

# 2Q22 & 1H22 RESULTS

August 5, 2022

10:30 a.m. (Brasília time)

Simultaneous translation into English

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# Grendene®

melissa

GRENDHA

zaxy Ipanema

Grendene kids

rider

CARTAGO

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2Q22 & 1H22 RESULTS

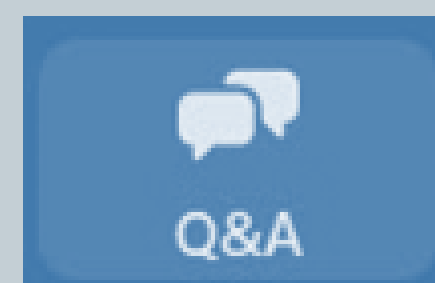
## WARNING



**Language:** This videoconference will be in Portuguese with simultaneous translation into English.

**English questions will be received by text only**

### **How to ask a question:**



- Select the “**Q&A**” icon at the bottom of the screen and enter your question.

## DISCLAIMER

This presentation contains statements that can represent expectations about future events or results. These statements are based on certain suppositions and analyses made by the company in accordance with its experience, with the economic environment and market conditions, and expected future developments, many of which are beyond the company's control. Important factors could lead to significant differences between real results and the statements on expectations about future events or results, including the company's business strategy, Brazilian and international economic conditions, technology, financial strategy, developments in the footwear industry, conditions of the financial market, and uncertainty on the company's future results from operations, plans, objectives, expectations and intentions – among other factors. In view of these aspects, the company's results could differ significantly from those indicated or implicit in any statements of expectations about future events or results.



# MASTER FRANCHISOR INTERNALIZATION



BRING THE FINAL CONSUMER CLOSER



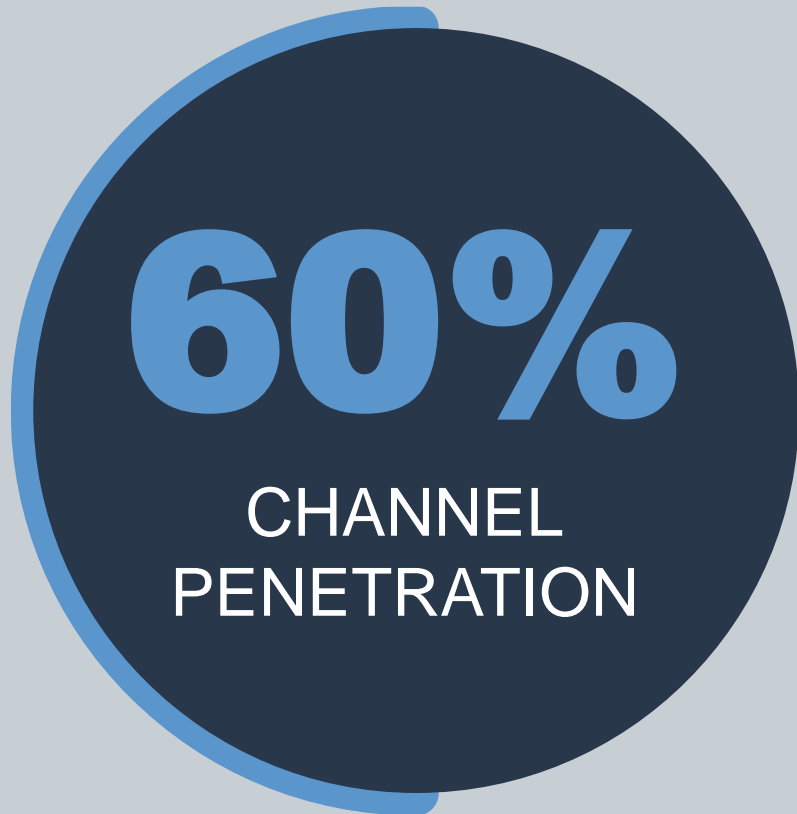
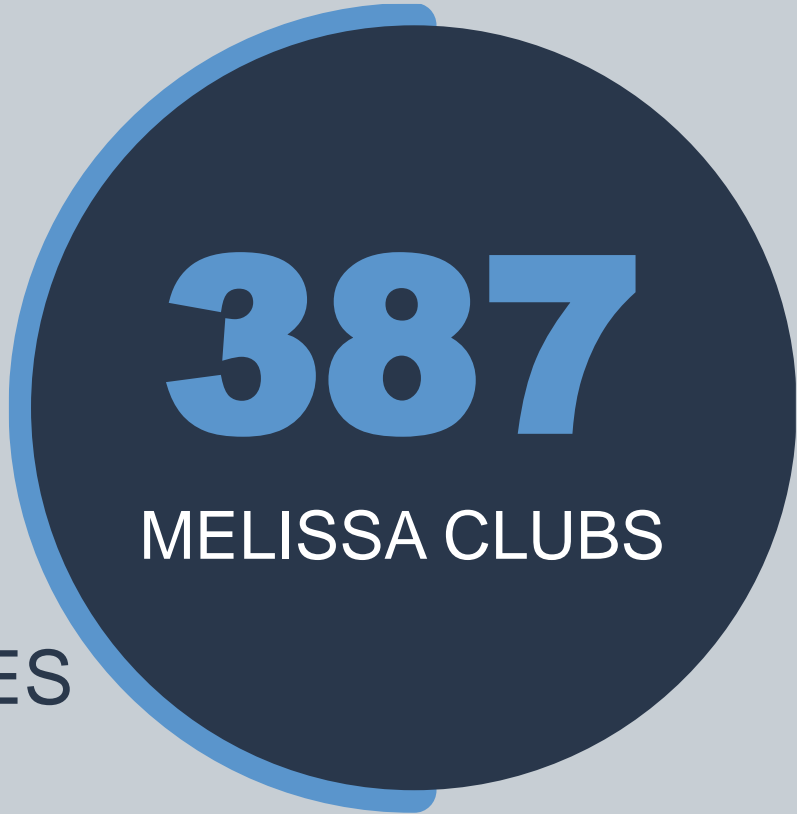
STRENGTHEN RELATIONSHIP WITH FRANCHISEES



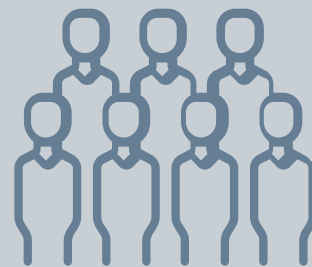
INCREASE TREND CAPTURE



TEST NEW STORE FORMATS.



PRESENT IN **155 MUNICIPALITIES**  
IN **25 STATES** (INCLUDING FD)



174 FRANCHISEES







# GRENDENE GLOBAL BRANDS



- PRACTICALLY COMPLETE CORPORATE TEAM;
- STRUCTURING THE COMPANY GOVERNANCE;
- IMPLEMENTATION OF NEW IT SYSTEM;







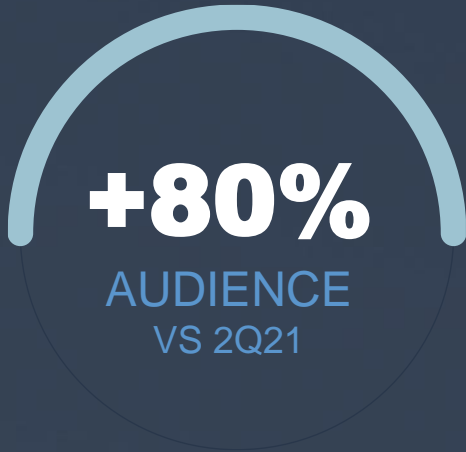
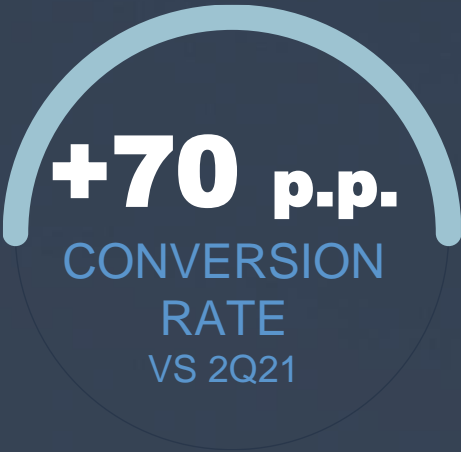
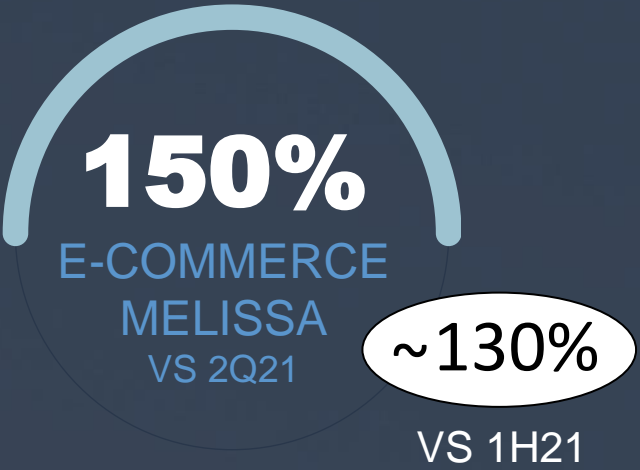
 LOGISTICS OPERATOR TRANSITION **COMPLETED**;

 **NEW COMMERCIAL STRUCTURE USA** IMPLEMENTED;

 IPANEMA STORE **RELAUNCH** ON AMAZON IN JULY;

 MEETINGS WITH RETAILERS FOR SPRING / SUMMER 2023 COLLECTION PRESENTATION.

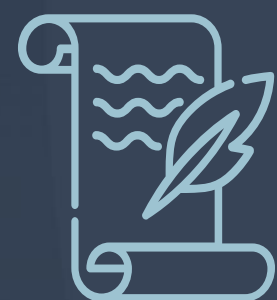
-  **HIRING THE LOCAL TEAM**;
-  **TRANSITION WITH MELISSA DISTRIBUTOR COMPLETED**;
-  **SALES STARTED ONLY IN JUNE DUE TO LOCKDOWN**;
-  **MELISSA: STORE RELAUNCH AT TMALL AND STORE LAUNCH AT DOUYIN**;



## RENEWAL OF IRPJ TAX INCENTIVE



IN JUNE 2022, SUDENE **EXTENDED THE IRPJ CORPORATE INCOME TAX) INCENTIVE UNTIL DECEMBER 31, 2031**, FOR THE ESTABLISHMENT IN SOBRAL/CE, MAINTAINING THE 75% REDUCTION OF INCOME TAX ON THE PROFIT OF THE ENTERPRISE.



THE UNITS OF **CRATO/CE** AND **FORTALEZA/CE** HAVE THE **THE SAME TAX INCENTIVE** THAT GRANTS A **75% REDUCTION OF INCOME TAX** ON THE PROFIT OF THESE ENTERPRISES UNTIL **DECEMBER 2026 AND DECEMBER 2030**, RESPECTIVELY.



## ESG – ENVIRONMENTAL, SOCIAL & GOVERNANCE

RELATÓRIO DE  
SUSTENTABILIDADE  
2021

**Grendene®**



For the third year presented its Sustainability and ESG Practices Report for the year 2021.

<https://grendene.com.br/sustentabilidade/>

The case "The recreation of Rider's future" won the Amcham ECO® Award in the Sustainability Practices category in Products and Services for Large Companies.



100% renewable energy and zero emissions in footwear production. Tracking the origin of energy is responsible for the total reduction of scope 2 emissions when the purchase choice approach is considered.



2Q22 & 1H22 RESULTS

## DIGITAL COMMERCE

GROWTH IN ALL OF THE BRANDS

INCLUSION OF PAYMENT VIA PIX (2Q22)

APP MELISSA UNDER DEVELOPMENT (START 2Q22)

INTEGRATION WITH NEW MARKETPLACES (3Q22)

LOYALTIES PROGRAM (3Q22)

**+72.5%**

GMV

**10.0%**

MARKET  
PENETRATION  
MELISSA:

**152k**

PAIRS SOLD

**+24.5%**

# SINGLE USERS

**+48.3%**

# SESSIONS

**Grendene®**

melissa

GRENDA

zaxy

Ipanema

Grendene kids

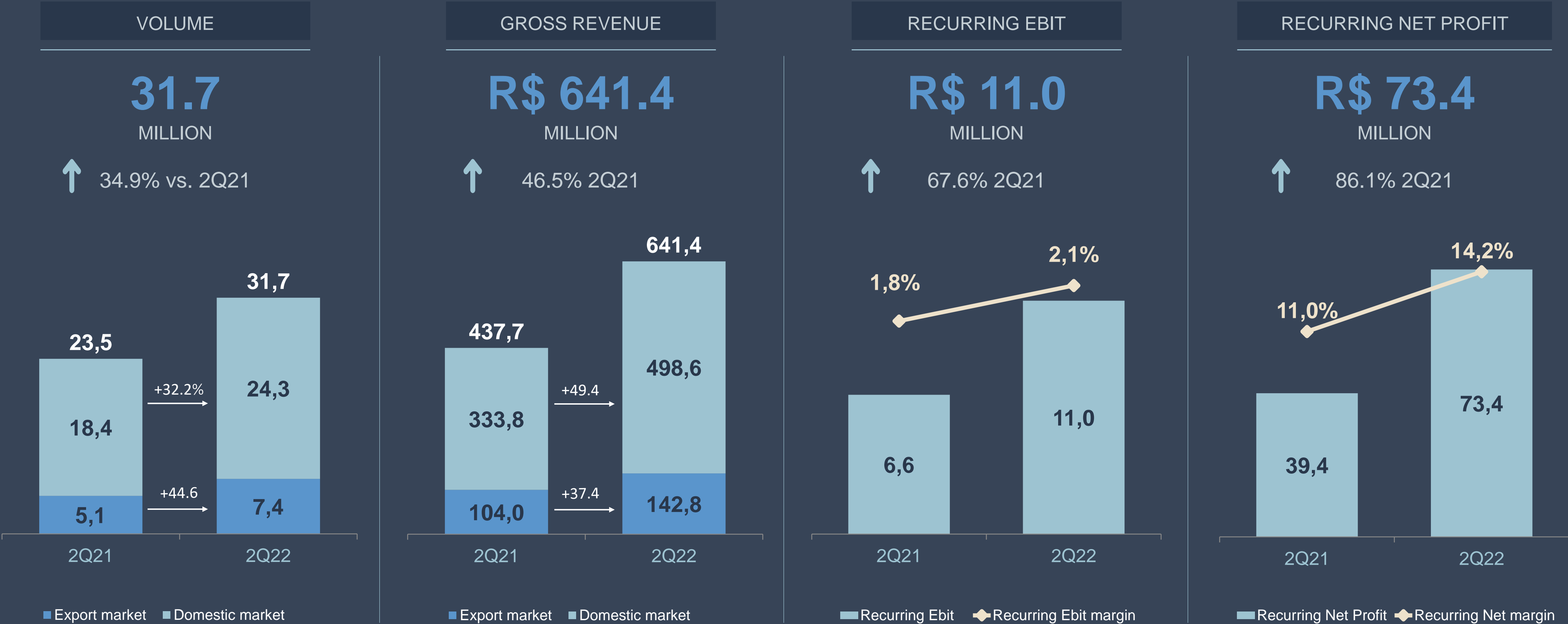
rider

CARTAGO

PEGA FORTE

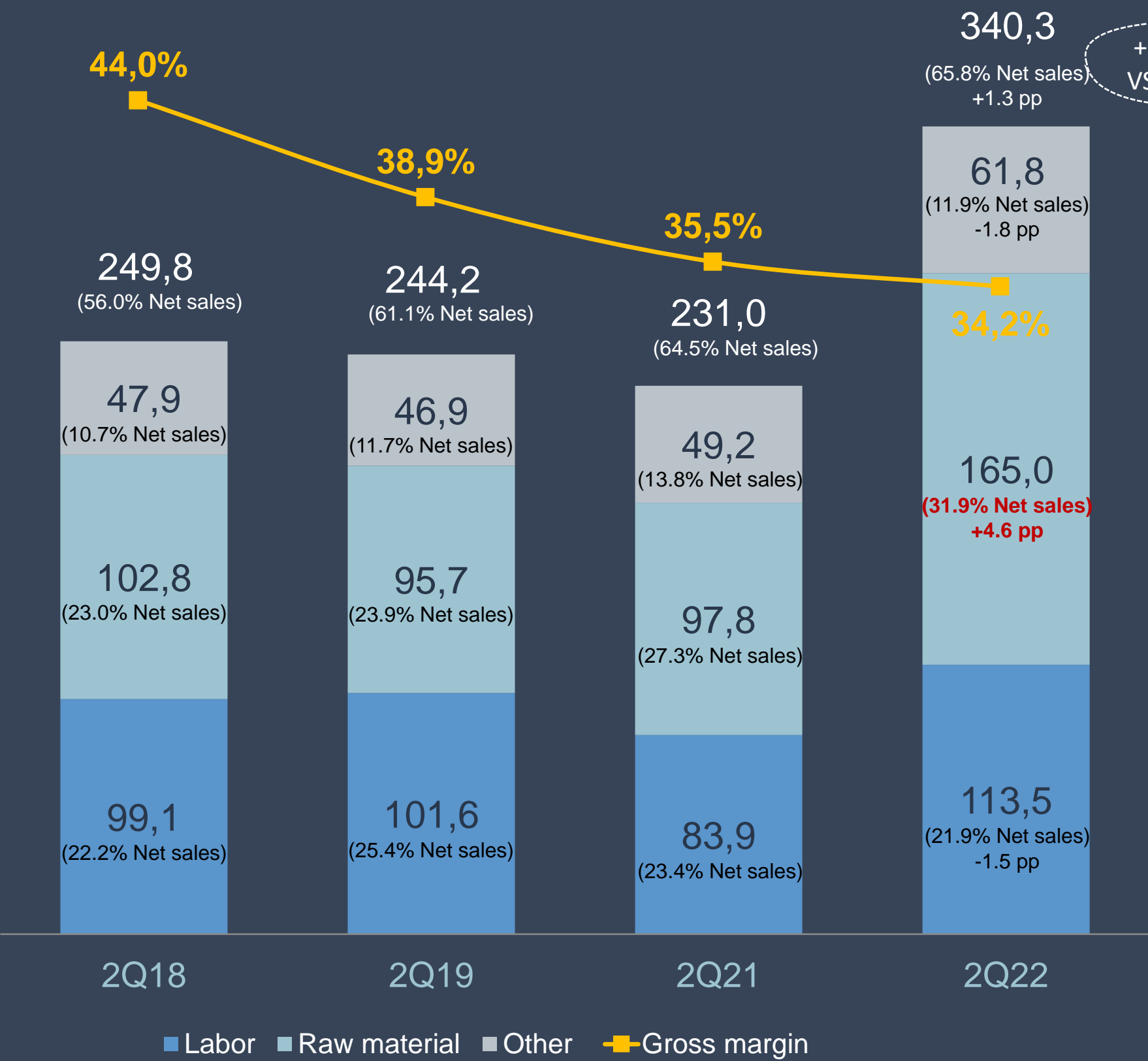


2Q22 HIGHLIGHTS YOY



CPV & GROSS MARGIN

COGS (R\$) & GROSS MARGIN (%)



GROSS REVENUE PER PAIR

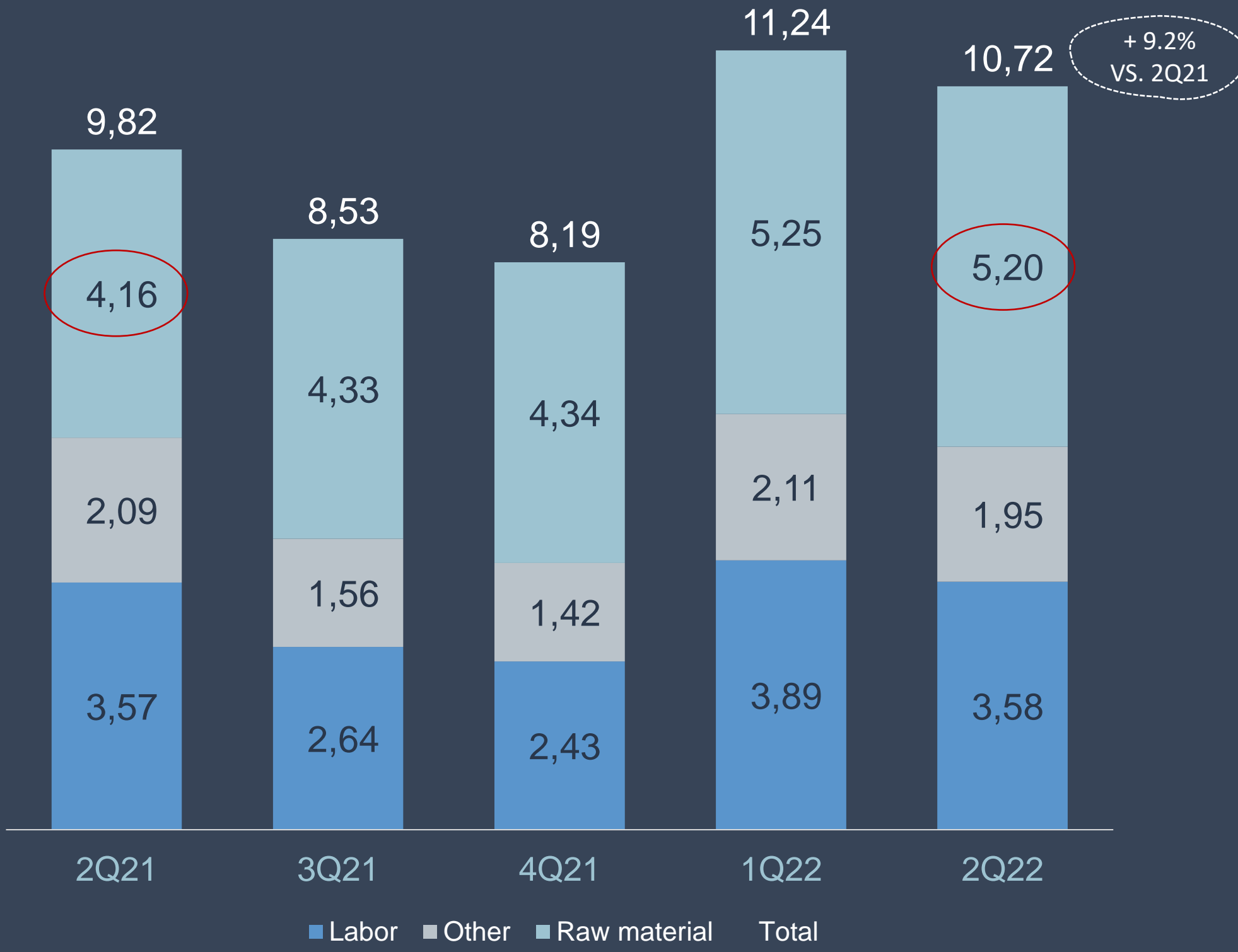
TOTAL (R\$ 20.21)  
+ 8.7% VS. 2Q21

DOMESTIC MARKET (R\$ 20.48)  
13.0% 2Q21

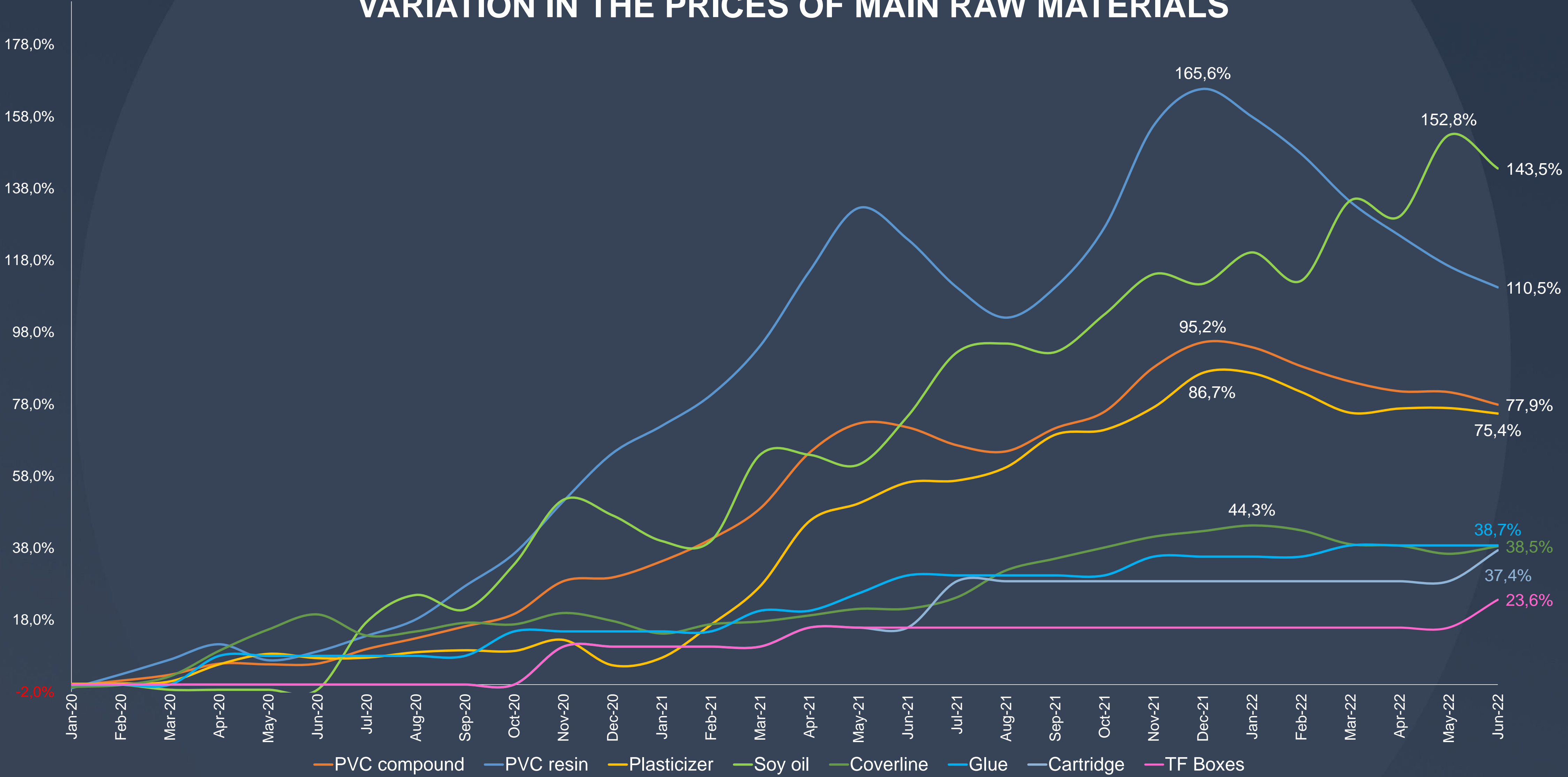
EXPORT MARKET (R\$ 19.33)  
- 5.0% VS. 2Q21

DOMESTIC MARKET (R\$ 3.93)  
2.3% 2Q21

AVERAGE COGS PER PAIR



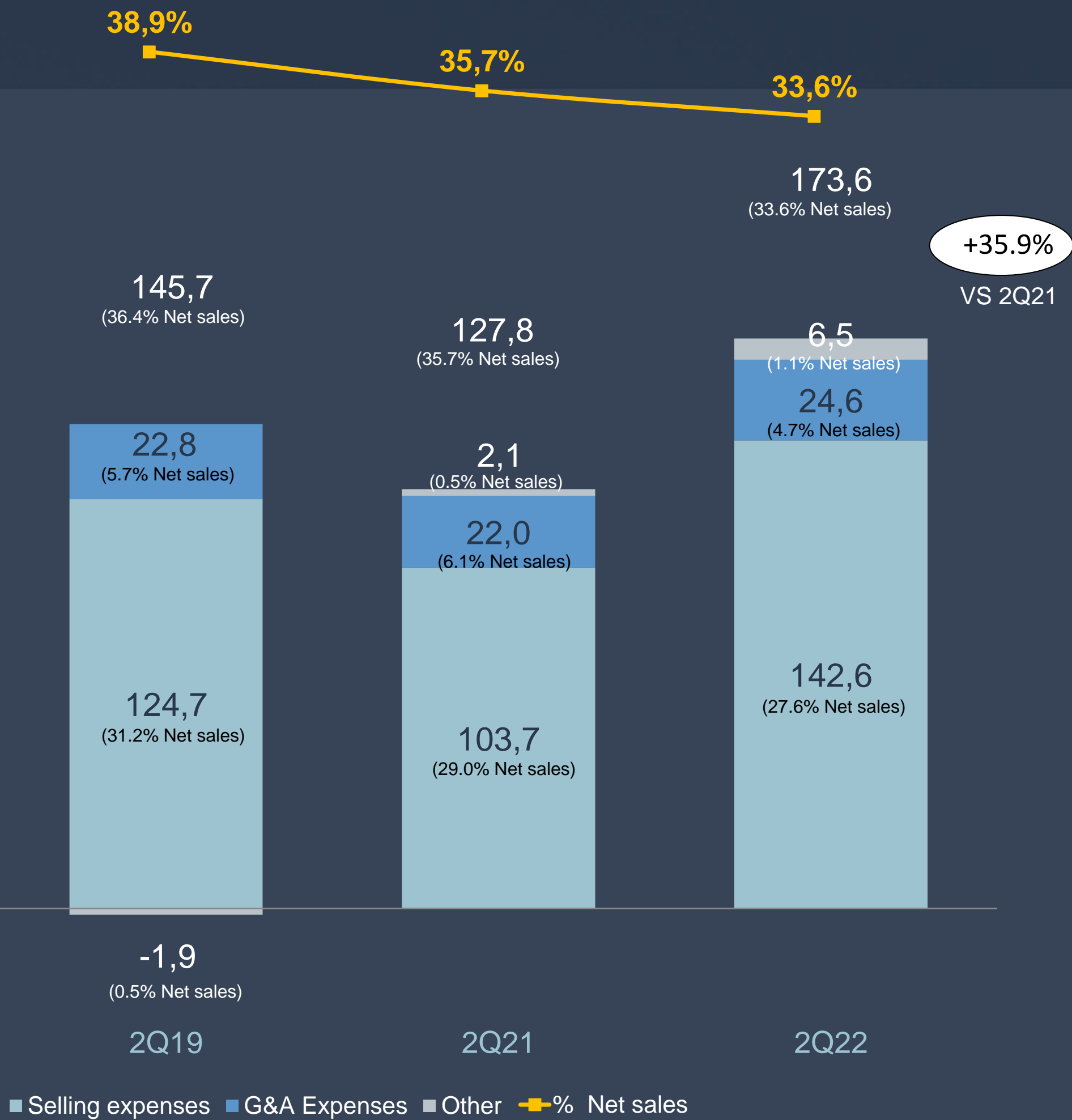
VARIATION IN THE PRICES OF MAIN RAW MATERIALS





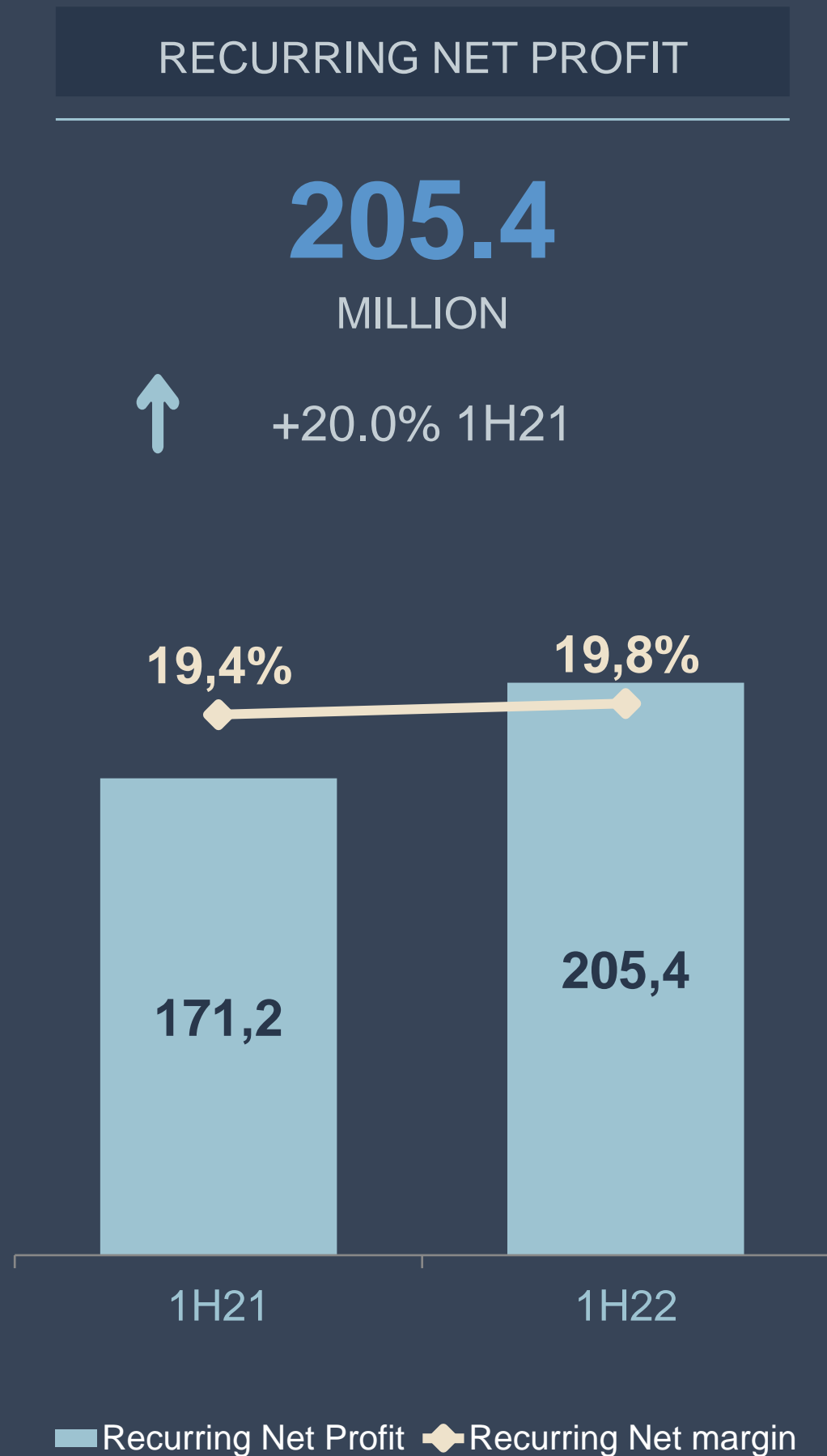
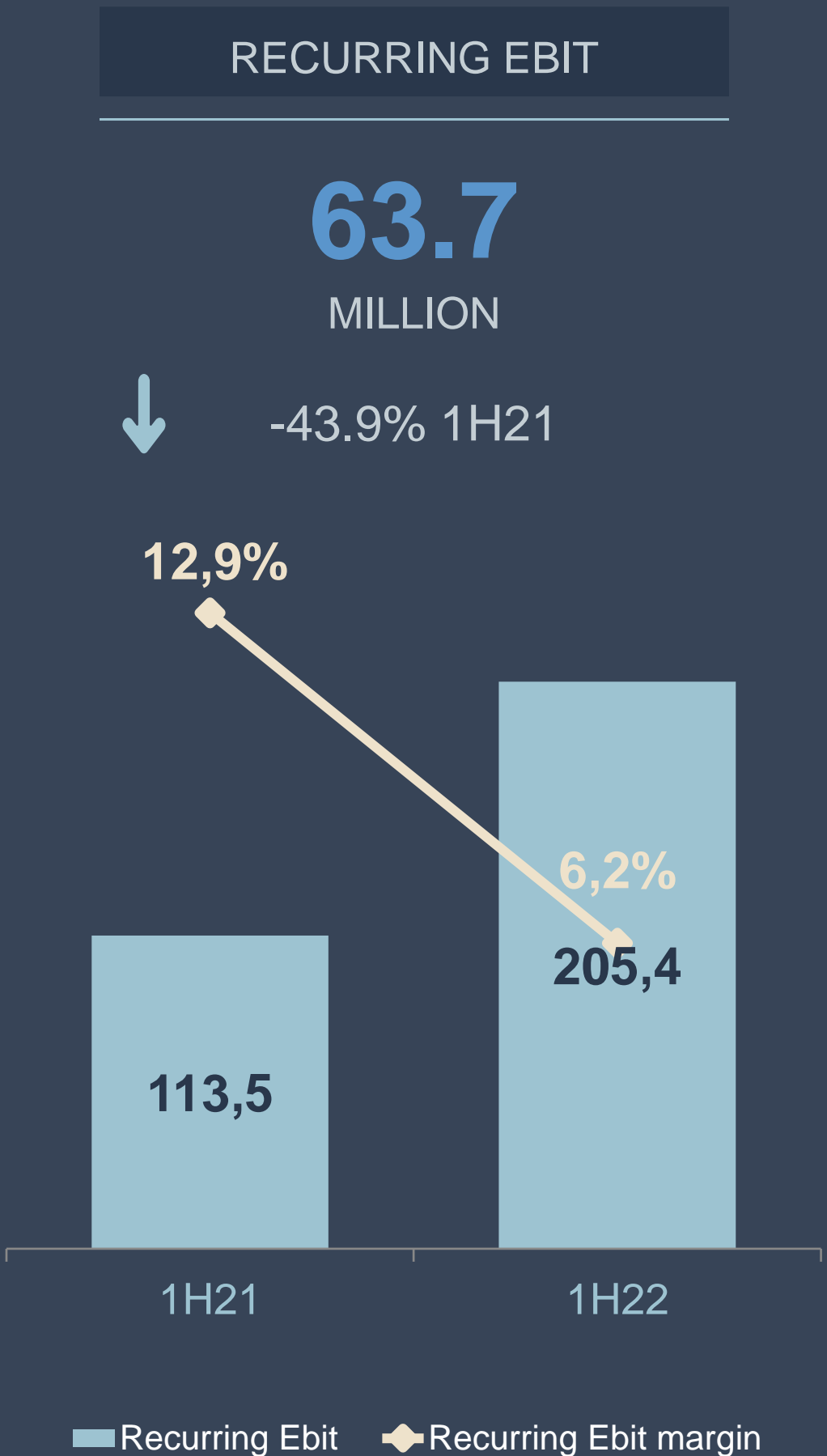
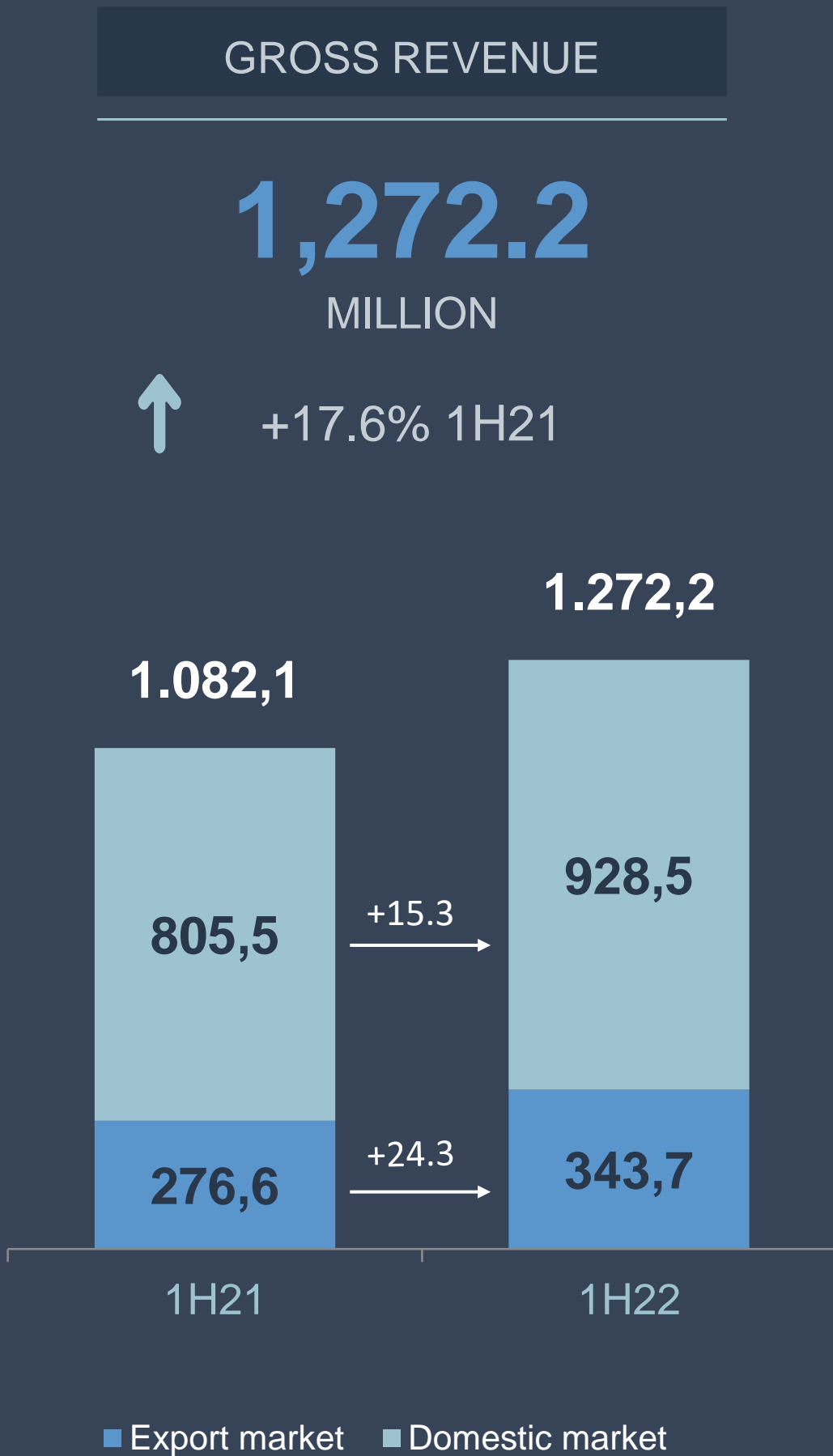
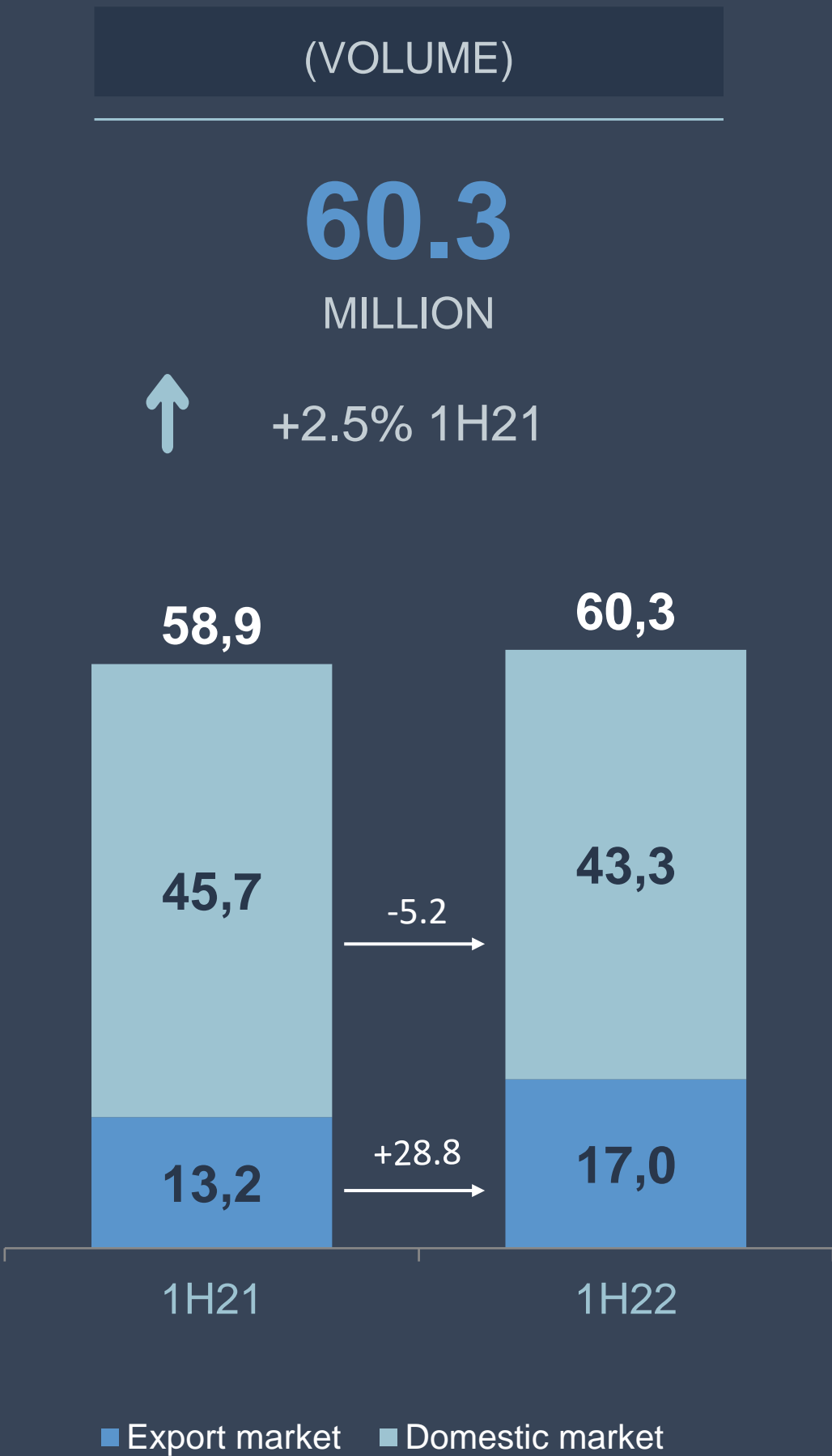
# OPERATIONAL EXPENSES (REVENUE)

- OPERATIONAL EXPENSES ADVANCED 35.9% VS 2Q21, WHICH WAS BELOW THE NET REVENUE GROWTH.
- SALES EXPENSES GROW 37.5% OVER 2Q21, DUE TO:
  - DUE TO VARIABLE EXPENSES THAT HAVE A DIRECT RELATIONSHIP WITH THE ADVANCE OF NET REVENUE, SALES EXPENSES GREW 37.5% OVER 2Q21.
  - RESUMPTION OF TRAVELS, TRADE FAIRS AND CONVENTIONS.
  - INVESTMENT, INNOVATION AND ACCELERATION OF ONLINE SALES.





# 1H22 HIGHLIGHTS YOY

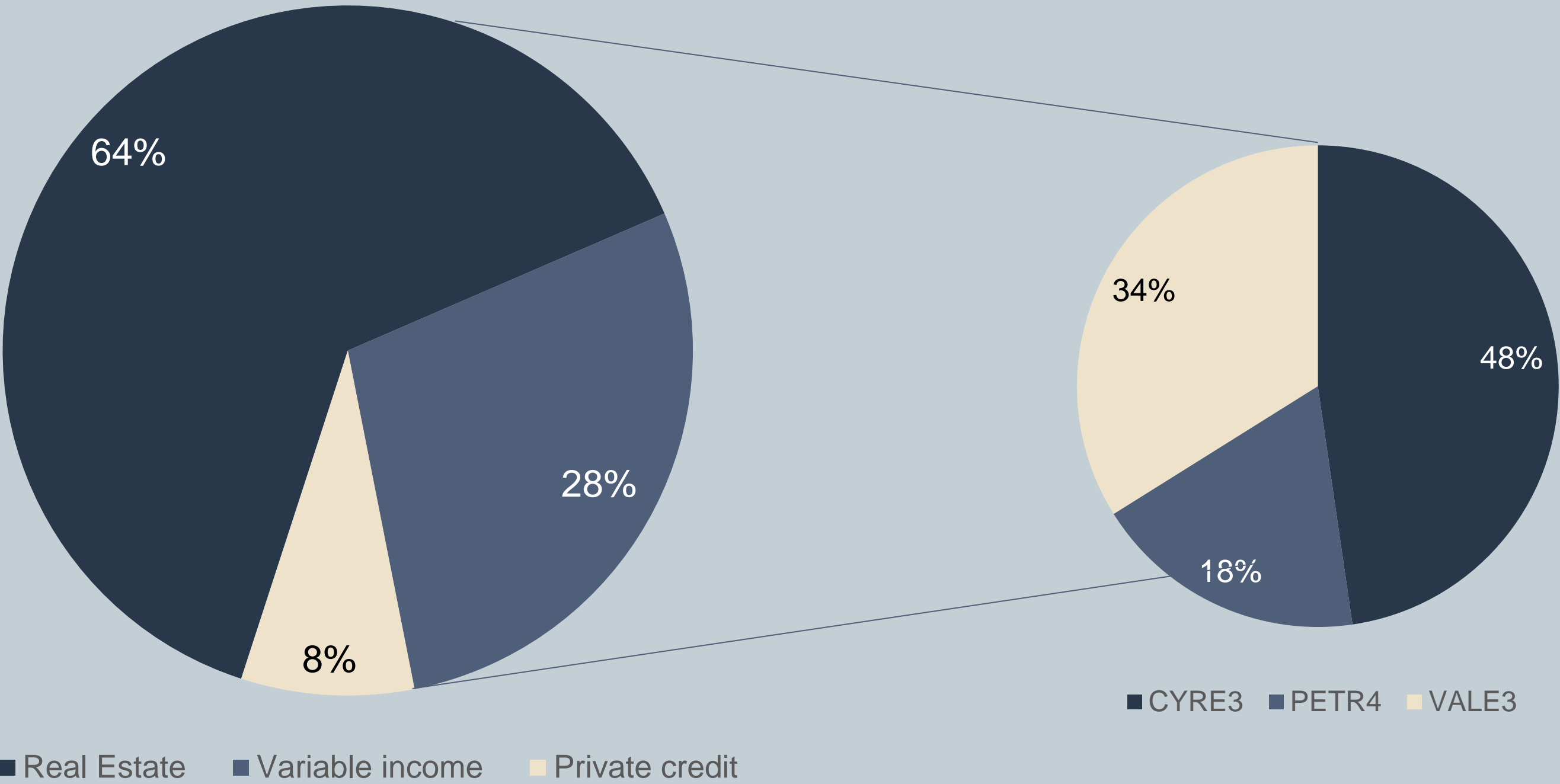




# “INVESTMENT COMMITTEE” PORTFOLIO

BALANCE: R\$ 692.9 MILLION

SHARE BY SECTOR, %  
(June 30, 2022)



THE “INVESTMENT COMMITTEE” PORTFOLIO PRESENTS A RETURN OF 71.8% (EQUIVALENT TO 436.0% CDI) SINCE THE BEGINNING OF THE ALLOCATION OF RESOURCES.



## DESTINATION OF PROPOSED DIVIDENDS AND INTEREST ON EQUITY (I.E.)

Allocation of Net profit for 1H22	R\$
Net profit for the period	191,179,328.48
( - ) Tax incentives reserve	(76,083,862.34)
Basis for calculation of the legal reserve	115,095,466.14
( - ) Legal reserve	(5,754,773.31)
Dividends relating to the profit of the 1H22 / Basis for calculation of the minimum mandatory dividend	109,340,692.83
( - ) 1 <sup>st</sup> Interim Dividend and Interest on Equity (I.E.)	(83,696,009.12)
Balance available for 2 <sup>nd</sup> distribution of dividends	25,644,683.71
Minimum obligatory dividend – 25%	27,335,173.21
Dividend in addition to the minimum mandatory amount	82,005,519.62
Sum	109,340,692.83

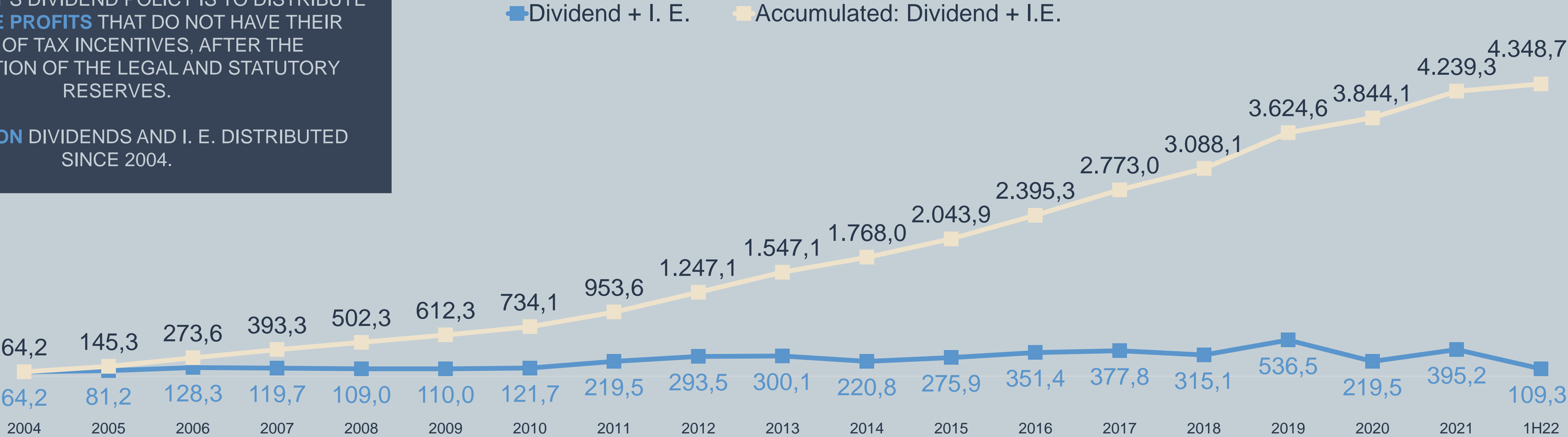
Dividend / I.E.	Approval date	Ex-dividend date	Payment start date	Gross value R\$	Gross value per share R\$	Net value R\$	Net value per share R\$
Dividend <sup>1</sup>	April 28, 2022	May 10, 2022	May 25, 2022	46,696,009.12	0.051760415	46,696,009.12	0.051760415
I.E. <sup>1</sup>	April 28, 2022	May 10, 2022	May 10, 2022	37,000,000.00	0.041012827	31,450,000.00	0.034860903
Dividend <sup>1</sup>	August 4, 2022	August 12, 2022	August 31, 2022	7,644,683.71	0.008478151	7,644,683.71	0.008478151
I.E. <sup>1</sup>	August 5, 2022	August 5, 2022	August 5, 2022	18,000,000.00	0.019962463	15,300,000.00	0.016968093
Sum				109,340,692.83	0.121213856	101,090,692.83	0.112067562

<sup>1</sup> Dividend and I.E. approved "ad referendum" of the Annual General Meeting that examines the balance sheet and financial statements for the 2022 business year.

# DIVIDEND AND INTEREST ON EQUITY (I.E.) ACCUMULATED SINCE 2004

THE COMPANY'S DIVIDEND POLICY IS TO DISTRIBUTE **THE ENTIRE PROFITS** THAT DO NOT HAVE THEIR ORIGIN OF TAX INCENTIVES, AFTER THE CONSTITUTION OF THE LEGAL AND STATUTORY RESERVES.

**R\$ 4,3 BILLION** DIVIDENDS AND I. E. DISTRIBUTED SINCE 2004.



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	1H22
Payout (*)	96.4%	101.3%	100.4%	100.3%	45.9%	40.7%	39.8%	74.8%	71.1%	71.8%	46.1%	48.6%	53.1%	55.2%	52.0%	65.7%	51.6%	63.0%	54.5%
Dividend yield (**)	2.0%	4.0%	6.6%	5.2%	7.0%	5.9%	4.7%	8.5%	8.4%	5.0%	4.8%	5.2%	6.3%	4.7%	4.0%	6.7%	2.7%	4.5%	2.6%

(\*) Payout: (Dividend plus net Interest on Equity), divided by (Net profit after constitution of the legal reserves).

(\*\*) Dividend yield: (Dividend per share + net Interest on Equity per share in the period) divided by (weighted average price of the share in the period, annualized).



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# Q&A

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THANK YOU

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***Grendene®***

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melissa

GRENDA

ZAXY

Ipanema

Grendene kids

rider

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PEGA FORTÉ