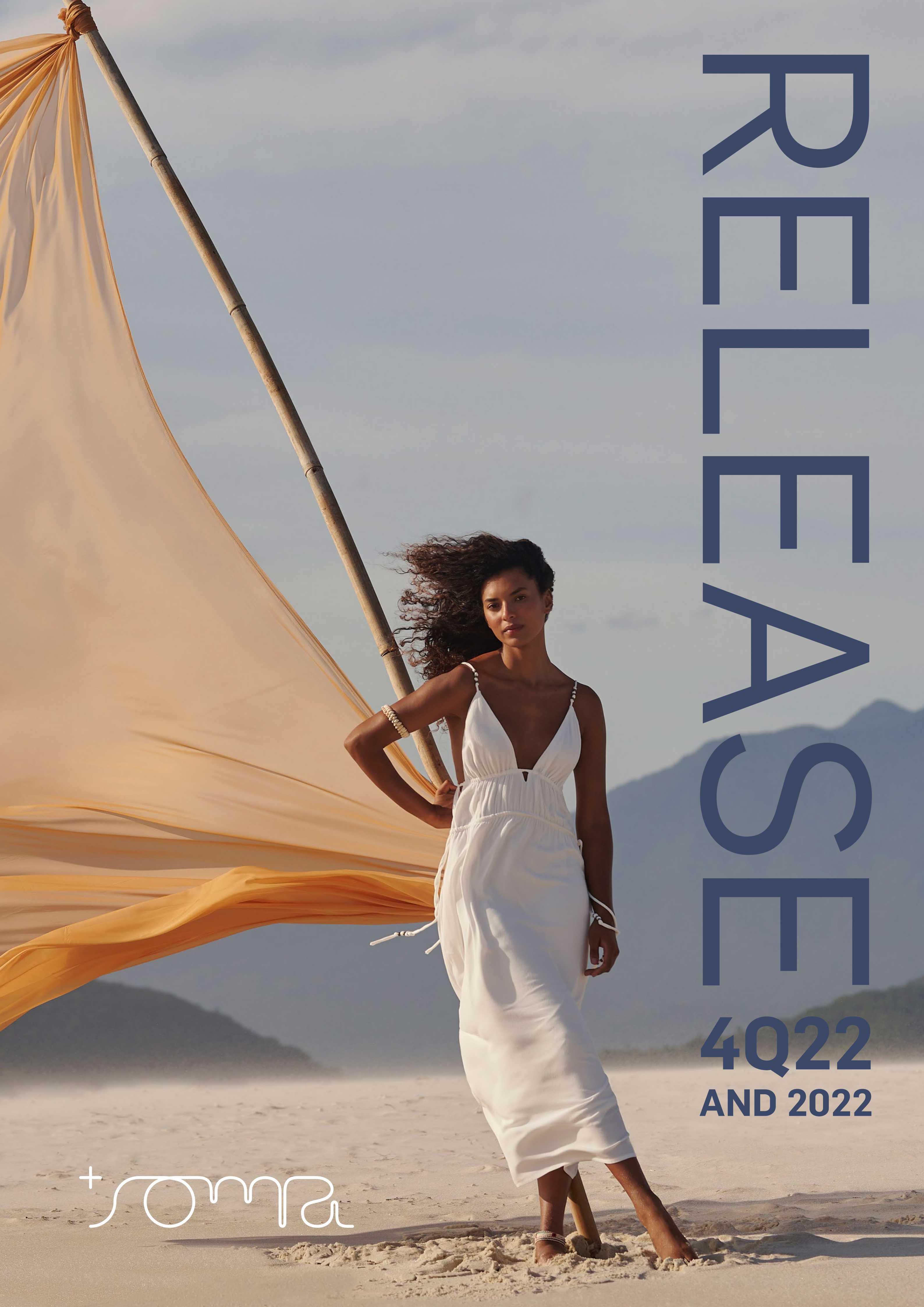


RELEASE 4Q22 AND 2022

EARNINGS CALL

March 8

11h (BRASÍLIA)
9 am (US-EST)

WEBCAST:
click here

Rio de Janeiro, March 7, 2023

SOMA Group, the largest fashion group in Brazil, releases its earnings for 4Q22 and the full year of 2022

SOMA Group achieved an all-time high revenue of **BRL 5.6 billion** in 2022, an increase of **32%**[1] vs. 2021, with double-digit gross revenue growth among all brands, reaching an adjusted EBITDA margin of **15%**[1], representing a relevant gain of **5 p.p.** vs. 2021.

[1] Growth compared to 2021 pro forma, which considers the combined results for the SOMA Group and Hering during months before the acquisition.

4Q22 **HIGHLIGHTS**

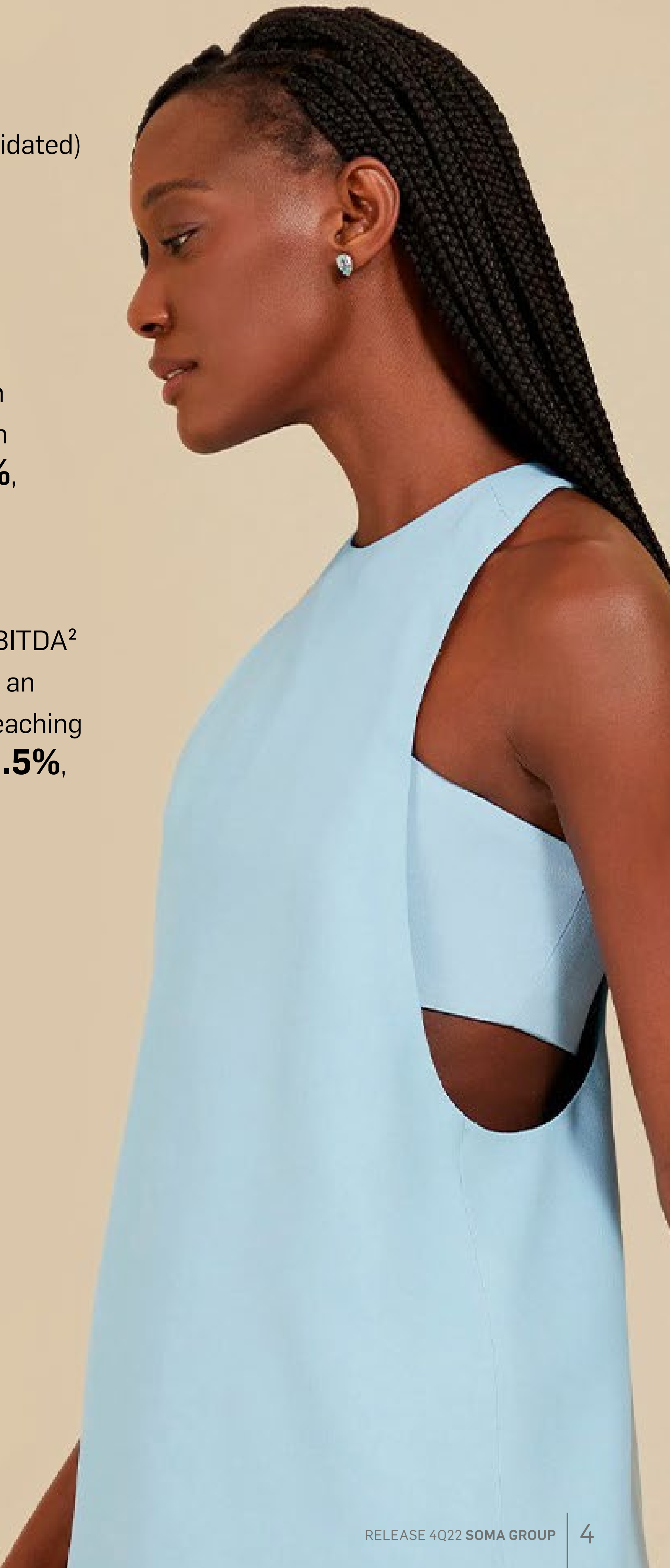
In 4Q22, the SOMA Group (Consolidated) achieved an all-time high gross revenue of **BRL 1.6 billion**, **+12.3%** vs. 4Q21.

Adjusted gross profit [2] reached **BRL 741.7 million**, a growth of **+13.0%** vs. 4Q21, reaching an adjusted gross margin[2] of **54.6%**, with a **+0.7p.p.** gain vs. 4Q21.

Corporate EBITDA added up to BRL 188.8 million; the adjusted EBITDA[2] reached **BRL 210.7 million**, an increase of **+40.0%** vs. 4Q21, reaching an adjusted EBITDA margin of **15.5%**, and **+3.1 p.p.** gains vs. 4Q21.

Adjusted net income[2] added up to **BRL 99.3 million** in 4Q22, up **+14.2%** vs. 4Q21.

[2] Reconciliation of gross profit, EBITDA and pro forma adjusted net income on pages 44, 47 and 48, respectively.



4Q22 HIGHLIGHTS

In the **ex-Hering** view, the strong brand desirability is a major factor for maintaining resilient growth:

An all-time gross revenue of **BRL 926.4 million**, up **+17.3%** vs. 4Q21

Strong growth in wholesale **(+31.4%)** and digital **(+28.2%)** vs. 4Q21.

Gross profit of **BRL 488.6 million** in 4Q22, **+13.3% vs**. 4Q21.

Customer acquisition continues at high levels, with an increase in the active base of **+17.8%** vs. 4Q21.

4Q22 HIGHLIGHTS

We had another quarter of record revenue at **Hering**:

Record gross revenue of **BRL 687.5 million**, **+6.2%** vs. 4Q21 and **+42.4%**[3] vs. 4Q19.

Acceleration among channels, emphasizing digital sales **(+29.9%)** and wholesale **(+11.9%)** vs. 4Q21.

Adjusted gross profit of **BRL 253.1 million** in 4Q22, a **+12.5%** increase vs. 4Q21, with a significant expansion in the adjusted gross margin of **+2.7 p.p.** vs. 4Q21.

Active customer base grew **+14.6%** vs. 4Q21.

[2] Reconciliation of gross profit, EBITDA and pro forma adjusted net income on pages 44, 47 and 48, respectively.

[3] Excluding the PUC brand that was discontinued in 2020.

MAIN INDICATORS

BRL Millions Consolidated (Pro forma[1])	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021 (Pro forma)[1]	2022 vs. 2021
Gross revenue	**1,613.9**	**1.437.5**	**12.3%**	**5,649.6**	**4,290.8**	**31.7%**
Adjusted Gross Profit[2]	**741.7**	**656.1**	**13.0%**	**2,769.3**	**2,032.1**	**36.3%**
Adjusted Gross Margin	54.6%	53.9%	0.7 p.p.	56.9%	55.5%	1.4 p.p.
Adjusted EBITDA[2]	**210.7**	**150.5**	**40.0%**	**735.4**	**384.4**	**91.3%**
Adjusted EBITDA Margin	15.5%	12.4%	3.1 p.p.	15.1%	10.5%	4.6 p.p.
Adjusted Net Income[2]	**99.3**	**87.0**	**14.2%**	**384.0**	**221.9**	**73.1%**
Adjusted Net Margin	7.3%	7.1%	0.2 pp	7.9%	6.1%	1.8 p.p.

BRL Million Ex-Hering	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Gross revenue	**926.4**	**789.9**	**17.3%**	**3,319.2**	**2,441.4**	**36.0%**
Adjusted Gross Profit[2]	**488.6**	**431.2**	**13.3%**	**1,928.3**	**1,387.9**	**38.9%**
Adjusted Gross Margin	63.7%	65.5%	-1.8 pp.	67.3%	67.1%	0.2 p.p.

BRL Million Hering	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Gross revenue	**687.5**	**647.6**	**6.2%**	**2,330.4**	**1,849.4**	**26.0%**
Adjusted Gross Profit[2]	**253.1**	**224.9**	**12.5%**	**841.0**	**644.2**	**30.5%**
Adjusted Gross Margin	42.9%	40.2%	2.7 p.p.	41.9%	40.4%	1.5 p.p.

[1] Pro forma refers to the combined earnings for SOMA Group and Hering in periods prior to the acquisition.

[2] Reconciliation of gross profit, EBITDA and pro forma adjusted net income on pages 44, 47 and 48, respectively.

During the EGM held on September 14, 2021, the operation that resulted in the incorporation of the Company was approved. Cia. Hering ("Hering") is now part of the Grupo de Moda Soma structure ("SOMA Group"). In this report, we will present the evolution of the earnings ex-Hering and the consolidated numbers, which will be compared to 2021 pro forma, which considers Hering's earnings in the months prior to the acquisition, from January to August 2021, combined with the SOMA Group earnings. Hering's earnings will be presented in the chapter dedicated to this brand.

Financial Summary – Consolidated (Pro Forma)

BRL million Financial Summary	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021 (Pro forma)	2022 vs. 2021
Gross Revenue	**1,613.9**	**1.437.5**	**12.3%**	**5,649.6**	**4,290.8**	**31.7%**
Net Revenue	1,357.5	1,217.2	11.5 %	4,870.5	3,671.8	32.6%
Adjusted Net Revenue	**1,357.5**	**1,217.2**	**11.5 %**	**4,870.5**	**3,661.5**	**33.0%**
Gross Profit	732.5	611.7	19.7%	2,760.1	1,985.5	39.0%
Adjusted Gross Profit	**741.7**	**656.1**	**13.0%**	**2,769.3**	**2,032.1**	**36.3%**
Adjusted Gross Margin	54.6%	53.9%	0.7 p.p.	56.9%	55.5%	1.4 p.p.
EBITDA	188.8	96.0	96.7%	709.0	327.4	116.6%
Adjusted EBITDA	**210.7**	**150.5**	**40.0%**	**735.4**	**384.4**	**91.3%**
Adjusted EBITDA Margin	15.5%	12.4%	3.1 p.p.	15.1%	10.5%	4.6 p.p.
Net Income	72.4	44.8	61.7%	335.2	294.7	13.7%
Adjusted Net Income	**99.3**	**87.0**	**14.2%**	**384.0**	**221.9**	**73.1%**
Adjusted Net Margin	7.3%	7.1%	0.2 pp	7.9%	6.1%	1.8 p.p.

MANAGEMENT'S COMMENTS

In 2022, we reached a gross revenue of **BRL 5,649.6 million**, an increase of **72.9%** *vs.* 2021. When analyzing the pro forma results, our gross revenue grew **31.7%** vs. 2021 and **67.9%** vs. 2019. The Adjusted EBITDA margin was **15.1%**, an increase of **4.6 p.p.** vs. 2021, demonstrating our strong operational leverage. Adjusted net income added up to **BRL 384.0 million**, a **73.1%** increase vs. 2021 and a net margin of **7.9%**.

We ended 2022 with a total active base of **5.4 million customers**, more than **12,000 active wholesalers** and a total **1,094 stores**, **358 were our own stores** and **736 franchisees**.

Upon analyzing the indicators that supported revenue growth in 2022, we are confident for the coming quarters, as the active customer base and same client sales continue to evolve consistently. Again, FARM was a highlight for growth among the brands, reaching an all-time high gross revenue of **BRL 1.2 billion** in 2022, an increase of **32.6%** vs. 2021 and a relevant market share gain. With only **89 stores**, FARM has high growth potential in the Brazilian market, and in the last four years it has more than doubled in size, surpassing **820,000 active customers**. In 2023, we will continue to keep up with our physical expansion plan, opening **15 to 20 stores**, mostly with allowance incentives and lower occupancy costs. In addition, we keep our pace for wholesale growth with significant improvements in the same client sales. We are still confident about our ambition to be among the top in the world in the coming years.

FARM's international operation, **FARM Global**, which is one of our main growth drivers, performed exceptionally well in 2022. The brand ended the year with USD **95.6 million** in revenue, strong growth of **80.7%** vs. 2021. In 2023, we will keep our strategy for store openings. We have been committed to this agenda in order to address the migration of consumption from digital to physical retail, in addition to reducing reliance on department stores in the United States. The brand will open a store on Melrose Avenue in Los Angeles (scheduled for 2Q23) and “shop in shop” stores at Bloomingdale's.

To strengthen our entry into Europe, we will accelerate growth through concessions, digital and flagship stores. The concessions will be the model that will anchor FARM's growth in the region, along with e-commerce, especially in London, where the share from this channel is quite relevant. In 2023, our pop-up strategy will be kept, such as Le Bon Marché in Paris, which will return for another season, and also in Italy, with the entry of Rinascente's **9 stores** in Milan, which will expand FARM's awareness. It is noteworthy that, at the end of 2022, we disclosed the design of the new corporate structure for FARM Global, with the integration of Soma Brands International in Switzerland, which will bring agility, robustness and efficiency to our expansion in each of the geographical regions mentioned above.

Another highlight throughout 2022 was **Animale**, which delivered the highest gross revenue in its history, reaching **BRL 670.1 million**, a **24.0%** increase vs. 2021. We had a problem at the end of the year with supplies in stores, due to delays supplier product deliveries, which impacted the brand's earnings in 4Q22.

NV continues to evolve with a brand expansion of **38.1[1]%** in 2022 vs. 2021. In 2023, we are advancing in investments for management tools so the brand can continue to grow sustainably. At NV we will replicate our creative process for collection development, calendars, PLM, production controls and other tools that support the entire collection construction cycle that ends with the store delivery, ensuring an adequate level of OTIF – On Time In Full. We also allocated professionals with deep knowledge of commercial planning and sourcing to adjust and capture the enormous commercial traction the brand has. We will take advantage of this opportunity to adjust the calendar so that we can meet the huge pent-up demand that exists in the wholesale channel, taking NV's revenue to another level in the coming years.

[1] NV's 2021 gross revenue, provided by the due diligence consultants during the brand acquisition process. It considers the revenue from January to February, prior to the acquisition.

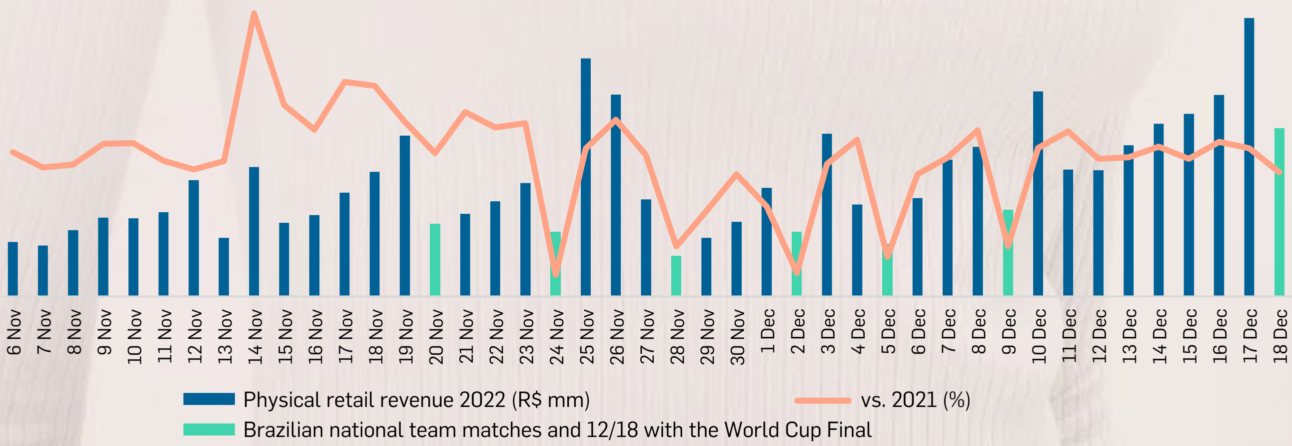
Finally, with each passing day we get to know **Hering** better and have more confidence to act on the operational efficiency and brand strengthening levers, which contributed to helping us reach an all-time high revenue of **BRL 2.3 billion** in 2022, a **26.1%** increase vs. 2021. In 2023, our efforts will be directed to: (I) expanding profitability, mainly from our own channels; (ii) intensifying operational improvements that started in 2022, related to expanding the level of service for franchisees and wholesale customers; (iii) strengthening the Hering brand through the delivery of more attractive female products, which generate more desirability and expand its total revenue share; and (iv) expand the megastore model in places that are opinion makers to expand the store experience. We are still optimistic about implementing a strategic plan for the coming years and aware of all the challenges that lie ahead.

2022 was an exceptional year for us. We know that the growth rate tends to settle at more sustainable levels, given that the comparable bases are challenging. However, we remain optimistic about 2023, which had a positive start.

4Q22 Analysis

In 4Q22, the Company's gross revenue added up to **BRL 1,613.9 million**, an increase of **12.3%** compared to the strong comparative base of 4Q21 (reopening of physical retail activities in Brazil). 4Q22 proved to be a more challenging quarter, mainly due to exogenous factors that impacted the flow in physical stores and sales, such as the colder weather in October and November, the elections and especially the **World Cup**. During the event, between November 20 and December 18, we observed a significant reduction in the flow of people in physical stores **(-40%)**, with an even sharper drop during the days when Brazil played, according to the graph below:

World Cup Analysis - Daily Revenue and Variation vs. 2021



The adjusted gross profit was **13.0%** higher vs. 4Q21 and the adjusted gross margin added up to **54.6%**, a **0.7 p.p.** increase. In 4Q22, the expansion of gross margin was limited by the impacts of the World Cup, which lead to a mix of channels where physical retail, which has the highest gross margin, lost relevance, with its share reduced by **2.2 p.p.** in the total revenue. In addition, digital was more promotional during **Black Friday** and the channel gained the most share **(+2.8 p.p.)** in revenue. Finally, wholesale, a sell-in channel, also increased its share **(+1.7 p.p.)**. Adjusted EBITDA added up to **BRL 210.7 million**, **40.0%** higher vs. 4Q21. The Adjusted EBITDA margin increased **3.1 p.p.** vs. 4Q21.

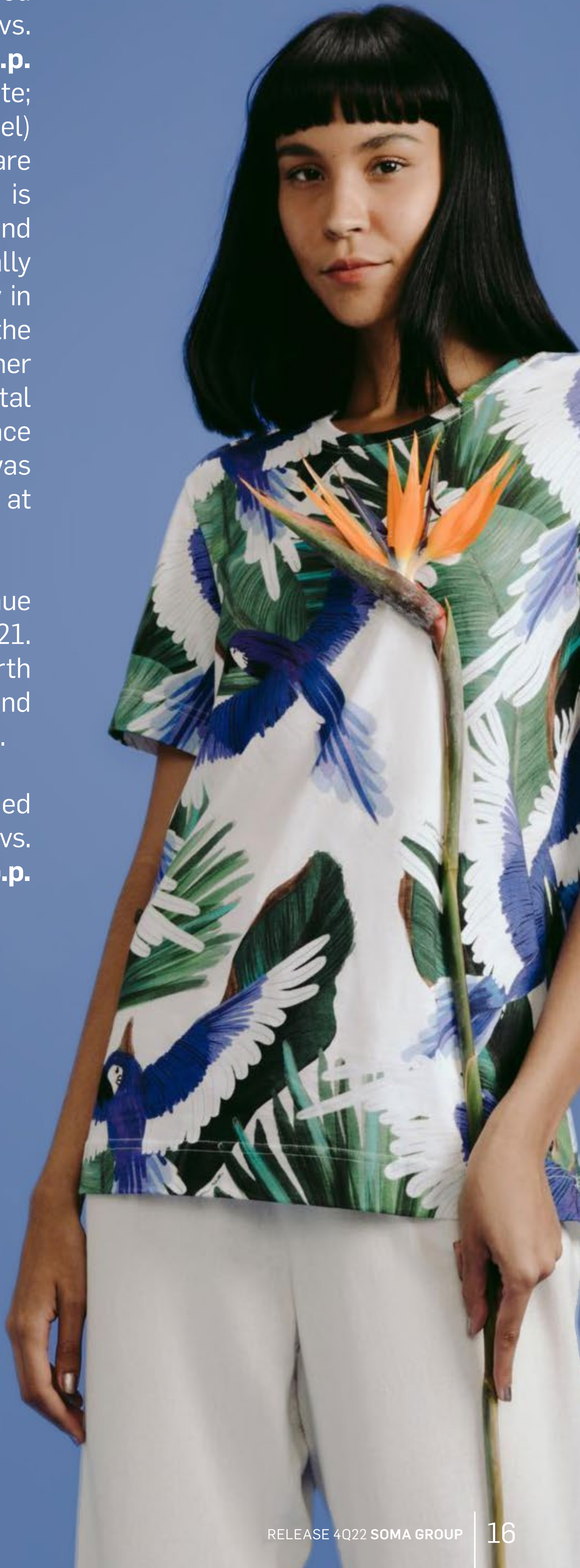
SOMA Group achieved an adjusted net income of **BRL 99.3 million**, **14.2%** higher vs. 4Q21, with a net margin expansion of **+0.2 p.p.** vs. 4Q21, despite the significant increase in the interest rate, which impacted financial expenses.

The **portfolio for the group ex-Hering** increased in gross revenue by **17.3%** vs. 4Q21. FARM Global **(+72.5%)**, FARM **(+21.8%)**, NV **(+20.4%)**, Fábula **(+33.2%)** and Cris Barros **(+24.8%)** were brands that were growth highlights in the quarter. During the same period, the active customer base increased **17.8%**, demonstrating that these brands continue to gain market share.

Still in the ex-Hering view, gross profit added up to **BRL 488.6 million**, **13.3%** higher vs. 4Q21. The gross margin was **63.7%**, **1.8 p.p.** below 4Q21, due to: (I) higher sales tax rate; (ii) higher share of wholesale (sell-in channel) in the total gross revenue (**+2.2 p.p.** share increase), whose impact on net income is offset by its higher contribution margin; and (iii) impact of the World Cup period, especially on Brazil's match days, with a drop in flow in stores that led to: (a) a sharp reduction in the share of physical retail, the channel with higher gross margins and (b) a more aggressive digital channel, with increased discount levels, since the turnover of the current collection was prioritized, avoiding high inventory volumes at the end of 2022.

Hering achieved an all-time high gross revenue of **BRL 687.5 million**, **6.2%** higher vs. 4Q21. The growth of **42.4%** vs. 4Q19 is worth mentioning, excluding the discontinued brand (PUC), despite the impact of the World Cup.

In 4Q22, Hering's adjusted gross profit added up to **BRL 253.1 million**, **12.5%** higher vs. 4Q21. Adjusted gross margin increased **2.7 p.p.** vs. 4Q21



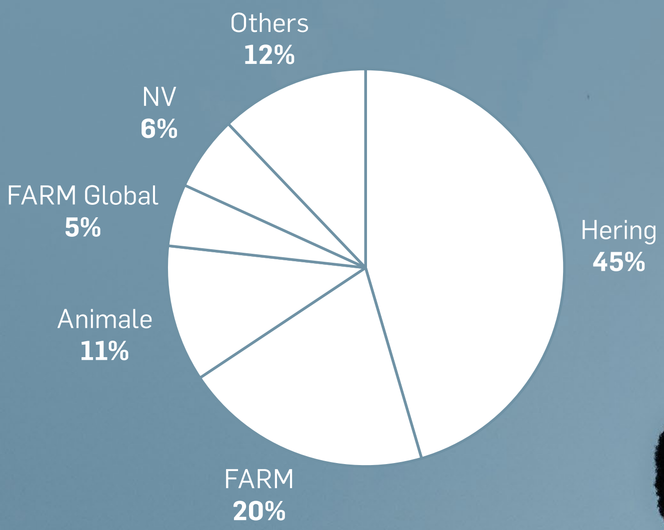
OUR BRANDS, OUR PILLARS

BRL Million Gross Revenue per Brand	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Animale	169.7	165.3	2.7%	670.1	540.6	24.0%
Cris Barros	34.2	27.4	24.8%	120.4	87.4	37.8%
Fábula	34.5	25.9	33.2%	104.6	72.6	44.1%
FARM	357.4	293.5	21.8%	1,191.7	898.4	32.6%
FARM Global	126.1	73.1	72.5%	490.9	271.7	80.7%
Foxton	39.7	35.8	10.9%	104.6	73.9	41.5%
Maria Filó	51.5	60.4	-14.7%	193.4	173.5	11.5 %
NV	95.8	79.6	20.4%	381.4	243.8	56.4%
Off Premium	17.5	28.7	-39.0%	62.1	72.8	-14.7%
Discontinued Brands[1]	0.0	0.2	-100%	0.0	6.7	-100%
Subtotal (Ex-Hering)	**926.4**	**789.9**	**17.3%**	**3,319.2**	**2,441.4**	**36.0%**
Hering[2]	687.5	647.6	6.2%	2,330.4	1,849.4	26.0%
Total	**1,613.9**	**1.437.5**	**12.3%**	**5,649.6**	**4,290.8**	**31.7%**

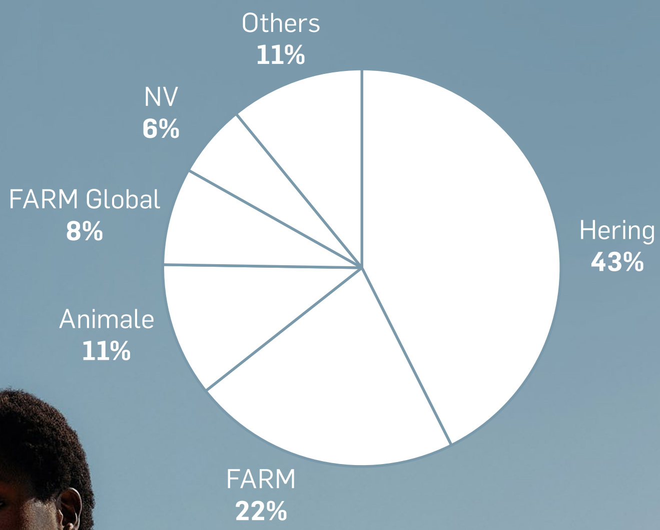
[1] Revenue from discontinued brands (FYI and A.Brand).

[2] Hering's total revenue, which considers: Hering, Hering Kids, Hering Intimates, Hering Sports and Dzarm.

Gross revenue per brand 4Q21 (%)



Gross revenue per brand 4Q22 (%)



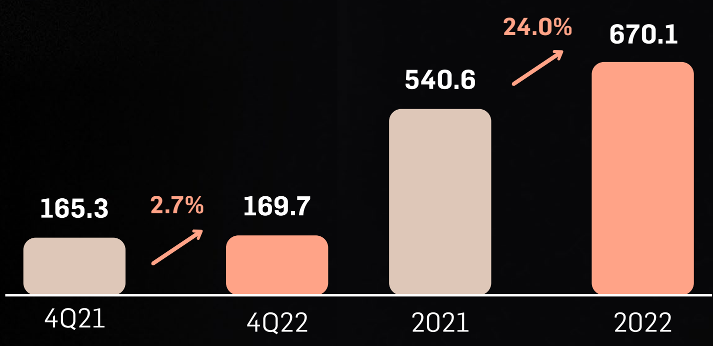
ANIMALE

In 2022, Animale reached a gross revenue of **BRL 670.1 million**, an increase of **24.0%** compared to 2021.

In 4Q22, however, sales were impacted by shortages due to suppliers delaying the delivery of the High Summer collection. Although there was a desire for the products, the channels did not have their stocks replenished properly.

Regarding inventories, throughout 2022, as the brand was growing faster than planned, the late arrival at the end of the collection cycle did not generate an accumulation for 2023, with normalization expected for 1Q23.

Gross Revenues (BRL mm)



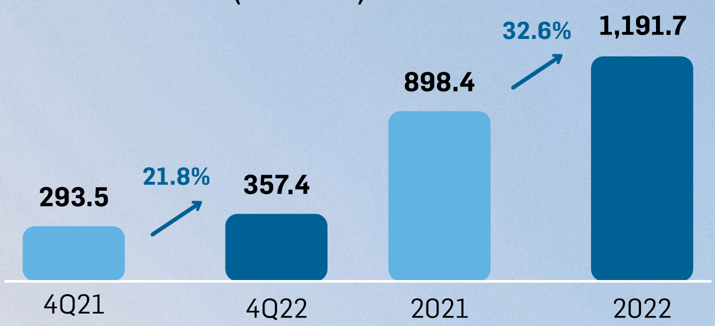
FARM

In 2022, the gross revenue added up to **BRL 1,191.7 million**, an increase of **32.6%** vs. 2021. In 2022, the brand opened 7 stores, reaching a total 89 stores in Brazil. In 4Q22, FARM was once again the highlight for sales: gross revenue added up to **BRL 357.4 million**, 21.8% higher vs. 4Q21, a SSS of **+12.4%**.

The brand has an important differential in its creative process, as it can produce successive high-desirability collections over the years. This factor, along with the performance in digital, enables consistent growth of the active customer base. In 4Q22, the active base for the brand increased **15.9%** vs. 4Q21

Considering the size of the market where it operates, FARM has many opportunities to gain share, with the opening of new stores, acceleration of digital products and licensing, attracting new customers in B2B and B2C.

Gross Revenues (BRL mm)



FARM GLOBAL

In 2022, FARM Global reached a gross revenue of **BRL490.9 million (USD 95.6 million)**, with **80.7%** growth compared to 2021. The brand has kept a strong growth journey and registered a gross revenue of **BRL 126.1 million** in 4Q22, **72.5%** higher vs. 4Q21.

FARM Global's active customer base grew **42.2%** vs. 4Q21 and is close to **150 thousand customers**, **94%** have purchases on the digital channel.

In 4Q22, even in a challenging international and macroeconomic scenario, the digital channel revenue grew **69.6%** vs. 4Q21. During Black Friday, FARM Global surpassed the daily sales record among all SOMA Group brands, surpassing **BRL 12 million**.

The wholesale channel revenue increased **70.4%** vs. 4Q21, with a high turnover at full price at the stores, driven by consumer desirability, which contributes to the demand from department stores remaining heated with a strong appetite.

Revenue from own stores grew **127.3%** vs. 4Q21 The brand ended 2022 with **3 stores**: Aventura Mall (Miami), Soho (New York) and Venice (Los Angeles, which opened in July 2022). It should be noted that, post-pandemic, stores have been gaining profitability and are registering a surplus. The next opening is scheduled for the second half of 2023, on Melrose Avenue in Los Angeles.

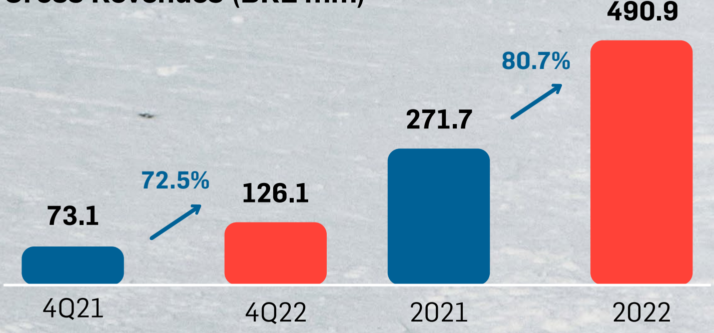
In the European market, the success of the pop-up at Le Bon Marché in Paris stands out. The excellent performance of the brand provided permanent space in the store from January 2023 onwards, in addition to opening several new doors in Europe during this period, fulfilling one of the main objectives of FARM Global's entry into the Parisian department store.

FARM Global is present at more than **152 outlets** outside the United States, including iconic names in the European market such as Liberty (London), which has also become a permanent venue, KaDeWe (Berlin), Rinascente (Milan), El Corte Inglés (Madrid) and Jelmoli (Zurich).

The brand performed well during winter months, reinforcing FARM Global's positioning as a year-round brand. The knitwear and outerwear product lines were the most relevant in winter, with successful sales.

In 2022, the international scenario was challenging due to the inflationary environment, the retail sector had higher inventories and a more promotional period. However, SOMA Group has not in any way deviated from this strategy, prioritizing brand desirability through the delivery of a single product, as an authority in the category, which lays the foundations for sustainable and long-term growth.

Gross Revenues (BRL mm)



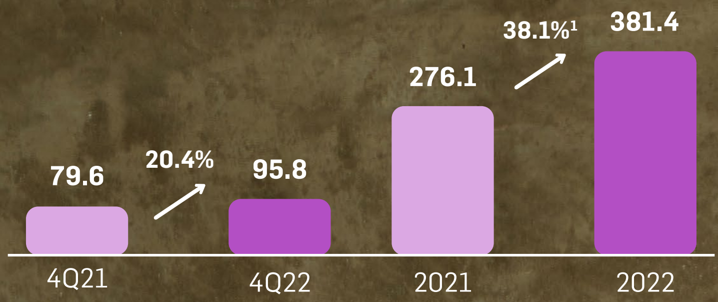
NV

In 2022, NV reached a gross revenue of **BRL 381.4 million**, an increase of **38.1%** vs. 2021. In 4Q22, gross revenue was BRL 95.8 million, **20.4%** higher vs. 4Q21 the brand registered a strong increase in the active customer base, **32.8%** higher vs. 4Q21, one of the main indicators when we think about brand health.

Physical retail demonstrated a strong increase in revenue **(+21.2%)** compared to 4Q21. The digital channel had the fastest growth in the period, **24.3%** higher vs. 4Q21 In 2022, NV was active during **Black Friday** compared to 2021, with restricted participation during only one day.

In 4Q22, NV continued its physical expansion opening **3 new stores**: two in the Northeast, in Fortaleza and Salvador, and one store in Porto Alegre. The brand ended 2022 with **16 stores** distributed throughout the country.

Gross Revenues (BRL mm)



[1] The graph shows NV's 2021 gross revenue, provided by the due diligence consultants during the brand acquisition process. It considers the revenue from January to February, prior to the acquisition.

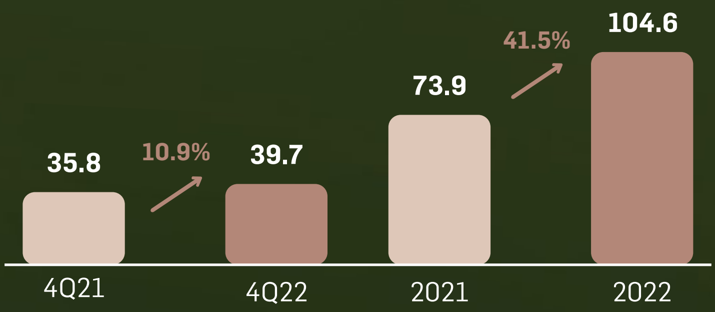
FOXTON

In 2022, Foxton achieved **BRL 104.6 million** in gross revenue, a **+41.5%** increase vs. 2021. In 4Q22, it added up to **BRL 39.7 million**, a **10.9%** expansion vs. 4Q21.

Foxton opened **4 stores** at the end of 2022, in Fortaleza, Rio de Janeiro and **two stores** in São Paulo, reaching a total **29 stores** distributed throughout the country.

The brand has an opportunity to grow wholesale and digital sales, which are channels that still have low revenue share in the group.

Gross Revenues (BRL mm)



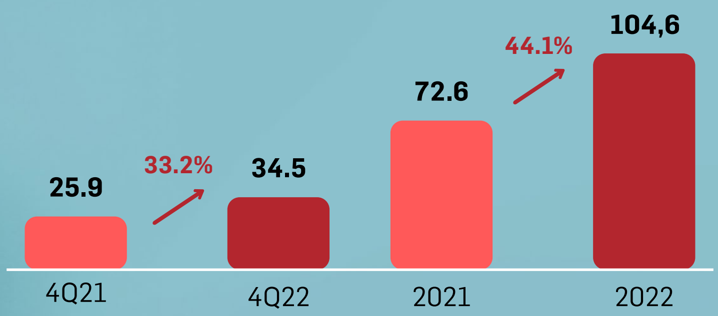
FÁBULA

Fábula achieved a gross revenue of **BRL 104.6 million**, **44.1%** higher vs. 2021. In 4Q22, it added up to **BRL 34.5 million**, a **33.2%** expansion vs. 4Q21.

Fábula has 21 stores, mostly pop-ups, and a high level of share from the digital channel in its gross revenue. However, physical and wholesale retail gained share throughout 2022. In 4Q22, wholesale growth was a highlight **(+79.5%)**.

The active customer base continues to expand, progressively consolidating itself and reaching **120 thousand customers** in 4Q22, an increase of **35.3%** vs. 4Q21.

Gross Revenues (BRL mm)

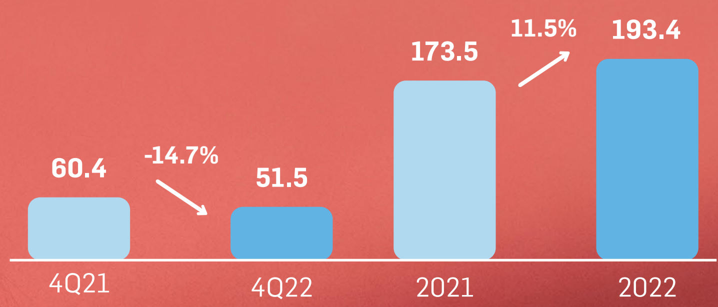


MARIA FILÓ

In 2022, Maria Filó achieved a gross revenue of **BRL 193.4 million**, an **11.5%** increase vs. 2021.

In 4Q22, however, revenue reached **BRL 51.5 million**, **14.7%** lower. It is worth mentioning that, in the second half of 2022, with a new creative director, the brand experienced a revitalization process, with the objective of delivering collections that value the brand's DNA. The creative team has been working on products that will start selling in the Summer 2024 collection, reaching stores in the 3Q23. We are optimistic about the new moment that the brand will have from the second half of 2023 onwards.

Gross Revenues (BRL mm)



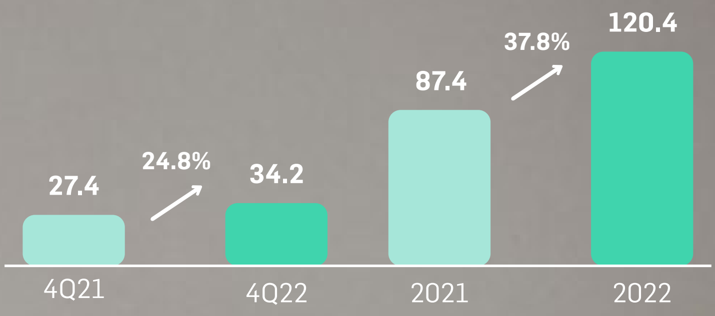
CRIS BARROS

In 2022, Cris Barros recorded a gross revenue of **BRL 120.4 million**, an increase of **37.8%** vs. 2021.

In 4Q22, the brand was a growth highlight once again, with gross revenue **24.8%** higher than in 4Q21.

Cris Barros continues experiencing a virtuous cycle, with desirability and consecutive successful collections after an adverse period in 2021, which impacted the supply chain after the pandemic. The brand had an active customer base increase of **35.3%** vs. 4Q21.

Gross Revenues (BRL mm)



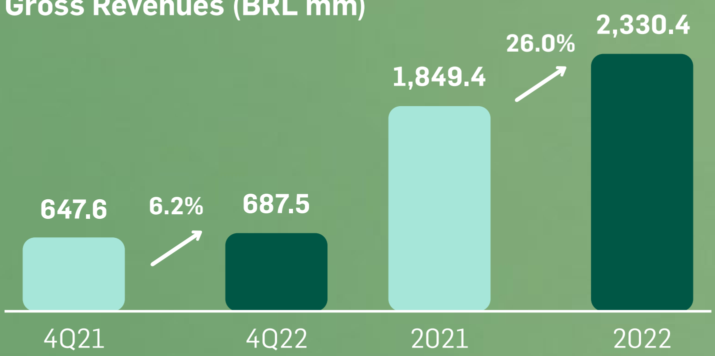
HERING

In 2022, Hering reached a gross revenue of **BRL 2,330.4 million**, an increase of **26.0%** vs. 2021.

In 4Q22, Hering had an all-time high gross revenue of **BRL 687.5 million**, **6.2%** higher vs. 4Q21. The growth of **42.4%** vs. 4Q19, excluding the discontinued PUC brand.

In 4Q22, Hering has a strong comparative revenue base with 4Q21, when it reached a record after reopening its physical retail activities in Brazil. It is worth noting that 4Q22 sales were impacted by the World Cup and below-average temperatures for the period.

Gross Revenues (BRL mm)



Gross Revenue per Channel – Hering

BRL Million Gross Revenue per Channel	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Total Revenue	**687.5**	**647.6**	**6.2%**	**2,330.4**	**1,849.4**	**26.0%**
Retail (sell-out)	**239.3**	**211.4**	**13.2%**	**731.8**	**571.7**	**28.0%**
Physical	163.8	153.3	6.8%	461.8	353.7	30.6%
Digital	75.5	58.1	29.9%	270.0	218.0	23.9%
Sell-in	**448.2**	**436.2**	**2.8%**	**1,598.6**	**1,277.7**	**25.1%**
Wholesale	194.3	173.6	11.9%	773.1	596.3	29.6%
Franchisee	247.1	257.8	-4.2%	799.3	658.4	21.4%
Others[1]	6.8	4.8	41.7%	26.2	23.0	13.9%

[1] Second-line items and leftovers.

Hering's retail sales (sell-out) grew **13.2%** vs. 4Q21, highlighting the increase in digital, of **29.9%** vs. 4Q21 (**+7.5%** on websites and apps and **+44.6%** in marketplaces). On Black Friday, digital sales grew **43.0%** vs. 2021. After migrating the site to the new platform in July 2022, Hering continues to evolve in usability and site experience. In physical retail, sales increased **6.8%** vs. 4Q21, despite the most challenging scenario, with a reduction in the flow of people in stores and attention focused on the World Cup during the event.

Sell-in was **2.8%** higher vs. 4Q21, with an emphasis on wholesale growth of **11.9%** vs. 4Q21, and strong Same Clients Sales reaching **24.8%** vs. 4Q21 The wholesale channel has growth opportunities at Hering and tends to grow as the brand evolves in its level of service and improves its female product offering. Sales for franchisees dropped **4.2%** vs. 4Q21, impacted by a sell-in that was more concentrated in 3Q22.

Stores

Hering ended 2022 with **789 stores**, 769 in Brazil and 20 in the international market. Hering ended 2022 with **20 megastores**, a model that has shown strong progress when looking at the indicators. In the second half of 2022, **3 megastores** were opened in line with the new concept, which aims to promote a better brand experience in an attractive and intelligent environment, in Shopping Recife (August), Shopping Curitiba (November) and Shopping Tamboré - SP (December). Considering megastores converted in 2022, performance indicators are quite optimistic, such as gross revenue **(+58%)** and service **(+46%)** vs. the same period last year. **15 megastores** are planned for the new concept in 2023.

Gross profit

BRL Million Gross Profit	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Gross Revenue	687.5	647.6	6.2%	2,330.4	1,849.4	26.0%
Net Revenue	**590.1**	**559.2**	**5.5%**	**2,004.9**	**1,593.2**	**25.8%**
Gross Profit	243.9	180.5	35.1%	831.8	587.3	41.6%
Adjusted Gross Profit[1]	**253.1**	**224.9**	**12.5%**	**841.0**	**644.2**	**30.5%**
Adjusted Gross Margin	**42.9%**	**40.2%**	**2.7 p.p.**	**41.9%**	**40.4%**	**1.5 p.p.**

[1] Gross profit was adjusted due to the integration of the Group's accounting practices related to suppliers' AVP, which began to be calculated according to the turnover of products in stock in 4Q22 and no longer based on the purchase of raw material. This change had a negative impact of BRL 9.2 million in 4Q22, which was adjusted to the gross profit for comparison purposes with the previous 9 months of 2022 and 4Q21.

In 4Q22, the adjusted gross profit added up to **BRL 253.1 million**, **12.5%** higher vs. 4Q21 Adjusted gross margin increased **2.7 p.p.** It is noteworthy that the expansion of the gross margin was limited by two exogenous factors:

- The **World Cup**, which mainly affected physical retail sales, whose gross margin is the highest among channels. Digital increased revenue share **(+2.0 p.p.)**, but was more aggressive in the level of discounts on our own website and in sales on marketplaces.

- **Temperatures were colder than average** in the period.

Structural Projects

The structural projects evolved in line with what was planned, as presented below:

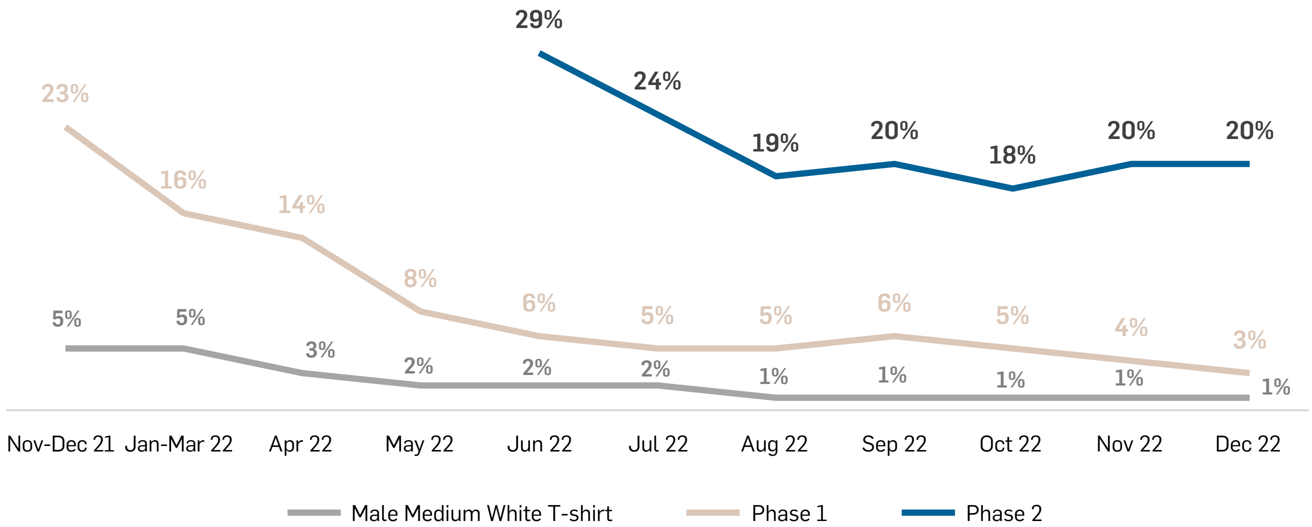
- Assortment readjustment and pyramid fit.
- Reduction of store ruptures.
- Implementation of the push and pull model in our own stores and in web sites.
- Purchase Recommendation Model.
- Capacity adequacy and sourcing.

In 4Q22, the actions implemented by the structural projects enabled a **6.5 p.p.** increase in the full-price turnover of newness and core products in the High Summer collection. This increase in turnover is a result of the readjustments in the assortment and adjustment of the pyramid, as well as the purchase recommendation tool. For the products in which we used the predictive sales model from the Big Test ("Provão") data, we had a turnover that was **3.8 p.p.** higher than the average turnover of the channel in our own stores.

In addition, we have completed the implementation of the push and pull model for **100%** of the assortment in our own stores and e-commerce. With this, from the Fall 2023 collection onwards, the channels will share the buffer and replenish reactively to sales, capturing the gains from reducing disruptions and optimizing inventory levels.

Regarding the rupture of basic items, a reduction of **37%** was achieved in our own stores and franchisees vs. 4Q21, which ensured a healthy level of inventory in stores for the month of December. The work to establish regulatory inventories and manage the coverage at the distribution center and at the stores made it possible for our own stores to reach a rupture level of less than 1% for most basic items (Phase 1). In Phase 2, due to the late start date of the project and the characteristics of the products that are included, there should be a more significant reduction in rupture from the 1Q23 onwards.

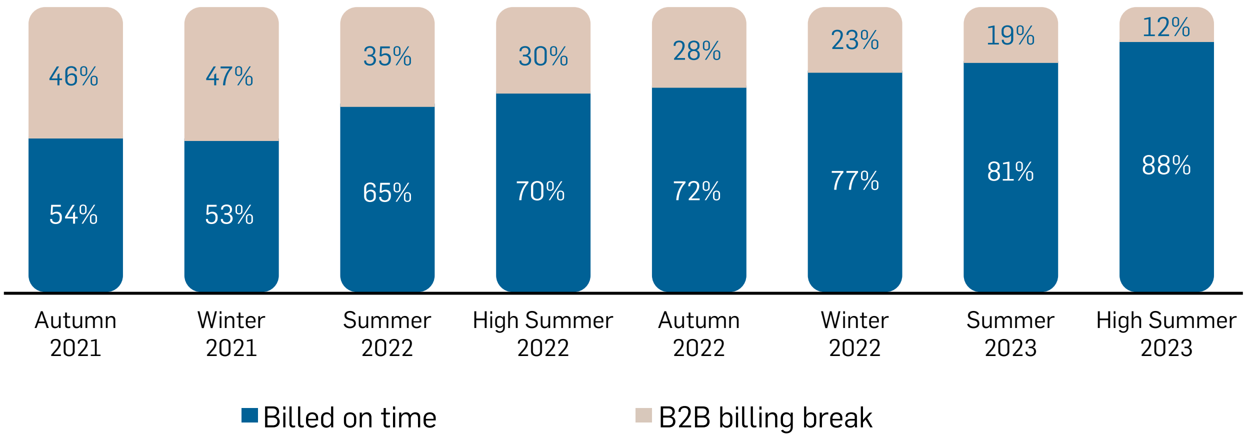
Rupture in own stores and franchises (%)



Phase 1: auto-replenishment buffer (~14% of revenue) and Phase 2: product group added to the project in August/22 (~10% of revenue)

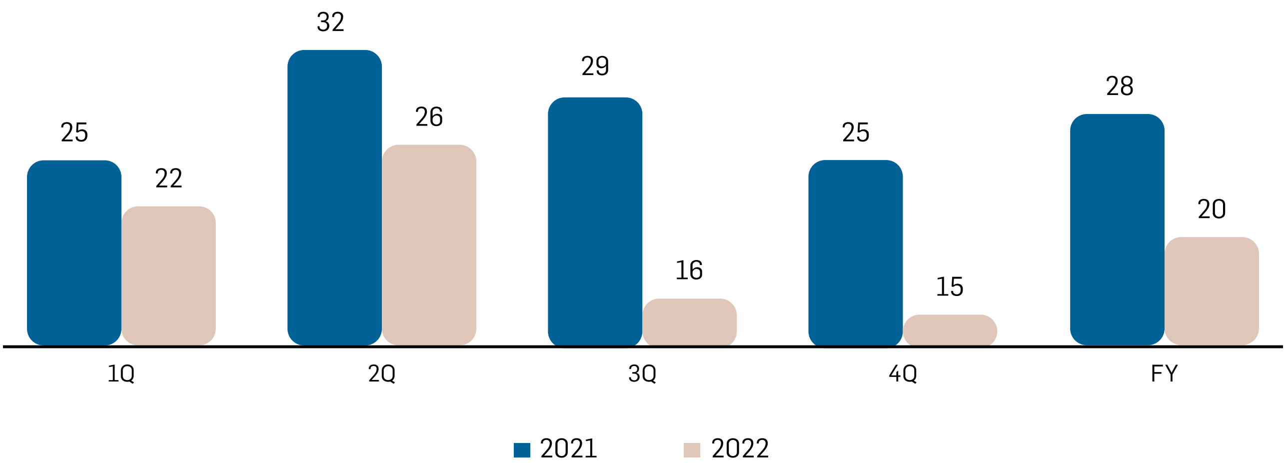
On-time billing per collection has evolved consistently since the beginning of 2022. In 4Q22, **88%** of the High Summer collection was billed vs. 70% in the same period of the previous year. This result is due to the proper planning of industry capacity, the implementation of a new prioritization methodology and better use of the bottlenecks in the chain. These advances would enable work with **100%** of the unlimited sales for products manufactured internally, improving the purchase experience for B2B and generating better sales.

On-time billing per collection (%)



The average delivery delay in 2022 has reduced every month and is progressively improving when compared to 2021. 4Q22 had an average delay of 15 days vs. 25 days in 4Q21. In the consolidated year of 2022, the delay was 20 days vs. 28 days in 2021. The reduction of the average delivery delay allows the collections to have greater adherence to planning, greater cohesion in stores and, consequently, an increase in full price sales.

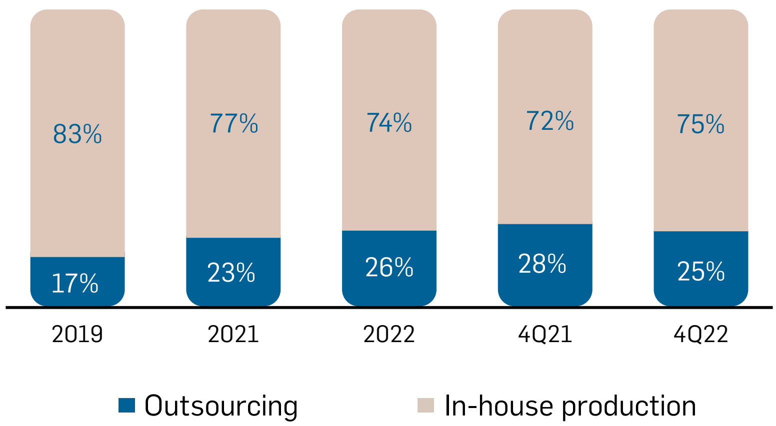
Average delay (days)



In 2022, as previously pointed out in the previous disclosures, we substantially expanded the purchase of finished products (outsourcing), aiming to value the improvement of delivery levels in the sell-in and lower rupture in the sell-out, as shown n the tables above. In 2022, the share of finished products in Hering's chain was **26%** vs. 23% in 2021 In 4Q22, this share was **25%** vs. 28% in 4Q21.

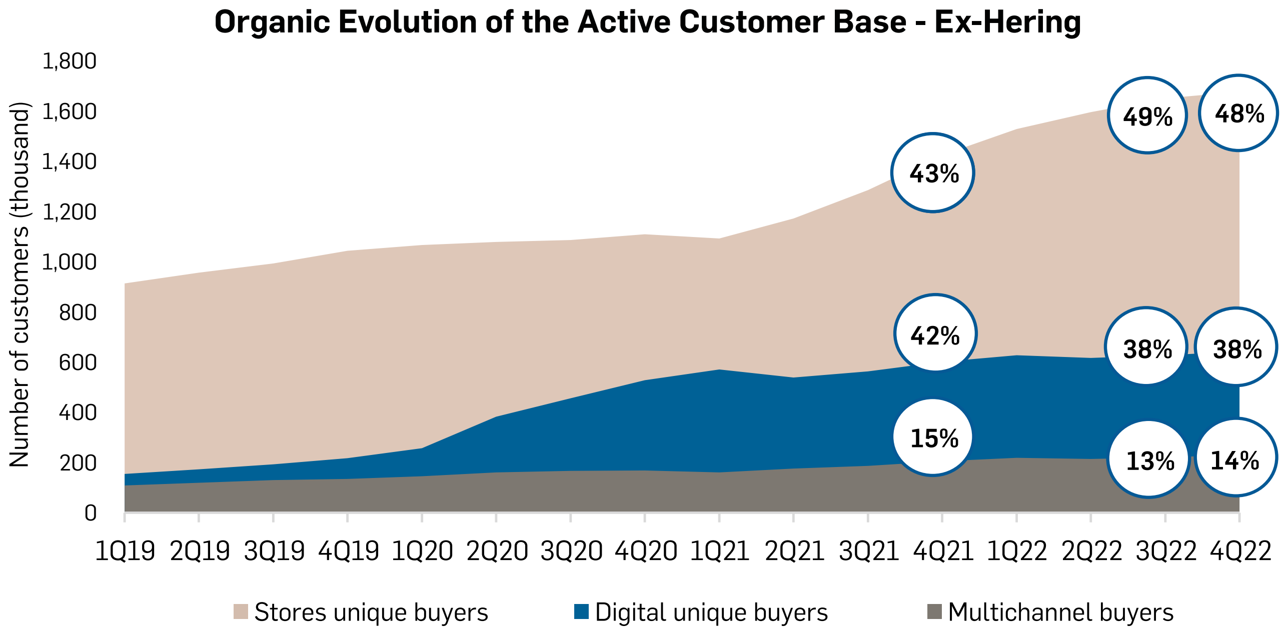
The operational efficiency recovery plan for 2023 aims to reduce the share of finished products through initiatives such as the expansion of industrialization, logistics operations in other states and countries, integrating the purchasing teams to generate gains in negotiations and cost reductions.

Outsourcing vs. in-house production mix

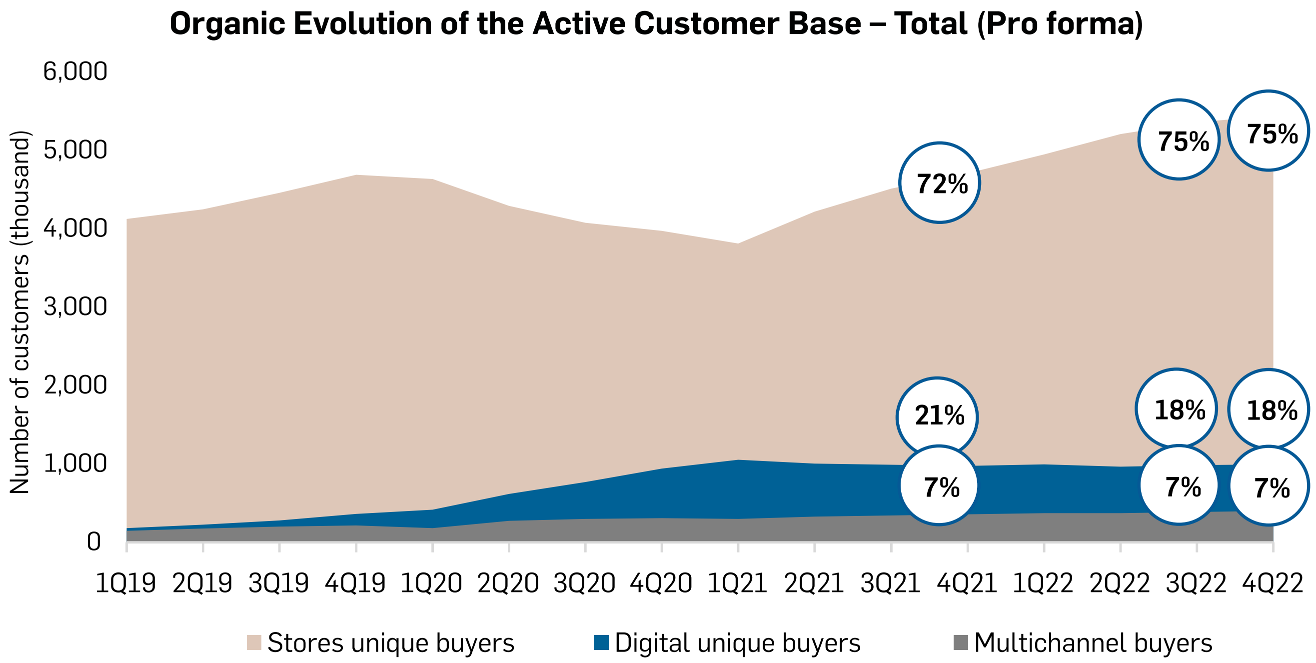


CUSTOMER BASE

In 4Q22, our brands continued to have strong customer acquisition. The ex-Hering active base grew **17.8%** vs. 4Q21 and reached **1.7 million customers**, mainly due to the increase in the active base for physical retail (**+30.4%** vs. 4Q21) The wholesale and digital base grew **12.3%** and **6.7%** respectively vs. 4Q21.



Hering's active base grew **14.6%** vs. 4Q21, which combined with the SOMA Group, adds up to **5.4 million customers**.



CHANNEL PERFORMANCE

DISTRIBUTION OF GROSS REVENUE BY CHANNELS (PRO FORMA)

Gross Revenue per Channel - Consolidated (Pro forma)

BRL Million Revenue per channel Consolidated	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Total Revenue	**1,613.9**	**1.437.5**	**12.3%**	**5,649.6**	**4,290.8**	**31.7%**
Retail	**968.3**	**854.4**	**13.3%**	**3,138.6**	**2,422.1**	**29.6%**
Physical	611.4	576.8	6.0%	1,889.7	1,348.1	40.2%
Digital	356.9	277.6	28.6%	1,248.9	1,074.0	16.3%
Sell-in	**645.6**	**583.1**	**10.7%**	**2,511.0**	**1,868.7**	**34.4%**
Wholesale	387.3	320.5	20.8%	1,671.9	1,187.3	40.8%
Franchisee	251.5	257.8	-2.4%	812.9	658.4	23.5%
Others	6.8	4.8	41.7%	26.2	23.0	13.9%

DISTRIBUTION OF GROSS REVENUE PER CHANNEL (EX-HERING)

Gross Revenue per Channel - Ex-Hering

BRL Million Revenue per channel Ex-Hering	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Total Revenue	**926.4**	**789.9**	**17.3%**	**3,319.2**	**2,441.4**	**36.0%**
Retail	**729.0**	**643.0**	**13.4%**	**2,406.8**	**1,850.4**	**30.1%**
Physical	447.6	423.5	5.7%	1,427.9	994.4	43.6%
Digital	281.4	219.5	28.2%	978.9	856.0	14.4%
Sell-in	**197.4**	**146.9**	**34.4%**	**912.4**	**591.0**	**54.4%**
Wholesale	193.0	146.9	31.4%	898.8	591.0	52.1%
Franchisee[1]	4.4	0.0	n.a.	13.6	0.0	n.a.

[1] Gross revenue related to Maria Filó franchisees.

RETAIL

In 4Q22, retail ex-Hering gross revenue (physical + digital) added up to **BRL 729.0 million**, **13.4%** higher vs. 4Q21 and a gross revenue share of **78.7%** (**-2.7 p.p.** vs. 4Q21).

The digital channel was a highlight, with an increase of **+28.2%** vs. 4Q21, and it reached a share of **30.4% (+2.6 p.p.)** of the revenue. Amidst the most challenging scenario resulting from the World Cup, digital was more promotional than in 2021. Physical retail sales grew **5.7%** vs. 4Q21 The channel reduced its share of revenue by **5.3 p.p.** vs. 4Q21, impacted by the reduction in the flow of people observed during the World Cup, as mentioned previously. This drop in the share of physical retail and increase in the level of markdowns in digital were the main causes of the margin drops in the quarter.

WHOLESALE

Wholesale ex-Hering gross revenue added up to **BRL 193.0 million**, with a **31.4%** growth vs. 4Q21 and **20.8%** share in the gross revenue (**+2.2 p.p.** vs. 4Q21) The Company continues to gain market share in this channel, due to satisfaction among wholesalers with the level of service and confidence regarding product turnover.

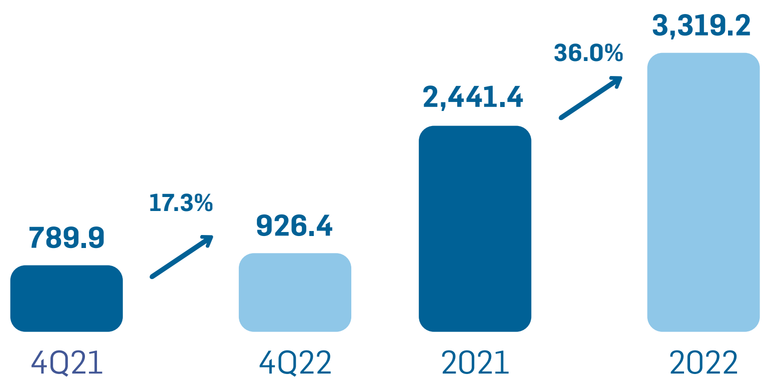
KEY FINANCIAL AND OPERATING INDICATORS

Financial and Operating Indicators – Ex-Hering

BRL million Financial indicators	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Gross revenue	**926.4**	**789.9**	**17.3%**	**3,319.2**	**2,441.4**	**36.0%**
Net revenue	767.4	658.0	16.6%	2,865.6	2,078.6	37.9%
Adjusted Net Revenue	**767.4**	**658.0**	**16.6%**	**2,865.6**	**2,068.3**	**38.5%**
Gross profit	488.6	431.2	13.3%	1,928.3	1,398.2	37.9%
Adjusted Gross Profit[1]	**488.6**	**431.2**	**13.3%**	**1,928.3**	**1,387.9**	**38.9%**
Adjusted Gross Margin	63.7%	65.5%	-1.8 pp.	67.3%	67.1%	0.2 p.p.

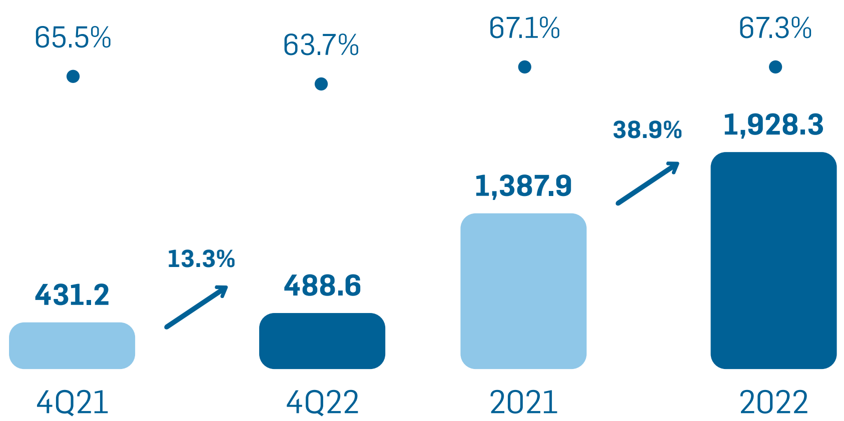
[1] Reversal of ICMS in the PIS/COFINS calculation basis, adding up to BRL 10.3 million, due to a court decision that was favorable to the Company in 2Q21.

Gross Revenue – Ex-Hering (BRL mm)



In 4Q22, ex-Hering gross revenue added up to **BRL 926.4 million**, with a growth of **17.3%** vs. 4Q21. In 2022, ex-Hering gross revenue added up to **BRL 3,319.2 million**, **36.0%** higher vs. 2021.

Gross Profit and Gross Margin – Ex-Hering (BRL mm)



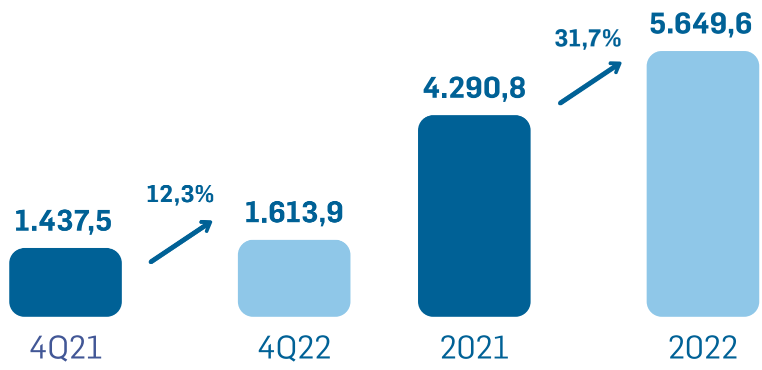
In 4Q22, ex-Hering gross profit added up to **BRL 488.6 million**, **13.3%** higher vs. 4Q21 The gross margin was **63.7%**, **1.8 p.p.** lower than 4Q21, mainly impacted by the World Cup period, as previously explained. During the year, gross margin increased **0.2 p.p.**, reaching **67.1%** in 2022.

Financial and Operational Indicators – Consolidated (Pro forma)

BRL million Financial indicators	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021 (Pro forma)	2022 vs. 2021
Gross revenue	**1,613.9**	**1.437.5**	**12.3%**	**5,649.6**	**4,290.8**	**31.7%**
(-) Deductions	(256.4)	(220.3)	16.4%	(779.1)	(619.0)	25.9%
Net revenue	1,357.5	1,217.2	11.5%	4,870.5	3,671.8	32.6%
Adjusted Net Revenue[1]	**1,357.5**	**1,217.2**	**11.5%**	**4,870.5**	**3,661.5**	**33.0%**
(-) Total CMV	(625.1)	(605.5)	3.2%	(2,110.4)	(1,686.3)	25.1%
Gross profit	732.5	611.7	19.7%	2,760.1	1,985.5	39.0%
Adjusted Gross Profit[1]	**741.7**	**656.1**	**13.0%**	**2,769.3**	**2,032.1**	**36.3%**
Gross margin	**54.6%**	**53.9%**	**0.7 p.p.**	**56.9%**	**55.5%**	**1.4 p.p.**
EBITDA	188.8	96.0	96.7%	709.0	327.4	116.6%
Adjusted EBITDA[1]	**210.7**	**150.5**	**40.0%**	**735.4**	**384.4**	**91.3%**
Adjusted EBITDA Margin	**15.5%**	**12.4%**	**3.1 p.p.**	**15.1%**	**10.5%**	**4.6 p.p.**
EBIT	109.1	33.5	225.7%	446.9	130,6	242.2%
(-) Financial results	(56.3)	(18.9)	197.6%	(163.4)	5.8	n.a.
(-) IR / CSLL	19.6	30.2	-35.1%	51.7	158.3	-67.3%
Net income	72.4	44.8	61.7%	335.2	294.7	13.7%
Adjusted Net Income[1]	**99.3**	**87.0**	**14.2%**	**384.0**	**221.9**	**73.1%**
Adjusted net margin	**7.3%**	**7.1%**	**0.2 p.p.**	**7.9%**	**6.1%**	**1.8 p.p.**

[1] In the Adjusted EBITDA – Consolidated and Adjusted Net Income sections we present the Consolidated non-recurring events that are part of the EBITDA and Net Income.

Gross Revenue – Consolidated (Pro forma) (BRL mm)



In 4Q22, consolidated gross revenue added up to **BRL 1,613.9 million**, **12.3%** higher. In 2022, consolidated gross revenue added up to **BRL 5,649.6 million**, an expansion of **31.7%** vs. 2021.

Adjusted gross profit – Consolidated (Pro forma)

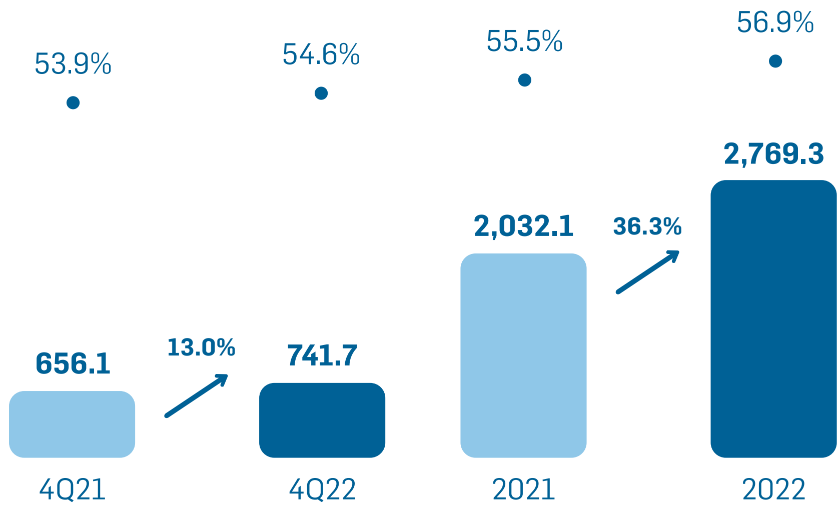
BRL Million Adjusted Gross Margin	Impact on Income Statement	4Q22	4Q21	2022	2021 (Pro forma)
Gross profit	**Line**	**732.5**	**611.7**	**2,760.1**	**1,985.5**
Reversal of tax undue[1]	Deductions from Revenue	0.0	0.0	0.0	(10.3)
Hering added value[2]	COGS	0.0	44.4	0.0	56.9
Adjustment to present value Hering[3]	COGS	9.2	0.0	9.2	0.0
Adjusted Gross Profit		**741.7**	**656.1**	**2,769.3**	**2,032.1**
Adjusted Gross Margin		54.6%	53.9%	56.9%	55.5%

[1] Reversal of the ICMS in the PIS/COFINS calculation, due to a court decision in favor of the Company in 2Q22.

[2] Impact of fair values CPC15/IFRS3 – Business combination in 4Q21.

[3] Gross profit was adjusted due to the integration of the Group's accounting practices related to suppliers' AVP, which began to be calculated according to the turnover of products in stock in 4Q22 and no longer based on the purchase of raw material. This change had a negative impact of BRL 9.2 million in 4Q22, which was adjusted to the gross profit for comparison purposes with the previous 9 months of 2022 and 4Q21.

Gross Profit and Gross Margin – Consolidated (Pro forma) (BRL mm)



In 4Q22, consolidated gross profit added up to **741.7 million**, **13.0%** higher vs. 4Q21 and a gross margin expansion of **0.7 p.p.** in the same period. In 2022, gross profit added up to **BRL 2,769.3 million**, **36.3%** higher vs. 2021 and a gross margin expansion of **1.4 p.p.** vs. 2021.

Expenses – Consolidated (Pro forma)

General and Adminis. Expenses	4Q22	% of Net Revenue	4Q21	% of Net Revenue	4Q22 vs. 4Q21	2022	% of Net Revenue	2021	% da Receita Líquida	2022 vs. 2021
General and Adminis. Expenses	(530.5)	39.1%	(514.4)	42.3%	3.1%	(2,017.8)	41.4%	(1,649.2)	44.9%	22.4%
Personnel	(206.0)	15.2%	(223.8)	18.4%	-8.0%	(804.6)	16.5%	(682.7)	18.6%	17.9%
Occupation	(41.8)	3.1%	(31.7)	2.6%	31.9%	(147.8)	3.0%	(105.0)	2.9%	40.8%
Marketing	(98.3)	7.2%	(84.2)	6.9%	16.7%	(346.1)	7.1%	(275.4)	7.5%	25.7%
Third-party services	(97.1)	7.1%	(63.9).	5.2%	51.9%	(332.1)	6.8%	(247.2)	6.7%	34.3%
Freight	(42.8)	3.2%	(39.3)	3.2%	8.9%	(167.0)	3.4%	(133.4)	3.6%	25.2%
Others	(44.5)	3.3%	(71.5)	5.9%	-37.8%	(220.2)	4.5%	(205.5)	5.6%	7.2%
Other expenses	(21.1)	1.6%	(9.1)	0.7%	131.9%	(64.2)	1.3%	(39.0)	1.1%	64.6%
Total	**(551.6)**	**40.6%**	**(523.5)**	**43.0%**	**5.4%**	**(2,082.0)**	**42.7%**	**(1,688.2)**	**46.0%**	**23.3%**

In 4Q22, expenses added up to **BRL 551.6 million**, **40.6%** of the net revenue in the quarter.

i. Personnel: The reduction is due to the higher level of provisioning for Profit Sharing expenses in 4Q21 since the amounts were not provisioned for throughout 2021 and were consolidated in 4Q21. In 2022, Profit Sharing (PLR) expenses were provisioned for quarterly and no longer adjusted for EBITDA. It is important to highlight that, if we exclude the PLR effects, personnel expenses would increase due to the impact of the standardization for benefits and health plans matching market practices, making the Company more attractive and guaranteeing greater talent retention.

ii. Occupation: Growth is mainly explained by the increase in the profile of contracts with a higher share of variable rents (not impacted by IFRS16) and the increase in stores during 2022.

iii. Marketing: Increased marketing expenses, mainly related to the investments of the pre-operational phase for FARM Global in the European market.

iv. Third-party services: Impacted by Hering's reclassification of expenses, which in 4Q21 were allocated in the "Other" line. These accounts added up to **BRL 13.6 million** in 4Q21. If we adjust this value to comparable bases, we would have an increase of **25.2%** in this line vs. the same period in the previous year. This variation is mainly due to the higher expenses with commissions for wholesale representatives, arising from the high growth of the channel's revenue, and the increase in expenses with FARM Global's logistics provider (3PL), which expanded its structure hiring services from a distribution center in the Netherlands and then moving to Mexico to provide greater support and efficiency to operations in the United States.

v. Extraordinary and non-recurring provisions adding up to BRL 9.1 million: (i) in the Other Expenses line, a total **BRL 4.9 million** related to the labor contingencies, which is extraordinary and has no cash effects, that did not impact 4Q22; (ii) the Third-Party Service expense line added up to **BRL 4.2 million** related to the e-commerce sales dispute process (chargeback) for periods prior to 4Q22, which were provisioned for now, since they were being discussed with the acquirer. As these provisions do not affect the 4Q22 income base, they were adjusted for adjusted EBITDA purposes, as shown in the table below:

Adjusted EBITDA – Consolidated (Pro forma)

BRL million Reconciliation of the Adjusted EBITDA	Impacto (DRE)	4Q22	4Q21	2022	2021 (Pro forma)
EBITDA	**Line**	**188.8**	**96.0**	**709**	**327.4**
Reversal of tax undue[1]	Deductions from Revenue	0.0	0.0	0.0	(10.3)
Hering added value[2]	COGS	0.0	44.4	0.0	56.9
Adjustment to present value (AVP) Hering[3]	COGS	9.2	0.0	9.2	0.0
Expenses for the Hering acquisition[4]	Expenses	0.0	10.1	0.0	20.0
Provision for chargeback[5]	Expenses	4.2	0.0	0.0	0.0
Provision for judicial contingency[6]	Expenses	4.9	0.0	4.9	0.0
ILP[7]	Expenses	3.6	0.0	12.3	0.0
Reversal of tax undue[8]	Expenses	0.0	0.0	0.0	(9.6)
Adjusted EBITDA		**210.7**	**150.5**	**735.4**	**384.4**
Adjusted EBITDA Margin		**15,5%**	**12,4%**	**15,1%**	**10,5%**

[1] Reversal of the ICMS in the PIS/COFINS calculation, due to a court decision in favor of the Company in 2Q21.

[2] Impact of fair values CPC15/IFRS3 – Business combination in 4Q21.

[3] Adjustment due to the integration of the Group's accounting practices related to suppliers' AVP, which began to be calculated according to the turnover of products in stock in 4Q22 and no longer based on the purchase of raw material. This change had a negative impact of BRL 9.2 million in 4Q22, which was adjusted to the gross profit for comparison purposes with the previous 9 months of 2022 and 4Q21.

[4] One-off expenses with consulting services and audits related to the Hering acquisition in 4Q21.

[5] Extraordinary provisions related to the dispute process for sales on e-commerce (chargeback) for periods prior to 4Q22.

[6] Extraordinary, non-recurring provisions, with no cash effect, referring to labor contingencies.

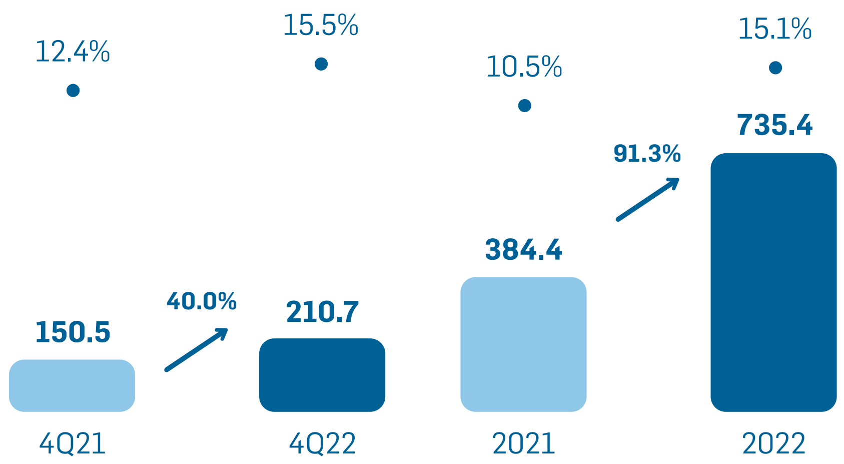
[7] Expense related to the monthly recognition of the Long-Term Incentive Plan (ILP).

[8] Reversal of ICMS in the calculation of PIS/COFINS, due to a court decision favorable to Hering in 1Q21.

Adjusted EBITDA added up to **BRL 210.7 million**, with a growth of **40.0%** vs. 4Q21 The EBITDA margin was **15.5%**, with a significant increase of **3.1 p.p.** vs. 4Q21, mainly due to an important improvement in Hering's performance, which resumed healthy levels of profitability.

In 2022, adjusted EBITDA added up to **BRL 735.4 million**, an increase of **91.3%** vs. 2021. The EBITDA margin was **15.1%**, an expansion of **4.6 p.p.** vs. the same period in 2021.

Adjusted EBITDA and EBITDA Margin - Consolidated (Pro forma) (BRL mm)



Net Income – Consolidated (Pro forma)

BRL Million Adjusted Net Income Reconciliation	Impact Income Statement	4Q22	4Q21	2022	2021 (Pro forma)
EBITDA	**Line**	**188.8**	**96.0**	**709.0**	**327.4**
D&A		(79.7)	(62.5)	(262.1)	(196.8)
Financial Result		(56.3)	(18.9)	(163.4)	5.8
IR / CSLL		19.6	30.2	51.7	158.3
Net income		**72.4**	**44.8**	**335.2**	**294.7**
EBITDA Adjustments		21.9	54.5	26.4	57.0
Hering added value[1]	D&A	18.8	9.4	47.5	12.5
Monetary Adjustment of undue tax liabilities[2]	Financial Results	0.0	0.0	0.0	(37.2)
Reversal of IR/CS monetary updates[3]	Financial Results	0.0	0.0	0.0	(94.1)
IR / CSLL on Adjustments	IR / CSLL	(13.8)	(21.7)	(25.1)	(11.0)
Adjusted net income		**99.3**	**87.0**	**384.0**	**221.9**
Adjusted Net Margin		**7.3%**	**7.1%**	**7.9%**	**6.1%**

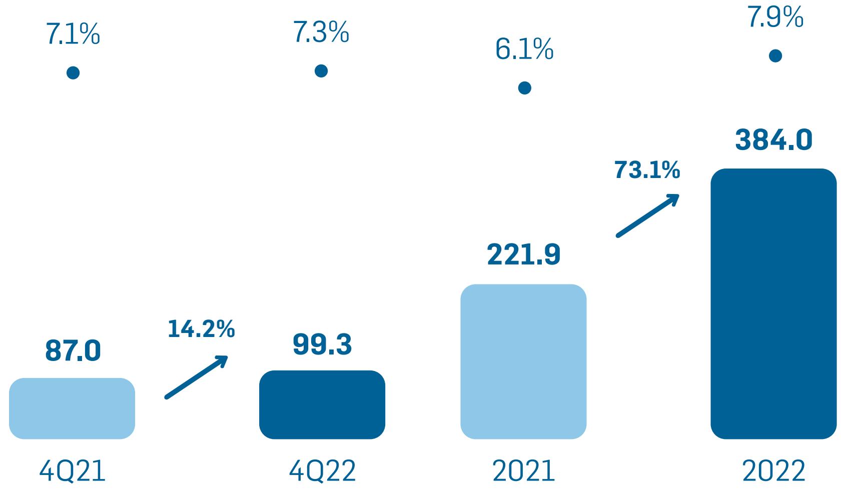
[1] Impact of fair values CPC15/IFRS3 – Business combination

[2] Monetary update related to ICMS undue payment processes based on PIS/COFINS.

[3] Reversal of default interest calculated since 10/31/2014, in Sep/21. The Supreme Court decided upon RE nº 1.063.187/SC establishing general unconstitutionality of the applicability of IR/CS upon the monetary correction based on the Selic rate due to the incorrect taxes charged.

Adjusted net income added up to **BRL 99.3 million**, with a growth of **14.2%** vs. 4Q21 The net margin was **7.3%**, which represented a variation of **+0.2 p.p.** vs. 4Q21 In 2022, the indicator added up to **BRL 384.0 million**, an increase of **73.1%** vs. 2021. Net margin was **7.9%**, **+1.8 p.p.** vs. the previous period.

Adjusted Net Income and Net Margin – Consolidated (Pro forma) (BRL mm)



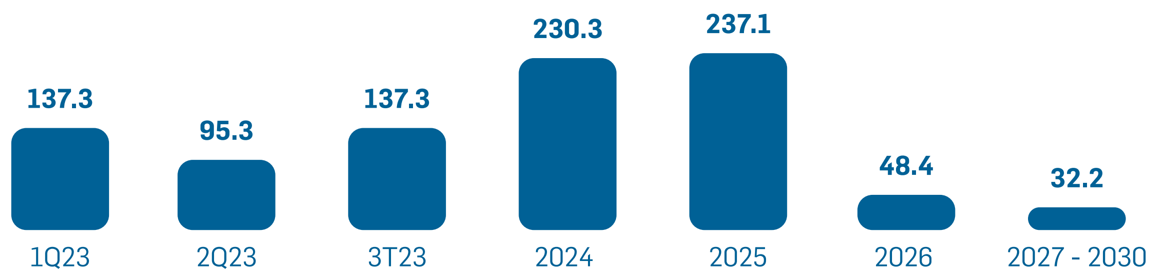
CASH AND INDEBTEDNESS

Cash Position and Indebtedness

SOMA Group ended 2022 with a cash position of **BRL 337.6 million** and net debt of **BRL 580.3 million**. After the acquisition of Hering, in September 2021, the Company, in line with the strategic plan, has been progressively deleveraging. On December 31, 2022, it reached **0.79x** in the Net Debt/Adjusted EBITDA LTM indicator. It should be remembered that if we consider free credit card receivables as cash, given their liquidity, we would be talking about net cash at the end of 2022.

Gross debt added up to **BRL 917.9 million** in 4Q22. Below is the debt amortization schedule.

Amortization schedule on 12/31/2022 (BRL mm)



CAPEX

In 2022, capex added up to **BRL 209.6 million**, with an emphasis on investments in technology and stores.

BRL Million CAPEX	2022	2021
Technology	102.5	60.9
Stores	49.4	53.8
Supporting Structures	25.7	35.6
Others	32.0	16.6
Total	**209.6**	**166.9**

ANNEX

ANNEX I

Consolidated Balance Sheet

Financial assets

Balance Sheet	2022	2021
Financial assets	**10,638.0**	**10,008.4**
Current	**3,338.3**	**2,799.0**
Cash and cash equivalents	337.6	224.0
Accounts receivable	1,345.8	1,211.7
Inventory	1,207.6	931.0
Recoverable taxes	315.2	312.3
Derivatives	-	1.9
Advances to suppliers	90.9	87.8
Other assets	41.2	30.3
Non-current	**7,299.7**	**7,209.4**
TVM	11.1	11.1
Accounts receivable	0.5	0.9
Deposits in court	45.5	54.6
Deferred income tax and social contributions	323.1	287.3
Recoverable taxes	495.3	457.0
Investments	-	4.2
Fixed Assets	832.9	836.6
Intangible	5,331.6	5,307.6
Real estate rights	257.3	247.5
Other assets	2.4	2.7

Consolidated Balance Sheet

Liabilities

Balance Sheet	2022	2021
Liabilities	**10,638.0**	**10,008.4**
Current	**1,727.5**	**1,264.7**
Payable Suppliers and Rent	604.8	466.3
Liabilities related to product and service purchases	189.6	120.0
Payable leasing	76.6	72.4
Loans, financing and debentures	370.0	194.3
Salaries and taxes payable	144.2	125.4
Accounts payable business combination	22.3	22.3
Payable dividends and interest on equity	79.6	72.0
Taxes payable	95.1	64.6
Derivatives	0.4	1.3
Others	144.9	126.1
Non-current	**1,505.6**	**1,597.6**
Payable leasing	210.3	202,9
Loans, financing and debentures	547.5	590.4
Taxes payable	8.4	13.2
Deferred income tax and social contributions	249.1	322.3
Provision for contingencies	360.8	316.6
Accounts payable business combination	96.1	118.9
Others	33.4	33.3
Equity	**7,404.9**	**7,146.1**
Share capital	4,047.1	4,047.1
Equity valuation adjustment	(12.4)	(9.3)
Capital reserves	2,886.0	2,879.7
Profit reserves	484.2	228.6

ANNEX II

Key Financial and Operating Indicators - Consolidated

Corporate data: 2021 only consolidates Hering's results from September 2021 to December 2021, after its acquisition, to the Company's results.

BRL million Financial indicators	4Q22	4Q21	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
Gross revenue	**1,613.9**	**1.437.5**	**12.3%**	**5,649.6**	**3,268.0**	**72.9%**
(-) Direct Taxes	(256.4)	(220.3)	16.4%	(779.1)	(476.3)	63.6%
Net revenue	1,357.5	1,217.2	11.5 %	4,870.5	2,791.7	74,5%
Adjusted Net Revenue	**1,357.5**	**1,217.2**	**11.5 %**	**4,870.5**	**2,781.4**	**75.1%**
(-) Total CMV	(625.1)	(605.5)	3.2%	(2,110.4)	(1,173.2)	79.9%
Gross profit	732.5	611.7	19.7%	2,760.1	1,618.5	70.5%
Adjusted Gross Profit	741.7	656.1	13.0%	2,769.3	1,665.1	66.3%
Adjusted Gross Margin	54.6%	53.9%	0.7 p.p.	56.9%	59.9%	-3 p.p.
EBITDA	188.8	96.0	96.7%	709.0	342.0	107.3%
Adjusted EBITDA[1]	**210.7**	**150.5**	**40.0%**	**735.4**	**408.7**	**79.9%**
Adjusted EBITDA Margin	15.5%	12.4%	3.1 p.p.	15.1%	14.7%	0.4 p.p.
EBIT	109.1	33.5	225.7%	446.9	199.8	123.7%
(-) Financial result	(56.3)	(18.9)	197.6%	(163.4)	(19.8)	725.3%
(-) IR / CSLL	19.6	30.2	-35.1%	51.7	119.8	-56.8%
Net income	72.4	44.8	61.7%	335.2	299.8	11.8%
Adjusted Net Income[1]	**99.3**	**87.0**	**14.2%**	**384.0**	**252.5**	**52.1%**
Adjusted net margin	**7.3%**	**7.1%**	**0.2 pp**	**7.9%**	**9.1%**	**-1.2 p.p.**

[1] In the Adjusted EBITDA – Consolidated and Adjusted Net Income sections we present the Consolidated non-recurring events that are part of the EBITDA and Net Income.

Adjusted EBITDA – Consolidated

Corporate data: 2021 only consolidates Hering's results from September 2021 to December 2021, after its acquisition, to the Company's results.

BRL million Reconciliation of the Adjusted EBITDA	Impact Income Statement	4Q22	4Q21	2022	2021
EBITDA	**Line**	**188.8**	**96.0**	**709.0**	**342.0**
Reversal of tax undue [1]	Deductions from Revenue	0.0	0.0	0.0	(10.3)
Hering added value[2]	COGS	0.0	44.4	0.0	56.9
Adjustment to present value Hering[3]	COGS	9.2	0.0	9.2	0.0
Expenses for the Hering acquisition[4]	Expenses	0.0	10.1	0.0	20.0
Provision for chargeback[5]	Expenses	4.2	0.0	0.0	0.0
Provision for judicial contingency[6]	Expenses	4.9	0.0	4.9	0.0
ILP – Expenses[7]	Expenses	3.6	0.0	12.3	0.0
Adjusted EBITDA		**210.7**	**150.5**	**735.4**	**408.7**
Adjusted EBITDA Margin		**15.5%**	**12.4%**	**15.1%**	**14.7%**

[1] Reversal of the ICMS in the PIS/COFINS calculation, due to a court decision in favor of the Company in 2Q21.

[2] Impact of fair values CPC15/IFRS3 – Business combination in 4Q21.

[3] Adjustment due to the integration of the Group's accounting practices related to suppliers' AVP, which began to be calculated according to the turnover of products in stock in 4Q22 and no longer based on the purchase of raw material. This change had a negative impact of BRL 9.2 million in 4Q22, which was adjusted to the gross profit for comparison purposes with the previous 9 months of 2022 and 4Q21.

[4] One-off expenses with consulting services and audits related to the Hering acquisition.

[5] Extraordinary provisions related to the dispute process for sales on e-commerce (chargeback) for periods prior to 4Q22.

[6] Extraordinary, non-recurring provisions, with no cash effect, referring to labor contingencies.

[7] Expense related to the monthly recognition of the Long-Term Incentive Plan (ILP).

Adjusted Net Income – Consolidated

Corporate data: 2021 only consolidates Hering's results from September 2021 to December 2021, after its acquisition, to the Company's results.

BRL Million Adjusted Net Income Reconciliation	Impacto (DRE)	4Q22	4Q21	2022	2021
EBITDA	**Line**	**188.8**	**96.0**	**709.0**	**342.0**
D&A		(79.7)	(62.5)	(262.1)	(142.2)
Financial Result		(56.3)	(18.9)	(163.4)	(19.8)
IR / CSLL		19.6	30.2	51.7	119.8
Net income		**72.4**	**44.8**	**335.2**	**299.8**
EBITDA Adjustments		21.9	54.5	26.4	66.6
Hering added value - Amortization[1]	D&A	18.8	9.4	47.5	12.5
Monetary Adjustment of undue tax liabilities[2]	Financial Results	0.0	0.0	0.0	(8.3)
Reversal of IR/CS monetary updates[3]	Financial Results	0.0	0.0	0.0	(94.1)
IR / CSLL on Adjustments	IR / CSLL	(13.8)	(21.7)	(25.1)	(24.1)
Adjusted net income		**99.3**	**87.0**	**384.0**	**252.5**
Recurring Net margin		**7.3%**	**7.1%**	**7.9%**	**9.1%**

[1] Impact of fair values CPC15/IFRS3 – Business combination

[2] Monetary update related to ICMS undue payment processes based on PIS/COFINS.

[3] Reversal of ICMS in the PIS/COFINS calculation, due to a court decision in favor of the Company

[4] Reversal of default interest calculated since 10/31/2014, in Sep/21. The Supreme Court decided upon RE nº 1.063.187/SC establishing general unconstitutionality of the applicability of IR/CS upon the monetary correction based on the Selic rate due to the incorrect taxes charged.

ANNEX III

Cash Flow Statement

BRL million Cash Flow	2022	2021
Net income for the year	**335.2**	**299.8**
Adjustments to reconcile earnings and cash from operating activities		
Equity accounting results	-	(0.2)
Depreciation and amortization - Fixed and intangible assets	175.7	60.4
Depreciation and amortization - Real estate rights	86.3	71.8
Earnings from the sale of fixed and intangible assets	1.0	3.4
Financial charges	116.2	21.8
Provision for contingencies	5.2	2.3
Provision for doubtful debts	40.3	5.2
Provision for losses from inventories	9.4	3.0
Fair value variations on derivatives	1.0	0.2
Long Term Incentives	12.3	-
Deferred income tax and social contributions	(59.8)	(45.8)
Adjusted net income	**722.8**	**421.9**
(Increase) decrease in assets and increase (decrease) in liabil-ities		
Accounts receivable	(176.3)	(368.9)
Inventory	(296.2)	(80.8)
Recoverable taxes	(47.4)	(155.5)
Other assets	1.7	86.5
Deposits in court	9.2	(18.7)
Suppliers	142.0	48.5
Obligations arising from the purchase of goods and services	69.7	(33.8)
Taxes, fees and contributions	25.7	12.5
Employment and Social Security Obligations	18.8	3.4
Other liabilities	82.1	66.9
Cash generated in the transactions	**552.1**	**(18.0)**
Interest paid	(95.1)	(13.6)
Interest paid on leases	(33.6)	5.7
Net cash from (invested) operating activities	**423.4**	**(25.9)**
Cash flow from investment activities		
Capital increase in investments	-	(1.8)
Company Acquisitions	(22.8)	(1,563.7)
Marketable securities	(0.1)	(11.1)
Cash from business mergers and integrations	-	143.8
Fixed and Intangible Asset Acquisitions	(209.6)	(166.9)
Net cash from (applied to) investment activities	**(232.5)**	**(1,599.7)**
Cash flow from financing activities		
Capital Increase	-	844.7
Loans	317.4	563.9
Loan Amortization	(205.9)	(148.0)
Paid leases	(116.9)	(38.3)
Acquisition/divestment of Treasury Shares	-	(22.0)
Dividends and Interest On Equity Paid	(72.0)	(23.5)
Net cash from (invested in) financing activities	**(77.4)**	**1,142.9**
Increase (decrease) in cash and cash equivalents	**113.5**	**(482.7)**
Cash and cash equivalents at the beginning of the fiscal year	224.1	706.8
Cash and cash equivalents at the end of the fiscal year	337.6	224.1
Increase (decrease) in cash and cash equivalents	**113.5**	**(482.7)**

ANNEX IV

With the adoption of the IFRS 16 standard in January 2019, some of the items in the income statement were affected. The main changes in the statement are listed below, considering the values and standard, without the standard and its difference (impact)on the item considered.

Reconciliation of the IFRS 16 effects – Consolidated

Effects of IFRS 16 in 4Q22	With IFRS 16	Without IFRS 16	Difference
Operating expenses	(530.5)	(566.5)	36.0
Depreciation and amortization	(79.7)	(57.6)	(22.1)
Financial Result	(56.3)	(44.7)	(11.6)
IR / CSLL	19.6	20.9	(1.3)
Net income	72.4	73.5	(1.0)
EBITDA	**188.8**	**152.8**	**36.0**

Effects of IFRS 16 in 2022	With IFRS 16	Without IFRS 16	Difference
Operating expenses	(2,017.8)	(2,134.7)	116.9
Depreciation and amortization	(262.1)	(175.8)	(86.3)
Financial Result	(163.4)	(135.6)	(27.8)
IR / CSLL	51.7	53.2	(1.5)
Net income	335.2	336.5	(1.3)
EBITDA	**709.0**	**592.1**	**116.9**

ANNEX V

Stores

# Stores Brand	4Q22	4Q21	4Q22 vs. 4Q21	3T22	4Q22 vs. 3T22
ANIMALE	68	70	-2	67	+1
Cris Barros	10	11	-1	12	-2
Fábula	21	17	+4	21	-
FARM	89	82	+7	86	+3
FARM Global	3	2	+1	3	-
Foxton	29	25	+4	25	+4
Maria Filó (own stores)	36	40	-4	36	-
Maria Filó (Franchisee)	20	20	-	21	-1
NV	16	10	+6	13	+3
Off Premium	13	13	-	13	-
Subtotal (Ex-Hering)	**305**	**290**	**+16**	**297**	**+8**
Hering (own stores)[1]	73	73	-	73	-
Hering (Franchise)	716	713	+3	701	+15
Total	**1,094**	**1,076**	**+19**	**1,071**	**+23**

[1] Includes 3 Dzarm stores in 4Q22 and 2 in 3Q22 and 4Q21.

ANNEX VI

Glossary

Term	Definition
EBITDA	Earnings before interest, taxes, depreciation and amortization.
Adjusted EBITDA	Earnings before interest, taxes, depreciation and amortization with non-recurring adjustments
Same Store Sales (SSS)	Comparison that considers only sales in the same stores in operation for a year or more.
Sell-Out	Selling products directly to the end customer
Sell-in	Selling products to a distributor or reseller
Active customer base	Number of customers who purchased in the last 12 months
Ex-Hering	Term used to analyze the evolution of results, excluding results related to Hering
Showroom	Event for the exhibition of the brands' collection wholesale resellers
Awareness	Brand awareness When the brand is more easily recognized by consumers
Pop-up Stores	Model with temporary stores that open and have a deadline for closing.
Sourcing	Designation for supply chain
Brandbook	Set of information that establishes the essence and culture of the brand
Adcost	Expenses with digital media
Market Share	Relative share in the market where the Company or brand operates
Average ticket	Average amount paid per customer order
B2B	Abbreviation for business to business, commercial interaction between two companies
B2C	Abbreviation for business to consumer, commercial interaction between the final consumer and company
Omnichannel	Integration of all available contact channels in a company, in an interrelated way, allows the customer who initiated communication with a company through one channel, to continue it through another.
Outsourcing	Outsourcing
Best sellers	Most sold items
Assortment	Portfolio of products sold by the brand
Long term incentives	Long-Term Incentives Compensation Package
Live Commerce	Sales through live social network events

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