



C&A MODAS S.A.

CNPJ/ME 45.242.914/0001-05

NIRE 353000542762

Traded Company

MATERIAL FACT

Complying with the provisions of article 157, paragraph 3 of Law 6,404/1976 and CVM Instruction 358/2002, **C&A Modas S.A.** [B3:CEAB3] (the "Company") hereby informs its shareholders and the market in general that the Company was victorious in legal claim MS 100192-89.2016.4.02.3200 filed in Federal Court, addressing the non-application of the Social Integration Program (PIS) and Contribution to Fund Social Security (COFINS) taxes on internal transactions in the Manaus Free Trade Zone. This final and unappealable ruling, issued on November 30, 2020, recognizes the Company's right to recover the amounts for the period between April 2011 and April 2018, duly corrected, and its right to the benefit of the Special Regimen for Recovery of Taxes for Exporting Companies (REINTEGRA).

The financial impact is being calculated based on documents held by the Company. Best estimates to date show the corrected credits would add up to about R\$ 120 million. The amounts for the periods subsequent to May 2018 have been recognized in the financial statements for these periods already disclosed, based on decisions in favor of the Company obtained as of that date. We reiterate that, to take advantage of the credit, it must still go through an administrative qualification process by the Brazilian Federal Revenue Service.

Barueri, December 1, 2020.

Milton Lucato Filho

CFO and Investor Relations Director