

# 3Q24 EARNINGS VIDEOCONFERENCE



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## OUR STEPS | STRATEGY

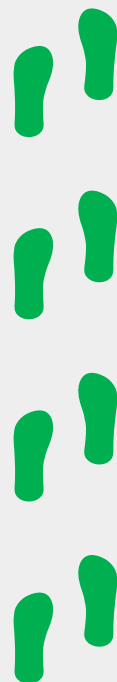
### Focus and competitiveness

#### Portfolio Strategy

Focus on our strength of being an inclusive brand and on our iconic products.

#### Brazil Growth Model

Protect our position as market leaders.



### Sustainable growth

#### International Growth Model

Focus efforts on priority markets, ensuring consistency in operations and brand building.

#### Capacity Building

Develop the necessary skills to advance in channels and audiences with more opportunities.

#### Simplification

Capture operational efficiency through simplification.

#### Ability enhancement

Enhance capabilities to deliver outstanding customer and consumer experience.

#### Trend Capture

Connect with emerging trends. Innovate based on the needs of customers and consumers.

#### Capital Allocation

Allocate capital with rigor and discipline to achieve best-in-class levels of return.

## OUR STEPS | STRATEGY

### Focus and competitiveness

#### Brazil Growth Model

- ✓ Market share gain of 1.3 p.p. vs 2Q24;
- ✓ EBITDA margin of 22.6% - in line with the best 3Qs over the last decade;

#### Simplification

- ✓ ZBB Culture with 10% reduction over 1Q23;
- ✓ Continuous diligence regarding the reductions achieved;

#### Ability enhancement

- ✓ Structural OTIF improvements, consolidated OTIF in 70%;
- ✓ Greater manufacturing and logistical efficiency, with 10% reduction in COGS/Pair consolidated yoy;

#### Portfolio Strategy

- ✓ Second most admirable brand in Brazil;
- ✓ Launch of the new product line for the male audience;

### Sustainable growth

#### International Growth Model

- ✓ 13% volume grow;
- ✓ Structural improvements in distribution costs in Europe, with reduction of 13% in COGS/pair;

#### Capacity Building

- ✓ Strengthening of the European sales team, with extensive experience in the sector;
- ✓ Reduction of Time to Market from 18 to 12 months;

#### Trend Capture

- ✓ Dolce&Gabbana Collab – sold out in 72 hours;
- ✓ Havaianas Point, top 3 best sellers - a new shape that brings innovation to the portfolio;

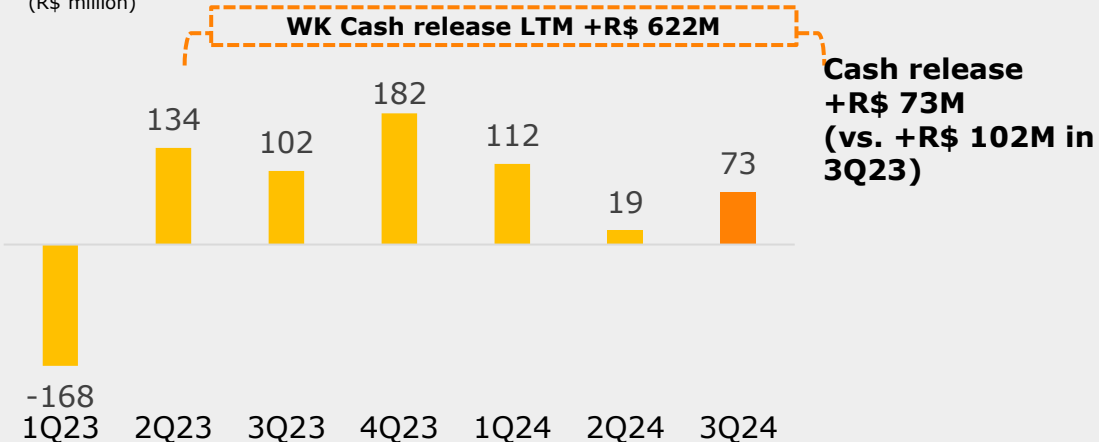
#### Capital Allocation

- ✓ Resumption of net cash position,

# ALPARGATAS – CASH MAINTENANCE

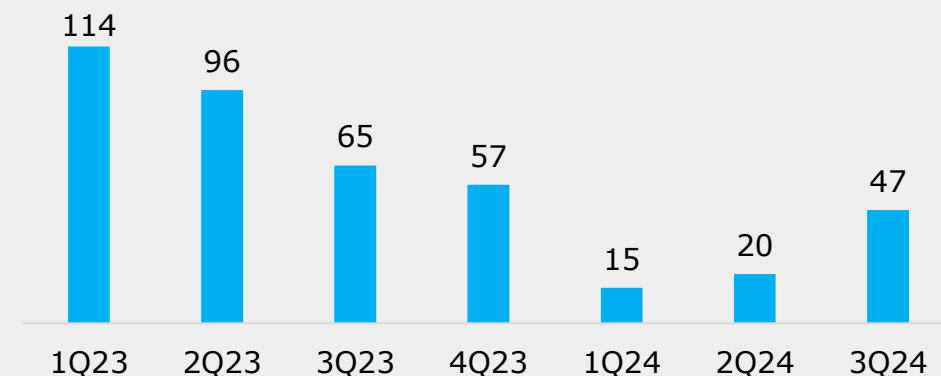
## WORKING CAPITAL CASH RELEASE

(R\$ million)

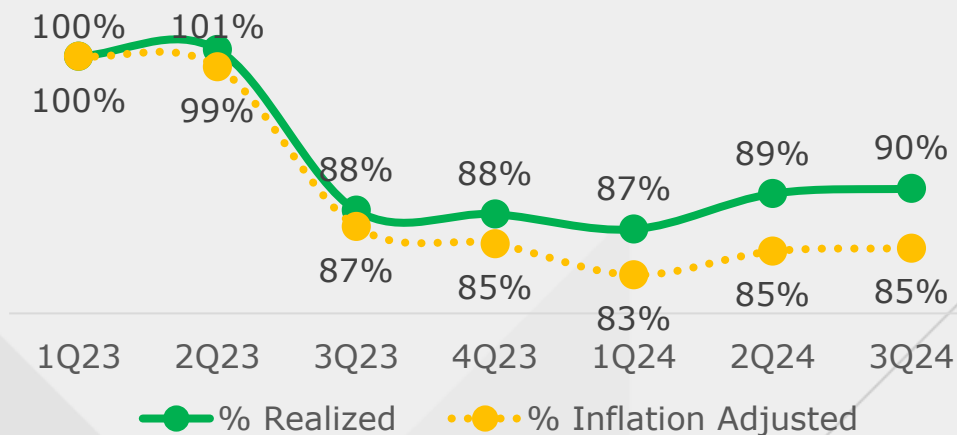


## CAPEX

(R\$ million)

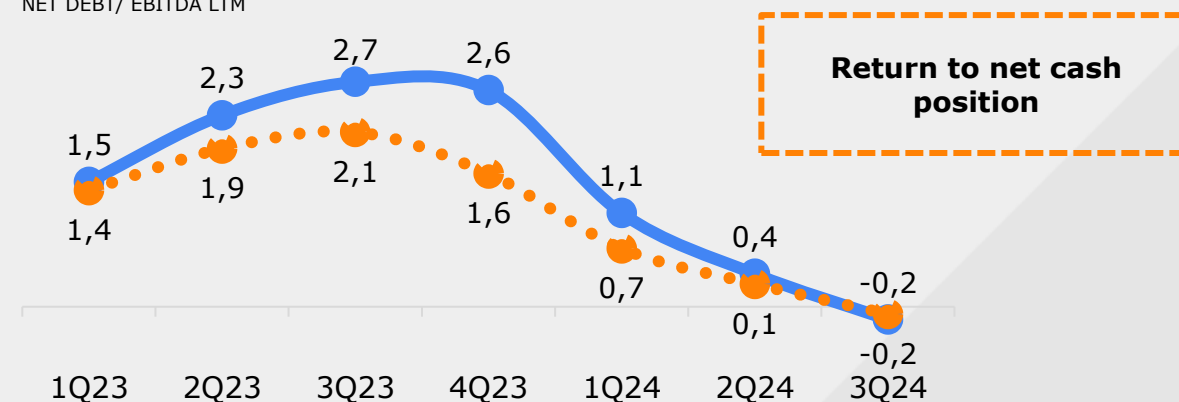


## ZBB FIXED EXPENSES PACKS<sup>(1)</sup>



## LEVERAGE

NET DEBT/ EBITDA LTM

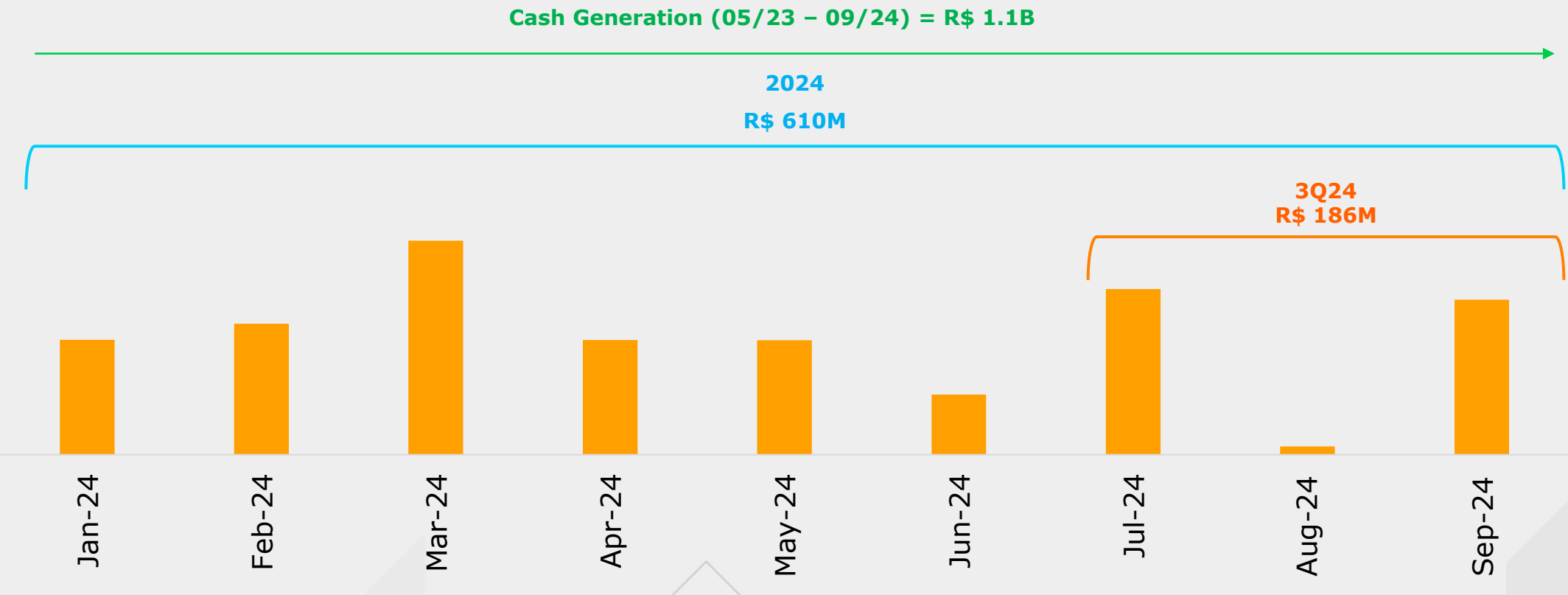


(1) Fixed and recurring expense packages, monitored by the Zero-Based Budgeting (ZBB) method, including personnel, travel, rent, administrative expenses, among others.

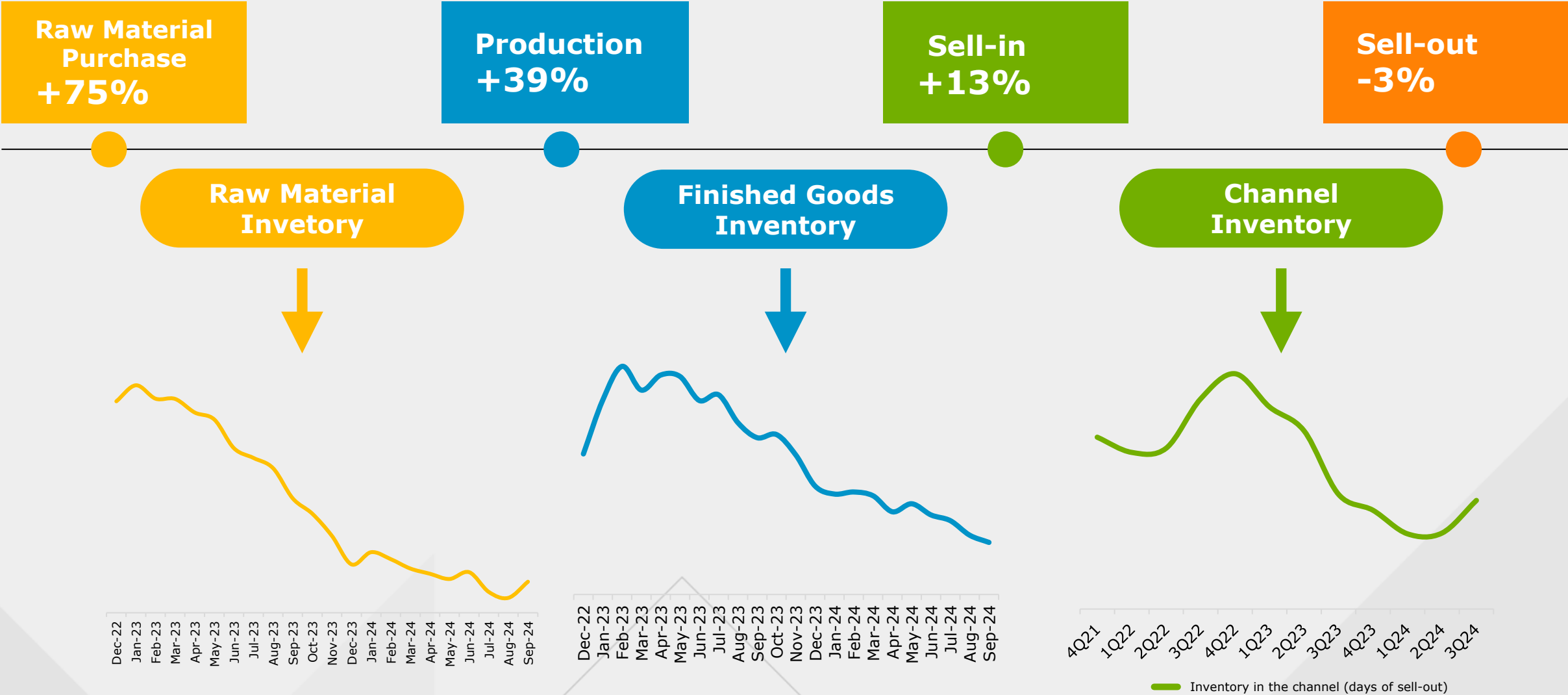
# ALPARGATAS – CASH GENERATION

## NET CASH GENERATION

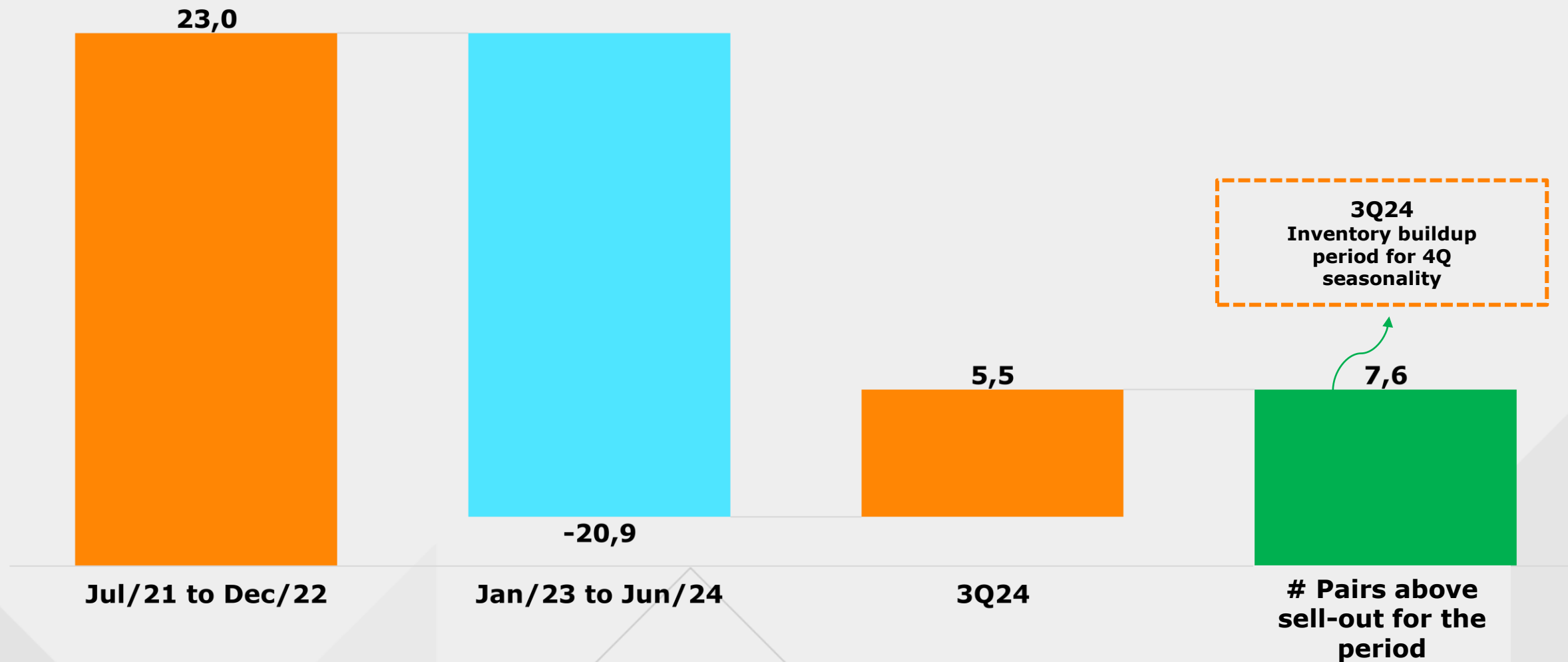
(R\$ million)



# HAVAIANAS BRAZIL – BUSINESS CYCLE – 3Q24 YoY



## HAVAIANAS – INVENTORY EVOLUTION IN THE CHAIN



# HAVAIANAS – 3Q24 vs. 3Q23

**havaianas®**

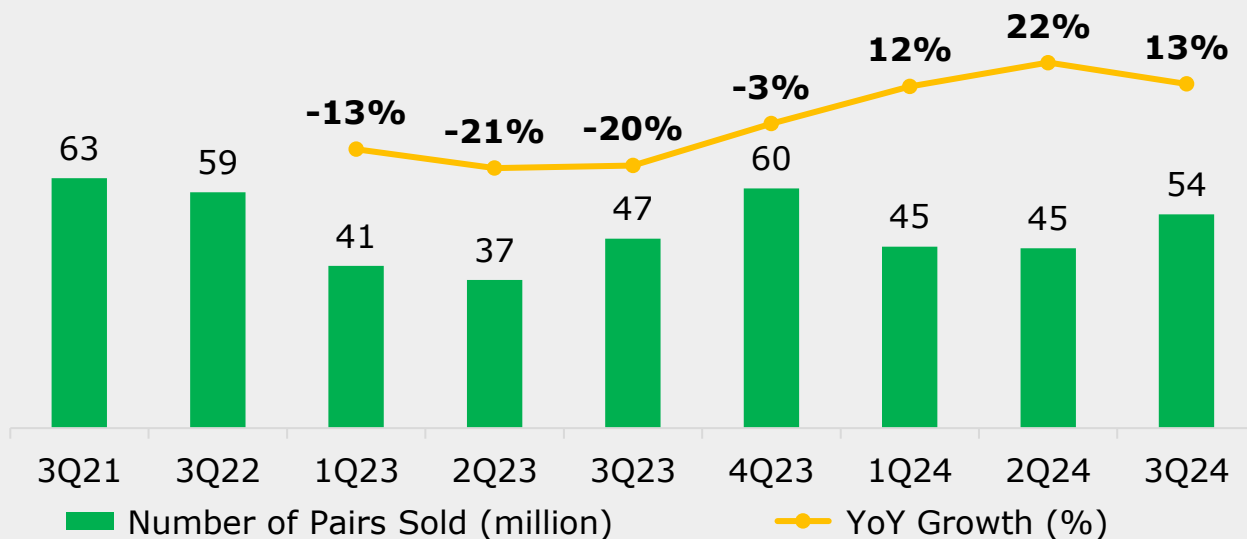
**BRASIL** Volume increase with market share gain

**-3%**  
**SELL-OUT**

**+13%**  
**VOLUME**

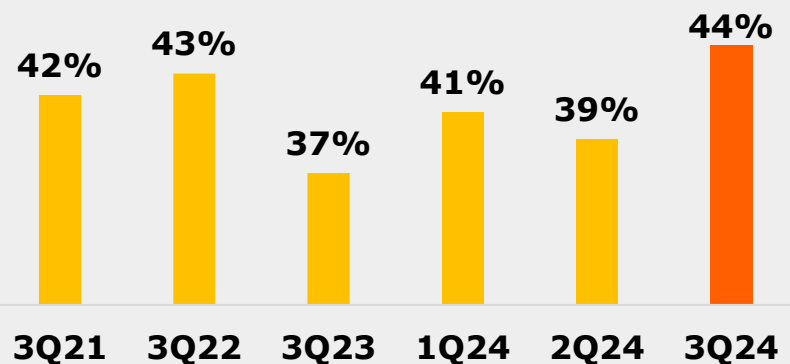
**+15%**  
**NET SALES**

**Sequential improvement in the number of pairs sold**  
Million of pairs/ YoY Growth (%)

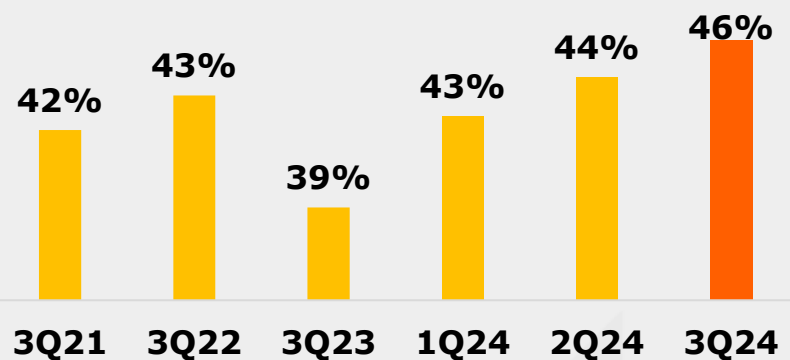


## HAVAIANAS BRAZIL – MARGEM BRUTA E MARGEM EBITDA

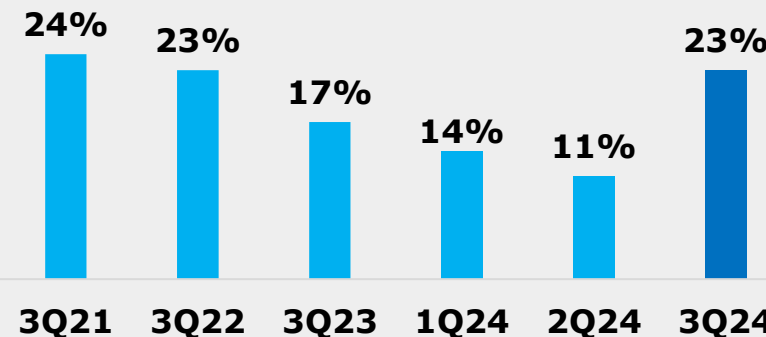
### GROSS MARGIN



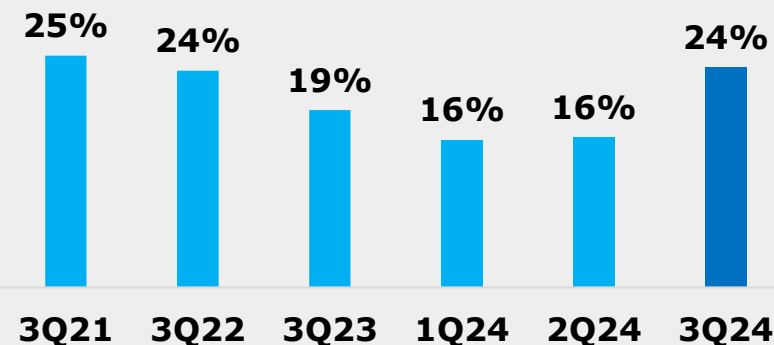
### GROSS MARGIN ADJUSTED BY WRITE-OFFS\*



### EBITDA MARGIN



### EBITDA MARGIN ADJUSTED BY WRITE-OFFS\*



\*excluded the impacts of all write-offs and provisions for inventory write-downs.

# HAVAIANAS INTERNATIONAL – 3Q24 vs. 3Q23

**havaianas®**

## INTERNATIONAL

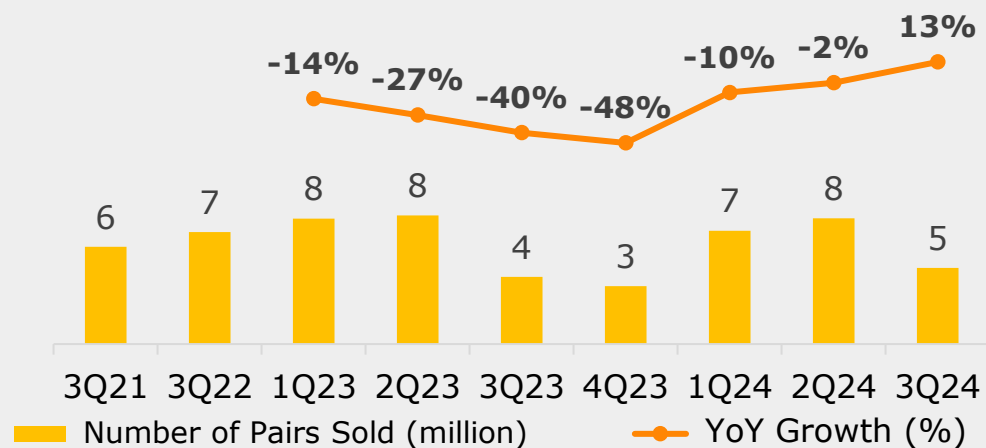
Development of commercial guidelines for the distributor operation and rebuilding the brand's competitiveness in Europe.

**+13%**  
VOLUME

**+4%**  
NET  
SALES\*

### Sequential improvement in the number of pairs sold

Million of pairs/ YoY Growth (%)



**+31%**  
VOLUME

**-3%**  
NET SALES\*

EMEA

**+35%**  
VOLUME

**+32%**  
NET SALES\*

NA&C

**-7%**  
VOLUME

**+6%**  
NET SALES\*

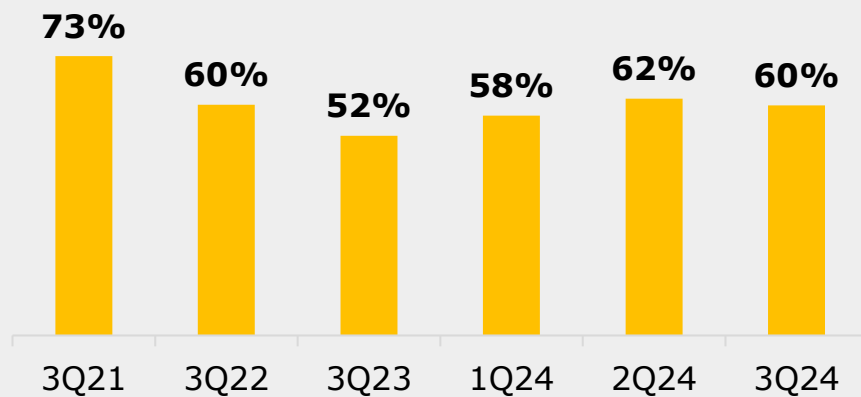
DISTRIBUTORS



# HAVAIANAS INTERNATIONAL – 3Q24

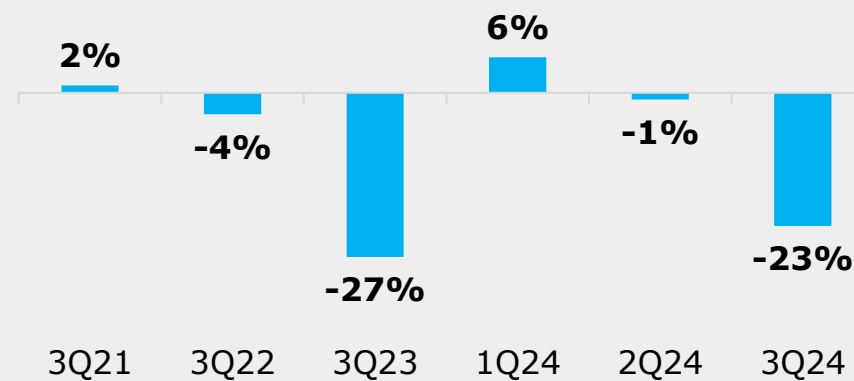
## GROSS MARGIN

(% net sales)



## EBITDA MARGIN\*

(% net sales)



(1) Considera ajustes de write-offs

# ROTHY'S

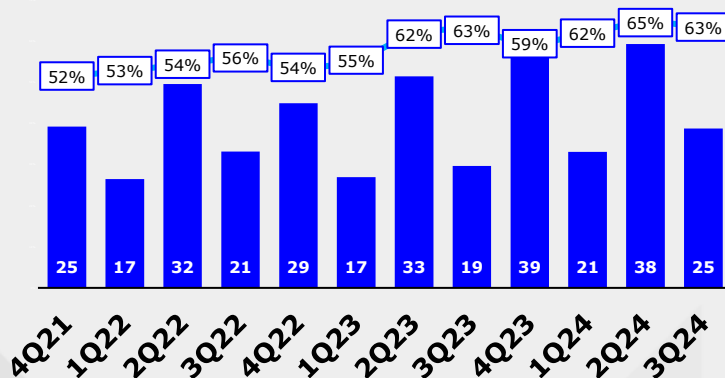
**NET SALES**  
**USD 39M**  
(+29% vs. 3Q23)

**EBITDA**  
**-USD 0.2M**  
(-USD 6.2M vs. 3Q23)

**NET PROFIT**  
**-USD 1.7M**  
(-USD 6.7M vs. 3Q23)

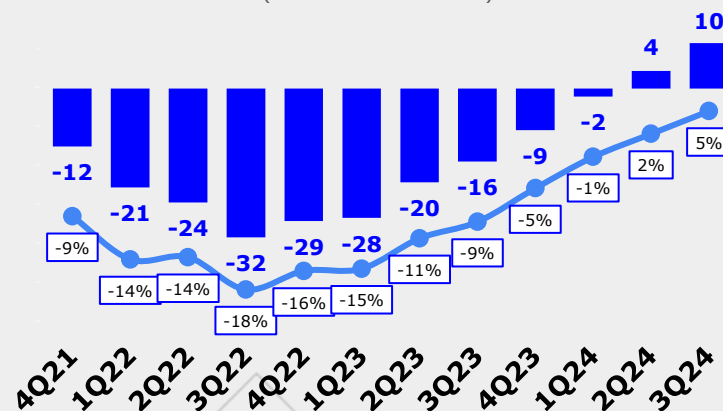
## GROSS PROFIT AND MARGIN EVOLUTION

(USD million and %NS)



## EBITDA AND MARGIN LTM EVOLUTION

(USD million and %NS)



### Net Sales

- Successful product and campaign launches throughout the quarter
- SSS +23% YoY\* in 3Q24

### Gross Margin

- Continuous gain in efficiency in industrial and logistical costs.
- Positive product mix

### SG&A

- Higher personal expenses control
- Marketing Investments optimization

### Equity Income

- -R\$ 9 million vs. -R\$ 21 million in 3Q23

\*Considers only Bricks & Mortar stores

# CONSOLIDATED FINANCIAL HIGHLIGHTS | ALPARGATAS

FINANCIAL HIGHLIGHTS (R\$ million)	3Q24	3Q23	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
<b>Operational Net Sales</b>	<b>1,037.6</b>	<b>896.2</b>	<b>+15.8%</b>	<b>2,985.9</b>	<b>2,725.0</b>	<b>+9.6%</b>
<b>Gross Profit</b>	<b>494.5</b>	<b>363.1</b>	<b>+36.2%</b>	<b>1,399.3</b>	<b>1,129.6</b>	<b>+23.9%</b>
<i>Gross Margin (%)</i>	<i>47.7%</i>	<i>40.5%</i>	<i>+7.1pp</i>	<i>46.9%</i>	<i>41.5%</i>	<i>+5.4pp</i>
<b>EBITDA</b>	<b>124.2</b>	<b>58.6</b>	<b>+111.8%</b>	<b>281.6</b>	<b>(161.3)</b>	<b>-</b>
<i>EBITDA Margin (%)</i>	<i>12.0%</i>	<i>6.5%</i>	<i>+5.4pp</i>	<i>9.4%</i>	<i>-5.9%</i>	<i>+15.4pp</i>
<b>Normalized EBITDA<sup>1</sup></b>	<b>136.9</b>	<b>76.9</b>	<b>+78.1%</b>	<b>316.5</b>	<b>147.5</b>	<b>+114.6%</b>
<i>Normalized EBITDA margin (%)</i>	<i>13.2%</i>	<i>8.6%</i>	<i>+4.6pp</i>	<i>10.6%</i>	<i>5.4%</i>	<i>+5.2pp</i>
<b>Equity Income</b>	<b>(8.8)</b>	<b>(20.6)</b>	<b>-57.5%</b>	<b>(5.7)</b>	<b>(57.6)</b>	<b>-90.2%</b>
<b>Net Profit</b>	<b>57.3</b>	<b>(8.5)</b>	<b>-</b>	<b>105.3</b>	<b>(261.3)</b>	<b>-</b>
<i>Net Margin (%)</i>	<i>5.5%</i>	<i>-0.9%</i>	<i>+6.5pp</i>	<i>3.5%</i>	<i>-9.6%</i>	<i>+13.1pp</i>

1. Exclude the impact of extraordinary items

# Q&A

# APPENDIX

# FINANCIAL HIGHLIGHTS | TOTAL HAVAIANAS

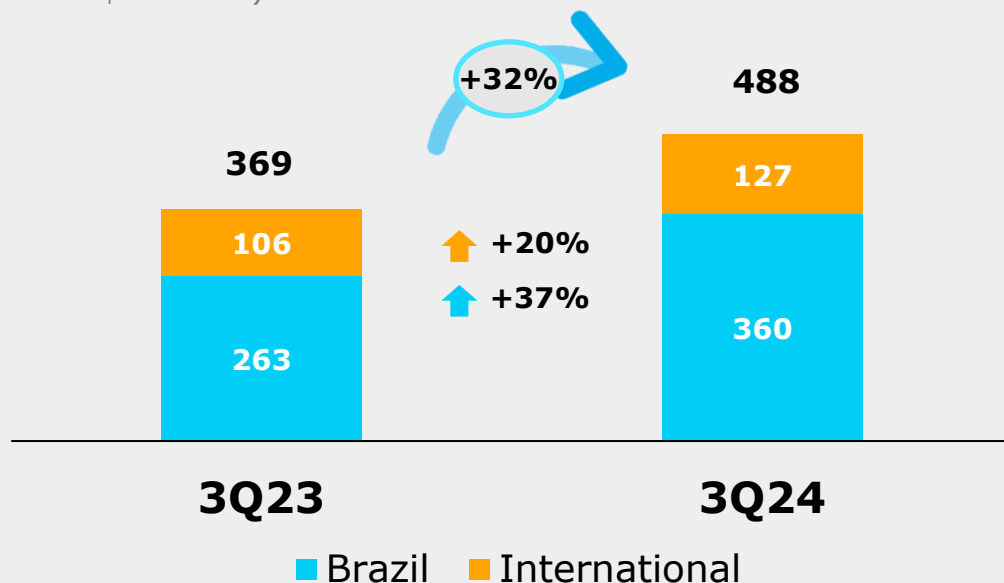
FINANCIAL HIGHLIGHTS* (R\$ million)	3Q24	3Q23	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
<b>Volume</b>	<b>58.2</b>	<b>51.5</b>	<b>+13.0%</b>	<b>163.2</b>	<b>144.5</b>	<b>+12.9%</b>
Brazil	53.6	47.4	+13.0%	144.1	125.1	+15.2%
International	4.6	4.1	+13.5%	19.1	19.4	-1.8%
<b>Net Sales</b>	<b>1,026.8</b>	<b>909.6</b>	<b>+12.9%</b>	<b>2,954.6</b>	<b>2,796.1</b>	<b>+5.7%</b>
Brazil	815.6	707.0	+15.4%	2,126.8	1,821.1	+16.8%
International	211.2	202.6	+4.2%	827.8	974.9	-15.1%
<b>Gross Profit</b>	<b>487.9</b>	<b>369.2</b>	<b>+32.2%</b>	<b>1,380.3</b>	<b>1,176.1</b>	<b>+17.4%</b>
<b>Gross Mg. (%)</b>	<b>47.5%</b>	<b>40.6%</b>	<b>+6.9pp</b>	<b>46.7%</b>	<b>42.1%</b>	<b>+4.7pp</b>
Brazil	360.5	263.2	+37.0%	882.3	615.1	+43.4%
Gross Mg. (%)	44.2%	37.2%	+7.0pp	41.5%	33.8%	+7.7pp
International	127.4	106.0	+20.2%	498.1	561.0	-11.2%
Gross Mg. (%)	60.3%	52.3%	+8.0pp	60.2%	57.5%	+2.6pp
<b>EBITDA</b>	<b>135.3</b>	<b>62.3</b>	<b>+117.1%</b>	<b>312.0</b>	<b>135.5</b>	<b>+130.2%</b>
<b>EBITDA Mg. (%)</b>	<b>13.2%</b>	<b>6.9%</b>	<b>+6.3pp</b>	<b>10.6%</b>	<b>4.8%</b>	<b>+5.7pp</b>
Brazil	184.7	120.8	+52.9%	349.0	146.7	+137.9%
EBITDA Mg. (%)	22.6%	17.1%	+5.6pp	16.4%	8.1%	+8.4pp
International	(49.4)	(58.5)	-15.6%	(37.0)	(11.1)	+232.1%
EBITDA Mg. (%)	-23.4%	-28.9%	+5.5pp	-4.5%	-1.1%	-3.3pp

\*in constant currency (CC)

# FINANCIAL HIGHLIGHTS | TOTAL HAVAIANAS

## GROSS PROFIT\*

(IN CC - R\$ MILLION)



Gross Margin	3Q23	3Q24	Var.
Havaianas Brazil	37.2%	44.2%	7.0pp
Havaianas International*	52.3%	60.3%	8.0pp
<b>Total Havaianas*</b>	<b>40.6%</b>	<b>47.5%</b>	<b>6.9pp</b>

\*in constant currency (CC)

### Havaianas Brazil

- Reduction of 9% yoy in COGS/pair
- Improvement in labor productivity
- Raw material cost reduction

### Additional Costs

- Write-offs of R\$11M

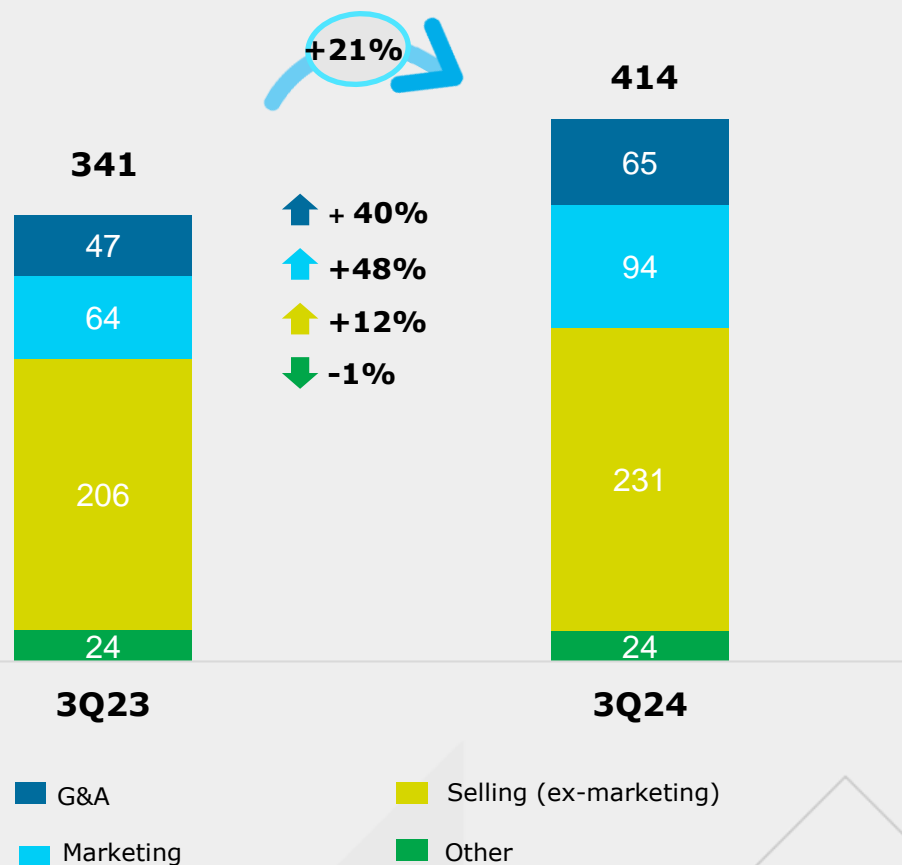
### Havaianas International

- Reduction of 24% (CC) yoy in COGS/pair

# FINANCIAL HIGHLIGHTS | TOTAL HAVAIANAS

## EXPENSES

(R\$ MILLION)



### SG&A (ex-Marketing)

- Distribution expenses -5% (-27% per pair) yoy
- ZBB packages down 10% vs. 1Q23 (-13% ex. fx rate)

### Additional Impacts:

- 3Q24 Bonus Provision (G&A)
- Reversal of executives remuneration in 2Q23, reducing the expense base for that period.
- Higher commercial expenses as a result of increased volumes

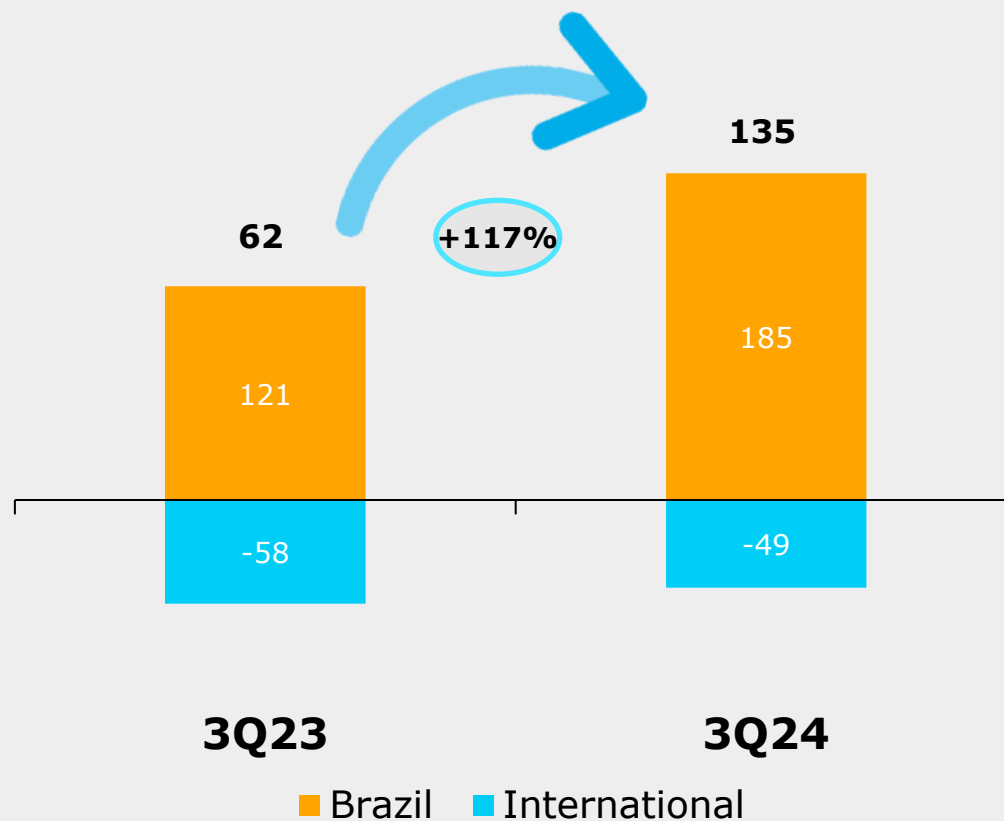
### Marketing Expenses

- Marketing expenses +48% yoy in line with the restructuring of investments in 2024

## FINANCIAL HIGHLIGHTS | TOTAL HAVAIANAS

### EBITDA\*

(IN CC - R\$ MILLION)



EBITDA Margin	3Q23	3Q24	Var.
Havaianas Brazil	17.1%	22.6%	5.5pp
Havaianas International*	-28.9%	-23.4%	5.5pp
Total Havaianas*	<b>6.9%</b>	<b>13.2%</b>	<b>6.3pp</b>

\* in constant currency (CC)

# CONSOLIDATED FINANCIAL HIGHLIGHTS | ALPARGATAS

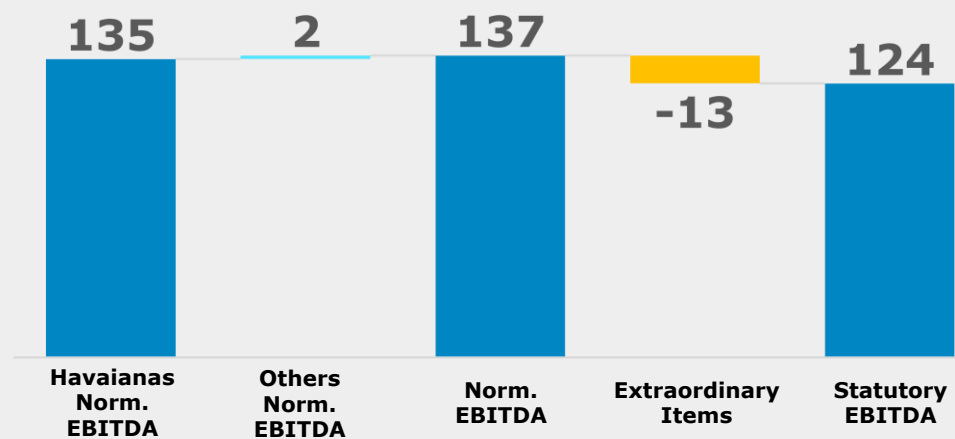
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1. Exclude the impact of extraordinary items

# CONSOLIDATED FINANCIAL HIGHLIGHTS | ALPARGATAS

## EBITDA

(R\$ MILLION)



## EXTRAORDINARY ITEMS

(R\$ million)

3Q24

**EBITDA**

**124.2**

**(-) Extraordinary Items**

**12.8**

*Simplification*

9.6

*Other*

2.5

**(=) Alpargatas Normalized EBITDA**

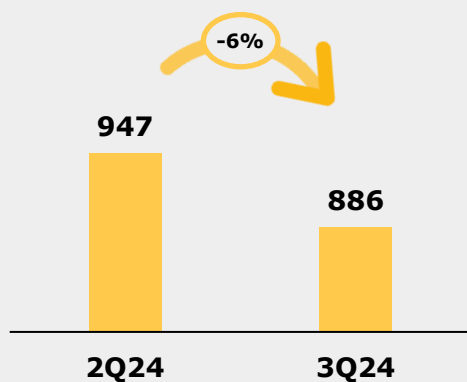
**136.9**

# CONSOLIDATED FINANCIAL HIGHLIGHTS | ALPARGATAS

## WORKING CAPITAL

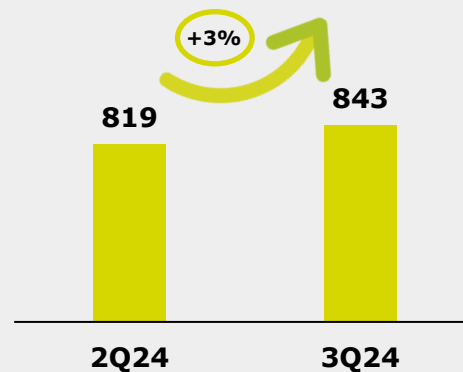
(R\$ MILLION)

### INVENTORIES



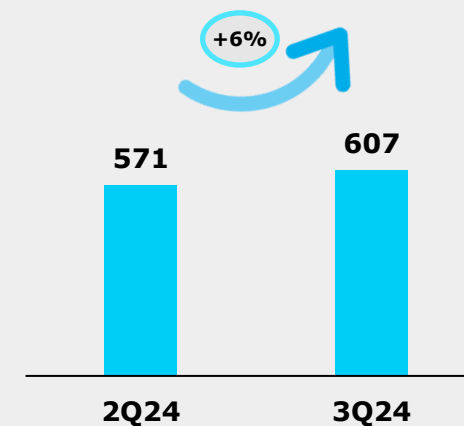
- Finished Goods: -R\$ 37M
- Raw Material and Other: -R\$ 23M
- Decrease of 31 days of sales vs. 3Q23

### RECEIVABLES



- Increase of 3 days of sales vs. 3Q23 as a result of the quarter's sales increase.

### SUPPLIERS

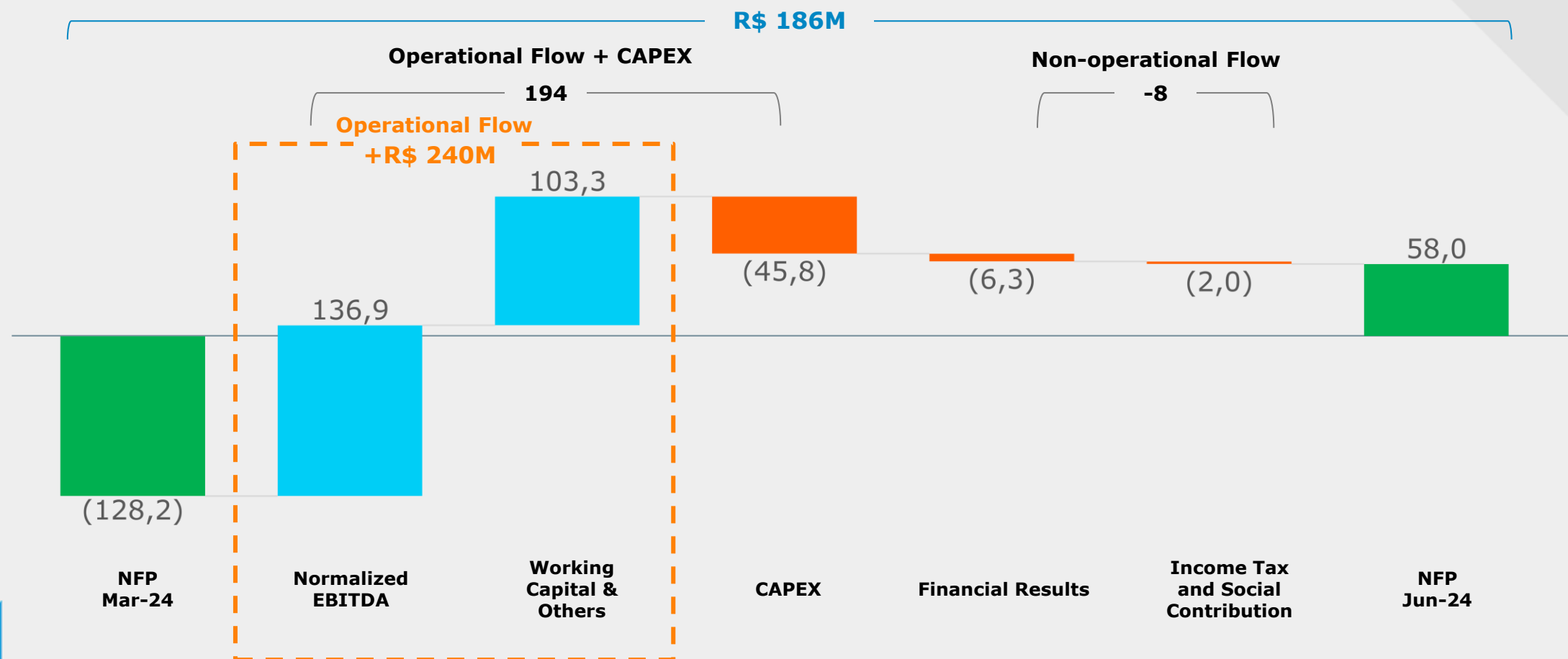


- Increase of R\$ 36M
- Increase of 29 days of COGS
- Normalization of raw material flow, with a 75% increase in rubber purchases yoy.

# CONSOLIDATED FINANCIAL HIGHLIGHTS | ALPARGATAS

## NET FINANCIAL POSITION

(R\$ MILLION)



INSPIRADOS PELAS PESSOAS  
INSPIRADOS PELAS PESSOAS  
INSPIRADOS PELAS PESSOAS



# ALPARGATAS

**Investor Relations**  
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