



VIVARA PARTICIPAÇÕES S.A.

Publicly Held Company

Corporate Taxpayer ID (CNPJ): 33.839.910/0001-11

Company Registry (NIRE): 35.300.539.087

CVM Code: 2480-5

NOTICE TO THE MARKET

**Clarifications on inquiries from CVM/B3
(Re: Official Letter 50/2022/CVM/SEP/GEA-2)**

Vivara Participações S.A. (B3: VIVA3) ("Company"), Brazil's largest jewelry chain, in response to Official Letter 50/2022/CVM/SEP/GEA-2, dated April 4, 2022 ("Official Letter"), in reference to the news article published in the magazine *Isto É Dinheiro* entitled "VIVARA CRESCE, INVESTE E CONQUISTA MAIS BRILHO" [VIVARA GROWS, INVESTS AND SPARKLES MORE] ("News Article"), hereby provides the clarifications requested by the Company Oversight Department – 2 ("GEA-2") regarding the contents of the News Article.

For a better understanding of the context and in line with the guidelines of the Official Letter, the whole letter is transcribed below:

"Official Letter 50/2022/CVM/SEP/GEA-2

Rio de Janeiro, April 4, 2022.

To

Otavio Chacon do Amaral Lyra

Investor Relations Officer

Vivara Participações S.A.

Rua Arquiteto Olavo Redig de Campos, nº 105, 15º andar, Torre A – Brooklin Paulista

04711-904 – SÃO PAULO – SP

Telephone: (11) 3896-0555

Email: ri@vivara.com.br

C/C: Issuer Listing & Oversight Department of B3 S.A. - Brasil, Bolsa, Balcão

Emails: emissores@b3.com.br; ana.pereira@b3.com.br; ana.zane@b3.com.br

Re.: Request for clarifications on News Article

Dear Officer,

VIVARA

1. We refer to the news article published in the magazine Isto É Dinheiro on April 1, 2022 entitled “VIVARA CRESCE, INVESTE E CONQUISTA MAIS BRILHO” [VIVARA GROWS, INVESTS AND SPARKLES MORE], with the following content:

BUSINESS – VIVARA GROWS, INVESTS AND SPARKLES MORE

Despite the crisis in the sector and high gold prices, Brazil’s largest jewelry chain maintains its expansion plans.

Beatriz Pacheco

At 60 years, Vivara, Brazil’s largest jewelry chain with 16% market share, used grandeur in its favor to grow even though its sector shrank during the pandemic. The company estimates that sales in Brazil’s jewelry market decreased from R\$13 billion in 2019 to R\$10 billion in 2020 and recovered partially in 2021 to R\$11 billion. In an interview to DINHEIRO, CFO Otávio Lyra explains that, with small companies accounting for 80% of the segment, the greatest challenge facing the industry during the pandemic was the scarcity of investments, which slowed down the pace of recovery. With diluted inventories and little capital, the Brazilian market was more susceptible to fluctuations in the prices of metals and diamonds, which once again spiked early this year due to the war in Ukraine. This dynamic led gold prices to leap from R\$150/gram before the pandemic to a peak of R\$365/gram, before stabilizing at R\$300/gram today with the weakening of the US dollar.

But these issues did not dim the group’s luster. “The difficulties from the scenario may be challenging for us but are worse for our competitors that lack scale or capital,” said Lyra. The IPO on B3 in 2019 raised R\$5.7 billion, which was fundamental to ensure that Vivara followed through on its expansion plans in these two years, filling the void left in the sector: throughout the Brazilian economy, bankruptcy petitions increased 85% during the pandemic, according to Serasa Experian.

Last year, rumors were afloat that Vivara was negotiating the acquisition of H.Stern, its main competitor, which the company said was a hoax. There were no further developments on the subject and, though an acquisition is not ruled out, Lyra emphasizes that there are no prospects for it to happen in the short term. “We have obtained such good results from organic growth that, in order to take this risk, we would have to face a huge opportunity,” he added. The company has been studying the Brazilian market for two years now and, according to Lyra, during this period it learned that a merger or acquisition would only make sense to complement Vivara’s client base or to connect the dots in its retail ecosystem.

The company’s growth was essential to dilute the increase in production costs and to balance the expansion of the chain which, in 2022, should increase the penetration of the Life brand. An entry-level brand, Life was born as a Vivara collection in 2011 and has since taken on a life of its own. “We took the direction that brought us better results,” said Lyra. The profitability of Life is higher because the company insourced the production of bracelets (a bestselling item in Brazil), and the line has a more resilient portfolio of pieces that require less raw material.

The group estimates opening 50 to 60 points of sale in the country, of which two-thirds will be Life stores and the rest Vivara stores. The second line will expand to malls, while the first will expand to interior regions where it hasn’t arrived yet. According to Lyra, during the crisis, the more affordable luxury line was not significantly affected by high commodity prices, unlike competitors, which depend on more resources and feel a greater impact on prices.

VIVARA

STRATEGY Vivara devised its strategy for the crisis supported by its 278 points of sale and the plant in Manaus which, together, ensured an inventory of finished products for 12 months. With this structure, the company managed to avoid the purchase of materials during the most critical periods. The vertical integration of the group, which operates in the retail and industrial segments, gives room for the reuse of metals. The plants reprocess the raw materials of low turnover products and adapt them to be used in new pieces. Lyra points out that though recurring, it's a low-scale dynamic since costs in the reverse chain are very high. "We have a broad network and produce smaller lots to gain efficiency," said Lyra.

Although Vivara remains optimistic for 2022, it operates in a sector under pressure due to the increase in illegal mining in Brazil. To meet market demands, the company will intensify inspection across its supply chain, which includes assessment of production processes, product quality, financial health and waste management programs. In this regard, Lyra says that the partnership with Anglo Gold Ashanti, one of the world's largest mining companies, was a success. "We are the only manufacturer certified to purchase from them and all our gold comes from the Minas Gerais operation," he said, adding that the metals purchased by Vivara are certified by inspection authorities. And diamonds are extracted from known mines in countries outside conflict zones, through the Kimberley Process, an international initiative that combats trade in the so-called blood diamonds.

(text highlighted by us)

2. Regarding the highlighted text, we request your reply on the veracity of the information provided in the news article and, if true, provide the reasons why did not consider such information as a Material Fact, pursuant to CVM Resolution 44/21, especially article 2, sole paragraph, item XXI. We also request the Company to inform which documents already filed in the Empresas.NET system contain the information in bold above.

3. This reply must include a copy of this Official Letter and be submitted via Empresas.NET system, under the category "Notice to the Market," type "Clarifications on inquiries from CVM/B3." Compliance with this request through a Notice to the Market does not exempt the company from being held liable for not promptly disclosing a Material Fact notice, in accordance with CVM Resolution 44/21.

4. Note that, pursuant to article 3 of CVM Resolution 44/21, the Investor Relations Officer is responsible for disclosing and informing the CVM and, if necessary, the stock exchange and the over-the-counter market entity on which the company's securities are traded, of any material fact or event that occurred in or is related to its business, as well as for ensuring its broad and immediate disclosure simultaneously in all the markets where said securities are traded.

5. Moreover, note that **the Reference Form (Item 11. Projections) must be updated within seven (7) business days from the change or disclosure of new projections or estimates (article 24, paragraph 3, item IX or paragraph 4, item V of CVM Instruction 480/09).**

6. Also note that, if projections and estimates are disclosed, the issuer must, on a quarterly basis, in the appropriate field of the quarterly information form (ITR) and the standardized annual financial statements form (DFP), compare the projections disclosed in the Reference Form with the actual results achieved during the quarter, indicating the reasons for any differences, if any (article 20, paragraph 4 of CVM Instruction 480/09).

7. As determined by the Company Relations Superintendent, in the exercise of their legal powers and, based on article 9, item II of Federal Law 6,385/76, combined with article 8 of CVM Resolution 47/21, a fine of one thousand reais (R\$1,000.00) will be imposed, without prejudice



to other administrative sanctions, for non-compliance with the requirements herein **by April 5, 2022**.

Sincerely,"

In response to the Official Letter, first of all, the Company emphasizes that the information contained in the News Article neither characterizes nor should be interpreted or considered as projections or guidance.

This is because the information highlighted in the News Article, especially that related to the Company's expansion strategy, including the projected number of new stores, basically mirrors the goals mentioned in the Company's expansion plan already disclosed and disseminated publicly.

In this regard, note that in the earnings presentation related to fiscal year 2021, disclosed on March 17, 2022¹, the management first affirmed that 2021 was marked by the acceleration of its expansion plan, with the opening of 41 physical stores, reaching its goal for the previous year.

At the time, the management also reiterated the expansion plan for 2022, marked by the declared goal of accelerating growth and opening *"50 to 60 stores this year, with the focus on accelerating the expansion of Life by Vivara stores, which should account for 35 to 40 of the new stores"*².

Regarding the information highlighted in the Official Letter about the Company's expansion plan and the expected number of new stores for fiscal year 2022, note that

¹ See the Company's Financial Statements for the fiscal year ended December 31, 2021 (Management Report, p. 7 – "Message from Management" and p. 15 – "Outlook") ("[2021 Financial Statements](#)"); Standardized Financial Statements Form (DFP) for the fiscal year ended December 31, 2021 ("[2021 DFP](#)") – Management Report, pp. 1 and 9; and Earnings Release related to the fiscal year ended December 31, 2021 ("[2021 Release](#)") (pp. 3 and 16). All documents are available for consultation by shareholders and the market since March 17, 2022, on the websites of CVM (www.gov.br/cvm), B3 S.A. – Brasil, Bolsa, Balcão (www.b3.com.br) and the investor relations department of the Company (ri.vivara@com.br).

² The information above is available in the 2021 Financial Statements, 2021 DFP and 2021 Release, which can be viewed on the websites mentioned above. For reference, the full description of the Company's expansion plan as disclosed on page 16 of the 2021 Release is transcribed as follows: *"Expansion plan – In 2021, the Company resumed its expansion plan and in 2022 we will accelerate it further. We plan to open 50 to 60 stores this year, with the focus on accelerating the expansion of Life by Vivara stores, which should account for 35 to 40 of the new stores. As for Vivara, we plan to open 15 to 20 stores this year to continue the brand's consolidation and expansion especially in smaller cities"*.



the News Article basically repeats the goals already disclosed to the public and announced by the Company a weeks ago: elements of the Company's expansion plan, marked by the continued acceleration of the pace of store openings.

That is, the goals in question, which are part of the Company's strategic expansion plan disclosed publicly, are not to be confused with projections or promises of performance, which is why they were not and could not have been presented as such.

Hope these points clarify your questions and the Company is available for further clarifications that may be necessary.

São Paulo, April 5, 2022.

Otávio Chacon do Amaral Lyra
Chief Financial and Investor Relations Officer