Grupo SBF S.A.

Parent Company and consolidated quarterly information - ITR at September 30, 2021 and 2020

(a free translation of the original report in Portuguese, prepared in accordance with the accounting practices adopted in Brazil)

KPDS 924796

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3Q21 EARNINGS RELEASE

GRUPO SBF

EARNINGS RELEASE

3Q21

São Paulo, November 11, 2021

Grupo SBF S.A. (B3: SBFG3) announces its results for the 3rd Quarter of 2021 (3Q21). Quarterly financial information of Centauro and Fisia for the quarter ended September 30, 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

November 12, 2021

11:00 a.m. (Brasília Time zone)
09:00 a.m. (NY Time zone)

Portuguese Webcast

English Webcast

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GRUPO SBF HIGHLIGHTS

Grupo SBF's Gross Revenue reached R$ 1.9 billion in 3Q21, accounting for a growth of 157.2% vs 3Q20 and 139.6% vs 3Q19

Grupo SBF's adjusted EBITDA reached R$ 251.3 million in 3Q21, record level in a quarter and growth of 119.2% vs. 3Q19

Grupo SBF's adjusted Net Income increased 208.4% over 3Q19, reaching R$ 109.8 million with a margin of 7.4% (+1.6 pp over 3Q19)

Fisia's Gross Revenue reached R$ 1.0 billion in 3Q21, accounting for an increase of 43.6% compared to 2Q21. DTC sales this quarter accounted for 36% of Fisia's total revenue (including stores and digital platform)

Centauro's Gross Margin reached 50.2% in 3Q21, accounting for an increase of +0.8p.p. compared to 3Q19

Compared to 3Q20, Centauro's Gross Revenue grew 33% with total SSS of 23.3%. Compared to 3Q19, Revenue growth was 24%, with total SSS of 16.1%

10 openings and 1 renovation of Centauro stores to the G5 model in the quarter, totaling 47% of G5 area and 227.3 sqm of total sales area

MESSAGE FROM THE MANAGEMENT

With the reduction of government restrictions caused by the pandemic in the last quarter, this was the first quarter since 2019 where the Company could observe practically normalized results and see the impact of all the initiatives carried out in this period. When we analyze said results and compare them with those of the pre-pandemic period, we are very proud of what Grupo SBF has built over the last two years: a company that reached another level; a company that more than doubled its revenue in this period, reaching a gross revenue of R$ 1.9 billion in the quarter, 2.4 times higher than the amount of R$ 777.3 million recorded in 3Q19; a company that reached R$ 251.3 million in adjusted EBITDA, 2.2 times 3Q19; a company that reached adjusted Net Income of R$ 109.8 million, 3.1x times the same period in 2019; a company that continues relentlessly searching for ways to expand its growth streams.

Since we started to run the operation of Fisia at the end of last year, we had the levers that would make it grow profitably well mapped and a realistic plan for how we would develop each one of them. Our excellent team has been delivering this plan quarter after quarter, very competently and faster than we imagined. As a result, we have been delivering healthy results, exceeding our expectations. Fisia's revenue was over R$ 1 billion this quarter, 43.6% higher than in 2Q21 and, based on our estimates, 54% higher than in 3Q19.

The Nike.com.br channel continues to grow rapidly, mainly due to the marketing investment strategy that continues proving successful. When we took over this operation, the current marketing strategy was to rely on an annual budget that did not vary with revenue. One of the first actions we implemented was to change this model to a ROI dynamic. With this approach, we managed to combine Fisia's unique branding capability with the knowledge of digital performance marketing that we already had in Grupo SBF. We launched Nike.com.br Birthday, Father's Day and Nike Members Day campaigns this quarter, which implemented in the correct channels helped to attract new clients to the website. It is also worth highlighting the work that has been done to develop the Sneakers market in Brazil, which today already accounts for 15% of the website's sales.

Nike Factory Stores, nowadays Fisia's only brick-and-mortar store format in Brazil , has also recorded healthy results with increasingly better margins. The 40-year experience of Grupo SBF in operating Centauro's brick-and-mortar stores was fundamental for us to implement operational improvements in this channel, which contributed to reducing expenses and increasing sales. Another important initiative that has contributed to margin growth is the change in the product mix in this channel. The main products historically sold in these stores are close-outs, the remaining products from the in season collection that were not sold through retailers and Nike.com.br. To complete the assortment, the stores also sell rebuys, products made especially for these stores. We have gradually changed the vocation of these stores from just an outlet channel to an entry channel for the brand's consumers; that is, increasing the assortment of rebuys, which has also contributed to a margin improvement.

MESSAGE FROM THE MANAGEMENT

Centauro's brick-and-mortar stores, the channel that had been most impacted by the pandemic restrictions, recorded encouraging results this quarter with healthy margins. During all the months of the quarter, our store's SSS was positive compared to the same period of 2019, reaching 4.6% in the consolidated. After a period of slower expansion, also due to the pandemic, we opened 10 new G5 stores in the quarter, reaching 224 stores in total, increasing Centauro's sales area by 8,600 sqm and reaching 47% of the store portfolio already in the new G5 model. Compared to 2019, Centauro's digital platform recorded a consistent growth of 68.7% in its GMV.

More importantly, after a long period of a disorganized market with above-normal discounts, we delivered a gross margin above the same period of 2019 this quarter. Our team has been doing an excellent job of rebuilding margins, thanks to an increasingly assertive demand planning and an ever-greater rationalization of discounts at the store level. The fact that global brands continue with their market segmentation strategy and that Centauro stores deliver the experience desired by brands to consumers constantly contributes to Centauro increasingly becoming the main destination for consumers of sporting goods.

Grupo SBF's online channels generated over R$ 410 million in revenue in the quarter, accounting for a growth of 214.6% over 2019. This new level of digital channel also allows us to obtain important gains of scale. A relevant change we made this year was the internalization of our performance marketing team. Instead of engaging external agencies to do this work, we currently have a dedicated in-house team. With thiswe improved, for example, Centauro's indexing on search engines, improving our position in organic search results and consequently increasing organic traffic on the website. These evolutions directly contribute to improve Centauro's CAC.

The two most relevant costs of an online channel are typically marketing and shipping. With the improvement of CAC, we have reduced Centauro's marketing cost per transaction. With ongoing optimizations in the omnichannel algorithm, we have also managed to reduce the shipping cost per transaction. With these initiatives, Centauro's online channel has been delivering a higher contribution margin than brick-and-mortar stores, which makes us very excited as this is the fastest growing channel.

A factor in our operation that has always been questioned by our investors refers to tax incentives. In October, with the approval of the Complementary Bill (PLP) 5/2021 that amends Complementary Law 160/2017, the benefits were extended until 2032, which minimizes the risk of having any short-term impact on our margins coming from the removal of such incentives. Another highlight regarding incentives is that with the integration of Fisia's ERP systems with the group, we will also be able to take advantage of all incentives in Fisia's operation. Moreover, we are already capturing the incentives in the nike.com.br operation since July. Our estimate is that this will happen as of mid-2022.

We are now starting the most important quarter of the year, focused on delivering a great Black Friday and a great Christmas. We are aware of the global logistics problems but confident that we will manage to mitigate the impacts on our operation.

Grupo SBF has reached a new level in these two years and we continue to persistently pursue ways to accelerate our growth and keep advancing in the years ahead. The sport ecosystem has just started to be assembled and we see a huge value in what we are creating.

THE MANAGEMENT
Grupo SBF

GROSS REVENUE AND OPERATING INDICATORS

For the years of 2020 and 2019, Grupo SBF's Results include only Centauro.

CENTAURO R$ thousand	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Gross Revenue[1]	**965,877**	**724,281**	**777,335**	**33.4%**	**24.3%**	**2,344,012**	**1,676,536**	**2,127,376**	**39.8%**	**10.2%**
B&M Stores	756,288	453,259	646,879	66.9%	16.9%	1,727,853	1,031,905	1,748,541	67.4%	-1.2%
Digital Platform	209,589	271,022	130,456	-22.7%	60.7%	616,159	644,631	378,835	-4.4%	62.6%
Omnichannel Sales	**137,342**	**117,429**	**88,490**	**17.0%**	**55.2%**	**353,809**	**280,101**	**226,980**	**26.3%**	**55.9%**
Omnichannel – as % of 1P Sales	*14.7%*	*16.7%*	*11.7%*	-2.0 p.p.	+3.0 p.p.	*15.6%*	*17.2%*	*10.9%*	-1.5 p.p.	+4.7 p.p.
Total Number of Stores – Centauro	**224**	**209**	**196**	**7.2%**	**14.3%**	**224**	**209**	**196**	**7.2%**	**14.3%**
Number of G5 Stores	86	57	27	50.9%	218.5%	86	57	27	50.9%	218.5%
Sales Area - Centauro (m²)	**227,286**	**211,831**	**194,272**	**7.3%**	**17.0%**	**227,286**	**211,831**	**194,272**	**7.3%**	**17.0%**
G5 Total Area (m²)	106,537	72,606	31,917	46.7%	233.8%	106,537	72,606	31,917	46.7%	233.8%

FISIA R$ thousand	3Q21	9M21
Gross Revenue[1]	**1,046,321**	**2,267,584**
Wholesale	668,624	1,391,050
Digital Platform	200,784	480,355
Outlet	176,913	396,180

GRUPO SBF R$ thousand	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Total Gross Revenue[1]	**1,862,618**	**724,281**	**777,335**	**157.2%**	**139.6%**	**4,274,790**	**1,676,536**	**2,127,376**	**155.0%**	**100.9%**
Centauro Gross Revenue[1]	965,877	724,281	777,335	33.4%	24.3%	2,344,012	1,676,536	2,127,376	39.8%	10.2%
Fisia Gross Revenue[1]	1,046,321					2,267,585				
(+) Intercompany elimination	-149,580					-336,807				

SSS | 21x20 and 21x19

CENTAURO R$ thousand	3Q21	3Q20	Δ(%)	9M21	9M20	Δ(%)
SSS (stores + digital)[2]	**23.3%**	**-5.9%**	**+29.2 p.p.**	**30.5%**	**-17.5%**	**+48.1 p.p.**
SSS B&M Stores	55.6%	-33.9%	+89.5 p.p.	56.7%	-42.0%	+98.7 p.p.
GMV Digital (1P + 3P)[3]	-23.7%	120.3%	-144.1 p.p.	-5.7%	82.5%	-88.2 p.p.
GMV as % of Total Sales	*23.4%*	*40.1%*	*-16.8 p.p.*	*28.2%*	*41.2%*	*-12.9 p.p.*

CENTAURO R$ thousand	3Q21	3Q19	Δ(%)	9M21	9M19	Δ(%)
SSS (stores + digital)[2]	**16.1%**	**7.7%**	**+8.4 p.p.**	**5.4%**	**7.2%**	**-1.8 p.p.**
SSS B&M Stores	4.6%	4.9%	-0.3 p.p.	-10.5%	3.6%	-14.1 p.p.
GMV Digital (1P + 3P)[3]	68.7%	22.2%	+46.5 p.p.	73.7%	25.4%	+48.3 p.p.
GMV as % of Total Sales	*23.4%*	*17.5%*	*+5.9 p.p.*	*28.2%*	*18.4%*	*+9.9 p.p.*

1. Gross revenue, excluding return of goods
2. SSS or Same Store Sales means the change in our revenue disregarding the revenue of stores that were closed for renovation or had not been opened in the equivalent months of the two periods analyzed. **Our methodology does not exclude stores closed due to the pandemic from the base.**
3. GMV or Gross Merchandise Value: revenue from the sale of goods from the digital channel, including the marketplace

MAIN FINANCIAL INDICATORS

For the years of 2020 and 2019, Grupo SBF's 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	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Gross Revenue	1,862,618	724,281	777,335	157.2%	139.6%	4,274,790	1,676,536	2,127,376	155.0%	100.9%
Net revenue	**1,491,316**	**569,038**	**621,003**	**162.1%**	**140.1%**	**3,426,998**	**1,314,025**	**1,693,713**	**160.8%**	**102.3%**
Gross Profit	**670,078**	**247,923**	**306,987**	**170.3%**	**118.3%**	**1,541,783**	**577,817**	**848,258**	**166.8%**	**81.8%**
Gross Margin	*44.9%*	*43.6%*	*49.4%*	*1.4 p.p*	*-4.5 p.p*	*45.0%*	*44.0%*	*50.1%*	*1 p.p*	*-5.1 p.p*
EBITDA	**252,168**	**31,004**	**117,076**	**713.3%**	**115.4%**	**454,713**	**30,110**	**374,041**	**1410.2%**	**21.6%**
EBITDA Margin	*16.9%*	*5.4%*	*18.9%*	*11.5 p.p*	*-1.9 p.p*	*13.3%*	*2.3%*	*22.1%*	*11 p.p*	*-8.8 p.p*
Net Profit	**221,440**	**-33,251**	**38,413**	**n.a**	**476.5%**	**209,354**	**-127,398**	**146,099**	**n.a**	**43.3%**
Net Margin	*14.8%*	*-5.8%*	*6.2%*	*20.7 p.p*	*8.7 p.p*	*6.1%*	*-9.7%*	*8.6%*	*15.8 p.p*	*-2.5 p.p*
Adjusted Net revenue	**1,491,316**	**569,038**	**621,003**	**162.1%**	**140.1%**	**3,418,972**	**1,314,025**	**1,693,713**	**160.2%**	**101.9%**
Adjusted Gross Profit	**670,020**	**247,923**	**306,987**	**170.3%**	**118.3%**	**1,539,160**	**577,817**	**848,258**	**166.4%**	**81.4%**
Adjusted Gross Margin	*44.9%*	*43.6%*	*49.4%*	*1.4 p.p*	*-4.5 p.p*	*45.0%*	*44.0%*	*50.1%*	*1 p.p*	*-5.1 p.p*
Adjusted EBITDA	**251,341**	**48,468**	**114,640**	**418.6%**	**119.2%**	**438,179**	**54,438**	**295,269**	**704.9%**	**48.4%**
Adjusted EBITDA Margin	*16.9%*	*8.5%*	*18.5%*	*8.3 p.p*	*-1.6 p.p*	*12.8%*	*4.1%*	*17.4%*	*8.7 p.p*	*-4.6 p.p*
Adjusted Net Profit	**109,812**	**-21,697**	**35,605**	**n.a**	**208.4%**	**123,258**	**-116,618**	**65,340**	**n.a**	**88.6%**
Adjusted Net Profit Margin	*7.4%*	*-3.8%*	*5.7%*	*11.2 p.p*	*1.6 p.p*	*3.6%*	*-8.9%*	*3.9%*	*12.5 p.p*	*-0.3 p.p*
Adjusted EBITDA (ex-IFRS)	**192,416**	**1,430**	**78,114**	**n.a**	**146.3%**	**272,541**	**-78,286**	**189,844**	**n.a**	**43.6%**
Adjusted EBITDA Margin (ex-IFRS)	*12.9%*	*0.3%*	*12.6%*	*12.7 p.p*	*0.3 p.p*	*8.0%*	*-6.0%*	*11.2%*	*13.9 p.p*	*-3.2 p.p*
Adjusted Net Profit (ex-IFRS)	**125,077**	**-15,226**	**43,946**	**n.a**	**184.6%**	**158,688**	**-94,044**	**87,187**	**n.a**	**82.0%**
Adjusted Net Profit Margin (ex-IFRS)	*8.4%*	*-2.7%*	*7.1%*	*11.1 p.p*	*1.3 p.p*	*4.6%*	*-7.2%*	*5.1%*	*11.8 p.p*	*-0.5 p.p*

	Business Unit R$ thousand	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
CENTAURO	Gross Revenue	965,877	724,281	777,335	33.4%	24.3%	2,344,012	1,676,536	2,127,376	39.8%	10.2%
	Adjusted Net revenue	**782,914**	**569,038**	**621,003**	**37.6%**	**26.1%**	**1,888,917**	**1,314,025**	**1,693,713**	**43.8%**	**11.5%**
	Adjusted Gross Profit	**392,999**	**247,923**	**306,987**	**58.5%**	**28.0%**	**924,700**	**577,817**	**848,258**	**60.0%**	**9.0%**
	Gross Margin	*50.2%*	*43.6%*	*49.4%*	*6.6 p.p*	*0.8 p.p*	*49.0%*	*44.0%*	*50.1%*	*5 p.p*	*-1.1 p.p*
FISIA	Gross Revenue	1,046,321					2,267,584				
	Net revenue	**824,857**					**1,790,436**				
	Gross Profit	**290,660**					**644,891**				
	Gross Margin	*35.2%*					*36.0%*				

NON-RECURRING ADJUSTMENTS

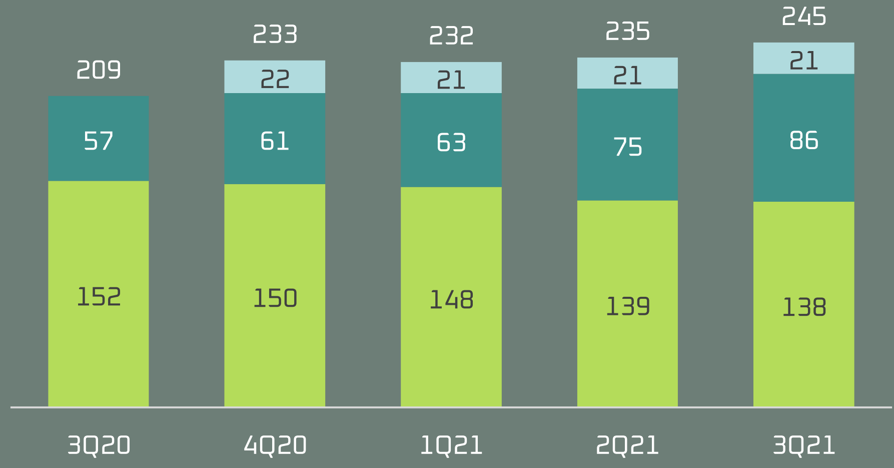
The **adjusted** results presented in this report disregard the non-recurring effects, aiming to better represent the economic reality of the business and enable comparison with the Company's historical result.

GRUPO SBF R$ thousand	3Q21	9M21
EBITDA	**252,168**	**454,713**
Stock Option Plan / Non-cash	5,027	15,805
Accounting effects of acquisition - Expenses	1,752	-8,242
Accounting effects of acquisition - Cost of Sales	-58	5,403
Extemporaneous tax credits and debits	-7,548	-18,687
Inventory adjustment - Previous periods	0	-2,786
Extemporaneous tax debits (impact on deductions)	0	-8,026
Impact of non-recurring effects on EBITDA	**-827**	**-16,534**
Adjusted EBITDA	**251,341**	**438,179**

Net Profit	**221,440**	**209,354**
Accounting effects of acquisition - Depreciation and Amortization	0	9,343
Interest on extemporaneous tax credits and debts	-13,985	14,521
IRPJ Selic - Previous periods	-102,428	-102,428
Income Tax and Social Contribution	5,612	9,001
Impact of non-recurring effects on Net Profit	**-111,628**	**-86,097**
Adjusted Net Profit	**109,812**	**123,258**

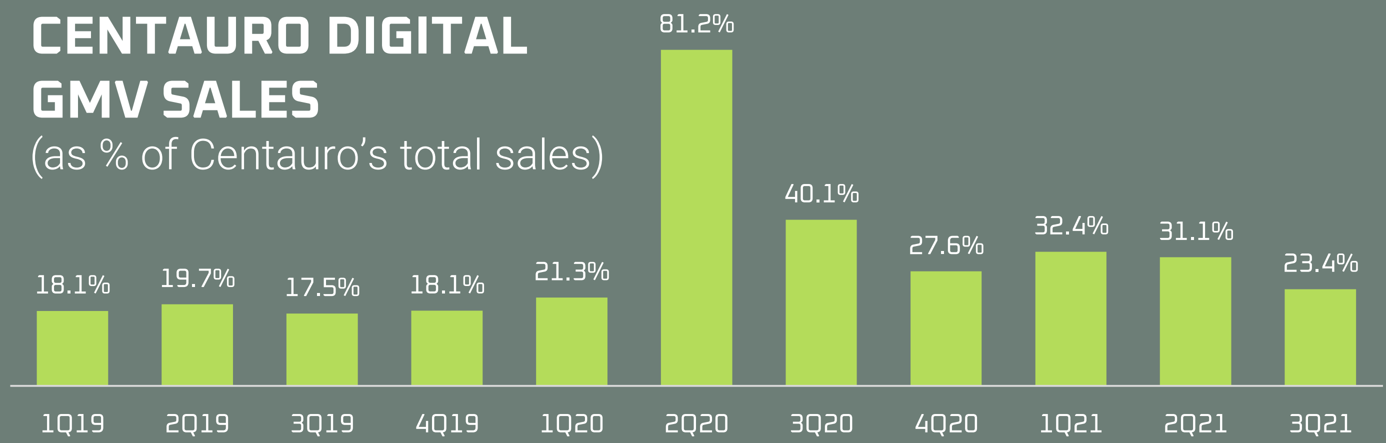
FINANCIAL AND OPERATING PERFORMANCE

STORE MODELS

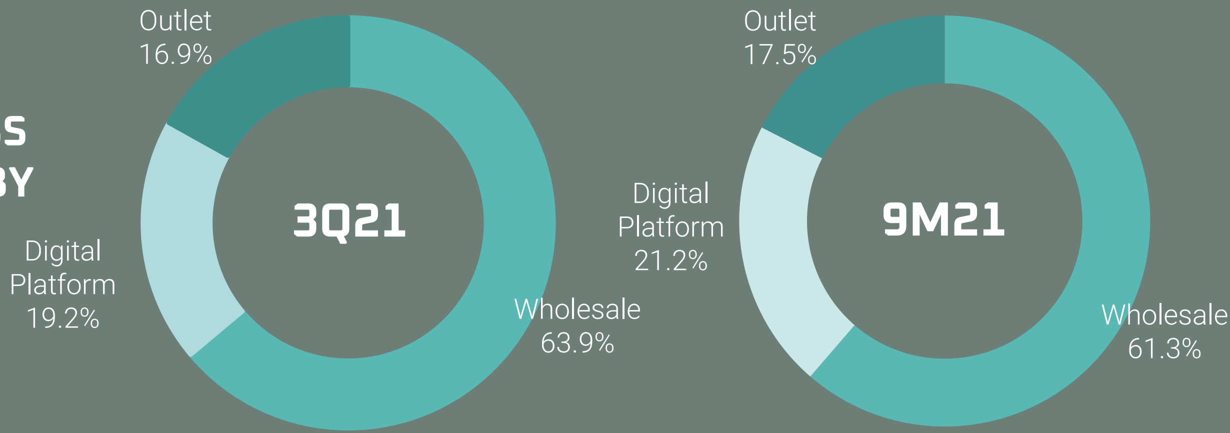


CENTAURO DIGITAL GMV SALES

(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 page 7. For the years 2020 and 2019, the effects are presented in our 3Q20 and 3Q19 earnings release.
> The results for 2020 and 2019 consider only the amounts already released for Centauro.
> The tables for Net Revenue and Gross Income are presented by business unit. The other tables are presented in the consolidated view of Grupo SBF.

NET REVENUE

R$ thousand	3Q21 adjusted	3Q20 adjusted	3Q19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21 adjusted	9M20 adjusted	9M19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
CENTAURO	**782,914**	**569,038**	**621,003**	**37.6%**	**26.1%**	**1,888,917**	**1,314,025**	**1,693,713**	**43.8%**	**11.5%**
B&M Stores	610,290	359,504	518,725	69.8%	17.7%	1,388,889	812,081	1,396,635	71.0%	-0.6%
Digital Platform	172,624	209,535	102,278	-17.6%	68.8%	508,054	501,944	297,078	1.2%	71.0%
FISIA	**824,857**					**1,790,436**				
Wholesale	540,595					1,137,342				
Digital Platform	149,946					354,472				
Outlet	134,316					298,622				
(+) Intercompany elimination	*(116,455)*					*(260,382)*				
GRUPO SBF	**1,491,316**	**569,038**	**621,003**	**162.1%**	**140.1%**	**3,418,972**	**1,314,025**	**1,693,713**	**160.2%**	**101.9%**

CENTAURO

Centauro stores recorded net revenue of R$ 610.3 million in 3Q21, accounting for an increase of 69.8% compared to 3Q20 and 17.7% compared to 3Q19. With the evolution of vaccination in the country and the reopening of the shopping malls, stores resumed positive SSS in the quarter, reaching 4.6% over 3Q19. Furthermore, the expansion of the network with G5 stores, the optimization of product purchase and allocation and the 95.3% growth (over 3Q19) in sales via endless aisle contributed to the channel's growth.

Digital platform, compared to 3Q19, grew 68.8%, as a result of investments in technology and marketing that have been and continue to be made.

FISIA

Fisia's revenue reached R$ 824.8 million this quarter, an increase of 43.5% when compared to 2Q21 and accounting for a share of 47.5% of Grupo SBF's total Net Revenue. The 3 channels showed robust growth over 2Q21. For the digital platform, in addition to continuing the optimization of the initiatives already adopted in recent quarters, the digital first strategy for receiving and selling products on the website nike.com.br, new seasonal marketing campaigns with emphasis on Father's Day, and the heated sales of Sneakers also contributed to the result. Sales in the Outlet channel were positively impacted by the resumption of physical retail and the result in the wholesale channel already reflects part of the purchases for the fourth quarter of 2021.

GROSS INCOME

R$ thousand	3Q21 adjusted	3Q20 adjusted	3Q19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21 adjusted	9M20 adjusted	9M19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
CENTAURO										
Gross Profit	392,999	247,923	306,987	58.5%	28.0%	924,700	577,817	848,258	60.0%	9.0%
Gross Margin	*50.2%*	*43.6%*	*49.4%*	*6.6 p.p*	*0.8 p.p*	*49.0%*	*44.0%*	*50.1%*	*5 p.p*	*-1.1 p.p*
FISIA										
Gross Profit	290,660					644,891				
Gross Margin	*35.2%*					*36.0%*				
(+) Intercompany elimination	*(13,640)*					*(30,431)*				
GRUPO SBF										
Gross Profit	**670,020**	**247,923**	**306,987**	**170.3%**	**118.3%**	**1,539,160**	**577,817**	**848,258**	**166.4%**	**81.4%**
Gross Margin	*44.9%*	*43.6%*	*49.4%*	*1.4 p.p*	*-4.5 p.p*	*45.0%*	*44.0%*	*50.1%*	*1 p.p*	*-5.1 p.p*

CENTAURO

In 3Q21, Centauro's gross margin reached a level of 50.2%, a recovery of +6 p.p. compared to 3Q20, when the high mark-down level and the higher share of the digital platform negatively impacted the margin.

Compared to 3Q19, we recorded an increase of +0.8 p.p. despite the higher share of the digital platform, which has a lower margin than the stores channel. The more assertive portfolio assortment and purchase, as well as the better inventory allocation between stores and DCs favored sales of in-season products without the need for mark-downs.

FISIA

The expected decrease in Fisia's gross margin due to the effect of inventory acquired at lower cost as a subsidiary was partially offset by the impact of the price adjustment carried out in June due to the exchange rate depreciation and the adjustment in the portfolio of outlet stores that allowed us to practice prices with a lower mark-down level.

OPERATING EXPENSES

R$ thousand	3Q21 adjusted	3Q20 adjusted	3Q19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21 adjusted	9M20 adjusted	9M19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
GRUPO SBF										
Operating Expenses	**-418,679**	**-199,455**	**-192,347**	**109.9%**	**117.7%**	**-1,100,981**	**-523,379**	**-552,989**	**110.4%**	**99.1%**
SG&A	-417,442	-201,511	-199,937	107.2%	108.8%	-1,105,954	-531,199	-568,856	108.2%	94.4%
Other net operating expenses	-1,237	2,056	7,590	-160.2%	-116.3%	4,973	7,820	15,867	-36.4%	-68.7%
SG&A as % of Net Revenue	*28.0%*	*35.4%*	*32.2%*	*-7.4 p.p*	*-4.2 p.p*	*32.3%*	*40.4%*	*33.6%*	*-8.1 p.p*	*-1.2 p.p*
Operating Expenses as % of Net Revenue	*28.1%*	*35.1%*	*31.0%*	*-7 p.p*	*-2.9 p.p*	*32.2%*	*39.8%*	*32.6%*	*-7.6 p.p*	*-0.4 p.p*

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

Grupo SBF recorded -R$418.7 million of Operating Expenses in 3Q21, an increase of 109.9% compared to 3Q20. In the first nine months of the year, it totaled -R$1.1 billion, a variation of 110.4% compared to 9M20.

SG&A EXPENSES

The increase in SG&A expenses is due to the merger of Fisia's operations in the company's financial statements. Such expenses did not exist in 2020.

When compared to 3Q19, in addition to the merger of Fisia, the inflationary pressure on expenses and the investment in new business areas needed to implement our ecosystem vision, such as logistics, CRM, Technology and Strategy, also had a negative contribution.

Despite the pressures on the aforementioned expenses, Grupo SBF's SG&A expenses as % of Revenue was 28.0%, compared to 32.2% in 3Q19. Such dilution is explained by the operational leverage caused by revenue growth, back-office and logistics synergies obtained with the integration of operations and the incorporation of Fisia's wholesale channel, which, due to the nature of its operations, has a lower percentage of expenses than other channels.

EBITDA

R$ thousand	3Q21 adjusted	3Q20 adjusted	3Q19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21 adjusted	9M20 adjusted	9M19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
GRUPO SBF										
Net Income	**109,812**	**-21,697**	**35,605**	**n.a**	**208.4%**	**123,258**	**-116,618**	**65,340**	**205.7%**	**88.6%**
(+) Income tax and social contribution	-15,444	18,234	-7,159	-184.7%	115.7%	30,405	77,621	15,628	-60.8%	94.6%
(+) Net financial result	-44,747	-31,113	-15,718	43.8%	184.7%	-125,375	-80,771	-83,507	55.2%	50.1%
(+) Depreciation and amortization	-81,338	-57,286	-56,158	42.0%	44.8%	-219,951	-167,905	-162,050	31.0%	35.7%
(=) EBITDA	**251,341**	**48,468**	**114,640**	**418.6%**	**119.2%**	**438,179**	**54,438**	**295,269**	**704.9%**	**48.4%**
EBITDA Margin	*16.9%*	*8.5%*	*18.5%*	8.3 p.p	-1.6 p.p	*12.8%*	*4.1%*	*17.4%*	8.7 p.p	-4.6 p.p
EBITDA (ex-IFRS)	**192,416**	**1,430**	**78,114**	**n.a**	**146.3%**	**272,541**	**-78,286**	**189,844**	**n.a**	**43.6%**
EBITDA Margin	*12.9%*	*0.3%*	*12.6%*	12.7 p.p	0.3 p.p	*8.0%*	*-6.0%*	*11.2%*	13.9 p.p	-3.2 p.p

Grupo SBF's EBITDA reached R$ 251.3 million in 3Q21, with an EBITDA margin of 16.9%, recovering 8.3 pp of margin compared to the result for 3Q20. Compared to 3Q19, the company's EBITDA grew 119.2%, with a margin deviation of -1.6 percentage points. The main factors that contributed to the margin recovery were the improvement in the gross margin of Centauro, the operational leverage caused by the revenue growth and the synergies obtained with the integration of Fisia's and Centauro's operations.

FINANCIAL INCOME (LOSS)

R$ thousand	3Q21 adjusted	3Q20 adjusted	3Q19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21 adjusted	9M20 adjusted	9M19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Financial Income	35,737	16,874	9,245	111.8%	286.5%	125,073	74,544	27,474	67.8%	355.2%
Financial Expenses	-80,485	-47,987	-24,963	67.7%	222.4%	-250,449	-155,315	-110,981	61.3%	125.7%
Net financial income (expenses)	**-44,747**	**-31,113**	**-15,718**	**43.8%**	**184.7%**	**-125,375**	**-80,771**	**-83,507**	**55.2%**	**50.1%**

The Company recorded a Financial Result of –R$ 44.7 million in 3Q21 and –R$ 125.4 million in 9M21. There was an increase in financial expenses in the quarter due to the increase in interest rate and company's higher indebtedness, justified by the debt raised for the acquisition of Fisia and for the cash reinforcement due to the pandemic.

NET INCOME (LOSS)

R$ thousand	3Q21 adjusted	3Q20 adjusted	3Q19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21 adjusted	9M20 adjusted	9M19 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Net Income (Loss)	**109,812**	**-21,697**	**35,605**	**n.a**	**208.4%**	**123,258**	**-116,618**	**65,340**	**205.7%**	**88.6%**
Net Margin	7.4%	-3.8%	5.7%	*11.2 p.p*	*1.6 p.p*	3.6%	-8.9%	3.9%	*12.5 p.p*	*-0.3 p.p*
Net Profit (ex-IFRS)	**125,077**	**-15,226**	**43,946**	**n.a**	**184.6%**	**158,688**	**-94,044**	**87,187**	**268.7%**	**82.0%**
Net Profit Margin (ex-IFRS)	8.4%	-2.7%	7.1%	*11.1 p.p*	*1.3 p.p*	4.6%	-7.2%	5.1%	*11.8 p.p*	*-0.5 p.p*

In 3Q21, Grupo SBF recorded a Net Income of R$ 109.8 million, reversing the Net Loss of -R$ 21.7 million in 3Q20 and exceeding the result of R$ 35.6 million in 3Q19 by 208.4%. The 3Q21 result also contributed to a positive result in the 9-month period.

NET WORKING CAPITAL

R$ thousand	09/30/2021	09/30/2020	09/30/2019	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Accounts receivable	1,095,655	421,166	452,277	160.1%	142.3%
Taxes and income tax to be offset	1,087,510	220,653	217,726	392.9%	399.5%
Inventories	1,185,955	418,014	423,397	183.7%	180.1%
Other accounts receivable	57,025	27,605	21,410	106.6%	166.3%
	3,426,145	**1,087,438**	**1,114,810**	**215.1%**	**207.3%**
Other accounts payable	530,223	56,460	22,752	n.a	n.a
Resale suppliers	848,444	611,881	492,862	38.7%	72.1%
Tax liabilities	183,994	29,221	51,577	n.a	256.7%
Lease payable	186,982	105,672	116,041	76.9%	61.1%
Labor liabilities	148,492	121,577	144,220	22.1%	3.0%
Other liabilities	19,446	0	0	n.a	n.a
	1,917,581	**924,811**	**827,452**	**107.3%**	**131.7%**
Net Working Capital	**1,508,564**	**162,627**	**287,358**	**n.a**	**n.a**

The Net Working Capital concept 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 recorded an increase in its Net Working Capital compared to 3Q20, from R$ 162.6 million to R$ 1,508.6 million. Said increase is mainly explained by the exceptionally low working capital level invested in 3Q20, due to the moment of depressed revenue from the pandemic; and by the merger of Fisia's balance sheet into Grupo SBF's balance sheet, which mainly impacted Accounts Receivable, Inventory, Recoverable Taxes and reseller Suppliers.

In 3Q21, there was a transfer of R$ 312 million in recoverable taxes from long to short term, which generated an increase in this account in current assets.

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

MANAGEMENT CASH FLOW

R$ thousand	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
EBITDA	252,168	31,004	117,076	n.a	115.4%	454,713	30,110	374,041	n.a	21.6%
Depreciation and Interest Rates IFRS 16	-81,338	-56,843	-44,836	43.1%	81.4%	-229,294	-166,927	-127,243	37.4%	80.2%
Working Capital Variation[1]	-229,090	32,221	-16,803	n.a	n.a	-347,560	286,275	-161,656	-221.4%	115.0%
Other	314,678	73,865	-14,714	326.0%	n.a	153,846	-104,376	-93,420	247.4%	264.7%
Operating Cash Flow	**256,418**	**80,247**	**40,723**	**n.a**	**n.a**	**31,704**	**45,082**	**-8,278**	**-29.7%**	**n.a.**
NWB Acquisition	0	0	0	n.a	n.a	-48,555	0	0	n.a	n.a
Other	-75,676	-44,522	-42,306	70.0%	78.9%	-184,125	-101,525	-79,772	81.4%	130.8%
Cash Flow from Investing Activities	**-75,676**	**-44,522**	**-42,306**	**70.0%**	**78.9%**	**-232,680**	**-101,525**	**-79,772**	**n.a**	**n.a**
Net funding[2]	0	0	-866	n.a	n.a	297,211	859,977	652,474	-65.4%	-54.4%
Bank Loan	-292	223,652	-2,931	-100.1%	-90.1%	-50,798	559,323	-349,505	-109.1%	-85.5%
Factoring of Receivables	0	-80,032	-61,078	n.a	n.a	-4,241	20,954	-412,609	-120.2%	-99.0%
Tax Installment Payment	-9,901	-14,129	9,789	-29.9%	-201.1%	5,483	-33,959	304	116.1%	n.a
Cash Flow from Financing	**-10,193**	**129,491**	**-55,086**	**n.a.**	**-81.5%**	**247,655**	**1,406,295**	**-109,336**	**-82.4%**	**n.a.**
Total Cash Variation	**170,549**	**165,216**	**-56,669**	**3.2%**	**n.a**	**46,680**	**1,349,852**	**-197,386**	**-96.5%**	**123.6%**

(1) Advances of receivables and installment payment of taxes are classified as cash flow from financing.
(2) Net Funding: amount for the year 2021 referring to debentures; amount for the year 2020 referring to the Follow-on; amount for the year 2019 referring to IPO.

Operating Cash Flow was positive by R$ 256.4 million in 3Q21. Considering the effects of IFRS, practically all EBITDA was converted into cash in the quarter. The impact observed in the variation of Net Working Capital and Other was mainly a transfer of recoverable taxes from Long Term to Short Term.

Cash Flow from Investments of the quarter was impacted by the investments in technology, logistics and resumption of investments in Centauro's G5 store projects.

INDEBTEDNESS

R$ thousand	09/30/2021 adjusted	09/30/2020 adjusted	09/30/2019 adjusted	Δ(%) 21 vs 20	Δ(%) 21 vs 19
(+) Loans and financing	885,011	604,372	35,039	46.4%	n.a
(-) Cash and cash equivalents	560,975	1,455,159	45,432	-61.4%	n.a
(=) Net Debt	**324,036**	**-850,787**	**-10,393**	**138.1%**	**n.a**
(+) Factoring of Receivables	0	31,859	13,302	-100.0%	-100.0%
(+) Tax Installment Payment	162,034	162,232	209,858	-0.1%	-22.8%
(=) Adjusted Net Debt	**486,070**	**-656,696**	**212,767**	**174.0%**	**128.5%**
Adj. Net Debt /Adj. EBITDA (LTM)	0.80x	-2.98x	0.55x	3.77x	-0.17x

The increase in the balance of loans and financing in the third quarter of 2021 compared to the same period in 2020 reflects the new debt raised to reinforce cash during the pandemic and to finance the operation with Fisia.

The decrease in the level of cash and equivalents is due to the acquisition of Fisia, whose disbursement was made in 4Q20.

The decrease in the balance of prepaid receivables is due to the factoring of 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	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
New Stores	28,726	6,023	13,605	376.9%	111.1%	54,033	12,264	21,443	340.6%	152.0%
Stores Refurbishment	8,815	19,278	13,040	-54.3%	-32.4%	47,356	41,943	20,030	12.9%	136.4%
Technology	27,138	11,023	10,777	146.2%	151.8%	61,991	34,897	27,824	77.6%	122.8%
Others	10,997	8,198	4,883	34.1%	125.2%	20,745	12,422	10,475	67.0%	98.0%
Total Investments	**75,676**	**44,522**	**42,305**	**70.0%**	**78.9%**	**184,125**	**101,526**	**79,772**	**81.4%**	**130.8%**

CAPEX in 3Q21 increased 70.0% when compared to 3Q20, reflecting the acceleration of Centauro's G5 store projects and investments in structuring projects of logistics, technology and innovation for the entire ecosystem. As a result of the investments, we had one store renovated to the G5 model and 10 G5 stores were opened following our strategy of concentrating the opening of new stores in the second semester. We also accelerated the migration of Fisia's digital platform and SAP, in addition to investing in one new logistics hub in the city of Extrema (MG) to gain agility in distribution.

In the 9-month period, the growth of 81.4% and 130.8% compared to the 9M20 and 9M19 periods, respectively, also reflects the expansion of G5 stores and the investments in logistics, technology and innovation throughout 2021.

CONSOLIDATED BALANCE SHEET

R$ thousand	09/30/2021	12/31/2020	12/31/2019
Assets	**7,118,794**	**6,193,859**	**3,933,727**
Current	**3,905,057**	**3,289,039**	**1,560,576**
Cash and cash equivalents	560,975	514,295	105,308
Accounts receivable	1,095,655	984,491	586,449
Recoverable taxes	967,887	712,763	362,388
Income tax and social contribution to be offset	37,560	40,037	54,890
Inventories	1,185,955	890,780	428,544
Other accounts receivable	57,025	146,673	22,997
Non-current	**3,213,737**	**2,904,820**	**2,373,151**
Accounts receivable	43	0	0
Financial investments	324	324	536
Taxes to be offset	54,132	347,871	336,229
Income tax and social contribution to be offset	82,063	0	0
Deferred tax assets	556,995	453,950	222,646
Judicial deposits	145,133	125,751	105,288
Other amounts receivable	72,235	626	625
Property and equipment	548,881	516,496	452,439
Intangible assets	386,805	305,631	117,585
Right of use	1,367,126	1,154,172	1,137,803
Liabilities	**7,118,794**	**6,193,860**	**3,933,727**
Current	**2,246,384**	**1,852,278**	**1,093,629**
Suppliers	848,444	654,813	661,010
Loans and financing	181,104	93,275	27,037
Debentures	85,863	0	0
Tax liabilities	183,994	223,770	66,228
Tax installment payment	61,836	54,775	60,420
Labor and social security liabilities	148,492	93,688	151,318
Lease payable	186,982	119,928	94,573
Other accounts payable	530,223	594,676	33,043
Other obligations	19,446	17,353	0
Non-current	**2,682,058**	**2,390,896**	**1,671,434**
Loans and financing	167,466	278,850	7,553
Debentures	450,578	226,762	0
Tax installment payment	100,198	101,776	135,771
Provisions for contingencies	548,192	547,135	499
Lease payable	1,272,589	1,081,641	472,364
Other obligations	143,035	154,732	1,055,247
Shareholders' equity	**2,190,352**	**1,950,686**	**1,168,664**
Capital stock	1,823,343	1,815,485	955,277
Capital reserves	210,082	194,460	171,444
Incentive reserves	15,509	15,509	43,079
Accumulated losses	141,418	-74,768	-1,136

CASH FLOW

R$ thousand	09/30/2021	09/30/2020	09/30/2019
Net profit (loss) of the period	**209,354**	**-127,398**	**146,099**
Adjusted by:			
Depreciation and amortization	239,720	175,310	175,270
Interest rates	181,830	99,364	68,421
Share-based payment	15,622	18,651	1,107
Residual cost in the write-off of property & equipment and intangible assets	15,939	9,395	407
Write-off of residual leases	1,815	-2,899	0
Provision for inventory obsolescence	13,346	11,892	15,348
Present value adjustment, Net	3,142	4,637	2,143
Net recording of provision for contingencies	35,979	14,493	14,734
Deferred income and social contribution taxes	-115,373	-261,178	-27,744
Lease discounts	-17,972	0	0
	583,403	-57,733	395,785
(Increase) decrease in Assets			
Accounts receivable	-93,455	180,847	-373,960
Inventory	-308,521	-1,362	-103,846
Derivatives	-8,301	0	0
Deferred taxes, income tax and social contribution to be offset	-28,645	213,019	-136,533
Other accounts receivable	18,039	-4,609	-7,029
Judicial deposits	-19,382	-2,913	10,576
Increase (decrease) in liabilities			
Suppliers	182,815	-44,551	-34,819
Tax liabilities	-72,568	139,222	37,571
Tax installment payment	-16,509	-39,960	-2,015
Contingencies paid	-34,922	-10,312	-19,913
Labor and social security liabilities	54,804	-29,741	3,493
Interest rate paid on financing	-13,316	-3,346	-13,765
Interest paid on Debentures	-6,779	0	0
Other accounts payable	-64,453	23,417	-4,612
Other obligations	-9,603	0	0
Income tax and social contribution paid	4,598	-178,004	-54,812
Chg. in assets and liabilities:	**-416,198**	**241,707**	**-699,664**
Net cash (used in) generated by operating activities	**167,205**	**183,974**	**-303,879**
Cash flow from investing activities			
Additions to property and equipment	-96,909	-85,856	-56,520
Additions to intangible assets	-129,270	-28,507	-30,125
Parent company acquisition, net of cash received	0	0	7
Goodwill on the Acquisition of NETWORK Participações	674	0	0
Net cash (used in) investing activities	**-225,505**	**-114,363**	**-86,638**
Cash flow from financing activities			
Loans and financing raised	17,625	359,706	19,031
Loans and financing paid	-48,328	-23,252	-354,771
Issue of debentures	297,211	226,215	0
Lease Paid	-169,386	-144,891	-113,400
Partes relacionadas	0	0	-10,203
Expenses with share issues	0	-45,117	-55,414
Payment of advances for future capital increase at the parent Company	545	638	0
Capital increase	7,313	906,941	707,888
Net cash (used in) financing activities	**104,980**	**1,280,240**	**193,131**
Decrease of cash and cash equivalents	46,680	1,349,851	-197,386
Cash and cash equivalents at the beginning of the year	514,295	105,308	242,818
Cash and cash equivalents at the end of the year	560,975	1,455,159	45,432

INCOME STATEMENT

R$ thousand	3Q21	3Q20	3Q19	Δ(%) 21 vs 20	Δ(%) 21 vs 19	9M21	9M20	9M19	Δ(%) 21 vs 20	Δ(%) 21 vs 19
Net revenue	1,491,316	569,038	621,003	162.1%	140.1%	3,426,998	1,314,025	1,693,713	160.8%	102.3%
Cost of sales	-821,238	-321,115	-314,016	155.7%	161.5%	-1,885,215	-736,208	-845,455	156.1%	123.0%
Gross Profit	**670,078**	**247,923**	**306,987**	**170.3%**	**118.3%**	**1,541,783**	**577,817**	**848,258**	**166.8%**	**81.8%**
Operating expenses	**-417,910**	**-216,919**	**-189,911**	**92.7%**	**120.1%**	**-1,087,070**	**-547,707**	**-474,217**	**98.5%**	**129.2%**
Selling expenses	-371,720	-167,858	-171,643	121.4%	116.6%	-903,758	-442,882	-475,319	104.1%	90.1%
Administrative and general expenses	-47,068	-33,653	-25,858	39.9%	82.0%	-172,085	-88,317	-91,101	94.8%	88.9%
Other operating income (expenses), Net	877	-15,408	7,590	105.7%	-88.4%	-11,228	-16,508	92,203	-32.0%	-112.2%
Depreciation and amortization expenses	-81,338	-57,286	-56,158	42.0%	44.8%	-229,294	-167,905	-162,050	36.6%	41.5%
Operating Income (Loss)	**170,830**	**-26,282**	**60,918**	**n.a**	**180.4%**	**225,419**	**-137,795**	**211,991**	**263.6%**	**6.3%**
Financial income	55,609	16,874	11,064	229.6%	n.a	142,769	74,544	72,157	91.5%	97.9%
Financial expenses	-82,511	-48,029	-24,963	71.8%	230.5%	-278,805	-147,321	-110,981	89.3%	151.2%
Net financial income (expenses)	**-26,902**	**-31,155**	**-13,899**	**-13.7%**	**93.6%**	**-136,036**	**-72,777**	**-38,824**	**86.9%**	**250.4%**
Profit before taxes	**143,928**	**-57,437**	**47,019**	**350.6%**	**206.1%**	**89,383**	**-210,572**	**173,167**	**142.4%**	**-48.4%**
Income tax and social contribution	77,512	24,186	-8,606	220.5%	n.a	119,971	83,174	-27,068	44.2%	n.a
Net profit for the period	**221,440**	**-33,251**	**38,413**	**n.a**	**n.a**	**209,354**	**-127,398**	**146,099**	**264.3%**	**43.3%**

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.

GRUPO SBF

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 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 Grupo SBF 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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José Salazar

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Nicole Caputo

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

SMLL B3 | ICON B3 | IGC B3 | IGC-NM B3 | IGCT B3 | ITAG B3 | IBRA B3

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Report on the review of quarterly information - ITR

To the Board of Directors and Shareholders of
Grupo SBF S.A.
São Paulo – SP

Introduction

We have reviewed the interim, Parent Company and consolidated accounting information of Grupo SBF S.A. ("Company"), contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2021, which comprise the balance sheet as of September 30, 2021 and related statements of income, of comprehensive income for the three- and nine-month periods then ended, of changes in shareholders' equity and of cash flows for the quarter then ended, including the explanatory notes.

Management is responsible for the preparation and fair presentation of the parent company interim financial information in accordance with CPC 21(R1) and the consolidated interim financial information in accordance with CPC 21 (R1) including the requirements of International Standard on Auditing IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board - (IASB), as well as for the presentation of this information in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and International Standards for interim information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and in applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the Parent Company interim information

Based on our review, nothing has come to our attention that causes us to believe that the parent company interim financial information included in the quarterly information referred to above do not give a true and fair view of the financial position of the entity as at September 30, 2021, and its financial performance and it cash flow for the nine-month period then ended in accordance with CPC 21(R1) applicable to the preparation of Quarterly Information - ITR, and presented in a manner consistent with the standards issued by the Securities Commission.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information included in the quarterly information referred to above do not give a true and fair view of the financial position of the entity as at September 30, 2021, and its financial performance and it cash flow for the nine-month period then ended in accordance with CPC 21 (R1) and IAS 34, applicable to the preparation of Quarterly Information - ITR, and presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters - Statements of added value

The aforementioned quarterly information includes the parent company and consolidated statements of added value for the nine-month period ended September 30, 2021, prepared under responsibility of Company's Management, and presented as supplementary information for IAS 34 purposes. These statements have been subject to review procedures performed in conjunction with the review of the quarterly information, in order to determine whether they are reconciled with the interim financial information and book records, as applicable, and whether their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 – Statement of Added Value.

Based on our review, nothing has come to our attention that causes us believe that these statements of added value do not present fairly in all material respects, in accordance with criteria established in this Standard in a Parent Company and consolidated interim financial information taken as a whole.

São Paulo, November 11, 2021.

KPMG Auditores Independentes
CRC 2SP014428/O-6

(Original report in Portuguese signed by)
Carla Bellangero
Accountant CRC 1SP196751/O-4

Grupo SBF S.A.

Balance sheets as of September 30, 2021 and December 31, 2020

(In thousands of reais)

		Parent company		Consolidated	
Assets	**Note**	**09/30/2021**	**12/31/2020**	**09/30/2021**	**12/31/2020**
Current assets					
Cash and cash equivalents	5	11,488	195	560,975	514,295
Accounts receivable	6	24,896	34,524	1,069,615	972,911
Derivatives	7	-	-	26,040	11,580
Recoverable taxes	8	18	3	967,887	712,763
Recoverable income tax and social contribution	9	44	43	37,560	40,037
Inventories	10	-	-	1,185,955	890,780
Other accounts receivable		53	82,399	57,025	146,673
Total current assets		**36,499**	**117,164**	**3,905,057**	**3,289,039**
Non-current assets					
Accounts receivable	6	-	-	43	-
Financial investments		-	-	324	324
Recoverable taxes	8	-	-	54,132	347,871
Recoverable income tax and social contribution	9	-	-	82,063	-
Deferred tax assets	11	29,233	20,908	556,995	453,950
Judicial deposits	13	102	98	145,133	125,751
Other receivable		39,962	-	72,235	626
Total long-term assets		**69,297**	**21,006**	**910,925**	**928,522**
Investment	14	2,863,021	2,731,430	-	-
Property, plant and equipment	15	1	2	548,881	516,496
Intangible assets	16	988	108	386,805	305,631
Right-of-use	17	-	-	1,367,126	1,154,172
Total non-current assets		**2,933,307**	**2,752,546**	**3,213,737**	**2,904,821**
Total assets		**2,969,806**	**2,869,710**	**7,118,794**	**6,193,860**

		Parent company		Consolidated	
Liabilities	**Note**	**09/30/2021**	**12/31/2020**	**09/30/2021**	**12/31/2020**
Current liabilities					
Suppliers	18	229	57	848,444	654,813
Loans and financing	19	-	-	181,104	93,275
Debentures	19	-	-	85,863	-
Taxes payable	20	104	42	183,994	223,770
Taxes in installments	21	-	-	61,836	54,775
Labor and social security obligations	22	324	167	148,492	93,688
Liability in subsidiaries	14	314,995	315,082	-	-
Related parties - other accounts payable	12	231	97,063	-	-
Leases liabilities	17	-	-	186,982	119,928
Other accounts payable	23	448,452	506,995	530,223	594,676
Other liabilities		-	-	19,446	17,353
Total current liabilities		**764,335**	**919,406**	**2,246,384**	**1,852,278**
Non-current liabilities					
Loans and financing	19	-	-	167,466	278,850
Debentures	19	-	-	450,578	226,762
Taxes in installments	21	-	-	100,198	101,776
Provisions for Litigations	13	-	-	548,192	547,135
Leases liabilities	17	-	-	1,272,589	1,081,641
Other liabilities		16,110	-	143,035	154,732
Total non-current liabilities		**16,110**	**-**	**2,682,058**	**2,390,896**
Shareholders' equity	24				
Share Capital		1,822,798	1,815,485	1,822,798	1,815,485
Capital reserves		210,082	194,460	210,082	194,460
Profit reserves		15,509	15,509	15,509	15,509
Accumulated losses		140,427	(75,150)	140,427	(75,150)
Remuneration program of stock options		545	-	545	-
Shareholders' equity attributable to controlling shareholders		**2,189,361**	**1,950,304**	**2,189,361**	**1,950,304**
	24				
Insterest of non-controlling shareholders'	24	-	-	991	382
Total shareholders' equity		**2,189,361**	**1,950,304**	**2,190,352**	**1,950,686**
Total liabilities and shareholders' equity		**2,969,806**	**2,869,710**	**7,118,794**	**6,193,860**

See the accompanying notes to the quarterly information.

Grupo SBF S.A.
Statements of income

Periods ended September 30, 2021 and 2020
(In thousands of reais)

		Parent company				Consolidated			
	Note	**07/01/2021–09/30/2021**	**01/01/2021–09/30/2021**	**07/01/2020–09/30/2020**	**01/01/2020–09/30/2020**	**07/01/2021–09/30/2021**	**01/01/2021–09/30/2021**	**07/01/2020–09/30/2020**	**01/01/2020–09/30/2020**
Net sales	26	-	-	-	-	1,491,316	3,426,998	569,038	1,314,025
Cost of sales	27	-	-	-	-	(821,238)	(1,885,215)	(321,115)	(736,208)
Gross income		**-**	**-**	**-**	**-**	**670,078**	**1,541,783**	**247,923**	**577,817**
Operating expenses									
Sales expenses	28	-	-	-	-	(426,591)	(1,063,159)	(211,852)	(570,632)
Administrative and general expenses	28	(2,439)	(8,906)	(2,101)	(6,085)	(73,534)	(241,977)	(46,945)	(128,472)
Other net operating income, (expenses)		(6,720)	(22,060)	(6,347)	(18,652)	877	(11,228)	(15,408)	(16,508)
Equity in income of subsidiaries	14	227,823	232,352	(27,699)	(110,962)	-	-	-	-
Operating income (loss)		**218,664**	**201,386**	**(36,147)**	**(135,699)**	**170,830**	**225,419**	**(26,282)**	**(137,795)**
Financial revenues	29	232	299	11	29	55,609	142,769	16,874	74,544
Financial expenses	29	(109)	(593)	34	(59)	(82,511)	(278,805)	(48,029)	(147,321)
									-
Net financial (expenses) income		**123**	**(294)**	**45**	**(30)**	**(26,902)**	**(136,036)**	**(31,155)**	**(72,777)**
Income (loss) before taxes		**218,787**	**201,092**	**(36,102)**	**(135,729)**	**143,928**	**89,383**	**(57,437)**	**(210,572)**
Income tax and social contribution - Current	11	-	-	-	-	38,683	4,598	-	(178,004)
Income tax and social contribution – Deferred	11	2,629	8,326	2,856	8,420	38,829	115,373	24,186	261,178
Net income for the period		**221,416**	**209,418**	**(33,246)**	**(127,309)**	**221,440**	**209,354**	**(33,251)**	**(127,398)**
Controlling shareholders		221,416	209,418	(33,246)	(127,309)	221,417	209,419	(33,246)	(127,309)
Non-controlling shareholders		-	-	-	-	23	(65)	(5)	(89)
		221,416	**209,418**	**(33,246)**	**(127,309)**	**221,440**	**209,354**	**(33,251)**	**(127,398)**
Earnings (losses) per share attributable to Company's shareholders									
Basic earnings (losses) per share (weighted average)						0.81	0.86	(0.13)	(0.57)
Diluted earnings (losses) per share (weighted average)						0.78	0.83	(0.13)	(0.57)

See the accompanying notes to the quarterly information.

Grupo SBF S.A.
Statements of comprehensive income
Periods ended September 30, 2021 and 2020
(In thousands of reais)

	Parent company				Consolidated			
	07/01/2021–09/30/2021	01/01/2021–09/30/2021	07/01/2020–09/30/2020	01/01/2020–09/30/2020	07/01/2021–09/30/2021	01/01/2021–09/30/2021	07/01/2020–09/30/2020	01/01/2020–09/30/2020
Net income for the period	**221,416**	**209,418**	**(33,246)**	**(127,309)**	**221,440**	**209,354**	**(33,251)**	**(127,398)**
Other comprehensive income								
Items that will not be reclassified to income (loss)								
Items that can be reclassified to income (loss)								
Cash flow hedge - Físia	-	-	-	-	63,570	6,159	-	-
Cash flow hedge in subsidiaries, net of taxes	-	-	-	-	-	-	-	-
Taxes related to income (loss) from cash flow hedge	-	-			-	-		
Other comprehensive income, net of taxes	**-**	**-**	**-**	**-**	**63,570**	**6,159**	**-**	**-**
Comprehensive income (loss) for the period	**221,416**	**209,418**	**(33,246)**	**(127,309)**	**285,010**	**215,513**	**(33,251)**	**(127,398)**
Comprehensive income attributable to:								
Controlling shareholders	221,416	209,418	(33,246)	(127,309)	284,569	215,578	(33,246)	(127,309)
Non-controlling shareholders	-	-			441	(65)	(5)	(89)
Comprehensive income total	**221,416**	**209,418**	**(33,246)**	**(127,309)**	**285,010**	**215,513**	**(33,251)**	**(127,398)**

See the accompanying notes to the quarterly information.

Grupo SBF S.A.
Statements of changes in shareholders' equity - Parent company and Consolidated
Periods ended September 30, 2021 and 2020
(In thousands of reais)

		Attributable to controlling shareholders										
			Capital reserves			Profit reserves		Equity valuation adjustment				
	Note	Capital	Remuneration program of stock options	Goodwill in the issue of shares	Share-based payments	Legal reserve	Tax incentive reserve	Hedge cost reserves	Accumulated losses	Total	Interest of non-controlling shareholders	Total shareholders' equity (consolidated)
Balances at January 1, 2020		955,277	-	155,108	16,336	15,509	27,570	-	-	1,169,800	(1,136)	1,168,664
Capital increase		900,000	-	-	-	-	-	-	-	900,000	-	900,000
Share-based payment	24	-	-	-	18,651	-	-	-	-	18,651	-	18,651
Payment of advance for future capital increase		6,941	-	-	-	-	-	-	-	6,941	-	6,941
Increase in interest in indirect subsidiaries		-	-	-	-	-	-	-	(1,996)	(1,996)	1,996	-
Expenses with issuing of shares		(45,140)	-	-	-	-	-	-	-	(45,140)	23	(45,117)
Net income for the period		-	-	-	-	-	-	-	(127,309)	(127,309)	(89)	(127,398)
Reversal of reserve		-	-	-	-	(15,509)	(27,570)	-	43,079	-	-	-
Balances at September 30, 2020		**1,817,078**	**-**	**155,108**	**34,987**	**-**	**-**	**-**	**(86,226)**	**1,920,947**	**794**	**1,921,741**
Balances at January 1, 2021		**1,815,485**	**-**	**154,753**	**39,707**	**15,509**	**-**	**11,580**	**(86,730)**	**1,950,304**	**382**	**1,950,686**
Capital increase		7,313	-	-	-	-	-	-	-	7,313	-	7,313
Adjustment in non-controlling interest		-	-	-	-	-	-	-	-	-	674	674
Adjustment in financial instruments - hedge accounting		-	-	-	-	-	-	6,159	-	6,159	-	6,159
Amortization of the Stock Options plan	24	-	-	-	15,622	-	-	-	-	15,622	-	15,622
Remuneration program of stock options		-	545	-	-	-	-	-	-	545	-	545
Net income for the period		-	-	-	-	-	-	-	209,418	209,418	(65)	209,353
Balances at September 30, 2021		**1,822,798**	**545**	**154,753**	**55,329**	**15,509**	**-**	**17,739**	**122,688**	**2,189,361**	**991**	**2,190,352**

See the accompanying notes to the quarterly information.

Grupo SBF S.A.
Statements of cash flows
Periods ended September 30, 2021 and 2020
(In thousands of reais)

	Parent company		Consolidated	
Cash flow from operating activities	**01/01/2021–09/30/2021**	**01/01/2020–09/30/2020**	**01/01/2020–09/30/2020**	**01/01/2020-09/30/2020**
Net income for the period	209,418	(127,309)	209,354	(127,398)
Adjusted by:				
Depreciation and amortization	16	7	239,720	175,310
Interest on loans, financing	-	-	20,464	7,394
Interest on debentures	-	-	19,247	3,065
Interest on tax payment in installments	-	-	21,992	6,001
Interest on payment in arrears	42	-	2,977	5,295
Interest on late payment of taxes	-	38	28,194	1,775
Equity in net income of subsidiaries	(232,352)	110,962	-	-
Share-based payment	15,622	18,651	15,622	18,651
Write-off residual of property, plant and equipment and intangible assets	-	-	15,939	9,395
Residual write-off of leases	-	-	1,815	(2,899)
Provision for inventory obsolescence	-	-	13,346	11,892
Adjustment to present value, net	-	-	3,142	4,637
Lease interest	-	-	88,956	75,834
Discounts on leases	-	-	(17,972)	-
Net formation of provision for litigation	-	-	35,979	14,493
Deferred income tax and social contribution	(8,326)	(8,420)	(115,373)	(261,178)
	(15,580)	**(6,071)**	**583,403**	**(57,733)**
(Increase) decrease in assets				
Accounts receivable	9,628	(29,673)	(93,455)	180,847
Inventories	-	-	(308,521)	(1,362)
Derivatives	-	-	(8,301)	-
Taxes to be offset, Deferred, IRPJ and CSLL to be offset	(14)	(5)	(28,645)	213,019
Judicial deposits	(4)	(62)	(19,382)	(2,913)
Other accounts receivable	75,984	-	18,039	(4,609)
Increase (decrease) in liabilities				
Suppliers	130	12	182,816	(44,551)
Taxes payable	62	(74)	(72,568)	139,222
Installment payment of taxes	-	-	(16,509)	(39,960)
Contingencies paid	-	-	(34,922)	(10,312)
Labor and social security obligations	157	(8)	54,804	(29,741)
Interest paid on financing	-	-	(13,316)	(3,346)
Interest paid on debentures	-	-	(6,779)	-
Other accounts payable	(58,543)	2	(64,453)	23,417
Other liabilities	16,110	-	(9,604)	-
Income tax and social contribution paid	-	-	4,598	(178,004)
Changes in assets and liabilities:	**43,510**	**(29,808)**	**(416,198)**	**241,707**
Net cash generated by (used in) operating activities	**27,930**	**(35,879)**	**167,205**	**183,974**
Cash flow from investment activities				
Additions of property, plant and equipment	-	-	(96,909)	(85,856)
Additions to intangible assets	(896)	-	(129,270)	(28,507)
Acquisition of Fisia Comércio	(3,207)	-	-	-
Acquisition of NETWORK Participações	(63,493)		-	
Goodwill on the acquisition of NETWORK Participações	-	-	674	-
Amortizations of assets and liabilities - Acquisition of Fisia and NWB	6,438	-	-	-
Net cash (used in) from investing activities	**(61,158)**	**-**	**(225,505)**	**(114,363)**
Cash flow from financing activities				
Loans and financing obtained	-	-	17,625	359,706
Loans and financing paid	-	-	(48,328)	(23,252)
Issue of debentures	-	-	297,211	226,215
Leases paid	-	-	(169,386)	(144,891)
Advance for future capital decrease	137,495	-	-	-
Paid-up capital in subsidiary	-	(862,637)	-	-
Related parties	(96,832)	51,687	-	-
Increase in interest in direct subsidiaries	(4,000)	-	-	-
Expenditures with issue of shares in subsidiary	-	(15,310)	-	-
Expenses with issuing of shares	-	(45,140)	-	(45,117)
Remuneration program of stock options	545	638	545	638
Capital increase	7,313	906,941	7,313	906,941
Net cash generated by financing activities	**44,521**	**36,179**	**104,980**	**1,280,240**
Increase in cash and cash equivalents	11,293	300	46,680	1,349,851
Cash and cash equivalents at January 1, 2021	195	18	514,295	105,308
Cash and cash equivalents on September 30, 2021	11,488	318	560,975	1,455,159
Transactions not affecting cash				
Addition to property, plant and equipment, intangible assets and right of use	-	-	1,404	1,650
Increase in direct subsidiaries	-	(1,996)	-	-
Derivatives	6,159	-	6,159	-
Other accounts payable - Acquisition of NWB	(17,670)	-	-	-
Acquisition of NETWORK Participações	17,670	-	-	-

See the accompanying notes to the quarterly information.

Grupo SBF S.A.
Statements of added value
Periods ended September 30, 2021 and 2020
(In thousands of reais)

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Income	**-**	**-**	**4,274,790**	**1,676,536**
Gross revenue from goods, products and services	-	-	4,274,790	1,676,536
Inputs acquired from third parties	**(3,281)**	**(757)**	**(1,945,045)**	**(1,139,486)**
Cost of products and goods sold and services rendered	-	-	(1,379,783)	(863,961)
Materials, energy, outsourced services and other	(3,281)	(757)	(524,073)	(252,533)
Loss of asset values	-	-	(41,189)	(22,992)
Gross added value	**(3,281)**	**(757)**	**2,329,745**	**537,050**
Depreciation, Amortization	(16)	(6)	(239,017)	(175,310)
Net added value produced by the Company	**(3,297)**	**(763)**	**2,090,728**	**361,740**
Amount received by transfer	**226,227**	**(110,932)**	**158,484**	**86,589**
Equity in net income of subsidiaries	232,352	(110,962)	-	-
Financial revenues	313	30	143,545	75,806
Other operating revenues	(6,438)	-	14,939	10,783
Added value Total to be distributed	**222,930**	**(111,695)**	**2,249,212**	**448,329**
Distribution of added value	**222,930**	**(111,695)**	**2,249,212**	**448,329**
Personnel	**20,107**	**22,920**	**406,250**	**238,610**
Direct remuneration	19,534	22,274	277,224	184,547
Benefits	551	646	103,951	37,517
FGTS	22	-	25,075	16,546
Taxes, duties and contributions	**(7,224)**	**(7,367)**	**1,223,960**	**156,716**
Federal	877	713	520,398	228,272
State	-	-	799,165	174,006
Municipal	225	340	19,769	15,616
Deferred taxes	(8,326)	(8,420)	(115,372)	(261,178)
Third-party capital remuneration	**593**	**59**	**365,519**	**168,879**
Financial expenses (Interest, rates, foreign exchange rate)	593	59	332,791	175,839
Rentals	-	-	32,728	(6,960)
Other distribution	**36**	**2**	**44,129**	**11,522**
Travel and accommodation	-	-	4,411	4,917
Insurance and indemnity	-	2	10,796	4,339
Other expenses	36	-	28,922	2,266
Remuneration of own capital	**209,418**	**(127,309)**	**209,354**	**(127,398)**
Retained earnings	209,418	(127,309)	209,419	(127,309)
Non-controlling interest in retained earnings	-	-	(65)	(89)

See the accompanying notes to the quarterly information.

Notes to the parent company and consolidated quarterly financial information

(In thousands of reais)

1 Operations

Grupo SBF S.A. ("Parent company") is a privately-held corporation domiciled in Brazil and headquartered in the city of São Paulo, São Paulo State. Quarterly information of Grupo SBF for periods ended at September 30, 2021 include parent company Grupo SBF S.A. and its subsidiaries, jointly denominated the "Group", "Grupo SBF" or the "Company".

On April 15, 2019, the Company's Board of Directors approved the issuance of shares, to be traded on the Novo Mercado (New Market), B3 special securities trading segment, subject to the B3's Novo Mercado Regulation, under the ticker "SBFG3".

Grupo SBF and its direct and indirect subsidiaries, individually or jointly ("Company" or "Consolidated"), have the following core businesses: trading sports and leisure products in general (shoes, clothes, equipment and accessories) from domestic and foreign markets, as well as providing logistics services.

Sales channels:

- Physical network represented by 224 Centauro stores (211 stores in 2020);
- Physical network comprised of 21 Nike stores;
- E-commerce through the website *centauro.com.br;*
- E-commerce through the website *nike.com.br;*

Distribution centers:

- Extrema – Minas Gerais
- Jarinu – São Paulo
- João Pessoa – Paraíba
- Duque de Caxias – Rio de Janeiro
- Itajaí – Santa Catarina
- Extrema – Minas Gerais – E-commerce Físia.
- Louveira – São Paulo – added in the acquisition of Físia
- Embu – São Paulo – added in the acquisition of Físia

On November 10, 2020, it was unanimously approved by all members of the Company’s Board of Directors (which includes representatives of the Company’s controlling shareholders, corresponding to approximately 62.5% of the total shares issued by the Company) by unanimous vote and without any reservations, the definitive terms and conditions of the transaction for the acquisition of all quotas representing the capital of Nike do Brasil Comércio e Participações Ltda. (“Nike do Brasil”). As part of the brand’s market integration and positioning strategy, Nike do Brasil approved the change of the corporate name from Nike do Brasil Comércio e Participações Ltda. to “Físia Comércio de Produtos Esportivos Ltda.” (“Físia”) on the same date the transaction was closed. All information related to this transaction was communicated to the market, through Relevant Facts published on February 2, 2020, August 14, 2020, November 4, 2020, and December 1, 2020. Further information on the transaction can be seen on Note 2 – Acquisition of Físia Comércio de Produtos Esportivos Ltda.

On December 12, 2020, the Company entered into an agreement to acquire all the shares issued by Network Participações S.A. (“Transaction”), parent company of NeoTV Produção e Comercialização Audiovisual e Serviços Digitais S.A., Acelerados Produtora e Distribuidora Audiovisual S.A., Fatality TV Produção e Comercialização Audiovisual e Serviços Digitais S.A. and Falcão Produção e Comercialização Audiovisual e Serviços Digitais S.A. (jointly “NWB Group”), for an amount of R$ 60 million, subject to certain price adjustments based on NWB Group's working capital, cash, and indebtedness; more details on this acquisition can be found in Note 3.

1.1 Coronavirus (“COVID-19”)

The new coronavirus (COVID-19) was recognized as a pandemic in March 2020, since then world governments have adopted restrictive measures to contain the spread of the virus and established economic stimulus packages. The Company has been following the scenario with a perspective of leveraging driven by the growth in sales, mainly for e-commerce. The measures adopted since 2020, such as the establishment of a crisis committee, the closure and subsequent gradual reopening of stores, cash reinforcement, negotiation with suppliers, were factors that contributed to the maintenance plan, encompassing the Company’s employees, partners and operations.

In addition to these measures, substantially taken in 2020 and adapted as the evolution of 2021 scenario, the Company, considering the Circular Letters of CVM/SNC 02 and 03/2020 and 01/2021, analyzed the main risks and uncertainties arising from COVID-19, against its financial information and did not detect elements that pose a risk of going concern.

2 Acquisition - Físia Comércio de Produtos Esportivos Ltda.

On November 10, 2020, it was unanimously approved by all members of the Company’s Board of Directors (which includes representatives of the Company’s controlling shareholders, corresponding to approximately 62.5% of the total shares issued by the Company) by unanimous vote and without any reservations, the definitive terms and conditions of the transaction for the acquisition of all quotas representing the capital of Nike do Brasil Comércio e Participações Ltda. (“Nike do Brasil”), originally held by Nike Galaxy Holding B.V. and Nike Group Holding B.V., indirect subsidiaries of Nike, Inc. As part of the brand’s market integration and positioning strategy, they approved the change of the corporate name from Nike do Brasil Comércio e Participações Ltda. to “Físia Comércio de Produtos Esportivos Ltda.” (“Físia”) on the same date the transaction was closed. All information related to this transaction was communicated to the market, through Material Facts published, on February 2, 2020, August 14, 2020, November 4, 2020, and December 1, 2020.

After the negotiation that preceded the closing of the Transaction, the parties amended certain terms and conditions of the "Agreement for the Purchase and Sale of Shares and Other Covenants", entered into on February 06, 2020, for the purpose of, among other things, (i) authorize the quotas issued by Físia to be acquired by Grupo SBF and (ii) agree on certain criteria that served as the basis for the consideration for the acquisition that was disbursed by the Company in favor of the seller, on November 30, 2020. The disbursed price was calculated based on the estimate presented by the seller of the Físia's balance sheet accounts, with the closing date of November 30, 2020, as the base date for such an estimate. Considering the position estimated on the base date of Físia's accounting closing, the balance sheet accounts were subsequently verified, and consequently, the Company measured the amount as consideration to be returned by the seller. The amount of this consideration was negotiated and paid by the seller on April 19, 2021.

This transaction was subject to obtaining the applicable corporate and regulatory authorizations, including CADE, in addition to other conditions that are classified among those usually applicable to this type of transaction. CADE's approval took place on August 14, 2020, through Order 880/2020 of the General Superintendence.

The Company completed the acquisition process on December 1, 2020. With this acquisition, the Company enters into a strategic partnership with Nike, Inc. ("Nike") and became the exclusive distributor of Nike products in Brazil and the operator of the electronic sales channel for 10 (ten) years, as is also the exclusive retailer of Nike physical stores, being responsible for the sale of products to the final consumer through mono-brand Nike stores, being able to open and operate Nike stores in the Brazilian territory, for an initial period of 5 (five) years. This operation is a milestone in the Company's history, as it represents a significant increase in growth, expansion of multichannel, as well as a broad strategic advance in the creation of the sports ecosystem, which in short is how the Company intends to assist in connecting in various ways, i.e. trade, services, entertainment and others who have or wish to have a direct or indirect relationship with sport.

In accordance with IFRS 3 (R)/CPC 15 (R1) - Business Combination, business acquisitions are recognized using the acquisition method. The counter entry transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred, liabilities assumed on the acquisition date with former controlling shareholders of the acquiree and interest issued in exchange for control of the acquiree.

The purchase price is shown below:

a. Transferred consideration and contingent consideration

Acquisition was carried out at the amount of R$ 1,642,749, namely:

- **Gross consideration transferred in cash:** R$ 1,219,343 were paid at the closing of the acquisition process based on reliable best estimate projections;

- **Consideration to be returned:** The initial acquisition amount was calculated with the balance provided for the defined base date, according to the agreement between the parties. After the official closing of the balance sheet and updating of the projected data, the amount of R$ 79,192 overpaid was determined. This amount to be reimbursed is recorded in "Other accounts receivable;"

- **Contingent consideration:** The Company agreed to pay the seller an amount of R$ 502,600 through the use of tax assets during the exploration period of the distribution agreement recorded in other accounts payable.

b. Assets acquired and liabilities assumed on the acquisition date

The Company, in accordance with the provisions of article 8, Law 6404/76, hired an independent company to assess the fair values of net assets acquired. In this quarter, the Company concluded the measurement process and calculation of fair value of identifiable assets acquired and liabilities assumed. The fair values recognized as assets acquired and liabilities assumed on the acquisition date are as follows:

		11/30/2020	
	Fisia	**Allocations**	**Fair value**
Cash and cash equivalents	200,342	-	200,342
Clients	647,530	-	647,530
Inventories (a)	479,372	6,973	486,345
Recoverable taxes	569,383	-	569,383
Prepaid expenses	43,129	-	43,129
Property, plant and equipment and intangible assets	30,544	-	30,544
Right-of-use (b)	12,437	164,821	177,258
Other amounts receivable (e)	-	33,600	33,600
Total assets	**1,982,737**	**205,394**	**2,188,131**
Current liabilities	322,891	-	322,891
Provision for risks (c)	4,679	27,814	32,493
Provision for risks (e)	-	33,600	33,600
Provision - Royalties (d)	-	157,395	157,395
Total liabilities	**327,570**	**218,809**	**546,379**
Total identifiable assets, net			**1,641,752**

(a) Allocation related to surplus in inventories;

(b) Allocation of the right to use related to exclusivity contract in the distribution of the products of the "NIKE" brand. See allocation in Note 16;

(c) Físia has tax and labor lawsuits and according to the Company's and its legal advisors' judgment, these lawsuits are classified as probable loss and were considered for purposes of evaluating the Purchase Price Allocation (PPA).

(d) The allocation refers to a liability related to the amounts of royalties and expenses for marketing services and advisory services identified and calculated by the exploration of the exclusivity of the right of distribution.

(e) In assessing the fair values of assets and liabilities, contingent liabilities with a possible prognosis to be recorded were identified, as determined by IFRS 3 (R)/CPC 15 (R1) - Business Combinations, the amount of R$ 33,600. These contingencies are subject to indemnity by Nike Inc. and, therefore, acquirer Grupo SBF - Parent Company recognized an indemnity asset under *Other amounts receivable* measured on the same basis as contingent liabilities.

c. Conclusion of the appraisal

Consideration transferred	1,642,749
Fair value of shareholders' equity	1,641,752
Goodwill due to expected future profitability	997

The Company determined a measurement period of up to a maximum of 1 year from the acquisition date for the detailed evaluation of the lawsuits, which were classified as a loss, based on the opinion of its legal advisors, as possible, on the base date of this quarterly information report, as determined in the business combination standard.

In September 2021, after the completion of the assessment of the fair values of the assets and liabilities acquired in the business combination herein presented, carried out independently by external consultants, the Company completed the combination process.

d. Consolidated revenues and income

The Company, from the acquisition date, considered in the preparation of the consolidated Financial Statements the amounts referring to the last month of 2020, the results of net revenue and net revenue, in the amounts of R$ 168,367 and R$ 14,959, respectively.

If the acquisition occurred on January 01, 2020, Management estimates that the net operating revenue for 2020 would be R$ 1,882,688 and net loss would be R$ 49,331.

3 Acquisition of Network Participações S.A.

On December 12, 2020, the Company entered into an agreement to acquire all the shares issued by Network Participações S.A. ("Transaction"), parent company of NeoTV Produção e Comercialização Audiovisual e Serviços Digitais S.A., Acelerados Produtora e Distribuidora Audiovisual S.A., Fatality TV Produção e Comercialização Audiovisual e Serviços Digitais S.A. and Falcão Produção e Comercialização Audiovisual e Serviços Digitais S.A. (jointly "NWB Group"), for an amount of R$ 60 million, subject to certain price adjustments based on NWB Group's working capital, cash, and indebtedness.

On February 26, 2021, the acquisition process was concluded, upon compliance with all relevant conditions precedent, including the approval of the Transaction by CADE, which occurred on January 18, 2021, the Company and Network Participações S.A., the parent company of the NWB Group, closed the Purchase and Sale Transaction ("Closing"). The conclusion of the operation is another step for the Company, as it represents a strategic advance in the creation of the sports ecosystem, starting with the production of entertainment and digital marketing, with a greater approach and reach to the sports public.

In accordance with IFRS 3 (R)/CPC 15 (R1) - Business Combination, business acquisitions are recognized using the acquisition method. The contra entry transferred in a business combination is measured at fair value, which is calculated by the sum of the fair values of assets transferred, liabilities assumed, measured on the acquisition date and interest of acquired companies.

The acquisition was carried out for R$ 63.5 million, i.e.:

- R$ 42,330 paid in cash on the completion date of the process;
- R$ 3,850 paid after preliminary analysis by the Company;
- R$ 1,245 as the amount retained by Grupo SBF to guarantee purchase price adjustments, if applicable, to be settled after the final amount of the price adjustment has been determined;
- R$ 6,225 Deposited as a guarantee, to ensure possible indemnity obligations of the sellers; and
- R$ 9,843 as a price deferred over 5 years, which can be paid in cash or shares.

Amounts not yet paid in cash will not be monetarily updated, except for the escrow deposit, and while insured, they will be updated according to the chosen investment type.

The preliminary fair values recognized as assets acquired and liabilities assumed on the acquisition date are as follows:

	NWB	Allocations	Fair value
Assets			
Cash and cash equivalents	4,709	-	4,709
Trade accounts receivable	1,542	-	1,542
Advances	134	-	134
Recoverable taxes	1,812	-	1,812
Credits receivable	5	-	5
Property, plant and equipment	694	-	694
Intangible assets	31	58,634	58,665
Total assets	**8,927**	**58,634**	**67,561**
Suppliers	997	-	997
Taxes payable	156	-	156
Salaries payable	20	-	20
Provisions	831	-	831
Deferred revenues	56	-	56
Other liabilities	2,008	-	2,008
Total current liabilities	**4,068**	**-**	**4,068**
Total identifiable assets, net	**-**	**-**	**63,493**

(*) The opening balance above was changed in relation to the first quarter, due to the update of the assets and liabilities appraisal report.

Along with the acquisition of the network group, Grupo SBF acquires a contract for the creation of digital content aimed at the sports public; this contract was recorded in intangible assets based on the residual value between the acquisition price and the net assets acquired. The fair value allocated to the asset and its useful life will be evaluated when preparing the Purchase Price Allocation (PPA) report.

Investment value	63,493
Fair value of total identifiable assets,	(63,493)

The Grupo SBF, in accordance with the provisions of article 8, Law 6404/76, hired an independent company to measure the fair values of net assets acquired. On the date of completion of the preparation of this consolidated quarterly information, the Group substantially estimated the remaining amount of the difference between the amount paid and the net assets acquired as being the fair value related to the Digital Content Agreement. Up to the date of disclosure of the quarterly information, Management had not completed the final analysis of the allocation of assets.

4 Significant accounting policies

4.1 Preparation basis

Statement of conformity regarding the International Financial Reporting Standards (IFRS) and Accounting Pronouncement Committee (CPC) standards

The parent company and consolidated interim quarterly information for the period ended at September 30, 2021 were prepared in accordance with technical pronouncement CPC 21 (R1) (Interim Financial Reporting) and in accordance with the International Standard IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB), and presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Information.

Accounting practices and policies (which include the principles of measurement, recognition and valuation of assets and liabilities), in addition to the main accounting judgments and sources of uncertainty about estimates adopted in the preparation of this quarterly information, are consistent with those adopted and disclosed in Note 6 of the annual financial statements for the year ended December 31, 2020; therefore, they must be jointly analyzed.

The issue of this quarterly information was approved by Board of Directors on November 09, 2021.

4.2 Functional and presentation currency

This parent company and consolidated quarterly information are being presented in Brazilian Real, functional currency of the Company. All quarterly information presented in Brazilian reais has been rounded to the nearest value, except otherwise indicated.

4.3 Basis of consolidation

The subsidiaries financial information is recognized under the equity method in the financial statements of the parent company.

	Equity interest				
	Direct		Indirect		
	2021	2020	2021	2020	Activity
Subsidiaries					
SBF Comércio de Produtos Esportivos S.A.	99.96%	99.86%	-	-	Retail business
Fisia Comércio de Produtos Esportivos Ltda.	100.00%	100%	-	-	Wholesale and retail trade
Lione Comércio de Art. Esportivos Ltda.	-	-	99.99%	99.99%	Sports commerce
VBLOG Logística e Transporte Ltda.	99.00%	99.00%	-	-	Logistic services
Pine Adm. de Bens e Participações Ltda.	99.99%	99.99%	-	-	Joint ventures and interest
Premier Distribuidora de Vestuário, Calçados, Equiptos e Acessórios Ltda.	-	-	99.99%	99.99%	Sports commerce
Store Engenharia e Instalações Ltda.	100.00%	100.00%	-	-	Engineering services
NETWORK Participações S.A.	100.00%	-	-	-	Holding
Neotv Prod e Com. De Cont. Audiovisual e Serv Digitais S.A.	-	-	79.97%	-	Audiovisual production
Fatality Tv Prod e Com Audiovisual e Servicos Digitais S.A.	-	-	100.00%	-	Audiovisual production
Acelerados Produtora e Distribuidora Audiovisual S.A.	-	-	51.00%	-	Audiovisual production
Falcao Prod e Com De Cont S.A.	-	-	51.00%	-	Audiovisual production

Accounting policies were consistently applied by consolidated entities.

Main information on each of the companies included in the consolidated quarterly information of the Company is presented in Note 14.

4.4 Use of estimates and judgments

The preparation of parent company and consolidated quarterly information, Management used judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on a continuous basis. Reviews of estimates are recognized on a prospective basis.

a. Judgments

Information about judgment referring to the adoption of accounting policies which impact significantly the amounts recognized in the quarterly information are included in the following notes:

- **Notes 2 and 3** - Business combination
- **Note 17** – Leases
- **Note 6** – Accounts receivable - estimated credit losses
- **Note 10 –** Estimated inventory losses

b. Uncertainties on assumptions and estimates

The information on the uncertainties and related to assumptions and estimates that have a significant risk of resulting in a material adjustment in the period of the next 12 months are included in the following notes:

- **Note 11 -** Recognition of deferred tax assets: availability of future taxable income against which tax losses and temporary differences may be used;

- **Note 13** - Recognition and Measurement of provision for contingencies: main assumptions about the likelihood and magnitude of the outflows of funds;

- **Note 15** - Impairment test of assets installed in stores: main assumptions underlying recoverable values;

Measurement of fair value
A series of company accounting policies and disclosures requires the measurement of fair values, for financial and non-financial assets and liabilities.

When measuring fair value of an asset or liability, the Company uses observable data as much as possible. Fair values are classified at different levels according to hierarchy based on information (inputs) used in valuation techniques, as follows:

- **Level 1:** prices quoted (not adjusted) in active markets for identical assets and liabilities.

- **Level 2:** inputs, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).

- **Level 3:** inputs, for assets or liabilities, which are not based on observable market data (non-observable inputs).

Additional information on the assumptions adopted in the measurement of fair values is included in the following notes:

- **Note 30** – Management of risks and financial instruments.

- **Note 25** – Share-based payment.

4.5 Governmental grant

The Company made investments by installing Distribution Centers in Minas Gerais and Paraíba States due to agreements entered into with both States, whereby tax incentives were granted. The grants are intended to compensate the Company for expenses incurred and are recognized in the income (loss) as sales deductions. The investments are matched against ICMS tax rates on sales in electronic commerce and estimated credit in commercial transactions between group’s companies in these states. As of July 1, 2021, the Company migrated the e-commerce operations of the company Fisia (Nike.com) to the city of Extrema, Minas Gerais, aiming at logistical efficiency, improving customer service, and capturing tax incentives with the State of Minas Gerais. Therefore, under the terms of the special regime granted by the State of Minas Gerais, sales operations to end consumers through e-commerce are carried out with presumed ICMS credit.

In the third quarter of 2021, the new version of the Special Taxation Regime - RET of SBF Comércio was published, under the same number, e-PTA-RE 45.000003011-16, the most significant amendment of which was article 54, on the term of the benefit for an indefinite period.

5 Cash and cash equivalents

	Parent company		Consolidated	
	09/30/2021	**12/31/2020**	**09/30/2021**	**12/31/2020**
Cash	-	-	2,624	8,598
Banks	74	195	38,805	357,249
Interest earning bank deposits	11,414	-	519,546	148,448
	11,488	**195**	**560,975**	**514,295**

Cash and cash equivalents comprise balances of cash and financial investments with original maturities of three months or less as of the contracting date, which are subject to an insignificant risk of change in value and are used to manage short-term obligations.

Short-term interest earning bank deposits which are subject to immaterial risk of change in value are represented by bank deposit certificates (CDB's) remunerated at rates that the average is 55% for daily investments (54% in daily investments at 100% for blocked investments in 2020) of interbank deposit certificate (CDI) change.

6 Accounts receivable

		Parent company		Consolidated	
		09/30/2021	**12/31/2020**	**09/30/2021**	**12/31/2020**
Credit card company	(a)	-	-	830,485	828,985
Trade notes receivable		-	-	242,004	151,018
Trade notes receivable - Group's companies	(Note 11)	24,896	34,524	-	-
Subtotal		**24,896**	**34,524**	**1,072,489**	**980,003**
Allowance for doubtful accounts		-	-	(2,831)	(3,799)
Adjustment to present value		-	-	-	(3,293)
		24,896	**34,524**	**1,069,658**	**972,911**
Current assets		**24,896**	**34,524**	**1,069,615**	**972,911**
Non-current assets		**-**	**-**	**43**	**-**

(a) Refers to the balance with credit card administrators that are distributed among several credit card companies. The Company has sales of receivables transactions from credit card companies with no right of return. Such operations are carried out whenever the Company believes that it needs immediate cash. As of September 30, 2021, the balance was null (R$ 4,241 as of December 31, 2020).

The value of commissions on credit assignment transactions without right of recourse was recognized in the financial expenses in the statement of income, as shown in Note 29 in the amount of R$ 30 as of September 30, 2021 (R$ 7,848 as of September 30, 2020).

The Company records a provision for expected credit loss only for wholesale distribution operations, as it understands that the portfolio of receivables referring to credit card companies is liquid and certain, as the risks are assumed by these companies. Changes in the provision for expected credit loss are constituted based on the historical loss of wholesale sales:

	01/01/2021–09/30/2021
Opening balance	**(3,799)**
Addition	(7)
Write-offs	975
Closing balance	**(2,831)**

The Company did not present a provision for expected losses in the same period of the previous year.

	Gross book balance	(%) Average rate of estimated loss	Provision for expected credit loss	With recovery issues
Specific Reserve	2,081	100.00%	2,081	Yes
Wholesale receivables	264,174	0.28%	750	No
Receivables from retail	806,234	0.00%	-	No
	1,072,489		2,831	

We present the consolidated aging list below:

Aging	09/30/2021	12/31/2020
Overdue (days):		
>120	1,589	1,182
>90	452	132
Up to 90	887	112
up to 60	2,931	126
up to 30	5,178	2,242
Falling due (days):		
up to 30	316,977	461,832
31–60	224,386	221,316
61–90	155,955	123,322
91–120	64,423	54,088
121–180	245,380	61,749
181–365	54,331	53,902
TOTAL	1,072,489	980,003

7 Derivatives

	Consolidated	
Assets	**09/30/2021**	**12/31/2020**
Exchange contracts used for hedging	26,040	11,580

Derivative transactions vary because of the flow of import planning in accordance with the Company's strategic planning, as they are contracted in view of the expectation of carrying out purchases of goods in the international market.

The Company's contracting, operation and hedge are based on its policy, approved by Management, which aims to ensure the effectiveness of the application of the Corporate Risk and Foreign Exchange Risk Policy, based on the accounting techniques and use of financial hedge instruments.

Information on the Company's exposure to credit and market risk and the fair value measurement is included in note 30.

8 Recoverable taxes – Consolidated

	09/30/2021	**12/31/2020**
ICMS (a)	379,945	207,370
PIS (b)	70,573	87,615
COFINS (b)	509,593	402,218
IRRF	1,353	7,300
INSS	6,423	8,258
IOF	-	2
Current assets	**967,887**	**712,763**
ICMS	51,199	58,154
PIS	616	2,837
COFINS	2,317	13,070
PIS and COFINS credit (a)	72,332	346,142
(-) Decrease in PIS and COFINS credit (a)	(72,332)	(72,332)
Non-current assets	**54,132**	**347,871**
Total recoverable	**1,022,019**	**1,060,634**

(a) VAT (ICMS) credits were substantially generated in the Company's current operations and also derived from Tax Substitution ICMS and CAT Ordinance 17, CAT Ordinance 158 and CAT Ordinance 42, among others.

ICMS from PIS and COFINS calculation basis: The Company and its subsidiaries filed lawsuits in 2006 to claim the unconstitutionality of the inclusion of ICMS in the PIS and COFINS tax basis for the period from 2001 to 2017. On March 15, 2017, based on the general repercussion, the Federal Supreme Court (STF) rendered a favorable decision to the taxpayer to allow for the exclusion and, based on this understanding, the Company, based on its external lawyers' opinion, classified the lawsuit with likely chance of success.

In the second quarter of 2019, the Company became aware of the final and unappealable decision issued by the Federal Regional Court of the 3rd Region, allowing the recognition of R$ 675,017, as at December 31, 2019, for the period from 2004 to 2019.

Fisia, a subsidiary of the Company, claimed the exclusion of ICMS from the PIS and COFINS calculation basis, for the 5 years prior to the date of the filing of the lawsuit; the lawsuit became final and unappealable on September 06, 2019, which is the basis for the recognition of Fisia credits – the constitution of tax credits arising from the Writ, with an amount on September 30, 2021, of R$ 243,647.

In May 2021, there was a decision of general repercussion by the STF, corroborating the decision of the lawsuits mentioned above, as final and unappealable.

Management, in 2020, started using the credits through offset requests. On September 30, 2021, the balance of credits to be used was R$ 478,736, and the expected use of credits is based on the projection of purchases and sales transactions of goods, and consequently, the expectation of realization of these credits is presented, as shown in the table below:

	Usage
Up to 12 months	478,736
Total	**478,736**

9 Recoverable income tax and social contribution – Consolidated

	Consolidated	
	09/30/2021	**12/31/2020**
IRPJ/CSLL over SELIC	82,063	-
IRPJ/CSLL	37,560	40,037
	119,623	**40,037**
Current	**37,560**	**40,037**
Non-current	**82,063**	**-**

On September 24, 2021, the majority of the Federal Supreme Court in the Plenary declared the levying of IRPJ and CSLL on amounts related to the Selic rate received due to repetition of undue tax payment as unconstitutional upon the judgment of RE 1.063.187 (Topic 962), affected by the dynamics of the general repercussion. The Group's subsidiaries filed a lawsuit in 2018 and 2019, to discuss the merit and request the exclusion from the calculation of Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) for the portion related to default interest and currency adjustment, including SELIC, arising from the repetition of taxes unduly paid, as well as recovering the amounts paid in this regard since the 5 years prior to the filing of the lawsuit.

Considering the definitive effects of the general repercussion judged by the Supreme Court (STF), the Company, with the assistance of tax specialists and analysis of legal advisors, carried out a survey of the monetary restatements unduly taxed to measure the amounts to be recognized and, therefore, recognized in its Subsidiaries, considering IFRIC 23/ICPC 22 - Uncertainty in the Treatment of Income Taxes the amount of i. R$ 82,063, of which R$ 78,010 refers to principal and R$ 4,053 of currency adjustment, to be authorized upon the final and unappealable decision of the individual suit filed by the Company, and ii. R$ 21,166 arising from the recalculation of the tax loss referring to the periods in which the Company had tax losses.

These amounts were calculated based on the best accounting estimate, with reasonable certainty and on the Group's ability to show the recoverability of tax losses, with better assertiveness, upon completion of the analysis of amounts, given the complexity and need to reprocess the results of previous periods. Furthermore, the Company estimates that any effects arising from deferred tax assets may be recognized in the income (loss) of its subsidiaries as soon as the analyses of the recoverability of tax losses and the calculation of amounts are completed.

10 Inventories – Consolidated

	09/30/2021	12/31/2020
Goods for resale (stores)	225,114	234,598
Goods for resale (Distribution Centers)	936,523	641,278
Imports in progress	17,134	4,004
Storeroom	6,431	5,439
Other	753	5,461
	1,185,955	**890,780**

Changes in provision for losses

	01/01/2021 –09/30/2021	01/01/2020 –09/30/2020
Opening balance	**(30,235)**	**(11,604)**
Addition	(13,346)	(11,892)
Effective inventory losses	29,673	14,841
Closing balance	**(13,908)**	**(8,655)**

The Company recorded a provision amounting to R$ 13,908 in cost of sales on September 30, 2021 (R$ 8,655 on September 30, 2020). The provision for losses of R$ 13,346 (R$ 11,892 as of September 30, 2020) classified as a reduction in goods for resale based on products turnover. The amount of R$ 29,673 (R$ 14,841 as of September 30, 2020) represents the actual losses, written-off of goods for resale and provision.

The change in the transactions in the provision for losses, shown in the first nine months of 2021, is due to the acquisition of Fisia's operations on December 1, 2020.

11 Deferred tax assets – Consolidated

The balance of deferred taxes has the following origin:

	Assets		Liabilities		Net	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Tax loss and negative basis	290,217	202,426	-	-	290,216	202,426
General provisions and contingencies	99,465	113,591	-	-	99,465	113,591
Provisions - effect of adjustment to present value	546	1,874	-	-	546	1,874
Provision for inventories	1,937	5,370	-	-	1,937	5,370
Provision of bonuses	10,821	848	-	-	10,821	848
Depreciation	202,190	56,950	(149,338)	(22,166)	52,852	34,784
Goodwill	71,050	71,050	(58,024)	(47,367)	13,026	23,683
Income from inventories	88,132	71,375	-	-	88,132	71,375
Deferred income tax assets (liabilities)	**764,358**	**523,483**	**(207,362)**	**(69,533)**	**556,995**	**453,950**
Amount subject to offset	**(207,362)**	**(69,533)**	**207,362**	**69,533**	**-**	**-**
Net tax liabilities (assets)	**556,995**	**453,950**	**-**	**-**	**556,995**	**453,950**

(*) Depreciation effect on leases - right-of-use.

The Company prepared a technical study to support the realization of said deferred taxes in the coming years, which is reviewed frequently. For this study, the following factors were considered:

Main assumptions used in projections of income (loss) to use deferred tax assets

The main assumptions used in calculating the earnings projection are the projection term, the revenue growth rate and the annual EBITDA margin gain, as follows:

Projection term

The study prepared by the Company showed that it is possible to use the asset in the period shown in the table below, given its experience and management capacity, as well as the visibility of strategic projects for the Company.

The estimated realization of deferred taxes is shown below (consolidated):

Year	**09/30/2021**
2021	10,280
2022	37,893
2023	45,949
2024	57,616
2025	84,215
2026	101,308
2027	114,345
2028	69,721
2029	35,667
	556,995

Growth rate of revenue
The Company used a growth assumption based on the projected inflation and GDP, as well as additional growth for the world cup years, resulting in an average growth of 14.1% p.a.

EBITDA margin gain
The Company considered an increase in EBITDA margin based on the dilution of its fixed expenses (sales and administrative), resulting in a gain of 0.96.% p.a. for the period.

Sensitivity analysis of assumptions
The estimated profit amount is sufficient for the total use of deferred tax assets of R$ 556,995. The Company carried out a sensitivity test considering the maximum discount rate of 9.4% per annum, in order to demonstrate that in this scenario the realization of deferred tax assets would not suffer any impact compared to the projection and technical study elaborated.

Management identified two main assumptions that, if changed - as it is fairly possible - may turn book value higher than recoverable value.

Unrecognized deferred tax assets
Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable income will be available so that Físia can utilize its benefits:

	2021		**2020**	
	Amount	**Tax effect**	**Amount**	**Tax effect**
Accumulated tax losses	778,586	254,519	801,837	272,625
Temporary expenses	33,839	11,505	40,614	13,808

Changes in temporary differences
Reconciliation of consolidated income and social contribution tax expense is as follows:

	Balance at 12/31/2020	**Recognized in income (loss)**	**Good will**	**Use of current tax**	**Closing balance 09/30/2021**
Tax loss and negative basis	202,426	89,461	3,552	(5,223)	290,216
General provisions and contingencies	113,591	(14,126)	-	-	99,465
Provisions - effect of adjustment to present value	1,874	(1,328)	-	-	546
Provision for inventories	5,370	(3,433)	-	-	1,937
Provision of bonuses	848	9,973	-	-	10,821
Depreciation	34,784	18,068	-	-	52,852
Goodwill	23,683	-	(3,552)	(7,105)	13,026
Tax credits (PIS/COFINS)	-	-	-	-	-
Income from inventories	71,374	16,758	-	-	88,132
Tax net assets (liabilities)	**453,950**	**115,373**	**-**	**(12,328)**	**556,995**

Reconciliation of income and social contribution tax expense is as follows:

	Parent company		Consolidated	
	09/30/2021	**09/30/2020**	**09/30/2021**	**09/30/2020**
Income (loss) before taxes	201,092	(135,729)	89,383	(210,572)
Fiscal rate	34%	34%	34%	34%
Income tax and social contribution at the combined rate	(68,371)	46,148	(30,390)	71,594
Permanent additions:				
Non-deductible expenses	(6,315)	(220)	(13,031)	(6,438)
Permanent exclusions:				
Reversal of provisions	3,968		32,308	17,619
Other items:				
Effect of equity in net income of subsidiaries	79,000	(37,727)	-	-
Loss without the formation of deferred taxes	-	-	23,119	-
IRPJ and CSLL from previous years recognized in current year *(a)*	-	-	105,833	-
Income tax effect on bonus to administrators	44	-	72	-
Other	-	219	2,059	399
Income tax and social contribution	**8,326**	**8,420**	**119,970**	**83,174**
Current income tax and social contribution in income (loss) for the period				
Current	-	-	4,598	(178,004)
Deferred	8,326	8,420	115,373	261,178
Effective rate (a)	4.14%	-6.20%	5.14%	39.50%

(a) Impact on the effective rate because of the registration of income tax and social contribution on amounts related to the SELIC rate as described in Note 9.

12 Related parties

Transactions with related parties include purchase, sale, rent with related parties linked to supplementary transactions with which the Company maintains contracts in accordance with prevailing law.

Parent company

Other credits and other accounts payable refer to current account with subsidiaries, without maturity and inflation adjustment, as follows:

Current assets - Related Parties - Accounts receivable - Note 6	**09/30/2021**	**12/31/2020**
SBF Comércio de Produtos Esportivos S.A.	-	3,078
Store Engenharia e Instalações Ltda.	24,743	24,413
Pine Adm. de Bens e Participações Ltda.	153	7,033
	24,896	**34,524**

The parent company's figures are presented in Note 6, accounts receivable.

Current liabilities – Accounts payable	**09/30/2021**	**12/31/2020**
SBF Comércio de Produtos Esportivos S.A.	231	87,470
Vblog Logística e Transporte Ltda.	-	9,593
	231	**97,063**

Commercial transactions

Purchase and sale of goods and freight - The companies SBF Comércio, Premier and Fisia carry out purchase and sale operations in order to optimize the distribution of goods from the distribution center to stores throughout Brazil. The company Vblog Logística is responsible for the transportation of these goods and also carries out commercial transactions regarding the provision of freight services between these Group companies. There is a contract signed between SBF and Vblog, Fisia and Vblog, whose term is indeterminate and the market price is practiced using the freight table for the determined segments.

Rents - The company SBF Comércio carries out a sub-lease operation for the companies Vblog Logística and Store Engenharia for the warehouse located in Extrema-MG. The lease term is valid until 2033 and the transaction value is determined at market value, based on the used m2.

Administrative apportionment - The company SBF Comércio has common expenses' sharing agreement among the companies Premier Distribuidora, Vblog Logística, Store Engenharia, Lione Comércio de Artigos Esportivos, Fisia Comércio de Produtos and Grupo SBF S.A. Contract provisions are reviewed annually. The apportionments are based on expenses actually incurred related to corporate labor and on consistent criteria over the periods.

Rent - Company VBF Empreendimentos belongs to the shareholder of Companhia Sebastião Vicente Bomfim Filho. Main rented properties are the warehouse used as Distribution Center in Extrema, MG, effective from March 17, 2008 to March 16, 2033, and real estate property located at Rua Hugo D'Antola and used as Administrative Center in São Paulo, SP, effective from June 02, 2005 to September 1, 2025. Both contracts have a clause of automatic renewal for another 20 years. Expenses deriving from rent payments during the period are highlighted below.

These lease transactions have monthly maturity on the fifth business day; in case there are payments in delay, there is levy of fine plus interest of 1% per month and inflation adjustment based on IGPM.

Income (loss) – Expenses	**09/30/2021**	**09/30/2020**
Vblog Logística e Transportes	24	20
Premier Distrib. De Vest. Equiptos e Acess. Ltda.	36	30
SBF Comércio de Produtos Esportivos S.A.	13,548	10,499
	13,608	**10,549**

The aforementioned amounts are stated in the table below:

Transactions eliminated in the consolidation

	Accounts receivable		Accounts payable	
	09/30/2021	**12/31/2020**	**09/30/2021**	**12/31/2020**
Grupo SBF S.A	24,896	34,524	231	97,063
SBF Comércio de Produtos Esportivos S.A.	515,508	2,708,769	404,732	2,589,156
Premier Distrib. de Vest. Equiptos e Acess. Ltda.	215,418	2,314,286	427,135	2,482,783
Fisia Comércio de Produtos Esportivos Ltda.	166,122	172,845	7,991	-
Vblog Logística e Transporte Ltda.	25,084	110,372	20,034	99,337
Lione Comércio de Art. Esportivos Ltda	-	-	62,176	47,893
Pine Adm. de Bens e Participações Ltda.	-	6,883	156	7,033
Store Engenharia e Instalações Ltda.	-	-	24,772	24,414
Network Participações S.A.	3,335	-	90	-
Neotv Prod e Com. De Cont. Audiovisual e Serv Digitais S.A.	200	-	2,699	-
Fatality Tv Prod e Com Audiovisual e Servicos Digitais S.A.	-	-	277	-
Acelerados Produtora e Distribuidora Audiovisual S.A.	90	-	1	-
Falcao Prod e Com De Cont S.A.	-	-	359	-
	950,653	**5,347,679**	**950,653**	**5,347,679**

	Purchasing		Sales	
	09/30/2021	**09/30/2020**	**09/30/2021**	**09/30/2020**
SBF Comércio de Produtos Esportivos S.A.	(1,486,724)	(718,934)	1,226,163	710,726
Premier Distrib. de Vest. Equiptos e Acess. Ltda.	(1,226,163)	(710,726)	1,240,055	718,934
Fisia Comércio de Produtos Esportivos Ltda.	(6,550)	-	253,219	-
	(2,719,437)	**(1,429,660)**	**2,719,437**	**1,429,660**

	Purchasing		Sales	
	09/30/2021	**09/30/2020**	**09/30/2021**	**09/30/2020**
SBF Comércio de Produtos Esportivos S.A.	(1,486,724)	(718,934)	1,226,163	710,726
Premier Distrib. de Vest. Equiptos e Acess. Ltda.	(1,226,163)	(710,726)	1,240,055	718,934
Fisia Comércio de Produtos Esportivos Ltda.	(6,550)	-	253,219	-
	(2,719,437)	**(1,429,660)**	**2,719,437**	**1,429,660**

	Freight and Carriage		Rentals		Audiovisual services		Administrative apportionment	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020	09/30/2021	09/30/2020	09/30/2021	09/30/2020
SBF Comércio de Produtos Esportivos S.A.	(34,428)	(19,439)	28	23	(613)	-	10,680	44,354
Premier Distrib. Vest. Equiptos e Acess. Ltda.	-	-	-	-	-	-	(152)	(16,547)
VBLOG Logística e Transporte Ltda.	41,790	19,439	(18)	(16)	-	-	(2,413)	(27,807)
Lione Comércio de Art. Esportivos Ltda	-	-	-	-	-	-	(64)	-
Pine Adm. de Bens e Participações Ltda.	-	-	-	-	-	-	(5)	-
Store Engenharia e Instalações Ltda.	-	-	(10)	(7)	-	-	(54)	-
Fisia Comércio de Produtos Esportivos Ltda.	(7,362)	-	-	-	-	-	(7,992)	-
NETWORK Participações S.A.	-	-	-	-	13	-	-	-
Neotv Prod E Com. Cont. Aud; and Serv Digitais S.A.	-	-	-	-	600	-	-	-
	-	-	-	-	-	-	-	-

a. Remuneration of key management personnel

Management is remunerated with salaries, monthly compensation, and bonus, which are accounted for in caption "General and administrative expenses" in statements of income.

	09/30/2021		09/30/2020	
	Board of Directors	Executive Management	Board of Directors	Executive Management
Salary and Directors' fee	5,415	5,578	4,268	4,582
Profit sharing	-	5,071	-	5,908
Share-based payment	-	-	-	-
	5,415	**10,649**	**4,268**	**10,490**

(*) For better presentation, the comparative values described above were changed to the accrual basis, showing the result recorded in the Company in line with the other expenses disclosed.

13 Judicial deposits and provisions for contingencies - Consolidated

Judicial deposits

The Company is a party in tax, civil and labor lawsuits in progress and is discussing these issues both in administrative and legal spheres, which, when applicable, are backed by judicial deposits.

In 2020, the Company filed a lawsuit with the dispute regarding the payment of the rate (sharing) differential paid to the State of destination on sales made to the final consumer. After the decision of the Federal Supreme Court on the Repetitive Appeal, the Company's consultants started to classify the cases as having a remote possibility of loss. The return of the amounts contained in the judicial deposit will only be expected after the end of the legal discussions.

Changes in the balance of judicial deposits and court-ordered restriction during the period ended September 30, 2021 are stated in the chart below:

	Opening balance at 01/01/2021	**Additions**	**Write-offs**	**Reversals**	**Closing balance 09/30/2021**
Judicial deposits	90,109	22,954	(341)	(2,608)	110,114
Judicial deposits - yield	30,584	2,806	(2,713)	(17)	30,660
Court-ordered restriction - Labor	5,058	327	(862)	(164)	4,359
Total	**125,751**	**26,087**	**(3,916)**	**(2,789)**	**145,133**

Changes in provision for judicial deposits during the period ended September 30, 2020 are stated in the chart below:

	Opening balance at 01/01/2020	**Additions**	**Write-offs**	**Reversals**	**Closing balance 09/30/2020**
Judicial deposits	67,639	8,090	(3)	(3,776)	71,950
Judicial deposits - yield	28,506	2,090	(271)	(49)	30,276
Court-ordered restriction - Labor	9,143	1,090	(2,741)	(1,517)	5,975
Total	**105,288**	**11,270**	**(3,015)**	**(5,342)**	**108,201**

The additions represent new judicial deposits and inflation adjustments, the write-offs represent a lost lawsuit and the deposits were redeemed by the third parties who demanded the processes, lawsuits , while the reversals represent the lawsuits in which the Company obtained a favorable decision.

Provisions for contingencies

Changes in the balance of provisions for contingencies for the period ended September 30, 2021 are stated in the chart below:

	Opening balance at 01/01/2021	**Additions**	**Payments**	**Reversals**	**Closing balance 09/30/2021**
Civil / Consumer (a)	13,587	9,668	(15,349)	-	7,906
Labor (b)	37,849	15,641	(8,593)	(7,904)	36,993
Tax (c)	495,699	35,992	(10,980)	(17,418)	503,294
Total	**547,135**	**61,301**	**(34,922)**	**(25,322)**	**548,192**

Changes in provision for contingencies for the period ended September 30, 2020 are stated in the chart below:

	Opening balance at 01/01/2020	Additions	Payments	Reversals	Closing balance 09/30/2020
Civil / Consumer (a)	2,601	2,879	(2,019)	-	3,461
Labor (b)	33,962	7,258	(7,924)	(1,662)	31,634
Tax (c)	435,801	6,018	(369)	-	441,450
Total	**472,364**	**16,155**	**(10,312)**	**(1,662)**	**476,545**

The additions represent new lawsuits provisioned with a probable risk of loss and inflation adjustments, the payments represent a lost lawsuit, and the reversals represent the lawsuits in which the Company obtained a favorable decision or when there was a change in the classification of the likelihood of loss between the periods (change of likely risk of loss to possible or remote risk of loss).

a. Civil/consumer lawsuits

These are lawsuits involving physical stores and e-commerce consumption relations. Main situations are product delivery delays or failures, undue charges, and product lacking in inventory, among others.

As of September 30, 2021, the Company has R$ 7,906 (R$ 13,587 in December 2020 and R$ 3,461 as of September 30, 2020) out of an amount discussed in its portfolio of consumer lawsuits, and amount for which no provision was recorded refer to lawsuits with possible loss of R$ 35,679 (R$ 44,547 in December 2020 and R$ 41,699 as of September 30, 2020), based on previous cases and/or previous court decisions and opinion of Company's legal advisors.

b. Labor lawsuits

Main issues being discussed are claims related to working hours, salary equalization, and moral damages among other severance pays.

As of September 30, 2021, the Company has R$ 36,993 (R$ 35,950 as of December 31, 2020 and R$ 31,634 as of September 30, 2020) out of an amount discussed in its portfolio of consumer lawsuits, and amount for which no provision was recorded refer to lawsuits with possible loss of R$ 65,077 (R$ 79,813 in December 2020 and R$ 81,330 as of September 30, 2020), based on previous cases and/or previous court decisions and opinion of Company's legal advisors.

c. Tax lawsuits

As of September 30, 2021, total tax debts classified as probable losses amount to R$ 503,294 (R$ 469,743 as of December 31, 2020).

The most significant proceedings involve ICMS charge because São Paulo tax authorities did not recognize the transit of some goods, plus increased fine and interest, which are being discussed today in the administrative and judicial sphere and administrative discussion regarding the payment of IPI in the sale of imported products.

In addition to the lawsuits aforementioned, there are others related to the classification of goods, ICMS tax substitution and ICMS credits in the State of Bahia and federal punitive fine.

Lawsuits with possible risk of loss

Federal lawsuits
Federal lawsuits in which Group's companies are defendants and plaintiff are classified as possible loss in the amount of R$ 406,387 (R$ 313,790 in December 2020), according to evaluation of Company's legal advisors, as defense is based on previous court decisions and doctrine.

Tax	**09/30/2021**	**12/31/2020**
FGTS (a)	90,444	88,151
PIS/COFINS/IRPJ and CSLL (b)	95,789	84,750
IRPJ and social contribution (c)	98,208	96,510
IPI (d)	172	169
PIS AND COFINS (e)	22,276	19,816
IOF (f)	7,397	7,271
INSS (g)	75,242	599
Other (h)	16,859	16,524
Total	406,387	313,790

(a) **FGTS –** Possible lack of monthly FGTS and rescission fine deposits to employees listed by the Ministry of Labor and Employment for the period from July 2004 to 2017, in the amount of R$ 90,444 (R$ 88,151 as of December 31, 2020) is being discussed.

(b) **PIS/COFINS/IRPJ and CSLL -** There are discussions in the amount of R$ 7,766 (R$ 7,675 as of December 31, 2020), referring to the possible non-payment for supposed disagreement in accounting records, as well as, R$ 36,396 (R$ 26,289 as of December 31, 2020) for amended tax returns not yet approved by the Federal Revenue Service, whose tax foreclosure was proposed in February 2021. There is also a discussion in the amount of R$ 50,151 (R$ 49,322 as of December 31, 2020) arising from the exclusion of amounts in the calendar year of 2014 as tax incentives of the States of Paraíba and Minas Gerais and collection due to PIS and COFINS credits on inputs considered improper by the Federal Revenue Service. The amount of R$ 1,476 (R$ 1,464 as of December 31, 2021) related to the aggravated fine is also discussed.

(c) **IRPJ (corporate income tax) and CSLL (social contribution on net income) –** The Company is discussing the amount of R$ 28,467 (R$ 28,086 as of December 31, 2020) for possible lack of payment of IRPJ and CSLL deriving from exclusions of amounts in calendar years 2009, 2010 and 2011, as incentives and inventory adjustments occurred in 2009 and 2010. The amount of R$ 67,517 (R$ 66,237 as of December 31, 2020) is also discussed due to possible lack of payment of IRPJ and CSLL, due to exclusions of amounts from the calculation basis in 2015 as tax incentives. The Company is discussing over the amount of R$ 2,044 (R$ 2,008 as of December 31, 2020), referring to the calculated differences for non-approval of offsetting requests totaling R$ 180 (R$ 179 as of December 31, 2020).

(d) **IPI** - There is a discussion in the amount of R$ 172 (R$ 169 as of December 31, 2020) due to alleged nonpayment of IPI and Fine due to improper framing in the Incidence Table of the Industrialized Products Tax.

(e) **PIS/COFINS -** The Company is discussing over the amount of R$ 5,347 (R$ 5,247 as of December 31, 2020), referring to the calculated differences in PIS/COFINS due to alleged non-payments and a fine for non-approval of offsetting requests in relation to discussion on tax incentives of 2009 and 2011, considered as investment grant and likelihood of deduction of calculation basis; thus, the administrative proceeding was successful. There is also the amount of R$ 35 (R$ 34 as pf December 31, 2020) resulting from the non-approved offset in relation to 2008 credits. There are also discussions in the amount of R$ 14,966 (R$ 14,535 on December 31, 2020) about non-approved offsets carried out between 2015 and 2017, due to alleged divergences in the company's statements. Finally, the amount of R$ 1,928 referring to non-approved offsets, related to credits from 2013 is being discussed.

(f) **IOF** - There is a possible non-payment of tax on financial transactions between companies of the same economic group in the amount of R$ 7,397 (R$ 7,271 as of December 31, 2020) of the 2014 and 2015 period.

(g) **INSS -** Possible non-payment of social security contribution is being discussed due to divergence in GFIP, in the amount of R$ 607 (R$ 599 as of December 31, 2020). The amount of R$ 74,635, referring to non-approved compensation and fine, relating to social security credits from 2013 to 2018, is also discussed.

(h) **Other** - An isolated fine is discussed due to non-approval of the offsetting request and a fine at the IRPJ, CSLL, PIS and II estimate, among other discussions, in the amount of R$ 16,859 (R$ 16,524 as of December 31, 2020).

State lawsuits

The Company is a party to tax lawsuits in the administrative and legal spheres, related to discussions on ICMS. Based on evaluation and recommendation of external lawyers, considering likelihood of loss in the discussion of merit of each lawsuit, the Company's management decided to establish a provision at an amount sufficient to cover possible losses deriving from final decision on lawsuits. A provision was duly recorded for attorney's fees.

In September 2021, in addition to the aforementioned already provisioned amounts, the Company has 18.8% (17.9% in December 2020) of its portfolio of state tax proceedings classified as possible loss by its lawyers. These are the ICMS proceedings resulting from the assessment by the State Treasury Secretaries, the main ones being the States of São Paulo, Paraíba, Minas Gerais, Rio de Janeiro, Bahia, Ceará, Pernambuco, Amazonas, Maranhão in the amount of R$ 353,436 (R$ 365,218 as of December 31, 2020) and the defense is based on precedent cases and/or favorable jurisprudence.

The most important administrative and judicial proceedings refer to the alleged to be nonpayment, credit appropriation or improper use of the tax, non-compliance or error in the ancillary obligation and transfer of credit balance in the calculations made by the Company considered as undue by the Brazilian Tax Authorities.

Municipal lawsuits

The Company also has municipal lawsuits, which total, in September 2021, the amount of R$ 4,445 (R$ 4,650 in December 2020), and are classified as a possible loss by its external lawyers. The main discussion refers to the collection of ISS [Service Tax] by the Municipality of Extrema - MG for the years 2014 to 2016.

Non-refundable contingencies

There are labor, tax and civil contingencies in the Company's and Físia's Acquisition Agreement whose likelihood of loss is deemed possible, according to the analysis of the Company's legal advisors, which may be refundable, if there is a cash disbursement for these lawsuits. Therefore, under the terms of CPC 15 - business combination, these contingencies must be provisioned for the purposes of price allocation assumed by the Company as a result of the Fisia operation Acquisition Agreement, totaling an amount of R$ 33,660, which will be maintained until its resolution in the subsidiary. These contingencies are subject to full indemnity of the balance by Nike Inc. and, therefore, indemnifying asset is recorded under Other amounts receivable of equal value.

Refundable contingencies

Labor, tax and civil contingencies classified as a possible loss were observed, according to the analysis of the Company's legal advisors. Therefore, under the terms of CPC 15 - business combination, these contingencies must be provisioned for the purposes of price allocation assumed by the Company as a result of the Fisia operation Acquisition Agreement, totaling an amount of R$ 33,660, which will be maintained until its resolution in the subsidiary. These contingencies are subject to full indemnity of the balance by Nike Inc. and, therefore, indemnifying asset is recorded under Other amounts receivable of equal value.

14 Investments and unsecured liability in subsidiaries

	09/30/2021	**12/31/2020**
SBF Comércio de Produtos Esportivos S.A.	1,093,854	1,067,213
Fisia Comércio de Produtos Esportivos Ltda.	1,736,832	1,664,217
VBLOG Logística e transportes Ltda.	2,638	(1,590)
Store Engenharia e Instalações Ltda.	(240,110)	(237,080)
Pine Adm. De Bens e Participações Ltda.	(74,885)	(76,412)
Network Participações S.A.	63,297	-
Total investments	**2,581,626**	**2,416,348**
Other - Indemnifiable contingencies	(33,600)	-
Total	**2,548,026**	**2,416,348**

Breakdown	**09/30/2021**	**12/31/2020**
Investment	2,863,021	2,731,430
Unsecured liability in subsidiaries	(314,995)	(315,082)
Total	**2,548,026**	**2,416,348**

Book value reconciliation

Subsidiaries	**Interest in the shareholders' equity**	**Value Added or Loss (**)**	**Goodwill generated on acquisition**	**Balance at 09/30/2021**
SBF Comércio*	1,093,854	-	-	1,093,854
VBLOG Logística*	2,638	-	-	2,638
Store Engenharia	(240,110)	-	-	(240,110)
Pine Participações	(74,885)	-	-	(74,885)
Fisia Comércio	1,755,522	(19,687)	997	1,736,832
Network Participações	6,337	56,960	-	63,297
Total	**2,543,356**	**37,273**	**997**	**2,581,626**

(*) It already considers effects from elimination of inventories' income on equity in investees' calculation.

(**) Refers to the difference in the fair value of assets and liabilities allocated to the acquisition price.

Changes in investments in subsidiaries are as follows:

Position as of September 30, 2021:

Subsidiaries	Interest	Assets	Liabilities	Shareholders' equity	Intercompany income	Investment	Income (loss)	Intercompany income	Equity
SBF Comércio*	99.96%	4,840,732	3,575,386	1,265,346	(171,082)	1,093,854	59,182	(32,531)	26,641
VBLOG Logística*	99.00%	70,337	58,697	11,640	(8,975)	2,638	9,216	(4,945)	4,228
Store Engenharia	100.00%	66,470	306,580	(240,110)	-	(240,110)	(3,030)	-	(3,030)
Pine Participações	100.00%	22	74,906	(74,884)	-	(74,884)	1,526	-	1,527
Fisia Comércio	100.00%	2,438,681	683,159	1,755,522	-	1,755,522	205,506	-	205,507
Network Participações	100.00%	9,133	2,796	6,337	-	6,337	(2,521)	-	(2,521)
	Total	**7,425,375**	**4,701,524**	**2,723,851**	**(180,057)**	**2,543,357**	**269,880**	**(37,476)**	**232,352**

Changes	Balance at 12/31/2020	Acquisition	AFRC (***)	Capital increase	Other comprehensive income	Price adjustment	Amortization	Equity in net income of subsidiaries (*)	Balance at 09/30/2021
SBF Comércio*	1,067,213	-	-	-	-	-	-	26,641	1,093,854
VBLOG Logística*	(1,590)	-	-	-	-	-	-	4,228	2,638
Store Engenharia	(237,080)	-	-	-	-	-	-	(3,030)	(240,110)
Pine Participações	(76,412)	-	-	-	-	-	-	1,527	(74,885)
Fisia Comércio	1,664,217	-	(137,495)	-	6,159	3,207	(4,763)	205,507	1,736,832
Network Participações	-	63,493	-	4,000	-	-	(1,675)	(2,521)	63,297
Total	**2,416,348**	**63,493**	**(137,495)**	**4,000**	**6,159**	**3,207**	**(6,438)**	**232,352**	**2,581,626**

(***) AFRC – Advance for future capital decrease

Position as of December 31, 2020:

Subsidiaries	**Interest**	**Assets**	**Liabilities**	**Shareholders' equity**	**Intercompany income**	**Investment**	**Income (loss)**	**Intercompany income**	**Equity**
SBF Comércio*	99.96%	6,677,464	5,471,300	1,206,164	(138,551)	1,067,213	(112,225)	28,991	(83,203)
VBLOG Logística*	99.00%	122,849	120,425	2,424	(4,030)	(1,590)	(164)	(1,807)	(1,951)
Store Engenharia	100.00%	66,790	303,870	(237,080)	-	(237,080)	(4,890)	-	(4,890)
Pine Participações	100.00%	6,905	83,317	(76,412)	-	(76,412)	(8,759)	-	(8,759)
Fisia Comércio	100.00%	1,949,881	256,207	1,693,674	-	1,693,674	14,959	-	14,959
Network Participações	-	-	-	-	-	-	-	-	-
	Total	**8,823,889**	**6,235,119**	**2,588,770**	**(142,581)**	**2,445,805**	**(111,079)**	**27,184**	**(83,844)**

Changes	**Balance at 12/31/2019**	**Acquisition**	**AFAC**	**Capital decrease**	**Other**	**Amortization**	**Equity in net income of subsidiaries (*)**	**Balance at 12/31/2020**
SBF Comércio*	803,359	-	1,530,972	(1,199,550)	15,635	-	(83,203)	1,067,213
VBLOG Logística*	361	-	-	-	-	-	(1,951)	(1,590)
Store Engenharia	(229,868)	-	-	(2,322)	-	-	(4,890)	(237,080)
Pine Participações	(67,653)	-	-	-	-	-	(8,759)	(76,412)
Fisia Comércio	-	1,650,768	-	-	-	(1,510)	14,959	1,664,217
Network Participações	-	-	-	-	-	-	-	-
				-		-		
Total	**506,199**	**1,650,768**	**1,530,972**	**(1,201,872)**	**15,635**	**(1,510)**	**(83,844)**	**2,416,348**

(*) It already considers effects from elimination of inventories' income on equity in investees' calculation.

15 Property, plant and equipment – Consolidated

	Annual depreciation rate (%)	Cost	Accumulated depreciation	09/30/2021	12/31/2020
Computers and peripherals	20	156,893	(114,038)	42,855	42,455
Machinery, equipment and tools	10	67,552	(49,356)	18,196	20,114
Furniture and fixtures	10	217,944	(115,663)	102,281	90,337
Vehicles	20	2,727	(2,682)	45	117
Leasehold improvements	5	642,337	(286,041)	356,296	358,586
Real estate		329	(8)	321	-
Property, plant and equipment in progress	(a)	28,887	-	28,887	4,887
		1,116,669	**(567,788)**	**548,881**	**516,496**

In the period from January 1 to September 30, 2021, the changes in property, plant and equipment are presented in the chart below:

	Opening balance at 01/01/2021	Additions	Write-offs	Transfer between captions	Acquisition of Network	Closing balance 09/30/2021
Computers and peripherals	148,328	3,843	(1,727)	5,577	872	156,893
Machinery, equipment and tools	67,235	517	(1,599)	1,192	207	67,552
Furniture and fixtures	198,408	2,484	(6,972)	23,805	219	217,944
Vehicles	5,248	-	(2,521)	-	-	2,727
Leasehold improvements	627,590	4,272	(16,904)	27,128	251	642,337
Property, plant and equipment in progress (a)	4,887	85,319	(3,617)	(57,702)	-	28,887
Real estate	-	-	-	-	329	329
Cost of property, plant and equipment	1,051,696	96,435	(33,340)	-	1,878	1,116,669
Computers and peripherals	(105,873)	(9,471)	1,718	-	(412)	(114,038)
Machinery, equipment and tools	(47,121)	(3,553)	1,369	-	(51)	(49,356)
Furniture and fixtures	(108,071)	(12,849)	5,390	-	(133)	(115,663)
Vehicles	(5,131)	(72)	2,521	-	-	(2,682)
Leasehold improvements	(269,004)	(24,810)	8,002	-	(229)	(286,041)
Real estate	-	-	-	-	(8)	(8)
Depreciation	(535,200)	(50,755)	19,000	-	(833)	(567,788)
Total property, plant and equipment (net)	**516,496**	**45,680**	**(14,340)**	**-**	**1,045**	**548,881**

(a) Balance of construction in progress refer to stores that are being built or refurbished. Balances are transferred to respective book accounts as construction work is completed and stores are open.

In the period from January 1 to September 30, 2020, the changes in property, plant and equipment are presented in the chart below:

	Opening balance at 01/01/2020	Additions	Write-offs	Transfer between captions	Closing balance 09/30/2020
Computers and peripherals	108,049	772	(502)	2,873	111,192
Machinery, equipment and tools	59,561	844	(2,595)	264	58,074
Furniture and fixtures	149,110	621	(6,631)	13,789	156,889
Vehicles	5,248	-	-	-	5,248
Leasehold improvements	528,752	219	(14,197)	22,290	537,064
Property, plant and equipment in progress (a)	-	85,185	-	(39,216)	45,969
Cost of property, plant and equipment	**850,720**	**87,641**	**(23,925)**	**-**	**914,436**

Computers and peripherals	(74,981)	(11,724)	475	-	(86,230)
Machinery, equipment and tools	(37,862)	(3,374)	2,274	-	(38,962)
Furniture and fixtures	(75,913)	(9,292)	5,551	-	(79,654)
Vehicles	(4,991)	(105)	-	-	(5,096)
Leasehold improvements	(204,534)	(19,956)	6,624	-	(217,866)
Depreciation	**(398,281)**	**(44,451)**	**14,924**	**-**	**(427,808)**
Total property, plant and equipment (net)	**452,439**	**43,190**	**(9,001)**	**-**	**486,628**

Evaluation of impairment

According to Technical Pronouncement CPC 1 (IAS 36), the items of property, plant and equipment and intangible asset that show indicatives that their recorded costs are higher than their recoverable values are annually reviewed to determine the need for provision for reduction of the book balance to its realizable value. The smallest cash-generating unit determined by the Company to assess the recovery of tangible and intangible assets corresponds to each of its stores. Management did not identify any changes of circumstances or indicatives of technological obsolescence, or any evidence that its assets used in its operations are not recoverable in view of its operational and financial performance, and concluded that as of September 30, 2021, there were no relevant indications of impairment loss on its assets; therefore, there was no need to record any provision for loss.

16 Intangible assets – Consolidated

	Annual amortization rate (%)	Cost	Accumulated amortization	09/30/2021	12/31/2020
Goodwill	Pursuant to agreement	16,057	(11,694)	4,363	5,229
Software	20	266,242	(161,430)	104,812	135,381
Brands, rights and patents	10	5,724	(115)	5,609	-
Distribution agreement	10	164,821	(13,735)	151,086	165,021
Digital content contract	10	52,952	(1,541)	51,411	-
Software in progress	-	68,527	-	68,527	-
Goodwill due to expected future profitability		997	-	997	-
		575,320	(188,515)	386,805	305,631

In the period from January 1 to September 30, 2021, the changes in intangible assets are presented in the chart below:

	Opening balance at 01/01/2021	Additions	Write-offs	Acquisition of Network	Closing balance 09/30/2021
Goodwill	16,692	-	(635)	-	16,057
Software	265,150	1,013	(21)	100	266,242
Brands, rights and patents	43	-	-	5,681	5,724
Software in progress	-	68,527	-	-	68,527
Distribution agreement	166,408	-	(1,587)	-	164,821
Digital content contract	-	-	-	52,952	52,952
Goodwill due to expected future profitability	-	997	-	-	997
Cost of intangible assets	448,293	70,537	(2,243)	58,733	575,320

Goodwill	(11,463)	(866)	635	-	(11,694)
Software	(129,769)	(31,590)	9	(80)	(161,430)
Brands, rights and patents	(43)	-	-	(72)	(115)
Distribution agreement	(1,387)	(12,348)	-	-	(13,735)
Digital content contract	-	-	-	(1,541)	(1,541)
Amortization	(142,662)	(44,804)	644	(1,693)	(188,515)
Total net intangible assets	305,631	25,733	(1,599)	57,040	386,805

In the period from January 1 to September 30, 2020, the changes in intangible assets are presented in the chart below:

	Opening balance at 01/01/2020	**Additions**	**Write-offs**	**Transfer between captions**	**Closing balance at 09/30/2020**
Goodwill	14,452	300	(603)	-	14,149
Software	199,163	27	(21)	185	199,354
Brands, rights and patents	43	-	-	-	43
Software in progress	-	28,180	-	(185)	27,995
Cost of intangible assets	**213,658**	**28,507**	**(624)**	**-**	**241,541**
Goodwill	(10,955)	(484)	221	-	(11,218)
Software	(85,077)	(28,246)	9	-	(113,314)
Brands, rights and patents	(41)	(1)	-	-	(42)
Amortization	**(96,073)**	**(28,731)**	**230**	**-**	**(124,574)**
Total net intangible assets	**117,585**	**(224)**	**(394)**	**-**	**116,967**

Reconciliation of cash flow

	09/30/2021	**09/30/2020**
Depreciation of property, plant and equipment	51,588	44,451
Amortization of intangible assets	46,497	28,731
Depreciation of lease liabilities	141,635	102,128
Depreciation and amortization expenses in the statement of cash flow	**239,720**	**175,310**
Depreciation expense - sales expenses (Note 28)	159,402	127,750
Depreciation expense - general and administrative expenses (Note 28)	69,892	40,155
Total	**229,294**	**167,905**

The difference between the amounts presented in the changes of property, plant and equipment, intangible assets and right-of-use assets (Notes 15, 16 and 17) in relation to depreciation expense presented in Note 28, in the amounts of R$ 10,426 in 2021 (R$ 10,965 as of December 31, 2020 and R$ 7,405 as of September 30, 2020), refers to the effects of PIS and COFINS, which are presented in the “Depreciation” caption in the income (loss) for the period.

17 Right-of-use and Lease Liabilities

The Company has lease agreements (operating leases) for the properties of its administrative headquarters, distribution centers and stores, with average terms between 10 and 25 years and option of renewal. These contracts are covered by the technical pronouncement of CPC 06 (R2) Leases.

The Company chose not to evaluate its assets with the benefits granted in the lease agreement related to COVID-19, thus applying CPC 06 R2, amended by CMV Resolution 859/20, as if the change were not a modification of the lease agreement. As of September 30, 2021, these benefits amounted to R$ 17,972 (R$ 41,652 as of September 30, 2020) recognized in the Company's statements of income.

Right-of-use assets

In the period from January 1 to September 30, 2021, the changes in right-of-use were presented in the chart below:

	Consolidated		
Assets - Right-of-use	**Real estate**	**Vehicles**	**Total**
Opening balance at 01/01/2021	1,149,150	5,022	1,154,172
(+/-) New contracts and Remeasurement	336,983	23,272	360,255
(-) Depreciation	(138,319)	(3,316)	(141,635)
(-) Write-offs of contracts	(4,921)	(745)	(5,666)
Total at 09/30/2021	**1,342,893**	**24,233**	**1,367,126**

In the period from January 1 to September 30, 2020, the changes in right-of-use were presented in the chart below:

	Consolidated		
Assets - Right-of-use	**Real estate**	**Vehicles**	**Total**
Opening balance at 01/01/2020	1,132,892	4,911	1,137,803
(+/-) New contracts and Remeasurement	107,495	480	107,975
(-) Depreciation	(100,569)	(1,559)	(102,128)
(-) Write-offs of contracts	(22,185)	-	(22,185)
Total at 09/30/2020	**1,117,633**	**3,832**	**1,121,465**

Lease liabilities

In the period from January 1 to September 30, 2021, the changes in lease liabilities are presented in the chart below:

	Consolidated		
Liabilities - lease payable	**Real estate**	**Vehicles**	**Total**
Opening balance at 01/01/2021	1,197,182	4,387	1,201,569
(+/-) New contracts and Remeasurement	336,983	23,272	360,255
Allocation of interest incurred	88,071	885	88,956
(-) Payments of lease liability	(165,737)	(3,649)	(169,386)
(-) Discounts obtained	(17,950)	(22)	(17,972)
(-) Write-offs of contracts	(2,524)	(1,327)	(3,851)
Total at 09/30/2021	**1,436,025**	**23,546**	**1,459,571**
Current	**182,098**	**4,884**	**186,982**
Non-current	**1,253,927**	**18,662**	**1,272,589**

In the period from January 1 to September 30, 2020, the changes in lease liabilities are presented in the chart below:

	Consolidated		
Liabilities - lease payable	**Real estate**	**Vehicles**	**Total**
Opening balance at 01/01/2020	1,144,953	4,867	1,149,820
(+/-) New contracts and Remeasurement	107,495	480	107,975
Allocation of interest incurred	75,577	257	75,834
(-) Payments of lease liability	(143,093)	(1,798)	(144,891)
(-) Write-offs of contracts	(25,084)	-	(25,084)
Total at 09/30/2020	**1,159,848**	**3,806**	**1,163,654**
Current	**103,330**	**2,342**	**105,672**
Non-current	**1,056,518**	**1,464**	**1,057,982**

Maturity schedule of lease liabilities

As of September 30, 2021, the Company had the following minimum payment schedule of non-cancellable operating leases:

	Consolidated		
	Real estate	**Vehicles**	**Total**
Up to 1 year	182,098	4,884	186,982
1–5 years	487,709	13,701	501,410
>5 years	766,218	4,961	771,179
Group as lessee	**1,436,025**	**23,546**	**1,459,571**

Variable lease payments

In the nine-month period ended September 30, 2021, the Company recognized the amount of R$ 13,609 (R$ 31,494 in the same period of 2020) related to expenses related to the payment of variable leases. See Note 27.

18 Suppliers – Consolidated

	09/30/2021	12/31/2020
Suppliers of goods for resale	777,644	556,082
Suppliers of consumption materials	72,468	101,376
Adjustment to present value	(1,468)	(2,645)
	848,644	**654,813**

Refer to suppliers related to resale products, consumption materials and other materials and services.

The Company offered a credit advance program for its suppliers with financial institutions, whose main purpose is to facilitate the processing of payments and allow willing suppliers to sell their receivables before the due date, with no right of return. These prepayment operations with suppliers do not significantly extend the payment conditions beyond the normal terms agreed with the suppliers. As of September 30, 2021, there was the amount of R$ 60,535 (the amount of R$ 56,837 as of December 31, 2020).

19 Loans, financing and debentures – Consolidated

Loans	**09/30/2021**	**12/31/2020**
Working capital	327,848	365,262
Financing assets	20,722	6,863
Subtotal	**348,570**	**372,125**
Debentures	536,441	226,762
Total	**885,011**	**598,887**
Loans and financing	181,104	93,275
Debentures	85,863	-
Current	**266,967**	**93,275**
Loans and financing	167,466	278,850
Debentures	450,578	226,762
Non-current	**618,044**	**505,612**

Equity changes in 2021 financial liabilities are as follows:

	01/01/2021	Additions	Payment of principal	Interest payment	Provision for interest	09/30/2021
Working capital	365,262	-	(44,464)	(12,530)	19,580	327,848
Financing assets	6,863	17,625	(3,864)	(786)	884	20,722
Loans and financing	**372,125**	**17,625**	**(48,328)**	**(13,316)**	**20,464**	**348,570**
Debentures	226,762	297,211	-	(6,779)	19,247	536,441
Total	**598,887**	**314,836**	**(48,328)**	**(20,095)**	**39,711**	**885,011**

The reconciliations of equity changes for financial liabilities in 2020 are as follows:

	01/01/2020	Additions	Payment of principal	Interest payment	Provision for interest	09/30/2020
Working capital	32,698	353,589	(21,118)	(2,879)	6,927	369,217
Financing assets	1,892	6,117	(2,134)	(467)	467	5,875
Loans and financing	**34,590**	**359,076**	**(23,252)**	**(3,346)**	**7,394**	**375,092**
Debentures	-	226,215	-	-	3,065	229,280
Total	**34,590**	**585,921**	**(23,252)**	**(3,346)**	**10,459**	**604,372**

With the inflow of funds from the issuance of shares, Management settled a large portion of the outstanding loans.

On September 30, 2021, the Company held 69.83% of its long-term debt. Bank debt average annual cost was 8.5% in 2021 (3.66% as of September 30, 2020).

Terms and conditions of outstanding loans are as follows:

			2021			2020		
	Currency	% p.a.	Original value	Book value - current	Book value - non-current	Original value	Book value - current	Book value - non-current
Working capital (a)	R$	105% CDI p.a. - 100% CDI + 3.8% p.a.	372,494	172,973	154,875	371,686	90,464	274,798
Financing assets (a)	R$	100% CDI + 4–13.10% p.a.	25,507	8,131	12,591	10,849	2,811	4,052
Loans and financing			**398,001**	**181,104**	**167,466**	**382,535**	**93,275**	**278,850**
Debentures (b)	R$	100% CDI + 3.4% p.a.	530,000	85,863	450,578	230,000	-	226,762
Total loans and financing			**928,001**	**266,967**	**618,044**	**612,535**	**93,275**	**505,612**

Terms and conditions of outstanding loans are as follows:

(a) Loans are guaranteed by the Company and guaranteed by lien of assets.

(b) On May 14, 2021, in order to strengthen cash and finance the growth strategy, the Company contracted with a financial institution the distribution of the 2nd issue of simple, non-convertible, unsecured debentures, guaranteed by the Parent Company, in a single series, issued by SBF Comércio ("Debentures"), for public distribution with restricted placement efforts, under firm guarantee, in the total amount of R$ 300,000,000.00; the maturity of the contract will begin in May 2025. As a result of the Debentures offering, SBF Comércio issued 300,000 debentures on May 25, 2021, in the unit value of R$ 1,000.00.

The maintenance of the contractual maturity of debentures, loans and financing, in their original maturity, is subject to compliance with restrictive clauses ("covenants"), with which the Company has been complying regularly.

Summary of loans and financing per maturity

	1 year	2 years	3 years	>3 years	Total
Working capital	172,973	77,011	77,429	435	327,848
Financing assets	8,131	7,972	4,619	-	20,722
Loans and financing	**181,104**	**84,983**	**82,048**	**435**	**348,570**
Debentures	85,863	174,993	175,798	99,787	536,441
Total	**266,967**	**259,976**	**257,846**	**100,222**	**885,011**

20 Tax payable - Consolidated

	09/30/2021	12/31/2020
IRPJ	26,907	46,281
CSLL	2,687	13,386
PIS	4,891	2,454
COFINS	22,556	12,205
ICMS	114,793	99,211
ISS	1,819	1,249
IRRF	4,290	3,569
IPI	1,230	42,159
Other	4,821	3,256
Total tax liabilities	**183,994**	**223,770**

In relation to the amount of the IPI payable verified above, pursuant to the judgment of Extraordinary Appeal 946648/SC by the Plenary session of the STF [Brazilian Federal Supreme Court], which, in the general repercussion system, declared the levy of IPI on the resale of imported products as constitutional and, in these terms, the Company's external advisors started to evaluate the discussion with a probability of probable loss. In view of this fact and the risk of collection by the Federal Tax Authorities, in December 2020, the Company opted to provision the amount to be eventually discussed, from January 2016 to December 2020, in the amount of R$ 42,046. During the second quarter of 2021, the Company carried out a new survey, relating to the IPI at the time of resale for the last 5 years, and the actual amount to be paid was R$ 38,377 under the terms of the decision issued by the STF in 2020. After carrying out this survey, through a spontaneous denunciation made in the second quarter of 2021, the principal amount of R$ 29,125 and interest and a fine of R$ 9,352 were paid.

21 Taxes in installments - Consolidated

	09/30/2021	12/31/2020
Scheduling of federal taxes	45,784	66,572
Scheduling of federal taxes	116,250	89,970
Municipal taxes in installments	-	9
Total taxes in installments	**162,034**	**156,551**
Current liabilities	61,836	54,775
Non-current liabilities	100,198	101,776

The changes in taxes in installments for the period ended September 30, 2021 are shown in the following table:

Balance at 01/01/2020	**196,191**
Adhesion to state taxes	5,445
Interest on payments of taxes in installments	6,001
Installments paid	(45,405)
Balance at 09/30/2020	**162,232**

Balance at 01/01/2021	**156,551**
Adhesion to state taxes	21,138
Interest on payments of taxes in installments	22,893
Interest reversal	(901)
Installments paid	(37,647)
Balance at 09/30/2021	**162,034**

Detailed information about these payment in installments is presented below, as well as maturities of installments classified in non-current liabilities:

State	Current	Non-current	Grand total	2021	2022	2023	2024	>2025
RJ	8,460	13,029	21,489	2,115	8,460	10,914	-	-
MG	7,382	2,472	9,854	1,845	6,902	1,107	-	-
DF/GO	5,742	1,435	7,177	1,435	5,742	-	-	-
SP	2,033	2,044	4,077	508	2,033	1,446	90	-
Other	1,679	1,508	3,187	420	1,618	1,149	-	-
Total State	**25,296**	**20,488**	**45,784**	**6,323**	**4,755**	**14,616**	**90**	**-**
Ordinary installment payments	3,700	3,608	7,308	924	3,700	2,343	46	295
Refis Law 11941	19,408	53,343	72,751	4,851	19,409	19,409	19,409	9,673
Other	13,432	22,759	36,191	5,153	11,040	11,040	8,329	629
Total Federal	**36,540**	**79,710**	**116,250**	**10,928**	**34,149**	**32,792**	**27,784**	**10,597**
Total Installments	**61,836**	**100,198**	**162,034**	**17,251**	**58,904**	**47,408**	**27,874**	**10,597**

State installment payments

In 2015 the Company made the spontaneous denunciation regarding the difference of ICMS rate on the transfers of goods imported from the General CD to the stores in MG and to the electronic commerce CD in the original amount of R$ 15,653. In 2017, the company VBLOG logística and SBF Comércio made a voluntary confession in the total amount of R$ 7,917 and R$ 5,678, respectively, related to the regularization of ICMS levied on the shipment of goods with subcontracting of third parties. These are the most relevant installment payments for this State. The balance on September 30, 2021 of all installment payments of Minas Gerais is R$ 9,854 (R$ 15,572 as of December 31, 2020).

In 2018, the Company adhered to the amnesty of the State of Rio de Janeiro including its previous installment payments and the regularization of ICMS from January to April 2018. In 2019, the Company joined an ordinary installment payment of the months from May to November 2018, and the amount on September 30, 2021 is R$ 21,489 (R$ 29,187 as of December 31, 2020).

In 2018 and 2019, the Company regularized the ICMS amounts declared in the ancillary obligations of the state of Goiás and the Federal District, including its debts in the amnesty granted by the State, being all of the competences of 2018, and the amount on September 30, 2021 in the amount of R$ 7,177 (R$ 11,498 as of December 31, 2020).

The other installment payments corresponding to the remaining states amount to R$ 7,264 (R$ 10,315 as of December 31, 2020).

Federal government installment payments

Ordinary installment payments - In the third quarter of year 2018, the Company joined the ordinary social security installment payment related to the debts for the period from March 2018 to July 2018, and the balance on September 30, 2021 amounts to R$ 6,201. In August 2019, the Company extended the previous installment payment of debits from December 2017 to April 2018, including the payment of new debits of 12/2018 and 01/2019 and the balance as of September 30, 2021 amounts to R$ 1,104, totaling the amount of R$ 7,308 (R$ 49,702 as of December 31, 2020).

Refis Law 11941
In 2009, the Company join the special installment payment called “Refis da Crise”, established by Law 11,941, related to PIS/COFINS/Corporate Income Tax/Social Contribution for the period from 1997 to 2006, and the balance on September 30, 2021 totaled R$ 72,751 (R$ 35,935 as of December 31, 2020).

The other installment payments total R$ 36,191 (R$ 4,333 in December 2020).

22 Labor and social security obligations – Consolidated

	09/30/2021	12/31/2020
Provisions for vacations and 13th salary	68,569	43,793
Provision for profit sharing	34,907	4,887
Salaries payable	17,796	21,552
Payroll and related charges payable	5,025	701
Social security charges	232	232
Alimony	95	42
Labor obligations	**126,624**	**71,207**
INSS payable	17,553	17,255
FGTS payable	1,913	3,362
Withholding INSS payable	2,402	1,864
Social security obligations	**21,868**	**22,481**
Total liabilities	**148,492**	**93,688**

23 Other accounts payable

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Advances from clients	-	-	3,724	23,366
General provisions	202	1,095	43,376	47,796
Obligations with investments	448,250	502,600	448,250	502,600
Other	-	3,300	34,873	20,914
	448,452	**506,995**	**530,223**	**594,676**

Investment obligations refer to the parts of the purchase agreement of the companies Físia

Comércio and NWB Participações that have not yet been carried out, as per acquisition note 2 and note 3.

24 Shareholders' equity

a. Capital

The Company's capital on September 30, 2021 was R$ 1,926,070 divided into 242,958,522 nominative and common shares with no par value, while on December 31, 2020 the capital was R$ 1,918,758 divided into 241,889,833 common shares with no par value.

Changes in capital and expenditures with issuance of shares

Capital at December 31, 2020	**1,918,758**
Capital increase	7,313
Subtotal	1,926,071
Expenditures with issue of shares in 2019 (ii)	(55,393)
Expenditures with issue of shares in 2020 (ii)	(47,880)
Balance at September 30, 2021	**1,822,798**

(i) On May 11, 2021, there was an increase of R$ 1,174 in the Parent Company's capital through the issuance of 200,292 common, registered, book-entry shares, without par value, as a result of the exercise of stock options for 176 shares related to the 1st 2016 stock option program and 24 shares referring to the 2nd 2019 stock option program, as a result of such capital increase, the Parent Company's capital increased from R$ 1,918,758, divided into 241,890 shares, to R$ 1,919,932, divided into 242,090 shares.

On August 10, 2021, there was an increase of R$ 6,139 in the Parent Company's capital through the issuance of 868 common, registered, book-entry shares, without par value, as a result of the exercise of stock options for 658,397 shares related to the 1st 2016 stock option program and 210 shares referring to the 2nd 2016 stock option program, as a result of such capital increase, the Parent Company's capital increased from R$ 1,919,932, divided into 242,090,125 shares, to R$ 1,926,070, divided into 242,959 shares.

(ii) Share issuance expenditures are related to transaction costs such as: i) expenditures with preparation of memorandums and reports; ii) remuneration for professional services of third parties (lawyers, auditors, consultants, investment bank professionals, brokers, etc.); iii) advertising expenditures; iv) rates and commissions; v) transfer costs; vi) registration costs etc.

Shareholding control of Grupo SBF S.A. as of September 30, 2021 is distributed as follows:

	2021	
Shareholder	**Quantity**	**%**
Pacipar Participações Ltda.	95,930,259	39.49%
Nefele Investments, LLC	48,456,001	19.94%
GPCP I - Fundo de inv. Part	1,185,014	0.49%
Stock Options Plan (S.O.P.)	5,303,955	2.18%
Other	92,083,293	37.90%
	242,958,522	100.00%

b. Authorized capital

The Company is authorized to increase its capital up to the limit of 300,000,000 shares, through resolution of the Board of Directors, regardless of statutory amendment. The Board of Directors shall determine the issue price and the quantity of shares to be issued, as well as the payment terms and conditions.

Within the limit of the authorized capital, the Board of Directors may also (i) resolve on the issue of subscription bonuses; (ii) pursuant with the plan approved at the General Meeting, grant stock options to managers and employees of the Company or other companies under its control, or individuals providing services to them, without the shareholders having preemptive rights in the granting or subscription of these shares; (iii) approve the capital increase through the capitalization of profits and reserves, with or without stock bonus; and (iv) decide on issue of debentures convertible into shares

c. Earnings per share – Consolidated

The Company calculates the basic earnings per share by dividing the statements of income attributable to Company's shareholders by the weighted average number of outstanding common shares during the period.

Diluted earnings per share reflects potential dilution of stock options that could be exercised or converted into common shares, and is calculated by dividing net income attributable to the Company's shareholders by the average weighted number of outstanding common shares, in addition to the potential dilutive effect of exercisable stock options.

The basic and diluted earnings per share for the period ended September 30, 2021 and 2020 are as follows:

Basic/diluted currency – Parent Company	**2021**	**2020**
Net income (loss) for the period	209,418	(127,309)
Weighted average of common shares	242,959	224,404
Earnings per share – reais (R$)	**0.86**	**(0.57)**
Net income (loss) for the period	209,418	(127,309)
Weighted average of common shares	242,959	224,404
Options exercised and not paid	935	851
Increase in common shares as a results of stock option plan	8,131	9,510
Diluted earnings per share - R$	**0.84**	**(0.57)**

When the Company reports a net loss attributable to the owners of the Parent Company, the diluted losses per common share are equal to the basic losses per common share, due to the antidilutive effect of outstanding stock options.

d. Legal reserve

The legal reserve is set up annually by the allocation of 5% of net income for the period, and may not exceed 20% of the Company's capital. The purpose of the legal reserve is to guarantee that the capital is paid up and it is used solely to offset losses and increase capital.
Mandatory dividends

As established in the Company's Bylaws, of total income, 5% will be applied, before any assignment, to establish a legal reserve, which may not exceed 20% of capital, and 25% will be mandatorily distributed to shareholders, in proportion to interest of each one in capital.

As of September 30, 2021 and December 31, 2020, dividends were not determined since the Company had accumulated losses and obligation to form reserves.

e. Tax incentive reserve

The Company established distribution centers in the States of Paraíba and Minas Gerais, where local it has been granted tax incentives that reduce the amount of sale taxes, effectively increasing the amount of net revenue recognized.

The incentives also determine that the Company is not allowed to take credits for taxes paid on the purchase of products subsequently sold outside those States, so that these amounts become non-recoverable taxes, thus increasing costs of sales. Notes 26 and 27 of this quarterly information present impact on net sales and sales costs.

These benefits are accounted for as a reduction to tax levied on sales of goods (ICMS) as of September 30, 2021 was R$ 76,090 (R$ 39,729 in September 2020). Also the non-recoverable ICMS taxes are accounted in cost of sales in amount of R$ 2,421 in 2021 (R$ 3,657 in September 2020).

As the Company has accumulated losses, the tax incentive reserve is being reversed.

Funds resulting from tax benefits will not be distributed as dividends and will be incorporated to reserves as the Company generates taxable income.

25 Share-based payment - Consolidated

The purpose of these “Plans” is to attract and retain executives of the Company and its direct and indirect subsidiaries, granting shareholders’ interests indicated by the Board of Directors to administrators, employees, and service providers

In case the Company has its shares listed and traded in stock exchange, price for the period will be equivalent to weighted average per trade volume of 90 trading sessions immediately prior to option grant date, and may be adjusted for inflation based on change of a price index to be determined by the Board of Directors, plus interest, based on rate possibly determined by the Board of Directors.

The Stock Option Plan or “2016 Plan” was approved in December 2016 during the Extraordinary General Meeting. For the grants made under this Plan, it was defined that they will consist of 5 batches, each having 20% of the total options granted to the participant. Each year, after the grant date, one of the lots will become exercisable, with all options granted being available for exercise after 5 (five) years from the grant date. In addition, participants must use not less than 50% (fifty percent) of the annual bonus as bonus or profit-sharing, net of income tax, and other charges (“PLR”) to exercise options made available under the rules of this Plan each year, under penalty of cancellation of all options vested to that date. Finally, the contract period to exercise options in each batch is 8 years as of the end of grace period.

The First Program of the Plan of 2016 (“2016 - First Program”) was granted in December 2016, when the Company had not yet gone public on the stock exchange. The exercise price defined was R$ 4.00. The second program (“2016 - Second Program”), granted in October 2019, had its exercise price defined to reflect the Company’s IPO price.

Also in 2019, as communicated through the material fact to the market, the Board approved the Stock Option Plan, "Plan 2019" I and II. For the grants of this plan, the strike price is set based on the average of 90 trading sessions prior to approval, with a discount of 10%. These grants, in turn, are divided into 4 batches, the first two corresponding to 30% of the total granted each, and the last two to 20% of the total granted each. The first batch becomes exercisable after 24 months of granting, and thereafter, every 12 months another batch becomes exercisable.

Since the approval of the 2019 Plan, three programs have been granted: one in October 2019 ("2019 - First Program"), another on June 30, 2020 ("2019 - First Grant Program - March 2020"), and the third one in April 2020 ("2019 - Second Program"), the last grant of 2020.

On November 10, 2020, the Company's Board of Directors approved the Second 2020 Stock Option Plan ("2020 Second Program"), also of the 2019 Plan, which was granted on February 26, 2021.

Below are the statements of the amounts granted in the 2016 and 2019 Plans, organized per year and updated for the period ended September 30, 2021, as well as a breakdown of the assumptions of each grant made in these plans.

Plan program	**Opening balance 01/01/2021**	**Granted**	**Exercised**	**Canceled**	**Closing balance 09/30/2021**
2016 - First Program	1,635,074	-	(714,803)	(173,825)	746,446
2016 - Second Program	1,872,227	-	(196,141)	-	1,676,086
2019 - First Program	4,553,206	-	-	(260,000)	4,293,206
2019 - First Program - Grant March 2020	50,000	-	-	-	50,000
2019 - Second Program	24,000	-	(24,000)	-	-
2020 - Second Program	-	330,281	-	-	330,281
Total	**8,134,507**	**330,281**	**(934,944)**	**(433,825)**	**7,096,019**

Basic assumptions of the plan:	**2019 2nd grant March 2020**	**2019 2nd program**	**2019 1st program**	**2016 2nd program**	**2016 1st program**	**2020 2nd program**
Pricing model	Binomial	Binomial	Binomial	Binomial	Black-Scholes	Binominal
Dividend Yield	1.31%	0.00%	1.31%	1.31%	5.00%	0.00%
Expected average annualized volatility	67.92%	76.00%	34.96%	34.96%	23.63%	47.08%
Risk-free rate	6.25%	6.00%	5.96%	5.96%	11.37%	6.00%
Strike price	15.44 restated at IPCA	14.80 restated at IGP-M	14.80 restated at IPCA	14.80 restated at IGP-M	4.00	26.25
Share price not considered	22.35	27.43	20.97	20.97	4.81	26.36
Expected term for the year	8 years	8 years	5.48 years	5.33 years	5.17 years	5 years
IGP-M	3.5%	3.7%	4.00%	4.00%	N.A.	N.A.
Option price on grant date per share	**14.49**	**14.175**	**10.545**	**11.33**	**2.0522**	**11.6100**

26 Net revenues – Consolidated

	09/30/2021	09/30/2020
Gross operating revenue		
Sale of goods	4,341,097	1,647,236
Rendering of services	62,411	43,679
Taxes levied		
Sale of goods	(918,008)	(397,811)
ICMS – Tax incentive (i)	76,090	39,729
Rendering of services	(5,875)	(4,428)
Returns		
Sale of goods	(132,017)	(14,380)
Reserves and provisions	3,300	-
Net revenue from sales	**3,426,998**	**1,314,025**

(i) See Note 24e on the Company's tax incentives.

Revenue from retail market and e-commerce

The gross revenue of goods from retail market (brick-and-mortar stores), wholesale (distribution of Nike products) and e-commerce is presented below:

	09/30/2021	09/30/2020
Retail market (physical stores)	2,119,549	952,521
Wholesale	1,106,439	-
E-Commerce	1,115,109	694,715
Gross revenue	**4,341,097**	**1,647,236**

In terms of geographic region, the Company's sales are substantially concentrated in the Southeast of the country, since this region concentrates the largest number of stores and also because it has the highest demographic density. Our gross revenue with the sales of goods by region is presented below.

	09/30/2021	09/30/2020
Southeast	2,921,167	1,133,986
Northeast	545,466	208,560
South	493,524	136,844
Mid-West	258,878	74,101
North	122,062	93,745
Gross sales	**4,341,097**	**1,647,236**

Due to the acquisition of Fisia's operations on December 1, 2020, the Company had a significant increase in revenues compared to the same period of the previous year.

27 Cost of sales - Consolidated

	09/30/2021	09/30/2020
Cost of resale of goods	(1,858,870)	(727,974)
Cost of services rendered - freight and logistics	(26,345)	(8,234)
	(1,885,215)	**(736,208)**

Cost of sales at Premier includes the non-recoverable ICMS credit balance disclosed in Note 24e, granted by the States of Minas Gerais and Paraíba. Non-recoverable ICMS total amount with an effect in sales cost as of September 30, 2021 was R$ 2,421 (R$ 3,657 as of September 30, 2020).

The significant increase in resale costs is due to the acquisition of Fisia's operations on December 1, 2020.

28 Expenses per nature – Consolidated

	09/30/2021	09/30/2020
Personnel	(347,528)	(213,315)
Outsourced services	(168,832)	(26,925)
Promotions	(150,893)	(65,395)
Utilities and services	(121,531)	(102,023)
Depreciation of right-of-use	(107,066)	(85,120)
Depreciation and amortization	(52,336)	(42,630)
Other expenses	(49,645)	(22,395)
Administrative rate	(47,468)	(23,623)
Occupation	(39,477)	(31,028)
Provision for Contingencies	3,800	2,145
(-) Discounts on leases	17,817	39,677
Total selling expenses	**(1,063,159)**	**(570,632)**

	09/30/2021	09/30/2020
Personnel	(96,882)	(38,574)
Depreciation and amortization	(43,055)	(28,632)
Utilities and services	(33,214)	(17,381)
Depreciation from right-of-use	(26,837)	(11,523)
Third party services	(24,464)	(25,670)
Other expenses	(21,232)	(7,006)
Occupation	(8,178)	(466)
Promotions	(1,400)	(727)
(-) Discounts on leases	155	1,975
Provision for Contingencies	13,130	(468)
Total administrative expenses	**(241,977)**	**(128,472)**

The significant increase in selling and administrative and general expenses is due to the acquisition of Fisia's operations on December 1, 2020.

29 Net Financial (expenses) income– Consolidated

	09/30/2021	09/30/2020
Foreign-exchange income	94,127	6,291
Interest and fines received	7,986	61
Inflation adjustment of taxes	26,917	38,133
Revenues from interest earning bank deposits	5,288	10,357
Adjustment to present value	3,292	16,295
Inflation adjustment of judicial deposits	4,983	1,777
Discounts obtained	13	51
Other	163	1,579
Financial revenues	**142,769**	**74,544**
Foreign exchange costs	(95,311)	(3,442)
Interest from lease	(83,590)	(73,346)
Interest on installment payment of taxes	(22,893)	(6,001)
Interest on loans, financing	(18,984)	(7,394)
Interest on debentures	(17,996)	(3,065)
Interest on late payment of taxes	(28,194)	(1,775)
Adjustment to present value	(6,434)	(11,658)
Bank tariffs and rates	(6,312)	(15,644)
Interest on payment in arrears	(2,977)	(5,295)
Taxes on financial operations	(863)	(60)
Interest on discounts of trade notes	(30)	(7,848)
Interest on related parties - loans	-	-
Other financial expenses	430	(4,931)
Interest on litigation	4,349	(6,862)
Financial expenses	**(278,805)**	**(147,321)**
Net financial expenses recognized in the income (loss)	**(136,036)**	**(72,777)**

The increase in expenses with exchange variation is due to the hedge operation that the company Físia has for managing exchange risk on product imports.

30 Management of risks and financial instruments

All the operations with financial instruments are recognized in the Company's quarterly information. In the period ended September 30, 2021, the Company does not have a formal risk management policy, but it has a Board of Directors that directs and monitors the practices that guide risk management, including strategies to minimize potential foreign exchange, interest rate, credit and liquidity risks.

The operations of the Company are subject to the risk factors described below:

Financial risk management

The main risk factors to which the Company is exposed reflect strategic operational and economic/financial aspects. Strategic operating risks (such as, among others, demand behavior, competition and material changes in the structure of the market) are addressed by the Company's management model.

The economic and financial risks reflect mainly the behavior of macroeconomic variables, such as foreign exchange and interest rates, and the characteristics of financial instruments used.

These risks are managed by means of monitoring by Top Management that actively participates in the operational management.

The main financial risks considered by Top Management are:

- Credit risk;
- Liquidity risk;
- Exchange rate risk;
- Interest rate risk;

This note contains information on the Company's exposure to each of the abovementioned risks, the objectives, practices and the processes for measuring and managing risk and the capital management. Additional quantitative disclosures are included throughout this quarterly information.

Risk management structure

Credit risk

Credit risk is the possibility of a financial loss of the Company if a client or a counterpart of a financial instrument fails to fulfill its contractual obligations arising mainly from retail trade accounts receivable or interest earning bank deposits.

The Company’s credit risk is credit card acquirers and wholesale clients, with credit card companies accounting for 77.44% of the receivables on the Company’s balance sheet, while wholesale receivables accounts for 22.56%. All Company sales, in stores or e-commerce, are carried out using credit cards or cash payment with bank slip, cash or debit card and those related to wholesale are carried out by payment slip.

The Company records an allowance for doubtful accounts only for the wholesale, as it understands that the portfolio of credit card receivables is safe and certain as risks are assumed by credit card companies. Historically, the Company has not presented losses in realization of accounts receivable.

For sales that are not carried out through purchasers, credit analysis is performed for each client and approval is decided case by case, with different approval limits according to sale financial value.

As regards financial institutions, the Company only invests in low risk financial institutions assessed by rating agencies or in other financial institutions that require investments as a guarantee for credit facilities.

The book values of financial assets represent the maximum credit exposure. The maximum credit risk exposure as of the date of quarterly information was as follows:

	Consolidated	
	09/30/2021	**12/31/2020**
Interest earning bank deposits – Current	519,546	148,448
Accounts receivable	1,069,658	972,911
Other accounts receivable	57,025	146,673
Financial Investments – as per B/S– Non-current	324	324
Other accounts receivable - non-current	72,235	626
	1,718,788	1,268,982

Due to the characteristics of its business, the Company does not have differentiated levels of credit risk by region, customer profile, sales concentration, or different risks for sales in physical stores and using e-commerce.

Evaluation of expected credit loss to individual clients

The Company uses a provisioning matrix to measure the expected credit loss with individual trade accounts receivable, comprising a large number of small balances.

Loss rates are calculated based on the 'rollover' method based on the likelihood of an amount receivable goes through successive delinquency phases up to its full write-off. Rollover rates are calculated separately for exposures in different segments based on the following common credit risk characteristics: geographic region, time of relationship with the client and type of product purchased.

Loss rates are based on actual credit loss experience over the past seven years. These rates have been multiplied by scale factors to reflect differences among economic conditions during the period in which historic data was collected, current conditions, and Company's vision on economic conditions over receivables' expected lives, see Note 6.

Derivatives

Derivatives are contracted from banks and financial institutions with rating between A-1+ and AAA, based on credit rating agency Fitch Ratings.

Liquidity risk

Liquidity risk is the risk of the Company may find difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments.

The Company's approach in the management of liquidity risk is to guarantee the payment of its obligations, for which reason it aims to maintain cash available for the performance of its short-term obligations, making every effort to ensure that there is always sufficient liquidity to honor its obligations, under normal and stress conditions, without causing unacceptable losses or with the risk of blemishing the company's reputation.

As main strategy, the Company maintains contracts for advance of receivables that are enforced if required. As of September 30, 2021, the Company did not have a balance of advanced receivables to be amortized from credit card companies since there is no immediate need for cash (R$ 4,241 on December 31, 2020).

The Company also monitors expected level of cash inflows deriving from 'trade accounts receivable and other amounts receivable' as well as expected cash outflows related to 'trade accounts payable and other accounts payable.' As of September 30, 2021, expected cash flow from 'trade accounts receivable and other amounts receivable' maturing within two months was R$ 341,653 (R$ 683,148 in December 2020).

Indebtedness ratio - Consolidated

Short-term obligations	(2,246,384)	(1,852,279)
Cash and cash equivalents	560,975	514,295
Derivatives	26,040	11,580
Accounts receivable	1,069,615	972,911
	(589,754)	(353,493)
Shareholders' equity	2,190,352	1,950,686
Net indebtedness ratio	27%	18%

Short-term obligations represent total current liabilities.

As of September 30, 2021, the Company had positive, consolidated net working capital amounting to R$ 1,658,673 (R$ 1,436,761 as of December 31, 2020), that is, a negative change of R$ 221,913.

In September 2021, the Company reported earnings before taxes of R$ 89,383 (loss of R$ 210,572 in September 2020).

Exposure to liquidity risk

We present below the contractual maturities of financial liabilities on the date of quarterly information. These amounts are gross and do not have discounts deducted; moreover, they include contractual interest payments and exclude the impact of offset agreements.

The Company believes that it will have no problem to honor its short-term maturities. Practically all receivables may be advanced at the time of sale. Thus, all sales, even those involving installment payments, have the potential to be received by means of selling receivables portfolio.

Payments to suppliers, in turn, have maturities that reach up to 150 days after receipt at our Distribution Center and historically we have managed to increase these payment terms, thanks to our relevance to suppliers.

Thus, the Company uses funds from sales in the period to pay off purchases made in the previous period, thereby ensuring financial balance to settle short-term maturities.

Most loans and financing are in the long term, and only 30.17% will be settled within the next 12 months, with an average cost of approximately CDI + 2.25% p.a.

September 30, 2021 Non-derivative financial liabilities	Book value	Contractual cash flows	≤ 2 months	2–12 months	1–2 years	2–5 years	>5 years
Suppliers	848,444	848,444	257,246	591,198	-	-	-
Loans and financing	348,570	380,278	49,963	142,863	98,435	89,017	-
Debentures	536,441	619,832	3,230	95,354	215,739	305,509	-
Taxes in installments	162,034	162,034	9,906	51,930	49,359	50,771	68
Leases payable	1,459,571	1,459,571	22,566	164,416	323,303	178,107	771,179
Other accounts payable	530,223	530,223	530,223	-	-	-	-
	3,885,283	**4,000,382**	**873,134**	**1,045,761**	**686,836**	**623,404**	**771,247**

December 31, 2020:

December 31, 2020 Non-derivative financial liabilities	Book value	Contractual cash flows	≤ 2 months	2–12 months	1–2 years	2–5 years	>5 years
Suppliers	654,813	654,813	458,761	196,052	-	-	-
Loans and financing	372,125	406,967	3,069	105,904	134,013	163,981	-
Debentures	226,762	254,842	-	9,381	85,260	160,201	-
Taxes in installments	156,551	156,551	9,475	45,300	49,356	51,762	658
Leases payable	1,201,569	1,201,569	18,024	101,904	256,979	253,086	571,576
Other accounts payable	594,676	594,676	594,676	-	-	-	
	3,206,496	**3,269,418**	**1,084,005**	**458,542**	**525,608**	**629,030**	**572,234**

Inflows/outflows disclosed in the table above represent undiscounted contract cash flows related to financial liabilities that are normally not closed before contract maturity. This disclosure presents net cash flow amounts for derivatives that are settled in cash based on their net exposure and gross cash inflow and outflow for derivatives with gross simultaneous settlement.

Exchange rate risk

Derives from the possibility of fluctuations in foreign exchange rates of foreign currencies used by the Company mainly to import products from foreign market. As of September 30, 2021 and December 31, 2020 there were no outstanding loans in foreign currency for outstanding imports.

The Company, through its subsidiaries, has derivative financial instruments that were classified as cash flow hedges and applies hedge accounting, in accordance with CPC 48/IFRS 9 - Financial Instruments. Cash flow hedge provides a protection against changes in the cash flows which are attributable to a particular risk associated with a recognized asset or liabilities or with a foreseen transaction that is highly likely and that might affect the result.

The relationship between the instrument and the hedged item, as well as the risk management policies and objectives, were documented at the beginning of the operation. The prospective and retrospective effectiveness tests are also duly documented, confirming that the designated derivatives are effective in offsetting the market value changes in the hedged items.

The effective portion of the changes in the fair value of derivatives designated and qualified as cash flow hedge is recorded as a component of "other comprehensive income." As of September 30, 2021, the balance to be determined in Other comprehensive income had the amount of R$ 5,451. The gain or loss relating to the non-effective portion (when calculated), is immediately recognized in income (loss). Gains from non-effective portion were determined for the period ended September 30, 2021.

Amounts accumulated in "other comprehensive income" are realized in the statement of income in the periods that the hedged item affects the income (loss) (for instance, upon the settlement of hedged item).

Interest rate risk

Result from the possibility of the Company suffering gains or losses arising from oscillations of interest rates levied on their financial assets and liabilities. Loans and financing raised by the Company, most of them at fixed rates, are the main source of this risk.

Interest earning bank deposits are mainly indexed at CDI, partially reducing loan risks.

On the quarterly information, the profile of financial instruments remunerated through Company's interest is:

	Consolidated	
	09/30/2021	**12/31/2020**
Cash and cash equivalents	560,975	514,295
Interest earning bank deposits – non-current	324	324
Derivatives	26,040	11,580
Loans and financing	(348,570)	(372,125)
Debentures	(536,441)	(226,762)
	(297,672)	**(72,688)**

Sensitivity analysis

Interest rate

The company's risk arises from operations with interest earning bank deposits and financing linked to the CDI. On September 30, 2021, the company performed sensitivity tests for adverse and favorable interest scenarios (CDI). For the sensitivity analysis, the Company used the CDI provided for in the FOCUS report (6.25%) plus 2.25%. The scenarios consider variations of 25% and 50% respectively of the CDI.

			Increase in interest		Decrease in interest	
	2021	**Probable**	**Possible (+) 25%**	**Remote (+) 50%**	**Possible (-) -25%**	**Remote (-) -50%**
Interest earning bank deposits	519,870	44,189	55,236	66,284	33,142	22,095
Derivatives	26,040	2,213	2,766	3,320	1,660	1,107
Loans and financing	(348,570)	(29,628)	(37,035)	(44,442)	(22,221)	(14,814)
Debentures	(536,441)	(45,597)	(56,996)	(68,396)	(34,198)	(22,799)

Fair value

Fair value vs. book value

Management considers that fair value is equal book value for all operations, as for these operations the book value reflects the settlement value on that date. Loans and financing are maintained monetarily updated based on interest rates contracted according to usual market conditions and, therefore, the balances payable on the balance sheet dates substantially approximate market values, even those classified as "non-current", considering the type of the corresponding financing.

The Company has financial investments in short- and long-term fixed securities that are contracted from traditional financial institutions and considered of low risk.

Rates used in loans and financing are presented in Note 19.

	09/30/2021		12/31/2020	
Assets measured at amortized cost	**Book value**	**Fair value**	**Book value**	**Fair value**
Cash and cash equivalents	41,429	41,429	365,847	365,847
Interest earning bank deposits	519,870	519,870	148,772	148,772
Derivatives	26,040	26,040	11,580	11,580
Accounts receivable	1,069,658	1,069,658	972,911	972,911
Other accounts receivable	57,025	57,025	146,673	146,673
	1,714,022	**1,714,022**	**1,645,783**	**1,645,783**
Liabilities measured by the amortized cost				
Loans and financing	348,570	348,570	372,125	372,125
Debentures	536,441	536,441	226,762	226,762
Leases	1,459,571	1,459,571	1,201,569	1,201,569
Suppliers	848,444	848,444	654,813	654,813
Taxes in installments	162,034	162,034	156,551	156,551
	3,355,060	**3,355,060**	**2,611,820**	**2,611,820**

Fair value hierarchy

Financial instruments recognized at fair value in the balance sheet are classified according to the following categories:

- **Level 1 –** Prices quoted (not adjusted) in active markets for identical assets and liabilities

- **Level 2 –** Inputs, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices)

- **Level 3 -** Inputs, for assets or liabilities, which are not based on observable market data (non-observable inputs).

The Company holds only financial instruments classified in Levels 1 and 2, corresponding to cash and cash equivalents financial investments . The table below shows briefly the financial assets and liabilities measured at fair value in the Company's balance sheet, including fair value hierarchies as of September 30, 2021.

Assets	**09/30/2021**	**Level 1**	**Level 2**
Cash and cash equivalents	41,429	41,429	-
Cash and cash equivalents - interest earning bank deposits	519,546	-	519,546
Interest earning bank deposits	324	-	324
Derivatives	26,040	-	26,040
Liabilities			
Loans and financing	348,570	-	348,570
Debentures	536,441	-	536,441

Balances as of December 31, 2020:

Assets	**12/31/2020**	**Level 1**	**Level 2**
Cash and cash equivalents	365,847	365,847	-
Cash and cash equivalents - interest earning bank deposits	148,448	-	148,448
Interest earning bank deposits	324	-	324
Derivatives	11,580	-	11,580

Liabilities	**12/31/2020**	**Level 1**	**Level 2**
Loans and financing	372,125	-	372,125
Debentures	226,762	-	226,762

Sensitivity analysis of assumptions

The Company's activities expose it to some financial risks such as: market risk, credit risk, liquidity risk.

Risk management is carried out by the Company's corporate finance area. Company's Treasury identifies, evaluates and protects against possible financial risks in cooperation with operating units.

Loans obtained at fixed rates expose the Company to fair value risk associated to interest rate. The Company's policy is to substantially maintain its loans with payment at variable interest rates based on the Interbank Deposit Certificate (CDI) rate. In order to minimize risks, the Company maintains a natural hedge comprised of financial assets and receivables adjusted at interest rates.

The Company is exposed to regular market risks as a result of changes in interest rates on its long-term obligations. The Company analyzes its exposure to interest rate on a dynamic basis; several scenarios are simulated, taking into consideration refinancing, renewal of existing positions and natural hedge. Based on these scenarios, the Company defines a reasonable change in interest rate and calculates impact on income. There is a permanent monitoring of contracted rates in comparison with those prevailing in the market.

The Company has insurance policies taken out with some of the main insurance companies in Brazil, which were determined in accordance with the orientation of experts, and take into consideration the nature and the level of risk involved.

Balance of "Accounts receivable" caption is distributed among credit card administrators and wholesale. The totality of balances receivable from clients is denominated in reais. Basically, 77.44% of the Company's receivables refer to credit card transactions.

31 Subsequent events

On November 09, 2021, there was an increase of R$ 730 in the Parent Company's capital through the issuance of 39,500 common, registered, book-entry shares, without par value, as a result of the exercise of stock options referring to the 2nd 2016 stock option program, as a result of such capital increase, the Parent Company's capital increased from R$ 1,926,070, divided into 242,958,522 shares, to R$ 1,926,800, divided into 242,998,022 shares.

* * *

Pedro Zemel
CEO

José Luís Salazar
CFO

Cristiane Silva
CRC 1SP 266056/O-4

SUMMARY REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2021

1. History and Composition

The Audit Committee of Grupo SBF S.A. ("Company") was created and established at a meeting of the Board of Directors held on February 15, 2019 ("Committee").

The Committee is governed by its Internal Regulation, approved at a meeting of the Board of Directors held on February 15, 2019, which governs its operation, in accordance with the provisions contained in the Company's Bylaws, in the Novo Mercado Regulations of B3 S.A. – Brasil, Bolsa, Balcão ("Novo Mercado Regulations") and in the legislation in force ("Internal Regulations").

The Committee is an advisory body linked to the Board of Directors, to which it reports, acting independently from the Executive Board, which, among its other attributions, must evaluate the quarterly information, interim statements, and financial statements.

The Committee is composed of 3 (three) members, as follows: (i) at least 1 (one) independent board member of the Company, pursuant to the Novo Mercado Regulation; and (ii) 1 (one) member with recognized experience in corporate accounting matters, pursuant to the regulations in force.

2. Committee's activities during the period

Pursuant to the Internal Regulation, the Audit Committee will meet whenever necessary and no less than four times a year.

In the fiscal period ended September 30, 2021, the Audit Committee held quarterly meetings, which were attended by all of its members, in order to monitor the evolution of the business during the fiscal year.

3. Audit Committee's Opinion

The Audit Committee, in the exercise of its attributions, recommends the approval by the Board of Directors of the quarterly information for the period ended September 30, 2021.

São Paulo, November 11, 2021.

Members
Luiz Alberto Quinta
Luiz Carlos Nannini
Pedro Wagner Pereira Coelho

STATEMENT OF EXECUTIVE BOARD ON QUARTERLY FINANCIAL INFORMATION

Chief Executive Officer Administrative, Financial Investor Relation Director
In accordance with item VI of article 25 of CVM Instruction 480, of December 7, 2009 (amended by CVM Instruction 586, dated September 8, 2017) the Executive Board declares that reviewed, discussed and agreed with Company's Quarterly Information for the period ended September 30, 2021 and authorizes the conclusion.

Opinions and Statements / Statement of the Executive Officers on Independent Auditor's Report

In accordance with item V of article 25 of CVM Instruction 480, of December 7, 2009 (amended by CVM Instruction 586, dated September 8, 2017) the Executive Board declares that reviewed and discussed about the content and opinions expressed in independent auditors' report on parent company and Consolidated Quarterly Information for the period ended September 30, 2021, issued on such date.

STATEMENT OF THE EXECUTIVE BOARD ON THE INDEPENDENT AUDITORS' REPORT

Chief Executive Officer Administrative, Financial Investor Relation Director The Executive Board declares that it agrees with the content and opinion expressed in the independent auditor's report on the parent company and consolidated Quarterly Information.

São Paulo, November 11, 2021.

Pedro de Souza Zemel - Chief Executive Officer

José Luís Magalhães Salazar - Financial and Investor Relations Director.

Gustavo de Lima Furtado – Chief Client Officer

Olivia Gryschek - Personnel and Management Director

Thiago Rebelo – Chief Operating Officer

Mauricio Nogueira – Chief Supply Chain Officer

Marcel de Araújo Viana – Chief Innovation and Technology Officer