

GRUPO SBF



EARNINGS RELEASE

1Q21

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São Paulo, May 13, 2021

Grupo SBF S.A. (B3: SBFG3) announces its results for the 1st Quarter of 2021 (1Q21). Quarterly financial information of Centauro and Fisia for the quarter ended March 31, 2021 and 2020 include the parent company Grupo SBF S.A. and its subsidiaries. It is worth highlighting that the consolidated financial statements were prepared according to accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), while the parent company's individual financial statements were prepared according to accounting practices adopted in Brazil (BR GAAP).



Conference Call



May 14, 2021

09:00 a.m. (Brasília Time zone)

08:00 a.m. (NY Time zone)



Portuguese Webcast



English Webcast



SBFG

B3 LISTED NM

GRUPO SBF HIGHLIGHTS



138% growth in digital sales between 1Q20 and 1Q21



GMV growth of 45% in Centauro's Digital Platform, reaching R\$ 197 million



Fisia's digital platform reached Gross Revenue of R\$ 126 million, accounting for 25% share of Fisia's Gross Operating Revenue



Growth of 60% in total Gross Revenue in 1Q21, reaching R\$ 1.0 billion



R\$ 97.9 million in omnichannel sales at Centauro in 1Q21



Completion of the NWB acquisition transaction in February 2021



Cash position of R\$ 412.5 million on March 31, 2021



2 traditional Centauro stores renovated for the G5 store model in 1Q21, totaling 63 G5 stores



Ticker code change from CNTO3 to SBFG3



MESSAGE FROM THE MANAGEMENT

In this first quarter of 2021, our income was once again impacted by increased restrictions on retail opening hours, due to the worsening of the pandemic in Brazil. Over the first months of the year, municipalities gradually increased restrictions, and Centauro's brick-and-mortar stores operations were more impacted in 1Q21 than in 1Q20. When comparing the opening hours of both periods, we have a reduction of approximately 38% in 1Q21, while in 1Q20 the reduction was around 13%.

Despite an EBITDA affected by the pandemic scenario, we recorded over 60% growth in revenue, benefiting from the inclusion of Fisia and our digital platforms' sales, which continue to grow at a healthy pace. Centauro's online GMV grew 45%, representing 32.4% of Centauro's total sales; in Fisia, the digital platform represented more than 25% of Fisia's revenue in the quarter. As a result, our digital sales grew 138% between 1Q20 and 1Q21.

As in 2020, the drop in revenue from brick-and-mortar stores caused an operational deleveraging at Centauro, since this channel is associated with relevant fixed costs. The good performance of Centauro's digital channel partially offset the impact on revenues. As stores opening hours return to normal, we expect the EBITDA margin to recover to pre-pandemic levels.

Centauro's omnichannel sales grew 16% compared to the previous year, despite the worsening of the pandemic. Brick-and-mortar stores' experiences remain an essential part of the sports consumer's buying process. Stores that remained open in the first quarter, despite limited opening hours, recorded solid sales. We continue to see good signs of recovery in April and May with all stores already reopened, and even with opening hours and in-store experiences restrictions, we have already recorded SSS growth so far. We would also like to point out that G5 stores model are performing with an SSS higher than the traditional stores model in the period, and higher than we estimated when we designed this store model.

This trend reinforces our omnichannel retail vision and our long-term plans to expand our store chain in strategic and unpenetrated cities. Therefore, following our expansion plan, we completed 2 renovations this quarter, we started another 6 renovations that were delivered between April and May, and we have already mapped almost all the locations for the opening of new stores in the 2nd semester. We continue monitoring and negotiating the best opportunities for expansion, an essential initiative to increase our national range in a fragmented market.

Fisia's result played an essential role in this quarter's result. Online sales at nike.com.br accounted for 25.5% of Fisia's gross revenue and 12.2% of the Grupo SBF's total gross revenue in 1Q21. This result can be attributed in part to the migration to nike.com.br with the closing of wholesale retailers that resell Nike products, and in part to the first initiatives that we have already started after taking over operations, such as expanding the portfolio for sale on the website and optimizing the investments in online marketing to increase traffic and conversion.

MESSAGE FROM THE MANAGEMENT

In addition, this increase in Fisia's online channel share, with a gross margin higher than the other channels, had a positive impact on EBITDA, reaching a margin of 9.8% in the first 3 months of 2021, contributing to Grupo's EBITDA. This 1Q21 showed us we have an opportunity to increase Nike's profitability and national range, especially with the new online strategy that, in addition to enabling new initiatives, reduces expenses and optimizes profitability.

In Grupo SBF as a whole, we have evolved in the construction of our platform so that we will be able to integrate the operations of all our business units in the ecosystem. Our technology team is organized to speed up the integration and enable the next steps of Fisia's integration while continuing to develop new features to offer the best online sports experience.

We also started working on the integration of NWB, which effectively became part of the Grupo SBF on March 1st. Since then, our teams have been designing together the strategy that will make it possible to, not only speed up NWB's projects, but also integrate this sports content-focused business unit into our ecosystem. As the first experiment of integration between the business units, in this 1Q21 the Desimpedidos channel, sponsored by Centauro, broadcast matches of the CBF Brazilian Women's Football Championship with encouraging results.

Last year, when we faced a great uncertainty with the first impacts of the pandemic, we took several initiatives to preserve cash. This year we are better prepared to face the adverse effects of this second wave seen in the first quarter of 2021, maintaining our focus on projects that will add value in the long run. We are confident that the reopening of brick-and-mortar stores, even in a pandemic scenario, will make it possible to resume SSS growth and business profitability.

We will not make any changes to our investment and growth plan focused on building the ecosystem, increasing national range, and improving the sports experience, but we will keep a close eye on what has been happening in the short term and be prepared to react quickly to any change in the current scenario.

We thank all of our employees from Grupo SBF, Centauro, Fisia and NWB who are working with total dedication in order to help us in this bold mission of building this ecosystem while still facing the difficulties imposed by the pandemic. We remain cautious in the present, but still aiming for the future we want.

THE MANAGEMENT

Grupo SBF

GROSS REVENUE AND OPERATING INDICATORS



For the first quarter of 2020, Grupo SBF Results include ONLY Centauro.

CENTAURO R\$ thousand	1Q21	1Q20	Δ(%)
Gross Revenue¹	604,879	639,395	-5.4%
B&M Stores	423,646	511,929	-17.2%
Digital Platform	181,233	127,466	42.2%
SSS (open stores + digital)²	-7.2%	-3.2%	-4.0 p.p.
SSS B&M Stores (open stores)	-21.9%	-7.4%	-14.6 p.p.
GMV Digital (1P + 3P) ³	45.4%	14.4%	+30.9 p.p.
GMV as % of Total Sales	32.4%	21.3%	+11.1 p.p.
Omnichannel Sales	97,898	84,340	16.1%
Omnichannel – as % of 1P Sales	16.7%	13.5%	+3.2 p.p.
Total Number of Stores – Centauro	211	211	0.0%
Number of G5 Stores	63	45	40.0%
Number of Traditional Stores	148	166	-10.8%
Sales Area - Centauro (m²)	215,347	211,894	1.6%
G5 Total Area (m²)	80,590	53,854	49.6%

FISIA R\$ thousand	1Q21
Gross Revenue¹	492,832
Wholesale	276,741
Digital Platform	125,692
Outlet	90,399

GRUPO SBF R\$ thousand	1Q21	1Q20	Δ(%)
Total Gross Revenue¹	1,026,470	639,395	60.5%
Gross Revenue - Centauro	604,879	639,395	-5.4%
Gross Revenue - Fisia	492,832		
(+) Intercompany elimination	-71,241		
Online Sales Growth	137.6%	14.4%	+123.2 p.p.



1. Gross revenue, excluding return of goods

2. SSS or Same Store Sales means the change in our revenue considering only stores that were open in the months of the two periods analyzed.

3. GMV or Gross Merchandise Value: revenue from the sale of goods from the digital channel, including the marketplace

MAIN FINANCIAL INDICATORS



For the first quarter of 2020, Grupo SBF Results include ONLY Centauro. The **adjusted** results presented in this report disregard the non-recurring effects, aiming to better represent the economic reality of the business and enable comparison with the Company's historical result.

Consolidated R\$ thousand	1Q21	1Q20	Δ(%)
Gross Revenue	1,026,470	639,395	60.5%
Net Revenue	812,836	505,615	60.8%
Gross Profit	348,707	246,383	41.5%
Gross Margin (%)	42.9%	48.7%	-5.8,0 p.p
EBITDA	33,152	45,865	-27.7%
EBITDA Margin (%)	4.1%	9.1%	-5,0 p.p
Net Income	-36,164	8,140	n.a.
Net Margin (%)	-4.4%	1.6%	-6.0 p.p.
Adjusted Gross Profit	353,415	246,383	43.4%
Adjusted Gross Margin (%)	43.5%	48.7%	-5.2 p.p.
Adjusted EBITDA	37,030	43,514	-14.9%
Adjusted EBITDA Margin (%)	4.6%	8.6%	-4.0 p.p.
Adjusted Net Income	-28,059	-7,486	274.8%
Adjusted Net Margin (%)	-3.5%	-1.5%	-2,0 p.p
Adjusted EBITDA (ex-IFRS)	-13,045	5,142	n.a.
Adjusted EBITDA Margin (ex-IFRS) (%)	-1.6%	1.0%	-2.6,0 p.p
Business Unit R\$ thousand	1Q21	1Q20	Δ(%)
CENTAURO Gross Revenue	604,879	639,395	-5.4%
CENTAURO Net Revenue	477,243	505,615	-5.6%
CENTAURO Gross Profit	214,210	246,383	-13.1%
CENTAURO Gross Margin (%)	44.9%	48.7%	-3.8,0 p.p
FISIA Gross Revenue	492,832		
FISIA Net Revenue	390,778		
FISIA Gross Profit	146,899		
FISIA Gross Margin (%)	37.6%		

NON-RECURRING ADJUSTMENTS



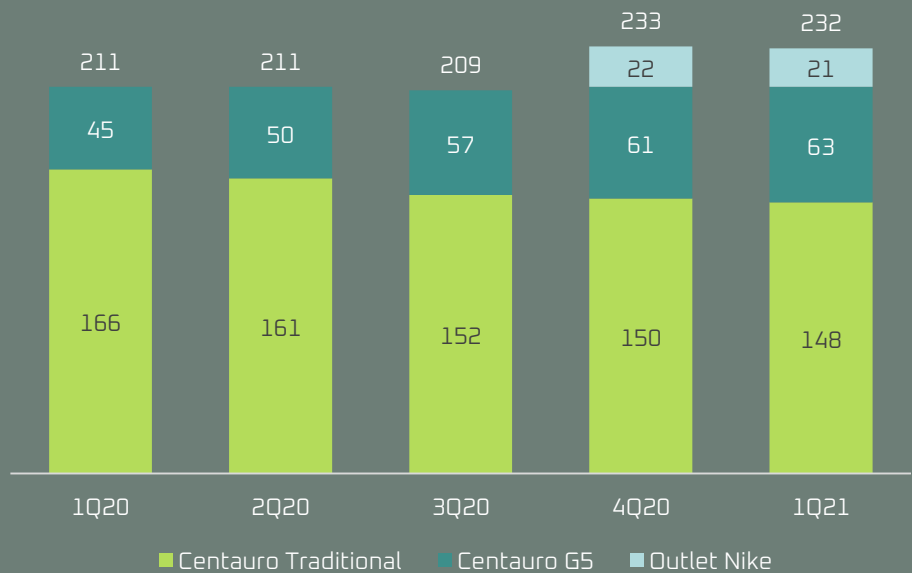
The **adjusted** results presented in this report disregard the non-recurring effects, aiming to better represent the economic reality of the business and enable comparison with the Company's historical result.

R\$ thousand	1Q21
EBITDA	33,152
Accounting effects of the acquisition of FISIA - Cost of Sales	4,708
Accounting effects of the acquisition of FISIA - Operating Expenses	-4,338
Extemporaneous tax credits and debits	196
Inventory adjustment - Previous periods	-2,786
Stock Option Plan / Non-cash	6,099
Impact of non-recurring effects on EBITDA	3,878
Adjusted EBITDA	37,030
Accounting Net Profit	-36,164
Accounting effects of the acquisition of FISIA - Depreciation and Amortization	4,160
Income Tax and Social Contribution	67
Impact of non-recurring effects on Net Profit	8,105
Adjusted Net Profit	-28,059

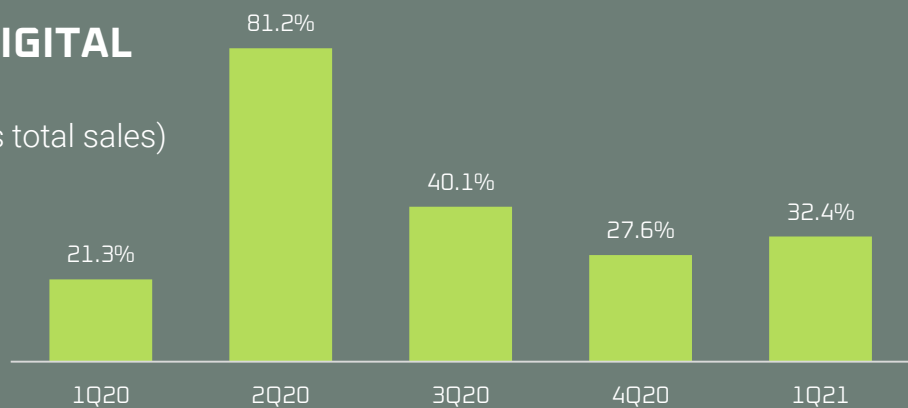
FINANCIAL AND OPERATING PERFORMANCE



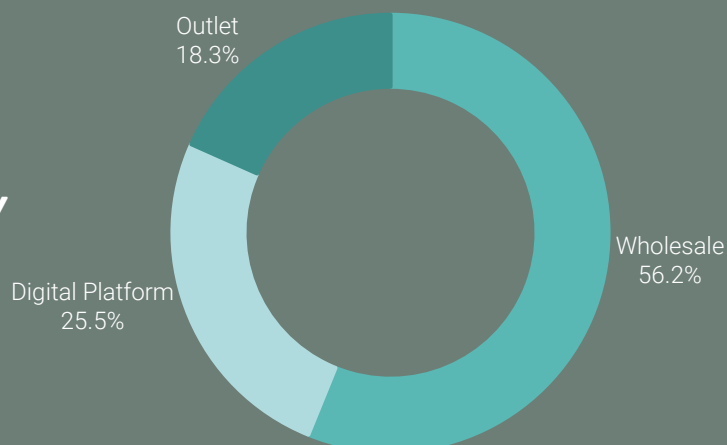
STORE MODELS



CENTAURO DIGITAL GMV SALES (as % of Centauro's total sales)



FISIA GROSS REVENUE BY CHANNEL



FINANCIAL PERFORMANCE



- The **adjusted** results presented in this report disregard the non-recurring effects listed on the previous page.
- The results for the first quarter of 2020 consider only the amounts already released for Centauro.
- The tables for Net Revenue and Gross Income are presented by business unit.
- The tables for Operating Expenses, EBITDA, Financial Result, Net Profit, Working Capital, Cash Flow, Indebtedness Level and Investments (CAPEX) are presented in the consolidated view of Grupo SBF.

NET REVENUE

R\$ thousand	1Q21	1Q20	Δ(%)
CENTAURO	477,243	505,615	-5.6%
B&M Stores	337,050	405,074	-16.8%
Digital Platform	140,192	100,541	39.4%
FISIA	390,778		
Wholesale	228,736		
Digital Platform	93,751		
Outlet	68,291		
(+) Intercompany elimination	-55,184		
GRUPO SBF	812,836	505,615	60.8%

CENTAURO

DIGITAL PLATFORM

The acceleration of investments in technology, omnichannel and marketing on the digital platform carried out in 2020 continue to pay off in this first quarter. Unlike the second and third quarters of last year, when the worsening of the pandemic led us and the market to increase mark-down levels, in this quarter, despite the new worsening of the pandemic, our mark-down levels are close to normalization. Despite the reduction in mark-down levels and marketing investments, the Digital Platform grew 39.4% compared to 1Q20, from R\$ 100.5 million to R\$ 140.2 million.

FISIA

The several initiatives already adopted to accelerate the digital platform, such as increasing the portfolio and optimizing marketing investments, contributed to increase the share of the digital platform in revenue. The worsening of the pandemic also contributed to a temporary migration of wholesale and outlets sales to the digital platform. These two factors resulted in a net revenue from Fisia's Digital Platform of R\$ 93.7 million, which accounted for 24% of total Net Revenue.

BRICK-AND-MORTAR

Brick-and-Mortar revenues decreased 16.8% compared to 1Q20. In 2021, with the worsening of the COVID-19 pandemic in Brazil over the months of January to March, restrictions on the operation of malls were intensified throughout the quarter. During March, we reached 93% of stores closed, while only the second half of March was impacted by the restrictions due to the pandemic in 2020. Unlike the beginning of the pandemic in 2020, when the stores were open in 1Q21, sales were healthy. In April and May, with stores already reopened, we continue to see good signs of recovery and positive SSS.

GROSS INCOME

R\$ thousand	1Q21 adjusted	1Q20 adjusted	Δ(%)
CENTAURO			
Gross Income	214,210	246,383	-13.1%
Gross Margin (%)	44.9%	48.7%	-3.8 p.p
FISIA			
Gross Income	146,899		
Gross Margin (%)	37.6%		
(+) Intercompany elimination	-7,694		
GRUPO SBF			
Gross Income	353,415	246,383	43.4%
Gross Margin (%)	43.5%	48.7%	-5.3 p.p

CENTAURO

The 3.8 p.p. drop in gross margin for the quarter is still due to the higher mark-down levels caused by the promotional environment as a consequence of the pandemic. This impact on prices initially observed in 2Q20 has been gradually returning to normal levels since then. During 1Q21, the worsening of the pandemic interrupted this trend, thus resulting in a stabilization of the gross margin gap when measured against the same period of the previous year.

In addition to the promotional environment, the greater representativeness of the digital platform in sales, and the soccer category still having a share below the average contributed to this drop.

FISIA

Fisia's digital channel - nike.com.br - has the largest gross margin among the channels. With the increase in the share of this channel, partly because of the pandemic and partly due to the initiatives we have taken to foster its growth, we observed a consolidated gross margin of Fisia greater than expected.

The effect observed in the previous quarter also contributed to the margin. A relevant part of the inventory sold in the quarter was also acquired as a subsidiary, with prices lower than those being practiced for Fisia as a distributor. Therefore, we continue to expect a reduction in gross margin as inventory is renewed.

OPERATING EXPENSES

R\$ thousand	1Q21 adjusted	1Q20 adjusted	Δ(%)
GRUPO SBF			
Operating Expenses	-316,385	-202,869	56.0%
SG&A	-315,399	-204,665	54.1%
Other net operating expenses	-986	1,796	n.a.
SG&A as % of Net Revenue	-38.8%	-40.5%	1.7 p.p
Operating Expenses as % of Net Revenue	-38.9%	-40.1%	1.2 p.p



*Operating expenses are presented net of Depreciation and Amortization Expenses.

Grupo SBF recorded -R\$ 316.4 million of Operating Expenses in 1Q21, an increase of 56.0% compared to 1Q20.

SG&A EXPENSES

The increase in SG&A expenses is due to the inclusion of Fisia's operations in the company's financial statements. Expenses which did not exist in 1Q20.

Furthermore, as in previous quarters, the growth of Centauro's digital platform led to an increase in variable expenses, while the temporary drop in revenue from brick-and-mortar stores is not followed by an equivalent reduction in expenses, since most of the expenses associated with that channel are fixed.

EBITDA

R\$ thousand	1Q21 adjusted	1Q20 adjusted	Δ(%)
GRUPO SBF			
Net Income	-28,059	-7,486	n.a
(+) Income tax and social contribution	39,288	15,536	n.a
(+) Net financial result	-36,007	-14,329	n.a
(+) Depreciation and amortization	-68,369	-52,206	31.0%
(=) EBITDA	37,030	43,514	-14.9%
<i>EBITDA Margin</i>	4.6%	8.6%	-4.1 p.p
EBITDA (ex-IFRS)	-13,045	5,142	n.a.
<i>EBITDA Margin (ex-IFRS)</i>	-1.6%	1.0%	-2.6 p.p

Centauro's EBITDA reached R\$ 4.4 million in 1Q21, with a margin of 0.9% and Fisia's EBITDA reached R\$ 38.3 million, with a margin of 9.8%. Grupo's EBITDA, considering an intercompany elimination of -R\$5.6 million, reached R\$ 37.0 million, with a margin of 4.6%, accounting for a contraction in relation to the R\$ 43.5 million recorded in 1Q21, with a margin of 8.6%. The drop in margin is mainly explained by the decrease in gross margin at Centauro and the operational deleveraging caused by the closing of stores due to the pandemic.

FINANCIAL INCOME (LOSS)

R\$ thousand	1Q21 adjusted	1Q20 adjusted	Δ(%)
Financial Income	37,878	45,129	-16.1%
Financial Expenses	-73,886	-59,458	24.3%
Net financial income (expenses)	-36,007	-14,329	151.3%

The Company presented a Financial Loss of -R\$ 36.0 million in 1Q21. There was an increase in financial expenses for the quarter due to the company's greater indebtedness, owing to the efforts to reinforce cash made at the beginning of the pandemic and by the debts raised to acquire Fisia.

NET INCOME (LOSS)

R\$ thousand	1Q21 adjusted	1Q20 adjusted	Δ(%)
Net Income	-28,059	-7,486	274.8%
Net Margin	-3.5%	-1.5%	-2 p.p

We recorded a Net Loss of R\$ 28.1 million in 1Q21, accounting for an increase of 274.8% when compared to 1Q20, when we recorded a net loss of R\$ 7.5 million.

NET WORKING CAPITAL

R\$ thousand	03/31/2021	03/31/2020	Δ(%)
Accounts receivable	753,991	410,516	83.7%
Taxes and income tax to be offset	799,570	274,084	191.7%
Inventories	1,088,225	432,599	151.6%
Other accounts receivable	181,079	40,432	347.9%
	2,822,865	1,157,631	143.8%
Other accounts payable	604,849	40,843	n.a
Resale suppliers	697,107	383,414	81.8%
Tax liabilities	103,734	139,450	-25.6%
Lease payable	154,146	88,638	73.9%
Labor liabilities	95,905	151,501	-36.7%
	1,655,741	803,846	106.0%
Net Working Capital	1,167,124	353,785	229.9%

The concept of Net Working Capital adopted is based on calculating the difference between Current Liabilities and Current Assets, excluding Cash, Debt and Installment Payment of Taxes, and including Factoring of Receivables.

Grupo SBF increased its Net Working Capital compared to 1Q20, an increase from R\$353.8 million to R\$ 1,167.1 million. Said change is mainly explained by the merger of Fisia's balance sheet into the Group's balance sheet, which mainly impacted Accounts Receivable, Inventory and Recoverable Taxes.

Specifically regarding Fisia's tax credits, although they are presented on the Group's balance sheet, they are still mostly owned by Nike Global. The increase in Other accounts payable arises from the Group's obligation to transfer these credits as they are used.

MANAGEMENT CASH FLOW

R\$ thousand	1Q21	1Q20	Δ(%)
EBITDA w/ IFRS	33,151	45,864	-27.7%
Depreciation and Interest Rates IFRS 16	-66,311	-46,588	42.3%
Working Capital Variation ¹	-106,745	110,465	n.a.
Other	139,486	-216,625	n.a.
Operating Cash Flow	-419	-106,884	-99.6%
NWB Acquisition	-48,555		
Others	-40,500	-35,954	12.6%
Cash Flow from Investing Activities	-89,055	-35,954	n.a.
Bank Loan	4,728	-18,406	n.a.
Factoring of Receivables	-4,241	377,933	n.a.
Tax Installment Payment	-12,766	-13,870	-8.0%
Cash Flow from Financing	-12,279	345,657	n.a.
Total Cash Variation	-101,753	202,819	n.a.



(1) Advances of receivables and installment payment of taxes are classified as cash flow from financing.

Operating cash generation was close to 0 in 1Q21. Centauro's normal seasonality resulted in a cash consumption in the first quarter of the year due to payments for Christmas purchases. However, payments to suppliers for the Centauro operation were offset by receipts from Fisia's wholesale clients during this quarter.

The Cash Flow from Investments was mainly impacted by the acquisition of NWB.

The change observed in the Cash Flow from Financing is explained by the initial strategy adopted in 2020 by the Company, which included prepayment of receivables to reinforce cash at the beginning of the COVID-19 crisis, a strategy not adopted in 2021.

INDEBTEDNESS

R\$ thousand	31/03/2021 adjusted	31/03/2020 adjusted	Δ(%)
(+) Loans and financing	612,038	16,644	n.a
(-) Cash and cash equivalents	412,542	308,127	33.9%
(=) Net Debt	199,496	-291,483	n.a.
(+) Factoring of Receivables	0	388,838	-100.0%
(+) Tax Installment Payment	143,785	182,321	-21.1%
(=) Adjusted Net Debt	343,281	279,676	22.7%
Adj. Net Debt /Adj. EBITDA (LTM)	2.2x	0.66x	1.54x

The balances for the 1st quarter of 2021, when compared to the same period of 2020, reflect the new debts taken during the year 2020 to reinforce cash during the pandemic and to finance the operation with Fisia.

The decrease in the balance of prepaid receivables is due to the fact that we anticipated receivables in March 2020 as part of the cash reinforcement strategy during the first lockdown, owing to the COVID-19 pandemic. Said strategy was not adopted in 2021.

INVESTMENTS - CAPEX

R\$ thousand	1Q21	1Q20	Δ(%)
New Stores	2,348	3,836	-38.8%
Renovation	18,503	13,675	35.3%
Technology	16,228	15,649	3.7%
Other	3,421	2,795	22.4%
Total Investments	40,500	35,955	12.6%

CAPEX in 1Q21 increased 12.6% when compared to 1Q20, reflecting a greater investment in renovations, in line with the Company's strategy of concentrating renovations in the first half of the year. In 2020, we suspended investments to preserve cash in the face of the uncertainties caused by the COVID-19 pandemic. In 2021, the company believes that it has to focus on the long term and maintain its strategic investments.

CONSOLIDATED BALANCE SHEET


R\$ thousand	31/03/2021	31/12/2020
Assets	6,234,905	6,193,860
Current	3,235,407	3,289,039
Cash and cash equivalents	412,542	514,295
Accounts receivable	753,991	984,491
Recoverable taxes	753,869	712,763
Income tax and social contribution to be offset	45,701	40,037
Inventories	1,088,225	890,780
Other accounts receivable	181,079	146,673
Non-current	2,999,498	2,904,821
Accounts receivable	137	0
Financial investments	324	324
Taxes to be offset	255,920	347,871
Deferred tax assets	495,363	453,950
Judicial deposits	137,017	125,751
Other amounts receivable	6,859	626
Property and equipment	525,835	516,496
Intangible assets	364,534	305,631
Right of use	1,213,509	1,154,172
Liabilities	6,234,905	6,193,860
Current	1,829,023	1,852,278
Suppliers	697,107	654,813
Debentures	98,925	93,275
Loans and financing	1,822	0
Tax liabilities	103,734	223,770
Tax installment payment	52,695	54,775
Labor and social security liabilities	95,905	93,688
Lease payable	154,146	119,928
Other accounts payable	604,849	594,676
Other liabilities	19,840	17,353
Non-current	2,439,832	2,390,896
Loans and financing	283,052	278,850
Debentures	228,239	226,762
Tax installment payment	91,090	101,776
Advances for future capital increases	293	0
Provisions for contingencies	543,010	547,135
Lease payable	1,143,754	1,081,641
Other liabilities	150,394	154,732
Shareholders' equity	1,966,050	1,950,686
Capital stock	1,815,485	1,815,485
Capital reserves	185,200	194,460
Incentive reserves	15,509	15,509
Accumulated losses	-50,144	-74,768

CASH FLOW

R\$ thousand	31/03/2021	31/03/2020
Net profit (loss) of the period	-36,164	8,140
Adjusted by:		
Depreciation and amortization	75,445	55,126
Interest rates	35,729	27,054
Share-based payment	5,915	6,189
Residual cost in the write-off of property & equipment and intangible assets	3,800	9
Write-off of residual leases	4,601	45
Provision for inventory obsolescence	27,385	7,548
Present value adjustment, Net	-303	5,083
Net recording of provision for contingencies	7,057	4,158
Deferred income and social contribution taxes	-41,413	-185,490
Lease discounts	-5,252	0
	76,800	-72,138
(Increase) decrease in Assets		
Accounts receivable	307,045	556,773
Inventory	-224,830	-11,603
Derivatives	-18,937	0
Deferred taxes, income tax and social contribution to be offset	45,181	61,956
Other accounts receivable	-40,639	-17,436
Judicial deposits	-11,266	-27
Increase (decrease) in liabilities		
Suppliers	42,781	-275,222
Tax liabilities	-117,256	250,813
Tax installment payment	-12,762	-15,916
Contingencies paid	-11,182	-2,225
Labor and social security liabilities	2,217	183
Interest rate paid on financing	-1,153	-922
Other accounts payable	10,173	7,800
Other liabilities	-1,851	0
Income tax and social contribution paid	-2,191	-178,004
Change in assets and liabilities:	-34,670	376,170
Net cash (used in) generated by operating activities	42,130	304,032
Cash flow from investing activities		
Additions to property and equipment	-27,765	-30,268
Additions to intangible assets	-18,061	-9,819
Goodwill on Fisia Comércio Acquisition	-15,176	0
Goodwill on NETWORK Participações Acquisiton	-55,114	0
Net cash (used in) investing activities	-116,116	-40,087
Cash flow from financing activities		
Loans and financing raised	7,346	3,443
Loans and financing paid	-1,465	-20,927
Lease Paid	-33,941	-43,642
Payment of advances for future capital increase at the parent Company	293	0
Net cash (used in) financing activities	-27,767	-61,126
Decrease of cash and cash equivalents	-101,753	202,819
Cash and cash equivalents at the beginning of the year	514,295	105,308
Cash and cash equivalents at the end of the year	412,542	308,127

INCOME STATEMENT


R\$ thousand	1Q21	1Q20	Δ (%)
Net revenue	812,836	505,615	60.8%
Cost of sales	-464,130	-259,232	79.0%
Gross Profit	348,706	246,383	41.5%
Operating expenses	-315,555	-200,518	57.4%
Sellings expenses ¹	-196,937	-167,934	17.3%
Administrative and general expenses ²	-114,320	-36,731	211.2%
Other operating income (expenses), Net	-4,298	4,147	n.a
Depreciation and amortization expenses	-72,529	-52,206	38.9%
Operating Income (Loss)	-39,378	-6,341	521.0%
Financial income	37,878	45,129	-16.1%
Financial expenses	-73,886	-38,134	93.8%
Net financial income (expenses)	-36,008	6,995	n.a
Profit before taxes	-75,386	654	n.a
Income tax and social contribution	39,222	7,486	423.9%
Net profit for the period	-36,164	8,140	n.a

 1,2. Amount presented without depreciation. The depreciated amount can be found in our Financial Statements or in our interactive sheet, available on our website.


ABOUT GRUPO SBF

Grupo SBF is a sports company founded in 1981 and until 2020 operated in the Brazilian market with Centauro, the largest sporting goods retailer in Brazil and Latin America and the first omnichannel retailer in Brazil, with all operations involving the brick-and-mortar stores and the digital platform integrated since 2018. In December 2020, a new business unit started integrating the GRUPO SBF: FISIA, the sole holder of the rights to distribute Nike products and to operate Nike brick-and-mortar stores and e-commerce in Brazil. In February 2021, another business unit joined the Group to comprise the sports ecosystem in Brazil: NWB, the largest digital producer of sports content in Brazil. At Grupo SBF, we believe that sport transforms lives, and we wake up every day to boost sports in Brazil.

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Disclaimer

The assumptions contained in this report relating to the business outlook, projections and results and the growth potential of the Company constitute mere forecasts and were based on management's expectations in relation to the future of the Company. These expectations are highly dependent on changes in the market and in the overall economic performance of the country, the industry and the international market; therefore, they are subject to changes.





GRUPO SBF

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