

AREZZO & CO

INSTITUTIONAL PRESENTATION

**AREZZO
& CO**

4Q21

COMPANY COVER NEW

SECTION 1



R\$ 3.7 BILLIONS
GROSS REVENUE IN 2021



5.2 THOUSAND
EMPLOYEES (4T21)



R\$ 3.0 BILLIONS
DTC SELL OUT IN 2021
(FRANCHISES, OWNED
STORES AND WEB)



25 MILLIONS
ITEMS SOLD (SHOES,
BAGS AND CLOTHES)



R\$ 1.6 BILLIONS
WEB SELL OUT + DIGITAL
REVENUES 2021



+ 306%
GROWTH IN STOCK PRICE
SINCE THE IPO (2011)



941 STORES
158 OWNED STORES AND 783
FRANCHISES (4T21)

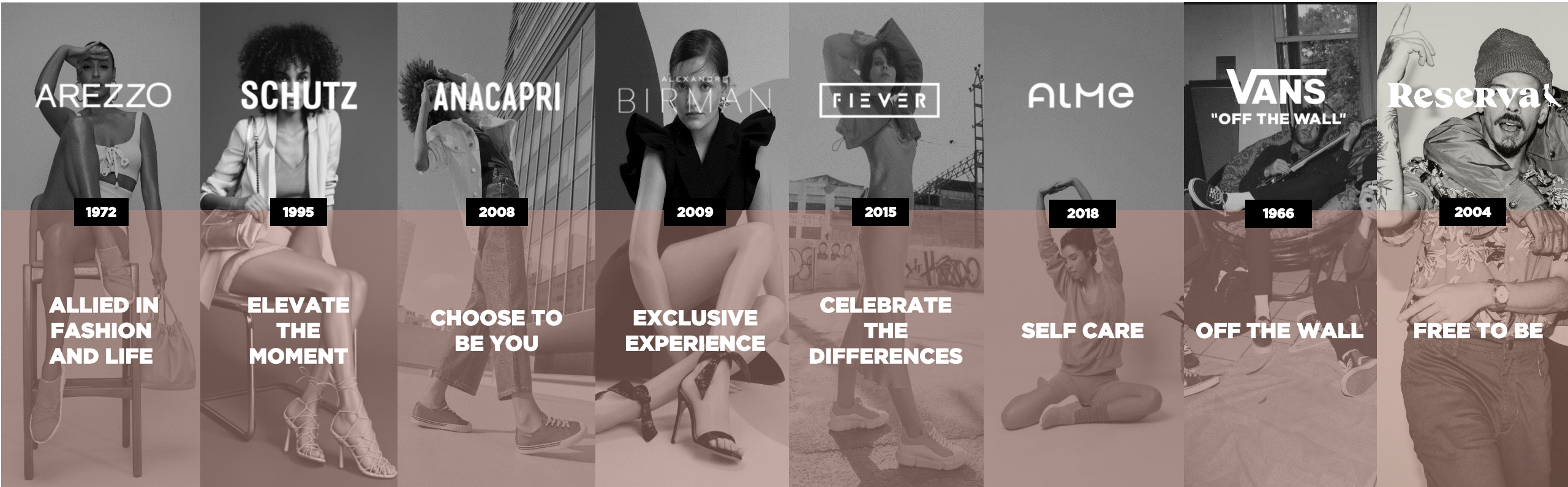


R\$ 8.5 BILLIONS
MARKET CAP VALUE
(10/03/2022)

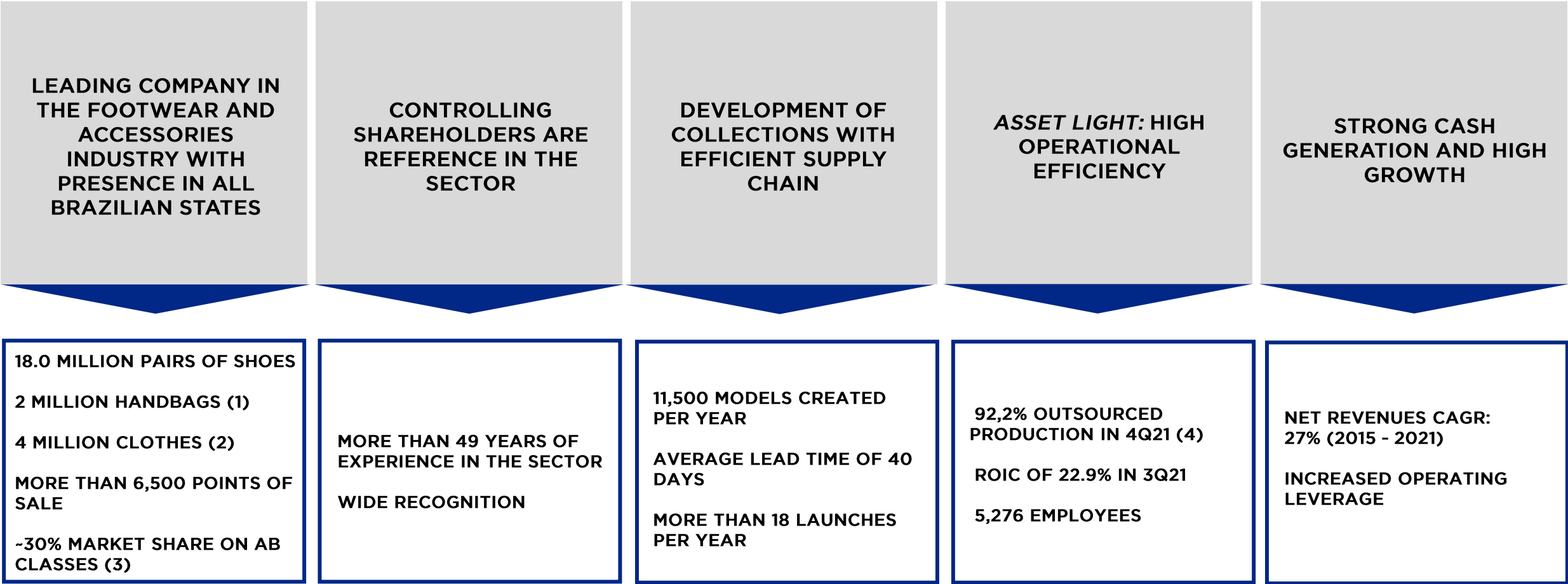
STRONG PLATAFORM OF BRANDS

AREZZO
&CO

AREZZO&CO IS A LEADING COMPANY IN THE WOMEN'S FOOTWEAR, HANDBAGS AND ACCESSORIES SEGMENT THROUGH ITS PLATFORM OF REFERENCE BRANDS



AREZZO&CO IS THE REFERENCE IN THE BRAZILIAN RETAIL SECTOR AND HAS A UNIQUE POSITIONING COMBINING GROWTH WITH CASH GENERATION



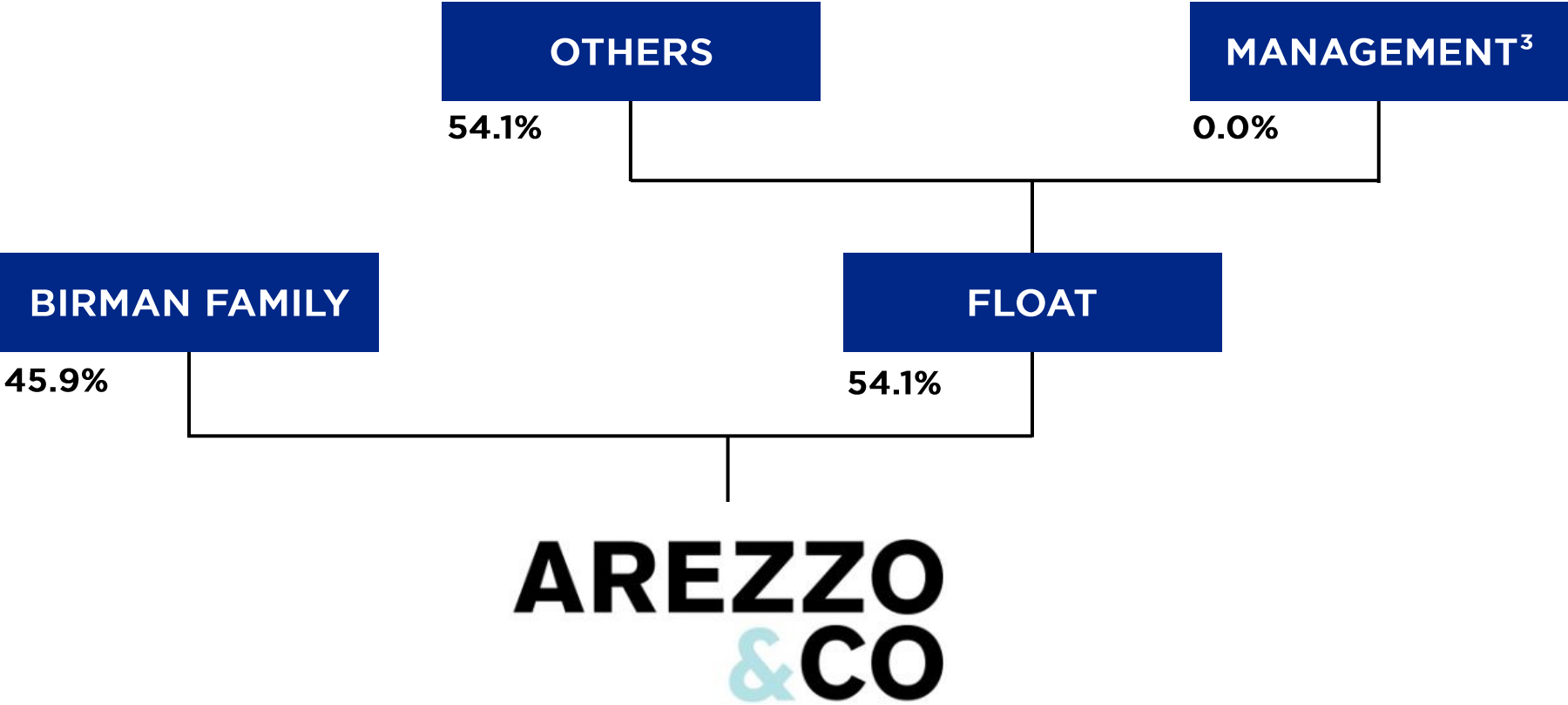
NOTAS:
(1) AS OF 2021
(2) AMOUNT OF PIECES OF CLOTHES SOLD BY THE BRANDS: VANS AND RESERVA GROUP (2021)
(3) REFERS TO THE BRAZILIAN WOMEN FOOTWEAR, HANDBAGS, MEN'S AND WOMEN'S SNEAKERS MARKET (SOURCE: COMPANY ESTIMATES). AS OF 2021
(4) CONSIDERS AREZZO&CO ONLY

**2011
2021**

MARKET CONSOLIDATION

- **INTERNATIONAL EXPANSION**
- **M&A/NEW BUSINESSES - RESERVA**
- **LICENSING - VANS**
- **ZZ VENTURES - TROC**
- **M&A - MYSHOES, BAW CLOTHING, CAROL BASSI**

SHAREHOLDER STRUCTURE



NOTES
1- AREZZO&CO CAPITAL STOCK IS COMPOSED OF 99.631.414 COMMON SHARES, ALL NOMINATIVE, BOOK-ENTRY SHARES WITH NO PAR VALUE
2- SHAREHOLDER STRUCTURE AS OF DECEMBER 31, 2021
3- INCLUDES LTI PLAN



AREZZO

— 1972 —

**TRENDY
NEW
EASY TO USE
ECLETIC**

16 - 60 YEARS

CHANNEL AND % REVENUE

O	F	MM	EX
#18	#433	#1.776	#18
7,2%	53%	14,5%	1%

WEB GROSS REVENUE
RR\$ 255 MM (23%)

RETAIL PRICE POINT
R\$ 240.00 / PAIR

GROSS REVENUE
R\$ 1 BI (29%)



6 MILLIONS FOLLOWERS





SCHUTZ

— 1995 —

FASHION
UP TO DATE
BOLD
PROVOCATIVE

18 - 40 YEARS

CHANNELS AND % REVENUE

O	F	MM	EX	USA
#20	#64	#1.179	#32	#3
11%	12%	23%	3%	29%

WEB GROSS REVENUE
R\$ 191.8 MM (21%)

RETAIL PRICE POINT
R\$ 380.00 / PAIR

GROSS REVENUE
R\$ 896.8 MM (24%)



4.7 MILLIONS FOLLOWERS





Reserva

— 2004 —

**FREE TO BE
CLASSICS
SOCIAL COMFORT
MADE IN BRAZIL**

0 - 50 ANOS

CHANNELS AND % REVENUE

O	F	MM
#89	#57	#1.211
49%	8%	21%

**WEB GROSS REVENUE
R\$ 158.5 MM (21%)**

**RETAIL PRICE POINT
R\$ 170.00 / PIECE**

**GROSS REVENUE
R\$ 731 MM (20%)**

 **1.5 MILLION FOLLOWERS**

*ACQUIRED AT DEC/20





ANACAPRI

— 2008 —

POP
FLAT SHOES
AFFORDABLE
COLORFUL

12 - 60 YEARS

CHANNELS AND % REVENUE

O	F	MM	EX
#2	#207	#1.681	#10
3%	39%	38%	1,5%

WEB GROSS REVENUE
R\$ 52 MM (17%)

RETAIL PRICE POINT
R\$ 140.00 / PAIR

GROSS REVENUE
R\$ 296.6 MM (8%)



1.6 MILLION FOLLOWERS





ALEXANDRE
BIRMAN

— 2009 —

DESIGN
EXCLUSIVITY
IDENTITY
SEDUCTION

20 - 45 YEARS

CHANNEL AND % REVENUE

O	MM	USA
#8	#28	#2
31%	3%	59%

WEB GROSS REVENUE
R\$ 9.7 MM (7%)

RETAIL PRICE POINT
R\$ 1,500.00 / PAIR

GROSS REVENUE
R\$ 142 MM (4%)



407K FOLLOWERS





— 2015 —

**CASUAL
YOUNG
URBAN
MODERN**

15 - 30 YEARS

CHANNELS AND % REVENUE

F	O	MM
#1	#2	#259
3%	15%	47%

WEB GROSS REVENUE

R\$ 9 MM (35%)

RETAIL PRICE POINT

R\$ 320.00 / PAIR

GROSS REVENUE

R\$ 26 MM (1%)



303K FOLLOWERS





ALME

— 2018 —

**CONFORT
WELLNES
BEAUTY
SELF CARE**

30 - 60 YEARS

CHANNELS AND % REVENUE

O	F	MM
#2	#2	#6
27%	9%	26%

WEB GROSS REVENUE
R\$ 3,3 MM (38%)

RETAIL PRICE POINT
R\$ 230.00 / PAIR

GROSS REVENUE
R\$ 8,5 MM (0,2%)

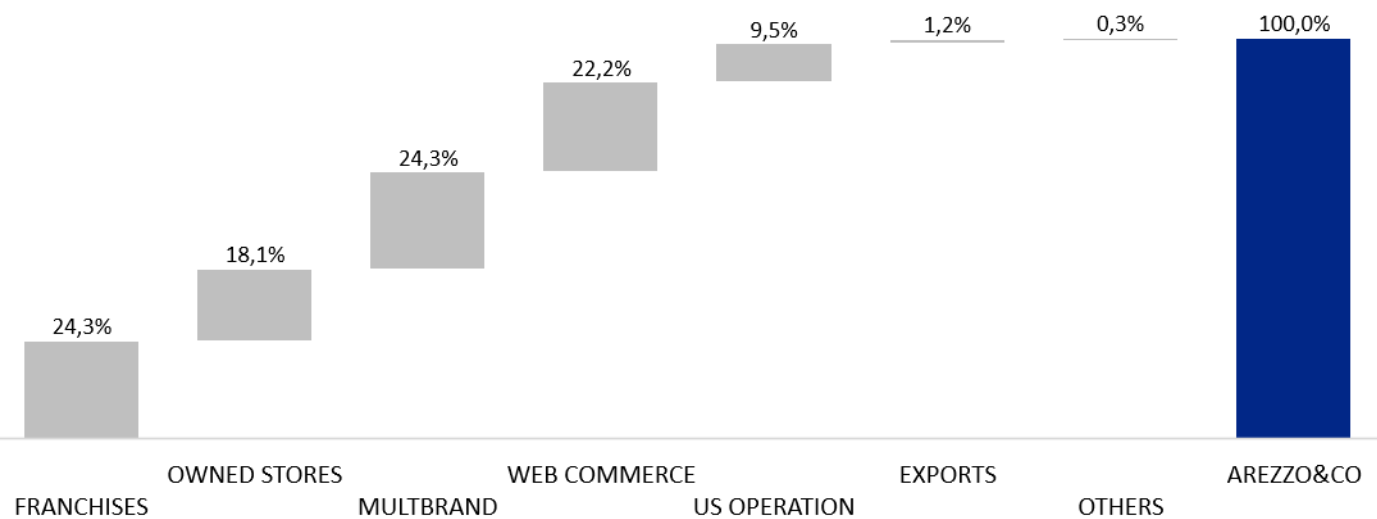
 **84,4K FOLLOWERS**



FLEXIBLE PLATFORM THROUGH DIFFERENT DISTRIBUTION CHANNELS WITH DIFFERENTIATED STRATEGIES, MAXIMIZING THE RETURN TO THE COMPANY



GROSS REVENUE BREAKDOWN BY CHANNEL



1. WITHOUT STORE OVERLAP BETWEEN BRANDS (INCLUDING RESERVA GROUP)
 2. LTM

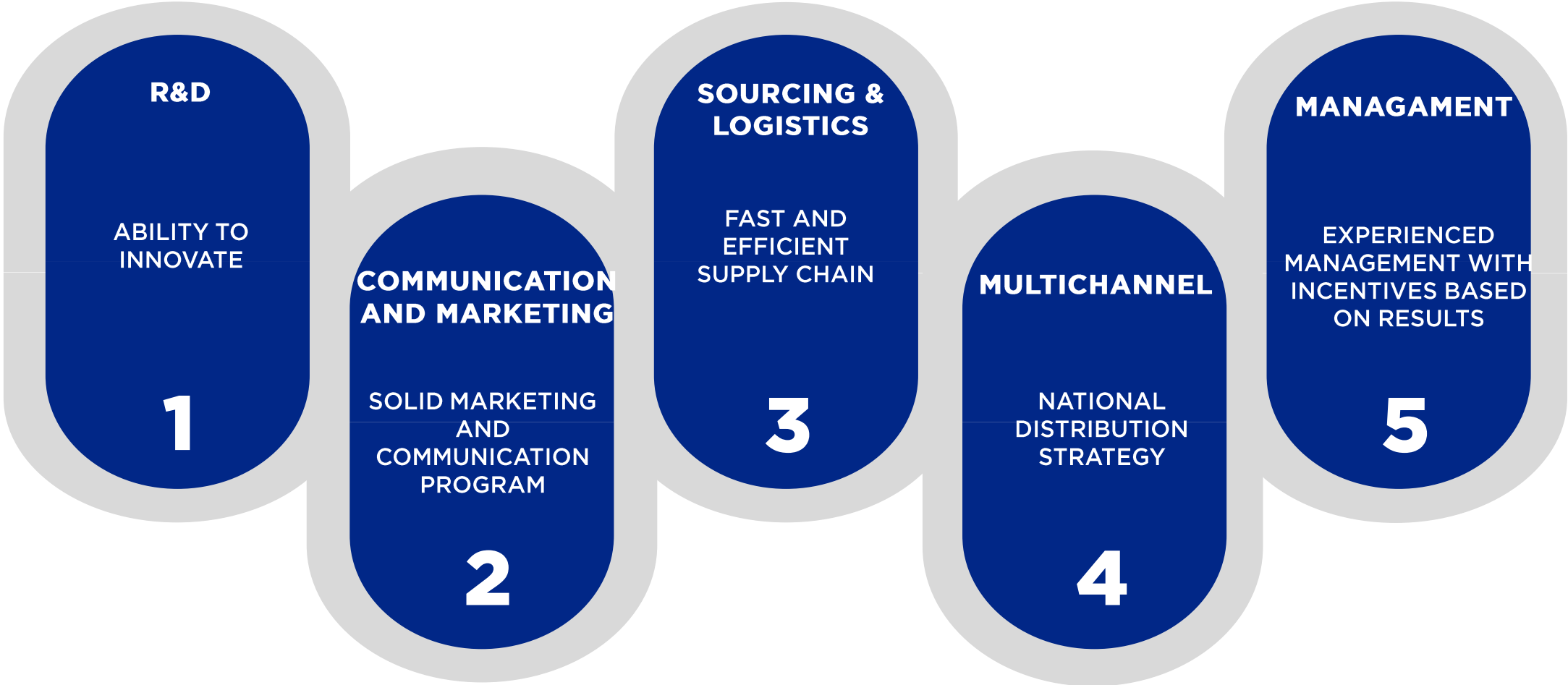
	FRANCHISES	OWNED STORES	MULTIBRAND
AREZZO	433	18	1.776
SCHUTZ	64	20	1.179
ANACAPRI	207	2	1.681
ALEXANDRE BIRMAN	-	8	28
FIEVER	1	2	259
ALME	2	2	6
VANS "OFF THE WALL"	13	12	1.510
Reserva	57	89	1.211

FROM SILENCE

SECTION 2

UNIQUE BUSINESS MODEL IN BRAZIL

FOCUS ON THE CUSTOMER: WE SEEK TO ANTICIPATE THE CONSUMPTION DESIRE OF BRAZILIAN WOMEN



BRANDS OS REFERENCE

COMMUNICATION AND MARKETING PLAN

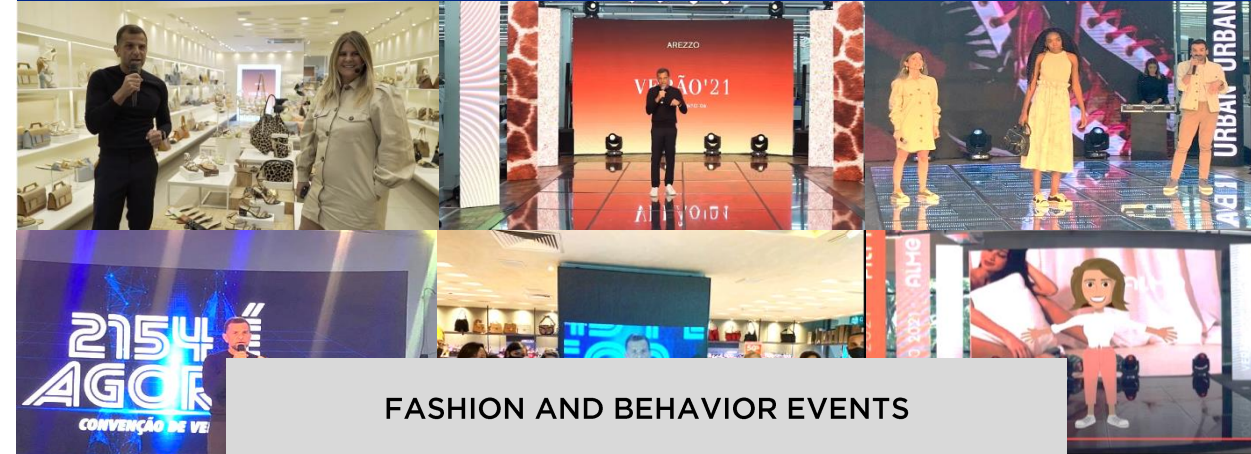
AREZZO
&CO

EACH BRAND HAS AN INTEGRATED AND EXPRESSIVE COMMUNICATION STRATEGY,
FROM THE CREATION OF CAMPAIGNS TO THE POINT OF SALES

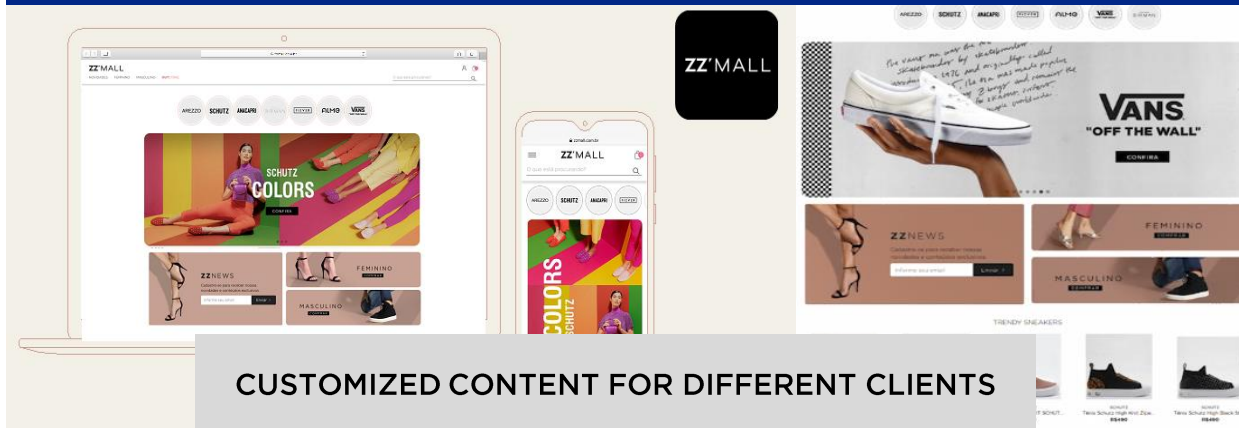
STRONG PRESENCE IN SOCIAL, DIGITAL, AND PRINT MEDIA



LIVE MARKETING AND EXPERIENCE AT POINT OF SALE



DIGITAL COMMUNICATION



PUBLIC RELATIONS



COMMUNICATION & MARKETING REFLECTED IN EVERY ASPECT OF THE STORES

AREZZO
&CO

STORES ARE CONSTANTLY CHANGED TO INCORPORATE THE CONCEPT OF EACH NEW COLLECTION, RESULTING IN A HIGHER LEVEL OF DESIRE-DRIVEN PURCHASES

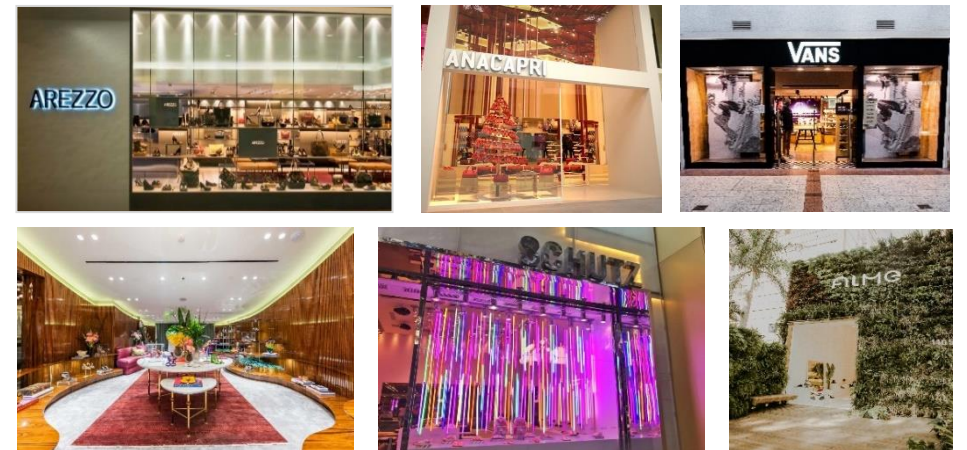
CAMPAIGNS



STORES LAYOUT & VISUAL MERCHANDISING



FLAGSHIP STORES



FLEXIBLE PRODUCTION PROCESS

AGILITY, FLEXIBILITY AND SCALABILITY OF PRODUCTION ENSURE THE GROWTH EXPECTED BY AREZZO&CO

FLEXIBLE SOURCING MODEL

OWNED FACTORY WITH CAPACITY TO PRODUCE 1,1MM PAIRS PER YEAR AND A STRONG RELATIONSHIP WITH VALE DOS SINOS PRODUCTION CLUSTER - THE MAIN OUTSOURCING REGION

CERTIFICATION AND AUDITING OF SUPPLIERS

IN-HOUSE CERTIFICATION AND AUDITING ENSURE QUALITY AND PUNCTUALITY (ISO 9001 CERTIFICATION IN 2008)



GAINS OF SCALE

AREZZO'S SCALE AND STRUCTURE GIVES FLEXIBILITY TO SOURCE A LARGE NUMBER OF SKU'S FROM VARIOUS FACTORIES ON A SHORT TIME WITH COMPETITIVE PRICES



JOINT PURCHASES

COORDINATION OF RAW MATERIAL NEGOTIATION WITH SUPPLIERS

NEW DISTRIBUTION CENTER - ESPIRITO SANTO STATE



CONSOLIDATION AND SIMULTANEOUS DISTRIBUTION IN NATIONAL SCALE



OUTSOURCING: 90% OF PRODUCTION OUTSOURCED AND 10% IN AREZZO&CO FACTORIES

FLAGSHIP STORES IN KEY BRAZILIAN LOCATIONS

AREZZO
&CO

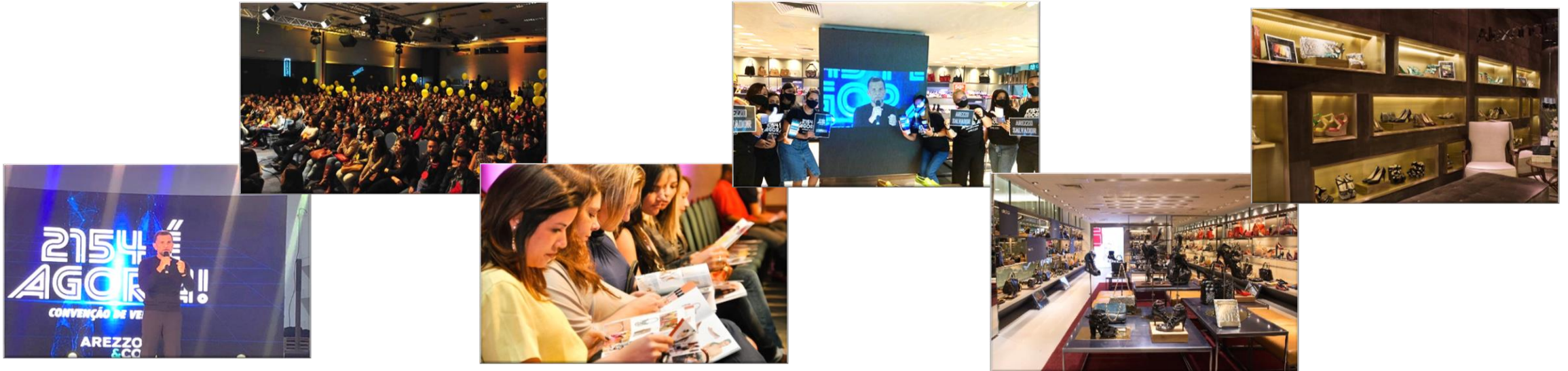
OWNED STORES ARE ESSENTIAL TO DEVELOP RETAIL KNOW-HOW AND INCREASE BRANDS' VISIBILITY IN REGIONS LIKE SÃO PAULO



TRAINING AND MOTIVATIONAL

AREZZO
&CO

STRUCTURE APPLIED TO RETAIL IN ORDER TO ACHIEVE BETTER SALES AND MARGIN RESULTS AS WELL AS TO INTEGRATE AND CONNECT ALL MONOBRAND STORES' BACK OFFICE



STRONG FOCUS ON FRANCHISE AND OWNED STORE PERFORMANCE

- ALL SALES TEAM (4,000+ PEOPLE) GET CONNECTED THROUGH A NATIONAL BROADCAST FOR THREE SALES CONVENTIONS PER YEAR, CREATING AN ALIGNED SALES PITCH AND A GREAT SENSE OF MOTIVATION BEFORE EACH SEASON
- LARGE SERVICE PROGRAM TO ASSIST FRANCHISEES ON SALES AND PROFITABILITY GOALS
- RECURRING TRAINING PROGRAMS IN PRODUCTS, FASHION TRENDS, SALES TECHNIQUES, STORE MANAGEMENT, IT, AMONG OTHERS
- STRONG VISUAL MERCHANDISING, TRADE MARKETING, AMBIANCE INVESTMENTS AND TRAINING

EFFICIENT MANAGEMENT OF THE FRANCHISE NETWORK

MODEL ALLOWS FAST EXPANSION WITH LOW INVESTED CAPITAL

SUCCESSFUL PARTNERSHIP: “WIN – WIN”

- INTENSE RETAIL TRAINING
- ONGOING SUPPORT: AVERAGE OF 6 STORES/ CONSULTANT AND AVERAGE OF 22 VISITS PER STORE/ YEAR
- STRONG RELATIONSHIP WITH AND ONGOING SUPPORT TO FRANCHISEE
- IT INTEGRATION WITH OUR FRANCHISES AMOUNTS TO 100%
- AS MONO-BRAND STORES, FRANCHISES REINFORCE BRANDING IN EACH CITY THEY ARE LOCATED

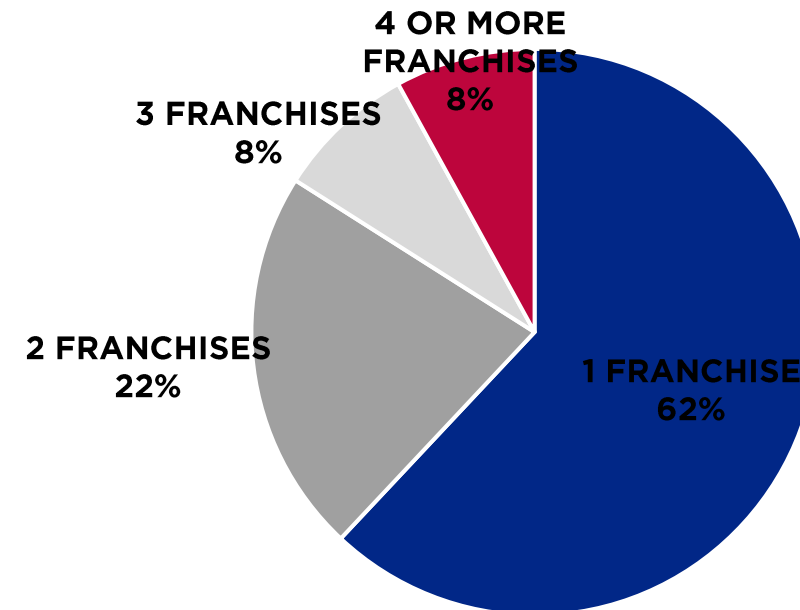
SEAL OF EXCELLENCE FROM ABF (BRAZILIAN ASSOCIATION OF FRANCHISING)

96% SATISFACTION OF FRANCHISEES (1)

5-YEAR CONTRACT AND AVERAGE PAYBACK OF 36-48 MONTHS (2)

FRANCHISE CONCENTRATION PER OPERATOR

(NUMBER OF OPERATORS PER NUMBER OF FRANCHISES HELD)



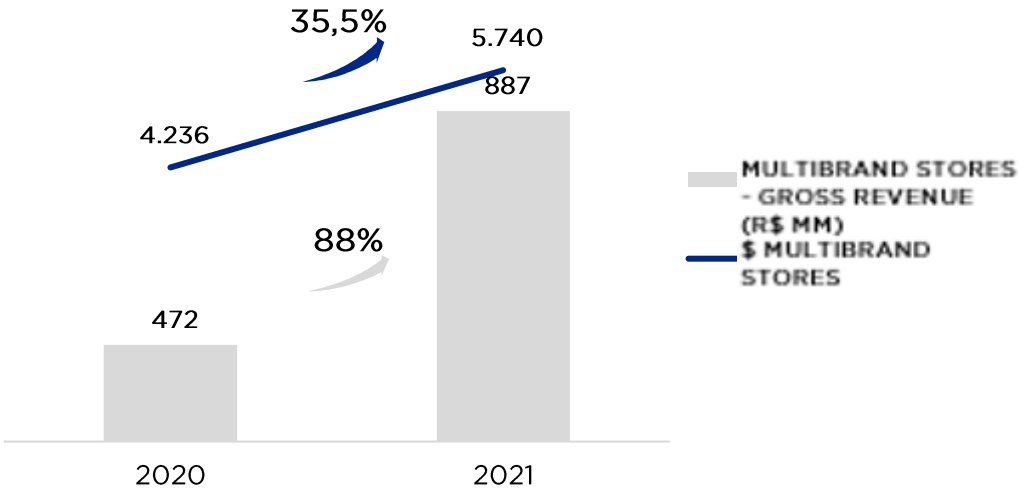
NOTES:

1. 96% OF THE CURRENT FRANCHISEES INDICATED THEY WOULD BE INTERESTED IN OPENING A FRANCHISE IF THEY DID NOT ALREADY HAVE ONE
2. FOR A REGULAR AREZZO BRAND STORE, WITH EXPECTED ANNUAL SALES OF R\$ 2,2 MILLION, THE AVERAGE INVESTMENT IS APPROXIMATELY R\$ 670 THOUSAND, INCLUDING STORE CAPEX, FRANCHISE FEE, WC AND INITIAL INVENTORY)

MULTIBRAND STORES AS TOOL FOR INCREASED CAPILARITY

MULTIBRAND STORES WIDEN THE DISTRIBUTION NETWORK AND THE BRANDS' VISIBILITY, RESULTING IN A STRONGER RETAIL FOOTPRINT

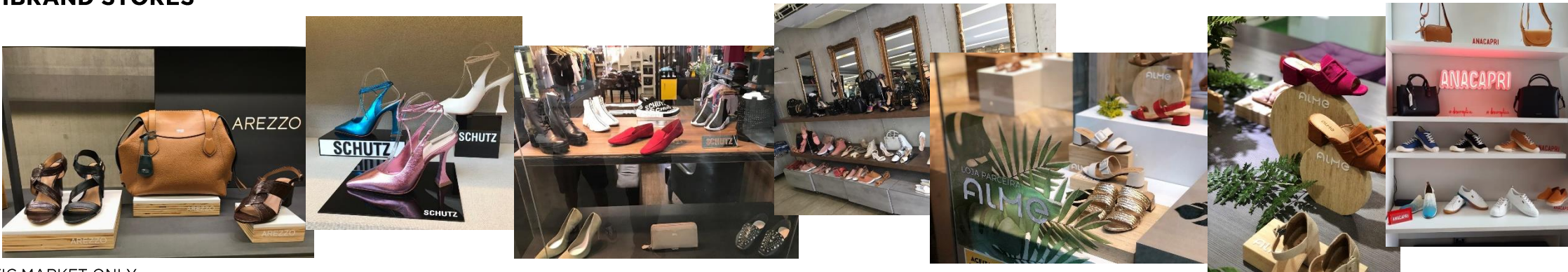
MULTIBRAND STORES' GROSS REVENUE¹ (R\$ MILLIONS)



IMPROVED DISTRIBUTION AND BRAND VISIBILITY

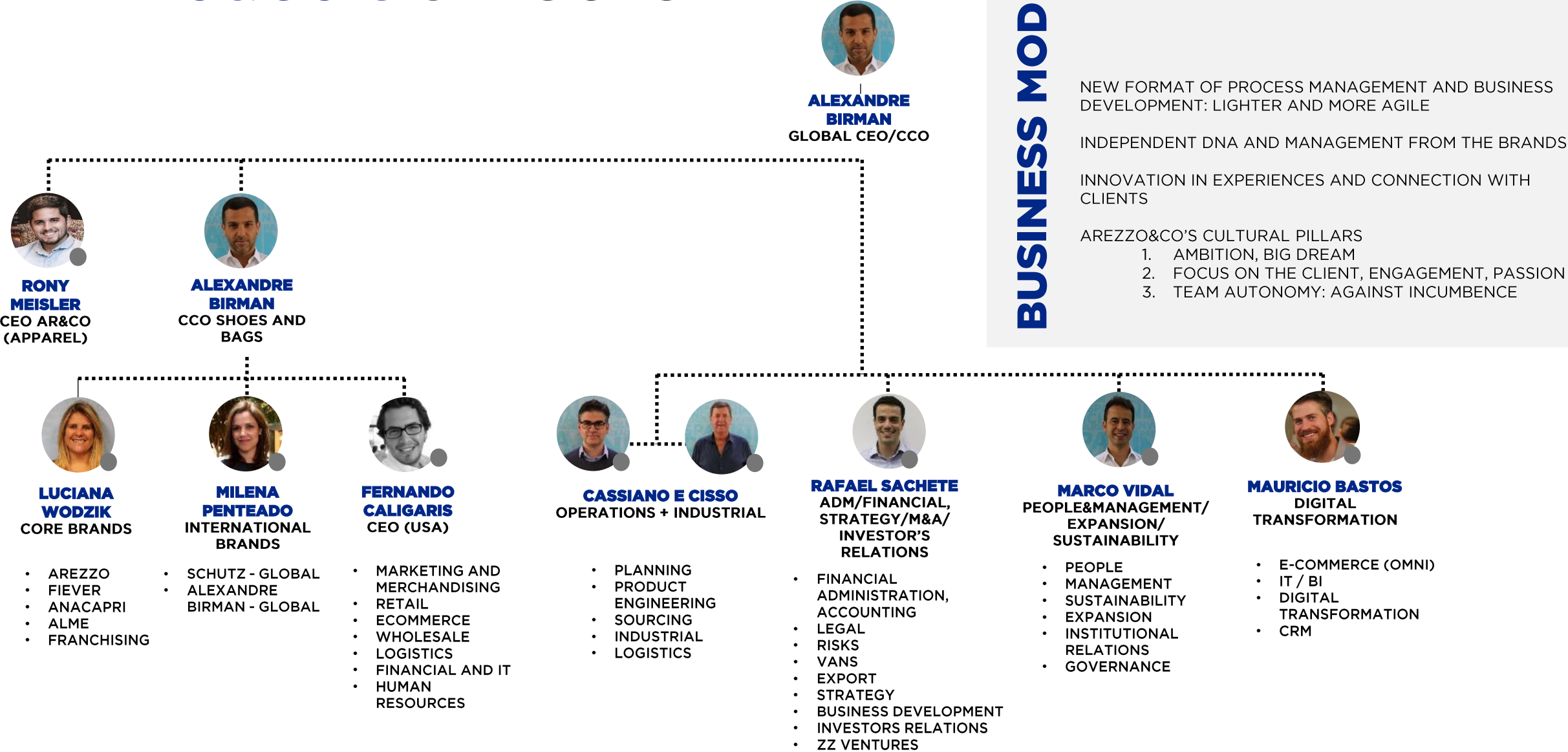
- GREATER BRAND DISTRIBUTION NETWORK
- PRESENCE IN OVER 1,497 CITIES
- FAST EXPANSION AT LOW INVESTMENT AND RISK
- MAIN FOCUS: INCREASE SHARE OF WALLET, THROUGH THE SALE OF MORE BRANDS AT THE SAME POS AND ALSO HANDBAGS AS PART OF THE MIX
- IMPORTANT SALES CHANNEL FOR SMALLER CITIES AND THE BRAZILIAN COUNTRYSIDE
- SALES TEAM OPTIMIZATION: INTERNAL TEAM AND COMMISSIONED SALES REPRESENTATIVES

MULTIBRAND STORES



NOTES:
1. DOMESTIC MARKET ONLY
2. AREZZO&CO MULTIBRANDS STORES ONLY

AREZZO&CO'S STRUCTURE



BOARD OF DIRECTORS

**AREZZO
&CO**

HIGH ENGAGEMENT WITH STRATEGIC PLANNING OF AREZZO&CO



**ALESSANDRO
CARLUCCI**

- GRADUATED FROM FGV IN BUSINESS MANAGEMENT;
- HE HEADED NATURA UNTIL 2014;
- CURRENT CHAIRMAN OF THE BOARD, MEMBER SINCE 2017.



**JOSÉ
BOLOGNA**

- GRADUATE DEGREE FROM PUC IN BUSINESS MANAGEMENT AND PSYCHOLOGY;
- FOUNDER AND CEO OF ETHOS SHAREWOODS;
- AUTHOR, CONSULTANT AND LECTURER;
- SIX TENURES AT AREZZO&CO.



**ALEXANDRE
BIRMAN**

- GRADUATED FROM FUMEC;
- CEO OF AREZZO&CO SINCE 2013;
- OVER 25 YEARS OF EXPERIENCE IN THE FOOTWEAR MARKET;
- FOUNDER OF FOUR BRANDS OF THE AREZZO7CO PORTFOLIO.



**GUILHERME
FERREIRA**

- GRADUATED FROM USP IN PRODUCTION ENGINEERING;
- MEMBER OF THE BOARD OF DIRECTORS OF B3;
- NOW AT AREZZO&CO FOR FIVE CONSECUTIVE TENURES.



**RENATA
VICH**

- GRADUATED FROM FIAM IN ADVERTISING;
- **CEO OF CRM GROUP - KOPENHAGEN, BRASIL CACAU AND KOP COFFEE;**
- EXPERIENCE IN MARKETING, COMMERCIAL AND EXPANSION AREAS.



**RONY
MEISLER**

- GRADUATED FROM PUC IN PRODUCTION ENGINEERING;
- **FOUNDER AND CEO OF GRUPO RESERVA.**



**JULIANA
BUCHAIM**

- GRADUATED FROM USP IN BUSINESS MANAGEMENT;
- PARTNER AND MANAGER OF SUMAUMA CAPITAL;
- MEMBER OF IBGC'S INNOVATION COMMISSION;
- **OVER 22 YEARS OF EXPERIENCE IN THE FINANCIAL MARKET**

STRATEGY & DIGITALIZATION

SECTION 3

STRATEGIC MAP – PILLARS AND LEVERS

STRATEGIC AREA



GROWTH OF THE CORE / EXPANSION OF THE CURRENT BRANDS

AREZZO **FIEVER**

CASUAL & DEMOCRATIC

SCHUTZ ALEXANDRE BIRMAN

FASHION & LUXURY

ANACAPRI ALME

COMFORT & FLATS



PEOPLE AND CULTURE

GOVERNANCE

CULTURE

EMPOWERMENT OF THE
FRONT LINE



TRANSFORMATION OF THE BUSINESS MODEL

EVOLUTION IN MERCHANDISING AND SUPPLY

SOURCING AND LOGISTICS 2.0

OMNI CHANNEL CUSTOMER EXPERIENCE

SUSTAINABILITY AS STANDART



ENGINE 2.0

MARKETPLACE **ZZ'MALL**

CONTENT AND SERVICES

CIRCULAR ECONOMY **TROC**

ACCELERATION OF E-COMMERCE



DATA AND TECHNOLOGY

DATA AND ANALYTICS

TECHNOLOGY



NOVAS MARCAS E SEGMENTOS BRASIL

M&A: CONSOLIDATION OF THE FASHION MARKET AB

LICENSING:

VANS
"OFF THE WALL"

ZZ VENTURES



NEW SEGMENTS: MY SHOES, SCHUTZ VESTUÁRIO,
BAMBINI, BRIZZA

AR&CO

INTEGRATE AND LEVERAGE THE
OPERATION

Reserva

**Baw®
Clothing**

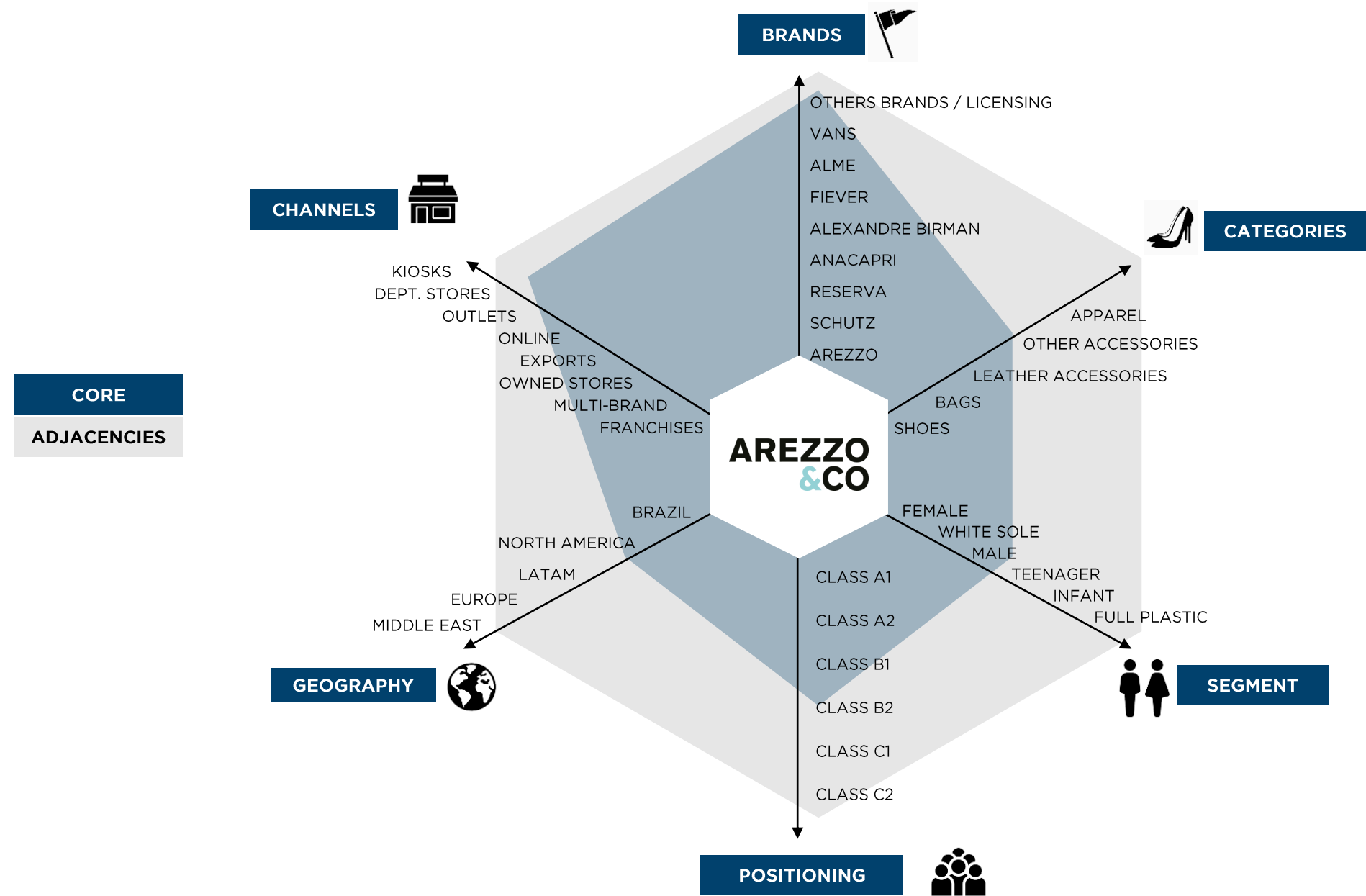
CAROL BASSI

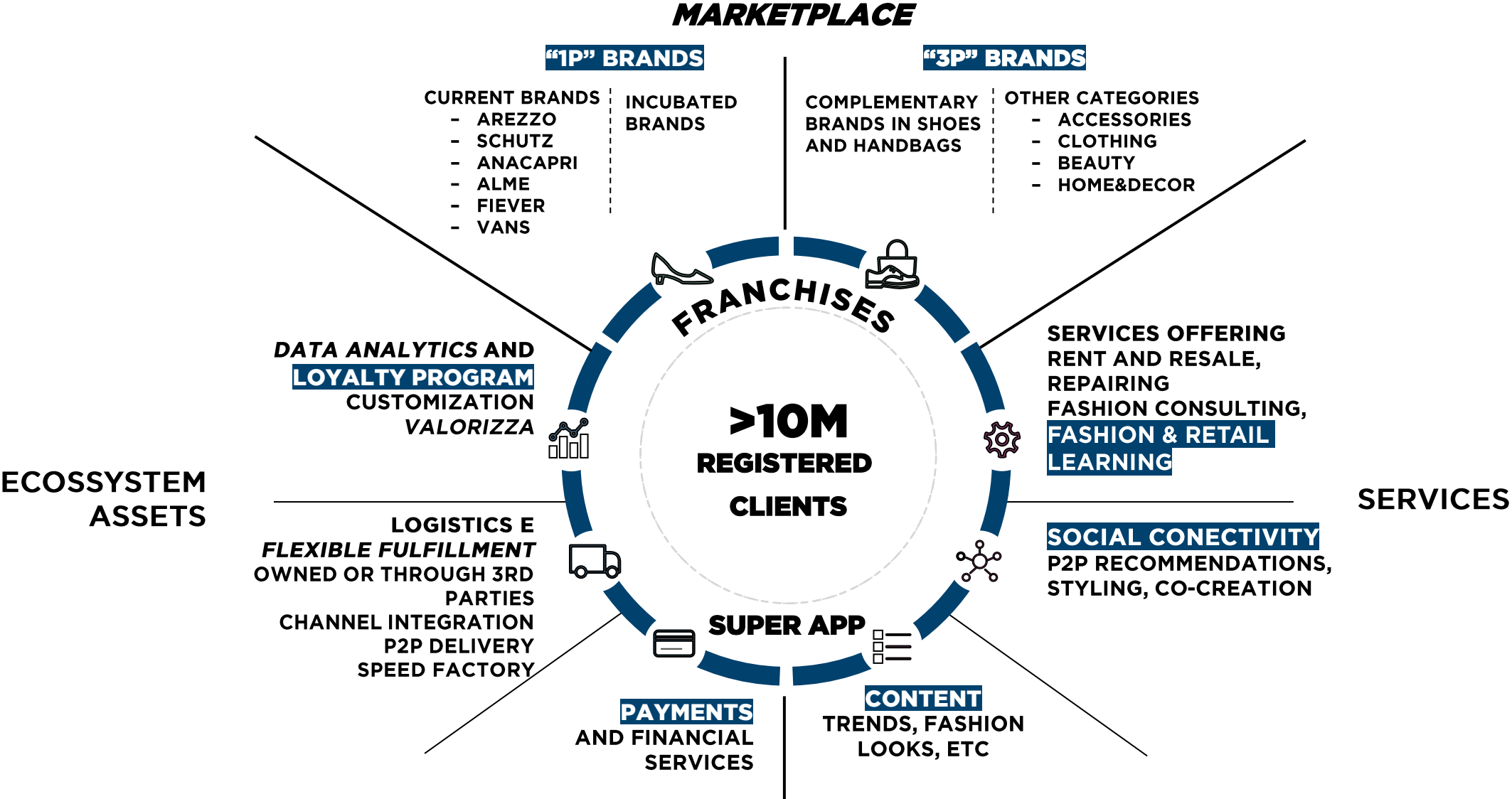


INTERNATIONAL MARKET

AMERICAN MARKET

AREZZO&CO GROWTH STRATEGY





OMNICHANNEL HIGHLIGHTS

E-COMMERCE SALES

- REVENUES: **R\$276MM** (+70% VS. 4Q20 +306% VS. 4Q19)

- TOTAL TRAFFIC: **R\$68MM** (+18% VS. 4Q20)

- TOTAL APP DOWNLOADS: **R\$1.3MM** (+118% VS. 4Q20)

- APPS AS % OF REVENUES: **22%** (+530 BPS VS. 4Q20)

- CONVERSION: **1.3%**

WEB COMMERCE

CHANNEL REGISTERED A

23% PARTICIPATION VS.

13% IN 2019 ON TOTAL

SALES.

OMNICHANNEL HIGHLIGHTS

OMNICHANNEL SALES

- SHARE OF DIGITAL IN PHYSICAL STORES SELL OUT: **35%**
- REVENUES FROM CLICK N' COLLECT AND STORE SHIPPING: **+43%** VS. 3Q21
- **8.7 MILLION** CONTACTS MADE IN 4Q20 (INFLUENCED REVENUES)
- **R\$230 MILLION** IN INFLUENCED SALES

R\$755MM

WEB COMMERCE SELL OUT (LTM)

R\$858MM

DIGITAL REVENUES (LTM)

R\$1.6B

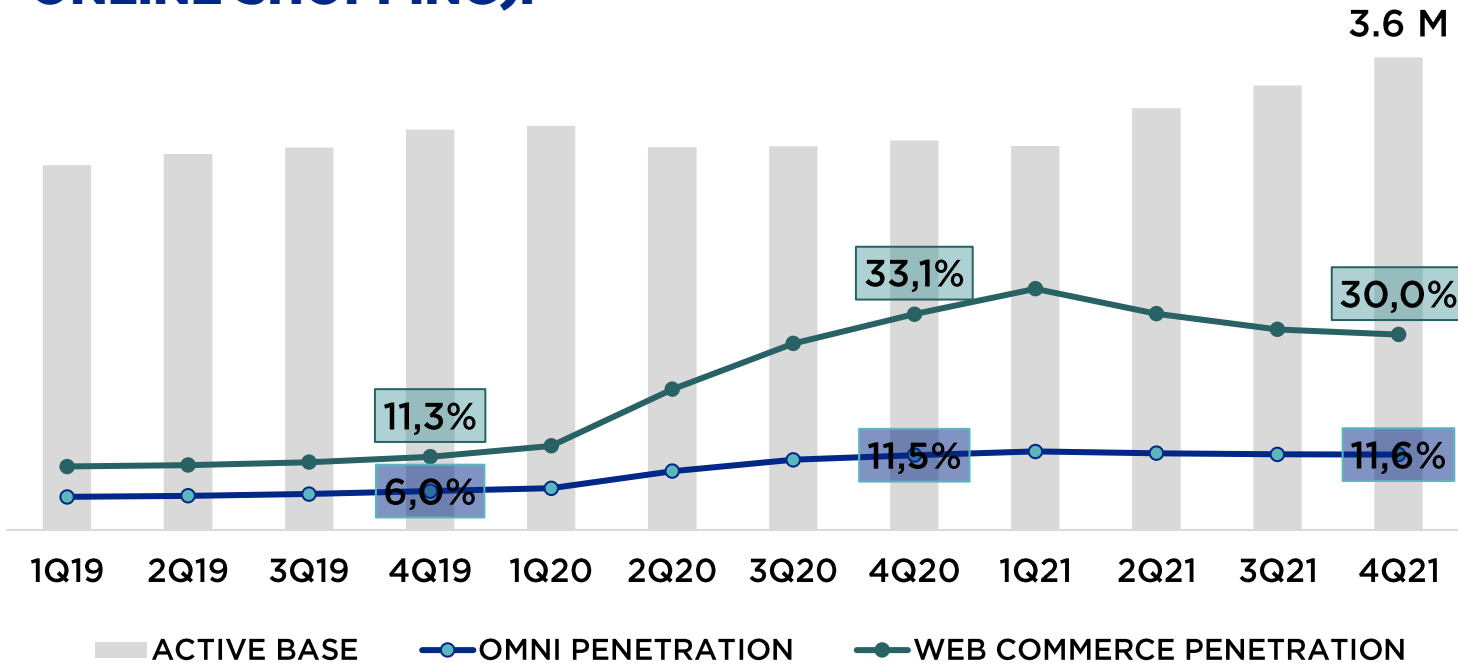
WEB SELL OUT + DIGITAL
REVENUES (LTM)

OMNICHANNEL HIGHLIGHTS

RECORD-SETTING ACTIVE CUSTOMER BASE: 3.6M;

30% OF AREZZO&CO CUSTOMERS BUY THROUGH THE ONLINE CHANNEL;

11.6% OF CUSTOMERS ARE OMNICHANNEL (PHYSICAL AND ONLINE SHOPPING).



- **138%** HIGHER PURCHASE FREQUENCY OF OMNI CUSTOMERS;
- **35%** OF THE CUSTOMER BASE WERE REACTIVATED IN 2021 VS. 2020;
- **21%** INCREASE OF THE “HEAVY USER” CUSTOMER BASE, REPRESENTING 37% REVENUES GROWTH VS. 2020;
- PURCHASE FREQUENCY OF INFLUENCED SALES THROUGH SALESPERSON CONTACTS IS **23%** HIGHER.

SPINRA

SECTION 4

AREZZO
&CO

TIMELINE US OPERATIONS

SCHUTZ



- NY STORE LAUNCH
- ATTEMPTED TO WORK WITH DEPARTMENT STORES.

- E-COMMERCE LAUNCH

- OUT FROM DEPARTMENT STORES

- RETURN TO ONLINE DEPARTMENT STORES



- LAUNCH OF THE LOS ANGELES STORE

- NEW SHOWROOM
- RETURN DEPARTMENT STORES
- INTEGRATED E-COMMERCE



- AVENTURA MALL STORE OPENING
- HOME DROPSHIP WITH WHOLESALE

- NEW PRICING STRATEGY IN THE OPERATION

2012

2013

2014

2015

2016

2017

2018

2020

- WHOLESALE START WITHOUT A SHOWROOM

- SHOWROOM NY



- LINE OPENING FOCUSED ON OWN FACTORY

- DELIVERY IMPROVEMENT
- CLARITA LAUNCH



- GROWTH DEPARTMENT STORES
- CLARITA BECOMES A STAR PRODUCT

- OPENINGS OF MADISON AVENUE & BAL HARBOR STORES
- HOME DROPSHIP WITH WHOLESALE



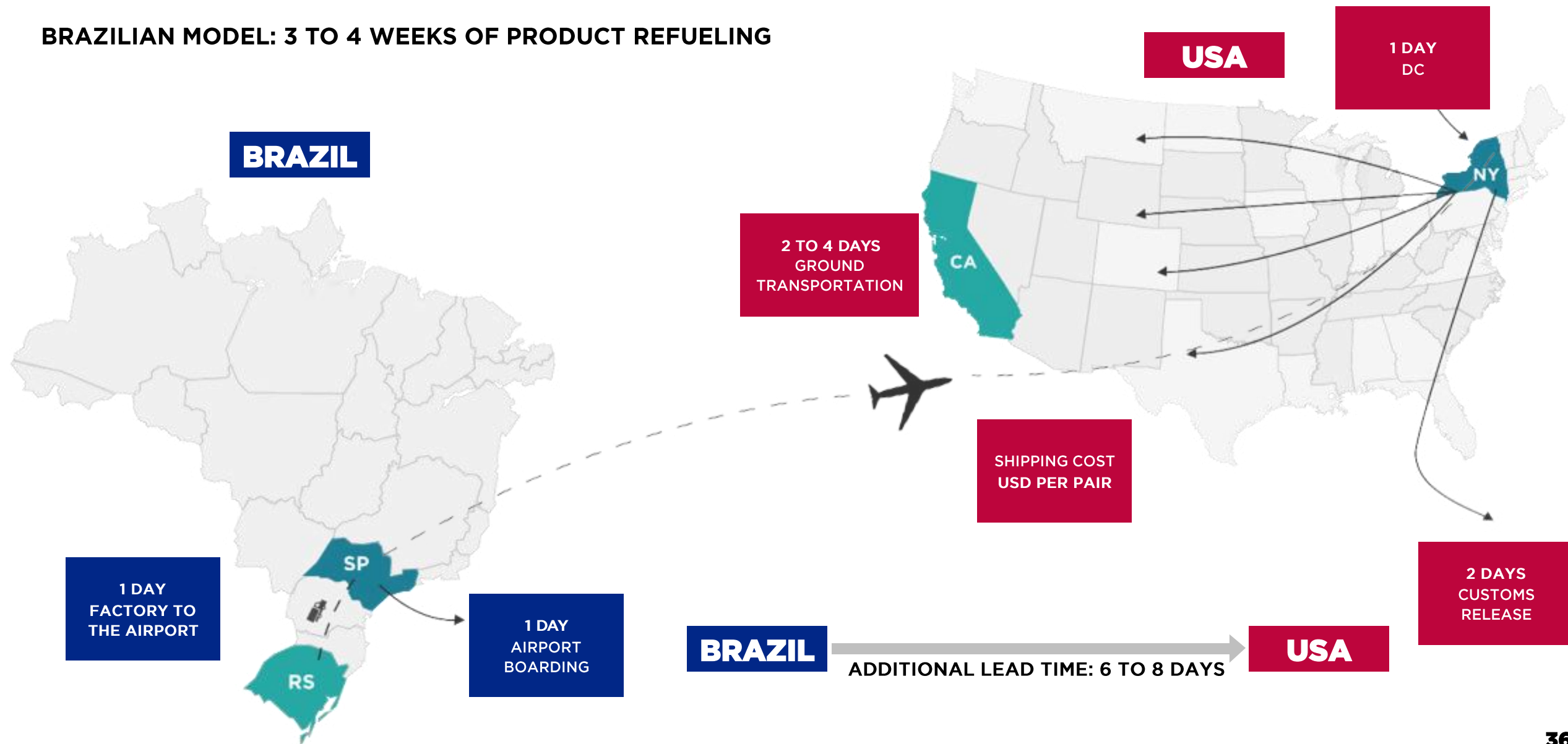
- ACHIEVEMENT OF BREAKEVEN IN 3Q20

ALEXANDRE
BIRMAN

US OPERATIONS

LEADTIME AS OUR GREATEST COMPETITIVE ADVANTAGE

BRAZILIAN MODEL: 3 TO 4 WEEKS OF PRODUCT REFUELING



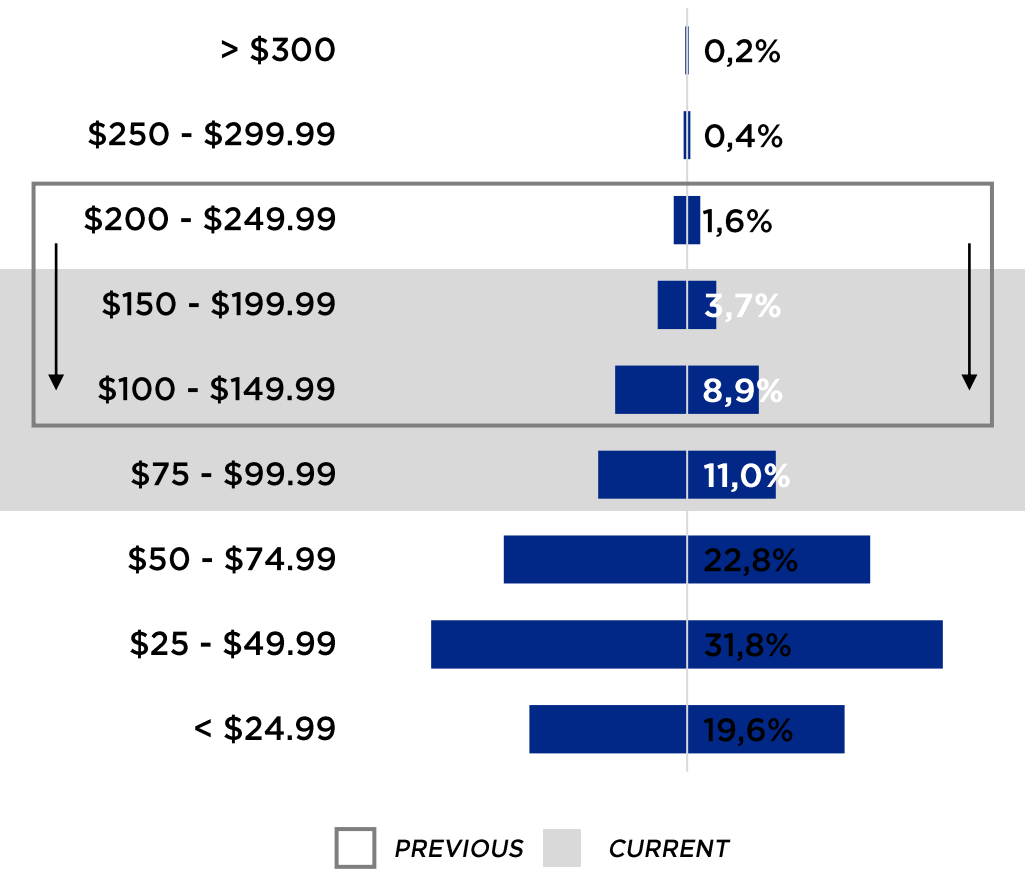
INCREASED EDGE AND EXPANSION OF ADDRESSABLE MARKET

AVERAGE PRICE



SALES VOLUME BY PRICE RANGE*

66.2% INCREASE IN ADDRESSABLE MARKET



*NPD GROUP RESEARCH

INTERNATIONAL BUSINESS

**CONSOLIDATION OF THE STRONG BRANDS AND
DISTRIBUTION CHANNELS POSITIONING STRATEGY,
LEADING TO STRONG RESULTS**

HIGHEST REVENUES IN THE HISTORY OF THE OPERATION

4Q21 GROSS REVENUES OF **R\$ 125.6MM**, **+82%** VS.
4Q20. IN 2021 TOTAL REVENUES OF **R\$ 347.5MM**

REVENUES GROWTH IN US DOLLARS WAS
73% VS. 4Q20

EBITDA BREAK-EVEN: A POSITIVE **R\$ 8.8MM** IN
4Q21

36% GROWTH OF THE WHOLESALE CHANNEL,
BOOSTED BY THE INCREASED NUMBER OF *DOORS* -
+42% 4Q20.

AREZZO
&CO

WEB COMMERCE

+173%
BRL vs 4Q20

+75%
WEBSITE
TRAFFIC

+147%
NUMBER OF
ORDERS

+324%
USD vs 4Q19

1.7%
CONVERSION
RATE

+155%
NUMBER OF
PAIRS SOLD

42K SHOPPING CUSTOMERS IN THE
QUARTER, **71%** OF WHICH WERE NEW

WHOLESALE

NORDSTROM: **108** STORES

BLOOMIGDALES: **43** STORES

SAKS: **19** STORES

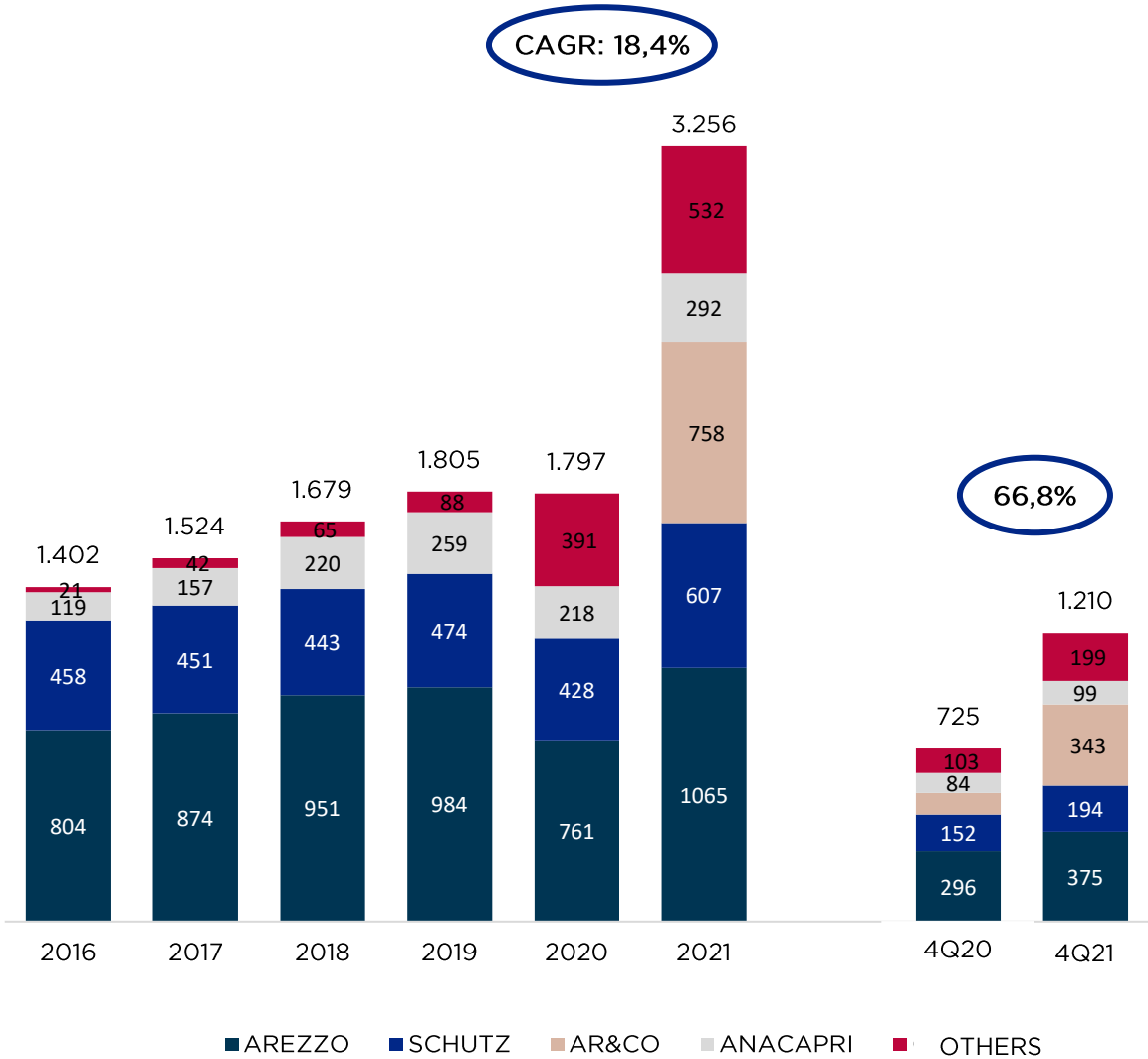
AMONG OTHER DEPARTMENT STORES

FINANCIAL HIGHLIGHTS

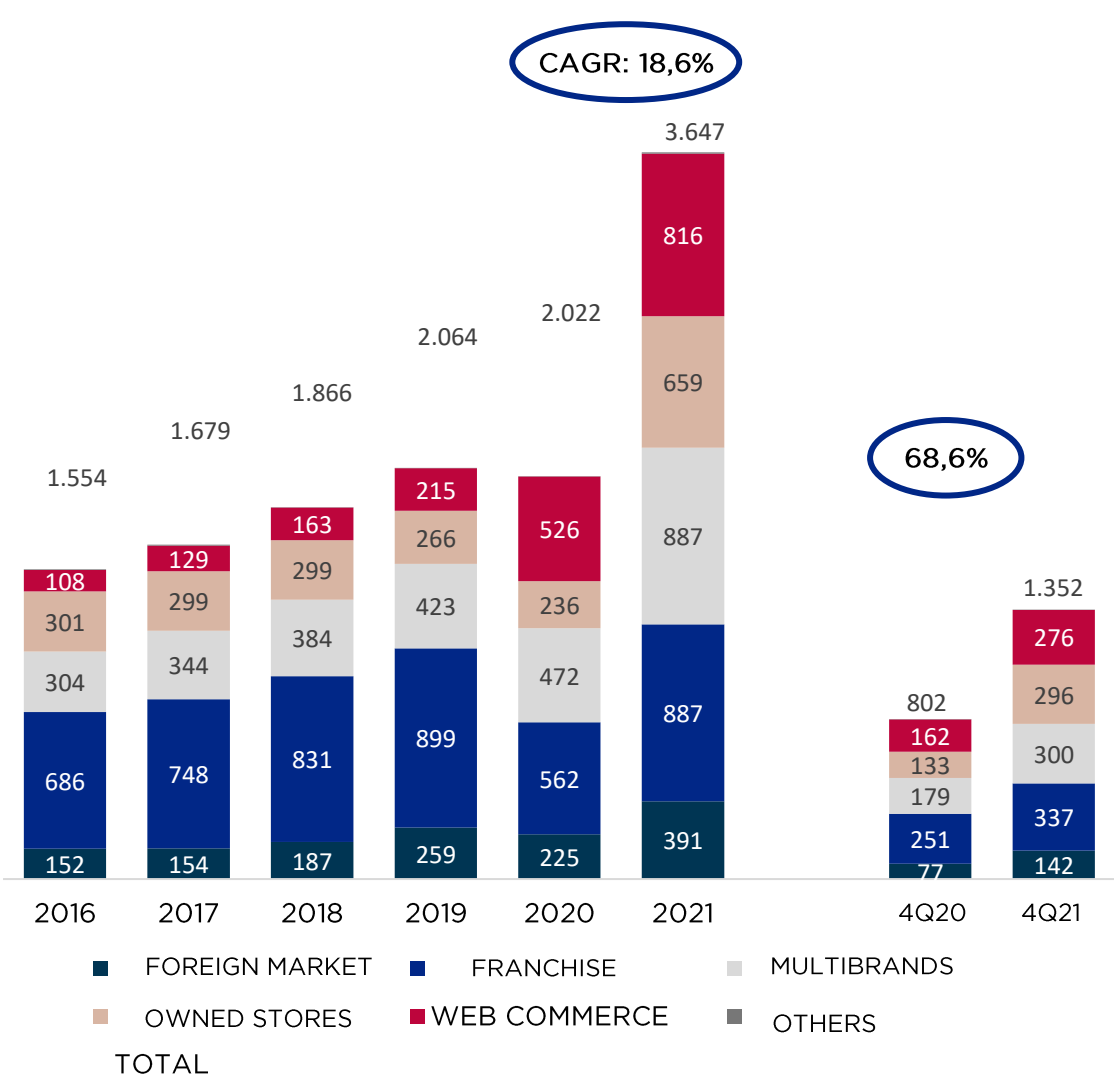
SECTION 5

FINANCIAL AND OPERATIONAL HIGHLIGHTS

GROSS REVENUE BREAKDOWN BY BRAND
DOMESTIC MARKET (R\$ MILLION)



GROSS REVENUE BREAKDOWN BY CHANNEL
DOMESTIC AND EXTERNAL MARKET (R\$ MILLION)

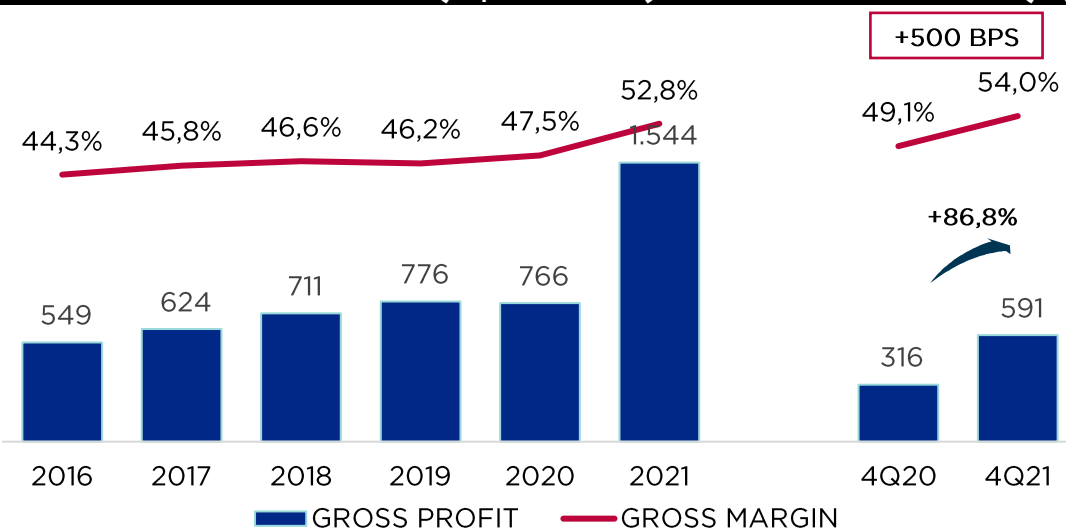


¹OTHER: INCLUDES RESERVA, A. BIRMAN, FIEVER, ALME AND VANS BRANDS ONLY IN THE INTERNAL MARKET AND OTHER NON-SPECIFIC BRAND REVENUE.

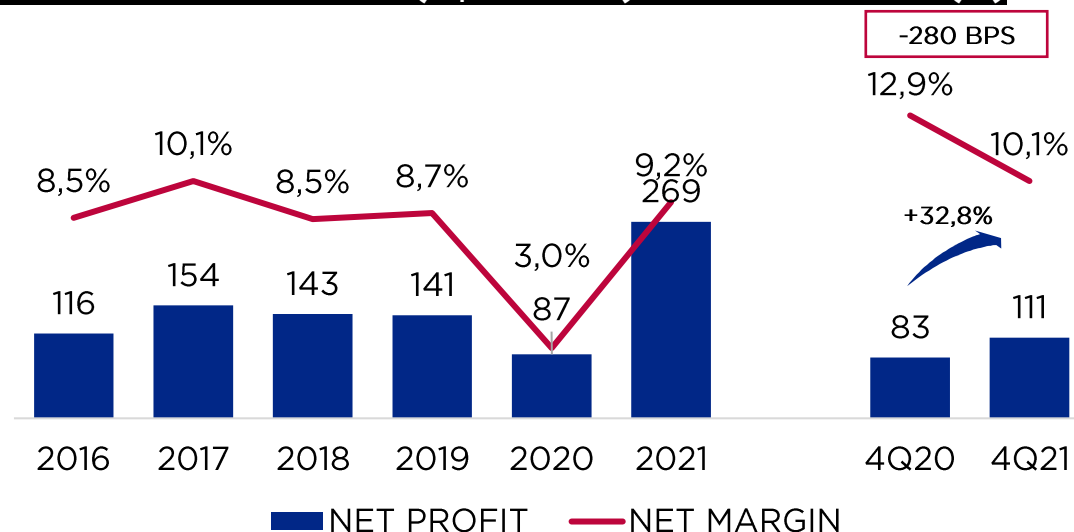
²OTHER: INCLUDES BRAND REVENUES THAT ARE NOT SPECIFIC TO DISTRIBUTION CHANNELS.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

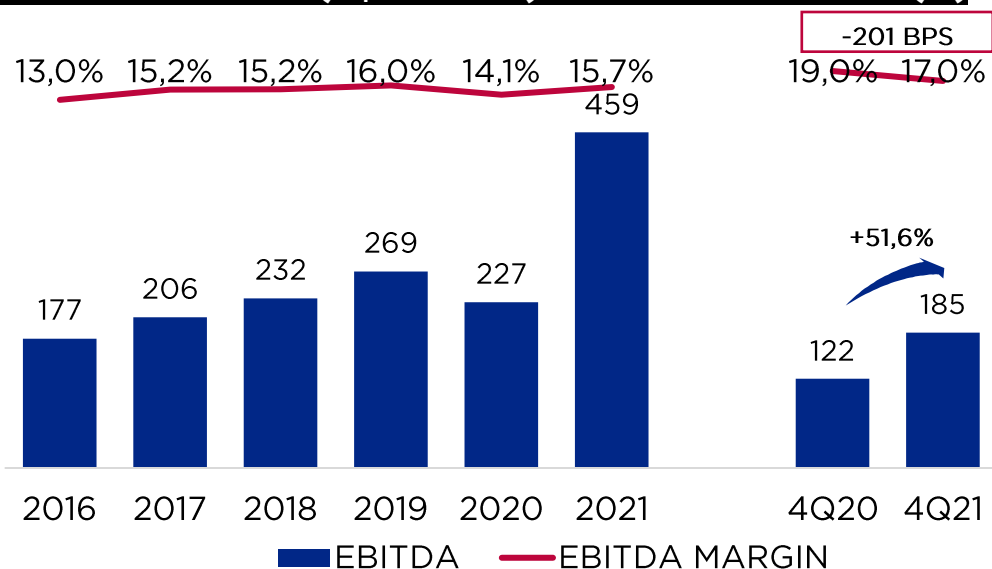
GROSS PROFIT EVOLUTION (R\$ MILLION) AND GROSS MARGIN (%)



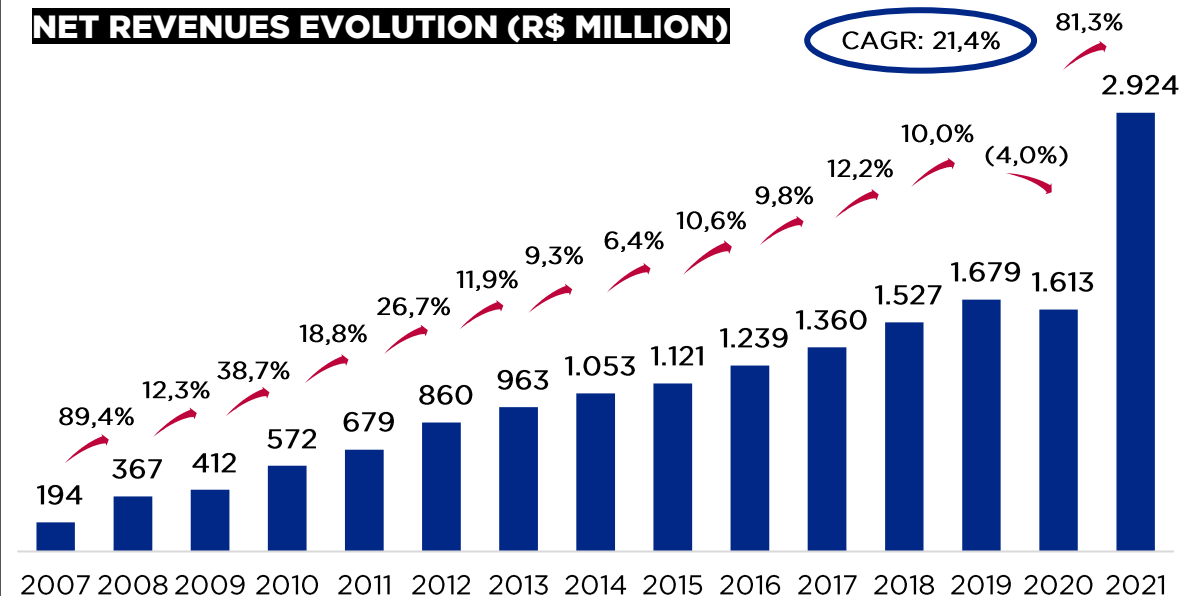
NET PROFIT EVOLUTION (R\$ MILLION) AND NET MARGIN (%)



EBITDA EVOLUTION (R\$ MILLION) AND EBITDA MARGIN (%)



NET REVENUES EVOLUTION (R\$ MILLION)



FINANCIAL AND OPERATIONAL HIGHLIGHTS

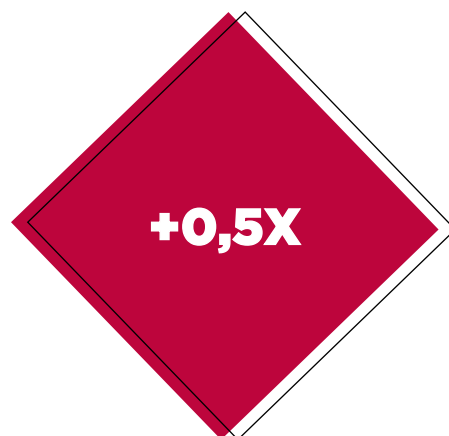
AREZZO&CO HAS A SOLID BALANCE SHEET WITH A HEALTHY NET CASH POSITION, COUPLED WITH A STRONG ABILITY TO GENERATE OPERATING CASH FLOW AND DIVIDEND PAYMENTS

**CASH POSITION
(4Q21)**



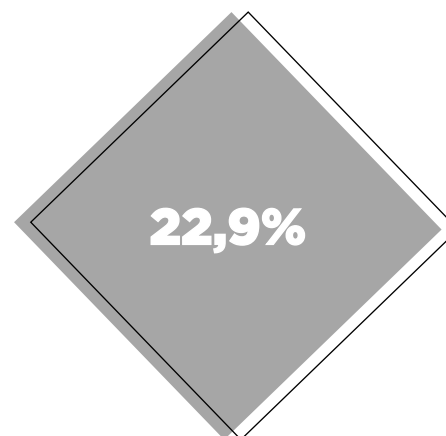
AREZZO&CO REINFORCED
ITS CASH POSITION

**NET DEBT/
EBITDA (4Q21)**



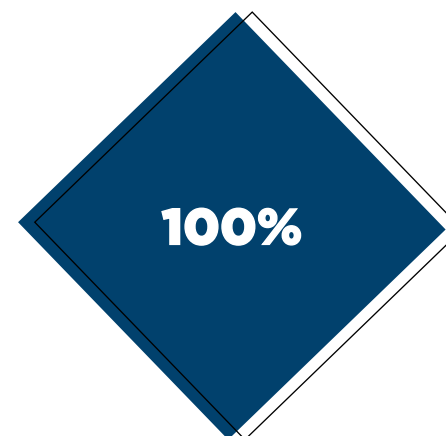
THE COMPANY CONTINUES
WITH A STRONG BALANCE
SHEET

**ROIC
(2021)**



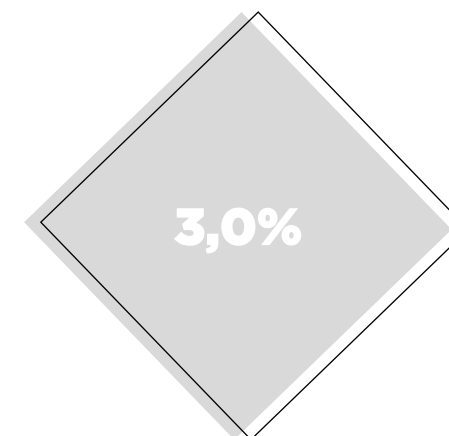
GROWTH OF NOPAT AND
IMPROVEMENT OF
WORKING CAPITAL

**DIVIDEND
PAYOUT (2020)**



CONSISTENT DISTRIBUTION
OF DIVIDENDS

**OPERATING CASH
FLOW YIELD (LTM)¹**



AREZZO&CO GENERATED
R\$ 252 MM IN OPERATING
CASH FLOW (LTM)

¹OPERATING CASH FLOW YIELD = LTM OPERATING CASH FLOW / FIRM VALUE. CONSIDERED FIRM VALUE OF R\$ 8,056 MM (AS THE AVERAGE FROM 04/01/2021 TO 31/12/2021).

FINANCIAL AND OPERATIONAL HIGHLIGHTS

INDEBTEDNESS

CASH POSITION AND INDEBTEDNESS	4Q21	3Q21	4Q20
CASH	262.559	297.205	561.165
TOTAL DEBT	534.594	568.258	634.269
SHORT-TERM	496.861	271.040	239.483
% TOTAL DEBT	92,9%	47,7%	37,8%
LONG-TERM	37.733	297.218	394.786
% TOTAL DEBT	7,1%	52,3%	62,2%
NET DEBT	272.035	271.053	73.104
NET DEBT/EBITDA	0,5x	0,5x	0,4x

- TOTAL INDEBTEDNESS OF R\$ 534.6 MILLIONS IN 4Q21 VS R\$ 634.3 MILLIONS IN 4Q20;
- 0.5X NET DEBT/EBITDA IN 4Q21 VS 0.4X IN 4Q20.

OPERATIONAL INDICATORS

OPERATING INDICATORS	4Q21	4Q20	Δ (%) 21 x 20	4Q19	Δ (%) 21 x 19
# OF PAIRS SOLD ('000)	6.780	5.497	23,3%	4.352	55,8%
PART. (%)	71,9%	82,5%	-10,6 p.p	89,5%	-17,6 p.p
# OF HANDBAGS SOLD ('000)	950	535	77,6%	509	86,7%
PART. (%)	10,1%	8,0%	2,1 p.p	10,5%	-0,4 p.p
# OF CLOTHES SOLD ('000)	1.705	633	169,3%	-	-
PART. (%)	18,1%	9,5%	8,6 p.p	-	-
# OF EMPLOYEES	5.276	2.260	133,5%	2.465	114,0%
# OF STORES*	941	891	50	752	189
OWNED STORES	158	132	26	53	105
FRANCHISES	783	759	24	699	84
OUTSOURCING (AS % OF TOTAL PRODUCTION)	92,2%	92,1%	0,1 p.p	91,0%	1,2 p.p
SSS ² SELL IN (FRANCHISES)	21,7%	-3,4%	25,1 p.p	2,8%	18,9 p.p
SSS ² SELL OUT (OWNED STORES + FRANCHISES + WEB)	34,8%	-10,6%	45,4 p.p	5,7%	29,1 p.p

(1) CONSIDERS GARMENTS SOLD BY THE VANS AND GRUPO RESERVA BRANDS

(3) SSS (SAME-STORE SALES): STORES ARE INCLUDED IN COMPARABLE STORE SALES AS OF THE 13TH MONTH OF OPERATION.

* INCLUDES OVERSEAS STORES

CAPEX

SUMMARY OF INVESTMENTS	4Q21	4Q20	Δ 21 x 20 (%)	2021	2020	Δ 21 x 20 (%)
TOTAL CAPEX	64.044	15.389	316,2%	168.881	46.185	265,7%
STORES - EXPANSION AND REFURBISHING	42.063	6.253	572,7%	88.007	12.115	626,4%
CORPORATE	16.513	8.721	89,3%	65.474	29.147	124,6%
OTHER	5.468	415	1.217,6%	15.400	4.923	212,8%

AREZZO
FLEX

SECTION 6

KEY FINANCIAL INDICATORS

MAIN FINANCIAL INDICATORS	4Q21	4Q21 ADJUSTED	4Q20 ADJUSTED	Δ (%) 21 X 20	4T19 ADJUSTED	Δ (%) 21 X 19
GROSS REVENUES	1.352.404	1.352.404	802.283	68,6%	573.729	135,7%
NET REVENUES	1.092.950	1.092.950	644.615	69,6%	467.652	133,7%
COGS	(502.252)	(502.252)	(328.421)	52,9%	(249.435)	101,4%
DEPRECIATION AND AMORTIZATION (COST)	(876)	(876)	(821)	6,7%	(664)	31,9%
GROSS PROFIT	590.698	590.698	316.194	86,8%	218.217	170,7%
GROSS MARGIN	54,0%	54,0%	49,1%	4,9 P.P	46,7%	7,3 P.P
SG&A	(445.647)	(435.640)	(212.057)	105,4%	(160.138)	172,0%
% OF NET REVENUES	(40,8%)	(39,9%)	(32,9%)	(7,0 P.P)	(34,2%)	(5,7 P.P)
SELLING EXPENSES	(304.773)	(302.930)	(145.598)	108,1%	(108.582)	179,0%
OWNED STORES AND WEB COMMERCE	(160.501)	(160.501)	(61.317)	161,8%	(33.064)	385,4%
SELLING, LOGISTICS AND SUPPLY	(144.272)	(142.429)	(84.281)	69,0%	(75.518)	88,6%
GENERAL AND ADMINISTRATIVE EXPENSES	(108.405)	(100.241)	(49.037)	104,4%	(35.462)	182,7%
OTHER OPERATING REVENUES (EXPENSES)	(3.128)	(3.128)	(131)	2.294,8%	1.034	(402,5%)
DEPRECIATION AND AMORTIZATION (EXPENSES)	(29.341)	(29.341)	(17.291)	69,7%	(17.128)	71,3%
EBITDA	175.268	185.275	122.249	51,6%	75.871	144,2%
EBITDA MARGIN	16,0%	17,0%	19,0%	(2,0 P.P)	16,2%	0,8 P.P
NET INCOME	103.918	110.523	83.208	32,8%	46.803	136,1%
NET MARGIN	9,5%	10,1%	12,9%	(2,8 P.P)	10,0%	0,1 P.P

STORES HISTORY

STORE INFORMATION	4Q20	1Q21	2Q21	3Q21	4Q21
SALES AREA ^{1,3} - TOTAL (M ²)	56.461	56.906	58.199	59.917	64.182
SALES AREA - FRANCHISES (M ²)	42.176	42.621	43.818	44.711	47.844
SALES AREA - OWNED STORES ² (M ²)	14.285	14.285	14.381	15.206	16.337
TOTAL NUMBER OF DOMESTIC STORES	880	872	879	883	930
# OF FRANCHISES	753	743	746	743	777
AREZZO	451	441	437	429	433
SCHUTZ	68	67	62	64	64
ANACAPRI	186	187	192	193	207
FIEVER	1	1	1	1	1
ALME	3	3	3	2	2
VANS	7	7	9	10	13
AR&CO	37	37	42	44	57
# OF OWNED STORES	127	129	133	140	153
AREZZO	12	15	15	18	18
SCHUTZ	16	17	20	20	20
ALEXANDRE BIRMAN	8	8	8	8	8
ANACAPRI	5	3	3	3	2
FIEVER	2	2	2	2	2
ALME	2	2	2	2	2
VANS	7	7	7	9	12
AR&CO	75	75	76	78	89
TOTAL NUMBER OF INTERNATIONAL STORES	11	11	11	11	11
# OF FRANCHISES	6	6	6	6	6
# OF OWNED STORES ⁴	5	5	5	5	5

BALANCE SHEET - IFRS

ASSETS	4Q21	3Q21	4Q20
CURRENT ASSETS	1.646.786	1.495.473	1.564.868
CASH AND BANKS	33.750	49.047	38.297
FINANCIAL INVESTMENTS	228.809	248.158	522.868
TRADE ACCOUNTS RECEIVABLES	790.302	605.881	598.824
INVENTORY	450.487	448.212	290.896
TAXES RECOVERABLE	73.852	87.897	86.034
OTHER CREDITS	68.230	54.654	27.949
FINANCIAL INSTRUMENTS - DERIVATIVES	1.356	1.624	0
NON-CURRENT ASSETS	1.719.540	1.629.771	1.268.520
LONG-TERM RECEIVABLES	297.892	283.932	119.337
TRADE ACCOUNTS RECEIVABLES	4.276	5.200	2.564
DEFERRED INCOME AND SOCIAL CONTRIBUTION	90.225	83.797	81.475
FINANCIAL INSTRUMENTS - DERIVATIVES	6.427	0	0
OTHER CREDITS	196.964	194.935	35.298
INVESTMENTS PROPERTY	2.460	4.780	2.116
INVESTMENTS	402	2.298	900
PROPERTY, PLANT AND EQUIPMENT	403.868	348.244	316.300
INTANGIBLE ASSETS	1.014.918	990.517	829.867
TOTAL ASSETS	3.366.326	3.125.244	2.833.388

LIABILITIES	4Q21	3Q21	4Q20
CURRENT LIABILITIES	1.519.000	1.070.932	911.418
LOANS AND FINANCING	496.861	271.040	239.483
LEASE	57.017	52.351	52.890
SUPPLIERS	574.713	457.912	399.189
OTHER LIABILITIES	390.409	289.629	219.856
NON-CURRENT LIABILITIES	255.320	506.137	573.373
LOANS AND FINANCING	37.733	297.218	394.786
OTHER LIABILITIES	35.454	17.758	17.274
LEASE	174.879	155.314	160.470
OTHER AMOUNTS PAYABLE	1.813	30.597	0
DEFERRED TAX	5.441	5.250	843
SHAREHOLDER'S EQUITY	1.590.580	1.546.535	1.348.597
CAPITAL	811.284	808.715	967.924
CAPITAL RESERVE	196.925	198.491	49.229
PROFIT RESERVES	541.478	335.832	335.832
ADJUSTMENT OF EQUITY VALUATION	-9.107	-8.183	-6.970
ACCUMULATED PROFIT	0	211.512	0
PROPOSED ADDITIONAL DIVIDENDS	50.000	0	2.582
COMPREHENSIVE INCOME	0	168	0
TOTAL SHAREHOLDER'S EQUITY	1.592.006	1.548.175	1.348.597
NON-CONTROLLING INTEREST STAKE	1.426	1.640	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3.366.326	3.125.244	2.833.388

INCOME STATEMENT - IFRS

INCOME STATEMENT - IFRS	4Q21	4Q20	VAR.%	2021	2020	VAR.%
NET OPERATING REVENUE	1.092.950	644.615	69,6%	2.923.827	1.590.992	83,8%
COST OF GOODS SOLD	(502.252)	(328.421)	52,9%	(1.385.147)	(835.779)	65,7%
GROSS PROFIT	590.698	316.194	86,8%	1.538.680	755.213	103,7%
OPERATING INCOME (EXPENSES):	(445.647)	(221.391)	101,3%	(1.070.155)	(663.104)	61,4%
SELLING	(329.971)	(172.091)	91,7%	(884.411)	(529.953)	66,9%
ADMINISTRATIVE AND GENERAL EXPENSES	(112.548)	(52.075)	116,1%	(316.217)	(162.234)	94,9%
OTHER OPERATING INCOME, NET	(3.128)	2.775	-212,7%	130.473	29.083	348,6%
INCOME BEFORE FINANCIAL RESULT	145.051	94.803	53,0%	468.525	92.109	408,7%
FINANCIAL INCOME	(24.513)	(20.870)	17,5%	(64.671)	(37.551)	72,2%
INCOME BEFORE INCOME TAXES	120.538	73.933	63,0%	403.854	54.558	640,2%
INCOME TAX AND SOCIAL CONTRIBUTION	(16.620)	3.115	-633,5%	(60.134)	(5.974)	906,6%
CURRENT	(22.857)	(9.076)	151,8%	(64.286)	(46.596)	38,0%
DEFERRED	6.237	12.191	-48,8%	4.152	40.622	-89,8%
NET INCOME FOR PERIOD	103.918	77.048	34,9%	343.720	48.584	607,5%
RESULTS ATTRIBUTED TO:						
CONTROLLING SHAREHOLDERS	104.133	77.048	35,2%	345.234	48.584	610,6%
NON-CONTROLLING SHAREHOLDERS	(215)	-	-	(1.514)	-	-
NET INCOME FOR PERIOD	103.918	77.048	34,9%	343.720	48.584	607,5%

CASH FLOW STATEMENT - IFRS

CASH FLOW	4Q21	4Q20	2021	2020
OPERATING ACTIVITIES				
NET INCOME	103.918	77.048	343.720	48.584
ADJUSTMENTS TO RECONCILE THE RESULTS ACCORDING TO THE CASH GENERATED BY OPERATING ACTIVITIES:	56.404	1.572	203.607	149.850
DEPRECIATION AND AMORTIZATION	30.869	21.307	105.748	81.103
INCOME FROM FINANCIAL INVESTMENTS	(3.470)	(2.844)	(13.127)	(11.650)
INTEREST AND EXCHANGE RATE	11.309	(4.511)	34.056	34.612
INCOME TAX AND SOCIAL CONTRIBUTION	16.622	(3.115)	60.134	5.973
OTHERS	1.074	(9.265)	16.796	39.812
DECREASE (INCREASE) IN ASSETS				
TRADE ACCOUNTS RECEIVABLES	(182.762)	(107.285)	(197.157)	(108.797)
INVENTORY	(3.528)	31.114	(166.683)	(38.655)
RECOVERABLE TAXES	(4.635)	16.965	(152.525)	(15.140)
CHANGE IN OTHER CURRENT ASSETS	(22.814)	13.176	(59.360)	(25.357)
JUDICIAL DEPOSITS	(3.180)	(4.590)	(23.420)	(9.108)
(DECREASE) INCREASE IN LIABILITIES				
SUPPLIERS	118.587	142.598	183.093	234.575
LABOR LIABILITIES	23.246	5.957	47.242	(8.610)
FISCAL AND SOCIAL LIABILITIES	37.615	4.257	31.101	5.313
VARIATION IN OTHER LIABILITIES	27.908	342	62.393	16.152
PAYMENT OF INCOME TAX AND SOCIAL CONTRIBUTION	(7.313)	(2.941)	(11.549)	(19.437)
INTEREST PAYMENT ON LOANS	(6.573)	(2.579)	(18.524)	(9.054)
NET CASH FLOW FROM OPERATING ACTIVITIES	136.873	175.634	241.938	220.316

CASH FLOW STATEMENT - IFRS

CASH FLOW	4Q21	4Q20	2021	2020
INVESTING ACTIVITIES				
SALE OF FIXED AND INTANGIBLE ASSETS	1.037	932	1.472	1.277
ACQUISITION OF FIXED AND INTANGIBLE ASSETS	(64.044)	(15.389)	(168.881)	(46.185)
FINANCIAL INVESTMENTS	(606.549)	(743.175)	(2.214.275)	(2.027.529)
REDEMPTION OF FINANCIAL INVESTMENTS	627.705	835.354	2.517.233	1.838.505
ACQUISITION OF SUBSIDIARY, NET CASH OBTAINED ON ACQUISITION	(50.000)	(163.404)	(146.321)	(163.404)
PAYMENT OF CAPITAL IN SUBSIDIARIES	-	100.000	-	100.000
RECEIPT OF DIVIDENDS	-	54	-	54
NET CASH USED FOR INVESTMENT ACTIVITIES	(91.851)	14.372	(10.772)	(297.282)
FINANCING ACTIVITIES				
LOANS AND FINANCING	-	97.610	128.180	552.851
PAYMENTS OF LOANS	(38.400)	(92.454)	(243.386)	(213.882)
CONSIDERATION OF LEASE	(20.491)	(21.054)	(75.529)	(60.352)
INTEREST ON EQUITY AND INVESTMENT ACTIVITIES	-	(148.317)	(32.172)	(170.992)
CREDITS (DEBITS) WITH SHAREHOLDERS	-	(1.000)	1.000	(2.502)
RESOURCES FROM THE EXERCISE OF STOCK OPTIONS	2.569	-	2.569	-
REPURCHASE OF SHARES	(3.009)	-	(14.175)	(3.672)
NET CASH USED ON FINANCING ACTIVITIES	(59.331)	(165.215)	(233.513)	101.451
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(14.309)	24.791	(2.347)	24.485
DISPONIBILIDADES				
EFFECT OF EXCHANGE RATE VARIATION ON CASH AND CASH EQUIVALENT	(988)	4	(2.200)	4
CASH AND CASH EQUIVALENTS - INITIAL BALANCE	49.047	13.502	38.297	13.808
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	33.750	38.297	33.750	38.297
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(14.309)	24.791	(2.347)	24.485

CONTACTS:

CHIEF FINANCIAL AND IR OFFICER
RAFAEL SACHETE

IR MANAGER
VICTORIA MACHADO

IR SPECIALIST
MARIA LUCIA REMIGIO

IR ANALYST
LARISSA CRISTOVÃO

RI@AREZZO.COM.BR
RI.AREZZOCO.COM.BR