



PROFARMA



EARNINGS RELEASE 4Q20 and 2020

4Q20 and 2020 EARNINGS



Rio de Janeiro, March 16, 2021 - Profarma Distribuidora de Produtos Farmacêuticos S.A. ("Profarma" or "Company", B3: PFRM3), one of the largest pharmaceutical companies in Brazil, announces its results for the fourth quarter of 2020 (4Q20) and fiscal year 2020. The Company's financial statements are prepared in Brazilian currency (Brazilian reais - R\$), in compliance with the Brazilian Corporate Law, technical pronouncements of CPC (Accounting Pronouncements Committee) and requirements of CVM, the Brazilian Securities and Exchange Commission. The financial and operating information herein is presented on a consolidated basis and in compliance with the accounting practices adopted in Brazil.

The comparisons of results refer to the fourth quarter of 2019 (4Q19) and 2019. The Company's Financial Statements have been prepared in compliance with IFRS 16 and all the Company's figures will comply with this standard. Pre-IFRS 16 data can be found in Annex II.

HIGHLIGHTS 2020 vs 2019



PROFARMA GROUP | CONSOLIDATED

- 13.8% growth in gross revenue, reaching a record R\$ 6.3 billion.
- 1.2 p.p. dilution in SG&A, reaching 10.3% of the net revenue.
- R\$ 222.6 million Ebitda, representing 17.0% growth.
- Net debt/Ebitda ratio at 0.9x versus 2.3x in 2019, down 61.1%.
- All-time-high net profit, reaching R\$ 52.3 million.



DISTRIBUTION

- Gross revenue at R\$ 6.0 billion, 16.4% up versus 2019.
- Ebitda reaches R\$ 134.9 million, a 30.7% increase, with Ebitda margin of 2.6%.
- Expense dilution by 0.8 p.p.
- Net income at R\$ 57.6 million, representing 241.2% growth.



RETAIL

- R\$ 1.1 billion in gross revenue, a 10.8% decrease vs. 2019 (5.3%, excluding mall stores and closed stores).
- Gross margin: 30.3%, 1.6 p.p. higher than 2019.
- Ebitda at R\$ 83.6 million, with 7.8% EBITDA margin, a 0.8 p.p. increase vs. 2019.
- Net Income at R\$ 0.1 million in 2020, vs. R\$ 7.5 million Net loss in 2019.

Next event:

4Q20 and 2020 Webcast: Wednesday, March 17, at 2 p.m. (Brazil).



MESSAGE FROM MANAGEMENT

The beginning of 2020 was marked by the tragic emergence of Covid 19 global pandemic and we immediately implemented an action plan aimed at preserving the health of our employees, ensuring the continuity of our operations - which have become even more essential - and taking measures to protect our customers and consumers. We also deepened our care for our society and thus our socially responsible support and donation initiatives reached the highest volume in our history.

At the same time, our team continued to work hard to achieve the goals previously set by the Company. And despite all the hardships faced during these 12 months, we were able to deliver a year full of records and overcoming.

Our revenue amounted to R\$ 6.3 billion, 13.8% up versus 2019 with Ebitda at R\$ 222.6 million, an all-time-high, and 17.0% higher as compared to the previous year. Record net income of R\$ 52.3 million and indebtedness below 1x Ebitda are other major 2020 highlights. Therefore, we delivered the consecutive third year of significant improvements in our performance, which greatly motivates us for even stronger achievements in 2021.

Special mention should be made to the IPO of d1000, our retail division, which took place in August, when we raised R\$ 400 million and became part of a select group of Brazilian companies with more than one publicly-held company. This movement was key in the Group's deleveraging process, making room for new investments aimed at sustainable growth, operational improvements and higher returns. The creation of a digital transformation department and the complete restructuring of the HR area will also be paramount in paving our strategy for the coming years.

In Distribution, we had an outstanding performance, with 16.4% growth, well above the market, which led us to R\$ 6.0 billion in revenue. Successive increases in our base and frequency of customers served were some of the important factors for this performance. We attribute this performance to the migration of consumption from large commercial centers to neighborhoods during the pandemic, resulting in a 20% growth in independent pharmacies, according to IQVIA. Our Ebitda showed a 30.7% growth, reaching R\$ 134.9 million, contributing to a net income in the amount of R\$ 57.6 million with 241.2% increase as compared to 2019. Our diversification strategy, through the New Business area, also showed an excellent result and already represents 10% of Distribution Ebitda.

At d1000, the impacts of the pandemic were more severe due to the temporary closure of shopping malls and commercial centers where we have a strong presence. This led to a 10.7% reduction in revenue, which reached R\$ 1.1 billion, R\$ 83.6 million Ebitda and net income at R\$ 0.1 million. A thorough strategic planning was carried out in early 2020 and actions such as strengthening the sell-out area by creating two departments, expanding the category management structure, reviewing the expansion area, tapping e-commerce and accelerating the launch of our exclusive brands have already been addressed over the year and make us optimistic about achieving the expected results in a more stable environment as the pandemic recedes. The proceeds from the IPO will finance a significant expansion of our network from 2021 onwards and investments in digitalization, ensuring a healthy capital structure.

Profarma's Institute for Social Responsibility had one more year of intense activity, distributing 50 tons of food to 44 institutions across Brazil, in addition to donating 55 thousand hygiene kits for Covid 19 prevention. Our partnership with Unicef was also a highlight by raising R\$ 1.5 million in donations at checkouts of our stores.

2021 will be a very special year for Profarma group due to the celebration of our 60 years of operation in the pharmaceutical market, of the 15 years of Profarma IPO and also of the 15 years of foundation of Profarma Institute of Social Responsibility. Therefore, nothing could be more fitting than celebrating all this history with new and important records.



Financial Highlights

CONSOLIDATED						
(R\$ Million)	4Q19	4Q20	Chg. %	2019	2020	Chg. %
Financial Data						
Gross Revenues Consolidated ¹	1.500,0	1.729,8	15,3%	5.568,7	6.336,2	13,8%
Gross Revenues Non-Consolidated	1.716,2	1.941,3	13,1%	6.379,4	7.101,1	11,3%
Distribution Division	1.414,4	1.662,5	17,5%	5.177,8	6.028,6	16,4%
Retail Division	301,8	278,9	-7,6%	1.201,6	1.072,6	-10,7%
Net Revenues	1.299,9	1.500,5	15,4%	4.801,3	5.481,3	14,2%
Gross Profit	195,2	198,6	1,7%	737,8	763,6	3,5%
% Net Revenues	15,0%	13,2%	-1,8 p.p	15,4%	13,9%	-1,4 p.p
Operating Expenses	-198,2	-167,3	-15,6%	-678,7	-647,0	-4,7%
SGA Expenses	-141,2	-153,9	9,0%	-556,0	-567,0	2,0%
% Net Revenues	-10,9%	-10,3%	-0,6 p.p	-11,6%	-10,3%	1,2 p.p
Depreciation and Amortization	-58,4	-26,1	-55,4%	-129,3	-101,9	-21,2%
% Net Revenues	-4,5%	-1,7%	2,8 p.p	-2,7%	-1,9%	0,8 p.p
Other Oper. Rev.	1,5	12,6	765,4%	5,8	21,9	274,8%
% Net Revenues	0,1%	0,8%	0,7 p.p	0,1%	0,4%	0,3 p.p
Ebitda ²	56,3	58,4	3,8%	190,3	222,6	17,0%
Ebitda Margin (% Net Revenues)	4,3%	3,9%	-0,4 p.p	4,0%	4,1%	0,1 p.p
Net (Loss) Income	19,4	27,7	43,0%	12,0	52,3	336,9%
Net Margin (% Net Revenues)	1,5%	1,8%	0,4 p.p	0,2%	1,0%	0,7 p.p
Net Debt	434,5	197,7	-54,5%	434,5	197,7	-54,5%
Net Debt / Ebitda	2,3	0,9	-61,1%	2,3	0,9	-61,1%
Net income per Batch of One Thousand Shares (in Reais)	156,3	223,5	43,0%	96,7	461,0	376,5%
Stockholders' Equity	1.004,6	1.046,3	4,1%	1.004,6	1.046,3	4,1%
Cash Cycle	25,0	27,2	8,7%	25,0	27,2	8,7%

(1) Consolidated Gross Revenue - Excluding intercompany sales.

(2) Ebitda - Net profit (loss) plus income tax and social contribution, net financial result, depreciation and amortization.

IFRS 16

The mandatory adoption of IFRS 16 as of January 1, 2019 led the Company to recognize the fixed portion of its stores' and distribution centers' operating leases as (right-of-use) assets and the future lease payments as liabilities. The new standard has changed the nature of expenses related to those leases. In fact, the Company will from now on recognize depreciation expenses on right-of-use assets, as well as interest expenses on lease liabilities, instead of rent expenses. As a result, IFRS 16 has had a positive effect on EBITDA in comparison to the previous system (pre-IFRS 16) since rent expenses on business facilities (stores and DCs) have been reclassified from operating expenses to depreciation and financial expenses. Consequently, the introduction of IFRS 16 has had no effect on cash as compared to the previous system (pre-IFRS 16) since actual rent expenses have not changed and the new standard is not yet recognized by Brazilian tax authorities.

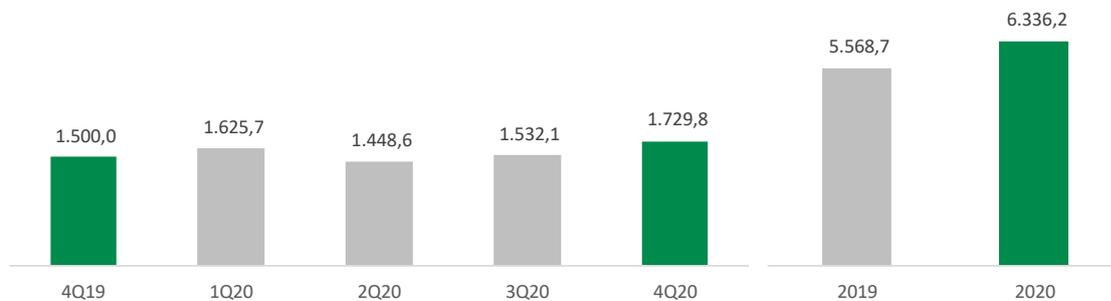
All amounts for fiscal year 2020 will be presented in compliance with IFRS 16. Main pre-IFRS 16 data can be found in Annex II.



Gross Operating Revenue

Consolidated gross revenue reached R\$ 6.3 billion in 2020, a 13.8% increase as compared to 2019. The growth is mainly related to the evolution in Distribution sales, with 16.4% increase.

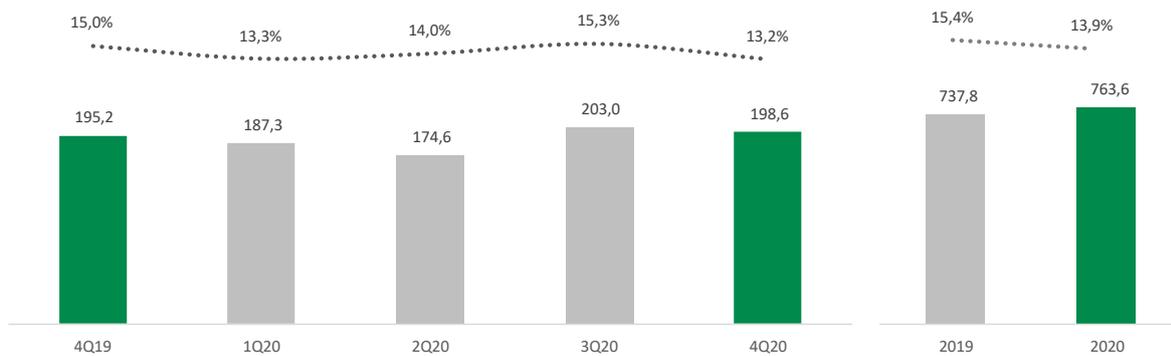
Consolidated Gross Operating Revenue (R\$ million)



Gross Profit

Consolidated gross profit in 2020 amounted to R\$ 763.6 million, 3.5% higher as compared to 2019, mainly due to the 11.8% growth in gross profit in Distribution (increase of R\$ 46.2 million). Gross margin was 1.4 p.p. lower than the previous year, mainly due to the heavier weight of the Distribution division in total sales for the year (93.0% in 2019 and 95.1% in 2020). It is worth noting the increase in retail gross margin, reaching 30.3%, up 1.6 p.p. versus 2019. In 4Q20, the Company's gross profit amounted to R\$ 198.6 million, virtually in line with the same quarter of the previous year, at R\$ 195.2 million. The decrease in gross margin in this comparative period can also be explained by the heavier weight of Distribution in total sales.

Gross Profit and Gross Margin (R\$ million and % of net revenue)



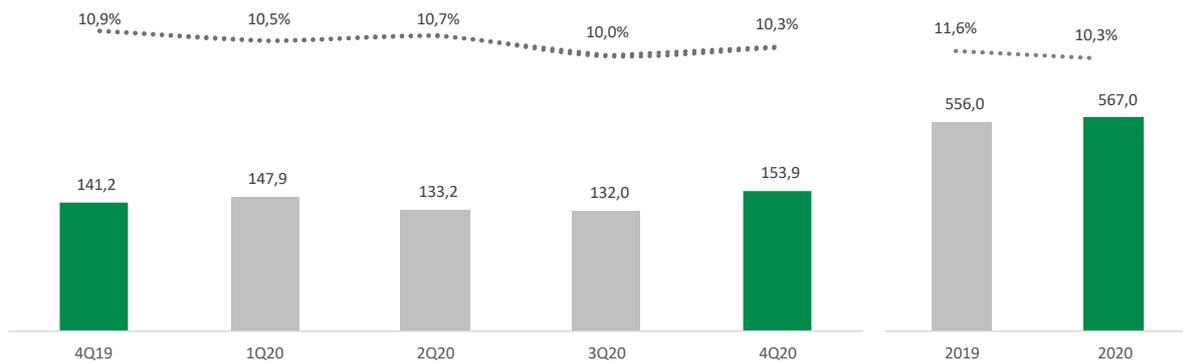


Operating Expenses

Consolidated operating expenses, which comprises administrative, commercial and logistics expenses (excluding depreciation and other revenues), amounted to R\$ 567.0 million or 10.3% of net operating revenue. The result indicates a dilution of 1.2 p.p. versus 2019 and is mainly related to the dilution of operating expenses in Distribution of 0.8 p.p.

When comparing 4Q20 with 4Q19, a decrease of 0.6 p.p. in operating expenses as a percentage of net revenue can be seen, a result that can also be explained by the dilution in Distribution expenses, in view of the 17.5% sales growth.

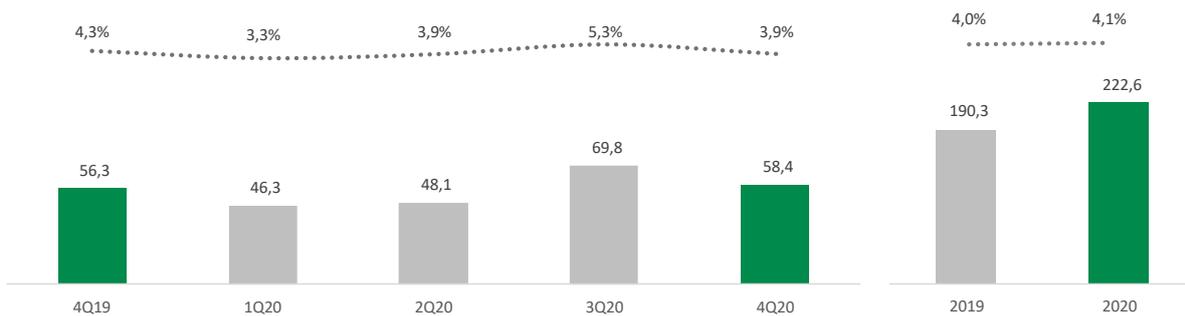
Operating Expenses - SG&A (R\$ million and % of net revenue)



Ebitda

The Company recorded Ebitda of R\$ 222.6 million in 2020, a 17.0% increase as compared to 2019, with 30.7% increase in Distribution, reaching R\$ 134.9 million, and virtually in line in d1000. Ebitda margin in 2020 was 4.1% - virtually in line with 4.0% recorded in 2019. In 4Q20, Ebitda reached R\$ 58.4 million, with 3.9% margin - up 3.8% (R\$ 2.2 million) compared to 4Q19.

Ebitda (R\$ million and % of net revenue)





Ebitda Reconciliation

(R\$ Million)	CONSOLIDATED					
	4Q19	4Q20	Chg. %	2019	2020	Chg. %
Net Income	19,4	27,7	43,0%	12,0	52,3	336,9%
IR / CS	(14,7)	17,5	-218,5%	(9,6)	28,6	-399,1%
Financial Result	36,3	(13,8)	-138,1%	(39,4)	(87,5)	122,1%
Depreciation and Amortization	(58,4)	(26,1)	-55,4%	(129,3)	(101,9)	-21,2%
Ebitda	56,3	58,4	3,8%	190,3	222,6	17,0%
Ebitda Margin (% net revenue)	4,3%	3,9%	-0,4 p.p	4,0%	4,1%	0,1 p.p

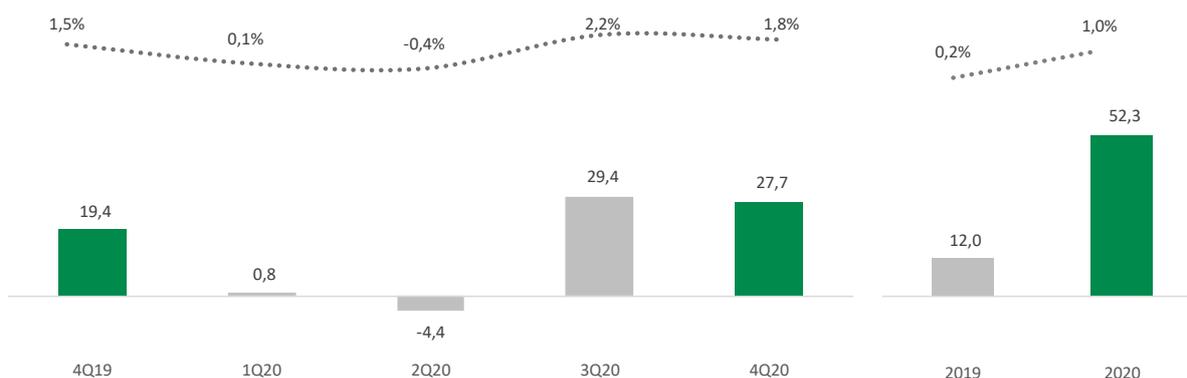
Financial Result

Net financial expenses amounted to R\$ 87.5 million in 2020 and should be compared with 2019 excluding the reversal of the interest provision related to the last installment of Rosário's purchase in the total amount of R\$ 63.8 million this year, thus increasing the comparable amount of financial expense to R\$ 103.6 million. Thus, 2020 financial expense was R\$ 15.7 million lower when compared to 2019, mainly due to the reduction in bank financial expenses partially offset by additional financial expenses related to tax installment payment made in mid-2020. The drop in bank expenses was due to the reduction in the Group's indebtedness and also to a lower interest rate in the period.

Net Income

In 2020, Profarma achieved the highest net income in its history, reaching R\$ 52.3 million, a significant increase of R\$ 40.4 million - or 336.9% - compared to a net income of R\$ 12.0 million in 2019. This increase was mainly due to the growth in the Distribution result. In the quarterly analysis, net income was R\$ 27.7 million in 4Q20 compared to R\$ 19.4 million in 4Q19, representing 43.0% increase.

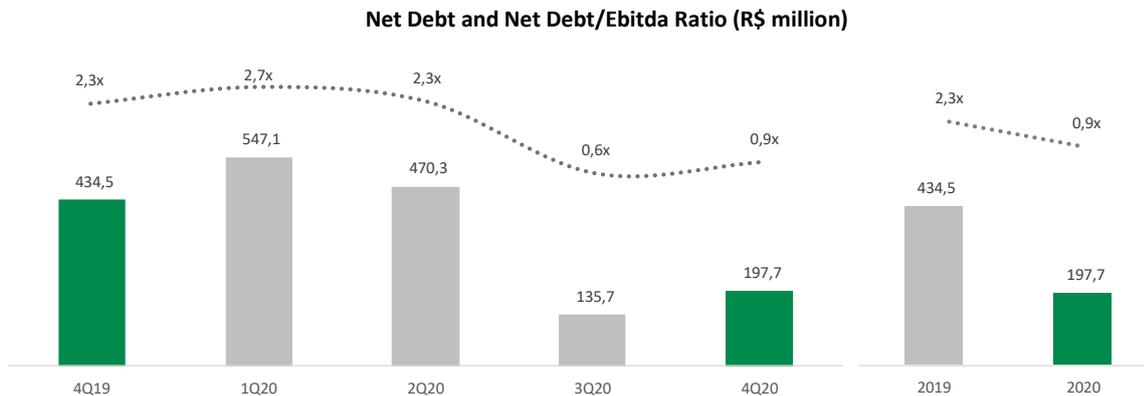
Net Profit and Net Margin (R\$ million and % of net revenue)





Indebtedness

As of December 30, 2020, net debt amounted to R\$ 197.7 million, representing a 54.5% decline as compared to the previous year, at R\$ 434.5 million. The Company's operating cash generation combined with d1000 IPO and the operational improvement this year - with Ebitda reaching R\$ 222.6 million (17.0% higher versus 2019) - resulted in a significant reduction in the Company's leverage ratio. At 2020 year-end, the debt ratio was 0.9x, 61.1% lower than the 2.3x ratio recorded in 2019.



Capex

In 2020, investments amounted to R\$ 45.2 million, of which R\$ 13.0 million in Distribution and R\$ 32.2 million in d1000. In Distribution, investments were mostly targeted to expansion and opening of DCs. In d1000, the largest share of investments was related to openings and store refurbishments.

Cash Flow

In 2020, the Company's cash flow recorded R\$ 146.0 million increase, due to the generation of R\$ 39.3 million from operating activities, a R\$ 47.7 million consumption in investment activities, and R\$ 154.4 million generated in financing activities. Cash generation from operating activities was related to R\$ 177.8 million earned in operations, which were partially consumed by the variation of R\$ 138.8 million in the Company's operating assets. In operating activities, Ebitda growth and the decline in cash financial expenses were the main factors resulting in the generation of R\$ 177.8 million. In the variation in operating assets, the consumption of R\$ 138.8 million was mainly related to the Group's sales growth of 13.8% in the period.

In financing activities, it is worth mentioning the proceeds raised from d1000 IPO, amounting to R\$ 368.8 million, which were partially used to settle retail debts throughout 4Q20.

In investment activities which amounted to R\$ 47.7 million, R\$ 12.8 million were allocated to Distribution (machinery and equipment) and R\$ 34.9 million invested in Retail, mainly related to the opening, refurbishment and expansion of stores.



CASH FLOW

(R\$ Million)	4Q19	4Q20	2019	2020
Cash Flow Generated / (Used) in Operating Activities	57,7	(16,6)	126,9	39,3
Resources generated/ (used) in operations	41,2	23,0	163,0	177,8
Operating Assets Variation	16,6	(39,6)	(36,1)	(138,5)
<i>Trade Accounts Receivable</i>	8,1	(99,8)	(20,0)	(211,4)
<i>Inventories</i>	(105,5)	(66,2)	(102,5)	(6,1)
<i>Suppliers</i>	130,2	161,1	125,9	82,7
<i>Other Items</i>	2,9	(34,6)	159,6	(3,6)
Cash Flow Generated / (Used) in Investing Activities	(13,8)	(16,7)	(31,7)	(47,7)
Cash Flow Generated / (Used) by Financing Activities	(63,0)	(116,3)	(98,6)	154,4
Net Increase / (Decrease) in Cash	(19,0)	(149,6)	(3,3)	146,0

Cash Cycle

	Consolidated		Distribution		Retail	
	4Q19	4Q20	4Q19	4Q20	4Q19	4Q20
Cash Cycle	25,0	27,2	22,8	23,0	26,1	22,5
Accounts Receivable ⁽¹⁾	33,2	39,6	41,5	45,0	19,3	23,1
Inventories ⁽²⁾	73,1	62,5	61,9	52,4	55,4	62,4
Accounts Payable ⁽³⁾	81,4	75,0	80,6	74,4	48,6	63,0

(1) Average of Gross Revenues in the Quarter

(2) Average of COGS in the Quarter

(3) Average of COGS in the Quarter



DISTRIBUTION

Comprises commercial operations of sale of medicines and personal care and domestic products to pharmaceutical retailers, including d1000 varejo farma.

Financial Performance

DISTRIBUTION						
(R\$ Million)	4Q19	4Q20	Chg. %	2019	2020	Chg. %
Financial Data						
Gross Revenue	1.414,4	1.662,5	17,5%	5.177,8	6.028,6	16,4%
Net Revenues	1.222,8	1.439,6	17,7%	4.454,1	5.200,4	16,8%
Gross Profit	105,8	114,1	7,9%	392,4	438,7	11,8%
% Net Revenues	8,6%	7,9%	-0,7 p.p	8,8%	8,4%	-0,4 p.p
SGA Expenses	-75,5	-82,6	9,4%	-295,8	-306,1	3,5%
% Net Revenues	-6,2%	-5,7%	-0,4 p.p	-6,6%	-5,9%	-0,8 p.p
Other Oper. Revenues (expenses)	1,8	-0,7	-136,6%	6,7	2,3	-65,9%
% Net Revenues	0,1%	0,0%	-0,2 p.p	0,2%	0,0%	-0,1 p.p
Ebitda	32,0	30,8	-3,7%	103,2	134,9	30,7%
Ebitda Margin (% Net Revenues)	2,6%	2,1%	-0,5 p.p	2,3%	2,6%	0,3 p.p

Ebitda - Net profit (loss) plus income tax and social contribution, net financial result, depreciation and amortization and non-recurring expenses.

Gross Operating Revenue

Distribution Division's gross revenue in 2020 was 16.4% higher versus the previous year (2019), amounting to R\$ 6.3 billion. This growth was mainly due to the recurring increase in the number of customers served, also sustained by the growth of independent drugstores as compared to the large chains. Gross revenue in the fourth quarter of 2020 amounted to R\$ 1.7 billion, 17.5% higher versus the same period of 2019.

Gross Profit

In 2020, Distribution reached R\$ 438.7 million in gross profit - 11.8% higher when compared to 2019 - with a gross margin of 8.4%. In 4Q20, gross profit was R\$ 114.1 million, 7.9% higher than R\$ 105.8 million recorded in 4Q19.

Operating Expenses (SG&A)

Operating expenses - comprising administrative, commercial and logistics expenses (excluding depreciation and other income/expenses) - amounted to R\$ 306.1 million, 5.9% of the net operating revenue, representing a dilution of 0.8 p.p. of operating expenses, when compared to the previous year. This change is related to the higher dilution of fixed expenses due to the increase in sales and better productivity of the Company. In 4Q20, expenses amounted to R\$ 82.6 million, representing 5.7% of net revenue and a dilution of 0.4 p.p.



Ebitda

2020 Ebitda amounted to R\$ 134.9 million with a 2.6% margin - 30.7% up versus 2019, when it reached R\$ 103.2 million with a 2.3% margin. This change was the result of an increase in revenue and gross profit arising from gains in scale that enabled the reduction of operating expenses, most of which were fixed.

In 4Q20, Ebitda was R\$ 30.8 million, 3.7% lower than R\$ 32.0 million recorded in 4Q19. This reduction was due to REFIS payment in the amount of R\$ 4.0 million.

Cash Cycle and Working Capital

In 2020, Distribution reached 23.0 days, virtually in line with the previous year.



d1000 varejo farma

Drugstore chain comprising Drogasmil, Farmalife, Drogarias Tamoio and Drogaria Rosário.

Consolidated Economic and Financial Performance

(R\$ Million)	d1000			2019	2020	Chg. %
	4Q19	4Q20	Chg. %			
Financial Data						
Gross Revenue	301,2	278,5	-7,5%	1.201,6	1.072,2	-10,8%
RX	38,5%	37,2%	-1,3 p.p	39,2%	38,0%	-1,1 p.p
HB	38,2%	37,8%	-0,4 p.p	37,3%	36,8%	-0,5 p.p
OTC	13,3%	15,0%	1,7 p.p	13,0%	14,7%	1,6 p.p
Generics	9,9%	10,0%	0,1 p.p	10,5%	10,1%	-0,4 p.p
Net Revenues	283,8	259,8	-8,5%	1.132,2	1.004,9	-11,2%
Gross Profit	89,4	84,4	-5,6%	345,4	324,9	-5,9%
% Gross Revenue	29,7%	30,3%	0,6 p.p	28,7%	30,3%	1,6 p.p
Ebitda	23,4	26,5	13,4%	84,5	83,6	-1,0%
Ebitda Margin (% Gross Revenue)	7,8%	9,5%	1,8 p.p	7,0%	7,8%	0,8 p.p

Ebitda - Net profit (loss) plus income tax and social contribution, net financial result, depreciation and amortization and non-recurring expenses.

Gross Revenues

In 2020, the total of Gross Revenue represented an involution of 10.8% or R\$ 129.4 million vs. 2019, of which R\$ 89.7 million concentrated in shopping stores. The second quarter represented more than half of the year 's involution, with a fall of R\$ 70 million. It is worth mentioning that the main regions in which we operate, RJ and DF, are among the six least benefited by the federal government's emergency aid program proportional to its GDP, which directly reflected growth below the average of the Brazilian market.

In 4Q20, gross revenue was R\$ 278.5 million, a 7.5% decrease as compared to 4Q19 and 5.8% higher than 3Q20. This result, as in the third quarter, was a result of the lower flow of customers in our mall stores due to the effect of the pandemic.

Gross Profit

In 2020, gross profit amounted to R\$ 324.9 million, with 30.3% gross margin, meaning an improvement of 1.6 p.p. vs. 2019. Gross profit in the quarter was R\$ 84.4 million, with a gross margin of 30.3%, meaning an improvement of 0.6 p.p. vs. 4Q19. Gross margin levels achieved are the result of new pricing and restructuring strategies in the commercial area.



Operating Expenses

Store Expenses

We ended 2020 with a total expense at stores of R\$ 201.3 million compared to a total expense of R\$ 204.9 million in 2019, equivalent to a reduction of 1.8%. This reduction is due to the adoption of the temporary suspension of the employment contract for the part of our employees (MP 936) and the lower number of stores in operation during part of the year. As for the quarter, expenses at stores amounted to R\$ 52.5 million, 1.5% higher than 4Q19.

The combination of the improvement in gross margin with the reduction in store expenses was enough to mitigate the drop in gross revenue, and, therefore, generate a contribution margin of 11.5% for stores, up 0.1 p.p. versus 2019.

General and Administrative Expenses

In 2020, corporate expenses amounted to R\$ 54.6 million, a 4.4% increase as compared to the previous year. This evolution is the result of the positive impact of the enforcement of MP 936 and the decline of general expenses, and the negative impact due to increased investment in marketing actions, reinforcement of the commercial structure and the implementation of mandatory governance structures for a publicly-held company.

Corporate expenses in the quarter amounted to R\$ 16.0 million, up 1.1 p.p. over the same period last year and weighed 5.7% of gross revenue.

Ebitda

We ended 2020 with R\$ 83.6 million Ebitda and 7.8% Ebitda margin, 0.8 p.p. higher than 2019. In 4Q20, Ebitda reached R\$ 26.5 million, equivalent to a 9.5% margin, representing 1.7 p.p. increase as compared to the same quarter of the previous year (4Q19).

Cash Cycle and Working Capital

d1000 varejo farma's supply model is based on Profarma's Distribution, with store-by-store logistics services. As a result, the average inventory level and, consequently, the cash cycle are lower than those of major chains, most of which purchase directly from the industry and, therefore, distribute their own inventories themselves.

We ended 2020 with a 22.5-day cash cycle.

Store Chain and Expansion

As of December 31, 2020, we had 197 stores in operation, 1 more than in 2019. Between 1Q20 and 2Q20, we closed 13 loss-making stores and between 3Q20 and 4Q20 we opened 12 stores, increasing our presence in popular areas.

Despite the scenario of uncertainty caused by the Covid-19 pandemic, we are moving forward with our store expansion plan. It is worth noting that we have found good opportunities for new locations, as well as for expansions.



ANNEX I - INCOME STATEMENT (R\$ Thousand) - IFRS

Quarters ended in	Consolidated		
	4Q20	2019	2020
Gross Operating Revenue			
From Sales of Products	1.729.813	5.566.938	6.336.228
	1.729.813	5.566.938	6.336.228
Deductions from Gross Operating Revenue			
Taxes and Other Deductions	(229.357)	(765.646)	(854.887)
Net Operating Revenue	1.500.456	4.801.292	5.481.341
Cost of Good Sold and Services Rendered	(1.301.873)	(4.063.455)	(4.717.774)
Gross Profit	198.583	737.837	763.567
Operating Revenue/ (Expenses)			
General and Administrative	(32.660)	(127.059)	(120.916)
Selling and Marketing	(79.681)	(293.428)	(294.200)
Logistics and Distribution	(41.547)	(135.487)	(151.879)
Depreciation and Amortization	(26.063)	(129.349)	(101.937)
Other Operating Revenue (Expenses)	12.628	5.844	21.905
	(167.323)	(679.479)	(647.027)
Equity Income	1.116	2.591	4.096
Profit (loss) Equity income	1.116	2.591	4.096
Operating Results prior to Financial Results	32.376	60.949	120.636
Financial Results			
Financial Revenues	7.530	67.751	11.372
Financial Revenues AVP	1.013	7.146	5.747
Financial Expenses	(22.361)	(114.289)	(104.607)
Financial Expenses Banks	(8.792)	(68.890)	(43.328)
Financial Expenses AVP	(3.070)	(18.489)	(16.822)
Other Financial Expenses	(10.499)	(26.910)	(44.457)
Operating Income (Loss)	18.558	21.557	33.148
Taxation			
Provision for Corporate Income Tax	(918)	(351)	(1.147)
Provision for Social Contribution	(407)	(179)	(532)
Provision for Deferred Income Tax	18.788	(9.049)	30.328
	17.463	(9.579)	28.649
Net Income before Minority Interests	36.021	11.978	61.797
Minority Interests in Subsidiaries Net Income	8.354	-	9.463
Net Income for the Quarter	27.667	11.978	52.334
Net Income per Batch of One Thousand Shares (in Reais)	223	97	423
Number of Shares at End of Quarter	123.813	123.813	123.813


Annex II - INCOME STATEMENT(R\$ Thousand) - before IFRS

Quarters ended in

	Consolidated		Consolidated	
	4Q19	4Q20	2019	2020
Gross Operating Revenue				
From Sales of Products	1.500.007	1.729.813	5.566.938	6.336.228
	1.500.007	1.729.813	5.566.938	6.336.228
Deductions from Gross Operating Revenue				
Taxes and Other Deductions	(200.154)	(229.357)	(765.646)	(854.887)
Net Operating Revenue	1.299.853	1.500.456	4.801.292	5.481.341
Cost of Good Sold and Services Rendered	(1.104.672)	(1.301.873)	(4.063.455)	(4.717.774)
Gross Profit	195.181	198.583	737.837	763.567
Operating Revenue/ (Expenses)				
General and Administrative	(36.853)	(36.983)	(127.059)	(138.126)
Selling and Marketing	(87.825)	(95.252)	(293.428)	(351.366)
Logistics and Distribution	(35.078)	(41.547)	(135.487)	(151.879)
Depreciation and Amortization	(42.737)	(8.961)	(129.349)	(34.854)
Other Operating Revenue (Expenses)	1.458	12.222	5.844	16.197
	(201.034)	(170.521)	(679.479)	(660.028)
Equity Income				
Profit (loss) Equity income	858	1.116	2.590	4.096
Operating Results prior to Financial Results	(4.995)	29.178	60.948	107.635
Financial Results				
Financial Revenues	64.750	7.530	67.751	11.372
Financial Revenues AVP	1.903	1.013	7.146	5.747
Financial Expenses	(25.528)	(17.517)	(114.289)	(85.291)
Financial Expenses Banks	(16.135)	(8.792)	(68.890)	(43.328)
Financial Expenses AVP	(5.980)	(3.070)	(18.489)	(16.822)
Other Financial Expenses	(3.414)	(5.655)	(26.910)	(25.141)
	41.124	(8.974)	(39.392)	(68.172)
Operating Income (Loss)	36.129	20.204	27.028	39.463
Taxation				
Provision for Corporate Income Tax	(42)	(918)	(351)	(1.147)
Provision for Social Contribution	(30)	(407)	(180)	(532)
Provision for Deferred Income Tax	(14.998)	18.317	(10.435)	29.373
	(15.069)	16.992	38.228	27.694
Net Income before Minority Interests	21.060	37.196	16.062	67.157
Minority Interests in Subsidiaries Net Income	-	8.354	-	9.463
Net Income for the Quarter	21.060	28.842	16.062	57.694
Net Income per Batch of One Thousand Shares (in Reais)	170	233	130	466
Number of Shares at End of Quater	123.813	123.813	123.813	123.813



ANNEX III - BALANCE SHEET (R\$ Thousand)		
Quarters ended in		
Assets	Consolidated	
	12/31/2019	12/31/2020
Current Assets		
Cash and Cash Equivalents	225.816	371.792
Financial Instruments	4.524	23.063
Trade Accounts Receivable	553.407	761.963
Inventories	897.734	903.842
Taxes Recoverable	323.938	335.522
Advances	8.797	8.793
Other Accounts Receivable	81.576	79.169
	2.095.792	2.484.144
Noncurrent Assets		
Long-term Assets		
Deposits in Court	19.931	15.153
Financial Instruments	3.342	8.602
Deferred Income Taxes	77.244	121.855
Other Accounts Receivable	15.129	77.759
	115.646	223.369
Permanent Assets		
Investments	32.361	36.458
Tangible Fixed Assets	310.830	392.620
Intangible Fixed Assets	628.759	624.476
	971.950	1.053.554
Total Assets	3.183.388	3.761.067
Liabilities and Equity		
	Consolidated	
	12/31/2019	12/31/2020
Current Liabilities		
Suppliers	1.061.490	1.145.663
Loans and Financings	344.650	167.474
Financial Instruments		
Salaries and Payroll Taxes	40.581	46.735
Accrued Taxes and Fees	53.204	83.728
Other Accounts Payable	17.468	29.445
	3.031	4.061
Leases	55.503	66.750
	1.575.927	1.543.856
Noncurrent Liabilities		
Long-term liabilities		
Accrued Taxes and Fees	12.810	27.556
Corporate Income Tax and Social Contribution Deferred	13.101	27.384
Loans and Financings	323.501	433.636
Provision for Contingencies	67.399	52.294
Balance with Subsidiaries	262	261
Other Accounts Payable	12.000	8.000
Leases	173.756	232.859
	602.829	781.990
Stockholders' Equity		
Capital Stock	1.141.483	1.043.663
Treasury Stock	(16.367)	(16.367)
Goodwill on capital transactions	(12.167)	(22.807)
Capital Reserve	7.083	7.083
		(17.582)
Revenue Reserve	186.825	52.334
Dividendos Adicionais Propostos		
Retained Earnings	(302.225)	-
	1.004.632	1.046.324
Minority Interests	-	388.897
	1.004.632	1.435.221
Total Liabilities and Equity	3.183.388	3.761.067



Annex IV - CASH FLOW(R\$ Thousand) - IFRS

	Consolidated	
	2019	2020
Cash flows from operating activities		
Income (Loss) Before Corporate Income Tax and Social Contribution	21.557	33.148
Adjustments to reconcile the result to cash and cash equivalents generated by operating activities:		
Depreciation and Amortization	35.375	34.856
Depreciation right to use real estate	60.371	67.081
Equity income	(2.591)	(4.096)
Provision / reversal for contingency	(9.018)	(14.623)
Interest on provisioned loans	60.991	42.444
Provision / reversal for expected credit losses	7.813	2.043
Gain / loss on write-off of fixed and intangible assets	-	1.580
IFRS 16 / CPC 06 R2 effect	-	-
Write-off by Empairment	34.050	-
Reduction of Accounts Payable Acquisition	(52.050)	-
Direct use financial charges	19.628	19.316
Other	(13.115)	(3.918)
	163.011	177.831
Decrease (increase) in assets		
accounts receivable	(19.954)	(211.407)
Stocks	(102.542)	(6.126)
Taxes to be recovered	(34.566)	(39.143)
Other	(12.871)	(2.476)
	(169.933)	(259.152)
Increase (decrease) in liabilities		
Suppliers (Trade Accounts Payable)	125.861	82.681
Salaries and Payroll Taxes	4.918	8.070
Taxes Recoverable	(785)	25.086
Paid Corporate Income Tax and Social Contribution	(954)	(1.630)
Other	4.805	6.458
	133.845	120.665
Net cash generated by (invested in) operating activities	126.923	39.344
Cash flow from investment activities		
Investment Increase	(5.000)	(2.605)
Reduction of investmentt	-	-
Investment disposal receipts	-	-
Additions to fixed assets	(21.434)	(36.044)
Additions to intangible assets	(5.981)	(9.120)
Write-offs of fixed assets	699	20
Net cash used in investing activities	(31.716)	(47.749)
Cash flow from financing activities		
Capital increase / advance for future capital increase	-	368.794
Obtaining loans and financing - Main	352.676	755.243
Payment of loans and financing - Amortization	(331.719)	(850.978)
Loans and financing payments - Interest	(44.980)	(38.245)
Rental Payment Right to Use	(74.528)	(80.433)
Net cash provided by (invested in) financing activities	(98.551)	154.381
Net increase in cash and cash equivalents	(3.344)	145.976
Cash and cash equivalents at the beginning of the year	229.160	225.816
Cash and cash equivalents at year-end	225.816	371.792



PROFARMA



CONFERENCE CALL

Wednesday, March 17, 2021.
2 p.m. (Brazil) | 12 p.m. (NY)
Access via Zoom [click here](#)

IR CONTACTS

Max Fischer
Juliana Matos