

Cia. Hering
National Corporate Taxpayers Register of the Ministry of Finance (CNPJ/MF)
No. 78.876.950/0001-71
PUBLICLY-HELD COMPANY

MATERIAL FACT

Amendment to the Association Agreement with Grupo de Moda SOMA S.A.

Cia. Hering ("Hering" or "Company", B3: HGTX3) hereby informs its shareholders and the market in general, in accordance with the provisions of ICVM No. 358/2002, in addition to the material fact notice disclosed by the Company on April 26, 2021, that, on this date, the Company's Board of Directors approved the execution, by the Company and by Grupo de Moda SOMA S.A. ("Grupo Soma"), of amendments to the Association Agreement and Other Covenants and to the Commitment of Voting and Other Obligations entered into on April 26, 2021 ("Agreement" and "Amendments"), in order to formalize the new structure ("New Structure") for the combination of its businesses ("Transaction").

New Structure of the Transaction

The New Structure shall include the following stages, all interdependent, the completion of which will be subject to compliance (or waiver, as the case may be) of certain suspensive conditions established in the Amendments, and all stages must occur on the same date:

- (a) Incorporation of all the shares issued by the Company by Cidade Maravilhosa Indústria e Comércio de Roupas S.A, a company being transformed into a joint stock company, with headquarters in the city of Rio de Janeiro, State of Rio de Janeiro, at Rua General Bruce, nº 551, part, São Cristóvão, CEP 20921-030, registered with the CNPJ/ME under nº 09.611.669/0001-94 ("Cidade Maravilhosa"), whose totality of the shares will be held by a wholly-owned subsidiary of Grupo Soma ("NewCo") at Closing (as defined in the Agreement), for its economic value, resulting in the issue, by Cidade Maravilhosa, in favor of the Company's shareholders who own the incorporated shares ("Hering Shareholders"), of common and preferred redeemable shares issued by Cidade Maravilhosa ("Incorporation of Hering Shares"). After the Transaction is completed, Hering will preserve its own legal personality and equity, with no legal succession;
- (b) on the same date, as a subsequent and interdependent act of the Incorporation of Hering Shares, redemption of all preferred shares issued by Cidade Maravilhosa, with the payment, for each preferred share issued by Cidade Maravilhosa redeemed, of the Value of the Cash Installment (as defined in the Agreement), considering the adjustments provided for in the Agreement ("Redemption of Shares"). Once redeemed, the preferred shares of Cidade Maravilhosa will be canceled against capital reserve;
- (c) on the same date, as a subsequent and interdependent act of the Redemption of Shares, the incorporation of all shares issued by Cidade Maravilhosa by NewCo, at the book value of Cidade Maravilhosa (already considering the effects

of the Incorporation of Hering Shares and the Redemption of Shares), resulting in the issue, by NewCo, in favor of the shareholders of Cidade Maravilhosa, including the Hering's Shareholders who became owners of shares issued by Cidade Maravilhosa as a result of the Incorporation of Hering Shares, of common shares issued by NewCo ("Incorporation of Cidade Maravilhosa Shares"). After the completion of the Incorporation of Cidade Maravilhosa Shares, Cidade Maravilhosa will preserve its legal personality and own assets, with no legal succession; and

(d) on the same date, as a subsequent and interdependent act of the Incorporation of Cidade Maravilhosa Shares, the incorporation of NewCo by Grupo Soma, at the book value of NewCo, already considering the effects of the Incorporation of Cidade Maravilhosa Shares, ("Incorporation of NewCo"), resulting in the issue by Grupo Soma, in favor of the shareholders of NewCo, including the Hering Shareholders who became owners of shares issued by NewCo as a result of the Incorporation of Shares Cidade Maravilhosa, of common shares issue of Grupo Soma, based on the Exchange Ratio and the adjustments mentioned in the Agreement. As a result of the Incorporation of NewCo, there will be extinction of NewCo and succession, by Grupo Soma, of all its assets, rights and obligations, with the consequent migration of NewCo shareholders, including Hering Shareholders who became owners of shares issued by NewCo as a result of the Incorporation of Cidade Maravilhosa Shares, for the shareholding structure of Grupo Soma.

Withdrawal Right

The Company informs that the approval of the Transaction by the General Shareholders' Meeting does not guarantee the dissenting shareholders of said resolution the right to withdraw, since the shares issued by the Company are endowed with liquidity and dispersion pursuant to article 137, item II, of the Law 6.404/76 combined with Article 9 of ICVM 565/2015.

Reserve Capitalization

In order to rationalize Hering's controls and solidify its capital structure, it was authorized, *ad referendum* of the Company's General Meeting, the capitalization by Hering of its Retained Earnings Reserves, Legal, Investment Subsidies and Capital Reserves, as well as authorized the cancellation of treasury shares not reserved to cover the existing Long-Term Incentive programs of Hering, which will be anticipated at the Closing of the Transaction (as defined in the Agreement).

Ratification of other terms and conditions

The other terms and conditions initially negotiated for the implementation of the Transaction that are not affected (or were not expressly changed) by the New Structure were ratified by the Company's Board of Directors on this date.

Access to Information and Documents

The Addendums are available to the Company's shareholders at its headquarters, on the Company's Investor Relations website (<https://ri.ciahering.com.br>), as well as on the

websites of the Brazilian Securities Commission (www.cvm.gov.br) and B3 SA – Brasil, Bolsa, Balcão (www.b3.com.br).

Additional disclosures of information to the market will be made in due course pursuant to current legislation, including those required by ICVM 565/2015.

The Company will keep shareholders and the market in general informed about the relevant developments of the matters discussed herein.

Blumenau, July 5th, 2021.

Rafael Bossolani
CFO and Investor Relations Officer