C&A
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1Q22 Earnings Release

Results Teleconference:

- **Portuguese/English**
- **Date: 05/06/2022**
- **Time:**
  - **Brasília: 10:00 am**
  - **New York: 09:00 am**
  - **London: 2:00 pm**
- **Webcast: ri.cea.com.br**

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SMLL B3 | IBRA B3 | ITAG B3 | ICON B3 | IGPTW B3

Barueri, May 5, 2022 – C&A Modas S.A. (B3: CEAB3) a leading fashion retailer in Brazil, hereby discloses its earnings for the first quarter of 2022 (1Q22). Unless otherwise stated, the financial and operating information that follows is presented on a consolidated basis, as per Brazilian Corporate Law. The statements are submitted in Reals, and unless stated otherwise all growth rates refer to the same period in 2021.

Highlights

- **Total net revenue** of **R$ 1,197.0 million, 54.2%** above 1Q21.
- **Same store sales (SSS) were 53.5% higher** than in 1Q21.
- Gross revenue from **online operations** (**omnichannel and the Galeria C&A** marketplace) was **R$ 208.4 million** in 1Q22, a **49.7%** growth compared to 1Q21.
- **Gross merchandise margin** was **45.0%** in 1Q22, a **4.2** p.p. increase.
- **Operating expenses ex-depreciation** were **R$ 570.3** in the quarter, **46.8%** higher than in 1Q21
- **Adjusted EBITDA** was negative **R$ 107.1 million, a 19.9% improvement** compared to 1Q21.
- **In 1Q22 we invested R$ 55.5 million, 21.5%** less than in 1Q21.
- **C&A Pay** continued to grow this quarter, with over **890 thousand digital cards issued** accounting for 10% of our retail sales. By **April 2022** we reached **1 million digital cards issued.**
- **1st Commercial Papers** issuance in the amount of **R$ 250 million** at **100% of the CDI + 2.45%**, amortized in **two installments, the first in March 2026 and the second in March 2027** – issue term.

Indicators	1Q22	1Q21	△
Total Online Gross Revenue (GMV[1] 1P+3P)	**208.4**	**139.2**	**49.7%**
Total Net Revenue (R$ Mn)	**1,197.0**	**776.1**	**54.2%**
Same store sales (SSS)[2] (%)	**53.5%**	**-21.7%**	**75.2 p.p.**
Gross Merchandise Margin (%)	**45.0%**	**40.8%**	**4.2 p.p.**
Operating expenses (R$ Mn)[3]	**(570.3)**	**(388.4)**	**46.8%**
Adjusted EBITDA[4] (R$ Mn)	**(107.1)**	**(133.8)**	**-19.9%**
Adjusted EBITDA margin (%)	**-8.9%**	**-17.2%**	**8.3 p.p.**
Net profit (loss) (R$ Mn)	**(152.7)**	**(138.5)**	**10.3%**
Investments (R$ Mn)	**55.5**	**70.7**	**-21.5%**

(1) GMV - Gross Merchandise Value: 1P – first-party relationship or direct sales, 3P – third-party relationship or marketplace sales
(2) 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 collect).
(3) Excludes depreciation and amortization, including right-of-use (lease) depreciation to facilitate the analysis.
(4) Pursuant to article 4 of CVM Instruction 527, the Company opted to disclose adjusted EBITDA, demonstrating data that best reflects gross operating cash management in its activities. (i) Other net operating revenue (expenses); (ii) Supplier financial income; (iii) Recovered tax credits; (iv) Lease payments (IFRS 16).

Message from Management

Message from Management

In early 2022 we experienced the impact of the Omicron variant of Covid-19, which reduced the flow of customers in our stores. As the number of cases dropped and restrictions were lifted, including mask mandates, the number of customers coming into our stores increased, especially in March, and while still below 2019 levels, it is approaching. As a result, merchandise sales gained traction in the quarter, and in March, increased 20% compared to the same period in 2019, before the pandemic. Early in the second quarter sales remained strong, despite the uncertainties associated with the macroeconomic scenario.

Performance of the fashiontronics line, and strong growth in online sales drove increased revenue in the quarter.

Regarding our management of costs and expenses, inflation continues to pressure all lines, just as the Company is expanding, adding to the challenges involved in delivering results.

We continued the process to strengthen our cash position, in line with our policy, as operating cash generation remains difficult, our investment plans are maintained, and with disbursements as early as the start of 2023. With the first issue of commercial Papers in March 2022 we captured R$ 250 million.

Regarding our sustainability practices, we published the audited report for 2021, disclosed on the 2030 ESG Commitment Platform. On the social front, we continue to develop projects in Entrepreneurism and others related to Instituto C&A activities and our business, such as renewing the *Tecendo Sonhos* (Weaving Dreams) project, an initiative of the Entrepreneurial Alliance that develops and trains sewing shops headed by migrants in São Paulo. In Governance we expanded the activities of the Human Resources Committee, which is now the Human Resources and Sustainability Committee, with the added responsibility of advising the Board of Directors regarding strategies and responsibilities related to the theme.

At the transition between the first and second quarters we continue to transform C&A Fashion Tech, increasingly confident that we are building a company that will fulfill the desires of ever more demanding customers.

The Management of C&A Modas S.A.

Growth Plan Levers

Growth Plan Levers

New Stores and Formats

In 1Q22 we opened two new stores and closed two others. Our current portfolio management approach includes the constant review of store performance. We make plans to close stores when we find there is a structural issue that impacts store results and cannot be reversed.

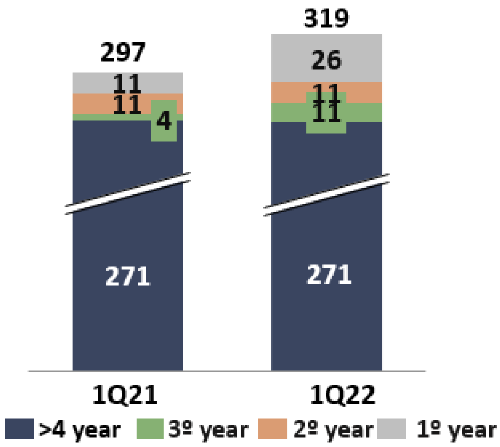
NEW STORES

Date	Location	Size (m²)
03/14/2022	Shopping Cidade Maringá – Maringá/PR	1,775
03/21/2022	Shopping Trimais Hiper Center – São Paulo/SP	1,712

All our new stores were born as CVP (Customer Value Proposition) stores and include omnichannel initiatives (ship-from-store, Endless Aisles, click-and-collect, and WhatsApp sales). All seek to be closer to customers and offer them new experiences.

By the end of the fourth quarter, we had 319 stores across the country, 271 of which around 85% have been in operation for more than 4 years. Our sales area is now close to 600 mil m².

Store Distribution by Age



	1Q22	1Q21	△
Stores	**319**	**297**	**22**
New	2	2	0
Closed	2	0	2
Sales area (thousand m²)	**597**	**562**	**35**

Digital Transformation

Omnichannel Indicators	Unit	1Q22	1Q21	△
App				
MAU (monthly active users)	thousand, end of period	2,698	3,217	-16.1%
App Installations	thousand, end of period	3,700	3,990	-7.3%
C&A&VC Relationship Program				
# of C&A&VC customers	million, end of period	20.8	15.3	36.0%
C&A&VC sales as a % total sales	% end of period	78%	65%	13 p.p.
Galeria C&A (marketplace)				
# of sellers	end of period	450	338	112

Source: Google Analytics (active users 28 days – Android + IOS); Appsflyer (Android+IOS); internal systems

As in past quarters, direct sales using WhatsApp were the highlight of our digital lever; WhatsApp has become the dominant channel, with over 50% of our omnichannel sales. The business model evolves every quarter, and right now we are able to perform over 20 usability tests a month, allowing us to map the best solutions and create a model for continuous learning.

Our C&A&VC (C&A&You) relationship program now has 20.8 million registered customers, who account for some 78% of sales. Our e-Commerce (including omnichannel) customer base, in the past 12 months, increased 10%. Our multichannel customers are now almost 9% of the total, having grown 79%, and with an average spending almost 2.5 times of other customers in the last 12 months.

Our marketplace, Galeria C&A, continues to focus on increasing the sales of its sellers. 3P GMV in 1Q22 was 88% higher than in 1Q21. Galeria's share of online gross revenue remained similar to the past quarter, given the higher WhatsApp sales, in which we do not sell 3P merchandise.

Modernizing the Supply Chain

By implementing an SKU-based push-pull model, stockouts for goods in the project, mostly denim and knits, dropped 50%.

The accuracy of our radio-frequency identification project continues to be within benchmark, or higher than 95%. This project in on-stream for delivery on schedule, and by late 1Q22 already covered 80% of our sales and was available at all local suppliers and 214 stores.

Since automating our e-Commerce distribution center in São Paulo, which we completed in November 2021, we noticed an improvement in the level of service on our omni customer deliveries – meaning at customer's home or at their preferred store. The percent 2-day deliveries also continue to grow and, within the area of influence of the distribution center, results are even more impressive: with 23% of all orders delivered in 1 day! Our same-day deliveries also increased, and we just started 2-hour deliveries.

Credit Offering

In the increased credit lever, 1Q22 was the first full quarter of C&A Pay, our digital credit offering. This business is doing better than had been expected and has been well accepted by customers because of how easy it is to use. After ending the quarter with over 890 thousand cards issued, by mid 2Q22 we had reached the 1 million cards milestone, which we celebrated. Using governance that adjusts our operating parameters to the macroeconomic environment, along with the support of the risk and credit committee, and an experienced team, we find that default rates are reasonable and better than projected in our business plan.

The mean credit limit is around R$ 650.00 and C&A Pay customers have average tickets in the first purchase approximately 60% higher than other customers, also an average ticket about 25% higher than other customers in the following purchases, and they buy more frequently as well. In addition to our private label card for use in the store, we are already offering "protected pocketbook" insurance and emergency cash withdrawals. The goal is to increase retail sales and offer customers an improved experience with the C&A brand, enabling easier access and complementing the C&A&VC benefits.

Financial Performance

Comments on the Company's Financial Performance

Net revenue

R$ million	1Q22	1Q21	△
Total Net Revenue	**1,197.0**	**776.1**	**54.2%**
Revenue from Merchandise Sales	1,125.1	708.4	58.8%
Apparel	*910.8*	*565.5*	*61.1%*
Other–Fashiontronics	*214.3*	*142.9*	*50.0%*
Financial Services	66.3	62.5	6.1%
Other revenue	5.6	5.2	7.7%

%	1Q22	1Q21	△
Same Store Sales (SSS)[1] (%)	**53.5%**	**-21.7%**	**75.2 p.p.**
Apparel	55.1%	-20.6%	75,7p.p.
Other–Fashiontronics	46.9%	-25.5%	72.4 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 -collect).

In the first quarter, net revenue was R$ 1,197.0 million, 54.2% higher than in 1Q21. Net merchandise revenue was 58.8% higher than in 1Q21, or R$ 1,125.1 million.

Consolidated same-store sales was 53.5% in 1Q22. Below is the behavior of the two categories that comprise our revenue from merchandise:

<u>Apparel</u>

Apparel revenue increased 61.1%, and SSS 55.1% in 1Q22. Category performance was affected by increased mobility as Covid cases fell and restrictions such as occupancy limits and masks mandates were dropped, leading to increased socialization and a desire to upgrade wardrobes.

<u>Other - *Fashiontronics*</u>

In this category, it is primarily (some 80%) made up of cell phones and smartphones. Other items in this category are watches and beauty aids. In late 2019 C&A added beauty products to this category, and by the end of 1Q22 were available in 232 stores and online.

Revenue from Other-*Fashiontronics* increased 50.0% this quarter. As mentioned before, the competitive environment for cell phones and smartphones are constant challenges, although in 1Q22 we started the quarter with higher inventory which resulted in significantly higher sales.

Other - Fashiontronics SSS increased 46.9% in the quarter.

R$ million	1Q22	1Q21	△
Total Gross Online Revenue (GMV[2] 1P+3P)	**208.4**	**139.2**	**49.7%**
Net Online Revenue	**157.7**	**106.6**	**47.9%**
Net Online Revenue as a % Total Merchandise Revenue	**14.0%**	**15.0%**	**-1.0p.p.**

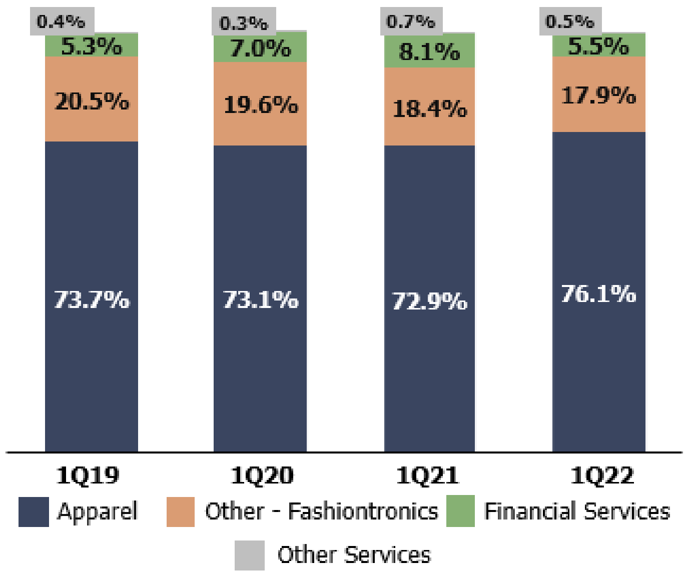
(2) GMV - Gross Merchandise Value: 1P – first-party relationship or direct sales, 3P – third-party relationship or marketplace sales

Focusing on online sales, Gross Merchandise Value or online GMV increased 49.7% to R$ 208.4 million, if we include the sales of our marketplace partners (sellers). C&A's online net revenue was R$ 157.7 million, a 47.9% growth, or 14.0% of total sales. Over the short and medium terms, this number should remain between 12% and 15%, a challenge given the expected growth of B&M stores, both for increasing same store sales or opening new ones.

Revenue from financial services amounted to R$ 66.3 million, a 6.1% increase, especially due to C&A Pay and the sale of a receivables portfolio of our cards from the Bradescard partnership.

Other revenue increased 7.7% in 1Q22, to R$ 5.6 million.

Net Revenue by Business



In the quarter apparel sales increased their share by 3.2 p.p., while the share of financial services dropped 2.6 p.p.. Revenue from Other-Fashiontronics dropped 0.5 p.p. in 1Q22.

Gross Profit and Margin

R$ million, except margins	1Q22	1Q21	△
Total Gross Profit	**567.5**	**350.9**	**61.7%**
Gross Profit from Merchandise Sales	506.4	288.8	75.3%
Apparel	464.5	262.5	77.0%
Other–Fashiontronics	41.9	26.3	59.3%
Gross Profit from Financial Services	66.2	62.2	6.4%
Other Gross Profit	(5.1)	(0.1)	5,000.0%
Total Gross Margin	**47.4%**	**45.2%**	**2.2 p.p.**
Apparel Gross Margin	51.0%	46.4%	4.6 p.p.
Other Gross Margin – *Fashiontronics*	19.5%	18.4%	1.1 p.p.
Gross Margin from Merchandise	**45.0%**	**40.8%**	**4.2 p.p.**

In 1Q22, gross profit totaled R$ 567.5 million, 61.7% higher than in 1Q21. Total gross margin was 2.2 p.p. higher, or 47.4% due to improved gross margin of apparel.

Gross margin for apparel was 51.0%, a 4.6 p.p. increase due to the uneven basis of comparison, given that the pandemic was in full swing in 1Q21, as well as our pricing strategy that seeks to minimize the impact of the higher costs of goods, a trend that is likely to continue given the pressures of inflation.

The margin for Other - Fashiontronics was 19.5%, a 1.1 p.p. increase mainly due to increased share of beauty products in this category, which have a better margin than cell phones and smartphones.

Gross profit from financial services was R$ 66.2 million, a 6.4% increase, in line with the variation in revenue.

Other gross profit was negative R$ 5.1 million due to increased merchandise losses in the quarter.

Operating expenses

R$ million	1Q22	1Q21	△
Selling Expenses	(442.1)	(344.3)	28.4%
General and administrative expenses	(126.8)	(50.4)	151.6%
Total Selling and G&A Expenses[1]	**(568.9)**	**(394.7)**	**44.1%**
Other operating income (expenses)	(1.4)	6.4	-121.9%

Operating Expenses[1]	(570.3)	(388.4)	46.8%
%	**1Q22**	**1Q21**	**△**
Selling Expenses / Total Net Revenue	36.9%	44.4%	-7.5p.p.
G&A Expenses / Total Net Revenue	10.6%	6.5%	4.1 p.p.
Selling Expenses and G&A/Total Net Revenue	**47.5%**	**50.9%**	**-3.4 p.p.**
Operating Expenses /Total Net Revenue	**47.6%**	**50.0%**	**-2.4 p.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.

Operating expenses in the quarter, excluding depreciation, added up to R$ 570.3 million, 46.8% higher than in 1Q21. The operating expenses over total net revenue indicator was 47.6%, a 2.4 p.p. drop compared to 1Q21.

Sales expenses were R$ 442.1 million, a 28.4% increase. Bear in mind that 1Q21 was still quite impacted by store closings, while in 1Q22 operations were essentially back to normal. In addition to the effects of the basis of comparison, it is worth considering that the business expanded, with 22 additional stores in the period, and inflation has pressured our occupancy and personnel lines.

General and administrative expenses increased 151.6% to R$ 126.8 million. The main impact was a reversal of labor contingencies in the amount of R$ 41.4 million in 1Q21. Excluding this effect, general and administrative expenses would have fluctuated 38.1%. This is primarily due to the start of the C&A Pay operation, which was fully in place and operational in the first quarter of the year.

The line of Other Operating Income (Expenses) was a R$ 1.4 million expense due to increase expenses with strategy consulting services.

Financial Services

Net revenue from financial services was R$ 66.3 million, 6.1% above 1Q21. Revenue from our partnership with Bradescard, was R$ 56.4 million, a drop of 9.8%. This drop would have been even larger, were it not for the sale of a receivables portfolio.

Provisions for losses in our C&A Pay operation amounted to R$ 1.2 million in the quarter.

Total expenses were R$ 47.9 million, a 66.3% increase due to an adjustment in our sales team due to store closures in 1Q21, and the first full-quarter of C&A PAY in 1Q22, which represented R$9.6 million.

The participation of credit offered both by the Bradescard partnership and by C&A Pay as a % of sales amounted to 20% in the 1Q22.

R$ million	1Q22	1Q21	△
Bradescard Partnership	56.4	62.5	-9.8%
C&A Pay (Private Label)	9.9	-	-
Net revenue from Funding and Taxes on Financial Services	**66.3**	**62.5**	**6.1%**
Gross profit - Financial Services	**66.2**	**62.2**	**6.3%**
(-) Losses Net of Recoveries (C&A Pay - Private Label)	**(1.2)**	**-**	**-**
(-) Total Financial Services Expenses	**(47.9)**	**(28.8)**	**66.3%**
(=) Financial Services Results	**17.1**	**33.5**	**-49.0%**

Indicators	1Q22	1Q21	△
Bradescard Partnership			
Net Average Trade Receivables (billion)	2.9	2.7	7.4%
% of Sales	10%	16%	-6p.p.
Number of new cards (thousand)	96.0	130.0	-26.2%
Number of active cards (million)	2.7	2.7	0.0%
Default rate[1] (%)	5.3%	1.1%	4.2 p.p.

(1) Losses Net of Recoveries / portfolio

There will be a 2-year transition period for the partnership with Bradescard, during which it will continue to issue and manage the C&A Card. Credit offered was 10% of sales in the quarter, a 6 p.p. drop. Default in 1Q22 was 5.3%, a 4.2 p.p. increase. The sale of a receivables portfolio contributed to a better default indicator in the quarter. Default is calculated as annualized net recovery losses divided by the net average of accounts receivable in the quarter.

The number of new cards dropped 26.2 %, in part due to cannibalization by C&A Pay, which is easier and faster to acquire, and also fully digital.

Indicators	1Q22	1Q21	△
C&A Pay (Private Label)			
Net Average Trade Receivables (billion)	0.2	-	-
% of Sales	10%	-	-
Number of new cards (thousand)	490.0	-	-
Number of issued cards (thousand)	891.6	-	-
Default rate[1] (%)	3.5%	-	-

(1) Losses Net of Recoveries / portfolio

In 1Q22, 490 thousand new C&A Pay cards were issued, bringing the total issued cards to 890 thousand. They accounted for 10% of our sales and, as the operation only just started, default is not representative and was 3.5% in the quarter. At this point it is strictly a private label card, meaning it can only be used at C&A. Given this, we expect default rates will be a bit higher than in the Bradescard partnership, but in line with the same product of similar retailers.

Payment methods	1Q22	1Q21	△
Cash (lump sum) payments	**32%**	**36%**	**-4p.p.**
Bradescard Partnership Cards	**10%**	**16%**	**-6p.p.**
<- 5 installments	6%	8%	-2p.p.
> 5 installments	2%	3%	-1p.p.
Other	2%	5%	-3p.p.
C&A pay (Private Label)	**10%**	**0%**	**10p.p.**
<- 5 installments	6%	0%	6p.p.
> 5 installments	1%	0%	1p.p.
Other	3%	0%	3p.p.
Third-Party Cards	**48%**	**48%**	**0p.p.**
<- 3 installments	27%	27%	0p.p.
> 3 installments	12%	13%	-1p.p.
Other	9%	8%	1p.p.

We call attention to the growing share of C&A Pay, to the detriment of Bradescard partnership cards and cash (lump-sum) payments.

Adjusted EBITDA

R$ million, except margins	1Q22	1Q21	△
Net Profit (Loss) for the Period	**(152.7)**	**(138.5)**	**10.3%**
(+) Income taxes	(86.8)	(68.8)	26.2%
(+/-) Net financial results	68.5	38.3	78.9%
(+) Depreciation and Amortization	166.9	131.7	26.7%
(=) EBITDA	**(4.0)**	**(37.3)**	**-89.3%**
(+/-) Other net operating income (expenses)	4.9	(2.0)	-345.0%
(+) Financial income from suppliers	2.8	3.6	-22.2%
(-) Tax credit recovery	(3.5)	(4.4)	-20.5%
(-) Lease liabilities	(107.2)	(93.7)	14.4%
(=) Adjusted EBITDA[1]	**(107.1)**	**(133.8)**	**-19.9%**
Adjusted EBITDA margin[1]	**-8.9%**	**-17.2%**	**8.3 p.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) Financial Income de Suppliers; e (iii) Recovery of tax credits (iv) Lease Liabilities.

Adjusted EBITDA in 1Q22 was negative R$ 107.1 million, and adjusted EBITDA margin negative 8.9%. In addition to the mismatch between increased expenses and revenue generation resulting from our growth plan, which remains underway, EBITDA is now being pressured by inflation as well.

R$ million, except margins	1Q22	1Q21	△
(=) Financial Services Results	(17.1)	(33.5)	-49.0%
Adjusted EBITDA for the Retail Operation	**(124.1)**	**(167.3)**	**-25.8%**
Adjusted EBITDA margin for the Retail Operation	**-10.4%**	**-21.6%**	**11.1 p.p.**

Adjusted EBITDA for the Retail Operation in 1Q22 was negative R$ 124.1 million, and the margin -10.4%.

Finance Results

R$ million	1Q22	1Q21	△
Exchange Variation	**3.7**	**(1.6)**	**-331.3%**
Total Finance Expenses	**(110.3)**	**(53.1)**	**108.1%**
Interest on loans	(40.8)	(12.8)	218.8%
Interest on leases	(38.3)	(31.8)	20.4%
Interest on taxes and contingencies	(3.6)	(3.6)	0.0%
Other Finance expenses	(27.6)	(4.9)	475.0%
Total Finance Income	**38.1**	**16.4**	**133.7%**
Interest	35.3	12.5	182.4%
Other Finance Income	2.8	3.8	-26.3%
Finance Results	**(68.5)**	**(38.3)**	**78.9%**

In 1Q22 finance results were an expense of R$ 68.5 million, 78.9% above 1Q21, primarily due to higher financial expenses with interest on loans due to the increase in the CDI rate, and an increase in other financial expenses, reflecting the net present value adjustment of purchase from suppliers more relevant due to the Selic rate increase and monetary correction of the amount owed to Bradesco for buying back the right to offer credit.

Net Income

R$ million, except margins	1Q22	1Q21	△
Net profit (loss)	**(152.7)**	**(138.5)**	**10.3%**
Net Margin	**-12.8%**	**-17.9%**	**5.1p.p.**

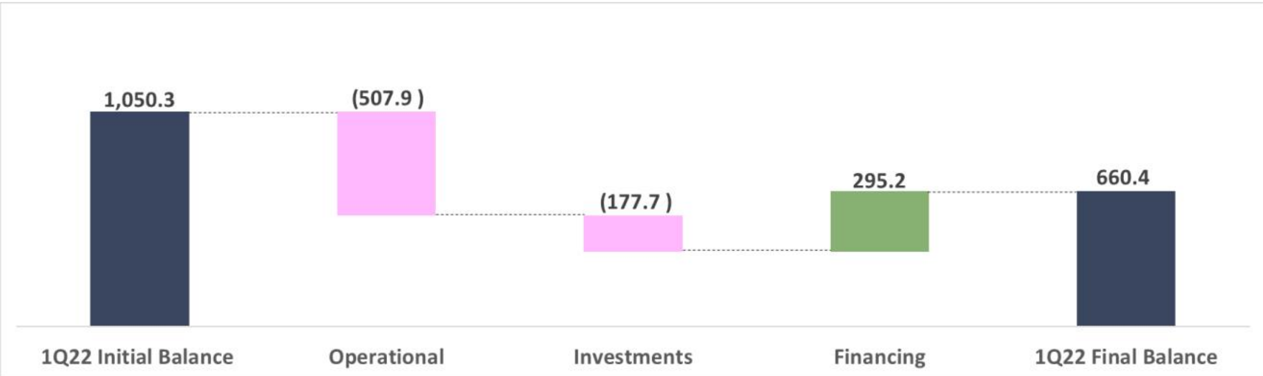
C&A experienced net losses of R$ 152.7 million in 1Q22, with a negative margin of 12.8%. Losses increased 10.3% compared to 1Q21.

Adjusted Free Cash Flow

R$ million	1Q22	1Q21	△
Pro forma income (losses) before Income Tax and Social Contribution	**(223.3)**	**(193.6)**	**15.3%**
Depreciation and amortization	80.8	57.0	41.8%
(+/-) Other	51.0	(20.6)	-347.4%
Adjustments with no impact on cash	**131.8**	**36.4**	**262.0%**
Income Tax and Social Contribution paid	**(5.2)**	**(1.8)**	**188.1%**
Working Capital	**(410.6)**	**(235.0)**	**74.7%**
Trade receivables	157.3	487.4	-67.7%
Inventory	(141.5)	(304.3)	-53.5%
Suppliers	(404.2)	(242.2)	66.9%
Other	(22.2)	(175.9)	-87.4%
Cash from operating activities	**(507.9)**	**(394.0)**	**28.9%**
(-) CAPEX (Investments)	**(177.7)**	**(72.5)**	**145.1%**
(=) Adjusted Free Cash Flow	**(685.6)**	**(466.5)**	**47.0%**

In 1Q22 C&A consumed R$ 685.6 million in free cash. The main impact was working capital, with more cash consumed with suppliers, and CAPEX.

Change in Cash Position – 1Q22



Looking at changes in the quarter, we find that operating activities consumed R$ 507.9 million in cash, while investments consumed R$ 177.7 million. Financial cash generation reflects the issuing of our commercial papers.

Investments

R$ million	1Q22	1Q21	△
Total Investments[1]	**55.5**	**70.7**	**-21.5%**
New Stores	22.5	27.1	-17.1%
Revamps and Remodeling	4.6	3.7	25.4%
Supply Chain	3.5	14.3	-75.5%
Digital and Technology	24.9	25.5	-2.5%

(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.

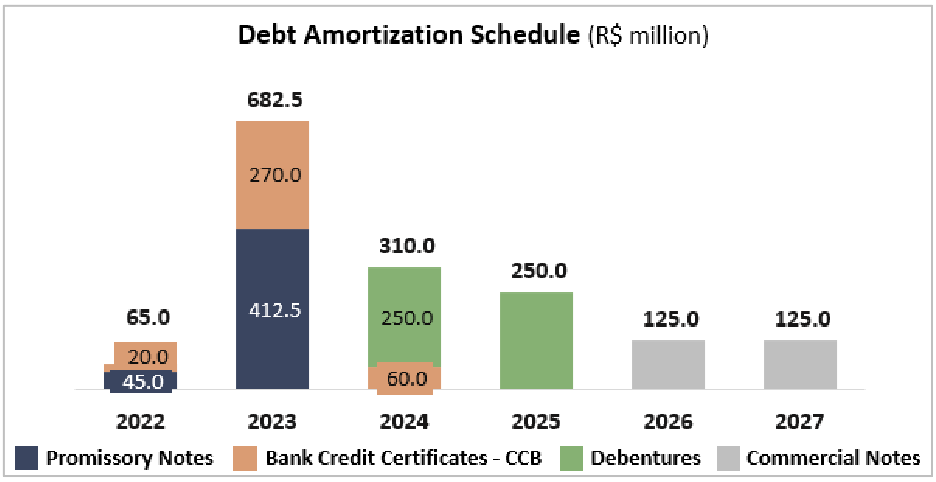
In the quarter, we invested R$ 55.5 million, 21.5% less than in 1Q21. The largest sums were invested in Digital and Technology (R$ 24.9 million) and New Stores (R$ 22.5 million), with two new ones in the quarter.

Indebtedness

R$ million	1Q22	1Q21	△
Gross Debt	**1,739.0**	**1,219.1**	**42.6%**
Short-Term Debt	224.0	417.7	-46.4%
Long-Term Debt	1,515.0	801.4	89.0%
(-) Cash and Cash Equivalents and Short-Term Investments	**668.3**	**1,038.5**	**-35.6%**
(=) Cash or (Net Debt)	**(1,070.7)**	**(180.6)**	**492.9%**

At the end of the first quarter, our net debt was R$ 1,070.7 million. The average term of our total debt was 3.39 years and the all-in average cost was CDI +2.05%.

In 1Q22 we issued our 1st Commercial Notes in the amount of R$ 250 million at 100% of the CDI plus a 2.45% surcharge, maturing in March 2027 and amortized in two installments, as shown below.



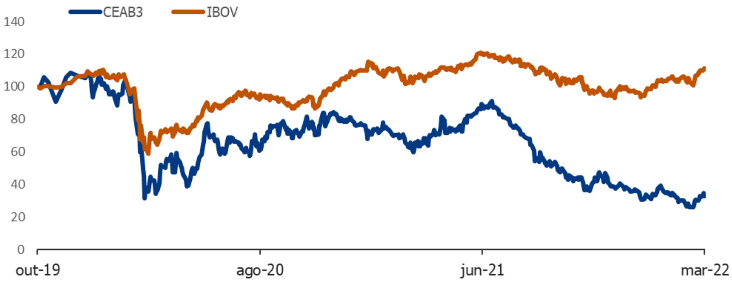
The amortization schedule refers to the principal only and excludes interest.

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 1Q22 was R$ 15.6 million, with a 34.0% drop in the value of the shares. On March 31, 2022 the company's market cap was R$ 1.7 billion.

CEAB3[1]	
Final Price (03/31/2022)	R$ 5.51
Highest Price in 1@22	R$ 6.58
Lowest Price in 1Q22	R$ 4.34
Valuation/Devaluation in 1Q22	-34.0%
Total number of shares	308,245,068
Market Cap (03/31/2022)	R$ 1.7 billion
Average daily liquidity in 1Q22	R$ 15.6 million

CEAB3 x Ibovespa (Oct/2019 - Current)



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 March 31, 2022 are described below:

Shareholding	# Of common shares	% of total
Controlling shareholder	201,319,336	65.31%
Verde Asset Management S.A.	15,888,100	5.15%
Management	551,497	0.18%
Treasury	214,500	0.07%
Other	90,271,635	29.29%
Total	**308,245,068**	**100.00%**

This quarter the Company did not buy back any of its own shares as part of the Buy-Back Program approved by the Board of Directors on November 12, 2021.


Attachments
C&A
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Attachments

Consolidated Statement of Financial Position

R$ million	03/31/2022	12/31/2021
Total Assets	**8,256.2**	**8,672.7**
Current Assets	**3,626.4**	**3,929.4**
Cash and cash equivalents	660.4	1,050.3
Financial investments	4.0	0.0
Trade receivables	986.8	1,145.3
Derivatives	0.0	1.5
Related parties	0.1	0.5
Inventory	979.8	849.3
Taxes recoverable	936.6	849.2
Other Assets	58.9	33.3
Non-Current Assets	**4,629.8**	**4,743.3**
Financial investments	4.0	7.8
Taxes recoverable	720.0	839.8
Deferred taxes	475.7	378.8
Judicial deposits	62.5	61.9
Related parties	0.1	0.1
Other Assets	4.1	2.6
Property and Equipment	821.3	836.3
Right-of-use lease liabilities	1,576.1	1,640.3
Intangible assets	965.9	975.7

R$ million	03/31/2022	12/31/2021
Total liabilities and Shareholder's Equity	**8,256.2**	**8,672.7**
Current Liabilities	**2,381.6**	**2,415.1**
Lease liabilities	484.7	471.7
Loans	195.3	121.2
Suppliers	1,291.2	1,400.7
Derivatives	28.8	1.9
Labor liabilities	160.7	155.5
Related parties	100.9	59.0
Taxes payable	90.8	175.6
Income Taxes payable	0.4	0.5
Other liabilities	28.8	28.9
Non-Current Liabilities	**3,048.6**	**3,262.6**
Lease liabilities	1,276.4	1,342.4
Suppliers	20.4	435.1
Loans	1,515.0	1,253.6
Labor liabilities	6.3	5.7
Provisions for tax, civil and labor proceedings	174.3	169.5
Taxes payable	15.0	16.2
Other liabilities	41.3	40.1
Shareholder's Equity	**2,825.9**	**2,995.0**
Capital stock	1,847.2	1,847.2
Capital reserve	30.3	27.9
Shares in Treasury	(1.4)	(1.4)
Profit reserve	1,121.6	1,121.6
Other comprehensive income (loss)	(19.0)	(0.2)
Accumulated profit (losses)	(152.7)	0.0

Consolidated Statement of Earnings - 1Q22

R$ million	1Q22	1Q21	△
Net Operating Revenue	**1,197.0**	**776.1**	**54.2%**
Apparel	910.8	565.5	61.1%
Other - Fashiontronics	214.3	142.9	50.0%
Net Merchandise Revenue	**1,125.1**	**708.4**	**58.8%**
Financial Services	**66.3**	**62.5**	**6.1%**
Other Revenue	**5.6**	**5.2**	**7.7%**
Cost of Merchandise/ Services	**(629.6)**	**(425.1)**	**48.1%**
Gross Profit	**567.5**	**350.9**	**61.7%**
Apparel	464.5	262.5	77.0%
Other–Fashiontronics	41.9	26.3	59.3%
Gross Profit from Merchandise	**506.4**	**288.8**	**75.3%**
Gross Profit from Financial Services	**66.2**	**62.2**	**6.4%**
Other Gross Profit	**(5.1)**	**(0.1)**	**5000.0%**
Operating (Expenses) and Revenue	**(738.4)**	**(520.1)**	**42.0%**
General and administrative	(126.8)	(50.4)	151.6%
Sales expenses	(442.1)	(344.3)	28.4%
Depreciation and Amortization	(166.9)	(131.7)	26.7%
Other Revenue (Expenses) , net	(1.4)	6.4	-121.9%
Net credit losses	(1.2)	0.0	-
Profit before Financial Revenue and Expenses	**(170.9)**	**(169.1)**	**1.1%**
Finance Results	**(68.5)**	**(38.3)**	**78.9%**
Exchange Variation	3.7	(1.6)	-331.3%
Total Finance expenses	(110.3)	(53.1)	108.1%
Total Finance income	38.1	16.4	133.7%
Lucro antes dos Impostos	**(239.5)**	**(207.4)**	**15.5%**
Income taxes	86.8	68.8	26.1%
Net Income (Losses) in the period	**(152.7)**	**(138.5)**	**10.3%**
(+) Income taxes	(86.8)	(68.8)	26.1%
(+/-) Net financial results	68.5	38.3	78.9%
(+) Depreciation and amortization	166.9	131.7	26.7%
(=) EBITDA	**(4.0)**	**(37.3)**	**-89.3%**
(+/-) Other net operating income (expenses)	4.9	(2.0)	-345.0%
(+) Financial income from suppliers	2.8	3.6	-22.2%
(-) Tax credit recovery	(3.5)	(4.4)	-20.5%
(-) Lease liabilities	(107.2)	(93.7)	14.4%
(=) Adjusted EBITDA	**(107.1)**	**(133.8)**	**-19.9%**

Consolidated Cash Flow

R$ million	1Q22	1Q21
OPERATIONS		
Income (loss) before income tax	**(239.5)**	**(207.4)**
(+) Cash adjustments to reconcile profit before taxes and cash flow	**266.7**	**152.1**
Allowance for (reversal) for expected credit losses	2.8	0.5
Adjustment to present value of accounts receivables and suppliers	0.6	(0.9)
Expenses with stock-based compensation	2.4	0.9
Provisions for inventory losses	11.0	6.3
Gains/Recognition of tax claims	(19.3)	(3.4)
Depreciation and amortization	80.8	57.0
Addition (reversal) of property and equipment, intangible and right-of-use asset impairment	(4.4)	0.0
Losses from the sale or disposal of property and equipment and intangible assets	3.6	0.3
Depreciation of right-of-use	94.5	82.1
Interest on leases	40.4	33.6
Interest on loans	45.6	12.8
Amortization of the transaction costs on loans	0.5	0.8
Provisions (reversal) for tax, civil and labor proceedings	9.7	(37.8)
Update of judicial deposits	(1.5)	(0.3)
Variations in assets and liabilities:	**(410.6)**	**(194.8)**
Trade receivables	157.3	487.4
Related parties	42.4	30.1
Inventory	(141.5)	(304.3)
Taxes recoverable	51.6	(75.4)
Other credits	(32.7)	20.1
Judicial deposits	(0.1)	2.7
Suppliers	(404.2)	(242.2)
Labor liabilities	5.8	(24.3)
Other debits	1.1	5.6
Provisions for tax, civil and labor proceedings	(3.9)	(4.1)
Taxes payable	(81.4)	(88.7)
Income Tax and Social Contribution paid	(5.2)	(1.8)
(=) Cash flow originating from (applied in) operating activities	**(383.4)**	**(250.1)**
(+) Investment activities	**(177.7)**	**(72.5)**
Purchase of property and equipment	(63.7)	(40.3)
Purchase of intangible assets	(114.2)	(32.3)
Recebimento por venda de ativos imobilizados	0.2	0.1
Cash flow used in investment activities		
(+) Investment activities	**171.4**	**(107.9)**
New loans and debentures issued	320.1	0.0
Custo de transação de empréstimos/debêntures	(2.2)	(0.0)
Interest paid on loans	(28.6)	(5.8)
Repayments and interest paid on leases	(117.9)	(102.0)
Interest on shareholder's equity and dividends paid	0.0	(0.0)
Cash flow originating (invested in) financing activities		
(=) Reduction in the balance of cash and cash equivalents	**(389.6)**	**(470.7)**
Cash and Cash Equivalents at the start of the period	**1,058.0**	**1,509.2**
Cash and Cash Equivalents at the end of the period	**668.4**	**1,038.5**

Glossary of terms

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

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

Click and Collect: 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.

Hunting and Farming: Prospecting and maintaining partner sellers for our marketplace.

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): 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 March 31, 2022 there were 319 stores in operation, with a total sales area of almost 600 thousand square meters, plus its 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 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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