RESULTS 2Q21

Aug 12
B3: GMAT 3

CONFERENCE CALL
Aug 13
09h USA
10h BRAZIL

Webcast in English
Webcast in Portuguese

The conference Call will be held in Portuguese with simultaneos translation to english

Grupo Mateus discloses its 2Q 2021 results

2Q 21 HIGHLIGHTS

- Opening of 45 stores in the last 12 months, of which 20 are in new cities;
- Gross revenue reached BRL 4.2 billion in the quarter, with a growth of 24.9%;
- Adjusted EBITDA totaled BRL 255 million, an increase of 0.5%;
- Net income reached BRL 191 million, -2.5% lower than 2Q 20;
- Lauching of the New Branch which will take our expansion to the new states in the Northeast, increasing our addressable market in +134%.*

* Considering the populations of the states attended by the Group

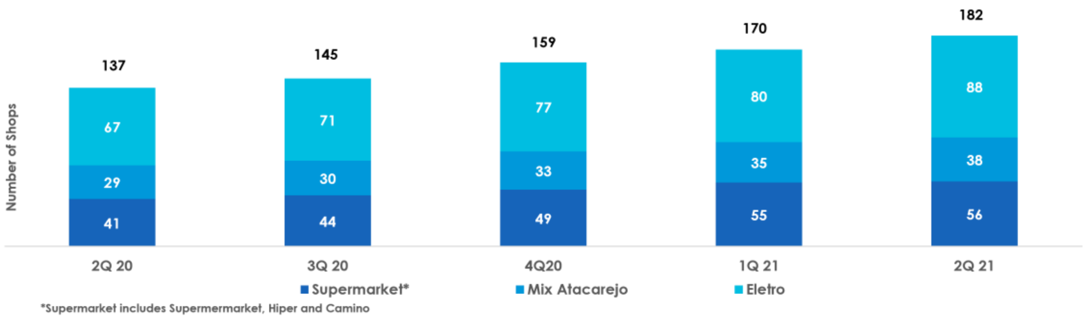
2Q 21 Highlights	2Q 21	2Q 20	Var.%	1H 21	1H 20	Var.%
Financial Highlights (BRL million)						
Gross Revenue	4,202	3,365	24.9%	8,001	6,155	30.0%
Net Revenue	3,724	2,889	28.9%	7,087	5,298	33.8%
SSS (%)	2%	24%	-22%	6%	15%	-9%
Gross Profit	863	694	24.3%	1,665	1,297	28.3%
Gross Margin	*23.2%*	*24.0%*	*-0.9%*	*23.5%*	*24.5%*	*-1.0%*
EBITDA	248	254	-2.1%	457	409	11.9%
EBITDA margin	*6.7%*	*8.8%*	*-2.1%*	*6.5%*	*8.0%*	*-1.3%*
Adjusted EBITDA	255	254	0.5%	475	409	16.1%
Adjusted EBITDA margin	*6.8%*	*8.8%*	*-1.9%*	*6.7%*	*7.7%*	*-1,0%*
Net Profit	191	195	-2.5%	347	297	16.9%
Operational Highlights						
Number of shops	182	137	45	182	137	45
Openings	12	10	2	23	17	6
Sales area (,000 m²)	372	290	82	372	290	82

Highlights by Format	2Q 21	2Q 20	Var.%	1H 21	1H 20	Var.%
Supermarket						
Gross Revenue (BRL million)	1,215	869	39.8%	2,330	1,676	39.0%
SSS (%)	6%	8%	-2%	8%	5%	3%
Number of shops	56	41	15	56	41	15
Openings	1	1	-	7	2	5
Sales area (,000 m²)	94	72	30%	94	72	30%
Cash and Carry						
Gross Revenue (BRL million)	2,003	1,552	29.1%	3,831	2,803	36.7%
SSS (%)	1%	21%	-20%	5%	14%	-9%
Number of shops	38	29	9	38	29	9
Openings	3	3	0	5	6	-1
Sales area (,000 m²)	187	145	29%	187	145	29%
Furniture & Electronics						
Gross Revenue (BRL million)	243	155	56.4%	438	275	59.4%
SSS (%)	23%	6%	18%	27%	-0.3%	27.3%
Number of shops	88	67	21	88	67	21
Openings	8	6	2	11	9	2
Sales area (,000 m²)	90	72	24%	90	72	24%
Wholesale (B2B)						
Gross Revenue (BRL million)	741	788	-6.1%	1,403	1,402	0.1%
Sales representatives (qty)	2,127	1,870	257	2,127	1,870	257
Routes (qty)	187	138	49	187	138	49
City Zones(qty)	916	781	135	916	781	135
Distribution Centers (qty)	10	9	1	10	9	1

OPERATIONAL DATA

Expansion – Shops opening

Grupo Mateus opened 12 stores during 2Q 21, totaling 45 new stores in the last 12 months and ending the quarter with 182 shops. The numbers reiterate the continuity of the Company's robust expansion plan, even with the strong comparison basis in 2Q 20, when we opened 10 stores.



2Q 21 represented an important milestone for Grupo Mateus, with the opnening of our first store in Ceará, a Cash & Carry located in the city of Tianguá. We also strengthened our presence in the other states where we already operated, and of the other 44 openings during the period, 23 were in Maranhão, 15 in Pará and 6 in Piauí.

The company's expansion strategy, through the consolidation of routes with all sales channels, continues to prove its assertiveness, allowing us to identify several market opportunities, both in new locations and in regions where we already operate.

Of the 45 openings in the last 12 months, 20 are located in new cities. Among the 12 openings during 2Q 21, 4 were in new markets.

Number of Shops	2Q 20	3Q 20	4Q 20	1Q 21	2Q 21
Maranhão	87	94	99	104	110
Pará	48	48	55	59	63
Piauí	2	3	5	7	8
Ceará	-	-	-	-	1
Total	**137**	**145**	**159**	**170**	**182**

It is worth to mention that, by the end of the quarter, the stores opened in the period (3Q 20 to 2Q 21) had a better performance than mature shops and represented 20% of gross revenue, reflecting the potential of markets not yet explored. For an assertive expansion strategy, we believe in the operational harmony of the company's operating channels (wholesale, cash & carry, supermarkets, neighborhood stores and furniture & electronics) levereged by the route consolidation strategy.

Expansion – New Branch Northeast

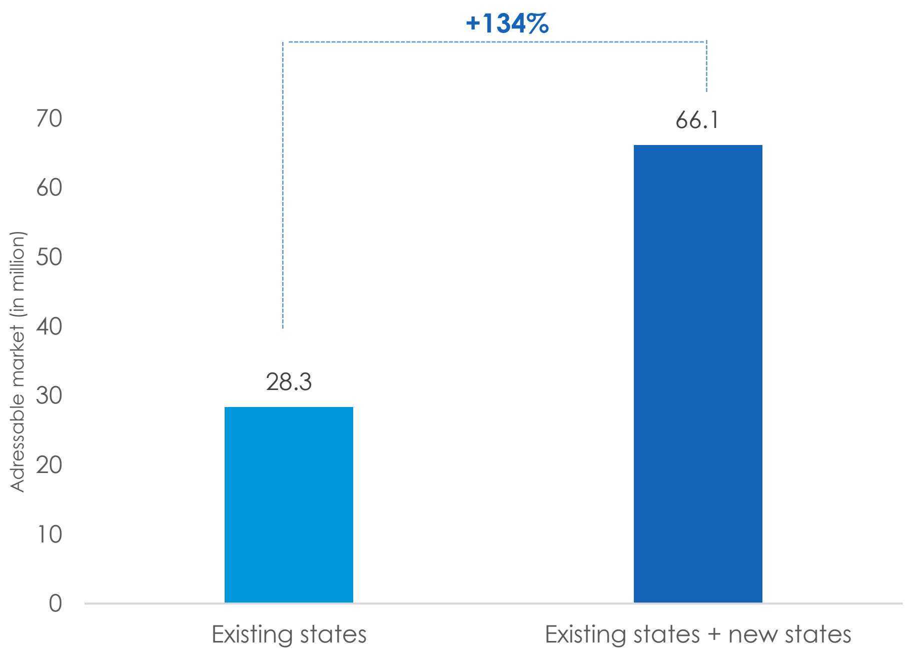
During 2Q 21, we made an important move to enter new states in the Northeast. In order to support the creation of the new branch, we hired a team with extensive market experience and vast knowledge of the Northeast region.

Thus, we accelerated our entrance in the Southern states of the Northeast, adding importante markets to our already robust expansion plan.

It is important to point out that we remain firm with the same strategy developed so far, investing in our structure and logistical efficiencies supported by the consolidataion of routes and our omnichannel expansion, in order to deliver relevant results and generate value in the long term.

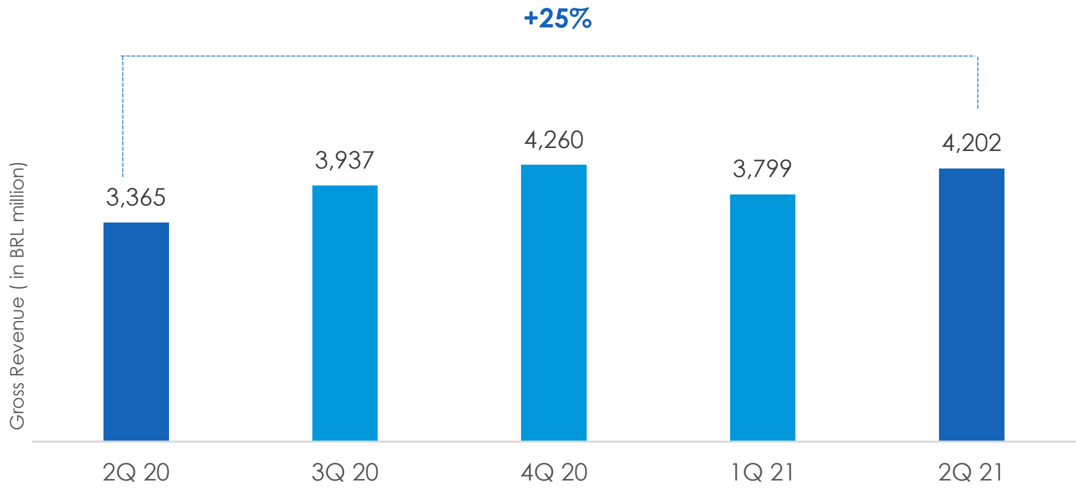
We strengthen our core to deliver an expansion that will be even more relevant than we initially planned, but always following the same strategy that brought us where we are today.

Now, we will advance to states that are still unexplored by the Group and expand our addressable market. Considering the total population of the states where we operate, we went from 28.3 million to 66.1 million inhabitants, an addition of 37.8 million people, or +133.7% in relation to the markets currently served by all of our formats.



FINANCIAL DATA

Gross revenue



During 2Q 21, gross revenue maintained an expressive growth pace, even with the strong comparison basis in 2Q 20 (+45%), and totaled BRL 4.2 billion, up 25% compared to 2Q 20.

This growth was mainly due to the consistency of our expansion plan, with 12 stores opened in the quarter (2 more when compared to 2Q 20), totaling 45 openings in the period between 3Q 20 and 2Q 21.

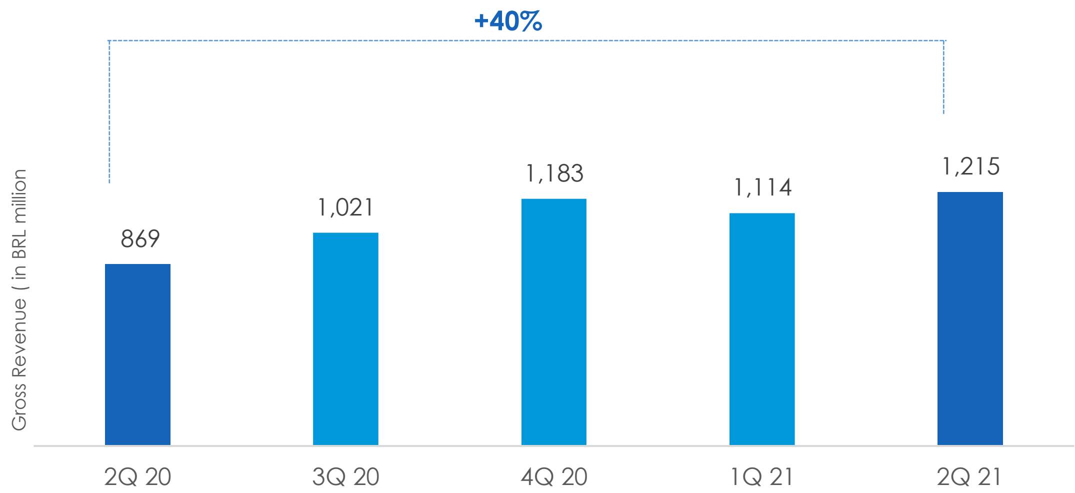
The expansion assertiveness and the omnichannel strategy together allow the Group to offer the best shop segment for each region, with a product mix tailored to the local consumer profile. Thus, we see that the our business model is widely accepted by our clients, resulting in accelerated maturation pace for the new stores.

Even with a strong comparison basis (SSS 2Q 20: 23.8%), same store sales had a positive performance of 1.8%, above our estimatives, given the comparison basis.

It is worth to mention that during 2Q 21, the amount paid for the covid emergency aid was lower than in 2Q 20, showing the resilience of our operation. During the first half of 2021, same store sales grew by 5.5%.

Gross revenue per segment

Supermarket



In the second quarter, the Supermarket segment, which includes Supermarkets, Hypermarkets and neighborhood stores, recorded gross revenue of BRL 1.2 billion, up by 40%. The segment represented 29% of total gross revenue, versus 26% in 2Q 20.

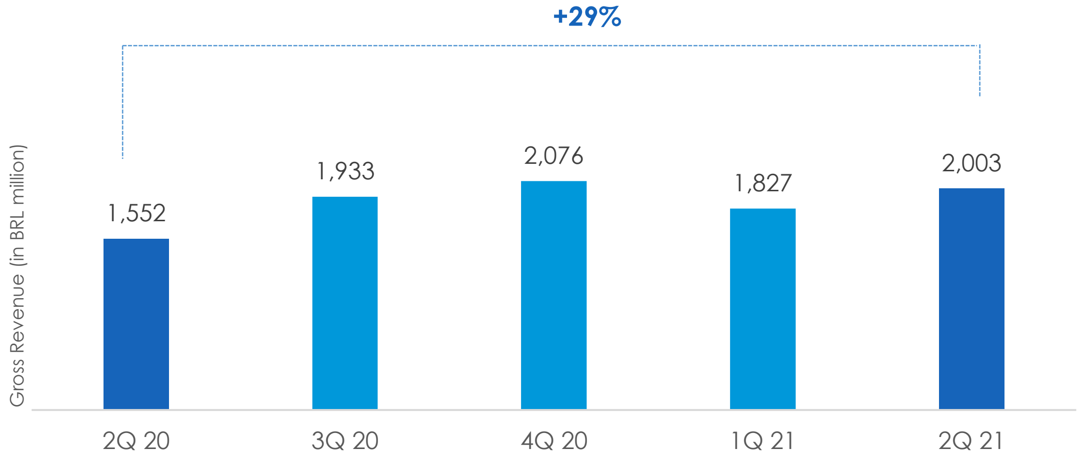
Performance was mainly supported by the opening of 15 new stores between 3Q 20 and 2Q 21. Of these, 9 were neighborhood stores.

The neighborhood stores format has a fundamental role to our route consolidation strategy, and we see a great potential for its development, both in new states and in those where we already operate. Through this format, we can offer to smaller towns the same shopping experience of big cities. The receptiveness of the markets to this format and the rapid maturation of the stores confirm the assertiveness of the strategy.

We adapt our store model according to assumptions such as population, income and the regional consumption needs. The retail channel is an indispensable model for smaller countryside cities as it offers a differentiated product mix with frequent store supply.

Same stores growth also contributed to the quarter's performance, with an increase of 6.0% in 2Q 21.

Cash and Carry

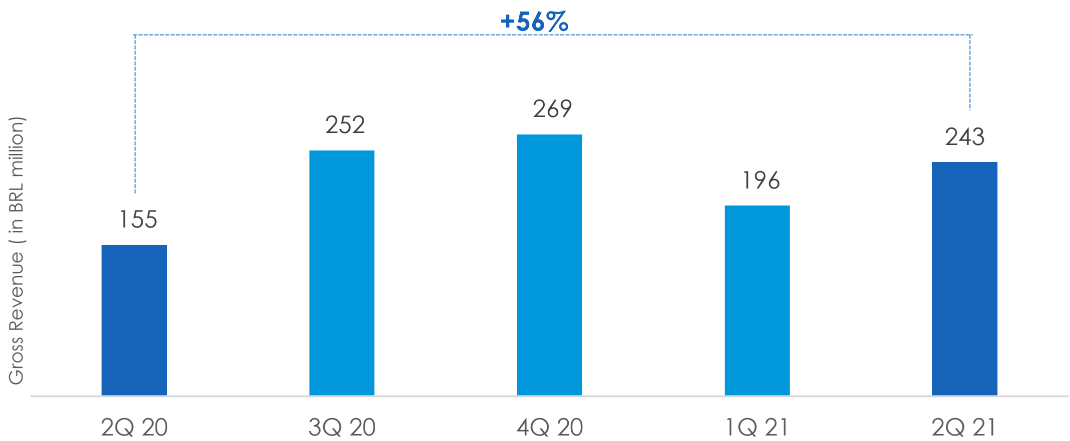


The Cash and Carry segment maintained its strong growth pace and registered an increase of 29%, totaling BRL 2 billion. The segment is the most representative of the Group, with a 48% share of total gross revenue (+2 p.p. compared to 2Q 20).

The opening of 9 stores between 3Q 20 and 2Q 21 was the main driver for the performance in the quarter. Even with last year's strong comparison basis (SSS 2Q 20: 21.4%), the existing stores also contributed to the performance, with an increase of 1.5% in 2Q 21.

The strategy of having a differentiated cash and carry, with the offer of services in stores and a mix of regional and national products suited to the profile of each market, has proven to be quite assertive both in consolidated markets and in the new locations where we have arrived, contributing to the good segment performance.

Furniture & Electronics



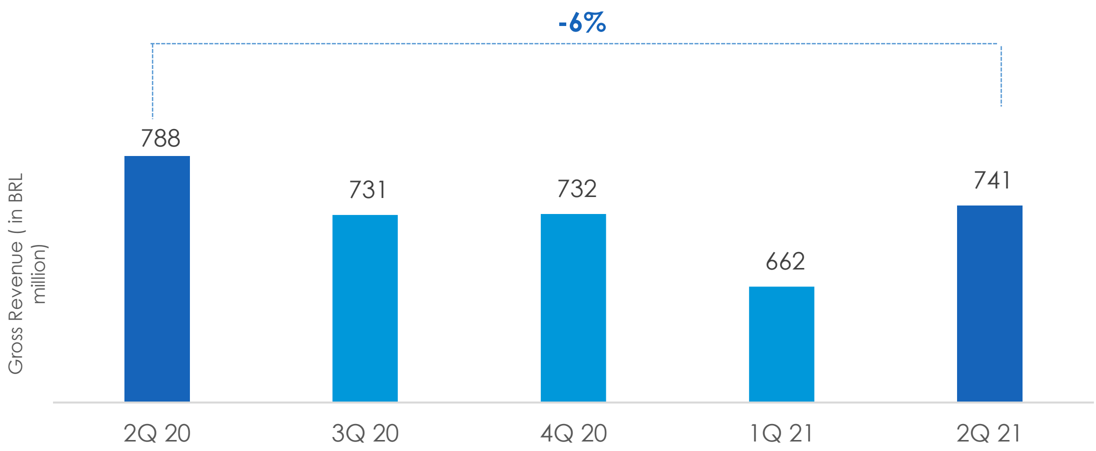
Gross revenue from the Furniture & Electronics segment totaled BRL 243 million in 2Q 21, with an expressive 56% growth. The segment represented 6% of the company's total gross revenue, up by 1% when compared to the same period last year.

The quarter's performance was driven by the strong expansion plan, with 21 openings between 3Q 20 and 2Q 21. Through the route consolidation strategy, we are able to reach cities with a pent-up demand, as physical stores still are the most important shopping channel for clients in smaller towns.

A weaker comparison basis also contributed to the performance in the quarter, as Furniture & Electronics stores were closed during part of 2Q 20, as a measure to fight the pandemic.

In 2Q 21, same store sales grew 23.5%, compared to -7.5% in 2Q 20.

Wholesale

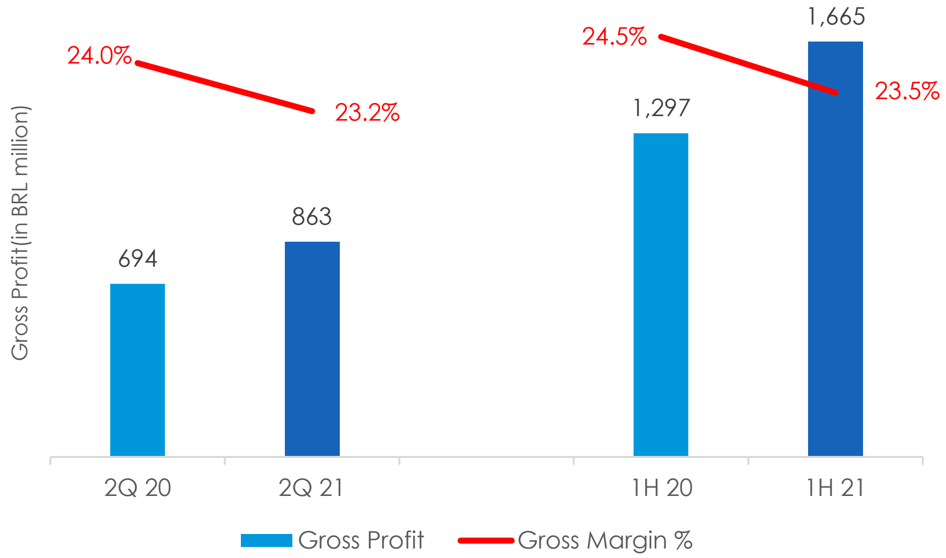


In 2Q 21, Wholesale recorded a decrease of -6.1% in gross revenue, totalling BRL 741 million. The segment represented 18% of total gross revenue, versus 23% in 2Q 20.

Wholesale performance was impacted by the opening of 24 Supermarket and Cash & Carry stores in the period between 3Q 20 and 2Q 21. Within the company's strategy, the wholesale segment is an important tool to know new consumer markets and consolidate the routes. As we open stores in these new markets, customers who were served by External Sales begin to buy in either Supermarket or Cash & Carry stores.

In line with the expansion plan, and always being the first sales channel to enter in new regions, we have 49 new routes compared to 2Q 20, what allowed us to serve 135 new city zones.

Gross Profit



In 2Q 21, gross profit reached BRL 863 million, with a substantial growth of 24% over 2Q 20. The gross margin, equivalent to 23.2% of net revenue, was pressured by 0.8 percentage point compared to 2Q 20.

Two main reasons contributed to the pressure. First, the effect of products and sales channels mix, given the greater representation of the Cash & Carry segment, which has a lower margin than the rest.

We also saw an impact from the inflation in the period. The Services are one of the Group's strategic pillars, as we understand that butchery, fruits and vegetables and other services are target categories, which help to attract customer flow to stores. Given this strategic relevance, we opted to not entirely repass to customers the price increase in some categories, as butchery and fruits and vegetables, focusing on the growth of sales volume (which was higher than expected) and momentarily presurring the gross margin in 2Q 21. In this sense, it is worth noting that we see the current gross margin level as a floor, with room for expansion in the coming periods.

Selling, General and Administrative Expenses

In R$ thousands	2Q 21	2Q 20	Var. %	1H 21	1H 20	Var. %
Selling expenses						
Personnel expenses	(257,142)	(124,901)	105.9%	(494,082)	(298,818)	65.3%
Sales comission	(10,690)	(5,721)	86.9%	(19,989)	(11,326)	76.5%
Advertising and marketing	(6,614)	(786)	741.4%	(12,860)	(1,326)	869.8%
Rent	(57,291)	(56,548)	1.3%	(112,807)	(101,401)	11.2%
	(331,736)	**(187,956)**	76.5%	**(639,737)**	**(412,871)**	**54.9%**
Administrative expenses						
Personnel expenses	(68,354)	(97,136)	-29.6%	(137,648)	(147,630)	-6.8%
Freight and fuel	(56,836)	(38,446)	47.8%	(107,694)	(73,360)	46.8%
Depreciation	(44,496)	(25,043)	77.7%	(82,419)	(47,649)	73.0%
Water, eletricity and telephone	(39,288)	(23,228)	69.1%	(76,899)	(47,513)	61.8%
Services rendered	(36,913)	(30,408)	21.4%	(71,671)	(64,698)	10.8%
General expenses	(81,107)	(57,200)	41.8%	(173,104)	(142,171)	21.8%
	(326,995)	**(271,461)**	20.5%	**(649,436)**	**(523,021)**	**24.2%**
Total	**(658,731)**	**(459,417)**	**41.6%**	**(1,289,173)**	**(935,892)**	**37.7%**

Selling expenses represented 8.9% of net revenue in 2Q 21, against 6.7% in 2Q 20. The increase is mainly due to the gross revenue growth in existing stores and the excellent performance in the 45 new shops. In the rents line, we see a momentary pressure, resulting from the logistics developments in Pará, where, during 2Q 21 we had redundant structures given the need to transfer goods to the new distribution center.

Administrative expenses represented 8.2% of net revenue, compared to 9.4% in 2Q 20. The dilution is due to the greater management efficiency and higher productivity of logistic, operational and administrative structures. Freight and fuel expenses increase significantly year over year, due to the transportation of goods from the rented distribution centers in Belém to our own DC in Santa Izabel.

Two non-recurring effects were registered in the expenses during 2Q 21. The first of them refers to the dismissals in Pará. With the conclusion of the works of the distribution center in Santa Izabel, we deactivated the DCs rented in Belém and conducted the process of dismissing employees there, while hiring new employees for our own DC. It is worth to note that the Group offered the opportunity for employees to work on the new DC, which was not accepted by most, due to the distance between the two cities.

Also, during the quarter we hired a new level of directors, who will be responsible for the expansion to the new states.

Considering the effects mentioned above along the shop expansion and the hiring of staff, tota selling and administrative personnel expenses increased 46.6%, from BRL 222 million in 2Q 20 to BRL 325.5 million in 2Q 21.

EBITDA

In R$ thousands	2Q 21	2Q 20	Var.%	1H 21	1H 20	Var.%
Net Profit	**190,565**	**195,351**	**-2.5%**	**347,285**	**297,176**	**16.9%**
(+) Income tax	-	-	-	-	-	-
(+) Financial result	13,354	33,448	-60.1%	28,272	64,400	-56.1%
EBIT	**203,919**	**228,799**	**-10.9%**	**375,557**	**361,576**	**3.9%**
(+) Depreciation e Amortization	44,493	25,043	77.7%	82,419	47,649	73.0%
EBITDA	**248,411**	**253,842**	**-2.1%**	**457,976**	**409,225**	**11.9%**
EBITDA margin	***6.7%***	***8.8%***	*-2.1%*	***6.5%***	***7.7%***	***-1.3%***
(+) Non-recurring expenses	**6,675**	**-**	**-**	**17,157**	**-**	**-**
Freights	1,162	-	-	1,162	-	-
Dismissals	3,062	-	-	3,062	-	-
New Branch	2,450	-	-	2,450	-	-
Total non-reccuring expenses/non-operational	**6,675**	**-**	**-**	**17,157**	**-**	**-**
Adjusted EBITDA	**255,086**	**253,842**	**-2.1%**	**475,132**	**409,225**	**16.1%**
Adjusted EBITDA margin	***6.8%***	***8.8%***	***-1.9%***	***6.7%***	***7.7%***	***-1.0%***

Adjusted EBITDA was BRL 255 million in 2Q 21, a growth of 0.5% when compared to 2Q 20. The adjusted EBITDA margin was pressured in 250 bps, reaching 6.8%.

Non-recurring/non-operating expenses totalled BRL 6.7 million in the quarter, related to the inauguration of the distribution center in Santa Izabel and the hiring of a new level of directors.

Financial Result

In BRL thousands	2Q 21	2Q 20	Var. %	1H 21	1H 20	Var. %
Financial Revenue						
Interest received	4,153	9,225	-55.0%	8,769	15,861	-44.7%
Interest on investments	9,644	635	1419.3%	17,211	972	1,671.1%
Financial discounts obtained	1,190	2,669	-55.4%	1,991	2,140	-7.0%
Other financial revenue	16,713	6,401	161.1%	29,420	16,437	79.0%
Total financial revenue	**31,701**	**18,929**	**67.5%**	**57,392**	**35,409**	**62.1%**
Despesas Financeiras						
Tax on Financial Transactions (IOF)	-	(1)	-	-	(2)	-
Interest of loans and financing	(7,162)	(15,147)	-52.7%	(14,565)	(31,412)	-53.6%
Interest paid	(4,178)	(1,697)	146.2%	(7,804)	(3,276)	138.2%
Financing interest	(757)	(25)	2,969.2%	(1,333)	(105)	1,173.5%
Bank expenses	(3,851)	(12,746)	-69.8%	(7,546)	(15,656)	-51.8%

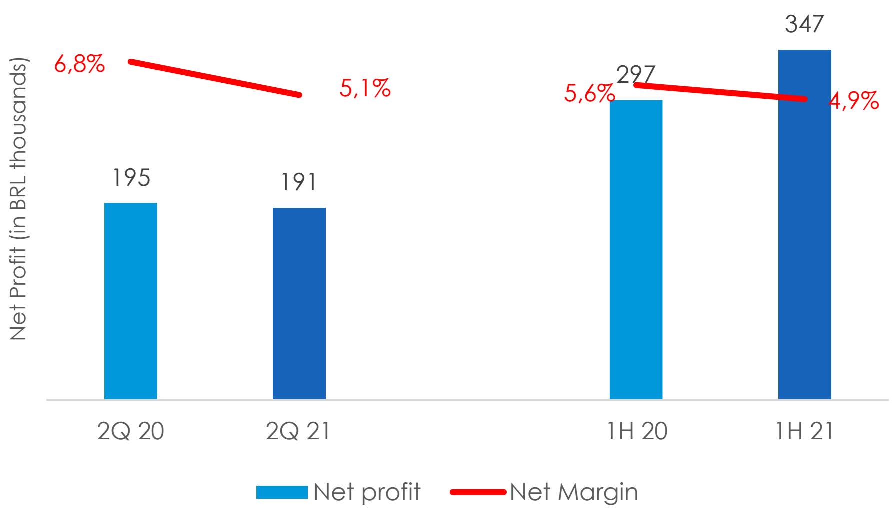
Financial loss	(77)	(534)	-85.6%	(133)	(1,416)	-90.6%
Credit card percentage	(27,986)	(13,244)	111.3%	(51,353)	(37,667)	36.3%
Discounts awarded	(1,044)	(2,172)	-52.0%	(2,929)	(3,463)	-15.4%
Monetary variance losses	-	(6,814)	-	-	(6,814)	-
Total financial expenses	**(45,055)**	**(52,381)**	**-14.0%**	**(85,663)**	**(99,812)**	-14.2%
Financial Result	**(13,355)**	**(33,451)**	**-60.1%**	**(28,272)**	**(64,402)**	**-56.1%**

The financial result totaled BRL -13.5 million in 2Q 21, with a reduction of -60,1%, and represented -0.4% of net revenue compared to -1.2% in 2Q 20.

Financial revenues recorded a growth of 67.5% and totaled BRL 31.7 million in the quarter. With the revenues from the financial investment of the IPO resources, the company generated financial income from investments in the amount of BRL 9.6 million.

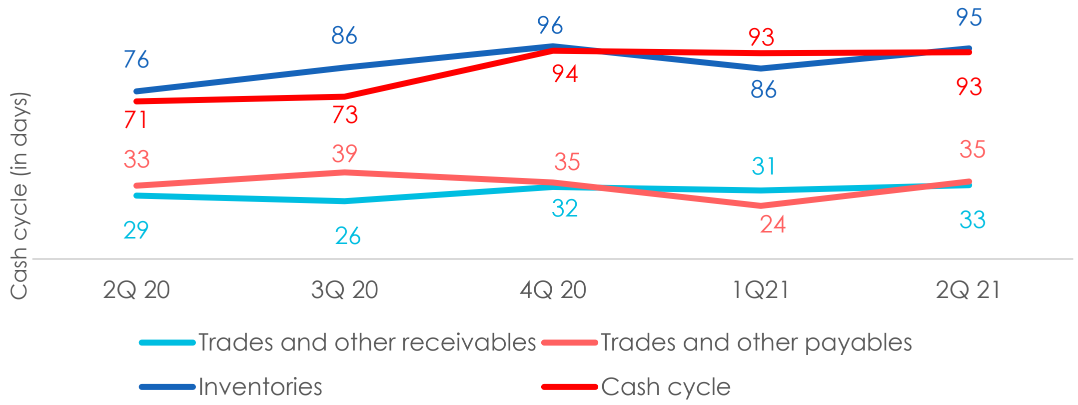
Financial expenses were reduced by 14.0% in 2Q 21, when compared to 2Q 20 and totaled BRL 45 million, basically reflecting the amortization of approximately BRL 700 million in loans, leasing and outstanding credit lines with Finame in December. As a result, there was a reduction of 52.7% on interest expenses during the quarter. Financing interest increased as a result of federal tax installments.

Net Income



Net income totaled BRL 191 million in 2Q 21, down by -2.5% when compared to 2Q 20. The net margin was 6.8% in the period, compared to 5.1% in the same period last year.

Cash Cycle



The cash cycle for 1Q 21 was 93 days, a 22-day increase in relation to the same period of last year. Inventory days increased by 19 days, reflecting the expansion plan of 45 stores and the expansion of distribution centers.

Receivables increased by 5 days, compared to 2Q 21, due to the increase in credit card sales. The deadline with suppliers increased by 2 days due to purchase of inventory in preparation for the celebration of the Group's anniversary in August.

We have already noticed an evolution of our cash cycle in comparison to 4Q 20, which reduced by 2 days. Our strategy is to optimize the cash cycle with the completion of the construction of the new distribution centers and the reduction in the operated route.

Investments

In BRL thousands	2Q 21	2Q 20	Var. %	1H 21	1H 20	Var. %
Opened shops	90,734	40,263	125.4%	151,836	119,657	26.9%
Infrastructure	49,471	16,328	203.0%	119,909	16,328	634.4%
Lands	28,819	-	-	34,890	-	-
Construction in progress	69,255	46,142	50.1%	199,651	55,458	260.0%
Refurbishment, maintenance and others	32,072	19,083	68.1%	51,817	49,297	5.1%
Total	**270,351**	**121,816**	**122%**	**558,103**	**240,740**	**132%**

Investments increased by 122%, to BRL 270 million, due to the robust store expansion plan and the expansion of our infrastructure, with the construction of new bakery industries and distribution centers, and the maintenance of existing stores.

The investment on the stores opened during 2Q 21 totaled R$ 90 million, with the purchase of machines, equipment and tools.

In the infrastructure line, there is the construction of the new Distribution Center in Santa Izabel, Pará, with 40,000 m² of storage space.

Currently, the Company has 20 stores under construction.

Cash Flow

In BRL thousands	1H 21	1H 20	Var. %
EBIT Ajustado	347	297	17%
Depreciation and amortization	123	99	24%
Lease liabilities remeasurement	21	17	21%
Atualização monetária de arrendamentos	8	-	-
Allowance for doubtful accounts	3	8	-61%
Interest on loans, financing and debentures provisioned for	13	35	-63%
Property, plant and equipment disposals	2	3	-35%
Provision for risks	(2)	-	-
Operations resources	**515**	**460**	12%
Cash cycle	(272)	(101)	169%
Other assets	50	95	
Operational cash flow			
Net cash used in investment activities	**(542)**	**(201)**	169%
Net cash provided by (used in) financing activities	**(119)**	**292**	-141%
Net Cash Flow	**(425)**	**546**	-178%

Our net cash flow came in negative by BRL 425 million in 2Q 21. Our cash flow from operations totaled BRL 515 million and was consumed by the negative cash cycle of BRL 272 million and BRL 542 million in investments made during the quarter. Cash used in financing activities decreased by 141%.

Indebtedness

In BRL thousands	1H 21	1H 20	Var. %
Gross debt	(552,110)	(1,201,553)	-54.1%
Cash and cash equivalents	1,687,024	944,126	78.7%
Financial investments	1,357	14,603	-90.7%
Net Debt/Liquid Cash	**1,136,270**	**(242,824)**	-567.9%
Net Debt/Adjusted EBITDA	**-1.1x**	0.3x	-1.4x

Grupo Mateus ended 1H 21 with BRL 1,1 billion in net cash, compared to a net debt of BRL 243 million in 2H 20.

The change was due to two main factors: the resources from the IPO, held in October 2020, and the amortization of loans, financings and Finame credit lines with financial institutions at the end of 2020.

ANNEX:

I – INCOME STATEMENT*

Income Statement (in BRL thousands)	2Q 21	2Q 20	Var. %	1H 21	1H 20	Var. %
Net sales revenue	3,724,342	2,889,003	28.9%	7,086,615	5,298,288	33.8%
Cost of services provided and goods sold	(2,861,692)	(2,195,072)	30.4%	(5.421,886)	(4,000,820)	35.5%
Gross profit	**862,649**	**693,931**	**24.3%**	**1,664,728**	**1,297,468**	**28.3%**
Operating income (expenses)						
Administrative, general and selling expenses	(656,523)	(465,031)	41.2%	(1,276,482)	(935,648)	36.4%
Other net operating income (expenses)	(2,208)	(101)	2085.8%	(12,690)	(244)	5100.7%
	(658,731)	**(465,132)**	**41.6%**	**(1,289,172)**	**(935,892)**	**37.7%**
Operating income before financial income/loss	**203,919**	**228,799**	**-10.9%**	**375,557**	**361,576**	**3.9%**
Financial Result						
Financial revenue	31,701	18,931	67.5%	57,392	35,410	62.1%
Financial expenses	(45,054)	(52,379)	-14.0%	(85,663)	(99,810)	-14.2%
Total	**(13,354)**	**(33,448)**	-60.1%	**(28,272)**	**(64,400)**	**-56.1%**
Profit before income and social contribution taxes	**190,565**	**195,351**	**-2.5%**	**347,285**	**297,176**	**16.9%**
Current income and social contribution taxes	-	-	-	-	-	-
Deferred income and social contribution taxes	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**
Net income for the period	**190,565**	**195,351**	**-2.5%**	**347,285**	**297,176**	**16.9%**

*Without IFRS 16

II – BALANCE SHEET

Assets (in BRL thousands)	Jun/21	Dec/20
Current Assets		
Cash and cash equivalents	1,687,023	2,112,385
Trades and other receivables	1,462,542	1,305,458
Inventories	2,826,493	2,617,533
Recoverable taxes	87,231	21,882
Other assets	46,294	8,758
Total current assets	**6,109,583**	**6,066,016**
Non-current assets		
Financial investments	1,357	14,965
Related parties	19,673	22,166
Recoverable taxes	95,341	140,240
Other assets	1,012	1,619
Judicial deposits	15,321	14,757
Right-of-use assets	703,266	597,051
Intangible assets	3,190	450
Property, plant and equipment	1,809,859	1,341,447
Total non-current assets	**2,649,019**	**2,132,695**
Total assets	**8,758,602**	**8,198,711**

Liabilities (in BRL thousands)	Jun/21	Dec/20
Current liabilities		
Trade payables	1,041,790	944,604
Loans and financing	33,651	32,022
Debentures	55,283	29,146
Labor liabilities	237,623	178,802
Tax liabilities	74,347	96,392
Payable taxes in installments	9,888	6,392
Lease liabilities	68,693	67,184
Other liabilities	11,025	6,788
Total current liabilities	**1,532,300**	**1,361,330**
Non-current liabilities		
Loans and financing	74,707	89,296
Debentures	388,470	442,031
Payable taxes in installments	33,313	23,353
Provision for risks	14,750	17,208
Lease liabilities	634,573	523,288
Related parties	25,664	34,665
Total non-current assets	**1,171,477**	**1,129,841**
Equity		
Share capital	4,780,929	4,780,929
Tax benefits reserve	1,104,151	704,939
AFAC - Advance for future capital increase	44,217	44,217
Legal reserve	58,113	37,102
Profit retention reserve	-	77,069
Equity attributable to owners of the Company	**5,987,410**	**5,644,256**
Equity attributable to non-controlling interests	67,415	63,284
Total shareholders' equity	**6,054,825**	**5,707,540**
Total liabilities and shareholders' equity	**8,758,602**	**8,198,711**

III - IFRS 16 IMPACT – INCOME STATEMENT

Income Statement (in BRL thousands)	2Q 21	IFRS16	2Q 21 ex-IFRS
Net sales revenue	3,724,342		3,724,342
Cost of services provided and goods sold	(2,861,692)		(2,861,692)
GROSS PROFIT	**862,649**		**862,649**
OTHER OPERATING INCOME (EXPENSES)			
Administrative, general and selling expenses	(579,932)	(31,028)	(610,960)
Depreciation	(65,431)	19,868	(45,563)
Other net operating income (expenses)	(2,208)		(2,208)
OPERATING INCOME BEFORE FINANCE INCOME/LOSS	**215,079**		**203,919**
FINANCIAL INCOME	**(24,514)**	11,160	**(13,354)**
PROFIT BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES	**190,565**		**190,565**
Income and social contribution taxes	-		-
NET PROFIT FOR THE PERIOD	**190,565**		**190,565**

IV – CASH FLOW

Cash Flow (in BRL thousands)	Jun/21	Jun/20	Var. %
Cash flows from operating activities			
Net income for the period	**347.285**	**297.176**	16,9%
Adjustments to reconcile the net income for the period to net cash provided by operating activities:			
Depreciation and Amortization	122.982	99.284	23,9%
Lease liabilities remeasurement	21.023	17.401	20,8%
Provision for obsolescence and breakages	(2)	591	-
Lease monetary remeasurement	7.732	-	-
Allowance for expected credit losses	2.968	7.638	-61,1%
Interest on loans, financing and debentures provisioned for	13.131	35.464	-63,0%
Property, plant and equipment disposals	1.879	2.898	-35,2%
Provision for risks	(2.458)	67	-
Increase (decrease) in operating assets:			
Trade and other receivable	(160.052)	(154.132)	3,8%
Inventories	(208.958)	(91.114)	129,3%
Recoverable taxes	(20.450)	(36.816)	-44,5%
Judicial deposits	(564)	(1.388)	-59,4%
Other assets	(36.929)	3.156	-1270,1%
Increase (decrease) in operating liabilities:			
Trade and other payables	97.186	144.158	-32,6%
Labor and tax obligations	36.776	108.251	-66,0%
Tax payables in installments	13.456	40	33539,8%
Other liabilities	4.237	37.391	-88,7%
Taxes paid	-	-	
Net cash provided by operations	**239.243**	**470.065**	**-49,1%**
Interest paid	(4.177)	(15.208)	-72,5%
Net cash provided by operations	**235.066**	**454.857**	**-48,3%**
Cash flow from investing activities			
Acquisition of property, plant and equipment	(552.613)	(200.742)	175,3%
Intangible assets	(2.840)	(450)	531,1%
Investment in securities	13.608	5	272056,1%
Net cash used in investment activities	**(541.845)**	**(201.187)**	**169,3%**
Cash flow from financing activities			
Obtainment of loans and financing and debentures	58	375.150	-100,0%
Related parties	(6.508)	6.360	-202,3%
Advance for future capital increase	-	66.683	-
Amortization of loans and financing and debentures	(49.396)	(94.066)	-47,5%
Payment of lease liability	(62.736)	(61.934)	1,3%
Net cash provided by (used in) financing activities	**(118.582)**	**292.193**	**-140,6%**
Increase in cash and cash equivalents	**(425.361)**	**545.863**	**-177,9%**
Cash and cash equivalents at the beginning of the period	2.112.385	398.263	430,4%
Cash and cash equivalents at period-end	1.687.024	944.126	78,7%
Increase in cash and cash equivalents	**(425.361)**	**545.863**	**-177,9%**

About Grupo Mateus

Grupo Mateus is the fourth largest food retail company in the country, with operations in supermarket retail, cash and carry, wholesale, furniture and household appliances, e-commerce, the bakery industry and slicing and portioning central.

Investor Relations Contacts

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São Luís, August 12, 2021 - This document contains both historical information and forward-looking statements about the business prospects, projections on Mateus Group's operating and financial results, based exclusively on the expectations of the Company's Management. These expectations depend, substantially, on market conditions, the performance of the Brazilian economy, the sector and international markets and, therefore, are subject to change without prior notice. In the face of such uncertainties, Grupo Mateus assumes no obligation to update or review any forward-looking statement in the future.

Finally, in order to better represent the economic scenario of the business, the figures are presented without the effect of IFRS 16 in the Income Statement in the periods in reference.