

**EARNINGS CONFERENCE CALL**  
**1Q25**  
**May 12, 2026**

**Gustavo Furtado:**

Good morning, everyone. Thank you for being here with us during our earnings call for the 1Q26. I have with me Salazar, our CFO; Victoria, our IR Officer; and Luna, our IR Manager.

So on the first slide, I will just give you the highlights today for our agenda. We will talk about the main highlights for the beginning of the year, how we are moving forward with the main strategic initiatives of the Group, and then I will hand over to Salazar to go into details about the financial performance. And lastly, we will begin our Q&A session.

So let's talk about the main highlights for this 1Q26. We started off 2026 on a very excited tone with the way that we got ready to capture the opportunities of this year as it's a very special year. It's a World Cup year, a year in which our 2 brands, Centauro and Nike, or Fisia, really stand out.

So I would like to remind you that during 2025, as of the 2H, we acted on important movements, so we would be operationally ready for this year. I would like to stress that we strengthened our sales team at Centauro. We increased the number of athletes that worked in the stores and also the admin team at Fisia. And all of that makes us feel very confident to capture the opportunities in such a special year.

In fact, the year started off very well. And once again, we are presenting consistent results with net income going up almost 15%, ending at R\$1.8 billion. The gross income also grew well, 17%, achieving R\$906 million, gross margin at 50.8%, which represents a 1.1 p.p. increase year-over-year. And even with all the investments that we had during all of last year and some pressure on circumstantial expenses, we grew our net income at 6.1%, ending the period at R\$78.7 million.

Now about Centauro. At Centauro, we are still delivering consistent results. Once again, net revenues grew at double digits, 13.3%. Same-store sales at 15%, both channels well, brick-and-mortar, 20.8% and GMV in digital, almost 21% growth.

I would also like to highlight that we closed a gross margin very healthy at 51.3%. All of that goes to show how assertive we have been in choosing our portfolio, showing that we have still been growing with a lot of discipline and profitability.

Fisia had a great quarter. We start the year with growth in all channels. Wholesale was the one that stood out the most. So for this quarter, it grew almost 50%, actually 48%, mainly driven by the World Cup and the new clubs that Nike is now sponsoring, and the direct channels also had solid growth. The brick-and-mortar stores grew 16.4% and digital 15.4%. So overall, Fisia grew 26% in net revenues in this quarter.

And to conclude this highlights slide, I would like to say that we are still committed to our plan in modernizing the stores. We had done refits in 9 stores last year. And in this quarter, with 12 refits. So in all, 21 stores with a new look. I will go into details about that later on.

So on this slide, I would say that the major highlight was the long-awaited expectation of the launch of the Brazilian team's jersey. This is a very special moment for us because Centauro and Nike really stand out in this case. Nike, obviously, because it is a sponsor of the CBF, of

the Brazilian jersey, and Centauro because it's the most relevant distribution channel for World Cup products. So we launched the blue jersey on March 12. It was a very special March because it's the first time that the Jordan brand sponsored or had a partnership with the Brazilian Federation. They already had a partnership with PSG, but this is the first time with our federation. Nothing better for the brand than premiering in the World Cup with one of these jerseys.

So on March 22, we launched the yellow jersey. It's beautiful. The design was inspired in the more classic style uniforms, but with the new technology, more breathable. It's awesome.

And obviously, the figures for the 1Q are still not telling the story about the World Cup. The World Cup really happens in the 2Q of the year, especially in June. But we are very excited with the figures that we have seen so far in the launch, very much in line with our expectations. But once again, I would like to say that the World Cup actually happens in the 2Q. So we are moving forward highly focused to ensure that we execute the plan very well that we have been working on for over a year.

Now let's talk about Centauro. At Centauro, we are extremely confident. It's been delivering consistent results in the past quarters. All of the initiatives that we started using as of the 2Q25 have been reaping the results. It started actually last year, and we move forward confident knowing that we will deliver consistent results.

So this quarter, we ended with significant growth. Same-store was 12.4% and digital grew 20.8%. And footwear is still a main driver for growth. I believe it was the category that really took advantage of the actions that we had as of last year. So a new assortment, new policy of allocation, increasing the number of sales per people. So that has been shown to be a winning aspect.

So high performance running grew 48%. Those are the more expensive products that require a more technical specialized sale. And they have been performing very well in all stores, even in all the different profile shopping centers because we are picking the right products and having specialized sales.

Another category that was an important driver this year was obviously soccer. Even though we launched the official jerseys at the end of March as of the 2H of March, the Centauro stores were already showing something about the World Cup since the beginning of the year. So this year, we developed a line of licensed products from CBF that were incredible. You will see a very comprehensive portfolio of licensed products that achieved price that is at the base of the pyramid.

We also had another product that was very iconic, the World Cup soccer balls as well as jerseys from other federations. So the soccer category performed very well. And that is one of the other drivers of growth for Centauro in this quarter.

In this quarter, we also started to have our new strategy for the logistics network. Currently, the replenishment of all stores and fulfillment of digital comes from one single distribution center located in Extrema. And then we would like to be closer to other major centers. So smaller distribution centers closer to the stores, so that we can decrease the disruption in stores and have a better service and delivery in digital. That's very important to unlock the growth in the new stores and unlock the distribution in digital, and also allows an expansion strategy. So we have been focusing stronger on that concept in this quarter.

In this quarter, we also stepped on the gas in resetting the stores. We mentioned that we did that for 9 stores last year. We reported that these stores were performing 12 to 13 p.p. above

the mirror stores in the same region, and this quarter, we started 23 renovations and 12 were inaugurated in this quarter. So overall, we have 21 stores with a new look.

Now let's talk about Fisia. Fisia also delivered a very good quarter. As I mentioned, stores grew 16%, digital 15% and the growth of Fisia was 26% in net revenues. So we have been executing the plan that we developed in 2025. The main focus would be to recover wholesale, and we have been delivering consistent results since the 2H25.

So once again, last year, we reinforced our team. We started doing the brand events again. We improved the platform where customers enter their orders. So that is bringing about good results. And on this quarter, we were also able to capture incremental sales, not only for the World Cup, but also for the new teams that Nike and Fisia is sponsoring, which are Vasco and Galo.

We also talked about road running, which is very important for the DNA of the brand. So we reset the running portfolio completely last year. We mentioned a lot about road running that has 3 main franchisees, Pegasus, Structure and Vomero, and these products have been performing well, the new category is performing well. The entire category is performing well, and it has been a driver of growth for all channels.

And the last category was soccer. The presence in soccer is a very important factor to build any sports brand. And here in Brazil, last year, we advanced significantly. So we renewed our sponsorship agreement with Corinthians and signed 2 new ones, Vasco and Galo. And this year is a World Cup year, so it's a very important year to consolidate all these strategic advances that we conducted last year.

Now I am going to hand over to Salazar, and he will go into details about the financial results. Go ahead, Salazar.

**José Salazar:**

Thank you, Gustavo. Good morning, everyone. So now let's go into the financial details. Here, we can see at Centauro very solid results, healthy margins, approximately 51.3%. Revenue growth of 13.3%, highlight of soccer, driven by the World Cup sales and Vasco sales. Highlight of 22.3% growth in footwear.

Another important point that we monitor a lot is the number of items sold. So you can also see a growth of items sold. Specifically what we call internally of unlocking things. We saw growth not only in nominal prices, but also in number of items sold. So we are very satisfied with the store performance in the 1Q.

In digital as well, we had solid growth, approximately 10.1%. But more importantly, what we transact and the platform had a growth even higher than that. We had GMV growth of 20.8%. So we are trying to increase our operational capability and bring in more partners and sell more items and more products from partners.

Soccer is also a highlight, obviously, already impacted by the launch of the Brazilian team jersey and also the Vasco da Gama Jersey. We have a growth in traffic and items sold and also of the average ticket.

So we are very satisfied with the results of Centauro in this quarter. I would like to remind you that we started the process to leverage sales at Centauro in 2Q26. And now we are completing a year that we have unlocked the growth. So in that period, we were able to increase the potential of Centauro sales in both channels. And gross margin, there's just some fine-tuning,

so a growth from 50.7% to 51.3%. It's about the fine-tuning and better product allocation, less discounts.

Obviously, the Brazilian team Jersey, even though it's a small share, it does help. But the main thing is that we have been able to maintain a healthy margin at Centauro. So in gross profit in Centauro in the 1Q, we are very satisfied with our operations.

Moving on to the next slide about Fisia. We are also very satisfied with the results. We knew that the 1Q and especially in gross margin would be a challenge. We were feeling the FX pressure because this is a quarter in which the FX would feel more pressure in 2026. And as a result of the initiatives such as the tax incentives, and stores and in wholesale that we implemented across 2025, we were pretty much able to offset that FX pressure to the gross margin of Fisia. So you can see that the gross margin dropped but dropped just a little, even though we had a relevant FX effect.

Fisia's growth was very solid at 26%. Obviously, we have wholesale very strong, 48.7%. And part of that is obviously coming from the growth of net revenues and the tax incentive, but most is coming from the sales, not only the recovery of the channel, but also selling World Cup products.

It seems like we have less growth. Well, it does not seem. It is lower growth than the wholesale, obviously, but the digital channel that was growing in a slower manner, but in this 1Q, we see that channel going back to normal with the reallocation, so to speak, between the channels that took place as a result of many discounts that we gave in the past. Wholesale is recovering its space and digital is going into a more normal path of growth. And obviously, that is greater as a result of the World Cup sales.

And in brick-and-mortar stores, we have great performance of NDIS. We opened NDIS last year, and we see good performance in the stores.

So an important point that we always consider on the radar was recovering the wholesale channel, and now we are showing that recovery. We consolidated that recovery, a more normal recovery of growth in digital after a year that grew less, but now it's recovering the growth, and that's important in execution.

And in the stores, we see the potential that NDIS has. So we continue to expect to increase that store portfolio.

We had average ticket growth of NVS and NDIS, almost 14%. Digital had strong growth in soccer, 30% in running. Just to show you some figures about what Gustavo mentioned about the Nike DNA, 7.8% in casual and wholesale with great growth, solid recovery, almost 3 consecutive quarters of growth in wholesale.

So based on sales, it was a very interesting quarter for Fisia and Centauro. And the margins, as I mentioned before, we made all the efforts to offset the FX impact with tax incentives. And in gross margin, we practically offset that.

And always important to note that when we go into net margin, the tax incentive does not have taxes levied on it. So we were able to offset that, the negative impact in the 1Q, with the implementation of the tax incentives.

Moving on to the next point, there's the consolidated information of the Group. I will go real quick over this. I have already mentioned that in the business units. So approximately 15% growth in revenues quarter-over-quarter. Gustavo already mentioned this, the main vectors that led to that growth. And in gross profit, we had growth of 17.3%, healthy margins in

Centauro and Fisia where the FX effect was offset by the tax incentives. So we were able to grow gross margin even though there was negative pressure in Fisia. So gross profit growth, which was very healthy.

On the next slide, we can see operational expenses. Here, we have 3 important factors. In personnel, as we had a positive impact in Centauro sales given our plan, this is a quarter that we still did not have a comparison with the reinforcement that we had in staffing in stores. So there's an increase in those expenses, which is natural, and the hires in the new stores that were inaugurated in 2025. We have opened stores in 2025 for Fisia and Centauro. So during the year, we have new people working in the Group.

The important thing we should mention here is that the expenses in the 1Q were mainly connected to the growth expected for the year. We had royalties seasonality, actually a change in that because as we started 2025, in the 1Q, we have not launched the unlock plan, the Destrava plan. And then as of the 2Q, we launched that plan, and that led to stronger and more growth at Centauro. When we do that, we have an expectation of 3Q and 4Qs with robust growth as well. And then we changed the mix. So the share of receivables of products at Fisia is getting paid from Nike to supply the growth in Centauro.

We had a certain balance between the 1Q and 2Q, obviously, considering the seasonality. But as there was a change in the growth perspective during the year, we pulled in more products during the 2H that affects royalties. And I would like to remind you that royalties are deferred in 6 months. So based on the assumption that you have increased product pull in the 2H, and imagine that the midways between September and October, the highest impact of royalties of the seasonality will take place in the 1Q because it takes 6 months to happen. So I believe that most of the impact of the seasonality that is necessary to support the growth is impacted in the 1Q.

We also have the sponsorship of Vasco and Atletico Mineiro. We are selling and the contract is paid during the year. So we start off paying the fixed installments of those contracts that we did not have before. So that's natural. It's an investment that we are making, marketing expenses, investments, and it will be offset during the year as all the jerseys are sold.

And we have a linear recognition of the fixed installment of Corinthians. When we renegotiated that installment, it was mainly connected to the sale of the jersey that usually happens more as of March and April, the 2Q, when the Brazilian championship season starts.

This year, we maintained that expectation even though the Brazilian championship started a little bit earlier, but the fixed installments of that contract were balanced out during the year. So I would say there was a shift in the expenses that were mainly concentrated in 9 months and distributed across 12 months. So that was another impact.

I believe that that's what we had to do to grow, we had to make investments. The investments are reflected on CAPEX and the expenses that I mentioned before. Obviously, if you want to sell and grow in 2026, you have to bring in more products. If Centauro is going more, you have to bring in more product. If you invested in new clubs, you have to pay the fixed expenses, the marketing.

So we believe that all of that is a beneficial consequence of the investments that we are making. At first, you see a seasonal impact in the 1Q, but then you do see the return on investment during the year, especially through the sale of the jerseys and the sale of the actual products.

Obviously, I cannot forget to mention that in the 2Q and 2H last year, we were bringing in World Cup products affecting the royalties in the 1Q. So if we do not consider the specific

points, we are highly controlling our expenses and the Company is ready, as it grows, to achieve the operational leverage in retail.

On the next slide, we have EBITDA in line. The margin is a bit worse given the points that I just mentioned. And net income, we are able to offset the impact of the FX aspect given the fact that the tax incentive does not pay income tax. So without a doubt, that helped us to have profit and offset the FX impact. And for that, we have to look at the P&L of the Company and going through gross margin.

On this slide, on working capital, you cannot make an omelette without breaking eggs. So if we are getting ready for strong growth, be it because Centauro is going well, or because Fisia is recovering growth on some channels, or because the 2Q has the World Cup, that's just what we have to do. We have to replenish inventory, have inventory for all of that.

So average inventory days growth compared to previous years, it's a result of that. If retail grows, we need inventory, and that's mainly focused on the 2Q, or actually to be sold now in the 2Q because of the World Cup. The rest is normal Company operations that are at a different level of growth. So the Company has to reflect that in increasing inventory.

And in average inventory days, we have high growth. We are ready to support our growth. And as a result of wanting to grow, customers are asking for longer payment terms, probably a result of the economy. So we do have a growth in average receivable days. We are trying to decrease the number of installments in some channels, trying to get minimum installment amount for different stores to guarantee that a store such as in the Iguatemi shopping mall, which is upscale, would not have such long payment terms, and then we can get some gains out of that.

So it's a reality. We are going through a moment when we will grow a little more, and we have to finance our customers a little more. So it's also part of the plan that we had established.

Net debt, which is a reflex of the growth of 2 things. Working capital. So obviously, we have been growing during 2025 a lot, and now we are getting ready for another strong growth in the year. So we need more working capital to fund the growth. Without a doubt, we changed the CAPEX levels that we have had in the past. It was approximately R\$250 million, R\$280 million of CAPEX. We went up to almost R\$450 million CAPEX in the last 12-month period. So without a doubt, that has made us use the cash generation to fund the investment in working capital and also in CAPEX.

Debt is higher, so we are paying a little more interest. We paid dividends, and we also had some share buyback. Leverage went from 0.6x in March 2025 to 1.6x. When we look at the seasonality of December 2025 to March 2026, it's respecting the seasonality. 1Q and 2Qs are quarters where leverage naturally increases, especially in the year of a World Cup where you have to carry extra inventory. So without a doubt, that definitely impacts us in the 1Q more than the other normal quarters without a World Cup.

So I would say that this is within what we expected. This is expected leverage as a result of the growth that we expect for the year and as a result of the seasonality of the World Cup in 2Q.

Now we will move on to the Q&A session. So Gustavo and I are available to answer any questions you may have. Thank you.

Gustavo?

**Gustavo Furtado:**

Thank you, Salazar. So just a couple of comments before we open up the Q&A. We are very happy with the 1Q results. It's very much in line with what we had planned. Many actions that we made last year have materialized.

I am very proud of our team. I would like to congratulate them. They have been working relentlessly to put into practice everything that we have planned.

With that, let's begin the Q&A session.

**Danniela Eiger, XP:**

Good morning. Thank you for taking my question. Congratulations on your results. I have 2 on my side. The first one is about the competition. We have not seen that reflecting in an obvious manner in your results, but we have heard from some players of a more intensive competitive scenario and the marketplaces in that war between them, enabling that through coupons and other players in the industry, in the sports industry, as aggressive as they have always been.

So I would like to hear your opinion about the competitive environment. And even in the World Cup context, we have seen many players trying to be present in the Jersey environment. Obviously, you have an advantage because you have the official jerseys because of the sponsorship, but we have seen others trying to capitalize on that. So an update on your side about the competition.

My second question is more specific about the renovations. You mentioned that they have been delivering good results. Are there any metrics that you can share with us about the impact on profitability, sales? Where do you see the main gains in the performance after these renovated stores were open?

**Gustavo Furtado:**

Danni, thank you. Let me repeat your question to make sure that I did not miss anything. So the first part is about the perception of the competitive environment. And the second part of that first question is specifically about the competition trying to take advantage of the World Cup moment to attract more demand. And the second part is about the renovations of the stores and the metrics that we use to monitor that to see if things are according to plan or not. Is that right, Danni?

**Danniela Eiger:**

Yes. Perfect.

**Gustavo Furtado:**

Competitive scenario, to be honest, we do not see many changes compared to what we have been seeing across all of 2025. Nothing structural, I would say, that would make us change our policies in markdowns or pricing. Things are as they already were last year. So there's not much I can say about that.

About the World Cup, that's not something new either. During World Cup moments, we see things that happen, unfortunately. So big products, other companies taking advantage of that demand to attract the foot traffic, but we have operations to inhibit fake products and make sure that our official products are out there and standing out, but nothing really different than what we have seen in the past, especially in the World Cup of 2022.

About the new stores, during the renovation, another thing that we consider is how long it's going to be closed, what the impact on revenue will be. In most cases, we are not really closing the stores. We close the self-service part and renovate that footwear, and then close footwear and try to renovate something else, so we avoid how it impacts the sales, the CAPEX of the square meter of the renovations and then sales considering the mirror stores. We pick a group of stores in the same region to see if the impact after the renovation shows to be encouraging. And so far, we see that it's according to the metrics that we have determined as success.

**Eric Huang, Santander:**

Good morning. Thank you for taking our question. On our side, especially about gross margin, at Fisia, we had a positive surprise. Less pressure, I would say. So I would like to understand what we can consider about the dynamics during the year in terms of recovery, so during the year, the FX rate would not have such a negative impact. And when we look at the comments, you are saying that specifically in wholesale, there were some commercial conditions that were differentiated for the bigger customers. So I would like to understand how much of that impact on the margin came from that, so we can understand how we can consider the gross margin. And if those terms are just one-off for this quarter or if it's something that could carry over into the future. Thank you.

**Gustavo Furtado:**

Thank you for your question, Eric. I will let that first part of the exchange rate and how we were able to offset in the dynamics for the year to Salazar, and then I will answer the rest of the question.

**José Salazar:**

About the exchange rate, what we have been saying is that the negative aspect compared to a quarter, it happened. What we would have in this 1Q? A negative pressure. So we eventually see at Centauro a potential positive situation, given the sale of the Brazilian jersey. And in the 3Q and 4Q, we see the effects of a favorable exchange rate.

Obviously, I cannot go into the details about the size of that impact. But as of the 3Q and 4Q, in Fisia we have a perspective of a positive impact as a result of the exchange rate. And about the impact across the quarters, that's something that would happen with the Company.

**Gustavo Furtado:**

Salazar, your connection was not that good. You had some issues there. Maybe Eric might have not heard everything. So I am going to summarize what you mentioned and feel free to jump in.

So the exchange rate did put more pressure us in the 1Q and 2Q. And then in the 2H25, it started to favor us considering what we were thinking about last year. I cannot tell you about the order of magnitude how much that would represent, but that's the dynamic that we expect for the year. I believe you also mentioned the fact that the World Cup sales have been healthy, especially for Centauro and that it favors us.

And what was missing was the details for wholesale. There are some ups and downs in that depending on the half year, depending on when the products come in for the different orders of each customer.

So I would not say it's structural, that it's long lasting, but those ups and downs happen on a monthly basis and quarterly basis, depending on the sales of the different customer pools for Fisia.

**Pedro Perone, UBS:**

Good morning. I have 2 questions. One, about gross margin in Centauro, a margin that was a bit different than our expectations. So I would like to understand, can you talk about the drivers of the improvement in the quarter and the opportunities that you see moving forward for Centauro?

And another question is about working capital, especially about how we could imagine the dynamic moving forward, and connected to working capital and leverage of the Company for the remainder of the year. Thank you.

**Gustavo Furtado:**

Pedro, thank you for your question. So let me repeat that to make sure we answer it correctly. So first part about the gross margin of Centauro. Centauro presented better gross margin this quarter, quarter-over-quarter. So you would like to understand if there are any drivers and how they should behave moving forward. And the second part is about the working capital dynamics and how that would change or continue moving forward. Is that correct?

**Pedro Perone:**

Perfect, Gustavo. Thank you.

**Gustavo Furtado:**

About the gross margin of Centauro, like Salazar mentioned, it's fine-tuning, nothing really structural that would make the margin change levels. We started off the year with a new inventory percentage that was very healthy. And in fact, we have a gross margin difference that depends on inventory age.

It came in well distributed in stores. Inventory percentage of new inventory actually is very high, enabling us to turn over that inventory with a healthy gross margin. Digital preserved gross margin as well. And we had some help from the World Cup items, licensed products, and they sell without markdowns.

So I would say it's fine-tuning. No actual structural drivers that we can look at the future and say, okay, we changed levels in gross margin.

And now I am going to hand over to Salazar to answer about working capital.

**José Salazar:**

Let's see if my connection is better, because Gustavo is in Brazil, I am in the U.S., and we would expect that things would be better here, right? But anyways, I am in the U.S., it's not working so well. So let's see how this goes.

So working capital. I would say that this is not a typical year in the sense that usually, what we see in a normal year for the SBF Group is that you are going to have a 1Q where leverage is usually higher, and then we have a 2Q where leverage will decrease and you will start increasing the leverage in the 3Q again, because you are getting ready for Christmas. And

then in the 4Q, you are going to lower that leverage, because we have Christmas sales and that would be paid in the 1Q. So that's the normal life cycle of the Company.

But this year, specifically, we have the World Cup in the 2Q. So that means that the 1Q will have a more natural leverage, so to speak, higher because you are buying more inventory for an event that does not usually happen. And then in the 2Q that in theory, you should decrease your leverage, imagining a normal year, in a World Cup year, you are going to go into the 2H with the quarter with the sales that will allow you to lower leverage, but you are leaving a major event and you are going into another major event, which is the end of year. And the 2H is usually stronger. Historically, it's stronger.

So that, in addition to the fact that this year, we will be investing a reasonable amount of funds for the renovations, distribution centers, store openings, IT, so on and so forth. So the working capital dynamics will follow that Company pattern solely influenced by the 2Q event, making us feel more pressure during the year in working capital, but we will maintain the leverage of the Company. It will remain healthy.

So we have some specific things for accounts receivable as a result of the different terms that customers are requesting. Accounts payable, it's also seasonal to have a drop in the payment terms in the 1Q, and it goes back to normal afterwards. And then we go into the inventory dynamics that we have the World Cup. So this year is a bit different than a normal year, given the demand and working capital and extra growth that we would not normally have. That's the details that I can give you, Pedro.

**Renan Sartório, Safra:**

Good morning. Congratulations on your results. I have a follow-up about inventory, as it's high and there's a need of high sales to normalize that. So I would like to know what the demand is in sales for these recent months and what your expectation is for the rest of the year.

**Gustavo Furtado:**

Renan, thank you for your question. Just to repeat that, it's about what we expect for sales that would have a direct impact in how inventory will behave during the year, given that inventory levels are such right now that we expect strong sales. Is that correct?

**Renan Sartório:**

Exactly.

**Gustavo Furtado:**

Just to reinforce what Salazar mentioned that not only in terms of inventory, but also consequently, the leverage that's different than what we would naturally have because of the World Cup, but it's as we expected for the beginning of the year.

I would like to remind you that we started to expedite growth at Centauro as of the 2Q25, and we expect the 2Q now to be highly impacted by World Cup sales, much higher than normal compared to years that we do not have the World Cup. So that inventory is being created as of the last quarter of last year, so that we would be able to supply all the retailers and capture that demand of the World Cup, because it's very concentrated, very focused. So it's important that the inventory comes in much earlier than for conventional inventory buildup that we would have.

So looking at things that's been happening up to March, less than what we have seen in the subsequent months, is that we have been presenting high resilience in sales. In Centauro, it's the fifth consecutive quarter that we have had consistent growth, and in Fisia as well, as incremental effects and recovery of wholesale and other aspects in Fisia.

So we are very comfortable with the inventory dynamic. I would like to remind you that Centauro has a dynamic in which it's able to manage inventory receipt so that it behaves in a way according to sales. So the industry brings that in, and Centauro in a responsible manner, together with the brands, is able to adjust the inventory received to adapt to the sales profile of the year.

And at Fisia, since 2023, we have had more conservative policies in product purchases. We were trying to decrease the obsolete inventory last year. So Fisia has healthy inventory. We do not see any problems or issues with inventory or in the dynamics of working capital.

Salazar, would you like to add to that?

**José Salazar:**

No, that's the idea. Nothing to add.

**Felipe Rached, Goldman Sachs:**

Good morning. Thank you for taking my question. I would like to explore the expenses dynamic. It's very clear that the positive effect that you had in sales and most of the increase in expenses are related to structural reinforcement to support current and future growth. It would be interesting to understand, though, if you could quantify the amount of investment so we can understand how we should consider the dynamic of expenses and the potential dilution in the next quarter when they mature.

And another specific thing, not about the results, but just an update of the conversations with Nike to be an exclusive operator of the stores, that would be interesting as well.

**Gustavo Furtado:**

Thank you for your question, Rached. I was following the translation, so I want to repeat that. So the first one is about expenses. You mentioned that they are very well explained for the current moment, but there's some doubt about how that will behave moving forward. And the second one is a specific question about the negotiation, or renegotiation of the contracts with Nike. I will answer the second one and then hand over to Salazar.

We are very confident about the conversations that we have been having with Nike. The partnership has been growing stronger year after year. So I cannot really say anything about the contract, but I can say that we are very comfortable.

And I think that we are more comfortable than ever about the partnership that we have with Nike. We are very happy with the results that we have been presenting since we took over that operation, and we are very much in line with the plan for the next 3 to 5 years. So we are very comfortable.

Now I will hand over to Salazar to talk about the expenses.

**José Salazar:**

Felipe, about expenses, specifically about the stores, we did what we had to do last year. We do not really see any increase or decrease in the number of people in the stores in the upcoming quarters, in a way that if we look at the future, I would say that the cost that would be increased exclusively for that line item and expenses is salary increases because of the unions. So in that specific line item, in the increase of headcount, we should not have or imagine anything in addition to that. That's what I believe.

And in the 2Q specifically that you mentioned, we can assume operational leverage because we will have extra revenues from the World Cup. So we can even compare that and say that it's kind of like a second Christmas. It's revenues coming in, but instead of having that specific Christmas every single year will happen, it would happen in the 2Q of a specific year, which is 2026.

So we would imagine additional revenues given the World Cup, and the costs of that part of unlocking in the stores would be corrected by inflation given that we do not consider any increase or decrease in staff that would be relevant for that period.

### **Operator**

Our Q&A session is now over. Any other questions will be answered by our IR team. Now I hand over to Gustavo to make his final remarks.

### **Gustavo Furtado:**

Once again, I would like to thank all of you for your interest and participation in our earnings call for the 1Q26. I would say that we are very happy with the results that we have been showing in the past quarters, and this one as well.

I would really like to thank all our athletes, all our people, employees that are working relentlessly to deliver results, our shareholders and everyone who is a part of our operations.

See you next time with the results of the World Cup. Thank you.

### **Operator**

The SBF Group conference call is now adjourned. Thank you for your participation, and have a good day.

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