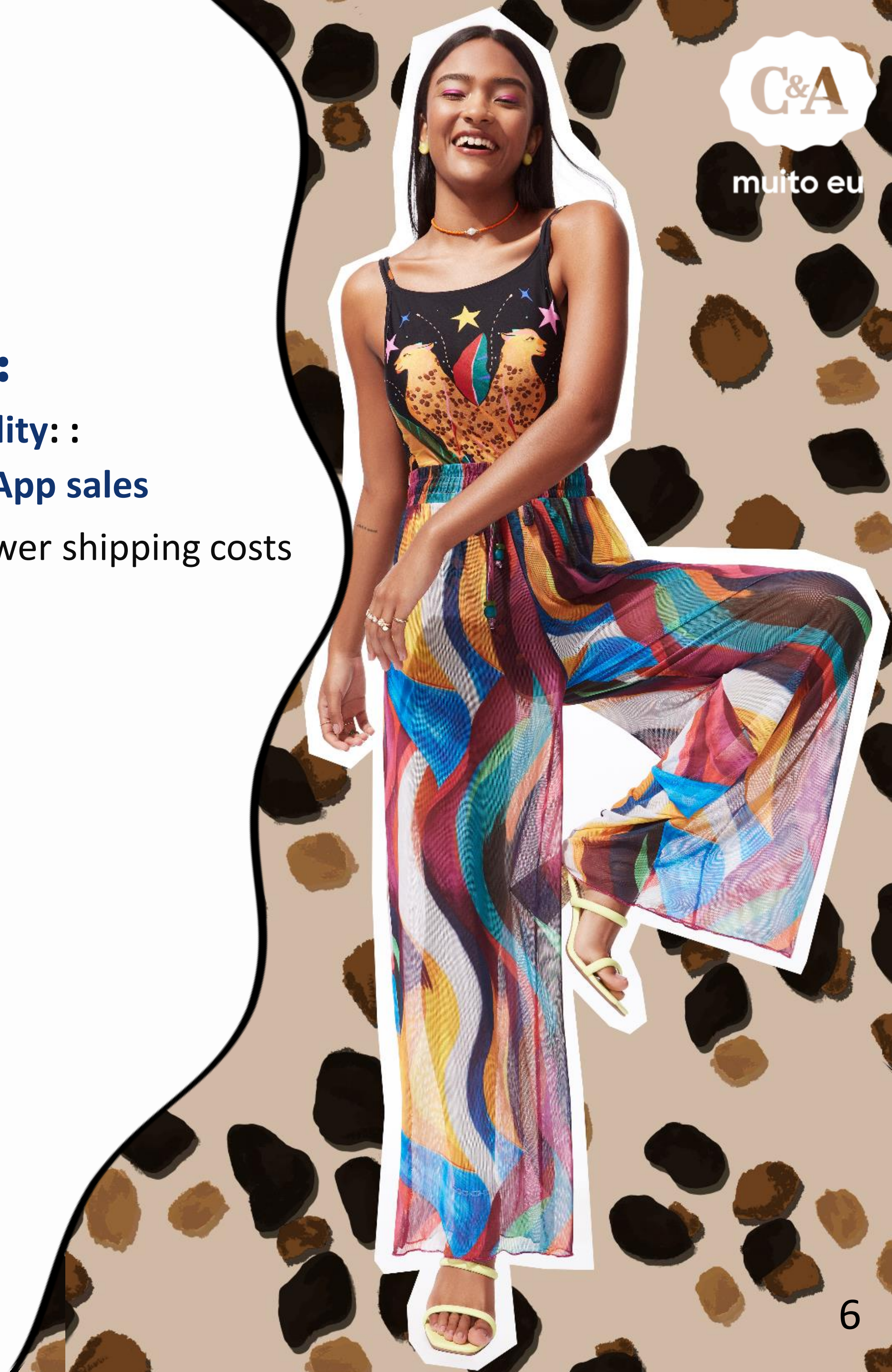
- **Push-Pull: 23% apparel** sales in the distribution model
- **RFID:** 100% of apparel using RFID in **270 stores**

Customer Deliveries

- **Delivery in D+2 Brazil**: **52%**
- **Same/Next Day Delivery** (SP and RJ): **35%**

Increased credit offering:

- **Close to 2 million** digital **cards** by **September 2022**
- Sale of cell phone insurance



Product Evolution

C&A Collabs

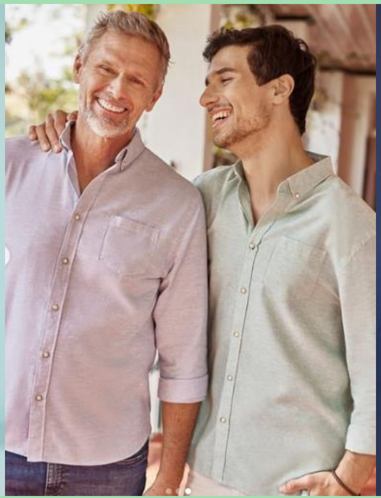
Marvel

Duda Beat

Mooui

Sertão Encantado

Relevant goods



Campaigns & Events

Father's Day

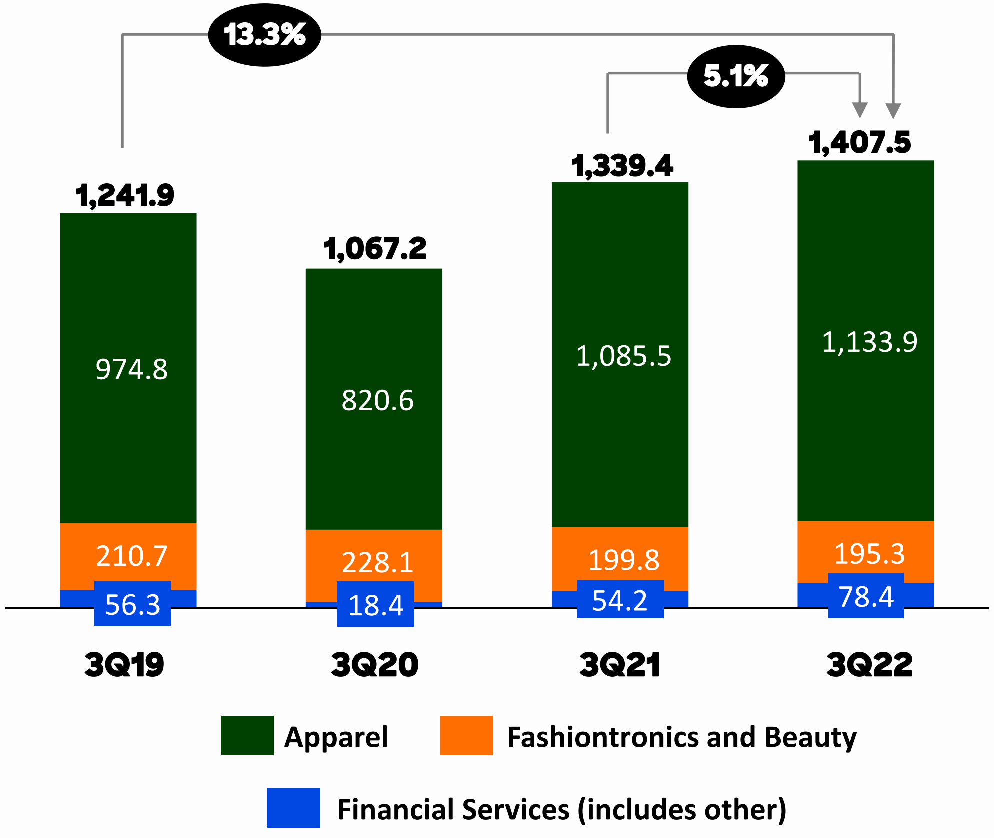
Rock in Rio

Denim Week

Net Operating Revenue

(R$ million)

Increased financial services with C&A pay

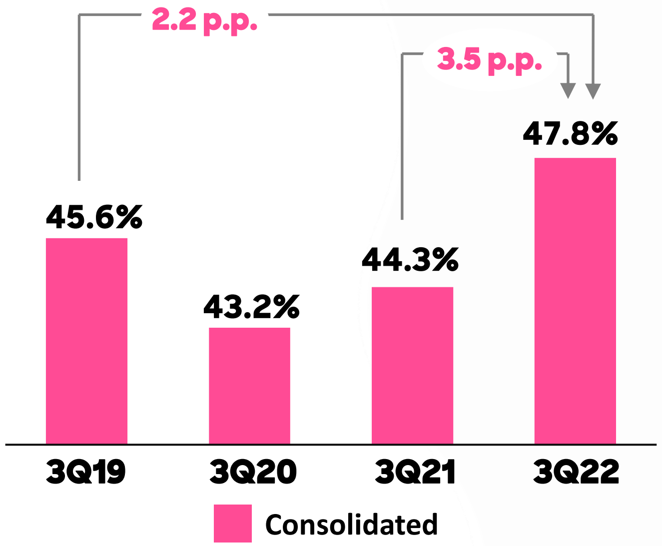


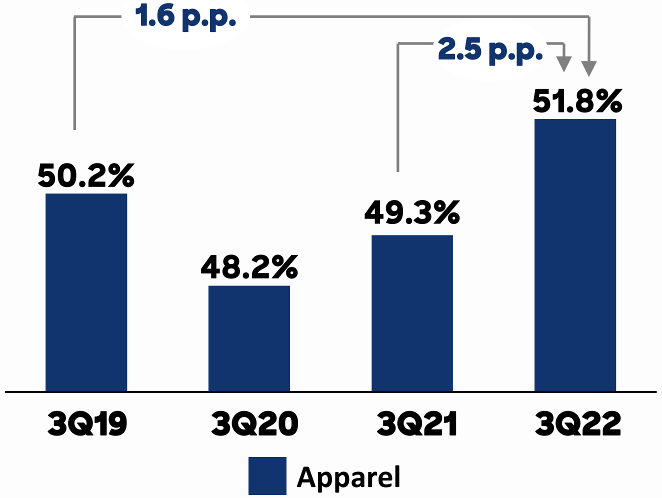
Variation

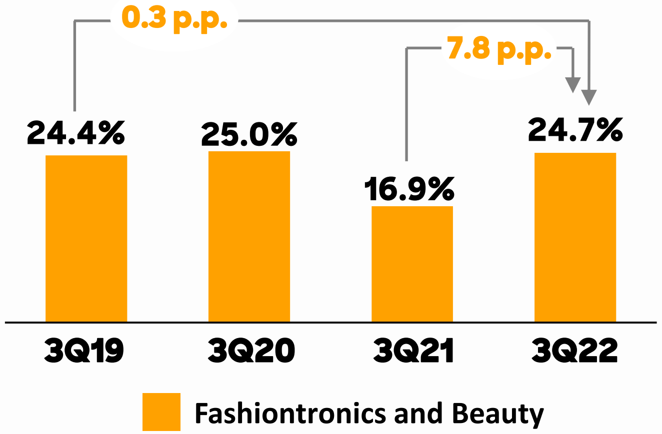
vs. 3Q21	vs. 3Q19
+4.5%	+16.3%
-2.2%	-7.3%
+44.7%	39.1%

Gross Margin From Merchandise
(%)

Gross Margin From Merchandise as a major highlight in increased profitability - now higher than pre-pandemic levels







Financial Services

C&A pay at
~2 million
digital cards issued in just
10 months

22% share of sales, **14%** of them **C&A Pay**

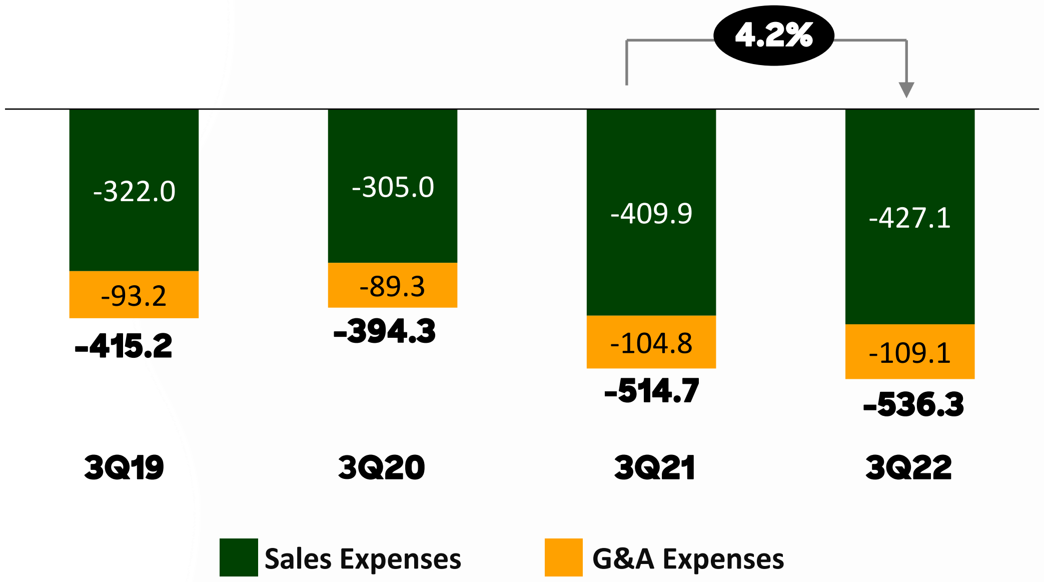
R$ 73.4 Mn
Net revenue from financial services
+48% vs 3Q21

Portfolio > 90 days past due
11.3%

Operating Expenses[1]

(R$ million)

Increase in sales and G&A expenses compared to 2021 remained below inflation for the period



Excludes Other Operating Revenue (Expenses)

variation vs. 3Q21
4.2%
4.2%

3Q19	3Q20	3Q21	3Q22	
33.4%	37.0%	38.4%	38.1%	Sales and G&A expenses as a percent of Total Net Revenue

1- Expenses include the payment of leases, as per accounting standard IFRS16. Excludes depreciation and amortization, including right-of-use (lease) depreciation

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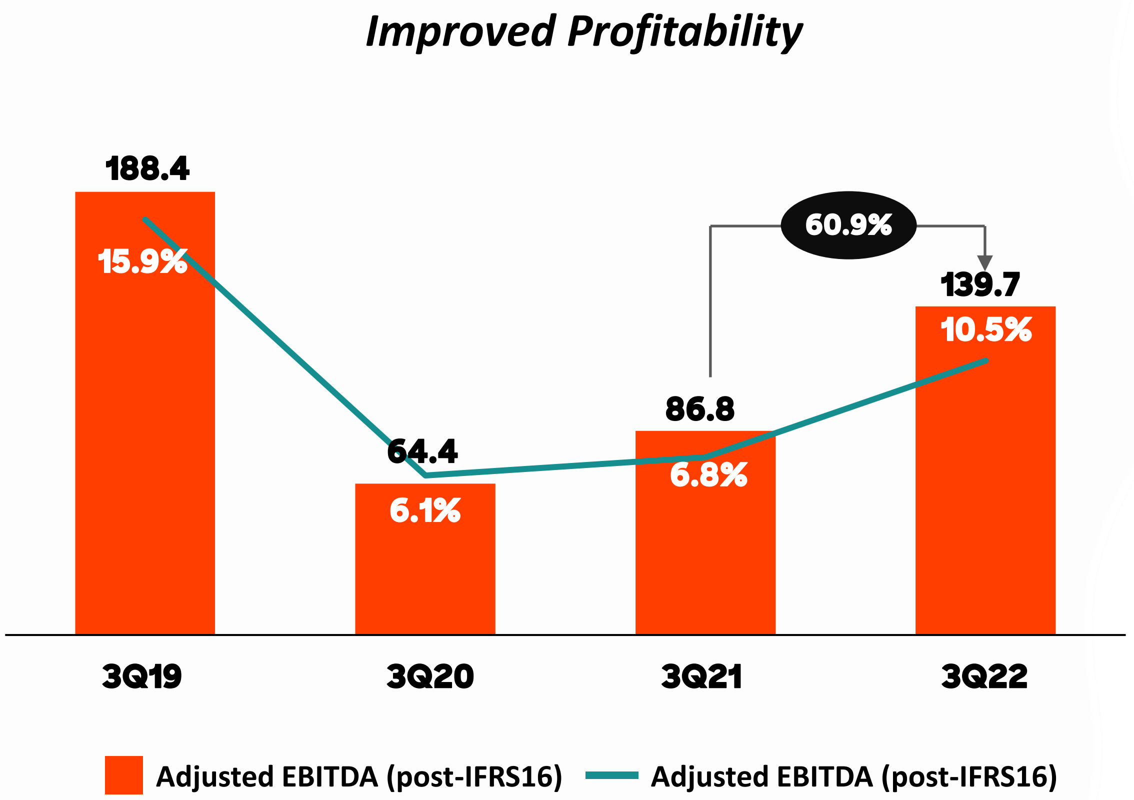
Adjusted EBITDA [1] (post-IFRS16) **and margin**

(R$ million and %)



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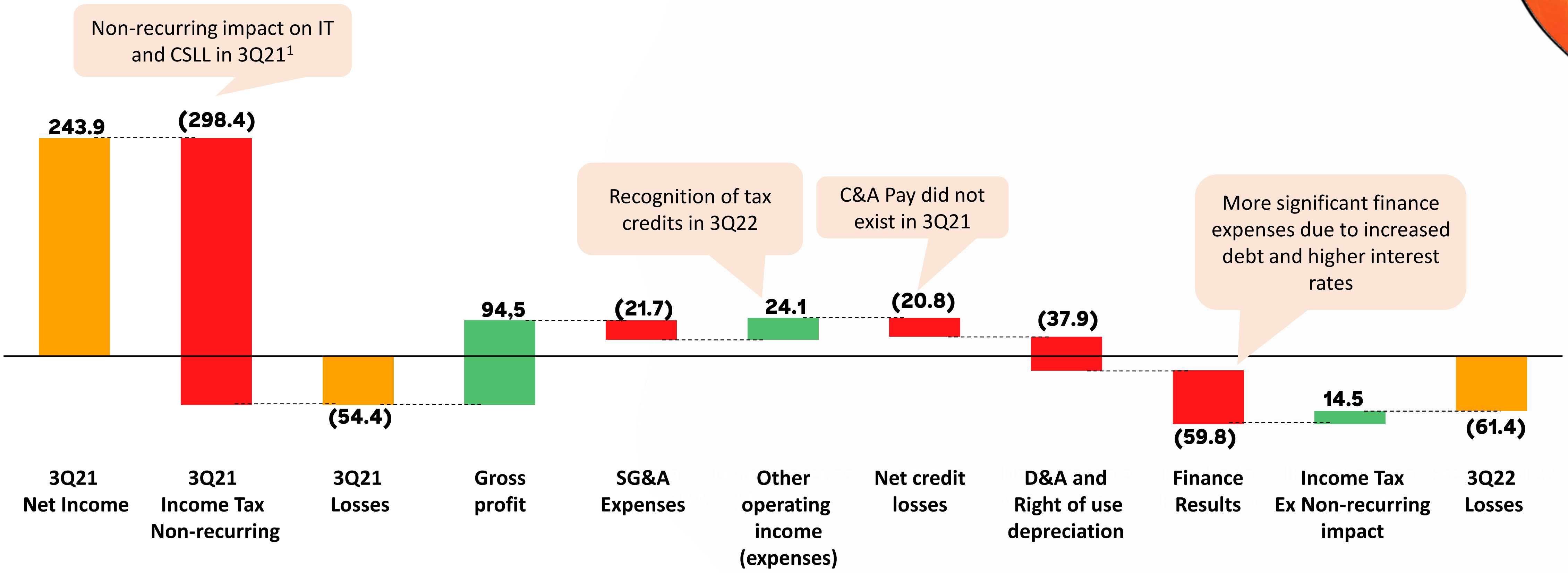
2 – EBITDA margin over merchandise net revenue

Net Income
(R$ million)

Variation in net income impacted by a number effects, some non-recurring

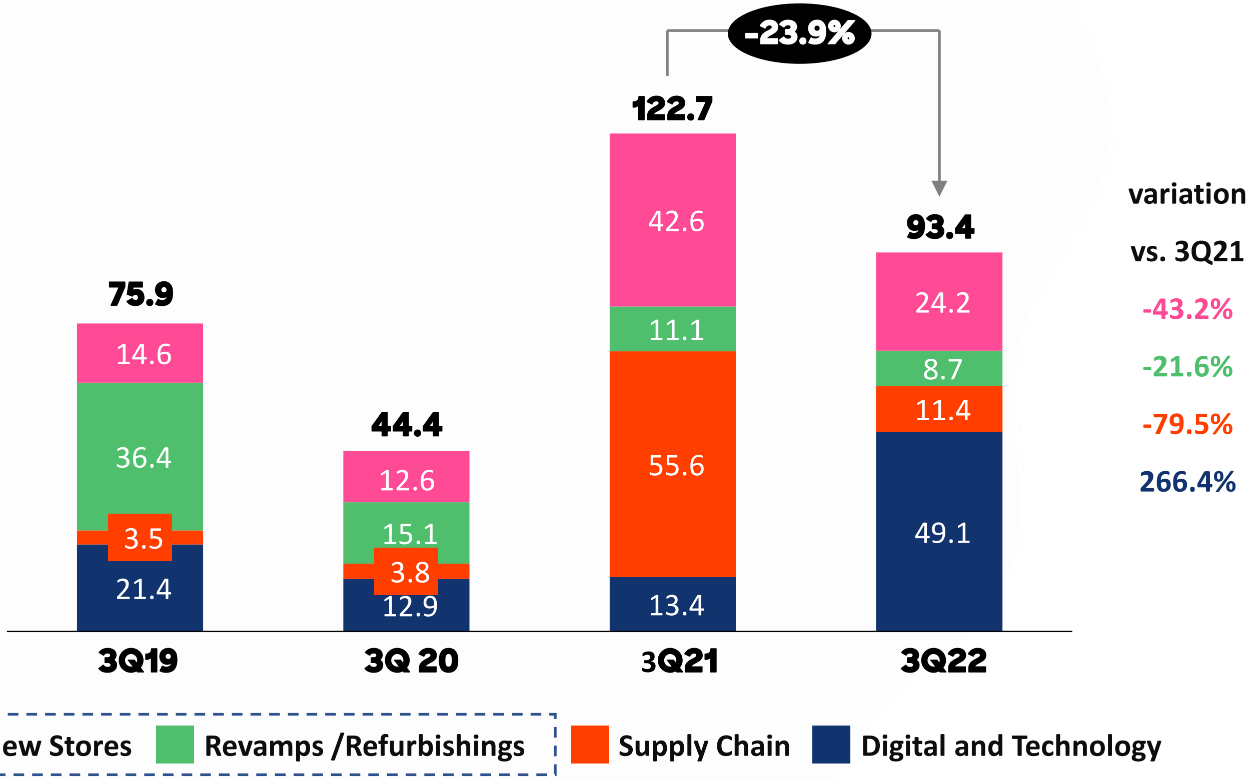


1- Due to tax credits resulting from the non-existence of IRPJ and CSLL on SELIC corrections in cases of repeated overpayment

Investments

(R$ million)

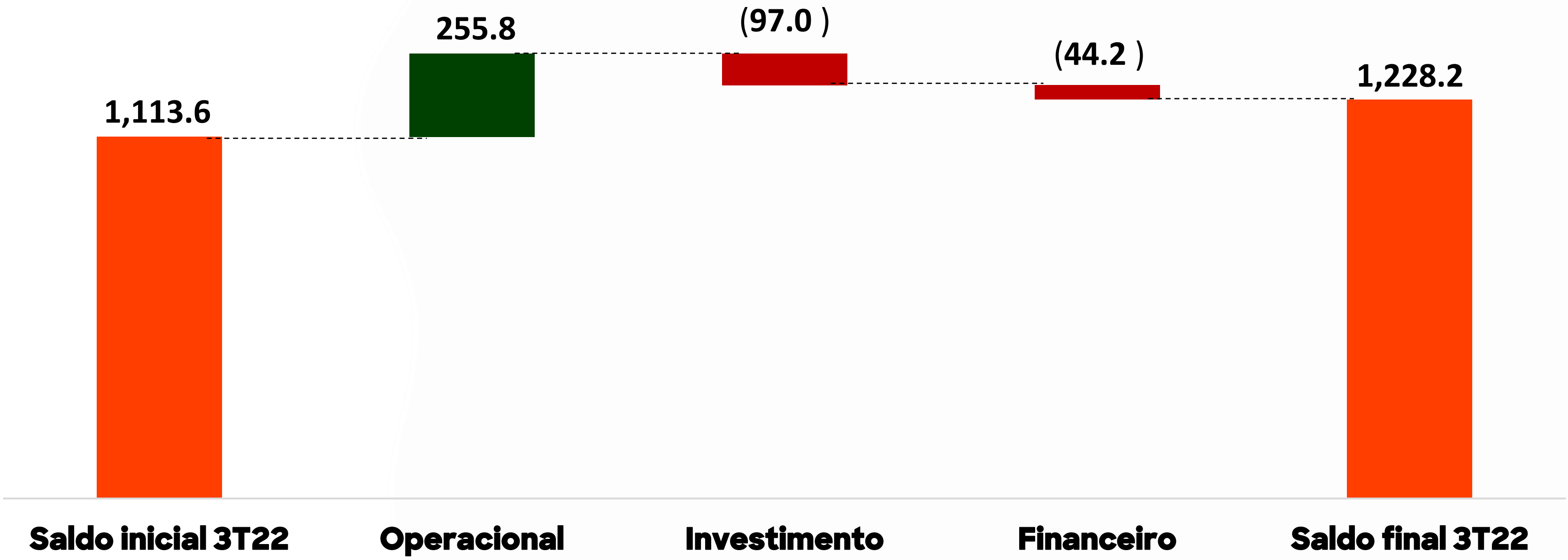
Accumulated investment in 9M22 of R$ 262.2 million, with Digital and Technology receiving the largest share



Changes in Cash Position – 3Q22

(R$ million)

R$ 114.6 million in cash generated in the quarter, ending with over R$ 1.2 billion in cash



Operating **Cash** was positively impacted by offsetting **R$ 45.8 million** in tax credits

earnings 3Q22

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