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**AREZZO INDÚSTRIA E COMÉRCIO S.A.**

*Publicly Held Company*

Corporate Taxpayer Registration (CNPJ) No.16.590.234/0001-76

NIRE (Commercial Registry Number) 31.300.025.91-8 | CVM No. 02234-9

**MATERIAL FACT**

**AREZZO INDÚSTRIA E COMÉRCIO S.A.** ("Company" or "Arezzo"), in compliance with article 157, § 4<sup>th</sup>, of Law No. 6,404, of 1976, as amended ("Brazilian Corporate Law"), and with article 2<sup>nd</sup> of CVM Instruction 358, of 2002, as amended, in continuity to the Material Facts disclosed on October 23<sup>rd</sup>, 2020, on November 11<sup>st</sup>, 2020 and on November 27<sup>th</sup>, 2020 and to the Notice to the Market disclosed on November 17<sup>th</sup>, 2020, hereby informs to its shareholders and the market in general what follows.

As previously disclosed by the Company, the Shareholders' General Meeting of the Company held on November 27<sup>th</sup>, 2020 ("SGM 11.27.20"), among other matters, approved the merger, by Arezzo, of shares issued by Vamoquevamo Empreendimentos e Participações S.A. (CNPJ 13.090.575/0001-94) ("Merger of Shares" and "VQV") pursuant the terms of the Private Instrument of Protocol and Justification of the Merger of Shares Issued by VQV by the Company, executed by and between the managements of the parties on November 11<sup>st</sup>, 2020 ("Protocol and Justification").

As the market is also aware, the Merger of Shares occurs within the context of the transaction agreed under the Association Agreement and Other Covenants executed among, on one hand, the Company, and, on the other hand, VQV and Tiferet Comércio de Roupas Ltda. (CNPJ 07.308.705/0001-10) ("Tiferet" and, together with VQV, "Reserva") and other parties ("Association Agreement") to combine the businesses of Reserva and of the Company ("Transaction").

The completion of the Merger of Shares, as well as of other steps of the Transaction, were subject to the verification (or waiver, as applicable) of certain suspensive conditions, as per the terms of the Association Agreement and of the Protocol and Justification ("Suspensive Conditions").

In this context, under the terms of the SGM 11.27.20, the shareholders of the Company approved the Merger of Shares, the increase of the Company's capital stock due to the Merger of Shares and the amendment of the Company's By-laws to reflect the increase of the capital stock due to the Merger of Shares, making the effects of these resolutions subject to the verification of the Suspensive Conditions, as stated by the Board of Directors, pursuant to the Protocol and Justification.



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In the meeting held on December 3<sup>th</sup>, 2020, the Board of Directors confirmed the fulfillment (or waiver, as applicable) of the Suspensive Conditions and, in view of the verification of the fulfillment (or waiver, as applicable) of the Suspensive Conditions, the Board of Directors stated the production of effects on December 4<sup>th</sup>, 2020 ("Closing Date"), of the Transaction and of the resolutions of the SGM 11.27.20, which effects were subject to the verification (or waiver, as applicable) of the Suspensive Conditions.

Therefore, the Transaction and its steps, including the Merger of Shares, become effective on the Closing Date, for all legal purposes, producing the respective effects, so that the steps of the Transaction, as per the terms of the Association Agreement and of the Protocol and Justification, as applicable, will occur and will become effective sequentially and in a connected manner on the Closing Date.

With the completion of the Merger of Shares, the Board of Directors of the Company has homologated, to become effective on the Closing Date, the increase of the capital stock of the Company in the amount of four hundred and fifty-six million *reais* (R\$ 456,000,000.00), upon the issuance of eight million, six hundred and seventy-seven thousand, one hundred and thirty-four (8.677.134) new common, registered, book-entry shares with no-par value of issuance of the Company, which will be subscribed on the behalf of VQV's shareholders, in the proportion of their equity, and paid-in through the merger of eight hundred and forty thousand, two hundred and five (840,205) shares of VQV's issuance, as per the terms of the Protocol and Justification. Therefore, on the Closing Date, the capital stock of the Company is now eight hundred and eight million, seven hundred and fourteen thousand, eight hundred and sixty *reais* and ninety-six *centavos* (R\$ 808,714,860.96), divided into ninety-nine million, six hundred and thirty-one thousand, four hundred and fourteen (99,631,414) common, registered, book-entry shares with no-par value, with the consequent amendment of article 5<sup>th</sup>, *caput*, of the Company's By-laws, as approved at the SGM 11.27.20.

Also due to the consummation of the Merger of Shares, VQV will become a wholly-owned subsidiary of the Company.

The Company will keep the shareholders and the market in general informed on the relevant updates regarding the matters mentioned herein.

Belo Horizonte, December 4<sup>th</sup>, 2020.

**ALINE FERREIRA PENNA PELI**  
Investor Relations Officer